

金邦達 Goldpac

GOLDPAC GROUP LIMITED
金邦達寶嘉控股有限公司

(incorporated in Hong Kong with limited liability)

(於香港註冊成立的有限公司)

股份代號 Stock Code : 03315



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CORPORATE INFORMATION

企業資料

PLACE OF LISTING

The Stock Exchange of Hong Kong Limited (the “Stock Exchange”)

STOCK CODE

3315

EXECUTIVE DIRECTORS

Mr. LU Run Ting (*Chairman*)

Mr. HOU Ping

Mr. LU Runyi

Mr. LU Xiaozhong

Mr. WU Siqiang

NON-EXECUTIVE DIRECTOR

Mr. LING Wai Lim

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. MAK Wing Sum Alvin

Mr. LIU John Jianhua

Ms. YE Lu

AUDIT COMMITTEE

Mr. MAK Wing Sum Alvin (*Chairman*)

Mr. LIU John Jianhua

Ms. YE Lu

REMUNERATION COMMITTEE

Mr. LIU John Jianhua (*Chairman*)

Mr. LU Run Ting

Mr. MAK Wing Sum Alvin

上市地點

香港聯合交易所有限公司(「聯交所」)

股份代號

3315

執行董事

盧閏霆先生(*主席*)

侯平先生

盧潤怡先生

盧小忠先生

吳思強先生

非執行董事

盧威廉先生

獨立非執行董事

麥永森先生

劉建華先生

葉淥女士

審核委員會

麥永森先生(*主席*)

劉建華先生

葉淥女士

薪酬委員會

劉建華先生(*主席*)

盧閏霆先生

麥永森先生

CORPORATE INFORMATION (CONTINUED) 企業資料(續)

NOMINATION COMMITTEE

Mr. LU Run Ting (*Chairman*)
Mr. HOU Ping
Mr. MAK Wing Sum Alvin
Mr. LIU John Jianhua
Ms. YE Lu

LEGAL ADVISOR

Mayer Brown JSM
16th–19th Floors, Prince's Building
10 Chater Road
Central
Hong Kong

AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants
35th Floor, One Pacific Place
88 Queensway
Hong Kong

COMPANY SECRETARY

Ms. LI Yijin

AUTHORISED REPRESENTATIVES

Mr. LU Run Ting
Ms. LI Yijin

PRINCIPAL BANKERS

Deutsche Bank AG, Filiale Hong Kong
Bank of China (Hong Kong) Limited
The Hongkong and Shanghai Banking Corporation Limited
Nanyang Commercial Bank Limited
Bank of China Limited
Industrial and Commercial Bank of China Limited

提名委員會

盧閏霆先生(主席)
侯平先生
麥永森先生
劉建華先生
葉淥女士

法律顧問

孖士打律師行
香港
中環
遮打道10號
太子大廈16–19樓

核數師

德勤•關黃陳方會計師行
執業會計師
香港
金鐘道88號
太古廣場一座35樓

公司秘書

李易進女士

授權代表

盧閏霆先生
李易進女士

主要銀行

德意志銀行香港分行
中國銀行(香港)有限公司
香港上海滙豐銀行有限公司
南洋商業銀行有限公司
中國銀行股份有限公司
中國工商銀行股份有限公司

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REGISTERED OFFICE AND HEADQUARTERS

Room 1301
13th Floor, Bank of East Asia
Harbour View Center
No. 56 Gloucester Road
Wanchai
Hong Kong

HONG KONG SHARE REGISTRAR AND TRANSFER OFFICE

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

COMPANY WEBSITE

www.goldpac.com

INVESTOR RELATION

Email: goldpac@goldpac.com

註冊辦事處及總部

香港
灣仔
告士打道56號
東亞銀行
港灣中心
13層1301室

香港股份過戶登記處及 股東名冊登記處

卓佳證券登記有限公司
香港皇后大道東183號
合和中心22樓

公司網址

www.goldpac.com

投資者關係

電郵: goldpac@goldpac.com

2013-2017

28.6%

Average Gross Margin
平均毛利率

13.5%

Average Net Profit Margin
平均淨利率

7,113 Million
百萬元*

Aggregated Turnover
累計營業額

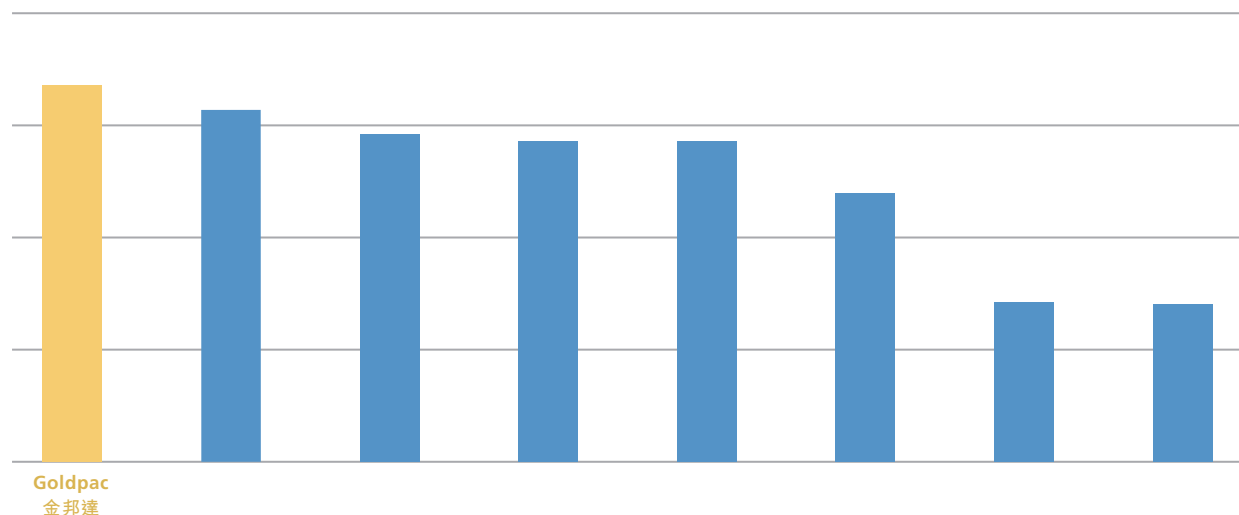
966 Million
百萬元*

Aggregated Net Profit
累計淨利潤

* RMB人民幣

Market Leader in China 2013-2017
連續五年中國市場領導者

Financial IC Card Shipment in China, 2017
2017中國市場金融IC卡出貨量



2017 MAJOR EVENTS

2017 年大事記

- 1 GMES opens up new opportunities in Intelligent Production
推出GMES生產管理系統
開啓智能卡智造新方向



- 2 GCaaS Platform was honored with 2017 CITE Innovation Award
GCaaS雲平臺榮獲「2017中國電子信息博覽會
創新產品與應用」獎



- 3 Honored for 7 ICMA Elan Awards, 2017
榮獲七項2017 ICMA依蘭大獎



- 4 Honored as a "Model Enterprise for the 2017 Mass Entrepreneurship and Innovation in Guangdong Province"
獲評「2017年廣東省「雙創」示範大企業」



- 5 Honored as "2017 Innovative Pilot Enterprise in Guangdong Province"
獲評「2017年廣東省創新型試點企業」



- 6 Honored as the "Backbone Enterprise for 2017 Strategic Emerging Industries (Intelligent Manufacturing) in Guangdong Province"
榮獲「2017年廣東省戰略性新興產業
骨幹企業(智能製造領域)」





- 7** Establishment of Tianjin Personalisation Center
The Group is the first provider who has 3 personalisation centers in China and has strengthened the service capabilities to the customers in the northern China.
天津個人化中心成立
本集團成為中國首家具有三個數據個人化中心的企業，進一步強化了對中國北方地區客戶的服務能力



- 8** Entered into Strategic Cooperation Agreement on Smart Manufacturing with Infineon to further elevate the smart operation capabilities of secure payment products.
與英飛凌簽署智能製造戰略合作協議，共同推進安全支付產品智能製造升級

- 9** Sharing Economy Blossoms in the Sky – AA Jet, China's first private jet travel sharing platform
共享出行綻放藍天
攜手「安安專機」打造國內首個專機共享平臺



- 10** Launch the project of Goldpac Fintech Innovation Hub, to build up the world-leading fintech service center.
啟動金邦達金融科技創新中心項目，打造全球領先的金融科技服務中心



- 11** Honored with "Best Value TMT Company" for Golden Hong Kong Stock Award, 2017
再獲港股年度大獎
榮摘2017金港股「最具價值TMT股公司」



CHAIRMAN'S STATEMENT

主席報告





USA
美國

ENGLAND
英國

GREECE
希臘

SPAIN
西班牙

TURKEY
土耳其

BURUNDI
蒲隆地

CONGO
剛果

ANGOLA
安哥拉

SOUTH AFRICA
南非

DUBAI
杜拜

KENYA
肯尼亞

SRI LANKA
斯里蘭卡

MAURITIUS
毛里求斯

PAKISTAN
巴基斯坦

BANGLADESH
孟加拉

THAILAND
泰國

SINGAPORE
新加坡

MONGOLIA
蒙古

MACAU
澳門

SOUTH KOREA
韓國

HONG KONG
香港

PHILIPPINES
菲律賓

VIETNAM
越南



Chairman & Executive Director: **LUN Run Ting**

董事會主席兼執行董事：盧問霆

Dear Shareholders,

On behalf of the Board of Directors (the "Directors" and "Board" respectively) of Goldpac Group Limited (the "Company"), I am delighted to present the Annual Report of the Company and its subsidiaries (the "Group") for the year ended 31 December 2017.

尊敬的各位股東：

本人欣然代表董事會（以下分別簡稱「董事」及「董事會」）向閣下提呈金邦達寶嘉控股有限公司（以下簡稱「本公司」）及其附屬公司（以下合稱「本集團」）截至2017年12月31日止之年度報告。

CHAIRMAN'S STATEMENT 主席報告

“Regulatory Reinforcement” was the theme for the financial industry’s development in China for the year of 2017. The Government Work Report delivered in March 2018 by the State Council emphasized the importance of enhancing financial regulations in order to prevent systemic financial risks. Substantial measures were reinforced by the Chinese governmental authorities aimed at eliminating financial irregularities, circumvention of financial regulations and facilitation of regulatory arbitrage. These measures have promoted the progressive, steady and healthy development of China’s financial industry. As such, a favorable external environment is created for the Group’s development.

Banks have always held a dominant position in China’s financial system. Their stringent security has made them an important cornerstone for national financial security. The secure payment model based on bank account forms the core foundation and mainstay of the banking payment system and has always maintained its steady development. In 2017, the number of bank card transactions in China reached nearly 150 billion times, representing an increase of approximately 29.4% as compared with that of the previous year. Furthermore, the average single transaction amount for bank cards was approximately RMB5,097, which is ten times as compared to third party payment services.

Credit card is a globally recognized payment tool and possesses a competitive advantage that drives consumer credit. Under the strong push of major banks, China’s credit card market obtained a rapid growth in 2017. The number of credit cards per capita has increased from approximately 0.31 to approximately 0.39 in the year of 2017. The total value of credit card loans reached approximately RMB12.48 trillion, representing an increase of approximately 36.6% as compared with that for the year of 2016.

In 2017, the Group maintained its leading market share position in China’s payment card market with credit card shipment volumes increased approximately 40% as compared with that of the previous year. The year of 2017 also marked the fifth anniversary of the Group’s listing on the Main Board of the Stock Exchange. Over the past five years, the Group has maintained a steady pace of growth and has achieved approximately a total turnover and profit for the year of RMB7.1 billion and RMB966 million respectively. The dividend rate has been increasing progressively. The Board proposed to declare a final dividend of HK10.0 cents and a special dividend of HK6.0 cents per ordinary share for the year ended 31 December 2017. If this proposal is approved at the forthcoming annual general meeting, the dividend rate for the year of 2017 would be approximately 81.8%.

「加強監管」是2017年中國金融產業發展的關鍵詞。2018年3月中國國務院《政府工作報告》再次強調完善金融監管的重要性，以防範系統性金融風險。中國多個政府部門均出台嚴厲措施，整肅掩蓋金融風險、規避金融監管、進行制度套利的金融違規行為，促進了金融產業的日益規範和穩健發展，從而為本集團發展創造了良好的外部環境。

銀行在中國金融體系中佔據主導地位，憑藉其完善的安全體系成為國家金融安全的重要基石。基於銀行帳戶的安全支付是銀行支付體系的核心基礎和主體，始終保持穩健發展。2017年，中國銀行卡交易次數同比增長約29.4%，接近1,500億次。銀行卡每筆交易金額約為人民幣5,097元，約是第三方支付每筆交易金額的10倍。

信用卡是全球認可的支付工具，且具備帶動消費信貸的競爭性優勢。2017年，在各大銀行的大力推動下，中國信用卡市場取得了強勁增長。中國人均持有信用卡數量由年初的約0.31張提升至約0.39張，信用卡授信總額達到約人民幣12.48萬億元，同比取得約36.6%的增長。

2017年，本集團市場份額繼續保持中國市場第一，信用卡出貨量同比增長約四成。2017年也是本集團在港交所主板上市的第五個年度。五年以來，本集團始終保持穩健成長，累計實現營業額約人民幣71億元，累計年度利潤約人民幣9.66億元。派息率逐年提升，董事會建議就截至2017年12月31日止之年度派發末期股息每股普通股港幣10.0仙以及特別股息港幣6.0仙。若此建議在即將召開的股東大會獲得批准，本公司2017年度派息率約將達到81.8%。

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CHAIRMAN'S STATEMENT (CONTINUED)

主席報告(續)

The Group is now establishing its second Five-Year Development Plan with the focus on becoming the expert in smart financial service solutions within the next three to five years.

Despite the increasingly intense competition in the smart secure payment products market, the Group has distinguished itself through its competitive advantages in technology, innovative products and financial capability. The Group is fully capable of striving for more market share in China and in overseas countries, especially in Asia.

The Group is committed on the future advancement of R&D (research and development) of secure encryption technology applications. At present, the Group has made progress in its technical preparations for IoT (Internet of Things) secure modules, mobile phone APP white boxes, smart homes, machine interaction and other related areas. In the application of eID (electronic identity), the Group also possessed essential technologies and related products. In the future, these technologies will be fully utilised to the emerging areas including AI (artificial intelligence) financial self-service kiosks and overseas trusted identity documents, becoming the new driving forces for the Group's growth.

In response to the trend of unmanned and mobile financial services, the Group's proprietary intelligent financial self-service kiosks are going to be launched. Using AI, these financial self-service kiosks utilize the advantages of human-computer interaction, facial recognition as well as other biometrics and will assist financial institutions in improving their intelligent operation efficiency, while reducing staff cost. The Group will expand the functionality and areas of application for financial self-service kiosks towards opportunities in intelligent unmanned counters and branches to help bringing the Group new areas of growth.

Precise and efficient intelligent automated operation systems, technologies and management experience are the core strengths of the Group and have built a solid foundation for the Group's larger-scale global operation in the future.

The Group will prudently utilize its cash reserves and will focus on the core security technology and expand the IoT business. The Group will seek for new growth drivers in the field of intelligent operation upgrade and expansion, expansion in financial services outsourcing industry chain and "Platform + Service" upgrade.

本集團正在積極規劃上市後第二個五年發展計劃綱要，力爭在未來三至五年內成長為金融智能服務解決方案專家。

隨著智能安全支付產品市場競爭的加大，本集團的技術、創新產品和資金的優勢將更為凸顯，完全有能力在中國以及海外市場，特別是亞洲市場爭取更多的市場份額。

本集團致力於安全加密技術的前瞻性研發，目前已經在物聯網安全模塊、手機APP白盒技術、智能家居、機器交互等領域進行技術儲備。在電子身份證應用領域，本集團亦有成熟的技術和產品。未來，這些技術將被充分的運用在智能金融自助設備、海外市場身份證件等新興領域，成為本集團新的增長動力。

針對金融機構網點無人化、移動化的服務趨勢，本集團具備完全知識產權的智能金融自助設備即將投入市場。以人工智能為核心理念，充分運用人機互動、人像識別和其他生物識別技術，智能金融自助設備能夠有效提升金融機構智能運營水平和降低人力成本，助力銀行網點向無人化、智能化的轉型，為本集團帶來新的增長空間。

精準、高效的智能運營體系、技術及管理經驗是本集團核心競爭優勢之一，也為本集團未來更大規模的全球化運營奠定了扎實的基礎。

本集團將謹慎利用資金儲備，聚焦核心安全技术優勢，拓展物聯網業務，在智能運營升級和拓展、金融服務外包產業鏈延伸、「平臺+服務」的升級等領域為本集團創造增長空間。

CHAIRMAN'S STATEMENT (CONTINUED) 主席報告(續)

Despite China is the most essential market for the Group, the Group's products and services have already been distributed to 25 countries and regions. In response to the "Belt and Road" initiative, the Group's overseas key markets include Bangladesh, Mongolia, the Philippines, Pakistan and other Southeast Asian and Central Asian countries. In 2017, the Group successfully entered into the Central American market. In 2018, the Group will rapidly enter into the overseas financial payment market and accelerate China's national financial chip's overseas expansion, with the advantage of the China national chip. China UnionPay is increasing its expansion in countries as stipulated by the "Belt and Road" initiative. The Group will capitalize opportunities on China UnionPay's overseas promotion, striving for more market share.

Last but not least, I would like to take this opportunity to extend my sincere gratitude to all our shareholders, members of the Board, management teams, the staffs and business partners of the Group.

LU Run Ting

Chairman & Executive Director

Hong Kong, 16 March 2018

雖然中國市場是本集團最重要的市場，但本集團客戶分佈全球25個國家和地區。積極響應「一帶一路」倡議，本集團海外重點市場包括孟加拉、蒙古、菲律賓、巴基斯坦等東南亞、中亞國家。2017年，本集團成功打開了中美洲市場的大門。2018年，本集團將借助中國國產芯片的優勢，加速國產金融芯片在海外的拓展步伐，快速進入海外金融支付市場。中國銀聯正在「一帶一路」沿線國家加速推進，本集團將把握中國銀聯海外高速發展的機遇，爭取更多的市場份額。

最後，謹此感謝本公司全體股東，董事會成員，管理層團隊，全體員工和合作夥伴的支持。

盧閻霆

主席及執行董事

香港，2018年3月16日

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Executive Director & CEO: HOU Ping
執行董事兼首席執行官：侯平

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

“Regulatory Reinforcement” was the theme for the financial industry’s development in China for the year of 2017. The Government Work Report delivered in March 2018 by the State Council emphasized the importance of enhancing financial regulations in order to prevent systemic financial risks. Substantial measures were reinforced by the Chinese governmental authorities aimed at eliminating financial irregularities, circumvention of financial regulations and facilitation of regulatory arbitrage. These measures have promoted the progressive, steady and healthy development of China’s financial industry. As such, a favorable external environment is created for the Group’s development.

Banks have always held a dominant position in China’s financial system. Their stringent security have made them an important cornerstone for national financial security. The secure payment model based on bank account forms the core foundation and mainstay of the banking payment system and has always maintained its steady development. In 2017, the number of bank card transactions in China reached nearly 150 billion times, representing an increase of approximately 29.4% as compared with that of the previous year. Furthermore, the average single transaction amount for bank cards was approximately RMB5,097, which is ten times as compared to third party payment services*.

Credit card is a globally recognized payment tool and possesses a competitive advantage that drives consumer credit. Under the strong push of major banks, China’s credit card market obtained a rapid growth in 2017. The number of credit cards per capita has increased from approximately 0.31 to approximately 0.39 in the year of 2017. The total value of credit card loans reached approximately RMB12.48 trillion, representing an increase of approximately 36.6% as compared with that for the year of 2016*.

At the same time, third-party payment services have maintained a positive development. With a majority of these services typically bounding with consumer bank cards, the third-party payment services act as complementary tools in the banking system in terms of convenience and small amount payment amongst others. The coordinated development between the banks and third-party payment services has gradually merged the boundary between online and offline payment services. For example, the “Cloud Pay” service launched by China UnionPay is a powerful tool that can support various types of online and offline scenarios. In the future, with maturation and popularization of the IoT, online and offline payment services may be further integrated to an IoT transaction era.

* Payment System Report by People’s Bank of China

「加強監管」是2017年中國金融產業發展的關鍵詞。2018年3月中國國務院《政府工作報告》再次強調完善金融監管的重要性，以防範系統性金融風險。中國多個政府部門均出台嚴厲措施，整肅掩蓋金融風險、規避金融監管、進行制度套利的金融違規行為，促進了金融產業的日益規範和穩健發展，從而為本集團發展創造了良好的外部環境。

銀行在中國金融體系中佔據主導地位，憑藉其完善的安全體系成為國家金融安全的重要基石。基於銀行帳戶的安全支付是銀行支付體系的核心基礎和主體，始終保持穩健發展。2017年，中國銀行卡交易次數同比增長約29.4%，接近1,500億次。銀行卡每筆交易金額約為人民幣5,097元，約是第三方支付每筆交易金額的10倍*。

信用卡是全球認可的支付工具，且具備帶動消費信貸的競爭性優勢。2017年，在各大銀行的大力推動下，中國信用卡市場取得了強勁增長。中國人均持有信用卡數量由年初的約0.31張提升至約0.39張，信用卡授信總額達到約人民幣12.48萬億元，同比取得約36.6%的增長*。

與此同時，第三方支付也保持了積極發展。第三方支付機構通常通過綁定消費者的銀行卡，從便利性、小額支付等多個角度補充了銀行的服務體系。兩者相互協同發展，逐漸形成交易的線上線下融合，比如中國銀聯推出的「雲閃付」，功能強大，可支持各種不同類型的線上、線下消費場景。未來，隨著物聯網技術的進一步成熟和普及，線上、線下支付或將進一步融合，攜手共同進入物聯網交易時代。

* 數據來自中國人民銀行支付體系報告

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2017 REVIEW

In 2017, the Group maintained its leading market share position in China's payment card market with credit card shipment volumes increased by approximately 40% as compared with that of the previous year. Turnover was approximately RMB1,400.8 million, representing an increase of approximately 0.5% as compared with that of the previous year. Gross margin was 29.8%, remaining approximately at par as compared with that of the previous year.

The profit for the year decreased by approximately 19.7% to RMB164.5 million as compared with that of the previous year, as a result of the depreciation of USD denominated bank deposits against the RMB. Adjusted for the unrealized exchange loss of approximately RMB49.8 million, the profit for the year would have increased by approximately 31.0% as compared with that of the previous year to approximately RMB214.3 million. Operating profit was approximately RMB250.3 million, representing an increase of approximately 21.8% as compared with that of the previous year.

R&D costs increased by approximately 11.2% as compared with that of the previous year to approximately RMB109.1 million. This accounts for approximately 7.8% of turnover. With the efforts on improving operation efficiency, the sales and distribution costs, and the administrative costs decreased by approximately 14.2% as compared with that of the previous year to approximately RMB141.6 million.

In the business segment, turnover of the embedded software and secure payment products segment was approximately RMB1,150.0 million, representing a decrease of approximately 1.3% as compared with that of the previous year. By adopting "Platform + Service" strategy, turnover of the platform and service segment was approximately RMB250.9 million, representing an increase of approximately 9.5% as compared with that of the previous year, resulting in an increase in contribution to turnover to approximately 17.9%.

2017年回顧

2017年，本集團市場份額繼續保持中國市場第一，信用卡出貨量同比增長約四成。全年實現營業額約人民幣1,400.8百萬元，同比增加約0.5%，毛利率錄得約29.8%，與2016年基本持平。

年度利潤約為人民幣164.5百萬元，同比下降約19.7%，乃主要受美元銀行存款兌人民幣貶值影響。若剔除未實現帳面匯兌損失約人民幣49.8百萬元，調整後之年度利潤同比上升約31.0%至約214.3百萬元，營業利潤約人民幣250.3百萬元，同比增加約21.8%。

研發成本同比增長約11.2%至約人民幣109.1百萬元，約佔全年營業額的7.8%。通過提升管理水準和經營效率，銷售及分銷成本、行政開支合計約人民幣141.6百萬元，同比下降約14.2%。

業務分部方面，嵌入式軟件和安全支付產品分部錄得營業額約人民幣1,150.0百萬元，同比下降約1.3%。而在「平台+服務」策略引導下，平台和服務分部錄得營業額約人民幣250.9百萬元，同比增長約9.5%，在總營業額中所佔比例亦提升至約17.9%。

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析(續)

The year of 2017 marked the fifth anniversary of the Group's listing on the Main Board of the Stock Exchange. Over the past five years, the Group has maintained a steady pace of growth and has achieved approximately a total turnover and profit for the year of RMB7.1 billion and RMB966 million respectively. With the growing scale of the business, the Group has maintained a robust profitability. The dividend rate has been increasing progressively. The Board proposed to declare a final dividend of HK10.0 cents and a special dividend of HK6.0 cents per ordinary share for the year ended 31 December 2017. If this proposal is approved by the shareholders of the Company at the forthcoming annual general meeting, the dividend payout ratio for the year of 2017 would be approximately 81.8%.

CONTINUOUSLY REINFORCING OUR FOUR CORE STRENGTHS

The Group has reinforced and enhanced the following four core competitive advantages.

1. Secure Encryption Technology

Secure encryption and authentication are the Group's core technological capabilities, which provide an effective, economical, and reliable way to ensure the security of financial payments as well as forming the foundation and core technology for the popularization and commercialization of IoT deployments. The Group's world's largest financial data personalisation center integrates with the secure chip technologies and the cloud platform to establish the Group's core technological strengths in the field of smart secure payment as well as building up the Group's core competitiveness in the future IoT era.

2017年是本集團在港交所主板上市的第五個年度。五年以來，本集團始終保持穩健成長，累計實現營業額約人民幣71億元，累計年度利潤約人民幣9.66億元。在企業規模不斷擴大的同時，本集團保持了穩健的盈利能力。派息率逐年提升，董事會建議就截至2017年12月31日止之年度派發末期股息每股普通股港幣10.0仙以及特別股息港幣6.0仙。若此建議在即將召開的股東大會獲得批准，本公司2017年度派息率將達到約81.8%。

持續強化四項核心優勢

本集團鞏固和強化了以下四個方面的核心優勢。

第一、安全加密核心技術

安全加密認證是本集團核心技術能力，是保障金融支付安全的有效、經濟、可靠的手段，也是物聯網普及和商業運用的核心技術和基礎。本集團全球最大規模的金融數據個人化中心，結合安全芯片技術和雲端平台，鑄造了本集團在智能安全交易領域的核心技術優勢，也是本集團在未來物聯網時代的核心競爭力。

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The Group has also proactively engaged in technology exchange and cooperation with the world's top universities, globally leading secure technology companies and chip manufacturers, focusing on the future advancement of R&D of secure encryption technology applications. At present, the Group has made progress in its technical preparations for IoT secure modules, mobile phone APP white boxes, smart homes, machine interaction and other related areas. In the application of eID, the Group also possessed essential technologies and related products. In the future, these technologies will be fully utilised to the emerging areas including AI financial self-service kiosks and overseas trusted identity documents, becoming the new driving forces for the Group's growth.

The Group is the IoT Secure Payment Engineering Technology Center for Guangdong Province, excelling in its role on commercializing the national financial IC chip as assigned by the Ministry of Industry and Information Technology of China. The Group is committed to accelerating the development of OSCCA (Office of State Commercial Cryptography Administration)-compliant financial chips to contribute to the enhancement of China's national information security.

In 2017, the Group's proprietary EMV products based on China's national financial IC chip has successfully attained accreditation by the most stringent international payment standards and opened the international financial payment markets for China national financial IC chips.

本集團積極與世界頂尖學府、全球領先的安全技術公司和芯片廠商展開技術交流與合作，致力於安全加密技術的前瞻性研發，目前已經在物聯網安全模塊、手機APP白盒技術、智能家居、機器交互等領域進行技術儲備。在電子身份證應用領域，本集團亦有成熟的技術和產品。未來，這些技術將被充分的運用在智能金融自助設備、海外市場身份證件等新興領域，成為本集團新的增長動力。

本集團是廣東省物聯網安全交易工程技術中心，已成功超額完成國家工信部所委任的推廣國產安全金融芯片之任務，全力推進中國國產密碼算法金融芯片的產業化，為提升中國國家信息安全做出貢獻。

2017年，本集團基於中國國產金融芯片、具備完全自主知識產權的EMV產品已率先成功通過國際最嚴格的支付標準認證，為中國國產芯片打開了走向國際金融支付市場的大門。

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析(續)

2. Intelligent Operation

The Group's intelligent operation capabilities are at the forefront of the global industry. As the "National Standards Implementation Pilot Enterprise in the Integration of Information Technology and Industrialization (2i Integration)", the Group has been awarded the title of "The Model Enterprise for the 2017 Innovative Pilot Enterprise in Guangdong Province" and "the Backbone Enterprise for the 2017 Strategic Emerging Industries in Guangdong Province", as recognition and affirmation of the Group's remarkable achievements in intelligent operation.

With its versatile and automated intelligent operation system, the Group was able to shorten product delivery cycle, swiftly respond to customers' unique demands and reduce operating cost. The balance between manufacturing customized products, maintaining operational flexibility and cost control has been achieved and will aid the Group in improving operational efficiency.

Precise and efficient intelligent automated operation systems, technologies and management experience are the core strengths of the Group and have built a solid foundation for the Group's larger-scale global operation in the future.

第二、智能運營

本集團智能運營水平處於全球同行業的前列，作為中國《國家級兩化融合貫標試點企業》，2017年本集團獲評《廣東省創新型試點企業》與《廣東省戰略性新興產業骨幹企業》。本集團在智能運營方面的突出成績再次得到了表彰和肯定。

本集團柔性、快速的自動化運營系統，實現了縮短交付週期、快速響應客戶定制化訴求和降低成本的運營目標，取得了個性化產品、彈性運營和控制生產成本三者之間的平衡，有效提升了運營效率。

精準、高效的智能運營體系、技術及管理經驗是本集團核心競爭優勢之一，也為本集團未來更大規模的全球化運營奠定了扎實的基礎。

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3. Creating Demand for Innovation in Fashion 第三、時尚創新引領市場需求

With international leading design capabilities, trend-setting innovative idea and technical craftsmanship, the Group is able to generate market demand, boost growth and create value for customers. This also contributes greatly to induce a differentiating competitive advantage for the Group.

In 2017, the credit card market experienced a rapid growth in China. Market demand for high-end, fashionable designed and customized product continued to increase. The Group's competitive advantages in innovative fashion came into full play. The Group's credit card shipment volume in 2017 increased by approximately 40% as compared with that of the previous year. All three fastest-growing credit card issuing national banks in China were the Group's long-term and stable customers. Furthermore, the Group received in 2017 seven ICMA Elan Awards, the most renowned award in the global payment card industry. The Group was also recognized as world leader in terms of number of awards received.

The Group has launched six major product categories in 24 innovative products spanning payment watches, payment jewelry, payment mobile phone accessories and blue-tooth payment tools. In 2017, the Group launched payment wristband, payment bracelets for VISA, mobile payment phone accessories for an internationally recognized franchised coffee chain, GPS navigation payment watches for a domestic leading joint-stock commercial bank during the Shanghai Marathon, and joint development of payment jewelry with a leading jewelry brand in the Shanghai Fashion Week. The Group demonstrated that its core security encryption technology has been applied to much broader and fashionable fields. The products were well-recognized, implicating potential growth of the Groups' product portfolio.

本集團以國際頂尖設計能力、緊貼潮流的創新理念和極致的工匠精神所開發的時尚創新產品，有效引領市場需求，助力客戶業績增長，為客戶創造價值，也打造了本集團差異化競爭優勢。

2017年度，中國信用卡市場迎來高速增長，市場對信用卡產品的需求呈現出高端、時尚、定制化的趨勢。本集團時尚创新的核心競爭優勢得到了充分發揮，信用卡出貨量取得約四成的增長，前三家信用卡發卡量增長最快的全國性銀行均是本集團長期穩定客戶。本集團2017年再次斬獲7項國際支付卡設計的最高獎項—ICMA大獎，獲獎數量位居全球第一。

本集團已經陸續推出了支付手錶、支付首飾、支付手機配件、藍牙支付等六大系列約24種創新支付產品。2017年，本集團成功助力VISA推出上海時裝週支付手鐲、支付腕帶，為國際知名咖啡連鎖品牌提供移動支付手機配件，為國內領先的股份制商業銀行提供上海馬拉松GPS導航支付手錶，聯合中國頂尖珠寶品牌研發支付首飾，將本集團核心的安全加密技術應用到更為廣泛、更為時尚的領域，收穫了良好的市場反饋，有望為本集團帶來新的業績增長。

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析(續)

Metal card products are one of the main focuses of the Group's innovative fashion product portfolio. The prestigious and luxurious product design allows financial institutions such as banks to enhance their brand image and to attract high-end and fashion-conscious consumers. At present, the metal card has already experienced a fast pace of growth in markets such as the United States. The Group believes its technologies and market experiences will allow it to become a leading forerunner in China's metal card market segment.

4. Stable, Sizable and Diverse Customer Base

The Group has a broad, stable and diverse customer base comprising more than 1,000 banks globally, over 200 government authorities in China as well as over 40 multinational enterprises.

Despite China is the most essential market for the Group, the Group's products and services have already been distributed to 25 countries and regions. In response to the "Belt and Road" initiative, the Group's overseas key markets include Bangladesh, Mongolia, the Philippines, Pakistan and other Southeast Asian and Central Asian countries. In 2017, the Group successfully entered into the Central American market. At the same time, through setting up of office in Mongolia, the Group has aimed to strengthen its expansion into Russia and Central Asian countries.

In addition to maintaining its leading edge in the financial sector, the Group has been expanding into various non-financial sectors such as in government, social security, transportation, healthcare, enterprises and retail segments to establish a multi-level customer structure.

金屬卡是本集團時尚創新的焦點產品之一，其尊貴、高端的特性能夠有效幫助銀行等金融機構提升品牌形象、吸引高端及潮流客戶。目前金屬卡已經在美國等市場進入快速增長階段，而本集團是中國市場金屬卡產品的先行者和引領者。

第四、穩定而強大的多元化客戶基礎

本集團擁有廣泛、穩定、多元化的客戶群，涵蓋全球1,000多家銀行、200多個政府部門以及40餘家跨國企業。

雖然中國市場是本集團最重要的市場，但本集團客戶分佈全球25個國家和地區。積極響應「一帶一路」倡議，本集團海外重點市場包括菲律賓、巴基斯坦、孟加拉、蒙古等東南亞、中亞國家。2017年，本集團成功打開了中美洲市場的大門。同時，通過在蒙古設立辦事處，加強了本集團在俄羅斯和中亞各國的拓展力度。

在保持金融領域的領先優勢的同時，本集團積極向政府、社保、交通、醫療、企業和零售等非金融領域拓展，建立了多元化的客戶結構。

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FUTURE DEVELOPMENT

The Group is now establishing its second Five-Year Development Plan with the focus on becoming the expert in smart financial service solutions within the next three to five years.

Despite the increasingly intense competition in the smart secure payment products market, the Group has distinguished itself through its competitive advantages in technology, innovative products and financial capability. The Group is fully capable of striving for more market share in China and in overseas countries, especially in Asia.

Additionally, the Group will prudently utilize its cash reserves and will focus on the development of the following six aspects.

1. Continual Strengthening in Core Security Technologies and Expansion of IoT.

The Group will engage in the future development of IoT through the secure chip and trusted service platforms (TSM, TSP). IoT security chips enable secure data transmission while trusted service platforms enable secure authentication. With secure cloud technologies, the Group is delivering total solutions that enable inter-equipment interaction and connectivity, so as to create huge development opportunities for the Group in fields including automobile networking, smart cities, smart homes, human-computer interactions, the sharing economy and other related fields. The Group will continue to participate in the formulation of IoT security technology standards and will actively promote industry standardization.

未來發展

本集團正在積極規劃上市後第二個五年發展計劃綱要，力爭在未來三至五年內成長為金融智能服務解決方案專家。

隨著智能安全支付產品市場競爭的加大，本集團的技術、創新產品和資金的優勢將更為凸顯，完全有能力在中國以及海外市場，特別是亞洲市場爭取更多的市場份額。

同時，本集團將謹慎利用資金儲備，聚焦以下六個方面的發展。

第一、持續強化核心安全技術優勢，拓展物聯網空間

本集團將從物聯網安全芯片和可信服務平台(TSM、TSP)兩方面切入未來物聯網的發展。物聯網安全芯片實現數據的安全傳輸，可信服務平台保障安全認證，結合安全雲端技術，實現設備交互、互聯互通，從而在車聯網、智慧城市、智能家居、人機交互、共享經濟等多個領域為本集團創造廣闊的發展空間。此外，本集團將繼續參與物聯網安全技術標準的制定，積極推動行業標準化進程。

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析(續)

2. AI Financial Self-service Kiosks and Solutions

In response to the trend of unmanned and mobile financial services, the Group's proprietary customized and intelligent kiosks, and solutions are going to be launched. Using artificial intelligence, these financial self-service kiosks and solutions utilize the advantages of human-computer interaction, facial recognition as well as other biometrics. The Group will amalgamate all these specifications to enable account enquiry and application, card retrieval and replacement. The technology will assist financial institutions in improving their intelligent operation efficiency, while reducing staff cost and providing an easier and faster service experience for consumers. The Group will expand the functionality and areas of application for financial self-service kiosks towards opportunities in intelligent unmanned counters and branches to help bringing the Group new areas of growth.

3. Intelligent Operation Upgrades and Expansion

The Group will further optimize its operational processes. Capitalizing on the Group's world-leading automation equipment and their core technologies and systems, the Group will promote IoT technology applications to a larger extent. The Group is in the position of building an advanced, practical and independent industrial IoT system so as to improve operational stability and efficiency as well as preparing for a wider global operation in the future. At the same time, the Group will utilize its experience and technologies to develop a modular industrial IoT system and provide relevant consulting services to potential third parties in the area of industrial IoT technology.

第二、智能金融自助設備及解決方案

針對金融機構網點無人化、移動化的服務趨勢，本集團具備完全知識產權的定制化、智能化設備及解決方案即將投入市場。智能金融自助設備以人工智能為核心理念，充分運用人機對話、人像識別、生物識別技術，提供查詢、申請、領取、補換等智能自助服務，有效幫助提升金融機構智能運營水平和降低人力成本，也為終端用戶提供更為便捷的服務體驗。本集團將進一步擴展智能金融自助設備的功能和使用領域，向智能無人櫃檯、智能無人網點方向延伸，為本集團帶來新的增長空間。

第三、智能運營升級和拓展

本集團將進一步優化運營流程，利用全球領先的自動化設備，結合本集團自主核心技術和系統，推進物聯網技術應用，建立先進、高效、自主的工業物聯網，從而提高運營穩定性和效率，為未來更大規模的全球化運營做好準備。同時，本集團將利用成功的經驗和技術，開發模塊式的工業物聯網系統，向潛在第三方提供相關的工業物聯網技術諮詢服務。

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4. Expansion of the Financial Service Outsourcing Industry Chain

The increasingly competitive financial industry is giving rise to the inevitable trend for financial institutions to seek for broader financial services outsourcing as a way for financial institutions to maintain their performance growth and competitiveness. The Group's relationship with its broad, stable and diverse financial customer base and over 20 years of experience have given the Group a deep understanding of their operational processes and needs, and full capability of providing a broad range of financial services outsourcing. The Group will jointly develop a series of training, services and internship platforms for financial industry related systems and software outsourcing with financial information service enterprises. It will extend the Group's financial services outsourcing industry chain further. Simultaneously, the Group will make full use of the technical strength and experience of its R&D team to provide diversified solutions for financial institutions to optimize their operation processes and expand their businesses in emerging areas.

5. "Platform + Service" Upgrade

The Group continues to execute its strategy of upgrading its "Platform + Service" by utilizing its personalized solutions to undertake customer operated functions, such as credit card operations, urban transportation operation and other value chain systems. At present, relevant projects have been implemented in Shanghai, Zhuhai, Zhongshan, Handan and other locations. In 2018, the Group will utilize its experience with successful projects and will start building customized platforms for national small and medium-sized financial institutions and national public transportation, further expanding its coverage area and business scale through the personalized and customized concept of "Platform + Service" upgrade.

第四、金融服務外包產業鏈延伸

隨著金融行業競爭日趨激烈，金融機構為了保持業績增長，更廣泛領域的金融服務外包是大勢所趨。深厚的金融客戶基礎，以及超過20年與不同類型金融機構的創新合作，使得本集團深刻理解金融機構客戶的運作流程和需求，具有全面的金融服務外包能力。本集團將聯合金融科技服務企業，進一步的延伸金融外包服務產業鏈，定制開發一系列金融業相關系統及軟件，並提供相關的外包培訓、服務、實習平台等。同時，本集團將充分利用研發團隊的技術實力和經驗，為金融機構提供多元化的解決方案，協助銀行優化運營流程，拓展新興業務。

第五、「平台+服務」的升級

本集團持續推動「平台+服務」的戰略升級，以個性化解決方案，向運營商的職能升級，滲透進入信用卡運營、城市交通運營等領域。目前，相關項目已在上海、珠海、中山、邯鄲等地開始實施。2018年，本集團將總結項目成功經驗，啟動打造全國中小銀行金融個性化平台和全國公共交通個性化平台，通過個性化、定制化的「平台+服務」，進一步擴大覆蓋領域和營業規模。

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6. Expansion into Overseas Markets

In 2018, the Group will rapidly enter into the overseas financial payment market and accelerate China's national financial chip's overseas expansion, with the advantage of the China national chip. China UnionPay is increasing its expansion in countries as stipulated by the "Belt and Road" Initiative. By the end of 2017, China UnionPay has issued nearly 100 million payment cards overseas. The Group will capitalize opportunities on China UnionPay's overseas promotion, striving for more market share.

Along with the Group's efforts in reinforcing profitability, the Group will also pay attention to external expansion, seek opportunities in areas such as collaboration within the same industry, IoT, banking services, payments, and further upstream. By means of capital operations such as domestic and international mergers and acquisitions, the Group will combine internal growth and external expansion, to create synergies and accelerate the overall development of the enterprise.

The construction of the Goldpac Fintech Innovation Hub will be commenced in the middle of 2018 and will be one of the key strategic platforms for external expansion of the Group. With substantial government support, the Group aims to attract innovative enterprises, projects, and talents from financial technology fields within the Guangdong-Hong Kong-Macau Bay area. Building financial information services industry cluster area and innovation city, as well as forming collaborative integration development allied with the Group, will allow a constant supply of innovation and business opportunities leading to the synergistic development of financial technology.

第六、拓展海外市場

2018年，本集團將借助中國國產芯片的優勢，加速國產金融芯片在海外的拓展步伐，快速進入海外金融支付市場。中國銀聯正在「一帶一路」沿線國家加速推進，截止2017年底，中國銀聯海外發卡已近億張。本集團將把握中國銀聯海外高速發展的機會，爭取更多的市場份額。

在全力提升自身盈利能力的同時，本集團也將積極關注外延式發展機會，在同業拓展、物聯網、服務銀行、支付領域、產業上游等領域尋找機會，通過國內外兼容併購等資本運作手段，將內生式增長與外延式發展有機結合起來，互相促進，加速企業的整體發展。

金邦達金融科技創新中心將於2018年中啟動建設，這將成為本集團外延式發展戰略平台之一。依託政府支持，本集團計劃通過金融科技創新中心的建設，輻射粵港澳大灣區，吸引金融科技創新企業、項目和人才，打造金融信息服務產業聚集區和創新之城，形成與本集團的協同融合發展，為本集團提供持續不斷的創新動力，進而帶動更多、更快金融科技領域的發展。

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SUBSEQUENT EVENTS

Subsequent to 31 December 2017, no material events have occurred.

CLOSURE OF REGISTER OF MEMBERS

In order to be eligible for attendance and for voting at the forthcoming annual general meeting of the Company to be held on Thursday, 17 May 2018, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration by 4:30 p.m. on Friday, 11 May 2018. The register of members of the Company will be closed from Monday, 14 May 2018 to Thursday, 17 May 2018, both days inclusive, during which period, no transfer of Shares will be registered.

In order to determine who are entitled to the proposed final dividend and special dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration by 4:30 p.m. on Friday, 1 June 2018. The register of members of the Company will be closed from Monday, 4 June 2018 to Wednesday, 6 June 2018, both days inclusive, during which period no transfer of shares will be registered. Subject to shareholders' approval of the proposed dividends at the annual general meeting of the Company to be held on Thursday, 17 May 2018, the dividends will be paid on Friday, 29 June 2018 to the shareholders whose names appear on the register of members of the Company at the close of business on Wednesday, 6 June 2018.

期後事項

自2017年12月31日至本報告之日概無重大事件發生。

暫停辦理股份過戶登記手續

為確定股東有權出席並於2018年5月17日(星期四)舉行之股東周年大會上投票，所有過戶表格連同有關股票須於2018年5月11日(星期五)下午四時三十分前，送達本公司之股份過戶登記處卓佳證券登記有限公司，地址為香港皇后大道東183號合和中心22樓。本公司將於2018年5月14日(星期一)至2018年5月17日(星期四)，包括首尾兩天，暫停辦理股份過戶登記手續。

為確定股東有權獲派本次建議之末期股息及特別股息，所有過戶表格連同有關股票須於2018年6月1日(星期五)下午四時三十分前，送達本公司之股份登記處卓佳證券登記有限公司，地址為香港皇后大道東183號合和中心22樓。本公司將於2018年6月4日(星期一)至2018年6月6日(星期三)，包括首尾兩天，暫停辦理股份過戶登記手續。待於2018年5月17日(星期四)舉行之股東周年大會上取得批准後，上述股息將於2018年6月29日(星期五)派發予於2018年6月6日(星期三)營業時間結束時名列本公司股東名冊之股東。

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析(續)

USE OF PROCEEDS RAISED FROM THE INITIAL PUBLIC OFFERING

The Company's shares were listed on the Main Board of the Stock Exchange on 4 December 2013 with net proceeds from the global offering of approximately RMB975 million (after deducting underwriting commissions and related expenses). As at 31 December 2017, the Company utilized approximately RMB757 million for the purposes of production capacity expansion, innovative product and service research and development, investment in associates and acquisition, market expansion outside of China, working capital supplementation and other general corporate purposes. The balances of the net proceeds were deposited in banking account. The Company has utilized and will utilize the net proceeds pursuant to the purposes and the proportions as disclosed in the prospectus of the Company dated 22 November 2013.

LIQUIDITY AND FINANCIAL RESOURCES

By assuming a conservative financial management attitude, the Group continued to maintain the healthy financial position.

As at 31 December 2017, the Group's aggregate amount of bank balances and cash, fixed bank deposits and pledged bank deposits reached approximately RMB1,617.0 million (2016: approximately RMB1,763.1 million), of which approximately RMB781.7 million (2016: approximately RMB892.5 million) was denominated in RMB, representing approximately 48.3%, and approximately RMB835.3 million (2016: approximately RMB870.6 million) was denominated in USD, HKD or other foreign currencies, representing approximately 51.7%.

初次公開發售所得款項用途

本公司股份於2013年12月4日在聯交所主板掛牌，該首次全球發售所得款項淨額約為人民幣975百萬元（扣除包銷佣金及相關費用後）。截至2017年12月31日止，本公司已動用約人民幣757百萬元，用於擴充產能、新產品及服務研發、公司合營與收購、中國境外市場拓展、補充公司營運資金和其他一般公司用途。所得款項淨額的餘額存入銀行賬戶。本公司已經且將按公司2013年11月22日發佈的招股章程所披露的方式和比例使用所得款淨額。

流動性及財務資源

本集團秉持審慎的財務管理政策，保持了穩健的財務狀況。

於2017年12月31日，本集團銀行存款及現金、銀行定期存款、已抵押銀行存款總共約為人民幣1,617.0百萬元（2016：約為人民幣1,763.1百萬元），其中，人民幣約為781.7百萬元（2016：約為人民幣892.5百萬元）佔比約48.3%，美元、港幣等外幣折合人民幣約為835.3百萬元（2016：約為人民幣870.6百萬元），佔比約51.7%。

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As at 31 December 2017 and 31 December 2016, the Group had no bank loans.

於2017年12月31日及2016年12月31日，本集團並無銀行借款。

As at 31 December 2017, the Group's trade receivables was approximately RMB417.7 million (2016: approximately RMB340.0 million). It is the industry practice that settlement of trade receivables peaks around the end of year.

於2017年12月31日，本集團應收貨款約為人民幣417.7百萬元(2016：約為人民幣340.0百萬元)。由於行業性質，本集團應收貨款的回款高峰集中在年末。

As at 31 December 2017, the Group's total current assets amounted to RMB2,196.9 million (2016: approximately RMB2,145.4 million), representing an increase of approximately 2.4% compared with that of the previous year.

於2017年12月31日，本集團流動資產總額約為人民幣2,196.9百萬元(2016：約為人民幣2,145.4百萬元)，比2016年末增長約2.4%。

As at 31 December 2017, the Group's current ratio was 2.9 (2016: 3.0), representing a high liquidity.

於2017年12月31日，本集團流動比率約為2.9(2016：3.0)，流動性良好。

As at 31 December 2017, the Group's gearing ratio (gearing ratio is equivalent to total debt divided by total assets as at the end of the year) was 28.7% (2016: 27.9%).

於2017年12月31日，本集團資產負債率(資產負債率等於總負債除以總資產)為28.7%(2016年：27.9%)。

CURRENCY EXPOSURE

In terms of currency exposure, the majority of the Group's sales were denominated in RMB, USD and HKD while the majority of operating expenses and purchases were denominated in RMB with portions were in USD and HKD. The Group manages its foreign currency risk by closely monitoring the fluctuation of foreign currency rates.

外匯風險

本集團之銷售主要以人民幣、美元及港幣結算。營運開支及採購主要以人民幣結算，部分開支以美元和港幣結算。本集團透過密切監控外幣匯率的變動來管控其外幣風險。

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CAPITAL EXPENDITURE

For the year ended 31 December 2017, the Group's capital expenditure was approximately RMB213.0 million. (2016: approximately RMB11.1 million). The capital expenditure includes expenses in fixed assets, intangible assets and deferred assets.

CAPITAL COMMITMENT

The aggregate capital commitment of the Group as at 31 December 2017 was approximately RMB14.8 million (2016: approximately RMB146.2 million).

PLEDGED ASSETS

As at 31 December 2017, bank deposits of approximately RMB111.3 million (2016: approximately RMB139.7 million) was pledged to secure the bills payables and bank guarantee.

SIGNIFICANT INVESTMENTS

The Group had no significant investments for the year ended 31 December 2017.

CONTINGENT LIABILITIES

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

MATERIAL ACQUISITION AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE

The Group had no material acquisitions and disposals of subsidiaries, associates and joint ventures for the year ended 31 December 2017.

資本開支

於截至2017年12月31日止之年度，本集團資本開支總額約為人民幣213.0百萬元。(2016：約為人民幣11.1百萬元)。資本開支包括於固定資產、無形資產和遞延資產之開支。

資本承擔

於2017年12月31日，本集團的資本承擔總額約為人民幣14.8百萬元(2016：約為人民幣146.2百萬元)。

資產之抵押

於2017年12月31日，約人民幣111.3百萬元之銀行存款(2016：約為人民幣139.7百萬元)已作為應付票據及銀行保函之抵押品。

重大投資

本集團於截至2017年12月31日止之年度內無重大投資。

或有負債

於2017年12月31日，本集團並無任何重大或有負債。

對附屬公司、聯營公司及合營企業的重大收購及處置

本集團於截至2017年12月31日止之年度內對附屬公司、聯營公司及合營企業無重大收購及處置。

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PURCHASE, SALE OR REDEMPTION OF SECURITIES

For the year ended 31 December 2017, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Shares.

ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE

The Group is committed to maintaining high levels of environmental and social standards to ensure sustainable development of its business. During the year ended 31 December 2017, the Group's environmental, social and governance ("ESG") management team had managed, monitored, recommended and reported on environmental and social aspects. An ESG report is prepared with reference to Appendix 27 to the Listing Rules (Environmental, Social and Governance Reporting Guide) and will be published on the Company's and the Stock Exchange's websites.

The Group has complied with all relevant laws and regulations in relation to its business including health and safety, workplace conditions, employment and the environment. The Group encourages its employees, customers, suppliers and other stakeholders to participate in environmental and social activities.

The Group maintains strong relationships with its employees. The Group also enhances cooperation with its suppliers and provides high quality products and services to its customers so as to ensure continued and sustainable development.

購買、出售或贖回上市證券

於截至2017年12月31日止之年度，本公司及其附屬公司均無購買、出售或贖回任何公司股份。

環境、社會及企業管治

本集團致力維持高要求之環境及社會標準，以確保其業務可持續發展。於截至2017年12月31日止之年度，本集團環境、社會及管治管理團隊，在環保及社會層面進行管理、監控、建議及報告工作。環境、社會及管治報告乃經參考上市規則附錄二十七之環境、社會及管治報告指引而編制，並將於本公司及聯交所網站刊發。

本集團已遵守所有與其業務有關的相關法例及法規，包括健康及安全、工作環境、就業及環境。本集團鼓勵員工、客戶、供應商及其他相關者參與環境保護及社會活動。

本集團與員工維持緊密關係。本集團亦加強與供應商之間的合作，並為客戶提供優質產品及服務，以確保可持續發展。

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HUMAN RESOURCES AND REMUNERATION POLICIES

As at 31 December 2017, the Group had 1,731 employees (as at 31 December 2016: 1,642), with an increase of 89 employees as compared with that as at 31 December 2016. This was mainly attributable to the enlargement of the operation scale, overseas market expansion and further optimization of the structure of R&D professionals.

The human resources are one of the Group's most important assets. In addition to offering competitive remuneration and welfare packages, the Group is also committed to providing specialized and challenging career development and training programs. Generally, a salary review is conducted annually. The Group also adopted the Pre-IPO share option scheme, the share option scheme and the share award scheme to motivate prospective employees. Apart from basic remuneration, for employees in the Mainland China, the Group makes contributions towards employee mandatory social security, pensions, work-related injury insurance, maternity insurance and medical and unemployment insurance in accordance with the applicable laws and regulations of the Mainland China. The Group also provides full coverage of housing provident fund contributions as required by local regulations in the Mainland China. For overseas employees, the Group also make contributions towards relevant insurance scheme as required by the local regulations.

員工及薪酬政策

於2017年12月31日，本集團聘用1,731名（於2016年12月31日為1,642名）員工，較2016年年末增加89人，主要原因是運營規模的擴大、海外市場的擴張和研發人員結構進一步優化。

人力資源是集團最重要的資產之一。除了提供具有競爭力的薪酬福利方案外，本集團亦為員工提供專門並具有挑戰性的職業發展及培訓計劃。整體而言，本集團將每年進行一次薪酬檢討。本集團亦實施了首次公開發售前的購股權計劃、購股權計劃和股份獎勵計劃以激勵有潛力的員工。對本集團於內地工作員工，除薪金外，本集團根據內地的相關法律、法規為內地的全部員工提供退休、失業、工傷、生育和醫療等社會保險計劃。本集團亦按照內地規定為內地員工實施住房公積金計劃。對本集團於海外工作員工，亦按照當地法律要求購買保險等計劃。

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DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層





DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

DIRECTORS

董事

The Board is consisted of nine Directors, including five executive Directors, one non-executive Director and three independent non-executive Directors. The following table sets forth certain information relating to the Directors:

董事會由九名董事組成，包括五名執行董事、一名非執行董事，三名獨立非執行董事。以下表格為各董事情況：

Name 姓名	Age 年齡	Position in the Group 集團職務
Executive Directors		
執行董事		
LU Run Ting 盧潤霆	63	Chairman & Executive Director 主席及執行董事
HOU Ping 侯平	57	Executive Director & Chief Executive Officer 執行董事及首席執行官
LU Runyi 盧潤怡	60	Executive Director & Senior Vice President 執行董事及高級副總裁
LU Xiaozhong 盧小忠	49	Executive Director & Senior Vice President 執行董事及高級副總裁
WU Siqiang 吳思強	45	Executive Director & Chief Operating Officer 執行董事及首席運營官
Non-executive Director		
非執行董事		
LING Wai Lim 盧威廉	31	Non-executive Director 非執行董事
Independent Non-executive Directors		
獨立非執行董事		
MAK Wing Sum Alvin 麥永森	65	Independent Non-executive Director 獨立非執行董事
LIU John Jianhua 劉建華	67	Independent Non-executive Director 獨立非執行董事
YE Lu 葉淥	55	Independent Non-executive Director 獨立非執行董事

DIRECTORS AND SENIOR MANAGEMENT (CONTINUED) 董事及高級管理層 (續)

Executive Directors

Mr. LU Run Ting (盧閔霆), aged 63, is the chairman and an executive Director of the Company, and the founder of the Group. He was first appointed as Director on 10 December 2004 and was designated as an executive Director with effect from 15 November 2013. Chairman LU is primarily responsible for the overall strategic planning and overseeing the general management of the Group. He has over 25 years of experience in financial card industry and was honored as the finalist award of CNBC Asia Business Leaders Award in October 2015. Chairman LU has been the chairman of the Company and the Company's subsidiaries, Goldpac Datacard Solutions Company Limited ("Goldpac Datacard") and Goldpac Limited (formerly named as "Goldpac Secur-Card (Zhuhai) Limited") since 2011 and also has been the director of Goldpac Fintech Singapore Private Limited and Goldpac Investment Limited, the Company's subsidiaries, since 2016. He was the managing director and a Director of the Group from 2004 to 2011 and also served as the vice chairman and president of both Goldpac Datacard and Goldpac Limited from 2000 to 2011 and 1995 to 2011 respectively.

Prior to the establishment of the Group in 1995, Chairman LU had interest in Goldpac International (Holding) Limited ("GIHL"), the Company's controlling shareholder since 1993. Chairman LU also served as various management positions at the subsidiaries of the Industrial and Commercial Bank of China prior to the establishment of GIHL in 1993. He currently also serves as the chairman of GIHL. Chairman LU received a Master of Business Administration degree from the Hong Kong Polytechnic University in November 2004. Chairman LU had not been a director of any other listed companies in Hong Kong or overseas in the past three years.

Chairman LU is currently holding 100% interest of GIHL, the Company's controlling shareholder. Chairman LU is the elder brother of Mr. LU Runyi, who is an executive Director of the Company, and is the father of Mr. LING Wai Lim, who is a non-executive Director of the Company.

執行董事

盧閔霆先生，63歲，本公司主席兼執行董事，亦是本集團創始人。他早於2004年12月10日獲委任為董事，後於2013年11月15日調任為執行董事，主要負責本集團的整體戰略規劃和監督本集團的整體管理。他於金融卡行業擁有超過25年的經驗，於2015年10月榮獲CNBC亞洲杰出商業領袖入圍獎。盧主席自2011年起擔任本公司、本公司之附屬公司金邦達數據有限公司(以下簡稱「金邦達數據」)和金邦達有限公司(原為「珠海市金邦達保密卡有限公司」)的主席，並自2016年起擔任本公司之附屬公司金邦達金融科技(新加坡)有限公司和金邦達投資有限公司董事；於2004至2011年期間擔任集團執行董事兼董事；於2000年至2011年，以及1995至2011年，分別兼任金邦達數據和金邦達有限公司的副主席及總裁。

於1995年本集團成立之前，盧主席自1993年起擁有本公司控股股東金邦達國際(集團)有限公司(以下簡稱「金邦達國際」)的權益。在1993年建立金邦達國際之前，盧主席曾於中國工商銀行旗下擔任多個管理職位。目前盧主席亦擔任金邦達國際的主席。盧主席於2004年11月獲得香港理工大學的工商管理碩士學位。盧主席於過往3年未曾擔任其他香港或海外上市公司的董事。

盧主席目前持有本公司控股股東金邦達國際的100%權益，並為執行董事盧潤怡先生的胞兄，及非執行董事盧威廉先生的父親。

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DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

董事及高級管理層(續)

Mr. HOU Ping (侯平), aged 57, is an executive Director and the chief executive officer of the Company, and joined the Group in 2011. He was first appointed as a Director on 30 August 2011, and was designated as an executive Director with effect from 15 November 2013. He is primarily responsible for the overall management of the Group. Mr. HOU has over 30 years of experience in the banking industry, including approximately 20 years of experience in the card industry. He has been a Director and the chief executive officer of the Company since 2011. He has also served as a director of Goldpac Datacard and a director of Goldpac Limited since 2011 and a director of Goldpac Fintech Singapore Private Limited since 2016.

Prior to joining the Group, Mr. HOU was the head of credit card centre at Deutsche Bank (China) Co., Ltd, and was seconded to Huaxia Bank as chief executive officer of the credit card centre from 2006 to 2011. Mr. HOU served various positions at Bank of China group and subsequently, BOC Credit Card (International) Limited since 1999, including as deputy general manager of BOC Credit Card (International) Limited in Hong Kong from 1999 to 2004. He also currently serves as an independent non-executive director of the Huijin Technology (Zhuhai) Co., Ltd (珠海匯金科技股份有限公司) (a company listed on Shenzhen Stock Exchange, Stock Code: 300561). Mr. HOU received a Master of Business Administration degree from the Hong Kong Baptist University in December 2003. Saved as disclosed herein, Mr. HOU had not been a director of any other listed companies in Hong Kong or overseas in the past three years.

Mr. LU Runyi (盧潤怡), aged 60, is an executive Director and a senior vice president of the Company, and joined the Group in 1995. He was first appointed as a Director in December 2004, and was designated as an executive Director with effect from November 2013. He is primarily responsible for the management of the sales department of the Group. Mr. LU Runyi, has approximately 25 years of experience in the financial cards industry. He has been a senior vice president of the Group since 2004 and was a Director of the Company from 2004 to 2010. He has also been a director of Goldpac Datacard and Goldpac Limited since 2011. He currently also serves as a Director of GIHL. Mr. LU Runyi had not been a director of any other listed companies in Hong Kong or overseas in the past three years.

Mr. LU Runyi is the younger brother of Chairman LU, who is the Chairman and an executive Director of the Company, and is the uncle of Mr. LING Wai Lim, who is a non-executive Director of the Company.

侯平先生，57歲，本公司執行董事兼首席執行官，於2011年加入本集團。他早於2011年8月30日獲委任為董事，於2013年11月15日調任為執行董事，主要負責本集團的整體管理。侯先生於銀行業擁有超過30年的經驗，其中於卡類行業擁有約20年經驗。自2011年起，他擔任本公司的董事兼首席執行官，同樣自2011年起擔任金邦達數據董事和金邦達有限公司董事，並自2016年起擔任金邦達金融科技(新加坡)有限公司董事。

於加入本集團前，侯先生曾於2006年至2011年擔任德意志銀行(中國)有限公司信用卡中心總經理，其後借調至華夏銀行擔任信用卡中心首席執行官。侯先生自1999年起先後在中國銀行集團及中銀信用卡(國際)有限公司擔任多個職位，包括於1999年至2004年期間擔任中銀信用卡(國際)有限公司於香港的副總經理。目前他亦擔任珠海匯金科技股份有限公司(一家於深圳證券交易所上市的公司，股份代號：300561)的獨立非執行董事。侯先生於2003年12月獲得香港浸會大學的工商管理碩士學位。除上述披露外，侯先生於過往3年未曾擔任其他香港或海外上市公司的董事。

盧潤怡先生，60歲，本公司執行董事兼高級副總裁，於1995年加入本集團。他早於2004年12月獲委任為董事，後於2013年11月調任為執行董事，主要負責管理本集團的銷售部門。盧潤怡先生於金融卡行業擁有約25年的經驗。他自2004年起擔任本集團的高級副總裁，並於2004年至2010年擔任本公司董事，自2011年起擔任金邦達數據和金邦達有限公司的董事。彼目前亦擔任金邦達國際董事。盧潤怡先生於過往3年未曾擔任其他香港或海外上市公司的董事。

盧潤怡先生為本公司主席兼執行董事盧主席的胞弟，且為本公司非執行董事盧威廉先生的叔叔。

DIRECTORS AND SENIOR MANAGEMENT (CONTINUED) 董事及高級管理層(續)

Mr. LU Xiaozhong (盧小忠), aged 49, is an executive Director and a senior vice president of the Company, and joined the Group in 1995. He was first appointed as a Director on 21 May 2013, and was designated as an executive Director with effect from 15 November 2013. He is primarily responsible for the management of the corporate business, quality and security department of the Group. Mr. LU has approximately 25 years of experience in the card industry. He has been the senior vice president, general manager of the corporate business management department and chief officer of the information security of Goldpac Limited since 2012. Since 2011 to 2014, he acted as the Director of Goldpac Limited and Goldpac Datacard. He also served various management positions at Goldpac Limited from 1995 to 2012.

Mr. LU has been an external expert consultant of China UnionPay since 2010. He served as a member of the Economic Crime Consultancy expert team of the Zhuhai Police Bureau. Through these appointments, he has accumulated relevant experience in compliance, quality control and confidential information management and intellectual property right of customers. Mr. LU graduated from the Shanghai Jiao Tong University in the P.R.C. (上海交通大學) with a Bachelor of Engineering degree in Polymer Materials in July 1990 and received a Master of Business Administration degree from the Hong Kong Polytechnic University in December 2006.

Mr. LU had not been a director of any other listed companies in Hong Kong or overseas in the past three years.

Mr. WU Siqiang (吳思強), aged 45, is an executive Director and the chief operating officer of the Company, and joined the Group in 2001. Mr. WU is primarily responsible for the overall operation of the Group. Mr. WU was designated as an executive Director with effect from 18 May 2017, he has approximately 20 years of experience in the card industry. Mr. WU was a manager of the production division, vice general manager of the operation division, general manager of the production management division of Goldpac Limited from 2001 to 2011 successively and has been the chief operating officer of Goldpac Limited since 2011. Mr. WU also served as a manager of the procurement division of Goldpac Limited since 2004. Mr. WU graduated from the Guangdong Mechanics University (廣東機械學院) (now part of Guangdong University of Technology (廣東工業大學)) with a Bachelor of Mechatronics degree in July 1993.

Mr. WU had not been a director of any other listed companies in Hong Kong or overseas in the past three years.

盧小忠先生，49歲，本公司執行董事兼高級副總裁，於1995年加入本集團。他早於2013年5月21日獲委任為董事，於2013年11月15日調任為執行董事，主要負責本集團的企業項目及質量安全部的管理工作。盧先生在卡類行業擁有約25年的經驗。自2012年起，他擔任金邦達有限公司高級副總裁、企業項目管理部總經理、首席信息安全官。自2011年至2014年，他擔任金邦達有限公司和金邦達數據的董事。他亦於1995年至2012年出任金邦達有限公司的多個管理職位。

此外，盧先生自2010年起擔任中國銀聯的外聘專家顧問。他一直為珠海市公安局經濟犯罪顧問專家小組成員。透過擔任該等職位，他在處理合規、質量控制及管理客戶的機密資料及知識產方面積累了相關經驗。盧先生在1990年7月畢業於上海交通大學，獲得高分子材料工程學士學位，並於2006年12月獲得香港理工大學的工商管理碩士學位。

盧先生於過往三年未曾擔任其他香港或海外上市公司的董事。

吳思強先生，45歲，本公司執行董事兼首席運營官，於2001年加入本集團。吳先生主要負責本集團的整體運營。吳先生於卡類行業擁有約20年的經驗，於2017年5月18日吳先生獲委任執行董事，其於2001年至2011年，先後擔任金邦達有限公司的生產部經理、運作部副總經理及生產管理部總經理，並自2011年起擔任金邦達有限公司的首席運營官。自2004年起，吳先生亦擔任金邦達有限公司的採購部經理。吳先生在1993年7月畢業於廣東機械學院(現為廣東工業大學的一部分)的機械電子工程學士學位。

吳先生於過往三年未曾擔任其他香港或海外上市公司的董事。

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董事及高級管理層(續)

Non-executive Director

Mr. LING Wai Lim (盧威廉), aged 31, is a non-executive Director of the Company, and joined the Group in 2017. He was appointed as a non-executive director with effect from 18 May 2017. Mr. LING has over 10 years of experience in biomedical research and research project management. Mr. LING has been the project manager of China Regenerative Medicine International Limited (Stock Code: 8158), a company listed on the Growth Enterprise Market of the Stock Exchange, since September 2016, in which he served as a project analyst from June 2015 to August 2016. Mr. LING served as a research assistant of The University of Hong Kong, Department of Paediatrics and Adolescent Medicine, from December 2010 to May 2012. Mr. LING received the Bachelor of Science (Biotechnology) from The University of Hong Kong in 2008, the Master of Philosophy in Microbiology from The University of Hong Kong in 2010, and also the Doctor of Philosophy in Immunology from The University of Hong Kong in 2015. Mr. LING had not been a director of any other Listed Companies in Hong Kong or overseas in the past three years.

Mr. LING is the son of Chairman LU, who is the Chairman and an executive Director of the Company. He is also the nephew of Mr. LU Runyi, who is an executive Director and senior vice president of the Company.

非執行董事

盧威廉先生，31歲，本公司非執行董事，於2017年加入本集團。他於2017年5月18日獲委任為非執行董事。盧先生於生物醫學研究和研究項目管理上有達10年的經驗。盧先生自2016年9月起擔任中國再生醫學國際有限公司（一家於聯交所創業板上市的公司，股份代號：8158）的項目經理，並於2015年6月至2016年8月期間擔任該公司的項目分析員。盧先生於2010年12月至2012年5月期間擔任香港大學兒童及青少年科學系研究員。盧先生於2008年獲香港大學科學系生物科技學士，於2010年獲香港大學微生物學碩士，並於2015年獲香港大學免疫學博士。盧先生於過往三年未曾擔任其他香港或海外上市公司的董事。

盧先生乃本公司主席兼執行董事盧主席之子，亦為本公司之執行董事及高級副總裁盧潤怡先生之侄子。

DIRECTORS AND SENIOR MANAGEMENT (CONTINUED) 董事及高級管理層(續)

Independent non-executive Directors

Mr. MAK Wing Sum Alvin (麥永森) (also known as Mr. MAK Wing Sum), aged 65, is an independent non-executive Director. He joined the Group on 15 November 2013, when he was appointed as an independent non-executive Director.

Mr. MAK is currently an independent non-executive director of Hong Kong Television Network Limited (a company listed on the Stock Exchange, Stock Code: 1137), I.T Limited (a company listed on the Stock Exchange, Stock Code: 999), Luk Fook Holdings (International) Limited (a company listed on the Stock Exchange, Stock Code: 590), Lai Fung Holdings Limited (a company listed on the Stock Exchange, Stock Code: 1125) and Crystal International Group Limited (a company Listed on the Stock Exchange, Stock Code: 2232). Mr. MAK is a member of Hong Kong Housing Society and a member of its audit committee, remuneration committee and special committee on investment. Mr. MAK, after working in Citibank for over 26 years, went into his retirement in April 2012 where he last served as the Head of Markets and Banking for Citibank Hong Kong. Whilst at Citibank, he has held various senior positions, managing the regional global asset management business and financial control for North Asia.

Mr. MAK graduated from the University of Toronto in Canada with a Bachelor of Commerce degree in June 1976. He has been a Chartered Accountant of the Canadian Institute of Chartered Accountants since September 1979, a Chartered Professional Accountant of the Canadian Institute of Chartered Accountants since November 2012 and currently also a member of the Hong Kong Institute of Certified Public Accountants. Save as disclosed herein, Mr. MAK had not been a director of any other listed companies in Hong Kong or overseas in the past three years.

獨立非執行董事

麥永森先生，65歲，獨立非執行董事。他於2013年11月15日加入本集團並獲委任為獨立非執行董事。

麥先生目前擔任香港電視網絡有限公司（一家於聯交所上市的公司，股份代號：1137）、I.T Limited（一家於聯交所上市的公司，股份代號：999）、六福集團（國際）有限公司（一家於聯交所上市的公司，股份代號：590）、麗豐控股有限公司（一家於聯交所上市的公司，股份代號：1125）以及晶苑國際集團有限公司（一家於香港聯交所上市的公司，股份代號：2232）的獨立非執行董事。麥先生亦擔任香港房屋協會委員，並擔任該協會審核委員會、薪酬委員會及投資特別委員會委員。在花旗銀行工作超過26年之後，麥先生於2012年四月退休，其在香港花旗銀行最後擔任的職務為市場及銀行業務主管。彼於花旗銀行任職期間，曾出任多個高級職位，包括管理北亞地區的全球資產管理業務及財務控制。

麥先生於1976年6月畢業於加拿大多倫多大學，獲得商業學士學位。他自1979年9月起為加拿大特許會計師公會會員，自2012年11月起為加拿大特許會計師公會特許專業會計師，目前亦是香港會計師公會會員。除前述所披露者外，麥先生於過往三年未曾擔任其他香港或海外上市公司的董事。

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DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

董事及高級管理層(續)

Mr. LIU John Jianhua (劉建華), aged 66, is an independent non-executive Director. He joined the Group on 15 November 2013, when he was appointed as an independent non-executive Director.

Mr. LIU has been the chairman of the Academy of International Transport of the City University of Hong Kong since 2012. Mr. LIU served as the director of the Center for Transport, Trade and Financial Studies and the visiting professor at the department of management science of the City University of Hong Kong since 2011 to December 2015 and 2016 respectively. Mr. LIU has been a visiting professor of Faculty of Business Administration of Beijing Institute of Technology, Zhuhai since 1 January 2017.

Mr. LIU received a Master in Engineering degree in March 1982 from Huazhong Engineering University (華中工學院) (now known as Huazhong University of Science & Technology (華中科技大學)). He received a Master of Science degree major in Engineering-Economic Systems from Stanford University in the United States in June 1983 and a Doctor of Philosophy degree in Industrial Engineering from Pennsylvania State University in August 1986 in the United States. Mr. LIU had not been a director of any other listed companies in Hong Kong or overseas in the past three years.

Ms. YE Lu (葉淥), aged 55, is an independent non-executive Director. She joined the Group on 18 May 2017 when she was appointed as an independent non-executive Director.

Ms. YE Lu has more than 30 years of experience in cross border commercial dispute resolution. Ms. YE joined King & Wood Mallesons in 2004, and is currently a partner of King & Wood Mallesons. Ms. YE is a member of the Council of the London Court of International Arbitration, and an arbitrator of American Arbitration Association, China International Economic and Trade Arbitration Commission and Hong Kong International Arbitration Center and Singapore International Arbitration Center. Prior to 2004, Ms. YE was a consultant and worked for an international law firm for 9 years, and was a lawyer and a partner in two other Beijing law firms for 6 years.

Ms. YE received the Bachelor of Laws from the Law School of Peking University in June 1983, and received the Master of Laws from the Law School of Chinese Academy of Social Sciences in June 1986, and also received the Master of Laws from the Harvard Law School in June 1994. Ms. YE was admitted as lawyer in the People's Republic of China and New York State in 1988 and 1999 respectively. Ms. YE had not been a director of any other listed companies in Hong Kong or overseas in the past three years.

劉建華先生，66歲，獨立非執行董事。他於2013年11月15日加入本集團並獲委任為獨立非執行董事。

劉先生從2012年起今擔任香港城市大學國際航貿服務學會主席。自2011年起至2015年12月和2016年劉先生分別擔任香港城市大學航貿金融研究中心主任以及管理科學系客座教授。自2017年1月1日起，劉先生擔任北京理工大學珠海學院商學院客座教授。

劉先生於1982年3月獲華中工學院(現稱華中科技大學)頒授工程學碩士學位，於1983年6月獲美國斯坦福大學頒授工程經濟系統管理學碩士學位，於1986年8月在美國賓夕法尼亞州立大學頒授工業工程博士學位。劉先生於過往三年未曾擔任其他香港或海外上市公司的董事。

葉淥女士，55歲，獨立非執行董事。她於2017年5月18日加入本集團並獲任為獨立非執行董事。

葉淥女士在跨境商業糾紛解決領域有超過30年的經驗。葉女士於2004年加入金杜律師事務所，目前為金杜律師事務所的合夥人。葉女士目前亦為倫敦國際仲裁院理事會理事、美國仲裁協會國際爭議解決中心仲裁員、中國國際經濟貿易仲裁委員會仲裁員、香港國際仲裁中心仲裁員以及新加坡國際仲裁中心仲裁員。於2004年之前，葉女士曾任職一家國際性律師事務所的顧問律師，並工作9年。在此前還曾在其他兩家北京的律師事務所執業並擔任合夥人共6年。

葉女士於1983年6月獲得北京大學法學院法學學士學位，於1986年6月獲得中國社會科學院研究生院法學碩士學位，並於1994年6月獲得美國哈佛大學法學院法學碩士學位。葉女士於1988年取得中國執業律師資格，並於1999年取得美國紐約州執業律師資格。葉女士於過往三年未曾擔任其他香港或海外上市公司董事。

DIRECTORS AND SENIOR MANAGEMENT (CONTINUED) 董事及高級管理層 (續)

SENIOR MANAGEMENT

高級管理層

Name 姓名	Gender 性別	Age 年齡	Position 職務
LI Yijin 李易進	Female 女	47	Chief financial officer & Company Secretary 首席財務官及公司秘書
LI Jun 李軍	Male 男	56	Chief technology officer 首席技術官

Ms. LI Yijin (李易進), aged 47, is the chief financial officer of the Company, and joined the Group in 2001. She is primarily responsible for the management of the accounting and finance department of the Group. Ms. LI has approximately 25 years of experience in the accounting and financial reporting matters. She was the financial controller of the Group from 2004 to 2012 and has been the chief financial officer of the Group since 2012.

Ms. LI received an Executive Master of Business Administration degree from the Hong Kong University of Science & Technology in November 2012. Ms. LI has been a member of CPA (Certified Public Accountants) Australia since October 2004 and the Hong Kong Institute of Certified Public Accountants since May 2013. Ms. LI had not been a director of any other listed companies in Hong Kong or overseas in the past three years.

Mr. LI Jun (李軍), aged 56, is the chief technology officer of the Company, and joined the Group in 2013. He is primarily responsible for the management of the technical solutions department and R&D department of the Group. Mr. LI has approximately 20 years of experience in the technology related industry. He has been the chief technology officer of the Company since January 2013. He has also been the chief technology officer of both Goldpac Limited and Goldpac Datacard since January 2013.

李易進女士，47歲，本公司首席財務官，於2001年加入本集團。她主要負責管理本集團的會計及財務部門。李女士於會計及財務報告事宜方面擁有約25年的經驗。她於2004年至2012年擔任本公司的財務總監，並自2012年起擔任本公司的首席財務官。

李女士於2012年11月獲得香港科技大學的行政人員工商管理碩士學位。李女士自2004年10月起為澳洲會計師公會會員，自2013年5月起為香港會計師公會會員。李女士於過往三年未曾擔任其他香港或海外上市公司的董事。

李軍先生，56歲，本公司首席技術官，於2013年加入本集團。他主要負責管理本集團的技術解決方案部門和研發部門。李先生於技術相關行業擁有約20年的經驗。他自2013年1月起擔任本公司的首席技術官。自2013年1月起亦同時兼任金邦達有限公司和金邦達數據的首席技術官。

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DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

董事及高級管理層(續)

Prior to joining the Group, Mr. LI joined Giesecke & Devrient GmbH as engineer in 1997 and from 1999 to 2012 served as the director for security equipment in Giesecke & Devrient (China) Information Technology Co., Ltd. Mr. LI graduated from the Beijing University of Posts and Telecommunications (北京郵電學院) with a degree in radio communication and received a master degree in engineering from Universität-Gesamthochschule Paderborn in Germany and a master certificate in project management from the George Washington University through its program in Beijing in July 1983, June 1997 and May 2005 respectively. Mr. LI had not been a director of any other listed companies in Hong Kong or overseas in the past three years.

COMPANY SECRETARY

Ms. LI Yijin (李易進), aged 47, is the company secretary of the Group, and joined the Group in 2001. She is responsible for the secretarial matters of the Group.

Please refer to the paragraph headed “Directors and Senior Management — Senior Management” above for the biography of Ms. LI.

CHANGE IN INFORMATION OF DIRECTOR

Save as disclosed in this Annual Report, there is no changes in information of Directors required to be disclosed for the year ended 31 December 2017 pursuant to Rule 13.51B(1) of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

於加入本集團前，李先生於1997年加入 Giesecke & Devrient GmbH 擔任工程師，並於1999年至2012年間擔任捷德(中國)資訊科技有限公司的安全設備總監。李先生於1983年7月、1997年6月和2005年5月分別獲得北京郵電學院無線電通信專業學位及德國帕德博恩大學(Universität-Gesamthochschule Paderborn)工程碩士學位，並透過喬治華盛頓大學於北京開辦的課程取得項目管理碩士證書。李先生於過往三年未曾擔任其他香港或海外上市公司的董事。

公司秘書

李易進女士，47歲，為本公司的公司秘書，於2001年加入本集團，負責本集團的公司秘書事宜。

有關李女士的履歷詳情請參閱上文「董事及高級管理層—高級管理層」一段。

董事資料變更

根據聯交所證券上市規則(「上市規則」) 13.51B(1)要求，於截至2017年12月31日止之年度，除本年報已披露信息之外，本公司無董事資料變更信息披露。

REPORT OF DIRECTORS 董事會報告

The Board hereby presents this Annual Report together with the Consolidated Financial Statements of the Group for the year ended 31 December 2017.

PRINCIPAL ACTIVITIES

Incorporated in Hong Kong on 8 October 2004, the Company was publicly listed on the Main Board of the Stock Exchange on 4 December 2013. Primarily operated through its subsidiaries in the Mainland China and Hong Kong, the Company is specialised in delivering embedded software and secure payment products for global customers and leveraging innovative Fintech to provide personalisation service, system platforms and other total solutions for customers in a wide business range including finance, government, healthcare, transportation and retails. The Company is the exclusive secure payment products supplier in the PRC, which is certified by all six of the world-leading credit card organisations of China UnionPay, VISA, MasterCard, American Express, JCB and Diners Club.

As a global leading secure payment total solution supplier, the Company is actively involved in drafting and formulating of industrial standards and criterion. To drive the innovation by customers' diversified demands and evolving front-line technologies, the Company watches the cutting-edge technologies trends with the closest interests, covering internet banking, mobile payment, IoT, to reinforce the Company's leading industrial position and boost the whole industry's evolution. Motivated by the strong R&D aptitudes and affluent practical experiences, the Company was actively involved in numerous significant industrial events and projects, including China's secure and reliable financial IC card chip promotion project, the first EMV projects in Hong Kong and the Mainland China, the first provincial social security card project, the first financial social security card project, the first citizen card project and the first healthcare card project in the Mainland China. Committed to essential sustainable development philosophies of delivering value and innovation, the Company is fully engaged in promoting the wider and in-depth application of smart secure payment technologies, with its leading technologies, preeminent qualities and superior service, to provide people worldwide with the safer, easier and more convenient payment experience.

The principal activities of the Group for the year 2017 are set out in the Note 5 to Consolidated Financial Statements on page 164 to page 166 of this Annual Report.

董事會欣然提呈本集團截至2017年12月31日止之年度報告及綜合財務報表。

主要業務

本公司是於2004年10月8日在香港註冊成立的有限責任公司，於2013年12月4日在香港聯交所主板上市。本集團主要通過在內地和香港的附屬公司進行運作，主要業務是為全球客戶提供智能安全支付領域的嵌入式軟件和安全支付產品，同時融合創新金融科技，為金融、政府、衛生、交通、零售等廣泛領域客戶提供數據處理服務、系統平台及其他整體解決方案，是中國唯一一家同時獲得中國銀聯、維薩、萬事達、美國運通、JCB和大萊六大信用卡組織認證的安全支付產品提供商。

作為全球領先的安全支付整體方案提供商，本集團在積極參與相關行業標準編製、起草的同時，堅持對互聯網金融、移動支付、智慧城市、物聯網等前瞻性技術領域持續研發投入，以客戶需求和前沿技術驅動創新，使本集團始終處於行業前沿，引領行業發展。憑藉雄厚的技術實力和豐富的項目實施經驗，本集團承擔中國安全可靠金融IC卡芯片推廣項目，並成功參與內地及香港首批EMV項目、內地首批省級社保卡、金融社保卡、市民卡以及居民健康卡等項目的實施。以「與時俱進，為客戶創造價值」為企業持續發展之根本，本集團將始終以領先的技術、卓越的品質以及完善的服務，全力促進智慧安全支付技術更廣泛的應用，為支付者提供更安全、便捷、自由的支付體驗。

本集團於2017年度主要業務分析詳見本年報第164頁至166頁中的綜合財務報表附註5。

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RESULTS AND APPROPRIATIONS

The results of the Group for the year 2017 are set out in the Consolidated Statement of Profit or Loss and Other Comprehensive Income of page 118 of this Annual Report.

A final dividend of HK10.0 cents (2016: HK7.0 cents) and a special dividend of HK6.0 cents (2016: HK6.0 cents) per ordinary share in respect of the year ended 31 December 2017 has been proposed by the Board of Directors.

PERFORMANCE

A discussion and analysis of the Group's performance during the year 2017, the material factors underlying its results and financial position and details of the Group's principal activities are provided in the section headed "Management Discussion and Analysis" on page 14 to page 31 of this Annual Report.

CLOSURE OF REGISTER OF MEMBERS

In order to be eligible for attendance and for voting at the forthcoming annual general meeting of the Company to be held on Thursday, 17 May 2018, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration by 4:30 p.m. on Friday, 11 May 2018. The register of members of the Company will be closed from Monday, 14 May 2018 to Thursday, 17 May 2018, both days inclusive, during which period, no transfer of Shares will be registered.

In order to determine who are entitled to the proposed final dividend and special dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration by 4:30 p.m. on Friday, 1 June 2018. The register of members of the Company will be closed from Monday, 4 June 2018 to Wednesday, 6 June 2018, both days inclusive, during which period no transfer of shares will be registered. Subject to shareholders' approval of the proposed dividends at the annual general meeting of the Company to be held on Thursday, 17 May 2018, the dividends will be paid on Friday, 29 June 2018 to the shareholders whose names appear on the register of members of the Company at the close of business on Wednesday, 6 June 2018.

業績和股息分派

本集團2017年度業績載於本年報中第118頁綜合損益及其他全面收入表。

董事會建議就截止2017年12月31日之年度派發末期股息每股普通股港幣10.0仙(2016年度為港幣7.0仙)，以及特別股息港幣6.0仙(2016年度為港幣6.0仙)。

經營表現

關於本集團2017年度內的經營表現，業績的主要影響因素，財務狀況以及本集團的主要業務情況的討論與分析載於本年報第14頁至第31頁的「管理層討論及分析」中。

暫停辦理股份過戶登記手續

為確定股東有權出席並於2018年5月17日(星期四)舉行之股東周年大會上投票，所有過戶表格連同有關股票須於2018年5月11日(星期五)下午四時三十分前，送達本公司之股份過戶登記處卓佳證券登記有限公司，地址為香港皇后大道東183號合和中心22樓。本公司將於2018年5月14日(星期一)至2018年5月17日(星期四)，包括首尾兩天，暫停辦理股份過戶登記手續。

為確定股東有權獲派本次建議之末期股息及特別股息，所有過戶表格連同有關股票須於2018年6月1日(星期五)下午四時三十分前，送達本公司之股份登記處卓佳證券登記有限公司，地址為香港皇后大道東183號合和中心22樓。本公司將於2018年6月4日(星期一)至2018年6月6日(星期三)，包括首尾兩天，暫停辦理股份過戶登記手續。待於2018年5月17日(星期四)舉行之股東周年大會上取得批准後，上述股息將於2018年6月29日(星期五)派發予於2018年6月6日(星期三)營業時間結束時名列本公司股東名冊之股東。

PRINCIPAL RISKS AND UNCERTAINTIES

A number of factors may affect the results and business operations of the Group, some of which are inherent to the payment solutions business and some are from external sources. Major risks are summarized below.

(i) The financial performance of the Group depends on the future growth of the consumer financial services industry and trends

As the Group relies on financial institutions, government agencies (such as social security, public health and transportation agencies) and other organisations that issue financial cards as its customers or potential customers, the financial performance of the Group depends on the future growth of the consumer financial services industry and trends in that industry towards greater outsourcing of certain functions such as the production and personalisation of financial cards. The consumer financial services industry is characterised by rapid launches of new products and services, continuous technological advancement, evolving industry standards and changing customer needs, all of which translate to shorter life cycles for new products and services. Organisations that issue financial cards, such as the Group's customers, may face difficulty in anticipating changes in consumer tastes, preferences and requirements and designing financial products to meet such changes, which could lead to a lower demand for financial cards and in turn decrease these organisations' demand for the products and services, which may adversely affect the financial results of the Group.

(ii) As a supplier to financial institutions and government agencies, the Group is subject to rigorous industry standards and/or government regulations

Many of the industry organisations, government regulatory agencies and other bodies to which the Group's customers belong or are subject to have issued their own sets of standards and criteria relating to the facilities and products of payment solutions manufacturers and providers, which the Group must satisfy in order to be eligible to supply products and services to these customers. For example, as required by the Group's financial institution customers, the

主要風險及不明朗因素

本集團的業績及業務營運受多個因素的影響，若干為支付解決方案行業所固有，若干則來源於外界。主要風險概述如下。

(i) 本集團的財務表現依賴消費者金融服務業的未來增長

由於本集團依賴金融機構、政府機關（如社保、公共健康及交通機關）及其他需發行金融卡的組織作為本集團的客戶或潛在客戶，故本集團的財務表現依賴消費者金融服務業的未來增長，以及業內對金融卡的生產及數據處理服務等若干工作的外包需求增加。消費者金融服務業的特點是新產品和服務更新換代時間短、技術持續升級、行業標準不斷轉變及客戶需要變化不定，以上種種因素使得新產品和服務只有較短的生命周期。發行金融卡的組織（如本集團的客戶）於預測消費者品味、喜好及要求上的轉變，以及設計能迎合有關轉變的金融產品方面可能遇到困難，因而可能令對彼等金融卡的需求有所下降，從而降低該等組織對本集團產品及服務的需求，可對會對本集團的財務業績帶來不利影響。

(ii) 作為金融機構和政府機關的供應商，本集團須遵守嚴格的行業標準及／或政府法規

本集團客戶所屬的許多行業組織或監管本集團客戶的政府監管機構和其他機構均已頒佈有關支付解決方案製造商和供應商的設施和產品的標準和規範。為向這些客戶供應產品和服務，本集團必須遵守相關標準和規範。例如，本集團已應金融機構客戶的要求，就本集團的卡片製造及數據處

REPORT OF DIRECTORS (CONTINUED)

董事會報告(續)

Group has obtained certifications from all six of the leading worldwide payment card organisations (VISA, MasterCard, American Express, China UnionPay, JCB, and Diners Club) with respect to the Group's card manufacturing and personalisation services. To maintain such certifications, the Group is subject to rigorous periodic audits by these payment card organisations to review the Group's compliance with their standards and criteria. The Group makes significant investments in order to meet these standards and criteria, which vary depending on the organisation or body, including investments required to satisfy changes adopted from time to time by these organisations and bodies in their respective standards and criteria. Further investments to meet these standards and criteria may be costly, and if the Group is unable to continue to meet these standards and criteria, the Group may become ineligible to provide products and services that have constituted in the past an important part of the Group's revenue and profitability.

(iii) The Group faces significant competition in each of the markets in which it operates, which could affect its profitability

The Group's market position depends upon its ability to anticipate and proactively deal with changes in economic and market conditions and evolving industry trends, as well as the following factors: introduction of new or superior products and services or more advanced technologies, adoption of more flexible pricing strategies by the Group's competitors and changes in customers' needs and preferences. The Group cannot assure that its current or potential competitors will not produce the same or similar products or products of a better quality and/or provide similar or higher quality services at the same or lower prices than the prices at which the Group's products and services are provided.

理服務取得全球六大領先支付卡組織(維薩、萬事達、美國運通、中國銀聯、JCB及大萊)的認證。為保持有關認證，本集團須定期接受該等支付卡組織的嚴格審核，審閱本集團是否遵守彼等的標準及要求。這些標準和規範因組織或機構不同而各異，為加以遵守，本集團須作出重大投資，包括為配合相關組織和機構各自標準和規範的不時變動所需的投資。符合這些標準和規範的進一步投資可能花費巨大，倘本集團未能持續遵守這些標準和規範，本集團可能不合資格提供過去構成本集團收益和盈利重要組成部分的产品和服務。

(iii) 本集團在所經營的各個市場面對激烈競爭，可能會影響本集團的盈利能力

本集團的市場地位取決於本集團預測和積極應付經濟和市場狀況變化和不斷轉變的行業走勢的能力，同時亦取決於以下因素：出現全新或優質產品和服務或更先進技術、競爭對手採取更靈活的定價策略以及客戶需要和喜好的改變等。本集團不能保證現有或潛在的競爭對手不會提供類似或質素更佳的产品及／或服務，而價格與本集團提供的產品或服務相同或甚至更低。

REPORT OF DIRECTORS (CONTINUED) 董事會報告(續)

The Group's competitors may also react more quickly to new or emerging technologies or changes in customer preferences. In addition, the Group may face greater than expected downward pricing pressure as a result of possible price competition by competitors seeking to stimulate demand in order to maintain or increase market share. Such competition could adversely affect the Group's results of operations and business prospects. Any adverse changes in the Group's competitive environment could cause a reduction in the sales quantity, its market share, or the sales price of its products, which would lower the Group's profitability. As a supplier to the major financial institutions in China, the Group's performance and profitability may be adversely affected if its customers, when faced with operational difficulties and decreasing profit margins, seek to demand more favourable trading terms from the Group in relation to price and credit period. The Group's performance and profitability will also be adversely affected if any of its customers faces cost control or cash flow problems due to such operational difficulties.

(iv) Fluctuations in consumer spending and financial services in the PRC may affect the Group's business and financial performance

During the past few years, the Group derived most of the Group's revenue from operations in the PRC. The Group's sales and growth are dependent on consumer spending and consumer banking, which in turn depend on continued improvement of macroeconomic conditions, in Asia generally but in the PRC in particular. There are many factors affecting the level of consumer spending and consumer banking, including but not limited to, interest rates, currency exchange rates, recession, inflation, deflation, political uncertainty, taxation, stock market performance, unemployment levels and general consumer confidence. In addition, the Group believes that the Group's historical growth rates were largely dependent on the general growth of the PRC economy. The Group can provide no assurance that the PRC economy will continue to grow at historical rates, or at all, and any slowdowns or declines in the PRC economy or consumer spending or consumer banking may adversely affect the Group's business, financial condition, results of operations and growth prospects.

本集團的競爭對手還可能對全新或前沿技術或客戶喜好改變作出更快的反應。此外，由於競爭對手為維持或增加市場份額而致力於刺激需求而導致價格競爭，本集團可能會面臨比預期更大的價格下調壓力。上述競爭可能對本集團的經營業績及業務前景造成不利影響。本集團的競爭環境出現上述任何不利變動均可導致本集團產品銷量、市場份額或售價下降，繼而降低本集團的盈利能力。作為中國大型金融機構的供應商，如果本集團的客戶面臨經營困境和利潤率下降，並要求本集團就價格和信貸期給予更優惠的貿易條款，則本集團的業績和盈利能力會受不利影響。倘本集團任何客戶因經營困境而進行成本控制或面臨現金流量問題，本集團的業績和盈利能力也會受不利影響。

(iv) 中國消費者支出和金融服務的波動會對本集團的業務和財務表現造成重大影響

於過往幾年，本集團的大部分收益源自中國的營運。本集團的銷售和增長有賴消費支出和消費者銀行業務，而兩者均依賴整個亞洲(尤其是中國)宏觀經濟環境的持續發展。消費支出和消費者銀行業務受諸多因素的影響，包括但不限於利率、匯率、經濟衰退、通脹、通縮、政治的不確定性、稅務、股市表現、失業人數和整體消費者信心。此外，本集團認為，本集團的歷史增長率在很大程度上依賴中國經濟的整體增長。本集團無法保證中國經濟會按歷史增長率持續增長，或者中國經濟根本不會增長，而中國經濟或消費支出或消費者銀行業的任何放緩或下滑，均可能對本集團的業務、財務狀況、經營業績和增長前景產生不利影響。

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(v) Adverse changes in China's economic, political and social conditions as well as laws and government policies, may adversely affect the Group's business, financial condition, results of operations and growth prospects

The economic, political and social conditions in China differ from those in more developed countries in many respects, including structure, government involvement, level of development, growth rate, control of foreign exchange, capital reinvestment, allocation of resources, rate of inflation and trade balance position. Before the adoption of its reform and opening up policies in 1978, the PRC was primarily a planned economy. In recent years, the PRC government has been reforming the PRC economic system and government structure. For example, the PRC government has implemented economic reform and measures emphasising the utilisation of market forces in the development of the PRC economy in the past three decades. These reforms have resulted in significant economic growth and social prospects. Economic reform measures, however, may be adjusted, modified or applied inconsistently from industry to industry or across different regions of the country. The Group cannot predict whether the resulting changes will have any adverse effect on the Group's current or future business, financial condition or results of operations. Despite these economic reforms and measures, the PRC government continues to play a significant role in regulating industrial development, allocation of natural and other resources, production, pricing and management of currency, and there can be no assurance that the PRC government will continue to pursue a policy of economic reform or that the direction of reform will continue to be market friendly.

(v) 中國經濟、政治、社會狀況及法律和政府政策的不利變動均可能對本集團的業務、財務狀況、經營業績和增長前景造成不利影響

中國經濟、政治及社會狀況與較發達國家在許多方面均有所不同，包括架構、政府參與程度、發展水平、增長率、外匯管制、資本再投資、資源分配、通脹率及貿易平衡狀況。在一九七八年改革開放之前，中國主要屬計劃經濟。近年來，中國政府不斷改革中國的經濟體制和政府架構。例如，在過去三十多年內，中國政府已實施經濟改革和措施以強調在中國經濟的發展中運用市場力量。這些改革已使中國的經濟增長和社會發展取得長足進步。然而，經濟改革措施可能會因應不同的行業或國內不同的地區而調整、修訂或推行。本集團無法預測相關變動對本集團現時或未來的業務、財務狀況或經營業績會否造成不利影響。儘管實施該等經濟改革及措施，中國政府在監管產業發展、自然資源及其他資源分配、生產、定價及貨幣管理方面仍繼續扮演重要角色，而本集團無法保證中國政府會繼續推行經濟改革政策，亦不能保證改革方向將繼續對市場有利。

REPORT OF DIRECTORS (CONTINUED) 董事會報告(續)

The Group's ability to successfully expand its business operations in the PRC depends on a number of factors, including macro-economic and other market conditions, and credit availability from lending institutions. Stricter credit or lending policies in the PRC may affect the Group's customers' consumer credit or consumer banking business, and may also affect the Group's ability to obtain external financing, which may reduce its ability to implement its expansion strategies. The Group cannot assure that the PRC government will not implement any additional measures to tighten credit or lending standards, or that, if any such measure is implemented, it will not adversely affect the Group's future results of operations or profitability. Demand for the Group's goods and services and its business, financial condition and results of operations may be adversely affected by the following factors:

- political instability or changes in social conditions of the PRC;
- changes in laws, regulations, and administrative directives or the interpretation thereof;
- measures which may be introduced to control inflation or deflation; and
- changes in the rate or method of taxation.

These factors are affected by a number of variables which are beyond the Group's control.

本集團成功擴大中國業務營運的能力取決於多項因素，包括宏觀經濟及其他市場狀況，以及借貸機構可動用的信貸額。中國收緊借貸政策可能會影響本集團客戶的消費者信貸或消費者銀行業務，還可能影響本集團獲得外部融資的能力，以致削弱本集團實施擴展策略的能力。本集團不能保證中國政府不會實施任何其他收緊信貸標準的措施，又或倘實施任何此類措施，將不會對本集團日後的經營業績或盈利能力造成不利影響。下列因素亦可能對本集團產品和服務的需求及本集團的業務、財務狀況及經營業績構成不利影響：

- 中國的政治不穩定或社會狀況變動；
- 法律、法規及行政指令或其詮釋發生變動；
- 可能推出用以控制通脹或通縮的措施；及
- 稅率或徵稅方式的變動。

該等因素受多項本集團無法控制的變數所影響。

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(vi) The Group's business may be adversely affected by the introduction of new payment technologies

The Group face competition from new payment technologies, which could reduce the demand for financial cards as a payment method. If there are any new payment technologies which will reduce the demand for financial card products or other new products the Group may introduce from time to time, including new products arising from the Group's research and development activities, the Group may experience material and adverse effects on its business, financial condition and results of operations.

KEY RELATIONSHIPS

(i) Employees

Human resources are one of the greatest assets of the Group and the Group regards the personal development of its employees as highly important. The Group wants to continue to be an attractive employer for committed employees.

The Group strives to motivate its employees with a clear career path and opportunities for advancement and improvement of their skills. The Group provides pre-employment and on-the-job training and development opportunities to its staff members. The training programs cover areas such as managerial skills, innovative technologies, sales and production, customer services, quality control, workplace ethics and training of other areas relevant to the industry. In addition, the Group seriously consider all those valuable feedback from its employees for enhancing workplace productivity and harmony.

(vi) 引入新的支付技術可能會對本集團的業務造成不利影響

本集團面對新支付技術的競爭，有關技術可能成為減少金融卡作為一種支付方式的需求。倘任何新支付技術減少對金融卡產品或本集團可能不時推出的其他新產品(包括因本集團的研發活動產生的新產品)的需求，則本集團的業務、財務狀況及經營業績或會遭受重大不利影響。

重要關係

(i) 員工

人力資源為本集團的最大資產之一，本集團高度重視員工的個人發展，且致力於繼續成為具吸引力僱主。

本集團致力以清晰的事業發展路徑以及提高和完善技能的機會激勵員工。本集團為員工提供職前及在職培訓及發展機會。培訓課程包括管理技能、研發能力、創新科技、銷售與生產、客戶服務、質量監控、工作操守及其他與行業相關範疇的培訓。此外，本集團會慎重考慮員工有關提升工作效率及和諧工作氣氛的所有寶貴反饋意見。

REPORT OF DIRECTORS (CONTINUED) 董事會報告(續)

Generally, a salary review is conducted annually. Aside from basic remuneration, for all employees in Mainland China, the Group provides employee mandatory social security funds, pensions, work-related injury insurance, maternity insurance, medical and employment insurance, and full coverage of housing provident fund contributions in accordance with the applicable laws and regulations of the Mainland China. For overseas employees the Group also make contributions towards relevant insurance schemes required by the local regulations. Meanwhile the Group adopted the Pre-IPO Share Option Scheme, Share Option Scheme and Share Award Scheme to recognize and motivate the contribution of the employees and attract suitable personnel for the long-term growth and further strategic expansion of the Group. As at 31 December 2017, 10,374,000 shares have been granted or agreed to be granted to the scheme participants (2016: nil) under the Share Award Scheme.

(ii) Suppliers

The Group has developed long-standing relationships with a number of its suppliers and takes great care to ensure that they share the Group's commitment to quality and ethics. The Group carefully selects its suppliers and require them to satisfy certain assessment criteria including track record, experience, financial strength, reputation, products qualities and quality control effectiveness. The Group also requires its suppliers to comply with the Group's anti-bribery policy.

(iii) Clients

The Group is committed to maintain and develop its diversified clients' portfolio consisting of the governmental organizations, world-leading financial institutions, transportations projects and multinational companies. The Group maximizes client value by offering professional and effective operation model and innovative and differentiated products and services, to intensify the interaction and viscosity between clients and the Group and enhances the client experience.

整體而言，本集團每年進行一次薪酬檢討。本集團根據內地的相關法律、法規為內地的全部員工提供退休、失業、工傷、生育和醫療等社會保險計劃。本集團亦按照內地規定為員工實施住房公積金計劃。對於本集團於海外工作員工，亦按照當地法律要求購買保險等計劃。同時，本公司亦實施了首次公開發售前購股權計劃，購股權計劃以及股份獎勵計劃，以嘉獎和鼓勵員工之貢獻，吸引合適人才推動本集團戰略拓展。於截至2017年12月31日止之年度，股份獎勵計劃項下10,374,000股普通股已經授予或同意授予給計劃參與者(2016年：無)。

(ii) 供應商

本集團已與多家供應商建立長期的合作關係，並盡力確保其遵守本集團對質素及道德的承諾。本集團審慎挑選供應商，並要求其滿足若干評估標準，包括往績記錄、經驗、財務實力、聲譽、產品質量及質量控制效力。本集團亦要求供應商遵守本集團的反賄賂政策。

(iii) 客戶

本集團致力於維護和擴大由政府組織、世界領先的金融機構、交通項目以及跨國企業所組成的多元化的客戶群。本集團秉承「為客戶創造最大價值」的理念，通過專業化、精準化的運營模式以及差異化的創新產品和服務，加強本集團與客戶間的互動和粘性，提升用戶體驗。

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COMPLIANCE WITH LAWS AND REGULATIONS

The Group's operations are mainly carried out by the Company's subsidiaries in the Mainland China and Hong Kong while the Company itself is listed on the Stock Exchange. The Group's operations accordingly shall comply with relevant laws and regulations in the Mainland China and Hong Kong. During the year 2017, the Group have complied with all the relevant laws and regulations in the Mainland China and Hong Kong.

RESERVES

Details of movements in the reserves of the Group and the Company during the year 2017 are set out on pages 121, 122 and 123 of this annual report and in Note 38 to the Consolidated Financial Statements on page 219 of this Annual Report respectively.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year 2017 are set out in Note 13 to the Consolidated Financial Statements on pages 180 and 181 of this Annual Report.

BANK LOANS

The Group had no bank loan during the year 2017.

SHARE CAPITAL

Details of movements in the share capital of the Company during the year 2017 are set out in Note 28 to the Consolidated Financial Statements on pages 193 to 194 of this Annual Report.

DISTRIBUTABLE RESERVES OF THE COMPANY

The Company's reserves available for the distribution to the shareholders as at 31 December 2017 amounted to RMB146.2 million (31 December 2016: RMB321.3 million).

遵守法律及法規

本集團的業務主要由本公司於內地和香港的附屬公司進行，而本公司本身於聯交所上市。因此，本集團之營運須遵守內地及香港的有關法律及法規。於2017年，本集團已遵守內地及香港的所有有關法律及法規。

儲備

本集團及本公司於2017年的儲備變動詳情載分別於本年度報告第121、122、123頁以及第219頁的綜合財務表附註38。

物業、廠房及設備

本集團物業、廠房及設備於2017年的變動詳情載於第180頁以及181頁綜合財務報表附註13。

銀行貸款

本集團於2017年並無銀行借款。

股本

有關本公司於2017年的股本詳情載於本年度報告中第193頁至194頁綜合財務報表附註28。

可供分派的儲備

本公司於2017年12月31日的可分派給股東的儲備為人民幣146.2百萬元(2016年12月31日為人民幣321.3百萬元)。

REPORT OF DIRECTORS (CONTINUED) 董事會報告 (續)

FINANCIAL SUMMARY OF THE PAST 5 YEARS

The results, assets and liabilities of the past 5 years of the Group are set out in the Financial Summary on page 220 of this Annual Report.

INCENTIVE SCHEMES

(a) Pre-IPO Share Option Scheme

The pre-IPO share option scheme was adopted pursuant to a written resolution passed by the shareholders of the Company on 15 November 2013 (the "Pre-IPO Share Option Scheme") for the primary purpose of recognising the contribution of certain employees and directors made or may have made to the growth of the Group and/or the listing of the Group on the Main Board of the Stock Exchange, and will expire on 3 December 2019.

At 31 December 2017, the number of shares in respect of which options had been granted and remained outstanding under the Pre-IPO Share Option Scheme was 28,117,000 (2016: 30,126,000), representing approximately 3.37% (2016: 3.61%) of the shares of the Company in issue on that day.

Options granted must be taken up on 19 November 2013, upon payment of HKD1.0 by the grantee. All the options under the Pre-IPO Share Option Scheme were granted on 19 November 2013. The exercise price of each Pre-IPO share option of the Company is HKD2.71 per share.

五年財務概要

本集團於過去五個財政年度的業績、資產及負債概要載於本年報中第220頁之財務概要。

激勵計劃

(a) 首次公開發售前購股權計劃

首次公開發售前購股權計劃(「首次公開發售前購股權計劃」)於2013年11月15日獲全體股東以書面決議批准，旨在肯定本集團若干僱員及董事作出或過去可能作出對本集團發展及／或股份於聯交所上市的貢獻，並將於2019年12月3日到期。

於2017年12月31日，首次公開發售前購股權計劃下已授出及未行使股份的數量為28,117,000(2016：30,126,000)，約佔本公司於2017年12月31日已發行的股份數量的3.37%(2016：3.61%)。

授出的購股權必須在2013年11月19日前以支付港幣1.0元的價格予以承授。所有首次公開發售前購股權計劃下的購股權均於2013年11月19日授出。首次公開發售前購股權的行使價格為每股港幣2.71元。

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The Pre-IPO share options granted under the Pre-IPO Share Option Scheme of the Company may be exercised by each grantee in the following manner:

本公司首次公開發售前購股權計劃所授予的首次公開發售前購股權的承受人可以按照以下方式行使購股權：

Vesting Period 歸屬期	Exercise period 行使期	Maximum percentage of options exercisable 可行使購股權的最大百分比
From 19 November 2013 to 3 December 2014 2013年11月19日至2014年12月3日	From 4 December 2014 to 3 December 2019 2014年12月4日至2019年12月3日	Up to 20% of the options granted to such grantee (rounded down to the nearest whole number) 所獲購股權的最多20%(向下調整至最接近的整數)
From 19 November 2013 to 3 December 2015 2013年11月19日至2015年12月3日	From 4 December 2015 to 3 December 2019 2015年12月4日至2019年12月3日	Up to 40% of the options granted to such grantee less the options exercised (rounded down to the nearest whole number) 所獲購股權(減已獲行使的購股權)的最多40%(向下調整至最接近的整數)
From 19 November 2013 to 3 December 2016 2013年11月19日至2016年12月3日	From 4 December 2016 to 3 December 2019 2016年12月4日至2019年12月3日	Up to 60% of the options granted to such grantee less the options exercised (rounded down to the nearest whole number) 所獲購股權(減已獲行使的購股權)的最多60%(向下調整至最接近的整數)
From 19 November 2013 to 3 December 2017 2013年11月19日至2017年12月3日	From 4 December 2017 to 3 December 2019 2017年12月4日至2019年12月3日	Up to 80% of the options granted to such grantee less the options exercised (rounded down to the nearest whole number) 所獲購股權(減已獲行使的購股權)的最多80%(向下調整至最接近的整數)
From 19 November 2013 to 3 December 2018 2013年11月19日至2018年12月3日	From 4 December 2018 to 3 December 2019 2018年12月4日至2019年12月3日	Such number of unexercised options granted to such grantee 所獲授但尚未行使的購股權

REPORT OF DIRECTORS (CONTINUED) 董事會報告(續)

The following table discloses details of the Company's Pre-IPO share options under the Pre-IPO Share Option Scheme held by directors and employees and movements in such holding for the year ended 31 December 2017:

下表披露本公司董事及僱員所持有的首次公開發售前購股權計劃下的購股權及其於截至2017年12月31日之年度之變動：

For the twelve months ended 31 December 2017

截至2017年12月31日止之十二個月

Name 名稱	As at 1 January 2017 於2017年 1月1日	Exercised 已行使	Lapsed 已失效	As at 31 December 2017 於2017年 12月31日
Directors 董事				
Mr. LU Run Ting 盧潤霆先生	2,960,000	—	—	2,960,000
Mr. HOU Ping 侯平先生	1,200,000	—	—	1,200,000
Mr. LU Runyi 盧潤怡先生	1,600,000	—	—	1,600,000
Mr. LU Xiaozhong 盧小忠先生	1,000,000	—	—	1,000,000
Mr. WU Siqiang 吳思強先生	1,000,000	—	—	1,000,000
Senior management 高級管理層				
In aggregate 合共	8,300,000	—	—	8,300,000
Other employees 其他僱員				
In aggregate 合共	14,066,000	(97,000)	(1,912,000)	12,057,000
Total 總計	30,126,000	(97,000)	(1,912,000)	28,117,000

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The fair values of the share options granted during the year ended 31 December 2013 were calculated at RMB69,935,000 (equivalent to HKD88,954,000) using the Binominal Option Pricing pricing model. The inputs into the model were as follows:

Share price	HKD4.52
Exercise price	HKD2.71
Expected life	6 years
Expected volatility	46.9963%
Expected dividend yield	1.0822%
Risk-free interest rate	1.2426%
Fair value per option	HKD2.4250 to HKD2.4791

Expected volatility was determined by using the historical volatility of the selected comparable companies in the same industry. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

The Group recognised the total expense of RMB4,426,000 (2016: RMB10,502,000) for the year ended 31 December 2017 in relation to share options granted by the Company.

於截至2013年12月31日止之年度，授出的購股權之公價允值使用二項式期權定價模式計算出為人民幣69,935,000元（折合港幣88,954,000元），代入模式如下：

股價	港幣4.52元
行使價	港幣2.71元
預期壽命	6年
預期波幅	46.9963%
預期股息收益	1.0822%
無風險利率	1.2426%
每份購股權之 公允價值	港幣2.4250元至 港幣2.4791元

預期波幅是按照歷史波幅及所選同行業的可比波幅決定的。該模式所用之預期壽命已經根據管理層就非轉讓性、行使限制及行為因素影響的最佳估算進行調整。

於截至2017年12月31日止之年度，本集團就本公司授出購股權確認開支為人民幣4,426,000元（2016年：人民幣10,502,000元）。

REPORT OF DIRECTORS (CONTINUED) 董事會報告 (續)

(b) Share Option Scheme

The principal terms of the share option scheme, approved by the shareholder's resolution passed on 15 November 2013 (the "Share Option Scheme"), are substantially the same as the terms of the Pre-IPO Option Scheme except that:

- (i) the maximum number of shares in respect of which options may be granted shall not exceed 10% of the total number of shares in issue at the date of listing of the shares of the Company on the Main Board of the Stock Exchange;
- (ii) the maximum entitlement of each eligible participant in any 12-month period up to the date of offer to grant shall not exceed 1% of the shares in issue as at the date of offer to grant; and
- (iii) The exercise price is determined by the directors of the Company at their discretion and will not be lower than the highest of: (a) the closing price of the ordinary shares on the Stock Exchange at the offer date, which must be a trading day; (b) the average closing price of the ordinary shares on the Stock Exchange for the five business days immediately preceding the offer date; and (c) the nominal value of the Company's share.

On 7 September 2016, 20,000,000 share options were granted and all share options were forfeited during the year ended 31 December 2016. As at 31 December 2016 and 2017, no shares in respect of which options had been granted are remained outstanding under the Share Option Scheme.

Assuming all options under the Share Option Scheme have been granted, the total number of shares available for issue under the Share Option Scheme shall be 80,000,000, representing approximately 9.6% of the Company's issued share capital as at the date of the Company's 2017 Annual Report.

(b) 購股權計劃

於2013年11月15日通過的股東決議中所批准的購股權計劃(「購股權計劃」)主要條款與首次公開發售的購股權計劃大致相同，以下條款除外：

- (i) 購股權授出最大股份數不得超過本公司在聯交所上市之日的總股數的10%；
- (ii) 在任何一個12個月期間到要約授出之日，授予各合格參與者的最高配額不得超過已發行股份的1%；及
- (iii) 行使價格是由本公司董事酌情商定，且不會低於以下最高者：(a) 普通股在聯交所要約日交易日收盤價；(b) 在聯交所緊接授出日期的前五個營業日的普通股收盤價平均值；(c) 本公司股份面值。

於2016年9月7日，20,000,000股購股權被授出並於當年內失效。於2016年及2017年12月31日，該購股權計劃下已授出及未行使股份的數量為零。

倘若購股權計劃下所有購股權均被授出，購股權計劃下股份總數目為80,000,000股，約佔本公司於2017年年度報告之日已發行總股數的9.6%。

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(c) Share Award Scheme

The Company adopted a share award scheme (the "Share Award Scheme") on 30 November 2015 (the "Adoption Date") with a duration of 15 years commencing from 11 December 2015. The objectives of the Share Award Scheme are to (i) align the interests of any employee, adviser, consultant, agent, contractor, client or supplier of any member of the Group whom the directors in its sole discretion considers may contribute or have contributed to the Group (the "Participants"); (ii) recognise and motivate the contribution of the Participants and to provide incentives in retaining the Participants for future operation and development of the Group; and (iii) attract suitable personnel for the long-term growth and further strategic expansion of the Group.

The Company has engaged BOCI-Prudential Trustee Limited (the "Trustee") to administer and hold the Company's shares before they are vested and transferred to the Participants. The Trustee purchases the Company's shares being awarded from the open market with funds provided by the Company by way of contributions.

During the year ended 31 December 2017, no ordinary shares of the Company have been acquired (2016: 10,814,000 ordinary shares at an aggregate cost of HKD29,776,000, equivalent to approximately RMB25,038,000). As at 31 December 2017, 10,374,000 shares have been granted or agreed to be granted to the Participants (2016: nil). The share awarded shall vest in 3 years on each anniversary of the first vesting date in equal portions. The first vesting date is 26 November 2017. The estimated fair value of the awards granted are RMB24,239,000 (equivalent to HK\$27,564,000) based on the market price of the relevant shares at the grant date. The Group recognised the total expenses of RMB12,737,000 for the year ended 31 December 2017 in relation to the share awards granted by the Company (2016: nil). There are 7,867,000 (2016: 10,841,000) shares held by the Trustee and RMB2,792,000 (2016: RMB1,342,000) was placed to the Trustee as prepayments at the end of reporting period.

(c) 股份獎勵計劃

本公司於2015年11月30日(「採納日」)採納股份獎勵計劃(「股份獎勵計劃」)，股份獎勵計劃自2015年12月11日起計有效期為15年。計劃之目的為(i)使董事認為已經或將會對本集團作出貢獻之僱員、參事、顧問、代理、承辦商、顧客或供應商(「計劃參與者」)之利益與本集團利益一致；(ii)嘉獎和鼓勵計劃參與者之貢獻，並給予獎勵，以挽留計劃參與者，為本集團的持續經營及發展效力；及(iii)吸引合適人才推動本集團長期增長及進一步戰略拓展。

本公司已委任中銀國際英國保誠信託有限公司(「受托人」)管理及持有本公司之股份，直至達到歸屬準則及條件符合為止，歸屬股份將轉讓予計劃參與人。受托人於合適的時候在公開市場買入公司現有股份，費用由本公司支付。

於截至2017年12月31日止之年度，本公司沒有購入本公司股份(2016：以總成本港幣29,776,000元購入本公司的10,814,000股普通股，相當於約人民幣25,038,000元)。於截至2017年12月31日止之年度，10,374,000股普通股已經授予或同意授予給參與者(2016：無)。獎勵股份從首個歸屬日起分3年歸屬，每年歸屬的數量相同。首個歸屬日為2017年11月26日。依據授予日的市場價格估算，獎勵股份的公允價值約為人民幣24,239,000元(折合港幣27,564,000元)。截至2017年12月31日，本集團就本公司授出獎勵股份確認的總開支為人民幣12,737,000元(2016：無)。於報告期末，受托人持有7,867,000股普通股(2016：10,841,000)和人民幣2,792,000元(2016：人民幣1,342,000元)之預付款。

REPORT OF DIRECTORS (CONTINUED) 董事會報告(續)

DIRECTORS

The Directors of the Company during the year 2017 and up to the date of this report were:

Executive Directors

Mr. LU Run Ting (*Chairman*)
Mr. HOU Ping
Mr. LU Runyi
Mr. LU Xiaozhong
Mr. WU Siqiang (appointed on 18 May 2017)

Non-executive Directors

Mr. Christophe Jacques PAGAZY
(retired on 18 May 2017)
Mr. TING Tao I (resigned on 18 May 2017)
Mr. LING Wai Lim (appointed on 18 May 2017)

Independent Non-executive Directors

Mr. MAK Wing Sum Alvin
Mr. LIU John Jianhua
Mr. ZHU Lijun (resigned on 18 May 2017)
Ms. YE Lu (appointed on 18 May 2017)

DIRECTORS' PROFILES

Details of the Directors' profiles are set out in the "Directors and Senior Management" on pages 32 to 42 of this Annual Report.

DIRECTORS OF SUBSIDIARIES

The directors who have served on the boards of the subsidiaries of the Company during the year 2017 and up to the date of this report are as follows:

Goldpac Datacard Solutions Company Limited

Mr. LU Run Ting
Mr. HOU Ping
Mr. LU Runyi

Goldpac Limited

Mr. LU Run Ting
Mr. HOU Ping
Mr. LU Runyi

Goldpac Smart Card (Guangzhou) Limited

Mr. LIU Xuhui

Goldpac Investment Limited

Mr. LU Run Ting

Goldpac Fintech Singapore Private Limited

Mr. LU Run Ting
Mr. HOU Ping
Mr. YAP Mung Hong

SecureTech Holdings Limited

Mr. NG, Chun Hung

董事

於2017年度內及至本報告日止，公司董事為：

執行董事

盧閔霆先生(主席)
侯平先生
盧潤怡先生
盧小忠先生
吳思強先生(於2017年5月18日獲委任)

非執行董事

Christophe Jacques PAGAZY先生
(於2017年5月18日退任)
丁道一先生(於2017年5月18日辭任)
盧威廉先生(於2017年5月18日獲委任)

獨立非執行董事

麥永森先生
劉建華先生
朱立軍先生(於2017年5月18日辭任)
葉淥女士(於2017年5月18日獲委任)

董事介紹

董事介紹詳情載於本年度報告第32頁至42頁之「董事及高級管理層」章節。

附屬公司董事

於2017年度內及至本報告日止，本公司之附屬公司之董事如下：

金邦達數據有限公司

盧閔霆先生
侯平先生
盧潤怡先生

金邦達有限公司

盧閔霆先生
侯平先生
盧潤怡先生

廣州市金邦達智能卡有限公司

劉煦暉先生

金邦達投資有限公司

盧閔霆先生

金邦達金融科技(新加坡)有限公司

盧閔霆先生
侯平先生
YAP Mung Hong先生

SecureTech Holdings Limited

吳振鴻先生

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DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors has entered into a service contract with the Company for a term of three years, which shall be terminated by not less than three months' notice in writing served by either the executive Director or the Company. Each of non-executive Directors has signed an appointment letter with the Company for a term of three years. Each of independent non-executive directors has signed an appointment letter with the Company for a term of three years. The appointment of each Director is subject to the provisions of appointment and retirement of directors under the Articles of Association of the Company.

In accordance with the Company's Articles of Association, Mr. HOU Ping, Mr. LU Xiaozhong, Mr. MAK Wing Sum Alvin and Mr. LING Wai Lim, a director appointed by the Board on 18 May 2017, shall retire at the forthcoming annual general meeting. All the retiring directors, being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

None of the Directors proposed for re-election at the forthcoming Annual General Meeting has unexpired service contract which is not determinable by the Company or any of its subsidiaries within one year without payment compensation, other than statutory compensation.

CONFIRMATION OF INDEPENDENCE FROM THE INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received from each of the independent non-executive Directors, namely Mr. MAK Wing Sum Alvin, Mr. LIU John Jianhua and Ms. YE Lu, the confirmation of their respective independence pursuant to Rule 3.13 of the Listing Rules. The Company has duly reviewed the confirmation of independence of each of these Directors. The Company considers that the independent non-executive Directors had been independent from the date of their appointment to 31 December 2017.

董事服務合同

每一位執行董事都與本公司訂有為期三年的服務合同，並約定各方可以通過提前三個月發出書面通知以終止服務合同。每一位非執行董事均與本公司簽有為期三年的任命書。每一位獨立非執行董事均與本公司訂有為期三年的任命書。所有董事的任命和退任均遵守本公司的章程細則。

根據本公司章程細則，侯平先生、盧小忠先生、麥永森先生以及於2017年5月18日由董事會委任為董事的盧威廉先生將在應屆股東週年大會上退任董事職務。所有退任的董事均符合資格且願意於即將召開的股東週年大會上膺選連任。

概無在即將召開的股東大會中重選的董事訂有不可於一年內被公司或其附屬公司終止而無須作出補償(法定補償除外)的未到期服務合約。

獨立非執行董事的獨立性確認

本公司已收到每一位獨立非執行董事，即麥永森先生、劉建華先生和葉淥女士，根據上市規則第3.13條就其獨立性發出的年度確認書。本公司已經充分檢討了每一位董事發出的獨立性確認書。本公司認為本公司的獨立非執行董事從任命之日起至2017年12月31日均具有獨立性。

REPORT OF DIRECTORS (CONTINUED) 董事會報告(續)

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS

For the year ended 31 December 2017, the interests of the Directors and Chief Executive in the shares, underlying shares of equity derivatives and debentures of the Company and its associated corporations (all within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) disclosed in accordance with the Listing Rules were detailed below:

Interests in Shares

董事和首席執行官的權益

於截至2017年12月31日止之年度，董事和首席執行官在本公司及其相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之任何股份、相關股份或債券之權益根據上市規則披露如下：

股份權益

Name of Director 董事姓名	Capacity/Nature of Interests 權益性質	Number of securities held ⁽¹⁾ 所持證券數目 ⁽¹⁾	Approximate percentage of interest in the Company (%) 所佔本公司權益概約百分比(%)
Mr. LU Run Ting (Chairman) 盧閏霆先生(主席)	Interest of Controlled Corporation 受控制法團權益	355,259,422 Shares (L) 355,259,422股(L)	42.62%
	Beneficial owner ⁽²⁾ 受益人 ⁽²⁾	4,700,000 Shares (L) 4,700,000股(L)	0.56%
Mr. HOU Ping 侯平先生	Beneficial owner ⁽³⁾ 受益人 ⁽³⁾	2,700,000 Shares (L) 2,700,000股(L)	0.32%
Mr. LU Runyi 盧潤怡先生	Beneficial owner ⁽⁴⁾ 受益人 ⁽⁴⁾	4,921,000 Shares (L) 4,921,000股(L)	0.59%
Mr. LU Xiaozhong 盧小忠先生	Beneficial owner ⁽⁵⁾ 受益人 ⁽⁵⁾	1,501,000 Shares (L) 1,501,000股(L)	0.18%
Mr. WU Siqiang 吳思強先生	Beneficial owner ⁽⁶⁾ 受益人 ⁽⁶⁾	1,931,000 Shares (L) 1,931,000股(L)	0.23%
Mr. LING Wai Lim 盧威廉先生	Beneficial owner ⁽⁷⁾ 受益人 ⁽⁷⁾	16,000 Shares (L) 16,000股(L)	0.00%

⁽¹⁾ The letter "L" denotes the Directors' long position in the Shares or the relevant associated corporation.

⁽²⁾ Mr. LU Run Ting ("Chairman LU")'s interests are consisted of: (i) 2,960,000 Shares to be issued subject to options granted under the Pre-IPO Share Option Scheme; (ii) 740,000 Shares issued by options granted under the Pre-IPO Share Option Scheme exercised on 29 July 2015; and (iii) 1,000,000 Shares as beneficial owner.

⁽³⁾ Mr. HOU Ping's interests are consisted of: (i) 1,200,000 shares to be issued subject to options granted under the Pre-IPO Share Option Scheme; (ii) 300,000 shares issued by options granted under the Pre-IPO Share Option Scheme exercised on 25 August 2015; and (iii) 1,200,000 shares awarded on 26 May 2017 under the Share Award Scheme.

⁽⁴⁾ Mr. LU Runyi's interests are consisted of: (i) 1,600,000 shares to be issued subject to options granted under the Pre-IPO Share Option Scheme; (ii) 2,120,000 shares transferred from Goldpac International (Holding) Limited ("GIHL") (being a controlling shareholder of the Company and wholly-owned by Chairman LU) on 20 March 2015; (iii) 400,000 shares issued by options granted under the Pre-IPO Share Option Scheme exercised on 25 August 2015; and (iv) 801,000 shares awarded on 26 May 2017 under the Share Award Scheme.

⁽⁵⁾ Mr. LU Xiaozhong's interests are consisted of: (i) 1,000,000 shares to be issued subject to options granted under the Pre-IPO Share Option Scheme; and (ii) 501,000 shares awarded on 26 May 2017 under the Share Award Scheme.

⁽⁶⁾ Mr. WU Siqiang's interests are consisted of: (i) 1,000,000 shares to be issued subject to options granted under the Pre-IPO Share Option Scheme; (ii) 130,000 shares as beneficial owner; and (iii) 801,000 Shares awarded on 26 May 2017 under the Share Award Scheme.

⁽⁷⁾ Mr. LING Wai Lim holds 16,000 shares as beneficial owner.

⁽¹⁾ 「L」代表董事於本公司或有關的相聯法團股份中所持有的好倉。

⁽²⁾ 盧閏霆先生(盧主席)之權益包括(i)首次公開發售前購股權計劃下可發行股份1,200,000股；(ii)於2015年8月25日通過行使首次公開發售前購股權計劃發行股份740,000股；以及(iii)作為受益人持有1,000,000股。

⁽³⁾ 侯平先生之權益包括：(i)首次公開發售前購股權計劃下可發行股份1,200,000股；(ii)於2015年8月25日通過行使首次公開發售前購股權計劃發行股份300,000股；以及(iii)於2017年5月26日股份獎勵計劃下授與股份1,200,000股。

⁽⁴⁾ 盧潤怡先生之權益包括：(i)首次公開發售前購股權計劃下可發行股份1,600,000股；(ii)於2015年3月20日受讓於金邦達國際(控股)有限公司(「金邦達國際」)(本公司之控股股東，並由盧主席全資擁有)2,120,000股；(iii)於2015年8月25日通過行使首次公開發售前購股權計劃發行股份400,000股；以及(iv)於2017年5月26日股份獎勵計劃下授與股份801,000股。

⁽⁵⁾ 盧小忠先生之權益包括：(i)首次公開發售前購股權計劃下可發行股份1,000,000股；以及(ii)於2017年5月26日股份獎勵計劃下授與股份501,000股。

⁽⁶⁾ 吳思強先生之權益包括：(i)首次公開發售前購股權計劃下可發行股份1,000,000股；(ii)作為受益人持有130,000股；以及(iii)於2017年5月26日股份獎勵計劃下授與股份801,000股。

⁽⁷⁾ 盧威廉先生作為受益人持有16,000股。

REPORT OF DIRECTORS (CONTINUED)

董事會報告(續)

DIRECTORS' INTERESTS IN CONTRACTS

No contract of significance, to which the Company, any of its subsidiaries or fellow subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted during or at the year ended 31 December 2017.

CONTRACTS WITH CONTROLLING SHAREHOLDERS

No contract of significance had been entered into between the Company or any of its subsidiaries and the controlling shareholders during the year ended 31 December 2017.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

Pursuant to Rule 8.10 of the Listing Rules, for the year ended 31 December 2017, no Director had declared interests in any entity which competes, either directly or indirectly, with the businesses of the Company.

PERMITTED INDEMNITY PROVISION

The Company has arranged for appropriate insurance cover for the Directors and Senior Management in respect of certain liabilities arising out of corporate activities. As required by Section 470(1) and (2) of the Hong Kong Companies Ordinance (Cap. 622 of the Laws of Hong Kong) (the "Companies Ordinance"), it is confirmed that the permitted indemnity provision mentioned above is/was in force for the benefit of the Directors/then Directors when the Directors' Report prepared by the Directors is approved in accordance with section 391(1)(a) of the Companies Ordinance; and has been in force throughout the financial year ended 31 December 2017, respectively. Pursuant to the Company's Articles of Association, subject to the provisions of the Companies Ordinance, every Director or other officer or auditor may be indemnified out of the assets of the Company against any liability, loss or expenditure incurred by him in defending any proceedings, whether civil or criminal, which relate to anything done or omitted to be done or alleged to have been done or omitted to be done by him as an officer or auditor of the Company and in which judgment is given in his favour or in which he is acquitted, or incurred in connection with any application in which relief is granted to him by the court from liability in respect of any such act or omission.

董事享有權益之合約

於截至2017年12月31日止之年度，本公司或任何附屬公司、任何附屬公司的附屬公司均未直接或者間接地訂立有與本公司董事享有重大權益之重要合約。

與控股股東的合約

於截至2017年12月31日止之年度，本公司或其任何附屬公司並無與控股股東訂立任何重大合約。

董事就與本集團構成競爭業務之利益申報

根據上市規則第8.10之規定，於截至2017年12月31日止之年度，概無董事申報與本集團直接或者間接構成競爭或者可能構成競爭的機構中存在利益。

准許彌償條文

本公司已就其董事及高級管理層可能面對因企業活動產生之若干負債，作適當之投保安排。根據香港公司條例(香港法例第622章)(「公司條例」)第470(1)及(2)條的規定，本公司確認於董事編製之董事會報告書根據公司條例第391(1)(a)條獲通過時及於截至2017年12月31日止之整個財政年度內，上述獲准許彌償條文正於惠及／曾經惠及董事／前董事的情況下有效。根據本公司的章程細則，在公司條例的條文所規限下，但在不損害董事可享有的任何彌償的情況下，本公司各董事或其他高級人員或核數師因於任何民事或刑事法律程序作抗辯產生的任何負債、損失或支出，凡涉及其作為本公司高級人員或核數師而作出或沒有作出或其指稱已作出或沒有作出的任何事宜，而有關法律程序判其勝訴或獲無罪開釋，或凡屬因法院寬免其就作出或沒有作出任何行為負上法律責任的任何用途而產生，均獲本公司以其資產作出彌償。

REPORT OF DIRECTORS (CONTINUED) 董事會報告(續)

EQUITY-LINKED AGREEMENT

Details of the share option scheme of the Company are set out in the section headed "Incentive Schemes" above and Note 29 to the Consolidated Financial Statements on the pages 195 to 203 of this Annual Report.

Save as disclosed above, no equity-linked agreement will or may result in the Company issuing Shares or that require the Company to enter into any agreements that will or may result in the Company issuing Shares, were entered into by the Company during the year or subsisted at the end of the year.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year 2017.

DIRECTORS' EMOLUMENTS

The emoluments of the Directors for the year 2017 are set out in Note 9 to the Consolidated Financial Statements on pages 169 to 174 of this Annual Report.

NON-COMPETE UNDERTAKINGS

Each of the controlling shareholders has confirmed to the Company of his/its compliance with the non-compete undertakings provided to the Company under the Deed of Non-Competition (as defined in the Prospectus). The independent non-executive Directors have reviewed the status of compliance and confirmed that all the undertakings under the Deed of Non-Competition have been complied with by the controlling shareholders.

EMOLUMENT POLICY

The Group's emolument policies are based on the merit, qualifications and competence of individual employees and are reviewed by the remuneration committee periodically.

The emoluments of the Directors are recommended by the remuneration committee and are decided by the Board, having regard to the Group's operating results, individual performance and comparable market statistics.

與權益掛鈎協議

有關本公司購股權計劃之詳情載於上文「激勵計劃」一節及本年報中第195頁至203頁綜合財務報表附註29。

除上述所披露者外，本公司概無於年內訂立或於年末存在任何與權益掛鈎協議將會或可能導致本公司發行股份，或規定本公司訂立任何協議將會或可能導致本公司發行股份。

管理合約

於2017年，概無訂立或存在有關本公司整體或任何重大部分業務管理及行政的任何合約。

董事薪酬

於截至2017年12月31日止之年度，本公司董事之薪酬以具名方式詳列於本年報中第169頁至174頁綜合財務報表附註9。

不競爭承諾

各控股股東已向本公司確認，其已遵守根據不競爭契約(定義見招股章程)向本公司提供的不競爭承諾。獨立非執行董事已審視其遵例情況，並確認控股股東已遵守根據不競爭契約的所有承諾。

薪酬政策

本集團的薪酬政策乃基於個別僱員的貢獻、資歷及能力，並定期由薪酬委員會審閱。

董事的薪酬乃由薪酬委員會參考本集團的經營業績、個人表現及可比較的市場統計數據做出建議，並由董事會決定。

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REPORT OF DIRECTORS (CONTINUED)

董事會報告(續)

The Company has adopted two share option schemes and one share award scheme to motivate and reward its Directors and eligible employees. Details of these schemes are set out in the paragraph headed "Incentive Schemes" above and Note 29 to the Consolidated Financial Statements on the pages 195 to 203 of this Annual Report.

None of the Directors waived any emoluments during the year 2017.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARE CAPITAL

The register maintained by the Company pursuant to the SFO recorded that, as at 31 December 2017, the following persons and corporations had interests in the shares or underlying shares in the Company:

本公司已採納兩項股權計劃及一項股份獎勵計劃，以激勵及獎勵其董事及合資格僱員。有關該等計劃的詳情載於上文「激勵計劃」一段及本年報中第195頁至203頁綜合財務報表附註29。

於2017年內，概無董事放棄任何酬金。

主要股東權益

根據本公司依照證券及期貨條例而設之登記冊，於2017年12月31日，下列人士和公司擁有本公司股份或相關股份之權益：

Name 姓名	Capacity/Nature of Interests 權益性質	Number of securities held ⁽¹⁾ 所持證券數目 ⁽¹⁾	Approximate shareholding percentage 概約持股百分比
Mr. LU Run Ting 盧閔霆先生	Interest of Controlled Corporation ⁽²⁾⁽ⁱ⁾ 受控制法團權益 ⁽²⁾⁽ⁱ⁾	355,259,422 Shares (L) 355,259,422股(L)	42.62%
	Beneficial owner ⁽²⁾⁽ⁱⁱ⁾ 受益人 ⁽²⁾⁽ⁱⁱ⁾	4,700,000 Shares (L) 4,700,000股(L)	0.56%
Ms. ZHANG Jian ⁽³⁾ 張健女士 ⁽³⁾	Family 家族	359,959,422 Shares (L) 359,959,422股(L)	43.18%
Gemalto ⁽⁴⁾	Interest of Controlled Corporation 受控制法團權益	152,931,181 Shares (L) 152,931,181股(L)	18.35%
Areo Holdings Limited ("Areo") ⁽⁵⁾	Interest of Controlled Corporation 受控制法團權益	41,723,000 Shares (L) 41,723,000股(L)	5.01%

Notes:

(1) The letter "L" denotes a person's long position in the Shares or shares of the relevant Group member.

(2) The disclosed interest represents (i) the interest in the Company held by GIHL, which is wholly-owned by Chairman LU, accordingly, Chairman LU is deemed to be interested in GIHL's interest in the Company by virtue of the SFO; (ii) his interests in 2,960,000 underlying Shares of shares options to be issued subject to exercise of such options granted under the Pre-IPO Share Option Scheme and 740,000 Shares issued by options granted under the Pre-IPO Share Options Scheme exercised on 29 July 2015; and (iii) his interests in 1,000,000 shares as beneficial owner.

(3) Ms. ZHANG Jian, the spouse of Chairman LU, is deemed to be interested in Chairman LU's interest in the Company by virtue of the SFO.

(4) The disclosed interest represents the interest in the Company held by Gemplus International S.A. ("GISA"), which is wholly-owned by Gemalto, whose shares are listed and traded on the NYSE Euronext Amsterdam and NYSE Euronext Paris. Therefore, Gemalto is deemed to be interested in GISA's interest in the Company by virtue of the SFO.

附註：

(1) 「L」代表有關人士於股份或本集團相關成員公司股份所持的好倉。

(2) 所披露權益為：(i)金邦達國際所持本公司權益，而金邦達國際由盧主席全資擁有，因此，根據證券及期貨條例，盧主席被視作於金邦達國際所持之本公司權益中擁有權益；(ii)根據首次公開發售前購股權計劃項下的可發行股份2,960,000股，於2015年7月29日通過行使首次公開發售前購股權計劃發行股份740,000股；以及作為受益人持有的1,000,000股。

(3) 張健女士為盧主席的配偶，根據證券及期貨條例，被視作於盧主席所持的本公司權益中擁有權益。

(4) 所披露權益為 Gemplus International S.A. (「GISA」) 所持本公司權益，而 GISA 由 Gemalto 全資擁有，Gemalto 的股份則於紐約泛歐阿姆斯特丹交易所及紐約泛歐巴黎交易所上市及買賣。因此，根據證券及期貨條例，Gemalto 被視作於 GISA 所持之本公司權益中擁有權益。

REPORT OF DIRECTORS (CONTINUED) 董事會報告(續)

(5) Based on the Disclosure of Interests notices filed on 20 August 2015, the disclosed interest represents the interest in the Company held by ORCHID ASIA VI, LP. and ORCHID ASIA V CO-INVESTMENT, LIMITED. ORCHID ASIA VI, LP. is indirectly wholly owned by Areo while ORCHID ASIA V CO-INVESTMENT, LIMITED is directly wholly owned by Areo. Accordingly, Areo is deemed to be interested in the interest in the Company held by ORCHID ASIA VI, LP. and ORCHID ASIA V CO-INVESTMENT, LIMITED by virtue of the SFO. In addition, Ms. LAM Lai Ming and Mr. LI Gabriel are deemed to be interested in the Company by virtue of the SFO through Areo. To the best knowledge of the Company, each of Ms. LAM Lai Ming and Mr. LI Gabriel is an independent third party.

(5) 按照2015年8月20日填報的權益申報表，所披露權益為ORCHID ASIA VI, LP.和ORCHID ASIA V CO-INVESTMENT, LIMITED所持有之本公司權益。ORCHID ASIA VI, LP.由Areo間接全資擁有，而ORCHID ASIA V CO-INVESTMENT, LIMITED由Areo直接全資擁有。故此，依據證券及期貨條例，Areo被視為於ORCHID ASIA VI, LP.和ORCHID ASIA V CO-INVESTMENT, LIMITED所持之本公司權益中擁有權益。進而，依據證券及期貨條例，林麗明女士和李基培先生被視作於Areo所持之本公司權益中擁有權益。據本公司盡可能所知，林麗明女士和李基培先生均屬獨立第三方。

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2017.

購買、出售或贖回上市證券

於截至2017年12月31日止之年度，並無本公司或其任何附屬公司購買、出售或贖回本公司上市證券。

MAJOR CUSTOMERS AND SUPPLIERS

Aggregate sales to the Group's largest and five largest customers accounted for approximately 10.8% (2016: 13%) and 38.9% (2016: 41.1%), respectively, of the Group's total turnover from continuing operations.

Aggregate purchases from the Group's largest and five largest suppliers accounted for approximately 28.8% (2016: 33.5%) and 50.7% (2016: approximately 54.8%), respectively, of the Group's total purchases from suppliers.

None of the Directors, their close associates or shareholders of the Company (which to the knowledge of the Directors own more than 5% of the Shares in issue) had interests in the any suppliers or customers of the Group.

主要客戶及供應商

向本集團最大及五大客戶的銷售總額分別約佔本集團來自持續經營業務的收入總額10.8%(2016年: 13%)及38.9%(2016年: 約41.1%)。

向本集團最大及五大供應商的採購總額分別約佔本集團向供應商的總採購額28.8%(2016年: 33.5%)及50.7%(2016年: 約54.8%)。

據本公司董事或其緊密聯繫人或本公司的股東(據本公司董事所知，持有本公司5%以上已發行股份)，概無於任何本集團之供應商或客戶中持有任何權益。

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董事會報告(續)

CONTINUING CONNECTED TRANSACTIONS

The following related party transactions entered into during the year ended 31 December 2017 constituted continuing connected transactions for the Group under the Listing Rules. The Company confirms that the following disclosure with respect to the continuing connected transactions has complied with the disclosure requirement in accordance with Chapter 14A of the Listing Rules.

Gemalto

The Group had been purchasing certain microprocessors composed of an electronic component embedding a card operating system, also known as IC chips (the “Gemalto IC Chips”), from Gemalto (a substantial shareholder of the Company and hence a connected person of the Company). On 15 November 2013, a module supply agreement was entered into among the Company, Goldpac Datacard Solutions Company Limited, Goldpac Limited (the “Goldpac Entities”) and Gemalto, pursuant to which, Gemalto supplied to and the Goldpac Entities purchased from Gemalto or its affiliates Gemalto IC chips for a term from 4 December 2013 until 31 December 2015. On 25 February 2016, the Goldpac Entities entered into a mutual supply agreement for a term from 1 January 2016 until 31 December 2018 (the “Mutual Supply Agreement”) with Gemalto, pursuant to which (i) the Goldpac Entities shall supply to Gemalto with, among others, products such as banking card modules, cardbody and personalisation machines, equipments, spare parts and relevant consumables (the “Supply of Goldpac Products”); and (ii) Gemalto shall supply to the Goldpac Entities with Gemalto IC Chips (the “Purchase of Gemalto IC Chips”).

Pursuant to the Mutual Supply Agreement:

- the annual caps in respect of the Supply of Goldpac Products for the year ended 31 December 2016 and the two years ending 31 December 2017 and 31 December 2018 are RMB12,000,000, RMB16,000,000 and RMB20,000,000, respectively; and
- the annual caps in respect of the Purchase of Gemalto IC Chips for the year ended 31 December 2016 and the two years ending 31 December 2017 and 31 December 2018 are RMB750,000,000, RMB750,000,000 and RMB750,000,000, respectively.

持續關連交易

根據上市規則，於截至2017年12月31日止之年度訂立的下列關聯方交易構成本集團持續關連交易。本公司確認以下關於持續關連交易之披露已遵守上市規則第14A章之披露要求。

Gemalto

本集團過往從金雅拓(本公司主要股東，因此亦為本公司關連人士)採購若干含有嵌入式卡片操作系統電子元件的微處理器，亦稱智能卡芯片(金雅拓智能卡芯片)。於2013年11月15日，金雅拓和本公司、金邦達數據有限公司、金邦達有限公司(合稱「金邦達實體」)訂立一份模塊供應協議，據此，自2013年12月4日至2015年12月31日止期間，金雅拓向金邦達實體供應而金邦達實體向金雅拓或其附屬公司採購金雅拓智能卡芯片。於2016年2月25日，金邦達實體與金雅拓訂立一份相互供應協議(相互供應協議)，據此，自2016年1月1日至2018年12月31日期間，(i)金邦達實體將向金雅拓供應金邦達之產品，包括但不限於銀行卡模塊、卡體、個人化機器、設備、零配件和相關耗材(金邦達產品供應)；以及(ii)金雅拓將向金邦達實體供應金雅拓智能卡芯片(金雅拓智能卡芯片採購)。

依據相互供應協議

- 金邦達產品供應於截至2016、2017及2018年12月31日之年度上限分別為人民幣12,000,000元、人民幣16,000,000元及人民幣20,000,000元。
- 金雅拓智能卡芯片採購於截至2016、2017及2018年12月31日之年度上限分別為人民幣750,000,000元、人民幣750,000,000元及人民幣750,000,000元。

REPORT OF DIRECTORS (CONTINUED) 董事會報告(續)

As each of the applicable percentage ratios (other than the profits ratio) (as defined under the Listing Rules) calculated by reference to the annual caps is less than 5%, the Supply of the Goldpac Products from the Goldpac Entities to Gemalto as contemplated under the Mutual Supply Agreement is subject to reporting and announcement requirements, but exempt from the independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios (other than the profits ratio) (as defined under the Listing Rules) calculated by reference to the annual caps is/are more than 5% and more than HKD10,000,000, the Purchase of Gemalto IC Chips by Goldpac Entities from Gemalto as contemplated under the Mutual Supply Agreement is subject to reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. The Mutual Supply Agreement, the Purchase of Gemalto IC Chips as contemplated under the Mutual Supply Agreement and the annual caps contemplated thereunder were approved by the independent Shareholders on 25 February 2016.

For the year ended 31 December 2017, the actual transaction amount in respect of the Supply of Goldpac Products and the Purchase of Gemalto IC Chips amounted to nil and RMB229,015,000, respectively.

Deloitte Touche Tohmatsu (the "Auditor"), the auditor of the Company, reviewed the Group's continuing connected transactions in accordance with Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by Hong Kong Institute of Certified Public Accountants. The Auditor has issued an unqualified letter containing its findings and conclusions in respect of the continuing connected transactions disclosed by the Group in accordance with Rule 14A.56 of the Listing Rules. A copy of the Auditor's letter has been provided by the Company to the Stock Exchange.

鑒於每一個適用之百分比比例(除利潤比例之外)(如上市規則規定)參考年限上限計算時低於5%，根據相互供應協議，金邦達實體向金雅拓供應金邦達產品的交易須根據上市規則第十四A章所載之要求予以申報及公告，但可豁免獨立股東批准。

鑒於一個或者多個適用之百分比比例(除利潤比例之外)(如上市規則規定)參考年度上限計算時超過5%且超過10,000,000港元，根據相互供應協議，金雅拓向金邦達實體供應金雅拓智能卡芯片的交易須根據上市規則第十四A章所載之要求予以申報、公告以及獲得獨立股東批准。相互供應協議以及相互供應協議項下所規定之金雅拓智能卡芯片採購及其年度上限均於2016年2月25日得到獨立股東批准。

於截至2017年12月31日之年度，金邦達產品供應和金雅拓智能卡芯片採購的實際金額分別為人民幣0元和人民幣229,015,000元。

本公司核數師德勤•關黃陳方會計師行(「核數師」)根據香港會計師公會所發布的《實務守則》第740號「關於《香港上市規則》所述之關連交易的核數師函件」就本集團之持續關連交易進行審閱。核數師已經根據上市規則第14A.56條發出無保留意見的函件，而該函件載有核數師對有關本集團披露的持續性關連交易的發現及結論。本公司已經將核數師函件副本送呈聯交所。

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董事會報告(續)

The Auditor has issued a review report to the board and confirmed that for the year 2017:

- (1) nothing has come to their attention that causes them to believe that the disclosed continuing connected transactions have not been approved by the Board;
- (2) for transactions involving the provision of goods or services by the Group, nothing has come to their attention that causes them to believe that the transactions were not, in all material respects, in accordance with the pricing policies of the Company;
- (3) nothing has come to their attention that causes them to believe that the transactions were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions; and
- (4) with respect to the aggregate amount of each of the continuing connected transactions set out above, nothing has come to their attention that causes them to believe that the disclosed continuing connected transactions have exceeded the maximum aggregate annual cap approved by the extraordinary general meeting on 25 February 2016 in respect of each of the disclosed continuing connected transactions.

核數師已向董事會提交審閱報告，並確認於2017年度：

- (1) 彼等並無察悉任何事項促使其相信已披露持續關連交易未獲董事會批准；
- (2) 就涉及本集團提供貨品或服務而言，彼等並無察悉任何事項促使其相信有關之交易在所有重大方面並未按照本公司的定價政策而進行；
- (3) 彼等並無察悉任何事項促使其相信有關交易在所有重大方面並未根據規管有關交易之有關協議而訂立；及
- (4) 就載於以上之各持續關連交易之總額而言，彼等並無察悉任何事項促使其相信已披露持續關連交易已超逾本公司就各已披露持續關連交易而於2016年2月25日之特別股東大會所批准之最高年度總額。

ANNUAL REVIEW OF THE CONTINUING CONNECTED TRANSACTIONS

The independent non-executive Directors had reviewed the continuing connected transactions arising from the Mutual Supply Agreement with Gemalto in respect with Supply of Goldpac Products and Purchase of Gemalto IC Chips during the year ended 31 December 2017 and confirmed that the transactions were:

- i. in the ordinary and usual course of business of the Group;
- ii. on normal commercial terms; and
- iii. in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole.

持續關連交易的年度審閱

本公司獨立非執行董事已經審閱截至2017年12月31日止之年度，因根據與金雅拓的相互供應協議就金邦達產品供應與金雅拓智能卡芯片採購而產生的持續關連交易，並確認此等交易乃：

- i. 在本集團日常及一般業務範圍內進行；
- ii. 根據正常商業條款進行；以及
- iii. 根據有關協議的條款進行，而條款均屬公平合理，符合本公司股東的整體利益。

REPORT OF DIRECTORS (CONTINUED) 董事會報告 (續)

SUFFICIENCY OF THE PUBLIC FLOAT

Based on information that has publicly available to the Company and to the knowledge of the Directors, the Company has maintained the prescribed minimum percentage of public float permitted under the Listing Rules since the Listing until the date of this Annual Report.

CODE ON CORPORATE GOVERNANCE PRACTICES

Details of the Company's corporate governance practices are set out in the "Corporate Governance Report" in this Annual Report.

SUBSEQUENT EVENTS

Subsequent to 31 December 2017, no material event has occurred.

AUDITOR

Deloitte Touche Tohmatsu will retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of Deloitte Touche Tohmatsu as auditors of the Company will be proposed at the forthcoming Annual General Meeting on 17 May 2018.

On behalf of the Board

LU Run Ting
Chairman & Executive Director

Hong Kong, 16 March 2018

充足的公眾持股量

自上市之日至本年報之日，基於本公司可公開獲取到的資訊以及董事所知，本公司維持保有聯交所批准，且符合上市規則所允許的最低公眾持股百分比。

企業管治常規守則

有關本公司企業管治之詳情載於本年報「企業管治報告」內。

期後事項

自2017年12月31日至本年報發佈之日概無重大事件發生。

核數師

德勤•關黃陳方會計師行將退任，但表示願意留任。在本公司即將於2018年5月17日召開的股東大會上，將提呈續聘德勤•關黃陳方會計師行為本公司核數師之議案。

承董事會命

盧閻霆
主席兼執行董事

香港，2018年3月16日

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CORPORATE GOVERNANCE PRACTICES

The Board of the Company is committed to achieving good corporate governance standards.

The Board believes that good corporate governance standards are essential in providing a framework for the Group to safeguard the interests of shareholders and to enhance corporate value and accountability.

The Company has adopted the code provisions ("Code Provisions") as set out in the Corporate Governance Code (the "CG Code") contained in Appendix 14 of the Listing Rules.

In the opinion of the Directors, throughout the year under review, the Company has complied with all the Code Provisions as set out in the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 of the Listing Rules as its code of conduct regarding directors' securities transactions. All Directors have confirmed, following specific enquiry by the Company, that they have complied with the Model Code throughout the year 2017.

Specific enquiry was made with all the Directors and the Directors confirmed that they had complied with the Model Code throughout the year ended 31 December 2017.

The Company has also established written guidelines as stringent as the Model Code for securities transactions of employees who are likely to be in possession of unpublished price-sensitive information of the Company (the "Employees Written Guidelines"). No incident of non-compliance of the Employees Written Guidelines by the employees was noted by the Company.

企業管治常規

本公司董事會致力於達成良好的企業管治水平。

董事會深信良好的企業管治標準是必不可少的，它能夠為本集團提供一個架構以維護股東利益、提升企業價值和管理責任。

本公司已採用上市規則附錄14所載之企業管治守則（「企業管治守則」）中的守則條文（「守則條文」）。

縱觀全年之審查，董事們認為本公司已經遵守了企業管治守則所載之全部守則條文。

證券交易標準守則

本公司已採用上市規則附錄十所載列的有關董事證券交易的上市發行人董事進行證券交易的標準守則（「標準守則」）。經向全體董事作出特定查詢後，本公司全體董事已確認，於2017年內均遵守標準守則。

在向所有董事做出特定查詢後，所有董事於截至2017年12月31日止之年度內，都確有遵守標準守則。

本公司已就有關僱員買賣證券事宜設立了書面指引（「僱員書面指引」），該僱員書面指引之內容與標準守則同樣嚴格，針對可能會持未公開的敏感信息資訊的有關僱員。公司暫未發現有僱員不遵守公司書面指引的情況。

CORPORATE GOVERNANCE REPORT (CONTINUED)

企業管治報告(續)

BOARD OF DIRECTORS

The Board currently comprises nine members, consisting of five executive Directors, one non-executive Director and three independent non-executive Directors. Below is the list of Directors:

Executive Directors:

Mr. LU Run Ting (*Chairman and Chairman of the Nomination Committee and Member of the Remuneration Committee*)
Mr. HOU Ping (*Chief Executive Officer and Member of the Nomination Committee*)
Mr. LU Runyi (*Senior Vice President*)
Mr. LU Xiaozhong (*Senior Vice President*)
Mr. WU Siqiang (*Chief Operating Officer*)

Non-executive Director:

Mr. LING Wai Lim

Independent non-executive Directors:

Mr. MAK Wing Sum Alvin (*Chairman of the Audit Committee and Member of the Nomination Committee and the Remuneration Committee*)
Mr. LIU John Jianhua (*Chairman of the Remuneration Committee and Member of the Audit Committee and the Nomination Committee*)
Ms. YE Lu (*Member of the Audit Committee and the Nomination Committee*)

The biographical information of the Directors are set out in the section headed "Directors and Senior Management" on pages 32 to 42 of this Annual Report.

The relationships between the members of the Board are disclosed under "Directors and Senior Management" on pages 32 to 42 of this Annual Report.

Chairman and Chief Executive Officer

The positions of Chairman and Chief Executive Officer are held by Mr. LU Run Ting and Mr. HOU Ping respectively. The Chairman provides leadership and is responsible for the effective functioning and leadership of the Board. The Chief Executive Officer focuses on the Company's business development and daily management and operations generally.

董事會

董事會現由九位成員組成，其中五名執行董事，一名非執行董事及三名獨立非執行董事。以下是董事成員列表：

執行董事：

盧閔霆先生(主席兼提名委員會主席與薪酬委員會成員)
侯平先生(首席執行官兼提名委員會成員)
盧潤怡先生(高級副總裁)
盧小忠先生(高級副總裁)
吳思強先生(首席運營官)

非執行董事：

盧威廉先生

獨立非執行董事：

麥永森先生(審核委員會主席兼提名委員會與薪酬委員會成員)
劉建華先生(薪酬委員會主席兼審核委員會與提名委員會成員)
葉淥女士(審核委員會與提名委員會成員)

董事個人簡歷登載於本年報內第32頁至第42頁，標題為「董事及高級管理層」。

董事會成員之間的關係也在本年報中第32頁至第42頁，標題為「董事及高級管理層」。

主席與首席執行官

主席和首席執行官分別由盧閔霆先生和侯平先生擔任。主席領導並確保董事會的有效機能正常運作。首席執行官負責管理公司的業務發展和日常管理運作。

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企業管治報告(續)

Independent Non-executive Directors

During the year ended 31 December 2017, the Board at all times had complied with the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors representing one-third of the Board with one of whom possessing appropriate professional qualifications or accounting or related financial management expertise.

The Company has received written annual confirmation from each of the independent non-executive Directors in respect of his independence in accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules. The Company is of the view that all independent non-executive Directors are independent.

Non-executive Directors and Directors' Re-election

Code Provision A.4.1 of the CG Code stipulates that non-executive Directors shall be appointed for a specific term, subject to re-election.

Each of the Directors is appointed for a term of three years and is subject to retirement by rotation once every three years.

Responsibilities, Accountabilities and Contributions of the Board and Management

The Board is responsible for leadership and control of the Company and oversees the Group's businesses, strategic decisions and performance and is collectively responsible for promoting the success of the Company by directing and supervising its affairs. The Board takes decisions objectively in the interests of the Company.

All Directors, including non-executive Directors and independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning.

The Directors shall disclose to the Company details of other offices held by them and the Board regularly reviews the contribution required from each Director to perform his responsibilities to the Company.

獨立非執行董事

於截至2017年12月31日止之年度內，董事會一直遵照上市規則有關必須委任至少三名獨立非執行董事及獨立非執行董事須佔董事會人數三分之一的規定，同時該三名獨立非執行董事中至少有一名具備適當的專業資格或會計或相關財務管理專業知識。

本公司已接獲各獨立非執行董事根據上市規則第3.13條之規定有關彼等之獨立性的年度確認書。本公司認為，本公司確認全體獨立非執行董事均為獨立人士。

非執行董事及董事重選

企業管治守則第A.4.1條規定非執行董事應有明確的任期，及須接受重選。

每位董事任期為三年，並須每三年輪值退休一次。

董事會及管理層的職責、責任和貢獻

董事會負責領導和控制本公司並監管本集團業務、戰略決策及表現，負責通過指導及監管本公司業務推動其成功發展。董事會以本公司利益做出客觀決策。

全體董事(包括非執行董事和獨立非執行董事)均為董事會帶來多種領域的寶貴業務經驗、知識及專長，使其高效及有效地運作。

董事須向本公司披露彼等擔任的其他職務的詳情，而董事會定期審閱各董事向本公司履行其職責時所作出的貢獻。

CORPORATE GOVERNANCE REPORT (CONTINUED) 企業管治報告(續)

The Board reserves for its decision all major matters relating to policy matters, strategies and budgets, internal control and risk management, environmental and social responsibilities, material transactions (in particular those that may involve conflict of interests), financial information, appointment of Directors and other significant operational matters of the Company. Responsibilities relating to implementing decisions of the Board, directing and co-ordinating the daily operation and management of the Company are delegated to the management.

Continuous Professional Development of Directors

Directors keep themselves abreast of responsibilities as Directors of the Company and of the conduct, business activities and development of the Company.

Every newly-appointed Director will receive formal, comprehensive and tailored induction on his or her first appointment to the Board to ensure appropriate understanding of the business and operations of the Company and full awareness of director's responsibilities and obligations under the Listing Rules and relevant statutory requirements.

Directors should participate in appropriate continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant.

During the year ended 31 December 2017, each Director has read books/journals and attended relevant training to facilitate the discharge of their responsibilities.

In addition, relevant reading materials including legal and regulatory update have been provided to the Directors for their reference and studying. Continuing briefing and professional development for Directors will be arranged where necessary.

董事會負責決定所有重大事宜，其中涉及政策事宜、策略及預算、內部監控及風險管理、環境與企業責任、重大交易(尤其或會涉及利益衝突)、財務資料、委任董事及本公司其他重大營運事宜。有關執行董事會決策、指導及協調本公司日常營運及管理的職責則委託予管理層。

董事的持續專業發展

全體董事均知悉作為董事以及負責引導公司業務活動和發展的職責和責任。

每名新任命的董事於首次獲委任時將接收到正式、全面及針對性入職介紹，以確保新董事可恰當瞭解本公司業務及營運，並完全明白上市規則及相關法規下的董事職責及責任。

所有董事應參與持續專業發展，發展並更新其知識及技能，以確保其繼續在具備全面資訊及切合所需的情況下對董事會作出貢獻。

於截至2017年12月31日止之年度，每位董事均有閱讀專業書籍／期刊和參加相關培訓以幫助履行董事職責。

此外，相關閱讀資料包括法律和規則更新均已發送給各位董事作為學習與參考。於必要時，亦將為董事提供持續通報與職業發展培訓。

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BOARD COMMITTEES

The Board has established three committees, namely, the Audit Committee, the Remuneration Committee and the Nomination Committee, for overseeing particular aspects of the Company's affairs. All board committees of the Company are established with defined written terms of reference. The terms of reference of the board committees are posted on the Company's website and the Stock Exchange's website and are available to shareholders upon request.

The majority of the members of each board committee of the Company are independent non-executive Directors and the list of the chairman and members of each board committee is set out under "Corporate Information" on page 02 to 04 of this Annual Report.

Audit Committee

The main duties of the Audit Committee are to assist the Board in reviewing the financial information and reporting process, internal control procedures and risk management system, audit plan and relationship with external auditors, and arrangements to enable employees of the Company to raise, in confidence, concerns about possible improprieties in financial reporting, internal control or other matters of the Company.

The Board has also delegated the corporate governance duties to the Audit Committee for performing the functions set out in the Code Provision D.3.1 of the CG Code.

The Audit Committee has reviewed the Company's annual results and Annual Report for the year ended 31 December 2017.

The Audit Committee held two meetings to review interim and annual financial results and reports in respect of the year ended 31 December 2017 and significant issues on the financial reporting and compliance procedures, internal control and risk management systems, scope of work and appointment of external auditors, connected transactions, arrangements for employees to raise concerns about possible improprieties, the Company's corporate governance policies and practices, training and continuous professional development of Directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of the Model Code and Employees Written Guidelines, and the Company's compliance with the CG Code and disclosure in the Corporate Governance Report. The Audit Committee comprises three members, namely, Mr. MAK Wing Sum Alvin (Chairman of Audit Committee), Mr. LIU John Jianhua and Ms. YE Lu.

董事委員會

董事會下設三個委員會，即審核委員會、薪酬委員會和提名委員會，以監督公司特定範疇之事宜。本公司所有的董事委員會乃根據已釐定之職權範圍成立，有關各董事委員會之權職範圍已載於本公司網站和聯交所的網站，並可根據股東要求予以提供。

本公司各董事委員會的多數成員均為獨立非執行董事，各董事委員會的主席和成員名單已載於本年報第02頁至04頁企業資料。

審核委員會

審核委員會的主要職責是協助董事會檢討審查財務信息、報告流程、內部監控程序以及風險管理體系、審核計劃及與外聘核數師之關係，以及確保本公司的僱員可秘密地就涉及財務報告、內部監控以及本公司其他事宜中潛在的不正當行為提出異議。

董事會也已將企業管治之職責委派給審核委員會，由其履行企業管治守則第D.3.1條中規定的職責。

審核委員會已經審閱本公司截至2017年12月31日止之年度業績以及本年度報告。

審核委員會已召開兩次會議，以審閱中期和年度財務業績，以及截至2017年12月31日止之年度的報告，以及有關財務報告和投訴程序、內部監控和風險管理體系、外聘核數師的委任和工作範圍、關連交易、僱員反舞弊投訴、公司企業管治政策和慣例、董事和高級管理人員培訓和持續性職業發展、本公司對法律法規要求遵守的政策和慣例、標準守則及書面僱員指引的合規、公司遵守企業管治準則以及於企業管治報告內的披露等重大問題。審核委員會現由三名成員組成，即麥永森先生(審核委員會主席)、劉建華先生和葉淥女士。

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The Audit Committee also met with the external Auditor twice without the presence of the executive Directors.

審核委員會亦在執行董事缺席的情況下，已與外聘核數師進行了兩次會面。

REMUNERATION OF THE SENIOR MANAGEMENT

高級管理層的薪酬

For the year ended 31 December 2017, the remuneration of the senior management is listed as below by band:

於截至2017年12月31日止之年度，高級管理層的薪酬按組列表如下：

Band of remuneration	薪酬組別	Number of person 人數
HKD3,000,000 to HKD3,500,000	港幣3,000,000元至港幣3,500,000元	2

Further details of the remuneration of Directors, Chief Executive and Employees are set out in Note 9 to the Consolidated Financial Statements on the pages 169 to 174 of this Annual Report.

有關董事、首席執行官與僱員的薪酬詳情載於本年報中第169頁至174頁綜合財務報表附註9。

Remuneration Committee

薪酬委員會

The primary functions of the Remuneration Committee include reviewing and making recommendations to the Board on the remuneration adjustment principle of all employees as a whole, the remuneration packages of individual executive Directors, the remuneration policy and structure for all Directors; and establishing transparent procedures for developing such remuneration policy and structure to ensure that no Director or any of his associates will participate in deciding his own remuneration.

薪酬委員會的主要職責包括檢討有關僱員整體薪酬調整原則，各執行董事的薪酬方案、全體董事的薪酬政策及架構，並向董事會提供建議；以及設立透明的程序制訂薪酬政策及架構，以確保任何董事或其任何關連人士均不得參與有關其本身薪酬的決策。

For the year ended 31 December 2017, the Remuneration Committee met for 2 times to review and make recommendation to the Board on the remuneration adjustment principle of all employees as a whole, the remuneration policy and structure of the Company, and the remuneration packages of the Executive Directors and other related matters. Currently the Remuneration Committee comprises three members, namely, Mr. LIU John Jianhua (Chairman of Remuneration Committee), Mr. MAK Wing Sum Alvin and Mr. LU Run Ting.

於截至2017年12月31日止之年度，薪酬委員會已召開兩次會議檢討公司的薪酬政策及架構、僱員整體薪酬調整原則，執行董事的薪酬方案及其他相關事宜，並向董事會提供建議。薪酬委員會現包括三位成員，即劉建華先生(薪酬委員會主席)、麥永森先生和盧潤霆先生。

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Nomination Committee

The principal duties of the Nomination Committee include reviewing the board composition, developing and formulating relevant procedures for the nomination and appointment of Directors, making recommendations to the Board on the appointment and succession planning of Directors, and assessing the independence of independent non-executive Directors.

In assessing the board composition, the Nomination Committee would take into account various aspects set out in the Board Diversity Policy, including but not limited to gender, age, race, language, cultural and educational background, professional qualifications, skills, knowledge and industry and regional experience. The Nomination Committee would review the Board Diversity Policy at least annually and discuss and agree on measurable objectives for achieving diversity on the Board, where necessary, and recommend them to the Board for adoption.

In identifying and selecting suitable candidates for directorships, the Nomination Committee would consider the candidate's gender, age, character, qualifications, experience, independence and other relevant criteria necessary to complement the corporate strategy and achieve board diversity, where appropriate, before making recommendation to the Board.

The Nomination Committee met once to review the structure, size and composition of the Board and the independence of the independent non-executive Directors and to consider the qualifications of the retiring Directors standing for election at the annual general meeting. The Nomination Committee considered an appropriate balance of diversity perspectives of the Board is maintained. The Nomination Committee comprises five members currently, namely, Mr. LU Run Ting (Chairman of Nomination Committee), Mr. HOU Ping, Mr. MAK Wing Sum Alvin, Mr. LIU John Jianhua and Ms. YE Lu.

COMPANY SECRETARY

The company secretary of the Company is Ms. LI Yijin. Details of the biography of the company secretary of the Company are set out in the section headed "Directors and Senior Management" of this Annual Report. Ms. LI confirmed that she took no less than 15 hours of relevant professional training in the year ended 31 December 2017 as required by the Listing Rules.

提名委員會

提名委員會的主要職責包括檢討董事會架構、發展以及明確董事提名和任命的相關程序，就董事委任及繼任計劃向董事會提出建議及評估獨立非執行董事的獨立性。

在評估董事會構成時，提名委員會須考慮到董事會多樣化政策，包括但不限於性別、年齡、種族、語言、文化和教育背景、專業資格、技能、知識、行業和地域經驗。提名委員會須每年至少一次討論董事會成員多元化政策，討論可估量目標，並達成統一意見，如有需要，推薦予董事會考慮及採納。

在考慮及挑選合適的候選人出任董事，並向董事會推薦之前，提名委員會須考慮候選人的性別、年齡、性格、資歷、經驗、獨立性和其他相關條件，以配合企業策略並實現董事會多元化。

提名委員會已召開一次會議檢討董事會架構、規模和組成，及獨立非執行董事的獨立性，並考慮退任董事在股東週年大會上重選的資格。提名委員會認為董事會保持了合適及均衡的多元化構成。提名委員會現包括五位成員，即盧閔霆先生(提名委員會主席)、侯平先生、麥永森先生、劉建華先生和葉淥女士。

公司秘書

本公司公司秘書為李易進女士。本公司公司秘書的履歷載於本年報的「董事及高級管理層」一節。於截至2017年12月31日止之年度內，李女士確認其已根據上市規則的規定參與不少於15小時的相關專業培訓。

CORPORATE GOVERNANCE REPORT (CONTINUED)

企業管治報告(續)

ATTENDANCE RECORD OF DIRECTORS AND COMMITTEE MEMBERS

董事及委員會成員的出席記錄

The attendance record of each Director at the Board and board committee meetings and the general meetings of the Company held during the year ended 31 December 2017 is set out in the table below:

每位董事參與本公司於截至2017年12月31日止之年度內舉行的董事會、委員會會議及股東大會的出席記錄如下表所示：

Name of Directors 董事姓名	Attendance/Number of Meetings 出席次數／會議次數				Annual General Meeting 股東週年大會
	Board 董事會	Nomination Committee 提名委員會	Remuneration Committee 薪酬委員會	Audit Committee 審核委員會	
Executive Directors					
執行董事					
Mr. LU Run Ting ⁽¹⁾ 盧潤霆先生 ⁽¹⁾	4/4	1/1	1/1	N/A	1/1
Mr. HOU Ping ⁽²⁾ 侯平先生 ⁽²⁾	4/4	N/A	N/A	N/A	1/1
Mr. LU Runyi 盧潤怡先生	4/4	N/A	N/A	N/A	1/1
Mr. LU Xiaozhong 盧小忠先生	4/4	N/A	N/A	N/A	1/1
Mr. WU Siqiang ⁽³⁾ 吳思強先生 ⁽³⁾	2/2	N/A	N/A	N/A	N/A
Non-executive Directors					
非執行董事					
Mr. LING Wai Lim ⁽⁴⁾ 盧威廉先生 ⁽⁴⁾	2/2	N/A	N/A	N/A	N/A
Mr. Christophe Jacques PAGEZY ⁽⁵⁾ Christophe Jacques PAGEZY先生 ⁽⁵⁾	2/2	1/1	N/A	N/A	1/1
Mr. TING Tao I ⁽⁶⁾ 丁道一先生 ⁽⁶⁾	2/2	N/A	1/1	N/A	1/1
Independent Non-executive Directors					
獨立非執行董事					
Mr. MAK Wing Sum Alvin 麥永森先生	4/4	1/1	2/2	2/2	1/1
Mr. LIU John Jianhua 劉建華先生	4/4	1/1	2/2	2/2	1/1
Ms. YE Lu ⁽⁷⁾ 葉淥女士 ⁽⁷⁾	2/2	N/A	N/A	1/1	N/A
Mr. ZHU Lijun ⁽⁸⁾ 朱立軍先生 ⁽⁸⁾	2/2	1/1	N/A	1/1	1/1

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Notes:

- (1) Mr. LU Run Ting was appointed as a member of the remuneration committee on 18 May 2017.
- (2) Mr. HOU Ping was appointed as a member of the nomination committee on 18 May 2017.
- (3) Mr. WU Siqiang was appointed as an executive director on 18 May 2017.
- (4) Mr. LING Wai Lim was appointed as a non-executive director on 18 May 2017.
- (5) Mr. Christophe Jacques PAGEZY retired as a non-executive director and ceased to be a member of the nomination committee on 18 May 2017.
- (6) Mr. TING Tao I resigned as a non-executive director and ceased to be a member of the remuneration committee on 18 May 2017.
- (7) Ms. YE Lu was appointed as an independent non-executive director and a member of the audit committee and nomination committee on 18 May 2017.
- (8) Mr. ZHU Lijun resigned as an independent non-executive director and ceased to be a member of the audit committee and nomination committee on 18 May 2017.

Apart from regular board meetings, the Chairman also held meetings with the non-executive Directors (including independent non-executive Directors) without the presence of Executive Directors during the year 2017.

附註：

- (1) 盧閏霆先生於2017年5月18日獲委任為薪酬委員會成員。
- (2) 侯平先生於2017年5月18日獲委任為提名委員會成員。
- (3) 吳思強先生於2017年5月18日獲委任為執行董事。
- (4) 盧威廉先生於2017年5月18日獲委任為非執行董事。
- (5) Christophe Jacques PAGEZY先生於2017年5月18日退任非執行董事及停任提名委員會成員。
- (6) 丁道一先生於2017年5月18日辭任非執行董事及停任薪酬委員會成員。
- (7) 葉淥女士於2017年5月18日獲委任為獨立非執行董事及審核委員會及提名委員會成員。
- (8) 朱立軍先生於2017年5月18日辭任獨立非執行董事及停任審核委員會及提名委員會成員。

除了常規的董事會會議，於2017年主席亦和非執行董事(包括獨立非執行董事)召開了沒有執行董事出席的會議。

CORPORATE GOVERNANCE REPORT (CONTINUED)

企業管治報告(續)

DIRECTORS' RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the financial statements of the Company for the year ended 31 December 2017.

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.

The statement of the independent auditor of the Company about their reporting responsibilities on the financial statements is set out in the Independent Auditor's Report on pages 109 to 117 of this Annual Report.

AUDITOR'S REMUNERATION

The remuneration paid to the Company's external auditor of the Company in respect of audit services and non-audit services for the year ended 31 December 2017 amounted to HKD1,743,000 and HKD420,000 respectively.

An analysis of the remuneration paid to the external auditor of the Company, Messrs. Deloitte Touche Tohmatsu, in respect of audit services and non-audit services for the year ended 31 December 2017 is set out below:

Service Category	服務種類	Fees Paid/Payable	
		已付／應付費用	HKD 港幣
Audit Services	核數服務		1,743,000
Non-audit Services	非核數服務		
— Interim review	— 中期審閱		399,000
— Others	— 其他		21,000
			2,163,000

董事就財務報表的職責

董事確認其知悉編製本公司截至2017年12月31日止之年度財務報表的職責。

董事並不知悉任何有關可能會令本公司持續經營能力受到重大質疑的事件或情況的重大不明確因素。

關於公司獨立核數師對財務報表匯報職責的陳述載於本年報之獨立核數師報告第109至117頁。

核數師的酬金

支付予本公司外聘核數師有關截至2017年12月31日止之年度的核數服務及非核數服務之酬金分別為港幣1,743,000元和港幣420,000元。

支付予本公司外聘核數師德勤關黃陳方會計師行有關截至2017年12月31日止之年度核數服務及非核數服務之酬金的分析如下：

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RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges its responsibility for continually overseeing the Group's risk management and internal control system and reviewing their effectiveness at least annually through Audit Committee. The Audit Committee assists the Board in fulfilling its oversight and corporate governance role in the Group's financial, operational, compliance, risk management and internal controls and the resourcing of the finance and internal audit functions.

Risk Management Structure

The Group has established an organizational structure with defined level of responsibility and reporting procedures. The Board oversees the overall management of Group's risks, with assistant from the Audit Committee on reviewing and monitoring key risks. Management is responsible for designing and implementing the risk management and internal control system. Management is also committed to fostering a risk aware and control conscious environment. Operating units are responsible for the identification and management of risks in their operations and a comprehensive approach is adopted for enterprise-wide risk. Responsibility for risk management resides at all levels within the Group, from the Board through the organisation to each manager and employee.

The Group's risk management framework is guided by the Three Lines of Defense model as shown below:

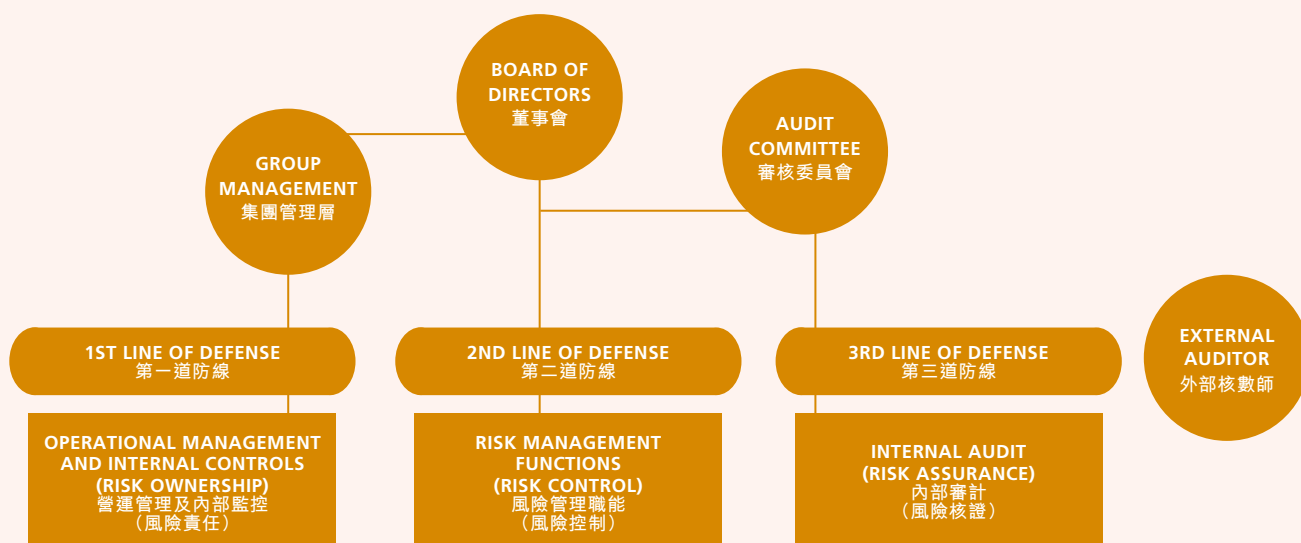
風險管理與內部監控

董事會確認其有責任持續地監控本集團的風險管理及內部監控系統，並透過審核委員會至少每年檢討其成效。審核委員會協助董事會履行其監控及企業管治職責，涵蓋本集團的財務、運營、合規、風險管理及內部監控，以及財務資源及內部審計職能。

風險管理架構

本集團已建立一個具備明確職責及報告程序的組織架構。本公司董事會全權監督集團整體的風險管理，並由審核委員會協助本公司董事會檢視和監控重大的風險。管理層負責風險管理和內部監控系統的設計及實施，致力促進集團風險管理和內部監控的意識及文化。業務部門負責其職權範圍內日常營運的風險識別和管理。集團的風險管理工作由本公司董事會至每位經理及員工共同協力完成。

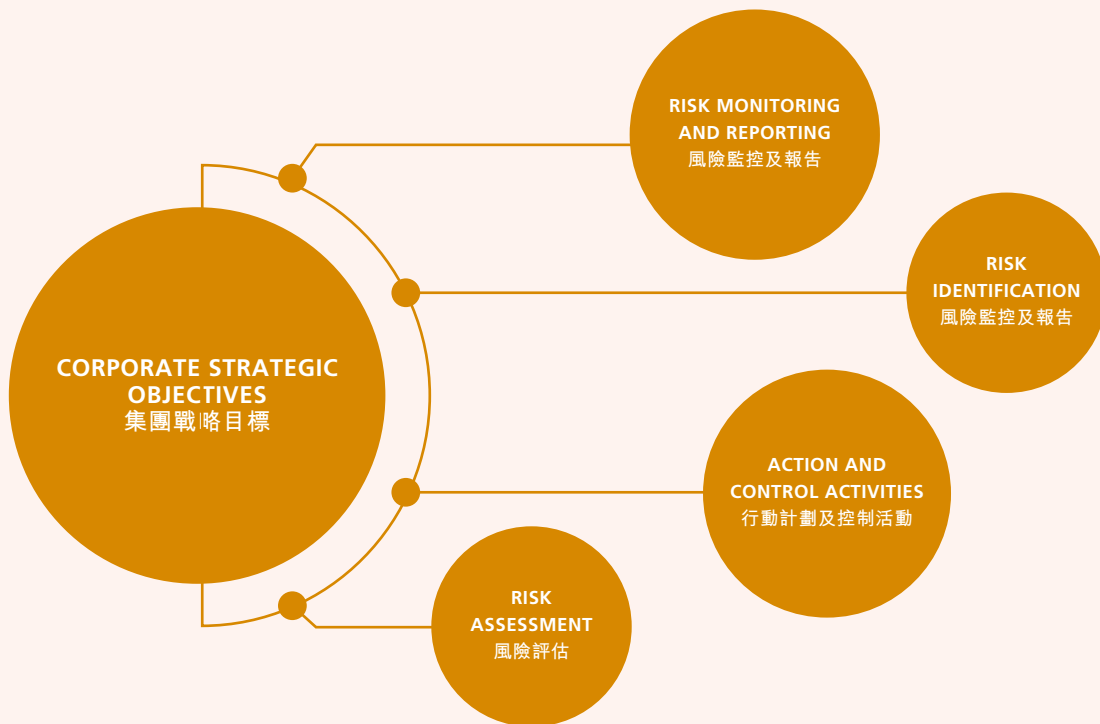
本集團的風險管理架構以下圖列示的「三道防線」模式作為指引：



CORPORATE GOVERNANCE REPORT (CONTINUED) 企業管治報告(續)

Risk Management Framework

The Group has in place a risk management framework to effectively identify, assess, mitigate and monitor key business, financial, operational and compliance risks. The framework enables the Group to adopt a proactive and systematic approach to identifying and managing risks across the organisation to evaluate risk severity and likelihood of occurrence. The framework also sets out the procedures of risk management and clarifies the roles and responsibilities of various departments in relation to risk management.



The Group has embedded its risk management systems into the core operating practices of the business. On an ongoing basis, the respective operating units of the Company review and assess the status of potential risks which may impact on their ability to achieve their business objectives and/or those of the Group, determine and implement treatment plans where risk mitigations are actionable. This review process includes assessment as to whether the existing internal controls continue to remain relevant, adequately address potential risks, and/or should be supplemented.

風險管理辦法

集團建立了風險管理辦法以有效識別、評估、減輕和監控主要業務、運營、財務及合規風險。該辦法為集團提供一個清晰和系統的方法去識別和管理風險，以及評估風險的嚴重性和發生的機會。同時，該辦法確定了集團的風險管理流程，明確了各部門在風險管理工作中的職責分工。

本集團已將風險管理系統貫穿至核心業務中。各部門持續地檢討及評估可能對達成該部門或本集團業務目標的能力造成影響的潛在風險的狀況，制定及實施可行的風險舒緩措施。相關檢討流程包括評估現有內部監控系統是否繼續切合業務需要、是否足夠應對潛在風險及是否需要予以補充。

CORPORATE GOVERNANCE REPORT (CONTINUED)

企業管治報告(續)

Appropriate policies and controls have been designed and established to ensure that assets are safeguarded against improper use or disposal, relevant rules and regulations are adhered to and complied with, reliable financial and accounting records are maintained in accordance to relevant accounting standards and regulatory reporting requirements, and key risks that may impact the Group's performance are appropriately identified and managed. The system and internal controls can only provide reasonable but not absolute assurance against material misstatement or loss, as they are designed to be managed, rather than eliminate the risk of failure to achieve business objectives.

A description of the Group's main risk factors is shown on pages 45 to 50 of this Annual Report. The Group continuously works to improve its risk management framework in order to keep pace with the changing business environment.

Internal Controls

Internal Audit Department conducts independent reviews on the Group's risk management and internal control system. Internal Control Department reports directly to the Audit Committee to ensure identified internal control weaknesses are communicated and rectified effectively.

Internal Audit Department adopts a risk-oriented audit approach. The annual audit plan covers major activities and processes of the Group's compliance, financial, procurement and operations. On a regular basis, Internal Audit Department reports to the Audit Committee the results of their activities during the preceding period pertaining to the adequacy and effectiveness of internal controls, and follows up the progress of rectification for control weaknesses.

The Group has established and oversees a whistleblower policy and a set of comprehensive procedures whereby employees, customers, suppliers and other concerned parties can report any actual or suspected occurrence of improper conduct involving the Company, and for such matters to be investigated and dealt with efficiently in an appropriate and transparent manner.

適當的政策及監控已經制定，以確保資產不會在未經許可下使用或處置，依從及遵守相關條例及規定，根據相關會計標準及監管申報規定保存可靠的財務及會計記錄，以及適當地識別及管理可能影響本集團表現的主要風險。有關系統及內部監控僅可合理而非絕對保證可防範重大失實陳述或損失，因為其目的旨在管理，而非消除未能達成業務目標的風險。

集團的主要風險因素載於本年報第45頁至50頁內。本集團將不斷致力於完善風險管理機制，緊貼不斷變化的業務環境。

內部監控

集團內部審計對本集團風險管理及內部監控系統的成效展開獨立評估，內部審計部門直接向審核委員會匯報以確保內部控制缺陷得到有效的溝通及糾正。

內部審計部門採取以風險為導向的審核方法。內部審計的全年工作計劃，涵蓋合規、財務、採購及運營等集團的各項主要工作及程序。內部審計部門於定期會議上向審核委員會匯報其於上一個期間有關內部監控是否足夠及其成效等的工作結果，並跟進其發現問題的進展。

本集團亦已制定並監督一項舉報政策。據此，僱員、客戶、供應商及其他相關方能對涉及本集團的任何實際或疑似不當行為作出舉報，從而使有關事宜可按照適當及具透明度的方式立即展開調查及得到有效處理。

CORPORATE GOVERNANCE REPORT (CONTINUED)

企業管治報告(續)

The Company formulated the insider information policy and regularly reminds the Directors and employees about due compliance with all policies regarding the insider information. The Company shall prepare or update appropriate guidelines or policies to ensure the compliance with regulatory requirements.

The Board reviews annually the Group's risk management and internal control system. During the year, the Board conducted a review of the effectiveness of the risk management and internal control system of the Group, including the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting and financial reporting function. The Board and the Audit Committee considered that the key areas of the Group's risk management and internal control systems are effectively implemented.

In addition to the review of risk management and internal controls undertaken within the Group, the external auditor also accessed the adequacy and effectiveness of certain key risk management and internal controls as part of their statutory audits. The external auditor's recommendations also provide enhancements to the risk management and internal controls.

SHAREHOLDERS' RIGHTS

To safeguard shareholder interests and rights, a separate resolution is proposed for each substantially separate issue at general meetings, including the election of individual Directors. All resolutions put forward at general meetings will be voted on by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company and of the Stock Exchange after each general meeting.

Right to call a General Meeting

General meetings may be convened by the Board on requisition of shareholder(s) of the Company representing at least 5% of the total voting rights of all the shareholders having a right to vote at general meetings or by such shareholder(s) who made the requisition (as the case may be) pursuant to Sections 566 and 568 respectively of the Companies Ordinance. The general nature of the business to be dealt with at the meeting must be stated in the request. Shareholders should follow the requirements and procedures as set out in the Companies Ordinance for convening a general meeting.

本公司已制定內幕信息及知情人管理制度並定期提醒董事及僱員妥善遵守所有有關內幕消息的政策。本公司將編製或更新合適指引或政策以確保遵守監管規定。

董事會每年對集團的風險管理及內部監控系統進行檢討。在本年度內，董事會已檢討本公司風險管理及內部監控系統的有效性，包括資源充足性、員工資質、經驗、培訓計劃及本公司財務預算及財務報告功能。董事會及審核委員會認為本集團的風險管理及內部監控系統的主要部分已得到有效的實施。

除本集團對風險管理及內部監控進行檢討外，外聘核數師的法定審核工作內容亦包括對若干重要的風險管理及內部監控的有效性進行評估，其建議亦有助於改善風險管理及內部監控。

股東權益

為保障股東的權益和權利，股東大會上將對重要獨立事項分別提議獨立決議案，包括個別董事的選舉。所有在股東大會上提出的決議案將依照上市規則進行投票決議，決議結果將於每個股東會議結束後在公司網站和聯交所網站公佈。

召開股東大會的權利

根據公司條例第566條及第568條，股東可要求董事會或由該呈請人自行召開股東大會（按情況而定）。如董事會收到佔全體有權在股東大會上表決的股東的總表決權至少5%的股東要求召開股東大會，則董事會須召開股東大會。該要求須述明有待於該會議上處理的事務的一般性質。股東應遵從公司條例所載之規定和程序召開股東大會。

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企業管治報告(續)

Right to Circulate Resolution at Annual General Meeting

Pursuant to Section 615 of the Companies Ordinance, shareholder(s) representing at least 2.5% of the total voting rights of all shareholders; or at least 50 shareholders (as the case may be) who have a right to vote at the relevant Annual General Meeting, may request to circulate a resolution to be moved at an Annual General Meeting. Shareholders should follow the requirements and procedures as set out in the Companies Ordinance for circulating a resolution for annual general meeting.

Putting Forward Enquiries to the Board

For putting forward any enquiries to the Board, shareholders may send written enquiries to the Company. The Company will not normally deal with verbal or anonymous enquiries.

Contact Details

Shareholders may send their enquiries or requests as mentioned above to the following:

Address: Room 1301, 13th Floor, Bank of East Asia,
Harbour View Center, No. 56 Gloucester Road,
Wanchai, Hong Kong
(For the attention of the Company Secretary)
Fax: +852 2834 6759
Email: goldpac@goldpac.com

For the avoidance of doubt, shareholder(s) must deposit and send the original duly signed written requisition, notice or statement, or enquiry (as the case may be) to the above address and provide their full name, contact details and identification in order to give effect thereto. Shareholders' information may be disclosed as required by law.

於股東週年大會上傳閱決議的權利

根據公司條例第615條，佔全體有權在週年股東大會上表決的股東的總表決權至少2.5%的公司股東或最少50名有權在股東大會上表決的股東(按情況而定)，可要求傳閱擬在該股東大會動議的決議。股東應遵從公司條例所載有關傳閱週年股東大會決議之規定和程序。

向董事會提出詢問

若須對董事會提出任何詢問，股東可向本公司發送書面詢問。本公司一般不會處理口頭或匿名查詢。

聯繫方式

股東可將其上述詢問或要求發送到以下地址：

地址：香港灣仔告士打道56號
東亞銀行港灣中心
13層1301室
(請註明收件人為公司秘書)
傳真：+852 2834 6759
電郵：goldpac@goldpac.com

為避免疑問，股東須將簽署的請求、通知或聲明(視情況而定)的書面正本，遞交和寄送至上列地址，並提供其全名、聯繫方式和身份信息才能生效。按法律規定，股東信息有可能被披露。

CORPORATE GOVERNANCE REPORT (CONTINUED) 企業管治報告(續)

COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

The Company considers that effective communication with shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. The Company endeavours to maintain an on-going dialogue with shareholders and in particular, through Annual General Meetings and other general meetings. At the Annual General Meeting, Directors (or their delegates as appropriate) are available to meet shareholders and answer their enquiries.

CONSTITUTIONAL DOCUMENTS

During the year 2017, the Company has not made any changes to its Articles of Association. An up to date version of the Company's Articles of Association is also available on the Company's website and the Stock Exchange's website.

與股東的溝通及投資者關係

本公司認為與股東的有效溝通對加強投資者關係及投資者對本集團業務成績和策略的瞭解是必不可少的。本公司致力通過股東週年大會及其他股東大會與股東保持溝通。在股東週年大會上，董事(或其代表)會與股東會面並解答股東提出的問題。

章程文件

於2017年內，本公司並無對其公司章程進行任何改動。本公司最新的公司章程可在聯交所網站和本公司網站上查閱。

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ABOUT THE REPORT

Introduction

The Group reaffirms its commitment to sustainability with the publication of its second Environmental, Social and Governance (“ESG”) Report 2017. This report is prepared in compliance with the ESG Reporting Guide set out in Appendix 27 to the Rules Governing the Listing of Securities (“Listing Rules”) on the Stock Exchange. The purpose of the report is to present the performance of the Group in respect of the relevant environmental and social aspects in 2017 and for better communication with stakeholders of the Group. The Board acknowledges its responsibility to ensure integrity of the ESG Report and to the best of its knowledge this report addresses all material issues and fairly presents the ESG performance of the Group and its impacts. The Board confirms that it has reviewed and approved the report.

Reporting Period and Scope

This report supplements the annual report of the Group and discloses performance and progress on ESG issues from 1 January to 31 December 2017. The scope of this report covers the Group and its major subsidiaries. The information stated in this report was obtained from the Group’s various reports or records from daily operations.

Feedback

The Group considers sustainability as imperative for its long-term development. We would highly appreciate any comments on improving the content and delivery of the information provided in this report.

Contacts

Goldpac Group Limited
Address: Room 1301, 13th Floor,
Bank of East Asia Harbour View Centre,
No.56 Gloucester Road, Wanchai Hong Kong

Telephone: (852) 2838 6202
Fax: (852) 2834 6759
Email: goldpac@goldpac.com

關於本報告

報告簡要

本集團重申對可持續發展的承諾，發佈第二份《環境、社會及管治(ESG)報告》(「本報告」)。本報告乃遵守香港聯合交易所主板上市規則附錄二十七《環境、社會及管治報告指引》的要求，以及根據公司實際情況而編制。本報告旨在展現本集團2017年度於環境和社會方面的表現，促進與各利益相關方的溝通。本集團董事會肩負起確保本報告完整性的責任，承諾公正地披露ESG表現，及所有有關的重大事宜。本集團董事會已審閱本報告，確認內容準確、真實和完整。

報告範圍

本報告披露本集團於2017年1月1日至2017年12月31日的可持續發展表現和進展情況，與年報其餘內容相輔相成。本報告範圍涵蓋本集團及主要附屬公司，所載資料皆來自本集團各類報告或日常作業記錄。

意見反饋

本集團視可持續發展為公司的長遠發展方針。我們高度重視您對本報告於內容或傳達方面的寶貴意見。如對本報告有任何疑問或建議，歡迎隨時聯繫本公司。

聯繫方式

金邦達實嘉控股有限公司
地址：香港灣仔告士打道66號
東亞銀行港灣中心
13層1301室

電話：(852)2838 6202
傳真：(852)2834 6759
電郵：goldpac@goldpac.com

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ESG MANAGEMENT

To prevent systemic risk is the fundamental theme of the country's financial work. Ensuring transaction security and providing sustainability edge, smart secure payment systems have been playing a crucial factor in maintaining the stability and healthy operation of the entire financial market. As a global leader in offering total smart secure payment solutions, we act on our vision "Make Transactions More Secure and Convenient" to deliver embedded software and secure payment products for our customers across the globe. By leveraging innovative Fintech, the Group also provides personalized services, system platforms and other total solutions for a broad range of customers including financial, government, healthcare, transportation and retail sectors.

Assuring security of customers' data being our prime objective, we are the only one supplier to have passed the quality certification set by big 6 credit card organizations in China. We strive to explore and investigate our corporate operational process so that it coheres into the Group's sustainability development model. In coping with the continuously growing demand for security and convenience of payments, we have been launching "Integration of Information Technology and Industrialization with intelligent operation" initiative, dedicated to innovating and popularizing smart transaction solutions for meeting the social demand.

The Group is committed to diffusing the environmental and social orientation into its business operations, to achieve its sustainability target. Through formulation and implementation of policies regarding the environmental and social aspects and disseminating the information through diverse communication channels, we decide whether our ongoing policies are suitable, and make amendments accordingly. In this year, employees at all levels fully cooperated with the environmental and social management in practice. Additionally, we keep deploying environmental and social performance indicators' collection and reporting from our enterprise management department and collaboration between various departments, e.g. human resource, administration and engineering.

可持續發展管理

防範系統性風險是國家金融工作的核心，智能安全支付產品以其在交易安全性、穩定性的優勢，長久以來在維護金融市場運行和穩定中發揮著重要作用。本集團作為全球智能交易整體解決方案的引領者，以「讓交易更安全、更便捷」為願景，為全球客戶提供智能安全支付領域的嵌入式軟件和安全支付產品。融合創新金融科技，本集團亦為金融、政府、衛生、交通、零售等廣泛領域客戶提供數據處理服務、系統平台及其他整體解決方案。

客戶數據安全是本集團的首要工作，而我們是中國唯一通過全球六大信用卡組織資質認證的供應商。於企業運營過程中，我們不斷發掘、探討和嘗試適合本集團的可持續發展模式。面對市場對智能支付安全性和便利性要求的不斷增長，我們持續推進「兩化融合、智能運營」工作，致力研發和普及與社會需求相適應的智能交易解決方案。

本集團一直致力將本集團業務與環境和社會共同發展相結合，推動本集團實現可持續發展的目標。我們持續制定和落實相關環境及社會影響的政策措施，並通過內外溝通手段，檢討現行政策的適宜性，對政策及時作出更新。於本年內，本集團各級員工全力配合相關管理工作，將環境及社會影響管理工作具體落到實處。我們通過由企管部牽頭，人力資源部、行政部、工程部等多部門配合，持續進行環境和社會表現信息的收集和匯報工作。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

環境、社會及管治報告(續)

To pursue environmental protection, the Group follows all related environmental laws, ordinances and emission standards, starting from energy saving and waste management. As such, through establishing a series of internal procedures and systems, our employees can effectively handle the waste generated in the working process. Besides enhancing productivity and operational efficiency, we bear the greater responsibility of keeping our environment clean.

Not only do we comply with related employment and safety ordinances and pay considerable attention to employee welfare and safety, but we also devote ourselves to strengthening management procedures and training. It serves the purpose of offering sufficient support in career development and ensure a fair, safe, healthy and harmonious work environment, maintaining our top-notch reputation in smart secure payment industry at the same time.

The Group proactively interacts with its stakeholders and evaluates its own performance as always. We proceed with taking a step forward to promote sustainability development, both inside and outside of us, so as to bring business, environmental and social footprints together. We will still place great importance at stimulating business growth while optimizing measures in accordance with sustainability development initiatives.

OPERATIONAL EXCELLENCE

Our commitment to upholding the highest principles of business ethics and integrity connects to what we do and we believe it is our competitive advantage.

Information Security and Privacy

Security and privacy of customer information within the business is of paramount importance since there is significant involvement of personal data in the operations. Our confidential safety management system is guided by the "Data Security Management Procedure" and is widely recognized by our customers. The Group has been striving for operational excellence, getting hold of both ISO27001 Information Security Management System and ISO9001 Quality Management System certifications. Imposing stringent security standards on our products and services, we are accredited by six global credit card organizations.

環境保護方面，本集團遵從所有相關的環境法律法規及排放標準，並重點從節能減排和廢棄物管理入手，通過制定一連串的內部程序和制度，使員工能更有效地妥善處理廢棄物，除提升生產和營運效率外，亦全面肩負對環境保護的責任。

本集團除滿足相關僱傭和安全法規、關注員工的福利和安全外，亦致力通過完善的管理程序和培訓，為員工提供充分的發展空間，以及公平、安全、健康、和諧的工作環境，鞏固智能安全支付領導者地位。

展望未來，我們會持續與各利益相關方開展溝通工作，檢視自身發展表現。我們將繼續肩負社會和環境責任，在集團內外推動可持續發展，持續把業務與環境及社會影響管理相結合，致力促進業務增長，同時優化各項促進可持續發展的相關措施。

營運卓越

本集團承諾遵守最高標準的商業道德及誠信要求，這與我們的營運息息相關，也是我們競爭優勢。

信息安全及隱私

客戶信息的安全與隱私對於我們需處理個人數據的營運至關重要。我們的保密安全管理系統根據《數據保安管理程序》運作，獲客戶的廣泛認可。本集團致力追求卓越的運作模式，並獲得ISO27001信息安全管理及ISO9001質量管理等認證。我們的產品和服務實行嚴格的安全標準，獲得全球六大信用卡組織資質認證。

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The Group has established strict rules governing information confidentiality. No employees are allowed to disseminate information to unauthorized persons or outsiders without authorization, and copying of information is strictly forbidden. Through our training programmes and regular assessments, our employees can handle confidential information properly. "Confidentiality Agreement" and "Competition Restriction Agreement" are signed in addition to the employment contract. Regarding terms in contracts with our customers, we are dedicated to providing excellent services that suit the needs of our clients. Product and services quality and communication are highly rated by our clients. Customers and professional institutions have conducted strict safety scrutiny on a frequent basis, ensuring high standards of security management that guarantee the reliability of our services. During this year, we did not find any cases regarding our products and services resulting from safety and health as well as privacy issues.

We aim to uphold quality assurance, providing suitable solutions to our clients. We implement a series of measures to handle any products and services related complaints, following recommendations from clients to improve internal management. A set of client complaint management procedures is used for addressing any cases. Complaints are documented for future reference and followed up by a dedicated team.

Product Innovation

The Group has proactively engaged in technology exchange and cooperation with the world's top universities, globally leading secure technology companies and chip manufacturers, focusing on the future advancement of R&D of secure encryption technology applications. At present, the Group has made progress in its technical preparations for IoT secure modules, mobile phone APP white boxes, smart homes, machine interaction and other related areas. In the application of electronic identity cards (eID), the Group also possessed essential technologies and related products. In the future, these technologies will be applied to the emerging areas of artificial intelligence (AI) financial self-service kiosks and identity documents for overseas markets, becoming the new driving forces for the Group's growth.

本集團設立嚴格條例規管信息保密。任何員工不得擅自將信息發送給未經授權的同事或外部人員，亦嚴禁複製任何保密信息。通過我們的培訓和定期評估，我們的員工能妥當處理機密資料。除簽訂僱傭合約外，我們與員工之間亦簽訂《保密協議》和《競爭限制協議》。於客戶合同條款方面，我們致力提供滿足客戶需求的優質服務，產品質量和服務溝通工作均獲得客戶高度評價。客戶及專業機構對我們實施頻繁的安全檢查，保證我們服務的可靠性，實現高標準的安全管理。於本年內，就集團的產品及服務所涉及的健康與安全、私隱事宜，集團均未發現任何對集團造成重大影響的事件。

為保證產品和服務的質量，除為顧客提供可行方案外，我們亦提供一系列措施處理有關產品及服務投訴，根據客戶建議，改善內部管理。我們實施一系列客戶投訴管理程序，規定記錄所有投訴，由專責小組作出跟進，並供日後參考。

產品創新

本集團積極與世界頂尖學府、全球領先的安全技術公司和芯片廠商展開技術交流與合作，致力於安全加密技術的前瞻性研發，目前已經在物聯網安全模塊、手機APP白盒技術、智能家居、機器交互等領域進行技術儲備。在電子身份證應用領域，本集團亦有成熟的技術和產品。未來，這些技術將被充分的運用在智能金融自助設備、海外市場身份證件等新興領域，成為本集團新的增長動力。

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The Group has launched six major product categories in 24 innovative products spanning payment watches, payment jewelry, payment mobile phone accessories and blue-tooth payment tools. In 2017, the Group launched payment wristband, payment bracelets for VISA, mobile payment phone accessories for an internationally recognized franchised coffee chain, GPS navigation payment watches for a domestic leading joint-stock commercial bank during the Shanghai Marathon, and joint development of payment jewelry with a leading jewelry brand in the Shanghai Fashion Week. The Group demonstrated that its core security encryption technology has been applied to much broader and fashionable fields. The products were well-recognized, implicating potential growth of the Groups' product portfolio.

Anti-corruption

The Group is committed to maintaining high standards of business ethics in terms of information disclosure, integrity and accountability. Our "Anti-Fraud Whistleblowing Management System" strictly controls our business with all business partners, including our customers, suppliers, creditors and debtors. We encourage reporting of any suspected inappropriate behaviors and protect the whistleblowers against any punishment for accurate reports. The identities of whistleblowers are kept strictly confidential unless necessary for investigation, addressing malicious intentions or compliance with relevant laws and regulations. Illegal cash, gifts and any forms of fraud or bribery are strictly prohibited.

Whistleblowers can report to the chairman of the Group's audit committee. Related information is forwarded to other audit committee members for internal investigation, or if necessary other departments to protect the best interests of the Group. Regular evaluation of the system ensures compliance with all relevant laws and regulations and its effectiveness. During this year, no issue relating to bribery, blackmail, fraud, money laundering or any misconduct which can pose substantial impact to the Group was found.

本集團已經陸續推出了支付手錶、支付首飾、支付手機配件、藍牙支付等六大系列共24種創新支付產品。2017年，本集團成功助力VISA推出上海時裝週支付手鐲、支付腕帶，為國際知名咖啡連鎖品牌提供移動支付手機配件，為國內領先的股份制商業銀行提供上海馬拉松GPS導航支付手錶，聯合中國頂尖珠寶品牌研發支付首飾，將本集團核心的安全加密技術應用到更為廣泛、更為時尚的領域，收穫了良好的市場反饋，有望為本集團帶來新的業績增長。

反貪腐

本集團於信息披露、誠信和問責等方面秉持高標準的商業道德規範。我們的《反舞弊舉報管理制度》嚴格管理集團與任何業務合作夥伴的關係，包括我們的客戶、供應商、債權人和債務人。我們鼓勵員工舉報任何涉嫌不恰當的行為，並保護舉報人不會因準確的舉報而受到任何處罰。除配合調查需要、出現惡意舉報行為、或符合相關法律和法規要求之外，舉報人的身份將被嚴格保密。我們更嚴厲打擊以金錢、禮品和任何形式的欺詐或賄賂行為。

舉報人可以向本集團的審核委員會主席作出舉報。相關資料將會轉介至其他審核委員會成員進行內部審查，或授權予其他部門協助，在符合公司最佳利益的前提下作出其他調查行動。我們的管理體系亦進行定期評估，以遵守所有相關的法律和法規及確保其有效性。本年內，本集團並沒獲悉任何有關賄賂、勒索、欺詐與洗黑錢，並對集團造成重大影響的違規行為。

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Supply Chain Management

Partnerships with suppliers are regularly reviewed to ensure excellent product quality and service provision to customers. Continuous assessment of existing suppliers is conducted, for evaluating procurement performance, and environmental and safety management practices. The formulation of "Supplier Evaluation and Control Procedures" ensures that all suppliers of the Group possess adequate capacity and are able to maintain suitable quality.

The Group has established criteria for production raw materials, production equipment and spare parts, IT equipment and products, product transportation, and office equipment which are subject to annual assessment for current suppliers and for new suppliers. In addition to service quality, other factors related to financial information, environmental and operational safety management are also considered. After conducting supplier performance assessment, we lay out evaluation reports and modifications needed on the list of qualified suppliers to provide reference for screening our suppliers.

ENVIRONMENTAL MANAGEMENT

Through diminution of usage of material and energy, optimization of waste management, we take reduction of ecological impacts as the main principle in implementing environmental sustainability.

The Group, as a major provider of financial payment cards and personalisation services in China, is committed to making progress towards a sustainable business to provide leading technology, best-in-class products and exemplary services. The Group's major environmental impacts are emissions and energy consumption required for production process of smart security payment products. Through risk control and resources minimization in operational practices, we will continue to monitor how the operation process exerts impact on the wellbeing of people and environment. The Group has strictly complied with all relevant environmental laws and regulations in Mainland China and Hong Kong. During the year of 2017, we were not aware of any practices significantly influencing either environment or the Group, including exhaust gas and greenhouse gas emissions, discharge on water and land, or generation of hazardous and non-hazardous waste, etc.

供應鏈管理

本集團定期審視與供應商的合作關係，以保障我們為客戶所提供的產品和服務品質。我們亦會對現時合作的供應商作出定期評估，評核他們的採購表現，以及於環境和安全管理方面的工作情況。公司制定《供應商評估控制程序》，確保與本集團合作的供應商擁有充足的產能和合適的質量控制水平。

本集團對生產原料、生產設備及零配件、IT設備、產品運輸過程和辦公用品的評估標準，均適用於現有供應商和新供應商的年度評估。除服務質量外，評估標準還考慮其他因素，包括其財務信息、環境和安全管理等因素。每次供應商評估工作完成後，我們將出具相應評估報告，及更新合格供應商清單，為本集團供應商篩選工作提供參考依據。

環境管理

通過減少物料和能源消耗和優化廢棄物管理以減少對生態所產生的影響，為我們環境可持續發展的重要原則。

本集團作為中國領先的金融卡和個人化數據處理服務供應商，致力推動業務可持續發展，為客戶提供優質技術、一流產品及卓越服務。本集團對環境所產生的影響包括排放和能源消耗，主要來自智能安全支付產品的生產過程。透過實施風險控制和資源耗用最小化措施，我們將繼續監察運營過程對環境與人類的影響。本集團恪守內地和香港的相關環境法律法規。於2017年，本集團並沒有發現任何對環境，或對集團造成重大影響的行為，包括廢氣及溫室氣體排放、向水及土地排污，或產生有害及無害廢棄物等。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED) 環境、社會及管治報告(續)

Environmental management system is guided by ISO14001 standard and certification to minimize pollution and fully utilize raw materials and resources. Environmental factors inducing changes in the environment are constantly identified and comprehensive information is taken into consideration in all activities, products or services of the Group. To mitigate pollution, we take reference from the environmental factors for formulation of the environmental management system. In addition, environmental management representatives assigned by management are dedicated to communicating with stakeholders, confirming environmental management programmes and internal approval, and reporting to the chief executive officer to ensure the environmental management system is fully implemented.



To maximize the value of stakeholders, the Group integrates environmental awareness in our business continuously to realize the vision of environmental friendliness, while achieving our development goals simultaneously. We maintain close communication with relevant stakeholders to understand their opinions for improvement opportunities.

本集團的環境管理體系以ISO 14001環境管理體系標準認證為導向，致力減少污染，充分使用原材料和資源。本集團更全面提供有關經營範圍內任何活動、產品或服務所引起的環境影響信息。為減少污染，實現持續發展，我們參照環境因素信息制定相應環境管理體系。另外，管理層委派環境管理代表，保持與利益相關方溝通，確認環境管理計劃及進行內部審批，並向首席執行官匯報相關工作，以確保環境管理系統得以貫徹實施。

為實現利益相關方價值最大化，本集團不斷將保護環境的概念融入業務，以實現環境友好的願景，同時達成我們的發展目標。我們與利益相關方保持密切溝通，了解他們對本集團的看法，從而作出改善。

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Resources Consumption

The Group has formulated and implemented the “Electricity Saving Management and Regulations” system which sets out energy saving management guidelines and measures for our production plants and offices. Management responsibility is further divided among different departments because of better understanding and management of electricity use. Electricity supply and use, including lighting, air-conditioning systems, ventilation and production line facilities are regulated accordingly. Statistics are computed regularly to analyze energy efficiency and necessary improvements are carried out when there are any abnormal consumption situations.

Our production process does not involve massive use of water. Our water consumption is mainly accounted for by staff’s daily working and living. Also, we educate staff in this respect and provide information on ways of water saving, along with reduction in water consumption by water-saving appliances. In 2017, our Zhuhai plant consumed municipal water supply for total of 118,508 tonnes, with no other water consumption.

資源使用

本集團的生產廠房和辦公室制定並實施《電能資源消耗控制程序》。而能源管理責任被劃分至不同部門，因其對自身的耗電量有更好的了解及管理。我們對包括照明、空調系統、通風和生產線設施的電力供應和使用，作出定期且適當的調整。我們將定期收集、統計數據，分析能源效率。若發生任何異常情況，我們將執行必要的修正。

水資源使用方面，我們的生產過程不存在大量用水的工序，主要水資源消耗為員工日常辦公、生活所需。我們亦通過員工教育工作，宣傳節約用水信息，並採用節水器具，減少水資源消耗。2017年，本集團珠海廠區共消耗市政自來水118,508噸，無其他水資源消耗。

Resource type 資源種類	Unit 單位	2017
Electricity (Zhuhai) 電力（珠海）	kWh 千瓦·時	13,037,132
Liquefied petroleum gas 液化石油氣	kg 公斤	21,845
Municipal water 自來水	tonnes 公噸	118,508
Fuel consumed from vehicles 車輛汽油	litres 公升	24,263

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Emissions Reduction

The Group understands the importance of environmental protection. Throughout the operations, we strictly adhere to applicable rules and regulations including but not limited to Law on Prevention and Control of Water Pollution, the Law on the Prevention and Control of Atmospheric Pollution and other relevant laws and regulations governing emissions discharge.

The Group's Zhuhai plant has commissioned an independent inspection agency for environmental testing and examining the quality of noise and wastewater. All activities were found to be meeting the relevant standards. "Water, Air and Noise Pollution Control Procedures" controls the specific procedures to treat pollution in our production plants and offices. The quality management department is in frequent contact with accredited inspection institutions for pollution monitoring work, by comparing inspection results with relevant laws and regulations, and reports to representative of environmental management. Frequency of inspection increases proportionally to the level of equipment utilization.



The departments are responsible for control and mitigation of its own water, air and noise pollution while the engineering department takes up the responsibility of regular maintenance and management of the equipment. We have set operational procedures and preventive regulations for all facilities and operating processes. If there are cases breaching the allowed level, investigation by the responsible department should follow guidelines from the "Corrective and Preventive Measures Control Procedures" and prepare further preventive measures.

減少排放

本集團深切明白保護環境的重要性，運營過程中恪守相關法規和法例，包括但不限於《水污染防治法》、《大氣污染防治法》及其他有關排放物排放的相關法規和法例。

本集團珠海廠區的環境檢測交由獨立檢測機構進行，對噪音和廢水質量進行檢驗，結果顯示珠海廠區符合相關標準。本集團內部的《水、氣、聲污染防治程序》規範我們處理生產設施和辦公室污染的流程。質量管理部門與具資質的檢測機構維持緊密聯繫，由他們進行污染監測工作，並將檢查結果與有關法規和法例進行比較，向環境管理代表報告。如設備使用量大，我們的檢查頻率亦同步增加。

本集團各部門負責控制和防治其自身運作引起的水、空氣和噪音的污染，而工程部則負責定期維護和管理相關的設備。我們亦制定設備及運營過程的操作和預防規定。若發現超標情況，相關部門應按照《糾正和預防措施控制程序》進行調查及處理，並制定進一步的預防措施。

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Air ventilation systems are installed in printing workshop in Zhuhai with capacities in tune with quantum of expected emission, concentration, economic feasibility and relevant regulations. An adsorption purification unit treats exhaust fumes from printing workshop in Zhuhai before discharging into the atmosphere from the exhaust fans. Small suspended particulates are filtered out and organic compounds are adsorbed by activated carbon, collecting pollutants before emitting into air. Regular checking and replacement of the devices ensure the effectiveness of VOCs removal. Current VOCs emissions are far below the standards of local regulations, suggesting a good performance of the treatment programme. For the production lines, we adopt advanced production process of smart cards with reduced production error and waste generation, while efficiency was raised effectively and resources needed were reduced.

Based on our record of vehicles usage, we calculate and convert the amount of air pollutants emissions from vehicle exhaust; SOx were 0.39 kg, NOx were 15.9 kg, and PM were 1.3 kg.

考慮排放量、濃度、經濟可行性和有關規定，本集團於珠海的印刷車間安裝通風系統。於印刷車間廢氣排放到大氣層前，我們設置一部吸收淨化裝置處理印刷廢氣。細小的空氣懸浮顆粒將被過濾去除，而有機物則被活性炭吸附，在廢氣排放前全面截留污染物。我們定期派人檢查和更換設備，以保證揮發性有機物(VOCs)的去除效率。目前我們的VOCs排放量遠低於當地法規的標準，這顯示我們的排放處理設備表現良好。而就生產工藝而言，我們採取先進的智能卡生產過程，能減少生產誤差和廢棄物產生，有效提高生產效率，減少所需資源消耗。

根據本集團車輛的使用情況，我們折算出由車輛尾氣產生的廢氣污染物排放量，分別為硫氧化物0.39公斤，氮氧化物15.9公斤和懸浮顆粒1.3公斤。

Air pollutants emissions 廢氣污染物排放	Unit 單位	2017
Sulfur oxides (SOx) 硫氧化物	kg 公斤	0.39
Nitrogen oxides (NOx) 氮氧化物	kg 公斤	15.9
Particulate matter (PM) 懸浮顆粒	kg 公斤	1.3

Major sources of the Group's greenhouse gases emissions are electricity used in factories and offices, fuel and liquified petroleum gas used in vehicles. In 2017, the overall greenhouse gas emission from Zhuhai plant was 7,002 tCO₂e, of which Scope I emission was 130 tCO₂e and Scope II emission was 6,872 tCO₂e.

本集團溫室氣體排放主要來自工廠及辦公室的電力、車輛燃油及液化石油氣使用。2017年，本集團珠海廠區的溫室氣體排放總量為7,002噸二氧化碳當量，其中範圍一排放量為130噸二氧化碳當量，範圍二排放量為6,872噸二氧化碳當量。

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環境、社會及管治報告(續)

Scope of greenhouse gases emissions 溫室氣體排放範圍

Unit
單位

2017

Scope I
範圍一直接排放
Scope II
範圍二間接排放

tCO₂e
噸二氧化碳當量
tCO₂e
噸二氧化碳當量

130
6,872

The Group has been treating domestic and industrial wastewater according to applicable regulations, to mitigate the impacts to the environment. New wastewater treatment facility was set up to handle on-site wastewater in Zhuhai, which had just come into operation in 2017. The wastewater treatment facility handles domestic wastewater mainly from kitchens and toilets and a small amount of industrial organic wastewater. The design of the wastewater treatment facility complies with relevant environmental laws and regulations, aiming to mitigate pollution and protect ecosystems.

We treat wastewater from different sources by different treatment paths, and only discharge in a regulated manner at the end of the treatment. During the construction of the treatment facility, environmental protection measures were imposed to reduce impacts to the surroundings. These measures were designed to minimize impacts to the society. For instance, noise and air impacts were lowered by employing low sound emitting procedures and mechanical ventilation systems respectively. Energy efficient equipment was selected to prevent unnecessary energy use. Water resources were monitored to minimize use.

Waste Reduction and Recycling

Waste reduction is another key focus for the Group as we are committed to reducing pollution from the business and the production processes of smart cards. To prevent and minimize the impacts on the environment, the rules in the "Waste Disposal Control Procedures" regulate the waste management. These procedures are in compliance with requirements set out in the Law on the Prevention and Control of Environmental Pollution by Solid Waste and the National Hazardous Waste Inventory to reduce solid waste, making full use of recycling and control of waste generated.

本集團根據合乎規範的廢水處理方案對來自生產及生活的污水進行處理，減少對環境的影響。我們於珠海廠區設立新的污水處理設施，已於2017年內投入使用。污水處理設施需處理包括主要來自廚房、衛生間的生活污水和少量工業有機廢水。該污水處理設施的設計遵照相關環境法律和法規，以減少污染，保護生態系統。

我們對不同的廢水按不同的方式處理，處理完畢後合規排放。於建設廢水處理設施的過程中，我們亦採取環境保護措施，以減少對環境的影響。相關措施旨在降低施工過程對社會及環境的影響，例如採取低噪音施工過程和機械通風系統，分別降低噪音和減少空氣污染；採用節能設備防止不必要的能源使用；以及監控水資源以減少用水。

循環減廢

減少廢棄物亦是本集團的另一重點，我們致力減少智能卡生產過程所產生的污染。為預防和減少對環境的影響，我們設立《廢棄物處理控制程序》規範廢物管理工作。這些措施皆遵照《固體廢物污染環境防治法》和《國家危險廢物名錄》要求，減少固體廢物產生，有效地回收和控制排放。

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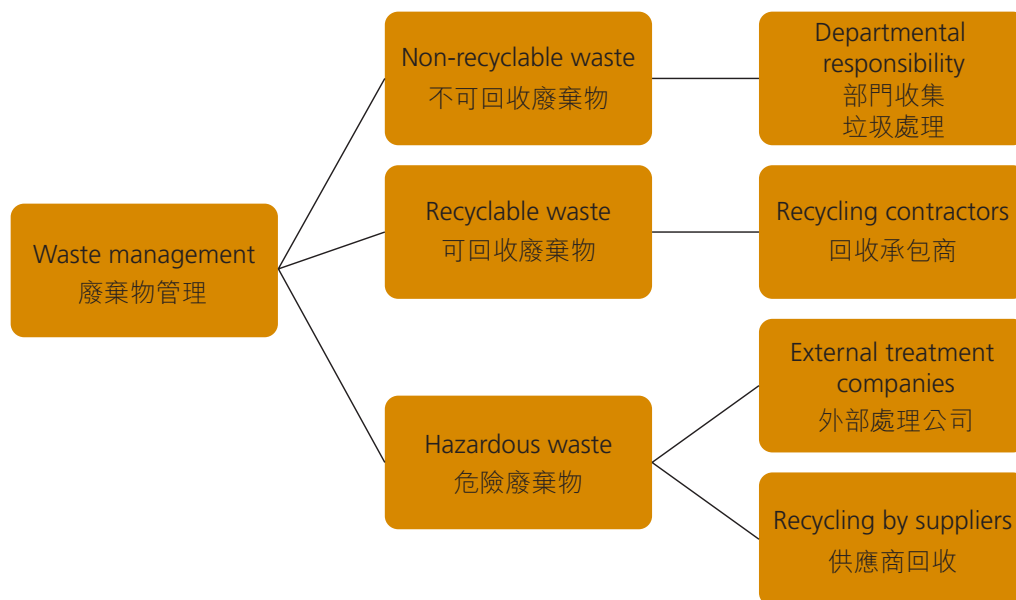
環境、社會及管治報告(續)

We compile a detailed list of waste annually and send it to environmental management representative for approval and offer a comprehensive view of the waste production and treatment. Waste is separated into three categories, including recyclable waste, hazardous waste and non-recyclable waste. Through collaboration and job division among departments, we reduce overall resources consumption. Each department is responsible for waste categorization and collection, while the administration department is responsible to contact respective waste management contractors for treatment and final disposal. Recyclable waste is handed over to recycling contractors, while hazardous waste is submitted to external treatment companies or it is recycled by suppliers. External waste generated from our suppliers during the procurement process is managed by procurement department.

During this year, the hazardous waste produced was from financial cards printing, which accounted for a small portion of the total waste, mainly ink and developer solution. Non-hazardous waste is divided into recyclables and non-recyclables. Most of the materials were recycled and environmental impacts were significantly reduced with our waste management systems.

我們每年編制一份詳細廢物清單，交由環境管理代表批准，全面審查廢棄物的產生和處理情況。廢棄物被劃分為三個類別分別處理，包括不可回收廢棄物、可回收廢棄物及危險廢棄物。透過各部門之間的協作和分工，我們致力減少總體資源消耗。各部門均負責自身廢棄物分類和收集，而行政管理部門則負責聯絡廢棄物處理承包商，以對廢棄物進行處理和最終棄置。可回收的廢棄物交給回收承包商收集，而危險廢棄物則委託外部處理公司處理或由供應商回收。而我們供應商供應過程產生的外部廢棄物則由採購部門負責管理。

於本年內，從印刷金融卡產生的危險廢棄物只佔總體廢棄物的一小部分，主要為廢油墨和顯影、定影廢液。無害廢棄物分為可回收和不可回收類別。我們的廢棄物管理系統讓大部分物料得以循環利用，顯著地降低對環境的負面影響。



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Waste type 廢棄物種類		Unit 單位	2017
Hazardous waste 危險廢棄物	Ink 廢油墨	litres 公升	18
	Developer solution 顯／定影廢液	tonnes 公噸	8
Non-hazardous waste 一般廢棄物	Recyclable 可回收	tonnes 公噸	256
	Non-recyclable 不可回收	tonnes 公噸	14

In our production process, the main packaging materials are composed of paper trays and cartons, adhesive tapes, and cardboards. These materials are necessary to prevent the smart security payment products from any damage throughout the logistic process.

而我們生產過程採用的包裝物料主要包括紙盤、紙箱、膠帶和紙板等，均為保護智能安全支付產品在運輸過程中，免受損壞而使用的必要包裝物。

Packaging type 包裝材料種類		Unit 單位	2017
Paper tray 紙盤		Pieces 個	2,279,890
Paper carton 紙箱		Pieces 個	208,759

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Green Product

We aim to innovate in the development of green products, realizing the production and the use of smart card. During the year, we continuously invested in environmentally-friendly cards with better decomposable materials which reduce environmental impacts during the product life cycle.

PEOPLE AND COMMUNITY

Employees are central to sustainable development. We treat our people well to bring mutual advancement. Our operations also need cooperation with the society; thus, we proactively contribute to the community and endeavor for mutual prosperity.

Employment Practice

We adopt fair employment practices with no discrimination on race, religion, gender, age, marital status and disabilities, etc. No child labor is allowed under the employment rules of the Group. Candidates are carefully interviewed and assessed on a set of criteria in honesty and integrity, team working aptitude, dedication, attitude, compliance with laws and regulations, social morality, etc. throughout the recruitment process.

The Group employment policy is compliant with all relevant labor laws and regulations at different locations of operations relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. During the year of 2017, the Group observed no violations of any applicable labor laws and regulations including child labor and forced labor issues.

綠色產品

本公司致力開展綠色產品研發，旨在實現智能卡綠色生產和使用。於本年內，我們繼續研製環保卡，採用更好的可分解物料，以減少產品生命週期內的環境影響。

員工及社區

員工是我們得以持續發展的重要支持。我們善待員工，邁向共同發展。公司運營亦需社區的配合，為此我們積極回饋社會，實現共同繁榮。

僱傭政策

我們採取公平的僱傭方式，不論種族，宗教，性別，年齡，婚姻狀況和殘疾狀況等均得到平等對待。根據本集團的僱傭規則，嚴禁僱用童工。在整個招聘過程中，求職者需經過嚴格的面試，而其誠信程度、團隊合作能力、奉獻精神、態度、遵紀守法、社會公德等方面的條件均被評核。

本集團的僱傭規定遵守業務運營所在地相關勞動法律法規要求，包括薪酬待遇、招聘晉升、工作時間、休息時間、平等機會、多元化、反歧視及其他福利等。於2017年，公司無獲悉任何違反僱傭法律法規，以及僱用童工及強制勞工等情況。

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Development and Training

The Group sees employees as an important asset and emphasizes on their performance and development. We encourage and motivate skills and knowledge improvement within the Group so as to offer better products and services to our customers. Comprehensive internal and external training are provided with corresponding allowances. Training programmes regarding skills enhancement and risk reduction in the workplace with reference to the environment and occupational health and safety management systems enable employees to comply with the standards in daily operations. Training programmes for new hires are offered to introduce the organizational structure, policies, operational safety, and quality management. Employees are evaluated at the end of the training to ensure the effectiveness.

Employees are assessed on a regular basis in accordance with work progress, quality and effectiveness, in order to set further improvement plans and encourage better goal setting in the future. Appraisals serve as a platform to assess employees' performance, providing a vital reference for determining salary, promotion and training opportunities, as well as strengthening communication between departments and employees. Performance is the main consideration for internal promotion.

Occupational Health and Safety

The Group is committed to investing continuously in occupational health and safety. Since 2011, the Group has obtained OHSAS18001 occupational health and safety management certification. The Group strictly adheres to relevant laws and regulations regarding the provision of a safe working environment and health assurance of employees. Our OHS policy, aiming to manage risk and mitigate the operational impact on employees, complies with all applicable legal and non-legal requirements.

員工培訓與發展

本集團十分注重員工的培訓與發展，致力提升僱員的知識及技能水平。我們鼓勵員工知識增值，以為客戶提供更佳的產品和服務。我們為員工提供全面的內部和外部培訓，並提供相應津貼。培訓課程參照環境和職業健康安全管理体系，旨在提高員工工作技能和降低工作環境風險，確保員工能在日常工作中謹守準則。而新入職培訓課程則會介紹本集團的組織架構、政策、操作安全、質量管理內容。在培訓結束後，受訓員工需參與評核，以確保培訓有效。

公司定期對員工進行評估，檢視其工作進度、工作質量和工作效率，以便制定進一步的改善方案，及鼓勵員工制定將來的提升目標。定期評估是評核員工的表現，而決定其薪酬、晉升和培訓機會的重要參考，亦是一個能加強部門和員工溝通的平台。而員工績效是內部晉升的主要考慮因素。

職業健康安全

本集團致力持續投入職業健康與安全，自2011年起，本集團已獲得OHSAS18001職業健康及安全管理標準認證。本集團恪守提供安全工作環境及員工健康保障的相關法律和法規。而我們的職業健康安全政策旨在管理風險及減輕營運過程對員工的影響，並符合所適用的法律及非法律要求。

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We empower employees to engage in ensuring occupational health and safety and co-create a safe workplace. Employees have appointed their own representatives as a communication conduit with the management to reflect views on occupational health and safety related matters. These employees' representatives are also responsible for risk identification, assessment and measures formulation, implementation assistance. In addition, there is regular internal monitoring by the quality management team to ensure the effectiveness of the health and safety management system, operational control, emergency preparation control and compliance conditions. To promote occupational health and safety education, the Group strictly implements employee safety training.

Community Investment

The Group is committed to growing together with the society. We understand the importance of community engagement and encourage our employees to participate in charity and donation activities to strengthen our relationship with the domestic community. During this year, the Group propels the charitable organizations focusing on poverty alleviation through donation.

The Group also supports educational programmes through partnerships with domestic universities, offering training programmes and venues for educational purposes. Leveraging on our experience and expertise, we offer support in a wide range of areas in transportation, healthcare, retail, etc., fostering the development of the community and giving back to our society.

我們鼓勵員工參與職業健康安全工作，共同營造安全的工作場所。員工選舉代表作為與管理層溝通的渠道，以反映其對職業健康安全相關事宜的意見。員工代表亦負責風險識別、評估和措施制定及實施工作。另外，質量管理小組亦定期開展內部監測，調查健康安全管理體系、運行控制、應急準備控制程序的有效性和合規情況。為推動職業健康安全教育，本集團嚴格執行員工安全培訓。

社區參與

本集團致力與社會一同成長和進步。我們了解社區參與的重要性，積極鼓勵員工參與慈善和捐贈活動，促進我們與當地社區的關係。於本年內，本集團透過捐款支援扶貧公益機構。

本集團透過與國內大學建立夥伴關係以支援教育項目，並提供培訓課程及場地支持。我們運用所累積的經驗和專長，在業務發展的同時，為社會在運輸、醫療、零售等領域提供支援和便利，一同促進社區的發展，積極回饋社會。

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ESG CONTENT INDEX

ESG報告內容索引

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A. Environmental A.環境		
Aspect A1 層面A1	Emissions 排放物	
General disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Environmental Management Emissions Reduction Waste Reduction and Recycling 環境管理 減少排放 循環減廢
KPI A1.1	The types of emissions and respective emissions data. 排放物種類及相關排放數據。	Emissions Reduction 減少排放
KPI A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity. 溫室氣體總排放量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。	Emissions Reduction 減少排放
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity 所產生有害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。	Waste Reduction and Recycling 循環減廢
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity 所產生無害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。	Waste Reduction and Recycling 循環減廢
KPI A1.5	Description of measures to mitigate emissions and results achieved 描述減低排放量的措施及所得成果。	Emissions Reduction 減少排放
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved. 描述處理有害及無害廢棄物的方法、減低產生量的措施及所得成果。	Waste Reduction and Recycling 循環減廢

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Aspect A2 層面A2	Use of resources 資源使用	
General disclosure 一般披露	Policies on efficient use of resources including energy, water and other raw materials. 有效使用資源(包括能源、水及其他原材料)的政策。	Environmental Management Resources Consumption 環境管理 資源使用
KPI A2.1	Direct and/or indirect energy consumption by type in total (kWh in '000s) and intensity 按類型劃分的直接及／或間接能源(如電、氣或油)總耗量(以千個千瓦時計算)及密度(如以每產量單位、每項設施計算)。	Resources Consumption 資源使用
KPI A2.2	Water consumption in total and intensity 總耗水量及密度(如以每產量單位、每項設施計算)。	Resources Consumption 資源使用
KPI A2.3	Description of energy use efficiency initiatives and results achieved. 描述能源使用效益計劃及所得成果。	Resources Consumption 資源使用
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved. 描述求取適用水源上可有任何問題，以及提升用水效益計劃及所得成果。	Resources Consumption 資源使用
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced. 製成品所用包裝材料的總量(以噸計算)及(如適用)每生產單位佔量。	Waste Reduction and Recycling 循環減廢
Aspect A3 層面A3	The environment and natural resources 環境及天然資源	
General disclosure 一般披露	Policies on minimizing the issuers' significant impact on the environment and natural resources. 減低發行人對環境及天然資源造成重大影響的政策。	Environmental Management 環境管理
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them. 描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。	Emissions Reduction Green Product 減少排放 綠色產品

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B. Social B. 社會		
Aspect B1 層面B1	Working conditions 工作狀況	
General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer related to compensation and dismissal, recruitment and promotion, working hours, rest periods, diversity and other benefits and welfare.	Employment Practice
一般披露	有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	僱傭政策
Aspect B2 層面B2	Health and safety 健康與安全	
General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Occupational Health and Safety
一般披露	有關提供安全工作環境及保障僱員避免職業性危害的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	職業健康安全
KPI B2.3	Description of occupational health and safety measures adopted and how they are implemented and monitored. 描述所採納的職業健康與安全措施，以及相關執行及監察方法。	Occupational Health and Safety 職業健康安全

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KPIs 關鍵績效指標(KPI)	HKEX ESG Reporting Guide Requirements 香港聯合交易所ESG報告指引要求	Section/Remarks 章節／備注
Aspect B3 層面B3	Development and training 發展及培訓	
General disclosure 一般披露	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. 有關提升僱員履行工作職責的知識及技能的政策。 描述培訓活動。	Development and Training 員工培訓與發展
KPI B3.1	Description of training activities provided and if relevant, the percentage of employees trained by employee category 按性別及僱員類別(如高級管理層、中級管理層等)劃分的受訓僱員百分比。	Development and Training 員工培訓與發展
KPI B3.2	The average training hours completed per employee by employee category. 按性別及僱員類別劃分，每名僱員完成受訓的平均時數。	Development and Training 員工培訓與發展
Aspect B4 層面B4	Labour standards 勞工準則	
General disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child or forced labour. 有關防止童工或強制勞工的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Employment Practice 僱傭政策
Aspect B5 層面B5	Supply chain management 供應鏈管理	
General disclosure 一般披露	Policies on managing environmental and social risks of the supply chain 管理供應鏈的環境及社會風險政策。	Supply Chain Management 供應鏈管理
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored. 描述有關聘用供應商的慣例，向其執行有關慣例的供應商數目、以及有關慣例的執行及監察方法。	Supply Chain Management 供應鏈管理

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Aspect B6 層面B6	Product responsibility 產品責任	
General disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Information Security and Privacy 數據安全及隱私
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights. 描述與維護及保障知識產權有關的慣例。	Product Innovation 產品創新
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored. 描述消費者資料保障及私隱政策，以及相關執行及監察方法。	Information Security and Privacy 數據安全及隱私

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Aspect B7 層面B7	Anti-Corruption 反貪污	
General disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. 有關防止賄賂、勒索、欺詐及洗黑錢的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Anti-corruption 反貪腐
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases. 於匯報期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果。	Anti-corruption 反貪腐
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored. 描述防範措施及舉報程序，以及相關執行及監察方法。	Anti-corruption 反貪腐
Aspect B8 層面B8	Community investment 社區投資	
General disclosure 一般披露	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests. 有關以社區參與來瞭解營運所在社區需要和確保其業務活動會考慮社區利益的政策。	Community Investment 社區參與
KPI B8.1	Focus areas of contribution 專注貢獻範疇。	Community Investment 社區參與

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Deloitte.

德勤

To the Shareholders of Goldpac Group Limited
(incorporated in Hong Kong with limited liability)

金邦達實業控股有限公司
(於香港註冊成立的有限公司)

OPINION

We have audited the consolidated financial statements of Goldpac Group Limited (the "Company") and its subsidiaries (collectively referred to as "the Group") set out on pages 118 to 219, which comprise the consolidated statement of financial position as at 31 December 2017, and 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 December 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 (the "HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

BASIS FOR OPINION

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

意見

本核數師(以下簡稱「我們」)已審核載於第118頁至219頁金邦達實業控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表,包括於2017年12月31日的綜合財務狀況報表與截至該日止年度的綜合損益及其他全面收入表、綜合權益變動表及綜合現金流量表,以及對綜合財務報表的註釋,包括主要會計政策概要。

我們認為,該等綜合財務報表已根據香港會計師公會頒佈的《香港財務報告準則》真實而中肯地反映了貴集團於2017年12月31日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量,並已按照香港《公司條例》妥善編製。

意見的基礎

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

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KEY AUDIT MATTER

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.

關鍵審計事項

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

Key audit matter

關鍵審計事項

How our audit addressed the key audit matter

我們的審計如何對關鍵審計事項進行處理

Estimated impairment of trade receivables

應收貨款的減值撥備

We identified the estimated impairment of trade receivables as a key audit matter due to the significant balance of trade receivables to the consolidated statement of financial position and the management judgment required in identifying long-aged receivables and determining the allowance for doubtful debt.

我們將應收貨款的減值撥備識別為關鍵審計事項，由於應收貨款在綜合財務報表中有重大結餘，以及管理層需要對識別長賬齡應收貨款及呆賬撥備的估計作出判斷。

As disclosed in note 4 to the consolidated financial statements, management identified the long-aged items based on aging analysis and determined allowance for doubtful debt based on the aging of trade receivables, credit portfolio of the debtors and default or significant delay on payments. The carrying amounts of trade receivables of the Group amounted to RMB417,729,000 as at 31 December 2017. Based on the management's assessment, the allowance for doubtful debt was RMB7,254,000 as at 31 December 2017.

如綜合財務報表附註4所披露，管理層根據賬齡分析識別長賬齡的應收貨款，並根據應收貨款的賬齡和債務人的信用組合及其拖欠或嚴重逾期支付以決定呆賬撥備。截至2017年12月31日止貴集團的應收貨款的賬面值為人民幣417,729,000元。根據管理層的評估，截至2017年12月31日止之呆賬撥備為7,254,000元。

Our procedures in relation to evaluating the appropriateness of the estimated impairment of trade receivables included:

我們對應收貨款減值撥備的恰當性之評估程序包括：

- Understanding the basis of the allowance for doubtful debt adopted by the Group;
- 瞭解貴集團的呆賬撥備基礎；
- Testing, on a sample basis, the accuracy of the aging analysis of the trade receivables to relevant documents;
- 抽樣測試相關文件以確認應收貨款之賬齡分析的準確性；
- Testing the subsequent settlements, on a sample basis, to the relevant documents;
- 抽樣測試期後結算的相關文件；

INDEPENDENT AUDITOR'S REPORT (CONTINUED) 獨立核數師報告(續)

KEY AUDIT MATTER (Continued)

關鍵審計事項(續)

Key audit matter 關鍵審計事項	How our audit addressed the key audit matter 我們的審計如何對關鍵審計事項進行處理
Estimated impairment of trade receivables (Continued) 應收貨款的減值撥備(續)	Our procedures in relation to evaluating the appropriateness of the estimated impairment of trade receivables included (continued): 我們對應收貨款減值撥備的恰當性之評估程序包括(續)： - Evaluating the reasonableness of the management assessment on the identification of long-aged receivables and the recoverability of trade receivables, and the sufficiency of the allowance for doubtful debt made by the Group as at 31 December 2017; and - 評價管理層對識別長賬齡應收貨款及其評估應收貨款可回收性的合理性，以及貴集團截至2017年12月31日之減值撥備的充足性；及 - Evaluating the historical accuracy of the allowance for doubtful debt estimated by the management to the actual settlement and the actual loss incurred. - 比對實際的回款情況和實際發生的壞賬損失以評價管理層過往作出的應收貨款減值撥備的準確性。

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KEY AUDIT MATTER (Continued)

關鍵審計事項(續)

Key audit matter 關鍵審計事項	How our audit addressed the key audit matter 我們的審計如何對關鍵審計事項進行處理
Estimated allowance for inventories 存貨撥備估計 We identified the estimated allowance for inventories as a key audit matter due to the management's judgment required in identifying slow-moving and obsolete inventories and determining the allowance for inventories. 我們將存貨撥備估計識別為關鍵審計事項，由於管理層需要對識別滯銷及陳舊存貨和決定存貨撥備作出判斷。 As disclosed in note 4 to the consolidated financial statements, the management identifies slow-moving inventories and obsolete inventories that are no longer suitable for use in production or sales based on aging analysis, and estimate the allowance for inventories based on aging of inventories, technology changes and current market demand. The carrying amounts of inventories of the Group amounted to RMB207,609,000 as at 31 December 2017. Based on the management's assessment, the allowance for inventories was RMB50,950,000 as at 31 December 2017. 如綜合財務報表附註4所披露，管理層根據賬齡分析識別滯銷及不再適用於生產或銷售的陳舊存貨，並根據存貨賬齡，技術更新和當前市場需求估計存貨撥備。截至2017年12月31日止貴集團的存貨賬面值為人民幣207,609,000元。根據管理層的評估，截至2017年12月31日止之存貨撥備為人民幣50,950,000元。	Our procedures in relation to evaluating the appropriateness of estimated allowance for inventories included: 我們對存貨撥備估計的恰當性之評估程序包括： • Understanding the basis of the allowance for inventories adopted by the Group; • 瞭解貴集團的存貨撥備基礎； • Testing, on a sample basis, the accuracy of the aging analysis of inventories to the relevant documents; • 抽樣測試相關文件以確認存貨賬齡分析的準確性； • Evaluating the reasonableness of the management assessment on the identification of slow-moving and obsolete inventories and the sufficiency of the allowance for inventories with reference to aging of inventories, usage or sales record for aged-inventories, current market conditions and technology changes; • 評價管理層根據存貨賬齡，陳舊存貨的使用或銷售記錄，當前市場狀況和技術更新所識別滯銷和陳舊存貨之合理性以及存貨撥備的充足性；

INDEPENDENT AUDITOR'S REPORT (CONTINUED) 獨立核數師報告(續)

KEY AUDIT MATTER (Continued)

關鍵審計事項(續)

Key audit matter 關鍵審計事項	How our audit addressed the key audit matter 我們的審計如何對關鍵審計事項進行處理
Estimated allowance for inventories (Continued) 存貨撥備估計(續)	Our procedures in relation to evaluating the appropriateness of estimated allowance for inventories included (continued): 我們對存貨撥備估計的恰當性之評估程序包括(續)： - For raw materials that no allowance have been made, considering the subsequent usage of raw materials and tracing a selection of subsequent usage of raw materials to the relevant documents; and - 對於未作出撥備的原材料，考慮原材料的期後使用情況及抽查期後使用的相關文件；及 - For finished goods that no allowance have been made, considering the subsequent selling prices of finished goods and comparing the unit costs of a selection of finished goods with their subsequent selling prices. - 對於未作出撥備的成品，考慮成品的期後銷售價格及抽樣比對成品的單位成本和期後銷售價格。

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OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

其他信息

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

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

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

董事及管理層就綜合財務報表須承擔的責任

貴公司董事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》擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

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

管理層須負責監督貴集團的財務報告過程。

INDEPENDENT AUDITOR'S REPORT (CONTINUED) 獨立核數師報告(續)

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAAs, we exercise professional 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.

核數師就審計綜合財務報表承 擔的責任

我們的目標，是對綜合財務報表整體是否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，並按照香港《公司條例》第405條的規定僅向全體股東出具包括我們意見的核數師報告。除此以外，我們的報告不可用作其他用途。本行並不就本報告之內容對任何其他人士承擔任何責任或接受任何義務。合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

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

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

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INDEPENDENT AUDITOR'S REPORT (CONTINUED)

獨立核數師報告(續)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

核數師就審計綜合財務報表承擔的責任(續)

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

INDEPENDENT AUDITOR'S REPORT (CONTINUED) 獨立核數師報告(續)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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

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

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

The engagement partner on the audit resulting in the independent auditor's report is Wu Ka Ming.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
16 March 2018

核數師就審計綜合財務報表承 擔的責任(續)

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

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

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

出具本獨立核數師報告的審計項目合夥人是胡家明。

德勤•關黃陳方會計師行
執業會計師
香港
2018年3月16日

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收入表

For the year ended 31 December 2017 於截至2017年12月31日止之年度

		Notes 附註	2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Turnover	營業額	5	1,400,842	1,393,713
Cost of sales	銷售成本		(983,661)	(974,711)
Gross profit	毛利		417,181	419,002
Other income	其他收入	6	78,274	63,256
Other losses or gains	其他虧損或收益	7	(40,446)	30,939
Research and development costs	研發成本		(109,053)	(98,050)
Selling and distribution costs	銷售及分銷成本		(105,719)	(132,105)
Administrative expenses	行政開支		(35,919)	(32,981)
Share of losses of associates	應佔聯營公司虧損	17	(5,554)	(5,495)
Profit before taxation	稅前利潤	8	198,764	244,566
Taxation	稅項	10	(34,287)	(39,666)
Profit for the year	年度利潤		164,477	204,900
Other comprehensive (expense) income for the year	年度其他全面(開支)收入			
<i>Item that may be subsequently reclassified to profit or loss:</i>				
<i>可於期後重新分類至損益之項目：</i>				
— exchange differences arising on translation of foreign operations	— 換算海外業務產生的匯兌差額		(1,021)	1,553
Total comprehensive income for the year	年度全面收入總額		163,456	206,453
Earnings per share	每股盈利	12		
— Basic	— 基本		20.0 cents 分	24.6 cents 分
— Diluted	— 攤薄		20.0 cents 分	24.6 cents 分

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況報表

At 31 December 2017 於2017年12月31日

		Notes 附註	2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Non-current assets	非流動資產			
Property, plant and equipment	物業／廠房及設備	13	335,921	167,579
Land use rights	土地使用權	14	26,665	620
Goodwill	商譽	15	1,375	1,375
Intangible assets	無形資產	16	8,966	11,256
Interests in associates	於聯營公司之權益	17	27,475	33,052
Amount due from an associate	應收聯營公司款	21	819	869
Deposits paid for acquisition of property, plant and equipment	購買物業／廠房及設備已付定金	22	—	29,456
Deferred tax assets	遞延稅項資產	27	8,730	—
Pledged bank deposit	已抵押銀行存款	23	—	100,000
Fixed bank deposits	銀行定期存款	23	100,000	110,000
			509,951	454,207
Current assets	流動資產			
Inventories	存貨	18	207,609	211,212
Trade receivables	應收貨款	19	417,729	339,970
Other receivables and prepayments	其他應收及預付款	20	45,197	32,647
Amount due from an associate	應收聯營公司款	21	9,422	8,409
Pledged bank deposits	已抵押銀行存款	23	111,309	39,707
Fixed bank deposits	銀行定期存款	23	830,234	687,988
Bank balances and cash	銀行存款及現金	23	575,424	825,442
			2,196,924	2,145,375
Current liabilities	流動負債			
Trade and bills payables	應付貨款及應付票據	24	550,703	515,101
Other payables	其他應付款項	25	157,981	137,410
Government grants	政府補貼	26	17,700	14,700
Taxation	稅項		30,737	48,931
			757,121	716,142
Net current assets	流動資產淨值		1,439,803	1,429,233
Total assets less current liabilities	總資產減流動負債		1,949,754	1,883,440

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

綜合財務狀況報表(續)

At 31 December 2017 於2017年12月31日

		Notes 附註	2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Non-current liability	非流動負債			
Deferred tax liabilities	遞延稅項負債	27	19,871	10,111
Net assets	資產淨值		1,929,883	1,873,329
Capital and reserves	資本及儲備			
Share capital	股本	28	1,192,362	1,191,941
Reserves	儲備		737,521	681,388
Total equity	權益總額		1,929,883	1,873,329

The consolidated financial statements on pages 118 to 219 were approved and authorised for issue by the Board of Directors on 16 March 2018 and are signed on its behalf by:

董事會已於2018年3月16日審核並通過第118頁至219頁綜合財務報表的發布，並由以下董事會代表簽署：

LU RUN TING

盧潤霆

Chairman and Executive Director

董事會主席兼執行董事

HOU PING

侯平

Executive Director and Chief Executive Officer

執行董事兼首席執行官

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2017 於截至2017年12月31日止之年度

		Share capital	Shares award reserves	Shares held under shares award scheme	Share options reserves	Translation reserve	Other reserve	Statutory reserves	Retained profits	Total
		股本	股份獎勵儲備	獎勵計劃持有股份	購股權儲備	匯兌儲備	其他儲備	法定儲備	未分配利潤	合計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
							(Note i) (附註i)	(Note ii) (附註ii)		
At 1 January 2016	於2016年1月1日	1,190,419	—	(74)	42,956	3,347	42,631	67,157	467,778	1,814,214
Other comprehensive income for the year	年度其他全面收入	—	—	—	—	1,553	—	—	—	1,553
Profit for the year	年度利潤	—	—	—	—	—	—	—	204,900	204,900
Total comprehensive income for the year	年度全面收入總額	—	—	—	—	1,553	—	—	204,900	206,453
Repurchase of shares	股份回購	—	—	—	—	—	—	—	(1,135)	(1,135)
Issue of shares upon exercise of share options (note 28)	因行使購股權而發行的股份(附註28)	1,522	—	—	(700)	—	—	—	—	822
Recognition of equity-settled share-based payments (note 29)	以權益結算的股份支付(附註29)	—	—	—	10,502	—	—	—	—	10,502
Forfeiture of share options	購股權失效	—	—	—	(172)	—	—	—	172	—
Purchase of shares under shares award scheme	根據股份獎勵計劃購買股份	—	—	(25,038)	—	—	—	—	—	(25,038)
Transfers	轉撥	—	—	—	—	—	—	14,516	(14,516)	—
Dividends recognised as distribution (note 11)	分派股息(附註11)	—	—	—	—	—	—	—	(132,489)	(132,489)
		1,522	—	(25,038)	9,630	—	—	14,516	(147,968)	(147,338)
At 31 December 2016	於2016年12月31日	1,191,941	—	(25,112)	52,586	4,900	42,631	81,673	524,710	1,873,329

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

綜合權益變動表(續)

For the year ended 31 December 2017 於截至2017年12月31日止之年度

		Share capital	Shares award reserves	Shares held under shares award scheme	Share options reserves	Translation reserve	Other reserve	Statutory reserves	Retained profits	Total
		股本	股份獎勵儲備	獎勵計劃持有股份	購股權儲備	匯兌儲備	其他儲備	法定儲備	未分配利潤	合計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
							(Note i) (附註i)	(Note ii) (附註ii)		
Other comprehensive income for the year	年度其他全面收入	—	—	—	—	(1,021)	—	—	—	(1,021)
Profit for the year	年度利潤	—	—	—	—	—	—	—	164,477	164,477
Total comprehensive income for the year	年度全面收入總額	—	—	—	—	(1,021)	—	—	164,477	163,456
Issue of shares upon exercise of share options (note 28)	因行使購股權而發行的股份(附註28)	421	—	—	(189)	—	—	—	—	232
Recognition of equity-settled share-based payments (note 29)	以權益結算的股份支付(附註29)	—	12,737	—	4,426	—	—	—	—	17,163
Forfeiture of share options	購股權失效	—	—	—	(1,991)	—	—	—	1,991	—
Transfers	轉撥	—	—	—	—	—	—	20,714	(20,714)	—
Dividends recognised as distribution (note 11)	分派股息(附註11)	—	—	—	—	—	—	—	(123,475)	(123,475)
Shares vested under the shares award scheme	根據股份獎勵計劃股份歸屬	—	(7,825)	7,990	—	—	—	—	(987)	(822)
		421	4,912	7,990	2,246	—	—	20,714	(143,185)	(106,902)
At 31 December 2017	於2017年12月31日	1,192,362	4,912	(17,122)	54,832	3,879	42,631	102,387	546,002	1,929,883

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

綜合權益變動表(續)

For the year ended 31 December 2017 於截至2017年12月31日止之年度

Notes:

- (i) Other reserves represent the aggregate of capitalisation of statutory reserves into capital of a subsidiary of the Company, Goldpac Limited in 2011 and contribution from a shareholder and share of other reserves of associates.
- (ii) Under the relevant regulations in the People's Republic of China (the "PRC"), certain subsidiaries of the Company which established in the PRC are required to make appropriation to the statutory reserves at 10% of their profit after tax based on their statutory financial statements. The statutory reserves may only be used, upon approval by the relevant authorities, to offset accumulated losses or to increase the capital of those subsidiaries.

附註：

- (i) 其他儲備指於2011年法定儲備擴充至金邦達有限公司(「原為珠海市金邦達保密卡有限公司」)的資本總和及一名股東的出資和應佔聯營公司的儲備。
- (ii) 根據中華人民共和國(「中國」)的有關法規，若干於中國成立之本公司之附屬公司需按其法定財務報表中除稅後淨利潤的10%計提法定儲備。該法定儲備僅能在得到有關部門批准後，用於彌補該等附屬公司以前年度虧損或者增加其註冊資本。

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CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2017 於截至2017年12月31日止之年度

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Operating activities	經營活動		
Profit before taxation	稅前利潤	198,764	244,566
Adjustments for:	經下列各項調整：		
Investment income from other financial assets	其他金融資產的投資收入	(3,815)	(3,245)
Interest income	利息收入	(23,374)	(16,269)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	44,475	39,704
Amortisation of intangible assets	無形資產攤銷	2,290	2,290
Operating lease rentals in respect of land use rights	土地使用權經營租賃租金	624	135
Loss on disposal of property, plant and equipment	處置物業、廠房及設備虧損	15	—
(Reversal of) impairment loss recognised on trade receivables	應收賬款減值(撥回)撥備	(9,384)	10,393
Allowance for inventories	存貨撥備	4,925	12,015
Equity-settled share-based payments	以權益結算的股份支付	17,163	10,502
Share of losses of associates	應佔聯營公司虧損	5,554	5,495
Operating cash flows before movements in working capital	營運資金變動前的經營現金流量	237,237	305,586
(Increase) decrease in inventories	存貨(增加)減少	(1,322)	97,709
(Increase) decrease in trade receivables	應收貨款(增加)減少	(68,375)	142,540
Increase in amount due from an associate	應收聯營公司款增加	(963)	(4,311)
Increase in other receivables and prepayments	其他應收款項及預付款項增加	(20,560)	(13,058)
Increase (decrease) in trade and bills payables	應付貨款及應付票據增加(減少)	35,602	(52,216)
Increase (decrease) in other payables	其他應付款項增加(減少)	7,650	(10,252)
Decrease in government grants	政府補貼減少	—	(4,020)
Cash generated from operations	經營活動所得的現金	189,269	461,978
Taxation paid	已付稅項	(40,923)	(39,473)
Net cash from operating activities	經營活動所得現金淨額	148,346	422,505

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

綜合現金流量表(續)

For the year ended 31 December 2017 於截至2017年12月31日止之年度

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Investing activities	投資活動		
Redemption of other financial assets	贖回其他金融資產	765,600	1,324,000
Withdrawals of fixed bank deposits	提取銀行定期存款	160,850	67,313
Withdrawals of pledged bank deposits	提取已抵押銀行存款	73,789	22,430
Interest received	已收利息	23,374	16,269
Investment income received from other financial assets	已收其他金融資產投資收入	3,815	3,245
Receipt of government grants	收到政府補助	3,000	—
Proceeds on disposal of property, plant and equipment	處置物業、廠房及設備收入	95	—
Placement of fixed bank deposits	存放銀行定期存款	(912,084)	(38,962)
Purchase of other financial assets	購買其他金融資產	(765,600)	(1,324,000)
Placement of pledged bank deposits	存放已抵押銀行存款	(45,391)	(40,073)
Purchase of property, plant and equipment and land use rights	購買物業廠房設備及土地使用權	(202,174)	(4,695)
Deposits paid for acquisition of property, plant and equipment	購買物業廠房及設備已付定金	—	(29,456)
Net cash used in investing activities	投資活動所用現金淨額	(894,726)	(3,929)
Financing activities	融資活動		
Dividends paid	已付股息	(120,601)	(134,706)
Increase in payable to employees	應付員工款項增加	1,498	—
Shares repurchase	股份回購	—	(1,135)
Purchase of shares under shares award scheme	根據股份獎勵計劃購買股份	—	(25,038)
Proceeds from issue of shares upon exercise of share options	因行使購股權而發行的股份所募集資金	232	822
Net cash used in financing activities	融資活動所用現金淨額	(118,871)	(160,057)
Net (decrease) increase in cash and cash equivalents	現金及現金等價物(減少)增加淨額	(865,251)	258,519
Cash and cash equivalents at 1 January	1月1日現金及現金等價物	1,513,430	1,251,358
Effect of foreign exchange rate changes	匯率變動的影響	(3,755)	3,553
Cash and cash equivalents at 31 December	12月31日現金及現金等價物	644,424	1,513,430
Analysis of the balances of cash and cash equivalents	現金及現金等價物結餘分析		
Bank balances and cash	銀行存款及現金	575,424	825,442
Fixed bank deposits which matured within three months	3個月內到期的銀行定期存款	69,000	687,988
		644,424	1,513,430

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綜合財務報表附註

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1. GENERAL AND BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The Company is a public limited company incorporated in Hong Kong and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The Company acts as an investment holding company while the Group is principally engaged in delivering embedded software and secure payment products for global customers and leveraging innovative Fintech to provide personalisation service, system platform and other total solutions for customers in a wide business range including finance, government, healthcare, transportation and retails.

The address of the registered office and principal place of business of the Company are set out in the corporate information section of the annual report.

The consolidated financial statements are presented in Renminbi (“RMB”), which is the same as the functional currency of the Company.

1. 一般資料及綜合財務報表編制之基礎

本公司是一家在香港註冊的股份有限公司，本公司股票在香港聯合交易所有限公司（「聯交所」）上市交易。本公司是一家投資控股有限公司，本集團的主要業務是為全球客戶提供智能安全支付領域的嵌入式軟件和安全支付產品，同時融合創新金融科技，為金融、政府、衛生、交通、零售等廣泛領域客戶提供數據處理服務、系統平台及其他整體解決方案。

本公司註冊辦事處及主要經營地點的地址載於年報企業資料章節。

此綜合財務報表以人民幣（「人民幣」）呈列，與本公司的功能貨幣一致。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2017 於截至2017年12月31日止之年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

Amendments to HKFRSs that are mandatorily effective for the current year

The Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") for the first time in the current year:

Amendments to HKAS 7	Disclosure Initiative
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses
Amendments to HKFRS 12	As part of the Annual Improvements to HKFRSs 2014 - 2016 Cycle

Except as described below, the application of the amendments to 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. 新訂及經修訂香港財務報告準則的採納

本年度強制生效的對於香港財務報告準則的修訂

本集團於本年度首次採納了以下由香港會計師公會(「香港會計師公會」)頒佈之對於香港財務報告準則的修訂：

香港會計準則 第7號之修訂	披露計劃
香港會計準則 第12號之修訂	確認未實現虧損之遞延稅項資產
香港財務報告準則 第12號之修訂	作為2014年至2016年週期之香港財務報告準則年度改進的一部分

除以下闡述外，本年度對於香港財務報告準則修訂的採納，並未對本集團本年度及之前年度的財務表現和狀況，和／或，綜合財務報表中所披露情況，造成實質的影響。

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綜合財務報表附註(續)

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2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

Amendments to HKAS 7 Disclosure Initiative

The Group has applied these amendments for the first time in the current year. The amendments require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both cash and non-cash changes. In addition, the amendments also require disclosures on changes in financial assets if cash flows from those financial assets were, or future cash flows will be, included in cash flows from financing activities.

Specifically, the amendments require the following to be disclosed: (i) changes from financing cash flows; (ii) changes arising from obtaining or losing control of subsidiaries or other businesses; (iii) the effect of changes in foreign exchange rates; (iv) changes in fair values; and (v) other changes.

A reconciliation between the opening and closing balances of these items is provided in note 30. Consistent with the transition provisions of the amendments, the Group has not disclosed comparative information for the prior year. Apart from the additional disclosure in note 30, the application of these amendments has had no impact on the Group's consolidated financial statements.

2. 新訂及經修訂香港財務報告準則的採納(續)

香港會計準則第7號之修訂披露計劃

本集團在本年度首次採納了這些修訂。修訂要求實體提供披露，使財務報告的使用者據此能夠評價因融資活動產生的負債變動，包括現金及非現金變動。此外，如果金融資產的變動產生的現金流已經被或未來產生的現金流將被包括在融資活動產生的現金流中，修訂亦要求披露該金融資產的變動。

特別是，該等修訂規定就以下內容作出披露：(i)融資現金流量的變動；(ii)因取得或失去附屬公司或其他業務的控制權而產生的變動；(iii)匯率變動的影響；(iv)公允價值的變動；及(v)其他變動。

該等項目的期初與期末餘額的調節表於附註30提供。根據修訂的過度條款，本集團未披露前一年度的比較信息。除附註30的額外披露，香港會計準則第7號(修訂本)的採納沒有對本集團的綜合財務報表產生任何影響。

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綜合財務報表附註(續)

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2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

New and revised HKFRSs in issue 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	Financial Instruments ¹
HKFRS 15	Revenue from Contracts with Customers and the related Amendments ¹
HKFRS 16	Leases ²
HKFRS 17	Insurance Contracts ⁴
HK(IFRIC) - Int 22	Foreign Currency Transactions and Advance Consideration ¹
HK(IFRIC) - Int 23	Uncertainty over Income Tax Treatments ²
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions ¹
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts ¹
Amendments to HKFRS 9	Prepayment Features with Negative Compensation ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures ²
Amendments to HKAS 28	As part of the Annual Improvements to HKFRSs 2014 - 2016 Cycle ¹
Amendments to HKAS 40	Transfers of Investment Property ¹
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015 - 2017 Cycle ²

2. 新訂及經修訂香港財務報告準則的採納(續)

已頒布但尚未生效的新訂及經修訂香港財務報告準則

本集團並無提早應用以下已頒布但尚未生效之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	金融工具 ¹
香港財務報告準則第15號	與客戶合約之收入及相關修訂 ¹
香港財務報告準則第16號	租賃 ²
香港財務報告準則第17號	保險合約 ⁴
香港(國際財務報告詮釋委員會)－詮釋第22號	外幣交易及預付代價 ¹
香港(國際財務報告詮釋委員會)－詮釋第23號	所得稅處理之不確定性 ²
香港財務報告準則第2號之修訂	以股份為基礎之支付交易之分類及計量 ¹
香港財務報告準則第4號之修訂	與香港財務報告準則第4號保險合約一併應用香港財務報告準則第9號金融工具 ¹
香港財務報告準則第9號之修訂	具有負補償之預付款特性 ²
香港財務報告準則第10號及香港會計準則第28號之修訂	投資方與其聯營或合營企業之間的資產出售或注資 ³
香港會計準則第28號之修訂	聯營和合營中的長期權益 ²
香港會計準則第28號之修訂	作為2014年至2016年週期之香港財務報告準則年度改進的一部分 ¹
香港會計準則第40號之修訂	投資性房地產的轉換 ¹
香港財務報告準則之修訂	2015年至2017年週期之香港財務報告準則年度改進 ²

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2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

New and revised HKFRSs in issue but not yet effective (Continued)

- ¹ Effective for annual periods beginning on or after 1 January 2018
- ² Effective for annual periods beginning on or after 1 January 2019
- ³ Effective for annual periods beginning on or after a date to be determined
- ⁴ Effective for annual periods beginning on or after 1 January 2021

Except for the new and amendments to HKFRSs mentioned below, the directors of the Company anticipate that the application of all other new and amendments to HKFRSs and Interpretations will have no material impact on the consolidated financial statements in the foreseeable future.

HKFRS 9 Financial Instruments

HKFRS 9 introduces new requirements for the classification and measurement of financial assets, financial liabilities, general hedge accounting and impairment requirements for financial assets.

Key requirements of HKFRS 9 which are relevant to the Group are:

- all recognised financial assets that are within the scope of HKFRS 9 are required 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 that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are generally measured at fair value through other comprehensive income ("FVTOCI"). All other financial assets are measured at their fair value at subsequent accounting periods. In addition, under HKFRS 9, 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. 新訂及經修訂香港財務報告準則的採納(續)

已頒布但尚未生效的新訂及經修訂香港財務報告準則(續)

- ¹ 於2018年1月1日或之後開始之年度期間生效
- ² 於2019年1月1日或之後開始之年度期間生效
- ³ 於將釐定之日期或之後開始之年度期間生效
- ⁴ 於2021年1月1日或之後開始之年度期間生效

除下述提及的新訂及經修訂香港財務報告準則，本公司董事預計應用其他新訂及經修訂香港財務報告準則及詮釋在可預見的未來不會對綜合財務報表構成重大影響。

香港財務報告準則第9號金融工具

香港財務報告準則第9號引進對金融資產、金融負債、一般對沖會計法和金融資產撥備之分類及計量之新規定。

香港財務報告準則第9號與本集團相關之主要規定：

- 屬於香港財務報告準則第9號規定範圍內的所有已確認財務資產，其後均按攤銷成本或公允價值計量。具體而言，業務模式為持有以收回合約現金流為目的債務投資，以及純粹為支付本金及償還本金之利息而擁有合約現金流之債務投資，一般於其後報告期間結束時按攤銷成本計量。業務模式為持有以取得收回合約現金流及出售金融資產為目的，以及純粹為支付本金及為償還本金金額之利息而擁有特定日期產生現金流之合約條款，一般於其後報告期間結束時按公允價值計量，損益計入其他全面收入。所有其他債務投資及股本投資於其後會計期間結束時按公允價值計量。此外，根據香港財務報告準則第9號，實體可以不可撤回地選擇於其他全面收入呈列股本投資(並非持作買賣)之其後公允價值變動，而一般僅於損益內確認股息收入。

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2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

HKFRS 9 Financial Instruments (Continued)

- in relation to the impairment of financial assets, HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

Based on the Group's financial instruments and risk management policies as at 31 December 2017, the directors of the Company anticipates the following potential impact on initial application of HKFRS:

Classification and measurement

Debt instruments classified as loan receivables carried at amortised cost as disclosed in note 35: these are held within a business model whose objective is to collect the contractual cash flows that are solely payments of principal and interest on the principal outstanding. Accordingly, these financial assets will continue to be subsequently measured at amortised cost upon the application of HKFRS 9.

All other financial assets and financial liabilities will continue to be measured on the same basis as are currently measured under HKFRS 9.

2. 新訂及經修訂香港財務報告準則的採納(續)

香港財務報告準則第9號金融工具(續)

- 就金融資產之減值而言，與香港會計準則第39號項下按已產生信貸虧損模式計算相反，香港財務報告準則第9號規定按預期信貸虧損模式計算。預期信貸虧損模式規定實體於各報告日期將預期信貸虧損及該等預期信貸虧損之變動入賬，以反映信貸風險自初始確認以來之變動。換言之，毋須再待發生信貸事件方確認信貸虧損。

根據本集團截至2017年12月31日的金融工具及風險管理政策，本公司董事預計首次採納香港財務報告準則可能產生以下影響：

分類及計量

附註35披露了分類為以攤銷成本計量的應收貸款的債務工具：業務模式持有該債務工具的目的為收回純粹為支付本金及償還本金之利息而產生的合同現金流。相應地，在應用香港財務報告準則第9號後，這些金融資產將繼續以攤銷成本計量。

所有其他金融資產及金融負債的計量將繼續使用與現行香港財務報告準則第9號規定相同的計量基礎。

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2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

HKFRS 9 Financial Instruments (Continued)

Impairment

In general, the director of the Company anticipate that the application of the expected credit loss model of HKFRS 9 may result in early provision of credit losses which are not yet incurred in relation to Group's financial assets measured at amortised cost and other items that subject to the impairment provision upon application of HKFRS 9 by the Group.

Based on the assessment by the director of the Company, if the expected credit loss model were to be applied by the Group, the accumulated amount of impairment loss to be recognised by Group as at 1 January 2018 would be increased as compared to the accumulated amount recognised under HKAS 39 mainly attributable to expected credit losses provision on trade receivables and amount due from an associate. Such further impairment recognised under expected loss model would reduce the opening retained profits and increase deferred tax assets as at January 2018.

HKFRS 15 Revenue from Contracts with Customers

HKFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue 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.

2. 新訂及經修訂香港財務報告準則的採納(續)

香港財務報告準則第9號金融工具(續)

減值

總體而言，本公司董事預計採用香港財務報告準則第9號的預期信貸虧損模式可能會導致尚未發生之信貸虧損提前撥備，該等信貸虧損產生於以攤銷成本計量的本集團金融資產以及因採納香港財務報告準則第9號而應確認減值撥備的其他項目。

根據本公司董事的評估，若本集團採納預期信貸虧損模式，截至2018年1月1日的累計減值損失與採用香港會計準則第39號所確認的累計減值損失相比，將有增加。該增長主要是由於貿易應收款項及一間聯營公司的應收款項而產生的預期信貸虧損減值。這些額外確認的減值將導致截至2018年1月的期初保留利潤減少以及遞延稅項資產增加。

香港財務報告準則第15號與客戶合約之收入

香港財務報告準則第15號已頒布並建立了一個單一的綜合模型，以確認來自客戶合同的收入。當香港財務報告準則第15號生效時，將取代現時沿用的收入確認指引包括香港會計準則第18號「收入」，香港會計準則第11號「建築合同」及相關的詮釋。

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2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

HKFRS 15 Revenue from Contracts with Customers (Continued)

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. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under HKFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

In 2016, the HKICPA issued clarification to HKFRS 15 in relation to the identification of performance obligations, principal versus agent considerations as well as licensing application guidance.

2. 新訂及經修訂香港財務報告準則的採納(續)

香港財務報告準則第15號與客戶合約之收入(續)

香港財務報告準則第15號的核心原則乃一個實體應確認收入以體現向客戶轉讓承諾貨品或服務的數額，並反映實體預期交換該等貨品或服務而應得的代價。具體來說，該準則引入了五步法來確認收入：

- 第1步：識別與一個客戶的合約
- 第2步：識別合約內的履約責任
- 第3步：釐定交易價格
- 第4步：將交易價格分攤至合約內的履約責任
- 第5步：當實體符合履約責任時確認收入

根據香港財務報告準則第15號，當一個實體符合履約責任時確認收入，即當貨品或服務按特定的履約責任轉移並由客戶「控制」時。香港財務報告準則第15號已就特別情況的處理方法加入更明確的指引。此外，香港財務報告準則第15號亦要求較廣泛的披露。

二零一六年，香港會計師公會頒佈了香港財務報告準則第15號中關於明確履約責任、委託代理關係以及許可證申請的指引。

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2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

HKFRS 15 Revenue from Contracts with Customers (Continued)

The directors of the Company anticipate that the application of HKFRS 15 in future may result in more disclosure, however, the directors of the Company do not anticipate that the application of HKFRS 15 will have a material impact on the timing and amounts of revenue recognised in the respective reporting periods.

HKFRS 16 Leases

HKFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. HKFRS 16 will supersede HKAS 17 Leases and the related interpretations when it becomes effective.

HKFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees except for short-term leases and leases of low value assets.

2. 新訂及經修訂香港財務報告準則的採納(續)

香港財務報告準則第15號與客戶合約之收入(續)

本公司董事預期將來應用香港財務報告準則第15號對本集團可能會導致更多披露。但是，本公司董事預期應用香港財務報告準則第15號將不會對各報告期間的收入確認時間和金額產生重大影響。

香港財務報告準則第16號租賃

香港財務報告準則第16號同時為出租人及承租人引入一個用以識別租賃安排及會計處理之綜合模式。香港財務報告準則第16號生效時，將取代香港會計準則第17號租賃及相關詮釋。

香港財務報告第16號根據所識別資產是否由客戶控制的基礎上區分租賃與服務合同。除短期租賃及低值資產租賃之少數例外情況外，經營租賃及融資租賃從承租人會計處理中撤銷，並由承租人須就所有租賃確認使用權資產及相應負債模式替代。

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2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

HKFRS 16 Leases (Continued)

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. For the classification of cash flows, the Group currently presents operating lease payments as operating cash flows. Upon application of HKFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing cash flow by the Group.

Under HKAS 17, the Group has already recognised assets for prepaid lessee payment for leasehold lands where the Group is a lease. The application of HKFRS 16 may result in potential changes in classification of these assets depending on whether the Group presents right-of-use assets separately or within the same line item at which the corresponding underlying assets would be presented if they are owned.

In contrast to lessee accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

Furthermore, extensive disclosure are required by HKFRS 16.

2. 新訂及經修訂香港財務報告準則的採納(續)

香港財務報告準則第16號租賃(續)

使用權資產最初按成本計量，期後計量按成本(除某些例外)減去資產折舊與減值損失，調整租賃負債的任何複測。租賃負債最初按尚未支付的租賃費用的現有價值計量。隨後，租賃負債須按租賃利息及租賃付款和租賃變更進行調整。對於現金流的分配，集團目前將經營租賃之付款計入經營現金流。根據香港財務報告準則第16號，與租賃負債有關的租賃支付將被分類為本金以及利息部分作為融資現金流。

根據香港會計準則第17條，本集團已確認本集團作為承租人的租賃土地的預付租賃款項作為資產。採納香港財務報告準則第16號可能會導致潛在的根據本集團是否有獨立列示使用權資產或是將其作為自有資產列示而產生的資產分類變更。

與承租人會計處理相比，香港財務報告準則第16號大致沿用香港會計準則第17號的出租人會計處理要求，且仍要求出租人將其租賃分類為經營租賃或融資租賃。

與此同時，香港財務報告第16號要求全面的披露。

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2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

HKFRS 16 Leases (Continued)

As at 31 December 2017, the Group as lessee has non-cancellable operating lease commitment of approximately RMB7,047,000 as disclosed in note 31. A preliminary assessment indicates that these arrangements will meet the definition of a lease. Upon application of HKFRS 16, 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.

In addition, the Group currently considers refundable rental deposits paid of HK\$1,559,000 and refundable rental deposits received of HK\$346,000 as rights and obligations under leases to which HKAS 17 applies. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right to use the underlying assets, accordingly, the carrying amounts of such deposits may be adjusted to amortised cost and such adjustments are considered as additional lease payments. Adjustments to refundable rental deposits paid would be included in the carrying amount of right-of-use assets. Adjustments to refundable rental deposits received would be considered as advance lease payments.

Furthermore, the application of new requirements may result in changes in measurement, presentation and disclosure as indicated above.

2. 新訂及經修訂香港財務報告準則的採納(續)

香港財務報告準則第16號租賃(續)

截至2017年12月31日止，本集團作為承租人不可廢除的經營租賃承諾約為人民幣7,047,000元(附註31)。初步評估表明這些協議將符合香港財務報告第16號項下的定義，因此除符合低價值或短期租賃的租賃外，本集團將確認相關租賃的使用權資產以及相應的負債。

此外，根據香港會計準則第17號，本集團目前將已支付的港幣1,559,000元及已收取的港幣346,000元可退還的租賃保證金分別作為租賃的權利和義務。根據香港財務報告準則第16號對於租賃支付的定義，這些保證金並非為使用相關資產而支付。相應地，其賬面值可能被調整至攤銷成本並被作為額外的租賃支付。對於已支付的可回收租賃保證金的調整，可被歸至使用權項資產的賬面值；而對於已收取的可退還租賃保證金的調整，可被當作租賃的提前支付。

上述要求亦表明，採納新要求可能會導致計量、表達及披露的變動。

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2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

Amendments to HKFRS 2 Classification and Measurement of Share-based Payment Transactions

The amendments clarify classification and measurement of cash-settled share-based payment under certain specific circumstances and share-based payments in which the Group is required by local tax law or regulation to withhold certain number of equity instruments for settlement of the employee's tax obligation.

Where tax law or regulation requires an entity to withhold a specified number of equity instruments equal to the monetary value of the employee's tax obligation to meet the employee's tax liability which is then remitted to the tax authority, that is, the share-based payment arrangement has a 'net settlement feature', such an arrangement should be classified as equity-settled in its entirety, provided that the share-based payment would have been classified as equity-settled had it not included the net settlement feature.

The director of the Company anticipate that the application of withholding tax requirements on share-based payment may result in withholding shares under shares award scheme for the purpose of employee's tax liabilities classified as equity-settled in its entirety.

2. 新訂及經修訂香港財務報告準則的採納(續)

香港財務報告準則第2號之修訂以股份為基礎的支付交易的分類及計量

此修訂明確了在特定情況下以現金結算的以股份為基礎的支付的分類和計量，以及在以股份為基礎的支付時，地方稅務法律法規要求集團保留一定數量的該權益工具，以履行僱員的納稅義務。

在股份支付交易中，稅務法律法規要求實體保留因該交易而產生的僱員納稅義務貨幣價值等值數量的該權益工具，之後實體代表僱員將該項金額轉交稅務部門。股份支付交易安排因此具有「淨額結算特徵」。如果某項股份支付交易在無淨額結算特徵時本應分類為以權益結算的股份支付交易，那麼即使代扣稅款義務後以淨額結算，該交易整體上仍應分類為以權益結算的股份支付交易。

本公司董事預計採用以淨額結算代扣稅款義務特徵的股份支付交易，可能會導致股份獎勵計劃項目中的股份保留，以履行僱員的納稅義務。該項目在整體上被分類為以權益結算的股份支付交易。

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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 (the "Listing Rules") and by the Hong Kong Companies Ordinance ("Companies Ordinance").

The consolidated financial statements have been prepared on the historical cost basis as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope HKFRS 2 Share-based Payment, leasing transactions that are within the scope of HKAS 17 Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 Inventories or value in use in HKAS 36 Impairment of Assets.

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

3. 主要會計政策

本綜合財務報表乃按照符合香港會計師公會頒佈之香港財務報告準則的會計政策編製。此外，綜合財務報表已載有香港聯合交易所有限公司證券上市規則(「上市規則」)及香港公司條例(「公司條例」)規定的適當披露。

本綜合財務報表乃按照歷史成本法編製，如以下會計政策中所描述。

歷史成本一般基於換取貨品或服務的代價的公允價值釐定。

公允價值是於計量日市場參與者間於有秩序交易中出售資產所收取或轉讓負債須支付的價格，而不論該價格為可直接觀察取得或可使用其他估值方法估計。於估計資產或負債的公允價值時，本集團會考慮該等市場參與者於計量日對資產或負債定價時所考慮的資產或負債的特點。於該等綜合財務報表中作計量及／或披露用途的公允價值乃按此基準釐定，惟屬於香港會計準則第2號「以股份為基礎的給付」範疇的以股份為基礎的給付交易，香港會計準則第17號「租賃」範疇的租賃交易除外，其計量與公允價值的計量存在一些相似之處但並非公允價值，例如香港會計準則第2號「存貨」的可變現淨值或香港會計準則第36號「資產減值」的使用價值。

非金融資產公允價值計量須計及市場參與者能自最大限度使用該資產達致最佳用途，或將該資產出售予將最大限度使用該資產達致最佳用途的其他市場參與者，所產生的經濟效益。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

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 and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

3. 主要會計政策(續)

此外，為財務報告之目的，公允價值計量乃根據公允價值計量的因素的可觀察程度及公允價值計量的因素對其整體的重要性，分類為如下第1、2或3層級：

- 第1層級公允價值估量是基於相同資產或負債在活躍市場中的報價(未經調整)；
- 第2層級公允價值估量是基於第1層所包括的報價以外可直接(即按價格)或間接(即從價格中取得)就有關資產或負債可觀察到的因素；及
- 第3層級公允價值估量為以估值技術進行的估量，其包括有關資產或負債不可從可觀察市場數據得出的因素。

主要會計政策如下。

合併基準

本綜合財務報表包括本公司以及受本公司控制的實體及其附屬公司的財務報表。本公司在下列情況下即擁有控制權：

- 可對投資對象行使權力；
- 因參與投資對象業務而承擔可變回報的風險或享有權利；及
- 有能力使用其權力影響其回報。

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綜合財務報表附註(續)

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of consolidation (Continued)

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year 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 item of other comprehensive income 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.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

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

3. 主要會計政策(續)

合併基準(續)

倘根據事實及實際情況，上述控制權三個因素中的一個或以上發生變化，則本公司須重新評估是否擁有投資對象的控制權。

自控制權啓始至控制權終止的期間內附屬公司的財務報告包括在綜合財務報表中。

本集團獲得附屬公司控制權時即對其合併入賬，而當本集團失去附屬公司控制權時，即不再對其合併入賬。具體而言，自本集團獲得附屬公司控制權之日計起，年內收購或出售附屬公司之收入及開支將列入綜合損益及其他全面收益表內，直至本集團不再擁有附屬公司控制權之日止。

損益及其他全面收益各組成部分歸屬於本公司擁有人及非控股權益。附屬公司全面收益總額歸屬於本公司擁有人及非控股權益，即便此舉導致非控股權益出現虧絀結餘。

於必要時，將對附屬公司之財務報表作出調整，以令彼等之會計政策與本集團之會計政策一致。

有關本集團成員之間交易的所有集團內公司間之資產及負債、權益、收入、支出及現金流量於合併時悉數對銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2017 於截至2017年12月31日止之年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 Income Taxes and HKAS 19 Employee Benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 Share-based Payment at the acquisition date (see the accounting policy below); and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.

3. 主要會計政策(續)

業務合併

收購業務採用收購法入賬。業務合併之轉讓代價按公允值計量，而計算方法為本集團所轉讓資產、本集團向被收購方原股東產生之負債及本集團於交換被收購方控制權發行之股權之總額。收購相關成本一般於產生時於損益確認。

於收購日期，所收購可識別資產及所承擔負債按公平值確認，惟以下情況除外：

- 遞延稅項資產或負債及僱員福利安排之相關資產或負債分別按香港會計準則第12號「所得稅」及香港會計準則第19號「僱員福利」確認及計量；
- 與被收購方以股份為基礎之付款安排或本集團為取代被收購方以股份為基礎之付款安排而訂立的以股份為基礎之付款安排相關之負債或權益工具，均於收購日期按香港財務報告準則第2號「以股份為基礎之付款支出」計量（見下文會計政策）；及
- 根據香港財務報告準則第5號「持作出售之非流動資產及已終止經營業務」分類為持作出售之資產（或出售組合）根據該準則計量。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations (Continued)

Goodwill is measured as the excess of the sum of the consideration transferred and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed as at acquisition date.

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units ("CGUs") (or groups of cash-generating units) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

A CGU (or group of CGUs) to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the CGU (or group of CGUs) to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount of the CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis based on the carrying amount of each asset in the unit (or group of CGUs). Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

3. 主要會計政策(續)

業務合併(續)

商譽是以所轉撥之代價、非控股權益於被收購方中所佔金額、及收購方以往持有被收購方權益之公平值(如有)之總和，減所收購之可識別資產及所承擔之負債於收購日期之淨值後，所超出之差額計值。

商譽

收購業務所產生之商譽按於收購業務當日確定之成本(見上文會計政策)減累計減值虧損(如有)列賬，並於綜合財務狀況表獨立呈列。

就減值測試而言，商譽分配至預期會受惠於合併協同效益之本集團現金產生單位或現金產生單位組別，以反映商譽於內部管理中的最低監控水平，且不會大於一個營業分部。

獲分配商譽的現金產生單位(或現金產生單位組別)須每年及在出現可能減值之跡象時更頻密地進行減值測試。倘現金產生單位的可收回金額少於其賬面值，則會先將減值虧損分配至減少獲分配商譽單位之賬面值，其後以該單位內各資產的賬面值為基準按比例分配至該單位內其他資產。商譽的任何減值虧損直接於損益確認。已確認商譽減值虧損於其後期間不予撥回。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2017 於截至2017年12月31日止之年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Goodwill (Continued)

On disposal of the relevant CGU, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal (or any of the CGU with group of CGUs in which the Group monitors goodwill).

The Group's policy for goodwill arising on the acquisition of an associate is described below.

Interests 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 over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of associates used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. Changes in net assets of the associates other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership interest held by the Group. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes 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 recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

3. 主要會計政策(續)

商譽(續)

出售相關現金產生單位時，在釐定出售盈虧金額時須計入其應佔商譽金額（或本集團監控商譽之任意現金產生單位及現金產生單位組別）。

本集團收購一間聯營公司產生商譽之政策於下文有所說明。

於聯營公司之權益

聯營公司指本集團對其行使重大影響力之實體。重大影響力乃指可參與被投資方的財務及營運決策之權力，惟對該等政策並無控制權或共同控制權。

聯營公司之業績與資產及負債按權益會計法列入綜合財務報表，用作權益法入賬之該等聯營公司之財務報表與本集團於同等情況及類似交易時使用一致的會計政策。根據權益法，於一間聯營公司之投資初步於綜合財務狀況表按成本確認，其後就確認本集團應佔該聯營公司之損益及其他全面收益作出調整。聯營公司淨資產的變動，而非其損益及其他全面收入的變動不被入賬，除非該變動導致本集團於聯營公司所有權益的變動。倘本集團應佔一間聯營公司之虧損等於或超出本集團於該聯營公司之權益（包括實質上屬於本集團於該聯營公司投資淨額部分之長期權益），則本集團會終止確認應佔進一步虧損。當本集團產生法定或推定責任或代表該聯營公司付款時，方會確認額外虧損。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interests in associates (Continued)

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 in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of HKAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 Impairment of Assets 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. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

3. 主要會計政策(續)

於聯營公司之權益(續)

於被投資方成為一家聯屬公司當日，對一間聯屬公司之投資採用權益法入賬。於收購一間聯屬公司之投資時，投資成本超過本集團分佔該被投資方可識別資產及負債公平淨值之任何差額確認為商譽，並計入投資之賬面值。本集團所佔可識別資產及負債於重新評估後之公平淨值與投資成本之任何差額，會於收購投資期間即時於損益確認。

香港會計準則第39號之規定用於釐定是否需要就本集團於聯營公司之投資確認任何減值虧損。如需要，該項投資之全部賬面值(包括商譽)會根據香港會計準則第36號以單一資產的方式透過比較其可收回金額(即使用價值與公平值減出售成本之較高者)與賬面值進行減值測試。任何已確認減值虧損屬該項投資賬面值的一部分，有關減值虧損之任何撥回在該項投資之可收回金額其後增加之情況下根據香港會計準則第36號確認。

收入確認

收入乃按已收或應收代價的公允價值計量。收入因估計的顧客退貨、折扣和其他類似的折讓而減少。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Revenue is recognised when the amount of revenue can be reliably measured; when it is probable the future economic benefits will flow to the Group and when specific criteria have been met for each of the Group's activities as described below:

Revenue from the sale of goods is recognised when there has been a transfer of risks and rewards to the customer, no further work or processing is required by the Group, the quantity and quality of the goods has been determined with reasonable accuracy and standard, the price is fixed or determinable, and collectability is reasonable assured. This is generally when title passes and the goods have been delivered to the designated locations for the sales of magnetic strip cards, smart cards and the related personalisation services. Revenue from the sales of on-site card issuance equipment and the related revenue from the provision of on-site card issuance system solutions are recognised when the equipment are delivered and the services are provided at the designated locations and after inspection of the equipment.

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 in subsidiaries is recognised when the owners' rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably).

Rental income from operating lease is recognised in the statement of profit or loss and other comprehensive income on straight-line basis over the term of the relevant leases. Lease incentives provided to the lessees are amortised on a straight-line basis over the respective term of the lease.

3. 主要會計政策(續)

收入確認(續)

在收入金額能夠被可靠的計量；未來的經濟利益流將會向公司及在公司活動的每一個特定標準被達到時收入可以被確認，具體描述如下：

倘貨品的風險及回報已轉嫁予客戶，本集團毋須進行進一步工作或處理，貨品的數量及質量能夠按標準合理準確釐定，價格已設定或可予釐定，並且可收回性能夠合理確定，則會確認來自銷售貨品的收入。就銷售磁條卡、智能卡及有關數據處理服務而言，本集團一般會在移交所有權及貨品已送達指定地點時確認收入。就銷售發卡設備的收益以及提供發卡系統解決方案相關的收入而言，會在設備送達指定地點並已提供有關服務及驗收後確認有關收入。

財務資產的利息收入於經濟利益將可能流入本集團且能夠可靠計量收入金額時確認。利息收入以時間基準經參考未償還本金及適用的實際利率計算，實際利率乃將估計日後現金收入按財務資產的預期年期準確貼現至該資產於初步確認時的賬面金額淨值的利率。

投資附屬公司的股息收入於擁有人收取款項的權利確立時確認(於經濟利益可能流入本公司及收益額能夠可靠計量時)。

經營租約收入於相關租約期間以直線法確認於損益及其他全面收入表中。提供予承租人的租賃激勵於相應租約期間以直線法攤銷。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment

Property, plant and equipment, other than construction in progress, are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

Construction in progress includes property, plant and equipment in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Such construction in progress 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, plant and equipment commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of items of property, plant and equipment less their residual values over their estimated useful lives, using the straight line method, at the following rates per annum:

Buildings	2% — 5%
Furniture, fixtures and equipment	20% — 33⅓%
Motor vehicles	10% — 20%
Plant and machinery	10%

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.

3. 主要會計政策(續)

物業、廠房及設備

物業、廠房及設備(不包括在建工程)按成本減其後的累計折舊及累計減值虧損(如有)後列於綜合財務狀況表。

在建以作生產、供應或行政用途的物業按成本減任何已確認減值虧損列賬。成本包括專業費用及就合資格資產而言，根據本集團的會計政策資本化的借貸成本。該等物業乃於竣工後並可投入作擬定用途時歸類為適當類別的物業、廠房及設備。該等資產按與其他物業資產相同的基準，於該等資產可投入作擬定用途時開始計提折舊。

物業、廠房及設備項目乃於估計可使用年期內以直線法按下列年率確認折舊，以撤銷其成本減剩餘價值：

樓宇	2% — 5%
傢俬、裝置及設備	20% — 33⅓%
汽車	10% — 20%
廠房及機器	10%

物業、廠房及設備項目於處置時或預計繼續使用將不會帶來經濟利益時終止確認。處置或報廢一項物業、廠房及設備的損益按出售所得款項與資產賬面值之差額釐定，並於損益中確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Research and development costs

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

3. 主要會計政策(續)

借貸成本

收購、建設或生產符合規定的資產(指需要耗費大量時間方可供投入作擬定用途或出售的資產)直接應佔的借款成本乃計入該等資產的成本,直至該等資產幾近可供投入作擬定用途或出售為止。

所有其他借款成本於其產生期內於損益中確認。

研發費用

研究活動的費用於產生期間確認為開支。

僅當以下所有條件均能被證明時,方可確認為來自開發(或內部項目開發階段)的內部產生的無形資產:

- 在技術上完成該無形資產以使其可供使用或銷售是可行的;
- 管理層有意圖完成並使用或出售該無形資產;
- 有能力使用或出售該無形資產;
- 該無形資產將如何產生未來經濟利益;
- 有足夠的技術、財務和其他資源完成開發、使用或銷售該無形資產;及
- 該無形資產在開發期內應佔的開支能可靠地計量。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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 units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

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 (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

3. 主要會計政策(續)

獨立收購之無形資產

具有限使用年期之獨立收購之無形資產乃按成本減累計攤銷及累計減值虧損入賬。具有限使用年期之無形資產乃於估計使用年內按直線法攤銷。估計使用年期及攤銷方法於各個報告期末審閱。

有形資產及無形資產的減值虧損

本集團於報告期末審閱其有形資產和無形資產的賬面值，以釐定該等資產有否任何減值虧損跡象。倘有任何有關跡象存在，則估計該等資產的可收回金額，以釐定減值虧損(如有)的程度。倘難以估計單項資產的可收回金額，則本集團會估計該資產所屬現金產生單位的可收回金額。當可確定合理及一致的分配基準時，企業資產亦可分配至個別現金產生單位，否則，企業資產將分配至能確定合理及一致分配基準的最小現金產生單位組別。

可收回金額為公允價值減處置成本與使用價值之間的較高者。於評估使用價值時，是採用反映現時市場對貨幣時間價值及資產或現金產生單位(並未就此調整預計未來現金流量)特定風險的評估的稅前貼現率，將預計未來現金流量貼現至其現有價值。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment losses on tangible and intangible assets (Continued)

If the recoverable amount of an asset (or a CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or a CGU) is reduced to its recoverable amount. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in unit. The carrying amount of an asset is not reduced below the highest of its fair value less cost of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to other assets of the unit. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a CGU) 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 a CGU) in prior periods. A reversal of an impairment loss is recognised as income immediately.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the first-in, first-out method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

3. 主要會計政策(續)

有形資產及無形資產的減值虧損(續)

倘資產(或現金產生單位)的可收回金額估計低於其賬面值,則資產(或現金產生單位)的賬面值將減至其可收回金額。在分配減值虧損時,將首先用於撇減何商譽之帳面值(如適用),然後按該單位內各資產的帳面值比例減少其帳面值。唯資產的帳面值不應低於以下之最高值:公允值扣除處置成本(如可以計量),使用價值(如可釐定),及零。否則,該減值虧損應按比例分配至單位內之其他資產。減值虧損應即時確認損益。

倘減值虧損其後得以撥回,則該等資產(或現金產生單位)的賬面值會增加至其經修訂的估計可收回金額,惟增加後的賬面值不可超過有關資產(或現金產生單位)於過往期間並無確認減值虧損前應釐定的賬面值。減值虧損撥回會被即時確認為收益。

存貨

存貨以成本及可變現淨值兩者之較低者入賬。成本使用先進先出法計算。可變現淨值指存貨估計售價減完成銷售的全部估計成本及銷售活動所需成本。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 grant 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-currents are recognised as government grants 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.

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.

Warranties

Provisions for the expected cost of warranty obligations under local sale of goods legislation are recognised at the date of sale of the relevant products, at the directors' best estimate of the expenditure required to settle the Group's obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the ended of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

3. 主要會計政策(續)

政府補貼

政府補貼須於能合理確定本集團將遵守附帶條件及將會收到補貼時方會確認。

政府補貼在期間內基於系統確認損益，當集團確認相關成本為費用，則與補貼相抵銷。特別是，當政府補貼的主要條件是集團購買，修建或購入非流動資產時，其應在綜合財務狀況報表中確認為政府補貼，並在相關資產的使用期內系統且合理地轉入損益。其他的政府補貼應系統地與其相應的成本產生的期間對應地確認為收入。

可收政府補貼作為已產生的費用或虧損補貼，或者在未來無相關成本支出的集團的即時經濟支持，並於其可收回的期間確認為損益。

質保金

依據當地貨物銷售立法的規定，以各位董事對履行集團義務所需開支的最佳估計，而對質保金的可能成本進行的計提，於相關產品銷售日計入賬目。

確認為撥備的金額是於報告期末對履行有關現行責任所需之代價的最佳估計並已考慮有關責任之風險及不明朗因素。倘該撥備是根據現金流估計且貨幣的時間價值影響重大，則其賬面值為這些現金流的現值總和。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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 as loans and receivables. 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 financial asset 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 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 financial asset, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

3. 主要會計政策(續)

金融工具

當集團內實體成為金融工具合約條文的訂約方時，即會在綜合財務狀況表內確認金融資產及金融負債。

金融資產及金融負債初步按公允價值計量。因收購或發行金融資產及金融負債(按公允價值計入損益的金融資產或金融負債除外)而直接產生的交易成本於首次確認時加入金融資產或金融負債的公允價值或公允價值中扣除(如適用)。收購按公允價值計入損益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貸款及應收賬款。上述分類取決於金融資產的性質及用途，乃於初次確認時確定。所有金融資產的常規買賣乃按交易日確認及終止確認。常規買賣指須於市場規則或慣例所確立的期限內交付資產的金融資產買賣。

實際利率法

實際利率法為計量金融資產攤銷成本及於有關期間內分配利息收入的方法。實際利率乃於初步確認時將金融資產之預計年期或(如適用)較短期間內之估計未來現金收入(包括構成實際利率不可或缺部分之一切已付或已收費用及點數、交易成本及其他溢價或折讓)確切貼現至賬面淨值之利率。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Effective interest method (Continued)

Interest income is recognised on an effective interest basis for debt instruments.

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, pledged bank deposits, fixed bank deposits and bank balances and cash) are carried at amortised cost using the effective interest method, less any identified impairment loss.

Impairment of loans and receivables

Loans and receivables are assessed for indicators of impairment at the end of the reporting period. Loans and receivables are considered to be impaired where 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 loans and receivables have been affected.

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 or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

實際利率法(續)

債務工具的利息收入按實際利率基準確認。

貸款及應收款項

貸款及應收款項是指在活躍市場中沒有報價，但有固定或可確定付款金額的非衍生金融資產。於初次確認之後，貸款及應收款項(包括貿易應收款項及其他應收款項、應收聯營公司款項、已抵押銀行存款、銀行定期存款以及銀行存款及現金)均採用實際利率法計算按攤銷成本減任何已識別減值虧損入賬。

貸款及應收款項減值

貸款及應收款項於各報告期末評估是否有減值跡象。當有客觀證據顯示，由於該金融資產初始確認後發生的一項或多項事項，使貸款及應收款項的預計未來現金流量受到影響時，即視該貸款及應收款項出現減值。

減值的客觀證據可包括：

- 發行人或交易對手出現重大財政困難；或
- 違反合約，如拖欠或無法支付利息或本金；或
- 借款人有可能破產或進行財務重組。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of loans and receivables (Continued)

For certain categories of loans and receivables, such as trade receivables, assets 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 average credit period and observable changes in national or local economic conditions that correlate with default on receivables.

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.

The carrying amount of the loans and receivables are reduced by the impairment loss directly 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 a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

If, in a subsequent period, the amount of 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.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

貸款及應收款項減值(續)

就若干類別的貸款及應收款項(例如應收貨款)而言,被評定為不作單獨減值的資產將另行按合並基準評估減值。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、組合用超過平均信貸期的延期付款數目增加、與應收款項違約相關的全國或地區經濟情況的可觀察變化。

所確認的減值虧損金額為資產賬面值與預計未來現金流量現值(按該金融資產的初始實際利率貼現)的差額。

貸款及應收款項的賬面值會直接扣減其減值虧損,惟應收貨款除外,其賬面值乃透過使用撥備科目扣減。撥備賬的賬面值變動於損益確認。倘一項應收貨被視作無法收回,則會與撥備賬撤銷。其後若收回過往撤銷的款項,則計入損益中。

倘減值虧損金額於往後期間減少,而該減少可客觀地與確認減值虧損後發生的事件有關,則先前確認的減值虧損透過損益撥回,惟該資產於撥回減值日期的賬面值不得超過在並無確認減值的情況下應有的攤銷成本。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments

Financial liabilities and equity instruments issued by a group entity are classified either as 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.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the group entity are recorded at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale issue or cancellation of the Company's own equity instruments.

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 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 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)

金融負債及權益工具

集團實體發行的金融負債及股本工具乃根據合約安排的內容與金融負債及股本工具的定義，分類為金融負債或權益。

股本工具

股本工具為證明扣除所有負債後仍持有某實體資產剩餘權益之任何合約。本公司發行的股本工具按收取的所得款項減直接發行成本入賬。

回購本公司自身之權益工具時，直接從權益中扣除。購買、出售、發行或取消本公司自身之權益工具時皆不會確認任何當期損益。

實際利率法

實際利率法為計算金融負債的攤銷成本及於有關期間內攤分利息開支的方法。實際利率乃於初步確認時將金融資產之預計年期或(如適用)較短期間內之估計未來現金收入(包括構成實際利率不可或缺部分之一切已付或已收之費用、交易成本及其他溢價或折讓)確切貼現至賬面淨值之利率。

利息開支按實際利率基準確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Financial liabilities

Financial liabilities including trade, bills and other payables are subsequently measured at amortised cost, using the effective interest method.

Derecognition

The Group derecognises a financial asset 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.

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 is recognised in profit or loss.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

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 and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are not 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)

金融工具(續)

金融負債及權益工具(續)

金融負債

金融負債金融負債包括應付貨款、應付票據及其他應付款項以及銀行貸款，其後採用實際利率法按攤銷成本計量。

終止確認

僅當從資產收取現金流量的合約權利已到期，或已將金融資產以及資產所有權的絕大部分風險及回報轉移予其他實體時，本集團方會終止確認金融資產。

於全面終止確認金融資產時，其賬面價值與已收或應收代價的差額於損益確認。

本集團僅會於本集團責任獲解除、取消或屆滿時終止確認金融負債。終止確認的金融負債的賬面值與已付及應付代價的差額於損益確認。

稅項

所得稅開支指即期應付稅項及遞延稅項的總和。

即期應付稅項乃根據年度的應課稅利潤計算。應課稅利潤與綜合損益及其他全面收入表呈報的除稅前利潤不同，原因是其並無計入其他期間的應課稅或可扣稅的收支項目。本集團即期稅項負債乃使用報告期末已頒行或實際上已頒行的稅率計算。

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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 base 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 assets and liabilities are not recognised if the temporary difference arises from the initial recognition of 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 interests in 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 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 the 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.

3. 主要會計政策(續)

稅項(續)

遞延稅項按綜合財務報表所列資產負債的賬面值與用以計算應課稅利潤的相應稅基之間的暫時性差異確認。一般會就所有的應課稅暫時性差異確認遞延稅項負債。一般會就所有可扣稅暫時性差異確認遞延稅項資產，惟以將來很可能有應課稅利潤可用以對銷該等可扣稅暫時性差異為限。倘暫時性差異乃因首次確認一項交易中不影響應課稅利潤或會計利潤的資產及負債而產生，則不會確認有關資產及負債。

與在附屬公司和關營公司投資相關的應課稅暫時性差異確認為遞延稅項負債，但若本集團可控制該暫時性差異的撥回，且該暫時性差異不大可能在可見將來撥回的除外。對於與有關投資相關的應課稅暫時性差異所產生的遞延稅項資產，僅會於有可能取得足夠的應課稅利潤用作抵銷暫時性稅務利益，且該等暫時性差異預期會在可見將來撥回時方予確認。

於報告期末會審閱遞延稅項資產的賬面值，並在不再可能有足夠應課稅利潤可收回全部或部分遞延稅項資產時，相應扣減該賬面值。

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綜合財務報表附註(續)

For the year ended 31 December 2017 於截至2017年12月31日止之年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

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 or the asset is realised, based on tax rate (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. Current and deferred tax is recognised in profit or loss.

Current and deferred tax are 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.

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 on 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 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.

3. 主要會計政策(續)

稅項(續)

遞延稅項資產及負債乃根據報告期末已頒行或實際上已頒行的稅率(及稅法)計量,按預期於清還負債或變現資產期間的稅率。遞延稅項負債及資產的計量反映以本集團於往績記錄期間各期間結束時預期收回或清償其資產負債賬面值的所引致的稅務後果。即期及遞延稅項在損益確認。

除非與當期及遞延稅項相關的項目於其他全面收入表或於權益中確認,即當期及遞延稅項亦於其他全面收入表或於權益中確認,否則將在損益中確認當期及遞延稅項。

外幣

於編製各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)進行的交易均按交易日期的當前匯率換算為各自的功能貨幣(即該實體經營所在主要經濟環境的貨幣)記賬。於報告期末,以外幣計值的貨幣項目均按報告期末的當前匯率重新換算。以外幣按歷史成本計量的非貨幣項目毋須重新換算。

結算貨幣項目和重新換算貨幣項目所引起的匯兌差額於產生期間在損益確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies (Continued)

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the functional currency of the Company and the presentation currency of the Group (i.e. RMB) at the rate of exchange prevailing at the end of each reporting period, and their income and expenses are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (the translation reserve).

Leases

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

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 including the cost of acquiring land held under operating leases are recognised as an expense on a straight line basis over the term of the relevant leases. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight line basis.

3. 主要會計政策(續)

外幣(續)

就呈報綜合財務報表而言，本集團海外業務的資產及負債乃按各報告期末的當前匯率換算為本集團的功能貨幣及本集團的呈報貨幣（即人民幣），而其收入及支出乃按期間的平均匯率進行換算，除非匯率在期間內大幅波動，在此情況下，則使用交易日起的當前匯率。所產生的匯兌差額（如有）將於其他全面收入確認，並累計至權益（匯兌儲備）項下。

租約

凡租約條款將所有權所附帶的絕大部分風險及回報轉移至承租人的租約均分類為融資租約。所有其他租約分類為經營租約。

本集團作為出租人

經營租約收入於相關租約期間以直線法確認為損益。

本集團作為承租人

經營租約費於相關租約期間以直線法確認為開支。因訂立經營租約已收或應收的優惠，按直線法於租賃期內確認為租金費用的扣減。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leasehold land and building

When the Group makes payments for a property interest which includes both leasehold land and building elements, the Group assesses the classification of each element 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 property is accounted as an operating lease. Specifically, the entire consideration (including any lump-sum upfront payments) are allocated between the leasehold land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element at initial recognition.

To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as "land use right" in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis.

Retirement benefits costs

Payments to defined contribution retirement benefit plans, government-managed retirement benefit scheme and the Mandatory Provident Fund Scheme ("MPF") are recognised as an expense when employees have rendered service entitling them to the contributions.

Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

3. 主要會計政策(續)

租賃土地及樓宇

倘若租賃包括土地及樓宇部分，本集團根據對各自部分之擁有權附帶之絕大部分風險及回報是否已轉讓予本集團，分別對兩部分單獨進行評估並將其劃分為融資或經營租賃，除非兩個部分明顯均為經營租賃，則整份租賃歸類為經營租賃。具體而言，全部付款(包括任何一筆過預付款項)於租賃訂立時按租賃土地部分及樓宇部分中的租賃權益相對公允值比例於土地及樓宇間分配。

倘租賃付款能可靠分配，則以經營租賃入賬的租賃土地權益在綜合財務狀況表中列為「土地使用權」，且於租期內按直線法攤銷。

退休福利成本

向固定供款退休福利計劃，政府管理的退休福利計劃及強制性公積金計劃(「強積金計劃」)支付的款項於僱員已提供服務而有權獲得供款時確認為支出。

短期僱員福利

短期僱員福利乃於僱員提供服務時按預期將支付的福利之未貼現金額確認。所有短期僱員福利均確認為開支，惟另一項香港財務報告準則規定或允許福利計入資產之成本值則另作別論。

僱員有關工資及薪金、年假和病假之應計福利乃於扣除任何已支付金額後確認為負債。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share-based payment arrangements

Equity-settled share-based payment transactions

Share options granted to employees

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value of equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share options reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share options reserve. For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to profit or loss.

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

3. 主要會計政策(續)

以股份為基礎的支付安排

以權益結算的股份支付交易

授予僱員之購股權

授予僱員及其他提供相似服務人員的以權益結算的股份支付按授出日的公允價值計量。

未考慮非市場歸屬條件的以股份為基礎的權益結算的公允價值按本集團對最終歸屬的估計於歸屬期間內按直線法攤銷，同時相應地增加所有者權益（購股權儲備）。於每個報告期末，本集團根據所有相關非市場歸屬條件的評估以修訂其對於最終歸屬的估計。對於最初估計修訂所帶來的影響，如有，將按總費用能反映修訂後的估計為原則確認為損益，同時相應地調整購股權儲備。如購股權於授出當天即可歸屬，其公允價值應確認為當期損益。

當購股權獲行使時，早前於購股權儲備確認之數額將轉撥至股本。倘購股權於歸屬日期遭沒收或於屆滿日期仍未行使，早前於購股權儲備確認之數額將轉撥至保留利潤。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Share-based payment arrangements

(Continued)

Equity-settled share-based payment transactions (Continued)

Share award scheme

For share award schemes, the fair value of services received, determined by reference to the fair value of awarded shares granted at the grant date, is expensed on a straight-line basis over the vesting period, with a corresponding increase in shares award reserve. The cost of acquisition of the Company's share held for the share award scheme is recorded as treasury shares (shares held for share award scheme). At the time when the awarded shares are vested, the amount previously recognised in shares award reserve and the amount of the relevant treasury shares will be transferred to accumulated profits.

At the end of each reporting period, the Group revises its estimates of the number of awarded shares that are expected to ultimately vest. The impact of the revision of the estimates during the vesting period, if any, is recognised in profit or loss, with a corresponding adjustment to the shares award reserve.

Tax laws or regulations may oblige an entity to withhold an amount for an employee's tax obligation associated with a share-based payment and transfer that amount, normally in cash, to the tax authority on the employee's behalf. To fulfil this obligation, the terms of the share-based payment arrangement may permit or require the entity to withhold the number of equity instruments equal to the monetary value of the employee's tax obligation from the total number of equity instruments that otherwise would have been issued to the employee upon exercise (or vesting) of the share-based payment (ie the share-based payment arrangement has a 'net settlement feature').

3. 主要會計政策(續)

以股份為基礎的支付安排

(續)

以權益結算的股份支付交易(續)

股份獎勵計劃

在股份獎勵計劃中，提供服務的公允值是根據獎勵股份在授予當天之公允值來釐定，其相關費用會在歸屬期間以直線法攤銷，而股份獎勵計劃儲備亦作出相應增加。收購公司股票以作股份獎勵的成本會確認為庫存股(就股份獎勵計劃持有之股份)。在授予股份的歸屬期間，以前確認在股份獎勵計劃儲備之金額和相關的庫存股會轉移至累計溢利。

於每個報告期間末，本集團修訂預期最終歸屬的獎勵股份估計數目。歸屬期間經修訂後的影響需在損益賬確認，並於股份獎勵計劃儲備中作相對應的調整。

稅務法律法規可能要求實體保留一部分與以股份為基礎的支付相關的權益工具，作為僱員的納稅義務，並將該部分一般以現金形式代表僱員轉交稅務部門。為履行該義務，以股份為基礎的支付安排條款可能允許或要求實體從全部以股份支付的權益工具中保留一部分本應於行權或歸屬後發放給僱員的權益工具。且保留的該部分權益工具應等值於因該股份支付交易而產生的僱員納稅義務的貨幣價值。即，以股份為基礎的支付交易安排具有「淨額結算特徵」。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share-based payment arrangements (Continued)

Equity-settled share-based payment transactions (Continued)

Share award scheme (Continued)

The Group accounts for the withholding of shares to fund the payment to the tax authority in respect of the employee's tax obligation associated with the share-based payment as repurchase of vested equity instruments, therefore, the payment made shall be accounted for as a deduction from equity for the shares withheld, except to the extent that the payment exceeds the fair value at the net settlement date of the equity instruments withheld.

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

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

Estimated impairment of trade receivables

The directors of the Company review the aging analysis of trade receivables at the end of each reporting period and identify the long-aged receivables that are no longer probably to be recovered in the future. The Group considers the aging of trade receivables, credit portfolio of the debtors, default or significant delay on payments and makes necessary allowance for doubtful debt where appropriate. Where the future cash flows are less than expected, or being revised downward due to changes in facts and circumstances, a further impairment loss may arise.

3. 主要會計政策(續)

以股份為基礎的支付安排 (續)

以權益結算的股份支付交易(續)

股份獎勵計劃(續)

本集團通過回購已歸屬的權益工具，已保留上述權益工具作為支付與股份支付交易相關的僱員納稅義務的資金。因此，該稅項的支付應被作為權益的扣減，除非於淨額結算日，該支付額超過已保留權益工具的公允價值。

4. 估計不明朗因素之主要來源

於報告期末，有高風險導致資產與負債的賬面值於下一個財務年度作出重大調整的未來和其他主要來源不明朗因素如下文所論述。

應收貨款的減值撥備

公司董事於每一報告期末審閱應收貨款的賬齡分析並識別將來可能無法被收回的長賬齡的應收貨款。集團考量應收貨款的賬齡、債務人的信用組合，過去拖欠或嚴重逾期的支付，並在恰當的時候對可疑債務作出必要的撥備。當未來的現金流量小於期望值，或由於實際情況和環境的變更被修正降低，則可能需要作出進一步的撥備。

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4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Estimated impairment of trade receivables (Continued)

As at 31 December 2017, the carrying amounts of trade receivables were RMB417,729,000 (net of allowance for doubtful debt of approximately RMB7,254,000) (2016: carrying amounts of RMB339,970,000 net of allowance for doubtful debt of approximately RMB17,431,000).

Estimated allowance for inventories

The Group carries out inventory review at the end of each reporting period and provides allowance for inventories.

The directors of the Company reviews the inventory aging analysis at the end of each reporting period and identifies the inventories that are no longer suitable for use in production or sales. The directors of the Company estimate the allowance for inventories based on aging of inventories, technology changes and current market demand. Where the future cash flows are less than expected, or being revised downward due to changes in facts and circumstances, a further impairment loss may arise. The carrying amounts of inventories of the Group amounted to RMB207,609,000 (2016: RMB211,212,000) and allowance for inventories was RMB50,950,000 as at year ended 31 December 2017 (2016: RMB46,025,000).

4. 估計不明朗因素之主要來源(續)

應收貨款的減值撥備(續)

於2017年12月31日，應收貨款的賬面值為人民幣417,729,000元(已扣除金額約為人民幣7,254,000元的呆賬撥備)(2016年賬面值為人民幣339,970,000元，已扣除金額約為人民幣17,431,000元的呆賬撥備)。

存貨撥備估計

集團在每一個報告期末對存貨進行審閱並對呆滯和陳舊存貨作出撥備。

公司董事在每一個報告期末審閱存貨賬齡分析並辨別呆滯存貨及不再適用於生產及銷售的陳舊存貨。公司董事根據存貨帳齡，技術更新及當前市場需求對存貨撥備進行估計。當未來現金流量小於期望值，或由於實際情況和環境的變更被修正降低，則可能需要作出進一步的撥備。截至2017年12月31日止，集團存貨賬面值為人民幣207,609,000元(2016：人民幣211,212,000元)及存貨撥備為人民幣50,950,000元(2016：人民幣46,025,000元)。

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5. TURNOVER AND SEGMENT INFORMATION

Segment information has been identified on the basis of internal management reports which are reviewed by the Chairman of the Company, being the chief operating decision maker, in order to allocate resources to the operating and reportable segments and to assess their performance.

The Group's operating and reportable segments under HKFRS 8 are as follows:

- | | |
|---|--|
| Embedded software and secure payment products | – Embedded software and secure payment products for smart secure payment |
| Platform and service | – Provision of personalisation service, system platforms and other total solutions for customers in a wide business range including financial, government, healthcare, transportation and retails by leveraging innovative Fintech |

Each operating and reportable segment derives its turnover from the sales of products or provision of services. They are managed separately because each product requires different production and marketing strategies. For segment reporting, these individual operating segments have been aggregated into a single reportable segment due to similar nature of the products and services.

Turnover represents the fair value of the consideration received or receivables for goods sold or services rendered to outside customers during the year.

Segments results represent the gross profit earned by each segment.

5. 營業額及分部資料

分部資料以公司內部管理報告為基礎而確立，此內部管理報告經由公司經營決策者—本公司主席審閱，以用於分配經營所需資源和評估各分部表現。

根據香港財務報告準則第8號，本集團經營及可報告分部如下：

- | | |
|--------------|---|
| 嵌入式軟件和安全支付產品 | – 智能安全支付領域的嵌入式軟件和安全支付產品 |
| 平台及服務 | – 融合創新金融科技，為金融、政府、衛生、交通、零售等廣泛領域客戶提供數據處理服務、系統平台及其他整體解決方案 |

各經營及可報告分部通過銷售產品或提供服務取得其營業額。因為不同產品需要不同的生產及市場營銷策略，各分部實行單獨管理。出於分部匯報之目的，這些相同性質的產品及服務的分部已合併作為一個分部。

營業額指年度向集團外部客戶銷售貨物或提供服務的已收或應收的代價公允價值。

分部業績指各分部所取得的毛利。

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5. TURNOVER AND SEGMENT INFORMATION (Continued)

The following is an analysis of the Group's revenue and results by reportable segment:

5. 營業額及分部資料(續)

以下為本集團按可報告分部劃分的營業額及業績的分析：

		Turnover 營業額		Results 業績	
		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元	2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Sales to external parties of	向集團外本集團客戶之銷售				
— embedded software and secure payment products	— 嵌入式軟件和安全支付產品	1,149,968	1,164,688	312,315	321,454
— platform and service	— 平台及服務	250,874	229,025	104,866	97,548
		1,400,842	1,393,713	417,181	419,002
Research and development costs	研發成本			(109,053)	(98,050)
Other operating expenses	其他運營費用			(141,638)	(165,086)
Other income, expenses, gains or losses	其他收入、費用、收益或虧損			60,454	33,349
Interest income	利息收入			23,374	16,269
Operating profit (Note)	經營利潤(附註)			250,318	205,484
Investment income from other financial assets	其他金融資產之投資收入			3,815	3,245
Exchange (loss) gain	匯兌(損失)收益			(49,815)	41,332
Share of losses of associates	應佔聯營公司虧損			(5,554)	(5,495)
Profit before taxation	稅前利潤			198,764	244,566

Note: To better describe the Group's current and future operating results and understanding of the Group's profitability by the users of financial statements, "operating profit" is disclosed from current year.

附註：為更好地反映本集團現有及未來的經營業績，便於報表使用者更好地理解公司的盈利狀況，本年度起增加了營業利潤的披露。

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 3.

各經營分部之會計政策與附註3中描述的本集團之會計政策一致。

The management of the Company makes decisions according to the operating results of each segment. No information of segment assets and liabilities is available for the assessment of performance of different business activities. Therefore, no information about segment assets and liabilities are presented.

本公司管理層根據各分部經營業績作出決策。概無分部資產或負債資料可用以評估不同業務活動的表現。因此，並無呈報分部資產及負債資料。

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5. TURNOVER AND SEGMENT INFORMATION

(Continued)

Other information

Turnover from external customers attributed to the Group by location of the operations of the customers is presented as follows:

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Turnover	營業額		
— Mainland China	— 內地	1,312,173	1,290,826
— Overseas and the special administrative regions of Hong Kong("Hong Kong") and Macau ("Macau")	— 海外及香港特別行政區(「香港」)和澳門特別行政區(「澳門」)	88,669	102,887
		1,400,842	1,393,713

Information about the Group's non-current assets except for financial instruments and deferred tax assets by location of assets is presented as below:

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Hong Kong	香港	179,342	11,946
Mainland China	內地	221,060	230,692
Philippines	菲律賓	—	700
		400,402	243,338

Information about major customers

For the year ended 31 December 2017, there was one customer with turnover of RMB151,473,000 in aggregate (2016: one customer with turnover of RMB181,739,000) from the segments of both embedded software and secure payment products and platform and services which accounted for more than 10% of the Group's total turnover.

5. 營業額及分部資料(續)

其他資料

本集團源自外部客戶的營業額按客戶的經營所在地劃分呈列如下：

本集團除金融工具及遞延稅項資產以外之所有非流動資產按所在地劃分呈現如下：

有關主要客戶的資料

截至2017年12月31日止之年度，於嵌入式軟件和安全支付產品和平台及服務分部有一名客戶的營業額為人民幣151,473,000元(2016年一名客戶的營業額為人民幣181,739,000元)，佔本集團總營業額的10%以上。

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6. OTHER INCOME

6. 其他收入

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Government grants	政府支助	23,304	18,359
Interest income	利息收入	23,374	16,269
Investment income from other financial assets	其他金融資產 之投資收入	3,815	3,245
Value-added tax refund	增值稅退稅	24,905	24,081
Others	其他	2,876	1,302
		78,274	63,256

7. OTHER LOSSES OR GAINS

7. 其他虧損或收益

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Impairment loss reversed (recognised) on trade receivables	應收貨款減值 撥回(撥備)	9,384	(10,393)
Loss on disposal of property, plant and equipment	出售物業、廠房及 設備虧損	(15)	—
Exchange (loss) gain	匯兌(損失)收益	(49,815)	41,332
		(40,446)	30,939

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8. PROFIT BEFORE TAXATION

8. 稅前利潤

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Profit before taxation has been arrived at after charging:	稅前利潤已扣除：		
Directors' emoluments (note 9)	董事酬金(附註9)	20,672	17,470
Other staff costs	其他僱員酬金	167,468	164,275
Other staff's equity-settled share-based payments	其他僱員以權益結算的股份支付	11,329	7,866
Other staff's retirement benefits scheme contributions	其他僱員退休福利計劃供款	5,903	5,044
		205,372	194,655
Allowance for inventories included in cost of sales	計入銷售成本的存貨撥備	4,925	12,015
Amortisation of intangible assets	無形資產攤銷	2,290	2,290
Auditor's remuneration	核數師酬金	1,508	1,528
Depreciation of property, plant and equipment	物業、廠房及設備折舊	44,475	39,704
Operating lease rentals in respect of	經營租賃租金		
— land use rights	— 土地使用權	624	135
— office premises	— 辦公室	7,685	7,571
Cost of inventories recognised as expense	確認為開支之存貨成本	810,877	810,375

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9. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS AND FIVE HIGHEST PAID EMPLOYEES

9. 董事、首席執行官與五位最高薪酬僱員酬金

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Directors' fees	董事費	676	572
Other emoluments to executive directors	其他予執行董事的酬金		
— basic salaries and allowances	— 基本薪金與津貼	8,445	7,916
— bonus	— 分紅	5,629	6,278
— retirement benefits scheme contributions	— 退休福利計劃供款	88	68
— equity-settled share-based payments	— 以權益結算的股份支付	5,834	2,636
		20,672	17,470

The bonus of the directors was determined with reference to the Group's performance, individual performances and comparable market statistics.

Mr. Hou Ping is also the chief executive ("the Chief Executive") of the Company and his emoluments disclosed below include those for services rendered by him as the Chief Executive.

董事會分紅依照本集團業績、個人表現以及可比的市場統計資料釐定。

侯平先生也是本公司首席執行官，他的酬金在下表披露，包括由其擔任首席執行官所提供服務的酬金。

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9. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS AND FIVE HIGHEST PAID EMPLOYEES (Continued)

Directors' and chief executive's emoluments for the year, disclosed pursuant to the applicable Listing Rules and Companies Ordinance is as follows:

9. 董事、首席執行官與五位最高薪酬僱員酬金(續)

根據適用之上市規則及公司條例所披露之董事及首席執行官本年度之酬金如下：

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
A) EXECUTIVE DIRECTORS	執行董事		
Mr. Lu Run Ting	盧潤霆先生		
— basic salaries and allowances	— 基本薪金和津貼	3,617	3,621
— bonus	— 分紅	2,574	3,032
— retirement benefits scheme contributions	— 退休福利計劃供款	16	16
— equity-settled share – based payments	— 以權益結算的股份支付	669	1,189
		6,876	7,858
Mr. Lu Runyi	盧潤怡先生		
— basic salaries and allowances	— 基本薪金和津貼	1,071	1,074
— bonus	— 分紅	625	736
— retirement benefits scheme contributions	— 退休福利計劃供款	16	16
— equity-settled share – based payments	— 以權益結算的股份支付	1,373	643
		3,085	2,469
Mr. Hou Ping	侯平先生		
— basic salaries and allowances	— 基本薪金和津貼	2,377	2,457
— bonus	— 分紅	2,059	2,426
— retirement benefits scheme contributions	— 退休福利計劃供款	16	16
— equity-settled share – based payments	— 以權益結算的股份支付	1,787	482
		6,239	5,381

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9. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS AND FIVE HIGHEST PAID EMPLOYEES (Continued)

9. 董事、首席執行官與五位最高薪酬僱員酬金(續)

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
A) EXECUTIVE DIRECTORS (Continued)			
Mr. Lu Xiaozhong			
— basic salaries and allowances		767	764
— bonus		71	84
— retirement benefits scheme contributions		20	20
— equity-settled share – based payments		813	322
		1,671	1,190
Mr. Wu Siqiang			
(appointed on 18 May 2017)			
— basic salaries and allowances		613	—
— bonus		300	—
— retirement benefits scheme contributions		20	—
— equity-settled share-based payments		1,192	—
		2,125	—
		19,996	16,898

The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group.

上述執行董事之酬金為其管理本公司及本集團事務之服務費。

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9. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS AND FIVE HIGHEST PAID EMPLOYEES (Continued)

9. 董事、首席執行官與五位最高薪酬僱員酬金(續)

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
B) NON-EXECUTIVE DIRECTORS	非執行董事		
Mr. Christophe Jacques Pagezy (resigned on 18 May 2017) — directors' fees	Christophe Jacques Pagezy先生 (於2017年5月18日辭任) — 袍金	—	—
Mr. Ting Tao I (resigned on 18 May 2017) — directors' fees	丁道一先生 (於2017年5月18日辭任) — 袍金	—	—
Mr. Ling Wai Lim (appointed on 18 May 2017) — directors' fees	盧威廉先生 (於2017年5月18日獲委任) — 袍金	106	—
Total	小計	106	—

The non-executive directors' emoluments shown above were for their services as directors of the Company.

上述非執行董事之袍金主要為其作為本公司董事之服務費。

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9. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS AND FIVE HIGHEST PAID EMPLOYEES (Continued)

9. 董事、首席執行官與五位最高薪酬僱員酬金(續)

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
C) INDEPENDENT NON-EXECUTIVE DIRECTORS 獨立非執行董事			
Ms. Ye Lu (appointed on 18 May 2017) — directors' fees	葉淥女士 (於2017年5月18日獲委任) — 袍金	106	—
Mr. Mak Wing Sum Alvin — directors' fees	麥永森先生 — 袍金	228	230
Mr. Zhu Lijun (resigned on 18 May 2017) — directors' fees	朱立軍先生 (於2017年5月18日辭任) — 袍金	65	171
Mr. Liu John Jianhua — directors' fees	劉建華先生 — 袍金	171	171
Total	小計	570	572

The independent non-executive directors' emoluments shown above were for their services as directors of the Company.

上述獨立非執行董事之袍金主要為其作為本公司董事之服務費。

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9. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS AND FIVE HIGHEST PAID EMPLOYEES (Continued)

The five highest paid individuals for the year ended 31 December 2017 included three (2016: three) directors of the Company, details of whose emoluments are set out above. The remuneration of the remaining highest paid individuals who are neither a director nor chief executive of the Company during the year were as follows:

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Employees	僱員		
— basic salaries and allowances	— 基本薪金和津貼	2,393	2,380
— bonus	— 分紅	990	1,166
— retirement benefits scheme contributions	— 退休福利計劃供款	63	63
— equity-settled share-based payments	— 以權益結算的股份支付	1,975	643
		5,421	4,252

The number of the highest paid employees who are not the directors of the Company whose remuneration fell within the following bands is as follows:

		Number of employees 僱員人數	
		2017	2016
Up to HKD1,000,000	1,000,000港幣或以下	—	—
HKD1,000,001 to HKD1,500,000	1,000,001港幣至1,500,000港幣	—	—
HKD1,500,001 to HKD2,000,000	1,500,001港幣至2,000,000港幣	—	—
HKD2,000,001 to HKD2,500,000	2,000,001港幣至2,500,000港幣	—	2
HKD2,500,001 to HKD3,000,000	2,500,001港幣至3,000,000港幣	—	—
HKD3,000,001 to HKD3,500,000	3,000,001港幣至3,500,000港幣	2	—

During the year, no emoluments were paid by the Group to the directors or the five highest paid individuals (including directors and employees) as an inducement to join or upon joining the Group or as compensation for loss of office. There was no arrangement under which a director or the chief executive waived or agreed to waive any emoluments during the year.

9. 董事、首席執行官與五位最高薪酬僱員酬金(續)

於截至2017年12月31日之年度五位最高薪酬人士包括三位(2016年：三位)董事，其酬金詳情載於上表。除董事及首席執行官外，本年度餘下的最高薪酬人士的酬金如下：

除董事以外最高薪酬人士的人數在下表範圍內：

於本年度內，本集團沒有向董事或五名薪酬最高人士(包括董事及僱員)支付任何額外的酬金作為吸引其加入本集團的報酬或失去職位的補償。概無董事或首席執行官於年內放棄或同意放棄任何酬金。

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綜合財務報表附註(續)

For the year ended 31 December 2017 於截至2017年12月31日止之年度

10. TAXATION

10. 稅項

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
The (charge) credit comprises:	(支出)沖回包括：		
Mainland China Enterprise Income Tax ("EIT")	中國內地企業所得稅(「企業所得稅」)	(31,180)	(29,544)
Underprovision of EIT in prior years	過往年度所得稅計提不足	(1,906)	(2,525)
		(33,086)	(32,069)
Mainland China withholding tax on dividend distribution	股息分派的中國內地預扣稅	—	(20,234)
Hong Kong Profits Tax	香港利得稅	(405)	—
Overprovision of Hong Kong Profits Tax in prior years	過往年度利得稅多提	234	—
		(33,257)	(52,303)
Deferred taxation (note 27)	遞延稅項(附註27)		
Current tax	本年計提	(10,429)	12,637
Underprovision in prior years	過往年度計提不足	9,399	—
		(1,030)	12,637
		(34,287)	(39,666)

Hong Kong Profits Tax is calculated at 16.5% on the estimated assessable profit for both years.

The EIT is calculated at the applicable rates in accordance with the relevant laws and regulations in the Mainland China.

The Company's subsidiaries in Mainland China are subject to EIT at 25% except that Goldpac Limited is approved for 3 years as enterprise satisfied as a High-New Technology Enterprise and entitles the preferential tax rate of 15% in 2017, 2018 and 2019.

According to a joint circular of Ministry of Finance and the State Administration of Taxation, Cai Shui (2008) No. 1, only the profits earned by Goldpac Limited prior to 1 January 2008, when distributed to foreign investors, can be grandfathered with the exemption from withholding tax. Whereas, pursuant to Articles 3 and 27 of the EIT Law and Article 91 of its Implementation Rules, dividend distributed out of the profit generated thereafter, shall be subject to EIT at 10% or reduced tax rate if tax treaty or arrangement applies. Under the relevant tax arrangement, withholding tax rate on dividend distribution to the qualifying Hong Kong resident companies is 5%. Deferred tax liability on the undistributed profits earned since 1 January 2008 have been accrued at the tax rate of 5%.

香港利得稅乃按年度估計應稅利潤的16.5%計算。

企業所得稅根據中國內地有關法律法規按適用的稅率計算。

本公司的中國內地的附屬公司按25%的稅率繳納企業所得稅，惟金邦達有限公司已被認定為高新技術企業，並可於2017年、2018年及2019年享受15%的優惠稅率。

根據財政部及國家稅務總局財稅(2008)第1號聯合通知，於向境外投資者作出分派時，只有金邦達有限公司於2008年1月1日之前賺取的利潤可免繳預扣稅。然而，根據企業所得稅法第3條及27條或其實施細則第91條規定，以其後產生的利潤分派股息時，須按10%或(倘稅收協定或安排適用)較低的稅率繳納企業所得稅。根據相關稅收安排，分配予合資格香港居民公司股息的預扣稅率為5%。自2008年1月1日起賺取的未分配利潤遞延稅項責任已按5%的稅率計提。

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10. TAXATION (Continued)

Tax charge for the year is reconciled to profit before taxation as follows:

10. 稅項(續)

年度稅項支出與稅前利潤的對賬如下：

		2017		2016	
		RMB'000	%	RMB'000	%
		人民幣千元		人民幣千元	
Profit before taxation	除稅前利潤	198,764		244,566	
Tax at the applicable income tax rate (Note)	按適用所得稅率計算的稅項(附註)	(49,691)	(25.0)	(61,142)	(25.0)
Tax effect of expenses not deductible for tax purpose	不可扣稅開支的稅務影響	(17,905)	(9.0)	(6,682)	(2.7)
Tax effect of income not taxable for tax purpose	毋需扣稅收入的稅務影響	3,787	1.9	13,968	5.7
Tax effect of deductible temporary difference not recognised	未確認可扣減暫時性差額的稅務影響	—	—	(5,538)	(2.3)
Utilisation of tax losses previously not recognised	使用未確認之稅務虧損	1,248	0.6	—	—
Tax effect of tax concession granted to a Mainland China subsidiary	授予一家中國內地附屬公司稅項優惠的稅務影響	31,193	15.7	31,310	12.8
Tax effect of tax losses not recognised	未確認之稅務虧損的稅務影響	—	—	(86)	(0.0)
Tax effect of different tax rate of subsidiaries operating in other tax jurisdiction	在其他稅務司法轄區經營的附屬公司的不同稅率的稅務影響	503	0.2	—	—
Tax effect of share of losses of associates	應佔聯營公司虧損之稅務影響	(1,389)	(0.7)	(1,374)	(0.6)
Mainland China withholding tax on undistributed earnings	未分配利潤的中國內地預扣稅	(9,760)	(4.9)	(7,597)	(3.1)
Over(under) provision in prior years	過往年度企業所得稅撥備多提(不足)	7,727	3.9	(2,525)	(1.0)
Tax charge and effective tax rate for the year	年度的稅項支出及實際稅率	(34,287)	(17.3)	(39,666)	(16.2)

Note: The rate applied is the applicable tax rate in the Mainland China where the operation of the Group is substantially based.

附註：所用稅率為本集團實質運營地中國內地的適用稅率。

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10. TAXATION (Continued)

At 31 December 2017, the Group has no unused tax losses available for offset against future profits (2016: RMB4,993,000). No deferred tax asset has been recognised in relation to the unused tax losses due to the unpredictability of future profit streams. Losses may be carried forward indefinitely.

At 31 December 2017, the Group has deductible temporary differences of RMB58,204,000 (2016: RMB62,663,000) in relation to allowance for doubtful debt and inventories. Deferred tax asset has been recognised in relation to such deductible temporary differences as it is probable that the temporary differences can be utilized in foreseeable future.

11. DIVIDENDS

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
2017 Interim — HK4.0 cents per ordinary share (declared on 17 August 2017 and based on 833,561,000 shares)	2017年年度中期—每股普通股港幣4.0仙 (於2017年8月17日宣派，基於833,561,000股)		
2016 Interim — HK4.0 cents per ordinary share (declared on 16 August 2016 and based on 834,029,000 shares)	2016年年度中期—每股普通股港幣4.0仙 (於2016年8月16日宣派，基於834,029,000股)	28,105	28,322
2016 Final — HK7.0 cents per ordinary share (declared on 21 March 2017 and based on 833,561,000 shares)	2016年年度末期—每股普通股港幣7.0仙 (於2017年3月21日宣派，基於833,561,000股)		
2015 Final — HK11.0 cents per ordinary share (declared on 16 March 2016 and based on 834,029,000 shares)	2015年年度末期—每股普通股港幣11.0仙 (於2016年3月16日宣派，基於834,029,000股)	51,353	76,389

10. 稅項(續)

於2017年12月31日，本集團無可用於抵扣未來盈利之未使用的稅務虧損(2016：4,993,000元)。由於未來溢利的不可預測性，概無就未使用之稅務虧損確認遞延稅項資產。該虧損的抵扣並無固定期限。

於2017年12月31日，本集團呆賬及存貨撥備的可扣減暫時性差額為人民幣58,204,000元(2016：人民幣62,663,000元)。由於暫時性差額能夠在可預見的未來被使用，故該可扣減暫時性差額已確認為遞延稅項資產。

11. 股息

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11. DIVIDENDS (Continued)

11. 股息(續)

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
2016 Special — HK6.0 cents per ordinary share (declared on 21 March 2017 and based on 833,561,000 shares)	2016年年度特別股息—每股 普通股港幣6.0仙 (於2017年3月21日宣派， 基於833,561,000股)		
2015 Special — HK4.0 cents per ordinary share (declared on 16 March 2016 and based on 834,029,000 shares)	2015年年度特別股息—每股 普通股港幣4.0仙 (於2016年3月16日宣派， 基於834,029,000股)	44,017	27,778

Subsequent to the end of the reporting period, a final dividend of HK10.0 cents (2016: HK7.0 cents) and a special dividend of HK6.0 cents (2016: HK6.0 cents) per ordinary share in respect of the year ended 31 December 2017 have been proposed by the Board of Directors and is subject to approval by the shareholders of the Company at the forthcoming annual general meeting.

報告期末後，董事會建議就截至2017年12月31日止之年度派發末期股息每股普通股港幣10.0仙(2016年為港幣7.0仙)，以及特別股息每股普通股港幣6.0仙(2016年為港幣6.0仙)，且須在即將舉行的股東周年大會上獲得本公司股東的批准。

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12. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Earnings	盈利		
Earnings for the purpose of basic earnings per share (profit for the year attributable to owners of the Company)	計算每股基本盈利所採用的盈利(本公司持有人應佔年度利潤)	164,477	204,900
		'000 千股	'000 千股
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic earnings per share (Note)	計算每股基本盈利所採用的加權平均股數(附註)	822,949	833,856

Note: The weighted average number of ordinary shares adopted in the calculation of basic and diluted earnings per share for both years have been arrived at after deducting the shares held in trust for the Company by an independent trustee under the share award scheme of the Company.

The computation of diluted earnings per share does not assume the exercise of the Company's Pre-IPO share options and share awards because the exercise price of those options and the fair value of those share awards were both higher than the average market price for shares for both 2017 and 2016.

歸屬於本公司所有人的每股基本及攤薄盈利乃根據以下數據計算：

附註：計算兩年每股基本及攤薄盈利加權平均普通股數時，均已扣除股份獎勵計劃項目下的由獨立信託公司持有的信託中的股份。

因首次公開發售前的購股權的行權價格以及股份獎勵的公允價值分別高於2016年及2017年股份平均市場價格，在計算每股攤薄盈利時並未假定有行使該購股權和股份獎勵。

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13. PROPERTY, PLANT AND EQUIPMENT

13. 物業、廠房及設備

		Buildings	Furniture, fixtures and equipment 傢俬、裝置及設備	Motor vehicles 汽車	Plant and machinery 廠房及機器	Construction in progress 在建工程	Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
COST	成本						
At 1 January 2016	於2016年1月1日	57,732	40,147	5,041	238,117	25,972	367,009
Currency realignment	幣值調整	—	38	58	—	—	96
Additions	添置	—	4,417	173	3,929	2,608	11,127
Disposals	處置	—	(127)	(199)	(44)	—	(370)
Transfers	轉移	—	—	—	6,029	(6,029)	—
At 31 December 2016	於2016年12月31日	57,732	44,475	5,073	248,031	22,551	377,862
Currency realignment	幣值調整	—	(42)	(61)	—	—	(103)
Additions	添置	174,181	8,699	268	5,116	24,707	212,971
Disposals	處置	—	(578)	(216)	(7,860)	—	(8,654)
Transfers	轉移	—	—	—	18,557	(18,557)	—
At 31 December 2017	於2017年12月31日	231,913	52,554	5,064	263,844	28,701	582,076
DEPRECIATION	折舊						
At 1 January 2016	於2016年1月1日	21,242	19,064	1,889	128,706	—	170,901
Currency realignment	幣值調整	—	28	20	—	—	48
Provided for the year	年度撥備	2,900	6,215	543	30,046	—	39,704
Eliminated on disposals	處置時對銷	—	(127)	(199)	(44)	—	(370)
At 31 December 2016	於2016年12月31日	24,142	25,180	2,253	158,708	—	210,283
Currency realignment	幣值調整	—	(36)	(23)	—	—	(59)
Provided for the year	年度撥備	7,314	10,303	503	26,355	—	44,475
Eliminated on disposals	處置時對銷	—	(578)	(216)	(7,750)	—	(8,544)
At 31 December 2017	於2017年12月31日	31,456	34,869	2,517	177,313	—	246,155
CARRYING VALUES	賬面值						
At 31 December 2017	於2017年12月31日	200,457	17,685	2,547	86,531	28,701	335,921
At 31 December 2016	於2016年12月31日	33,590	19,295	2,820	89,323	22,551	167,579

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13. PROPERTY, PLANT AND EQUIPMENT (Continued)

The Group's buildings are erected on land held under medium-term land use rights in the PRC.

The above items of property, plant and equipment, other than construction in progress, are depreciated over their estimated useful lives and after taking into account their estimated residual values, using the straight-line method, as follows:

Buildings	2% – 5%
Furniture, fixtures and equipment	20% – 33 $\frac{1}{3}$ %
Motor vehicles	10% – 20%
Plant and machinery	10%

14. LAND USE RIGHTS

The balance represents the prepayments of rentals for medium-term land use rights situated in the Mainland China for a period of 50 years.

15. GOODWILL

COST AND CARRYING VALUE

At 1 January 2016, 31 December 2016 and 2017

成本及賬面值

於2016年1月1日，2016年12月31日
及2017年12月31日

RMB'000
人民幣千元

1,375

Management of the Group determined that there was no impairment in the CGU (i.e. embedded software and secure payment products) containing the goodwill during the year ended 31 December 2017 and 2016.

13. 物業、廠房及設備(續)

本集團樓宇建於中國境內，擁有中期土地使用權。

除在建工程外，上述物業、廠房及設備乃經考慮其預計殘值後，於估計可使用年限內按下列年率以直線法確摺舊：

樓宇	2% – 5%
傢俬、裝置及設備	20% – 33 $\frac{1}{3}$ %
汽車	10% – 20%
廠房及機器	10%

14. 土地使用權

結餘指位於中國內地年限50年的中期土地使用權的預付租金。

15. 商譽

管理層認為，截至2016年及2017年12月31日，包含商譽之現金產生單位(即嵌入式軟件和安全支付產品)並無產生減值。

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16. INTANGIBLE ASSETS

16. 無形資產

Trademarks

商標

RMB'000

人民幣千元

COST

At 1 January 2016, 31 December 2016 and 31 December 2017

成本

於2016年1月1日，2016年12月31日及2017年12月31日

18,318

AMORTISATION

At 1 January 2016
Charge for the year

攤銷

於2016年1月1日
年度攤銷

4,772

2,290

At 31 December 2016
Charge for the year

於2016年12月31日
年度攤銷

7,062

2,290

At 31 December 2017

於2017年12月31日

9,352

CARRYING VALUES

At 31 December 2017

賬面值

於2017年12月31日

8,966

At 31 December 2016

於2016年12月31日

11,256

The amount represents the trademarks registered in Hong Kong, Macau and the PRC, with finite useful lives and are amortised on a straight line basis over the periods of 5 to 9 years (2016: 5 to 9 years).

該金額表示於香港、澳門及中國註冊的商標，此類商標有固定使用年限，在5到9年(2016：5到9年)內以直線法攤銷。

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17. INTERESTS IN ASSOCIATES

17. 於聯營公司之權益

	2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Unlisted investments in associates, at cost 投資於非上市之聯營公司，按成本	32,120	32,120
Exchange realignment 匯兌調整	193	216
Share of post-acquisition results and reserves 應佔投資收益及儲備	(4,838)	716
	27,475	33,052

Details of the Group's associates at the end of the reporting period are as follows:

於本報告期末本集團聯營公司之詳細信息如下：

Name of entity	Country of incorporation and operation	Proportion of issued ordinary share capital indirectly held by the Group 由本公司非直接持有的已發行普通股之佔比	Principal activity
實體名稱	成立和運營國家	2017	2016
Kaixin Holdings Limited 凱鑫控股有限公司	British Virgin Islands 英屬維爾京群島	45%	45% Investment holding 控股公司
Goldpac ACS Technologies Inc.	Philippines 菲律賓	45%	45% Personalisation service 個人化服務
Sichuan Zhongruan Technology Ltd. ("SCZR") 四川中軟科技有限公司(「四川中軟」)	Mainland China 中國內地	19.68% (Note) (附註)	19.68% (Note) (附註) Smart city platform 智慧城市平台

Note: The Group is able to exercise significant influence over SCZR because it has the power to appoint two out of the seven directors of that company under the Article of Association of that company.

附註：本集團能對四川中軟施加重大影響，因為根據四川中軟之公司章程，本集團有權指派其七名董事中的兩名。

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17. INTERESTS IN ASSOCIATES (Continued)

Aggregate information of associates that are not individually material

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
The Group's share of losses of associates	本集團應佔虧損	(5,554)	(5,495)
Aggregate carrying amount of the Group's interests in these associates	聯營公司權益之賬面金額合計	27,475	33,052

17. 於聯營公司之權益(續)

個別非重大聯營公司的滙總信息

18. INVENTORIES

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Raw materials	原材料	150,625	162,974
Work in progress	半成品	5,316	4,939
Finished goods	成品	51,668	43,299
		207,609	211,212

18. 存貨

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19. TRADE RECEIVABLES

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Trade receivables	應收貨款	401,079	323,709
Retentions held by customers	客戶持有的保留款	16,650	16,261
		417,729	339,970

Payment terms with customers are mainly on credit. Invoices are normally payable in 30 to 150 days by the customers from date of issuance while retentions held by customers are normally payable between 6 months to 1 year by the customers from the date of issuance of invoices. The following is an aged analysis of trade receivables net of allowance for doubtful debt presented based on the date of delivery of goods which approximated the respective dates on which revenue was recognised:

與客戶的付款條款主要為賒賬。發票一般於發出日期起計30日至150日內由客戶支付，而客戶持有的保留款一般於發出發票日期起計六個月到一年內支付。按貨物交付日期(與各自收益確認日期相若)呈列的應收貨款(扣除呆帳撥備)賬齡分析如下：

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Age	賬齡		
0 – 90 days	0 – 90日	297,292	223,697
91 – 180 days	91 – 180日	56,046	58,413
181 – 365 days	181至365日	34,794	36,801
Over 1 year (Note)	超過一年(附註)	29,597	21,059
		417,729	339,970

Note: Included in the above balance aged over one year at 31 December 2017 were retentions held by customers for sales of goods of RMB7,553,000 (2016: RMB7,256,000).

附註：上述於2017年12月31日賬齡超過一年的結餘中所包含客戶就貨物銷售而持有的保留款為人民幣7,553,000元(2016年：人民幣7,256,000元)。

The Group does not hold any collateral over these balances.

本集團並無就該等結餘持有任何抵押品。

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19. TRADE RECEIVABLES (Continued)

At 31 December 2017, included in the Group's trade receivable balances are trade receivables with aggregate carrying amount of RMB21,251,000 (2016: RMB16,800,000) which are past due at the reporting date for which the Group has not provided for impairment loss as counterparties have sound financial background.

Aging of trade receivables which are past due but not impaired is as follows:

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Age	賬齡		
91 – 180 days	91–180日	8,796	2,959
181 – 365 days	181至365日	6,042	8,184
Over 1 year	超過一年	6,413	5,657
		21,251	16,800

In determining the recoverability of the trade receivables, the Group monitors change in the credit quality of the debtors since the credit was granted and up to the reporting date.

No interest is charged on trade receivables. Allowance on trade receivables are made based on estimated irrecoverable amounts from the sales of goods or provision of services by reference to past default experience, and by aging and credit portfolio of each debtor.

19. 應收貨款(續)

於2017年12月31日，本集團應收貨款結餘中包括賬面總值為人民幣21,251,000元（2016：人民幣16,800,000元）的應收貨款，該等款項於報告日期已逾期，但本集團尚未就減值虧損計提撥備，此乃由於對方有良好的財務背景。

已逾期但未減值的應收貨款的賬齡如下：

在釐定應收貨款的可收回性時，本集團監控自授出信貸起直至報告日期的債務人的信用質量的變動。

應收貨款並不計息。應收貨款的撥備乃根據銷售貨物或提供服務的估計不可收回金額作出，當中已參考過往違約經驗及按每個債務人之賬齡和信用組合。

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19. TRADE RECEIVABLES (Continued)

Movements in the allowance for doubtful debt are as follows:

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
At 1 January	於1月1日	17,431	7,226
(Reversal of) impairment loss recognised on receivables	應收款項減值(撥回)撥備	(9,384)	10,393
Bad debts written off	已註銷壞賬	(793)	(188)
At 31 December	於12月31日	7,254	17,431

At the end of the reporting period, the allowance for doubtful debt represented individually impaired trade receivables which have been overdue for a long time and the directors of the Company consider that the recoverability of these debts are low based on historical experience.

呆賬撥備變動如下：

於報告期末，呆賬撥備指個別減值應收貨款，該等款項已過期一段長時間，且本公司董事認為，根據過往經驗，收回該等款項的機會不大。

20. OTHER RECEIVABLES AND PREPAYMENTS

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Rental and utility deposits	租金及水電押金	1,747	1,936
Tender deposits	投標保證金	5,561	16,793
Deposits paid to suppliers	支付給供應商的定金	12,014	9,243
Prepayments to the Trustee (as defined in note 29(c))	信託預付款 (參見附註29(c))	2,792	1,342
Other prepayments and deposits	其他預付款及定金	23,083	3,333
		45,197	32,647

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21. AMOUNT DUE FROM AN ASSOCIATE

The balance is unsecured, interest-free. An amount of approximately RMB819,000 (2016: RMB869,000) is expected to be repayable after one year, and the amount is therefore shown as non-current. For the remaining amount of approximately RMB9,422,000 (2016: RMB8,409,000), the amount is repayable on demand.

22. DEPOSITS PAID FOR ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT

During the year ended 31 December 2016, the Group entered into a provisional sale and purchase agreement with Junefield (Beijing Hong Kong) Development Company Limited (the "Vendor"), an independent third party, to acquire 13th floor of Bank of East Asia Harbour View Centre on No.56 Gloucester Road, Hong Kong (the "Property") at a consideration of HKD178,000,000 (equivalent to RMB154,174,000). As at 31 December 2016, deposits amounted to HKD32,930,000 (equivalent to RMB29,456,000) was placed to the Vendor. During the year ended 31 December 2017, the acquisition was completed and the property is included in property, plant and equipment as at 31 December 2017.

23. PLEDGED BANK DEPOSITS, FIXED BANK DEPOSITS AND BANK BALANCES AND CASH

Bank balances and cash comprise cash held by the Group and short-term bank deposits with an original maturity of three months or less. The pledged bank deposits are pledged for bills payables and carry interest at the prevailing market interest rate ranging from 0.36% to 4.13% (2016: 0.3% to 4.13%) per annum.

Bank balances held by the Group carry interest at the rate of 0% to 0.3% (2016: 0% to 1%) per annum.

Fixed bank deposits held by the Group and the Company are denominated in RMB and carry interest at the rate of 2% to 4% (2016: 0.42% to 3.77%) per annum. Included in the balance as at 31 December 2017, RMB100,000,000 of fixed bank deposits are carried with original maturity over one year (2016: RMB110,000,000).

21. 應收聯營公司款

結餘為無抵押、免息。其中約人民幣819,000元(2016: 人民幣869,000元)預計於1年後償還,因此為非流動資產。其餘約人民幣9,422,000元(2016: 人民幣8,409,000元)需應要求償還。

22. 購買物業／廠房及設備已付定金

截至2016年12月31日之年度,本集團與莊勝(京港)發展有限公司(賣方),一名獨立第三方訂立臨時買賣協議以收購香港告示打道56號東亞銀行港灣中心13層之辦公室(該物業),代價為港幣178,000,000元(相當於人民幣154,174,000元)。截至2016年12月31日止,已交付按金港幣32,930,000元(相當於人民幣29,456,000元)予賣方。於截至2017年12月31日之年度,該交易已完成,該物業已包含於截至2017年12月31日的物業、廠房及設備項之餘額中。

23. 已抵押銀行存款、銀行定期存款、銀行存款及現金

銀行存款及現金包括本集團所持有的現金及三個月或在三個月以內到期的短期存款。已抵押銀行存款為抵押應付票據,其年利率按現行市價利率介於0.36%至4.13%(2016年為0.3%至4.13%)計息。

本集團持有的銀行存款按年利率0%至0.3%(2016年為0%至1%)計息。

本集團持有的銀行定期存款以人民幣計價,按2%至4%(2016年為0.42%至3.77%)的年利率計息。截至2016年12月31日,到期超過一年的銀行定期存款結餘為人民幣100,000,000元(2016年為人民幣110,000,000元)。

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24. TRADE AND BILLS PAYABLES

24. 應付貨款及應付票據

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Trade payables	應付貨款		
— Subsidiaries of Gemalto N.V. ("Gemalto") (Note)	— Gemalto N.V. (「Gemalto」) 的附屬公司(附註)	85,258	126,157
— Related company of Gemalto — DataCard Corporation	— Gemalto的關聯公司 — DataCard Corporation	10,066	16,331
— Third parties	— 第三方	319,403	190,848
		414,727	333,336
Bills payables - secured	有抵押應付票據		
— Subsidiaries of Gemalto	— Gemalto的附屬公司	78,383	88,290
— Third parties	— 第三方	57,593	93,475
		135,976	181,765
		550,703	515,101

Note: Gemalto is a company incorporated under the laws of the Netherlands and whose shares are listed and traded on NYSE Euronext Amsterdam and NYSE Euronext Paris. It controlled Gemplus International S.A., a substantial shareholder of the Company throughout both years, which is a limited liability company incorporated in Luxembourg.

附註：Gemalto 根據荷蘭法律成立，其股份在紐約一泛歐證券交易所之阿姆斯特丹交易所和巴黎交易所上市交易。Gemplus International S.A. 由 Gemalto 控制，是一家於盧森堡註冊的有限責任公司，在兩個年度內均是本公司的主要股東。

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24. TRADE AND BILLS PAYABLES (Continued)

The Group normally receives credit terms of 60 to 180 days from its suppliers. The following is an aged analysis of the Group's trade and bills payables based on invoice date and bill issuance date respectively at the end of the reporting period:

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Age	賬齡		
0 – 90 days	0至90日	391,592	414,616
91 – 180 days	91至180日	129,681	87,678
181 – 365 days	181至365日	27,579	8,637
Over 1 year	超過一年	1,851	4,170
		550,703	515,101

24. 應付貨款及應付票據(續)

本集團一般獲供應商提供60日至180日的信貸期。下列為各報告期末本集團應付貨款及應付票據按發票日期或票據開具日期的賬齡分析：

25. OTHER PAYABLES

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Customers' deposits	客戶保證金	35,475	32,398
Payroll and welfare payables	應付工資及福利	45,925	48,272
Value-added tax payables	應付增值稅	61,903	47,444
Warranty provision	保證金撥備	4,775	4,775
Delivery and postage payables	應付運費及郵資	4,411	1,923
Other tax payables	其他應付稅款	2,137	843
Other payables	其他應付款項	3,355	1,755
		157,981	137,410

25. 其他應付款項

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26. GOVERNMENT GRANTS

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
CARRYING VALUE	賬面值		
At 1 January	於1月1日	14,700	18,720
Government grants received during the year	年內所收政府補貼	3,000	700
Released to profit or loss during the year	年內計入損益	—	(4,720)
At 31 December	於12月31日	17,700	14,700

Goldpac Limited received government grants throughout the year from the relevant China local authorities as an incentive in relation to technical know-how on the development of smart cards and solutions services. Such government grants were recognised in the profit or loss as other income, expenses, gains or losses when the research was completed and the related verification procedures have been completed and approved by the China local authorities.

金邦達有限公司年內所收到的中國內地政府補貼是作為對智能卡及解決方案技術發展的獎勵。此類政府補貼在研發完成、相關驗證程序完畢並獲得中國內地政府部門批准後將作為其他收入、支出、利得或損失計入損益。

27. DEFERRED TAXATION

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred taxation balances at the end of the reporting period:

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Deferred tax assets	遞延稅項資產	8,730	—
Deferred tax liabilities	遞延稅項負債	(19,871)	(10,111)
		(11,141)	(10,111)

26. 政府補貼

27. 遞延稅項

綜合財務狀況報表中部分遞延稅項資產和債務已被相互抵消。以下為於報告期末遞延稅項餘額分析：

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27. DEFERRED TAXATION (Continued)

The following is the deferred taxation recognised and movements thereon during the year:

27. 遞延稅項(續)

以下為已確認的遞延稅項及其年內的變動：

		Temporary differences arising from allowance for doubtful debt and inventories 由呆賬及存貨撥備產生的暫時性差異 RMB'000 人民幣千元	Mainland China withholding tax on undistributed earnings 未分配利潤的中國內地預扣稅 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
At 1 January 2016	於2016年1月1日	—	22,748	22,748
Charged to profit or loss during the year (note 10)	年內計入損益(附註10)	—	7,597	7,597
Credited to profit or loss during the year on dividend distribution in prior years (note 10)	有關以前年度分派股息而於年內計入損益(附註10)	—	(20,234)	(20,234)
At 31 December 2016	於2016年12月31日	—	10,111	10,111
(Credited) charged to profit or loss during the year (note 10)	年內於損益中(增加)扣除(附註10)	(8,730)	9,760	1,030
At 31 December 2017	於2017年12月31日	(8,730)	19,871	11,141

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綜合財務報表附註(續)

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28. SHARE CAPITAL

28. 股本

		Notes 附註	Number of ordinary shares 普通股數目 '000 千	Amount 金額 HKD'000 港幣千元
Issued and fully paid:	已發行且繳足：			
At 1 January 2016	於2016年1月1日		833,667	1,497,123
Issue of shares upon exercise of share options	因行使購股權所發行 的股份	(a)	362	1,872
Shares repurchased and cancelled	回購及註銷股份	(b)	(565)	—
At 31 December 2016	於2016年12月31日		833,464	1,498,995
Issue of shares upon exercise of share options	因行使購股權所發行 的股份	(c)	97	503
At 31 December 2017	於2017年12月31日		833,561	1,499,498
Shown in the financial statements as — at 31 December 2017	顯示於下列財務報表 — 於2017年12月31日			1,192,362
— at 31 December 2016	— 於2016年12月31日			1,191,941

Notes:

- (a) During the year ended 31 December 2016, 362,000 share options were exercised and converted into 362,000 ordinary shares at the conversion price of HKD2.71.
- (b) During the year ended 31 December 2016, the Company repurchased and cancelled a total of 565,000 ordinary shares of the Company at an aggregate cost of HKD1,351,000 (equivalent to approximately RMB1,135,000) on the Stock Exchange.
- (c) During the year ended 31 December 2017, 97,000 share options were exercised and converted into 97,000 ordinary shares at the conversion price of HKD2.71.

附註：

- (a) 於截至2016年12月31日止之年度，有362,000股購股權按每股港幣2.71元行使並轉為362,000股普通股。
- (b) 於截至2016年12月31日之年度，本公司從聯交所回購並註銷了共計565,000股本公司的普通股，回購成本為港幣1,351,000元(相當於人民幣1,135,000元)。
- (c) 於截至2017年12月31日止之年度，有97,000股購股權按每股港幣2.71元行使並轉為97,000股普通股。

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For the year ended 31 December 2017 於截至2017年12月31日止之年度

28. SHARE CAPITAL (Continued)

During the year ended 31 December 2016, the Company repurchased its own ordinary shares through the Stock Exchange as follows:

Month of repurchase	回購月份	No. of ordinary shares 普通股數目	Price per share 每股價格		Aggregate consideration paid 支付總價 HKD'000 港幣千元
			Highest 最高 HKD 港幣	Lowest 最低 HKD 港幣	
June 2016	2016年6月	565,000	2.41	2.37	1,351
					1,351

The above ordinary shares were cancelled upon repurchase.

None of the Company's subsidiaries purchased, sold or redeemed any of the Company's listed securities during both years.

All the shares which were issued during the year ended 31 December 2017 rank pari passu with the existing shares in all respects.

28. 股本(續)

於截至2016年12月31日之年度，本公司於聯交所回購本公司普通股如下：

上述普通股於回購之後註銷。

於兩個年度內均無本公司之任何附屬公司購買、出售或贖回本公司之上市證券。

所有在截至2017年12月31日年度發行的股份各方面與現有股份享有同等權益。

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For the year ended 31 December 2017 於截至2017年12月31日止之年度

29. SHARE-BASED PAYMENT TRANSACTIONS

(a) Pre-IPO Share Option Scheme

The Pre-IPO Share Option Scheme was adopted pursuant to a written resolution passed by the shareholders of the Company on 15 November 2013 for the primary purpose of recognise the contribution of certain employees and directors made or may have made to the growth of the Group and/or the listing of the Group on the Main Board of the Stock Exchange, and will expire on 3 December 2019.

At 31 December 2017, the number of shares in respect of which options had been granted and remained outstanding under the Pre-IPO Share Option Scheme was 28,117,000 (2016: 30,126,000), representing 3.37% (2016: 3.61%) of the shares of the Company in issue on that day.

Options granted must be taken up on 19 November 2013, upon payment of HKD1.0 by the grantee.

29. 以股份為基礎的支付交易

(a) 首次公開發售前購股權計劃

首次公開發售前購股權計劃於2013年11月15日獲全體股東以書面決議批准，旨在肯定本集團若干僱員及董事作出或過去可能作出對本集團發展及／或股份於聯交所上市的貢獻，並將於2019年12月3日到期。

於2017年12月31日，在首次公開發售前購股權計劃下已授出及未行使股份的數量為28,117,000（2016：30,126,000），佔本公司於2017年12月31日已發行的股份數量的3.37%（2016：3.61%）。

授出的購股權必須在2013年11月19日前以支付港幣1.0元的價格予以承授。

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29. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

(a) Pre-IPO Share Option Scheme (Continued)

The following table discloses details of the Company's share options held by directors and employees and movements in such holding for both years ended 31 December 2016 and 2017:

Date of grant	Vesting period	Exercise period	Exercise price per share	Number of share options							At 31 December 2017
				At 1 January 2016	Exercise during the year	Forfeiture during the year	At 1 January 2017	Transfer during the year	Exercise during the year	Forfeiture during the year	
授出日期	歸屬期	行使期	每股行使價	於2016年1月1日	年內行使	年內失效	於2017年1月1日	年內轉讓	年內行使	年內失效	於2017年12月31日
								(Note 1) (附註1)	(Note 2) (附註2)		
Directors											
董事											
19 November 2013	From 19 November 2013 to 3 December 2014	From 4 December 2014 to 3 December 2019	HKD2.71	200,000	—	—	200,000	200,000	—	—	400,000
2013年11月19日	自2013年11月19日至2014年12月3日	自2014年12月4日至2019年12月3日	港幣2.71元								
19 November 2013	From 19 November 2013 to 3 December 2015	From 4 December 2015 to 3 December 2019	HKD2.71	1,640,000	—	—	1,640,000	200,000	—	—	1,840,000
2013年11月19日	自2013年11月19日至2015年12月3日	自2015年12月4日至2019年12月3日	港幣2.71元								
19 November 2013	From 19 November 2013 to 3 December 2016	From 4 December 2016 to 3 December 2019	HKD2.71	1,640,000	—	—	1,640,000	200,000	—	—	1,840,000
2013年11月19日	自2013年11月19日至2016年12月3日	自2016年12月4日至2019年12月3日	港幣2.71元								
19 November 2013	From 19 November 2013 to 3 December 2017	From 4 December 2017 to 3 December 2019	HKD2.71	1,640,000	—	—	1,640,000	200,000	—	—	1,840,000
2013年11月19日	自2013年11月19日至2017年12月3日	自2017年12月4日至2019年12月3日	港幣2.71元								
19 November 2013	From 19 November 2013 to 3 December 2018	From 4 December 2018 to 3 December 2019	HKD2.71	1,640,000	—	—	1,640,000	200,000	—	—	1,840,000
2013年11月19日	自2013年11月19日至2018年12月3日	自2018年12月4日至2019年12月3日	港幣2.71元								
				6,760,000	—	—	6,760,000	1,000,000	—	—	7,760,000

29. 以股份為基礎的支付交易 (續)

(a) 首次公開發售前購股權計劃(續)

下表披露本公司董事及僱員所持有的購股權及其於截至2016及2017年12月31日之年度之變動：

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29. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

(a) Pre-IPO Share Option Scheme (Continued)

Date of grant	Vesting period	Exercise period	Exercise price per share	Number of share options							At 31 December 2017
				At 1 January 2016	Exercise during the year	Forfeiture during the year	At 1 January 2017	Transfer during the year	Exercise during the year	Forfeiture during the year	
授出日期	歸屬期	行使期	每股行使價	於2016年1月1日	年內行使	年內失效	於2017年1月1日	年內轉撥 (Note 1) (附註1)	年內行使 (Note 2) (附註2)	年內失效	於2017年12月31日
Employees											
19 November 2013	From 19 November 2013 to 3 December 2014	From 4 December 2014 to 3 December 2019	HKD2.71	3,086,000	(47,000)	(33,000)	3,006,000	(200,000)	(9,000)	(148,000)	2,649,000
2013年11月19日	自2013年11月19日至2014年12月3日	自2014年12月4日至2019年12月3日	港幣2.71元								
19 November 2013	From 19 November 2013 to 3 December 2015	From 4 December 2015 to 3 December 2019	HKD2.71	4,871,000	(315,000)	(48,000)	4,508,000	(200,000)	(4,000)	(312,000)	3,992,000
2013年11月19日	自2013年11月19日至2015年12月3日	自2015年12月4日至2019年12月3日	港幣2.71元								
19 November 2013	From 19 November 2013 to 3 December 2016	From 4 December 2016 to 3 December 2019	HKD2.71	5,448,000	—	(164,000)	5,284,000	(200,000)	(84,000)	(484,000)	4,516,000
2013年11月19日	自2013年11月19日至2016年12月3日	自2016年12月4日至2019年12月3日	港幣2.71元								
19 November 2013	From 19 November 2013 to 3 December 2017	From 4 December 2017 to 3 December 2019	HKD2.71	5,448,000	—	(164,000)	5,284,000	(200,000)	—	(484,000)	4,600,000
2013年11月19日	自2013年11月19日至2017年12月3日	自2017年12月4日至2019年12月3日	港幣2.71元								
19 November 2013	From 19 November 2013 to 3 December 2018	From 4 December 2018 to 3 December 2019	HKD2.71	5,448,000	—	(164,000)	5,284,000	(200,000)	—	(484,000)	4,600,000
2013年11月19日	自2013年11月19日至2018年12月3日	自2018年12月4日至2019年12月3日	港幣2.71元								
				24,301,000	(362,000)	(573,000)	23,366,000	(1,000,000)	(97,000)	(1,912,000)	20,357,000
Total				31,061,000	(362,000)	(573,000)	30,126,000	—	(97,000)	(1,912,000)	28,117,000
合計											

Note 1: The transfer during the year represents share options held by a newly appointed director, who was previously an employee.

附註1: 年內轉撥指由僱員持有的購股權轉撥至由董事持有的購股權。該名僱員於年內獲委任成為董事。

Note 2: The weighted average share price at the dates of exercise is HKD2.35.

附註2: 於行權日的加權平均價格為港幣2.35元。

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29. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

(a) Pre-IPO Share Option Scheme (Continued)

The share options shall vest in 5 tranches subject to specific period of services of certain of employees, executives and officers for the Group and/or the listing of Shares on the Stock Exchange. Due to the resignation of certain of employees, executives and officers during the year ended 31 December 2017, part of the share options were forfeited.

The fair values of the share options granted during the year ended 31 December 2013 were calculated at RMB69,935,000 (equivalent to HKD88,954,000) using the Binominal Option Pricing pricing model. The inputs into the model were as follows:

Share price	HKD4.52
Exercise price	HKD2.71
Expected life	6 years
Expected volatility	46.9963%
Expected dividend yield	1.0822%
Risk-free interest rate	1.2426%
Fair value per option	HKD2.4250 to HKD2.4791

Expected volatility was determined by using the historical volatility of the selected comparable companies in the same industry. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

The Group recognised the total expense of RMB4,426,000 (2016: RMB10,502,000) for the year ended 31 December 2017.

29. 以股份為基礎的支付交易 (續)

(a) 首次公開發售前購股權計劃(續)

根據某些員工、管理層及職員對本集團及／或本集團上市的特定服務期間，購股權將分五批歸屬。截至2017年12月31日止，由於某些員工、管理層及職員的離職，部份購股權失效。

於截至2013年12月31日止之年度，授出的購股權公價允值使用二項式期權定價模式計算出為人民幣69,935,000元(折合港幣88,954,000元)，代入模式如下：

股價	港幣4.52元
行使價	港幣2.71元
預期壽命	6年
預期波幅	46.9963%
預期股息收益	1.0822%
無風險利率	1.2426%
每份購股權之公允價值	港幣2.4250元至港幣2.4791元

預期波幅是按照歷史波幅及所選同行業的可比波幅決定的。該模式所用之預期壽命已經根據管理層就非轉讓性，行使限制及行為因素影響的最佳估算進行調整。

於截至2017年12月31日止之年度，本集團確認開支為人民幣4,426,000元(2016年：人民幣10,502,000元)。

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29. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

(b) Share Option Scheme

The principal terms of the share option scheme, approved by the shareholder's resolution passed on 15 November 2013 (the "Share Option Scheme"), are substantially the same as the terms of the Pre-IPO Option Scheme except that:

- (i) the maximum number of shares in respect of which options may be granted shall not exceed 10% of the total number of shares in issue at the date of listing of the shares of the Company on the Main Board of the Stock Exchange;
- (ii) the maximum entitlement of each eligible participant in any 12-month period up to the date of offer to grant shall not exceed 1% of the shares in issue as at the date of offer to grant; and
- (iii) the exercise price is determined by the directors of the Company at their discretion and will not be lower than the highest of: (a) the closing price of the ordinary shares on the Stock Exchange at the offer date, which must be a trading day; (b) the average closing price of the ordinary shares on the Stock Exchange for the five business days immediately preceding the offer date; and (c) the nominal value of the Company's share.

On 7 September 2016, 20,000,000 share options were granted and all share options were forfeited during the year ended 31 December 2016. As at 31 December 2016 and 2017, no shares in respect of which options had been granted are remained outstanding under the Share Option Scheme.

29. 以股份為基礎的支付交易 (續)

(b) 購股權計劃

於2013年11月15日通過的股東決議中所批准的購股權計劃首要條款與首次公開發售的購股權計劃大致相同，以下條款除外：

- (i) 購股權授出最大股份數不得超過本公司在聯交所上市之日的總股數的10%；
- (ii) 在任何一個12個月期間到要約授出之日，授予各合格參與者的最高配額不得超過已發行股份的1%；及
- (iii) 行使價格是由本公司董事酌情商定，且不會低於以下最高者：(a)普通股在聯交所要約日交易日收盤價；(b)在聯交所緊接授出日期的前五個營業日的普通股收盤價平均值；(c)本公司股份面值。

於2016年9月7日，20,000,000股購股權被授出並於當年內失效。於2016年及2017年12月31日，該購股權計劃下已授出及未行使股份的数量為零。

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29. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

(b) Share Option Scheme (Continued)

The following table discloses details of the Company's share options held by directors and employees and movements in such holding for the year ended 31 December 2016 and 2017:

Date of grant	Vesting period	Exercise period	Exercise price	Number of share options					
				At 1 January 2016 於2016年1月1日	Grant during the year	Forfeited during the year	At 1 January 2017 於2017年1月1日	Grant during the year	Forfeited during the year
授出日期	歸屬期	行使期	行使價 HKD 港元	1月1日	年內授出	年內失效	1月1日	年內授出	年內失效
Directors									
7 September 2016	From 7 September 2016 to 2 April 2017	From 3 April 2017 to 31 December 2023	2.61	—	390,000	(390,000)	—	—	—
2016年9月7日	自2016年9月7日至2017年4月2日	自2017年4月3日至2023年12月31日							
7 September 2016	From 7 September 2016 to 2 April 2018	From 3 April 2018 to 31 December 2023	2.61	—	390,000	(390,000)	—	—	—
2016年9月7日	自2016年9月7日至2018年4月2日	自2018年4月3日至2023年12月31日							
7 September 2016	From 7 September 2016 to 2 April 2019	From 3 April 2019 to 31 December 2023	2.61	—	390,000	(390,000)	—	—	—
2016年9月7日	自2016年9月7日至2019年4月2日	自2019年4月3日至2023年12月31日							
				—	1,170,000	(1,170,000)	—	—	—

29. 以股份為基礎的支付交易 (續)

(b) 購股權計劃(續)

下表披露本公司董事及僱員所持有的購股權於截至2017年12月31日止年度的變動：

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29. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

(b) Share Option Scheme (Continued)

Date of grant	Vesting period	Exercise period	Exercise price	Number of share options						
				At 1 January 2016	Grant during the year	Forfeited during the year	At 1 January 2017	Grant during the year	Forfeited during the year	At 31 December 2017
授出日期	歸屬期	行使期	行使價 HKD 港元	於2016年 1月1日	年內授出	年內失效	於2017年 1月1日	年內授出	年內失效	於2017年 12月31日
Employees										
7 September 2016	From 7 September 2016 to 2 April 2017	From 3 April 2017 to 31 December 2023	2.61	—	6,276,000	(6,276,000)	—	—	—	—
2016年9月7日	自2016年9月7日至 2017年4月2日	自2017年4月3日至 2023年12月31日								
7 September 2016	From 7 September 2016 to 2 April 2018	From 3 April 2018 to 31 December 2023	2.61	—	6,277,000	(6,277,000)	—	—	—	—
2016年9月7日	自2016年9月7日至 2018年4月2日	自2018年4月3日至 2023年12月31日								
7 September 2016	From 7 September 2016 to 2 April 2019	From 3 April 2019 to 31 December 2023	2.61	—	6,277,000	(6,277,000)	—	—	—	—
2016年9月7日	自2016年9月7日至 2019年4月2日	自2019年4月3日至 2023年12月31日								
				—	18,830,000	(18,830,000)	—	—	—	—

The share options shall vest in 3 tranches subject to achievement of certain performance targets by the relevant directors and employees and/or the Group. During the year ended 31 December 2016, due to the failure of their performance targets, the share options could not be vested, thus the share options were forfeited.

根據相關董事、員工及／或本集團是否能達成績效目標，購股權將分三批歸屬。截至2016年12月31日止，由於績效目標沒有達成，購股權不能被歸屬，因此購股權失效。

29. 以股份為基礎的支付交易 (續)

(b) 購股權計劃 (續)

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29. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

(b) Share Option Scheme (Continued)

The fair values of the share options granted during the year ended 31 December 2016 were calculated at RMB15,463,000 (equivalent to HKD17,852,000) using the Binominal Option Pricing pricing model. The inputs into the model were as follows:

Share price	HKD2.61
Exercise price	HKD2.61
Expected life	7.3 years
Expected volatility	49.86%
Expected dividend yield	4.21%
Risk-free interest rate	0.72%
Fair value per option	HKD0.8926

Expected volatility was determined by using the historical volatility of the selected comparable companies in the same industry. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

(c) Share Award Scheme

The Company adopted a share award scheme (the "Share Award Scheme") on 30 November 2015 (the "Adoption Date") with a duration of 15 years commencing from 11 December 2015. The objective of the Share Award Scheme are to (i) align the interests of any employee, adviser, consultant, agent, contractor, client or supplier of any member of the Group whom the directors in its sole discretion considers may contribute or have contributed to the Group (the "Participants"); (ii) recognise and motivate the contribution of the Participants and to provide incentives in retaining the Participants for future operation and development of the Group; and (iii) attract suitable personnel for the long-term growth and further strategic expansion of the Group.

29. 以股份為基礎的支付交易 (續)

(b) 購股權計劃(續)

於截止2016年12月31日止之年度，授出的購股權公價允值使用二項式期權定價模式計算出為人民幣15,463,000(折合港幣17,852,000元)，代入模式如下：

股價	港幣2.61元
行使價	港幣2.61元
預期壽命	7.3年
預期波幅	49.86%
預期股息收益	4.21%
無風險利率	0.72%
每份購股權之公允價值	港幣0.8926元

預期波幅是按照歷史波幅及所選同行業的可比波幅決定的。該模式所用之預期壽命已經根據管理層就非轉讓性，行使限制及行為因素影響的最佳估算進行調整。

(c) 股份獎勵計劃

本公司於2015年11月30日(「採納日」)採納股份獎勵計劃(「股份獎勵計劃」)，股份獎勵計劃自2015年12月11日起計有效期為15年。計劃之目的為(i)使董事認為已經或將會對本集團作出貢獻之僱員、參事、顧問、代理、承辦商、顧客或供應商(「計劃參與者」)之利益與本集團利益一致；(ii)嘉獎和鼓勵計劃參與者之貢獻，並給予獎勵，以挽留計劃參與者，為本集團的持續經營及發展效力；及(iii)吸引合適人才推動本集團長期增長及進一步戰略拓展。

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29. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

(c) Share Award Scheme (Continued)

The Company has engaged BOCI-Prudential Trustee Limited (the "Trustee") to administer and hold the Company's shares before they are vested and transferred to the Participants. The Trustee purchases the Company's shares being awarded from the open market with funds provided by the Company by way of contributions.

During the year ended 31 December 2017, no ordinary shares of the Company have been acquired (2016: 10,814,000 ordinary shares at an aggregate cost of HKD29,776,000, equivalent to approximately RMB25,038,000). As at 31 December 2017, 10,374,000 shares have been granted or agreed to be granted to the Participants (2016: nil). The share awarded shall vest in 3 years on each anniversary of the first vesting date in equal portions. The first vesting date is 26 November 2017. The estimated fair value of the awards granted are RMB24,239,000 (equivalent to HK\$27,564,000) based on the market price of the relevant shares at the grant date. The Group recognised the total expenses of RMB12,737,000 for the year ended 31 December 2017 (2016: nil) in relation to the share awards granted by the Company. There are 7,867,000 (2016: 10,841,000) shares held by the Trustee and RMB2,792,000 (2016: RMB1,342,000) was placed to the Trustee as prepayments at the end of reporting period.

29. 以股份為基礎的支付交易 (續)

(c) 股份獎勵計劃(續)

本公司已委任中銀國際英國保誠信託有限公司(「受托人」)管理及持有本公司之股份，直至達到歸屬準則及條件符合為止，歸屬股份將轉讓予計劃參與人。受托人於合適的時候在公開市場買入公司現有股份，費用由本公司支付。

於截至2017年12月31日止之年度，本公司沒有購入本公司股份(2016：以總成本港幣29,776,000元購入本公司的10,814,000股普通股，相當於約人民幣25,038,000元)。於截至2017年12月31日止之年度，10,374,000股普通股已經授予或同意授予給參與者(2016：無)。獎勵股份從首個歸屬日起分3年歸，每年歸屬的數量相同。首個歸屬日為2017年11月26日。依據授予日的市場價格估算，獎勵股份的公允價值約為人民幣24,239,000元(折合港幣27,564,000元)。截至2017年12月31日，本集團就本公司授出獎勵股份確認的總開支為人民幣12,737,000元(2016年：無)。於報告期末，受托人持有7,867,000股普通股(2016：10,841,000)和人民幣2,792,000元(2016：人民幣1,342,000元)之預付款。

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30. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or the future cash flows will be, classified in the Group's consolidated statements of cash flows from financing activities.

30. 融資活動產生之負債 調節表

下表詳細列明本集團因融資活動產生的負債變動，包括現金及非現金變動。因融資活動產生的負債指在本集團綜合現金流量表中被分類為或將要被分類為融資活動的現金流或未來現金流相關的負債。

		Dividend payable 應付股息 RMB'000 人民幣千元
At 1 January 2017	2017年1月1日	—
Financing cash flow	融資活動現金流	(120,601)
Dividend declared	宣派股息	123,475
Foreign exchange translation	外幣換算	(2,874)
At 31 December 2017	2017年12月31日	—

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31. OPERATING LEASES

The Group as lessee

At the end of the reporting period, the Group was committed to make the following future minimum lease payments for office premises under non-cancellable operating leases which fall due as follows:

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Within one year	於一年內	6,093	3,558
In the second to fifth year inclusive	於第二至第五年	954	2,247
		7,047	5,805

Leases are negotiated for a term of 1 to 5 years and rentals are fixed for an average of 2 years (2016: 1 to 5 years for an average of 2 years).

The Group as lessor

At the end of the reporting period, the Group had contracted with a tenant for the following future minimum lease payments:

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Within one year	於一年內	751	675
In the second to fifth year inclusive	於第二至第五年	352	—
		1,103	675

31. 經營租賃

本集團作為承租人

於本報告期末，本集團承諾對不可撤銷的經營租賃寫字樓物業做出未來最低租賃付款額，到期如下：

	2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
於一年內	6,093	3,558
於第二至第五年	954	2,247
	7,047	5,805

租期1到5年，租金平均兩年是固定的（2016年：租期1到5年，租金平均兩年是固定的）。

本集團作為出租人

於本報告期末，本集團與承租人已簽訂合同的未來最低租賃款額：

	2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
於一年內	751	675
於第二至第五年	352	—
	1,103	675

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32. CAPITAL COMMITMENTS

32. 資本承擔

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Capital expenditure contracted for but not provided in the consolidated financial statements in respect of acquisition of property, plant and equipment	有關收購物業、廠房及設備的已訂約但未列入本綜合財務報表內的資本開支	14,804	146,178

33. RETIREMENT BENEFITS SCHEME

33. 退休福利計劃

The Group participates in MPF for its qualifying employees in Hong Kong. Under the rules of MPF Scheme, the employer and its employees are required to contribute 5% of the employee's salaries, up to a maximum of HKD1,500 per employee per month. The assets of MPF Scheme are held separately from those of the group companies in an independently administered fund.

本公司於香港的合格僱員參加香港強積金。香港強積金計劃要求，僱主需要繳納僱員相關收入的5%，以每月港幣1,500元為上限。強積金的資產與本集團分開，由受托人獨立管理。

The employees of the Group's subsidiaries in the PRC are members of the state-managed retirement benefits scheme operated by the PRC government. The subsidiaries are required to contribute a certain percentage of their payroll to the retirement benefits scheme to fund the benefits. The only obligations of the Group with respect to the retirement benefits scheme are to make the required contributions under the scheme.

本集團於中國附屬公司的合格僱員參加由中國政府運作的國家管理退休福利計劃。該等附屬公司須按其工資總額的一定比例向退休福利計劃供款。本集團就退休福利計劃的唯一責任是根據該計劃的規定提供供款。

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34. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that the Group entities will be able to continue as a going concern while maximising the return to owners through the optimisation of the debt and equity balance.

The capital structure of the Group consists of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital, reserves and retained profits as disclosed in the consolidated financial statements.

The management of the Group reviews the capital structure on a regular basis. The Group considers the cost of capital and the risks associated with each class of capital and will balance its overall capital structure through the payment of dividends, new share issues as well as the raising of bank loans.

35. FINANCIAL INSTRUMENTS

Categories of financial instruments

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Financial assets	金融資產		
Loans and receivables (including cash and cash equivalents)	貸款及應收款項(包括現金及現金等價物)	2,072,558	2,134,828
Financial liabilities	金融負債		
Amortised cost	攤銷成本	558,469	518,778

34. 資本風險管理

本集團管理資本的目的為確保集團實體均可持續經營，同時透過優化債務及權益間平衡為擁有者謀求最大回報。

本集團的資本架構包括現金及現金等價物、銀行貸款及本公司擁有者應佔權益，包括綜合財務報表中所披露的已發行股本、儲備及保留利潤。

本集團管理層定期檢討結構。本集團會考慮資本成本及與各類資本相關的風險，並將透過支付股息、發行新股及籌集銀行貸款，保持整體資本結構的平衡。

35. 金融工具

金融工具類別

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35. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies

The Group's major financial instruments include amount due from an associate, trade and other receivables, pledged bank deposits, fixed bank deposits, bank balances and cash, trade, bills and other payables. Details of these financial instruments are disclosed in the respective notes. The risks associated with these financial instruments include market risk (currency risk and interest rate risk), credit risk and liquidity risk. 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.

Credit risk

The Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to perform an obligation by the counterparties at the end of the reporting period in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated statement of financial position of the Group.

The Group's credit risk is primarily attributable to its trade and other receivables. In order to minimise the credit risk, the management of the Group continuously monitors the level of exposure to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the long-aged receivables and the recoverability of trade receivables 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 has adequate procedures in place.

The Group has concentration of credit risk as 76% of the total trade receivables as at 31 December 2017 (2016: 79%) which was due from customers engaged in the banking industry.

35. 金融工具(續)

財務風險管理目標與政策

本集團的主要金融工具包括貿易應收款項及其他應收款項、其他金融資產、應收聯營公司款項、已抵押銀行存款、銀行定期存款、銀行存款及現金、應付貨款、應付票據及其他應付款項。該等金融工具的詳情於相關附註披露。該等金融工具的相關風險包括市場風險(貨幣風險及利率風險)、信貸風險及流動資金風險。減輕此等風險的政策載於下文。管理層管理及監察該等風險，以確保迅速及有效實施合適的措施。

信貸風險

因交易方未能於報告期末就各類已確認的金融資產履行其責任，對本集團造成財務虧損的本集團信貸風險上限分別為該等資產於本集團綜合財務狀況表內所示的賬面值。

本集團信貸風險主要由貿易應收款項及其他應收款項產生。為了盡可能降低信貸風險，本集團管理層持續監控風險水平，以確保採取跟進措施，以收回過期債務。此外，本集團於報告期末審閱長賬齡應收貨款每一個個別債務的可收回金額，以確保就不可收回的金額作出足夠的減值虧損。為此，本公司董事認為，本公司信貸風險處於恰當水平。

本集團有信貸集中風險，因於2017年12月31日應收貨款總額中76%(2016: 79%)為應收銀行業客戶的款項。

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35. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk (Continued)

The Group also have concentration of credit risk on fixed bank deposits which are deposited with banks with high credit rating. Other than the above, the Group does not have any other significant concentration of credit risk. The credit risk on pledged bank deposits and bank balances is minimal as such amounts are placed at banks with good reputation.

Market risk

(i) Currency risk

Several subsidiaries of the Company have foreign currency sales and purchases, which expose the Group to risk of United States dollar ("USD"). The percentage of the Group's sales and purchases that are denominated in USD, currency other than the functional currency of the relevant group companies are as follows:

		2017	2016
Sales	銷售	5.2%	2.0%
Purchases	採購	15.2%	20.1%

35. 金融工具(續)

財務風險管理目標與政策(續)

信貸風險(續)

本集團亦有存放在具有高信用等級銀行的銀行定期存款信貸集中風險。除以上之外，本集團並無其他重大信貸集中風險。已抵押銀行存款及銀行存款因均存放於有良好信譽的銀行，故信貸風險極小。

市場風險

(i) 貨幣風險

本公司若干附屬公司有以外幣定價的買賣，令本公司面臨美元的風險。本集團以美元(即有關本集團公司功能貨幣以外的貨幣)計值的銷售及採購的百分比如下：

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35. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Market risk (Continued)

(i) Currency risk (Continued)

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

35. 金融工具(續)

財務風險管理目標與政策(續)

市場風險(續)

(i) 貨幣風險(續)

以下是本集團在本報告期末以外幣計價的貨幣資產及貨幣負債賬面值：

		Assets	
		資產	
		2017	2016
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Hong Kong dollars ("HKD")	港幣(「港幣」)	38,763	102,046
USD	美元	831,393	764,618
RMB	人民幣	909	9,291
Euros ("EUR")	歐元(「歐元」)	842	79
Singapore dollars ("SGD")	新加坡幣(「新加坡幣」)	650	—
British Pound Sterling ("GBP")	大不列顛英鎊(「英鎊」)	672	—

		Liabilities	
		負債	
		2017	2016
		RMB'000	RMB'000
		人民幣千元	人民幣千元
HKD	港幣	2,183	982
USD	美元	47,027	31,377
GBP	英鎊	—	59
SGD	新加坡幣	22	—

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35. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Market risk (Continued)

(i) Currency risk (Continued)

The sensitivity analysis below includes the Group's outstanding foreign currency denominated monetary items where the denomination of the balances is in a currency other than the functional currency of the respective group companies at the end of the reporting period and has been determined based on the exposure to exchange rates against the functional currency of relevant group companies. For a 5% weakening of these currencies against the functional currency of relevant group companies and all other variables being held constant, the Group's profit for the year is as follows:

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
(Decrease) increase in profit for the year	年度利潤(減)增		
— HKD	— 港幣	(1,372)	(3,766)
— USD	— 美元	(29,414)	(27,812)
— RMB	— 人民幣	(34)	(348)
— EUR	— 歐元	(32)	(3)
— SGD	— 新加坡幣	(24)	—
— GBP	— 英鎊	(25)	2

There would be an equal and opposite impact on the profit for the year where the respective currencies strengthens against the functional currency of relevant group companies by 5%.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as at the year end exposure does not reflect the exposure during the year.

35. 金融工具(續)

財務風險管理目標與政策(續)

市場風險(續)

(i) 貨幣風險(續)

下表載列的敏感度分析包括本集團於本報告期末的未償還的外幣計值貨幣項目及集團公司間貨幣計值為各集團公司非功能性貨幣的未償還結餘，且已根據所承受的匯率對有關集團公司的功能貨幣而釐定。若這些貨幣對相關集團公司功能性貨幣貶值5%，其他所有變量保持不變，本集團年度利潤情況如下：

若相關貨幣相對各集團公司功能性貨幣升值5%，將會對年度利潤產生同等反效影響。

管理層認為，由於年末的貨幣風險暴露不能反映年內之風險暴露，因此敏感度分析不具有代表性。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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35. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Market risk (Continued)

(ii) Interest rate risk

The Group is exposed to fair value interest rate risk in relation to fixed-rate pledged bank deposits and fixed bank deposits (see note 23 for details).

The Group is exposed to cash flow interest rate risk through the impact of rate changes on interest bearing financial assets, mainly interest bearing bank deposits and balances. The Group cash flow interest rate is mainly concentrated on the fluctuation of interest rates quoted by the People's Bank of China arising from the Group's RMB denominated bank deposits and balances. The Group currently does not have an interest rate hedging policy.

The sensitivity analysis below has been determined based on the exposure to interest rates for interest bearing bank balances at the end of the reporting period and assumed that the amount of assets and liabilities outstanding at the end of the reporting period was outstanding for the whole year. 50 basis points were used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. The management does not anticipate a decrease in interest rate in the next financial year having regard to the trends in market interest rates and global economic environment. Accordingly, sensitivity analysis on a decrease in interest rates is not presented.

35. 金融工具(續)

財務風險管理目標與政策(續)

市場風險(續)

(ii) 利率風險

本集團的公允價值利率風險主要涉及固定利率的已抵押銀行存款及銀行定期存款(詳見附註23)。

本集團的現金流利率風險主要涉及利率變動對計息金融資產的影響，主要是計息銀行存款和結餘產生的影響。本集團的現金流的利率主要集中於中國人民銀行對利率報價之變動對集團人民幣計息銀行存款和結餘產生的影響。本集團目前沒有利率對沖政策。

以下敏感度分析是基於在本報告期末，所承受的計息銀行存款的利率風險並假設於本報告期末未償還資產和負債金額是全年度未償還的。在向內部主要的管理人員匯報利率風險時和管理評估利率合理的變動時採用50個基點。在考慮過未來市場利率趨勢和環球經濟環境後，管理層預計在未來的財政年度中利率並不會下降，故無利率下降之敏感度分析呈列。

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35. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Market risk (Continued)

(ii) Interest rate risk (Continued)

If interest rates on bank balances had been 50 basis points higher and all other variables were held constant, the potential effect on profit for the year is as follows:

	2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Increase in profit for the year 年度利潤增長	2,158	3,095

In management's opinion, the sensitivity analysis is unrepresentative of the inherent interest risk as at the year end exposure does not reflect the exposure during the year.

Liquidity risk management

The management of the Group has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining banking facilities and by continuously monitoring forecasted and actual cash flows and the maturity profiles of its financial liabilities.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment dates.

35. 金融工具(續)

財務風險管理目標與政策(續)

市場風險(續)

(ii) 利率風險(續)

倘銀行存款利率上升50個基點，並且所有變量不變，對本年度利率潛在的影響如下：

	2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Increase in profit for the year 年度利潤增長	2,158	3,095

管理層認為，由於年末的利率風險暴露不能反映年內之風險暴露，因此敏感度分析不具有代表性。

流動性風險管理

本集團的管理層就本集團的短期、中期、長期資金和流動資金管理要求做出了適宜的流動資金風險管理框架。本集團通過維持銀行融資，持續監測預期的及實際的現金流，以及金融負債的到期情況來管理流動資金風險。

下表詳列本集團非衍生金融負債的合約期限。該表乃基於本集團須作出支付的最早日期根據金融負債的未折現現金流量編製。其他非衍生金融負債到期日按協定的付還日期。

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35. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Liquidity risk management (Continued)

35. 金融工具(續)

財務風險管理目標與政策(續)

流動性風險管理(續)

		Weighted average interest rate	On demand	Less than 3 month	Over 3 months but not more than 6 months 6個月之下	Over 6 months but not more than 1 year 1年以下	Over 1 year	Total undiscounted cash flows 未貼現	Carrying amount
		%	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 31 December 2017	於2017年12月31日								
Financial liabilities	金融負債								
Trade and bills payables	應付貨款及應付票據	—	550,703	—	—	—	—	550,703	550,703
Other payables	其他應付款	—	7,766	—	—	—	—	7,766	7,766
			558,469	—	—	—	—	558,469	558,469
At 31 December 2016	於2016年12月31日								
Financial liabilities	金融負債								
Trade and bills payables	應付貨款及應付票據	—	515,101	—	—	—	—	515,101	515,101
Other payables	其他應付款	—	3,677	—	—	—	—	3,677	3,677
			518,778	—	—	—	—	518,778	518,778

Fair value of financial instruments

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 at the end of the reporting period.

金融工具之公允價值

本公司董事認為按攤銷成本記入綜合財務報表之金融資產及金融負債之賬面值與其於報告期末之公允價值相若。

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36. RELATED PARTY TRANSACTIONS

Other than the transactions and balances with related parties disclosed in respective notes, during the year, the Group had the following significant transactions with related parties:

Relationship and name of related parties 關係及關聯方名稱	Nature of transactions 交易性質	2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Companies controlled by Gemalto (Note): 由Gemalto公司控制的公司(附註)：			
Gemalto Pte. Ltd.	Purchase of materials 原材料採購	62	36
Gemalto Technologies (Shanghai) Co., Ltd. (金雅拓科技(上海)有限公司)	Purchase of materials 原材料採購	229,015	233,992
	Sales of materials and provision of services 原材料銷售及提供服務	—	518

Note: Gemalto is a company incorporated under the laws of the Netherlands and whose shares are listed and traded on NYSE Euronext Amsterdam and NYSE Euronext Paris. It controlled Gemplus International S.A., a substantial shareholder of the Company throughout both years, which is a limited liability company incorporated in Luxembourg.

The details of compensation of key management personnel, representing the remuneration of the directors of the Company during the year are set out in note 9.

36. 關聯方交易

除附註中所披露的與關聯方的交易及結餘外，於本年度內，本集團與關聯方有以下重大交易：

附註：Gemalto根據荷蘭法律成立，其股份在紐約一泛歐證券交易所之阿姆斯特丹交易所和巴黎交易所上市交易。GemplusInternational S.A. 由 Gemalto 控制，是一家於盧森堡註冊的有限責任公司，在兩個年度內均是本公司的主要股東。

本公司支付給主要管理層人員及董事代表的酬金明細詳載於附註9。

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37. SUBSIDIARIES

Details of the Company's principal subsidiaries, all of which are wholly-owned by the Company, at 31 December 2017 and 31 December 2016 are as follows:

37. 附屬公司

於2017年12月31日及2016年12月31日，由本公司全資擁有的附屬公司詳情載於下表：

Name of subsidiary 附屬公司名稱	Place/Country of incorporation/ establishment/ operations 公司成立／經營 地點、國家	Nominal value of issued and fully paid share capital/ registered capital 已發行及繳足股本的 股份面值／註冊資金	Proportion of issued ordinary shares capital held by the Company 本公司佔已發行 普通股比例		Principal activities 主營業務
			2017	2016	
Goldpac Datacard Solutions Company Limited (Note i)	Hong Kong	Ordinary shares — HKD500,000	100%	100%	Sales of smart cards carrying personal identity and other payment solution services
金邦達數據有限公司(附註i)	香港	普通股份 — 港幣500,000元			銷售嵌入式軟件產品及 支付解決方案
Goldpac Limited (Note i)	Mainland China for a term of 50 years as a wholly foreign owned enterprise commencing 21 June 1995	Registered capital — USD43,000,000	100%	100%	Manufacture and sales of smart cards carrying personal identity and other payment solution services
金邦達有限公司(附註i)	中國內地 始於1995年6月 21日為期五十年的 外商獨資企業	註冊資本 — 美元43,000,000元			製造和銷售嵌入式 軟件產品及支付解決方案
Goldpac Smart Card (Guangzhou) Limited	Mainland China limited liability company	Registered capital — RMB1,000,000	100%	100%	Sales of smart cards carrying personal identity and other payment solution services
廣州市金邦達智能卡有限公司	中國內地 有限責任公司	註冊資本 — 人民幣1,000,000元			銷售嵌入式軟件產品 及支付解決方案

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37. SUBSIDIARIES (Continued)

37. 附屬公司(續)

Name of subsidiary 附屬公司名稱	Place/Country of incorporation/ establishment/ operations 公司成立／經營 地點、國家	Nominal value of issued and fully paid share capital/ registered capital 已發行及繳足股本的 股份面值／註冊資金	Proportion of issued ordinary shares capital held by the Company 本公司佔已發行 普通股比例		Principal activities 主營業務
			2017	2016	
Goldpac Fintech Singapore Private Limited	Singapore	Ordinary shares — SGD 100	100%	100%	Sales of smart cards carrying personal identity and research and experimental development on information technology
金邦達金融科技(新加坡)有限公司	新加坡	普通股份 — 新加坡幣100元			銷售嵌入式軟件產品 信息技術研發及拓展
Goldpac Investment Limited (Note i)	Hong Kong	Ordinary shares — HKD1	100%	100%	Property holding
金邦達投資有限公司(附註i)	香港	普通股份 — 港幣1元			房地產持有
Secure Tech Holding Limited (Note ii)	British Virgin Islands	Ordinary shares — USD100	100%	—	Investment holding
	英屬維爾京群島	普通股份 — 美元100元			控股公司

Notes:

(i) Directly held by the Company.

(ii) The entity is incorporated during the year ended 31 December 2017.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results or assets of the Group.

None of the subsidiaries had any debt securities outstanding at the end of the year or at any time during the year.

附註：

(i) 由本公司直接持有。

(ii) 於截止2017年12月31日年度並入的實體。

董事認為以上列表中本集團的附屬公司會對本集團的業績或資產造成主要影響。

於本年末或本年度期間，各附屬公司並無任何已發行的債務性證券。

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For the year ended 31 December 2017 於截至2017年12月31日止之年度

38. STATEMENT OF FINANCIAL POSITION

38. 財務狀況報表

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Non-current assets	非流動資產		
Intangible assets	無形資產	8,966	11,256
Property, plant and equipment	物業、廠房及設備	350	466
Investments in subsidiaries	於附屬公司之投資	317,570	300,407
		326,886	312,129
Current assets	流動資產		
Amounts due from subsidiaries	應收附屬公司款項	531,134	600,712
Other receivables	其他應收款	13,794	1,342
Fixed bank deposits	銀行定期存款	741,632	687,988
Bank balances	銀行存款	8,496	221,436
		1,295,056	1,511,478
Current liabilities	流動負債		
Other payables	其他應付款	2,561	982
Amounts due to subsidiaries	應付附屬公司款項	234,389	281,900
		236,950	282,882
Net current assets	流動資產淨值	1,058,106	1,228,596
Net assets	資產淨值	1,384,992	1,540,725
Capital and reserves	資本及儲備		
Share capital	股本	1,192,362	1,191,941
Reserves	儲備	192,630	348,784
Total equity	權益總額	1,384,992	1,540,725

The Company's statement of financial position was approved and authorised for issue by the board of directors on 16 March 2018 and are signed on its behalf by:

董事會已於2018年3月16日審核並通過本公司財務狀況報表的發布，並由以下董事會代表簽署：

Lu Run Ting

盧潤霆

Chairman and Executive Director
董事會主席兼執行董事

Hou Ping

侯平

Executive Director and Chief Executive Officer
執行董事兼首席執行官

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2017 於截至2017年12月31日止之年度

38. STATEMENT OF FINANCIAL POSITION (Continued)

Movement in the Company's reserves

38. 財務狀況報表(續)

本公司之儲備變動表

		Shares award reserve	Shares held under award scheme	Share option reserve	Retained profits	Total
		股份獎勵 儲備 RMB'000 人民幣千元	計劃所持有 之股份 RMB'000 人民幣千元	購股權 儲備 RMB'000 人民幣千元	未分配 利潤 RMB'000 人民幣千元	總額 RMB'000 人民幣千元
At 1 January 2016	於2016年1月1日	—	(74)	42,956	15,606	58,488
Profit and total comprehensive income for the year	年度利潤和全面收入	—	—	—	439,156	439,156
Shares repurchase	股份回購	—	—	—	(1,135)	(1,135)
Issue of shares upon exercise of share options (note 28)	因行使購股權而發行的股份(附註28)	—	—	(700)	—	(700)
Recognition of equity-settled share-based payments (note 29)	按權益結算以股份為基礎支付款項(附註29)	—	—	10,502	—	10,502
Forfeiture of share options	購股權失效	—	—	(172)	172	—
Purchase of shares under shares award scheme	根據股份獎勵計劃購入股份	—	(25,038)	—	—	(25,038)
Dividends recognised as distribution (note 11)	確認為分配的股息(附註11)	—	—	—	(132,489)	(132,489)
At 31 December 2016	於2016年12月31日	—	(25,112)	52,586	321,310	348,784
Loss and total comprehensive expense for the year	年度損失和全面費用	—	—	—	(52,630)	(52,630)
Issue of shares upon exercise of share options (note 28)	因行使購股權而發行的股份(附註28)	—	—	(189)	—	(189)
Recognition of equity-settled share-based payments (note 29)	以權益結算的股份支付(附註29)	12,737	—	4,426	—	17,163
Forfeiture of share options	購股權失效	—	—	(1,991)	1,991	—
Re-charge from a subsidiary	向附屬公司收取	—	—	3,799	—	3,799
Dividends recognised as distribution (note 11)	確認為分配的股息(附註11)	—	—	—	(123,475)	(123,475)
Shares vested under the share award scheme of the Company	根據股份獎勵計劃股份歸屬	(7,825)	7,990	—	(987)	(822)
At 31 December 2017	於2017年12月31日	4,912	(17,122)	58,631	146,209	192,630

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		2013	2014	2015	2016	2017
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
RESULTS	業績					
Turnover	營業額	1,112,260	1,521,069	1,684,632	1,393,713	1,400,842
Profit before taxation	除稅前利潤	183,330	256,552	296,179	244,566	198,764
Taxation	稅項	(42,505)	(43,045)	(54,341)	(39,666)	(34,287)
Profit for the year	年度利潤	140,825	213,507	241,838	204,900	164,477

At 31 December

於12月31日

		2013	2014	2015	2016	2017
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
ASSETS AND LIABILITIES	資產和負債					
Total assets	總資產	1,945,875	2,317,297	2,606,841	2,599,582	2,706,875
Total liabilities	總負債	(548,763)	(706,459)	(792,627)	(726,253)	(776,992)
Net assets	淨資產	1,397,112	1,610,838	1,814,214	1,873,329	(1,929,883)

金邦達 Goldpac

GOLDPAC GROUP LIMITED

金邦達寶嘉控股有限公司