



ANNUAL REPORT 2017 年報



SHEENTAI
顺泰控股

順泰控股集團有限公司

Sheen Tai Holdings Group Company Limited

(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 : 1335



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Corporate Information

公司資料

DIRECTORS

Executive Directors

Mr. Guo Yumin (*Chairman*)
 Ms. Xia Yu
 Mr. Zeng Xiangyang
 Mr. Guo Cheng
 Mr. Bau Siu Fung (*resigned on 20 January 2017*)

Independent Non-executive Directors

Ms. Fan Qing
 Mr. Fong Wo, Felix
 Mr. Lo Wa Kei, Roy

COMPANY SECRETARY

Ms. Pang Yuk Fong (*HKICPA*)
(appointed on 1 October 2017)
 Mr. Bau Siu Fung (*HKICPA*)
(resigned on 30 September 2017)

AUDIT COMMITTEE

Mr. Lo Wa Kei, Roy (*Chairman*)
 Ms. Fan Qing
 Mr. Fong Wo, Felix

REMUNERATION COMMITTEE

Ms. Fan Qing (*Chairman*)
 Mr. Guo Yumin
 Mr. Lo Wa Kei, Roy

NOMINATION COMMITTEE

Mr. Guo Yumin (*Chairman*)
 Ms. Fan Qing
 Mr. Lo Wa Kei, Roy

AUTHORISED REPRESENTATIVES

Mr. Guo Yumin
 Ms. Pang Yuk Fong

COMPANY WEBSITE

www.sheentai.com

REGISTERED OFFICE

Clifton House
 75 Fort Street
 PO Box 1350
 Grand Cayman KY1-1108
 Cayman Islands

董事

執行董事

郭玉民先生 (*主席*)
 夏煜女士
 曾向陽先生
 郭誠先生
 鮑小豐先生 (*於二零一七年一月二十日辭任*)

獨立非執行董事

范晴女士
 方和先生
 盧華基先生

公司秘書

彭玉芳女士 (*香港會計師公會會員*)
(於二零一七年十月一日委任)
 鮑小豐先生 (*香港會計師公會會員*)
(於二零一七年九月三十日辭任)

審核委員會

盧華基先生 (*主席*)
 范晴女士
 方和先生

薪酬委員會

范晴女士 (*主席*)
 郭玉民先生
 盧華基先生

提名委員會

郭玉民先生 (*主席*)
 范晴女士
 盧華基先生

授權代表

郭玉民先生
 彭玉芳女士

公司網址

www.sheentai.com

註冊辦事處

Clifton House
 75 Fort Street
 PO Box 1350
 Grand Cayman KY1-1108
 Cayman Islands



Corporate Information 公司資料

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 1903, 19/F, Jubilee Centre
18 Fenwick Street, Wan Chai
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Estera Trust (Cayman) Limited
Clifton House
75 Fort Street
PO Box 1350
Grand Cayman KY1-1108
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

AUDITOR

RSM Hong Kong, *Certified Public Accountants*
29th Floor, Lee Garden Two
28 Yun Ping Road
Causeway Bay
Hong Kong

HONG KONG LEGAL ADVISER

Loong & Yeung Solicitors
Room 1603, 16/F
China Building
29 Queen's Road Central
Hong Kong

PRINCIPAL BANKERS

Bank of China Limited
Bank of China (Hong Kong) Limited
Bank of Qingdao Co., Ltd.
China Construction Bank
Hang Seng Bank Limited
Shanghai Pudong Development Bank
The Hongkong and Shanghai Banking Corporation Limited
United Overseas Bank Limited

香港主要營業地點

香港
灣仔分域街18號
捷利中心19樓1903室

開曼群島股份過戶登記總處

Estera Trust (Cayman) Limited
Clifton House
75 Fort Street
PO Box 1350
Grand Cayman KY1-1108
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

核數師

中瑞岳華(香港)會計師事務所(執業會計師)
香港
銅鑼灣
恩平道28號
利園2期29樓

香港法律顧問

龍炳坤、楊永安律師行
香港
皇后大道中29號
華人行
16樓1603室

主要往來銀行

中國銀行股份有限公司
中國銀行(香港)有限公司
青島銀行股份有限公司
中國建設銀行
恒生銀行有限公司
上海浦東發展銀行
香港上海滙豐銀行有限公司
大華銀行有限公司



Financial Highlights

財務摘要

Year ended 31 December

截至 12 月 31 日止年度

		2017 2017年 \$'000 千港元	2016 2016年 \$'000 千港元	2015 2015年 \$'000 千港元	Change 變動
Revenue	收入	1,250,706	478,354	469,241	161%
Profit from operations	經營溢利	43,900	56,545	34,461	(22%)
(Loss)/profit before non-controlling interests	非控股權益前 (虧損)/溢利	(166,086)	36,132	326,530	(560%)
Non-controlling interests	非控股權益	(867)	–	–	N/A 不適用
(Loss)/profit attributable to equity shareholders of the Company	本公司權益股東 應佔 (虧損)/溢利	(165,219)	36,132	326,530	(557%)
(Loss)/earnings per share	每股 (虧損)/盈利				
Basic (HK\$)	基本 (港元)	(0.069)	0.017	0.164	(506%)
Diluted (HK\$)	攤薄 (港元)	(0.073)	0.001	0.151	(7,400%)



Chairman's Statement 主席報告

Dear Shareholders,

On behalf of the board (the “**Board**”) of directors (“**Directors**”) and the management of Sheen Tai Holdings Group Company Limited ((the “**Company**”) and together with its subsidiaries, the “**Group**”), I am pleased to present the annual report of the Group for the year ended 31 December 2017 (the “**Year**”).

During the Year, the overall grid-connected capacity of the state's grid was 115 million kilowatts, representing an increase of 72.34% year-on-year as compared with that of 2016. The demand of clean energy has continued to grow over the years. During the Year, the whole photovoltaic industry is undergoing a transformation from scale expansion to quality-effective development and from a highly subsidy policy-dependent model to a low subsidy-dependent but increasing competitive model. It is expected that in the near future, mergers and reorganisations within the photovoltaic industry will be accelerated with the gradual withdrawing of inefficient production models. We believe the photovoltaic industry will focus on its status of leading enterprises with core competitiveness. Besides, the cross-industries integration of the photovoltaic industry will be further promoted and the industry itself will be integrated with poverty alleviation, agricultural, climate and environmental industries. The industry will also closely adhere to the “One Belt and One Road” policy promulgated by the government of People's Republic of China (the “**PRC**”) with its production capacity shifting and expanding to countries participating in the “One Belt and One Road” which will catalyze the sustainable and healthy development of the photovoltaic industry.

During the Year, the Company has complied with the idea of developing new and green energy advocated by the state council of the PRC. According to the “13th Five-Year Plan for Electric Power Development” issued by the National Development and Reform Commission, the Chinese government aims to increase the proportion of renewable energy in the overall energy production and consumption substantially in the future with the ratio reaches 15% by 2020, of which the photovoltaic power accounts for 5% of the renewable energy generated. The Group will continue to explore and open up the photovoltaic market in Jiangsu. With the experience of operating the two existing photovoltaic power stations, the Company has successfully applied for the approval of engaging in another 10MW photovoltaic power project. The said project is expected to be completed and come into operation by mid-2018.

致各位股東，

本人謹此代表順泰控股有限公司(「**本公司**」)連同其附屬公司統稱「**本集團**」董事(「**董事**」)會(「**董事會**」)及管理層，欣然呈報本集團截至2017年12月31日止年度(「**本年度**」)的年報。

於本年度，國家整體電網的光伏併網容量為1.15億千瓦，較2016年同比增長72.34%。多年來，清潔能源需求持續增長。於本年度，光伏行業整體正從規模擴張型發展向質量效益型發展轉型及從高補貼政策依賴模式轉變為低補貼競爭力提高模式。預期在不久的未來，光伏行業將加快兼併重組，且逐步摒棄低效產能模式。我們認為，光伏行業將專注於具備核心競爭力的龍頭企業的體態。此外，光伏行業將進一步推進跨行業整合，且該行業本身將與扶貧、農業、氣候及環境行業進行整合。該行業亦將嚴格遵守中華人民共和國(「**中國**」)政府制定的「一帶一路」政策，並將產能轉移及擴展至「一帶一路」參與國，從而加快光伏行業的持續健康發展。

於本年度，本公司已響應中國國務院倡導的新能源綠色發展號召。根據國家發展和改革委員會發佈的《電力發展十三五規劃》，中國政府計劃未來大幅提高可再生能源於整體能源生產及消費中的比重，於2020年前達致15%，其中光伏發電佔可再生能源發電5%。本集團將不斷研究並開拓江蘇光伏市場。憑藉運營兩個現有光伏發電站的經驗，本公司已成功獲得另一個10兆瓦的光伏發電項目的批文。預期該項目可於2018年年中竣工且併網發電。



Chairman's Statement 主席報告

During the Year, the PRC's economy continued to grow steadily despite the peripheral downward pressure. The tobacco industry has been experiencing steady sales, improving structure, inventory reduction as well as increasing tax. The Company coped with the above changes and challenges and led the staffs of the tobacco sector of the Group to overcome all the difficulties by optimizing management, expanding markets, strengthening product quality and closely following the diversified development strategy of tobacco. With the experience accumulated in the tobacco accessory products industry in the past several years, the Company continued to innovate new products and optimize new processes while ensuring production quality, enhancing the stability of existing customers as well as actively expanding customers' resources. The Company also utilized its own advantages such as the application of advanced technology as well as its reputation in branding. Meanwhile, the Company's increased its personnel investment in its sales team, strengthened business development, actively explored new markets and maintained its profitability. In order to cope with the increasing demand of the Company's products, the Company has been developing the third industrial line which is expected to be completed and put into use in 2018.

Finally, on behalf of the Board, I would like to express my thankfulness and appreciation to my fellow Directors, management team and all the staff members of the Group for their contributions and hard work during the Year. I would also like to extend my most sincere gratitude to all our shareholders and business partners for their continuous supports.

Guo, Yumin
Chairman

Hong Kong, 29 March 2018

於本年度，儘管面臨下行壓力，中國經濟仍繼續穩步增長。煙草行業經歷穩銷量、提結構、降庫存、增稅利。本公司順應上述變化及挑戰，帶領本集團煙草分部的全體員工透過優化管理，開拓市場，強化產品質量及緊跟煙草多元化發展戰略攻堅克難。憑藉本公司過去多年來在煙草配套產品行業積累的經驗，本公司在保證生產質量的同時，持續致力新產品創新、優化新工藝，在增強現有客戶穩定性的同時，積極開拓客戶資源。本公司亦持續發揮其先進技術應用及品牌聲譽等自身優勢。此外，本公司加大銷售團隊的人員投入、加強業務拓展，積極探索新地區市場並維持盈利能力。為應對本公司產品與日俱增的需求，本公司正發展第三條產業線，預期將於2018年竣工並投產。

最後，本人謹代表董事會向本集團其他董事、管理團隊及全體員工於本年度所付出的努力及貢獻表示誠摯的謝意。本人亦對各位股東及業務夥伴的不斷支持表示由衷的感謝。

主席
郭玉民

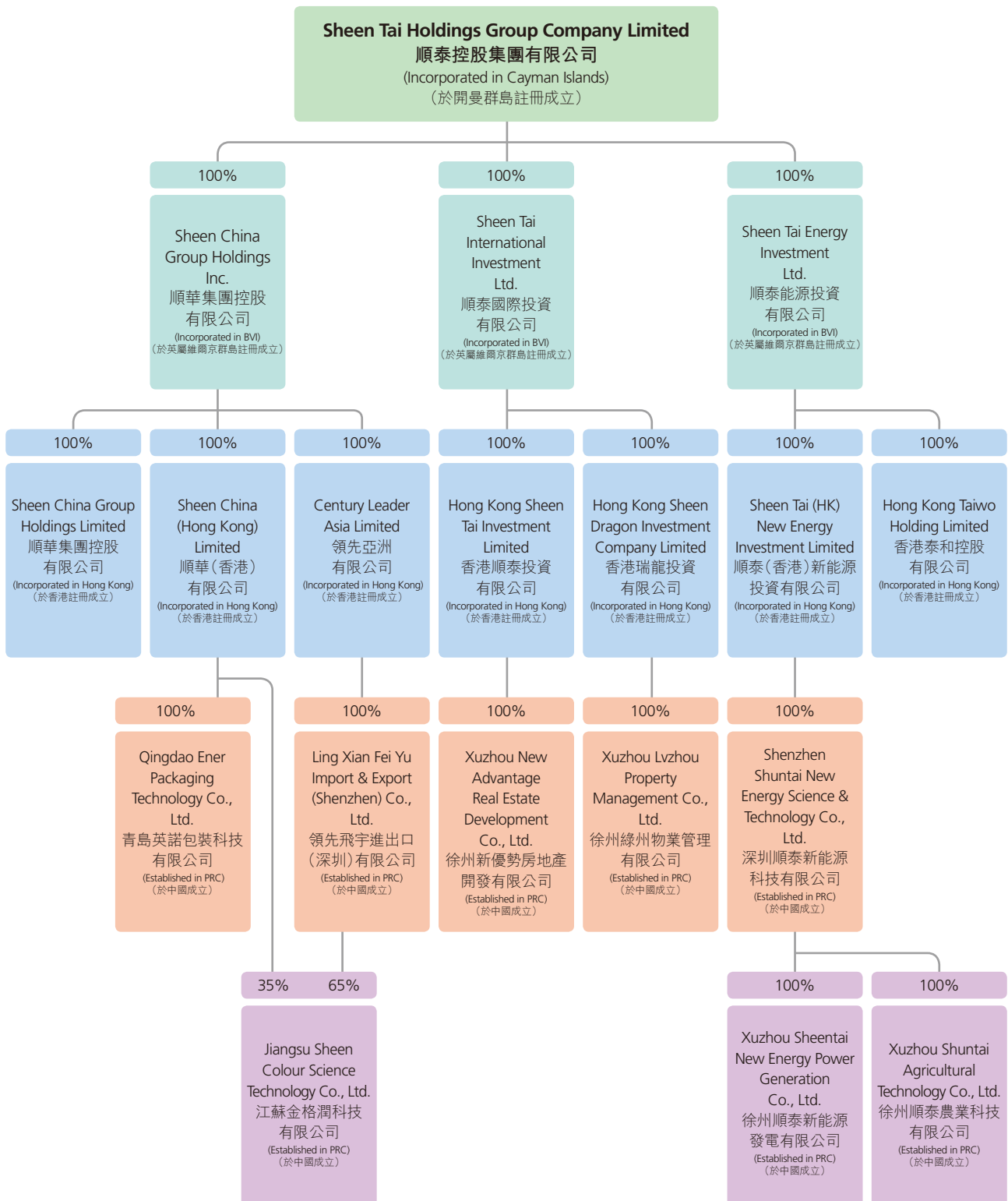
香港，2018年3月29日



Organisation Chart

組織架構

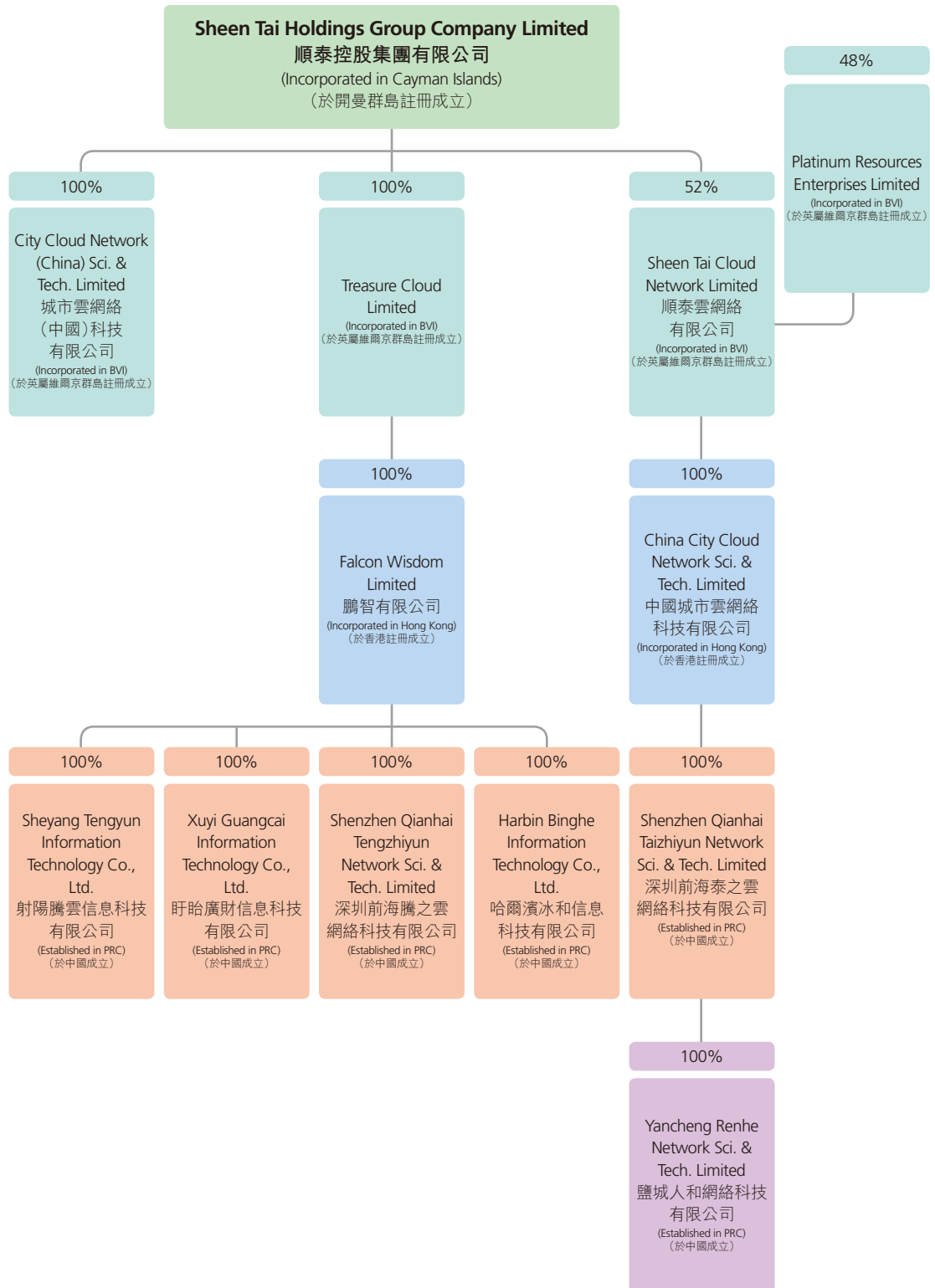
(As at 31 December 2017)
(截至2017年12月31日止)





Organisation Chart 組織架構

(As at 31 December 2017)
(截至2017年12月31日止)





Management Discussion and Analysis

管理層討論及分析

OVERVIEW

For the Year, the Group recorded an increase in revenue as compared to the year ended 31 December 2016. However, the Group recorded a loss attributable to equity shareholders of the Company for the Year as compared to a profit attributable to equity shareholders of the Company for the year ended 31 December 2016.

Looking backward, we went on public as a packaging materials manufacturer and has continuously explored new opportunities in various industries. The principal activities of the Group can be differentiated into five segments, namely, (i) manufacturing and sales of BOPP film (comprising self-manufactured cigarette film and self-manufactured non-cigarette-related films), (ii) sales of sub-processing cigarette films (comprising anti-counterfeiting cigarette films and slitting imported film), (iii) properties development and related services, (iv) generation of photovoltaic power, and (v) cloud-related business.

One of our factories located in Qingdao city of Shandong Province mainly produces BOPP films. Its market occupancy rate has ranked top 3 in recent years. Another factory, which has been relocated in 2017, is now located at the economic and technological development zone in Huai An City, manufacturing anti-counterfeiting films and colour films of the cigarette. In addition, a development project located in Xuzhou, Jiangsu, has successfully been marketed to the purchasers during the Year and contributed a large portion to the Group's revenue for the Year. The Group has two photovoltaic power stations which are located in Wei Ji Town, Sui Ning County and Xuzhou City in Jiangsu Province. The stations were put into operation on 28 December 2015 and 25 June 2016 respectively. The Group has a total of 15 data centers which are mainly located at Jiangsu, Anhui, Hubei, Chongqing, Jiangxi, Shanghai, Zhejiang and Shandong provinces.

概覽

與截至2016年12月31日止年度比較，本集團於本年度的收入增加。然而，本集團錄得本公司權益股東應佔虧損，而截至2016年12月31日止年度則錄得本公司權益股東應佔溢利。

回顧過往，我們作為包裝材料製造商上市，並於若干行業探索新機會。本集團之主要業務可分為五個分部，即(i)產銷聚丙烯雙向拉伸薄膜(包括自製香煙薄膜及自製非香煙相關薄膜)，(ii)銷售加工香煙薄膜(包括防偽香煙薄膜及裁切進口薄膜)，(iii)物業發展及相關服務，(iv)光伏發電，及(v)雲業務。

我們其中一所位於山東省青島市的工廠主要生產聚丙烯雙向拉伸薄膜。於近年來，其市場佔有率位列前三名。而另一所於2017年搬遷至淮安市經濟及科技發展區的工廠，主要生產防偽薄膜及香煙彩膜。此外，位於江蘇省徐州的物業開發項目已成功於本年度向買家交房，並為本年度本集團收益貢獻良多。本集團在江蘇省徐州市睢寧縣魏集鎮設有兩座光伏電站，分別自2015年12月28日及2016年6月25日投入運營。本集團的15個數據中心主要位於江蘇、安徽、湖北、重慶、江西、上海、浙江及山東各省市。



Management Discussion and Analysis

管理層討論及分析

RESULTS OF OPERATION

REVENUE

The principal activities of the Group include manufacturing and sales of BOPP films, sales of sub-processing cigarette films, properties development and related services, generation of photovoltaic power and cloud-related business. Our revenue is mainly generated from the sales of goods sold and service provided excluding returns, discounts, value added taxes and other sales taxes. During the Year, our revenue increased by approximately HK\$772.3 million, or approximately 161.4%, from approximately HK\$478.4 million to approximately HK\$1,250.7 million. The increase in revenue is mainly due to the increase in revenue generated from property development and more details can be found as follows:

Manufacturing and sales of BOPP films

The revenue generated from manufacturing and sales of BOPP films increased by approximately 17.0%, from approximately HK\$271.8 million for the year ended 31 December 2016 to approximately HK\$318.1 million for the Year, primarily due to high demand of external customers for cigarette-related films.

Sales of sub-processing cigarette films

During the Year, the Group recorded a decrease in revenue generated from the sales of sub-processing cigarette films. This was mainly due to (i) the decrease of the sales of our anti-counterfeiting cigarette films by approximately 25.6%, from approximately HK\$67.6 million for the year ended 31 December 2016 to approximately HK\$50.3 million for the Year, and (ii) the sales of our slitting imported cigarette films has decreased by approximately 71.7%, from approximately HK\$71.2 million for the year ended 31 December 2016 to approximately HK\$20.1 million for the Year, both primarily due to the decrease in customers' orders.

經營業績

收入

本集團的主要業務包括產銷聚丙烯雙向拉伸薄膜、銷售加工香煙薄膜、物業發展及相關服務、光伏發電及雲業務。我們的收入主要來自貨品銷售及提供服務，扣除退貨、折扣、增值稅及其他銷售稅。於本年度，我們的收入由約478.4百萬港元增加約772.3百萬港元或約161.4%至約1,250.7百萬港元，收入增加乃主要由於物業發展產生的收入增加及有關詳情如下：

產銷聚丙烯雙向拉伸薄膜

本集團產銷聚丙烯雙向拉伸薄膜產生的收入由截至2016年12月31日止年度約271.8百萬港元增加約17.0%至本年度約318.1百萬港元，其收入增加原因主要由於外部客戶對香煙相關薄膜需求較大所致。

銷售加工香煙薄膜

於本年度，本集團銷售加工香煙薄膜的收入減少。此乃主要由於(i)我們防偽香煙薄膜的銷售額由截至2016年12月31日止年度約67.6百萬港元下降約25.6%至本年度約50.3百萬港元，及(ii)我們裁切進口香煙薄膜的銷售額由截至2016年12月31日止年度約71.2百萬港元下降約71.7%至本年度約20.1百萬港元，均主要由於客戶訂單減少所致。



Management Discussion and Analysis 管理層討論及分析

Properties development and related services

The revenue generated from properties development and related services during the Year was mainly from the sale of properties and the provision of property management services. During the Year, the property management services provided by Xuzhou Lvzhou Estate Management Company Limited contributed an income of approximately HK\$2.8 million to the Group. The completion and delivery of the properties developed by Xuzhou New Advantage Real Estate Development Co. Ltd contributed approximately HK\$809.6 million for the Group.

Generation of photovoltaic power

For the Year, the Group has two photovoltaic power stations that are in operation, with a total grid-connected capacity of 30 megawatts (“MW”). The revenue generated from this segment increased by approximately 42.6%, from approximately HK\$31.9 million for the year ended 31 December 2016 to approximately HK\$45.5 million for the Year, which was primarily due to the full utilisation of power generation capacity of both photovoltaic power stations.

Cloud-related business

The Group acquired 15 cloud data centers on 30 June 2016. The revenue generated from this segment decreased by approximately HK\$30.2 million or approximately 87.5% from approximately HK\$34.5 million for the year ended 31 December 2016 to approximately HK\$4.3 million for the Year. The decrease in revenue was mainly due to the decrease in the number of cloud-related business projects. The revenue generated in operating the cloud platforms by Jiangsu Guang He Hui Yun Technology Company Limited (as appointed by Bloom Shine Investments Limited (“**Bloom Shine**”)) for the Year amounted to approximately RMB5.0 million while the operation revenue of cloud platforms before tax and surcharges contributed to the Group was nil, which failed to meet the 2017 Revenue Guarantee (as defined below). For details of non-fulfilment of 2017 Revenue Guarantee, please refer to Note 31(b) in this annual report.

GROSS PROFIT

Our gross profit decreased by approximately HK\$17.5 million, or approximately 10.1%, from approximately HK\$173.6 million for the year ended 31 December 2016 to approximately HK\$156.1 million for the Year. Our gross profit margin decreased from approximately 36.3% for the year ended 31 December 2016 to approximately 12.5% for the Year. The decrease in gross profit margin was mainly due to the giant costs incurred by (i) property construction and (ii) the increase in the price of raw materials for manufacturing films such as polypropylene material.

物業發展及相關服務

於本年度，本集團物業發展及相關服務產生的收入主要來自物業銷售及提供物業管理服務。於本年度，徐州綠洲物業管理有限公司提供之物業管理服務為本集團貢獻收益約2.8百萬港元。徐州新優勢房地產開發有限公司開發之物業已竣工並交付，為本集團貢獻約809.6百萬港元。

光伏發電

於本年度，本集團擁有兩座運營中的光伏電站，總併網發電容量30兆瓦（「兆瓦」）。該部門產生的收入由截至2016年12月31日年度約31.9百萬港元增加約42.6%至本年度約45.5百萬港元，此乃主要由於充分動用兩座光伏電站的發電容量。

雲業務

本集團於2016年6月30日已收購15個雲數據中心。該分部產生的收入由截至2016年12月31日止年度約34.5百萬港元減少約30.2百萬港元或約87.5%至本年度約4.3百萬港元。收入減少乃主要由於雲業務項目減少所致。於本年度，江蘇廣和慧雲科技股份有限公司（由Bloom Shine Investments Limited（「**Bloom Shine**」）指定的）營運的雲平台業務產生收入約為人民幣5百萬元，而歸於本集團的除稅及附加費前雲平台營運收入為零，未能達致2017年收入保證（定義見下文）。有關未達致2017年收入保證的詳情，請參閱本年報附註31(b)。

毛利

我們的毛利由截至2016年12月31日止年度約173.6百萬港元減少約17.5百萬港元或約10.1%至本年度約156.1百萬港元。我們的毛利率則由截至2016年12月31日止年度約36.3%下降至本年度約12.5%。毛利率下降主要由於成本巨大，此乃由於(i)物業建造的成本及(ii)生產薄膜的原材料（如聚丙烯材料）價格上漲所致。



Management Discussion and Analysis 管理層討論及分析

DISTRIBUTION COST

Our selling and distribution expenses decreased by approximately HK\$16.2 million, or approximately 43.5%, from approximately HK\$37.2 million for the year ended 31 December 2016 to approximately HK\$21.0 million for the Year. The decrease was due to the reduction in advertising and selling expenses for the pre-sales of our properties located in Xuzhou since March 2016.

ADMINISTRATIVE COST

Our administrative expenses increased by approximately HK\$0.7 million, or approximately 0.7%, from approximately HK\$95.3 million for the year ended 31 December 2016 to approximately HK\$96.0 million for the Year.

IMPAIRMENT LOSS

During the Year, the Group recorded an impairment loss of approximately HK\$217.5 million in the cloud-related business sector. The impairment loss was comprised of the decrease in value on goodwill of approximately HK\$49.6 million, property, plant and equipment of approximately HK\$5.1 million and intangible assets of approximately HK\$162.8 million.

FINANCE COST

The finance cost decreased by approximately HK\$0.1 million from approximately HK\$8.6 million for the year ended 31 December 2016 to approximately HK\$8.5 million for the Year.

INCOME TAX

Our income tax decreased from approximately HK\$11.9 million for the year ended 31 December 2016 to a negative amount of approximately HK\$16.1 million for the Year. It was due to the impairment loss on the cloud-related business.

LOSS ATTRIBUTED TO THE SHAREHOLDERS OF THE COMPANY

As a result of the foregoing factors, the Group recorded a loss attributable to equity shareholders of the Company of approximately HK\$165.2 million for the Year as compared to a profit attributable to equity shareholders of the Company of approximately HK\$36.1 million. This was mainly due to the increase in impairment loss.

分銷成本

我們的銷售及分銷開支由截至2016年12月31日止年度約37.2百萬港元減少約16.2百萬港元或約43.5%至本年度約21.0百萬港元。該減少主要由於自2016年3月起位於徐州的物業預售所產生的廣告及銷售開支減少所致。

行政費用

我們的行政費用由截至2016年12月31日止年度約95.3百萬港元增加約0.7百萬港元或約0.7%至本年度約96.0百萬港元。

減值虧損

本年度，本集團在雲業務分部錄得減值虧損約217.5百萬港元。此減值虧損包括商譽、物業、廠房與設備及無形資產的價值分別減少約49.6百萬港元、約5.1百萬港元及約162.8百萬港元。

財務成本

本集團的財務成本由截至2016年12月31日止年度約8.6百萬港元減少0.1百萬港元至本年度約8.5百萬港元。

所得稅

我們的所得稅由截至2016年12月31日止年度約11.9百萬港元減少至本年度負值約16.1百萬港元。此乃由於雲業務之減值虧損所致。

本公司股東應佔虧損

由於上述因素，本集團於本年度錄得本公司權益股東應佔虧損約165.2百萬港元，相比於本集團於截至2016年12月31日止年度錄得本公司權益股東應佔溢利約36.1百萬港元。此乃主要由於減值虧損增加所致。



Management Discussion and Analysis 管理層討論及分析

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2017, the cash and cash equivalent of the Group amounted to approximately HK\$274.3 million (which were denominated in HK\$, RMB and US\$) as compared with approximately HK\$171.0 million as at 31 December 2016, representing an increase of approximately HK\$103.3 million. Such increase was mainly due to the Group's net cash inflow of operating activities, net cash outflow of both investment activities and financing activities that amounted to approximately HK\$123.7 million, approximately HK\$22.9 million and approximately HK\$29.4 million respectively.

BORROWING AND GEARING RATIO

Total interest-bearing borrowings of the Group as at 31 December 2017 was approximately HK\$178.6 million (31 December 2016: approximately HK\$187.0 million) which were denominated in HK\$, RMB and US\$, of which approximately HK\$178.6 million were current interest-bearing borrowings (31 December 2016: HK\$186.5 million) and nil was non-current interest-bearing borrowings (31 December 2016: HK\$0.5 million). The Group's gearing ratio, measured by net debt divided by shareholders' equity at the end of the Year and multiplied by 100%, decreased from 28% on 31 December 2016 to -11% on 31 December 2017. The decrease in the gearing was primarily due to conversion of convertible bond and increase in bank balance.

EXPOSURE TO FLUCTUATION IN EXCHANGE RATE

For the Year, the Group was exposed to currency risk primarily through sales and purchases made by the subsidiaries located in the People's Republic of China (the "PRC") which gave rise to receivables, payables, cash balances and bank loans that were denominated in US\$. Currently, the Group has no hedging policy with respect to the foreign exchange exposure.

As the functional currency for all subsidiaries in the PRC are RMB, these subsidiaries were not exposed to any currency risks due to the exchange rate movement of RMB during the Year. For subsidiaries established outside the PRC, they had no material financial assets and liabilities denominated in RMB. Accordingly, the Group's exposure to RMB risk is insignificant.

流動資金及財務資源

於2017年12月31日，本集團的現金及現金等值項目約為274.3百萬港元（以港元、人民幣及美元計值），較於2016年12月31日約171.0百萬港元增加約103.3百萬港元。該增加主要由於本集團經營活動產生的現金流入淨額、投資活動及融資活動產生的現金流出淨額分別約123.7百萬港元、約22.9百萬港元及約29.4百萬港元。

借款及資產負債比率

本集團於截至2017年12月31日的計息借款總額約為178.6百萬港元（2016年12月31日：約187.0百萬港元）（以港元、人民幣及美元計值），其中約178.6百萬港元為即期計息借款（2016年12月31日：約186.5百萬港元）及沒有非即期計息借款（2016年12月31日：約0.5百萬港元）。本集團的資產負債比率（以於年末的淨債務除以股東權益再乘以100%計算）由2016年12月31日的28%減少至2017年12月31日的-11%。資產負債比率減少主要由於轉換可換股債券及銀行結餘增加所致。

匯率變動風險

於本年度，本集團主要透過中華人民共和國（「中國」）的附屬公司進行銷售及採購，從而產生以美元計值的應收款項、應付款項、現金結餘及銀行貸款，故面臨外匯風險。本集團目前並無就外匯風險訂立對沖政策。

由於所有中國附屬公司的功能貨幣均為人民幣，故該等附屬公司並不會因年內人民幣匯率變動而面臨任何外匯風險。於中國境外成立的附屬公司並無以人民幣計值的重大金融資產及負債。因此，本集團的人民幣風險並不重大。



Management Discussion and Analysis 管理層討論及分析

CAPITAL EXPENDITURE

During the Year, the Group's total capital expenditure amounted to approximately HK\$25.9 million which was mainly used in relocating one of our factories in Huai An City.

CHARGE ON ASSETS

As at 31 December 2017, the Group has pledged its lease prepayments, machinery and building that held for its own use with a net book value of approximately HK\$143.4 million (31 December 2016: approximately HK\$145.4 million) for the purpose of securing loans with carrying value of approximately HK\$48.0 million (31 December 2016: approximately HK\$16.0 million).

SUBSEQUENT EVENTS

Save as disclosed above, there is no significant event after the Year up to the date of this report.

SIGNIFICANT INVESTMENT, MATERIAL ACQUISITIONS AND DISPOSALS

The Group did not have any significant investment, material acquisitions and disposals of subsidiaries, associates and joint ventures during the Year.

CONTINGENT LIABILITIES

As at 31 December 2017, the Group did not have any significant contingent liabilities.

HUMAN RESOURCES

As at 31 December 2017, the Group employed approximately 352 employees (as compared with 390 employees on 31 December 2016) with total staff cost of approximately HK\$72.7 million. The Group's remuneration packages are generally structured with reference to market terms and individual merits. The Company has also adopted a pre-IPO share option scheme and a share option scheme to provide incentive or reward to high-calibre employees and attract human resources that are valuable to the Group.

資本開支

於本年度，本集團的資本開支總額約為25.9百萬港元，主要用於淮安市工廠搬遷。

資產抵押

於2017年12月31日，本集團已就賬面值約為48.0百萬港元(2016年12月31日：約16.0百萬港元)的貸款抵押其賬面淨值約為143.4百萬港元(2016年12月31日：約145.4百萬港元)的預付租賃款項、機器及持作自用之樓宇。

期後事項

除上文披露者外，於本年度後至本報告日期，概無發生重大事項。

重大投資、重大收購及出售

於本年度，本集團概無任何重大投資、重大收購及出售附屬公司、聯營公司及合營企業。

或然負債

於2017年12月31日，本集團概無任何重大或然負債。

人力資源

於2017年12月31日，本集團僱用約352名僱員(2016年12月31日約390名僱員)，員工總成本約72.7百萬港元。本集團的薪酬待遇一般參考市場條款及個人表現而制訂。本公司亦已採納首次公開發售前購股權計劃及購股權計劃，以鼓勵或獎賞優秀僱員及吸納對本集團具價值的人力資源。



Management Discussion and Analysis 管理層討論及分析

FINAL DIVIDEND

The Board does not recommend payment of any final dividend for the Year (for the year ended 31 December 2016: Nil).

PROSPECTS

At present, the Company has established a close and cooperative relationship with Chinese tobacco companies, and thus has accumulated a large number of advantages in technological innovation, cost control, production and operation efficiency, and supply of raw materials for industrial chain. The Company will actively grasp the opportunities for rapid development such as developing high-tech anti-counterfeiting films and private customized tobacco films. We will also actively participate in the bidding of various films. Through product design conception and production process innovation, the Company will continue to enhance the brand connotation of customers in order to consolidate the status of the industry. Thus, the Company will further integrate the advantages of the industrial chain and seek to increase the proportion of supply within the system as well as implementing supply chain management services in order to reduce costs and increase efficiency. We will continue to expand the Company's tobacco film coverage through advanced design. Due to the increasing instability of property market in the PRC and the escalating cost in properties development, the Group will no longer involve in any new property development projects.

TREASURY POLICY

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

CAPITAL COMMITMENTS

As at 31 December 2017, the Group did not have any capital commitments (31 December 2016: Nil).

末期股息

董事會並不建議派付本年度的任何末期股息(截至2016年12月31日止年度：無)。

前景

目前，本公司與中國煙草商建立密切合作關係，在科技創新、成本控制、營運效率及工業鏈原材料供應方面積累優勢。本公司將積極抓住機會，以迎接高科技防偽薄膜及私人定製煙草薄膜的急速發展。我們亦將積極參與各種薄膜的投標。透過構思產品設計概念及革新生產過程，本公司將繼續提升品牌對顧客的意義，以鞏固行業地位。因此，本公司將進一步整合工業鏈優勢，尋求於系統內增加供應佔比以及提供供應鏈管理服務，以降低成本並提高效率。我們將透過設計優勢擴大本公司煙草薄膜的覆蓋範圍。由於中國房地產市場不穩定性增加及房地產開發成本上升，我們將不再參與新的房地產項目開發。

財政政策

本集團對財資政策一向採取審慎的財務管理方針，故於整個有關期間維持穩健的流動資金狀況。本集團致力通過持續對其客戶進行信貸評估及財務狀況評估降低信貸風險。為管控流動性風險，董事會密切監察本集團的流動資金狀況，以確保本集團資產，負債及其他承擔的流動性結構可不時滿足其資金需求。

資本承擔

於2017年12月31日，本集團並無任何資本承擔(2016年12月31日：無)。



Biographies of Directors and Senior Management

董事及高級管理層履歷



Mr. Guo Yumin
郭玉民先生

Mr. Guo Yumin, aged 56, is the founder and chairman of the Company. Mr. Guo was appointed as an executive Director on 22 June 2012. Mr. Guo is responsible for the overall management and formulation of business strategy of the Group.

Mr. Guo graduated from the distant-learning college of the School of the Central Committee of Communist Party of China in 1988, majoring in economic management. Since 1998, Mr. Guo has been engaging in cigarette packaging business and established a strong business tie with the senior members of some cigarette manufacturers. He brings extensive business and management experience in commercial business to our management team.

In 2005, Mr. Guo established Guangdong Province Jiangsu Chamber of Commerce and he had been the chairperson for six consecutive years. In 2010, Mr. Guo established Shenzhen Xuzhou Chamber of Commerce and has been its legal representative since then.

Mr. Guo is the spouse of Ms. Xia Yu, an executive Director and is the father of Mr. Guo Cheng, an executive Director.

Mr. Guo is the director of Sheen China Group Holdings Inc., Sheen China Group Holdings Limited, Century Leader Asia Limited, Ling Xian Fei Yu Import & Export (Shenzhen) Co., Ltd (“**Ling Xian Fei Yu**”), Sheen China (Hong Kong) Limited (“**Sheen HK**”), Xuzhou New Advantage Real Estate Development Company Limited (“**Xuzhou New Advantage Real Estate**”), Xuzhou Lvzhou Property Management Co. Ltd. and Xuzhou Sheentai New Energy Power Generation Co., Ltd., the subsidiaries of the Group. Mr. Guo is also the sole director and sole shareholder of Sheen Tai Group Holding Limited, the controlling shareholder of the Company.

郭玉民先生，56歲，為本公司的創建人兼主席。郭先生於2012年6月22日獲委任為執行董事。郭先生負責本集團的整體管理及制定業務策略。

郭先生於1988年畢業於中共中央黨校附設函授學院，主修經濟管理學。郭先生由1998年起從事香煙包裝業務，與若干香煙製造商的高級成員建立牢固的業務關係。郭先生為我們的管理團隊帶來豐富的商務營運和管理經驗。

於2005年，郭先生成立廣東省江蘇商會，並連續六年擔任主席。於2010年，郭先生成立深圳市徐州商會，自此擔任其法人代表。

郭先生是執行董事夏煜女士的配偶，並為執行董事郭誠先生的父親。

郭先生為本集團附屬公司順華集團控股有限公司、順華集團控股有限公司、領先亞洲有限公司、領先飛宇進出口(深圳)有限公司(「**領先飛宇**」)、順華(香港)有限公司(「**順華香港**」)、徐州新優勢房地產開發有限公司(「**徐州新優勢房地產**」)、徐州綠州物業管理有限公司及徐州順泰新能源發電有限公司的董事。郭先生亦為順泰集團控股有限公司(本公司控股股東)的唯一董事及唯一股東。



Biographies of Directors and Senior Management 董事及高級管理層履歷



Ms. Xia Yu, aged 47, was appointed as an executive Director on 22 June 2012. She is responsible for general management of the Group.

Ms. Xia studied financial accounting (distant-learning) in Jiangsu Commerce College (which was combined with other colleges to form Yangzhou University) and graduated in June 1992. Ms. Xia has 20 years of experience in the cigarette-related business, as well as business management and financial management in cigarette packaging business.

Ms. Xia is the director of Sheen HK and Qingdao Ener Packaging Technology Co., Ltd (“**Qingdao Ener**”), the subsidiaries of the Group.

Ms. Xia is the spouse of Mr. Guo Yumin, an executive Director and a controlling shareholder of the Company, and the step-mother of Mr. Guo Cheng, an executive Director.

夏煜女士，47歲，於2012年6月22日獲委任為執行董事。她負責本集團的一般管理。

夏女士於江蘇商業專科學校（與其他學院組成揚州大學）就讀金融會計學（遙距課程），於1992年6月畢業。夏女士在香煙相關業務及香煙包裝業務管理和財務管理方面具有20年經驗。

夏女士為本集團附屬公司順華香港及青島英諾包裝科技有限公司（「**青島英諾**」）的董事。

夏女士是執行董事及本公司控股股東郭玉民先生的配偶，並為執行董事郭誠先生的繼母。



Biographies of Directors and Senior Management 董事及高級管理層履歷



Mr. Zeng Xiangyang
曾向陽先生

Mr. Zeng Xiangyang, aged 51, was appointed as an executive Director on 1 January 2013. Mr. Zeng is responsible for the overall management and business of the Group.

Mr. Zeng graduated from Zhejiang University with a Bachelor of Physic degree in 1988 and obtained a Master degree of Materials Science from Zhejiang University in 1991. Mr. Zeng possesses more than 19 years of experience in the cigarette-related industry in the PRC and is familiar with the practice of the tobacco market in the PRC.

Mr. Zeng is the director of Jiangsu Sheen Color Science Technology Co., Ltd (“**Jiangsu Sheen Color**”), a subsidiary of the Group.

曾向陽先生，51歲，於2013年1月1日獲委任為執行董事。曾先生負責本集團業務的整體管理。

曾先生於1988年畢業於浙江大學，獲物理學學士學位，並於1991年獲得浙江大學材料系碩士學位。曾先生在中國香煙相關行業擁有超過19年之經驗，熟悉中國香煙市場之實務。

曾先生為本集團附屬公司江蘇金格潤科技有限公司（「**江蘇金格潤**」）的董事。



Biographies of Directors and Senior Management 董事及高級管理層履歷



Mr. Guo Cheng
郭誠先生

Mr. Guo Cheng, aged 32, was appointed as an executive Director on 20 May 2015. Mr. Guo studied in courses of international trade in RMIT University. Mr. Guo has years of experience in investing and corporate management of the cigarette packaging material industry. Mr. Guo is the son of Mr. Guo Yumin, an executive Director and the step-son of Ms. Xia Yu, an executive Director.

郭誠先生，32歲，於2015年5月20日獲委任為執行董事。郭先生就讀皇家墨爾本理工大學國際貿易課程。他在香煙包裝行業擁有多年投資及企業管理經驗。郭先生是執行董事郭玉民先生的兒子及執行董事夏煜女士的繼子。



Biographies of Directors and Senior Management 董事及高級管理層履歷



Ms. Fan Qing
范晴女士

Ms. Fan Qing, aged 63, was appointed as an independent non-executive Director on 22 June 2012. Ms. Fan has extensive experience in business management and in-depth knowledge in the financial investment in both the PRC and Hong Kong.

Ms. Fan received a master's degree in business administration from the Graduate School of Renmin University of China in 2000. She obtained a certificate issued by the Shenzhen Stock Exchange after completing a training course for the senior management member of a listed company in the PRC. She had been serving as the vice-president of Shenzhen Capital Group Co. Ltd. for nine years. Ms. Fan is currently the chairman of the board of directors of an investment management company in Shenzhen and the independent director of Shenzhen Terca Technology Co., Ltd. (stock code: SZ002213), a company whose shares are listed on the Shenzhen Stock Exchange.

范晴女士，63歲，於2012年6月22日獲委任為獨立非執行董事。范女士擁有豐富的業務管理經驗，並擁有中國及香港兩地金融投資的深入知識。

范女士於2000年獲中國人民大學研究生院頒授工商管理學碩士學位。她在完成中國上市公司高級管理人員的培訓課程後，取得深圳證券交易所頒發的證書。九年來她一直擔任深圳市創新投資集團有限公司的副總裁職務。范女士現時亦為深圳一家投資管理公司的董事會主席及深圳特爾佳科技股份有限公司(股份代號：SZ002213，其股份於深圳證券交易所上市)的獨立董事。



Biographies of Directors and Senior Management 董事及高級管理層履歷



Mr. Fong Wo, Felix
方和先生

Mr. Fong Wo, Felix, BBS, JP, aged 67, was appointed as an independent non-executive Director on 22 June 2012. Mr. Fong was admitted as a barrister and solicitor in Ontario, Canada in 1980, a solicitor in England and Wales in 1986 and in Hong Kong in 1987. He has practiced law for over 30 years and is a member of the law societies of Hong Kong, Upper Canada and England.

Mr. Fong received his engineering degree in Canada in 1974 and his Juris Doctor degree from Osgoode Hall Law School in Toronto in 1978. Mr. Fong is appointed by the Ministry of Justice of China as one of the China-appointed Attesting Officers in Hong Kong. Mr. Fong is a member of the Hong Kong Communications Authority. Mr. Fong is currently the independent non-executive director of the following companies whose shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited, Guangdong Land Holdings Limited (formerly known as Kingway Brewery Holdings Limited) (stock code: 124), Greenland Hong Kong Holdings Limited (formerly known as SPG Land (Holdings) Limited) (stock code: 337), China Investment Development Limited (stock code: 204), Evergreen International Holdings Limited (stock code: 238), Xinming China Holdings Limited (stock code: 2699) and WuXi Biologics (Cayman) Inc. (stock code: 2269). Mr. Fong is also an independent non-executive director of Bank of Shanghai (Hong Kong) Limited. From May 2010 to May 2016, Mr. Fong was an independent non-executive director of China Oilfield Services Limited (stock code: 2883), whose shares are listed on the Stock Exchange and the Shanghai Stock Exchange.

方和先生，銅紫荊星章，太平紳士，67歲，於2012年6月22日獲委任為獨立非執行董事。方先生於1980年在加拿大安大略省獲認可為法律顧問及律師，1986年及1987年分別在英格蘭和威爾士及香港獲認可為律師。他在法律行業執業逾30年，並為香港、上加拿大及英格蘭律師會會員。

方先生於1974年在加拿大獲得其工程學位，並於1978年在多倫多Osgoode Hall Law School獲得其法學博士學位。方先生獲中國司法部委任為香港其中一名中國委託公證人。方先生為香港通訊事務管理局成員。方先生現任以下公司之獨立非執行董事，其股份於香港聯合交易所有限公司主板上市，包括粵海置地控股有限公司(前稱金威啤酒集團有限公司)(股份代號：124)、綠地香港控股有限公司(前稱盛高置地(控股)有限公司)(股份代號：337)、中國投資開發有限公司(股份代號：204)、長興國際(集團)控股有限公司(股份代號：238)、新明中國控股有限公司(股份代號：2699)及藥明生物技術有限公司(股份代號：2269)。方先生現亦為上海銀行(香港)有限公司的獨立非執行董事。於2010年5月至2016年5月為中海油田服務股份有限公司(股份代號：2883)(該公司股份於聯交所及上海證券交易所上市)的獨立非執行董事。



Biographies of Directors and Senior Management 董事及高級管理層履歷



Mr. Lo Wa Kei, Roy
盧華基先生

Mr. Lo Wa Kei, Roy, aged 46, was appointed as an independent non-executive Director on 22 June 2012. Mr. Lo has extensive experience in auditing, accounting and finance.

Mr. Lo received a bachelor's degree of business administration from the University of Hong Kong in 1993 and a master's degree of professional accounting from the Hong Kong Polytechnic University in 2000. He is a certified public accountant, a fellow member of the Hong Kong Institute of Certified Public Accountants, fellow member of CPA Australia and an associate of the Institute of Chartered Accountants in England and Wales. Mr. Lo is a practising accountant in Hong Kong, and has become the managing partner of SHINEWING (HK) CPA Limited since 2014. Mr. Lo is currently the independent non-executive director of Sun Hing Vision Group Holdings Limited (stock code: 125), China Zhongwang Holdings Limited (stock code: 1333), China Oceanwide Holdings Limited (stock code: 715), Xinming China Holdings Limited (stock code: 2699), China Oceanwide International Financial Limited (stock code: 952), Wan Kei Group Holdings Limited (stock code: 1718) and G-Resources Group Limited (stock code: 1051). Mr. Lo is also the member of the Shanghai Pudong New Area Committee of the Chinese People's Political Consultative Conference, the founding executive vice-president and council member of the Hong Kong Independent Non-Executive Director Association and the Divisional Deputy President 2018 – Greater China of CPA Australia.

盧華基先生，46歲，於2012年6月22日獲委任為獨立非執行董事。盧先生於審計、會計及財務方面擁有豐富經驗。

盧先生於1993年獲得香港大學工商管理學士學位及於2000年獲得香港理工大學專業會計碩士學位。彼為註冊會計師、香港會計師公會資深會員、澳洲會計師公會資深會員及英格蘭及威爾士特許會計師協會會員。盧先生為香港的執業會計師，自2014年起成為信永中和(香港)會計師事務所有限公司的管理合夥人。盧先生現任新興光學集團控股有限公司(股份代號：125)、中國忠旺控股有限公司(股份代號：1333)、中泛控股有限公司(股份代號：715)、新明中國控股有限公司(股份代號：2699)、中國泛海國際金融有限公司(股份代號：952)、宏基集團控股有限公司(股份代號：1718)及國際資源集團有限公司(股份代號：1051)的獨立非執行董事。盧先生亦為中國人民政治協商會議上海市浦東新區委員會委員、香港獨立非執行董事協會創會常務副會長及理事和澳洲會計師公會大中華區分會副會長2018。



Biographies of Directors and Senior Management 董事及高級管理層履歷

Senior Management

Mr. Ren Quanhao, aged 53, was appointed as vice president of the Group on 8 June 2017. Mr. Ren graduated from Qingdao Institute of Construction Engineering (now known as Qingdao University of Technology) with a bachelor degree of construction environment and service engineering in July 1986. Mr. Ren has over 30 years work experience in different industries. Prior to joining the Group, he was a director of a packing company in the People's Republic of China. He is currently in charge of packing materials business.

Mr. Dong Zhenghua, aged 62, graduated from a self-taught course in Chinese literature from Nanjing Normal University in 1986, and obtained the qualification certification as an economist in 1993. Mr. Dong passed the uniform examination organized by the Chinese government authorities and obtained the qualifications for enterprise legal adviser in 2003. Mr. Dong possesses extensive experience in advising and handling corporate-related legal matters. Before joining the Group, Mr. Dong graduated from a 2-year course in laws jointly organised by the China University of Political Science and Law and the Open University of China and obtained the qualification of intermediate professional manager as approved by the Jiangsu Province Enterprise Professional Manager Training & Certification Committee. Mr. Dong is currently the in-house legal advisor of the Company and is responsible for advising on legal matters of the Group.

Mr. Huang Bo, aged 51, graduated from a post-secondary part-time course in economic management at Party School of Chinese Communist Party of Shandong Province in 1996. From 2000 to 2003, Mr. Huang was employed to work at the Qingdao municipal government in economic and auditing fields. From 2004 to November 2009, Mr. Huang worked in a packaging company and became the chief accounting officer in 2007. In 2009, Mr. Huang was certified as an accreditation grade senior by International Profession Certification Association. Mr. Huang joined the Group since 2009 and has more than 13 years of experience in financial management in cigarette packaging trading field.

Ms. Tong Xiaomeng, aged 41, graduated from Jilin Railway Economic School in 1996, majoring in financial accounting in transportation field. In 2002, Ms. Tong passed the intermediate level of national examination of department of finance in the PRC and was issued a certificate to certify her qualification level in accountancy. Ms. Tong joined the Group in 2000, possesses extensive years of experience in accounting and financial management.

Mr. Yu Xiaofeng, aged 54, graduated from Zhejiang Institute of Engineering (which is currently known as Zhejiang University of Technology) with a bachelor's degree of science in 1983. Mr. Yu joined the Group in 2002 and is currently the director of Jiangsu Sheen Colour, and also the general manager of Jiangsu Sheen Colour. Mr. Yu has extensive experience in the technology aspect, production and facility management of the printing related business. Mr. Yu was familiar with the technology in connection with the printing of cigarette films and paper boxes.

高級管理層

任全好先生，53歲，於2017年6月8日獲委任為本集團副總裁。任先生於1986年7月畢業於青島建築工程學院（現稱青島理工大學），持有建築環境與設備工程學士學位。任先生有逾30年不同行業的工作經驗。加入本集團前，彼曾為中華人民共和國一間包裝公司的董事。彼現時負責包裝材料業務。

董政華先生，62歲，1986年畢業於南京師範大學中國文學自學課程，並於1993年取得經濟師資格證書。董先生通過中國政府部門組織的統一考試，並於2003年取得企業法律顧問資格。董先生於企業相關法律事務的諮詢與處理擁有豐富經驗。於加入本集團前，董先生畢業於中國政法大學與中央廣播電視大學聯合舉辦的兩年制法律課程，並取得江蘇省企業職業經理人任職資格培訓與認證委員會授予的中級專業經理人資格。董先生現任本公司內部法律顧問，負責本集團法律事務諮詢事宜。

黃波先生，51歲，1996年在中共山東省委黨校完成經濟管理大專兼讀制課程畢業。於2000年至2003年期間，黃先生獲青島市政府委聘，從事經濟及審計工作。自2004年至2009年11月，黃先生任職於一家包裝公司，並於2007年成為會計主管。於2009年，黃先生獲國際認證協會認證為國際註冊高級會計師。黃先生自2009年起加入本集團及在香港煙包裝貿易業務的財務管理方面擁有超過13年經驗。

童曉萌女士，41歲，1996年畢業於吉林鐵路經濟學校，主修運輸業財務會計學。2002年，童女士通過中國財務部全國中級水平考試並獲頒發證書確認其具會計資格水平。童女士在2000年加入本集團，於會計及財務管理方面擁有豐富的經驗。

俞曉峰先生，54歲，1983年畢業於浙江工學院（現稱浙江工業大學），持有工學學士學位。俞先生於2002年加入本集團，現時為江蘇金格潤董事，亦為江蘇金格潤總經理。俞先生於印刷相關業務的技術方面、生產及設備管理擁有豐富經驗。俞先生熟悉香煙薄膜及紙盒包裝印刷所需技術。



Biographies of Directors and Senior Management 董事及高級管理層履歷

Ms. Li Jing, aged 37, passed the higher education self-taught examination for economic management of the China University of Mining and Technology in 2005. In 2009, Ms. Li graduated from the distant-learning college of the School of the Central Committee of Communist Party of China, majoring in economic management. Ms. Li joined the Group in 2002 and is currently the director of Jiangsu Sheen Colour.

Mr. Jiang Chang, aged 46, studied applied chemistry (distant-learning) and graduated from Hubei University in 2000. Mr. Jiang has been engaged in the packaging materials business for more than 10 years and has been in-depth experience in the production facilities and the production management in relation to the manufacturing of BOPP films, in particular, films for cigarette packaging. Mr. Jiang joined the Group in 2010. He is currently the general manager of Qingdao Ener and is responsible for its operation of production process.

Mr. Wang Xuguang, aged 38, graduated from Laiyang Agricultural College in 2004, majoring in accounting. He has a bachelor's degree in management. Mr. Wang joined the Group in November 2011 and is currently the chief financial officer of Qingdao Ener. Mr. Wang has extensive experience in accounting and finance management.

Mr. Wang Zhongmin, aged 47, graduated from Nanjing University in 1994, majoring in economic management. He worked at China Life, where he was engaged in life insurance business. Since 2001, he has been involved in property-related work. Mr. Wang is currently the general manager of Xuzhou New Advantage Real Estate, responsible for work of Xuzhou Property.

Ms. Fan Li, aged 42, graduated from Jiangsu Radio and TV University with a finance diploma in July 1997 and from Nanjing University of Science and Technology in July 2002 with a bachelor's degree, majoring in finance. She has obtained the qualifications of middle-level accountant, tax accountant and certified management accountant of the PRC. Ms. Fan has been engaged in finance work for property companies for years and has extensive experience in finance management and knowledge of taxation. Ms. Fan joined the Group on 1 February 2014 and is currently the chief financial officer of Xuzhou New Advantage Real Estate.

Mr. Zhu Hengjin, aged 31, obtained a certificate of diploma of hairdressing salon management from Headmasters Advanced Academy in 2008. In 2011, Mr. Zhu joined the Group and is currently the human resources manager of the Company.

李晶女士，37歲，於2005年通過中國礦業大學的大專自學考試經濟管理專業。2009年，李女士畢業於中共中央黨校附設函授學院，主修經濟管理。李女士於2002年加入本集團，現時為江蘇金格潤的董事。

江暢先生，46歲，修讀應用化學(遙距課程)，並於2000年畢業於湖北大學。江先生從事包裝材料業務超過10年，就有關製造聚丙烯雙向拉伸薄膜(尤其是香煙包裝薄膜)的生產設施及生產管理擁有豐富經驗。江先生於2010年加入本集團，現擔任青島英諾的總經理，負責生產程序的操作。

王旭光先生，38歲，2004年萊陽農學院，主修會計學專業，持有管理學學士學位。王先生於2011年11月加入本集團，現時為青島英諾財務總監，王先生於會計及財務管理方面擁有豐富的經驗。

王中敏先生，47歲，於1994年畢業於南京大學經濟管理專業。曾就職於中國人壽保險公司，從事壽險業務。於2001年起從事房地產工作。王先生現任為徐州新優勢房地產總經理，負責徐州地產全面工作。

范麗女士，42歲，1997年7月畢業於江蘇廣播電視大學財務專業(大專)。2002年7月畢業於南京理工大學，財務專業(本科)，先後獲得中級會計師、稅務會計師、中國註冊管理會計師資格。由於多年從事房地產公司財務工作，具備豐富的財務管理經驗及稅務專業知識。范女士於2014年2月1日加入本集團，現任徐州新優勢房地產財務總監。

朱恒錦先生，31歲，於2008年取得海得曼斯特培訓學院的美髮沙龍管理文憑證書。2011年，朱先生加入本集團，現時擔任本公司人力資源經理。



Corporate Governance Report 企業管治報告

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. The Directors continuously observe the principles of good corporate governance in the interests of shareholders and devote considerable effort to identifying and formalizing best practice.

The Group's corporate governance practices are based on the principles and the code provisions in the Corporate Governance Code (the "Code") as set out in Appendix 14 to the Listing Rules.

The Board considered that the Company had complied with the code provisions of the Code during the year ended 31 December 2017 except for the deviations from code provisions A.2.1 and A.6.7 of the Code as stated below.

Under code provision A.2.1 of the Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. During the year, there have been no chief executive in the Company, details of the deviation are set out in the section headed "Chairman and Chief Executive Officer".

Under code provision A.6.7 of the Code, independent non-executive directors and other non-executive directors should attend general meetings and develop a balanced understanding of the views of shareholders.

The key corporate governance practices of the Group are summarised as follows:

Appointment, Re-Election and Retirement of the Directors

Pursuant to article 108(a) of the articles of association of the Company (the "Articles"), at each annual general meeting, one-third of the Directors for the time being shall retire from office by rotation.

In accordance with article 112 of the Articles, any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting after his/her appointment and any Director appointed by the Board as an additional Director shall hold office only until the next following annual general meeting of the Company.

董事深明為達致有效問責，在本集團管理架構及內部控制程序上引進良好企業管治元素的重要性。董事一直遵守維護股東利益的良好企業管治準則，致力制訂並落實最佳常規。

本集團的企業管治常規根據上市規則附錄14所載企業管治常規守則(「守則」)的準則及守則條文編製。

董事會認為，截至2017年12月31日止年度，本公司已符合守則的守則條文，惟偏離守則的守則條文第A.2.1及A.6.7條(見下述)除外。

根據守則之守則條文第A.2.1條，主席及行政總裁應分開及不得由同一人士擔任。年內，本公司並無行政總裁，有關偏離詳情乃載於「主席及行政總裁」一節。

根據守則之守則條文第A.6.7條，獨立非執行董事及其他非執行董事應出席股東大會，並對股東意見有公正了解。

本集團主要企業管治常規的概要如下：

董事委任、重選及退任

根據本公司組織章程細則(「章程細則」)第108(a)條，於每次股東週年大會上，當時三分之一董事須輪席退任。

根據章程細則第112條，任何獲董事會委任以填補臨時空缺之董事將任職至其獲委任後之首次股東大會為止，而任何獲董事會委任作為新增董事之董事將僅任職至本公司下屆股東週年大會為止。



Corporate Governance Report 企業管治報告

Pursuant to article 108 of the Articles, Mr. Guo Yumin, Mr. Zeng Xiangyang and Mr. Guo Cheng will retire as Directors at the forthcoming annual general meeting in 2018 (the “AGM”). Mr. Guo Cheng has informed the Board that he would not offer himself for re-election and accordingly will retire as Director upon the conclusion of the AGM. Save for Mr. Guo Cheng, the other two retiring Directors, being eligible, offer themselves for re-election as Directors at the Annual General Meeting.

Each of Mr. Guo Yumin, Ms. Xia Yu and Mr. Zeng Xiangyang, being executive Directors, has entered into a service contract with the Company for a term of three years commencing from 13 July 2015 and may be terminated by either party by giving not less than three months’ prior written notice.

Mr. Guo Cheng, being an executive Director, has entered into a service contract with the Company for a term of three years commencing from 20 May 2015 and may be terminated by either party by giving at least three months’ written notice.

Each of Ms. Fan Qing, Mr. Lo Wa Kei, Roy and Mr. Fong Wo, Felix, all being independent non-executive Directors, has entered into a service contract with the Company for a term of two years commencing from 13 July 2016 and may be terminated by either party by giving at least three months’ written notice.

No Director proposed for re-election at the AGM 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.

Model Code for Directors’ Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the “Model Code”) as the required standard for securities transactions by Directors. The Company has made specific enquiries of all Directors and all Directors confirmed that they have complied with the required standards set out in the Model Code and its code of conduct regarding Director’s securities transactions for the year ended 31 December 2017 and up to the date of this annual report.

根據章程細則第 108 條，郭玉民先生、曾向陽先生及郭誠先生將於 2018 年之應屆股東週年大會（「股東週年大會」）上退任董事。郭誠先生已知會董事會，彼將不會膺選連任，故將於股東週年大會結束時退任董事。除郭誠先生外，其他兩名退任董事合資格並願意於股東週年大會上應選連任董事。

郭玉民先生、夏煜女士及曾向陽先生（均為執行董事）與本公司已訂立服務合約，自 2015 年 7 月 13 日起初步為期三年，任何一方可發出至少三個月事先書面通知予以終止。

郭誠先生（為執行董事）與本公司已訂立為期三年之服務合約，任期自 2015 年 5 月 20 日開始，任何一方可發出至少三個月書面通知予以終止。

范晴女士、盧華基先生及方和先生（均為獨立非執行董事）與本公司已訂立服務合約，自 2016 年 7 月 13 日起為期兩年，任何一方可發出至少三個月事先書面通知予以終止。

於股東週年大會上膺選連任的任何董事，概無與本公司簽訂不得由本公司於一年內終止而毋須支付賠償（法定賠償除外）的服務協議。

董事進行證券交易的標準守則

本公司已採納上市規則附錄 10 所載上市發行人董事進行證券交易的標準守則（「標準守則」），作為董事進行證券交易的所需標準。本公司已向全體董事作出具體查詢，且全體董事已確認，彼等於截至 2017 年 12 月 31 日止年度起至本年報日期止期間一直遵守標準守則及其有關董事證券交易的操守守則所載的所需標準。



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Board of Directors

The Board comprises four executive Directors and three independent non-executive Directors as at the date of this report, details of which are set out below:

Executive Directors:

Mr. Guo Yumin (*Chairman*)
Ms. Xia Yu
Mr. Zeng Xiangyang
Mr. Guo Cheng
Mr. Bau Siu Fung (*resigned on 20 January 2017*)

Independent Non-Executive Directors:

Ms. Fan Qing
Mr. Fong Wo, Felix
Mr. Lo Wa Kei, Roy

The brief biographical details of and relationship among the existing Directors are set out in the section headed “Biographies of Directors and Senior Management” of this annual report.

The composition of the Board is well balanced. Each of the Directors has relevant expertise and extensive corporate and strategic planning experiences that may contribute to the business of the Group. The Company has complied with the requirements under Rules 3.10(1) and (2) and 3.10A of the Listing Rules for the year ended 31 December 2017. All independent non-executive Directors also meet the guidelines for assessment of their independence as set out in Rule 3.13 of the Listing Rules.

Mr. Guo Yumin is the spouse of Ms. Xia Yu. Mr. Guo Cheng is the son of Mr. Guo Yumin, an executive Director and the chairman of the Board, and the step-son of Ms. Xia Yu, an executive Director. Save as disclosed above, there are no other relationship (including financial, business, family or other material/relevant relationship(s)) among members of the Board.

董事會

於本報告日期，董事會由四名執行董事及三名獨立非執行董事組成，詳情列載如下：

執行董事：

郭玉民先生 (*主席*)
夏煜女士
曾向陽先生
郭誠先生
鮑小豐先生 (*於二零一七年一月二十日辭任*)

獨立非執行董事：

范晴女士
方和先生
盧華基先生

現有董事的簡歷詳情及關係載於本年報「董事及高級管理層履歷」一節。

董事會的成員來自各界，得以平衡。每名董事均擁有相關專業知識、資深企業及策劃經驗，可為本集團業務作出貢獻。截至2017年12月31日止年度，本公司已遵守上市規則第3.10(1)及(2)條以及3.10A條規定。全體獨立非執行董事亦遵守上市規則第3.13條所載其獨立性評估指引的規定。

郭玉民先生為夏煜女士的配偶。郭誠先生是執行董事兼董事會主席郭玉民先生的兒子，亦是執行董事夏煜女士的繼子。除上文所披露者外，董事會成員之間並無任何其他關係(包括財務、業務、家族或其他重大／相關關係)。



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Functions of the Board

The Board supervises the management of the business and affairs of the Company. The Board's primary duty is to ensure the viability of the Company and to ensure that it is managed in the best interests of the shareholders as a whole while taking into account the interests of other stakeholders. The Group has adopted internal guidelines in setting forth matters that require the Board's approval. Apart from its statutory responsibilities, the Board approves the Group's strategic plan, key operational initiatives, major investments and funding decisions. It also reviews the Group's financial performance, identifies principal risks of the Group's business and ensures implementation of appropriate systems to manage these risks. Daily business operations and administrative functions of the Group are delegated to the management.

The Board is also delegated with the corporate governance functions under code provision D.3.1 of the Code. The Board has reviewed and discussed the corporate governance policy of the Group and is satisfied with the effectiveness of the corporate governance policy.

Chairman and Chief Executive Officer

Pursuant to code provision A.2.1 of the Code, the roles of the chairman and chief executive officer should be separate and should not be performed by the same individual. Up to the date of this report, there have been no chief executive officer in the Company. Mr. Guo Yumin acted as the Chairman of the Board, and responsible for the overall management and formulation of business strategy of the Group.

The Board does not have the intention to fill the position of the chief executive officer of the Company at present and believes that the absence of the chief executive officer will not have adverse effect to the Company, as decisions of the Company will be made collectively by the executive Directors. The Board will keep reviewing the current structure of the Board and the need of appointment of a suitable candidate to perform the role of chief executive. Appointment will be made to fill the post to comply with code provision A.2.1 of the Code if necessary.

董事會的功能

董事會監督本公司業務及事務的管理。董事會的主要職務是確保本公司的持續運作，並確保其管理方式既符合整體股東最佳利益，又顧及其他持有本公司股份者的利益。本集團已採納內部指引，訂定須經董事會批准的事宜。除法定責任外，董事會審批本集團的策略計劃、主要營運項目、大型投資及撥資決定。董事會亦檢視本集團的財務表現、識別本集團業務的主要風險，並確保推行合適的機制管理風險。管理層獲授權處理本集團日常業務運作及行政職能。

董事會亦根據守則內的守則條文第D.3.1條獲授權企業管治的職能。董事會已審閱及討論本集團的企業管治政策，並對企業管治政策的有效性感到滿意。

主席及行政總裁

根據守則的守則條文第A.2.1條，主席及行政總裁應分開及不得由同一人士擔任。截至本報告日期，本公司並無行政總裁。郭玉民先生擔任董事會主席，負責本集團的整體管理及制定業務策略。

董事會現時不擬填補本公司行政總裁一職，並認為行政總裁職位懸空不會對本公司構成不利影響，此乃由於本公司決策程序皆由執行董事共同參與。董事會將持續檢討其現行架構及委任適當人選履行行政總裁職務之需要。如有必要，本公司將根據守則的守則條文第A.2.1條作出委任，以填補該職位。

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Board Meetings and Procedures

Board members were provided with complete, adequate and timely information to allow them to fulfill their duties properly. In compliance with code provision A.1.3 of the Code, at least 14 days' notice has been given for a regular Board meeting to give all Directors an opportunity to attend. Notice, agenda and board papers of regular Board meetings are sent to all Directors within reasonable time and at least 3 days prior to the meetings. Directors are free to contribute and share their views at meetings and major decisions will only be taken after deliberation at Board meetings. Directors who are considered having conflict of interests or material interests in the proposed transactions or issues to be discussed will not be counted in the quorum of meeting and will abstain from voting on the relevant resolutions. Full minutes are prepared after the meetings and the draft minutes are sent to all Directors for their comments, the final version of which are endorsed in the subsequent Board meeting.

All independent non-executive Directors have been appointed for a fixed term. Every Director is subject to re-election on retirement by rotation in accordance with the Articles.

Details of the attendance of the Board meetings, Audit Committee meetings, Remuneration Committee meetings, Nomination Committee meetings and general meetings of the Company held during the year ended 31 December 2017 are summarized as follows:

董事會會議及程序

董事會成員獲提供完整、充足及適時的資料，讓彼等能妥善履行其職務。根據守則內的守則條文第A.1.3條，定期董事會會議須給予全體董事最少14天通知，讓彼等有機會出席會議。定期董事會會議通告、議程及開會文件須於合理時間內及會議前最少三天給予全體董事。董事可於會議上自由發表及分享其意見，而重大決定僅於董事會會議上審議後方可作出。於建議交易或討論事宜中存在利益衝突或重大利益的董事不得計入會議法定人數內，並須於相關決議案投棄權票。會議後須撰寫完整會議紀錄，初稿須交全體董事給予意見，定稿須於下一次董事會會議通過。

全體獨立非執行董事以固定任期獲委任。根據本公司的章程細則，每名董事須輪值退任並可獲重選連任。

截至2017年12月31日止年度舉行的本公司董事會會議、審核委員會會議、薪酬委員會會議、提名委員會會議及股東大會出席詳情概列如下：

	Board meeting 董事會會議	Audit committee meeting 審核委員會會議	Remuneration Committee meeting 薪酬委員會會議	Nomination Committee meeting 提名委員會會議	General meeting 股東大會
Executive Directors 執行董事					
Mr. Guo Yumin (Chairman) 郭玉民先生(主席)	14/14	N/A 不適用	1/1	1/1	0/1
Ms. Xia Yu 夏煜女士	13/14	N/A 不適用	N/A 不適用	N/A 不適用	0/1
Mr. Zeng Xiangyang 曾向陽先生	14/14	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Mr. Guo Cheng 郭誠先生	13/14	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Independent Non-executive Directors 獨立非執行董事					
Ms. Fan Qing 范晴女士	13/14	5/5	1/1	1/1	0/1
Mr. Fong Wo, Felix 方和先生	13/14	5/5	N/A 不適用	N/A 不適用	1/1
Mr. Lo Wa Kei, Roy 盧華基先生	13/14	5/5	1/1	1/1	1/1

Mr. Guo Yumin, Ms. Xia Yu and Ms. Fan Qing did not attend the general meeting as they had other commitments on the date of general meeting.

郭玉民先生、夏煜女士及范晴女士並無出席股東大會，因彼等在股東大會當日有其他事務。



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Board Committees

The Board has established specific committees, namely the audit committee (the “**Audit Committee**”), remuneration committee (the “**Remuneration Committee**”) and nomination committee (the “**Nomination Committee**”), with written terms of reference which are available for viewing on the website of the Company to assist them in the efficient implementation of their functions. Specific responsibilities have been delegated to the above committees.

Audit Committee

The Company established the Audit Committee on 22 June 2012 with written terms of reference which are in compliance with the code provisions of the Code. The Audit Committee currently has three members comprising Mr. Lo Wa Kei, Roy (being the Chairman of the Audit Committee), Ms. Fan Qing and Mr. Fong Wo, Felix, all being independent non-executive Directors.

During the year ended 31 December 2017, the Audit Committee had reviewed the final results of the Group for 2016 and the 2017 interim results and report of the Company. The Audit Committee had reviewed the Group’s risk management and internal control systems and the effectiveness of the internal audit function for the year ended 31 December 2017. The Group’s final results for the year ended 31 December 2017 had been reviewed by the Audit Committee before submission to the Board for approval. The Audit Committee had also reviewed this annual report, and confirmed that this annual report complies with the Listing Rules.

The Audit Committee held 5 meetings during the year ended 31 December 2017. Details of the attendance of the Audit Committee at the Audit Committee meetings are set out above.

Remuneration Committee

The Company established the Remuneration Committee on 22 June 2012 with written terms of reference which are in compliance with the code provisions of the Code. The primary duties of the Remuneration Committee include mainly: (i) reviewing the terms of the remuneration package of each Director and member of senior management, and making recommendations to the Board regarding any adjustment thereof; and (ii) reviewing and evaluating the performance of individual executive Directors for determining the amount of bonus (if any) payable to them. No Director shall participate in any discussion about his or her own remuneration. The Remuneration Committee currently consists of three members, namely, Ms. Fan Qing (Chairperson), Mr. Lo Wa Kei, Roy, both

董事委員會

董事會已成立特定委員會，分別為審核委員會（「**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**」），有關委員會的書面職權範圍於本公司網站可供閱覽，以助有效推行其工作。上述委員會獲授權負上特定責任。

審核委員會

本公司於2012年6月22日根據守則的守則條文規定成立審核委員會，並書面訂定其職權範圍。審核委員會現有兩名成員，分別是盧華基先生（審核委員會主席）、范晴女士及方和先生，全體均為獨立非執行董事。

於截至2017年12月31日止年度內，審核委員會已審閱本集團於2016年的末期業績、本公司的2017年中期業績及報告。審核委員會已檢討本集團於截至2017年12月31日止年的風險管理及內部控制系統以及內部審核功能的有效性。本集團於截至2017年12月31日止年度的末期業績於呈交董事會審批前已經由審核委員會審閱。審核委員會亦已審閱本年報，並確認本年報符合上市規則的規定。

截至2017年12月31日止年度，審核委員會舉行了5次會議。審核委員會於審核委員會會議的出席詳情已於上文列載。

薪酬委員會

本公司於2012年6月22日根據守則的守則條文成立薪酬委員會，並書面訂定其職權範圍。薪酬委員會的主要職責包括：(i) 審閱各董事及高級管理人員的薪酬組合的條款，並就任何調整向董事會作出推薦建議；及(ii) 審閱及評估個別執行董事的表現，以釐定應付予彼等的花紅金額（如有）。董事概不得參與有關其本身薪酬的任何討論。薪酬委員會現有兩名成員，分別是范晴女士（主席暨獨立非執行董事）、盧華基先生（獨



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of which are independent non-executive Directors, and Mr. Guo Yumin, an executive Director. The majority of members of the Remuneration Committee are independent non-executive Directors. The remuneration of the Directors was determined with reference to their respective experience, responsibilities within the Group and general market conditions. The Company has adopted the Code to make recommendations to the Board on remuneration packages of individual executive Directors and the members of senior management.

The Remuneration Committee held 1 meeting during the year ended 31 December 2017. Details of the attendance of the Remuneration Committee meetings are set out above.

At the meetings, the Remuneration Committee had reviewed the remuneration policies of the Directors and the senior executives and reviewed the remuneration packages and performance of the Directors for the year ended 31 December 2017.

Nomination Committee

The Company established the Nomination Committee on 22 June 2012 with written terms of reference which are in compliance with code provisions of the Code. The primary duties of the Nomination Committee include mainly: (i) reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board on a regular basis and making recommendations to the Board regarding any proposed change; (ii) identifying individuals suitably qualified to become Board members and making recommendations to the Board on the selection of individuals nominated for directorships; and (iii) assessing the independence of independent non-executive Directors. The Nomination Committee consists of three members, namely, Mr. Guo Yumin (Chairman), an executive Director, Ms. Fan Qing and Mr. Lo Wa Kei, Roy, both of which are independent non-executive Directors. The majority of members of the Nomination Committee are independent non-executive Directors.

The Nomination Committee held 1 meeting during the year ended 31 December 2017. Details of the attendance of the Nomination Committee meeting are set out above.

At the meeting, the Nomination Committee had reviewed the structure, size and composition of the Board, assessed the independence of the independent non-executive Directors, reviewed the qualifications of the Directors, the progress on the implementation of the board diversity policy and other related matters of the Company.

立非執行董事)及郭玉民先生(執行董事), 薪酬委員會大多數成員為獨立非執行董事。董事薪酬乃參考其各自經驗、於本集團的責任及整體市況而釐定。本公司已採納守則, 以就個別執行董事及高級管理層人員的薪酬待遇向董事會作出推薦意見。

截至2017年12月31日止年度, 薪酬委員會舉行了1次會議。薪酬委員會會議的出席詳情已於上文列載。

會上, 薪酬委員會已檢討董事及高級行政人員的薪酬政策, 以及檢討董事截至2017年12月31日止年度的薪酬待遇及表現。

提名委員會

本公司於2012年6月22日根據守則的守則條文成立提名委員會, 並書面訂定其職權範圍。提名委員會的主要職責包括: (i) 定期審閱董事會的架構、規模及組成(包括技能、知識及經驗), 並就有關任何建議更改向董事會提供推薦建議; (ii) 物識合適的個別人士加入董事會及建議董事會挑選有關提名候任董事的個人; 及(iii) 評估獨立非執行董事的獨立性。提名委員會現有三名成員, 分別是郭玉民先生(主席)(執行董事)、范晴女士(獨立非執行董事)及盧華基先生(獨立非執行董事), 提名委員會大多數成員為獨立非執行董事。

截至2017年12月31日止年度, 提名委員會舉行了1次會議。提名委員會會議的出席詳情已於上文列載。

會上, 提名委員會已檢討董事會的架構、規模及組成, 評估獨立非執行董事的獨立性, 審閱董事的資格、實行董事會多元化政策的程序及本公司其他相關事宜。



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Diversity of the Board

The Group has adopted policy in relation to the diversity of the members of the Board and the summary of the policy is as follows:

- (1) selection of Board members will be based on a range of diversity perspectives, which would include but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service; and
- (2) the Nomination Committee will monitor the implementation of the diversity policy from time to time to ensure the effectiveness of the diversity policy.

Independent Non-Executive Directors

The Company has received from each of the independent non-executive Directors an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all of the independent non-executive Directors are independent of the Company as at the date of this report.

Professional Development of the Directors

In compliance with code provision A.6.5 of the Code, all Directors during the year ended 31 December 2017, namely, Mr. Guo Yumin, Mr. Zeng Xiang Yang, Ms. Xia Yu, Mr. Guo Cheng, Ms. Fan Qing, Mr. Fong Wo, Felix and Mr. Lo Wa Kei, Roy, had participated in continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant. The Directors had provided the relevant record to the Company.

The Company is committed to arranging and funding suitable training to all Directors for their continuous professional development. Each Director is briefed and updated from time to time to ensure that he is fully aware of his responsibilities under the Listing Rules and applicable legal and regulatory requirements and the governance policies of the Group. All the Directors also understand the importance of continuous professional development and are committed to participating in any suitable training to develop and refresh their knowledge and skills.

董事會多元化

本集團已採納有關董事會成員多元化的政策，該政策概要如下：

- (1) 董事會成員選舉將基於一系列多元化標準，包括但不限於性別、年齡、文化及教育背景、專業經驗、技能、知識以及服務年期；及
- (2) 提名委員會將不時監察多元化政策的實施情況，以確保多元化政策發揮效用。

獨立非執行董事

本公司已收到各獨立非執行董事根據上市規則第3.13條發出有關其獨立性的年度確認書。於本報告日期，本公司認為全體獨立非執行董事均為獨立於本公司的人士。

董事的專業發展

為符合守則之守則條文第A.6.5條，全體董事（即郭玉民先生、曾向陽先生、夏煜女士、郭誠先生、范晴女士、方和先生及盧華基先生）於截至2017年12月31日止年度均已參加了持續專業培訓發展和更新彼等之知識及技能，以確保彼等繼續在全面知情及切合所需的情況下對董事會作出貢獻。各董事已向本公司提供相關記錄。

本公司致力就全體董事的持續專業發展安排合適的培訓並提供有關經費。各董事不時獲簡要提示及最新資料，確保其完全知悉其根據上市規則、適用法例及監管規定與本公司管治政策須承擔之各項責任。全體董事亦知悉持續專業發展的重要性，並致力參與任何適合的培訓以發展並更新彼等的知識及技能。



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Senior Management's Remuneration

The senior management's remuneration payment of the Group in the year ended 31 December 2017 falls within the following band:

高級管理層薪酬

本集團於截至2017年12月31日止年度之高級管理層薪酬金額介於以下範圍：

Number of
individuals
人數

RMB1,000,000 or below

人民幣 1,000,000 元或以下

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Directors' Responsibility for the Financial Statements

The Directors are responsible for the preparation of the financial statements which give a true and fair view of the state of affairs of the Group, in accordance with accounting principles generally accepted in Hong Kong. The statement by the auditors of the Company about their responsibilities for the financial statements is set out in the report of the independent auditor's report contained in this annual report. There are no material uncertainties relating to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

董事對財務報表的責任

董事有責任根據香港公認會計原則編製財務報表，提供對本集團狀況的真正及公平意見。本公司核數師對財務報表的責任陳述，載於本年報獨立核數師報告內。並無事件或情況的重大不明朗因素對本公司持續經營的能力造成重大疑問。

External Auditor's Remuneration

The Company engaged RSM Hong Kong as its external auditor for the year ended 31 December 2017. There was no disagreement between the Board and the Audit Committee on the selection, appointment, resignation or dismissal of the external auditors. During the year ended 31 December 2017, the fee payable to RSM Hong Kong in respect of its statutory audit services provided to the Company was HK\$1,400,000. Fees for non-audit services for the same period was HK\$Nil.

外聘核數師薪酬

本公司委聘中瑞岳華(香港)會計師事務所為截至2017年12月31日止年度的外聘核數師。董事會及審核委員會在挑選、委聘、辭退或罷免外聘核數師並無異議。於截至2017年12月31日止年度，就中瑞岳華(香港)會計師事務所向本公司提供的法定核數服務所支付的費用為1,400,000港元。而於同期的非核數服務費用則為零港元。



Corporate Governance Report 企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL

The Board and the senior management are responsible for improving and monitoring the risk management and internal control of the Group. In this regard, the Audit Committee has performed a regular review of the risk management and internal control system of the Group within the Reporting Period in which the results were summarized and reported to the Board. The Board has also conducted a review of the effectiveness of the risk management and internal control system of the Group. The Group also sets up an internal audit team comprise management of subsidiaries, which plays a major role in monitoring the corporate governance of the Group and providing objective assurance to the Board that a sound internal control system is maintained and operated by the management.

Main Features of the Risk Management and Internal Control Systems

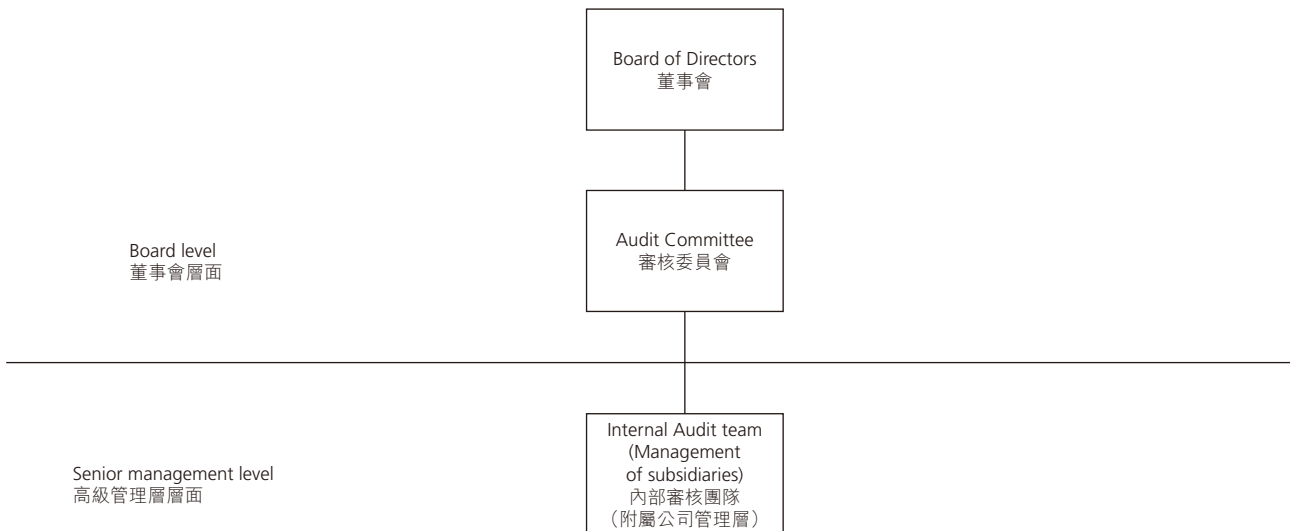
The risk management framework of the Group and main responsibilities of the members in the framework are described as follows:

風險管理及內部監控

董事會及高級管理層負責完善及監督本集團的風險管理及內部監控。就此而言，審核委員會已定期檢討本集團於報告期的風險管理及內部監控系統，其結果已作出概述並呈報予董事會。董事會亦已檢討本集團的風險管理及內部監控系統的有效性。本集團亦設有由附屬公司的管理層組成的內部審核團隊，其在監控本集團企業管治及向董事會客觀保證管理層具備及運作完善的內部監控系統方面擔當重要角色。

風險管理及內部監控系統的主要特徵

本集團的風險管理框架及框架中成員的主要責任描述如下：





Corporate Governance Report 企業管治報告

Member	Main Responsibilities	成員	主要責任
The Board	<ul style="list-style-type: none"> Set up goals for risk management strategy, assess and determine the nature and extent of risk acceptable to achieve the strategy goals; Establish and maintain a proper and effective risk management and internal control systems; and Review the effectiveness of the risk management and internal control systems annually. 	董事會	<ul style="list-style-type: none"> 設立風險管理策略目標、評估及確定達成策略目標可承受的風險性質及程度； 建立並維持適當及有效的風險管理及內部監控系統；及 每年檢討風險管理及內部監控系統的成效。
Audit Committee	<ul style="list-style-type: none"> Assist the Board in overseeing the risk level and the design and performance of the risk management and internal control systems; Discuss the risk management and internal control systems with the management, ensure the management has fulfilled its responsibility of establishing effective systems; Ensure that the internal audit function has sufficient resources for operation and has a proper position, review and supervise its performance; Keep updated of various major risks confronted by the Group and the risk management status, make decisions for effective risk control; Report the risk status of the Group and issues to be concerned or improved to the Board on a regular basis; Facilitate risk management and assessment, regularly appoint relevant accountable persons to implement risk assessment; Organise and promote the establishment of the risk management system at the group level; Review material risk assessment report and various risk management reports; Review major risk management measures, rectify and deal with the decisions made or actions adopted by relevant organisation or individuals beyond the risk management system; Engage relevant persons to organise and coordinate various departments and projects to carry out identification and assessment of significant risks at the group level, summarise and analyse such information, submit risk assessment and various risk management reports; and Carry out risk management for other major issues. 	審核委員會	<ul style="list-style-type: none"> 協助董事會監督風險水平以及風險管理及內部監控系統的設計及表現； 與管理層討論風險管理及內部監控系統、確保管理層履行其建立有效系統的責任； 確保內部審核職能有充足營運資源及適當職位、審閱及監督其表現。 更新本集團面對的各類主要風險及風險管理狀況、作出有效風險控制決策； 定期向董事會匯報本集團風險狀況及有待關注或改善的問題； 協助風險管理及評估、定期委任相關負責人執行風險評估； 組織及促進成立集團層面的風險管理系統； 審閱重大風險評估報告及不同的風險管理報告； 檢討主要的風險管理措施，糾正及處理相關組織或個別人士作出的超出風險管理系統的決定或採納的行動； 委聘相關人士組織及協調多個部門及項目以進行集團層面重大風險的識別及評估、概括及分析有關資料、呈交風險評估及多份風險管理報告；及 就其他主要問題進行風險管理。



Corporate Governance Report 企業管治報告

Member	Main Responsibilities	成員	主要責任
Internal audit team	<ul style="list-style-type: none"> Ensure that the subsidiaries carry out the risk assessment in compliance with the risk assessment manual formulated by the Group; Review and approve the risk assessment results of the subsidiaries in respect of the business; Ensure that the subsidiaries implement effective risk management; Monitor the principal business risks confronted by the subsidiaries and the effectiveness of relevant risk management measures; and Allocate resources such as fund and workforce to the subsidiaries for implementation of the risk assessment projects. 	內部審核團隊	<ul style="list-style-type: none"> 確保附屬公司根據本集團所制定的風險評估手冊進行風險評估； 審批附屬公司對業務的風險評估結果； 確保附屬公司實施有效的風險管理； 監控附屬公司面對的主要業務風險以及相關風險管理措施的效果；及 向附屬公司分配資金及勞動力等資源以落實風險管理項目。

The Process Used to Identify, Assess and Management of Principal Risks

The risk management process of the Group is described as follows:

Risk identification	– identify the current risks confronted.
Risk analysis	– conduct analysis on the risk including the impact extent and possibility of occurrence.
Risk response	– choose a proper risk response method and develop a risk mitigation strategy.
Control measures	– propose up-to-date internal control measures and policy and process.
Risk control	– continuously monitor the risks identified and implement relevant internal control measures to ensure the effective operation of the risk response strategy.
Risk management report	– summarise results of risk assessment and analysis and internal audit, formulate and report an action plan.

識別、評估及管理主要風險所用流程

本集團的風險管理流程闡述如下：

風險識別	– 識別目前所面對風險。
風險分析	– 進行風險分析，包括影響程度及發生的可能性。
風險應對	– 選擇適當的風險應對方法及制定風險緩減策略。
控制措施	– 提議最新內部監控措施及政策與流程。
風險控制	– 不斷監控所識別風險及實施有關內部監控措施，以確保風險應對策略的有效運作。
風險管理報告	– 概括風險評估、分析及內部審核結果、制定及報告行動計劃。



Corporate Governance Report 企業管治報告

The process used to review the effectiveness of the risk management and internal control systems and to resolve material internal control defects:

The Group establishes a risk management information and communication channel that is functional within the whole basic risk control procedure, connects different levels in the reporting system and different departments and operation units, so as to ensure timely, accurate and complete communication of information, laying a solid foundation for the monitoring and improvement of risk management.

Different departments and business units of the Group regularly inspect and examine their own risk management process in order to locate the shortcomings and remedy the situation if possible. Their inspection and examination reports are delivered to the Group's risk management department in time.

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

Company Secretary

Ms. Pang Yuk Fong ("Ms. Pang") was appointed as the Company Secretary on 1 October 2017. Ms. Pang has adequate knowledge on the Company to discharge her duty as the Company Secretary. Ms. Pang confirmed that she has taken no less than 15 hours of relevant professional training during the Year.

檢討風險管理與內部監控系統有效性及解決重大內部監控缺陷所用流程：

本集團現建立風險管理信息及通訊渠道。該渠道在整個基本風險控制程序中發揮作用、銜接報告系統各不同層面以及不同部門及營運單位，以確保及時、準確及完整的信息通訊，為風險管理的監控及改進奠定牢固基礎。

本集團不同部門與業務單位定期查看及檢查彼等的內部風險管理流程，以發現不足之處及在可能情況下挽救局勢。彼等的查看及檢查報告將及時交付予本集團的風險管理部門。

董事會進一步認為，於截至2017年12月31日止年度內，(i)本集團於財務、營運及合規監控以及風險管理職能等方面概無出現任何有關本集團風險管理及內部監控的重大事宜；及(ii)本集團具合適及充足資歷及經驗的員工人數以及會計、內部審核及財務報告職能部門的資源均屬充裕，且已獲提供足夠的培訓課程。

公司秘書

彭玉芳女士（「彭女士」）二零一七年十月一日委任為公司秘書。彭女士於本公司擁有足夠知識履行公司秘書職能。彭女士確認，於本年度內，彼已接受不少於15小時的相關專業培訓。



Corporate Governance Report 企業管治報告

The Shareholders' Rights to Convene an Extraordinary Meeting

Pursuant to article 64 of the Articles, extraordinary general meetings shall be convened on the requisition of one or more Shareholders holding, at the date of deposit of the requisition, not less than one-tenth of the paid up capital of the Company having the right of voting at general meetings. Such requisition shall be made in writing to the Board or the company secretary of the Company for the purpose of requiring an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within 2 months after the deposit of such requisition. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner.

Communications with Shareholders and Investors

In order to keep Shareholders well informed of the business activities and direction of the Group, information about the Group has been provided to the Shareholders through financial reports and announcements. The Company has established its own corporate website www.sheentai.com as a channel to facilitate effective communication with its Shareholders and the public. The Company will continue to enhance communications and relationships with its shareholders and investors. A shareholders communication policy was adopted on 22 June 2012 to comply with code provision E.1.4 of the Code.

Shareholders, investors and interested parties can make enquiries directly to the Company through the following e-mail: investorrelation@sheentai.com.

Procedures for Directing Shareholders' Enquiries to the Board

Shareholders may at any time send their enquiries and concerns to the Board in writing. Contact details are as follows:

HK Address: Room 1903, 19/F Jubilee Centre, 18 Fenwick Street,
Wan Chai, Hong Kong
Tel: (852) 3998 4118/3998 4128
Fax: (852) 3998 4100
E-mail: investorrelations@sheentai.com

Shareholders' enquiries and concerns will be forwarded to the Board and/or relevant Board Committees of the Company, where appropriate, to answer the Shareholders' questions.

股東召開股東特別大會的權力

根據章程細則第64條，股東特別大會須於一名或多名於要求寄存當日持有不少於本公司有權於股東大會上投票之實繳股本十分之一的股東要求時召開。該項要求須以書面向董事會或本公司公司秘書提呈，以供董事會就該要求下任何指定業務交易要求召開股東特別大會。該大會須於該項要求寄存後兩個月內舉行。倘董事會於寄存該項要求後21日內未能召開該大會，提出要求者本人(彼等)可以相同方式召開大會。

與股東及投資者的溝通

為了讓股東妥善地獲悉本集團的業務活動及方向，有關本集團的資訊一直透過財務報告及公告提供予股東。本公司已設立本身的企業網站www.sheentai.com，作為促進與股東和公眾人士有效溝通的渠道。本公司將繼續加強與股東及投資者的溝通，建立緊密的關係。股東溝通政策於2012年6月22日獲採納以遵行守則內守則條文第E.1.4條。

股東、投資者及有興趣人士可透過電郵：investorrelation@sheentai.com直接向本公司提出查詢。

向董事會轉達股東查詢的程序

股東可於任何時間以書面方式，向董事會提出查詢及表達意見。聯絡詳情如下：

香港地址：香港灣仔分域街18號捷利中心
19樓1903室
電話：(852) 3998 4118/3998 4128
傳真：(852) 3998 4100
電郵：investorrelations@sheentai.com

在適當的情況下，股東之查詢及意見將轉交本公司董事會及／或相關董事委員會，以解答股東之提問。



Corporate Governance Report 企業管治報告

Procedures for Putting Forward Proposals at General Meetings by Shareholders

Shareholders are requested to follow article 64 of the Articles for including a resolution at an extraordinary general meeting. The requirements and procedures are set out above in the paragraph headed “The Shareholders’ Right to Convene an Extraordinary Meeting”.

Pursuant to article 113 of the Articles, no person (other than a retiring Director) shall be eligible for election to the office of Director at any general meeting unless a notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been lodged at the Head Office or at the Registration Office no earlier than the day after the dispatch of the notice of the general meeting appointed for such election and end no later than 7 days prior to the date of such general meeting and the minimum length of the period during which such notices to the Company may be given will be at least 7 days.

The procedures for Shareholders to propose a person for election as a Director is posted on the website of the Company.

Significant Changes in Constitutional Documents

There had been no significant changes in the constitutional documents of the Company during the year ended 31 December 2017.

股東於股東大會上提出動議的程序

股東必須根據章程細則第64條的規定於股東特別大會提交決議案。有關要求及程序已載於上文「股東召開股東特別大會的權力」一段。

根據細則第113條，任何人士（除退任董事外）概無資格於任何股東大會上膺選董事職位，除非股東發出一份書面通知表明有意提名該人士膺選董事職位，而該名人士亦發出一份書面通知表明願意參選，該等通知須不早於指定舉行選舉之股東大會之通告寄發後翌日起至不遲於該股東大會舉行日期前七日止期間遞交至總辦事處或登記辦事處，而向本公司寄發該等通知之最低期限為最少七日。

股東提名人士參選董事的程序載於本公司網站。

組織章程文件的重大變動

截至2017年12月31日止年度，本公司之組織章程文件並無出現任何重大變動。



Environmental, Social and Governance Report

環境、社會及管治報告

ABOUT THIS REPORT

This is Sheen Tai Holdings Group Company Limited's second sustainability report, examining our approach to sustainability, effort and performance in 2017, as well as our plans for the future.

The board believes that a sound structure is well balanced between economic growth, the environment and society. In addition to business growth, the Group is also responsible for creating an excellent future in the field of environmental protection, social responsibility, corporate governance and other areas. With this in mind, we continuously improve our approach towards people, the society and the environment.

This Environmental, Social and Governance Report (the “**ESG Report**”) has been prepared with reference to the ESG Reporting Guide of the Hong Kong Exchanges and Clearing Limited (“**HKEX**”). This report is to review the environmental, social and corporate governance performance of the Group for the period from 1 January 2017 to 31 December 2017.

The emissions have been calculated in accordance with the guidelines laid down by the Environmental Protection Department of HKSAR. The following entities were chosen for inclusion in this ESG Report because of their significant contributions to the Group:

Sheen China (Hong Kong) Limited
Sheen China Group Holdings Limited
Jiangsu Sheen Colour Science Technology Co., Ltd.
Qingdao Ener Packaging Technology Co., Ltd.
Xuzhou Sheentai New Energy Power Generation Co., Ltd.
Xuzhou New Advantage Real Estate Development Co., Ltd.

Other businesses which are not covered in this report include low-percentage ownership companies, as well as small and start-up companies.

This report is designed to allow shareholders of the Company, potential investors and the public to have a more comprehensive understanding of the Group's governance and culture. For any comments or suggestions related to this report, please kindly contact our Public Relations Department.

關於本報告

這是順泰控股集團有限公司的第二份可持續發展報告，審視我們於二零一七年在可持續發展方面的方針、努力和表現，以及未來的發展路向。

董事會認為，健全的業務發展是需要於經濟收益、環境與社會三方面取得良好平衡。除了專注於集團業務的增長，我們亦在環境保育、社會公益及企業管治等領域不斷努力，期望創建一個良好的未來。承著這樣的信念，我們不斷改進人、社會和環境的方針。

本環境、社會及管治報告乃根據香港交易及結算所有有限公司(港交所)的環境、社會及管治報告指引編製。本報告是載述由二零一七年一月一日至二零一七年十二月三十一日期間本集團環境、社會和企業管治的績效。

污染物及溫室氣體排放量均已按照香港特別行政區環境保護署制定的指引進行計算。基於以下公司對本集團的重大貢獻，並能充份代表本集團的業務，故被獲選載入本環境、社會及管治報告：

順華(香港)有限公司
順華集團控股有限公司
江蘇金格潤科技有限公司
青島英諾包裝科技有限公司
徐州順泰新能源發電有限公司
徐州新優勢房地產開發有限公司

本報告未涉及的其他業務包括低百分比佔有的企業，以及小型和初創公司。

本報告旨在讓本公司股東，潛在投資者和公眾對本集團的管理和文化有更全面的了解。如對本報告有任何意見或建議，請聯絡我們的公共關係部。



Environmental, Social and Governance Report 環境、社會及管治報告

Employment Policy

As the Group believes that employees are fundamental to business operations and we always prioritise the well-being of all employees and strive to maintain a healthy personnel structure.

The Group believes that a well balance between employees' remuneration and the Group's financial strength will benefit the Group's development. Accordingly, the Group actively guarantees the rights and interests of employees. We review our employee remuneration policy periodically and adjust employee remuneration in accordance to the market situation, the financial strength of the Group and the contribution of the employees.



The Group provides reasonable working hours and rest periods applicable to all our employees. Working hours and statutory holidays to the employees comply with the legal requirements of national labor governing laws and regulations. Other statutory benefits include contributions to the medical insurance, employment injury insurance and endowment insurance.

Meanwhile, we recognise the benefits of having an employee diversity policy. We seek to provide equal opportunities in the workplace. To safeguard the employees' interests and to establish a healthy and harmonious work environment, there is no discrimination in employees' remuneration, performance assessment, promotion on ground of gender, race, age, marital status and any other factors.



僱傭政策

本集團深信我們的員工是業務的核心，亦為我們成功及發展的基石。因此，我們旨在將所有員工的福祉放於首位，並力求建立一個完善的人員結構。

我們相信於集團的經濟收益與員工薪酬福利之間維持良好平衡，能有利集團的成長及發展，因此我們積極保障員工的權益。我們會定期檢討薪酬政策，並以市場水平，集團收益及員工的表現等作參考，調整員工之薪酬水平。



我們亦為所有員工提供合理的工作時間和休假。員工的工作時間和法定假日均嚴格遵守當地及國家勞動法律法規要求。其他福利包括醫療保障，工傷保障和退休保障等。

同時，本集團瞭解多元化員工結構的益處，並視之為維持長久發展的要素之一。我們致力提供有平等機會的工作環境。為了保障員工的利益及建立一個健康、和諧的工作環境，我們不會因為員工的性別、年齡、技能、婚姻狀況和其他不同背景對員工薪酬、績效評估，晉升存在歧視。



Environmental, Social and Governance Report 環境、社會及管治報告

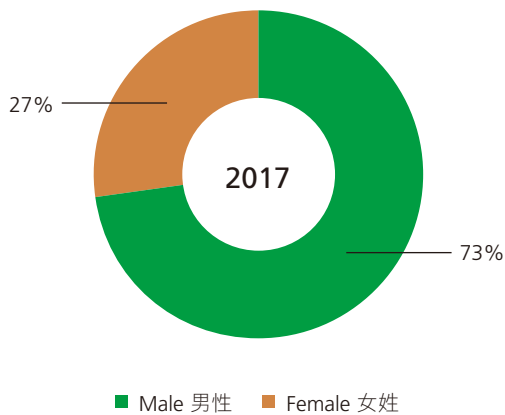
As at 31 December 2017, The Group had 352 employees in total. The Group had a male/female composition ratio of 2.7:1.

截至二零一七年十二月三十一日，本集團員工總數為352人。本集團男女比例為2.7：1。

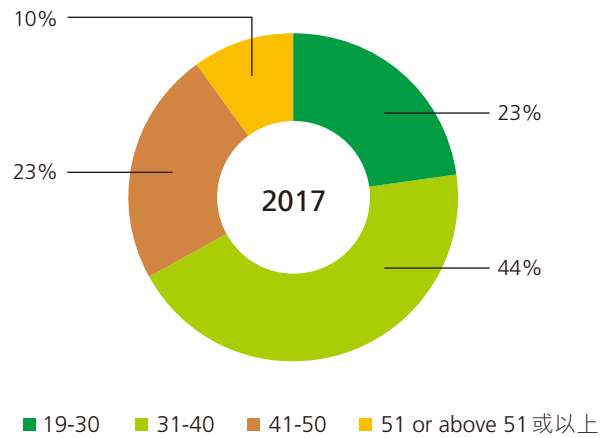
The Group's employees by gender and age are illustrated as below:

本集團員工按性別及年齡分佈如下：

EMPLOYEES BY GENDER
員工性別分佈



EMPLOYEES BY AGE
員工年齡分佈



Health and Safety

Safety is a core tenet in our operation. We believe that our employees are the most important asset and resource. The health and safety of our employees is always the top priority of our Group.

The Group has continued to carry out regular monitoring and evaluation of occupational hazards to ensure the health and safety of our working environment. We strive to prevent and eliminate any occupational hazards and improve our working environment.

健康與安全

安全是本集團運作的核心宗旨。本集團相信員工是最重要的資產和資源。因此本集團員工的健康和安全至關重要。

本集團定期檢查監控並評估某些職位的安全危害隱患，以確保提供健康及安全的工作環境。我們亦一直努力做好防範工作，期望能排除所有職業危害，並且改善我們的工作環境。





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The Group is committed to provide a hygienic working environment and guarantee workplace safety for all staff. Production staff are equipped with worker protection items such as personal protective equipment in order to minimise the negative impact on employees' health.

Through regular inspections, the Group has supervised and troubleshot safety risks in a timely manner in order to gradually strengthen our safety production standard. The Group held regular training session to strengthen employees' safety awareness for avoiding accidents in workplace during the Year.

本集團致力為員工提供衛生的工作環境和保證工作場所的安全。我們為生產人員配備個人防護裝備等，務求確保工作環境的安全及減少對員工的健康影響。

通過定期檢查生產廠房及設備，本集團監督並排除故障的安全隱患，逐步強化安全生產標準。我們亦定期舉辦職業安全培訓，加強員工安全意識，避免工作場所發生危害事故。



Meanwhile, the Group provided medical insurance and other health-benefits for suitable employees. During the Year, the Group made every efforts to improve the working environment, endeavouring to provide a safety and comfortable workplace for all employees.

Development and Training

The Group recognises the importance of developing the talents of the employees and striving for the mutual growth between the Group and its employees. We provide the new employees induction trainings on the Group's culture, policies, production safety and other necessary skills for discharging duties at work.

To help the employees to upgrade their skills and enhance the Group's efficiency and productivity, we provide our staff on job training and encourage the staff to attend job-related, courses, seminars or conferences etc.

The Group will evaluate the training effects subsequently, as to enhance the effectiveness of trainings, which further improve the technical skills and professional literacy of the Group's employees with satisfactory results.

同時，我們亦為不同職位員工提供相關醫療保險和其他醫療保健福利。本年度內，本公司竭力改善工作環境，努力為全體僱員提供安全舒適的工作場所。

發展及培訓

本集團深明人才發展的重要性。我們著重員工的發展，其望能激發員工的潛力，務求達致集團與員工能共同發展之目標。我們針對集團的文化、政策、生產安全和其他所需技能，提供相關的基本培訓課程，協助員工能有效地履行職責。

除基本培訓外，我們亦提供各種技能培訓及與工作有關的課程，並鼓勵員工積極參與，務求藉此提高員工效率和生產力。

我們同時會就培訓的效果定期進行實際評估，希望通過不斷改良培訓課程及內容，確保能維持員工的專業及技術能力。



Environmental, Social and Governance Report 環境、社會及管治報告

To establish a good relationship and to provide a harmonious work environment, the Group encourages communication between the employees and the management staff, which can help to address employees' concerns and protect their interests. The employee representatives could represent the employees to communicate with the Group through our internal communication system. Such communication system enables the Group to collect employees' opinions and suggestions, and helps the Group to deliver the latest corporate news to all staff in a timely manner.

為了建立良好的關係及提供和諧的工作環境，我們鼓勵員工與管理層之間的相互溝通，藉此加強兩者間之關係。我們期望為員工提供完善、有效的溝通渠道；有見及此，我們設立員工代表溝通機制，於收集員工的意見同時，亦可協助集團向全體員工提供最新的企業消息。



Labour Standards

The Group recruitment policies are implemented in strict compliance with both Hong Kong and PRC legislations and regulations to prohibit any form of child and/or forced labour. The Group strives to avoid any child labour and forced labour. In case of discovery of any non-compliance, the Group will cooperate with relevant labor authorities and will immediately take every effort to assist the victim employee.

The laws and regulations prohibiting child labor and forced labor governing The Group mainly include:

Employment Ordinance of HKSAR
Labor Law of the PRC
Labor Contract Law of the PRC
Law of the PRC on Protection of Minors
Regulations on Prohibiting Use of Child Labor (State Council Order No. 364)

In 2017, the Group did not violate any of the abovementioned laws and regulations.

勞工標準

本集團的勞工政策嚴格遵守當地及國家的規定執行，以防止任何形式的童工及強制勞工。集團致力避免聘用童工及強制勞工個案的發生。如發現任何不當聘用個案，本集團將積極與有關部門合作，並盡力協助受害人員。

本集團主要所遵守的有關禁止聘用童工及強制勞工的法律法規包括：

香港《僱傭條例》
《中華人民共和國勞動法》
《中華人民共和國勞動合同法》
《中華人民共和國未成年人保護法》
《禁止使用童工規定》(國務院令第364號)

於二零一七年內，本集團未出現違反上述法律、法規之情形。



Environmental, Social and Governance Report 環境、社會及管治報告

Supply Chain Management

As supply chain management is always one of the key elements in the Group's quality control system, we strive to establish a long term relationship and seek to form a deeper connection with all of our suppliers.

Our suppliers are expected to adhere to our high standards, demonstrating continuous development in a variety of operational, economic, social and environmental areas. A well evaluation program is taken for our suppliers' selection, which reviews the supplier profile and facilities, production capacities, quality control system and other aspects related to manufacturing process. Suppliers are required to pass the evaluation to become a quality supplier.

Meanwhile, the Group also carries out regular reviews for suppliers. In case there is any significant change for supplier qualification, the Group may suspend and, if necessary, cancel its qualification as a qualified supplier to ensure that all suppliers conform to the Group's highest standard.

Product Responsibility

The Group strives to provide clients with quality and safe products to establish good reputation and credibility. We aim to achieve the highest standard with all the products and services offered throughout our operations.

To ensure the quality of the products, the Group has formulated a quality inspection management system in compliance with the relevant laws and regulations. Each department is tasked with achieving their own quality based targets in consideration of both the industry and market standards.

供應鏈管理

本集團深信供應鏈管理是集團質量管理系統的最重要部分之一，因為我們致力與供應商建立良好及長期的合作關係，以確保產品質量。

我們期望供應商於營運和環境保育等各方面之發展都能配合本集團的政策及生產標準。因此，我們於選擇供應商時，已採用一套行之有效的機制，審查及評估供應商的廠房、生產設備、生產能力，以及其他與生產相關的因素。供應商必須通過有關審查及評估方可納入《合格供應商名單》。

此外，我們亦會對供應商表現進行定期檢討。如發現任何不達標情況，本集團將會暫停或取消該供應商的資格，以確保供應商能符合本集團的生產標準。

產品責任

本集團致力為客戶提供優質及安全的產品，藉此樹立良好的口碑和信譽。我們將竭力維持最高的生產規格及標準，以確保產品的質量及安全。

為確保產品質量，我們嚴格遵守相關法律法規，並制定一套質量檢驗管理系統。我們的生產線嚴格按照行業標準和客戶要求生產，以保證我們的產品均以最高標準生產。





Environmental, Social and Governance Report 環境、社會及管治報告

The Group also implements a source-to-end inspection framework, which is from material procurement and sourcing process to finished product and storage. Any quality defect material or product will be suspended from production line in order to prevent potential risks and protect interests of clients and the Group.

Anti-corruption

The Group operation strictly comply with the local and national legislation, such as the Prevention of Bribery Ordinance of Hong Kong and relevant legislation on anti-corruption of mainland China.

The Group strives to maintain a healthy and rational environment for its development. To effectively strengthen the Group integrity, we continue to improve the internal supervision and anti-corruption management. The Group also requires the employees to follow the code of conducts to eliminate corruption, bribery or any form of dishonesty behavior in any circumstance. Any suspected criminal offence will be promptly reported to the relevant authorities.

During the reporting period, there is no reported case on the above mentioned dishonest behavior.

The Community

The Group believes public welfare is important and necessary for the development of the Group. We always seek to be a positive force in the communities in which it operates.

We believe that the development of a better future for our community relies on joint participation of people, corporations and the government. Continuous efforts were taken in the past year. We have been active in engaging in charitable activities, donations, supporting and caring for people in need, as well as environmental protection activities.

In addition, the Group also encourages all employees to actively participate in volunteer activities and environmental protection activities. We hope it can raise their community awareness and concern, and thus inspiring more people to participate in community services and develop a better future for our community.

本集團同時實施一套從物料採購至成品儲存的嚴格驗收機制，任何質量有缺陷的材料或產品將被立刻抽起及暫停使用，以防潛在風險，確保客戶和本集團的利益。

反貪污

本集團所有的業務均嚴格遵守當地及國家法律法規，例如香港的「防止賄賂條例」及中國內地相關反貪腐法例。

我們致力維持及建立一個健康的發展環境。我們透過不斷提升內部監督和反貪腐管理，切實加強集團誠信管理。本集團嚴禁利用商機取得個人利益或好處，同時要求員工嚴格遵守行為守則，以排除任何情況下貪污、賄賂或任何形式的不誠實行為。如發現任何可疑的不當行為或不法行為，將立即通知有關當局調查及處理。

於報告期內，本集團並沒有發現上述的不當或不法行為。

社區投資

本集團認為社會公益是集團自身發展中的重要一環。我們期望能為業務營運的周邊社區帶來正面的影響。

我們力求將業務發展與社會責任結合，務求於創造經濟效益的同時，亦能配合居民及政府等各方面，一同促進及社區的健康發展。因此我們積極參與各類公益活動，如慈善籌款及環保活動等。

同時我們亦鼓勵全體員工積極參與義工及環保活動。我們期望能透過提高員工對環境及社會的意識和關注，激發更多的人參與社區服務。

Environmental, Social and Governance Report 環境、社會及管治報告

The Environment

The Group advocates a green office concept in which it integrates a low-carbon principle into its operation, with an aim to develop paperless, energy-saving and low carbon offices, and to minimise the consumption of energy, water, electricity and other resources.

The Group pays great attention to environmental protection and pollutant emission during production and operation. By establishing a management system in accordance with the national laws and regulations, the Group constantly monitor and review the emission performance during production.



The Group will make every effort on clean production, energy-saving, consumption reduction, pollution reduction and efficiency improvement, aims to minimise the impact and safeguard of the ecosystem.

The Group strictly complies with national laws and regulations in the PRC, including but not limited to:

- Environment Protection Law of the People's Republic of China
- Law of the Peoples Republic of China on the Prevention and Control of Atmospheric Pollution
- Law of the People's Republic of China on Prevention and Control of Water Pollution
- Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste
- Law of the People's Republic of China on Prevention and Control of Pollution From Environmental Noise
- Regulations on the Safety Administration of Dangerous Chemicals
- Regulations on the Administration of Construction Project Environmental Protection
- Energy Conservation Law of the People's Republic of China

環境

本集團倡導綠色辦公理念，期望能將低碳原則融入業務運作，最終實現無紙、節能及低碳的工作環境，同時減少能源、水、電和其他資源的消耗。

我們積極關注集團在營運及生產上的環境保護及排放表現。因此我們跟據國家法律法規，制定了一套環境管理系統，不斷監測及檢討生產過程中的排放表現。



我們將在清潔生產、減少消耗、減少污染及提高營運效率等各方面繼續努力，務求將生產經營過程中對生態系統造成的影響降至最低。

本集團嚴格遵守的中國國家法律法規包括：

- 《中華人民共和國環境保護法》
- 《中華人民共和國大氣污染防治法》
- 《中華人民共和國水污染防治法》
- 《中華人民共和國固體廢物污染環境防治法》
- 《中華人民共和國環境噪聲污染防治法》
- 《危險化學品安全管理條例》
- 《建設項目環境保護管理條例》
- 《中華人民共和國節約能源法》



Environmental, Social and Governance Report

環境、社會及管治報告

Pollutant

污染物

The following table illustrated the main emission during the Reporting Period.

下表列出了報告期內的主要排放情況。

Category 類別	Pollutant 污染物	2017 Emission 排放量	Requirements as in relevant laws or regulations (Max Allowable Value) 有關法律法規要求 (最大允許值)
Wastewater 廢水	Total Wastewater Discharge 污水總排放量	63,742m ³ 63,742 立方米	N/A 不適用 -
Air 空氣	Total Dust 粉塵	<0.12 mg/m ³ <0.12 毫克/立方米	8 mg/m ³ 8 毫克/立方米
Chemical Hazardous 空氣中化學危害物	Benzene 苯	<0.6 mg/m ³ <0.6 毫克/立方米	6 mg/m ³ 6 毫克/立方米
	Toluene 甲苯	<1.2 mg/m ³ <1.2 毫克/立方米	50 mg/m ³ 50 毫克/立方米
	Xylene 二甲苯	<3.3 mg/m ³ <3.3 毫克/立方米	50 mg/m ³ 50 毫克/立方米
	Ethyl acetate 乙酸乙酯	<0.27 mg/m ³ <0.27 毫克/立方米	200 mg/m ³ 200 毫克/立方米
	Methanol 甲醇	<1.3 mg/m ³ <1.3 毫克/立方米	25 mg/m ³ 25 毫克/立方米
	Iso-Propyl alcohol 異丙醇	<0.3 mg/m ³ <0.3 毫克/立方米	350 mg/m ³ 350 毫克/立方米
	Methyl Ethyl Ketone 丁酮	<4 mg/m ³ <4 毫克/立方米	300 mg/m ³ 300 毫克/立方米
	Acetone 丙酮	<6.7 mg/m ³ <6.7 毫克/立方米	300 mg/m ³ 300 毫克/立方米
Noise 噪音	Noise level 噪音	<80dB(A) <80 分貝	85dB(A) 85 分貝

Table 1 – Main Emission during the report year

表 1 – 報告期內主要排放



Environmental, Social and Governance Report 環境、社會及管治報告

Greenhouse Gases Emission

The Group aims to develop a low-carbon production environment. The total amount of carbon dioxide emission of our Group is approximately 16,033.37 tonnes in 2017.

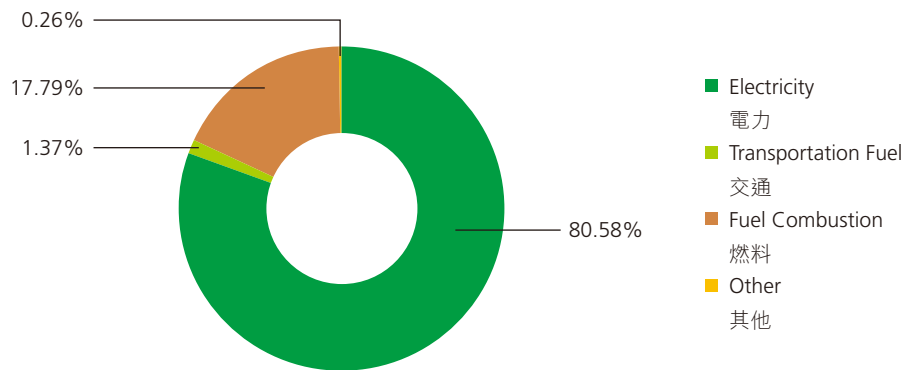
The performance of carbon activities can be measured using ratio indicators of GHG emissions per employee. The ratio indicator per employee in year 2017 is 45.55 tonnes CO₂ equivalent per employee. Since the largest source from the companies' business activity is the indirect emission of electricity purchase during production, energy saving will become a main part of the operation principle in the future.

溫室氣體排放

本集團致力建立低碳生產環境。本集團二氧化碳排放總量於二零一七年為16,033.37噸。

而採用員工總人數作為比率指標，每名員工的碳排放當量為45.55噸。基於本集團業務，最大的二氧化碳排放源是使用電力的間接排放，因此節約能源將成為我們未來運營的重要目標。

DISTRIBUTION OF CO₂ EMISSIONS
碳足跡



The Group strives to improve the energy efficiency and reduce emission of greenhouse gases in all phases of our operation, aiming to realize a low-carbon society.

We continuously devote efforts to reducing the CO₂ emission by lowering energy consumption, as well as powering off lighting, air conditioning and electrical appliances when they are not in use. In 2017, the new factory come into operation, equipped with LED light source and energy-saving production equipment.

本集團在各營運層面積極提高能源使用效率，並致力減少溫室氣體的排放，藉此實現低碳社會理念。

我們致力建立節能的文化，積極推行節約用電，希望能藉此減低碳排放。在2017年度，我們有一所新工廠已投入服務，廠內配備節能光源及節能生產設備。



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We hope the above described activities can further improve the energy-saving operations, and ultimately achieve the purpose of energy conservation, consumption reduction. In 2018, we will keep working on energy usage reduction by further improving energy-saving operations.

我們希望透過上述的活動及措施，能進一步完善本集團之節能營運，最終達到節能降耗、減污增效的目的。在2018年度，我們將繼續努力，開展節能減排工作。



Use of Resources

It is always an important responsibility of the Group to decrease waste production. We strive to promote "Reduce, Reuse and Recycle" for all the resources in order to reduce the waste.

The Group is moving towards a more sustainable rate of using resource. We are working actively to reduce the amount of waste. Moreover, besides reducing waste, we hope by utilising resources effectively and responsibly and achieve a sustainable development.

The following chart shows the companies' resources consumption during Reporting Period:

資源的使用

本集團深信減少廢物量是我們的重要責任。我們積極提高資源效益，致力在各營運層面推廣「減少廢物、致力重用、循環再造」。

本集團的業務運作正朝可持續的方向發展。我們積極減少廢物量，並通過合理利用各類資源，繼而實現可持續發展。

下表列出了報告期內的資源消耗情況：

		Electricity 電力	Natural Gas 天然氣	LPG 液化氣	Water 水	Paper 紙
2017						
Consumption	消耗量	19,506,569kWh 19,506,569 千瓦時	1,507,835m ³ 1,507,835 立方米	1,943litre 1,943 升	63,742m ³ 63,742 立方米	827.5kg 827.5 公斤
Carbon Intensity (in tonnes of CO ₂ -equivalent)	碳強度 (二氧化碳當量，以公噸計)	12,919.581	2,849.160	3.138	37.735	3.972

Table 2 – Resources Consumption during the report year
表 2 – 報告期內資源消耗



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The Group advocates the principles of conservation, recycling and reuse. We are working on various sustainable development activities to ensure that the resources are used effectively and to safeguard the ecosystems of Hong Kong and the PRC.

The Group will continue to promote the green concept of low carbon operation. We encourage more usage of electronic communications, use of recycle paper for printing and copying, set up recycle bins or any other recycle activities, which aim to utilize resource effectively so as to reduce waste disposal.

The Group also set up various training and education sessions which it expected to promote our environmental principles and raise the awareness of employees regarding the environment. In the meantime, we initiated to promote tree planting activities around the factory, which aimed to build an eco-friendly working environment in order to safeguard the ecosystems of local communities.

Methodology

This Report covers general disclosures and the Key Performance Indicators that are defined in the Environmental, Social and Governance (ESG) Reporting Guide of The Hong Kong Exchanges and Clearing Limited (“HKEX”).

The GHG Emission Calculation in this report was based on current best practices. The methodology was taken based on the following criteria:

- EPD’s “Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong” 2010 Edition.
- Intergovernmental Panel on Climate Change (IPCC)
- Greenhouse Gas Protocol.
- ESG Reporting Guide by HKEX

Note 1: EPD’s Guidelines specified value has been taken as the standard for any unspecified factor.

Note 2: Due to the business nature, the significant emissions of Sheen Tai Holdings Group are the GHG emissions, mainly from the use of electricity.

Note 3: Some premise is operating with the water supply that solely controlled by the building management, which is not feasible to record consumption for water withdrawal and discharge.

本集團倡導節約使用、提倡重用、循環再造的原則，同時透過各種可持續發展活動，確保資源善用，以保護社區的環境和生態系統。

本集團會繼續推動綠色及低碳的營運概念。我們鼓勵員工採用電子通信、使用回收紙進行打印和復印、設置回收箱及進行回收活動，期望能提高資源使用效率，從而減少廢物。

我們設立各種培訓和教育課程，期望推廣本集團的環保理念及政策，藉此提高員工對保育環境的意識。同時我們亦計劃在工廠周邊進行植樹活動，旨在建設一個綠色的工作環境，並同時保育當地社區的生態環境。

編製準則

本報告根據香港交易及結算所有限公司(港交所)的環境、社會及管治報告指引編製，並涵蓋指引內所界定的一般披露及主要業績指標。

本報告中的溫室氣體排放量乃根據以下標準進行計算：

- 環境保護署的《香港建築物(商業、住宅或公共用途)的溫室氣體排放及減除的核算和報告指引(2010年版)》
- 政府間氣候變化專門委員會(IPCC)
- 溫室氣體核算體系(GHG Protocol)
- 香港交易所的《環境、社會及管治報告指引》

註1：於報告內任何未指明的排放系數均以環保署指引作標準。

註2：基於業務性質，順泰控股集團的重大氣體排放為溫室氣體排放，主要源自電力的使用。

註3：部分物業的供水及排水均為大廈管業處獨立控制，因此未能提取相關之用水及排水數據。



Directors' Report

董事會報告

The Directors are pleased to present to the Shareholders this annual report and the audited consolidated financial statements for the year ended 31 December 2017.

Principal Activities

The principal business activity of the Company is investment holding. The principal activities and other particulars of the Company's subsidiaries are set out in the consolidated financial statements Note 22 in this annual report.

Business Review

Further discussion and analysis of the activities of the Group during the Year, and an indication of likely future developments in the Group's business as required by Schedule 5 to the Companies Ordinance, Chapter 622, can be found in the section headed "Management Discussion and Analysis" of this annual report. Those discussions form part of this directors' report.

Principal Risks and Uncertainties

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

i) Price fluctuation in major raw materials may have a material effect on the Group's performance

The major raw materials for production of the Group are polypropylene and imported BOPP films. Any substantial increase in prices of polypropylene and/or imported BOPP films may adversely affect the profitability of the Group if the Group is unable to pass all or part of such increase to its customers.

ii) The Group relies on certain major suppliers

The Group has relied on and expects to continue to rely on certain major suppliers for a significant portion of the purchases. If they fail to make timely delivery of their products and the Group fails to source from other suppliers in a timely and cost-effective manner, the operation of the Group could be delayed. The relationship between the Group and its customers could also be adversely affected as a result of any such delays, which could in turn materially and adversely affect the business operations and financial performance of the Group.

董事欣然向股東提呈本年報，以及截至2017年12月31日止年度的經審核綜合財務報表。

主要業務

本公司的主要業務活動為投資控股。主要業務及本公司附屬公司的其他詳情載於本年報綜合財務報表附註22。

業務回顧

如第622章公司條例附表5所規定，本集團於本年度活動的進一步討論及分析，以及對本集團業務可能未來發展的指標，載於本年報「管理層討論及分析」一節。該等討論構成董事會報告的一部份。

主要風險和不確定性

若干因素可能影響本集團業績及業務運作，其中部份為本集團從事業務的固有風險，而部份為來自外部的風險。主要風險總結如下。

i) 主要原材料價格波動可能對本集團業績有重大影響

本集團生產之主要原材料為聚丙烯及進口聚丙烯雙向拉伸薄膜。倘本集團不能將有關全部或部份漲幅轉嫁予其他客戶，則聚丙烯及／或進口聚丙烯雙向拉伸薄膜之價格任何大幅上升可能對本集團之盈利能力有不利影響。

ii) 本集團依賴若干主要供應商

本集團依賴及預期繼續依賴若干佔採購重大部份之主要供應商。倘彼等不能及時交付其產品及本集團未能及時及有效方式自其他供應商採購，則本集團營運可能遞延。本集團與其客戶之關係亦因任何有關遞延受到不利影響，從而對本集團業務經營及財務表現有重大不利影響。



Directors' Report 董事會報告

iii) The fluctuation of exchange rate may have a material effect on the business and performance of the Group

The sales of the Group are denominated in RMB and the purchases are denominated in US\$ and RMB. The Group does not engage in any exchange rate hedging activities. Any fluctuation in the exchange rates of RMB and US\$ may have an adverse effect on the results of operations and financial condition of the Group. Appreciation of the value of US\$ may increase the costs of the Group and thus subject the Group to increased competition from domestic competitors, and depreciation in the value of RMB may adversely affect the earnings, as well as the value of the net assets and dividends from the PRC subsidiaries of the Group.

iv) PRC political, economic and social conditions and government policies could affect the business of the Group

All of the operating assets of the Group are located in the PRC and the Group expects that a majority of the revenue will continue to be derived from the operations in the PRC. The results of operations and prospects are subject, to a significant degree, to economic, political and legal developments in the PRC. The economy of the PRC differs from the economies of most developed countries in many respects, including the extent of government involvement, the level of development, the growth rate, and government control of foreign exchange. The Group cannot predict whether changes in the PRC's political, economic and social conditions, laws, regulations and policies will have any material adverse effect on the current or future business, results of operation or financial condition of the Group.

Environmental Policies and Compliance with Laws and Regulations

Details of environmental Policies and performance are set out in the "Environmental, Social and Governance Report" in this annual report.

The Group is committed to ensuring that the Group's operation is in compliance with applicable laws and regulations. As far as the Directors are aware, the Group has complied in material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Group.

iii) 匯率波動可能對本集團之業務及表現有重大不利影響

本集團之銷售乃以人民幣計值及採購以美元及人民幣計值。本集團並無從事任何匯率對沖活動。人民幣及美元匯率之任何波動可能對本集團之業務及財務狀況有不利影響。美元升值可能增加本集團之成本及因此令本集團面臨國內競爭者之競爭增加，而人民幣貶值則可能對盈利以及來自本集團中國附屬公司之資產淨值及股息價值有不利影響。

iv) 中國政治、經濟及社會狀況及政府政策可能影響本集團之業務

本集團之所有營運資產乃位於中國及本集團預期多數收入將繼續自中國業務產生。經營業績及前景很大程度視乎中國之經濟、政治及法律發展。中國經濟在很多方面不同於多數發達國家之經濟，包括政府干預、發展水平、增長率及外匯政府控制之程度。本集團不能預測是否中國政治、經濟及社會狀況、法律、法規及政策之變動將對本集團之現時或未來業務、經營業績或財務狀況有任何重大不利影響。

環境政策及遵守法律法規

環境政策及表現之詳情載列於本年報「環境、社會及管治報告」。

本集團致力確保本集團營運符合適用法律法規。據董事所知，本集團在重大方面遵守對本集團業務及營運有顯著影響的相關法律法規。



Directors' Report 董事會報告

Key Relationships with Employees, Customers and Suppliers

The Directors recognises that employees, customers and business partners are the keys to the sustainable development of the Group.

Employees are regarded as the most important and valuable assets of the Group. The Group attracts and retains key personnel and talents with appropriate skills, experience and competence which would complement and meet the corporate and business objectives of the Group. The Group ensures all employees are reasonably remunerated and the remuneration packages of employees are reviewed regularly and necessary adjustments are made to the remuneration packages to align with the market standards.

The Group also stays connected with its customers and suppliers and has ongoing communication with the customers and suppliers through various channels such as telephone, electronic mails and physical meetings to obtain their feedback and suggestions.

Results

The results of the Group for the Year are set out in the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income of this annual report.

Final Dividends

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

Closure of the Register of Members

For determining entitlement to attend the forthcoming annual general meeting ("AGM") to be held on 25 May 2018 (Friday), the register of members of the Company will be closed from 21 May 2018 (Monday) to 25 May 2018 (Friday), both days inclusive, during which period no transfer of Shares will be registered. The record date will be on 25 May 2018 (Friday). In order to qualify for attending the AGM, all transfers of Shares accompanied by the relevant share certificates and transfer forms 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 before 4:30 p.m. on 18 May 2018 (Friday).

與僱員、客戶及供應商的關鍵關係

董事確認，僱員、客戶及業務合作夥伴為本集團可持續發展的關鍵。

僱員被視為本集團最重要及最有價值的資產。本集團吸引及挽留關鍵人員及擁有適當技能、經驗及能力的人才，可補充及滿足本集團的企業及業務目標。本集團確保所有僱員有合理報酬及定期審閱僱員薪酬，於必要時調整薪酬待遇以對市場標準保持一致。

本集團亦與客戶及供應商保持聯繫，並具有各種渠道，如電話、電郵及實體會議與客戶及供應商持續溝通，以取得其反饋及建議。

業績

本集團於本年度的業績載於本年報綜合損益表及綜合損益及其他全面收益表。

末期股息

董事會建議不派付截至2017年12月31日止年度之末期股息(2016年：無)。

暫停辦理股份過戶登記手續

本公司將於2018年5月21日(星期一)至2018年5月25日(星期五)期間(包括首尾兩天)暫停辦理股份過戶登記手續以釐定有權出席2018年5月25日(星期五)舉行的應屆股東週年大會(「股東週年大會」)的股東，於該期間將不會辦理任何股份過戶登記手續。記錄日期將為2018年5月25日(星期五)。為符合出席股東週年大會之資格，股東須於2018年5月18日(星期五)下午4時30分前，將所有股份過戶文件連同有關股票和過戶表格送達本公司之股份過戶登記香港分處—卓佳證券登記有限公司，其地址為香港皇后大道東183號合和中心22樓。



Directors' Report 董事會報告

Property, Plant and Equipment

Details of movements in the property, plant and equipment of the Group during the Year are set out in the consolidated financial statements Note 18 in this annual report.

Bank Borrowings

Details of bank borrowings of the Group as at 31 December 2017 are set out in the consolidated financial statements Note 30 in this annual report.

Summary Financial Information

A summary of the published results and assets, liabilities and non-controlling interests of the Group for the last five financial years is set out in five year financial summary. This summary does not form part of the consolidated financial statements in this annual report.

Share Capital

Details of the Company's paid up capital for the Year are set out in the consolidated financial statements Note 27 in this annual report.

Pre-Emptive Rights

There are no provisions for pre-emptive rights under the Articles or the laws of Cayman Islands.

Purchase, Sale or Redemption of Shares

Save as disclosed below, there was no purchase, sale or redemption of the Company's listed securities by the Company or any of its subsidiaries during the Year.

On 31 March 2017, upon fulfilment of a revenue guarantee guaranteed by Bloom Shine pursuant to a sale and purchase agreement, a supplemental agreement thereto dated 23 June 2016 and a supplemental deed dated 25 July 2016 entered into between the Company and the Vendor (collectively the "**Agreements and Deed**"), a second tranche convertible bond (the "**Second Tranche Convertible Bond**") in the principal amount of HK\$47,232,000 was issued to the Vendor pursuant to the Agreements and Deed. Based on a conversion price of HK\$0.72 per share, 65,600,000 conversion shares were allotted and issued to the holder of the Second Tranche Convertible Bond. For details, please refer to the announcements of the Company dated 17 and 18 March 2016, 23 and 30 June 2016, 25 July 2016 and 31 March 2017.

物業、廠房及設備

本集團於本年度的物業、廠房及設備的變動詳情載於本年報綜合財務報表附註18。

銀行借款

本集團於2017年12月31日的銀行貸款詳情載於本年報綜合財務報表附註30。

財務資料概要

本集團過去五個財政年度已公佈之業績及資產、負債與非控股權益之概要載於五年財務摘要。此概要並不構成本年報綜合財務報表的一部份。

股本

本公司於本年度的繳足資本詳情載於本年報綜合財務報表附註27。

優先購買權

章程細則或開曼群島法例並無任何有關優先購買權的條文。

購買、出售或贖回股份

於本年度，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

於2017年3月31日，於Bloom Shine根據本公司與賣方訂立之買賣協議、日期為2016年6月23日之補充協議及日期為2016年7月25日之補充契據（統稱「**該等協議及契據**」）擔保之收益保證達成後，本金為47,232,000港元之第二批可換股債券（「**第二批可換股債券**」）將根據該等協議及契據發行予賣方。65,600,000股轉換股份已按轉換價每股股份0.72港元配發及發行予第二批可換股債券持有人。有關詳情，請參閱本公司日期為2016年3月17日及18日、2016年6月23日及30日、2016年7月25日及2017年3月31日之公告。



Directors' Report 董事會報告

Transfer to Reserves

The Group recorded a loss attributable to equity shareholder of approximately HK\$166.1 million (2016: profit attributable to equity shareholders of HK\$36.1 million). There will be no transfer to reserves for the Year. Other movements in reserve are set out in the consolidated statement of changes in equity in this annual report.

Material Acquisitions, Disposals and significant Investment

Save as disclosed in the section headed "Management Discussion and Analysis – Significant Investment, Material Acquisition and Disposal" in this annual report, there were no significant investments held nor other material acquisitions and disposals of subsidiaries, associated companies and joint ventures during the year ended 31 December 2017.

Subsequent Events

Details of important event affecting the Group subsequent to 31 December 2017 are set out in the section headed "Management Discussion and Analysis – Subsequent Events" in this annual report.

Major Customers and Suppliers

Sales to the Group's five largest customers accounted for approximately 29.8% of the total sales for the Year and sales to the largest customer included therein amounted to approximately 12.0% of the total sales for the Year. Purchases from the Group's five largest suppliers accounted for approximately 80.0% of the total purchases for the Year and purchase from the Group's largest supplier included therein amounted to approximately 33.1% of the total purchases for the Year.

None of the Directors or any of their close associates (as defined in the Listing Rules) or any Shareholders (which, to the best knowledge of the directors, own more than 5% of the Company's issued share capital) had any interest in the Group's five largest customers and suppliers.

轉撥儲備

本集團錄得權益股東應佔虧損約166.1百萬港元(2016年：權益股東應佔溢利約36.1百萬港元)。本年度概無轉撥儲備。儲備的其他變動載於本年報綜合權益變動表。

重大收購、出售及重大投資

除本年報「管理層討論及分析 – 重大投資、重大收購及出售」一節所披露者外，截至2017年12月31日止年度，概無持有重要投資及其他重大收購及出售附屬公司、聯營公司及合營企業。

報告期後的期後事件

2017年12月31日後影響本集團重要事件之詳情乃載於本年報「管理層討論及分析 – 期後事項」一節。

主要客戶及供應商

本集團向五大主要客戶的銷售額約佔本年度總銷售額29.8%，其中包括向最大客戶的銷售額佔本年度總銷售額約12.0%。本集團向五大供應商的採購額約佔本年度總採購額約80.0%，其中包括向本集團最大供應商的採購額佔本年度總採購額約33.1%。

董事或其任何之緊密聯繫人(定義見上市規則)或股東(就董事所深知，擁有本公司已發行股本5%以上)概無於本集團五大客戶及供應商擁有任何權益。



Directors' Report 董事會報告

Directors

The Directors who held office during the Year and as at the date of this report were as follows:

Executive Directors:

Mr. Guo Yumin (*Chairman*)
Ms. Xia Yu
Mr. Zeng Xiangyang
Mr. Guo Cheng
Mr. Bau Siu Fung (*resigned on 20 January 2017*)

Independent Non-Executive Directors:

Ms. Fan Qing
Mr. Fong Wo, Felix
Mr. Lo Wa Kei, Roy

In accordance with article (the "Articles") 112 of the Company's article of association (the "Articles of Association"), any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting after his/her appointment and any Director appointed by the Board as an additional Director shall hold office only until the next following annual general meeting of the Company.

Pursuant to Article 108(a), at each annual general meeting, one-third of the Directors for the time being shall retire from office by rotation.

Pursuant Article 108, Mr. Guo Yumin, Mr. Zheng Xiangyang and Mr. Guo Cheng will retire as Directors at the AGM. Mr. Guo Cheng has informed the Board that he would not offer himself for re-election and accordingly will retire as Director upon the conclusion of the AGM. Save for Mr. Guo Cheng, the other two retiring Directors, being eligible, offer themselves for re-election as Directors at the Annual General Meeting.

Each of Mr. Guo Yumin, Ms. Xia Yu and Mr. Zheng Xiangyang, all being executive Directors has entered into a service contract with the Company for a term of three years commencing from 13 July 2015 and may be terminated by either party by giving not less than three months' prior written notice.

董事

於年內及於本報告日期任職的董事名單如下：

執行董事：

郭玉民先生(主席)
夏煜女士
曾向陽先生
郭誠先生
鮑小豐先生(於二零一七年一月二十日辭任)

獨立非執行董事：

范晴女士
方和先生
盧華基先生

根據本公司組織章程細則(「細則」)第112條，董事會委任填補空缺的任何董事將出任直至其獲委任後首次股東大會，而董事會委任為新增董事的任何董事僅可出任至本公司下一次股東週年大會。

根據細則第108(a)條，於每次股東週年大會上，當時三分之一董事須輪席退任。

根據細則第108條，郭玉民先生、曾向陽先生及郭誠先生將於股東週年大會上退任董事。郭誠先生已知會董事會，彼將不會膺選連任，故將於股東週年大會結束時退任董事。除郭誠先生外，其他兩名退任董事合資格並願意於股東週年大會上應選連任董事。

郭玉民先生、夏煜女士及曾向陽先生(均為執行董事)與本公司已訂立服務合約，自2015年7月13日起初步為期三年，任何一方可發出不少於三個月事先書面通知予以終止。



Directors' Report 董事會報告

Mr. Guo Cheng, being an executive Director, has entered into a service contract with the Company for a term of three years commencing from 20 May 2015 and may be terminated by either party by giving at least three months' written notice.

Each of Ms. Fan Qing, Mr. Lo Wa Kei, Roy and Mr. Fong Wo, Felix, all being independent non-executive Directors has entered into a service contract with the Company for a term of two years commencing from 13 July 2016 and may be terminated by either party by giving at least three months' written notice.

No Director proposed for re-election at the AGM 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.

Biographies of Directors and Other Senior Management

The biographical details of Directors and other senior management are disclosed in the section headed "Biographies of Directors and Senior Management" of this annual report.

Directors Emoluments

Details of the Directors' emoluments are set out in the consolidated financial statements Note 15 in this annual report. The Directors' remunerations are determined with reference to his duties and responsibilities within the Company.

Interests of Directors in Contracts

No contracts of significance to which the Company or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the Year or at any time during the Year.

No contract of significance has been entered into during the Year between the Company or any of its subsidiaries and the controlling Shareholders or any of its subsidiaries.

郭誠先生(執行董事)與本公司訂立一份服務合約,自2015年5月20日起為期三年,並可由一方向另一方發出不少於三個月書面通知予以終止。

范晴女士、盧華基先生及方和先生(均為獨立非執行董事)與本公司已訂立服務合約,自2016年7月13日起為期二年,任何一方可發出至少三個月書面通知予以終止。

於股東週年大會上膺選連任的任何董事,概無與本公司簽訂不得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。

董事及其他高級管理層的履歷

董事及其他高級管理層的履歷詳情於本年報「董事及高級管理層履歷」一節披露。

董事薪酬

董事薪酬詳情載於本年報綜合財務報表附註15。董事薪酬乃參照董事於本公司之職務及職責而釐定。

董事於合約的權益

本公司或其任何附屬公司概無訂定任何董事於其中擁有直接或間接重大權益,並且於本年度終結時或於本年度內任何時間仍然生效的重大合約。

本公司或其任何附屬公司及控股股東或其任何附屬公司於本年度並無訂立任何重大合約。



Directors' Report 董事會報告

Management Contracts

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

Directors' Interest in Competing Business

None of the Directors or any of their respective close associates (as defined under the Listing Rules) had any interest in a business which competes or likely to compete, either directly or indirectly, with the business of the Group.

The Board has established a committee (the "**Committee**") comprising all the independent non-executive Directors which was delegated with the authority to review the non-competition undertakings (the "**Non-competition Undertakings**") given by Sheen Tai Group Holding Limited ("**Sheentai BVI**") and Mr. Guo Yumin ("**Mr. Guo**") in a deed of non-competition entered into between Sheentai BVI and Mr. Guo in favour of the Company on 28 June 2012. The Committee was not aware of any non-compliance of the Non-competition Undertakings given by Sheentai BVI and Mr. Guo for the year ended 31 December 2017 and up to the date of this annual report. Each of Sheentai BVI and Mr. Guo has confirmed that he/it had complied with the Non-competition Undertakings given by him/it from the date of the Non-competition Undertakings and up to the date of this annual report.

Retirement Schemes

The Group participates in a state-managed retirement scheme operated by the PRC government which covers the Group's eligible employees in the PRC and a Mandatory Provident Fund Scheme for the employees in Hong Kong. Particulars of these retirement plans are set out in the consolidated financial statements Note 4(t) in this annual report.

Distributable Reserves

Pursuant to the relevant rules of the Cayman Islands, the Company's distributable reserves as at 31 December 2017 amounted to approximately HK\$709.2 million.

管理合約

本年度內並無訂立或存在任何涉及本公司全部或大部分業務之管理及行政工作之合約。

董事於競爭業務的權益

董事或其各自的緊密聯繫人(定義見上市規則)概無於與本集團業務造成或可能造成直接或間接競爭的業務中擁有任何權益。

董事會已成立由全體獨立非執行董事組成的委員會(「**委員會**」)，其獲授權檢討順泰集團控股有限公司(「**Sheentai BVI**」)及郭玉民先生(「**郭先生**」)於2012年6月28日由Sheentai BVI及郭先生訂立有利於本公司的不競爭契約中作出的不競爭承諾(「**不競爭承諾**」)。於截至2017年12月31日止年度及直至本年報日期止，委員會並不知悉Sheentai BVI及郭先生作出的不競爭承諾有任何違規情況。Sheentai BVI及郭先生各自已確認，自不競爭承諾日期起及截至本年報日期，彼等已遵守授予彼等的不競爭承諾。

退休計劃

本集團參與中國政府營運的國家管理退休金計劃以保障本集團於中國的合資格僱員及強制性公積金計劃以保障香港的僱員。此等退休計劃詳情載於本年報的綜合財務報表附註4(t)。

可供分派儲備

根據開曼群島有關法例，本公司於2017年12月31日的可供分派儲備約為709.2百萬港元。



Directors' Report 董事會報告

Directors' Interests or Short Positions in Shares, Underlying Shares and Debentures

(a) As at 31 December 2017, the interests and short positions of the Directors or chief executive of the Company in the shares, underlying shares and debentures of the Company or any of the associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO") 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 any interests or short positions which they are taken or deemed to have under such provisions of the SFO) or were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies in Appendix 10 to the Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

(i) Long Position in the Shares and the underlying Shares

董事於股份、相關股份及債券的權益或淡倉

(a) 於2017年12月31日，本公司董事或最高行政人員於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份及債券中，擁有須根據證券及期貨條例第XV部第7及8分部知會本公司及聯交所的權益及淡倉（包括根據證券及期貨條例該等條文被當作或視為擁有之任何權益或淡倉），或須根據證券及期貨條例第352條登記於該條所指登記冊的權益及淡倉，或根據上市規則附錄10之上市公司董事進行證券交易的標準守則須知會本公司及聯交所的權益及淡倉如下：

(i) 於相關股份之好倉及股份

Name of Director 董事姓名	Capacity/Nature 身份／性質	Number of Shares and underlying Shares held/interested 所持／擁有權益股份及相關股份數目	Approximate Percentage of interest 權益百分比約數
Mr. Guo Yumin ("Mr. Guo") 郭玉民（「郭先生」）	Interest of a controlled corporation (Note 1) 受控制法團權益（附註1）	1,229,086,000	50.06%
	Beneficial owner (Note 2) 實益擁有人（附註2）	272,356,164	11.09%
	Interest of spouse (Notes 3 and 4) 配偶權益（附註3及4）	33,094,000	1.35%
Ms. Xia Yu ("Ms. Xia") 夏煜（「夏女士」）	Interest of spouse (Note 5) 配偶權益（附註5）	1,501,442,164	61.15%
	Beneficial owner (Note 3) 實益擁有人（附註3）	33,094,000	1.35%
Mr. Zeng Xiangyang ("Mr. Zeng") 曾向陽（「曾先生」）	Beneficial owner (Note 6) 實益擁有人（附註6）	4,000,000	0.16%

Directors' Report 董事會報告

Name of Director 董事姓名	Capacity/Nature 身份/性質	Number of Shares and underlying Shares held/ interested 所持/擁有權益股份數目	Approximate Percentage of interest 權益百分比約數
Mr. Guo Cheng 郭誠先生	Beneficial owner (Note 7) 實益擁有人(附註7)	2,350,000	0.10%
	Interest of spouse (Note 8) 配偶權益(附註8)	47,656,000	1.94%
Ms. Fan Qing ("Ms. Fan") 范晴女士(「范女士」)	Beneficial owner (Note 9) 實益擁有人(附註9)	800,000	0.03%
Mr. Fong Wo, Felix ("Mr. Fong") 方和先生(「方先生」)	Beneficial owner (Note 10) 實益擁有人(附註10)	800,000	0.03%
Mr. Lo Wa Kei, Roy ("Mr. Lo") 盧華基先生(「盧先生」)	Beneficial owner (Note 11) 實益擁有人(附註11)	800,000	0.03%

(ii) Long Position in the Ordinary Shares of Associated Corporation

(ii) 於相聯法團普通股份之好倉

Name of Director 董事姓名	Name of associated corporation 相聯法團名稱	Capacity/Nature 身份/性質	Number of share held/ interested 所持/擁有權益股份數目	Percentage of interest 權益百分比
Mr. Guo 郭先生	Sheentai BVI	Beneficial owner 實益擁有人	1	100%
Ms. Xia (Note 5) 夏女士(附註5)	Sheentai BVI	Interest of spouse 配偶權益	1	100%

Notes:

- Mr. Guo beneficially owns the entire issued share capital of Sheentai BVI. Therefore Mr. Guo is deemed, or taken to be, interested in all the 1,229,086,000 Shares held by Sheentai BVI for the purpose of the SFO. Mr. Guo is the sole director of Sheentai BVI.

附註：

- 郭先生實益擁有 Sheentai BVI 的全部已發行股本。因此，根據證券及期貨條例，郭先生被視為或當作於 Sheentai BVI 持有的所有 1,229,086,000 股股份中擁有權益。郭先生為 Sheentai BVI 的唯一董事。



Directors' Report 董事會報告

- | | |
|--|---|
| <p>2. These 272,356,164 Shares and underlying Shares represent the 272,356,164 Shares owned by Mr. Guo.</p> | <p>2. 該272,356,164股股份及相關股份指郭先生擁有的272,356,164股股份。</p> |
| <p>3. These 33,094,000 Shares and underlying Shares represent the 33,094,000 Shares owned by Ms. Xia.</p> | <p>3. 該33,094,000股股份及相關股份指夏女士擁有的33,094,000股股份。</p> |
| <p>4. Mr. Guo is the spouse of Ms. Xia. Accordingly, Mr. Guo is deemed, or taken to be interested in all the Shares and underlying Shares in which Ms. Xia is interested.</p> | <p>4. 郭先生為夏女士的配偶。因此，郭先生被視為或當作於夏女士擁有權益的所有股份及相關股份中擁有權益。</p> |
| <p>5. Ms. Xia is the spouse of Mr. Guo. Accordingly, Ms. Xia is deemed, or taken to be interested in all the Shares and underlying Shares in which Mr. Guo is interested for the purpose of the SFO.</p> | <p>5. 夏女士為郭先生的配偶。因此，根據證券及期貨條例，夏女士被視為或當作於郭先生擁有權益的所有股份及相關股份中擁有權益。</p> |
| <p>6. These 4,000,000 Shares and underlying Shares represent:</p> <p>(a) the 2,000,000 Shares beneficially owned by Mr. Zeng; and</p> <p>(b) the 2,000,000 underlying Shares which may be allotted and issued to Mr. Zeng upon full exercise of the share options granted under the Share Option Scheme adopted by the Company on 22 June 2012 (the "Share Option Scheme", each share option granted under the Share Option Scheme is referred to as "Share Option") to him.</p> | <p>6. 該4,000,000股股份及相關股份指：</p> <p>(a) 曾先生擁有的2,000,000股股份；及</p> <p>(b) 於悉數行使根據本公司於2012年6月22日採納的購股權計劃（「購股權計劃」，根據購股權計劃授出的各份購股權乃指「購股權」）向曾先生授出的購股權後可能向其配發及發行的2,000,000股相關股份。</p> |
| <p>7. These 2,350,000 Shares and underlying Shares represent:</p> <p>(a) the 750,000 Shares owned by Mr. Guo Cheng; and</p> <p>(b) the 1,600,000 underlying Shares which may be allotted and issued to Mr. Guo Cheng upon full exercise of the Share Options granted to him.</p> | <p>7. 該2,350,000股股份及相關股份指：</p> <p>(a) 郭誠先生擁有的750,000股股份；及</p> <p>(b) 於悉數行使向郭誠先生授出的購股權可能向其配發及發行的1,600,000股相關股份。</p> |
| <p>8. These 47,656,000 Shares represent the Shares owned by Ms. Lam Ka Yee. Mr. Guo Cheng is the spouse of Ms. Lam. Accordingly, Mr. Guo Cheng is deemed, or taken to be, interested in all the Shares in which Ms. Lam is interested for the purpose of the SFO.</p> | <p>8. 該47,656,000股股份指林嘉儀女士擁有的股份。郭誠先生為林女士的配偶。因此，就證券及期貨條例而言，郭誠先生被視為或當作於林女士擁有權益的所有股份中擁有權益。</p> |
| <p>9. These 800,000 underlying Shares represent the 800,000 Shares which may be allotted and issued to Ms. Fan upon full exercise of the Share Options granted to her.</p> | <p>9. 該800,000股相關股份指於悉數行使向范女士授出的購股權後可能向其配發及發行的800,000股股份。</p> |
| <p>10. These 800,000 underlying Shares represent the 800,000 Shares which may be allotted and issued to Mr. Fong upon full exercise of the Share Options granted to him.</p> | <p>10. 該800,000股相關股份指於悉數行使向方先生授出的購股權後可能向其配發及發行的800,000股股份。</p> |
| <p>11. These 800,000 underlying Shares represent the 800,000 Shares which may be allotted and issued to Mr. Lo upon full exercise of the Share Options granted to him.</p> | <p>11. 該800,000股相關股份指於悉數行使向盧先生授出的購股權後可能向其配發及發行的800,000股股份。</p> |

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(b) So far as is known to the Directors, as at 31 December 2017, the following persons (not being a Director or chief executive of the Company as disclosed in paragraph (a) above) had interests or short positions in Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who are, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group:

(b) 據董事所知，於2017年12月31日，以下人士（上文(a)段所披露之本公司董事或最高行政人員除外）於股份或相關股份中擁有根據證券及期貨條例第XV部第2及第3分部的條文須向本公司及聯交所披露的權益或淡倉，或直接或間接擁有附有權利可於任何情況下在本集團任何其他成員公司的股東大會上投票的任何類別股本面值10%或以上的權益：

The Company

本公司

Name	Capacity/Nature of interest	Number of Shares held/ interested 所持／擁有 權益股份數目	Approximate Percentage of shareholding
名稱	身份／權益性質		股權百分比約數
Sheentai BVI	Beneficial owner 實益擁有人	1,229,086,000	50.06%

Save as disclosed above, as at 31 December 2017, the Company had not been notified by any persons (other than Directors or chief executive of the Company) who had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provision of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

除上文所披露者外，於2017年12月31日，概無任何人士（本公司董事或最高行政人員除外）知會本公司其於股份或相關股份中擁有須根據證券及期貨條例第XV部第2及第3分部之條文向本公司披露，或記入本公司根據證券及期貨條例第336條規定存置之登記冊的權益或淡倉。

Directors' Right to Acquire Shares or Debentures

Apart from as disclosed under the paragraph headed "Directors' interests and short positions in shares, underlying shares and debentures" above, at no time during the Year was the Company, its holding company, subsidiaries or fellow subsidiaries a party to any arrangement to enable the Directors or the chief executive of the Company or their associates to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

董事收購股份或債券的權利

除上文「董事於股份、相關股份及債券的權益或淡倉」一段所披露者外，於本年度任何時候，本公司、其控股公司、附屬公司或同系附屬公司並無訂立任何安排，使本公司董事或最高行政人員或其聯繫人可透過收購本公司或任何其他法人團體的股份或債券而獲益。



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Share Option Schemes

(a) Pre-IPO Share Option Scheme

Pursuant to the pre-IPO share option scheme (the “**Pre-IPO Share Option Scheme**”) adopted on 22 June 2012, the Company had granted options to subscribe for 10,000,000 Shares (which were adjusted to 40,000,000 Shares after the share subdivision of the Company becoming effective on 25 September 2015) to employees, directors, consultants and advisers of our Group.

Set out below are details of the outstanding options granted under the Pre-IPO Share Option Scheme as at the date of this report:

Name of grantee 承授人姓名	Number of options granted on 22 June 2012 於2012年6月22日 獲授購股權數目	Option lapsed prior to 1 January 2017 於2017年1月1日前失效 的購股權	Outstanding as at 1 January 2017 於2017年1月1日 尚未行使	During the reporting period 於報告期內			Outstanding as at 31 December 2017 於2017年12月31日 尚未行使
				Exercised 已行使	Cancelled 已註銷	Lapsed 已失效	
Director	董事						
Mr. Guo Yumin	郭玉民先生	2,000,000	–	600,000	600,000	–	–
Ms. Xia Yu	夏煜女士	2,000,000	–	600,000	600,000	–	–
Mr. Bau Siu Fung (note)	鮑小豐先生(附註)	2,000,000	–	600,000	600,000	–	–
Mr. Zeng Xiangyang	曾向陽先生	2,000,000	–	600,000	600,000	–	–
Mr. Guo Cheng	郭誠先生	1,000,000	–	300,000	300,000	–	–
Employees and advisers	僱員及顧問	31,000,000	8,030,000	6,180,000	6,180,000	–	–
Total	總計	40,000,000	8,030,000	8,880,000	8,880,000	–	–

Note: Mr. Bau Siu Fung resigned as a Director and the Company Secretary on 20 January 2017 and 30 September 2017 respectively.

附註：鮑小豐先生已於2017年1月20日及2017年9月30日分別辭任董事及公司秘書。

購股權計劃

(a) 首次公開發售前購股權計劃

根據2012年6月22日採納的首次公開發售前購股權計劃(「首次公開發售前購股權計劃」)，本公司已將可認購10,000,000股股份(其在本公司股份拆細於2015年9月25日生效後已調整至40,000,000股股份)的購股權授予本集團僱員、董事、諮詢人及顧問。

於本年報日期，根據首次公開發售前購股權計劃尚未行使的購股權詳情載列如下：



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Note:

The subscription price for Shares under the Pre-IPO Share Option Scheme is HK\$0.6029 per Share (which had been adjusted to HK\$0.1507 per share after the share subdivision of the Company becoming effective on 25 September 2015), being the amount of the combined net asset value of the Group as at 31 December 2011 as stated in the audited combined financial statements of the Group attributable to each share (assuming 400,000,000 shares of the Company are in issue as at 31 December 2011). Options granted under the Pre-IPO Share Option Scheme shall vest in 5 tranches in the proportion of 10%, 15%, 20%, 25% and 30% on 14 July 2013, 14 July 2014, 14 July 2015, 14 July 2016 and 14 July 2017, and shall expire on 13 July 2018, being the sixth anniversary of the date of initial listing of the Shares on the Stock Exchange.

A summary of the principal terms and conditions of the Pre-IPO Share Option Scheme is set out as follows.

On 22 June 2012, the Pre-IPO Share Option Scheme was approved by the then sole shareholder of the Company.

The purpose of the Pre-IPO Share Option Scheme is to attract and retain the best available personnel, to provide additional incentive to employees, directors, consultants and advisers of the Group and to promote the success of the business of the Group.

The maximum number of shares in respect of which options can be granted under the Pre-IPO Share Option Scheme is 10,000,000, representing approximately 2.44% of the total issued shares of the Company as at the date of listing. Options to subscribe for an aggregate of 10,000,000 shares of the Company (which were adjusted to 40,000,000 shares of HK\$0.0025 each after the shares subdivision of the Company becoming effective on 25 September 2015) had been granted by the Company under the Pre-IPO Share Option Scheme before the date of listing. Pursuant to the Pre-IPO Share Option Scheme, no further options can be granted after the date of listing.

The subscription price for the shares of the Company under the Pre-IPO Share Option Scheme is HK\$0.6029 per share (which was adjusted to HK\$0.1507 each after the share subdivision of the Company becoming effective on 25 September 2015), being the amount of the combined net asset value of the Group as at 31 December 2011 as stated in the audited combined financial statement of the Group attributable to each share of HK\$0.01 each (assuming 400,000,000 shares of HK\$0.01 each are in issue as at 31 December 2011).

Options under the Pre-IPO Share Option Scheme are exercisable during the period as set out in the paragraph headed "Outstanding Pre-IPO Share Options" under Appendix V to the prospectus of the Company dated 29 June 2012.

Save as determined by our Board and provided in the offer of the grant of the relevant options, the exercise of the options under the Pre-IPO Share Option Scheme are not subject to any performance targets being met.

附註：

首次公開發售前購股權計劃下股份的認購價為每股0.6029港元(其在本公司股份拆細於2015年9月25日生效後已調整至每股0.1507港元)，即本集團的經審計合併財務報表中所載每股股份應佔本集團於2011年12月31日的合併資產淨值的數額(假設於2011年12月31日已發行400,000,000股本公司股份)。根據首次公開發售前購股權計劃授出的購股權須分五批以10%、15%、20%、25%及30%的比例分別於2013年7月14日、2014年7月14日、2015年7月14日、2016年7月14日及2017年7月14日授予承授人，並於2018年7月13日到期(即股份於聯交所首次上市之日起計第六週年)。

首次公開發售前購股權計劃主要條款及條件的概要載列如下：

於2012年6月22日，首次公開發售前購股權計劃已獲本公司當時唯一股東批准。

首次公開發售前購股權計劃的目的旨在吸納及挽留優才，並向本集團的僱員、董事、諮詢人士及顧問提供額外獎勵以及推動本集團業務創出佳績。

根據首次公開發售前購股權計劃可授出相關購股權最高股份數目為10,000,000股，相當於上市日期本公司已發行股份總額的約2.44%。於上市日期前，本公司根據首次公開發售前購股權計劃已授出購股權認購總計10,000,000股本公司股份(其在2015年9月25日本公司股份拆細生效後調整為40,000,000股每股面值0.0025港元的股份)。根據首次公開發售前購股權計劃，上市日期後並無可授出進一步購股權。

首次公開發售前購股權計劃下本公司股份的認購價為每股0.6029港元(其在本公司股份拆細於2015年9月25日生效後已調整至每股0.1507港元)，即本集團的經審計合併財務報表中所載每股0.01港元的股份應佔本集團於2011年12月31日的合併資產淨值的數額(假設於2011年12月31日已發行400,000,000股每股0.01港元的本公司股份)。

首次公開發售前購股權計劃下購股權於本公司日期為2012年6月29日的招股章程附錄五「流通在外的首次公開發售前購股權」一段所載期間行使。

除董事會另有釐定及有關購股權的授出要約指明者外，根據首次公開發售前購股權計劃行使購股權毋須達成任何表現目標。



Directors' Report 董事會報告

The amount payable by the grantee of an option under the Pre-IPO Share Option Scheme to the Company on acceptance of the offer for the grant of an option is HK\$1.

The Pre-IPO Share Option Scheme will remain in force for a period commencing on 22 June 2012, being the date on which the Pre-IPO Share Option Scheme was adopted by the Company and ending on the day immediately prior to 13 July 2012, being the date of listing of the shares of the Company, after which period no further options will be granted thereunder but in all other respects the provisions of the Pre-IPO Share Option Scheme shall remain in full force and effect to the exercise of any options granted.

(b) Share Option Scheme

The Company adopted a share option scheme (the “**Share Option Scheme**”) on 22 June 2012. A summary of the principal terms and conditions of the Share Option Scheme is set out as follows.

1. Purpose of the Share Option Scheme

The purpose of the Share Option Scheme is to attract and retain the best available personnel, to provide additional incentive to employees (full-time and part-time), directors, consultants, advisers, distributors, contractors, suppliers, agents, customers, business partners or service providers of the Group and to promote the success of the business of the Group.

2. Participants

The Board may, at its absolute discretion and on such terms as it may think fit, grant any employee (full-time or part-time), director, consultant or adviser of the Group, or any substantial shareholder of the Group, or any distributor, contractor, supplier, agent, customer, business partner or service provider of the Group, options to subscribe for such number of Shares as it may determine in accordance with the terms of the Share Option Scheme.

The basis of eligibility of any participant to the grant of any option shall be determined by the Board (or as the case may be, the independent non-executive Directors) from time to time on the basis of his contribution or potential contribution to the development and growth of the Group.

於接納授出購股權要約時購股權承授人根據首次公開發售前購股權計劃應付金額為1港元。

首次公開發售前購股權計劃將自2012年6月22日(即本公司採納首次公開發售前購股權計劃日期)起至緊隨2012年7月13日(即本公司股份上市日期)前當日止期間仍生效,此後期間概無進一步購股權將據此授出,但首次公開發售前購股權計劃條文所有其他方面將仍具十足效力及作用以行使所授出任何購股權。

(b) 購股權計劃

本公司於2012年6月22日採納一項購股權計劃(「**購股權計劃**」)。購股權計劃主要條款及條件的概要載列如下：

1. 購股權計劃的目的

股權計劃旨在吸納及挽留優才,並向本集團僱員(全職及兼職)、董事、諮詢人士、顧問、分銷商、承包商、供應商、代理、客戶、商業夥伴或服務供應商提供額外獎勵以及推動本集團業務創出佳績。

2. 參與者

董事會可全權酌情及按其可能認為合適的有關條款向本集團任何僱員(全職或兼職)、董事、諮詢人士或顧問或本集團任何主要股東或本集團任何分銷商、承包商、供應商、代理、客戶、商業夥伴或服務供應商授出購股權以認購相關數目股份(可根據購股權計劃條款釐定)。

任何參與者可獲授任何購股權的基本資格乃根據董事會(或視情況而定,獨立非執行董事)不時根據其對本集團的發展或業務的貢獻或潛在貢獻而決定。



Directors' Report 董事會報告

3. Total number of Shares available for issue under the Share Option Scheme

The maximum number of shares in respect of which options may be granted under the Share Option Scheme and any other scheme of the Company shall not in aggregate exceed 10% of all the shares in issue as at the date of listing of the shares of the Company (or such numbers of shares as shall result from a sub-division or a consolidation of the shares of the Company from time to time), i.e. 40,000,000 shares representing 10% of the issued shares of the Company as at the date of listing. On 25 September 2015, each of the existing issued and unissued shares of the Company of HK\$0.01 each in the share capital of the Company was sub-divided into four sub-divided shares of HK\$0.0025 each (the "Shares Subdivision"). As such, the maximum number of shares in respect of which options may be granted under the Share Option Scheme and any other scheme of the Company is adjusted from 40,000,000 to 160,000,000.

On 29 January 2015, a total of 14,600,000 share options to subscribe for a total of 14,600,000 ordinary shares of HK\$0.01 each of the Company (which were adjusted to 58,400,000 shares of HK\$0.0025 each after the Shares Subdivision) were granted to certain Directors and employees of the Company under the Share Option Scheme.

Therefore, as at the date of this annual report, the total number of shares available for issue under the Share Option Scheme and any other scheme of the Company was 53,650,000 representing approximately 2.19% of the issued share capital of the Company as at the date of this annual report.

4. Maximum entitlement of each participant

The total number of shares issued and to be issued upon exercise of options granted to any participant (including both exercised and outstanding options) under the Share Option Scheme or any other share option schemes of the Company in any 12-month period up to the date of grant shall not exceed 1% of the shares of the Company in issue.

3. 根據購股權計劃可發行股份總數

根據購股權計劃及本公司任何其他計劃可能授出購股權有關股份最高數目將合計不超過於本公司股份上市日期已發行所有股份的10% (或本公司股份不時拆細或合併將產生的有關股份數目)，即40,000,000股股份，佔上市日期本公司已發行股份的10%。於2015年9月25日，本公司股本中每股面值0.01港元的每股本公司現有已發行及未發行股份乃分拆為四股每股面值0.0025港元的拆細股份(「股份拆細」)。因此，根據購股權計劃及本公司任何其他計劃可能授出購股權有關股份最高數目由40,000,000股調整為160,000,000股。

於2015年1月29日，根據購股權計劃，已向本公司若干董事及僱員授出總計14,600,000份購股權，以認購總計14,600,000股本公司每股面值0.01港元的普通股(其於股份拆細後已調整至58,400,000股每股面值0.0025港元的股份)。

因此，於本年報日期，根據購股權計劃及本公司任何其他計劃可供發行股份總數為53,650,000股，佔本年報日期本公司已發行股本的約2.19%。

4. 各參與者的最高配額

於任何12個月期間截至授出日期根據購股權計劃或本公司任何其他購股權計劃於行使向任何參與者授出購股權時已發行及將發行股份總數(包括已行使及尚未行使購股權)將不超過本公司已發行股份的1%。



Directors' Report 董事會報告

5. *Time of exercise of options*

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period as the Board may determine which shall not exceed ten years from the date of grant subject to the provisions of early termination thereof.

6. *Minimum period for which an option must be held before it can be exercised*

Save as determined by the Board and provided in the offer of the grant of the relevant options, there is no performance target which must be achieved before any of the options can be exercised.

7. *Time of acceptance and the amount payable on acceptance of the option*

An offer for the grant of options must be accepted within seven days inclusive of the day on which such offer was made. The amount payable by the grantee of an option to the Company on acceptance of the offer for the grant of an option is HK\$1.

8. *Basis of determining the exercise price*

The exercise price of a share in respect of any particular option granted under the Share Option Scheme shall be a price solely determined by the Board and notified to a participant and shall be at least the higher of: (i) the closing price of the shares of the Company as stated in the Stock Exchange's daily quotations sheet on the date of grant of the option, which must be a business day; (ii) the average of the closing prices of the shares of the Company as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant of the option; and (iii) the nominal value of a share of the Company on the date of grant of the option.

9. *Life of the Share Option Scheme*

The Share Option Scheme will remain in force for a period of ten years commencing on the date on 22 June 2012 (the date on which the Share Option Scheme was conditionally adopted by the Company) and shall expire at the close of business on the business day immediately preceding the tenth anniversary thereof unless terminated earlier by the shareholders of the Company in general meeting.

5. *行使購股權的時間*

根據購股權計劃的條款可能行使購股權期間任何時間按董事會可能釐定將不超過自授出日期起十年(受有關提前終止條文規限)。

6. *行使購股權前須持有購股權之最低期限*

除董事會另有釐定及有關購股權的授出要約指明者外，任何購股權可獲行使前毋須達成任何表現目標。

7. *接納時間及接納購股權時應付金額*

授出購股權要約須於作出有關要約(不包括當日)七日內接納。於授出購股權要約接納時本公司購股權承授人應付金額為1港元。

8. *釐定行使價的基準*

就根據購股權計劃授出的任何特定購股權的股份行使價，將完全由董事會釐定並通知參與者，但不得低於下列較高者：(i)本公司股份於購股權授出日期(須為營業日)在聯交所每日報價表所報的收市價；(ii)本公司股份於緊接購股權授出日期前五個營業日在聯交所每日報價表所報的平均收市價；及(iii)本公司股份於購股權授出日期的面值。

9. *購股權計劃的有效期*

購股權計劃將自2012年6月22日(本公司有條件採納購股權計劃日期)起十年期間仍具效力，除非在股東大會上遭本公司股東提早終止，否則於緊接計劃滿十週年前一個營業日的營業時間結束時屆滿。

Directors' Report 董事會報告

On 29 January 2015, a total of 14,600,000 share options to subscribe for a total of 14,600,000 ordinary shares of HK\$0.01 each of the Company were granted to certain Directors and employees of the Company under the Share Option Scheme. Among the share options granted above, 2,100,000 share options were granted to the Directors to subscribe for a total of 2,100,000 shares of the Company. For details, please refer to the Company's announcement dated 29 January 2015.

Please refer to the announcement of the Company dated 24 September 2015 in relation to the adjustment to the options granted under the Share Option Scheme upon the share subdivision of the Company becoming effective on 25 September 2015.

Set out below are details of the outstanding options granted under the Share Option Scheme as at the date of this report:

於2015年1月29日，可認購合共14,600,000股本公司每股面值0.01港元的普通股的14,600,000份購股權，已根據本公司的購股權計劃授予若干本公司董事及僱員。於所授出購股權中，2,100,000份購股權乃授予董事，以認購合共2,100,000股本公司股份。詳情請參閱本公司日期為2015年1月29日的公告。

請參閱本公司日期為2015年9月24日的公告，內容有關本公司股份拆細於2015年9月25日生效前之購股權調整。

於本報告日期，根據購股權計劃授出的未行使購股權詳情載列如下：

Name of grantee 承授人姓名	Number of options granted on 29 January 2015 於2015年1月29日 獲授購股權數目	Option lapsed prior to 1 January 2017 於2017年1月1日前失效 的購股權	Outstanding as at 1 January 2017 於2017年1月1日 尚未行使	During the reporting period 於報告期內			Outstanding as at 31 December 2017 於2017年12月31日 尚未行使	
				Exercised 已行使	Cancelled 已註銷	Lapsed 已失效		
Director	董事							
Mr. Guo Cheng	郭誠先生	1,600,000	-	1,600,000	-	-	1,600,000	
Mr. Zeng Xiangyang	曾向陽先生	2,000,000	-	2,000,000	-	-	2,000,000	
Mr. Bau Siu Fung (note)	鮑小豐先生(附註)	2,000,000	-	2,000,000	-	2,000,000	-	
Mr. Fong Wo, Felix	方和先生	800,000	-	800,000	-	-	800,000	
Ms. Fan Qing	范晴女士	800,000	-	800,000	-	-	800,000	
Mr. Lo Wa Kei, Roy	盧華基先生	800,000	-	800,000	-	-	800,000	
Employees and advisers	僱員及顧問	50,400,000	500,000	49,900,000	-	-	2,250,000	47,650,000
Total	合計	58,400,000	500,000	57,900,000	-	-	4,250,000	53,650,000

Note: Mr. Bau Siu Fung resigned as a Director and the Company Secretary on 20 January 2017 and 30 September 2017 respectively.

附註：鮑小豐先生已於2017年1月20日及2017年9月30日分別辭任董事及公司秘書。



Directors' Report 董事會報告

Employees and Remuneration Policy

As at 31 December 2017, the Group employed approximately 352 full-time staff members. The Directors and senior management receive compensation in the form of fees, salaries, allowances, benefits in kind and/or discretionary bonuses relating to our performance. The Group also established the Pre-IPO Share Option Scheme and the Share Option Scheme to incentivize the senior management and employees, further details of which are set out in the paragraph headed "Share Option Schemes" in this report. When reviewing and determining the specific remuneration packages for the executive Directors and senior management, the Company takes into consideration factors such as their individual performance, qualification, experience and seniority, salaries paid by comparable companies, time commitment and responsibilities of the Directors, employment elsewhere in the Group and desirability of performance-based remuneration. The Group determines the staff's remuneration based on factors such as qualifications and work experience.

Corporate Governance

The Company is committed to maintaining the highest standard of corporate governance practices. Information on the corporate governance practices adopted by the Company is set out in the Corporate Governance Report of this annual report.

Charitable Donations

During the Year, the Group did not make any charitable donation.

Permitted Indemnity Provisions

Pursuant to Article 191 of the Article of Association, every Director is entitled to be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto.

Public Float

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as at the date of this annual report, the Company has maintained sufficient public float during the year ended 31 December 2017 and up to the date of this annual report as required under the Listing Rules.

僱員及薪酬政策

於2017年12月31日，本集團聘用約352名全職員工。董事及高級管理層以袍金、薪金、津貼、實物福利及／或與本集團表現有關的酌情花紅形式收取報酬。本集團亦設立首次公開發售前購股權計劃及購股權計劃，以激勵高級管理層及僱員，進一步詳情載於本報告「購股權計劃」一段。於檢討及釐定執行董事及高級管理層的具體薪酬組合時，本公司會考慮多種因素，如彼等的個人表現、資格、經驗及資歷、可比公司所支付的薪金、時間貢獻及董事職責、於本集團各處的任職情況以及績效掛鈎薪酬的可取性。本集團根據資格及工作經驗等因素釐定員工的薪酬。

企業管治

本公司致力維持企業管治常規的高水平。有關本公司所採納的企業管治常規資料載於本年報企業管治報告。

慈善捐贈

年內，本集團並無作出任何慈善捐贈。

獲准許彌償條文

根據章程細則第191條，每名董事就其執行職務或與此有關所蒙受或招致之一切損失或責任，均有權從本公司資產中獲得彌償。

公眾持股量

根據本公司所得公眾資料及就董事所知，於本年報日期，本公司於截至2017年12月31日止年度直至本年報日期已遵照上市規則維持足夠公眾持股量。



Directors' Report 董事會報告

Auditor

RSM Hong Kong ("RSM") has acted as auditors of the Company for the year ended 31 December 2017 from 13 October 2017. The Company has changed its external auditors on 12 October 2017 from KPMG to RSM as the audit fee cannot be reached with KPMG.

RSM will retire and being eligible, offer themselves for reappointment at the forthcoming annual general meeting. A resolution for the reappointment of RSM as auditor of the Company is to be proposed at the forthcoming annual general meeting.

By Order of the Board of

Guo Yumin
Chairman

Hong Kong, 29 March 2018

核數師

中瑞岳華(香港)會計師事務所(「中瑞岳華」)擔任本公司由2017年10月13日起2017年12月31日止年度的核數師。由於無法與畢馬威就審計費達成一致，故本公司於2017年10月12日將其外部核數師由畢馬威變更為中瑞岳華。

中瑞岳華將於應屆股東週年大會上退任，惟符合資格並願意應選連任。再次委任中瑞岳華為本公司核數師的決議案將於應屆股東週年大會提呈。

承董事會命

主席
郭玉民

香港，2018年3月29日



Independent Auditor's Report

獨立核數師報告

RSM Hong Kong 中瑞岳華(香港)會計師事務所

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**TO THE SHAREHOLDERS OF
SHEEN TAI HOLDINGS GROUP COMPANY LIMITED**
(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Sheen Tai Holdings Group Company Limited (the "Company") and its subsidiaries (the "Group") set out on pages 79 to 179, which comprise the consolidated statement of financial position as at 31 December 2017, and the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

致順泰控股集團有限公司股東
(於開曼群島註冊成立的有限公司)

意見

我們已審核載於第 79 頁至 179 頁順泰控股集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，此綜合財務報表包括於 2017 年 12 月 31 日的綜合財務狀況表與截至該日止年度的綜合損益表、綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表，以及綜合財務報表附註，包括主要會計政策。

我們認為，該等綜合財務報表已根據香港會計師公會頒布的《香港財務報告準則》真實而中肯地反映了貴集團於 2017 年 12 月 31 日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露要求妥為擬備。



Independent Auditor's Report 獨立核數師報告

BASIS FOR OPINION

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key audit matter we identified is the impairment of goodwill, property, plant and equipment and other intangible assets.

意見的基礎

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

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。我們識別的關鍵審計事項為商譽、物業、廠房及設備及其他無形資產之減值。



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 我們於審計過程中如何處理關鍵審計事項
<p><i>Impairment of goodwill, property, plant and equipment and other intangible assets</i></p> <p>Refer to notes 20, 18 and 21 to the consolidated financial statements.</p> <p>As at 31 December 2017, included in the Group's consolidated statement of financial position were, before testing for impairment, goodwill of approximately HK\$49,645,000, property, plant and equipment of approximately HK\$38,084,000 and other intangible assets of approximately HK\$163,061,000 which were attributable to the cash-generating unit ("CGU") engaging in the cloud-related business, namely Treasure Cloud Group CGU.</p> <p>Management is required to test goodwill for impairment at least annually. The financial performance of this CGU deteriorated for the year ended 31 December 2017, which increases the risk that the carrying amount of goodwill, property, plant and equipment and other intangible assets may be impaired.</p> <p>Management has performed impairment assessment of this CGU by estimating its value in use and the fair value less costs of disposal of its property, plant and equipment and engaged a firm of independent external valuers to assist in preparing the value in use and fair value less costs of disposal calculations. The value in use and fair value less costs of disposal calculations required the exercise of significant management judgement and estimates.</p> <p>Impairment losses of approximately HK\$49,645,000, HK\$5,099,000 and HK\$162,807,000 were recorded during the year in respect of goodwill, property, plant and equipment and other intangible assets respectively.</p> <p>商譽、物業、廠房及設備及其他無形資產之減值</p> <p>請參閱綜合財務報表附註20、18及21。</p> <p>於2017年12月31日，於進行減值測試前，貴集團綜合財務狀況表內包括商譽約49,645,000港元、物業、廠房及設備約38,084,000港元以及其他無形資產約163,061,000港元歸屬於從事雲業務的現金產生單位（「現金產生單位」），即Treasure Cloud Group現金產生單位。</p> <p>管理層須至少每年對商譽進行減值測試。此現金產生單位的財務表現於截至2017年12月31日止年度下滑，令商譽、物業、廠房及設備以及其他無形資產賬面值可能減值的風險上升。</p> <p>管理層已通過估計此現金產生單位的使用價值及公允價值減其物業、廠房及設備之出售成本對其進行減值評估，並已委聘一間獨立外部估值師協助編製使用價值及計算公允價值減出售成本。使用價值及公允價值減出售成本之計算須作出重大管理層判斷。</p> <p>本年度，就商譽、物業、廠房及設備以及其他無形資產錄得之減值虧損分別約為49,645,000港元、5,099,000港元及162,807,000港元。</p>	<p><i>Our procedures in relation to management's impairment assessment included:</i></p> <ul style="list-style-type: none"> • Assessing the external valuer's qualifications, experience and expertise and considering their objectivity and independence; • working with our in house valuation specialists to review the integrity of the value in use model and the appropriateness of the discount rate adopted by management; • checking input data to supporting evidence including approved budgets and considering the accuracy of management's previous budgets; • challenging the reasonableness of management's key assumptions underlying the cash flow forecasts in view of the historical performance of the CGU and our understanding of the business; • testing key inputs used in determining the fair value less costs of disposal of property, plant and equipment, to supporting data; and • considering the adequacy of the impairment testing disclosures in the consolidated financial statements. <p>就管理層的減值評估我們的程序包括：</p> <ul style="list-style-type: none"> • 評估外部估價公司的資歷、經驗和專業知識，並考慮其客觀性和獨立性； • 與我們的內部估值專業人員協作以審閱使用價值模型的完整性以及管理層採納的貼現率的恰當性； • 檢查輸入數據及與支持憑證（包括已批准預算）對照，並考慮管理層之過往預算的準確性； • 根據現金產生單位的過往表現以及我們對業務的瞭解，質疑管理層的主要假設、相關現金流預測之合理性； • 測試釐定公允價值減出售物業、廠房及設備之成本所用之主要輸入值，以證明數據；及 • 考慮綜合財務報表內減值測試披露是否充分。



Independent Auditor's Report 獨立核數師報告

OTHER INFORMATION

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

The Audit Committee assists the directors in discharging their responsibilities for overseeing the Group's financial reporting process.

其他資料

董事需對其他信息負責。其他信息包括刊載於年報內的全部信息，但不包括綜合財務報表及我們的核數師報告。

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

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所瞭解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事就綜合財務報表須承擔的責任

董事須負責根據香港會計師公會頒布的《香港財務報告準則》及香港《公司條例》的披露要求擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

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

審計委員會協助董事履行監督貴集團的財務報告過程的責任。



Independent Auditor's Report 獨立核數師報告

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

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

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

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

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

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向股東報告我們的意見，除此以外，我們的報告不可用作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔法律責任。

合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

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

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



Independent Auditor's Report 獨立核數師報告

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

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

核數師就審計綜合財務報表承擔的責任 (續)

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們與審計委員會就(其中包括)計劃的審計範圍、時間安排及重大審計發現進行溝通，包括我們在審計中識別出內部控制的任何重大缺陷。

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



Independent Auditor's Report 獨立核數師報告

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

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

The engagement partner on the audit resulting in this independent auditor's report is Ng Wai Kwun.

核數師就審計綜合財務報表承擔的責任 (續)

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

出具本獨立核數師報告的審計項目合夥人是吳慧筠。

RSM Hong Kong
Certified Public Accountants
Hong Kong

29 March 2018

中瑞岳華(香港)會計師事務所
執業會計師
香港

2018年3月29日



Consolidated Statement of Profit or Loss

綜合損益表

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

		Note 附註	2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Revenue	收入	8	1,250,706	478,354
Cost of sales	銷售成本		(1,094,571)	(304,798)
Gross profit	毛利		156,135	173,556
Other income	其他收入	9	16,485	10,022
Other gains and losses	其他收益及虧損	10	(7,445)	5,562
Distribution costs	分銷成本		(21,000)	(37,236)
Administrative expenses	行政開支		(96,045)	(95,341)
Other operating expenses	其他經營開支		(4,230)	(18)
Profit from operations	經營溢利		43,900	56,545
Finance costs	融資成本	11	(8,513)	(8,561)
Impairment of goodwill	商譽減值	20	(49,645)	–
Impairment of property, plant and equipment	物業、廠房及設備減值	18	(5,099)	–
Impairment of intangible assets	無形資產減值	21	(162,807)	–
(Loss)/profit before tax	稅前(虧損)/溢利		(182,164)	47,984
Income tax credit/(expense)	所得稅抵免/(支出)	12	16,078	(11,852)
(Loss)/profit for the year	年內(虧損)/溢利	13	(166,086)	36,132
Attributable to:	以下人士應佔：			
Equity shareholders of the Company	本公司權益股東		(165,219)	36,132
Non-controlling interests	非控股權益		(867)	–
			(166,086)	36,132
(Loss)/earnings per share	每股(虧損)/盈利			
Basic (HK\$ per share)	基本(每股港元)	17	(0.069)	0.017
Diluted (HK\$ per share)	攤薄(每股港元)	17	(0.073)	0.001



Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

For the year ended 31 December 2017

截至2017年12月31日止年度

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
(Loss)/profit for the year	年內(虧損)/溢利	(166,086)	36,132
Other comprehensive income/(loss):	其他全面收益/(虧損):		
<i>Item that may be reclassified to profit or loss:</i>	<i>可能重新分類至損益的項目:</i>		
Exchange differences on translating foreign operations	換算境外經營所產生的匯兌差額	59,645	(48,634)
Other comprehensive income/(loss) for the year, net of tax	年內其他全面收益/(虧損), 扣除稅項	59,645	(48,634)
Total comprehensive loss for the year	年內全面虧損總額	(106,441)	(12,502)
Attributable to:	以下人士應佔:		
Equity shareholders of the Company	本公司權益股東	(105,586)	(12,502)
Non-controlling interests	非控股權益	(855)	-
		(106,441)	(12,502)



Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2017

於2017年12月31日

		Note 附註	2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	18	476,596	468,135
Interests in leasehold land held for own use under operating lease	根據經營租賃持作自用的租賃土地的權益	19	19,845	18,982
Goodwill	商譽	20	2,830	52,475
Intangible assets	無形資產	21	2,086	185,145
Other non-current assets	其他非流動資產		3,470	2,166
Deferred tax assets	遞延稅項資產	32	6,356	13,054
Total non-current assets	非流動資產總值		511,183	739,957
Current assets	流動資產			
Financial assets at fair value through profit or loss	以公允價值計量且其變動計入當期損益的金融資產	25	26,559	224,648
Inventories	存貨	23	142,144	682,205
Trade and other receivables	貿易應收款項及其他應收款項	24	315,738	299,802
Current tax assets	即期稅項資產		2,855	17,209
Restricted cash	受限制現金	26	–	1
Bank and cash balances	銀行及現金結餘	26	274,303	171,003
Total current assets	流動資產總額		761,599	1,394,868
Current liabilities	流動負債			
Trade and other payables	貿易應付款項及其他應付款項	33	210,308	888,575
Bank borrowings	銀行貸款	30	153,452	144,040
Current tax liabilities	當期稅項負債		6,198	9,230
Total current liabilities	流動負債總額		369,958	1,041,845
Net current assets	流動資產淨額		391,641	353,023
Total assets less current liabilities	總資產減流動負債		902,824	1,092,980



Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2017
於2017年12月31日

		Note 附註	2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Non-current liabilities	非流動負債			
Bank borrowings	銀行貸款	30	–	445
Convertible bonds	可換股債券	31	94	202,176
Deferred tax liabilities	遞延稅項負債	32	4,958	56,426
Total non-current liabilities	非流動負債總額		5,052	259,047
NET ASSETS	淨資產		897,772	833,933
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	27	6,138	5,460
Reserves	儲備	29	892,186	828,098
Total equity attributable to equity shareholders of the Company	本公司權益股東應佔總權益		898,324	833,558
Non-controlling interests	非控股權益		(552)	375
Total equity	權益總額		897,772	833,933

Approved by the Board of Directors on 29 March 2018 and are signed on its behalf by:

由董事會於2018年3月29日批准並由下列人士代表董事會簽署：

Guo Yumin

郭玉民

Executive Director

執行董事

Zeng Xiangyang

曾向陽

Executive Director

執行董事

Consolidated Statement of Changes in Equity

綜合權益變動表

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

		Attributable to shareholders of the Company 本公司股東應佔								Non- controlling interests	Total equity
Note	Share capital	Share premium	Capital reserve	Statutory reserve	Share-based payments reserve 以股份為基礎 的支付儲備	Exchange reserve	Retained profits	Sub-total			
附註	股本 HK\$'000 千港元	股份溢價 HK\$'000 千港元	資本儲備 HK\$'000 千港元	法定儲備 HK\$'000 千港元	的支付儲備 HK\$'000 千港元	匯兌儲備 HK\$'000 千港元	保留溢利 HK\$'000 千港元	小計 HK\$'000 千港元	非控股權益 HK\$'000 千港元	總權益 HK\$'000 千港元	
At 1 January 2016	於2016年1月1日	5,019	341,295	68,665	20,829	8,255	(19,284)	492,571	917,350	-	917,350
Total comprehensive income for the year	年內全面收益總額	-	-	-	-	-	(48,634)	36,132	(12,502)	-	(12,502)
Conversion of convertible bond	可換股債券轉換	422	69,578	-	-	-	-	70,000	-	-	70,000
Dividends paid	已付股息	16	-	-	-	-	(149,352)	(149,352)	-	-	(149,352)
Disposal partial shares of subsidiaries	出售附屬公司的部分股份	-	(374)	-	-	-	-	(374)	375	-	1
Appropriation to statutory reserve	分配至法定儲備	-	-	-	8,449	-	(8,449)	-	-	-	-
Shares issued under share option scheme	根據購股權計劃發行的股份	19	3,686	-	-	(2,589)	-	1,116	-	-	1,116
Share-based payments	以股份為基礎的支付	14	-	-	-	7,320	-	-	7,320	-	7,320
Changes in equity for the year	年內權益變動	441	72,890	-	8,449	4,731	(48,634)	(121,669)	(83,792)	375	(83,417)
At 31 December 2016	於2016年12月31日	5,460	414,185	68,665	29,278	12,986	(67,918)	370,902	833,558	375	833,933
At 1 January 2017	於2017年1月1日	5,460	414,185	68,665	29,278	12,986	(67,918)	370,902	833,558	375	833,933
Total comprehensive income for the year	年內全面收益總額	-	-	-	-	-	59,633	(165,219)	(105,586)	(855)	(106,441)
Share-based payments	以股份為基礎的支付	14	-	-	-	4,295	-	-	4,295	-	4,295
Conversion of convertible bond	可換股債券轉換	656	188,272	-	-	-	-	188,928	-	-	188,928
Shares issued under share option scheme	根據購股權計劃發行的股份	22	3,045	-	-	(1,729)	-	-	1,338	-	1,338
Appropriation to statutory reserve	分配至法定儲備	-	-	-	10,062	-	(10,062)	-	-	-	-
Dividend paid	已付股息	16	-	-	-	-	(24,552)	(24,552)	-	-	(24,552)
Acquisition of partial shares of subsidiaries from non-controlling interests	由非控股權益收購部分附屬 公司股份	-	-	-	-	-	-	356	356	(356)	-
Disposal of subsidiaries	出售附屬公司	35(a)(ii)	-	-	-	-	(13)	-	(13)	284	271
Changes in equity for the year	年內權益變動	678	191,317	-	10,062	2,566	59,620	(199,477)	64,766	(927)	63,839
At 31 December 2017	於2017年12月31日	6,138	605,502	68,665	39,340	15,552	(8,298)	171,425	898,324	(552)	897,772



Consolidated Statement of Cash Flows

綜合現金流量表

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

	Note 附註	2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
CASH FLOWS FROM OPERATING ACTIVITIES			
經營活動所得現金流量			
(Loss)/profit before tax	稅前(虧損)/溢利	(182,164)	47,984
Adjustments for:	調整項目:		
Impairment of goodwill	商譽減值	20 49,645	–
Impairment of intangible assets	無形資產減值	21 162,807	–
Impairment of property, plant and equipment	物業、廠房及設備減值	18 5,099	–
Write off of property, plant and equipment	物業、廠房及設備撇銷	1,581	–
Allowance for inventories	存貨撥備	432	–
Allowance for trade and other receivables	貿易應收款項及其他 應收款項撥備	1,943	–
Gain on disposal of subsidiaries	出售附屬公司的收益	35(a) (363)	–
Amortisation of intangible assets	無形資產攤銷	20,774	10,121
Depreciation and amortisation of property, plant and equipment	物業、廠房及設備 折舊及攤銷	41,617	34,179
Finance costs	融資成本	8,513	8,561
Dividend income from equity securities	買賣證券的股息收入	(396)	(1,094)
Interest income	利息收入	(917)	(1,336)
Gain on bargain purchase	議價收購收益	–	(365)
Fair value change of convertible bonds	可換股債券的公允價值變動	(13,154)	(33,984)
Net realised and unrealised gain on wealth management products	理財產品的已變現 及未變現收益淨額	(774)	(2,975)
Net realised and unrealised loss on equity securities	買賣證券的已變現及 未變現淨虧損	21,089	21,597
Loss on disposal of property, plant and equipment	出售物業、廠房及設備 虧損	27	7
Equity settled share-based payments	以權益結算以股份為 基礎的支付	4,295	7,320
Net foreign exchange gains	匯兌收益淨額	–	(523)
Operating profit before working capital changes	營運資金變動前的經營溢利	120,054	89,492
Decrease/(increase) in inventories	存貨減少/(增加)	539,629	(317,135)
Increase in trade and other receivables	貿易應收款項及其他 應收款項增加	(19,577)	(117,050)
Increase in other non-current assets	其他非流動資產增加	(1,304)	–
Decrease in equity securities	買賣證券減少	15,384	5,974
Decrease/(increase) in wealth management products	理財產品減少/(增加)	162,390	(178,606)
(Decrease)/increase in trade and other payables	貿易應付款項及其他 應付款項(減少)/增加	(677,040)	726,779
Cash generated from operations	經營活動所得現金	139,536	209,454
Dividend income from equity securities received	已收買賣證券的股息收入	396	1,094
Income taxes paid	已付所得稅	(16,186)	(16,121)
Net cash generated from operating activities	經營活動所得現金淨額	123,746	194,427



Consolidated Statement of Cash Flows 綜合現金流量表

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

	Note 附註	2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment, intangible assets and other non-current assets	購買物業、廠房及設備、無形資產及其他非流動資產	(25,831)	(13,878)
Payments for construction of solar power plants	興建太陽能發電站的款項	–	(127,293)
Proceeds due to termination of the acquisition	終止收購收回的款項	–	129,511
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備的所得款項	890	–
Acquisition of subsidiaries	收購附屬公司	–	3,705
Payment for the acquisition of subsidiary in prior year	於過往年度收購附屬公司的付款	1,733	–
Net cash-outflow for disposal of subsidiaries	出售附屬公司的現金流出淨額	(559)	–
Interest received	已收利息	917	1,336
Net cash used in investing activities	投資活動所用現金淨額	(22,850)	(6,619)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net proceeds from exercise of share options	行使認股權的所得款項淨額	1,335	–
Borrowings raised	籌借借款	166,459	100,296
Repayment of borrowings	償還借款	(164,116)	(142,362)
Release of restricted cash for borrowings	撥回受借款限制現金	1	3,352
Interest paid	已付利息	(8,513)	(16,515)
Dividends paid to shareholders of the Company	已付本公司股東股息	(24,552)	(149,352)
Disposal partial shares of subsidiaries	出售附屬公司的部分股份	–	1
Net cash used in financing activities	融資活動所用現金淨額	(29,386)	(204,580)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等值項目增加/(減少)淨額	71,510	(16,772)
Effect of foreign exchange rate changes	匯率變動影響	31,790	(5,685)
CASH AND CASH EQUIVALENTS AT 1 JANUARY	於1月1日的現金及現金等值項目	171,003	193,460
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	於12月31日的現金及現金等值項目	274,303	171,003
ANALYSIS OF CASH AND CASH EQUIVALENTS	現金及現金等值項目分析		
Bank and cash balances	銀行及現金結餘	274,303	171,003



Notes to the Consolidated Financial Statements

綜合財務報表附註

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

1. GENERAL INFORMATION

Sheen Tai Holdings Group Company Limited (the “Company”) was incorporated in the Cayman Islands on 24 February 2012 and registered as an exempted company with limited liability under Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The Company and its subsidiaries hereinafter are collectively referred to as the “Group”. The address of its registered office is Clifton House, 75 Fort Street, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands. The address of its principal place of business is Unit 1903, 19/F, Jubilee Centre, 18 Fenwick Street, Wan Chai, Hong Kong. The Company's shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 13 July 2012.

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 22 to the consolidated financial statements.

In the opinion of the directors of the Company, Sheen Tai Group Holding Limited, a company incorporated in the British Virgin Islands (the “BVI”), is the immediate and ultimate parent and Mr. Guo Yumin, a director, is the ultimate controlling party of the Company.

2. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). HKFRSs comprise Hong Kong Financial Reporting Standards (“HKFRS”); Hong Kong Accounting Standards (“HKAS”); and Interpretations. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) and with the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622). Significant accounting policies adopted by the Group are disclosed below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these consolidated financial statements.

1. 一般資料

順泰控股集團有限公司(「本公司」)於2012年2月24日根據開曼群島法例第22章公司法(1961年第3號法例，經綜合及修訂)在開曼群島註冊成立為一家獲豁免有限公司。本公司及其附屬公司統稱為「本集團」。本公司的註冊辦事處地址為Clifton House, 75 Fort Street, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands。本公司主要營業地點為香港灣仔分域街18號捷利中心19樓1903室。本公司股份已於2012年7月13日在香港聯合交易所有限公司(「聯交所」)主板上市。

本公司為一間投資控股公司。其附屬公司的主要業務載列於綜合財務報表附註22。

本公司董事認為，順泰集團控股有限公司(於英屬維爾京群島(「英屬維爾京群島」)註冊成立的公司)為直接及最終母公司，而董事郭玉民先生則為本公司的最終控制方。

2. 編製基準

該等綜合財務報表已按照香港會計師公會(「香港會計師公會」)頒佈的所有適用香港財務報告準則(「香港財務報告準則」)而編製。香港財務報告準則包括香港財務報告準則(「香港財務報告準則」); 香港會計準則(「香港會計準則」); 及詮釋。該等綜合財務報表亦遵守聯交所證券上市規則(「上市規則」)之適用披露條文及香港公司條例之披露規定(第622章)。本集團採納的重大會計政策披露如下。

香港會計師公會頒佈若干於本集團當前會計期間首次生效或可供提早採納之新訂及經修訂香港財務報告準則。首次應用該等變動所引致本集團當前及過往會計期間之任何會計政策變動已於該等綜合財務報表內反映，有關資料載列於附註3。



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

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

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

(a) Application of new and revised HKFRSs

The HKICPA has issued a number of new and revised HKFRSs that are first effective for annual periods beginning on or after 1 January 2017. None of these impact on the accounting policies of the Group. However, the Amendments to HKAS 7 Statement of Cash Flows: Disclosure Initiative require disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The effect of the amendments on the Group's consolidated financial statements has been the inclusion of additional disclosures in note 35(b).

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

The Group has not early applied new and revised HKFRSs that have been issued but are not yet effective for the financial year beginning 1 January 2017. These new and revised HKFRSs include the following which may be relevant to the Group.

3. 採納新訂及經修訂香港財務報告準則

(a) 應用新訂及經修訂香港財務報告準則

香港會計師公會頒佈了數項新訂及經修訂的香港財務報告準則，有關準則自2017年1月1日開始或之後的年度期間生效。有關修訂對本集團的會計政策並無構成任何影響。然而，香港會計準則第7號（經修訂）現金流量表：披露計劃規定須披露融資活動所導致的負債變動，包括現金流量所產生的變動及非現金變動。有關修訂對本集團綜合財務報表的影響已載入附註35(b)的額外披露內。

(b) 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已頒佈但尚未於2017年1月1日開始的財政年度生效的新訂及經修訂香港財務報告準則。可能與本集團有關的新訂及經修訂香港財務報告準則包括下列各項：

**Effective for
accounting periods
beginning on or after
於下列日期或之後
開始的會計期間生效**

HKFRS 9 Financial Instruments 香港財務報告準則第9號 – 金融工具	1 January 2018 2018年1月1日
HKFRS 15 Revenue from Contracts with Customers 香港財務報告準則第15號 – 來自客戶合約的收入	1 January 2018 2018年1月1日
Amendments to HKFRS 2 Share-based Payment: Classification and Measurement of Share-based Payment Transactions 香港財務報告準則第2號（經修訂） – 以股份為基礎的支付：以股份為基礎的支付交易的分類與計量	1 January 2018 2018年1月1日
HKFRS 16 Leases 香港財務報告準則第16號 – 租賃	1 January 2019 2019年1月1日
HK(IFRIC) 23 Uncertainty over Income Tax Treatments 香港國際財務報告準則解釋第23號 – 所得稅處理的不確定性	1 January 2019 2019年1月1日



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

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

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED)

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

The Group is in the process of making an assessment of what the impact of these amendments and new standards is expected to be in the period of initial application. So far the Group has identified some aspects of the new standards which may have a significant impact on the consolidated financial statements. Further details of the expected impacts are discussed below. While the assessment has been substantially completed for HKFRS 9 and HKFRS 15, the actual impacts upon the initial adoption of the standards may differ as the assessment completed to date is based on the information currently available to the Group, and further impacts may be identified before the standards are initially applied in the Group's interim financial report for the six months ending 30 June 2018. The Group may also change its accounting policy elections, including the transition options, until the standards are initially applied in that interim financial report.

HKFRS 9 Financial Instruments

HKFRS 9 will replace HKAS 39 Financial Instruments: Recognition and Measurement. HKFRS 9 introduces new requirements for classification and measurement of financial assets, new rules for hedge accounting and a new impairment model for financial assets.

HKFRS 9 is effective for annual periods beginning on or after 1 January 2018 on a retrospective basis. The Group plans to adopt the new standard on the required effective date and will not restate comparative information.

Based on an analysis of the Group's financial assets and financial liabilities as at 31 December 2017 on the basis of the facts and circumstances that exist at that date, the directors of the Company have assessed the impact of HKFRS 9 to the Group's consolidated financial statements as follows:

3. 採納新訂及經修訂香港財務報告準則(續)

(b) 已頒佈但尚未生效的新訂及經修訂香港財務報告準則(續)

本集團正在評估初始應用期間該等修訂和新準則的預期影響。目前為止，本集團已識別了新準則的若干方面可能對綜合財務報表造成重大影響。有關預期影響的進一步詳情於下文論述。儘管有關香港財務報告準則第9號及香港財務報告準則第15號之評估已大致完成，惟首次採納該等準則時產生的實際影響可能有所不同，原因為至今已完成之評估乃根據本集團目前可得之資料作出，而於本集團截至2018年6月30日止六個月的中期財務報告首次應用該等準則前可能會識別出其他影響。此外，於上述中期財務報告首次應用該等準則前，本集團亦可能變更其會計政策選擇(包括過渡性條文選擇)。

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號將取代香港會計準則第39號金融工具：確認和計量。香港財務報告準則第9號引入了金融資產分類和計量、對沖會計的新要求及金融資產的減值計算模式。

香港財務報告準則第9號按追溯基準於2018年1月1日或之後開始的年度期間生效。本集團計劃於規定生效日期採納新準則且不會重列比較資料。

根據本集團於2017年12月31日的金融資產及金融負債的分析(有關分析乃基於該日存在的事實及情況而作出)，本公司董事評定香港財務報告準則第9號對本集團綜合財務報表的影響如下：



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3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED)

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

HKFRS 9 Financial Instruments (continued)

(a) Classification and measurement

HKFRS 9 contains three principal classification categories for financial assets: measured at (1) amortised cost, (2) fair value through profit or loss (FVTPL) and (3) fair value through other comprehensive income (FVTOCI) as follows:

- The classification for debt instruments is determined based on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the asset. If a debt instrument is classified as FVTOCI then effective interest, impairments and gains/losses on disposal will be recognised in profit or loss.
- For equity securities, the classification is FVTPL regardless of the entity's business model. The only exception is if the equity security is not held for trading and the entity irrevocably elects to designate that security as FVTOCI. If an equity security is designated as FVTOCI then only dividend income on that security will be recognised in profit or loss. Gains, losses and impairments on that security will be recognised in other comprehensive income without recycling.

Based on the preliminary assessment, the Group expects that its financial assets currently measured at amortised cost will continue with their respective classification and measurements upon the adoption of HKFRS 9.

3. 採納新訂及經修訂香港財務報告準則(續)

(b) 已頒佈但尚未生效的新訂及經修訂香港財務報告準則(續)

香港財務報告準則第9號 – 金融工具(續)

(a) 分類和計量

香港財務報告準則第9號包含三種主要金融資產的分類標準：(1)以攤銷成本計量，(2)以公允價值計量且其變動計入當期損益(以下簡稱FVTPL)以及(3)以公允價值計量且其變動計入其他綜合收益(以下簡稱FVTOCI)。

- 債務工具的分類根據主體管理金融資產的商業模式及該資產的合約現金流量特點進行確定。倘債務工具分類為FVTOCI類，則實際利息、減值及出售收益/虧損將於損益內確認。
- 就股本證券而言，其分類為FVTPL(不論實體的業務模式)。唯一例外為倘股本證券並非持作買賣，則該實體不可撤回地選擇將該證券指定為FVTOCI。倘股本證券指定為FVTOCI，則僅有該證券的股息收入將會於損益內確認。該證券的收益、虧損及減值將會於其他全面收益內確認(不可撥回)。

根據初步評估，本集團預期其當前按攤銷成本計量的金融資產將於採納香港財務報告準則第9號後繼續沿用彼等各自的分類及計量。



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綜合財務報表附註

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3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED)

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

HKFRS 9 Financial Instruments (continued)

(a) Classification and measurement (continued)

The classification and measurement requirements for financial liabilities under HKFRS 9 are largely unchanged from HKAS 39, except that HKFRS 9 requires the fair value change of a financial liability designated at FVTPL that is attributable to changes of that financial liability's own credit risk to be recognised in other comprehensive income (without reclassification to profit or loss). This change in policy will have no impact on the Group's net liabilities and total comprehensive income but will impact on reported performance amounts such as profit and earnings per share.

(b) Impairment

The new impairment model in HKFRS 9 replaces the "incurred loss" model in HKAS 39 with an "expected credit loss" model. Under the expected credit loss model, it will no longer be necessary for a loss event to occur before an impairment loss is recognised. Instead, an entity is required to recognise and measure expected credit losses as either 12-month expected credit losses or lifetime expected credit losses, depending on the asset and the facts and circumstances. This new impairment model may result in an earlier recognition of credit losses on the Group's trade receivables and other financial assets. Based on a preliminary assessment, if the Group were to adopt the new impairment requirements at 31 December 2017, accumulated impairment loss at that date would be similar with that recognized under HKAS 39.

HKFRS 15 Revenue from Contracts with Customers

HKFRS 15 establishes a comprehensive framework for recognising revenue from contracts with customers. HKFRS 15 will replace the existing revenue standards, HKAS 18, Revenue, which covers revenue arising from sale of goods and rendering of services, and HKAS 11, Construction contracts, which specifies the accounting for revenue from construction contracts.

3. 採納新訂及經修訂香港財務報告準則(續)

(b) 已頒佈但尚未生效的新訂及經修訂香港財務報告準則(續)

香港財務報告準則第9號 – 金融工具(續)

(a) 分類和計量(續)

香港財務報告準則第9號項下金融負債的分類及計量規定與香港會計準則第39號無重大變化。惟香港財務報告準則第9號規定，因金融負債本身之信貸風險變動而導致之指定為按FVTPL的金融負債的公允價值變動須於其他全面收益確認，而不得重新分類至損益。該政策變動將不會對本集團的負債淨額及全面收入總額產生任何影響，惟將影響已呈報的表現數額(如溢利及每股盈利)。

(b) 減值

香港財務報告準則第9號的新減值模式以「預期信貸虧損」模式取代香港會計準則第39號的「已產生虧損」模式。根據預期信貸虧損模式，其將不再需要在確認減值虧損前發生虧損事件。相反，一間實體須將預期信貸虧損確認並計量為十二個月的預期信貸虧損或可使用年期內的預期信貸虧損，惟視乎資產、事實及情況而定。此項新減值模式可能導致提早確認有關本集團應收賬款及其他金融資產的信貸虧損。根據初步估計，倘本集團於2017年12月31日採納新減值規定，於該日的累計減值虧損將與根據香港會計準則第39號確認者相近。

香港財務報告準則第15號 – 來自客戶合約的收入

香港財務報告第15號建立了一個確認來自客戶合約收入的綜合框架。香港財務報告準則第15號將取代現有的收入準則：香港會計準則第18號 – 收入(涵蓋銷售商品及提供服務產生的收入)及香港會計準則第11號 – 建築合約(規定了建築合約收入的會計處理)。



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3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED)

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

HKFRS 15 Revenue from Contracts with Customers (continued)

HKFRS 15 is effective for annual periods beginning on or after 1 January 2018. The standard permits either a full retrospective or a modified retrospective approach for the adoption. The Group intends to adopt the standard using the modified retrospective approach which means that the cumulative impact of the adoption will be recognised in retained earnings as of 1 January 2018 and that comparatives will not be restated.

Based on the assessment completed to date, the Group has identified the following areas which are expected to be affected:

Timing of revenue recognition

Currently, revenue arising from the provision of services is recognised over time, whereas revenue from the sale of manufactured goods is generally recognised when the risks and rewards of ownership have passed to the customers.

Under HKFRS 15, revenue is recognised when the customer obtains control of the promised good or service in the contract. HKFRS 15 identifies 3 situations in which control of the promised good or service is regarded as being transferred over time:

- a) When the customer simultaneously receives and consumes the benefits provided by the entity's performance, as the entity performs;
- b) When the entity's performance creates or enhances an asset (for example work in progress) that the customer controls as the asset is created or enhanced;

3. 採納新訂及經修訂香港財務報告準則(續)

(b) 已頒佈但尚未生效的新訂及經修訂香港財務報告準則(續)

香港財務報告準則第15號 – 來自客戶合約的收入(續)

香港財務報告準則第15號於2018年1月1日或之後開始的年度期間生效。該準則允許按全面追溯方式或經修訂追溯方式採納準則。本集團擬使用經修訂追溯方式採納準則，這意味著採納準則的累積影響將於截至2018年1月1日的保留盈利內確認，且將不會重列比較資料。

根據至今完成的評估，本集團已識別出下列預期將受影響的方面：

收入確認的時間

目前，提供服務所產生的收入於提供服務時確認，而來自銷售製成品的收入通常於所有權風險及回報轉移至客戶時確認。

根據香港財務報告準則第15號，收入於客戶獲得合約中承諾商品或服務的控制權時確認。香港財務報告準則第15號確定了對承諾商品或服務的控制被視為隨時間轉移的三種情況：

- a) 當客戶同時取得及消耗實體履約所提供的利益時；
- b) 實體的履約行為創造或改良了客戶在資產被創造或改良時就控制的資產(如在製品)；



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3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED)

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

HKFRS 15 Revenue from Contracts with Customers (continued)

Timing of revenue recognition (continued)

- c) When the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

If the contract terms and the entity's activities do not fall into any of these 3 situations, then under HKFRS 15 the entity recognises revenue for the sale of that good or service at a single point in time, being when control has passed. Transfer of risks and rewards of ownership is only one of the indicators that will be considered in determining when the transfer of control occurs.

The Group has assessed that the new revenue standard is not likely to have significant impact on how it recognises revenue from the provision of services.

For contracts with customers in which the sale of sales manufactured goods and properties developed is generally expected to be the only performance obligation, adoption of HKFRS 15 is not expected to have any impact on the Group's revenue or profit or loss. The Group expects the revenue recognition to occur at a point in time when control of the asset is transferred to the customer, generally when goods are delivered at the customers' premises which is taken to be the point in time when the customer has accepted the goods.

3. 採納新訂及經修訂香港財務報告準則(續)

(b) 已頒佈但尚未生效的新訂及經修訂香港財務報告準則(續)

香港財務報告準則第15號 – 來自客戶合約的收入(續)

收入確認的時間(續)

- c) 實體的履約行為並未創造一項可被實體用於替代用途的資產，並且實體具有就迄今為止已完成的履約部分獲得客戶付款的可執行權利。

如果合約條款及實體履約行為並不屬於任何該等三種情況，則根據香港財務報告準則第15號，實體於某一時間點(即控制權轉移時)就銷售商品或服務確認收入。所有權的風險及回報的轉移僅為釐定控制權轉移發生時將考慮的其中一項指標。

本集團已評估上述新的收入準則對其如何確認來自提供服務的收入不大可能構成重大影響。

就與客戶所訂立一般預期銷售製成品及開發物業為唯一履約責任之合約而言，預期採納香港財務報告準則第15號不會對本集團之收入或盈虧構成任何影響。本集團預期收入確認一般會在貨品送達客戶場地時(視作客戶已接收貨品之時刻)，資產之控制權轉移至客戶時發生。



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3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED)

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

HKFRS 16 Leases

HKFRS 16 replaces HKAS 17 Leases and related interpretations. The new standard introduces a single accounting model for lessees. For lessees the distinction between operating and finance leases is removed and lessees will recognise right-of-use assets and lease liabilities for all leases (with optional exemptions for short-term leases and leases of low value assets). HKFRS 16 carries forward the accounting requirements for lessors in HKAS 17 substantially unchanged. Lessors will therefore continue to classify leases as operating or financing leases.

HKFRS 16 is effective for annual periods beginning on or after 1 January 2019. The Group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption.

Based on a preliminary assessment, the standard will affect primarily the accounting for the Group's operating leases. The Group's office properties and leasehold land leases are currently classified as operating leases and the lease payments (net of any incentives received from the lessor) are recognised as an expense on a straight-line basis over the lease term. Under HKFRS 16 the Group may need to recognise and measure a liability at the present value of the future minimum lease payments and recognise a corresponding right-of-use asset for these leases. The interest expense on the lease liability and depreciation on the right-of-use asset will be recognised in profit or loss. The Group's assets and liabilities will increase and the timing of expense recognition will also be impacted as a result.

3. 採納新訂及經修訂香港財務報告準則(續)

(b) 已頒佈但尚未生效的新訂及經修訂香港財務報告準則(續)

香港財務報告準則第16號 – 租賃

香港財務報告準則第16號取代香港會計準則第17號「租賃」及其相關詮釋。該新準則為承租人引入單一會計處理模式。承租人無需區分經營和融資租賃，但需就全部租賃確認使用權資產及租賃負債(短期租約及低價值資產之租約可獲選擇性豁免)。香港財務報告準則第16號大致保留香港會計準則第17號有關出租人的會計處理規定。因此，出租人將繼續將租賃分類為經營租賃或融資租賃。

香港財務報告準則第16號於2019年1月1日或之後開始之年度期間生效。本集團擬應用簡化過渡法且不會就首次採納前之年度重列比較數字。

根據初步評估，有關準則主要影響本集團經營租賃之會計方法。本集團之辦公室物業及租賃土地租賃現分類為經營租賃及租賃付款(已扣除從出租人收取所得之任何優惠)於租期內按直線法確認為開支。根據香港財務報告準則第16號，本集團可能需就該等租賃按未來最低租賃付款之現值確認及計量負債，並確認相應使用權資產。租賃負債之利息開支及使用權資產之折舊將於損益中確認。本集團的資產及負債將相應增加且開支確認之時間亦會受到影響。



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

For the year ended 31 December 2017
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3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED)

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

HKFRS 16 Leases (continued)

As disclosed in note 37, the Group's future minimum lease payments under non-cancellable operating leases for its office properties and leasehold land amounted to HK\$22,592,000 as at 31 December 2017. These leases are expected to be recognised as lease liabilities, with corresponding right-of-use assets, once HKFRS 16 is adopted. The amounts will be adjusted for the effects of discounting and the transition reliefs available to the Group.

HK(IFRIC) 23 Uncertainty over Income Tax Treatments

The interpretation of HKAS 12 Income Taxes sets out how to apply that standard when there is uncertainty about income tax treatments. Entities are required to determine whether uncertain tax treatments should be assessed separately or as a group depending on which approach will better predict the resolution of the uncertainties. Entities will have to assess whether it is probable that a tax authority will accept an uncertain tax treatment. If yes, the accounting treatment will be consistent with the entity's income tax filings. If not, however, entities are required to account for the effects of the uncertainty using either the most likely outcome or expected value method depending on which method is expected to better predict its resolution.

The Group is unable to estimate the impact of the interpretation on the consolidated financial statements until a more detailed assessment has been completed.

3. 採納新訂及經修訂香港財務報告準則(續)

(b) 已頒佈但尚未生效的新訂及經修訂香港財務報告準則(續)

香港財務報告準則第16號 – 租賃(續)

如附註37所披露，於2017年12月31日，本集團辦公物業及租賃土地於不可撤銷經營租賃項下之未來最低租賃付款為22,592,000港元。採用香港財務報告準則第16號後，該等租賃預期須確認為租賃負債，並附帶相應使用權資產。有關金額將就折讓影響及本集團可用之過渡安排作出調整。

香港(國際財務報告準則解釋)第23號 – 所得稅處理的不確定性

香港會計準則第12號「所得稅」之詮釋載列於存在所得稅處理不確定性時應如何應用該準則。實體須釐定不確定之稅項處理應單獨還是整體評估(視乎能更佳預測不確定性之解決方案而定)。實體須評估稅務機構是否有可能接受不確定之稅項處理。倘接受的話，會計處理將與有關實體之所得稅申報符合一致；然而，倘不接受的話，實體須採用可能性最大之結果或預期價值法(視乎預期何種方法能更佳預測解決方案而定)將不確定性之影響入賬。

本集團需於完成更為詳細之評估後方能估計有關詮釋對綜合財務報表的影響。



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

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4. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared under the historical cost convention, unless mentioned otherwise in the accounting policies below (e.g. certain financial instruments that are measured at fair value).

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 5.

The significant accounting policies applied in the preparation of these consolidated financial statements are set out below.

(a) Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 December. Subsidiaries are entities over which the Group has control. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group has power over an entity when the Group has existing rights that give it the current ability to direct the relevant activities, i.e. activities that significantly affect the entity's returns.

When assessing control, the Group considers its potential voting rights as well as potential voting rights held by other parties. A potential voting right is considered only if the holder has the practical ability to exercise that right.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date the control ceases.

The gain or loss on the disposal of a subsidiary that results in a loss of control represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that subsidiary and (ii) the Company's share of the net assets of that subsidiary plus any remaining goodwill and any accumulated exchange reserve relating to that subsidiary.

4. 主要會計政策

該等綜合財務報表乃按照歷史成本法編製，下文會計政策另有所述者除外（如若干按公允價值計量的金融工具）。

編製符合香港財務報告準則之財務報表須採用若干主要會計估計，亦需管理層在應用本集團會計政策過程中作出判斷。涉及高度判斷或高度複雜性之範疇，或對該等綜合財務報表有重大影響之假設及估計之範疇於綜合財務報表附註5內披露。

編製該等綜合財務報表所應用之主要會計政策載列如下。

(a) 綜合賬目

綜合財務報表包括本公司及其附屬公司截至12月31日止的財務報表。附屬公司指本集團控制的實體。當本集團因參與實體業務而承擔可變動回報的風險或因此享有可變動回報，且有能力透過向實體施加權力而影響該等回報時，則本集團控制該實體。當本集團擁有令其目前能夠指示相關活動（即對實體回報造成重大影響的活動）的現有權利時，本集團即對實體擁有權力。

在評估控制權時，本集團會考慮其潛在投票權以及由其他各方持有的潛在投票權。僅於持有人有實際能力行使潛在投票權時方會考慮該等權利。

附屬公司自其控制權轉移予本集團當日起綜合入賬，並於控制權終止當日停止綜合入賬。

出售附屬公司導致失去控制權之損益指(i)出售代價之公允價值加於該附屬公司保留之任何投資之公允價值與(ii)本公司應佔該附屬公司之資產淨值加有關該附屬公司之任何餘下商譽及任何累計匯兌儲備之差額。



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

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Consolidation (continued)

Intragroup transactions, balances and unrealised profits are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to the Company. Non-controlling interests are presented in the consolidated statement of financial position and consolidated statement of changes in equity within equity. Non-controlling interests are presented in the consolidated statement of profit or loss and consolidated statement of profit or loss and other comprehensive income as an allocation of profit or loss and total comprehensive income for the year between the non-controlling shareholders and owners of the Company.

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

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

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment loss, unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale).

4. 主要會計政策(續)

(a) 綜合賬目(續)

集團內交易、結餘及未變現溢利均予以對銷。除非交易證明所轉讓資產出現減值，否則未變現虧損亦予以對銷。附屬公司之會計政策已作出必要調整，以確保與本集團所採用之政策貫徹一致。

非控股權益是指並非本公司直接或間接擁有附屬公司之權益。非控股權益於綜合財務狀況表及綜合權益變動表之權益內呈列。非控股權益會按照本年度損益和全面收益總額在非控股股東與本公司擁有人之間作出分配的形式，在綜合損益表和綜合損益及其他全面收益表中列示。

即使會導致非控股權益出現虧絀結餘，損益及其他全面收益各部分仍歸屬於本公司權益股東及非控股股東。

本公司於附屬公司的擁有權權益如發生變動但不會導致喪失控制權，則計入權益交易(即以擁有人身份與擁有人進行之交易)。控股權益及非控股權益之賬面值經調整，以反映其各自於附屬公司權益之變動。非控股權益之調整金額與已付或已收代價之公允價值兩者間之任何差額直接於權益確認，並歸屬於本公司權益股東。

本公司財務狀況表中，於一間附屬公司之投資乃按成本減去減值虧損列賬，惟該投資分類為持作出售(或包括於分類為持作出售的出售組別內)則除外。



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

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Business combination and goodwill

The acquisition method is used to account for the acquisition of a subsidiary in a business combination. The consideration transferred in a business combination is measured at the acquisition-date fair value of the assets given, equity instruments issued, liabilities incurred and any contingent consideration. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received. Identifiable assets and liabilities of the subsidiary in the acquisition are measured at their acquisition-date fair values.

The excess of the sum of the consideration transferred over the Group's share of the net fair value of the subsidiary's identifiable assets and liabilities is recorded as goodwill. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the sum of the consideration transferred is recognised in consolidated profit or loss as a gain on bargain purchase which is attributed to the Group.

In a business combination achieved in stages, the previously held equity interest in the subsidiary is remeasured at its acquisition-date fair value and the resulting gain or loss is recognised in consolidated profit or loss. The fair value is added to the sum of the consideration transferred in a business combination to calculate the goodwill.

The non-controlling interests in the subsidiary are initially measured at the non-controlling shareholders' proportionate share of the net fair value of the subsidiary's identifiable assets and liabilities at the acquisition date.

4. 主要會計政策(續)

(b) 業務合併及商譽

本集團採用收購法就於業務合併收購附屬公司列帳。業務合併中所轉讓代價乃按所得資產收購日期的公允價值、已發行股本工具、已產生負債及任何或然代價計量。收購相關成本於有關成本產生及獲得服務期間確認為開支。於收購事項中附屬公司的可識別資產及負債，均按其於收購日期的公允價值計量。

所轉讓代價金額超出本集團應佔附屬公司可識別資產及負債的公允價淨值的差額乃列作商譽。本集團應佔可識別資產及負債的公允價淨值超出所轉讓代價金額的任何差額，乃於綜合損益內確認為本集團應佔議價收購收益。

對於分段進行之業務合併，先前已持有之附屬公司之權益乃按收購日期之公允價值重新計量，而由此產生之損益於綜合損益內確認。公允價值會加入至業務合併時所轉讓代價金額以計算商譽。

於附屬公司之非控股權益初步按非控股股東於收購當日分佔附屬公司之可識別資產及負債公允價值之比例計算。



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

For the year ended 31 December 2017
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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Business combination and goodwill (continued)

After initial recognition, goodwill is measured at cost less accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units (“CGUs”) or groups of CGUs that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the Group at which the goodwill is monitored for internal management purposes. Goodwill impairment reviews are undertaken annually, or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the CGU containing the goodwill is compared to its recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

(c) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). The consolidated financial statements are presented in Hong Kong dollars (“HK\$”), which is the Company’s functional and presentation currency.

(ii) Transactions and balances in each entity’s financial statements

Transactions in foreign currencies are translated into the functional currency on initial recognition using the exchange rates prevailing on the transaction dates. Monetary assets and liabilities in foreign currencies are translated at the exchange rates at the end of each reporting period. Gains and losses resulting from this translation policy are recognised in profit or loss.

Non-monetary items that are measured at fair value in foreign currencies are translated using the exchange rates at the dates when the fair values are determined.

4. 主要會計政策 (續)

(b) 業務合併及商譽 (續)

於初步確認後，商譽一般按成本減累計減值虧損計量。就減值測試而言，因業務合併而購入之商譽乃分配至預期從合併協同效應中獲利之各現金產生單位（「現金產生單位」）或現金產生單位組別。各獲分配商譽之單位或單位組別指就內部管理而言本集團監察商譽之最低層面。商譽每年進行減值檢討，或當有事件出現或情況改變顯示可能出現減值時作更頻密檢討。包含商譽之現金產生單位賬面值與其可收回價值比較，可收回金額為使用價值與公允價值減出售成本兩者中之較高者。任何減值即時確認為開支，且其後不會撥回。

(c) 外幣換算

(i) 功能及呈列貨幣

本集團各實體之財務報表所載項目，乃採用有關實體營運所在之主要經濟環境之貨幣（「功能貨幣」）計量。綜合財務報表以港元（「港元」）呈列，而港元乃本公司之功能及呈列貨幣。

(ii) 各實體之財務報表之交易及結餘

外幣交易於初步確認時按交易當日通行之匯率換算為功能貨幣。以外幣計值之貨幣資產及負債按各報告期末之匯率換算。此換算政策產生之盈虧於損益確認。

按公允價值計量及以外幣計值之非貨幣項目乃按釐定公允價值當日之匯率換算。



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

For the year ended 31 December 2017
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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Foreign currency translation (continued)

(ii) Transactions and balances in each entity's financial statements (continued)

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

(iii) Translation on consolidation

The results and financial position of all the Group entities that have a functional currency different from the Company's presentation currency are translated into the Company's presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses are translated at average exchange rates for the period (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates on the transaction dates); and
- All resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange reserve.

On consolidation, exchange differences arising from the translation of monetary items that form part of the net investment in foreign entities are recognised in other comprehensive income and accumulated in the exchange reserve. When a foreign operation is sold, such exchange differences are reclassified to consolidated profit or loss as part of the gain or loss on disposal.

4. 主要會計政策(續)

(c) 外幣換算(續)

(ii) 各實體之財務報表之交易及結餘(續)

當非貨幣項目之盈虧於其他全面收益確認時，該盈虧之任何匯兌部分於其他全面收益確認。當非貨幣項目之盈虧於損益確認時，該盈虧之任何匯兌部分於損益確認。

(iii) 綜合賬目之換算

所有本集團實體之業績及財務狀況之功能貨幣如有別於本公司之呈列貨幣，均按以下方式換算為本公司之呈列貨幣：

- 於各財務狀況表呈列之資產及負債乃按有關財務狀況表日期之收市匯率換算；
- 收支乃按期內平均匯率換算（除非該平均匯率並非在交易當日通行匯率累計影響之合理估計內，在此情況下，收支按交易當日之匯率換算）；及
- 所有因此產生之匯兌差額均於其他全面收益內確認並於匯兌儲備內累計。

於綜合賬目時，因換算構成海外實體淨投資之一部份之貨幣項目而產生之匯兌差額於其他全面收益確認及於匯兌儲備內累計。當海外經營業務被出售時，該等匯兌差額重新分類至綜合損益作為出售收益或虧損之一部份。



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

For the year ended 31 December 2017
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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Foreign currency translation (continued)

(iii) Translation on consolidation (continued)

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

(d) Property, plant and equipment

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are recognised in profit or loss during the period in which they are incurred.

Depreciation of property, plant and equipment is calculated at rates sufficient to write off their cost less their residual values over the estimated useful lives on a straight-line basis. The estimated useful lives are as follows:

Leasehold land held for own use under operating lease	Over the term of the lease
Solar power plants	20 years
Buildings	20 years
Plant and machinery	5-20 years
Office equipment and others	3-5 years
Motor vehicles	4-5 years
Yacht	5 years

The residual values, useful lives and depreciation method are reviewed and adjusted, if appropriate, at the end of each reporting period.

4. 主要會計政策(續)

(c) 外幣換算(續)

(iii) 綜合賬目之換算(續)

因收購海外實體而產生之商譽及公允價值調整，均作為有關海外實體之資產及負債，並按收市匯率換算。

(d) 物業、廠房及設備

物業、廠房及設備包括持作生產或供應貨品或服務或視作行政用途之樓宇及租賃土地(分類為融資租賃)(下文所述之建設中物業除外)，於綜合財務狀況表按成本減其後累計折舊及其後累計減值虧損(如有)列賬。

其後成本乃納入資產賬面值或確認為個別資產(視適用情況而定)，但只有在該項目有可能為本集團流入未來經濟利益，以及可以可靠地計量該項目之成本情況下方以此方式處理。所有其他維修及保養於其所產生之期間在損益內確認。

物業、廠房及設備乃以直線法於估計可使用年期內，按足以撇銷其成本減其殘值計算折舊。估計可使用年期如下：

根據經營租賃持作自用之租賃土地	按租期
太陽能發電站	20年
樓宇	20年
廠房及機器	5-20年
辦公設備及其他	3-5年
汽車	4-5年
遊艇	5年

殘值、可使用年期及折舊方法於各報告期末予以檢討並作出調整(如適用)。



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

For the year ended 31 December 2017
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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Property, plant and equipment (continued)

Construction in progress represents buildings under construction and plant and equipment pending installation, and is stated at cost less impairment losses. Depreciation begins when the relevant assets are available for use.

The gain or loss on disposal of property, plant and equipment is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in profit or loss.

(e) Leases

(i) Operating leases

Leases that do not substantially transfer to the Group all the risks and rewards of ownership of assets are accounted for as operating leases. Lease payments (net of any incentives received from the lessor) are recognised as an expense on a straight-line basis over the lease term.

Prepaid land lease payments are stated at cost and subsequently amortised on the straight-line basis over the remaining term of the lease.

(ii) Finance leases

Leases that substantially transfer to the Group all the risks and rewards of ownership of assets are accounted for as finance leases. At the commencement of the lease term, a finance lease is capitalised at the lower of the fair value of the leased asset and the present value of the minimum lease payments, each determined at the inception of the lease.

The corresponding liability to the lessor is included in the statement of financial position as finance lease payable. Lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Assets under finance leases are depreciated the same as owned assets over the shorter of the lease term and their estimated useful lives.

4. 主要會計政策(續)

(d) 物業、廠房及設備(續)

在建工程指建設中樓宇以及待安裝廠房及設備，以成本減減值虧損列賬。當相關資產可用時開始折舊。

出售物業、廠房及設備之收益或虧損指出售相關資產所得款項淨額與賬面值兩者間之差額，並於損益內確認。

(e) 租賃

(i) 經營租賃

資產擁有權之所有風險及回報並沒有實質上轉移至本集團之租賃列為經營租賃。租賃款項(扣除自出租人收取之任何優惠)於租賃期內以直線法確認為開支。

預付土地租賃付款按成本列賬，其後於租賃之剩餘年期內以直線基準攤銷。

(ii) 融資租賃

資產所有權之所有風險及回報實質上轉移至本集團之租賃會列為融資租賃。融資租賃在租賃期開始時，按於租賃開始時釐定之租賃資產之公允價值或最低租賃付款之現值(以較低者為準)資本化。

欠負出租人之相應債務於財務狀況表中列作應付融資租賃款項。租賃款項於融資費用及未付債務扣減額之間分配。融資費用在各租期內攤分，以為每期債務結餘達致定的週期利率。

融資租賃項下持有之資產按與自有資產相同之折舊方式於租期或其估計可使用年期(以較短者為準)內計算折舊。



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

For the year ended 31 December 2017
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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Intangible assets (other than goodwill)

Software and cloud platform operating agreement are stated at cost less accumulated amortisation and impairment losses. Amortisation is calculated on a straight-line basis over their estimated useful lives as follows:

Software	3 – 5 years
Cloud platform operating agreement	10 years

(g) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average basis. The cost of finished goods and work in progress comprises raw materials, direct labour and an appropriate proportion of all production overhead expenditure, and where appropriate, subcontracting charges. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(h) Properties under development and held for sale

Properties for sale under development and held for sale are stated at the lower of cost and net realisable value. Costs include acquisition costs, prepaid land lease payments, construction costs, borrowing costs capitalised and other direct costs attributable to such properties. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

On completion, the properties are reclassified to properties held for sale at the then carrying amount.

(i) Recognition and derecognition of financial instruments

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

4. 主要會計政策(續)

(f) 無形資產(商譽除外)

軟件及雲平台營運協議按成本減累計攤銷及減值虧損列賬。攤銷按其如下估計可使用年期內以直線基準計算：

軟件	3-5年
雲平台營運協議	10年

(g) 存貨

存貨是以成本和可變現淨值兩者中的較低額列賬。成本使用加權平均基準釐定。製成品及在製品之成本包括原材料、直接勞工及按適當比例計算之所有生產日常費用以及分包費用(如適用)。可變現淨值是以日常業務過程中的估計售價減去完成生產和銷售所需的估計成本後所得數額。

(h) 在建及持作待售的物業

在建待售及持作出售物業以成本及可變現淨值間之較低者列賬。成本包括收購成本、預付土地租賃款、建築成本、資本化之借貸成本及其他歸屬於該物業的直接成本。可變現淨值是以日常業務過程中的估計售價減去完成生產和銷售所需的估計成本後所得數額。

於完工時，物業以其當時的賬面值被重新分類為持作出售的物業。

(i) 確認及終止確認金融工具

當本集團成為工具合約條文之訂約方時，金融資產及金融負債於綜合財務狀況表內確認。



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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Recognition and derecognition of financial instruments (continued)

Financial assets are derecognised when the contractual rights to receive cash flows from the assets expire; the Group transfers substantially all the risks and rewards of ownership of the assets; or the Group neither transfers nor retains substantially all the risks and rewards of ownership of the assets but has not retained control on the assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and the cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in profit or loss.

(j) Financial assets

Financial assets are recognised and derecognised on a trade date basis where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial assets within the timeframe established by the market concerned, and are initially measured at fair value, plus directly attributable transaction costs except in the case of financial assets at fair value through profit or loss.

The Group classifies its financial assets in the following categories: at fair value through profit or loss and loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are either financial assets classified as held for trading or designated as at fair value through profit or loss upon initial recognition. These financial assets are subsequently measured at fair value. Gains or losses arising from changes in fair value of these financial assets are recognised in profit or loss.

4. 主要會計政策(續)

(i) 確認及終止確認金融工具(續)

倘從資產收取現金流量之合約權利已屆滿，或本集團已將資產所有權之絕大部分風險及回報轉移，或本集團並無轉移亦無保留資產所有權之絕大部分風險及回報，且無保留對資產之控制權，則終止確認金融資產。於終止確認金融資產時，資產之賬面值與已收代價及已於其他全面收益內確認之累計盈虧兩者總和之差額，於損益內確認。

倘有關合約規定之責任獲解除、取消或屆滿，則終止確認金融負債。已終止確認金融負債之賬面值與已付代價之差額於損益內確認。

(j) 金融資產

金融資產乃按交易日基準(即購買或出售金融資產之合約條款所規定及經由所屬市場設定的時限交付該項金融資產之日)確認及終止確認，並初始按公允價值加上直接應佔交易成本計量，惟以公允價值計量且其變動計入當期損益的金融資產除外。

本集團將其金融資產按如下類別分類：以公允價值計量且其變動計入當期損益的金融資產以及貸款及應收款項。分類乃按照購入金融資產時的目的劃分。管理層在初始確認時釐定金融資產類別。

(i) 以公允價值計量且其變動計入當期損益的金融資產

以公允價值計量且其變動計入當期損益的金融資產為分類為持作買賣之金融資產或於初步確認時指定為以公允價值計量且其變動計入當期損益。該等金融資產其後按公允價值計量。該等金融資產公允價值變動產生之損益於損益內確認。



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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Financial assets (continued)

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These assets are carried at amortised cost using the effective interest method (except for short-term receivables where interest is immaterial) minus any reduction for impairment or uncollectibility. Typically trade and other receivables, bank and cash balances are classified in this category.

(k) Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment.

(l) Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents represent cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term highly liquid investments which are readily convertible into known amounts of cash and subject to an insignificant risk of change in value. Bank overdrafts which are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents.

4. 主要會計政策(續)

(j) 金融資產(續)

(ii) 貸款及應收款項

貸款及應收款項為並無活躍市場報價而具固定或可釐定付款之非衍生金融資產。該等資產按攤銷成本以實際利率法(利息屬微不足道的短期應收款項除外)減任何減值扣減或不可收回款項計算。一般貿易及其他應收款項、銀行及現金結餘分類為此類別。

(k) 貿易應收款項及其他應收款項

貿易應收款項為在日常業務過程中因出售貨品或提供服務而應收客戶之款項。倘貿易應收款項及其他應收款項預計將在一年或以內收回(或屬業務正常經週期(倘較長)),則分類為流動資產。否則,則呈列為非流動資產。

貿易應收款項及其他應收款項初步按公允價值確認,其後以實際利率法按攤銷成本減除減值撥備計量。

(l) 現金及現金等值項目

就現金流量表而言,現金及現金等值項目即銀行存款和現金、存放於銀行和其他金融機構的活期存款,以及短期和高流動性的投資。這些投資可以隨時換算為已知的現金額、價值變動方面的風險不大。應要求償還及構成本集團現金管理一個完整部分的銀行透支亦列入現金及現金等值項目。



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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument under HKFRSs. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

(n) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(o) Convertible bonds

Convertible bonds which entitle the holder to convert the bonds into a fixed number of equity instruments at a fixed conversion price are regarded as compound instruments consisting of a liability and an equity component. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible debt. The difference between the proceeds of issue of the convertible bonds and the fair value assigned to the liability component, representing the embedded option for the holder to convert the loans into equity of the Group, is included in equity as convertible bonds reserve. The liability component is carried as a liability at amortised cost using the effective interest method until extinguished on conversion or redemption.

Transaction costs are apportioned between the liability and equity components of the convertible bonds based on their relative carrying amounts at the date of issue. The portion related to the equity component is charged directly to equity.

4. 主要會計政策(續)

(m) 金融負債及股本工具

金融負債及股本工具按所訂立合約安排之內容及香港財務報告準則項下金融負債及股本工具之定義分類。股本工具為證明於扣除所有負債後本集團資產有剩餘權益之任何合約。下文載列就特定金融負債及股本工具採納之會計政策。

(n) 借貸

借貸初步按公允價值扣除所產生交易成本確認，其後以實際利率法按攤銷成本計量。

借貸分類為流動負債，除非本集團具有無條件權利，可遞延負債之還款期至報告期末起計最少12個月則作別論。

(o) 可換股債券

可換股債券賦予持有人權利按固定換股價將債券轉換為固定數目之股本工具。可換股債券被視為複合工具，包含負債及權益部分。於發行日期，負債部分之公允價值利用類似非換股債務之當前市場息率估計。發行可換股債券之所得款項與撥為負債部分(即持有人將債券轉換為本集團權益之內嵌選擇權)之公允價值兩者之差額計入權益中之可換股債券儲備。負債部分以實際利率法按攤銷成本列為負債，直至可換股債券於獲轉換或贖回時對銷為止。

交易成本根據可換股債券發行當日之相關賬面值於可換股債券之負債及權益部分之間分配。有關權益部分之數額直接於權益中扣除。



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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(o) Convertible bonds (continued)

Convertible bonds which entitle the holder to convert the loans into equity instruments, other than into a fixed number of equity instruments at a fixed conversion price, are regarded as combined instruments consisting of a liability and a derivative component. At the date of issue, the fair value of the derivative component is determined using an option pricing model; this amount is carried as a derivative liability that is subsequently measured at fair value through profit or loss until extinguished on conversion or redemption. The remainder of the proceeds is allocated to the liability component and is carried as a liability at amortised cost using the effective interest method until extinguished on conversion or redemption.

Transaction costs are apportioned between the liability and derivative components of the convertible bonds based on the allocation of proceeds to the liability and derivative components on initial recognition. The portion related to the derivative component is expensed immediately.

(p) Derivative financial instruments

All derivatives are initially recognised and subsequently measured at fair value.

Changes in the fair value of derivatives that are not designated or do not qualify for hedge accounting are recognised in profit or loss as they arise.

(q) Trade and other payables

Trade and other payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

(r) Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

4. 主要會計政策(續)

(o) 可換股債券(續)

賦予持有人權利可將貸款轉換為股本工具而非按固定轉換價轉換為固定數目股本工具的可換股債券，視為複合工具，其中包括負債部分及衍生部分。於發行日期，衍生部分的公允價值採用期權定價模式釐定，該金額列為衍生負債，將於隨後通過公允價值計入損益直至全數轉換或贖回為止。所得款項的餘下部分撥入負債部分，並使用實際利率法按攤銷成本列為負債，直至全數轉換或贖回為止。

交易成本按初步確認時分配所得款項至負債及衍生部分的比例撥入可換股借貨的負債及衍生部分。與衍生部分有關的部分會即時列作支出。

(p) 衍生金融工具

所有衍生工具初步以公允價值確認及隨後按公允價值計量。

並無指定或符合資格作對沖會計處理之衍生工具之公允價值變動於發生時在損益中確認。

(q) 貿易應付款項及其他應付款項

貿易應付款項及其他應付款項初步按公允價值確認，而後採用實際利息法按攤銷成本計量，除非折現之影響並不重大，於此情況下則按成本列賬。

(r) 權益工具

本公司發行之權益工具乃按已收所得款項(扣除直接發行成本)列賬。



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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably.

(i) Sales of goods

Revenue from the sales of manufactured goods is recognised on the transfer of significant risks and rewards of ownership, which generally coincides with the time when the goods are accepted and the title has passed to the customers.

(ii) Sales of properties

Revenue from sales of properties is recognised when the risks and rewards of ownership are transferred to the purchasers, which is when the construction of the relevant properties has been completed and the properties have been delivered to the purchasers. Revenue from sales of properties excludes sales related taxes and is after deduction of any discounts allowed. Deposits and instalments received on properties sold prior to the date of revenue recognition are included in the consolidated statement of financial position under advances received within trade and other payables.

(iii) Sales of electricity

Revenue is recognised in the accounting period when electricity is generated and supplied to the provincial power grid. Revenue excludes value added tax ("VAT") or other sales taxes.

(iv) Service fee income

Service fee income in relation to property management service and other ancillary services are recognised when the services are rendered.

4. 主要會計政策(續)

(s) 收入確認

收入按已收或應收代價之公允價值計量，並當經濟利益可能流入本集團及收入金額能可靠計量時確認。

(i) 銷售貨品

當所有權之重大風險及回報轉移時(一般與貨品已接收及所有權轉移到客戶之時間相同)，確認銷售製成品之收入。

(ii) 銷售物業

當所有權之相關風險及回報轉移至買方時(即有關物業之建築已完成且有關物業已交付予買方時)，確認銷售物業之收入。銷售物業之收入不包括銷售相關稅項且經扣除任何允許的折扣。在確認收入當日前就出售物業收取的訂金和分期付款則記入綜合財務狀況表內貿易應付款項及其他應付款項下的已收墊款。

(iii) 電力銷售

收入於發電及向省級電網供電的會計期間確認。電力收入不包括增值稅(「增值稅」)或其他銷售稅。

(iv) 服務費收入

有關物業管理服務及其他配套服務之服務費收入於提供服務時確認。



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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) Revenue recognition (continued)

(v) Sales of software

Revenue is recognised after the completion of installation, testing and inspection activities and upon acceptance that the computer software sold is operating as designed by both parties.

(vi) Operation revenue of cloud platforms

Operation revenue of cloud platforms is recognised as services are rendered.

(vii) Rental income

Rental income is recognised on a straight-line basis over the lease term.

(viii) Dividends

- Dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established.
- Dividend income from listed investments is recognised when the share price of the investment goes ex-dividend.

(ix) Interest income

Interest income is recognised on a time-proportion basis using the effective interest method.

4. 主要會計政策(續)

(s) 收入確認(續)

(v) 軟件銷售

收入在完成安裝、測試和檢查後，並且客戶接受所出售電腦軟件已按雙方設計的方式營運後確認。

(vi) 雲平台的經營收入

雲平台之營運收入按提供服務確認。

(vii) 租金收入

租金收入以直線基準於租賃期內確認。

(viii) 股息

- 非上市投資的股息收入在股東收取款項的權利確立時確認。
- 上市投資的股息收入在投資項目的股價除息時確認。

(ix) 利息收入

利息收入乃按時間比例基準並使用實際利率法確認。



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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(t) Employee benefits

(i) Employee leave entitlements

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the end of the reporting period.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(ii) Pension obligations

The Group operates a mandatory provident fund scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for all qualifying employees in Hong Kong. The Group's contributions to the MPF Scheme are calculated at 5% of the salaries and wages subject to a monthly maximum amount of HK\$1,500 per employee and vest fully with employees when contributed into the MPF Scheme.

The employees of the Group in the People's Republic of China (the "PRC") are members of central pension schemes operated by the local municipal governments. The Group is required to contribute certain percentage of the employees' basic salaries and wages to the central pension schemes to fund the retirement benefits. The local municipal governments undertake to assume the retirement benefits obligations of all existing and future retired employees of the Group. The only obligation of the Group with respect to the central pension schemes is to meet the required contributions under the schemes.

(iii) Termination benefits

Termination benefits are recognised at the earlier of the dates when the Group can no longer withdraw the offer of those benefits, and when the Group recognises restructuring costs and involves the payment of termination benefits.

4. 主要會計政策(續)

(t) 僱員福利

(i) 僱員應享假期

僱員的年假及長期服務假期於賦予僱員時確認。截至報告期間止已就僱員因所提供服務享有的年假及長期服務假期的估計負債作出撥備。

僱員可享有之病假及產假將於正式休假時方可確認。

(ii) 退休金承擔

本集團根據香港《強制性公積金計劃條例》為香港所有合資格僱員設立強制性公積金計劃(「強積金計劃」)。本集團向強積金計劃之供款乃按照僱員薪金及工資之5%計算，每名僱員每月供款上限為1,500港元。當已向強積金計劃作出供款後，即盡歸僱員所有。

位於中華人民共和國(「中國」)成立之本集團僱員為地方市政府營運之中央退休金計劃成員。本集團須就僱員基本薪金及工資之若干百分比向中央退休金計劃供款，作為退休福利之資金。地方市政府承諾承擔本集團所有現有及未來退休僱員之退休福利責任。本集團就中央退休金計劃之唯一責任是根據計劃作出所需供款。

(iii) 辭退福利

辭退福利會在本集團不再能夠撤回所提供的辭退福利或本集團確認涉及辭退福利付款的重組成本(以較早者為準)當日確認。



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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Share-based payments

The Group issues equity-settled share-based payments to certain directors, employees and consultants.

Equity-settled share-based payments to directors and employees are measured at the fair value (excluding the effect of non-market based vesting conditions) of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non-market based vesting conditions.

Equity-settled share-based payments to consultants are measured at the fair value of the services rendered or, if the fair value of the services rendered cannot be reliably measured, at the fair value of the equity instruments granted. The fair value is measured at the date the Group receives the services and is recognised as an expense.

(v) 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 capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

To the extent that funds are borrowed generally and used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the expenditures on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the Group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset.

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

4. 主要會計政策(續)

(u) 以股份為基礎的支付

本集團發行以權益結算以股份為基礎的支付款項予若干董事、僱員及顧問。

向董事及僱員作出之以權益結算以股份為基礎的支付款項乃於授出日期按公允價值(不包括非市場形式歸屬條件影響)計量。以權益結算以股份為基礎的支付款項授出日期釐定之公允價值乃根據本集團對最終將歸屬之股份估計及經調整非市場形式歸屬條件影響，於歸屬期按直線法分攤列作支出。

以權益結算以股份為基礎的支付的向顧問的付款按提供服務的公允價值計量，或倘提供服務的公允價值不可被可靠計量，則按授予的權益工具的公允價值計量。公允價值按本集團獲取服務日期計量並確認為開支。

(v) 借貸成本

直接源自收購、建造或生產需要一段長時間方可供作擬定用途或出售之合資格資產之借貸成本會撥充為該等資產成本部分，直至有關資產大致上可供作擬定用途或出售為止。尚未用於合資格資產之特定借貸作短期投資賺取之投資收入，從合資格資本化部分之借貸成本中扣除。

對於用於獲取合資格資產而一般借入的資金，其符合資本化條件的借貸成本金額乃以在該資產的支出應用一個資本化率釐定。資本化率為適用於期內本集團尚未償付借貸(特別用於獲取合資格資產之借貸除外)的借貸成本加權平均值。

所有其他借貸成本均於產生期間在損益確認。



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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(w) Government grants

A government grant is recognised when there is reasonable assurance that the Group will comply with the conditions attaching to it and that the grant will be received.

Government grants relating to income are deferred and recognised in profit or loss over the period to match them with the costs they are intended to compensate.

Government grants that become 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.

Government grants relating to the purchase of assets are deducted from the carrying amount of the assets. The grant is recognised in profit or loss over the life of a depreciable asset by way of a reduced depreciation expense.

(x) Taxation

Income tax represents the sum of the current tax and deferred tax.

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

Deferred tax is recognised on 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 and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences, unused tax losses or unused tax credits can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

4. 主要會計政策(續)

(w) 政府補助

當合理保證本集團將遵守政府補助的附帶條件及將接獲補助時，確認政府補助。

與收入有關之將遞延，並於須配合擬補助的成本的期間內在損益中確認。

用作補償本集團已產生支出或虧損或旨在為本集團提供即時財務資助而無未來相關成本之應收政府補助於應收期間在損益中確認。

與購買資產有關之政府補助自資產之賬面值中扣除。該補助以減少折舊開支方式按應計折舊資產之年期於損益內確認。

(x) 稅項

所得稅指即期稅項與遞延稅項之總和。

即期應付稅項乃根據年內應課稅溢利計算。應課稅溢利與於損益內確認之溢利有所不同，原因涉及其他年度之應課稅或應扣稅之收入或開支項目，以及免稅或不可扣稅之項目。本集團有關即期稅項之負債乃採用於報告期末已頒佈或實際頒佈之稅率計算。

遞延稅項按綜合財務報表所示資產及負債之賬面值與計算應課稅溢利所用相應稅基間之差額確認。遞延稅項負債一般按所有應課稅暫時差額確認，遞延稅項資產則於應課稅溢利有可能用作抵銷應扣稅暫時差額、未動用稅項虧損或未動用稅項抵免之情況下確認。倘暫時差額因商譽或初次確認既不影響應課稅溢利亦不影響會計溢利之交易(業務合併除外)中的其他資產及負債而產生，則不會確認有關資產及負債。



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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(x) Taxation (continued)

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, 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.

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

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is recognised in profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity.

The measurement of deferred tax assets and liabilities 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.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

(y) PRC land appreciation tax ("LAT")

LAT is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from sales of properties less deductible expenditures including land costs, borrowing costs, business taxes and all property development expenditures. LAT is recognised as an income tax expense. LAT paid is a deductible expense for PRC enterprise income tax purposes.

4. 主要會計政策(續)

(x) 稅項(續)

遞延稅項負債就源自於附屬公司投資之應課稅暫時差額予以確認，惟本集團能控制暫時差額之撥回及暫時差額於可見未來可能不會撥回之情況除外。

遞延稅項資產之賬面值於各報告期末檢討，並於不再可能有足夠應課稅溢利以收回全部或部分資產的情況下作出扣減。

遞延稅項以預期適用於償還負債或變現資產期間之稅率，按於報告期末前已頒佈或實際頒佈之稅率計算。遞延稅項於損益確認，除非其與於其他全面收益確認之項目相關或直接於權益確認，於此情況下，遞延稅項亦於其他全面收益或直接於權益確認。

遞延稅項資產及負債之計量反映按本集團預期於報告期末收回或清償其資產及負債賬面值之方式產生之稅務後果。

遞延稅項資產及負債於具有可合法執行權利將即期稅項資產抵銷即期稅項負債，及與相同稅務機關所徵收之所得稅相關，且本集團擬按淨額基準清償其即期稅項資產及負債之情況下予以抵銷。

(y) 中國土地增值稅(「土地增值稅」)

土地增值稅是就土地增值即銷售物業所得款項減可扣減開支(包括土地成本、借貸成本、營業稅及全部物業開發開支)按介於30%至60%之累進稅率徵收。土地增值稅確認為所得稅開支。就中國企業之所得稅而言，已付土地增值稅為可扣減開支。



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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(z) Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at each reporting date for indications of impairment and where an asset is impaired, it is written down as an expense through the consolidated statement of profit or loss to its estimated recoverable amount. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. If this is the case, recoverable amount is determined for the CGU to which the asset belongs. Recoverable amount is the higher of value in use and the fair value less costs of disposal of the individual asset or the CGU.

Value in use is the present value of the estimated future cash flows of the asset/CGU. Present values are computed using pre-tax discount rates that reflect the time value of money and the risks specific to the asset/CGU whose impairment is being measured.

Impairment losses for CGUs are allocated first against the goodwill of the unit and then pro rata amongst the other assets of the CGU. Subsequent increases in the recoverable amount caused by changes in estimates are credited to profit or loss to the extent that they reverse the impairment.

(aa) Impairment of financial assets

At the end of each reporting period, the Group assesses whether its financial assets (other than those at fair value through profit or loss) are impaired, based on objective evidence that, as a result of one or more events that occurred after the initial recognition, the estimated future cash flows of the (group of) financial asset(s) have been affected.

For trade receivables that are assessed not to be impaired individually, the Group assesses them collectively for impairment, based on the Group's past experience of collecting payments, an increase in the delayed payments in the portfolio, observable changes in economic conditions that correlate with default on receivables, etc.

4. 主要會計政策(續)

(z) 非金融資產減值

非金融資產之賬面值於各報告日期進行審閱以確定是否出現減值跡象。倘資產出現減值，則作為開支於綜合損益表撇減至其估計可收回金額。可收回金額乃按個別資產釐定，除非該資產並不產生現金流入，且在頗大程度上獨立於其他資產或資產組別，則會按資產所屬現金產生單位釐定可收回金額。可收回金額為個別資產或現金產生單位之使用價值或公允價值減出售成本(以較高者為準)。

使用價值為資產／現金產生單位估計未來現金流量之現值。現值利用稅前貼現率計算，其可反映貨幣時間價值及所進行減值計量之資產／現金產生單位之特定風險。

現金產生單位之減值虧損首先分配至該單位之商譽，再按比例分配至現金產生單位之其他資產。倘可收回金額因估計數據變動而隨後增加，將按其所撥回之減值在損益入賬。

(aa) 金融資產減值

於各報告期末，本集團基於客觀證據顯示一項(組)金融資產之估計未來現金流量因初步確認資產後發生之一項或多項事件而受影響，評估其金融資產(按公允價值計入損益者除外)是否出現減值。

就評估為並非個別減值之貿易應收款項而言，本集團根據過往收取款項之經驗、組合內延遲付款之增加、與拖欠應收款項相關之經濟狀況之可觀察變動等，整體評估其是否減值。



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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(aa) Impairment of financial assets (continued)

Only for trade receivables, the carrying amount is reduced through the use of an allowance account and subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

For all other financial assets, the carrying amount is directly reduced by the impairment loss.

For financial assets measured at amortised cost, if the amount of the impairment loss decreases in a subsequent period and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed (either directly or by adjusting the allowance account for trade receivables) through profit or loss. However, the reversal must not result in a carrying amount that exceeds what the amortised cost of the financial asset would have been had the impairment not been recognised at the date the impairment is reversed.

(ab) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow is remote.

4. 主要會計政策(續)

(aa) 金融資產減值(續)

僅就貿易應收款項而言，賬面值乃透過使用撥備賬作出扣減，而其後收回先前撇銷之金額則計入撥備賬。撥備賬之賬面值變動於損益內確認。

就所有其他金融資產，賬面值會直接按減值虧損作出扣減。

就按攤銷成本計量的金融資產，倘減值虧損之金額於其後期間減少，而該減少可以客觀地與確認減值後發生之一項事件有關，則先前已確認之減值虧損透過損益撥回(直接或通過調整應收賬款之撥備賬)。然而，撥回不得導致撥回減值當日之賬面值超過該金融資產於未確認減值時之攤銷成本。

(ab) 撥備和或有負債

如果本集團須就已發生的事件承擔法定或推定義務，因而預期會導致含有經濟效益的資源外流，在可以作出可靠的估計時，本集團便會就該時間或數額不確定的負債計提準備。如果貨幣時間值重大，則按預計所需支出的現值計提準備。

當需要經濟利益流出的可能性較低或當金額不能可靠估計時，責任會作為或然負債披露，除非流出的可能性極低。可能的責任(其存在將僅由一項或以上未來事件的出現或不出現確認(亦作為或然負債披露，除非流出的可能性極低者，則另當別論)。



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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(ac) Events after the reporting period

Events after the reporting period that provide additional information about the Group's position at the end of the reporting period are adjusting events and are reflected in the consolidated financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the consolidated financial statements when material.

5. CRITICAL JUDGEMENTS AND KEY ESTIMATES

Critical judgements in applying accounting policies

In the process of applying the accounting policies, the directors have made the following judgements that have the most significant effect on the amounts recognised in the consolidated financial statements (apart from those involving estimations, which are dealt with below).

(a) Revenue recognition

The Group's sales of goods are recognised when criteria set out in note 4(s) are met. Managerial judgement is applied regarding, among other aspects, conformance with acceptance criteria and if transfer of risks and rewards to the customer has taken place to determine if revenue should be recognised in the current year and the customer credit standing to assess whether payment is likely or not to justify revenue recognition.

Revenue may materially change if management's assessment of such criteria was determined to be inaccurate.

(b) Legal titles of certain land and buildings

As stated in note 18 to the consolidated financial statements, the titles of certain buildings related to a production plant acquired from a third party were not transferred to the Group as at 31 December 2017. Despite the fact that the Group has not obtained the relevant legal titles, the directors determined to recognise those buildings as property, plant and equipment, on the grounds that they expect the transfer of legal titles in future should have no major difficulties and the Group is in substance controlling those buildings.

4. 主要會計政策(續)

(ac) 報告期後事項

為本集團於報告期末之狀況提供額外資料均屬於調整事項，並於綜合財務報表內反映。並非調整事項之重大報告期後事項則於綜合財務報表附註中披露。

5. 關鍵判斷及關鍵估計

應用會計政策時所作關鍵判斷

在應用會計政策過程中，董事已作出以下對綜合財務報表內所確認數額具重大影響之判斷(涉及估計外已於下文處理)。

(a) 收入確認

本集團在符合附註4(s)的標準時確認貨品銷售。管理層判斷貨品是否符合驗收標準，風險和報酬是否已轉移給客戶，以確定是否應在本年度確認收入；管理層還須判斷客戶信用狀況，以評估付款的可能性，從而支持確認收入的決定。

如果管理層對上述標準的評估不準確，收入可能會出現重大變動。

(b) 若干土地及樓宇之合法業權

誠如綜合財務報表附註18所呈列，於2017年12月31日，與自一名第三方收購之生產廠房有關之若干樓宇之業權並未轉移至本集團。儘管本集團尚未取得相關法定業權，管理層釐定將該等樓宇確認為物業、廠房及設備，原因在於彼等預計日後法定業權之轉移並不會存在任何重大困難，及本集團實際上控制該等樓宇。



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5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (CONTINUED)

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

(a) Property, plant and equipment and depreciation

The Group determines the estimated useful lives, residual values and related depreciation charges for the Group's property, plant and equipment. This estimate is based on the historical experience of the actual useful lives and residual values of property, plant and equipment of similar nature and functions. The Group will revise the depreciation charge where useful lives and residual values are different to those previously estimated, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned.

The carrying amount of property, plant and equipment as at 31 December 2017 was approximately HK\$476,596,000 (2016: HK\$468,135,000).

(b) Income taxes

The Group is subject to income taxes in several jurisdictions. Significant estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. During the year, income tax of approximately HK\$16,078,000 (2016: HK\$11,852,000) was credited (2016: charged) to profit or loss based on the estimated profit.

5. 關鍵判斷及關鍵估計 (續)

估計不明朗因素之主要來源

下文討論於報告期末存在重大風險可能導致須對下一財政年度資產及負債賬面值作出重大調整之未來主要假設及其他估計不明朗因素之主要來源。

(a) 物業、廠房及設備及折舊

本集團釐定其物業、廠房及設備之估計可使用年期、殘值及相關折舊支出。此項估計乃根據性質及功能相若之物業、廠房及設備過往實際可使用年期及殘值為基準作出。本集團將於可使用年期及殘值有別於以往估計之時調整折舊費用，或會撇銷或撇減已棄置之技術過時或非策略資產。

於2017年12月31日，物業、廠房及設備之賬面值為約476,596,000港元(2016年：468,135,000港元)。

(b) 所得稅

本集團須繳納數個司法管轄權區的所得稅。在釐定所得稅撥備時，須作出重大估計。在日常業務中許多交易及計算均難以明確釐定最終稅項。倘該等事項的最終稅務結果與初步入賬金額不同，該等差額將影響稅務釐定期內所得稅及遞延稅項撥備。於本年度，根據估計溢利所得稅抵免約16,078,000港元(2016年：支出11,852,000港元)已計入(2016年：扣除自)損益。



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5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (CONTINUED)

Key sources of estimation uncertainty (continued)

(c) Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating unit to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value. The carrying amount of goodwill at the end of the reporting period was approximately HK\$2,830,000 (2016: HK\$52,475,000) after an impairment loss of approximately HK\$49,645,000 (2016: HK\$Nil) was recognised during the year. Details of the impairment loss calculation are provided in note 20 to the consolidated financial statements.

(d) Impairment of other intangible assets

The Group assesses whether there are any indicators of impairment for other intangible assets at the end of the reporting period. The other intangible assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an other intangible asset exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or CGU and choose a suitable discount rate in order to calculate the present value of those cash flows. Management reassesses the estimation at the end of the reporting period.

The carrying amount of other intangible assets at the end of the reporting period was HK\$2,086,000 (2016: HK\$185,145,000) after an impairment loss of HK\$162,807,000 (2016: HK\$Nil) was recognised during the year. Details of the impairment loss calculation are provided in note 21 to the consolidated financial statements.

5. 關鍵判斷及關鍵估計 (續)

估計不明朗因素之主要來源 (續)

(c) 商譽減值

釐定商譽有否減值須估計獲分配商譽之現金產生單位的使用價值。計算使用價值要求本集團估計預期自現金產生單位產生的未來現金流及適當貼現率以計算現值。年內確認減值虧損49,645,000港元(2016年：零港元)後，商譽於報告期末的賬面值為2,830,000港元(2016年：52,475,000港元)。減值虧損計算方法之詳情載於綜合財務報表附註20。

(d) 其他無形資產之減值

本集團在報告期末評估其他無形資產是否有任何減值跡象。其他無形資產於有跡象顯示賬面值可能無法收回時進行減值測試。倘其他無形資產的賬面值超過其可收回金額時，則存在減值，可收回金額為公允價值減銷售成本與其使用價值的較高者。公允價值減銷售成本於計算時基於類似資產公平交易中具約束力的銷售交易所得數據或可觀察市場價格減出售資產的增加成本。倘進行計算使用價值時，管理層須估計資產或現金產生單位的預期未來現金流量，及選用合適的貼現率以計算該等現金流量現值。於報告期末，管理層重新評估有關估計。

年內確認減值虧損162,807,000港元(2016年：零港元)後，其他無形資產於報告期末的賬面值為2,086,000港元(2016年：185,145,000港元)。減值虧損計算方法之詳情載於綜合財務報表附註21。



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5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (CONTINUED)

Key sources of estimation uncertainty (continued)

(e) Impairment loss for bad and doubtful debts

The Group makes impairment loss for bad and doubtful debts based on assessments of the recoverability of the trade and other receivables, including the current creditworthiness and the past collection history of each debtor. Impairments arise where events or changes in circumstances indicate that the balances may not be collectible. The identification of bad and doubtful debts, in particular of a loss event, requires the use of judgement and estimates. Where the actual result is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debt expenses in the year in which such estimate has been changed.

As at 31 December 2017, accumulated impairment loss for bad and doubtful debts amounted to approximately HK\$9,323,000 (2016: HK\$7,040,000).

(f) Allowance for slow-moving inventories

Allowance for slow-moving inventories is made based on the ageing and estimated net realisable value of inventories. The assessment of the allowance amount involves judgement and estimates. Where the actual outcome in future is different from the original estimate, such difference will impact the carrying value of inventories and allowance charge/write-back in the period in which such estimate has been changed. Allowance for slow-moving inventories amounted to approximately HK\$432,000 (2016: HK\$315,000) was made for the year ended 31 December 2017.

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expense. These estimates are based on current market conditions and the historical experience of manufacturing and selling products of similar nature. It could change significantly as a result of changes in customer's demand and competitor's actions in response to severe industry cycles. The Group will reassess the estimates by the end of each reporting period.

5. 關鍵判斷及關鍵估計 (續)

估計不明朗因素之主要來源 (續)

(e) 呆壞賬之減值虧損

本集團根據評估貿易應收款項及其他應收款項之可收回性對呆壞賬作出減值虧損，包括每位債務人之目前信譽及過往收款記錄。於發生顯示餘額可能無法收回之事件或情況變動下會出現減值。呆壞賬之識別(尤其是虧損事件)需要判斷和估計。倘實際結果有別於原來估計，則該等差額將於上述估計出現變動之年度影響貿易應收款項及其他應收款項及呆賬開支之賬面值。

於2017年12月31日，呆壞賬之累計減值虧損金額為約9,323,000港元(2016年：7,040,000港元)。

(f) 滯銷存貨撥備

滯銷存貨撥備乃根據存貨賬齡及估計存貨可變現淨值作出。評估撥備金額涉及判斷及估計。倘日後之實際結果不同於原來估計，該等差額將影響上述估計出現變動期間存貨及撥備開支/撥回之賬面值。於2017年12月31日，滯銷存貨之累計撥備金額為約432,000港元(2016年：315,000港元)。

存貨可變現淨值指於一般業務過程中估計售價減估計完成成本及銷售開支後的金額。該等估計乃根據當前市況以及製造及銷售同類性質產品的過往經驗作出。由於為應對嚴苛行業週期客戶需求以及競爭者行動之變化，有關估計可能發生重大變動。本集團將於各報告期結束前重估有關估計。



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6. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: foreign currency risk, price risk, credit risk, liquidity risk and interest rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Foreign currency risk

The Group has minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in the functional currencies of the Group entities. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group monitors its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

(b) Price risk

The Group is exposed to equity price risk mainly through its investment in equity securities. The management manages this exposure by maintaining a portfolio of investments with different risk and return profiles. The Group's equity price risk is mainly concentrated on equity securities quoted on the Stock Exchange.

The sensitivity analyses below have been determined based on the exposure to equity price risk at the end of the reporting period.

If equity prices had been 10% (2016: 10%) higher/lower, loss (2016: profit) after tax for the year ended 31 December 2017 would decrease/increase (2016: increase/decrease) by approximately HK\$1,937,000 (2016: HK\$5,584,000). This is mainly due to the changes in fair value of held-for-trading investments.

6. 金融風險管理

本集團之業務承受各種金融風險：外幣風險、股價風險、信貸風險、流動資金風險及利率風險。本集團之整體風險管理計劃針對金融市場之難以預測性，並尋求對本集團之財務表現產生之潛在不利影響減至最低。

(a) 外幣風險

本集團面對輕微外幣風險，原因為其大部分業務交易、資產及負債主要以本集團實體之功能貨幣計值。本集團目前並無就外幣交易、資產及負債制訂外幣對沖政策。本集團密切監察其外幣風險，並考慮於需要時對沖重大外幣風險。

(b) 股價風險

本集團主要透過其於股本證券的投資面臨股價風險。管理層透過維持風險及回報各異的投資組合管理有關風險。本集團的股價風險主要集中在聯交所所報股本證券。

以下敏感度分析乃基於於報告期末面臨的股價風險釐定。

倘股價上升／下降10%（2016年：10%），則截至2017年12月31日止年度的除稅後虧損（2016年：溢利）將減少／增加（2016年：增加／減少）約1,937,000港元（2016年：5,584,000港元）。此乃主要由於持作買賣投資的公允價值變動所致。



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6. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Credit risk

The Group's credit risk is primarily attributable to its trade and other receivables. In order to minimise credit risk, credit evaluations are performed on all customers requiring credit over a certain amount. In addition, the directors review the recoverable amount of each individual trade debt regularly to ensure that adequate impairment losses are recognised for irrecoverable debts. In this regard, the directors consider that the Group's credit risk is significantly reduced.

At 31 December 2017, the Group has certain concentration of credit risk as 27.0% (2016: 32.4%) of the total trade debtors was due from the Group's largest customer and 82.4% (2016: 69.7%) of the total trade debtors was due from the Group's five largest customers.

It has policies in place to ensure that sales are made to customers with an appropriate credit history. Amounts due from related companies are closely monitored by the directors.

The credit risk on bank and cash balances is limited because the counterparties are banks and financial institutions with acceptable credit-ratings assigned by international credit-rating agencies.

The Group does not provide any guarantees which would expose the Group to credit risk.

6. 金融風險管理(續)

(c) 信貸風險

本集團信貸風險主要來自貿易應收款項及其他應收款項。為將信貸風險減至最低，就貿易應收賬款和其他應收款而言，所有要求就超過某一數額的賬款獲得除賬安排的客戶均須接受個別信貸評估。此外，董事定期審閱各個別貿易債務之可收回金額以確保就不可收回債務確認適當減值虧損。就此而言，董事認為本集團之信貸風險已大幅降低。

於2017年12月31日，本集團應收其最大客戶的款項佔應收賬款總額的27.0% (2016年：32.4%)，而本集團應收其五大客戶的款項佔應收賬款總額的82.4% (2016年：69.7%)，故本集團面臨一定程度的信貸風險集中。

本集團已制定政策，確保銷售對象為具有良好信貸記錄之客戶。董事密切監控應收關連公司之款項。

由於交易對手方均為具備國際信貸評級機構評定擁有可接納信貸評級之銀行及金融機構，故此銀行及現金結餘之信貸風險有限。

本集團沒有提供任何可能令本集團或本公司承受信貸風險的擔保。



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6. FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

The maturity analysis based on contractual undiscounted cash flows of the Group's non-derivative financial liabilities is as follows:

6. 金融風險管理(續)

(d) 流動資金風險

本集團之政策為定期監察目前及預期之流動資金需求，從而確保本集團維持足夠現金儲備以應付其短期及較長期的流動資金需求。

根據本集團非衍生金融負債之合約未貼現現金流作出到期分析如下：

		Less than 1 year or on demand 少於 1年或按要求 HK\$'000 千港元	Between 1 and 2 years 1年至2年 HK\$'000 千港元	Between 2 and 5 years 2年至5年 HK\$'000 千港元	Over 5 years 5年以上 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 31 December 2017	於2017年12月31日					
Trade and other payables	貿易應付款項及 其他應付款項	202,508	–	–	–	202,508
Bank borrowings	銀行貸款	156,026	–	–	–	156,026
At 31 December 2016	於2016年12月31日					
Trade and other payables	貿易應付款項及 其他應付款項	185,026	–	–	–	185,026
Bank borrowings	銀行貸款	146,487	220	–	–	146,707



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6. FINANCIAL RISK MANAGEMENT (CONTINUED)

(e) Interest rate risk

The Group's cash flow interest rate risk primarily relates to variable-rate bank borrowings. It is the Group's policy to keep its borrowings at floating rate of interest so as to minimise the fair value interest rate risk.

The Group's exposure to interest rate risk primarily relates to its bank deposits, bank borrowings that are interest bearing.

The Group's bank deposits bear interest at variable rates that vary with the then prevailing market condition.

The Group's bank borrowings approximately HK\$71,934,000 (2016: HK\$67,077,000) bear interest at fixed interest rate and therefore are subject to fair value interest rates risks. Other bank borrowings are arranged at variable rates, thus exposing the Group to cash flow interest rate risk.

At 31 December 2017, if interest rates had been 100 basis points higher/lower with all other variables held constant, consolidated loss (2016: profit) after tax for the year would have been approximately HK\$1,207,000 (2016: HK\$368,000) higher/lower (2016: lower/higher), arising mainly as a result of higher/lower interest expense on bank borrowings.

(f) Categories of financial instruments at 31 December 2017

6. 金融風險管理(續)

(e) 利率風險

本集團的現金流利率風險主要與浮息率銀行貸款有關。本集團之政策為將其借貸保持在浮動利率水平以將公允價值利率風險降至最低。

本集團面臨的利率風險主要與其計息銀行存款及銀行貸款有關。

本集團的銀行存款按隨當時現行市況變化的浮動利率計息。

本集團的銀行貸款約71,934,000港元(2016年: 67,077,000港元)按固定利率計息, 因此面臨公允價值利率風險。其他銀行貸款按浮動利率安排, 因此令本集團面臨現金流利率風險。

於2017年12月31日, 倘利率上升/下跌100個基點而所有其他變量維持不變, 本年度之綜合除稅後虧損(2016年: 溢利)將增加/減少(2016年: 減少/增加)約1,207,000港元(2016年: 368,000港元), 主要源於銀行貸款之利息開支增加/減少。

(f) 2017年12月31日的金融工具分類

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Financial assets:	金融資產:		
Financial assets at fair value through profit or loss – held for trading	以公允價值計量且其變動計入當期損益的金融資產 – 持作買賣	26,559	224,648
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)	549,067	407,066
Financial liabilities:	金融負債:		
Financial liabilities at amortised cost	以攤銷成本計量的金融負債	355,406	346,684



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6. FINANCIAL RISK MANAGEMENT (CONTINUED)

(g) Fair values

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the consolidated statement of financial position approximate their respective fair values.

7. FAIR VALUE MEASUREMENTS

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. The following disclosures of fair value measurements use a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2 inputs: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs: unobservable inputs for the asset or liability.

The Group's policy is to recognise transfers into and transfers out of any of the three levels as of the date of the event or change in circumstances that caused the transfer.

6. 金融風險管理(續)

(g) 公允價值

於綜合財務狀況表所反映之本集團金融資產及金融負債之賬面值與其各自之公允價值相若。

7. 公允價值計量

公允價值指市場參與者之間於計量日期在有序交易中出售資產將收取或轉讓負債將支付的價格。下文披露使用公允價值層級計量的公允價值，用作計量公允價值的估值方法輸入值據此分為三個級別：

第一層級輸入值：本集團可於計量日獲得之相同資產或負債於活躍市場上的報價(未經調整)。

第二層級輸入值：第一層級所包括的報價以外，資產或負債直接或間接可觀察之輸入值。

第三層級輸入值：資產或負債的不可觀察輸入值。

本集團的政策為確認截至事件或變化日導致轉讓的任何三個層級轉入及轉出情況。



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7. FAIR VALUE MEASUREMENTS (CONTINUED)

(a) Disclosures of level in fair value hierarchy at 31 December 2017:

Description 描述	Fair value measurements using: 公允價值計量方式使用：			Total 合計
	Level 1 第一層級 HK\$'000 千港元	Level 2 第二層級 HK\$'000 千港元	Level 3 第三層級 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Recurring fair value measurements:	經常性公允價值計量：			
Financial assets:	金融資產：			
Financial assets at fair value through profit or loss	以公允價值計量且其變動計入當期損益的金融資產			
- Listed	19,366	-	-	19,366
- Unlisted (note 1)	-	7,193	-	7,193
Total	19,366	7,193	-	26,559
Recurring fair value measurements:	經常性公允價值計量：			
Financial liabilities:	金融負債：			
Financial liabilities at fair value through profit or loss	以公允價值計量且其變動計入當期損益的金融負債			
	-	-	94	94

Description 描述	Fair value measurements using: 公允價值計量方式使用：			Total 合計
	Level 1 第一層級 HK\$'000 千港元	Level 2 第二層級 HK\$'000 千港元	Level 3 第三層級 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Recurring fair value measurements:	經常性公允價值計量：			
Financial assets:	金融資產：			
Financial assets at fair value through profit or loss	以公允價值計量且其變動計入當期損益的金融資產			
- Listed	55,839	-	-	55,839
- Unlisted (note 1)	-	168,809	-	168,809
Total	55,839	168,809	-	224,648
Recurring fair value measurements:	經常性公允價值計量：			
Financial liabilities:	金融負債：			
Financial liabilities at fair value through profit or loss	以公允價值計量且其變動計入當期損益的金融負債			
	-	-	202,176	202,176

7. 公允價值計量(續)

(a) 於2017年12月31日公允價值層級的等級披露如下：

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7. FAIR VALUE MEASUREMENTS (CONTINUED)

(a) Disclosures of level in fair value hierarchy at 31 December 2017: (continued)

During the two years, there were no changes in the valuation techniques used.

During the years ended 31 December 2017 and 2016, there were no transfers among Level 1, Level 2 and Level 3.

Valuation techniques and inputs used in Level 2 fair value measurements:

Note 1: The fair value of financial assets at fair value through profit or loss is based on the market comparison method. The valuation refers to the expected return rates announced by the banks.

(b) Reconciliation of liabilities measured at fair value based on level 3:

7. 公允價值計量(續)

(a) 於2017年12月31日公允價值層級的等級披露如下：(續)

於兩個年度，所用的估值方法並沒有任何變動。

於截至2017年及2016年12月31日止年度，沒有金融工具在公允價值的第一層級、第二層級及第三層級間轉移。

第二層級公允價值計量使用的估值技術和輸入值：

附註1：以公允價值計量且其變動計入当期損益的金融資產公允價值是以市場比較法為基礎。估值是指銀行公佈的預期回報率。

(b) 根據第三層級按公允價值計量的負債對賬：

Description 描述		2017	2016
		2017年	2016年
		Convertible bonds 可換股債券	Convertible bonds 可換股債券
		HK\$'000 千港元	HK\$'000 千港元
At 1 January	於1月1日	202,176	237,563
Convert to new shares	轉換為新股份	(188,928)	(1,403)
Total (gains) or losses recognised in profit or loss (#)	於損益確認之 (收益)或虧損總額(#)	(13,154)	(33,984)
At 31 December	於12月31日	94	202,176
(#) Include (gains) or losses for assets held at end of reporting period	(#) 包括於報告期末持有資產 的(收益)或虧損	(13,154)	(33,984)

The total gains or losses recognised in profit or loss including those for liabilities held at end of reporting period are presented in other gains and losses in the consolidated statement of profit or loss.

於損益確認的收益或虧損總額(包括於報告期末所持負債的收益或虧損)乃於綜合損益表內的其他收益及虧損呈列。



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For the year ended 31 December 2017

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7. FAIR VALUE MEASUREMENTS (CONTINUED)

(c) Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements at 31 December 2017:

The Group's financial controller is responsible for the fair value measurements of assets and liabilities required for financial reporting purposes, including level 3 fair value measurements. The financial controller reports directly to the Board of Directors for these fair value measurements. Discussions of valuation processes and results are held between the financial controller and the Board of Directors at least twice a year.

For level 3 fair value measurements, the Group will normally engage external valuation experts with the recognised professional qualifications and recent experience to perform the valuations.

Key unobservable inputs used in level 3 fair value measurements are mainly:

- Stock price volatility of the Company (estimated based on the historical daily volatility of the Company's share price as at the valuation date, quoted from Bloomberg)
- Expected revenue growth rate (estimated based on management's business forecast and historical revenue)
- Expected revenue volatility (estimated based on the average revenue volatility of nine comparable companies from 2011 onward.)

7. 公允價值計量(續)

(c) 於2017年12月31日，本集團使用之估值程序及用於公允價值計量之估值技術及輸入值披露：

本集團財務總監負責財務報告所需資產及負債之公允價值計量，包括第三層級公允價值計量。財務總監直接向董事會匯報該等公允價值計量。財務總監與董事會每年至少就估值程序及結果召開兩次會議。

就第三層級公允價值計量，本集團通常會聘請具備獲認可之專業資格及近期經驗之外部估值專家進行估值。

第三層級公允價值計量使用之主要不可觀察輸入值主要為：

- 本公司之股價波幅(根據彭博所報之本公司於估值日期之股價之平均過往每日波幅估計)
- 預期收入增長率(根據管理層之業務預測及過往收入估計)
- 預期收入波幅(根據九間可資比較公司自2011年起之平均收入波幅估計)。

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7. FAIR VALUE MEASUREMENTS (CONTINUED)

(c) Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements at 31 December 2017: (continued)

Level 3 fair value measurements

Description 描述	Valuation technique 估值技術	Unobservable inputs 不可觀察輸入值	Range 範圍	Effect on fair value for increase of inputs 輸入值增加對 公允價值之影響	Fair value 公允價值
					2017 2017年 HK\$'000 千港元
Convertible bonds 可換股債券	Black-Scholes model with Monte Carlo Simulation method 柏力克-舒爾斯期權 定價模式及蒙特卡 羅模擬法	Stock price volatility 股價波幅	67.5% (2016: 55%) 67.5% (2016年: 55%)	Increase 增加	94
		Expected revenue growth rate 預期收入增長率	0% (2016: 29%) 0% (2016年: 29%)	Increase 增加	
		Expected revenue volatility 預期收入波幅	27.6% (2016: 19%) 27.6% (2016年: 19%)	Increase 增加	

During the two years, there were no significant changes in the valuation techniques used.

7. 公允價值計量(續)

(c) 於2017年12月31日，本集團使用之估值程序及用於公允價值計量之估值技術及輸入值披露：(續)

第三層級公允價值計量

Effect on fair value for increase of inputs 輸入值增加對 公允價值之影響	Fair value 公允價值
	2017 2017年 HK\$'000 千港元
	94
	202,176

於兩個年度，所用估值技術概無重大變動。



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8. REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activities of the Group are manufacturing and sales of BOPP films, sales of sub-processing cigarette films, properties development and related services, generation of photovoltaic power and cloud-related business in the PRC.

Revenue represents the sales value of goods sold less returns, discounts, value added taxes and other sales taxes and rendering of services. The amount of each significant category of revenue during the year is as follows:

8. 收入及分部報告

(a) 收入

本集團的主要業務為在中國從事製造及產銷聚丙烯雙向拉伸薄膜、銷售加工香煙薄膜、物業發展及相關服務、光伏發電及雲業務。

收入是指貨物銷售價值減退貨、折扣、增值稅和其他銷售稅及提供服務。年內各主要收入類別的金額如下：

		2017		2016	
		2017年		2016年	
		HK\$'000	%	HK\$'000	%
		千港元	%	千港元	%
Manufacturing and sales of BOPP films	產銷聚丙烯雙向拉伸薄膜				
– Cigarette films	– 香煙薄膜	206,175	16%	165,630	35%
– Non-cigarette-related films	– 非香煙相關包裝材料	111,930	9%	106,162	22%
Sub-total	小計	318,105	25%	271,792	57%
Sales of sub-processing cigarette films	銷售加工香煙薄膜	70,447	6%	138,776	29%
Properties development and related services	物業發展及相關服務	812,348	65%	1,374	–
Generation of photovoltaic power	光伏發電	45,477	4%	31,907	7%
Cloud-related business	雲業務	4,329	–	34,505	7%
Total	合計	1,250,706	100%	478,354	100%



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8. REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting

The Group has five operating segments as follows:

- Manufacturing and sales of BOPP films: this segment engages in manufacturing and sales of cigarette packaging films and non-cigarette-related packing films (e.g. films for packing straws, food, cassettes and stationery tapes);
- Sales of sub-processing cigarettes films: this segment engages in trading of sub-processing cigarette films;
- Properties development and related services: this segment engages in development and sales of residential properties and providing property management services;
- Generation of photovoltaic power: this segment engages in generating and sales of electricity; and
- Cloud-related business: this segment engaged in provision of development of cloud computing related software, outsourcing cloud platforms and providing cloud computing solutions and related services.

The Group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies.

The accounting policies of the operating segments are the same as those described in note 4 to the consolidated financial statements. Segment profits or losses do not include net income from disposal of subsidiaries, net realised and unrealised loss on equity securities, dividend income from equity securities and unallocated head office and corporate expenses. Segment assets do not include equity securities and unallocated head office and corporate assets. Segment liabilities do not include unallocated head office and corporate liabilities.

8. 收入及分部報告(續)

(b) 分部報告

本集團五個經營分部如下：

- 產銷聚丙烯雙向拉伸薄膜：此分部銷售及製造香煙和非香煙相關的包裝薄膜(如用作包裝吸管、食品、磁帶的薄膜及文具膠帶所用的薄膜)；
- 銷售加工香煙薄膜：此分部買賣易加工處理的香煙相關薄膜；
- 物業發展及相關服務：此分部發展及銷售住宅物業及提供物業管理服務；
- 光伏發電：此分部產銷電力；及
- 雲業務：此分部提供開發雲計算相關軟件、外包雲平台及提供雲計算解決方案及相關服務。

本集團之可報告分部為提供不同產品及服務的策略業務單位。由於各項業務所需之技術及營銷策略有別，故有關業務會分開管理。

經營分部的會計政策與綜合財務報表附註4所述者一致。分部損益不包括出售附屬公司淨收入、買賣證券的已變現及未變現淨虧損、買賣證券的股息收入及未分配總部和公司支出。分部資產不包括買賣證券及未分配總部和公司資產。分部負債不包括未分配總部和公司負債。



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8. REVENUE AND SEGMENT REPORTING 8. 收入及分部報告(續) (CONTINUED)

(b) Segment reporting (continued)

(i) Segment results, assets and liabilities

Information about reportable segment profit or loss, assets and liabilities is as follows:

(b) 分部報告(續)

(i) 分部業績、資產及負債

有關可呈報分部損益、資產及負債之資料如下：

		Manufacturing and sales of BOPP films 產銷聚丙稀雙向拉伸薄膜		Sales of sub-processing cigarette films 銷售加工香煙薄膜		Properties development and related services 物業發展及相關服務		Generation of photovoltaic power 光伏發電		Cloud-related business 雲業務		Total 合計	
		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Revenue from external customers	來自外部客戶收益	318,105	271,792	70,447	138,776	812,348	1,374	45,477	31,907	4,329	34,505	1,250,706	478,354
Reportable segment revenue	可申報分部收入	318,105	271,792	70,447	138,776	812,348	1,374	45,477	31,907	4,329	34,505	1,250,706	478,354
Reportable segment gross profit/(loss)	可申報分部毛利/(毛損)	68,568	77,151	22,038	55,333	59,084	714	28,782	19,801	(22,337)	20,557	156,135	173,556
Reportable segment (loss)/profit before tax	可申報分部稅前(虧損)/溢利	27,170	22,460	6,636	28,562	50,796	(22,552)	13,426	17,649	(244,146)	54,929	(146,118)	101,048
Interest income from bank deposits	銀行存款利息收益	81	173	111	398	5	197	18	15	43	-	258	783
Interest expense	利息開支	5,261	3,585	2,404	2,511	14	1,153	497	-	-	-	8,176	7,249
Depreciation and amortisation	折舊和攤銷	15,255	14,658	1,185	1,346	503	527	13,044	10,216	24,846	12,335	54,833	39,082
Other material items of income and expense:	收入及支出的其他重大項目：												
Impairment of goodwill	商譽減值	-	-	-	-	-	-	-	-	49,645	-	49,645	-
Impairment of property, plant and equipment	物業、廠房及設備減值	-	-	-	-	-	-	-	-	5,099	-	5,099	-
Impairment of intangible assets	無形資產減值	-	-	-	-	-	-	-	-	162,807	-	162,807	-
Reportable segment assets	可申報分部資產	404,262	359,918	95,369	147,991	294,003	845,336	341,488	309,345	61,349	323,341	1,196,471	1,985,931
Additions to non-current segment assets during the year	年內非流動分部資產的增量	4,114	2,372	21,645	2,067	32	263	-	127,317	-	238,031	25,791	370,050
Reportable segment liabilities	可申報分部負債	172,921	118,777	84,591	142,606	97,591	733,784	14,771	28,499	3,288	237,619	373,162	1,261,285

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8. REVENUE AND SEGMENT REPORTING 8. 收入及分部報告(續) (CONTINUED)

(b) Segment reporting (continued)

(ii) Reconciliations of reportable segment profit or loss, assets and liabilities

(b) 分部報告(續)

(ii) 可報告分部溢利或虧損、資產及負債的對賬

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
(Loss)/profit	(虧損)/溢利		
Reportable segment (loss)/profit before tax	可申報分部稅前(虧損)/溢利	(146,118)	101,048
Gain on disposal of subsidiaries	出售附屬公司收益	363	-
Net realised and unrealised loss on equity securities	買賣證券的已變現及未變現淨虧損	(21,089)	(21,597)
Dividend income from equity securities	買賣證券的股息收入	396	1,094
Unallocated head office and corporate expenses	未分配總部和公司支出	(15,716)	(32,561)
Consolidated (loss)/profit before tax	綜合稅前(虧損)/溢利	(182,164)	47,984
Assets	資產		
Reportable segment assets	可申報分部資產	1,196,471	1,985,931
Equity securities	買賣證券	19,366	55,839
Unallocated head office and corporate assets	未分配總部和公司資產	56,945	93,055
Consolidated total assets	綜合資產總值	1,272,782	2,134,825
Liabilities	負債		
Reportable segment liabilities	可申報分部負債	373,162	1,261,285
Unallocated head office and corporate liabilities	未分配總部和公司負債	1,848	39,607
Consolidated total liabilities	綜合負債總額	375,010	1,300,892



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8. REVENUE AND SEGMENT REPORTING 8. 收入及分部報告(續) (CONTINUED)

(b) Segment reporting (continued)

(iii) Geographic information

No geographic information is shown as the revenue and profit from operations of the Group are derived from its activities in the PRC.

(iv) Revenue from major customers

(b) 分部報告(續)

(iii) 地區資料

因本集團的收入及經營溢利源自其在中國的業務，故無呈報地區分類資料。

(iv) 來自主要客戶的收入

	2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Segment of manufacturing and sales of BOPP films and sales of sub-processing cigarette films	產銷聚丙烯雙向 拉伸薄膜及銷售加工 香煙薄膜分部	
Customer A	客戶甲	150,030
Customer B	客戶乙	119,122
		122,017
		140,324
	269,152	262,341

9. OTHER INCOME

9. 其他收入

	2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Government grants (Note)	政府補助(附註)	605
Compensation	補償	234
Sales of scrap materials	出售廢料	12,230
Dividend income from equity securities	買賣證券的股息收入	396
Interest income	利息收入	917
Rental income	租金收入	-
Sundry income	雜項收入	2,103
		141
		-
		6,100
		1,094
		1,336
		233
		1,118
	16,485	10,022

Note: Government grants mainly related to the subsidy received from the local government authority for the achievements of the Group.

附註：政府補助主要有關因本集團成就自地方政府機構收取之補助。



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10. OTHER GAINS AND LOSSES

10. 其他收益及虧損

		2017	2016
		2017年	2016年
		HK\$'000	HK\$'000
		千港元	千港元
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	(27)	(7)
Write off of property, plant and equipment	物業、廠房及設備撇銷	(1,581)	–
Gain on disposal of subsidiaries	出售附屬公司的收益	363	–
Net foreign exchange gains/(losses)	匯兌收益／(虧損)淨額	961	(10,158)
Net realised and unrealised gain on wealth management products	理財產品的已變現及未變現收益淨額	774	2,975
Net realised and unrealised loss on equity securities	買賣證券的已變現及未變現淨虧損	(21,089)	(21,597)
Gain on revaluation of convertible bonds	可換股債券重估收益	13,154	33,984
Gain on bargain purchase	議價收購收益	–	365
		(7,445)	5,562

11. FINANCE COSTS

11. 融資成本

		2017	2016
		2017年	2016年
		HK\$'000	HK\$'000
		千港元	千港元
Interest on bank borrowings	銀行貸款利息	6,353	3,826
Interest on convertible bond (note 31(a))	可換股債券利息(附註31(a))	–	1,312
Other interest expense	其他利息支出	2,160	5,297
Total borrowing costs	借貸成本總額	8,513	10,435
Amount capitalised	資本化金額	–	(1,874)
		8,513	8,561

The weighted average capitalisation rate on funds borrowed generally is at a rate of Nil% (2016: 5.6% – 8.515%) per annum.

借貸資金的加權平均年資本化率一般為零% (2016年：5.6% – 8.515%)。



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12. INCOME TAX (CREDIT)/EXPENSE

Income tax has been recognised in profit or loss as follows:

12. 所得稅(抵免)/支出

所得稅於損益內確認如下：

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Current tax – Hong Kong Profits Tax Provision for the year	本期稅項 – 香港利得稅 本年度撥備	–	707
Current tax – PRC enterprise income tax Provision for the year (Over)/under-provision in prior years	即期稅項 – 中國企業所得稅 本年度撥備 於過往年度(超額撥備)/ 撥備不足	21,178 (5,288)	15,238 368
		15,890	15,606
LAT	土地增值稅	12,292	–
Deferred tax (note 32)	遞延稅項(附註32)	(44,260)	(4,461)
		(16,078)	11,852

(i) Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group is not subject to any income tax in these jurisdictions.

(ii) The provision for Hong Kong Profits Tax for the year ended 31 December 2017 is calculated at 16.5% (2016: 16.5%) of the estimated assessable profits for the year. The payments of dividends by the subsidiaries incorporated in Hong Kong are not subject to withholding tax.

(i) 根據開曼群島及英屬維爾京群島的規則和規例，本集團無須於該等司法權區繳納任何所得稅。

(ii) 截至2017年12月31日止年度的香港利得稅準備是按本年度的估計應評稅溢利以16.5% (2016年：16.5%) 的稅率計算。附屬公司於香港註冊成立的公司支付的股息無須繳納預扣稅。



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12. INCOME TAX (CREDIT)/EXPENSE (CONTINUED)

- (iii) On 16 March 2007, the Fifth Plenary Session of the Tenth National People's Congress passed the Corporate Income Tax Law of the PRC ("New Tax Law") which became effective on 1 January 2008 and the PRC's statutory Corporate Income Tax rate is 25%.

Pursuant to the rules and regulations applicable to advanced technology enterprises established in the PRC, Jiangsu Sheen Colour Science Technology Co., Ltd. and Qingdao Ener Packaging Technology Co., Ltd. are subject to PRC corporate income tax at a preferential tax rate of 15% for the year ended 31 December 2017.

Entities engaged in qualified power generating projects, are eligible for a corporate income tax exemption for the first year to the third year, and a 50% reduction for the fourth year to the sixth year starting from the year in which the entities first generate operating income (the "3+3 tax holiday"). Xuzhou Sheentai New Energy Power Generation Co., Ltd. (an indirect wholly-owned subsidiary of the Group) obtained the "Notification of Corporate Income Tax ("CIT") 3+3 tax holiday" in 2016 and was entitled to the 3+3 tax holiday retrospectively from 2015 to 2020.

Entities engaged in software related business are eligible for a corporate income tax exemption for the first year to second year, and a 50% reduction for the third year to the fifth year starting from the year in which the entities first generate operating income (the "2+3 tax holiday"). Xuyi Guangcai Information Technology Co., Ltd. (an indirect wholly-owned subsidiary of the Group) obtained the "Notification of CIT 2+3 tax holiday" in 2017 and was entitled to 2+3 tax holiday retrospectively from 2016 to 2020.

- (iv) According to the New Tax Law and its implementation rules, dividends receivable by non-PRC-resident corporate investors from PRC-resident enterprises are subject to withholding tax at 10%, unless reduced by tax treaties or arrangements, for profits earned since 1 January 2008. Under the tax arrangement between the Mainland of China and Hong Kong Special Administrative Region and the relevant regulations, a qualified Hong Kong tax resident which is the "beneficial owner" and holds a 25% equity interest or more of a PRC enterprise is entitled to a reduced withholding tax rate of 5%. The withholding tax rate applicable to the Group is 5%.

12. 所得稅(抵免)/支出(續)

- (iii) 於2007年3月16日，第十屆全國人民代表大會第五次全體會議通過了《中華人民共和國企業所得稅法》(「新稅法」)，於2008年1月1日生效，中國法定企業所得稅率為25%。

根據適用於在中國成立的高新技術企業的法律法規，江蘇金格潤科技有限公司和青島英諾包科技有限公司須就截至2017年12月31日止年度按優惠稅率15%繳納中國企業所得稅。

從事合資格能源產生項目的企業可自其首次產生經營收入的年度起計第一至第三年度合資格獲得稅務豁免，並於第四至第六年度可減免50%的企業所得稅(「3+3稅務寬免期」)。徐州順泰新能源發電有限公司(本集團的間接全資附屬公司)於2016年度取得「企業所得稅(「企業所得稅」)3+3稅務寬免期的通知」，自2015年至2020年度期間可追溯享有3+3稅務寬免期。

從事軟件相關業務的企業可自其首次產生經營收入的年度起計第一至第二年度合資格獲得稅務豁免，並於第三至第五年度可減免50%的企業所得稅(「2+3稅務寬免期」)。盱眙廣財信息科技有限公司(本集團的間接全資附屬公司)於2017年度取得「企業所得稅2+3稅務寬免期的通知」，自2016年至2020年度期間可追溯享有2+3稅務寬免期。

- (iv) 根據新稅法及其實施細則，除非2008年1月1日起賺取的溢利獲稅務條例或安排寬減，否則非中國居民企業投資者應收中國居民企業的股息須按10%繳納預扣稅。根據中國內地與香港特別行政區之間的稅務安排及相關法規，身為中國企業的「實益擁有人」並持有25%或以上股權的合資格香港稅務居民可享獲寬減預扣稅率5%。適用於本集團的預扣稅率為5%。



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12. INCOME TAX (CREDIT)/EXPENSE (CONTINUED)

- (v) According to the New Tax Law and its implementation rules, where the research and development expenses incurred by an enterprise in its research and development activities do not form intangible assets and are included in the current period's profit or loss, 50% of such research and development expenses shall be deducted from the taxable income amount of the year; where intangible assets are formed, pretax amortisation shall be made based on 150% of the costs of the intangible assets.

The reconciliation between income tax (credit)/expense and product of (loss)/profit before tax multiplied by the applicable tax rates is as follows:

12. 所得稅(抵免)/支出(續)

- (v) 根據新稅法及其實施細則，企業開展研發活動中實際發生的研發費用，未形成無形資產計入當期損益的，在按規定據實扣除的基礎上，按照本年度實際發生額的50%，從本年度應納稅所得額中扣除；形成無形資產的，按照無形資產成本的150%在稅前攤銷。

所得稅(抵免)/支出與除稅前(虧損)/溢利乘以適用稅率之結果對賬如下：

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
(Loss)/profit before tax	稅前(虧損)/溢利	(182,164)	47,984
Notional tax on (loss)/profit before tax, calculated at the rates applicable in the jurisdictions concerned	按照在相關司法權區獲得的適用稅率計算稅前(虧損)/溢利的名義稅項	(22,082)	12,712
Tax effect of the preferential tax rates	優惠稅率的稅項影響	(4,727)	(8,944)
Additional deductible allowance for research and development expenses	可增加扣減之研發費用	(939)	(1,184)
Tax effect of non-deductible expenses	不可扣減支出的稅項影響	9,871	6,459
PRC withholding tax	中國預扣稅	2,593	3,244
Tax effect of non-taxable income	非應稅收入的稅收影響	(9,319)	(5,915)
Tax effect of tax losses not recognised	未確認的稅項虧損的稅項影響	3,996	5,112
(Over)/under-provision in prior years	於過往年度(超額撥備)/撥備不足	(5,288)	368
LAT	土地增值稅	12,292	-
Tax effect of unrecognised temporary differences	未確認暫時差額的稅項影響	(2,072)	-
Tax effect of utilisation of tax losses not previously recognised	動用過往未確認的稅項虧損的稅項影響	(403)	-
Income tax (credit)/expense	所得稅(抵免)/支出	(16,078)	11,852



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13. (LOSS)/PROFIT FOR THE YEAR

The Group's (loss)/profit for the year is stated after charging/
(crediting) the following:

13. 年內(虧損)/溢利

經扣除/(計入)下列各項後，本集團年內(虧損)/溢利如下：

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Amortisation of intangible assets (included in cost of sales)	無形資產攤銷(包括於銷售成本)	20,774	10,121
Depreciation	折舊	41,124	33,681
Amortisation of leasehold land	租賃土地攤銷	493	498
Operating lease charges:	經營租賃開支：		
– Land and buildings	– 土地及建築物	4,648	9,940
Auditor's remuneration	核數師酬金	1,400	2,180
Cost of inventories sold	所售存貨成本	975,651	278,083
Allowance for trade and other receivables	貿易應收款項及其他應收款項撥備	1,943	1,483
Write off of property, plant and equipment	物業、廠房及設備撇銷	1,581	–

Cost of inventories sold includes staff costs, depreciation, amortisation and operating lease charges of approximately HK\$56,627,000 (2016: HK\$49,913,000) which are included in the amounts disclosed separately above or in note 14 for each of these type of expenses.

已售存貨成本包括員工成本、折舊、攤銷及營運租賃費用約56,627,000港元(2016年：49,913,000港元)，已計入上文單獨披露或附註14列示的各類開支之金額內。



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14. EMPLOYEE BENEFITS EXPENSE

14. 僱員福利開支

		2017	2016
		2017年	2016年
		HK\$'000	HK\$'000
		千港元	千港元
Salaries, bonuses and allowances	薪金、獎金及津貼	58,333	53,537
Equity-settled share-based payments expenses	以權益結算以股份為基礎的支付開支	4,295	7,320
Retirement benefit scheme contributions	退休福利計劃的供款	10,068	4,341
		72,696	65,198

(a) Five highest paid individuals

The five highest paid individuals in the Group during the year included 4 (2016: 4) directors whose emoluments are reflected in the analysis presented in note 15(a). The emoluments of the remaining 1 (2016: 1) individual are set out below:

(a) 五位最高酬金人士

本集團本年度五位最高酬金人士包括4位(2016年: 4位)董事, 其酬金已於綜合財務報表附註15(a)所列分析內反映。其餘1位(2016年: 1位)人士之酬金載列如下:

		2017	2016
		2017年	2016年
		HK\$'000	HK\$'000
		千港元	千港元
Salaries, bonuses and allowances	薪金、獎金及津貼	1,229	684
Equity-settled share-based payments expenses	以權益結算以股份為基礎的支付開支	170	–
Retirement benefit scheme contributions	退休福利計劃的供款	11	–
		1,410	684

The emoluments fell within the following bands:

酬金在以下金額範圍內:

		Number of individual 人數	
		2017	2016
		2017年	2016年
Nil to HK\$1,000,000	零至1,000,000港元	–	1
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	1	–

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15. BENEFITS AND INTERESTS OF DIRECTORS

(a) Directors' emoluments

The remuneration of every director is set out below:

Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking

15. 董事福利及權益

(a) 董事酬金

各名董事酬金載列如下：

就各名人士作為董事（不論為本公司或其附屬公司出任）的已支付或應收酬金

		Fees	Salaries	Discretionary bonus	Employer's contribution (Note i) Estimated money value of other benefits (附註i)	retirement benefit scheme 僱主就退休福利計劃的供款	Total
		袍金	薪金	酌情花紅	其他福利的預算金額	退休福利計劃的供款	合計
		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
Executive directors	執行董事						
Guo Yumin	郭玉民	550	-	1,650	58	18	2,276
Xia Yu	夏煜	-	500	450	58	-	1,008
Zeng Xiangyang	曾向陽	-	677	750	185	18	1,630
Guo Cheng	郭誠	-	500	450	116	-	1,066
Bau Siu Fung (Note (ii))	鮑小豐(附註(ii))	-	71	-	13	2	86
Independent non-executive directors	獨立非執行董事						
Lo Wa Kei, Roy	盧華基	225	-	-	51	-	276
Fong Wo, Felix	方和	225	-	-	51	-	276
Fan Qing	范晴	225	-	-	51	-	276
Total for 2017	2017年合計	1,225	1,748	3,300	583	38	6,894



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15. BENEFITS AND INTERESTS OF DIRECTORS (CONTINUED)

(a) Directors' emoluments (continued)

Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking

		Fees	Salaries	Discretionary bonus	Other benefits (Note i)	Employer's contribution to a retirement benefit scheme (附註i)	Total
		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
Executive directors	執行董事						
Guo Yumin	郭玉民	550	-	-	107	18	675
Xia Yu	夏煜	-	500	250	107	-	857
Zeng Xiangyang	曾向陽	-	682	250	284	-	1,216
Guo Cheng	郭誠	-	500	250	196	-	946
Bau Siu Fung (Note (ii))	鮑小豐(附註(ii))	-	1,200	300	284	18	1,802
Independent non-executive directors	獨立非執行董事						
Lo Wa Kei, Roy	盧華基	200	-	-	71	-	271
Fong Wo, Felix	方和	200	-	-	71	-	271
Fan Qing	范晴	200	-	-	71	-	271
Total for 2016	2016年合計	1,150	2,882	1,050	1,191	36	6,309

Notes: (i) Estimated money values of other benefits represented share options.

(ii) Resigned on 20 January 2017.

(b) Directors' material interests in transactions, arrangements or contracts

Save as disclosed in note 38 to the consolidated financial statements and contracts amongst group companies, no other significant transactions, arrangements and contracts to which the Company was a party and in which a director of the Company and other director's connected party had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

15. 董事福利及權益(續)

(a) 董事酬金(續)

就各名人士作為董事(不論為本公司或其附屬公司出任)的已支付或應收酬金

		Fees	Salaries	Discretionary bonus	Other benefits (Note i)	Employer's contribution to a retirement benefit scheme (附註i)	Total
		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
Executive directors	執行董事						
Guo Yumin	郭玉民	550	-	-	107	18	675
Xia Yu	夏煜	-	500	250	107	-	857
Zeng Xiangyang	曾向陽	-	682	250	284	-	1,216
Guo Cheng	郭誠	-	500	250	196	-	946
Bau Siu Fung (Note (ii))	鮑小豐(附註(ii))	-	1,200	300	284	18	1,802
Independent non-executive directors	獨立非執行董事						
Lo Wa Kei, Roy	盧華基	200	-	-	71	-	271
Fong Wo, Felix	方和	200	-	-	71	-	271
Fan Qing	范晴	200	-	-	71	-	271
Total for 2016	2016年合計	1,150	2,882	1,050	1,191	36	6,309

附註：(i) 其他福利的預算金額即購股權。

(ii) 於2017年1月20日辭任。

(b) 董事於交易、安排或合約之重大權益

除綜合財務報表附註38披露者以及集團內公司間合約外，於年末或年內任何時間並無存續任何其他本公司訂立而本公司董事及其關連人士直接或間接擁有重大權益且與本集團業務有關之重大交易、安排及合約。

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16. DIVIDENDS

16. 股息

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
2017 Interim of HK\$0.01 (2016: 2016 Interim of HK\$0.05) per ordinary share paid	派付2017年中期股息 每股普通股0.01港元 (2016年：2016年中期股息 0.05港元)	24,552	109,198
2016 Final of HK\$Nil (2016: 2015 Final of HK\$0.02) per ordinary share	派付2016年末期股息 每股普通股零港元 (2016年：2015末期 股息0.02港元)	-	40,154
		24,552	149,352

Subsequent to the end of the reporting period, the Board of Directors of the Company does not recommend payments of any final dividends for the year ended 31 December 2017.

隨報告期末後，本公司董事會不建議派付截至2017年12月31日止年度之末期股息。

17. (LOSS)/EARNINGS PER SHARE

The calculation of the basic and diluted (loss)/earnings per share is based on the following:

17. 每股(虧損)/盈利

每股基本及攤薄(虧損)/盈利乃根據以下計算：

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
(Loss)/earnings	(虧損)/盈利		
(Loss)/earnings for the purpose of calculating basic (loss)/earnings per share	用作計算每股基本(虧損)/盈利的(虧損)/盈利	(165,219)	36,132
After tax effect of change in fair value of convertible bonds (note 31(b))	可換股債券的公允價值變動帶來的稅後影響(附註31(b))	(13,154)	(33,984)
(Loss)/earnings for the purpose of calculating diluted (loss)/earnings per share	用作計算每股攤薄(虧損)/盈利的(虧損)/盈利	(178,373)	2,148
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of calculating basic (loss)/earnings per share	用作計算每股基本(虧損)/盈利的普通股加權平均數	2,406,203	2,087,718
Effect of deemed conversion of convertible bond	被視為轉換可換股債券的影響	28,037	11,789
Weighted average number of ordinary shares for the purpose of calculating diluted (loss)/earnings per share	用作計算每股攤薄(虧損)/盈利的普通股加權平均數	2,434,240	2,099,507

The Company's share options as at 31 December 2017 do not give rise to any dilutive effect to the loss per share.

於2017年12月31日，本公司之購股權不會對每股虧損產生任何攤薄影響。



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18. PROPERTY, PLANT AND EQUIPMENT

18. 物業、廠房及設備

		Solar power plants	Buildings	Plant and machinery	Office equipment and others	Motor vehicles	Construction in progress	Total	
		太陽能發電站	建築物	廠房及機器	辦公室設備及其他	汽車	遊艇	在建工程	
		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	
Cost	成本								
At 1 January 2016	於2016年1月1日	152,506	79,085	180,735	7,722	8,456	35,573	275	464,352
Acquisition of subsidiaries	收購附屬公司	-	-	43,929	1,180	-	-	-	45,109
Additions	增置	37,227	138	2,496	1,143	427	123	90,343	131,897
Disposals	處置	-	-	(3)	(114)	-	-	-	(117)
Transfer from construction in progress	轉自在建工程	90,066	278	269	-	-	-	(90,613)	-
Exchange differences	匯兌差額	(14,975)	(5,005)	(13,472)	(453)	(473)	-	(5)	(34,383)
At 31 December 2016 and 1 January 2017	於2016年12月31日及2017年1月1日	264,824	74,496	213,954	9,478	8,410	35,696	-	606,858
Additions	增置	16	393	2,933	863	185	20	21,324	25,734
Disposals	處置	-	-	(1,936)	-	-	-	-	(1,936)
Write off	撤銷	(1,436)	(137)	(178)	(386)	-	-	-	(2,137)
Transfer from construction in progress	轉自在建工程	-	19,927	1,073	77	-	-	(21,077)	-
Exchange differences	匯兌差額	19,123	6,138	15,549	582	524	-	9	41,925
At 31 December 2017	於2017年12月31日	282,527	100,817	231,395	10,614	9,119	35,716	256	670,444
Accumulated depreciation and impairment	累計折舊和攤銷								
At 1 January 2016	於2016年1月1日	-	(24,396)	(71,567)	(5,731)	(5,901)	(2,371)	-	(109,966)
Acquisition of subsidiaries	收購附屬公司	-	-	(2,197)	(683)	-	-	-	(2,880)
Charge for the year	本年折舊	(10,185)	(4,066)	(10,367)	(891)	(1,032)	(7,140)	-	(33,681)
Disposals	處置	-	-	3	107	-	-	-	110
Exchange differences	匯兌差額	425	1,694	4,862	368	345	-	-	7,694
At 31 December 2016 and 1 January 2017	於2016年12月31日及2017年1月1日	(9,760)	(26,768)	(79,266)	(6,830)	(6,588)	(9,511)	-	(138,723)
Charge for the year	本年折舊	(13,021)	(3,936)	(15,270)	(1,139)	(594)	(7,164)	-	(41,124)
Disposals	處置	-	-	1,019	-	-	-	-	1,019
Write off	撤銷	-	41	161	354	-	-	-	556
Impairment losses	減值虧損	-	-	(5,099)	-	-	-	-	(5,099)
Exchange differences	匯兌差額	(1,205)	(2,060)	(6,343)	(462)	(407)	-	-	(10,477)
At 31 December 2017	於2017年12月31日	(23,986)	(32,723)	(104,798)	(8,077)	(7,589)	(16,675)	-	(193,848)
Carrying amount	賬面值								
At 31 December 2017	於2017年12月31日	258,541	68,094	126,597	2,537	1,530	19,041	256	476,596
At 31 December 2016	於2016年12月31日	255,064	47,728	134,688	2,648	1,822	26,185	-	468,135



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18. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

At 31 December 2017 the carrying amount of property, plant and equipment pledged as security for the Group's bank borrowings amounted to HK\$123,049,000 (2016: HK\$125,979,000).

At 31 December 2017, the Group were in the process of obtaining the relevant building ownership certificates of certain buildings with carrying amount of HK\$20,690,000 (2016: HK\$Nil).

19. INTERESTS IN LEASEHOLD LAND HELD FOR OWN USE UNDER OPERATING LEASE

The Group's interests in leasehold land held for own use under operating lease represent prepaid operating lease payments and their net book value are analysed as follows:

18. 物業、廠房及設備(續)

於2017年12月31日，已抵押作為本集團銀行貸款擔保之物業、廠房及設備之賬面值金額為123,049,000港元(2016年：125,979,000港元)。

於2017年12月31日，本集團正獲取賬面金額為20,690,000港元(2016年：零港元)的若干樓宇的相關樓宇所有權證。

19. 根據經營租賃持作自用的租賃土地的權益

本集團根據經營租賃持作自用的租賃土地權益是指預付經營租賃款項及其賬面淨值分析如下：

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
At 1 January	於1月1日	19,460	21,287
Amortisation	攤銷	(493)	(498)
Exchange differences	匯兌差額	1,390	(1,329)
At 31 December	於12月31日	20,357	19,460
Current portion	即期部分	(512)	(478)
Non-current portion	非即期部分	19,845	18,982

At 31 December 2017 the carrying amount of interests in leasehold land held for own use under operating lease pledged as security for the Group's bank borrowings amounted to HK\$20,357,000 (2016: HK\$19,460,000).

於2017年12月31日，抵押作為本集團銀行貸款擔保的根據經營租賃持作自用的租賃土地權益的賬面值為20,357,000港元(2016年：19,460,000港元)。



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20. GOODWILL

20. 商譽

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Cost	成本		
At 1 January	於1月1日	52,475	–
Arising on acquisition of subsidiaries	收購附屬公司所產生	–	52,475
At 31 December	於12月31日	52,475	52,475
Accumulated impairment losses	累計減值虧損		
At 1 January	於1月1日	–	–
Impairment loss recognised in the current year	於本年度確認的減值虧損	(49,645)	–
At 31 December	於12月31日	(49,645)	–
Carrying amount	賬面值		
At 31 December	於12月31日	2,830	52,475

Goodwill acquired in a business combination is allocated, at acquisition, to the CGUs that are expected to benefit from that business combination. The carrying amount of goodwill had been allocated as follows:

於業務合併時收購之商譽乃於收購時分配至預期可受惠於業務合併之現金產生單位。商譽之賬面值分配如下：

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Cloud-related business:	雲業務：		
Treasure Cloud Group (note (a))	Treasure Cloud Group (附註(a))	–	49,645
Yancheng Renhe Network Sci. & Tech. Limited (“YCRH”) (note (b))	鹽城人和網絡科技有限公司 (「鹽城人和」)(附註(b))	2,830	2,830
		2,830	52,475

(a) Treasure Cloud Group

For the purpose of goodwill impairment testing in respect of acquisition of Treasure Cloud Group, goodwill arising from the business combinations was allocated to the CGU of Treasure Cloud Group, which is the Treasure Cloud Group's cloud-related business.

(a) Treasure Cloud Group

對於收購Treasure Cloud Group的商譽減值測試，由企業合併產生的商譽分配Treasure Cloud Group的現金產生單位，即Treasure Cloud Group的雲業務。



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20. GOODWILL (CONTINUED)

(a) Treasure Cloud Group (continued)

The recoverable amount of the CGU is determined based on value in use calculation, which uses cash flow projections based on financial budgets approved by management covering a nine-year period (2016: ten-year period). Cash flows beyond the nine-year period (2016: ten-year period) are extrapolated using an estimated weighted average growth rate of 3% (2016: 3%) for the CGU which is consistent with the forecast included in industry reports. The growth rates used do not exceed the long-term average growth rates for the business in which the CGU operates. The cash flows are discounted using a discount rate of 25% (2016: 20%). The discount rates used are pre-tax and reflect specific risks relating to the relevant segments.

Due to a slow-down in the sector with fewer cloud-related business projects, the Group has revised its cash flow forecasts for this CGU. The recoverable amount of the CGU has been reduced to HK\$32,790,000 and an impairment loss of HK\$49,645,000 recognised on goodwill and HK\$162,807,000 on intangible assets and HK\$5,099,000 on property, plant and equipment.

(b) YCRH

For the purpose of goodwill impairment testing in respect of acquisition of YCRH, goodwill arising from the business combinations was allocated to the CGU of YCRH, which is the YCRH's cloud-related business.

The recoverable amount of the CGU is determined based on value in use calculation, which uses cash flow projections based on financial budgets approved by management covering a 5-year period. Cash flows beyond the 5-year period are extrapolated using an estimated weighted average growth rate of 2% for the CGU which is consistent with the forecast included in industry reports. The growth rates used do not exceed the long-term average growth rates for the business in which the CGU operates. The cash flows are discounted using a discount rate of 16%. The discount rates used are pre-tax and reflect specific risks relating to the relevant segments.

20. 商譽(續)

(a) Treasure Cloud Group (續)

現金產生單位的可收回金額按照使用價值計算方法釐定。使用價值計算方法採用的現金流量預測是以管理層所批准的涵蓋九年期間(2016年：十年期間)的財務預算為基礎。該現金產生單位於九年期間(2016年：十年期間)後的現金流量採用3%(2016年：3%)的估計加權平均增長率推算，該增長率與行業報告內所作預測一致。該增長率沒有超過現金產生單位所經營業務的平均長期增長率。現金流量按25%(2016年：20%)的貼現率進行貼現。採用的貼現率尚未扣除稅項，且反映有關分部的特定風險。

由於行業放緩雲業務項目減少，本集團已修訂本現金產生單位的現金流預測。此現金產生單位之可收回金額已減至32,790,000港元，且分別就商譽、無形資產及物業、廠房及設備分別確認減值虧損49,645,000港元、162,807,000港元及5,099,000港元。

(b) 鹽城人和

對於收購鹽城人和的商譽減值測試，由企業合併產生的商譽分配鹽城人和的現金產生單位，即鹽城人和的雲業務。

現金產生單位的可收回金額按照使用價值計算方法釐定。使用價值計算方法採用的現金流量預測是以管理層所批准的涵蓋五年期間的財務預算為基礎。該現金產生單位於五年期間後的現金流量採用2%的估計加權平均增長率推算，該增長率與行業報告內所作預測一致。該增長率沒有超過現金產生單位所經營業務的平均長期增長率。現金流量按16%的貼現率進行貼現。採用的貼現率尚未扣除稅項，且反映有關分部的特定風險。



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21. INTANGIBLE ASSETS

21. 無形資產

		Software	Cloud platform operating agreement 雲平台 營運協議	Total
		軟件 HK\$'000 千港元	HK\$'000 千港元	合計 HK\$'000 千港元
Cost	成本			
At 1 January 2016	於2016年1月1日	1,231	–	1,231
Additions	增置	9,780	–	9,780
Acquisition of subsidiaries	收購附屬公司	1,230	183,707	184,937
Exchange differences	匯兌差額	(485)	–	(485)
At 31 December 2016 and 1 January 2017	於2016年12月31日及 2017年1月1日	11,756	183,707	195,463
Additions	增置	97	–	97
Exchange differences	匯兌差額	848	–	848
At 31 December 2017	於2017年12月31日	12,701	183,707	196,408
Accumulated amortisation and impairment losses	累計攤銷及減值虧損			
At 1 January 2016	於2016年1月1日	(149)	–	(149)
Acquisition of subsidiaries	收購附屬公司	(96)	–	(96)
Amortisation for the year	本年度攤銷	(936)	(9,185)	(10,121)
Exchange differences	匯兌差額	48	–	48
At 31 December 2016 and 1 January 2017	於2016年12月31日及 2017年1月1日	(1,133)	(9,185)	(10,318)
Amortisation for the year	本年度攤銷	(2,403)	(18,371)	(20,774)
Impairment loss	減值虧損	(6,656)	(156,151)	(162,807)
Exchange differences	匯兌差額	(423)	–	(423)
At 31 December 2017	於2017年12月31日	(10,615)	(183,707)	(194,322)
Carrying amount	賬面值			
At 31 December 2017	於2017年12月31日	2,086	–	2,086
At 31 December 2016	於2016年12月31日	10,623	174,522	185,145

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21. INTANGIBLE ASSETS (CONTINUED)

The average remaining amortisation period of the software and cloud platform operating agreement are 3.6 years (2016: 4.5 years) and 8.5 years (2016: 9.5 years) respectively.

The Group carried out reviews of the recoverable amount of its cloud platform operating agreement in 2017, having regard to the market conditions of the Group's products and services. These assets are used in the Group's cloud-related business segment. The review led to the recognition of an impairment loss of HK\$156,151,000 for cloud platform operating agreement and HK\$6,656,000 for software that has been recognised in profit or loss. Details on the determination of the recoverable amount has been disclosed in note 20(a).

22. INVESTMENTS IN SUBSIDIARIES

Particulars of the subsidiaries as at 31 December 2017 are as follows:

Name of company		Date and place of incorporation/ establishment 註冊成立/ 成立日期及地點	Place of operation and business 營業及 業務地點	Issued and paid up capital 已發行及 繳足資本	Group's effective interest 本集團的 實際權益	Held by the Company 由本公司持有	Held by the subsidiary 由附屬公司持有	Principal activities 主要業務
Ling Xian Fei Yu Import and Export (Shenzhen) Co., Ltd. ("LXFY") (Note 1) and (Note 2)	領先飛宇進出口(深圳)有限公司(「LXFY」) (附註1)及(附註2)	10 September 2007/ The PRC 2007年9月10日/ 中國	The PRC 中國	HK\$23,180,000 23,180,000港元	100%	-	100%	Investment holding and trading of cigarette films 投資控股和香煙薄膜貿易
Jiangsu Sheen Colour Science Technology Co., Ltd. ("JSSC") (Note 1) and (Note 4)	江蘇金格潤科技有限公司(「JSSC」) (附註1)及(附註4)	6 March 2002/ The PRC 2002年3月6日/ 中國	The PRC 中國	US\$9,000,000 9,000,000美元	100%	-	100%	Printing of cigarette films 香煙薄膜印刷
Qingdao Ener Packaging Technology Co., Ltd. ("QD Ener") (Note 1) and (Note 2)	青島英諾包裝科技有限公司(「QD Ener」) (附註1)及(附註2)	27 June 2007/ The PRC 2007年6月27日/ 中國	The PRC 中國	US\$12,000,000 12,000,000美元	100%	-	100%	Manufacturing of cigarette and BOPP films 香煙及聚丙烯雙向拉伸薄膜的製造

21. 無形資產(續)

軟件以及雲平台營運協議的平均剩餘攤銷期分別為3.6年(2016年: 4.5年)及8.5年(2016年: 9.5年)。

經計及本集團產品及服務的市況, 本集團於2017年已審其雲平台營運協議的可收回金額。該等資產用於本集團的雲業務分部。此次審閱導致就雲平台營運協議及軟件分別確認減值虧損156,151,000港元及6,656,000港元, 並已於損益內確認。釐定可收回金額的詳情於附註20(a)披露。

22. 於附屬公司的投資

於2017年12月31日的附屬公司詳情如下:



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22. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Particulars of the subsidiaries as at 31 December 2017 are as follows: (continued)

22. 於附屬公司的投資(續)

於2017年12月31日的附屬公司詳情如下:(續)

Name of company 公司名稱	Date and place of incorporation/ establishment 註冊成立/ 成立日期及地點	Place of operation and business 營業及 業務地點	Issued and paid up capital 已發行及 繳足資本	Group's effective interest 本集團的 實際權益	Held by the Company 由本公司持有	Held by the subsidiary 由附屬公司持有	Principal activities 主要業務
Xuzhou New Advantage Real Estate Development Co., Ltd. ("NARED") (Note 1) and (Note 2)	徐州新優勢房地產開發有限公司(「NARED」) (附註1)及(附註2) 24 July 2013/ The PRC 2013年7月24日/ 中國	The PRC 中國	US\$30,000,000 30,000,000美元	100%	–	100%	Property development 物業發展
Hong Kong Sheen Tai Investment Limited ("HKSTIL")	香港順泰投資有限公司 (「HKSTIL」) 10 May 2013/ Hong Kong 2013年5月10日/ 香港	Hong Kong 香港	US\$25,000,000 25,000,000美元	100%	–	100%	Investment holding 投資控股
Sheen Tai (HK) New Energy Investment Limited ("STNEIL(HK)")	順泰(香港)新能源投資有限公司 (「STNEIL(HK)」) 27 November 2013/ Hong Kong 2013年11月27日/ 香港	Hong Kong 香港	HK\$100 100港元	100%	–	100%	Investment holding 投資控股
Sheen Tai Energy Investment Ltd. ("STEIL")	順泰能源投資有限公司 (「STEIL」) 18 November 2013/ BVI 2013年11月18日/ 英屬維爾京群島	Hong Kong 香港	US\$100 100美元	100%	100%	–	Investment holding 投資控股
Sheen Tai International Investment Ltd. ("STIIL")	順泰國際投資有限公司 (「STIIL」) 2 May 2013/ BVI 2013年5月2日/ 英屬維爾京群島	Hong Kong 香港	US\$20,000,000 20,000,000美元	100%	100%	–	Investment holding 投資控股
Century Leader Asia Limited ("CLAL")	領先亞洲有限公司 (「CLAL」) 2 April 2007/ Hong Kong 2007年4月2日/ 香港	Hong Kong 香港	HK\$10,000 10,000港元	100%	–	100%	Investment holding and trading of cigarette films 投資控股和香煙薄膜貿易
Sheen China Group Holdings Inc. ("SCGHI")	順華集團控股有限公司 (「SCGHI」) 27 November 2008/ BVI 2008年11月27日/ 英屬維爾京群島	Hong Kong 香港	US\$10 10美元	100%	100%	–	Investment holding 投資控股

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22. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Particulars of the subsidiaries as at 31 December 2017 are as follows: (continued)

22. 於附屬公司的投資(續)

於2017年12月31日的附屬公司詳情如下：(續)

Name of company 公司名稱		Date and place of incorporation/ establishment 註冊成立/ 成立日期及地點	Place of operation and business 營業及 業務地點	Issued and paid up capital 已發行及 繳足資本	Group's effective interest 本集團的 實際權益	Held by the Company 由本公司持有	Held by the subsidiary 由附屬公司持有	Principal activities 主要業務
Sheen China Group Holdings Limited ("SCGHL")	順華集團控股有限公司 ([SCGHL])	5 September 2008/ Hong Kong 2008年9月5日/ 香港	Hong Kong 香港	HK\$1 1港元	100%	-	100%	Inactive 無業務
Sheen China (Hong Kong) Limited ("HKSC")	順華(香港)有限公司 ([HKSC])	20 August 1997/ Hong Kong 1997年8月20日/ 香港	Hong Kong 香港	HK\$12,600,000 12,600,000港元	100%	-	100%	Investment holding and trading of cigarette films 投資控股和香煙薄膜貿易
Shenzhen Shuntai New Energy Science Technology Co., Ltd. ("SZNE") (Note 1) and (Note 2)	深圳順泰新能源科技有限公司 ([SZNE]) (附註1)及(附註2)	31 March 2015/ The PRC 2015年3月31日/ 中國	The PRC 中國	US\$36,663,640 36,663,640美元	100%	-	100%	Investment holding and trading 投資控股和貿易
Xuzhou Shuntai New Energy Power Generation Co., Ltd. ("XZNE") (Note 1) and (Note 3)	徐州順泰新能源發電有限公司 ([XZNE]) (附註1)及(附註3)	21 April 2015/ The PRC 2015年4月21日/ 中國	The PRC 中國	RMB39,000,000 人民幣 39,000,000元	100%	-	100%	Generation of photovoltaic power 光伏發電
Hong Kong Taiwo Holding Limited ("HKTHL")	香港泰和控股有限公司 ([HKTHL])	31 July 2015/ Hong Kong 2015年7月31日/ 香港	Hong Kong 香港	HK\$100 100港元	100%	-	100%	Inactive 無業務
Treasure Cloud Limited ("TC")	Treasure Cloud Limited ([TC])	4 January 2016/ BVI 2016年1月4日/ 英屬維爾京群島	Hong Kong 香港	US\$1 1美元	100%	100%	-	Investment holding 投資控股



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22. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Particulars of the subsidiaries as at 31 December 2017 are as follows: (continued)

22. 於附屬公司的投資(續)

於2017年12月31日的附屬公司詳情如下:(續)

Name of company 公司名稱		Date and place of incorporation/ establishment 註冊成立/ 成立日期及地點	Place of operation and business 營業及 業務地點	Issued and paid up capital 已發行及 繳足資本	Group's effective interest 本集團的 實際權益	Held by the Company 由本公司持有	Held by the subsidiary 由附屬公司持有	Principal activities 主要業務
Sheen Tai Cloud Network Limited ("STCNL")	順泰雲網絡有限公司 ("STCNL")	31 August 2016/ BVI 2016年8月31日/ 英屬維爾京群島	Hong Kong 香港	US\$100 100美元	52%	52%	-	Investment holding 投資控股
Falcon Wisdom Limited ("FW")	鵬智有限公司("FW")	18 December 2015/ Hong Kong 2015年12月18日/ 香港	Hong Kong 香港	HK\$1 1港元	100%	-	100%	Investment holding 投資控股
China City Cloud Network Sci. & Tech. Limited ("CCCN")	中國城市雲網絡科技 有限公司("CCCN")	29 August 2016/ Hong Kong 2016年8月29日/ 香港	Hong Kong 香港	HK\$100 100港元	52%	-	100%	Investment holding 投資控股
Hong Kong Sheen Dragon Investment Company Limited ("HKSDI")	香港瑞龍投資有限公司 ("HKSDI")	28 July 2004/ Hong Kong 2004年7月28日/ 香港	Hong Kong 香港	HK\$100 100港元	100%	-	100%	Investment holding 投資控股
Sheyang Tengyun Information Technology Co., Ltd. ("SYTY") (Note 1) and (Note 2)	射陽騰雲信息科技 有限公司("SYTY") (附註1)及(附註2)	30 May 2016/ The PRC 2016年5月30日/ 中國	The PRC 中國	HK\$25,000,000 25,000,000港元	100%	-	100%	Cloud-related business 雲業務
Xuyi Guangcai Information Technology Co., Ltd. ("XYGC") (Note 1) and (Note 2)	盱眙廣財信息科技 有限公司("XYGC") (附註1)及(附註2)	27 May 2016/ The PRC 2016年5月27日/ 中國	The PRC 中國	HK\$25,000,000 25,000,000港元	100%	-	100%	Cloud-related business 雲業務
Xuzhou Shuntai Agricultural Technology Co., Ltd. ("XZNY") (Note 1) and (Note 3)	徐州順泰農業科技 有限公司("XZNY") (附註1)及(附註3)	16 February 2016/ The PRC 2016年2月16日/ 中國	The PRC 中國	RMB10,000,000 人民幣 10,000,000元	100%	-	100%	Agriculture technology 農業技術

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22. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Particulars of the subsidiaries as at 31 December 2017 are as follows: (continued)

22. 於附屬公司的投資(續)

於2017年12月31日的附屬公司詳情如下:(續)

Name of company 公司名稱	Date and place of incorporation/ 註冊成立/ 成立日期及地點	Place of operation and business 營業及 業務地點	Issued and paid up capital 已發行及 繳足資本	Group's effective interest 本集團的 實際權益	Held by the Company 由本公司持有	Held by the subsidiary 由附屬公司持有	Principal activities 主要業務
Shenzhen Qianhai Tengzhiyun Network Sci. & Tech. Limited ("SZQH") (Note 1) and (Note 2)	深圳前海騰之雲網絡科技 有限公司(「SZQH」) (附註1)及(附註2) 5 May 2016/ The PRC 2016年5月5日/ 中國	The PRC 中國	-	100%	-	100%	Inactive 無業務
Harbin Binghe Information Technology Co., Ltd. ("HEBBH") (Note 1) and (Note 2)	哈爾濱冰和信息科技 有限公司(「HEBBH」) (附註1)及(附註2) 7 June 2016/ The PRC 2016年6月7日/ 中國	The PRC 中國	-	100%	-	100%	Inactive 無業務
Shenzhen Qianhai Taizhiyun Network Sci. & Tech. Limited ("SZQH") (Note 1) and (Note 2)	深圳前海泰之雲網絡科技 有限公司(「SZQH」) (附註1)及(附註2) 14 December 2016/ The PRC 2016年12月14日/ 中國	The PRC 中國	-	52%	-	100%	Investment holding 投資控股
YCRH (Note 1) and (Note 3)	鹽城人和 (附註1)及(附註3) 12 September 2013/ The PRC 2013年9月12日/ 中國	The PRC 中國	RMB1,000,000 人民幣 1,000,000元	52%	-	100%	Cloud-related business 雲業務
Xuzhou Lvzhou Property Management Co., Ltd. ("XZLZ") (Note 1) and (Note 2)	徐州綠洲物業管理 有限公司(「XZLZ」) (附註1)及(附註2) 17 March 2016/ The PRC 2016年3月17日/ 中國	The PRC 中國	US\$200,000 200,000美元	100%	-	100%	Property management 物業管理
City Cloud Network (China) Sci. & Tech. Limited ("CCNC")	城市雲網絡(中國)科技 有限公司(「CCNC」) 1 June 2017/ BVI 2017年6月1日/ 英屬維爾京群島	Hong Kong 香港	US\$46 46美元	100%	100%	-	Inactive 無業務

Note 1: The English translation of the names is for reference only. The official names of these entities are in Chinese.

Note 2: These entities are wholly foreign-owned enterprises in PRC.

Note 3: These entities are limited companies established in PRC.

Note 4: The entity is a sino-foreign joint venture with limited liability established in the PRC.

附註1: 英文本的英譯名稱僅供參考。該等實體的官方名稱以中文為準。

附註2: 該等實體為中國全外資企業。

附註3: 該等實體為中國成立之有限責任公司。

附註4: 該實體為中國成立之中外合資有限責任企業。



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22. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

As at 31 December 2017, the bank and cash balances of the Group's subsidiaries in the PRC denominated in Renminbi ("RMB") amounted to HK\$217,804,000 (2016: HK\$262,405,000). Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations.

22. 於附屬公司的投資(續)

於2017年12月31日，本集團中國附屬公司以人民幣(「人民幣」)計值之銀行及現金結餘為217,804,000港元(2016年：262,405,000港元)。將人民幣兌換為外幣須遵守中國外匯管理條例及結匯、售匯及付匯管理規定。

23. INVENTORIES

23. 存貨

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Packaging materials manufacturing and trading	產銷包裝材料		
Raw materials	原材料	27,511	52,269
Work in progress	在製品	15,299	7,698
Finished goods	製成品	67,680	32,746
		110,490	92,713
Property development	物業發展		
Completed properties held for sale	持作轉售的已落成物業	31,654	–
Properties under development for sale	發展以供出售物業	–	589,492
		31,654	589,492
		142,144	682,205

The analysis of the amount of inventories recognised as an expense and included in profit or loss is as follows:

確認為支出並計入損益的存貨數額分析如下：

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Carrying amount of inventories sold	已售存貨的賬面值	975,219	277,768
Allowance for inventories	存貨撥備	432	315
		975,651	278,083

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24. TRADE AND OTHER RECEIVABLES

24. 貿易應收款項及其他應收款項

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Trade and bills receivables	貿易應收款項及應收票據	257,913	218,848
Allowance for doubtful debts	呆賬撥備	(3,655)	(2,829)
		254,258	216,019
Deposits, prepayments and other receivables	按金、預付款及其他應收款項		
– related parties	– 關聯方	60	–
– third parties	– 第三方	60,908	83,305
Current portion of interests in leasehold land held for own use under operating lease	根據經營租賃持作自用的租賃土地的權益的即期部分	512	478
		315,738	299,802

The Group's trading terms with customers are mainly on credit. The credit terms generally range from 30 to 180 days from the invoice date. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by the directors.

本集團與客戶的貿易條款以信貸方式為主。信用期限一般介於30日至180日之間。各客戶均有最大信貸限額。本集團力求保持對未結清應收賬款的嚴格控制。董事對逾期餘額進行定期審閱。

The ageing analysis of trade and bills receivables, based on the invoice date, and net of allowance, is as follows:

根據發票日期，本集團貿易應收款項及應收票據（經扣除撥備）之賬齡分析如下：

		2017 2017年		2016 2016年	
		Trade receivables HK\$'000 貿易應收款項 千港元	Bills receivable HK\$'000 應收票據 千港元	Trade receivables HK\$'000 貿易應收款項 千港元	Bills receivables HK\$'000 應收票據 千港元
Less than 30 days	少於30日	101,962	20,409	126,112	1,599
31 – 90 days	31至90日	66,066	–	56,397	8,145
91 – 180 days	91至180日	16,429	–	11,235	1,686
181 – 365 days	181至365日	18,488	–	9,671	45
Over 365 days	365日以上	30,904	–	1,129	–
		233,849	20,409	204,544	11,475



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24. TRADE AND OTHER RECEIVABLES (CONTINUED)

As at 31 December 2017, an allowance was made for estimated irrecoverable trade receivables of approximately HK\$3,655,000 (2016: HK\$2,829,000).

Reconciliation of allowance for trade and bills receivables:

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
At 1 January	於1月1日	2,829	4,648
Allowance for the year	本年撥備	598	-
Reversals	撥回	-	(1,819)
Exchange differences	匯兌差額	228	-
At 31 December	於12月31日	3,655	2,829

As of 31 December 2017, trade receivables of HK\$42,539,000 (2016: HK\$43,926,000) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these trade and bills receivables is as follows:

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Less than 1 month	少於1個月	23,422	19,767
1 to 3 months	1至3個月	7,399	17,310
More than 3 months	3個月以上	11,718	6,849
		42,539	43,926

The carrying amounts of the Group's trade receivables are denominated in RMB.

At 31 December 2017, an allowance of HK\$1,345,000 was made (2016: HK\$52,000 was reversed) for other receivables and an allowance of HK\$Nil (2016: HK\$3,354,000) was made for prepayments.

24. 貿易應收款項及其他應收款項(續)

於2017年12月31日，就估計不可收回貿易應收款項計提撥備約3,655,000港元(2016年：2,829,000港元)。

貿易應收款項及應收票據撥備對賬：

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
At 1 January	於1月1日	2,829	4,648
Allowance for the year	本年撥備	598	-
Reversals	撥回	-	(1,819)
Exchange differences	匯兌差額	228	-
At 31 December	於12月31日	3,655	2,829

於2017年12月31日，貿易應收款項約42,539,000港元(2016年：43,926,000港元)逾期但未出現減值，涉及若干無近期欠款記錄的獨立客戶。該等貿易應收款項及應收票據之賬齡分析如下：

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Less than 1 month	少於1個月	23,422	19,767
1 to 3 months	1至3個月	7,399	17,310
More than 3 months	3個月以上	11,718	6,849
		42,539	43,926

本集團貿易應收款項之賬面值以人民幣計值。

於2017年12月31日，已就其他應收款項計提撥備1,345,000港元(2016年：撥回52,000港元)，並已就預付款項計提撥備零港元(2016年：3,354,000港元)。



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25. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS 25. 以公允價值計量且其變動計入當期損益的金融資產

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Equity securities, at fair value	買賣證券，按公允價值		
Listed in Hong Kong	於香港上市	19,366	55,839
Unlisted wealth management products	未上市理財產品	7,193	168,809
		26,559	224,648

The carrying amounts of the above financial assets are classified as held for trading.

上述金融資產之賬面值分類為持作買賣。

The fair values of listed securities are based on the closing prices.

上市證券之公允價值乃基於收市價釐定。

26. RESTRICTED CASH AND BANK AND CASH BALANCES 26. 受限制現金以及銀行及現金結餘

The Group's restricted cash represented deposits pledged to banks to secure banking facilities granted to the Group as set out in note 30 to the consolidated financial statements.

本集團之受限制現金指已抵押予銀行作為本集團獲授銀行信貸擔保之存款(如綜合財務報表附註30所載)。

As at 31 December 2017, the bank and cash balances of the Group denominated in RMB amounted to HK\$218,010,000 (2016: HK\$94,505,000). Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations.

於2017年12月31日，本集團之銀行及現金結餘以人民幣計值，金額為218,010,000港元(2016年94,505,000港元)。將人民幣兌換為外幣須遵守中國外匯管理條例及結匯、售匯及付匯管理規定。



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27. SHARE CAPITAL

27. 股本

		2017 2017年		2016 2016年	
		Number of shares 股份數目	Amount 金額	Number of shares 股份數目	Amount 金額
		'000 千股	HK\$'000 千港元	'000 千股	HK\$'000 千港元
Authorised: Ordinary shares of HK\$0.0025 each	法定： 每股面值0.0025港元 的普通股	8,000,000	20,000	8,000,000	20,000
Issued and fully paid: Ordinary shares of HK\$0.0025 each	已發行及繳足： 每股面值0.0025港元 的普通股				
At 1 January	於1月1日	2,183,968	5,460	2,007,690	5,019
Shares issued under share option scheme (note 34(b))	根據購股權計劃發行 的股份(附註34(b))	8,880	22	7,400	19
Conversion of convertible bonds (note 31)	可換股債券轉換 (附註31)	262,400	656	168,878	422
At 31 December	於12月31日	2,455,248	6,138	2,183,968	5,460

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maximise the return to the shareholders through the optimisation of the debt and equity balance.

The Group sets the amount of capital in proportion to risk. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the payment of dividends, issue new shares, buy-back shares, raise new debts, redeem existing debts or sell assets to reduce debts.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by adjusted capital. Total debt comprises borrowings and convertible bonds. Adjusted capital comprises all components of equity (i.e. share capital, retained profits and other reserves).

本集團管理資本之目的旨在保障本集團能持續經營及透過優化負債及權益的平衡最大化股東回報。

本集團按風險比例釐定資本金額。本集團管理資本結構，並根據經濟狀況變化及有關資產的風險特徵作出調整。為維持或調整資本結構，本集團可能調整支付的股息、發行新股份、股份回購、募集新債務、贖回現有的債務或出售資產以減少債務。

本集團基於資產負債比率監察資本。該比率以債務淨額除以經調整後資本計算。債務總額包括借貸及可換股債券。經調整後資本包括權益的全部組成部分(即股本、保留溢利及其他儲備)。



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27. SHARE CAPITAL (CONTINUED)

During 2017, the Group's strategy, which was unchanged from 2016, was to maintain the equity and debt in a balanced position and ensure that there was adequate working capital to service its debt obligations. The Group's gearing ratios at 31 December 2017 was -11% (2016: 28%):

The decrease in the gearing ratio during 2017 resulted primarily from conversion of convertible bond and increase in bank balances.

The externally imposed capital requirements for the Group are: (i) in order to maintain its listing on the Stock Exchange it has to have a public float of at least 25% of the shares; and (ii) to meet financial covenants attached to the bank borrowings.

The Group receives a report from the share registrars monthly on substantial share interests showing the non-public float and it demonstrates continuing compliance with the 25% limit throughout the year.

Breaches in meeting the financial covenants would permit the bank to immediately call borrowings. There have been no breaches in the financial covenants of any bank borrowings for the years ended 31 December 2017 and 2016.

27. 股本(續)

2017年，本集團的策略與2016年不變，乃為保持股本及債務的平衡，確保有充裕營運資金應付其債務責任。本集團於2017年12月31日之資產負債比率為-11% (2016年：28%)。

2017年資產負債比率減少乃主要由於轉換可換股債券及銀行結餘增加所致。

本集團受限於以下外來資本規定：(i) 為了維持於聯交所的上市地位，其至少25%的股份須由公眾持有；及(ii) 遵循銀行貸款附有的財務契諾。

本集團每月接獲股份過戶登記處發出列示非公眾持股量的重大股份權益的報告，該報告顯示本集團於整個年度內一直符合最低25%的公眾持股量規定。

違反財務契諾將令銀行立即要求償還借貸。截至2017年及2016年12月31日止年度，概無就本集團任何銀行貸款違反財務契諾。



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28. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY

28. 本公司財務狀況表及儲備變動

(a) Statement of financial position of the Company

(a) 本公司財務狀況表

		As at 31 December 於12月31日	
		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
	Note 附註		
Non-current assets	非流動資產		
Investments in subsidiaries	22	486,116	506,293
Current assets	流動資產		
Financial assets at fair value through profit or loss		13,864	44,071
Other receivables		1,941	1,935
Amounts due from subsidiaries		259,141	134,221
Bank and cash balances		33,781	55,316
Total current assets		308,727	235,543
Current liabilities	流動負債		
Other payables		1,194	2,162
Amounts due to subsidiaries		63,998	68,428
Bank borrowings		-	35,000
Total current liabilities		65,192	105,590
Net current assets		243,535	129,953
Total assets less current liabilities		729,651	636,246
Non-current liabilities	非流動負債		
Convertible bonds		94	202,176
NET ASSETS	淨資產	729,557	434,070
CAPITAL AND RESERVES	資本及儲備		
Share capital	27	6,138	5,460
Reserves	28(b)	723,419	428,610
Total equity	權益總額	729,557	434,070

Approved by the Board of Directors on 29 March 2018 and is signed on its behalf by:

由董事會於2018年3月29日批准並由下列人士代表董事會簽署：

Guo Yumin
郭玉民
Executive Director
執行董事

Zeng Xiangyang
曾向陽
Executive Director
執行董事

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28. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (CONTINUED)

28. 本公司財務狀況表及儲備變動(續)

(b) Reserve movement of the Company

(b) 本公司儲備變動

				Share-based payments		
	Note	Share premium	Capital reserve	以股份為基礎 的支付儲備	Retained profits	Total
	附註	股份溢價	資本儲備	以股份為基礎 的支付儲備	保留溢利	合計
		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2016年1月1日	341,295	81,955	6,893	2,381	432,524
Profit for the year	年內溢利	-	-	-	67,443	67,443
Conversion of convertible bond	轉換可換股債券	69,578	-	-	-	69,578
Shares issued under share option scheme	根據購股權計劃發行的股份	3,686	-	(2,589)	-	1,097
Share-based payments	以股份為基礎的支付	-	-	7,320	-	7,320
Dividends paid	已付股息	-	-	-	(149,352)	(149,352)
At 31 December 2016	於2016年12月31日	414,559	81,955	11,624	(79,528)	428,610
At 1 January 2017	於2017年1月1日	414,559	81,955	11,624	(79,528)	428,610
Profit for the year	年內溢利	-	-	-	125,478	125,478
Conversion of convertible bond	轉換可換股債券	188,272	-	-	-	188,272
Shares issued under share option scheme	根據購股權計劃發行的股份	3,045	-	(1,729)	-	1,316
Share-based payments	以股份為基礎的支付	-	-	4,295	-	4,295
Dividend paid	已付股息	-	-	-	(24,552)	(24,552)
At 31 December 2017	於2017年12月31日	605,876	81,955	14,190	21,398	723,419



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29. RESERVES

(a) Group

The amounts of the Group's reserves and movements therein are presented in the consolidated statement of profit or loss and other comprehensive income and consolidated statement of changes in equity.

(b) Nature and purpose of reserves

(i) Share premium

The share premium represents the difference between the par value of the shares of the Company and proceeds received from the issuance of the shares of the Company.

Under the Companies Law of the Cayman Islands, the funds in the share premium account of the Company is distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company would be in a position to pay off its debts as they fall due in the ordinary course of business.

(ii) Capital reserve

The capital reserve mainly represents the contribution from the ultimate controlling party and the difference between the nominal value of shares of the subsidiaries acquired over the nominal value of shares issued by the Company in exchange under the reorganisation of the Group on 21 June 2012.

(iii) Statutory reserve

Pursuant to the applicable PRC regulations, all PRC subsidiaries of the Group are required to appropriate 10% of their after-tax profit (after offsetting prior year/period losses) to the statutory reserve until such reserve reaches 50% of the registered capital of each relevant PRC subsidiary. The transfer to the statutory reserve must be made before distribution of dividends to equity shareholders. The statutory reserve fund can be utilised, upon approval by the relevant authorities, to offset accumulated losses or to increase registered capital of the subsidiary.

29. 儲備

(a) 本集團

本集團之儲備金額及其變動於綜合損益與其他全面收益表以及綜合權益變動表呈列。

(b) 儲備的性質和用途

(i) 股份溢價

股份溢價指本公司的股份面值與發行本公司股份所收取所得款項之間的差額。

根據開曼群島公司法，本公司的股份溢價賬中的資金可供分派予本公司股東，惟緊隨建議分派股息日期後，本公司須能夠償付一般業務過程中到期應付的債務。

(ii) 資本儲備

資本儲備主要指最終控制方注資及所收購附屬公司股份之面值與本公司於2012年6月21日重組用作交換而發行股份之面值之差額。

(iii) 法定儲備

根據適用的中國法規，本集團的所有中國附屬公司須將彼等的稅後溢利（經抵銷上一個年度／期間的虧損）的10%轉撥至法定儲備，直至該等儲備達至各相關中國附屬公司註冊資本的50%。必須於分派股息予權益股東前轉撥至法定儲備。法定儲備金可於獲得相關機關的批准後動用，以抵銷附屬公司的累計虧損或增加其註冊資本。



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For the year ended 31 December 2017
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29. RESERVES (CONTINUED)

(b) Nature and purpose of reserves (continued)

(iv) Share-based payments reserve

The share-based payment reserve represents the fair value of the actual or estimated number of unexercised share options granted to employees of the Group recognised in accordance with the accounting policy adopted for equity-settled share-based payments in note 4(u) to the consolidated financial statements.

(v) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policies set out in note 4(c) to the consolidated financial statements.

29. 儲備(續)

(b) 儲備的性質和用途(續)

(iv) 以股份為基礎的支付儲備

以股份為基礎的支付儲備指根據附註4(u)中以權益結算以股份為基礎的支付的會計政策授予本集團僱員的未行使購股權的實際或估計數目的公允價值。

(v) 匯兌儲備

匯兌儲備包括換算海外業務的財務報表所產生的所有匯兌差額。該儲備根據綜合財務報表附註4(c)載列之會計政策處理。

30. BANK BORROWINGS

30. 銀行貸款

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Secured	有抵押	47,956	16,000
Unsecured	無抵押	105,496	128,485
		153,452	144,485
The bank borrowings are repayable as follows:		銀行貸款的還款期如下：	
Within one year or on demand	一年內或按要求	153,452	144,040
More than one year, but not exceeding two years	一年以上，但不超過兩年	–	217
More than two years, but not more than five years	兩年以上，但不超過五年	–	228
		153,452	144,485



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30. BANK BORROWINGS (CONTINUED)

The carrying amounts of the Group's bank borrowings are denominated in the following currencies:

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
HK\$	港元	20,000	51,445
United States dollars ("US\$")	美元(「美元」)	13,562	25,963
RMB	人民幣	119,890	67,077
		153,452	144,485

As at 31 December 2017, the average interest rate of bank borrowings was 4.82% (2016: 3.91%) per annum.

Bank borrowings of HK\$71,934,000 (2016: HK\$67,077,000) are arranged at fixed interest rates and expose the Group to fair value interest rate risk. Other bank borrowings are arranged at floating rates, thus exposing the Group to cash flow interest rate risk.

Bank borrowings of HK\$47,956,000 (2016: HK\$16,000,000) are secured by a charge over the Group's leasehold land (note 19), buildings and machinery (note 18).

31. CONVERTIBLE BONDS

(a) 2014 Convertible Bond

On 30 June 2014, the Company issued convertible bond (the "2014 Convertible Bond") in the principal amount of HK\$165,000,000 to a director and ultimate controlling party of the Company, Mr. Guo Yumin. The maturity date of the 2014 Convertible Bond was on the third anniversary of the date of issuance (i.e. 30 June 2017). The 2014 Convertible Bond bore interest at 3% per annum. No security or guarantee was granted in respect of the 2014 Convertible Bond. The 2014 Convertible Bond could be converted into 398,069,960 shares at the initial conversion price HK\$0.4145 after the effect of a share subdivision (subject to adjustment pursuant to the terms of the convertible bond).

30. 銀行貸款(續)

本集團銀行貸款的賬面金額乃以下列貨幣計值：

	2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
港元	20,000	51,445
美元(「美元」)	13,562	25,963
人民幣	119,890	67,077
	153,452	144,485

於2017年12月31日，銀行貸款的平均利率為4.82% (2016年：3.91%)。

銀行貸款71,934,000港元(2016年：67,077,000港元)以固定利率計息及令本集團面臨公允價值利率風險。其他銀行貸款按浮動利率計息，從而令本集團面臨現金流利率風險。

銀行貸款47,956,000港元(2016年：16,000,000港元)以本集團之租賃土地(附註19)、樓宇及機器(附註18)之抵押作擔保。

31. 可換股債券

(a) 2014年可換股債券

2014年6月30日，本公司向本公司董事兼最終控制方郭玉民先生發行本金額165,000,000港元的可換股債券(「2014年可換股債券」)。2014可換股債券將於發行日期三週年當日(即2017年6月30日)期滿。2014可換股債券按年利率3%計息。本公司不會就2014年可換股債券發出任何抵押或擔保。2014年可換股債券可於拆股生效後按初步轉換價0.4145港元(可根據可換股債券的條款予以調整)轉換為398,069,960股股份。



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31. CONVERTIBLE BONDS (CONTINUED)

(a) 2014 Convertible Bond (continued)

The Company might at any time before the maturity date of the 2014 Convertible Bond, by serving at least seven days prior written notice on the holder of the 2014 Convertible Bond with the total amount proposed to be redeemed from such holder specified therein, redeem the 2014 Convertible Bond (in whole or in part) at 100% to the principal amount (together with the accrued interest) of the part of the 2014 Convertible Bond to be redeemed. Any amount of the 2014 Convertible Bond which was redeemed by the Company would forthwith be cancelled.

At 31 December 2016, there was no outstanding principal amount of this convertible bond issued on 30 June 2014.

For the 2014 Convertible Bond, the detailed components are analysed as follows:

31. 可換股債券(續)

(a) 2014年可換股債券(續)

本公司可隨時在2014年可換股債券到期日前，向可換股債券的持有人事先發出不少於七天的書面通知，告知其有意贖回的總額後，按照將予贖回的2014年可換股債券部分的本金額(連同累計利息)，贖回全數2014年可換股債券(全部或其中部分)。獲本公司贖回的任何2014年可換股債券金額將據此註銷。

於2016年12月31日，於2014年6月30日發行的可換股債券並無未償還金額。

2014年可換股債券的詳細組成部分分析如下：

		Host liability component	Derivative component	Total
		主要負債部分	衍生工具部分	合計
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
At 1 January 2016	於2016年1月1日	69,198	1,403	70,601
Interest expense	利息開支	1,312	–	1,312
Convert to new shares	轉換至新股份	(70,510)	(1,403)	(71,913)
At 31 December 2016, 1 January 2017 and 31 December 2017	於2016年12月31日、 2017年1月1日及 2017年12月31日	–	–	–

(i) Interest expense on the convertible bond is calculated using the effective interest method by applying the effective interest rate of 3.83% per annum to the liability component.

(ii) On 19 July 2016, Mr. Guo Yumin exercised his conversion rights of 2014 Convertible Bond at the initial conversion price HK\$0.4145. As a result, the Company issued 168,878,166 ordinary shares accordingly (note 27).

(i) 可換股債券的利息支出是按實際利率法以實際年利率3.83%計算負債部分。

(ii) 於2016年7月19日，郭玉民先生以初步轉換價0.4145港元行使其對2014年可換股債券的換股權。因此，本公司發行168,878,166股普通股(附註27)。



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31. CONVERTIBLE BONDS (CONTINUED)

(b) 2016 Convertible Bond

On 17 March 2016, the Company entered into a sale and purchase agreement (the "Sale and Purchase Agreement") with Bloom Shine Investments Limited ("Bloom Shine") and announced a plan to issue four tranches of convertible bonds (the "2016 Convertible Bond") with total principal amounts of HK\$236,160,000 to Bloom Shine. The maturity date of the 2016 Convertible Bond is on the second anniversary of the date of issuance. The 2016 Convertible Bond will not bear any interest. The 2016 Convertible Bond can be converted into 328,000,000 shares at the initial conversion price HK\$0.72 (subject to adjustment pursuant to the terms of the convertible bond).

Bondholder can assign or transfer in whole or in part the 2016 Convertible Bond (multiples of HK\$576,000 of the fair value of the 2016 Convertible Bond), provided that the 2016 Convertible Bond cannot be assigned or transferred to connected persons (as defined under the Listing Rules) of the Company except in compliance with the Listing Rules and the Codes on Takeovers and Mergers and Share Buy-backs.

If the bondholder does not exercise his or her conversion rights, the Company shall, in any time after the issue of the 2016 Convertible Bond and before the first anniversary of the issue of the 2016 Convertible Bond, have the right to redeem any unexercised 2016 Convertible Bond with an amount equivalent to 160% of the unexercised principal amount on a specified date of redemption by giving a 5-days prior notice to the bondholder (such notice being irrevocable and cannot be opposed by the bondholder).

If the bondholder does not exercise his or her conversion rights, the Company shall, in any time after the first anniversary of the issue of the 2016 Convertible Bond and before the second anniversary of the issue of the 2016 Convertible Bond, have the right to redeem any unexercised 2016 Convertible Bond with an amount equivalent to 140% of the unexercised principal amount on a specified date of redemption by giving a 5-days prior notice to the bondholder (such notice being irrevocable and cannot be opposed by the bondholder).

Any amount of the 2016 Convertible Bond which is redeemed by the Company will forthwith be cancelled.

31. 可換股債券(續)

(b) 2016年可換股債券

於2016年3月17日，本公司與Bloom Shine Investments Limited(「Bloom Shine」)訂立買賣協議並宣佈計劃向Bloom Shine發行四批可換股債券(「2016年可換股債券」)，本金總額達到236,160,000港元。2016可換股債券將於發行日期兩週年當日期滿。2016年可換股債券將不計任何利息。2016年可換股債券可按初步轉換價0.72港元(可根據可換股債券的條款予以調整)轉換為328,000,000股股份。

債券持有人可出讓或轉讓2016可換股債券(全部或其中部分，以2016可換股債券的公允價值的576,000港元倍數計算)，而2016可換股債券不可出讓或轉讓予關連人士(定義見上市規則)，但為遵守上市規則及收購、合併及股份購回守則則作別論。

如果債券持有人沒有行使其換股權，本公司可於五天前向債券持有人事先發出通知，在發行2016可換股債券後及發行可換股債券滿一週年前，隨時有權贖回任何未行使的2016可換股債券，金額相當於特定贖回日期未行使本金額的160%，而該等通知是不可撤回及不可遭債券持有人反對。

如果債券持有人沒有行使其換股權，本公司可於五天前向債券持有人事先發出通知，在發行2016可換股債券滿一週年後及發行可換股債券滿兩週年前，隨時有權贖回任何未行使的2016可換股債券，金額相當於特定贖回日期未行使本金額的140%，而該等通知是不可撤回及不可遭債券持有人反對。

獲本公司贖回的任何2016可換股債券金額將據此註銷。



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31. CONVERTIBLE BONDS (CONTINUED)

(b) 2016 Convertible Bond (continued)

On 30 June 2016, the Company had issued the first tranche of 2016 Convertible Bond in the principal amount of HK\$141,696,000 to Bloom Shine. The maturity date of the 2016 Convertible Bond is on the second anniversary of the date of issuance (i.e. 30 June 2018). The 2016 Convertible Bond can be converted into 196,800,000 shares at the initial conversion price HK\$0.72 (subject to adjustment pursuant to the terms of the convertible bond). The first tranche of the 2016 Convertible Bond may be converted into conversion shares commencing from the sixth months after the date of issuance and ending on the maturity date of the first tranche of the 2016 Convertible Bond.

If the operation revenue of cloud platforms before tax and surcharges is not less than RMB30,000,000 for the year ended 31 December 2016, the Company shall issue the second tranche of 2016 Convertible Bond with principal amounts of HK\$47,232,000 to Bloom Shine on or before 31 March 2017 or other date as agreed between two parties.

If the operation revenue of cloud platforms before tax and surcharges is not less than RMB37,500,000 for the year ended 31 December 2017 (the "2017 Revenue Guarantee"), the Company shall issue the third tranche of 2016 Convertible Bond with principal amounts of HK\$23,616,000 to Bloom Shine on or before 31 March 2018 or other date as agreed between two parties.

If the operation revenue of cloud platforms before tax and surcharges is not less than RMB48,750,000 for the year ending 31 December 2018 (the "2018 Revenue Guarantee"), the Company shall issue the fourth tranche of 2016 Convertible Bond with principal amounts of HK\$23,616,000 to Bloom Shine on or before 31 March 2019 or other date as agreed between two parties.

If the actual operation revenue of cloud platforms before tax and surcharges during a guaranteed period is less than the guaranteed revenue for that guaranteed period (the "Difference"), Bloom Shine may pay to the Company in cash an amount equivalent to the Difference ("Cash Compensation") on or before 31 March 2017, 31 March 2018, and 31 March 2019 or such other dates as agreed in written. In such case, Bloom Shine shall be entitled to obtain the relevant tranche of the 2016 Convertible Bond since the guaranteed revenue shall be considered to have been satisfied.

If no Cash Compensation is provided by Bloom Shine, the second tranche 2016 Convertible Bond, the third tranche 2016 Convertible Bond and the fourth tranche 2016 Convertible Bond payable to Bloom Shine or its nominee shall be reduced in proportion to the amount of the Difference.

31. 可換股債券(續)

(b) 2016年可換股債券(續)

於2016年6月30日，本公司宣佈已向 Bloom Shine 發行第一批2016可換股債券，本金總額達到141,696,000港元。2016可換股債券將於發行日期兩週年當日(即2018年6月30日)期滿。2016可換股債券可按初步轉換價0.72港元(可根據可換股債券的條款予以調整)轉換為196,800,000股股份。第一批2016可換股債券可自發行日期起計滿六個月至第一批可換股債券到期日期間轉換為轉換股份。

如果截至2016年12月31日止年度雲平台扣除稅和附加費之前的營運收入不少於人民幣30,000,000元，本公司須於2017年3月31日或之前或雙方協定的其他日期向 Bloom Shine 發行本金額為47,232,000港元的第二批2016年可換股債券。

如果截至2017年12月31日止年度雲平台扣除稅和附加費之前的營運收入不少於人民幣37,500,000元(「2017年收入保證」)，本公司須於2018年3月31日或之前或雙方協定的其他日期向 Bloom Shine 發行本金額為23,616,000港元的第三批2016年可換股債券。

如果截至2018年12月31日止年度雲平台扣除稅和附加費之前的營運收入不少於人民幣48,750,000元(「2018年收入保證」)，本公司須於2019年3月31日或之前或雙方協定的其他日期向 Bloom Shine 發行本金額為23,616,000港元的第四批2016年可換股債券。

如果於擔保期間雲平台扣除稅和附加費之前的實際營運收入少於擔保期間的擔保收益(「差額」)，Bloom Shine可於2017年3月31日、2018年3月31日及2019年3月31日或之前或書面協定的其他日期向本公司支付相當於差額的現金額(「現金補償」)。於此情況下，由於被視為已達到擔保收益，Bloom Shine有權獲取相關批次的可換股債券。

如果 Bloom Shine 並無提供現金補償，則應支付 Bloom Shine 或其代名人的第二批2016年可換股債券、第三批2016年可換股債券及第四批2016年可換股債券將按差額比例削減。



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31. CONVERTIBLE BONDS (CONTINUED)

(b) 2016 Convertible Bond (continued)

The Difference for that guaranteed period shall be rolled over to the next guaranteed period and the guaranteed revenue for the next guaranteed period shall be increased by the amount of the Difference. Accordingly, the amount of the relevant tranche of 2016 Convertible Bond payable reduced pursuant to the clause above shall be rolled over and added to the amount of the tranche of 2016 Convertible Bond payable in the next guaranteed period.

If the actual operation revenue of cloud platforms before tax and surcharges during a guaranteed period is more than the guaranteed revenue for that guaranteed period, there will not be any upward adjustment of the principal value of the 2016 Convertible Bond.

On 22 February 2017, the first tranche 2016 Convertible Bond was fully converted into 196,800,000 ordinary shares at the initial conversion price HK\$0.72 (note 27).

On 31 March 2017, the second tranche 2016 Convertible Bond in the principal amount of HK\$47,232,000 had been issued to Bloom Shine pursuant to the Sale and Purchase Agreement. On the same day, the second tranche 2016 Convertible Bond was fully converted into 65,600,000 ordinary shares at the initial conversion price HK\$0.72 (note 27).

For the year ended 31 December 2017, the operation revenue of cloud platforms before tax and surcharges contributed to the Group failed to meet the 2017 Revenue Guarantee. Accordingly, as Bloom Shine has not made any Cash Compensation to the Company, no third tranche 2016 Convertible Bond has been issued to Bloom Shine. Besides, the difference between the operation revenue of cloud platforms before tax and surcharges contributed to the Group and the 2017 Revenue Guarantee of RMB37,500,000 has been rolled over to the period for the year ended 31 December 2018 and the 2018 Revenue Guarantee is increased by RMB37,500,000 to RMB86,250,000.

31. 可換股債券(續)

(b) 2016年可換股債券(續)

擔保期間差額將於下個擔保期展期及下個擔保期的擔保收益將增加差額金額。因此，根據上述條款削減應付相關批次的2016年可換股債券金額將展期及將於下個擔保期間加入相關批次的2016年可換股債券金額。

如果於擔保期間雲平台扣除稅及附加費前的實際營運收入超過擔保期間的擔保收益，將不會調高2016年可換股債券的本金額。

於2017年2月22日，第一批2016年可換股債券已按初步轉換價0.72港元悉數轉換為196,800,000股普通股份(附註27)。

於2017年3月31日，根據買賣協議已向Bloom Shine發行本金額47,232,000港元的第二批2016年可換股債券。於同日，第二批2016年可換股債券已按初步轉換價0.72港元悉數轉換為65,600,000股普通股份(附註27)。

截至2017年12月31日止年度，歸屬於本集團的除稅及附加費前雲平台委託營運收入未能達致2017年收入保證。因此，由於Bloom Shine並未向本公司作出任何現金補償，故第三批2016年可換股債券概不會發行予Bloom Shine。此外，雲平台為本集團貢獻的扣除稅及附加費前營運收入與2017年收入保證之差額人民幣37,500,000元已於截至2018年12月31日止年度展期，而2018年收入保證增加人民幣37,500,000元至人民幣86,250,000元。

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31. CONVERTIBLE BONDS (CONTINUED)

(b) 2016 Convertible Bond (continued)

The Group had designated the first tranche of 2016 Convertible Bond as financial liabilities at fair value through profit or loss. Of this potential future issued convertible bond, the second tranche to the fourth tranche of 2016 Convertible Bond were contingent consideration which were classified as financial liabilities at fair value through profit or loss. Therefore, the whole 2016 Convertible Bond were measured at fair value at each reporting date with changes in fair value recognised in profit or loss. The fair values of 2016 Convertible Bond were disclosed in the table below.

For the 2016 Convertible Bond, the detailed components are analysed as follows:

31. 可換股債券(續)

(b) 2016年可換股債券(續)

本集團已制定第一批2016年可換股債券為以公允價值計量且其變動計入當期損益的金融負債。在未來可能發行的可換股債券中，第二批至第四批2016年可換股債券是歸類為以公允價值計量且其變動計入當期損益的金融負債的或然代價。因此，整個2016年可換股債券於各個報告期日以公允價值計量且其變動計入損益。2016年可換股債券的公允價值在下表中披露。

2016年可換股債券的詳細組成部分分析如下：

		First tranche of 2016 Convertible Bond 第一批 2016年 可換股債券 HK\$'000 千港元	Second tranche of 2016 Convertible Bond 第二批 2016年 可換股債券 HK\$'000 千港元	Third tranche of 2016 Convertible Bond 第三批 2016年 可換股債券 HK\$'000 千港元	Fourth tranche of 2016 Convertible Bond 第四批 2016年 可換股債券 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 January 2016	於2016年1月1日	-	-	-	-	-
Initial fair value of convertible bond	可換股債券的初始公允價值	138,936	53,056	22,896	21,272	236,160
Change in fair value of convertible bond	可換股債券的公允價值變動	(10,701)	(11,728)	(5,454)	(6,101)	(33,984)
At 31 December 2016	於2016年12月31日	128,235	41,328	17,442	15,171	202,176
Change in fair value of convertible bond	可換股債券的公允價值變動	13,461	5,904	(17,442)	(15,077)	(13,154)
Convert to new shares	轉換至新股份	(141,696)	(47,232)	-	-	(188,928)
At 31 December 2017	於2017年12月31日	-	-	-	94	94



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32. DEFERRED TAX

The components of deferred tax assets/(liabilities) recognised in the consolidated statement of financial position and the movements during the year are as follows:

Deferred tax arising from:	Unrealised profit	Accrued expenses	Provision for inventories and trade receivables 存貨及貿易應收款項撥備	Tax losses	Undistributed profits of subsidiaries	Fair value adjustment of assets	Total	
遞延稅項產生自：	未變現溢利	應付支出	撥備	稅項虧損	附屬公司的未分配溢利	資產的公允價值調整	合計	
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
At 1 January 2016	於2016年1月1日	1,690	1,822	1,488	3,278	(5,044)	(4,828)	(1,594)
Exchange differences	匯兌差額	-	(104)	(102)	(448)	-	-	(654)
(Charge)/credit to profit or loss	(扣除自)/計入損益	(244)	(267)	180	5,761	(3,244)	2,275	4,461
Acquisition of subsidiaries	收購附屬公司	-	-	-	-	-	(45,585)	(45,585)
At 31 December 2016	於2016年12月31日	1,446	1,451	1,566	8,591	(8,288)	(48,138)	(43,372)
Exchange differences	匯兌差額	-	95	127	288	-	-	510
(Charge)/credit to profit or loss	(扣除自)/計入損益	1,437	(264)	356	(8,737)	3,614	47,854	44,260
At 31 December 2017	於2017年12月31日	2,883	1,282	2,049	142	(4,674)	(284)	1,398

Reconciliation to the consolidated statement of financial position:

綜合財務狀況表的對賬：

	2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Deferred tax assets	6,356	13,054
Deferred tax liabilities	(4,958)	(56,426)
	1,398	(43,372)

At the end of the reporting period the Group has unused tax losses of HK\$12,532,000 (2016: HK\$27,646,000) available for offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams. Included in unrecognised tax losses are losses of HK\$2,588,000 (2016: HK\$4,449,000) that will expire in 2020 (2016: 2019). Other tax losses may be carried forward indefinitely.

於報告期末，本集團擁有未動用稅項虧損12,532,000港元(2016年：27,646,000港元)可用於抵銷未來溢利。由於未來溢利來源之不可預測性，並無確認遞延稅項資產。計入未確認稅項虧損的虧損2,588,000港元(2016年：4,449,000港元)將於2020年(2016年：2019年)屆滿。其他稅項虧損可無限期結轉。

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33. TRADE AND OTHER PAYABLES

33. 貿易應付款項及其他應付款項

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Trade and bills payables	貿易應付款項及應付票據	126,565	92,544
Advances received	已收墊款	8,354	686,376
Other payables and accruals	其他應付款項及應計費用		
– related party	– 關聯方	26,629	12,830
– others	– 其他	43,092	95,260
Due to a director and ultimate controlling party	應付董事及最終控制方		
– Mr. Guo Yumin	– 郭玉民先生	5,668	1,565
		210,308	888,575

The ageing analysis of trade and bills payables, based on invoice date, is as follows:

貿易應付款項及應付票據的賬齡分析(按發票日期)如下:

		2017 2017年		2016 2016年	
		Trade payables 貿易 應付款項 HK\$'000 千港元	Bills payable 應付票據 HK\$'000 千港元	Trade payables 貿易 應付款項 HK\$'000 千港元	Bill payable 應付票據 HK\$'000 千港元
Due within 1 month or on demand	1個月內到期或應要求	105,679	3,602	74,511	1,060
Due after 1 month but within 3 months	1個月後但3個月 內到期	8,758	–	13,785	–
Due after 3 months but within 6 months	3個月後但6個月 內到期	1,719	–	1,512	–
Due more than 6 months	6個月後到期	6,807	–	1,676	–
		122,963	3,602	91,484	1,060

The carrying amounts of the Group's trade and bills payables are denominated in the following currencies:

本集團貿易應付款項及其他應付票據的賬面金額乃以下列貨幣計值:

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
US\$	美元	3,602	1,060
RMB	人民幣	122,963	91,484
Total	合計	126,565	92,544



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34. SHARE-BASED PAYMENTS

Pursuant to an ordinary resolution of the then sole shareholder passed on 22 June 2012, a pre-IPO share option scheme (the “share option scheme”) was approved and adopted to provide grantees with the opportunity to acquire equity interest in the Company.

The purpose of the share option scheme is to attract and retain the best available personnel, to provide additional incentive to employees (full-time), directors and advisers of the Group and to promote the success of the business of the Group.

Each option gives the holder the right to subscribe for one ordinary share in the Company and is settled gross in shares.

(a) The terms and conditions of the grants at the date of the grants are as follows:

34. 以股份為基礎的支付

根據當時唯一股東於2012年6月22日通過的普通決議案，首次公開發售前購股權計劃（「購股權計劃」）獲批准及採納，為承授人提供機會獲得本公司的股本權益。

購股權計劃旨在吸引和挽留最佳的可用人員，向本集團僱員（全職）、董事及顧問提供額外獎勵以及促進本集團業務的成功。

每份購股權賦予持有人權利認購本公司一股普通股，並以股份全數結算。

(a) 於授出日期所授購股權的條款及條件載列如下：

Date granted 授出日期	Vesting date 歸屬日期	Expiry date 到期日	Options granted to 授予以下人士的購股權		
			Directors 董事	Employees 僱員	Total 合計
22 June 2012 2012年6月22日	14 July 2013 2013年7月14日	13 July 2018 2018年7月13日	200,000	800,000	1,000,000
22 June 2012 2012年6月22日	14 July 2014 2014年7月14日	13 July 2018 2018年7月13日	300,000	1,200,000	1,500,000
22 June 2012 2012年6月22日	14 July 2015 2015年7月14日	13 July 2018 2018年7月13日	400,000	1,600,000	2,000,000
22 June 2012 2012年6月22日	14 July 2016 2016年7月14日	13 July 2018 2018年7月13日	500,000	2,000,000	2,500,000
22 June 2012 2012年6月22日	14 July 2017 2017年7月14日	13 July 2018 2018年7月13日	600,000	2,400,000	3,000,000
29 January 2015 2015年1月29日	29 January 2016 2016年1月29日	28 January 2025 2025年1月28日	420,000	2,500,000	2,920,000
29 January 2015 2015年1月29日	29 January 2017 2017年1月29日	28 January 2025 2025年1月28日	420,000	2,500,000	2,920,000
29 January 2015 2015年1月29日	29 January 2018 2018年1月29日	28 January 2025 2025年1月28日	420,000	2,500,000	2,920,000
29 January 2015 2015年1月29日	29 January 2019 2019年1月29日	28 January 2025 2025年1月28日	420,000	2,500,000	2,920,000
29 January 2015 2015年1月29日	29 January 2020 2020年1月29日	28 January 2025 2025年1月28日	420,000	2,500,000	2,920,000
			4,100,000	20,500,000	24,600,000

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34. SHARE-BASED PAYMENTS (CONTINUED)

- (b) The number and weighted average exercise prices of share options are as follows:

		Pre-IPO shares options granted on 22 June 2012 於2012年6月22日授出的 首次公開發售前購股權		Share options granted on 29 January 2015 授出購股權 於2015年1月29日		Total
		Weighted average exercise price 加權平均 行使價 HK\$ 港元	No. of options 購股權 數目 '000 千	Weighted average exercise price 加權平均 行使價 HK\$ 港元	No. of options 購股權 數目 '000 千	No. of options 購股權 數目 '000 千
Outstanding at 1 January 2017	於2017年1月1日尚未行使	HK\$0.1507 港元	8,880	HK\$0.8250 港元	57,900	66,780
Lapsed during the year	年內失效	-	-	HK\$0.8250 港元	(4,250)	(4,250)
Exercised during the year (note 27)	年內行使(附註27)	HK\$0.1507 港元	(8,880)	-	-	(8,880)
Outstanding at 31 December 2017	於2017年12月31日尚未行使	HK\$0.1507 港元	-	HK\$0.8250 港元	53,650	53,650
Exercisable at 31 December 2017	於2017年12月31日可行使	HK\$0.1507 港元	-	HK\$0.8250 港元	21,460	21,460
Outstanding at 1 January 2016	於2016年1月1日尚未行使	HK\$0.1507 港元	16,555	HK\$0.8250 港元	57,900	74,455
Lapsed during the year	年內失效	HK\$0.1507 港元	(275)	HK\$0.8250 港元	-	(275)
Exercised during the year	年內行使	HK\$0.1507 港元	(7,400)	-	-	(7,400)
Outstanding at 31 December 2016	於2016年12月31日尚未行使	HK\$0.1507 港元	8,880	HK\$0.8250 港元	57,900	66,780
Exercisable at 31 December 2016	於2016年12月31日可行使	HK\$0.1507 港元	-	-	11,580	11,580

The weighted average share price at the date of exercise of share options exercised during the year was HK\$0.39.

The share options granted on 29 January 2015 outstanding at 31 December 2017 had an exercise price of HK\$0.8250 (2016: HK\$0.8250) and a weighted average remaining contractual life of 7.08 years (2016: 8.08 years).

The numbers of options and weighted average exercise prices were presented as after the effect of the share subdivision with effect from 24 September 2015 on the basis of each issued or unissued share of the Company subdivided into 4 subdivided shares.

34. 以股份為基礎的支付(續)

- (b) 購股權的數目和加權平均行使價如下：

於年內，已行使購股權於行使當日的加權平均股價為0.39港元。

於2015年1月29日批授而於2017年12月31日尚未行使的首次公開發售前購股權的行使價為0.8250港元(2016年：0.8250港元)，餘下加權平均合約期限為7.08年(2016年：8.08年)。

購股權數目及加權平均行使價乃於股份拆細自2015年9月24日起生效後按每股本公司已發行或未發現股份拆細為4股拆細股份之基準呈列。



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35. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Disposal of subsidiaries

- (i) On 6 December 2017, the Group disposed of its wholly-owned subsidiary, Cheng Jun Group Limited and its subsidiary, Union Winful Limited, to Mr. Guo Yumin, a director and ultimate controlling party of the Company, at a consideration of US\$100.

Net liabilities at the date of disposal were as follows:

35. 綜合現金流量表附註

(a) 出售附屬公司

- (i) 於2017年12月6日，本集團向郭玉民先生（本公司董事兼最終控制方）出售其全資附屬公司誠俊集團有限公司及附屬公司聯合永豐有限公司，代價為100美元。

於出售日期之淨負債如下：

		HK\$'000 千港元
Other receivables	其他應收款項	1
Bank and cash balances	銀行及現金結餘	3
Other payables	其他應付賬款	(57)
Net liabilities	負債淨額	(53)
Gain on disposal of subsidiaries	出售附屬公司的收益	54
Total consideration	總代價	1
Net cash outflow arising on disposal:	出售產生的現金流出淨額：	
Cash consideration received	已收現金代價	1
Cash and cash equivalents disposed of	處置現金及現金等值項目	(3)
		(2)



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35. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

(a) Disposal of subsidiaries (continued)

- (ii) On 7 December 2017, the Group disposed of a non-wholly owned subsidiary, Joy Treasure Investments Limited, and its subsidiaries at a consideration of US\$51.

Net liabilities at the date of disposal were as follows:

(a) 出售附屬公司(續)

- (ii) 於2017年12月7日，本集團以代價51美元出售非全資擁有附屬公司悅寶投資有限公司及其附屬公司。

於出售日期之淨負債如下：

		HK\$'000 千港元
Other receivables	其他應收款項	1
Bank and cash balances	銀行及現金結餘	557
Other payables	其他應付賬款	(1,170)
Current tax assets	即期稅項資產	32
Net liabilities	負債淨額	(580)
Less: Non-controlling interests	減：非控股權益	284
Group's share of net liabilities disposed of	本集團持份的已出售淨負債	(296)
Release of exchange reserve	匯兌儲備回撥	(13)
Gain on disposal of subsidiaries	出售附屬公司的收益	309
Total consideration	總代價	-
Consideration satisfied by cash	以現金償付的現金代價	-
Net cash outflow arising on disposal:	出售產生的現金流出淨額：	
Cash consideration received	已收現金對價	-
Cash and cash equivalents disposed of	處置現金及現金等值項目	(557)
		(557)



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35. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

(b) 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 flows from financing activities.

35. 綜合現金流量表附註(續)

(b) 融資活動所產生的負債

下表詳述本集團融資活動所產生的負債變動，包括現金及非現金變動。融資活動所產生的負債指本集團綜合現金流量表中現金流量過往分類為或未來現金流將分類為融資活動所產生的現金流的負債。

		1 January 2017 於2017年 1月1日 HK\$'000 千港元	Cash flows 現金流 HK\$'000 千港元	Interest expense 利息開支 HK\$'000 千港元	Conversion 轉換 HK\$'000 千港元	Exchange differences 匯兌差額 HK\$'000 千港元	Fair value changes 公允價值 變動 HK\$'000 千港元	At 31 December 2017 於2017年 12月31日 HK\$'000 千港元
Convertible bonds (note 31)	可換股債券(附註31)	202,176	-	-	(188,928)	-	(13,154)	94
Bank borrowings (note 30)	銀行貸款(附註30)	144,485	(4,010)	6,353	-	6,624	-	153,452
		346,661	(4,010)	6,353	(188,928)	6,624	(13,154)	153,546

36. CONTINGENT LIABILITIES

As at 31 December 2017, the Group did not have any significant contingent liabilities (2016: Nil).

36. 或然負債

於2017年12月31日，本集團並無任何重大或然負債(2016年：無)。



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37. LEASE COMMITMENTS

At 31 December 2017 the total future minimum lease payments under non-cancellable operating leases are payable as follows:

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Within one year	一年內	2,137	3,314
In the second to fifth years inclusive	兩年至五年(包括首尾兩年)	4,080	4,030
After five years	五年後	16,375	16,559
		22,592	23,903

Operating lease payments represent rentals payable by the Group for certain of its offices and leasehold land. Leases are negotiated for an average term of 1 to 25 years and rentals are fixed over the lease terms and do not include contingent rentals.

38. MATERIAL RELATED PARTY TRANSACTIONS

For the years ended 31 December 2017 and 2016, transactions with the following parties are considered to be related party transactions:

Mr. Guo Yumin
郭玉民先生

Xuzhou Ruilong Real Estate
Development Co., Ltd. (Note)
徐州瑞龍房地產開發有限公司(附註)

Xuzhou Xingchen Real Estate
Development Co., Ltd. (Note)
徐州星辰房地產開發有限公司(附註)

Cheng Jun Group Limited
誠俊集團有限公司

Union Winful Limited
聯合永豐有限公司

Note: The English translation of the names is for reference only. The official names of these entities are in Chinese.

37. 租賃承擔

於2017年12月31日，根據不可撤銷經營租賃的未來最低租賃應付款總額支付如下：

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Within one year	一年內	2,137	3,314
In the second to fifth years inclusive	兩年至五年(包括首尾兩年)	4,080	4,030
After five years	五年後	16,375	16,559
		22,592	23,903

經營租賃付款指本集團就其若干辦公及租賃土地應付之租金。租賃磋商的平均租期為1至25年及租金於租賃期內固定且不包括或然租金。

38. 重大關聯方交易

於截至2017年及2016年12月31日止年度內，與下列各方進行的交易被視為關聯方交易：

Director and the ultimate controlling party
of the Company
本公司董事兼最終控制方

Owned by Mr. Guo Yumin
由郭玉民先生擁有

Owned by Mr. Guo Yumin
由郭玉民先生擁有

Owned by Mr. Guo Yumin
由郭玉民先生擁有

Owned by Mr. Guo Yumin
由郭玉民先生擁有

附註：英文本的英譯名稱僅供參考。該等實體的官方名稱以中文為準。



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38. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors as disclosed in note 15 and certain of the highest paid employees as disclosed in note 14, is as follows:

38. 重大關聯方交易(續)

(a) 主要管理人員薪酬

本集團主要管理人員薪酬(包括於附註15所披露支付予董事及於附註14所披露支付予若干最高薪酬僱員的款項)載列如下:

		2017	2016
		2017年	2016年
		HK\$'000	HK\$'000
		千港元	千港元
Short-term employee benefits	短期僱員福利	10,928	8,475
Post-employment benefits	離職後福利	230	200
Equity compensation benefits	股本補償福利	1,476	2,735
		12,634	11,410

Total remuneration is disclosed in note 14.

薪酬總額於附註14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2017年12月31日止年度

38. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED) 38. 重大關聯方交易 (續)

(b) Other related party transactions

In addition to those related party transactions disclosed in note 35(a) to the consolidated financial statements, the Group had the following transactions with its related parties during the year:

(b) 其他關聯方交易

除綜合財務報表附註35(a)所披露之關聯方交易外，本集團於年內與其關聯方訂立以下交易：

		2017 2017年					Interest on convertible bond 可換股 債券利息
		Management fee 管理費 HK\$'000 千港元	Interest expense 利息開支 HK\$'000 千港元	Rental expenses 租金開支 HK\$'000 千港元	Proceeds from borrowings 所得款項 HK\$'000 千港元	Repayment of borrowings 償還借款 HK\$'000 千港元	HK\$'000 千港元
Xuzhou Ruilong Real Estate Development Co., Ltd.	徐州瑞龍房地產開發有限公司	996	1,135	686	28,868	(17,844)	-
		2016 2016年					Interest on convertible bond 可換股 債券利息
		Management fee 管理費 HK\$'000 千港元	Interest expense 利息開支 HK\$'000 千港元	Rental expenses 租金開支 HK\$'000 千港元	Proceeds from borrowings 所得款項 HK\$'000 千港元	Repayment of borrowings 償還借款 HK\$'000 千港元	HK\$'000 千港元
Xuzhou Ruilong Real Estate Development Co., Ltd.	徐州瑞龍房地產開發有限公司	1,137	2,875	539	25,664	(108,493)	-
Xuzhou Xingchen Real Estate Development Co., Ltd.	徐州星辰房地產開發有限公司	-	-	-	12	(19)	-
Mr. Guo Yumin	郭玉民先生	-	-	-	-	-	1,312
		1,137	2,875	539	25,676	(108,512)	1,312



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

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

38. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED) 38. 重大關聯方交易(續)

(c) Balances with related parties

At 31 December 2017 and 2016, the Group had the following balances with related parties:

(c) 與關聯方的結餘

於2017年及2016年12月31日，本集團擁有以下與關聯方的結餘：

	Note 附註	2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Trade receivables			
– Xuzhou Ruilong Real Estate Development Co., Ltd.		4,913	4,581
– Xuzhou Xingchen Real Estate Development Co., Ltd.		1,012	943
Trade payable			
– Xuzhou Ruilong Real Estate Development Co., Ltd.		(5,695)	(4,246)
Due from related companies			
– Cheng Jun Group Limited	(i)	18	–
– Union Winful Limited	(i)	42	–
Due to a director and ultimate controlling party			
– Mr. Guo Yumin	(i)	(5,668)	(1,565)
Loans from a related company			
– Xuzhou Ruilong Real Estate Development Co., Ltd.	(ii)	(25,177)	(12,804)
Due to a related company			
– Xuzhou Ruilong Real Estate Development Co., Ltd.	(i)	(1,452)	(26)
		(32,007)	(13,117)

(i) The amounts due from/(to) related companies and a director are interest-free and expected to be recovered within one year.

(ii) Loans from a related company of RMB13,000,000 (2016: RMB Nil) (equivalent to HK\$15,586,000 (2016: HK\$Nil)) is interest bearing at 4.35% per annum; RMB8,000,000 (2016: RMB11,000,000) (equivalent to HK\$9,591,000 (2016: HK\$12,804,000)) is interest bearing at an interest rate referencing to the benchmark lending rate per annum of the People's Bank of China.

(i) 應收／(應付)關聯公司及一名董事款項屬免息，且預期將於一年內收回。

(ii) 應收關聯公司貸款人民幣13,000,000元(2016年：人民幣零元)(相當於15,586,000港元(2016年：零港元))按年利率4.35%計息；人民幣8,000,000元(2016年：人民幣11,000,000元)(相當於9,591,000港元(2016年：12,804,000港元))乃經參考中華人民共和國貸款基準年利率後按某一利率計息。



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

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

38. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(d) Applicability of the Listing Rules relating to connected transactions

The related party transactions in respect of Xuzhou Ruilong Real Estate Development Co., Ltd. and Mr. Guo Yumin above constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules. However those transactions are exempt from the disclosure requirements in Chapter 14A of the Listing Rules as they are financial assistance received by a listed issuer's Group from a connected person or commonly held entity, which are conducted on normal commercial terms or better and are not secured by the assets of the Group.

39. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current year's presentation. The changes included (i) the reclassification of certain gains or losses previously classified under other income or other operating expenses to other gains or losses; (ii) the reclassification of non-current portion of interests in leasehold land held for own use under operating lease previously classified under property, plant and equipment to a separate line item in the consolidated statement of financial position; (iii) the reclassification of the current portion of interests in leasehold land held for own use under non-current assets to trade and other receivables under current assets; and (iv) the reclassification of prepaid LAT previously classified under trade and other receivables to current tax assets. These new classifications of the accounting items were considered to provide a more appropriate presentation of the results and the state of affairs of the Group.

38. 重大關聯方交易 (續)

(d) 關於關連交易的上市規則適用性

根據上市規則第14A章，上述有關徐州瑞龍房地產開發有限公司和郭玉民先生的關聯方交易構成關連交易或持續關連交易。但該等交易獲豁免遵守上市規則第14A章的披露規定，原因為其屬於上市發行人集團從關連人士或共同控制實體獲得的財務援助，此交易按一般商業條款或更佳條款進行，且並非以本集團資產作抵押。

39. 比較數字

若干比較數字已重新分類，以符合本年度之呈列方式。有關變動包括(i)先前於其他收入或其他經營開支項下分類的若干收益或虧損重新分類至其他收益或虧損；(ii)先前於物業、廠房及設備項下分類的根據經營租賃持作自用的租賃土地權益的非即期部分重新分類至綜合財務狀況表內的一個單獨項目；(iii)非流動資產項下持作自用的租賃土地權益的即期部分重新分類至流動資產項下之貿易應收款項及其他應收款項；及(iv)貿易應收款項及其他應收款項項下先前分類的預付土地增值稅重新分類至即期稅項資產。該等會計條目之重新分類可更恰當呈列本集團的業績及事務狀況。



Summary Financial Information

財務資料概要

The following is a summary of the published results and of the assets and liabilities of the Group prepared on the bases set out in the note below:

下文為根據下文附註所載基準編製之本集團已刊發業績以及資產及負債之概要：

		Year ended 31 December 截至 12 月 31 日止年度				
		2017 2017 年 HK\$'000 千港元	2016 2016 年 HK\$'000 千港元	2015 2015 年 HK\$'000 千港元	2014 2014 年 HK\$'000 千港元	2013 2013 年 HK\$'000 千港元
RESULTS	業績					
Revenue	收入	1,250,706	478,354	469,241	712,534	706,134
(Loss)/profit before tax	稅前(虧損)/溢利	(182,164)	47,984	381,164	190,601	175,820
Income tax credit/(expense)	所得稅抵免/(支出)	16,078	(11,852)	(54,634)	(39,497)	(47,489)
(Loss)/profit for the year	年內(虧損)/溢利	(166,086)	36,132	326,530	151,104	128,331
Attributable to:	以下人士應佔：					
Equity shareholders of the Company	本公司權益股東	(165,219)	36,132	326,530	92,507	77,934
Non-controlling interests	非控股權益	(867)	–	–	58,597	50,397
(Loss)/profit for the year	年內(虧損)/溢利	(166,086)	36,132	326,530	151,104	128,331

		As at 31 December 於 12 月 31 日				
		2017 2017 年 HK\$'000 千港元	2016 2016 年 HK\$'000 千港元	2015 2015 年 HK\$'000 千港元	2014 2014 年 HK\$'000 千港元	2013 2013 年 HK\$'000 千港元
ASSETS AND LIABILITIES	資產及負債					
Non-current assets	非流動資產	511,183	739,957	386,918	218,319	391,387
Current assets	流動資產	761,599	1,394,868	1,027,481	976,587	470,243
Current liabilities	流動負債	(369,958)	(1,041,845)	(417,314)	(577,371)	(383,375)
Non-current liabilities	非流動負債	(5,052)	(259,047)	(79,735)	(80,807)	(6,025)
Net assets	淨資產	897,772	833,933	917,350	536,728	472,230
Attributable to:	以下人士應佔：					
Equity shareholders of the Company	本公司權益股東	898,324	833,558	917,350	441,868	382,489
Non-controlling interests	非控股權益	(552)	375	–	94,860	89,741
Total equity	權益總額	897,772	833,933	917,350	536,728	472,230

Certain comparative figures have been reclassified to conform to the current year's presentation.

若干比較數字已重新分類以符合本年度的呈列。



順泰控股集團有限公司
Sheen Tai Holdings Group Company Limited
(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 : 1335