



PERFECT GROUP INTERNATIONAL HOLDINGS LIMITED  
保發集團國際控股有限公司

(Incorporated in 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 : 03326



Annual Report 2017 年度報告



*Perfection by  
Perfect Jewellery*



*Perfection by  
Perfect Jewellery*



佛山市順德倫教銷售點  
Sales point at Lunjiao, Shunde in Foshan City



保發珠寶產業中心 - 保發集團大廈及保發博覽館  
Perfect Group Jewellery Industry Park - Perfect Tower and Perfect Expo

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# Corporate Information

## 公司資料

### Executive Directors

Mr. Kan Kin Kwong (*Chairman and Chief Executive officer*)  
Ms. Shek Mei Chun  
Mr. Chung Chi Keung

### Non-executive Director

Mr. Chu Kin Wang Peleus (resigned on 1 March 2017)  
Mr. He Dingding (appointed on 1 March 2017).  
He resigned on 1 March 2018 as director and was appointed on the same date as deputy chief executive officer)

### Independent Non-executive Directors

Mr. Fan Chor Ho  
Mr. Li Cheuk Wai  
Mr. Wong Wai Keung Frederick

### Audit Committee

Mr. Wong Wai Keung Frederick (*Chairman*)  
Mr. Chu Kin Wang Peleus (resigned on 1 March 2017)  
Mr. He Dingding (appointed on 1 March 2017).  
He resigned on 1 March 2018 as member and was appointed on the same date as deputy chief executive officer)  
Mr. Li Cheuk Wai  
Mr. Fan Chor Ho (appointed on 1 March 2018)

### Remuneration Committee

Mr. Li Cheuk Wai (*Chairman*)  
Mr. Chung Chi Keung  
Mr. Wong Wai Keung Frederick

### Nomination Committee

Mr. Kan Kin Kwong (*Chairman*)  
Mr. Fan Chor Ho  
Mr. Li Cheuk Wai

### Risk Management Committee

Mr. Kan Kin Kwong (*Chairman*)  
Ms. Shek Mei Chun  
Mr. Li Cheuk Wai

### Company Secretary

Mr. Tam Pei Qiang (resigned on 7 February 2017)  
Mr. Tam Chun Wa (appointed on 7 February 2017)

### 執行董事

簡健光先生 (*主席兼行政總裁*)  
石美珍女士  
鍾志強先生

### 非執行董事

朱健宏先生 (於2017年3月1日辭任)  
賀丁丁先生 (於2017年3月1日獲委任。  
彼於2018年3月1日辭任董事職務，  
並於同日獲委任為副行政總裁)

### 獨立非執行董事

范佐浩先生  
李卓威先生  
黃煒強先生

### 審核委員會

黃煒強先生 (*主席*)  
朱健宏先生 (於2017年3月1日辭任)  
賀丁丁先生 (於2017年3月1日獲委任。  
彼於2018年3月1日辭任成員職務，  
並於同日獲委任為副行政總裁)  
李卓威先生  
范佐浩先生 (於2018年3月1日獲委任)

### 薪酬委員會

李卓威先生 (*主席*)  
鍾志強先生  
黃煒強先生

### 提名委員會

簡健光先生 (*主席*)  
范佐浩先生  
李卓威先生

### 風險管理委員會

簡健光先生 (*主席*)  
石美珍女士  
李卓威先生

### 公司秘書

譚沛強先生 (於2017年2月7日辭任)  
譚鎮華先生 (於2017年2月7日獲委任)

### Auditor

Deloitte Touche Tohmatsu  
35/F, One Pacific Place  
88 Queensway  
Hong Kong

### Compliance Adviser

GF Capital (Hong Kong) Limited  
29th-30th Floors, Li Po Chun Chambers  
189 Des Voeux Road Central  
Hong Kong

### Legal Advisers

#### As to Hong Kong Law

Loeb & Loeb LLP  
21st Floor, CCB Tower  
3 Connaught Road Central  
Hong Kong

#### As to Cayman Islands Law

Conyers Dill & Pearman  
2901, One Exchange Square,  
8 Connaught Place, Central,  
Hong Kong

### Principal Bankers

The Bank of East Asia, Limited  
Millennium City 5 BEA Tower  
418 Kwun Tong Road  
Hong Kong

OCBC Wing Hang Bank Limited  
104 Ma Tau Wai Road  
Hunghom  
Hong Kong

Standard Chartered Bank (Hong Kong) Limited  
Standard Chartered Tower  
388 Kwun Tong Road  
Hong Kong

### 核數師

德勤•關黃陳方會計師行  
香港  
金鐘道88號  
太古廣場一座35樓

### 合規顧問

廣發融資(香港)有限公司  
香港  
德輔道中189號  
李寶椿大廈29-30樓

### 法律顧問

#### 有關香港法律

樂博律師事務所有限法律責任合夥  
香港  
干諾道中3號  
中國建設銀行大廈21樓

#### 有關開曼群島法律

Conyers Dill & Pearman  
香港  
中環康樂廣場8號  
交易廣場一座2901室

### 主要往來銀行

東亞銀行有限公司  
香港  
觀塘道418號  
創紀之城五期東亞銀行中心

華僑永亨銀行有限公司  
香港  
紅磡  
馬頭圍道104號

渣打銀行(香港)有限公司  
香港  
觀塘道388號  
渣打中心

## Corporate Information 公司資料

### Principal Share Registrar and Transfer Office in the Cayman Islands

Conyers Trust Company (Cayman) Limited  
Cricket Square, Hutchins Drive  
P.O. Box 2681, Grand Cayman KY1-1111  
Cayman Islands

### Hong Kong Branch Share Registrar

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

### Registered Office

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

### Place of Business in Hong Kong and Headquarter

26th Floor,  
YHC Tower  
No. 1 Sheung Yuet Road  
Kowloon  
Hong Kong

### Company's Website Address

[www.hkperjew.com.hk](http://www.hkperjew.com.hk)

### Stock Code

3326

### 開曼群島股份過戶登記總處

Conyers Trust Company (Cayman) Limited  
Cricket Square, Hutchins Drive  
P.O. Box 2681, Grand Cayman KY1-1111  
Cayman Islands

### 香港股份過戶登記分處

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

### 註冊辦事處

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

### 香港營業地點及總部

香港  
九龍  
常悅道1號  
恩浩國際中心  
26樓

### 公司網址

[www.hkperjew.com.hk](http://www.hkperjew.com.hk)

### 股份代號

3326



# Chairman's Statement

## 主席報告

Dear Shareholders,

On behalf of the board (the “Board”) of Directors (the “Director”) of Perfect Group International Holdings Limited (the “Company”), it is my pleasure to present to you the annual report of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 December 2017.

### Business Outlook and Future Prospects

On 15 February 2017, the Group through a PRC subsidiary (the “**Joint Venture**”) of which 70% interest is held by the Group who won the bidding for land use right of a parcel of land located at 1st Ring Road South Extension Foshan East and south of Lunjiao Dachong River, Lunjiao Shilong Industrial Zone, Shunde District, Foshan, Guangdong Province, the PRC (the “**Land**”) to relocate the processing factory of the Group in Dongguan City in mid 2018. The floor area of the Land is expected to be not more than approximately 301,172 square meters. In September 2017, the Joint Venture revised the development plan from a design for own-use factory to an integrated and comprehensive industry park (the “**Perfect Group Jewellery Industry Park**”) to relocate the processing factory in Dongguan as previously scheduled as well as to enable the Group to sell a portion of the factory space and portion of the ancillary facilities at the park.

The construction work for Perfect Group Jewellery Industry Park is progressing as scheduled. In January 2018, the Group has held the topping-up ceremony for the Perfect Tower, the head-quarter of the Group in PRC, inside the Perfect Group Jewellery Industry Park. The process of relocation of headquarter from processing factory in Dongguan to Perfect Group Jewellery Industry Park is satisfactory and is expected to complete in the mid-year of 2018. The construction work for Perfect Expo, the exhibition building inside the Perfect Group Jewellery Industry Park, has started and is expected to complete in 2018. The construction work of the Perfect Group Jewellery Industry Park is expected to complete in or before 2019. In January 2018, the Group obtained sales permit for the sale of the Perfect Group Jewellery Industry Park and promotion activities for the sales started. The Group has procured a number of buyers for sales. The response from the customers for the sales of Perfect Group Jewellery Industry Park is encouraging.

致各股東：

本人謹代表保發集團國際控股有限公司（「本公司」）董事會（「董事會」）之董事（「董事」）欣然向閣下提呈本公司及其附屬公司（統稱「本集團」）截至2017年12月31日止年度之年報。

### 業務展望及未來前景

於2017年2月15日，本集團透過一間由本集團持有70%權益之中國附屬公司（「合營公司」）成功投得位於中國廣東省佛山市順德區倫教世龍工業區佛山一環南延線以東、倫教大涌以南地塊（「該土地」）之土地使用權，以於2018年中搬遷本集團位於東莞市之加工廠。該土地之建築面積預期將不多於約301,172平方米。於2017年9月，合營公司修改發展計劃，由自用工廠之設計更改為綜合全面產業中心（「保發珠寶產業中心」），以按先前計劃如期搬遷東莞之加工廠，並有助本集團出售產業中心之部份工廠空間及部份配套設施。

保發珠寶產業中心之建築工程按進度進行中。於2018年1月，本集團為保發珠寶產業中心內之保發集團大廈（即本集團於中國之總部）舉行平頂儀式。將總部由東莞之加工廠搬遷至保發珠寶產業中心之進度令人滿意，並預期將於2018年中完成。保發博覽館（即保發珠寶產業中心內之展覽大樓）之建築工程經已動工，並預期將於2018年完成。保發珠寶產業中心之建築工程預期將於2019年或之前完成。於2018年1月，本集團取得銷售保發珠寶產業中心之預售證，並隨即展開促銷活動。本集團已就出售覓得多名買家。客戶對銷售保發珠寶產業中心之反應踴躍。

## Chairman's Statement 主席報告

During the year, the Group has engaged a team of sales personnel and participated in some jewellery trade exhibitions and expositions in the PRC to explore the PRC market. In 2018, the Group will devote more resources and effort for the exploration in PRC market and in particular, will participate more jewellery fairs and exhibition in PRC. The Group considers that the progress of exploration of the jewellery business in the PRC is satisfactory.

### Appreciation

On behalf of the Board, I would like to express my gratitude to our shareholders and business partners for their support to the Group. My appreciation also goes to the all employees for their dedication and contribution over the past year. We have confidence that our company could achieve a better future through our joint effort and create long-term value for our shareholders.

**Kan Kin Kwong**  
*Chairman*

Hong Kong, 19 March 2018

年內，本集團已委聘一支銷售隊團，並參與於中國之多個珠寶貿易展覽會及展銷會以開拓中國市場。於2018年，本集團將調配更多資源致力開拓中國市場，特別是將會參與更多中國之珠寶展覽會。本集團認為，開拓中國珠寶業務之進展令人滿意。

### 致謝

本人代表董事會，向各股東及業務夥伴對本集團一直以來的鼎力支持致以衷心感謝，同時，本人亦對全體僱員於上年度的努力不懈及全力貢獻深表謝意。我們深信，憑藉我們共同努力，定必可再創輝煌佳績，為各股東締造長遠價值。

*主席*  
**簡健光**

香港，2018年3月19日

# Management Discussion and Analysis

## 管理層討論及分析

The Group is one of the top fine jewellery manufacturers and wholesalers with approximately 30 years of history in Hong Kong. The Group is primarily engaged in designing, manufacturing and sales of high-end fine jewellery (primarily mounted with diamonds). The Group positions its products to target the high-end segment of the fine jewellery market by average wholesale price.

The Group operates two offices, situated in Hong Kong and Dubai respectively. The Hong Kong office bridges the design, production and sales teams with the customers worldwide whilst the Dubai office serves as the marketing and logistic hub in the Middle East and its vicinity. The production operations are exclusively carried out at a processing factory in Dongguan (“Perfect Factory”) under the processing agreement. Under the processing agreement, Perfect factory deploys raw materials, accessories, machinery equipment and packaging materials owned and imported by the Group to produce fine jewellery products for the Group exclusively whilst the Group closely participates in the operation and management of Perfect Factory and effectively controls its decision making process.

During the year, the construction work for Perfect Group Jewellery Industry Park and the relocation work of the processing factory in Dongguan are progressing as scheduled. The response from the customers for the sales of Perfect Group Jewellery Industry Park is encouraging.

During the year, the Group has engaged a team of sales personnel and participated in some jewellery trade exhibitions and expositions in the PRC to explore the PRC market. The Group considers that the progress of exploration of the jewellery business in the PRC is satisfactory.

本集團為香港頂尖優質珠寶製造商及批發商之一，擁有約30年歷史。本集團的主要業務是設計、製造及出售主要鑲嵌鑽石的高端優質珠寶。本集團的產品定位為面向按平均批發價計算屬高端的優質珠寶市場。

本集團分別在香港及迪拜設有共兩個辦事處。香港辦事處連接我們的設計、製造及銷售團隊與世界各地的客戶，而迪拜辦事處則作為於中東及鄰近地區的營銷及物流樞紐。生產工作全部根據加工協議由位於東莞的加工廠房（「保發工廠」）進行。根據加工安排，保發工廠調配由本集團擁有或進口的原材料、配件、機器、設備及包裝物料，為本集團獨家製造優質珠寶產品，而本集團深入參與保發工廠的運作及管理，有效控制其決策程序。

年內，保發珠寶產業中心之建築工程及東莞加工廠之搬遷工程按進度進行中。客戶對銷售保發珠寶產業中心之反應踴躍。

年內，本集團已委聘一支銷售隊團，並參與於中國之多個珠寶貿易展覽會及展銷會以開拓中國市場。本集團認為，開拓中國珠寶業務之進展令人滿意。

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

### FINANCIAL REVIEW

#### Revenue

The Group's revenue for the year ended 31 December 2017 was approximately HK\$352.0 million (2016: HK\$322.4 million), representing an increase of approximately HK\$29.6 million or 9.2% over the corresponding year of 2016. The increase in the Group's revenue was primarily due to the unexpectedly high sales of high-end jewellery products in the second half of the year.

The sales of ring, which accounted for approximately 34.7% of the total sales for the year, have increased from approximately HK\$105.7 million to approximately HK\$122.2 million. The sales of earrings, which accounted for approximately 27.4% of the total sales for the year, have increased from approximately HK\$92.1 million to approximately HK\$96.4 million. Other products, pendants and bangles, which accounted for approximately 11.7% and 11.4% of the total sales for the year, respectively also increased from approximately HK\$35.6 million and HK\$33.2 million to HK\$41.2 million and HK\$40.1 million, respectively.

The sales to Hong Kong increased from approximately HK\$187.6 million to approximately HK\$208.6 million, representing an increase of approximately 11.2%. The sales to Dubai increased from approximately HK\$134.8 million to approximately HK\$142.3 million, representing an increase of approximately 5.6%. The sales to PRC, which was a new sales region for the year, recorded a sales of approximately HK\$1.1 million.

#### Gross profit and gross profit margin

The gross profit increased from approximately HK\$88.9 million to HK\$110.2 million, representing an increase of approximately HK\$21.3 million. The gross profit margin was approximately 31.3% (2016: 27.6%). The cost of sales included the release of the provision on the staff benefits for previous years amounting to approximately HK\$16.3 million. The gross profit, after excluding the reversal of this provision, was approximately HK\$93.9 million and the gross profit margin was approximately 26.7% which was at a similar level comparing with last year.

### 財務回顧

#### 收益

截至2017年12月31日止年度，本集團之收益約為352,000,000港元（2016年：322,400,000港元），較2016年同期增加約29,600,000港元或9.2%。本集團收益增加主要由於高端珠寶產品於下半年度錄得意想不到的高銷售額。

戒指之銷售額佔年度銷售總額約34.7%，由約105,700,000港元增加至約122,200,000港元。耳環之銷售額佔年度銷售總額約27.4%，由約92,100,000港元增加至約96,400,000港元。其他產品、吊墜及手鏈佔年度銷售總額約11.7%及11.4%，亦分別由約35,600,000港元及33,200,000港元增加至41,200,000港元及40,100,000港元。

來自香港之銷售額由約187,600,000港元增加至約208,600,000港元，增加約11.2%。來自迪拜之銷售額由約134,800,000港元增加至約142,300,000港元，增加約5.6%。來自中國之銷售額於本年度為新進軍之銷售地區，錄得銷售額約1,100,000港元。

#### 毛利及毛利率

毛利由約88,900,000港元增加至110,200,000港元，增加約21,300,000港元。毛利率約為31.3%（二零一六年：27.6%）。銷售成本包括撥回過往年度員工福利撥備約16,300,000港元。於撇除撥回該項撥備後，毛利約為93,900,000港元，而毛利率約為26.7%，與去年之水平相若。

### Other income

Other income decreased from approximately HK\$1.4 million to HK\$1.3 million, it mainly comprised of scrap sales and interest income during the year.

### Other gains and losses

Other gains and losses of approximately HK\$0.97 million included the reversal of allowances amounting to approximately HK\$1.1 million of doubtful debts against long outstanding trade receivables which is in line with the Group's accounting policy. (2016: allowances of approximately HK\$2.0 million)

### Selling and distribution costs

The increase in selling and distribution costs of approximately from HK\$13.6 million to HK\$15.4 million was mainly due to the increase of cost for the promotion for the PRC market and the operation of the Perfect Group Jewellery Industry Park during the year.

### General and administrative and other expenses

The increase in general and administrative and other expenses from HK\$34.8 million to HK\$42.2 million was mainly due to the directors' and staff's equity-settled share option expenses amounted to HK\$6.2 million (2016: Nil), cost for the operation of the Perfect Group Jewellery Industry Park and business development in the PRC amounting to HK\$3.1 million (2016: Nil).

### Profit for the year

As a result of the above factors, profit for the year ended 31 December 2017 was approximately HK\$48.1 million (2016: HK\$34.7 million), representing an increase of approximately 38.6%. However, on a comparable basis, after excluding the reversal of the provision of staff benefits for previous years of HK\$16.3 million, the adjusted profit for the year was HK\$31.8 million.

### 其他收入

其他收入約1,400,000港元減少至1,300,000港元，主要為年內之廢料銷售額及利息收入。

### 其他收益及虧損

其他收益及虧損約970,000港元包括根據本集團的會計政策對長期貿易應收款項作出之呆賬撥備撥回約1,100,000港元（2016年：撥備約2,000,000港元）。

### 銷售及分銷成本

銷售及分銷成本由約13,600,000港元增加至約15,400,000港元，主要由於年內在中國市場進行促銷及經營保發珠寶產業中心之成本增加所致。

### 一般及行政及其他開支

一般及行政及其他開支由34,800,000港元增加至42,200,000港元，主要由於董事及員工的以權益結算購股權開支6,200,000港元（2016年：無）、保發珠寶產業中心之經營成本及於中國之業務發展成本3,100,000港元（2016年：無）。

### 年內溢利

由於上述因素，截至2017年12月31日止年度之溢利約為48,100,000元（2016年：34,700,000港元），增加約38.6%。然而，就比較而言，於撇除撥回過往年度員工福利撥備16,300,000港元後，經調整本年度溢利為31,800,000港元。

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

### Financial Position

#### Non-current assets

During the year, the Group has acquired the land use right for the development of the Perfect Group Jewellery Industry Park for a consideration of RMB105.4 million (equivalent to HK\$118.4 million) and incurred construction cost of approximately HK\$100.2 million. The total cost on the land and construction in progress have been classified as properties, plant and equipment, properties under development for sale and prepaid lease payments in accordance with the intended use of the properties and nature of the payments.

As at year end, there was an increase in the deposit of approximately HK\$3.4 million being the reclassification of a deposit paid for the acquisition of a 5% equity interest in a private company in the PRC from current asset to non-current asset as the Group considered the acquisition will not be completed within twelve months after the year end date.

#### Current assets

Inventory increased to approximately HK\$180.0 million (2016: HK\$169.2 million) as a result of the Group's intention to increase production prior to the year end date to cater for more products to be displayed at the exhibitions and expositions after the year end.

At the year end, trade receivables increased in line with the increase in sales pattern in the second half of the year.

As at 31 December 2017, there was an increase in other receivables, prepayment and deposits from HK\$3.3 million to HK\$22.4 million. This was mainly due to the prepayment of advertising expenses amounting to HK\$3.4 million, prepaid value added tax in the PRC amounting to HK\$8.1 million and the advance to contractors for the development of the Perfect Group Jewellery Industry Park amounting to approximately HK\$6.0 million.

As at 31 December 2017, there was a decrease of HK\$31.6 million in deposit. This was mainly due to the repayment of land bidding deposit of approximately HK\$28.3 million after winning the bid and the reclassification of the deposit of approximately HK\$3.4 million to non-current assets as mentioned above.

### 財務狀況

#### 非流動資產

年內，本集團收購土地使用權以發展保發珠寶產業中心，代價為人民幣105,400,000元（相當於118,400,000港元），並產生建築成本約100,200,000港元。土地及在建工程之成本總額已根據物業之擬定用途及付款性質分類為物業、廠房及設備、發展中待售物業及預付租賃款項。

於年末，按金增加約3,400,000港元，乃由於本集團認為收購將不會於年結日後十二個月內完成，因此將收購中國一家私人公司5%股權之已付按金由流動資產重新分類為非流動資產。

#### 流動資產

存貨增加至約180,000,000港元（2016年：169,200,000港元），乃由於本集團擬於年結日之前增加產量，以於年末後在展覽會及展銷會上展出更多產品所致。

於年末，貿易應收款項隨著下半年度之銷售模式增加而有所增長。

於2017年12月31日，其他應收款項、預付款項及按金由3,300,000港元增加至22,400,000港元，主要由於廣告開支之預付款項3,400,000港元、預付中國增值稅8,100,000港元及就發展保發珠寶產業中心向承建商墊款約6,000,000港元所致。

於2017年12月31日，按金減少31,600,000港元，主要由於中標後償還投地按金約28,300,000港元及如上文所述將按金約3,400,000港元重新分類至非流動資產所致。

### Current Liabilities

As at 31 December 2017, trade payables increased from approximately HK\$6.3 million to approximately HK\$15.2 million as the Group determined to increase the production for more products to be displayed in the coming international trade exhibitions and expositions after the year end 31 December 2017. On the other hand, there was a decrease in the accruals and other payables amounting to approximately HK\$10.9 million which was mainly due to the release of the provision on the staff benefits for previous years amounting to HK\$16.3 million and receipt of the refund of the guarantee deposits of approximately HK\$5.4 million from contractors for the Perfect Group Jewellery Industry Park.

During the year, other borrowings amounting to HK\$28.3 million from non-controlling shareholder Jiangmen Yinguo of the Joint Venture utilised by the Group as deposit for jointly bidding of the Land which was fully repaid.

### Share Capital

During the year, pursuant to a resolution at the extraordinary general meeting of the Company held on 12 September 2017, every one issued and unissued existing ordinary shares of HK\$0.01 each in the share capital of the Company was subdivided into three subdivided shares of one-third Hong Kong cent each which became effective on 13 September 2017. As a result, the issued capital of the Company has been changed from 450,000,000 shares of HK\$0.01 each to 1,350,000,000 shares of one-third Hong Kong cent each.

### Liquidity and financial resources

As at 31 December 2017, the Group had current assets of approximately HK\$536.8 million (2016: HK\$479.1 million) and current liabilities amounted to approximately HK\$64.6 million (2016: HK\$72.7 million). Accordingly, the current ratio, being the ratio of current assets to current liabilities, was approximately 8.3 as at 31 December 2017 (2016: 6.6).

### 流動負債

於2017年12月31日，貿易應付款項由約6,300,000港元增加至約15,200,000港元，乃由於本集團決定增加生產以於2017年12月31日年度後即將舉行之國際貿易展覽會及展銷會上展示更多產品所致。另一方面，應計款項及其他應付款項減少至約10,900,000港元，主要由於撥回過往年度員工福利撥備16,300,000港元及收取承建商就保發珠寶產業中心退還之保證按金約5,400,000港元所致。

年內，本集團就共同投得該土地向合營公司江門盈拓之非控股股東取得用作按金之其他借貸28,300,000港元已悉數償還。

### 股本

年內，根據於2017年9月12日舉行之本公司股東特別大會上之決議案，本公司股本中每股面值0.01港元之已發行及未發行現有普通股份已拆細為三股每股面值三分之一港仙之股份，已由2017年9月13日起生效。因此，本公司之已發行股本已由450,000,000股每股面值0.01港元更改為1,350,000,000股每股面值三分之一港仙。

### 流動資金及財務資源

於2017年12月31日，本集團有流動資產約536,800,000港元(2016年：479,100,000港元)及流動負債約64,600,000港元(2016年：72,700,000港元)。因此，於2017年12月31日，流動比率(即流動資產與流動負債的比率)約為8.3(2016年：6.6)。

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

The financial resources for the operation of the Group were mainly derived from the net cash inflows from operating activities. Taking into consideration the existing financial resources of the Group, the Directors believe that the Group has adequate working capital to support its operations and development requirements.

### Gearing ratio

Based on the total borrowings (including bank loans and other borrowing) divided by the total equity, the gearing ratio was approximately 4.9% (2016: 7.4%).

### Foreign exchange exposure

During the year, certain group entities have foreign currency denominated sales and purchases; and monetary assets and liabilities which expose the Group to foreign currency risks on the currencies of HKD, USD, RMB, and AED. The sales are primarily made in USD while the expenses, including purchase of raw materials are mainly in USD and HKD with immaterial portion of cost, primarily being staff cost and factory overheads, in RMB.

Despite the expenses are mainly settled in HKD and USD and substantial portion of the sales and expenses are made in either USD or HKD, with HKD and AED being pegged with the USD, the impact of fluctuation of USD to the operational and financial performance would be immaterial, hence the Group's exposure to currency risk is not significant.

### Principal risks and uncertainties

The Group's financial condition, results of operations, businesses and prospects may be affected by a number of risks and uncertainties. The followings are the key risks and uncertainties identified by the Group. There may be other risks and uncertainties in addition to those known to the Group or which may not be material now but could turn out to be material in the future.

本集團業務營運的財務資源主要來自經營活動的現金流入淨額。考慮到本集團的現有財務資源，董事相信本集團應擁有充裕營運資金以敷其營運及發展需求。

### 資本負債比率

根據借貸總額(包括銀行貸款及其他借貸)除以權益總額計算，資本負債比率約為4.9%(2016年：7.4%)。

### 外匯風險

年內，若干集團實體以外幣進行買賣，貨幣資產及負債令本集團面臨有關港元、美元、人民幣及阿聯酋迪拉姆貨幣的外匯風險。銷售主要以美元進行，而開支(包括原材料採購額)主要以美元及港元支付，而極少部分的成本(主要為員工成本及工廠經常性開支)以人民幣支付。

儘管開支主要以港元及美元結算以及大部分的銷售及開支以美元或港元進行，由於港元及阿聯酋迪拉姆與美元掛鈎，美元的波幅對經營及財務表現的影響並不重大，故本集團面臨的貨幣風險並不重大。

### 主要風險及不穩定因素

本集團之財務狀況、經營業績、業務及展望可能受多種風險及不穩定因素所影響。下文為本集團所識別之主要風險及不穩定因素。除本集團已知或現時並不重大但可能在未來變得重大之其他風險及不穩定因素外，可能有其他風險及不穩定因素。



### Business and Financial Risks

- (i) The profitability and financial position may be materially and adversely affected if any of our major customers ceases their business relationship with us;
- (ii) The business and financial position may be materially and adversely affected if there is a global economic downturn, in particular, in the Middle East market; and
- (iii) We are susceptible to material and adverse change in the Hong Kong tax laws or unfavourable interpretation regarding apportionment claim of profits in cross-border processing business.

### Operational Risks

Until the processing factory is relocated to the Perfect Group Jewellery Industry Park in May 2018, the Group continues to rely on the Perfect Factory for production of its products.

The reliance on Perfect Factory for production of products under the Processing Agreement renders the operation vulnerable to any disruption or cessation of operation of Perfect Factory for whatever reason, including the breakdown of essential machinery or equipment, labour disputes, inclement weather and natural disasters and other factors that are beyond the control of the Group, and also non-compliance of the applicable laws and regulations by Perfect Factory.

Furthermore, any delay in the development of the Perfect Group Jewellery Industry Park, in particular, the processing factory, may result in interruption or cessation of the production operation of the Group. However, the Group does not foresee any impediment to the relocation as of the date of this report.

### **Charge on Assets**

There was no charge in the Group's assets as at 31 December 2017 (2016: Nil).

### 業務及財務風險

- (i) 倘任何主要客戶終止與我們的業務關係，盈利能力及財務狀況可能遭受重大不利影響；
- (ii) 倘全球經濟，尤其是中東市場衰退，業務及財務狀況或會受到重大不利影響；及
- (iii) 我們易受香港稅法重大不利變動或對跨境加工業務溢利分配申報的不利詮釋的影響。

### 營運風險

在加工廠於2018年5月搬遷至保發珠寶產業中心之前，本集團繼續依賴保發工廠生產其產品。

依賴保發工廠根據加工協議製造產品，令營運易受保發工廠因任何原因（包括基本機械或設備之損壞、勞資糾紛、惡劣天氣及自然災害以及超出本集團所能控制之其他因素者）而出現的營運干擾或中斷所影響，亦易受保發工廠違反適用法例及法規所拖累。

此外，保發珠寶產業中心之發展有任何延誤，特別是加工廠，可能導致本集團生產業務中斷或停止運作。然而，於本報告日期，本集團並無就搬遷預見任何阻礙。

### **資產抵押**

於2017年12月31日，本集團並無資產抵押（2016年：無）。

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

### Capital commitments

The Group had no material capital commitments as at 31 December 2017 (2016: Nil).

### Material acquisitions and disposals of subsidiaries and affiliated companies

On 15 February 2017, the Company has through the joint venture won the bidding for the land use right for the consideration of approximately RMB105.3 million for the purpose of establishing the headquarter in the PRC and developing the PRC market. Further details of the transaction could be found in the announcements of the Company dated 13 January 2017 and 21 September 2017 and the circular of the Company dated 7 February 2017.

Saved as disclosed above, during the year the Group did not have any material acquisitions and disposals of subsidiaries and affiliated companies.

### Employee and remuneration policy

As at 31 December 2017, the Group had approximately 267 employees (2016: 234 employees) in Hong Kong and Mainland China. The total salaries and related costs for the year ended 31 December 2017 amounted to approximately HK\$30.0 million after reversal on staff benefits for previous years amounting to approximately HK\$16.3 million (2016: HK\$40.4 million).

The Group offered competitive remuneration package as an incentive to staff to improve the work performance. The Company has share option scheme in place as a means to encourage and reward the eligible employees' (including the Directors of the Company) contributions to the Group's performance and business development based on their individual performance. During the year, 13,494,000 options have been granted. Details of the granting of share options and the adjustments to the outstanding share options can be found in the announcements of the Company dated 31 May 2017 and 12 September 2017. The employees' remuneration, promotion and salary are assessed by reference to their work performance, working experiences, professional qualifications and the prevailing market practice.

### 資本承擔

於2017年12月31日，本集團並無重大資本承擔（2016年：無）。

### 重大收購及出售附屬公司及聯屬公司

於2017年2月15日，本公司透過合營公司成功投得土地使用權，代價約為人民幣105,300,000元，用作於中國成立總部及發展中國市場。有關交易的進一步詳情可參閱本公司日期為2017年1月13日及2017年9月21日的公佈以及本公司日期為2017年2月7日的通函。

除上文所披露者外，於年內，本集團並無任何重大收購及出售附屬公司及聯屬公司。

### 僱員及薪酬政策

於2017年12月31日，本集團於香港及中國內地合共約有267名僱員（2016年：234名僱員）。截至2017年12月31日止年度，於撥回過去年度之員工福利約16,300,000港元後，薪金及相關成本總額約為30,000,000港元（2016年：40,400,000港元）。

本集團提供具競爭力的薪酬待遇，以鼓勵員工提升工作表現。本公司現有一個購股權計劃，以根據個人表現鼓勵及獎賞合資格僱員（包括本公司董事）對本集團表現及業務發展作出之貢獻。年內，已授出13,494,000份購股權。有關購股權授出情況及對尚未行使購股權之調整詳情可參閱本公司日期為2017年5月31日及2017年9月12日之公佈。僱員之薪酬、晉升及薪金乃基於其工作表現、工作經驗、專業資格及當前市場慣例而評估。

### Contingent liabilities

The Group had no material contingent liabilities as at 31 December 2017 (2016: Nil).

### Use of proceeds from the global offering

As at 31 December 2017, the Company had utilised approximately HK\$67.2 million of net proceeds from the Listing. On 28 November 2016, the Board resolved to change the proposed use of the net proceeds from the Listing, and details of the original allocation of the net proceeds, the revised allocation of the net proceeds, and the utilisation of the net proceeds as at 31 December 2017 are set out below:

### 或然負債

於2017年12月31日，本集團概無任何重大或然負債（2016年：無）。

### 全球發售的所得款項用途

於2017年12月31日，本公司已動用上市之所得款項淨額約67,200,000港元。於2016年11月28日，董事會議決更改上市之所得款項淨額之建議用途，有關所得款項淨額之原先計劃分配、所得款項淨額之經修訂分配及於2017年12月31日所得款項淨額之動用情況載列如下：

Uses	用途	Original allocation	Revised allocation	Utilisation as at 31 December 2017	Remaining balance after revised allocation
		原先計劃分配	經修訂分配	於2017年12月31日之動用情況	經修訂分配後之餘額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Expanding the Middle East and European high-end markets	擴充中東及歐洲高端市場	28,700	7,700	7,700	–
Upgrading the existing production facilities and hiring and training additional labour	升級現有生產設施以及聘用及培訓額外員工	25,179	1,839	1,839	–
Brand development	品牌發展	16,837	16,837	10,487	6,350
Enhancing the CRM system	提升客戶關係管理系統	3,597	3,597	614	2,983
Additional working capital and other general corporate purposes	額外營運資金及其他一般企業用途	2,220	2,220	2,220	–
Establishing the headquarter in the PRC and developing the PRC market	於中國成立總部及開發中國市場	–	44,340	44,340	–
Total	總計	76,533	76,533	67,200	9,333

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

The business objectives, future plans and planned use of proceeds as stated in the prospectus dated 22 December 2015 (the “Prospectus”) were based on the best estimation and assumption of future market conditions made by the Group at the time of preparing the Prospectus. The uses of proceeds were applied in accordance with the actual development of the market. As of the date of this report, the Directors are not aware of material change to the planned use of the proceeds from the plan as stated in the announcement dated 28 November 2016. The Directors will constantly evaluate the Group’s business objective and will change or modify plans against the changing market condition to ascertain the business growth of the Group.

All the unutilised balances have been placed in licensed banks in Hong Kong.

本集團日期為2015年12月22日的招股章程（「招股章程」）所載的業務目標、未來計劃及所得款用途乃基於本集團於編製招股章程時對未來市況的最佳估計及假設而得出。所得款項已根據實際市場發展情況獲動用。於本報告日期，董事並不知悉日期為2016年11月28日的公告所載計劃的所得款項擬定用途有任何重大變動。董事將不斷評估本集團的業務目標，並將就市況變化變更或修訂計劃，確保本集團的業務增長。

所有尚未動用的結餘已存放於香港的持牌銀行。

# Biographical Details of Directors and Senior Management

## 董事及高級管理人員履歷詳情

### Executive Directors

**Mr. Kan Kin Kwong**, aged 58, was appointed as the Director in June 2015 and was appointed as the chairman of the Board and the chief executive officer, and designated as the executive Director in August 2015. Mr. Kan is the founder of the Group and was appointed as a director of HK Perfect in October 1986. Mr. Kan is also the director of Perfect (BVI) and Perfect Group HK, the wholly-owned subsidiaries. Mr. Kan is mainly responsible for managing the overall operations of the Group and planning our business development and strategies, in particular, overseeing the business activities of the Group, supervising the operations and resources allocation of the Group and driving the Group to attain performance targets.

Mr. Kan has over 30 years of experience in the fine jewellery industry. Currently, Mr. Kan is the first honorary president of the Hong Kong Gemstone Manufacturers' Association, the 18th honorary president of the Hong Kong Jade Association, the vice president of the Hong Kong Gold and Silver Ornament Workers & Merchants General Union. Mr. Kan was also awarded "2017 Honorary Fellows" by the Professional Validation Centre of Hong Kong Business Sector on 13 July, 2017, in recognition of his contribution to the local jewellery industry.

**Ms. Shek Mei Chun**, aged 53, the wife of Mr. Kan, was appointed as the executive Director in August 2015. Mrs. Kan was appointed as a director of HK Perfect in March 1990. Mrs. Kan is mainly responsible for managing the sales operations of the Group, in particular, overseeing the sales activities of the Group, leading the sales team to attain sales targets and devising sales plans based on the varying demands and customer behaviour in different markets.

Ms. Shek has over 25 years of experience in the fine jewellery industry and completed form five at Mu Kuang High School in July 1982.

### 執行董事

**簡健光先生**，58歲，於2015年6月獲委任為董事，並於2015年8月獲委任為董事會主席兼行政總裁，並獲選定為執行董事。簡先生為本集團的創辦人，於1986年10月獲委任為保發珠寶的董事。簡先生亦為全資附屬公司保發（英屬處女群島）及保發集團香港的董事。簡先生主要負責管理本集團整體業務以及制定業務發展及策略，尤其是，監管本集團業務活動、監察本集團營運及資源配置以及帶領本集團實現經營目標。

簡先生於優質珠寶業擁有逾30年經驗。簡先生目前為香港寶石廠商會第一榮譽會長、香港玉器商會第十八屆名譽會長及香港金銀首飾工商總會副會長。簡先生亦於2017年7月13日獲香港商業專業評審中心頒授「2017榮譽院士」以表揚其對本地珠寶行業的貢獻。

**石美珍女士**，53歲，簡先生之妻子，於2015年8月獲委任為執行董事。簡太太於1990年3月獲委任保發珠寶的董事。簡太太主要負責管理本集團銷售業務，尤其是，監管本集團銷售活動，帶領銷售團隊實現銷售目標並根據不同市場的不同需求及客戶活動制定銷售計劃。

石女士於優質珠寶業擁有逾25年經驗及於1982年7月在慕光英文書院完成中五課程。

## Biographical Details of Directors and Senior Management 董事及高級管理人員履歷詳情

**Mr. Chung Chi Keung**, aged 56, was appointed as the executive Director in August 2015. Mr. Chung joined HK Perfect as an accountant in March 1990. Mr. Chung was appointed as a director of HK Perfect in November 2006.

Mr. Chung was awarded a higher stage certificate for proficiency in accounting and a certificate of proficiency in cost accounting, both issued by the London Chamber of Commerce and Industry in 1982 and 1985 respectively. Mr. Chung also passed the intermediate examination of the Association of Accounting Technicians in December 1991. Mr. Chung has over 30 years of experience in the accounting industry.

### Independent non-executive Directors

**Mr. Fan Chor Ho**, aged 75, was appointed as the independent non-executive Director in December 2015.

Mr. Fan graduated from King's College in Hong Kong in 1960. Mr. Fan began his securities brokerage business in 1970 and founded Paul Fan Securities Limited, a company engaging in securities brokerage, in 1987. Mr. Fan was the chairman of Paul Fan Securities Limited until 2012. Mr. Fan served the Stock Exchange as a member of the compensation committee from 1988 to 1992 and as a council member from 1990 to 1993. From 1993 to 1997 and from 2001 to 2007, Mr. Fan was a member of the advisory committee to the SFC. From April 2000 to April 2003, Mr. Fan was a non-executive director of Hong Kong Exchanges and Clearing Limited. Mr. Fan held various positions on government boards and committees, including the chairman of the Chinese Medicine Council of Hong Kong from September 2005 to September 2011. Mr. Fan has been an independent non-executive director of Hong Kong International Construction Investment Management Group Co., Limited, a company listed on the Stock Exchange stock code: 687), since August 1993 and is currently the chairman of the audit committee, a member of remuneration committee and a member of the nomination committee of such company. Mr. Fan was awarded the Badge of Honour in 1991, made a Justice of the Peace in 1993, awarded the Bronze Bauhinia Star in 2005 and awarded the Silver Bauhinia Star in 2011.

**鍾志強先生**，56歲，於2015年8月獲委任為執行董事。鍾先生於1990年3月加盟保發珠寶擔任會計師。鍾先生於2006年11月獲委任為保發珠寶董事。

鍾先生分別於1982年及1985年獲得倫敦工商會高等程度會計學專業證書及成本會計學專業證書。鍾先生亦於1991年12月通過會計技術員協會中等程度考試。鍾先生於會計專業擁有逾30年經驗。

### 獨立非執行董事

**范佐浩先生**，75歲，於2015年12月獲委任為獨立非執行董事。

范先生於1960年畢業於香港之英皇書院。范先生於1970年開始其證券經紀業務並於1987年創辦好利發證券有限公司，其為一家從事證券經紀的公司。直至2012年，范先生擔任好利發證券有限公司之主席。范先生於1988年至1992年擔任聯交所薪酬委員會成員及於1990年至1993年擔任理事。於1993年至1997年以及於2001年至2007年，范先生曾任證監會諮詢委員。於2000年4月至2003年4月，范先生曾任香港交易及結算所有限公司非執行董事。范先生曾於多個政府小組及委員會擔任多項公職，包括於2005年9月至2011年9月擔任香港中醫藥管理委員會主席。范先生自1993年8月起為聯交所上市公司香港國際建設投資管理集團有限公司（股份代號：687）的獨立非執行董事，且現時為該公司的審核委員會主席、薪酬委員會成員及提名委員會成員。范先生於1991年獲頒榮譽獎章，於1993年獲委任為太平紳士，於2005年獲頒銅紫荊星章，並於2011年獲頒銀紫荊星章。

## Biographical Details of Directors and Senior Management 董事及高級管理人員履歷詳情

**Mr. Li Cheuk Wai**, aged 46, was appointed as the independent non-executive Director in December 2015.

Mr. Li received a bachelor's degree in social science from the Chinese University of Hong Kong May 1995 and a bachelor's degree in laws from the University of London in August 2000. Mr. Li obtained the postgraduate certificate in laws issued by the University of Hong Kong in June 2001. Mr. Li was admitted a solicitor of the High Court of Hong Kong in September 2003.

From June 2014 to November 2014, Mr. Li was an independent non-executive director of China Financial Leasing Group Limited, a company listed on the Stock Exchange (stock code: 2312).

Currently, Mr. Li is the senior partner of Li & Lai, a firm of solicitors in Hong Kong.

**Mr. Wong Wai Keung Frederick**, aged 62, was appointed as the independent non-executive Director in December 2015.

Mr. Wong received a master's degree in electronic commerce from Edith Cowan University in Western Australia in February 2002. Mr. Wong has been a fellow of the Hong Kong Institute of Certified Public Accountants since June 1991 and a fellow of the Institute of Chartered Accountants in England and Wales since December 1993.

李卓威先生，46歲，於2015年12月獲委任為獨立非執行董事。

李先生於1995年5月獲得香港中文大學社會科學學士學位，並於2000年8月獲得倫敦大學法學士學位。李先生於2001年6月獲得香港大學法律專業文憑。李先生於2003年9月獲認可為香港高等法院事務律師。

於2014年6月至2014年11月，李先生為聯交所上市公司中國金融租賃集團有限公司（股份代號：2312）的獨立非執行董事。

李先生目前為香港律師行李賴律師事務所的高級合夥人。

黃煒強先生，62歲，於2015年12月獲委任為獨立非執行董事。

黃先生於2002年2月獲得西澳伊迪斯科文大學電子商貿碩士學位。黃先生自1991年6月起為香港會計師公會資深會員及自1993年12月起為英格蘭及威爾斯特許會計師公會資深會員。

## Biographical Details of Directors and Senior Management 董事及高級管理人員履歷詳情

Mr. Wong has over 30 years of experience in accounting, finance, audit, tax and corporate finance with an international certified public accountant firm and listed companies in the United Kingdom, New Zealand, Hong Kong and Thailand. From April 1996 to March 1999, Mr. Wong was an executive director of Hwa Kay Thai Holdings Limited (currently known as China Solar Energy Holdings Limited), a company listed on the Stock Exchange (stock code: 155). From January 2001 to January 2011, Mr. Wong was the chief financial officer and company secretary of CIGYangtze Ports PLC, a company listed on the Stock Exchange (stock code: 1719 (since 29 January 2018)), and has been an independent non-executive director and a member of the audit committee, remuneration committee and nomination committee of such company since April 2014 and the chairman of the nomination committee of such company since October 2015. Mr. Wong had been the chief financial officer of APAC Resources Limited (stock code: 1104), a company listed on the Stock Exchange, since January 2011 and also acted as the company secretary of the company between April 2011 and December 2011 and since February 2013 until he resigned from such positions in July 2016 and served as a consultant to the company between August 2016 to October 2016. Mr. Wong had been the chief financial officer of Asia Investment Finance Group Limited (stock code: 0033), a company listed on the Stock Exchange, since 18 September 2017 and also acted as the company secretary and authorized representative of such company since 25 September 2017 until he resigned from such positions on 3 November 2017. Mr. Wong has been an independent non-executive director, chairman of the audit committee and the risk management committee and member of the remuneration committee and nomination committee of Wah Sun Handbags International Holdings Limited (stock code: 2683), a company listed on the Stock Exchange, since 22 January 2018.

黃先生曾於國際註冊會計師行及英國、新西蘭、香港及泰國的上市公司累積逾30年的會計、財務、審核、稅務及公司財務經驗。自1996年4月至1999年3月，黃先生擔任華基泰集團有限公司（現稱中國源暢光電能源控股有限公司）（聯交所上市公司，股份代號：155）的執行董事。自2001年1月至2011年1月，黃先生為中國基建港口有限公司（聯交所上市公司，自2018年1月29日起股份代號：1719）的首席財務官及公司秘書，自2014年4月起為該公司的獨立非執行董事、審核委員會、薪酬委員會及提名委員會成員，並自2015年10月起為該公司的提名委員會主席。黃先生自2011年1月起曾擔任亞太資源有限公司（聯交所上市公司，股份代號：1104）的首席財務官，並於2011年4月至2011年12月期間及自2013年2月至彼於2016年7月辭去該等職務前擔任該公司的公司秘書，並於2016年8月至2016年10月期間擔任該公司顧問。黃先生自2017年9月18日起擔任亞投金融集團有限公司（聯交所上市公司，股份代號：0033）的首席財務官，並自2017年9月25日起擔任該公司的公司秘書及授權代表，直至2017年11月3日辭任所有該等職務為止。黃先生自2018年1月22日起擔任華新手袋國際控股有限公司（聯交所上市公司，股份代號：2683）的獨立非執行董事、審核委員會及風險管理委員會主席以及薪酬委員會與提名委員會成員。



## Biographical Details of Directors and Senior Management 董事及高級管理人員履歷詳情

### Senior Management Personnel

Other than the Directors, the senior management team together with the executive Directors, are responsible for the day-to-day management of the Group. The following table sets forth certain information in respect of our senior management personnel:

### 高級管理人員

除董事外，高級管理團隊與執行董事分擔本集團的日常管理責任。下表載列有關高級管理人員的若干資料：

Name	Age	Date of joining HK Perfect/the Group 加盟保發珠寶/ 本集團的日期	Present Position	Date of appointment as senior management personnel 獲委任為高級管理人員的日期	Key role and responsibility 主要責任及職責
姓名	年齡		目前職位		
Ms. Kong Pui Fun Pansy 江佩芬女士	50	8 October 2007 (as a human resources and administrative manager of HK Perfect) 2007年10月8日(作為保發珠寶的人力資源及行政經理)	Human resources and administrative director 人力資源及行政總監	1 July 2011 2011年7月1日	Responsible for human resources and administrative matters 人力資源及行政事宜
Mr. Tam Chun Wa 譚鎮華先生	54	7 February 2017 2017年2月7日	Chief financial officer and company secretary 首席財務官兼公司秘書	7 February 2017 2017年2月7日	Responsible for financial reporting and compliance 財務申報及合規職責
Mr. He Dingding 賀丁丁先生	41	1 March 2017* 2017年3月1日*	Deputy chief executive officer* 副行政總裁*	1 March 2017* 2017年3月1日*	Responsible for strategic development of the Group 本集團策略發展職責

\* Mr. He Dingding was appointed as non-executive director on 1 March 2017 and resigned as non-executive director on 1 March 2018. He was appointed as deputy chief executive officer on 1 March 2018.

\* 賀丁丁先生於2017年3月1日獲委任為非執行董事，並於2018年3月1日辭任非執行董事職務。彼於2018年3月1日獲委任為副行政總裁。

## Biographical Details of Directors and Senior Management 董事及高級管理人員履歷詳情

**Mr. He Dingding**, aged 41, was appointed as the non-executive Director in March 2017. He resigned on 1 March 2018 as non-executive director and was appointed on the same date as deputy chief executive officer. Mr. He is mainly responsible for strategic development of the Group. Mr. He has more than 12 years of extensive experience in capital markets, corporate finance, investment and finance through working in investment banks and advisory firms in Singapore and Hong Kong since 2005. Mr. He was the independent non-executive director with China Kangda Food Company Limited, a company listed on the mainboard of both Hong Kong Stock Exchange and Singapore Stock Exchange between 2012 and 2015. Mr. He graduated from Nanyang Technological University with a bachelor's degree in civil engineering. Mr. He was awarded the CFA Charter by the CFA Institute in September 2006.

**Ms. Kong Pui Fun Pansy**, aged 50, was appointed as the human resources and administrative director of the Group in July 2011. Ms. Kong joined HK Perfect as a human resources and administrative manager in October 2007. Ms. Kong is mainly responsible for human resources and administrative matters.

Ms. Kong was awarded a diploma in business administration by the Hong Kong Shue Yan University (formerly known as Hong Kong Shue Yan College) in July 1991, and received a bachelor's degree in business administration from the Open University of Hong Kong in December 2002.

Ms. Kong has more than 20 years of experience in human resources and administrative work.

**Mr. Tam Chun Wa**, aged 54, has been appointed as the chief financial officer, the company secretary and the authorised representative of the Company, all with effect from 7 February 2017. Mr. Tam is mainly responsible for financial reporting and compliance. Mr. Tam Chun Wa, holds a master degree of business administration from University of Sydney and is also a member of Hong Kong Institute of Certified Public Accountants, CPA (Australia) and Institute of Singapore Chartered Accountants. Mr. Tam has more than 20 years of experience in the areas of auditing, accounting, tax, investment banking and company secretarial works. Mr. Tam is an independent non-executive Director of Green Energy Group Limited, being a company listed on the Stock Exchange with stock code 979.

賀丁丁先生，41歲，於2017年3月獲委任為非執行董事。彼已於2018年3月1日辭任非執行董事職務，並於同日獲委任為副行政總裁。賀先生主要負責本集團之策略發展。賀先生自2005年起透過於新加坡及香港之投資銀行及顧問公司工作而於資本市場、企業融資、投資及融資方面積逾12年之豐富經驗。賀先生於2012年至2015年期間為中國康大食品有限公司之獨立非執行董事，該公司於香港聯交所主板及新加坡證券交易所上市。賀先生畢業於南洋理工大學，獲頒土木工程學士學位。賀先生亦於2006年9月獲特許財務分析師協會頒發之特許財務分析師資格。

江佩芬女士，50歲，於2011年7月獲委任為本集團的人力資源及行政總監。江女士於2007年10月加盟保發珠寶，擔任人力資源及行政經理。江女士主要負責人力資源及管理事宜。

江女士於1991年7月獲得香港樹仁大學（前稱香港樹仁學院）工商管理證書，並於2002年12月獲得香港公開大學工商管理學士學位。

江女士於人力資源及行政方面擁有逾20年經驗。

**譚鎮華先生**，54歲，於2017年2月7日獲委任為本公司之首席財務官、公司秘書及授權代表。譚先生主要負責財務申報及合規事宜。譚鎮華先生持有悉尼大學工商管理碩士學位，亦為香港會計師公會、澳洲會計師公會及新加坡特許會計師公會之會員。譚先生在審核、會計、稅務、投資銀行及公司秘書工作領域擁有逾20年經驗。譚先生為綠色能源科技集團有限公司之獨立非執行董事，該公司於聯交所上市，股份代號979。

# Report of the Directors

## 董事會報告

The Directors are pleased to present the annual report together with the audited consolidated financial statements of the Group for the year ended 31 December 2017 to all Shareholders.

### Principal activities

The principal activity of the Company is investment holding and those of the principal subsidiaries of the Company are set out in note 32 to the consolidated financial statements.

### Results and appropriations

The financial performance of the Group for the year ended 31 December 2017 and the financial position of the Group as at 31 December 2017 are set out in the consolidated financial statements from pages 74 to 76.

### Final dividend

The Group has declared an interim dividend of HK\$0.03 per share on 21 August 2017 (or equivalent to HK\$0.01 per share after subdivision of share effective on 13 September 2017). The Directors recommend the payment for final dividend of HK\$0.01 per share for the year ended 31 December 2017.

### Closure of Register of Members

The annual general meeting of the Company will be held on Monday, 28 May 2018.

To ascertain shareholders' eligibility to attend and vote at the annual general meeting to be held on Monday, 28 May 2018, the register of members of the Company will be closed from Wednesday, 23 May 2018 to Monday, 28 May 2018, both days inclusive, during which period no transfer of shares of the Company will be effected. In order to qualify to attend and vote at the annual general meeting, all transfers of shares, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong not later than 4:00 p.m. on Monday, 21 May 2018.

董事欣然提早年度報告連同本集團截至2017年12月31日止年度的經審核綜合財務報表。

### 主要業務

本公司之主要業務為投資控股，本公司主要附屬公司之主要業務載於綜合財務報表附註32。

### 業績及分配

本集團截至2017年12月31日止年度的財務表現及本集團截至2017年12月31日的財務狀況載於第74至76頁之綜合財務報表。

### 末期股息

本集團於2017年8月21日宣派中期股息每股0.03港元(或相當於2017年9月13日股份拆細後每股0.01港元)。董事建議派付截至2017年12月31日止年度的末期股息每股0.01港元。

### 暫停辦理股份過戶登記手續

本公司將於2018年5月28日(星期一)舉行股東週年大會。

為確定股東有權出席於2018年5月28日(星期一)舉行之股東週年大會及於會上投票，本公司將於2018年5月23日(星期三)至2018年5月28日(星期一)(首尾兩天包括在內)暫停辦理股份過戶登記手續，期間將不會辦理任何股份過戶登記手續。為符合資格有權出席股東週年大會及於會上投票，所有股份過戶文件連同有關股票必須於2018年5月21日(星期一)下午四時正前送達本公司之香港股份過戶登記分處聯合證券登記有限公司，地址為香港北角英皇道338號華懋交易廣場2期33樓3301-04室，辦理過戶登記手續。

## Report of the Directors 董事會報告

In order to establish the identity of the shareholders who are entitled to the proposed final dividend, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, no later than 4:00 p.m. on Tuesday, 5 June 2018. The register of members of the Company will be closed from Wednesday, 6 June 2018 to Friday, 8 June 2018, both days inclusive, during which period no transfer of shares will be registered. Subject to the approval by the shareholders on the proposed final dividend at the annual general meeting to be held on Monday, 28 May 2018, the final dividend will be paid on or around Wednesday, 20 June 2018 to the shareholders whose names appear on the register of members of the Company on Friday, 8 June 2018.

### Business review

Schedule 5 of the Companies Ordinance requires companies to include a business review in the directors' report. Specifically, the Companies Ordinance requires a business review to cover a number of areas which are also approved by the board of directors and included in this report as follows:

1. A fair review of the Group's business  
Page 8 to Page 11 of this report
2. Principal risks and uncertainties facing the Group  
Pages 12 and 13 of this report
3. Important events after the reporting date affecting the Group  
Page 14 of this report
4. Indication of likely development of the Group  
Pages 5 and 6 of this report

為釐定有權收取建議末期股息之股東身份，所有正式填妥之過戶表格連同有關股票，須於2018年6月5日（星期二）下午四時正前交回本公司的香港股份過戶登記分處聯合證券登記有限公司，地址為香港北角英皇道338號華懋交易廣場2期33樓3301-04室。本公司將於2018年6月6日（星期三）至2018年6月8日（星期五）（首尾兩天包括在內）暫停辦理股份過戶登記手續，期間將不會辦理任何股份過戶登記。待股東於本公司將於2018年5月28日（星期一）舉行的股東週年大會上批准建議末期股息後，末期股息將於2018年6月20日（星期三）或前後支付予於2018年6月8日（星期五）名列本公司股東名冊的股東。

### 業務回顧

公司條例附表5要求公司於董事會報告中載入業務回顧。尤其是，公司條例要求業務回顧須覆蓋若干領域並須經董事會批准，且須載入本報告如下：

1. 本集團業務之中肯審視  
本年報第8至11頁
2. 本集團所面臨的主要風險及不穩定因素  
本年報第12及13頁
3. 報告日期後影響本集團之重要事件  
本年報第14頁
4. 揭示本集團之潛在發展  
本年報第5至6頁

## Segment Information

The executive Directors of the Company, being the chief operating decision maker, regularly review revenue analysis by products, including rings, earrings, pendants, bangles, necklaces and bracelets, and by location of delivery to customers. The executive Directors considered the operating activities of manufacturing and sales of jewellery products as a single operating segment. The operating segment has been identified on the basis of internal management reports prepared in accordance with accounting policies conform to HKFRSs, and is regularly reviewed by the executive Directors. The executive Directors review the overall results, assets and liabilities of the Group as a whole to make decisions about resources allocation. Accordingly, no analysis of this single operating segment is presented.

## Five-year financial summary

A summary of the results and assets and liabilities of the Group for the last five financial years is set out on page 162 of this report. This summary does not form part of the consolidated financial statements.

## Share capital

Details of movements in share capital of the Company during the year are set out in note 26 to the consolidated financial statements.

## Reserves

Details of movements in the reserves of the Group and the Company during the year are set out in the consolidated statement of changes in equity on page 77 to page 78 and in note 37 to the consolidated financial statements, respectively.

## Distributable reserves

As at 31 December 2017, the Company had a reserve of approximately HK\$396,487,000 (2015: reserve of approximately HK\$399,163,000) in its distributable reserves, calculated under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands.

## 分部資料

本公司執行董事為主要經營決策者，定期按產品（包括戒指、耳環、吊墜、手鏈、項鏈及手鐲）及按向客戶交付地點審閱收益分析。執行董事認為製造及銷售珠寶產品的經營活動為單一經營分部。經營分部已按根據符合香港財務報告準則的會計政策編製的內部管理報告識別，並由執行董事定期審閱。執行董事審閱本集團的整體業績、資產及負債，以作出有關資源分配的決定。因此，並無呈列該單一經營分部的分析。

## 五年財務概要

本集團於過去五個財政年度的業績、資產及負債概要載於本報告第162頁。有關概要並不構成綜合財務報表的部份。

## 股本

本公司股本於年內的變動詳情載於綜合財務報表附註26。

## 儲備

本集團及本公司儲備於年內的變動詳情分別載於本年報第77至78頁的綜合權益變動表及綜合財務報表附註37。

## 可供分派儲備

於2017年12月31日，根據開曼群島法例第22章公司法（1961年第三號法例，經綜合及修訂）計算，本公司之可供分派儲備有儲備約396,487,000港元（2016年：儲備約399,163,000港元）。

## Report of the Directors 董事會報告

### Major customers and suppliers

Sales attributable to the Group's largest customer and the five largest customers accounted for approximately 6.1% and 26.6% of the Group's total revenue for the year, respectively. The purchases made by the Group from its largest supplier and the five largest suppliers accounted for approximately 69.1% and 96.5% of the Group's total purchases for the year, respectively.

To the best knowledge of the Directors, neither the Directors, their close associates, nor any shareholders who owned more than five percent of the Company's issued share capital, had any beneficial interest in any of the Group's five largest customers or suppliers during the year.

### Subsidiaries

The details of the subsidiaries of the Company are set out in note 32 to the consolidated financial statements.

### Property, plant and equipment

Details of movements in property, plant and equipment during the year are set out in note 14 to the consolidated financial statements.

### Directors and directors' services contracts

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

#### Executive Directors

Mr. Kan Kin Kwong (*Chairman*)  
Ms. Shek Mei Chun  
Mr. Chung Chi Keung

#### Non-executive Director

Mr. Chu Kin Wang Peleus  
(resigned on 1 March 2017)  
Mr. He Dingding (appointed on 1 March 2017,  
He resigned as non-executive director and was appointed  
as deputy chief executive officer on 1 March 2018)

#### Independent non-executive Directors

Mr. Fan Chor Ho  
Mr. Li Cheuk Wai  
Mr. Wong Wai Keung Frederick

### 主要客戶及供應商

源自本集團最大客戶及五大客戶之銷售額分別佔本集團年內總收入約6.1%及26.6%。本集團向其最大供應商及五大供應商之採購額分別佔本集團年內採購總額約69.1%及96.5%。

就董事所知，年內，董事及其緊密聯繫人或任何擁有本公司已發行股本5%以上權益的股東均無於本集團五大客戶或供應商中擁有任何實益權益。

### 附屬公司

有關本公司附屬公司的詳情載於綜合財務報表附註32。

### 物業、廠房及設備

有關年內物業、廠房及設備變動的詳情載於綜合財務報表附註14。

### 董事及董事服務合約

年內及截至本報告日期之在職董事如下：

#### 執行董事

簡健光先生 (*主席*)  
石美珍女士  
鍾志強先生

#### 非執行董事

朱健宏先生  
(於2017年3月1日辭任)  
賀丁丁先生 (於2017年3月1日獲委任。  
彼於2018年3月1日辭任非執行董事職務，  
並獲委任為副行政總裁)

#### 獨立非執行董事

范佐浩先生  
李卓威先生  
黃煒強先生

Each of the executive Directors has entered into a services contract with the Company for a term of three years commencing from 4 January 2016, which may be terminated by, not less than three months' notice in writing served by either party on the other and is subject to termination provisions therein and provisions on retirement by rotation of the Directors as set forth in the articles of association of the Company (the "Articles of Association").

Each of the non-executive Directors and the independent non-executive Directors has signed a letter of appointment or a service agreement with the Company for an initial term of three years commencing from 4 January 2016 or the date of appointment, subject to retirement by rotation and re-election at annual general meeting set forth in the Articles of Association and until terminated by not less than three months' notice in writing served by either party on the other.

No Director has a service contract which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than statutory compensation.

The Company has received annual confirmation of independence from each of the independent non-executive Directors pursuant to Rule 3.13 of the Rules Governing the listing of securities on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules") and all of them are considered to be independent.

In accordance with the Articles of Association, one-third of the existing Directors shall retire from office, at the forthcoming annual general meeting. Mr. Li Cheuk Wai, and Mr. Wong Wai Keung Frederick will retire at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

### Permitted indemnity provisions

At no time during the year ended 31 December 2017 and up to the date of this report, there was or is, any permitted indemnity provision being in force for the benefit of any of the Directors and Supervisors (whether made by the Company or otherwise) or an associated company (if made by the Company).

各執行董事已與本公司訂立服務合約，自2016年1月4日起計為期三年，可由任一方向另一方發出不少於三個月的書面通知予以終止，惟須遵守當中所載終止條文及本公司組織章程細則（「組織章程細則」）所載有關董事輪席退任的條文。

各非執行董事及獨立非執行董事已與本公司簽署委任函或服務協議，初步任期自2016年1月4日或獲委任日起計為三年，並須根據組織章程細則所載於股東週年大會上輪席退任及膺選連任，直至其中一方向另一方發出不少於三個月的書面通知予以終止。

董事並無與本公司或其任何附屬公司訂立不可於一年內不支付補償（法定補償除外）而終止之服務合約。

根據香港聯合交易所有限公司（「聯交所」）主板證券上市規則（「上市規則」）第3.13條，本公司已獲各獨立非執行董事發出年度獨立確認書，而彼等全體均屬獨立。

根據組織章程細則，三分之一之現任董事須於應屆股東週年大會退任。李卓威先生及黃煒強先生將於應屆股東週年大會上退任，惟符合資格並願意膺選連任。

### 獲准許的彌償條文

截至2017年12月31日止年度內及直至本報告日期止任何時間，均未曾或現有生效的任何獲准許的彌償條文惠及董事及監事（不論是否由本公司或其他訂立）或其聯繫公司的任何董事及監事（如由本公司訂立）。

## Report of the Directors 董事會報告

Appropriate insurance covers on directors' liabilities have been in force to protect the Directors and officers of the Group from their risk exposure from the business of the Group.

### Directors' interest in contracts

Save as disclosed in the section headed – “Continuing connected transactions” of this report, no contract of significance to which the Company or its holding company or any of its subsidiaries was a party and in which a Director had a material interest subsisted at the year ended 31 December 2017 or at any time during the year.

### Continuing connected transactions

On 5 August 2015, Perfect Group HK entered into a tenancy agreement (the “Hong Kong Tenancy Agreement”) with HK Perfect, pursuant to which Perfect Group HK agreed to lease premises from HK Perfect for a term of three years commencing on 5 August 2015 for the purpose of the Group's offices in Hong Kong. The transactions contemplated under the Hong Kong Tenancy Agreement are subject to reporting and announcement requirements but exempt from circular and shareholders' approval requirements under Chapter 14A of the Listing Rules.

涵蓋董事責任的合適保險已經生效，以保障本集團董事及高級人員免受因本集團業務所產生的風險影響。

### 董事之合約權益

除本報告「持續關連交易」一節所披露者外，本公司或其控股公司或其任何附屬公司並無訂立董事擁有重大權益且在截至2017年12月31日止年度或年內任何時間持續有效之重要合約。

### 持續關連交易

於2015年8月5日，保發集團香港與保發珠寶訂立租賃協議（「香港租賃協議」），據此，保發集團香港同意向保發珠寶租用處所，由2015年8月5日起為期三年，作為本集團於香港之辦事處。根據香港租賃協議擬進行之交易須根據上市規則第14A章有關申報及公佈之規定，惟獲豁免遵守通函及股東批准之規定。

	Aggregate amount for the financial year ended 31 December 2017 截至2017年12月31日止 財政年度之總金額	Annual Cap amount the financial year ended 31 December 2016 截至2016年12月31日止 財政年度之年度上限金額
Lease of premises from Hong Kong Perfect Jewellery Company Limited (Note) 向保發珠寶有限公司租用處所(附註)	HK\$3,480,000 3,480,000港元	HK\$3,480,000 3,480,000港元
Note: Hong Kong Perfect Jewellery Company Limited is a company incorporated in Hong Kong. It is an associate of Mr. Kan Kin Kwong, a controlling shareholder, an executive Director, and a connected person of the Company under the Listing Rules.	附註： 保發珠寶有限公司乃一家於香港註冊成立之公 司，根據上市規則為本公司控股股東、執行董 事兼關連人士簡健光先生之聯營公司。	



The independent non-executive Directors of the Company had reviewed the above continuing connected transactions and confirmed that the transactions have been entered into:

- (1) in the ordinary and usual course of business of the Company;
- (2) either on normal commercial terms or, if there are no sufficient comparable transactions to judge whether they are on normal commercial terms or not, on terms no less favorable than those available to or from independent third parties; and
- (3) in accordance with the relevant agreements governing the transactions and on terms that are fair and reasonable and in interests of the Group as a whole.

According to Rule 14A.56 of the Listing Rules, the Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements other than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules". The auditor has issued an unqualified letter containing its findings and conclusions in respect of the continuing connected transactions disclosed above by the Group in accordance with Rule 14A.56 of the Listing Rules.

### Biographies of directors and senior management

The biographical details of the Directors and senior management of the Group are disclosed in the section headed "Biographical Details of Directors and Senior Management" on pages 17 to 22 of this report.

### Controlling shareholders' interest in contracts

Save as disclosed in the section headed – "Continuing connected transactions" of this report, there was no contract of significance to which the Company or its holding company or any of its subsidiaries was a party and in which any of the controlling shareholder (as defined in the Listing Rules) had a material interest subsisted at the end of the year or at any time during the year.

本公司獨立非執行董事已審閱上述持續關連交易，並確認該等交易：

- (1) 在本公司日常及一般業務中進行；
- (2) 按照一般商業條款進行，如無同類交易以判斷是否屬於一般商業條款，則有關條款不遜於本公司與獨立第三方交易之條款；及
- (3) 按照監管有關交易之協議進行，而有關條款符合本集團之整體利益，屬公平合理。

根據上市規則第14A.56條，本公司核數師已獲聘根據香港會計師公會頒佈的香港核證工作準則第3000號「審核或審閱歷史財務資料以外的核證工作」及參照實務說明第740號「關於香港上市規則所述持續關連交易的核數師函件」就本集團的持續關連交易作出報告。核數師已根據上市規則第14A.56條發出無保留意見函件，該函件載有核數師對有關本集團在上文所披露的持續關連交易的發現及結論。

### 董事及高級管理人員之履歷

本集團董事及高級管理人員之履歷詳情於本報告第17至22頁「董事及高級管理人員履歷詳情」一節披露。

### 控股股東之合約權益

除本報告「持續關連交易」一節所披露者外，本公司或其控股公司或任何其附屬公司並無訂立任何控股股東（定義見上市規則）於其中擁有重大權益且於年末及年內任何時間持續有效之重要合約。

## Report of the Directors 董事會報告

### Non-competition undertaking by controlling shareholders

Each of the controlling shareholders has made an annual declaration in respect of their compliance with the terms of non-competition undertaking.

Details of the non-competition undertaking are set out in the section headed “Relationship with Controlling Shareholders” of the Company dated 22 December 2015 (the “Prospectus”).

### Non-competition undertaking by executive directors

The non-competition undertakings in respect of the executive Directors have become effective from the Listing Date.

Each of the executive Directors has made an annual declaration in respect of their compliance with the terms of non-competition undertaking from the Listing Date to the date of this report.

The independent non-executive Directors had reviewed and confirmed that the executive Directors have complied with the non-competition undertaking and the non-competition undertaking for the period set forth in the paragraph above has been enforced by the Company in accordance with its terms.

Details of the non-competition undertaking are set out in the section headed “Relationship with Controlling Shareholders” of the Prospectus.

### Share option scheme

Particulars of the Company’s share option scheme are set out in note 27 to the consolidated financial statements.

### 控股股東之不競爭承諾

各控股股東已就其遵守不競爭承諾條款作出年度聲明。

不競爭承諾詳情載於本公司日期為2015年12月22日的招股章程（「招股章程」）「與控股股東的關係」一節。

### 執行董事之不競爭承諾

有關執行董事之不競爭承諾已於上市日期起生效。

各執行董事已就其自上市日期起至本報告日期止遵守不競爭承諾條款作出年度聲明。

獨立非執行董事已審閱及確認執行董事已遵守不競爭承諾及本公司於上文段落所載之期間已根據其條款執行不競爭承諾。

不競爭承諾詳情載於招股章程「與控股股東的關係」一節。

### 購股權計劃

本公司購股權計劃之詳情載於綜合財務報表附註27。

## Disclosure of interests

### Interests of Directors and chief executive officers

As of the date of this report, the Directors and the chief executive officer of the Company had the following interests in the shares, underlying shares and debentures of the Company, its associated corporations (within the meaning of the Securities and Future Ordinance (“SFO”)) as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.

Ordinary shares of one-third Hong Kong cent each of the Company

## 權益披露

### 董事及主要行政人員的權益

於本報告日期，本公司董事及主要行政人員於本公司、其相聯法團（定義見證券及期貨條例（「證券及期貨條例」））之股份、相關股份及債券中擁有下列記錄於本公司根據證券及期貨條例第352條所存置的登記冊，或根據上市公司董事進行證券交易的標準守則須通知本公司及聯交所的權益。

本公司每股面值三分之一港仙的普通股份

Name of Director/ chief executive officers	Capacity/nature of interest	Number of shares	Approximately percentage of shareholdings in the Company 佔本公司股權的 概約百分比
董事／主要行政人員姓名	身份／權益性質	股份數目	
Mr. Kan Kin Kwong (“Mr. Kan”) 簡健光先生（「簡先生」）	Interest of controlled corporation 受控制法團權益	887,589,000 shares (long position) (note 1) 887,589,000股（好倉） （附註1）	65.94%
	Beneficial owner 實益擁有人	1,350,000 shares (note 3) 1,350,000股（附註3）	
	Interest of spouse 配偶權益	1,260,000 shares (note 4) 1,260,000股（附註4）	
Mr. Chung Chi Keung （“Mr. Chung”） 鍾志強先生（「鍾先生」）	Interest of controlled corporation 受控制法團權益	30,375,000 shares (long position) (note 2) 30,375,000股（好倉）（附註2）	2.34%
	Beneficial owner 實益擁有人	1,260,000 shares (note 3) 1,260,000股（附註3）	
Ms. Shek Mei Chun 石美珍女士	Interest of spouse 配偶權益	887,589,000 shares (note 4) 887,589,000股（附註4）	65.94%
	Interest of spouse 配偶權益	1,350,000 shares (note 3) 1,350,000股（附註3）	
	Beneficial owner 實益擁有人	1,260,000 shares (note 3) 1,260,000股（附註3）	

## Report of the Directors 董事會報告

Name of Director/ chief executive officers	Capacity/nature of interest	Number of shares	Approximately percentage of shareholdings in the Company 佔本公司股權的 概約百分比
董事／主要行政人員姓名	身份／權益性質	股份數目	
Mr. Fan Chor Ho 范佐浩先生	Beneficial owner 實益擁有人	900,000 shares (note 3) 900,000股 (附註3)	0.07%
Mr. Li Cheuk Wai 李卓威先生	Beneficial owner 實益擁有人	900,000 shares (note 3) 900,000股 (附註3)	0.07%
Mr. Wong Wai Keung Frederick 黃煒強先生	Beneficial owner 實益擁有人	900,000 shares (note 3) 900,000股 (附註3)	0.07%

Notes:

- Among these 887,589,000 shares, 729,000,000 shares, 57,339,000 shares and 101,250,000 shares are registered in the names of Immaculate Diamonds Limited, King Jewel Limited and Classic Sapphire Holdings Limited respectively. The remaining 2,610,000 shares relates to the 1,350,000 share options and 1,260,000 share options granted to Mr. Kan and Ms. Shek Mei Chun. The entire issued capital of Immaculate Diamonds Limited and King Jewel Limited are owned by Mr. Kan. 50% of the issued capital of Classic Sapphire Holdings Limited are owned by Mr. Kan. For the purpose of SFO, Mr. Kan is deemed or taken to be interested in all share of the Company held by Immaculate Diamonds Limited, King Jewel Limited and Classic Sapphire Holdings Limited. Ms. Shek Mei Chun is the spouse of Mr. Kan and Mr. Kan is deemed to be interested in the share options held by Ms. Shek Mei Chun as well as options held by himself as beneficial owner.
- These shares are registered in the name of Classic Emerald Holdings Limited, the entire issued capital of which is owned by Mr. Chung. Under the SFO, Mr. Chung is deemed to be interested in all the shares registered in the name of Classic Emerald Holdings Limited.
- These underlying shares represent the shares to be issued and allotted upon the exercise of the options granted by the Company to the Directors or chief executive pursuant to the share option scheme of the Company.
- Among these 887,589,000 shares, 729,000,000 shares, 57,339,000 shares and 101,250,000 shares are registered in the names of Immaculate Diamonds Limited, King Jewel Limited and Classic Sapphire Holdings Limited respectively. The entire issued capital of Immaculate Diamonds Limited, King Jewel Limited and 50% of the issued capital of Classic Sapphire Holdings Limited are owned by Mr. Kan, the spouse of Ms. Shek Mei Chun. 1,350,000 shares and 1,260,000 shares relate to options granted to Mr. Kan and Ms. Shek Mei Chun, respectively.

Save as disclosed above, none of the Directors, nor their associates had any other interests or short positions in any shares, underlying shares of the Company or any of its associated corporations as recorded in the register required to be kept under section 336 of the SFO.

附註：

- 該等887,589,000股股份當中，729,000,000股、57,339,000股及101,250,000股分別以Immaculate Diamonds Limited、King Jewel Limited及Classic Sapphire Holdings Limited的名義登記。餘下2,610,000股與授予簡先生及石美珍女士的1,350,000份購股權及1,260,000份購股權有關。Immaculate Diamonds Limited及King Jewel Limited的全部已發行股本由簡先生持有，而Classic Sapphire Holdings Limited已發行股本的50%由簡先生持有。根據證券及期貨條例，簡先生被視為或被當作於Immaculate Diamonds Limited、King Jewel Limited及Classic Sapphire Holdings Limited所持有的本公司全部股份中擁有權益。石美珍女士為簡先生的配偶，簡先生被視為於石美珍女士所持有之購股權及其本身作為實益擁有人所持有的購股權中擁有權益。
- 該等股份以Classic Emerald Holdings Limited的名義登記，該公司的全部已發行股本由鍾先生擁有。根據證券及期貨條例，鍾先生被視為於Classic Emerald Holdings Limited名義登記的所有股份中擁有權益。
- 該等相關股份指本公司根據本公司之購股權計劃授予董事或主要行政人員之購股權獲行使後將予發行及配發之股份。
- 該等887,589,000股股份當中，729,000,000股、57,339,000股及101,250,000股分別以Immaculate Diamonds Limited、King Jewel Limited及Classic Sapphire Holdings Limited的名義登記。Immaculate Diamonds Limited及King Jewel Limited的全部已發行股本以及Classic Sapphire Holdings Limited已發行股本的50%均由簡先生（石美珍女士的配偶）持有。1,350,000股及1,260,000股分別與授予簡先生及石美珍女士的購股權有關。

除上文所披露者外，根據證券及期貨條例第336條所存置的登記冊所記錄，並無董事及彼等的聯繫人士於本公司或其相關法團的任何股份或相關股份中擁有任何其他權益或淡倉。

## Substantial shareholders

As to the date of this report, the following persons or corporations, other than the Directors or chief executive of the Company disclosed above, had interests or short positions in the shares and underlying shares of the Company as recorded in the register of the substantial shareholders maintained by the Company pursuant to Section 336 of the SFO:

Ordinary shares of one-third Hong Kong cent each of the Company

## 主要股東

於本報告日期，按照本公司根據證券及期貨條例第336條所存置的登記冊所記錄，下列人士或公司（上文披露的本公司董事或主要行政人員除外）於本公司之股份及相關股份中擁有權益或淡倉：

本公司每股面值三分之一港仙的普通股份

Name of shareholder 股東姓名／名稱	Capacity/nature of interest 身份／權益性質	Number of shares 股份數目	Approximately percentage of shareholdings in the Company 佔本公司股權的 概約百分比
Immaculate Diamonds Limited (note 1) Immaculate Diamonds Limited (附註1)	Beneficial owner 實益擁有人	729,000,000 shares (long position) 729,000,000股(好倉)	54.00%
Richemont Asset Management Limited (note 2) Richemont Asset Management Limited (附註2)	Beneficial owner 實益擁有人	105,914,997 shares (long position) 105,914,997股(好倉)	7.85%
Chow Chin Yui Angela 周芊汝	Interest of a controlled corporation 受控制法團權益	109,321,782 shares (long position) 109,321,782股(好倉)	8.10%
Chan Wing Sum 陳永森	Interest of a controlled corporation 受控制法團權益	101,250,000 shares (long position) 101,250,000股(好倉)	7.50%
Classic Sapphire Holdings Limited (note 3) Classic Sapphire Holdings Limited (附註3)	Beneficial owner 實益擁有人	101,250,000 shares (long position) 101,250,000股(好倉)	7.50%
Luo Jacky 羅惠源	Interest of a controlled corporation 受控制法團權益	101,250,000 shares (long position) 101,250,000股(好倉)	7.50%
Classic Amber Holdings Limited (note 4) Classic Amber Holdings Limited (附註4)	Beneficial owner 實益擁有人	101,250,000 shares (long position) 101,250,000股(好倉)	7.50%

## Report of the Directors 董事會報告

### Notes:

1. The entire issued capital of this company is owned by Mr. Kan.
2. The entire issued capital of this company is owned by Ms. Chow Chin Yui Angela.
3. 50% of issued capital of this company is owned by Mr. Chan Wing Sum and remaining 50% of issued capital of this company is owned by Mr. Kan.
4. This entire issued capital of this company is owned by Mr. Luo Jacky.

Save as disclosed above, the Company has not been notified by any persons or corporations, other than the Directors or chief executive of the Company, who had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO as of the date of this report.

### Emolument Policy

The Group's employees are selected, remunerated and promoted based on their merit, qualifications and competence.

The Company adopted the model set out in Code Provision B.1.2(c)(ii) of Appendix 14 to the Listing Rules as its remuneration model for determining the emoluments of the Directors. This model stipulates that the remuneration committee of the Company shall make recommendations to the Board on the remuneration packages of individual executive Directors and senior management. The remuneration committee of the Company would take into consideration, among other things, the duties and responsibilities of the Directors and senior management and prevailing market conditions when determining their remuneration.

The Company has adopted a share option scheme to provide incentives to eligible persons, including Directors and employees of the Group.

### 附註：

1. 該公司之全部已發行股本由簡先生擁有。
2. 該公司之全部已發行股本由周芊汝女士擁有。
3. 該公司已發行股本之50%由陳永森先生擁有，該公司已發行股本之餘下50%由簡先生擁有。
4. 該公司之全部已發行股本由羅惠源先生擁有。

除上文所披露者外，於本報告日期，本公司並無獲任何人士或公司（不包括本公司的董事或最高行政人員）知會，按照本公司根據證券及期貨條例第336條所存置的登記冊所記錄其於本公司的股份或相關股份中擁有權益或淡倉。

### 薪酬政策

本集團的僱員乃按其學歷、資格及能力挑選、支薪及晉升。

本公司已採納上市規則附錄十四所載之守則條文第B.1.2(c)(ii)條之模式作為薪酬模式，以釐定董事之薪酬待遇。該模式規定本公司之薪酬委員會須就個別執行董事及高級管理人員之薪酬待遇向董事會提出建議。當釐定董事及高級管理人員之薪酬時，本公司薪酬委員會會按（其中包括）彼等之職務、職責及現行市況作出考慮。

本公司已採納一項購股權計劃，旨在獎勵合資格人士，包括本集團董事及僱員。

## Related Party Transactions

Particulars of the Company's Related Party Transactions are set out in note 29 to the consolidated financial statements.

The related party transactions also constitute continuing connected transaction of the Company under Chapter 14A of the Listing Rules and the Company has complied with the relevant requirements of Chapter 14A of the Listing Rules in relation to these transactions. Continuing connected transaction of the Company under Chapter 14A of the Listing Rules are disclosed in the section headed "Continuing Connected Transactions" above. Related party transactions other than those disclosed under the section headed "Continuing Connected Transaction" are fully exempt connected transactions as defined under the Listing Rules.

## Pre-emptive rights

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

## Purchase, sale or redemption of listing securities

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

## Sufficiency of public float

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained sufficient public float.

## Corporate governance report

Details of the Group's corporate governance practices can be found in the Corporate Governance Report set out on pages 37 to 53 in this report.

## 關聯方交易

有關本公司關聯方交易之詳情載於綜合財務表附註29。

根據上市規則第14A章，關連方交易亦構成本公司之持續關連交易，本公司已就該等交易遵守上市規則第14A章之相關規定。本公司於上市規則第14A章項下之持續關連交易已於上文「持續關連交易」一節披露。「持續關連交易」一節所披露者以外之關聯方交易均構成上市規則所界定之全面豁免關連交易。

## 優先購買權

本公司之組織章程大綱或開曼群法例並無有關優先購買權之條文，規定本公司須按比例向本公司之現有股東發售新股。

## 購買、出售或贖回上市證券

截至2017年12月31日止年度內，本公司及其任何附屬公司概無購買、出售或贖回本公司的任何上市證券。

## 足夠公眾持股量

根據本公司可取得之公開資料及據董事所知悉，本公司一直維持足夠公眾持股量。

## 企業管治報告

有關本集團企業管治常規的詳情，請參閱本報告第37至53頁所載企業管治報告。

## Report of the Directors 董事會報告

### Auditor

The consolidated financial statements for the year ended 31 December 2017 have been audited by Deloitte Touche Tohmatsu, who will retire and, being eligible, offer themselves for re-appointment at the forth coming annual general meeting of the Company.

### Review of Results by Audit Committee

The Group's final results for the year ended 31 December 2017 have been reviewed by the audit committee of the Company.

On behalf of the Board

**Kan Kin Kwong**

*Chairman*

Hong Kong, 19 March 2018

### 核數師

德勤•關黃陳方會計師行已審閱截至2017年12月31日止年度的綜合財務報表。德勤•關黃陳方會計師行將告退，並符合資格於本公司的應屆股東週年大會上獲續聘。

### 審核委員會審閱業績

本集團截至2017年12月31日止年度之末期業績已經由本公司審核委員會審閱。

代表董事會

主席

**簡健光**

香港，2018年3月19日



# Corporate Governance Report

## 企業管治報告

The Company strives to attain and maintain a high standard of corporate governance as it believes that effective corporate governance practices are fundamental to enhancing shareholders' value and safeguarding interests of shareholders and other stakeholders. Accordingly, the Board attributes a high priority to identifying and implementing appropriate corporate governance practices to ensure transparency, accountability and effective internal controls.

### Code on corporate governance practices

The Company has adopted the Corporate Governance Code (the "CG Code") as set out in Appendix 14 of the Listing Rules. Up the date of this report, the Company has complied with the code provision under the CG Code, except for the deviation from code provision A.2.1 of the CG Code as explained below. The Company will continue to enhance its corporate governance practices appropriate to the operation and growth of the business of the Group.

According to code provision A.2.1 of the CG Code, the role of the chairman and the chief executive officer of the Company should be separate and should not be performed by the same individual. The role of the chief executive officer is performed by Mr. Kan Kin Kwong ("Mr. Kan"), who is also the chairman of the Company. Mr. Kan as the founder of the Group has extensive experience and knowledge in the business of the Group. The Board believes that vesting the roles of both chairman of the Company and chief executive officer of the Company in the same person, namely Mr. Kan, has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group.

本公司致力達致及維持高水平的企業管治，因為本公司相信，有效的企業管治常規對於提高股東的價值及保障股東及其他持份者的權益至為關鍵。因此，董事會極為注重訂定及執行適當的企業管治常規，確保具有透明度、問責性及有效的內部監控。

### 企業管治常規守則

本公司已採納上市規則附錄14所載之企業管治守則（「企業管治守則」）。截至本報告日期，除下文所述有關偏離企業管治守則的守則條文第A.2.1條外，本公司一直遵守企業管治守則的守則條文。本公司將繼續加強其企業管治常規，以配合本集團之業務營運及發展。

根據企業管治守則的守則條文第A.2.1條，本公司主席與行政總裁的職責應有區分，並不應由同一人兼任。行政總裁的職責由簡健光先生（「簡先生」）履行，而彼亦為本公司主席。簡先生為本集團創辦人，於本集團業務方面擁有豐富經驗。董事會相信，由同一人（即簡先生）兼任本公司主席及本公司行政總裁的角色，可確保本集團內部領導貫徹一致，使本集團的整體策略規劃更有效及更具效率。

## Corporate Governance Report 企業管治報告

### Directors' Securities Transactions

The Company adopted the Model Code for Securities Transaction by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules as the code of conduct for Directors in their dealings in the securities of the Company.

Having made specific enquiry of all Directors, the Company is satisfied that the Directors have complied with the Model Code.

### Board of Directors

The Board is responsible for formulating business strategies and monitoring the performance of the business of the Group. Other than the daily operational decisions which are delegated to the management of the Group, most of the decisions are taken by the Board. All Directors, including independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning.

The Board constituted by seven members, including three executive Directors, one non-executive Director and three independent non-executive Directors.

The composition of the Board is as follows:

#### Executive Directors

Mr. Kan Kin Kwong (*Chairman*)  
Mr. Chung Chi Keung  
Ms. Shek Mei Chun

#### Non-executive Director

Mr. Chu Kin Wang Peleus (resigned on 1 March 2017)  
Mr. He Dingding (appointed on 1 March 2017 and ceased to be a director on 1 March 2018)

### 董事之證券交易

本公司已採納上市規則附錄十所載的上市發行人董事進行證券交易的標準守則(「標準守則」)，作為董事進行本公司證券交易的操守準則。

經向全體董事作出具體查詢後，本公司信納各董事已遵守標準守則的規定。

### 董事會

董事會負責制定業務策略及監控本集團之業務表現。除本集團管理層獲授權就日常業務作出決策外，大部份決策乃由董事會決定。所有董事(包括獨立非執行董事)具備廣泛而寶貴之業務經驗、知識及專業精神，有助董事會有效及高效地履行其職責。

董事會由七人構成，包括三名執行董事、一名非執行董事及三名獨立非執行董事。

董事會構成如下：

#### 執行董事

簡健光先生 (*主席*)  
鍾志強先生  
石美珍女士

#### 非執行董事

朱健宏先生 (於2017年3月1日辭任)  
賀丁丁先生 (於2017年3月1日獲委任及於2018年3月1日不再為董事)

### Independent non-executive Directors

Mr. Fan Chor Ho  
Mr. Li Cheuk Wai  
Mr. Wong Wai Keung Frederick

Biographical details of each Director and relationship between board members are set out on page 18 to page 22 of this report.

Each of the independent non-executive Directors has made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company is of the view that all independent non-executive Directors meet the independence guidelines set out in Rule 3.13 of the Listing Rules and are independent in accordance with the terms of the guidelines. One of the independent non-executive Directors possesses the appropriate professional accounting qualifications and financial management expertise.

### 獨立非執行董事

范佐浩先生  
李卓威先生  
黃煒強先生

各董事之履歷及董事會成員之間的關係載於本報告第18至22頁。

各獨立非執行董事已根據上市規則第3.13條之規定提交確認其符合獨立性之年度確認書。本公司認為所有獨立非執行董事皆符合載於上市規則第3.13條之獨立性指引，且根據該指引條文屬獨立人士。其中一名獨立非執行董事擁有適當專業會計資格及財務管理專長。

## Corporate Governance Report 企業管治報告

The attendance records of each Director at the various meetings of the Company during the year ended 31 December 2017 are set out as follows:

各董事於本公司截至2017年12月31日止年度期間舉行之多次會議之出席記錄載列如下：

		Attended/Eligible to Attend 出席/符合資格出席					
		General meetings 股東大會	Board meetings 董事會會議	Remuneration committee meetings 薪酬委員會會議	Audit committee meetings 審核委員會會議	Nomination committee meetings 提名委員會會議	Risk management meeting 風險管理會議
<b>Executive Directors</b>	<b>執行董事</b>						
Mr. Kan Kin Kwong	簡健光先生	1/2	4/4	0/0	0/0	1/1	1/1
Mr. Chung Chi Keung	鍾志強先生	2/2	4/4	1/1	0/0	0/0	0/0
Ms. Shek Mei Chun	石美珍女士	1/2	3/4	0/0	0/0	0/0	1/1
<b>Non-executive Directors</b>	<b>非執行董事</b>						
Mr. Chu Kin Wang Peleus <sup>(note 1)</sup>	朱健宏先生 <sup>(附註1)</sup>	0/0	0/0	0/0	0/0	0/0	0/0
Mr. He Dingding <sup>(note 2)</sup>	賀丁丁先生 <sup>(附註2)</sup>	2/2	4/4	0/0	2/2	0/0	0/0
<b>Independent non-executive Directors</b>	<b>獨立非執行董事</b>						
Mr. Fan Chor Ho <sup>(note 3)</sup>	范佐浩先生 <sup>(附註3)</sup>	1/2	4/4	0/0	0/0	1/1	0/0
Mr. Li Cheuk Wai	李卓威先生	1/2	4/4	1/1	2/2	1/1	1/1
Mr. Wong Wai Keung Frederick	黃煒強先生	2/2	4/4	1/1	2/2	0/0	0/0

Every Director is entitled to have access to Board papers and related materials, and the advice and services of the company secretary of the Company (the “Company Secretary”), and has the liberty to seek independent professional advice at the Company’s expense if so reasonably required. Directors will be continuously updated on the major development of the Listing Rules and other applicable regulatory requirements to ensure compliance and upkeep of good corporate governance practices.

每位董事均有權查閱董事會文件及相關資料，並可獲本公司之公司秘書（「公司秘書」）提供意見及服務，及可在合理的情況下尋求獨立專業意見，費用由本公司承擔。董事將獲持續知會有關上市規則及其他適用監管規定之重大發展，以確保本公司遵守及維持良好的企業管治常規。

### Notes:

Note 1: resigned on 1 March 2017

Note 2: appointed on 1 March 2017 and resigned on 1 March 2018 as non-executive director. He was appointed as deputy chief executive officer on 1 March 2018.

Note 3: He was appointed as member of Audit Committee on 1 March 2018.

### 附註：

附註1：於2017年3月1日辭任

附註2：於2017年3月1日獲委任及於2018年3月1日辭任非執行董事職務。彼於2018年3月1日獲委任為副行政總裁。

附註3：彼於2018年3月1日獲委任為審核委員會成員。

## Board Committees

The Board has established four committees, namely the audit committee (the “Audit Committee”), the nomination committee (the “Nomination Committee”), the remuneration committee (the “Remuneration Committee”) and the risk management committee (the “Risk Management Committee”). The table below provides the membership information of these committees on which certain Board members served:

## 董事委員會

董事會下設有四個委員會，分別為審核委員會（「審核委員會」）、提名委員會（「提名委員會」）、薪酬委員會（「薪酬委員會」）及風險管理委員會（「風險管理委員會」）。下表提供若干董事會成員在該等委員會中所擔任的職位：

Directors 董事		Audit Committee 審核委員會	Nomination Committee 提名委員會	Remuneration Committee 薪酬委員會	Risk Management Committee 風險管理委員會
Mr. Kan Kin Kwong	簡健光先生	-	C	-	C
Mr. Chung Chi Keung	鍾志強先生	-	-	M	-
Ms. Shek Mei Chun	石美珍女士	-	-	-	M
Mr. Chu Kin Wang Peleus <sup>(note 1)</sup>	朱健宏先生 <sup>(附註1)</sup>	M	-	-	-
Mr. He Dingding <sup>(note 2)</sup>	賀丁丁先生 <sup>(附註2)</sup>	M	-	-	-
Mr. Fan Chor Ho <sup>(note 3)</sup>	范佐浩先生 <sup>(附註3)</sup>	M	M	-	-
Mr. Li Cheuk Wai	李卓威先生	M	M	C	M
Mr. Wong Wai Keung Frederick	黃煒強先生	C	-	M	-

Notes:

C – Chairman of the relevant Committee

M – Member of the relevant Committee

(note 1) resigned on 1 March 2017

(note 2) appointed on 1 March 2017 and resigned on 1 March 2018 as non-executive director. He was appointed on 1 March 2018 as deputy Chief executive officer

(note 3) appointed as member of Audit Committee on 1 March 2018.

附註：

C – 有關委員會主席

M – 有關委員會成員

(附註1) 於2017年3月1日辭任

(附註2) 於2017年3月1日獲委任及於2018年3月1日辭任非執行董事職務。彼於2018年3月1日獲委任為副行政總裁。

(附註3) 於2018年3月1日獲委任為審核委員會成員。

## Corporate Governance Report 企業管治報告

### Audit committee

The Audit Committee was established with written terms of reference in compliance with Rule 3.21 and Rule 3.22 of the Listing Rules. The written terms of reference of the Audit Committee have been modelled off the Code Provisions. Its terms of reference are available on the websites of the Company and the Stock Exchange.

The Audit Committee comprises three independent non-executive Directors, namely Mr. Fan Chor Ho, Mr. Li Cheuk Wai and Mr. Wong Wai Keung Frederick. Mr. Wong Wai Keung Frederick is the chairman of the Audit Committee.

The primary duties of the Audit Committee include:

- Consider the appointment, reappointment and removal of the external auditor, the audit fee and terms of engagements, and any questions of resignation or dismissal of that auditor;
- Review the financial statements and provide material advice in respect of financial reporting of the Group; and
- Oversight of internal control procedures and risk management of the Group.

Meetings of the Audit Committee shall be held no less than two times a year. Two meetings of the Audit Committee were held during the review year.

### 審核委員會

本公司已成立審核委員會，並根據上市規則第3.21及3.22條以書面釐定其職權範圍。審核委員會之書面職權範圍已參照守則條文而制訂。其職權範圍可於本公司及聯交所網站取得。

審核委員會由三名獨立非執行董事范佐浩先生、李卓威先生及黃焯強先生組成。黃焯強先生為審核委員會主席。

審核委員會的主要職責包括：

- 考慮委任、續聘及罷免外聘核數師、核數費用及委聘條款、以及辭退或罷免該核數師的事宜；
- 審閱財務報表及對本集團財務報告提供重大意見；及
- 監察本集團內部監控程序及風險管理。

審核委員會每年須舉行不少於兩次會議。審核委員會於回顧年度舉行了兩次會議。

### Nomination committee

The Nomination Committee was established with written terms of reference with effect from 14 December 2015 and comprises one executive Director, namely Mr. Kan Kin Kwong and two independent non-executive Directors, namely Mr. Fan Chor Ho and Mr. Li Cheuk Wai. Mr. Kan Kin Kwong is the chairman of the Nomination Committee.

The duties of the Nomination Committee shall be:

- Review the structure, size and composition (including the gender, age, cultural background, education background, skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- Identify individuals suitably qualified to become board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;
- Assess the independency of independent non-executive Directors;
- Make recommendations to the Board on the appointment or re-appointment of directors and succession planning for Directors, in particular the chairman and the chief executive; and
- Review the board diversity policy (including the gender, age, cultural background, education background skills, knowledge and experience) as appropriate and to review the measurable objectives under the board diversity policy and the progress of the attainment of the objectives, so as to ensure effective implementation; and make disclosure of its review results in the corporate governance report.

Meetings of the Nomination Committee shall be held no less than once a year. One meeting of the Nomination Committee was held during the review year.

### 提名委員會

提名委員會經已成立並制定職權範圍，自2015年12月14日起生效，由一名執行董事簡健光先生及兩名獨立非執行董事范佐浩先生及李卓威先生組成。簡健光先生為提名委員會主席。

提名委員會的職責為：

- 至少每年檢討董事會的架構、人數及組成（包括性別、年齡、文化背景、教育程度、技能、知識及經驗等方面），並就任何為配合本公司的公司策略而擬對董事會作出的變動提出建議；
- 物色具備合適資格可擔任董事會成員的人士，並挑選提名出任董事的有關人士或就此向董事會提供意見；
- 評核獨立非執行董事的獨立性；
- 就董事委任或重新委任以及董事（尤其是主席及行政總裁）繼任計劃向董事會提出建議；及
- 在適當情況下檢討董事會成員多元化政策（包括性別、年齡、文化背景、教育背景、技術、知識及經驗），及檢討董事會成員多元化政策下的可計量目標和達標進度，確保行之有效；並於企業管治報告內披露其檢討結果。

提名委員會每年須舉行不少於一次會議。提名委員會於回顧年度舉行了一次會議。

### **Board Diversity Policy**

The Company has adopted a board diversity policy (the “Diversity Policy”) which embraces the benefits of having a diverse Board to enhance the quality of its performance. Pursuant to the Diversity Policy, the Company would try to seek board candidates with Company’s business model and specific needs, including (but not limited to) gender, regional and industry experience, skills, knowledge and educational background.

The Board will review such objectives from time to time to ensure their appropriateness and ascertain the progress made towards achieving those objectives.

### **董事會成員多元化政策**

本公司已採納董事會成員多元化政策（「多元化政策」），深信董事會成員多元化對提升本公司的表現素質裨益良多。根據多元化政策，本公司將根據本公司之業務模式及特定需要物色董事會候選人，包括（但不限於）性別、地區及行業經驗、技能、知識及教育背景，務求達致董事會成員多元化。

董事會將不時審閱該等目標，確保其合適度及確定達成該等目標的進度。



### Remuneration committee

The Remuneration Committee was established on 14 December 2015 and comprises one executive Director, namely Mr. Chung Chi Keung and two independent non-executive Directors, namely Mr. Li Cheuk Wai and Mr. Wong Wai Keung Frederick. Mr. Li Cheuk Wai is the chairman of the Remuneration Committee.

The duties of the Remuneration Committee shall be:

- Make recommendations to the Board on the Company's policy and structure for all Directors' and senior management's remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;
- Review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- Make recommendations to the Board on the remuneration packages of individual executive Directors and senior management;
- Make recommendations to the Board on the remuneration of non-executive Directors;
- Consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group;
- Review and approve the compensation payable to executive Directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive;
- Review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate; and
- Ensure that no Director or any of his/her associates (as defined under the Listing Rules) is involved in deciding his/her own remuneration.

### 薪酬委員會

薪酬委員會已於2015年12月14日成立，由一名執行董事鍾志強先生及兩名獨立非執行董事李卓威先生及黃煒強先生組成。李卓威先生為薪酬委員會主席。

薪酬委員會的職責為：

- 就本公司為全體董事及高級管理人員制訂的薪酬政策及架構，以及就制訂薪酬政策而設立正式而透明的程序，向董事會提出建議；
- 參照董事會的企業方針及目標，檢討及批准管理層的薪酬建議；
- 就個別執行董事及高級管理人員的薪酬待遇向董事會提出建議；
- 就非執行董事的薪酬向董事會提出建議；
- 考慮同類公司所支付的薪金、須投入的時間及責任以及本集團內其他職位的僱用條件；
- 檢討及批准支付執行董事及高級管理人員因喪失或終止職務或委任的賠償，以確保有關賠償符合相關合約條款且屬公平及不超額；
- 檢討及批准因行為不當而解僱或罷免董事所涉及的補償安排，以確保有關安排乃符合有關合約條款，以及應屬合理及適當；及
- 確保概無董事或其任何聯繫人（定義見上市規則）參與釐定彼本身的薪酬。

## Corporate Governance Report 企業管治報告

Meetings of the Remuneration Committee shall be held not less than once a year. One meeting of the Remuneration Committee was held during the review year.

Pursuant to code provision B.1.5 of CG Code, the remuneration of members of senior management by band for the year ended 31 December 2017 is set out below:

薪酬委員會每年須舉行不少於一次會議。薪酬委員會於回顧年度舉行了一次會議。

根據企業管治守則第B.1.5條，截至2017年12月31日止年度，高級管理層成員按薪酬範圍劃分之薪酬載列如下：

Remuneration Band 薪酬範圍		No. of Individuals 人數
Nil – HK\$1,000,000	0至1,000,000港元	2
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	–
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	2
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元	–
HK\$2,500,001 to HK\$3,000,000	2,500,001港元至3,000,000港元	–
HK\$3,000,001 to HK\$3,500,000	3,000,001港元至3,500,000港元	–
HK\$3,500,001 to HK\$4,000,000	3,500,001港元至4,000,000港元	1

### Risk management committee

The Risk Management Committee was established on 14 December 2015 and comprises two executive Directors, namely Mr. Kan Kin Kwong and Ms. Shek Mei Chun and one independent Non-executive Directors, namely Mr. Li Cheuk Wai. Mr. Kan Kin Kwong is the chairman of the Risk Management Committee.

The duties of the Risk Management Committee shall be monitoring the Company's exposure to sanctions law risks and its implementation of the related internal control procedures, and shall include:

- Reviewing and approving all relevant business transaction documentation from suppliers or customers or potential customers from any country that is subject to sanctions (the “Relevant Counterparty”);
- Reviewing the information (such as identity and nature of business) relating to the Relevant Counterparty to the contract along with the draft business transaction documentation;

### 風險管理委員會

風險管理委員會已於2015年12月14日成立，由兩名執行董事簡健光先生及石美珍女士以及一名獨立非執行董事李卓威先生組成。簡健光先生為風險管理委員會主席。

風險管理委員會的職責為監控本公司面對的制裁法律風險及執行相關內部控制程序，且須包括：

- 檢討及批准來自任何受制裁國家的供應商或客戶或潛在客戶（「有關對手方」）的所有相關業務交易文件；
- 審閱與合約的有關對手方有關的資料（如身份及業務性質等）連同業務交易文件草擬稿；

- Checking the Relevant Counterparty against the various lists of restricted parties and countries maintained by the United States of America, the European Union, the United Nations and Australia, including, without limitation, any government, individual or entity that is the subject of any United States Department of Treasury's Office of Foreign Assets Control-administered sanctions which lists are publicly available, and determining whether the Relevant Counterparty is, or is owned or controlled by, a person located in any country that is subject to sanctions or a sanctioned person;
  - Reviewing on a semi-annual basis internal control policies and procedures with respect to sanctions law matters; and
  - If any potential sanctions risk is identified, or if the Committee considers necessary, retaining external international legal counsel with necessary expertise and experience in sanctions law matters for recommendations and advice.
- 將有關對手方與由美國、歐盟、聯合國及澳洲所存置的各類受限制人士及國家名單(包括但不限於任何受美國財政部海外資產管制辦公室制裁的政府、個人或實體(名單已予公開))進行核對,並確定有關對手方是否為位於受制裁國家的人士或受制裁人士,或由此類人士所擁有或控制;
  - 每半年度檢討內部監控政策及有關制裁法事宜的程序;及
  - 倘識別任何潛在制裁風險,或委員會認為有需要時,聘請具備有關制裁法律事宜的專業知識及經驗的外部國際法律顧問,以提供建議和意見。

Meetings of the Risk Management Committee shall be held no less than once a year. One meeting of the Risk Management Committee was held during the review year.

風險管理委員會每年須舉行不少於一次會議。風險管理委員會於回顧年度舉行了一次會議。

## Corporate Governance Report 企業管治報告

### Continuous professional development

According to the code provision A.6.5 of the CG Code, all directors shall participate in continuous professional development to develop and refresh their knowledge and skills to ensure their contribution to the Board remains informed and relevant. During the year, the Group has provided training materials for all the Directors to keep them abreast of the latest development of legal, regulatory and corporate governance. The Group, together with its compliance adviser, continuously updates the Directors on the latest developments regarding the Listing Rules and other applicable regulatory requirements, to ensure compliance and enhance their awareness of good corporate governance practices.

### Company secretary

Mr. Tam Chun Wa, aged 54, has been appointed as the chief financial officer, the company secretary and the authorised representative of the Company, all with effect from 7 February 2017. Mr. Tam Chun Wa, holds a master degree of business administration from University of Sydney and is also a member of Hong Kong Institute of Certified Public Accountants, CPA (Australia) and Institute of Singapore Chartered Accountants. He has fulfilled the 15 hours of relevant professional training requirement under the Rule 3.29 of the Listing Rules for the year ended 31 December 2017.

### 持續專業發展

根據企業管治守則的守則條文第A.6.5條，全體董事將參與持續專業發展，以發展及更新彼等的知識及技能，確保彼等為董事會作出明智及適切貢獻。於年內，本集團已提供培訓材料予全體董事，使彼等得悉法律、監管及企業管治之最新發展。本集團及其合規顧問持續更新董事有關上市規則及其他適用監管規定的最新發展，以確保合規及增強彼等對良好企業管治常規的意識。

### 公司秘書

譚鎮華先生，54歲，於2017年2月7日獲委任為本公司之首席財務官、公司秘書及授權代表。譚鎮華先生持有悉尼大學工商管理碩士學位，亦為香港會計師公會、澳洲會計師公會及新加坡特許會計師公會之會員。截至2017年12月31日止年度，彼已履行上市規則第3.29條所規定有關15小時相關專業培訓的規定。

## Accountability and Audit

The Directors acknowledge their responsibility for preparing the consolidated financial statements of the Group for the year ended 31 December 2017. The Directors aim to present a clear and understandable assessment of the Group's financial position and prospects. The Board is not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Group's ability to continue as a going concern, the Board therefore continues to adopt the going concern approach in preparing the consolidated financial statements of the Group. The Board acknowledges its responsibility to present a balanced, clear and understandable assessment in the Company's annual and interim reports, inside information announcements and other financial disclosures required by the Listing Rules, and reports to the regulators.

The responsibilities of the external auditor with respect to the financial reporting are set out in the Independent Auditor's Report of this report.

## Disclosure of Long Term Basis for Generating or Preserving Business Value

A discussion and analysis of the Group's corporate strategy and long term business model is set out in the Chairman's Statement and the Management Discussion and Analysis of this report.

## Risk Management and Internal Controls

The Board is responsible for the maintenance of a stable and effective risk management and internal control systems for the Group and also responsible for reviewing their effectiveness. The Board, with the assistance from the Audit Committee, conducted annual review on the effectiveness of the Group's risk management and internal control systems as required by the Code Provisions, covering financial, operational and compliance controls and risk management functions, and including reviews on the adequacy of resources, staff qualifications and experience, training programs and budget of the Group's accounting, internal audit and financial report function for the Period and considered they were effective and adequate.

## 問責性及審核

董事確認，彼等有責任編製本集團截至2017年12月31日止年度的綜合財務報表。董事致力發表對本集團之財務狀況及前景的清晰及易於理解的評估。董事會並無發現任何有關重大不確定因素之事件或情況，而該等事件或情況會對本集團的持續經營能力造成重大疑慮，因此，董事會繼續採納持續經營基準編製本集團的綜合財務報表。董事會確認，其有責任在本公司年度及中期報告、內幕消息公佈及上市規則規定的其他財務披露資料，以及向監管機關提呈的報告中發表持平、清晰及易於理解的評估。

外聘核數師在財務申報方面的責任載列於本報告之「獨立核數師報告」。

## 披露創造或保留業務價值的長遠基準

本集團的企業策略及長遠業務模式的討論及分析載列於本報告之「主席報告」及「管理層討論及分析」內。

## 風險管理及內部監控

董事會負責維持本集團穩定和有效的風險管理及內部監控制度，亦負責審閱有關制度的成效。董事會在審核委員會協助下根據守則條文所規定對本集團於本期間的風險管理及內部監控制度的成效進行年度檢討，檢討涵蓋本集團財務、營運及合規監控以及風險管理職能，並包括本集團於會計、內部審計及財務匯報職能方面的資源是否充足、員工資歷、經驗、培訓課程及預算，並認為有關制度有效和足夠。

## Corporate Governance Report 企業管治報告

### Conflicts of Interest Declaration

The Group adopted conflict of interest declaration policy as one of the important internal control procedures. Employees are required to provide annual declaration of conflict of interest, and strictly comply with the policy to ensure that the Group and its customers, business partners, shareholders, employees and business community of the transactions and dealings are in line with the highest standards of business conduct and ethics.

### Whistleblowing Policy

The Group established a whistleblowing policy for employees under confidentiality to file complaint and report any suspected misconduct, fraud and irregularities, in an orderly manner. A designated director is assigned for receiving, reviewing complaint and report, to investigate, to draw conclusion and to make appropriate recommendations for improvement, and inform the relevant departments senior management to implement corrective action.

The review covers all material controls, including financial, operational and compliance controls and risk management functions. During the year ended 31 December 2017, the Board engaged GDT CPA Limited, an independent firm of certified public accountants, to conduct an independent review of the systems of internal control of the Group. Weakness and inadequacies identified during such review together with recommendations for improvement thereon, had been accepted and implemented in full by the Company and reviewed by the Audit Committee. Based on this, the Company is of the view that the internal control system in place for the year ended 31 December 2017 is sufficient to safeguard the interests of the shareholders and the Group's assets.

### 利益衝突申報

本集團設立利益衝突申報政策，為集團內部監控程序的重要部份。僱員需每年書面確認利益衝突申報書，並嚴格遵守利益衝突政策以確保本集團與顧客、業務夥伴、股東、僱員及商業社群之交易與往還均符合最高的商業行為及道德標準。

### 舉報政策

本集團設立舉報政策讓員工在保密情況下依據程序提出申訴及舉報任何懷疑不當行為、舞弊及違規情況。指定董事獲指派接收、審核申訴和舉報，調查及結案提出相應的改善建議，並通知有關部門的高級管理人員實行糾正行動。

檢討範圍涵蓋所有主要監控，包括財務、運作及合規監控，以及風險管理功能。截至2017年12月31日止年度，董事會委聘獨立執業會計師嘉信會計師事務所有限公司對本集團之內部監控系統進行獨立審閱。本公司已全面接納並實施於有關審閱過程中發現之漏洞及不足之處以及改善建議，並已由審核委員會審閱。就此而言，本公司認為，截至2017年12月31日止年度，現存內部監控系統足以妥善保障股東的利益及本集團的資產。

### Auditor's remuneration

During the year ended 31 December 2017, the Group had engaged external auditor, Deloitte Touche Tohmatsu, to provide the following services:

### 核數師酬金

於截至2017年12月31日止年度，本集團曾委任外聘核數師德勤•關黃陳方會計師行提供下列服務：

		Service Fee 服務費 HK\$ 港元
Audit services	核數服務	1,715,000
Tax advisory	稅務顧問	85,000
Interim review services	中期審閱服務	350,000

### Investor relations and communication with shareholders

The Board recognizes the importance of good communication with the shareholders. The Company believes that maintaining a high level of transparency is the key to enhance investor relations.

The Company has established several communication channels, including (a) the annual and extraordinary general meetings which provide a forum for shareholders to communicate directly with the Board; (b) printed corporate documents mailing to Shareholders; (c) announcement disseminating the latest activities of the Group on the web-sites of the Company and the Stock Exchange; (d) the Company's web-site providing an electronic means of communication.

### 投資者關係及與股東通訊

董事會深知與股東保持良好溝通的重要性。本公司相信維持高透明度乃為提升投資者關係的關鍵所在。

本公司已建立若干溝通渠道，包括(a)股東週年大會及股東特別大會，為股東提供直接與董事會交流之平台；(b)寄發予股東之公司印副本文件；(c)於本公司及聯交所網站以宣佈本集團之最新業務動向之公佈；及(d)本公司網站以提供電子溝通。

## Corporate Governance Report 企業管治報告

### Annual General Meeting

The Board and senior management are well aware of their important tasks of acting on behalf of the interests of all the Shareholders and raising the Shareholders' returns. The Board considers that AGM is an important opportunity for direct communication with the Shareholders. Code A.6.7 of the Code Provisions require that independent non-executive directors and non-executive directors should attend general meetings and develop a balanced understanding of the views of the Shareholders. The Board encourages all the Shareholders to participate in the AGM where the members of the Board and external auditors will be present and communicate with the Shareholders.

### Shareholders' Rights

#### How Shareholder Can Convene an Extraordinary General Meeting

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

### 股東週年大會

董事會及高級管理人員深明彼等肩負代表全體股東利益及提高股東回報之重任。董事會視股東週年大會為與股東直接溝通的重要機會。守則條文第A.6.7條規定獨立非執行董事及非執行董事應出席股東大會，對公司股東的意見有公正的了解。董事會鼓勵全體股東參與股東週年大會，董事會成員及外聘核數師將會出席大會並回答股東問題。

### 股東權利

#### 股東召開股東特別大會的方法

根據組織章程細則第58條，董事會可於其認為適當時召開股東特別大會。於存放請求書當日持有附帶權利可於該公司股東大會上投票之該公司繳足股本不少於十分之一之任何一名或多名股東，有權隨時向董事會或公司秘書發出請求書，要求董事會就處理請求書中指明之任何事務召開股東特別大會；該股東特別大會須於存放請求書後兩(2)個月內舉行。倘董事會於存放請求書後二十一(21)日內未召開該大會，則請求人可自行召開大會，請求人因董事會未召開大會而產生之所有合理開支將由該公司補償予請求人。



### Procedures by which Enquiries may be Put to the Board

Shareholders may, at any time, direct enquiries to the Board. Such enquiries can be addressed to the Company Secretary in writing by mail to the Company's registered office in the Cayman Islands at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands or its principal place of business in Hong Kong and headquarters at 26th Floor, YHC Tower, No. 1 Sheung Yuet Road, Kowloon, Hong Kong.

### Procedures for Putting Forward Proposals at Shareholders' Meeting

There are no provisions in the Articles of Association or the Companies Law of the Cayman Islands for Shareholders to put forward new resolutions at general meetings. Shareholders who wish to put forward a new resolution may request the Company to convene a general meeting in accordance with the procedures set out in the above paragraph heading "How Shareholder Can Convene an Extraordinary General Meeting".

### Procedures for Shareholders to Propose a Person for Election as a Director

If a shareholder wishes to nominate a person to stand for election as a Director at a general meeting, the relevant documents must be validly served on the Company's registered office in the Cayman Islands or the place of business in Hong Kong and headquarters within the requisite period of time. The full details of the procedures for Shareholders to propose a person for election as a Director were posted on 31 December 2015 on the web-site of the Company at <http://www.hkperjew.com.hk>.

### Significant Changes in Constitutional Documents

As of the date of this report, there were no changes made to the constitutional documents of the Company.

### 向董事會作出提問的程序

股東可隨時向董事會直接作出書面提問，該等提問可郵寄至本公司於開曼群島的註冊辦事處，地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands，或其於香港的主要營業地點，地址為香港九龍常悅道1號恩浩國際中心26樓，註明收件人為公司秘書。

### 在股東大會提出建議的程序

組織章程細則或開曼群島公司法並無有關在股東大會上提呈新決議案之條文。擬提呈新決議案之股東可要求本公司根據上段「股東召開股東特別大會的方法」所載程序召開股東大會。

### 股東提名人選參選董事的程序

倘股東意欲於股東大會提名人士參選董事，相關文件必須於所需時間期間內有效送達本公司於開曼群島之註冊處或香港之營業地點或總部。關於股東建議人士參選董事之全部詳情已於2015年12月31日刊登於本公司之網站 <http://www.hkperjew.com.hk>。

### 組織章程文件的重大變動

於本報告日期，本公司的組織章程文件概無任何更改。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### ABOUT THIS REPORT

This Environmental, Social and Governance Report (the “Report”) of Perfect Group International Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) provides information on the environmental, social and governance work of the Group from 1 January 2017 to 31 December 2017 (the “Reporting Year”). The Report illustrates the Group’s compliance with provisions of the Environmental, Social and Governance Reporting Guide and key performance indicators with reference to Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

### Reporting Scope

The Group operates its principal business in the Hong Kong Special Administrative Region (“Hong Kong”) and the PRC and therefore the Report only covers the Group’s operation in these two areas. The Report also focuses on the following two subject areas during the Reporting Year:

- A. Environmental (emissions, use of resources consumption, together with the environmental and natural resources)
- B. Social (employment, health and safety, development and training, labor standards, supply chain management, product responsibility, anti-corruption and community investment).

For details of the Group’s corporate governance, please also refer to the Corporate Governance Report included in the Annual Report 2017 of the Group.

### 關於本報告

本環境、社會及管治報告（「本報告」）為保發集團國際控股有限公司（「本公司」）及其附屬公司（統稱「本集團」）提供有關本集團自2017年1月1日起至2017年12月31日（「報告年度」）的環境、社會及管治的工作資料。本報告呈列本集團遵照《環境、社會及管治報告指引》的條文情況及參考香港聯合交易所有限公司證券上市規則附錄27的關鍵績效指標。

### 報告範圍

本集團於香港特別行政區（「香港」）及中國經營其主要業務，因此本報告僅涵蓋本集團於該兩個地區的業務營運。本報告亦集中於報告年度內下列兩大主要範疇：

- A. 環境（排放、資源消耗使用連同環境及自然資源）
- B. 社會（僱傭、健康及安全、發展及培訓、勞工標準、供應鏈管理、產品責任、反貪污及社區投資）

有關本集團企業管治的詳情，亦請參閱本集團2017年年報所載的企業管治報告。

## A. Environmental

### 1. Emissions

The Group's operation does not result in significant air and greenhouse gas emissions or discharges into water and land. The wastes created during the operation are mainly generated from electricity consumption and vehicles fleet. The Group has placed efforts in energy savings such as replacing aging lamps with LED lamps, installing blackout curtains to reduce energy loss, set up policy to encourage staff to switch off lights and electrical appliances when they are not in use. As for vehicles fleet, the Group engages qualified contractors to collect waste lubricating oil of the vehicles and encourage the use of hybrid or electric vehicles. During the Reporting Year, the Group did not receive any notification on non-compliance with laws and regulations that have significant impacts on the Group.

During the Reporting Year, the majority of nitrogen oxides (NO<sub>x</sub>) and Sulphur oxides (SO<sub>x</sub>) were emitted from fuel consumption of electricity and vehicle fleet. During the Reporting Year, it is estimated that 17,000 litres of petrol and 1.135 million kWh of electricity was consumed. The Group estimated that there were 20.3 kg of NO<sub>x</sub> and 0.2kg of SO<sub>x</sub> were emitted during the Reporting Year.

Generation of hazardous wastes in the production process is considered minimal.

### 2. Use of Resources

To achieve the goals of environmental protection and reduction of its production costs, the Group has placed the following energy conservation measures in the production plants and the office:

1. Adjusted the central air-conditioning control system to reduce electricity consumption.

## A. 環境

### 1. 排放

本集團的營運不會導致大量廢氣及溫室氣體排放或水及土地污染。在營運過程中產生的廢棄物主要源自電力消耗及車隊。本集團已致力節約能源，例如使用LED燈替代老化燈膽、安裝遮光窗簾以減少能源流失、制定政策鼓勵員工關掉不使用的照明裝置及電器。就車隊而言，本集團委聘合資格承辦商收集車輛廢棄潤滑油及鼓勵使用混能或電能車輛。於報告年度內，本集團並無接獲任何有關違反法例及規例且對本集團有重大影響之通知。

於報告年度內，大部份氮氧化物 (NO<sub>x</sub>) 及硫氧化物 (SO<sub>x</sub>) 的排放源自電力及車隊所消耗的燃油。於報告年度內，估計已消耗17,000升石油及113.5萬千瓦時電力。於報告年度內，本集團估計已排放20.3千克氮氧化物及0.2千克硫氧化物。

生產過程所產生的有害廢棄物被視為極低。

### 2. 資源使用

為達到保護環境及降低生產成本的目標，本集團已於生產廠房及辦公室採用以下節能措施：

1. 調節中央空調控制系統以減少用電。

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

2. Electricity-saving fluorescent tubes are installed to save energy and reduce energy consumption.
3. Stipulating employees to turn on the lights and air-conditioning system after office or when not in use.
4. Encourages employees to use electricity or hybrid motor vehicles and provides facilities whenever possible.

During the Reporting Year, the electricity consumption by the Group was approximately 1.135 million kWh (Hong Kong: approximately 0.11 million kWh, PRC: approximately 1.025 million kWh). The water consumption by the Group was approximately 33,000 cubic meters while most of them are consumed in PRC as Hong Kong office are for general administrative and sales purpose. The water in PRC are mainly supplied by the state-owned water utility company and have no issue in water sourcing.

Packing material the Group used are light and recyclable. The packing material used during the Reporting Year was estimated to be less than 10 Kg.

### 3. Environmental and Natural Resources

The operation of the Group does not constitute any material adverse effects on the environmental and natural resources. The Group promotes green office to raise the environmental protection awareness of the employees and implements the following measures to achieve our goal:

- (i) Encouraging employees to treasure food and reduce food wastes;

2. 安裝省電熒光燈管以節約能源及減少能源消耗。
3. 規定僱員下班後或不使用時關掉照明裝置及空調系統。
4. 鼓勵員工盡可能使用電能或混能汽車並提供設施。

於報告年度內，本集團用電量約為1.135百萬千瓦時(香港：約0.11百萬千瓦時，中國：約1.025百萬千瓦時)。本集團用水量約為33,000立方米，大部份用於中國，而香港辦公室一般作管理及銷售用途。中國境內用水主要由國有水務公司提供，在水源供應上並無問題。

本集團使用輕型及可回收的包裝物料。於報告年度內所使用的包裝物料估計少於10千克。

### 3. 環境及自然資源

本集團的營運並無對環境及自然資源造成任何重大不利影響。本集團推動綠色辦公室以提高僱員的環保意識，並採取以下措施以達至我們的目標：

- (i) 鼓勵員工珍惜及減少浪費食物；

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- (ii) Staff canteen provides healthy meal with less oil and salt to encourage our employees to pay attention to healthy diet and reduce consumption;
  - (iii) The Group strives to facilitate paperless office with more frequent use of electronic forms, electronic photo picking system and recycled papers. and
  - (iv) The Group will compare the utility expenses each month to look for ways to reduce the impact on natural resources and environment.
  - (v) Incorporate the green concept when designing the production plants and the Perfect Group Jewellery Industry Park.
- (ii) 員工飯堂提供少油少鹽的健康餐單，鼓勵僱員注意飲食健康及減少耗量；
  - (iii) 本集團致力推動無紙辦公室，廣泛使用電子表格、電子相片選取系統及循環再用紙張。及
  - (iv) 本集團將比較每日的公共設施開支，以尋求方法減低對自然資源及環境的影響。
  - (v) 設計生產廠房及保發珠寶產業中心時融入綠色概念。

### B. Social Employment and Labor Practices

In order to create a united and harmonious professional team, the Group provides the employees a fair working environment, and enhance their knowledge and skills for discharging duties at work and thereby their work efficiency.

#### Employment

To retain talents, the Group develops and provides incentives to its employees based on their performance and productivity. In terms of recruitment, promotion, remuneration, working hours, leaves and benefits, the Group ensures the conditions of which are competitive and in compliance with relevant laws. The Group also provides Share Option Scheme to give incentive to staff to share the growth of the Group.

The Group pursues equal opportunities in terms of recruitment policy. The Group also ensures the fairness of process without any violation of the local laws and regulations such as Sex, Disability, Family Status and Race Discrimination Ordinances, Employment Ordinance (Chapter 57 of the Laws of Hong Kong).

### B. 社會僱傭及勞工常規

為建立團結和諧的專業團隊，本集團為僱員提供公平的工作環境，並提升彼等的知識及技術水平以履行職責，從而提升工作效率。

#### 僱傭

為挽留人才，本集團根據各員工的表現及生產力培訓及獎勵員工。本集團於招聘、晉升、薪酬、工作時數、假期和福利等，均確保提供具競爭力的條件及符合有關法例。本集團亦提供購股權計劃以獎勵員工與本集團分享成果。

本集團於招聘政策方面奉行平等機會，並確保招聘程序公正，不會違反地方法例及規例，例如性別、殘疾、家庭崗位及種族歧視條例以及僱傭條例（香港法例第57章）。

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

The Group focuses on investing in talents and offering a promising career path. Thus, internal re-designation and promotion of potential employees will be first considered to fill any vacancies within the Group. Promotion criteria are based on various factors such as employees' working performance, leadership and cooperation.

The Group ensures the employees' remuneration be competitive in the labor market. Moreover, in assessing the rate of annual salary adjustment, the Group takes into account the annual financial results, make reference to the economic environment, inflation, salary trends and industry salary reference, and base on appraisal reports and work performance of the employees to make revision.

The Group ensures that the requirements of relevant laws and guidelines have been complied with. The Group participated retirement benefits scheme in Hong Kong and PRC such as Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong, Pension insurance system(養老保險制度) in PRC.

The Group also provides its employees with a quality working environment. A spacious staff canteen and floor lounge in the office building are available for the employees to use. The Group organizes staff buffet and dinner from time to time and distributes gifts to employees at festivals.

As of 31 December 2017, the Group employed approximately 267 full-time employees. The total number of employees classified by gender, function and age group was as follows:

本集團注重栽培人才，提供良好的職業發展前景。因此，本集團的職位空缺會首先考慮內部調配及晉升有潛質的僱員出任，而晉升標準會根據僱員的工作表現、領導才能及其合作性等因素決定。

本集團確保僱員薪酬於勞動市場具有競爭力。此外，於評估每年的調薪幅度時，本集團會考慮年度財務業績，並參考經濟環境、通脹、薪酬趨勢及業界薪酬水平，根據員工的考核報告及工作表現而作出調整。

本集團確保符合相關法例及指引。本集團已參加香港及中國的退休福利計劃，如強制性公積金計劃條例(香港法例第485章)及中國養老保險制度。

本集團亦為僱員提供優質的工作環境，辦公室大樓設有寬敞的員工飯堂及樓層休息室供僱員使用。本集團不時舉辦員工聚餐及於節日向僱員餽贈禮品。

截至2017年12月31日，本集團聘用約267名全職僱員。按性別、職能及年齡組別劃分的僱員總數如下：

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Total number of employees by gender:

按性別劃分的僱員總數

Gender 性別		Number 數目
Male	男性	163
Female	女性	104
		267

Total number of employees by function:

按職能劃分的僱員總數：

Function	職能	
Directorate and managerial staff	董事及管理人員	31
Clerical employees	文職僱員	236
		267

Total number of employees by age group:

按年齡組別劃分的僱員總數：

Age Group	年齡組別	
18 to 30	18至30歲	79
31 to 50	31至50歲	172
Over 50	50歲以上	16
		267

Total number of employees by geographic region:

按地理位置劃分的僱員總數：

Hong Kong	香港	39
PRC	中國	228
		267

The employee turnover rate by gender

按性別劃分的僱員流失率：

Gender 性別		Turnover rate 流失率
Male	男性	4.91%
Female	女性	4.81%

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The employee turnover rate by age group

Age Group	年齡組別	
18 to 30	18至30歲	2.53%
31 to 50	31至50歲	5.23%
Over 50	50歲以上	6.25%

In respect of dismissal policy, the Group offers those underperforming employees or those who make general mistakes a chance to improve. Should the employee does not make considerable improvement within a reasonable time, the Group then considers to dismiss him and handle it in accordance with the labor laws and regulation in Hong Kong and PRC.

The Group was not aware of any material non-compliance with relevant labour laws and regulations.

### Health and Safety

The Group strives to provide the employees with a safe and harmonious working condition. The Group provides suitable training to the employees whenever possible. The staff are also provided with pay leave whenever they attend suitable course to upgrade their work ability and performance.

The Group has appointed a staff who is responsible for the promotion, training, supervision and management of occupational health and safety to enhance the employees' occupational safety awareness.

During the Reporting Year, no work-related injury or fatality or loss days due to injury was recorded and the Group was not aware of any material non-compliance with relevant laws and regulations that would have any significant impact on the Group.

按年齡組別劃分的僱員流失率：

就解僱政策而言，本集團會向表現不符合要求或一般犯錯的僱員給予改善機會，若僱員未能於合理時限內明顯改善，本集團始考慮解僱，並按照香港及中國勞工法例及規例處理。

本集團並無發現任何嚴重違反相關法例及規例的事宜。

### 健康與安全

本集團致力為僱員提供安全及和諧的工作環境。本集團盡可能為僱員提供合適培訓。員工於參加合適課程時亦獲提供有薪假期，以提高其工作能力及表現。

本集團已委任員工負責推廣、培訓、監督及管理職業健康及安全事宜，以提高僱員職業安全意識。

於報告年度內，並無錄得員工因工受傷或身亡或因工損失工作日，本集團並無發現任何重大違反相關法例及規例且對本集團造成重大影響的事宜。



## Development and Training

The Group provides employees at all levels with all-around technical training, to ensure the employees proactively equip themselves with skills and thus attain outstanding performance. The Group also provides the employees with relevant courses and seminars to enable them to grasp the work-related knowledge, skills and attitude to keep abreast of the latest trend.

The training activities include:

- (i) organize training courses and seminars on a regular basis for the employees to attend;
- (ii) Distribute training materials on a regular basis to the employees for them to review;
- (iii) Arrange external professional training courses for the employees to attend.

18.35% in terms of number of staff have received formal training course during the Reporting Year. The rest are provided with reading materials, business updates notes, circulation of study materials etc to enhance their knowledge. Of this 18.35%, 4.1% are senior management and the rest (95.9%) are other employees. 57.14% of this 18.35% are male and 42.86% are female.

On average, they received 13.5 hours of training. On average, 14.7 hours and 2.5 hours of formal training course are received by male and female staff respectively. Senior staff received approximately 16.5 hours of formal training while the other employees received approximately 13.3 hours of formal training.

## 發展及培訓

本集團為各級僱員提供全面的技能培訓，確保僱員積極裝備合適技能以達至出色表現。本集團亦為僱員提供相關課程及講座，讓僱員掌握工作相關知識、技能和態度，與時並進。

培訓活動包括：

- (i) 定期舉辦培訓課程及講座供僱員參加；
- (ii) 定期派發培訓資料供僱員閱讀；
- (iii) 安排僱員參加外界專業培訓課程。

於報告年度內，按僱員人數計算，有18.35%員工已接受正式培訓課程。其餘員工已獲派發閱讀材料、業務更新筆記及傳閱學習材料以提升知識水平。於18.35%員工當中，4.1%為高級管理層，其餘(95.9%)為其他僱員，當中57.14%為男性及42.86%為女性。

員工平均已接受13.5小時培訓。男性員工與女性員工分別平均已接受14.7小時及2.5小時的正式培訓課程。高級職員已接受約16.5小時正式培訓，而其他僱員已接受約13.3小時正式培訓。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Labor Standards

The Group has formulated policies to ensure all employees and job applicants are entitled to fair opportunity and treatment. The Group strives to comply with the local laws and regulation throughout the recruitment and employment process. The Group prohibits any employment of child labor Employment of Children Regulations (Chapter 57B of the Laws of Hong Kong) and Employment of Young Persons (Industry) Regulations (Chapter 57C of the Laws of Hong Kong). The human resources department in each location is instructed to inspect the identity of the applicants to ensure any employment of child labor. The Group has a clear staff manual to prohibits forced labor and ensure legal and volunteer employment of all employees.

During the Reporting Year, the Group was not aware of any material non-compliance with relevant labor laws and regulations that would have any significant impact on the Group.

### Operating Practices

#### Supply Chain Management

The principal business of the Group is in the design and manufacturing of high-end jewelry and therefore precious metals are the major resources consumed by the Group. Significant portion of raw materials and processing materials (in term of dollar value) are sourced in Hong Kong and these suppliers sources their products through India or China.

The Group pays much attention to the suppliers. During supplier selection process, it takes into account the price, stability of goods as well as reputation. Afterwards, the department head and management head will review and approve in order to ensure the procured equipment and raw materials come with good quality at reasonable price. The Group also reviews the quality of stock or materials with sophisticated machines from time to time.

### 勞工標準

本集團亦制訂政策確保全體僱員及職位申請人都享有平等機會和獲得公平待遇。本集團於招聘及僱用過程中致力遵守地方法例及規例。本集團禁止僱用《僱用兒童規例》(香港法例第57B章)及《僱用青年(工業)規例》(香港法例第57C章)項下的童工。各地人力資源部已接獲指示調查申請人的身份，確保並無聘用童工。本集團有清晰員工手冊，禁止強制勞工，確保所有員工均合法及自願受僱。

於報告年度內，本集團並無發現任何嚴重違反相關勞工法例及規例且對本集團造成重大影響的事宜。

### 營運慣例

#### 供應鏈管理

本集團的主要業務為設計及製造高端珠寶，因此本集團主要消耗的資源為貴金屬。大部分原材料及加工材料(就貨幣價值而言)採購自香港，而該等供應商的產品則採購自印度或中國。

本集團非常注重供應商。在選取供應商時，本集團會考慮貨品價格及穩定性以及聲譽。其後，部門主管及管理層將進行審批，以確保購入價格合理的優質設備及原材料。本集團亦會不時使用精密儀器檢測庫存或材料質量。

## Product Responsibility

Due to the nature of our products, the Group seldom subjects to recall for safety and health reasons. The Group always reviews the quality of the stock with sophisticated machines from time to time, before, during and after the production.

The Group has team of management, including the sales director, to look after the complaints received and in case the Group received any complaints, the Group targeted to resolve the issues with customers within the shortest possible time.

The Group understands the importance of intellectual property and makes every effort to safeguard and protect the intellectual property. By the same token, the Group placed much emphasis on the infringement of other intellectual property rights. During the Reporting Year, the Group had not been subject to any material claims against us.

The Group keeps reminding the employees of and emphasizing the importance of safeguarding the security of personal data. When collecting and processing such data, the Group will comply with the local laws, regulation and guidelines to protect the privacy. The Group also has measures designated to prevent unauthorized access to personal data such as password and code.

During the Reporting Year, the Group was not aware of any material non-compliance with relevant laws and regulations that would have any significant impact on the Group in respect of the privacy issue.

## 產品責任

鑑於我們產品的性質，本集團甚少因安全及健康原因召回產品。本集團經常於生產前、生產過程中及生產後不時使用精密儀器檢測庫存質量。

本集團擁有一支包括銷售總監的管理團隊以跟進投訴事件。倘本集團收到任何投訴，本集團目標為盡可能以最短時間為客戶解決問題。

本集團深明知識產權的重要，亦盡力保障及保護知識產權。同樣，本集團一貫重視其他知識產權侵權行為。於報告年度內，本集團並無遭受任何針對我們的重大索償。

本集團不時提醒僱員和強調保障個人資料安全的重要性。於收集及處理該等資料時，嚴謹奉行當地法例、規例及指引以保護私隱。本集團亦特別制定措施防止未經授權取得個人資料例如密碼及代碼等。

於報告年度內，本集團並無就私隱事宜發現任何嚴重違反相關法例及規例且對本集團造成重大影響的事宜。

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

### Anti-corruption

The Group recognizes the importance of the ethical conducts and integrity of each director and all employees in order to maintain a fair, honest and integrity-based business environment. The Group has formulated a clear code of conduct in respect of the prevention of bribery, employees' interests, conflicts of interest, prevention of extortion and fraud in the employee handbook. Besides, the Group has an anti-bribery policy in place to further provide clear guidelines in respect of anti-bribery and maintaining honesty and integrity. Such policy applies to all directors and employees of the Group, together with the agents acting on behalf of the Group. The Group reminds the employees by internal notice to avoid bribery and acceptance of advantages as and when appropriate. Furthermore, the Group encourages its employees to report any suspected corruption, bribery or misconducts through the whistle-blowing mechanism established by the Group. Such reports are kept confidential and the Group has established a procedure to protect the whistleblowers from unfair treatment.

During the Reporting Year, the Group was not aware of any material non-compliance with relevant laws and regulations that would have any significant impact on the Group, nor any corruption litigation against the Group or its employees.

### 反貪污

本集團知悉各董事及全體僱員的道德行為及誠信操守以維持公平、誠實及廉潔營運環境的重要性。本集團在員工手冊中已就防止賄賂、僱員利益、利益衝突、防止勒索及欺詐等各方面訂立明確的行為守則。此外，本集團亦制訂防止賄賂政策，進一步對防止賄賂及維持誠實廉潔操守作出清晰的指引。該政策適用於本集團各董事及僱員以及代表本集團行事的代理人。本集團亦於適當時候透過內部通告提醒僱員避免涉及賄賂和不當收受利益的行為。此外，本集團鼓勵僱員通過本集團設立的舉報機制對任何懷疑貪污、賄賂或行為不當等作出舉報。有關舉報會保密處理，而本集團亦建立程序保障舉報者免受不公平對待。

於報告年度內，本集團並無發現任何嚴重違反對相關法例及規例且對本集團造成重大影響的事宜，亦無任何對本集團或僱員提出的貪污訴訟案件。

## Community

### Community Investment

The Group participates in and promotes various community and volunteer activities for helping the needy in the society, promoting environmental awareness, fostering and facilitating industry development, with an aim to contribute to the society and fulfill our corporate social responsibility.

During the Reporting Year, the Group has participated a number of activities organized and appointed staff with pay to participate in related industry associations such as Hong Kong Jade Association(香港玉器商會) and All-China Chamber of Commerce for Jewelry Precious Metals Industry 中華全國工商業聯合會金銀珠寶業商會. The Group also encouraged staff to participate in the other industry-related charity or social welfare activities by providing monetary sponsorship or pay leave to staff. In Dec 2017, the Group also provided manpower and resources to assist the organization of The 5th Shunde Jewelry Tourism Cultural Festival and 2nd Shunde International Jewellery Show(第五屆順德珠寶旅遊文化節暨第二屆順德國際珠寶展). In addition, the Group has donated RMB128,000 to a poverty alleviation project in Shunde, Guangdong PRC.

## 社區

### 社區投資

本集團參與及推廣各類型社區及義工活動，以幫助社會上有需要人士、推廣環保意識、培育及推動業界發展，務求貢獻社會，履行企業社會責任。

於報告年度內，本集團參與了多項組織活動，並委派員工及付款加入相關行業協會，如香港玉器商會及中華全國工商業聯合會金銀珠寶業商會等。本集團亦通過向員工提供金錢資助或有薪假期，鼓勵員工參與其他業內相關慈善或社會福利活動。於2017年12月，本集團亦提供人力及資源協助舉辦第五屆順德珠寶旅遊文化節暨第二屆順德國際珠寶展。此外，本集團向中國廣東順德一個扶貧項目捐款人民幣128,000元。

# Independent Auditor's Report

## 獨立核數師報告

# Deloitte.

# 德勤

To the Shareholders of  
**Perfect Group International Holdings Limited**  
(Incorporated in the Cayman Islands with limited liability)

致保發集團國際控股有限公司列位股東

(於開曼群島註冊成立之有限公司)

### Opinion

We have audited the consolidated financial statements of Perfect Group International Holdings Limited (the "Company") and its subsidiaries (collectively referred to as "the Group") set out on pages 74 to 162, which comprise the consolidated statement of financial position as at 31 December 2017, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

### Basis for Opinion

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

### 意見

吾等已審核載於第74頁至162頁之保發集團國際控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，此等財務報表包括於2017年12月31日之綜合財務狀況表，與截至該日止年度之綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表的附註(包括重大會計政策概要)。

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

### 意見的基準

吾等已根據香港會計師公會頒佈的香港審核準則(「香港審核準則」)進行審核。吾等在該等準則下的責任已於本報告「核數師就審核綜合財務報表須承擔的責任」一節中作進一步闡述。根據香港會計師公會頒佈的專業會計師道德守則(「守則」)，吾等獨立於貴集團，並已根據守則履行其他道德責任。吾等相信，吾等所獲得的審核憑證能充足及適當地為吾等的審核意見提供基礎。

## Key Audit Matters

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

Key audit matter	How our audit addressed the key audit matter
<i>Valuation of trade receivables</i>	
We identified valuation of trade receivables as a key audit matter as the recoverability of trade receivables is estimated by the management with reference to the customers' credit history, settlement patterns, subsequent settlements and aging analysis of trade receivables.	Our procedures in relation to valuation of trade receivables included: <ul style="list-style-type: none"> <li>• Obtaining an understanding of the Group's provision policy on trade receivables and testing the management's key controls for the preparation of aging analysis of trade receivables and other monitoring procedures for recovering overdue debts;</li> <li>• Testing the aging analysis of trade receivables, on a sample basis, to the supporting documents including sales invoices and goods delivery notes;</li> <li>• Testing the subsequent settlements of trade receivables, on a sample basis, to supporting documents including bank-in slips and remittance advices; and</li> <li>• Discussing with the management and assessing the reasonableness and recoverability of overdue trade receivables without/with little subsequent settlements during the year or subsequent to the end of the reporting period, as identified by the management, with reference to customers' credit history, settlement patterns, subsequent settlements and aging analysis of trade receivables.</li> </ul>
The Group's trade receivables as at 31 December 2017 amounted to HK\$88,204,000 as disclosed in note 18 to the consolidated financial statements.	

## 關鍵審核事項

關鍵審核事項為根據吾等的專業判斷，認為對本期間綜合財務報表的審核最為重要的事項。該等事項於吾等審核整體綜合財務報表及出具意見時處理，而吾等不會對該等事項提供獨立的意見。

關鍵審核事項	吾等於審核中處理關鍵審核事項的方法
<i>貿易應收款項的估值</i>	
吾等將貿易應收款項之估值確定為關鍵審核事項，原因為貿易應收款項的可收回性乃由管理層參考客戶的信貸記錄、償付方式、其後結算情況及貿易應收款項的賬齡分析作出估計。	吾等就貿易應收款項的估值執行的程序包括： <ul style="list-style-type: none"> <li>• 了解 貴集團有關貿易應收款項的撥備政策及測試管理層於編製貿易應收款項的賬齡分析及就收回逾期債項的其他監控程序作出的主要控制；</li> <li>• 就支持文件(包括銷售發票及交收貨單)按抽樣基準測試貿易應收款項的賬齡分析；</li> <li>• 就支持文件(包括銀行單據及匯款通知書)按抽樣基準測試貿易應收款項的其後結算；及</li> <li>• 參考客戶的信貸記錄、償付方式、其後結算情況及貿易應收款項的賬齡分析，與管理層討論及評估管理層所識別於年內或報告期末後並無/少量其後結算的逾期貿易應收款項的合理性及可收回性。</li> </ul>
誠如綜合財務報表附註18所披露，貴集團於2017年12月31日的貿易應收款項為88,204,000港元。	





## Key Audit Matters – continued

Key audit matter	How our audit addressed the key audit matter
<b>Valuation of properties under development for sale</b>	
<p>We identified the valuation of properties under development for sale as a key audit matter as the Group had significant amount of properties under development for sale which are jewellery industrial properties and ancillary facilities as at the end of the reporting period. These properties are stated at the lower of cost and net realisable value. In determining the net realisable value of these properties, the management considers the expected future selling prices and costs necessary to complete the sale of these properties, with reference to the valuations performed by an independent firm of qualified professional property valuer (the "Valuer") for certain properties. The valuations involved significant management's judgement and estimation in relation to estimating the future selling prices and future construction costs.</p> <p>The Group's properties under development for sale as at 31 December 2017 amounted to HK\$186,397,000 as disclosed in note 17 to the consolidated financial statements.</p>	<p>Our procedures in relation to valuation of properties under development for sale included:</p> <ul style="list-style-type: none"> <li>• Obtaining an understanding from the Valuer and the management of the Group about the valuation techniques, significant assumptions adopted, key inputs and data used in the valuation of properties under development for sale;</li> <li>• Evaluating the competence, capabilities and objectivity of the Valuer;</li> <li>• Assessing reasonableness of key inputs used by the Valuer and the management of the Group by comparing with relevant market information with similar properties; and</li> <li>• Conducting site visits to properties under development for sale to observe the development progress and evaluating the management's estimation on the future construction costs with reference to signed construction contracts.</li> </ul>

## 關鍵審核事項 – 續

關鍵審核事項	吾等於審核中處理關鍵審核事項的方法
<b>發展中待售物業的估值</b>	
<p>吾等將發展中待售物業的估值確定為關鍵審核事項，原因為 貴集團於報告期末擁有大量發展中待售物業，即珠寶工廠物業及配套設備。該等物業按成本及可變現淨值兩者之較低者列賬。於釐定該等物業之可變現淨值時，管理層參考獨立合資格專業物業估值師（「估值師」）就若干物業進行之估值以考慮該等物業之預期未來售價及完成銷售所需成本。有關估值涉及管理層就估計未來售價及未來建築成本之重大判斷及估算。</p>	<p>吾等就發展中待售物業的估值執行的程序包括：</p> <ul style="list-style-type: none"> <li>• 向估值師及 貴集團管理層了解對發展中待售物業進行估值時的有關估值技巧、所採用之重大假設、主要輸入數據及所使用之數據；</li> <li>• 評估估值師之資格、能力及客觀性；</li> <li>• 通過比較類似物業相關市場資料，評估估值師及 貴集團管理層所使用主要輸入數據之合理性；及</li> <li>• 對發展中待售物業進行實地視察以觀察發展進展及參考所簽訂之建築合約評估管理層對未來建築成本之估算。</li> </ul> <p>誠如綜合財務報表附註17所披露，於2017年12月31日， 貴集團發展中待售物業為186,397,000港元。</p>

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

### Other Information

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

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

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

### Responsibilities of Directors and Those Charged with Governance for the Consolidated Financial Statements

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

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

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

### 其他資料

貴公司董事須對其他資料負責。其他資料包括年報內所載的資料，但不包括綜合財務報表及吾等載於其中的核數師報告。

吾等對綜合財務報表的意見並不涵蓋其他資料，吾等亦不對該等其他資料發表任何形式的保證結論。

就吾等對綜合財務報表的審核，吾等的責任乃細閱其他資料，在此過程中考慮其他資料與綜合財務報表或吾等在審核過程中所知悉的情況是否存在重大抵觸或看似存在重大錯誤陳述。基於吾等已執行的工作，倘吾等認為其他資料存在重大錯誤陳述，吾等需要報告該事實。吾等就此並無任何事項須報告。

### 董事及治理層就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定編製真實而公平的綜合財務報表，並對董事認為為使綜合財務報表的編製不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

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

治理層須負責監督貴集團的財務報告過程。

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

### 核數師就審核綜合財務報表須承擔的責任

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

作為根據香港審核準則進行審核其中一環，吾等運用專業判斷，保持專業懷疑態度。吾等亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審核程序以應對該等風險，以及獲取充足及適當的審核憑證，作為吾等意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕於內部控制之上，因此未能發現因欺詐而導致出現重大錯誤陳述的風險高於未能發現因錯誤而導致出現重大錯誤陳述的風險。
- 了解與審核相關的內部控制，以設計於有關情況下屬適當的審核程序，但目的並非對貴集團內部控制的有效性發表意見。

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

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements – continued

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

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

### 核數師就審核綜合財務報表須承擔的責任－續

- 評估董事所採用會計政策的適當性以及作出會計估計及相關披露的合理性。
- 對董事採用持續經營會計基礎的適當性作出結論，並根據所獲取的審核憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。倘吾等認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則修訂吾等的意見。吾等的結論乃基於直至核數師報告日止所取得的審核憑證。然而，未來事項或情況可能導致 貴集團不能持續經營業務。
- 評估綜合財務報表的整體列報方式、結構及內容（包括披露事項）以及綜合財務報表是否公平反映相關交易及事項。
- 就 貴集團內實體或業務活動的財務資料獲取充足適當的審核憑證，以便對綜合財務報表發表意見。吾等負責 貴集團審核的方向、監督及執行。吾等為審核意見承擔全部責任。

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

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements – continued

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

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

The engagement partner on the audit resulting in the independent auditor's report is Tsang Chi Wai.

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

### 核數師就審核綜合財務報表須承擔的責任 – 續

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

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

出具獨立核數師報告的審核項目合夥人為曾志偉。

**德勤•關黃陳方會計師行**  
執業會計師  
香港  
2018年3月19日

# Consolidated Statement of Profit or Loss and Other Comprehensive Income

## 綜合損益及其他全面收益表

For the Year ended 31 December 2017

截至2017年12月31日止年度

		NOTES 附註	2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Revenue	收益	5	352,043	322,423
Cost of goods sold	已售貨品成本		(241,859)	(233,479)
Gross profit	毛利		110,184	88,944
Other income	其他收入	6	1,263	1,438
Other gains and losses	其他收益及虧損	7	965	(2,051)
Selling and distribution costs	銷售及分銷成本		(15,380)	(13,631)
General and administrative and other expenses	一般及行政及其他開支		(42,235)	(34,791)
Finance costs	財務費用	8	(1,005)	(440)
Profit before taxation	除稅前溢利	9	53,792	39,469
Taxation	稅項	11	(5,717)	(4,770)
Profit for the year	年內溢利		48,075	34,699
Other comprehensive income for the year	年內其他全面收益			
Item that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益的項目：			
Exchange differences arising on translation of foreign operations	換算海外業務時產生的匯兌差額		10,902	-
Other comprehensive income for the year	年內其他全面收益		10,902	-
Total comprehensive income for the year	年內全面收益總額		58,977	34,699
Profit (loss) for the year attributable to:	下列人士應佔本年度溢利(虧損)：			
Owners of the Company	本公司擁有人		48,843	34,699
Non-controlling interests	非控股權益		(768)	-
			48,075	34,699
Total comprehensive income for the year attributable to:	下列人士應佔本年度全面收益總額：			
Owners of the Company	本公司擁有人		56,630	34,699
Non-controlling interests	非控股權益		2,347	-
			58,977	34,699
Earnings per share	每股盈利	13		
- Basic	- 基本		3.62 HK cents港仙	2.57HK cents港仙
- Diluted	- 攤薄		3.58HK cents港仙	N/A不適用

# Consolidated Statement of Financial Position

## 綜合財務狀況表

At 31 December 2017  
於2017年12月31日

		NOTES	2017	2016
		附註	2017年	2016年
			HK\$'000	HK\$'000
			千港元	千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	28,984	6,076
Prepaid lease payments	預付租賃款項	15	16,890	–
Deposits	按金	19	4,121	752
Deferred tax assets	遞延稅項資產	25	–	688
			<b>49,995</b>	7,516
Current assets	流動資產			
Inventories	存貨	16	179,956	169,221
Properties under development for sale	發展中待售物業	17	186,397	–
Prepaid lease payments	預付租賃款項	15	351	–
Trade and other receivables	貿易及其他應收款項	18	110,627	75,731
Deposits	按金	19	–	31,619
Bank balances and cash	銀行結餘及現金	20	59,476	202,567
			<b>536,807</b>	479,138
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	21	29,139	31,069
Taxation payable	應繳稅項		9,875	11,031
Bank loans	銀行貸款	22	25,580	2,365
Other borrowing	其他借貸	23	–	28,250
			<b>64,594</b>	72,715
Net current assets	流動資產淨值		<b>472,213</b>	406,423
Total assets less current liabilities	資產總值減流動負債		<b>522,208</b>	413,939
Non-current liabilities	非流動負債			
Provision for long service payments	長期服務金撥備	24	1,177	999
Deferred tax liabilities	遞延稅項負債	25	83	–
			<b>1,260</b>	999
Net assets	資產淨值		<b>520,948</b>	412,940

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

At 31 December 2017

於2017年12月31日

		NOTES 附註	2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Share capital and reserves	股本及儲備			
Share capital	股本	26	4,500	4,500
Reserves	儲備		444,314	408,440
Equity attributable to owners of the Company	本公司擁有人應佔權益		448,814	412,940
Non-controlling interests	非控股權益		72,134	–
			<b>520,948</b>	412,940

The consolidated financial statements on pages 74 to 162 were approved and authorised for issue by the Board of Directors on 19 March 2018 and are signed on its behalf by:

第74頁至第162頁之綜合財務報表經由董事會於2018年3月19日批准及授權刊發，並由下列董事代表簽署：

**Kan Kin Kwong**

簡健光

DIRECTOR

董事

**Chung Chi Keung**

鍾志強

DIRECTOR

董事



# Consolidated Statement of Changes in Equity

## 綜合權益變動表

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

		Attributable to owners of the Company 本公司擁有人應佔								
		Share capital	Share premium	Special reserve	Exchange reserve	Share options reserve	Retained profits	Sub-total	Non-controlling interest	Total
		股本	股份溢價	特別儲備	匯兌儲備	購股權儲備	保留溢利	小計	非控股權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
				(note a) (附註a)						
At 1 January 2016	於2016年1月1日	-	2	(283,164)	-	-	297,837	14,675	-	14,675
Total comprehensive income for the year	年內全面收入總額	-	-	-	-	-	34,699	34,699	-	34,699
Issue of shares	發行股份	1,125	103,500	-	-	-	-	104,625	-	104,625
Loan capitalisation (note b)	貸款資本化(附註b)	-	-	282,103	-	-	-	282,103	-	282,103
Capitalisation issue of shares	資本化發行股份	3,375	-	(3,375)	-	-	-	-	-	-
Share issue expenses	股份發行開支	-	(9,662)	-	-	-	-	(9,662)	-	(9,662)
Dividend (note 12)	股息(附註12)	-	-	-	-	-	(13,500)	(13,500)	-	(13,500)
At 31 December 2016	於2016年12月31日	4,500	93,840	(4,436)	-	-	319,036	412,940	-	412,940
At 1 January 2017	於2017年1月1日	4,500	93,840	(4,436)	-	-	319,036	412,940	-	412,940
Profit (loss) for the year	年內溢利(虧損)	-	-	-	-	-	48,843	48,843	(768)	48,075
Exchange differences arising on translation of foreign operations	兌換海外業務產生的匯兌差額	-	-	-	7,787	-	-	7,787	3,115	10,902
Total comprehensive income for the year	年內全面收入總額	-	-	-	7,787	-	48,843	56,630	2,347	58,977
Recognition of equity-settled share-based payment (note 27)	確認以權益結算以股份支付款項(附註27)	-	-	-	-	6,711	-	6,711	-	6,711
Share options lapsed (note 27)	購股權失效(附註27)	-	-	-	-	(467)	-	(467)	-	(467)
Contribution from a non-controlling shareholder	非控股股東注資	-	-	-	-	-	-	-	69,787	69,787
Dividend (note 12)	股息(附註12)	-	-	-	-	-	(27,000)	(27,000)	-	(27,000)
At 31 December 2017	於2017年12月31日	4,500	93,840	(4,436)	7,787	6,244	340,879	448,814	72,134	520,948

## 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

Notes:

- (a) In preparation for the listing of the Company's shares on the Stock Exchange (the "Listing"), the Company and its subsidiaries (the "Group") and Hong Kong Perfect Jewellery Company Limited ("HK Perfect") underwent a group reorganisation (the "Group Reorganisation") which mainly involved interspersing shell entities and transferring the fine jewellery business ("Jewellery Business") from HK Perfect. On 26 June 2015, Perfect Group International Holdings (HK) Limited ("Perfect Group HK") entered into a business transfer agreement with HK Perfect, pursuant to which HK Perfect ceased the Jewellery Business and transferred formally to the Group all the operation, assets and liabilities related specifically to the Jewellery Business (the "Business Transfer"). However, certain assets and liabilities of HK Perfect that are not related specifically to the Jewellery Business are not be transferred to the Group and are retained by HK Perfect after the Group Reorganisation.
- (b) On 5 August 2015, all the rights and obligations, assets and liabilities related specifically to the Jewellery Business carried out by HK Perfect were transferred to the Group for a cash consideration of approximately HK\$282,103,000, and such amount was capitalised on 4 January 2016 by way of loan assignment dated 14 December 2015 executed by HK Perfect, the aforesaid allottees and Perfect Group HK. The amount due to HK Perfect was assigned to the controlling shareholder and subsequently capitalised by allotting and issuing 100 shares of the Company to the controlling shareholder before the Listing.

附註：

- (a) 為籌備本公司股份在聯交所上市（「上市」），本公司及其附屬公司（「本集團」）及保發珠寶有限公司（「保發珠寶」）進行集團重組（「集團重組」），主要涉及散置空殼實體及自保發珠寶轉讓優質珠寶業務（「珠寶業務」）。於2015年6月26日，保發集團國際控股（香港）有限公司（「保發集團香港」）與保發珠寶訂立業務轉讓協議，據此，保發珠寶不再進行珠寶業務，並向本集團正式轉讓所有與珠寶業務特別有關的業務經營、資產及負債（「業務轉讓」）。然而，保發珠寶若干與珠寶業務無特別關聯的資產及負債不會轉讓至本集團，並於集團重組後由保發珠寶保留。
- (b) 於2015年8月5日，所有只與保發珠寶進行的珠寶業務有關的權利及責任、資產及負債已轉讓予本集團，現金代價約為282,103,000港元，有關款項已於2016年1月4日透過保發珠寶（上述承配人）與保發集團香港簽訂日期為2015年12月14日之貸款轉讓方式撥作資本。應付保發珠寶款項已轉讓予控股股東，並於其後在上市前透過向控股股東配發及發行100股本公司股份之方式撥作資本。

# Consolidated Statement of Cash Flows

## 綜合現金流量表

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

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Operating activities	經營活動		
Profit before taxation	除稅前溢利	53,792	39,469
Adjustments for:	就以下項目作出調整：		
Depreciation on property, plant and equipment	物業、廠房及設備折舊	2,650	2,378
(Reversal of allowances) allowances for doubtful debts	呆賬(撥備撥回)撥備	(1,093)	1,980
Interest income	利息收入	(330)	(367)
Interest expenses	利息開支	1,005	440
Gain on disposal of property, plant and equipment	出售物業、廠房及設備的收益	-	(41)
Share-based payment expenses	以股份支付款項開支	6,244	-
Operating cash flows before movements in working capital	營運資金變動前的經營現金流量	62,268	43,859
(Increase) decrease in inventories	存貨(增加)減少	(10,393)	9,908
Increase in properties under development for sale	發展中待售物業增加	(42,687)	-
(Increase) decrease in trade and other receivables	貿易及其他應收款項(增加)減少	(33,228)	49,009
Decrease in trade and other payables and provision	貿易及其他應付款項以及撥備減少	(1,936)	(18,746)
Cash (used in) generated from operations	經營(所用)所得現金	(25,976)	84,030
Tax paid	已付稅項	(6,102)	(446)
Net cash (used in) generated from operating activities	經營活動(所用)所得現金淨額	(32,078)	83,584
Investing activities	投資活動		
Additions to prepaid lease payments	預付租賃款項增加	(125,942)	-
Purchase of property, plant and equipment	購置物業、廠房及設備	(50,661)	(2,661)
Interest received	已收利息	330	367
Deposit paid for acquisition of an equity investment	購買股本投資的已付按金	-	(3,369)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備的所得款項	-	49
Net cash used in investing activities	投資活動所用現金淨額	(176,273)	(5,614)

## Consolidated Statement of Cash Flows

### 綜合現金流量表

For the Year ended 31 December 2017

截至2017年12月31日止年度

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Financing activities	融資活動		
New bank loans raised	新增銀行貸款	74,831	2,365
Contribution from a non-controlling shareholder	非控股股東注資	69,787	–
Repayment of bank loans	償還銀行貸款	(51,616)	–
Dividends paid	已付股息	(27,000)	(13,500)
Interest paid	已付利息	(1,005)	(440)
Share issue expenses paid	已付股份發行開支	–	(9,662)
Proceeds from issue of shares	發行股份所得款項	–	104,625
<b>Net cash generated from financing activities</b>	<b>融資活動所得現金淨額</b>	<b>64,997</b>	<b>83,388</b>
Net (decrease) increase in cash and cash equivalents	現金及現金等值物(減少)增加淨額	<b>(143,354)</b>	161,358
Cash and cash equivalents at beginning of the year	年初的現金及現金等值物	<b>202,567</b>	41,209
Effect of foreign exchange rate changes	外匯匯率變動影響	<b>263</b>	–
<b>Cash and cash equivalents at the end of the year</b>	<b>年末的現金及現金等值物</b>	<b>59,476</b>	<b>202,567</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the Year ended 31 December 2017

截至2017年12月31日止年度

### 1. GENERAL

Perfect Group International Holdings Limited (the “Company”) was incorporated in the Cayman Islands on 16 June 2015 and its shares were listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 4 January 2016. The registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and the principal place of business of the Company is at 26/F, YHC Tower, 1 Sheung Yuet Road, Kowloon Bay, Hong Kong. The Company’s immediate and ultimate holding company is Immaculate Diamonds Limited, a company incorporated in the British Virgin Islands (“BVI”) which is controlled by the controlling shareholder.

The Company is an investment holding company. The principal activities of the subsidiaries of the Company are designing, manufacturing and exporting of fine jewellery and property development. Particulars of the subsidiaries of the Company are set out in note 32.

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”), which is different from the functional currency of the Company, the United States dollars (“US\$”). The reason for selecting HK\$ as its presentation currency is because the shareholders of the Company are located in Hong Kong.

### 1. 一般資料

保發集團國際控股有限公司（「本公司」）於2015年6月16日在開曼群島註冊成立，其股份於2016年1月4日在香港聯合交易所有限公司（「聯交所」）上市。本公司的註冊辦事處為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands。本公司的主要營業地點是香港九龍灣常悅道1號恩浩國際中心26樓。本公司的直接最終控股公司為一間在英屬處女群島（「英屬處女群島」）註冊成立的公司Immaculate Diamonds Limited，該公司由控股股東控制。

本公司為一間投資控股公司。本公司附屬公司的主要業務為設計、製造及出口優質珠寶以及物業發展。有關本公司附屬公司的詳情載於附註32。

綜合財務報表以港元（「港元」）呈列，與本公司的功能貨幣美元（「美元」）不同。選擇港元作為其呈列貨幣的原因為本公司股東位於香港。

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

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

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

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

Amendments to HKAS 7	Disclosure initiative
Amendments to HKAS 12	Recognition of deferred tax assets for unrealised losses
Amendments to HKFRS 12	As part of the annual improvements to HKFRSs 2014 – 2016 cycle

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

### 2. 採用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

#### 本年度強制生效的香港財務報告準則的修訂

本集團已於本年度首次應用下列由香港會計師公會（「香港會計師公會」）頒佈的香港財務報告準則的修訂：

香港會計準則第7號的修訂	披露計劃
香港會計準則第12號的修訂	就未變現虧損確認遞延稅項資產
香港財務報告準則第12號的修訂	作為對香港財務報告準則2014年至2016年週期的年度改進的部分

於本年度應用香港財務報告準則的修訂並無對本年度及過往年度的本集團財務表現及狀況及／或該等綜合財務報表所載的披露造成重大影響。

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

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

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

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

HKFRS 9 HKFRS 15	Financial instruments <sup>1</sup> Revenue from contracts with customers and the related amendments <sup>1</sup>
HKFRS 16 HKFRS 17 HK(IFRIC) – INT 22 HK(IFRIC) – INT 23 Amendments to HKFRS 2	Leases <sup>2</sup> Insurance contracts <sup>4</sup> Foreign currency transaction and advance consideration <sup>1</sup> Uncertainty over income tax treatments <sup>2</sup> Clarifications and measurement of share-based payment transactions <sup>1</sup>
Amendments to HKFRS 4	Applying HKFRS 9 “Financial instruments” with HKFRS 4 “Insurance contracts” <sup>1</sup>
Amendments to HKFRS 9 Amendments to HKAS 28 Amendments to HKFRS 10 and HKAS 28 Amendments to HKAS 40 Amendments to HKAS 28 Amendments to HKFRSs	Prepayment features with negative compensation <sup>2</sup> Long-term interests in associates and joint ventures <sup>2</sup> Sale and contribution of assets between an investor and its associate or joint venture <sup>3</sup> Transfers of investment property <sup>1</sup> As part of the annual improvements to HKFRSs 2014 – 2016 cycle <sup>1</sup> Annual improvements to HKFRSs 2015 – 2017 cycle <sup>2</sup>

### 2. 採用新訂及經修訂香港財務報告準則（「香港財務報告準則」）－續

#### 已頒佈但尚未生效的新訂及經修訂香港財務報告準則

本集團並無提早採用下列已頒佈但尚未生效的新訂及經修訂香港財務報告準則：

香港財務報告準則第9號 香港財務報告準則第15號	財務工具 <sup>1</sup> 與客戶合約的收益及相關修訂 <sup>1</sup>
香港財務報告準則第16號 香港財務報告準則第17號 香港（國際財務報告詮釋委員會）－詮釋第22號 香港（國際財務報告詮釋委員會）－詮釋第23號 香港財務報告準則第2號的修訂	租賃 <sup>2</sup> 保險合約 <sup>4</sup> 外幣交易及預付代價 <sup>1</sup> 所得稅處理之不確定因素 <sup>2</sup> 以股份支付交易的分類及計量 <sup>1</sup>
香港財務報告準則第4號的修訂	與香港財務報告準則第4號「保險合約」一併應用香港財務報告準則第9號「財務工具」 <sup>1</sup>
香港財務報告準則第9號的修訂 香港會計準則第28號的修訂 香港財務報告準則第10號及香港會計準則第28號的修訂 香港會計準則第40號的修訂 香港會計準則第28號的修訂 香港財務報告準則的修訂	具有負補償之提早償還特性 <sup>2</sup> 於聯營公司及合營企業之長期權益 <sup>2</sup> 投資者與其聯營公司或合營企業之間的資產銷售或注資 <sup>3</sup> 轉撥投資物業 <sup>1</sup> 作為對香港財務報告準則2014年至2016年週期的年度改進的部分 <sup>1</sup> 對香港財務報告準則2015年至2017年週期的年度改進 <sup>2</sup>

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

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

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

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

#### HKFRS 9 “Financial instruments”

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

Key requirements of HKFRS 9 relevant to the Group are described as follows:

In relation to the impairment of financial assets, HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

### 2. 採用新訂及經修訂香港財務報告準則（「香港財務報告準則」）－續

#### 已頒佈但尚未生效的新訂及經修訂香港財務報告準則－續

- <sup>1</sup> 於2018年1月1日或之後開始的年度期間生效。
- <sup>2</sup> 於2019年1月1日或之後開始的年度期間生效。
- <sup>3</sup> 於將予釐定的日期或之後開始的年度期間生效。
- <sup>4</sup> 於2021年1月1日或之後開始的年度期間生效。

#### 香港財務報告準則第9號「財務工具」

香港財務報告準則第9號引入有關財務資產、財務負債、一般對沖會計法的分類及計量新規定及對財務資產的減值規定。

香港財務報告準則第9號與本集團相關的主要規定載述如下：

就財務資產的減值而言，香港財務報告準則第9號要求按預期信貸虧損模式計算，有別於香港會計準則第39號按已產生信貸虧損模式計算。預期信貸虧損模式要求實體於各報告日期將預期信貸虧損及該等預期信貸虧損變動入賬，以反映信貸風險自初始確認以來的變動。換言之，毋須再待發生信貸事件即可確認信貸虧損。



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

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

#### HKFRS 9 “Financial instruments” – continued

Based on the Group’s financial instruments and risk management policies as at 31 December 2017, the directors of the Company anticipate the following potential impact on initial application of HKFRS 9:

##### *Classification and measurement:*

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

##### *Impairment*

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

Based on the assessment by the directors of the Company, if the expected credit loss model were to be applied by the Group, the application of the expected credit loss model will not have a material impact on the financial assets measured at amortised cost upon the application of HKFRS 9.

### 2. 採用新訂及經修訂香港財務報告準則（「香港財務報告準則」）－續

#### 香港財務報告準則第9號「財務工具」－續

根據本集團於2017年12月31日之財務工具及風險管理政策，本公司董事預期首次應用香港財務報告準則第9號之潛在影響如下：

##### *分類及計量：*

所有財務資產及財務負債將繼續按與香港會計準則第39號下現行計量相同之基準進行計量。

##### *減值*

總體而言，本公司董事預期應用香港財務報告準則第9號之預期信貸損失模式，將導致本集團於應用香港財務報告準則第9號後，就本集團按攤銷成本計量之財務資產以及須作出減值撥備之其他項目之尚未產生之信貸虧損提前撥備。

根據本公司董事之評估，倘本集團應用預期信貸虧損模式，應用預期信貸虧損模式將不會對應用香港財務報告準則第9號後按攤銷成本列賬之財務資產造成重大影響。

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

For the Year ended 31 December 2017  
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### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – continued

#### HKFRS 15 “Revenue from contracts with customers”

HKFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 “Revenue”, HKAS 11 “Construction contracts” and the related interpretations when it becomes effective.

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

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

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

### 2. 採用新訂及經修訂香港財務報告準則（「香港財務報告準則」）－續

#### 香港財務報告準則第15號「與客戶合約的收益」

香港財務報告準則第15號已獲頒佈，其制定單一全面模式供實體用於客戶合約所產生的收益入賬。香港財務報告準則第15號生效後將會取代現行的收益確認指引，包括香港會計準則第18號「收益」、香港會計準則第11號「建築合約」及相關詮釋。

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

- 第一步：識別與客戶訂立的合約
- 第二步：識別合約的履約責任
- 第三步：釐定交易價格
- 第四步：按合約內的履約責任分配交易價格
- 第五步：當實體完成履約責任時（或按此）確認收益

根據香港財務報告準則第15號，實體於完成履約責任時（或按此）確認收益，即該特定履約責任的相關商品或服務的「控制權」已轉移予客戶。香港財務報告準則第15號已就特別情況的處理方法加入更明確的指引。此外，香港財務報告準則第15號規定更詳盡的披露。

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

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

#### HKFRS 15 “Revenue from contracts with customers” – continued

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

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

#### HKFRS 16 “Leases”

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

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

### 2. 採用新訂及經修訂香港財務報告準則（「香港財務報告準則」）－續

#### 香港財務報告準則第15號「與客戶合約的收益」－續

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

本公司董事預期，於日後應用香港財務報告準則第15號可能會需要作更多披露，然而，本公司董事預期應用香港財務報告準則第15號將不會對各報告期間已確認的收益時間及金額造成重大影響。

#### 香港財務報告準則第16號「租賃」

香港財務報告準則第16號為識別出租人及承租人的租賃安排及會計處理引入一個綜合模式。當香港財務報告準則第16號生效時，將取代香港會計準則第17號「租賃」及相關的詮釋。

香港財務報告準則第16號根據所識別資產是否由客戶控制來區分租賃及服務合約。除短期租賃及低價值資產租賃外，經營租賃及融資租賃的區分自承租人會計處理中移除，並由承租人須就所有租賃確認使用權資產及相應負債的模式替代。

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

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

#### HKFRS 16 “Leases” – continued

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

Under HKAS 17, the Group has already recognised an asset and a related finance lease liability for finance lease arrangement and prepaid lease payments for leasehold lands where the Group is a lessee. The application of HKFRS 16 may result in potential changes in classification of these assets depending on whether the Group presents right-of-use assets separately or within the same line item at which the corresponding underlying assets would be presented if they were owned.

Furthermore, extensive disclosures are required by HKFRS 16.

### 2. 採用新訂及經修訂香港財務報告準則（「香港財務報告準則」）－續

#### 香港財務報告準則第16號「租賃」－續

使用權資產初次按成本計量，隨後以成本（惟若干情況除外）減累計折舊及減值虧損計量，並就租賃負債的任何重新計量而作出調整。租賃負債初次按租賃款項（非當日支付）之現值計量。隨後，租賃負債會就（其中包括）利息及租賃款項以及租賃修訂的影響作出調整。就現金流量分類而言，本集團目前將預付租賃款項呈列為與自用租賃土地有關的投資現金流量，其他經營租賃款項則呈列為經營現金流量。根據香港財務報告準則第16號，有關租賃負債的租賃款項將分配至本金及利息部分，並分別以融資及經營現金流量呈列。

根據香港會計準則第17號，本集團作為承租人就融資租賃安排及租賃土地之預繳租賃款項，已確認為資產及相關融資租賃負債。採用香港財務報告準則第16號可能導致該等資產之分類發生潛在變動，其分類視乎本集團是否分開呈列使用權資產或按將呈列相應相關資產（倘擁有）的相同項目內呈列。

此外，香港財務報告準則第16號亦要求較廣泛的披露。

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

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

#### HKFRS 16 “Leases” – continued

As at 31 December 2017, the Group has non-cancellable operating lease commitments of HK\$4,967,000 as disclosed in note 30. A preliminary assessment indicates that these arrangements will meet the definition of a lease under HKFRS 16, and hence the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases upon the application of HKFRS 16. In addition, the application of new requirements may result changes in measurement, presentation and disclosure as indicated above.

The directors of the Company anticipate that the application of other new and amendments to HKFRSs will have no material impact on the results and the consolidated financial position of the Group.

### 3. SIGNIFICANT ACCOUNTING POLICIES

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

The consolidated financial statements have been prepared on the historical cost basis at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

### 2. 採用新訂及經修訂香港財務報告準則（「香港財務報告準則」）－續

#### 香港財務報告準則第16號「租賃」－續

於2017年12月31日，本集團有不可撤銷的經營租賃承擔4,967,000港元，如附註30所披露。初步評估表明，該等安排將符合香港財務報告準則第16號下的租賃定義，因此，本集團將就所有該等租賃確認為使用權資產及相應負債，除非在應用香港財務報告準則第16號後其符合低價值或短期租賃。此外，如上述所示，應用新的規定或會導致計量、呈列及披露變化。

本公司董事預期應用其他新訂香港財務報告準則及香港財務報告準則的修訂將不會對本集團的業績及綜合財務狀況造成重大影響。

### 3. 重要會計政策

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

綜合財務報表於各報告期末使用歷史成本法編製。歷史成本一般基於換取貨品或服務的代價的公平值釐定。

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

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

### 3. SIGNIFICANT ACCOUNTING POLICIES – continued

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in the consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 “Share-based payment”, leasing transactions that are within the scope of HKAS 17 “Leases”, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 “Inventories” or value in use in HKAS 36 “Impairment of assets”.

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

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

### 3. 重要會計政策—續

公平值為市場參與者於計量日期在有序交易中出售資產可能收取或轉讓負債可能支付的價格，不論該價格是否直接觀察可得或使用另一種估值方法估計。如市場參與者於計量日期為該等資產或負債定價時會考慮其特徵，則本集團於估計資產或負債的公平值時亦會考慮該等資產或負債的特徵。在綜合財務報表中計量及／或披露的公平值均在此基礎上予以確定，惟香港財務報告準則第2號「以股份支付款項」範圍內以股份支付款項的交易、香港會計準則第17號「租賃」範圍內的租賃交易以及與公平值類似但並非公平值的計量（例如，香港會計準則第2號「存貨」中的可變現淨值或香港會計準則第36號「資產減值」中的使用價值）除外。

此外，就財務報告而言，公平值計量根據公平值計量的輸入數據可觀察程度及輸入數據對公平值計量的整體重要性分類為第1級、第2級及第3級，載述如下：

- 第1級輸入數據是實體於計量日期可以取得的相同資產或負債於活躍市場的報價（未經調整）；
- 第2級輸入數據是就資產或負債直接或間接地可觀察的輸入數據（第1級內包括的報價除外）；及
- 第3級輸入數據是資產或負債的非可觀察輸入數據。

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

For the Year ended 31 December 2017  
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### 3. SIGNIFICANT ACCOUNTING POLICIES – continued

The principal accounting policies adopted are set out below.

#### Basis of consolidation

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

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

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

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

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

### 3. 重要會計政策－續

採納的主要會計政策載列如下。

#### 綜合基準

綜合財務報表包括本公司及本公司及其附屬公司所控制實體的財務報表。本公司於下列情況下獲得控制權：

- 可對投資對象行使權力；
- 參與投資對象之業務而可或有權獲得可變回報；及
- 有能力藉對投資對象行使其權力而影響其回報。

倘事實或情形表明上文所列的三項因素中的一項或以上出現變動，本集團將重新評估其是否控制投資對象。

綜合附屬公司始於本集團取得附屬公司的控制權，終於本集團失去附屬公司控制權。具體而言，於年內收購或出售之附屬公司之收入及開支計入自本集團獲得控制權之日直至本集團不再控制附屬公司之日之綜合損益及其他全面收益表。

損益及各項其他全面收益項目歸屬於本公司擁有人及非控股權益。附屬公司之全面收益總額歸屬於本公司擁有人及非控股權益，即使這將導致非控股權益出現虧絀結餘。

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

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

### 3. SIGNIFICANT ACCOUNTING POLICIES – continued

#### Basis of consolidation – continued

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

#### Business combination under common control

The consolidated financial statements incorporate the financial statement items of the entities or businesses in which the common control occurs as if they had been consolidated from the date when the entities first came under the control of the controlling party.

The net assets of the entities or businesses are consolidated using the existing book values from the controlling party's perspective. No amount is recognised in respect of goodwill or excess of acquirers' interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost at the time of common control consolidation, to the extent of the continuation of the controlling party's interest.

The consolidated statement of profit or loss and other comprehensive income includes the results of each of the entities or businesses from the earliest date presented or since the date when the entities first came under the common control consolidation, where there is a shorter period.

### 3. 重要會計政策－續

#### 綜合基準－續

倘有必要，附屬公司的財務報表將予調整，以令其會計政策與本集團會計政策一致。

本集團成員公司之間與交易有關的所有集團間資產、負債、股權、收入、開支及現金流量於綜合時悉數抵銷。

#### 共同控制下的業務合併

綜合財務報表包括發生共同控制的實體或業務的財務報表項目，猶如該等項目自該等實體或業務首次受有關控制方控制當日起已綜合處理。

實體或業務的資產淨值按控制方的現有賬面值綜合處理。在控制方權益維持不變的期間，並無就共同控制綜合時產生的商譽或收購方應佔收購對象可識別資產、負債及或然負債公平淨值超出成本的差額確認任何金額。

綜合損益及其他全面收益表包括各實體或業務由所呈報的最早日期起或自實體或業務首次受共同控制綜合處理當日以來的較短期間的業績。



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

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

### 3. SIGNIFICANT ACCOUNTING POLICIES – continued

#### Business combination under common control – continued

The comparable amounts in the consolidated financial statements are presented as if the businesses had been combined at the end of the previous reporting period or when they first came under common controls, whichever is shorter.

#### Revenue recognition

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

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

Sales of goods are recognised when goods are delivered and title has passed.

Interest income is accrued on a time apportionment basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

### 3. 重要會計政策－續

#### 共同控制下的業務合併－續

綜合財務報表的比較金額按猶如業務於上一個報告期末或首次被共同控制時(以較短者為準)已合併之基準呈列。

#### 收益確認

收益按已收或應收代價的公平值計量，相等於日常業務過程中出售貨品應收金額並扣除折扣及退貨。

當收入數額能可靠地計量、而未來經濟利益可能流入本集團，且符合以下本集團各業務的特定準則時，則會確認收入。

貨品銷售於交付貨品及轉移擁有權時確認。

利息收入按時間分配基準進行累計，並參考未償付本金額及實際適用利率(為透過財務資產的預期年期將估計未來現金收入準確貼現至該項資產初始確認賬面淨值的利率)計算。

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

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

### 3. SIGNIFICANT ACCOUNTING POLICIES – continued

#### Property, plant and equipment

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

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate their cost or fair value to their residual values over their estimated useful lives.

The estimated useful lives, residual values and depreciation method are reviewed at the end of the year, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

### 3. 重要會計政策—續

#### 物業、廠房及設備

持作生產或供應貨品或服務或用於管理目的的物業、廠房及設備(土地及樓宇除外)，按成本值減其後的累積折舊及累積減值虧損(如有)於綜合財務狀況表內列賬。

物業、廠房及設備採用直線法計算折舊，以於其估計可使用年期內將其成本或公平值折舊至剩餘價值。

年末會對估計可使用年期、剩餘價值及折舊方法進行檢討，以反映估計如有任何變化的預期影響。

於物業、廠房及設備項目出售後或當預計不會因持續使用資產而產生未來經濟效益時，該項物業、廠房及設備解除確認。因出售或棄用而任何物業、廠房及設備項目而確認的任何收益或虧損按該項資產的出售所得款項與賬面值的差額計算，並於損益內確認。

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

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

### 3. SIGNIFICANT ACCOUNTING POLICIES – continued

#### Leasehold land and building

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

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as “prepaid lease payments” in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis except for those that are classified and accounted for as investment properties under the fair value model.

#### Properties under development for sale

Properties under development for sale are classified under current assets and are stated at the lower of cost and net realisable value. Costs relating to the development of the properties include land cost, construction cost, borrowing costs and other direct development expenditure. Net realisable value represents the estimated selling price less all anticipated costs to be incurred in marketing and selling.

### 3. 重要會計政策－續

#### 租賃土地及樓宇

倘一項租賃同時包括土地及樓宇部分，則本集團會分別依照有關各部分擁有權隨附的絕大部分風險及回報是否已轉移至本集團的評估，評估各部分分別分類為融資租賃或經營租賃，除非兩個部分被清楚確定為經營租賃，於此情況下，整項租賃分類為經營租賃。具體而言，最低租賃付款（包括任何一筆過支付的預付款項）會按租賃開始時租賃土地部分與樓宇部分租賃權益的相關公平值的比例，於土地與樓宇部分之間分配。

倘租賃付款能可靠分配，入賬為經營租賃的租賃土地的權益乃於綜合財務狀況表呈列為「預付租賃付款」，並於租期內按直線法攤銷，惟根據公平值模型分類為及列作投資物業則除外。

#### 發展中待售物業

發展中待售物業分類為流動資產，並按成本及可變現淨值兩者之較低者入賬。物業發展相關成本包括土地成本、建築成本、借款成本及其他直接發展開支。可變現淨值指估計售價減市場推廣及銷售所產生之所有預計成本。

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

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

### 3. SIGNIFICANT ACCOUNTING POLICIES – continued

#### Properties under development for sale – continued

An item of properties under development is transferred from property, plant and equipment when the management changes the intention from settlement to future sales.

#### Borrowing costs

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

#### Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out method. The cost of finished goods and work in progress mainly comprises raw materials and direct labour. Net realisable value is the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

#### Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the year, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

### 3. 重要會計政策－續

#### 發展中待售物業－續

當管理層擬將定居點更改為未來銷售，發展中物業項目將由物業、廠房及設備中轉移。

#### 借貸成本

所有借貸成本均於其產生期間於損益內確認。

#### 存貨

存貨按成本與可變現淨值兩者中較低者入賬，成本以先入先出法計算。製成品及在製品的成本主要包括原材料及直接勞工。可變現淨值按存貨估計售價減所有估計完成成本及銷售必需成本計算。

#### 撥備

倘本集團須就已發生事件承擔現時責任(法定或推定)，而本集團很可能將須履行責任，以及可就有關責任的金額作出可靠估算，則確認撥備。

確認為撥備的金額為於年末須履行現時責任的代價的最佳估算，當中計及有關責任的風險及不明確因素。倘採用估計用於履行現時責任的現金流量計算撥備，則其賬面值為該等現金流量的現值(金錢的時間值影響重大)。

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

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

### 3. SIGNIFICANT ACCOUNTING POLICIES – continued

#### Provisions – continued

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

#### 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 instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

#### Financial assets

The Group's financial assets are mainly loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

#### *Effective interest method*

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

### 3. 重要會計政策－續

#### 撥備－續

當結算撥備所需的部分或全部經濟利益預期可自第三方收回時，倘實質上確定將可獲償付及應收款項金額可作可靠計量時，則確認應收款項為資產。

#### 財務工具

財務資產及財務負債於本集團成為該工具合約條文的訂約方時，於綜合財務狀況表內確認。財務資產及財務負債初步以公平值計量。收購或發行財務資產及財務負債直接應佔的交易成本於初始確認時加入財務資產或財務負債的公平值，或從財務資產或財務負債的公平值扣除（如適用）。

#### 財務資產

本集團的財務資產主要為貸款及應收款項，分類視乎財務資產的性質及用途而定，並於初始確認時釐定。

#### *實際利息法*

實際利息法是計算債務工具攤銷成本及按有關期間攤分利息收入的方法。實際利率按財務資產預計年期，或（如適用）較短期間精確折現未來現金收入（包括所有構成實際利率、交易成本及其他溢價或折讓的已付或已收費用）至初始確認時的賬面淨值的比率。

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

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

### 3. SIGNIFICANT ACCOUNTING POLICIES – continued

#### Financial instruments – continued

##### Financial assets – continued

##### *Effective interest method – continued*

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

##### *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in active market. Subsequent to initial recognition, loans and receivables (including trade and other receivables, deposits and bank balances and cash) are measured at amortised cost using the effective interest method, less any impairment (see accounting policy on impairment of financial assets below).

##### Impairment of financial assets

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

Objective evidence of impairment could include:

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

### 3. 重要會計政策—續

#### 財務工具—續

##### 財務資產—續

##### 實際利息法—續

就債務工具而言，利息收入按實際利息基準確認。

##### 貸款及應收款項

貸款及應收款項指於活躍市場並無報價但具有固定或可釐定付款的非衍生財務資產。於初始確認後，貸款及應收款項(包括貿易及其他應收款項、按金以及銀行結餘及現金)於扣除任何減值後以實際利息法按攤銷成本計量(請參閱下文財務資產減值的會計政策)。

##### 財務資產減值

本集團在各年末評估財務資產有否任何減值跡象。倘有客觀證據顯示財務資產的估計未來現金流量受到一項或多項於初始確認財務資產後發生的事件影響，則財務資產被視作減值。

減值的客觀證據可包括：

- 發行方或對約方出現重大財務困難；或
- 違反合約，如欠付或拖欠利息或本金；或
- 借款方破產或財務重組極可能發生。

## 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. SIGNIFICANT ACCOUNTING POLICIES – continued

#### Financial instruments – continued

##### Impairment of financial assets – continued

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

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

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

If, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date of the impairment loss is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

### 3. 重要會計政策－續

#### 財務工具－續

##### 財務資產減值－續

應收款項組合的減值客觀憑證可包括本集團過往收回款項的經驗、組合內超過平均信譽期的延遲付款數目增加、與未付應收款項相關的全國或地方經濟狀況的可觀察變動。

就按攤銷成本列賬的財務資產而言，確認的減值虧損金額為資產賬面值與按財務資產原本實際利率折現的估計未來現金流量現值之間的差額。

財務資產的賬面值就所有財務資產直接按減值虧損減少，惟貿易應收款項除外。貿易應收款項的賬面值經撥備賬減少，撥備賬的賬面值變動於損益內確認。當一項貿易應收款項被視為不可收回時，則會在撥備賬內作出撇銷，先前撇銷的款項如在其後收回，則會計入損益內。

倘於往後期間，減值虧損金額減少，而該減幅可客觀地與確認減值虧損後發生的事件相聯，則先前確認的減值虧損透過損益賬撥回，惟該資產於撥回減值虧損當日的賬面值不得超過在並無確認減值的情況下應有的攤銷成本。

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

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

### 3. SIGNIFICANT ACCOUNTING POLICIES – continued

#### Financial instruments – continued

##### Financial liabilities and equity instruments

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

##### *Equity instruments*

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

##### *Effective interest method*

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

Interest expense is recognised on an effective interest basis.

### 3. 重要會計政策－續

#### 財務工具－續

##### 財務負債及股權工具

債務及集團實體發行的股權工具根據已訂立的合約安排內容以及財務負債及股權工具的定義分類為財務負債或股權。

##### *股權工具*

股權工具為證明本集團資產剩餘權益（經扣除其所有負債）的任何合約。集團實體發行的股權工具按已收所得款項於扣除直接發行成本後確認。

##### *實際利率法*

實際利息法是計算財務負債攤銷成本及按有關期間攤分利息開支的方法。實際利率按財務負債預計年期，或（如適用）較短期間精確折現估計未來現金付款（包括所有構成實際利率、交易成本及其他溢價或折讓的已付或已收費用）至初始確認時的賬面淨值的比率。

利息開支按實際利率基準確認。



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

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

### 3. SIGNIFICANT ACCOUNTING POLICIES – continued

#### Financial instruments – continued

Financial liabilities and equity instruments – continued

##### *Financial liabilities*

Financial liabilities including trade and other payables, bank loans and other borrowing are subsequently measured at amortised cost, using the effective interest method.

##### *Derecognition*

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

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

### 3. 重要會計政策－續

#### 財務工具－續

財務負債及股權工具－續

##### *財務負債*

財務負債包括貿易及其他應付款項、銀行貸款及其他借貸，之後採用實際利息法按攤銷成本計算。

##### *取消確認*

倘自資產收取現金流量的合約權利已屆滿，或本集團已轉讓財務資產及有關財務資產擁有權的絕大部分風險及回報予另一實體，則取消確認財務資產。

於取消確認財務資產時，資產賬面值與已收及應收代價的總和之間的差額於損益內確認。

當及只有於本集團的責任獲解除、註銷或屆滿時，本集團方會取消確認財務負債。取消確認的財務負債的賬面值與已付及應付代價之間的差額於損益內確認。

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

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

### 3. SIGNIFICANT ACCOUNTING POLICIES – continued

#### Impairment

At the end of the year, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced the carrying amount of any goodwill (if applicable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit. An impairment loss is recognised immediately in profit or loss.

### 3. 重要會計政策—續

#### 減值

於年末，本集團均會對有形資產的賬面值進行審查，以確定是否有跡象顯示該等資產已發生減值虧損。倘出現該等跡象，則須估計資產的可收回金額，以釐定減值虧損（如有）的程度。倘估計個別資產的可收回金額屬不可能，則本集團估計該資產所屬現金產生單位的可收回金額。倘可識別合理且貫徹的分攤基準，則亦會攤分企業資產至個別現金產生單位，或以其他方式攤分至可識別合理且貫徹分攤基準的最小現金產生單位組別中。

可收回金額為公平值減出售成本與使用價值兩者之間的較高者。於評估使用價值時，估計未來現金流量使用除稅前折現率折現至其現值，以反映現時市場對金錢時間值的評估及該資產（其估計未來現金流量未予調整）特有的風險。

當資產（或現金產生單位）之可收回金額估計低於其賬面值時，資產（或現金產生單位）之賬面值減去任何商譽（倘適用）之賬面值、其使用價值（倘可釐定）及零。原已另行分配至該資產之減值虧損金額按比例分配至單位內其他資產。減值虧損即時於損益內確認。

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

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

### 3. SIGNIFICANT ACCOUNTING POLICIES – continued

#### Impairment – continued

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount under another standard, in which case the reversal of the impairment loss is treated as a revaluation increase under that standard.

#### Share-based payment arrangements

##### Equity-settled share-based payment transactions

##### *Share options granted to employees*

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share options reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share options reserve.

### 3. 重要會計政策－續

#### 減值－續

倘減值虧損隨後撥回，則該資產（或現金產生單位）的賬面值會增加至其可收回金額的重新估值；但增加後的賬面值不得超過該資產（或現金產生單位）於過往年度如無確認減值虧損時應確定的賬面值。減值虧損撥回即時於損益內確認，除非相關資產根據另一項準則按重估金額計值，在此情況下，減值虧損撥回則根據該項準則被視為重估增加。

#### 以股份支付款項之安排

##### 以權益結算以股份支付款項之交易

##### *授予僱員之購股權*

以權益結算以股份支付之款項予僱員及提供同類服務的其他人士按權益工具授出日期的公平值計量。

在不考慮所有非市場歸屬條件之情況下，於授出日期釐定的以權益結算以股份支付之款項之公平值基於本集團對最終歸屬之權益工具的估計按直線法於歸屬期支銷，相應增加計入權益（購股權儲備）。於各報告期末，本集團根據對所有非市場歸屬條件的評估，對估計預期將歸屬的權益工具數目作出修訂。修訂原有估計的影響（如有）於損益確認，以使累計開支符合經修訂的估計，而相關調整計入購股權儲備。

## 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. SIGNIFICANT ACCOUNTING POLICIES – continued

#### Taxation

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

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

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

### 3. 重要會計政策－續

#### 稅項

所得稅開支指當期應付稅項及遞延稅項的總和。

當期應付稅項基於年內應課稅盈利計算。由於應課稅盈利撇除其他年度應課稅或可扣減的收入及開支項目和永遠不應課稅或不可扣減的項目，因此與綜合損益及其他全面收益表所報的「除稅前溢利」不同。本集團的當期稅項按各年末已制定或實質上已制定的稅率計算。

遞延稅項以資產及負債於綜合財務報表的賬面值與計算應課稅盈利所使用的相應稅基之間的差額確認。所有應課稅暫時性差額一般均確認為遞延稅項負債，而所有應課稅暫時性差額一般限於在有應課稅盈利可供對銷可扣減暫時性差額時才會確認為遞延稅項資產。因商譽或在不會對應課稅盈利或會計盈利構成影響的交易中初次確認（業務合併除外）的其他資產或負債所產生的暫時性差額，有關遞延稅項資產及負債則不予確認。

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

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

### 3. SIGNIFICANT ACCOUNTING POLICIES – continued

#### Taxation – continued

Deferred tax liabilities are recognised for taxable temporary differences associated with 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. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of each reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

### 3. 重要會計政策－續

#### 稅項－續

遞延稅項負債就有關於附屬公司的投資的應課稅暫時差額予以確認，惟本集團在可控制暫時差額的撥回以及暫時差額於可預見將來不可能撥回的情況下除外。因與該等投資相關的可扣稅暫時差額而產生的遞延稅項資產僅會於可能有足夠可動用的應課稅溢利用以抵扣暫時差額利益且預期於可預見將來撥回的情況下，方會予以確認。

遞延稅項資產的賬面值於各年末審閱，並減少至不再可能有足夠應課稅盈利足以收回全部或部份資產。

遞延稅項資產及負債按償還負債或變現資產時按期內預計適用的稅率計算，而上述償還或變現按報告期末已制定或實際上已制定的稅率（及稅法）計算。遞延稅項負債及資產的計算反映本集團預期於各報告期末收回或結算其資產及負債的賬面值後隨之而來的稅務後果。

當期及遞延稅項於損益賬中確認，惟倘其有關事項在其他全面收益或直接在股本權益中被確認，則當期及遞延稅項亦會於其他全面收益或直接於權益中分別確認。

## 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. SIGNIFICANT ACCOUNTING POLICIES – continued

#### Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of the entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At the end of the year, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

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

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) using exchange rate prevailing at the end of each reporting period. Income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under exchange reserve. Such exchange differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

### 3. 重要會計政策－續

#### 外幣

在編製每個獨立集團實體的財務報表時，以實體功能貨幣以外的貨幣(外幣)結算的交易以各自的功能貨幣(即實體經營所在主要經濟環境的貨幣)按交易當日的匯率記錄。於年末，以外幣結算的貨幣項目按當日的匯率換算。按歷史成本以外幣計量的非貨幣項目不作重新換算。

交收貨幣項目及換算貨幣項目產生的匯兌差額於產生期間在損益表內確認。

就呈列綜合財務報表而言，本集團海外經營業務的資產及負債按各報告期末的適用匯率換算為本集團的呈列貨幣(即港元)，而收入及開支項目則按該年度的平均匯率進行換算，除非匯率於期內大幅波動，在該情況下，則採用交易日的適用匯率。所產生匯兌差額(如有)於其他全面收益中確認，並於股本部份在匯兌儲備項下累積入賬。該等匯兌差額在出售海外經營業務的期間內於損益中確認。

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

For the Year ended 31 December 2017  
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### 3. SIGNIFICANT ACCOUNTING POLICIES – continued

#### Leasing

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

Operating lease payments are recognised as an expense on a straight-line basis over the term.

#### Retirement benefits costs

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

#### Short-term and other long-term employee benefits

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

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date. Any changes in the liabilities' carrying amounts resulting from service cost, interest and remeasurements are recognised in profit or loss except to the extent that another HKFRS requires or permits their inclusion in the cost of an asset.

### 3. 重要會計政策－續

#### 租賃

當租約條款將所涉及擁有權的絕大部份風險及回報轉讓予承租人時，租約分類為融資租約。所有其他租約均分類為經營租約。

經營租賃付款按相關租賃年期以直線法確認為開支。

#### 退休福利成本

向國家管理退休福利計劃及強制性公積金計劃作出的供款於僱員提供服務而獲享有關供款時確認為開支。

#### 短期及其他長期僱員福利

短期僱員福利於僱員提供服務時就預計將支付福利的未貼現金額確認。所有短期僱員福利確認為開支，除非另一項香港財務報告準則要求或允許將有關福利納入資產成本，則作別論。

在扣除已經支付的任何金額後，對僱員應得的福利（例如工資及薪金、年假及病假）確認負債。

就其他長期僱員福利確認的負債按本集團就僱員截至報告期所提供服務預期將支付的估計未來現金流出的現值計量。由服務成本、利息及重新計量產生的負債賬面值的任何變動於損益確認，惟另一項香港財務報告準則規定或允許將其計入資產成本的情況則除外。

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

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### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The 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 amount of assets and liabilities, are described below.

#### Valuation of trade receivables

The Group makes allowance for doubtful debts based on an assessment on the recoverability of trade receivables. In determining whether an allowance for doubtful debts is required, the Group takes into consideration of the customers' credit history, settlement patterns, subsequent settlements and aging analysis of the trade receivables. Where the expectation of the recoverability of trade receivables is different from the original estimate, such difference will impact the carrying value of trade receivables and allowance for doubtful debts in the period in which such estimate has changed. As at 31 December 2017, the carrying amount of trade receivables is HK\$88,204,000 (net of allowance for doubtful debts of HK\$887,000) (2016: HK\$72,395,000 (net of allowance for doubtful debts of HK\$1,980,000)).

### 4. 估計不明朗因素的主要來源

於應用附註3所述的本集團會計政策時，本公司董事須就未能從其他來源得知的資產與負債賬面值作出判斷、估計及假設。估計及相關假設根據過往經驗及其他被認為相關的因素作出，實際結果可能與此等估計不同。

本集團會持續檢討此等估計及相關假設。當對會計估計作出修訂時，倘有關修訂僅影響作出估計修訂的期間，則於當期確認有關修訂，而倘有關修訂影響作出修訂的期間及未來期間，則於當期及未來期間確認有關修訂。

於報告期末有重大可能使資產及負債賬面值須作重大調整的有關未來的主要假設及其他不明朗因素估計主要來源詳述如下。

#### 貿易應收款項估值

本集團依據對貿易應收款項可收回性的評估計提呆賬撥備。於釐定是否須作出呆賬撥備時，本集團會考慮客戶的信貸記錄、償付方式、其後結算情況及貿易應收款項的賬齡分析。倘對貿易應收款項可收回性的預期與最初估計不同，則該等差異將會對該估計發生變化的期間的貿易應收款項賬面值及呆賬撥備產生影響。於2017年12月31日，貿易應收款項的賬面值為88,204,000港元（扣除呆賬撥備887,000港元）（2016年：72,395,000港元（扣除呆賬撥備1,980,000港元））。



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

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### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY – continued

#### Valuation of inventories – finished goods

Inventories are stated at the lower of cost and net realisable value. Net realisable value of inventories is based on estimated selling prices less any estimation costs to be incurred to completion and disposal. These estimates are based on the current market conditions, estimated selling prices of the finished goods, movement, and subsequent sales of the finished goods. It could change significantly as a result of changes in these factors. The Group will reassess the estimation at the end of each year. As at 31 December 2017, the carrying amount of finished goods is HK\$118,337,000 (2016: HK\$119,259,000).

#### Valuation of properties under development for sale

Management regularly reviews the recoverability of the Group's properties under development for sale, which are situated in the People's Republic of China (the "PRC") with reference to current market environment whenever events or changes in circumstances indicate that the carrying amount of the assets may exceed its net realisable value. Appropriate write-down for estimated irrecoverable amount is recognised in profit or loss when the net realisable value is below cost. The estimates of net realisable value are determined based on the evidence available at the time the estimates are made, and the amounts of the properties under development for sale are expected to realise or recover. Actual realised amount may differ from estimates, resulting in a decrease or an increase in the net realisable value of the properties under development for sale and additional write-down or reversal of write-down previously recognised may be required.

As at 31 December 2017, the carrying amount of the properties under development for sale is HK\$186,397,000 (2016: nil).

### 4. 估計不明朗因素的主要來源 – 續

#### 存貨估值 – 製成品

存貨按成本與可變現淨值的較低者列賬。存貨的可變現淨值根據估計售價減完成及出售會產生的估計成本計算，該等估計數字根據市場現況、製成品的估計售價、製成品的變動及其後銷售得出，或會因該等因素變化而有重大變動，本集團會於各年末重新評估有關估計。於2017年12月31日，製成品的賬面值為118,337,000 港元 (2016年：119,259,000 港元)。

#### 發展中待售物業之估值

管理層定期審閱本集團位於中華人民共和國(「中國」)之發展中待售物業之可收回性，乃參考現時市場環境中之事件或情況之轉變所顯示資產之賬面值可能超過其可變現淨值。當其可變現淨值低於成本時，估計不可收回金額之適用撇減於損益中確認。釐定估計可變現淨值乃基於作出估計當時之可用證據，及發展中待售物業預期可變現或收回之金額。實際變現金額或會與估計有差異，致使發展中待售物業之可變現淨值減少或增加及可能需要作出額外撇減或撥回過往已確認之撇減。

於2017年12月31日，發展中待售物業的賬面值為186,397,000港元(2016年：無)。

## 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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### 5. REVENUE AND SEGMENT INFORMATION

Revenue represents amounts received and receivable for the sales of fine jewellery products and net of discounts and returns during both years.

Information reported to the executive directors of the Company, being the chief operating decision maker (“CODM”), for the purposes of resource allocation and assessment of segment performance focuses on the revenues and profits from different types of business divisions.

The Group was previously organised into a single operating segment, namely “Manufacturing and sales of jewellery products”. During the year, the CODM of the Company reviewed separately the financial results of manufacturing and sales of jewellery products business and properties development business for resources allocation and performance assessment of the Group. Accordingly, the Group’s operating and reportable segments under HKFRS 8 are as follows:

- (i) Manufacturing and sales of jewellery products business represents manufacturing and sales of jewellery products including rings, earrings, pendants, bangles, necklaces and bracelets (“Manufacturing and sales of jewellery products”).
- (ii) Property development business represents the development and sales of properties for the Group’s integrated and comprehensive industry park project (“Property development”).

### 5. 收益及分部資料

收益指於兩個年度銷售優質珠寶產品的已收及應收金額並扣除折扣及回扣。

就資源分配及評估分部表現而向本公司執行董事（即主要營運決策人（「主要營運決策人」））報告之資料乃集中於各類業務部門之收益及溢利。

本集團於過往分類為單一經營分部，即「製造及銷售珠寶產品」。年內，本公司之主要營運決策人獨立審閱製造及銷售珠寶產品業務以及物業發展業務之財務業績，以分配資源及評估本集團之表現。因此，根據香港財務報告準則第8號，本集團之經營及可報告分部如下：

- (i) 製造及銷售珠寶產品業務指製造及銷售珠寶產品，包括戒指、耳環、吊墜、手鏈、項鍊及手鐲（「製造及銷售珠寶產品」）。
- (ii) 物業發展業務指就本集團於綜合全面產業中心項目開發及銷售物業（「物業發展」）。

## 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

### 5. REVENUE AND SEGMENT INFORMATION – continued

#### (a) Segment revenue and results

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

For the year ended 31 December 2017

### 5. 收益及分部資料 – 續

#### (a) 分部收益及業績

下列為按經營及可報告分部劃分之本集團收益及業績分析：

截至2017年12月31日止年度

		Manufacturing and sales of jewellery products 製造及 銷售珠寶產品 HK\$'000 千港元	Property development 物業發展 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Segment revenue	分部收益			
External sales	外部銷售	352,043	–	352,043
Segment results	分部業績	70,075	(2,561)	67,514
Unallocated corporate income	未分配企業收入			146
Unallocated corporate expenses	未分配企業開支			(12,863)
Finance costs	財務費用			(1,005)
Profit before taxation	除稅前溢利			53,792

## 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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### 5. REVENUE AND SEGMENT INFORMATION – continued

#### (a) Segment revenue and results – continued

For the year ended 31 December 2016

		Manufacturing and sales of jewellery products 製造及 銷售珠寶產品 HK\$'000 千港元	Property development 物業發展 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Segment revenue	分部收益			
External sales	外部銷售	322,423	–	322,423
Segment results	分部業績	47,016	–	47,016
Unallocated corporate income	未分配企業收入			314
Unallocated corporate expenses	未分配企業開支			(7,421)
Finance costs	財務費用			(440)
Profit before taxation	除稅前溢利			39,469

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 3. Segment result represents the profit earned or loss incurred by each segment and hence is arrived at without allocation of certain income and expenses (including other income, general and administrative and other expenses and finance costs). This is the measure reported to the CODM of the Company, for the purposes of resources allocation and assessment of segment performance.

經營分部之會計政策與附註3所述之本集團會計政策相同。分部業績指各分部賺取之溢利或所產生之虧損，因此乃按未分配若干收入及開支(包括其他收入、一般及行政及其他開支以及財務費用)之情況計算。此乃向本公司主要營運決策人報告之方法，以供進行資源分配及評估分部表現。

### 5. 收益及分部資料－續

#### (a) 分部收益及業績－續

截至2016年12月31日止年度

## 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

### 5. REVENUE AND SEGMENT INFORMATION – continued

#### (b) Segment assets and liabilities

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

At 31 December 2017

### 5. 收益及分部資料 – 續

#### (b) 分部資產及負債

下列為按經營及可報告分部劃分之本集團分部資產及分部負債分析：

於2017年12月31日

		Manufacturing and sales of jewellery products 製造及 銷售珠寶產品 HK\$'000 千港元	Property development 物業發展 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Assets	資產			
Segment assets	分部資產	319,767	245,435	565,202
Unallocated corporate assets	未分配企業資產			21,600
Consolidated assets	綜合資產			586,802
Liabilities	負債			
Segment liabilities	分部負債	49,563	5,441	55,004
Taxation payable	應繳稅項			9,875
Deferred tax liabilities	遞延稅項負債			83
Unallocated corporate liabilities	未分配企業負債			892
Consolidated liabilities	綜合負債			65,854

## 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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### 5. REVENUE AND SEGMENT INFORMATION – continued

#### (b) Segment assets and liabilities – continued

At 31 December 2016

### 5. 收益及分部資料－續

#### (b) 分部資產及負債－續

於2016年12月31日

		Manufacturing and sales of jewellery products 製造及 銷售珠寶產品 HK\$'000 千港元	Property development 物業發展 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
<b>Assets</b>	<b>資產</b>			
Segment assets	分部資產	392,651	–	392,651
Deferred tax asset	遞延稅項資產			688
Unallocated corporate assets	未分配企業資產			93,315
Consolidated assets	綜合資產			486,654
<b>Liabilities</b>	<b>負債</b>			
Segment liabilities	分部負債	61,856	–	61,856
Taxation payable	應繳稅項			11,031
Unallocated corporate liabilities	未分配企業負債			827
Consolidated liabilities	綜合負債			73,714

## 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

### 5. REVENUE AND SEGMENT INFORMATION – continued

#### (b) Segment assets and liabilities – continued

For the purposes of monitoring segment performances and allocating resources between segments:

- all assets are allocated to operating segments other than deferred tax asset and unallocated corporate assets.
- all liabilities are allocated to operating segments other than taxation payable, deferred tax liabilities and unallocated corporate liabilities.

#### Entity-wide information

The following is an analysis of the Group's revenue by product for manufacturing and sales of jewellery products:

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Sales of	以下項目的銷售額		
– Ring	– 戒指	122,169	105,728
– Earrings	– 耳環	96,420	92,063
– Pendant	– 吊墜	41,179	35,597
– Bangle	– 手鐲	40,082	33,211
– Necklace	– 項鍊	23,049	25,899
– Bracelet	– 手鐲	29,144	29,925
		<b>352,043</b>	322,423

### 5. 收益及分部資料 – 續

#### (b) 分部資產及負債 – 續

就監察分部表現及於分部間分配資源而言：

- 除遞延稅項資產及未分配企業資產外，所有資產均分配至經營分部。
- 除應繳稅項、遞延稅項負債及未分配企業負債外，所有負債均分配至經營分部。

#### 實體的整體資料

下列為製造及銷售珠寶產品按產品類別劃分的本集團收益分析：

## 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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### 5. REVENUE AND SEGMENT INFORMATION – continued

#### Geographical information

Revenue from external customers, based on location of delivery to customers is as follows:

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Revenue	收益		
– Hong Kong	– 香港	208,591	187,629
– Dubai	– 迪拜	142,348	134,794
– PRC	– 中國	1,104	–
		<b>352,043</b>	322,423

No individual customer contributes revenue which accounted for more than 10% of the Group's total revenue during both years.

An analysis of the Group's non-current assets (other than deferred tax assets) by their physical geographical location is as follows:

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Hong Kong	香港	2,803	3,730
PRC	中國	46,713	2,721
Dubai	迪拜	479	377
		<b>49,995</b>	6,828

### 5. 收益及分部資料－續

#### 地區資料

來自外界客戶的收益按向客戶交付地點劃分如下：

於兩個年度，概無個別客戶帶來收益佔本集團總收益10%以上。

本集團非流動資產（遞延稅項資產除外）按其實際地理位置劃分的分析如下：



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

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### 6. OTHER INCOME

### 6. 其他收入

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Scrap sales	廢棄物銷售	680	945
Interest income	利息收入	330	367
Others	其他	253	126
		<b>1,263</b>	<b>1,438</b>

### 7. OTHER GAINS AND LOSSES

### 7. 其他收益及虧損

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Reversal of allowances (allowances) for doubtful debts	呆賬撥備撥回(撥備)	1,093	(1,980)
Net foreign exchange loss	匯兌虧損淨額	(128)	(112)
Gain on disposal of property, plant and equipment	出售物業、廠房及設備的收益	-	41
		<b>965</b>	<b>(2,051)</b>

### 8. FINANCE COSTS

### 8. 財務費用

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Interest on other borrowing	其他借款利息	293	436
Interest on bank loans	銀行貸款利息	712	4
		<b>1,005</b>	<b>440</b>

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

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### 9. PROFIT BEFORE TAXATION

### 9. 除稅前溢利

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Profit before taxation has been arrived at after charging:	除稅前溢利於扣除下列各項後得出：		
Depreciation	折舊		
– cost of goods sold	– 已售貨品成本	953	952
– general and administrative and other expenses	– 一般及行政及其他開支	1,697	1,426
Total depreciation	折舊總額	2,650	2,378
Directors' remuneration (note 10)	董事酬金 (附註10)		
– fees	– 袍金	924	859
– salaries and other benefits	– 薪金及其他福利	6,500	6,473
– equity-settled share option expense	– 以股本結算購股權開支	1,152	–
– retirement benefit scheme contributions	– 退休福利計劃供款	54	60
Other staff's salaries and other benefits (note)	其他員工薪金及其他福利 (附註)	8,630	7,392
Other staff's equity-settled share option expense	其他員工的以股本結算購股權開支	13,262	29,716
Other staff's retirement benefits scheme contributions	其他員工的退休福利計劃供款	5,092	–
Total staff costs	員工成本總額	2,580	3,331
Auditor's remuneration	核數師酬金	29,564	40,439
Cost of inventories recognised as expenses (included in cost of goods sold)	已確認為開支的存貨成本 (計入已售貨品成本)	1,800	1,700
Listing expenses (included in general and administrative and other expenses)	上市開支 (計入一般及行政及其他開支)	258,175	233,479
Operating lease rentals in respect of rented premises	有關出租物業的經營租賃租金	–	1,588
		6,349	6,254

# 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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### 9. PROFIT BEFORE TAXATION – continued

Note: During the year, provision on staff benefits for previous years included in accruals and other payables amounting approximately Renminbi (“RMB”) 14,548,000 (equivalent to approximately HK\$16,316,000) has been reversed as the directors of the Company considered that crystallisation of such provision as a liability was remote.

### 9. 除稅前溢利－續

附註：年內，由於本公司董事認為計入應計款項及其他應付款項之過往年度員工福利撥備約人民幣（「人民幣」）14,548,000元（相當於約16,316,000港元）產生之負債極微，因此已撥回有關撥備。

### 10. DIRECTORS’ REMUNERATION

Details of the emoluments paid or payable to the directors and the chief executive of the Company during both years are as follows:

### 10. 董事酬金

於兩個年度已付或應付本公司董事及主要行政人員的薪酬詳情載列如下：

	Fees	Salaries and other benefits	Equity-settled share option expense	Retirement benefits contributions	Total
	袍金	薪金及其他福利	以權益結算購股權開支	退休福利計劃供款	總計
	HK\$’000	HK\$’000	HK\$’000	HK\$’000	HK\$’000
	千港元	千港元	千港元	千港元	千港元
<b>For the year ended 31 December 2017 截至2017年12月31日止年度</b>					
<b>Executive directors: 執行董事：</b>					
Mr. Kan Kin Kwong (note (i))	–	3,500	208	18	3,726
Ms. Shek Mei Chun	–	1,500	194	18	1,712
Mr. Chung Chi Keung	–	1,500	194	18	1,712
<b>Non-executive director: 非執行董事：</b>					
Mr. Chu Kin Wang Peleus (resigned on 1 March 2017)	48	–	–	–	48
<b>Independent non-executive directors: 獨立非執行董事：</b>					
Mr. Fan Chor Ho	192	–	139	–	331
Mr. Li Cheuk Wai	192	–	139	–	331
Mr. Wong Wai Keung Frederick	192	–	139	–	331
Mr. He Ding Ding (note (ii)) (appointed on 1 March 2017 and resigned on 1 March 2018)	300	–	139	–	439
	924	6,500	1,152	54	8,630

## 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

### 10. DIRECTORS' REMUNERATION – continued

### 10. 董事酬金 – 續

		Fees	Salaries and other benefits	Retirement benefits scheme contributions	Total
		袍金	薪金及其他福利	退休福利計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
<b>For the year ended 31 December 2016</b>	<b>截至2016年12月31日止年度</b>				
<b>Executive directors:</b>	<b>執行董事：</b>				
Mr. Kan Kin Kwong (note (i))	簡健光先生 (附註 (i))	–	3,482	20	3,502
Ms. Shek Mei Chun	石美珍女士	–	1,498	20	1,518
Mr. Chung Chi Keung	鍾志強先生	–	1,493	20	1,513
<b>Non-executive director:</b>	<b>非執行董事：</b>				
Mr. Chu Kin Wang Peleus (resigned on 1 March 2017)	朱健宏先生 (於2017年3月1日辭任)	286	–	–	286
<b>Independent non-executive directors:</b>	<b>獨立非執行董事：</b>				
Mr. Fan Chor Ho	范佐浩先生	191	–	–	191
Mr. Li Cheuk Wai	李卓威先生	191	–	–	191
Mr. Wong Wai Keung Frederick	黃煒強先生	191	–	–	191
		859	6,473	60	7,392

## 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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### 10. DIRECTORS' REMUNERATION – continued

Notes:

- (i) Mr. Kan Kin Kwong is also Chief Executive of the Company and his emoluments disclosed above includes those for services rendered by him as Chief Executive.
- (ii) Mr. He Ding Ding has resigned as the independent non-executive director and was appointed as the deputy chief executive officer of the Company with effect from 1 March 2018.
- (iii) The executive directors' emoluments shown above were mainly for their services in connection with the management of the affairs of the Company and the Group. The emoluments of the non-executive directors and independent non-executive directors shown above were mainly for their services as directors of the Company.

#### Five highest paid individuals

The five highest paid individuals included 3 (2016: 3) directors of the Company for the year ended 31 December 2017. Details of whose emoluments are included above. The emoluments of the remaining highest paid individuals are as follows:

		2017	2016
		2017年	2016年
		HK\$'000	HK\$'000
		千港元	千港元
Employees	僱員		
– salaries and other benefits	– 薪金及其他福利	1,274	1,444
– performance-based bonus	– 績效花紅	–	85
– retirement benefits scheme contributions	– 退休福利計劃供款	33	36
		<b>1,307</b>	<b>1,565</b>

### 10. 董事酬金 – 續

附註：

- (i) 簡健光先生兼任本公司行政總裁，上述其薪酬披露包括其作為行政總裁提供服務所得的酬金。
- (ii) 賀丁丁先生已辭任獨立非執行董事職務，並獲委任為本公司副行政總裁，由2018年3月1日起生效。
- (iii) 上文所示執行董事的酬金主要為彼等就本公司及本集團管理事務提供服務。上文所示非執行董事及獨立非執行董事酬金主要為彼等作為本公司董事提供服務。

#### 五位最高薪人士

截至2017年12月31日止年度，五位最高薪人士包括三位董事（2016年：三位）。彼等之薪酬詳情載於上文。其餘最高薪人士的薪酬如下：

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

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

### 10. DIRECTORS' REMUNERATION – continued

#### Five highest paid individuals – continued

Their emoluments were within the following bands:

	2017 2017年 Number of employees 僱員人數	2016 2016年 Number of employees 僱員人數
Nil to HK\$1,000,000	2	2
零至1,000,000港元		

During both years, no emoluments were paid by the Group to the directors of the Company or the five highest paid individuals (including directors and employees) as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors have waived any emoluments during both years.

### 10. 董事酬金 – 續

#### 五位最高薪人士 – 續

介乎以下範圍的薪酬：

於兩個年度期間，本集團概無向本公司董事或五位最高薪人士（包括董事及僱員）支付薪酬作為加入本集團或加入本集團後的獎勵或離職賠償。於兩個年度期間，概無董事放棄收取任何薪酬。

### 11. TAXATION

### 11. 稅項

	2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
The taxation charge comprises:		
Hong Kong Profits Tax		
– Current year	4,478	4,028
PRC Enterprise Income Tax (“EIT”)		
– Current year	468	453
	4,946	4,481
Deferred tax charge (note 25)	771	289
	5,717	4,770

## 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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### 11. TAXATION – continued

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

The Group is engaged in manufacturing of fine jewellery products through a processing factory in the Mainland China under contract processing arrangement which is effective from 23 April 2008 to 7 April 2018. Accordingly, under such 50:50 onshore/offshore arrangement between the Group and the processing factory, certain profits of the Group are not taxable under Hong Kong Profits Tax during both years. In addition, the processing factory of the Group is subject to the PRC EIT at a rate of 25% on the deemed profit generated in Mainland China.

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

### 11. 稅項 – 續

於兩個年度，香港利得稅按估計應課稅溢利的16.5%計算。

本集團根據於2008年4月23日至2018年4月7日期間生效的合約加工安排，透過在中國大陸的加工廠從事製造優質珠寶產品，因此，根據本集團與加工廠之間50：50的在岸／離岸安排，本集團於兩個年度的若干溢利毋須繳納香港利得稅。此外，本集團的加工廠須就於中國大陸產生的設定溢利按稅率25%繳納中國企業所得稅。

年內稅項支出可與綜合損益及其他全面收益表內的除稅前溢利對賬如下：

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Profit before taxation	除稅前溢利	53,792	39,469
Tax at the applicable income tax rate at 16.5% (2016: 16.5%)	按適用所得稅率16.5% 繳納的稅項 (2016年：16.5%)	8,876	6,512
Tax effect of expenses not deductible for tax purposes	不可扣稅開支的稅務影響	3,698	1,831
Tax effect of income not taxable for tax purposes	毋須課稅收入的稅務影響	(2,952)	(67)
Effect of profit under 50:50 arrangement EIT	50：50安排下的溢利影響 企業所得稅	(4,373) 468	(3,959) 453
Taxation charge for the year	年內稅項支出	5,717	4,770

## 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

### 12. DIVIDEND

For the year ended 31 December 2016, the directors of the Company resolved to declare an interim dividend of HK\$13,500,000 and was paid on 15 September 2016 to the shareholders of the Company whose names appear on the register of members of the Company on 31 August 2016.

A final dividend of HK\$0.03 per share, totalling HK\$13,500,000 for the year ended 31 December 2016 was paid on 19 July 2017 to the shareholders of the Company whose name appeared on the register of members of the Company on 30 June 2017.

The directors of the Company resolved to declare an interim dividend of HK\$0.03 per share, totalling HK\$13,500,000 for the six months ended 30 June 2017 and was paid on 21 September 2017 to the shareholders of the Company whose names appear on the register of members of the Company on 8 September 2017.

The directors of the Company recommend to declare a final dividend of HK\$0.01 per share, totaling HK\$13,500,000 for the year ended 31 December 2017 to the shareholders of the Company whose names appear on the register of members of the Company on 8 June 2018.

### 12. 股息

截至2016年12月31日止年度，本公司董事議決宣派中期股息13,500,000港元，並已於2016年9月15日派付予於2016年8月31日名列本公司股東名冊之本公司股東。

截至2016年12月31日止年度之末期股息每股0.03港元，合共13,500,000港元已於2017年7月19日派付予於2017年6月30日名列本公司股東名冊之本公司股東。

本公司董事議決宣派截至2017年6月30日止六個月之中期股息每股0.03港元，合共13,500,000港元，並已於2017年9月21日派付予於2017年9月8日名列本公司股東名冊之本公司股東。

本公司董事建議宣派截至2017年12月31日止年度之末期股息每股0.01港元，合共13,500,000港元予於2018年6月8日名列本公司股東名冊之本公司股東。



## 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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### 13. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Profit for the year attributable to owners of the Company and earnings for the purposes of calculating basic and diluted earnings per share	本公司擁有人應佔年內溢利及就計算每股基本及攤薄盈利之盈利	48,843	34,699

### 13. 每股盈利

本公司擁有人應佔每股基本及攤薄盈利乃根據下列數據計算：

		Number of shares 股份數目	
		'000 千股	'000 千股 (Restated) (經重列)
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share (note)	就計算每股基本盈利之普通股加權平均數(附註)	1,350,000	1,350,000
Effect of dilutive potential ordinary shares: Share-based payments	具攤薄潛力普通股之影響：以股份支付款項	14,979	-
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	就計算每股攤薄盈利之普通股加權平均數	1,364,979	1,350,000

Note: Pursuant to a resolution passed by the shareholders of the Company at the extraordinary general meeting held on 12 September 2017, every one issued and unissued existing ordinary shares of HK\$0.01 each in the share capital of the Company was subdivided into three subdivided shares of on third Hong Kong cent each (the "Share Subdivision"). The Share Subdivision became effective on 13 September 2017.

附註：根據本公司股東於2017年9月12日舉行之股東特別大會上通過之決議案，本公司股本中每股面值0.01港元之已發行及未發行現有普通股份已拆細為三股每股面值三分之一港仙之拆細股份（「股份拆細」）。股份拆細已於2017年9月13日生效。

## 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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### 13. EARNINGS PER SHARE – continued

The weighted average number of ordinary shares for the purpose of calculating basic earnings per share has been adjusted for the Share Subdivision on 13 September 2017.

### 13. 每股盈利－續

就計算每股基本盈利而言，普通股加權平均數已就於2017年9月13日之股份拆細作出調整。

### 14. PROPERTY, PLANT AND EQUIPMENT

### 14. 物業、廠房及設備

		Plant and machinery 廠房及 機械 HK\$'000 千港元	Furniture and fixtures 傢俱及 裝置 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Moulds 模具 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Year ended 31 December 2016	截至2016年12月31日止年度					
<b>At 1 January 2016</b>	<b>於2016年1月1日</b>					
Cost	成本	4,933	14,811	1,946	1,228	22,918
Accumulated depreciation	累計折舊	(3,980)	(10,300)	(1,669)	(1,168)	(17,117)
Net book amount	賬面淨值	953	4,511	277	60	5,801
At 1 January 2016	於2016年1月1日	953	4,511	277	60	5,801
Additions	添置	99	1,650	902	10	2,661
Disposals	出售	-	(8)	-	-	(8)
Depreciation	折舊	(399)	(1,683)	(249)	(47)	(2,378)
At 31 December 2016	於2016年12月31日	653	4,470	930	23	6,076
<b>At 31 December 2016</b>	<b>於2016年12月31日</b>					
Cost	成本	5,032	16,448	2,848	1,238	25,566
Accumulated depreciation	累計折舊	(4,379)	(11,978)	(1,918)	(1,215)	(19,490)
At 31 December 2016	於2016年12月31日	653	4,470	930	23	6,076
<b>Representing:</b>	<b>代表：</b>					
Cost	成本	653	4,470	930	23	6,076

## 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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### 14. PROPERTY, PLANT AND EQUIPMENT – continued

### 14. 物業、廠房及設備 – 續

		Plant and machinery 廠房及機械 HK\$' 000 千港元	Furniture and fixtures 傢俱及裝置 HK\$' 000 千港元	Motor vehicles 汽車 HK\$' 000 千港元	Moulds 模具 HK\$' 000 千港元	Construction in progress 在建工程 HK\$' 000 千港元	Total 總計 HK\$' 000 千港元
Year ended 31 December 2017	截至2017年12月31日止年度						
<b>At 1 January 2017</b>	<b>於2017年1月1日</b>						
Cost	成本	5,032	16,448	2,848	1,238	–	25,566
Accumulated depreciation	累計折舊	(4,379)	(11,978)	(1,918)	(1,215)	–	(19,490)
Net book amount	賬面淨值	653	4,470	930	23	–	6,076
At 1 January 2017	於2017年1月1日	653	4,470	930	23	–	6,076
Additions	添置	5	1,079	820	46	48,711	50,661
Transfer from prepaid lease payments	轉撥自預付租賃款項	–	–	–	–	1,557	1,557
Transfer to properties under development for sale	轉撥至發展中待售物業	–	–	–	–	(27,241)	(27,241)
Depreciation	折舊	(379)	(1,866)	(375)	(30)	–	(2,650)
Exchange realignment	匯兌調整	–	18	45	–	518	581
At 31 December 2017	於2017年12月31日	279	3,701	1,420	39	23,545	28,984
<b>At 31 December 2017</b>	<b>於2017年12月31日</b>						
Cost	成本	5,037	17,527	3,668	1,284	23,027	50,543
Accumulated depreciation	累計折舊	(4,758)	(13,844)	(2,293)	(1,245)	–	(22,140)
Exchange realignment	匯兌調整	–	18	45	–	518	581
At 31 December 2017	於2017年12月31日	279	3,701	1,420	39	23,545	28,984
<b>Representing:</b>	<b>代表：</b>						
Cost	成本	279	3,701	1,420	39	23,545	28,984

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### 14. PROPERTY, PLANT AND EQUIPMENT – continued

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate their cost or fair value to their residual values over their estimated useful lives as follows:

Plant and machinery	20% per annum
Furniture and fixtures	20% per annum
Motor vehicles	20% per annum
Moulds	30% per annum

### 14. 物業、廠房及設備－續

物業、廠房及設備的折舊採用直線法計算，以於其估計使用年期攤分其成本或公平值至剩餘價值如下：

廠房及機械	每年20%
傢俱及裝置	每年20%
汽車	每年20%
模具	每年30%

### 15. PREPAID LEASE PAYMENTS

### 15. 預付租賃款項

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
The Group's prepaid lease payments comprise: 本集團之預付租賃款項包括：			
Leasehold land in the PRC	於中國之租賃土地		
Non-current asset	非流動資產	16,890	—
Current asset	流動資產	351	—
		17,241	—

### 16. INVENTORIES

### 16. 存貨

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Raw materials	原材料	50,255	44,172
Work in progress	在製品	11,364	5,790
Finished goods	製成品	118,337	119,259
		179,956	169,221

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### 17. PROPERTIES UNDER DEVELOPMENT FOR SALE

### 17. 發展中待售物業

		2017 2017年 HK\$'000 千港元
At 1 January	於1月1日	–
Transfer from property, plant and equipment	轉撥自物業、廠房及設備	27,241
Transfer from prepaid lease payments	轉撥自預付租賃款項	107,909
Additions	添置	42,687
Exchange realignment	匯兌調整	8,560
At 31 December	於12月31日	186,397

On 13 January 2017, the Group entered into an agreement with Jiangmen City Yingtuo Real Estate Planning Co., Ltd. (“Jiangmen Yingtuo”) for the formation of a PRC subsidiary which 70% interest would be held by the Group and 30% interest held by Jiangmen Yingtuo.

於2017年1月13日，本集團與江門市盈拓地產策劃有限公司（「江門盈拓」）訂立協議以成立中國附屬公司，當中本集團持有70%權益及江門盈拓持有30%權益。

On 15 February 2017, the Group and Jiangmen Yingtuo won the bidding for land use right of a land located at east of Foshan 1st Ring Road South Extension and south of Lunjiao Dachong River, Lunjiao Shilong Industrial Zone, Shunde District, Foshan, Guangdong Province, the PRC (the “Land”) for consideration of RMB105,390,000 (equivalent to HK\$118,416,000) at the closing of the online listing-for-sale held by the Shunde Public Resources Trading Centre.

於2017年2月15日，本集團與江門盈拓於順德公共資源交易中心舉行的網上掛牌出讓截止時成功投得位於中國廣東省佛山市順德區倫教世龍工業區佛山一環南延線以東、倫教大涌以南地塊（「該地塊」）之土地使用權，代價為人民幣105,390,000元（相當於118,416,000港元）。

On 21 September 2017, the Group has revised the development plan on the land (the “Revised Plan”) from an own-use factory space to an integrated and comprehensive industry park for fine jewellery exhibitions, and planned to sell a portion of the factory space as well as a portion of ancillary facilities. A portion of the previously acquired leasehold land and construction in progress have been transferred to properties under development for sale upon the change of intention of the properties.

於2017年9月21日，本集團修改地塊之發展計劃（「經修訂計劃」），由自用工廠空間更改為綜合全面產業中心以進行優質珠寶展覽會，並計劃出售部份工廠空間及部份配套設施。先前收購之租賃土地及在建工程部份已於更改物業之擬定用途後轉撥至發展中待售物業。

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For the Year ended 31 December 2017  
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### 18. TRADE AND OTHER RECEIVABLES

### 18. 貿易及其他應收款項

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Trade receivables	貿易應收款項	89,091	74,375
Less: Allowance for doubtful debts	減：呆賬撥備	(887)	(1,980)
		<b>88,204</b>	72,395
Other receivables, prepayments and deposits	其他應收款項、 預付款項及訂金	22,423	3,336
		<b>110,627</b>	75,731

The following is an analysis of trade receivable by age net of allowance for doubtful debts, presented based on the invoice date, which approximates the respective revenue recognition dates.

下列為貿易應收款項(扣除呆賬撥備)按賬齡劃分的分析，根據與各自收益確認日期相若的發票日期呈列。

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
0 – 30 days	0至30日	27,052	15,817
31 – 60 days	31至60日	14,153	13,350
61 – 180 days	61至180日	40,213	27,376
181 – 365 days	181至365日	5,255	7,896
Over 1 year	一年以上	1,531	7,956
		<b>88,204</b>	72,395

The Group allows a credit period of up to 120 days to its customers. A longer credit period may be granted to large or long established customers with good payment history.

本集團向客戶批准的信貸期最多為120日，大型或歷史悠久且付款記錄良好的客戶可獲較長的信貸期。

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

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### 18. TRADE AND OTHER RECEIVABLES – continued

Before accepting any new customers, the Group has an internal credit control system to assess the potential customers' credit quality and the board of directors has delegated the management to be responsible for the determination of credit limits and credit approvals for customers. Limits attributed to customers are reviewed periodically. Approximately 41% (2016: 32%) of the trade receivables as at 31 December 2017 are neither past due nor impaired and they were assessed to be of good credit rating attributable under the credit control system used by the Group.

The Group's management takes into consideration of customers' credit history, settlement patterns, subsequent settlements and aging analysis of trade receivables in determining the recoverability of the overdue trade receivables. The directors of the Company considered that the concentration of credit risk is limited due to customer base being large and unrelated.

### 18. 貿易及其他應收款項－續

接受任何新客戶前，本集團設有內部信貸控制系統，以評估潛在客戶的信貸質素，董事會亦已指派管理層負責釐定客戶的信貸限額及信貸批核，並且定期檢討客戶獲批的限額。於2017年12月31日的貿易應收款項中，約41%（2016年：32%）並無逾期或減值，因此在本集團所用的信貸控制系統下獲評估為良好信貸級別。

本集團管理層於釐定逾期貿易應收款項的可收回性時，會考慮客戶的信用記錄、償付方式、其後結算情況及貿易應收款項的賬齡分析。本公司董事認為，由於客戶群龐大及互不相關，故集中信貸風險有限。

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

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### 18. TRADE AND OTHER RECEIVABLES – continued

As at 31 December 2017, trade receivables of HK\$52,453,000 (2016: HK\$49,498,000) are past due but not impaired. Such receivables relate to a number of customers of which substantial subsequent settlements were made. The Group does not hold any collateral as security over these balances. The aging analysis of these trade receivables is as follows:

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Overdue by:	逾期：		
1 – 30 days	1至30日	16,975	15,672
31 – 60 days	31至60日	14,551	9,540
61 – 180 days	61至180日	19,030	13,809
181 – 365 days	181至365日	374	3,324
Over 1 year	一年以上	1,523	7,153
		<b>52,453</b>	49,498

Movement in the allowance for doubtful debts of trade receivables is as follows:

### 18. 貿易及其他應收款項－續

於2017年12月31日的貿易應收款項中，52,453,000港元（2016年：49,498,000港元）已逾期但並無減值，該等應收款項與多名客戶有關，彼等已於其後償付大部份應收款項。本集團並無持有任何抵押品作為該等結餘的抵押。該等貿易應收款項的賬齡分析如下：

貿易應收款項的呆賬撥備變動如下：

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
At beginning of the year	於年初	1,980	–
Impairment loss recognised	已確認減值虧損	1,029	1,980
Amounts recovered during the year	年內已收回款項	(2,122)	–
At end of the year	於年末	<b>887</b>	1,980



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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### 19. DEPOSITS

### 19. 按金

		2017	2016
		2017年	2016年
		HK\$'000	HK\$'000
		千港元	千港元
The Group's deposits comprise:	本集團按金包括：		
Non-current asset:	非流動資產：		
Deposit paid for acquisition of an equity investment (note a)	收購股本投資之已付按金 (附註a)	3,369	-
Rental deposits	租金按金	752	752
		<b>4,121</b>	752
Current asset:	流動資產：		
Deposit paid for acquisition of an equity investment (note a)	收購股本投資之已付按金 (附註a)	-	3,369
Deposit for acquisition of land use right (note b)	收購土地使用權之按金 (附註b)	-	28,250
		-	31,619

Notes:

附註：

- (a) The amount represented a refundable deposit paid for acquisition of 5% equity interest in a private company incorporated in the PRC for a jewellery complex project, with a consideration of RMB2,850,000 (equivalent to HK\$3,369,000). As at December 2016, the Group expected the acquisition would be completed within twelve months and therefore, the deposit would be realised within twelve months and therefore, presented as current asset. During the year, the directors of the Company consider the acquisition will not be completed within twelve months after the year end date and therefore the deposits are presented as non-current asset.

- (a) 有關款項指就一項珠寶綜合項目收購一間於中國註冊成立之私人公司之5%股權之已付可退回按金，代價為人民幣2,850,000元（相當於3,369,000港元）。於2016年12月，本集團預期收購將於十二個月內完成，故按金可於十二個月內變現，因此列作流動資產。於年內，本公司董事認為收購將不會於年結日後十二個月內完成，因此按金已列作非流動資產。

## 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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### 19. DEPOSITS – continued

Notes: – continued

- (b) As at 31 December 2016, the amount represented a refundable deposit amounting to RMB25,000,000 (equivalent to HK\$28,250,000) paid by the shareholder of Jiangmen Yingtuo, an independent third party, on behalf of the Group for the joint bidding of the Land. On 15 February 2017, the Group and Jiangmen Yingtuo won the bidding for the Land for the consideration of RMB105,390,000 (equivalent to HK\$118,416,000) at the closing of the online listing-for-sale held by the Shunde Public Resources Trading Centre, and the deposit was refunded to the shareholder of Jiangmen Yingtuo from Shunde Public Resources Trading Centre.

### 20. BANK BALANCES AND CASH

Included in bank balances and cash are the following amounts denominated in currency other than functional currency of the relevant group entities:

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Hong Kong Dollar (“HK\$”)	港元(「港元」)	25,359	63,718
United Arab Emiratis Dirham (“Dirham”)	阿聯酋迪拉姆(「迪拉姆」)	5,193	7,504
		<b>30,552</b>	71,222

Bank balances and short-term bank deposits, which carry interest at prevailing market rates ranged from 0.01% to 1.20% per annum (2016: 0.01% to 1.20% per annum) as at 31 December 2017.

### 19. 按金－續

附註：－續

- (b) 於2016年12月31日，有關款項指江門盈拓之股東（一名獨立第三方）代表本集團共同競投該地塊之已付可退回按金人民幣25,000,000元（相當於28,250,000港元）。於2017年2月15日，本集團與江門盈拓於順德公共資源交易中心舉行的網上掛牌出讓截止時成功投得該地塊，代價為人民幣105,390,000元（相當於118,416,000港元），而順德公共資源交易中心已向江門盈拓的股東退回有關按金。

### 20. 銀行結餘及現金

以下以有關集團實體功能貨幣以外的貨幣計值的金額計入銀行結餘及現金：

於2017年12月31日的銀行結餘及短期銀行存款乃按當時市場上的年利率0.01%至1.20%（2016年：年利率0.01%至1.20%）計息。

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

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### 21. TRADE AND OTHER PAYABLES

### 21. 貿易及其他應付款項

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Trade payables	貿易應付款項	15,202	6,257
Accruals and other payables	應計款項及其他應付款項	13,937	24,812
		<b>29,139</b>	31,069

Accruals and other payables mainly consist of receipt in advance from customers, payable of staff salaries and benefits and deposit paid by customers.

應計款項及其他應付款項主要包括預先收取客戶款項、應付員工薪金及福利以及客戶已付按金。

The following is an aged analysis of trade payables presented based on invoice date at the end of each year:

於各年末按發票日期呈列的貿易應付款項的賬齡分析如下：

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
0 – 60 days	0至60日	12,570	6,257
61 – 90 days	61至90日	1,508	–
Over 90 days	90日以上	1,124	–
		<b>15,202</b>	6,257

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

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### 22. BANK LOANS

	2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Trust receipts loans 信託收據貸款	25,580	2,365

Bank loans denominated in United States Dollars with repayable on demand clause are classified under current liability on the consolidated statement of financial position. The Group's bank loans are payable within one year based on the scheduled repayment dates set out in the loan agreement.

The Group's bank loans are unsecured and carry annual interest at London Interbank Offer Rate ("LIBOR") plus 2.5%.

### 23. OTHER BORROWING

The amount represented an unsecured and unguaranteed loan from the shareholder of Jiangmen Yingtuo amounting to RMB25,000,000 (equivalent to HK\$28,250,000) utilised by the Group as deposit for jointly bidding of the land use right of the Land. The amount was settled on 7 March 2017 upon the refund of deposit from Shunde Public Resources Trading Centre to the shareholder of Jiangmen Yingtuo. The other borrowing carry interest at 6% per annum.

### 22. 銀行貸款

訂有須按要求還款條款的美元銀行貸款在綜合財務狀況表分類為流動負債。本集團之銀行貸款須按貸款協議所預定還款日期於一年內償還。

本集團之銀行貸款為無抵押及按倫敦銀行同業拆息（「倫敦銀行同業拆息」）加年利率2.5厘計息。

### 23. 其他借貸

有關款項指江門盈拓之股東提供之無抵押及無擔保貸款人民幣25,000,000元（相當於28,250,000港元），由本集團用於共同競投該地塊之土地使用權之按金。有關款項已於順德公共資源交易中心退回按金予江門盈拓的股東後於2017年3月7日償付。其他借貸按年利率6%計息。

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

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### 24. PROVISION FOR LONG SERVICE PAYMENTS

The provision for long service payments is determined with reference to the employees' remuneration and their years of services.

### 24. 長期服務金撥備

長期服務金撥備參考僱員酬金及彼等的服務年期釐定。

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
At 1 January	於1月1日	999	936
Provision for the year	年內撥備	178	63
At 31 December	於12月31日	1,177	999

### 25. DEFERRED TAX (LIABILITIES) ASSETS

The movements in deferred tax assets (liabilities) during the year are as follows:

### 25. 遞延稅項(負債)資產

於年內，遞延稅項資產(負債)的變動如下：

		Provision for social security funds 社會保障 基金撥備 HK\$'000 千港元	Accelerated tax depreciation/ accounting depreciation 加速 稅項折舊/ 會計折舊 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2016	於2016年1月1日	1,334	(357)	977
Charge to profit or loss	自損益扣除	-	(289)	(289)
At 31 December 2016	於2016年12月31日	1,334	(646)	688
(Charge) credit to profit or loss	(自損益扣除) 計入損益	(1,334)	563	(771)
At 31 December 2017	於2017年12月31日	-	(83)	(83)

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### 25. DEFERRED TAX (LIABILITIES) ASSETS – continued

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset.

### 25. 遞延稅項(負債)資產－續

就於綜合財務狀況表呈列而言，若干遞延稅項資產及負債已抵銷。

### 26. SHARE CAPITAL

### 26. 股本

		2017	2016
		2017年	2016年
		HK\$'000	HK\$'000
		千港元	千港元
Authorised:	法定：		
3,000,000,000 ordinary shares of one third Hong Kong cent each (2016: 1,000,000,000 ordinary shares of HK\$0.01 each)	3,000,000,000股每股面值三分之一港仙之普通股份(2016年：1,000,000,000股每股面值0.01港元之普通股份)	10,000	10,000
Issued and fully paid:	已發行及繳足：		
1,350,000,000 ordinary shares of one third Hong Kong cent each (2016: 450,000,000 ordinary shares of HK\$0.01 each)	1,350,000,000股每股面值三分之一港仙之普通股份(2016年：450,000,000股每股面值0.01港元之普通股份)	4,500	4,500

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

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### 26. SHARE CAPITAL – continued

The movements in the Company's share capital for the year ended 31 December 2016 and 2017 were as follows:

### 26. 股本－續

截至2016年及2017年12月31日止年度，本公司之股本變動載列如下：

		Number of ordinary shares 普通股份數目	Nominal value of ordinary shares 普通股份面值 HK\$'000 千港元
		Notes 附註	
Authorised: 法定：			
At 1 January 2016, 31 December 2016 and 1 January 2017	於2016年1月1日、2016年12月31日及2017年1月1日		10,000
Effect of Share Subdivision	股份拆細之影響	(ii)	–
At 31 December 2017 於2017年12月31日			10,000
Issued and fully paid: 已發行及繳足：			
At 1 January 2016	於2016年1月1日		–
Issued of shares and capitalisation issued of shares on 4 January 2016	於2016年1月4日之已發行股份及資本化已發行股份	(i)	4,500
At 31 December 2016 and 1 January 2017 於2016年12月31日及2017年1月1日			4,500
Effect of Share Subdivision	股份拆細之影響	(ii)	–
At 31 December 2017 於2017年12月31日			4,500

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

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### 26. SHARE CAPITAL – continued

- (i) On 4 January 2016, as part of the Group Reorganisation, pursuant to the listing of the shares of the Company on the Stock Exchange, 100 shares, 337,499,700 shares and 112,500,000 shares of the Company were issued to the then existing shareholders as a result of the loan capitalisation, capitalisation issue and the global offering respectively. The Company completed its global offering and its shares were listed on the Stock Exchange on 4 January 2016.

As at 31 December 2016, the Company has 450,000,000 issued and fully paid ordinary shares of HK\$0.01 each.

- (ii) Pursuant to a resolution passed by the shareholders of the Company at the extraordinary general meeting held on 12 September 2017, every one issued and unissued existing ordinary share of HK\$0.01 each in the share capital of the Company was subdivided into three subdivided shares of one third Hong Kong cent each. The Share Subdivision became effective on 13 September 2017.

All shares issued rank pari passu with the then existing in issue in all respects.

### 27. SHARE-BASED PAYMENTS

Pursuant to written resolutions passed on 14 December 2015, the Company adopted a share option scheme (the “Share Option Scheme”). The Share Option Scheme was valid for a period of 10 years commencing on 14 December 2015.

The purpose of the Share Option Scheme is to enable the Group to grant options to selected participants as incentives or rewards for their contribution to the Group.

### 26. 股本－續

- (i) 於2016年1月4日，除集團重組外，根據本公司股份於聯交所上市，因進行貸款資本化、資本化發行及全球發售而分別發行100股、337,499,700股及112,500,000股本公司股份予當時的現有股東。本公司已於2016年1月4日完成全球發售及其股份已於聯交所上市。

於2016年12月31日，本公司有450,000,000股每股面值0.01港元之已發行及繳足普通股份。

- (ii) 根據本公司股東於2017年9月12日舉行之股東特別大會上通過之決議案，本公司股本中每股面值0.01港元之已發行及未發行現有普通股份已拆細為三股每股面值三分之一港仙之拆細股份。股份拆細已於2017年9月13日生效。

所有已發行股份於所有方面與當時現有已發行股份享有同等權益。

### 27. 以股份支付款項

根據本公司於2015年12月14日通過的書面決議案，本公司已採納購股權計劃（「購股權計劃」）。購股權計劃由2015年12月14日起計有效10年。

購股權計劃之目的是令本集團可以向特選之參與者授予股份，以鼓勵或報答其對本集團所作之貢獻。



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### 27. SHARE-BASED PAYMENTS – continued

Under the Share Option Scheme, the directors of the Company may, at its discretion, grant options to subscribe for shares in the Company to eligible participants (“Eligible Participants”) who contribute to the long-term growth and profitability of the Company. Eligible Participants include (i) any employee (whether full-time or part-time including any executive director but excluding any non-executive director) of the Company, any of its subsidiaries or any entity (“Invested Entity”) in which any member of the Group holds an equity interest; (ii) any non-executive directors (including independent non-executive directors) of the Company, any of its subsidiaries or any Invested Entity; (iii) any supplier of goods or services to any member of the Group or any Invested Entity; (iv) any customer of any member of the Group or any Invested Entity; (v) any person or entity that provides research, development or other technological support to any member of the Group or any Invested Entity; (vi) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity; (vii) any adviser (professional or otherwise) or consultant to any area of business or business development of any member of the Group or any Invested Entity; and (viii) any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement to the development and growth of the Group.

The maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under this scheme and any other share option schemes adopted by the Group shall not exceed 30% of the share capital of the Company in issue from time to time.

### 27. 以股份支付款項 – 續

根據購股權計劃，本公司董事有權決定向為本公司之長遠發展和盈利能力作出貢獻之合資格參與者（「合資格參與者」）授予可認購本公司股份之購股權。合資格者包括：(i)本公司、其任何附屬公司或由本集團任何成員公司持有股份權益之任何實體（「投資實體」）之任何僱員（無論全職或兼職，包括任何執行董事，惟不包括非執行董事）；(ii)本公司、其任何附屬公司或任何投資實體之任何非執行董事（包括獨立非執行董事）；(iii)本集團任何成員公司或任何投資實體之任何貨物或服務供應商；(iv)本集團任何成員公司或任何投資實體之任何顧客；(v)為本集團任何成員公司或任何投資實體提供研究、開發或其他技術支援之任何個人或實體；(vi)本集團任何成員公司或任何投資實體之任何股東，或持有由本集團任何成員公司或任何投資實體所發行之任何證券之任何人士；(vii)任何向本集團任何成員公司或任何投資實體任何業務範圍或業務發展作出建議人士（專業人士或其他）或顧問；及(viii)透過合資、業務夥伴或其他商業安排而對本集團之發展和增長作出貢獻或可能作出貢獻之任何其他參與者組別或類別。

因根據此計劃及本集團所採納之任何其他購股權計劃已授出但未行使之所有購股權獲行使而可能發行之股份最高數目，不得超過本公司不時已發行股本之30%。

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### 27. SHARE-BASED PAYMENTS – continued

The total number of shares which may be allotted and issued upon exercise of all options to be granted under this scheme and any other share option of the Group must not in aggregate exceed 10% of the shares in issue as at the date of passing of the relevant resolution adopting this scheme.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the price of the Company's shares at the date of the grant) in excess of HK\$5,000,000, within any twelve-month period, are subject to shareholders' approval in advance in a general meeting.

The offer of a grant of share options may be accepted within 21 days from the date of the offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors of the Company, save that such period shall not be more than ten years from the date of the offer of the share options, subject to the provisions for early termination as set out in the Share Option Scheme. Unless otherwise determined by the directors at their absolute discretion, there is no requirement of a minimum period for which an option must be held before an option can be exercised. In addition, there is no performance target which must be achieved before any of the options can be exercised.

### 27. 以股份支付款項－續

因根據此計劃及本集團其他購股權計劃將予授出之購股權獲行使而可配發及發行之股份總數合共不得超過通過採納此計劃之有關決議案當日已發行股份總數之10%。

授予本公司董事、行政總裁或主要股東，或彼等任何聯繫人士之購股權，須在事前獲得獨立非執行董事批准。此外，在任何十二個月內授予本公司主要股東或獨立非執行董事、或彼等任何聯繫人士之購股權，在任何時候若超過公司已發行股份之0.1%，或其總值（以授出當日之本公司股價計算）超過5,000,000港元，須事前於股東大會上獲股東通過。

授出購股權之要約可於要約日起21日內，由承授人以合計1港元之名義代價接納。所授出購股權之行使期由本公司董事決定，惟自授出購股權日期起計，不應超過十年，並受到購股權計劃中提前終止條款規定所限制。除非由董事全權酌情決定，否則購股權並無規定最少須持有至某個特定時限始可行使，此外，亦無規定須達致某個表現目標始可行使。

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

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### 27. SHARE-BASED PAYMENTS – continued

The exercise price of the share options is determinable by the directors of the Company, but may not be less than the highest of (i) the Stock Exchange closing price of the Company's shares on the date of the offer of the share options; (ii) the average Stock Exchange closing price of the Company's shares for the five business days immediately preceding the date of the offer; and (iii) the nominal value of the Company's shares on the date of the offer.

A summary of movements of the outstanding share options granted to and held by the Company's participants:

### 27. 以股份支付款項 – 續

購股權之行使價由本公司董事決定，惟不能低於以下之最高價：(i)在購股權要約日期本公司股份在聯交所之收市價；(ii)在購股權要約日期前五個營業日內本公司股份在聯交所之平均收市價；及(iii)在購股權要約日期本公司股份之面值。

已授予本公司參與者及彼等所持有之尚未行使購股權之變動概要：

		Number of share options 購股權數目							
		Outstanding at Date of grant	Granted during the year	Exercised during the year	Lapsed during the year	Adjustment due to share subdivision	Outstanding at 31.12.2017	Adjusted exercise price	
		1.1.2017	the year	the year	the year	因股份 拆細而調整	於 二零一七 年十二月 三十一日 尚未行使	經調整 行使價	
Date of grant	授出日期	尚未行使 '000 千份	年內 已授出 '000 千份	年內 已行使 '000 千份	年內 已失效 '000 千份 (note 1) (附註1)	'000 千份	'000 千份 (note 1) (附註1)		
Directors	董事	31.5.2017	–	2,490	–	–	4,980	7,470	HK\$1.07港元
Eligible persons	合資格人士	31.5.2017	–	11,004	–	(945)	20,118	30,177	HK\$1.07港元
Total	總計	–	13,494	–	(945)	25,098	37,647		

Note 1: Upon the Share Subdivision became effective, pro-rata adjustments were made to the exercise prices from HK\$3.21 to HK\$1.07 and the number of share options outstanding, so as to give the participants the same proportion of the equity capital as that they were entitled to before the effect of the Share Subdivision.

附註1：於股份拆細生效後，已按比例調整行使價（由3.21港元調整至1.07港元）及尚未行使購股權數目，以向參與者提供與未計及股份拆細影響前所享有相同比例的股本。

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### 27. SHARE-BASED PAYMENTS – continued

No share options were exercised during the year. In the current year, the share options granted under the Share Option Scheme are exercisable commencing from 31 May 2018 to 30 May 2023 (both dates inclusive) for the first tranche (“Tranche 1”) and from 31 May 2019 to 30 May 2024 (both dates inclusive) for the second tranche (“Tranche 2”). The closing price of the Company’s shares immediately before 31 May 2017, the date on which the share options were granted was HK\$1.07 after the effect of the Share Subdivision. For Tranche 1, the fair values of the share options determined at the dates of grant using the binomial model for share options granted to directors of the Company and other eligible persons were HK\$0.37 and HK\$0.36, respectively after the effect of Share Subdivision. For Tranche 2, the fair values of the share options determined at the dates of grant using the binomial model for share options granted to directors of the Company and other eligible persons were HK\$0.42 and HK\$0.41, respectively after the effect of Share Subdivision.

### 27. 以股份支付款項－續

年內並無購股權獲行使。於本年度，根據購股權計劃所授出之購股權當中，第一批購股權（「第一批」）可由2018年5月31日至2023年5月30日（包括首尾兩日）行使，而第二批購股權（「第二批」）可由2019年5月31日至2024年5月30日（包括首尾兩日）行使。本公司股份於緊接2017年5月31日（即購股權授出日期）前之收市價為1.07港元（計及股份拆細之影響後）。就第一批而言，根據二項式模型釐定授予本公司董事及其他合資格人士之購股權於授出日期之購股權公平值分別為0.37港元及0.36港元（計及股份拆細之影響後）。就第二批而言，根據二項式模型釐定授予本公司董事及其他合資格人士之購股權於授出日期之購股權公平值分別為0.42港元及0.41港元（計及股份拆細之影響後）。

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### 27. SHARE-BASED PAYMENTS – continued

The following assumptions were used to calculate the fair values of the share options:

	Tranche 1 第一批	Tranche 2 第二批
Grant date 授出日期	31 May 2017 2017年5月31日	31 May 2017 2017年5月31日
Grant date share price (adjusted) 授出日期之股價(經調整)	HK\$1.07 1.07港元	HK\$1.07 1.07港元
Exercise Price 行使價	HK\$1.07 1.07港元	HK\$1.07 1.07港元
Expected Life 預計年期	6 years 6年	7 years 7年
Expected Volatility 預計波幅	52%	53%
Dividend Yield 股息率	1.87%	1.87%
Risk-free interest Rate 無風險利率	1.00%	1.06%

### 27. 以股份支付款項 – 續

以下為計算購股權公平值所使用之假設：

The valuations are carried out by independent qualified professional valuers, which are not connected with the Group. The binomial model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the independent qualified professional valuers' best estimate. Changes in variables and assumptions may result in changes in the fair value of the options.

The Group recognised the expense of HK\$6,244,000, net of effect on share options lapsed of HK\$467,000 for the year ended 31 December 2017 (2016: nil) in relation to share options granted by the Company.

估值乃由與本集團並無關連之獨立合資格專業估值師進行，並使用二項式模型估計購股權之公平值。計算購股權公平值所用之變數及假設乃基於獨立合資格專業估值師之最佳估計。購股權之公平值可因應變數及假設之轉變而變化。

截至2017年12月31日止年度，本集團就本公司授出之購股權確認開支6,244,000港元(扣除購股權失效之影響467,000港元)(2016年：無)。

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

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### 28. RETIREMENT BENEFITS SCHEME

#### Defined contribution scheme

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the “MPF Scheme”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance. Under the MPF Scheme, the employees are required to contribute 5% of their monthly salaries or up to a maximum of HK\$1,500 and they can choose to make additional contributions. The employer’s monthly contributions are calculated at 5% of the employee’s monthly salaries or up to a maximum of HK\$1,500 (the “mandatory contributions”). The employees are entitled to 100% of the employer’s mandatory contributions upon their retirement at the age of 65, death or total incapacity.

The employees of the Group’s factory and offices in Mainland China are members of a state-managed retirement benefit plan operated by the government of Mainland China. The Group are required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions.

### 28. 退休福利計劃

#### 界定供款計劃

本集團根據香港強制性公積金計劃條例運作界定供款的強制性公積金退休福利計劃（「強積金計劃」）。根據強積金計劃，僱員須作出相等於其月薪5%或最多1,500港元的供款，彼等亦可選擇作出額外供款。僱員的每月供款按僱員月薪的5%計算或最多1,500港元（「強制性供款」）。僱員可於65歲退休、身故或完全喪失工作能力時獲得100%的僱主強制性供款。

本集團中國大陸工廠及辦事處的僱員參加由中國大陸政府運作的國家管理退休福利計劃，本集團須按薪金成本的特定百分比向退休福利計劃作出供款，以為福利提供資金，本集團有關退休福利計劃的唯一責任為作出指定供款。

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

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### 29. RELATED PARTY TRANSACTIONS

The Group had the following transactions with related parties during the years:

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Rental expenses paid to entities under controlled by a director of the Company	向由本公司一名董事控制的 實體支付租金開支	4,722	4,464

### 29. 關連方交易

本集團於年內與關連方進行以下交易：

Key management personnel include directors of the Company and other senior management of the Group. The remuneration paid or payable during the years are as follows:

主要管理人員包括本公司的董事及本集團的其他高級管理層。於年內已付或應付薪酬如下：

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Short-term benefits	短期福利	9,842	9,891
Post-employment benefits	離職後福利	137	131
		<b>9,979</b>	10,022

The remuneration of key management personnel is determined by the management of the Company having regard to the performance of individuals and market trends.

主要管理人員薪酬由本公司管理層參考個人表現及市場趨勢釐定。

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

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### 30. OPERATING LEASE COMMITMENTS

The Group had future aggregate minimum lease payables under non-cancellable operating leases in respect of office premises, factory buildings and motor vehicles, as follows:

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Within one year	一年內	4,967	7,316
After one year but within five years	一年後但五年內	–	3,570
		4,967	10,886

Operating lease commitments as at 31 December 2017 included commitment to entities controlled by a director of the Company amounted to HK\$2,288,000 (2016: HK\$7,211,000).

Operating lease payments represent rentals payable by the Group for certain office premises, factory buildings and motor vehicles. Leases are negotiated for terms of one to five years.

### 31. COMMITMENTS

The Group contracted for but not provided in the consolidated financial statements amounting to approximately RMB46,581,000 (equivalent to HK\$55,896,000) and RMB301,650,000 (equivalent to HK\$381,400,000) in respect of constructions works for properties for own use and properties under development for sale, respectively.

### 30. 經營租賃承擔

本集團根據不可註銷經營租約就辦公室物業、廠房大廈及汽車的未來最低應付租賃款項總額如下：

於2017年12月31日的經營租約承擔包括向由本公司一名董事控制的實體的承擔2,288,000港元(2016年：7,211,000港元)。

經營租賃款項指本集團就若干辦公室物業、工廠大廈及汽車而應付的租金，經磋商租約年期為一至五年。

### 31. 承擔

本集團就自用物業及發展中待售物業之建築工程有已訂約但未於綜合財務報表撥備分別約人民幣46,581,000元(相當於55,896,000港元)及人民幣301,650,000元(相當於381,400,000港元)。



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

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### 32. PARTICULARS OF SUBSIDIARIES OF THE COMPANY

Details of the Company's subsidiaries, all of which are limited liability companies, at 31 December 2017 and 31 December 2016 are as follows:

### 32. 本公司附屬公司的詳情

於2017年12月31日及2016年12月31日，本公司的附屬公司（均為有限公司）詳情載列如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration/ operations 註冊成立/ 註冊/經營地點	Issued and fully paid share capital/registered and paid-up capital 已發行及繳足股本/ 註冊及繳足股本		Proportion of nominal value of issued capital/ registered capital held by the Company 本公司所持已發行股本/ 註冊股本面值比例				Principal activities 主要業務
		2017	2016	Directly 直接		Indirectly 間接		
		2017年	2016年	2017	2016	2017	2016	
				2017年	2016年	2017年	2016年	
				%	%	%	%	
Perfect Group International Holdings (HK) Limited 保發集團國際控股(香港)有限公司	Hong Kong 香港	Ordinary shares HK\$10,000,001 普通股 10,000,001港元	Ordinary shares HK\$10,000,001 普通股 10,000,001港元	-	-	100	100	Designing, manufacturing and exporting of fine jewellery 設計、製造及出口優質珠寶
Perfect Group China Holding (HK) Limited	Hong Kong 香港	Ordinary shares HK\$10,000 普通股 10,000港元	Ordinary shares HK\$10,000 普通股 10,000港元	-	-	100	100	Investment holding 投資控股
Perfect Group China Investment (HK) Limited	Hong Kong 香港	Ordinary shares HK\$10,000 普通股 10,000港元	Ordinary shares HK\$10,000 普通股 10,000港元	-	-	100	100	Investment holding 投資控股
廣東保發珠寶產業園開發有限公司	PRC 中國	Ordinary shares 普通股	US\$30,000,000 30,000,000美元	-	-	70	-	Property development 物業發展
保發珠寶(中國)有限公司	PRC 中國	Ordinary shares US\$10,000,000 普通股 10,000,000美元	-	-	-	100	-	Retailing of fine jewellery 零售優質珠寶
佛山市順德區保發物業管理有限公司	PRC 中國	Ordinary shares RMB500,000 普通股 人民幣500,000元	-	-	-	70	-	Property management 物業管理
Perfect Group International Holdings Limited 保發集團國際控股有限公司	BVI 英屬處女群島	Ordinary shares US\$10,000 普通股 10,000美元	Ordinary shares US\$10,000 普通股 10,000美元	100	100	-	-	Investment holding 投資控股

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### 32. PARTICULARS OF SUBSIDIARIES OF THE COMPANY – continued

### 32. 本公司附屬公司的詳情 – 續

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration/ operations 註冊成立/ 註冊/經營地點	Issued and fully paid share capital/registered and paid-up capital 已發行及繳足股本/ 註冊及繳足股本		Proportion of nominal value of issued capital/ registered capital held by the Company 本公司所持已發行股本/ 註冊股本面值比例				Principal activities 主要業務
		2017	2016	Directly		Indirectly		
		2017年	2016年	直接	間接	2017	2016	
				2017年	2016年	2017年	2016年	
				%	%	%	%	
Perfect Group China Holding Limited	BVI 英屬處女群島	Ordinary shares US\$10,000 普通股 10,000美元	Ordinary shares US\$10,000 普通股 10,000美元	-	-	100	100	Investment holding 投資控股
Perfect Group China Investment Limited	BVI 英屬處女群島	Ordinary shares US\$10,000 普通股 10,000美元	Ordinary shares US\$10,000 普通股 10,000美元	-	-	100	100	Investment holding 投資控股
Hong Kong Perfect Jewellery	Dubai 迪拜	Ordinary shares AED50,000 普通股50,000 迪拉姆	Ordinary shares DMCC AED50,000 普通股50,000 迪拉姆	-	-	100	100	Logistics and marketing activities 物流及市場 推廣活動

The table below shown details of non-wholly owned subsidiary of the Group that have material non-controlling interests:

下表顯示本集團擁有重大非控股權益之非全資附屬公司：

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration/ operations 註冊成立/註冊/ 經營地營	Proportion of ownership interests and voting rights held by non-controlling interests 非控股權益所持擁有 權權益及投票權比例		Loss allocated to non-controlling interests 分配至非控股權益 之虧損		Accumulated non-controlling interests 累計非控股權益	
		2017	2016	2017	2016	2017	2016
		2017年	2016年	2017年	2016年	2017年	2016年
				HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
廣東保發珠寶產業開發有限公司 and its subsidiary 廣東保發珠寶產業開發有限公司及其附屬公司	PRC 中國	30%	-	(768)	-	72,134	-

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### 32. PARTICULARS OF SUBSIDIARIES OF THE COMPANY – continued

Summarised financial information, which is prepared in accordance with HKFRSs, in respect of the Group's subsidiaries that have material non-controlling interests is set out below. The summarised financial information below represents amounts before elimination of intragroup transactions.

### 32. 本公司附屬公司的詳情－續

有關本集團擁有重大非控股權益之附屬公司之財務資料(根據香港財務報告準則編製)概要載列如下。以下財務資料概要為抵銷集團間交易前之數額。

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Current assets	流動資產	204,701	–
Non-current assets	非流動資產	41,788	–
Current liabilities	流動負債	(6,041)	–
Non-current liabilities	非流動負債	–	–
<b>Total equity</b>	<b>權益總額</b>	<b>240,448</b>	<b>–</b>
Income	收入	226	–
Expenses	開支	(2,787)	–
<b>Loss for the year</b>	<b>本年度虧損</b>	<b>(2,561)</b>	<b>–</b>
<b>Total comprehensive income for the year</b>	<b>本年度全面收益總額</b>	<b>7,824</b>	<b>–</b>
Net cash outflow from operating activities	經營活動現金流出淨額	(55,441)	–
Net cash outflow from investing activities	投資活動現金流出淨額	(175,916)	–
Net cash inflow from financing activities	融資活動現金流入淨額	232,624	–
<b>Net cash inflow</b>	<b>現金流入淨額</b>	<b>1,267</b>	<b>–</b>
Dividends paid to non-controlling interests	已付非控股權益之股息	–	–

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

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### 33. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group liabilities arising from financing activities. 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.

		Interest payable 應付利息 HK\$'000 千港元	Non-controlling interest 非控股權益 HK\$'000 千港元	Bank loans 銀行貸款 HK\$'000 千港元	Dividend payable 應付股息 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2017	於2017年1月1日	-	-	2,365	-	2,365
Financing cash flow (note)	融資現金流量(附註)	(1,005)	69,787	23,215	(27,000)	64,997
Dividend declare	宣派股息	-	-	-	27,000	27,000
Interest accrued	應計利息	1,005	-	-	-	1,005
Share of total comprehensive income for the year	應佔本年度全面收益總額	-	2,347	-	-	2,347
At 31 December 2017	於2017年12月31日	-	72,134	25,580	-	97,714

Note: The cash flow represent the proceeds from addition/repayment of bank loans, interest paid, dividend paid and contribution from non-controlling shareholder in the consolidated statement of cash flows.

### 33. 融資活動所產生負債之對賬

下表詳列本集團融資活動所產生負債之變動。融資活動所產生之負債指其現金流量已或未來現金流量將於本集團綜合現金流量表中分類為融資活動現金流量之負債。

附註：現金流量指綜合現金流量表之新增／償還銀行貸款、已付利息、已付股息及非控股股東注資之所得款項。

### 34. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximising the return to owners through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged over the years.

### 34. 資本風險管理

本集團管理其資本以確保本集團將可繼續持續經營，並同時透過優化債務及權益平衡，為擁有人帶來最大回報。本集團的整體策略於該等年度維持不變。

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

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### 34. CAPITAL RISK MANAGEMENT – continued

The capital structure of the Group consists of equity attributable to owners of the Group, comprising share capital, share premium, retained profits and other reserves as disclosed in the consolidated financial statements.

The management of the Group reviews the capital structure regularly. The Group considers the cost of capital and the risks associated with each class of capital, and will balance its overall capital structure through the payment of dividends, new shares issue as well as the raising of bank borrowings.

### 35. FINANCIAL INSTRUMENTS

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial assets and financial liabilities are disclosed in note 3.

#### Categories of financial instruments

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
<b>Financial assets</b>	<b>財務資產</b>		
Loans and receivables (including cash and cash equivalents)	貸款及應收款項 (包括現金及現金等值物)	148,240	306,855
<b>Financial liabilities</b>	<b>財務負債</b>		
Amortised cost	已攤銷成本	54,719	61,684

### 34. 資本風險管理－續

本集團的資本架構由本集團擁有人應佔股權組成，包括綜合財務報表所披露的股本、股份溢價、保留溢利及其他儲備。

本集團管理層會定期檢討資本架構。本集團會考慮資本成本及各類資本的相關風險，並將透過派付股息、發行新股及籌集銀行貸款，以平衡其總體資本架構。

### 35. 財務工具

就各類財務資產及財務負債採用的重大會計政策及方法(包括確認標準、計量基準及確認收入和開支的基準)詳情，於附註3內披露。

#### 財務工具類別

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

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### 35. FINANCIAL INSTRUMENTS – continued

#### Financial risk management objectives and policies

The Group's major financial instruments include trade and other receivables, bank balances and cash, deposits, trade and other payables, bank loans and other borrowing. Details of these financial instruments are disclosed in the respective notes. The risks associated with these financial instruments include market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

#### Currency risk

The Group has limited currency exposure as the majority of the revenue were denominated in functional currency of the relevant group entities. The carrying amounts of the Group's foreign currency denominated monetary assets and liabilities at the end of the reporting date are as follows:

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
<b>Assets</b>	<b>資產</b>		
HK\$	港元	27,358	63,718
RMB	人民幣	7,892	32,291
Dirham	迪拉姆	5,193	7,504
<b>Liabilities</b>	<b>負債</b>		
HK\$	港元	476	2,571
RMB	人民幣	–	28,250

### 35. 財務工具－續

#### 財務風險管理目標及政策

本集團的主要財務工具包括貿易及其他應收款項、銀行結餘及現金、按金、貿易及其他應付款項、銀行借貸及其他借貸。該等財務工具的詳情於各相關附註內披露。有關該等財務工具的風險包括市場風險(包括貨幣風險及利率風險)、信貸風險及流動資金風險。有關如何減低該等風險的政策載於下文。管理層管理及監察該等風險，以確保及時及有效實施適當措施。

#### 貨幣風險

由於本集團大部份收益以相關集團實體的功能貨幣計值，因此本集團所面對的貨幣風險有限。於報告期末，本集團以外幣計值的貨幣資產及負債的賬面值載列如下：

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### 35. FINANCIAL INSTRUMENTS – continued

#### Financial risk management objectives and policies – continued

##### Currency risk – continued

The Group mainly exposes to foreign currency of RMB, HK\$ and Dirham which are arising from relevant group entities' foreign currency denominated monetary assets and liabilities for the Group's operating activities. HK\$ and Dirham, however, are pegged to the functional currency of respective group entities (i.e. US\$), hence the Group's exposure to currency risk is not significant and no sensitivity analysis has been presented. No sensitivity analysis for the currency risk of RMB is prepared as the directors of the Company consider the net impact of such foreign currency risk is insignificant.

##### Interest rate risk

The Group is exposed to fair value interest rate risk in relation to fixed-rate other borrowing (see note 23 for details) and cash flow interest rate risk through the impact of rate changes on interest bearing financial assets and liabilities, mainly interest-bearing bank balances and bank borrowings at variable interest rates. The Group currently does not have an interest rate hedging policy. However, the management will consider hedging significant interest rate risk should the need arise.

The Group's cash flow interest rate risk is mainly concentrated on the fluctuation on LIBOR arising from the Group's United States dollar denominated borrowings.

### 35. 財務工具－續

#### 財務風險管理目標及政策－續

##### 貨幣風險－續

本集團的經營活動所用相關集團實體以外幣計值的貨幣資產與負債令本集團主要面臨人民幣、港元及迪拉姆的貨幣風險。然而，港元及迪拉姆與各集團實體的功能貨幣(即美元)掛鈎，本集團面臨的貨幣風險並不重大，故並無呈列敏感度分析。由於本公司董事認為人民幣的貨幣風險並不重大，因此並無編製有關貨幣風險的敏感度分析。

##### 利率風險

本集團因定息其他借貸(詳情見附註23)而承受公平值利率風險及計息財務資產及負債(主要為按浮動利率計息的銀行結餘及銀行借貸)利率變動的影響而承受現金流量利率風險。本集團目前並無利率對沖政策，然而，管理層會於有需要時考慮對沖重大利率風險。

本集團的現金流動利率風險主要集中於本集團因借款以美元計值而面對的倫敦銀行同業拆息波動。

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### 35. FINANCIAL INSTRUMENTS – continued

#### Financial risk management objectives and policies – continued

Interest rate risk – continued

##### *Sensitivity analysis*

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments at the end of the year. The analysis is prepared assuming the financial instruments outstanding at the end of the year were outstanding for the whole year. A 100 basis points increase or decrease in interest rates on bank loans and a 10 basis points increase or decrease in interest rate on bank balance are used which represents management's assessment of the reasonably possible change in interest rates.

If interest rates on interest bearing bank balances had been 10 basis points and interest rates on interest bearing bank loans had been 100 basis points higher/lower and all of other variables were held constant, the profit for the year ended 31 December 2017 would have approximately decreased/increased by HK\$154,000 (2016: increased/decreased by HK\$176,000).

### 35. 財務工具－續

#### 財務風險管理目標及政策－續

利率風險－續

##### *敏感度分析*

以下敏感度分析根據年末非衍生工具的利率風險釐定。分析是假設年末尚未清償的財務工具於整年均尚未清償而編製，分別採用銀行貸款利率及銀行結餘利率100個基點及10個基點的升幅或跌幅，以代表管理層對利率合理可能變動的評估。

倘計息銀行結餘及計息銀行貸款的利率分別上升／下跌10個基點及100個基點，而所有其他變數維持不變，則截至2017年12月31日止年度的溢利將減少／增加約154,000港元（2016年：增加／減少176,000港元）。



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

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### 35. FINANCIAL INSTRUMENTS – continued

#### Financial risk management objectives and policies – continued

##### Credit risk

The Group's maximum exposure to credit risk in the event of the counterparties failure to perform their obligations at the end of each year in relation to each class of recognised financial assets is the carrying amount of those assets stated in the consolidated statement of financial position. In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. Given the long-term relationships with its customers and the financial position of these customers, management considers that the credit risk associated with balances due from wholesale customers is low. In addition, the management considers the customers' credit history, settlement patterns, subsequent settlements and aging analysis of trade receivables in determining the allowance for doubtful debts and ensures that adequate allowance for doubtful debts are made for irrecoverable amount. In this regard, the directors of the Group consider that the Group's credit risk is significantly reduced.

The Group has no significant concentration of credit risk in trade receivables, with exposure spread over a number of counterparties.

The credit risk on bank balances is minimal as such amounts are placed in banks with good reputation.

### 35. 財務工具－續

#### 財務風險管理目標及政策－續

##### 信貸風險

倘對約方未能於各年末履行彼等的責任，則本集團就各類已確認財務資產的最大信貸風險為該等列於綜合財務狀況表內的資產的賬面值。為了盡量減低信貸風險，本集團管理層已授權管理團隊，負責釐定信貸限額、信貸批核及其他監察程序，確保採取跟進行動以追討逾期債項。鑑於本集團與客戶長久以來的關係及該等客戶的財務狀況，管理層認為有關應收批發客戶的結餘的信貸風險很低。此外，管理層考慮客戶的信貸記錄、償付方式、其後結算情況及貿易應收款項的賬齡分析釐定呆賬撥備，並確保已就不可收回款額作出足夠呆賬撥備。就此，本集團董事認為可大幅減低本集團的信貸風險。

本集團於貿易應收款項並無重大集中信貸風險，有關風險分佈多名對約方。

由於銀行結餘存放於信譽良好的銀行，因此銀行結餘的信貸風險極低。

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### 35. FINANCIAL INSTRUMENTS – continued

#### Financial risk management objectives and policies – continued

##### Liquidity risk

The management of the Group has built a liquidity risk management framework for managing the Group's short and medium-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining banking facilities and by continuously monitoring forecasted and actual cash flows and the maturity profiles of its financial liabilities.

The following table details the Group's remaining contractual maturity for its financial liabilities. The table has been drawn up to reflect the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

		Weighted average interest rate	On demand or less than 1 year 須按要求 或少於 一年內償還	Total undiscounted cash flows 未貼現 現金流量 總額	Carrying amount
		加權 平均利率 %	HK\$'000 千港元	HK\$'000 千港元	賬面值 HK\$'000 千港元
<b>Financial liabilities</b>	<b>財務負債</b>				
At 31 December 2017	於2017年12月31日				
Trade and other payables	貿易及其他應付款項	–	29,139	29,139	29,139
Bank loans	銀行貸款	1.13%	25,580	25,580	25,580
			54,719	54,719	54,719
At 31 December 2016	於2016年12月31日				
Trade and other payables	貿易及其他應付款項	–	31,069	31,069	31,069
Bank loans	銀行貸款	1.08%	2,365	2,365	2,365
Other borrowing	其他借貸	6%	28,250	28,250	28,250
			61,684	61,684	61,684

### 35. 財務工具－續

#### 財務風險管理目標及政策－續

##### 流動資金風險

本集團管理層已建立流動資金風險管理框架，以管理本集團的中短期資金及流動資金管理需求。本集團透過取得銀行融資及持續監察預測及實際現金流量和其財務負債的到期概況，以管理流動資金風險。

下表詳列本集團就其財務負債的尚餘合約期限。下表根據本集團可被要求還款的最早日期擬定，以反映財務負債的未貼現現金流量。下表同時包括利息及本金現金流量。

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

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### 35. FINANCIAL INSTRUMENTS – continued

#### Financial risk management objectives and policies – continued

##### Liquidity risk – continued

Note: Bank loans with a repayment on demand clause are included in the “on demand or less than 1 year” time band in the above maturity analysis. As at 31 December 2017, the aggregate carrying amounts of these bank loans amounted to HK\$25,580,000 (2016: HK\$2,365,000). Taking into account the Group’s financial position, the directors of the Company do not believe that it is probable that the borrower and the bank will exercise their discretionary rights to demand immediate repayment. The directors of the Company believe that such bank loans will be repaid within one year after the end of the reporting period in accordance with the scheduled repayment dates set out in the loan agreements. At that time, the undiscounted cash outflows amounted to HK\$25,870,000 (2016: HK\$2,389,000) at 31 December 2017.

#### Fair value measurements of financial instruments

The fair value of financial assets and financial liabilities is determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The directors of the Company consider that the carrying amounts of financial assets and liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values at the end of each reporting period.

### 36. MAJOR NON-CASH TRANSACTIONS

During the year ended 31 December 2017, the Group’s deposit in an amount of RMB25,000,000 (equivalent to HK\$28,250,000) was applied to set off the other borrowing.

### 35. 財務工具－續

#### 財務風險管理目標及政策－續

##### 流動資金風險－續

附註：於以上到期日分析內，凡訂有須按要求還款條款的銀行貸款計入「須按要求或少於一年內償還」的時間範圍內。於2017年12月31日，該等銀行貸款賬面總額為25,580,000港元（2016年：2,365,000港元）。計及本集團的財務狀況，本公司董事並不相信借款人及銀行可能會行使其酌情權以要求即時還款。本公司董事相信，該等銀行貸款將按照貸款協議所載的預定還款日期於報告期末後一年內償還。當時，於2017年12月31日的未貼現現金流出額為25,870,000港元（2016年：2,389,000港元）。

#### 財務工具的公平值計量

財務資產及財務負債的公平值根據普遍採納的定價模式按已貼現現金流量分析釐定。

本公司董事認為，按攤銷成本記錄於綜合財務報表內的財務資產及負債賬面值與彼等於各報告期末的公平值相若。

### 36. 重大非現金交易

截至2017年12月31日止年度期間，本集團按金人民幣25,000,000元（相當於28,250,000港元）已用作抵銷其他借貸。

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

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### 37. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

### 37. 本公司財務狀況表

		2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Non-current asset	非流動資產		
Interest in subsidiaries	於附屬公司的權益	318,759	282,259
Current assets	流動資產		
Other receivables and prepayments	其他應收款項及預付款項	254	241
Amounts due from subsidiaries	應收附屬公司款項	69,118	64,415
Bank balances	銀行結餘	13,857	62,256
		<b>83,229</b>	126,912
Current liabilities	流動負債		
Accruals and other payables	應計費用及其他應付款項	845	5,352
Amounts due to subsidiaries	應付附屬公司款項	156	156
		<b>1,001</b>	5,508
Net current assets	流動資產淨額	<b>82,228</b>	121,404
Total assets less current liabilities	資產總值減流動負債	<b>400,987</b>	403,663
Share capital and reserves	股本及儲備		
Share capital	股本	4,500	4,500
Reserves (Note)	儲備(附註)	396,487	399,163
		<b>400,987</b>	403,663

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

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### 37. STATEMENT OF FINANCIAL POSITION OF THE COMPANY – continued

### 37. 本公司財務狀況表 – 續

Note:

附註：

#### Movement of reserves

#### 儲備變動

		Share premium	Special reserve	Share option reserve	Accumulated profits (losses) 累計溢利 (虧損)	Total
		股份溢價 HK\$'000 千港元	特別儲備 HK\$'000 千港元	購股權儲備 HK\$'000 千港元	HK\$'000 千港元	總計 HK\$'000 千港元
At 1 January 2016	於2016年1月1日	2	76	–	(16,806)	(16,728)
Total comprehensive income for the year	年內全面收益總額	–	–	–	56,825	56,825
Loan capitalisation	貸款資本化	–	282,103	–	–	282,103
Issue of shares	發行股份	103,500	–	–	–	103,500
Share issue expenses	股份發行開支	(9,662)	–	–	–	(9,662)
Capitalisation issue of shares	資本化發行股份	–	(3,375)	–	–	(3,375)
Dividend (note 12)	股息(附註12)	–	–	–	(13,500)	(13,500)
At 31 December 2016	於2016年12月31日	93,840	278,804	–	26,519	399,163
Total comprehensive income for the year	年內全面收益總額	–	–	–	18,080	18,080
Dividend (note 12)	股息(附註12)	–	–	–	(27,000)	(27,000)
Recognition of equity-settled share-based payment (note 27)	確認以權益結算以股份支付款項(附註27)	–	–	6,711	–	6,711
Share options lapsed	購股權失效	–	–	(467)	–	(467)
At 31 December 2017	於2017年12月31日	93,840	278,804	6,244	17,599	396,487

# Financial Summary

## 財務概要

The following is a summary of the published results and assets and liabilities of the Group for the last five financial years. The financial information for the years ended 31 December 2013 and 2014 are extracted from the prospectus of the Company dated 22 December 2015.

下表載列本集團於過往五個財政年度已刊發業績以及資產及負債概要。截至2013年及2014年的財務資料乃摘錄自本公司日期為2015年12月22日的招股章程。

		For the years 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
Revenue	收益	<b>352,043</b>	322,423	458,306	516,154	536,293
Gross profit	毛利	<b>110,184</b>	88,944	132,077	150,505	160,958
Profit for the year	年內溢利	<b>48,075</b>	34,699	56,460	90,439	107,049

  

		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
Total assets	資產總值	<b>586,802</b>	486,654	354,588	553,822	430,232
Total liabilities	負債總額	<b>65,854</b>	73,714	339,913	192,535	79,287
Net assets	資產淨值	<b>520,948</b>	412,940	14,675	361,287	350,945

