

BRILLIANT CIRCLE HOLDINGS INTERNATIONAL LIMITED  
貴聯控股國際有限公司

(incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock Code 股份代號：1008



2017  
年報 Annual Report



# Contents

## 目錄

---

Corporate information 公司資料	2
Chairman's statement 主席報告書	4
Management discussion and analysis 管理層討論及分析	7
Profile of directors and senior management 董事及高級管理層履歷	13
Report of the directors 董事會報告書	19
Corporate governance report 企業管治報告書	34
Independent auditor's report 獨立核數師報告	47
Consolidated statement of profit or loss and other comprehensive income 綜合損益及其他全面收益報表	56
Consolidated statement of financial position 綜合財務狀況報表	58
Consolidated statement of changes in equity 綜合權益變動表	60
Consolidated statement of cash flows 綜合現金流量表	62
Notes to the consolidated financial statements 綜合財務報表附註	66
Five years financial summary 五年財務概要	186
Particulars of major properties 主要物業詳情	188



# Corporate information

## 公司資料

---

### DIRECTORS

#### Executive Directors

Mr. Cai Xiao Ming, David (*Chairman*)  
Mr. Qin Song (*Vice-Chairman and Chief Executive Officer*)  
Mr. Peng Guoyi

#### Non-Executive Director

Ms. Li Li

#### Independent Non-Executive Directors

Mr. Lam Ying Hung, Andy  
Mr. Lui Tin Nang  
Mr. Siu Man Ho, Simon

### COMPANY SECRETARY

Mr. Chung Tat Hung (appointed on 3 April 2018)

### AUDIT COMMITTEE

Mr. Lui Tin Nang (*chairman of the audit committee*)  
Mr. Lam Ying Hung, Andy  
Mr. Siu Man Ho, Simon  
Ms. Li Li

### REMUNERATION COMMITTEE

Mr. Lam Ying Hung, Andy  
(*chairman of the remuneration committee*)  
Mr. Siu Man Ho, Simon  
Mr. Lui Tin Nang  
Ms. Li Li

### NOMINATION COMMITTEE

Mr. Siu Man Ho, Simon  
(*chairman of the nomination committee*)  
Mr. Lam Ying Hung, Andy  
Mr. Lui Tin Nang  
Mr. Qin Song  
Ms. Li Li

### AUTHORISED REPRESENTATIVES

Mr. Peng Guoyi  
Mr. Chung Tat Hung

### AUDITOR

Deloitte Touche Tohmatsu

### 董事

#### 執行董事

蔡曉明先生(主席)  
欽松先生(副主席及行政總裁)  
彭國意先生

#### 非執行董事

李莉女士

#### 獨立非執行董事

林英鴻先生  
呂天能先生  
蕭文豪先生

### 公司秘書

鍾達鴻先生(於二零一八年四月三日獲委任)

### 審核委員會

呂天能先生(審核委員會主席)  
林英鴻先生  
蕭文豪先生  
李莉女士

### 薪酬委員會

林英鴻先生  
(薪酬委員會主席)  
蕭文豪先生  
呂天能先生  
李莉女士

### 提名委員會

蕭文豪先生  
(提名委員會主席)  
林英鴻先生  
呂天能先生  
欽松先生  
李莉女士

### 授權代表

彭國意先生  
鍾達鴻先生

### 核數師

德勤•關黃陳方會計師行

# Corporate information

## 公司資料

---

### PRINCIPAL BANKERS

Hang Seng Bank Limited  
Bank of China (Hong Kong) Limited  
The Hongkong and Shanghai Banking Corporation Limited  
China Construction Bank (Asia) Corporation Limited

### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

SMP Partners (Cayman) Limited  
Royal Bank House  
3rd Floor, 24 Shedden Road  
P.O. Box 1586  
Grand Cayman KY1-1110  
Cayman Islands

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

### REGISTERED OFFICE

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

### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1201, 12/F  
Capital Centre  
151 Gloucester Road  
Wanchai  
Hong Kong

### CORPORATE WEBSITE

[www.bcghk.cn](http://www.bcghk.cn)

### STOCK CODE

1008

### LISTING DATE

30 March 2009

### 主要往來銀行

恒生銀行有限公司  
中國銀行(香港)有限公司  
香港上海滙豐銀行有限公司  
中國建設銀行(亞洲)股份有限公司

### 股份過戶及登記總處

SMP Partners (Cayman) Limited  
Royal Bank House  
3rd Floor, 24 Shedden Road  
P.O. Box 1586  
Grand Cayman KY1-1110  
Cayman Islands

### 香港股份過戶登記分處

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

### 註冊辦事處

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

### 總部及香港主要營業地點

香港  
灣仔  
告士打道 151 號  
資本中心  
12 樓 1201 室

### 公司網站

[www.bcghk.cn](http://www.bcghk.cn)

### 股份代號

1008

### 上市日期

二零零九年三月三十日

# Chairman's statement

## 主席報告書

On behalf of the board (the "Board") of directors (the "Directors") of Brilliant Circle Holdings International Limited (the "Company") and its subsidiaries (together the "Group"), I present the annual results for the year ended 31 December 2017.

### BUSINESS REVIEW

For the year ended 31 December 2017, the Company achieved revenue of approximately HK\$1,265.5 million with profit attributable to owners amounting to approximately HK\$138.0 million and basic earnings per share of approximately HK9 cents.

Although China's gross domestic products growth for the year of 2017 picked up to 6.9 percent, the demand for certain cigarette brands remain unsatisfactory. The effect of customer destocking created hurdles for the growth of the Company. During the year, the Company strived to diversify its revenue stream by acquiring a company engaged in the business of Internet-Of-Things ("IOT") and developing smart packaging to cater for increasingly competitive environment of traditional packaging industry.

#### Printing of Cigarette Package

Due to the increasing competitive business environment, the core business of the Group showed a decrease in revenue primarily due to decline in average selling price brought by intensifying mandatory tendering system in the tobacco industry in China and the decline of sub-contract work from Eastern Chinese customers.

Cigarette companies continue to destock to further reduce the inventory as compared to the year of 2016. As a result of inventory control, the sales volume of the Group experienced a mild decrease. The expansion of top tier products is offset by the effect of decline in average selling price of all product tiers and the sluggish market of mid-low tiers products. The Group continued to deepen cost saving measures across production and overheads to moderate the unfavourable price pressure as a result of intensified tendering.

#### Manufacturing of Laminated Papers

Due to rise in cost of raw materials, segment profit of laminated paper decreased by 4.6%.

本人謹代表貴聯控股國際有限公司(「本公司」)及其附屬公司(統稱「本集團」)的董事(「董事」)會(「董事會」)，呈報截至二零一七年十二月三十一日止年度的年度業績。

### 業務回顧

截至二零一七年十二月三十一日止年度，本公司實現收益約1,265,500,000港元，而擁有人應佔溢利約達138,000,000港元，每股基本盈利約為9港仙。

儘管中國於二零一七年的國內生產總值增長回升至6.9%，但若干香煙品牌的需求仍未令人滿意。客戶去庫存妨礙本公司增長。年內本公司致力透過收購一間從事物聯網(「物聯網」)業務的公司分散收益來源，同時發展智能包裝以應付傳統包裝行業日益激烈的競爭環境。

#### 印刷香煙包裝

由於營商環境的競爭日益激烈，本集團核心業務的收益減少，主要原因為中國的煙草業日趨深化之強制招標制度導致平均售價下跌，以及來自華東客戶的分包業務減少。

香煙公司繼續去庫存，令存貨較二零一六年進一步減少。由於控制存貨，本集團的銷量出現輕微下跌。頂級產品的擴張勢頭因全線產品的平均售價下跌及中低檔產品市道呆滯而被抵銷。本集團繼續在生產及開支上深化節省成本措施，以緩和強制招標帶來不利的價格壓力。

#### 製造複合紙

由於原材料成本上漲，複合紙的分部溢利下跌4.6%。

# Chairman's statement

## 主席報告書

### Sales of RFID products

During the year, the Group has made a strategic move on acquiring an IOT company which contributed segment profit of HK\$6.2 million to the Group during the year. The newly acquired subsidiary will not only diversify the Group revenue stream, but also play an important role in spearheading the Group's smart packaging development. The Group believes there are rooms for improvement for traditional packaging and each package would serve active functions beyond the inert passive containment with the emerging technology.

### PROSPECTS

The 19th National Congress of the Communist Party of China 《中國共產黨第十九次全國代表大會》 was held in October 2017, and it affirmed China's commitment on the country's innovative, coordinated, green, and open development.

### Market share of cigarette packaging

During 2017, Regional China National Tobacco Corporations continued to destock which affected adversely the sales volume of the mid to low tier products of the Eastern Chinese customers. Although the Group had managed to maintain its market share in general, mandatory tendering will undoubtedly impose price pressure across almost all tiers of cigarette packaging products. To counter this, we will transition our marketing strategy to increase the relative importance on several major high-tier brands. Meanwhile, comprehensive effort on strengthening research and development and product design will be spent on tendering new brands of lower volume but higher profitability. Quality control is always the Group's major focus for retaining customers. In the face of downward pressure of product price, deeper supplier management will be executed vertically in the supply chain to resolve the material issue related to the existing material suppliers. With better utilization of resource, new technology on packaging will be invented to increase customer loyalty.

### Smart packaging

With the acquisition of the IOT company as stated in the announcement of the Company dated 22 May 2017, the Group is further diversifying into smart packaging. The newly acquired subsidiary will incorporate new technology into our traditional package to create competitive advantage over the conventional printers of the industry. It is expected that continuous investments will be spent in this segment which is expected to be a growing contributor to the Group's revenue.

### 銷售射頻識別產品

年內，本集團作出策略部署以收購一間物聯網公司，年內為本集團貢獻分部溢利6,200,000港元。新收購的附屬公司不僅有助分散本集團的收益來源，亦將在帶領本集團發展智能包裝上擔當重要角色。本集團相信傳統包裝仍有改善空間，在新技術不斷湧現下，每種包裝將可發揮主動功能，突破盛載產品的被動功能。

### 前景

中國共產黨第十九次全國代表大會於二零一七年十月舉行，確定中國致力創新、協調、綠色及開放發展的目標。

### 香煙包裝的市場份額

於二零一七年，中國煙草公司繼續去庫存，對華東客戶的中低檔產品的銷量構成不利影響。儘管本集團大致上仍能維持本身的市場份額，但強制招標制度毫無疑問會對全線香煙包裝產品構成價格壓力。為此，我們將營銷策略偏重於多個主要高檔品牌，同時全面努力加強研發及產品設計的力度以競投數量較小但利潤較高的新品牌。品質控制向為本集團留住客戶的主要焦點。面對產品價格的下調壓力，將在供應鏈上以縱向方式深化管理供應商，以解決涉及現有供應商的重大問題。隨著更有效利用資源，我們將構思嶄新的包裝技術以增加客戶忠誠度。

### 智能包裝

繼本公司日期為二零一七年五月二十二日的公布所述收購物聯網公司後，本集團進一步拓展至智能包裝業務。新收購的附屬公司將新技術融入我們的傳統包裝，創出業內傳統印刷商無可比擬的競爭優勢。預期本集團將不斷投資於此業務分部，可望成為本集團日益重要的收益來源。

# Chairman's statement

## 主席報告書

---

### Boutique packaging

In order to cope with the recent development trends in the high end packaging markets, the Group will continue to invest further in upgrading the existing production facilities to enhance our product quality, production capacity and efficiency for producing boutique packaging. It is expected that our product range will be widened to include non-cigarette package products to satisfy the wider range of package printing customers.

### Synergetic co-operations and developments

It is the Group's corporate mission to continue to explore ways to improve its financial performance, to equip the Group with growth momentum, to diversify its operations internationally into new and more profitable businesses and to broaden the sources of revenue within acceptable risk level. Hence, the Company does not rule out the possibility of investing in or diversifying into other profitable business as long as it is in the interests of the Company and its shareholders as a whole.

Looking ahead, the Group will continue to seek investment and business opportunities with a view to achieving a sustainable growth, increasing profitability and ultimately maximising the return to the shareholders of the Company.

### APPRECIATION

On behalf of the Group, I would also like to take this opportunity to express my gratitude to our customers, suppliers and shareholders for their continuing support, my fellow directors for their guidance as well as our staff for their dedication and hard work.

**Cai Xiao Ming, David**  
*Chairman*

26 March 2018

### 精品包裝

為順應高端包裝市場近期的發展趨勢，本集團將繼續投資於升級現有生產設施，以提升生產精品包裝的品質、產能及效率。預期產品系列將會擴闊，以包括非香煙包裝產品，滿足更廣泛的包裝印刷客戶。

### 協同合作及發展

不斷設法改善財務表現、推動本集團增長、致力業務國際化拓展創新及更有利可圖的業務及在可承受的風險下擴闊收益來源向為本集團的使命。因此，只要符合本公司及其股東的整體利益，本公司不排除投資於或擴展至其他有利可圖業務的可能性。

展望未來，本集團將繼續尋求投資及業務機會，務求達致可持續增長，提高盈利能力，最終為本公司股東爭取最大回報。

### 致謝

本人亦謹藉此機會代表本集團對客戶、供應商及股東的長期支持、董事仝人的指導及員工的熱誠及辛勤工作不懈表示致謝。

**蔡曉明**  
*主席*

二零一八年三月二十六日

# Management discussion and analysis

## 管理層討論及分析

### REVENUE

During the year, the revenue of the Group was approximately HK\$1,265.5 million (2016: HK\$1,407.2 million), which represents a decrease of approximately HK\$141.7 million or 10.1% as compared with 2016. The revenues of our business segments, (1) printing of cigarette package decreased by 12.9% to HK\$1,189.7 million, (2) manufacturing of laminated papers increased by 3.4% to HK\$42.8 million, and (3) newly acquired business engaging in sales of RFID products recorded HK\$32.9 million.

The decrease in revenue mainly resulted from the drop in average selling price across various products tiers as a consequence of intensified mandatory tendering system in the tobacco industry in China. Despite the Eastern Chinese customers' destocking, the sales volume in other parts of China increase which result in only negligible drop in sales volume at Group level.

### GROSS PROFIT

During the year, gross profit of the Group decreased by approximately HK\$101.3 million or 24.7% to HK\$308.6 million as compared with 2016. The gross profit margin has decreased from 29.1% in 2016 to 24.4% in 2017. It was mainly due to (i) price pressure of intensifying tendering system; and (ii) significant decrease in the sub-contracting business of Eastern Chinese customers as a result of over-accumulation of inventory. Although the Group has spent tremendous effort in enhancing internal complementation by unifying resources and promoting its sharing among its production facilities in various provinces of China, the drop in average selling price of mid-tier cigarette packaging outweighs the cost saving in manufacturing process resulting in significant impact towards gross profit ratio.

### OTHER INCOME

Other income increased by HK\$9.6 million as compared with 2016. The increase has primarily arisen from (i) increase in government grant of HK\$4.2 millions due to incentives granted by local authority for encouragement of its business development and innovation; and (ii) full utilisation of the factory premises by leasing the idle area resulting in increase in rental income by HK\$4.0 million in 2017.

### 收益

年內，本集團的收益約為1,265,500,000港元(二零一六年：1,407,200,000港元)，較二零一六年減少約141,700,000港元或10.1%。各業務分部的收益方面，(1)香煙包裝印刷分部的收益減少12.9%至1,189,700,000港元；(2)製造複合紙分部的收益增加3.4%至42,800,000港元；及(3)新收購的射頻識別產品銷售業務分部錄得收益32,900,000港元。

收益減少主要由於中國的煙草業深化強制招標制度令各級產品的平均售價下跌。儘管華東客戶積極去庫存，但中國其他地方的銷量卻有所增加，以致本集團的銷量僅有輕微跌幅。

### 毛利

年內，本集團毛利較二零一六年減少約101,300,000港元或24.7%至308,600,000港元。毛利率由二零一六年的29.1%下跌至二零一七年的24.4%，主要由於(i)劇烈招標制度的價格壓力；及(ii)因過度積壓存貨令華東客戶的分包業務大幅減少。儘管本集團已致力整合資源及促進中國各省的生產設施共享資源以提升內部互補，但中檔香煙包裝的平均售價下跌幅度遠超生產過程中節省的成本，以致對毛利率構成重大影響。

### 其他收入

其他收入較二零一六年增加9,600,000港元，主要由於(i)地方政府為鼓勵當地業務發展和創新而增加政府補助金4,200,000港元；及(ii)將閒置地方出租以充分利用工廠處所，令二零一七年的租金收入增加4,000,000港元。



# Management discussion and analysis

## 管理層討論及分析

### OTHER GAINS AND LOSSES

Other gains and losses was arisen primarily due to net foreign exchange losses as a result of depreciations of Hong Kong dollars and impairment loss on goodwill due to downward trend of cigarette package business.

### SELLING AND DISTRIBUTION EXPENSES

During the year, although decline in revenue resulted in reduced commission expenses, the effect was offset by the increase of entertainment expenses for maintaining market share.

### ADMINISTRATIVE EXPENSES AND OTHER EXPENSES

During the year, administrative expenses and other expenses decreased by approximately HK\$8.1 million or 8.4% to HK\$88.1 million primarily due to the decrease in staff cost expenses of HK\$9.4 million being offset by the surcharge on overdue payments to governmental authorities and compensation expenses amounting to HK\$2.7 million.

### FINANCE COSTS

Finance costs decreased by 14.0% to approximately HK\$22.0 million. It was mainly due to refinancing with lower interest bearing bank borrowings during the year.

### SHARE OF PROFITS OF ASSOCIATES

Share of profits of associates decreased by approximately HK\$39.1 million to HK\$47.3 million during the year. The decrease in net profit of our associates was mainly due to absence of reversal of bad debt in 2016 and the decrease in average selling price of top-tier cigarette packaging demanded by its customers together with the effect of slight decline in sales volume in 2017.

### TAXATION

The effective tax rate of the Group increased from 19.5% to 25.9% in 2017. It was primarily due to increase in non-deductible expenses for tax purpose mainly associated with the impairment of goodwill.

### 其他收益及虧損

出現其他收益及虧損的主要因為港元貶值導致出現匯兌虧損淨額及因香煙包裝業務的下滑趨勢而產生商譽減值虧損。

### 銷售及分銷開支

年內，儘管收益下跌導致佣金開支減少，但為維持市場佔有率而增加交際開支，佣金開支的跌幅因而被抵銷。

### 行政開支及其他開支

年內，行政開支及其他開支減少約8,100,000港元或8.4%至88,100,000港元，主要由於員工成本開支減少9,400,000港元，但因結欠政府機構之逾期款項加徵附加費及補償開支達2,700,000港元而被局部抵銷。

### 融資成本

融資成本減少14.0%至約22,000,000港元，主要由於年內以較低利率的銀行借貸進行再融資所致。

### 分佔聯營公司溢利

年內分佔聯營公司溢利減少約39,100,000港元至47,300,000港元。聯營公司的純利減少主要由於二零一六年並無撥回壞賬，且其客戶要求調低頂級香煙包裝的平均售價以及受到二零一七年銷量輕微下跌的影響。

### 稅項

本集團的實際稅率由19.5%增至二零一七年的25.9%，主要因為不可扣稅開支增加，主要涉及商譽減值。

# Management discussion and analysis

## 管理層討論及分析

---

### PROFIT FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE COMPANY

Profit attributable to the owners of the Company decreased by 51.7% or by HK\$147.8 million to HK\$138.0 million, mainly because of (i) significant drop in sub-contracting income, (ii) decrease in share of profits of associates and (iii) the impairment of goodwill as described above.

### SEGMENT INFORMATION

During the year, revenue were generated from three segments: (i) the printing of cigarette packages of approximately HK\$1,189.7 million (2016: HK\$1,365.8 million), (ii) manufacturing of laminated papers of approximately HK\$42.8 million (2016: HK\$41.4 million), and (iii) the new segment arising from acquisition during the year for the sales of RFID products of approximately HK\$32.9 million respectively. The earnings from the printing of cigarette packages and manufacturing of laminated papers decreased by 26.6% to approximately HK\$294.3 million (2016: HK\$400.9 million) and 4.6% to approximately HK\$10.4 million (2016: HK\$10.9 million) respectively. Earnings from the printing of cigarette packages accounted for approximately 94.7% of the total segment earnings before unallocated items.

### 本公司擁有人應佔年度溢利

本公司擁有人應佔溢利減少51.7%或147,800,000港元至138,000,000港元，主要由於(i)分包收入顯著下跌；(ii)分佔聯營公司溢利減少及(iii)上述商譽減值所致。

### 分部資料

年內，來自(i)印刷香煙包裝的收益約為1,189,700,000港元(二零一六年：1,365,800,000港元)；(ii)製造複合紙的收益約為42,800,000港元(二零一六年：41,400,000港元)；及(iii)年內新收購之射頻識別產品銷售業務的收益約為32,900,000港元。來自印刷香煙包裝及製造複合紙的盈利分別減少26.6%至約294,300,000港元(二零一六年：400,900,000港元)及減少4.6%至約10,400,000港元(二零一六年：10,900,000港元)。來自印刷香煙包裝的盈利佔除未分配項目前分部盈利總額約94.7%。

# Management discussion and analysis

## 管理層討論及分析

### FINANCIAL POSITION AND LIQUIDITY

The Group generally finances its operations with internally generated resources and banking facilities. As at 31 December 2017, the Group had net current assets of HK\$478.5 million (2016: HK\$396.5 million), while the Group's cash and cash equivalents amounted to HK\$292.5 million (2016: HK\$199.7 million). As at 31 December 2017, the short-term interest-bearing bank borrowings of the Group amounted to HK\$621.9 million (2016: HK\$419.6 million). Carrying amounts of trade receivables, property, plant and equipment, investment properties, bank deposits and non-current assets classified as held for sale pledged for securing credit facilities amounted to approximately HK\$451.5 million (2016: HK\$574.6 million), HK\$Nil (2016: HK\$80.8 million), HK\$Nil (2016: HK\$121.3 million), HK\$5.4 million (2016: HK\$6.7 million) and HK\$197.4 million (2016: HK\$Nil) respectively. As at 31 December 2017, the Group's gearing ratio, represented by the amount of interest-bearing borrowings divided by shareholders equity, was reduced to 22.8% (as at 31 December 2016: 23.6%). As at 31 December 2017, the Group had capital commitments for purchase of property, plant and equipment which amounted to HK\$4.5 million (2016: HK\$7.9 million).

### CONTINGENT LIABILITIES AND GUARANTEES

Save as disclosed in the note 47 to the consolidated financial statements or elsewhere in the annual report, the Group did not provide any guarantees to third party and had no material contingent liabilities as at 31 December 2017.

### MATERIAL ACQUISITION AND DISPOSAL

On 16 May 2017, Right Tech (China) Limited, a wholly-owned subsidiary of the Company, as purchaser entered into a sale and purchase agreement (the "SPA") with an independent third party as vendor, in relation to the acquisition of 70% equity interest of Jiangsu HY Link Science & Technology Co., Limited 江蘇聯恒物宇科技有限公司 (the "Target Company") at the total cash consideration of RMB44,982,000 (equivalent to approximately HK\$51,849,000) or RMB46,410,000 (equivalent to approximately HK\$53,494,000) subject to the financial results of Target Company for the years end 31 December 2017 and 31 December 2018. Such acquisition did not constitute a notifiable transaction to the Company under the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

### 財務狀況及流動資金

本集團一般以其內部產生的資源及銀行融資撥付其營運資金。於二零一七年十二月三十一日，本集團的流動資產淨值為478,500,000港元(二零一六年：396,500,000港元)，而本集團的現金及現金等值項目則為292,500,000港元(二零一六年：199,700,000港元)。於二零一七年十二月三十一日，本集團的付息短期銀行借貸為621,900,000港元(二零一六年：419,600,000港元)。為取得信貸融資而質押的貿易應收款項、物業、廠房及設備、投資物業、銀行存款及分類為持有待售的非流動資產的賬面值分別約為451,500,000港元(二零一六年：574,600,000港元)、零港元(二零一六年：80,800,000港元)、零港元(二零一六年：121,300,000港元)、5,400,000港元(二零一六年：6,700,000港元)及197,400,000港元(二零一六年：零港元)。於二零一七年十二月三十一日，本集團按付息借貸除以股東權益所得金額計算的資產負債比率下跌至22.8%(於二零一六年十二月三十一日：23.6%)。於二零一七年十二月三十一日，本集團有購買物業、廠房及設備的資本承擔4,500,000港元(二零一六年：7,900,000港元)。

### 或然負債及擔保

除綜合財務報表附註47或本年報其他內容所披露者外，於二零一七年十二月三十一日，本集團並無向第三方提供任何擔保，亦無任何重大或然負債。

### 重大收購事項及出售事項

於二零一七年五月十六日，本公司全資附屬公司偉達(中國)有限公司(作為買方)與一名獨立第三方(作為賣方)訂立一項買賣協議(「買賣協議」)，內容有關購入江蘇聯恒物宇科技有限公司(「目標公司」)的70%股權，總現金代價為人民幣44,982,000元(相當於約51,849,000港元)或人民幣46,410,000元(相當於約53,494,000港元)，取決於目標公司截至二零一七年十二月三十一日及二零一八年十二月三十一日止年度的財務業績。有關收購事項並不構成聯交所證券上市規則(「上市規則」)項下本公司的須予公布交易。

# Management discussion and analysis

## 管理層討論及分析

---

According to the 2017 audited results of Target Company, financial performance as required by the profit guarantee stated in the SPA was met during the year. The second installment of the consideration will be distributed by the end of March 2018.

On 11 January 2018, the Company, as the vendor, entered into a provisional sale and purchase agreement in relation to the disposal of the entire issued capital of, and the debts due by, Empire Sail Limited and its subsidiary (the "Target Group") at a cash consideration of HK\$295,000,000, in which the principal asset of the Target Group is a commercial building property together with three car parking spaces, to Lion Capital Investment Limited, as the purchaser. The completion of the transaction shall take place on 30 April 2018. Details of the transaction can be referred to the announcement of the Company dated 11 January 2018.

Save as disclosed above or elsewhere in the annual report, there was no material acquisition or disposal of subsidiaries or associated companies by the Group during the year ended 31 December 2017.

### TREASURY POLICIES

The Group adopted a prudent strategy towards the treasury and funding policies, with strong emphasis on risk control and transactions directly related to the Group's principal business. Funds, primarily denominated in Renminbi and Hong Kong dollars, are normally placed with banks in short or medium term deposits for working capital of the Group.

根據目標公司的二零一七年經審核業績，年內已達成買賣協議中溢利保證所要求的財務表現。第二期代價將於二零一八年三月底前分派。

於二零一八年一月十一日，本公司(作為賣方)就以現金代價295,000,000港元將帝航有限公司及其附屬公司(「目標集團」)的全部已發行股本及結欠債項出售予獅皇投資有限公司(作為買方)訂立臨時買賣協議。目標集團的主要資產為一幢商業大廈連同三個停車位。交易將於二零一八年四月三十日完成。交易詳情請參閱本公司日期為二零一八年一月十一日的公布。

除上文或本年報其他內容所披露者外，於截至二零一七年十二月三十一日止年度，本集團概無進行有關附屬公司或聯營公司的重大收購或出售事項。

### 庫務政策

本集團對庫務及撥資政策採取審慎策略，且非常重視直接牽涉本集團主要業務的風險監控及交易。資本主要以人民幣及港元計值，其通常以短期或中期存款存於銀行，以作本集團營運資金。

# Management discussion and analysis

## 管理層討論及分析

### CAPITAL STRUCTURE

The Group's operation was mainly financed by funds generated from its operations and borrowings. As at 31 December 2017, the borrowings were mainly denominated in Hong Kong dollars and Renminbi, while the cash and cash equivalents held by the Group were mainly denominated in Hong Kong dollars and Renminbi. The Group's turnover is denominated in Renminbi, while its costs and expenses are mainly denominated in Hong Kong dollars and Renminbi. In view of the prevailing macro-economic environment and the volatile foreign exchange market, the Group is exposed to the foreign exchange rate risk. An exchange gain has arisen due to the translation of functional currency of Renminbi to presentation currency of Hong Kong dollar during the reporting period when Renminbi depreciated against Hong Kong dollar. However, such translation is a non-cash item in nature and has no practical effect to our daily operation as majority of our revenue and cost are all denominated in Renminbi. Foreign exchange loss was arisen due to Renminbi appreciated against Hong Kong dollar during the first half of the financial year. The hedging contracts were terminated in mid 2017. The Group will closely monitor the volatility of foreign exchange rate and apply the appropriate hedging strategy if necessary.

### CHARGES ON THE GROUP'S ASSETS

As at 31 December 2017, assets with carrying amounts of approximately HK\$654.4 million (31 December 2016: HK\$783.4 million) were pledged to banks in respect of banking facilities granted to Group.

### HUMAN RESOURCES

As at 31 December 2017, the Group had 18 (2016: 6) and 1,178 (2016: 1,072) full-time staff based in Hong Kong and the PRC respectively. The Group's remuneration packages are generally structured with reference to market terms and individual merits. The Group participates in a defined contribution retirement benefits scheme under the Mandatory Provident Fund Schemes Ordinance for all of its employees in Hong Kong. Contributions are made based on a percentage of the employees' base salaries. The Group also made contributions to provident funds, elderly insurance, medical insurance, unemployment insurance and work-related injury insurance in accordance with the applicable laws and regulations in the PRC. The Group has adopted a share option scheme as a reward to eligible high-caliber employees and to attract similar high quality personnel that are valuable to the Group.

### 資本架構

本集團的營運資金主要來自其營運所產生的資金及借貸。於二零一七年十二月三十一日，借貸主要以港元及人民幣計值，而本集團持有的現金及現金等值項目則主要以港元及人民幣計值。本集團的營業額以人民幣計值，而其成本及開支則主要以港元及人民幣計值。鑑於現行宏觀經濟環境及外匯市場波動，本集團承受外幣匯率風險。於報告期內的匯兌收益乃源自人民幣(功能貨幣)換算港元(呈報貨幣)，期間人民幣兌港元的匯率貶值。然而，有關換算實質上屬非現金項目，且對日常營運並無實際影響，此乃由於大部分收益及成本均以人民幣計值。由於本財政年度上半年人民幣兌港元升值，因而產生匯兌虧損。對沖合約其後於二零一七年中終止。本集團將密切監察外幣匯率波動情況，並於有需要時採取適當對沖策略。

### 本集團的資產抵押

於二零一七年十二月三十一日，賬面值約為654,400,000港元(二零一六年十二月三十一日：783,400,000港元)的資產已就本集團獲授的銀行融資質押予銀行。

### 人力資源

於二零一七年十二月三十一日，本集團分別在香港及中國聘用18名(二零一六年：6名)及1,178名(二零一六年：1,072名)全職員工。本集團的薪酬待遇一般參考市場條款及個人資歷釐定。本集團根據強制性公積金計劃條例為其於香港的全體僱員參加定額供款退休福利計劃。供款乃按僱員基本薪金的某個百分比計算。本集團亦根據中國規定的適用法律及法規向公積金、養老保險、醫療保險、失業保險及工傷保險供款。本集團已採納購股權計劃，目的為獎賞合資格的優秀僱員及吸引對本集團具價值的類似高質素人員。

# Profile of directors and senior management

## 董事及高級管理層履歷

---

### BOARD OF DIRECTORS

#### Executive Directors

**Mr. CAI Xiao Ming, David** (蔡曉明), aged 40, was appointed as an Executive Director on 18 December 2008. He was re-designated as the Chairman of the Board with effect from 31 October 2014 and is responsible for the overall management of the Group. He was appointed as a Chief Executive Officer during the period from 3 May 2011 to 30 October 2014. Mr. David Cai is a director of most subsidiaries of the Company. Mr. David Cai has more than 11 years of experience in the packaging and printing industry gained from the management of the Group's business. Mr. David Cai joined the Group in January 2001.

**Mr. QIN Song** (欽松), aged 45, is an Executive Director, the Chief Executive Officer and a member of the Nomination Committee of the Company. He was appointed as the Vice Chairman of the Group with effect from 3 December 2015. Mr. Qin joined the Group in May 2002, and worked, among other positions, as the Office Administrator of the Group and General Manager of various subsidiaries of the Company. Since September 2005, Mr. Qin serves as the Deputy Director of the market committee of the Company and since February 2006, a Vice President of the Company. From May 2010 to October 2011, he also served as the General Manager of Bengbu Jinhuangshan Rotogravure Printing Company Limited in addition to his then existing duties. Mr. Qin holds a Bachelor's degree in Economics and Management Administration.

#### 董事會

#### 執行董事

**蔡曉明先生**，40歲，於二零零八年十二月十八日獲委任為執行董事。彼於二零一四年十月三十一日調任董事會主席，負責本集團的整體管理。彼於二零一一年五月三日至二零一四年十月三十日期間獲委任為行政總裁。蔡曉明先生為本公司大部分附屬公司的董事。蔡曉明先生自管理本集團業務獲取逾11年包裝及印刷業經驗。蔡曉明先生於二零零一年一月加入本集團。

**欽松先生**，45歲，為本公司執行董事、行政總裁及提名委員會成員。彼於二零一五年十二月三日獲委任為本集團副主席。欽先生於二零零二年五月加入本集團，彼曾出任的職務包括本集團辦公室主任及本公司多家附屬公司的總經理。自二零零五年九月起，欽先生出任本公司市場委員會副總監及自二零零六年二月起，出任本公司副總裁。自二零一零年五月至二零一一年十月，除當時的職務外，彼亦出任蚌埠金黃山凹版印刷有限公司的總經理。欽先生持有經濟學及工商管理學士學位。

# Profile of directors and senior management

## 董事及高級管理層履歷

**Mr. PENG Guoyi** (彭國意), aged 54, was appointed as an Executive Director on 22 July 2015. Mr. Peng has been serving the Group as the Vice President of the Group and the General Manager of Shenzhen Kecai Printing Co., Limited\* (深圳市科彩印務有限公司), one of the subsidiaries of the Company since he joined the Group in December 2013. Mr. Peng graduated from Hunan University, specializing in internal combustion engines, and with status of the national senior engineer and the member of expert guidance committee. Before Mr. Peng joined the Group, he worked as a general manager in Kunming Color Printing Company\* (昆明彩印印刷公司) from 2007 to 2008. He also worked as a general manager in Jinjia New Style Packing Material Limited Company\* (勁嘉新型包裝材料有限公司) during the period from 2008 to 2013. He has more than ten years of management experience in the printing and packaging companies.

### Non-Executive Director

**Ms. LI Li** (李莉), aged 46, was appointed as a non-executive Director on 22 July 2015. Ms. Li is a Chairman of the board of directors of Masterwork Group Co., Ltd. (天津長榮科技集團股份有限公司) (“Masterwork” together with its subsidiaries, the “Master Group”), a company whose issued shares are listed on the Shenzhen Stock Exchange (Stock code: 300195). She is also a director of certain subsidiaries of the Masterwork Group Co., Ltd. and Tianjin Ming Xuan Investment Limited Company\* (天津名軒投資有限公司). Ms. Li is qualified as a senior economist in the People’s Republic of China. She has extensive management experience in the printing and packaging companies.

**彭國意先生**，54歲，於二零一五年七月二十二日獲委任為執行董事。彭先生自二零一三年十二月加盟本集團以來，一直擔任本集團副主席及本公司附屬公司之一深圳市科彩印務有限公司的總經理。彭先生畢業於湖南大學內燃機專業，為國家高級工程師及專家指導委員會成員。加盟本集團前，彭先生於二零零七年至二零零八年間擔任昆明彩印印刷公司總經理。於二零零八年至二零一三年期間，彼亦擔任勁嘉新型包裝材料有限公司總經理。彼於印刷及包裝公司擁有逾十年管理經驗。

### 非執行董事

**李莉女士**，46歲，於二零一五年七月二十二日獲委任為非執行董事。李女士為天津長榮科技集團股份有限公司（「長榮」，連同其附屬公司統稱「長榮集團」）的董事會主席，該公司的已發行股本於深圳證券交易所上市（股份代號：300195）。彼亦為長榮科技集團股份有限公司若干附屬公司及天津名軒投資有限公司的董事。李女士具備中華人民共和國高級經濟師資格。彼於印刷及包裝公司擁有豐富管理經驗。

# Profile of directors and senior management

## 董事及高級管理層履歷

### Independent Non-Executive Directors

**Mr. LAM Ying Hung, Andy** (林英鴻), aged 54, was appointed as an Independent Non-Executive Director on 4 March 2009. Mr. Lam is the chairman of the Remuneration Committee and a member of the Audit Committee and the Nomination Committee of the Company. Mr. Lam has over 25 years of experience in accounting, banking and finance sectors. Mr. Lam is the Managing Consultant of Lontreprise Consulting Limited. Mr. Lam is an associate member of various professional organisations, namely The Institute of Chartered Secretaries and Administrators, The Hong Kong Institute of Company Secretaries and The Hong Kong Institute of Bankers. Mr. Lam is also a fellow member of the Association of Chartered Certified Accountants and a Certified Public Accountant of Hong Kong Institute of Certified Public Accountants (“HKICPA”). Mr. Lam is an Independent Non-Executive Director of Xingfa Aluminium Holdings Limited and Synertone Communication Corporation, both are companies listed on the Main Board of the Stock Exchange. Mr. Lam received his Master of Professional Accounting and Master of Science in E-commerce for Executives both from The Hong Kong Polytechnic University.

**Mr. LUI Tin Nang** (呂天能), aged 60, was appointed as an Independent Non-Executive Director on 4 March 2009. Mr. Lui is the chairman of the Audit Committee and a member of the Remuneration Committee and the Nomination Committee of the Company. Mr. Lui has a Bachelor degree in Science from the University of Leeds, a Master Degree in Business Administration from the University of Bradford in United Kingdom and a Postgraduate Diploma in insolvency from HKICPA. He is a fellow member of the HKICPA (Practicing), the Institute of Chartered Accountants in England & Wales, the Taxation Institute of Hong Kong, and The Society of Chinese Accountants and Auditors. He is also a member of the Chartered Institute of Management Accountant, Institute of Certified Public Accountants in Australia and the Certified Tax Adviser. He has years of experience in accounting, auditing, taxation, corporate finance and business advisory. Mr. Lui is also an Independent Non-Executive Director of Noble House (China) Holdings Limited which listed on the GEM of the Stock Exchange.

### 獨立非執行董事

**林英鴻先生**，54歲，於二零零九年三月四日獲委任為獨立非執行董事。林先生為本公司薪酬委員會主席及審核委員會及提名委員會成員。林先生於會計、銀行及金融業擁有逾25年經驗，現為Lontreprise Consulting Limited的首席顧問，另為多個專業組織（特許秘書及行政人員公會、香港公司秘書公會及香港銀行家學會）的會員。林先生亦為英國特許公認會計師公會資深會員及香港會計師公會（「香港會計師公會」）執業會計師。林先生為聯交所主板上市公司興發鋁業控股有限公司及協同通信集團有限公司的獨立非執行董事。林先生持有香港理工大學專業會計碩士及電子商貿（行政人員）理學碩士學位。

**呂天能先生**，60歲，於二零零九年三月四日獲委任為獨立非執行董事。呂先生為本公司審核委員會主席及薪酬委員會及提名委員會成員。呂先生持有英國University of Leeds理學士學位、英國University of Bradford工商管理碩士學位及香港會計師公會破產管理文憑。彼為香港會計師公會（執業）、英格蘭及威爾斯特許會計師公會、香港稅務學會及華人會計師公會資深會員。他亦是英國特許管理會計師協會、澳洲會計師公會會員及香港註冊稅務師。彼於會計、核數、稅務、企業融資及業務諮詢等方面累積多年經驗。呂先生亦為聯交所GEM上市公司名軒（中國）控股有限公司的獨立非執行董事。



# Profile of directors and senior management

## 董事及高級管理層履歷

**Mr. SIU Man Ho, Simon** (蕭文豪), aged 44, is a practising solicitor of the High Court of Hong Kong. He obtained a Bachelor of Laws degree from the University of Hong Kong in 1996 and is a partner of a Hong Kong law firm, namely Sit, Fung, Kwong & Shum Solicitors. Mr. Siu is also a China Appointed Attesting Officer appointed by the Ministry of Justice of the PRC. His areas of practice include corporate finance, capital markets, securities, mergers and acquisitions, joint ventures and general commercial matters. Mr. Siu is also an independent non-executive director of Wai Yuen Tong Medicine Holdings Limited (stock code 897), Weiye Holdings Limited (stock code 1570) and Shuang Yun Holdings Limited (stock code 1706), all of which are companies listed on the Main Board of the Stock Exchange. He also actively participates in charitable and social services in Hong Kong. He was previously appointed as the director of Hong Kong Pok Oi Hospital. He is acting as the legal adviser for United Hearts Youth Foundation, VQ Foundation and Hong Kong Taekwondo Association as well as the school manger of The Association of Directors and Former Directors of Pok Oi Hospital Ltd. Leung Sing Tak College. He is also a member of the Committee of the Chinese People's Political Consultative Conference in Yangjiang City of Guangdong Province, the PRC. Mr. Siu is the chairman of the Nomination Committee and a member of the Audit Committee and the Remuneration Committee of the Company.

### SENIOR MANAGEMENT

**Mr. HUANG Wanru**, (黃萬如), aged 50, was appointed the vice president of the Group since October 2011. With long working experience in finance field, Mr. Huang is responsible for the Group's financial and management information system. Mr. Huang joined the Group in May 1998, has been serving in the Group's various subsidiary companies and in various roles such as cost accounting, finance manager, finance controller. Since March 2008, Mr. Huang was appointed as the financial controller of the Group. Mr. Huang is studying EMBA at Xiamen University.

**Mr. JIANG Xiang Yu** (蔣祥瑜), aged 62, is the General Manager of BB Jinhuangshan. He joined the Group in 1999 and has over 15 years of experience in the cigarette package industry.

**蕭文豪先生**，44歲，為香港高等法院執業律師，於一九九六年取得香港大學法律學士學位，現為薛馮鄺岑律師行合夥人。蕭先生亦為中國司法部委任的中國委託公證人，其專業包括企業融資、資本市場、證券、合併及收購、合營及一般商業事宜。蕭先生亦為聯交所主板上市公司位元堂藥業控股有限公司(股份代號897)、偉業控股有限公司(股份代號1570)及雙運控股有限公司(股份代號1706)的獨立非執行董事。蕭先生同時積極參與香港的慈善及社會服務，曾擔任香港博愛醫院總理。他現時擔任雁心會樂幼基金、願景基金會及香港跆拳道協會的法律顧問，並擔任博愛醫院歷屆總理聯誼會梁省德中學校董。他亦是中國廣東省陽江市政治協商會議委員。蕭先生為本公司提名委員會主席及審核委員會及薪酬委員會成員。

### 高級管理層

**黃萬如先生**，50歲，自二零一一年十月起獲委任為本集團副總裁。憑藉於金融界的豐富經驗，黃先生負責管理本集團的財務及管理資訊系統。黃先生於一九九八年五月加盟本集團，效力本集團多家附屬公司，歷任成本會計師、財務經理、財務總監。自二零零八年三月起，黃先生獲委任為本集團的財務總監。黃先生現正於廈門大學修讀EMBA課程。

**蔣祥瑜先生**，62歲，為蚌埠金黃山的總經理。彼於一九九九年加盟本集團，於香煙包裝業積逾15年經驗。

# Profile of directors and senior management

## 董事及高級管理層履歷

---

**Mr. YAN Feng** (嚴峰), aged 60, is the Vice President of the Group since March 2016 responsible for the Group infrastructure advancement, equipment management and investment, policy research and technology management. Mr. Yan joined the Group in 2000 and has more than 20 years of experience in the cigarette package industry and he also has experience in printing of books services. Between May 2000 to April 2001, he served as the design director and marketing manager in the headquarter of the Group. Between November 2003 to November 2006, he served as Deputy General Manager of Xiangfan Jinfeihuan Colour Packing Company Limited (“Xiangfan Jinfeihuan”). Between April 2009 to May 2010, he served as the General Manager of the Group responsible for the printing of paper products. Between November 2010 to December 2012, he served as the Deputy General Manager of CD Goldroc. Between May 2013 to March 2016, he served as General Manager of Xiangfan Jinfeihuan.

**Ms. ZHENG Jinghui** (鄭靜慧), aged 40, is the Vice President of the Group since March 2016 responsible for the management of the Group’s strategy, human resources, office administration. Ms. Zheng graduated from Beihang University, specializing in computer application, Zhejiang University specializing in human resources management. She joined the Group in 2000 and has served in various role as information technology manager, operations manager, human resources manager, vice president and assistant to CEO of the Group.

**嚴峰先生**，60歲。自二零一六年三月起出任集團副總裁，負責集團基建技改、設備管理及投資、政策研究及技術管理。嚴先生於二零零零年加入本集團，於香煙包裝業務積逾二十年經驗，彼也有書刊業務管理經驗。自二零零零年五月至二零零一年四月先後擔任集團總部設計部主任和營銷經理。二零零三年十一月至二零零六年十一月，彼出任襄陽金飛環彩色包裝有限公司（「襄陽金飛環」）副總經理。二零零九年四月至二零一零年五月出任集團的紙品印刷廠總經理。二零一零年十一月至二零一二年十二月出任常德金鵬印務有限公司副總經理。二零一三年五月至二零一六年三月出任襄陽金飛環彩色包裝有限公司總經理。

**鄭靜慧女士**，40歲，自二零一六年三月出任為本集團副總裁，負責本集團戰略管理、人力資源管理、行政管理。鄭女士畢業於北京航空航天大學電腦應用專業、浙江大學人力資源管理專業，彼於二零零零年加入本集團，歷任資訊經理、營運經理、人力資源經理、副總經理、總裁助理。

# Profile of directors and senior management

## 董事及高級管理層履歷

---

**Mr. CHUNG Tat Hung** (鍾達鴻), aged 50, is the Chief Financial Officer and Company Secretary of the Group. Mr. Chung had worked in various companies as finance manager and accounting manager, and was previously an accountant of an international accounting firm. Mr. Chung joined the Group in October 2003 until February 2013 and served as the Finance Manager of the Group. He rejoined the Group in March 2014. Mr. Chung is a fellow member of HKICPA and a certified practicing accountant of Australian Society of Certified Practising Accountants. Mr. Chung received his Master of Business Administration jointly offered by the University of Sydney and the University of New South Wales in Australia in 2002 and Bachelor of Commerce from the Australian National University in 1991.

**Mr. WONG Ka Ho** (王嘉豪), aged 34, joined the Group in February 2017 as deputy financial controller and has been appointed as Financial Controller of the Group since July 2017. Mr. Wong was also company secretary of the Company during the period from 1 August 2017 until 3 April 2018. Mr. Wong became a member of the Hong Kong Institute of Certified Public Accountants in January 2013. He has extensive experience in accounting and financial management, audit, corporate governance and company secretarial matters. He holds a Bachelor of Business Administration in Accountancy from The Hong Kong Polytechnic University.

鍾達鴻先生，50歲，為本集團財務總監兼公司秘書。鍾先生曾於多間公司擔任財務經理及會計經理，並曾在一間跨國會計事務所擔任會計師。鍾先生於二零零三年十月加盟本集團，擔任本集團的財務總監直至二零一三年二月為止，後於二零一四年三月再次加入本集團。鍾先生為香港會計師公會的資深會員及澳洲執業會計師公會的執業會計師。鍾先生於二零零二年獲得澳洲悉尼大學及新南威爾斯大學聯合頒授的工商管理碩士學位，及於一九九一年獲得澳洲國立大學頒授的商業學士學位。

王嘉豪先生，34歲，於二零一七年二月加入本集團並擔任副財務總監，並自二零一七年七月起獲委任為本集團財務總監。王先生於二零一七年八月一日至二零一八年四月三日期間亦曾擔任本公司公司秘書。王先生自二零一三年一月起為香港會計師公會會員，於會計及財務管理、核數、企業管治及公司秘書事宜方面擁有豐富經驗。彼持有香港理工大學所頒發的會計學工商管理學士學位。

# Report of the directors

## 董事會報告書

The Directors are pleased to submit their report together with the audited financial statements of the Group for the year ended 31 December 2017.

### PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the principal subsidiaries of the Company are set out in note 48 to the consolidated financial statements.

### BUSINESS REVIEW

A fair review of the business of the Group for the year ended 31 December 2017 and the future development of the Group's business is set out in the section headed "Chairman's Statement" on pages 4 to 6 of this annual report. Financial and business performance analysis is disclosed in the section headed "Management Discussion and Analysis" on pages 7 to 12 and note 6 to the consolidated financial statements. The principal risks and uncertainties affecting the Group's results and business can be found in notes 4, 39 to 40 to the consolidated financial statements.

The PRC cigarette industry is closely monitored and controlled by the PRC government and our customers are concentrated on a limited number of state-owned cigarette manufacturers. The Group's success depends on the support from key stakeholders which comprise shareholders, regulators, customers, employees, local communities and business partners etc. and we have maintained good and strong business relationship with our customers through joint venture and other co-operations. During the year ended 31 December, 2017 and up to the date of this annual report, we have complied with all the relevant rules, laws and regulations in the PRC that have a significant impact on the Group. Further details about the environmental and social responsibility will be published in separate report to be uploaded on the websites of the Company and the Hong Kong Stock Exchange.

董事欣然提交其報告連同本集團截至二零一七年十二月三十一日止年度的經審核財務報表。

### 主要業務

本公司的主要業務為投資控股。本公司主要附屬公司的主要業務載於綜合財務報表附註48。

### 業務回顧

本集團截至二零一七年十二月三十一日止年度的業務回顧及本集團業務的日後發展載於本年度報告第4至6頁「主席報告書」一節。財務及業務表現分析於第7至12頁「管理層討論及分析」一節及綜合財務報表附註6內披露。影響本集團業績及業務的主要風險及不明朗因素載於綜合財務報表附註4、39至40。

中國香煙行業受中國政府嚴密監控，客戶集中為少數國有香煙生產商。本集團的成功有賴股東、監管機構、客戶、僱員、本地社區及業務夥伴等主要權益相關者的支持，而本集團一直透過合營企業及其他合作方式與客戶保持良好穩健的業務關係。於截至二零一七年十二月三十一日止年度及截至本年報日期，本集團一直遵守所有對本集團有重大影響的中國相關法規、法例及規例。有關環境及社會責任的進一步詳情將於獨立報告刊載，並於本公司及香港聯交所的網站登載。

# Report of the directors

## 董事會報告書

### RESULTS AND DIVIDEND

The results of the Group are set out in the consolidated statement of profit or loss and other comprehensive income on pages 56 to 57. The Board does not recommend the payment of a dividend for the year ended 31 December 2017 (2016: HK15.3 cents).

### CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the 2018 AGM, the register of members of the Company will be closed from 28 May 2018 to 1 June 2018 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the 2018 AGM, all transfer of shares of the Company accompanied by the relevant share certificate(s) and appropriate transfer form(s) must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on 25 May 2018.

### MAJOR CUSTOMERS AND SUPPLIERS

During the year, the aggregate sales to the Group's five largest customers accounted for approximately 61.3% of the Group's turnover and sales to the Group's largest customer was approximately 30.7% of the Group's total revenue. During the year, the aggregate purchases attributable to the Group's five largest suppliers accounted for approximately 43.0% of the Group's total purchases, and the purchases attributable to the Group's largest supplier was approximately 22.9% of the Group's total purchases.

None of the Directors, their close associates (within the meaning of the Listing Rules) or any shareholders (which to the knowledge of the Directors own more than 5% of the Company's issued share capital) had interests in the Group's five largest customers or suppliers.

### 業績及股息

本集團的業績載於第56至57頁的綜合損益及其他全面收益報表。董事會不建議派付截至二零一七年十二月三十一日止年度的末期股息(二零一六年：每股15.3港仙)。

### 暫停辦理股份過戶登記

為釐定出席二零一八年股東週年大會並於會上投票的資格，本公司將由二零一八年五月二十八日至二零一八年六月一日(包括首尾兩天)暫停辦理股份過戶登記，在此期間轉讓本公司股份將不予登記。為符合資格出席二零一八年股東週年大會並於會上投票，所有本公司股份過戶文件連同有關股票及適用轉讓表格須於二零一八年五月二十五日下午四時三十分前送交本公司的香港股份過戶登記分處卓佳證券登記有限公司辦理股份過戶登記手續，地址為香港皇后大道東183號合和中心22樓。

### 主要客戶及供應商

年內，對本集團五大客戶作出的銷售總額佔本集團營業額約61.3%，而對本集團最大客戶作出的銷售額則佔本集團總收入約30.7%。年內，本集團五大供應商所佔採購總額佔本集團採購總額約43.0%，而本集團最大供應商所佔採購額則佔本集團採購總額約22.9%。

概無董事、彼等的緊密聯繫人(定義見上市規則)或任何股東(據董事所知，擁有本公司已發行股本5%以上)於本集團五大客戶或供應商中擁有權益。

# Report of the directors

## 董事會報告書

### PROPERTY, PLANT AND EQUIPMENT

Details of the movement in property, plant and equipment of the Group are set out in note 17 to the consolidated financial statements.

### SHARE CAPITAL

Details of the share capital of the Company are set out in note 36 to the consolidated financial statements.

### RESERVES

At 31 December 2017, the Company's reserves available for distribution amounted to approximately HK\$2.9 billion. Under the Companies Law of the Cayman Islands, the share premium of the Company is distributable to the shareholders of the Company provided that immediately following the date on which the distribution or dividend is proposed to be distributed, the Company shall be able to pay its debts as they fall due in the ordinary course of business. Details of the movements in reserves of the Group and the Company are set out in the consolidated statement of changes in equity.

### PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Articles of Association or the laws of the Cayman Islands.

### TAX RELIEF

The Company is not aware of any relief from taxation available to shareholders by reason of their holding of the Company's shares.

### FINANCIAL SUMMARY

A summary of the consolidated results of the Group for the last five financial years and of its consolidated assets and liabilities as at the end of the last five financial years is set out on pages 186 to 187.

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

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

### 物業、廠房及設備

本集團物業、廠房及設備的變動詳情載於綜合財務報表附註17。

### 股本

本公司股本的詳情載於綜合財務報表附註36。

### 儲備

於二零一七年十二月三十一日，本公司可供分派的儲備約為2,900,000,000港元。根據開曼群島公司法，本公司的股份溢價乃可供分派予股東，惟於緊隨建議分派或派息當日後，本公司須有能力償還其於日常業務過程中到期的債項。本集團及本公司儲備變動的詳情載於綜合權益變動表。

### 優先購買權

本公司的公司組織章程大綱及細則或開曼群島法例並無有關優先購買權的條文。

### 稅務減免

本公司並不知悉有股東因持有本公司股份而獲減免任何稅項。

### 財務概要

本集團於過往五個財政年度的綜合業績及其於過往五個財政年度年末的綜合資產及負債載於第186至187頁。

### 購買、出售或贖回本公司的上市證券

本公司或其任何附屬公司於截至二零一七年十二月三十一日止年度內概無購買、出售或贖回本公司任何上市證券。

# Report of the directors

## 董事會報告書

### SHARE OPTION SCHEME

On 4 March 2009, the shareholders of the Company had approved and adopted a share option scheme (the “Share Option Scheme”). Key terms of the Share Option Scheme are summarized below:

- (i) The purpose of the Share Option Scheme is to provide incentive or reward to eligible persons for their contribution to the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group or any entity in which the Group holds any equity interest.
  - (ii) Qualifying participants of the Share Option Scheme include any employee, executive and Non-Executive Directors, customer or supplier of goods or services to any member of the Group, consultant, adviser, manager, officer or entity that provide research, development or other technological support to the Group or its member(s).
  - (iii) The total number of shares in respect of which options may be granted under the Share Option Scheme is 40,000,000 shares, being 10% of the total number of shares in issue as at 30 March 2009, being the date of listing of the shares of the Company on the Stock Exchange as adjusted by the share subdivision effective on 11 June 2013, or about 2.55% of the total number of shares in issue as at 31 December 2017.
  - (iv) The maximum number of shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company, must not, in aggregate, exceed 30% of the total number of shares in issue from time to time.
  - (v) Unless approved by shareholders in general meeting, the total number of shares issued and to be issued upon exercise of all options granted to any eligible participant under the Share Option Scheme in the 12 month period up to and including such further grant must not exceed 1% of the total number of shares in issue.
- 購股權計劃**
- 於二零零九年三月四日，本公司股東批准並採納購股權計劃（「購股權計劃」）。購股權計劃的主要條款概述如下：
- (i) 購股權計劃的目的為鼓勵或獎賞合資格人士對本集團所作出的貢獻及／或促使本集團聘請及留聘優秀僱員及吸納對本集團或任何本集團持有其任何股權的實體具價值的人力資源。
  - (ii) 購股權計劃的合資格參與者包括任何僱員、執行及非執行董事、本集團任何成員公司的任何客戶或商品或服務供應商、向本集團或其成員公司提供研究、開發或其他技術支援的任何顧問、諮詢人士、經理、高級職員或實體。
  - (iii) 根據購股權計劃可予授出的購股權所涉及股份總數為40,000,000股股份，相當於二零零九年三月三十日（即本公司股份於聯交所上市當日）已發行股份總數的10%，經二零一三年六月十一日生效的股份分拆調整，或相當於二零一七年十二月三十一日的已發行股份總數約2.55%。
  - (iv) 根據購股權計劃及本公司任何其他購股權計劃所授出而尚未行使的全部購股權獲行使而可能發行的股份最高數目合共不得超過不時已發行股份總數的30%。
  - (v) 除非獲股東於股東大會上批准，否則因於直至進一步授出日期（包括該日）止12個月期間根據購股權計劃向任何合資格參與者授予的全部購股權獲行使而發行及將予發行的股份總數不得超過已發行股份總數的1%。

# Report of the directors

## 董事會報告書

- (vi) The Share Option Scheme shall be valid and effective for a period of 10 years commencing on the date of adoption of the Share Option Scheme, after which period no further option shall be granted.
- (vii) A non-refundable consideration of HK\$1 is payable on acceptance of the offer of grant of an option. An offer of grant of an option may be accepted by an eligible person within the date as specified in the offer letter issued by the Company, being a date not later than 21 business days from the date offer is made.
- (viii) An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period (which may not expire later than 10 years from the date of the grant) to be notified by the Board at its sole discretion. There is no performance target that has to be achieved before the exercise of any option.
- (ix) The subscription price must be at least the higher of (1) the closing price of the Shares as stated in the Stock Exchange's daily quotation sheet on the date of grant; (2) the average of the closing price of the Company's shares as stated in the Stock Exchange's daily quotation sheets for the five trading days immediately preceding the date of grant; and (3) the nominal value of a Company's share.
- (x) The Board is entitled at any time within 10 years between 4 March 2009 and 3 March 2019 to offer the grant of an option to any qualifying participants.
- (vi) 購股權計劃的有效期為自購股權計劃獲採納當日起計10年，其後不會進一步授出購股權。
- (vii) 於接納授出購股權要約時，承授人須支付1港元作為不可退還的代價。授出購股權的要約可由合資格人士於本公司發出的要約函件所訂明的日期前接納，即不遲於該要約函件發出日期起計21個營業日的日子。
- (viii) 購股權可根據購股權計劃的條款於董事會全權酌情知會的期間內(屆滿日不得超過授出日期起計10年後)隨時行使。於購股權行使前毋須達致任何表現目標。
- (ix) 認購價必須最少為下列三者中的最高者：(1)本公司股份於授予日期於聯交所每日報價表所報的收市價；(2)本公司股份緊接授出日期前五個交易日於聯交所每日報價表所報的收市價的平均數；及(3)本公司股份的面值。
- (x) 董事會有權於二零零九年三月四日至二零一九年三月三日止10年內隨時向任何合資格參與者授予購股權。

Up to the date of this report, no option under the Share Option Scheme has been granted by the Board.

直至本報告日期，董事會概無根據購股權計劃授予任何購股權。

### ARRANGEMENT TO ACQUIRE SHARES OR DEBENTURES

Other than the Share Option Scheme disclosed above, at no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

### 購買股份或債券的安排

除上文所披露購股權計劃外，本年度內本公司或其任何附屬公司並無參與任何安排，使董事因取得本公司或任何其他公司的股份或債券而獲益。



# Report of the directors

## 董事會報告書

### SUBSIDIARIES

Details of the Company's subsidiaries as at the date of this report are set out in note 48 to the consolidated financial statements.

### RETIREMENT BENEFIT SCHEME

The Group participates provident fund scheme as defined in the Mandatory Provident Fund Schemes Ordinance, Chapter 485 of the laws of Hong Kong (the "MPF Scheme"). The MPF Scheme was a defined contribution scheme and the assets of the MPF Scheme were managed by a trustee.

The MPF Scheme is available to all employees aged 18 to 64 and with at least 60 days of service under the employment of the Group in Hong Kong. Contributions were made by the Group at 5% based on the staff's relevant income. The maximum relevant income for contribution purpose is HK\$30,000 per month. Staff members were entitled to 100% of the Group's contributions together with accrued returns irrespective of their length of service with the Group, but the benefits were required by law to be preserved until the retirement age of 65.

The employees of the Company's subsidiaries established in the PRC are members of a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute certain percentage of the employees' basic salaries and wages to the central pension scheme to fund the retirement benefits. The local municipal government undertakes to assume the retirement benefits obligations of all existing and future retired employees of these subsidiaries. The only obligation of these subsidiaries with respect to the central pension scheme are to meet the required contributions under the scheme.

The Group's cost for the schemes charged to the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2017 amounted to approximately HK\$11,117,000 (2016: HK\$9,442,000).

### 附屬公司

本公司附屬公司於本報告日期的詳情載於綜合財務報表附註48。

### 退休福利計劃

本集團參與香港法例第485章強制性公積金計劃條例所界定的公積金計劃(「強積金計劃」)。強積金計劃為定額供款計劃，強積金計劃的資產由受託人管理。

強積金計劃提供予所有18至64歲在香港受僱於本集團最少60日的僱員。本集團根據員工的有關收入作出5%的供款。就供款而言，有關收入上限為每月30,000港元。不論員工於本集團的服務年期，均獲享本集團作出100%的供款連同應計回報，惟根據法例，有關福利將保留至退休年齡65歲方可領取。

本公司於中國成立的附屬公司的僱員為地方政府所設立中央退休金計劃的成員。該等附屬公司須向中央退休金計劃貢獻僱員基本薪金的若干百分比以為其退休福利提供資金。地方政府承擔該等附屬公司的所有現有及未來退休僱員的退休福利責任。該等附屬公司就中央退休金計劃承擔的唯一責任為符合計劃項下要求的供款。

本集團於截至二零一七年十二月三十一日止年度就該等計劃在綜合損益及其他全面收益報表扣除的費用約為11,117,000港元(二零一六年：9,442,000港元)。

# Report of the directors

## 董事會報告書

---

### DIRECTORS

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

#### Executive Directors:

Mr. Cai Xiao Ming, David (*Chairman*)  
Mr. Qin Song (*Chief Executive Officer and Vice-Chairman*)  
Mr. Peng Guoyi

#### Non-Executive Director:

Ms. Li Li

#### Independent Non-Executive Directors:

Mr. Lam Ying Hung, Andy  
Mr. Lui Tin Nang  
Mr. Siu Man Ho, Simon

According to article 84(1) of the Articles of Association of the Company, one-third of the Directors for the time being shall retire from office by rotation at the annual general meeting of the Company but shall then be eligible for re-election.

Details of the Directors subject to rotation and re-election are contained in the circular despatched together with this annual report.

In compliance with Rule 3.10(1) of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), the Board currently comprises three Independent Non-Executive Directors, representing more than one-third of the Board. Pursuant to paragraph 12B of Appendix 16 of the Listing Rules, each of the Independent Non-Executive Directors has confirmed by annual confirmation that he has complied with the independence criteria set out in Rule 3.13 of the Listing Rules. The Company considers that all three Independent Non-Executive Directors are independent under these independence criteria and are capable to effectively exercise independent judgement.

### 董事

於年內及直至本報告日期的董事如下：

#### 執行董事：

蔡曉明先生(主席)  
欽松先生(行政總裁兼副主席)  
彭國意先生

#### 非執行董事：

李莉女士

#### 獨立非執行董事：

林英鴻先生  
呂天能先生  
蕭文豪先生

根據本公司的組織章程細則第84(1)條，三分之一董事須於本公司股東週年大會輪值退任，惟屆時將合資格重選連任。

須輪值退任及重選的董事詳情載於連同本年報一併寄發的通函內。

為遵守聯交所證券上市規則(「上市規則」)第3.10(1)條，董事會現時有三名獨立非執行董事在任，佔董事會超過三分之一。根據上市規則附錄16第12B段，各獨立非執行董事均已以年度確認書確認，彼符合上市規則第3.13條所載獨立身分標準。本公司認為，根據此等獨立身分標準，全部三名獨立非執行董事均為獨立人士，能有效作出獨立判斷。

# Report of the directors

## 董事會報告書

### BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Brief biographical details of Directors and senior management are set out on pages 13 to 18.

### DIRECTORS' SERVICE CONTRACTS

Each of Mr. Peng Guoyi and Ms. Li Li have entered into a service agreement with the Company for an initial term of three years commencing from 22 July 2015, and will continue thereafter until terminated by not less than three months' notice in writing served by either party. Each of Mr. David Cai and Mr. Qin Song has entered into a service agreement with the Company for a term of three years commencing from 30 March 2018 and will continue thereafter until terminated by not less than three months' notice in writing served by either party. Each of Mr. Lam Ying Hung, Andy, Mr. Lui Tin Nang and Mr. Siu Man Ho, Simon has renewed their appointment for a fixed term of three years commencing from 30 March 2018.

Save as aforesaid, none of the Directors who are 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 CONTRACTS

Details of the related party transactions entered into during the year were disclosed in note 46 to the consolidated financial statements. Save as those disclosed under the paragraph headed "Continuing Connected Transactions" below, these related party transactions either did not constitute connected transactions under the Listing Rules or were exempted connected transactions under the Listing Rules. Save as the transactions aforementioned, no contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which a Director or the controlling shareholder of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year, and there were no contract of significance for the provision of services to the Group by the controlling shareholder of the Company.

### 董事及高級管理層的履歷詳情

董事及高級管理層履歷詳情摘要載於第13至18頁。

### 董事的服務合約

彭國意先生及李莉女士已各自與本公司訂立服務協議，由二零一五年七月二十二日起計初步為期三年，並將於其後延續，直至其中一方發出不少於三個月的書面通知終止為止。蔡曉明先生及欽松先生已各自與本公司訂立服務協議，由二零一八年三月三十日開始起計為期三年，並將於其後延續，直至其中一方發出不少於三個月的書面通知終止為止。林英鴻先生、呂天能先生及蕭文豪先生已重續任期，固定任期為自二零一八年三月三十日起為期三年。

除上文所述者外，擬於應屆股東週年大會上重選連任的董事概無與本公司訂立不可由本公司於一年內終止而毋須支付賠償(法定賠償除外)的服務合約。

### 董事於合約的權益

年內進行的關聯方交易詳情，載於綜合財務報表附註46。除下文「持續關連交易」一段披露者外，該等關聯方交易並不構成上市規則界定的關連交易，或屬於上市規則的獲豁免關連交易。除上文所述的交易外，概無有關本集團業務而本公司或其任何附屬公司為訂約方及本公司董事或其控股股東於其中直接或間接擁有重大權益且於年末或本年度任何時間存續的重大合約，亦無就本公司的控股股東向本集團提供服務而訂立任何重要合約。

# Report of the directors

## 董事會報告書

---

### DIRECTORS' INTERESTS IN COMPETING BUSINESSES

None of the Directors or any of their respective associates, has engaged in any business that competes or may compete with the business of the Group, or has any other conflict of interest with the Group.

### MANAGEMENT CONTRACTS

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

### PERMITTED INDEMNITY PROVISION

Subject to the applicable laws, every Director and other officers of the Company shall be entitled to be indemnified by the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them may incur in the execution and discharge of his or her duties or in relation thereto pursuant to the Company's Articles of Association. Such provisions were in force during the course of the financial year ended 31 December 2017 and remained in force as of the date of this report.

The Group has also taken out and maintained liability insurance for Directors and officers throughout the year.

### 董事於競爭業務的權益

概無董事或彼等各自的任何聯繫人從事對本集團業務構成或可能構成競爭的業務或與本集團有任何其他利益衝突。

### 管理合約

年內並無訂立或存在任何有關本集團全部或任何主要部分業務的管理及行政合約。

### 許可彌償條文

在適用法律規限下，本公司每名董事及其他高級職員有權根據本公司的組織章程細則就彼等或彼等任何成員於執行及履行職責時所產生或與之有關的一切訴訟、成本、費用、損失、損害及開支而獲得彌償。有關條文於截至二零一七年十二月三十一日止財政年度內生效及於本報告日期維持生效。

本集團亦全年為董事及高級職員投購責任保險。

# Report of the directors

## 董事會報告書

### DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITION IN SHARES, UNDERLYING SHARES OR DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS

As at 31 December 2017, the following Directors or the chief executives of the Company had or were deemed to have interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong ("SFO")) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provision of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") contained in the Listing Rules:

### 董事及主要行政人員於本公司或其相聯法團的股份、相關股份或債券的權益及淡倉

於二零一七年十二月三十一日，本公司以下董事或主要行政人員於本公司及其相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份或債券中，擁有或被視為擁有(i)根據證券及期貨條例第XV部第7及8分部（包括根據證券及期貨條例該等條文彼等被當作或視為擁有的權益或淡倉）須知會本公司及聯交所的權益或淡倉；或(ii)根據證券及期貨條例第352條須記入該條所述登記冊的權益或淡倉；或(iii)須根據上市規則所載上市公司董事進行證券交易的標準守則（「標準守則」）知會本公司及聯交所的權益或淡倉：

#### The Company

#### 本公司

Name of Director	Capacity	Number of shares/ underlying shares held	Position	Approximate percentage of issued share capital
董事姓名	身份	所持股份／ 相關股份數目	持倉	佔已發行股本 概約百分比
Mr. Cai Xiao Ming, David 蔡曉明先生	Interest of controlled corporation (note 1) 受控制法團權益(附註 1)	851,456,892	Long 好倉	54.3%
Mr. Qin Song 欽松先生	Beneficial owner 實益擁有人	15,321,062	Long 好倉	1.0%
Mr. Peng Guoyi 彭國意先生	Beneficial owner 實益擁有人	1,000,000	Long 好倉	0.1%
Ms. Li Li 李莉女士	Interest of controlled corporation 受控制法團權益	250,551,964	Long 好倉	16.0%

Note:

附註：

- 274,325,278 shares are held by Profitcharm Limited and 577,131,614 shares are held by Sinorise International Limited, the entire issued share capitals of them are wholly and beneficially owned by Mr. Cai Xiao Ming, David.

- 創益有限公司持有274,325,278股股份及振華國際有限公司持有577,131,614股股份，兩者全部已發行股本均由蔡曉明先生全資實益擁有。

# Report of the directors

## 董事會報告書

### SUBSTANTIAL SHAREHOLDERS' INTERESTS IN AND/OR SHORT POSITIONS

So far as is known to the Directors and chief executives of the Company, as at 31 December 2017, the following persons (not being a Director or chief executive of the Company) had, or were deemed to have, interest or a short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO:

### 主要股東的權益及／或淡倉

據本公司董事及主要行政人員所知，於二零一七年十二月三十一日，以下人士（並非本公司的董事或主要行政人員）於本公司股份或相關股份中擁有或被視為擁有根據證券及期貨條例第XV部第2及3分部須向本公司披露的權益或淡倉：

Name of shareholder	Note	Capacity	Number of shares/ underlying shares held	Position	Approximate percentage of issued share capital
股東名稱	附註	身份	所持股份／ 相關股份數目	持倉	佔已發行股本 概約百分比
Profitcharm Limited 創益有限公司	1	Beneficial owner 實益擁有人	274,325,278	Long 好倉	17.5%
Sinorise International Limited 振華國際有限公司	2	Beneficial owner 實益擁有人	577,131,614	Long 好倉	36.8%
Masterwork Group Co., Ltd. 天津長榮科技集團股份有限公司		Interest of controlled corporation 受控制法團權益	250,551,964	Long 好倉	16.0%
Masterwork Machinery (H.K.) Limited 長榮股份(香港)有限公司		Beneficial owner 實益擁有人	250,551,964	Long 好倉	16.0%
Partners Group Holding AG Partners Group Holding AG		Beneficial owner 實益擁有人	103,555,231	Long 好倉	7.0%
Tianjin Dehou Investment Management Partnership (Limited Partnership) Tianjin Dehou Investment Management Partnership (Limited Partnership)		Interest of controlled corporation 受控制法團權益	103,555,231	Long 好倉	7.0%

Notes:

- Profitcharm Limited is a company incorporated in the British Virgin Islands with limited liability which is wholly and beneficially owned by Mr. Cai Xiao Ming, David.
- Sinorise International Limited is a company incorporated in the British Virgin Islands with limited liability which is wholly and beneficially owned by Mr. Cai Xiao Ming, David.

附註：

- 創益有限公司為一間於英屬處女群島註冊成立的有限公司，由蔡曉明先生全資實益擁有。
- 振華國際有限公司為於英屬處女群島註冊成立的有限公司，由蔡曉明先生全資實益擁有。

# Report of the directors

## 董事會報告書

### CONTINUING CONNECTED TRANSACTION

#### Transactions with Masterwork Group

On 22 December 2017, the Company entered into the Master Sale and Purchase Agreement with Masterwork Group Co., Ltd (“Masterwork Group”), pursuant to which the Group will (i) purchase post-press and packaging machineries from Masterwork Group or its subsidiaries and/or (ii) sell old machineries, purchased from Masterwork Group or otherwise, to Masterwork Group or its subsidiaries and related services from time to time to/for a term commencing on 1 January 2018 and expiring on 31 December 2020. The Annual Caps in relation to the purchase of post-press and packaging machineries by the Company for each of the three years ending 31 December 2018, 31 December 2019 and 31 December 2020 are RMB50 million, RMB50 million and RMB50 million respectively. The Annual Caps in relation to the sale of old machineries, purchased from Masterwork Group or otherwise, to Masterwork Group or its subsidiaries and related services for each of the three years ending 31 December 2018, 31 December 2019 and 31 December 2020 are RMB10 million, RMB10 million and RMB10 million respectively.

There is no minimum sale and purchase amount under the Master Sale and Purchase Agreement and the Group is not contractually bound to (i) purchase post-press and packaging machineries from Masterwork Group or its subsidiaries and/or (ii) sell old machineries, purchased from Masterwork Group or otherwise, to Masterwork Group or its subsidiaries. The Group is entitled to source such machineries from other suppliers or dispose such old machineries to other purchasers. The post-press and packaging machineries and related services to be supplied by Masterwork Group or its subsidiaries to the Group will be in accordance with the specifications provided by the Group on a case by case basis. The old machineries to be sold by the Group will be subject to acceptance by Masterwork Group depending on the type, condition and price of the old machineries to be decided on a case by case basis. The exact quantity, specifications and price of the post-press and packaging machineries and the old machineries, settlement terms and date of delivery will be set out in the sale and purchase orders to be issued by the Group to Masterwork Group.

### 持續關連交易

#### 與長榮集團的交易

於二零一七年十二月二十二日，本公司與天津長榮科技集團股份有限公司（「長榮集團」）訂立總買賣協議，據此，本集團將 (i) 不時向長榮集團或其附屬公司購買印後及包裝機器及／或 (ii) 不時出售從長榮集團或以其他方式購買的舊有機器及相關服務予長榮集團或其附屬公司，為期自二零一八年一月一日起並於二零二零年十二月三十一日屆滿。截至二零一八年十二月三十一日、二零一九年十二月三十一日以及二零二零年十二月三十一日止三個年度各年，有關本公司購買印後及包裝機器的年度上限分別為人民幣 50,000,000 元、人民幣 50,000,000 元及人民幣 50,000,000 元。截至二零一八年十二月三十一日、二零一九年十二月三十一日以及二零二零年十二月三十一日止三個年度各年，有關出售從長榮集團或以其他方式購買的舊有機器及相關服務予長榮集團或其附屬公司的年度上限分別為人民幣 10,000,000 元、人民幣 10,000,000 元及人民幣 10,000,000 元。

總買賣協議項下並無最低買賣額，本集團亦無合約責任 (i) 向長榮集團或其附屬公司購買印後及包裝機器及／或 (ii) 出售從長榮集團或以其他方式購買的舊有機器予長榮集團或其附屬公司。本集團有權向其他供應商採購該等機器或出售有關舊有機器予其他買家。長榮集團或其附屬公司將根據本集團提供的規格按個別情況向本集團供應印後及包裝機器及相關服務。本集團將會視乎長榮集團按個別情況決定舊有機器的種類、條件及價格接納後，方會出售有關舊有機器。印後及包裝機器以及舊有機器的確切數量、規格及價格、結算條款及交付日期將於本集團向長榮集團發出的買賣訂單內載列。

# Report of the directors

## 董事會報告書

The actual purchase amount incurred under the Master Purchase Agreement for the year ended 31 December 2017 was approximately HK\$1.1 million.

Masterwork Group, being a substantial shareholder of the Company interested in 16.0% of the issued share capital of the Company, is a connected person under the Listing Rule and the transactions contemplated under the Master Purchase Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. Details of the Master Purchase Agreement were set out in the announcement of the Company dated 22 December 2017.

### Compliance with Disclosure Requirements

Save for the “Purchase of printing and packing machineries” during the year as shown in note 46(a) to the consolidated financial statements which constituted continuing connected transactions of the Company under Chapter 14A of the Listing Rules, all other transactions as shown in note 46 are continuing connected transactions exempted from announcement, reporting, annual review and independent shareholders’ approval requirements under Chapter 14A of the Listing Rules. The Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules in respect of the above continuing connected transactions.

The Independent Non-Executive Directors have reviewed the above continuing connected transactions and confirmed that the continuing connected transactions were entered into:

- (a) in the ordinary and usual course of business of the Group;
- (b) on normal commercial terms or better; and
- (c) in accordance with Master Sale and Purchase Agreement governing them on terms that are fair and reasonable and in the interests of shareholders of the Company as a whole.

截至二零一七年十二月三十一日止年度總購買協議產生的實際購買金額約為1,100,000港元。

長榮集團(即本公司主要股東，於本公司已發行股本中擁有16.0%權益)根據上市規則為關連人士，故總購買協議項下擬進行的交易構成上市規則第14A章項下的本公司持續關連交易。總購買協議詳情載於本公司日期為二零一七年十二月二十二日的公布。

### 遵守披露規定

除綜合財務報表附註46(a)所載於年內進行的「購買印刷及包裝的機器」根據上市規則第14A章構成本公司的持續關連交易外，附註46所載所有其他交易均為獲豁免遵守上市規則第14A章的公布、報告、年度審閱及獨立股東批准規定的持續關連交易。本公司已就上述持續關連交易遵守上市規則第14A章的披露規定。

獨立非執行董事已審閱上述持續關連交易，並確認訂立持續關連交易：

- (a) 於本集團一般正常業務中進行；
- (b) 按一般商業條款或更佳條款；及
- (c) 根據管轄交易的總買賣協議，按公平合理且符合本公司股東整體利益的條款進行。



# Report of the directors

## 董事會報告書

In addition, the Company has engaged its auditor to report on the continuing connected transactions of the Group in accordance with Hong Kong Standard on Assurance Engagements 3000 “Assurance Engagements. Other than Audits or Reviews of Historical Financial Information” and with reference to Practice Note 740 “Auditor’s Letter on Continuing Connected Transactions under Hong Kong Listing Rules” issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued unqualified letter containing the conclusion in respect of the continuing connected transactions set out above which is in compliance with the Rule 14A.56 of the Listing Rules.

### CORPORATE GOVERNANCE

Principal corporate governance practices as adopted by the Company are set out in the Corporate Governance Report section set out on pages 34 to 46.

### PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge, as at the date of this report, there is sufficient public float of 25% of the Company’s issued shares as required under the Listing Rules.

### DISCLOSURE UNDER RULE 13.21 OF THE LISTING RULES

During 2015, the Company has been offered a four-year term loan facility of HK\$340,000,000 from a local bank. During the year, the Company has been offered additional term loan facilities from an existing local bank of HK\$150 million and HK\$83 million repayable within 4 and 6 years respectively, and a revolving loan facilities of HK\$170 million, all of which the Company has undertaken, among other matters, that Mr. Cai Xiao Ming, David shall maintain at least 50% beneficial shareholding interest in the Company at all times during the life of the above banking facilities (the “Undertaking”). The breach of such Undertaking may result in the loan immediately due and repayable. Such Undertaking also exists in other revolving banking facilities made available to the Group from other banks in the total amount of HK\$170 million.

此外，本公司已委聘核數師，以根據香港會計師公會所頒佈的香港核證委聘準則第3000號「歷史財務資料審核或審閱以外的核證委聘」以及參照實務說明第740號「關於香港上市規則所述持續關連交易的核數師函件」就本集團的持續關連交易作出報告。核數師已發出載有彼等對上述持續關連交易結論的無保留意見函件，因此已符合上市規則第14A.56條的規定。

### 企業管治

本公司採納的主要企業管治條例載於第34至46頁企業管治報告書一節。

### 公眾持股量

根據本公司公開獲得的資料及就董事所知，於本報告日期，本公司已發行股份有25%的足夠公眾持股量，乃符合上市規則的規定。

### 根據上市規則第13.21條披露

於二零一五年，本公司獲一間本地銀行提供為數340,000,000港元的四年期貸款融資。年內，本公司獲一間本地銀行提供為數150,000,000港元及83,000,000港元的額外有期貸款融資（分別須於4年及6年內償還）及為數170,000,000港元的循環貸款融資，本公司已悉數承諾（其中包括）蔡曉明先生將於上述銀行融資年期內任何時間於本公司維持最少50%的實益股權（「承諾」）。違反有關承諾可能導致有關貸款即時到期及須予償還。其他銀行向本集團提供為數合共170,000,000港元的其他循環銀行融資亦存在同類承諾。

# Report of the directors

## 董事會報告書

---

### AUDITOR

A resolution will be submitted to the annual general meeting to re-appoint Messrs. Deloitte Touche Tohmatsu as auditor of the Company.

On behalf of the Board  
Brilliant Circle Holdings International Limited

**Cai Xiao Ming, David**  
*Chairman*

Hong Kong, 26 March 2018

### 核數師

本公司將於股東週年大會上提呈一項決議案，以重新聘任德勤•關黃陳方會計師行為本公司核數師。

代表董事會  
貴聯控股國際有限公司

**蔡曉明**  
*主席*

香港，二零一八年三月二十六日

# Corporate governance report

## 企業管治報告書

### OVERVIEW

The Directors recognise the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of the Group so as to achieve effective accountability.

### CORPORATE GOVERNANCE

The Company has adopted the Corporate Governance Code (the “Code”) contained in Appendix 14 of the Listing Rules. For the year ended 31 December 2017, the Company has complied in general with the Code, except code provisions A.6.7 and E.1.2 of the Code as Mr. Cai Xiao Ming (the Chairman of the Board) and Ms. Li Li (the non-executive Director) were unable to attend the annual general meeting of the Company held on 2 June 2017 due to their other business engagement.

### COMPLIANCE WITH THE MODEL CODE FOR DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules as the standard for securities transactions by Directors. The Company has made specific enquiries of all the Directors and all the Directors confirmed that they have complied with the required standards set out in the Model Code and its code of conduct regarding Directors’ securities transactions for the year ended 31 December 2017.

### THE BOARD OF DIRECTORS

The Board takes responsibility to oversee all major matters of the Company, including the formulation and approval of overall business strategies, internal control and risk management systems, and monitoring the performance of the senior management. The management is responsible for the daily operations of the Group under the leadership of Chief Executive Officer. The Directors have the responsibility to act objectively in the interests of the Company.

### 概覽

董事意識到在本集團管理架構及內部監控程序引進良好企業管治的重要性，以便達致有效的問責性。

### 企業管治

本公司已採納上市規則附錄十四所載的企業管治守則(「守則」)。截至二零一七年十二月三十一日止年度，本公司一般已遵守守則，惟守則第A.6.7及E.1.2條守則條文除外，原因為蔡曉明先生(董事會主席)及李莉女士(非執行董事)因其他既定事務而未能出席於二零一七年六月二日舉行的本公司股東週年大會。

### 遵守董事進行證券交易的標準守則

本公司已採納上市條例附錄十所載的標準守則，作為董事進行證券交易的準則。本公司已特別向全體董事查詢，且全體董事確認，截至二零一七年十二月三十一日止年度，彼等一直符合標準守則及其有關董事進行證券交易操守守則規定的準則。

### 董事會

董事會負責監督本公司所有重要事宜，包括制定及批准整體業務策略、內部監控及風險管理系統及監察高級管理層的表現。管理層在行政總裁領導下負責本集團的日常營運。董事有責任以本公司利益按客觀標準行事。

# Corporate governance report

## 企業管治報告書

Currently, the Board comprises seven Directors, including three Executive Directors namely Mr. David Cai, Mr. Qin Song and Mr. Peng Guoyi, one Non-Executive Director namely Ms. Li Li, and three Independent Non-Executive Directors namely Mr. Lam Ying Hung, Andy, Mr. Lui Tin Nang and Mr. Siu Man Ho, Simon. There is no financial, business, family or other material or relevant relationship among the Directors. The names and biographical details of the Directors are set in the section entitled “Profile of Directors and Senior Management” in this annual report.

In compliance of Rule 3.10(1) of the Listing Rules, the Board currently comprises three Independent Non-Executive Directors representing more than one-third of the Board. Pursuant to paragraph 12B of Appendix 16 of the Listing Rules, each of the Independent Non-Executive Directors has confirmed by annual confirmation that he has complied with the independence criteria set out in Rule 3.13 of the Listing Rules. The Directors consider that all three Independent Non-Executive Directors are independent under these independence criteria and are capable to effectively exercise independent judgement. Amongst the three Independent Non-Executive Directors, both Mr. Lam Ying Hung, Andy and Mr. Lui Tin Nang have the appropriate professional qualifications and accounting and related financial management expertise required under Rule 3.10(2) of the Listing Rules.

The Board has delegated various responsibilities to the Board committees including the audit committee (the “Audit Committee”), the remuneration committee (the “Remuneration Committee”) and the nomination committee (the “Nomination Committee”) (collectively, the “Board Committees”). Further details of these committees are set out below.

董事會現時由七名董事組成，包括三名執行董事（即蔡曉明先生、欽松先生及彭國意先生）、一名非執行董事李莉女士及三名獨立非執行董事（即林英鴻先生、呂天能先生及蕭文豪先生）。董事間概無財務、業務、家族或其他重要或相關關係。董事的名稱及履歷詳情載於本年報內「董事和高級管理人員履歷」一節。

遵照上市規則第3.10(1)條，董事會現時由三名獨立非執行董事組成，佔董事會超過三分之一。根據上市規則附錄十六第12B段，各獨立非執行董事已發出年度確認函確認，彼等符合上市規則第3.13條所載獨立性準則。董事認為，根據獨立性準則，三名獨立非執行董事均為獨立身份，能有效行使獨立判斷。在三名獨立非執行董事中，林英鴻先生及呂天能先生均具備上市規則第3.10(2)條所需的合適專業資格及會計及相關財務管理專才。

董事會已委派審核委員會（「審核委員會」）、薪酬委員會（「薪酬委員會」）及提名委員會（「提名委員會」）（統稱「董事委員會」）履行特定的職責。有關該等委員會的進一步詳情載於下文。

# Corporate governance report

## 企業管治報告書

### BOARD MEETINGS

Four Board meetings were held during the year ended 31 December 2017. Ad-hoc meetings will also be convened if necessary to discuss the overall strategy as well as the operation and financial performance of the Group. Notice of Board meeting was sent to all Directors at least 14 days prior to a regular board meeting. Reasonable notices will be given to the Directors for ad-hoc board meetings. Directors may participate either in person or through electronic means of communications.

All relevant materials were sent to all the Directors relating to the matters brought before the meetings. All the Directors have been provided with sufficient resources to discharge their duties, and, upon reasonable request, the Directors will be able to seek independent professional advice in appropriate circumstances, at the Company's expenses. All Directors will have the opportunity to include matters in the agenda for Board meetings. Details of individual attendance of Directors are set out in the table on page 42 of this annual report.

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

Each of the Executive Directors has entered into a service contract with the Company for a specific term of three years. All of their appointments are subject to retirement by rotation and re-election in accordance with the Articles of Association of the Company.

All of the Independent Non-Executive Directors and the Non-Executive Director were appointed for a term of three years, and are subject to retirement by rotation and re-election in accordance with the Articles of Association of the Company.

### 董事會會議

截至二零一七年十二月三十一日止年度曾舉行四次董事會會議。需要時亦會召開臨時會議，商討整體策略以及本集團的營運及財務表現。全體董事於舉行定期董事會會議前最少14天獲發董事會會議通告，而臨時董事會會議通告則於合理時間內事先派發予董事。董事可選擇親身或以電子通訊的方式出席會議。

所有董事於會議前獲寄發有關會上討論事項的資料。所有董事將獲得充份資源以履行其職責，並在合理要求下，可按合適情況尋求獨立專業意見，費用由本公司承擔。所有董事有機會於董事會會議上將其關注的事宜加入議程。董事個別出席會議次數的詳情載於本年報第42頁的一覽表內。

### 委任、重選及罷免董事

各執行董事與本公司已訂立服務合約，為期三年。根據本公司組織章程細則，彼等的委任均須遵守輪值告退及重選的規定。

全部獲委任的獨立非執行董事及非執行董事任期均為三年，須根據本公司的組織章程細則輪值告退並接受重選。

# Corporate governance report

## 企業管治報告書

---

### Chairman and Chief Executive Officer

Under provision A.2.1 of the Code, the roles of the Chairman and the Chief Executive Officer should be separate and should not be performed by the same individual. During the year ended 31 December 2017, Mr. David Cai is the Chairman who provides leadership to the Board but he would not be involved in the day-to-day management of the Group's business. Mr. Qin Song, was appointed as the Vice- Chairman and the Chief Executive Officer of the Company and his role is to oversee the overall management of the Group.

### Training for Directors

The Company continuously updates Directors the latest developments and changes to the Listing Rules and other applicable regulatory requirements and provides training to develop and refresh the Directors' knowledge and skills. The Company provides Directors with monthly updates on the performance, position and prospects of the Company.

Directors are encouraged to participate in continuing professional development to develop and refresh their knowledge and skills. The Company has prepared a training record in order to assist the Directors to record the training that have undertaken.

The company secretary reports from time to time the latest changes and development of the Listing Rules and other corporate governance requirements with written materials. Individual Director had also attended seminars and/or conferences or workshops or forums relevant to his profession and duties as directors. All Directors have provided the Company with their respective training records in compliance with Code A.6.5 of the CG Code.

### 主席及行政總裁

根據守則第A.2.1條，主席及行政總裁的角色應分立，不應由同一人擔任。截至二零一七年十二月三十一日止年度，蔡曉明先生為主席，領導董事會的工作，但彼不會參與本集團日常的業務管理。欽松先生獲委任為本公司副主席兼行政總裁，職責為監管本集團的整體管理。

### 董事培訓

本公司持續向董事提供有關上市規則和其他適用監管規定的最新發展概況，並提供培訓以增進及重溫董事的知識和技能。本公司向董事提供有關本公司表現、狀況及前景的每月更新資料。

公司鼓勵董事參加持續專業發展，以增進並重溫董事的知識和技能。本公司已備有培訓記錄，以協助董事記錄所接受的培訓。

公司秘書不時匯報上市規則及其他企業管治規定的最新變動及發展，並附上書面資料。個別董事亦已參加有關其專業和董事職務的座談會及／或會議或工作坊或論壇。所有董事均已遵守企業管治守則第A.6.5條守則向本公司提供彼等各自的培訓記錄。

# Corporate governance report

## 企業管治報告書

Below is a summary of the training the Directors had received during the year: 於年內，董事所接受的培訓概要如下：

Name of Directors 董事姓名	Type of trainings 培訓類型
Mr. Cai Xiao Ming, David 蔡曉明先生	B B
Mr. Qin Song 欽松先生	A & B A 及 B
Mr. Peng Guoyi 彭國意先生	B B
Ms. Li Li 李莉女士	A & B A 及 B
Mr. Lam Ying Hung, Andy 林英鴻先生	A & B A 及 B
Mr. Lui Ting Nang 呂天能先生	A & B A 及 B
Mr. Siu Man Ho, Simon 蕭文豪先生	A & B A 及 B

A: attending seminars/conferences/workshops/forums

A: 出席座談會／會議／工作坊／論壇

B: reading newspapers, journals and updates relating to the economy, environmental protection business or director's duties and responsibilities etc.

B: 閱讀有關經濟、環保業務或董事職責等的報章、期刊及更新資料

### Remuneration of Directors and Senior Management

The remuneration of the members of the senior management by band for the year ended 31 December 2017 is set out below:

### 董事及高級管理層薪酬

截至二零一七年十二月三十一日止年度高級管理層的薪酬組別如下：

Remuneration bands 薪酬組別	Number of persons 人數
Up to HK\$1,000,000 最多達 1,000,000 港元	12
HK\$1,000,001 to HK\$2,000,000 1,000,001 港元至 2,000,000 港元	2
Above HK\$2,000,001 2,000,001 港元以上	NIL 無

# Corporate governance report

## 企業管治報告書

Further particulars regarding Directors' remuneration and the five highest paid employees as required to be disclosed pursuant to Appendix 16 to the Listing Rules are set out in notes 13 and 14 to the financial statements, respectively.

### COMPANY SECRETARY

During the year ended 31 December 2017, Mr. Wong Ka Ho was the company secretary.

The company secretary of the Company reports to the Chairman of the Board and the Chief Executive Officer. He is responsible for advising the Board on governance matters. For the year ended 31 December 2017, Mr. Wong has taken not less than 15 hours of relevant professional training.

### BOARD COMMITTEES

#### Audit Committee

The Company established the Audit Committee which consists of the three Independent Non-Executive Directors, namely Mr. Lam Ying Hung, Andy, Mr. Lui Tin Nang and Mr. Siu Man Ho, Simon, and one Non-Executive Director, namely Ms. Li Li, and Mr. Lui Tin Nang is the chairman of the Audit Committee. The primary duties of the Audit Committee are, among other matters, to review and monitor the financial reporting process, internal control and risk management of the Group, and to report to the Board on matters relating to the corporate governance as stated in the Code. During the year ended 31 December 2017, the Audit Committee held two meetings and has reviewed, among other matters, the Company's financial statements and the Group's combined financial statements for the year ended 31 December 2016 and for the six months ended 30 June 2017, including the accounting principles and practices adopted by the Company and the Group. The Board has not taken a different view from that of the Audit Committee regarding the selections, appointment, resignation or dismissal of the external auditors.

The terms of reference of the Audit Committee are disclosed on the websites of the Company and the Stock Exchange.

根據上市規則附錄十六須予披露有關董事酬金以及五名最高薪僱員的進一步詳情，分別載於財務報表附註13及14。

#### 公司秘書

截至二零一七年十二月三十一日止年度，王嘉豪先生為本公司的公司秘書。

本公司的公司秘書向董事會主席及行政總裁匯報。彼負責就管治事宜向董事會提供建議。於截至二零一七年十二月三十一日止年度，王先生已接受不少於15小時的相關專業培訓。

#### 董事委員會

##### 審核委員會

本公司成立審核委員會，審核委員會由三名獨立非執行董事（即林英鴻先生、呂天能先生及蕭文豪先生）及一名非執行董事（即李莉女士）組成，而呂天能先生是審核委員會的主席。審核委員會的主要職責是（其中包括）審閱及監督本集團的財務報告程序、內部監控及風險管理程序，並就有關守則所載的企業管治事宜向董事會匯報。截至二零一七年十二月三十一日止年度內，審核委員會曾舉行兩次會議以及審閱（其中包括）截至二零一六年十二月三十一日止年度及截至二零一七年六月三十日止六個月的本公司財務報表及本集團的合併財務報表，包括本公司及本集團採納的會計原則及常規。董事會對審核委員會揀選、委任、辭任或解僱外聘核數師並無異議。

審核委員會的職權範圍已於本公司及聯交所的網站披露。



# Corporate governance report

## 企業管治報告書

---

### Remuneration Committee

The Company established the Remuneration Committee pursuant to a resolution of the Directors passed on 4 March 2009. The Remuneration Committee consists of five members (including the three Independent Non-Executive Directors, namely Mr. Lam Ying Hung, Andy, Mr. Lui Tin Nang and Mr. Siu Man Ho, Simon, one Non-Executive Director, namely Ms. Li Li and Mr. Peng Guoyi, an Executive Director) and Mr. Lam Ying Hung, Andy was the chairman of the Remuneration Committee. The primary duties of the Remuneration Committee are, among other matters, to make recommendations to the Board on the remuneration of Executive Directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration.

The terms of reference of the Remuneration Committee are disclosed on the websites of the Company and the Stock Exchange.

During the year, the Remuneration Committee held one meeting and reviewed the remuneration policy, assessed performance of Executive Directors and approved the remuneration packages of the Directors and senior management.

### 薪酬委員會

本公司根據董事於二零零九年三月四日通過的決議案成立薪酬委員會。薪酬委員會由五名成員(包括三名獨立非執行董事(即林英鴻先生、呂天能先生及蕭文豪先生)、一名非執行董事(即李莉女士)及執行董事彭國意先生)組成,而林英鴻先生是薪酬委員會的主席。薪酬委員會的主要職責是(其中包括)就執行董事及高級管理人員的薪酬,並就發展該等薪酬政策設立正式及高透明度的程序,向董事會作出推薦意見。

薪酬委員會的職權範圍已於本公司及聯交所的網站披露。

於年內,薪酬委員會曾舉行一次會議及審議薪酬政策、評估執行董事表現及批准董事及高級管理人員的薪酬待遇。

# Corporate governance report

## 企業管治報告書

### Nomination Committee

The Company established a Nomination Committee pursuant to a resolution of the Directors passed on 4 March 2009. The Nomination Committee consists of five members (including the three Independent Non-Executive Directors, namely Mr. Lam Ying Hung, Andy, Mr. Lui Tin Nang and Mr. Siu Man Ho, Simon, one Non- Executive Director, namely Ms. Li Li and Mr. Qin Song, an Executive Director) and Mr. Siu Man Ho, Simon is the chairman of the Nomination Committee. The primary duties of the Nomination Committee are, among other matters, to review the structure, size and composition of the Board on a regular basis and to make recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors and succession planning for Directors. According to the board diversity policy adopted by the Nomination Committee, Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service etc. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board. Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service etc. The final decision will be based on merit and contribution that the selected candidates will bring to the Board.

The terms of reference of the Nomination Committee are disclosed on the websites of the Company and the Stock Exchange.

During the year, the Nomination Committee held one meeting and discussed and reviewed the structure, size and composition of the Board.

### 提名委員會

本公司根據董事於二零零九年三月四日通過的決議案成立提名委員會。提名委員會由五名成員(包括三名獨立非執行董事(即林英鴻先生、呂天能先生及蕭文豪先生)、一名非執行董事(即李莉女士)及執行董事欽松先生)組成,而蕭文豪先生是提名委員會的主席。提名委員會的主要職責是(其中包括)定期審閱董事會的架構、規模與組成,並就有關委任及再度委任董事及董事接任計劃的事宜向董事會提出推薦意見。根據提名委員會採納的董事會成員多元化政策,董事會成員多元化已從多個方面考慮,包括但不限於性別、年齡、文化及教育背景、專業經驗、技能、知識及服務年資等。所有董事會委任將基於實際能力,及將以客觀標準考慮候選人,以適當地顧及董事會成員多元化的裨益。候選人的選擇將基於一系列多元化觀點,包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務年資等。最終決定將基於選定的候選人對董事會作出的功績及貢獻而釐定。

提名委員會的職權範圍已披露於本公司及聯交所的網站內。

於年內,提名委員會已舉行一次會議,討論及檢討董事會的架構、規模及組成。

# Corporate governance report

## 企業管治報告書

### Attendance of meetings

The attendance of each Director at Board meetings, Board Committees meetings and general meetings during the year ended 31 December 2017 was as follows:

### 會議出席次數

截至二零一七年十二月三十一日止年度，各董事於董事會會議、董事委員會會議及股東大會的出席情況如下：

### Attendance out of number of meetings

相對會議數目的出席次數

Name of director	Board	Audit Committee	Remuneration Committee	Nomination Committee	Annual general meeting (Note 1)
董事姓名	董事會	審核委員會	薪酬委員會	提名委員會	股東週年大會 (附註1)
<i>Executive Directors</i>					
<i>執行董事</i>					
Cai Xiao Ming, David (Chairman) 蔡曉明(主席)	1/5	-	-	-	0/1
Qin Song 欽松	5/5	-	-	1/1	1/1
Peng Guoyi 彭國意	1/5	-	-	-	0/1
<i>Non-Executive Director</i>					
<i>非執行董事</i>					
Li Li 李莉	4/5	1/2	1/1	1/1	0/1
<i>Independent Non-Executive Directors</i>					
<i>獨立非執行董事</i>					
Lam Ying Hung, Andy 林英鴻	5/5	2/2	1/1	1/1	1/1
Lui Tin Nang 呂天能	4/5	2/2	1/1	1/1	1/1
Siu Man Ho, Simon 蕭文豪	5/5	2/2	1/1	1/1	1/1

Note:

1. The annual general meeting was held on 2 June 2017.

附註：

1. 股東週年大會於二零一七年六月二日舉行。

# Corporate governance report

## 企業管治報告書

### FINANCIAL REPORTING, INTERNAL CONTROL AND RISK MANAGEMENT

#### Financial Reporting

The Board is responsible for the preparation of the financial statements of the Company and the Group. In the preparation of financial statements, Hong Kong Financial Reporting Standards have been adopted and the appropriate accounting policies and statutory requirements have been consistently complied with. The Board aims to present a clear and balanced assessment of the Group's performance in the annual and interim reports to the shareholders, and make appropriate disclosure and announcements in a timely manner.

#### External Auditors

During the year ended 31 December 2017, the fee paid/payable to the external auditors of the Company amounted to approximately HK\$3.5 million, all for statutory audit services.

#### Internal controls

The Board is responsible for the internal control of the Group and for reviewing its effectiveness. Procedures have been designed to ensure maintenance of proper accounting records for the provision of reliable financial information for internal use or for publication, ensure compliance of applicable laws, rules and regulations. The Group has an internal audit department primarily responsible for reviewing the internal control function of the Group.

During the year ended 31 December 2017, the Group has appointed Deloitte Touche Tohmatsu ("Deloitte") to review the internal control system. Improvements in internal control and risk management measures as recommended were adopted. Based on the findings from Deloitte, the Board considers that the internal control system is effective and adequate for the Group as a whole.

### 財務報告、內部監控及風險管理

#### 財務報告

董事會負責編製本公司及本集團的財務報表。本公司在編製財務報表時，已採納香港財務報告準則，並貫徹遵從適當的會計政策及法規。董事會的目的是在致股東的年報及中期報告中，對本集團的業績作出清晰平衡的評估，並適時作出合適披露及公佈。

#### 外聘核數師

截至二零一七年十二月三十一日止年度，就法定審核服務已付／應付本公司外聘核數師的費用約為3,500,000港元。

#### 內部監控

董事會負責本集團的內部監控，檢討監控的成效。本公司已設計程序，確保保存適當的會計記錄，以便提供可靠的財務資料，以供內部使用或刊印發行，亦確保符合相關法律、規則及規例。本集團設有內部審核部門，主要負責審閱本集團的內部監控功能。

截至二零一七年十二月三十一日止年度，本集團已委任德勤•關黃陳方會計師行(「德勤」)審閱內部監控制度。本集團已採用有關所建議的內部監控改進及風險管理措施。根據德勤目前的發現，董事會認為該內部監控制度就本集團整體而言乃有效及充足。

# Corporate governance report

## 企業管治報告書

### Risk management

The Board is also responsible for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Company's strategic objectives, and ensuring that the Company establishes and maintains appropriate and effective risk management system.

During the year ended 31 December 2017, the Group has reviewed the risk management system. The Board considers that the risk management system is effective and adequate for the Group as a whole.

The Board further considers that (i) there was no issue relating to the material controls, including financial, operational and compliance controls and risk management functions, of the Group; and (ii) that there were adequate staff with appropriate qualifications and experience, resources and budget of its accounting and financial reporting function, and adequate training programmes have been provided for the year ended 31 December 2017.

### Directors' responsibility on the consolidated financial statements

The Directors acknowledge their responsibility for preparing the consolidated financial statements for the year ended 31 December 2017, which were prepared in accordance with applicable accounting standards. The reporting responsibilities of the external auditor of the Company on the consolidated financial statements of the Company are set out in the independent auditor's report on pages 47 to 55.

### GOING CONCERN

There are no material uncertainties relating to events or conditions that cast significant doubt upon the Company's ability to continue as a going concern.

### CONSTITUTIONAL DOCUMENTS

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

### 風險管理

董事會亦負責評估並釐定其在實現本公司策略目標時願意承擔的風險的性質及程度，並確保本公司建立及維持適當及有效的風險管理制度。

截至二零一七年十二月三十一日止年度，本集團已審閱風險管理制度。董事會認為，風險管理制度對本集團整體而言屬有效及充足。

董事會亦認為，截至二零一七年十二月三十一日止年度，(i) 概無任何有關本集團的重大監控問題，包括財務、營運以及合規控制及風險管理職能方面；及(ii) 已有足夠具備適當資歷與經驗的人員以及資源及預算處理其會計及財務申報工作，並已提供足夠培訓課程。

### 董事對綜合財務報表的責任

董事知悉，彼等須按照適用的會計準則，編製截至二零一七年十二月三十一日止年度的綜合財務報表。本公司外聘核數師對本公司綜合財務報表的申報責任，載於第47至55頁的獨立核數師報告。

### 持續經營

概無任何涉及可對本公司持續經營能力構成重大疑慮的事件或情況的重大不明朗因素。

### 章程文件

於年內，本公司的章程文件並無變動。

# Corporate governance report

## 企業管治報告書

### COMMUNICATION WITH SHAREHOLDERS

The Company aims to maintain regular, effective and fair communication with shareholders and is committed to conveying important and relevant information to shareholders on a timely basis. In compliance with the Listing Rules, at least 20 clear business days' notice will be given to the shareholders for annual general meeting and at least 10 clear business days' notice will be given for all other meetings. All general meetings of the Company have been conducted by way of poll and detailed procedures for conducting a poll were explained at the commencement of the meeting. Results on all general meetings will be published by way of an announcement immediately following the relevant general meeting.

### SHAREHOLDERS' RIGHTS

In accordance with the Article 58 of the Articles of Association of the Company, one or more shareholders of the Company holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Company Secretary, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting, the requisitionists themselves may do so in the same manner, and all reasonable expenses incurred by the requisitionists as a result of the failure of the Board shall be reimbursed to the requisitionists by the Company.

If a shareholder wishes to nominate a person to be elected as a Director, the following documents must be validly served to the Company at the Company's principal place of business in Room 01, 12/F, Capital Centre, 151 Gloucester Road, Wanchai, Hong Kong: (i) his/her notice of intention to propose a resolution at the general meeting; and (ii) a notice executed by the nominated candidate of his/her willingness to be appointed together with his/her information as required to be disclosed under Rule 13.51(2) of the Listing Rules, within the period commencing on the day after the dispatch of the notice of the general meeting appointed for such election and ending on the date falling seven days after the dispatch of the said notice of the general meeting.

### 與股東通訊

本公司旨在與股東維持定期、有效及公平通訊，並承諾按時向股東提供重要及有關資料。為遵守上市規則，舉行股東週年大會時將向股東發出最少20個完整營業日通知，而舉行所有其他大會時將發出最少10個完整營業日通知。本公司所有股東大會均以投票方式進行，而進行投票的詳細程序於大會開始時解釋。所有股東大會的結果將於緊接有關股東大會後以公佈方式刊發。

### 股東的權利

根據本公司組織章程細則第58條，任何一名或多名本公司股東於提交請求當日持有附帶權利可在本公司股東大會上投票的本公司繳足股本不少於十分之一，有權於任何時間向董事會或公司秘書發出書面請求，要求董事會召開股東特別大會處理該請求載列的任何事宜，而有關大會須於送遞該請求後兩(2)個月內召開。倘提出請求後二十一(21)日內董事會未有召開大會，則提出請求的人士可自行以相同方式召開大會，而本公司須向提出請求的人士補償因董事會未有召開大會而自行召開大會產生的所有合理開支。

倘股東欲提名個別人士參選董事，則須於寄發指定就有關選舉召開的股東大會的通告翌日起至寄發上述股東大會通告後七日止期間，將以下文件有效送達本公司香港主要營業地點(地址為香港灣仔告士打道151號資本中心12樓01室)：(i)股東於股東大會提呈決議案的意向通知；及(ii)獲提名候選人所簽立確認願意接受委任的通知，連同根據上市規則第13.51(2)條規定須予披露有關彼的資料。

# Corporate governance report

## 企業管治報告書

---

Any Shareholder may direct their enquires and proposal either by mail to the Board at the Company's principal place of business in Room 01, 12/F, Capital Centre, 151 Gloucester Road, Wanchai, Hong Kong, by fax at (852) 3915 7800 or by email at [enquiry@brilliantcircle.com](mailto:enquiry@brilliantcircle.com).

Shareholders should direct any questions about their shareholdings to the Company's Hong Kong branch share registrar: Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong.

任何股東均可透過郵寄至本公司香港主要營業地點香港灣仔告士打道151號資本中心12樓01室，或以傳真(852) 3915 7800或電郵[enquiry@brilliantcircle.com](mailto:enquiry@brilliantcircle.com)的方式，向董事會提出查詢或建議。

股東可就任何有關彼等持股權的問題向本公司香港股份過戶登記分處作出查詢：卓佳證券登記有限公司，地址為香港皇后大道東183號合和中心22樓。

# Independent Auditor's Report

## 獨立核數師報告

# Deloitte.

# 德勤

To the Members of Brilliant Circle Holdings  
International Limited

貴聯控股國際有限公司

(incorporated in the Cayman Islands with limited liability)

致貴聯控股國際有限公司各股東

(於開曼群島註冊成立的有限公司)

### OPINION

We have audited the consolidated financial statements of Brilliant Circle Holdings International Limited (the “Company”) and its subsidiaries (collectively referred to as “the Group”) set out on pages 56 to 185, 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 (“HKICPA”) and have been properly prepared in compliance with the disclosure requirements of Hong Kong Companies Ordinance.

### BASIS FOR OPINION

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

### 意見

吾等已審核載列於第56至185頁貴聯控股國際有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，該等綜合財務報表包括於二零一七年十二月三十一日的綜合財務狀況報表與截至該日止年度的綜合損益及其他全面收益報表、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 貴集團於二零一七年十二月三十一日的綜合財務狀況以及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港公司條例的披露規定妥為編製。

### 意見的基礎

吾等根據香港會計師公會頒佈的香港審計準則(「香港審計準則」)進行審核。在該等準則下，吾等的責任在吾等的報告內「核數師就審核綜合財務報表須承擔的責任」一節進一步闡述。根據香港會計師公會的國際職業會計師道德守則(「守則」)，吾等獨立於 貴集團，並已遵循守則履行其他道德責任。吾等相信，吾等所獲得的審核憑證能充足及適當地為吾等的意見提供基礎。



# Independent Auditor's Report

## 獨立核數師報告

---

### KEY AUDIT MATTERS

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

### 關鍵審計事項

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

#### Key audit matter

關鍵審計事項

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

吾等在審計中的處理方法

---

#### Estimated impairment of goodwill and intangible assets

商譽及無形資產估計減值

We identified the impairment of goodwill and intangible assets as a key audit matter due to significant judgement exercised by the Group's management in impairment assessment.

吾等識別商譽及無形資產減值為關鍵審計事項，原因為貴集團管理層在進行減值評估時須作出重大判斷。

Our procedures in relation to the impairment of goodwill and intangible assets assessment included: 吾等就商譽減值及無形資產評估進行的程序包括：

- Discussing with the Group's management on their approach to impairment assessment;
- 與貴集團管理層討論減值評估的方法；
- Evaluating the appropriateness of the impairment models and checking their mathematical accuracy;
- 評估減值模式是否恰當及檢查其計算是否準確；
- Reviewing the valuation report provided by the management on the discount rate adopted in the discounted cash flow forecast model and evaluating its reasonableness;
- 就折現現金流量預測模式所採納折現率審閱管理層所提供的估值報告，並評估其是否合理；

# Independent Auditor's Report

## 獨立核數師報告

### KEY AUDIT MATTERS (continued)

### 關鍵審計事項(續)

#### Key audit matter

#### 關鍵審計事項

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

#### 吾等在審計中的處理方法

#### Estimated impairment of goodwill and intangible assets

#### 商譽及無形資產估計減值

The Group had a goodwill of HK\$1,044,293,000 (net of accumulated impairment loss of HK\$40,000,000 (2016: Nil)) and intangible assets of HK\$193,875,000 as at 31 December 2017 relating to the acquisition of printing business in 2009 and 2012 and the acquisition of sales of radio frequency products business in 2017 which are subject to impairment assessment in accordance with Hong Kong Accounting Standard 36 "Impairment of Asset" ("HKAS 36") issued by the HKICPA. As detailed in notes 20 and 21 to the consolidated financial statements, in determining whether goodwill and intangible assets are impaired requires an estimation of the recoverable amount, which is the value in use of the cash-generating units to which goodwill and intangible assets have been allocated. Significant judgement and assumptions were required by management of the Group in assessing the recoverable amounts of cash-generating units. The value in use of the cash-generating units is determined based on the discounted cash flow forecast model which requires estimation on certain assumptions, including the discount rate, terminal growth rate, gross margin and sales growth rate.

於二零一七年十二月三十一日，貴集團就於二零零九年及二零一二年收購印刷業務及於二零一七年收購射頻產品銷售業務產生為數1,044,293,000港元(扣除累計減值虧損40,000,000港元(二零一六年：零))的商譽及為數193,875,000港元的無形資產，兩者均須根據香港會計師公會頒佈的香港會計準則第36號「資產減值」(「香港會計準則第36號」)進行減值評估。誠如綜合財務報表附註20及21所詳述，釐定商譽及無形資產是否減值須估計可收回金額，即獲分配商譽及無形資產的現金產生單位的使用價值。在評估現金產生單位的可收回金額時，貴集團管理層須作出重大判斷及假設。現金產生單位的使用價值乃按折現現金流量預測模式釐定，當中須就若干假設(包括折現率、最終增長率、毛利率及銷售增長率)作出估計。

- Evaluating the reasonableness of the key assumptions and inputs adopted in the discounted cash flow forecast model including the terminal growth rate, gross margin and sales growth rate by comparing the management's expectations for the market development to relevant industry growth forecasts and past performance, as appropriate; and
- 透過比較管理層有關市場發展對相關行業增長預測及過去表現(視適當情況而定)的期望，評估折現現金流量預測模式所採納的主要假設及輸入收據(包括最終增長率、毛利率及銷售增長率)是否合理；及
- Reviewing the sensitivity analyses performed by the management to evaluate the potential impacts on the recoverable amount and impairment.
- 審閱由管理層進行的敏感度分析，以評估對可收回金額及減值的潛在影響。

# Independent Auditor's Report

## 獨立核數師報告

### KEY AUDIT MATTERS (continued)

### 關鍵審計事項(續)

#### Key audit matter

#### 關鍵審計事項

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

#### 吾等在審計中的處理方法

#### Estimated impairment loss of trade receivables

#### 貿易應收款項估計減值虧損

We identified the estimated impairment loss of trade receivables as a key audit matter due to judgement exercised by the Group's management in estimating the recoverability of trade receivables.

吾等識別貿易應收款項估計減值虧損為關鍵審計事項，原因為貴集團管理層於估計貿易應收款項的可收回性時須作出判斷。

Management estimated impairment losses for trade receivables by considering the credit history including default or delay in payments, settlement records, subsequent settlements and ageing analysis of the trade receivables. Refer to note 4 "Key sources of estimation uncertainty" and note 25 "Trade and bills receivables" to the consolidated financial statements.

管理層透過考慮信貸記錄(包括貿易應收款項的違約或延遲付款、結算記錄、結算日後結算及賬齡分析)估計貿易應收款項減值虧損。茲提述綜合財務報表附註4「估計不明朗因素的主要來源」及附註25「貿易應收款項及應收票據」。

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

吾等就貿易應收款項估計減值虧損進行的程序包括：

- Understanding and evaluating the management's assessment of estimated impairment loss;
- 了解及評價管理層對估計減值虧損的評估；
- Understanding and testing the key controls in relation to credit controls and preparation of ageing analysis of trade receivables;
- 了解及測試與信貸監控有關的主要監控措施，並就貿易應收款項編製賬齡分析；
- Discussing with the management and evaluating the basis of trade receivables without/with little subsequent settlement during the year or subsequent to the end of the reporting period identified by the management and their assessment on the recoverability of trade receivables;
- 與管理層討論並評估管理層所識別年內或報告期末之後不附帶／附帶少量結算日後結算的貿易應收款項基礎，以及其對貿易應收款項可收回性的評估；

# Independent Auditor's Report

## 獨立核數師報告

### KEY AUDIT MATTERS (continued)

### 關鍵審計事項(續)

#### Key audit matter

#### 關鍵審計事項

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

#### 吾等在審計中的處理方法

#### Estimated impairment loss of trade receivables

#### 貿易應收款項估計減值虧損

The trade receivables amounted to approximately HK\$741,225,000 as at 31 December 2017, with nil allowance made as at 31 December 2017.

於二零一七年十二月三十一日的貿易應收款項約為741,225,000港元，而於二零一七年十二月三十一日並無作出任何撥備。

- Assessing the reasonableness of impairment loss for trade receivables with reference to the credit history including default or delay in payments, settlement records, subsequent settlements and ageing analysis of the trade receivables; and
- 參照信貸記錄(包括貿易應收款項的違約或延遲付款、結算記錄、結算日後結算及賬齡分析)評估貿易應收款項的減值虧損是否合理；及
- Evaluating the historical accuracy of the impairment loss estimation made by the management by comparing to actual settlement record and actual loss incurred.
- 透過比較實際結算記錄與實際產生虧損，評估管理層所作減值虧損估計的歷史準確性。

#### 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.

#### 其他資料

貴公司董事須對其他資料承擔責任。其他資料包括載於年報的資料，惟不包括綜合財務報表及吾等的相關核數師報告。

吾等對綜合財務報表作出的意見並無涵蓋其他資料，而吾等不會對其他資料發表任何形式的核證結論。

就吾等審核綜合財務報表而言，吾等的責任為閱讀其他資料，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。倘若吾等基於已進行的工作認為其他資料出現重大錯誤陳述，吾等須報告有關事實。就此，吾等毋須作出報告。

# Independent Auditor's Report

## 獨立核數師報告

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

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the disclosure requirements of 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.

### 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 HKSAs 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.

### 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會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定編製真實而公平地反映情況的綜合財務報表，及董事釐定對編製綜合財務報表屬必要的有關內部監控，以使該等綜合財務報表不會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，董事須負責評估貴集團持續經營的能力，並披露與持續經營有關的事項（如適用）。除非董事擬將貴集團清盤或停止營運，或除此之外並無其他實際可行的辦法，否則須採用以持續經營為基礎的會計法。

治理層負責監督貴集團的財務報告流程。

### 核數師就審核綜合財務報表須承擔的責任

吾等的目標為合理確定綜合財務報表整體而言不會存在由於欺詐或錯誤而導致的重大錯誤陳述，並根據吾等協定的委聘條款向閣下（作為整體）出具包括吾等意見的核數師報告，除此之外不作其他用途。吾等概不就本報告的內容對任何其他人士負責或承擔任何責任。合理確定屬高層次的核證，惟根據香港審計準則進行的審核工作不能保證總能察覺所存在的重大錯誤陳述。錯誤陳述可因欺詐或錯誤產生，倘個別或整體在合理預期情況下可影響使用者根據綜合財務報表作出的經濟決定時，則被視為重大錯誤陳述。

# Independent Auditor's Report

## 獨立核數師報告

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

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.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

### 核數師就審核綜合財務報表須承擔的責任(續)

在根據香港審計準則進行審計的過程中，吾等運用專業判斷，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、設計及執行審計程序以應對該等風險，以及獲取充足和適當的審計憑證，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、虛假陳述或凌駕內部監控的情況，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部監控，以設計適當的審計程序，惟並非旨在對 貴集團內部監控的有效性發表意見。
- 評估董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論，並根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。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。倘有關披露不足，則修訂吾等意見。吾等的結論乃基於截至核數師報告日期止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團無法持續經營。

# Independent Auditor's Report

## 獨立核數師報告

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

- 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.

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

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

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

### 核數師就審核綜合財務報表須承擔 的責任(續)

- 評估綜合財務報表的整體呈報方式、結構及內容，包括披露資料，以及綜合財務報表是否中肯反映相關交易和事項。
- 就 貴集團內實體或業務活動的財務資料獲取充足及適當的審計憑證，以便對綜合財務報表發表意見。吾等負責集團審計的方向、監督和執行。吾等為審核意見承擔全部責任。

吾等與治理層就(其中包括)審計的計劃範圍、時間安排及重大審計發現溝通，該等發現包括吾等在審計過程中識別的內部監控的任何重大缺失。

吾等亦向治理層作出聲明，指出吾等已符合有關獨立性的相關道德要求，並與彼等溝通可能被合理認為會影響吾等獨立性的所有關係及其他事宜，以及相關防範措施(如適用)。

從與治理層溝通的事項中，吾等釐定對本期綜合財務報表的審計至關重要的事項，因而構成關鍵審計事項。吾等在核數師報告中描述該等事項，除非法律或法規不允許公開披露該等事項，或在極端罕見的情況下，倘合理預期在吾等報告中溝通某事項造成的負面後果超出產生的公眾利益，則吾等決定不應在報告中傳達該事項。

# Independent Auditor's Report

## 獨立核數師報告

---

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

出具本獨立核數師報告的審計項目合夥人是李嘉琪。

**Deloitte Touche Tohmatsu**  
*Certified Public Accountants*  
Hong Kong  
26 March 2018

德勤•關黃陳方會計師行  
執業會計師  
香港  
二零一八年三月二十六日



# Consolidated Statement of Profit or Loss and Other Comprehensive Income

## 綜合損益及其他全面收益報表

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

		NOTES 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Revenue	收益	5	<b>1,265,515</b>	1,407,209
Cost of sales	銷售成本		<b>(956,917)</b>	(997,308)
Gross profit	毛利		<b>308,598</b>	409,901
Other income	其他收入	7	<b>35,486</b>	25,863
Other gains and losses	其他收益及虧損	8	<b>(45,213)</b>	(180)
Selling and distribution expenses	銷售及分銷開支		<b>(43,022)</b>	(43,338)
Administrative expenses	行政開支		<b>(79,988)</b>	(91,955)
Other expenses	其他開支		<b>(8,103)</b>	(4,216)
Finance costs	融資成本	9	<b>(21,988)</b>	(25,567)
Share of profits of associates	分佔聯營公司溢利	22	<b>47,334</b>	86,429
Share of (loss) profit of a joint venture	分佔一間合營企業(虧損) 溢利	23	<b>(274)</b>	57
Profit before taxation	除稅前溢利		<b>192,830</b>	356,994
Taxation	稅項	10	<b>(50,023)</b>	(69,760)
<b>Profit for the year</b>	<b>年度溢利</b>	12	<b>142,807</b>	287,234
<b>Other comprehensive income (expense):</b>	<b>其他全面收益(開支):</b>			
Item that will not be reclassified to profit or loss:	不會重新分類至損益的項目:			
Exchange differences arising on translation to presentation currency	因換算為呈報貨幣而產生匯兌差額		<b>195,918</b>	(149,601)
Total comprehensive income for the year	年內全面收益總額		<b>338,725</b>	137,633

# Consolidated Statement of Profit or Loss and Other Comprehensive Income

## 綜合損益及其他全面收益報表

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

		NOTES 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Profit for the year attributable to:	以下人士應佔年內溢利：			
Owners of the Company	本公司擁有人		<b>138,025</b>	285,827
Non-controlling interests	非控股權益		<b>4,782</b>	1,407
			<b>142,807</b>	287,234
Total comprehensive income (expense) for the year attributable to:	以下人士應佔年內全面收益(開支)總額：			
Owners of the Company	本公司擁有人		<b>329,959</b>	138,394
Non-controlling interests	非控股權益		<b>8,766</b>	(761)
			<b>338,725</b>	137,633
			<b>2017 二零一七年 HK\$ 港元</b>	<b>2016 二零一六年 HK\$ 港元</b>
<b>Earnings per share</b>	<b>每股盈利</b>			
Basic and diluted	基本及攤薄	15	<b>0.09</b>	0.18

# Consolidated Statement of Financial Position

## 綜合財務狀況報表

At 31 December 2017 於二零一七年十二月三十一日

		NOTES 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>Non-current Assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	17	729,865	768,048
Prepaid lease payments	預付租賃款項	18	82,095	78,217
Investment properties	投資物業	19	57,136	172,070
Goodwill	商譽	20	1,044,293	1,029,637
Intangible assets	無形資產	21	193,875	232,767
Interests in associates	於聯營公司的權益	22	535,072	551,899
Interest in a joint venture	於一間合營企業的權益	23	8,586	8,222
Deposits for property, plant and equipment	就物業、廠房及設備支付的按金		8,675	1,732
			<b>2,659,597</b>	2,842,592
<b>Current Assets</b>	<b>流動資產</b>			
Inventories	存貨	24	167,892	136,733
Prepaid lease payments	預付租賃款項	18	2,292	2,124
Trade and bills receivables	貿易應收款項及應收票據	25	787,329	879,629
Other receivables, prepayments and deposits	其他應收款項、預付款項及按金	26	56,562	68,551
Amounts due from related parties	應收關連方款項	27	18,785	19,042
Tax recoverable	可收回稅項		3,267	3,028
Structured deposits	結構性存款	28	7,193	–
Pledged bank deposits	已抵押銀行存款	29	5,455	6,731
Bank balances and cash	銀行結餘及現金	29	292,511	199,694
			<b>1,341,286</b>	1,315,532
Assets classified as held for sale	分類為持有待售的資產	11	197,623	–
			<b>1,538,909</b>	1,315,532
<b>Current Liabilities</b>	<b>流動負債</b>			
Trade and bills payables	貿易應付款項及應付票據	30	265,364	313,160
Other payables and accruals	其他應付款項及應計費用	31	115,539	130,071
Purchase consideration payable for acquisition	就收購事項所須支付購買代價	32	11,103	–
Amounts due to non-controlling interests of subsidiaries	應付附屬公司非控股股東款項	27	4,983	3,775
Bank borrowings	銀行借貸	33	621,916	419,562
Income tax payable	應付所得稅		41,483	52,418
			<b>1,060,388</b>	918,986
Liabilities associated with assets classified as held for sale	與分類為持有待售的資產有關的負債	11	39	–
			<b>1,060,427</b>	918,986

# Consolidated Statement of Financial Position

## 綜合財務狀況報表

At 31 December 2017 於二零一七年十二月三十一日

		NOTES 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>Net Current Assets</b>	<b>流動資產淨值</b>		<b>478,482</b>	396,546
<b>Total Assets less Current Liabilities</b>	<b>資產總值減流動負債</b>		<b>3,138,079</b>	3,239,138
<b>Non-current Liabilities</b>	<b>非流動負債</b>			
Government grants	政府補助金	34	<b>34,441</b>	34,396
Bank borrowings	銀行借貸	33	<b>56,250</b>	258,248
Deferred tax liabilities	遞延稅項負債	35	<b>55,133</b>	71,334
Purchase consideration payable for acquisition	就收購事項所須支付購買代價	32	<b>11,745</b>	–
			<b>157,569</b>	363,978
<b>Net assets</b>	<b>資產淨值</b>		<b>2,980,510</b>	2,875,160
<b>Capital and Reserves</b>	<b>資本及儲備</b>			
Share capital	股本	36	<b>7,839</b>	7,839
Share premium and reserves	股份溢價及儲備		<b>2,909,793</b>	2,821,129
Equity attributable to owners of the Company	本公司擁有人應佔權益		<b>2,917,632</b>	2,828,968
Non-controlling interests	非控股權益		<b>62,878</b>	46,192
<b>Total Equity</b>	<b>權益總額</b>		<b>2,980,510</b>	2,875,160

The consolidated financial statements on pages 56 to 185 were approved and authorised for issue by the Board of Directors on 26 March 2018 and are signed on its behalf by:

第56至185頁的綜合財務報表已於二零一八年三月二十六日獲董事會批准及授權發佈，並由下列人士代表簽署：

**Mr. Cai Xiao Ming, David**  
蔡曉明先生  
DIRECTOR  
董事

**Mr. Qin Song**  
欽松先生  
DIRECTOR  
董事

# Consolidated Statement of Changes in Equity

## 綜合權益變動表

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔							Non-controlling interests		Total equity
		Share capital	Share premium	Statutory reserves	Other reserves	Dividend reserve	Exchange reserve	Retained profits	Total	Non-controlling interests	Total equity
		股本	股份溢價	法定儲備	其他儲備	股息儲備	匯兌儲備	保留溢利	總計	非控股權益	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
				(Note a) (附註 a)	(Note b) (附註 b)						
At 1 January 2016	於二零一六年一月一日	7,839	4,936,913	159,761	(2,904,334)	-	5,880	724,401	2,930,460	52,654	2,983,114
Profit for the year	年度溢利	-	-	-	-	-	-	285,827	285,827	1,407	287,234
Other comprehensive expense for the year	年內其他全面開支	-	-	-	-	-	(147,433)	-	(147,433)	(2,168)	(149,601)
Total comprehensive (expense) income for the year	年內全面(開支)收益總額	-	-	-	-	-	(147,433)	285,827	138,394	(761)	137,633
Final dividends for 2016 proposed (note 16)	二零一六年建議末期股息(附註 16)	-	-	-	-	239,886	-	(239,886)	-	-	-
Dividends recognised as distribution (note 16)	確認為分派的股息(附註 16)	-	-	-	-	-	-	(239,886)	(239,886)	-	(239,886)
Dividends declared to non-controlling interests	向非控股權益宣派股息	-	-	-	-	-	-	-	-	(5,701)	(5,701)
Transfer	轉撥	-	-	6,829	-	-	-	(6,829)	-	-	-
At 31 December 2016	於二零一六年十二月三十一日	7,839	4,936,913	166,590	(2,904,334)	239,886	(141,553)	523,627	2,828,968	46,192	2,875,160
Profit for the year	年度溢利	-	-	-	-	-	-	138,025	138,025	4,782	142,807
Other comprehensive income for the year	年內其他全面收益	-	-	-	-	-	191,934	-	191,934	3,984	195,918
Total comprehensive income for the year	年內全面收益總額	-	-	-	-	-	191,934	138,025	329,959	8,766	338,725
Dividends recognised as distribution (note 16)	確認為分派的股息(附註 16)	-	-	-	-	(239,886)	-	-	(239,886)	-	(239,886)
Dividends declared to non-controlling interests	向非控股權益宣派股息	-	-	-	-	-	-	-	-	(1,148)	(1,148)
Acquisition of a subsidiary (note 37a)	收購一間附屬公司(附註 37a)	-	-	-	-	-	-	-	-	17,437	17,437
Acquisition of additional equity interest in a subsidiary (note 37b)	收購一間附屬公司的額外股本權益(附註 37b)	-	-	-	(1,409)	-	-	-	(1,409)	(8,369)	(9,778)
Transfer	轉撥	-	-	22,635	-	-	-	(22,635)	-	-	-
At 31 December 2017	於二零一七年十二月三十一日	7,839	4,936,913	189,225	(2,905,743)	-	50,381	639,017	2,917,632	62,878	2,980,510

# Consolidated Statement of Changes in Equity

## 綜合權益變動表

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

Notes:

- (a) As stipulated by the relevant laws and regulations for enterprises in the People's Republic of China (the "PRC"), the Company's PRC subsidiaries are required to maintain statutory reserves. Appropriation to such reserve is made out of profit after taxation as reflected in the statutory financial statements of the PRC subsidiaries while the amounts and allocation basis are decided by its board of directors annually. The appropriation to statutory surplus reserve may cease if the balance of the statutory surplus reserve has reached 50% of the PRC subsidiaries' registered capital. The statutory reserves can be used to make up prior year losses, if any, and can be applied in conversion into capital by means of capitalisation issue.
- (b) Other reserves comprised (i) the merger reserve of HK\$79,000 which arose from the difference between the nominal value and premium of shares of subsidiaries acquired over the nominal value of the shares issued by the Company in exchange thereof; (ii) issue of 480,000,000 shares of the Company with fair value of HK\$4,267,200,000 at 14 April 2011 to Mr. Tsoi Tak, the former controlling shareholder of the Company in exchange of its entire equity interests in Brilliant Circle Group Holdings Limited (formerly known as Brilliant Circle Holdings International Limited) which were acquired by Mr. Tsoi Tak, that former controlling shareholder at 10 September 2009 using cash and certain listed shares held by him with fair value of HK\$1,781,817,000 in aggregate; (iii) an amount of HK\$516,437,000 resulting from the acquisition of additional equity interests in Bengbu Jinhuangshan Rotogravure Printing Company Limited, a non-wholly owned subsidiary of the Company; (iv) an amount of HK\$81,223,000 resulting from the acquisition of additional equity interests in Giant Sino Investments Limited, a non-wholly owned subsidiary of the Company, in December 2014; (v) an amount of HK\$119,000 resulting from the change of equity interests of non-controlling shareholders from 0.69% to 0.51% in Shenzhen Kecai Printing Company Limited in November 2015 and (vi) an amount of HK\$1,409,000 resulting from the acquisition of additional equity interests in Xiangyang Jinfeihuan Colour Packing Co., Ltd, a non-wholly owned subsidiary of the Company in August 2017.

附註：

- (a) 根據中華人民共和國(「中國」)相關企業的法律及法規所規定，本公司的中國附屬公司須設立法定儲備。分配至該儲備的撥款乃從中國附屬公司法定財務報表的除稅後溢利中撥付，而金額及分配基準則每年由其董事會決定。倘法定盈餘儲備結餘已達到中國附屬公司註冊資本的50%，則可不再轉撥至法定盈餘儲備。法定儲備可用作彌補上一年度的虧損(如有)，亦可透過資本化發行轉換為資本。
- (b) 其他儲備包括(i)合併儲備79,000港元，乃產生自所收購附屬公司股份的面值及溢價相對於本公司所發行用於交換的股份的面值的差額；(ii)本公司於二零一一年四月十四日向本公司前控股股東蔡得先生發行的480,000,000股股份，公允價值為4,267,200,000港元，以換取由蔡得先生所收購貴聯集團控股有限公司(前稱「貴聯控股國際有限公司」)全部股權，該前控股股東於二零零九年九月十日以現金及其所持有的若干上市股份收購貴聯全部股權，而相關公允價值合共為1,781,817,000港元；(iii)收購本公司非全資附屬公司蚌埠金黃山凹版印刷有限公司的額外股本權益所產生的款項516,437,000港元；(iv)於二零一四年十二月收購本公司非全資附屬公司鉅華投資有限公司的額外股本權益所產生的款項81,223,000港元；(v)於二零一五年十一月非控股股東於深圳市科彩印務有限公司的股權由0.69%變為0.51%所產生的款項119,000港元；及(vi)於二零一七年八月收購本公司非全資附屬公司襄陽金飛環彩色包裝有限公司的額外股本權益所產生的款項1,409,000港元。

# Consolidated Statement of Cash Flows

## 綜合現金流量表

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
OPERATING ACTIVITIES	經營活動		
Profit before taxation	除稅前溢利	<b>192,830</b>	356,994
Adjustments for:	調整：		
Share of profits of associates	分佔聯營公司溢利	<b>(47,334)</b>	(86,429)
Share of loss (profit) of a joint venture	分佔一間合營企業虧損 (溢利)	<b>274</b>	(57)
Finance costs	融資成本	<b>21,988</b>	25,567
Depreciation of property, plant and equipment	物業、廠房及設備折舊	<b>82,578</b>	80,421
Release of prepaid lease payments	解除預付租賃款項	<b>2,214</b>	2,097
Depreciation of investment properties	投資物業折舊	<b>6,084</b>	4,873
Amortisation of intangible assets	攤銷無形資產	<b>45,694</b>	45,694
Interest income	利息收入	<b>(1,321)</b>	(2,043)
Interest income on long-term receivables	長期應收款項的利息收入	<b>(1,290)</b>	(1,039)
Net gain on structured deposits	結構性存款的淨收益	<b>(2,008)</b>	-
Government grants for acquisition of property, plant and equipment	收購物業、廠房及設備的 政府補助金	<b>(2,577)</b>	(1,686)
(Gains) losses on disposal of property, plant and equipment	出售物業、廠房及設備 (收益)虧損	<b>(142)</b>	730
Reversals of write-down on obsolete inventories	撥回過時存貨撇減	<b>(988)</b>	(227)
Recognition of impairment on other receivables	確認其他應收款項減值	<b>930</b>	-
Recognition of impairment on goodwill	確認商譽減值	<b>40,000</b>	-

# Consolidated Statement of Cash Flows

## 綜合現金流量表

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Operating cash flows before movements in working capital	營運資金變動前的經營業務現金流量	<b>336,932</b>	424,895
Increase in inventories	存貨增加	<b>(8,184)</b>	(27,703)
Decrease (increase) in trade and bills receivables	貿易應收款項及應收票據減少(增加)	<b>118,269</b>	(146,308)
Increase in other receivables, prepayments and deposits	其他應收款項、預付款項及按金增加	<b>(8,855)</b>	(2,504)
Decrease (increase) in amounts due from related companies	應收關連公司款項減少(增加)	<b>962</b>	(16,541)
(Decrease) increase in trade and bills payables	貿易應付款項及應付票據(減少)增加	<b>(64,361)</b>	48,786
(Decrease) increase in other payables and accruals	其他應付款項及應計費用(減少)增加	<b>(25,916)</b>	26,593
Cash generated from operations	經營產生現金	<b>348,847</b>	307,218
Income taxes paid	已付所得稅	<b>(80,033)</b>	(73,220)
Interest paid	已付利息	<b>(21,922)</b>	(25,444)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>經營活動產生現金淨額</b>	<b>246,892</b>	208,554



# Consolidated Statement of Cash Flows

## 綜合現金流量表

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

			2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
		NOTE 附註		
INVESTING ACTIVITIES	投資活動			
Purchase of structured deposits	購入結構性存款		<b>(1,094,231)</b>	–
Deposit paid for and purchases of property, plant and equipment	就購買物業、廠房及設備支付的訂金		<b>(47,277)</b>	(72,834)
Acquisition of a subsidiary	收購一間附屬公司	37	<b>(28,513)</b>	–
Placement of pledged bank deposits	存置已抵押銀行存款		<b>(24,761)</b>	(4,903)
Acquisition of investment in an associate	收購一間聯營公司的投資		–	(13,335)
Acquisition of land use right	收購土地使用權		–	(7,731)
Redemption of structured deposits	贖回結構性存款		<b>1,089,289</b>	–
Dividend received from an associate	自一間聯營公司收取股息		<b>103,344</b>	157,714
Proceeds on disposal of subsidiaries in prior year	就過往年度出售附屬公司所得款項		<b>28,000</b>	4,000
Withdrawal of pledged bank deposits	提取已抵押銀行存款		<b>26,507</b>	–
Dividend received from a previously disposed subsidiary	自一間過往出售的附屬公司收取股息		<b>5,877</b>	–
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項		<b>3,058</b>	5,869
Interest received	已收利息		<b>1,321</b>	2,043
Government grants received for acquisition of property, plant and equipment	已收收購物業、廠房及設備的政府補助金		–	2,912
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>投資活動產生現金淨額</b>		<b>62,614</b>	73,735

# Consolidated Statement of Cash Flows

## 綜合現金流量表

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

	NOTE 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
FINANCING ACTIVITIES	融資活動		
New bank borrowings raised	新增銀行借貸	404,557	494,760
Advance from a non-controlling interest	來自非控股權益的墊款	821	–
Repayment of bank borrowings	償還銀行借貸	(416,802)	(624,454)
Dividends paid	已付股息	(239,886)	(239,886)
Acquisition of non-controlling interest of a subsidiary	收購一間附屬公司的非控股權益	(9,778)	–
NET CASH USED IN FINANCING ACTIVITIES	融資活動使用現金淨額	(261,088)	(369,580)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等值項目增加(減少)淨額	48,418	(87,291)
CASH AND CASH EQUIVALENTS AT 1 JANUARY	於一月一日的現金及現金等值項目	199,694	299,771
Effect of foreign exchange rate changes	外幣匯率變動的影響	44,399	(12,786)
CASH AND CASH EQUIVALENTS AT 31 DECEMBER, REPRESENTED BY BANK BALANCES AND CASH	於十二月三十一日的現金及現金等值項目，代表銀行結餘及現金	292,511	199,694

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 1. GENERAL

Brilliant Circle Holdings International Limited (the “Company”) was incorporated in the Cayman Islands on 11 November 2008 as an exempted company with limited liability and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Its ultimate controlling party is Mr. Cai Xiao Ming, David (the “Controlling Shareholder”). The address of the registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and its principal place of business is Room 1201, 12th Floor, Capital Centre, 151 Gloucester Road, Wanchai, Hong Kong.

The Company is an investment holding company. The principal activities of the Company and its subsidiaries (collectively referred to as the “Group”) are engaged in provision of the printing of cigarette package, manufacturing of laminated papers, manufacturing and sale of radio frequency identification (“RFID”) products, printing of packages and decoration matters, research and development on printing technology, wholesale, import and export of the packaging products and other related services.

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”) and the Company’s functional currency is Renminbi (“RMB”) that mainly influences the operation of the Group’s significant entities.

### 1. 一般資料

貴聯控股國際有限公司(「本公司」)於二零零八年十一月十一日於開曼群島註冊成立為獲豁免有限公司，其股份於香港聯合交易所有限公司(「聯交所」)主板上市。其最終控股方為蔡曉明先生(「控股股東」)。本公司的註冊辦事處地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands，主要營業地點位於香港灣仔告士打道151號資本中心12樓1201室。

本公司為投資控股公司。本公司及其附屬公司(統稱為「本集團」)的主要業務為提供香煙包裝印刷、製造複合紙、製造及銷售射頻識別產品、包裝裝潢印刷品印刷、印刷技術研究及開發、包裝產品的批發及進出口以及其他相關服務。

綜合財務報表以港元(「港元」)呈列，而本公司的功能貨幣為對本集團主要實體營運有重要影響的人民幣(「人民幣」)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

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

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

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

Amendments to Hong Kong Accounting Standard (“HKAS”) 7	Disclosure Initiative
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses
Amendments to HKFRS 12	As part of the Annual Improvements to HKFRSs 2014–2016 Cycle

Except as described below, the application of the amendments to HKFRSs in the current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

#### 於本年度強制生效的香港財務報告準則修訂本

於本年度，本集團已首次應用以下由香港會計師公會（「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二零一四年至二零一六年週期的年度改進一部分

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年度及過往年度本集團的財務表現及狀況及／或該等綜合財務報表所載披露資料概無重大影響。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued) Amendments to HKAS 7 Disclosure Initiative

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

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

A reconciliation between the opening and closing balances of these items is provided in note 45. Consistent with the transition provisions of the amendments, the Group has not disclosed comparative information for the prior year. Apart from the additional disclosure in note 45, 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」

本集團於本年度首次應用該等修訂。該等修訂規定實體須披露所需資料令財務報表使用者得以衡量融資活動所產生負債變動(包括現金流產生的變動及非現金變動)。此外，有關修訂亦規定，倘來自金融資產的現金流量或未來現金流量會列入融資活動的現金流量，則須披露有關金融資產的變動。

具體而言，有關修訂規定須披露以下事項：(i) 融資現金流量的變動；(ii) 因取得或喪失附屬公司控制權或其他業務而出現的變動；(iii) 匯率變動的影響；(iv) 公允價值的變動；及(v) 其他變動。

有關該等項目期初及期末結餘的對賬載於附註45。與有關修訂的過渡規定一致，本集團並無披露去年的比較資料。除附註45的額外披露外，應用該等修訂並無對本集團的綜合財務報表構成任何影響。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 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 28	Long-term Interests in Associates and Joint Ventures <sup>2</sup>
Amendments to HKAS 40	Transfers of Investment Property <sup>1</sup>
Amendments to HKFRS 28	As part of the Annual Improvements to HKFRSs 2014–2016 Cycle <sup>1</sup>
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015–2017 Cycle <sup>2</sup>

### 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)

#### 已頒佈但尚未生效的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的新訂及經修訂香港財務報告準則：

香港財務報告準則第9號	金融工具 <sup>1</sup>
香港財務報告準則第15號	客戶合約收益及相關修訂本 <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	所得稅處理的不確定性 <sup>2</sup>
香港財務報告準則第2號(修訂本)	以股份為基礎付款的分類及計量 <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「保險合約」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)	提早還款特性及負補償 <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銷售或注資 <sup>3</sup>
香港會計準則第28號(修訂本)	於聯營公司及合營公司的長期權益 <sup>2</sup>
香港會計準則第40號(修訂本)	轉讓投資物業 <sup>1</sup>
香港財務報告準則第28號(修訂本)	作為香港財務報告準則二零一四年至二零一六年週期的年度改進一部份 <sup>1</sup>
香港財務報告準則(修訂本)	香港財務報告準則二零一五年至二零一七年週期的年度改進 <sup>2</sup>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

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

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

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

#### HKFRS 9 “Financial Instruments”

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

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

- all recognised financial assets that are within the scope of HKFRS 9 are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are generally measured at fair value through other comprehensive income. All other financial assets are measured at their fair value at the end of subsequent accounting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

### 2. 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)

#### 已頒佈但尚未生效的新訂及經修訂香港財務報告準則(續)

- 1 於二零一八年一月一日或之後開始的年度期間生效
- 2 於二零一九年一月一日或之後開始的年度期間生效
- 3 於待定期或之後開始的年度期間生效
- 4 於二零二一年一月一日或之後開始的年度期間生效

#### 香港財務報告準則第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、金融負債及一般對沖會計處理的新規定以及金融資產的減值規定。

與本集團有關的香港財務報告準則第9號的主要規定：

香港財務報告準則第9號範圍內的所有已確認金融資產其後均須按攤銷成本或公允價值計量。具體而言，以旨在收取合約現金流的業務模式持有的債務投資，以及合約現金流純粹為支付本金及尚未償還本金的利息的債務投資，一般於其後會計期間結束時按攤銷成本計量。以旨在收取合約現金流及出售金融資產的業務模式持有，以及合約條款令其於特定日期產生的現金流量純粹為支付本金及未償還本金的利息的債務工具，一般按公允價值透過其他全面收益計量。所有其他金融資產於其後會計期間結束時按公允價值計量。此外，根據香港財務報告準則第9號，實體可作出不可撤回的選擇，於其他全面收益呈列股權投資（並非持作買賣）的其後公允價值變動，而一般僅有股息收入於損益內確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued) HKFRS 9 “Financial Instruments” (continued)

- in relation to the impairment of financial assets, HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39 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

All financial assets and financial liabilities will continue to be measured on the same bases as is currently measured under HKAS 39.

#### 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 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 during the year ended 31 December 2017, the amount of impairment loss to be recognised by Group would be slightly increased as compared to the amount estimated under HKAS 39. Such further impairment recognised under expected credit loss model would reduce the opening retained profits 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) 香港財務報告準則第9號「金融工具」 (續)

- 就金融資產減值而言，與香港會計準則第39號「金融工具：確認及計量」項下已產生信貸虧損模式相反，香港財務報告準則第9號規定採用預期信貸虧損模式。預期信貸虧損模式需要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即可確認信貸虧損。

基於本集團於二零一七年十二月三十一日的金融工具及風險管理政策，本公司董事預計於初次應用香港財務報告準則第9號時可能受到以下影響：

#### 分類及計量

所有金融資產及金融負債將繼續按與目前根據香港會計準則第39號計量的相同基準計量。

#### 減值

一般而言，本公司董事預計應用香港財務報告準則第9號的預計信貸虧損模式，將導致須提前就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號時作出減值撥備的其他項目撥備尚未出現的信貸虧損。

基於本公司董事所作評估，倘本集團須於截至二零一七年十二月三十一日止年度應用預計信貸虧損模式，本集團將確認的減值虧損金額將較根據香港會計準則第39號估計的金額略為增加。根據預計信貸虧損模式確認的進一步減值將令二零一八年一月一日的期初保留溢利減少。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (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 those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under HKFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when ‘control’ of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

### 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)

#### 香港財務報告準則第15號「客戶合約收益」

香港財務報告準則第15號獲頒佈，其制定單一全面模式，供實體用以將自客戶合約產生的收益入賬。一經生效，香港財務報告準則第15號將取代現有收益確認指引，包括香港會計準則第18號「收益」、香港會計準則第11號「建築合約」及相關詮釋。

香港財務報告準則第15號的核心原則為實體所確認描述向客戶轉讓承諾貨物或服務的收益金額，應為能反映該實體預期就交換該等貨物或服務有權獲得的代價。具體而言，該準則引入確認收益的五個步驟：

- 第一步：識別與客戶訂立的合約
- 第二步：識別合約中的履約責任
- 第三步：釐定交易價
- 第四步：將交易價分配至合約中的履約責任
- 第五步：於實體完成履約責任時(或就此)確認收益

根據香港財務報告準則第15號，實體於完成履約責任時(或就此)確認收益，即於特定履約責任相關的貨物或服務的「控制權」轉讓予客戶時。香港財務報告準則第15號已就特別情況的處理方法加入更明確的指引。此外，香港財務報告準則第15號要求更詳盡的披露資料。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

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

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

In 2016, the HKICPA issued Clarifications to HKFRS 15 in relation to the identification of performance obligations, principal versus agent considerations, as well as licensing application guidance.

The directors of the Company anticipate that the application of HKFRS 15 in the future may result in more disclosures, however, the directors of the Company do not anticipate that the application of HKFRS 15 will have a material impact on the timing and amounts of revenue recognised in the respective reporting periods.

#### HKFRS 16 “Leases”

HKFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. HKFRS 16 will supersede HKAS 17 “Leases” and the related interpretations when it becomes effective.

HKFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

### 2. 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)

#### 香港財務報告準則第15號「客戶合約收益」(續)

於二零一六年，香港會計師公會頒佈香港財務報告準則第15號的澄清，涉及識別履約責任、主事人與代理人代價及牌照申請指引。

本公司董事預計，日後應用香港財務報告準則第15號可能需要作出更多披露，然而，本公司董事預計應用香港財務報告準則第15號不會對各報告期間確認的收益時間及金額產生重大影響。

#### 香港財務報告準則第16號「租賃」

香港財務報告準則第16號為識別出租人及承租人的租賃安排及會計處理引入綜合模式。一經生效，香港財務報告準則第16號將取代香港會計準則第17號「租賃」及相關詮釋。

香港財務報告準則第16號以客戶能否控制所識別資產區分租賃及服務合約。除短期租賃及低價值資產租賃外，經營租賃及融資租賃的差異自承租人會計處理中移除，並以承租人須就所有租約將予確認使用權資產及相應負債的模式取代。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

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

#### HKFRS 16 “Leases” (continued)

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. For the classification of cash flows, the Group currently presents upfront prepaid lease payments as investing cash flows in relation to leasehold lands for owned use and those classified as investment properties while other operating lease payments are presented as operating cash flows. Upon application of HKFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing cash flows by the Group.

Under HKAS 17, the Group has already recognised an asset and a related finance lease liability for finance lease arrangement and 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.

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.

### 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)

#### 香港財務報告準則第16號「租賃」(續)

使用權資產初步按成本計量，其後按成本(受若干例外情況所規限)減累計折舊及減值虧損計量，並就任何租賃負債重新計量作出調整。租賃負債初步按當日尚未支付租賃款項的現值計量。其後，租賃負債就利息及租賃款項以及(其中包括)租賃修訂的影響作出調整。就現金流量分類而言，本集團目前將提前預付租賃款項呈列為有關自用租賃土地且該等分類為投資物業的投資現金流量，而其他經營租賃款項則呈列為經營現金流量。根據香港財務報告準則第16號，有關租賃負債的租賃款項將由本集團分配至分別呈列為融資現金流量的本金及利息部分。

根據香港會計準則第17號，本集團已就本集團為承租人的租賃土地融資租賃安排及預付租賃款項確認一項資產及相關融資租賃負債。應用香港財務報告準則第16號可能導致該等資產分類產生潛在變動，視乎本集團是否分開呈列使用權資產或於按將呈列相應相關資產(倘擁有)的相同項目內呈列。

與承租人會計處理相比，香港財務報告準則第16號大致轉承香港會計準則第17號的出租人會計處理規定，並繼續要求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號要求作出詳盡披露。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

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

#### HKFRS 16 “Leases” (continued)

As at 31 December 2017, the Group has non-cancellable operating lease commitments of HK\$788,000 as disclosed in note 41. A preliminary assessment indicates that these arrangements will meet the definition of a lease under HKFRS 16, and hence the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases upon the application of HKFRS 16. In addition, the application of new requirements may result in changes in measurement, presentation and disclosure as indicated above. However, it is not practicable to provide a reasonable estimate of the financial effect until the directors of the Company complete a detailed review.

Except as described above, the directors of the Company anticipate that the application of other new and amendments to HKFRSs in issue but not yet effective will have no 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)

#### 香港財務報告準則第16號「租賃」(續)

誠如附註41所披露，本集團於二零一七年十二月三十一日的不可撤銷經營租賃承擔為788,000港元。初步評估顯示此等安排將符合香港財務報告準則第16號項下租賃的定義，故本集團將確認使用權資產及有關所有該等租賃的相應負債，除非其於應用香港財務報告準則第16號時符合低價值或短期租賃的資格則另作別論。此外，應用新規定可能導致上文所列計量、呈列及披露出現變動。然而，於本公司董事完成詳細審閱前，對財務影響作出合理估計屬不切實際。

除上述者外，本公司董事預期，應用已頒佈但尚未生效的其他新訂香港財務報告準則及其修訂本不會對本集團的綜合財務報表構成重大影響。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with the following accounting policies which conform with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value 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”.

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

### 3. 重大會計政策

綜合財務報表已根據符合香港會計師公會頒佈的香港財務報告準則規定的以下會計政策編製。此外，綜合財務報表包括香港聯合交易所有限公司證券上市規則及香港公司條例規定的適用披露事項。

除若干按公允價值計量的金融工具外，綜合財務報表乃於各報告期末按歷史成本基準編製，詳情於下文的會計政策闡述。

歷史成本一般根據交換貨物及服務所給予代價的公允價值而釐定。

公允價值是於計量日期市場參與者於有秩序交易中出售資產可收取或轉讓負債須支付的價格，而不論該價格是否直接可觀察或可使用其他估值技術估計。若市場參與者於計量日期對資產或負債定價時考慮到資產或負債該等特點，則本集團於估計資產或負債的公允價值時會考慮該等特點。於該等綜合財務報表中作計量及／或披露用途的公允價值乃按此基準釐定，惟香港財務報告準則第2號「以股份為基礎付款」範圍內以股份為基礎付款的交易、香港會計準則第17號「租賃」範圍內的租賃交易及與公允價值類似但並非公允價值的計量（如香港會計準則第2號「存貨」的可變現淨值或香港會計準則第36號「資產減值」的使用價值）除外。

非金融資產的公允價值計量計及市場參與者透過最大限度使用資產達致最佳用途或透過出售資產予將最大限度使用資產達致最佳用途的另一市場參與者而產生經濟利益的能力。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

#### Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

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.

### 3. 重大會計政策(續)

此外，就財務報告而言，公允價值計量根據公允價值計量的輸入數據可觀察程度及公允價值計量的輸入數據對其整體的重要性分類為第一級、第二級或第三級，詳情如下：

- 第一級輸入數據是實體於計量日期可以取得的相同資產或負債於活躍市場的報價(未經調整)；
- 第二級輸入數據是就資產或負債直接或間接地可觀察的輸入數據(第一級內包括的報價除外)；及
- 第三級輸入數據是資產或負債的不可觀察輸入數據。

主要會計政策載於下文。

#### 綜合基準

綜合財務報表包括本公司及本公司控制實體及其附屬公司的財務報表。控制權在本公司達致下列情況取得：

- 可對投資對象行使權力；
- 因參與投資對象業務而承擔浮動回報的風險或享有權利；及
- 有能力使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元素的其中一項或以上出現變動，則本集團重新評估其是否擁有投資對象的控制權。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

*(continued)*

#### **Basis of consolidation** *(continued)*

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

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

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies 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. 重大會計政策(續)

#### **綜合基準(續)**

附屬公司於本集團取得有關附屬公司的控制權起開始綜合入賬，並於本集團失去有關附屬公司的控制權時終止。具體而言，年內所收購或出售附屬公司的收入及開支乃自本集團取得控制權的日期起計入綜合損益及其他全面收益報表，直至本集團不再控制有關附屬公司的日期為止。

損益以及其他全面收益及開支的各項目乃歸屬於本公司擁有人及非控股權益。附屬公司的全面收益及開支總額乃歸屬於本公司擁有人及非控股權益，即使此舉將導致非控股權益呈現虧絀結餘。

本集團會於必要時對附屬公司的財務報表作出調整，使其會計政策與本集團所採用的會計政策一致。

本集團成員公司之間交易涉及的所有集團內部資產及負債、權益、收入、費用及現金流量均於綜合賬目時悉數抵銷。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Basis of consolidation (continued)

##### Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in existing subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's relevant components of equity and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries, including the re-attribution of relevant reserves between the Group and the non-controlling interests according to the Group's and the non-controlling interests' proportionate interests.

Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, the assets and liabilities of that subsidiaries and non-controlling interests (if any) are derecognised. A gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the Company. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKAS 39 or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

### 3. 重大會計政策(續)

#### 綜合基準(續)

##### 本集團於現有附屬公司的所有權權益的變動

本集團於現有附屬公司的所有權權益的變動如不導致本集團失去其控制權，將列作權益交易計算。本集團相關權益部分與非控股權益的賬面金額應予調整以反映彼等於附屬公司的相關權益的變動，包括根據本集團與非控股權益彼此間的權益比例重新劃撥本集團與非控股權益之間的相關儲備。

獲調整的非控股權益金額與所支付或收取代價的公允價值之間的任何差額直接於權益確認並歸屬於本公司擁有人。

當本集團失去對一家附屬公司的控制權，有關附屬公司的資產及負債以及非控股權益(如有)均終止確認。有關盈虧計入損益，並以：(i)已收代價公允價值及任何保留權益公允價值總和；及(ii)本公司擁有人應佔附屬公司資產(包括商譽)及負債的賬面值之間差額計算。所有原先在其他全面收益中確認有關該附屬公司的金額，按猶如本集團已直接出售附屬公司相關的資產或負債的方式入賬(即採用適用香港財務報告準則規定/允許，重新分類至損益或轉移至另外一類權益)。在失去控制權當日，任何保留在前附屬公司投資的公允價值被視作其後根據香港會計準則第39號入賬的初步確認公允價值，(如適用)為初步確認於聯營公司或合營企業投資時的成本。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 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 value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 “Income Taxes” and HKAS 19 “Employee Benefits” respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 “Share-based Payment” at the acquisition date (see the accounting policy below); and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 “Non-current Assets Held for Sale and Discontinued Operations” are measured in accordance with that standard.

### 3. 重大會計政策(續)

#### 業務合併

業務收購乃採用收購法入賬。於業務合併轉撥的代價按公允價值計量，而計算方法為本集團所轉撥資產、本集團對收購對象原擁有人產生的負債及本集團於交換收購對象的控制權時所發行股權於收購日期的公允價值總和。與收購有關的成本一般於產生時在損益中確認。

於收購日期，所收購可識別資產及所承擔負債按其公允價值確認，惟下列項目除外：

- 遞延稅項資產或負債及與僱員福利安排有關的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；
- 與收購對象以股份支付款項安排或本集團為替代收購對象以股份支付款項安排所訂立以股份支付款項安排有關的負債或權益工具，於收購日期根據香港財務報告準則第2號「以股份支付款項」計量(見下文會計政策)；及
- 根據香港財務報告準則第5號「持有待售的非流動資產及已終止經營業務」劃分為持有待售的資產(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 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Business combinations (continued)

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed as at acquisition date. If, after re-assessment, the net amount of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation are initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets or at fair value. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments made against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the "measurement period" (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

### 3. 重大會計政策(續)

#### 業務合併(續)

商譽乃以所轉讓代價、任何非控股權益於收購對象中所佔金額及收購方以往於收購對象持有的股權公允價值(如有)的總和超出所收購可識別資產及所承擔的負債於收購日期的淨值的部分計量。倘經過重新評估後，所收購可識別資產及所承擔負債的淨值超出所轉讓代價、任何非控股權益於收購對象中所佔金額以及收購方以往於收購對象持有權益公允價值(如有)的總和，則超出部分即時於損益內確認為議價收購收益。

屬現時擁有的權益且於清盤時持有人有權按比例分佔相關附屬公司資產淨值的非控股權益，初步按公允價值或非控股權益應佔收購對象可識別資產淨值的已確認金額比例計量。計量基準視乎每項交易而作出選擇。其他類型的非控股權益按其公允價值計量。

倘本集團於業務合併中所轉讓代價包括或然代價安排產生的資產或負債，或然代價乃按其收購日期的公允價值計量並計入業務合併中所轉讓代價的一部分。或然代價的公允價值變動(如符合計量期間調整資格)可追溯調整，並對商譽作出相應調整。計量期間調整指於「計量期間」(不超過收購日期起計一年)就於收購日期存在的事實及情況獲得額外資料而引致的調整。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

*(continued)*

#### Business combinations *(continued)*

The subsequent accounting for the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured to fair value at subsequent reporting dates, with the corresponding gain or loss being recognised in profit or loss.

#### Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than operating segment.

### 3. 重大會計政策 (續)

#### 業務合併 (續)

或然代價如不合資格進行計量期間調整，則其後的會計處理取決於或然代價分類方式。分類為權益的或然代價不會於其後呈報日期重新計量，而結算日後結算於權益內入賬。分類為資產或負債的或然代價於其後呈報日期按公允價值重新計量，而相應的盈虧於損益內確認。

#### 商譽

收購業務產生的商譽乃以於收購業務當日釐定的成本(見上述會計政策)減累計減值虧損(如有)列賬。

就減值測試而言，商譽獲分配至預期可受惠於合併協同效應的各現金產生單位(或現金產生組別)，即就內部管理目的監控商譽的最低水平且不大於經營分部。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Goodwill (continued)

A cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit (or group of cash-generating units).

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal (or any of the cash-generating unit within group of cash-generating units in which the Group monitors goodwill).

The Group's policy for goodwill arising on the acquisition of an associate and a joint venture is described below.

#### Investments in associates and a joint venture

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

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.

### 3. 重大會計政策(續)

#### 商譽(續)

已獲分配商譽的現金產生單位(或現金產生組別)會每年進行減值測試,或於有跡象顯示單位可能出現減值時更頻繁地進行減值測試。就於報告期間因收購產生的商譽,於該報告期末前該獲分配商譽的現金產生單位(或現金產生組別)會進行減值測試。倘可收回金額少於賬面值,則會先行分配減值虧損以削減任何商譽賬面值,然後以該單位(或現金產生組別)內各資產賬面值為基準,按比例削減其他資產。

於出售相關現金產生單位(或本集團監察其商譽的現金產生單位組別的任何現金產生單位)時,應佔商譽金額於釐定出售損益的金額時計入。

本集團就收購一間聯營公司及一間合營企業所產生商譽的政策詳述如下。

#### 於聯營公司及一間合營企業的權益

聯營公司乃指本集團對其有重大影響力的實體。重大影響指參與接受投資公司的財務及經營政策決定的權力,惟該等權力並非對該等政策的控制或共同控制。

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

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Investments in associates and a joint venture

(continued)

The results and assets and liabilities of associates and joint venture are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of associates and joint ventures used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate or 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 associate or joint venture. Changes in the net assets of the associate/joint venture other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership interest held by the Group. When the Group's share of losses of an associate or joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or 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 that associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or 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.

### 3. 重大會計政策(續)

#### 於聯營公司及一間合營企業的權益(續)

聯營公司及合營企業的業績、資產及負債乃以權益法計入綜合財務報表中。用於權益法的聯營公司及合營企業財務報表，使用本集團在類似情況下就類似交易及事件的統一會計政策編製。根據權益法，於一間聯營公司或合營企業的投資在綜合財務狀況報表內按成本初步確認，並於其後作出調整以確認本集團分佔聯營公司或合營企業的損益及其他全面收益。聯營公司／合營企業的資產淨值變動(損益及其他全面收益除外)不予入賬，除非有關變動導致本集團所持的擁有權權益出現變動。倘本集團應佔一間聯營公司或合營企業的虧損超過其於該聯營公司或合營企業的權益(包括實際上構成本集團於該聯營公司或合營企業投資淨額一部分的任何長期權益)，本集團將終止確認其所佔進一步虧損。如有進一步虧損，則只會在本集團承擔法律或推定責任或代該聯營公司或合營企業支付款項的情況下予以確認。

於一間聯營公司或合營企業的投資，會於投資對象成為一間聯營公司或合營企業當日起按權益法入賬。就收購一間聯營公司或合營企業的投資，任何投資成本超過本集團分佔投資對象的可識別資產及負債公平淨值的差額均確認為商譽，並計入投資的賬面值。任何本集團應佔可識別資產及負債的公允價值淨額超出投資成本的部分，經重估後，即時於收購投資期間的損益中確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Investments in associates and a joint venture

(continued)

The requirements of HKAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 "Impairment of Assets" as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When the Group ceases to have significant influence over an associate or joint control over a joint venture, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset within the scope of HKAS 39, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition. The difference between the carrying amount of the associate or joint venture and the fair value of any retained interest and any proceeds from disposing the relevant interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) upon disposal/partial disposal of the relevant associates of joint venture.

### 3. 重大會計政策(續)

#### 於聯營公司及一間合營企業的權益(續)

應用香港會計準則第39號的要求，以釐定是否需要就本集團對聯營公司或合營企業的投資確認任何減值虧損。如有需要，投資的全部賬面值(包括商譽)根據香港會計準則第36號資產減值，作為單一資產進行減值測試，方法是將可收回金額(使用價值及公允價值中較高者減出售成本)與賬面值作出比較。已確認的任何減值虧損構成投資賬面值的一部分。倘投資的可收回金額其後增加，則根據香港會計準則第36號確認任何撥回的減值虧損。

倘本集團不再對聯營公司擁有重大影響力或對合營企業擁有共同控制權，即入賬列作出售投資對象的全部權益，所得收益或虧損於損益確認。倘本集團保留於前聯營公司或合營企業的權益且該保留權益屬香港會計準則第39號項下的金融資產，則本集團會於該日按公允價值計量保留權益，而該公允價值被視為初步確認時的公允價值。聯營公司或合營企業的賬面值與任何保留權益及出售聯營公司或合營企業相關權益任何所得款項的公允價值之間的差額，於釐定出售該聯營公司或合營企業的收益或虧損時入賬。此外，倘該聯營公司或合營企業直接出售相關資產或負債，則本集團可能需要按相同基準計入有關該聯營公司或合營企業以往於其他全面收益確認的所有金額。因此，倘聯營公司或合營企業以往於其他全面收益確認的收益或虧損獲重新分類為出售相關資產或負債的損益，則本集團將於出售/局部出售相關聯營公司或合營企業時將收益或虧損自權益重新分類為損益(作為重新分類調整)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Investments in associates and a joint venture

(continued)

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

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

#### Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

### 3. 重大會計政策(續)

#### 於聯營公司及一間合營企業的權益(續)

倘於聯營公司的投資成為於合營企業的投資，或於合營企業的投資成為於聯營公司的投資，本集團將繼續使用權益法。於該等擁有權權益變動後，將不會重新計量至公允價值。

倘本集團減少其於聯營公司或合營企業的擁有權權益但本集團繼續使用權益法，則本集團於出售有關資產或負債時會將該收益或虧損重新分類至損益的情況下，會將先前就該等擁有權權益減少而在其他全面收益確認的收益或虧損，按比例重新分類至損益。

倘集團實體與本集團的一間聯營公司或合營企業進行交易，與聯營公司或合營企業進行交易產生的損益於本集團的綜合財務報表中確認，惟以於聯營公司或合營企業中權益與本集團無關者為限。

#### 持有待售的非流動資產

倘非流動資產及出售組別將主要透過出售交易而非透過持續使用而收回賬面值，則分類為持有待售。只在資產(或出售組別)可供以現狀即時出售(只受出售有關資產(或出售組別)的慣常條款約束)且極有可能成交時方被視為符合此項條件。管理層必須致力完成出售，預期自分類日期起計一年內符合資格確認為一項已完成銷售交易。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Non-current assets held for sale (continued)

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

When the Group is committed to a sale plan involving disposal of an investment, or a portion of an investment, in an associate or joint venture, the investment or the portion of the investment that will be disposed of is classified as held for sale when the criteria described above are met, and the Group discontinues the use of the equity method in relation to the portion that is classified as held for sale from the time when the investment (or a portion of the investment) is classified as held for sale.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

#### Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

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

### 3. 重大會計政策(續)

#### 持有待售的非流動資產(續)

倘本集團致力於一項涉及喪失一間附屬公司控制權的出售計劃，當符合以上準則時，該附屬公司所有資產及負債均分類為持有待售，不論本集團會否於出售後保留該前附屬公司的非控股權益。

倘本集團致力於一項涉及出售於一間聯營公司或合營企業的投資(或其中一部分)的出售計劃，當符合以上準則時，將予出售的有關投資(或其中一部分)分類為持有待售，而本集團由投資(或其中一部分)被分類為持有待售時起不再就分類為持有待售的部分投資使用權益法。

分類為持有待售的非流動資產(及出售組別)按其賬面值與公允價值減銷售成本兩者中的較低值計量。

#### 收益確認

收益按已收或應收代價的公允價值計量。收益已就估計客戶退貨、回扣及其他類似津貼作出扣減。

誠如下文所述，收益於收益金額能夠可靠計量；未來經濟利益很可能流入本集團及本集團各活動的特定標準均已達成時確認。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Revenue recognition

Revenue from the sale of cigarette packages and manufacture of laminated papers is recognised when goods are delivered and titles have passed. Deposits and instalments received from purchasers prior to meeting the above criteria for revenue recognition are included in the consolidated statement of financial position under current liabilities.

Service income is recognised when services are provided.

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

Interest income is accrued on a time apportionment 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 assets to that asset's net carrying amount on initial recognition.

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

#### Leasing

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

#### The Group as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

### 3. 重大會計政策(續)

#### 收益確認(續)

銷售香煙包裝及製造複合紙的收益在貨品付運及其所有權轉移時確認。符合上述收益確認標準前來自買家的訂金及分期付款計入綜合財務狀況報表項下流動負債。

服務收入於提供服務時確認。

來自投資的股息收入於股東收取付款的權利確立時確認。

利息收入乃參照未償還本金及適用實際利率，按時間分配基準累計，有關利率乃按金融資產預計年期估計未來所收取現金實際折現至該資產於初步確認的賬面淨值。

本集團確認來自經營租賃收益的會計政策，於下文有關租賃的會計政策中詳述。

#### 租賃

凡租賃條款將擁有權絕大部分風險及回報轉移至承租人的租賃均分類為融資租賃。所有其他租賃分類為經營租賃。

#### 本集團作為出租人

來自經營租賃的租金收入於相關租期內按直線法確認。磋商及安排經營租賃時產生的初步直接成本加入已租賃資產的賬面值，並於租期內按直線法確認為開支。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Leasing (continued)

##### The Group as lessee

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs (see the accounting policy below).

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 term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

##### Leasehold land and building

When the Group makes payments for a property interest which includes both leasehold land and building elements, the Group assesses the classification of each element separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire property is accounted as an operating lease. Specifically, the entire consideration (including any lump-sum upfront payments) are allocated between the leasehold land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element at initial recognition.

To the extent the allocation of the relevant lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as "prepaid lease payments" in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis. When the payments cannot be allocated reliably between the leasehold land and building elements, the entire property is generally classified as if the leasehold land under finance lease.

### 3. 重大會計政策(續)

#### 租賃(續)

##### 本集團作為承租人

租賃付款在融資開支與租賃承擔遞減之間分配，以就剩餘負債達致固定利率。融資開支即時在損益確認，除非其為合資格資產直接應佔者，在此情況下，該等開支根據本集團有關借貸成本的一般政策(見下文的會計政策)撥充資本。

經營租賃付款(包括收購根據經營租賃持有的土地的成本)於租期內以直線法確認為開支，惟倘另有系統性基準更能反映租賃資產的經濟效益的消耗時間則作別論。

##### 租賃土地及樓宇

當本集團就包括土地及樓宇部分的物業權益付款時，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本集團的評估，分別按融資或經營租賃評定各部分的分類。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分類為經營租賃。具體而言，全數代價(包括任何一筆過預付款項)於初步確認時，按租賃土地部分及樓宇部分中的租賃權益相對公允價值比例，於土地與樓宇部分間分配。

倘能可靠分配相關租賃款項，作為經營租賃入賬的租賃土地權益於綜合財務狀況報表內呈列為「預付租賃款項」並按直線法於租賃期內攤銷。倘無法在租賃土地部分與樓宇部分之間可靠分配支付的款項，則整項物業整體分類為融資租賃項下的租賃土地。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### 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.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's operations are translated into the presentation currency of the Group (i.e. HK\$) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of exchange reserve (attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

### 3. 重大會計政策(續)

#### 外幣換算

在編製個別集團實體的財務報表時，以相關功能貨幣以外的貨幣(外幣)所進行交易乃按交易日期的通行匯率入賬。於各報告期末，以外幣為單位的貨幣項目均按該日通行的匯率重新換算。以外幣歷史成本釐定的非貨幣項目則不會重新換算。

因結算及重新換算貨幣項目而產生的匯兌差額於其產生期間在損益確認。

就呈列綜合財務報表而言，本集團業務的資產及負債均使用各報告期末的通行匯率換算為本集團的呈列貨幣(即港元)。收入及支出項目則按年內的平均匯率換算，惟若匯率於該期內大幅波動除外，在此情況下，則以交易日期的通行匯率換算。所產生的匯兌差額(如有)於其他全面收益確認並於匯兌儲備項下以權益累計(倘合適，歸屬於非控股權益)。

當出售境外業務時(即出售本集團境外業務全部權益，或涉及失去附屬公司控制權且包括境外業務的出售或出售聯合安排或包括保留權益為金融資產的境外業務的聯營公司部分權益)，就本公司擁有人應佔該業務而於權益累計的所有匯兌差額重新分類至損益。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Foreign currencies (continued)

On disposal of an operation that do not satisfy foreign operation, all of the exchange differences, representing the translation from functional currency to presentation currency, accumulated in equity in respect of that operation attributable to the owners of the Company are not reclassified to profit or loss.

#### Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

#### Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

### 3. 重大會計政策(續)

#### 外幣換算(續)

當出售不符合境外業務資格的業務時，就本公司擁有人應佔該業務而於權益累計的所有匯兌差額(即功能貨幣換算為呈報貨幣)均不會重新分類至損益。

#### 借貸成本

借貸成本可直接分配至購買、建造或生產合資格資產(為須耗用大量時間以達至其擬定用途或可供出售的資產)，其可加入該等資產的成本，直至資產大致上可準備投入作擬訂用途或出售。

所有其他借貸成本均於其產生期間在損益確認。

#### 政府補助金

在合理地保證本集團會遵守政府補助的附帶條件以及將會得到補助金後，政府補助金方會予以確認。

政府補助金乃於本集團確認相關成本(補助金擬用以補償該成本)為開支期間內，以系統基準於損益中確認。具體而言，該政府補助金首要條款是本集團應購買、建造或以其他方式獲得非流動資產，其於綜合財務狀況表中確認為遞延收入，並於相關資產的可使用年期按有系統及合理基準轉撥至損益。

作為已產生開支或虧損的補償或向本集團提供即時財務資助(並無日後相關成本)而可收取的政府補助金，乃於其成為可收取的期間於損益中確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Retirement benefit costs

Payments to the Mandatory Provident Fund Scheme and other state-managed retirement benefit schemes are recognised as an expense when employees have rendered service entitling them to the contributions.

#### Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the costs of 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.

#### Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before taxation' as reported in the consolidated statement of profit or loss and other comprehensive income because of income or expense that are taxable or deductible in other years and items are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantially enacted by the end of the reporting period.

### 3. 重大會計政策 (續)

#### 退休福利成本

對強制性公積金計劃及其他國家所管理退休福利計劃的供款，在僱員提供服務從而享有供款時予以確認。

#### 短期僱員福利

短期僱員福利乃按預期於僱員提供服務時支付的未折現福利金額確認。所有短期僱員福利確認為開支，惟香港財務報告準則要求或允許將該福利計入資產成本除外。

於扣除任何已付金額後，就僱員的累計福利(如工資及薪金、年假及病假)確認負債。

#### 稅項

所得稅開支指即期應付稅項及遞延稅項的總和。

即期應付稅項乃按年內應課稅溢利計算。應課稅溢利與綜合損益及其他全面收益報表所列「除稅前溢利」因其他年度的應課稅或應扣減的收入或開支項目及從未課稅及可扣減的項目而有所不同。本集團的即期稅項負債乃按已於報告期末頒佈或實質頒佈的稅率計算。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Taxation (continued)

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary 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 (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

### 3. 重大會計政策(續)

#### 稅項(續)

遞延稅項乃按綜合財務報表內資產及負債的賬面值與計算應課稅溢利所採用相應稅基之間的暫時差異確認。遞延稅項負債一般就所有應課稅暫時差異確認。遞延稅項資產一般就所有可扣減暫時差異確認，惟以該等可扣減暫時差異有可能用於抵銷應課稅溢利為限。若於一項交易中，因初步確認(業務合併除外)資產及負債而引致的暫時差異並不影響應課稅溢利或會計盈利，則不予確認該等資產及負債。此外，倘初步確認商譽所產生暫時差異，則不會確認遞延稅項負債。

遞延稅項負債乃就與對附屬公司及聯營公司的投資有關的應課稅暫時差異予以確認，惟倘本集團可控制暫時差異的撥回，以及暫時差異在可見將來可能將不會撥回，則不予確認。與該等投資及權益有關的可扣稅暫時差異產生的遞延稅項資產，僅於可能將有充足的應課稅溢利以使用暫時差異的利益，以及預期於可見將來可撥回時，方予確認。

遞延稅項資產的賬面值在各報告期末檢討，並於並無足夠應課稅溢利可用以撥回所有或部分遞延稅項資產時作出相應扣減。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Taxation (continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax is recognised in profit or loss, except when it relates 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. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

#### Property, plant and equipment

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

### 3. 重大會計政策(續)

#### 稅項(續)

遞延稅項資產和負債，以報告期末已執行或實質上已執行的稅率(和稅法)為基礎，按預期清償該負債或實現該資產當期的稅率計量。

遞延稅項負債和資產的計量，應反映本集團在報告期末預期收回或清償其資產和負債賬面金額的方式所導致的稅務後果。

即期及遞延稅項於損益確認，惟當其與於其他全面收益確認或直接於權益確認的項目相關(於該情況下，即期及遞延稅項亦分別於其他全面收益確認或直接於權益確認)時除外。倘即期稅項或遞延稅項自業務合併的首次確認中產生，其稅務影響將計入業務合併的會計處理中。

#### 物業、廠房及設備

物業、廠房及設備(包括持作用於生產或供應貨品或服務或作行政用途(下文所述在建工程除外)的樓宇及永久業權土地)乃按成本減其後累計折舊及累計減值虧損(如有)於綜合財務狀況報表列賬。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Property, plant and equipment (continued)

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

Depreciation is recognised so as to write off the cost of assets 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.

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 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.

#### Buildings under development for future owner-occupied purpose

When buildings are in the course of development for production or for administrative purposes, the amortisation of prepaid lease payments provided during the construction period is included as part of costs of buildings under construction. Buildings under construction are carried at cost, less any identified impairment losses. Depreciation of buildings commences when they are available for use (i.e. when they are in the location and condition necessary for them to be capable of operating in the manner intended by management).

### 3. 重大會計政策(續)

#### 物業、廠房及設備(續)

正在興建以作生產、供應或行政用途的物業，會按成本減任何已確認減值虧損列賬。成本包括專業費用及(就合資格資產而言)根據本集團會計政策撥充資本的借貸成本。該等物業於完成及可用於擬定用途時分類至適當類別的物業、廠房及設備。倘該等資產可用於擬定用途，則按與其他物業資產相同的基準開始折舊。

折舊以直線法按資產(除在建工程外)於估計可使用年期撇銷項目成本減剩餘價值確認。估計可使用年期、剩餘價值及折舊方法於各報告期末審閱，而任何估計變動的影響按前瞻基準入賬。

物業、廠房及設備項目乃於出售或當預期不會因持續使用該資產而產生未來經濟利益時終止確認。出售或停止使用物業、廠房及設備項目所產生任何收益或虧損，按資產的出售所得款項與其賬面值的差額計算於損益確認。

#### 供日後業主佔用的發展中樓宇

當用作生產或行政用途的發展中樓宇，於建築期間預付租賃款項的攤銷將計入為在建中樓宇成本的一部分。在建樓宇按成本列賬，減任何已識別減值虧損。當樓宇可供使用(即樓宇的地點及狀況已達致管理層擬定的經營方式)時開始計算折舊。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purpose).

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are stated at cost less subsequent accumulated depreciation and any accumulated impairment losses. Depreciation is recognised so as to write off the cost of investment properties over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method.

Construction costs incurred for investment properties under construction are capitalised as part of the carrying amount of the investment properties under construction.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

### 3. 重大會計政策(續)

#### 投資物業

投資物業為持作賺取租金及／或資本升值的物業，包括就有關用途興建中物業。

投資物業初步按成本(包括任何直接應佔開支)計量。於首次確認後，投資物業乃按成本減隨後累計折舊及任何累計減值虧損列賬。折舊獲確認以按估計可使用年期並計及其估計剩餘價值後，以直線法撇銷投資物業成本。

在建投資物業產生的建築成本撥充資本為在建投資物業賬面值的一部分。

當投資物業被出售或永久不再使用，而有關出售預期不會產生任何未來經濟利益時，投資物業將被終止確認。終止確認物業所得任何收益或虧損(即資產出售所得款項淨額與其賬面值的差額)於終止確認該物業期間計入損益。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Intangible assets

##### Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less any subsequent accumulated impairment losses (see the accounting policy in respect of impairment losses on tangible and intangible assets below).

##### Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination with finite useful lives are reported at costs less accumulated amortisation and any accumulated impairment losses, on the same basis as intangible assets that are acquired separately (see the accounting policy in respect of impairment losses on tangible and intangible assets below).

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

### 3. 重大會計政策(續)

#### 無形資產

##### 個別收購的無形資產

個別收購而可使用年期有限的無形資產，按成本減累計攤銷及任何累計減值虧損列賬。可使用年期有限的無形資產的攤銷於估計可使用年期以直線基準確認。估計可使用年期和攤銷方法會在各報告期末檢討，任何估計變動影響按前瞻基準列賬。個別收購可使用年期無限的無形資產，按成本減任何其他累計減值虧損列賬(見下文有關有形及無形資產減值虧損的會計政策)。

##### 業務合併中收購的無形資產

業務合併中收購的無形資產獨立確認，有別於商譽，初步按收購日期的公允價值(被視為其成本)確認。

初步確認後，業務合併中收購而使用年期有限的無形資產按成本減累計攤銷及任何累計減值虧損列賬。其計量基準與個別收購的無形資產相同(見下文有關有形及無形資產減值虧損的會計政策)。

無形資產於出售或當預期使用或出售不會產生任何未來經濟利益時終止確認。終止確認無形資產所產生盈虧按出售所得款項淨額與資產賬面值之間的差額計量，並於終止確認資產時在損益確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Intangible assets (continued)

##### Research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred. When no internally-generated intangible asset can be recognised, development expenditure is charged to profit or loss in the period in which it is incurred.

#### Impairment on tangible and intangible assets other than goodwill (see the accounting policy in respect of goodwill above)

At the end of the reporting period, the Group reviews the carrying amounts of its tangible and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant 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 (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

### 3. 重大會計政策(續)

#### 無形資產(續)

##### 研發開支

研究活動的開支於產生期間確認為開支。倘並無內部產生的無形資產可予確認，開發開支將於產生期間自損益扣除。

#### 有形及無形資產的減值(商譽除外，見上文有關商譽的會計政策)

本集團於報告期末審閱具有有限可使用年期的有形及無形資產的賬面值，以釐定該等資產是否存在減值跡象。如有任何該等跡象，則會估計有關資產的可收回金額，以釐定減值虧損(如有)的程度。

倘不大可能估計個別資產的可收回金額，則本集團會估計有關資產所屬現金產生單位的可收回金額。倘可確定合理及一致的分配基準，企業資產可分配至個別現金產生單位，否則，則將企業資產分配至能確定合理及一致的分配基準的最小組別現金產生單位。

可收回金額為公允價值減出售成本與使用價值之間的較高者。於評估使用價值時，估計未來現金流量會採用反映現時市場對貨幣時間價值及資產(或現金產生單位)特定風險的評值的稅前折現率，折現至其現有價值，及並無就此對未來現金流的估計予以調整。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

*(continued)*

#### **Impairment on tangible and intangible assets other than goodwill (see the accounting policy in respect of goodwill above) *(continued)***

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. In allocating the impairments loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

#### **Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost of inventories are determined on a weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

### 3. 重大會計政策(續)

有形及無形資產的減值(商譽除外, 見上文有關商譽的會計政策)(續)

倘資產(或現金產生單位)的可收回金額估計少於其賬面值, 資產(或現金產生單位)的賬面值乃調低至其可收回金額。於分配減值虧損時, 減值虧損將首先被分配以削減任何商譽的賬面值(倘適用), 其後根據單位內各項資產的賬面值按比例分配至其他資產。資產的賬面值不會削減至低於其公允價值減出售成本(倘可計量)、其使用價值(倘可釐定)及零(以最高者為準)。分配至資產的減值虧損數額按單位的其他資產比例分配。減值虧損即時於損益確認。

倘減值虧損其後撥回, 則該資產(或現金產生單位)的賬面值將增加至其經修訂的估計可收回金額, 惟所增加後的賬面值不得超過倘於過往年度並無就該資產(或現金產生單位)確認減值虧損而釐定的賬面值。所撥回的減值虧損即時於損益確認。

#### **存貨**

存貨按成本與可變現淨值兩者的較低者入賬。存貨成本按加權平均法計算。可變現淨值代表存貨的估計售價減去所有估計完工成本及成功出售所需成本。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

#### Financial assets

Financial assets are classified as financial assets at fair value through profit or loss (“FVTPL”) 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. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

### 3. 重大會計政策(續)

#### 金融工具

金融資產及金融負債乃當集團實體成為工具合約條文的訂約方時確認。

金融資產及金融負債初步按公允價值計算。收購或發行金融資產及金融負債而直接產生的交易成本(於損益中按公允價值處理的金融資產及金融負債除外)於初步確認時加入金融資產公允價值內或自金融負債公允價值內扣除(視適用情況而定)。收購於損益中按公允價值處理的金融資產或金融負債所直接產生的交易成本即時於損益確認。

#### 金融資產

金融資產分類為按公允價值計入損益的金融資產以及貸款及應收款項。分類視乎金融資產的性質及目的而定，並於初步確認時釐定。所有循正規途徑購買或銷售的金融資產乃按交易日期基準確認及終止確認。循正規途徑購買或銷售乃要求於市場法規或慣例所確定的時限內交付資產的金融資產購買或銷售。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

**Financial instruments** (continued)

**Financial assets** (continued)

*Effective interest method*

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees 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 other than those financial assets classified as at FVTPL of which interest income is included in other gains and losses.

*Financial assets at FVTPL*

Financial assets are classified as at FVTPL when the financial assets are held for trading or it is designated as at FVTPL.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective was a hedging instrument.

### 3. 重大會計政策(續)

**金融工具(續)**

**金融資產(續)**

*實際利率法*

實際利率法乃於相關期間內計算債務工具的攤銷成本及分配利息收入的方法。實際利率乃將估計日後現金收入(包括所有支付或收取而其整體可構成實際利率、交易成本及其他溢價或折價的費用)按金融資產的預期使用年期,或較短期間(倘合適)精確折現至初步確認時賬面淨值的利率。

就債務工具而言,利息收入按實際利率基準確認,惟分類為按公允價值計入損益的金融資產的利息收入則計入其他收益及虧損。

*按公允價值計入損益的金融資產*

倘金融資產乃持有作買賣用途或指定為按公允價值計入損益,則分類為按公允價值計入損益。

倘符合下列條件,金融資產分類為持作買賣用途:

- 主要為於短期內出售而購入;或
- 於初始確認時屬於本集團集合管理的已識別金融工具投資組合的一部分,且最近確有短期獲利回吐的表現;或
- 並非指定而實際上屬於對沖工具的衍生工具。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

**Financial instruments** (continued)

**Financial assets** (continued)

*Financial assets at FVTPL (continued)*

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and HKAS 39 "Financial Instruments: Recognition and Measurement" permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial assets and is included in the other gains and losses line item. Fair value is determined in the manner described in note 40.

### 3. 重大會計政策(續)

**金融工具**(續)

**金融資產**(續)

*按公允價值計入損益的金融資產(續)*

倘符合下列條件，金融資產(持作買賣的金融資產除外)可於初始確認時指定為按公允價值計入損益：

- 此指定分類消除或大幅減少在計量或確認上出現不一致的情況；或
- 該金融資產屬於一組根據本集團明文規定的風險管理或投資策略加以管理及按公允價值基準衡量表現的金融資產或金融負債(或兩者兼備)的一部分，而有關如何歸類的資料乃按此基準在內部提供；或
- 屬於一份包含一項或多項嵌入式衍生工具的合約一部分，而香港會計準則第39號「金融工具：確認及計量」容許整份合併合約(資產或負債)指定為按公允價值計入損益。

按公允價值計入損益的金融資產按公允價值列賬，因重新計量而出現的任何收益或虧損均於損益確認。於損益確認的收益或虧損淨額包括就有關金融資產賺獲的任何股息或利息，並列入其他收益及虧損項目。公允價值乃按附註40的方式釐定。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

**Financial instruments** (continued)

**Financial assets** (continued)

*Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade and bills receivables, other receivables, amounts due from related parties, pledged bank deposits 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 loans and receivables below).

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

*Impairment of loans and receivables*

Loans and receivables are assessed for indicators of impairment at the end of each reporting period. Loans and receivables are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the loans and receivables, the estimated future cash flows of the loans and receivables have been affected.

Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

### 3. 重大會計政策(續)

**金融工具**(續)

**金融資產**(續)

*貸款及應收款項*

貸款及應收款項為附帶固定或可釐定付款的非衍生金融資產，而其在活躍市場並無報價。於初步確認後，貸款及應收款項(包括貿易應收款項及應收票據、其他應收款項、應收關連方款項、已抵押銀行存款以及銀行結餘及現金)採用實際利率法按攤銷成本計量，扣除任何減值(見下文有關貸款及應收款項減值虧損的會計政策)。

利息收入乃使用實際利率確認，惟短期應收款項除外，其利息確認並不重大。

*貸款及應收款項減值*

貸款及應收款項於各報告期末評估是否有減值跡象。倘有客觀證據證明，初步確認貸款及應收款項後發生的一項或多項事件令貸款及應收款項的估計未來現金流量受到影響，則貸款及應收款項被視為已減值。

減值的客觀證據可包括：

- 發行人或對手方遇到嚴重財政困難；或
- 違反合約，如逾期或拖欠利息或本金還款；或
- 借款人有可能破產或進行財務重組。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Financial instruments (continued)

##### Financial assets (continued)

##### *Impairment of loans and receivables (continued)*

Objective evidence of impairment could include the Group's past experience of collecting payments, an increase in the number of delayed payments past the average credit period of 90 days, observable changes in national or local economic conditions that correlate with default on receivables.

The amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate.

The carrying amount of loans and receivables is reduced by the impairment loss directly for all loans and receivables with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When trade receivables are considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

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 was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

### 3. 重大會計政策(續)

#### 金融工具(續)

##### 金融資產(續)

##### 貸款及應收款項減值(續)

客觀減值證據可包括本集團的過往收款經驗、超逾平均信貸期九十天的延遲還款次數增加，以及與應收款項逾期有關的全國或地方經濟狀況明顯改變。

減值虧損金額按資產賬面值與估計未來現金流的現值(以金融資產的原有實際利率折現)間的差額確認。

就所有貸款及應收款項而言，貸款及應收款項的賬面值直接按減值虧損減少，惟貿易應收款項除外，其賬面值乃透過使用撥備賬目而減少。撥備賬目的賬面值變動於損益內確認。倘貿易應收款項被視為無法收回，則於撥備賬目撇銷。其後收回過往撇銷的款項計入損益內。

倘於往後期間，減值虧損金額減少，而該減少客觀地與確認減值後發生的事件有關，則先前確認的減值虧損透過損益撥回，惟該資產於撥回減值日期的賬面值不得超過在並無確認減值的情況下應有的攤銷成本。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 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.

#### 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 at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) held for trading or (ii) it is designated as at FVTPL or (iii) contingent consideration that may be paid by an acquirer as part of a business combination to which HKFRS 3 applies.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective was a hedging instrument.

### 3. 重大會計政策(續)

金融工具(續)

#### 金融負債及權益工具

集團實體發行的債務及權益工具乃根據所簽訂合約安排的性質與金融負債及權益工具的定義分類為金融負債或權益。

#### 權益工具

權益工具乃證明本集團於扣減所有負債後的資產中擁有剩餘權益的任何合約。本公司所發行的權益工具按已收所得款項減直接發行成本確認。

#### 按公允價值計入損益的金融負債

倘金融負債乃(i)持有作買賣用途；或(ii)指定為按公允價值計入損益；(iii)屬於收購方可能就香港財務報告準則第3號適用的業務合併支付的或然代價，則分類為按公允價值計入損益。

倘符合下列條件，金融負債分類為持作買賣用途：

- 主要為於短期內購回而購入；或
- 於初始確認時屬於本集團集合管理的已識別金融工具投資組合的一部分，且最近確有短期獲利回吐的表現；或
- 並非指定而實際上屬於對沖工具的衍生工具。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Financial instruments (continued)

##### Financial liabilities and equity instruments

(continued)

##### Financial liabilities at FVTPL (continued)

A financial liability other than a financial liability held for trading (or contingent consideration that may be paid by acquirer as part of a business combination) may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and HKAS 39 permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any interest paid on the financial liabilities and is included in the other gains and losses.

##### Financial liabilities at amortised cost

Financial liabilities including trade and bills payables, other payables, purchase consideration payable for acquisition at amortised cost, amounts due to non-controlling interests of subsidiaries and bank borrowings are subsequently measured at amortised cost, using the effective interest method.

### 3. 重大會計政策(續)

#### 金融工具(續)

##### 金融負債及權益工具(續)

##### 按公允價值計入損益的金融負債(續)

倘符合下列條件，金融負債(持作買賣的金融負債(或收購方可能就業務合併支付的或然代價)除外)可於初始確認時指定為按公允價值計入損益：

- 此指定分類消除或大幅減少在計量或確認上出現不一致的情況；或
- 該金融負債屬於一組根據本集團明文規定的風險管理或投資策略加以管理及按公允價值基準衡量表現的金融資產或金融負債(或兩者兼備)的一部分，而有關如何歸類的資料乃按此基準在內部提供；或
- 屬於一份包含一項或多項嵌入式衍生工具的合約一部分，而香港會計準則第39號容許整份合併合約(資產或負債)指定為按公允價值計入損益。

按公允價值計入損益的金融負債按公允價值計量，因重新計量而出現的任何收益或虧損均於損益確認。於損益確認的收益或虧損淨額不包括就有關金融負債支付的任何利息，並列入其他收益及虧損項目。

##### 按攤銷成本的金融負債

金融負債包括貿易應付款項及應付票據、其他應付款項、按攤銷成本的收購事項應付購買代價、應付附屬公司非控股權益款項及銀行借貸，該等款項其後將使用實際利率法按攤銷成本計量。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

**Financial instruments** (continued)

**Financial liabilities and equity instruments**

(continued)

*Effective interest method*

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Interest expense is recognised on an effective interest basis.

#### **Derecognition**

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

### 3. 重大會計政策 (續)

**金融工具** (續)

**金融負債及權益工具** (續)

*實際利率法*

實際利率法乃於相關期間內計算金融負債的攤銷成本及分配利息開支的方法。實際利率乃將金融負債的預期使用年期，或較短期間(倘合適)估計日後現金付款(包括所有支付或收取可構成實際利率、交易成本及其他溢價或折讓其中部分的費用)精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。

#### **終止確認**

僅當收取資產現金流量的合約權利屆滿時，本集團方會終止確認金融資產。

終止確認金融資產時，資產賬面值與已收及應收代價以及已於其他全面收益確認及於權益累計的累計收益或虧損總額之間的差額乃於損益確認。

當且僅當本集團的責任獲解除、取消或到期時，本集團方會終止確認金融負債。終止確認的金融負債賬面值與已付及應付代價之間的差額乃於損益確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

#### 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 judgments, 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 reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets within the next financial year.

##### Estimated impairment of goodwill and intangible assets

Determining whether goodwill and intangible assets are impaired requires an estimation of the recoverable amounts of the cash-generating units to which goodwill and intangible assets have been allocated, which is the higher of the value in use or fair value less costs of disposal. The value in use calculation requires the Group to estimate certain assumptions, including the discount rate, terminal growth rate, gross margin and sales growth rate in order to derive the net present value of the discounted future cash flow model. Where the actual future cash flows are less than expected, or changes in facts and circumstances which results in downward revision of the recoverable amount, a material impairment loss may arise.

#### 4. 估計不明朗因素的主要來源

於應用附註3所述本集團會計政策時，本公司董事須就資產和負債賬面值作出判斷、估計及假設，該等資料無法從其他渠道可靠取得。該等估計及相關假設乃基於過往經驗及其他被視為相關的因素而作出，實際結果或會有別於該等估計。

有關估計及相關假設須持續檢討。倘會計估計的修訂僅影響作出修訂的期間，則有關修訂會在該期間確認，而倘修訂對現時及未來期間均有影響，則須在作出修訂的期間及未來期間確認。

以下為報告期末有關未來的主要假設及其他估計不明朗因素的主要來源，附有可導致下一個財政年度的資產賬面值出現大幅調整的重大風險。

##### 商譽及無形資產估計減值

釐定商譽及無形資產是否減值須估計獲分配商譽及無形資產的現金產生單位的可收回金額，即使用價值與公允價值減出售成本兩者中的較高者。計算使用價值要求本集團估計若干假設，包括折現率、最終增長率、毛利率及銷售增長率，以得出折現未來現金流量模式的淨現值。倘實際未來現金流量低於預期或事實及情況變化導致可收回金額下調，則可能出現重大減值虧損。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

#### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

##### Estimated impairment of goodwill and intangible assets (continued)

As at 31 December 2017, the carrying amounts of goodwill and intangible assets were HK\$1,044,293,000 (2016: HK\$1,029,637,000) (net of accumulated impairment loss of HK\$40,000,000 (2016: Nil)) and HK\$193,875,000 (2016: HK\$232,767,000) respectively. Details of the recoverable amount calculation are set out in notes 20 and 21.

##### Estimated impairment loss of trade receivables

The Group makes allowance for doubtful debts based on an assessment of the recoverability of trade receivables. Allowance is applied to trade receivables where events or changes in circumstances indicate that the balances may not be collectible. In determining whether an allowance for doubtful debts is required, the Group takes into consideration of the credit history including default or delay in payments, settlement records, subsequent settlements and ageing analysis of the trade receivables. Where the expectation of the recoverability of trade receivables is different from the original estimate, such difference will impact the carrying value of trade receivables and allowance for doubtful debts in the period in which such estimate has changed. As at 31 December 2017, the carrying amount of trade receivables, net of impairment loss, was HK\$741,225,000 (2016: carrying amount of HK\$837,808,000).

#### 4. 估計不明朗因素的主要來源(續)

##### 商譽及無形資產估計減值(續)

於二零一七年十二月三十一日，商譽及無形資產的賬面值分別為1,044,293,000港元(二零一六年：1,029,637,000港元)(扣除累計減值虧損40,000,000港元(二零一六年：零))及193,875,000港元(二零一六年：232,767,000港元)。可收回金額的計算詳情載於附註20及21。

##### 貿易應收款項估計減值虧損

本集團根據對貿易應收款項的可收回性所進行評估而計提呆賬撥備。當出現事件或情況變化顯示可能無法收回結餘時，有關撥備將應用於貿易應收款項。釐定是否需要計提呆賬撥備時，本集團考慮貿易應收款項的違約或延遲付款、結算記錄、結算日後結算及賬齡分析等信貸記錄。倘貿易應收款項的可收回性預期有別於原有估計，則有關差額將影響估計變動期間的貿易應收款項及呆賬撥備賬面值。於二零一七年十二月三十一日，扣除減值虧損的貿易應收款項賬面值為741,225,000港元(二零一六年：837,808,000港元)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 5. REVENUE

Revenue represents revenue arising on sale of cigarette packages, manufacturing of laminated papers and sales of RFID products for the year. An analysis of the Group's revenue for the year is as follows:

		2017 二零一六年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Printing of cigarette packages	印刷香煙包裝	1,189,744	1,365,801
Manufacturing of laminated papers	製造複合紙	42,849	41,408
Sales of RFID products	銷售射頻識別產品	32,922	-
		<b>1,265,515</b>	1,407,209

### 6. SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the chief operating decision maker ("CODM"), for the purposes of resource allocation and assessment of segment performance focuses on types of goods delivered or services provided. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

The Group's operating and reportable segments currently are (i) printing of cigarette packages, (ii) manufacturing of laminated papers and (iii) sales of RFID products. The CODM considered the Group has three (2016: two) operating and reportable segments which are based on the internal organisation and reporting structure. This is the basis upon which the Group is organised.

### 5. 收益

收益指年內銷售香煙包裝、製造複合紙及銷售射頻識別產品產生的收益。年內本集團收益分析如下：

		2017 二零一六年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Printing of cigarette packages	印刷香煙包裝	1,189,744	1,365,801
Manufacturing of laminated papers	製造複合紙	42,849	41,408
Sales of RFID products	銷售射頻識別產品	32,922	-
		<b>1,265,515</b>	1,407,209

### 6. 分部資料

為分配資源及評估分部表現而向本公司執行董事，即主要營運決策者（「主要營運決策者」）呈報資料，集中於所交付貨物或所提供服務類別。本集團並無任何經主要營運決策者識別的經營分部整合而成的可報告分部。

本集團的經營及可報告分部目前為(i)印刷香煙包裝；(ii)製造複合紙；及(iii)銷售射頻識別產品。主要營運決策者認為本集團有三個(二零一六年：兩個)經營及可報告分部，乃根據內部組織及申報架構劃分。此乃本集團組織的基準。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 6. SEGMENT INFORMATION (continued)

#### Segment revenues and results

The following is an analysis of the Group's revenue and results by operating and reportable segment.

For the year ended 31 December 2017

### 6. 分部資料(續)

#### 分部收入及業績

以下為本集團按經營及可報告分部劃分的持續經營業務收益及業績分析。

截至二零一七年十二月三十一日止年度

		Printing of cigarette packages 印刷香煙包裝 HK\$'000 千港元	Manufacturing of laminated papers 製造複合紙 HK\$'000 千港元	Sales of RFID products 銷售射頻 識別產品 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment revenue	分部收益	1,189,744	42,849	32,922	1,265,515
Segment profit	分部溢利	294,258	10,416	6,151	310,825
Unallocated — other income and other gains and losses	未分配 — 其他收入以及 其他收益及虧損				(9,727)
Unallocated expenses	未分配開支				(133,340)
Finance costs	融資成本				(21,988)
Share of profits of associates	分佔聯營公司溢利				47,334
Share of loss of a joint venture	分佔一間合營企業虧損				(274)
Profit before taxation	除稅前溢利				192,830



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 6. SEGMENT INFORMATION (continued)

#### Segment revenues and results (continued)

#### For the year ended 31 December 2016

### 6. 分部資料(續)

#### 分部收入及業績(續)

#### 截至二零一六年十二月三十一日止年度

		Printing of cigarette packages 印刷香煙包裝 HK\$'000 千港元	Manufacturing of laminated papers 製造複合紙 HK\$'000 千港元	Sale of RFID products 銷售射頻 識別產品 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment revenue	分部收益	1,365,801	41,408	-	1,407,209
Segment profit	分部溢利	400,899	10,913	-	411,812
Unallocated – other income and other gains and losses	未分配 – 其他收入以及 其他收益及虧損				25,683
Unallocated expenses	未分配開支				(141,420)
Finance costs	融資成本				(25,567)
Share of profits of associates	分佔聯營公司溢利				86,429
Share of profit of a joint venture	分佔一間合營企業溢利				57
Profit before taxation	除稅前溢利				356,994

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 3.

Segment profit represents the profit earned by each segment without allocation of corporate management expenses, directors' emoluments, share of profits of associates, share of loss/profit of a joint venture, finance costs, unallocated other income, other gains and losses, amortisation of intangible assets and expenses. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

All of the segment revenue reported above is from external customers.

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。

分部溢利指各分部所賺取溢利，而並無分配公司管理開支、董事酬金、分佔聯營公司溢利、分佔一間合營企業虧損／溢利、融資成本、未分配其他收入、其他收益及虧損、無形資產攤銷及開支。此乃就資源分配及表現評估向主要營運決策者呈報的計量方式。

上文呈報的所有分部收益均來自外部客戶。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 6. SEGMENT INFORMATION (continued)

#### Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by operating reportable segment:

#### Segment assets

### 6. 分部資料(續)

#### 分部資產及負債

以下為本集團按經營可報告分部劃分的資產及負債分析：

#### 分部資產

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Printing of cigarette packages	印刷香煙包裝	1,546,750	1,651,533
Manufacturing of laminated papers	製造複合紙	42,817	40,404
Sales of RFID products	銷售射頻識別產品	85,076	-
<b>Total segment assets</b>	<b>分部資產總值</b>	<b>1,674,643</b>	1,691,937
Unallocated property, plant and equipment	未分配物業、廠房及設備	19,362	99,279
Prepaid lease payments	預付租賃款項	84,387	80,341
Investment properties	投資物業	57,136	172,070
Goodwill	商譽	1,044,293	1,029,637
Intangible assets	無形資產	193,875	232,767
Interests in associates	於聯營公司的權益	535,072	551,899
Interest in a joint venture	於一間合營企業的權益	8,586	8,222
Deposits for property, plant and equipment	就物業、廠房及設備支付的按金	8,675	1,732
Other receivables, prepayments and deposits	其他應收款項、預付款項及按金	56,562	68,551
Amounts due from related parties	應收關連方款項	9,866	12,236
Tax recoverable	可收回稅項	3,267	3,028
Structured deposits	結構性存款	7,193	-
Pledged bank deposits	已抵押銀行存款	5,455	6,731
Bank balances and cash	銀行結餘及現金	292,511	199,694
Assets classified as held for sale	分類為持有待售的資產	197,623	-
<b>Consolidated assets</b>	<b>綜合資產</b>	<b>4,198,506</b>	4,158,124

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 6. SEGMENT INFORMATION (continued)

#### Segment assets and liabilities (continued)

#### Segment liabilities

### 6. 分部資料(續)

#### 分部資產及負債(續)

#### 分部負債

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Printing of cigarette packages	印刷香煙包裝	246,126	311,768
Manufacturing of laminated papers	製造複合紙	4,251	1,392
Sales of RFID products	銷售射頻識別產品	14,987	-
Total segment liabilities	分部負債總額	265,364	313,160
Other payables and accruals	其他應付款項及應計費用	112,871	130,071
Amounts due to non-controlling interests of subsidiaries	應付附屬公司非控股權益款項	4,983	3,775
Bank borrowings	銀行借貸	678,166	677,810
Income tax payable	應付所得稅	41,483	52,418
Deferred tax liabilities	遞延稅務負債	55,133	71,334
Government grants	政府補助金	37,109	34,396
Purchase consideration payable for acquisition	就收購事項所須支付購買代價	22,848	-
Liabilities associated with assets classified as held for sale	與分類為持有待售的資產有關的負債	39	-
Consolidated liabilities	綜合負債	1,217,996	1,282,964

Segment assets represent certain property, plant and equipment, trade and bills receivables, amounts due from related companies and inventories which are directly attributable to the relevant operating and reportable segment. Segment liabilities represent trade and bills payables which are directly attributable to the relevant operating and reportable segment. These are the measures reported to the CODM for the purpose of resource allocation and assessment of segment performance.

分部資產代表直接歸屬於相關經營及可呈報分部的若干物業、廠房及設備、貿易應收款項及應收票據、應收關連公司款項及存貨。分部負債代表直接歸屬於相關經營及可呈報分部的貿易應付款項及應付票據。此乃就分配資源及評估分部表現向主要營運決策者匯報的計量方式。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 6. SEGMENT INFORMATION (continued)

#### Segment assets and liabilities (continued)

#### Other segment information

2017

### 6. 分部資料(續)

#### 分部資產及負債(續)

#### 其他分部資料

二零一七年

	Printing of cigarette packages 印刷香煙包裝 HK\$'000 千港元	Manufacturing of laminated papers 製造複合紙 HK\$'000 千港元	Sales of RFID products 銷售射頻 識別產品 HK\$'000 千港元	Segment total 分部總值 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Amounts included in the measurement of segment profit or loss or segment assets: 計量分部溢利或虧損或分部資產時計入的金額：						
Addition to non-current assets 添置非流動資產	32,817	86	47,480	80,383	7,551	87,934
Depreciation and amortisation 折舊及攤銷	80,349	1,229	2,549	84,127	52,443	136,570
Recognition of impairment losses on goodwill 確認商譽減值虧損	40,000	-	-	40,000	-	40,000
(Gains) losses on disposal of property, plant and equipment 出售物業、廠房及設備的(收益)虧損	(39)	28	(151)	(162)	20	(142)
(Reversals) recognition of write-down on obsolete inventories (撥回)確認陳舊存貨撇減	(1,142)	-	154	(988)	-	(988)
Amounts regularly provided to the CODM but not included in the measure of segment profit or loss: 定期向主要營運決策者提供，但並無於計量分部溢利或虧損時計入的金額：						
Interest income 利息收入	(1,106)	(14)	(86)	(1,206)	(115)	(1,321)
Interest expense 利息開支	4,345	-	187	4,532	17,456	21,988
Taxation 稅項	37,115	2,327	75	39,517	10,506	50,023

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 6. SEGMENT INFORMATION (continued)

#### Segment assets and liabilities (continued)

#### Other segment information (continued)

2016

### 6. 分部資料(續)

#### 分部資產及負債(續)

#### 其他分部資料(續)

二零一六年

		Printing of cigarette packages	Manufacturing of laminated papers	Sales of RFID products	Segment total	Unallocated	Total
		印刷香煙包裝	製造複合紙	銷售射頻 識別產品	分部總值	未分配	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Amounts included in the measurement of segment profit or loss or segment assets:	計量分部溢利或虧損或分部資產時計入的金額：						
Addition to non-current assets	添置非流動資產	83,062	1,069	-	84,131	6,283	90,414
Depreciation and amortisation	折舊及攤銷	78,893	1,043	-	79,936	53,149	133,085
(Gain) loss on disposal of property, plant and equipment	出售物業、廠房及設備的(收益)虧損	(245)	(1)	-	(246)	976	730
Reversal of write-down on obsolete inventories	撥回撇減陳舊存貨	(227)	-	-	(227)	-	(227)
Amounts regularly provided to the CODM but not included in the measure of segment profit or loss:	定期向主要營運決策者提供，但並無於計量分部溢利或虧損時計入的金額：						
Interest income	利息收入	(859)	(1,086)	-	(1,945)	(98)	(2,043)
Interest expense	利息開支	7,729	-	-	7,729	17,838	25,567
Taxation	稅項	55,491	2,520	-	58,011	11,749	69,760

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 6. SEGMENT INFORMATION (continued)

#### Revenue from major products and services

An analysis of the Group's revenue from its major products and services is set out in note 5.

#### Geographical information

The Group's operations are located in Hong Kong and the mainland of the People's Republic of China (the "PRC") (country of domicile).

Information about the Group's revenue from external customers is presented based on the geographical market irrespective of the origin of goods/services. Information about the Group's non-current assets is presented based on the geographical location of the assets.

### 6. 分部資料(續)

#### 主要產品及服務收益

有關本集團持續經營業務的主要產品及服務收益的分析，載於附註5。

#### 地區資料

本集團於香港及中華人民共和國(「中國」)內地(註冊國)經營業務。

有關本集團來自外部客戶收益的資料，乃根據地理市場呈列，而不論貨物／服務的來源地。有關本集團非流動資產的資料，乃按資產的地理位置呈列。

		Revenue from external customers		Non-current assets (Note a)	
		來自外部客戶收益		非流動資產(附註a)	
		2017	2016	2017	2016
		二零一七年	二零一六年	二零一七年	二零一六年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
PRC	中國	<b>1,240,764</b>	1,407,209	<b>2,088,647</b>	2,060,713
Hong Kong	香港	–	–	<b>18,617</b>	220,026
Others (Note b)	其他(附註b)	<b>24,751</b>	–	–	–
		<b>1,265,515</b>	1,407,209	<b>2,107,264</b>	2,280,739

Notes:

- (a) Non-current assets excluded those relating to interests in associates, interest in a joint venture and deposits for property, plant and equipment.
- (b) Others included the Republic of Indonesia, the United States of America and the Republic of Korea.

附註：

- (a) 非流動資產不包括於聯營公司的權益、於一間合營企業的權益以及就物業、廠房及設備支付的按金。
- (b) 其他包括印度尼西亞共和國、美利堅合眾國及大韓民國。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 6. SEGMENT INFORMATION (continued)

#### Information about major customers

Revenues from customers of the corresponding years contributing over 10% of the total sales of the Group are as follow:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Customer A (Note)	客戶 A (附註)	<b>388,541</b>	432,314
Customer B (Note)	客戶 B (附註)	<b>202,938</b>	153,741

Note: Revenue from printing of cigarette packages.

附註：來自印刷香煙包裝的收益。

### 6. 分部資料(續)

#### 有關主要客戶的資料

於相應年度來自客戶且佔本集團總銷售逾10%的收益如下：

### 7. OTHER INCOME

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Interest on bank deposits	銀行存款利息	<b>1,321</b>	2,043
Sales of scrap materials	銷售廢料	<b>3,385</b>	3,066
Processing fee income	加工費收入	<b>2,848</b>	502
Rental income	租金收入	<b>5,283</b>	1,303
Government grants (Note)	政府補助金(附註)	<b>20,616</b>	16,388
Interest income on long-term receivables	長期應收款項的利息收入	<b>1,290</b>	1,038
Sundry income	雜項收入	<b>743</b>	1,523
		<b>35,486</b>	25,863

Note: Government grants were received from the government of the PRC mainly as incentives granted by local authority for encouragement of its business development and innovation except for an amount of HK\$2,577,000 (2016: HK\$1,686,000) which was granted for the acquisition of property, plant and equipment (as details in note 34). These grants are accounted for as financial support with no future related costs expected to be incurred nor related to any assets.

附註：政府補助金乃取自中國政府，主要為地方當局為鼓勵業務發展及創新而授出的獎勵金，惟因收購物業、廠房及設備而獲授的2,577,000港元(二零一六年：1,686,000港元)除外(詳情見附註34)。該等補助金乃入賬列作財務資助，預期不會產生任何未來相關成本，且與任何資產均無關連。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 8. OTHER GAINS AND LOSSES

### 8. 其他收益及虧損

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Net foreign exchange (losses) gains	外匯(虧損)收益淨額	<b>(6,433)</b>	550
Net gain on structured deposits	結構性存款收益淨額	<b>2,008</b>	-
Impairment losses on other receivables	其他應收款項減值虧損	<b>(930)</b>	-
Gains (losses) on disposal of property, plant and equipment	出售物業、廠房及設備收益(虧損)	<b>142</b>	(730)
Impairment losses on goodwill	商譽減值虧損	<b>(40,000)</b>	-
		<b>(45,213)</b>	(180)

### 9. FINANCE COSTS

### 9. 融資成本

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Interest on bank loans	銀行貸款利息	<b>21,988</b>	25,567



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 10. TAXATION

### 10. 稅項

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Current tax:	本期稅項：		
The PRC Enterprise Income Tax (“EIT”)	中國企業所得稅(「企業所得稅」)	42,055	60,615
Withholding tax	預扣稅	29,450	14,824
		<b>71,505</b>	75,439
Overprovision of EIT in prior year	過往年度企業所得稅超額撥備	<b>(3,019)</b>	(1,676)
Deferred tax (note 35):	遞延稅項(附註35)：		
Current year	本年度	<b>(18,463)</b>	(4,003)
		<b>50,023</b>	69,760

No provision for taxation in Hong Kong has been made as the Group's income neither arises in, nor is derived from, Hong Kong.

由於本集團的收入並非於香港產生或取得，故並無就香港稅項計提撥備。

The PRC EIT is calculated at the applicable prevailing tax rates from 15% to 25% (2016: 15% to 25%) in the PRC. Pursuant to the “Enterprise Income Tax Law for Foreign Investment Enterprises and Foreign Enterprises”, some PRC subsidiaries, being a High-Tech Enterprise, were entitled to a reduced EIT rate of 15% for the years from 2013 to 2018.

中國企業所得稅按中國的適用當前稅率15%至25%(二零一六年：15%至25%)計算。根據「中國外商投資企業和外國企業所得稅法」，若干中國附屬公司(即高新科技企業)於二零一三年至二零一八年可按減免企業所得稅稅率15%繳稅。

Upon the New Tax Law and Implementation Regulations, the PRC withholding income tax is applicable to dividends payable to investors that are “non-PRC tax resident enterprises”, which do not have an establishment or place of business in the PRC, or which have such establishment or place of business but the relevant income is not effectively connected with the establishment or place of business, to the extent such dividends have their sources within the PRC. Under such circumstances, dividends distributed from the PRC subsidiaries to non-PRC tax resident group entities shall be subject to the withholding income tax at 10% or lower tax rate, as applicable. Under the relevant tax treaty, withholding tax rate on distribution to Hong Kong resident companies is 5%. Deferred taxation has been provided on undistributed earnings of all subsidiaries and associates and a joint venture (as details in note 35).

根據新稅法及實施規例，中國預扣所得稅適用於應付屬「非中國居民納稅企業」投資者的股息，該等非中國居民納稅企業於中國並無機構或營業地點，或其於中國設有機構或營業地點但相關收入實際上與該機構或營業地點無關，惟以該等股息乃源自中國為限。於該等情況下，中國附屬公司派付予非中國稅務居民企業集團實體的股息須按10%的預扣所得稅稅率或較低稅率(如適用)繳稅。根據相關稅收協定，向香港居民公司派付股息應支付5%的預扣稅。遞延稅項已就所有附屬公司、聯營公司及一間合營企業的未分派盈利計提撥備(詳情見附註35)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 10. TAXATION (continued)

The tax charge for the year can be reconciled to the profit before taxation per the consolidated statement of profit or loss and other comprehensive income as follows:

### 10. 稅項(續)

年內稅項支出與綜合損益及其他全面收益報表所示除稅前溢利的對賬如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Profit before taxation	除稅前溢利	<b>192,830</b>	356,994
Tax at the applicable rate of 25% (2016: 25%) (Note 1)	按適用稅率 25% (二零一六年：25%) 計算的稅項(附註1)	<b>48,208</b>	89,249
Tax effect of share of profit of associates	分佔聯營公司溢利的稅務影響	<b>(11,833)</b>	(21,607)
Tax effect of share of profit of a joint venture	分佔一間合營企業溢利的稅務影響	-	(14)
Tax effect of expenses not deductible for tax purpose	不可扣稅開支的稅務影響	<b>32,771</b>	22,115
Tax effect of income not taxable for tax purpose	免稅收入的稅務影響	-	(473)
Overprovision in respect of prior years	過往年度超額撥備	<b>(3,019)</b>	(1,676)
Utilisation of tax losses previously not recognised	使用過往未確認的稅項虧損	<b>(3,429)</b>	-
Additional tax benefit on research and development expenses (Note 2)	研發開支的額外稅務利益(附註2)	<b>(5,335)</b>	-
Tax effect of deductible temporary differences not recognised	未確認可扣稅暫時差額的稅務影響	-	59
Tax effect of tax losses not recognised	未確認稅項虧損的稅務影響	-	860
Income tax on concessionary rate	按優惠稅率計算的所得稅	<b>(23,326)</b>	(35,054)
Deferred tax on undistributed earnings of the PRC subsidiaries/associates	中國附屬公司／聯營公司未分派盈利的遞延稅項	<b>15,986</b>	16,301
Tax charge for the year	年內稅項支出	<b>50,023</b>	69,760

Notes:

- The applicable tax rate of 25% represents the applicable income tax rate of the subsidiaries in Shenzhen and Anhui in the PRC which constitute the substantial part of the Group's operation for the years ended 31 December 2017 and 2016.
- Pursuant to the relevant two rules and regulations, the Group could obtain additional tax benefit, which is further 50% of certain qualified research and development cost incurred endorsed by the Shenzhen and Anhui Local Taxation Administrators.

附註：

- 適用稅率 25% 代表位於中國深圳及安徽的附屬公司的適用所得稅稅率，而該等附屬公司佔本集團截至二零一七年及二零一六年十二月三十一日止年度的大部分業務。
- 根據相關兩條規則及法規，本集團可獲得額外稅項優惠，相當於深圳及安徽當地稅務機關認可的若干合資格研發成本的另外 50%。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 11. DISPOSAL GROUP HELD FOR SALE

On 4 September 2017, the directors of the Company resolved to dispose of the subsidiaries of the Company, namely, Empire Sail Limited 帝航有限公司 (“Empire Sail”) and Best Legend International Holdings Limited 駿佳國際集團控股有限公司 (“Best Legend”), which mainly hold some investment properties and premise of the Group. Negotiations with several interested parties have subsequently taken place. These assets and liabilities, which are expected to be sold within twelve months, have been classified as a disposal group held for sale and are presented separately in the consolidated statement of financial position (see below). The net proceeds of disposal are expected to exceed the net carrying amount of the relevant assets and liabilities and accordingly, no impairment loss has been recognised.

The major classes of assets and liabilities classified as held for sale are as follow:

### 11. 持有待售的出售組合

於二零一七年九月四日，本公司董事議決出售本公司附屬公司帝航有限公司(「帝航」)及駿佳國際集團控股有限公司(「駿佳」)，該等公司主要代本集團持有若干投資物業及處所。其後曾與多名有興趣買家洽商。該等預期於十二個月內出售的資產及負債已分類為持有待售的出售組合，並在綜合財務狀況報表分開呈列(見下文)。預期出售所得款項淨額將超出相關資產及負債的賬面淨值，故並無確認減值虧損。

以下為分類為持有待售的主要資產及負債類別：

		31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	79,011
Investment properties	投資物業	118,448
Other receivables	其他應收款項	164
<b>Total assets classified as held for sale</b>	<b>分類為持有待售的總資產</b>	<b>197,623</b>
Other payables	其他應付款項	39
<b>Total liabilities classified as held for sale</b>	<b>分類為持有待售的總負債</b>	<b>39</b>

Note: The above amount is excluded of the amount due from ultimate holding company amounting to approximately HK\$285,000 and the amount due to a fellow subsidiary amounting to approximately HK\$220,880,000.

附註：上述金額不包括為數約285,000港元的應收最終控股公司款項及為數約220,880,000港元的應付一間同系附屬公司款項。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 12. PROFIT FOR THE YEAR

### 12. 年度溢利

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Profit for the year has been arrived at after charging (crediting):	經扣除(計入)下列各項後的年度溢利:		
Staff costs:	員工成本:		
Directors' emoluments (note 13)	董事酬金(附註13)	2,476	2,658
Other staff costs	其他員工成本		
Salaries and other benefits	薪金及其他福利	113,289	106,083
Contributions to retirement benefits schemes	退休福利計劃供款	11,044	9,383
Total staff costs	員工成本總額	126,809	118,124
Less: capitalised in inventories	減: 於存貨中資本化	(105,472)	(83,318)
		21,337	34,806
Auditor's remuneration	核數師酬金	3,457	3,832
Cost of inventories recognised as expenses	確認為開支的存貨成本	889,275	942,848
Surcharges on overdue payments to governmental authorities and compensation expenses (included in other expenses)	結欠政府機構的逾期款項加徵附加費及補償開支(計入其他開支)	2,732	-
Depreciation of property, plant and equipment	物業、廠房及設備折舊	82,578	80,421
Depreciation of investment properties	投資物業折舊	6,084	4,873
Release of prepaid lease payments	解除預付租賃款項	2,214	2,097
Amortisation of intangible assets (included in cost of sales and administrative expenses)	無形資產攤銷(計入銷售成本及行政開支)	45,694	45,694
Total depreciation and amortisation	折舊及攤銷總額	136,570	133,085
Less: capitalised in inventories	減: 於存貨中資本化	(116,797)	(104,922)
		19,773	28,163

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 12. PROFIT FOR THE YEAR (continued)

### 12. 年度溢利(續)

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Operating lease rentals in respect of rented premises	有關租用物業的經營租賃租金	<b>3,105</b>	2,560
Reversals of write-down on obsolete inventories (included in cost of sales)	撥回陳舊存貨撇減 (計入銷售成本)	<b>(988)</b>	(227)
Research and development costs recognised as an expense (included in other expenses)	確認為開支的研發成本 (計入其他開支)	<b>4,837</b>	4,216
Shares of taxation of associates	分佔聯營公司稅項	<b>11,150</b>	16,282
Gross rental income from investment properties	投資物業的租金收入總額	<b>(8,155)</b>	(1,480)
Less: direct operating expenses incurred for investment properties that generated rental income during the year	減：年內產生租金收入的投資物業所產生的直接營運開支	<b>2,872</b>	177
		<b>(5,283)</b>	(1,303)

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 13. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

The emoluments paid or payable to each of the 7 (2016: 7) directors are as follows:

**For the year ended 31 December 2017**

### 13. 董事及行政總裁薪酬

已付或應付7名(二零一六年: 7名)董事的酬金如下:

截至二零一七年十二月三十一日止年度

		Fees	Salaries and other benefits	Contributions to retirement benefits scheme	Total emoluments
		袍金	薪金及其他福利	退休福利計劃供款	總薪酬
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Executive Directors	執行董事				
Mr. Cai Xiao Ming, David	蔡曉明先生	-	60	3	63
Mr. Qin Song	欽松先生				
(Chief Executive)	(行政總裁)	-	1,296	39	1,335
Mr. Peng Guoyi	彭國意先生	-	657	31	688
Non-Executive Director	非執行董事				
Ms. Li Li	李莉女士	-	-	-	-
Independent Non-Executive Directors	獨立非執行董事				
Mr. Lam Ying Hung, Andy	林英鴻先生	130	-	-	130
Mr. Lui Tin Nang	呂天能先生	130	-	-	130
Mr. Siu Man Ho, Simon	蕭文豪先生	130	-	-	130
		<b>390</b>	<b>2,013</b>	<b>73</b>	<b>2,476</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 13. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (continued)

For the year ended 31 December 2016

### 13. 董事及行政總裁薪酬(續)

截至二零一六年十二月三十一日止年度

		Fees	Salaries and other benefits	Other emoluments 其他薪酬	Contributions to retirement benefits scheme	Total emoluments
		袍金	薪金及 其他福利		退休福利 計劃供款	總薪酬
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Executive Directors 執行董事						
Mr. Cai Xiao Ming, David	蔡曉明先生	-	60		3	63
Mr. Qin Song (Chief Executive)	欽松先生 (行政總裁)	-	1,396		28	1,424
Mr. Peng Guoyi	彭國意先生	-	753		28	781
Non-Executive Director 非執行董事						
Ms. Li Li	李莉女士	-	-		-	-
Independent Non-Executive Directors 獨立非執行董事						
Mr. Lam Ying Hung, Andy	林英鴻先生	130	-		-	130
Mr. Lui Tin Nang	呂天能先生	130	-		-	130
Mr. Siu Man Ho, Simon	蕭文豪先生	130	-		-	130
		390	2,209		59	2,658

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 13. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS *(continued)*

The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group. The independent non-executive directors' emoluments shown above were for their services as directors of the Company.

Mr. Qin Song is also the chief executive of the Company and his emoluments disclosed above include those for services rendered by him as the chief executive.

During the years ended 31 December 2017 and 2016, no emoluments have been paid by the Group to any of the directors and the Chief Executive as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors nor the Chief Executive waived or agreed to waive any remuneration during the years ended 31 December 2017 and 2016.

### 13. 董事及行政總裁薪酬(續)

上文所示執行董事的酬金乃就彼等有關管理本公司及本集團事務的服務而支付。上文所示獨立非執行董事酬金乃就彼等擔任本公司董事的服務而支付。

欽松先生亦為本公司的行政總裁，而上文所披露的酬金包括就彼擔任行政總裁提供服務而支付的酬金。

截至二零一七年及二零一六年十二月三十一日止年度，本集團並無向任何董事及主要行政人員支付酬金，作為加入本集團或於加入本集團時的報酬或離職補償。截至二零一七年及二零一六年十二月三十一日止年度，概無董事或主要行政人員放棄任何報酬。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 14. FIVE HIGHEST PAID EMPLOYEES

Of the five individuals with the highest emoluments in the Group, two (2016: two) were directors and the Chief Executive of the Company whose emoluments are included in the disclosures in note 13 above. The emoluments of the remaining three (2016: three) individual were as follows:

### 14. 五名最高薪僱員

本集團五名最高薪人士中有兩名(二零一六年：兩名)為本公司董事及行政總裁，彼等的酬金載於上文附註13。餘下三名(二零一六年：三名)人士的酬金如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	2,824	2,966
Contributions to retirement benefits schemes	退休福利計劃供款	49	44
		<b>2,873</b>	3,010

Their emoluments were within the following bands:

彼等的酬金於下列範圍內：

		2017 二零一七年	2016 二零一六年
HK\$ nil to HK\$1,000,000	零港元至 1,000,000 港元	2	1
HK\$1,000,001 to HK\$1,500,000	1,000,001 港元至 1,500,000 港元	1	2

No emoluments have been paid by the Group to any of the five highest paid individuals as inducement to join or upon joining the Group or as compensation for loss of office during the years ended 31 December 2017 and 2016.

截至二零一七年及二零一六年十二月三十一日止年度內，本集團概無向五名最高薪人士支付酬金作為吸引彼等加盟或彼等加盟本集團時的獎勵或作為離職的補償。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 15. EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to owners of the Company is based on the following data:

### 15. 每股盈利

本公司擁有人應佔每股基本盈利乃按下列數據計算：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>Earnings:</b> Earnings for the purpose of basic earnings per share (Profit for the year attributable to owners of the Company)	<b>盈利：</b> 用以計算每股基本盈利的盈利(本公司擁有人應佔年度溢利)	<b>138,025</b>	285,827
		2017 二零一七年 '000 千股	2016 二零一六年 '000 千股
<b>Number of shares:</b> Weighted average number of ordinary shares for the purpose of basic earnings per share	<b>股份數目：</b> 用以計算每股基本盈利的普通股加權平均數	<b>1,567,885</b>	1,567,885

No dilutive earnings per share is presented as the Group did not have any potential ordinary shares during both years.

概無呈列每股攤薄盈利，原因為本集團在兩個年度均無任何潛在普通股。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 16. DIVIDENDS

### 16. 股息

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Dividends for ordinary shareholders of the Company recognised as distribution during the year:	年內確認為分派的本公司普通股股東股息：		
2015 special dividend	二零一五年特別股息	-	239,886
2016 final — HK15.30 cents per share	二零一六年末期 — 每股 15.30 港仙	<b>239,886</b>	-
		<b>239,886</b>	239,886

During the current year, the final dividend of HK15.30 cents in respect of the year ended 31 December 2016 (2016: Nil) per share, amounting approximately HK\$239,886,000 (2016: Nil) has been paid to shareholders.

No dividend was proposed for ordinary shareholders of the Company during 2017, nor has any dividend been proposed since the end of the reporting period (2016: HK\$239,886,000).

於本年度，股東已獲派發截至二零一六年十二月三十一日止年度的末期股息每股 15.30 港仙（二零一六年：無），共計約為 239,886,000 港元（二零一六年：無）。

於二零一七年並無建議向本公司普通股股東派發任何股息，而自報告期末以來亦無建議派發任何股息（二零一六年：239,886,000 港元）。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 17. PROPERTY, PLANT AND EQUIPMENT

### 17. 物業、廠房及設備

		Leasehold land and buildings 租賃土地及樓宇 HK\$'000 千港元	Leasehold improvement 租賃裝修 HK\$'000 千港元	Plant and machinery 廠房及機器 HK\$'000 千港元	Furniture and office equipment 傢俬及辦公室設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>COST</b>	<b>成本</b>							
At 1 January 2016	於二零一六年一月一日	572,401	6,999	661,132	53,668	13,642	27,284	1,335,126
Exchange adjustments	匯兌調整	(28,096)	-	(39,809)	(2,429)	(649)	(1,023)	(72,006)
Additions	添置	3,216	3,767	14,907	2,953	1,830	56,010	82,683
Transfer	轉撥	19,308	-	45,510	1,281	347	(66,446)	-
Transferred from investment properties	轉撥自投資物業	17,563	-	-	-	-	-	17,563
Disposals	出售	-	(1,959)	(15,684)	(123)	(1,664)	(50)	(19,480)
At 31 December 2016	於二零一六年十二月三十一日	584,392	8,807	666,056	55,350	13,506	15,775	1,343,886
Exchange adjustments	匯兌調整	33,697	8	54,538	3,412	858	1,368	93,881
Additions	添置	583	-	8,975	5,469	1,777	28,646	45,450
Acquired assets through acquisition of a subsidiary (note 37a)	透過收購一間附屬公司收購的資產 (附註37a)	-	194	32,506	105	172	1,690	34,667
Transferred from construction in progress	轉撥自在建工程	4,468	-	28,599	47	-	(33,114)	-
Transferred to construction in progress	轉撥至在建工程	-	-	(33,013)	-	-	6,062	(26,951)
Transferred to investment properties	轉撥至投資物業	(7,477)	-	-	-	-	-	(7,477)
Reclassified as held for sale (note 11)	重新分類為持有待售 (附註11)	(82,828)	-	-	-	-	-	(82,828)
Disposals	出售	-	-	(21,643)	(411)	(1,745)	-	(23,799)
At 31 December 2017	於二零一七年十二月三十一日	532,835	9,009	736,018	63,972	14,568	20,427	1,376,829
<b>DEPRECIATION</b>	<b>折舊</b>							
At 1 January 2016	於二零一六年一月一日	104,549	653	385,032	29,773	9,070	-	529,077
Exchange adjustments	匯兌調整	(6,786)	-	(23,804)	(1,622)	(477)	-	(32,689)
Provided for the year	年內撥備	27,430	903	48,192	2,600	1,296	-	80,421
Transferred from investment properties	轉撥自投資物業	11,910	-	-	-	-	-	11,910
Eliminated on disposals	出售時抵銷	-	(979)	(10,503)	(10)	(1,389)	-	(12,881)
At 31 December 2016	於二零一六年十二月三十一日	137,103	577	398,917	30,741	8,500	-	575,838
Exchange adjustments	匯兌調整	5,778	4	33,317	2,425	639	-	42,163
Provided for the year	年內撥備	23,838	999	47,969	8,529	1,243	-	82,578
Transferred to construction in progress	轉撥至在建工程	-	-	(26,951)	-	-	-	(26,951)
Transferred to investment properties	轉撥至投資物業	(1,964)	-	-	-	-	-	(1,964)
Reclassified as held for sale (note 11)	重新分類為持有待售 (附註11)	(3,817)	-	-	-	-	-	(3,817)
Eliminated on disposals	出售時抵銷	-	-	(19,132)	(379)	(1,372)	-	(20,883)
At 31 December 2017	於二零一七年十二月三十一日	160,938	1,580	434,120	41,316	9,010	-	646,964
<b>CARRYING VALUES</b>	<b>賬面值</b>							
At 31 December 2017	於二零一七年十二月三十一日	371,897	7,429	301,898	22,656	5,558	20,427	729,865
At 31 December 2016	於二零一六年十二月三十一日	447,289	8,230	267,139	24,609	5,006	15,775	768,048

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 17. PROPERTY, PLANT AND EQUIPMENT

(continued)

The above items of property, plant and equipment, except for construction in progress, are depreciated on a straight-line basis, after taking into account of their residual values, over their estimated useful lives as follow:

Leasehold land and buildings	Over the shorter of the term of lease or 30 years
Leasehold improvement	3 years
Plant and machinery	5–12 years
Furniture and office equipment	3–5 years
Motor vehicles	4–5 years

### 17. 物業、廠房及設備(續)

上述物業、廠房及設備項目(在建工程除外)乃按直線法基準，於計及其剩餘價值後按下列估計使用年期計算折舊：

租賃土地及樓宇	按租賃期或30年(以較短者為準)
租賃裝修	3年
廠房及機器	5至12年
傢俬及辦公室設備	3至5年
汽車	4至5年

### 18. PREPAID LEASE PAYMENTS

### 18. 預付租賃款項

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Analysed for reporting purposes as: 就報告而作出的分析：		
Current asset 流動資產	<b>2,292</b>	2,124
Non-current asset 非流動資產	<b>82,095</b>	78,217
	<b>84,387</b>	80,341

The Group's prepaid lease payments represent payments for land use rights in the PRC. At 31 December 2016, the Group was still in the process of obtaining the land use right certificate with carrying amount of HK\$7,160,000 for those acquired in 2016 which had been obtained in 2017.

本集團的預付租賃款項指中國土地使用權的預付款項。於二零一六年十二月三十一日，本集團仍就於二零一六年所收購的土地使用權辦理賬面值為7,160,000港元的土地使用權證(已於二零一七年取得)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 19. INVESTMENT PROPERTIES

### 19. 投資物業

		HK\$'000 千港元
<b>COST</b>		
	<b>成本</b>	
At 1 January 2016	於二零一六年一月一日	214,819
Exchange adjustments	匯兌調整	(4,209)
Transferred to property, plant and equipment	轉撥至物業、廠房及設備	(17,563)
At 31 December 2016	於二零一六年十二月三十一日	193,047
Exchange adjustments	匯兌調整	5,723
Transferred from property, plant and equipment	轉撥自物業、廠房及設備	7,477
Reclassified as held for sale (note 11)	重新分類為持有待售(附註11)	(123,815)
At 31 December 2017	於二零一七年十二月三十一日	82,432
<b>DEPRECIATION</b>		
	<b>折舊</b>	
At 1 January 2016	於二零一六年一月一日	29,183
Exchange adjustments	匯兌調整	(1,169)
Provided for the year	年內撥備	4,873
Transferred to property, plant and equipment	轉撥至物業、廠房及設備	(11,910)
At 31 December 2016	於二零一六年十二月三十一日	20,977
Exchange adjustments	匯兌調整	1,638
Provided for the year	年內撥備	6,084
Transferred from property, plant and equipment	轉撥自物業、廠房及設備	1,964
Reclassified as held for sale (note 11)	重新分類為持有待售(附註11)	(5,367)
At 31 December 2017	於二零一七年十二月三十一日	25,296
<b>CARRYING VALUES</b>		
	<b>賬面值</b>	
At 31 December 2017	於二零一七年十二月三十一日	57,136
At 31 December 2016	於二零一六年十二月三十一日	172,070

The Group's properties interests held under operating leases to earn rentals are measured using the cost model and are classified and accounted for as investment properties.

本集團根據經營租賃為賺取租金持有的物業權益使用成本模式計量，並分類為投資物業入賬。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 19. INVESTMENT PROPERTIES (continued)

#### Fair value measurement of the Group's investment properties

The fair value of the Group's investment properties as at 31 December 2017 was HK\$94,433,000 (2016: HK\$221,821,000). The fair value has been arrived at on the basis of a valuation carried out by Roma Appraisals Limited, an independent qualified professional valuer not connected to the Group. Roma Appraisals Limited are members of the Institute of Valuers of Hong Kong.

The fair value was determined based on the market comparable approach that reflects recent transaction prices for similar properties, where the market rentals of all lettable units of the properties are assessed by reference to the rentals achieved in the lettable units as well as other lettings of similar properties in the neighborhood. The discount rate is determined by reference to the yields derived from analysing the sales transactions of similar commercial properties in Hong Kong and the PRC and adjusted to take into account the market expectation from property investors to reflect factors specific to the Group's investment properties.

### 19. 投資物業(續)

#### 本集團投資物業的公允價值計量

本集團投資物業於二零一七年十二月三十一日的公允價值為94,433,000港元(二零一六年：221,821,000港元)。公允價值乃根據與本集團概無關連的獨立合資格專業估值師羅馬國際評估有限公司進行的估值而釐定。羅馬國際評估有限公司為香港測量師學會的會員。

公允價值乃根據可反映類似物業的近期交易價的市場比較法釐定，而所有物業的可出租單位的市場租值均參考附近類似物業可出租單位以及其他出租所得的租金釐訂。折現率乃參考分析香港及中國類似商業物業銷售交易所得的收益率，並就物業投資者的市場預期作出調整以反映本集團投資物業特有的因素。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 19. INVESTMENT PROPERTIES (continued)

#### Fair value measurement of the Group's investment properties (continued)

In estimating the fair value of the properties, the highest and best use of the properties is their current use. Details of the Group's investment properties and information about the fair value hierarchy as at 31 December 2017 and 31 December 2016 are as follows:

### 19. 投資物業(續)

#### 本集團投資物業的公允價值計量(續)

於估計物業的公允價值時，物業的最高及最佳使用狀況為其現有的狀況。於二零一七年十二月三十一日及二零一六年十二月三十一日，本集團投資物業以及公允價值層級資料詳情如下：

			Fair value as at 31 December 2017 於二零一七年 十二月三十一日 的公允價值 HK\$'000 千港元	Fair value as at 31 December 2016 於二零一六年 十二月三十一日 的公允價值 HK\$'000 千港元
Properties located in the PRC	位於中國的物業	Level 3 第三層	94,433	75,121
Properties located in Hong Kong	位於香港的物業	Level 3 第三層	–	146,700
			94,433	221,821

For investment properties categorised into level 3 of the fair value hierarchy, the following information is relevant:

分類為公允價值層級第三層的投資物業的相關資料如下：

	Valuation technique(s) 估值方法	Significant unobservable input 重大不可觀察輸入數據	Sensitivity 敏感度
Properties located in the PRC and Hong Kong	Direct comparison method based on market observable transactions of similar properties and adjust to reflect the conditions of the subject property.	Price per square meter	The 5% higher of the price per square meter, the 5% higher of the fair value.
位於中國及香港的物業	根據類似物業的市場可觀察交易進行直接比較法，並作出調整以反映所述物業的情況。	每平方米價格	每平方米價格上升5%，公允價值增加5%。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 19. INVESTMENT PROPERTIES (continued)

#### Fair value measurement of the Group's investment properties (continued)

The above investment properties are depreciated on a straight-line basis at the following rates per annum:

Leasehold land	Over the term of lease
Buildings	Over the shorter of the term of lease, or 30 years

### 19. 投資物業(續)

#### 本集團投資物業的公允價值計量(續)

上述投資物業按以下年率根據直線法折舊：

租賃土地	租約期內
樓宇	租約期或30年 (以較短者為準)

### 20. GOODWILL

### 20. 商譽

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At 1 January	於一月一日	<b>1,029,637</b>	1,061,335
Arising from acquisition of a subsidiary	因收購一間附屬公司而產生	<b>11,781</b>	-
Impairment loss recognised in the year	年內確認的減值虧損	<b>(40,000)</b>	-
Exchange adjustments	匯兌調整	<b>42,875</b>	(31,698)
At 31 December	於十二月三十一日	<b>1,044,293</b>	1,029,637

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 20. GOODWILL (continued)

For the purpose of impairment testing, goodwill has been allocated to five (2016: four) individual cash-generating units (CGUs), comprising three subsidiaries in the printing of cigarette packages segments, one subsidiary in the manufacturing of laminated paper segment and one subsidiary in the sales of RFID products segment. The carrying amounts of goodwill as at 31 December 2017 allocated to these units are as follows:

### 20. 商譽(續)

就減值測試而言，商譽獲分配至五個（二零一六年：四個）個別現金產生單位（「現金產生單位」），包括印刷香煙包裝分部的三間附屬公司，製造複合紙分部的一間附屬公司及銷售射頻識別產品分部的一間附屬公司。於二零一七年十二月三十一日的商譽賬面值已獲分配至以下該等單位：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Printing of cigarette packages:	印刷香煙包裝：		
CGU-1	現金產生單位-1	<b>876,982</b>	862,306
CGU-2	現金產生單位-2	<b>134,657</b>	124,812
CGU-3	現金產生單位-3	<b>20,483</b>	42,158
		<b>1,032,122</b>	1,029,276
Manufacturing of laminated paper:	製造複合紙：		
CGU-4	現金產生單位-4	<b>390</b>	361
Sales of RFID products:	銷售射頻識別產品：		
CGU-5	現金產生單位-5	<b>11,781</b>	-
At 31 December	於十二月三十一日	<b>1,044,293</b>	1,029,637

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 20. GOODWILL (continued)

The recoverable amounts of the CGUs arising from printing of cigarette packages, manufacturing of laminated paper and sales of RFID products were determined individually based on value in use calculations. The value in use calculations used discounted future cash flow model based on financial budgets approved by management covering a five-year period and a discount rate of 14.87% (2016: 14.68%). Cash flows beyond five-year period is extrapolated using a steady growth rate from 3.0%. Cash flow projections for the CGUs are based on the expected terminal growth rate, gross margin and sales growth rate during the budget period, which were determined based on past performance of the Group and the management's expectations for the market development. Management believes that any reasonably possible changes in any of these assumptions would not cause the aggregate carrying amount of the CGUs to exceed the aggregate recoverable amount of respective CGUs.

Due to the effect of continuous decrease in revenue resulted from the drop in average selling price across various products tiers in Chinese cigarette packaging industry as a consequence of mandatory tendering system in China tobacco industry and sluggish demand in certain local market, and the change of product structure of CGU-1 and CGU-3, their forecasts are expected to be adversely impacted. An impairment review for these CGUs was performed following the preliminary annual results and the recoverable amounts were determined from a value in use calculation. As at 31 December 2017, before impairment testing, goodwill of HK\$891,982,000 and HK\$45,483,000 was respectively allocated to CGU-1 and CGU-3 within printing of cigarette packages business. As a result of the impairment tests noted above, impairment losses of HK\$15,000,000 and HK\$25,000,000 were respectively recognised against goodwill of CGU-1 and CGU-3, resulting in the balances of HK\$876,982,000 and HK\$20,483,000 respectively at 31 December 2017. This impairment losses have been included in other gains and losses in the consolidated statement of profit or loss and other comprehensive income.

### 20. 商譽(續)

印刷香煙包裝、製造複合紙及銷售射頻識別產品的現金產生單位的可收回金額乃個別按使用價值計算方式釐定。該使用價值計算方式使用根據管理層批准涵蓋五年期間的財務預算的現金流預測，折現率為14.87%（二零一六年：14.68%）。五年期間後的現金流按穩定增長率3.0%預測。現金產生單位的預算期現金流預測根據預算期內的預期最終增長率、毛利率及銷售增長率釐定。有關比率根據過往經驗及管理層對市場發展的期望而釐定。管理層相信，任何此等假設的任何合理可能變動不會使現金產生單位的賬面價值超過各現金產生單位的可收回金額。

中國煙草業實行強制招標制度令不同檔次產品的平均售價下跌及若干本地市場需求呆滯令收益持續減少，加上現金產生單位-1及現金產生單位-3的產品結構有所改變，預料預測將受到不利影響。本公司已於刊發初步全年業績公布後對該等現金產生單位進行減值檢討，並以使用價值計算法釐定可收回金額。於二零一七年十二月三十一日，於進行減值測試之前，為數891,982,000港元及45,483,000港元的商譽分別分配至印刷香煙包裝業務的現金產生單位-1及現金產生單位-3。鑒於上述減值測試，本公司分別就現金產生單位-1及現金產生單位-3的商譽確認減值虧損15,000,000港元及25,000,000港元，以致二零一七年十二月三十一日的結餘分別為876,982,000港元及20,483,000港元。該等減值虧損已列入綜合損益及其他全面收益報表中的其他收益及虧損。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 21. INTANGIBLE ASSETS

### 21. 無形資產

		<b>Customer relationship</b> 客戶關係 HK\$'000 千港元	<b>Licenses and franchises</b> 牌照及特許權 HK\$'000 千港元	<b>Total</b> 總計 HK\$'000 千港元
<b>COST</b>	<b>成本</b>			
At 1 January 2016	於二零一六年一月一日	455,135	9,003	464,138
Exchange adjustments	匯兌調整	(4,575)	(467)	(5,042)
At 31 December 2016	於二零一六年 十二月三十一日	450,560	8,536	459,096
Exchange adjustments	匯兌調整	6,189	613	6,802
At 31 December 2017	於二零一七年 十二月三十一日	456,749	9,149	465,898
<b>AMORTISATION</b>	<b>攤銷</b>			
At 1 January 2016	於二零一六年一月一日	180,481	154	180,635
Charge for the year	年內開支	45,249	445	45,694
At 31 December 2016	於二零一六年 十二月三十一日	225,730	599	226,329
Charge for the year	年內開支	45,249	445	45,694
At 31 December 2017	於二零一七年 十二月三十一日	270,979	1,044	272,023
<b>CARRYING VALUES</b>	<b>賬面值</b>			
At 31 December 2017	於二零一七年 十二月三十一日	185,770	8,105	193,875
At 31 December 2016	於二零一六年 十二月三十一日	224,830	7,937	232,767

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 21. INTANGIBLE ASSETS (continued)

For the purpose of impairment testing, customer relationship has been allocated to four individual CGUs, comprising three subsidiaries in the printing of cigarette packages segments and one subsidiary in the manufacturing of laminated paper segment. The carrying amounts of intangible assets as at 31 December 2017 allocated to these unites are as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Printing of cigarette packages:	印刷香煙包裝：		
CGU-1	現金產生單位-1	179,959	218,432
CGU-2	現金產生單位-2	4,152	4,571
CGU-3	現金產生單位-3	1,402	1,544
		<b>185,513</b>	224,547
Manufacturing of laminated paper:	製造複合紙：		
CGU-4	現金產生單位-4	257	283
At 31 December	於十二月三十一日	<b>185,770</b>	224,830

The above intangible assets have finite useful lives. Such intangible assets are amortised on a straight-line basis over the following periods:

Customer relationship	10 years
Licenses and franchises	20 years

Included in intangible assets represent customer relationship in Brilliant Circle Group Holding Limited (together with its subsidiaries, collectively referred to as "Brilliant Circle") acquired in a business combination in 2009 and the acquisition of 深圳揚豐印刷有限公司 Yangfeng Printing & Packaging Co., Ltd ("Yangfeng") in 2012, which has been absorbed by 深圳科彩印務有限公司 Shenzhen Kecai Printing Co., Ltd ("Kecai"). Brilliant Circle and Yangfeng have long and close business relationship with the major customers. The acquisition of the customer base has allowed the Group to stabilise the revenue base from packaging and printing business.

### 21. 無形資產(續)

就減值測試而言，客戶關係獲分配至四個個別現金產生單位，包括印刷香煙包裝分部的三間附屬公司及製造複合紙分部的一間附屬公司。於二零一七年十二月三十一日的無形資產賬面值已獲分配至以下該等單位：

上述無形資產有固定使用年期。該等無形資產於以下期間按直線法攤銷：

客戶關係	10年
牌照及特許權	20年

無形資產包括於二零零九年度業務合併時取得的貴聯集團控股有限公司(連同其附屬公司統稱「貴聯」)的客戶關係及於二零一二年收購深圳揚豐印刷有限公司(「揚豐」，已被深圳科彩印務有限公司(「科彩」)吸納)時取得的客戶關係。貴聯及揚豐與主要客戶建立有長期緊密的業務關係。接收客戶基礎有助本集團穩定來自包裝及印刷業務的收益基礎。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 22. INTERESTS IN ASSOCIATES

### 22. 於聯營公司的權益

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Cost of investment, unlisted	投資成本，非上市	<b>332,874</b>	332,874
Share of post-acquisition profits and other comprehensive income, net of dividends received	分佔收購後溢利及其他全面收益(扣除已收股息)	<b>182,234</b>	238,244
Exchange adjustments	匯兌調整	<b>19,964</b>	(19,219)
		<b>535,072</b>	551,899

As at 31 December 2017 and 2016, the Group had interests in the following associates:

於二零一七年及二零一六年十二月三十一日，本集團於以下聯營公司擁有權益：

Name of entity 實體名稱	Percentage of registered capital directly held by the Group 本集團直接持有已註冊股本的百分比	Place and country of establishment/ operation 成立／ 經營地點及國家	Registered capital 已註冊股本	Principal activity 主要業務
常德金鵬印務有限公司 (「常德金鵬」) (Changde Jinpeng printing package Printing Co., Ltd.) (“Changde Jinpeng”)	35%	PRC 中國	RMB163,052,000 人民幣 163,052,000元	Provision for cigarette printing package services 提供香煙印刷包裝服務
天津榮聯匯智智能科技有限公司 (「天津榮聯匯智」) (Tianjin Rong Lian Hui Zhi Intelligence Packaging Technology Co., Ltd.) (“Tianjin Rong Lian Hui Zhi”)	40%	PRC 中國	RMB30,000,000 人民幣 30,000,000元	Developing for intelligent printing services 發展智能印刷服務

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 22. INTERESTS IN ASSOCIATES (continued)

The financial information of the Group's associates are prepared using uniform accounting policies in conformity with the accounting policies adopted by the Group. The associates are accounted for using the equity method in these consolidated financial statements. The summarised financial information in respect of the Group's associate is set out below:

#### Changde Jinpeng

### 22. 於聯營公司的權益(續)

本集團聯營公司的財務資料使用與本集團採納的會計政策一致的會計政策編製。聯營公司使用權益法於該等綜合財務報表入賬。本集團聯營公司的財務資料概要載列如下：

#### 常德金鵬

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Current assets	流動資產	<b>900,788</b>	947,398
Non-current assets	非流動資產	<b>980,292</b>	962,985
Current liabilities	流動負債	<b>(364,418)</b>	(334,998)
Non-current liabilities	非流動負債	<b>(2,325)</b>	(3,028)
Revenue	收益	<b>1,268,063</b>	1,377,836
Profit and total comprehensive income for the year	年內溢利及全面收益總額	<b>240,090</b>	218,866
Dividends received from the associate during the year	年內已收聯營公司的股息	<b>103,344</b>	157,714

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 22. INTERESTS IN ASSOCIATES (continued)

#### Changde Jinpeng (continued)

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate recognised in the consolidated financial statements:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Net assets of the associate	聯營公司的資產淨值	<b>1,514,337</b>	1,572,357
Proportion of the Group's ownership interest in the associate	本集團於聯營公司的擁有權權益比例	<b>35%</b>	35%
Carrying amount of the Group's interest in the associate	本集團於聯營公司的權益的賬面值	<b>525,178</b>	539,687

#### Tianjin Rong Lian Hui Zhi

#### 天津榮聯匯智

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Current assets	流動資產	<b>22,292</b>	26,813
Non-current assets	非流動資產	<b>7,303</b>	4,330
Current liabilities	流動負債	<b>(4,860)</b>	(614)
Revenue	收益	<b>8,147</b>	4,586
Loss and total comprehensive expense for the year	年內虧損及全面開支總額	<b>(10,055)</b>	(5,175)

### 22. 於聯營公司的權益 (續)

#### 常德金鵬 (續)

上述財務資料概要與已於綜合財務報表確認於聯營公司權益的賬面值的對賬：

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
--	----------------------------------	----------------------------------

Net assets of the associate	<b>1,514,337</b>	1,572,357
Proportion of the Group's ownership interest in the associate	<b>35%</b>	35%
Carrying amount of the Group's interest in the associate	<b>525,178</b>	539,687

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
--	----------------------------------	----------------------------------

Current assets	<b>22,292</b>	26,813
Non-current assets	<b>7,303</b>	4,330
Current liabilities	<b>(4,860)</b>	(614)
Revenue	<b>8,147</b>	4,586
Loss and total comprehensive expense for the year	<b>(10,055)</b>	(5,175)



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 22. INTERESTS IN ASSOCIATES (continued)

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate recognised in the consolidated financial statements:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Net assets of the associate	聯營公司的資產淨值	24,735	30,529
Proportion of the Group's ownership interest in the associate	本集團於聯營公司的擁有權權益比例	40%	40%
Carrying amount of the Group's interest in the associate	本集團於聯營公司的權益的賬面值	9,894	12,212

### 22. 於聯營公司的權益(續)

上述財務資料概要與已於綜合財務報表確認於聯營公司權益的賬面值的對賬：

### 23. INTEREST IN A JOINT VENTURE

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Cost of investment, unlisted	投資成本，非上市	8,825	8,825
Share of post-acquisition (losses) profits and other comprehensive (expense) income, net of dividends received	分佔收購後(虧損)溢利及其他全面(開支)收益(扣除已收股息)	(217)	57
Exchange adjustments	匯兌調整	(22)	(660)
		8,586	8,222

### 23. 於一間合營企業的權益

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 23. INTEREST IN A JOINT VENTURE (continued)

As at 31 December 2017 and 2016, the Group had interest in the following joint venture:

Name of entity 實體名稱	Percentage of registered capital directly held by the Group 本集團直接持有的已註冊股本的百分比	Place and Country of establishment/ operation 成立/ 經營地點及國家	Registered capital 已註冊股本	Principal activity 主要業務
深圳市科炬互聯網科技有限公司 (Shenzhen Keju Internet Technology Company Limited)	49%	PRC 中國	RMB15,000,000 人民幣 15,000,000元	Developing 2D Barcodes and O2O solutions 發展二維碼及O2O解決方案

Summarised financial information in respect of the Group's 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.

### 23. 於一間合營企業的權益(續)

於二零一七年及二零一六年十二月三十一日，本集團於以下合營企業擁有權益：

本集團合營企業的財務資料概要載列如下。以下財務資料概要指根據香港財務報告準則編製的合營企業財務報表所示金額。

合營企業使用權益法於該等綜合財務報表入賬。

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Current assets	流動資產	17,490	16,784
Non-current assets	非流動資產	134	31
Current liabilities	流動負債	(101)	(35)
Revenue	收益	1,125	1,849
(Loss) Profit and total comprehensive (expense) income for the year	年內(虧損)溢利及全面(開支)收益總額	(743)	861

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 23. INTEREST IN A JOINT VENTURE (continued)

Reconciliation of the above summarised financial information to the carrying amount of the interest in the joint venture recognised in the consolidated financial statements:

### 23. 於一間合營企業的權益(續)

上述財務資料概要與已於綜合財務報表確認於合營企業權益的賬面值的對賬：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Net assets of the joint venture	合營企業的資產淨值	17,523	16,780
Proportion of the Group's ownership interest in the joint venture	本集團於合營企業的擁有權權益比例	49%	49%
Carrying amount of the Group's interest in the joint venture	本集團於合營企業的權益的賬面值	8,586	8,222

### 24. INVENTORIES

### 24. 存貨

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Raw materials	原材料	110,618	76,953
Work in progress	在製品	12,614	29,754
Finished goods	製成品	44,660	30,026
		167,892	136,733

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 25. TRADE AND BILLS RECEIVABLES

### 25. 貿易應收款項及應收票據

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Trade receivables	貿易應收款項	<b>741,225</b>	840,021
Less: allowance for doubtful debts	減：呆賬撥備	-	(2,213)
		<b>741,225</b>	837,808
Bills receivables	應收票據	<b>46,104</b>	41,821
		<b>787,329</b>	879,629

The Group allows a credit period of 90 days to its trade customers. The following is an aged analysis of trade and bills receivables net of allowance for doubtful debts presented based on the invoice date at the end of the reporting period, which approximated the respective revenue recognition dates.

本集團授予貿易客戶90日的信貸期。以下為於報告期末按發票日期(接近相關的收益確認日期)呈列貿易應收款項及應收票據(扣除呆賬撥備)的賬齡分析。

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
0-90 days	0至90日	<b>678,558</b>	764,200
91-180 days	91至180日	<b>38,776</b>	73,792
181-365 days	181至365日	<b>20,888</b>	12,198
Over 365 days	365日以上	<b>49,107</b>	29,439
		<b>787,329</b>	879,629

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits by each customer. Limits attributed to customers are reviewed once a year. The trade and bills receivables that are neither past due nor impaired have the best credit quality assessed by the Group.

於接納任何新客戶前，本集團評估潛在客戶信貸質素及為各客戶釐定信貸限額。向客戶提供的限額每年複核一次。概無逾期或減值的貿易應收款項及應收票據獲本集團評為具有最佳信貸質素。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 25. TRADE AND BILLS RECEIVABLES (continued)

Included in the Group's trade and bills receivables balance are debtors with aggregate carrying amount of HK\$108,771,000 (2016: HK\$115,429,000) which are past due as at the reporting date for which the Group has not provided for impairment loss. The Group does not hold any collateral over these balances.

#### Ageing of trade receivables which are past due but not impaired

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
91–180 days	91至180日	38,776	73,792
181–365 days	181至365日	20,888	12,198
Over 365 days	365日以上	49,107	29,439
Total	總計	108,771	115,429

#### Movement in the allowance for doubtful debts

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
1 January	一月一日	2,213	2,342
Amounts written off as uncollectible	因無法收回而撇銷的金額	(2,297)	-
Exchange difference	匯兌差額	84	(129)
31 December	十二月三十一日	-	2,213

Included in the allowance for doubtful debts are individually impaired trade receivables with an aggregate balance of HK\$2,213,000 as at 31 December 2016 of which the debtors were in financial difficulties and were written off in the current year.

### 25. 貿易應收款項及應收票據(續)

本集團貿易應收款項及應收票據結餘包括總賬面值108,771,000港元(二零一六年: 115,429,000港元)於報告日期已逾期的款項,惟本集團並無作出任何減值虧損撥備。本集團並無就此等款項持有任何抵押。

#### 已逾期惟未減值的貿易應收款項賬齡

#### 呆賬撥備變動

呆賬撥備包括於二零一六年十二月三十一日總結餘為2,213,000港元的個別減值貿易應收款項,而其債務人陷入財政困難而於本年度撇銷。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 26. OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS

### 26. 其他應收款項、預付款項及按 金

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Receivables from disposal of subsidiaries	出售附屬公司的應收款項	<b>9,341</b>	42,720
Trade deposits to suppliers and customers	支付予供應商及客戶的貿易按金	<b>10,169</b>	10,467
Prepayment for material purchase	購買原材料的預付款項	<b>17,372</b>	7,055
Staff advances	員工墊款	<b>2,818</b>	3,408
Rental, utility and sundry deposits	租金、公用及雜項按金	<b>3,615</b>	2,950
Tax receivables	應收稅項	<b>4,441</b>	1,204
Others	其他	<b>8,806</b>	747
		<b>56,562</b>	68,551

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 27. AMOUNTS DUE FROM RELATED COMPANIES/ AMOUNTS DUE TO NON-CONTROLLING INTERESTS OF SUBSIDIARIES

#### (a) Amounts due from related parties:

Names of the related parties	關連方名稱	2017	2016	Maximum amount outstanding during the year ended 31 December 2017
		二零一七年 HK\$'000 千港元	二零一六年 HK\$'000 千港元	截至二零一七年十二月三十一日止年度尚未償還最高金額 HK\$'000 千港元
天津長榮印刷設備股份有限公司 (Masterwork Machinery Co., Ltd.) ("Masterwork") (i)	天津長榮印刷設備股份有限公司(「天津長榮」)(i)	13,461	12,236	13,461
Changde Jinpeng (ii)	常德金鵬(ii)	5,324	6,806	6,806
Total	總計	18,785	19,042	

(i) Masterwork is controlled by a director of the Company and is therefore a related party of the Group. The balance is non-trade in nature in relation to deposits for property, plant and equipment, unsecured, interest-free and expected to be settled within 12 months from the end of the reporting period, except for that HK\$3,595,000 (2016: HK\$3,332,000) was trade nature for sales of cigarette packages with ageing over 365 days based on the invoices dates.

(ii) Changde Jinpeng is an associate of the Group and is therefore a related party of the Group. The balance is trade nature for sales of cigarette packages with ageing over 365 days based on the dates of delivery of goods. The balance is unsecured and interest-free with credit period of 90 days.

#### (b) Amounts due to non-controlling interests of subsidiaries:

The amounts are unsecured, interest-free and repayable on demand.

### 27. 應收關連方款項／應付附屬公司非控股權益款項

#### (a) 應收關連方款項：

(i) 天津祥榮由本公司一名董事控制，故屬於本集團的關連方。有關結餘屬非貿易性質（涉及物業、廠房及設備的按金）、無抵押、免息及預期由報告期末起計12個月內償付，惟另有3,595,000港元（二零一六年：3,332,000港元）涉及銷售香煙包裝，屬貿易性質，按發票日期計已逾期超過365日。

(ii) 常德金鵬為本集團的聯營公司，故屬於本集團的關連方。有關結餘乃為銷售香煙包裝，屬貿易性質，按交付貨品日期計已逾期超過365日。有關結餘為無抵押及免息，信貸期為90日。

#### (b) 應付附屬公司非控股權益款項：

有關款項為無抵押、免息及須按  
要求償還。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 28. STRUCTURED DEPOSITS

As at 31 December 2017, the structured deposits were issued by a bank in the PRC. The structured deposits are with expected rates of return (not guaranteed) at 3.0% per annum, depending on the market price of underlying financial instruments, including government bond, central bank bills, debentures and other financial assets.

As at 31 December 2017, the Group has the rights to redeem the structured deposits at any time with prior notice.

The structured deposits are designated at FVTPL on initial recognition as they contain non-closely related embedded derivatives. The management of the Group considers the fair values of the structured deposits, which are based on the prices provided by the counterparty banks which represented the prices they would pay to redeem the deposits at the end of each reporting period, approximate to their carrying values at the same day.

### 29. PLEDGED BANK DEPOSITS/BANK BALANCES AND CASH

Bank balances carry interest at market rates which range from 0.001% to 0.35% (2016: 0.001% to 0.35%) per annum. The pledged bank deposits carry fixed interest rates which range from 0.30% to 1.55% (2016: 0.001% to 4.35%) per annum. Pledged bank deposits represents deposits pledged to banks to secure banking facilities of bills payables granted to the Group. The pledged bank deposits will be released upon the settlement of relevant bills payables.

### 28. 結構性存款

於二零一七年十二月三十一日，結構性存款由中國一間銀行發行。結構性存款的預計回報率(並無保證)為年息3.0%，視乎相關金融工具(包括政府債券、央行票據、債權證及其他金融資產)的市價而定。

於二零一七年十二月三十一日，本集團有權隨時在給予事先通知後贖回結構性存款。

由於結構性存款包含並非緊密連繫的嵌入式衍生工具，故於初始確認時指定為按公允價值計入損益。本集團管理層認為，結構性存款的公允價值以對手方銀行提供的價格(即該等銀行將於各報告期末贖回存款所支付的價格)為基礎，故與其於同日的賬面值相若。

### 29. 已抵押銀行存款／銀行結餘及現金

銀行結餘年利率介乎0.001%至0.35%(二零一六年：0.001%至0.35%)。已抵押銀行存款的年利率介乎0.30%至1.55%(二零一六年：0.001%至4.35%)。已抵押銀行存款指已抵押予銀行以擔保就應付票據授予本集團的銀行融資的存款。已抵押銀行存款將於償還有關應付票據時解除。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 29. PLEDGED BANK DEPOSITS/BANK BALANCES AND CASH (continued)

The Group's pledged bank deposits, bank balances and cash that are denominated in currencies other than the functional currency of the respective group entities are stated below:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
HK\$	港元	26,684	13,675
United States Dollars ("US\$")	美元	3,117	-
European Dollars ("EUR")	歐元	51	-

### 30. TRADE AND BILLS PAYABLES

Trade payables 貿易應付款項  
Bills payables 應付票據

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Trade payables	貿易應付款項	261,156	307,583
Bills payables	應付票據	4,208	5,577
		<b>265,364</b>	313,160

### 29. 已抵押銀行存款／銀行結餘及現金(續)

以各自集團實體的功能貨幣以外的貨幣計值的本集團已抵押銀行存款、銀行結餘及現金列示如下：

### 30. 貿易應付款項及應付票據

Trade payables 貿易應付款項  
Bills payables 應付票據

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 30. TRADE AND BILLS PAYABLES (continued)

The following is an aged analysis of trade and bills payables presented based on the invoice date at the end of the reporting period.

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
0–30 days	0至30日	175,398	188,195
31–90 days	31至90日	73,409	113,295
91–180 days	91至180日	12,654	8,844
181–365 days	181至365日	3,570	2,577
Over 365 days	365日以上	333	249
		<b>265,364</b>	313,160

The credit period on purchases of goods ranges from 30 days to 180 days. The Group monitors and maintains a level of cash and cash equivalents sufficient to ensure that all payables are within the credit timeframe.

### 30. 貿易應付款項及應付票據(續)

以下為於報告期末按發票日期呈列貿易應付款項及應付票據的賬齡分析。

購買貨物的信貸期介乎於30日至180日之間。本集團監控及維持足夠現金及現金等值項目，以確保所有應付款項於信貸期內支付。

### 31. OTHER PAYABLES AND ACCRUALS

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Other tax payables	其他應付稅項	62,670	64,958
Other payables and accruals	其他應付款項及應計費用	17,243	28,850
Salary payable	應付薪金	14,256	18,445
Construction payables	應付建築款項	17,774	14,281
Government grants	政府補助金	2,668	2,473
Advanced from customers	來自客戶墊款	857	985
Deposits received from suppliers	已收供應商按金	71	79
		<b>115,539</b>	130,071

### 31. 其他應付款項及應計費用

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 32. PURCHASE CONSIDERATION PAYABLE FOR ACQUISITION

### 32. 就收購事項所須支付購買代價

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Purchase consideration payable for acquisition (note 37a)	就收購事項所須支付購買代價(附註37a)	<b>21,704</b>	–
Contingent consideration payable	應付或然代價	<b>1,144</b>	–
		<b>22,848</b>	–
Analysed as:	分析：		
Current	流動	<b>11,103</b>	–
Non-current	非流動	<b>11,745</b>	–
		<b>22,848</b>	–

Purchase consideration payable for acquisition is initial consideration payable, unsecured and interest-free.

就收購事項所須支付購買代價乃應付初步代價，為無抵押及免息。

Contingent consideration that would be payable if acquired business achieves its respective base year turnover and profit after tax during the designated periods of time.

倘所收購業務於指定期間達致個別基本年度營業額及除稅後溢利，則須支付或然代價。

The fair value of contingent consideration payable at initial recognition was HK\$1,100,000 which is based on the valuation performed by the management of the Group to the best of their estimation. The fair value change for the contingent consideration payable is insignificant during the year. Details of fair value measurement is set out in note 40.

應付或然代價於初始確認時的公允價值為1,100,000港元，乃以本集團管理層按其最佳估計所作的估值為依據。年內應付或然代價的公允價值變動不大。公允價值計量的詳情載於附註40。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 33. BANK BORROWINGS

### 33. 銀行借貸

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Bank borrowings comprise:	銀行借貸包括：		
Secured	有抵押	101,110	112,195
Unsecured	無抵押	577,056	565,615
		<b>678,166</b>	677,810
Carrying amount repayable:	應付賬面值：		
Within one year	一年內	621,916	419,562
More than one year, but not more than two years	超過一年但於兩年內	37,500	150,570
More than two years, but not more than five years	超過兩年但於五年內	18,750	97,393
More than five years	五年以上	-	10,285
		<b>678,166</b>	677,810

In respect of a bank loan with a carrying amount of HK\$65,143,000 as at 31 December 2017, the Group is intended to dispose the securities of aforementioned bank loan within twelve months as described in note 11. Upon the initiation of the disposal, the directors of the Company informed the lender and commenced a renegotiation of the terms of the loan with the relevant banker. As at 31 December 2017, those negotiations had not been concluded. Since the lender has not agreed to waive its right to demand immediate payment upon the disposal, the loan has been classified as a current liability as at 31 December 2017. In any event, should the lender call for immediate repayment of the loan upon the disposal, the directors of the Company believe that adequate alternative sources of finance are available to ensure that there is no threat to the continuing operations of the Group.

就於二零一七年十二月三十一日賬面值為65,143,000港元的銀行貸款而言，本集團擬按附註11所披露於十二個月內出售上述銀行貸款的抵押品。於展開出售事項後，本司董事隨即通知貸款人並與有關銀行磋商貸款條款。於二零一七年十二月三十一日，磋商工作尚未完成。由於貸款人不同意放棄其於出售事項進行時要求立即還款的權利，有關貸款已分類為二零一七年十二月三十一日的流動負債。在任何情況下，倘貸款人於出售事項進行時要求立即償還貸款，本公司董事相信備有足夠另類資金來源確保不致威脅本集團的持續營運。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 33. BANK BORROWINGS (continued)

### 33. 銀行借貸(續)

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Breakdown of the bank borrowings: 銀行借貸分類：			
Fixed-rate borrowings 定息借貸		17,984	55,563
Floating-rate borrowings 浮息借貸		660,182	622,247
		<b>678,166</b>	677,810

The Group's floating-rate borrowings are mainly subject to interest in a range at 100% to 110% of RMB Benchmark Loan Rates issued by the People's Bank of China, Loan Prime Rate issued by the National Interbank Funding Center of the PRC and Hong Kong Interbank Offered Rate ("HIBOR") in a range at HIBOR plus 1.8% to 3.3%. The effective interest rates on the Group's bank borrowings are as follows:

本集團浮息借貸主要按中國人民銀行頒佈的人民幣貸款基準利率範圍100%至110%、中國全國銀行間同業拆借中心頒佈的貸款基礎利率及香港銀行同業拆息加1.8%至3.3%計息。本集團銀行借貸的實際利率如下：

		2017 二零一七年	2016 二零一六年
Fixed-rate borrowings 定息借貸		4.4% to 7.0%	4.4% to 5.6%
Floating-rate borrowings 浮息借貸		2.1% to 4.8%	2.0% to 5.6%

The Group's bank borrowings that are denominated in currency other than the functional currency of the relevant group entities are set out below:

本集團以相關集團實體功能貨幣以外的貨幣計值的銀行借貸如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
HK\$ 港元		<b>588,248</b>	588,910

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 34. GOVERNMENT GRANTS

### 34. 政府補助金

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Arising from government grants:	源自政府補助金：		
Current liability	流動負債	2,668	2,473
Non-current liability	非流動負債	34,441	34,396
		<b>37,109</b>	36,869

In 2016, the Group received a government subsidy of HK\$2,912,000 towards the cost of acquisition of property, plant and equipment in the PRC. The amount has been treated as deferred income. The amount is transferred to income in the form of reduced depreciation charges over the estimated useful lives. This policy has resulted in a credit to income in the current year of HK\$2,577,000 (2016: HK\$1,686,000). As at 31 December 2017, an amount of HK\$37,109,000 (31 December 2016: HK\$36,869,000) remains to be amortised.

於二零一六年，本集團就收購中國物業、廠房及設備所產生的成本，獲得政府補助金2,912,000港元。該款項被視為遞延收入，並按估計使用年期的減少折舊開支形式轉撥至收入。該政策導致本年度確認收入2,577,000港元（二零一六年：1,686,000港元）。於二零一七年十二月三十一日，金額37,109,000港元（二零一六年十二月三十一日：36,869,000港元）有待攤銷。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 35. DEFERRED TAX LIABILITIES

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been off set.

The following are the major deferred tax liabilities recognised and movements thereon during the current and prior years:

### 35. 遞延稅項負債

就綜合財務狀況表呈列而言，若干遞延稅項資產及負債經已抵銷。

以下為於本年度及過往年度的已確認主要遞延稅項負債以及其變動：

		Intangible assets	Undistributable profits of subsidiaries/ associate 附屬公司/ 聯營公司的 未分派溢利	Government grants	Total
		無形資產	未分派溢利	政府補助金	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
At 1 January 2016	於二零一六年一月一日	35,302	48,505	(5,666)	78,141
(Credit) charge to profit or loss	(計入)扣除損益	(5,664)	16,301	184	10,821
Reversal upon payment	於支付後撥回	-	(14,824)	-	(14,824)
Exchange differences	匯兌差額	(16)	(2,740)	(48)	(2,804)
At 31 December 2016	於二零一六年十二月三十一日	29,622	47,242	(5,530)	71,334
(Credit) charge to profit or loss	(計入)扣除損益	(5,386)	15,986	387	10,987
Reversal upon payment	於支付後撥回	-	(29,450)	-	(29,450)
Exchange differences	匯兌差額	-	2,685	(423)	2,262
At 31 December 2017	於二零一七年十二月三十一日	24,236	36,463	(5,566)	55,133

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 36. SHARE CAPITAL

### 36. 股本

		Number of shares 股份數目	Nominal value 面值 HK\$'000 千港元
<b>Authorised:</b>	<b>法定：</b>		
Ordinary shares of HK\$0.005 each	每股面值0.005港元的普通股		
At 1 January 2016,	於二零一六年一月一日、		
31 December 2016	二零一六年十二月		
and 31 December 2017	三十一日及二零一七年		
	十二月三十一日	10,000,000,000	50,000
<b>Issued and fully paid:</b>	<b>已發行及繳足：</b>		
Ordinary shares of HK\$0.005 each	每股面值0.005港元的普通股		
At 1 January 2016,	於二零一六年一月一日、		
31 December 2016	二零一六年十二月		
and 31 December 2017	三十一日及二零一七年		
	十二月三十一日	1,567,884,634	7,839

### 37. ACQUISITION OF A SUBSIDIARY/ ADDITIONAL EQUITY INTEREST

#### (a) Acquisition of a subsidiary

On 16 May 2017, the Group has entered into Sales and Purchase agreement (the "Agreement") with an independent third party for an acquisition of 70% of the equity interests of 江蘇聯恒物宇科技有限公司 Jiangsu HY-Link Science & Technology Co., Ltd ("Jiangsu HY") for the consideration of RMB44,982,000 or RMB46,410,000, subject to the financial results of Jiangsu HY for the years end 31 December 2017 and 2018. This acquisition has been accounted for using the purchase method. The amount of goodwill arising as a result of the acquisition was HK\$11,781,000. Jiangsu HY is engaged in the manufacture of RFID products. Jiangsu HY was acquired so as to improve the technique of smart packaging to cater for increasingly competitive environment of traditional packaging industry. The acquisition was completed on 1 July 2017.

### 37. 收購一間附屬公司／額外股本權益

#### (a) 收購一間附屬公司

於二零一七年五月十六日，本集團與一名獨立第三方訂立買賣協議（「該協議」），內容有關購入江蘇聯恒物宇科技有限公司（「江蘇聯恒物宇」）的70%股權，代價為人民幣44,982,000元或人民幣46,410,000元，取決於江蘇聯恒物宇截至二零一七年及二零一八年十二月三十一日止年度的財務業績。是項收購事項已採用購買法入賬。因收購事項而出現的商譽金額為11,781,000港元。江蘇聯恒物宇從事射頻識別產品製造業務。收購江蘇聯恒物宇旨在改善智能包裝的技術以應對傳統包裝行業日益激烈的競爭環境。收購事項於二零一七年七月一日完成。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 37. ACQUISITION OF A SUBSIDIARY/ ADDITIONAL EQUITY INTEREST (continued)

#### (a) Acquisition of a subsidiary (continued)

#### Consideration transferred

		HK\$'000 千港元
Cash	現金	30,500
Deferred consideration	遞延代價	20,866
Contingent consideration arrangement	或然代價安排	1,100
<b>Total</b>	<b>總計</b>	<b>52,466</b>

In accordance with the Agreement, the total consideration to be settled by the Group was composed of committed consideration of HK\$51,366,000 and contingent consideration of HK\$1,599,000. The put option to request the seller to buy back all or part of equity interests of Jiangsu HY would be exercised by the Group in case the acquired business could not achieve the respective base year performance during the designated periods of time. The fair value of put option is insignificant at initial recognition.

The fair value of the contingent consideration payable of HK\$1,100,000 as at 1 July 2017 was estimated by the income approach and based on a discount factor of 4.75%.

Acquisition-related costs amounting to HK\$534,000 have been excluded from the consideration transferred and have been recognised as an expense in the current year, within the other expenses line item in the consolidated statement of profit or loss and other comprehensive income.

### 37. 收購一間附屬公司／額外股本 權益(續)

#### (a) 收購一間附屬公司(續)

#### 所轉讓代價

根據該協議，本集團將償付的總代價包括已承諾的代價51,366,000港元及或然代價1,599,000港元。倘所收購業務無法於指定期間達致個別基本年度業績，本集團將行使認沽期權要求賣方購回江蘇聯恒物宇的全部或部分股權。認沽期權於初始確認時的公允價值不高。

應付或然代價於二零一七年七月一日的公允價值1,100,000港元乃採用收入法及按4.75%折讓因素估計。

為數534,000港元的收購相關成本已自所轉讓代價剔除，並於本年度確認為開支，列入綜合損益及其他全面收益報表中的其他開支項目。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 37. ACQUISITION OF A SUBSIDIARY/ ADDITIONAL EQUITY INTEREST (continued)

#### (a) Acquisition of a subsidiary (continued)

Assets and liabilities recognised at the date of acquisition is as follows:

### 37. 收購一間附屬公司／額外股本權益(續)

#### (a) 收購一間附屬公司(續)

於收購日期確認的資產及負債如下：

		HK\$'000 千港元
<b>Non-current assets</b>	<b>流動資產淨值</b>	
Property, plant and equipment	物業、廠房及設備	34,667
Deposits for property, plant and equipment	物業、廠房及設備的按金	1,711
<b>Current assets</b>	<b>流動資產</b>	
Inventories	存貨	18,365
Trade and bills receivable	貿易應收款項及應收票據	12,788
Other receivable, prepayments and deposits	其他應收款項、預付款項及按金	11,594
Bank balances and cash	銀行結餘及現金	1,987
<b>Current liabilities</b>	<b>流動負債</b>	
Trade and bills payable	貿易應付款項及應付票據	(12,305)
Other payables and accruals	其他應付款項及應計費用	(2,090)
Amount due to a shareholder	應付一名股東款項	(2,831)
Bank borrowings	銀行借貸	(5,764)
		58,122
<b>Goodwill arising on acquisition</b>	<b>因收購而出現的商譽</b>	HK\$'000 千港元
Consideration transferred	所轉讓代價	52,466
Plus: non-controlling interests (30% in Jiangsu HY) (Note)	加：非控股權益(江蘇聯恒物宇 30% 權益)(附註)	17,437
Less: net assets acquired	減：所收購資產淨值	(58,122)
Goodwill arising on acquisition	因收購而出現的商譽	11,781

Note: The non-controlling interests (30%) in Jiangsu HY recognised at the acquisition date were measured by the reference to the non-controlling interests' proportionate share of the fair value of net identifiable assets of Jiangsu HY at that date.

附註：於收購日期確認的江蘇聯恒物宇非控股權益(30%)乃參考非控股權益於江蘇聯恒物宇於當日的可識別淨資產公允價值所佔比例計量。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 37. ACQUISITION OF A SUBSIDIARY/ ADDITIONAL EQUITY INTEREST (continued)

#### (a) Acquisition of a subsidiary (continued)

Net cash outflow on acquisition of Jiangsu HY 收購江蘇聯恒物宇的現金流出淨額		HK\$'000 千港元
Cash consideration paid 所支付現金代價		30,500
Less: cash and cash equivalent balances acquired 減：所收購現金及現金等值項目結餘		(1,987)
		28,513

#### (b) Acquisition of additional equity interest in a subsidiary

In August 2017, the Group entered into an agreement with a shareholder of Xiangyang Jinfeihuan Colour Packing Co., Ltd 襄陽金飛環彩色包裝有限公司 (“Jinfeihuan”), a non-wholly owned subsidiary of the Company, to acquire the remaining 20.4% equity interest at a consideration of RMB8,664,000 (equivalent to approximately HK\$9,778,000). The consideration on acquisition was paid in cash. An amount of HK\$8,369,000 (being the proportionate share of the carrying amount of the net assets of Jinfeihuan) has been transferred from non-controlling interests. The difference of HK\$1,409,000 between the decrease in the non-controlling interests and the consideration paid has been debit to other reserves.

### 37. 收購一間附屬公司／額外股本權益(續)

#### (a) 收購一間附屬公司(續)

#### (b) 收購一間附屬公司的額外股本權益

於二零一七年八月，本集團與本公司非全資附屬公司襄陽金飛環彩色包裝有限公司(「金飛環」)一名股東訂立協議，按代價人民幣8,664,000元(相當於約9,778,000港元)收購餘下20.4%股權。收購代價以現金支付。為數8,369,000港元(即金飛環淨資產賬面值所佔比例)的款項已轉撥自非控股權益。非控股權益減少的數額與已付代價兩者間的差額1,409,000港元已撥入其他儲備。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 38. RETIREMENT BENEFIT PLAN

The Group participants 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 control of a trustee. The Group contributes lower of 5% of relevant payroll costs or HK\$1,500 per person to the Scheme, which is matched by employees.

The employees of the Group in the PRC are members of state-managed retirement benefit scheme operated by the PRC government. The Company's subsidiaries are required to contribute a certain percentage of payroll to the retirement benefit schemes to fund the benefits. The only obligation of the Group with respect to the scheme is to make the required contributions under the scheme.

The total expense recognised in profit or loss of HK\$11,117,000 (2016: HK\$9,442,000) represents contributions paid or payable to these plans by the Group at rates specified in the rules of the plans.

### 39. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of net debt, which includes bank borrowings, net of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital and reserves.

The directors of the Company review the capital structure on a regular basis. As part of this review, the directors of the Company consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors, the Group will balance its overall capital structure through the payment of dividends, new share issues as well as the issue of new debt or the redemption of existing debt.

### 38. 退休福利計劃

本集團為香港所有合資格僱員參加強制性公積金計劃。計劃資產與本集團資產分開處理，並由信託人管理的基金持有。本集團向計劃貢獻每人有關薪金成本不超過5%或1,500港元，與僱員作出相等供款。

本集團於中國的僱員為中國政府的國家管理退休福利計劃的成員。本公司附屬公司須貢獻薪金若干百分比至退休福利計劃，以為福利提供資金。本集團涉及計劃的責任僅為為根據計劃作出所需供款。

已於損益確認的總開支11,117,000港元(二零一六年：9,442,000港元)指本集團按計劃規則訂明的比率向此等計劃已作出或須作出的應付供款。

### 39. 資本風險管理

本集團管理其資本，以確保本集團的實體可以持續經營，並透過優化債務及權益結餘為權益相關者帶來最大回報。自去年以來，本集團的整體策略維持不變。

本集團的資本架構包括債務淨額(包括銀行借貸、現金及現金等值項目淨額)及本公司擁有人應佔權益(其中包括已發行股本及儲備)。

本公司董事定期審核資本架構。作為此審核的一部分，本公司董事會考慮資本成本及與各類別資本相關的風險。本集團將根據董事的建議，透過支付股息、發行新股以及發行新債券或贖回現有債務來平衡其整體資本架構。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 40. FINANCIAL INSTRUMENTS

#### a. Categories of financial instruments

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<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(包括現金及現金等值項目)	<b>1,119,680</b>	1,164,641
Structured deposits	結構性存款	<b>7,193</b>	–
		<b>1,126,873</b>	1,164,641
<b>Financial liabilities</b>	<b>金融負債</b>		
FVTPL	按公允價值計入損益	<b>1,144</b>	–
Amortised cost	攤銷成本	<b>1,003,099</b>	1,056,400
		<b>1,004,243</b>	1,056,400

#### b. Financial risk management objectives and policies

The Group's major financial instruments include trade and bills receivables, other receivables, amounts due from related parties, structured deposits, pledged bank deposits, bank balances and cash, trade and bills payables, other payables, purchase consideration payable for acquisition, amounts due to non-controlling interests of subsidiaries and bank borrowings. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

### 40. 金融工具

#### a. 金融工具的類別

#### b. 金融風險管理的目標及政策

本集團的主要金融工具包括貿易應收款項及應收票據、其他應收款項、應收關連方款項、結構性存款、已抵押銀行存款、銀行結餘及現金、貿易應付款項及應付票據、其他應付款項、就收購事項所須支付購買代價、應付附屬公司非控股權益款項及銀行借貸。該等金融工具的詳情已於相關附註內披露。該等金融工具相關的風險，包括市場風險(貨幣風險及利率風險)、信貸風險及流動資金風險，而如何減低該等風險的政策載於下文。管理層管理及監控該等風險，以確保能及時有效地採取適當的措施。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 40. FINANCIAL INSTRUMENTS (continued)

#### b. Financial risk management objectives and policies (continued)

##### Market risk

##### (i) Currency risk

The functional currency of the Group's principal subsidiaries is RMB. While most of the Group's operations are transacted in the functional currency of the respective group entities, the Group undertakes certain transactions denominated in foreign currencies. The Group currently does not have hedging policy in respect of the foreign currency risk. However, the management closely monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting date are as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>Assets</b>	<b>資產</b>		
HK\$	港元	<b>36,733</b>	56,591
US\$	美元	<b>8,488</b>	—
EUR	歐元	<b>51</b>	—
<b>Liabilities</b>	<b>負債</b>		
HK\$	港元	<b>589,669</b>	589,736

### 40. 金融工具(續)

#### b. 金融風險管理的目標及政策(續)

##### 市場風險

##### (i) 貨幣風險

本集團主要附屬公司的功能貨幣為人民幣。由於本集團大部分業務以各集團實體的功能貨幣進行交易，本集團亦進行若干以外幣計值的交易。本集團目前並無有關外匯風險的對沖政策。然而，管理層將密切監測外匯風險，並將於必要時考慮對沖重大外匯風險。

於報告期末，本集團以外幣計值的貨幣資產及貨幣負債賬面值如下：

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 40. FINANCIAL INSTRUMENTS (continued)

#### b. Financial risk management objectives and policies (continued)

##### Market risk (continued)

##### (i) Currency risk (continued)

##### Sensitivity analysis

The Group is mainly exposed to the currency of HK\$.

The following table details the Group's sensitivity to a 7% (2016: 6%) increase and decrease in the RMB against HK\$, respectively. 7% (2016: 6%) sensitivity rate represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for a 7% (2016: 6%) change in foreign currency rates. The sensitivity analysis includes bank balances, receivables or payables and bank borrowings denominated in a currency other than the functional currency. A positive number below indicates an increase in post-tax profit where RMB strengthens against HK\$. For a 7% (2016: 6%) weakening of RMB against the HK\$, there would be an equal and opposite impact on the profit.

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Profit for the year HK\$	年度溢利 港元	<b>29,029</b>	23,992

Note: This is mainly attributable to the net exposure to outstanding bank balances, receivables, payables and bank borrowings in HK\$ at end of the reporting period.

### 40. 金融工具(續)

#### b. 金融風險管理的目標及政策(續)

##### 市場風險(續)

##### (i) 貨幣風險(續)

##### 敏感度分析

本集團主要承受港元貨幣風險。

下表詳列人民幣兌港元升值及貶值7%(二零一六年:6%)的情況下,本集團的敏感度分析。敏感度比率7%(二零一六年:6%)代表管理層對外幣匯率可能變動的合理評估。敏感度分析僅包括以外幣計值的未償還貨幣項目,並於報告期末按7%(二零一六年:6%)外匯匯率變動調整其換算。敏感度分析包括銀行結餘、應收款項或應付款項及銀行借貸(以功能貨幣以外的貨幣計值)。下列正數表示人民幣兌港元升值時,除稅後溢利將會增加。倘人民幣兌港元貶值7%(二零一六年:6%),將對溢利有等額相反影響。

附註:此類風險主要來自報告期末以港元計值的未結清銀行結餘、應收款項、應付款項及銀行借貸。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 40. FINANCIAL INSTRUMENTS (continued)

#### b. Financial risk management objectives and policies (continued)

##### Market risk (continued)

##### (ii) Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to variable-rate bank balances and bank borrowings (see notes 29 and 33 respectively). It is the Group's policy to keep its bank borrowings at floating rate of interests so as to minimise the fair value interest rate risk. The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of Hong Kong Interbank Offered Rate arising from the Group's HK\$ denominated bank borrowings.

The Group's fair value interest rate risk relates primarily to its corresponding fixed-rate pledged bank deposits and bank borrowings amounting to HK\$5,455,000 (2016: HK\$6,731,000) and HK\$17,984,000 (2016: HK\$55,563,000) respectively. The management will consider hedging significant interest rate exposure should the need arise.

##### Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates on variable-rate bank borrowings. The analysis is prepared assuming the variable-rate bank borrowings outstanding at the end of the reporting period were outstanding for the whole year. As the management considers the exposure to interest rate risk in relation to bank balances is insignificant due to the low level of bank interest rate, bank balances are excluded from sensitivity analysis. A 100 basis points (2016: 100 basis points) increase or decrease is used and represents management's assessment of the reasonably possible change in interest rates.

### 40. 金融工具(續)

#### b. 金融風險管理的目標及政策(續)

##### 市場風險(續)

##### (ii) 利率風險

本集團所承擔現金流量利率風險主要與浮息銀行結餘及銀行借貸(分別見附註29及33)有關。本集團的政策為將其銀行貸款利率保持浮動，以盡量降低公允價值利率風險。本集團的現金流量利率風險主要集中於本集團以港元計值銀行借貸的香港銀行同業拆息利率波動。

本集團的公允價值利率風險主要與其相應固定息率已抵押銀行存款及銀行借貸有關，分別為5,455,000港元(二零一六年：6,731,000港元)及17,984,000港元(二零一六年：55,563,000港元)。管理層將於必要時考慮對沖重大利率風險。

##### 敏感度分析

以下敏感度分析乃基於浮息銀行借貸的利率風險釐定。有關分析乃假設於報告期末尚未償還的浮息銀行借貸於整個年度均未償還而編製。由於管理層認為銀行利率處於低水平，銀行結餘所承受利率風險輕微，故有關敏感度分析並不包括銀行結餘。分析採用利率增減100個基點(二零一六年：100個基點)，代表管理層對利率合理可能變動的評估。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 40. FINANCIAL INSTRUMENTS (continued)

#### b. Financial risk management objectives and policies (continued)

##### Market risk (continued)

##### (ii) Interest rate risk (continued)

##### Sensitivity analysis (continued)

If interest rates had been 100 basis points (2016: 100 basis points) higher/lower and all other variables were held constant, the Group's post-tax profit for the year ended 31 December 2017 would have decreased/increased by HK\$4,951,000 (2016: decreased/increased by HK\$4,667,000). This is mainly attributable to the Group's exposure to interest rates on its variable-rate bank borrowings.

##### Credit risk

As at 31 December 2017, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual debt 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 Group's credit risk is significantly reduced.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies or state-owned banks located in the PRC.

### 40. 金融工具(續)

#### b. 金融風險管理的目標及政策(續)

##### 市場風險(續)

##### (ii) 利率風險(續)

##### 敏感度分析(續)

倘利率增加/減少100個基點(二零一六年:100個基點),而所有其他變數維持不變,則本集團截至二零一七年十二月三十一日止年度的除稅後溢利將減少/增加4,951,000港元(二零一六年:減少/增加4,667,000港元),主要來自本集團浮息銀行借貸所承受利率風險。

##### 信貸風險

於二零一七年十二月三十一日,本集團所承擔最高信貸風險為因交易對方未能履行責任導致本集團出現財務虧損,乃來自綜合財務狀況報表所述的各類已確認金融資產的賬面值。

為盡量減低信貸風險,本集團管理層已委派一支隊伍負責釐定信貸限額、信貸審批及其他監控程序,以確保採取跟進行動收回過期債務。另外,本集團於各報告期末檢討各筆個別債項的可收回金額,以確保就不可收回金額計提足夠的減值虧損。就此,本公司董事認為本集團的信貸風險可大為減低。

由於對手方乃獲國際信貸評級機構列為信貸評級優良的銀行或中國的國有銀行,因此,流動資金的信貸風險有限。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 40. FINANCIAL INSTRUMENTS (continued)

#### b. Financial risk management objectives and policies (continued)

##### Credit risk (continued)

The Group has concentration of credit risk as 20% (2016: 23%) and 43% (2016: 60%) of the total trade receivables was due from the Group's largest customer and the five largest customers respectively within the printing of cigarettes packages segment. The Group is also exposed to the concentration on geographic segment of the PRC. At 31 December 2017, approximately 99% (2016: 95%) of the Group's trade and other receivables are arising from counterparties whose principal place of operations is the PRC.

##### Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank borrowings and ensures compliance with loan covenants.

The Group relies on bank loans as a significant source of liquidity. As at 31 December 2017, the Group has available unutilised bank borrowings facilities of approximately HK\$483,868,000 (2016: HK\$378,913,000).

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment dates.

### 40. 金融工具(續)

#### b. 金融風險管理的目標及政策(續)

##### 信貸風險(續)

由於本集團貿易應收款項總額其中20%(二零一六年:23%)及43%(二零一六年:60%)分別來自本集團香煙包裝印刷分部的最大客戶及五大客戶,因此本集團承受集中信貸風險。本集團亦承受地區分部集中在中國的風險。於二零一七年十二月三十一日,本集團約99%(二零一六年:95%)的貿易及其他應收款項來自以中國為主要營業地點的交易對方。

##### 流動資金風險

於管理流動資金風險時,本集團會進行監控並將現金及現金等價物維持在管理層認為充足的水平,以為本集團的營運提供資金並減低現金流量波動的影響。管理層會監控銀行借貸的動用情況,並確保遵守貸款契約。

本集團依賴銀行貸款為主要流動資金來源。於二零一七年十二月三十一日,本集團可取得的尚未動用銀行借貸融資約為483,868,000港元(二零一六年:378,913,000港元)。

下表詳列本集團非衍生金融負債的剩餘合約期限,乃根據以本集團須償還金融負債的最早日期釐定的金融負債未折現現金流量編製。其他非衍生金融負債的到期日乃根據協定償還日期釐定。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 40. FINANCIAL INSTRUMENTS (continued)

#### b. Financial risk management objectives and policies (continued)

##### Liquidity risk (continued)

The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate at the end of the reporting period.

Liquidity tables

		Weighted average interest rate 加權平均利率 %	On demand or less than 1 year 按要求或一年內 HK\$'000 千港元	1-2 years 一至兩年內 HK\$'000 千港元	over 2 years 超過兩年 HK\$'000 千港元	Total undiscounted cash flows 未折現現金流量總額 HK\$'000 千港元	Carrying amounts 賬面值 HK\$'000 千港元
<b>2017</b>	<b>二零一七年</b>						
<b>Non-derivative financial liabilities</b>	<b>非衍生金融負債</b>						
Trade and bills payables	貿易應付款項及應付票據	-	265,364	-	-	265,364	265,364
Other payables	其他應付款項	-	32,882	-	-	32,882	32,882
Amounts due to non-controlling interest of subsidiaries	應付附屬公司非控股權益款項	-	4,983	-	-	4,983	4,983
Purchase consideration payable for acquisition	就收購事項所須支付購買代價						
- amortised cost	- 攤銷成本	4.75	11,103	11,103	-	22,206	21,704
- FVTPL	- 按公允價值計入損益	4.75	-	1,198	-	1,198	1,144
Bank borrowings	銀行借貸						
- floating rate	- 浮動利率	3.58	627,570	39,514	19,421	686,505	660,182
- fixed rate	- 固定利率	5.18	18,915	-	-	18,915	17,984
			960,817	51,815	19,421	1,032,053	1,004,243
<b>2016</b>	<b>二零一六年</b>						
<b>Non-derivative financial liabilities</b>	<b>非衍生金融負債</b>						
Trade and bills payables	貿易應付款項及應付票據	-	313,160	-	-	313,160	313,160
Other payables	其他應付款項	-	61,655	-	-	61,655	61,655
Amount due to non-controlling interest of a subsidiary	應付一間附屬公司非控股權益款項	-	3,775	-	-	3,775	3,775
Bank borrowings	銀行借貸						
- floating rate	- 浮動利率	3.18	383,765	158,773	113,982	656,520	622,247
- fixed rate	- 固定利率	4.38	57,996	-	-	57,996	55,563
			820,351	158,773	113,982	1,093,106	1,056,400

### 40. 金融工具 (續)

#### b. 金融風險管理的目標及政策 (續)

##### 流動資金風險 (續)

表格包括利息及本金現金流量。倘利息流為浮動利率，則未折現金額乃按報告期末的利率計算所得。

流動資金表

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 40. FINANCIAL INSTRUMENTS (continued)

#### c. Fair value measurement of financial instruments

##### Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation techniques and inputs used).

	Fair value 公允價值	Fair value hierarchy 公允價值層級	Valuation technique and key inputs 估值方法及關鍵輸入數據	Significant unobservable input 重大不可觀察輸入數據
<b>Financial asset</b> <b>金融資產</b>				
Structure Deposits	As at 31 December 2017: HK\$7,193,000	Level 3	Discounted cash flow – Future cash flow are estimated based on estimated return, and discounted at a rate that reflects the credit risk of various counterparties	Estimated return (Note 1)
結構性存款	於二零一七年十二月三十一日： 7,193,000 港元	第三層	折讓現金流 – 未來現金流乃根據估計回報加以估計，並按足以反映不同對手方信貸風險的比率折讓	估計回報(附註1)
<b>Financial liability</b> <b>金融負債</b>				
Contingent Consideration payable	As at 31 December 2017: HK\$1,144,000	Level 3	Discounted cash flow method was used to capture the present value of the expected future economic that will flow out of the Group arising from the contingent consideration, based on an appropriate discount rate	Discount rate of 4.75% (Note 2) Probability of achieve performance requirement of 70%
應付或然代價	於二零一七年十二月三十一日： 1,144,000 港元	第三層	採用折讓現金流法按適當折讓率掌握將因或然代價而流出本集團的預期未來經濟利益現值	折讓率為4.75%(附註2) 達到表現要求的機率为70%

### 40. 金融工具(續)

#### c. 金融工具的公允價值計量

本集團以經常性基準按公允價值計量的金融資產及金融負債的公允價值

本集團若干金融資產及金融負債乃於各報告期末按公允價值計量。下表提供有關如何釐定該等金融資產及金融負債的公允價值的資料(尤其是所用估值方法及輸入數據)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 40. FINANCIAL INSTRUMENTS (continued)

#### c. Fair value measurement of financial instruments (continued)

##### Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (continued)

Notes:

- The higher the estimated returns, the higher the fair value, vice versa.
- An increase in the discount rate used in isolation would result in a decrease in the fair value measurement of the contingent consideration, and vice versa. A 5% increase in the discount rate holding all other variables constant would decrease the carrying amount of the contingent consideration by HK\$3,000.

##### Reconciliation of Level 3 fair value measurements

At 1 January 2017	於二零一七年一月一日	-
Purchase of structured deposits	購買結構性存款	1,094,231
Net gain on structured deposits	結構性存款淨收益	2,008
Redemption of structured deposits	贖回結構性存款	(1,089,289)
Exchange differences	匯兌差額	243
At 31 December 2017	於二零一七年十二月三十一日	7,193

The financial liability measured at fair value on Level 3 fair value measurement represents contingent consideration payable relating to acquisition of Jiangsu HY (see note 37). No gain or loss for the current year relating to this contingent consideration payable has been recognised in profit or loss.

There were no transfers into or out of Level 3 during this year.

### 40. 金融工具(續)

#### c. 金融工具的公允價值計量(續)

本集團以經常性基準按公允價值計量的金融資產及金融負債的公允價值(續)

附註：

- 估計回報愈高，公允價值愈高，反之亦然。
- 單獨使用的折讓率上升將導致或然代價的公允價值計量下跌，反之亦然。折讓率上升5%而所有其他變數維持不變，將令或然代價的賬面值減少3,000港元。

##### 第三層公允價值計量的對賬

**Structured deposits**  
結構性存款  
HK\$'000  
千港元

第三層公允價值計量中按公允價值計量的金融負債指涉及收購江蘇聯恒物宇的應付或然代價(見附註37)。本年度涉及此應付或然代價的任何收益或虧損並無於損益確認。

年內沒有轉入或轉出第三層。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 40. FINANCIAL INSTRUMENTS (continued)

#### c. Fair value measurement of financial instruments (continued)

##### Fair value of financial instruments that are recorded at amortised cost

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values. Such fair values have been determined in accordance with generally accepted pricing models based on discounted cash flow analysis, with most significant inputs being the discount rate that reflects the credit risk of counterparties.

### 41. OPERATING LEASES

#### The Group as lessee

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year	一年內	423	293
In the second to fifth year inclusive	第二年至第五年 (包括首尾兩年)	365	567
		<b>788</b>	860

Operating lease payments represent rentals payable by the Group for certain of its office premises. Leases are negotiated for an average term of 2 to 4 years and rentals are fixed over relevant lease term.

### 40. 金融工具(續)

#### c. 金融工具的公允價值計量(續)

##### 按攤銷成本記錄的金融工具的公允價值

本公司董事認為於綜合財務報表按攤銷成本記錄的金融資產及金融負債的賬面值與其公允價值相若。該等公允價值乃根據公認定價模式按折讓現金流分析釐定，最重要的輸入數據為足以反映對手方信貸風險的折讓率。

### 41. 經營租賃

#### 本集團為承租人

於報告期末，本集團的不可撤銷經營租賃的未來最低應付租賃付款承擔如下：

經營租賃付款指本集團就其若干辦公室物業的應付租金。租期按平均2至4年的期間磋商，於有關租賃期為固定租金。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 41. OPERATING LEASES (continued)

#### The Group as lessor

Property rental income earned during the year was HK\$5,283,000 (2016: HK\$1,303,000). All of the Group's investment properties are held for rental purposes. All of the properties held have committed tenants for the next 1 year.

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments:

### 41. 經營租賃(續)

#### 本集團為出租人

年內賺取的物業租金收入為5,283,000港元(二零一六年：1,303,000港元)。所有本集團投資物業為賺取租金而持有。所有持有的物業於未來一年已有承諾租客。

於報告期末，本集團與租客訂約的未來最低租賃付款如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year	一年內	1,817	2,357
In the second to fifth year inclusive	第二年至第五年 (包括首尾兩年)	126	1,281
		<b>1,943</b>	3,638

### 42. CAPITAL COMMITMENTS

### 42. 資本承擔

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the consolidated financial statements	涉及收購物業、廠房及設備的已訂約惟未於綜合財務報表撥備的資本開支	4,547	7,868

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 43. SHARE-BASED PAYMENT TRANSACTIONS

#### Equity-settled share option scheme of the Company

The Company's share option scheme (the "Scheme"), was adopted pursuant to a resolution passed on 4 March 2009 for the primary purpose of providing incentives to directors, employees, customer or supplier of goods or services to any member of the Group, consultant, adviser, manager, officer or entity that provide research, development or other technological support to the Group or its members (the "Eligible Participants"), and will expire on 4 March 2019. Under the Scheme, the directors of the Company may grant options to Eligible Participants to subscribe for shares in the Company.

The total number of shares in respect of which options may be granted under the Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. However, the total maximum number of the shares which may be issued upon exercise of all outstanding share options must not exceed 30% of the issued share capital of the Company from time to time. Options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their respective associates, in excess of 0.1% of the shares of the Company in issue at any time and with an aggregate value (based on the closing price of the Company's shares as stated in the daily quotation sheets issued by the Stock Exchange at the date of the grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

### 43. 以股份為基礎付款的交易

#### 本公司股本結算購股權計劃

本公司購股權計劃(「計劃」)根據於二零零九年三月四日通過的決議案獲採納，主要向董事、僱員、客戶或貨品或服務供應商、顧問、諮詢人、經理、行政人員或向本集團或其成員公司提供研發或其他技術支援的實體(「合資格參與者」)作出獎勵，並將於二零一九年三月四日屆滿。根據計劃，本公司董事可向合資格參與者授出購股權，以認購本公司股份。

在未經本公司股東事前批准的情況下，根據計劃可能授出的購股權的有關股份總數不得超逾本公司任何時間的已發行股份的10%。然而，悉數行使尚未行使購股權後可能發行的股份最高總數不得超逾本公司不時已發行股本30%。倘向一名本公司主要股東或獨立非執行董事或彼等各自的任何聯繫人士授出的購股權於任何12個月期間超逾本公司任何時間的已發行股份0.1%及總價值(以聯交所於授出日期發出的每日報價表所報本公司股份收市價為基準)超逾5,000,000港元，須事先於股東大會上取得股東批准。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 43. SHARE-BASED PAYMENT TRANSACTIONS

(continued)

#### Equity-settled share option scheme of the Company

(continued)

Options granted must be taken up within 28 days from the date of the offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. Options may be exercised at any time for a period determined by its directors which shall not be later than the day immediately preceding the tenth anniversary of the date of grant. The exercise price of the share options must be at least the highest of (i) the nominal value of an ordinary share on the date of grant; (ii) the closing price of the Company's shares as stated in the daily quotations sheet of the Stock Exchange on the date of the offer of the share options; and (iii) the average closing price of the Company's shares as stated in the daily quotations sheet of the Stock Exchange for the five trading days immediately preceding the date of the offer.

For the years ended 31 December 2017 and 2016, no share options had been granted and the Company had no share options outstanding at 31 December 2017 and 2016.

### 44. PLEDGE OF ASSETS

At the end of the reporting period, the carrying amounts of the assets pledged by the Group to secure the bank borrowings granted to the Group are as follow:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Non-current assets classified as held for sale	分類為持有待售的非流動資產	197,459	-
Plant, property and equipment	廠房、物業及設備	-	80,761
Investment properties	投資物業	-	121,290
Trade receivables	貿易應收款項	451,487	574,584
Bank deposits	銀行存款	5,455	6,731
		<b>654,401</b>	783,366

### 43. 以股份為基礎付款的交易 (續)

#### 本公司股本結算購股權計劃 (續)

授出的購股權須於授出日期後28日內接受，承授人須支付名義代價合共1港元。購股權可於董事釐定的期間隨時行使，惟不得遲於緊接授出日期十週年前當日。購股權行使價須為以下最高者：(i) 授出日期普通股的面值；(ii) 於授出購股權日期聯交所每日報價表所報本公司股份的收市價；及(iii) 緊接授出日期前五個交易日聯交所每日報價表所報本公司股份的平均收市價。

截至二零一七年及二零一六年十二月三十一日止年度，概無授出購股權，而本公司於二零一七年及二零一六年十二月三十一日亦無尚未行使購股權。

### 44. 資產抵押

於報告期末，本集團抵押以擔保授予本集團的銀行借貸的資產賬面值如下：

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 45. 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 future cash flows will be classified in the Group's consolidated statement of cash flows as cash flow from financing activities.

### 45. 融資活動所產生負債的對賬

下表詳列本集團因融資活動所產生負債的變動，包括現金及非現金變動。融資活動所產生負債為現金流或未來現金流均在本集團的綜合現金流量表分類為融資活動所產生現金流的負債。

		Amounts due to non-controlling interests of subsidiaries 應付附屬公司非控股權益款項 HK\$'000 千港元	Bank borrowings 銀行借貸 HK\$'000 千港元	Dividends payables 應付股息 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2017	於二零一七年一月一日	3,775	677,810	-	681,585
Financing cash flow (Note)	融資現金流(附註)	(8,957)	(12,245)	(239,886)	(261,088)
Finance cost recognised	已確認融資成本	-	75	-	75
Consideration for acquisition of non-controlling interest of a subsidiary	收購一間附屬公司非控股權益的代價	9,777	-	-	9,777
Dividends declared	已宣派股息	1,148	-	239,886	241,034
Arising from acquisition of a subsidiary	因收購一間附屬公司而出現	2,831	5,764	-	8,595
Reclassification due to change in a non-controlling shareholder	因非控股股東變動而重新分類	(3,775)	-	-	(3,775)
Exchange difference	匯兌差額	184	6,762	-	6,946
At 31 December 2017	於二零一七年十二月三十一日	4,983	678,166	-	683,149

Note: The cash flows represent (i) the proceeds from and repayment of bank borrowings and finance cost paid; (ii) payment of dividends in the consolidated statement of cash flows; (iii) advance from a non-controlling interest of a subsidiary and (iv) consideration paid for acquisition of additional equity of a subsidiary.

附註：現金流指(i)銀行借貸的所得款項及還款以及已付融資成本；(ii)綜合現金流量表中的股息付款；(iii)一間附屬公司非控股權益的墊款；及(iv)收購一間附屬公司額外股本權益的已付代價。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 46. RELATED PARTY TRANSACTIONS

#### (a) Transactions with related company

The Group had the following significant transactions with related parties during the year:

### 46. 關連方交易

#### (a) 與關連公司的交易

於本年度內，本集團進行下列重大關連方交易：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>Non-controlling interests with significant influence over the subsidiaries:</b>	對附屬公司有重大影響力的非控股權益：		
Printing of cigarette packages	印刷香煙包裝	-	3,475
<b>Company controlled by a director of the Company:</b>	由本公司一名董事控制的公司：		
Purchase of printing and packing machineries	購買印刷及包裝的機器	1,099	7,755
<b>An associate:</b>	一間聯營公司：		
Printing of cigarette packages	印刷香煙包裝	-	11,128
<b>Company under controlled by the close member of the Controlling Shareholder:</b>	受控股股東的近親控制的公司：		
Rental expense	租金開支	-	379

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 46. RELATED PARTY TRANSACTIONS (continued)

(b) Balances with related parties are disclosed in the consolidated statement of financial position and in notes 27 and 32.

#### (c) Compensation of key management personnel

The remuneration of directors and other members of key management during the year was as follows:

### 46. 關連方交易 (續)

(b) 關連結餘於綜合財務狀況報表以及附註27及32披露。

#### (c) 主要管理人員酬金

於本年度，董事及其他主要管理人員的酬金如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Short-term benefits	短期福利	7,130	6,263
Contribution to retirement benefits schemes	退休福利計劃供款	183	154
		<b>7,313</b>	6,417

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

董事及主要行政人員的酬金由薪酬委員會經考慮個人表現及市場趨勢後釐定。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 47. CONTINGENT LIABILITIES

During the current year, the Group has received a Notice of Arbitration from Shenzhen Court of International Arbitration that Shenzhen Court of International Arbitration has accepted the application (the "Application") for arbitration filed by an ex-staff of a subsidiary of the Company (the "Claimant"). According to the Application, the Claimant requests for the payment of: (i) a fund raising reward of about HK\$108.9 million and the related overdue interest since April 2008; (ii) a service fee of RMB2.0 million (equivalent to approximately HK\$2,305,000) and the related overdue interest since July 2007; (iii) legal fees incurred of about HK\$47.0 million and RMB0.9 million (equivalent to approximately HK\$1,037,000); and (iv) arbitration fee, in connection with an appointment contract and another agreement entered into between, among other party, a subsidiary of the Company and the Claimant in April 2005.

The directors of the Company consider that all allegations in the Application are unfounded and without merits. In this regard, the Group is seeking legal advice in response to the Application and will categorically defend and challenge all the claims by the Claimant during the judicial process. In the opinion of the directors of the Company, it is not probable that the Group has an obligation to settle the claims based on the legal advice and no provision is considered to be recognised to the consolidated financial statements accordingly.

### 47. 或然負債

於本年度，本集團接獲深圳國際仲裁院發出的仲裁通知，表示深圳國際仲裁院已受理本公司旗下一家附屬公司的一名前僱員（「申索人」）提出的仲裁申請（「該申請」）。根據該申請，申索人要求根據由（其中包括）本公司一家附屬公司與申索人於二零零五年四月訂立的聘用合同及另一份協議書獲支付(i)為數約108,900,000港元的集資報酬及自二零零八年四月以來的相關逾期利息；(ii)為數人民幣2,000,000元的服務費（相當於約2,305,000港元）及自二零零七年七月以來的相關逾期利息；(iii)所引致的法律費用約47,000,000港元及人民幣900,000元（相當於約1,037,000港元）；及(iv)仲裁費。

本公司董事認為，該申請的一切指控均無事實根據及缺乏充分理據。就此，本集團現正就回應該申請徵詢法律意見，並將在司法過程中積極抗辯及反對申索人提出的一切申索。本公司董事認為，基於法律意見，本集團不可能須償付申索，故認為毋須在綜合財務報表確認撥備。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 48. PARTICULARS OF SUBSIDIARIES OF THE COMPANY

Particulars of the Company's subsidiaries at 31 December 2017 and 2016 are as follows:

### 48. 本公司附屬公司詳情

於二零一七年及二零一六年十二月三十一日，本公司附屬公司詳情如下：

Name of subsidiary 附屬公司名稱	Place of establishment/ incorporation/ operation 成立／註冊成立／ 營業地點	Proportion of registered capital/issued share capital/equity interests and voting power held by the Company 本公司持有註冊股本／已發行股本／ 股本權益及投票權部分				Issue and fully paid ordinary share capital/ registered capital 已發行及悉數 繳足普通 股本／註冊股本	Principal activities 主要業務
		Directly 直接		Indirectly 間接			
		2017	2016	2017	2016		
		二零一七年 %	二零一六年 %	二零一七年 %	二零一六年 %		
Brilliant Circle Management Limited (貴聯管理有限公司)	British Virgin Islands 英屬處女群島	100.00	100.00	-	-	US\$200 200美元	Investment holding 投資控股
Brilliant Circle Group Holdings Limited (貴聯集團控股有限公司)	British Virgin Islands 英屬處女群島	-	-	100.00	100.00	US\$1 1美元	Investment holding 投資控股
Brilliant Circle Printing & Packaging Limited (貴聯印刷包裝有限公司)	British Virgin Islands 英屬處女群島	-	-	100.00	100.00	US\$10,000 10,000美元	Investment holding 投資控股
Union Virtue International Limited (同德國際有限公司)	British Virgin Islands 英屬處女群島	-	-	100.00	100.00	US\$1 1美元	Investment holding 投資控股
Brilliant Circle Development Limited (貴聯發展有限公司)	Hong Kong 香港	-	-	100.00	100.00	HK\$2,000,000 2,000,000港元	Investment holding 投資控股
Champion League Investment Holdings Limited (冠連投資控股有限公司)	British Virgin Islands 英屬處女群島	-	-	100.00	100.00	US\$100 100美元	Investment holding 投資控股
Sanbond Investment Limited (協寶投資有限公司)	Hong Kong 香港	-	-	100.00	100.00	HK\$100 100港元	Investment holding 投資控股
蚌埠金黃山凹版印刷有限公司* (Bengbu Jinhuangshan Rotogravure Printing Company Limited)	PRC 中國	-	-	100.00	100.00	US\$12,461,000 12,461,000美元	Printing of cigarette packages 印刷香煙包裝
深圳貴聯印刷有限公司* (Shenzhen Guilian Printing Limited)	PRC 中國	-	-	100.00	100.00	HK\$9,600,000 9,600,000港元	Investment holding 投資控股

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 48. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued) 48. 本公司附屬公司詳情 (續)

Name of subsidiary 附屬公司名稱	Place of establishment/ incorporation/ operation 成立/註冊成立/ 營業地點	Proportion of registered capital/issued share capital/equity interests and voting power held by the Company 本公司持有註冊股本/已發行股本/ 股本權益及投票權部分				Issue and fully paid ordinary share capital/ registered capital 已發行及悉數 繳足普通 股本/註冊股本	Principal activities 主要業務
		Directly 直接		Indirectly 間接			
		2017	2016	2017	2016		
		二零一七年 %	二零一六年 %	二零一七年 %	二零一六年 %		
Kecai*	PRC	-	-	99.49	99.49	RMB194,720,000	Printing of cigarette packages
科彩	中國					人民幣194,720,000	印刷香煙包裝
Jinfeihuan*	PRC	-	-	100.00	79.60	US\$3,000,000	Printing of cigarette packages
金飛環	中國					3,000,000美元	印刷香煙包裝
昭通安通包裝材料有限公司* (Zhaotong Antong Package Material Co., Ltd.)	PRC 中國	-	-	80.00	80.00	US\$1,000,000 1,000,000美元	Manufacturing of laminated paper 製造複合紙
Giant Sino Investments Limited (鉅華投資有限公司)	British Virgin Islands 英屬處女群島	60.00	60.00	40.00	40.00	US\$100.00 100.00美元	Investment holding 投資控股
Emperor Great Investments Limited (帝鴻投資有限公司)	British Virgin Islands 英屬處女群島	100.00	100.00	-	-	US\$100.00 100.00美元	Investment holding 投資控股
Fortune Chaser Limited (源順有限公司)	Hong Kong 香港	-	-	100.00	100.00	HK\$100.00 100.00美元	Investment holding 投資控股
Empire Sail 帝航	British Virgin Islands 英屬處女群島	100.00	100.00	-	-	US\$100.00 100.00美元	Investment holding 投資控股
Best Legend 駿佳	Hong Kong 香港	-	-	100.00	100.00	HK\$10,000 10,000美元	Investment holding 投資控股
Forever Youth limited (青恒有限公司)	British Virgin Islands 英屬處女群島	100.00	-	-	-	US\$100.00 100.00美元	Investment holding 投資控股
Right Tech (China) Limited (偉達(中國)有限公司)	Hong Kong 香港	-	-	100.00	-	HK\$1 1港元	Investment holding 投資控股
Jiangsu HY* 江蘇聯恒物宇	PRC 中國	-	-	70.00	-	RMB16,800,000 人民幣16,800,000元	Sales of RFID products 銷售射頻識別產品
珠海包裝寶投資有限公司* (Zhuhai Baozhuangbao Investment Co., Limited)	PRC 中國	-	-	100.00	-	RMB50,000,000 人民幣50,000,000元	Investment holding 投資控股

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 48. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

- \* Company incorporated as a sino-foreign equity.
- # Company established as foreign invested limited liability company.

None of the subsidiaries had issued any debt securities at the end of the reporting period or at any time during the year.

### 49. EVENTS AFTER THE REPORTING PERIOD

On 11 January 2018, the Group entered into the provisional sale and purchase agreement (“Agreement”) with an independent third party, Lion Capital Investment Limited, to dispose of, among other matters, the entire issued share capital of Empire Sail (together with its subsidiary collectively referred as “Target Group”) at the cash consideration of HK\$295,000,000, which will result in a gain on disposal of approximately HK\$93,900,000. The principal assets of the Target Group are the property, plant and equipment and investment property, which are disclosed in note 11.

The transaction shall be completed on 30 April 2018 subject to fulfilment of the pre-set conditions in accordance with the Agreement.

Details of the transaction are set out in the announcement of the Company dated 11 January 2018.

### 48. 本公司附屬公司詳情(續)

- \* 公司註冊成立為中外合資企業。
- # 公司成立為外商投資有限公司。

於報告期末或本年度任何時間，概無附屬公司發行任何債務證券。

### 49. 報告期後事項

於二零一八年一月十一日，本集團與獨立第三方獅皇投資有限公司訂立臨時買賣協議(「該協議」)，以現金代價295,000,000港元將(其中包括)帝航(連同其附屬公司統稱「目標集團」)之全部已發行股本出售，出售附屬公司將帶來收益約93,900,000港元。目標集團的主要資產為附註11所披露的物業、廠房及設備以及投資物業。

交易將在根據該協議達成各項先決條件的前提下於二零一八年四月三十日完成。

交易詳情載於本公司日期為二零一八年一月十一日的公布。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 50. STATEMENT OF FINANCIAL POSITION AND EQUITY OF THE COMPANY

### 50. 本公司財務狀況及權益報表

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>Non-current asset</b>	<b>非流動資產</b>		
Interests in subsidiaries	於附屬公司的權益	<b>1,255,610</b>	1,255,609
<b>Current assets</b>	<b>流動資產</b>		
Other receivables	其他應收款項	–	17
Dividends receivables	應收股息	<b>700,000</b>	–
Bank balances and cash	銀行結餘及現金	<b>22,264</b>	12,108
		<b>722,264</b>	12,125
<b>Current liabilities</b>	<b>流動負債</b>		
Other payable and accruals	其他應付款項及應計費用	<b>1,225</b>	700
Amounts due to subsidiaries	應收附屬公司款項	<b>316,461</b>	39,597
Bank borrowings	銀行借貸	<b>531,998</b>	330,662
		<b>849,684</b>	370,959
<b>Net current liabilities</b>	<b>流動負債淨額</b>	<b>(127,420)</b>	(358,834)
<b>Total assets less current liabilities</b>	<b>資產總值減流動負債</b>	<b>1,128,190</b>	896,775
<b>Non-current liability</b>	<b>非流動負債</b>		
Bank borrowings	銀行借貸	<b>56,250</b>	258,248
<b>Net assets</b>	<b>資產淨值</b>	<b>1,071,940</b>	638,527
<b>Capital and reserves</b>	<b>資本及儲備</b>		
Share capital	股本	<b>7,839</b>	7,839
Reserves	儲備	<b>1,064,101</b>	630,688
		<b>1,071,940</b>	638,527

The Company's statement of financial position was approved and authorised for issue by the Board of Directors on 26 March 2018 and are signed on its behalf by:

本公司財務狀況報表已獲董事會於二零一八年三月二十六日批准及授權刊發，並由下列董事代表簽署：

**Mr. Cai Xiao Ming, David**  
蔡曉明先生  
DIRECTOR  
董事

**Mr. Qin Song**  
欽松先生  
DIRECTOR  
董事

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 50. STATEMENT OF FINANCIAL POSITION AND EQUITY OF THE COMPANY (continued)

#### Movement in equity

### 50. 本公司財務狀況及權益報表 (續)

#### 權益變動

		Share capital	Share premium	Other reserves	Retained profits (Accumulated losses)	Total
		股本	股份溢價	其他儲備	保留溢利 (累計虧損)	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
At 1 January 2016	於二零一六年 一月一日	7,839	4,936,913	(4,185,977)	144,323	903,098
Loss and total comprehensive expense for the year	年內虧損及 全面開支總額	-	-	-	(24,685)	(24,685)
Dividends recognised as distribution	確認為分派的股息	-	-	-	(239,886)	(239,886)
At 31 December 2016	於二零一六年 十二月三十一日	7,839	4,936,913	(4,185,977)	(120,248)	638,527
Profit and total comprehensive income for the year	年內溢利及 全面收益總額	-	-	-	673,299	673,299
Dividends recognised as distribution	確認為分派的股息	-	-	-	(239,886)	(239,886)
At 31 December 2017	於二零一七年 十二月三十一日	7,839	4,936,913	(4,185,977)	313,165	1,071,940

# Five Year Financial Summary

## 五年財務概要

### (A) RESULTS

### (A) 業績

For the year ended 31 December

截至十二月三十一日止年度

		2013 二零一三年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元 (Restated) (經重列)	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Revenue	收益	1,882,954	1,703,423	1,494,961	1,407,209	<b>1,265,515</b>
Operating profit	經營溢利	375,938	370,738	297,851	270,508	<b>145,770</b>
Share of profit of associates	分佔聯營公司溢利	212,342	214,906	178,625	86,429	<b>47,334</b>
Share of profit (loss) of a joint venture	分佔一間合營企業溢利 (虧損)	-	-	-	57	<b>(274)</b>
Profit before taxation	除稅前溢利	588,280	585,644	476,476	356,994	<b>192,830</b>
Taxation	稅項	(89,084)	(104,023)	(79,796)	(69,760)	<b>(50,023)</b>
Profit for the year from continuing operations	持續經營業務的年度溢利	499,196	481,621	396,680	287,234	<b>142,807</b>
Profit/(loss) for the year from discontinued operations	已終止經營業務的年度溢利/ (虧損)	2,756	1,411	(6,078)	-	<b>-</b>
Attributable to:	應佔：					
Owners of the Company	本公司擁有人	454,345	453,711	386,372	285,827	<b>138,025</b>
Non-controlling interests	非控股權益	47,607	29,321	4,230	1,407	<b>4,782</b>
		501,952	483,032	390,602	287,234	<b>142,807</b>

# Five Year Financial Summary

## 五年財務概要

### (B) ASSETS AND LIABILITIES

### (B) 資產及負債

		At 31 December 於十二月三十一日				2017
		2013	2014	2015	2016	2017
		二零一三年	二零一四年	二零一五年	二零一六年	二零一七年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
<b>TOTAL ASSETS</b>	資產總值	4,606,567	4,483,161	4,368,408	4,158,124	<b>4,198,506</b>
<b>TOTAL LIABILITIES</b>	負債總額	(1,711,230)	(1,455,642)	(1,385,294)	(1,282,964)	<b>(1,217,996)</b>
		2,895,337	3,027,519	2,983,114	2,875,160	<b>2,980,510</b>
<b>EQUITY ATTRIBUTABLE TO:</b>	以下人士應佔權益：					
Owners of the Company	本公司擁有人	2,637,313	2,968,868	2,930,460	2,828,968	<b>2,917,632</b>
Non-controlling interests	非控股權益	258,024	58,651	52,654	46,192	<b>62,878</b>
		2,895,337	3,027,519	2,983,114	2,875,160	<b>2,980,510</b>

# Particulars of Major Properties

## 主要物業詳情

At 31 December 2017 於二零一七年十二月三十一日

### (A) PROPERTIES HELD FOR SALE

### (A) 持有待售的物業

Name/location	Type	Gross floor (S.M.) 建築面積 (平方米)	Effective % held 實際持有 %
名稱／地點	類型		
Office units Nos. 01, 02, 03, 05, 06, 07, 08 and 09 on 12th floor and car parking spaces Nos. 329, 330 and 332 on 3rd floor, Capital centre No. 151 Gloucester Road, Wanchai, Hong Kong	Commercial 商業	957.92	100
	香港 灣仔 告士打道151號 資本中心 12樓01、02、03、05、 06、07、08及09號 寫字樓單位及3樓 329、330及332號泊車位		



BRILLIANT CIRCLE HOLDINGS INTERNATIONAL LIMITED  
貴聯控股國際有限公司