

SAITTE GROUP



# 2017

Annual Report 年報



**SAITE GROUP**

**中國賽特集團有限公司**  
China Saite Group Company Limited

*(incorporated in the Cayman Islands with limited liability)*  
*(於開曼群島註冊成立的有限公司)*

Stock Code 股份代號: 153



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## Corporate Profile 公司簡介

China Saite Group Company Limited (“China Saite” or the “Company”, together with its subsidiaries the “Group”) is an integrated steel structure and prefabricated construction solution service provider headquartered in Yixing, Jiangsu Province, the People’s Republic of China (the “PRC”). It has an operation history of nearly 20 years. The Group’s integrated construction solution services are customized to meet the quality, technical specifications and requirements of different projects, and span from design plan, including fabrication and assembly of steel structure parts and prefabricated construction, transportation, and to the installation of materials onsite and after-sales services. According to an industry report prepared by Ipsos Hong Kong Ltd., China Saite was the second largest prefabricated construction service provider and the third largest steel structure construction service provider in Jiangsu Province, in terms of revenue in 2012.

The Group commenced to undertake prefabricated construction projects in late 2010 and enjoys a first-mover advantage in the PRC prefabricated construction industry. Prefabricated construction is one of the advanced types of construction method deploying a majority of structural components pre-produced and standardised in factory for ready assembling at the work site. The Group’s prefabricated construction solution was mainly provided to domestic high-rise commercial and residential buildings and social security housing projects.

China Saite has been accredited as a Grade One Steel Structure Engineering Professional Contractor, the highest national qualification, by the Ministry of Housing since November 2005. This enables China Saite to undertake all kinds of steel structure projects without limitation in span, contract sum, construction area or total weight of construction in the PRC. The Group has participated in a wide range of steel structure projects, including bridges, train stations, stadiums, exhibition centres, factory premises etc.

中國賽特集團有限公司(「中國賽特」或「本公司」，連同其附屬公司統稱「本集團」)是一家綜合性鋼結構及預製構件建築解決方案服務供應商，總部位於中華人民共和國(「中國」)江蘇省宜興市，經營歷史近20年。本集團的綜合建築解決方案服務乃專為客戶定製，以符合不同項目的質量、技術規範及要求，服務涵蓋廣闊，自設計方案開始，包括製作裝配鋼結構部件及預製構件建築，運輸，以至現場材料安裝，售後服務等，均在範圍之內。根據Ipsos Hong Kong Ltd.編製的行業報告，2012年以收益計，中國賽特為江蘇省第二大預製構件建築服務供應商及第三大鋼結構建築服務供應商。

本集團於2010年底開始承接預製構件建築項目，並在中國預製構件建築行業中佔據有利先機。預製構件建築乃先進建築方法之一，當中涉及在廠房內預製標準規格的大部分結構部件，以供於施工現場快速裝配。本集團的預製構件建築方案主要提供予國內的高層商住樓以及保障性住房項目。

2005年11月，住建部向中國賽特頒授鋼結構工程專業承包企業一級資質(該資質為該領域的國家最高資質)。此資質使中國賽特可在中國承接各類鋼結構項目，而不受鋼結構項目種類、合同金額、建築面積或建築總重量方面的限制。本集團曾參建包括橋樑、火車站、體育場館、展覽中心及廠房等眾多類別的鋼結構項目。



## DIRECTORS

### Executive Directors

Mr. Jiang Jianqiang (*Chairman*)  
Mr. Shao Xiaoqiang (*Chief Executive Officer*)  
Mr. Xu Fanghua

### Independent Non-Executive Directors

Mr. Xu Jiaming  
Mr. Luk Chi Shing (*appointed on 3 January 2017*)  
Mr. Chen Tiegang (*resigned on 26 May 2017*)  
Mr. Eddie Hurip (*appointed on 31 May 2017*)

## COMPANY SECRETARY

Ms. Ko Hong Ting (*resigned on 1 April 2017*)  
Ms. Foo Man Yee Carina (*appointed on 1 April 2017*)

## AUTHORISED REPRESENTATIVES

Mr. Jiang Jianqiang  
Ms. Ko Hong Ting (*resigned on 1 April 2017*)  
Ms. Foo Man Yee Carina (*appointed on 1 April 2017*)

## CHIEF FINANCIAL OFFICER

Mr. Sin Kin Hong Edward (*appointed on 9 January 2017*)\*

## AUDIT COMMITTEE

Mr. Luk Chi Shing (*Chairman*)  
Mr. Xu Jiaming  
Mr. Eddie Hurip

## REMUNERATION COMMITTEE

Mr. Eddie Hurip (*Chairman*)  
Mr. Luk Chi Shing  
Mr. Shao Xiaoqiang

## NOMINATION COMMITTEE

Mr. Jiang Jianqiang (*Chairman*)  
Mr. Xu Jiaming  
Mr. Eddie Hurip

## 董事

### 執行董事

蔣建強先生 (*主席*)  
邵小強先生 (*行政總裁*)  
徐芳華先生

### 獨立非執行董事

徐家明先生  
陸志成先生 (*於2017年1月3日獲委任*)  
陳鐵鋼先生 (*於2017年5月26日辭任*)  
丘鉅淙先生 (*於2017年5月31日獲委任*)

## 公司秘書

顧康婷女士 (*於2017年4月1日辭任*)  
傅曼儀女士 (*於2017年4月1日獲委任*)

## 獲授權代表

蔣建強先生  
顧康婷女士 (*於2017年4月1日辭任*)  
傅曼儀女士 (*於2017年4月1日獲委任*)

## 財務總監

冼健航先生 (*於2017年1月9日獲委任*)\*

## 審核委員會

陸志成先生 (*主席*)  
徐家明先生  
丘鉅淙先生

## 薪酬委員會

丘鉅淙先生 (*主席*)  
陸志成先生  
邵小強先生

## 提名委員會

蔣建強先生 (*主席*)  
徐家明先生  
丘鉅淙先生

\* Mr. Sin Kin Hong Edward resigned in March 2018

\* 冼健航先生於2018年3月辭任

## Corporate Information

公司資料

### REGISTERED OFFICE

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

### HEADQUARTER AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

No. 88 Saite Road  
Gaocheng Industrial Park  
Yixing  
Jiangsu Province  
The PRC

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 6105  
61/F, The Center  
99 Queen's Road Central  
Hong Kong

### AUDITOR

Deloitte Touche Tohmatsu

### LEGAL ADVISER AS TO HONG KONG LAW

Chiu & Partners

### PRINCIPAL BANKERS

China Construction Bank Corporation  
(Yixing Gaocheng Branch)  
Agricultural Bank of China Limited  
(Yixing Chengzhong Branch)  
Jiangsu Yixing Rural Commercial Bank Co., Ltd.  
(Gaocheng Branch)  
Bank of Shanghai Co., Ltd. (Wuxi Branch)  
DBS Bank (Hong Kong) Limited

### 註冊辦事處

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

### 總部及中國主要營業地點

中國  
江蘇省宜興市  
高塋工業園  
賽特路88號

### 香港主要營業地點

香港  
皇后大道中99號  
中環中心61樓  
6105室

### 核數師

德勤•關黃陳方會計師行

### 香港法例方面的法律顧問

趙不渝馬國強律師事務所

### 主要往來銀行

中國建設銀行股份有限公司  
(宜興高塋支行)  
中國農業銀行股份有限公司  
(宜興城中支行)  
江蘇宜興農村商業銀行  
(高塋支行)  
上海銀行股份有限公司(無錫支行)  
星展銀行(香港)有限公司



## HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

## CAYMAN ISLANDS SHARE REGISTRAR AND TRANSFER OFFICE

Royal Bank of Canada Trust Company (Cayman) Limited  
4th Fl., Royal Bank House  
24 Shedden Road, PO Box 1586  
Grand Cayman KY1-1110  
Cayman Islands

## STOCK CODE

153

## COMPANY WEBSITE

[www.chinasaite.com.cn](http://www.chinasaite.com.cn)

## 香港股份過戶登記分處

卓佳證券登記有限公司  
香港  
皇后大道東183號  
合和中心22樓

## 開曼群島股份過戶登記處

Royal Bank of Canada Trust Company (Cayman) Limited  
4th Fl., Royal Bank House  
24 Shedden Road, PO Box 1586  
Grand Cayman KY1-1110  
Cayman Islands

## 股份代號

153

## 公司網站

[www.chinasaite.com.cn](http://www.chinasaite.com.cn)



# Chairman's Statement

## 主席報告書



Dear Shareholders,

On behalf of the board (the “Board”) of directors (the “Directors”) of China Saite, I am pleased to present the annual results of the Group for the year ended 31 December 2017.

The year of 2017 signifies the Company’s achievement of laying the foundation for long-term development. Looking forward, the Group intends to gradually develop its principal business into three pillar sectors, i.e. steel structure, prefabricated construction and investment, the synergy of which is expected to further boost the Company’s development.

The year of 2017 is crucial to the PRC’s economic transformation and upgrade with a focus on strengthening the quality of economic growth at a slower pace of growth. Against this macroeconomic environment, the Group’s steel structure business saw decline in its performance while the prefabricated construction business recorded steady growth in revenue and gross profit in 2017.

Regarding the Thirteenth Five-Year Plan (“TFYP”) approved by the PRC government, the focus of the national development strategy includes the speed up of international cooperation on Eurasia infrastructure construction. The set-up of Asian Infrastructure Investment Bank (“AIIB”), which aims to support the building of infrastructure in the Asia-Pacific region, as well as the One Belt One Road (“OBOR”) development framework in the PRC, which focuses on connectivity and cooperation among countries primarily in Eurasia, are perfect embodiments of the national strategy and the outbound business development trend. We are striving to take the opportunities to expand our steel structure business to areas outside Jiangsu Province, and capture more orders from overseas projects.

致各位股東：

本人謹代表中國賽特董事（「董事」）會（「董事會」）欣然向閣下呈報本集團截至2017年12月31日止年度之年度業績。

2017年是公司奠定長遠發展基礎的一年，本集團未來擬逐步形成以鋼結構，預制裝配式建築，投資三大板塊業務，各板塊間協同效應推動公司發展。

2017年是中國經濟轉型升級關鍵的一年，為增強經濟質量，放緩經濟增長。受宏觀經濟環境影響，於2017年，本集團鋼結構業務業績有所下降，而全裝配預製構件建築業務錄得穩定收益及毛利水平。

就中國政府批准的十三五規劃（「十三五規劃」）而言，國家發展計劃的焦點包括加快歐亞地區基礎建設的國際合作。成立亞洲基礎設施投資銀行（「亞投行」）的目標是支援亞太地區基礎設施的建設，以及中國一帶一路（「一帶一路」）的發展框架，重點主要在於歐亞地區國家之間的聯繫和合作，為國家戰略及境外業務發展趨勢的完美體現。我們正致力於把握機遇，將我們的鋼結構業務拓展至江蘇省之外地區，在海外項目中獲取更多的訂單。

Diversity and globalisation are the Group's mid-term and long-term development directions. In view of China's effort in deepening its supply-side structural reform, the Group will seize the opportunity to develop its potential to the fullest by uniting all the co-workers of the Company and fortifying the cooperation with its business partners and build up an extensive business network including but not limited to areas of cooperation in property development and green building which will in turn bring more strategic value to the Group.

We believe that well-established operational strategies and a management team with strong execution are the keys to sustainable development amid uncertain economic conditions. On behalf of the Board, I would like to express my heartfelt thanks to the staff of China Saite for their contribution to the Group in the past year and to our shareholders for their continuous support. With 2018 expected to be a year full of opportunities and challenges, the Group is dedicated to creating greater value for its shareholders.

**Jiang Jianqiang**

*Chairman*

Hong Kong, 29 March 2018

多元化和全球化是集團中長期發展方向，集團將借助國家繼續深化供給側改革的有利時機，充分團結公司所有同事和緊密合作夥伴，發揮最大潛力，建立廣泛的業務網絡，包括但不限於物業開發及綠色建築合作領域，繼而將為本集團帶來更多的戰略價值。

我們相信只有紮實的經營策略和執行力強大的管理團隊才能在未知的經濟環境中實現可持續發展，本人謹代表董事會感謝中國賽特全體員工在過去一年為本集團作出之努力，並對股東的鼎力支持致以衷心謝意。2018年預期將充滿機遇和挑戰，本集團致力為股東創造更大價值。

主席

**蔣建強**

香港，2018年3月29日





## Management Discussion and Analysis 管理層討論及分析

As a provider of integrated construction solutions using steel structures and prefabricated components, the Group's integrated construction solutions are highly customised to meet the technical specifications, requirements and demands of different projects and customers, through the provision of a wide range of services, including customised design, secondary detailed design, compilation, installation, and after-sales services.

Our steel structure solutions are mainly focused on the construction of large-scale public structures (i.e. sports stadiums, convention and exhibition centres, airports, and railway stations), bridges (such as railway bridges, highway bridges, landscape bridges, cross-river bridges and cross-sea bridges), large-scale factory premises, industrial park zones, logistics park zones, etc..

Our prefabricated construction solutions are mainly focused on the construction of social security housings and public structure projects in the urbanisation process driven by the PRC government.

作為一家綜合性鋼結構及全裝配預製構件建築解決方案服務供應商，本集團根據不同項目的技術規範、要求和客戶的需求，為客戶定製綜合建築解決方案，服務內容包括為客戶設計、二次深化設計、製作、安裝和售後服務。

本集團在鋼結構解決方案中主要專注於大型的公用建築(如：體育館、會展中心、機場、火車站)、橋樑(如：鐵路橋、公路橋、景觀橋、跨江、海大橋)、大型工廠、工業園區、物流園區建設等。

在全裝配預製構件建築解決方案中，本集團主要專注於中國政府推動的城鎮化建設中的保障性住房建設和公用設施建設。



## BUSINESS REVIEW

In 2017, the total investment of fixed assets (excluding agricultural households) in the PRC amounted to approximately RMB63,168.4 billion (2016: RMB59,650.1 billion), representing an increase of approximately 5.9% as compared with that of previous year, the lowest growth rate since 2001. The Gross Domestic Product (the “GDP”) growth rate during the year under review reached approximately 6.9% on a year on year basis. The overall macroeconomic environment has affected the demand for construction materials and related services to a certain extent. The management of the Group would adjust the business strategies to cope with the challenges that the Group is facing under any circumstances.

During the year under review, due to the slow growth of the PRC’s economy, the Group’s revenue derived from steel structure business recorded a decline of 22.2%, which is mainly derived from decline in number of construction projects in relation to bridges in the PRC.

Regarding the Group’s prefabricated construction business in 2017, restricted from the slowdown of the PRC economic environment and the inflation of production costs, the Group’s revenue and gross profit derived from this business segment was maintained at a stable level when compare to last financial year. Nevertheless, the Group has continued its strategic expansion on its prefabricated construction segment after acquisition of 江蘇旗峰新型建材有限公司 (Jiangsu Qifeng New Building Materials Company Limited\*) (“Jiangsu Qifeng”) in 2015.

The Group’s revenue for the year ended 31 December 2017 amounted to approximately RMB1,411.7 million (2016: RMB1,650.8 million). Gross profit for the year under review amounted to approximately RMB359.9 million (2016: RMB428.3 million) and average gross profit margin was approximately 25.5% (2016: 25.9%). Profit attributable to owners of the Company amounted to approximately RMB227.2 million (2016: RMB288.3 million). Basic earnings per Share for the year under review were approximately RMB9.77 cents (2016: basic earnings per Share: RMB14.13 cents).

The Board did not recommend any final dividend payment for the year ended 31 December 2017 to the shareholders (2016: nil).

## 業務回顧

2017年中國全國固定資產投資(不含農戶)總額達到約人民幣63,168.4億元(2016年:人民幣59,650.1億元),相對上年度增長約5.9%,增幅為自2001年以來最低。於回顧年度,國民生產總值按年比增幅約6.9%。整體宏觀經濟環境對建築物料及相關服務的需求造成一定的影響。本集團管理層將調整業務策略,以應付本集團於任何情況下所面對的挑戰。

於回顧年度,由於中國經濟緩慢增長,本集團來自鋼結構業務的收益錄得22.2%的減幅,乃主要源於中國橋樑建築項目的數目減少。

在本集團全裝配預製構件建築業務方面,於2017年,受中國經濟放緩及生產成本通漲的限制,本集團源自該業務分部的收益及毛利與上一財政年度相比維持穩定。然而,於2015年收購江蘇旗峰新型建材有限公司(「江蘇旗峰」)後,本集團繼續戰略性拓展其全裝配預製構件建築業務分部。

本集團截至2017年12月31日止年度收益約為人民幣1,411,700,000元(2016年:人民幣1,650,800,000元),回顧年度的毛利約為人民幣359,900,000元(2016年:人民幣428,300,000元),平均毛利率約為25.5%(2016年:25.9%)。本公司擁有人應佔盈利約為人民幣227,200,000元(2016年:人民幣288,300,000元)。回顧年度每股基本盈利約為人民幣9.77分(2016年:每股基本盈利人民幣14.13分)。

董事會不建議向股東派付截至2017年12月31日止年度的任何末期股息(2016年:無)。

\* for translation purposes only

\* 僅供識別



## Management Discussion and Analysis 管理層討論及分析



### Steel structure

Characterised by its strength, durability, flexibility in layout, low pollution and recyclability, steel structure has been widely applied in the construction of factory premises, bridges, sports stadiums, convention and exhibition centres, airports, railway stations and other various infrastructures since the development of steel structure construction in the PRC in the late 1990s. According to the list of top 100 construction enterprises in Jiangsu Province issued by Jiangsu Provincial Department of Construction, the Group ranked among the top ten steel structure construction service providers in Jiangsu Province.

For the year ended 31 December 2017, the revenue of the Group from steel structure business amounted to approximately RMB848.3 million, representing a decrease of approximately 22.2% as compared with RMB1,090.3 million in the previous year. During the year under review, gross profit margin for steel structure business decreased by 2.5 percentage points from 21.1% to 18.6% due to the inflation of production costs. The completed steel structure parts for the year under review amounted to approximately 74,100 tons, representing a decrease of approximately 31.0% from approximately 107,372 tons in 2016.

During the year under review, our Group mainly focused on construction projects in Jiangsu, Shandong, Shanghai, Cambodia and Pakistan for its steel structure business.

### 鋼結構

鋼結構具有高強度、耐用、佈局靈活、綠色環保及可循環再用等特性，自90年代後期中國近代鋼結構發展以來，廣泛應用於廠房、橋樑、體育場館、展覽中心、飛機場、火車站等各種設施。根據江蘇省建設廳所編撰的江蘇建築業百強企業名單，本集團位列江蘇省鋼結構建築服務供應商前十位。

於截至2017年12月31日止年度，本集團鋼結構業務收益約為人民幣848,300,000元，較去年的人民幣1,090,300,000元下降約22.2%。回顧年度內由於生產成本通漲，令鋼結構業務毛利率由21.1%下降了2.5個百分點至18.6%。鋼結構部件的完工量由2016年約107,372噸下降約31.0%至回顧年度約74,100噸。

於回顧年度，本集團鋼結構業務遍佈於江蘇、山東、上海、柬埔寨及巴基斯坦的建築項目。

In 2017, the Group completed 14 (2016: 22) steel structure projects, details of which are set out as follows:

2017年，本集團完成14個(2016年：22個)鋼結構項目，詳情載列如下：

Type of project 項目類型		Number of projects completed 完工項目數量	
		2017 2017年	2016 2016年
Public structures	公共建築	4	7
Export orders of steel structure	鋼結構件出口訂單	2	5
Bridges	橋樑	0	3
Factories	廠房	8	7
<b>Total</b>	<b>總計</b>	<b>14</b>	<b>22</b>

During the year under review, the number of steel structure projects completed was decreased by 8 when compared to 2016. Decreases in both the number of projects completed and revenue derived from bridges projects, export orders and public structures projects are recorded. The number of bridges projects completed during the year under review amounted to nil (2016: 3), representing a decrease of 3 projects on a year on year basis, and the revenue generated from completed bridges projects decreased by 100.0% from approximately RMB176.5 million to nil. The number of export orders of steel structure projects completed during the year under review amounted to 2 (2016: 5), representing a decrease of 3 projects on a year on year basis, and the revenue generated from completed export orders of steel structure projects decreased by approximately 65.0% from approximately RMB155.9 million to approximately RMB54.5 million. The number of public structures projects completed during the year under review amounted to 4 (2016: 7), representing a decrease of 3 projects on a year on year basis, and the revenue generated from completed public structures projects decreased by approximately 45.1% from approximately RMB204.1 million to approximately RMB112.0 million. However, the number of factories project completed during the year under review amounted to 8 (2016: 7), representing an increase of 1 project on a year on year basis, and the revenue generated from completed factories projects increased by 341.9% from approximately RMB113.5 million to RMB501.5 million. The revenue growth in factories projects outweighed the decline of bridges projects, export orders and public structures projects.

於回顧年度，完工鋼結構項目數量與2016年相比減少8項。完工項目數量以及橋樑項目、出口訂單及公共建築項目的收益均有所減少。於回顧年度，完工橋樑項目數量為零(2016年：3項)，按年減少3項，而完工橋樑項目產生的收益由約人民幣176,500,000元減少100.0%至零。於回顧年度，完工鋼結構件出口訂單項目數量為2項(2016年：5項)，按年減少3項，而完工鋼結構件出口訂單項目產生的收益由約人民幣155,900,000元減少約65.0%至約人民幣54,500,000元。於回顧年度，完工公共建築項目數量為4項(2016年：7項)，按年減少3項，而完工公共建築項目產生的收益由約人民幣204,100,000元減少約45.1%至約人民幣112,000,000元。然而，於回顧年度，完工廠房項目數量為8項(2016年：7項)，按年增加1項，而完工廠房項目產生的收益由約人民幣113,500,000元增加341.9%至人民幣501,500,000元。廠房項目的收益增長抵銷橋樑項目、出口訂單及公共建築項目的減少。

## Management Discussion and Analysis

### 管理層討論及分析

In terms of geographical analysis of the steel structure business, the number of completed projects in Jiangsu Province decreased by one project when compared to 2016, i.e. 8 (2016: 9) projects. The revenue generated from completed projects in Jiangsu Province decreased by approximately 12.0% on a year on year basis from approximately RMB310.8 million to approximately RMB273.5 million. The number of completed projects outside the PRC decreased by 3 projects when compared to 2016, i.e. 2 (2016: 5) projects. The revenue generated from completed projects in the respective geographical region decreased by approximately 65.0% on a year on year basis from approximately RMB155.9 million to approximately RMB54.5 million. On the other hand, the Group recorded an increase in revenue generated from the PRC regions outside Jiangsu Province, which outweighed the decrease in revenue generated from projects in Jiangsu Province and outside the PRC. In 2017, the number of completed projects in the PRC outside Jiangsu Province decreased by 4 projects when compared to 2016, i.e. 4 (2016: 8) projects. However, the revenue generated from completed projects in the respective geographical region increased by approximately 85.4% on a year on year basis from approximately RMB183.3 million to approximately RMB339.9 million.

Nevertheless, the Group's revenue generated from project in progress as at year end had decreased from approximately RMB440.3 million to approximately RMB180.3 million, being a decrease of 59.1%, which is mainly due to the fact that a lot of factories projects were completed during the year.

As at 31 December 2017, the steel structure projects in progress are set out as follows:

就鋼結構業務的地區分析而言，江蘇省的完工項目數量為8項(2016年：9項)，較2016年減少一項。江蘇省完工項目產生的收益由約人民幣310,800,000元按年減少約12.0%至約人民幣273,500,000元。中國以外地區的完工項目數量為2項(2016年：5項)，較2016年減少3項。各地區完工項目產生的收益由約人民幣155,900,000元按年減少約65.0%至約人民幣54,500,000元。另一方面，本集團於江蘇省以外中國地區產生的收益有所增加，並抵銷江蘇省及中國以外地區項目產生的收益減少。於2017年，江蘇省以外中國地區的完工項目數量為4項(2016年：8項)，較2016年減少4項。然而，各地區完工項目產生的收益由約人民幣183,300,000元按年增加約85.4%至約人民幣339,900,000元。

然而，本集團於年末的在建項目所產生的收益由約人民幣440,300,000元減少至約人民幣180,300,000元，減幅59.1%，主要由於多個廠房項目於年內完工所致。

於2017年12月31日，鋼結構在建項目概述如下：

Type of project 項目類型	Number of projects in progress 在建項目數量	
	Year ended 31 December 截至12月31日止年度	
	2017 2017年	2016 2016年
Public structure 公共建築	1	—
Export orders of steel structure 鋼結構件出口訂單	3	—
Bridges 橋樑	1	—
Factories 廠房	3	3
<b>Total</b>	<b>8</b>	<b>3</b>

The above-mentioned steel structure projects in progress are expected to be completed in 2018.

上述鋼結構在建項目預期將於2018年完成。



## Prefabricated construction

Prefabricated construction mainly involves the preproduction of major structural components, such as columns, beams, wall panels, floor panels, stairs and balcony, etc., in factory and the direct assembly of such components at work sites. Compared to traditional steel and concrete structures which are fabricated on work sites, prefabricated construction has better prefabrication capability, higher accuracy, stronger shock resistance, shorter construction lead-time, and a higher degree of environmental friendliness, which are in perfect tandem with the objectives of environmental protection in the PRC, particularly in green construction areas. With the encouragement and support of the PRC government through various policies, the Group believes that prefabricated construction is set to become a major trend in the development of the construction industry.

The Group is one of the largest prefabricated construction service providers in Jiangsu Province in terms of revenue. Following diligent efforts over the years, the Group obtained a number of patented technologies in prefabricated construction.

For the year ended 31 December 2017, the Group completed 509,200 square metres (“sq.m.”) of prefabricated construction materials, compared to 501,548 sq.m. in 2016, an increase of approximately 1.5% was recorded. The revenue from prefabricated construction projects amounted to approximately RMB563.5 million in 2017 (2016: RMB560.5 million), representing an increase of approximately 0.5% over the previous year.

The Group has the competitive edges in terms of technology and as a first mover in the prefabricated construction business. Against the backdrop of the government’s policies on encouraging the construction industry to improve energy-saving, environmental protection and cost-efficiency and its vigorous dedication to the construction of the social security housing, the Group gradually expanded the development of this business during the previous years. During the year under review, this business segment contributed approximately RMB563.5 million of the Group’s total revenue for the year, as compared with approximately RMB560.5 million in the previous year. The revenue generated in this segment accounted for approximately 39.9% of the Group’s total revenue, which is increased from approximately 34.0% recorded in last year.

## 全裝配預製構件建築

全裝配預製構件建築主要涉及在工廠預先製作承重柱、樑、牆板、地板、樓梯及陽台等主要結構部分，將有關構件運往施工現場直接組裝。與傳統在現場施工的鋼筋混凝土比較，全裝配預製構件建築預製性高、準確性大、抗震能力強、施工時間短和環保程度更高，完全符合中國尤其是綠色建築領域的環保發展的目標。本集團認為在中國政府多項政策鼓勵和支持下，全裝配預製構件必將會成為建築業的主要發展方向。

本集團是江蘇省按收入計最大的全裝配預製構件建築服務供應商之一。本集團通過幾年的努力，取得全裝配預製構件建築的多項專利技術。

截至2017年12月31日止年度，本集團全裝配預製構件建築材料完成量為509,200平方米（「平方米」），較2016年的501,548平方米錄得約1.5%的增幅。於2017年，全裝配預製構件建築項目的收益約為人民幣563,500,000元（2016年：人民幣560,500,000元），較去年增加約0.5%。

本集團在全裝配預製構件建築業務上具備了技術和先行者優勢；在國家鼓勵建築行業提升節能環保效益和大力推動保障性住房的建設的形勢下，本集團在去年內逐漸擴大這項業務的發展。於回顧年度，該業務分部為本集團年內總收益貢獻約人民幣563,500,000元，而上年度則約為人民幣560,500,000元。該分部產生的收益於本集團總收益的佔比由去年約34.0%增加至約39.9%。

## Management Discussion and Analysis 管理層討論及分析

As part of the Group's business expansion plan in prefabricated construction, the Group acquired Jiangsu Qifeng at a consideration of RMB110 million in 2015. The principal asset of such company is a piece of land located in Yixing, Jiangsu Province, PRC with an area of approximately 53,000 sq.m. and certain plant, machinery and equipment. Upon completion of the acquisition, the assets of Jiangsu Qifeng were used as the Group's prefabricated construction workshop, which enhanced the level of automation of fixed equipment therein and improved the overall operational efficiency. The management continued to expand the Group's operation size of the prefabricated construction business and believed that the continuous development can facilitate its business growth and market penetration in the PRC.

In 2017, the Group engaged in 10 (2016: 10) prefabricated construction projects, of which all projects were residential projects with a booked revenue of approximately RMB563.5 million (2016: RMB560.5 million).

### Contract amounts of steel structure projects and prefabricated construction projects of the Group in 2017 in comparison with those in the previous year

作為本集團全裝配預製構件建築業務擴充計劃的一部分，本集團於2015年以代價人民幣110,000,000元收購江蘇旗峰。該公司的主要資產為位於中國江蘇省宜興市佔地面積合共約為53,000平方米的土地，以及若干廠房、機器及設備。於收購事項完成後，江蘇旗峰的資產用於本集團預製建築車間，並提高了廠房內固定設備的自動化程度，及強化整體營運效率。管理層繼續拓展本集團全裝配預製構件建築業務的經營規模，並相信持續發展能促進中國業務增長及市場滲透率。

2017年，本集團進行10個(2016年：10個)全裝配預製構件建築項目，所有均為住宅項目，已確認收益約人民幣563,500,000元(2016年：人民幣560,500,000元)。

### 本集團於2017年的鋼結構項目及全裝配預製構件建築項目的合同金額與上年度比較

	Year ended 31 December 截至12月31日止年度						Changes in the total amount for this reporting period as compared with the previous year 本報告期 總金額 比上年增減 (%)	
	2017 2017年			2016 2016年				
	Steel structure projects	Prefabricated construction projects	Total	Steel structure projects	Prefabricated construction projects	Total		
	鋼結構 項目	全裝配 預製構件 建築項目	總計	鋼結構 項目	全裝配預 製構件 建築項目	總計		
	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	(%)	
Contract value of backlog at the beginning of the year	年初未完工 合同金額	289,047	446,002	735,049	122,086	169,799	291,885	151.8
Value of new contracts	新合同金額	768,393	389,783	1,158,176	1,257,224	836,700	2,093,924	-44.7
Revenue recognised	已確認收益	848,253	563,492	1,411,745	1,090,263	560,497	1,650,760	-14.5
Contract value of backlog at the end of the year	年末未完工合同金額	209,187	272,293	481,480	289,047	446,002	735,049	-34.5

During the year under review, the number of new contract signed and the total contract revenue of new contracts entered into by the Group was 24 (2016: 24) and approximately RMB1,158.2 million (2016: RMB2,093.9 million), respectively. The average contract revenue of the signed contracts decreased to approximately RMB48.3 million in 2017 from approximately RMB87.2 million in 2016.

於回顧年度，本集團簽署的新合同數量為24個(2016年：24個)，而新合同的合同收益總額約為人民幣1,158,200,000元(2016年：人民幣2,093,900,000元)。已簽合同的項目的合同收益金額均值由2016年約人民幣87,200,000元減少至2017年約人民幣48,300,000元。

The closing contract value of backlog in 2017 decreased to approximately RMB481.5 million as compared with the closing value in 2016 of approximately RMB735.0 million.

## FINANCIAL REVIEW

### Revenue

For the year ended 31 December 2017, the Group's revenue was approximately RMB1,411.7 million, representing a decrease of approximately RMB239.0 million or 14.5% as compared with that for the year ended 31 December 2016.

The following table sets out the breakdown of the Group's revenue in terms of steel structure projects and prefabricated construction projects for each of the years indicated:

		For the year ended 31 December 截至12月31日止年度			
		2017 2017年		2016 2016年	
		Revenue RMB'000	Percentage (%) 收益 佔比(%)	Revenue RMB'000	Percentage (%) 收益 佔比(%)
		人民幣千元	佔比(%)	人民幣千元	佔比(%)
Construction of	建設				
– Steel structure projects	– 鋼結構項目	848,253	60.1	1,090,262	66.0
– Prefabricated construction projects	– 全裝配預製構件建築項目	563,492	39.9	560,497	34.0
<b>Total</b>	<b>總計</b>	<b>1,411,745</b>	<b>100.0</b>	<b>1,650,760</b>	<b>100.0</b>

The revenue attributable to steel structure projects decreased by 22.2% from approximately RMB1,090.3 million for the year ended 31 December 2016 to approximately RMB848.3 million for the year ended 31 December 2017. Among different types of projects, the Group recorded a revenue of RMB287.1 million (2016: RMB536.4 million) generated from both completed and uncompleted construction projects of bridges, export orders and public structures, which outweighed the increase in revenue generated from construction projects of factories from approximately RMB553.9 million in 2016 to approximately RMB561.2 million in 2017.

The revenue attributable to prefabricated construction projects increased by 0.5% from approximately RMB560.5 million for the year ended 31 December 2016 to approximately RMB563.5 million for the year ended 31 December 2017.

與2016年年末約人民幣735,000,000元比較，2017年年末未完工合同金額減少至約人民幣481,500,000元。

### 財務回顧

#### 收益

截至2017年12月31日止年度，本集團的收益約為人民幣1,411,700,000元，較截至2016年12月31日止年度減少約人民幣239,000,000元或14.5%。

下表載列各所示年度本集團的鋼結構項目及全裝配預製構件建築項目的收益明細：

鋼結構項目應佔收益由截至2016年12月31日止年度約人民幣1,090,300,000元減少22.2%至截至2017年12月31日止年度約人民幣848,300,000元。於各類項目中，本集團已完成及未完成的橋樑、出口訂單及公共建築項目產生人民幣287,100,000元（2016年：人民幣536,400,000元）收益，並抵銷廠房建築項目產生的收益由2016年約人民幣553,900,000元增加至2017年約人民幣561,200,000元。

全裝配預製構件建築項目應佔收益由截至2016年12月31日止年度約人民幣560,500,000元增加0.5%至截至2017年12月31日止年度約人民幣563,500,000元。

## Management Discussion and Analysis 管理層討論及分析

### Gross profit and gross profit margin

The following table sets out the breakdown of the Group's gross profit and gross profit margin ("GP margin") in terms of steel structure projects and prefabricated construction projects for each of the two years ended 31 December 2016 and 31 December 2017:

		For the year ended 31 December 截至12月31日止年度			
		2017 2017年		2016 2016年	
		GP margin Percentage		GP margin Percentage	
		RMB'000	(%)	RMB'000	(%)
		人民幣千元	佔比(%)	人民幣千元	佔比(%)
Construction of	建設				
– Steel structure projects	– 鋼結構項目	157,446	18.6	230,265	21.1
– Prefabricated construction projects	– 全裝配預製構件建築項目	202,462	35.9	198,027	35.3
Total	總計	359,908	25.5	428,292	25.9

The gross profit attributable to steel structure projects amounted to approximately RMB157.4 million for the year ended 31 December 2017, represented a decrease of 31.7% from approximately RMB230.3 million for the year ended 31 December 2016. The GP margin of steel structure projects decreased from approximately 21.1% for the year ended 31 December 2016 to approximately 18.6% for the year ended 31 December 2017. The decrease was mainly due to the increase in the production costs of steel structure when compared with 2016.

The revenue attributable to prefabricated construction projects increased by approximately 0.5% from approximately RMB560.5 million for the year ended 31 December 2016 to approximately RMB563.5 million for the year ended 31 December 2017. The gross profit increased by approximately 2.3% from approximately RMB198.0 million for the year ended 31 December 2016 to approximately RMB202.5 million for the year under review. The GP margin attributable to prefabricated construction projects increased from approximately 35.3% for the year ended 31 December 2016 to approximately 35.9% for the year ended 31 December 2017, representing an increase of 0.6 percentage points.

The Group's overall GP margin decreased from approximately 25.9% for the year ended 31 December 2016 to approximately 25.5% for the year ended 31 December 2017, mainly due to lower GP margin of steel structure resulted in the current year.

### 毛利及毛利率

下表載列於截至2016年12月31日及2017年12月31日止兩個年度各年本集團的鋼結構項目及全裝配預製構件建築項目的毛利及毛利率(「毛利率」)明細：

截至2017年12月31日止年度的鋼結構項目應佔毛利約為人民幣157,400,000元，較截至2016年12月31日止年度約人民幣230,300,000元減少31.7%。鋼結構項目的毛利率由截至2016年12月31日止年度約21.1%減少至截至2017年12月31日止年度約18.6%。該項減少主要由於鋼結構的生產成本相對2016年有所提高所致。

截至2017年12月31日止年度全裝配預製構件建築項目應佔收益由截至2016年12月31日止年度約人民幣560,500,000元增加約0.5%至約人民幣563,500,000元。回顧年度內毛利由截至2016年12月31日止年度約人民幣198,000,000元上升約2.3%至約人民幣202,500,000元。全裝配預製構件項目應佔的毛利率由截至2016年12月31日止年度約35.3%上升至截至2017年12月31日止年度約35.9%，上升0.6個百分點。

本集團的整體毛利率由截至2016年12月31日止年度約25.9%下跌至截至2017年12月31日止年度約25.5%，主要是由於本年度鋼結構毛利率下跌導致。

### Other income

During the year ended 31 December 2017, the Group's other income of approximately RMB10.0 million (2016: RMB9.7 million) was derived from sales of scrapped materials and interest income on bank deposits.

### Selling and marketing expenses and administrative expenses

During the year ended 31 December 2017, the total selling, marketing and administrative expenses were approximately RMB41.3 million (2016: RMB33.7 million), represented an increase of approximately RMB7.6 million. The increase was mainly resulted from (i) increase of approximately RMB2.0 million regarding the selling and marketing expenses due to exploration of new co-operation partners; (ii) increase in audit, legal and professional fees of approximately RMB12.1 million derived from issuance of bonds and shares during the year; (iii) increase in staff costs as a result of inflation in the PRC; and (iv) reversal of provision of financial guarantee amounting to RMB5.0 million.

### Finance costs

During the year ended 31 December 2017, the Group's finance costs of approximately RMB7.4 million (2016: RMB6.6 million) was derived from bonds issued during the current year and short-term borrowings brought forward from prior years. The creditors regarding the bonds and the short-term borrowings are independent third parties to the Group. The issued bonds and borrowings were unsecured, interest bearing at rates ranging from 2.0% to 9.0% and repayable between 2018 to 2025.

### 其他收入

截至2017年12月31日止年度，本集團的其他收入約人民幣10,000,000元（2016年：人民幣9,700,000元）乃源自廢料銷售及銀行存款利息收入。

### 銷售及營銷開支和行政開支

於截至2017年12月31日止年度，總銷售、營銷及行政開支約為人民幣41,300,000元（2016年：人民幣33,700,000元），增加約人民幣7,600,000元。增加主要是由於(i)發掘新合作夥伴引致銷售及營銷開支增加約人民幣2,000,000元；(ii)年內發行債券及股份產生的審計、法律及專業費用增加約人民幣12,100,000元；(iii)中國通脹令員工成本增加；及(iv)財務擔保撥備撥回人民幣5,000,000元。

### 財務成本

於截至2017年12月31日止年度，本集團約人民幣7,400,000元（2016年：人民幣6,600,000元）的財務成本乃來自於本年度內發行的債券及自過往年度結轉的短期貸款。有關債券及短期貸款的債權人為本集團的獨立第三方。已發行債券及貸款乃無抵押、以介乎2.0%至9.0%計息及應於2018年至2025年期間償還。



## Management Discussion and Analysis

### 管理層討論及分析

#### Profit for the year

The net profit attributed to the owners of the Company for the year ended 31 December 2017 amounted to RMB227.2 million (2016: RMB288.3 million), resulted in a basic profit per share for the year ended 31 December 2017 of RMB9.77 cents (2016: RMB14.13 cents), representing a decrease in profit attributed to the owners of the Company by 21.2%. The decrease in profit was resulted from the net effect of (i) decrease in revenue and gross profit as described above; (ii) increase in impairment loss on trade receivables; and (iii) increase in administrative expenses and finance costs, which was mainly attributable to the increase of audit, legal and professional fees and the financing activities carried out during the year.

#### Capital structure, liquidity and financial resources

During the year ended 31 December 2017, the Group's net cash from operating activities was approximately RMB2.0 million (2016: cash used in operating activities of RMB191.7 million) and the Group's cash and cash equivalents at the year end was approximately RMB757.3 million (2016: RMB779.3 million).

As at 31 December 2017, the Group had current assets of approximately RMB2,572.7 million (2016: RMB2,313.9 million) and current liabilities of approximately RMB269.6 million (2016: RMB264.6 million). The current ratio (which is calculated on the basis of current assets over current liabilities) was 9.5 as at 31 December 2017 (2016: 8.7).

Total equity of the Group as at 31 December 2017 was approximately RMB2,608.6 million (2016: RMB2,335.6 million). As at 31 December 2017, the Company's issued share capital was HK\$233.1 million (31 December 2016: HK\$224.2 million) with 2,330.7 million (2016: 2,241.8 million) Shares in issue.

Total borrowings (including issuance of bonds) were approximately RMB152.8 million as at 31 December 2017 (2016: RMB80.6 million), which were mainly incurred for expansion of the existing business of the Group. Such borrowings were mainly denominated in HK\$. Borrowings are carried at fixed interest rates ranging from 2.0% to 9.0% (2016: 8.0% to 12.4%) per annum and repayable from 2018 to 2025.

#### 年內盈利

截至2017年12月31日止年度，本公司擁有人應佔純利為人民幣227,200,000元（2016年：人民幣288,300,000元），導致截至2017年12月31日止年度的每股基本盈利為人民幣9.77分（2016年：人民幣14.13分），本公司擁有人應佔盈利減少21.2%。盈利減少乃由於(i)上述收益及毛利減少；(ii)應收貿易款項的減值虧損增加；及(iii)行政開支及財務成本增加（主要歸因於年內審計、法律及專業費用以及融資活動增加）的淨影響所致。

#### 資本結構、流動資金及財務資源

截至2017年12月31日止年度，本集團經營活動所得現金淨額約為人民幣2,000,000元（2016年：經營活動所用現金人民幣191,700,000元），而本集團之年末現金及現金等價物約為人民幣757,300,000元（2016年：人民幣779,300,000元）。

於2017年12月31日，本集團的流動資產約為人民幣2,572,700,000元（2016年：人民幣2,313,900,000元），流動負債約為人民幣269,600,000元（2016年：人民幣264,600,000元）。於2017年12月31日的流動比率（按流動資產除以流動負債計算）為9.5（2016年：8.7）。

本集團於2017年12月31日的權益總額約為人民幣2,608,600,000元（2016年：人民幣2,335,600,000元）。本公司於2017年12月31日的已發行股本為233,100,000港元（2016年12月31日：224,200,000港元），已發行2,330,700,000股股份（2016年：2,241,800,000股）。

於2017年12月31日，貸款總額（包括發行債券）為約人民幣152,800,000元（2016年：人民幣80,600,000元），主要因本集團擴大現有業務產生。有關貸款主要以港元計值。貸款按介乎2.0%至9.0%（2016年：8.0%至12.4%）的固定年利率計算，並須於2018年至2025年償還。

As disclosed in the Company's announcement on 20 January 2017, the Group had acquired a total number of 1,140 shares of Fire Scorpion Limited, representing 11.17% of the total issued share capital of Fire Scorpion Limited, at a total consideration of HK\$58,589,000, which was satisfied by the Group by (i) allotment and issuance of a total number of 88,947,935 consideration shares of the Company to the seller based on the issue share price of HK\$0.58 per share of the Company, representing approximately 3.82% of the then issued share capital of the Company as enlarged by the issue of the consideration shares; and (ii) HK\$7,000,000 settled by cash.

As referred to the Company's announcements dated 14 August 2017 and 1 December 2017, the Company had entered into placing agreements with the two placing agents pursuant to which the placing agents agreed to act as the placing agent, on a best effort basis, for the purposes of arranging placees to subscribe or enter into direct subscription agreement with the Company for the bonds up to an aggregate principal amount of HK\$50,000,000 and HK\$150,000,000, respectively. As at 31 December 2017, the Company had issued bonds with a principal amount of HK\$134,900,000. Details are set out in note 27 to the consolidated financial statements.

誠如本公司日期為2017年1月20日之公告所披露，本集團已收購火蠍有限公司合共1,140股股份，佔火蠍有限公司全部已發行股本的11.17%，總代價為58,589,000港元，由本集團以下列形式支付：(i) 按本公司發行股份價格每股0.58港元配發及發行合共本公司88,947,935股代價股份予賣方，佔經發行代價股份擴大的本公司當時已發行股本約3.82%；及(ii)現金結付7,000,000港元。

經參照本公司日期為2017年8月14日及2017年12月1日的公告，本公司已與兩名配售代理訂立配售協議，據此配售代理同意作為配售代理，竭盡所能安排承配人認購本金總額最高分別為50,000,000港元及150,000,000港元的債券或就此與本公司訂立直接認購協議。於2017年12月31日，本公司已發行本金額為134,900,000港元的債券。詳情載於綜合財務報表附註27。

## Management Discussion and Analysis

### 管理層討論及分析

As referred to the Company's announcement dated 31 January 2018, the Company had entered into a note purchase agreement with several institutional investors pursuant to which such investors agreed to subscribe for the bond in an aggregate principal amount of US\$32,000,000 issued by the Company. Under the note purchase agreement and the bond, Mr. Jiang Jianqiang, the chairman, an executive Director and a controlling shareholder of the Company, as the personal guarantor, has to beneficially hold, directly or indirectly, at least 35.0% of the total voting power of the Company throughout the term of the bond. Details are set out in note 44 to the consolidated financial statements.

### Treasury Policies

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

### Significant investments held

During the year under review, except for investments in subsidiaries, a joint venture, and an available-for-sale investment as described below section headed "Material acquisitions and disposals of subsidiaries and associated companies", the Group did not hold any significant investment in equity interests in any other company.

經參照本公司日期為2018年1月31日的公告，本公司與若干機構投資者訂立票據購買協議，據此該等投資者同意認購本公司發行的本金總額為32,000,000美元的債券。根據票據購買協議及債券，本公司主席、執行董事及控股股東蔣建強先生（作為個人擔保人）須於整個債券期限內直接或間接實益持有本公司總投票權的至少35.0%。詳情載於綜合財務報表附註44。

### 財資政策

本集團已採納審慎財資政策，因而於年內一直維持良好流動資金狀況。本集團為客戶之財務狀況進行持續信貸評審及評估，致力減低信貸風險。為管理流動資金風險，董事會密切監察本集團之流動資金狀況，確保本集團的資產、負債及其他承擔之流動資金結構不時符合其資金要求。

### 所持重大投資

於回顧年度，除下文「有關附屬公司及聯營公司之重大收購及出售」一節所述投資於附屬公司、投資於一間合營企業及可供出售投資外，本集團並無於任何其他公司持有任何重大股權投資。

## Material acquisitions and disposals of subsidiaries and associated companies

As disclosed in the Company's announcement on 20 January 2017, the Group had acquired a total of 1,140 shares of Fire Scorpion Limited, representing 11.17% of the total issued share capital of Fire Scorpion Limited, at a total consideration of HK\$58,589,000, which was satisfied by the Group by (i) allotment and issuance of a total of number 88,947,935 consideration Shares to the seller based on the issue share price of HK\$0.58 per Share, representing approximately 3.82% of the then issued share capital of the Company as enlarged by the issue of the consideration Shares; and (ii) HK\$7,000,000 settled by cash. In order to further enhance the competitiveness of the Group under the current economic environment, the Group intended to diversify its income stream to enhance shareholders' value and the Directors have been exploring different business opportunities in other sectors in order to broaden the sources of income and to boost the business performance of the Group. The Directors believe that the acquisition of Fire Scorpion Limited and its associates (the "Target Group") is a good investment opportunity for the Group to tap into the big data logistics financial service and internet trading platform service industries.

The Group intended to bring in the internet platform services business of the Target Group as a new source of income in future. The Directors are of the view that the internet platform services business of the Target Group can provide support to the construction projects of the Group in the event appropriate opportunities arise.

## Charge on assets

As at 31 December 2017, other than as disclosed in note 40 to the consolidated financial statements, the Group did not have any charge on assets.

## Gearing ratio

Gearing ratio is calculated based on total debt (including payables incurred not in the ordinary course of business) at the year end divided by equity attributable to owners of the Company at the year end multiplied by 100%. As at 31 December 2017, the gearing ratio of the Group was approximately 5.9% (2016: 3.7%).

## 有關附屬公司及聯營公司之重大收購及出售

誠如本公司日期為2017年1月20日的公告所披露，本集團已收購火蠍有限公司合共1,140股股份，佔火蠍有限公司全部已發行股本的11.17%，總代價為58,589,000港元，由本集團以以下形式支付：(i) 按發行股份價每股0.58港元配發及發行合共88,947,935股代價股份予賣方，佔經發行代價股份擴大的本公司當時已發行股本約3.82%；及(ii)現金結付7,000,000港元。為進一步提升本集團在現時經濟環境下的競爭實力，本集團擬分散其收入來源，以提高股東價值，而董事一直在探索其他行業的不同商機，以擴闊收入來源及提升本集團的業務表現。董事相信，收購火蠍有限公司及其聯營公司（「目標集團」）實為本集團涉足大數據物流金融業及互聯網交易平台服務業的投資良機。

本集團擬引入目標集團的網絡平台服務業務，作為未來的新收入來源。董事認為，倘出現合適的商機，目標集團的網絡平台服務業務可支持本集團的建造項目。

## 資產抵押

於2017年12月31日，除綜合財務報表附註40所披露者外，本集團並無任何資產抵押。

## 資本負債比率

資本負債比率乃按年末的總負債（包括並非於日常業務過程中產生的應付款項）除以年末本公司擁有人應佔權益，再乘以100%計算。於2017年12月31日，本集團的資本負債比率約為5.9%（2016年：3.7%）。

## Management Discussion and Analysis

### 管理層討論及分析

#### Foreign exchange exposure

The Group's businesses are principally operated in the PRC and substantially all of its transactions are conducted in RMB and most of the Group's assets and liabilities are also denominated in RMB. The Group is subject to foreign exchange rate risk arising from future commercial transactions and recognised assets and liabilities which are denominated in a currency other than RMB. During the year under review, the Group did not commit to any financial instruments to hedge its exposure to foreign currency risk and did not adopt a foreign currency hedging policy. However, the management of the Group monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

#### Event after the Reporting Period

Other than as disclosed in section headed "Capital structure, liquidity and financial resources" above, there is no major event after the reporting period.

#### Fund raising

Other than as disclosed in section headed "Capital structure, liquidity and financial resources" above, there is no other fund raising activities.

The use of proceeds from issued 203.8 million new shares at a subscription price of HK\$0.52 per share in 2016 (proceed of approximately RMB94.9 million) was summarised as follows:

- (i) approximately RMB49.9 million was used for purchase of property, plant and equipment for expansion of existing business;
- (ii) approximately RMB20.5 million was used for acquisition of land use right in Anhui for expansion of steel structure business; and
- (iii) approximately RMB24.5 million was used for repayment of existing loan and interest outstanding.

The proceeds from issue of Company's shares had been fully utilised as at 31 December 2017.

#### 外匯風險

本集團主要於中國經營業務，其絕大部分交易以人民幣進行，且本集團大部分資產及負債均以人民幣計值。本集團因日後進行的商業交易及以人民幣以外其他貨幣計值的已確認資產及負債而須承受外匯風險。回顧年度內本集團並無利用任何財務工具對沖外匯風險，亦無採取外幣對沖政策。然而，本集團管理層監察外匯風險，並將考慮於有需要時對沖重大外匯風險。

#### 報告期後事項

除上文「資本結構、流動資金及財務資源」一節所披露者外，報告期後概無任何重要事項。

#### 集資

除上文「資本結構、流動資金及財務資源」一節所披露者外，概無其他集資活動。

於2016年按每股0.52港元的認購價發行203,800,000股新股份的所得款項(所得款項約人民幣94,900,000元)用途概要如下：

- (i) 約人民幣49,900,000元用於購置物業、廠房及設備以擴大現有業務；
- (ii) 約人民幣20,500,000元用於收購安徽土地使用權以擴大鋼結構業務；及
- (iii) 約人民幣24,500,000元用於償還現有貸款及未償還利息。

於2017年12月31日，發行本公司股份的所得款項已悉數動用。



### Capital Expenditures

During the year ended 31 December 2017, the Group's capital expenditure consisted of additions to property, plant and equipment amounting to approximately RMB49.9 million (2016: RMB23,000).

### Capital Commitments

As at 31 December 2017, the Group had a capital commitment in respect of acquisition or construction of factory premises and production facilities for expansion of production capacity amounting to RMB23.0 million as well as acquisition of fixed asset for marketing & client relationship development amounting to RMB1,593,000.

### Employees

As at 31 December 2017, the Group had approximately 544 (2016: 566) employees. The related staff cost (including remuneration of Directors in the form of salaries and other benefits) for the year ended 31 December 2017 was approximately RMB56.4 million (2016: RMB66.4 million).

The Group remunerates its employees based on their performance, experience and prevailing industry practice. Competitive remuneration package is offered to retain elite employees. Our package includes salaries, medical insurance, discretionary bonuses, share options, on-the-job training, other benefits as well as mandatory provident funds schemes for employees in Hong Kong and state-managed retirement benefit schemes for employees in the PRC.

The employees of the Company's subsidiaries established in the PRC are members of state-managed retirement benefits schemes operated by the PRC government. Such subsidiaries are required to contribute a specific percentage of the total monthly basic salaries to the retirement benefits schemes.

The Group also operates a Mandatory Provident Fund Scheme for all qualifying employees in Hong Kong. The Group contributes 5% of relevant payroll costs (capped at HK\$1,500 per month with effect from 1 June 2014) of each individual employee to the scheme, which contribution is matched by employees.

During the year ended 31 December 2017, the Group had no forfeited contributions available to reduce its contributions to the retirement benefits schemes set out above.

### 資本開支

截至2017年12月31日止年度，本集團的資本開支包括添置物業、廠房及設備約人民幣49,900,000元（2016年：人民幣23,000元）。

### 資本承擔

於2017年12月31日，本集團就擴充產能收購或建設廠房及生產設施產生資本承擔人民幣23,000,000元，亦就營銷及開拓客戶關係收購固定資產產生資本承擔人民幣1,593,000元。

### 僱員

於2017年12月31日，本集團擁有約544名僱員（2016年：566名）。截至2017年12月31日止年度的有關員工成本（包括薪金及其他福利形式的董事酬金）約為人民幣56,400,000元（2016年：人民幣66,400,000元）。

本集團根據僱員的表現、經驗及現時業內慣例釐訂彼等之薪酬，並提供具競爭力的薪酬待遇，以留住優秀員工。我們的待遇包括薪金、醫療保險、酌情花紅、購股權、在職培訓、其他福利以及強積金計劃（就香港僱員而言）及國家管理退休福利計劃（就中國僱員而言）。

本公司於中國成立的附屬公司的僱員為中國政府運作的國家管理退休福利計劃的成員。該等附屬公司須按每月基本薪金總額的指定百分比向退休福利計劃供款。

本集團亦為全體合資格香港僱員執行一項強制性公積金計劃，本集團會將各個別僱員相關工資成本的5%（每月供款上限為1,500港元，自2014年6月1日生效）作為強積金計劃供款，而僱員亦須按計劃繳納相等供款。

於截至2017年12月31日止年度，本集團並無任何可供動用的沒收供款，以降低其對上文所載退休福利計劃的供款。

## Management Discussion and Analysis

### 管理層討論及分析

#### Contingent liabilities

There were no contingent liabilities as at 31 December 2017.

#### Dividend

The Board does not recommend the any final dividend payment for the year ended 31 December 2017 to the shareholders (2016: nil).

## FUTURE PROSPECTS AND STRATEGIES

Analysing the economic trend from 2016 to 2017, the Group was facing great challenges in the past 3 years, with the slowdown of growth of the PRC economy. Despite the difficulties that the Group encountered, the management is confident to explore more opportunities in both the steel structure business and prefabricated construction business.

#### 或然負債

於2017年12月31日，概無或然負債。

#### 股息

董事會不建議向股東派付截至2017年12月31日止年度的任何末期股息(2016年：無)。

## 未來展望及策略

經分析2016年至2017年的經濟趨勢，隨著中國經濟增長放緩，本集團於過往三年面對極大挑戰。儘管本集團面臨挑戰壓力，但管理層有信心發掘更多鋼結構業務及全裝配預製構件建築業務的商機。

For steel structure business, the Group will continue its market expansion from Yangtze River Delta region to the central and western regions of the PRC. According to the China's Thirteenth Five-Year Plan, the central government of the PRC will speed up the pace of development of the central and western regions, giving us a great opportunity for the expansion of steel structure business geographically. The Group has thorough cooperation with state-owned enterprises to gradually expand its business into other regions outside Jiangsu Province and in particular those regions in Central and Western China where the construction of infrastructures is relatively lagging behind, as well as upholding its product quality and building its brand. During the year, the Company has formed a business relationship with Shandong Jiuyang Industrial Stock Company Limited (山東九羊實業股份有限公司) and Shanghai Civil Engineering Co., Ltd. of CREC (中鐵上海工程局集團有限公司) respectively in relation to the construction business. We believe that upon the formation of strategic partnership with these renowned corporations, the Group can build up an extensive business network including but not limited to areas of cooperation in property development and green building which will in turn bring strategic value to the Group. On the other hand, the implementation of One Belt, One Road policy in the PRC is also one of the main focus of the Group's development strategy in the coming years. The Group also strives for expansion in other overseas markets including Australia, Cambodia and Central Asian countries through cooperation with multi-national corporations. With both the opportunities from the government's development direction and the Group's close business relationship with multi-national partners, the Group will seize the market share in this segment.

就鋼結構業務而言，本集團將繼續將市場從長江三角洲地區拓展至中國中西部地區。根據中國的十三五規劃，中央政府將加快中西部地區的發展步伐，這給鋼結構業務的地域擴張帶來巨大機遇。本集團已深化與國有企業的合作，逐步將業務擴展至江蘇省以外的其他地區，尤其是基礎設施建設相對滯後的中西部地區，同時提升產品質量及建立品牌。於年內，本公司已就建築業務分別與山東九羊實業股份有限公司及中鐵上海工程局集團有限公司建立業務關係。我們認為，與該等知名企業建立戰略夥伴關係後，本集團可建立廣泛業務網絡（合作範疇包括但不限於物業發展及綠色建築），從而為本集團帶來戰略價值。另一方面，中國實行的一帶一路政策仍是本集團未來數年發展戰略的主要重點。本集團亦透過與跨國公司合作大力擴張其他海外市場，包括澳大利亞、柬埔寨及中亞國家。憑藉政府發展方向帶來的機遇及本集團與跨國合作夥伴之間密切的業務關係，本集團將擴大該分部的市場份額。

## Management Discussion and Analysis

### 管理層討論及分析

For prefabricated construction business, according to the National Plan on New Urbanisation (2014–2020) released by the PRC State Council, certain measures will be carried out to increase the level and the quality of the PRC's urbanisation in the future, aiming at having the urbanisation rate to reach 60% by 2020. Under the effect of increasing domestic demand on social security housing, our management believes that the Group can achieve a steady growth in our prefabricated construction business segment. In previous years, we have built a mutually beneficial trust business relationship with China Building Material International Engineering Co. Ltd. on civil construction projects, including the construction of social security housing, municipal facilities, transportation, and civic engineering. In the coming future, we target to deepen our cooperation and to seize the opportunity in construction of prefabricated parts in the PRC's metro system. The Group also aimed to further expand the reach of its prefabricated construction business activities to other regions outside Jiangsu Province. This will bring a promising future for the Group's development.

Amid the complicated economic situations in both domestic and overseas markets, the management of the Group will actively act in response to the markets and continue to improve its own operation and management efficiency to capture any opportunities arising from closer connection of domestic macro-economic situation and the international markets. The Group will take full advantage of the solid foundations of its steel structure business and prefabricated construction business while enhancing cooperation with state-owned enterprises, central enterprises and multi-national corporations to enrich its business mix and broaden its income stream with a view to boosting the Group's business to a higher level and creating long-term values for the shareholders.

根據中國國務院頒佈的《國家新型城鎮化規劃(2014–2020)》，就全裝配預製構件建築業務而言，日後將採取若干措施提高中國城鎮化水平及質量，力爭到2020年城鎮化率達到60%。根據國內對保障性住房需求增加的影響，管理層認為，本集團的全裝配預製構件建築業務分部可實現穩定增長。於過往年度，我們已與中國建材國際工程有限公司在土木工程建築項目(包括建設保障性住房、市政設施、運輸及土木工程)方面建立互惠互利的業務關係。於不久的將來，我們計劃深化合作並把握在中國交通系統建設全裝配預製構件的機會。本集團亦旨在進一步擴展其全裝配預製構件建築業務活動，將其業務覆蓋範圍延伸至江蘇省以外其他地區，對本集團未來發展前景十分有利。

面對國內外市場複雜的經濟形勢，本集團管理層將堅持積極應對市場，不斷提高自身經營管理效率，把握國內宏觀經濟形勢及國際市場日益緊密的聯繫所帶來的機遇，充分利用本集團在鋼結構及全裝配預製構件建築業務的穩健基礎的同時，加強與國企、央企及跨國公司合作，豐富業務組合，擴闊收入來源，以實現本集團事業更上一層樓，為股東創造長遠價值。

# Profile of Directors and Senior Management

## 董事及高級管理層簡介

### EXECUTIVE DIRECTORS

#### Jiang Jianqiang

##### *Executive Director & Chairman*

Mr. Jiang Jianqiang, aged 52, the founder of our Group, has been being our chairman and executive Director since 31 July 2012. He is responsible for the overall strategic planning and management of our Group. Mr. Jiang Jianqiang has extensive experience in the steel structure industry, and has been engaged in such business for over 20 years. Mr. Jiang Jianqiang completed a three-year professional course in the Faculty of Architecture at Southeast University in July 1996 and is a practising Grade One Constructor registered with the Ministry of Housing. He was also qualified as 高級工程師 (senior engineer) and 高級經濟師 (senior economist) by 江蘇省人事廳 (Jiangsu Province Personnel Department\*) in June 2008 and July 2009 respectively. From May 1995 to April 1998, he served as the deputy general manager of 江蘇宇盛建築安裝工程有限公司 (Jiangsu Yusheng Construction and Installation Company Limited\*), a company principally engaged in construction projects and lifting equipment installation, and during such period he was responsible for the administration and production and business management of such company. Since September 1998, Mr. Jiang Jianqiang has acted as the general manager of Saite Steel (Jiangsu). As at the date of this report, Mr. Jiang Jianqiang was a director of China Saite (Overseas) Company Limited, China Saite (H.K.) Company Limited, Modern Day Holdings Limited, Saite Steel (Jiangsu), and Jiangsu Qifeng, each being a wholly-owned subsidiary of the Company and Jiangsu HuaChen Saite, being a joint venture invested by the Group. He also served as a representative in the 12th and the 13th Communist Party Congress of Yixing, the PRC, and 15th and 16th People's Congress of Yixing, the PRC.

#### Shao Xiaoqiang

##### *Executive Director & Chief Executive Officer*

Mr. Shao Xiaoqiang (邵小強), aged 43, was appointed as our executive Director on 31 July 2012. He is also our chief executive officer. He is responsible for the production and technical teams of our Group. Mr. Shao is also responsible for approving contracts with our customers, making the decision for engaging installation teams and production teams and whether to subcontract any works to subcontractors.

\* for translation purposes only

### 執行董事

#### 蔣建強

##### *執行董事兼主席*

蔣建強先生，52歲，本集團創辦人，自2012年7月31日至今，一直擔任我們的主席兼執行董事。彼負責本集團的整體戰略規劃及管理。蔣建強先生擁有豐富的鋼結構行業經驗，從事有關業務逾20年。蔣建強先生於1996年7月畢業於東南大學建築系(三年制大專)，為住建部註冊一級執業建造師。彼亦分別於2008年6月及2009年7月取得江蘇省人事廳的高級工程師及高級經濟師資格。自1995年5月至1998年4月期間，彼擔任江蘇宇盛建築安裝工程有限公司(主要從事建築項目及起重設備安裝項目)副總經理，及於該期間，蔣建強先生負責該公司的行政、生產及業務管理。自1998年9月起，蔣建強先生一直擔任賽特鋼結構(江蘇)總經理。於本報告日期，蔣建強先生為中國賽特(海外)有限公司、中國賽特(香港)有限公司、全傑控股有限公司、賽特鋼結構(江蘇)、江蘇旗峰(均為本公司全資附屬公司)及江蘇華晨賽特(為本集團投資的合營企業)的董事。彼亦為中國宜興市第十二次及第十三次黨代表會及中國宜興市第十五和第十六屆人民代表大會代表。

#### 邵小強

##### *執行董事兼行政總裁*

邵小強先生，43歲，於2012年7月31日獲委任為執行董事。彼亦為我們的行政總裁，負責本集團的生產及技術團隊。邵先生亦負責審批與客戶所簽合同、決定委聘安裝團隊及生產團隊，以及是否將工程分包予分包商。

\* 僅供識別



## Profile of Directors and Senior Management 董事及高級管理層簡介

Mr. Shao graduated with a bachelor's degree in management, majoring in 工程管理 (engineering management\*), from 江南大學 (Jiangnan University\*) in July 2011. Mr. Shao was qualified as an engineer (specialising in steel structures) by 中國建築工程總公司 (China State Construction Engineering Corporation\*) in December 2004 and a practising Grade 2 Constructor jointly awarded by 江蘇省人事廳 (Jiangsu Province Personnel Department\*), 江蘇省建築工程管理局 (Construction Project Administration Bureau of Jiangsu Province\*) and 江蘇省建設廳 (Department of Construction of Jiangsu Province\*) in January 2007. He has more than 16 years of experience in the construction industry. He was awarded with 優秀項目經理 (Excellent Project Manager\*) for the project of 泰州三福船舶工程有限公司船體分段製造車間鋼結構工程 (Taizhou Sanfu Marine Engineering Co., Limited Hull Block Fabrication Workshop Steel Structure Project\*) in 2008. From April 1996 to November 1999, he worked as the head of the technical department of 江蘇曉金鋼構建設有限公司 (Jiangsu Xiaojin Steel Structure Construction Co., Ltd.\*), a company principally engaged in production and installation of steel structure. He joined our Group in December 1999 and has served as a deputy general manager and the deputy administrative manager of Saite Steel (Jiangsu) since then, overseeing the engineering and technical work and the production process of our Group. As at the date of this report, Mr. Shao was also a director of Saite Steel (Jiangsu), a wholly-owned subsidiary of the Company and Jiangsu HuaChen Saite.

### Xu Fanghua

#### Executive Director

Mr. Xu Fanghua (徐芳華), aged 53, appointed as an executive Director of the Company on 15 December 2015. He has over 10 years of experience in the eco-friendly construction industry. Mr. Xu graduated from 南京理工大學 (Nanjing University of Science and Technology) in environmental engineering in July 2003. He was appointed as the chairman of the board of directors and general manager of 江蘇農力實業有限公司 (Jiangsu Chenli Company Limited\*) in February 1991. Jiangsu Chenli Company Limited was deregistered in January 2013. Mr. Xu then founded Jiangsu Chenli in October 2012 and has been appointed as the chairman of the board of directors as well as the general manager of Jiangsu Chenli since October 2012.

\* for translation purposes only

邵先生於2011年7月畢業於江南大學，取得工程管理專業學士學位。邵先生於2004年12月自中國建築工程總公司獲得工程師(鋼結構專業)資質，並於2007年1月獲得由江蘇省人事廳、江蘇省建築工程管理局及江蘇省建設廳聯合頒發的二級建造師執業資格證書。彼於建築行業擁有逾16年經驗。彼於2008年因泰州三福船舶工程有限公司船體分段製造車間鋼結構工程而獲評為優秀項目經理。自1996年4月至1999年11月期間，彼擔任江蘇曉金鋼構建設有限公司(主要從事鋼結構生產及安裝)技術部主管。彼於1999年12月加入本集團，擔任副總經理並自此擔任賽特鋼結構(江蘇)行政副經理，監管本集團的工程及技術工作以及生產工藝。於本報告日期，邵先生亦為本公司全資附屬公司賽特鋼結構(江蘇)及江蘇華晨賽特的董事。

### 徐芳華

#### 執行董事

徐芳華先生，53歲，於2015年12月15日獲委任為本公司執行董事。彼於環保建築業擁有逾10年的經驗。徐先生於2003年7月畢業於南京理工大學環境工程專業。彼於1991年2月獲委任為江蘇農力實業有限公司的董事會主席兼總經理。江蘇農力實業有限公司於2013年1月取消註冊。徐先生隨後於2012年10月成立江蘇農力，並自2012年10月起獲委任為江蘇農力的董事會主席兼總經理。

\* 僅供識別

## INDEPENDENT NON-EXECUTIVE DIRECTORS

### Xu Jiaming

#### *Independent Non-executive Director*

Mr. Xu Jiaming (徐家明), aged 47, was appointed as our independent non-executive Director on 11 October 2013. Mr. Xu graduated with a bachelor's degree in 工業管理工程(管理信息系統) (Industrial Management Engineering (Management Information Systems\*)) from 武漢工學院 (Wuhan Institute of Engineering\*) in June 1992 and obtained a master's degree in business administration from 南京大學 (Nanjing University) in December 2003. He is currently a candidate for a doctorate degree in 管理科學與工程 (Management Science and Engineering\*) at 武漢理工大學 (Wuhan University of Technology). He has over 16 years of experience in corporate management and consultancy. From January 1997 to May 1998, he served at 南京同創信息產業集團有限公司 (Nanjing Toptry Information Industry Group Co., Ltd.\*), a company principally engaged in software development and information services as the head of its marketing department, deputy manager and the head of its 電子商業部 (department of electronic commerce). Since May 1998, he has served as the chief consultant and the general manager of 南京智域企業管理諮詢有限公司 (Nanjing Zhiyu Corporate Management Consultants Company Limited\*), a company principally engaged in provision of business consultancy services. He acted as the chief human resources manager of 紅星家俱集團有限公司 (Red Star Home Furniture Group Limited\*), a company principally engaged in, among others, sale of home furniture, between June 2005 and July 2007 and the general manager of 紅星美凱龍國際諮詢有限公司 (Red Star Macalline International Consultancy Company Limited\*), a company principally engaged in provision of business consultancy services, between June 2005 and July 2007. From December 2008 to September 2010, he also served as the management consultant and the president of 恒久集團有限公司 (Permanent Group Co., Ltd.\*), a company principally engaged in the manufacture of steel structures and machineries. Since September 2010, he has acted as the corporate management consultant of 南京豐盛產業控股集團有限公司 (Nanjing Fullshare Holdings Group Limited\*), a company principally engaged in construction projects.

\* for translation purposes only

## 獨立非執行董事

### 徐家明

#### *獨立非執行董事*

徐家明先生，47歲，於2013年10月11日獲委任為獨立非執行董事。徐先生於1992年6月畢業於武漢工學院，獲得工業管理工程(管理信息系統)學士學位，並於2003年12月自南京大學獲得工商管理碩士學位。目前彼正在武漢理工大學攻讀管理科學與工程博士學位。彼於企業管理及諮詢領域擁有逾16年經驗。自1997年1月至1998年5月期間，彼在南京同創信息產業集團有限公司(主要從事軟件開發及信息服務)先後擔任市場行銷部主管及電子商業部副經理及主管。自1998年5月起，彼擔任南京智域企業管理諮詢有限公司(主要提供企業諮詢服務)的首席顧問及總經理。彼自2005年6月至2007年7月期間擔任紅星家俱集團有限公司(主要從事(其中包括)傢俱銷售)的首席人力資源經理，並自2005年6月至2007年7月期間擔任紅星美凱龍國際諮詢有限公司(主要提供企業諮詢服務)的總經理。自2008年12月至2010年9月期間，彼亦擔任恒久集團有限公司(主要從事鋼結構及機械製造)的管理顧問及總裁。自2010年9月起，彼一直擔任南京豐盛產業控股集團有限公司(主要從事建築項目)的企業管理顧問。

\* 僅供識別

## Profile of Directors and Senior Management 董事及高級管理層簡介

### Luk Chi Shing

#### *Independent Non-executive Director*

Luk Chi Shing, aged 48, was appointed as an independent non-executive Director on 3 January 2017. Mr. Luk graduated from City University of Hong Kong in 1993, with a Bachelor of Arts in Accountancy. Mr. Luk is an associate member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants. Mr. Luk had been (i) an independent non-executive director of Chinese Energy Holdings Limited (stock code: 8009) since 1 February 2018; (ii) an executive director of Trillion Grand Corporate Company Limited (formerly known as Tai Shing International (Holdings) Limited) (stock code: 8103) from April 2014 to March 2016; (iii) an independent non-executive director of Interactive Entertainment China Cultural Technology Investments Limited (formerly known as China Mobile Games and Cultural Investment Limited) (stock code: 8081) from December 2011 to August 2015; (iv) an independent non-executive director of Dafeng Port Heshun Technology Company Limited (stock code: 8310) from February 2014 to March 2016; (v) an independent non-executive director of CircuTech International Holdings Limited (formerly known as TeleEye Holdings Limited) (stock code: 8051) from April 2015 to June 2016; and (vi) the company secretary and financial controller of Silk Road Energy Services Group Limited (stock code: 8250) from January 2012 to November 2015, and the shares of these companies are listed on the Growth Enterprises Market of the Stock Exchange of Hong Kong Limited.

### Eddie Hurip

#### *Independent Non-executive Director*

Mr. Eddie Hurip, aged 59, was appointed as Independent Non-executive Director of the Company on 31 May, 2017. He obtained a bachelor's degree in Electrical Engineering and Computer Science from the University of California, Berkeley and an Executive MBA degree from the Marshall Business School of the University of Southern California. Mr. Hurip has over ten years of management experience in the real estate industry in both the PRC and Hong Kong. Mr. Hurip was an executive director of China Overseas Grand Oceans Group Limited (formerly known as Shell Electric Mfg. (Holdings) Company Limited, Hong Kong stock code: 0081) from 2006 to 2010. Mr. Hurip offered consultancy services to Nanjing Fullshare Asset Management for the acquisition and the resumption of trading in the shares of Fullshare Holdings Limited (formerly known as Warderly International Holdings Limited, Hong Kong stock code: 607) which was completed in December 2013. Mr. Hurip retired as a non-executive director of Fullshare Holdings Limited (Hong Kong stock code: 607) on 31 December, 2016.

\* *for translation purposes only*

### 陸志成

#### *獨立非執行董事*

陸志成先生，48歲，於2017年1月3日獲委任為獨立非執行董事。其於1993年畢業於香港城市大學，獲頒會計學學士學位。陸先生為香港會計師公會會員及英國特許公認會計師公會資深會員。陸先生(i)自2018年2月1日起出任華夏能源控股有限公司(股份代號：8009)獨立非執行董事；(ii)自2014年4月至2016年3月出任萬泰企業股份有限公司(前稱泰盛國際(控股)有限公司)(股份代號：8103)執行董事；(iii)自2011年12月至2015年8月出任互娛中國文化科技投資有限公司(前稱中國手游文化投資有限公司)(股份代號：8081)獨立非執行董事；(iv)自2014年2月至2016年3月出任大豐港和順科技股份有限公司(股份代號：8310)獨立非執行董事；(v)自2015年4月至2016年6月出任訊智海國際控股有限公司(前稱千里眼控股有限公司)(股份代號：8051)獨立非執行董事；及(vi)自2012年1月至2015年11月出任絲路能源服務集團有限公司(股份代號：8250)公司秘書兼財務總監，且上述各公司之股份均於香港聯合交易所有限公司創業板上市。

### 丘鉅淙

#### *獨立非執行董事*

丘鉅淙先生，59歲，於2017年5月31日獲委任為本公司獨立非執行董事。彼持有加州大學柏克萊分校電氣工程與計算器科學專業學士學位及南加州大學馬歇爾商學院行政工商管理碩士學位。丘先生於中港房地產行業積逾10年管理經驗。丘先生於2006年至2010年期間曾任中國海外宏洋集團有限公司(前稱蜆壳電器工業(集團)有限公司)(香港股份代號：0081)之執行董事。丘先生曾負責就南京豐盛資產管理之收購事項及豐盛控股有限公司(前稱滙多利國際控股有限公司)(香港股份代號：607)股份恢復買賣提供顧問服務並已於2013年12月完成。於2016年12月31日，丘先生退任為豐盛控股有限公司(香港股份代號：607)之非執行董事職務。

\* 僅供識別

## SENIOR MANAGEMENT

### Shan Jinwen (單錦文)

Mr. Shan Jinwen (單錦文), aged 42, joined our Group in September 2009 and has acted as the deputy general manager of Saite Steel (Jiangsu) responsible for the sales and marketing activities since September 2011.

Mr. Shan completed a three-year professional course in electronic technology engineering at Southeast University in July 1996 and obtained a master's degree in business administration from 澳門科技大學 (Macau University of Science and Technology) in February 2004. He is also a Grade One Constructor registered with the Ministry of Housing. Prior to joining our Group, he acted as the manager of the marketing department of 博西家用電器(中國)有限公司 (BSH Home Appliances Holding (China) Co., Ltd.\*), a company principally engaged in development and sale of home appliances and their after-sales services, from November 1999 to June 2004. From June 2004 to August 2009, he took up the position of deputy administrative manager of 無錫市現代鋼結構工程有限公司 (Wuxi City Modern Steel Structure Engineering Co., Ltd.\*), a company principally engaged in production, processing and installation of steel structures and their supporting parts, and during such period he was mainly responsible for the corporate management of such company. From September 2009 to August 2011, Mr. Shan worked as the general manager of Wuxi office of Saite Steel (Jiangsu).

Save as disclosed herein, to best of the knowledge, information and belief of our Directors having made all reasonable enquiries, each of the members of our senior management has not been a director of any public company the securities of which are listed on any securities market in Hong Kong or overseas in the three years immediately preceding the date of this report.

## 高級管理層

### 單錦文

單錦文先生，42歲，於2009年9月加入本集團，並自2011年9月起一直擔任賽特鋼結構(江蘇)的副總經理，負責銷售和營銷活動。

單先生於1996年7月畢業於東南大學，讀完電子技術工程專業三年大專課程，並於2004年2月獲得澳門科技大學工商管理碩士學位。彼亦為住建部一級建造師。於加盟本集團前，彼曾於1999年11月至2004年6月期間擔任博西家用電器(中國)有限公司(主要從事家用電器開發及銷售以及售後服務)的營銷經理。自2004年6月至2009年8月期間，彼擔任無錫市現代鋼結構工程有限公司(主要從事鋼結構及其承重構件的生產、加工及安裝)的副總經理，及於該期間內，彼主要負責該公司的企業管理工作。自2009年9月至2011年8月，單先生曾任賽特鋼結構(江蘇)無錫辦事處總經理。

除年報所披露者外，據董事經作出一切合理查詢後所知、所悉及所信，我們各高級管理人員於緊接本報告日期前三年內並無擔任任何公眾上市公司(其證券在香港或海外任何證券市場上市)的董事職務。

# Corporate Governance Report

## 企業管治報告

### CORPORATE GOVERNANCE PRACTICES

The Board has committed to achieving high corporate governance standards.

The Board believes that high 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 complied with all the code provisions set out in the Corporate Governance Code (the “CG Code”) as set out in the Appendix 14 to The Rule Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”) for the financial year ended 31 December 2017, except for the deviation disclosed below:

Code Provision 守則條文	Deviation 偏離情況	Considered Reason for deviation 就偏離情況已闡明的原因
A.1.1 The Board should meet regularly and board meetings should be held at least four times a year at approximately quarterly intervals	During the year, no regularly Board Meeting had been fixed by the Company (i.e. the Board meet at approximately quarterly intervals)	Although the Board did not fix the Board meeting to be held at quarterly intervals, a total of five Board Meetings had been held by the Company in 2017. The Company considered that the Board members were fully informed the recent development of the Company. The Board would ensure a regular quarterly meeting to be held by the Company in future to meet the CG Code requirement.
A.1.1 董事會應定期舉行會議，董事會會議每年應至少舉行四次，大約每季度舉行一次	於年內，本公司並無固定舉行定期董事會會議（即大約每季度舉行一次董事會會議）	儘管董事會並無固定每季度舉行一次董事會會議，本公司已於2017年舉行合共五次董事會會議。本公司認為，董事會成員已獲充分告知本公司的近期發展情況。董事會將確保本公司日後將定期舉行季度會議，以符合企業管治守則的規定。
A.7.1 Board meetings papers should be sent in full to all Directors at least 3 days before the intended date of meeting	During the year, certain ad hoc Board meetings were held and the relevant Board meeting papers were sent to all Directors less than 3 days before the date of the Board Meeting	The Board members of the Company were informed by the management of the Company by email, by WeChat or by phone on the updated information of proposed ad hoc projects/transaction(s) to be entered by the Company from time to time. Although the meeting papers could not be sent to the Directors at least 3 days before the meeting, the Board members still have sufficient information to discuss the matters on proposed projects or transactions of the Company. The Board will use its best efforts to meet the CG Code requirements.
A.7.1 董事會會議文件應於擬定舉行會議日期前最少三天全部送交全體董事	於年內，已舉行若干董事會臨時會議，且相關董事會會議文件已於董事會會議日期前不足三天送交全體董事	本公司董事會成員由本公司管理層不時經電郵、微信或電話告知有關本公司任何擬訂立的臨時項目／交易的最新資訊。儘管會議文件未能於會議前最少三天送交董事，董事會成員仍有充足資訊以討論有關本公司建議項目或交易的事宜。董事會日後將竭盡所能符合企業管治守則的規定。

### 企業管治常規

董事會已致力維持高水平之企業管治標準。

董事會相信，高水平之企業管治標準在為本集團提供一個保障股東權益及提高企業價值及問責性的架構方面屬必要。

於截至2017年12月31日止財政年度，本公司已遵守載於香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十四的企業管治守則（「企業管治守則」）所載的所有守則條文，惟下文所披露的偏離情況除外：



<b>Code Provision 守則條文</b>	<b>Deviation 偏離情況</b>	<b>Considered Reason for deviation 就偏離情況已闡明的原因</b>
C.1.2 Management should provide all members of the Board with monthly updates giving a balance and understandable assessment of the Company's performance, position and prospects in sufficient details to enable the Board as a whole and each Director to discharge their duties under Rule 5.01 and Chapter 17	During the year, management did not provide monthly update with the Directors regularly	The management of the Company has provided with all members of the Board, in a timely manner, updates on any material changes to the performance, position and prospects of the Company and give explanatory information for matters brought before the Board.
C.1.2 管理層應每月向董事會全體成員提供更新資料，詳列有關本公司表現、狀況及前景的公正及易於理解的評估，內容足以讓整個董事會及各董事履行第5.01條及第17章所規定的職責	於年內，管理層並無每月定期向董事提供更新資料	The management of the Company regularly communicated with the Board of Directors including independent non-executive Directors by email, by phone, or by Wechat from time to time. The Company considered that all members of the Board had given a balanced and understandable assessment on the Company's performance. 本公司管理層已及時向董事會全體成員提供有關本公司表現、狀況及前景的任何重大變動的更新資料及提供有關於董事會所提呈事宜的說明資料。  本公司管理層不時經電郵、電話或微信與董事會(包括獨立非執行董事)進行定期溝通。本公司認為，董事會全體成員已獲提供有關本公司表現的公正及易於理解的評估。



## Corporate Governance Report 企業管治報告

The Company will continue to enhance its corporate governance practices to the conduct and growth of its business and to review such practices from time to time to ensure that they comply with the CG Code and align with the latest development.

### DIRECTORS' SECURITIES TRANSACTIONS

The Company has devised its own code of conduct regarding Directors' and employees' dealings in the Company's securities (the "Securities Dealing Code") on terms no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules and a warning to all Directors, senior management and relevant employees of the Group about insider dealing known as "Insider Dealing – Warning".

Specific enquiry has been made with all the Directors and the Directors have confirmed that they have complied with the Securities Dealing Code throughout the year ended 31 December 2017. No incident of non-compliance of the Securities Dealing Code by the employees was noted by the Company.

本公司將繼續加強其業務經營及增長的企業管治常規，並不時檢討有關常規，以確保該等常規遵守企業管治守則，並符合最新的發展。

### 董事進行之證券交易

本公司已設立其自身有關董事及僱員買賣本公司證券之操守守則（「證券交易守則」），其條款不遜於上市規則附錄十所載之上市發行人董事進行證券交易之標準守則（「標準守則」），以及本集團全體董事、高級管理層及相關僱員有關內幕交易之警告（「內幕交易 – 警告」）。

經對全體董事作出特定查詢後，董事已確認，彼等於截至2017年12月31日止整個年度均一直遵守證券交易守則。本公司並不知悉僱員未遵守證券交易守則之事件。

## BOARD OF DIRECTORS

The Board comprises the following Directors:

### Executive Directors:

Mr. Jiang Jianqiang  
(Chairman and Chairman of Nomination Committee)  
Mr. Shao Xiaoqiang (Chief Executive Officer and Member  
of Remuneration Committee)  
Mr. Xu Fanghua

### Independent non-executive Directors:

Mr. Xu Jiaming (Member of Audit Committee and  
Nomination Committee)  
Mr. Chen Tiegang (resigned on 26 May 2017)  
Mr. Luk Chi Shing (appointed on 3 January 2017,  
Chairman of Audit Committee and Member of  
Remuneration Committee)  
Mr. Eddie Hurip (appointed on 31 May 2017, Member of  
Audit Committee, Chairman of Remuneration  
Committee, and Member of Nomination Committee)

The biographical information of the Directors are set out in the section headed "Profile of Directors and Senior Management" on pages 27 to 31 of this report for the year ended 31 December 2017.

None of the members of the Board is related to one another.

## Chairman and Chief Executive Officer

The positions of chairman and chief executive officer of the Company are held by Mr. Jiang Jianqiang and Mr. Shao Xiaoqiang respectively. The chairman provides leadership for the Board and is responsible for overall strategic planning and management of our Group. The chief executive officer focuses on overseeing our production and technical teams of our Group. Their respective responsibilities are clearly defined and set out in writing.

## Independent Non-executive Directors

Independent Non-executive Directors are responsible to scrutinize the Company's performance in achieving agreed corporate goals and objectives, and ensuring that exercise of the board authority is within the powers conferred to the Board under the applicable laws, Articles of Association of the Company and rules and regulation.

## 董事會

董事會包括以下董事：

### 執行董事：

蔣建強先生  
(主席兼提名委員會主席)  
邵小強先生  
(行政總裁兼薪酬委員會成員)  
徐芳華先生

### 獨立非執行董事：

徐家明先生  
(審核委員會及提名委員會成員)  
陳鐵鋼先生(於2017年5月26日辭任)  
陸志成先生  
(於2017年1月3日獲委任，  
審核委員會主席及薪酬委員會成員)  
丘鉅淙先生(於2017年5月31日獲委任，  
審核委員會成員、薪酬委員會主席及  
提名委員會成員)

董事之履歷資料載於截至2017年12月31日止年度之本報告第27至31頁「董事及高級管理層簡介」一節。

概無董事會成員與其他成員有關連。

## 主席及行政總裁

本公司主席及行政總裁職務由蔣建強先生及邵小強先生分別擔任。主席領導董事會，並負責本集團的整體戰略規劃及管理。行政總裁專注監管本集團之生產及技術團隊。彼等之間之職能劃分須明確設定並以書面形式載列。

## 獨立非執行董事

獨立非執行董事負責仔細審查本公司在達致協定之企業目標及目的之表現，並確保董事會所行使授權屬適用法律、本公司之組織章程細則及規則及規例授予董事會之權力範圍內。

## Corporate Governance Report 企業管治報告

During the year ended 31 December 2017, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors 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.

### APPOINTMENT, RE-ELECTION AND REMOVAL OF DIRECTORS

Pursuant to Articles 105(A) of the Company's Articles of Association, one-third of the Directors for the time being shall retire by rotation at each annual general meeting of the Company at least once every three years. All retiring Director shall be eligible for re-election.

Article 109 of the Company's Articles of Association provides that any person as a Director either to fill a casual vacancy or as an additional Director shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election at the meeting but shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at such meeting.

Every director, including non-executive directors and independent non-executive directors were appointed for a term of three years and would be subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company. Their appointments would be reviewed by the Nomination Committee when they were due for re-election.

截至2017年12月31日止年度，董事會一直遵守上市規則有關規定，委任至少三名獨立非執行董事，其中一名獨立非執行董事須具備適當專業資格或會計或相關財務管理專業知識。

本公司已根據上市規則第3.13條所載之獨立性指引，自各獨立非執行董事接獲有關彼之獨立性之年度確認書。本公司認為，全體獨立非執行董事均為獨立。

### 委任、重選及罷免董事

根據本公司的組織章程細則第105(A)條，當時三分之一之董事須至少每三年於本公司各股東週年大會上輪值退任一次。全體退任董事均符合資格重選連任。

本公司的組織章程細則第109條規定，為填補臨時空缺或增加董事名額而獲委任為董事之任何人士，任期應僅至本公司下屆股東週年大會為止，屆時於會上合資格膺選連任，惟釐定董事或將於有關大會上輪值退任的董事人數時不予考慮在內。

每名董事(包括非執行董事及獨立非執行董事)均獲委任三年任期，及將於本公司股東週年大會上輪值退任及重選，至少每三年一次。彼等之委任將於重選時由提名委員會檢討。

## BOARD MEETINGS

The Board holds at least four meetings a year. The Board convenes meetings on a regular basis and on an ad hoc basis, as required by business needs. All Directors are invited to attend the Board meetings in person or by telephone conference.

Board papers will be given to the Board before the date of the Board meeting by the Company Secretary with reasonable time.

If a substantial shareholder or a Director has a conflict of interest in a matter, the matter will be dealt by a physical Board meeting rather than a written resolution.

During the Reporting Period, the Board held a total of five Board meetings.

## ROLE AND FUNCTION OF THE BOARD AND THE MANAGEMENT

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

All Directors, including 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.

The Board reserves for its decision all major matters relating to policy matters, strategies and budgets, internal control and risk management, 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.

## 董事會會議

董事會每年至少舉行四次會議。董事會定期舉行會議，亦會因應業務需要舉行臨時會議。全體董事獲邀親身或以電話會議形式出席董事會會議。

公司秘書會於董事會會議日期前於合理時間內向董事會發出董事會文件。

倘主要股東或董事於某事宜存在利益衝突，有關事宜將由實質董事會會議而非書面決議案處理。

於報告期間，董事會共舉行五次董事會會議。

## 董事會及管理層職責

董事會負責領導及控制本公司並監管本集團之業務、策略決策、風險管理、內部控制系統及表現以及集體負責透過指導及監管本公司之事務推動其成功發展。董事以本公司之利益作出客觀決定。

全體董事(包括獨立非執行董事)均為董事會帶來多種領域之寶貴業務經驗、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之其他職務之詳情，而董事會定期審閱各董事向本公司履行其職責時須作出之貢獻。

董事會負責決定所有重要事宜，當中涉及政策事宜、策略及預算、內部監控及風險管理、重大交易(特別是或會涉及利益衝突者)、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之職責轉授予管理層。

## ACCESS TO INFORMATION

All Directors have full and timely access to all the information of the Company as well as the services and advice from the company secretary and senior management. The Directors may, upon request, seek independent professional advice in appropriate circumstances, at the Company's expenses for discharging their duties to the Company.

## INDUCTION AND CONTINUOUS PROFESSIONAL DEVELOPMENT OF DIRECTORS

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

Every newly appointed Director will receive formal, comprehensive and tailored induction on the first occasion of his/her appointment 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. Internally-facilitated briefings for directors will be arranged and reading material on relevant topics will be issued to directors. All Directors are encouraged to attend relevant training courses at the Company's expenses.

## 獲取資料

全體董事均可全面並及時獲得本公司所有資料以及要求公司秘書及高級管理層提供服務及意見。董事可於要求時在適當情況下尋求獨立專業意見，以向本公司履行其職責，費用由本公司承擔。

## 董事之就職及持續專業發展

每名董事須及時了解作為董事之職責，以及本公司之管理、業務活動及發展。

每名新任董事均於首次獲委任時獲提供正式、全面及針對性入職介紹，確保新董事可適當掌握本公司業務及營運，並完全了解於上市規則及相關法規下之董事職責及責任。

董事應參與適當的持續專業發展，以發展及掌握最新的知識及技能，藉此確保彼等對董事會所作貢獻為知情及相關。本公司將為董事安排內部簡報，並向董事寄發相關議題的閱讀材料。本公司鼓勵全體董事參加相關培訓課程，費用由本公司承擔。



During the year ended 31 December 2017, the Directors received training on the following areas with an emphasis on the roles, functions and duties of a director of a listed company in compliance with the requirement of the CG Code on continuous professional development:

於截至2017年12月31日止年度，董事已接受以下有關持續專業發展強調遵守企業管治守則規定之上市公司董事之角色、職能及職責範疇之培訓：

		Corporate Governance/ Updates on Laws, Rules & Regulations 企業管治/ 最新法律、規則及法規*	Accounting/ Financial/ Risk Management/ Management or Other Professional Skills 會計/財務/風險管理/ 管理或其他專業技能*
<b>Executive Directors</b>	<b>執行董事</b>		
Mr. Jiang Jianqiang	蔣建強先生	✓	—
Mr. Shao Xiaoqiang	邵小強先生	✓	—
Mr. Xu Fanghua	徐芳華先生	✓	—
<b>Independent non-executive Directors</b>	<b>獨立非執行董事</b>		
Mr. Xu Jiaming	徐家明先生	✓	—
Mr. Chen Tiegang (resigned on 26 May 2017)	陳鐵鋼先生 (於2017年5月26日辭任)	✓	—
Mr. Luk Chi Shing (appointed on 3 January 2017)	陸志成先生 (於2017年1月3日獲委任)	✓	✓
Mr. Eddie Hurip (appointed on 31 May 2017)	丘鉅涼先生 (於2017年5月31日獲委任)	✓	✓

\* Directors' training is through attending in-house trainings/ seminars or reading newspapers, journals and updated legal and regulatory news.

\* 董事的培訓乃透過參加內部培訓/研討會或閱讀報章、期刊及最新法律及法規新聞進行。

## DIRECTORS AND OFFICERS' LIABILITY INSURANCE

The Company has arranged appropriate liability insurance to cover the Directors and officers' risk exposure arising out of corporate activities. The insurance coverage is reviewed annually.

## 董事及高級職員之責任保險

本公司已安排適當責任保險以涵蓋董事及高級職員因公司事務所產生的風險。本公司會每年審閱受保範圍。

## BOARD COMMITTEES

The Board has established three committees, namely, the Audit Committee, the Remuneration Committee and the Nomination Committee. 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 list of the chairman and members of each Board committee is set out under "Corporate Information" on pages 3 to 5.

### Audit Committee

The Audit Committee currently comprises three independent non-executive Directors, namely Mr. Luk Chi Shing (Chairman) (appointed as chairman of the Committee on 3 January 2017), Mr. Xu Jiaming and Mr. Eddie Hurip (appointed as member of the Committee on 31 May 2017). Mr. Chen Tiegang resigned as the member of the Committee on 26 May 2017.

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

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, risk management and internal control systems, scope of work and re-appointment of external auditor, and arrangements for employees to raise concerns about possible improprieties.

During the year ended 31 December 2017, there was no disagreement between the Board and the Audit Committee regarding the external auditor and there was no issue of significant importance requiring disclosure in this annual report under the Listing Rules.

The Audit Committee also met the external auditor without the presence of the executive Directors.

## 董事委員會

董事會已成立三個委員會，即審核委員會、薪酬委員會及提名委員會。本公司所有董事委員會均已訂明書面職權範圍。董事委員會之職權範圍刊登於本公司網站及聯交所網站，並可應要求時供股東查閱。

各董事委員會之主席及成員名單載於第3至5頁「公司資料」。

### 審核委員會

審核委員會目前由三名獨立非執行董事組成，即陸志成先生（主席，於2017年1月3日獲委任為委員會主席）、徐家明先生及丘鉅涼先生（於2017年5月31日獲委任為委員會成員）。陳鐵鋼先生於2017年5月26日辭任委員會成員。

審核委員會之主要職責為協助董事會審閱財務資料及申報制度、風險管理及內部監控系統、審核計劃及與外聘核數師之關係，以及檢討安排，使本公司僱員可以私密方式關注本公司財務申報、風險管理、內部監控或其他方面之可能不當行為。

審核委員會已舉行兩次會議，審閱有關截至2017年12月31日止年度之中期及年度財務業績及報告、有關財務申報及合規程序、風險管理及內部監控系統、外聘核數師之工作範圍及重新委聘，以及可使僱員關注可能不當行為之安排的重大事宜。

於截至2017年12月31日止年度，董事會與審核委員會概無就外聘核數師出現異議，亦無任何重大事宜須根據上市規則於本年報披露。

審核委員會亦已在執行董事缺席下與外聘核數師舉行會議。

## Remuneration Committee

The Remuneration Committee currently comprises two independent non-executive Directors, namely Mr. Eddie Hurip (chairman) (appointed as chairman of the Committee on 31 May 2017) and Mr. Luk Chi Shing (appointed as a member of the Committee on 3 January 2017), and one executive Director, namely Mr. Shao Xiaoqiang. Mr. Chen Tiegang resigned as the Chairman of the Committee on 26 May 2017.

The primary functions of the Remuneration Committee include reviewing and making recommendations to the Board on the remuneration packages of individual executive directors and senior management, the remuneration policy and structure for all directors and senior management; and establishing transparent procedures for developing such remuneration policy and structure to ensure that no director or any of his/her close associates will participate in deciding his/her own remuneration.

During the Reporting Period, the Remuneration Committee held two meetings. It reviewed the remuneration package of all Directors and considered the terms of appointment of the newly Directors, and related matters.

## Nomination Committee

The Nomination Committee currently comprises one executive Director, namely Mr. Jiang Jianqiang (chairman), and two independent non-executive Directors, namely Mr. Xu Jiaming and Mr. Eddie Hurip (appointed as member of the Committee on 31 May 2017). Mr. Chen Tiegang resigned as the member of the Committee on 26 May 2017.

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.

## 薪酬委員會

薪酬委員會目前由兩名獨立非執行董事(即丘鉅淙先生(主席,於2017年5月31日獲委任為委員會主席)及陸志成先生(於2017年1月3日獲委任為委員會成員))及一名執行董事(即邵小強先生)組成。陳鐵鋼先生於2017年5月26日辭任委員會主席。

薪酬委員會之主要職責包括審閱個別執行董事及高級管理層之薪酬待遇、全體董事及高級管理層之薪酬政策及架構並就此向董事會提供意見;及設立透明程序以制定薪酬政策及架構,從而確保概無董事或任何彼之緊密聯繫人將參與釐定其自身之薪酬。

於報告期間,薪酬委員會舉行兩次會議,檢討全體董事的薪酬待遇及考慮新董事的任期及相關事宜。

## 提名委員會

提名委員會目前由一名執行董事蔣建強先生(主席)及兩名獨立非執行董事(即徐家明先生及丘鉅淙先生(於2017年5月31日獲委任為委員會成員))組成。陳鐵鋼先生於2017年5月26日辭任委員會成員。

提名委員會之主要職責包括審閱董事會之組成、制定及擬定提名及委任董事之相關程序、就董事委任及繼任計劃向董事會提供推薦意見,以及評估獨立非執行董事之獨立性。

## Corporate Governance Report 企業管治報告

The Company seeks to achieve board diversity through the consideration of a number of factors, including but not limited to gender, age, skills, knowledge and length of service. The ultimate selection decision will be based on merit and contribution to the Board.

The Nomination Committee met once during the year ended 31 December 2017 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.

### Corporate Governance Functions

The Board is responsible for performing the functions set out in the code provision D.3.1 of the CG Code.

The Board reviewed 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 Securities Dealing Code and the Company's compliance with the CG Code and disclosure in this Corporate Governance Report.

本公司通過考慮若干因素(包括但不限於性別、年齡、技能、知識及任期)力求達致董事會多元化。最終甄選決定將按長處及為董事會作出的貢獻而作出。

於截至2017年12月31日止年度，提名委員會已舉行一次會議，以檢討董事會的架構、規模及組成，以及獨立非執行董事的獨立性，並考慮於股東週年大會參選的退任董事的資格。提名委員會認為，董事會已維持合適的均衡多元化。

### 企業管治職能

董事會負責履行企業管治守則之守則條文第D.3.1條所載之職能。

董事會已檢討本公司的企業管治政策及常規、董事及高級管理層的培訓及持續專業發展、本公司有關法律及監管規定的合規政策及常規、證券交易守則的合規情況及本公司的企業管治守則合規情況以及於本企業管治報告作出的披露。

## ATTENDANCE RECORD OF DIRECTORS AND COMMITTEE MEMBERS

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

Name of Director 董事名稱	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	
Mr. Jiang Jianqiang (Chairman) 蔣健強先生 (主席)	4/5 <sup>+</sup>	1/1 <sup>+</sup>	N/A 不適用	N/A 不適用	1/1 <sup>+</sup>
Mr. Shao Xiaoqiang 邵小強先生	5/5	N/A 不適用	2/2	N/A 不適用	1/1
Mr. Xu Fanghua 徐芳華先生	5/5	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Mr. Xu Jiaming 徐家明先生	5/5	1/1	N/A 不適用	2/2	1/1
Mr. Chen Tiegang (resigned on 26 May 2017) 陳鐵鋼先生 (於2017年5月26日辭任)	1/5	1/1	2/2 <sup>+</sup>	1/2	1/1
Mr. Luk Chi Shing (appointed on 3 January 2017) 陸志成先生 (於2017年1月3日獲委任)	5/5	N/A 不適用	1/2	2/2 <sup>+</sup>	1/1
Mr. Eddie Hurip (appointed on 31 May 2017) 丘鉅淙先生 (於2017年5月31日獲委任)	4/5	N/A 不適用	1/1 <sup>+</sup>	1/2 <sup>+</sup>	N/A 不適用

<sup>+</sup> Chairman

Apart from regular Board meetings, the Chairman also held meetings with the independent non-executive Directors without the presence of executive Directors during the year.

## DIRECTORS' RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors acknowledged their responsibility for overseeing the preparation of the financial statements of the Group for the year ended 31 December 2017. The Directors have ensured that the financial statements of the Group are prepared so as to give a true and fair view of the Group's state of affairs, the results and cash flow for the year, and on a going concern basis in accordance with the statutory requirements and applicable accounting and financial reporting standards.

## 董事及委員會成員之出席會議記錄

於截至2017年12月31日止年度舉行之本公司董事會及董事委員會會議及股東大會上各董事出席記錄載於下表：

Name of Director 董事名稱	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	
Mr. Jiang Jianqiang (Chairman) 蔣健強先生 (主席)	4/5 <sup>+</sup>	1/1 <sup>+</sup>	N/A 不適用	N/A 不適用	1/1 <sup>+</sup>
Mr. Shao Xiaoqiang 邵小強先生	5/5	N/A 不適用	2/2	N/A 不適用	1/1
Mr. Xu Fanghua 徐芳華先生	5/5	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Mr. Xu Jiaming 徐家明先生	5/5	1/1	N/A 不適用	2/2	1/1
Mr. Chen Tiegang (resigned on 26 May 2017) 陳鐵鋼先生 (於2017年5月26日辭任)	1/5	1/1	2/2 <sup>+</sup>	1/2	1/1
Mr. Luk Chi Shing (appointed on 3 January 2017) 陸志成先生 (於2017年1月3日獲委任)	5/5	N/A 不適用	1/2	2/2 <sup>+</sup>	1/1
Mr. Eddie Hurip (appointed on 31 May 2017) 丘鉅淙先生 (於2017年5月31日獲委任)	4/5	N/A 不適用	1/1 <sup>+</sup>	1/2 <sup>+</sup>	N/A 不適用

<sup>+</sup> Chairman

除定期的董事會會議外，主席亦於年內在執行董事缺席下與獨立非執行董事舉行會議。

## 董事有關綜合財務報表之責任

董事確認彼等監察本集團編製截至2017年12月31日止年度財務報表的責任。董事已保證本集團財務報表的編製，乃按照法定規定及適用的會計及財務報告準則，提供本集團事務狀況的真實而公平的觀點、年度業績及現金流，並按持續經營基準編製。



## Corporate Governance Report 企業管治報告

The Directors also ensure timely publication of the Group's financial statements and aim to present a clear, balanced and understandable assessment of the Group's performance and position through all its publications and communications to the public. They are also aware of the requirements under the applicable rules and regulations about timely disclosure of inside information.

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 consolidated financial statements is set out in the Independent Auditor's Report on pages 66 to 72.

### AUDITORS' REMUNERATION

The remuneration paid or payable to the external auditor of the Company in respect of audit services and non-audit services provided to the Company and its subsidiaries for the year ended 31 December 2017 amounted to HK\$1.98 million and HK\$0.85 million 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 服務類別		Fees Paid/ Payable 已付/應付費用 HK\$ (million) 港元(百萬)
Audit Services	審核服務	1.98
Non-audit Services — interim review	非審核服務 — 期中檢閱	0.85
		2.83

董事亦確保及時刊發本集團的財務報表，並通過其所有刊印文件及與公眾人士進行的通訊，致力呈列一個有關本集團的表現及狀況的清晰、平衡及可明瞭的評估。彼等亦已知悉有關及時披露內幕資料的適用規則及規例規定。

董事並不知悉任何重大不確定因素涉及可能對本公司持續經營能力造成重大疑惑之事件或情況。

本公司獨立核數師有關彼等就綜合財務報表之申報責任之陳述載於第66至72頁之獨立核數師報告內。

### 核數師薪酬

本公司就截至2017年12月31日止年度提供予本公司及其附屬公司之審核服務及非審核服務向外聘核數師支付或應付之薪酬分別為1,980,000港元及850,000港元。

本公司就截至2017年12月31日止年度之審核服務及非審核服務向本公司外聘核數師德勤•關黃陳方會計師行支付之薪酬分析載列如下：

## RISK MANAGEMENT AND INTERNAL CONTROLS

The Board is responsible for risk management and internal control systems of the Group and for reviewing its effectiveness. Procedures have been designed for safeguarding assets against unauthorised use or disposition, the maintenance of proper accounting records for the provision of reliable financial information for internal use or for publications and the compliance of applicable laws, rules and regulations.

Principles and guidelines of our risk management framework are set for an effective and adequate approach to be applied across the Group to manage the risks associated with its business and operations. This framework is designed to enhance risk management of the Group through an integrated framework so that all material risks faced by the Group are identified and appropriately managed.

Each department is responsible for identifying, assessing and managing risks within its business, ensuring that appropriate internal control for effective risk management are implemented. The management is responsible for overseeing the risk management and internal control activities of the Group. The internal audit department of the Group is responsible for evaluating the effectiveness of the Group's policies and procedures in relation to risk management and internal control systems and submitting their reports of their findings to the Board at the meetings. The Audit Committee provides independent review on effectiveness of the risk management and internal control systems of the Group and gives their recommendation to the Board. The Board is responsible for reviewing the internal audit report and approving policies and procedures designed by the management.

The Group also engaged an external consultant specialising in identifying and evaluation of significant risk of our business and operation. The external consultant does not have any connection with the Group and the Board believes that their involvement could enhance the objectivity and transparency of evaluation process. In conjunction with our staff and senior management, the external consultant conducts an annual assessment on risk management and internal control systems of the Group together with suggestion and solutions and submit to the Board for their consideration.

## 風險管理及內部監控

董事會負責本集團的風險管理及內部監控系統及檢討其成效，並設有程序以保障資產以防止未經授權下使用或處置、確保適當保存賬簿記錄以提供可靠的財務資料供內部使用或發佈，並確保遵守適用法例、規則及規例。

本公司已建立風險管理框架的原則及指引，以透過有效及充分的方式應用於本集團管理與其業務及營運相關的風險。該框架旨在透過一個綜合的框架加強本集團的風險管理，從而令本集團可識別並妥善管理其所面對的所有重大風險。

各部門負責識別、評估及管理其業務範疇內的風險，以確保就有效的風險管理實施合適的內部監控。管理層負責監察本集團的風險管理及內部監控活動。本集團的內部審核部門負責評估本集團與風險管理及內部監控系統有關的政策及程序的效力，並於會上向董事會提交彼等有關發現結果的報告。審核委員會就本集團風險管理及內部監控系統的效力作出獨立檢討，並向董事會提出彼等的建議。董事會負責檢討內部審核報告及批准由管理層制定的政策及程序。

本集團亦委聘外部顧問，專門負責識別及評估我們業務及運營中的重大風險。該外部顧問與本集團概無任何關連，故董事會認為該項委聘可提升評估程序的客觀性及透明性。外部顧問協同我們的員工及高級管理層就本集團的風險管理及內部監控系統作出年度評估以及建議及解決方案，並提呈董事會以供考慮。

## Corporate Governance Report 企業管治報告

During the year under review, the management assisted the Board in the implementation of the Group's policies and procedures within the Board's delegation by identifying and assessing the risks faced, and in the design, operation and monitoring of suitable internal controls to mitigate and control such risks. The Board conducted reviews and discussed with the management on the effectiveness of the Group's risk management and internal control systems as required by paragraph C.2 of the Code, covering adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting, internal audit and financial reporting functions and any resolutions for material internal control defects.

The risk management and internal control systems are reviewed and assessed on an on-going basis by the Audit Committee and the executive Directors, and will be further reviewed and assessed at least once each year by the Board. These systems were considered effective and adequate.

### REGULATORY COMPLIANCE

The Group have established a system to ensure the management and the relevant personnel have sufficient up-to-date knowledge of relevant laws and regulations. Under such system, the Directors and members of the management in charge of the Group's construction projects shall be informed of the changes to the laws, regulations and government policies applicable to the Group's business and the implications thereof by email and written notice as soon as practicable and, where the Directors consider necessary, a briefing on such changes to the executive Directors and members of the management in charge of the Group's construction projects (the "Relevant Personnel") shall be conducted. Moreover, the Group will organise seminars to be attended by the Relevant Personnel semi-annually on a compulsory basis for each of the two full financial years after Listing disregard whether there will be any changes to the relevant PRC laws and regulations. Thereafter, training session would be held when there is a change or update to the relevant PRC laws and regulations.

In addition, the Company had engaged an external PRC legal adviser to, among others, monitor the Group's compliance with the PRC laws and regulations applicable to its business operation.

於回顧年度，管理層在董事會的授權內以識別及評估所面對的風險，協助董事會執行本集團的政策及程序，並參與設計、營運及監察合適的內部監控措施，以減少及控制相關風險。董事會根據守則第C.2段的規定，對本集團的風險管理及內部監控系統之有效性進行檢討及與管理層作出討論，涵蓋本集團在會計、內部審核及財務匯報職能方面的資源、員工資歷及經驗，以及員工所接受的培訓課程及有關預算是否足夠，以及任何重大內部監控缺失的解決辦法。

審核委員會及執行董事持續檢討及評估風險管理及內部監控系統，董事會更會每年至少進行一次檢討與評估。該等系統被視為有效及充足。

### 監管合規

本集團已建立一套體系，確保管理層及相關人員充分實時瞭解相關法律法規。在該體系下，董事及負責本集團建築項目的管理層成員將會獲告悉適用本集團業務的法律、法規及政府政策的變動，且於可行情況下盡快以電郵及書面通知形式告悉相關影響，且倘董事認為必要，法律專員會就有關變動向執行董事及負責本集團建築項目的管理層成員（「有關人員」）作出簡報。此外，本集團會於上市後兩個完整財政年度各年度內每半年舉辦一次研討會，強制要求有關人員出席，而不論相關中國法律法規有否出現任何變動。其後，本集團會於相關中國法律法規出現任何變動或新情況時舉辦培訓課程。

此外，本公司已委聘一名外聘中國法律顧問以（其中包括）監控本集團有關其業務營運所適用的中國法律及法規的合規事宜。

## NON-COMPETITION UNDERTAKING

Mr. Jiang Jianqiang and Champ Origin Limited (the “Controlling Shareholders”), being the controlling shareholders (as defined under the Listing Rules) of the Company, gave a non-competition undertaking in favour of the Company (the “Non-competition Undertaking”). Each of the Controlling Shareholders has undertaken under the Non-Competition Undertaking that he or it shall provide to the Company and the Directors from time to time (including the independent non-executive Directors) with all information necessary for the annual review by the independent non-executive Directors with regard to compliance of the terms of the Non-Competition Undertaking by the Controlling Shareholders and the enforcement of the Non-Competition Undertaking.

Each of the Controlling Shareholders has confirmed compliance with the terms of the Non-competition Undertaking and that during the year under review, there was no matter which required to be deliberated by the Board in relation to the compliance and enforcement of the Non-competition Undertaking. The Board comprising all the independent non-executive Directors is of the view that such controlling shareholders have been in compliance with the Non-competition Undertaking in favour of the Company.

## COMPANY SECRETARY

The company secretary is responsible for ensuring the proper convening and conducting of the Board and Board committee meetings, with the relevant notices, agenda, and the Board and Board committee papers being provided to the Directors and the relevant Board committee members respectively in a timely manner before the meetings.

The company secretary is responsible for keeping minutes of all the Board and Board committee meetings. The Board and Board committee minutes are available for inspection by the Directors and the relevant Board committee members.

Mr. Ko Hong Ting resigned as the company secretary and Ms. Foo Man Yee of CS Legend Corporate Services Limited, an external service provider, was appointed as the company secretary, both with effect from 1 April 2017.

The primary contact person of the Company is Mr. Jiang Jianqiang, the Chairman of the Company.

During the year ended 31 December 2017, Ms. Foo has attended relevant professional training to update his skills and knowledge. She met the training requirement set out in Rule 3.29 of the Listing Rules.

## 不競爭承諾

本公司的控股股東(定義見上市規則)蔣建強先生及冠源有限公司(「控股股東」)以本公司為受益人作出不競爭承諾(「不競爭承諾」)。控股股東各自根據不競爭承諾作出承諾，其將不時向本公司及董事(包括獨立非執行董事)提供一切必要資料，以供獨立非執行董事對控股股東遵守不競爭承諾條款的情況進行年度檢討並強制執行不競爭承諾。

控股股東各自已確認遵守不競爭承諾的條款，且於回顧年度內，並無任何事宜需要董事會慎重考慮有關不競爭承諾的遵守情況及強制執行。董事會(包括全體獨立非執行董事)認為，有關控股股東一直遵守以本公司為受益人的不競爭承諾。

## 公司秘書

公司秘書負責確保董事會及董事委員會會議妥善召開及進行，並於會議前及時將相關通知、議程及董事會及董事委員會文件分別提供予董事及相關董事委員會成員。

公司秘書負責保存所有董事會及董事委員會會議的會議記錄。董事會及董事委員會會議的會議記錄可供董事及相關董事委員會成員查閱。

顧康婷女士辭任公司秘書及領駿企業服務有限公司(外部服務供應商)的傅曼儀女士獲委任為公司秘書，均自2017年4月1日起生效。

本公司的主要聯絡人為本公司的主席蔣建強先生。

於截至2017年12月31日止年度，傅女士已參與相關專業培訓，提升技能及知識。其符合上市規則第3.29條所載的培訓要求。

## SHAREHOLDERS' RIGHTS

To safeguard shareholder interests and rights, a separate resolution is proposed for each substantially separate issue at shareholder meetings, including the election of individual directors. All resolutions put forward at shareholder 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 shareholder meeting.

### Convening an Extraordinary General Meeting by Shareholders and Putting Forward Proposals at General Meetings

Extraordinary general meetings may be convened by the directors on requisition of one or more shareholders holding, at the date of deposit of the requisition, not less than one-tenth of the paid up capital of the Company having the right of voting at general meetings. Such requisition shall be made in writing to the Directors or the Secretary by mail to Unit 6105, 61/F, The Center, 99 Queen's Road Central, Hong Kong, to require an Extraordinary General Meeting to be called by the Directors for the transaction of any business specified in such requisition. Such meeting shall be held within two months after the deposit of such requisition. If within twenty-one days of such deposit the Directors fail to proceed to convene such meeting, the requisitioner(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitioner(s) as a result of the failure of the Directors shall be reimbursed to the requisitioner(s) by the Company.

### 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: Unit 6105, 61/F, The Center, 99 Queen's Road Central, Hong Kong  
地址：香港皇后大道中99號中環中心61樓6105室  
Fax: (852) 3691 8124  
傳真：  
Email: ir@chinasait.com.cn  
電郵：

## 股東權利

為保障股東權益及權利，本公司將就各重大個別事宜(包括選舉個別董事)於股東大會提呈獨立決議案。股東大會上提呈之所有決議案將根據上市規則進行投票表決，且投票表決之結果將於各股東大會結束後在本公司及聯交所網站上刊載。

### 股東召開股東特別大會及於股東大會上提出議案

應於遞交要求日期持有不少於本公司繳足股本(賦有於股東大會上之投票權)十分之一之一名或以上股東要求，董事可召開股東特別大會。有關要求須以書面形式向董事或公司秘書提出，郵寄地址為香港皇后大道中99號中環中心61樓6105室，要求董事召開股東特別大會以處理有關要求所列明任何事務。有關會議將於提交有關要求後兩個月內舉行。倘有關提交起計二十一日內，董事未能召開有關會議，則遞交要求人士可以相同方式自發召開有關大會，因董事未能召開而提交要求人士所產生所有合理費用將由本公司予以補償。

### 向董事會作出查詢

就向董事會作出任何查詢而言，股東可將書面查詢發送至本公司。本公司通常不會處理口頭或匿名的查詢。

### 聯絡詳情

股東可透過以下方式發送上述書面查詢或要求：



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.

## COMMUNICATION WITH SHAREHOLDERS AND INVESTORS/ 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 the investment community, and in particular, through the Company's financial reports (interim and annual reports), 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 under review, the Company has not made any change 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.

為免生疑，為使上述查詢或請求生效，股東須向上述地址送交及發出正式簽署的書面請求、通知或聲明或查詢(視情況而定)之正本，並提供彼等全名、聯絡詳情及身份。股東資料或會根據法律規定予以披露。

## 與股東及投資者的溝通／投資者關係

本公司認為，與股東有效溝通對加強投資者關係及讓投資者了解本集團業務表現及策略相當重要。本公司盡力保持與股東及投資團體之間的持續對話，尤其是透過本公司財務報告(中期及年度報告)、股東週年大會及其他股東大會。於股東週年大會上，董事或彼等的代表(倘適用)與股東會晤，並解答股東的提問。

## 組織章程文件

於回顧年度，本公司並無對其組織章程細則作出任何更改。本公司組織章程細則的最新版本亦可於本公司網站及聯交所網站查閱。

# Report of the Directors

## 董事會報告

The Directors are pleased to present their report and audited consolidated financial statements of the Group for the year ended 31 December 2017.

### PRINCIPAL ACTIVITIES

The Group is an integrated steel structure and prefabricated construction solution service provider. Our integrated construction solution services are customised to meet the technical specifications and requirements of different projects, and span from fabrication and assembly of steel structure parts and prefabricated construction materials at our workshops to the installation of these materials onsite, based on the secondary design (as to our steel structure projects) provided by us or our customers.

The Group's turnover is mainly derived from business activities in the PRC. An analysis of the Group's income for the year is set out in note 6 to the consolidated financial statements.

Particulars of the Company's major subsidiaries as at 31 December 2017 are set out in note 43 to the consolidated financial statements.

### RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 December 2017 are set out in the consolidated statement of profit or loss and other comprehensive income on page 73 of this report.

The state of the Group's and the Company's affairs at 31 December 2017 is set out in the consolidated statement of financial position on pages 74 and 75 of this report.

The Board do not recommend final dividend payment for the year ended 31 December 2017 (2016: NIL).

### BUSINESS REVIEW

A review of the business of the Group during the year is provided on pages 8 to 26 in the Management Discussion and Analysis of this annual report.

Principal risks and uncertainties facing by the company are described on notes 33 of the consolidated financial statements.

董事欣然呈列本集團截至2017年12月31日止年度之報告連同經審核綜合財務報表。

### 主要業務

本集團是一家綜合性鋼結構及預製構件建築解決方案服務供應商。我們的綜合建築解決方案服務乃專為客戶定製，以符合不同項目的技術規範及要求，服務涵蓋廣闊，由根據我們或客戶提供的二次設計（就鋼結構項目而言）於我們的車間製作裝配鋼結構部件及預製構件建築材料，以至現場安裝該等材料，均在工作範圍之內。

本集團的營業額主要源自於中國的業務活動。本集團本年度收入分析載於綜合財務報表附註6。

本公司主要附屬公司於2017年12月31日的詳情載於綜合財務報表附註43。

### 業績及股息

本集團截至2017年12月31日止年度的業績載於本報告第73頁綜合損益及其他全面收益表。

本集團及本公司於2017年12月31日的事務狀況載於本報告第74頁及75頁的綜合財務狀況表。

董事會不建議派付截至2017年12月31日止年度的末期股息（2016年：無）。

### 業務回顧

本集團於年內之業務回顧載於本年報第8頁至第26頁的管理層討論及分析。

本公司所面臨的主要風險及不明朗因素於綜合財務報表附註33詳述。

## ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is committed to supporting the environmental sustainability. The Group is committed to implementing policies and measures in our daily business operations to foster reduction of the Group's environmental impact such as (i) telephone conferencing meetings among Hong Kong headquarter and PRC subsidiaries to save business travel (ii) use of recycled papers and office light-out measures after office hours etc.

## COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

During the year under review, as far as the Company is aware, there was no material breach of or non-compliance with applicable laws and regulations by the Group that has a significant impact on the business and operations of the Group.

The Group's likely future development in the Company's business is discussed on pages 24 to 26 in the Management Discussion and Analysis of this report.

## FIVE YEAR FINANCIAL SUMMARY

The result, assets and liabilities of the Group for the last five financial years, as extracted from the audited consolidated financial statements, are summarised on page 152 of this report.

## PROPERTY, PLANT AND EQUIPMENT

Details of properties of the Group as at 31 December 2017 are set out in note 16 to the consolidated financial statements.

## SHARE CAPITAL

During the year ended 31 December 2017, the Company allotted and issued 88,947,935 ordinary shares at the subscription price of HK\$0.58 per share (being closing price on 19 January 2017) for a total consideration of HK\$58,589,000 to Mr. He Zibin to pay the consideration of acquiring approximately 11.17% of the enlarged issued share capital of the Fire Scorpion Limited on 20 January 2017.

Details of the movements in share capital are set out in "Equity-Linked Agreement" and note 31 to the consolidated financial statements.

## 環境政策及表現

本集團致力支持環境可持續發展。本集團於日常業務過程中實行政策及措施，以促進本集團減少對環境造成影響。如(i)在香港總部及中國附屬公司之間進行電話會議，以減省商務旅行(ii)使用再造紙及於辦公時間後在辦公室實施熄燈措施。

## 符合相關法律法規

據本公司所知，本集團於回顧年度概無違反或未遵守適用法律法規，以致對本集團之業務及營運構成重大影響。

本集團有關本公司業務之可能未來發展於本報告管理層討論及分析第24頁至第26頁討論。

## 五年財務概要

本集團於最近五個財政年度的業績、資產及負債乃摘錄自經審核綜合財務報表，概述於本報告第152頁。

## 物業、廠房及設備

本集團於2017年12月31日之物業詳情載於綜合財務報表附註16。

## 股本

截至2017年12月31日止年度，本公司於2017年1月20日按認購價每股0.58港元（即於2017年1月19日的收市價）向何子斌先生配發及發行88,947,935股普通股，總代價為58,589,000港元，以支付收購火蠍有限公司約11.17%經擴大已發行股本的代價。

有關股本變動詳情載於「股票掛鈎協議」及綜合財務報表附註31。

## DEBENTURES AND BOND ISSUED

### a) Debentures

#### *Placing of Bond on 21 July 2017*

On 21 July 2017, the Group entered into subscription agreement in relation to the placing of bonds with a principal amount of HK\$6,000,000 at a price equal to 100% of its principal amount to an investor, which is to the best of knowledge, information and belief of the then Directors having made all reasonable enquires, an independent third party of the Company (the "Corporate Bond"). The Corporate Bonds would mature on 21 July 2019. The interest rate of the Corporate Bond was 8.5% per annum. The Group received net proceeds of HK\$6,000,000, which would be used for general working capital and general corporate purposes.

### b) Placing of Bond on 14 August 2017

As disclosed in the announcement of the Company dated 14 August 2017 (the "August 2017 Announcement"), the Company entered into a Placing Agreement in relation to the placing of Bonds up to an aggregate principal amount of HK\$50,000,000 at the issue price of 100% of the principal amount of the Bonds. The placing ended on the date falling six months after the date of the Placing Agreement.

The principal terms of the placing agreement are disclosed in the announcement of the Company dated 14 August 2017.

Under this agreement, the Group issued Bonds I (as defined in the August 2017 Announcement) at an aggregate principle amount of HK\$21,000,000 and received net proceeds of HK\$21,000,000, Bonds II (as defined in the August 2017 Announcement) at an aggregate principle amount of HK\$13,500,000 and received net proceeds of HK\$13,500,000 and Bonds IV (as defined in the August 2017 Announcement) at an aggregate principle amount of HK\$20,000,000 and received net proceeds of HK\$20,000,000, during the year ended 31 December 2017. The net proceeds would be used for general working capital and general corporate purposes.

The Directors were of the view that the said placing would strengthen the Company's financial position and provide general working capital for the Group.

## 已發行債權證及債券

### a) 債權證

#### *於2017年7月21日配售債券*

於2017年7月21日，本集團就按本金額100%的價格向一名投資者（據董事經作出一切合理查詢後所知、所悉及所信，為本公司獨立第三方）配售本金額為6,000,000港元的債券訂立認購協議（「公司債券」）。公司債券將於2019年7月21日到期。公司債券的年利率為8.5%。本集團獲得所得款項淨額6,000,000港元，將用作一般營運資金及一般企業目的。

### b) 於2017年8月14日配售債券

誠如本公司日期為2017年8月14日之公告（「2017年8月公告」）所披露，本公司就按債券本金額100%的發行價配售本金總額最高達50,000,000港元的債券訂立配售協議。配售事項於配售協議日期起計滿六個月當日結束。

配售協議的主要條款披露於本公司日期為2017年8月14日之公告內。

根據該協議，本集團於截至2017年12月31日止年度按本金總額21,000,000港元發行債券I（定義見2017年8月公告）及獲得所得款項淨額21,000,000港元、按本金總額13,500,000港元發行債券II（定義見2017年8月公告）及獲得所得款項淨額13,500,000港元及按本金總額20,000,000港元發行債券IV（定義見2017年8月公告）及獲得所得款項淨額20,000,000港元。所得款項淨額將用作一般營運資金及一般企業目的。

董事認為，上述配售事項將加強本公司的財務狀況並為本集團提供一般營運資金。

### c) Placing of Bond on 1 December 2017

As disclosed in the announcement on 1 December 2017 (the “December 2017 Announcement”), the Company entered into a placing agreement (the “Placing Agreement”) with CNI Securities Group Limited, placing agent in relation to the placing of the Bonds up to an aggregate principal amount of HK\$150,000,000 at the issue price of 100% of the principal amount of the Bonds. The placing period shall commence from the date of falling nine (9) months after date of the Placing Agreement, or such other period as may be agreed between the Company and the placing agent in writing.

The principal terms of the above placing agreement are disclosed in the announcement of the Company dated 1 December 2017.

Under this agreement, the Group issued Bonds II (as defined in the December 2017 Announcement) at an aggregate principal amount of HK\$17,000,000 and received net proceeds of HK\$17,000,000 during the year ended 31 December 2017.

The Directors were of the view that the said placing would strengthen the Company’s financial position and provide general working capital for the Group.

Details of the corporate bonds issued during the year ended 31 December 2017 are set out in note 27 in the consolidated financial statements of the Group.

## EQUITY-LINKED AGREEMENT

The equity-linked agreements entered into by the Company during the year or subsisted at the end of the year that would or may result in the Company issuing the Company’s shares (“Share(s)”) or that required the Company to enter into any agreements that would or may result in the Company issuing Shares are as follows:

### Share Purchase Agreement

As disclosed in the announcement dated 16 December 2016 and 20 January 2017 respectively in relation to the Share Purchase Agreement entered between China Saite Capital Limited, a wholly owned subsidiary of the Company with Mr. He Zhibin and Fire Scorpoion Limited.

The allotment of 88,947,935 consideration shares at the issue price of HK\$0.557 per share was completed on 20 January 2017.

### c) 於2017年12月1日配售債券

誠如日期為2017年12月1日之公告(「2017年12月公告」)所披露，本公司就按債券本金額100%的發行價配售本金總額最高達150,000,000港元的債券與中國北方證券集團有限公司(配售代理)訂立配售協議(「配售協議」)。配售期將自配售協議日期起計滿九(9)個月當日起開始計算或本公司與配售代理可能書面協定的有關其他期間。

上述配售協議的主要條款披露於本公司日期為2017年12月1日之公告內。

根據該協議，本集團於截至2017年12月31日止年度按本金總額17,000,000港元發行債券II(定義見2017年12月公告)及獲得所得款項淨額17,000,000港元。

董事認為，上述配售事項將加強本公司的財務狀況並為本集團提供一般營運資金。

截至2017年12月31日止年度發行的公司債券詳情載於本集團綜合財務報表附註27。

## 股票掛鈎協議

本公司於年內訂立或於年終時存續以下股票掛鈎協議，有關協議或會或可能引起本公司發行公司股份(「股份」)或要求本公司訂立或會或可能引起本公司發行股份之任何協議：

### 購股協議

誠如有關本公司全資附屬公司中國賽特資本有限公司與何子斌先生及火蠍有限公司訂立購股協議日期分別為2016年12月16日及2017年1月20日之公告所披露。

按發行價每股0.557港元配發88,947,935股代價股份已於2017年1月20日完成。



## Report of the Directors 董事會報告

With an aim to further develop and expand the business scope of the Group, the Directors were of the view that the said allotment of shares was a good opportunity to develop the bid data logistics financial services and internet trading platform service industries.

### USE OF PROCEED

For the year ended 31 December 2016, the total net proceeds received from placing of 203.8 million new shares at subscription price of HK\$0.52 shares in 2016 after deducting fees and other expenses were RMB94.9 million. Such net proceeds were deposited at the Group's bank accounts. The net proceeds were used as follows:

- (i) approximately RMB49.9 million was used for purchase of property, plant and equipment for expansion of existing business;
- (ii) approximately RMB20.5 million was used for acquisition of land use right in Anhui for expansion of steel structure business; and
- (iii) approximately RMB24.5 million was used for repayment of existing loan and interest outstanding.

The proceeds from issue of Company's shares had been fully utilised as at 31 December 2017.

### PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the latest practicable date prior to the issue of this report, there was sufficient public float of the Company's securities as required under the Listing Rules.

### PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES

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

### RESERVES

Details of the movements in reserves of the Group during the year are set out in the consolidated statement of changes in equity on page 75 of this report. Details of distributable reserves of the Company are set out in note 42 to the consolidated financial statements.

旨在進一步發展及擴大本集團的業務範圍，董事認為，上述配發股份乃涉足大數據物流金融業及互聯網交易平台服務業的投資良機。

### 所得款項用途

截至2016年12月31日止年度，於2016年按認購價0.52港元配售203,800,000股新股份獲得的總所得款項淨額(經扣除費用及其他開支)為人民幣94,900,000元。有關所得款項淨額已存入本集團的銀行賬戶。所得款項淨額按下列方式動用：

- (i) 約人民幣49,900,000元用於購置物業、廠房及設備以擴大現有業務；
- (ii) 約人民幣20,500,000元用於收購安徽土地使用權以擴大鋼結構業務；及
- (iii) 約人民幣24,500,000元用於償還現有貸款及未償還利息。

於2017年12月31日，發行本公司股份的所得款項已悉數動用。

### 公眾持股量

根據本公司所獲公開資料及據董事所知，於刊發本報告前之最後可行日期，本公司證券的公眾持股量充足，符合上市規則的規定。

### 購買、贖回或出售上市證券

於截至2017年12月31日止年度，本公司或其任何附屬公司概無購買、贖回或出售本公司的任何上市證券。

### 儲備

本集團本年度儲備變動詳情載於本報告第75頁的綜合權益變動表。本公司可供分派儲備的詳情載於綜合財務報表附註42。

## MAJOR CUSTOMERS AND SUPPLIERS

The percentages of sales and purchases for the year attributable to the Group's major customers and suppliers are as follows:

		Percentage of the total purchases/sales accounted for 佔總採購額/ 銷售額的比例
Purchases	採購	
— the largest supplier	— 最大供應商	40%
— five largest suppliers combined	— 五大供應商合計	89%
Sales	銷售額	
— the largest customer	— 最大客戶	21%
— five largest customers combined	— 五大客戶合計	54%

None of the Directors, their close associates or any shareholder of the Company (which to the knowledge of the Directors owns more than 5% of the Company's issued share capital) had an interest in the five largest suppliers or customers of the Group noted above.

At no time during the year, none of the Directors, their close associates or shareholders (which to the knowledge of the Directors own more than 5% of the Company's issued share capital) has any interest in the customers or suppliers disclosed above.

## DIRECTORS

The Directors who held office during the year and up to the date of this report are:

### Executive Directors

Mr. Jiang Jianqiang (*Chairman*)  
Mr. Shao Xiaoqiang (*Chief Executive Officer*)  
Mr. Xu Fanghua

### Independent Non-executive Directors

Mr. Xu Jiaming  
Mr. Luk Chi Shing (appointed on 3 January 2017)  
Mr. Chen Tiegang (resigned on 26 May 2017)  
Mr. Eddie Hurip (appointed on 31 May 2017)

## 主要客戶及供應商

本集團主要客戶及供應商應佔本年度銷售額及採購額的比例如下：

### Percentage of the total purchases/sales accounted for 佔總採購額/ 銷售額的比例

本公司董事、其緊密聯繫人或任何股東(據董事所知，擁有本公司已發行股本5%以上)概無於本集團上述五大供應商或客戶中擁有權益。

於年內任何時間，董事、其緊密聯繫人或股東(據董事所知，擁有本公司已發行股本5%以上)概無於上文披露的客戶或供應商中擁有任何權益。

## 董事

於本年度及截至本報告日期在職董事為：

### 執行董事

蔣建強先生(主席)  
邵小強先生(行政總裁)  
徐芳華先生

### 獨立非執行董事

徐家明先生  
陸志成先生(於2017年1月3日獲委任)  
陳鐵鋼先生(於2017年5月26日辭任)  
丘鉅淙先生(於2017年5月31日獲委任)

## Report of the Directors 董事會報告

In accordance with Article 105(A) of the Articles of Association, Mr. Xu Fanghua and Mr. Xu Jiangming shall retire at the Annual General Meeting. In addition, pursuant to Article 109 of the Company's Articles of Association, Mr. Eddie Hurip, appointed by the Board on 31 May 2017, will hold office until the next following general meeting and will be eligible for re-election at the meeting. All of the above retiring Directors, being eligible, will offer themselves for re-election at the forthcoming Annual General Meeting.

## INDEPENDENT NON-EXECUTIVE DIRECTORS' CONFIRMATION

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. As at the date of this report, the Company is of the view that all independent non-executive Directors are independent.

## DIRECTORS' SERVICE CONTRACTS

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

## DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS OF SIGNIFICANCE

Apart from the particulars disclosed in note 41 under the heading "Related Party Transactions" to the consolidated financial statements, there were no other transactions, arrangements or contracts of significance in relation to the Company's business, to which the ultimate holding company of the Company, any of the Company's subsidiaries or any subsidiaries of such ultimate holding company was a party and in which a Director or any entitle connected with a Director (as defined in the Companies Ordinance of Hong Kong) had, whether directly or indirectly, a material interest subsisted at the end of the year or at any time during the year.

## CONTROLLING SHAREHOLDER'S INTERESTS IN CONTRACTS OF SIGNIFICANCE

No contract of significance had been entered into between the Company or any of its subsidiaries and the controlling shareholder (as defined in the Listing Rules) of the Company or any of its subsidiaries.

根據組織章程細則第105(A)條，徐芳華先生及徐家明先生將於股東週年大會退任。此外，根據本公司組織章程細則第109條，丘鉅淙先生已於2017年5月31日獲董事會委任，任期直至下屆股東大會為止，並將於大會上合資格膺選連任。上述全體退任董事符合資格並願意於下屆股東週年大會上膺選連任。

## 獨立非執行董事確認

本公司按照上市規則第3.13條的獨立性指引，已接獲各獨立非執行董事有關其獨立性的年度書面確認。於本報告日期，本公司認為所有獨立非執行董事均為獨立。

## 董事服務合約

於2017年12月31日，擬於應屆股東週年大會膺選連任之董事概無與本公司訂立任何可由本公司於一年內毋須作出賠償(法定賠償除外)而終止之服務合約。

## 董事於交易、安排及重大合約的權益

除綜合財務報表附註41「關連人士交易」所述之詳情外，於年末或於年內任何時間，概無本公司最終控股公司、本公司任何附屬公司或有關最終控股公司的任何附屬公司訂立任何有關本公司業務之屬重大之其他交易、安排或合約，亦無董事或任何與董事有關之實體(定義見香港公司條例)直接或間接擁有重大權益之屬重大之其他交易、安排或合約。

## 控股股東於重大合約的權益

本公司或其任何附屬公司並無與本公司或任何其附屬公司之控股股東(定義見上市規則)訂立重大合約。

No contract of significance for the provision of services to the Company or any of its subsidiaries by the controlling shareholder of the Company or any of its subsidiaries was entered into.

## BANK LOANS, OVERDRAFTS AND OTHER BORROWINGS

No bank loans and other borrowings had been entered into between the Company or any of its subsidiaries as at 31 December 2016.

## DIRECTORS AND CHIEF EXECUTIVE'S INTEREST AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2017, the interests or short positions of the Directors or chief executive of the Company in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register of the Company required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies ("Model Code"), are set out below:

### Long and short positions in the Shares and underlying Shares

Name of Director	Nature of interest	Number of Shares held	Approximate percentage of shareholding as at 31 December 2017 <sup>4</sup>	Notes(s)
董事姓名	權益性質	所持股份數目	於2017年12月31日的概約股權百分比 <sup>4</sup> (%)	附註
Mr. Jiang Jianqiang	Interest of controlled corporations	1,020,000,000 Shares (L)	43.76%	2 & 3
蔣建強先生	受控制法團權益	股股份		

Notes:

- The letter "L" denotes the person's long position in our Shares.
- These Shares were held by Keen Luck Group Limited ("Keen Luck"), which was 100% owned by Champ Origin Limited ("Champ Origin").
- Champ Origin was owned as to 51% by Mr. Jiang Jianqiang and 49% by Mr. Jiang Yixuan.
- As at 31 December 2017, the total issued capital of the Company is 2,330,747,935 shares.

本公司或其任何附屬公司之控股股東概無訂立向本公司或其任何附屬公司提供服務之重大合約。

## 銀行貸款、透支及其他借款

於2016年12月31日，本公司或其任何附屬公司並無訂立銀行貸款及其他借款。

## 董事及主要行政人員於股份、相關股份及債券之權益及淡倉

於2017年12月31日，董事及本公司主要行政人員於本公司或其任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債券中擁有根據證券及期貨條例第352條規定本公司須予存置之股東名冊內記錄，或根據上市公司董事進行證券交易的標準守則(「標準守則」)規定須通知本公司及聯交所之權益或淡倉如下：

### 於股份及相關股份之好倉及淡倉

Name of Director	Nature of interest	Number of Shares held	Approximate percentage of shareholding as at 31 December 2017 <sup>4</sup>	Notes(s)
董事姓名	權益性質	所持股份數目	於2017年12月31日的概約股權百分比 <sup>4</sup> (%)	附註
Mr. Jiang Jianqiang	Interest of controlled corporations	1,020,000,000 Shares (L)	43.76%	2 & 3
蔣建強先生	受控制法團權益	股股份		

附註：

- 字母「L」表示該人士於我們股份之好倉。
- 該等股份由建瑞集團有限公司(「建瑞」)持有，而建瑞由冠源有限公司(「冠源」)擁有全部權益。
- 冠源由蔣建強先生及蔣毅軒先生分別擁有51%及49%權益。
- 於2017年12月31日，本公司的已發行股本總額為2,330,747,935股股份。

## Report of the Directors 董事會報告

Save as disclosed above, as at 31 December 2017, none of the Directors and chief executive of the Company had any interest or short positions in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO), as recorded in the register of the Company required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

## SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2017, so far as was known to the Directors, the following persons, other than the Directors and chief executive of the Company, had an interest or short position in the shares and underlying shares of the Company, which were required to be recorded in the register maintained by the Company pursuant to Section 336 of the SFO were as follows:

除上文所披露者外，於2017年12月31日，董事及本公司主要行政人員概無於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債券中擁有根據證券及期貨條例第352條規定本公司須予存置之股東名冊內記錄，或根據標準守則規定須通知本公司及聯交所之權益或淡倉。

## 主要股東及其他人士於股份及相關股份之權益及淡倉

於2017年12月31日，據董事所知，除董事及本公司主要行政人員外，下列人士擁有根據證券及期貨條例第336條須記入本公司所存置股東名冊之本公司股份及相關股份之權益或淡倉：

Name of Shareholder	Nature of interest	Number of Shares held <sup>1</sup>	Approximate percentage of shareholding as at 31 December 2017 <sup>2</sup>	Note(s)
股東名稱／姓名	權益性質	所持股份數目 <sup>1</sup>	於2017年12月31日的概約股權百分比 <sup>2</sup> (%)	附註
Keen Luck Group Limited ("Keen Luck") 建瑞集團有限公司(「建瑞」)	Beneficial owner 實益擁有人	1,020,000,000 (L)	43.76	
Champ Origin Limited ("Charm Origin") 冠源有限公司(「冠源」)	Interest of a controlled corporation 受控制法團權益	1,020,000,000 (L)	43.76	2
Ms. Zhou Xiaoying 周小英女士	Interest of spouse 配偶權益	1,020,000,000 (L)	43.76	4
Mr. Jiang Yixuan 蔣毅軒先生	Interest of a controlled corporation 受控制法團權益	1,020,000,000 (L)	43.76	2 & 3
China Huarong International Holdings Limited 中國華融國際控股有限公司	Person having a security interest in shares 於股份擁有抵押權益的人士	1,020,000,000 (L)	43.76	7
Five Seasons XIV Limited ("Five Seasons XIV") Five Seasons XIV Limited(「Five Seasons XIV」)	Beneficial owner 實益擁有人	203,800,000 (L)	8.74	5 & 6
Five Seasons XVII Limited ("Five Seasons XVII") Five Seasons XVII Limited(「Five Seasons XVII」)	Interest of a controlled corporation 受控制法團權益	203,800,000 (L)	8.74	5 & 6
Fullshare Holdings Limited ("Fullshare") 豐盛控股有限公司(「豐盛」)	Interest of a controlled corporation 受控制法團權益	203,800,000 (L)	8.74	5 & 6
Mr. Ji Changqun 季昌群先生	Interest of a controlled corporation 受控制法團權益	203,800,000 (L)	8.74	5 & 6
Magnolia Wealth International Limited ("Magnolia") Magnolia Wealth International Limited(「Magnolia」)	Interest of a controlled corporation 受控制法團權益	203,800,000 (L)	8.74	6



Notes:

1. The letter "L" denotes a person's "long position" (as defined under Part XV of the SFO) in such Shares.
2. These Shares are held by Keen Luck, which is 100% owned by Champ Origin.
3. Champ Origin is owned as to 51% by Mr. Jiang Jianqiang and 49% by Mr. Jiang Yixuan.
4. Ms. Zhou Xiaoying is the spouse of Mr. Jiang Jianqiang.
5. Five Seasons XVII, Fullshare, Mr. Ji Changqun and Magnolia are deemed to be interested in the 203,800,000 Shares, as Mr. Ji Changqun holds the entire equity interest in Magnolia, which in turn holds 46.58% equity interest in Fullshare.
6. Fullshare holds entire issued share capital of Five Seasons XVII Limited, and Five Seasons XVII Limited holds entire issued share capital of Five Seasons XIV, the beneficial owner of the Company.
7. 1,020,000,000 Shares are legally and beneficially owned by Keen Luck. Keen Luck is 100% owned by Champ Origin. Champ Origin is owned by 51% by Mr. Jiang Jianqiang and 49% by Mr. Jiang Yixuan. On 26 January, 2017, Keen Luck executed the relevant documentation to create a charge ("Share Charge") over 1,020,000,000 Shares in favour of China Huarong International Holdings Limited as chargee to provide loan to Keen Luck. China Huarong International Holdings Limited ("China Huarong") was owned by Huarong Real Estate Co., Ltd as to 88.10%. Accordingly, China Huarong is deemed to be interested in 1,020,000,000 Shares.
8. Pursuant to Section 336 of the SFO, the shareholders of the Company are required to file disclosure of interests forms (the "DI Forms") when certain criteria are fulfilled and the full details of the requirements are available on the Stock Exchange's official website. When a shareholder's shareholdings in the Company changes, it is not necessary to notify the Company and the Stock Exchange unless certain criteria are fulfilled. Therefore, substantial shareholders' latest shareholdings in the Company may be different to the shareholdings filed with the Company and the Stock Exchange. The above statements of substantial shareholders' interests are prepared based on the information in the relevant DI Forms received by the Company as of 30 June 2017. The Company may not have sufficient information on the breakdown of the relevant interests and cannot verify the accuracy of information on the DI Forms.
9. As at 31 December 2017, the total issued capital of the Company is 2,330,747,935 Shares.

Save as disclosed above, the Directors and the chief executive of the Company are not aware that there is any party who, as at 31 December 2017, had interests or short positions in the shares and underlying shares of the Company that was required to be recorded pursuant to section 336 of the SFO.

附註：

1. 字母「L」表示該人士於有關股份之「好倉」(定義見證券及期貨條例第XV部)。
2. 該等股份由建瑞持有，而該公司由冠源擁有全部權益。
3. 冠源由蔣建強先生及蔣毅軒先生分別擁有51%及49%權益。
4. 周小英女士為蔣建強先生之配偶。
5. Five Seasons XVII、豐盛、季昌群先生及Magnolia被視作於203,800,000股股份中擁有權益，此乃由於季昌群先生持有Magnolia全部股權，而Magnolia持有豐盛46.58%之股權。
6. 豐盛持有Five Seasons XVII Limited全部已發行股本，而Five Seasons XVII Limited持有本公司實益擁有人Five Seasons XIV全部已發行股本。
7. 1,020,000,000股股份由建瑞合法及實益持有，而該公司由冠源擁有全部權益。冠源由蔣建強先生及蔣毅軒先生分別擁有51%及49%權益。於2017年1月26日，建瑞簽立相關文件以建立一項押記(「股份押記」)，涉及1,020,000,000股股份，以提供貸款予建瑞。中國華融國際控股有限公司(「中國華融」)為受押人由華融置業有限責任公司擁有88.10%的權益。而中國華融被視作於1,020,000,000股股份中擁有權益。
8. 根據證券及期貨條例第336條，倘符合若干條件，本公司股東須呈交披露權益表格(「披露權益表格」)，有關規定的全部詳情於聯交所官方網站上可供查閱。當股東所持本公司股權發生變動時，除非符合若干條件，否則毋須告知本公司及聯交所。因此，主要股東於本公司之最新持股量或有別於向本公司及聯交所提呈者。上述主要股東權益之陳述乃按本公司截至2017年6月30日收到的相關披露權益表格內的資料所編製。本公司未必有相關權益明細的充分資料，且無法核證披露權益表格資料之準確性。
9. 於2017年12月31日，本公司的已發行股本總額為2,330,747,935股股份。

除上文所披露者外，據董事及本公司主要行政人員所知，於2017年12月31日，概無任何人士於本公司之股份及相關股份中擁有根據證券及期貨條例第336條須記錄之權益或淡倉。

## SHARE OPTION SCHEME

The Company adopted a share option scheme (the "Share Option Scheme") on 11 October 2013 (the "Adoption Date"), for the purpose of providing incentives or rewards to selected eligible participants for their contribution to the Group. Unless otherwise cancelled or amended, the Share Option Scheme will remain in force for ten years from the Adoption Date.

Eligible participants of the Share Option Scheme include the following:

1. any employee (whether full time or part time) of the Group or any entity (the "Invested Entity") in which any member of the Group holds any shareholding (including any executive director but excluding any non-executive director of the Group or any Invested Entity);
2. any non-executive directors (including independent non-executive directors) of the Group or any Invested Entity;
3. any supplier of goods or services to any member of the Group or any Invested Entity;
4. any customer of the Group or any Invested Entity;
5. any person or entity that provides research, development or other technological support to the Group or any Invested Entity;
6. any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity;
7. any adviser (professional or otherwise) or consultant to any area of business or business development of the Group or any Invested Entity; and
8. any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliances or other business arrangement to the development and growth of the Group.

Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme must not in aggregate exceed 10% of the shares of the Company in issue on the date of adoption. The maximum number of Shares issuable upon exercise of the options which may be granted under the Share Option Scheme and any other share option scheme of the Group (including both exercised and outstanding options) to each participant in any 12-month period shall not exceed 1% of the issued share capital of the Company for the time being. Any further grant of share options in excess of this limit is subject to Shareholders' approval in a general meeting.

## 購股權計劃

本公司於2013年10月11日(「採納日期」)採納了一項購股權計劃(「購股權計劃」)，旨在對本集團發展作出貢獻之經選定合資格參與人士給予獎勵或獎賞。除非被註銷或修訂，否則購股權計劃將由其採納日期起計十年內有效。

購股權計劃之合資格參與人士包括以下人士：

1. 本集團或其任何成員公司持有任何股權的任何實體(「投資實體」)的任何全職或兼職僱員(包括本集團或任何投資實體之任何執行董事，但不包括非執行董事)；
2. 本集團或任何投資實體的任何非執行董事(包括獨立非執行董事)；
3. 任何向本集團任何成員公司或任何投資實體提供貨品或服務的供應商；
4. 任何本集團或任何投資實體的客戶；
5. 任何向本集團或任何投資實體提供研究、開發或其他技術支持的任何人士或實體；
6. 本集團任何成員公司或任何投資實體的任何股東或本集團任何成員公司或任何投資實體所發行任何證券的任何持有人；
7. 本集團或任何投資實體任何業務範疇或業務發展的任何專業或其他顧問或諮詢人；及
8. 曾經或可能藉合資經營、業務聯盟或其他業務安排而對本集團的發展及增長作出貢獻的任何其他組別或類別參與人士。

根據購股權計劃授出的所有購股權獲行使時可予發行的股份不得超過採納日期本公司已發行股份合共10%。根據購股權計劃及本集團任何其他購股權計劃於任何12個月期間可授予各參與人士的購股權(包括已行使或尚未行使的購股權)獲行使時而可予發行的股份最多數目，不得超過本公司當時已發行股本的1%。任何進一步授出超過此限額的購股權必須於股東大會獲得股東批准。

Share options granted to a Director, chief executive or substantial shareholder of the Company, or to any of their respective close associates (as defined under the Listing Rules), are subject to approval in advance by the independent non-executive Directors (excluding independent non-executive Director who is the grantee of the options). In addition, where any grant of share options to a substantial shareholder or an independent non-executive Director, or to any of their respective close associates, would result in the Shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person in excess of 0.1% of the Shares in issue and with an aggregate value (based on the closing price of the Shares at the date of the grant) in excess of HK\$5 million, in a 12-month period up to and including the date of grant, such grant of share options are subject to Shareholders' approval in a general meeting.

The offer of a grant of share options may be accepted within 21 days from the date of the offer, upon payment of a nominal consideration of HK\$1 by the grantee. The exercise period for the share options granted is determined by the Board, which period may commence from the date of acceptance of the offer for the grant of share options but shall end in any event not later than 10 years from the date of the grant of the option subject to the provisions for early termination under the Share Option Scheme.

The subscription price for Shares under the Share Option Scheme shall be a price determined by the Board, but shall not be less than the highest of:

- i. the closing price of Shares as stated in the daily quotations sheet of the Stock Exchange on the date of the offer of the grant, which must be a business day;
- ii. the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of the offer of grant; and
- iii. the nominal value of the Shares.

As at the year ended 31 December 2017, no share option has been granted by the Company.

授予董事、本公司主要行政人員或主要股東或任何彼等各自的緊密聯繫人(定義見上市規則)的購股權必須事前經獨立非執行董事(不包括屬購股權承授人的獨立非執行董事)批准。此外，倘向主要股東或獨立非執行董事或任何彼等各自的緊密聯繫人授出任何購股權，將導致於截至授出日期(包括該日)止的12個月期間內向該人士已授出及將授出的所有購股權(包括已行使、已註銷及尚未行使的購股權)獲行使而發行及將予發行的股份超過本公司已發行股份的0.1%，而總值(按股份於授出日期的收市價計算)超過5,000,000港元時，授出有關購股權須於股東大會獲得股東批准。

授出購股權的要約可於要約日期起計21日內由承授人支付名義代價1港元後予以接納。所授出購股權的行使期由董事會釐定，有關期間可由接納授出購股權的要約日期開始，惟在任何情況下不得遲於購股權授出日期起計10年屆滿，並可根據購股權計劃的條文提早終止。

購股權計劃下的股份認購價乃由董事會釐定的價格，惟不得低於以下最高者：

- i. 股份於要約授出日期(須為營業日)於聯交所每日報價表所報的收市價；
- ii. 股份於緊接要約授出日期前五個交易日於聯交所每日報價表所報的平均收市價；及
- iii. 股份面值。

截至2017年12月31日止年度，本公司概無授出購股權。

## Report of the Directors 董事會報告

### RELATED PARTY TRANSACTIONS

Other than as disclosed in note 41 to the consolidated financial statements, the Group had no related party transactions during the year.

### RIGHTS TO ACQUIRE COMPANY'S SECURITIES

Other than as disclosed under the sections "Share Options Scheme" and "Directors' and Chief Executive's Interest and Short Position in Shares, Underlying Shares and Debentures" above, at no time during the year was the Company, any of its subsidiaries, its ultimate holding company, or any subsidiaries of its ultimate holding company a party to any arrangement to enable the Directors of the Company to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

### COMPETING INTERESTS

None of the Directors or the management shareholders of the Company and their respective close associates (as defined under the Listing Rules) had any interest in a business which competes or may compete with the business of the Group or has any other conflict of interest with the Group during the year and up to the date of this report.

Controlling Shareholders have given non-competition undertaking in favour of the Company. Please refer to page 47 of this report.

### PRE-EMPTIVE RIGHTS

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

### MANAGEMENT CONTRACTS

No contracts of significance 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.

### 關連人士交易

除綜合財務報表附註41所披露者外，本集團於年內並無關連人士交易。

### 購買公司證券之權利

除上文「購股權計劃」及「董事及主要行政人員於股份、相關股份及債券之權益及淡倉」兩節所披露者外，本公司、其任何附屬公司、其最終控股公司，或其最終控股公司之任何附屬公司於年內任何時間概無參與訂立任何安排，讓本公司董事藉購入本公司或任何其他法人團體之股份或債券而獲取利益。

### 競爭權益

年內及截至本報告日期，董事或本公司管理層股東及彼等各自的緊密聯繫人（定義見上市規則）概無於任何對本集團業務造成或可能造成競爭或與本集團構成任何其他利益衝突的業務中擁有任何權益。

控股股東已以本公司為受益人作出不競爭承諾。請參閱本報告第47頁。

### 優先購買權

本公司之組織章程細則或開曼群島法例並無有關本公司須按比例向現有股東提呈發售新股份之優先購買權規定。

### 管理合約

本年度內並無訂立或存在任何有關本公司業務之全部或任何重大部分之重大管理及行政合約。

## PERMITTED INDEMNITY PROVISION

Pursuant to the Company's articles of association and permitted indemnity provision (as defined in section 469 of the Hong Kong Companies Ordinance), every Director shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he/she may sustain or incur in or about the execution of the duties of his/her office or otherwise in relation thereto.

## DONATIONS

During the year, the Group made a charitable donation amounting to nil (2016: RMB1 million).

## EMOLUMENT POLICY

The emolument policy of the employees and senior management of the Group is set up by the remuneration committee (the "Remuneration Committee") of the Company on the basis of their merit, qualifications and competence.

The emoluments of the Directors are decided by the Remuneration Committee of the Company, having regard to market competitiveness, individual performance and achievement.

The Company has adopted a share option scheme as an incentive to Directors and eligible employees, details of the scheme is set out in "Share Option Scheme" section of this report and note 32 to the consolidated financial statements.

## EMPLOYEES

A review of the number of employees and the related staff costs is provided in the Management Discussion and Analysis on page 23 of this report. The Group ensures that the pay levels of its employees are competitive and in line with the market trend and its employees are rewarded on a performance related basis within the general framework of the Group's salary and bonus system.

## CORPORATE GOVERNANCE

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

## 經許可的彌償保證條文

根據本公司的組織章程細則及經許可的彌償保證條文(定義見香港公司條例第469條),每名董事應有權就彼履行其職責或以其他方式履行其職責有關而蒙受或招致的所有損失或責任獲得以本公司資產作出的彌償。

## 捐款

年內,本集團作出之公益捐款為零(2016年:人民幣1,000,000元)。

## 薪酬政策

本集團僱員及高級管理層的薪酬政策乃由本公司薪酬委員會(「薪酬委員會」)根據其長處、資歷及能力訂立。

董事的薪酬由本公司薪酬委員會於考慮到市場競爭力、個人表現及成就後釐定。

本公司已採納購股權計劃,作為對董事及合資格僱員的激勵,有關該計劃的詳情載於本報告「購股權計劃」一節及綜合財務報表附註32。

## 僱員

有關僱員人數及相關員工成本的回顧載於本報告第23頁管理層討論及分析。本集團確保其僱員的薪金水平具競爭力,並與市場趨勢一致,而其僱員於本集團薪酬及獎金制度的整體框架內按其表現獲得回報。

## 企業管治

有關本公司採納之企業管治常規之詳情載於本年報「企業管治報告」一節。



## Report of the Directors 董事會報告

### EVENTS AFTER REPORTING PERIOD

Other than disclosed in section headed “Capital structure, liquidity and financial resources” above, there is no major event after the reporting period.

### CHANGE OF DIRECTORS' INFORMATION

Upon specific enquiry by the Company and following confirmations from Directors, save as otherwise set out in this announcement, there is no change in the information of the Directors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the Company's last published interim report. The change of Director's information as required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules are set out below:

1. The director's fee of Mr. Xu Jiaming was increased to HK\$240,000 per annum with effect from 1 January, 2018.
2. The director's fee of Mr. Eddie Hurip was increased to HK\$240,000 per annum with effect from 1 January, 2018.

### AUDIT COMMITTEE

The Company has established an audit committee (the “Audit Committee”) with written terms of reference in compliance with the requirements as set out in the Listing Rules for the purposes of reviewing and supervising the financial reporting system, risk management and internal control systems of the Group.

The Audit Committee currently comprises Mr. Luk Chi Shing, Mr. Eddie Hurip (appointed as member of the Committee on 31 May 2017) and Mr. Xu Jiaming. The Audit Committee has reviewed and discussed with the management and the external auditor financial reporting matters including the annual results for the year ended 31 December 2017. The annual results have been audited by Deloitte Touche Tohmatsu, the independent auditors of the Company.

### 報告期後事項

除上文「資本結構、流動資金及財務資源」一節所披露者外，於報告期後並無重大事項。

### 董事資料變更

於本公司作出特定查詢及董事作出下列確認後，除公告其他地方所載者外，自本公司最近刊發的中期報告以來，概無有關董事的資料變更須根據上市規則第13.51B(1)條作出披露。根據上市規則第13.51B(1)條須予披露的董事資料變更載列如下：

1. 徐家明先生的董事袍金增至每年240,000港元，自2018年1月1日起生效。
2. 丘鉅淙先生的董事袍金增至每年240,000港元，自2018年1月1日起生效。

### 審核委員會

本公司已成立審核委員會（「審核委員會」）並遵守上市規則的要求訂立書面職權範圍，其目的為審閱及監督本集團之財務申報制度、風險管理及內部監控系統。

審核委員會目前由陸志成先生、丘鉅淙先生（於2017年5月31日獲委任為委員會成員）及徐家明先生組成。審核委員會已與管理層及外部核數師審閱及討論財務申報事宜，包括截至2017年12月31日止年度之全年業績。該等全年業績已由本公司獨立核數師德勤•關黃陳方會計師行審核。

## INDEPENDENT AUDITOR

The consolidated financial statements for the year have been audited by Messrs. Deloitte Touche Tohmatsu (“Deloitte”). A resolution to re-appoint the retiring independent auditor, Deloitte, will be proposed at the forthcoming annual general meeting.

There has been no change in auditor of the Company for the preceding three years.

By order of the Board  
**China Saite Group Company Limited**

**Jiang Jianqiang**  
*Chairman*

Hong Kong, 29 March 2018

## 獨立核數師

本年度的綜合財務報表經已由德勤•關黃陳方會計師行(「德勤」)審核。將於應屆股東週年大會上提呈決議案，續聘退任獨立核數師德勤。

本公司核數師於過往三年概無任何變動。

承董事會命  
**中國賽特集團有限公司**

主席  
**蔣建強**

香港，2018年3月29日

# Independent Auditor's Report

## 獨立核數師報告

# Deloitte.

## 德勤

TO THE MEMBERS OF CHINA SAITE GROUP  
COMPANY LIMITED

(incorporated in the Cayman Islands with limited liability)

### OPINION

We have audited the consolidated financial statements of China Saite Group Company Limited (the "Company") and its subsidiaries (collectively referred to as "the Group") set out on pages 73 to 151, 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 disclosure requirements of the Hong Kong Companies Ordinance.

### BASIS FOR OPINION

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

### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional 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.

致中國賽特集團有限公司股東

(於開曼群島註冊的有限公司)

### 意見

吾等已審核第73至151頁所載中國賽特集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，當中包括於2017年12月31日的綜合財務狀況表，以及截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註(包括主要會計政策概要)。

吾等認為，綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實而公平地反映貴集團於2017年12月31日的綜合財務狀況及貴集團截至該日止年度的綜合財務表現及綜合現金流量，並已按照香港公司條例的披露規定妥為編製。

### 意見基準

吾等已根據香港會計師公會頒佈的香港核數準則(「香港核數準則」)進行審核。吾等於該等準則項下的責任乃於吾等之報告核數師就審核綜合財務報表須承擔的責任一節中進一步詳述。吾等根據香港會計師公會頒佈之專業會計師職業道德守則(「守則」)獨立於貴集團，吾等亦已根據守則履行其他道德責任。吾等相信，吾等所獲得的審核憑證充足及適當地為吾等的意見提供基準。

### 關鍵審核事項

關鍵審核事項為就吾等的專業判斷而言，對吾等審核本期綜合財務報表最為重要的事項。這些事項是在吾等審核整體綜合財務報表及達成吾等對其的意見時進行處理，而吾等不會對這些事項提供單獨的意見。

**Key audit matter****關鍵審核事項**

*Recognition of revenue and profits from construction contracts and amounts due from (to) customers for contract work*

確認建築合同的收益及盈利以及應收(應付)客戶合同工程款項

We identified recognition of revenue and gross profit from construction contracts and amounts due from/to customers for contract work as a key audit matter as they are significant to the consolidated financial statements as a whole and significant management's estimations and judgments are involved in the determination of the total outcome of construction contracts and the percentage of completion.

吾等已將建築合同的收益及毛利及應收/應付客戶合同工程款項確認為關鍵審核事項，原因為其就綜合財務報表整體而言乃屬重大，且管理層於釐定建築合同的結果總額及完工百分比時涉及重大估計及判斷。

The Group recognised revenue of RMB1,412 million and gross profit of RMB360 million from construction contracts for the year ended 31 December 2017 as shown in the consolidated statement of profit or loss and other comprehensive income and had amounts due from contract customers of RMB4 million and amounts due to contract customers of RMB4 million as at 31 December 2017 as disclosed in note 20 to the consolidated financial statements.

誠如綜合財務報表附註20所披露者，貴集團於綜合損益及其他全面收益表內確認截至2017年12月31日止年度的建築合同收益及毛利分別為人民幣1,412,000,000元及人民幣360,000,000元，而於2017年12月31日所確認之應收合同客戶款項及應付合同客戶款項分別為人民幣4,000,000元及人民幣4,000,000元。

As set out in note 4 to the consolidated financial statements, the Group recognises the amount of attributable profit or foreseeable losses from construction contracts based on the latest available budgets of those construction contracts with reference to the overall performance of each construction contract which requires management's best estimates and judgements. Because of the nature of the construction industry, the management regularly reviews the progress of the contracts and the estimated construction revenue and construction costs.

誠如綜合財務報表附註4所載者，貴集團根據建築合同的最新可得預算並參考各建築合同的整體表現確源自該等建築合同的應估盈利或可預見虧損金額，該過程須管理層進行最佳估計及判斷。由於建築行業的性質使然，管理層需定期檢討合同工程進度以及估計建築收益及建築成本。

**How our audit addressed the key audit matter****吾等進行審核時如何處理關鍵審核事項**

Our procedures in relation to recognition of revenue and gross profit from construction contracts and amounts due from/to customers for contract work included:

吾等涉及確認建築合同的收益及毛利以及應收/應付客戶合同工程款項的程序包括：

- Assessing the accuracy of the forecasted revenue by agreeing to the contract sum as set out in the construction contracts on a sample basis;
- 抽樣評估預測收益的準確性，方式為議定建築合同所載的合同金額；
- Understanding the basis of estimation of the budgets by discussing with the project managers who are responsible for the budgeting of projects, and evaluating the reasonableness of their estimated profit margins by taking into account the profit margins of similar projects on a sample basis;
- 抽樣了解估計預算的基準，方式為與負責項目的項目經理討論項目預算，並在計及類似項目的溢利率後，評估其估計溢利率的合理性；
- Evaluating the accuracy of percentage of completion by confirming the percentage with the respective projects' surveyors of the customers, and by conducting site visits and discussing with the operational management to observe the on-site progress status of the projects on a sample basis;
- 抽樣評估完工百分比的準確性，方式為向客戶的各自項目監理確認百分比及進行實地走訪，並討論運作管理，以觀察項目現場進度；
- Checking the accuracy of the amounts due from/to customers for contract works by agreeing the actual cost incurred and progress billing acknowledged by the customers for the year ended 31 December 2017 to the invoices/payment certificates on a sample basis; and
- 抽樣核查應收/應付客戶合同工程款項的準確性，方式為議定發票/繳費證明上開具的截至2017年12月31日止年度應計實際成本及客戶所確認之進度款項；及
- Evaluating the reasonableness of revenue and gross profit recognised to date by using the percentage of completion confirmed by the projects surveyor to recalculate the amounts.
- 採用項目監理確認之完工百分比重新計算金額，以評估迄今確認之收益及毛利的合理性。

## Independent Auditor's Report

### 獨立核數師報告

#### Key audit matter

##### 關鍵審核事項

##### *Recoverability of trade receivables*

##### 應收貿易款項之可收回程度

We identified the recoverability of trade receivables as a key audit matter as it is significant to the consolidated financial statements as a whole and there is management's estimation involved in determining the amount of allowance for doubtful debts based on the estimation of the recoverable amount of trade receivables.

吾等已將應收貿易款項的可收回程度確認為關鍵審核事項，原因是其對綜合財務報表整體而言屬重大，且管理層於根據應收貿易款項的可收回金額的估計釐定呆賬撥備時涉及估計。

As disclosed in note 21 to the consolidated financial statements, as at 31 December 2017, trade receivables of the Group which were past due but not impaired amounted to RMB1,011 million while the total trade receivables of the Group amounted to RMB1,705 million (net of allowance for doubtful debts of RMB15 million) represented 56% of the Group's total assets. Impairment loss of RMB15 million was recognised in profit or loss during the year ended 31 December 2017. The estimated impairment losses are determined by the management of the Group based on the credit reviews performed, taking into account repayment history of the counterparties and the current market conditions.

誠如2017年12月31日之綜合財務報表附註21所披露者，貴集團已逾期但未減值的應收貿易款項為人民幣1,011,000,000元，而貴集團應收貿易款項總額為人民幣1,705,000,000元（扣除呆賬撥備人民幣15,000,000元），佔貴集團總資產56%。截至2017年12月31日止年度，減值虧損人民幣15,000,000元於損益確認。估計減值虧損乃由貴集團管理層根據進行的信貸審核釐定，並計及對手方的還款記錄及當前市況。

#### How our audit addressed the key audit matter

##### 吾等進行審核時如何處理關鍵審核事項

Our procedures in relation to recoverability of trade receivables included:

吾等涉及應收貿易款項可收回程度的程序包括：

- Evaluating the accuracy of the ageing report of the trade receivables, by checking to the construction contracts for the terms of payment, including the milestone events stipulated in the contracts or the actual progress of the work performed, on a sample basis;
- 抽樣評估應收貿易款項賬齡報告的準確性，方式為核查建築合同的付款條款，包括合同訂明的重要階段或實際施工進度；
- Making enquiry with management on their assessment of recoverability of past due trade receivables, including understanding the trade debtors' credit quality and their past payment history; and
- 詢問管理層對已逾期應收貿易款項的可收回程度的評估，包括了解應收貿易賬款的信貸質素及其過往付款記錄；及
- Evaluating management's assessment on the recoverability of amounts due from individual debtors with significant balances past due but not impaired by examining the subsequent settlement from these individual debtors on a sample basis, or for those individual debtors without any subsequent settlement, analysing the Group's business relationship with them and their credit profile.
- 評估管理層對擁有已逾期但未減值重大結餘的個別應收賬款金額的可收回程度的評估，方式為抽樣核查該等個別應收賬款的後續還款情況，或倘屬毋須後續還款的個別應收賬款，則分析貴集團與其的業務關係及其信用記錄。



## 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 and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

## 其他資料

貴公司董事須對其他資料負責。其他資料包括年報中所包含的資料，惟不包括綜合財務報表及吾等就此發出的核數師報告。

吾等對綜合財務報表作出的意見並未涵蓋其他資料，且吾等不會就此發表任何形式的核證結論。

就審核綜合財務報表而言，吾等的責任是閱讀其他資料，從而考慮其他資料是否與綜合財務報表或吾等在審核過程中獲悉的資料存在重大不符，或似乎存在重大錯誤陳述。倘若吾等基於已執行的工作認為其他資料出現重大錯誤陳述，我們須報告該事實。吾等就此並無任何事項須報告。

## 董事及治理層就綜合財務報表須承擔的責任

貴公司董事須負責根據香港財務報告準則及香港公司條例之披露規定編製真實而公平的綜合財務報表，並落實彼等認為編製綜合財務報表所必要的內部控制，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

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

治理層須負責監督貴集團的財務報告過程。

## Independent Auditor's Report

### 獨立核數師報告

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

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

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

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

## 核數師就審核綜合財務報表須承擔的責任

吾等的目標乃對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括吾等意見的核數師報告，並按照吾等議定的委聘條款僅向閣下全體匯報，除此之外本報告不作其他用途。吾等概不就本報告的內容對任何其他人士負責或承擔責任。合理保證為高水平的保證，但不能保證按照香港審計準則進行的審核總能發現存在的重大錯誤陳述。錯誤陳述可以由欺詐或錯誤引起，如果合理預期其單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

作為根據香港審計準則進行審核工作的其中一環，吾等於整個審核過程中運用專業判斷，保持專業懷疑態度。吾等亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審核程序以應對該等風險，以及獲取充足及適當的審核憑證，作為吾等意見的基礎。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出現重大錯誤陳述的風險高於未能發現因錯誤而導致出現重大錯誤陳述的風險。
- 瞭解與審核相關的內部控制，以設計在有關情況下屬適當的審核程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評估董事所採用會計政策的適當性以及作出會計估計及相關披露的合理性。

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 對董事採用持續經營會計基礎的適當性作出結論，並根據所獲取的審核憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。倘吾等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，或假若有關的披露不足，則修訂吾等的意見。吾等的結論乃基於直至核數師報告日期止所取得的審核憑證。然而，未來事項或情況可能導致貴集團不能持續經營業務。
- 評估綜合財務報表的整體列報方式、結構及內容(包括披露事項)以及綜合財務報表是否公平反映相關交易及事項。
- 就貴集團內實體或業務活動的財務資料獲取充足適當的審核憑證，以便對綜合財務報表發表意見。吾等負責貴集團審核的方向、監督及執行。吾等為審核意見承擔全部責任。

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

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

吾等與治理層溝通(其中包括)審核的計劃範圍及時間以及重大審核發現等，包括吾等在審核中識別出內部控制的任何重大不足之處。

吾等亦向治理層提交聲明，表明吾等已符合有關獨立性的相關專業道德要求，並與彼等溝通可能合理被認為會影響吾等獨立性的所有關係及其他事項以及在適用的情況下相關的防範措施。

## Independent Auditor's Report

### 獨立核數師報告

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

The engagement partner on the audit resulting in the independent auditor's report is Chiu Mei Hing.

**Deloitte Touche Tohmatsu**  
*Certified Public Accountants*  
Hong Kong

29 March 2018

從與治理層溝通的事項中，吾等確定該等對本期間綜合財務報表的審核最為重要的事項，因而構成關鍵審核事項。吾等在核數師報告中闡釋該等事項，除非法律或規例不允許公開披露該等事項，或在極端罕見的情況下，合理預期倘於吾等之報告中註明某事項造成的負面後果超過產生的公眾利益，則吾等決定不應在報告中註明該事項。

出具獨立核數師報告的審核項目合夥人為趙美卿。

**德勤•關黃陳方會計師行**  
執業會計師  
香港

2018年3月29日

# Consolidated Statement of Profit or Loss and Other Comprehensive Income

## 綜合損益及其他全面收益表

For the year ended 31 December 2017 截至2017年12月31日止年度

		NOTES 附註	2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Revenue	收益	5	<b>1,411,745</b>	1,650,760
Cost of sales	銷售成本		<b>(1,051,837)</b>	(1,222,468)
Gross profit	毛利		<b>359,908</b>	428,292
Other income	其他收入	7	<b>9,985</b>	9,737
Other gains and losses, net	其他收益及虧損淨額	8	<b>(7,399)</b>	(6,608)
Selling and marketing expenses	銷售及營銷開支		<b>(4,093)</b>	(2,107)
Administrative expenses	行政開支		<b>(37,233)</b>	(31,585)
Finance costs	財務成本	9	<b>(7,356)</b>	(6,554)
Share of profit of a joint venture	分佔合營企業盈利	18	<b>409</b>	502
Profit before tax	除稅前盈利		<b>314,221</b>	391,677
Income tax expense	所得稅開支	12	<b>(87,021)</b>	(103,408)
Profit and total comprehensive income for the year attributable to owners of the Company	本公司擁有人應佔年內盈利及全面收入總額	13	<b>227,200</b>	288,269
Earnings per share	每股盈利	15		
Basic (RMB cents)	基本(人民幣分)		<b>9.77</b>	14.13



# Consolidated Statement of Financial Position

## 綜合財務狀況表

At 31 December 2017 於2017年12月31日

	NOTES 附註	2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
<b>Non-current assets</b>	<b>非流動資產</b>		
Property, plant and equipment	物業、廠房及設備	16	186,746
Prepaid lease payments	預付租賃款項	17	38,199
Interest in a joint venture	於合營企業的權益	18	153,502
Available-for-sale investments	可供出售投資	19	—
		<b>484,998</b>	378,447
<b>Current assets</b>	<b>流動資產</b>		
Amounts due from customers for contract work	應收客戶合同工程款項	20	8,138
Prepaid lease payments	預付租賃款項	17	902
Trade receivables	應收貿易款項	21	1,412,262
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	22	113,327
Bank balances and cash	銀行結餘及現金	23	779,260
		<b>2,572,692</b>	2,313,889
<b>Current liabilities</b>	<b>流動負債</b>		
Amounts due to customers for contract work	應付客戶合同工程款項	20	1,473
Trade payables	應付貿易款項	24	73,152
Deposits received, other payables and accruals	已收按金、其他應付款項及應計費用	25	36,502
Amount due to a director	應付一名董事款項	26	5,210
Corporate bonds — due within one year	公司債券 — 於一年內到期	27	—
Provisions	撥備	28	6,200
Short-term borrowings	短期貸款	29	80,631
Tax liabilities	稅項負債		61,403
		<b>269,566</b>	264,571
<b>Net current assets</b>	<b>流動資產淨額</b>	<b>2,303,126</b>	2,049,318
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>	<b>2,788,124</b>	2,427,765

## Consolidated Statement of Financial Position 綜合財務狀況表

At 31 December 2017 於2017年12月31日

		NOTES 附註	2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
<b>Non-current liabilities</b>				
	<b>非流動負債</b>			
Deferred tax liabilities	遞延稅項負債	30	92,116	92,116
Corporate bonds — due after one year	公司債券—於一年後到期	27	87,435	—
			<b>179,551</b>	92,116
			<b>2,608,573</b>	2,335,649
<b>Capital and reserves</b>				
	<b>資本及儲備</b>			
Share capital	股本	31	187,410	179,527
Share premium and reserves	股份溢價及儲備		2,421,163	2,156,122
			<b>2,608,573</b>	2,335,649

The consolidated financial statements on pages 73 to 151 were approved and authorised for issue by the board of directors on 29 March 2018 and are signed on its behalf by:

第73頁至第151頁的綜合財務報表已由董事會於2018年3月29日批准及授權刊發，並由下列董事代表簽署：

**Jiang Jianqiang**  
蔣建強  
DIRECTOR  
董事

**Shao Xiaoqiang**  
邵小強  
DIRECTOR  
董事

# Consolidated Statement of Changes in Equity

## 綜合權益變動表

For the year ended 31 December 2017 截至2017年12月31日止年度

		Share capital 股本 RMB'000 人民幣千元	Share premium 股份溢價 RMB'000 人民幣千元	Capital reserve 資本儲備 RMB'000 人民幣千元 (Note a) (附註a)	Statutory reserves 法定儲備 RMB'000 人民幣千元 (Note b) (附註b)	Retained profits 保留盈利 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2016	於2016年1月1日	161,268	429,597	66,587	141,020	1,186,572	1,985,044
Profit and total comprehensive income for the year	年內盈利及全面收入總額	—	—	—	—	288,269	288,269
Transfer to statutory reserves	轉入法定儲備	—	—	—	29,664	(29,664)	—
Final dividend paid for the year ended 31 December 2015 (note 14)	已宣派截至2015年12月31日止年度之末期股息(附註14)	—	(32,608)	—	—	—	(32,608)
Issue of new shares (note 31)	發行新股份(附註31)	18,259	76,685	—	—	—	94,944
At 31 December 2016	於2016年12月31日	<b>179,527</b>	<b>473,674</b>	<b>66,587</b>	<b>170,684</b>	<b>1,445,177</b>	<b>2,335,649</b>
Profit and total comprehensive income for the year	年內盈利及全面收入總額	—	—	—	—	227,200	227,200
Issue of new shares (note 31)	發行新股份(附註31)	<b>7,883</b>	<b>37,841</b>	—	—	—	<b>45,724</b>
At 31 December 2017	於2017年12月31日	<b>187,410</b>	<b>511,515</b>	<b>66,587</b>	<b>170,684</b>	<b>1,672,377</b>	<b>2,608,573</b>

Notes:

- (a) Capital reserve represents
- (i) waiver of amount due to former immediate holding company;
- (ii) the difference between the nominal value of shares of the Company issued as consideration in exchange for the aggregate of the share capital of the subsidiary of the Company arising upon the corporate reorganisation (the "Corporate Reorganisation") to rationalise the Group's structure prior to listing of the Company's shares on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"); and
- (iii) capital contribution from shareholders under the Corporate Reorganisation.
- (b) The statutory reserves represent the amount transferred from net profit for the year of a subsidiary established in the People's Republic of China (the "PRC") (based on the PRC statutory financial statements of that PRC subsidiary) in accordance with the relevant PRC laws until the statutory reserves reach 50% of the registered capital of that subsidiary. The statutory reserves cannot be reduced except either in setting off the accumulated losses or increasing capital.

附註：

- (a) 資本儲備指
- (i) 豁免應付前直接控股公司之款項；
- (ii) 本公司發行作為代價的股份面值與因本公司股份於香港聯合交易所有限公司(「聯交所」)上市前公司為優化本集團的架構而進行之公司重組(「公司重組」)產生之本公司附屬公司的股本總額間的差額；及
- (iii) 股東根據公司重組作出的注資。
- (b) 法定儲備指自於中華人民共和國(「中國」)根據相關中國法律成立的附屬公司的年內純利(基於該中國附屬公司的中國法定財務報表)轉撥的款項，直至該等法定儲備達致該附屬公司註冊資本的50%為止。該等法定儲備不可扣減，惟用以抵銷累計虧損或增資則除外。

# Consolidated Statement of Cash Flows

## 綜合現金流量表

For the year ended 31 December 2017 截至2017年12月31日止年度

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
<b>OPERATING ACTIVITIES</b>	<b>經營活動</b>		
Profit before tax	除稅前盈利	314,221	391,677
Adjustments for:	就以下項目作出調整：		
Bank interest income	銀行利息收入	(3,163)	(3,013)
Loan interest income	貸款利息收入	—	(48)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	2,798	3,022
Reversal of provisions for financial guarantees	財務擔保撥備撥回	(5,000)	(5,996)
Impairment loss recognised on trade receivables	就應收貿易款項確認之減值虧損	14,978	—
Finance costs	財務成本	7,356	6,554
Exchange differences on short-term borrowings and corporate bonds	短期貸款的匯兌差額及公司債券	(6,927)	5,229
Share of result of a joint venture	分佔合營企業業績	(409)	(502)
Operating cash flows before movements in working capital	營運資金變動前的經營現金流量	323,854	396,923
Decrease in amounts due from customers for contract work	應收客戶合同工程款項減少	18,659	10,999
Increase in trade receivables	應收貿易款項增加	(308,153)	(581,456)
Decrease in other receivables, deposits and prepayments	其他應收款項、按金及預付款項減少	24,091	74,318
Increase in amounts due to customers for contract work	應付客戶合同工程款項增加	2,951	464
Decrease in trade payables	應付貿易款項減少	(4,399)	(1,842)
Increase in deposits received, other payables and accruals	已收按金、其他應付款項及應計費用增加	60,750	2,083
<b>CASH GENERATED FROM (USED IN) OPERATIONS</b>	<b>經營業務產生(所用)的現金</b>	<b>117,753</b>	<b>(98,511)</b>
PRC income tax paid	已付中國所得稅	(115,836)	(93,200)
<b>NET CASH FROM (USED IN) OPERATING ACTIVITIES</b>	<b>經營活動產生(所用)的現金淨額</b>	<b>1,917</b>	<b>(191,711)</b>
<b>INVESTING ACTIVITIES</b>	<b>投資活動</b>		
Purchase of property, plant and equipment	購買物業、廠房及設備	(49,909)	(23)
Prepaid lease payments paid	已付預付租賃款項	(20,500)	—
Advance to a director	一名董事所獲墊款	(14,920)	—
Acquisition of available-for-sale investments	收購可供出售投資	(8,204)	—
Interest received	已收利息	3,163	4,290
Loan repaid from a third party	第三方償還的貸款	—	22,202
<b>NET CASH (USED IN) FROM INVESTING ACTIVITIES</b>	<b>投資活動(所用)產生的現金淨額</b>	<b>(90,370)</b>	<b>26,469</b>

## Consolidated Statement of Cash Flows

### 綜合現金流量表

For the year ended 31 December 2017 截至2017年12月31日止年度

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
<b>FINANCING ACTIVITIES</b>			
	<b>融資活動</b>		
Proceeds from issue of corporate bonds	發行公司債券所得款項	107,960	—
New short-term borrowings raised	籌集新短期貸款	4,500	—
Repayment of short term borrowings	償還短期貸款	(33,752)	—
Finance costs paid	已付財務成本	(6,984)	(4,450)
(Repayment to) advance from a director	(償還董事款項)董事墊款	(5,210)	5,210
Proceeds from issue of shares	發行股份所得款項	—	94,944
Dividends paid	已付股息	—	(32,608)
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>融資活動產生的現金淨額</b>	<b>66,514</b>	<b>63,096</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等價物減少淨額</b>	<b>(21,939)</b>	<b>(102,146)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	<b>年初現金及現金等價物</b>	<b>779,260</b>	<b>881,406</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	<b>年末現金及現金等價物</b>		
represented by bank balances and cash	以銀行結餘及現金列示	<b>757,321</b>	<b>779,260</b>



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

### 1. GENERAL

The Company was incorporated in the Cayman Islands as an exempted company with limited liability and its shares (the "Shares") are listed on the Stock Exchange. Its immediate holding company and ultimate holding company are Keen Luck Group Limited and Champ Origin Limited, respectively, both are limited companies incorporated in the British Virgin Islands.

The Company acts as an investment holding company. The principal activities of its subsidiaries are investment holding and construction of steel structure and prefabricated construction projects.

The consolidated financial statements are presented in Renminbi ("RMB"), which is also the functional currency of the Company.

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

#### Amendments to HKFRSs that are mandatorily effective for current year

The Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accounts (the "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 as below, the application of the amendments to HKFRSs in the current year has had no material effect 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.

### 1. 一般資料

本公司在開曼群島註冊成立為一家獲豁免有限公司，而其股份（「股份」）已於聯交所上市。其直接及最終控股公司分別為建瑞集團有限公司及冠源有限公司，均為於英屬處女群島註冊成立的有限公司。

本公司為投資控股公司，其附屬公司的主要業務為投資控股及鋼結構及全裝配預製構件建築項目的建築施工。

綜合財務報表乃以本公司的功能貨幣人民幣（「人民幣」）呈列。

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

#### 本年度強制生效之香港財務報告準則修訂本

於本年度，本集團首次應用以下由香港會計師公會（「香港會計師公會」）頒佈之香港財務報告準則修訂本。

香港會計準則第7號（修訂本）	披露計劃
香港會計準則第12號（修訂本）	就未變現虧損確認遞延稅項資產
香港財務報告準則第12號（修訂本）	作為香港財務報告準則2014年至2016年週期之年度改進之一部分

除下文所述者外，於本年度應用香港財務報告準則修訂本，對本集團本年度及過往年度的財務表現及狀況及／或該等綜合財務報表所載之披露並無重大影響。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

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

(Continued)

#### Amendments to HKAS 7 “Disclosures 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 the consolidated financial statements to evaluate changes in liabilities arising from financial activities, including both cash and non-cash changes. In addition, the amendments also require disclosures on changes in financial assets if cash flow from those financial assets were or future cash flow will be included in cash flows from financing activities.

Specially, the amendments require the following to be disclosed (i) changes from financing cash flows; (ii) changes arising from obtaining or loss control of subsidiaries or other business; (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 36. Consistent with the transition provisions of the amendments, the Group has not disclosed comparative information for the prior year. Apart from the addition disclosure in note 36, the application of these amendments has had no impact on the Group’s consolidated financial statements.

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

#### 香港會計準則第7號（修訂本）「披露計劃」

本集團已於本年度首次應用該等修訂本。該修訂本要求實體提供披露資料，使綜合財務報表使用者能夠評估融資活動所產生負債的變動（包括現金及非現金變動）。此外，倘該等金融資產的現金流量已經或未來現金流量將會計入融資活動的現金流量，則該修訂本亦要求披露有關金融資產的變動。

具體而言，該修訂本要求披露下列各項(i)融資現金流量的變動；(ii)取得或失去附屬公司或其他業務控制權所引起的變動；(iii)外幣匯率變動的影響；(iv)公平值的變動；及(v)其他變動。

有關該等項目期初及期末結餘的對賬將於附註36中提供。根據修訂本的過渡條文，本集團並無披露過往年度的可資比較資料。除附註36的額外披露外，應用該等修訂本並未對本集團綜合財務報表產生影響。

For the year ended 31 December 2017 截至2017年12月31日止年度

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

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

## 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

### 已頒佈但尚未生效之新訂及經修訂香港財務報告準則

本集團並無提早應用下列已頒佈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 <sup>1</sup>
香港財務報告準則第15號	客戶合同之收益及相關修訂本 <sup>1</sup>
香港財務報告準則第16號	租賃 <sup>2</sup>
香港財務報告準則第17號	保險合約 <sup>4</sup>
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 <sup>1</sup>
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 <sup>2</sup>
香港財務報告準則第2號（修訂本）	以股份為基礎的支付交易的分類及計量 <sup>1</sup>
香港財務報告準則第4號（修訂本）	應用香港財務報告準則第4號保險合同時一併應用香港財務報告準則第9號金融工具 <sup>1</sup>
香港財務報告準則第9號（修訂本）	具有負補償的提前還款特性 <sup>2</sup>
香港財務報告準則第10號及香港會計準則第28號（修訂本）	投資者與其聯營公司或合營企業之間的資產出售或注資 <sup>3</sup>
香港會計準則第40號（修訂本）	轉讓投資物業 <sup>1</sup>
香港會計準則第28號（修訂本）	作為香港財務報告準則2014年至2016年週期之年度改進之一部分 <sup>1</sup>
香港會計準則第28號（修訂本）	於聯營公司及合營企業的長期權益 <sup>2</sup>
香港財務報告準則（修訂本）	香港財務報告準則2015年至2017年週期之年度改進 <sup>2</sup>

- <sup>1</sup> 於2018年1月1日或之後開始的年度期間生效
- <sup>2</sup> 於2019年1月1日或之後開始的年度期間生效
- <sup>3</sup> 於待定期限或之後開始的年度期間生效
- <sup>4</sup> 於2021年1月1日或之後開始的年度期間生效

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

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

(Continued)

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

##### HKFRS 9 “Financial Instruments”

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

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

- 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 of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are generally measured at fair value through other comprehensive income (“FVTOCI”). All other financial assets are measured at their fair values at the end of subsequent reporting 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. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

#### 已頒佈但尚未生效之新訂及經修訂香港財務報告準則(續)

##### 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號引入有關金融資產及金融負債的分類及計量的新規定、金融資產的一般對沖會計及減值會計規定。

香港財務報告準則第9號與本集團有關的主要規定如下：

- 所有屬香港財務報告準則第9號範圍內的已確認金融資產其後均須按攤銷成本或公平值計量。具體而言，目標為收取合約現金流量的業務模式內持有的債務投資，及合約現金流量僅為支付本金及尚未償還本金利息的債務投資，一般於其後會計期間結算日按攤銷成本計量。目標為同時收取合約現金流量及出售金融資產的業務模式中持有的債務工具，以及金融資產合約條款令於特定日期產生的現金流量純粹為支付本金及尚未償還本金利息的債務工具，一般以透過其他全面收益按公平值列賬(「透過其他全面收益按公平值列賬」)的方式計量。所有其他金融資產於其後報告期末按公平值計量。此外，根據香港財務報告準則第9號，實體可作出不可撤回的選擇，於其他全面收益呈列權益投資(並非持作買賣者)公平值的其後變動，僅股息收入一般於損益中確認。

For the year ended 31 December 2017 截至2017年12月31日止年度

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

(Continued)

### New and revised HKFRSs in issue but not yet effective (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 “Financial Instruments: Recognition and Measurement”. 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 anticipate the following potential impact on initial application of HKFRS 9:

#### Classification and measurement

- Equity securities classified as available-for-sale investments carried at cost less impairment as disclosed in note 19: these securities qualified for designation as FVTOCI under HKFRS 9 and the Group will measure these securities at fair value at the end of subsequent reporting periods with fair value gains or losses to be recognised as other comprehensive income and accumulated in the investments revaluation reserve. Upon initial recognition of HKFRS 9, the carrying amounts of these securities under HKAS 39 are expected to approximated to their fair values under HKFRS 9 as at 1 January 2018.
- All other financial assets and financial liabilities will continued to be measured on the same bases as are currently measured under HKAS 39.

## 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

### 已頒佈但尚未生效之新訂及經修訂香港財務報告準則（續）

#### 香港財務報告準則第9號「金融工具」（續）

- 就金融資產的減值而言，與香港會計準則第39號「金融工具：確認及計量」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的變動入賬，以反映信貸風險自初步確認以來的變動。換言之，毋須再待發生信貸事件方確認信貸虧損。

根據本集團於2017年12月31日的金融工具及風險管理政策，本公司董事預期初次應用香港財務報告準則第9號有下列潛在影響：

#### 分類及計量

- 分類為按成本扣除減值列賬的可供出售投資的股本證券於附註19披露：根據香港財務報告準則第9號，該等證券符合資格指定為透過其他全面收益按公平值列賬，且本集團將按其後報告期末之公平值計量該等證券，並將公平值收益或虧損確認為其他全面收益及於投資重估儲備中累計。於初步確認香港財務報告準則第9號後，根據香港會計準則第39號該等證券之賬面值預期與於2018年1月1日根據香港財務報告準則第9號之公平值相若。
- 所有其他金融資產及金融負債將繼續按香港會計準則第39號項下的現有相同基準計量。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

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

(Continued)

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

HKFRS 9 “Financial Instruments”  
(Continued)

##### Impairment

In general, the directors of the Company anticipate that the application of the expected credit loss model of HKFRS 9 will result in earlier provision of credit losses which are not yet incurred in relation to the Group’s financial assets measured at amortised costs and other items that subject to the impairment provisions upon application of HKFRS 9 by the Group.

Based on the assessment by the directors 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 and other receivables. Such further impairment recognised under expected credit loss model would reduce the opening retained profits and increase the deferred tax assets at 1 January 2018.

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

#### 已頒佈但尚未生效之新訂及經修訂香港財務報告準則（續）

香港財務報告準則第9號「金融工具」  
(續)

##### 減值

一般而言，本公司董事預期應用香港財務報告準則第9號的預期信貸虧損模式，將導致提早就與本集團按攤銷成本計量的金融資產及於本集團應用香港財務報告準則第9號時須計提減值撥備的其他項目相關的尚未產生的信貸虧損計提撥備。

根據本公司董事作出的評估，倘本集團應用預期信貸虧損模式，本集團於2018年1月1日確認的減值虧損累計金額將較根據香港會計準則第39號確認的累計金額有所增加，主要由於就應收貿易款項及其他應收款項計提預期信貸虧損撥備所致。根據預期信貸虧損模式確認的有關進一步減值將減少於2018年1月1日的期初保留盈利及增加遞延稅項資產。



For the year ended 31 December 2017 截至2017年12月31日止年度

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

(Continued)

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

#### 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.

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 goods and services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with 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

## 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

### 已頒佈但尚未生效之新訂及經修訂香港財務報告準則（續）

#### 香港財務報告準則第15號「客戶合同之收益」

香港財務報告準則第15號已頒佈並為實體建立了一個單一的綜合模型，以供會計入賬來自客戶合同的收益時使用。當香港財務報告準則第15號生效時，將取代現時的收益確認指引，包括香港會計準則第18號「收益」，香港會計準則第11號「建築合同」及相關的詮釋。

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益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貨品及服務而應得的對價。具體來說，該準則引入了五步法來確認收益：

- 第1步：確定與客戶的合同
- 第2步：確定合同內的履約義務
- 第3步：釐定交易價格
- 第4步：將交易價格分攤至合同內的履約義務
- 第5步：當（或於）實體符合履約義務時確認收益

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

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

*(Continued)*

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

##### *HKFRS 15 “Revenue from Contracts with Customers” (Continued)*

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 Clarifications to HKFRS 15 in relation to the identification of performance obligations, principal versus agent consideration, as well as licensing application guidance.

The Group anticipates that the application of HKFRS 15 in the future may result in more disclosures, however, the Group does 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.

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）*(續)*

#### 已頒佈但尚未生效之新訂及經修訂香港財務報告準則 *(續)*

##### *香港財務報告準則第15號「客戶合同之收益」*(續)**

根據香港財務報告準則第15號，當（或於）一個實體達成履約義務時確認收益，即當與特定的履約義務相關的貨品或服務的「控制權」轉移予客戶時。更為規範的指引已加入香港財務報告準則第15號內以處理特別情況。此外，香港財務報告準則第15號亦要求較廣泛的披露。

於2016年，香港會計師公會頒佈有關香港財務報告準則第15號識別履約責任、委託人與代理的考量及許可證申請指引之澄清。

本集團預期，於將來應用香港財務報告準則第15號可能會導致作出更多披露，然而，本集團預期，應用香港財務報告準則第15號將不會對各報告期間已確認收益之時間及金額造成重大影響。

##### *香港財務報告準則第16號「租賃」*

香港財務報告準則第16號引入一個綜合模式以供識別租賃安排及出租人及承租人的會計處理。當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。

For the year ended 31 December 2017 截至2017年12月31日止年度

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

(Continued)

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

#### HKFRS 16 “Leases” (Continued)

HKFRS 16 distinguishes lease and service contracts on the basis of whether an identified assets 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.

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 upfront prepaid lease payments as investing cash flows in relation to leasehold lands for owned use while other operating lease payments are presents as operating cash flows. Under 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 flows by the Group.

Under HKAS 17, the Group has already recognised prepaid lease payments for leasehold lands where the Group is a lessee. 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 were owned.

## 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

### 已頒佈但尚未生效之新訂及經修訂香港財務報告準則（續）

#### 香港財務報告準則第16號「租賃」（續）

財務報告準則第16號以識別資產是否由客戶控制為基準來區分租賃及服務合同。除短期租賃及低價值資產租賃外，就承租人會計處理方法，經營租賃及融資租賃的區分已被移除，並由另一種模式取代，該模式要求承租人就所有租賃確認使用權資產及相應負債。

使用權資產初步按成本計量，並隨後以成本（惟若干例外情況除外）減累計折舊及減值虧損計量，並就租賃負債任何重新計量而作出調整。租賃負債乃按租賃款項（非當日支付）的現值初步確認。其後，租賃負債（其中包括）經利息及租賃付款以及租賃修訂的影響所調整。就現金流量分類而言，本集團現時將有關自用租賃土地的前期預付租賃付款呈列為投資現金流量，而其他經營租賃付款則呈列為經營現金流量。根據應用香港財務報告準則第16號，有關租賃負債的租賃款項將分配為本金及利息部分，其將由本集團以融資現金流量呈列。

根據香港會計準則第17號，本集團作為承租人已確認租賃土地之預付租賃款項。應用香港財務報告準則第16號可能導致該等資產之分類發生潛在變動，其分類視乎本集團將倘擁有資產時之使用權資產單獨或以相應有關資產的同一項目內呈列。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

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

*(Continued)*

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

##### *HKFRS 16 "Leases" (Continued)*

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 disclosures are required by HKFRS 16.

As at 31 December 2017, the Group has non-cancellable operating lease commitments of RMB5,323,000 as disclosed in note 38. A preliminary assessment indicated 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.

Furthermore, the application of new requirements may result changes in measurement, presentation and disclosure as indicated above.

Except as described above, the directors of the Company do not anticipate that the application of other new and amendments to HKFRSs and interpretations issued but not yet effective, will have a material impact on the Group's consolidated financial statements.

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）*(續)*

#### 已頒佈但尚未生效之新訂及經修訂香港財務報告準則 *(續)*

##### *香港財務報告準則第16號「租賃」*(續)**

與承租人會計處理方法相反，香港財務報告準則第16號大致保留香港會計準則第17號內出租人的會計要求，並繼續規定出租人將租賃分類為經營租賃或融資租賃。

此外，香港財務報告準則第16號亦要求較廣泛的披露。

誠如附註38所披露，於2017年12月31日，本集團擁有不可撤銷的經營租賃承擔人民幣5,323,000元。初步評估顯示，該等安排將符合租賃之定義。於應用香港財務報告準則第16號後，本集團將就所有該等租賃確認使用權資產及相應的負債，除非有關租賃符合低價值或短期租賃。

此外，應用新規定可能導致上文所述計量、呈列及披露發生變動。

除上述者外，本公司董事預期，應用已頒佈但尚未生效之其他新訂香港財務報告準則及其修訂本及詮釋將不會對本集團綜合財務報表造成重大影響。

For the year ended 31 December 2017 截至2017年12月31日止年度

### 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 and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis at the end of each reporting period, 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 of 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".

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;

### 3. 主要會計政策

綜合財務報表乃根據香港會計師公會頒佈的香港財務報告準則編製。此外，綜合財務報表載有聯交所證券上市規則及香港公司條例規定的適用披露事項。

綜合財務報表於各報告期末按歷史成本基準編製，下文載列的會計政策對此有所詮釋。

歷史成本一般按就換取貨品及服務所給予代價的公平值計量。

公平值為市場參與者於計量日期在有序交易中出售資產可能收取或轉讓負債可能支付之價格，不論該價格是否直接觀察可得或使用另一種估值方法估計。估計資產或負債之公平值時，本集團考慮了市場參與者在計量日期為該資產或負債進行定價時將會考慮的資產或負債特徵。在該等綜合財務報表中計量及／或披露的公平值均在此基礎上予以確定，惟香港財務報告準則第2號「以股份為基礎的支付」範圍內之以股份為基礎的支付交易、香港會計準則第17號「租賃」範圍內之租賃交易以及與公平值類似但並非公平值的計量（如香港會計準則第2號「存貨」中的可變現淨值或香港會計準則第36號「資產減值」中的使用價值）除外。

此外，就財務報告而言，公平值計量基於公平值計量輸入數據屬於可觀察所得的程度，及公平值計量輸入數據整體的重要程度，歸類為第1、2或3級別，概述如下：

- 第1級輸入數據為實體可取得的相同資產或負債在計量日期於活躍市場之報價（未經調整）；

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

- 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.

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.

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.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into 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)

- 第2級輸入數據為除計入第1級別的報價以外可就資產或負債直接或間接觀察所得之輸入數據；及
- 第3級輸入數據為不可就資產或負債觀察所得之輸入數據。

主要會計政策載列如下。

#### 綜合基準

綜合財務報表包括本公司及由本公司控制的實體及其附屬公司的財務報表。當本公司滿足以下要素即擁有控制權：

- 有權控制被投資方；
- 須承受或擁有自參與被投資方營運所得浮動回報的風險或權利；及
- 有能力運用其權力影響其回報。

倘有事實及情況顯示上述三項控制權要素有一項或以上出現變動，本集團會重新評估其是否對被投資方擁有控制權。

綜合附屬公司賬目於本集團取得對附屬公司控制權時開始，並於本集團失去對附屬公司控制權時終止。尤其是，於年內收購或出售附屬公司的收入及開支，會由本集團取得控制權之日期直至本集團失去附屬公司控制權之日期計入綜合損益及其他全面收益表。

附屬公司財務報表已作調整(如需要)，以確保其會計政策與本集團的會計政策一致。

有關本集團成員公司之間交易的所有集團內公司間資產及負債、權益、收入、開支及現金流量均於綜合賬目時悉數對銷。



For the year ended 31 December 2017 截至2017年12月31日止年度

### 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 values, 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 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

業務收購乃採用收購法入賬。於業務合併轉撥之代價按公平值計量，而計算方法為本集團所轉撥資產、本集團對被收購方原擁有人產生之負債及本集團就交換被收購方之控制權發行之股權於收購日期之公平值總和。與收購事項有關之成本一般於產生時在損益賬中確認。

於收購日期，已收購之可識別資產及已承擔負債按其公平值予以確認，惟下列各項除外：

- 遞延稅項資產或負債及與僱員福利安排有關之資產或負債分別根據香港會計準則第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的支付安排有關之負債或股本工具或以本集團以股份為基礎的支付安排替代被收購方以股份為基礎的支付安排乃於收購日期根據香港財務報告準則第2號計量（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」劃分為持作出售之資產（或出售組合）根據該項準則計量。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Investment in a joint venture

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

The results and assets and liabilities of joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. The financial statement of joint venture used for equity accounting purposes are prepared using uniform accounting policies as those of the Group like transaction and events in similar circumstances. Under the equity method, an investment in a joint venture 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 joint venture. Changes in net assets of the joint venture other than profits 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 a joint venture exceeds the Group's interest in that joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture), 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 joint venture.

### 3. 主要會計政策(續)

#### 於合營企業之投資

合營企業指一項共同安排，對安排擁有共同控制權之訂約方據此對合營安排資產淨值擁有權利。共同控制權是指按照合約約定對某項安排所共有之控制權，共同控制權僅在相關活動要求共同享有控制權之各方作出一致同意之決定時存在。

合營企業之業績及資產與負債按權益會計法於綜合財務報表入賬。權益會計法所用合營企業之財務報表按本集團於類似情況下就同類交易及事件採用之一致會計政策編製。根據權益法，於合營企業之投資初始按成本於綜合財務狀況表確認，其後作出調整以確認本集團分佔合營企業之損益及其他全面收益。合營企業資產淨值(損益及其他全面收益除外)之變動不會入賬，除非有關變動導致本集團持有之所有權權益發生改變。當本集團分佔合營企業之虧損超過本集團於該合營企業之權益(包括實質屬於本集團於合營企業之投資淨值之任何長期權益)時，本集團不再確認其分佔之進一步虧損。僅在本集團已招致法定或推定責任或代表該合營企業支付款項之情況下確認額外虧損。

For the year ended 31 December 2017 截至2017年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Investment in a joint venture (Continued)

An investment in a joint venture is accounted for using the equity method from the date on which the investee becomes a joint venture. On acquisition of the investment in a joint venture, 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 a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 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.

When a group entity transacts with a joint venture of the Group, profits and losses resulting from the transactions with the joint venture are recognised in the Group's consolidated financial statements only to the extent of investment in the joint venture that are not related to the Group.

### 3. 主要會計政策 (續)

#### 於合營企業之投資 (續)

於被投資方成為一間合營企業當日，於合營企業之投資採用權益法入賬。於收購於合營企業之投資時，投資成本超過本集團所佔該被投資方可識別資產及負債公平淨值之任何部分乃確認為商譽，並計入投資之賬面值。倘本集團所佔可識別資產及負債於重新評估後之公平淨值高於投資成本，則於收購投資期間即時在損益內確認。

香港會計準則第39號之規定適用於釐定是否需要就本集團於合營企業之投資確認任何減值虧損。如有需要，有關投資(包括商譽)之全部賬面值根據香港會計準則第36號作為單一資產，透過比較可收回金額(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構成投資賬面值之一部分。根據香港會計準則第36號，有關減值虧損之任何撥回於該項投資可收回金額其後增加時確認。

當集團實體與本集團合營企業交易時，與合營企業之交易所產生盈利及虧損於本集團綜合財務報表內確認，惟以與本集團無關聯的合營企業投資為限。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold and services provided in the normal course of business and net of discounts and sales related taxes.

Revenue is recognised when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the Group and when specified criteria have been met for each of the Group's activities, as described below.

The Group's accounting policy for the recognition of revenue from construction services is described in the accounting policy for construction contracts below.

#### Sales of scrapped goods

Revenue from sales of goods is recognised when the goods are delivered and titles have passed.

#### Interest income

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.

#### Rental income

The Group's accounting policy for recognition of revenue from operating leases is described in the accounting policy for leasing below.

### 3. 主要會計政策 (續)

#### 收益確認

收益乃按已收或應收代價的公平值計算，指日常業務過程中所銷售貨品及所提供服務的應收款項，並扣除折扣及銷售相關稅項。

當收益金額能可靠計量、未來經濟利益可能流入本集團及當已達成下文所述本集團各項活動的特定標準時，則確認收益。

本集團確認建築服務所得收益的會計政策乃於下文有關建築合同的會計政策載述。

#### 銷售報廢貨品

銷售貨品的收益於貨品交付及擁有權轉移時確認。

#### 利息收入

金融資產的利息收入於經濟利益將流入本集團時及其金額能可靠計量時確認。利息收入以時間基準，參考未清償本金額及適用實際利率累計。適用實際利率指於金融資產預計年期將估計未來現金收入準確折現至該資產於初步確認時的賬面淨值的利率。

#### 租金收入

本集團確認經營租賃收益的會計政策於下文租賃之會計政策載述。

For the year ended 31 December 2017 截至2017年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Property, plant and equipment

Property, plant and equipment including buildings held for use in the production or supply of goods or services, or for administrative purpose (other than construction in progress as described below) are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of items of property, plant and equipment other than construction in progress less their residual values over their estimated useful lives, using the straight line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Construction in progress including property, plant and equipment in the course of construction for production, administrative purposes are carried at cost, less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

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、廠房及設備包括持作生產或供應貨品或提供服務或作行政用途的樓宇(下文所述的在建工程除外)，乃於綜合財務狀況表內按成本減後續累計折舊及後續的累計減值虧損(如有)列賬。

物業、廠房及設備項目(在建工程除外)按其估計可使用年期，經扣除其剩餘價值後以直線法確認折舊以撇銷成本。估計可使用年期、剩餘價值及折舊法於各報告期末作檢討，並按前瞻性基準將任何估算變動的影響列賬。

在建工程包括作生產或行政用途的興建中物業、廠房及設備，乃按成本減任何已確認減值虧損列賬。成本包括專業費及根據本集團會計政策資本化的貸款成本(就合資格資產而言)。該等物業於竣工及可作擬定用途時被歸類至物業、廠房及設備的適當類別。當該等資產可作擬定用途時，開始進行折舊，其基準與其他物業資產相同。

物業、廠房及設備項目於出售時或預期日後將不會自持續使用資產獲得經濟利益時取消確認。出售或棄置物業、廠房及設備項目產生的任何收益或虧損按出售所得款項與有關資產賬面值的差額計算，並於損益中確認。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Leasing

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

#### *The Group as lessor*

Rental income from operating leases is recognised in profit or loss on a straight line basis over the terms 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 lease terms of the relevant lease. In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight line basis.

#### *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 as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire 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.

### 3. 主要會計政策(續)

#### 租賃

當租賃條款已將所有權的絕大部分風險及回報轉讓予承租人時，租賃分類為融資租賃。其他所有租賃分類為經營租賃。

#### *本集團作為出租人*

經營租賃的租金收入於相關租期內按直線基準於損益內確認。

#### *本集團作為承租人*

經營租賃付款(包括收購根據經營租賃持有土地的成本)於有關租賃租期以直線法確認為開支。倘訂立經營租約時獲得租賃優惠，則有關優惠會確認為負債。優惠總利益以直線法確認為扣減租金開支。

#### *租賃土地及樓宇*

當本集團支付物業權益(包括租賃土地及樓宇部分)款項時，本集團根據對附於各部分所有權的絕大部分風險及回報是否已轉移至本集團的評估，分別將各部分的分類評定為融資或經營租賃，除非土地及樓宇部分均明確為經營租賃，於此情況下整項物業列為經營租賃。具體而言，全部代價(包括任何一次性預付款項)於初步確認時按土地部分及樓宇部分中的租賃權益相對公平比例於租賃土地與樓宇部分間分配。



For the year ended 31 December 2017 截至2017年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Leasing (Continued)

##### Leasehold land and building (Continued)

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 “prepaid land lease payments” in the consolidated statement of financial position and is amortised over the lease terms on a straight line basis. When the lease payments cannot be allocated reliably between the leasehold land and building elements, the entire property is generally classified as if the leasehold land is under finance lease.

#### Impairment of tangible assets

At the end of reporting period, the Group reviews the carrying amounts of its tangible assets 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 asset individually, 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the tangible asset 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 in prior years. A reversal of an impairment loss is recognised as income immediately in profit or loss.

### 3. 主要會計政策(續)

#### 租賃(續)

##### 租賃土地及樓宇(續)

倘相關款項能可靠分配，則以經營租賃列賬的租賃土地權益於綜合財務狀況表中列為「預付土地租賃款項」，且於租期內按直線法攤銷。倘租賃款項不能於租賃土地及樓宇部分之間可靠分配，則整項物業一般會分類為融資租賃項下之租賃土地。

#### 有形資產減值

於各報告期末，本集團審閱其有形資產賬面值，以釐定該等資產是否出現任何減值虧損跡象。倘出現有關跡象，則估計資產的可收回金額，以釐定減值虧損的程度(如有)。

倘無法個別估計資產之可收回金額，則本集團會估計該資產所屬現金產生單位之可收回金額。倘可識別合理及一致之分配基準，則企業資產亦會分配至個別現金產生單位，或分配至可識別合理及一致分配基準之最小組別現金產生單位。

可收回款項乃公平值減出售成本及使用價值較高者。於評估使用價值時，估計未來現金流量乃採用稅前折現率折現為彼等現值，反映對貨幣時間價值的當前市場評估及該資產特定的風險(未針對該風險調整估計未來現金流量)。

倘估計資產的可收回金額低於其賬面值，則會將資產賬面值減少至可收回金額。減值虧損會即時於損益確認。

倘減值虧損於其後撥回，則該有形資產的賬面值會增加至其經修訂估計可收回金額，惟經調高的賬面值不得超逾倘該資產於過往年度並無確認減值虧損而釐定的賬面值。減值虧損撥回會即時於損益確認為收入。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Research expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

#### Construction contracts

When the outcome of a construction contract can be estimated reliably, revenue and costs are recognised using the percentage of completion method, measured by reference to the value of work performed to date. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Where contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is shown as amounts due from customers for contract work. For contracts where progress billings exceed contract costs incurred for work performed to date plus recognised profits less recognised losses, the surplus is shown as amounts due to customers for contract work. Amounts received before the related work is performed are included in the consolidated statement of financial position, as a liability, as advances received. Amounts billed for work performed but not yet paid by the customer are included in the consolidated statement of financial position under trade receivables.

### 3. 主要會計政策(續)

#### 研究開支

研究活動開支於其產生期間確認為開支。

#### 建築合同

倘建築合同的結果能夠可靠估計，則收益及成本按完工百分比方法(即參照至今施工價值計量)予以確認。合同工程、索償及獎金付款的變更乃僅當相關金額能夠可靠地計量並認為有可能收回時予以列賬。

倘建築合同的結果無法可靠估計，則合同收益僅會以可能收回的所產生合同成本為限予以確認。合同成本於其產生期間確認為開支。

當總合同成本將有可能高於總合同收益時，預期虧損會即時確認為開支。

倘迄今所產生的合同成本加已確認盈利減已確認虧損超逾進度款，則該盈餘會列作應收客戶合同工程款項。就合同而言，倘進度款超逾迄今施工所產生的合同成本加已確認盈利減已確認虧損，則該盈餘會列作應付客戶合同工程款項。於進行有關工程前已收取的款項作為一項負債(作為預收款)計入綜合財務狀況表。客戶尚未支付的已完工工程的應付款項計入綜合財務狀況表中的應收貿易款項。

For the year ended 31 December 2017 截至2017年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments

Financial assets and financial liabilities are recognised on the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the instruments.

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 are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

#### Financial assets

The Group's financial assets are classified into the following specified categories: available-for-sale ("AFS") financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

#### 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.

Interest income is recognised on an effective interest basis for debt instruments.

### 3. 主要會計政策 (續)

#### 金融工具

金融資產及金融負債乃於集團實體成為工具合同條文的訂約方之一時，在綜合財務狀況表中確認。

金融資產及金融負債乃初步按公平值計量。收購或發行金融資產及金融負債直接應佔的交易成本，於初步確認時加入金融資產或金融負債的公平值或自其中扣減(如適用)。

#### 金融資產

本集團的金融資產分為以下指定類別：可供出售(「可供出售」)金融資產以及貸款及應收款項。分類乃視乎金融資產的性質及用途，於初步確認時釐定。

#### 實際利率法

實際利率法乃計算金融資產的攤銷成本以及於有關期間分配利息收入的方法。實際利率是指將估計未來現金收入(包括構成實際利率整體之一部分的所有已付或已收費用、交易成本及其他溢價或折讓)於金融資產預計年期或(倘適用)更短期間準確折現至初步確認時的賬面淨值的利率。

就債務工具而言，利息收入按實際利率基準確認。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### Available-for-sale financial assets

Available-for-sale (“AFS”) financial assets are non-derivatives that are either designated as available-for-sale or are not classified as financial assets at FVTPL, loans and receivables or held-to-maturity investments.

Equity securities held by the Group that are classified as AFS and are traded in an active market are measured at fair value at the end of each reporting period except for unquoted equity investments whose fair value cannot be reliably measured. Dividends on AFS equity investments are recognised in profit or loss when the Group’s right to receive the dividends is established. Other changes in the carrying amount of AFS financial assets are recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. When the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss.

AFS equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost less any identified impairment losses at the end of each reporting period.

##### 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 receivables, other receivables, and bank balances and cash) are measured at amortised cost using the effective interest method, less any impairment (see accounting policy on impairment loss on financial assets below).

Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融資產 (續)

##### 可供出售金融資產

可供出售(「可供出售」)金融資產為指定為可供出售或不可分類為透過損益按公平值列賬之金融資產、貸款及應收款項或持至到期投資之非衍生工具。

本集團持有分類為可供出售並於活躍市場交易之股本證券於各報告期末按公平值計量，惟公平值無法可靠計量之未報價股本投資除外。可供出售股本投資之股息於本集團收取股息之權利獲確立時於損益內確認。可供出售金融資產賬面值之其他變動於其他全面收益內確認並於投資重估儲備項下累計。倘投資被出售或釐定為出現減值，先前於投資重估儲備中累計之累計收益或虧損將重新分類至損益。

並無於活躍市場報價及公平值無法可靠計量之可供出售股本投資，於各報告期末按成本減任何已識別減值虧損計量。

##### 貸款及應收款項

貸款及應收款項為並未於活躍市場內報價而附帶固定或可釐定付款的非衍生金融資產。於首次確認後，貸款及應收款項(包括應收貿易款項、其他應收款項及銀行結餘及現金)採用實際利率法按攤銷成本減任何減值計量(見下文有關金融資產減值虧損的會計政策)。

利息收入使用實際利率確認，惟確認利息影響不大的短期應收款項除外。

For the year ended 31 December 2017 截至2017年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets 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 assets, the estimated future cash flows of the financial assets have been affected.

For AFS equity investments, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty;
- 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.

For certain categories of financial assets, 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, observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised costs, 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.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融資產 (續)

##### 金融資產減值

金融資產乃於各報告期末評估減值跡象。當有客觀證據顯示金融資產之估計未來現金流量因於首次確認金融資產後發生的一項或多項事件而受到影響，則該等金融資產被視為已減值。

就可供出售股本投資而言，倘證券的公平值大幅或持續跌至低於其成本，則視為減值的客觀證據。

就所有其他金融資產而言，減值的客觀證據包括：

- 發行人或交易對手出現重大財政困難；
- 違約，如逾期或拖欠利息或本金付款；或
- 借款人有可能面臨破產或財務重組。

就應收貿易款項等若干類別金融資產而言，個別評估為並無減值的資產其後按集體基準評估減值。應收款項組合的客觀減值證據可包括本集團過往收款的經驗、國家或本地經濟狀況出現明顯變動導致應收款項未能償還。

就以攤銷成本列賬的金融資產而言，減值虧損金額按資產賬面值與按金融資產的原實際利率對估計未來現金流量進行折現後的現值兩者之間的差額確認。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### Impairment of financial assets (Continued)

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When 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.

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income and reclassified to profit or loss in the period.

For financial assets measured at amortised cost, 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.

In respect of AFS equity investments, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of AFS debt investments, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

### 3. 主要會計政策(續)

#### 金融工具(續)

##### 金融資產(續)

##### 金融資產減值(續)

就按成本列賬的金融資產而言，減值虧損金額乃按資產賬面值與類似金融資產按現行市場回報率折現的估計未來現金流量現值間的差額計量。是項減值虧損將不會於其後期間撥回。

就所有金融資產而言，金融資產的賬面值直接按減值虧損扣減，惟應收貿易款項除外，其賬面值乃透過使用撥備賬目而扣減。撥備賬目的賬面值變動於損益確認。倘應收貿易款項被認為無法收回，則於撥備賬目內撇銷。過往已撇銷的款項於其後收回，則計入損益中。

倘可供出售金融資產被視為減值，先前於其他全面收益內確認之累計收益或虧損於期內重新分類至損益。

就按攤銷成本計量的金融資產而言，倘於其後期間減值虧損的數額減少，而是項減少可能與確認減值虧損後的某一事件有客觀聯繫，則先前確認的減值虧損於損益中予以撥回，惟於撥回減值當日資產的賬面值不得超過未確認減值時的攤銷成本。

就可供出售股本投資而言，先前已於損益確認之減值虧損不會透過損益撥回。於減值虧損後之公平值任何增加於其他全面收益中確認及於投資重估儲備累計。就可供出售債務投資而言，倘投資公平值之增加能在客觀上與確認減值虧損後發生之事件有關，則減值虧損其後透過損益撥回。



For the year ended 31 December 2017 截至2017年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Financial liabilities and equity instruments

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

##### 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 premium 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.

##### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

##### Financial liabilities

Financial liabilities including trade payables, other payables, amount due to a director and short-term borrowings are subsequently measured at amortised cost, using the effective interest method.

##### Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer (i.e. the guarantor) to make specified payments to reimburse the holder (i.e. the beneficiary of the guarantee) for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

### 3. 主要會計政策(續)

#### 金融工具(續)

##### 金融負債及權益工具

由集團實體發行的債務及權益工具乃根據合同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。

##### 實際利率法

實際利率法乃計算金融負債的攤銷成本以及於有關期間分配利息開支的方法。實際利率是指將估計未來現金付款(包括構成實際利率整體之一部分的所有已付或已收費用、交易成本及其他溢價或折讓)於金融負債估計年期或(倘適用)更短期間準確折現至初步確認時的賬面淨值的利率。

利息開支按實際利率基準確認。

##### 權益工具

權益工具為證明實體資產具有剩餘權益(經扣除其所有負債)的任何合同。由本公司發行的權益工具乃按所收取的所得款項(扣除直接發行成本)確認。

##### 金融負債

金融負債(包括應付貿易款項、其他應付款項、應付一名董事款項及短期貸款)其後使用實際利率法按攤銷成本計量。

##### 財務擔保合同

財務擔保合同乃規定發行人(即擔保人)在某債務人未能按照某債務工具之條款在到期時付款而出現虧損時向持有人(即擔保之受益人)作出具體償付之合約。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Financial liabilities and equity instruments (Continued)

##### Financial guarantee contracts (Continued)

Financial guarantee contracts issued by the Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- (i) the amount of obligation under the contract, as determined in accordance with HKAS 37 "Provisions, Contingent Liabilities and Contingent Assets"; and
- (ii) the amount initially recognised less, where appropriate, cumulative amortisation recognised over the guarantee period.

##### 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 expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

##### 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 recognised 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.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融負債及權益工具 (續)

##### 財務擔保合同 (續)

本集團發行之財務擔保合同初步按公平值計量，倘非指定為按公平值計入損益，其後以下列各項之較高者計量：

- (i) 根據香港會計準則第37號「撥備、或然負債及或然資產」釐定合約項下責任之金額；及
- (ii) 初次確認之金額減去於擔保期間確認之累計攤銷(如適用)的金額。

##### 終止確認

僅當收取資產現金流量的合同權利屆滿時，或將其金融資產及資產所有權的絕大部分風險及回報轉移予另一實體時，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，資產賬面值與已收及應收代價總和之間的差額乃於損益內確認。

當且僅當本集團責任獲解除、註銷或屆滿時，本集團終止確認金融負債。所終止確認的金融負債的賬面值與已付及應付代價的差額乃於損益內確認。

##### 外幣

於編製各個別集團實體的財務報表時，以該實體功能貨幣以外的貨幣(外幣)進行的交易均按交易當日的當時匯率確認。於報告期末，以外幣計值的貨幣項目按該日的當時適用匯率重新換算。按歷史成本以外幣計值的非貨幣項目不予重新換算。

For the year ended 31 December 2017 截至2017年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Foreign currencies (Continued)

Exchange differences arising on settlement of monetary items and on the retranslation of monetary items are recognised in profit or loss in the period in which they arise.

#### 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.

#### 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 tax" as reported in the consolidated statement of profit or loss and other comprehensive income because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amount 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 differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

### 3. 主要會計政策 (續)

#### 外幣 (續)

結算貨幣項目及重新換算貨幣項目產生的匯兌差額均於彼等產生期間在損益內確認。

#### 貸款成本

收購、建設或生產合資格資產(指需要用上大量時間準備就緒以供擬定用途或銷售之資產)直接應佔之貸款成本乃計入該等資產之成本，直至該等資產大部分已準備就緒以供擬定用途或銷售為止。

所有其他貸款成本在其產生的時期內於損益中確認。

#### 稅項

所得稅開支為現時應付稅項及遞延稅項的總和。

現時應付稅項乃根據年內應課稅盈利計算。應課稅盈利與綜合損益及其他全面收益表呈報的「除稅前盈利」有別，乃由於其他年度應課稅或可扣稅的收入或開支及從未課稅或扣稅項目。本集團的即期稅項負債乃使用於報告期末已頒佈或實質上已頒佈的稅率計算。

遞延稅項乃按綜合財務報表資產及負債的賬面值與計算應課稅盈利採用的相應稅基之間的暫時性差額確認。遞延稅項負債一般就全部應課稅暫時性差額確認。當可能出現應課稅盈利以供抵銷可扣稅暫時性差額時，則遞延稅項資產一般就全部可扣稅暫時性差額確認。倘由首次確認某項交易的資產及負債產生的暫時性差額並不影響應課稅盈利及會計盈利，則不會確認該等遞延稅項資產及負債。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Taxation (Continued)

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and interest in a joint venture, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interest 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.

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 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.

#### Retirement benefit costs

Payments to Mandatory Provident Fund Scheme and state-managed retirement scheme are recognised as an expense when employees have rendered service entitling them to the contributions.

### 3. 主要會計政策(續)

#### 稅項(續)

投資附屬公司及於一間合營企業之權益所產生的應課稅暫時性差額須確認遞延稅項負債，惟倘本集團可控制撥回暫時性差額及暫時性差額可能不會在可見將來撥回者則除外。因該等有關投資及利息所產生的可扣減暫時性差額而形成的遞延稅項資產，將有足夠的應課稅盈利可能出現，並利用該暫時性差額的利益及預期在可見將來可被撤回時方可確認。

遞延稅項資產的賬面值會於報告期末作檢討，並扣減至應課稅盈利不可能足以收回全部或部分資產為止。

遞延稅項資產及負債乃按預期於負債獲償還或資產獲變現期間適用的稅率(以報告期末已生效或實質上已生效的稅率(及稅法)為準)計算。

遞延稅項負債及資產的計量反映本集團預期於報告期末收回或償還其資產及負債賬面值的方式的稅務結果。

即期及遞延稅項於損益內確認，惟關於在其他全面收益內或直接在權益中確認的項目有關者除外，在此情況下即期及遞延稅項亦於其他全面收益內或直接在權益中分別確認。

#### 退休福利成本

強制性公積金計劃及國家管理的退休計劃供款乃於僱員因提供服務而享有供款時確認為開支。

For the year ended 31 December 2017 截至2017年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Short-term and other long-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employee 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.

Liability recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date. Any changes in the liabilities' carrying amounts resulting from service cost, interest and remeasurements are recognised in profit or loss except to the extent that another HKFRS requires or permits their inclusion in the cost of an asset.

#### Equity-settled share-based payment transactions

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.

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

### 3. 主要會計政策 (續)

#### 短期及其他長期僱員福利

短期僱員福利乃按僱員提供服務時預期將予支付之未貼現福利金額確認。除非另一香港財務報告準則要求或准許將該福利計入資產成本，否則所有短期僱員福利均確認為開支。

僱員之應計福利(例如工資及薪金、年假及病假)乃於扣減任何已付金額後確認負債。

其他長期僱員福利確認之負債按本集團就僱員直至報告日期所提供服務將作出的估計未來現金流出之現值計量。負債賬面值因服務成本、利息及重新計量產生之任何變動於損益確認，惟另一香港財務報告準則要求或准許將其計入資產成本除外。

#### 以股權結算以股份為基礎的支付之交易

向僱員或提供類似服務的其他人士作出之以股權結算以股份為基礎的支付乃以股權工具於授出日期的公平值計量。

就於授出日期即時歸屬之購股權而言，所授出購股權之公平值即時於損益支銷。

購股權獲行使時，過往於購股權儲備確認之金額將轉撥至股份溢價。倘購股權於歸屬日期後遭沒收或於屆滿日期仍未行使，過往於購股權儲備確認之金額將轉撥至保留盈利。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end 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.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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

### 3. 主要會計政策(續)

#### 撥備

倘本集團現時因過往事件產生法定或推定責任，而本集團可能須抵償該責任，且責任金額能夠可靠估計時確認撥備。

確認為撥備之金額乃經考慮責任所附帶之風險及不確定因素後，根據報告期末為抵償該當前責任而須承擔之代價之最佳估計確認。倘撥備使用抵償該當前責任之估計現金流量計量，其賬面值為該等現金流量之現值。

倘用以償還撥備之部分或全部經濟溢利預期將由第三方收回，則當實質上確認將收到償款且應收金額能可靠計量時，應收款項方確認為資產。

### 4. 估計不確定性的主要來源

本公司董事在應用本集團的會計政策(載述於附註3)時，董事需要就不可從表面上即時自其他來源得出的資產及負債賬面值作出估計及假設。估計及相關假設乃按過往經驗及被視為相關的其他因素得出。實際結果可能有別於該等估計。

估計及相關假設乃按持續基準檢討。倘會計估計的修訂僅影響修訂期間，則會於修訂有關估計期間確認該修訂，或倘修訂影響當前及未來期間，則會於修訂期間及未來期間確認。

以下為有關未來的主要假設以及於報告期末的估計不明朗因素的其他主要來源，此等假設及不明朗因素具有導致下一財政年度內的資產及負債賬面值出現重大調整的重大風險。



For the year ended 31 December 2017 截至2017年12月31日止年度

#### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

##### Construction contracts

The Group recognises the amount of attributable profit or foreseeable losses from construction contracts based on the latest available budgets of those construction contracts with reference to the overall performance of each construction contract which requires management's best estimates and judgements. Construction revenue is estimated in accordance with the terms set out in the relevant contracts. Construction costs which mainly comprise installation costs and costs of materials are estimated by the management on the basis of quotations from time to time provided by the major contractors/suppliers/vendors involved and the experience of the management. Because of the nature of the construction industry, the management regularly reviews the progress of the contracts and the estimated construction revenue and construction costs. Any change in the estimates of construction revenue or construction cost will affect the amount of foreseeable losses, or attributable profits recognised in the profit or loss prospectively in each reporting period using the percentage of completion method.

##### Estimated impairment of trade receivables

When there is objective evidence of impairment loss, the Group takes into consideration the estimation of future cash flows. The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition, where applicable). Where the actual future cash flows are less than expected, or being revised downward due to changes in facts and circumstances, a material impairment loss may arise. As at 31 December 2017, the carrying amount of trade receivables is RMB1,705,437,000 (2016: RMB1,412,262,000) (net of allowance for doubtful debts of RMB14,978,000 (2016: nil)) as disclosed in note 21.

#### 4. 估計不確定性的主要來源 (續)

##### 建築合同

本集團根據建築合同的最新可得預算並參考各建築合同的整體表現確認源自該等建築合同的應佔盈利或可預見虧損金額，該過程須管理層進行最佳估計及判斷。建築收益乃根據相關合同所列條款估計。建築成本主要包括安裝成本及材料成本，乃由管理層按參與工程的主要承包商／供應商／賣方不時提供的報價及管理層的經驗而估計。由於建築行業的性質使然，管理層需定期檢討合同進度以及估計建築收益及建築成本。估計建築收益或建築成本的任何變動均將影響預期於各報告期間採用完工百分比方法於損益中確認的可預見虧損或應佔盈利金額。

##### 應收貿易款項的估計減值

倘有客觀證據顯示出現減值虧損，本集團會考慮估計未來現金流量。減值虧損金額為資產賬面值與按金融資產的原實際利率(即初步確認時估算的實際利率，倘適用)折現的估計日後現金流量(不包括尚未產生的日後信貸虧損)現值的差額。倘實際未來現金流量較預期為少或因事實及情況發生改變而作出下調，則可能產生重大減值虧損。誠如附註21所披露，於2017年12月31日，應收貿易款項的賬面值為人民幣1,705,437,000元(2016年：人民幣1,412,262,000元)(扣除呆賬撥備人民幣14,978,000元(2016年：無))。

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### 5. REVENUE

Revenue represents the revenue arising on construction contracts.

### 6. SEGMENT INFORMATION

The Group's operating activities are attributable to the operating segments focusing on the construction of steel structure and prefabricated construction projects. These operating segments have been identified on the basis of internal management reports that are regularly reviewed by the executive directors of the Company who are the chief operating decision makers of the Group (the "CODM"). The executive directors review revenue and gross margin analysis by each construction contract for the purpose of resource allocation and performance assessment.

For segment reporting under HKFRS 8 "Operating Segments", the revenue and gross margin of each construction contract with similar economic characteristics has been aggregated into a single reportable and operating segment. The accounting policies of the operating segments are the same as the Group's accounting policies described in note 3. The segment revenue and segment result (i.e. gross margin) reviewed by the CODM is the same as the Group's revenue and gross profit.

Amounts of segment assets and liabilities of the Group have not been reviewed by the CODM.

### 5. 收益

收益指自建業合同產生的收益。

### 6. 分部資料

本集團的經營活動歸屬於經營分部，該等分部專注於鋼結構及預製構件建築項目的建築施工。該等經營分部乃按內部管理報告基準確定，而內部管理報告由本公司執行董事（彼等為本集團主要經營決策者（「主要經營決策者」））定期檢討。執行董事審閱各建築合同的收益及毛利率分析，以進行資源分配及表現評估。

就香港財務報告準則第8號「經營分部」下的分部報告而言，各份具類似經濟特點建築合同的收益及毛利率已合併為單一可呈報及經營分部。經營分部的會計政策與附註3所述本集團的會計政策相同。經主要經營決策者審閱的分部收益及分部業績（即毛利率）與本集團的收益及毛利相同。

本集團的分部資產及負債金額未經主要經營決策者審閱。

For the year ended 31 December 2017 截至2017年12月31日止年度

## 6. SEGMENT INFORMATION

(Continued)

### Entity-wide information

An analysis of the Group's revenue by major types of construction contracts is as follows:

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Construction of	建設		
— Steel structure projects	— 鋼結構項目	848,253	1,090,263
— Prefabricated construction projects	— 預製構件建築項目	563,492	560,497
		<b>1,411,745</b>	<b>1,650,760</b>

### Geographical information

No geographical segment information is presented as all the Group's revenue is derived from operations in the PRC and over 99% of the Group's non-current assets are located in the PRC.

### Information about major customers

Revenues from customers of the corresponding years contributing over 10% of the total revenue of the Group are as follows:

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Customer A <sup>2</sup>	客戶A <sup>2</sup>	296,828	*
Customer B <sup>1</sup>	客戶B <sup>1</sup>	*	316,156

1 Revenue from construction of steel structure projects.

2 Revenue from construction of prefabricated construction projects.

\* The corresponding revenue did not contribute over 10% of the total revenue of the Group for the year.

## 6. 分部資料(續)

### 實體範圍資料

本集團按建築合同主要類別劃分的收益分析如下：

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Construction of	建設		
— Steel structure projects	— 鋼結構項目	848,253	1,090,263
— Prefabricated construction projects	— 預製構件建築項目	563,492	560,497
		<b>1,411,745</b>	<b>1,650,760</b>

### 地區資料

由於本集團的收益全部源自中國的營運，而本集團逾99%的非流動資產亦全部位於中國，故並無呈列地區分部資料。

### 有關主要客戶的資料

於有關年度，所貢獻的收益佔本集團總收益逾10%的客戶如下：

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Customer A <sup>2</sup>	客戶A <sup>2</sup>	296,828	*
Customer B <sup>1</sup>	客戶B <sup>1</sup>	*	316,156

1 來自建設鋼結構項目的收益。

2 來自建設預製構件建築項目的收益。

\* 相關收益並無佔年內本集團總收益逾10%。

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**7. OTHER INCOME**

**7. 其他收入**

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Sales of scrapped materials	廢料銷售	4,668	4,532
Interest income on bank deposits	銀行存款利息收入	3,163	3,013
Rental income	租金收入	2,154	2,144
Loan interest income	貸款利息收入	—	48
		<b>9,985</b>	<b>9,737</b>

**8. OTHER GAINS AND LOSSES, NET**

**8. 其他收益及虧損淨額**

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Impairment loss recognised on trade receivables (note 21)	就應收貿易款項確認的減值虧損(附註21)	14,978	—
Exchange (gains) losses, net	匯兌(收益)虧損淨額	(7,579)	6,608
		<b>7,399</b>	<b>6,608</b>

**9. FINANCE COSTS**

**9. 財務成本**

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Interests on short-term borrowings	短期貸款的利息	5,782	6,554
Interests on corporate bonds	公司債券利息	1,574	—
		<b>7,356</b>	<b>6,554</b>

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10. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

The emoluments paid or payable to each of the directors, which include the Chief Executive, were as follows:

10. 董事及主要行政人員薪酬

已付或應付予各董事(包括主要行政人員)的薪酬如下:

		Fees	Salaries and other benefits	Retirement benefit scheme contributions	Total
		袍金	薪金及其他福利	退休福利計劃供款	總計
		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
<b>For the year ended 31 December 2017:</b>	<b>截至2017年12月31日止年度:</b>				
Executive directors:	執行董事:				
Mr. Jiang Jianqiang	蔣建強先生	—	1,532	14	1,546
Mr. Shao Xiaoqiang	邵小強先生	—	872	14	886
Mr. Xu Fanghua	徐芳華先生	—	208	—	208
Sub-total	小計	—	2,612	28	2,640
Independent non-executive directors:	獨立非執行董事:				
Mr. Xu Jiaming	徐家明先生	104	—	—	104
Mr. Chen Tiegang (note iii)	陳鐵鋼先生(附註iii)	43	—	—	43
Mr. Luk Chi Shing (note i)	陸志成先生(附註i)	208	—	—	208
Mr. Eddie Hurip (note ii)	丘鉅涼先生(附註ii)	61	—	—	61
Sub-total	小計	416	—	—	416
Total	總計				3,056

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**10. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS**

(Continued)

**10. 董事及主要行政人員薪酬(續)**

		Fees	Salaries and other benefits	Retirement benefit scheme contributions	Total
		袍金	薪金及其他福利	退休福利計劃供款	總計
		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
<b>For the year ended 31 December 2016:</b>	<b>截至2016年12月31日止年度：</b>				
Executive directors:	執行董事：				
Mr. Jiang Jianqiang	蔣建強先生	—	1,405	12	1,417
Mr. Shao Xiaoqiang	邵小強先生	—	805	12	817
Mr. Xu Fanghua	徐芳華先生(附註i)	—	205	—	205
Sub-total	小計	—	2,415	24	2,439
Independent non-executive directors:	獨立非執行董事：				
Mr. Xu Jiaming	徐家明先生	103	—	—	103
Mr. Chen Tiegang (note iii)	陳鐵鋼先生(附註iii)	103	—	—	103
Mr. Ma Chun Fung Horace (note iv)	馬振峰先生(附註iv)	195	—	—	195
Sub-total	小計	401	—	—	401
Total	總計				2,840

Notes:

- (i) Mr. Luk Chi Shing was appointed as an independent non-executive director on 3 January 2017.
- (ii) Mr. Eddie Hurip was appointed as an independent non-executive director on 31 May 2017.
- (iii) Mr. Chen Tiegang has resigned as an independent non-executive director effective from 26 May 2017.
- (iv) Mr. Ma Chun Fung Horace has resigned as an independent non-executive director effective from 13 December 2016.

附註：

- (i) 陸志成先生於2017年1月3日獲委任為獨立非執行董事。
- (ii) 丘鉅淙先生於2017年5月31日獲委任為獨立非執行董事。
- (iii) 陳鐵鋼先生已於2017年5月26日辭任獨立非執行董事。
- (iv) 馬振峰先生已於2016年12月13日辭任獨立非執行董事。

The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group.

上文所示執行董事的薪酬就彼等與管理本公司及本集團事務有關的服務而支付。

The independent non-executive directors' emoluments shown above were for their services as directors of the Company.

上文所示獨立非執行董事的薪酬就彼等作為本公司董事的服務而支付。



For the year ended 31 December 2017 截至2017年12月31日止年度

## 10. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

(Continued)

Mr. Shao Xiaoqiang is also the Chief Executive of the Company and his emoluments disclosed above include those for services rendered by him as the Chief Executive.

None of the directors waived any emoluments for both years. No emolument was paid by the Group to any of the directors as an inducement to join or upon joining the Group or as compensation for loss of office.

## 11. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees of the Group during the year include two directors (2016: two directors), details of whose emoluments are set out in note 10 above. Details of the emoluments for the year of the remaining three (2016: three) highest paid employees who are neither a director nor chief executive of the Company were as follows:

## 10. 董事及主要行政人員薪酬(續)

邵小強先生亦為本公司主要行政人員，上文所披露酬金包括其作為主要行政人員提供服務所獲酬金。

於兩個年度，概無董事放棄任何薪酬。本集團並無向任何董事支付任何酬金以作為彼等加入本集團或於加入本集團時的獎勵或作為離職補償。

## 11. 五名最高薪僱員

年內，本集團五名最高薪僱員包括兩名董事(2016年：兩名董事)，彼等的薪酬詳情載於上文附註10。年內餘下三名(2016年：三名)非本公司董事亦非主要行政人員的最高薪僱員的薪酬詳情載列如下：

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Salaries and other benefits	薪金及其他福利	1,676	1,177
Retirement benefit scheme contributions	退休福利計劃供款	17	31
		<b>1,693</b>	<b>1,208</b>

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### 11. FIVE HIGHEST PAID EMPLOYEES

(Continued)

The number of the highest paid employees who are not the directors of the Company whose emoluments fell within the following bands is as follows:

		Number of individuals 人數	
		2017 2017年	2016 2016年
Nil to HK\$1,000,000	零至1,000,000港元	<b>3</b>	<b>3</b>

No emolument was paid by the Group to any of the remaining highest paid individuals in the Group as an inducement to join or upon joining the Group or as compensation for loss of office for both years.

### 11. 五名最高薪僱員(續)

薪酬在以下範疇的非本公司董事的最高薪僱員的人數如下：

於兩個年度，本集團概無向本集團餘下任何最高薪人士支付任何薪酬，以作為吸引彼等加入或於加入本集團時的獎勵或離職補償。

### 12. INCOME TAX EXPENSE

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Current tax: PRC Enterprise Income Tax	即期稅項： 中國企業所得稅	<b>87,021</b>	<b>103,408</b>

Provision for the PRC Enterprise Income Tax was made based on the estimated taxable profits calculated in accordance with the relevant income tax laws and regulations applicable to the Company's PRC subsidiaries.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulations of the EIT Law, the tax rate of the Company's PRC subsidiaries is 25%.

### 12. 所得稅開支

中國企業所得稅撥備乃按根據本公司的中國附屬公司適用的有關所得稅法律及法規計算的估計應課稅盈利作出。

根據《中華人民共和國企業所得稅法》(「企業所得稅法」)及企業所得稅法實施條例，本公司中國附屬公司的稅率為25%。

For the year ended 31 December 2017 截至2017年12月31日止年度

## 12. INCOME TAX EXPENSE (Continued)

No provision for Hong Kong Profits Tax has been made as the Group had no assessable profits arising in Hong Kong for both years.

The income tax expense for the year can be reconciled to the profit before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

## 12. 所得稅開支(續)

由於本集團於兩個年度並無在香港產生任何應課稅盈利，故此並未計提香港利得稅撥備。

年內的所得稅開支可與綜合損益及其他全面收益表所列的除稅前盈利對賬如下：

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Profit before tax	除稅前盈利	<b>314,221</b>	391,677
Tax at the PRC Enterprise Income Tax rate of 25% (2016: 25%)	按中國企業所得稅稅率25%計算的稅項(2016年：25%)	<b>78,555</b>	97,919
Tax effect of expenses not deductible for tax purpose	不可扣稅開支的稅務影響	<b>2,495</b>	488
Tax effect of tax loss not recognised	尚未確認稅項虧損的稅務影響	<b>4,571</b>	4,398
Tax effect of different tax rate of subsidiaries operating in other jurisdiction	於其他司法權區營運的附屬公司不同稅率的稅務影響	<b>2,289</b>	2,265
Tax effect of income not taxable for tax purpose	毋須課稅收入的稅務影響	<b>(1,352)</b>	(1,976)
Tax effect of share of result of a joint venture	分佔一間合營企業之稅務影響	<b>102</b>	126
Others	其他	<b>361</b>	188
Income tax expense for the year	年內所得稅開支	<b>87,021</b>	103,408

Details of the deferred taxation are set out in note 30.

有關遞延稅項之詳情載於附註30。

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**13. PROFIT FOR THE YEAR**

**13. 年內盈利**

	2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Profit for the year has been arrived at after charging (crediting):		
Auditor's remuneration-audit services	<b>3,828</b>	2,853
Depreciation of property, plant and equipment	<b>16,528</b>	16,980
Less: amounts capitalised in contract work in progress	<b>(13,730)</b>	(13,958)
	<b>2,798</b>	3,022
Amortisation of prepaid lease payments	<b>1,257</b>	915
Less: amounts capitalised in contract work in progress	<b>(1,257)</b>	(915)
	<b>—</b>	—
Staff costs (including directors' emoluments)		
Salaries and other benefits	<b>50,554</b>	60,716
Retirement benefit scheme contributions	<b>5,828</b>	5,697
	<b>56,382</b>	66,413
Less: amounts capitalised in contract work in progress	<b>(42,852)</b>	(55,045)
	<b>13,530</b>	11,368

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13. PROFIT FOR THE YEAR (Continued)

13. 年內盈利(續)

	2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Operating lease rentals in respect of: Premises	4,727	5,519
Less: amounts capitalised in contracts work in progress	(3,114)	(3,908)
	<b>1,613</b>	1,611
Reversal of provisions for financial guarantees (included in administrative expenses)	(5,000)	(5,996)
Research cost recognised as an expense	—	600
Contract work in progress recognised as expense	1,041,766	1,210,596

14. DIVIDENDS

14. 股息

	2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Dividend recognised as distribution during the year:		
Final dividend paid in respect of the year ended 31 December 2016 of nil (2016: final dividend paid in respect of the year ended 31 December 2015 of RMB1.6 cents (equivalent to HK\$1.91 cents) per share)	—	32,608

The directors do not recommend any payment of final dividend and propose that the profit for the year be retained.

董事建議不派付任何末期股息，並建議保留年內盈利。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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### 15. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the following data:

### 15. 每股盈利

每股基本盈利乃按以下數據計算：

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
<b>Earnings</b>	<b>盈利</b>		
Earnings for the purpose of basic and diluted earnings per share	就計算每股基本及攤薄盈利之盈利	<b>227,200</b>	288,269
Profit for the year	年內盈利		
		<b>'000 千股</b>	<b>'000 千股</b>
<b>Number of Shares</b>	<b>股份數目</b>		
Weighted average number of ordinary shares for the purpose of basic earning per share	就計算每股基本盈利之普通股加權平均數	<b>2,326,118</b>	2,040,227

No diluted earnings per share for both 2017 and 2016 were presented as there were no potential ordinary share in issue for 2017 and 2016.

由於2017年及2016年並無潛在普通股發行在外，故2017年及2016年均無呈列每股攤薄盈利。



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## 16. PROPERTY, PLANT AND EQUIPMENT

## 16. 物業、廠房及設備

		Buildings and structures 樓宇及構築物 RMB'000 人民幣千元	Plant and machinery 廠房及機器 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Office equipment 辦公室設備 RMB'000 人民幣千元	Leasehold improvement 租賃物業裝修 RMB'000 人民幣千元	Construction in progress 在建工程 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>COST</b>	<b>成本</b>							
At 1 January 2016	於2016年1月1日	120,119	122,048	5,392	1,498	322	—	249,379
Additions	添置	—	15	—	8	—	—	23
At 31 December 2016	於2016年12月31日	120,119	122,063	5,392	1,506	322	—	249,402
Additions	添置	403	183	78	262	—	48,983	49,909
<b>At 31 December 2017</b>	<b>於2017年12月31日</b>	<b>120,522</b>	<b>122,246</b>	<b>5,470</b>	<b>1,768</b>	<b>322</b>	<b>48,983</b>	<b>299,311</b>
<b>DEPRECIATION</b>	<b>折舊</b>							
At 1 January 2016	於2016年1月1日	20,542	18,864	4,881	1,067	322	—	45,676
Provided for the year	年內撥備	6,396	10,240	195	149	—	—	16,980
At 31 December 2016	於2016年12月31日	26,938	29,104	5,076	1,216	322	—	62,656
Provided for the year	年內撥備	6,396	10,006	15	111	—	—	16,528
<b>At 31 December 2017</b>	<b>於2017年12月31日</b>	<b>33,334</b>	<b>39,110</b>	<b>5,091</b>	<b>1,327</b>	<b>322</b>	<b>—</b>	<b>79,184</b>
<b>CARRYING VALUES</b>	<b>賬面值</b>							
<b>At 31 December 2017</b>	<b>於2017年12月31日</b>	<b>87,188</b>	<b>83,136</b>	<b>379</b>	<b>441</b>	<b>—</b>	<b>48,983</b>	<b>220,127</b>
At 31 December 2016	於2016年12月31日	93,181	92,959	316	290	—	—	186,746

The above items of property, plant and equipment are depreciated on a straight line basis over their estimated useful lives and after taking into account of their estimated residual value, at the following rates per annum:

Buildings and structures	5%
Plant and machinery	10%
Motor vehicles	10% — 19%
Office equipment	5% — 19%
Leasehold improvement	Over the remaining lease period of the office premise.

The Group's buildings are situated on leasehold land in the PRC.

上述物業、廠房及設備項目乃經計及彼等的估計剩餘價值後於估計可使用年內以直線法按下列年率折舊：

樓宇及構築物	5%
廠房及機器	10%
汽車	10% — 19%
辦公室設備	5% — 19%
租賃物業裝修	於辦公室物業餘下租賃期內。

本集團的樓宇均位於中國的租賃土地上。

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### 17. PREPAID LEASE PAYMENTS

### 17. 預付租賃款項

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
The carrying value of land comprises:	土地的賬面值包括：		
Leasehold land in the PRC	中國的租賃土地	<b>58,344</b>	39,101
Analysed for reporting purposes as:	以呈報為目的的分析：		
Non-current asset	非流動資產	<b>57,032</b>	38,199
Current asset	流動資產	<b>1,312</b>	902
		<b>58,344</b>	39,101

### 18. INTEREST IN A JOINT VENTURE

### 18. 於一間合營企業之權益

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Costs of unlisted investment	非上市投資成本	<b>153,000</b>	153,000
Share of profit of a joint venture	分佔合營企業盈利	<b>911</b>	502
		<b>153,911</b>	153,502

Details of the Group's joint venture at the end of the reporting period are as follows:

本集團於報告期末的合營企業詳情如下：

Name of entity 實體名稱	Country of incorporation/ registration 註冊成立/ 註冊國家	Principal place of business 主要營業地點	Proportion of ownership invest held by the Group 本集團所持擁權投資比例		Proportion of voting right held by the Group 本集團所持投票權比例		Principal activity 主要活動
			2017 2017年	2016 2016年	2017 2017年	2016 2016年	
江蘇華晨賽特投資發展有限公司 ("Jiangsu Huachen Saite")	the PRC	the PRC	<b>51%</b>	51%	<b>51%</b>	51%	Inactive
江蘇華晨賽特投資發展有限公司 ("江蘇華晨賽特")	中國	中國					暫無營業

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## 18. INTEREST IN A JOINT VENTURE

(Continued)

In June 2015, the Group, together with two independent third parties, established Jiangsu Huachen Saite, a PRC-incorporated company and engaged in construction of steel structure and prefabricated construction projects, which a total capital injection of RMB153,000,000. Upon the establishment of Jiangsu Huachen Saite, the Group held 51% equity interests in Jiangsu Huachen Saite while the other two parties, namely 北京城建道橋建設集團有限公司 and 宜興市鴻瑞物資有限公司 (“Yixing Hongrui”) held 40% and 9%, respectively. The investment is classified as investment in a joint venture because its relevant activities require unanimous consent of the parties sharing control. Summarised financial information in respect of the Group’s investment in the joint venture is set out below. The summarised financial information below represents amounts shown in the joint venture’s financial statements prepared in accordance with HKFRSs.

The joint venture is accounted for using the equity method in these consolidated financial statements.

## 18. 於一間合營企業之權益 (續)

於2015年6月，本集團連同兩名獨立第三方設立江蘇華晨賽特(於中國註冊成立之公司)，從事建造鋼結構及預製構件建築項目，合共注資人民幣153,000,000元。設立江蘇華晨賽特後，本集團持有江蘇華晨賽特51%股權，而其餘兩方，即北京城建道橋建設集團有限公司及宜興市鴻瑞物資有限公司(「宜興鴻瑞」)分別持有40%及9%股權。由於其相關活動須取得分享控制權的各方一致同意，故該投資歸類為於合營企業的投資。本集團於合營企業的投資的財務資料概要載列如下。下文所載之財務資料概要指合營企業根據香港財務報告準則編製的財務報表所示之金額。

在該等綜合財務報表中，合營企業以權益法入賬。

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Current assets	流動資產	<b>301,853</b>	301,035
Non-current assets	非流動資產	—	—
Current liabilities	流動負債	<b>67</b>	51
Non-current liabilities	非流動負債	—	—

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**18. INTEREST IN A JOINT VENTURE**

(Continued)

**18. 於一間合營企業之權益 (續)**

	2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
The above amounts of assets include the following: 上述資產款項包括以下各項：		
Cash and cash equivalents 現金及現金等價物	<b>301,853</b>	301,035
Profit and total comprehensive income 盈利及全面收入總額	<b>802</b>	668

Reconciliation of the above summarised financial information to the carrying amount of the interest in a joint venture recognised in the consolidated financial statements:

上述財務資料概要與於綜合財務報表內確認之於一間合營企業之權益的賬面值之對賬：

	2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Equity attributable to owners of the joint venture 合營企業擁有人應佔權益	<b>301,786</b>	300,984
Proportion of the Group's ownership interest 本集團之所有權益百分比	<b>51%</b>	51%
Carrying amount of the Group's interest in the joint venture 本集團於一間合營企業之權益的賬面值	<b>153,911</b>	153,502

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## 19. AVAILABLE-FOR-SALE INVESTMENT

## 19. 可供出售投資

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Unlisted equity securities at cost	非上市股本證券，按成本值		
— 11.17% of entity A	— 實體A的11.17%	51,928	—
Unlisted equity securities at cost	非上市股本證券，按成本值		
— 10% of entity B	— 實體B的10%	2,000	—
		<b>53,928</b>	<b>—</b>

(i) In the current year, the Group acquired 11.17% equity interest in an unlisted entity (“entity A”) incorporated in Hong Kong at the fair value of consideration of RMB51,928,000 which consists of cash amounting to HK\$7,000,000 (equivalent to RMB6,204,000) and 88,947,935 new shares at the completion date share price of HK\$0.58 per share, amounting to HK\$51,589,000 (equivalent to RMB45,724,000). It is measured at cost less impairment at the end of the reporting period because the range of the reasonable fair value estimate is so significant that the directors of the Company are of the opinion that its fair value cannot be measured reliably.

(ii) In the current year, the Group invested in 10% equity interest in an unlisted entity (“entity B”) incorporated in the PRC at a consideration of RMB2,000,000. It is measured at cost less impairment at the end of the reporting period because the range of the reasonable fair value estimate is so significant that the directors of the Company are of the opinion that its fair value cannot be measured reliably.

(i) 於本年度，本集團收購一間於香港註冊成立之非上市實體（「實體A」）之11.17%股權，代價公平值為人民幣51,928,000元，其中包括現金金額7,000,000港元（相當於人民幣6,204,000元）及按每股0.58港元之完成日期股份價格發行88,947,935股新股份，金額達51,589,000港元（相當於人民幣45,724,000元）。於報告期末，其按成本減減值計量，由於合理公平值估計之範圍過大，本公司董事認為其公平值無法確實計量。

(ii) 於本年度，本集團於一間於中國註冊成立的非上市實體（「實體B」）投資10%股權，代價為人民幣2,000,000元。於報告期末，其按成本減減值計量，由於合理公平值估計之範圍過大，本公司董事認為其公平值無法確實計量。

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### 20. AMOUNTS DUE FROM (TO) CUSTOMERS FOR CONTRACT WORK

### 20. 應收(應付)客戶合同工程款項

	2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Contracts in progress at the end of the year:		
Contract costs incurred	1,579,822	1,548,104
Recognised profits less recognised losses	583,476	558,944
	<b>2,163,298</b>	2,107,048
Less: progress billings	<b>(2,163,256)</b>	(2,100,383)
	<b>42</b>	6,665
Analysed for reporting purposes as:		
Amounts due from contract customers	4,466	8,138
Amounts due to contract customers	<b>(4,424)</b>	(1,473)
	<b>42</b>	6,665

As at 31 December 2017, retention held by customers for contract work amounting to RMB399,377,000 (2016: RMB305,954,000), net of allowance for doubtful debts of RMB14,978,000 (2016: nil) have been included in trade receivables under current assets.

於2017年12月31日，由客戶就合同工程持有的保留金人民幣399,377,000元(2016年：人民幣305,954,000元)(經扣除呆賬撥備人民幣14,978,000元)(2016年：無))已計入流動資產項下的應收貿易款項。

### 21. TRADE RECEIVABLES

The trade receivables arising from construction contracts are billed and receivable in accordance with terms of the relevant agreements. Payments are typically made based on either the milestone events stipulated in the construction contracts or the actual progress of the work performed. The credit periods are ranging from 30 to 90 days, which vary in accordance with the contract terms.

### 21. 應收貿易款項

由建築合同產生的應收貿易款項乃按有關協議的條款開出賬單及收取。付款通常根據建築合同訂明的重要階段或按照實際施工進度作出。信貸期介乎30至90日之間，該期限根據合同條款而變動。



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21. TRADE RECEIVABLES (Continued)

The following is an ageing analysis of trade receivables, net of allowance for doubtful debts, presented based on the date of progress billing at the end of the year.

21. 應收貿易款項(續)

以下為於年末按進度款日期呈列的應收貿易款項(經扣除呆賬撥備)的賬齡分析。

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
0 – 30 days	0-30天	210,701	192,940
31 – 90 days	31-90天	241,872	435,156
91 – 180 days	91-180天	164,092	311,345
181 days – 1 year	181天-1年	321,622	154,586
Over 1 year	1年以上	367,773	12,281
		<b>1,306,060</b>	1,106,308
Retention receivables	應收保留金	414,355	305,954
Less: impairment loss recognised	減: 已確認減值虧損	(14,978)	—
		<b>399,377</b>	305,954
		<b>1,705,437</b>	1,412,262
<b>Retention receivables</b>	<b>應收保留金</b>		
Due within 1 year	1年內到期	287,016	251,459
Due after 1 year	1年後到期	112,361	54,495
		<b>399,377</b>	305,954

The retention receivables (net of allowance for doubtful debts) of RMB323,542,000 (2016: RMB127,611,000) and RMB75,835,000 (2016: RMB178,343,000) are aged within one year and over one year respectively.

賬齡為一年內及一年以上之應收保留金(扣除呆賬撥備)分別為人民幣323,542,000元(2016年: 人民幣127,611,000元)及人民幣75,835,000元(2016年: 人民幣178,343,000元)。

The movement of allowance for doubtful debts in respect of trade receivables were as follows:

有關應收貿易款項的呆賬撥備變動如下:

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
At beginning of the year	於年初	—	—
Impairment loss during the year (Note 8)	年內減值虧損(附註8)	14,978	—
At end of the year	於年末	<b>14,978</b>	—

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### 21. TRADE RECEIVABLES (Continued)

Included in the impairment loss of trade receivables as at 31 December 2017 were individually fully impaired trade receivables mainly due from customers with an aggregate carrying amount before allowance of approximately RMB14,978,000 (2016: nil). The balances were long outstanding and the management of the Group considered the recoverability of the balance is remote as the related customers were in financial difficulties or have prolonged delay in repayment.

Retention receivables are interest-free and recoverable at the end of the retention period of individual construction contracts ranging from 1 to 3 years.

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits by customer. Management of the Group is of the opinion that the credit quality of the trade receivables balances that are neither past due nor impaired at the end of the reporting period is of good quality.

Included in the Group's trade receivables are debtors with aggregate carrying amount of RMB1,010,877,000 as at 31 December 2017 (2016: RMB613,380,000), which are past due as at the end of the year for which the Group has provided an impairment loss of RMB14,978,000 as at 31 December 2017 (2016: nil).

#### Ageing of trade receivables which are past due but not impaired:

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
0 – 90 days	0-90天	292,527	214,505
91 – 180 days	91-180天	129,182	190,246
181 days – 1 year	181天-1年	73,070	122,327
Over 1 year	1年以上	347,890	12,281
		<u>842,669</u>	539,359
Retention receivables	應收保留金	<u>168,208</u>	74,021
		<u>1,010,877</u>	613,380

The retention receivables which are past due but not impaired (net of allowance for doubtful debts) of RMB140,065,000 (2016: RMB4,550,000) and RMB28,143,000 (2016: RMB69,471,000) are aged within one year and over one year respectively.

### 21. 應收貿易款項(續)

於2017年12月31日，應收貿易款項減值虧損包括撥備前賬面總額約人民幣14,978,000元(2016年：無)的主要來自客戶的個別悉數減值應收貿易款項。結餘為長期尚未償還，而本集團管理層認為結餘的可收回性甚微，原因是相關客戶處於財政困難或長期延遲償還。

應收保留金為免息，及於各建築合同保留期(介乎1至3年之間)未可予收回。

於接受任何新客戶前，本集團會評估潛在客戶的信貸質素並界定各客戶的信貸限額。本集團管理層認為，於報告期末既未逾期亦未減值的應收貿易款項結餘的信貸質素良好。

於2017年12月31日，本集團應收貿易款項包括賬面總額為人民幣1,010,877,000元(2016年：人民幣613,380,000元)的應收款項，該等款項於年末已逾期，而本集團於2017年12月31日已作出減值虧損撥備人民幣14,978,000元(2016年：無)。

#### 已逾期但未減值的應收貿易款項的賬齡如下：

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
0 – 90 days	0-90天	292,527	214,505
91 – 180 days	91-180天	129,182	190,246
181 days – 1 year	181天-1年	73,070	122,327
Over 1 year	1年以上	347,890	12,281
		<u>842,669</u>	539,359
Retention receivables	應收保留金	<u>168,208</u>	74,021
		<u>1,010,877</u>	613,380

賬齡為一年內及一年以上之已逾期但並未減值之應收保留金(扣除呆賬撥備)分別為人民幣140,065,000元(2016年：人民幣4,550,000元)及人民幣28,143,000元(2016年：人民幣69,471,000元)。

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## 21. TRADE RECEIVABLES (Continued)

The directors of the Company consider that the trade receivables that are past due but not impaired are recoverable whereby there has not been a significant change in credit quality of the trade debtors and there is no recent history of default. Based on the past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances.

## 22. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

Prepayments	預付款項
Deposits paid	已付按金
Other receivables	其他應收款項

Prepayments mainly represent the material costs prepaid to suppliers at the total amount of RMB79,500,000 (2016: RMB105,114,000) during the current year.

Other receivables include the amount of RMB14,920,000 due from a director which is unsecured and interest-free with a maximum outstanding amount of RMB14,920,000 during the year. The amount is expected to be recoverable within twelve months from the end of the reporting period.

## 23. BANK BALANCES

At 31 December 2017, bank balances carry interest at prevailing market rates ranged from 0.01% to 0.385% (2016: 0.01% to 0.385%) per annum.

## 21. 應收貿易款項 (續)

鑒於應收貿易賬款的信貸質素並無發生重大變化及並無近期拖欠記錄，本公司董事認為已逾期但未減值的應收貿易款項可予收回。根據過往經驗，本公司董事認為，毋須就該等結餘作出減值撥備。

## 22. 其他應收款項、按金及預付款項

	2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Prepayments	87,261	112,571
Deposits paid	985	756
Other receivables	15,910	—
	<b>104,156</b>	<b>113,327</b>

預付款項主要為本年度內預付予供應商的物料成本，總額為人民幣79,500,000元(2016年：人民幣105,114,000元)。

年內，其他應收款項包括應收一名董事款項人民幣14,920,000元，該款項為無抵押及免息，最高尚未償還金額為人民幣14,920,000元。該金額預期自報告期末起十二個月內可收回。

## 23. 銀行結餘

於2017年12月31日，銀行結餘按當時的市場年利率介乎0.01%至0.385%(2016年：0.01%至0.385%)計息。

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### 24. TRADE PAYABLES

Trade payables are settled in accordance with the relevant agreements. An ageing analysis of the Group's trade payables (by goods receipt date) at the end of the reporting period is as follows:

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
0 – 30 days	0-30天	55,449	58,699
31 – 90 days	31-90天	1,710	8,545
Retention payables	應付保留金	57,159 11,594	67,244 5,908
		<b>68,753</b>	73,152
<b>Retention payables</b>	<b>應付保留金</b>		
Due within 1 year	1年內到期	<b>11,594</b>	5,908

All the retention payables as at 31 December 2017 and 2016 are aged over one year.

### 24. 應付貿易款項

應付貿易款項乃根據相關協議支付。於報告期末，本集團的應付貿易款項(按收貨日期)的賬齡分析如下：

於2017年及2016年12月31日，所有應付保留金的賬齡均為一年以上。

### 25. DEPOSITS RECEIVED, OTHER PAYABLES AND ACCRUALS

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Accrued wages and staff benefits	應計工資及員工福利	12,958	12,336
Other accrued expenses	其他應計開支	2,369	4,916
Other tax payables	其他應付稅項	16,294	14,909
Deposits received from customers	已收客戶按金	50,000	—
Other payables	其他應付款項	15,631	4,341
		<b>97,252</b>	36,502

### 26. AMOUNT DUE TO A DIRECTOR

The amount due to a director as at 31 December 2016 represented amount due to Mr. Jiang Jianqiang which was unsecured, interest-free and was fully repaid during the year.

### 26. 應付一名董事款項

於2016年12月31日，應付一名董事款項指年內應付蔣建強先生的款項，該款項為無抵押、免息及悉數償還。

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27. CORPORATE BOND

27. 公司債券

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Carrying amount as at 1 January	於1月1日的賬面值	—	—
Proceeds from issue of corporate bonds	發行公司債券的所得款項	107,960	—
Exchange differences	匯兌差額	(1,698)	—
Interest expense	利息開支	1,574	—
Interest paid	已付利息	(1,202)	—
Carrying amount as at 31 December	於12月31日的賬面值	106,634	—
Less: amount due within one year shown under current liabilities	減：於一年內到期列為流動負債的款項	(19,199)	—
Amount shown under non-current liabilities	列為非流動負債的款項	87,435	—

- (i) Pursuant to the corporate bonds subscription agreements, the corporate bonds are redeemable at any time before maturity at the Company's option at a redemption price equal to 100% of the principal amount of the corporate bonds plus accrued and unpaid interest, if any, to the redemption date.

- (i) 根據公司債券認購協議，公司債券可於到期前任何時間依本公司的選擇權按相等於公司債券本金額100%的贖回價，加直至贖回日期應計但尚未支付的利息（如有）贖回；

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**27. CORPORATE BOND (Continued)**

(ii) Details of the Group's corporate bonds as at 31 December 2017 are as follows:

**27. 公司債券 (續)**

(ii) 本集團於2017年12月31日的公司債券詳情如下：

Face Value 面值 HK\$ 港元	Issue date 發行日期	Maturity date 到期日	Nominal interest rate 名義利率 per annum 每年	Effective interest rate 實際利率 per annum 每年
6,000,000	21/07/2017	21/07/2019	8.50%	8.50%
2,000,000	28/08/2017	28/08/2018	7.00%	8.30%
10,000,000	05/09/2017	04/09/2019	6.25%	11.86%
10,000,000	05/09/2017	04/09/2019	6.25%	11.86%
3,900,000	27/09/2017	27/09/2018	7.00%	8.01%
5,000,000	28/09/2017	28/09/2019	6.30%	6.60%
1,000,000	03/10/2017	03/10/2018	5.00%	6.06%
1,000,000	04/10/2017	04/10/2018	7.00%	8.08%
2,000,000	18/10/2017	18/10/2018	7.00%	8.08%
5,000,000	02/11/2017	01/11/2020	6.50%	11.84%
5,000,000	02/11/2017	01/11/2020	6.50%	11.84%
1,000,000	02/11/2017	02/11/2019	7.00%	7.31%
1,000,000	03/11/2017	03/11/2018	9.00%	10.10%
1,000,000	14/11/2017	13/11/2019	6.25%	11.86%
3,500,000	14/11/2017	13/11/2019	6.50%	11.84%
5,000,000	16/11/2017	16/11/2025	6.00%	6.16%
10,000,000	20/11/2017	19/11/2022	7.00%	11.34%
10,000,000	20/11/2017	20/11/2025	6.00%	6.16%
10,000,000	22/11/2017	21/11/2022	7.00%	11.34%
500,000	24/11/2017	24/11/2018	2.00%	3.03%
1,000,000	29/11/2017	28/02/2018	6.00%	10.49%
2,000,000	04/12/2017	04/12/2022	6.00%	6.24%
10,000,000	05/12/2017	05/12/2025	5.00%	5.16%
1,000,000	05/12/2017	05/12/2018	7.00%	8.08%
1,000,000	06/12/2017	06/03/2018	4.00%	8.33%
10,000,000	12/12/2017	12/12/2018	6.00%	7.07%
10,000,000	15/12/2017	14/12/2020	6.50%	6.99%
7,000,000	15/12/2017	14/12/2020	6.50%	6.99%
134,900,000				



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## 28. PROVISIONS

## 28. 撥備

		Provisions for financial guarantees 財務擔保撥備	
		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
At beginning of the year	於年初	6,200	12,196
Addition of provisions	添置撥備	—	1,404
Reversal of provisions	撥備撥回	(5,000)	(7,400)
At end of the year	於年末	1,200	6,200

(i) Jiangsu Saite Steel Structure Co., Ltd. ("Saite Steel (Jiangsu)"), a subsidiary of the Group, and Mr. Jiang Jianqiang, a director of the Company, provided jointly and severally financial guarantees to a micro credit entity 宜興市聯豐農村小額貸款有限公司 in Jiangsu, the PRC, in respect of a loan with an amount of approximately RMB3,000,000 granted to an individual, namely, 梅秀芳. Besides, Saite Steel (Jiangsu) and Mr. Jiang Jianqiang and two other individuals, namely, 梅正芳 and 梅秀芳, provided jointly and severally financial guarantees to the same micro credit entity in respect of a loan of approximately RMB2,000,000 granted to another individual, namely, 田麗. 梅正芳 and 梅秀芳 have beneficial interest of an entity established in the PRC, namely, 江蘇百納環境工程有限公司 ("JSBN"). 梅正芳, 梅秀芳, 田麗 and JSBN are independent third parties. The loans were past due and no settlement was made as at 31 December 2015. The debtors and guarantors were then sued collectively by the creditor for the default of payment and requested to settle the outstanding balance with interest. A settlement agreement is subsequently agreed among 梅秀芳, 田麗 and the micro credit entity on the repayment schedule which 梅秀芳 would repay a total amount of RMB3,500,000, of which RMB2,100,000 by the end of December 2016, RMB700,000 by the end of December 2017 and RMB700,000 by the end of December 2018; and 田麗 would repay a total amount of RMB1,300,000 by the end of 31 December 2016, RMB500,000 by the end of 31 December 2017 and RMB500,000 before 31 December 2018. A reversal of provisions of RMB1,200,000 was made in respect of the amount settled during the year ended 31 December 2017.

(ii) 本集團的附屬公司江蘇賽特鋼結構有限公司(「賽特鋼結構(江蘇)」)及本公司董事蔣建強先生共同及個別就借予一名個別人士(即梅秀芳)約人民幣3,000,000元的貸款向中國江蘇省一間小額信貸公司宜興市聯豐農村小額貸款有限公司提供財務擔保。此外, 賽特鋼結構(江蘇)及蔣建強先生和其他兩名個別人士梅正芳及梅秀芳共同及個別就借予另一名個別人士(即田麗)約人民幣2,000,000元的貸款向相同的小額信貸公司提供財務擔保。梅正芳及梅秀芳於一間在中國成立的實體(即江蘇百納環境工程有限公司(「江蘇百納」))擁有實益權益。梅正芳、梅秀芳、田麗及江蘇百納均為獨立第三方。於2015年12月31日, 該等貸款經已逾期, 且並未作出清還, 因此, 其後貸款人就拖欠還款對借款人及擔保人提起共同控告, 要求清付未償還結餘連利息。隨後, 梅秀芳、田麗與小額信貸公司已就還款時間表協定清償協議, 據此, 梅秀芳將償還總金額人民幣3,500,000元, 其中須於2016年12月底之前償還人民幣2,100,000元、於2017年12月底之前償還人民幣700,000元及於2018年12月底之前償還人民幣700,000元; 及田麗將須於2016年12月31日之前償還人民幣1,300,000元、於2017年12月31日之前償還人民幣500,000元及於2018年12月31日之前償還人民幣500,000元。已就截至2017年12月31日止年度結算之款項撥回撥備人民幣1,200,000元。

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For the year ended 31 December 2017 截至2017年12月31日止年度

### 28. PROVISIONS (Continued)

- (ii) Saite Steel (Jiangsu) acted as a financial guarantor to Yixing Hongrui, a shareholder of the joint venture of the Group, for its purchases of goods from a supplier of RMB7,167,000 in aggregate. The balance was originally past due but it was subsequently agreed among the involved parties on the repayment schedule which Yixing Hongrui would repay approximately RMB1,000,000 on a monthly installment basis from February 2016 to September 2016. However, Yixing Hongrui defaulted the payment from February 2016 to September 2016 and a revised settlement agreement was entered in October 2016 where Yixing Hongrui would repay a total amount of RMB7,800,000, of which RMB2,000,000 before 25 October 2016, RMB2,000,000 before 25 December 2016, RMB2,000,000 before 31 August 2017 and RMB1,800,000 before the end of August 2018. In 2017, Yixing Hongrui fully repaid the remaining amount of RMB3,800,000 and the relevant provisions for financial guarantees were fully reversed accordingly.

### 29. SHORT-TERM BORROWINGS

As at 31 December 2017, the Group has two (2016: two) short-term borrowings in an aggregate amount of RMB46,150,000 (2016: RMB80,631,000).

- (1) On 29 September 2015 and 16 October 2015, the Company entered into loan agreements for loans amounting to HK\$50,000,000 and HK\$40,000,000 (equivalent to RMB44,795,000 and RMB35,836,000) with an individual and an entity incorporated in Hong Kong, respectively, which are both independent third parties.

The borrowing of HK\$50,000,000 (equivalent to RMB44,795,000) is guaranteed by a director of the Company, interest bearing at 8% per annum and the loan maturity was originally on 29 September 2016 and was subsequently extended to 15 March 2017 and further extended to 31 December 2018. Effective interest rate is 8% (2016:12.4%) per annum.

The borrowing of HK\$40,000,000 (equivalent to RMB35,836,000) was unsecured, interest bearing at 8% per annum and repayable on 17 October 2017. The amount was fully settled during the year.

- (2) In November 2017, the Group entered into a loan agreement for a loan amounting to RMB4,500,000 with a bank. The borrowing is guaranteed by two directors of the Company, four other individuals and entities, interest bearing at 4.35% per annum and repayable on 27 November 2018. Effective interest rate is 4.35% per annum.

### 28. 撥備(續)

- (ii) 賽特鋼結構(江蘇)亦擔任宜興鴻瑞(本集團合營企業的股東)的財務擔保人，擔保其向供應商購買的貨品合共人民幣7,167,000元。有關結餘原本已逾期，惟所涉各方其後已協定還款時間表，據此，宜興鴻瑞將自2016年2月至2016年9月期間按月分期償還約人民幣1,000,000元。然而，宜興鴻瑞未能於2016年2月至2016年9月期間作出付款，且於2016年10月訂立經修訂清償協議，據此，宜興鴻瑞須合共償還人民幣7,800,000元，其中人民幣2,000,000元、人民幣2,000,000元及人民幣1,800,000元分別須於2016年10月25日、2016年12月25日、2017年8月31日及2018年8月底之前餘下償還。於2017年，宜興鴻瑞悉數償還人民幣3,800,000元，並因此悉數撥回財務擔保的相關撥備。

### 29. 短期貸款

於2017年12月31日，本集團有兩筆(2016年：兩筆)短期貸款，合共人民幣46,150,000元(2016年：人民幣80,631,000元)。

- (1) 於2015年9月29日及2015年10月16日，本公司與一名個別人士及於香港註冊成立之實體(為獨立第三方)就金額為50,000,000港元及40,000,000港元(相當於人民幣44,795,000元及人民幣35,836,000元)的借款訂立貸款協議。

50,000,000港元(相當於人民幣44,795,000元)的貸款由本公司一名董事擔保，按年利率8%計息及貸款到期日原為2016年9月29日，隨後延長至2017年3月15日並進一步延長至2018年12月31日。實際年利率為8%(2016年：12.4%)。

40,000,000港元(相當於人民幣35,836,000元)的貸款為無抵押、按年利率8%計息及應於2017年10月17日償還。該款項於年內悉數償還。

- (2) 於2017年11月，本集團與一間銀行訂立貸款金額為人民幣4,500,000元的貸款協議。該貸款乃由本公司兩名董事、四名其他個別人士及實體擔保，按年利率4.35%計息及須於2018年11月27日償還。實際年利率為4.35%。

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### 30. DEFERRED TAX LIABILITIES

### 30. 遞延稅項負債

Withholding tax on  
undistributed  
earnings  
未分派盈利的預扣稅  
RMB'000  
人民幣千元

At 1 January 2016 and 31 December 2016 and 2017	於2016年1月1日以及2016年及 2017年12月31日	92,116
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According to a joint circular of the Ministry of Finance and State Administration of Taxation – Cai Shui 2008 No. 1, dividend distributed out of the profits generated by subsidiaries established in the PRC to “non PRC-resident” investors since 1 January 2008 shall be subject to PRC Enterprise Income Tax and tax payment to be withheld by the PRC entity pursuant to Articles 3 and 27 of the Income Tax Law Concerning Foreign Investment Enterprises and Foreign Enterprises and Article 91 of the Detailed Rules for the Implementation of the Income Tax Law for Enterprises with Foreign Investment Enterprises and Foreign Enterprises. At 31 December 2017, deferred taxation has not been provided in the consolidated financial statements in respect of temporary differences attributable to accumulated profits of the PRC subsidiaries amounting to approximately RMB880,317,000 (2016: RMB622,790,000) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

根據財政部及國家稅務總局的聯合通知 – 財稅2008第1號，自2008年1月1日起將於中國成立的附屬公司產生的盈利作為股息分派予「非中國居民」投資者須繳納中國企業所得稅，並根據外商投資企業和外國企業所得稅法第3及27條以及外商投資企業和外國企業所得稅法實施細則第91條由中國實體預扣稅款。於2017年12月31日，由於本集團能夠控制撥回暫時性差額的時間及該等暫時性差額有可能於可見將來不會撥回，故並無於綜合財務報表就中國附屬公司累計盈利約人民幣880,317,000元(2016年：人民幣622,790,000元)應估的暫時性差額撥備遞延稅項。

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### 30. DEFERRED TAX LIABILITIES

(Continued)

At 31 December 2017, the Group has unused tax losses of approximately RMB68,782,000 (2016: RMB41,076,000) available for offsetting against future taxable profits. No deferred tax asset has been recognised in respect of such losses due to the unpredictability of future profit streams. The unused tax losses may be carried forward indefinitely.

### 30. 遞延稅項負債(續)

於2017年12月31日，本集團尚未動用的稅項虧損約為人民幣68,782,000元(2016年：人民幣41,076,000元)，可用作抵銷未來應課稅盈利。由於無法預知未來盈利來源，故本集團並無就該等虧損確認遞延稅項資產。未動用之稅務虧損可無限期結轉。

### 31. SHARE CAPITAL

### 31. 股本

		Number of Shares at HK\$0.10 per share 每股面值0.10港元 的股份數目	Amount 金額 HK\$'000 千港元	Shown in the consolidated financial statements 綜合財務報表 內所示金額 RMB'000 人民幣千元
<b>Authorised:</b>	<b>法定：</b>			
At 1 January 2016	於2016年1月1日	5,000,000,000	500,000	
Increase of authorised share capital (note i)	法定股本增加(附註i)	45,000,000,000	4,500,000	
At 31 December 2016 and 31 December 2017	於2016年12月31日及2017年12月31日	<u>50,000,000,000</u>	<u>5,000,000</u>	
<b>Issued and fully paid:</b>	<b>已發行及繳足：</b>			
At 1 January 2016	於2016年1月1日	2,038,000,000	203,800	161,268
Issue of new Shares (note ii)	新股發行(附註ii)	203,800,000	20,380	18,259
At 31 December 2016	於2016年12月31日	2,241,800,000	224,180	179,527
Issue of Shares as part of the consideration for the acquisition of available-for-sale investment (note iii)	作為收購可供出售投資之部分代價發行股份(附註iii)	88,947,935	8,895	7,883
At 31 December 2017	於2017年12月31日	<u>2,330,747,935</u>	<u>233,075</u>	<u>187,410</u>

For the year ended 31 December 2017 截至2017年12月31日止年度

### 31. SHARE CAPITAL (Continued)

Notes:

- (i) On 20 May 2016, the authorised share capital of the Company was increased from HK\$500,000,000 to HK\$5,000,000,000 by the creation of the additional 45,000,000,000 new Shares of HK\$0.10 each.
- (ii) On 28 December 2016, the Company issued 203,800,000 new Shares pursuant to a share subscription agreement entered into between the Company and Five Seasons XIV Limited on 12 December 2016 at a subscription price of HK\$0.52 per share (with reference to the closing market price of HK\$0.56 per share). The issue of new Shares raised a total capital of HK\$105,976,000 (equivalent to RMB94,944,000). These new Shares rank pari passu in all respects with the existing Shares.

The directors were of the view that upon the subscription, the Group can (i) raise capital for it to facilitate its long-term development and further strengthen its financial position and to use the funds for general working capital purpose; and (ii) bring in a renowned investor with strong financial resources and extensive business network including but not limited to areas of cooperation in property development and green building which will in turn bring strategic value to the Group.

- (iii) During the current year, the Group issued 88,947,935 new Shares for the acquisition of available-for-sale investment at the market price of HK\$0.58 per share at the completion date as disclosed in note 19, with corresponding increase of share capital at RMB7,883,000 and an increase of share premium at RMB37,841,000. These new shares rank pari passu in all respects with the existing Shares.

### 32. SHARE OPTION SCHEME

On 11 October 2013, the Company conditionally adopted a share option scheme (the "Scheme") pursuant to a resolution passed by its then shareholders on 11 October 2013 for the primary purpose of the providing incentives or rewards to eligible employees, non-executive directors of the Company and other selected participants. The adoption of the Scheme became unconditional upon the listing of the Company on 1 November 2013.

During the years ended 31 December 2017 and 2016, there were no share options were granted, exercised or outstanding under the Scheme.

### 31. 股本(續)

附註：

- (i) 於2016年5月20日，本公司的法定股本透過增設額外45,000,000,000股每股面值0.10港元的新股份由500,000,000港元增加至5,000,000,000港元。
- (ii) 於2016年12月28日，本公司根據與Five Seasons XIV Limited於2016年12月12日訂立的股份認購協議，以認購價每股0.52港元（經參考收市市價每股0.56港元），發行203,800,000股新股份。發行新股份籌集到總資本105,976,000港元（相當於人民幣94,944,000元）。該等新股份與現有股份在各方面享有同等權益。

董事認為於認購事項後，本集團可(i) 為其籌集資金以促進其長期發展並進一步加強其財務狀況，並將資金用作一般營運資金；及(ii) 引入具有雄厚財務資源及廣泛業務網絡的知名投資者（包括但不限於物業發展及綠色建築的合作範疇），從而為本集團帶來戰略價值。

- (iii) 誠如附註19所披露，於本年度，本集團為收購可供出售投資，按於完成日期每股0.58港元之市價發行88,947,935股新股份，導致股本相應增加人民幣7,883,000元及股份溢價增加人民幣37,841,000元。該等新股份與現有股份在各方面享有同等權益。

### 32. 購股權計劃

於2013年10月11日，本公司根據本公司當時股東於2013年10月11日通過的一項決議案有條件採納購股權計劃（「計劃」），主要旨在向本公司合資格僱員、非執行董事及其他經篩選參與者提供激勵或獎勵。在本公司於2013年11月1日上市時，計劃之採納即為無條件。

截至2017年及2016年12月31日止年度，並無購股權根據計劃被授出、獲行使或尚未行使。

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### 33. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that the entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior years.

The capital structure of the Group consists of net debts, which includes amount due to a director, corporate bonds and short-term borrowings disclosed in notes 26, 27 and 29, respectively, net of cash and cash equivalents and equity attributable to owners of the Company, comprising share capital, share premium, reserves and retained profits.

The directors of the Company review the capital structure on a continuous basis taking into account the cost of capital and the risk associated with the capital. The Group will balance its overall capital structure through payment of dividend, new Shares issue as well as the issue of new debt or repayment of existing debt.

### 33. 資本風險管理

本集團管理其資本，以確保本集團的實體將可持續經營，並透過在債務與權益間作出最佳平衡為股東帶來最大回報。本集團的整體策略自過往年度起維持不變。

本集團的資本結構包括淨債務，其中包括分別於附註26、27及29披露的應付一名董事款項、公司債券及短期貸款(扣除現金及現金等價物)及本公司擁有人應佔權益(包括股本、股份溢價、儲備及保留盈利)。

本公司董事按持續基準審閱資本結構，並會考慮資本成本及與資本相關的風險。本集團將透過支付股息、發行新股份及發行新債或償還現有債務平衡其整體資本結構。

### 34. FINANCIAL INSTRUMENTS

#### (a) Categories of financial instruments

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
<b>Financial assets</b>	<b>金融資產</b>		
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)	<b>2,478,668</b>	2,191,522
Available-for-sale investments	可供出售投資	<b>53,928</b>	—
<b>Financial liabilities</b>	<b>金融負債</b>		
Amortised cost	攤銷成本	<b>238,368</b>	169,534

### 34. 金融工具

#### (a) 金融工具類別



For the year ended 31 December 2017 截至2017年12月31日止年度

## 34. FINANCIAL INSTRUMENTS

(Continued)

### (b) Financial risk management objectives and policies

The Group's major financial instruments include available-for-sale investments, trade receivables, other receivables, bank balances and cash, trade payables, other payables, amount due to a director, corporate bonds, short-term borrowings and financial guarantee contracts.

Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (foreign currency risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

#### Market risk

##### Foreign currency risk

Certain transactions of the Group are denominated in HK\$ which is different from the functional currency of the relevant group entities i.e. RMB, which expose the Group to foreign currency risk.

The carrying amounts of the Group's financial assets and (liabilities) denominated in HK\$ at the end of the reporting period are as follows:

## 34. 金融工具 (續)

### (b) 財務風險管理目標及政策

本集團的主要金融工具包括可供出售投資、應收貿易款項、其他應收款項、銀行結餘及現金、應付貿易款項、其他應付款項、應付一名董事款項、公司債券、短期貸款及財務擔保合約。

該等金融工具的詳情披露於各附註。與該等金融工具有關的風險包括市場風險(外幣風險及利率風險)、信貸風險及流動資金風險。下文載列有關如何降低該等風險的政策。管理層管理及監察該等風險，以確保及時有效地採取適當措施。

#### 市場風險

##### 外幣風險

本集團的若干交易乃以港元計值，而港元為有關集團實體功能貨幣(即人民幣)以外的貨幣，因此本集團面臨外幣風險。

於報告期末以港元計值的本集團金融資產及(負債)的賬面值如下：

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Bank balances	銀行結餘	561	44,072
Other payables	其他應付款項	(6,676)	(3,191)
Amount due to a director	應付一名董事款項	—	(5,210)
Short-term borrowings	短期貸款	(41,650)	(80,631)
Corporate bonds — due within one year	公司債券 — 於一年內到期	(19,199)	—
Corporate bonds — due after one year	公司債券 — 於一年後到期	(87,435)	—

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**綜合財務報表附註**

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**34. FINANCIAL INSTRUMENTS**

*(Continued)*

**(b) Financial risk management objectives and policies** *(Continued)*

*Market risk (Continued)*

*Foreign currency risk (Continued)*

The Group currently does not use any derivative contracts to hedge against its exposure to currency risk. Management manages its foreign currency risk by monitoring the movement of the foreign currency rate and will consider hedging significant foreign currency exposure should the need arise.

The following table details the Group's sensitivity to a 5% increase and decrease in RMB against HK\$. A 5% sensitivity rate represents management's assessment of the reasonably possible change in foreign exchange rate. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for a 5% change in foreign currency rate. A positive number below indicates an increase in profit where RMB strengthen 5% against HK\$. For a 5% weakening of RMB against HK\$, there would be an equal and opposite impact on the profit for the year.

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Profit for the year	年內盈利	<b>7,720</b>	2,248

In management's opinion, the sensitivity analysis is unrepresentative of the foreign currency risk inherent as the year end exposure does not reflect the exposure during the relevant year.

**34. 金融工具 (續)**

**(b) 財務風險管理目標及政策 (續)**

*市場風險 (續)*

*外幣風險 (續)*

本集團目前並無使用任何衍生工具合同對沖其所面臨的貨幣風險。管理層透過監察外匯匯率的變動管理其外幣風險，並將於有需要時考慮對沖重大外幣風險。

下表詳述本集團對人民幣兌港元升值及貶值5%的敏感度。敏感度比率5%乃管理層就外匯匯率的合理可能變動作出的評估。敏感度分析僅包括以外幣計值的未結算貨幣項目，並於報告期末按5%外幣匯率變動調整換算。下表正數顯示倘若人民幣兌港元升值5%，則盈利增加。倘人民幣兌港元貶值5%，對年內盈利將有相反的等值影響。

由於年末的風險並不反映有關年度的風險，故管理層認為敏感度分析在固有外匯風險方面並不具代表性。

For the year ended 31 December 2017 截至2017年12月31日止年度

## 34. FINANCIAL INSTRUMENTS

(Continued)

### (b) Financial risk management objectives and policies (Continued)

#### Market risk (Continued)

##### Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to variable-rate bank balances (see note 23 for details). The Group does not have an interest rate hedging policy. However, management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

The Group's exposures to interest rates on bank balances is detailed in the liquidity risk management section of this note. The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of the interest rates quoted by the People's Bank of China arising from the Group's bank balances.

The sensitivity analysis below has been determined based on the exposure to interest rates for variable-rate bank balances at the end of each reporting period.

The analysis is prepared assuming the variable-rate bank balances outstanding at the end of the reporting period were outstanding for the whole year. A 25 basic point (2016: 25 basic points) increase or decrease for bank balances is used represent management's assessment of the reasonably possible change in interest rates.

If interest rates on bank balances had been 25 basis points (2016: 25 basic points) higher and all other variables were held constant, a positive number below indicates an increase in profit for the year.

## 34. 金融工具 (續)

### (b) 財務風險管理目標及政策 (續)

#### 市場風險 (續)

##### 利率風險

本集團面臨有關浮息銀行結餘的現金流量利率風險(有關詳情，請參見附註23)。本集團並無利率對沖政策。然而，管理層會監察利率風險並於需要時考慮對沖重大利率風險。

本集團的銀行結餘面臨的利率風險詳情載於本附註流動資金風險管理一節。本集團的現金流量利率風險主要集中於因本集團銀行結餘產生的中國人民銀行所報利率波動。

以下敏感度分析乃按浮息銀行結餘於各報告期末所面臨的利率風險釐定。

分析乃假設於各報告期末結欠的浮息銀行結餘於整個年度均未償還。就銀行結餘而言增加或減少25個基點(2016年：25個基點)為管理層對利率合理可能變動的評估。

倘銀行結餘利率上升25個基點(2016年：25個基點)，而所有其他變量維持不變，則下表正數顯示年內盈利增加。

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Increase in profit for the year	年內盈利增加	<u>1,420</u>	<u>1,470</u>

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

### 34. FINANCIAL INSTRUMENTS

*(Continued)*

#### (b) Financial risk management objectives and policies *(Continued)*

##### *Market risk (Continued)*

##### *Interest rate risk (Continued)*

In management's opinion, the sensitivity analysis is unrepresentative of the interest rate risk as the year end exposure does not reflect the exposure during the year.

The Group also exposes to fair value interest rate risk, which primarily relates to the Group's fixed rate short-term borrowings and corporate bonds. After reviewing the Group's exposure for the time being, the Group did not enter into any arrangements to minimise this interest rate risk. Management monitors interest rate exposure and will consider entering into appropriate hedging transactions should the need arise.

##### *Credit risk*

As at 31 December 2017, the Group's maximum exposure to credit risk which will cause a financial loss to the Group arising from the carrying amount of the respect recognised financial assets as stated in the consolidated statement of financial position due to failure to discharge an obligation by the counterparties.

### 34. 金融工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### 市場風險 (續)

##### 利率風險 (續)

由於年末的風險並不反映年內的風險，故管理層認為敏感度分析在利率風險方面並不具代表性。

本集團亦面臨主要與本集團固定利率短期貸款及公司債券有關的公平值利率風險。在本集團檢討當時所面臨的風險後，本集團並無制定任何安排以降低該利率風險。管理層負責監管利率風險，並在有需要時考慮制定適當的對沖交易。

##### 信貸風險

於2017年12月31日，因對手方未能履行責任而使本集團面臨的最高信貸風險將令本集團蒙受財務損失。該最高信貸風險源自於綜合財務狀況表中列賬的有關已確認金融資產的賬面值。

For the year ended 31 December 2017 截至2017年12月31日止年度

## 34. FINANCIAL INSTRUMENTS

(Continued)

### (b) Financial risk management objectives and policies (Continued)

#### Credit risk (Continued)

The credit risk of the Group is concentrated on trade receivables from the Group's five largest customers at 31 December 2017 amounting to approximately RMB854,581,000 (2016: RMB633,167,000) and accounted for 50% (2016: 45%) of the Group's total trade receivables before allowance of doubtful debts. These five largest customers include state-owned enterprises and private limited companies registered and operated in the PRC. They are mainly the main contractors of construction projects. In order to minimise the credit risk, management continuously monitors the level of exposure by frequent review of the credit evaluation of the financial condition and credit quality of its customers to ensure that prompt actions will be taken to lower exposure. In addition, management reviews the recoverable amount of each individual trade receivable at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the credit risk of the Group is significantly reduced.

Management of the Group considers that the credit risk on liquid funds is limited because the counterparties are banks with good reputation.

#### Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

## 34. 金融工具 (續)

### (b) 財務風險管理目標及政策 (續)

#### 信貸風險 (續)

本集團的信貸風險集中於來自本集團五大客戶的應收貿易款項。於2017年12月31日，來自五大客戶的應收貿易款項為約人民幣854,581,000元(2016年：人民幣633,167,000元)，佔本集團於扣除呆賬撥備前的應收貿易款項總額的50%(2016年：45%)。該等五大客戶包括在中國註冊及經營的國有企業及私人有限公司。彼等主要為建築項目的主要承包商。為將信貸風險減至最低，管理層透過頻密檢討其客戶的財務狀況及信貸質素的信貸評估來持續監察所面臨風險的水平，確保即時採取行動，減低所面臨的風險。此外，管理層會於各報告期末檢討各個別應收貿易款項的可收回金額，確保就不可收回金額作出足夠的減值虧損撥備。就此而言，本公司董事認為本集團的信貸風險已大幅降低。

本集團管理層認為流動資金的信貸風險有限，因為對手方為信譽良好的銀行。

#### 流動資金風險

管理流動資金風險方面，本集團監察及維持現金及現金等價物處於管理層視為充足的水平，以提供本集團經營所需資金，並減少現金流量波動的影響。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

### 34. FINANCIAL INSTRUMENTS

(Continued)

#### (b) Financial risk management objectives and policies (Continued)

##### Liquidity risk (Continued)

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.

		Weighted average effective interest rate 加權平均 實際利率	On demand or less than 3 months 按要求或 三個月內	3-6 months 三至 六個月	6 months -1 year 六個月至 一年	1-5 years 一至 五年	Total undiscounted cash flows 未折現現金 流量總額	Carrying amount 賬面值
		%	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
<b>As at 31 December 2017</b>	<b>於2017年12月31日</b>							
Trade payables	應付貿易款項	—	60,975	5,850	1,928	—	68,753	68,753
Other payables	其他應付款項	—	15,631	—	—	—	15,631	15,631
Short-term borrowings	短期貸款	7.64	42,483	—	4,696	—	47,179	46,150
Corporate bonds	公司債券	8.70	3,278	1,939	21,566	110,256	137,039	106,634
Financial guarantee contracts	財務擔保合約	—	—	—	1,200	—	1,200	1,200
			<b>122,367</b>	<b>7,789</b>	<b>29,390</b>	<b>110,256</b>	<b>269,802</b>	<b>238,368</b>
<b>As at 31 December 2016</b>	<b>於2016年12月31日</b>							
Trade payables	應付貿易款項	—	68,850	3,180	1,122	—	73,152	73,152
Other payables	其他應付款項	—	4,341	—	—	—	4,341	4,341
Short-term borrowings	短期貸款	9.97	57,646	19,598	8,959	—	86,203	80,631
Amount due to a director	應付一名董事款項	—	5,210	—	—	—	5,210	5,210
Financial guarantee contracts	財務擔保合約	—	—	—	3,200	3,000	6,200	6,200
			<b>136,047</b>	<b>22,778</b>	<b>13,281</b>	<b>3,000</b>	<b>175,106</b>	<b>169,534</b>

#### (c) Fair value measurements of financial instruments

The fair values of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised costs in the consolidated financial statements approximate their corresponding fair values.

### 34. 金融工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### 流動資金風險 (續)

下表詳列本集團非衍生金融負債的剩餘合同期。下表乃根據金融負債的未折現現金流量編製，該等金融負債乃根據本集團可能須付款的最早日期分類。

#### (c) 金融工具的公平值計量

金融資產及金融負債的公平值乃基於折現現金流量分析根據公認定價模式釐定。

本公司董事認為，按攤銷成本計入綜合財務報表的金融資產及金融負債的賬面值與其各自公平值相若。



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### 35. RETIREMENT BENEFIT SCHEMES

The employees of the Company's subsidiaries established in the PRC are members of state-managed retirement benefit schemes operated by the PRC government. The subsidiaries are required to contribute a specific percentage of the total monthly basic salaries to the retirement benefit schemes. The only obligation of the Group with respect to the retirement benefit schemes is to make the required contributions under the schemes.

The Group also operates a Mandatory Provident Fund Scheme for all qualifying employees in Hong Kong. The assets of the scheme are held separately from those of the Group, in funds under the control of trustee. The Group contributes 5% of relevant payroll costs (capped at HK\$1,500 per month with effect from 1 June 2014) of each individual employee to the scheme, which contribution is matched by employees.

The retirement benefit contributions of the directors of the Company and staffs for the year end are stated in notes 10 and 13 respectively.

### 36. 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.

		Short-term borrowings	Corporate bonds	Amount due to a director	Interest payable	Total
		短期貸款	公司債券	應付一名董事款項	應付利息	總計
		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
At 1 January 2017	於2017年1月1日	80,631	—	5,210	—	85,841
Financing cash flows	融資現金流量	(29,252)	106,758	(5,210)	(5,782)	66,514
Finance cost incurred during the year	年內產生的財務成本	—	1,574	—	5,782	7,356
Exchange differences	匯兌差額	(5,229)	(1,698)	—	—	(6,927)
At 31 December 2017	於2017年12月31日	46,150	106,634	—	—	152,784

### 35. 退休福利計劃

本公司於中國成立的附屬公司的僱員為中國政府運作的國家管理退休福利計劃的成員。附屬公司須按每月基本薪金總額的指定百分比向退休福利計劃供款。本集團於退休福利計劃內的唯一責任為根據該計劃作出規定的供款。

本集團亦為全體合資格香港僱員執行一項強制性公積金計劃。計劃之資產與本集團資產分開管理，並由信託人控制之基金持有。本集團會將各個別僱員相關工資成本的5%（每月供款上限為1,500港元，自2014年6月1日起生效）作為計劃供款，而僱員亦須按計劃繳納相等供款。

本公司董事及員工於年底的退休福利供款分別載於附註10及13。

### 36. 融資活動產生的負債對賬

下表詳述本集團融資活動產生的負債變動，包括現金及非現金變動。融資活動產生的負債為現金流量會或未來現金流量將會於本集團綜合現金流量表內分類為融資活動產生的現金流量的負債。

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### 37. MAJOR NON-CASH TRANSACTION

During the current year, the Group acquired available-for-sale investments at the fair value of consideration of RMB51,928,000 (2016: nil) in which an amount of RMB45,724,000 (2016: nil) was attributable to issue of new Shares.

### 38. OPERATING LEASE COMMITMENTS

#### The Group as lessee

At 31 December 2017, the Group had commitment for future minimum lease payment under non-cancellable operating leases in respect of rented premises and plant and machinery which fall due as follows:

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
<b>Premises</b>	<b>物業</b>		
Within one year	一年內	3,009	5,064
In the second to third year inclusive	第二至第三年 (包括首尾兩年)	2,314	864
		<b>5,323</b>	<b>5,928</b>

The leases of the Group are negotiated for terms ranging from one to three years at fixed rental.

#### The Group as lessor

Machinery rental income earned during the year was approximately RMB2,154,000 (2016: RMB2,144,000). The machinery held have committed tenants for the next three years.

At the end of the reporting period, the Group has contracted with a tenant for the following future minimum lease payments:

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
<b>Machinery</b>	<b>機器</b>		
Within one year	一年內	2,092	1,890
In the second to third year inclusive	第二至第三年 (包括首尾兩年)	3,660	—
		<b>5,752</b>	<b>1,890</b>

### 37. 主要非現金交易

於本年度，本集團以代價公平價人民幣51,928,000元(2016年：無)收購可供出售投資，其中金額人民幣45,724,000元(2016年：無)用於發行新股份。

### 38. 經營租賃承擔

#### 本集團作為承租人

於2017年12月31日，本集團根據於下列期限到期的有關租賃物業、廠房及機器的不可撤銷經營租賃擁有的未來最低租賃款項承擔如下：

本集團租賃按固定租金議定，租期介乎一至三年。

#### 本集團作為出租人

年內所賺取機器租金收入約為人民幣2,154,000元(2016年：人民幣2,144,000元)。所持有之機器於未來三年已獲租戶承租。

於報告期末，本集團已與租戶就下列未來最低租賃款項訂約：

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### 39. CAPITAL COMMITMENTS

### 39. 資本承擔

	2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Capital expenditure authorised but contracted for in respect of:		
— Acquisition of available-for-sale financial asset	—	6,271
— Acquisition of property, plant and equipment	24,593	—
	<u>24,593</u>	<u>—</u>

### 40. PLEDGED ASSETS

As at 31 December 2016, certain machineries of Saite Steel (Jiangsu) with a carrying amount of RMB10,252,000 were pledged against a banking facility of RMB18,630,000 granted to 江蘇歐諾環保設備有限公司("Ounuo"), an independent third party. As at 31 December 2016, such facility is utilised by Ounuo at the amount RMB3,500,000. The pledge was released during the year.

### 40. 資產抵押

於2016年12月31日，賽特鋼結構(江蘇)若干賬面值為人民幣10,252,000元之機械已作為授予獨立第三方江蘇歐諾環保設備有限公司(「歐諾」)之人民幣18,630,000元之銀行融資之抵押。於2016年12月31日，該融資被歐諾動用人民幣3,500,000元。該抵押於年內獲解除。

### 41. RELATED PARTY TRANSACTIONS

#### Compensation of key management personnel

The remuneration of the directors and other members of key management during the year was as follows:

### 41. 關連人士交易

#### 主要管理人員的薪酬

年內，董事及主要管理人員其他成員的薪酬如下：

	2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Short-term benefits	4,960	3,804
Contributions to retirement benefit scheme	71	59
	<u>5,031</u>	<u>3,863</u>

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**42. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY**

**42. 本公司財務狀況及儲備表**

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
<b>Non-current asset</b>	<b>非流動資產</b>		
Investments in subsidiaries	於附屬公司的投資	<b>1,175,504</b>	730,004
<b>Current assets</b>	<b>流動資產</b>		
Other receivables and prepayments	其他應收款項及預付款項	<b>650</b>	—
Amounts due from subsidiaries	應收附屬公司款項	<b>67,130</b>	380,612
Bank balances	銀行結餘	<b>561</b>	41,196
		<b>68,341</b>	421,808
<b>Current liabilities</b>	<b>流動負債</b>		
Other payables and accruals	其他應付款項及應計費用	<b>6,523</b>	8,098
Short-term borrowings	短期貸款	<b>41,650</b>	80,631
Corporate bonds — due within one year	公司債券 — 於一年內到期	<b>19,199</b>	—
		<b>67,372</b>	88,729
<b>Net current assets</b>	<b>流動資產淨值</b>	<b>969</b>	333,079
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>	<b>1,176,473</b>	1,063,083
<b>Non-current liability</b>	<b>非流動負債</b>		
Corporate bonds — due after one year	公司債券 — 於一年後到期	<b>87,435</b>	—
		<b>1,089,038</b>	1,063,083
<b>Capital and reserves</b>	<b>資本及儲備</b>		
Share capital (see note 31)	股本(見附註31)	<b>187,410</b>	179,527
Share premium and reserves	股份溢價及儲備	<b>901,628</b>	883,556
<b>Total equity</b>	<b>權益總額</b>	<b>1,089,038</b>	1,063,083

Notes to the Consolidated Financial Statements  
綜合財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

42. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (Continued)

42. 本公司財務狀況及儲備表(續)

Movement of capital and reserves of the Company (Continued)

本公司資本及儲備變動(續)

		Share capital 股本 RMB'000 人民幣千元	Share premium 股份溢價 RMB'000 人民幣千元	Capital reserve 資本儲備 RMB'000 人民幣千元	Accumulated losses 累計虧損 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2016	於2016年1月1日	161,268	429,597	464,556	(31,685)	1,023,736
Loss and total comprehensive expense for the year	年內虧損及全面開支總額	—	—	—	(22,989)	(22,989)
Final dividend paid for the year ended 31 December 2015 (note 14)	已支付截至2015年12月31日止年度之末期股息(附註14)	—	(32,608)	—	—	(32,608)
Issued of new Shares (note 31)	發行新股份(附註31)	18,259	76,685	—	—	94,944
At 31 December 2016	於2016年12月31日	179,527	473,674	464,556	(54,674)	1,063,083
Loss and total comprehensive expense for the year	年內虧損及全面開支總額	—	—	—	(19,769)	(19,769)
Issued of new Shares (note 31)	發行新股份(附註31)	7,883	37,841	—	—	45,724
At 31 December 2017	於2017年12月31日	<b>187,410</b>	<b>511,515</b>	<b>464,556</b>	<b>(74,443)</b>	<b>1,089,038</b>

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

### 43. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

### 43. 本公司主要附屬公司的詳情

Name of subsidiary 附屬公司名稱	Place of incorporation/ 註冊成立/ 成立地點	Equity interest attributable to the Company 本公司 應佔股權		Issued and fully paid share capital/registered capital 已發行及繳足股本/ 註冊資本	Principal activities 主要業務
		2017 2017年	2016 2016年		
Modern Day Holdings Limited 全傑控股有限公司	Hong Kong 香港	100%	100%	Ordinary shares HK\$1,000,000 普通股1,000,000港元	Investment holding 投資控股
China Saite (Overseas) Company Limited 中國賽特(海外)有限公司	British Virgin Islands 英屬處女群島	100%	100%	Ordinary share US\$1 普通股1美元	Investment holding 投資控股
China Saite (H.K.) Company Limited 中國賽特(香港)有限公司	Hong Kong 香港	100%	100%	Ordinary share HK\$1 普通股1港元	Investment holding 投資控股
Yixing City Zhicheng Consultation Company Limited (note a) 宜興市至誠諮詢有限公司 (附註a)	the PRC 中國	100%	100%	Registered capital RMB16,667,000 Paid-up capital RMB16,667,000 註冊資本人民幣16,667,000元 實繳資本人民幣16,667,000元	Investment holding 投資控股
Jiangsu Saite Steel Structure Co., Ltd. (note b) 江蘇賽特鋼結構有限公司 (附註b)	the PRC 中國	100%	100%	Registered capital RMB399,600,000 Paid-up capital RMB341,367,000 註冊資本人民幣399,600,000元 實繳資本人民幣341,367,000元	Construction of steel structure and prefabricated construction projects 鋼結構及預製構件建築 項目的建築施工
Jiangsu Qifeng New Building Materials Company Limited (note c) 江蘇旗峰新型建材有限公司 (附註c)	the PRC 中國	100%	100%	Registered capital RMB197,000,000 Paid-up capital RMB137,000,000 註冊資本人民幣197,000,000元 實繳資本人民幣137,000,000元	Prefabricated construction projects 預製構件建築項目
Anhui Saite New Building Materials Company Limited (note d) 安徽賽特新型建材有限公司 (附註d)	the PRC 中國	100%	100%	Registered capital RMB60,000,000 Paid-up capital RMB22,000,000 註冊資本人民幣60,000,000元 實繳資本人民幣22,000,000元	Prefabricated construction projects 預製構件建築項目

Notes:

- (a) The entity is a wholly foreign-owned enterprise established in the PRC. The English name is for translation purpose.
- (b) The entity is a sino-foreign equity joint venture established in the PRC. The English name is for translation purpose.
- (c) The entity is a wholly sino-owned enterprise established in the PRC. The English name is for translation purpose.
- (d) The entity is a wholly sino-owned enterprise established in the PRC. The English name is for translation purpose.

附註：

- (a) 該實體為於中國成立的外商獨資企業。英文名稱僅作翻譯用途。
- (b) 該實體為於中國成立的中外合資合營企業。英文名稱僅作翻譯用途。
- (c) 該實體為於中國成立的中國獨資企業。英文名稱僅作翻譯用途。
- (d) 該實體為於中國成立的中國獨資企業。英文名稱僅作翻譯用途。



For the year ended 31 December 2017 截至2017年12月31日止年度

#### 43. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

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

None of the subsidiaries had issued any debt securities at the end of the year.

#### 44. EVENTS AFTER THE END OF THE REPORTING PERIOD

On 31 January 2018, the Company issued guaranteed fixed rate private bonds with aggregate nominal value of USD32,000,000 (approximately equivalent to RMB202,684,800) which carry fixed interest of 10.5% per annum (interest payable semi-annually in arrears) and will be fully repayable by 31 January 2019. Each bondholder will have the right, at its option, to require the Company to repurchase for cash all of its bond, or any portion of the principal amount on each date that is 30 days after the Company furnishes or is required to furnish (whichever is earlier) to the bondholders its financial statements (each such date, the "Put Option Date"). The Company will be required to repurchase any outstanding principal amount of the bonds for which a bondholder delivers a written repurchase notice. The repurchase price the Company is required to pay will be equal to 100% of the principal amount of the bond for repurchase, plus any accrued but unpaid interest up to, but excluding, the Put Option Date.

#### 43. 本公司主要附屬公司的詳情 (續)

董事認為，上表所列本公司的附屬公司主要影響本年度業績或組成本集團資產淨值的重要部分。董事認為載列其他附屬公司的詳情令篇幅過於冗長。

概無附屬公司於年末發行任何債務證券。

#### 44. 報告期末後事項

於2018年1月31日，本公司發行總面值32,000,000美元(相當於約人民幣202,684,800元)的有擔保固定利率私募債券，按固定年利率10.5%計息(利息須每半年支付一次)及將於2019年1月31日前悉數償還。各債券持有人將有權選擇要求本公司於本公司向債券持有人提供或按規定提供(以較早者為準)其財務報表起計滿30日各日(每日均為「認沽期權日期」)，現金購回其所有債券或本金額的任何部分。本公司將須購回債券持有人提交的書面購回通知所涉及的任何尚未償還債券之本金額。本公司須支付的購回價將為是次購回債券本金額的100%，加直至認沽期權日期(但不包括該日)的任何應計但尚未支付的利息。

# Five-Year Financial Summary

## 五年財務概要

### SUMMARY FINANCIAL INFORMATION

A summary of the published results and of the assets and liabilities of the Group for the last five financial years prepared on the basis set out in the note below is as follows:

#### Results

		Year Ended 31 December 截至12月31日止年度				
		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元	2014 2014年 RMB'000 人民幣千元	2013 2013年 RMB'000 人民幣千元
Revenue	收益	<b>1,411,745</b>	1,650,760	1,834,664	1,660,285	1,427,185
Cost of sales	銷售成本	<b>(1,051,837)</b>	(1,222,468)	(1,321,827)	(1,165,394)	(946,025)
Gross profit	毛利	<b>359,908</b>	428,292	512,837	494,891	481,160
Other income	其他收入	<b>9,985</b>	9,737	6,373	8,306	5,934
Other gains or losses, net	其他收益或虧損淨額	<b>(7,399)</b>	(6,608)	—	—	—
Selling and distribution expense	銷售及營銷開支	<b>(4,093)</b>	(2,107)	(9,585)	(3,979)	(2,246)
Administrative expense	行政開支	<b>(37,233)</b>	(31,585)	(59,918)	(40,582)	(21,085)
Other expense	其他開支	<b>—</b>	—	—	—	(20,255)
Finance costs	財務成本	<b>(7,356)</b>	(6,554)	(1,343)	—	—
Share of profit a joint venture	分佔聯營公司盈利	<b>409</b>	502	—	—	—
Profit before tax	除稅前盈利	<b>314,221</b>	391,677	448,364	458,636	443,508
Income tax expense	所得稅開支	<b>(87,021)</b>	(103,408)	(122,461)	(148,938)	(149,486)
Total comprehensive income for the year	年內全面收入總額	<b>227,200</b>	288,269	325,903	309,698	294,022
Earnings per share	每股盈利					
Basic (RMB cents)	基本(人民幣分)	<b>9.77</b>	14.13	17.53	19.36	23.21
Diluted (RMB cents)	攤銷(人民幣分)	<b>N/A不適用</b>	N/A不適用	17.51	N/A不適用	N/A不適用

#### Assets and Liabilities

		Year Ended 31 December 截至12月31日止年度				
		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元	2014 2014年 RMB'000 人民幣千元	2013 2013年 RMB'000 人民幣千元
Non-current assets	非流動資產	<b>484,998</b>	378,447	395,817	232,527	79,140
Current assets	流動資產	<b>2,572,692</b>	2,313,889	1,928,454	1,428,050	1,189,600
Current liabilities	流動負債	<b>(269,566)</b>	(264,571)	(247,111)	(285,963)	(142,782)
Non-current liabilities	非流動負債	<b>(179,551)</b>	(92,116)	(92,116)	(92,116)	(64,408)
Total equity	權益總額	<b>2,608,573</b>	2,335,649	1,985,044	1,282,498	1,061,550

### 財務資料概要

本集團按以下附註所載基準編製於最近五個財政年度之已公佈業績與資產及負債概要如下：

#### 業績

#### 資產及負債

For the purpose of this report, "\*" denotes an official English translation.

就本報告而言，「\*」表示官方英文譯名。

# SALTYE GROUP



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