



**Ta Yang Group Holdings Limited**

**大洋集團控股有限公司**

*(incorporated in the Cayman Islands with limited liability)*

*(於開曼群島註冊成立之有限公司)*

*(Stock Code 股份代號 : 1991)*

# Moving Forward To A **BRIGHTER FUTURE**

Annual Report 年報 2017



**TaYang**

# SILICONE RUBBER

COMES FROM THE EARTH AND RETURNS TO

# THE EARTH

矽膠取自大地還回大地







WITH LOVE AND CARE  
**TA YANG**

BECOMES CUSTOMER'S  
MOST PREFERRED CHOICE

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寵愛顧客

**大洋** 是他們唯一的選擇

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# MISSION STATEMENT

## 使命

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### OUR MISSION

is to consolidate the leading is to  
consolidate the leading market position  
by providing a wide range of value-  
added silicone rubber products

### 大洋集團的使命

是藉着提供一系列高增值矽膠產品來  
鞏固市場上的翹楚地位





# Corporate Information

## 公司資料

### DIRECTORS

#### Executive Directors

Ms. Shi Qi (*Chairlady and Chief Executive Officer*)  
Ms. Xu Chendi  
Mr. Qiu Yonghao  
Mr. Huang Te-Wei

#### Non-Executive Directors

Mr. Gao Feng  
Mr. Han Lei  
Ms. Wang Yayuan (appointed on 19 December 2016)

#### Independent Non-Executive Directors

Ms. Zhang Lijuan  
Mr. Pak Wai Keung, Martin  
Ms. Lian Yi (appointed on 19 December 2016)  
Mr. Yeung Chi Tat (resigned on 10 September 2017)

### COMMITTEES

#### Executive Committee

Ms. Shi Qi\*  
Ms. Xu Chendi  
Mr. Qiu Yonghao  
Mr. Huang Te-Wei  
Mr. Chan Oi Fat

#### Audit Committee

Mr. Pak Wai Keung, Martin\*  
Ms. Zhang Lijuan  
Ms. Lian Yi (appointed on 19 December 2016)  
Mr. Yeung Chi Tat (resigned on 10 September 2017)

### 董事

#### 執行董事

施琦女士(主席兼行政總裁)  
許晨迪女士  
邱泳溟先生  
黃德威先生

#### 非執行董事

高峰先生  
韓磊先生  
王雅媛女士(於二零一六年十二月十九日獲委任)

#### 獨立非執行董事

張力涓女士  
白偉強先生  
連軼女士(於二零一六年十二月十九日獲委任)  
楊志達先生(於二零一七年九月十日辭任)

### 委員會

#### 執行委員會

施琦女士\*  
許晨迪女士  
邱泳溟先生  
黃德威先生  
陳愛發先生

#### 審核委員會

白偉強先生\*  
張力涓女士  
連軼女士(於二零一六年十二月十九日獲委任)  
楊志達先生(於二零一七年九月十日辭任)



### Remuneration Committee

Ms. Zhang Lijuan\*  
Mr. Pak Wai Keung, Martin  
Ms. Lian Yi (appointed on 19 December 2016)  
Mr. Yeung Chi Tat (resigned on 10 September 2017)

### Nomination Committee

Ms. Zhang Lijuan  
Mr. Pak Wai Keung, Martin  
Ms. Lian Yi (appointed on 19 December 2016)  
Ms. Xu Chendi (appointed on 4 October 2017)  
Mr. Yeung Chi Tat\* (resigned on 10 September 2017)

### Compliance Committee

Mr. Pak Wai Keung, Martin\*  
Ms. Xu Chendi  
Mr. Huang Te-Wei  
Mr. Chan Oi Fat  
Mr. Krassovski Victor

\* Committee Chairman/Chairlady

### AUTHORISED REPRESENTATIVES

Ms. Xu Chendi  
Mr. Chu Hau Lim

### FINANCIAL CONTROLLER

Mr. Chan Oi Fat

### COMPANY SECRETARY

Mr. Chu Hau Lim

### 薪酬委員會

張力涓女士\*  
白偉強先生  
連軼女士(於二零一六年十二月十九日獲委任)  
楊志達先生(於二零一七年九月十日辭任)

### 提名委員會

張力涓女士  
白偉強先生  
連軼女士(於二零一六年十二月十九日獲委任)  
許晨迪女士(於二零一七年十月四日獲委任)  
楊志達先生\*(於二零一七年九月十日辭任)

### 合規委員會

白偉強先生\*  
許晨迪女士  
黃德威先生  
陳愛發先生  
尉傑智先生

\* 委員會主席

### 法定代表

許晨迪女士  
朱孝廉先生

### 財務總監

陳愛發先生

### 公司秘書

朱孝廉先生

# Corporate Information 公司資料

## AUDITORS

SHINEWING (HK) CPA Limited

## RISK MANAGEMENT AND INTERNAL CONTROL REVIEW ADVISOR

SHINEWING Risk Services Limited

## REGISTERED OFFICE

Cricket Square  
Hutchins Drive  
P.O. Box 2681 GT  
Grand Cayman KY1-1111  
Cayman Islands

## PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Flat 28, 23rd Floor, Metro Centre II  
21 Lam Hing Street  
Kowloon Bay, Kowloon  
Hong Kong

## PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Royal Bank of Canada Trust Company (Cayman) Limited  
4th Floor, Royal Bank House  
24 Shedden Road, George Town  
Grand Cayman KY1-1110  
Cayman Islands

## HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

## PRINCIPAL BANKERS

Hang Seng Bank Limited

## 核數師

信永中和(香港)會計師事務所有限公司

## 風險管理及內部監控審閱顧問

信永方略風險管理有限公司

## 註冊辦事處

Cricket Square  
Hutchins Drive  
P.O. Box 2681 GT  
Grand Cayman KY1-1111  
Cayman Islands

## 香港主要營業地點

香港  
九龍九龍灣  
臨興街21號  
美羅中心2期23樓28室

## 股份過戶及登記總處

Royal Bank of Canada Trust Company (Cayman) Limited  
4th Floor, Royal Bank House  
24 Shedden Road, George Town  
Grand Cayman KY1-1110  
Cayman Islands

## 香港股份過戶及登記分處

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

## 主要往來銀行

恒生銀行有限公司

### COMPANY WEBSITE

<http://www.tayang.com>

### FINANCIAL YEAR END

31 July

### SHARE INFORMATION

Listing Date: 8 June 2007  
Stock Name: Ta Yang Group  
Stock Code: 1991  
Nominal Value: HK\$0.10  
Board Lot: 2,000 shares

### INVESTOR RELATIONS

Mr. Chan Oi Fat  
Telephone: (852) 3678 5088  
Facsimile: (852) 3678 5099  
Email: [alfred@tyanggroup.com](mailto:alfred@tyanggroup.com)

### 公司網站

<http://www.tayang.com>

### 財政年度年結日


七月三十一日

### 股份資料

上市日期： 二零零七年六月八日  
股份名稱： 大洋集團  
股份代號： 1991  
面值： 0.10 港元  
每手買賣單位： 2,000 股

### 投資者關係

陳愛發先生  
電話：(852) 3678 5088  
傳真：(852) 3678 5099  
電郵： [alfred@tyanggroup.com](mailto:alfred@tyanggroup.com)



**HEALTHCARE INDUSTRY**  
CORE PILLAR OF THE  
**21<sup>ST</sup> CENTURY'S**  
**ECONOMY**

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**大健康產業**  
是廿一世紀經濟  
的核心產業



## Directors' Profile 董事簡介

### Shi Qi

*Chairlady, Chief Executive Officer and Executive Director*

Ms. Shi Qi, aged 38, appointed as Chairlady, Chief Executive Officer and an executive Director in April 2016, has obtained a Master degree of Business Administration from Centenary College, New Jersey, majoring in Finance in May 2009. Ms. Shi has more than 10 years of experiences in corporate reorganization, corporate and project financing, investments in real estate, securities and non-securities assets and risk management. In 2009, she founded Seven Ocean Investments Limited ("Seven Ocean"), and under the leadership of Ms. Shi, Seven Ocean has developed from a small scale financing company to a company that principally engages in providing financing and corporate solutions and consultancy services, and large scale medical and healthcare development projects. In 2015, Ms. Shi invested in the development of Central Maine Healthcare Institute, which delivers quality healthcare services in Auburn, Maine (USA). Ms. Shi will also be responsible for the on-going management and daily operation of the Central Maine Healthcare Institute. Ms. Shi has also invested in the construction of the Central Leisure Park\* (中央休閒公園) in Tongzhou Xincheng\* (通州新城), Beijing, a public infrastructure covering an area of approximately 42.62 hectares and providing sports, entertainment, medical and healthcare related services. Ms. Shi was responsible for financing, devising the conceptual design and the implementation plan and monitoring and managing the progress of the construction. Ms. Shi will also be responsible for the project's subsequent operation and maintenance for 30 years. Ms. Shi, the sole director and the ultimate beneficial owner of the controlling shareholder of the Company, is deemed to be interested in 436,540,400 Shares (representing approximately 50.11% of the issued share capital of the Company as at the date of this annual report) held by the controlling shareholder.

### 施琦

*主席、行政總裁兼執行董事*

施琦女士，38歲，於二零一六年四月獲委任為主席、行政總裁兼執行董事，於二零零九年五月修畢紐澤西世紀學院工商管理碩士學位，主修金融。施女士在企業重組、企業及項目融資、房地產投資、證券及非證券資產及風險管理方面擁有逾10年經驗。於二零零九年，彼創辦Seven Ocean Investments Limited (「Seven Ocean」)，在施女士的帶領下，Seven Ocean由一間小型融資公司發展為一間主要從事提供融資及企業解決方案與諮詢服務，以及大型醫療及保健發展項目的公司。於二零一五年，施女士投資開發中緬因州醫養中心，該中心於美國緬因州奧本市提供優質保健服務。施女士亦將負責中緬因州醫養中心的持續管理及日常營運。施女士亦投資參與北京通州新城中央休閒公園的建設，公園佔地約42.62公頃，提供運動、娛樂、醫療保健相關服務。施女士負責該項目的融資、概念性方案設計及項目實施性方案設計，以及監察及管理建設進度。施女士亦將負責該項目其後30年的營運及維護工作。施女士為本公司控股股東的唯一董事及最終實益擁有人，彼被視為於控股股東持有的436,540,400股股份（相當於本年報日期本公司已發行股本約50.11%）中擁有權益。

\* for translation purpose only

### Xu Chendi

*Executive Director*

Ms. Xu Chendi, aged 31, appointed as an executive Director in April 2016, graduated with first class honour from University College London, United Kingdom of science (economics) majoring in Economics and Statistics in 2007 and subsequently obtained a Master degree in Philosophy, majoring in Real Estate Finance, from University of Cambridge, United Kingdom in 2008. She has approximately 8 years of experience in real estate, lodging and leisure investment and China investment at various international investment banks. She worked at UBS AG, Hong Kong from July 2011 to September 2014 and she worked at Macquarie Group from August 2008 to June 2011. She was mainly responsible for advising clients on corporate finance transactions, both fund raising activities in Hong Kong and overseas, initial public offering projects, and merger and acquisition transactions. She also advised on share placements and bond issuances and made recommendations on valuations on listed companies and corporate finance opportunities.

### Qiu Yonghao

*Executive Director*

Mr. Qiu Yonghao, aged 37, appointed as an executive Director in April 2016, completed an Executive Development Program for Master in Business Administration for Chinese entrepreneurs (中國企業經營者項目—工商管理碩士課程研修班) from Guanghua School of Management of Peking University (北京大學光華管理學院) in September 2013. He has more than 10 years of experience in corporate management and has been a General Manager, Director or Chairman of companies that engage in real estate investments and securities investments. Mr. Qiu is a Director of Beijing Qihai Investment Limited\* (北京七海投資有限公司) ("Beijing Qihai"), a company in which Ms. Shi Qi is also one of the senior management. Beijing Qihai engages in equity investment, financing, financial advisory and other professional services. It operates in a range of industries including real estate, healthcare, energy and resources. Mr. Qiu is mainly responsible for evaluating investment opportunities for Beijing Qihai.

### 許晨迪

*執行董事*

許晨迪女士，31歲，於二零一六年四月獲委任為執行董事，於二零零七年以一級榮譽修畢英國倫敦大學學院理學士(經濟)學位，主修經濟及統計，其後於二零零八年取得英國劍橋大學哲學碩士學位，主修房地產金融。彼於多間國際投資銀行的房地產、酒店及休閒設施投資以及中國投資部門有約8年工作經驗。於二零一一年七月至二零一四年九月，彼任職於瑞士銀行香港分行；於二零零八年八月至二零一一年六月，彼任職於麥格理集團。彼主要負責為客戶提供企業融資交易(香港及海外的集資活動)、首次公開發售項目及併購交易方面的意見。彼亦提供股份配售及債券發行方面的意見，並就上市公司的估值及企業融資機會提供推薦意見。

### 邱泳溟

*執行董事*

邱泳溟先生，37歲，於二零一六年四月獲委任為執行董事，於二零一三年九月修畢北京大學光華管理學院的中國企業經營者項目—工商管理碩士課程研修班。彼於企業管理方面擁有逾10年經驗，並曾出任多間房地產投資及證券投資公司的總經理、董事或主席。邱先生為北京七海投資有限公司(「北京七海」)的董事(施琦女士亦為該公司高級管理層之一)。北京七海從事股票投資、融資、財務顧問及其他專業服務。該公司業務涉及多個行業，包括房地產、保健、能源及資源等。邱先生主要負責評估北京七海的投資機會。

\* for translation purpose only

# Directors' Profile

## 董事簡介

### Huang Te-Wei

Executive Director

Mr. Huang Te-Wei, aged 37, appointed as an executive Director in February 2006. He is the head of Control Department and is responsible for overseeing the Group's compliance and internal control matters. From 2008 onwards, Mr. Huang was also responsible for the supervision of the daily operation of the Group's factories in PRC and strategic planning. He was also appointed as Chief Executive Officer of the Company in February 2011 while resigned in April 2016. Mr. Huang graduated from the Industrial Administration stream, Department of Business Administration, National Taiwan University and has completed his military service in Taiwan. Mr. Huang is also a director of one subsidiary of the Group.

### Gao Feng

Non-executive Director

Mr. Gao Feng, aged 37, appointed as a non-executive Director in April 2016, has around 9 years of experience in corporate management. He has been the General Manager of Beijing Zhongmei Zhengchen Construction Limited Company\* (北京中煤正辰建設有限公司), which mainly engages in real estate and construction since 2012. He was the General Manager of Beijing Kaiyun Zhifeng Trades Limited Company\* (北京凱運之峰工貿有限公司) from 2009 to 2012.

### Han Lei

Non-Executive Director

Mr. Han Lei, aged 48, appointed as a non-executive Director in April 2016, has more than 20 years of entertainment and performing experience in the music industry and had received numerous awards in the industry. Mr. Han has participated in CCTV Spring Festival Evening Galas, charity performances, cultural and tourism promotion performances, etc. Other than his entertainment career, he also actively participates in various political associations and social campaigns. He was a member of the Tenth All-China Youth Federation (中華全國青年聯合會). He was appointed as the "Celebrity of Health" (健康名人) by the preceding Kang Yi Wang\* (康易網) and the image ambassador in "Yao Yang" public pension project (曜陽養老公益項目) conducted by Red Cross Society of China.

### Wang Yayuan

Non-executive Director

Ms. Wang Yayuan, aged 31, appointed as a non-executive Director in December 2016. She holds a degree of Bachelor of Business Administration from the Chinese University of Hong Kong. She has been a Financial Risk Manager (FRM) since 2010. From 2009 to 2016, Ms. Wang worked as an Associate Director at Shenwan Hongyuan Securities (H.K.) Limited (0218.HK), providing securities and futures brokerage service. She has extensive management experience and investment experience in Hong Kong and U.S. stock markets. Since July 2016, she has been a Managing Director in the Leveraged and Acquisition Finance Department of Mason Securities Limited, a wholly-owned subsidiary of Mason Group Holdings Limited (0273.HK), and mainly responsible for acquisition finance and cross border finance. In addition, Ms. Wang is a famous financial columnist with over 10 years' experience writing bylined articles for newspapers in mainland China, Hong Kong and Taiwan.

\* for translation purpose only

### 黃德威

執行董事

黃德威先生，37歲，於二零零六年二月獲委任為執行董事。彼為監控部門主管，負責監督本集團的合規及內部監控事宜。自二零零八年起，黃先生亦負責監督本集團中國廠房的日常營運及策略規劃。彼亦於二零一一年二月獲委任為本公司行政總裁，但於二零一六年四月辭任。黃先生畢業於國立台灣大學工商管理學系工業管理組，並曾於台灣服兵役。黃先生亦為本集團一間附屬公司的董事。

### 高峰

非執行董事

高峰先生，37歲，於二零一六年四月獲委任為非執行董事，於企業管理方面約有9年經驗。彼自二零一二年起出任北京中煤正辰建設有限公司總經理，而該公司主要從事房地產及建築業務，彼自二零零九年至二零一二年曾擔任北京凱運之峰工貿有限公司總經理。

### 韓磊

非執行董事

韓磊先生，48歲，於二零一六年四月獲委任為非執行董事，於音樂行業擁有超過20年的娛樂及表演經驗，曾獲業內多個獎項。韓先生曾參與中央電視台春節聯歡晚會、慈善表演、文化及旅遊推廣等多項表演。除娛樂事業外，彼亦積極參與多個政治組織及社會運動。彼為中華全國青年聯合會第十屆委員會委員。彼亦為前康易網的「健康名人」及中國紅十字會舉辦的「曜陽」養老公益項目的形象大使。

### 王雅媛

非執行董事

王雅媛女士，31歲，於二零一六年十二月獲委任為非執行董事。彼持有香港中文大學工商管理學士學位。彼自二零一零年起為金融風險管理師。於二零零九年至二零一六年，王女士於申萬宏源(香港)有限公司(0218.HK)任職助理總監，提供證券及期貨經紀服務。彼於香港及美國股票市場擁有豐富的管理經驗及投資經驗。自二零一六年七月起，彼擔任茂宸證券有限公司(茂宸集團控股有限公司(0273.HK)的全資附屬公司)併購融資部的董事總經理，主要負責收購融資及跨境融資。此外，王女士為知名財經專欄作家，在中國內地、香港及台灣擁有逾10年為報刊撰寫署名文章的經驗。



### Zhang Lijuan

*Independent Non-executive Director*

Ms. Zhang Lijuan, aged 64, appointed as an independent non-executive Director in April 2016, is the Executive Vice President and the Secretary General of Chinese Association of Geriatric Research (中國老年保健醫學研究會). She has over 10 years of experience in the healthcare and medical industry. She was the Vice President and the Executive Vice Secretary General of China National Health Association (中國民族衛生協會) from August 2005 to May 2010.

### Pak Wai Keung, Martin

*Independent Non-executive Director*

Mr. Pak Wai Keung, Martin, aged 54, appointed as an independent non-executive Director in April 2016, is a fellow of the Hong Kong Institute of Certified Public Accountants, an associate of The Institute of Chartered Secretaries and Administrators in the United Kingdom and The Hong Kong Institute of Chartered Secretaries. He has accumulated over 25 years of experience in finance, accounting and corporate governance affairs. Mr. Pak had held positions as the Chief Financial Officer and the Company Secretary at various listed companies in Hong Kong. Since May 2017, Mr. Pak has been the Chief Financial Officer of The Hong Kong Building and Loan Agency Limited (Stock Code: 145), a company listed on the main board of the Stock Exchange. On 19 January 2017 and 19 September 2017, Mr. Pak has been appointed as independent non-executive Directors of Trony Solar Holdings Company Limited (Stock Code: 2468) and Nan Nan Resources Enterprise Limited (Stock Code: 1229) respectively, companies listed on the main board of the Stock Exchange.

### Lian Yi

*Independence Non-executive Director*

Ms. Lian Yi, aged 29, appointed as an independence non-executive Director in December 2016. She holds a degree of Master of Commerce in Finance from The University of New South Wales. Since July 2014, she has been the sole director of Violet Passion Holdings Limited, a private company incorporated in British Virgin Islands which engages in the business of private equity investments. She has years of experience in the financial and equity investments industry.

### 張力涓

*獨立非執行董事*

張力涓女士，64歲，於二零一六年四月獲委任為獨立非執行董事，為中國老年保健醫學研究會常務副會長兼秘書長，於保健醫療行業擁有逾10年經驗。彼自二零零五年八月至二零一零年五月期間，曾任中國民族衛生協會副會長及常務副秘書長。

### 白偉強

*獨立非執行董事*

白偉強先生，54歲，於二零一六年四月獲委任為獨立非執行董事，為香港會計師公會資深會員、英國特許秘書及行政人員公會會員及香港特許公司秘書公會會員。彼於財務、會計及公司管治事務方面積逾25年經驗，曾於香港多間上市公司擔任財務總監及公司秘書職位。自二零一七年五月起，白先生一直擔任聯交所主板上市公司香港建屋貸款有限公司(股份代號：145)財務總監。於二零一七年一月十九日及二零一七年九月十九日，白先生分別獲委任為創益太陽能控股有限公司(股份代號：2468)及南南資源實業有限公司(股份代號：1229)獨立非執行董事，該等公司均於聯交所主板上市。

### 連軼

*獨立非執行董事*

連軼女士，29歲，於二零一六年十二月獲委任為獨立非執行董事。彼持有新南威爾斯大學商學(金融專業)碩士學位。自二零一四年七月起，彼為Violet Passion Holdings Limited的唯一董事，該公司為於英屬處女群島註冊成立的從事私募股權投資業務的私營公司。彼於金融及股權投資行業擁有多年經驗。





**TO MAXIMISE  
PROFIT  
AND RETURN**  
FOR SHAREHOLDERS

股東利潤  
**回報最大化**

# Chairlady's Statement

## 主席報告

Dear Shareholders,

On behalf of the Board of Directors of Ta Yang Group Holdings Limited, I herewith present all shareholders the annual report of the Group for the year ended 31 July 2017.

The global economy remained plagued by instability during the financial year, with several unanticipated events, Brexit, terrorist attack in Europe, nuclear weapon test in North Korea, causing the world more uncertainty. Despite of the sluggish growth, China was comparatively more stable than other countries, which is the driving force for global economy. During the second half of the financial year, there is slight improvement in global economic, and hence our customers' confidence which caused the Group's turnover back to positive growth, although the impact is not significant. To maintain the competitiveness, the Group managed to control the operating expenses at reasonable stable level and to dispose of non-core business as part of streamlining efforts and this led to an improvement in Group's performance.

### FINANCIAL RESULTS

By the end of the financial year, the Group's revenue increased by 3.6% to HK\$400.5 million. The Group's loss for the year was HK\$74.1 million, (2016: HK\$72.3 million) while loss per share for the year was HK8.43 cents (2016: HK9.12 cents).

### BUSINESS REVIEW

Consumer electronic devices ("CED") peripheral products and keypads for computers businesses continued to be our core businesses. During the year, the largest segment — CED peripheral products have recorded a considerable increase while other segments remained unstable and some of them recorded continuous decrease.

With the recent popularity of use of sporty bands and smart watches, it caused the sales orders to expand dramatically. At the same time, the sales for traditional products continued to be weak. In addition, the impact from the consolidation of production plant and the depreciation of Renminbi, reduce the production cost in the PRC and has resulted in a growth of profit margin.

各位股東：

本人謹代表大洋集團控股有限公司董事會向全體股東提呈本集團截至二零一七年七月三十一日止年度的年報。

本財政年度的全球經濟仍不穩定，英國脫歐、歐洲恐襲、朝鮮核試驗等一系列出人意料事件增加了全球經濟的不確定性。儘管增長放緩，中國相對其他國家而言更趨穩定，成為全球經濟增長的驅動力。於財政年度下半年，全球經濟增長略有改善，儘管影響不大，但客戶信心得以提振，令本集團營業額恢復正增長。為保持競爭力，本集團設法將經營開支控制在合理穩定水平，並出售非核心業務以精簡架構，從而改善本集團表現。

### 財務業績

截至本財政年度年結日，本集團的收益增加3.6%至400,500,000港元。本集團本年度虧損為74,100,000港元(二零一六年：72,300,000港元)，而本年度每股虧損則為8.43港仙(二零一六年：9.12港仙)。

### 業務回顧

消費電子裝置(「消費電子裝置」)周邊產品及電腦按鍵業務繼續為本集團的核心業務。於本年度，最大分部 — 消費電子裝置周邊產品錄得大幅增長，而其他分部仍不穩定，若干分部持續錄得跌幅。

隨著近期流行使用運動腕錶及智能手錶，本集團的銷售訂單大幅增加。同時，傳統產品銷售持續疲弱。此外，整合生產廠房及人民幣貶值，減少中國生產成本，令利潤率有所增長。

### OUTLOOK

Based on latest economic indicators, the U.S. economy is expected to grow only sluggishly for the coming year. The Eurozone will be no less complex and remain unclear, with major elections coming up in many countries potentially disrupting status quo, as well as Britain's exit negotiations with the European Union.

While for the PRC economy, the GDP growth rate in China will experience a continued slowdown in the coming years together with increased volatility in Renminbi, the Group remains cautious on the operating environment in the PRC and will face any up-coming challenges head-on by relying on its traditional strengths of diligence, perseverance and solid, reliable management. The Group will also focus on strengthening our financial position preparing for deployment of new growth strategies at the right timing.

As the Group continues to diversify and strengthen the business base, in the immediate future, the development of the medical and healthcare business is still in progress and some facilities have launched to operate and generate revenue. Although the revenue was still insignificant during the financial year, the Group is confident that the business will be the driving force in the coming future after the commencement of full operation.

### APPRECIATION

I would like to take this opportunity to express my sincere gratitude to the management team for their contributions to the Group as well as our workforce for their tireless efforts in ensuring the ongoing development. At last but not least, I must extend my appreciation to all of our business partners, customers and shareholders for their unwavering trust and tremendous support.

**Shi Qi**

*Chairlady and Chief Executive Officer*

### 展望

根據最新經濟指標，美國來年的經濟預期緩慢增長。歐元區的經濟也比較複雜及仍不明朗，多國將於來年大選，加上英國脫歐談判等因素將使歐洲陷於陰霾之中。

在中國經濟方面，中國的國內生產總值增長速度在未來數年將持續放緩，加上人民幣波動持續增大，本集團對中國經營環境仍持審慎態度，並將繼續努力不懈，堅持以勤奮務實的經營信念面對挑戰。本集團亦將著力於強化財務狀況，為於適當時機推行新增長策略作好準備。

隨著本集團持續多元化發展及鞏固業務基礎，在不久的將來，醫療及保健業務仍在發展當中，且若干設施已投入營運及產生收益。儘管本財政年度收益甚微，本集團相信，該業務在開始全面運作後將成為未來的動力。

### 致謝

本人謹藉此機會對管理層團隊為本集團作出的貢獻及全體員工的不懈努力使得本集團不斷發展表示衷心感謝。最後，本人要對本集團所有業務夥伴、客戶及股東的堅定信任及鼎力支持致以誠摯謝意。

主席兼行政總裁

施琦



An underwater scene featuring a vibrant coral reef in the foreground and middle ground. The water is a deep, clear blue, with sunlight filtering down from the surface, creating a shimmering effect. Several small fish are visible swimming in the background. The overall atmosphere is serene and healthy, symbolizing vitality and longevity.

PRESERVING **HEALTH**  
TO BOOST OVERALL  
**FITNESS AND**  
**LONGEVITY**

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**養生**

乃是一種綜合性的**強身益壽活動**

# Business Review and Outlook

## 業務回顧及展望

### MARKET REVIEW

During the financial year which is an eventful period with a number of “black swan” events globally, such as U.S. President Donald Trump’s protectionist policies, Brexit and North Korea crisis, it brought uncertainty to the worldwide economy. With U.S. rate-hike cycle rolling into motion, currencies of many developing countries are bound to experience increased volatility, potentially disrupting their fragile economic recoveries. As a result, the consumer confidence and spending remained weak especially on the traditional electronic products.

On the other hand, the immense popularity for silicone rubber made products show signs of recovery of the Group’s business. Silicone rubber are now used in plenty of innovative and trendy products and this help to broaden the customer base and hence the sales orders.

### BUSINESS REVIEW

#### Company’s Overall Performance

The revenue for the financial year ended 31 July 2017, increased by 3.6% as compared to last year. The primary source of income of the Group still derived from sales of consumer electronic devices peripheral products and computers, and its percentage to total revenue were 55.0% and 12.4% respectively. During the year, the conventional electronic products continued to contract, some of our customers were facing downwards pressure on sales orders.

To cope with the shrink of keypads products market, the Group has succeeded to explore the market of non-keypad products.

With the nature of more environmental friendly and fancy design, the daily living products made of silicone rubber become more common. This trend also extended to those peripheral products of consumer electronic devices. During the year, the Group was placing more effort towards the introduction of application of silicone material and demonstrated the ability to meet the customers’ specific requirement. The success in expansion in customer base caused the proportion of non-keypad sales are acting as a new driving force and has dramatically contribution to the revenue, offsetting the drop of sales orders of traditional products.

The operating environment in the PRC has improved slightly during the year. The production costs have been decreasing following the continuous depreciation of the RMB. Together with the tight cost controls measure and improvement in operational efficiency, the gross profit margins recorded an obvious improvement for the consecutive year.

### 市場回顧

本財政年度正值多事之秋，全球範圍內出現多宗「黑天鵝」事件，如美國總統當奴·特朗普之保護主義政策、脫歐及北韓危機，令全球經濟再添變數。隨著美國加息週期提上日程，眾多發展中國家的貨幣必定會波動加劇，有可能令緩慢的經濟復甦再受打擊。因此，消費者信心及支出仍疲軟，尤其是對傳統電子產品方面。

另一方面，以矽膠製造的產品廣受歡迎令本集團業務顯示復甦跡象。矽膠現被應用於各種創新及時尚產品，此舉有助拓闊客戶基礎，進而令銷售訂單增加。

### 業務回顧

#### 本公司的整體表現

截至二零一七年七月三十一日止財政年度的收益較去年增加3.6%。本集團的主要收入來源仍為消費電子裝置周邊產品和電腦的銷售，兩者在收益總額中所佔比重分別為55.0%及12.4%。傳統電子產品於年內繼續收縮，部份客戶的銷售訂單面臨下調壓力。

為應對按鍵產品市場萎縮，本集團已成功開拓非按鍵產品市場。

由於以矽膠製造的生活產品更加環保且設計精緻，因此越來越普及使用。此趨勢亦延伸至消費電子裝置的周邊產品。年內，本集團致力於開始應用矽膠材料，並顯示其有能力達到客戶的特定要求。由於成功擴大客戶基礎，令非按鍵產品銷售額所佔比例成為收益增長的新動力，為收益貢獻良多，抵銷了傳統產品銷售訂單下跌的影響。

年內中國經營環境輕微好轉。人民幣持續貶值令生產成本持續下降。憑藉收緊成本控制措施及營運效率改善，毛利率連續出現明顯改善。



### OUTLOOK

The macro environment is expected to remain challenging, particularly in the PRC which will face higher wages, inflation, changing regulatory requirements and currency fluctuations. Additionally, geo-political influences in the U.S. and Europe could potentially drive significant macro-economic uncertainties as well as increased foreign currency risks. In light of these headwinds, the Group will continue to implement strategies to mitigate and minimize any potential effects.

As part of streamlining efforts, the Group will continue to control the operating expenses at reasonable level and to dispose of non-core business. Specifically, the Group is targeted to evolve from a traditional manufacturer into a technology-driven solution provider, so the Group will continue to put more efforts on research and development to improve product quality, develop application ability of raw material and build up closer relationship with the customers. This proactive strategy will enable the Group to pursue higher profit margin.

As the use of silicone rubber are becoming more and more common in daily life, and broaden its product mix to convert to a silicone rubber producer from a keypad producer, which can have a broader mix in customer portfolio.

With the Group's long term business strategies to explore other business opportunities and diversify the income stream of the Group into different areas, the Group has penetrated into medical and healthcare business by acquiring a multi-purpose leisure project in Hainan, PRC which was in process of re-development into a high-end healthcare holiday resort. The project started to generate revenue and we expect that it will generate profits from the high-end residential sales, leasing and healthcare services in the foreseeable future. Besides, the Group will endeavor to explore other business opportunities, including the feasibility of diversifying the income stream of the Group by exploring business and investment opportunities into different business areas.

### 展望

宏觀經濟預期依然嚴峻，尤其中國，其將面臨工資、通脹上升、監管規定及貨幣波動變幻莫測局面。此外，美國及歐洲地緣政治影響有可能令宏觀經濟不確定性加重及貨幣風險加大。鑑於該等不利環境，本集團將繼續執行策略以緩解及減輕任何潛在影響。

為精簡架構，本集團將繼續將經營開支控制在合理水平，並出售非核心業務。具體而言，本集團旨在從傳統生產商轉型為技術為本的解決方案供應商，故本集團將繼續加大研發力度，以提升產品質量、開發原材料的應用面及與客戶建立更緊密的關係。上述積極的策略將有助本集團實現更高的利潤率。

由於矽膠於日常生活的應用日益普及，其將擴大產品組合，由按鍵生產商向矽膠生產商轉型，從而擴闊客戶組合。

憑藉本集團的長期經營策略，發掘其他商機及多元化本集團收入流至不同領域，本集團已收購位於中國海南省的多用途休閒項目（正在重新發展為高端醫療養生度假村），進軍醫療及保健行業。該項目開始產生收益且我們預期其於可預見未來可自高端住宅銷售、租賃及醫療保健服務中盈利。此外，本集團將致力於物色其他商機，包括物色不同業務範疇的營商及投資機遇，以豐富收入來源。



LIVING LIFE TO THE  
**FULLEST**  
WITH BENEFITS OF  
**HEALTHCARE  
MEDICAL**

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**健康醫療**  
提高生命的  
**質量**



# Management Discussion and Analysis

## 管理層討論與分析

### FINANCIAL REVIEW

#### Revenue

Revenue represents gross revenue generated from the sales of our products and service provided, net of sales tax and other similar taxes.

The consolidated revenue for the year ended 31 July 2017 was increased by 3.6% to HK\$400.5 million (2016: HK\$386.5 million) while our loss attributable to equity shareholders was HK\$74.1 million (2016: HK\$72.3 million).

Basic loss per share of the Company was HK8.43 cents (2016: HK9.12 cents) per share based on the weighted average number of 865,257,000 (2016: 781,747,000) shares in issue during the year.

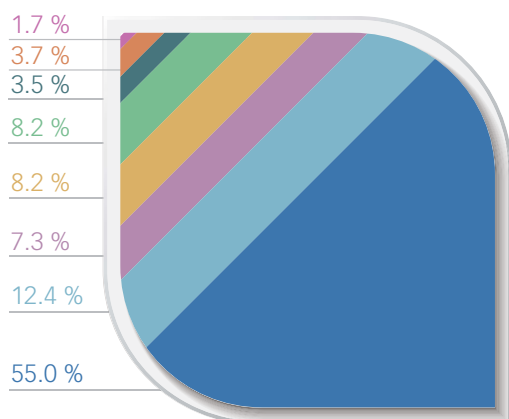
### 財務回顧

#### 收益

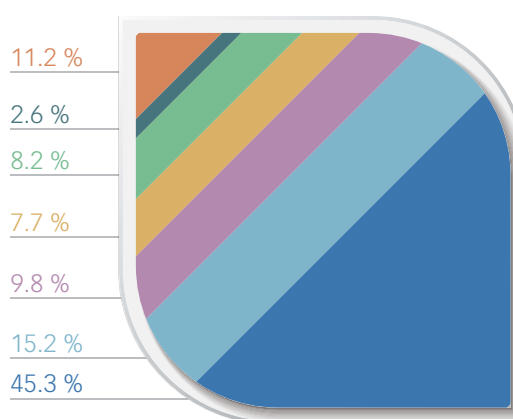
收益指源自銷售產品及提供服務的收益總額減銷售稅及其他類似稅項。

截至二零一七年七月三十一日止年度的綜合收益增加3.6%至400,500,000港元(二零一六年: 386,500,000港元)，而權益股東應佔虧損為74,100,000港元(二零一六年: 72,300,000港元)。

根據年內865,257,000(二零一六年: 781,747,000)股已發行股份的加權平均數計算，本公司的每股基本虧損為8.43港仙(二零一六年: 9.12港仙)。



2017  
二零一七年



2016  
二零一六年

Consumer electronic devices peripheral products  
消費電子裝置周邊產品

Keypads for computers and notebooks  
電腦及筆記型電腦按鍵

Lifestyle products  
生活產品

Others  
其他

Automotive peripheral products  
汽車周邊產品

Mobile phone peripheral products  
手機周邊產品

Chemical products  
化學產品

Healthcare and hotel services  
醫療保健及酒店服務

# Management Discussion and Analysis

## 管理層討論與分析

### SALES BY PRODUCT

#### Silicone Rubber and Related Products

##### Consumer electronic devices peripheral products

Revenue for the consumer electronic devices peripheral products increased by approximately 25.9% to HK\$220.3 million in 2017 from HK\$175.1 million in 2016.

During the year, consumer sentiment on the conventional electronic products was still weak, especially for those with keypads, the sales orders from those products continued to shrink. In order to fill up the shortfall due to the drop of those sales, the Group has put more effort to explore the market of non keypad products. Although the competition in the saturated market is fierce, the Group succeeded get more orders from new innovative products such as sporty bands. As a result, the sales of consumer electronic devices peripheral products had a considerable growth during the year. The Group will continue to expand the customer base on non keypad products by providing robust product quality and attractive prices.

##### Mobile phone peripheral products

Revenue for the sales of mobile phone peripheral products increased by approximately 40.8% to HK\$14.0 million in 2017 from HK\$9.9 million in 2016. The smartphones with touch-screen panels has received mainstream attention in the market from consumers, so the demand for the conventional mobile phones with keypads was gradually phased out. However, the Group has succeed to explore the mobile phone market of non-keypad products. This caused the revenue in this segment to increase for the consecutive years.

##### Keypads for computers and notebooks

Revenue for the sales of keypads for computers and notebooks decreased by approximately 15.8% to HK\$49.5 million in 2017 from HK\$58.8 million in 2016. With the faltering growth of global economy, the PC market continued to progress towards saturation. According to the market research, the global PC shipments has declined during the financial year. Therefore, the sales in this segment had been negatively impacted by the persistent shrinkage of the market.

##### Automotive peripheral products

Revenue for the sales of automotive peripheral products increased by approximately 3.6% to HK\$32.7 million in 2017 from HK\$31.5 million in 2016. As the global economy was till sluggish which caused the consumer sentiment on the automotive market to be weak. This led the sales orders for automotive peripheral products had similar level compared with last year.

### 按產品分類的銷售

#### 矽膠及相關產品

##### 消費電子裝置周邊產品

消費電子裝置周邊產品的收益由二零一六年的175,100,000港元增加約25.9%至二零一七年的220,300,000港元。

年內，傳統電子產品的消費氛圍(尤其是有關鍵盤者)疲軟，該等產品的銷售訂單繼續減少。為填補因該等訂單減少而引致的差額，本集團已加大力度開發非鍵盤產品市場。儘管市場飽和且競爭激烈，本集團已設法從全新創新產品(如運動腕帶)取得更多訂單。因此，消費電子裝置周邊產品的銷售於年內溫和增長。本集團將繼續透過提供優質的產品質量及具吸引力價格，擴大非鍵盤產品的客戶基礎。

##### 手機周邊產品

銷售手機周邊產品的收益由二零一六年的9,900,000港元增加約40.8%至二零一七年的14,000,000港元。設有輕觸式屏幕的智能手機成為消費者的市場焦點產品，令傳統按鍵手機的需求逐步下降。然而，本集團已成功開拓非按鍵產品手機市場。本分部的收益因而於年內回升。

##### 電腦及筆記型電腦按鍵

銷售電腦及筆記型電腦按鍵的收益由二零一六年的58,800,000港元減少約15.8%至二零一七年的49,500,000港元。隨著全球經濟增長放緩，個人電腦市場繼續邁向飽和。根據市場調研，全球個人電腦發貨量於本財政年度有所下降。因此，本分部的銷售已受到市場繼續萎縮的不利影響。

##### 汽車周邊產品

銷售汽車周邊產品的收益由二零一六年的31,500,000港元增加約3.6%至二零一七年的32,700,000港元。全球經濟依然低迷，令汽車市場的消費意欲疲弱，導致汽車周邊產品的銷售訂單與去年基本持平。

# Management Discussion and Analysis

## 管理層討論與分析

### Lifestyle products

Revenue for sales of lifestyle products decreased by 22.5% to HK\$29.3 million in 2017 from HK\$37.8 million in 2016. Market competition was still keen in lifestyle products and most of the customers have adopted conservative approach towards restocking inventory, the revenue has decreased during the year accordingly. The Group will continue to put more effort to explore the market and work with our customers to develop more unique products to protect and elevate their position in the market.

### Chemical products

Revenue for sales of chemical products decreased significantly by 65.6% to HK\$15.0 million in 2017 from HK\$43.5 million in 2016. As the market is new to the Group, the performance was still unstable. With the close relationship with our suppliers which specialised in application of chemicals, the Group will continue to explore this market to broaden the product mix.

### Healthcare and Hotel Services

Revenue from provision of healthcare and hotel services was HK\$6.7 million for the year ended 31 July 2017. During the year, after the acquisition of multi-purpose leisure project in Hainan and re-development into high-end healthcare holiday resort, properties has started operation and continued to develop into hotel room/service apartment for rental and healthcare-related business. The business has succeeded to gain more and more customers' support. To sustain its growth, the Group will continue to put more effort to explore the market to capture the immense awareness of importance of healthcare in the PRC. Except for 5 out of 194 rooms have contracted to be disposed, the Group will expand the scale of hotel and healthcare business by turning the remaining rooms into hotel rooms and healthcare facilities because of boomed development of the market in Hainan.

### Cost of Sales

#### Cost structure

The overall cost of sales decreased by approximately 8.6% from HK\$317.8 million in 2016 to HK\$290.4 million in 2017. The operating environment still very tough for all PRC based manufacturers. Fortunately, the production costs have been decreasing following the depreciation of RMB. Together with effort of tight cost control and operational efficiency, the rate of decrease in cost of sales is much higher than that of revenue.

### Gross Profit

The gross profit of the Group for the year increased by approximately HK\$41.4 million from HK\$68.7 million in 2016 to HK\$110.1 million in 2017. Apart from the success to decrease the production cost in the PRC by consolidation of production process and deprecation of RMB, the change in product mix which included higher proportion of high margin products also contribute to the increase.

### 生活產品

銷售生活產品的收益由二零一六年的37,800,000港元減少22.5%至二零一七年的29,300,000港元。生活產品市場的競爭依舊激烈，大多數客戶對進貨庫存採取保守態度，故收益於年內減少。本集團將繼續加大力度開拓市場，並與客戶合作開發更多獨特的產品，藉以保障及提升彼等於市場的地位。

### 化學產品

銷售化學產品的收益由二零一六年的43,500,000港元大幅減少65.6%至二零一七年的15,000,000港元。由於該市場為本集團的全新市場，表現仍不穩定。憑藉與專門從事化學品應用的供應商的密切關係，本集團將繼續開發該市場以擴大產品組合。

### 醫療保健及酒店服務

截至二零一七年七月三十一日止年度，提供醫療保健及酒店服務的收益為6,700,000港元。年內，於收購位於海南省的多用途休閒項目及重新發展為高端醫療養生度假村後，物業已開始營運及繼續發展為酒店客房／服務式公寓，以進行租賃及醫療保健相關業務。該業務已成功獲得越來越多的客戶的支持。為保持增長，本集團將繼續加大力度開發市場，以提高中國醫療保健重要性的廣泛認知。由於海南市場的蓬勃發展，除194間客房中的5間已訂約將予出售外，本集團透過將餘下客房轉變為酒店客房及醫療保健設施，擴大酒店及醫療保健業務的規模。

### 銷售成本

#### 成本結構

整體銷售成本由二零一六年的317,800,000港元減少約8.6%至二零一七年的290,400,000港元。所有以中國為基地的生產商依然面臨嚴峻的經營環境。幸運的是，生產成本隨著人民幣貶值而有所下降。隨著本集團努力控制成本及提升營運效率，銷售成本的下降幅度遠高於收益的跌幅。

### 毛利

年內本集團的毛利由二零一六年的68,700,000港元增加約41,400,000港元至二零一七年的110,100,000港元。除透過整合生產流程及人民幣貶值成功降低中國生產成本外，產品組合變動(包括提高高利潤產品的比例)亦帶動了增長。

# Management Discussion and Analysis

## 管理層討論與分析

### Other Operating Income

Other operating income increased by approximately 20.7% to HK\$23.5 million in 2017 from HK\$19.5 million in 2016. The increase was primarily due to gain on disposal of available for sales investments.

### Selling and Distribution Expenses

Selling and distribution expenses increased by approximately 27.5% to HK\$35.5 million in 2017 from HK\$27.9 million in 2016. When counted as a percentage of revenue, the total amount was 8.9% (2016: 7.2%). The increase was due to the rise in promotion and marketing cost related to multi-purpose medical and healthcare project in Hainan.

### Administrative Expenses

Administrative expenses increased by approximately 39.8% to HK\$146.3 million in 2017 from HK\$104.7 million in 2016. Despite of the cost control measures and the result of operation efficiency improvement, the reason for the increase in amount was due to additional cost incurred to explore the investment opportunity in other business areas together with the persistent development of the medical and healthcare business in Hainan Province.

### Loss attributable to Shareholders

Loss attributable to shareholders for the year ended 31 July 2017 was HK\$74.1 million (2016: HK\$72.3 million). The net loss margin of our Group decreased from 18.7% for the year ended 31 July 2016 to 18.5% for the year ended 31 July 2017.

## DIVIDEND POLICY

Our Directors expect that dividends will be paid as interim and/or final dividends. We currently intend to pay annual cash dividends of not less than 30% of our Group's audited consolidated profits after taxation to our shareholders for the applicable year. However, the determination to pay such dividends will be made at the discretion of our Board and will be based upon our operating results, cash flows, financial positions, capital requirements and other relevant circumstances that the Board deems relevant. The payment of dividends may be limited by legal restrictions and by agreements that we may enter into in the future. Our Directors are of the views that our dividend policy will not affect the sufficiency of our working capital in the coming years.

### 其他經營收入

其他經營收入由二零一六年的19,500,000港元增加約20.7%至二零一七年的23,500,000港元。增加主要由於出售可供出售投資所得收益所致。

### 銷售及分銷開支

銷售及分銷開支由二零一六年的27,900,000港元增加約27.5%至二零一七年的35,500,000港元。以佔收益百分比計算，總額為8.9%（二零一六年：7.2%）。增加乃由於與海南多用途醫療保健項目有關的推廣及營銷成本上漲所致。

### 行政開支

行政開支由二零一六年的104,700,000港元增加約39.8%至二零一七年的146,300,000港元。儘管實施成本控制措施及營運效率改善，行政開支增加的原因為發掘其他業務領域的投資機遇及持續發展海南省醫療保健業務項目而產生額外成本。

### 股東應佔虧損

截至二零一七年七月三十一日止年度的股東應佔虧損為74,100,000港元（二零一六年：72,300,000港元）。本集團的淨虧損率由截至二零一六年七月三十一日止年度的18.7%下降至截至二零一七年七月三十一日止年度的18.5%。

## 股息政策

董事預期股息將作為中期及／或末期股息派付。本集團目前計劃向股東派付不少於本集團適用年度的經審核綜合除稅後溢利30%的年度現金股息。然而，派付該等股息將由董事會酌情決定，並根據本集團經營業績、現金流量、財務狀況、資本需求及董事會視為相關的其他有關情況釐定。派付股息或受法律限制及本集團日後可能訂立的協議所規限。董事認為，本集團的股息政策將不會影響本集團於日後年度的營運資金充裕程度。

# Management Discussion and Analysis

## 管理層討論與分析

### FINANCIAL MANAGEMENT AND TREASURY POLICY

The Group adopts a conservative approach for cash management and investment on uncommitted funds. The net proceeds from the international offering (as defined in the Prospectus) have mainly been placed on short-term deposits with authorised financial institutions in Hong Kong.

During the year, the Group's receipts were mainly denominated in US dollars, Hong Kong dollars and RMB. Payments were mainly made in US dollars and RMB.

In respect of the US dollar, the management regards that the foreign exchange risk for Hong Kong dollar to US dollar is not material because (i) Hong Kong dollar remains pegged to the US dollar and (ii) most of the Group's purchases are denominated in US dollars, which are to be settled by sales receipts in US dollars.

In respect of the RMB, as the Group's production plants are located in the PRC, most of our labour costs, manufacturing overheads, selling and administrative expenses were denominated in RMB. Therefore, the appreciation of RMB will adversely affect the Group's profitability.

During the year, the Group has entered into some RMB/USD structured forward contracts to partly hedge the risk exposure. The Group will continue to closely monitor foreign exchange exposure for RMB and consider hedging significant exposure should the need arises.

### 財務管理及庫務政策

本集團對無指定用途的資金採取保守的現金管理及投資策略。國際發售(定義見售股章程)所得款項淨額主要存放於香港的認可財務機構作短期存款。

年內，本集團所得款項主要以美元、港元及人民幣列值，付款則主要以美元及人民幣支付。

就美元而言，管理層認為港元兌美元的外匯風險並不重大，因為(i)港元仍與美元掛鉤及(ii)本集團大部分採購均以美元列值，且以美元銷售收益結算。

就人民幣而言，由於本集團的生產廠房均位於中國，故大部分勞工成本、生產間接成本、銷售及行政開支均以人民幣列值。因此，人民幣升值將對本集團的盈利能力帶來不利影響。

年內，本集團已訂立若干人民幣／美元結構性遠期合約對沖部分風險。本集團將繼續密切監察人民幣的外匯風險，並於有需要時考慮對沖重大外幣風險。



# Management Discussion and Analysis

## 管理層討論與分析

### LIQUIDITY AND FINANCIAL RESOURCES

During the year, the Group's source of fund was cash generated from net proceeds of the international offering and operating activities.

### 現金流量及財務資源

年內，本集團的資金來源主要為國際發售的所得款項淨額及經營活動的現金。

|                           |            | As at<br><b>31 July 2017</b><br>於二零一七年<br>七月三十一日<br><b>HK\$'000</b><br>千港元 | As at<br>31 July 2016<br>於二零一六年<br>七月三十一日<br>HK\$'000<br>千港元 |
|---------------------------|------------|--|--|
| Cash and cash equivalents | 現金及現金等價物   | <b>105,985</b>   | 154,094  |
| Net cash (outflow) inflow | 現金(流出)流入淨額 | <b>(45,780)</b>  | 54,781   |
| Current ratio             | 流動比率       | <b>1.6</b>   | 2.5  |
| Quick ratio               | 速動比率       | <b>1.4</b>   | 2.3  |

With our strong financial background upon Listing on the Stock Exchange, we expect we will have sufficient cash to cover future capital expenditure requirements.

憑藉本集團在聯交所上市後的雄厚財務實力，預期本集團將擁有充裕現金，足以應付日後的資本開支所需。



# Management Discussion and Analysis

## 管理層討論與分析

### MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATES

The Group had no material acquisition or disposal of any subsidiaries and associated companies for the year ended 31 July 2017.

### CAPITAL COMMITMENTS, CONTINGENCIES AND CHARGES ON ASSETS

Capital commitments contracted by the Group but not yet provided for in the financial statements as at 31 July 2017 were approximately HK\$11.0 million (2016: HK\$379.6 million), which was mainly related to the acquisition of land use right in Indonesia and expansion of production capacity in the PRC. Such capital commitments will be financed by the net proceeds from the international offering.

As at 31 July 2017, the Group had no material contingent liabilities.

As at 31 July 2017, certain properties of the Group of HK\$398.9 million (2016: HK\$7.9 million) were pledged to secure banking facilities or bank borrowings granted to the Group.

### HUMAN RESOURCES AND REMUNERATION POLICIES

As the Group is committed to expand our production capacity and develop high value-added products, such as mobile phone keypads, experienced workers, engineers and professionals are the most important assets to the Group. We offer on-the-job training and encourage staff to attend continuous professional training in order to update their skills and knowledge.

We offer competitive remuneration package, including quality staff quarters, trainings, medical, insurance coverage and retirement benefits, to all employees in Hong Kong and in the PRC. As at 31 July 2017, the Group has 1,448 permanent and temporary employees (2016: 1,370). The total salaries and related costs for the year ended 31 July 2017 amounted to approximately HK\$170.0 million (2016: HK\$154.6 million).

### 重大收購及出售附屬公司及聯營公司

本集團於截至二零一七年七月三十一日止年度並無重大收購或出售任何附屬公司及聯營公司。

### 資本承擔、或有事項及資產抵押

於二零一七年七月三十一日，本集團已訂約但未於財務報表撥備的資本承擔約為11,000,000港元（二零一六年：379,600,000港元），主要與收購印尼土地使用權及於中國擴充產能有關。有關資本承擔將以國際發售所得款項淨額撥付。

於二零一七年七月三十一日，本集團並無重大或然負債。

於二零一七年七月三十一日，本集團價值398,900,000港元（二零一六年：7,900,000港元）的若干物業已予抵押，作為本集團所獲銀行融資或銀行借款的擔保。

### 人力資源及薪酬政策

由於本集團致力於擴充產能及開發手機按鍵等高增值產品，故經驗豐富的工人、工程師及專業人士乃本集團最重要的資產。我們提供在職培訓，並鼓勵員工參加持續專業培訓，以增進彼等的技能及知識。

我們向香港及中國所有僱員提供具競爭力的薪酬方案，包括優質的員工宿舍、培訓、醫療、保險及退休福利。於二零一七年七月三十一日，本集團合共聘用全職及臨時僱員1,448名（二零一六年：1,370名）。於截至二零一七年七月三十一日止年度，薪酬及有關成本總額約為170,000,000港元（二零一六年：154,600,000港元）。



# WORLDWIDE QUALITY

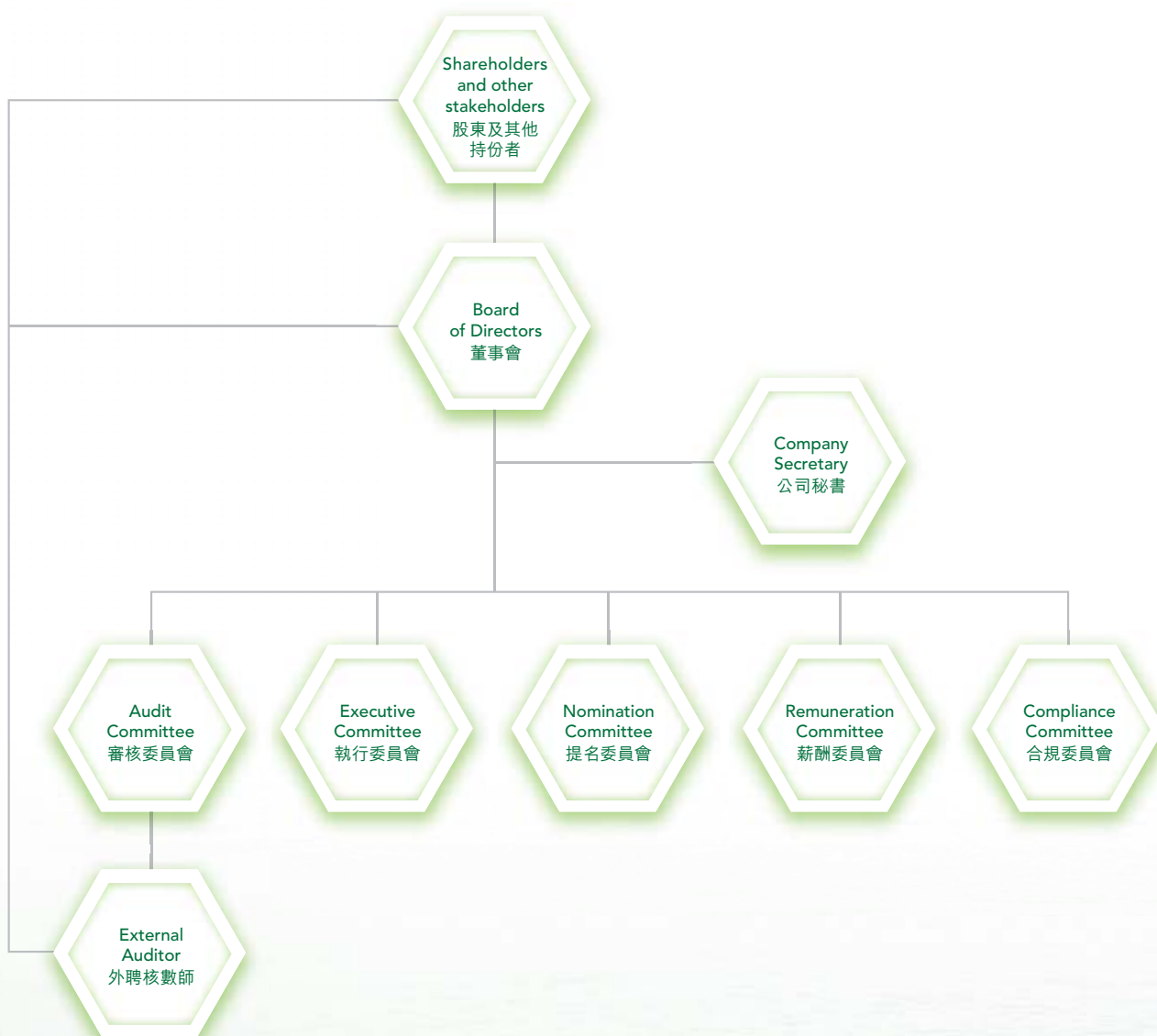
## 世界質量



# Corporate Governance Report 企業管治報告

## CORPORATE GOVERNANCE STRUCTURE

## 企業管治架構



## CORPORATE GOVERNANCE PRACTICES

The Company strives to attain and maintain high standards of corporate governance best suited to the needs and interests of the Group as it believes that effective corporate governance practices is a fundamental to enhancing shareholder value and safeguarding interests of shareholders and other stakeholders. The Board sets appropriate policies and implements corporate governance practices appropriate to the conduct and growth of the Group's business.

## 企業管治常規

本公司致力達到及維持最能迎合本集團需要及利益的高度企業管治水平，因其相信有效的企業管治常規是提升股東價值與保障股東及其他持份者權益的基本要素。董事會制定適當政策及實施適合本集團業務開展及增長的企業管治常規。

### Compliance with Corporate Governance Code

The Company has adopted the Corporate Governance Code (the “CG Code”) contained in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”) which sets out principles of good corporate governance and two levels of recommendations:

- Code Provisions, with which issuers are expected to comply or give considered reasons for any deviation; and
- Recommended Best Practices, for guidance only, save that issuers are encouraged to comply or give reasons for deviation.

The Company has complied with the applicable code provisions of the CG Code throughout the year ended 31 July 2017 and up to the date of this annual report, except:

- (i) the code provision A.2.1 which requires the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. However, Ms. Shi Qi is acting as both the chairlady of the Board (the “Chairlady”) and the Chief Executive Officer (the “CEO”).

The Board believes that vesting the roles of both the Chairlady and the CEO in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board further believes that the balance of power and authority for the present arrangement will not be impaired since the responsibilities of the Chairlady and the CEO have been clearly established and set out in writing. It is also adequately ensured by the current Board which comprises the experienced and high caliber individuals with sufficient number thereof being independent non-executive Directors.

- (ii) the code provision A.2.7, which requires the chairman should at least annually hold meetings with the non-executive directors (including independent non-executive directors) without the executive directors present. During the year ended 31 July 2017, a formal meeting could not be arranged between the Chairlady and the non-executive Directors (including independent non-executive Directors) without the executive Directors present due to their tight schedules. Although such meeting was not held during the year, the Chairlady could be contacted by email or phone to discuss any potential concerns and/or questions that the non-executive Director and the independent non-executive Directors might have and would arrange to set up follow-up meetings, whenever necessary.

### 遵守企業管治守則

本公司已採納《香港聯合交易所有限公司證券上市規則》(「上市規則」)附錄十四所載之《企業管治守則》(「企管守則」)，其訂明良好企業管治的原則及兩個層次的建議：

- 守則條文：上市公司需要切實遵守，並對任何偏離守則條文的情況作出深思熟慮的解釋；及
- 建議最佳常規：只屬指引，但鼓勵上市公司加以遵守並對任何偏離守則條文的情況作出深思熟慮的解釋。

本公司於截至二零一七年七月三十一日止年度及直至本年報日期始終遵守企管守則的適用守則條文，惟：

- (i) 守則條文 A.2.1 條除外，其規定主席與行政總裁之角色應予區分且不應由同一人士擔任。然而，施琦女士擔任董事會主席(「主席」)及行政總裁(「行政總裁」)之角色。

董事會相信，由同一名人士同時擔任主席及行政總裁兩個職位可確保本集團貫徹的領導，更有效及有效率地計劃本集團之整體策略。另外，董事會相信現時之安排不會損害職能及權力兩者之間的平衡，因為主席及行政總裁之職責均已書面清楚界定及載列。現時之董事會由經驗豐富的人才(其中有充足之人數擔任獨立非執行董事)組成，故足以確保有關職能及權力兩者間之平衡。

- (ii) 守則條文 A.2.7 條除外，其要求主席應至少每年於執行董事避席之情況下與非執行董事(包括獨立非執行董事)舉行會議。於截至二零一七年七月三十一日止年度，由於公務繁忙，主席與非執行董事(包括獨立非執行董事)未能安排並無執行董事出席之正式會議。儘管有關會議未能於年內舉行，非執行董事及獨立非執行董事可透過電郵或電話聯絡主席討論任何潛在關注事項及／或問題，並在有需要時安排舉行跟進會議。

# Corporate Governance Report

## 企業管治報告

(iii) the code provision C.1.2 which requires the management of the Company to provide all members of the Board with monthly updates giving a balanced and understandable assessment of the Company's performance, position and prospects in sufficient detail to enable the Board as a whole and each Director to discharge their duties.

During the year, the management of the Company did not provide monthly updates to all members of the Board as required by the code provision C.1.2, as all the executive Directors were involved in the daily operation of the Group and were fully aware of the performance, position and prospects of the Company, and the management has provided to all Directors (including non-executive Directors and independent non-executive Directors) quarterly updates giving a balanced and understandable assessment of the Company's performance, position and prospects in sufficient detail prior to the regular board meetings of the Company.

In addition, the management of the Company has provided all members of the Board, in a timely manner, updates on any material changes to the performance, position and prospects of the Company and sufficient background or explanatory information for matters brought before the Board.

### DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted its "Code of Ethics and Securities Transaction" to regulate the Directors and relevant employees of the Group in dealing securities of the Company on terms no less exacting than those set out in the Model Code for Securities Transactions by Directors of Listed Issuers stated in Appendix 10 of the Listing Rules (the "Model Code"). The Model Code also provides guidelines and procedures on handling conflict of interest of Directors.

In response to the specific enquiry by the Company, all the Directors confirmed that they have complied with the required standard as set out in the Model Code and its Code of Ethics and Securities Transaction throughout the year.

(iii) 守則條文C.1.2條除外，其要求本公司管理層向董事會所有成員提供每月更新資料，列載有關本公司表現、狀況及前景的公正及易於理解的詳細評估，讓董事會全體及各董事可履行相關職務。

年內，本公司管理層並無按照守則條文C.1.2條的要求向董事會所有成員提供每月更新資料，因為所有執行董事均有參與本集團的日常運作，並完全了解本公司的表現、狀況及前景，且管理層亦有在本公司的常規董事會會議前，向所有董事（包括非執行董事及獨立非執行董事）提供關於本公司的最新季度資料，當中列載有關本公司表現、狀況及前景作出的公正及易於理解的詳細評估。

此外，本公司管理層已向董事會全體成員及時提供有關本公司表現、狀況及前景的重大變動的更新資料，以及董事會商議項目的詳細背景或說明資料。

### 董事的證券交易

本公司已採納「操守及證券交易守則」以規管董事及本集團有關僱員買賣本公司證券，其條款不比上市規則附錄十所載《上市公司董事進行證券交易的標準守則》（「標準守則」）寬鬆。標準守則亦提供有關處理董事利益衝突的指引及程序。

各董事在回應本公司的具體查詢時，全部均確認其於年內一直遵從標準守則所規定的標準及其操守及證券交易守則。

### BOARD OF DIRECTORS

#### Composition of the Board of Directors

The board of Directors (the “Board”) of the Company currently comprises four executive Directors, three non-executive Directors and three independent non-executive Directors. The function of the Board is to guide the management to ensure the interests of the shareholders of the Company are safeguarded.

The Company recognises and embraces the benefits of having a diverse board to enhance the quality of its performance. In compliance with the requirement set out in code provision A.5.6 of the CG Code, the Company adopted a board diversity policy (the “Board Diversity Policy”) on 30 August 2013 which aims to set out the approach to achieving diversity for the Board.

The policy statement of the Board Diversity Policy is that the Company recognises the benefits of a Board that possesses a balance of skills, experience, expertise and diversity of perspectives appropriate to the requirements of the businesses of the Company.

The Company maintains that Board appointment should be based on merit that complements and expands the skills, experience and expertise of the Board as a whole, taking into account gender, age, professional experience and qualifications, cultural and educational background, and any other factors that the Board might consider relevant and applicable from time to time towards achieving a diverse Board.

The Nomination Committee of the Company is responsible for reviewing the structure, size and composition of the Board and making recommendations to the Board on the appointment of new directors of the Company from time to time to ensure that it has a balanced composition of skills, experience and expertise appropriate to the requirements of the businesses of the Company, with due regard to the benefits of diversity on the Board. The Board as a whole is also responsible for reviewing the succession plan for the directors of the Company, in particular, the Chairman/the Chairlady and the CEO.

The Company seeks to achieve board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The Company will also take into account factors based on its own business model and specific needs from time to time.

### 董事會

#### 董事會的組成

本公司董事會（「董事會」）目前由四名執行董事、三名非執行董事及三名獨立非執行董事組成。董事會的職責為引導管理層確保本公司股東的權益受到保障。

本公司深明及相信擁有全面的董事會能提升表現質素的益處。為符合企管守則的守則條文A.5.6條的規定，本公司於二零一三年八月三十日採納董事會多元化政策（「董事會多元化政策」），旨在載列讓董事會達致多元化的方法。

董事會多元化政策聲明表示，本公司明白一個具備平衡且切合本公司各業務方面需要的技能、經驗、專業知識及多元化的董事會的好處。

本公司認為董事會的委任應以用人唯才為原則，以收到輔助及擴大董事會整體技術、經驗及專業知識之效，當中會考慮性別、年齡、專業經驗及資格、文化及教育背景，以及任何其他董事會不時認為屬相關及適用的其他因素，以達致一個多元化的董事會。

本公司的提名委員會負責不時審閱董事會的架構、規模及組成，以及就本公司新董事的任命向董事會作出建議，以確保董事會的組合在切合本公司業務需要的技能、經驗及專業知識方面取得平衡，並適當考慮董事會多元化所帶來的好處。董事會全體成員亦負責審閱本公司董事的繼任計劃，尤其是主席及行政總裁的繼任計劃。

本公司透過考慮多個因素，包括（但不限於）性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期，務求達至董事會多元化。本公司亦將不時根據自身業務模式及特別需要，考慮其他因素。

# Corporate Governance Report

## 企業管治報告

The size and composition of the Board are reviewed from time to time, taking into account the scope and nature of operations of the Company, to ensure that the size of the Board is adequate to provide a diversity of views and facilitate effective decision making. The Directors come from diverse background with varied expertise in finance, legal industry and business fields. The biographical details of the Directors and the relationships among them are set out in the "Directors' Profile" on pages 12 to 15 of this annual report and the Company's website. The Company has maintained on the Company's website and on the website of the Stock Exchange an updated list of its Directors identifying their roles and functions and whether they are Independent non-executive Directors. Independent non-executive Directors are identified as such in all corporate communications that disclose the names of Directors.

Save as disclosed in the section of "Directors' Profile", none of the Directors has any financial, business, family or other material or relevant relationships among members of the Board.

### Directors' Appointment, Re-election, Resignation and Removal

The position, appointment date and re-election date of the current Board members are as follows:

本集團會不時檢討董事會的規模及組成，當中會考慮本公司的業務範疇及性質，以確保董事會的規模足以提供不同的觀點及作出有效決策。董事擁有不同背景，具備金融、法律及商業領域的專業知識。所有董事的履歷詳情及彼等之間的關係載於本年報第12頁至第15頁的「董事簡介」及本公司網站。本公司已於本公司網站及聯交所網站刊登最新的董事名單，當中列明彼等的職責及職能及彼等是否為獨立非執行董事。所有披露董事姓名的公司通訊中，亦會清楚列明獨立非執行董事的身份。

除「董事簡介」一節所披露者外，概無董事與董事會成員間有任何財務、商業、家族或其他重大或相關關係。

### 董事的委任、重選、辭任及罷免

現任董事會成員的職位、委任日期及重選日期如下：

| Name of Director<br>董事姓名     | Position<br>職位   | Date of first appointment to the Board<br>首次獲委任為董事會成員的日期 | Date of last re-election as Director<br>最近一次膺選連任為董事的日期 |
|------------------------------|--|--|--|
| Shi Qi<br>施琦                 | Chairlady/Chief Executive Officer/Executive Director<br>主席／行政總裁／執行董事 | 06/04/2016   | 15/12/2016   |
| Xu Chendi<br>許晨迪             | Executive Director<br>執行董事   | 06/04/2016   | 15/12/2016   |
| Qiu Yonghao<br>邱泳昊           | Executive Director<br>執行董事   | 06/04/2016   | 15/12/2016   |
| Huang Te-Wei<br>黃德威          | Executive Director<br>執行董事   | 23/02/2006   | 15/12/2016   |
| Gao Feng<br>高峰               | Non-Executive Director<br>非執行董事                                      | 06/04/2016   | 15/12/2016   |
| Han Lei<br>韓磊                | Non-Executive Director<br>非執行董事                                      | 06/04/2016   | 15/12/2016   |
| Wang Yayuan<br>王雅媛           | Non-Executive Director<br>非執行董事                                      | 19/12/2016   | -  |
| Zhang Lijuan<br>張力涓          | Independent Non-Executive Director<br>獨立非執行董事                        | 27/04/2016   | 15/12/2016   |
| Pak Wai Keung, Martin<br>白偉強 | Independent Non-Executive Director<br>獨立非執行董事                        | 27/04/2016   | 15/12/2016   |
| Lian Yi<br>連軼                | Independent Non-Executive Director<br>獨立非執行董事                        | 19/12/2016   | -  |



In accordance with the Company's articles of association, all Directors (including executive Directors, non-executive Directors and independent non-executive Directors) are subject to retirement by rotation at least once every three years. Accordingly, at the annual general meeting to be held on 14 December 2017, Ms. Shi Qi, Ms. Xu Chendi and Mr. Qiu Yonghao shall retire from offices by rotation and offer themselves for re-election.

Ms. Wang Yayuan and Ms. Lian Yi, being newly appointed Directors, will hold office until the forthcoming annual general meeting and be subject to re-election at such meeting in accordance with the Company's articles of association.

Furthermore, all Directors (including non-executive Directors) were appointed for a specific term. Formal letters of appointment or service contracts setting out the key terms and conditions of their appointment were in place.

Ms. Shi Qi, Ms. Xu Chendi and Mr. Qiu Yonghao were appointed as Executive Directors in 2016. They have entered into service contracts with the Company on 6 April 2016 for a period of three years commencing from 6 April 2016 and subject to a termination by giving not less than 3 months' prior written notice.

Mr. Huang Te-Wei was appointed as Executive Director in 2006 and has renewed his service contract with the Company for a period of three years commencing from 16 May 2016 and subject to a termination by giving not less than 3 months' prior written notice.

Mr. Gao Feng and Mr. Han Lei were appointed as non-executive Directors in 2016. They have entered into formal appointment letters on 6 April 2016 for a period of three years commencing from 6 April 2016 and subject to a termination by giving not less than one month's prior written notice.

Ms. Zhang Lijuan and Mr. Pak Wai Keung, Martin have entered into formal appointment letters for appointing them as independent non-executive Directors on 27 April 2016 for a term of three years commencing from 27 April 2016 which were subject to a termination by giving not less than one month's prior written notice.

Ms. Wang Yayuan and Ms. Lian Yi have entered into formal appointment letters for appointing them as non-executive Director and independent non-executive Director respectively on 19 December 2016 for a term of one year commencing from 19 December 2016 which were subject to a termination by giving not less than one month's prior written notice.

根據本公司的組織章程細則，所有董事（包括執行董事、非執行董事及獨立非執行董事）均須最少每三年輪值退任一次。據此，於即將於二零一七年十二月十四日舉行之股東週年大會上，施琦女士及許晨迪女士將輪席告退並願意膺選連任。

根據本公司的組織章程細則，王雅媛女士及連軼女士（新委任之董事）將任職至應屆股東週年大會並須於該大會上膺選連任。

此外，所有董事（包括非執行董事）均有指定任期。彼等獲委任之主要條款及條件已載於正式委任書或服務合約。

施琦女士、許晨迪女士及邱泳溟先生於二零一六年獲委任為執行董事。彼等已於二零一六年四月六日與本公司訂立服務合約，自二零一六年四月六日起計為期三年，並且可發出不少於三個月的事先書面通知而終止。

黃德威先生於二零零六年獲委任為執行董事，彼已與本公司重續其服務合約，由二零一六年五月十六日起計為期三年，並且可發出不少於三個月的事先書面通知而終止。

高峰先生及韓磊先生於二零一六年獲委任為非執行董事。彼等已於二零一六年四月六日訂立正式委任書，自二零一六年四月六日起計為期三年，並且可發出不少於一個月的事先書面通知而終止。

張力涓女士及白偉強先生已於二零一六年四月二十七日訂立正式委任書，委任彼等為獨立非執行董事，自二零一六年四月二十七日起計為期三年，並且可發出不少於一個月的事先書面通知而終止。

王雅媛女士及連軼女士已於二零一六年十二月十九日訂立正式委任書，分別委任彼等為非執行董事及獨立非執行董事，自二零一六年十二月十九日起計為期一年，並且可發出不少於一個月的事先書面通知而終止。

# Corporate Governance Report

## 企業管治報告

### The Board

The composition of the Board is well balanced with each Director having sound industry knowledge, extensive corporate and strategic planning experience and/or expertise relevant to the business of the Group. All executive Directors, non-executive Directors and independent non-executive Directors bring a variety of experience and expertise to the Company.

All independent non-executive Directors have fulfilled all the criteria for independence as stated in Rule 3.13 of the Listing Rules.

### Board Meetings and Board Practices

The Board holds at least four regular meetings a year which are normally scheduled in the fourth quarter of the preceding year. The Board will also meet on other occasions when a board-level decision on a particular matter is required. During the financial year ended 31 July 2017, the Board held four regular meetings in October 2016, January, March and July 2017. The attendance records of the Directors to these regular board meetings are set out below:

### 董事會

董事會的成員各有所長，而每名董事均具備與本集團所從事業務相關的深厚行業知識、豐富的企業及策略規劃經驗及／或專門知識。所有執行董事、非執行董事及獨立非執行董事均能為本公司帶來各種經驗及專門知識。

所有獨立非執行董事已符合上市規則第3.13條所列之所有獨立性條件。

### 董事會會議及董事會常規

董事會每年最少舉行四次定期會議，一般會於前一年第四季預定會議時間。董事會亦會於某事項需要作出董事會決議時召開會議。截至二零一七年七月三十一日止財政年度，董事會於二零一六年十月及二零一七年一月、三月及七月舉行四次定期會議。下表顯示董事於該等定期董事會會議的出席記錄：

|   |                       | Number of meetings attended/<br>Number of regular board meetings held during the year<br>出席會議次數／年內舉行定期董事會會議次數 |
|---|-----------------------|---|
| <b>Executive Directors</b>                            |                       |   |
| Shi Qi  | 執行董事<br>施琦            | 3/4   |
| Xu Chendi   | 許晨迪                   | 4/4   |
| Qiu Yonghao   | 邱泳昊                   | 1/4   |
| Huang Te-Wei  | 黃德威                   | 4/4   |
| <b>Non-executive Directors</b>                        |                       |   |
| Gao Feng  | 非執行董事<br>高峰           | 1/4   |
| Han Lei   | 韓磊                    | 0/4   |
| Wang Yayuan (appointed on 19 December 2016)           | 王雅媛 (於二零一六年十二月十九日獲委任) | 3/3   |
| <b>Independent Non-executive Directors</b>            |                       |   |
| Zhang Lijuan  | 獨立非執行董事<br>張力涓        | 2/4   |
| Pak Wai Keung, Martin                                 | 白偉強                   | 4/4   |
| Lian Yi (appointed on 19 December 2016)               | 連軼 (於二零一六年十二月十九日獲委任)  | 2/3   |
| Yeung Chi Tat (resigned on 10 September 2017)         | 楊志達 (於二零一七年九月十日辭任)    | 4/4   |
| Number of regular board meetings held during the year |                       | 年內舉行定期董事會會議次數   |
|   |                       | 4   |

All minutes of the meetings, record in sufficient detail the matters considered and decisions reached, are kept by the Company Secretary and are opened for inspection by Directors at any time.

The meetings are structured to allow open discussion. All Directors participate in discussing the strategy, operational and financial performance and internal control of the Group.

The Company Secretary assists the Chairman/the Chairlady to prepare the agenda of the meeting and each Director may request to include any matters in the agenda. At least 14 days' notice is given to the Directors for the regular meetings by the Company. All substantive agenda items have comprehensive briefing papers which are distributed by the Company Secretary to Directors at least 3 days before the Board meetings so as to ensure that the Directors may receive accurate, timely and clear information to make informed decisions regarding the matters discussed in the meetings.

All Directors may access to the advice and services of the Company Secretary who regularly updates the Board on governance and regulatory matters. The Company Secretary is also responsible for ensuring the procedures of the Board meetings are observed and providing the Board opinions on matters in relation to the compliance with the procedures of the Board meetings.

If a substantial shareholder or a Director has a conflict of interest in a matter to be considered by the Board, the Company will not deal with the matter by way of written resolution or by a Board committee (except if that Board committee was specifically established for such purpose) but by a physical board meeting. The independent non-executive Director with no material interest in the matter will attend the meeting to deal with the matter as appropriate subject to the Listing Rules and/or the Company's articles of association, as appropriate, any Director who or whose associates have any material interest in any proposed Board resolutions shall not vote (nor be counted in the quorum) on the relevant Board resolutions.

### Functions of the Board of Directors

The Board is responsible for the oversight of the management of the Company's business and affairs with the goal of maximizing long term shareholder's value, while balancing broader stakeholder interests. The Board has the following main duties:

- determine all the corporate matters;
- be responsible for the management, direction and supervision of the businesses of the Group; and
- be responsible to ensure the effectiveness on Group's financial reporting and compliance.

載有所考慮事項及所達致決定的充分詳情的會議記錄由公司秘書保存，且可供董事於任何時間查閱。

會議的形式有利於進行坦誠討論。所有董事均會參與討論本集團的策略、營運及財務表現以及內部監控。

公司秘書協助主席編製會議議程，而每名董事均可要求將任何事項列入議程。本公司須就定期會議向董事發出最少十四天的通知。所有主要議程項目須具備全面簡介文件，由公司秘書於董事會會議前至少三天向董事分發，確保董事可獲得準確、及時及清晰的資料就於會議上討論的事項作出知情決定。

所有董事可獲得公司秘書的建議及服務，而公司秘書會就管治及監管事項定期向董事會提供最新資料。公司秘書亦負責確保董事會會議依程序進行，並就有關遵守董事會會議程序的事項向董事會提供意見。

倘主要股東或董事在董事會將予考慮的事項中存在利益衝突，本公司應以實際董事會會議，而不得以書面決議案或經由董事委員會（為此目的而特別組成的董事委員會除外）處理該事項。如適合，於該事項中無重大利益的獨立非執行董事將出席處理該事項的會議，惟須遵守適用的上市規則及／或本公司的組織章程細則，在所提呈的任何董事會決議案中擁有任何重大利益的董事或其聯繫人，均不得就有關董事會決議案投票（或計入有關董事會會議的法定人數內）。

### 董事會的職責

董事會負責監督本公司業務及事務的管理，目標為盡量提升長期股東價值，同時在更廣泛的層面上平衡持份者的權益。董事會的主要職責如下：

- 決定所有企業事宜；
- 負責本集團業務管理、方向及監督；及
- 負責確保本集團的財務申報及合規的有效性。

# Corporate Governance Report

## 企業管治報告

The Board has matters reserved for its decisions and these include:

- the Group's long-term strategy and business plan;
- major capital projects, acquisitions or divestments;
- funding decision of the Group;
- internal control, risk management and compliance; and
- annual and interim financial results and shareholder communications.

The Board delegates the authority and responsibility for implementing day-to-day operations, business strategies and management of the Group's businesses to the executive Directors, senior management and certain specific responsibilities to the Board committees.

When the Board delegates aspects of its management and administration functions to the management, it has given clear directions as to the powers of management, in particular, with respect to the circumstances. While allowing management substantial autonomy to run and develop the business, the Board plays a key role in structuring and monitoring the reporting systems and internal controls. The composition, functions of each Board committee and their major role and function are described below. The final decision still rests with the Board unless otherwise provide for in the terms of reference of relevant committees.

### Independent Non-executive Directors

The independent non-executive Directors bring a wide range of skills and business experience to the Group. They also bring independent judgment on the issues of strategy, performance and risk through their contribution to the Board meetings and to the Board's committee meetings.

In compliance with Rule 3.10(1) of the Listing Rules, there are three independent non-executive Directors. Among the three independent non-executive Directors, one of them have appropriate professional qualifications in accounting or related financial management expertise as required by Rule 3.10(2) of the Listing Rules. However, following the resignation of Mr. Yeung Chi Tat on 10 September 2017, the number of independent non-executive directors will fall below the requirement of Rule 3.10A of the Listing Rules. The Company will find suitable candidate for appointment and expects to meet the said requirement within 3 months from 10 September 2017 pursuant to Rule 3.11 of the Listing Rules.

The Company has received from each of its independent non-executive Directors the written confirmation of his/her independence pursuant to Rule 3.13 of the Listing Rules. The Company, based on such confirmations, considers, Ms. Zhang Lijuan, Mr. Pak Wai Keung, Martin and Ms. Lian Yi to be independent.

須由董事會決定的事宜包括：

- 本集團的長遠策略及業務計劃；
- 主要資本項目、收購或分拆出售；
- 本集團的融資決策；
- 內部監控、風險管理及合規；及
- 全年及中期財務業績及股東通訊。

董事會將實行日常營運、業務策略及本集團業務管理的權力及責任委派給執行董事及高級管理層，並將若干特定責任指派予董事委員會。

董事會將管理及行政功能方面的權力指派予管理層時，已就有關管理層的權力給予清晰的指引，特別是可施行權力的情況。雖然允許管理層在充分自主的前提下經營及發展業務，惟董事會在架構及監察申報制度與內部監控方面仍扮演關鍵角色。每個董事委員會的組成、職責、主要角色及功能於下文概述。除非相關委員會的職權範圍另有規定，否則董事會仍保留最終決策權。

### 獨立非執行董事

獨立非執行董事為本集團帶來各方面的技能及業務經驗。彼等亦通過參與董事會會議及董事委員會會議，對策略、表現及風險方面的事宜作出獨立判斷。

遵照上市規則第3.10(1)條，有三名獨立非執行董事。根據上市規則第3.10(2)條所規定，三名獨立非執行董事中，其中一名須具備合適的會計專業資格或相關財務管理專門知識。然而，楊志達先生於二零一七年九月十日辭任後，獨立非執行董事人數將低上市規則第3.10A條之規定。本公司將物色合適委任人選，並預期將根據上市規則第3.11條於二零一七年九月十日起計三個月內符合上述規定。

根據上市規則第3.13條，本公司已收到每名獨立非執行董事就本身獨立性作出的書面確認。基於該等確認，本公司認為張力涓女士、白偉強先生及連軼女士為獨立人士。

The independence of each Director is reviewed annually by the Nomination Committee based on the definition of independence defined in the Listing Rules. The Nomination Committee is satisfied as to the independence of Ms. Zhang Lijuan, Mr. Pak Wai Keung, Martin and Ms. Lian Yi, all of whom have fulfilled all the criteria for independence as stated in Rule 3.13 of the Listing Rules.

### Supply of and Access to Information

The management supplied the Board with appropriate and sufficient explanation and information through financial reports, business and operational reports and budget statements, in a timely manner, to enable them to make informed decisions.

The management also provided the Board with quarterly updates giving a balanced and understandable assessment of the Company's performance, position and prospects in sufficient details to enable the Board as a whole and each director to discharge their duties under Rule 3.08 and Chapter 13 of the Listing Rules.

The Directors are also provided with names and contact details of the Company's senior management and the Company Secretary to facilitate Director access to senior management and the Company Secretary.

### Continuing Professional Development

The Directors keep abreast of responsibilities as a director of the Company and of the conduct, business activities and development of the Company. The Company Secretary from time to time updates and provides written training materials to the Directors, and organises seminars on the latest development of the Listing Rules, applicable laws, rules and regulations relating to Directors' duties and responsibilities. The Directors may request the Company, pursuant to the policy for Directors to seek independent professional advice, to provide independent professional advice at the expense of the Company to discharge their duties to the Company.

During the year ended 31 July 2017, the Company has organised two training sessions on the following topics for the Directors and the management of the Company to attend:

1. Disclosure of Interests Online (DION)
2. Connected Transaction

提名委員會每年均會根據上市規則就獨立性所界定的定義審查每名董事的獨立性。提名委員會信納張力涓女士、白偉強先生及連軼女士均為獨立人士，彼等均符合上市規則第3.13條所列之所有獨立性條件。

### 提供及取閱資料

管理層透過財務報告、業務及營運報告以及預算報表，適時向董事會提供適當及充分的說明及資料，從而讓彼等作出知情決定。

管理層亦按照上市規則第3.08條及第十三章向董事會提供每季更新資料，列載有關本公司表現、狀況及前景的公正及易於理解的詳細評估，讓董事會全體及各董事可履行相關職務。

此外，董事亦獲提供本公司高級管理層及公司秘書的姓名及聯絡詳情，以便董事聯絡高級管理層及公司秘書。

### 持續專業發展

董事不斷留意作為本公司董事的責任及操守，以及有關本公司業務活動及發展的事宜。公司秘書不時為董事更新及提供書面培訓材料，並就與董事的職務及職責有關的上市規則、適用法律、法規及規章的最新發展舉辦研討會。董事可根據董事尋求獨立專業意見的政策要求本公司提供獨立專業意見，以履行彼等對本公司的職責，有關開支概由本公司承擔。

截至二零一七年七月三十一日止年度，本公司已就以下題目為董事及本公司管理層舉辦兩次培訓課程供其出席：

1. 線上披露權益
2. 關連交易

# Corporate Governance Report

## 企業管治報告

The Company Secretary maintains records of training attended by the Directors. The training attended by the Directors and the Company Secretary during the year ended 31 July 2017 are as follows:

公司秘書保留董事出席培訓的記錄。董事及公司秘書於截至二零一七年七月三十一日止年度出席的培訓如下：

| Directors<br>董事                            | Training Matters<br>培訓事項 |
|--|--------------------------|
| <b>Executive Directors</b>                 |                          |
| Shi Qi                                     | Regulatory 監管            |
| Xu Chendi                                  | Regulatory 監管            |
| Qiu Yonghao                                | Regulatory 監管            |
| Huang Te-Wei                               | Regulatory 監管            |
| <b>Non-Executive Directors</b>             |                          |
| Gao Feng                                   | Regulatory 監管            |
| Han Lei                                    | Regulatory 監管            |
| Wang Yayuan                                | Regulatory 監管            |
| <b>Independent Non-Executive Directors</b> |                          |
| Zhang Lijuan                               | Regulatory 監管            |
| Pak Wai Keung, Martin                      | Regulatory 監管            |
| Lian Yi                                    | Regulatory 監管            |
| <b>Company Secretary</b>                   |                          |
| Chu Hau Lim                                | Regulatory 監管            |

### Directors' and Officers' Liability Insurance

The Company has renewed Directors' and Officers' liabilities insurance for all the Directors and the senior management of the Company for the year 2017/2018. The insurance covers them against costs, charges, expenses and liabilities incurred arising out of the corporate activities.

### 董事及高級職員的責任保險

於二零一七年／二零一八年度，本公司已為所有董事及高級管理層重續董事及高級職員責任保險。該等保險為企業活動所產生的成本、費用、開支及責任提供保障。

### CHAIRMAN AND CHIEF EXECUTIVE OFFICER

According to the code provision A.2.1 of the CG Code, the roles of the Chairman of the Board (the "Chairman") and the Chief Executive Officer (the "CEO") should be segregated in order to reinforce their independence and accountability. Up to the date of this report, the roles of the Chairlady of the Board (the "Chairlady") and the CEO were not separate and Ms. Shi Qi currently performs these two roles.

### 主席及行政總裁

根據企管守則的守則條文A.2.1條，董事會主席（「主席」）與行政總裁（「行政總裁」）之職責應予區分，藉以加強彼等之獨立性及問責性。直至本報告日期，董事會主席（「主席」）與行政總裁（「行政總裁」）之職責並無區分，而施琦女士目前履行該等兩個角色。

The Board believes that vesting the roles of both the Chairlady and the CEO in the same individual has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board further believes that the balance of power and authority for the present arrangement will not be impaired and is adequately ensured by the current Board which comprises experienced and high calibre individuals with sufficient number thereof being independent non-executive Directors.

董事會相信，由同一名人士同時擔任主席及行政總裁兩個職位可確保本集團貫徹的領導，更有效及有效率地計劃本集團之整體策略。另外，董事會相信現時之安排不會損害職能及權力兩者之間的平衡，而現時之董事會由經驗豐富及高素質的人才（其中有充足之人數擔任獨立非執行董事）組成，故可確保有關職能及權力兩者間之平衡。

Moreover, there are clear demarcations of responsibility and authority between the Chairman/Chairlady and the CEO which also ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making.

此外，主席及行政總裁的職責及權限有明確區分，亦可確保權力均衡、加強問責性，以及提高董事會作出獨立決策的能力。

The responsibilities of the Chairman/Chairlady include:

主席的職責包括：

1. ensuring all Directors are properly briefed on matters to be discussed at Board meetings;
  2. ensuring all Directors receive adequate, accurate, clear, complete and reliable information in a timely manner;
  3. providing leadership for the Board;
  4. ensuring that the Board works effectively, performs its responsibilities and discusses all key issues in a timely manner;
  5. ensuring that, with the assistance of the Company Secretary, settles and approves the agenda for Board meetings taking into account any matters proposed by the other Directors for inclusion in the agenda;
  6. taking primary responsibility for ensuring that good corporate governance practices and procedures are in place. Assisted by the Company Secretary, the Chairman/Chairlady oversees the implementation of the practices and procedures on Corporate Governance;
  7. giving each Director an opportunity to express his/her different views at Board meetings and to voice their concerns; encouraging all Directors to fully contribute to the Board's affairs and ensuring that the Board acts in the best interests of the Company; allowing sufficient time for discussion of issues and ensuring that Board decisions fairly reflect Board consensus;
  8. at least annually holding meetings with the Non-executive Directors without the Executive Directors present;
  9. ensuring that appropriate steps are taken to provide effective communication with shareholders and that their views are communicated to the Board as a whole; and
  10. promoting a culture of openness and debate by facilitating the effective contribution of Non-executive Directors in particular and ensuring constructive relations between Executive and Non-executive Directors.
1. 確保全體董事就即將於董事會會議擬商議的事項獲得合適簡報；
  2. 確保全體董事及時收到足夠、準確、清晰、完整及可靠的資料；
  3. 領導董事會；
  4. 確保董事會有效運作、履行職責，並及時討論一切主要事項；
  5. 在公司秘書協助下，確保落實並通過董事會會議的議程，並考慮其他董事提議納入議程的任何事項；
  6. 以確保公司備有良好的企業管治常規及程序為首要責任。在公司秘書協助下，主席監督企業管治常規及程序的實施；
  7. 給予每名董事在董事會會議上發表不同意見及反映所關注的問題的機會；鼓勵全體董事全力投入董事會事務，並確保董事會以符合本公司最佳利益之方式行事；容許充足時間商討事宜，並且確保董事會決策公平反映董事會的共識；
  8. 至少每年在執行董事不會出席的情況下與非執行董事舉行會議；
  9. 確保採取適當步驟保持與股東有效聯繫，以及確保股東意見可傳達至整個董事會；及
  10. 促進董事（特別是非執行董事）對董事會作出有效貢獻，並確保執行董事與非執行董事之間維持建設性的關係，藉此提倡公開、積極討論的文化。

# Corporate Governance Report

## 企業管治報告

The responsibilities of the CEO include:

1. providing leadership for the management;
2. implementing and reporting to the Board on the Company's strategy;
3. overseeing the realization by the Company of the objectives set by the Board;
4. providing all such information to the Board as is necessary to enable the Board to monitor the performance of management;
5. leading the management of the Company's relationships with its stakeholders;
6. putting in place programs for management development and succession;
7. with the Financial Controller, establishing and maintaining proper internal controls and risk management systems as well as disclosure controls and procedures; and
8. discharging such duties and authority as may be delegated in writing to him by the Board.

行政總裁的職責包括：

1. 領導管理層；
2. 執行並向董事會匯報本公司策略；
3. 監察本公司實踐董事會訂立的目標；
4. 為董事會提供監察管理層表現所需的一切資料；
5. 領導本公司處理與持份者的關係；
6. 落實管理層培育及繼任計劃；
7. 與財務總監共同制訂及維持適當的內部監控措施及風險管理制度，以及披露監控及程序；及
8. 按照董事會的書面授權履行職責及行使權力。



### BOARD COMMITTEES

To assist the Board in the execution of its duties, the Board has currently delegated specific functions to five Board committees. They are the Audit Committee ("AC"), Remuneration Committee ("RC"), Nomination Committee ("NC"), Compliance Committee ("CC") and Executive Committee ("EC"). The Board is responsible for the functions of risk management and corporate governance functions. As at the date of this annual report, the composition of each committees are as follows:

### 董事委員會

董事會目前向五個董事委員會委派指定職責，以協助董事會執行職務。董事委員會包括審核委員會（「審核委員會」）、薪酬委員會（「薪酬委員會」）、提名委員會（「提名委員會」）、合規委員會（「合規委員會」）及執行委員會（「執行委員會」）。董事會負責風險管理職能及企業管治職能。於本年報日期，各個委員會組成如下：

| Name<br>姓名                   | Committee membership<br>委員會成員 |                                  |                                    |                                  |                                 |
|------------------------------|-------------------------------|----------------------------------|------------------------------------|----------------------------------|---------------------------------|
|                              | Audit<br>Committee<br>審核委員會   | Nomination<br>Committee<br>提名委員會 | Remuneration<br>Committee<br>薪酬委員會 | Compliance<br>Committee<br>合規委員會 | Executive<br>Committee<br>執行委員會 |
| Shi Qi<br>施琦                 |                               |                                  |                                    |                                  | C                               |
| Xu Chendi<br>許晨迪             |                               |                                  |                                    | M                                | M                               |
| Qiu Yonghao<br>邱泳昊           |                               |                                  |                                    |                                  | M                               |
| Huang Te-Wei<br>黃德威          |                               |                                  |                                    | M                                | M                               |
| Zhang Lijuan<br>張力涓          | M                             | M                                | C                                  |                                  |                                 |
| Pak Wai Keung, Martin<br>白偉強 | C                             | M                                | M                                  | C                                |                                 |
| Lian Yi<br>連軼                | M                             | M                                | M                                  |                                  |                                 |
| Chan Oi Fat<br>陳愛發           |                               |                                  |                                    | M                                | M                               |
| Krassovski Victor<br>尉傑智     |                               |                                  |                                    | M                                |                                 |

*Notes:*

C Chairman/Chairlady of the relevant Board committees  
M Member of the relevant Board committees

*附註：*

C 相關董事委員會主席  
M 相關董事委員會成員

The written terms of reference of AC, NC and RC are available on the Company's website and the Stock Exchange's website.

審核委員會、提名委員會及薪酬委員會的書面職權範圍載於本公司網站及聯交所網站。

# Corporate Governance Report

## 企業管治報告

### Audit Committee

AC was established on 16 May 2007 and currently comprises three members. All are independent non-executive Directors, namely Mr. Pak Wai Keung, Martin (Chairman), Ms. Zhang Lijuan and Ms. Lian Yi. The external auditor and the Financial Controller also attended meetings of AC by invitation.

The committee's responsibilities include the following:

- reports to the Board and holds regular meetings to assist the Board in discharging its responsibilities for effective financial reporting controls, internal controls and risk management.
- monitors the integrity of the Company's financial statements, annual report and accounts and half-year report and reviews significant financial reporting judgements contained in them.
- reviews, makes recommendations and reports to the Board on findings relating to the financial statements, reports and accounts, systems of internal control and compliance issues.
- oversees the Company's relationship with the external auditor, reviews auditor's letter of engagement and makes recommendations to the Board on the appointment and reappointment of external auditor.
- reviews and monitors the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards.
- reviews external auditor's management letter and any material queries raised by the auditor to the management and the management's response.

Further details on the work of the committee for the year 2016/2017 could be found under "Audit Committee Report" of this annual report.

### 審核委員會

審核委員會於二零零七年五月十六日成立，目前由三名成員組成。全部成員均為獨立非執行董事，彼等為白偉強先生(主席)、張力涓女士及連軼女士。外聘核數師及財務總監亦獲邀出席審核委員會會議。

委員會的職責包括以下各項：

- 向董事會匯報並定期舉行會議，以協助董事會履行於實行有效財務報告監控、內部監控及風險管理方面的責任。
- 監察本公司財務報表、年度報告及賬目以及半年度報告的完整性，並審閱其中所載的重大財務報告判斷。
- 審閱財務報表、報告及賬目、內部監控系統，以及合規事宜，並就審閱發現的事宜向董事會作出建議及匯報。
- 監察本公司與外聘核數師的關係、審閱核數師的委聘書，並就委聘及續聘外聘核數師向董事會作出建議。
- 根據適用準則審閱及監察外聘核數師的獨立性以及審核程序是否客觀及有效。
- 審閱外聘核數師致管理層的函件及核數師向管理層提出的任何重大疑問，以及管理層作出的回應。

委員會於二零一六／二零一七年度工作的進一步詳情可於本年報之「審核委員會報告」一節查閱。

# Corporate Governance Report

## 企業管治報告

### Remuneration Committee

Currently, the members of RC are Ms. Zhang Lijuan (Chairlady), Mr. Pak Wai Keung, Martin and Ms. Lian Yi. All of whom are independent non-executive Directors.

The committee met once during the year in October 2016. The attendance records are set out below:

### 薪酬委員會

目前，薪酬委員會成員為張力涓女士(主席)、白偉強先生及連軼女士，均為獨立非執行董事。

委員會年內於二零一六年十月舉行一次會議，成員出席記錄載列如下：

| Name<br>姓名                                    | No. of meeting attended/<br>No. of meeting held during<br>appointment period<br>出席會議次數／委任期內<br>舉行會議次數 |
|---|---|
| Zhang Lijuan (Chairlady)                      | 張力涓(主席) 0/1   |
| Pak Wai Keung, Martin                         | 白偉強 1/1   |
| Yeung Chi Tat (resigned on 10 September 2017) | 楊志達(於二零一七年九月十日辭任) 1/1   |
| Lian Yi (appointed on 19 December 2016)       | 連軼(於二零一六年十二月十九日獲委任) 0/0   |
| Number of meeting held during the year        | 年內舉行會議次數 1  |

The responsibilities of the committee include the following:

- recommend to the Board the Group's remuneration policy for the Executive Directors and the senior management of the Company;
- consider and advise on the terms of any contract to be offered to a Director; and
- monitor the remuneration package of the Executive Directors and senior management and make recommendations thereto.

委員會的職責包括以下各項：

- 就本集團有關執行董事及本公司高級管理層的薪酬政策向董事會作出建議；
- 考慮向董事提供的任何合約條款及就此提供意見；及
- 監察執行董事及高級管理層的薪酬組合及就此作出建議。

Further information of the committee's activities is contained in "Remuneration Committee Report" of this annual report.

委員會的活動的進一步詳情載於本年報之「薪酬委員會報告」。

# Corporate Governance Report

## 企業管治報告

### Nomination Committee

Currently, NC comprises four members, three of whom are independent non-executive Directors, namely Ms. Zhang Lijuan, Mr. Pak Wai Keung, Martin and Ms. Lian Yi. Ms. Xu Chendi, an Executive Director, appointed as member of NC on 4 October 2017.

The key objective of the committee is to ensure the Board comprises individuals with a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business so as to enhance Board effectiveness.

The committee met once during the year in October 2016, the attendance of the committee members are shown in the following table:

| Name   |                                     | Number of meeting attended/<br>Number of meeting held during appointment period<br>出席會議次數／委任期內舉行會議次數 |
|--|-------------------------------------|--|
| 姓名   |                                     |  |
| Yeung Chi Tat ( <i>Chairman</i> )<br>(resigned on 10 September 2017) | 楊志達 ( <i>主席</i> )<br>(於二零一七年九月十日辭任) | 1/1  |
| Zhang Lijuan   | 張力涓                                 | 0/1  |
| Pak Wai Keung, Martin  | 白偉強                                 | 1/1  |
| Lian Yi (appointed on 19 December 2016)                              | 連軼 (於二零一六年十二月十九日獲委任)                | 0/0  |
| Xu Chendi (appointed on 4 October 2017)                              | 許晨迪 (於二零一七年十月四日獲委任)                 | 0/0  |
| Number of meeting held during the year                               |                                     | 1  |
| 年內舉行會議次數   |                                     |  |

The criteria for appointment of a new director are set out below:

- possess core competencies that meet the needs of the Company;
- be able to commit time and carry out duties and responsibilities; and
- the independence in case of an independent non-executive Director.

### 提名委員會

目前，提名委員會由四名成員組成，其中三名為獨立非執行董事，彼等為張力涓女士、白偉強先生及連軼女士及一名執行董事許晨迪女士，彼於二零一七年十月四日獲委任為提名委員會成員。

委員會之主要職責為確保董事會的組成在技能、經驗及符合本公司業務需要之多元化角度方面取得平衡，以提升董事會效能。

委員會年內於二零一六年十月舉行一次會議，下表顯示委員會成員的出席記錄：

委任新董事的準則載列如下：

- 擁有本公司所需的核心技能；
- 能夠投放時間履行職務及職責；及
- 獨立性（倘為獨立非執行董事）。

# Corporate Governance Report

## 企業管治報告

The committee leads the process and makes recommendation of the appointment of new Director to the Board as follows:

- evaluate the balance of skills, knowledge, experience and diversity of perspective on the Board and determine the role and desirable competencies for a particular appointment in consultation with the management;
- review the portfolio of the potential candidate to assess suitability; and
- made recommendation to the Board.

Significant matters discussed by the committee are summarised as follows:

- To consider the re-election of the retiring Directors at the forthcoming annual general meeting having regard to his/her contribution and performance;
- To assess the independence of independent non-executive Directors; and
- To review the structure, size and composition of the Board.

### Compliance Committee

CC currently comprises Mr. Pak Wai Keung, Martin (Chairman), Ms. Xu Chendi, Mr. Huang Te-Wei, Mr. Chan Oi Fat and Mr. Krassovski Victor in which Mr. Pak Wai Keung, Martin is an independent non-executive Director and Ms. Xu Chendi and Mr. Huang Te-Wei are executive Directors.

The committee met four times during the year, the attendance records are set out below:

委員會引領及建議董事會委任新董事的程序，工作如下：

- 評核董事會於技能、知識、經驗及多元化角度等方面是否均衡，並在諮詢管理層後釐定該特定委任的職務及所需能力；
- 審閱潛在候選人的個人履歷以評估其適合程度；及
- 向董事會提出建議。

委員會討論的重大事項簡述如下：

- 根據退任董事的貢獻及表現，考慮於應屆股東週年大會重選退任董事；
- 評核獨立非執行董事的獨立性；及
- 檢討董事會的結構、規模及組成。

### 合規委員會

合規委員會目前由白偉強先生(主席)、許晨迪女士、黃德威先生、陳愛發先生及尉傑智先生組成，當中白偉強先生為獨立非執行董事以及許晨迪女士及黃德威先生為執行董事。

委員會於本年度舉行四次會議，成員出席記錄載列如下：

| Name                                    |         | Number of meetings attended/<br>Number of meetings held during<br>appointment period<br>出席會議次數／委任期內<br>舉行會議次數 |
|---|---------|---|
| 姓名                                      |         |   |
| Pak Wai Keung, Martin (Chairman)        | 白偉強(主席) | 4/4   |
| Xu Chendi                               | 許晨迪     | 2/4   |
| Huang Te-Wei                            | 黃德威     | 4/4   |
| Chan Oi Fat                             | 陳愛發     | 4/4   |
| Krassovski Victor                       | 尉傑智     | 3/4   |
| Number of meetings held during the year |         | 年內舉行會議次數  |
|   |         | 4   |

# Corporate Governance Report

## 企業管治報告

The major activities undertaken by the committee were overseeing the financial, legal, statutory and the Listing Rules requirements, internal control and corporate governance practices of the Group. The committee reported their discussion and recommendation to the Board periodically.

The overall responsibility of the committee is to ensure that the Group complies with all the relevant rules, laws and regulations and the Listing Rules.

### Executive Committee

EC was established on 3 September 2007 with specific written terms of reference. The committee currently comprises five members, by whom four of them are executive Directors, namely Ms. Shi Qi, Ms. Xu Chendi, Mr. Qiu Yonghao and Mr. Huang Te-Wei, together with Mr. Chan Oi Fat, the Financial Controller of the Company.

The committee is responsible for the day-to-day management of the Group's businesses, the overall financial performance of the Group in fulfillment of strategy, plans and budgets and the Group capital expenditures as defined in the terms of reference.

The committee reports these topics to the Board their conclusions and recommendations.

## ACCOUNTABILITY AND AUDIT

### Directors' and Auditor's acknowledgement

The Audit Committee and the Board have reviewed the Company's consolidated financial statements for the year ended 31 July 2017. The Directors acknowledge their responsibilities for preparing the accounts and presenting a balanced, clear and comprehensive assessment for the Company's performance, position and prospects. The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

Messrs. SHINEWING (HK) CPA Limited ("SHINEWING") acknowledged their reporting responsibilities in the auditor's report on the consolidated financial statements for the year ended 31 July 2017 as set out in pages 99 to 101 of this annual report.

委員會的主要活動為監察本集團遵守財務、法例、法定及上市規則要求方面、內部監控及企業管治常規方面的事宜。委員會定期向董事會報告彼等的討論及推薦建議。

委員會的整體責任為確保本集團符合所有相關規則、法例及規例以及上市規則。

### 執行委員會

執行委員會於二零零七年九月三日成立，並有具體書面職權範圍。委員會目前由五名成員組成，其中四名為執行董事，彼等為施琦女士、許晨迪女士、邱泳溟先生及黃德威先生以及本公司財務總監陳愛發先生。

委員會負責本集團日常的業務管理，以及確保本集團的整體財務表現可滿足其策略、計劃及預算以及本集團資本開支所需，詳情於職權範圍內闡述。

委員會就該等議題向董事會匯報其結論及建議。

### 問責性及審計

#### 董事及核數師的確認

審核委員會及董事會已審閱本公司截至二零一七年七月三十一日止年度的綜合財務報表。董事確認彼等有責任編製賬目及就本公司的表現、狀況及前景提呈平衡、清晰及全面的評估。董事並不知悉任何可能令本公司持續經營能力備受嚴重質疑的事件或情況所涉及的重大不明朗因素。

信永中和(香港)會計師事務所有限公司(「信永中和」)確認其於本年報第99至101頁所載截至二零一七年七月三十一日止年度綜合財務報表的核數師報告中所述的申報責任。

### Auditor's Remuneration

During the year ended 31 July 2017, SHINEWING was appointed as the Group's auditor until the conclusion of the forthcoming annual general meeting. The remuneration paid/payable to SHINEWING in respect of their audit and non-audit services were as follows:

|                         |           | 2017<br>二零一七年<br>HK\$'000<br>千港元 |
|-------------------------|-----------|----------------------------------|
| Audit services          | 審計服務      | 1,080                            |
| Non-audit services      | 非審計服務     |                                  |
| Other advisory services | 其他顧問服務    | 310                              |
| <b>Total</b>            | <b>總計</b> | <b>1,390</b>                     |

The consolidated financial statements for the year ended 31 July 2017 were audited by SHINEWING. The Audit Committee has recommended to the Board that SHINEWING be nominated for appointment as the auditor of the Company at the forthcoming annual general meeting.

### COMPANY SECRETARY

The Company Secretary, Mr. Chu Hau Lim, plays an important role in supporting the Board by ensuring good information flow within the Board and that board policy and procedures are followed.

The Company Secretary has day-to-day knowledge of the Company's affairs. He reports to the Board through the Chairman/the Chairlady and the CEO. All Directors may access to the advice and services of the Company Secretary. He regularly updates the Board on governance and regulatory matters. He also facilitates induction and professional development of Directors.

The Board is fully involved in selection, appointment and dismissal of the Company Secretary.

The Company Secretary is also responsible for ensuring the procedures of the Board meetings are observed and providing the Board opinions on matters in relation to the compliance with the procedures of the Board meetings.

During the year ended 31 July 2017, the Company Secretary has undertaken over 15 hours of relevant professional training in compliance with Rule 3.29 of the Listing Rules, details refer to "Continuing Professional Development" set out on pages 43 to 44 of this annual report.

### 核數師薪酬

截至二零一七年七月三十一日止年度，信永中和獲委任為本集團的核數師，任期至應屆股東週年大會結束為止。就審計及非審計服務已付／應付信永中和的薪酬如下：

截至二零一七年七月三十一日止年度的綜合財務報表由信永中和審核。審核委員會已向董事會建議於應屆股東週年大會提名委任信永中和為本公司的核數師。

### 公司秘書

公司秘書朱孝廉先生在支援董事會方面擔當重要角色，以確保董事會成員之間保持良好資訊交流，且董事會之政策及議事程序得到遵守。

公司秘書須熟悉本公司的日常事務。其透過主席及行政總裁向董事會匯報。所有董事可獲得公司秘書的建議及服務。其會定期向董事會提供有關管治及監管事項的最新資料。其亦安排董事的入職培訓及專業發展。

董事會全面參與公司秘書的挑選、委任及罷免程序。

公司秘書亦負責確保董事會會議之程序得到遵守，並就有關遵守董事會會議程序的事項向董事會提供意見。

截至二零一七年七月三十一日止年度，公司秘書已遵照上市規則第3.29條進行超過15小時相關專業培訓，詳情請參閱本年報第43至44頁所載的「持續專業發展」一節。

# Corporate Governance Report

## 企業管治報告

### SHAREHOLDERS' RIGHT

#### Convene of General Meetings

The Board strives to maintain an on-going dialogue with the shareholders of the Company. The Company uses annual general meeting ("AGM") as one of the principal channels for communicating with the shareholders. The Company ensures that shareholders' views are communicated to the Board. Shareholders are encouraged to participate in general meetings or to appoint proxies to attend and vote at meetings for and on their behalf if they are unable to attend the meetings. The process of the Company's general meeting are monitored and reviewed on a regular basis, and, if necessary, changes will be made to ensure that shareholders' needs are best served.

At the general meeting, each substantially separate issue has been considered by a separate resolution, including the election of individual Directors. The Chairman of the Board, chairmen of the respective board committees and the external auditor usually attend annual general meetings to inter-face with and answer questions from the shareholders.

The last annual general meeting of the Company was held on 15 December 2016 ("2016 AGM") at Rooms 1 and 2, United Conference Centre, 10/F., United Centre, 95 Queensway, Admiralty, Hong Kong. The Directors, including the Chairman of the Board, the Chairmen of the Audit, Remuneration and Nomination Committees, and representative of the external auditor of the Company, SHINEWING, attended, in person or via telephone, the 2016 AGM. The attendance records of the Directors to the 2016 AGM are set out below:

### 股東的權利

#### 召開股東大會

董事會致力與本公司股東保持溝通。本公司以股東週年大會（「股東週年大會」）作為與股東溝通的其中一項主要渠道。本公司確保股東的意見能向董事會反映。董事會鼓勵股東參與股東大會，或倘其無法出席大會，則鼓勵彼等委任代表代其出席大會及於會上表決。本公司會監察並定期檢討股東大會程序，並於需要時作出改動，以確保其切合股東需要。

於股東大會上，每項大致上屬獨立的事宜以一項獨立的決議案考慮，當中包括個別董事的選任。董事會主席、各董事委員會之主席及外聘核數師一般皆會親自出席股東週年大會，以便與股東接觸並回答其提問。

本公司上屆股東週年大會於二零一六年十二月十五日（「二零一六年股東週年大會」）假座香港金鐘金鐘道95號統一中心10樓統一會議中心會議室1號及2號舉行。董事（包括董事會主席）、審核、薪酬與提名委員會主席，以及本公司外聘核數師信永中和之代表均已親自或透過電話出席二零一六年股東週年大會。董事出席二零一六年股東週年大會的記錄列載如下：

| Directors                                     |                      | Number of meeting attended/<br>Number of meeting held during appointment period<br>出席會議次數／委任期內舉行會議次數 |
|---|----------------------|--|
| 董事  |                      |  |
| <b>Executive Directors</b>                    |                      |  |
| Shi Qi  | 執行董事<br>施琦           | 1/1  |
| Xu Chendi                                     | 許晨迪                  | 1/1  |
| Qiu Yonghao                                   | 邱泳昊                  | 1/1  |
| Huang Te-Wei                                  | 黃德威                  | 1/1  |
| <b>Non-Executive Directors</b>                |                      |  |
| Gao Feng                                      | 非執行董事<br>高峰          | 0/1  |
| Han Lei                                       | 韓磊                   | 0/1  |
| Wang Yayuan (appointed on 19 December 2016)   | 王雅媛(於二零一六年十二月十九日獲委任) | 0/0  |
| <b>Independent Non-Executive Directors</b>    |                      |  |
| Zhang Lijuan                                  | 獨立非執行董事<br>張力涓       | 1/1  |
| Pak Wai Keung, Martin                         | 白偉強                  | 1/1  |
| Yeung Chi Tat (resigned on 10 September 2017) | 楊志達(於二零一七年九月十日辭任)    | 1/1  |
| Lian Yi (appointed on 19 December 2016)       | 連軼(於二零一六年十二月十九日獲委任)  | 0/0  |
| Number of meeting held during the year        | 年內舉行會議次數             | 1  |



Notice to shareholders for the 2016 AGM was sent to shareholders more than 20 clear business days prior to the 2016 AGM. The chairman of the meeting exercised her power under the Company's Articles of Association to put each proposed resolution to vote by way of a poll. The Company adopted poll voting for all resolutions put to vote at the meeting. The procedures for voting by poll at the 2016 AGM were contained in the circular of the Company to the shareholders, which was dispatched together with the 2016 annual report, and were further explained at the 2016 AGM prior to the polls being taken. Separate resolutions were proposed at the 2016 AGM on each substantive issue and the percentage of votes cast in favor of such resolutions as disclosed in the announcement of the Company dated 15 December 2016 are set out below:

二零一六年股東週年大會之股東通告已於二零一六年股東週年大會舉行前超過二十個完整營業日寄予各股東。大會主席行使本公司組織章程細則所賦予的權力，就各項提呈的決議案以投票方式表決。本公司就提呈大會表決的所有決議案採用投票方式進行表決。有關二零一六年股東週年大會上以投票方式表決的程序，已列載於本公司致股東的通函內，有關通函已與二零一六年年報一併寄予股東，而有關程序亦在二零一六年股東週年大會進行投票前加以解釋。於二零一六年股東週年大會上，各重大事宜均以單獨決議案提呈，而贊成有關決議案的票數所佔的百分比（於本公司日期為二零一六年十二月十五日的公告中披露）列載如下：

| <b>Resolutions proposed at the 2016 AGM</b>  | <b>Percentage of Votes cast in favor</b> |
|--|--|
| <b>於二零一六年股東週年大會提呈的決議案</b>  | <b>贊成的票數所佔的百分比</b>                       |
| 1. To receive and consider the audited consolidated financial statements of the reports of directors and the auditors of the Company for the year ended 31 July 2016.<br>省覽及考慮本公司截至二零一六年七月三十一日止年度的經審核綜合財務報表及董事會報告與核數師報告。 | 100%                                     |
| 2. (i) To re-elect Ms. Shi Qi as a director of the Company.<br>重選施琦女士為本公司董事。   | 100%                                     |
| (ii) To re-elect Ms. Xu Chendi as a director of the Company.<br>重選許晨迪女士為本公司董事。   | 100%                                     |
| (iii) To re-elect Mr. Qiu Yonghao as a director of the Company.<br>重選邱泳溟先生為本公司董事。  | 100%                                     |
| (iv) To re-elect Mr. Gao Feng as a director of the Company.<br>重選高峰先生為本公司董事。   | 100%                                     |
| (v) To re-elect Mr. Han Lei as a director of the Company.<br>重選韓磊先生為本公司董事。   | 100%                                     |
| (vi) To re-elect Ms. Zhang Lijuan as a director of the Company.<br>重選張力涓女士為本公司董事。  | 100%                                     |
| (vii) To re-elect Mr. Pak Wai Keung, Martin as a director of the Company.<br>重選白偉強先生為本公司董事。  | 100%                                     |
| (viii) To re-elect Mr. Huang Te-Wei as a director of the Company.<br>重選黃德威先生為本公司董事。  | 100%                                     |
| 3. To authorize the board of directors of the Company to fix the remuneration of the Directors.<br>授權本公司董事會釐定董事的酬金。  | 100%                                     |
| 4. To re-appoint auditor and authorize the board of directors to fix their remuneration.<br>重新委聘核數師並授權董事會釐定其酬金。  | 100%                                     |
| 5. To approve granting the general mandate to the Directors to allot, issue and deal with the Company's shares.<br>批准授予董事一般授權以配發、發行及處理本公司股份。   | 99.9996%                                 |
| 6. To approve granting the general mandate to the Directors to repurchase the Company's shares.<br>批准授予董事一般授權以購回本公司股份。   | 99.9996%                                 |
| 7. To authorize the Directors to extend the general mandate to issue new shares by adding the number of shares repurchased.<br>授權董事藉加入所購回的股份數目擴大發行新股份的一般授權。  | 99.9996%                                 |

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## 企業管治報告

All resolutions put to shareholders at the 2016 AGM were passed. The Company's Branch Share Registrars were appointed as scrutineers to monitor and count the poll votes cast at that meeting. The results of the voting by poll were published on the websites of the Company and the Stock Exchange.

### Procedures by which enquiries may put to the Board

Shareholders may put forward enquiries to the Board through the Company Secretary who will direct the enquiries to the Board for handling. The contact details of the Company Secretary are as follows:

Ta Yang Group Holdings Limited  
Flat 28, 23/F., Metro Centre II,  
21 Lam Hing Street,  
Kowloon Bay, Kowloon  
Hong Kong  
Email: alfred@tayanggroup.com  
Tel No.: (852) 3678-5088  
Fax No.: (852) 3678-5099

### How shareholders can convene an extraordinary general meeting/procedures for putting forward proposals at a shareholders' meeting

The Board may whenever it thinks fit call extraordinary general meetings. Any one or more shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Company Secretary sent to the aforesaid address, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two months after the deposit of such requisition. If within twenty-one days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

Furthermore, shareholders of the Company may propose a person for election as a Director of the Company. The procedures of which are available at the Company's website.

所有於二零一六年股東週年大會上向股東提呈的決議案已獲得通過。本公司的股份過戶登記分處獲委任為該大會的監票人，以監察投票表決過程及點算票數。以投票方式表決的結果已於本公司及聯交所網站刊登。

### 向董事會作出查詢的程序

股東可透過公司秘書向董事會作出查詢，而公司秘書會轉交有關查詢予董事會處理。公司秘書的聯絡詳情如下：

香港  
九龍九龍灣  
臨興街21號  
美羅中心2期23樓28室  
大洋集團控股有限公司  
電郵：alfred@tayanggroup.com  
電話號碼：(852) 3678-5088  
傳真號碼：(852) 3678-5099

### 股東召開股東特別大會之方法及於股東大會上提出建議的程序

董事會可於其認為適當時召開股東特別大會。任何一位或以上於遞呈要求日期持有不少於本公司實繳股本（附有本公司股東大會上投票權）十分之一的股東於任何時候有權透過向董事會或公司秘書發出書面要求（寄送至上述地址），要求董事會召開股東特別大會，以處理有關要求中指明的任何事項；且該大會應於遞呈該要求後兩個月內舉行。倘遞呈後二十一日內，董事會未有召開該大會，則遞呈要求人士可自行以同樣方式召開大會，而遞呈要求人士因董事會未有召開大會而合理產生的所有開支應由本公司向要求人作出償付。

此外，本公司股東可提名人士參選本公司董事，有關程序可參閱本公司網站。

### INVESTOR RELATIONS

#### Significant changes in articles of association

During the year, there is no significant change to the Company's Articles of Association.

#### Shareholdings information

##### As at 31 July 2017

Authorised Capital : HK\$2,000,000,000 divided into 20,000,000,000 Shares of HK\$0.1 each

Issued and fully-paid : HK\$87,117,800 divided into 871,178,000 Shares of HK\$0.1 each

The following table summarised the existing shareholding structure of the Company as at 31 July 2017:

### 投資者關係

#### 組織章程細則的重大變動

年內，本公司的組織章程細則並無任何重大變動。

#### 持股資料

##### 於二零一七年七月三十一日

法定股本 : 2,000,000,000 港元，分為 20,000,000,000 股每股面值 0.1 港元的股份

已發行及繳足 : 87,117,800 港元，分為 871,178,000 股每股面值 0.1 港元的股份

下表概列本公司於二零一七年七月三十一日的現有持股架構：

| Category                             |         | No. of Shares | % of issued capital of the Company |
|--------------------------------------|---------|---------------|------------------------------------|
| 類別                                   |         | 股份數目          | 佔本公司已發行股本的百分比 (Note) (附註)          |
| Controlling shareholders & Directors | 控股股東及董事 | 437,870,400   | 50.26%                             |
| Public                               | 公眾      | 433,307,600   | 49.74%                             |
| Total                                | 總計      | 871,178,000   | 100.00%                            |

Note: The issued capital of the Company as at 31 July 2017 is 871,178,000 Shares.

附註：本公司於二零一七年七月三十一日的已發行股本為 871,178,000 股股份。

Other corporate information is set out in the "Corporate Information" section set out on pages 6 to 9 of this annual report.

其他公司資料載於本年報中第 6 至 9 頁的「公司資料」一節。

# Corporate Governance Report

## 企業管治報告

### RISK MANAGEMENT AND INTERNAL CONTROL

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

#### Risk Management System

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

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

Based on the risk assessments conducted in 2017, no significant risk was identified.

#### Internal Control System

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

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

### 風險管理及內部監控

年內，本集團已遵守企管守則的守則條文C.2條，建立適當及有效之風險管理及內部監控系統。管理層負責該等系統之設計、實施及監控，而董事會負責持續監督管理層執行其職責。風險管理及內部監控系統的主要特徵載於以下章節：

#### 風險管理系統

本集團採納一套風險管理系統，管理與其業務及營運有關的風險。該系統主要包括以下階段：

- **識別：**識別風險歸屬、業務目標及可能影響目標實現的風險。
- **評估：**分析風險的可能性及影響，並據此評估風險組合。
- **管理：**考慮風險回應措施，確保與董事會有效溝通並持續監控剩餘風險。

根據於二零一七年進行的風險評估，並無發現任何重大風險。

#### 內部監控系統

本公司設有與Committee of Sponsoring Organizations of the Treadway Commission ("COSO")二零一三年框架相符的內部監控系統。該框架使本集團能夠實現有關運營有效性及效率、財務報告可靠性以及遵守適用法律及法規的目標。該框架的組成部分列示如下：

- **監控環境：**為於本集團進行內部監控提供基礎的一套準則、程序及架構。
- **風險評估：**識別及分析風險以實現本集團目標，以及為釐定如何管理風險提供基礎的不斷轉變而反復的過程。
- **監控活動：**根據政策及程序確立的行動，有助確保執行管理層為減低風險以達成目標所作出的指示。

- **Information and Communication:** Internal and external communication to provide the Group with the information needed to carry out day-to-day controls.
- **Monitoring:** Ongoing and separate evaluations to ascertain whether each components of internal control is present and functioning.

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

- The access of information is restricted to a limited number of employees on a need-to-know basis. Employees who are in possession of inside information are fully conversant with their obligations to preserve confidentiality.
- Confidentiality agreements are in place when the Group enters into significant negotiations.
- The Executive Directors are designated persons who speak on behalf of the Company when communicating with external parties such as the media, analysts or investors.

Based on the internal control reviews conducted in 2017, no significant control deficiency was identified.

### Internal Auditors

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

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

- **資訊及溝通:** 為本集團提供進行日常監控所需資訊的內部及外部溝通。

- **監控:** 持續及獨立評估以確定內部監控的各組成部分是否存在及運作正常。

為加強本集團處理內幕消息的制度，確保公開披露資料的真實性、準確性、完整性與及時性，本集團亦採納及執行內幕消息政策及程序。本集團已不時採取若干合理措施，確保存有防止違反披露規定的合適保障措施，其中包括：

- 只有需要了解之有限數目的僱員可獲取消息。擁有內幕消息的僱員完全了解其保守機密的責任。
- 本集團訂立重大協商時簽訂保密協議。
- 與外界(如媒體、分析師或投資者)溝通時，執行董事為代表本公司發言的指定人士。

根據於二零一七年進行的內部監控檢討，並無發現任何重大控制缺陷。

### 內部核數師

本集團設有內部審計(「內部審計」)部門，其由具有相關專業知識的專業人士(如執業會計師)組成。內部審計部門獨立於本集團的日常運作，透過面談、巡查及運營有效性測試對風險管理及內部監控系統進行評估。

內部審計計劃已獲得董事會批准。根據既定計劃，每年對風險管理及內部監控系統進行審閱，結果隨後將通過審核委員會向董事會報告。

# Corporate Governance Report

## 企業管治報告

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

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

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

### INVESTOR AND SHAREHOLDER RELATIONS

#### Communication with Investors and Shareholders

The Board recognises the importance of maintaining clear, timely and effective communication with shareholders of the Company and investors. The Board also recognises that effective communication with investors is the key to establish investor confidence and to attract new investors. Therefore, the Group is committed to maintaining high degree of transparency to ensure the investors and the shareholders are receiving accurate, clear, comprehensive and timely information of the Group via the publication of annual reports, interim reports, press announcements ("Corporate Communication"), and also the Company's website at [www.tayang.com](http://www.tayang.com).

Corporate Communications issued by the Company and are available on the websites of the Company and the Stock Exchange have been provided to the shareholders in both English and Chinese versions to facilitate their understanding. A section entitled "Investor Relations" is available on the Company's website which provides contact details to allow shareholders to contact the Company easily.

### 風險管理及內部監控系統之有效性

董事會負責本集團的風險管理及內部監控系統，並確保每年審閱該等系統的有效性。董事會審閱時已考慮若干領域，其中包括但不限於(i)自上次年度審閱以來重大風險性質及程度的變動，以及本集團對其業務及外部環境變動作出反應的能力；及(ii)管理層持續監控風險及內部監控系統的範圍及質素。

董事會透過其審閱以及內部審計部門及審核委員會作出的審閱得出結論，認為風險管理及內部監控系統為有效及足夠。然而，該等系統旨在管理而非消除未能達成業務目標的風險，且只能針對重大失實陳述或損失作出合理而非絕對的保證。其亦認為資源、員工資歷及相關員工的經驗為足夠，提供的培訓計劃及預算為足夠。

### 投資者及股東關係

#### 與投資者及股東溝通

董事會認同與本公司股東及投資者維持清晰、及時及有效溝通的重要性。董事會亦認同與投資者的有效溝通乃建立投資者信心及吸引新投資者的關鍵。因此，本集團致力維持高透明度，以確保投資者及股東可透過本集團刊發的年報、中期報告、新聞公告(「公司通訊」)及本公司的網站 [www.tayang.com](http://www.tayang.com) 獲取準確、清晰、全面與及時的資料。

本公司刊發的公司通訊可於本公司及聯交所網站取得，並備有中英文版供股東選擇，以方便股東了解通訊內容。本公司網站設有「投資者關係」一欄，當中提供聯絡資料方便股東聯絡本公司。

Enquiries from institutional investors and analysts on the Group's strategy, operations, management and plans are welcome.

Our investor relations activities include:

- Attend telephone enquiries from analysts and fund managers;
- update of the Company's website regularly;
- hold annual general meeting;
- disclose information on a timely basis via the Company's and Stock Exchange's websites.

### MANAGEMENT FUNCTIONS

In general, the daily management and administration functions of the Group have been delegated to the management except for certain matters specifically reserved to the Board for decision. Those matters include the setting of the overall strategic direction and long term objectives of the Company, approval of annual business plan, material acquisitions and disposals of assets, investments, connected transactions and capital projects, key human resources issue, preliminary interim and final results announcements, determination of interim and final dividends, appointment of Directors and annual assessment of internal control system.

Hong Kong, 24 October 2017

本集團歡迎機構投資者及分析師對本集團策略、經營、管理及計劃作出查詢。

本集團的投資者關係活動包括：

- 回應分析師和基金經理的電話查詢；
- 定期更新本公司網站；
- 舉行股東週年大會；
- 適時透過本公司及聯交所網站披露資料。

### 管理層職能

一般而言，本集團的日常管理及行政職能交由管理層負責，惟若干指明留待董事會決定的事項除外。該等事項包括制訂本公司的整體策略方向及長遠目標、批准全年業務計劃、重大資產收購及出售、投資、關連交易及資本項目、重要人力資源事項、初步中期及末期業績公佈、釐定中期及末期股息、委任董事及內部監控系統的年度評估。

香港，二零一七年十月二十四日

# Remuneration Committee Report

## 薪酬委員會報告

This report provides the details of work undertaken by the Remuneration Committee ("RC") during the year.

### MEMBERSHIP OF THE REMUNERATION COMMITTEE

During the year, the Directors who served on RC were Ms. Zhang Lijuan (Chairlady), Mr. Yeung Chi Tat (resigned on 10 September 2017), Mr. Pak Wai Keung, Martin and Ms. Lian Yi (appointed on 19 December 2016). All of them are independent non-executive Directors.

### ACTIVITIES OF THE REMUNERATION COMMITTEE

During the year, RC met once and the major business of the meeting included the following activities:

- conduct the annual review of 2016/2017 salary for all Directors and Senior Management and making appropriate recommendations to the Board; and
- consider and review the service contracts and the appointment letters of Directors, and making appropriate recommendations to the Board.

### REMUNERATION POLICY

The remuneration for the executive Directors comprises basic salary, bonus, share options and pensions. Salary adjustments are made where RC takes into account performance of the individual, contribution, responsibilities, and reference to comparable listed companies in Hong Kong.

The remuneration of non-executive Directors are reviewed annually with reference to the salary research survey, comparable companies and market condition.

Apart from basic salary, executive Directors and employees are eligible to receive a discretionary bonus taking into account factors such as market conditions as well as corporate and individual's performance during the year.

本報告提供有關薪酬委員會(「薪酬委員會」)於年內所進行工作的詳情。

### 薪酬委員會成員

年內出任薪酬委員會成員的董事為張力涓女士(主席)、楊志達先生(於二零一七年九月十日辭任)、白偉強先生及連軼女士(於二零一六年十二月十九日獲委任)。全部均為獨立非執行董事。

### 薪酬委員會活動

年內，薪酬委員會舉行一次會議，而會上商討的主要事宜包括以下各項：

- 對所有董事及高級管理層於二零一六／二零一七年的薪金進行年度檢討及向董事會作出適當推薦意見；及
- 省覽及審閱董事的服務合約及委任書，並向董事會提出適當建議。

### 薪酬政策

執行董事的薪酬包括基本薪金、花紅、購股權及退休金。薪酬委員會在作出薪金調整時，會考慮個別人士的工作表現、貢獻及職責，並會參考可資比較的香港上市公司。

非執行董事的薪酬每年均會參考薪金研究調查、可資比較公司及市場狀況作檢討。

除基本薪金外，執行董事及僱員均合資格獲取酌情花紅，惟須根據年內的市場狀況、企業及個人表現等因素而定。



# Remuneration Committee Report

## 薪酬委員會報告

The following table illustrates the elements of remuneration of Executive Directors and senior management. 下表說明執行董事及高級管理層薪酬包含的元素。

| Remuneration<br>薪酬          | Purpose<br>目的  | Reward<br>獎勵   | Policy details<br>政策詳情  |
|-----------------------------|--|--|---|
| Basic Salary<br>基本薪金        | To reflect the market value of each individual<br>反映每名人士的市場價值  | <ul style="list-style-type: none"> <li>Cash payment<br/>現金付款</li> <li>Monthly<br/>每月</li> </ul>      | <ul style="list-style-type: none"> <li>Reviewed annually<br/>每年檢討</li> <li>Compare against selected comparable companies<br/>與選定的可資比較公司比較</li> <li>Market trend<br/>市場趨向</li> </ul>                 |
| Discretionary Bonus<br>酌情花紅 | To motivate employees to deliver the high levels of performance of the Company and individual performance goals<br>鼓勵僱員為本公司取得高水平的表現及達成個人表現目標 | <ul style="list-style-type: none"> <li>Cash Payment<br/>現金付款</li> <li>Annual<br/>每年</li> </ul>       | <ul style="list-style-type: none"> <li>Individual performance<br/>個人表現</li> <li>Market condition<br/>市場狀況</li> <li>The Group performance relative to corporate targets<br/>本集團相對於企業目標的表現</li> </ul> |
| Pension<br>退休金              | To provide appropriate and competitive post retirement benefits<br>提供適當及具競爭力的退休後福利   | <ul style="list-style-type: none"> <li>Cash contribution<br/>現金供款</li> <li>Monthly<br/>每月</li> </ul> | <ul style="list-style-type: none"> <li>MPF scheme<br/>強積金計劃</li> </ul>  |

# Remuneration Committee Report

## 薪酬委員會報告

Details of the amount of Directors' and senior managements' remuneration during the year ended 31 July 2017 are set out in Note 18 to the consolidated financial statements.

截至二零一七年七月三十一日止年度的董事及高級管理層酬金詳情載列於綜合財務報表附註18。

Members of the Remuneration Committee

**Zhang Lijuan** (*Chairlady*)

**Pak Wai Keung, Martin**

**Lian Yi**

薪酬委員會成員

張力涓 (*主席*)

白偉強

連軼

Hong Kong, 24 October 2017

香港，二零一七年十月二十四日

# Audit Committee Report

## 審核委員會報告

This report provides details of the role of the Audit Committee ("AC") and the work it has undertaken by them during the year.

本報告提供有關審核委員會(「審核委員會」)職責及年內所進行工作的詳情。

### MEMBERSHIP OF AUDIT COMMITTEE

During the year, the Directors who served on AC were Mr. Pak Wai Keung, Martin (Chairman), Mr. Yeung Chi Tat (resigned on 10 September 2017), Ms. Zhang Lijuan and Ms. Lian Yi (appointed on 19 December 2016). All of them are independent non-executive Directors.

### 審核委員會成員

年內，出任審核委員會成員的董事為白偉強先生(主席)、楊志達先生(於二零一七年九月十日辭任)、張力涓女士及連軼女士(於二零一六年十二月十九日獲委任)。全部為獨立非執行董事。

### MEETINGS AND ATTENDANCE

During the year, AC met two times in October 2016 and March 2017. The Financial Controller and the external auditor attended the meetings by invitation. The attendance records are set out below:

### 會議及出席記錄

年內，審核委員會於二零一六年十月及二零一七年三月舉行兩次會議。財務總監及外聘核數師獲邀出席會議。出席記錄如下：

| Name  |                     | Number of meetings attended/<br>Number of meetings held during appointment period<br>出席會議次數／委任期內舉行會議次數 |
|---|---------------------|--|
| 姓名  |                     |  |
| Pak Wai Keung, Martin                         | 白偉強                 | 2/2  |
| Zhang Lijuan                                  | 張力涓                 | 1/2  |
| Yeung Chi Tat (resigned on 10 September 2017) | 楊志達(於二零一七年九月十日辭任)   | 2/2  |
| Lian Yi (appointed on 19 December 2016)       | 連軼(於二零一六年十二月十九日獲委任) | 1/1  |
| Number of meetings held during the year       |                     | 2  |
| 年內舉行會議次數                                      |                     | 2  |

### SUMMARY OF MAJOR WORKS DONE DURING THE YEAR

### 年內完成的主要工作概要

During the year, the major works done by AC were summarised as follows:

年內，審核委員會完成的主要工作概述如下：

- reviewed with the management and the external auditors on the interim results and annual results and related announcement including the related disclosures, integrity of financial reporting and the accounting policies and adopted by the Group prior to the submission to the Board's approval;
- discussed with management on significant judgments affecting Group's consolidated financial statements;
- considered and pre-approved the re-appointment of auditors and their audit fee accordingly;
- reviewed and discussed the risk management and internal control report including the status of implementing recommendations on previous report;
- 在提交董事會批准前，與管理層及外聘核數師審閱中期業績、全年業績以及有關公告，包括有關披露事宜、財務報告及會計政策的完整性及本集團採納的會計政策；
- 與管理層討論影響本集團綜合財務報表的重大判斷；
- 考慮及預先審批續聘核數師及其審核費用；
- 審閱及討論風險管理及內部監控報告，包括在上一份報告中所提出的建議的實施情況；

# Audit Committee Report

## 審核委員會報告

- reviewed, assessed the adequacy and effectiveness of the Company's risk management and internal control;
  - reviewed and monitored the external auditor's independence and objectivity and the effectiveness during the audit process; and
  - reviewed and discussed the audit plan for 2016/2017.
- 審閱及評估本公司的風險管理及內部監控是否足夠及有效；
  - 審閱及監察外聘核數師的獨立性及客觀性以及審核程序的有效性；及
  - 檢討及討論二零一六／二零一七年審核計劃。

### FINANCIAL REPORTING

AC has reviewed with the management the accounting principles and practices adopted by the Group and the financial reporting matters including a review of the audited consolidated financial statements for the year ended 31 July 2017.

### RISK MANAGEMENT AND INTERNAL CONTROL

During the year, AC engaged SHINEWING Risk Services Regulatory Limited ("SHINEWING Risk") to conduct the risk management and internal control review of the Group's operation and made recommendation to Board accordingly. Based on the report issued by SHINEWING Risk, AC considered that the key areas of the Company's risk management and internal control systems are reasonably implemented and the Company has complied with the requirements of the CG code as set out in the Listing Rules in respect of risk management and internal control. The matters concerns to be brought to the attention to the Board are listed on the Corporate Governance Report of this annual report.

### EXTERNAL AUDITOR

AC reviewed the independence of SHINEWING (HK) CPA Limited and recommended their re-appointment as auditor of the Group for the financial year 2017/2018 in the forthcoming AGM.

Members of Audit Committee

**Pak Wai Keung, Martin** (Chairman)

**Zhang Lijuan**

**Lian Yi**

Hong Kong, 24 October 2017

### 財務報告

審核委員會與管理層審閱本集團採納的會計準則與常規及財務報告事宜，包括審閱截至二零一七年七月三十一日止年度的經審核綜合財務報表。

### 風險管理及內部監控

年內，審核委員會聘任信永方略風險管理有限公司（「信永方略」）對本集團的營運進行風險管理及內部監控檢討，並向董事會作出相應建議。根據信永方略發出的報告，審核委員會認為本公司風險管理及內部監控系統的主要方面已合理地實行，且本公司已遵守上市規則所載有關風險管理及內部監控的企管守則規定。需要提請董事會垂注之事宜載於本年報企業管治報告。

### 外聘核數師

審核委員會已審閱信永中和（香港）會計師事務所有限公司的獨立性，並建議在應屆股東週年大會續聘其出任本集團於二零一七／二零一八財政年度的核數師。

審核委員會成員

**白偉強** (主席)

**張力涓**

**連軼**

香港，二零一七年十月二十四日

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### ABOUT THIS REPORT

The Environmental, Social and Governance (“ESG”) Report published by Ta Yang Group Holdings Limited (the “Company”) outlines the various initiatives of the Company and its subsidiaries (collectively referred to as the “Group” or “we”) in supporting sustainable development and the performance in the social and governance aspects for the year from 1 August 2016 to 31 July 2017 (the “Year”).

### Scope of the Report

The content of the ESG Report mainly outlines the environmental and social policies of the Group in its silicone rubber business, with a focus on the performance of one of its subsidiaries, namely Dongguan Tai Yang Rubber Plastic Industrial Company Limited (“Dongguan Tai Yang”), in the environmental and social aspects during the Year. For details on corporate governance, please refer to the Corporate Governance Report on pages 34 to 61 of the annual report of the Company.

### Reporting Guidance

The ESG Report is prepared in accordance with Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “Listing Rules”), namely the Environmental, Social and Governance Reporting Guide.

### Stakeholders Engagement

With the joint efforts of colleagues from various departments, we can have a clearer understanding of the current development of the Group in the environmental and social aspects when preparing the ESG Report. The data that we have collected not only provide a summary of the initiatives of the Group in the environmental and social aspects during the Year, but also lay a foundation for formulating short-term and long-term policies for sustainable development.

### Comments and Feedback

For details on environmental and corporate governance of the Company, please refer to the Company’s official website (<http://www.tayang.com>) and its annual report. If you have any comments or suggestions regarding this report, please feel free to contact us by email: [info@tayanggroup.com](mailto:info@tayanggroup.com).

### 關於本報告

大洋集團控股有限公司(「本公司」)發表的環境、社會及管治(「ESG」)報告闡述本公司及其附屬公司(統稱「本集團」或「我們」)，於二零一六年八月一日至二零一七年七月三十一日(「本年度」)內，支持可持續發展方面的各項工作，以及在社會管治方面的表現。

### 報告範疇

ESG報告的內容主要闡述本集團於矽膠事業的環境及社會政策，並集中於本集團其中一家子公司—東莞太洋橡膠製品有限公司(「東莞太洋」)於本年度在環境及社會層面的表現。有關企業管治的詳情，請參閱本公司年報34至61的企業管治報告。

### 報告準則

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

### 持份者參與

有賴各部門同事共同參與，我們撰寫ESG報告時更清晰瞭解本集團目前在環境和社會層面的發展水平。我們收集到的資料，既總結了本集團於本年度的環境和社會工作，也為我們制定短期和長期可持續發展策略奠定基礎。

### 意見及反饋

有關本公司環境及企業管治的詳細信息，請參閱本公司的官方網站(<http://www.tayang.com>)及其年報。若閣下對這份報告有任何意見或建議，歡迎通過電郵聯絡我們：[info@tayanggroup.com](mailto:info@tayanggroup.com)。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### ENVIRONMENTAL PROTECTION

#### Treatment of Emissions

While committed to business development, the Group has never neglected environmental protection of the places in which our business operates. We have strictly observed the laws and regulations in relation to the environment, such as the Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution, Law of the People's Republic of China on the Prevention and Control of Water Pollution, Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste, Environmental Protection Law of the People's Republic of China and Energy Conservation Law of the People's Republic of China, with a view to controlling the amount of emissions as well as resources conservation. Dongguan Tai Yang has obtained the ISO14001:2008 Environmental Management System Certification and engaged a third-party company to carry out regular inspection on pollutants, including wastewater and exhaust gas, for factories to ensure that emissions are in compliance with the emission requirements in Guangdong Province.

#### Wastewater

The industrial wastewater generated by Dongguan Tai Yang can be classified as wastewater from cleaning and wastewater from water curtain booth. Wastewater from cleaning is generated during the ultrasonic cleaning process applied to remove dust or other impurities on the surface of certain plastic parts, while wastewater from water curtain booth contains organic solvents and inks generated during the process of spraying, which is the pre-treatment of exhaust gas from spraying in water curtain booth used by Dongguan Tai Yang. Dongguan Tai Yang reuses the wastewater from water curtain booth after the filtration of residues and regularly replaces and replenishes the water. Dongguan Tai Yang properly collects the wastewater from cleaning and non-recyclable wastewater from water curtain booth and deliver the wastewater to qualified units for central treatment. The domestic wastewater from Dongguan Tai Yang will first undergo grease trap and filtration treatment before septic tank treatment to fulfil the standards as required under the Discharge Limits of Water Pollutants (DB44/26-2001) in Guangdong Province before being discharged to the municipal drainage system.

### 環境保護

#### 排放物處理

本集團在致力於業務發展的同時，亦不忘保護業務所在的周邊環境。我們一直嚴格遵守與環境相關的法律法規，例如《中華人民共和國大氣污染防治法》、《中華人民共和國水污染防治法》、《中華人民共和國固體廢物污染環境防治法》、《中華人民共和國環境保護法》、《中華人民共和國節約能源法》等，旨在控制排放物排放量及節約資源。東莞太洋已取得ISO14001:2008環境管理體系認證，並定期委託第三方公司對廠房的污染物進行檢測，包括廢水、廢氣等，確保排放物符合廣東省的排放標準。

#### 廢水

東莞太洋產生的工業廢水可分為清洗廢水和水簾櫃廢水。清洗廢水來自於清洗過程，即對部分塑膠配件表面所沾染的灰塵或其他雜質進行超聲波清洗。水簾櫃廢水則來自於噴塗工序，即東莞太洋在噴塗過程中採用水簾櫃對噴塗廢氣進行預處理，所產生的含有有機溶劑和油墨的廢水。東莞太洋將水簾櫃廢水經濾渣後循環使用，並定期更換及補充用水。東莞太洋妥善收集清洗廢水和不可再重用的水簾櫃廢水，並將廢水交由合資格的單位集中處理。東莞太洋的生活污水會先進行隔油隔渣，然後通過化糞池處理，達到廣東省《水污染物排放限值》(DB44/26-2001)所要求的標準後，排入市政管網。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Exhaust Gas

Exhaust gas is generated during various production procedures of Dongguan Tai Yang. Upon the collection of organic exhaust gas generated during the processes of grinding, refining and moulding, Dongguan Tai Yang ensures that such organic exhaust gas will meet the requirements under the Emission Limits of Air Pollution (DB44/27-2001) in Guangdong Province before emission at high altitude. Upon the collection of organic exhaust gas generated during curing, printing and spraying, Dongguan Tai Yang will treat the exhaust gas in accordance with standards including the Emission Standard of Volatile Organic Compounds for Furniture Manufacturing Operations (DB44/814-2010) and the Emission Standard of Volatile Organic Compounds for the Printing Industry (DB44/815-2010) in Guangdong Province. For example, exhaust gas is subject to pre-treatment through water curtain booth to ensure the fulfillment of the standards before emission at high altitude. In order to reduce fugitive emission of exhaust gas during curing, printing and spraying, Dongguan Tai Yang carries out the spraying process in sealed area and collects organic exhaust gas at the exhaust outlet. Such organic exhaust gas will be treated by activated carbon absorbers, together with the exhaust gas from curing and printing, as well as the exhaust gas from spraying that has undergone pre-treatment using the water curtain booth, before being emitted at high altitude through emission chimneys.

### Waste

The non-hazardous waste from Dongguan Tai Yang includes general industrial solid waste and domestic garbage. During the production process, non-hazardous waste materials such as plastics, silicone rubber trimmings and disposed packaging materials are produced by Dongguan Tai Yang, those non-hazardous waste materials are recycled by qualified companies; while the domestic garbage from our staff will first be gathered up by Dongguan Tai Yang before being transported by the environmental hygiene authorities. Dongguan Tai Yang also complies with the relevant national and local requirements for packaging, labelling and storing of hazardous waste. The various types of hazardous waste materials, such as waste oils, waste ink residues and waste cloths, are collected separately with proper tags and labels to prohibit from being mixed with other articles and to ensure safe subsequent transportation. The hazardous waste, which is labelled and ready for treatment, is gathered by Dongguan Tai Yang and then be collected by qualified units for further treatment.

### 廢氣

東莞太洋的廢氣源於不同的生產程序。在研磨、開煉、成型工序產生的有機廢氣經收集後，東莞太洋確保相關有機廢氣符合廣東省《大氣污染排放限值》(DB44/27-2001)的要求後，方高空排放。在烘烤、印刷、噴塗工序產生的有機廢氣則經收集後，東莞太洋會按照廣東省《傢俱製造行業揮發性有機化合物排放標準》(DB44/814-2010)及《印刷行業揮發性有機化合物排放標準》(DB44/815-2010)等標準處理廢氣，例如噴塗廢氣會經過水簾櫃先進行預處理，以確保廢氣達標後方會高空排放。為減少於烘烤、印刷、噴塗工序中無組織廢氣的排放，東莞太洋對噴塗工序進行密封處理，並在出風口收集相關有機廢氣。相關有機廢氣會與烘烤、印刷工序的廢氣及經水簾櫃預處理後的噴塗廢氣一同經活性炭吸附裝置處理後，從排放氣筒高空排放。

### 廢棄物

東莞太洋的無害廢棄物包括一般工業固體廢物和生活垃圾。生產過程中，東莞太洋會產生塑膠、矽膠邊角料和廢棄包裝材料等無害廢棄物，以上無害廢棄物均由專業公司回收處理；而員工的生活垃圾經東莞太洋集中堆放後，由環衛部門統一運走。東莞太洋亦按照國家和當地相關的要求對有害廢棄物進行包裝、標識及貯存，將各類有害廢棄物如廢機油、廢油墨渣、廢抹布等分開收集，做好標記標識，禁止混入其他雜物，以保障後續的運輸過程安全。東莞太洋將完成標識、待處理的有害廢棄物集中擺放，然後交由合資格的單位進行後續處理。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Resources Conservation

The Group places much emphasis on resources conservation and enhances the energy efficiency of equipment by strengthening the maintenance and operation standards of factory equipment. Apart from improving the energy efficiency of equipment, we have also adopted the following measures to enhance the efficiency in the use of resources, including:

- Enhancing the efficiency in the use of raw materials: as silicone rubber is a kind of environment-friendly material, Dongguan Tai Yang cooperates with specific factories for recycling the silicone rubber trimmings generated during the production process to facilitate better use of raw materials;
- Products packaging: Dongguan Tai Yang uses environment-friendly packaging materials and makes use of recyclable packaging materials to the fullest possible extent to avoid secondary pollution;
- Raising the awareness of environmental protection: Dongguan Tai Yang raises the awareness and standards of the staff towards environmental protection through strengthening management and providing training, and sets strict operation standards for the staff to reduce the amount of exhaust gas and pollutants generated;
- Strategic location of factories: as the production cycles of most of our customers are relatively short, the production facilities of the Group are strategically located in close proximity to our major clients' factories in the PRC, in order to provide products to our customers on time, as well as reducing the carbon emission from the transportation;
- Promotion of green office: Dongguan Tai Yang develops an annual environmental objectives kick-off scheme to implement resources conservation policies, such as setting the monthly consumption amount of paper, water and electricity for every department, so as to participate in resources conservation activities with the staff. Dongguan Tai Yang also encourages the staff to reuse paper and use email instead of paper for internal and external communications to reduce the consumption of paper. In addition, it motivates the staff to develop energy saving practices, such as configuring computers to enter sleep mode while idling and regulating the temperature of air-conditioners to reduce electricity consumption.

### 節約資源

本集團重視節約資源，通過加強廠房設備的維護、操作水平的優化，以提高設備的能源效益。除了優化設備的能源效益外，我們還採取了以下措施，提高資源使用效益，包括：

- 提高原材料使用效益：由於矽膠為環保材料，因此東莞太洋與固定廠商合作，回收生產過程中產生的矽膠邊角料，善用原材料；
- 產品包裝：東莞太洋選用環保包裝材料，盡量使用可回收再用的包裝材料，避免二次污染；
- 提高環保意識：東莞太洋通過加強管理及提供員工培訓，增強員工的環保意識及質素，嚴格規範員工操作水平，以減少廢氣污染物產生；
- 廠房選址：由於本集團大部分客戶生產工序所需的週期較短，為求準時向客戶交貨，同時減少交通運輸過程中的碳排放，本集團的生產設施坐擁策略性的地理位置，鄰近主要客戶位於中國的廠房；
- 推廣綠色辦公：東莞太洋制定年度環境目標展開計劃，實施節約資源的政策，例如為各部門定下每月用紙、用水、用電量，與員工一同參與節約資源的行動。東莞太洋亦鼓勵員工循環再用紙張，使用電郵代替紙張進行內部及外部溝通，以減少用紙，並鼓勵員工奉行節能習慣，如讓電腦在閒置時進入休眠模式、控制空調溫度，以節約用電。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

### EMPLOYEES FIRST

#### Employment

On the back of staff commitment and contribution, the Group has been able to establish its presence in the manufacturing industry of silicone rubber products for years. We strongly believe that good employment policies are conducive to attracting and retaining talent, promoting the Group's sustainable development and long-term stability, and enabling the Group to continue to stand out in the industry.

#### Rights, Interests and Benefits of Employees

The Group has set up human resources procedures to regulate and manage recruitment activities, and carries out its recruitment process in a fair and just manner to attract suitable employees in strict compliance with relevant laws and regulations, such as the Labour Law of the People's Republic of China and Labour Contract Law of the People's Republic of China. Our recruitment process, which is mainly conducted by the human resources department centrally, attracts talents through different recruitment channels and ways. Applicants can enjoy equal employment opportunities as long as they satisfy the job requirements, regardless of their ethnicity, colour, age, gender, religion, marital status and fertility status. To prevent employment of child labour, the Group requires the applicants to produce their proof of identity to ensure that they have reached the legal working age. The employment contract also sets out important details such as the job duties, locations and working hours of the staff to protect their rights and interests and put an end to forced labour. For departing employees, the Group will pay the outstanding wages on time as required by relevant laws and regulations.

In accordance with respective local laws and regulations, the Group ensures that the working hours of our employees meet the relevant requirements, and they are entitled to rest days and statutory paid holidays with wages in line with local minimum wage standards. To cater for the needs of different positions, Dongguan Tai Yang has adopted three working hour systems, which are the standard working hour system, the flexible working hour system and the comprehensive working hour system respectively. In order to maintain work-life balance for our staff, the Group does not encourage working overtime. In case the factories need to extend working hours owing to production needs or special reasons, Dongguan Tai Yang will provide overtime pay or compensatory leave in accordance with relevant regulations. In addition to basic remuneration and leaves, the Group handles social insurance procedures for our staff, such as endowment, medical care, unemployment, employment injury and maternity, and provides them with long service payment, rewards and allowances to commend for their dedication.

### 重視員工

#### 僱傭

本集團在矽膠產品製造業得以屹立多年，有賴員工的投入及貢獻。我們堅信良好的僱傭政策有助吸引及挽留人才，推動本集團的持續發展及長遠穩定，讓本集團繼續在業內脫穎而出。

#### 員工權益及福利

本集團制定了有關人力資源的程序，規範及管理招聘活動，並嚴格遵從相關法律法規，例如《中華人民共和國勞動法》和《中華人民共和國勞動合同法》，以公平公正的方式進行招聘，招攬合適的人才。我們的招聘工作主要由人力資源部統一負責，透過不同招聘渠道，從多方面吸納人才。招聘過程中，不論任何民族、膚色、年齡、性別、宗教信仰、婚姻狀況及生育狀況，只要應徵者符合職位要求，均可享有同等受聘機會。為防止聘用童工，本集團要求應聘者出示有效身份證明文件，確保應聘者符合法定工作年齡。僱傭合約亦列明員工的工作內容、地點及工時等重要細節，保障員工權益，杜絕強制勞工。對於離職的員工，本集團會按照相關法律法規要求，依時發放餘下工資。

按照各地法律法規，本集團確保員工的工時符合相關要求，並可享有休息日及法定有薪假期，工資亦符合當地最低工資標準。針對不同崗位需要，東莞太洋採用三種工時制度，分別為標準工時制、不定時工時制和綜合計算工時制。為了讓員工在生活和工作上取得平衡，本集團並不鼓勵加班工作。倘若工廠因生產需要或特殊原因而要延長工作時間，東莞太洋會按照有關法規支付加班工資或安排補假。除了提供基本薪酬及休假外，本集團亦為員工辦理養老、醫療、失業、工傷、生育等社會保險手續，並提供長期服務金、獎勵及津貼，以嘉許員工的付出。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

The Group organizes a variety of activities regularly to encourage our staff to strike a balance between life and work. For example, activities held by Dongguan Tai Yang during the Year included family days, birthday parties and film screenings. We also aim to foster a sense of belonging within the Group and facilitate mutual communications among different departments by organizing certain sports contests. For instance, Dongguan Tai Yang has held a sports gala and a water polo match during the Year.

### Employee Training and Development

The Group is well aware that offering promotion prospects is an important element of appointment policies, and a fair and just promotion mechanism is crucial for building an excellent team. We offer promotion opportunities to outstanding employees based on the capability, experience and performance of each employee. Moreover, given that the expertise and knowledge of our staff is contributing to the success of the Group, we have invested resources in providing various trainings for the staff at each level to cope with our operation policies and future development needs, as well as to enrich their knowledge, enhance their efficiency, and stimulate their potential.

To assist new employees to adapt to the workplace as soon as possible, Dongguan Tai Yang provides them with orientation training which enables them to have a better understanding of the company's profile, corporate culture and management system. New employees are also required to participate in induction training organized by their respective units according to the needs of their positions, which mainly covers job knowledge, basic operational skills and standards, safety, environmental management systems of the relevant positions. The employees will officially start working upon passing the job assessment tests taken after training. Dongguan Tai Yang also assists reassigned employees to acquire the necessary skills and knowledge for the new positions by providing reassignment training for them. Apart from providing basic training to the staff, Dongguan Tai Yang also integrates the staff's annual performance appraisals with the Company's annual training plans to provide courses related to job knowledge, skills and professional qualifications of the positions for the staff on a regular basis to enhance their performance and capability. Furthermore, Dongguan Tai Yang encourages the staff to receive external training such as training sessions, seminars and professional qualifications assessments organized by external organizations, and provides them with training subsidies to support their continuing professional development.

本集團定期組織不同類型的活動，鼓勵員工在生活和工作中取得平衡。例如，東莞太洋於本年度舉辦了家庭日、生日會、電影放映會等各類活動。我們亦希望透過舉辦競賽活動，提升員工對本集團的歸屬感，促進不同部門員工的互相交流。例如，東莞太洋於本年度舉辦了運動會、水球大戰等活動。

### 員工培訓及發展

本集團明白提供晉升機會是用人政策中重要一環，而公平公正的晉升機制是建立優秀工作團隊的關鍵因素，因此我們以員工的工作能力、經驗及工作表現為基礎，對表現優異的員工予以晉升機會。另外，員工的專業技能及知識是本集團賴以成功的因素，因此本集團投放資源為各級別員工提供各類培訓，以配合我們的營運方針及未來發展需要，增進員工知識及提高工作效率，激發員工潛能。

為了令新員工盡快適應工作環境，東莞太洋提供新進員工培訓，讓其了解公司概況、企業文化及管理制。新員工亦須按照崗位需要，參與所屬單位組織的上崗培訓，內容主要包括相關崗位知識、基本操作技能及品質、安全、環境管理制度等。完成培訓後，員工需通過崗位考核，方可正式投入工作。東莞太洋亦為調職員工提供轉崗培訓，協助其掌握新職位所需的技術和知識。除了為員工提供基本培訓，東莞太洋還會綜合員工年度績效評核及本公司年度培訓計劃，定期為員工提供與崗位知識、技能及專業資格相關的課程，提升員工效率及能力。另外，東莞太洋亦鼓勵員工接受外部培訓，例如外部機構培訓、研討會及專業資格考核等，並為其提供培訓資助，支持員工持續進修。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Health and Safety

A positive work environment and healthy workforce serve to boost the Group's long-term development. The Group has implemented a series of measures and systems to facilitate the execution of work safety while strictly complying with relevant laws and regulations such as the Work Safety Law of the People's Republic of China. We have introduced a reward and punishment system under which we reward employees who perform outstandingly in work safety and punish those who violate the rules. The Group has established a comprehensive work safety system, which covers a range of work safety tasks, whereby we can prepare for predictable sudden incidents to minimize their impact. Adhering to our prevention-oriented approach, we also commit ourselves to protecting staff safety by setting up comprehensive precautionary measures.

### Work Safety System

Dongguan Tai Yang adopts a clearly defined top-down work safety accountability system, under which the staff at each level bear the responsibility to put the safety policy into practice. Dongguan Tai Yang has established the Work Safety Committee ("WSC") which is responsible for work safety management, including researching and devising work safety technical measures and labor protection schemes, organizing and monitoring work safety inspections as well as handling safety-related incidents. For example, the WSC arranges different kinds of work safety inspections, including annual or more frequent safety inspections of the factories, weekly or more frequent safety inspections of each production unit and daily inspections of all special jobs and equipment, to ensure the smooth running of production.

Under the work safety accountability system, each production unit has to set up a work safety task force which is responsible for providing work safety education, formulating implementation details and operation procedures for work safety and carrying out the instructions of the WSC to ensure work safety. All machine rooms and production teams have safety personnel in place to oversee the production process. According to the work safety system of Dongguan Tai Yang, machine operators, as well as employees who handle dangerous materials, have to obtain relevant licences. To prevent accidents, employees must pass professional assessments to carry out duties independently.

### Prevention and Handling of Accidents

The Group strictly abides by laws and regulations, such as the Fire Protection Law of the People's Republic of China and Law of the People's Republic of China on Prevention and Control of Occupational Diseases, and has established a system to prevent and handle emergencies. To prevent accidents, the Group has formulated precautionary measures and strengthened safety training to enhance the safety awareness of employees. The Group has set out detailed solutions to address emergencies such as fire, flood and chemical leakage to reduce casualty and losses arising from accidents.

### 健康與安全

良好的工作環境及員工的身心健康有助推動本集團的長遠發展。在嚴守《中華人民共和國安全生產法》等相關法律法規的同時，本集團亦推行一系列措施及制度，推動安全生產的執行。我們引入獎懲制度，獎勵在安全生產方面表現突出的員工，懲罰違規者。本集團已建立全面的安全生產制度，涵蓋不同範疇的安全生產工作，為可預想的突發事情作準備，減低事故帶來的影響。為了貫徹預防為主的方針，我們亦制定完善的預防措施，竭力保護員工安全。

### 安全生產體系

東莞太洋的安全生產責任制職權分明，由上而下，各級別員工均有責任貫徹公司的安全方針。東莞太洋已成立安全生產委員會（「安委會」），負責公司安全生產管理工作，包括研究並制定安全生產技術措施和勞動保護計劃、組織並監督安全生產檢查以及處理安全事故等工作。例如，安委會組織不同類型的安全生產檢查，包括工廠每年至少一次的安全檢查、各生產單位每星期至少一次的安全檢查、所有特殊工種和設備的每日檢查等，以確保生產工作運行正常。

在安全生產責任制下，各生產單位須成立安全生產領導小組，負責提供安全生產教育、制定安全生產實施細則和操作規程、執行安委會的指令，以確保生產安全。各機房、生產班組亦設置安全員，負責監督生產過程。按照東莞太洋的安全生產制度，機器操作員及處理危險物品的員工需持有相關牌照。為了避免意外發生，員工必須通過專業考核後，方可獨立執行工作。

### 事故預防及處理

本集團嚴格遵守《中華人民共和國消防法》及《中華人民共和國職業病防治法》等法律法規，亦建立突發事件預防和處理制度。為了預防事故發生，本集團制定各種預防措施，並透過加強安全培訓，提高員工的安全意識。本集團訂立詳盡對策，應對火警、水浸、化學洩漏等緊急情況，以減低事故造成的傷亡和損失。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Dongguan Tai Yang has a wide range of safety education measures, including posting slogans and distributing leaflets in all departments, workshops and teams as well as hosting activities like “Work Safety Month” and “Walk for Work Safety”, to promote national work safety approaches, policies and relevant laws and regulations to the employees. Dongguan Tai Yang organizes fire drills quarterly to improve staff’s ability in handling emergencies. Moreover, during the process of manufacturing silicone rubber products, employees may be exposed to chemicals. Dongguan Tai Yang has installed ventilation equipment, such as pumping ventilators, axial flow ventilators and updraft ventilation systems, and has also provided employees with sufficient protective gear, such as protective masks and gloves, to reduce the impact of chemicals on employees’ health. Meanwhile, Dongguan Tai Yang arranges annual medical check-up for employees and regular assessment by third-parties on the working environment of factories to safeguard employees’ health.

### OPERATING PRACTICES

#### Quality Assurance

The Group has always been placing great emphasis on product quality to protect the rights of customers. We stringently manage suppliers to avoid any impact on products by raw materials and adopt strict quality control over the production process.

#### Management of Suppliers

During the procurement process, the Group will give priority to those suppliers on the List of Qualified Suppliers. When selecting new suppliers, we will conduct assessment on the capacity of the suppliers in production, inspection and delivery and obtain sample materials for assessment. The Group conducts regular assessment on suppliers. For instance, Dongguan Tai Yang will carry out on-site assessment of the suppliers who provide key materials to ensure that the suppliers meet the production requirements. Dongguan Tai Yang will also assess the raw materials to ensure that the material specifications from the suppliers meet the environmental requirements of the customers and comply with relevant laws and regulations. In connection with the product subcontractors, as well as suppliers which provide key materials for products, Dongguan Tai Yang will even conduct monthly inspections on the product quality, delivery time and services. The suppliers are rated on a scale ranging from “excellent”, “good”, “passed” and “failed”. Suppliers who are rated as “failed” may be directly disqualified; suppliers who are rated as “passed” have to submit improvement reports. If suppliers are rated as “passed” for two consecutive months and have not carried out actions for improvement, Dongguan Tai Yang will remove the suppliers from the List of Qualified Suppliers. By managing the assessment of suppliers, the potential risk of the supply chains on product quality can be mitigated.

東莞太洋的安全教育工作類型廣泛，包括在各部門、車間及班組張貼標語及派發宣傳單張，並組織「安全生產月」及「安全生產萬里行」等活動，藉此向員工推廣國家安全生產方針、政策及相關法律法規。東莞太洋每季均會進行火警演習，提升員工緊急應變能力。另外，在製造矽膠產品的過程中，員工有機會接觸到化學物品。東莞太洋不僅安裝排風設備，如全面抽流風機、全面軸流風機和上抽式排風系統等，還為員工提供足夠的防護工具，包括防護口罩和防護手套等，以減低化學品對員工健康的影響。同時，東莞太洋為員工安排年度身體檢查，並定期安排第三方進行廠房工作環境評估，保障員工健康。

#### 營運慣例

#### 品質保證

本集團一向重視產品品質，保障客戶權益。我們嚴格管理供應商，避免產品受原材料影響，並對生產過程採取嚴謹的品質監控。

#### 供應商管理

在採購過程中，本集團優先考慮《合格供應商名錄》上的供應商。選擇新供應商時，我們會就候選供應商的生產、檢驗、交貨等能力進行評估，並索取材料樣品作評估。本集團會定期對供應商進行評估，例如對於提供關鍵與重要材料的供應商，東莞太洋會進行現場實地評估，確保供應商符合生產要求。東莞太洋亦會進行原料評估，以確保供應商提供的材料規格符合客戶的環保要求及相關法律法規。針對產品外包商及提供產品關鍵材料的供應商，東莞太洋更會就其貨品品質、交貨期及服務等方面進行每月評估。對供應商的評分等級可分為「優秀」、「良好」、「合格」及「不合格」。評級為「不合格」的供應商有機會直接失去資格；而評級為「合格」的供應商則需要提交改善報告。若供應商連續兩個月之評級均為「合格」，而沒有採取改善行動，東莞太洋會取消該供應商「合格供應商」的資格。通過對供應商的評估管理，減低供應鏈對產品品質的潛在風險。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Product Quality Management

The Group attaches great importance to product quality. In addition to compliance with relevant laws and regulation, such as the Product Quality Law of the People's Republic of China and Work Safety Law of the People's Republic of China, we have also established stringent quality management procedures for the whole process from the receipt of raw materials to the despatch of products to ensure the preciseness and quality of each process and fulfil the quality requirements of customers and the Group. Dongguan Tai Yang has obtained ISO9001:2008 and ISO/TS16949:2009 certification in Quality Management System.

Upon receipt of raw materials, the warehouse staff of Dongguan Tai Yang will promptly examine the goods according to the materials and procurement requirements, and the quality control department will examine the appearance and functions of such raw materials on a random sampling basis. If the raw materials pass the preliminary check, the quality control department will stamp a qualifying mark on the particular batch of raw materials for storage in the warehouse. If the raw materials fail to pass the preliminary check, the quality control department would reject the batch and request for a follow-up from the supplier to avoid any misuse of unqualified raw materials. During the process of production, inspectors from Dongguan Tai Yang will carry out inspections in accordance with policies and practices set by the Group. Other than inspecting the operation of equipment, they will also correct any improper operation by the staff in order to ensure the quality of finished goods. In each of the production process, Dongguan Tai Yang deploys inspectors for a comprehensive inspection of the products. All uninspected products will not go through the next process. Before the outbound of finished goods, the quality control department will carry out another inspection of the products. Any unqualified product detected in the product inspection are set aside to avoid being mixed up and inspectors will take record of the unqualified products. As for the storage, Dongguan Tai Yang posts "No Smoking" signs in all storage areas to prevent accidents and also monitors the temperature and humidity of the warehouse to ensure that the products are properly stored. In case of any outbound of unqualified products, Dongguan Tai Yang would inform the quality control department, operations department and other relevant departments and contact the customers for a follow-up.

### 產品質量管理

本集團十分重視產品質量，除了遵守相關法律法規，如《中華人民共和國產品質量法》、《中華人民共和國安全生產法》等，我們亦對從接收原材料到產品出庫的整個過程制定嚴格的質量管理程序，確保每個環節都做得一絲不苟，滿足客戶及我們的品質要求。東莞太洋已取得ISO9001:2008及ISO/TS16949:2009質量管理體系認證。

在交收原材料時，東莞太洋的倉庫員工根據物料及採購要求就貨物進行檢查，品管部則進行針對原材料外觀及性能的抽查。如原材料通過初步檢查，品管部在該批次原材料的包裝箱蓋上合格標示，倉庫接收該批次原材料；如原材料無法通過初步檢查，品管部將會拒收該批次原材料，並要求供應商跟進，防止誤用不合格的原材料。於產品生產過程中，東莞太洋的檢測員會按照制度規範進行巡視，不僅對設備的運作進行檢驗，還對員工不妥的操作進行糾正，以確保成品品質不受影響。於各生產環節，東莞太洋設置檢驗員進行產品全檢，所有未經檢驗的產品不得轉入下一工序。成品出貨前，品管部會對產品再次進行檢驗。在質檢過程中發現的任何不合格產品，均會被分開存放，以防止混用，檢測人員亦會記錄不合格產品。在儲存方面，東莞太洋在所有儲存區張貼「嚴禁煙火」告示，以避免意外的發生，亦控制倉庫溫度和濕度，以確保產品妥善保存。當發現不合格產品已被出貨，東莞太洋通知品質部、業務部和其他相關部門，並與客戶聯繫作跟進後續情況。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Customer-oriented

The Group has always adhered to a customer-oriented approach and committed to the provision of quality services for customers. As such, the Group adopts a proactive attitude to understand client satisfaction, formulate corresponding policies and enhance service quality. The quality control department of Dongguan Tai Yang is responsible for the distribution, collection, sorting and analysis of customer survey questionnaire. The scope of survey covers the opinions and suggestions of customers towards the quality, price, appearance or package of our products, as well as our service attitude and quality, our response to complaints and our delivery capacity. Through sorting and analysing the opinions and suggestions of customers, the Group can have a better understanding of customers' needs in order to provide services with higher quality. Customers may also file complaints towards our products by means of phone, fax or mail. The Group will take every complaint seriously and reply to it as quickly as possible.

To safeguard customer data and the confidential information of the Group, we specifically request our senior management and senior technicians to undertake confidentiality obligations, who are required to comply with the Non-Compete Clause within two years after the termination of their employment contracts. If customers request for extra measures to protect their intellectual property, the Group will also enter into confidentiality agreements with them in full respect for their privacy. Furthermore, we abide by the laws and regulations against corruption, blackmail, fraud and money laundering, such as the Criminal Law of the People's Republic of China, and forbid all employees to engage in any malpractice or fraud in the name of the Group. Any employee who is in breach of the rules may be dismissed or even held criminally liable.

### COMMUNITY ENGAGEMENT

While continuously seeking business opportunities and expediting business growth, the Group has been proactive in community engagement with an aim to pay back to society. The Group also encourages all employees to actively participate in community and voluntary work to advocate the spirit of caring and helping. During the Year, employees of every department in Dongguan Tai Yang actively took part in the voluntary non-remunerated blood donation program. Besides, in response to the "Guangdong Poverty Relief Day and Dongguan Charity Day" this Year, Dongguan Tai Yang invited its employees to support the activity through donating money or other materials to help the underprivileged in the society. All the cash raised by Dongguan Tai Yang during the activity has been donated to the "Guangdong Poverty Relief Day" activity.

### 客戶至上

本集團一向以客為尊，致力為客戶提供優質服務。因此，本集團採取主動積極的態度，了解客戶滿意度，制定相應政策，提高服務質素。東莞太洋的品管部專門負責派發、回收、整理及分析客戶調查表。調查的內容涵蓋客戶對產品質量、產品價格、產品外觀或包裝、服務態度、服務質量、投訴處理、交付能力等方面的意見及建議。通過整理及分析客戶的意見和建議，本集團將更了解客戶需求，以冀提供更優質的服務。客戶亦可透過電話、傳真、郵遞等途徑就產品作出投訴，本集團會嚴肅認真對待所有投訴，並會盡快回覆。

為了保障客戶資料及本集團機密，我們特別要求高級管理人員、高級技術人員等履行保密義務。在合約完結的兩年內，員工亦需遵守競業限制。若客戶要求額外措施保障知識產權，本集團亦會與其簽定保密協議，充分尊重客戶私隱。另外，我們遵守與反貪污、勒索、詐騙及洗黑錢相關的法律法規，如《中華人民共和國刑法》等，嚴禁員工營私舞弊或以本集團的名義在外詐騙。違規員工或會被解僱，甚至被追究刑事責任。

### 社區參與

一直以來，本集團除了不斷尋覓商機，促進業務增長，更活躍於社會活動，回饋社會。本集團一直鼓勵員工積極參與社會公益事務，推廣關愛助人的精神。於本年度，東莞太洋各部門員工踴躍參加無償獻血活動。為了響應本年度「廣東扶貧濟困日暨東莞慈善日」捐贈活動，東莞太洋廣邀員工以捐款或捐贈物資形式，支持活動，幫助社會弱勢。東莞太洋將活動中籌得的現金悉數捐到廣東扶貧日活動。

The Directors have pleasure in presenting their annual report and the audited consolidated financial statements for the year ended 31 July 2017.

### PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the Company's principal subsidiaries are design and manufacture of silicone rubber input devices which are mainly used in lifestyle products and 4Cs (i) Consumer (consumer electronic devices), (ii) Computers (keypads for computers and notebooks), (iii) Communications (mobile phone peripheral products), and (iv) Cars (automotive peripheral products). In addition, the Group has penetrated into healthcare and hotel services. Particulars of the Company's principal subsidiaries are set out in Note 52 to the consolidated financial statements. The nature of the principal activities of the Group has not changed during the year.

### RESULTS AND APPROPRIATIONS

The results of the Group and appropriations of the Company are set out in the consolidated statement of profit or loss on page 102 of this annual report and in the accompanying notes to the consolidated financial statements.

The Board has not recommended the distribution of a final dividend for the year ended 31 July 2017 (31 July 2016: nil). Details are set out in Note 15 to the consolidated financial statements.

### BUSINESS REVIEW

A fair review of the Group's business during the year, a discussion on the Group's future business development, an analysis of the Group's performance during the year and the material factors underlying its results and financial position are included in the "Management Discussion and Analysis" section on pages 26 to 32 of this annual report. Description of possible risks and uncertainties that the Group may be facing can be found throughout this annual report, such as "Risk Management and Internal Control" section on pages 58 to 60 of the Corporate Governance Report.

Particulars of important events affecting the Company that have occurred since the end of the financial year 2017 can also be found in Note 53 to the consolidated financial statements.

An analysis of the Group's performance during the year is provided in the "Financial Review" section on pages 26 to 29 and "Five Years Financial Summary" on page 222 of this annual report.

In addition, discussions on the Group's environmental and social policies are contained in "Environmental, Social and Governance Report" on pages 67 to 76 of this annual report.

董事欣然提呈其年度報告及截至二零一七年七月三十一日止年度的經審核綜合財務報表。

### 主要業務

本公司的主要業務為投資控股。本公司主要附屬公司的主要業務為設計及製造矽膠輸入裝置，而該等裝置主要用於生活產品及4C：(i) 消費品（消費電子裝置）；(ii) 電腦（電腦與筆記型電腦按鍵）；(iii) 通訊設備（手機周邊產品）；及(iv) 汽車（汽車周邊產品）。此外，本集團已進軍醫療保健及酒店服務。有關本公司主要附屬公司的詳情載於綜合財務報表附註52。年內，本集團主要業務的性質並無變動。

### 業績及分派

本集團的業績及本公司的分派分別載於本年報第102頁的綜合損益表及綜合財務報表的隨附附註。

董事會不建議派發截至二零一七年七月三十一日止年度的末期股息（二零一六年七月三十一日：無）。詳情載於綜合財務報表附註15。

### 業務回顧

有關本集團年內業務之中肯審閱、本集團未來業務發展之討論、本集團年內表現之分析及與其業績及財務狀況相關之重大因素載於本年報第26至32頁「管理層討論與分析」一節。本集團面臨之可能風險及不確定性之描述貫穿於本年報，如企業管治報告第58至60頁「風險管理及內部監控」一節。

自二零一七財政年度末起已發生影響本公司之重要事項之詳情亦載於綜合財務報表附註53。

就本集團年內表現進行之分析載於本年報第26至29頁「財務回顧」一節及第222頁「五年財務概要」。

此外，就本集團之環境及社會政策之討論載於本年報第67至76頁「環境、社會及管治報告」一節。

# Report of the Directors

## 董事會報告

### SHARE CAPITAL

Details of movements of the share capital of the Company during the year are set out in Note 40 to the consolidated financial statements.

### ULTIMATE HOLDING COMPANY

Lytton Maison Limited is the controlling shareholders of the Company as at the year ended 31 July 2017 and also the ultimate holding company of the Company. The ultimate controlling party of the Group is Ms. Shi Qi, the Chairlady of the Board, the Chief Executive Officer and an executive Director of the Company. She is the sole director and the ultimate beneficial owner of Lytton Maison Limited.

As at 31 July 2017, Lytton Maison Limited directly held 50.11% of the then issued share capital of the Company.

### PROPERTY, PLANT AND EQUIPMENT

During the year, the Group spent approximately HK\$48,940,000 on additions to property, plant and equipment mainly for the expansion and enhancement of its production capability.

Details of movements in the Group's property, plant and equipment during the year are set out in Note 19 to the consolidated financial statements.

### SUMMARY FINANCIAL INFORMATION

A summary of the published results and assets and liabilities of the Group for the last five financial years is set out on page 222 of this annual report. This summary does not form part of the audited consolidated financial statements.

### DISTRIBUTABLE RESERVES AND RESERVES

As at 31 July 2017, the Company's reserve available for distribution amounted to HK\$103,545,000 (2016: HK\$40,956,000).

Movements in reserves of the Company during the year and the distributable reserves of the Company as at 31 July 2017 are set out in Note 51 to the consolidated financial statements.

### 股本

年內，本公司股本變動的詳情載於綜合財務報表附註40。

### 最終控股公司

Lytton Maison Limited為本公司於截至二零一七年七月三十一日止年度之控股股東兼本公司之最終控股公司。本集團之最終控股方為董事會主席、行政總裁及本公司執行董事施琦女士。彼為Lytton Maison Limited之唯一董事及最終實益擁有人。

於二零一七年七月三十一日，Lytton Maison Limited直接持有本公司當時已發行股本的50.11%。

### 物業、廠房及設備

年內，本集團動用約48,940,000港元添置物業、廠房及設備，主要用以擴充及提升生產產能。

年內，本集團物業、廠房及設備變動的詳情載於綜合財務報表附註19。

### 財務資料概要

本集團最近五個財政年度公佈的業績、資產與負債概要載於本年報第222頁。該概要並不構成經審核綜合財務報表的一部分。

### 可供分派儲備及儲備

於二零一七年七月三十一日，本公司可供分派的儲備為103,545,000港元(二零一六年：40,956,000港元)。

本公司於年內的儲備變動及本公司於二零一七年七月三十一日的可供分派儲備載於綜合財務報表附註51。



### MAJOR CUSTOMERS AND SUPPLIERS

During the year, the five largest customers of the Group accounted for approximately 40.9% of the total revenue of the Group and the largest customer accounted for approximately 13.7% of the total revenue.

The aggregate purchases attributable to the Group's largest supplier and five largest suppliers taken together accounted for approximately 8.4% and 29.0% of the Group's total purchase for the year.

None of the Directors, their associates, or any shareholder of the Company (which to the knowledge of the Directors own more than 5% of the Company's issued share capital) has any interest in any of the Group's five largest suppliers and customers.

### DIRECTORS

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

#### Executive Directors

Ms. Shi Qi (*Chairlady and Chief Executive Officer*)  
Ms. Xu Chendi  
Mr. Qiu Yonghao  
Mr. Huang Te-Wei

#### Non-Executive Directors

Mr. Gao Feng  
Mr. Han Lei  
Ms. Wang Yayuan (appointed on 19 December 2016)

#### Independent Non-Executive Directors

Ms. Zhang Lijuan  
Mr. Yeung Chi Tat (resigned on 10 September 2017)  
Mr. Pak Wai Keung, Martin  
Ms. Lian Yi (appointed on 19 December 2016)

Pursuant to Article 86(3) of the Company's Articles of Association, Ms. Wang Yayuan and Ms. Lian Yi, being newly appointed Directors, will hold their office until the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

Pursuant to Article 87(1) of the Company's Articles of Association, Ms. Shi Qi, Ms. Xu Chendi and Mr. Qiu Yonghao, will retire by rotation at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

### 主要客戶及供應商

於年內，本集團五大客戶佔本集團總收益約40.9%，而最大客戶則佔總收益約13.7%。

本集團最大供應商及五大供應商分別合共佔本集團年內總採購額約8.4%及29.0%。

各董事、彼等的聯繫人或任何本公司股東（就董事所知，擁有本公司已發行股本5%以上）概無在本集團五大供應商及客戶中擁有任何權益。

### 董事

年內及截至本報告日期，本公司董事為：

#### 執行董事

施琦女士（*主席兼行政總裁*）  
許晨迪女士  
邱泳溟先生  
黃德威先生

#### 非執行董事

高峰先生  
韓磊先生  
王雅媛女士（於二零一六年十二月十九日獲委任）

#### 獨立非執行董事

張力涓女士  
楊志達先生（於二零一七年九月十日辭任）  
白偉強先生  
連軼女士（於二零一六年十二月十九日獲委任）

根據本公司的組織章程細則第86(3)條，王雅媛女士及連軼女士（新委任的董事）將任職至應屆股東週年大會，且符合資格並願意膺選連任。

根據本公司的組織章程細則第87(1)條，施琦女士、許晨迪女士及邱泳溟先生將於應屆股東週年大會上輪值退任，且符合資格並願意膺選連任。

# Report of the Directors

## 董事會報告

### INDEPENDENT NON-EXECUTIVE DIRECTORS' CONFIRMATION

The Company has received from each of the independent non-executive Directors an annual confirmation of his/her independence to Rule 3.13 of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rule") and as at the date of this report still considers that all of the independent non-executive Directors to be independent.

### DIRECTORS' SERVICE CONTRACTS

As at 31 July 2017, none of the Directors proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

### EMOLUMENT POLICY

The emoluments of the Directors of the Company are recommended by the Remuneration Committee, and decided by the Board, as authorised by shareholders in the annual general meeting, having regard to the Company's operating results, individual performance, experience, responsibility, workload and comparable market securities. No Director is involved in deciding their own remuneration.

Details of the remuneration policy for the Directors and senior management of the Group are set out in Remuneration Report under the heading "Remuneration Policy" on pages 62 to 63 of this annual report.

### EMOLUMENTS OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

Details of the emoluments of the Directors of the Company and the five highest paid individuals of the Group during the year under review are set out in Note 18 to the consolidated financial statements.

### 獨立非執行董事的確認書

本公司已收到獨立非執行董事各自按照香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)第3.13條就其獨立性發出的年度確認書，於本報告日期，本公司仍認為全體獨立非執行董事具備獨立性。

### 董事服務合約

於二零一七年七月三十一日，概無擬於應屆股東週年大會上膺選連任的董事與本公司訂有任何本公司不可於一年內免付賠償(法定賠償除外)而終止的服務合約。

### 酬金政策

本公司董事的酬金乃由薪酬委員會建議，並遵照股東於股東週年大會上的授權，由董事會按本公司的經營業績、個人表現、經驗、責任、工作量及可供比較市場證券而釐定。董事概無參與決定本身酬金的過程。

有關董事及本集團高級管理層的薪酬政策詳情載於本年報第62頁至第63頁的薪酬報告「薪酬政策」一節。

### 董事及五名最高薪酬人士的酬金

於回顧年度，有關本公司董事及本集團五名最高薪酬人士的酬金詳情載於綜合財務報表附註18。

### DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS

#### Directors' Interests

As at 31 July 2017, the interests and short positions of the Directors and the Chief Executive of the Company in the Shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept by the Company under section 352 of the SFO or otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in the Listing Rules, were as follows:

#### Long Positions in Shares and Underlying Shares in the Company

### 董事及主要行政人員的權益

#### 董事權益

於二零一七年七月三十一日，各董事及本公司主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份及債券中擁有登記於本公司根據證券及期貨條例第352條規定須存置的登記冊內的權益及淡倉，或根據上市規則所載上市公司董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所的權益及淡倉如下：

#### 於本公司股份及相關股份的好倉

| Name of Director<br>董事姓名 | Capacity in which interests are held<br>持有權益的身份 | Number of Shares/underlying shares held in the Company<br>於本公司持有的股份/相關股份數目 |   |  | Total interests<br>權益總額 | Approximate percentage of Shares in issue of the Company<br>(Note 1)<br>佔本公司已發行股份的概約百分比<br>(附註1) | Note<br>附註 |
|--------------------------|---|--|---|--|-------------------------|--|------------|
|                          |   | Interests in Shares<br>股份權益  | Equity derivatives (share options)<br>股本衍生工具<br>(購股權) |  |                         |  |            |
| Shi Qi<br>施琦             | Interest of a controlled corporation<br>受控制法團權益 | 436,540,400  | -   |  | 436,540,400             | 50.11%   | 2          |
| Huang Te-Wei<br>黃德威      | Beneficial Owner<br>實益擁有人                       | 1,330,000  | -   |  | 1,330,000               | 0.15%  |            |

Notes:

- Based on 871,178,000 Shares in issue as at 31 July 2017.
- Lytton Maison Limited, a limited company incorporated in the British Virgin Islands, solely owned by Ms. Shi Qi, is interested in 436,540,400 Shares.

附註：

- 根據於二零一七年七月三十一日已發行871,178,000股股份計算。
- Lytton Maison Limited為於英屬處女群島註冊成立的有限公司，由施琦女士獨資擁有，於436,540,400股股份中擁有權益。

# Report of the Directors

## 董事會報告

Save as disclosed above, as at 31 July 2017, none of the Directors and the Chief Executive of the Company had any interest or short position in the Shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) notified to the Company and the Stock Exchange pursuant to the Model Code.

### SHARE OPTION SCHEMES

The Company maintains two share option schemes, namely the Pre-IPO share option scheme and the Post-IPO share option scheme for the purpose of recognising the contribution of certain executive Directors and employees of the Group and retaining them for the continual operation and development of the Group. Both schemes were approved by the written resolutions of the sole shareholder passed on 16 May 2007 and expired on 15 May 2017.

Under the Share Option Schemes, the Board may, at its discretion, offer any employee (including any Executive Director) of the Group, options to subscribe for Shares in the Company subject to the terms and conditions stipulated in the two schemes.

#### The Pre-IPO Share Option

The major terms of the Pre-IPO share option scheme adopted on 16 May 2007 ("Pre-IPO Share Option Scheme") were summarised as follows:

**(a) Purpose of the Scheme**

The purpose of the Pre-IPO Share Option Scheme is to recognise the contribution made by the executive Directors and the employees of the Company prior to the listing of Shares on Stock Exchange.

**(b) Participants of the Scheme**

Pursuant to the Pre-IPO Share Option Scheme, the Company may grant options to any full-time or part-time employee of the Company and/or any its subsidiaries, including any executive Director or any of its subsidiaries but excluding any non-executive Director of the Company or any of its subsidiaries.

**(c) Total number of Shares available for issue under the Scheme**

The total number of Shares in respect of the Scheme may be granted under the Pre-IPO Share Option Scheme is 9,070,000 Shares.

The maximum number of Shares which may be issued upon exercise of outstanding options granted and yet to be exercised under the Scheme of the Company shall not exceed 30% of the total number of Shares in issue from time to time.

除上文所披露者外，於二零一七年七月三十一日，董事及本公司主要行政人員概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份及債券中擁有：(a)根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益或淡倉(包括根據上述證券及期貨條例條文被視為或當作擁有的權益或淡倉)；或(b)根據證券及期貨條例第352條須登記於該條所述登記冊的權益或淡倉；或(c)根據標準守則須知會本公司及聯交所的權益或淡倉。

### 購股權計劃

本公司設有兩項購股權計劃，分別為首次公開發售前購股權計劃及首次公開發售後購股權計劃，旨在肯定本集團若干執行董事及僱員的貢獻，並挽留彼等為本集團繼續營運及發展出力。兩項計劃均於二零零七年五月十六日獲唯一股東以書面決議案批准並於二零一七年五月十五日屆滿。

根據購股權計劃，董事會可酌情向本集團任何僱員(包括任何執行董事)授出購股權，以根據兩項計劃所規定的條款及條件認購本公司股份。

#### 首次公開發售前購股權

於二零零七年五月十六日採納的首次公開發售前購股權計劃(「首次公開發售前購股權計劃」)的主要條款概述如下：

**(a) 計劃的目的**

首次公開發售前購股權計劃的目的旨在肯定本公司執行董事及僱員在股份於聯交所上市前的貢獻。

**(b) 計劃的參與者**

根據首次公開發售前購股權計劃，本公司可向本公司及／或其任何附屬公司的任何全職或兼職僱員(包括任何執行董事或其任何附屬公司，但本公司或其任何附屬公司的任何非執行董事則除外)授出購股權。

**(c) 根據計劃可發行的股份總數**

根據首次公開發售前購股權計劃就計劃可授出的股份總數為9,070,000股股份。

因行使根據本公司計劃授出但尚未行使的購股權而可予發行的股份總數，上限不得超過不時已發行股份總數的30%。

**(d) Maximum entitlement of each participant**

The maximum entitlement for any one participant is that the total number of Shares issued and to be issued upon exercise of the options granted and to be granted to each participant (including both exercised and outstanding options) in any 12 months period must not exceed 1% of the total number of Shares in issue.

**(e) Time of exercise of options**

An option granted under the Pre-IPO Share Option Scheme is exercisable at the subscription price of HK\$2.20 per Share (subject to adjustment and vesting period). If a grantee does not cease to be Participant from the date of grant of options (i.e. 16 May 2007) to him up to the business date immediately prior to the date of the 1st anniversary ("Anniversary") of the Listing Date, the grantee may exercise up to 1/5 of the options granted to him on or after the date of the 1st Anniversary. In the event that the grantee does not cease to be a Participant up to the business day prior to the date of the 2nd, 3rd, 4th and 5th Anniversary, he is entitled to exercise an addition of up to 1/5 of the options granted to him on or after the relevant date of Anniversary respectively.

**(f) The subscription price per share**

The subscription price per share under the Pre-IPO Share Option Scheme is HK\$2.20 per share representing approximately 37.1% discount to the international offering price (assuming the offer price is the maximum of HK\$3.50 per share).

**(g) Payment on acceptance of option**

A non-refundable sum of HK\$1.00 by way of consideration for the grant of an option is required to be paid by each of the grantee upon acceptance of the granted option.

**(h) Remaining life of the Scheme**

The Pre-IPO Share Option Plan have no remaining life as no further options may be granted but the provisions of the Pre-IPO Share Option Scheme shall in all other respects remain in force and effect and options which are granted during the life on the Pre-IPO Share Option Scheme may continue to exercise in accordance with the respective terms of issue.

On 16 May 2007, the Company granted 9,070,000 options under the Pre-IPO Share Option Scheme. No further options would be granted under the Pre-IPO Share Option Scheme on or after the listing date of the Company i.e. 8 June 2007.

**(d) 每位參與者獲授購股權的上限**

於任何十二個月期間內，每位參與者可獲授的購股權最多以該名參與者行使獲授及將獲授的購股權（包括已行使及尚未行使的購股權）而獲發行及將獲發行的股份總數不超過已發行股份總數的1%為限。

**(e) 行使購股權時間**

根據首次公開發售前購股權計劃授出的購股權可按每股股份2.20港元（可予調整）的認購價行使（受歸屬期所限）。倘承授人自獲授購股權當日（即二零零七年五月十六日）起至緊接上市日期第一個周年（「周年」）日的前一個營業日止期間並無終止作為參與者，則承授人可於第一個周年日或之後行使其獲授的購股權最多達五分之一。倘承授人於第二、第三、第四及第五個周年日的前一個營業日並無終止作為參與者，則承授人有權分別於有關周年日或之後額外行使其獲授的購股權最多達五分之一。

**(f) 每股認購價**

首次公開發售前購股權計劃下的股份認購價為每股2.20港元，較國際發售價折讓約37.1%（假設發售價為上限的每股3.50港元）。

**(g) 接納購股權時支付的金額**

當接納所獲授的購股權時，每名承授人須支付不可退回款項1.00港元作為所授出購股權的代價。

**(h) 計劃有效期**

由於不可再授出購股權，故首次公開發售前購股權計劃已告結束。然而，首次公開發售前購股權計劃的條文在所有其他方面均仍然有效及生效，而於首次公開發售前購股權計劃有效期內授出的購股權可繼續根據相關發行條款行使。

於二零零七年五月十六日，本公司根據首次公開發售前購股權計劃授出9,070,000份購股權。於本公司上市日期（即二零零七年六月八日）或之後，再無根據首次公開發售前購股權計劃授出購股權。

# Report of the Directors

## 董事會報告

### The Post-IPO Share Option Scheme

The major terms of the Post-IPO Share Option Scheme adopted on 16 May 2007 ("Post-IPO Share Option Scheme") were summarised as follows:

#### (a) Purpose of the Scheme

The Post-IPO Share Option Scheme is a share incentive scheme and is established to recognise and acknowledge the contribution of the participants. The Post-IPO Share Option Scheme will provide the participants an opportunity to have a personal stake in the Company with the view to achieving the following objectives:

- motivate the participants to optimise their performance efficiency for the benefit of the Group; and
- attract and retain or otherwise maintain on-going business relationship with the participants whose contributions are or will be beneficial to the long-term growth of the Group.

#### (b) Participants of the Scheme

Participants of Post-IPO Share Option Scheme include (i) eligible employees (whether full time or part time employee including any executive Director) of the Group and any invested entity; (ii) any non-executive Director (including independent non-executive Directors), any of its subsidiaries or any invested entity; (iii) any suppliers of goods or services to any member of the Group or any invested entity; (iv) any customer of the Group or any member of the Group; (v) any consultant, advisor, manager, officer or entity that provides research, development or other technological support to the Group or any invested entity.

#### (c) Total number of Shares available for issue under the Scheme

The total number of Shares which may be issued upon exercise of all option to be granted under the Post-IPO Share Option Scheme and any other share option schemes of the Company must not in aggregate exceed 10% of the total number of Shares in issue at the date of approval of the Post-IPO Share Option Scheme (i.e. 16 May 2007). The Company may seek approval of the shareholders in general meeting to renew the said 10% limit such that the total number of Shares in respect of options that may be granted under the Post-IPO Share Option Scheme or any other share option schemes of the Company shall not exceed 10% of the total number of Shares in issue as at the date of approval to renew the limit. Notwithstanding the above, the maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Post-IPO Share Option Scheme and any other share option schemes of the Company shall not exceed 30% of total number of Shares in issue from time to time.

### 首次公開發售後購股權計劃

於二零零七年五月十六日獲採納的首次公開發售後購股權計劃（「首次公開發售後購股權計劃」）的主要條款概述如下：

#### (a) 計劃的目的

首次公開發售後購股權計劃為股份獎勵計劃，設立該計劃旨在肯定及表揚參與者的貢獻。首次公開發售後購股權計劃將令參與者有機會在本公司持有個人股權，以達致以下目的：

- 激勵參與者達致最佳表現效率，使本集團獲益；及
- 吸引及挽留或以其他方式維持與參與者的持續業務關係，而彼等的貢獻有利或將有利於本集團的長遠發展。

#### (b) 計劃的參與者

首次公開發售後購股權計劃的參與者包括：(i) 本集團及任何被投資實體的合資格僱員（不論全職或兼職僱員，並包括任何執行董事）；(ii) 任何非執行董事（包括獨立非執行董事）、其任何附屬公司或任何被投資實體；(iii) 向本集團任何成員公司或任何被投資實體提供貨品或服務的任何供應商；(iv) 本集團或本集團任何成員公司的任何客戶；(v) 為本集團或任何被投資實體提供研發或其他技術支援的諮詢人員、顧問、經理、高級職員或實體。

#### (c) 根據計劃可發行的股份總數

因行使根據首次公開發售後購股權計劃及本公司任何其他購股權計劃可授出的所有購股權而可予發行的股份總數，不得超過於首次公開發售後購股權計劃獲批准當日（即二零零七年五月十六日）已發行股份總數的10%。本公司可尋求股東在股東大會上批准更新該10%的上限，致使根據首次公開發售後購股權計劃或本公司任何其他購股權計劃授出的購股權而可予發行的股份總數，不會超過於批准更新上限當日已發行股份總數的10%。儘管如上文所述，因行使根據首次公開發售後購股權計劃及本公司任何其他購股權計劃已授出但尚未行使的所有購股權而可予發行的股份數目上限，不得超過不時已發行股份總數的30%。

**(d) Maximum entitlement of each participant**

The maximum entitlement for any one participant is that the total number of Shares issued and to be issued upon exercise of the options granted and to be granted to each participant (including both exercised and outstanding options) in any 12 months period must not exceed 1% of the total number of Shares of the Company in issue. Any further grant of options in excess of the said 1% limit shall be subject to shareholders' approval in general meeting with such participant and his or her associates abstaining from voting.

**(e) Timing of exercise of options**

The period during which an option may be exercised will be determined by the Board in its absolute discretion and in any event such period shall not be longer than 10 years after the date of grant of the option.

**(f) The subscription price per Share**

The subscription price per share in respect of an option granted under the Post-IPO Share Option Scheme is such price as determined by the Board of the Company at the time of the grant of the options, but in any case the subscription price shall not be lower than the higher of:

- the closing price of the Shares as stated in the daily quotation sheets issued by the Stock Exchange on the date on which the options are offered, which must be a business day;
- the price being the average closing price of the Shares as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding the date of offer of the options; and
- the nominal value of a Share on the date of offer.

**(g) Payment on acceptance of options**

A non-refundable sum of HK\$1.00 by way of consideration for the grant of an option is required to be paid by each of the grantee upon acceptance of the granted options.

**(h) Duration of the Scheme**

The Post-IPO Share Option Scheme will remain in force for a period of 10 years from its adoption date (i.e. 16 May 2007). However, the Company may terminate the Post-IPO Share Option Scheme prior to such period and in such event no further option may be granted but options granted prior to such termination shall continue to be valid and exercisable in accordance with the terms of Post-IPO Share Option Scheme.

**(d) 每位參與者獲授購股權的上限**

於任何十二個月期間內，每位參與者可獲授的購股權最多以該名參與者行使獲授及將獲授的購股權（包括已行使及尚未行使的購股權）而獲發行及將獲發行的股份總數不超過本公司已發行股份總數的1%為限。任何進一步授出超過上述1%上限的購股權須待股東於股東大會上批准後方可作實，而該參與者及其聯繫人須在會上放棄投票。

**(e) 行使購股權時間**

購股權可予行使的期限由董事會全權酌情決定，惟無論如何不得超過購股權授出日期起計10年。

**(f) 每股認購價**

根據首次公開發售後購股權計劃授出的購股權的每股認購價由本公司董事會於授出購股權時釐定，惟於任何情況下，認購價不得低於下列最高者：

- 於要約授出購股權當日聯交所每日報價表所列股份的收市價，而該日必須為營業日；
- 緊接要約授出購股權當日前五個營業日聯交所每日報價表所列股份的平均收市價；及
- 於要約授出當日股份的面值。

**(g) 接納購股權時支付的金額**

當接納所獲授的購股權時，每名承授人須支付不可退回款項1.00港元作為獲授購股權的代價。

**(h) 計劃有效期**

首次公開發售後購股權計劃由採納日期（即二零零七年五月十六日）起計十年內有效。然而，本公司或會於該期間之前終止首次公開發售後購股權計劃，而於該情況下，將不會再授出購股權，惟於終止前授出的購股權將依據首次公開發售後購股權計劃的條款而繼續有效及可予行使。

## Report of the Directors 董事會報告

As at the date of expiration of both Pre-IPO Share Option Scheme and Post-IPO Share Option Scheme (i.e. 15 May 2017), there is no outstanding share option.

The other principal terms of the Pre-IPO Share Option Scheme and Post-IPO Share Option Scheme are set out in the Prospectus of the Company.

Details of specific categories of options are as follows:

於首次公開發售前購股權計劃及首次公開發售後購股權計劃屆滿日期(即二零一七年五月十五日)·概無尚未行使之購股權。

首次公開發售前購股權計劃及首次公開發售後購股權計劃的其他主要條款載於本公司的售股章程內。

購股權特定類別的詳情如下：

| Option Type<br>購股權類別   | Date of Grant<br>授出日期            | Exercise Period<br>行使期    | Exercise price<br>行使價 |
|--|----------------------------------|---------------------------|-----------------------|
| Pre-IPO Share Option Scheme<br>("Share Option Scheme I")<br>首次公開發售前購股權計劃<br>(「購股權計劃I」)                       | 16 May 2007<br>二零零七年五月十六日        | 08.06.2008–<br>15.05.2017 | HK\$2.20<br>2.20 港元   |
| Post-IPO Share Option Scheme<br>("Share Option Scheme II-First Grant")<br>首次公開發售後購股權計劃<br>(「購股權計劃II-首次授出」)   | 24 December 2009<br>二零零九年十二月二十四日 | 24.06.2010–<br>23.12.2019 | HK\$0.96<br>0.96 港元   |
| Post-IPO Share Option Scheme<br>("Share Option Scheme II-Second Grant")<br>首次公開發售後購股權計劃<br>(「購股權計劃II-第二次授出」) | 11 January 2011<br>二零一一年一月十一日    | 11.07.2011–<br>10.01.2021 | HK\$1.05<br>1.05 港元   |

During the year, there is no movements in the share options and no share option was granted under the Pre-IPO Share Option Scheme and Post-IPO Share Option Scheme.

於年內·購股權並無變動及概無根據首次公開發售前購股權計劃及首次公開發售後購股權計劃授出任何購股權。



### INTERESTS OF THE SUBSTANTIAL SHAREHOLDERS

As at 31 July 2017, so far as is known to the Directors, the following person (other than Directors and Chief Executive of the Company) has interest or short position in the Shares or underlying shares of the Company which would fall to be disclosed to the Company under the provision of Divisions 2 and 3 of Part XV of the SFO and are recorded in the register kept by the Company under section 336 of the SFO:

#### Long positions in the Shares and Underlying Shares

| Name of shareholder<br>股東名稱                   | Capacity in which interests are held<br>持有權益的身份              | Number of Shares held in the Company<br>持有本公司股份數目 | Percentage of interests as to the issued share capital of the Company <sup>1</sup><br>佔本公司已發行股本的權益百分比 <sup>1</sup> | Note(s)<br>附註 |
|---|--|---|--|---------------|
| Lyton Maison Limited                          | Beneficial Owner<br>實益擁有人                                    | 436,540,400                                       | 50.11%   | 2             |
| Mason Resources Finance Limited<br>茂宸資源財務有限公司 | Person having a security interest in Shares<br>於股份中擁有抵押權益之人士 | 436,540,400                                       | 50.11%   | 3             |
| Mason Group Holdings Limited<br>茂宸集團控股有限公司    | Interest of controlled corporation<br>受控制法團權益                | 436,540,400                                       | 50.11%   | 3             |

Notes:

- (1) Based on 871,178,000 Shares in issue as at 31 July 2017.
- (2) Lyton Maison Limited, a limited company incorporated in the British Virgin Islands, solely owned by Ms. Shi Qi, is interested in 436,540,400 Shares.
- (3) Mason Resources Finance Limited, having a security interest in 436,540,400 Shares held by Lyton Maison Limited, is indirectly wholly-owned by Mason Group Holdings Limited.

Save as disclosed above, as at 31 July 2017, the Company was not notified by any person (other than Directors and Chief Executive of the Company) who has an interest or short position in the Shares, or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of SFO.

### 主要股東的權益

於二零一七年七月三十一日，就董事所知，以下人士（除本公司董事及主要行政人員外）於本公司股份或相關股份擁有根據證券及期貨條例第 XV 部第 2 及 3 分部規定須向本公司披露及記錄於本公司根據證券及期貨條例第 336 條存置的登記冊中的權益或淡倉：

#### 於股份及相關股份的好倉

附註：

- (1) 根據於二零一七年七月三十一日已發行 871,178,000 股股份計算。
- (2) Lyton Maison Limited 為於英屬處女群島註冊成立的有限公司，由施琦女士獨資擁有，於 436,540,400 股股份中擁有權益。
- (3) 茂宸資源財務有限公司（於 Lyton Maison Limited 持有之 436,540,400 股股份中擁有抵押權益）由茂宸集團控股有限公司間接全資擁有。

除上文所披露者外，於二零一七年七月三十一日，概無任何人士（除本公司董事及主要行政人員外）曾知會本公司其於本公司股份或相關股份持有權益或淡倉而須根據證券及期貨條例第 XV 部第 2 及 3 分部向本公司及聯交所披露或記錄於本公司按證券及期貨條例第 336 條規定存置之登記冊內。

# Report of the Directors

## 董事會報告

### DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed above, at no time during the year was the Company, any of its holding companies, subsidiaries or fellow subsidiaries a party to any arrangements to enable the Directors or the chief executives of the Company or any of their respective spouses or children under 18 years of age to acquire benefits by means of the acquisition of Shares in, or debentures of, the Company or any other body corporate.

### DIRECTORS' INTEREST IN CONTRACTS

No contract of significance, to which the Company, any of its holding companies, subsidiaries or fellow subsidiaries a party and in which a Director of the Company had material interest, whether directly or indirectly, subsisted at the end of or at any time during the year, nor had there been any contract of significance entered into between the Group and a controlling shareholder of the Company during the year ended 31 July 2017.

### PERMITTED INDEMNITY PROVISION

Pursuant to the Company's Articles of Association, every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he/she may incur or sustain in or about the execution of the duties in his/her office or otherwise in relation thereto. The Company has arranged appropriate directors' and officers' liability insurance coverage for the Directors and officers of the Group during the year.

### EQUITY-LINKED AGREEMENTS

Other than the share option schemes of the Company as disclosed above, no equity-linked agreements that have, will or may result in the Company issuing shares or that require the Company to enter into any agreements that have, will or may result in the Company issuing shares were entered into by the Company during the year or subsisted at 31 July 2017.

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

During the year ended 31 July 2017, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

### COMPETING INTERESTS

As at 31 July 2017, in so far as the Directors were aware, none of the Directors or their respective associates had any interest in a business that competed or was likely to compete with the business of the Group.

### 董事收購股份或債券的權利

除上文所披露者外，於年內任何時間，本公司或其任何控股公司、附屬公司或同系附屬公司概無參與任何安排，使本公司董事或主要行政人員或任何彼等各自的配偶或18歲以下子女能透過收購本公司或任何其他法團的股份或債券而獲益。

### 董事於合約的權益

本公司、其任何控股公司、附屬公司或同系附屬公司於年結時或年內任何時間，概無訂立任何本公司董事直接或間接擁有重大權益的重要合約，且截至二零一七年七月三十一日止年度，本集團與本公司控股股東並無訂立任何重要合約。

### 獲准許彌償條文

根據本公司之組織章程細則，本公司各董事或其他高級職員均有權就於或有關執行其職責或其他與此有關而蒙受或招致之所有損失或責任獲得以本公司之資產作出之賠償。本公司已投保適當之董事及高級職員責任保險，以於年內向本集團董事及高級職員提供保障。

### 股本掛鈎協議

除上文所披露之本公司購股權計劃外，本公司於年內概無訂立或於二零一七年七月三十一日概無存續任何股本掛鈎協議，將會或可能導致本公司發行股份或規定本公司訂立將會或可能導致本公司發行股份之任何協議。

### 購買、出售或贖回本公司上市證券

於截至二零一七年七月三十一日止年度，本公司及其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

### 競爭性權益

於二零一七年七月三十一日，就董事所知，董事或彼等各自的聯繫人概無於與本集團業務構成競爭或可能構成競爭的業務中擁有任何權益。

### PRE-EMPTIVE RIGHTS

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

### PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of its Directors, as at the date of this report, there is sufficient public float of not less than 25% of the Company's issued Shares as required under the Listing Rules.

### AUDIT COMMITTEE

The Company has established an audit committee (the "Audit Committee") with written terms of reference in compliance with the Listing Rules. The primary duties of the Audit Committee are to review and supervise the financial reporting process, to discuss the risk management and internal control system of the Group with management, and to review the Company's annual report and half-yearly reports to provide advice and comments thereon to the Board. As at the date of this annual report, the Audit Committee comprises of Mr. Pak Wai Keung, Martin (Chairman), Ms. Zhang Lijuan and Ms. Lian Yi, all of whom are independent non-executive Directors of the Company.

The Audit Committee has reviewed the Group's annual results for the year ended 31 July 2017 in conjunction with the Company's auditors.

### CORPORATE GOVERNANCE

The Company has complied with the code provisions set out in The Hong Kong Stock Exchange's Corporate Governance Code and Corporate Governance Report (the "CG Code"), Appendix 14 of the Listing Rules during the year and up to the date of this annual report, except Code Provision A.2.1, A.2.7 and C.1.2. Details are set out in the Corporate Governance Report on pages 34 to 62 of this annual report.

### RELATED PARTY TRANSACTIONS AND CONNECTED TRANSACTIONS

During the year ended 31 July 2017, the Group entered into transactions with related parties, details of which are set out in Note 48 to the consolidated financial statements. None of these related party transactions constitutes a connected transaction or a continuing connected transaction of the Group as defined in and required to be disclosed under Chapter 14A of the Listing Rules.

### 優先購股權

根據本公司的公司組織章程細則或開曼群島法律，並無有關優先購股權的規定要求本公司須按比例向現有股東發售新股份。

### 公眾持股量

根據本公司以公開途徑取得的資料及據董事所知，於本報告日期，公眾持股量足以維持在上市規則所規定不少於本公司已發行股份25%的水平。

### 審核委員會

本公司已遵照上市規則成立審核委員會（「審核委員會」），並以書面訂明職權範圍。審核委員會的主要職責為審閱及監督本集團的財務申報過程、與管理層討論風險管理及內部監控系統，並審閱本公司年報及半年度報告，並就此向董事會提出建議及意見。於本年報日期，審核委員會由白偉強先生（主席）、張力涓女士及連軼女士組成，各人均為本公司獨立非執行董事。

審核委員會已與本公司核數師審閱本集團截至二零一七年七月三十一日止年度的全年業績。

### 企業管治

本公司年內及直至本年報日期已遵守上市規則附錄十四香港聯交所發出的《企業管治守則》及《企業管治報告》（「企管守則」）所載的守則條文，惟守則條文第A.2.1、A.2.7及C.1.2條除外。企業管治報告的詳情載於本年報第34至第62頁。

### 關連方交易及關連交易

截至二零一七年七月三十一日止年度，本集團與關連方訂立交易，詳情載於綜合財務報表附註48。該等關連方交易概無構成上市規則第14A章所定義及須予披露之本集團關連交易或持續關連交易。

# Report of the Directors

## 董事會報告

### CLOSURE OF REGISTER OF MEMBERS

In order to determine members who are entitled to attend the annual general meeting of the Company to be held on 14 December 2017 ("2017 AGM"), the register of members of the Company will be closed from Tuesday, 12 December 2017 to Thursday, 14 December 2017, both days inclusive, during which period, no transfer of shares can be registered. All transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Branch Share Registrar and Transfer Office, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, not later than 4:30 p.m. on Monday, 11 December 2017.

### AUDITORS

The accounts for the year ended 31 July 2017 have been audited by Messrs. SHINEWING (HK) CPA Limited, who will retire and, being eligible, will offer themselves for re-appointment at the 2017 AGM. A resolution will be proposed at the 2017 AGM of the Company for the re-appointment of Messrs. SHINEWING (HK) CPA Limited as auditor of the Company.

On behalf of the Board

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**Shi Qi**

CHAIRLADY AND CHIEF EXECUTIVE OFFICER  
Hong Kong

24 October 2017

### 暫停辦理股份過戶登記手續

為釐定有權出席本公司將於二零一七年十二月十四日舉行的股東週年大會（「二零一七年股東週年大會」）的股東，本公司將於二零一七年十二月十二日（星期二）至二零一七年十二月十四日（星期四）（包括首尾兩天）暫停辦理股東登記，於該期間不會登記任何股份的轉讓。所有過戶文件連同有關股票最遲須於二零一七年十二月十一日（星期一）下午四時三十分前送達本公司的香港股份過戶登記分處聯合證券登記有限公司，地址為香港北角英皇道338號華懋交易廣場2期33樓3301-04室。

### 核數師

截至二零一七年七月三十一日止年度的賬目已經由信永中和（香港）會計師事務所有限公司審核，該公司即將退任，惟符合資格且願意於二零一七年股東週年大會上膺選續聘。在本公司二零一七年股東週年大會上，將提呈決議案以續聘信永中和（香港）會計師事務所有限公司出任本公司的核數師。

代表董事會

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**施琦**

主席兼行政總裁  
香港

二零一七年十月二十四日

# Independent Auditor's Report 獨立核數師報告



SHINEWING (HK) CPA Limited  
43/F, Lee Garden One  
33 Hysan Avenue  
Causeway Bay, Hong Kong

信永中和(香港)會計師事務所有限公司  
香港銅鑼灣  
希慎道33號  
利園一期43樓

**TO THE MEMBERS OF TA YANG GROUP HOLDINGS LIMITED**  
*(incorporated in the Cayman Islands with limited liability)*

致大洋集團控股有限公司各股東  
*(於開曼群島註冊成立的有限公司)*

## OPINION

We have audited the consolidated financial statements of Ta Yang Group Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 102 to 221, which comprise the consolidated statement of financial position as at 31 July 2017, and the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 July 2017, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

## BASIS FOR OPINION

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

## 意見

我們已審核列載於第102頁至第221頁大洋集團控股有限公司(「貴公司」)及其附屬公司(統稱為「貴集團」)的綜合財務報表，當中包括於二零一七年七月三十一日的綜合財務狀況表、截至該日止年度的綜合損益表、綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表以及綜合財務報表附註，包括主要會計政策概要。

我們認為，綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實而公平地反映貴集團於二零一七年七月三十一日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並遵照香港公司條例的披露規定妥為編製。

## 意見基準

我們根據香港會計師公會頒佈的香港核數準則(「香港核數準則」)進行審核。我們於該等準則項下的責任乃於我們的報告核數師就審核綜合財務報表須承擔的責任一節進一步闡述。我們根據香港會計師公會制定的專業會計師職業道德守則(「守則」)獨立於貴集團，我們亦已根據守則達致我們的其他道德責任。我們認為，我們所獲得的審核憑證屬充足及適當以為我們的意見提供基準。

# Independent Auditor's Report

## 獨立核數師報告

### KEY AUDIT MATTERS

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

Key audit matters identified in our audit are summarised as follows:

- Impairment of property, plant and equipment and prepaid lease payments
- Valuation of investment properties
- Valuation of inventories
- Impairment assessment of trade receivables
- Impairment assessment of deposits for acquisition of land use rights

### 關鍵審核事項

關鍵審核事項為就我們的專業判斷而言，對我們審核本期間的綜合財務報表最為重要的事項。該等事項是在我們審核整體綜合財務報表及就此出具意見時進行處理的，且我們不會對該等事項提供單獨意見。

於我們審核中識別的關鍵審核事項概述如下：

- 物業、廠房及設備以及預付租賃款項減值
- 投資物業估值
- 存貨估值
- 應收貿易賬款的減值評估
- 收購土地使用權的按金的減值評估

# Independent Auditor's Report

## 獨立核數師報告

### Impairment of property, plant and equipment and prepaid lease payments

### 物業、廠房及設備以及預付租賃款項減值

Refer to notes 19 and 21 to the consolidated financial statements and the accounting policies on pages 133 to 134 and 128 to 129 respectively.

參閱綜合財務報表附註19及21及分別在第133至134頁及第128至129頁的會計政策。

#### The key audit matter

#### 關鍵審核事項

As at 31 July 2017, the carrying amounts of property, plant and equipment and the prepaid lease payments were approximately HK\$249,971,000 and HK\$233,881,000 respectively.

於二零一七年七月三十一日，物業、廠房及設備以及預付租賃款項的賬面值分別為約249,971,000港元及233,881,000港元。

We have identified the impairment of property, plant and equipment and prepaid lease payments as a key audit matter because of their significance to the consolidated financial statements and the involvement of a significant degree of judgements and estimates made by the management for the profit forecasts and cash flows projections for the value-in-use calculations and the fair value calculation made by the independent valuer.

我們將物業、廠房及設備以及預付租賃款項減值識別為關鍵審核事項，原因是其對綜合財務報表的重要性，並涉及管理層對溢利預測及使用價值計算的現金流量預測以及獨立估值師所作的公平值計算作出重大判斷及估計。

#### How the matter was addressed in our audit

#### 我們的審核如何解決該事項

Our procedures were designed to review the management's assessment on the indication of possible impairment and the reasonableness of the judgements and estimates used by the management in the value-in-use calculations and the fair value calculation made by the independent valuer.

我們的程序，旨在審查管理層對可能出現減值跡象及管理層在使用價值的計算以及獨立估值師所作的公平值計算中使用的判斷和估計的合理性作出的評估。

We have discussed the indication of possible impairment with the management and, where such indicators were identified by the management, assessed the impairment testing performed by the management. We have tested the profit forecasts and cash flows projections on whether they were agreed to the budgets approved by the directors of the Company and compare with actual results available up to the report date. We have challenged the appropriateness of the management judgements and estimates used in the profit forecasts and cash flows projections, including the sales growth rates and gross profit margins, against latest market expectations. We have also challenged the discount rates adopted in the value-in-use calculations by reviewing its basis of calculations and comparing the input data to market sources.

我們已經與管理層討論可能出現的減值跡象，及倘管理層已識別出該等跡象，則評估管理層進行的減值測試。我們測試溢利預測及現金流量預測是否與貴公司董事批准的預算一致，並與截至報告日的實際結果進行比較。我們還參照最新市場預測對溢利預測及現金流量預測所用的管理層判斷及估計（包括銷售增長率及毛利率）的適用性提出質疑。我們還透過審查其計算基礎並將輸入數據與市場來源進行比較，質疑使用價值計算中採用的貼現率。

Our audit procedures in relation to management's fair value calculation included assessing the valuation methodology used and the appropriateness of the key assumptions based on the public available facts and circumstances of the property market in the People's Republic of China (the "PRC"). We had also checked, on sample basis, the accuracy and relevance of the input data used.

我們有關管理層公平值計算的審核程序包括根據中華人民共和國（「中國」）物業市場的公開可得事實及情況評估所用估值方法及關鍵假設是否適當。我們亦以抽樣形式查核所用輸入數據是否準確及相關。

# Independent Auditor's Report

## 獨立核數師報告

### Valuation of investment properties

### 投資物業估值

Refer to note 22 to the consolidated financial statements and the accounting policies on page 134. 參閱綜合財務報表附註22及第134頁的會計政策。

#### The key audit matter

#### 關鍵審核事項

Management has estimated the fair value of the Group's investment properties to be HK\$92,575,000 as at 31 July 2017 with a revaluation gain of approximately HK\$250,000 for the year ended 31 July 2017 recorded in the consolidated statement of profit or loss. Independent external valuations were obtained in respect of the properties in order to support management's estimates.

管理層估計 貴集團投資物業於二零一七年七月三十一日的公平值為92,575,000港元並於綜合損益表錄得截至二零一七年七月三十一日止年度的重估收益約250,000港元。已獲得物業的獨立外部估值以證明管理層的估計。

We have identified the valuation of investment properties as a key audit matter because of its significance to the consolidated financial statements and the valuations are dependent on certain key assumptions that require significant management judgement including market unit rates of land, current construction costs for building and depreciation rates.

我們將投資物業估值識別為關鍵審核事項，原因是其對綜合財務報表的重要性且估值取決於若干需要管理層作出重大判斷的關鍵假設(包括土地的市場單價、樓宇的當前建築成本及折舊率)。

#### How the matter was addressed in our audit

#### 我們的審核如何解決該事項

Our audit procedures in relation to management's valuation of investment properties included assessing the valuation methodology used and the appropriateness of the key assumptions based on the public available facts and circumstances of the property market in the PRC. We have also checked, on a sample basis, the accuracy and relevance of the input data used.

我們有關管理層對投資物業估值的審核程序包括根據中國物業市場的公開可得事實及情況評估所用估值方法及關鍵假設是否適當。我們亦以抽樣形式查核所用輸入數據是否準確及相關。



### Valuation of inventories

Refer to note 28 to the consolidated financial statements and the accounting policies on page 136.

### 存貨估值

參閱綜合財務報表附註28及第136頁的會計政策。

#### The key audit matter 關鍵審核事項

As at 31 July 2017, the Group maintained inventories of approximately HK\$35,540,000, net of allowance for inventories of approximately HK\$116,000.

於二零一七年七月三十一日，貴集團的存貨維持在約35,540,000港元(扣除存貨撥備約116,000港元)。

We have identified the valuation of inventories as a key audit matter because of their significance to the consolidated financial statements and the involvement of a significant management judgement including no further impairment required in respect of these inventories.

我們將存貨估值識別為關鍵審核事項，原因是其對綜合財務報表的重要性，並涉及重大管理層判斷(包括毋須就該等存貨作進一步減值)。

#### How the matter was addressed in our audit 我們的審核如何解決該事項

Our audit procedures were designed to challenge the assumptions and critical judgements of the Group's impairment assessment on inventories and the management estimations or judgements on the net realisable value of inventories based on the latest invoice prices and current market conditions.

我們的審核程序旨在根據最近期的發票價格及當時市況，質疑貴集團就存貨減值評估的假設及關鍵判斷以及管理層就存貨可變現淨值的估計或判斷。

We have checked with the net realisable value for inventories up to the date of auditor's report and discussed with the management in respect of the adequacy of the allowance made by the management based on ageing analysis and individual assessments. We have challenged the assumptions and critical judgements used by the management by assessing the reliability of the management's past estimates and taking into account the ageing at year end and subsequent usage status after year end.

截至核數師報告日期，我們已審查存貨的可變現淨值，並就管理層根據賬齡分析及個別評估所作出的撥備是否充足與管理層進行討論。我們透過評估管理層過往估計的可靠性並計及年末賬齡及年末後的後續使用狀況，對管理層所用假設及關鍵判斷提出質疑。

# Independent Auditor's Report

## 獨立核數師報告

### Impairment assessment of trade receivables

Refer to note 29 to the consolidated financial statements and the accounting policies on pages 136 to 144.

### 應收貿易賬款的減值評估

參閱綜合財務報表附註29及第136至144頁的會計政策。

#### The key audit matter 關鍵審核事項

As at 31 July 2017, trade receivables of the Group amounted to approximately HK\$113,338,000, net of accumulated impairment losses of approximately HK\$1,430,000.

於二零一七年七月三十一日，貴集團的應收貿易賬款為約113,338,000港元（扣除累計減值虧損約1,430,000港元）。

We have identified impairment assessment of trade receivables as a key audit matter because the assessment of allowance for impairment loss required significant management estimations and judgement. 我們將應收貿易賬款的減值評估識別為關鍵審核事項，原因是評估減值虧損撥備須管理層作出重大估計及判斷。

#### How the matter was addressed in our audit 我們的審核如何解決該事項

Our audit procedures were designed to challenge the assumptions and critical judgements of the Group's impairment assessment on trade receivables and the management estimations.

我們的審核程序旨在質疑貴集團就應收貿易賬款減值評估的假設及關鍵判斷以及管理層估計。

We have discussed the indicators of possible impairment with the management and, where such indicators were identified, assessed the management's impairment testing. We have discussed with the management in respect of the adequacy of the provision of impairment made by the management. We have challenged the assumptions and critical judgements used by the management by assessing the reliability of the management's past estimates and taking into account the ageing at year end and cash received after year end, as well as the recent creditworthiness of each debtor.

我們已經與管理層討論可能出現的減值跡象，及倘已識別出該等跡象，則評估管理層進行的減值測試。我們已就管理層所作減值撥備是否充足與其進行討論。我們透過評估管理層過往估計的可靠性並計及年末賬齡及年末後已收現金以及每名債務人的近期信譽度，對管理層所用假設及關鍵判斷提出質疑。

# Independent Auditor's Report

## 獨立核數師報告

### Impairment assessment of deposits for acquisition of land use rights

Refer to note 26 to the consolidated financial statements and the accounting policies on pages 144 and 145.

### 收購土地使用權的按金的減值評估

參閱綜合財務報表附註26及第144及145頁的會計政策。

#### The key audit matter

##### 關鍵審核事項

As at 31 July 2017, deposits for acquisition of land use rights of the Group amounted to approximately HK\$13,037,000. The management has concluded that there is no impairment required in respect of the deposits.

於二零一七年七月三十一日，貴集團收購土地使用權的按金為約13,037,000港元。管理層得出的結論為無需就按金作出減值。

We have identified impairment assessment of deposits for acquisition of land use rights as a key audit matter because the assessment of allowance for impairment loss required significant management estimations and judgment. In addition, the seller took long time to transfer the legal title of land use rights to the Group and failed to meet the timeline as stated in related agreement.

我們將收購土地使用權的按金的減值評估識別為關鍵審核事項，原因是評估減值虧損撥備須管理層作出重大估計及判斷。此外，賣方花費較長時間將土地使用權的法定業權轉讓予貴集團，故未能滿足有關協議所述時限。

#### How the matter was addressed in our audit

##### 我們的審核如何解決該事項

Our audit procedures were designed to challenge the assumptions and critical judgments of the Group's impairment assessment on deposits for acquisition of land use rights and the management estimations.

我們的審核程序旨在質疑貴集團就收購土地使用權的按金減值評估的假設及關鍵判斷以及管理層估計。

We have discussed the indicators of possible impairment with the management and, where such indicators were identified, assessed the management's impairment policy. We have challenged the assumptions and critical judgments used by taking into account the legal opinion issued by an independent lawyer and the fair value calculation of the land use rights made by an independent valuer.

我們已經與管理層討論可能出現的減值跡象，及倘已識別出該等跡象，則評估管理層的減值政策。我們透過計及獨立律師給出的法律意見及獨立估值師作出的土地使用權公平值計算，對所用假設及關鍵判斷提出質疑。

# Independent Auditor's Report

## 獨立核數師報告

### INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

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

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

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

### RESPONSIBILITIES OF THE DIRECTORS OF THE COMPANY AND AUDIT COMMITTEE 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 of the Company determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Audit Committee is responsible for overseeing the Group's financial reporting process.

### 資料(綜合財務報表及就此之核數師報告除外)

貴公司董事負責編製其他資料。其他資料包括年報所載資料，惟不包括綜合財務報表及我們就此之核數師報告。

我們有關綜合財務報表的意見並不涵蓋其他資料，我們亦並不就此發表任何形式的核證結論。

就我們對綜合財務報表的審核而言，我們的責任是閱讀其他資料，從而考慮其他資料是否與綜合財務報表或我們在審核過程中獲悉的資料存在重大不符，或存在重大錯誤陳述。倘若我們基於已完成的工作認為其他資料出現重大錯誤陳述，我們須報告該事實。我們就此並無報告任何事項。

### 貴公司董事及審核委員會就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定編製及真實而公允地列報綜合財務報表，並負責貴公司董事認為就確保綜合財務報表的編製不存在由於欺詐或錯誤而導致的重大錯誤陳述所必需的有關內部監控。

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

審核委員會須負責監督貴集團的財務報告流程。

### 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, solely to you, as a body, in accordance with our agreed terms of engagement, 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 judgment 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 of the Company.

### 核數師就審核綜合財務報表須承擔的責任

我們的目標是對整體綜合財務報表是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並根據我們協定的委聘條款僅向閣下(作為整體)出具包括我們意見的核數師報告，除此以外，我們的報告概不作其他用途。我們不就此報告的內容對任何其他人士負責或承擔任何責任。合理保證是高水平的保證，但不能保證按照香港核數準則進行的審核在某一重大錯誤陳述存在時總能被發現。錯誤陳述可以由欺詐或錯誤引起，倘合理預期彼等個別或匯總起來可能影響該等綜合財務報表使用者所作出的經濟決策，則有關錯誤陳述可被視作重大。

我們根據香港核數準則進行審核的工作之一，是運用專業判斷，在整個審核過程中保持職業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審核程序以應對該等風險，以及取得充足及適當的審核憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部監控之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於因錯誤而導致的重大錯誤陳述的風險。
- 了解與審核相關的內部監控，以設計適當的審核程序，但目的並非對貴集團內部監控的效用發表意見。
- 評價貴公司董事所用會計政策的恰當性及所作出會計估計及相關披露資料的合理性。

## Independent Auditor's Report

### 獨立核數師報告

- Conclude on the appropriateness of the Company's 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 貴公司董事採用持續經營會計基礎的恰當性作出結論。根據所得審核憑證，決定是否存在與事件或情況有關的重大不確定性，而可能對 貴集團繼續持續經營的能力構成重大疑慮。倘我們認為存在重大不確定性，則有必要在核數師報告中提請使用者垂注綜合財務報表中的相關披露資料，或倘有關披露資料不足，則修訂我們的意見。我們的結論乃基於截至核數師報告日期止所取得的審核憑證。然而，未來事件或情況可能導致 貴集團不能繼續持續經營。
- 評價綜合財務報表(包括披露資料)的整體列報方式、結構及內容，以及綜合財務報表是否公允反映有關交易及事項。
- 就 貴集團中實體或業務活動的財務資料獲取充分及適當的審核證據，以對綜合財務報表發表意見。我們負責指導、監督及執行集團審核。我們僅對我們的審核意見承擔責任。

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

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

我們與審核委員會溝通了(其中包括)計劃的審核範圍、時間安排、重大審核發現等事項，包括我們在審核期間識別出內部監控的任何重大缺陷。

我們亦向審核委員會提交聲明，說明我們已符合有關獨立性的相關道德要求，並與彼等溝通所有可能合理地被認為會影響我們獨立性的關係及其他事項，以及相關防範措施(倘適用)。

# Independent Auditor's Report

## 獨立核數師報告

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

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

從與審核委員會溝通的事項中，我們決定對本期間綜合財務報表的審核最為重要的事項，因而構成關鍵審核事項。我們會在核數師報告中描述該等事項，惟法律法規不允許對某件事項作出公開披露，或在極端罕見的情況下，若有合理預期在我們的報告中溝通某事項造成的負面後果將會超過其產生的公眾利益，則我們將不會在此等情況下在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人為陳永傑。

### **SHINEWING (HK) CPA Limited**

*Certified Public Accountants*

#### **Chan Wing Kit**

Practising Certificate Number: P03224

信永中和(香港)會計師事務所有限公司

執業會計師

陳永傑

執業證書號碼：P03224

Hong Kong  
24 October 2017

香港  
二零一七年十月二十四日

# Consolidated Statement of Profit or Loss

## 綜合損益表

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

|                                    |             | Notes<br>附註 | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|------------------------------------|-------------|-------------|----------------------------------|----------------------------------|
| Revenue                            | 收益          | 9           | <b>400,500</b>                   | 386,516                          |
| Cost of sales                      | 銷售成本        |             | <b>(290,362)</b>                 | (317,802)                        |
| Gross profit                       | 毛利          |             | <b>110,138</b>                   | 68,714                           |
| Other operating income             | 其他經營收入      | 9           | <b>23,538</b>                    | 19,500                           |
| Selling and distribution expenses  | 銷售及分銷開支     |             | <b>(35,531)</b>                  | (27,869)                         |
| Administrative expenses            | 行政開支        |             | <b>(146,319)</b>                 | (104,660)                        |
| Other expenses                     | 其他開支        | 11          | <b>(3,047)</b>                   | (27,495)                         |
| Share of results of associates     | 應佔聯營公司的業績   |             | <b>(1,625)</b>                   | (507)                            |
| Finance costs                      | 融資成本        | 12          | <b>(21,254)</b>                  | (701)                            |
| Loss before tax                    | 除稅前虧損       |             | <b>(74,100)</b>                  | (73,018)                         |
| Income tax credit                  | 所得稅抵免       | 13          | <b>40</b>                        | 768                              |
| Loss for the year                  | 年內虧損        | 14          | <b>(74,060)</b>                  | (72,250)                         |
| Loss for the year attributable to: | 以下人士應佔年內虧損： |             |                                  |                                  |
| Owners of the Company              | 本公司擁有人      |             | <b>(72,943)</b>                  | (71,304)                         |
| Non-controlling interests          | 非控股權益       |             | <b>(1,117)</b>                   | (946)                            |
|                                    |             |             | <b>(74,060)</b>                  | (72,250)                         |
| Loss per share                     | 每股虧損        | 16          |                                  |                                  |
| Basic (HK cents)                   | 基本(港仙)      |             | <b>(8.43)</b>                    | (9.12)                           |
| Diluted (HK cents)                 | 攤薄(港仙)      |             | <b>(8.43)</b>                    | (9.12)                           |



# Consolidated Statement of Profit or Loss and Other Comprehensive Income

## 綜合損益及其他全面收益表

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

|   |                        | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|---|------------------------|----------------------------------|----------------------------------|
| Loss for the year   | 年內虧損                   | <b>(74,060)</b>                  | (72,250)                         |
| Other comprehensive income  | 其他全面收入                 |                                  |                                  |
| Items that will not be reclassified subsequently to profit or loss:                                       | 不會於其後重新分類至損益的項目：       |                                  |                                  |
| Gain on revaluation of properties   | 物業重估收益                 | <b>1,414</b>                     | 9,325                            |
| Gain on revaluation of prepaid lease payments   | 預付租賃款項重估收益             | <b>729</b>                       | 8,290                            |
|   |                        | <b>2,143</b>                     | 17,615                           |
| Items that may be reclassified subsequently to profit or loss:  | 可於其後重新分類至損益的項目：        |                                  |                                  |
| Release of exchange reserve upon deregistration of subsidiaries   | 取消註冊附屬公司時撥回匯兌儲備        | -                                | (2,846)                          |
| Release of exchange reserve upon disposal of subsidiaries   | 出售附屬公司時撥回匯兌儲備          | -                                | 59                               |
| Exchange differences arising on translating foreign operations  | 換算海外業務產生的匯兌差額          | <b>(3,942)</b>                   | (19,989)                         |
|   |                        | <b>(3,942)</b>                   | (22,776)                         |
| Available-for-sale financial assets   | 可供出售金融資產               |                                  |                                  |
| Net gain arising on revaluation of available-for-sale financial assets for the year                       | 年內重估可供出售金融資產產生的收益淨額    | <b>837</b>                       | 4,943                            |
| Release of revaluation of available-for-sale financial assets upon disposal                               | 出售時撥回可供出售金融資產重估        | <b>(4,473)</b>                   | -                                |
| Reclassification adjustments for impairment loss included in the consolidated statement of profit or loss | 計入綜合損益表的減值虧損的重新分類調整    | <b>160</b>                       | 667                              |
|   |                        | <b>(3,476)</b>                   | 5,610                            |
| Share of other comprehensive expenses of associates   | 應佔聯營公司的其他全面開支          |                                  |                                  |
| Share of exchange difference of associates  | 應佔聯營公司的匯兌差額            | <b>(42)</b>                      | (95)                             |
| Other comprehensive (expenses) income for the year  | 年內其他全面(開支)收入           | <b>(5,317)</b>                   | 354                              |
| Total comprehensive expenses for the year, net of income tax  | 年內全面開支總額(扣除所得稅後)       | <b>(79,377)</b>                  | (71,896)                         |
| Total comprehensive expenses for the year, net of income tax, attributable to                             | 以下人士應佔年內全面開支總額(扣除所得稅後) |                                  |                                  |
| Owners of the Company   | 本公司擁有人                 | <b>(78,246)</b>                  | (70,949)                         |
| Non-controlling interests   | 非控股權益                  | <b>(1,131)</b>                   | (947)                            |
|   |                        | <b>(79,377)</b>                  | (71,896)                         |

# Consolidated Statement of Financial Position

## 綜合財務狀況表

AS AT 31 JULY 2017 於二零一七年七月三十一日

|  |               | Notes<br>附註 | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|--|---------------|-------------|----------------------------------|----------------------------------|
| Non-current assets                             | 非流動資產         |             |                                  |                                  |
| Property, plant and equipment                  | 物業、廠房及設備      | 19          | 249,971                          | 68,927                           |
| Intangible assets                              | 無形資產          | 20          | 383                              | –                                |
| Prepaid lease payments                         | 預付租賃款項        | 21          | 229,061                          | 7,107                            |
| Investment properties                          | 投資物業          | 22          | 92,575                           | 89,935                           |
| Available-for-sale financial assets            | 可供出售金融資產      | 23          | 8,981                            | 24,539                           |
| Interests in associates                        | 於聯營公司的權益      | 25          | 2,816                            | 2,916                            |
| Deposits for acquisition of land use rights    | 收購土地使用權的按金    | 26          | 13,037                           | 12,066                           |
|  |               |             | <b>596,824</b>                   | 205,490                          |
| Current assets                                 | 流動資產          |             |                                  |                                  |
| Deposits for acquisition of properties         | 收購物業的按金       | 27          | –                                | 41,469                           |
| Inventories                                    | 存貨            | 28          | 35,540                           | 29,809                           |
| Trade and other receivables                    | 應收貿易賬款及其他應收款項 | 29          | 164,816                          | 111,014                          |
| Prepaid lease payments                         | 預付租賃款項        | 21          | 4,820                            | 232                              |
| Amount due from an associate                   | 應收一間聯營公司款項    | 31          | 65                               | 65                               |
| Income tax recoverable                         | 可收回所得稅        |             | 12                               | 4                                |
| Held-to-maturity investments                   | 持有至到期投資       | 24          | 34,739                           | –                                |
| Held-for-trading investments                   | 持作買賣投資        | 32          | 680                              | 3,668                            |
| Structured deposits with banks                 | 結構性銀行存款       | 34          | –                                | 17,261                           |
| Short-term bank deposits                       | 短期銀行存款        | 35          | –                                | 4,640                            |
| Bank balances and cash                         | 銀行結餘及現金       | 35          | 105,985                          | 154,094                          |
|  |               |             | <b>346,657</b>                   | 362,256                          |
| Non-current assets classified as held for sale | 分類為持作出售的非流動資產 | 30          | 11,022                           | –                                |
|  |               |             | <b>357,679</b>                   | 362,256                          |
| Current liabilities                            | 流動負債          |             |                                  |                                  |
| Trade and other payables                       | 應付貿易賬款及其他應付款項 | 36          | 136,063                          | 77,780                           |
| Derivative financial instruments               | 衍生金融工具        | 33          | –                                | 11,753                           |
| Amount due to a director                       | 應付一名董事款項      | 31          | 2,143                            | –                                |
| Amount due to an associate                     | 應付一間聯營公司款項    | 31          | 1,324                            | 538                              |
| Loans from a related company                   | 一間關連公司貸款      | 37          | 5,000                            | –                                |
| Loans from third parties                       | 第三方貸款         | 38          | 26,197                           | –                                |
| Income tax payable                             | 應付所得稅         |             | 20,601                           | 20,747                           |
| Secured bank borrowings                        | 有抵押銀行借款       | 39          | 32,542                           | 33,282                           |
|  |               |             | <b>223,870</b>                   | 144,100                          |
| Net current assets                             | 流動資產淨值        |             | <b>133,809</b>                   | 218,156                          |
| Total assets less current liabilities          | 資產總值減流動負債     |             | <b>730,633</b>                   | 423,646                          |

# Consolidated Statement of Financial Position

## 綜合財務狀況表

AS AT 31 JULY 2017 於二零一七年七月三十一日

|  |            | Notes<br>附註 | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|--|------------|-------------|----------------------------------|----------------------------------|
| Capital and reserves                         | 資本及儲備      |             |                                  |                                  |
| Share capital                                | 股本         | 40          | 87,118                           | 78,473                           |
| Reserves                                     | 儲備         |             | 357,164                          | 332,036                          |
| Equity attributable to owners of the Company | 本公司擁有人應佔權益 |             | 444,282                          | 410,509                          |
| Non-controlling interests                    | 非控股權益      |             | (396)                            | 653                              |
| Total equity                                 | 權益總值       |             | 443,886                          | 411,162                          |
| Non-current liabilities                      | 非流動負債      |             |                                  |                                  |
| Secured bank borrowings                      | 有抵押銀行借款    | 39          | 273,700                          | –                                |
| Deferred income                              | 遞延收入       | 41          | 3,614                            | 3,668                            |
| Deferred tax liabilities                     | 遞延稅項負債     | 42          | 9,433                            | 8,816                            |
|  |            |             | 286,747                          | 12,484                           |
|  |            |             | 730,633                          | 423,646                          |

The consolidated financial statements on pages 102 to 221 were approved and authorised for issue by the board of directors on 24 October 2017 and are signed on its behalf by:

第102頁至第221頁的綜合財務報表乃經董事會於二零一七年十月二十四日批准及授權刊發，並由下列董事代表簽署：

**Shi Qi**  
施琦  
Director  
董事

**Xu Chendi**  
許晨迪  
Director  
董事

# Consolidated Statement of Changes in Equity

## 綜合權益變動表

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

|   |                     | Attributable to the owners of the Company<br>本公司擁有人應佔 |               |                   |                       |                    |                  |                                 |                                |                            |                           |                   |          |         | Non-controlling interests<br>非控股 |  | Total |
|---|---------------------|---|---------------|-------------------|-----------------------|--------------------|------------------|---------------------------------|--------------------------------|----------------------------|---------------------------|-------------------|----------|---------|----------------------------------|--|-------|
|   |                     | Share capital   | Share premium | Other reserve     | Share options reserve | Accumulated losses | Exchange reserve | Investments revaluation reserve | Properties revaluation reserve | Capital redemption reserve | Statutory surplus reserve | Legal reserve     | Total    |         | Total                            |  |       |
|   |                     | 股本  | 股份溢價          | 其他儲備              | 購股權儲備                 | 累計虧損               | 匯兌儲備             | 投資重估儲備                          | 物業重估儲備                         | 資本贖回儲備                     | 公積金                       | 法定儲備              | 總計       | 非控股權益   | 總計                               |  |       |
|   |                     | 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 d)<br>(附註a) |                       |                    |                  |                                 |                                | (Note b)<br>(附註b)          | (Note c)<br>(附註c)         | (Note d)<br>(附註d) |          |         |                                  |  |       |
| At 1 August 2015  | 於二零一五年八月一日          | 77,892  | 634,254       | (3,380)           | 9,290                 | (437,876)          | 149,579          | 773                             | 9,249                          | 2,420                      | 33,411                    | 49                | 475,661  | -       | 475,661                          |  |       |
| Loss for the year   | 年內虧損                | -   | -             | -                 | -                     | (71,304)           | -                | -                               | -                              | -                          | -                         | -                 | (71,304) | (946)   | (72,250)                         |  |       |
| Other comprehensive (expenses) income for the year:   | 年內其他全面(開支)收入：       |   |               |                   |                       |                    |                  |                                 |                                |                            |                           |                   |          |         |                                  |  |       |
| Exchange differences arising on translating foreign operations  | 換算海外業務產生的匯兌差額       | -   | -             | -                 | -                     | -                  | (19,988)         | -                               | -                              | -                          | -                         | -                 | (19,988) | (1)     | (19,989)                         |  |       |
| Release of exchange reserve upon deregistration of subsidiaries   | 取消註冊附屬公司時撥回匯兌儲備     | -   | -             | -                 | -                     | -                  | (2,846)          | -                               | -                              | -                          | -                         | -                 | (2,846)  | -       | (2,846)                          |  |       |
| Release of exchange reserve upon disposal of subsidiaries   | 出售附屬公司時撥回匯兌儲備       | -   | -             | -                 | -                     | -                  | 59               | -                               | -                              | -                          | -                         | -                 | 59       | -       | 59                               |  |       |
| Gain on revaluation of properties and prepaid lease payments  | 物業及預付租賃款項重估收益       | -   | -             | -                 | -                     | -                  | -                | -                               | 17,615                         | -                          | -                         | -                 | 17,615   | -       | 17,615                           |  |       |
| Net gain arising on revaluation of available-for-sale financial assets for the year                       | 年內重估可供出售金融資產產生的收益淨額 | -   | -             | -                 | -                     | -                  | -                | 4,943                           | -                              | -                          | -                         | -                 | 4,943    | -       | 4,943                            |  |       |
| Reclassification adjustments for impairment loss included in the consolidated statement of profit or loss | 計入綜合損益表的減值虧損的重新分類調整 | -   | -             | -                 | -                     | -                  | -                | 667                             | -                              | -                          | -                         | -                 | 667      | -       | 667                              |  |       |
| Share of exchange difference of associates  | 應佔聯營公司的匯兌差額         | -   | -             | -                 | -                     | -                  | (95)             | -                               | -                              | -                          | -                         | -                 | (95)     | -       | (95)                             |  |       |
| Total comprehensive (expenses) income for the year  | 年內全面(開支)收入總額        | -   | -             | -                 | -                     | (71,304)           | (22,870)         | 5,610                           | 17,615                         | -                          | -                         | -                 | (70,949) | (947)   | (71,896)                         |  |       |
| Capital contribution from non-controlling interests   | 非控股權益注資             | -   | -             | -                 | -                     | -                  | -                | -                               | -                              | -                          | -                         | -                 | -        | 1,600   | 1,600                            |  |       |
| Exercise of share options (Note 40)   | 行使購股權(附註40)         | 581   | 7,200         | -                 | (1,984)               | -                  | -                | -                               | -                              | -                          | -                         | -                 | 5,797    | -       | 5,797                            |  |       |
| Forfeiture of share options   | 沒收購股權               | -   | -             | -                 | (340)                 | 340                | -                | -                               | -                              | -                          | -                         | -                 | -        | -       | -                                |  |       |
| Cancellation of share options   | 註銷購股權               | -   | -             | -                 | (6,966)               | 6,966              | -                | -                               | -                              | -                          | -                         | -                 | -        | -       | -                                |  |       |
| At 31 July 2016   | 於二零一六年七月三十一日        | 78,473  | 641,454       | (3,380)           | -                     | (501,874)          | 126,709          | 6,383                           | 26,864                         | 2,420                      | 33,411                    | 49                | 410,509  | 653     | 411,162                          |  |       |

# Consolidated Statement of Changes in Equity

## 綜合權益變動表

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

|   |                              | Attributable to the owners of the Company<br>本公司擁有人應佔 |               |               |                       |                    |                  |                                 |                                |                            |                           |               |          |                           |          |
|---|------------------------------|---|---------------|---------------|-----------------------|--------------------|------------------|---------------------------------|--------------------------------|----------------------------|---------------------------|---------------|----------|---------------------------|----------|
|   |                              | Share capital   | Share premium | Other reserve | Share options reserve | Accumulated losses | Exchange reserve | Investments revaluation reserve | Properties revaluation reserve | Capital redemption reserve | Statutory surplus reserve | Legal reserve | Total    | Non-controlling interests | Total    |
|   |                              | 股本  | 股份溢價          | 其他儲備          | 購股權儲備                 | 累計虧損               | 匯兌儲備             | 投資重估儲備                          | 物業重估儲備                         | 資本贖回儲備                     | 公積金                       | 法定儲備          | 總計       | 非控股權益                     | 總計       |
|   |                              | HK\$'000  | HK\$'000      | HK\$'000      | HK\$'000              | HK\$'000           | HK\$'000         | HK\$'000                        | HK\$'000                       | HK\$'000                   | HK\$'000                  | HK\$'000      | HK\$'000 | HK\$'000                  | HK\$'000 |
|   |                              | 千港元   | 千港元           | 千港元           | 千港元                   | 千港元                | 千港元              | 千港元                             | 千港元                            | 千港元                        | 千港元                       | 千港元           | 千港元      | 千港元                       | 千港元      |
|   |                              |   |               | (Note a)      |                       |                    |                  |                                 |                                | (Note b)                   | (Note c)                  | (Note d)      |          |                           |          |
|   |                              |   |               | (附註 a)        |                       |                    |                  |                                 |                                | (附註 b)                     | (附註 c)                    | (附註 d)        |          |                           |          |
| At 1 August 2016  | 於二零一六年八月一日                   | 78,473  | 641,454       | (3,380)       | -                     | (501,874)          | 126,709          | 6,383                           | 26,864                         | 2,420                      | 33,411                    | 49            | 410,509  | 653                       | 411,162  |
| Loss for the year   | 年內虧損                         | -   | -             | -             | -                     | (72,943)           | -                | -                               | -                              | -                          | -                         | -             | (72,943) | (1,117)                   | (74,060) |
| Other comprehensive (expenses) income for the year:   | 年內其他全面(開支)收入:                |   |               |               |                       |                    |                  |                                 |                                |                            |                           |               |          |                           |          |
| Exchange differences arising on translating foreign operations  | 換算海外業務產生的匯兌差額                | -   | -             | -             | -                     | -                  | (3,928)          | -                               | -                              | -                          | -                         | -             | (3,928)  | (14)                      | (3,942)  |
| Gain on revaluation of properties and prepaid lease payments  | 物業及預付租賃款項重估收益                | -   | -             | -             | -                     | -                  | -                | -                               | 2,143                          | -                          | -                         | -             | 2,143    | -                         | 2,143    |
| Net gain arising on revaluation of available-for-sale financial assets for the year                       | 年內重估可供出售金融資產產生的收益淨額          | -   | -             | -             | -                     | -                  | -                | 837                             | -                              | -                          | -                         | -             | 837      | -                         | 837      |
| Release of revaluation of available-for-sale financial assets upon disposal                               | 出售時撥回可供出售金融資產重估              | -   | -             | -             | -                     | -                  | -                | (4,473)                         | -                              | -                          | -                         | -             | (4,473)  | -                         | (4,473)  |
| Reclassification adjustments for impairment loss included in the consolidated statement of profit or loss | 計入綜合損益表的減值虧損的重新分類調整          | -   | -             | -             | -                     | -                  | -                | 160                             | -                              | -                          | -                         | -             | 160      | -                         | 160      |
| Share of exchange difference of associates  | 應佔聯營公司的匯兌差額                  | -   | -             | -             | -                     | -                  | (42)             | -                               | -                              | -                          | -                         | -             | (42)     | -                         | (42)     |
| Total comprehensive (expenses) income for the year  | 年內全面(開支)收入總額                 | -   | -             | -             | -                     | (72,943)           | (3,970)          | (3,476)                         | 2,143                          | -                          | -                         | -             | (78,246) | (1,131)                   | (79,377) |
| Disposal of interest in a subsidiary without change of control (Note 44)                                  | 在不改變控制權的情況下出售一間附屬公司的權益(附註44) | -   | -             | 118           | -                     | -                  | -                | -                               | -                              | -                          | -                         | -             | 118      | 82                        | 200      |
| Issue of shares upon placing (Note 40)  | 配售後發行股份(附註40)                | 8,645   | 104,604       | -             | -                     | -                  | -                | -                               | -                              | -                          | -                         | -             | 113,249  | -                         | 113,249  |
| Direct expenses of placing  | 配售的直接開支                      | -   | (1,348)       | -             | -                     | -                  | -                | -                               | -                              | -                          | -                         | -             | (1,348)  | -                         | (1,348)  |
| At 31 July 2017   | 於二零一七年七月三十一日                 | 87,118  | 744,710       | (3,262)       | -                     | (574,817)          | 122,739          | 2,907                           | 29,007                         | 2,420                      | 33,411                    | 49            | 444,282  | (396)                     | 443,886  |

# Consolidated Statement of Changes in Equity

## 綜合權益變動表

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

Notes:

a. Other reserve

Other reserve represents the difference between the capital contribution received from (paid to) a non-controlling interest of a subsidiary and the increase (decrease) in its shares of net asset value of that subsidiary.

b. Capital redemption reserve

Capital redemption reserve represents the nominal value of the shares repurchased which has been paid out of the distributable reserves of the Company.

c. Statutory surplus reserve

As stipulated by regulations in the People's Republic of China (the "PRC"), the Company's subsidiaries established and operated in the PRC are required to appropriate 10% of their after-tax-profit (after offsetting prior year losses) as determined in accordance with the PRC accounting rules and regulations, to statutory surplus reserve until the reserve balance reaches 50% of the registered capital. The transfer to this reserve must be made before distribution of a dividend to equity owners.

d. Legal reserve

In accordance with Macau Commercial Code, the Company's subsidiary incorporated in Macau is required to appropriate 25% of its net profit to a legal reserve until the balance of the reserve reaches 50% of the subsidiary's registered capital. Legal reserve is not distributable to shareholders.

附註：

a. 其他儲備

其他儲備指向一間附屬公司非控股權益收取(支付)的注資與所分佔該附屬公司資產淨值增加(減少)數額間的差額。

b. 資本贖回儲備

資本贖回儲備指已購回股份的面值，有關金額以本公司的可供分派儲備支付。

c. 法定盈餘公積金

根據中華人民共和國(「中國」)法規規定，本公司在中國成立及經營的附屬公司須將其根據中國會計規則及法規釐定的除稅後溢利(對銷過往年度虧損後)的10%轉撥至法定盈餘公積金，直至該儲備的結餘達至註冊資本的50%為止，且須於向權益擁有人分派股息前轉撥至該儲備。

d. 法定儲備

根據澳門商業法，本公司於澳門註冊成立的附屬公司須撥出其純利的25%至法定儲備，直至該儲備的結餘達至附屬公司註冊資本的50%為止。法定儲備不得分派予股東。

# Consolidated Statement of Cash Flows

## 綜合現金流量表

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

|  |                       | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|--|-----------------------|----------------------------------|----------------------------------|
| OPERATING ACTIVITIES   | 經營活動                  |                                  |                                  |
| Loss before tax  | 除稅前虧損                 | <b>(74,100)</b>                  | (73,018)                         |
| Adjustments for:   | 就以下各項作出調整：            |                                  |                                  |
| Allowance for inventories  | 存貨撥備                  | -                                | 1,967                            |
| Amortisation of deferred income  | 遞延收入攤銷                | <b>(23)</b>                      | (24)                             |
| Amortisation of prepaid lease payments                                       | 預付租賃款項攤銷              | <b>2,912</b>                     | 243                              |
| Depreciation of property, plant and equipment                                | 物業、廠房及設備折舊            | <b>17,745</b>                    | 13,817                           |
| Dividend income  | 股息收入                  | <b>(1,742)</b>                   | (902)                            |
| Fair value (gain) loss on investment properties                              | 投資物業的公平值(收益)<br>虧損    | <b>(250)</b>                     | 601                              |
| Fair value loss on derivative financial instruments                          | 衍生金融工具的公平值虧損          | -                                | 4,052                            |
| Fair value loss on held-for-trading investments                              | 持作買賣投資的公平值虧損          | <b>184</b>                       | 1,076                            |
| Finance costs  | 融資成本                  | <b>21,254</b>                    | 701                              |
| Gain on deregistration of subsidiaries                                       | 取消註冊附屬公司的收益           | -                                | (2,846)                          |
| Gain on disposal of available-for-sale financial assets                      | 出售可供出售金融資產的<br>收益     | <b>(8,186)</b>                   | -                                |
| Gain on disposal of subsidiaries   | 出售附屬公司收益              | -                                | (1,534)                          |
| (Gain) loss on disposal of held-for-trading investments                      | 出售持作買賣投資的(收益)<br>虧損   | <b>(418)</b>                     | 1,130                            |
| (Gain) loss on disposal of property, plant and equipment                     | 出售物業、廠房及設備的<br>(收益)虧損 | <b>(81)</b>                      | 3,218                            |
| Government grants  | 政府補助金                 | <b>(33)</b>                      | (124)                            |
| Impairment loss recognised in respect of available-for-sale financial assets | 就可供出售金融資產確認<br>的減值虧損  | <b>160</b>                       | 667                              |
| Impairment loss recognised in respect of property, plant and equipment       | 就物業、廠房及設備確認<br>的減值虧損  | -                                | 4,097                            |
| Impairment loss recognised in respect of trade receivables                   | 就應收貿易賬款確認的<br>減值虧損    | <b>1,402</b>                     | 1,059                            |
| Interest income  | 利息收入                  | <b>(2,202)</b>                   | (4,844)                          |
| Investment loss from derivative financial instruments                        | 衍生金融工具的投資虧損           | <b>2,469</b>                     | 10,333                           |
| Reversal of allowance for inventories  | 撥回存貨撥備                | <b>(4,376)</b>                   | (5,221)                          |
| Reversal of impairment loss recognised in respect of other receivables       | 撥回就其他應收款項確認的<br>減值虧損  | <b>(2,049)</b>                   | (1,116)                          |
| Share of results of associates   | 應佔聯營公司的業績             | <b>1,625</b>                     | 507                              |
| Waiver of amount due to a joint venture                                      | 豁免應付一間合營企業<br>款項      | -                                | (202)                            |
| Waiver of other payables   | 豁免其他應付款項              | <b>(538)</b>                     | -                                |
| Write-off of inventories   | 存貨撇銷                  | <b>744</b>                       | 808                              |
| Write-off of trade receivables   | 應收貿易賬款撇銷              | -                                | 4,877                            |

# Consolidated Statement of Cash Flows

## 綜合現金流量表

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

|   |                        | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|---|------------------------|----------------------------------|----------------------------------|
| Operating cash flows before movements in working capital      | 營運資金變動前的經營現金流量         | <b>(45,503)</b>                  | (40,678)                         |
| (Increase) decrease in inventories                            | 存貨(增加)減少               | <b>(2,338)</b>                   | 32,370                           |
| (Increase) decrease in trade and other receivables            | 應收貿易賬款及其他應收款項(增加)減少    | <b>(50,467)</b>                  | 29,405                           |
| Increase (decrease) in trade and other payables               | 應付貿易賬款及其他應付款項增加(減少)    | <b>49,385</b>                    | (14,084)                         |
| Cash (used in) generated from operations                      | (用於)來自經營活動的現金          | <b>(48,923)</b>                  | 7,013                            |
| Hong Kong Profits Tax paid                                    | 已付香港利得稅                | <b>(10)</b>                      | (464)                            |
| PRC Enterprise Income Tax refunded (paid)                     | 退回(已付)中國企業所得稅          | <b>7</b>                         | (4)                              |
| <b>NET CASH (USED IN) FROM OPERATING ACTIVITIES</b>           | <b>(用於)來自經營活動的現金淨額</b> | <b>(48,926)</b>                  | 6,545                            |
| <b>INVESTING ACTIVITIES</b>                                   | <b>投資活動</b>            |                                  |                                  |
| Purchase of prepaid lease payments                            | 購買預付租賃款項               | <b>(233,588)</b>                 | -                                |
| Purchase of property, plant and equipment                     | 購買物業、廠房及設備             | <b>(169,308)</b>                 | (14,227)                         |
| Purchase of held-to-maturity investments                      | 購買持有至到期投資              | <b>(65,882)</b>                  | -                                |
| Investment paid for derivative financial instruments          | 已付衍生金融工具的投資            | <b>(14,222)</b>                  | (19,649)                         |
| Investment in an associate                                    | 於一間聯營公司的投資             | <b>(1,567)</b>                   | (3,518)                          |
| Deposits paid for acquisition of land use rights              | 收購土地使用權的已付按金           | <b>(971)</b>                     | -                                |
| Purchase of intangible assets                                 | 購買無形資產                 | <b>(379)</b>                     | -                                |
| Deposits paid for acquisition of properties                   | 收購物業的已付按金              | -                                | (42,935)                         |
| Placement of structured deposits with banks                   | 存入結構性銀行存款              | -                                | (17,871)                         |
| Placement of short-term bank deposits                         | 存入短期銀行存款               | -                                | (4,804)                          |
| Advance to an associate                                       | 向一間聯營公司提供的墊款           | -                                | (65)                             |
| Redemption from held-to-maturity investments                  | 贖回持有至到期投資              | <b>31,073</b>                    | 43,442                           |
| Proceeds from disposal of available-for-sale financial assets | 出售可供出售金融資產的所得款項        | <b>20,567</b>                    | -                                |
| Withdrawal upon maturity of structured deposits with banks    | 於結構性銀行存款到期時提取          | <b>16,934</b>                    | -                                |
| Proceeds from disposal of property, plant and equipment       | 出售物業、廠房及設備的所得款項        | <b>10,637</b>                    | 4,739                            |
| Withdrawal upon maturity of short-term bank deposits          | 於短期銀行存款到期時提取           | <b>4,552</b>                     | 83,998                           |
| Proceeds from disposal of held-for-trading investments        | 出售持作買賣投資的所得款項          | <b>3,222</b>                     | 3,246                            |
| Interest received   | 已收利息                   | <b>1,938</b>                     | 5,263                            |
| Dividends received from available-for-sale financial assets   | 自可供出售金融資產收取的股息         | <b>1,233</b>                     | 659                              |
| Dividends received from held-for-trading investments          | 自持作買賣投資收取的股息           | <b>50</b>                        | 243                              |
| Proceeds from disposal of subsidiaries                        | 出售附屬公司的所得款項            | -                                | 2,357                            |
| <b>NET CASH (USED IN) FROM INVESTING ACTIVITIES</b>           | <b>(用於)來自投資活動的現金淨額</b> | <b>(395,711)</b>                 | 40,878                           |



# Consolidated Statement of Cash Flows

## 綜合現金流量表

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

|   |                            | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|---|----------------------------|----------------------------------|----------------------------------|
| FINANCING ACTIVITIES  | 融資活動                       |                                  |                                  |
| Interest paid   | 已付利息                       | (17,230)                         | (701)                            |
| Repayment of secured bank borrowings  | 有抵押銀行借款還款                  | (7,740)                          | -                                |
| Repayment of loans from third parties   | 第三方貸款還款                    | (3,243)                          | -                                |
| New bank borrowings raised  | 新籌集銀行借款                    | 277,844                          | -                                |
| Proceeds from placing shares of the Company   | 配售本公司股份的所得款項               | 113,249                          | -                                |
| Direct expenses of placing  | 配售的直接開支                    | (1,348)                          | -                                |
| Raised loans from third parties   | 來自第三方的籌集貸款                 | 29,167                           | -                                |
| Raised loans from a related company   | 來自一間關連公司的籌集貸款              | 5,000                            | -                                |
| Advance from a director   | 來自一名董事的墊款                  | 2,143                            | -                                |
| Cash received from government grants  | 已收政府補助現金                   | 33                               | 124                              |
| Advance from an associate   | 來自一間聯營公司的墊款                | 782                              | 538                              |
| Proceeds from disposal of interest in a subsidiary without change of control            | 在不改變控制權的情況下出售一間附屬公司權益的所得款項 | 200                              | -                                |
| Capital injection from non-controlling interest of a subsidiary                         | 一間附屬公司非控股權益的注資             | -                                | 1,600                            |
| Proceeds from exercise of share options   | 行使購股權所得款項                  | -                                | 5,797                            |
| NET CASH FROM FINANCING ACTIVITIES  | 來自融資活動的現金淨額                | 398,857                          | 7,358                            |
| NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS                                    | 現金及現金等價物(減少)增加淨額           | (45,780)                         | 54,781                           |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR                                  | 年初的現金及現金等價物                | 154,094                          | 103,556                          |
| EFFECT OF FOREIGN EXCHANGE RATE CHANGES   | 匯率變動影響                     | (2,329)                          | (4,243)                          |
| CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR, represented by bank balances and cash | 年終的現金及現金等價物，以銀行結餘及現金呈列     | 105,985                          | 154,094                          |

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 1. GENERAL

Ta Yang Group Holdings Limited (the “Company”) is incorporated in the Cayman Islands with limited liability and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The addresses of the registered office and principal place of business of the Company are disclosed in the “Corporate Information” section of the Annual Report. The Company and its subsidiaries (hereafter collectively referred to as the “Group”) are principally engaged in manufacturing and sale of silicone rubber and related products and provision of healthcare and hotel services.

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”). Other than those subsidiaries established in the PRC, Macau and Indonesia whose functional currencies are Renminbi (“RMB”), Macau Pataca (“MOP”) and Indonesian Rupiah (“IDR”) respectively, the functional currency of the Company and its other subsidiaries is HK\$.

At 31 July 2017, the directors of the Company consider the ultimate holding company of the Company to be Lyton Maison Limited which is incorporated in the British Virgin Islands (“BVI”).

### 1. 一般資料

大洋集團控股有限公司(「本公司」)為在開曼群島註冊成立的有限公司，其股份於香港聯合交易所有限公司(「聯交所」)主板上市。本公司註冊辦事處及主要營業地點的地址於年報「公司資料」一節中披露。本公司及其附屬公司(下文統稱為「本集團」)主要從事矽膠及相關產品的製造及銷售以及提供醫療保健及酒店服務。

綜合財務報表乃以港元(「港元」)呈列。除於中國、澳門及印尼成立的附屬公司分別以人民幣(「人民幣」)、澳門幣(「澳門幣」)及印尼盾(「印尼盾」)作為功能貨幣外，本公司及其其他附屬公司的功能貨幣均為港元。

於二零一七年七月三十一日，本公司董事認為本公司的最終控股公司為Lyton Maison Limited(於英屬處女群島(「英屬處女群島」)註冊成立)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRS(s)”)

In the current year, the Group has applied the following new and revised HKFRSs, which include HKFRSs, Hong Kong Accounting Standards (“HKAS(s)”), amendments and Interpretation (“Int(s)”), issued by the Hong Kong Institute of Certified Public Accountants (the “HKICA”).

|  |  |
|--|--|
| Amendments to HKFRSs                         | Annual Improvements to HKFRSs 2012–2014 Cycle                        |
| Amendments to HKAS 1                         | Disclosure Initiative  |
| Amendments to HKAS 16 and HKAS 38            | Clarification of Acceptable Methods of Depreciation and Amortisation |
| Amendments to HKAS 16 and HKAS 41            | Agriculture: Bearer Plants   |
| Amendments to HKAS 27                        | Equity Method in Separate Financial Statements                       |
| Amendments to HKFRS 10, HKFRS 12 and HKAS 28 | Investment Entities: Applying the Consolidation Exception            |
| Amendments to HKFRS 11                       | Accounting for Acquisitions of Interests in Joint Operations         |

The application of the new and revised HKFRSs in the current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

### 2. 應用新訂及經修訂的香港財務報告準則(「香港財務報告準則」)

於本年度，本集團已應用下列由香港會計師公會(「香港會計師公會」)頒佈的新訂及經修訂香港財務報告準則，包括香港財務報告準則、香港會計準則(「香港會計準則」)、修訂及詮釋(「詮釋」)。

|   |                            |
|---|----------------------------|
| 香港財務報告準則的修訂                             | 香港財務報告準則二零一二年至二零一四年週期的年度改進 |
| 香港會計準則第1號的修訂                            | 披露計劃                       |
| 香港會計準則第16號及香港會計準則第38號的修訂                | 澄清折舊與攤銷之可接受方法              |
| 香港會計準則第16號及香港會計準則第41號的修訂                | 農業：生產性植物                   |
| 香港會計準則第27號的修訂                           | 獨立財務報表之權益法                 |
| 香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第28號的修訂 | 投資實體：應用合併之例外規定             |
| 香港財務報告準則第11號的修訂                         | 收購共同經營權益之會計處理              |

本年度應用新訂及經修訂香港財務報告準則對本年度及過往年度之本集團財務表現及狀況及／或載於該等綜合財務報表之披露並無任何重大影響。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRS(s)”) (Continued)

#### New and revised HKFRSs issued but not yet effective

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective.

|                                    |  |
|------------------------------------|--|
| HKFRS 9 (2014)                     | Financial Instruments <sup>2</sup>   |
| HKFRS 15                           | Revenue from Contracts with Customers <sup>2</sup>   |
| HKFRS 16                           | Leases <sup>4</sup>  |
| Amendments to HKFRS 2              | Classification and Measurement of Share-based Payment Transactions <sup>2</sup>                    |
| Amendments to HKFRS 4              | Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts <sup>2</sup>               |
| Amendments to HKFRS 15             | Clarification to HKFRS 15 Revenue from Contracts with Customers <sup>2</sup>                       |
| Amendments to HKAS 7               | Disclosure Initiative <sup>1</sup>   |
| Amendments to HKAS 12              | Recognition of Deferred Tax Assets for Unrealised Losses <sup>1</sup>                              |
| HK(IFRIC)-Int 22                   | Foreign Currency Transactions and Advance Consideration <sup>2</sup>                               |
| HK(IFRIC)-Int 23                   | Uncertainty over Income Tax Treatments <sup>4</sup>  |
| Amendments to HKAS 40              | Transfer of Investment Property <sup>2</sup>   |
| Amendments to HKFRSs               | Annual Improvements to HKFRSs 2014–2016 cycle <sup>3</sup>   |
| Amendments to HKFRS 10 and HKAS 28 | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>5</sup> |

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2017.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2018.

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2017 or 1 January 2018, as appropriate.

<sup>4</sup> Effective for annual periods beginning on or after 1 January 2019.

<sup>5</sup> Effective date not yet been determined.

Except as described below, the application of the new and revised HKFRSs will have no material impact on the results and the financial positions of the Group.

### 2. 應用新訂及經修訂的香港財務報告準則(「香港財務報告準則」)(續)

#### 已頒佈但尚未生效的新訂及經修訂香港財務報告準則

本集團並未提早應用下列已頒佈但尚未生效的新訂及經修訂香港財務報告準則。

|                                |  |
|--------------------------------|--|
| 香港財務報告準則第9號<br>(二零一四年)         | 金融工具 <sup>2</sup>                                  |
| 香港財務報告準則第15號                   | 來自客戶合約的收益 <sup>2</sup>                             |
| 香港財務報告準則第16號                   | 租賃 <sup>4</sup>                                    |
| 香港財務報告準則第2號<br>的修訂             | 以股份為基礎支付的交易的分類及計量 <sup>2</sup>                     |
| 香港財務報告準則第4號<br>的修訂             | 應用香港財務報告準則第4號保險合約時一併應用香港財務報告準則第9號金融工具 <sup>2</sup> |
| 香港財務報告準則第15號<br>的修訂            | 香港財務報告準則第15號來自客戶合約的收益的澄清 <sup>2</sup>              |
| 香港會計準則第7號的修訂                   | 披露計劃 <sup>1</sup>                                  |
| 香港會計準則第12號<br>的修訂              | 就未變現虧損確認遞延稅項資產 <sup>1</sup>                        |
| 香港(國際財務報告詮釋委員會)一詮釋第22號         | 外幣交易及預付代價 <sup>2</sup>                             |
| 香港(國際財務報告詮釋委員會)一詮釋第23號         | 所得稅處理之不確定性 <sup>4</sup>                            |
| 香港會計準則第40號<br>的修訂              | 投資物業的轉讓 <sup>2</sup>                               |
| 香港財務報告準則的修訂                    | 香港財務報告準則二零一四年至二零一六年週期的年度改進 <sup>3</sup>            |
| 香港財務報告準則第10號及香港會計準則第28號<br>的修訂 | 投資者與其聯營公司或合營企業之間的資產出售或注資 <sup>5</sup>              |

<sup>1</sup> 於二零一七年一月一日或之後開始的年度期間生效。

<sup>2</sup> 於二零一八年一月一日或之後開始的年度期間生效。

<sup>3</sup> 於二零一七年一月一日或二零一八年一月一日(倘適用)或之後開始的年度期間生效。

<sup>4</sup> 於二零一九年一月一日或之後開始的年度期間生效。

<sup>5</sup> 生效日期尚未釐定。

除下述情況外，應用新訂及經修訂香港財務報告準則將對本集團的業績及財務狀況並無重大影響。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRS(s)”) (Continued)

#### HKFRS 9 (2014) Financial Instruments

HKFRS 9 issued in 2009 introduces new requirements for the classification and measurement of financial assets. HKFRS 9 was amended in 2010 and includes the requirements for the classification and measurement of financial liabilities and for derecognition. In 2013, HKFRS 9 was further amended to bring into effect a substantial overhaul of hedge accounting that will allow entities to better reflect their risk management activities in the financial statements. A finalised version of HKFRS 9 was issued in 2014 to incorporate all the requirements of HKFRS 9 that were issued in previous years with limited amendments to the classification and measurement by introducing a “fair value through other comprehensive income” (“FVTOCI”) measurement category for certain financial assets. The finalised version of HKFRS 9 also introduces an “expected credit loss” model for impairment assessments.

Key requirements of HKFRS 9 (2014) are described as follows:

- All recognised financial assets that are within the scope of HKAS 39 Financial Instruments: Recognition and Measurement to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at FVTOCI. All other debt investments and equity investments are measured at their fair values at the end of subsequent reporting periods. In addition, under HKFRS 9 (2014), entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

### 2. 應用新訂及經修訂的香港財務報告準則(「香港財務報告準則」)(續)

#### 香港財務報告準則第9號(二零一四年)「金融工具」

於二零零九年頒佈的香港財務報告準則第9號引入金融資產分類及計量的新規定。香港財務報告準則第9號於二零一零年作出修訂，加入有關金融負債分類及計量及有關終止確認的規定。於二零一三年，香港財務報告準則第9號作出進一步修訂，據此就對沖會計處理作出重大修訂，其將使實體可更有效地於財務報表中反映其風險管理活動。香港財務報告準則第9號的最終版本於二零一四年頒佈，其納入過往多年來就香港財務報告準則第9號所頒佈的所有規定，並藉為若干金融資產引入「按公平值列賬並於其他全面收益內處理」計量類別，對分類及計量規定作出有限修訂。香港財務報告準則第9號的最終版本亦就減值評估引入「預期信貸虧損」模式。

香港財務報告準則第9號(二零一四年)的主要規定載述如下：

- 香港會計準則第39號「金融工具：確認及計量」範圍內所有已確認的金融資產其後將按攤銷成本或公平值計量。具體而言，於目的為收回合約現金流量的業務模式所持有的債務投資，以及合約現金流量純為支付本金及未償還本金的利息的債務投資，一般按其後會計期結算日的攤銷成本計量。於目的為同時透過收回合約現金流量及出售金融資產達致的業務模式中持有的債務工具，以及金融資產的合約條款令於特定日期產生的現金流量純為支付本金及未償還本金的利息的債務工具，按公平值列賬並於其他全面收益內處理的方式計量。所有其他債務投資及股權投資則以其後報告期間結算日的公平值計量。此外，根據香港財務報告準則第9號(二零一四年)，實體可以不可撤回地選擇於其他全面收益內呈列股權投資(並非持作買賣者)其後的公平值變動，而在一般情況下，僅有股息收入會於損益中確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRS(s)”) (Continued)

#### HKFRS 9 (2014) Financial Instruments (Continued)

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 (2014) requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities' credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.
- In the aspect of impairment assessments, the impairment requirements relating to the accounting for an entity's expected credit losses on its financial assets and commitments to extend credit were added. Those requirements eliminate the threshold that was in HKAS 39 for the recognition of credit losses. Under the impairment approach in HKFRS 9 (2014) it is no longer necessary for a credit event to have occurred before credit losses are recognised. Instead, expected credit losses and changes in those expected credit losses should always be accounted for. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition and, consequently, more timely information is provided about expected credit losses.

### 2. 應用新訂及經修訂的香港財務報告準則(「香港財務報告準則」)(續)

#### 香港財務報告準則第9號(二零一四年)「金融工具」(續)

- 就計量指定按公平值列賬並在損益內處理的金融負債而言，香港財務報告準則第9號(二零一四年)規定，該金融負債因其信貸風險變動而引致的公平值變動數額於其他全面收益中呈列，除非於其他全面收益中確認該項負債的信貸風險變動影響會產生或擴大損益的會計錯配則作別論。金融負債因其信貸風險變動而引致的公平值變動其後不會重新分類至損益。根據香港會計準則第39號，指定為按公平值列賬並在損益內處理的金融負債的公平值變動全部數額均於損益中呈列。
- 就減值評估而言，有關修訂加入有關一間實體對其金融資產及提供信貸承擔的預期信貸虧損的會計處理方式的減值規定。該等規定消除香港會計準則第39號有關確認信貸虧損的門檻。根據香港財務報告準則第9號(二零一四年)的減值方法，毋須再待信貸事件發生後方可確認信貸虧損。取而代之，須一直將預期信貸虧損以及該等預期信貸虧損的變動入賬。預期信貸虧損金額於各報告日期更新，以反映自初次確認以來的信貸風險變動，從而更適時地提供有關預期信貸虧損的資料。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

## 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRS(s)”) (Continued)

### HKFRS 9 (2014) Financial Instruments (Continued)

- HKFRS 9 (2014) introduces a new model which is more closely aligns hedge accounting with risk management activities undertaken by companies when hedging their financial and non-financial risk exposures. As a principle-based approach, HKFRS 9 (2014) looks at whether a risk component can be identified and measured and does not distinguish between financial items and non-financial items. The new model also enables an entity to use information produced internally for risk management purposes as a basis for hedge accounting. Under HKAS 39, it is necessary to exhibit eligibility and compliance with the requirements in HKAS 39 using metrics that are designed solely for accounting purposes. The new model also includes eligibility criteria but these are based on an economic assessment of the strength of the hedging relationship. This can be determined using risk management data. This should reduce the costs of implementation compared with those for HKAS 39 hedge accounting because it reduces the amount of analysis that is required to be undertaken only for accounting purposes.

HKFRS 9 (2014) will become effective for annual periods beginning on or after 1 January 2018 with early application permitted.

The directors of the Company anticipate that the adoption of HKFRS 9 (2014) in the future may have an impact on the Group's results and financial position, including the classification categories and the measurement of financial assets and disclosures. For instance, the Group will be required to replace the incurred loss impairment model in HKAS 39 with an expected loss impairment model that will apply to various exposures to credit risk. HKFRS 9 will also change the way the Group classifies and measures its financial assets, and will require the Group to consider the business model and contractual cash flow characteristics of financial assets to determine classification and subsequent measurement. However, it is not practicable to provide a reasonable estimate of the effect of HKFRS 9 (2014) until a detailed review has been completed.

## 2. 應用新訂及經修訂的香港財務報告準則（「香港財務報告準則」）（續）

### 香港財務報告準則第9號（二零一四年）「金融工具」（續）

- 香港財務報告準則第9號（二零一四年）引入新模式，該模式使對沖會計處理方式更貼近公司在對沖彼等的金融及非金融風險時所進行的風險管理活動。作為一種原則性方法，香港財務報告準則第9號（二零一四年）著眼風險部份是否可予識別及計量，但並無將金融項目和非金融項目作出區分。新模式亦允許實體利用內部就風險管理所編製的資料作為對沖會計處理的基礎。根據香港會計準則第39號，有必要使用僅用作會計目的計量基準顯示其符合香港會計準則第39號的資格及規定。新模式亦包括資格準則，但該等準則乃基於就對沖關係強度進行的經濟評估。此可利用風險管理數據釐定。與香港會計準則第39號的對沖會計處理相比較，由於有關準則減少了僅需就會計目的而進行的分析數量，故實行成本應可降低。

香港財務報告準則第9號（二零一四年）將於二零一八年一月一日或之後開始的年度期間生效，且可提前應用。

本公司董事預期，於日後採納香港財務報告準則第9號（二零一四年）可能會對本集團業績及財務狀況造成影響，包括金融資產的分類及計量以及披露。例如，本集團將須以適用於多項信貸風險的預期虧損減值模式取代香港會計準則第39號已產生的虧損減值模式。香港財務報告準則第9號亦將改變本集團分類及計量其金融資產的方式，並將要求本集團考慮業務模式及金融資產的合約現金流量特性以釐定分類及後續計量。然而，於完成詳細審閱前，合理估計香港財務報告準則第9號（二零一四年）的影響屬不切實際。

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## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRS(s)”) (Continued)

#### HKFRS 15 Revenue from Contracts with Customers

The core principle of HKFRS 15 is that an entity should recognise 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. Thus, HKFRS 15 introduces a model that applies to contracts with customers, featuring a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognised. The five steps are as follows:

- (i) Identify the contract with the customer;
- (ii) Identify the performance obligations in the contract;
- (iii) Determine the transaction price;
- (iv) Allocate the transaction price to the performance obligations; and
- (v) Recognise revenue when (or as) the entity satisfies a performance obligation.

HKFRS 15 also introduces extensive qualitative and quantitative disclosure requirements which aim to enable users of the financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 Revenue, HKAS 11 Construction Contracts and the related Interpretations when it becomes effective.

The directors of the Company anticipate that the application of HKFRS 15 in the future may have result in the identification of separate performance obligations which could affect the timing of the recognition of revenue. Certain costs incurred in fulfilling a contract which are currently expensed may need to be recognised as an asset under HKFRS 15. More disclosures relating to revenue are also required. However, it is not practicable to provide a reasonable estimate of the effect of HKFRS 15 until a detailed review is completed.

### 2. 應用新訂及經修訂的香港財務報告準則(「香港財務報告準則」)(續)

#### 香港財務報告準則第15號「來自客戶合約的收益」

香港財務報告準則第15號的核心原則為實體就描述向客戶轉讓承諾貨品或服務所確認的收益金額，應能反映該實體預期就交換該等貨品或服務有權獲得的代價。因此，香港財務報告準則第15號引入一個適用於與客戶訂立的合約的模式，其重點為以合約為基礎的五步交易分析，以此釐定是否確認及應確認的收益金額及時間。該五個步驟如下：

- (i) 識別與客戶訂立的合約；
- (ii) 識別合約中的履約責任；
- (iii) 釐定交易價；
- (iv) 將交易價分配至履約責任；及
- (v) 於(或當)實體完成履約責任時確認收益。

香港財務報告準則第15號亦引入大量定性及定量披露規定，目的為讓財務報表使用者了解與客戶訂立的合約所產生的收益及現金流量的性質、金額、時間及不明朗因素。

於香港財務報告準則第15號生效後，其將取代現時的收益確認指引，包括香港會計準則第18號「收益」、香港會計準則第11號「建築合約」及相關詮釋。

本公司董事預期，於未來應用香港財務報告準則第15號可能導致各個履約責任的識別，因而可能影響收益確認的時間。就履行合約所產生而現時已支銷的若干成本可能須根據香港財務報告準則第15號確認為資產。亦需要披露更多有關收益之資料。然而，於完成詳盡審閱前，合理估計香港財務報告準則第15號的影響乃不切實際。



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## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRS(s)”) (Continued)

#### HKFRS 16 Leases

HKFRS 16 provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessors and lessees.

In respect of the lessee accounting, the standard introduces a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases with the lease term of more than 12 months, unless the underlying asset has a low value.

At the commencement date of the lease, the lessee is required to recognise a right-of-use asset at cost, which consists of the amount of the initial measurement of the lease liability, plus any lease payments made to the lessor at or before the commencement date less any lease incentives received, the initial estimate of restoration costs and any initial direct costs incurred by the lessee. A lease liability is initially recognised at the present value of the lease payments that are not paid at that date.

Subsequently, the right-of-use asset is measured at cost less any accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of the lease liability. Lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payment made, and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. Depreciation and impairment expenses, if any, on the right-of-use asset will be charged to profit or loss following the requirements of HKAS 16 Property, Plant and Equipment, while interest accrual on lease liability will be charged to profit or loss.

### 2. 應用新訂及經修訂的香港財務報告準則(「香港財務報告準則」)(續)

#### 香港財務報告準則第16號「租賃」

香港財務報告準則第16號為租賃安排之識別以及其於出租人及承租人財務報表之處理方式提供一個綜合模型。

就承租人會計處理而言，該準則引入單一承租人會計處理模式，規定承租人就租賃期超過十二個月的所有租賃確認資產及負債，惟相關資產價值較低則除外。

於租賃開始日期，承租人須按成本確認使用權資產，包括租賃負債之初始計量金額，加上於開始日期或之前向出租人作出之任何租賃付款，扣除任何已收取之租賃優惠、初始估計修復成本及承租人所產生之任何初始直接成本。租賃負債初步按於租賃付款尚未支付當日之現值確認。

其後，使用權資產按成本減任何累計折舊及任何累計減值虧損計量，並就任何重新計量之租賃負債作出調整。租賃負債之其後計量方式為透過增加賬面值以反映租賃負債之利息，透過削減賬面值以反映所作出之租賃付款，以及透過重新計量賬面值以反映任何重新評估或租賃修訂或反映經修訂之實質固定租賃付款。使用權資產之折舊及減值費用(如有)將按照香港會計準則第16號「物業、廠房及設備」之規定計入損益，而租賃負債之應計利息將於損益內扣除。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRS(s)”) (Continued)

#### HKFRS 16 Leases (Continued)

In respect of the 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 will supersede the current lease standards including HKAS 17 Leases and the related Interpretations when it becomes effective.

HKFRS 16 will be effective for annual periods beginning on or after 1 January 2019 with early application permitted provided that the entity has applied HKFRS 15 Revenue from Contracts with Customers at or before the date of initial application of HKFRS 16. As at 31 July 2017, the Group has non-cancellable operating lease commitments of approximately HK\$2,469,000 as disclosed in Note 50. A preliminary assessment indicates that these arrangements will meet the definition of a lease under HKFRS 16, and hence the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases upon the application of HKFRS 16. In addition, the application of new requirements may result changes in the measurement, presentation and disclosure as indicated above. However, it is not practicable to provide a reasonable estimate of the effect until the Group performs a detailed review.

### 2. 應用新訂及經修訂的香港財務報告準則(「香港財務報告準則」)(續)

#### 香港財務報告準則第16號「租賃」(續)

就出租人會計處理而言，香港財務報告準則第16號實質上沿用香港會計準則第17號的出租人會計規定。因此，出租人繼續將其租賃分類為經營租賃或融資租賃，並以不同方式將此兩類租賃入賬。

香港財務報告準則第16號生效後，將取代現有租賃準則，包括香港會計準則第17號「租賃」及相關詮釋。

香港財務報告準則第16號將於二零一九年一月一日或之後開始的年度期間生效，並可提早應用，前提是有關實體於首次應用香港財務報告準則第16號當日或之前已應用香港財務報告準則第15號「來自客戶合約的收益」。誠如附註50所披露，於二零一七年七月三十一日，本集團有為數約2,469,000港元之不可撤銷經營租賃承擔。初步評估顯示該等安排將符合香港財務報告準則第16號有關租賃之定義，故本集團將於應用香港財務報告準則第16號時就所有該等租賃確認使用權資產及相應負債，除非價值偏低或屬短期租賃。此外，應用新規定可能導致上文所示之計量、呈列及披露有所改變。然而，於本集團完成詳盡審閱前，無法合理估計其影響。

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## 綜合財務報表附註

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### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRS(s)”) (Continued)

#### Amendments to HKAS 7 Disclosure Initiative

The amendments require entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The amendments do not prescribe a specific method to fulfill the new disclosure requirements. However, the amendments indicate that one way is to provide a reconciliation between the opening and closing balances for liabilities arising from financing activities.

Amendments to HKAS 7 will become effective for annual periods beginning on or after 1 January 2017 with early application permitted.

The directors of the Company anticipate that the application of Amendments to HKAS 7 will result in additional disclosures on the Group's financing activities, especially reconciliation between the opening and closing balances in the consolidated statement of financial position for liabilities arising from financing activities will be provided on application.

### 3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain investment properties and financial instruments that are measured at fair values.

Historical cost is generally based on the fair value of the consideration given in exchange for goods.

### 2. 應用新訂及經修訂的香港財務報告準則(「香港財務報告準則」)(續)

#### 香港會計準則第7號「披露計劃」的修訂

該等修訂要求實體提供使財務報表使用者能夠評估融資活動所產生的負債變動的披露資料，包括現金流量產生的變動及非現金變動。該等修訂並無限定達成新披露規定的指定方法。然而，該等修訂指出其中一個方法為提供融資活動產生的負債的期初及期末結餘的對賬。

香港會計準則第7號的修訂將於二零一七年一月一日或之後開始的年度期間生效，並允許提早應用。

本公司董事預期，應用香港會計準則第7號之修訂將導致就本集團之融資活動作出更多披露，尤其是將於應用時就融資活動產生之負債在綜合財務狀況表中提供期初與期末結餘之對賬。

### 3. 主要會計政策

綜合財務報表乃根據香港會計師公會所頒佈的香港財務報告準則編撰。此外，綜合財務報表包括香港聯合交易所有限公司證券上市規則及香港公司條例所規定之適用披露。

綜合財務報表乃以歷史成本基準編撰，惟若干投資物業及金融工具按公平值計量除外。

歷史成本一般以作為交換貨品的代價的公平值為依據。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. Details of fair value measurement are explained in the accounting policies set out below.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Specifically, the Group categorised the fair value measurements into three levels, based on the characteristics of inputs, as follows:

- Level 1 — Quoted (unadjusted) market price in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

At the end of the reporting period, the Group determines whether transfer occur between levels of the fair value hierarchy for assets and liabilities which are measured at fair value on recurring basis by reviewing their respective fair value measurement.

### 3. 主要會計政策(續)

公平值是於計量日期市場參與者間在主要市場(或最有利之市場)根據現行市況於有序交易中出售資產所收取或轉讓負債須支付的價格(即撤出價)，而不論該價格是為可直接觀察取得或使用其他估值方法估計所得。公平值計量詳情於下文所載之會計政策闡述。

本集團採用適用於有關情況並有足夠數據可計量公平值的估值技術並盡量使用相關可觀察輸入數據及減少使用不可觀察的輸入數據。具體而言，本集團根據輸入數據特點將公平值計量分為以下三類：

- 第一層 — 相同資產或負債於活躍市場的市場報價(未經調整)。
- 第二層 — 估值技術，其所採用對公平值計量而言屬重大的最低級別輸入數據為可直接或間接觀察。
- 第三層 — 估值技術，其所採用對公平值計量而言屬重大的最低級別輸入數據為不可觀察。

於報告期末，本集團通過審閱資產及負債各自的公平值計量，釐定按經常性基準以公平值計量的資產及負債的公平值層級之間是否有任何轉撥。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

The principal accounting policies are set out below.

#### Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (i.e. its subsidiaries). If a subsidiary prepares its financial statements using accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that subsidiary's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

Control is achieved where the Group has: (i) the power over the investee; (ii) exposure, or rights, to variable returns from its involvement with the investee; and (iii) the ability to use its power over the investee to affect the amount of the Group's returns. When the Group has less than a majority of the voting rights of an investee, power over the investee may be obtained through: (i) a contractual arrangement with other vote holders; (ii) rights arising from other contractual arrangements; (iii) the Group's voting rights and potential voting rights; or (iv) a combination of the above, based on all relevant facts and circumstances.

The Company reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of these elements of control stated above.

Consolidation of a subsidiary begins when the Group obtains control of the subsidiary and ceases when the Group loses control of the subsidiary.

Income and expenses of subsidiaries are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

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

### 3. 主要會計政策 (續)

主要會計政策載列如下。

#### 綜合基準

綜合財務報表包括本公司及本公司控制的實體(如其附屬公司)的財務報表。倘附屬公司並非採用與綜合財務報表就於類似情況下之類似交易及事件所採用之會計政策編製其財務報表，則會於編製綜合財務報表時對附屬公司的財務報表進行適當調整，以確保其符合本集團的會計政策。

在以下情況下，本集團獲得控制權：(i)可對投資對象行使權力；(ii)承受及享有其所參與投資對象的浮動回報的風險或權利；及(iii)有能力運用其對投資對象的權力影響本集團可取得之回報金額。倘本集團未有取得投資對象過半數的投票權，本集團可根據所有相關事實及情況透過以下方式取得對投資對象的權利：(i)與其他投票權持有人的合約安排；(ii)其他合約安排產生的權利；(iii)本集團的投票權及潛在投票權；或(iv)綜合以上各種方式。

若事實及情況表明上文所述控制權的三個元素中其中一個或以上元素出現變動，本公司會重估其是否控制投資對象。

附屬公司於本集團取得該附屬公司的控制權時開始綜合入賬，並於本集團失去該附屬公司的控制權時不再綜合入賬。

附屬公司的收入及開支，自本集團取得控制權之日起至本集團不再控制該附屬公司之日止列入綜合損益及其他全面收益表。

附屬公司的損益及其他全面收入的各組成部份歸屬於本公司擁有人及非控股權益。附屬公司的全面收入總額歸屬於本公司擁有人及非控股權益，即使此會導致非控股權益出現虧絀結餘。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Basis of consolidation (Continued)

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

#### Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in existing subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. 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 owners of the Company.

When the Group loses control of a subsidiary, it (i) derecognises the assets (including any goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost, (ii) derecognises the carrying amount of any non-controlling interests in the former subsidiary at the date when control is lost (including any components of other comprehensive income attributable to them), and (iii) recognises the aggregate of the fair value of the consideration received and the fair value of any retained interest, with any resulting difference being recognised as a gain or loss in profit or loss attributable to the Group. When assets and liabilities of the subsidiary are carried at revalued amounts or fair values and the related cumulative gain or loss has been recognised in other comprehensive income and accumulated in equity, the amounts previously recognised in other comprehensive income and accumulated in equity are accounted for as if the Group had directly disposed of the related assets and liabilities (i.e. reclassified to profit or loss or transferred directly to retained earnings as specified by applicable HKFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKAS 39 Financial Instruments: Recognition and Measurement or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

### 3. 主要會計政策 (續)

#### 綜合基準 (續)

本集團實體之間的所有集團內部資產及負債、權益、收入、支出及交易有關的現金流量均於綜合入賬時全數對銷。

#### 本集團於現有附屬公司所有權權益的變動

本集團於現有附屬公司所有權權益的變動如不會導致本集團失去對該附屬公司的控制權，則會作為權益交易入賬。本集團權益及非控股權益的賬面值已作出調整，以反映彼等於該附屬公司相關權益的變動。非控股權益的調整金額與已付或已收代價公平值之間的差額直接於權益中確認，並屬本公司擁有人所有。

倘本集團失去對一間附屬公司的控制權，則(i)於失去控制權當日撤銷按彼等賬面值確認該附屬公司之資產(包括任何商譽)及負債，(ii)於失去控制權當日撤銷按賬面值確認前附屬公司之任何非控股權益(包括歸屬於該等權益之其他全面收入之任何組成部分)，及(iii)確認所收代價公平值及任何保留權益公平值之總額，產生之差額確認為歸屬於本集團損益之收益或虧損。倘附屬公司之資產及負債按重估金額或公平值列賬，而相關累計收益或虧損已於其他全面收益確認及於權益累計，先前於其他全面收益確認及於權益累計之金額猶如本集團直接出售相關資產及負債入賬，即按適用之香港財務報告準則的規定重新分類為損益或直接轉撥至保留盈利。於失去控制權當日於前附屬公司保留之任何投資之公平值，會根據香港會計準則第39號「金融工具：確認及計量」於日後的會計處理中被視為首次確認時之公平值，或(如適用)被視為於一間聯營公司或一間合營企業首次確認之投資成本。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Investments in subsidiaries

Investments in subsidiaries are stated on the statement of financial position of the Company at cost less accumulated impairment loss.

#### Investments in 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 in the consolidated financial statements using the equity method. Under the equity method, investments in associates are initially recognised at cost. The Group's share of the profit or loss and changes in the other comprehensive income of the associates are recognised in profit or loss and other comprehensive income respectively after the date of acquisition. If the Group's share of losses of an associate equals or exceeds its interest in the associate, which determined using the equity method together with any long-term interests that, in substance, form part of the Group's net investment in the associate, the Group discontinues recognising its share of further losses. Additional losses are provided for, and a liability is recognised, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

If an associate uses accounting policies other than those of the Group for like transactions and events in similar circumstances, adjustments are made to make the associate's accounting policies conform to those of the Group when the associate's financial statements are used by the Group in applying the equity method.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment, any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets and liabilities of the associate is recognised as goodwill and is included in the carrying amount of the investment.

### 3. 主要會計政策 (續)

#### 於附屬公司的投資

於附屬公司的投資乃以成本值減去累計減值虧損列於本公司的財務狀況表。

#### 於聯營公司的投資

聯營公司是本集團具有重大影響力的實體。重大影響力乃有權參與投資對象的財務及經營政策決定而非控制或共同控制該等政策。

本集團於聯營公司之投資使用權益法計入綜合財務報表。根據權益法，於聯營公司之投資初步按成本確認。本集團應佔之聯營公司損益及其他全面收益變動，分別於收購日期後在損益及其他全面收益中確認。倘本集團應佔一間聯營公司之虧損相當於或超出本集團於該聯營公司之權益（以使用權益法釐定，並包括實際上構成本集團對該聯營公司之淨投資之任何長期權益），本集團終止確認日後應佔之虧損。本集團僅會在產生法定或推定責任或代該聯營公司付款時，方會就額外虧損作出撥備及確認一項負債。

倘一間聯營公司就於類似情況下之類似交易及事件所採用之會計政策有別於本集團所採用者，則需於本集團應用權益法使用該聯營公司之財務報表時，對該聯營公司之會計政策作出調整，使其與本集團之會計政策一致。

於聯營公司的投資自投資對象成為聯營公司當日起採用權益法入賬。收購投資時，收購成本超出本集團應佔聯營公司可識別資產及負債公平淨值的任何部分確認為商譽，並計入投資賬面值內。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Investments in associates (Continued)

Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition, after reassessment, is recognised in profit or loss in the period in which the investment is acquired.

After application of the equity method, including recognising the associate's losses (if any), the Group determines whether it is necessary to recognise any additional impairment loss with respect to its investment in the associate. Goodwill that forms part of the carrying amount of an investment in an associate is not separately recognised. The entire carrying amount of the investment (including goodwill) is tested for impairment as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment in the associate. Any reversal of that impairment loss is recognised to the extent that the recoverable amount of the investment subsequently increases.

When the investment ceases to be an associate upon the Group losing significant influence over the associate, the Group discontinues to apply equity method and any retained interest is measured at fair value at that date which is regarded as its fair value on initial recognition as a financial asset in accordance with HKAS 39. Any difference between the fair value of any retained interest and any proceeds from disposing of a part interest in the associate and the carrying amount of the investment at the date the equity method was discontinued is recognised in profit or loss. Any amount previously recognised in other comprehensive income in relation to that investment is reclassified to profit or loss or retained earnings on the same basis as it would have been required if the investee had directly disposed of the related assets or liabilities.

### 3. 主要會計政策 (續)

#### 於聯營公司的投資 (續)

本集團應佔可識別資產及負債公平淨值超出收購成本的任何部分，經重新評估後於收購投資期間在損益內確認。

於應用權益法(包括確認聯營公司之虧損(如有))後，本集團釐定其是否需要就其於聯營公司之投資確認任何額外減值虧損。組成於聯營公司投資賬面值一部份之商譽不會分開確認。投資(包括商譽)之全部賬面值按單一資產進行減值測試，方法為將其可收回金額(以使用價值與公平值減出售成本之較高者為準)與其賬面值作比較。已確認的任何減值虧損屬於聯營公司投資賬面值之一部分。減值虧損之回撥確認以該投資其後增加之可收回金額為限。

當投資於本集團失去對聯營公司之重大影響力而不再為聯營公司當日，本集團終止採用權益法，而任何保留權益則按該日之公平值計量，而該公平值被視為根據香港會計準則第39號初步確認一項金融資產時之公平值。於聯營公司之任何保留權益之公平值與所出售之聯營公司部份權益之任何所得款項之間的差額，以及與投資於終止採用權益法當日之賬面值之間的差額，會於損益中確認。所有過往於其他全面收益中就該項投資確認之金額，會按假設投資對象直接出售相關資產或負債所需之相同方式重新分類至損益或保留盈利。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Investments in associates (Continued)

When the Group's ownership interest in an associate is reduced, but the Group continues to apply the equity method, the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest is reclassified to profit or loss if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

Gains and losses resulting from transactions between the Group and its associate are recognised in consolidated financial statements only to the extent of unrelated investors' interests in the associate. The Group's share in the associate's gains or losses resulting from these transactions is eliminated.

#### Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for goods sold and services rendered in the normal course of business, net of discounts and sales related taxes.

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Service income is recognised when services are provided.

### 3. 主要會計政策 (續)

#### 於聯營公司的投資 (續)

當本集團於一間聯營公司之所有權益減少，但本集團繼續使用權益法時，倘以往於其他全面收益中就所削減所有權權益確認之收益或虧損部分須於出售相關資產或負債時重新分類至損益，則有關收益或虧損部分會重新分類至損益。

本集團與其聯營公司間進行交易所產生之收益及虧損僅以無關連投資者於聯營公司之權益為限於綜合財務報表中確認。本集團應佔聯營公司於該等交易所產生之收益或虧損會予以對銷。

#### 收益確認

收益按在日常業務過程中就銷售貨品及提供服務已收或應收的代價的公平值，減去折扣及銷售相關稅項後計量。

當貨品送遞及業權轉讓時，貨品銷售的收益於貨品符合以下全部條件時確認：

- 本集團已將貨品所有權之絕大部分風險及回報轉移予買方；
- 本集團並無就已售貨品保留一般與擁有權有關之持續管理權或實際控制權；
- 收益金額可以可靠地計量；
- 本集團極可能獲得與交易相關之經濟利益；及
- 就交易已經或將會產生之成本可以可靠地計量。

服務收入於提供服務時確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Revenue recognition (Continued)

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably).

#### Leasing

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.

#### The Group as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease.

#### The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

#### Leasehold land and buildings

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

### 3. 主要會計政策 (續)

#### 收益確認 (續)

金融資產的利息收入於經濟利益極可能流入本集團且收入金額能夠可靠地計量時確認。利息收入乃參照尚未償還本金及按適用實際利率(即於初步確認時按金融資產的預計年期準確貼現估計未來現金收入至該資產賬面淨值之利率)以時間基準累計。

投資所得的股息收入於股東收取款項的權利確立時確認(惟經濟利益可能流入本集團,而收益金額能夠可靠計量)。

#### 租賃

倘租賃條款將所有權絕大部分風險及回報轉讓予承租人,租賃被分類為融資租賃。所有其他租賃均分類為經營租賃。

#### 本集團作為出租人

經營租賃的租金收入以直線法按有關租賃年期在損益中確認。

#### 本集團作為承租人

經營租賃款項以直線法按租期確認為開支。

#### 租賃土地及樓宇

倘租約包括土地及樓宇部份,則本集團會根據其對各部份擁有權所附帶之絕大部分風險及回報是否已轉移至本集團作出之評估,將各部份獨立分類為融資或經營租賃,除非兩個部份明顯屬於經營租賃,於該情況下,整份租賃分類為經營租賃。具體而言,最低租賃付款(包括任何一次性預付款)會按租賃開始時租賃土地部分與樓宇部分租賃權益的相關公平值比例,於土地及樓宇部分之間分配。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Leasehold land and buildings (Continued)

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as prepaid lease payments in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis except for those that are classified and accounted for as investment properties under the fair value model. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease and accounted for as property, plant and equipment.

#### Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing at the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. HK\$) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the year. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of exchange reserve (attributed to non-controlling interests as appropriate).

### 3. 主要會計政策 (續)

#### 租賃土地及樓宇 (續)

倘租賃付款能夠可靠分配，則作為經營租賃入賬之租賃土地權益於綜合財務狀況表呈列為「預付租賃款項」，並按直線基準於租期內攤銷，根據公平值模式分類及入賬列作投資物業除外。當租賃付款不能可靠地於土地及樓宇部分之間作出分配時，則整項租賃一般分類為融資租賃，並作為物業、廠房及設備入賬。

#### 外幣

於編製各個別集團實體的財務報表時，以該實體功能貨幣以外的貨幣（外幣）進行的交易，乃按於交易日期的通行匯率換算成相關的功能貨幣（即該實體經營所在的主要經濟環境的貨幣）記錄。於報告期末，以外幣定值的貨幣項目乃按於該日的通行匯率重新換算。按公平值列賬並以外幣定值的非貨幣項目乃按其公平值釐定當日的通行匯率重新換算。按外幣歷史成本計量的非貨幣項目毋須重新換算。

於結算及重新換算貨幣項目時產生的匯兌差額，乃於產生的期間在損益內確認。重新換算按公平值入賬的非貨幣項目產生的匯兌差額計入期間的損益。

就呈列綜合財務報表而言，本集團境外業務的資產及負債乃按各報告期末的當時匯率換算為本集團的呈列貨幣（即港元）。收入及支出項目乃按該年度的平均匯率換算，所產生的匯兌差額（如有）乃於其他全面收益中確認並於匯兌儲備項下的權益中累計（如適用，則累計入非控股權益）。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Foreign currencies (Continued)

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a disposal involving loss of joint control over a joint arrangement that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

#### Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

#### Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

### 3. 主要會計政策 (續)

#### 外幣 (續)

於出售一項海外業務(即出售本集團於一項海外業務的全部權益或涉及失去對一間包含海外業務的附屬公司的控制權的出售或涉及失去對一間包含海外業務的合營安排的控制權的出售或涉及失去對一間包含海外業務的聯營公司的重大影響力的出售)時，於權益中就本公司擁有人應佔該業務所累計的全部匯兌差額重新分類至損益。

#### 借款成本

與收購、建造或生產合資格資產(合資格資產指需要一段較長期間方能作擬定用途或銷售的資產)直接有關之借款成本計入該等資產之成本，直至該等資產已大致可作擬定用途或銷售為止。

於特定借款暫時投資賺取之投資收益視乎該借款用作合資格資產開支而定，會從合資格資本化之借款成本中扣除。

所有其他借款成本於產生有關成本期間在損益中確認。

#### 政府補助金

政府補助金在可合理保證本集團將遵守補助金所附帶的條件且將接獲補助金時，方予確認。

政府補助金乃於本集團將補助金擬補償的有關成本確認為開支的期間有系統地於損益中確認。具體而言，主要條件為本集團須購買、建設或以其他方式收購非流動資產的政府補助金會於綜合財務狀況表內確認為遞延收入，並有系統及合理地按有關資產的使用年期轉撥至損益。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Government grants (Continued)

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

#### Retirement benefit costs

Payments to defined contribution plans/state-managed retirement benefit schemes/the Mandatory Provident Fund Scheme are recognised as an expense when employees have rendered service entitling them to the contributions.

#### Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

#### Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before taxation as reported in the consolidated statement of profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

### 3. 主要會計政策 (續)

#### 政府補助金 (續)

作為已產生開支或虧損的補償的應收款項或為本集團提供即時財政支持(不涉及未來相關成本)的政府補助金於成為應收款項的期間於損益中確認。

#### 退休福利成本

向定額供款計劃/國家管理的退休福利計劃/強制性公積金計劃支付的款項於僱員提供服務而使其享有供款時作為開支確認。

#### 短期及其他長期僱員福利

與工資及薪金、年假及病假相關之僱員福利於提供服務之有關期間按預期交換有關服務須支付之福利之未折現金額確認為負債。

有關短期僱員福利確認之負債乃按預期交換有關服務須支付之福利之未折現金額計算。

有關其他長期僱員福利確認之負債乃按本集團就僱員截至報告日期所提供之服務預期作出之估計未來現金流出之現值計算。

#### 稅項

所得稅開支指現時應付稅項及遞延稅項總額。

現時應付稅項乃按年內應課稅溢利計算。應課稅溢利不包括其他年度的應課稅或應扣減收入或開支項目，亦不包括毋須課稅或不作扣稅的項目，故與綜合損益表所列的除稅前溢利不同。本集團的即期稅項責任乃按照報告期末訂立或實際上訂立的稅率計算。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Taxation (Continued)

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

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

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

### 3. 主要會計政策 (續)

#### 稅項 (續)

遞延稅項乃按綜合財務報表中資產及負債的賬面值與計算應課稅溢利所用相應稅基之間的暫時差額確認。遞延稅項負債一般就所有應課稅暫時差額確認。遞延稅項資產通常就所有可扣稅暫時差額確認，並以極有可能利用可扣稅暫時差額扣稅的應課稅溢利為限。倘暫時差額因商譽或初次確認一項（不包括於業務合併中確認者）不影響應課稅溢利及會計溢利的交易的其他資產及負債而產生，則不會確認有關遞延稅項資產及負債。

本集團會就與於附屬公司及聯營公司的投資有關的應課稅暫時差額確認遞延稅項負債，惟倘本集團能夠控制暫時差額的撥回及暫時差額不大可能於可見將來撥回則除外。可扣稅暫時差額產生的遞延稅項資產（與該等投資及權益有關者）可予確認，惟僅以極可能有足夠應課稅溢利可動用暫時差額的利益，且預期於可預見將來撥回者為限。

遞延稅項資產的賬面值在各報告期末進行檢討，並扣減至再無足夠應課稅溢利可用以收回所有或部份資產。

遞延稅項資產及負債根據於報告期末前已頒佈或實質已頒佈的稅率（及稅法），按預期適用於負債清償期間的稅率計量。

遞延稅項負債及資產的計量反映在報告期末本集團預期將收回或清償其資產及負債賬面值的方式所引致的稅務影響。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Taxation (Continued)

For the purposes of measuring deferred tax liabilities or deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. If the presumption is rebutted, deferred tax liabilities and deferred tax assets for such investment properties are measured in accordance with the general principles set out in HKAS 12 (i.e. based on the expected manner as to how the property will be recovered).

Current and deferred tax is recognised in profit or loss except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

#### Property, plant and equipment

Property, plant and equipment including leasehold land and buildings held for use in the production or for administrative purposes are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Depreciation is recognised so as to allocate the cost of items of property, plant and equipment other than properties under construction less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

### 3. 主要會計政策 (續)

#### 稅項 (續)

於計算使用公平值模式計量的投資物業的遞延稅項負債或遞延稅項資產時，會假定有關物業的賬面值將通過出售全數收回，惟有關假定被推翻除外。倘投資物業可予折舊，且為透過目標是隨時間消耗投資物業中的絕大部分經濟利益（而非透過出售）的業務模式持有，則有關假定被推翻。倘假定被推翻，有關投資物業的遞延稅項負債及遞延稅項資產根據香港會計準則第12號所載的一般原則計量（即根據預期收回物業的方式計量）。

即期及遞延稅項於損益確認，惟倘即期及遞延稅項關乎於其他全面收益或直接於權益確認的項目，則即期及遞延稅項亦分別於其他全面收益或直接於權益確認。

#### 物業、廠房及設備

物業、廠房及設備（包括持作生產或行政用途的租賃土地及樓宇）於綜合財務狀況表中按成本值減其後累計折舊及其後累計減值虧損（如有）列賬。

物業、廠房及設備項目（在建物業除外）乃於其估計可使用年期以直線法確認折舊，以分配其成本減剩餘價值。估計可使用年期、剩餘價值及折舊方法於各報告期末進行檢討，任何估計變動的影響按未來適用法入賬。

作生產、供應或行政用途的施工中物業乃按成本減任何已確認的減值虧損列賬。成本包括專業費用，及（就合資格資產而言）根據本集團會計政策資本化的借貸成本。該等物業會於完成及可作擬定用途時歸類至物業、廠房及設備的適當類別。於可作擬定用途時，該等資產會按與其他物業資產相同的基準開始計算折舊。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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 the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

If an item of property, plant and equipment becomes an investment property when there is a change in use, as evidenced by end of owner-occupation, any difference between the carrying amount and the fair value of that item at the date of transfer is recognised in other comprehensive income and accumulated in properties revaluation reserve. The properties revaluation reserve in respect of that item will be transferred directly to retained earnings when it is derecognised.

#### Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at their fair values. Gains or losses arising from changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the period in which the property is derecognised.

### 3. 主要會計政策 (續)

#### 物業、廠房及設備 (續)

物業、廠房及設備的項目於出售時或於預計不會從持續使用該項資產中獲得未來經濟利益時終止確認。任何因出售或廢置物業、廠房及設備的項目而產生的收益或虧損釐定為該項資產的銷售所得款項與賬面值之間的差額，並於損益中確認。

倘物業、廠房及設備之項目於其不再作自用而令其用途有變時成為一項投資物業，該項目賬面值與於轉撥當日公平值間之任何差額於其他全面收益中確認，並於物業重估儲備中累計。有關該項目之物業重估儲備將於其終止確認時直接轉撥至保留盈利。

#### 投資物業

投資物業乃持作賺取租金及／或資本增值的物業。

投資物業初步按成本計量，包括任何直接應佔支出。於初步確認後，投資物業按公平值計量。投資物業之公平值變動所產生之收益或虧損計入產生期間之損益。

投資物業於出售時或投資物業永久停用及預期不能透過出售取得未來經濟利益時終止確認。終止確認物業所產生的任何收益或虧損（按出售所得款項淨項與有關資產賬面值的差額計量）於終止確認該項物業之期間計入損益中。



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## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Such classification requires the asset must be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs of disposal.

#### Intangible assets

##### Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets with indefinite useful lives that are acquired separately are carried at cost less any subsequent accumulated impairment losses (see the accounting policy in respect of impairment losses on tangible and intangible assets below).

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss in the period when the asset is derecognised.

### 3. 主要會計政策 (續)

#### 持作出售之非流動資產

倘非流動資產之賬面值將主要透過出售交易而非持續使用而收回，該資產將分類為持作出售。該分類要求資產須可按現狀即時出售，並僅受出售資產之一般及慣常條款及達成出售的機會極高所規限。管理層必須對出售作出承擔，而出售預期應可於分類日期起計一年內符合確認為已完成出售之資格。

分類為持作出售之非流動資產乃按其過往之賬面值及公平值減出售成本兩者之較低者計量。

#### 無形資產

##### 單獨購入的無形資產

單獨購入且使用年期有限的無形資產以成本減累計攤銷及任何累計減值虧損計值。使用年期有限的無形資產的攤銷於其估計可使用年期以直線法確認。估計可使用年期及攤銷方法於各報告期末進行檢討，任何估計變動的影響按未來適用法入賬。

單獨購入之具無限可使用年期之無形資產按成本減任何其後累計減值虧損列賬（見下文有關有形資產及無形資產的減值虧損之會計政策）。

無形資產於出售時或預期不能再透過使用或出售取得未來經濟利益時終止確認。終止確認無形資產所產生的收益或虧損按出售所得款項淨額與有關資產賬面值的差額計量，並於終止確認該項資產之期間於損益賬中確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

#### Land use rights

Payment for obtaining land use rights is considered as operating lease payment. Land use rights are stated at cost less accumulated amortisation and accumulated impairment losses, amortisation is charged to consolidated statement of profit or loss over the period of the rights using the straight-line method.

#### Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are calculated using weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

#### Cash and cash equivalents

Bank balances and cash in the consolidated statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

Deposits with a maturity over three months that are not readily convertible into known amounts of cash are defined as short-term bank deposits in the consolidated financial statements.

#### Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the instrument.

### 3. 主要會計政策(續)

#### 研究及開發開支

研究活動的開支於其產生的期間確認為開支。

#### 土地使用權

為取得土地使用權而支付的款項被視為經營租賃付款。土地使用權乃按成本減累計攤銷及累計減值虧損列賬，攤銷於土地使用權的有效期內以直線法自綜合損益表扣除。

#### 存貨

存貨按成本值與可變現淨值之間的較低者列賬。存貨成本乃使用加權平均法計算釐定。可變現淨值指存貨的估計售價減所有估計完成成本及進行銷售所必須的成本。

#### 現金及現金等價物

綜合財務狀況表內的銀行結餘及現金包括銀行及手頭現金及到期日為三個月或以下的短期存款。

就綜合現金流量表而言，現金及現金等價物包括現金及如上文界定的短期存款。

到期日超過三個月且不能隨時轉換為已知數額現金的存款於綜合財務報表內被界定為短期銀行存款。

#### 金融工具

金融資產及金融負債乃於某集團實體成為工具合約條文的訂約方時在綜合財務狀況表中確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

#### Financial assets

The Group's financial assets are classified into one of the four categories, including financial assets at fair value through profit or loss ("FVTPL"), loans and receivables, held-to-maturity investments and available-for-sale financial assets. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

#### Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL, of which interest income is included in net gains or losses.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

金融資產及金融負債初步按公平值計量。收購或發行金融資產及金融負債(按公平值列賬並在損益內處理的金融資產或金融負債除外)直接應佔的交易成本乃於初步確認時加入金融資產或金融負債的公平值或自金融資產或金融負債的公平值扣除(如適用)。收購按公平值列賬並在損益內處理的金融資產或金融負債直接應佔的交易成本即時於損益內確認。

#### 金融資產

本集團的金融資產分為四類(包括按公平值列賬並在損益內處理(「按公平值列賬並在損益內處理」)的金融資產、貸款及應收款項、持有至到期投資及可供出售金融資產)之一。分類視乎金融資產的性質及用途，於初步確認時釐定。所有定期購買或出售金融資產乃按交易日基準確認及終止確認。

定期購買或出售乃購買或銷售金融資產，並要求於市場規則或慣例設定的時間框架內交付資產。

#### 實際利率法

實際利率法乃計算債務工具的已攤銷成本及分配相關期間利息收入的方法。實際利率乃於初步確認時按債務工具的預計年期或適用的較短期間，準確貼現估計未來現金收入(包括所有構成整體實際利率的已付或已收費用及利率差價、交易成本及其他溢價或折讓)至賬面淨值的利率。

債務工具的利息收入乃按實際利率基準確認，惟該等分類為按公平值列賬並在損益內處理的金融資產則除外，其利息收入計入損益淨額。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### Financial assets at FVTPL

Financial assets at FVTPL has two subcategories, including financial assets held for trading and those designated as at FVTPL on initial recognition.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a 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
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held-for-trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and HKAS 39 permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial assets at FVTPL are measured at fair value, with changes in fair value arising from remeasurement recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial assets and is included in the other operating income or other expenses. Fair value is determined in the manner described in Note 8.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融資產 (續)

按公平值列賬並在損益內處理的金融資產按公平值列賬並在損益內處理的金融資產分為兩類，包括持作買賣的金融資產及於初步確認時指定為按公平值列賬並在損益內處理的金融資產。

倘屬下列情況，金融資產會分類為持作買賣：

- 收購金融資產的主要目的為於短期作出售用途；或
- 金融資產於初步確認時構成本集團合併管理的已識別金融工具組合的一部分，並具有最近實際短期獲利模式；或
- 金融資產為未被指定的衍生工具及可有效作為對沖工具。

倘出現下列情況，持作買賣金融資產以外的金融資產可於初步確認時指定按公平值列賬並在損益內處理：

- 有關指定消除或大幅減低在計量或確認方面可能出現之不一致情況；或
- 金融資產組成金融資產或金融負債或兩者之其中部分，並根據本集團之既定風險管理或投資策略，按公平值基準管理及評估表現，而分類資料則由內部按該基準提供；或
- 金融資產組成包含一種或以上嵌入式衍生工具之合約之其中部分，而香港會計準則第39號允許整份合併合約（資產或負債）指定按公平值列賬並在損益內處理。

按公平值列賬並在損益內處理的金融資產按公平值計量，而因重新計量引致的公平值變動將在其產生期間直接在損益中確認。於損益確認的收益或虧損淨額不包括就金融資產賺取的任何股息或利息，並計入其他經營收入或其他開支。公平值按附註8所述方式釐定。

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## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

###### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade and other receivables, amount due from an associate, short-term bank deposits and bank balances and cash) are measured at amortised cost using the effective interest method, less any identified impairment loss (see accounting policy on impairment loss on financial assets below).

###### Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity dates that the Group's management has the positive intention and ability to hold to maturity. Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest method, less any identified impairment loss (see accounting policy on impairment loss on financial assets below).

###### Available-for-sale financial assets

Available-for-sale ("AFS") financial assets are non-derivatives that are either designated as AFS or are not classified as financial assets at FVTPL, loans and receivables or held-to-maturity investments.

Equity securities held by the Group that are classified as AFS financial assets and are traded in an active market are measured at fair value at the end of each reporting period. Changes in the carrying amount of AFS financial assets relating to interest income calculated using the effective interest method and dividends on AFS equity investments are recognised in profit or loss. Other changes in the carrying amount of AFS financial assets are recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. When the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss (see the accounting policy in respect of impairment loss on financial assets below).

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融資產 (續)

###### 貸款及應收款項

貸款及應收款項指並非於活躍市場報價而具備固定或可確定付款金額的非衍生金融資產。於初步確認後，貸款及應收款項(包括應收貿易賬款及其他應收款項、應收一間聯營公司的款項、短期銀行存款以及銀行結餘及現金)均按採用實際利率法計算的已攤銷成本減任何已識別減值虧損入賬(見下文有關金融資產的減值虧損的會計政策)。

###### 持有至到期投資

持有至到期投資乃本集團管理層有肯定意向及能力持有至期滿的固定或可確定付款金額及有固定到期日的非衍生金融資產。於初步確認後，持有至到期投資按採用實際利率法計算的已攤銷成本減任何已識別減值虧損計量(見下文有關金融資產的減值虧損的會計政策)。

###### 可供出售金融資產

可供出售(「可供出售」)金融資產為指定為可供出售或非分類為按公平值列賬並在損益內處理的金融資產；貸款及應收款項；或持有至到期投資之非衍生工具。

本集團所持有分類為可供出售金融資產且於活躍市場買賣的股票證券按於各報告期末的公平值計量。與按實際利率法計算利息收入有關的可供出售金融資產的賬面值變動及可供出售權益投資的股息於損益中確認。可供出售金融資產賬面值的其他變動於其他全面收益確認，並於投資重估儲備累計。於投資出售或確定出現減值時，先前於投資重估儲備累計的累計收益或虧損會重新分類至損益(見下文有關金融資產的減值虧損的會計政策)。

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## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### Available-for-sale financial assets (Continued)

Dividends on AFS equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established.

AFS equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity investments are measured at cost less any identified impairment losses at the end of each reporting period (see the accounting policy in respect of impairment loss on financial assets below).

##### Impairment loss on financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

For an AFS equity investment, a significant or prolonged decline in the fair value of that investment below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest and principal payments; or
- it becoming probable that the borrower will enter into bankruptcy or financial re-organisation; or
- disappearance of an active market for that financial asset because of financial difficulties.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融資產 (續)

##### 可供出售金融資產 (續)

可供出售權益工具的股息於本集團確立收取股息的權利時於損益中確認。

在任何活躍市場並無市場報價及無法可靠地計量公平值的可供出售權益投資，以及與該等無報價權益投資掛鈎及必須透過交付該等工具進行結算的衍生工具，於各報告期末按成本減任何已識別減值虧損計量（見下文有關金融資產的減值虧損的會計政策）。

##### 金融資產的減值虧損

金融資產（按公平值列賬並在損益內處理的金融資產除外）於各報告期末評定有否減值跡象。倘有客觀證據顯示，金融資產的估計未來現金流量因一項或多項於初步確認金融資產後發生的事件而受到影響，則金融資產視作出現減值。

就一項可供出售權益投資而言，該投資的客觀減值證據為其公平值大幅或持續下跌至低於其成本。

就所有其他金融資產而言，客觀的減值證據包括：

- 發行人或交易對手出現重大財政困難；或
- 違反合約，例如未能繳付或延遲償還利息及本金；或
- 借款人極可能面臨破產或財務重組；或
- 因財務困難而導致該金融資產失去活躍市場。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### Impairment loss on financial assets (Continued)

For certain categories of financial assets, such as trade and other receivables that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the credit period, observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When trade receivables are considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period in which the impairment takes place.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融資產 (續)

##### 金融資產的減值虧損 (續)

應收貿易賬款及其他應收款項等被評估為非個別減值的若干金融資產類別，另外按整體基準進行減值評估。應收款項組合的客觀減值證據可包括本集團的過往收款經驗、組合內延遲還款至超逾信貸期的宗數增加，以及與應收款項逾期有關的全國或地方經濟狀況明顯改變。

就按已攤銷成本列賬的金融資產而言，減值虧損金額按資產的賬面值與按金融資產初始實際利率貼現的估計未來現金流量現值間的差額確認。

就按成本列賬的金融資產而言，減值虧損金額按資產的賬面值與按同類金融資產當前市場回報率貼現的估計未來現金流量現值間的差額計量。有關減值虧損將不會於往後的期間撥回。

除應收貿易賬款的賬面值會透過撥備賬作出扣減外，所有金融資產的減值虧損會直接於金融資產的賬面值中扣減。撥備賬的賬面值變動於損益內確認。倘應收貿易賬款被視為無法收回，則於撥備賬撇銷。如其後收回過往撇銷的款項，則計入損益內。

倘可供出售金融資產視作減值，先前於其他全面收益內確認的累計損益於發生減值的期間重新分類至損益。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### Impairment loss on financial assets (Continued)

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent 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.

Impairment losses on AFS equity investments will not be reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised directly in other comprehensive income and accumulated in investments revaluation reserve.

##### Financial liabilities and equity instruments

Debts and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

##### Financial liabilities

Financial liabilities including trade and other payables, amounts due to an associate and a director, loans from third parties and a related company and secured bank borrowings are subsequently measured at amortised cost, using the effective interest method.

##### Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form as integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融資產 (續)

##### 金融資產的減值虧損 (續)

就按已攤銷成本計量的金融資產而言，倘減值虧損金額於往後期間有所減少，而有關減少在客觀上與確認減值虧損後發生的事件有關，則先前已確認的減值虧損將透過損益撥回，惟該項資產於減值被撥回當日的賬面值不得超過未確認減值時的已攤銷成本。

有關可供出售權益投資的減值虧損不會透過損益撥回。於減值虧損出現後的任何公平值增加，將直接於其他全面收益中確認，並於投資重估儲備中累計。

##### 金融負債及權益工具

集團實體發行的債務及權益工具乃根據所訂立的合約安排的內容以及金融負債及權益工具的定義而分類為金融負債或權益。

##### 金融負債

金融負債包括應付貿易賬款及其他應付款項、應付一間聯營公司及一名董事款項、第三方及一間關連公司貸款以及有抵押銀行借款，乃隨後按採用實際利率法計算的已攤銷成本計量。

##### 實際利率法

實際利率法乃計算金融負債的已攤銷成本及分配相關期間利息開支的方法。實際利率乃按金融負債的預計年期或適用的較短期間，準確貼現估計未來現金付款（包括所有構成整體實際利率的已付或已收費用及利率差價、交易成本及其他溢價或折扣）至初始確認時的賬面淨值的利率。

利息開支乃按實際利率基準確認。



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## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Financial liabilities and equity instruments (Continued)

###### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

##### Derivative financial instruments

Derivatives are initially recognised at fair value at the date when a derivative contract is entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

##### Derecognition

A financial asset is derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. 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 its retained interest in the asset and an associated liability for amounts it may have to pay. 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.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融負債及權益工具 (續)

###### 權益工具

權益工具為證明於一間實體經扣除其所有負債後的資產中所剩餘權益的任何合約。本公司發行的權益工具按已收所得款項扣除直接發行成本確認。

###### 衍生金融工具

衍生工具按於訂立衍生工具合約日期的公平值初步確認，隨後按於報告期末的公平值重新計量。所得的收益或虧損即時於損益內確認，除非該衍生工具被指定且可有效作為對沖工具，在此情況下，於損益內確認的時間將取決於對沖關係的性質。

##### 終止確認

只有在資產收取現金流量的合約權利屆滿，或本集團已將金融資產及當中擁有權的絕大部份風險及回報轉讓予另一實體時，本集團方會終止確認金融資產。倘本集團並無轉讓亦無保留擁有權的絕大部份風險及回報，並繼續控制已轉讓資產，則本集團會按其可能須支付的金額確認其於資產中的保留權益及相關負債。倘本集團保留已轉讓金融資產擁有權的絕大部份風險及回報，則本集團將繼續確認金融資產，並就已收取的所得款項確認已抵押借款。

於完全終止確認金融資產時，該項資產賬面值與已收及應收代價以及已於其他全面收益確認及於權益累計的累計收益或虧損的總和間的差額，則於損益內確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Derecognition (Continued)

On derecognition of a financial asset other than in its entirety, the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

A financial liability is derecognised when, and only when, the Group's obligations are discharged, cancelled or expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

##### Impairment losses on tangible and intangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its tangible and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating unit, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives are tested for impairment at least annually, and whenever there is an indication that they may be impaired.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 終止確認 (續)

於終止確認一項金融資產(並非全部)時，本集團會按其繼續在持續參與下確認之部分與不再確認之部分於轉讓日期的相對公平值，將金融資產的過往賬面值於該兩者間作出分配。分配至不再確認部分的賬面值與就不再確認部分所收代價及其獲分配已於其他全面收益確認的任何累計收益或虧損的總和之間的差額於損益確認。已於其他全面收益確認的累計收益或虧損，將按繼續確認之部分及不再確認之部分之相對公平值於該兩者間作出分配。

本集團僅會於責任獲解除、註銷或屆滿時，終止確認金融負債。被終止確認的金融負債的賬面值與已付及應付代價間的差額於損益內確認。

##### 有形資產及無形資產的減值虧損

本集團會於各報告期末檢討其使用年期有限的有形資產及無形資產的賬面值，以確定該等資產有否出現減值虧損跡象。倘出現任何有關跡象，會估計資產的可收回金額，以釐定減值虧損(如有)的幅度。倘不可估計個別資產的可收回金額，則本集團會估計該項資產所屬現金產生單位的可收回金額。倘能夠識別一個合理且一致的分配基礎，公司資產亦會分配至個別現金產生單位，若不能分配至個別現金產生單位，則應將公司資產分配至能識別合理且一致基礎的最小現金產生單位組別。

具無限可使用年期之無形資產至少每年及於出現可能減值的跡象時進行減值測試。

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## 綜合財務報表附註

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### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Impairment losses on tangible and intangible assets (Continued)

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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 the cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or the cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or the cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately.

#### Equity-settled share-based payment transactions

##### Share options granted to employees

The fair value of services received determined by reference to the fair value of share options granted at the date of grant is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity (share options reserve).

At the end of the reporting period, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the original estimates during the vesting period, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to share options reserve.

When share options are exercised, the amount previously recognised in share options reserve will be transferred to share premium. 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 accumulated losses.

### 3. 主要會計政策 (續)

#### 有形資產及無形資產的減值虧損 (續)

可收回金額指公平值減出售成本和使用價值兩者中的較高者。在評估使用價值時，估計未來現金流量會採用稅前貼現率貼現至現值，該稅前貼現率應反映當前市場對貨幣時間價值的評估及該資產特有的風險（估計未來現金流量並未就其作出調整）。

倘若估計資產（或現金產生單位）的可收回金額低於其賬面值，則資產（或現金產生單位）的賬面值將調低至其可收回金額。減值虧損乃即時於損益確認。

倘其後撥回減值虧損，則有關資產（或現金產生單位）的賬面值將增至重訂的估計可收回金額，惟增加後的賬面值不得超過假設該資產（或現金產生單位）於過往年度並無確認減值虧損時釐定的賬面值。減值虧損撥回即時確認為收入。

#### 權益償付的股份基礎付款交易

##### 授予僱員的購股權

已獲得的服務的公平值參照所授出購股權於授出日期的公平值釐定，並於歸屬期內以直線法支銷，權益（購股權儲備）亦會相應增加。

本集團會於報告期末修訂其對預期最終歸屬的購股權數目的估計。原先估算於歸屬期內作出修訂的影響（如有）會在損益內確認，以令累計開支反映經修訂的估算，購股權儲備亦會作出相應調整。

於行使購股權時，以往於購股權儲備確認的金額會撥入股份溢價。如購股權於歸屬日期後被沒收或於屆滿日期時仍未獲行使，則先前於購股權儲備確認的金額將轉撥至累計虧損。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3, the directors of the Company are required to make judgements, estimates and assumptions about the amounts of assets, liabilities, revenue and expenses reported and disclosures made in the consolidated financial statements. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

#### Critical judgements in applying accounting policies

The followings are the critical judgements, apart from those involving estimations (see below), that the directors of the Company have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised and disclosures made in the consolidated financial statements.

#### Deferred taxation on investment properties

For the purposes of measuring deferred tax liabilities arising from investment properties that are measured using the fair value model, the directors of the Company have reviewed the Group's investment property portfolios and concluded that the Group's investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. Therefore, in measuring the Group's deferred taxation on investment properties, the directors of the Company have determined that the presumption that the carrying amounts of investment properties measured using the fair value model are recovered entirely through sale is rebutted.

### 4. 重要會計判斷及估計不明朗因素的主要來源

於應用附註3所述本集團的會計政策時，本公司董事須對於綜合財務報表呈報及披露的資產、負債、收益及開支金額作出判斷、估計及假設。該等估計及相關假設乃根據過往的經驗及其他被認為有關的因素作出。實際結果可能有別於此等估計。

該等估計及相關假設會持續檢討。如修訂會計估計只影響修訂期間，則該等會計估計在該期間確認，如有關修訂影響現時及未來期間，則在作出修訂的期間及未來期間確認。

#### 應用會計政策的重要判斷

以下為本公司董事於應用本集團會計政策過程中所作並對在綜合財務報表中確認及披露的金額具有重大影響的重要判斷（涉及估計者（見下文）除外）。

#### 投資物業的遞延稅項

為計算使用公平值模式計量的投資物業的遞延稅項負債，本公司董事已審閱本集團的投資物業組合，並認為本集團的投資物業乃透過目標是隨時間而非透過銷售消耗投資物業中的絕大部分經濟利益的業務模式持有。因此，於計算本集團投資物業的遞延稅項時，本公司董事已釐定使用公平值模式計量的投資物業的賬面值將全數透過出售收回的假設被推翻。

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#### 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

(Continued)

##### Critical judgements in applying accounting policies

(Continued)

##### Impairment of AFS financial assets

The Group classifies certain investments in listed securities as AFS financial assets and recognised movements of their fair values in other comprehensive income and accumulated in investments revaluation reserve. For AFS equity investments, a significant or prolonged decline in fair value of the securities below its cost is considered to be objective evidence of impairment. As at 31 July 2017, the carrying value of listed securities classified as AFS financial assets is approximately HK\$8,981,000 net of accumulated impairment losses recognised of approximately HK\$5,513,000 (2016: approximately HK\$24,539,000 net of accumulated impairment losses recognised of approximately HK\$9,757,000) with reference to quoted market prices of the listed securities in an active market. Accumulated impairment losses of HK\$4,404,000 previously recognised is written-off upon disposal during the year ended 31 July 2017 (2016: nil).

For the AFS financial assets not quoted in an active market and measured at cost, the management uses its judgement in selecting an appropriate valuation technique. Valuation techniques commonly used by the market practitioners are applied. The carrying amount of the Group's unlisted equity investment is nil, net of accumulated impairment losses recognised of approximately HK\$11,610,000 (2016: nil, net of accumulated impairment losses recognised of approximately HK\$11,610,000) are valued at net asset value of that unlisted equity investment.

##### Key sources of estimation uncertainty

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

##### Depreciation of property, plant and equipment

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives, after taking into account their estimated residual values. The determination of the useful lives and residual values involves management's estimation based on the historical experience of the actual useful lives of the relevant assets of similar nature and function. The Group assesses annually the residual value and the useful life of the property, plant and equipment and if the expectation differs from the original estimate, such a difference may impact the depreciation in the year and the estimate will be changed in the future period.

#### 4. 重要會計判斷及估計不明朗因素的主要來源 (續)

##### 應用會計政策的重要判斷 (續)

##### 可供出售金融資產減值

本集團將若干於上市證券的投資分類為可供出售金融資產，並於其他全面收益確認其公平值變動，及於投資重估儲備中累計。就可供出售權益投資而言，證券的公平值大幅或長期下跌至低於其成本乃被視為減值的客觀證據。於二零一七年七月三十一日，分類為可供出售金融資產的上市證券的賬面值約為8,981,000港元(已扣除已確認累計減值虧損約5,513,000港元)(二零一六年：約24,539,000港元(已扣除已確認累計減值虧損約9,757,000港元))乃參考在活躍市場上市的證券的市場報價得出。截至二零一七年七月三十一日止年度，過往確認的累計減值虧損4,404,000港元(二零一六年：零)於出售時撇銷。

就並非於活躍市場中報價及按成本計量的可供出售金融資產而言，管理層就選擇適當的估值方法作出判斷。本集團應用市場從業者常用的估值方法。本集團賬面值為零(已扣除已確認累計減值虧損約11,610,000港元)(二零一六年：零(已扣除已確認累計減值虧損約11,610,000港元))的非上市權益投資乃按該項非上市權益投資的資產淨值進行估值。

##### 估計不明朗因素的主要來源

以下為有關未來的主要假設及於報告期末估計不明朗因素的其他主要來源，可能導致對下一財政年度資產和負債賬面值作出重大調整。

##### 物業、廠房及設備的折舊

物業、廠房及設備均按其估計可使用年期並經計及其估計剩餘價值，採用直線法進行折舊。釐定可使用年期及剩餘價值涉及管理層的估計，該估計乃根據類似性質及功能的相關資產的實際可使用年期的過往經驗作出。本集團每年估計物業、廠房及設備的剩餘價值及可使用年期，倘預期與原先估計有分別，則該差異可能對年內的折舊造成影響，而估計亦將會於未來期間改變。

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### 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

(Continued)

#### Key sources of estimation uncertainty (Continued)

##### Impairment of property, plant and equipment and prepaid lease payments

The Group tests annually whether property, plant and equipment and prepaid lease payments have suffered any impairment in accordance with relevant accounting policies. The recoverable amounts have been determined based on value-in-use calculations and fair value calculation. The value-in-use calculations require the use of estimates such as the profit forecast, cash flows projections and pre-tax discount rates. In determining the fair values, an independent professional valuer assesses the significant unobservable input by reference to market data and takes into consideration certain estimates of market conditions. As at 31 July 2017, the carrying amounts of property, plant and equipment and prepaid lease payments are approximately HK\$249,971,000 and HK\$233,881,000 respectively net of accumulated impairment losses recognised of approximately HK\$112,884,000 and HK\$2,010,000 respectively.

As at 31 July 2016, the carrying amounts of property, plant and equipment and prepaid lease payments are approximately HK\$68,927,000 and HK\$7,339,000 respectively, net of accumulated impairment losses recognised of approximately HK\$112,884,000 and HK\$2,010,000 respectively.

##### Fair value of investment properties

Investment properties are carried in the consolidated statement of financial position as at 31 July 2017 at their fair values of approximately HK\$92,575,000 (2016: HK\$89,935,000). In determining the fair values, an independent professional valuer assesses the significant unobservable input by reference to market data and takes into consideration certain estimates of market conditions. Favourable or unfavourable changes to these assumptions would result in changes in the fair value of the Group's investment properties and corresponding adjustments to the amount of loss reported in the consolidated statement of profit or loss.

##### Allowance for inventories

The Group makes the allowance for inventories based on assessments of the net realisable value of inventories. An allowance is applied to inventories where events or changes in circumstances indicate that the net realisable value is lower than the costs of inventories. The identification of obsolete inventories requires the use of judgement and estimates on the conditions and usefulness of the inventories. Where the actual outcome in future is different from the original estimate, such difference will impact the carrying value of inventories and allowance write-back in the period in which such estimate has been changed. As at 31 July 2017, the carrying value of inventories is approximately HK\$35,540,000 (net of accumulated allowance of approximately HK\$116,000) (2016: HK\$29,809,000 (net of accumulated allowance of approximately HK\$4,574,000)).

### 4. 重要會計判斷及估計不明朗因素的主要來源(續)

#### 估計不明朗因素的主要來源(續)

##### 物業、廠房及設備以及預付租賃款項減值

本集團每年均根據有關會計政策就物業、廠房及設備以及預付租賃款項有否出現任何減值進行測試。可收回金額根據使用價值計算及公平值計算釐定。使用價值計算需要利用溢利預測、現金流量預測及稅前貼現率等估計。於釐定公平值時，獨立專業估值師參考市場數據及計及若干市況估計評估重大不可觀察輸入數據。於二零一七年七月三十一日，物業、廠房及設備以及預付租賃款項的賬面值分別約為249,971,000港元及233,881,000港元(已分別扣除已確認的累計減值虧損約112,884,000港元及2,010,000港元)。

於二零一六年七月三十一日，物業、廠房及設備以及預付租賃款項的賬面值分別約為68,927,000港元及7,339,000港元(已分別扣除已確認的累計減值虧損約112,884,000港元及2,010,000港元)。

##### 投資物業的公平值

投資物業乃按其公平值約92,575,000港元(二零一六年：89,935,000港元)於二零一七年七月三十一日的綜合財務狀況表列賬。釐定公平值時，獨立專業估值師經參考市場數據及考慮若干估計市場狀況後對重大不可觀察數據作出評估。該等假設的有利或不利變更將導致本集團投資物業的公平值出現變動，而就虧損額作出的相應調整則於綜合損益表呈報。

##### 存貨撥備

本集團須根據存貨的可變現淨值之評估為存貨計提撥備。倘出現事件或情況變動顯示可變現淨值低於該等存貨的成本，則會對存貨作出撥備。識別滯銷存貨需對存貨的狀況及有用性作出判斷及估計。當未來實際結果與原先估計不同時，有關差額將影響有關估計出現變動期間的存貨賬面值及撥回撥備。於二零一七年七月三十一日，存貨的賬面值約為35,540,000港元(已扣除累計撥備約116,000港元)(二零一六年：29,809,000港元(已扣除累計撥備約4,574,000港元))。

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#### 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

(Continued)

##### Key sources of estimation uncertainty (Continued)

##### Impairment loss recognised in respect of trade receivables

The Group's management determines the provision for impairment of trade receivables with the accounting policy stated in Note 3. Such provision for impairment is established if there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. Management reassesses the adequacy of any such provision on a regular basis. As at 31 July 2017, the carrying amount of trade receivables is approximately HK\$113,338,000 (net of allowance for doubtful debts of approximately HK\$1,430,000) (2016: the carrying amount of trade receivables is approximately HK\$96,486,000 (net of allowance for doubtful debts of approximately HK\$1,748,000)). During the year ended 31 July 2017, impairment loss and direct write-off of trade receivables amounting to approximately HK\$1,402,000 (2016: HK\$1,059,000) and nil (2016: HK\$4,877,000) have been recognised respectively.

##### Impairment of deposits for acquisition of land use rights

The Group's management assesses whether deposits for acquisition of land use rights have any indication of impairment, in accordance with relevant accounting policy stated in Note 3. As at 31 July 2017, the Group's management considered that there is no impairment indication after taking into account the legal opinion issued by an independent lawyer and the fair value calculation of the land use rights valued by an independent professional valuer, the carrying amount of deposits for acquisition of land use rights is approximately HK\$13,037,000 (2016: HK\$12,066,000).

##### Income taxes

The Group is subject to income taxes in several jurisdictions. Significant estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

#### 4. 重要會計判斷及估計不明朗因素的主要來源 (續)

##### 估計不明朗因素的主要來源 (續)

##### 就應收貿易賬款確認的減值虧損

本集團管理層利用附註3所述的會計政策釐定對應收貿易賬款的減值撥備。有關減值撥備於有客觀證據顯示本集團將無法按照應收款項原先條款收回全數款項時計提。管理層定期對任何有關撥備是否充足進行重估。於二零一七年七月三十一日，應收貿易賬款的賬面值約為113,338,000港元(已扣除呆賬撥備約1,430,000港元)(二零一六年：應收貿易賬款的賬面值約為96,486,000港元(已扣除呆賬撥備約1,748,000港元))。截至二零一七年七月三十一日止年度，就應收貿易賬款確認的減值虧損及直接撇銷金額分別約為1,402,000港元(二零一六年：1,059,000港元)及零(二零一六年：4,877,000港元)。

##### 收購土地使用權的按金減值

本集團管理層根據附註3所載有關會計政策就收購土地使用權的按金有否出現任何減值跡象進行評估。於二零一七年七月三十一日，經計及獨立律師出具的法律意見及獨立專業估值師對土地使用權的公平價值計算的評估，本集團管理層認為並無出現減值跡象，收購土地使用權的按金賬面值約為13,037,000港元(二零一六年：12,066,000港元)。

##### 所得稅

本集團須繳納若干司法權區的所得稅。在釐定所得稅的撥備時須作出重大估計。在日常業務過程中，有許多交易及計算均難以明確釐定最終的稅項。倘該等事宜的最終稅項結果與最初入賬的金額不同，該等差額將影響稅項釐定期間的所得稅及遞延稅項撥備。

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### 5. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of short-term bank deposits, bank balances and cash, secured bank borrowings, loans from a related company and third parties and equity attributable to owners of the Company, comprising issued share capital and reserves. The directors of the Company review the capital structure on a regular basis. As a part of this review, the directors of the Company consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors of the Company, the Group will balance its overall capital structure through the payment of dividends, new share issue and the issue of new debts.

### 6. FINANCIAL INSTRUMENTS

Categories of financial instruments

### 5. 資本風險管理

本集團的資本管理旨在透過在債務與權益間作出最佳平衡，確保本集團的實體可持續經營，並為股東締造最大回報。本集團的整體策略與去年維持不變。

本集團的資本架構包括短期銀行存款、銀行結餘及現金、有抵押銀行借款、一間關連公司及第三方貸款以及本公司擁有人應佔權益(包括已發行股本及儲備)。本公司董事定期檢討資本架構。作為檢討一部分，本公司董事考慮資本成本及與各類資本相關的風險。根據本公司董事建議，本集團將透過派付股息、發行新股及發行新債平衡其整體資本架構。

### 6. 金融工具

金融工具的類別

|  |                    | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|--|--------------------|----------------------------------|----------------------------------|
| <b>Financial Assets</b>                                  | <b>金融資產</b>        |                                  |                                  |
| Fair value through profit or loss                        | 按公平值列賬並在損益內處理      |                                  |                                  |
| Held-for-trading investments                             | 持作買賣投資             | 680                              | 3,668                            |
| Structured deposits with banks                           | 結構性銀行存款            | -                                | 17,261                           |
| Held-to-maturity investments                             | 持有至到期投資            | 34,739                           | -                                |
| Loans and receivables (including bank balances and cash) | 貸款及應收款項(包括銀行結餘及現金) | 236,237                          | 262,258                          |
| AFS financial assets                                     | 可供出售金融資產           | 8,981                            | 24,539                           |
| <b>Financial Liabilities</b>                             | <b>金融負債</b>        |                                  |                                  |
| At amortised cost  | 按攤銷成本              | 441,823                          | 96,374                           |
| Fair value through profit or loss                        | 按公平值列賬並在損益內處理      |                                  |                                  |
| Derivative financial instruments                         | 衍生金融工具             | -                                | 11,753                           |



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### 7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's major financial instruments include held-to-maturity investments, structured deposits with banks, AFS financial assets, derivative financial instruments, trade and other receivables, held-for-trading investments, short-term bank deposits, bank balances and cash, secured bank borrowings, loans from third parties and a related company and trade and other payables (including trade and bills payables, accrued expenses and other payables). Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

#### Currency risk

The Group has transactional currency exposures. Such exposures arise from sales or purchases by several subsidiaries of the Company in currencies other than those subsidiaries' functional currencies. In addition, certain portion of the AFS financial assets, held-to-maturity investments, derivative financial instruments, held-for-trading investments, trade and other receivables, bank balances and cash, trade and other payables and secured bank borrowings are denominated in currencies other than the functional currencies of the entities to which they relate.

The carrying amounts of the Group's foreign currency denominated assets and liabilities at the reporting date are as follows:

### 7. 財務風險管理目標及政策

本集團的主要金融工具包括持有至到期投資、結構性銀行存款、可供出售金融資產、衍生金融工具、應收貿易賬款及其他應收款項、持作買賣投資、短期銀行存款、銀行結餘及現金、有抵押銀行借款、第三方及一間關連公司貸款以及應付貿易賬款及其他應付款項(包括應付貿易賬款及應付票據、應計開支及其他應付款項)。該等金融工具的詳情於各相關附註披露。下文載列與該等金融工具有關的風險及如何降低該等風險的政策。管理層管理及監控該等風險，以確保可及時和有效地採取適當措施。

#### 貨幣風險

本集團面對交易貨幣風險。有關風險源自本公司多間附屬公司以各自的功能貨幣以外的貨幣進行的銷售或採購。此外，可供出售金融資產、持有至到期投資、衍生金融工具、持作買賣投資、應收貿易賬款及其他應收款項、銀行結餘及現金、應付貿易賬款及其他應付款項以及有抵押銀行借款中有若干部分乃以相關實體功能貨幣以外的貨幣計值。

本集團以外幣計值的資產及負債於報告日期的賬面值如下：

|                                |            | Assets<br>資產                |                             | Liabilities<br>負債           |                             |
|--------------------------------|------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
|                                |            | 2017<br>二零一七年<br>'000<br>千元 | 2016<br>二零一六年<br>'000<br>千元 | 2017<br>二零一七年<br>'000<br>千元 | 2016<br>二零一六年<br>'000<br>千元 |
| United States Dollars ("US\$") | 美元(「美元」)   | 15,205                      | 11,808                      | 4,035                       | 6,378                       |
| Euro ("EUR")                   | 歐元(「歐元」)   | 502                         | 385                         | -                           | -                           |
| Japanese Yen ("JPY")           | 日圓(「日圓」)   | 529                         | 230                         | 320                         | -                           |
| New Taiwan Dollars ("NTD")     | 新台幣(「新台幣」) | 74,342                      | 119,993                     | 150                         | 150                         |
| RMB                            | 人民幣        | 13,272                      | 35,709                      | 50                          | -                           |

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### 7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

#### Currency risk (Continued)

The Group has mitigated the currency exposure against the foreign currencies by using foreign exchange forward contract. Moreover, the directors of the Company continuously monitor the related foreign currency exposure and will hedge significant foreign currency exposure should the need arise.

#### Sensitivity analysis

The Group is mainly exposed to the effects of fluctuation in US\$, EUR, JPY, NTD and RMB.

The following table details the Group's sensitivity to a 5% (2016: 5%) increase and decrease in functional currency of the relevant group entity (i.e. mainly HK\$ and RMB) against the relevant foreign currencies. 5% (2016: 5%) is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated items and adjusts their translation at the year end for a 5% (2016: 5%) change in foreign currency rates. A positive number below indicates an increase in loss where respective functional currency strengthens 5% (2016: 5%) against the relevant currency. For a 5% (2016: 5%) weakening of respective functional currency against the relevant currency, there would be an equal and opposite impact on the loss for the year and other equity, and the balances below would be negative.

|                |         | US\$<br>美元<br>HK\$'000<br>千港元 | EUR<br>歐元<br>HK\$'000<br>千港元 | JPY<br>日圓<br>HK\$'000<br>千港元 | NTD<br>新台幣<br>HK\$'000<br>千港元 | RMB<br>人民幣<br>HK\$'000<br>千港元 |
|----------------|---------|-------------------------------|------------------------------|------------------------------|-------------------------------|-------------------------------|
| Loss after tax | 除稅後虧損   |                               |                              |                              |                               |                               |
| — 2017         | — 二零一七年 | 188                           | 226                          | 1                            | 976                           | 760                           |
| — 2016         | — 二零一六年 | 1,371                         | 164                          | 1                            | 1,498                         | 2,071                         |

In view of the pegged rate between HK\$ and US\$, the directors of the Company do not expect there is a material effect by any changes in movement in value of US\$ against HK\$.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

### 7. 財務風險管理目標及政策 (續)

#### 貨幣風險 (續)

本集團已使用遠期外匯合約減輕貨幣對外幣的風險。此外，本公司董事持續監察相關外幣風險，並將於需要時就重大外幣風險進行對沖。

#### 敏感度分析

本集團主要承受美元、歐元、日圓、新台幣及人民幣的波動的影響。

下表詳列本集團對相關集團實體的功能貨幣(即主要為港元及人民幣)兌相關外幣的匯率升或跌5%(二零一六年: 5%)的敏感度。5%(二零一六年: 5%)為於向主要管理人員作出內部外幣風險匯報時所用的敏感度比率，並為管理層對匯率合理可能變動的評估。敏感度分析僅包括以外幣定值的未償還項目，並就匯率的5%(二零一六年: 5%)變動調整彼等於年終換算的金額。下表的正數顯示虧損於相關功能貨幣兌相關貨幣升值5%(二零一六年: 5%)時的增加金額。倘相關功能貨幣兌相關貨幣貶值5%(二零一六年: 5%)，則對年度虧損及其他權益構成相同但相反的影響，而下文的結餘則為負數。

由於港元與美元的聯繫匯率，本公司董事認為美元兌港元的價值變動將不會產生任何重大影響。

管理層認為，由於年終風險並不反映年內風險，故敏感度分析未能代表固有外匯風險。

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### 7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

#### Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to its variable-rate deposits with banks and certain secured bank borrowings and is also exposed to fair value interest rate risk in relation to its fixed-rate short-term bank deposits, loans from a related company and third parties and certain bank borrowings for the year ended 31 July 2017. To mitigate the impact of interest rate fluctuations, the Group continually assesses and monitors the exposure to interest rate risk.

The Group's exposure to interest rates on financial liabilities is detailed in the liquidity risk management section of this note.

#### Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period. The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. A 50 basis point (2016: 50 basis points) increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates have been 50 basis points (2016: 50 basis points) higher/lower and all other variables were held constant, the Group's loss for the year would decrease/increase by approximately HK\$112,000 (2016: HK\$313,000).

### 7. 財務風險管理目標及政策 (續)

#### 利率風險

截至二零一七年七月三十一日止年度，本集團就其浮息銀行存款及若干有抵押銀行借款承受現金流量利率風險，亦就定息短期銀行存款、一間關連公司及第三方貸款及若干銀行借款承受公平值利率風險。為減低利率波動的影響，本集團持續評估及監察所承受的利率風險。

本集團的金融負債利率風險於本附註流動資金風險管理一節詳述。

#### 敏感度分析

下文的敏感度分析乃根據非衍生工具於報告期末的利率風險釐定。編製分析時假設於報告期末的未償還金融工具於整個年度均未償還。50個基點(二零一六年：50個基點)增加或減少為於向主要管理人員作出內部利率風險匯報時所採用，並為管理層對利率合理可能變動的評估。

倘利率上調/下滑50個基點(二零一六年：50個基點)，而所有其他變數維持不變，則本集團年內虧損將會減少/增加約112,000港元(二零一六年：313,000港元)。

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## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

#### Other price risk

The Group is exposed to equity price risk through its investments in listed AFS financial assets and held-for-trading investments. The management manages this exposure by maintaining a portfolio of investments with different risks. In addition, the Group has appointed a special team to monitor the price risk and will consider hedging the risk exposure should the need arise.

#### Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to equity price risks at the end of the reporting period.

If the prices of the respective equity securities have been 5% (2016: 5%) higher/lower:

- loss for the year ended 31 July 2017 would decrease/increase by approximately HK\$34,000 (2016: HK\$183,000) as a result of the changes in fair values of held-for-trading investments; and
- investments revaluation reserve would increase/decrease by approximately HK\$449,000 (2016: HK\$1,227,000) as a result of the changes in fair value of listed AFS financial assets.

#### Credit risk

As at 31 July 2017, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amounts of the respective recognised financial assets as stated in the consolidated statement of financial position. The Group does not provide any guarantees that would expose the Group to credit risk.

### 7. 財務風險管理目標及政策 (續)

#### 其他價格風險

本集團因投資於已上市可供出售金融資產及持作買賣投資而承受股票價格風險。管理層透過持有風險程度不同的投資組合管理此風險。此外，本集團已委任特別團隊監察價格風險，並將於有需要時考慮對沖所承受的風險。

#### 敏感度分析

以下的敏感度分析乃根據報告期末所承受的股票價格風險而釐定。

倘有關股本證券的價格上升/下跌5% (二零一六年：5%)：

- 截至二零一七年七月三十一日止年度的虧損將因持作買賣投資的公平值變動而減少/增加約34,000港元(二零一六年：183,000港元)；及
- 投資重估儲備將因已上市可供出售金融資產的公平值變動而增加/減少約499,000港元(二零一六年：1,227,000港元)。

#### 信貸風險

於二零一七年七月三十一日，本集團因對手不履行責任而令本集團蒙受財務虧損的最高信貸風險，來自綜合財務狀況表所列相關已確認財務資產的賬面值。本集團並無提供任何導致本集團承受信貸風險的擔保。

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### 7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

#### Credit risk (Continued)

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The Group's concentration of credit risk by geographical locations is mainly in the PRC, which accounted for 28% (2016: 51%) of the total trade and bills receivables as at 31 July 2017.

The Group has concentration of credit risk as 23% (2016: nil) and 48% (2016: 41%) of the total trade and bills receivables are due from the Group's largest customer and the five largest customers respectively.

The credit risk on short-term bank deposits, bank balances and held-to-maturity investments is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

#### Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank borrowings and ensures compliance with loan covenants. The following table details the Group's remaining contractual maturity for its financial liabilities. The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curve at the end of the reporting period.

### 7. 財務風險管理目標及政策(續)

#### 信貸風險(續)

為盡量降低信貸風險，本集團管理層已指定團隊負責決定信貸額度、信貸批核及其他監察程序，確保採取跟進措施以收回逾期債項。此外，本集團於各報告期末審閱各個別貿易債項的可收回金額，確保為不可收回金額作出足夠的減值虧損。就此而言，本公司董事認為本集團的信貸風險已大幅降低。

本集團按地理位置計算的信貸風險主要集中於中國，佔二零一七年七月三十一日的應收貿易賬款及應收票據總額28%（二零一六年：51%）。

本集團有信貸集中的風險，原因是應收貿易賬款及應收票據總額的23%（二零一六年：零）及48%（二零一六年：41%）為分別應收本集團最大客戶及五大客戶的款項。

由於對手均為獲國際信貸評級機構授予高信貸評級的銀行，故此短期銀行存款、銀行結餘及持有至到期投資的信貸風險有限。

#### 流動資金風險

就管理流動資金風險而言，本集團監察現金及現金等價物，並將其維持於管理層認為足夠的水平，為本集團業務提供資金，並減低現金流量波動的影響。管理層監察銀行借款的運用，以確保符合貸款契約。下表詳列本集團金融負債的餘下合約到期情況。下表包括利息及本金現金流量。倘利息流按浮動利率計算，則未折現金額按報告期末的利率曲線計算。

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## 綜合財務報表附註

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### 7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

#### Liquidity risk (Continued)

|                                      |               | Within<br>one year<br>or on<br>demand<br>一年內或<br>按要求<br>HK\$'000<br>千港元 | More than<br>one year<br>but not<br>exceeding<br>two years<br>一年以上<br>但不超過兩年<br>HK\$'000<br>千港元 | More than<br>two years<br>but not<br>more than<br>five years<br>兩年以上<br>但不超過五年<br>HK\$'000<br>千港元 | More than<br>5 years<br>五年以上<br>HK\$'000<br>千港元 | Total<br>undiscounted<br>cash flows<br>未貼現現金<br>流量總額<br>HK\$'000<br>千港元 | Carrying<br>amount<br>賬面值<br>HK\$'000<br>千港元 |
|--------------------------------------|---------------|---|---|---|---|---|--|
| At 31 July 2017                      | 於二零一七年七月三十一日  |   |   |   |   |   |  |
| Non-derivative financial liabilities | 非衍生金融負債       |   |   |   |   |   |  |
| Trade and other payables             | 應付貿易賬款及其他應付款項 | 100,917   | -   | -   | -   | 100,917   | 100,917                                      |
| Amount due to an associate           | 應付一間聯營公司款項    | 1,324   | -   | -   | -   | 1,324   | 1,324  |
| Amount due to a director             | 應付一名董事款項      | 2,143   | -   | -   | -   | 2,143   | 2,143  |
| Loans from a related company         | 一間關連公司貸款      | 5,030   | -   | -   | -   | 5,030   | 5,000  |
| Loans from third parties             | 第三方貸款         | 26,375  | -   | -   | -   | 26,375  | 26,197                                       |
| Secured bank borrowings              | 有抵押銀行借款       | 53,972  | 53,445  | 170,040   | 111,698   | 389,155   | 306,242                                      |
|                                      |               | 189,761   | 53,445  | 170,040   | 111,698   | 524,944   | 441,823                                      |
| Derivative financial instruments     | 衍生金融工具        | -   | -   | -   | -   | -   | -  |

|                                      |               | Within<br>one year<br>or on<br>demand<br>一年內或<br>按要求<br>HK\$'000<br>千港元 | More than<br>one year<br>but not<br>exceeding<br>two years<br>一年以上<br>但不超過兩年<br>HK\$'000<br>千港元 | More than<br>two years<br>but not<br>more than<br>five years<br>兩年以上<br>但不超過五年<br>HK\$'000<br>千港元 | More than<br>5 years<br>五年以上<br>HK\$'000<br>千港元 | Total<br>undiscounted<br>cash flows<br>未貼現現金<br>流量總額<br>HK\$'000<br>千港元 | Carrying<br>amount<br>賬面值<br>HK\$'000<br>千港元 |
|--------------------------------------|---------------|---|---|---|---|---|--|
| At 31 July 2016                      | 於二零一六年七月三十一日  |   |   |   |   |   |  |
| Non-derivative financial liabilities | 非衍生金融負債       |   |   |   |   |   |  |
| Trade and other payables             | 應付貿易賬款及其他應付款項 | 62,554  | -   | -   | -   | 62,554  | 62,554                                       |
| Amount due to an associate           | 應付一間聯營公司款項    | 538   | -   | -   | -   | 538   | 538  |
| Secured bank borrowings              | 有抵押銀行借款       | 33,344  | -   | -   | -   | 33,344  | 33,282                                       |
|                                      |               | 96,436  | -   | -   | -   | 96,436  | 96,374                                       |
| Derivative financial instruments     | 衍生金融工具        | 11,753  | -   | -   | -   | 11,753  | 11,753                                       |

### 7. 財務風險管理目標及政策 (續)

#### 流動資金風險 (續)

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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### 7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

#### Liquidity risk (Continued)

Secured bank borrowings with a repayment on demand clause are included in the “within one year or on demand” time band in the above maturity analysis. At 31 July 2017, the carrying amounts of these bank borrowings amounted to approximately HK\$32,542,000 (2016: HK\$33,282,000).

### 8. FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of financial assets and financial liabilities is determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded in active liquid markets is determined with reference to quoted market bid prices and ask prices respectively;
- the fair value of other financial assets and financial liabilities (excluding held-for-trading investments, AFS financial assets, derivative financial instruments and structured deposits with banks) is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments; and
- the fair value of held-for-trading investments, AFS financial assets, derivative financial instruments and structured deposits with banks is calculated using quoted prices. Where such prices are not available, use is made of discounted cash flow analysis using the applicable yield curve for the duration of the instruments for non-optional derivatives.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values due to their immediate or short-term maturities.

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

### 7. 財務風險管理目標及政策 (續)

#### 流動資金風險 (續)

設有按要求償還條款的有抵押銀行借款於上述到期日分析中計入「一年內或按要求」的時間欄位下。於二零一七年七月三十一日，該等銀行借款的賬面值約為32,542,000港元(二零一六年：33,282,000港元)。

### 8. 金融工具的公平值

金融資產及金融負債的公平值按以下方式釐定：

- 具有標準條款及條件並於活躍流動市場買賣的金融資產及金融負債，其公平值分別經參照市場的買賣盤報價釐定；
- 其他金融資產及金融負債(不包括持作買賣投資、可供出售金融資產、衍生金融工具及結構性銀行存款)的公平值乃根據普遍採納的定價模式按可觀察當前市場交易的價格及交易商就相類工具的報價進行的貼現現金流量分析釐定；及
- 持作買賣投資、可供出售金融資產、衍生金融工具及結構性銀行存款的公平值按報價計算。倘無該等價格，則非期權衍生工具將以其有效期適用的孳息曲線進行貼現現金流量分析釐定。

本公司董事認為，由於綜合財務報表按攤銷成本入賬的金融資產及金融負債即時或於短期內到期，故該等金融資產及金融負債的賬面值與其公平值相若。

下表提供於初步確認後按公平值計量的金融工具分析，乃根據公平值可觀察程度分為第一至三層。

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### 8. FAIR VALUE OF FINANCIAL INSTRUMENTS

(Continued)

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on recurring basis

#### Fair value hierarchy

### 8. 金融工具的公平值(續)

第一層公平值計量由相同資產或負債在活躍市場的報價(未經調整)得出。

第二層公平值計量由第一層所載報價以外的可觀察資產或負債輸入數據直接(即價格)或間接(即源自價格)得出。

第三層公平值計量由包括並非以可觀察市場數據(不可觀察數據)為基礎的資產或負債輸入數據的估值技術得出。

按經常性基準以公平值計量的本集團金融資產及金融負債的公平值

#### 公平值層級

|  |                    | 31 July 2017<br>二零一七年七月三十一日 |                 |                 |                 |
|--|--------------------|-----------------------------|-----------------|-----------------|-----------------|
|  |                    | Level 1<br>第一層              | Level 2<br>第二層  | Level 3<br>第三層  | Total<br>總計     |
|  |                    | HK\$'000<br>千港元             | HK\$'000<br>千港元 | HK\$'000<br>千港元 | HK\$'000<br>千港元 |
| <b>Financial assets at FVTPL</b>           | 按公平值列賬並在損益內處理的金融資產 |                             |                 |                 |                 |
| Held-for-trading investments               | 持作買賣投資             | 680                         | -               | -               | 680             |
| <b>Available-for-sale financial assets</b> | 可供出售金融資產           |                             |                 |                 |                 |
| Listed equity securities                   | 上市股本證券             | 8,981                       | -               | -               | 8,981           |
|  |                    | <b>9,661</b>                | -               | -               | <b>9,661</b>    |



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## 綜合財務報表附註

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### 8. FAIR VALUE OF FINANCIAL INSTRUMENTS

(Continued)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on recurring basis

(Continued)

Fair value hierarchy (Continued)

### 8. 金融工具的公平值(續)

按經常性基準以公平值計量的本集團金融資產及金融負債的公平值(續)

公平值層級(續)

|  |                    | 31 July 2016<br>二零一六年七月三十一日       |                                   |                                   |                                |
|--|--------------------|-----------------------------------|-----------------------------------|-----------------------------------|--------------------------------|
|  |                    | Level 1<br>第一層<br>HK\$'000<br>千港元 | Level 2<br>第二層<br>HK\$'000<br>千港元 | Level 3<br>第三層<br>HK\$'000<br>千港元 | Total<br>總計<br>HK\$'000<br>千港元 |
| <b>Financial assets at FVTPL</b>           | 按公平值列賬並在損益內處理的金融資產 |                                   |                                   |                                   |                                |
| Held-for-trading investments               | 持作買賣投資             | 3,668                             | –                                 | –                                 | 3,668                          |
| Structured deposits                        | 結構性存款              | –                                 | –                                 | 17,261                            | 17,261                         |
| <b>Available-for-sale financial assets</b> | 可供出售金融資產           |                                   |                                   |                                   |                                |
| Listed equity securities                   | 上市股本證券             | 24,539                            | –                                 | –                                 | 24,539                         |
|  |                    | 28,207                            | –                                 | 17,261                            | 45,468                         |
| <b>Financial liabilities</b>               | 金融負債               |                                   |                                   |                                   |                                |
| Derivative financial instruments           | 衍生金融工具             | –                                 | (11,753)                          | –                                 | (11,753)                       |

There are no transfers between Level 1, 2 and 3 during both years.

於兩個年度內，第一層、第二層及第三層之間並無任何轉撥。

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### 8. FAIR VALUE OF FINANCIAL INSTRUMENTS

(Continued)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on recurring basis

(Continued)

#### Fair value hierarchy (Continued)

The valuation techniques and inputs used in Level 1, 2 and 3 fair value measurements of financial instruments are set out below:

### 8. 金融工具的公平值 (續)

按經常性基準以公平值計量的本集團金融資產及金融負債的公平值 (續)

#### 公平值層級 (續)

金融工具第一層、第二層及第三層公平值計量所採用的估值方法及輸入數據列載如下：

| Financial assets/<br>financial liabilities  | Fair value as at<br>31 July 2017<br>二零一七年<br>七月三十一日<br>的公平值 | Fair value<br>hierarchy | Valuation technique(s)<br>and key inputs   | Significant unobservable<br>inputs | Relationship of<br>key inputs<br>and significant<br>unobservable inputs<br>to fair value<br>主要輸入數據及<br>重大不可觀察數據<br>與公平值的關係 |
|---|---|-------------------------|--|------------------------------------|--|
| 金融資產/金融負債   |   | 公平值層級                   | 估值方法及主要輸入數據  | 重大不可觀察數據                           |  |
| Listed equity securities classified as AFS financial assets in the consolidated statement of financial position                       | Asset: HK\$8,981,000<br>(2016: HK\$24,539,000)              | Level 1                 | Quoted bid prices in active markets  | N/A                                | N/A  |
| 於綜合財務狀況表分類為可供出售金融資產的上市股本證券  | 資產：8,981,000 港元<br>(二零一六年：<br>24,539,000 港元)                | 第一層                     | 活躍市場所報買入價  | 不適用                                | 不適用  |
| Listed equity securities classified as held-for-trading investments in the consolidated statement of financial position               | Asset: HK\$680,000<br>(2016: HK\$3,668,000)                 | Level 1                 | Quoted bid prices in active markets  | N/A                                | N/A  |
| 於綜合財務狀況表分類為持作買賣投資的上市股本證券  | 資產：680,000 港元<br>(二零一六年：<br>3,668,000 港元)                   | 第一層                     | 活躍市場所報買入價  | 不適用                                | 不適用  |
| Structured deposits with banks in the consolidated statement of financial position  | Asset: nil<br>(2016: HK\$17,261,000)                        | Level 3                 | Discounted cash flow. Structured deposits with banks are valued with reference to the embedded interest rate to discount the future income of structured deposits into present value.  | Discount rate                      | The estimated fair value would decrease if the discount rate is higher   |
| 綜合財務狀況表內的結構性銀行存款  | 資產：零<br>(二零一六年：<br>17,261,000 港元)                           | 第三層                     | 貼現現金流量。結構性銀行存款參考嵌入式利率將結構性存款的未來收入貼現至現值進行估值。   | 貼現率                                | 貼現率越高，估計公平值越低。   |
| Foreign currency forward contracts classified as derivative financial instruments in the consolidated statement of financial position | Liability: nil<br>(2016: HK\$11,753,000)                    | Level 2                 | Discounted cash flow. Forward contracts are valued with reference to the "US\$ and RMB" forward rate extracted from Bloomberg and adopted the US Government bonds yield to discount the future income of forward contracts into present value. | N/A                                | N/A  |
| 於綜合財務狀況表分類為衍生金融工具的外幣遠期合約  | 負債：零<br>(二零一六年：<br>11,753,000 港元)                           | 第二層                     | 貼現現金流量。遠期合約乃參考摘錄於彭博的「美元與人民幣」遠期匯率估值，並採納美國政府債券孳息率將遠期合約的未來收入貼現至現值。  | 不適用                                | 不適用  |

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 9. REVENUE AND OTHER OPERATING INCOME

Revenue represents fair value of the consideration received or receivable and for goods sold and healthcare and hotel services rendered in the normal course of business to customers, net of discounts and sales related taxes.

Revenue and other operating income recognised for the year are as follows:

### 9. 收益及其他經營收入

收益指已收或應收代價及在日常業務過程中向客戶出售貨品以及提供醫療保健及酒店服務的代價的公平值，扣除折扣及銷售相關稅項。

本年度確認的收益及其他經營收入如下：

|  |                             | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|--|-----------------------------|----------------------------------|----------------------------------|
| Revenue  | 收益                          |                                  |                                  |
| Sales of goods   | 銷售貨品                        | 393,761                          | 386,516                          |
| Healthcare and hotel services  | 醫療保健及酒店服務                   | 6,739                            | -                                |
|  |                             | <b>400,500</b>                   | 386,516                          |
| Other operating income   | 其他經營收入                      |                                  |                                  |
| Interest income  | 利息收入                        |                                  |                                  |
| — Bank deposits  | — 銀行存款                      | 1,665                            | 3,493                            |
| — Held-to-maturity investments   | — 持有至到期投資                   | 405                              | 1,244                            |
| — Structured deposits with banks   | — 結構性銀行存款                   | 132                              | 107                              |
| Total interest income  | 利息收入總額                      | 2,202                            | 4,844                            |
| Dividend income  | 股息收入                        | 1,742                            | 902                              |
| Fair value gain on investment properties (Note 22)                         | 投資物業的公平值收益 (附註22)           | 250                              | -                                |
| Gain on deregistration of subsidiaries                                     | 取消註冊附屬公司的收益                 | -                                | 2,846                            |
| Gain on disposal of held-for-trading investments                           | 出售持作買賣投資的收益                 | 418                              | -                                |
| Gain on disposal of property, plant and equipment                          | 出售物業、廠房及設備的收益               | 81                               | -                                |
| Gain on disposal of AFS financial assets                                   | 出售可供出售金融資產的收益               | 8,186                            | -                                |
| Gain on disposal of subsidiaries   | 出售附屬公司收益                    | -                                | 1,534                            |
| Government grants  | 政府補助金                       |                                  |                                  |
| — Amortisation of deferred income for the year (Note 41)                   | — 年內遞延收入攤銷 (附註41)           | 23                               | 24                               |
| — Grants related to expenses recognised as other operating income (Note b) | — 與確認為其他經營收入的開支相關的補助金 (附註b) | 33                               | 124                              |
| Net rental income (Note a)   | 租金收入淨額(附註a)                 | 7,503                            | 7,110                            |
| Waiver of amount due to a joint venture                                    | 豁免應付一間合營企業款項                | -                                | 202                              |
| Waiver of other payables   | 豁免其他應付款項                    | 538                              | -                                |
| Sundry income  | 雜項收入                        | 2,562                            | 1,914                            |
|  |                             | <b>23,538</b>                    | 19,500                           |

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## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 9. REVENUE AND OTHER OPERATING INCOME

(Continued)

Notes:

- (a) An analysis of the Group's net rental income is as follows:

|   |                        | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|---|------------------------|----------------------------------|----------------------------------|
| Gross rental income   | 租金收入總額                 | 8,057                            | 8,086                            |
| Less: Outgoings incurred for investment properties that generated rental income during the year | 減：於年內產生租金收入的投資物業所涉及的開支 | (554)                            | (976)                            |
| Net rental income   | 租金收入淨額                 | 7,503                            | 7,110                            |

- (b) For the years ended 31 July 2017 and 2016, the amounts represent unconditional grants from government for subsidising the operations of enterprises in the PRC.

### 10. SEGMENT INFORMATION

The Group's reportable and operating segments, based on information reported to the chief operating decision maker ("CODM"), being the chief executive officer of the Company, for the purpose of resource allocation and performance assessment focuses on type of goods or services delivered or provided are as follows:

- (a) Silicone rubber and related products — manufacturing and sale of silicone rubber and related products; and
- (b) Healthcare and hotel services — providing healthcare and hotel services.

The segment of healthcare and hotel services is a new business segment of the Group through incorporation of subsidiaries in Hainan, the PRC during the year.

No reporting segment identified by the CODM has been aggregated in arriving at the reportable segment of the Group.

### 9. 收益及其他經營收入(續)

附註：

- (a) 本集團租金收入淨額的分析如下：

|   |                        | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|---|------------------------|----------------------------------|----------------------------------|
| Gross rental income   | 租金收入總額                 | 8,057                            | 8,086                            |
| Less: Outgoings incurred for investment properties that generated rental income during the year | 減：於年內產生租金收入的投資物業所涉及的開支 | (554)                            | (976)                            |
| Net rental income   | 租金收入淨額                 | 7,503                            | 7,110                            |

- (b) 截至二零一七年及二零一六年七月三十一日止年度，有關款項為政府用作資助中國企業營運的無條件補助金。

### 10. 分部資料

根據呈報予主要營運決策者（「主要營運決策者」）（即本公司之行政總裁）以進行資源分配及表現評估的資料（專注於所交付貨物或提供服務的類型），本集團的可報告及經營分部載列如下：

- (a) 矽膠及相關產品 — 製造及銷售矽膠及相關產品；及
- (b) 醫療保健及酒店服務 — 提供醫療保健及酒店服務。

醫療保健及酒店服務分部是本集團於年內在中國海南註冊成立附屬公司而產生的新業務分部。

於達致本集團的可報告分部時，並無集合主要營運決策者識別的經營分部。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 10. SEGMENT INFORMATION (Continued)

#### Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable and operating segment.

#### For the year ended 31 July 2017

|   |                       | Silicone rubber<br>and related<br>products<br>矽膠及<br>相關產品<br>HK\$'000<br>千港元 | Healthcare<br>and hotel<br>services<br>醫療保健及<br>酒店服務<br>HK\$'000<br>千港元 | Total<br>總計<br>HK\$'000<br>千港元 |
|---|-----------------------|--|---|--------------------------------|
| REVENUE   | 收益                    |  |   |                                |
| External sales  | 對外銷售                  | 393,761  | 6,739   | 400,500                        |
| Segment results (including<br>share of results of associates) | 分部業績(包括應佔聯營<br>公司的業績) | 14,495   | (52,676)  | (38,181)                       |
| Unallocated expenses:   | 未分配開支：                |  |   |                                |
| Directors' emoluments   | 董事酬金                  |  |   | (6,031)                        |
| Central administrative costs                                  | 中央行政成本                |  |   | (29,888)                       |
| Loss before tax   | 除稅前虧損                 |  |   | (74,100)                       |

#### For the year ended 31 July 2016

|   |                       | Silicone rubber<br>and related<br>products<br>矽膠及<br>相關產品<br>HK\$'000<br>千港元 | Healthcare<br>and hotel<br>services<br>醫療保健及<br>酒店服務<br>HK\$'000<br>千港元 | Total<br>總計<br>HK\$'000<br>千港元 |
|---|-----------------------|--|---|--------------------------------|
| REVENUE   | 收益                    |  |   |                                |
| External sales  | 對外銷售                  | 386,516  | –   | 386,516                        |
| Segment results (including<br>share of results of associates) | 分部業績(包括應佔聯營<br>公司的業績) | (49,545)   | –   | (49,545)                       |
| Unallocated expenses:   | 未分配開支：                |  |   |                                |
| Directors' emoluments   | 董事酬金                  |  |   | (5,292)                        |
| Central administrative costs                                  | 中央行政成本                |  |   | (18,181)                       |
| Loss before tax   | 除稅前虧損                 |  |   | (73,018)                       |

### 10. 分部資料(續)

#### 分部收益及業績

以下為本集團按可報告及經營分部劃分的收益及業績分析。

#### 截至二零一七年七月三十一日止年度

#### 截至二零一六年七月三十一日止年度

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 10. SEGMENT INFORMATION (Continued)

#### Segment revenue and results (Continued)

The accounting policies of the operating segments are the same as the Group's accounting policies described in Note 3. Share of results of associates is included under silicone rubber and related products segment as CODM considers that their performance assessment is same as subsidiaries in this segment. Segment results represent profit earned by (loss from) each segment without allocation of directors' emoluments and central administrative costs. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in the current year (2016: nil).

#### Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segment:

#### Segment assets

|                                      |           | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|--------------------------------------|-----------|----------------------------------|----------------------------------|
| Silicone rubber and related products | 矽膠及相關產品   | 491,567                          | 567,746                          |
| Healthcare and hotel services        | 醫療保健及酒店服務 | 462,022                          | -                                |
| Total segment assets                 | 分部資產總值    | 953,589                          | 567,746                          |
| Unallocated corporate assets         | 未分配公司資產   | 914                              | -                                |
| Consolidated total assets            | 綜合資產總值    | 954,503                          | 567,746                          |

### 10. 分部資料 (續)

#### 分部收益及業績 (續)

經營分部的會計政策與附註3所述本集團的會計政策相同。由於主要營運決策者認為，其表現評估與該分部之附屬公司相同，故應佔聯營公司的業績計入矽膠及相關產品分部。分部業績指在並無分配董事酬金及中央行政成本的情況下，各分部賺取的溢利(產生的虧損)。此乃呈報予主要營運決策者以進行資源分配及表現評估的計量。

上文呈報的分部收益指外部客戶產生的收益。本年度並無分部間銷售(二零一六年：無)。

#### 分部資產及負債

以下為本集團按可報告及經營分部劃分的資產及負債分析：

#### 分部資產

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 10. SEGMENT INFORMATION (Continued)

#### Segment assets and liabilities (Continued)

##### Segment liabilities

|                                      |           | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|--------------------------------------|-----------|----------------------------------|----------------------------------|
| Silicone rubber and related products | 矽膠及相關產品   | 163,524                          | 156,584                          |
| Healthcare and hotel services        | 醫療保健及酒店服務 | 341,752                          | -                                |
| Total segment liabilities            | 分部負債總額    | 505,276                          | 156,584                          |
| Unallocated corporate liabilities    | 未分配公司負債   | 5,341                            | -                                |
| Consolidated total liabilities       | 綜合負債總額    | 510,617                          | 156,584                          |

As at 31 July 2017, segment assets and liabilities of the silicone rubber and related products include interests in associates, amount due from an associate, and amount due to an associate of approximately HK\$2,816,000 (2016: HK\$2,916,000), HK\$65,000 (2016: HK\$65,000) and HK\$1,324,000 (2016: HK\$538,000) respectively.

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to operating segments other than assets for corporate use including certain furniture, fixtures and equipment, deposits and other receivables and bank balances and cash; and
- all liabilities are allocated to operating segments other than corporate liabilities including certain accrued expenses and other payables.

### 10. 分部資料 (續)

#### 分部資產及負債 (續)

##### 分部負債

於二零一七年七月三十一日，矽膠及相關產品的分部資產及負債包括分別為約2,816,000港元(二零一六年：2,916,000港元)、65,000港元(二零一六年：65,000港元)及1,324,000港元(二零一六年：538,000港元)於聯營公司的權益、應收一間聯營公司款項及應付一間聯營公司款項。

就監察分部表現及於分部之間分配資源而言：

- 除作公司用途的資產(包括若干傢俬、裝置及設備、按金及其他應收款項以及銀行結餘及現金)外，所有資產均分配至經營分部；及
- 除公司負債(包括若干應計開支及其他應付款項)外，所有負債均分配至經營分部。

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## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 10. SEGMENT INFORMATION (Continued)

#### Other segment information

For the year ended 31 July 2017

### 10. 分部資料(續)

#### 其他分部資料

截至二零一七年七月三十一日止年度

|   |                   | Unallocated | Silicone rubber and related products | Healthcare and hotel services | Total    |
|---|-------------------|-------------|--------------------------------------|-------------------------------|----------|
|   |                   | 未分配         | 矽膠及相關產品                              | 醫療保健及酒店服務                     | 總計       |
|   |                   | HK\$'000    | HK\$'000                             | HK\$'000                      | HK\$'000 |
|   |                   | 千港元         | 千港元                                  | 千港元                           | 千港元      |
| Amounts included in the measure of segment results or segment assets: | 計入分部業績或分部資產計量的金額： |             |                                      |                               |          |
| Additions of non-current assets                                       | 添置非流動資產           | 56          | 28,084                               | 421,054                       | 449,194  |
| Allowance for inventories   | 存貨撥備              | -           | -                                    | -                             | -        |
| Amortisation of prepaid lease payments                                | 預付租賃款項攤銷          | -           | 228                                  | 2,684                         | 2,912    |
| Depreciation of property, plant and equipment                         | 物業、廠房及設備折舊        | 60          | 14,126                               | 3,559                         | 17,745   |
| Fair value gain on investment properties                              | 投資物業的公平值收益        | -           | (250)                                | -                             | (250)    |
| Fair value loss on derivative financial instruments                   | 衍生金融工具的公平值虧損      | -           | -                                    | -                             | -        |
| Fair value loss on held-for-trading investments                       | 持作買賣投資的公平值虧損      | -           | 184                                  | -                             | 184      |
| Gain on disposal of AFS financial assets                              | 出售可供出售金融資產的收益     | -           | (8,186)                              | -                             | (8,186)  |
| Loss (gain) on disposal of property, plant and equipment              | 出售物業、廠房及設備的虧損(收益) | 35          | (249)                                | 133                           | (81)     |
| Impairment loss recognised in respect of:                             | 就以下各項確認的減值虧損：     |             |                                      |                               |          |
| — trade receivables   | — 應收貿易賬款          | -           | 1,402                                | -                             | 1,402    |
| — AFS financial assets  | — 可供出售金融資產        | -           | 160                                  | -                             | 160      |
| — property, plant and equipment                                       | — 物業、廠房及設備        | -           | -                                    | -                             | -        |
| Interest expenses   | 利息開支              | -           | 844                                  | 20,410                        | 21,254   |
| Interest income   | 利息收入              | -           | (2,164)                              | (38)                          | (2,202)  |
| Investment loss from derivative financial instruments                 | 衍生金融工具的投資虧損       | -           | 2,469                                | -                             | 2,469    |
| Reversal of allowance for inventories                                 | 撥回存貨撥備            | -           | (4,376)                              | -                             | (4,376)  |
| Reversal of impairment loss in respect of other receivables           | 撥回有關其他應收款項的減值虧損   | -           | (2,049)                              | -                             | (2,049)  |
| Share of results of associates  | 應佔聯營公司的業績         | -           | 1,625                                | -                             | 1,625    |
| Write-off of trade receivables  | 應收貿易賬款撇銷          | -           | -                                    | -                             | -        |



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## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 10. SEGMENT INFORMATION (Continued)

#### Other segment information (Continued)

For the year ended 31 July 2016

### 10. 分部資料(續)

#### 其他分部資料(續)

截至二零一六年七月三十一日止年度

|  | Unallocated | Silicone rubber and related products | Healthcare and hotel services | Total    |
|--|-------------|--------------------------------------|-------------------------------|----------|
|  | 未分配         | 矽膠及相關產品                              | 醫療保健及酒店服務                     | 總計       |
|  | HK\$'000    | HK\$'000                             | HK\$'000                      | HK\$'000 |
|  | 千港元         | 千港元                                  | 千港元                           | 千港元      |

Amounts included in the measure of segment results or segment assets:

計入分部業績或分部資產計量的金額：

|   |                 |     |         |   |         |
|---|-----------------|-----|---------|---|---------|
| Additions of non-current assets                             | 添置非流動資產         | 234 | 16,842  | – | 17,076  |
| Allowance for inventories                                   | 存貨撥備            | –   | 1,967   | – | 1,967   |
| Amortisation of prepaid lease payments                      | 預付租賃款項攤銷        | –   | 243     | – | 243     |
| Depreciation of property, plant and equipment               | 物業、廠房及設備折舊      | 7   | 13,810  | – | 13,817  |
| Fair value loss on investment properties                    | 投資物業的公平值虧損      | –   | 601     | – | 601     |
| Fair value loss on derivative financial instruments         | 衍生金融工具的公平值虧損    | –   | 4,052   | – | 4,052   |
| Fair value loss on held-for-trading investments             | 持作買賣投資的公平值虧損    | –   | 1,076   | – | 1,076   |
| Gain on disposal of AFS financial assets                    | 出售可供出售金融資產的收益   | –   | –       | – | –       |
| Loss on disposal of property, plant and equipment           | 出售物業、廠房及設備的虧損   | –   | 3,218   | – | 3,218   |
| Impairment loss recognised in respect of:                   | 就以下各項確認的減值虧損：   |     |         |   |         |
| — trade receivables   | — 應收貿易賬款        | –   | 1,059   | – | 1,059   |
| — AFS financial assets                                      | — 可供出售金融資產      | –   | 667     | – | 667     |
| — property, plant and equipment                             | — 物業、廠房及設備      | –   | 4,097   | – | 4,097   |
| Interest expenses   | 利息開支            | –   | 701     | – | 701     |
| Interest income   | 利息收入            | –   | (4,844) | – | (4,844) |
| Investment loss from derivative financial instruments       | 衍生金融工具的投資虧損     | –   | 10,333  | – | 10,333  |
| Reversal of allowance for inventories                       | 撥回存貨撥備          | –   | (5,221) | – | (5,221) |
| Reversal of impairment loss in respect of other receivables | 撥回有關其他應收款項的減值虧損 | –   | (1,116) | – | (1,116) |
| Share of results of associates                              | 應佔聯營公司的業績       | –   | 507     | – | 507     |
| Write-off of trade receivables                              | 應收貿易賬款撇銷        | –   | 4,877   | – | 4,877   |

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 10. SEGMENT INFORMATION (Continued)

#### Revenue from major products and services

The following is an analysis of the Group's revenue from sales of its major products and provision of services to external customers:

### 10. 分部資料(續)

#### 主要產品及服務收益

本集團向外部客戶銷售其主要產品及提供服務所帶來的收益分析如下：

|  |             | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|--|-------------|----------------------------------|----------------------------------|
| Consumer electronic devices<br>peripheral products | 消費電子裝置周邊產品  | <b>220,314</b>                   | 175,054                          |
| Keypads for computers and notebooks                | 電腦及筆記型電腦按鍵  | <b>49,504</b>                    | 58,828                           |
| Lifestyle products                                 | 生活產品        | <b>29,300</b>                    | 37,799                           |
| Mobile phone peripheral products                   | 手機周邊產品      | <b>14,002</b>                    | 9,948                            |
| Automotive peripheral products                     | 汽車周邊產品      | <b>32,650</b>                    | 31,509                           |
| Chemical products                                  | 化學產品        | <b>14,980</b>                    | 43,487                           |
| Other products                                     | 其他產品        | <b>33,011</b>                    | 29,891                           |
| Provision of healthcare and<br>hotel services      | 提供醫療保健及酒店服務 | <b>6,739</b>                     | -                                |
|  |             | <b>400,500</b>                   | 386,516                          |

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 10. SEGMENT INFORMATION (Continued)

#### Geographical information

The Group's operations are principally located in the PRC and Hong Kong.

Information about the Group's revenue from external customers based on the location of the customers and information about its non-current assets by geographical location of the assets are detailed below:

|                                  |          | Revenue from external customers<br>來自外部客戶的收益 |                                  | Non-current assets<br>非流動資產      |                                  |
|----------------------------------|----------|--|----------------------------------|----------------------------------|----------------------------------|
|                                  |          | 2017<br>二零一七年<br>HK\$'000<br>千港元             | 2016<br>二零一六年<br>HK\$'000<br>千港元 | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
| The PRC<br>(excluding Hong Kong) | 中國(香港除外) | 160,997                                      | 176,541                          | 565,464                          | 159,301                          |
| Hong Kong                        | 香港       | 69,143                                       | 71,492                           | 9,333                            | 8,825                            |
| Other Asian countries            | 其他亞洲國家   | 69,973                                       | 73,670                           | 13,046                           | 12,825                           |
| America                          | 美洲       | 75,807                                       | 43,519                           | -                                | -                                |
| Europe                           | 歐洲       | 24,580                                       | 21,294                           | -                                | -                                |
|                                  |          | <b>400,500</b>                               | 386,516                          | <b>587,843</b>                   | 180,951                          |

Non-current assets exclude AFS financial assets.

#### Information about major customers

Revenue from customers contributing over 10% of the total sales of the Group in both years are as follows:

|            |     | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|------------|-----|----------------------------------|----------------------------------|
| Customer A | 客戶甲 | N/A 不適用 <sup>2</sup>             | 43,487 <sup>1</sup>              |
| Customer B | 客戶乙 | 54,938 <sup>3</sup>              | N/A 不適用 <sup>2</sup>             |

<sup>1</sup> Sales are derived from the sale of chemical products.

<sup>2</sup> The corresponding revenue did not contribute over 10% of the total revenue of the Group.

<sup>3</sup> Sales are derived from the sale of consumer electronic devices peripheral products and automotive peripheral products.

### 10. 分部資料(續)

#### 地區資料

本集團的營運主要位於中國及香港。

本集團按客戶所在地劃分之來自外部客戶的收益資料及按資產所在地劃分之非流動資產資料詳列如下：

非流動資產並不包括可供出售金融資產。

#### 主要客戶資料

於兩個年度，來自佔本集團銷售總額逾10%的客戶的收益載列如下：

<sup>1</sup> 銷售額乃源自銷售化學產品。

<sup>2</sup> 相關收益貢獻並無超逾本集團收益總額的10%。

<sup>3</sup> 銷售額乃源自銷售消費電子裝置周邊產品及汽車周邊產品。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 11. OTHER EXPENSES

### 11. 其他開支

|   |                   | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|---|-------------------|----------------------------------|----------------------------------|
| Exchange losses                                       | 匯兌虧損              | 234                              | 2,321                            |
| Fair value loss on derivative financial instruments   | 衍生金融工具的公平值虧損      | -                                | 4,052                            |
| Fair value loss on held-for-trading investments       | 持作買賣投資的公平值虧損      | 184                              | 1,076                            |
| Fair value loss on investment properties (Note 22)    | 投資物業的公平值虧損 (附註22) | -                                | 601                              |
| Impairment losses recognised in respect of:           | 就以下各項確認的減值虧損：     |                                  |                                  |
| — AFS financial assets                                | — 可供出售金融資產        | 160                              | 667                              |
| — property, plant and equipment                       | — 物業、廠房及設備        | -                                | 4,097                            |
| Investment loss from derivative financial instruments | 衍生金融工具的投資虧損       | 2,469                            | 10,333                           |
| Loss on disposal of held-for-trading investments      | 出售持作買賣投資的虧損       | -                                | 1,130                            |
| Loss on disposal of property, plant and equipment     | 出售物業、廠房及設備的虧損     | -                                | 3,218                            |
|   |                   | <b>3,047</b>                     | 27,495                           |

### 12. FINANCE COSTS

### 12. 融資成本

|                              |          | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|------------------------------|----------|----------------------------------|----------------------------------|
| Interest on:                 | 以下各項的利息： |                                  |                                  |
| Secured bank borrowings      | 有抵押銀行借款  | 19,713                           | 701                              |
| Loans from a related company | 一間關連公司貸款 | 174                              | -                                |
| Loans from third parties     | 第三方貸款    | 1,367                            | -                                |
|                              |          | <b>21,254</b>                    | 701                              |

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 13. INCOME TAX CREDIT

### 13. 所得稅抵免

|                                       |              | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|---------------------------------------|--------------|----------------------------------|----------------------------------|
| Current tax                           | 即期稅項         |                                  |                                  |
| PRC Enterprise Income Tax             | 中國企業所得稅      | -                                | 8                                |
| (Over) under provision in prior years | 過往年度撥備(超額)不足 |                                  |                                  |
| Hong Kong Profits Tax                 | 香港利得稅        | 1                                | -                                |
| PRC Enterprise Income Tax             | 中國企業所得稅      | (7)                              | (4)                              |
|                                       |              | <b>(6)</b>                       | (4)                              |
| Deferred taxation (Note 42)           | 遞延稅項(附註42)   |                                  |                                  |
| Current year                          | 本年度          | <b>(34)</b>                      | (772)                            |
|                                       |              | <b>(40)</b>                      | (768)                            |

Hong Kong Profits Tax has not been provided for in the consolidated financial statements for the years ended 31 July 2017 and 2016 as the Group did not derive any assessable profits.

由於本集團截至二零一七年及二零一六年七月三十一日止年度並無產生任何應課稅溢利，故並無於綜合財務報表作出香港利得稅撥備。

Pursuant to the rules and regulations of the Cayman Islands and BVI, the Group is not subject to any income tax in the Cayman Islands and BVI.

根據開曼群島及英屬處女群島的規則及法規，本集團毋須繳納開曼群島及英屬處女群島的任何所得稅。

No provision for Indonesia Income Tax for the years ended 31 July 2017 and 2016 has been made as the subsidiary operating in Indonesia did not generate any assessable profits in Indonesia.

由於在印尼營運的附屬公司並無在印尼產生任何應課稅溢利，因此並無就截至二零一七年及二零一六年七月三十一日止年度作出印尼所得稅撥備。

Ta Yang Group (Macao Commercial Offshore) Limited is incorporated as a commercial offshore entity in Macau and is exempted from Macau Complementary Income Tax.

大洋集團(澳門離岸商業服務)有限公司在澳門註冊成立為離岸商業服務機構，獲豁免繳納澳門所得補充稅。

No provision for Taiwan Profit-Seeking Enterprise Income Tax for the years ended 31 July 2017 and 2016 has been made as the Group did not generate any assessable profits in Taiwan.

由於本集團截至二零一七年及二零一六年七月三十一日止年度並無於台灣產生任何應課稅溢利，因此並無計提台灣營利事業所得稅撥備。

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards. Accordingly, provision for PRC Enterprise Income Tax for the PRC subsidiaries is calculated at 25% of estimated assessable profits for both years.

根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，中國附屬公司於二零零八年一月一日起的稅率為25%。因此，中國附屬公司的中國企業所得稅撥備按該兩個年度的估計應課稅溢利的25%計算。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 13. INCOME TAX CREDIT (Continued)

The income tax credit for the year can be reconciled to the loss before tax per the consolidated statement of profit or loss as follows:

### 13. 所得稅抵免(續)

年內所得稅抵免與綜合損益表所載的除稅前虧損對賬如下：

|   |                         | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|---|-------------------------|----------------------------------|----------------------------------|
| Loss before tax   | 除稅前虧損                   | <b>(74,100)</b>                  | (73,018)                         |
| Tax credit at rates applicable to loss in the jurisdictions concerned | 按適用於有關司法管轄區虧損的稅率計算的稅務抵免 | <b>(11,987)</b>                  | (8,727)                          |
| Tax effect of income not taxable for tax purposes                     | 毋須課稅收入的稅務影響             | <b>(3,785)</b>                   | (3,260)                          |
| Tax effect of expenses not deductible for tax purposes                | 不可扣稅開支的稅務影響             | <b>2,249</b>                     | 3,033                            |
| Tax effect of share of results of associates                          | 分佔聯營公司業績的稅務影響           | <b>268</b>                       | 84                               |
| Utilisation of tax losses previously not recognised                   | 動用過往並無確認的稅務虧損           | <b>(773)</b>                     | (301)                            |
| Over provision in prior years, net                                    | 過往年度撥備超額淨值              | <b>(6)</b>                       | (4)                              |
| Tax effect of tax losses not recognised                               | 未確認稅務虧損的稅務影響            | <b>13,994</b>                    | 8,407                            |
| Income tax credit for the year  | 年內所得稅抵免                 | <b>(40)</b>                      | (768)                            |

Details of deferred taxation are shown in Note 42.

遞延稅項詳情載於附註42。

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## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 14. LOSS FOR THE YEAR

### 14. 年內虧損

|   |                       | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|---|-----------------------|----------------------------------|----------------------------------|
| Loss for the year has been arrived at after charging (crediting):     | 年內虧損乃經扣除(計入)以下各項:     |                                  |                                  |
| Auditor's remuneration  | 核數師酬金                 | 1,270                            | 1,270                            |
| Allowance for inventories (included in cost of sales)                 | 存貨撥備(計入銷售成本)          | -                                | 1,967                            |
| Amortisation of prepaid lease payments (Note 21)                      | 預付租賃款項攤銷(附註21)        | 2,912                            | 243                              |
| Costs of inventories sold (Note)                                      | 已售存貨成本(附註)            | 288,659                          | 320,248                          |
| Depreciation of property, plant and equipment (Note 19)               | 物業、廠房及設備折舊(附註19)      | 17,745                           | 13,817                           |
| Directors' emoluments (Note 18)                                       | 董事酬金(附註18)            | 6,031                            | 5,292                            |
| Impairment loss recognised in respect of trade receivables (Note 29)  | 就應收貿易賬款確認的減值虧損(附註29)  | 1,402                            | 1,059                            |
| Payments under operating leases in respect of land and buildings      | 有關土地及樓宇的經營租賃項下的付款     | 7,953                            | 9,968                            |
| Research and development costs  | 研發成本                  | 4,110                            | 2,195                            |
| Reversal of allowance for inventories (included in cost of sales)     | 撥回存貨撥備(計入銷售成本)        | (4,376)                          | (5,221)                          |
| Reversal of impairment loss in respect of other receivables (Note 29) | 撥回有關其他應收款項的減值虧損(附註29) | (2,049)                          | (1,116)                          |
| Staff costs (excluding directors' emoluments) (Note 17)               | 員工成本(不包括董事酬金)(附註17)   | 170,010                          | 154,590                          |
| Write-off of inventories (included in cost of sales)                  | 存貨撇銷(計入銷售成本)          | 744                              | 808                              |
| Write-off of trade receivables  | 應收貿易賬款撇銷              | -                                | 4,877                            |

Note:

Cost of inventories sold includes approximately HK\$98,336,000 (2016: HK\$112,239,000) relating to staff costs, depreciation expenses and operating lease charges which amounts are also included in the respective total amounts disclosed separately above.

附註:

已售存貨成本包括與員工成本、折舊開支及經營租賃費用有關的金額約98,336,000港元(二零一六年:112,239,000港元),有關金額亦已計入於上文獨立披露的有關總額內。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 15. DIVIDENDS

No dividend was paid or proposed during the year ended 31 July 2017, nor has any dividend been proposed since the end of the reporting period (2016: nil).

### 16. LOSS PER SHARE

#### (a) Basic

Loss per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during both years.

|  |                    | 2017<br>二零一七年   | 2016<br>二零一六年 |
|--|--------------------|-----------------|---------------|
| Loss for the year attributable to owners of the Company (HK\$'000) | 本公司擁有人應佔年度虧損 (千港元) | <b>(72,943)</b> | (71,304)      |
| Weighted average number of ordinary shares in issue ('000)         | 已發行普通股的加權平均數 (千股)  | <b>865,257</b>  | 781,747       |
| Loss per share (HK cents)  | 每股虧損 (港仙)          | <b>(8.43)</b>   | (9.12)        |

#### (b) Diluted

|   |                    | 2017<br>二零一七年   | 2016<br>二零一六年 |
|---|--------------------|-----------------|---------------|
| Loss for the year attributable to owners of the Company (HK\$'000)                    | 本公司擁有人應佔年度虧損 (千港元) | <b>(72,943)</b> | (71,304)      |
| Weighted average number of ordinary shares in issue ('000)                            | 已發行普通股的加權平均數 (千股)  | <b>865,257</b>  | 781,747       |
| Effect of dilutive potential ordinary shares derived from exercising of share options | 因行使購股權產生的普通股潛在攤薄影響 | -               | 360           |
|   |                    | <b>865,257</b>  | 782,107       |
| Loss per share (HK cents)   | 每股虧損 (港仙)          | <b>(8.43)</b>   | (9.12)        |

During the year ended 31 July 2017, the basic loss per share and the diluted loss per share are the same because there are no potential dilutive shares outstanding.

### 15. 股息

於截至二零一七年七月三十一日止年度並無支付或建議派發任何股息，自報告期末以來亦無建議派發任何股息（二零一六年：無）。

### 16. 每股虧損

#### (a) 基本

每股虧損乃按兩個年度本公司擁有人應佔虧損除以已發行普通股的加權平均數計算。

#### (b) 攤薄

於截至二零一七年七月三十一日止年度，每股基本虧損與每股攤薄虧損相同，原因是並無發行在外的潛在攤薄股份。



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## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 17. STAFF COSTS (EXCLUDING DIRECTORS' EMOLUMENTS)

### 17. 員工成本(不包括董事酬金)

|  |            | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|--|------------|----------------------------------|----------------------------------|
| Salaries, allowances and other benefits  | 薪金、津貼及其他福利 | 152,605                          | 136,547                          |
| Severance payment                        | 遣散費        | 6,025                            | 5,638                            |
| Retirement benefit schemes contributions | 退休福利計劃供款   | 11,380                           | 12,405                           |
|  |            | <b>170,010</b>                   | 154,590                          |

The subsidiaries in Hong Kong operate defined contribution schemes under the Hong Kong Mandatory Provident Fund Schemes Ordinance which are available to qualified employees. The assets of the schemes are held separately from those of the subsidiaries in independently administered funds. Monthly contributions made by the subsidiaries are calculated based on certain percentages of the applicable payroll costs or fixed sums as stipulated under the relevant requirements, with maximum relevant income level for contributions of HK\$30,000 monthly.

香港的附屬公司根據香港強制性公積金計劃條例為合資格僱員設立定額供款計劃。該等計劃的資產由獨立管理基金持有，與附屬公司的資產分開。附屬公司每月按適用薪酬成本的若干百分比或按相關規定訂明的固定款額作出供款。供款的有關收入水平上限為每月30,000港元。

Pursuant to the regulations of the relevant authorities in the PRC, the subsidiaries of the Group in this country participate in respective government retirement benefit schemes (the "Schemes") whereby the subsidiaries are required to contribute to the Schemes to fund the retirement benefits of the eligible employees. Contributions made to the Schemes are calculated based on certain percentages of the applicable payroll costs as stipulated under the requirements in the PRC. The relevant authorities of the PRC are responsible for the entire pension obligations payable to the retired employees. The only obligation of the Group with respect to the Schemes is to pay the ongoing required contributions under the Schemes.

根據中國有關當局的規例，本集團的國內附屬公司參與相關政府的退休福利計劃(「該等計劃」)，附屬公司須就此向該等計劃作出供款，為合資格僱員的退休福利提供資金。向該等計劃作出的供款乃按中國規例訂明的適用薪酬成本的若干百分比計算。中國有關當局負責向退休僱員支付整筆退休金。本集團就該等計劃的唯一責任是持續支付該等計劃所規定的供款。

Employees employed by the Group's operations in Macau Special Administrative Region ("MSAR") are members of government-managed retirement benefits scheme operated by the MSAR government. The MSAR operations are required to pay a monthly fixed contribution to the retirement benefits schemes to fund the benefits. The only obligation of the Group with respect to the retirement benefits schemes operated by the MSAR government is to make the required contributions under the scheme.

本集團於澳門特別行政區(「澳門特區」)的業務所僱用的僱員為澳門特區政府所營辦政府管理退休福利計劃的成員。於澳門特區經營的業務須向該退休福利計劃每月作出定額供款，為有關福利提供資金。就此項澳門特區政府所運作的退休福利計劃而言，本集團的唯一責任是作出該計劃所規定的供款。

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## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 17. STAFF COSTS (EXCLUDING DIRECTORS' EMOLUMENTS) (Continued)

The retirement benefit schemes contributions represent contributions by the Group to the Schemes operated by the relevant authorities of the PRC, the retirement scheme operated by the MSAR government and the defined contribution schemes operated in Hong Kong and Taiwan.

Details of the Company's share options granted to the employees of the Group are set out in Note 43.

### 18. DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S EMOLUMENTS

#### (a) Directors' and chief executive officer's emoluments

The emoluments paid or payable to each of the eleven (2016: sixteen) directors and the chief executive officer (the "CEO") are as follows:

For the year ended 31 July 2017

### 17. 員工成本(不包括董事酬金)(續)

退休福利計劃供款指本集團向中國有關當局設立的該等計劃、澳門特區政府設立的退休計劃及於香港及台灣設立的定額供款計劃作出的供款。

本公司授予本集團僱員購股權的詳情載於附註43。

### 18. 董事及行政總裁酬金

#### (a) 董事及行政總裁酬金

已付或應付十一名(二零一六年: 十六名)董事(包括行政總裁(「行政總裁」))各自的酬金載列如下:

截至二零一七年七月三十一日止年度

|  |                | Fees     | Salaries, allowances and other benefits | Discretionary bonus | Retirement benefit schemes contributions | Total    |
|--|----------------|----------|---|---------------------|--|----------|
|  |                | 袍金       | 薪金、津貼及其他福利                              | 酌情花紅                | 退休福利計劃供款                                 | 總計       |
|  |                | HK\$'000 | HK\$'000                                | HK\$'000            | HK\$'000                                 | HK\$'000 |
|  |                | 千港元      | 千港元                                     | 千港元                 | 千港元                                      | 千港元      |
| <b>Executive directors</b>                 | <b>執行董事</b>    |          |   |                     |  |          |
| Shi Qi                                     | 施琦             | -        | 2,400                                   | 200                 | 18                                       | 2,618    |
| Xu Chendi                                  | 許晨迪            | -        | 2,000                                   | 167                 | 18                                       | 2,185    |
| Qiu Yonghao                                | 邱泳昊            | -        | -                                       | -                   | -  | -        |
| Huang Te-Wei                               | 黃德威            | -        | 840                                     | 70                  | 18                                       | 928      |
| <b>Non-executive directors</b>             | <b>非執行董事</b>   |          |   |                     |  |          |
| Han Lei                                    | 韓磊             | -        | -                                       | -                   | -  | -        |
| Gao Feng                                   | 高峰             | -        | -                                       | -                   | -  | -        |
| Wang Yayuan (Note iv)                      | 王雅媛(附註iv)      | -        | -                                       | -                   | -  | -        |
| <b>Independent non-executive directors</b> | <b>獨立非執行董事</b> |          |   |                     |  |          |
| Zhang Lijuan                               | 張力涓            | -        | -                                       | -                   | -  | -        |
| Pak Wai Keung                              | 白偉強            | 180      | -                                       | -                   | -  | 180      |
| Yeung Chi Tat (Note v)                     | 楊志達(附註v)       | 120      | -                                       | -                   | -  | 120      |
| Lian Yi (Note iv)                          | 連軼(附註iv)       | -        | -                                       | -                   | -  | -        |
|  |                | 300      | 5,240                                   | 437                 | 54                                       | 6,031    |

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FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 18. DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S EMOLUMENTS (Continued)

### 18. 董事及行政總裁酬金(續)

#### (a) Directors' and chief executive officer's emoluments (Continued)

#### (a) 董事及行政總裁酬金(續)

For the year ended 31 July 2016

截至二零一六年七月三十一日止年度

|  | Fees     | Salaries, allowances and other benefits | Discretionary bonus | Retirement benefit schemes contributions | Total    |
|--|----------|---|---------------------|--|----------|
|  | 袍金       | 薪金、津貼及其他福利                              | 酌情花紅                | 退休福利計劃供款                                 | 總計       |
|  | HK\$'000 | HK\$'000                                | HK\$'000            | HK\$'000                                 | HK\$'000 |
|  | 千港元      | 千港元                                     | 千港元                 | 千港元                                      | 千港元      |
| <b>Executive directors 執行董事</b>                    |          |   |                     |  |          |
| Shi Qi (Note i)                                    | -        | 800                                     | 67                  | 6  | 873      |
| Xu Chendi (Note i)                                 | -        | 667                                     | 55                  | 6  | 728      |
| Qiu Yonghao (Note i)                               | -        | -                                       | -                   | -  | -        |
| Huang Sheng-Shun (Note iii)                        | -        | 900                                     | 75                  | 13                                       | 988      |
| Huang Te-Wei                                       | -        | 857                                     | 70                  | 18                                       | 945      |
| Wong Tak Leung (Note iii)                          | -        | 581                                     | 48                  | 14                                       | 643      |
| Kwok Yiu Kai (Note iii)                            | -        | 540                                     | 45                  | 14                                       | 599      |
| <b>Non-executive directors 非執行董事</b>               |          |   |                     |  |          |
| Han Lei (Note i)                                   | -        | -                                       | -                   | -  | -        |
| Gao Feng (Note i)                                  | -        | -                                       | -                   | -  | -        |
| Wu Ih Chen (Note iii)                              | 124      | -                                       | -                   | -  | 124      |
| <b>Independent non-executive directors 獨立非執行董事</b> |          |   |                     |  |          |
| Zhang Lijuan (Note ii)                             | -        | -                                       | -                   | -  | -        |
| Yeung Chi Tat                                      | 165      | -                                       | -                   | -  | 165      |
| Pak Wai Keung (Note ii)                            | 47       | -                                       | -                   | -  | 47       |
| Kirk Yang (Note iii)                               | -        | -                                       | -                   | -  | -        |
| Hsieh Yu (Note iii)                                | 90       | -                                       | -                   | -  | 90       |
| Jou Yow-Jen (Note iii)                             | 90       | -                                       | -                   | -  | 90       |
|  | 516      | 4,345                                   | 360                 | 71                                       | 5,292    |

Notes:

- (i) Appointed on 6 April 2016.
- (ii) Appointed on 27 April 2016.
- (iii) Resigned on 27 April 2016.
- (iv) Appointed on 19 December 2016.
- (v) Resigned on 10 September 2017.

附註：

- (i) 於二零一六年四月六日獲委任。
- (ii) 於二零一六年四月二十七日獲委任。
- (iii) 於二零一六年四月二十七日辭任。
- (iv) 於二零一六年十二月十九日獲委任。
- (v) 於二零一七年九月十日辭任。

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## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 18. DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S EMOLUMENTS (Continued)

#### (a) Directors' and chief executive officer's emoluments (Continued)

Huang Te-Wei acted as the CEO of the Company until 5 April 2016. With effect from 6 April 2016, Shi Qi is appointed as the CEO of the Company. Their emoluments disclosed above include those for services rendered by them as the chief executive officer.

No directors and the chief executive officer waived or agreed to waive any emoluments during both years.

The bonus for both years represents one month salary at discretion of the Board, taking into account of the Group's profitability and director's performance.

#### (b) Senior management's emoluments

Of the five individuals with the highest emoluments in the Group, two (2016: four) were directors including chief executive officer of the Company whose emoluments are set out above. The emolument of the remaining three (2016: one) individual is as follows:

### 18. 董事及行政總裁酬金 (續)

#### (a) 董事及行政總裁酬金 (續)

直至二零一六年四月五日，黃德威一直任職本公司行政總裁。施琦自二零一六年四月六日起獲委任為本公司行政總裁。上文所披露的酬金包括彼等作為行政總裁提供服務的酬金。

於兩個年度，概無董事及行政總裁放棄或同意放棄任何酬金。

兩個年度的花紅指董事會計及本集團的盈利能力及董事表現後，酌情給予的一個月薪金。

#### (b) 高級管理層酬金

本集團五名最高薪人士中，兩名(二零一六年：四名)為本公司董事(包括行政總裁)，彼等的酬金載於上文。餘下三名(二零一六年：一名)的酬金如下：

|  |            | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|--|------------|----------------------------------|----------------------------------|
| Salaries, allowances and other benefits  | 薪金、津貼及其他福利 | 6,980                            | 921                              |
| Retirement benefit schemes contributions | 退休福利計劃供款   | 33                               | 18                               |
|  |            | <b>7,013</b>                     | 939                              |

The emolument is within the following bands:

酬金介乎以下範圍：

|                                |                         | No. of individuals<br>人數 |               |
|--------------------------------|-------------------------|--------------------------|---------------|
|                                |                         | 2017<br>二零一七年            | 2016<br>二零一六年 |
| Nil to HK\$1,000,000           | 零至1,000,000港元           | -                        | 1             |
| HK\$1,500,001 to HK\$2,000,000 | 1,500,001港元至2,000,000港元 | 1                        | -             |
| HK\$2,000,001 to HK\$2,500,000 | 2,000,001港元至2,500,000港元 | 1                        | -             |
| HK\$3,000,001 to HK\$3,500,000 | 3,000,001港元至3,500,000港元 | 1                        | -             |

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## 綜合財務報表附註

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### 19. PROPERTY, PLANT AND EQUIPMENT

### 19. 物業、廠房及設備

|  |                       | Properties held for own use<br>持作自用物業<br>HK\$'000<br>千港元 | Motor vehicles<br>汽車<br>HK\$'000<br>千港元 | Plant and machinery<br>廠房及機器<br>HK\$'000<br>千港元 | Furniture, fixtures and equipment<br>傢俬、裝置及設備<br>HK\$'000<br>千港元 | Leasehold improvements<br>租賃物業裝修<br>HK\$'000<br>千港元 | Total<br>總計<br>HK\$'000<br>千港元 |
|--|-----------------------|--|---|---|--|---|--------------------------------|
| <b>COST</b>  |                       | <b>成本值</b>   |   |   |  |   |                                |
| At 1 August 2015   | 於二零一五年八月一日            | 90,317   | 6,732                                   | 293,733   | 70,222   | 92,081  | 553,085                        |
| Exchange realignment                                       | 匯兌調整                  | (3,707)  | (346)                                   | (18,463)  | (3,938)  | (5,787)   | (32,241)                       |
| Additions  | 添置                    | 1,266  | 112                                     | 7,056   | 1,932  | 3,192   | 13,558                         |
| Revaluation for items transferred to investment properties | 重估轉撥至投資物業的項目          | 12,548   | -                                       | -   | -  | -   | 12,548                         |
| Transfer to investment properties (Note 22)                | 轉撥至投資物業(附註22)         | (48,954)   | -                                       | -   | -  | -   | (48,954)                       |
| Disposals  | 出售                    | -  | (1,198)                                 | (66,404)  | (17,835)   | (3,962)   | (89,399)                       |
| Elimination on disposal of subsidiaries (Note 46)          | 出售附屬公司時對銷(附註46)       | -  | -                                       | (5)   | (78)   | (114)   | (197)                          |
| At 31 July 2016  | 於二零一六年七月三十一日          | 51,470   | 5,300                                   | 215,917   | 50,303   | 85,410  | 408,400                        |
| Exchange realignment                                       | 匯兌調整                  | 1,418  | (21)                                    | (2,047)   | (299)  | (1,354)   | (2,303)                        |
| Additions  | 添置                    | 12,310   | 1,717                                   | 12,336  | 15,286   | 7,291   | 48,940                         |
| Additions through acquisition of assets (Note 45)          | 透過收購資產添置(附註45)        | 163,749  | -                                       | -   | -  | -   | 163,749                        |
| Reclassified to non-current assets held for sale (Note 30) | 重新分類至持作出售的非流動資產(附註30) | (4,612)  | -                                       | -   | -  | -   | (4,612)                        |
| Revaluation for items transferred to investment properties | 重估轉撥至投資物業的項目          | 1,885  | -                                       | -   | -  | -   | 1,885                          |
| Transfer to investment properties (Note 22)                | 轉撥至投資物業(附註22)         | (3,940)  | -                                       | -   | -  | -   | (3,940)                        |
| Disposals/write-off  | 出售/撇銷                 | (4,218)  | (1,619)                                 | (37,001)  | (4,745)  | (67,065)  | (114,648)                      |
| At 31 July 2017  | 於二零一七年七月三十一日          | 218,062  | 5,377                                   | 189,205   | 60,545   | 24,282  | 497,471                        |
| <b>ACCUMULATED DEPRECIATION AND IMPAIRMENT</b>             |                       | <b>累計折舊及減值</b>   |   |   |  |   |                                |
| At 1 August 2015   | 於二零一五年八月一日            | 63,524   | 4,993                                   | 247,084   | 61,946   | 75,453  | 453,000                        |
| Exchange realignment                                       | 匯兌調整                  | (2,907)  | (268)                                   | (15,767)  | (3,331)  | (5,263)   | (27,536)                       |
| Provided for the year (Note 14)                            | 年內撥備(附註14)            | 846  | 256                                     | 6,707   | 1,424  | 4,584   | 13,817                         |
| Impairment loss recognised in profit or loss               | 於損益確認的減值虧損            | 274  | 14                                      | 2,048   | 388  | 1,373   | 4,097                          |
| Transfer to investment properties (Note 22)                | 轉撥至投資物業(附註22)         | (22,292)   | -                                       | -   | -  | -   | (22,292)                       |
| Eliminated on disposals                                    | 出售時對銷                 | -  | (1,143)                                 | (59,599)  | (16,738)   | (3,962)   | (81,442)                       |
| Elimination on disposal of subsidiaries (Note 46)          | 出售附屬公司時對銷(附註46)       | -  | -                                       | (4)   | (53)   | (114)   | (171)                          |
| At 31 July 2016  | 於二零一六年七月三十一日          | 39,445   | 3,852                                   | 180,469   | 43,636   | 72,071  | 339,473                        |
| Exchange realignment                                       | 匯兌調整                  | (319)  | (19)                                    | (1,801)   | (364)  | (1,200)   | (3,703)                        |
| Provided for the year (Note 14)                            | 年內撥備(附註14)            | 2,999  | 588                                     | 6,232   | 2,640  | 5,286   | 17,745                         |
| Reclassified to non-current assets held for sale (Note 30) | 重新分類至持作出售的非流動資產(附註30) | (31)   | -                                       | -   | -  | -   | (31)                           |
| Transfer to investment properties (Note 22)                | 轉撥至投資物業(附註22)         | (1,892)  | -                                       | -   | -  | -   | (1,892)                        |
| Eliminated on disposals/write-off                          | 出售/撇銷時對銷              | (2,913)  | (751)                                   | (34,594)  | (4,292)  | (61,542)  | (104,092)                      |
| At 31 July 2017  | 於二零一七年七月三十一日          | 37,289   | 3,670                                   | 150,306   | 41,620   | 14,615  | 247,500                        |
| <b>CARRYING VALUES</b>                                     |                       | <b>賬面值</b>   |   |   |  |   |                                |
| At 31 July 2017  | 於二零一七年七月三十一日          | 180,773  | 1,707                                   | 38,899  | 18,925   | 9,667   | 249,971                        |
| At 31 July 2016  | 於二零一六年七月三十一日          | 12,025   | 1,448                                   | 35,448  | 6,667  | 13,339  | 68,927                         |

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### 19. PROPERTY, PLANT AND EQUIPMENT (Continued)

The above items of property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives less residual values as follows:

Properties held for own use situated on leasehold land are depreciated over the shorter of the unexpired term of lease and their estimated useful lives, being no more than 50 years after the date of completion.

|   | Estimated useful life<br>估計可使用年期                               | Residual value<br>剩餘價值 |
|---|--|------------------------|
| Motor vehicles<br>汽車                          | 5 years<br>5年  | 10%                    |
| Plant and machinery<br>廠房及機器                  | 10 years<br>10年  | 10%                    |
| Furniture, fixtures and equipment<br>傢俬、裝置及設備 | 5 years<br>5年  | 10%                    |
| Leasehold improvements<br>租賃物業裝修              | Shorter of the lease term and 5 to 10 years<br>租期及5至10年，以較短者為準 | —                      |

In view of the continuing operating losses and the suspension of operations of certain subsidiaries operating in the PRC during the years ended 31 July 2017 and 2016, the directors of the Company have performed impairment assessment on the property, plant and equipment of subsidiaries operated under the operating segment, silicone rubber and related products, as at 31 July 2017 and 2016. The recoverable amounts of these property, plant and equipment have been determined by an independent professional valuer, BMI Appraisal Limited ("BMI") based on value-in-use calculations. The pre-tax discount rates in measuring the amounts of value-in-use range from 21.45% to 22.86% per annum in relation to these property, plant and equipment (2016: range from 20.30% to 20.74% per annum). There has been no change from the valuation technique used in prior year. As a result of the impairment assessment, an impairment loss of approximately HK\$4,097,000 (2017: nil) had been recognised in respect of these property, plant and equipment during the year ended 31 July 2016.

An impairment assessment on the properties held for own use operated under the operating segment, healthcare and hotel services, has been disclosed in note 21.

### 19. 物業、廠房及設備 (續)

以上物業、廠房及設備項目以直線法按以下估計可使用年期減剩餘價值計算折舊：

租賃土地上的持作自用物業按未屆滿的租期及其估計可使用年期(完成日期後50年內)的較短者折舊。

鑒於截至二零一七年及二零一六年七月三十一日止年度的持續經營虧損及於中國經營的若干附屬公司的暫停營運，本公司董事已於二零一七年及二零一六年七月三十一日就於經營分部矽膠及相關產品項下營運的附屬公司的物業、廠房及設備進行減值評估。該等物業、廠房及設備的可收回金額乃由獨立專業估值師中和邦盟評估有限公司(「中和邦盟」)根據使用價值計算釐定。計算該等物業、廠房及設備使用價值所採用的稅前貼現年率介乎21.45%至22.86%(二零一六年：介乎20.30%至20.74%)。所使用的估值方法與去年相同。因減值評估的結果，截至二零一六年七月三十一日止年度，已就該等物業、廠房及設備確認減值虧損約4,097,000港元(二零一七年：零)。

於經營分部醫療保健及酒店服務項下營運的持作自用物業的減值評估，披露於附註21。

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FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 19. PROPERTY, PLANT AND EQUIPMENT (Continued)

The carrying value of properties held for own use shown above comprises of:

### 19. 物業、廠房及設備(續)

上述持作自用物業的賬面值包括：

|                     |        | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|---------------------|--------|----------------------------------|----------------------------------|
| Medium-term leases  | 中期租賃   |                                  |                                  |
| — in Hong Kong      | — 位於香港 | 7,640                            | 7,875                            |
| — outside Hong Kong | — 香港境外 | 173,133                          | 4,150                            |
|                     |        | <b>180,773</b>                   | 12,025                           |

As at 31 July 2017, land and buildings located in Hong Kong under medium-term leases with carrying value of approximately HK\$7,640,000 (2016: HK\$7,875,000) have been pledged to secure banking facilities granted to the Group.

於二零一七年七月三十一日，賬面值約7,640,000港元(二零一六年：7,875,000港元)位於香港根據中期租賃持有的土地及樓宇已予抵押，作為本集團所獲授銀行信貸的擔保。

As at 31 July 2017, land and buildings located in the PRC under medium-term leases with carrying value of approximately RMB142,904,000 (equivalent to approximately HK\$164,340,000) (2016: nil) have been pledged to secure bank borrowings amounting to RMB238,000,000 (equivalent to approximately HK\$273,700,000) granted to the Group.

於二零一七年七月三十一日，賬面值約人民幣142,904,000元(相當於約164,340,000港元)(二零一六年：零)位於中國根據中期租賃持有的土地及樓宇已予抵押，作為本集團所獲授銀行借款人民幣238,000,000元(相當於約273,700,000港元)的擔保。

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## 綜合財務報表附註

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### 20. INTANGIBLE ASSETS

### 20. 無形資產

|  |              | Patent<br>專利<br>HK\$'000<br>千港元 | Golf club<br>membership<br>高爾夫球<br>會所會籍<br>HK\$'000<br>千港元 | Total<br>總計<br>HK\$'000<br>千港元 |
|--|--------------|---------------------------------|--|--------------------------------|
| <b>COST</b>  |              | <b>成本</b>                       |  |                                |
| At 1 August 2015                                       | 於二零一五年八月一日   | 7,440                           | –  | 7,440                          |
| Exchange realignment                                   | 匯兌調整         | (480)                           | –  | (480)                          |
| At 31 July 2016  | 於二零一六年七月三十一日 | 6,960                           | –  | 6,960                          |
| Exchange realignment                                   | 匯兌調整         | (60)                            | 4  | (56)                           |
| Additions  | 添置           | –                               | 379  | 379                            |
| At 31 July 2017  | 於二零一七年七月三十一日 | 6,900                           | 383  | 7,283                          |
| <b>ACCUMULATED<br/>AMORTISATION AND<br/>IMPAIRMENT</b> |              | <b>累計攤銷及減值</b>                  |  |                                |
| At 1 August 2015                                       | 於二零一五年八月一日   | 7,440                           | –  | 7,440                          |
| Exchange realignment                                   | 匯兌調整         | (480)                           | –  | (480)                          |
| At 31 July 2016  | 於二零一六年七月三十一日 | 6,960                           | –  | 6,960                          |
| Exchange realignment                                   | 匯兌調整         | (60)                            | –  | (60)                           |
| At 31 July 2017  | 於二零一七年七月三十一日 | 6,900                           | –  | 6,900                          |
| <b>CARRYING AMOUNTS</b>                                |              | <b>賬面值</b>                      |  |                                |
| At 31 July 2017  | 於二零一七年七月三十一日 | –                               | 383  | 383                            |
| At 31 July 2016  | 於二零一六年七月三十一日 | –                               | –  | –                              |

The Group's golf club membership of HK\$383,000 (2016: nil) at 31 July 2017 is assessed as having indefinite useful life because there is no time limit that the Group can enjoy the services provided by that golf club.

本集團於二零一七年七月三十一日高爾夫球會所會籍價值383,000港元(二零一六年：無)乃評定為具無限可使用年期，原因是本集團享用有關高爾夫球會所提供的服務並無時間限制。



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## 綜合財務報表附註

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### 21. PREPAID LEASE PAYMENTS

The prepaid lease payments consist of cost of land use rights in respect of land located in the PRC held under medium-term leases, on which the Group's factory plants, staff quarters, hotel and healthcare center are built. During the year ended 31 July 2017, certain lands were transferred to investment properties. The remaining period of the land use rights of the Group ranges from 34 to 46 years (2016: 35 to 42 years).

### 21. 預付租賃款項

預付租賃款項包括有關位於中國按中期租賃持有的土地(本集團在該幅土地上建有廠房、員工宿舍、酒店及醫療保健中心)的土地使用權成本值。截至二零一七年七月三十一日止年度，若干土地已轉撥至投資物業。本集團土地使用權的剩餘期限介乎34至46年(二零一六年：35至42年)不等。

|   |                       | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|---|-----------------------|----------------------------------|----------------------------------|
| <b>COST</b>   | <b>成本值</b>            |                                  |                                  |
| At 1 August   | 於八月一日                 | <b>11,270</b>                    | 15,719                           |
| Revaluation for lands transferred to investment properties  | 重估轉撥至投資物業的土地          | <b>972</b>                       | 11,156                           |
| Additions   | 添置                    | <b>7,458</b>                     | -                                |
| Additions through acquisition of assets (Note 45)           | 透過收購資產添置(附註45)        | <b>226,130</b>                   | -                                |
| Reclassified to non-current assets held for sales (Note 30) | 重新分類至持作出售的非流動資產(附註30) | <b>(6,368)</b>                   | -                                |
| Transfer to investment properties (Note 22)                 | 轉撥至投資物業(附註22)         | <b>(1,113)</b>                   | (14,713)                         |
| Exchange realignment  | 匯兌調整                  | <b>2,297</b>                     | (892)                            |
| At 31 July  | 於七月三十一日               | <b>240,646</b>                   | 11,270                           |
| <b>ACCUMULATED AMORTISATION AND IMPAIRMENT</b>              | <b>累計攤銷及減值</b>        |                                  |                                  |
| At 1 August   | 於八月一日                 | <b>3,931</b>                     | 4,558                            |
| Charged for the year (Note 14)                              | 年內扣除(附註14)            | <b>2,912</b>                     | 243                              |
| Reclassified to non-current assets held for sales (Note 30) | 重新分類至持作出售的非流動資產(附註30) | <b>(42)</b>                      | -                                |
| Transfer to investment properties (Note 22)                 | 轉撥至投資物業(附註22)         | <b>(32)</b>                      | (590)                            |
| Exchange realignment  | 匯兌調整                  | <b>(4)</b>                       | (280)                            |
| At 31 July  | 於七月三十一日               | <b>6,765</b>                     | 3,931                            |
| <b>CARRYING AMOUNTS</b>                                     | <b>賬面值</b>            |                                  |                                  |
| At 31 July  | 於七月三十一日               | <b>233,881</b>                   | 7,339                            |

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## 綜合財務報表附註

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### 21. PREPAID LEASE PAYMENTS (Continued)

In view of the continuing operating losses and the suspension of operations of certain subsidiaries operating in the PRC during the years ended 31 July 2017 and 2016, the directors of the Company have performed impairment assessment on the prepaid lease payments of subsidiaries operated under the operating segment, silicone rubber and related products, as at 31 July 2017 and 2016. The recoverable amounts of these prepaid lease payments have been determined by BMI based on value-in-use calculations. The pre-tax discount rates in measuring the amounts of value-in-use range from 21.45% to 22.86% per annum in relation to these prepaid lease payments (2016: range from 20.30% to 20.74% per annum). There has been no change from the valuation technique used in prior year. As a result of the impairment assessment, no impairment loss has been recognised in respect of these prepaid lease payments during the years ended 31 July 2016 and 2017.

The directors of the Company have performed an impairment assessment on the properties held for own use with carrying values of approximately HK\$164,340,000 (2016: nil) and the related prepaid lease payments with carrying values of approximately HK\$226,945,000 (2016: nil) of subsidiaries operated under the operating segment, healthcare and hotel services, as at 31 July 2017 based on a valuation performed by BMI using the comparable approach where comparison based on prices realised or market prices of comparable real properties. Comparable real properties of similar size, character and location are analysed and weighed against all the respective advantages and disadvantage of each of real property. Adjustments in the prices of the comparable real properties are then made to account for the identified differences between such real properties and the real properties in the relevant factors. As a result of the impairment assessment, no impairment loss has been recognised in respect of these properties held for own use and prepaid lease payments during the year ended 31 July 2017.

### 21. 預付租賃款項(續)

鑒於截至二零一七年及二零一六年七月三十一日止年度的持續經營虧損及於中國經營的若干附屬公司的暫停營運，本公司董事已於二零一七年及二零一六年七月三十一日就於經營分部矽膠及相關產品項下營運的附屬公司的預付租賃款項進行減值評估。該等預付租賃款項的可收回金額乃由中和邦盟根據使用價值計算釐定。計算該等預付租賃款項使用價值所採用的稅前貼現年率介乎21.45%至22.86%（二零一六年：介乎20.30%至20.74%）。所使用的估值方法與去年相同。因減值評估的結果，截至二零一六年及二零一七年七月三十一日止年度，概無就該等預付租賃款項確認減值虧損。

於二零一七年七月三十一日，本公司董事已根據中和邦盟使用比較法進行的估值，就於經營分部醫療保健及酒店服務項下營運的附屬公司的賬面值約164,340,000港元（二零一六年：無）的持作自用物業及賬面值約226,945,000港元（二零一六年：無）的有關預付租賃款項進行減值評估，而比較乃按可資比較不動產的已變現價格或市價作出。本公司會就各項不動產的所有個別優點及缺點，分析及衡量面積、質素及地點相似的可資比較不動產。其後，根據有關不動產與不動產於相關因素上的已識別差異對可資比較不動產的價格進行調整。因減值評估的結果，截至二零一七年七月三十一日止年度，概無就該等持作自用物業及預付租賃款項確認減值虧損。

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FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 21. PREPAID LEASE PAYMENTS (Continued)

Analysed for reporting purposes as:

|                    |       | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|--------------------|-------|----------------------------------|----------------------------------|
| Current assets     | 流動資產  | 4,820                            | 232                              |
| Non-current assets | 非流動資產 | 229,061                          | 7,107                            |
|                    |       | <b>233,881</b>                   | 7,339                            |

As at 31 July 2017, prepaid lease payments with carrying amount of approximately RMB197,344,000 (equivalent to approximately HK\$226,945,000) (2016: nil) has been pledged to secure bank borrowings amounting RMB238,000,000 (equivalent to approximately HK\$273,700,000) granted to the Group.

### 21. 預付租賃款項(續)

就報告作出的分析：

於二零一七年七月三十一日，賬面值約人民幣197,344,000元(相當於約226,945,000港元)(二零一六年：無)的預付租賃款項已予抵押，作為本集團所獲授銀行借款人民幣238,000,000元(相當於約273,700,000港元)的擔保。

### 22. INVESTMENT PROPERTIES

|   |                            | HK\$'000<br>千港元 |
|---|----------------------------|-----------------|
| FAIR VALUE  | 公平值                        |                 |
| At 1 August 2015  | 於二零一五年八月一日                 | 54,647          |
| Transfer from property, plant and equipment (Note 19)       | 自物業、廠房及設備轉撥(附註19)          | 26,662          |
| Transfer from prepaid lease payments (Note 21)              | 自預付租賃款項轉撥(附註21)            | 14,123          |
| Change in fair value recognised in profit or loss (Note 11) | 於損益確認的公平值變動(附註11)          | (601)           |
| Exchange realignment  | 匯兌調整                       | (4,896)         |
| At 31 July 2016 and 1 August 2016                           | 於二零一六年七月三十一日<br>及二零一六年八月一日 | 89,935          |
| Transfer from property, plant and equipment (Note 19)       | 自物業、廠房及設備轉撥(附註19)          | 2,048           |
| Transfer from prepaid lease payments (Note 21)              | 自預付租賃款項轉撥(附註21)            | 1,081           |
| Change in fair value recognised in profit or loss (Note 9)  | 於損益確認的公平值變動(附註9)           | 250             |
| Exchange realignment  | 匯兌調整                       | (739)           |
| At 31 July 2017   | 於二零一七年七月三十一日               | 92,575          |

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### 22. INVESTMENT PROPERTIES (Continued)

Notes:

- All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.
- The investment properties shown above are situated in the PRC and held under medium-term leases.
- The properties with its respective prepaid lease payments held for own use locating at Huzhou in the PRC were reclassified as investment properties during the year upon the commencement of the leases. These properties and prepaid lease payments were revalued by BMI, an independent valuer, resulting in revaluation gains of approximately HK\$1,885,000 (2016: approximately HK\$12,548,000) from properties (Note 19) and approximately HK\$972,000 (2016: approximately HK\$11,156,000) from prepaid lease payments (Note 21). The revaluation gains have been recognised in properties revaluation reserve for the year ended 31 July 2017.
- As at 31 July 2017, the fair value of the investment properties amounted to RMB80,500,000 (equivalent to approximately HK\$92,575,000) (2016: RMB77,530,000 (equivalent to approximately HK\$89,935,000)) was valued by BMI. The valuation approach takes into account of the aggregate amount of the value of the land for the existing use or a notional replacement site in the same locality and the new replacement cost of the buildings from which appropriate deductions may then be made to allow for the age, condition, economic or functional obsolescence and environment factors.
- There has been no change from the valuation technique used in prior year. In estimating the fair value of the properties, the highest and best use of the properties is its current use.
- Details of the Group's investment properties and information about the fair value hierarchy as at 31 July 2017 and 2016 are as follows:

### 22. 投資物業 (續)

附註：

- 本集團按經營租賃持有用於賺取租金或資本增值的所有物業權益均以公平值模式計量，並分類及入賬列作投資物業。
- 以上所示為根據中期租賃持有位於中國的投資物業。
- 年內，位於中國湖州持作自用的物業及其各自的預付租賃款項於租期開始後重新歸類為投資物業。該等物業及預付租賃款項由獨立估值師中和邦盟重新估值，物業及預付租賃款項分別產生重估收益約1,885,000港元(二零一六年：約12,548,000港元)(附註19)及約972,000港元(二零一六年：約11,156,000港元)(附註21)。有關重估收益已於截至二零一七年七月三十一日止年度的物業重估儲備中確認。
- 於二零一七年七月三十一日，投資物業的公平值為人民幣80,500,000元(相當於約92,575,000元)(二零一六年：人民幣77,530,000元(相當於約89,935,000港元))，乃由中和邦盟評估。該項估值法計及土地作現有用途的價值或相同地區內名義重置地盤的價值與新重置有關樓宇的成本的總和，當中可能會就樓齡、狀況、經濟或功能老化及環境因素等作出適當扣減。
- 過往年度所用的估值方法並無改變。在估計該等物業的公平值時，該等物業的最高及最佳用途乃其目前用途。
- 於二零一七年及二零一六年七月三十一日，本集團的投資物業詳情及有關公平值層級的資料如下：

|                       |      | Fair value<br>公平值  |                    |
|-----------------------|------|--------------------|--------------------|
|                       |      | 2017<br>二零一七年      | 2016<br>二零一六年      |
|                       |      | HK\$'000<br>千港元    | HK\$'000<br>千港元    |
|                       |      | (Level 3)<br>(第三層) | (Level 3)<br>(第三層) |
| Investment properties | 投資物業 | 92,575             | 89,935             |

There was no transfer into or out of Level 3 for both years.

於兩個年度內並未轉撥至或轉撥自第三層。

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### 22. INVESTMENT PROPERTIES (Continued)

Notes: (Continued)

(f) (Continued)

Information about Level 3 fair value measurements of investment properties as at 31 July 2017 and 2016 is as follows:

### 22. 投資物業 (續)

附註：(續)

(f) (續)

於二零一七年及二零一六年七月三十一日，有關投資物業第三層公平值計量的資料如下：

| Asset<br>資產              | Valuation<br>technique<br>估值方法              | Significant<br>unobservable input<br>重大不可觀察數據  | Relationship of unobservable<br>input to fair value<br>不可觀察數據與公平值的關係                            |
|--------------------------|---|--|---|
| Investment<br>properties | Depreciated<br>Replacement Cost<br>Approach | Market unit rates of land<br>(per square meter ("sq.m."))<br>are in a range from RMB269<br>to RMB420 (2016: a range from<br>RMB266 to RMB380)          | A slight increase in market unit rate of<br>land will significantly increase the fair<br>value. |
| 投資物業                     | 折舊重置成本法                                     | 土地的市場單位價格(每平方米)<br>介乎人民幣269元至人民幣420元<br>(二零一六年：介乎人民幣266元<br>至人民幣380元)  | 土地的市場單位價格輕微上升，<br>將會令公平值大幅上升。   |
|                          |   | Current construction costs for<br>building (per sq.m.) are in a range<br>from RMB1,150 to RMB1,582<br>(2016: a range from RMB<br>RMB1,100 to RMB1,494) | A slight increase in construction cost<br>will significantly increase the fair value.           |
|                          |   | 樓宇的目前建築成本(每平方米)<br>介乎人民幣1,150元至人民幣<br>1,582元(二零一六年：介乎人民幣<br>1,100元至人民幣1,494元)  | 建築成本輕微上升，將會令公平值<br>大幅上升。  |
|                          |   | Accumulated depreciation rates are<br>in a range from 3% to 26%<br>(2016: a range from 18% to 24%)   | A slight decrease in depreciation rate<br>will significantly increase the fair value.           |
|                          |   | 累計折舊率介乎3%至26%<br>(二零一六年：介乎18%至24%)   | 折舊率輕微下降，將會令公平值大幅上升。   |

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### 23. AVAILABLE-FOR-SALE FINANCIAL ASSETS

### 23. 可供出售金融資產

|  |                    | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|--|--------------------|----------------------------------|----------------------------------|
|  | Notes<br>附註        |                                  |                                  |
| Listed equity securities:                    | 上市股本證券：            |                                  |                                  |
| — Listed outside Hong Kong,<br>at fair value | — 於香港境外上市，<br>按公平值 | (a) <b>8,981</b>                 | 24,539                           |
| Unlisted equity securities:                  | 非上市股本證券：           |                                  |                                  |
| — At cost                                    | — 按成本值             | (b) <b>11,610</b>                | 11,610                           |
| — Less: provision for impairment<br>loss     | — 減：減值虧損撥備         | <b>(11,610)</b>                  | (11,610)                         |
|  |                    | —                                | —                                |
|  | (c)                | <b>8,981</b>                     | 24,539                           |

Notes:

- (a) The fair value of the above listed equity securities is determined based on the quoted market bid prices available on the relevant stock exchange. During the year ended 31 July 2017, significant decline in the fair value of the securities below its cost is noted and an impairment loss of approximately HK\$160,000 (2016: HK\$667,000) was recognised in the consolidated statement of profit or loss.
- (b) The unlisted equity securities are issued by a private entity incorporated in Taiwan. They are measured at cost less impairment at the end of each reporting period because the range of reasonable fair value estimate is so significant that the directors of the Company are of the opinion that their fair values cannot be measured reliably. The directors of the Company had reviewed the carrying amounts of the unlisted equity securities, accumulated impairment losses of approximately HK\$11,610,000 (2016: HK\$11,610,000) had been recognised in prior years in light of the operating loss of investee and the market conditions.
- (c) Included in AFS financial assets are the following amounts denominated in a currency other than functional currency of the relevant group entity to which they relate.

附註：

- (a) 上述上市股本證券的公平值乃按於相關交易所可得的市場買入報價釐定。於截至二零一七年七月三十一日止年度，證券的公平值大幅下跌至低於其成本值，因此於綜合損益表確認減值虧損約160,000港元（二零一六年：667,000港元）。
- (b) 非上市股本證券由在台灣註冊成立的私人實體發行。該等證券於每個報告期末按成本減減值計量，此乃由於該等證券的合理公平值估計範圍極大，本公司董事認為其公平值無法可靠地計量。本公司董事已審閱非上市股本證券的賬面值，並鑑於投資對象產生營運虧損及市場狀況，於過往年度確認累計減值虧損約11,610,000港元（二零一六年：11,610,000港元）。
- (c) 可供出售金融資產包括下列以相關集團實體的功能貨幣以外的貨幣列值的金額。

|     |     | 2017<br>二零一七年<br>'000<br>千元 | 2016<br>二零一六年<br>'000<br>千元 |
|-----|-----|-----------------------------|-----------------------------|
| NTD | 新台幣 | <b>34,149</b>               | 98,156                      |

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## 綜合財務報表附註

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### 24. HELD-TO-MATURITY INVESTMENTS

Held-to-maturity investments comprise:

|                          |         | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|--------------------------|---------|----------------------------------|----------------------------------|
| Unlisted debt securities | 非上市債務證券 |                                  |                                  |
| — Fixed-rate             | — 固定利率  | 34,739                           | —                                |

Notes:

- (a) The fixed-rate unlisted debt securities carry interest rates ranged from 1.2% to 3.47% per annum and will be matured in August 2017 and September 2017.
- (b) Included in held-to-maturity investments are the following amounts denominated in currencies other than the functional currency of the relevant group entity to which they relate.

附註：

- (a) 固定利率非上市債務證券按介乎1.2厘至3.47厘的年利率計息，有關證券將於二零一七年八月及二零一七年九月到期。
- (b) 持有至到期投資包括下列以相關集團實體的功能貨幣以外的貨幣列值的金額。

|      |     | 2017<br>二零一七年<br>'000<br>千元 | 2016<br>二零一六年<br>'000<br>千元 |
|------|-----|-----------------------------|-----------------------------|
| US\$ | 美元  | 3,001                       | —                           |
| RMB  | 人民幣 | 10,012                      | —                           |

### 25. INTERESTS IN ASSOCIATES

### 25. 於聯營公司的權益

|   |              | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|---|--------------|----------------------------------|----------------------------------|
| Unlisted shares, at cost                                | 非上市股份·按成本值   | 6,310                            | 4,743                            |
| Share of post-acquisition results and exchange reserves | 分佔收購後業績及匯兌儲備 | (2,914)                          | (1,247)                          |
| Impairment loss recognised                              | 已確認減值虧損      | (580)                            | (580)                            |
|   |              | <b>2,816</b>                     | 2,916                            |

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## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 25. INTERESTS IN ASSOCIATES (Continued)

Details of the associates at 31 July 2017 and 2016 are as follows:

| Name of company<br>公司名稱                                     | Form of business structure<br>業務架構形式 | Place of incorporation/<br>operation<br>註冊成立/<br>經營地點 | Registered/<br>paid up capital<br>註冊/繳<br>足股本                                    | Proportion of ownership interest<br>and voting rights<br>held by the Group<br>本集團持有的擁有權益<br>及投票權比例 |               | Principal activities<br>主要業務           |
|---|--------------------------------------|---|--|--|---------------|--|
|   |                                      |   |  | 2017<br>二零一七年  | 2016<br>二零一六年 |  |
| BiOcean Holdings Limited<br>BiOcean Holdings Limited        | Incorporated<br>註冊成立                 | Hong Kong<br>香港                                       | HK\$2,500,000<br>2,500,000港元   | 49%  | 49%           | Investment holding<br>投資控股             |
| Biomar Industries Sdn Bhd<br>Biomar Industries Sdn Bhd      | Incorporated<br>註冊成立                 | Malaysia<br>馬來西亞                                      | MYR400,000<br>400,000馬幣  | 49%  | 49%           | Trading of chemistry oil<br>化學油貿易      |
| Ta Yang UDE Limited ("UDE")<br>(Note)<br>大洋湧德有限公司(「湧德」)(附註) | Incorporated<br>註冊成立                 | Samoa<br>薩摩亞  | US\$1,460,000 (2016:<br>US\$1,010,000)<br>1,460,000美元<br>(二零一六年:<br>1,010,000美元) | 45%  | 45%           | Investment holding<br>投資控股             |
| 東莞德洋精密橡膠有限公司<br>("東莞德洋")<br>東莞德洋精密橡膠有限公司<br>(「東莞德洋」)        | Established<br>成立                    | The PRC<br>中國   | US\$1,000,000<br>1,000,000美元   | 45%  | 45%           | Manufacture of silicone rubber<br>生產矽膠 |

Note: During the year ended 31 July 2017, the registered capital of UDE increased from US\$1,010,000 to US\$1,460,000. The Group subscribed for the additional registered capital of UDE of US\$202,500 (equivalent to approximately HK\$1,567,000) in order to maintain its equity interest and voting rights in UDE. Subsequently, the Group disposed of all its equity interest in UDE, the details of which have been disclosed in Note 53.

### 25. 於聯營公司的權益 (續)

於二零一七年及二零一六年七月三十一日的聯營公司詳情如下：

附註：截至二零一七年七月三十一日止年度，湧德的註冊資本由1,010,000美元增至1,460,000美元。為維持於湧德的股權及投票權，本集團認購湧德的額外註冊資本202,500美元(相當於約1,567,000港元)。其後，本集團出售其於湧德的全部股權，有關詳情於附註53披露。



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## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 25. INTERESTS IN ASSOCIATES (Continued)

The financial information and carrying amount, in aggregate, of the Group's interests in associates, that are not individually material and are accounted for using the equity method are set out below:

|   |                    | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|---|--------------------|----------------------------------|----------------------------------|
| The Group's share of loss   | 本集團分佔虧損            | 1,625                            | 507                              |
| The Group's share of other comprehensive expenses                           | 本集團分佔其他全面開支        | 42                               | 95                               |
| The Group's share of total comprehensive expenses                           | 本集團分佔全面開支總額        | 1,667                            | 602                              |
| Aggregate carrying amount of the Group's interests in immaterial associates | 本集團於非重大聯營公司權益的總賬面值 | 2,816                            | 2,916                            |

The directors of the Company reviewed the carrying amount in the equity interest of the associates as at 31 July 2016 and 2017. In view of the recurring operating losses of associates, the directors of the Company are of the opinion that the recoverable amount is less than its respective carrying amount, accordingly accumulated impairment losses of HK\$580,000 (2016: HK\$580,000) was recognised in prior years.

### 25. 於聯營公司的權益(續)

本集團於個別而言並不重大且採用權益法入賬的聯營公司的權益的匯總財務資料及賬面值載列如下：

本公司董事於二零一六年及二零一七年七月三十一日審閱於聯營公司的股本權益的賬面值。由於聯營公司錄得持續經營虧損，本公司董事認為可收回金額低於其各自的賬面值，因而已於過往年度確認累計減值虧損580,000港元(二零一六年：580,000港元)。

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## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 26. DEPOSITS FOR ACQUISITION OF LAND USE RIGHTS

The deposits of approximately IDR23,703,000,000 (equivalent to approximately HK\$13,037,000) (2016: IDR21,938,000,000 (equivalent to approximately HK\$12,066,000)) were paid by the Group to an independent third party for acquisition of pieces of land located in Indonesia. The acquisition was originally expected to be completed in July 2016. A revised agreement was signed on 1 August 2016. The Group further paid a deposit of US\$123,392 (equivalent to approximately HK\$971,000) in accordance to the revised agreement. Up to approval date of the consolidated financial statements, the Group is in the process to obtain the land use rights. The acquisition is expected to be completed in July 2018. The deposits are interest-free and unsecured.

### 27. DEPOSITS FOR ACQUISITION OF PROPERTIES

In 2016, the deposits of RMB35,749,000 (equivalent to approximately HK\$41,469,000) were paid by the Group to an independent third party for acquisition of four hotel buildings located in Sanya Yalong Bay National Resort District, Sanya City, Hainan Province, the PRC. The deposits are interest-free and unsecured. During the year ended 31 July 2017, the acquisition has been completed and the deposits have been transferred into property, plant and equipment as cost of properties held for own use.

### 28. INVENTORIES

During the year ended 31 July 2017, there has been an increase in net realisable values of raw materials and finished goods since the inventories were sold with prices higher than their carrying amounts. Reversal of allowance for inventories of approximately HK\$4,376,000 (2016: HK\$5,221,000) has been recognised for the year ended 31 July 2017.

### 26. 收購土地使用權的按金

約23,703,000,000印尼盾(相當於約13,037,000港元)(二零一六年: 21,938,000,000印尼盾(相當於約12,066,000港元))的按金為本集團向一名獨立第三方支付用作收購多幅位於印尼的土地。原本預期收購會於二零一六年七月完成。經修訂協議於二零一六年八月一日簽立。本集團根據經修訂協議進一步支付按金123,392美元(相當於約971,000港元)。截至綜合財務報表獲批准日期,本集團正申請取得土地使用權。預期收購會於二零一八年七月完成。該等按金為免息及無抵押。

### 27. 收購物業的按金

於二零一六年,本集團就收購位於中國海南省三亞市三亞亞龍灣國家旅遊度假區的四幢酒店建築支付一名獨立第三方按金人民幣35,749,000元(相當於約41,469,000港元)。該等按金為免息及無抵押。截至二零一七年七月三十一日止年度,收購已完成及按金已作為持作自用物業的成本轉撥至物業、廠房及設備。

### 28. 存貨

|                  |     | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|------------------|-----|----------------------------------|----------------------------------|
| Raw materials    | 原材料 | 14,138                           | 13,356                           |
| Work-in-progress | 在製品 | 10,789                           | 7,526                            |
| Finished goods   | 製成品 | 10,613                           | 8,927                            |
|                  |     | <b>35,540</b>                    | 29,809                           |

截至二零一七年七月三十一日止年度,由於存貨以高於其賬面值的價格出售,故原材料及製成品的可變現淨值有所上升。截至二零一七年七月三十一日止年度,已確認撥回存貨撥備約4,376,000港元(二零一六年: 5,221,000港元)。

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### 29. TRADE AND OTHER RECEIVABLES

### 29. 應收貿易賬款及其他應收款項

|  |                                     | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|--|-------------------------------------|----------------------------------|----------------------------------|
| Trade and bills receivables<br>— from third parties  | 應收貿易賬款及應收票據<br>— 應收第三方              | <b>114,768</b>                   | 98,234                           |
| Less: Allowance for doubtful debts<br>recognised in respect of trade and<br>bills receivables from third parties | 減：就應收第三方的應收貿易<br>賬款及應收票據確認的<br>呆賬撥備 | <b>(1,430)</b>                   | (1,748)                          |
| Deposits and prepayments   | 按金及預付款項                             | <b>113,338</b>                   | 96,486                           |
| Value-added tax receivables  | 應收增值稅                               | <b>13,518</b>                    | 7,484                            |
| Other receivables (Note)   | 其他應收款項(附註)                          | <b>27,455</b>                    | 1,157                            |
|  |                                     | <b>10,505</b>                    | 5,887                            |
|  |                                     | <b>164,816</b>                   | 111,014                          |

Note: As at 31 July 2017, the carrying amount of other receivables has been netted off with accumulated impairment losses of approximately HK\$175,000 (2016: HK\$2,465,000). The amount impaired in the current year related to miscellaneous other receivables (2016: value-added tax receivables and miscellaneous other receivables). The directors of the Company assessed the recoverability of these other receivables was remote and impairment loss had been recognised accordingly. During the year, the Group recognised a reversal of impairment loss of approximately HK\$2,049,000 (2016: HK\$1,116,000) relates to the recovery of other receivables.

附註：於二零一七年七月三十一日，其他應收款項的賬面值已扣除累計減值虧損約175,000港元(二零一六年：2,465,000港元)。本年度的減值金額與其他雜項的應收款項(二零一六年：應收增值稅及其他雜項的應收款項)有關。本公司董事評定收回上述其他應收款項的可能性不高，因此已確認減值虧損。本年度，本集團確認撥回有關收回其他應收款項的減值虧損約2,049,000港元(二零一六年：1,116,000港元)。

The Group did not hold any collateral over these balances.

本集團並未就該等結餘持有任何抵押品。

The Group normally grants to its customers credit periods ranging from 30 to 135 days which are subject to periodic review by the management.

本集團一般給予其客戶介乎30日至135日的信貸期，而管理層會定期檢討有關信貸期。

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### 29. TRADE AND OTHER RECEIVABLES (Continued)

The following is an aged analysis of trade and bills receivables, net of allowance for doubtful debts presented based on the invoice date at the end of the reporting period, which approximated the respective revenue recognition date.

|                   |        | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|-------------------|--------|----------------------------------|----------------------------------|
| 0-90 days         | 0至90日  | 101,362                          | 82,240                           |
| 91 days to 1 year | 91日至一年 | 11,938                           | 14,246                           |
| Over 1 year       | 一年以上   | 38                               | -                                |
|                   |        | <b>113,338</b>                   | 96,486                           |

The movement in the allowance for doubtful debts of trade receivables is as follows:

|                                       |               | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|---------------------------------------|---------------|----------------------------------|----------------------------------|
| At 1 August                           | 於八月一日         | 1,748                            | 947                              |
| Exchange realignment                  | 匯兌調整          | (16)                             | (93)                             |
| Impairment loss recognised (Note 14)  | 已確認減值虧損(附註14) | 1,402                            | 1,059                            |
| Release upon disposal of subsidiaries | 出售附屬公司時撥回     | -                                | (165)                            |
| Amounts written off as uncollectible  | 因不可收回而撇銷的金額   | (1,704)                          | -                                |
| At 31 July                            | 於七月三十一日       | <b>1,430</b>                     | 1,748                            |

Included in the allowance for doubtful debts recognised are individually impaired trade receivables with an aggregate balance of approximately HK\$1,430,000 (2016: HK\$1,748,000). The individually impaired receivables mainly relate to customers that are in financial difficulty or of poor credit history. During the year ended 31 July 2016, direct write-off of trade receivables amounting to approximately HK\$4,877,000 (2017: nil) was recognised.

### 29. 應收貿易賬款及其他應收款項(續)

於報告期末，扣除呆賬撥備後的應收貿易賬款及應收票據按發票日期(接近各自的收益確認日期)的賬齡分析呈列如下。

應收貿易賬款的呆賬撥備變動如下：

已確認呆賬撥備包括結餘總額約1,430,000港元(二零一六年：1,748,000港元)的個別已減值應收貿易賬款。個別已減值應收款項主要與面對財政困難或信貸記錄不良的客戶有關。截至二零一六年七月三十一日止年度，已確認應收貿易賬款直接撇銷約為4,877,000港元(二零一七年：無)。

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## 綜合財務報表附註

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### 29. TRADE AND OTHER RECEIVABLES (Continued)

At 31 July 2017 and 2016, the analysis of trade and bills receivables that are past due but not impaired are as follows:

|              |             | Total           | Neither past due nor impaired<br>並無逾期亦無減值 | Past due but not impaired<br>已逾期但並無減值 |   |
|--------------|-------------|-----------------|---|---------------------------------------|---|
|              |             | HK\$'000<br>千港元 | HK\$'000<br>千港元                           | Less than 90 days<br>少於90日            | Over 90 days but less than 1 year<br>90日以上但少於一年 |
| 31 July 2017 | 二零一七年七月三十一日 | 113,338         | 105,534                                   | 7,127                                 | 677   |
| 31 July 2016 | 二零一六年七月三十一日 | 96,486          | 84,653                                    | 10,050                                | 1,783   |

Trade and bills receivables that are neither past due nor impaired relate to a wide range of customers for whom there is no recent history of default.

Trade and bills receivables that are past due but not impaired relate to a number of independent customers that have a good track payment record with the Group. Based on past experience, management believes that no allowance for doubtful debts is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

Included in trade and other receivables are the following amounts denominated in currencies other than the functional currency of the relevant group entity to which they relate:

|      |     | 2017<br>二零一七年<br>'000<br>千元 | 2016<br>二零一六年<br>'000<br>千元 |
|------|-----|-----------------------------|-----------------------------|
| US\$ | 美元  | 9,424                       | 7,721                       |
| EUR  | 歐元  | 380                         | 264                         |
| NTD  | 新台幣 | 33,811                      | 9,745                       |
| RMB  | 人民幣 | 290                         | -                           |

### 29. 應收貿易賬款及其他應收款項(續)

於二零一七年及二零一六年七月三十一日，已逾期但並無減值的應收貿易賬款及應收票據的分析如下：

並無逾期亦無減值的應收貿易賬款及應收票據與近期並無拖欠記錄的多名客戶有關。

已逾期但並無減值的應收貿易賬款及應收票據與本集團多名有良好付款記錄的獨立客戶有關。根據過去經驗，由於信貸質素並無重大變動及結餘仍被視為可悉數收回，故管理層相信毋須就該等結餘作出呆賬撥備。

應收貿易賬款及其他應收款項包括下列以相關集團實體的功能貨幣以外的貨幣列值的金額：

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### 30. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

During the year ended 31 July 2017, the Group has entered into sale and purchase agreements (“the Agreements”) with independent third parties (collectively “Purchasers of the Properties”). Pursuant to the Agreements, the Group will sell certain units of a building in Hainan (the “Properties”) to the Purchasers of the Properties at a total consideration of approximately RMB20,499,000 (equivalent to approximately HK\$23,574,000) upon the terms and conditions contained therein. As at 31 July 2017, total deposits of approximately RMB10,446,000 (equivalent to approximately HK\$12,013,000) have been received and recognised under trade and other payables. The sales of the Properties are expected to be completed within one year. The Properties with carrying amount of approximately HK\$11,022,000 has been presented as non-current assets classified as held for sale as at 31 July 2017.

At the end of the reporting period, the major classes of non-current assets classified as held for sale are as follows:

### 30. 分類為持作出售的非流動資產

截至二零一七年七月三十一日止年度，本集團與獨立第三方（統稱「該等物業的買方」）訂立買賣協議（「該等協議」）。根據該等協議，本集團將按當中所載條款及條件向該等物業的買方出售海南的若干樓宇單位（「該等物業」），總代價約為人民幣20,499,000元（相當於約23,574,000港元）。於二零一七年七月三十一日，已收取及確認為應付貿易賬款及其他應付款項項下的按金總額約人民幣10,446,000元（相當於約12,013,000港元）。預期出售該等物業會於一年內完成。於二零一七年七月三十一日，賬面值約為11,022,000港元的該等物業於分類為持作出售的非流動資產中呈列。

於報告期末，分類為持作出售的非流動資產的主要類別如下：

|   |                | 2017<br>二零一七年<br>HK\$'000<br>千港元 |
|---|----------------|----------------------------------|
| Property, plant and equipment (Note 19) | 物業、廠房及設備(附註19) | 4,581                            |
| Prepaid lease payments (Note 21)        | 預付租賃款項(附註21)   | 6,326                            |
| Exchange realignment                    | 匯兌調整           | 115                              |
|   |                | <b>11,022</b>                    |

### 31. AMOUNTS DUE FROM (TO) AN ASSOCIATE/A DIRECTOR

The amounts due from (to) an associate and a director are unsecured, interest-free and repayable on demand.

### 31. 應收(應付)一間聯營公司/一名董事款項

應收(應付)一間聯營公司及一名董事款項為無抵押、免息及按要求償還。

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### 32. HELD-FOR-TRADING INVESTMENTS

### 32. 持作買賣投資

|   |             | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|---|-------------|----------------------------------|----------------------------------|
| Equity securities at quoted market prices | 股本證券(按市場報價) |                                  |                                  |
| — listed in Hong Kong                     | — 於香港上市     | 123                              | 1,648                            |
| — listed outside Hong Kong                | — 於香港境外上市   | 557                              | 2,020                            |
|   |             | <b>680</b>                       | 3,668                            |

Included in held-for-trading investments are the following amounts denominated in a currency other than the functional currency of the relevant group entity to which they relate:

持作買賣投資包括下列以相關集團實體的功能貨幣以外的貨幣列值的金額：

|     |     | 2017<br>二零一七年<br>'000<br>千元 | 2016<br>二零一六年<br>'000<br>千元 |
|-----|-----|-----------------------------|-----------------------------|
| NTD | 新台幣 | 2,118                       | 8,082                       |

### 33. DERIVATIVE FINANCIAL INSTRUMENTS

### 33. 衍生金融工具

|   |               | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|---|---------------|----------------------------------|----------------------------------|
| <b>Derivative financial instruments</b> | <b>衍生金融工具</b> |                                  |                                  |
| Current liabilities                     | 流動負債          |                                  |                                  |
| — Currency structured forward contracts | — 貨幣結構性遠期合約   | —                                | 11,753                           |

The total notional principal amounts of the outstanding foreign exchange forward contracts as at the end of the reporting period are as follows:

於報告期末，未平倉外匯遠期合約的名義本金總額如下：

|                   |           | 2017<br>二零一七年<br>US\$'000<br>千美元 | 2016<br>二零一六年<br>US\$'000<br>千美元 |
|-------------------|-----------|----------------------------------|----------------------------------|
| Sell US\$ for RMB | 出售美元換取人民幣 | —                                | 2,163                            |

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### 33. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

At 31 July 2016, the fair values of currency structured forward contracts were determined based on the estimated fair value provided by BMI.

Included in derivative financial liabilities are the following amounts denominated in a currency other than the functional currency of the relevant group entity to which they relate:

|      |    | 2017<br>二零一七年<br>'000<br>千元 | 2016<br>二零一六年<br>'000<br>千元 |
|------|----|-----------------------------|-----------------------------|
| US\$ | 美元 | -                           | 1,519                       |

The major terms of the derivative financial instruments as at 31 July 2016 are as follows:

### 33. 衍生金融工具(續)

於二零一六年七月三十一日，貨幣結構性遠期合約的公平值乃根據中和邦盟所提供的估計公平值釐定。

衍生金融負債包括下列以相關集團實體的功能貨幣以外的貨幣列值的金額：

於二零一六年七月三十一日，衍生金融工具的主要條款如下：

| Notional amount 1<br>名義金額1    | Notional amount 2<br>名義金額2    | Forward rate<br>遠期匯率  | Settlement date<br>交割日期  | Note<br>附註  |
|-------------------------------|-------------------------------|---|--|---|
| US\$1,000,000<br>1,000,000 美元 | US\$1,000,000<br>1,000,000 美元 | RMB6.205/US\$ or RMB6.17/<br>US\$<br>人民幣 6.205 元/美元或<br>人民幣 6.17 元/美元 | Specified date in each<br>month between 18 June<br>2015 to 16 June 2017<br>於二零一五年六月十八日至<br>二零一七年六月十六日之間<br>每月的特定日期         | This contract is<br>outstanding as at 31 July<br>2016<br>於二零一六年七月<br>三十一日，該合約仍未平倉 |
| US\$1,000,000<br>1,000,000 美元 | US\$1,000,000<br>1,000,000 美元 | RMB6.225/US\$<br>人民幣 6.225 元/美元                                       | Specified date in each<br>month between 29 April<br>2015 to 27 April 2017<br>於二零一五年四月<br>二十九日至二零一七年<br>四月二十七日之間每月的<br>特定日期 | This contract is<br>outstanding as at<br>31 July 2016<br>於二零一六年七月<br>三十一日，該合約仍未平倉 |



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### 34. STRUCTURED DEPOSITS WITH BANKS

The structured deposits were placed with banks incorporated in the PRC and they were designated as financial assets at FVTPL at initial recognition. During the year ended 31 July 2017, the Group disposed all of the structured deposits. At 31 July 2016, the structured deposits with banks were stated at fair value based on the valuation provided by respective counterparties. Details of the fair value are set out in Note 8.

### 35. SHORT-TERM BANK DEPOSITS/BANK BALANCES AND CASH

#### Short-term bank deposits

Short-term bank deposits with original maturities of more than three months carry interest at fixed rates of 3.60% (2016: 2.15% to 5.10%) per annum.

At 31 July 2016, conversion of the Group's short-term bank deposits denominated in RMB amounted to RMB4,000,000 (equivalent to approximately HK\$4,640,000) (2017: nil) into foreign currencies was subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations.

#### Bank balances and cash

At 31 July 2017, bank balances and cash comprise of cash held by the Group of approximately HK\$105,595,000 (2016: HK\$153,847,000) at prevailing market rates. The maturities of bank balances are within three months.

Bank balances and bank deposits with maturities within three months carry interest at average market rates of 0.86% (2016: 0.99%) per annum.

At 31 July 2017, conversion of the Group's bank balances and cash denominated in RMB amounted to approximately RMB61,095,000 (equivalent to approximately HK\$70,260,000) (2016: RMB42,594,000 (equivalent to approximately HK\$49,409,000)) into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations.

### 34. 結構性銀行存款

結構性存款存放在於中國註冊成立的銀行，於初步確認時指定為按公平值列賬並在損益內處理的金融資產。截至二零一七年七月三十一日止年度，本集團出售全部結構性存款。於二零一六年七月三十一日，結構性銀行存款按有關對手方提供之估值按公平值列賬。公平值詳情載於附註8。

### 35. 短期銀行存款／銀行結餘及現金

#### 短期銀行存款

原到期日為三個月以上的短期銀行存款按3.60厘(二零一六年：2.15厘至5.10厘)的固定年利率計息。

於二零一六年七月三十一日，將本集團以人民幣計值的短期銀行存款人民幣4,000,000元(相當於約4,640,000港元)(二零一七年：無)兌換為外幣須受中國外匯管理條例及結匯、售匯及付匯管理規定所限。

#### 銀行結餘及現金

於二零一七年七月三十一日，銀行結餘及現金包括本集團持有按當前市場利率計息的現金約105,595,000港元(二零一六年：153,847,000港元)。該等銀行結餘於三個月內到期。

於三個月內到期的銀行結餘及銀行存款按0.86厘(二零一六年：0.99厘)的平均市場年利率計息。

於二零一七年七月三十一日，將本集團以人民幣計值的銀行結餘及現金約人民幣61,095,000元(相當於約70,260,000港元)(二零一六年：人民幣42,594,000元(相當於約49,409,000港元))兌換為外幣須受中國外匯管理條例及結匯、售匯及付匯管理規定所限。

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### 35. SHORT-TERM BANK DEPOSITS/BANK BALANCES AND CASH (Continued)

#### Bank balances and cash (Continued)

Included in bank balances and cash are the following amounts denominated in currencies other than the functional currency of the relevant group entity to which they relate:

|      |     | 2017<br>二零一七年<br>'000<br>千元 | 2016<br>二零一六年<br>'000<br>千元 |
|------|-----|-----------------------------|-----------------------------|
| US\$ | 美元  | 2,780                       | 4,087                       |
| EUR  | 歐元  | 122                         | 121                         |
| JPY  | 日圓  | 529                         | 230                         |
| NTD  | 新台幣 | 4,264                       | 4,010                       |
| RMB  | 人民幣 | 2,970                       | 35,709                      |

### 36. TRADE AND OTHER PAYABLES

|                          |             | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|--------------------------|-------------|----------------------------------|----------------------------------|
| Trade and bills payables | 應付貿易賬款及應付票據 | 31,799                           | 27,734                           |
| Accrued expenses         | 應計開支        | 55,696                           | 31,725                           |
| Other payables           | 其他應付款項      | 12,289                           | 1,988                            |
| Other tax payables       | 其他應付稅項      | 7,503                            | 7,456                            |
| Deposits received        | 已收按金        | 28,776                           | 8,877                            |
|                          |             | 104,264                          | 50,046                           |
|                          |             | 136,063                          | 77,780                           |

### 35. 短期銀行存款／銀行結餘及現金 (續)

#### 銀行結餘及現金 (續)

銀行結餘及現金包括下列以相關集團實體的功能貨幣以外的貨幣列值的金額：

### 36. 應付貿易賬款及其他應付款項

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### 36. TRADE AND OTHER PAYABLES (Continued)

An aged analysis of trade and bills payables based on the invoice date at the end of the reporting period is as follows:

|  |              | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|--|--------------|----------------------------------|----------------------------------|
| Within 1 month or on demand                | 一個月內或按要求償還   | 16,820                           | 11,238                           |
| More than 1 month but less than 3 months   | 一個月以上但少於三個月  | 12,635                           | 13,551                           |
| More than 3 months but less than 12 months | 三個月以上但少於十二個月 | 1,482                            | 1,463                            |
| More than 12 months                        | 十二個月以上       | 862                              | 1,482                            |
|  |              | <b>31,799</b>                    | 27,734                           |

The average credit period on purchases of goods is ranging from 30 to 90 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

Included in trade and other payables are the following amounts denominated in currencies other than the functional currency of the relevant group entity to which they relate:

|      |     | 2017<br>二零一七年<br>'000<br>千元 | 2016<br>二零一六年<br>'000<br>千元 |
|------|-----|-----------------------------|-----------------------------|
| US\$ | 美元  | 735                         | 559                         |
| JPY  | 日圓  | 320                         | -                           |
| NTD  | 新台幣 | 150                         | 150                         |
| RMB  | 人民幣 | 50                          | -                           |

### 36. 應付貿易賬款及其他應付款項(續)

於報告期末，應付貿易賬款及應付票據按發票日期的賬齡分析呈列如下：

購買貨品的平均信貸期介乎30日至90日。本集團設有財務風險管理政策，以確保所有應付款項均於信貸期內支付。

應付貿易賬款及其他應付款項包括下列以相關集團實體的功能貨幣以外的貨幣列值的金額：

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### 37. LOANS FROM A RELATED COMPANY

As at 31 July 2017, the Group borrowed unsecured loans from a related company in total principal amount of HK\$5,000,000. Shi Qi, the CEO of the Company, is the beneficial owner of the related company. The loans bear fixed interest rate at 7% per annum and are repayable on demand.

### 38. LOANS FROM THIRD PARTIES

As at 31 July 2017, the Group borrowed unsecured loans from third parties in the principal amount of RMB22,780,000 (equivalent to approximately HK\$26,197,000). The loans bear fixed interest rate at 8% per annum and are repayable on demand.

### 39. SECURED BANK BORROWINGS

|  |              | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|--|--------------|----------------------------------|----------------------------------|
| Secured bank borrowings                          | 有抵押銀行借款      | <b>306,242</b>                   | 33,282                           |
| Less: Amounts classified as current liabilities  | 減：分類為流動負債的款項 | <b>(32,542)</b>                  | (33,282)                         |
| Amount as non-current liabilities                | 非流動負債款項      | <b>273,700</b>                   | -                                |
| Carrying amounts repayable:                      | 應償還的賬面值：     |                                  |                                  |
| On demand  | 按要求          | <b>32,542</b>                    | 33,282                           |
| More than one year but not exceeding two years   | 一年以上但不超過兩年   | <b>34,500</b>                    | -                                |
| More than two years but not exceeding five years | 兩年以上但不超過五年   | <b>132,250</b>                   | -                                |
| More than five years                             | 五年以上         | <b>106,950</b>                   | -                                |
|  |              | <b>306,242</b>                   | 33,282                           |

As at 31 July 2016, the Group borrowed two secured bank borrowings with repayments on demand clause amounting to US\$1,000,000 (equivalent to approximately HK\$7,740,000), and US\$3,300,000 (equivalent to approximately HK\$25,542,000) respectively. During the year ended 31 July 2017, a borrowing of US\$1,000,000 (equivalent to approximately HK\$7,740,000) has been settled, the Group raised an additional bank borrowing with a repayment on demand clause amounting to HK\$7,000,000. These borrowings carry variable interest rate at 1.75% over Hong Kong Inter-bank Offered Rate/London Inter-bank Offered Rate or the Lender's Cost of Funds per annum, whichever is higher and are repayable on demand.

### 37. 一間關連公司貸款

於二零一七年七月三十一日，本集團向一間關連公司借入本金總額為5,000,000港元的無抵押貸款。本公司行政總裁施琦為該關連公司的實益擁有人。該等貸款按固定年利率7厘計息並按要求償還。

### 38. 第三方貸款

於二零一七年七月三十一日，本集團向第三方借入本金總額為人民幣22,780,000元（相當於約26,197,000港元）的無抵押貸款。該等貸款按固定年利率8厘計息並按要求償還。

### 39. 有抵押銀行借款

於二零一六年七月三十一日，本集團借入兩筆附有按要求償還條款的有抵押銀行借款，金額分別為1,000,000美元（相當於約7,740,000港元）及3,300,000美元（相當於約25,542,000港元）。截至二零一七年七月三十一日止年度，1,000,000美元（相當於約7,740,000港元）的借款已結清，本集團新籌集附有按要求償還條款的銀行借款7,000,000港元。該等借款按香港銀行同業拆息／倫敦銀行同業拆息加1.75厘的浮動年利率或放貸人資金成本（以較高者為準）計息，並須按要求償還。

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### 39. SECURED BANK BORROWINGS (Continued)

In August 2016, the Group borrowed a secured bank borrowing in the principal amount of RMB238,000,000 (equivalent to approximately HK\$273,700,000) to finance assets acquisition. The borrowing carries fixed interest rate at 7.80% per annum and is repayable from September 2018 to September 2023.

The effective interest rates on the Group's bank borrowings ranged from 2.21% to 7.80% (2016: 2.09%) per annum.

As at 31 July 2017, land and buildings located in Hong Kong under medium-term leases with carrying value of approximately HK\$7,640,000 (2016: HK\$7,875,000) have been pledged to secure banking facilities granted to the Group.

As at 31 July 2017, land and buildings and prepaid lease payments located in Hainan, the PRC under medium-term leases with carrying value of approximately RMB142,904,000 (equivalent to approximately HK\$164,340,000) (2016: nil) and RMB197,344,000 (equivalent to approximately HK\$226,945,000) (2016: nil) respectively, have been pledged to secure bank borrowings granted to the Group.

Included in secured bank borrowings are the following amounts denominated in a currency other than the functional currency of the relevant group entity to which they relate:

|      |    | 2017<br>二零一七年<br>'000<br>千元 | 2016<br>二零一六年<br>'000<br>千元 |
|------|----|-----------------------------|-----------------------------|
| US\$ | 美元 | 3,300                       | 4,300                       |

### 39. 有抵押銀行借款(續)

於二零一六年八月，本集團借入本金額為人民幣238,000,000元(相當於約273,700,000港元)的有抵押銀行借款，以為資產收購撥資。該借款按固定年利率7.80厘計息，並須於二零一八年九月至二零二三年九月償還。

本集團銀行借款的實際年利率介乎2.21厘至7.80厘(二零一六年：2.09厘)。

於二零一七年七月三十一日，賬面值約7,640,000港元(二零一六年：7,875,000港元)位於香港根據中期租賃持有的土地及樓宇已予抵押，作為本集團所獲授銀行信貸的擔保。

於二零一七年七月三十一日，賬面值分別約人民幣142,904,000元(相當於約164,340,000港元)(二零一六年：無)及人民幣197,344,000元(相當於約226,945,000港元)(二零一六年：無)的位於中國海南根據中期租賃持有的土地及樓宇以及預付租賃款項已予抵押，作為本集團所獲授銀行借款的擔保。

有抵押銀行借款包括下列以相關集團實體的功能貨幣以外的貨幣列值的金額：

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### 40. SHARE CAPITAL

#### Authorised and issued share capital

|  |                 | Number of shares  |            | Share capital    |           |
|--|-----------------|-------------------|------------|------------------|-----------|
|  |                 | 2017              | 2016       | 2017             | 2016      |
|  |                 | 二零一七年             | 二零一六年      | 二零一七年            | 二零一六年     |
|  |                 | '000              | '000       | HK\$'000         | HK\$'000  |
|  |                 | 千股                | 千股         | 千港元              | 千港元       |
| Ordinary shares of HK\$0.1 each                          | 每股面值0.1港元的普通股   |                   |            |                  |           |
| <b>Authorised:</b>                                       | <b>法定：</b>      |                   |            |                  |           |
| At beginning and end of the year                         | 於年初及年末          | <b>20,000,000</b> | 20,000,000 | <b>2,000,000</b> | 2,000,000 |
| <b>Issued and fully paid:</b>                            | <b>已發行及已繳足：</b> |                   |            |                  |           |
| At 1 August  | 於八月一日           | <b>784,728</b>    | 778,923    | <b>78,473</b>    | 77,892    |
| Issue of shares upon placing                             | 配售後發行股份         | <b>86,450</b>     | -          | <b>8,645</b>     | -         |
| Issue of shares under the Company's share option schemes | 根據本公司購股權計劃發行股份  | -                 | 5,805      | -                | 581       |
| At 31 July   | 於七月三十一日         | <b>871,178</b>    | 784,728    | <b>87,118</b>    | 78,473    |

Note: On 25 August 2016, 86,450,000 ordinary shares of HK\$0.1 each were placed at a price of HK\$1.31 per share, raising a total of net proceeds of approximately HK\$111,901,000, net of direct expenses of approximately HK\$1,348,000.

During the year ended 31 July 2016, options were exercised to subscribe for 5,805,000 shares in the Company at a consideration of approximately HK\$5,797,000 of which approximately HK\$581,000 was credited to share capital, approximately HK\$1,984,000 was debited to the share options reserve and the balance of approximately HK\$7,200,000 was credited to the share premium.

### 40. 股本

#### 法定及已發行股本

附註：於二零一六年八月二十五日，本公司按每股1.31港元的價格配發86,450,000股每股面值0.1港元的普通股，籌得總所得款項淨額約111,901,000港元（扣除直接開支約1,348,000港元）。

截至二零一六年七月三十一日止年度，可認購5,805,000股本公司股份的購股權獲行使，代價約為5,797,000港元，當中約581,000港元已計入股本，約1,984,000港元已於購股權儲備中扣除，餘款約7,200,000港元則計入股份溢價中。

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### 41. DEFERRED INCOME

### 41. 遞延收入

|                                     |           | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|-------------------------------------|-----------|----------------------------------|----------------------------------|
| At 1 August                         | 於八月一日     | <b>3,668</b>                     | 3,946                            |
| Exchange realignment                | 匯兌調整      | <b>(31)</b>                      | (254)                            |
| Credited to profit or loss (Note 9) | 計入損益(附註9) | <b>(23)</b>                      | (24)                             |
| At 31 July                          | 於七月三十一日   | <b>3,614</b>                     | 3,668                            |

In 2009, the Group received a government grant ("Grant A") of approximately HK\$1,049,000 from 浙江湖州經濟開發區管理委員會 for the acquisition of prepaid lease payments. The amount is recognised as other operating income over the unexpired lease term of prepaid lease payments. During the year ended 31 July 2017, deferred income of approximately HK\$23,000 (2016: HK\$24,000) has been recognised for Grant A in the consolidated statement of profit or loss.

During the year ended 31 July 2013, the Group received a government grant ("Grant B") of RMB2,400,000 or equivalent to approximately HK\$2,962,000 from 東莞市科學技術局 for the development of high resolution flexible circuit board technology. The amount will be recognised as other operating income upon the completion of patents registration of such technology. No deferred income has been recognised for Grant B in the consolidated statement of profit or loss for the years ended 31 July 2017 and 2016.

於二零零九年，本集團就購入預付租賃款項收到浙江湖州經濟開發區管理委員會給予的政府補助金(「補助金甲」)約1,049,000港元。該金額於預付租賃款項的未屆滿租期內確認為其他經營收入。截至二零一七年七月三十一日止年度，已於綜合損益表內就補助金甲確認遞延收入約23,000港元(二零一六年：24,000港元)。

截至二零一三年七月三十一日止年度，本集團就發展高分辨率柔性電路板技術收到東莞市科學技術局給予人民幣2,400,000元(或相當於約2,962,000港元)的政府補貼金(「補助金乙」)。於完成該項技術的專利登記後，有關金額將確認為其他經營收入。截至二零一七年及二零一六年七月三十一日止年度，並無於綜合損益表內就補助金乙確認遞延收入。

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### 42. DEFERRED TAX LIABILITIES

The followings are the major deferred tax (assets) liabilities recognised and movements thereof during the current and prior years:

### 42. 遞延稅項負債

本年度及過往年度已確認的主要遞延稅項(資產)負債及其變動如下：

|   |                     | Unrealised<br>(profits)<br>loss on<br>inventories | Accelerated<br>tax<br>depreciation | Estimated<br>tax losses       | Change in<br>fair value of<br>investment<br>properties | Deferred<br>income<br>arising from<br>government<br>grants<br>政府補助<br>產生的<br>遞延收入 | Total                 |
|---|---------------------|---|------------------------------------|-------------------------------|--|---|-----------------------|
|   |                     | 存貨的未變現<br>(溢利)虧損<br>HK\$'000<br>千港元               | 加速稅項<br>折舊<br>HK\$'000<br>千港元      | 估計稅項<br>虧損<br>HK\$'000<br>千港元 | 投資物業的<br>公平值變動<br>HK\$'000<br>千港元                      | HK\$'000<br>千港元   | 總計<br>HK\$'000<br>千港元 |
| At 1 August 2015                                  | 於二零一五年八月一日          | 898   | 264                                | (264)                         | 4,162  | (986)   | 4,074                 |
| Exchange realignment                              | 匯兌調整                | (9)   | -                                  | -                             | (466)  | 63  | (412)                 |
| (Credited) charged to profit<br>or loss (Note 13) | 於損益(計入)扣除<br>(附註13) | (628)   | 2                                  | (2)                           | (150)  | 6   | (772)                 |
| Charged to other<br>comprehensive income          | 於其他全面收益中扣除          | -   | -                                  | -                             | 5,926  | -   | 5,926                 |
| At 31 July 2016                                   | 於二零一六年七月三十一日        | 261   | 266                                | (266)                         | 9,472  | (917)   | 8,816                 |
| Exchange realignment                              | 匯兌調整                | 2   | -                                  | -                             | (72)   | 7   | (63)                  |
| (Credited) charged to profit<br>or loss (Note 13) | 於損益(計入)扣除<br>(附註13) | (102)   | -                                  | -                             | 62   | 6   | (34)                  |
| Charged to other<br>comprehensive income          | 於其他全面收益中<br>扣除      | -   | -                                  | -                             | 714  | -   | 714                   |
| At 31 July 2017                                   | 於二零一七年七月三十一日        | 161   | 266                                | (266)                         | 10,176   | (904)   | 9,433                 |



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### 42. DEFERRED TAX LIABILITIES (Continued)

Under the EIT Law, withholding tax is imposed on dividends declared in respect of profits earned by the PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has not been provided for in the consolidated financial statements in respect of temporary differences attributable to the profits of the PRC subsidiaries amounting to approximately HK\$4,333,000 (2016: HK\$4,680,000) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

At the end of the reporting period, the Group has unused tax losses of approximately HK\$454,379,000 (2016: HK\$390,291,000) available for offset against future profits. A deferred tax asset has been recognised in respect of approximately HK\$1,615,000 (2016: HK\$1,615,000) of such loss. No deferred tax asset has been recognised in respect of the remaining losses of approximately HK\$452,764,000 (2016: HK\$388,676,000) due to the unpredictability of future profit streams. At 31 July 2017, approximately HK\$41,101,000, HK\$76,378,000, HK\$70,956,000, HK\$19,454,000 and HK\$14,140,000 (2016: HK\$41,458,000, HK\$77,042,000, HK\$71,636,000 and HK\$20,572,000) included in the above unused tax losses will expire after the year of assessment of 2017, 2018, 2019, 2020 and 2021 respectively. Other estimated tax losses may be carried forward indefinitely.

As at 31 July 2016 and 2017, no deferred tax asset has been recognised in relation to deductible temporary differences of HK\$877,000 (2016: HK\$888,000) derived from property, plant and equipment and trade and other receivables as it is not probable that taxable profits will be available against which the deductible temporary differences can be utilised.

### 42. 遞延稅項負債(續)

根據企業所得稅法，中國附屬公司由二零零八年一月一日起須就所賺溢利宣派的股息繳納預扣稅。本集團並無於綜合財務報表中就中國附屬公司溢利所產生的暫時性差額約4,333,000港元(二零一六年：4,680,000港元)計提遞延稅項撥備，原因為本集團能夠控制撥回暫時性差額的時間，且該等暫時性差額不大可能於可見將來撥回。

於報告期末，本集團有尚未動用稅項虧損約454,379,000港元(二零一六年：390,291,000港元)，可供對銷未來溢利。已就有關虧損約1,615,000港元(二零一六年：1,615,000港元)確認遞延稅項資產。由於未能預計未來溢利流量，概無就餘下虧損約452,764,000港元(二零一六年：388,676,000港元)確認遞延稅項資產。於二零一七年七月三十一日，上述尚未動用稅項虧損其中約41,101,000港元、76,378,000港元、70,956,000港元、19,454,000港元及14,140,000港元(二零一六年：41,458,000港元、77,042,000港元、71,636,000港元及20,572,000港元)分別將於二零一七年、二零一八年、二零一九年、二零二零年及二零二一年評稅年度後到期。其他估計稅項虧損可無限期結轉。

於二零一六年及二零一七年七月三十一日，由於不大可能有應課稅溢利可動用與可扣減暫時性差額877,000港元(二零一六年：888,000港元)抵銷，因此並無就物業、廠房及設備以及應收貿易賬款及其他應收款項產生的可扣減暫時性差額確認遞延稅項資產。

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### 43. SHARE OPTION SCHEMES

Pursuant to the shareholders' written resolution passed on 16 May 2007, the Company adopted a Pre-IPO share option scheme (the "Pre-IPO Option Scheme") and a Post-IPO share option scheme (the "Post-IPO Option Scheme") whereby the directors and eligible employees of the Group were given the rights to subscribe for shares in the Company subject to the terms and conditions stipulated in two schemes.

During the year ended 31 July 2016, a shareholder of the Company made a mandatory unconditional cash offer for all the issued shares and to cancel all outstanding options on 29 February 2016. The offer started on 29 February 2016 and closed on 27 April 2016.

At 31 July 2016, the total number of shares in respect of which options had been granted and remained outstanding under the schemes was nil, representing nil of the shares in the Company in issue at that date. The total number of shares in respect of which options may be granted under the two schemes is not permitted to exceed 10% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. The number of shares issued in respect of which options granted and may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. Options granted to substantial shareholders or independent non-executive directors in excess of 0.1% of the Company's share capital or with a value in excess of HK\$5 million must be approved in advance by the Company's shareholders.

The exercise price was determined by the directors of the Company, and will not be less than the highest of (i) the closing price of the Company's shares on the date of grant; (ii) the average closing price of the shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's share.

### 43. 購股權計劃

根據於二零零七年五月十六日通過的股東書面決議案，本公司採納首次公開發售前購股權計劃（「首次公開發售前購股權計劃」）及首次公開發售後購股權計劃（「首次公開發售後購股權計劃」），據此，本集團的董事以及合資格僱員獲授可認購本公司股份的權利，惟須受該兩個計劃訂明的條款及條件規限。

截至二零一六年七月三十一日止年度，本公司股東就全部已發行股份作出強制性無條件現金要約，並於二零一六年二月二十九日註銷所有尚未行使購股權。要約於二零一六年二月二十九日開始及於二零一六年四月二十七日結束。

於二零一六年七月三十一日，該等計劃下已授出但尚未行使購股權所涉及股份總數為零，相當於本公司該日已發行股份零。在未取得本公司股東事先批准前，該兩個計劃下可予授出的購股權所涉及股份總數不得超過本公司任何時間的已發行股份10%。在未取得本公司股東事先批准前，於任何年度向任何人士授出及可能授出的購股權所涉及已發行股份數目不得超過本公司任何時間的已發行股份1%。向主要股東或獨立非執行董事授出的購股權倘超過本公司股本0.1%或價值超過5,000,000港元，必須取得本公司股東事先批准。

行使價由本公司董事釐定，且不會低於（以較高者為準）(i) 本公司股份於授出日期的收市價；(ii) 股份於緊接授出日期前五個營業日的平均收市價；及(iii) 本公司股份的面值。

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### 43. SHARE OPTION SCHEMES (Continued)

Details of specific categories of options are as follows:

|   | Date of grant<br>授出日期                | Vesting period<br>歸屬期  | Exercise period<br>行使期   | Exercise price<br>行使價 |
|---|--------------------------------------|--|--|-----------------------|
| Pre-IPO Option Scheme<br>首次公開發售前<br>購股權計劃                   | 16 May 2007<br>二零零七年<br>五月十六日        | One to five years<br>commencing from<br>8 June 2007<br>由二零零七年<br>六月八日起計<br>1年至5年 | 8 June 2008 to<br>15 May 2017<br>二零零八年六月八日至<br>二零一七年五月十五日                | HK\$2.20<br>2.20 港元   |
| Post-IPO Option Scheme 1 – Lot 1<br>首次公開發售後購股權<br>計劃一 – 第一批 | 24 December 2009<br>二零零九年<br>十二月二十四日 | 0.5 year<br>0.5 年  | 24 June 2010 to<br>23 December 2019<br>二零一零年六月二十四日至<br>二零一九年十二月二十三日      | HK\$0.96<br>0.96 港元   |
| Post-IPO Option Scheme 1 – Lot 2<br>首次公開發售後購股權<br>計劃一 – 第二批 | 24 December 2009<br>二零零九年<br>十二月二十四日 | 1 year<br>1 年  | 24 December 2010 to<br>23 December 2019<br>二零一零年十二月二十四日至<br>二零一九年十二月二十三日 | HK\$0.96<br>0.96 港元   |
| Post-IPO Option Scheme 2 – Lot 1<br>首次公開發售後購股權<br>計劃二 – 第一批 | 11 January 2011<br>二零一一年<br>一月十一日    | 0.5 year<br>0.5 年  | 11 July 2011 to<br>10 January 2021<br>二零一一年七月十一日至<br>二零二一年一月十日           | HK\$1.05<br>1.05 港元   |
| Post-IPO Option Scheme 2 – Lot 2<br>首次公開發售後購股權<br>計劃二 – 第二批 | 11 January 2011<br>二零一一年<br>一月十一日    | 1 year<br>1 年  | 11 January 2012 to<br>10 January 2021<br>二零一二年一月十一日至<br>二零二一年一月十日        | HK\$1.05<br>1.05 港元   |

### 43. 購股權計劃 (續)

指定類別購股權的詳情如下：

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### 43. SHARE OPTION SCHEMES (Continued)

The following table discloses movements of the Company's share options held by directors and employees during the year ended 31 July 2016.

### 43. 購股權計劃(續)

下表披露由董事及僱員持有的本公司購股權於截至二零一六年七月三十一日止年度的變動：

|                                    |                   | Outstanding<br>at 1 August<br>2015 | Exercised<br>during<br>the year | Forfeited<br>during<br>the year | Cancelled<br>during<br>the year | Outstanding<br>at 31 July<br>2016,<br>1 August<br>2016 and<br>31 July 2017<br>於二零一六年<br>七月三十一日、<br>二零一六年<br>八月一日及<br>二零一七年<br>七月三十一日<br>尚未行使 |
|------------------------------------|-------------------|------------------------------------|---------------------------------|---------------------------------|---------------------------------|--|
|                                    |                   | 於二零一五年<br>八月一日<br>尚未行使             | 年內行使                            | 年內沒收                            | 年內註銷                            | 尚未行使   |
| Pre-IPO Option Scheme              | 首次公開發售前購股權計劃      | 4,025,000                          | -                               | (160,000)                       | (3,865,000)                     | -  |
| Post-IPO Option Scheme 1 — Lot 1   | 首次公開發售後購股權計劃——第一批 | 1,182,000                          | (819,000)                       | (5,000)                         | (358,000)                       | -  |
| Post-IPO Option Scheme 1 — Lot 2   | 首次公開發售後購股權計劃——第二批 | 3,014,000                          | (2,475,000)                     | (5,000)                         | (534,000)                       | -  |
| Post-IPO Option Scheme 2 — Lot 1   | 首次公開發售後購股權計劃二—第一批 | 1,674,500                          | (1,255,500)                     | (93,000)                        | (326,000)                       | -  |
| Post-IPO Option Scheme 2 — Lot 2   | 首次公開發售後購股權計劃二—第二批 | 1,674,500                          | (1,255,500)                     | (93,000)                        | (326,000)                       | -  |
|                                    |                   | 11,570,000                         | (5,805,000)                     | (356,000)                       | (5,409,000)                     | -  |
| Exercisable at the end of the year | 可於年末行使            |                                    |                                 |                                 |                                 | -  |
| Weighted average exercise price    | 加權平均行使價           | HK\$1.42<br>1.42 港元                | HK\$1.00<br>1.00 港元             | HK\$1.56<br>1.56 港元             | HK\$1.86<br>1.86 港元             | -  |

In respect of the share options exercised during the year ended 31 July 2016, the weighted average share price at the dates of exercise was HK\$1.29.

就於截至二零一六年七月三十一日止年度獲行使的購股權而言，於行使日期股份的加權平均價為 1.29 港元。

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FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 44. DISPOSAL OF INTEREST IN A SUBSIDIARY WITHOUT CHANGE OF CONTROL

On 8 August 2016, a wholly-owned subsidiary of the Group entered into a share transfer agreement with a non-controlling interest to dispose 5% equity interest in InnoLIMS Global Limited ("InnoLIMS Global"), a non-wholly owned subsidiary of the Group, at a cash consideration of HK\$200,000. The disposal of equity interest in InnoLIMS Global has been completed on 8 August 2016. The ownership interest in InnoLIMS Global of the Group decreased from 60% to 55%.

The difference between the fair value of consideration received by the Group and share of net assets of InnoLIMS Global by the non-controlling interest in the transaction amounting to approximately HK\$118,000 is recognised by the Group as other reserve.

### 45. ASSETS ACQUISITION

On 20 June 2016, the Company entered into a sale and purchase agreement with an independent third party to acquire four hotel buildings at Sanya Yalong Bay, the PRC. The total adjusted cash consideration for the acquisition was RMB342,600,000 (equivalent to approximately HK\$389,879,000), of which RMB35,749,000 (equivalent to approximately HK\$42,935,000) was paid in July 2016.

During the year ended 31 July 2017, the title of the four hotel buildings has been obtained and the transaction was completed. The total cost of four hotel buildings has been classified as property, plant and equipment and prepaid lease payments in accordance with the portion between land and buildings based on allocation performed by Great China Appraisal Limited, an independent professional valuer. The assets are as follows:

|   |                | HK\$'000<br>千港元 |
|---|----------------|-----------------|
| Property, plant and equipment (Note 19) | 物業、廠房及設備(附註19) | 163,749         |
| Prepaid lease payments (Note 21)        | 預付租賃款項(附註21)   | 226,130         |
| Total consideration                     | 總代價            | 389,879         |

### 44. 在不改變控制權的情況下出售一間附屬公司的權益

於二零一六年八月八日，本集團一間全資附屬公司與非控股權益就出售於宏洋環球有限公司（「宏洋環球」，為本集團的非全資附屬公司）5%股權訂立股份轉讓協議，現金代價為200,000港元。出售於宏洋環球的股權已於二零一六年八月八日完成。本集團於宏洋環球的擁有權權益由60%下降至55%。

本集團已收代價的公平值與非控股權益在交易中分佔宏洋環球的資產淨值之間的差額約118,000港元由本集團確認為其他儲備。

### 45. 資產收購

於二零一六年六月二十日，本公司與一名獨立第三方訂立買賣協議，以收購位於中國三亞亞龍灣的四幢酒店建築。收購的經調整現金代價總額為人民幣342,600,000元（相當於約389,879,000港元），其中人民幣35,749,000元（相當於約42,935,000港元）已於二零一六年七月支付。

截至二零一七年七月三十一日止年度，本公司已取得該四幢酒店建築的業權及交易已完成。根據獨立專業估值師漢華評估有限公司進行的分配，四幢酒店建築的總成本已按土地及樓宇間的比例分類為物業、廠房及設備以及預付租賃款項。資產如下：

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## 綜合財務報表附註

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### 46. DISPOSAL OF SUBSIDIARIES

In November 2015, the Group disposed of its indirect wholly-owned subsidiaries, Fame Well Development Limited and its subsidiaries, 東莞喜朋創意貿易有限公司 and 北京喜朋創意貿易有限公司 at a cash consideration of HK\$2,500,000. The net assets of three companies at the date of disposal are as follows:

### 46. 出售附屬公司

於二零一五年十一月，本集團出售其間接全資附屬公司 Fame Well Development Limited 及其附屬公司 東莞喜朋創意貿易有限公司及北京喜朋創意貿易有限公司，現金代價為 2,500,000 港元。於出售日期的三間公司資產淨值如下：

|   |                      | HK\$'000<br>千港元 |
|---|----------------------|-----------------|
| Consideration   | 代價                   | 2,500           |
| <b>Analysis of assets and liabilities over which control was lost</b> | <b>失去控制權的資產及負債分析</b> |                 |
| Property, plant and equipment   | 物業、廠房及設備             | 26              |
| Inventories   | 存貨                   | 243             |
| Trade and other receivables   | 應收貿易賬款及其他應收款項        | 1,305           |
| Bank balance and cash   | 銀行結餘及現金              | 143             |
| Trade and other payables  | 應付貿易賬款及其他應付款項        | (810)           |
| Net assets  | 資產淨值                 | 907             |
| Release of exchange reserve   | 撥回匯兌儲備               | 59              |
|   |                      | 966             |
| Gain on disposal (Note 9)   | 出售收益(附註9)            | 1,534           |

|  |                         | HK\$'000<br>千港元 |
|--|-------------------------|-----------------|
| <b>Net cash inflow arising on disposal of subsidiaries</b> | <b>出售附屬公司時產生的現金流入淨額</b> |                 |
| Consideration  | 代價                      | 2,500           |
| Less: Cash and cash equivalents disposed of                | 減：於出售時的現金及現金等價物         | (143)           |
| Net cash inflow  | 現金流入淨額                  | 2,357           |

The disposed subsidiaries contributed revenue of HK\$518,000 and net loss of HK\$84,000 to the Group for the year ended 31 July 2016.

於截至二零一六年七月三十一日止年度，本集團已出售的附屬公司產生收益 518,000 港元及淨虧損 84,000 港元。

During the year, the disposed subsidiaries paid approximately HK\$501,000 net operating cash flows and had no cash flow in respect of investing activities and financing activities.

於年內，已出售的附屬公司支付經營現金流量淨額約 501,000 港元且並無投資活動及融資活動的現金流量。

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## 綜合財務報表附註

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### 47. MAJOR NON-CASH TRANSACTION

During the year ended 31 July 2017, one of AFS financial assets declared and distributed a final dividend in form of the scrip dividend to the Group. The Group obtained 70,620 shares with a fair value of approximately HK\$459,000.

### 48. RELATED PARTY TRANSACTIONS

(a) Other than disclosed elsewhere in the consolidated financial statements, the Group entered into the following transactions with related parties during the year:

| Name of company<br>公司名稱   | Nature of transaction<br>交易性質                           | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|---|---|----------------------------------|----------------------------------|
| Formosan Union Chemical Corp.<br>("Formosan") (Note i)<br>和益化學工業股份有限公司(「和益」)<br>(附註 i)                      | Dividends received<br>已收股息                              | -                                | 475                              |
| United Performance Materials Corporation<br>("United Performance") (Note ii)<br>聯超實業股份有限公司(「聯超」)<br>(附註 ii) | Dividends received<br>已收股息                              | -                                | 64                               |
| 東莞德洋 (Note iii)<br>東莞德洋 (附註 iii)  | Sales of rubber keypads<br>銷售矽膠按鍵                       | 2,515                            | 13                               |
|   | Purchase of rubber keypads<br>購買矽膠按鍵                    | 7,773                            | 760                              |
|   | Sales of property,<br>plant and equipment<br>銷售物業、廠房及設備 | 334                              | 215                              |
| 中國北京城市副中心有限公司<br>(Note iv)<br>中國北京城市副中心有限公司(附註 iv)  | Interest expense<br>利息開支                                | 174                              | -                                |

Notes:

- (i) Formosan is a company listed on the Taiwan Stock Exchange in which the director, Huang Sheng-Shun, has control of the Company and is a key management personnel of Formosan. The director was resigned on 27 April 2016.
- (ii) United Performance is a company listed on the Taiwan Stock Exchange in which the director, Huang Sheng-Shun, has control of the Company and is a key management personnel of United Performance. The director was resigned on 27 April 2016.
- (iii) 東莞德洋 is an associate of the Group.
- (iv) 中國北京城市副中心有限公司 is wholly owned by Shi Qi, the CEO of the Company.
- (v) These transactions were carried out at terms determined and agreed by the Group and the respective related party.

### 47. 主要非現金交易

截至二零一七年七月三十一日止年度，一項可供出售金融資產按以股代息形式向本集團宣派及分派末期股息。本集團獲得公平值約459,000港元的70,620股股份。

### 48. 關連方交易

(a) 除於綜合財務報表另行披露者外，於年內，本集團與關連方訂立以下交易：

附註：

- (i) 和益是一家於台灣證券交易所上市的公司，董事黃勝舜控制本公司且為和益的主要管理人員。該董事於二零一六年四月二十七日辭任。
- (ii) 聯超是一家於台灣證券交易所上市的公司，董事黃勝舜控制本公司且為聯超的主要管理人員。該董事於二零一六年四月二十七日辭任。
- (iii) 東莞德洋是本集團的一間聯營公司。
- (iv) 中國北京城市副中心有限公司由本公司行政總裁施琦全資擁有。
- (v) 該等交易乃按由本集團與各關連方釐定及協定的條款進行。

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### 48. RELATED PARTY TRANSACTIONS (Continued)

#### (b) Compensation of key management personnel

The remuneration of directors of the Company and other members of key management during the year is as follows:

|                          |       | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|--------------------------|-------|----------------------------------|----------------------------------|
| Short-term benefits      | 短期福利  | 7,426                            | 6,025                            |
| Post-employment benefits | 離職後福利 | 69                               | 109                              |
|                          |       | <b>7,495</b>                     | 6,134                            |

The remuneration of directors of the Company and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

### 48. 關連方交易(續)

#### (b) 主要管理人員報酬

於年內，本公司董事及其他主要管理層成員的薪酬如下：

本公司董事及主要行政人員的薪酬乃由薪酬委員會經考慮個別人士的表現及市場趨勢而釐定。

### 49. CAPITAL COMMITMENTS

Capital expenditure contracted for but not provided for in the consolidated financial statements in respect of:

- Acquisition of property, plant and equipment
- Acquisition of properties
- Acquisition of land use rights

下列各項的已訂約但尚未於綜合財務報表撥備的資本開支：

- 收購物業、廠房及設備
- 收購物業
- 收購土地使用權

|   |                            | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|---|----------------------------|----------------------------------|----------------------------------|
| Capital expenditure contracted for but not provided for in the consolidated financial statements in respect of: | 下列各項的已訂約但尚未於綜合財務報表撥備的資本開支： |                                  |                                  |
| — Acquisition of property, plant and equipment  | — 收購物業、廠房及設備               | 7,180                            | 1,558                            |
| — Acquisition of properties   | — 收購物業                     | —                                | 373,217                          |
| — Acquisition of land use rights  | — 收購土地使用權                  | 3,820                            | 4,775                            |
|   |                            | <b>11,000</b>                    | 379,550                          |

### 49. 資本承擔



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## 綜合財務報表附註

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### 50. COMMITMENTS UNDER OPERATING LEASES

#### The Group as lessor

Property rental income earned during the year is approximately HK\$8,057,000 (2016: HK\$8,086,000). The investment properties are expected to generate rental yield of 8.7% (2016: 9.0%) on an ongoing basis. The investment properties held have committed tenants for the next year.

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments:

|                                       |                  | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|---------------------------------------|------------------|----------------------------------|----------------------------------|
| Within one year                       | 一年內              | 2,019                            | 1,790                            |
| In the second to fifth year inclusive | 第二至第五年(首尾兩年包括在內) | 93                               | 96                               |
| After five years                      | 五年以上             | 259                              | 285                              |
|                                       |                  | <b>2,371</b>                     | 2,171                            |

#### The Group as lessee

The Group leases a number of properties under operating leases for its factories, offices and staff quarters. The leases were negotiated for terms ranging from one to five years, with the options to renew the leases when all terms are renegotiated. None of the leases includes contingent rentals.

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

|                                       |                  | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|---------------------------------------|------------------|----------------------------------|----------------------------------|
| Land and buildings:                   | 土地及樓宇：           |                                  |                                  |
| Within one year                       | 一年內              | 2,319                            | 1,472                            |
| In the second to fifth year inclusive | 第二至第五年(首尾兩年包括在內) | 150                              | -                                |
|                                       |                  | <b>2,469</b>                     | 1,472                            |

### 50. 經營租賃承擔

#### 本集團作為出租人

年內賺取的物業租金收入約為8,057,000港元(二零一六年：8,086,000港元)。預期投資物業將持續帶來8.7%(二零一六年：9.0%)的租金回報率。所持投資物業於來年已有租戶承租。

於報告期末，本集團已就下列未來最低租賃款項與租戶訂約：

#### 本集團作為承租人

本集團根據經營租賃租賃若干物業用作廠房、辦公室及員工宿舍。該等租賃的經協商租期介乎一至五年，並且有權選擇續租，屆時所有條款均可重新商定。該等租賃概無包括或然租金。

於報告期末，本集團根據不可撤銷經營租賃須於下列期間到期支付的未來最低租賃款項承擔如下：

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### 51. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

### 51. 本公司的財務狀況表

|                                       |            | Notes<br>附註 | 2017<br>二零一七年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 |
|---------------------------------------|------------|-------------|----------------------------------|----------------------------------|
| Non-current assets                    | 非流動資產      |             |                                  |                                  |
| Plant and equipment                   | 廠房及設備      |             | 188                              | 227                              |
| Investment in a subsidiary            | 於一間附屬公司的投資 |             | 124,149                          | 124,149                          |
|                                       |            |             | <b>124,337</b>                   | 124,376                          |
| Current assets                        | 流動資產       |             |                                  |                                  |
| Other receivables                     | 其他應收款項     |             | 531                              | 795                              |
| Amounts due from subsidiaries         | 應收附屬公司款項   | (a)         | 81,218                           | 2,778                            |
| Bank balances and cash                | 銀行結餘及現金    |             | 195                              | 17,543                           |
|                                       |            |             | <b>81,944</b>                    | 21,116                           |
| Current liabilities                   | 流動負債       |             |                                  |                                  |
| Other payables                        | 其他應付款項     |             | 5,341                            | 3,755                            |
| Amounts due to subsidiaries           | 應付附屬公司款項   | (a)         | 7,857                            | 19,888                           |
|                                       |            |             | <b>13,198</b>                    | 23,643                           |
| Net current assets (liabilities)      | 流動資產(負債)淨值 |             | <b>68,746</b>                    | (2,527)                          |
| Total assets less current liabilities | 資產總值減流動負債  |             | <b>193,083</b>                   | 121,849                          |
| Capital and reserves                  | 資本及儲備      |             |                                  |                                  |
| Share capital                         | 股本         |             | 87,118                           | 78,473                           |
| Reserves                              | 儲備         | (b)         | 105,965                          | 43,376                           |
| Total equity                          | 權益總額       |             | <b>193,083</b>                   | 121,849                          |

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### 51. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

### 51. 本公司的財務狀況表(續)

(a) Amounts due from (to) subsidiaries

The amounts are unsecured, non-interest bearing and repayable on demand.

(a) 應收(應付)附屬公司款項

有關款項為無抵押、免息及按要求償還。

(b) Reserves

(b) 儲備

|   |                            | Share premium<br>股份溢價<br>HK\$'000<br>千港元 | Share options reserve<br>購股權儲備<br>HK\$'000<br>千港元 | Accumulated losses<br>累計虧損<br>HK\$'000<br>千港元 | Capital redemption reserve<br>資本贖回儲備<br>HK\$'000<br>千港元 | Total<br>總計<br>HK\$'000<br>千港元 |
|---|----------------------------|--|---|---|---|--------------------------------|
| At 1 August 2015                          | 於二零一五年八月一日                 | 634,254                                  | 9,290   | (326,000)                                     | 2,420   | 319,964                        |
| Total comprehensive expenses for the year | 年內全面開支總額                   | -  | -   | (281,804)                                     | -   | (281,804)                      |
| Cancellation of share options             | 註銷購股權                      | -  | (6,966)   | 6,966   | -   | -                              |
| Forfeiture of share options               | 沒收購股權                      | -  | (340)   | 340   | -   | -                              |
| Exercise of share options                 | 行使購股權                      | 7,200                                    | (1,984)   | -   | -   | 5,216                          |
| At 31 July 2016 and 1 August 2016         | 於二零一六年七月三十一日<br>及二零一六年八月一日 | 641,454                                  | -   | (600,498)                                     | 2,420   | 43,376                         |
| Total comprehensive expenses for the year | 年內全面開支總額                   | -  | -   | (40,667)                                      | -   | (40,667)                       |
| Issue of shares upon placing              | 配售後發行股份                    | 103,256                                  | -   | -   | -   | 103,256                        |
| At 31 July 2017                           | 於二零一七年七月三十一日               | 744,710                                  | -   | (641,165)                                     | 2,420   | 105,965                        |

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## 綜合財務報表附註

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### 52. PRINCIPAL SUBSIDIARIES

Details of the principal subsidiaries held by the Company at the end of the reporting periods are as follows:

### 52. 主要附屬公司

於報告期末，本公司持有的主要附屬公司詳情如下：

| Name of subsidiary<br>附屬公司名稱  | Place of incorporation/<br>establishment<br>註冊成立/成立地點 | Class of shares held<br>所持股份類別 | Issued share capital/registered capital<br>已發行股本/註冊資本              |   | Attributable equity<br>interest of the Group<br>本集團應佔股本權益 |               | Principal activities<br>主要業務               |
|---|---|--------------------------------|--|---|---|---------------|--|
|   |   |                                | 2017<br>二零一七年  | 2016<br>二零一六年   | 2017<br>二零一七年   | 2016<br>二零一六年 |  |
|   |   |                                |  |   |   |               |  |
| Ta Yang Silicone Rubber Industrial Company Limited<br>大洋矽橡膠工業有限公司                                 | Hong Kong<br>香港                                       | Ordinary shares<br>普通股         | HK\$1,000,000<br>1,000,000 港元                                      | HK\$1,000,000<br>1,000,000 港元                                     | 100%<br>100%  | 100%<br>100%  | Trading of silicone rubber<br>買賣矽膠         |
| Chief Ocean Limited<br>致洋有限公司   | Hong Kong<br>香港                                       | Ordinary shares<br>普通股         | HK\$1<br>1 港元  | HK\$1<br>1 港元   | 100%<br>100%  | 100%<br>100%  | Provision of management services<br>提供管理服務 |
| InnoLIMS Global<br>宏洋環球   | Hong Kong<br>香港                                       | Ordinary shares<br>普通股         | HK\$4,000,000<br>4,000,000 港元                                      | HK\$4,000,000<br>4,000,000 港元                                     | 55%<br>55%  | 60%<br>60%    | Investments holding<br>投資控股                |
| Ta Yang Medical Investment Limited<br>("Ta Yang Medical") (Note a)<br>大洋醫療投資有限公司<br>(「大洋醫療」)(附註a) | Hong Kong<br>香港                                       | Ordinary shares<br>普通股         | HK\$20,000,000<br>20,000,000 港元                                    | HK\$20,000,000<br>20,000,000 港元                                   | 100%<br>100%  | 100%<br>100%  | Investments holding<br>投資控股                |
| Ta Yang Group Limited (Note a)<br>大洋集團有限公司(附註a)   | BVI<br>英屬處女群島   | Ordinary shares<br>普通股         | 11,930,811<br>shares of US\$1 each<br>11,930,811 股每股<br>面值 1 美元的股份 | 11,930,811<br>shares of US\$1 each<br>11,930,811 股每股面值<br>1 美元的股份 | 100%<br>100%  | 100%<br>100%  | Investments holding<br>投資控股                |
| Top View Investment Holdings Limited<br>遠思投資控股有限公司  | BVI<br>英屬處女群島   | Ordinary shares<br>普通股         | 1 share of US\$1 each<br>1 股面值 1 美元的<br>股份                         | 1 share of US\$1 each<br>1 股面值 1 美元的<br>股份                        | 100%<br>100%  | 100%<br>100%  | Investments holding<br>投資控股                |
| Ta Yang Group (Macao Commercial Offshore) Limited<br>大洋集團(澳門離岸商業服務)有限公司                           | MSAR<br>澳門特區  | Ordinary shares<br>普通股         | 1 share of MOP<br>100,000 each<br>1 股面值 100,000<br>澳門幣的股份          | 1 share of MOP<br>100,000 each<br>1 股面值 100,000<br>澳門幣的股份         | 100%<br>100%  | 100%<br>100%  | Trading of silicone rubber<br>買賣矽膠         |
| Dongguan Ta Yang Silicone Rubber Industrial Company Limited<br>東莞大洋矽橡膠製品有限公司                      | The PRC<br>中國   | Contributed capital<br>繳入資本    | HK\$86,000,000<br>86,000,000 港元                                    | HK\$86,000,000<br>86,000,000 港元                                   | 100%<br>100%  | 100%<br>100%  | Manufacturing of silicone rubber<br>製造矽膠   |
| Huzhou Ta Yang Electronic Technology Company Limited<br>湖州大洋電子科技有限公司                              | The PRC<br>中國   | Contributed capital<br>繳入資本    | US\$38,000,000<br>38,000,000 美元                                    | US\$38,000,000<br>38,000,000 美元                                   | 100%<br>100%  | 100%<br>100%  | Manufacturing of silicone rubber<br>製造矽膠   |
| Dongguan Tay Yang Rubber Plastic Industrial Company Limited<br>東莞泰洋橡膠製品有限公司                       | The PRC<br>中國   | Contributed capital<br>繳入資本    | HK\$8,000,000<br>8,000,000 港元                                      | HK\$8,000,000<br>8,000,000 港元                                     | 100%<br>100%  | 100%<br>100%  | Manufacturing of silicone rubber<br>製造矽膠   |

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 52. PRINCIPAL SUBSIDIARIES (Continued)

### 52. 主要附屬公司 (續)

| Name of subsidiary<br>附屬公司名稱   | Place of incorporation/<br>establishment<br>註冊成立/成立地點 | Class of shares held<br>所持股份類別 | Issued share capital/registered capital<br>已發行股本/註冊資本 |                | Attributable equity<br>interest of the Group<br>本集團應佔股本權益 |       | Principal activities<br>主要業務             |
|--|---|--------------------------------|---|----------------|---|-------|--|
|  |   |                                | 2017  | 2016           | 2017  | 2016  |  |
|  |   |                                | 二零一七年   | 二零一六年          | 二零一七年   | 二零一六年 |  |
| Dongguan Tai Yang Rubber Plastic Industrial Company Limited<br>("Dongguan Tai Yang")<br>東莞大洋橡膠製品有限公司<br>(「東莞大洋」) | The PRC<br>中國   | Contributed capital<br>繳入資本    | <b>HK\$70,000,000</b>                                 | HK\$70,000,000 | <b>100%</b>   | 100%  | Manufacturing of silicone rubber<br>製造矽膠 |
| Bei Liu Jin Gu Electronic Technology Company Limited<br>北流金谷電子科技有限公司   | The PRC<br>中國   | Contributed capital<br>繳入資本    | <b>HK\$23,000,000</b>                                 | HK\$23,000,000 | <b>100%</b>   | 100%  | Manufacturing of silicone rubber<br>製造矽膠 |
| Harbin Ta Yang Development Trading Company Limited<br>哈爾濱大洋發展貿易有限公司  | The PRC<br>中國   | Contributed capital<br>繳入資本    | <b>RMB30,000,000</b>                                  | RMB30,000,000  | <b>100%</b>   | 100%  | Inactive<br>暫無營業                         |
| 東莞宏華電子科技有限公司   | The PRC<br>中國   | Contributed capital<br>繳入資本    | <b>RMB5,600,000</b>                                   | RMB5,600,000   | <b>55%</b>  | 60%   | Manufacturing of silicone rubber<br>製造矽膠 |
| 東莞宏華電子科技有限公司   | The PRC<br>中國   | Contributed capital<br>繳入資本    | <b>RMB150,000,000</b>                                 | RMB150,000,000 | <b>100%</b>   | 100%  | Healthcare service<br>醫療保健服務             |
| 大洋(海南)健康產業發展有限公司   | The PRC<br>中國   | Contributed capital<br>繳入資本    | <b>RMB150,000,000</b>                                 | RMB150,000,000 | <b>100%</b>   | 100%  | Healthcare service<br>醫療保健服務             |
| 大洋(海南)健康產業發展有限公司   | The PRC<br>中國   | Contributed capital<br>繳入資本    | <b>RMB50,000,000</b>                                  | N/A            | <b>100%</b>   | N/A   | Hotel service<br>酒店服務                    |
| 洋亞(海南)實業有限公司   | The PRC<br>中國   | Contributed capital<br>繳入資本    | <b>RMB50,000,000</b>                                  | N/A            | <b>100%</b>   | N/A   | Hotel service<br>酒店服務                    |

Note:

- (a) Except for Ta Yang Group Limited and Ta Yang Medical, all the subsidiaries are indirectly held by the Company.

The above table lists the subsidiaries of the Group which, in the opinion of the directors of the Company, principally affect the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors of the Company, result in particulars of excessive length.

附註：

- (a) 除大洋集團有限公司及大洋醫療外，所有附屬公司均由本公司間接持有。

上表列示本公司董事認為主要影響本集團業績或資產的本集團附屬公司。本公司董事認為詳列其他附屬公司資料會導致篇幅過於冗長。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 52. PRINCIPAL SUBSIDIARIES (Continued)

At the end of the reporting period, the Company has other subsidiaries that are not material to the Group. A majority of these subsidiaries are inactive or engage in investments holding. A summary of these subsidiaries are set out as follows:

### 52. 主要附屬公司(續)

於報告期末，本公司其他附屬公司對本集團影響並不重大。該等附屬公司大部分暫無營業或從事投資控股。該等附屬公司概要載列如下：

| Principal activities<br>主要業務   | Principal place of business<br>主要營業地點 | Number of subsidiaries<br>附屬公司數目 |               |
|--------------------------------|---------------------------------------|----------------------------------|---------------|
|                                |                                       | 2017<br>二零一七年                    | 2016<br>二零一六年 |
| Inactive<br>暫無營業               | BVI<br>英屬處女群島                         | 1                                | 1             |
|                                | Indonesia<br>印尼                       | 1                                | 1             |
|                                | The PRC<br>中國                         | 1                                | -             |
|                                | Hong Kong<br>香港                       | 1                                | -             |
| Investments holding<br>投資控股    | BVI<br>英屬處女群島                         | 1                                | 1             |
|                                | Hong Kong<br>香港                       | 1                                | 1             |
| Research and development<br>研發 | BVI<br>英屬處女群島                         | 1                                | 1             |

None of the subsidiaries had any debt securities outstanding at the end of both reporting periods or at any time during both years.

於兩個報告期末或兩個年度內任何時間，概無附屬公司擁有任何已發行的債務證券。

No subsidiary has non-controlling interest material to the Group.

概無附屬公司擁有對於本集團而言屬重大的非控股權益。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2017 截至二零一七年七月三十一日止年度

### 53. EVENTS AFTER THE REPORTING PERIOD

- (a) On 24 August 2017, the Group and Dyp Corp. (the "Purchaser"), an independent third party, entered into a sale and purchase agreement, pursuant to which, the Group has conditionally agreed to sell, and the Purchaser has conditionally agreed to buy, the Group's entire equity interest in UDE, an associate of the Group, at a total cash consideration of US\$290,155 (equivalent to approximately HK\$2,246,000). The disposal of UDE has been completed on 24 August 2017. At the date of disposal, the carrying amount of UDE was approximately HK\$2,876,000, a loss on disposal of approximately HK\$630,000 was resulted. Afterwards, the Group did not have any equity interest in UDE.
- (b) On 11 October 2017, the Group and UDE, an independent third party, entered into a sale and purchase agreement, pursuant to which, the Group has conditionally agreed to sell, and UDE has conditionally agreed to buy, the entire share capital of Dongguan Tai Yang, an indirect wholly-owned subsidiary of the Company, at a total consideration of HK\$55,783,623. Up to approval date of the consolidated financial statements, the disposal is yet to be completed. Details of which are set out in the announcement of the Company dated 11 October 2017.

### 53. 報告期後事項

- (a) 於二零一七年八月二十四日，本集團與獨立第三方 Dyp Corp. (「買方」) 訂立買賣協議，據此，本集團已有條件同意出售而買方已有條件同意購買本集團於湧德(本集團聯繫人)的全部股權，總現金代價為290,155美元(相當於約2,246,000港元)。出售湧德已於二零一七年八月二十四日完成。於出售日期，湧德的賬面值為約2,876,000港元，導致出售虧損約630,000港元。此後，本集團於湧德並無擁有任何股權。
- (b) 於二零一七年十月十一日，本集團與獨立第三方湧德訂立買賣協議，據此，本集團已有條件同意出售而湧德已有條件同意購買本公司間接全資附屬公司東莞太洋的全部股本，總代價為55,783,623港元。直至綜合財務報表批准日期，該出售尚未完成。其詳情載於本公司日期為二零一七年十月十一日的公告。

# Five Years Financial Summary

## 五年財務概要

### CONSOLIDATED RESULTS

### 綜合業績

|                                    |             | Year ended 31 July<br>截至七月三十一日止年度 |                                  |                                  |                                  | 2017                     |
|------------------------------------|-------------|-----------------------------------|----------------------------------|----------------------------------|----------------------------------|--------------------------|
|                                    |             | 2013<br>二零一三年<br>HK\$'000<br>千港元  | 2014<br>二零一四年<br>HK\$'000<br>千港元 | 2015<br>二零一五年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 | 二零一七年<br>HK\$'000<br>千港元 |
| Revenue                            | 收益          | 551,326                           | 467,264                          | 426,242                          | 386,516                          | <b>400,500</b>           |
| Loss for the year                  | 年內虧損        | (131,919)                         | (220,358)                        | (159,382)                        | (72,250)                         | <b>(74,060)</b>          |
| Loss for the year attributable to: | 以下人士應佔年內虧損： |                                   |                                  |                                  |                                  |                          |
| Owners of the Company              | 本公司擁有人      | (131,616)                         | (216,563)                        | (156,335)                        | (71,304)                         | <b>(72,943)</b>          |
| Non-controlling interests          | 非控股權益       | (303)                             | (3,795)                          | (3,047)                          | (946)                            | <b>(1,117)</b>           |
|                                    |             | (131,919)                         | (220,358)                        | (159,382)                        | (72,250)                         | <b>(74,060)</b>          |

### CONSOLIDATED ASSETS AND LIABILITIES

### 綜合資產及負債

|                           |           | As at 31 July<br>於七月三十一日         |                                  |                                  |                                  | 2017                     |
|---------------------------|-----------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|--------------------------|
|                           |           | 2013<br>二零一三年<br>HK\$'000<br>千港元 | 2014<br>二零一四年<br>HK\$'000<br>千港元 | 2015<br>二零一五年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元 | 二零一七年<br>HK\$'000<br>千港元 |
| Total assets              | 資產總值      | 1,012,409                        | 815,823                          | 654,170                          | 567,746                          | <b>954,503</b>           |
| Total liabilities         | 負債總額      | (144,621)                        | (185,397)                        | (178,509)                        | (156,584)                        | <b>(510,617)</b>         |
| Total equity              | 權益總額      | 867,788                          | 630,426                          | 475,661                          | 411,162                          | <b>443,886</b>           |
| Equity attributable to:   | 以下人士應佔權益： |                                  |                                  |                                  |                                  |                          |
| Owners of the Company     | 本公司擁有人    | 862,928                          | 628,907                          | 475,661                          | 410,509                          | <b>444,282</b>           |
| Non-controlling interests | 非控股權益     | 4,860                            | 1,519                            | -                                | 653                              | <b>(396)</b>             |
| Total equity              | 權益總額      | 867,788                          | 630,426                          | 475,661                          | 411,162                          | <b>443,886</b>           |





**大洋集團控股有限公司**  
**Ta Yang Group Holdings Limited**

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