



SIM Technology Group Limited
晨訊科技集團有限公司*

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

(Stock Code 股份代號: 2000)

Annual Report
年報 2017



*For identification purpose only 僅供識別

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Highlights of the Year 2017

2017 年度大事紀

May

- The Group obtained certification from AT&T, an US-based operator, for SIM7500A;

June

- The Group officially unveiled the core board (intelligent module) bespoke for our customers in Europe and the United States;

July

- The Group successfully marketed the handset made for specific customer group of a renowned Japanese brand into the Japanese operator market;

August

- Sunrise Simcom scooped the "Top 100 Private Manufacturing Enterprises in Shanghai" award in 2017;
- The Group successfully developed the AOI visual product line, which we have intellectual property rights, for handset glass defects;

September

- Bulk shipment of the AR glasses tailor-made for our customers in the United States. Rarely has such kind of industrial head-mounted smart device been available for mass production globally;
- The Group launched an Internet of Vehicles product with navigation feature for French customers;
- SIM7000A obtained the Verizon certification (conditional approval);

October

- The Group successfully launched triple encryption handsets for its ultra-high-end customers in the Middle East;

- Commencement of delivery of 360 degrees panorama camera phones designed by the Group for overseas brands;

- The Group's automatic vending machines have been introduced in smart banking branches of Bank of Communications and China Construction Bank etc.;

November

- The Group's intelligent manufacturing factory was introduced at the 19th China International Industry Fair as the demonstration enterprise for intelligent manufacturing of the Ministry of Industry and Information Technology of the PRC;
- Bulk delivery of the triple protection (waterproof, dust-proof and shock resistant) mobile police affairs terminal (meeting IP68 industrial protection standard) tailor-made for customers of public security sector;

December

- Release of a high-end outdoor triple protection (waterproof, dust-proof and shock resistant) handset designed by the Group for a reputable European automobile brand;
- Auto robot-testing machine self-developed by the Group achieved a record high in sales volume;
- The PCBA production defeat AOI inspection software suites developed by the Group's visual business department have been delivered to inspection equipment customers;



5月

- 集團SIM7500A通過美國運營商AT&T認證；

6月

- 集團為歐美客戶訂製的核心板(智能模組)項目正式上市；

7月

- 集團為日系某著名品牌訂製的特定人群專用手機成功進入日本運營商市場；

8月

- 集團晨興希姆通公司榮獲「2017上海民營製造業企業一百強」稱號；

- 集團成功研發出擁有自主知識產權的手機玻璃缺陷AOI視覺產品線；

9月

- 為美國客戶訂製的AR眼鏡量產出貨，該產品是在全球罕有的可量產的工業級頭戴式智能設備；

- 集團為法國客戶訂製的含導航功能的車聯網產品上市；

- SIM7000A 通過 Verizon 認證 (conditional approval)；

10月

- 集團為供中東特高端客戶使用的三防加密手機成功上市；

- 集團為海外品牌設計的360度全景攝像手機開始交付；

- 集團自動售貨機分別入駐交通銀行、建設銀行等智能銀行網點；

11月

- 集團智能製造工廠作為國家工信部智能製造示範企業亮相第十九屆中國國際工業博覽會；

- 公安行業用戶量身訂製的三防移動警務終端(IP68 工業防護等級)量產交付；

12月

- 集團為歐洲某著名汽車品牌設計的高端戶外三防手機發佈；

- 由集團自主開發的機器人自動測試機銷量再創新高；

- 集團視覺事業部開發的PCBA生產缺陷AOI檢測套裝軟體交付給檢測設備客戶；



Chairman's Statement

主席報告



Dear Shareholders,

On behalf of the board (“Board”) of directors (“Directors”) of SIM Technology Group Limited (“Company”), I am presenting the annual results of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 December 2017 (“Year”).

For the Year, the Group achieved a profit attributable to owners of the Company of HK\$111.7 million (2016: HK\$77.3 million). The basic earnings per share was HK4.36 cents (2016: HK3.02 cents).

致各股東：

本人謹代表晨訊科技集團有限公司(「本公司」)董事(「董事」)會(「董事會」)提呈本公司及其附屬公司(統稱「本集團」)截至二零一七年十二月三十一日止年度(「本年度」)之全年業績報告。

本年度，本集團錄得本公司擁有人應佔溢利為111,700,000港元(二零一六年：77,300,000港元)。本年度每股基本盈利為4.36港仙(二零一六年：3.02港仙)。



FINAL DIVIDEND

The Board proposed to recommend a final dividend of HK1.6 cents per ordinary share to shareholders of the Company ("Shareholders") for the Year. Subject to the approval of the Shareholders at the forthcoming annual general meeting, the proposed final dividend will be paid on or about Thursday, 28 June 2018 to Shareholders whose names appear on the register of members of the Company on Friday, 15 June 2018. Based on 2,559,546,300 ordinary shares of the Company in issue as at the date of this report, the total dividend will amount to approximately HK\$41.0 million.

末期股息

董事會建議向本公司股東（「股東」）宣派本年度之末期股息為每股普通股1.6港仙。待本公司股東於應屆股東週年大會上批准作實後，建議末期股息將於二零一八年六月二十八日（星期四）前後派付予於二零一八年六月十五日（星期五）名列本公司股東名冊之股東。按本公司於本公佈日期已發行的2,559,546,300股普通股計算，股息總額將為約41,000,000港元。

BUSINESS REVIEW

The Group's business transformation has started to bear fruit, thanks to vigorous efforts it has undertaken in the past years. In 2017, affected by unfavorable factors such as the challenging global economic environment, large exchange rate fluctuations and intensifying market competition, nonetheless, the Group achieved revenue of HK\$3,258.5 million, representing an increase of 19.6% when compared with last year. Gross profit decreased by 1.6% year-on-year to HK\$395.2 million. These results were attributable to the growth of wireless communication modules and the transformation of handsets and internet of things ("IOT") terminals business. While the new businesses of IOT system and online-to-offline ("O2O") business and intelligent manufacturing business did not progress satisfactorily and failed to contribute sufficient revenue and a reasonable profit to the Group, the Group's revenue still achieved a solid rise while gross profit and total profit of the Group basically stayed flat as compared with that of last year.

Handsets and IOT terminals business

The Group started with the provision of mobile handset original design manufacturer ("ODM") services 15 years ago, and had three stages of development with each stage spanning around five years. During the first stage, the Group operated in the form of an independent design house ("IDH") providing research and development ("R&D") services for small and medium customers, turnkey solutions for handsets and full set of raw materials or components of handsets. The IDH operation mode was not involved in the production of fully-completed mobile handsets, thus the Group was able to avoid intellectual property disputes. The second stage was characterised by the operation of its ODM services. During the second stage, the Group served top-tier customers in domestic and overseas markets by providing ODM services as well as the delivery of a full set of products for consumer handsets. During the third stage, the Group gradually transformed itself to venture into the IOT terminals business. In the consumer handsets segment, the Group proactively exited from its low-end to mid-range handsets business, which had high risk yet low gross profit margin, and focus on the high-end handsets business only, particularly the high-end handsets with retail prices from US\$1,000 to US\$2,000. In 2017, the IOT/industrial application terminals business contributed a major proportion of the revenue and gross profit in the handsets and IOT terminals business segment.

業務回顧

本集團業務轉型，經過多年的努力和耕耘，已初見成效。2017年在受到全球經濟環境挑戰，匯率大幅波動及市場競爭日益激烈等諸多不利因素的影響下，本集團實現營收3,258,500,000港元，較去年增加19.6%。毛利額395,200,000港元，較去年減少1.6%。這首先是無線通訊模組業務的增長，也得益於手機及物聯網終端業務轉型所帶來的成效。雖然物聯網系統及運營業務及智能製造業務的新業務發展不盡人意，未能為集團貢獻足夠的營收及合理利潤，但是本集團的營收仍較去年有一定幅度的上升，本集團的毛利額和總利潤與去年基本持平。

手機及物聯網終端業務

本集團15年前以手機研發代工起家，經歷三個階段，每一階段大約五年。第一階段是獨立設計公司(IDH)模式，為中小型客戶做研發代工，提供手機的整體解決方案和整套的原材料或組件。IDH的模式不生產手機整機，因此可以規避知識產權糾紛。第二階段是原設計及生產代工(ODM)模式，本集團面向國內外頂級客戶，提供設計及生產代工，最終交付整機的服務，代工產品全是消費類手機。第三階段本集團逐步轉型物聯網終端，在消費類手機市場上，主動放棄了低利潤高風險的中低檔手機業務，只保留高端，特別是零售價在一兩千美元以上特高端手機。至2017年度，在手機及物聯網終端板塊中，物聯網／行業應用終端的營收和毛利已佔絕對比重。

In 2017, the sales volume of this business segment declined by 46.2% year-on-year and its average selling price escalated by 100% year-on-year. Revenue dropped by 15.3%. Gross profit margin was 12.7% and remained at a similar level as last year. The decline in revenue was due to the great drop in the revenue contribution from consumer handsets, which largely accounted for last year's revenue. The revenue for this year was mainly derived from the IOT/industrial application terminals and some differentiated high-end handset products, with higher selling prices and gross profit margins but much lower shipment volumes. Moreover, many components from the upstream supply chain were in serious shortage and the price of some components such as memories surged substantially starting from the second half of the year 2016. Fortunately, the IOT/industrial application terminals with a higher gross profit margin offset the effects caused by the above negative factors, so the gross profit margin was similar to that of last year.

The Group has adhered to its development strategies consistently in recent years. It has retained the high-end handsets ODM business and at the same time has vigorously developed the IOT/industrial application terminals business. With the maturity of the 5G and NB-IOT standards, the IOT market has huge growth potential, in particular for product areas such as scan, mobile Point of Sale ("POS"), logistics and Internet of Vehicles ("IOV") terminals. Furthermore, products such as dedicated enterprise intercom network terminals, outdoor waterproof, dust-proof and shock resistant terminals, vehicle terminals and augmented reality terminals for industrial enterprises have vast room for development. In recent years, the Group has continued to invest in those areas and its products have gained first-mover advantages in terms of shipments. The IOT terminals and industrial application terminals business had fast growth in Europe, America and Japan. In light of this, apart from continuously prospecting for new IOT terminal customers in China, the Group has also targeted mainly the developed regions such as Europe, America and Japan as its main overseas expansion directions through its sales network and agency appointments. As the Group pushes ahead with developing its IOT terminals business, it has also grasped opportunities to develop quality high-end consumer ODM handsets in order to maintain its economies of scale and boost the competitiveness of its supply chain. With enormous market potential and first-mover advantages, the Group believes that this business segment should continue to expand.

該板塊2017年銷售數量較去年減少46.2%，平均銷售單價較去年提升100%，營收減少15.3%，毛利率12.7%與去年基本持平。原因在於去年營收中還有大量的消費類手機，而今年消費類手機已經很少，今年營收的主要構成為物聯網／行業應用終端及一些差異化的高端手機產品。該類產品平均售價和毛利率都要好於消費類手機，但出貨數量遠遠不及，引起營收下滑。另外從2016年下半年開始，很多上游供應鏈大面積缺貨，記憶體等元器件出現大幅漲價，所幸的是物聯網／行業應用終端的毛利率較高，抵消了上述不利因素的影響，故毛利率水平還能與去年相若。

本集團仍會堅持近幾年一貫的發展策略，在保持高端手機ODM業務的同時，大力發展物聯網／行業應用終端。隨著5G和NB-IOT等標準的日漸成熟，物聯網市場發展潛力巨大。特別是在掃描、移動銷售時點情報系統(POS)、物流以及車聯網終端領域。而在集團(企業)專用對講終端、戶外三防終端、車載終端、工業企業用的擴增實境(AR)終端等領域也存在很大的發展空間。近幾年，本集團在這些領域都有持續投入，且產品已形成出貨具有一定的先發優勢。物聯網終端和行業應用終端業務在歐洲、美洲、日本等市場發展較快。因此，本集團除了不斷在國內開拓更多的物聯網終端客戶機會，也把歐美日等發達地區作為現階段的海外主攻方向，通過自建銷售網路和代理顧問等方式，尋找更多的生意機會。在大力發展物聯網終端業務的同時，仍會把握優質高端的消費類手機ODM機會，以此保持規模效應，增加供應鏈的競爭力。憑藉巨大的市場空間和先發優勢，本集團堅信在此項業務上會有所斬獲。

Wireless communication modules business

The wireless communication modules business refers to the R&D and sales of 2G, 3G and 4G wireless communication modules and Global Navigation Satellite System (“GNSS”) modules business operated by the Group's subsidiary, Shanghai Simcom Wireless Solutions Limited.

In 2017, revenue of this business segment increased by 78.5%. Gross profit margin dropped to 8.8% when compared with that of last year. The growth in revenue was attributable to the continued booming development of the global IOT market and the rising demand for the Group's wireless communication modules in domestic and overseas markets, particularly the significant growth in 2G modules for bike sharing and smart home applications in People's Republic of China (“China” or “PRC”) and the 4G modules for intelligent meter, IOV and intelligent POS applications. In the bike sharing market, the Group has captured most of the market share through its strong support to its top three customers in that sector. This business segment experienced a substantial increase in revenue, but the gross profit margin was very low due to intensifying competition among module suppliers in the bike sharing market. As the bike sharing-related business represented more than half of the shipment volume of this business segment, the gross profit margin of the whole business segment showed greater decline. Major reasons for the decline were the serious shortage and higher prices of some core components such as memories, printed circuit boards and capacitors starting from the second half of last year.

無線通訊模塊業務

無線通訊模塊業務指旗下芯訊通無線科技(上海)有限公司承擔的研發到經營銷售2G、3G、4G無線通訊功能及衛星導航系統(GNSS)功能的通用模塊業務。

該業務板塊2017年營收增加78.5%，毛利率8.8%，較去年有較大幅度下降。營收的增長源於隨著全球物聯網市場持續蓬勃發展，海內外對本集團無線通訊模塊的需求增加，其中以用於國內共享單車和智能家居的2G模塊和用於智能電錶、車聯網、智能POS等應用的4G模塊增長尤為顯著。在共享單車市場，本集團通過重點支持行業前三客戶，覆蓋了整個共享單車大部份的市場份額。雖然該業務板塊營收大幅增長，但由於各個模塊供應商在共享單車市場過度競爭，利潤微薄，而共享單車相關業務佔整個板塊出貨量過半，致使整個板塊的毛利率出現較大下降。另外從去年下半年開始，一些核心元器件如記憶體、印刷電路板(PCB)、電容器等都出現大面積缺貨和漲價，這也是毛利率下降的主要原因之一。

IOT system and O2O business

This business sector comprises of two segments: the first segment is the provision of various types of “cloud” system solutions with a back-end software system as the core; and the second segment is the provision of an O2O cloud trading platform to vending machine operators. (This business segment does not include the IOT terminals business.)

In 2017, the revenue of this business segment increased by 5.5% when compared with last year. Gross profit margin of this business segment was 12.6%, which is a significant decline when compared with last year. Overall profit of this business sector has decreased. The Group has developed mature system solutions encompassing intelligent elderly care service systems, health monitoring systems, vending machine operation services and vehicle anti-theft management systems. However, low sales revenues were recorded for these solutions in 2017 due to the absence of marketing and sales strategies.

As for the cloud trading platform, the Group has adjusted the development strategy from the originally asset-heavy operation mode of directly managing and operating vending machines and recruiting businesses for the financing of leasing investments to a one-stop-service asset-light O2O service platform. In 2017, the Group recorded a growth in the revenue derived from the provision of beverage wholesale and delivery services to vending machine operators and upgrade service for outdated vending machines. The increase in revenue was attributable to the establishment of a sub-depot by Shanghai Yunhao Trading Limited, a subsidiary of the Group, in other regions and the addition of business channels. Meanwhile, the Group eliminated the directly managed and operated vending machine outlets with poor efficiency and reduced the amount of financing leasing, that led to a non-operating loss. The operation of some sub-depots has not reached a break-even point while the necessary wages, warehousing and logistics expenses were still incurred, which dragged down the profitability of this business segment.

物聯網系統及運營業務

該板塊業務包括兩大部分：第一部分是向各行業提供以後台軟件系統為核心的各種「雲+端」系統級解決方案。第二部分是向售賣機運營商提供線上線下服務的雲貿平台。(本板塊不含物聯網純終端業務)

該板塊2017年營收較去年增加5.5%，毛利率為12.6%，較去年有一定幅度下降，板塊整體盈利下降。本集團已開發成熟的系統級解決方案涵蓋智能家居養老，健康監護，售賣機運營和車輛防盜管理等領域，但市場銷售尚未打開，未能在2017年給集團帶來可觀的營收。

雲貿平台，隨著集團發展思路由原來的「直接管理運營售賣機和融資租賃招商加盟的重資產運營模式」轉變為「線上線下服務平台的輕資產模式」。2017年，為售賣機運營商提供飲料批發配送服務和對老款式售賣機改造服務等業務的營收有所增長，這得益於上海雲灝貿易有限公司(本集團之附屬公司)外地分倉的建立和業務管道的增加。同時集團撤銷了效益不佳的直接管理運營售賣機網點，收縮融資租賃規模，引起了一定金額的非經營性損失。目前一些分倉的經營尚未達到盈虧平衡點，必不可少的人工、倉儲、物流支出進一步拉低了整個板塊的盈利水平。

Intelligent manufacturing business

The Group's intelligent manufacturing segment comprises of three business units. The first business unit is engaged in producing automated equipment based on integrated robotic applications, which would be used to replace operations in the production line that are labour intensive. This has served as a starting point for the Group to enter the intelligent manufacturing market and the Group possesses significant market shares in the global market. The second business unit is committed to developing optical system products, which are focusing on machine vision and artificial intelligence ("AI") technology intended to replace a large number of visual inspection workers in the production line. However, this unit has been unable to secure major orders and continued investment in R&D resources is still needed. The third business unit aims to tap the industrial internet intellectual system through the development of the back-end software to replace or assist simple and straightforward computer operations for a white-collar worker in manufacturing or supply-chain management, such as a planner and a warehouse manager. This business unit has not generated actual revenue as it is still at the optimisation and marketing stage.

In 2017, turnover in this segment declined by 29.3% compared with that of the previous year, while its gross profit margin was similar and overall profit dropped. As the China government implemented a deleveraging policy in 2017, most manufacturing companies became more prudent in equipment investments, which suppressed the market demand. Many traditional mechanical assembly companies in China rushed to develop intelligent and automated manufacturing, which fueled competition and triggered a price war. As the Group assigns top priority to product quality and customer reputation, it has forfeited some business opportunities that could only be won with low prices. Besides, several automation companies that the Group acquired two years ago recorded losses, because they are currently managed by joint venture partners and operating beyond its effective control. Therefore, the factors above have contributed to segmental turnover and overall profit falling below expectation, and to some extent lower than that of last year. Despite the fierce competition from other players, the Group managed to stabilise the gross profit margin, capitalising on its technology edge and strong reputation in the market.

智能製造業務

目前本集團的智能製造業務分三個事業部。第一事業部是：以機器人集成應用為主的自動化成套設備用來代替生產在線的大量的操作工。這是集團進入智能製造的切入點，現擁有重大的全球市場佔有率。第二事業部是：以機器視覺和人工智能技術為中心的視覺系統產品用以代替生產在線大量的目測檢查工。目前尚未打開市場承接大額訂單，仍需持續投入研發資源。第三事業部是：開發後台軟件為中心的工業互聯網智能系統，用以取代或者幫助企業白領如計劃員、倉管員在計算機前簡單乏味的操作。目前仍然處於完善和市場推廣階段，未產生實際收入。

該板塊2017年營收較去年減少29.3%，毛利率水平和去年基本持平，板塊整體盈利下降。2017年，由於國內政府大力推動金融去槓桿政策，大部分製造業企業對設備類投資相對謹慎，抑制了市場的需求。國內傳統機械裝配製造企業大量湧入智能製造行業，帶動行業競爭加劇，價格比拼提前來到。本集團注重產品質量、客戶信譽，主動放棄了一部分只靠價格比拼的業務機會。另外，兩年前併購的幾家自動化公司由合資方經營管理，本集團未能對其形成有效控制，出現虧損。上述幾項原因使該板塊的營收及整體盈利水平都不及預期，且較去年有一定幅度的下降。在同業競爭不斷加大的背景下，本集團依託自身的技術優勢，良好的市場口碑保持了相對穩定的毛利率水平。

The Group has continued to develop our intelligent manufacturing business. To better serve its customers, the Group has established two automation business bases, one in Qingpu in Eastern China and one in Songshanhu in Southern China, to form a complete platform for R&D and sales. The Group is using these bases to optimise corporate structure, reform the operational model, and reinforce its leading presence in the 3C products testing sector. It is striving to secure large international EMS providers as customers and extend the applications of its products to other industries including optical AI, intelligent logistics, intelligent storage, etc.

Properties development

As at 31 December 2017, "The Riverside Country" (晨興·翰林水郡), located at No. 32 Shenbei Road, Shenyang City, the PRC, has a total of 1,842 residential units in all its four phases, of which 1,680 units had been sold. Total area of approximately 25,000 square meters were not yet sold or not yet delivered to the buyers. The group has 60% ownership on this project.

As at 31 December 2017, "Seven River in Sweet" (七里香溪), located at No. 85 East Jichuan Road, Taizhou City, the PRC, has a total of 779 units, of which around 96% residential units, 1% shops and 3% commercial units. 758 units had been sold, of which around 96% residential units, 1% shops and 3% commercial units. Total area of approximately 29,000 square meters were not yet sold or not yet delivered to the buyers. The group has 100% ownership on this project.

The revenue of properties development for 2017 was amounted to HK\$306.4 million (2016: HK\$192.4 million) with gross profit margin of 16.9% (2016: 12.1%).

本集團仍將繼續大力發展智能製造業務，為了更好的服務客戶，本集團已相繼建立了華東青浦、華南松山湖兩個自動化業務基地，搭建了完整的研發和銷售平台。本集團將依託兩個業務基地優化組織架構，革新經營模式，立足3C產品測試行業的領先地位，努力開拓國際大型EMS代工客戶，同時將視覺人工智能、智能物流、智能倉儲等產品的應用向多行業延伸。

物業發展

截至二零一七年十二月三十一日，位於中國瀋陽市沈北路32號的「晨興·翰林水郡」項目，四期共有1,842個住宅單位，其中已出售了共1,680個住宅單位。未出售或未交付給買家的單位佔總面積約為25,000平方米。本集團對此項目有60%的擁有權。

截至二零一七年十二月三十一日，位於中國泰州市濟川東路85號的「七里香溪」項目，共有779個單位，其中約96%為住宅單位、1%為商鋪及3%為商業單位。共出售的單位有758個，其中約96%為住宅單位、1%為商鋪及3%為商業單位。未出售或未交付給買家的單位總面積約為29,000平方米。本集團對此項目有100%的擁有權。

二零一七年物業發展的銷售額為306,400,000港元(二零一六年：192,400,000港元)，毛利率為16.9%(二零一六年：12.1%)。

PROSPECTS

In executing its transformation strategy and facilitating the development of the wireless communication modules business, the Group has entered into a sale and purchase agreement with 深圳日海通訊技術股份有限公司 (Shenzhen Sunsea Telecommunication Co., Ltd.*), to dispose 100% equity interests in Shanghai Simcom Wireless Solutions Limited (“Simcom Wireless”), a subsidiary of the Group. Further details are disclosed in the section of “Material Acquisition and Disposal of Subsidiaries and Associated Companies” in this announcement.

Prior to this disposal, the Group's wireless communication modules business had covered the entire business chain of wireless communication modules operations, from product development (including product planning and specifications), procurement of raw materials, production processing (including logistics and delivery of finished products) to sales operations. Upon completion of this disposal, the Group will only be responsible for procurement of raw materials and production processing (including logistics and delivery of finished products). The wireless communication modules business is expected to remain as one of the Group's business segments subsequent to this disposal. Its turnover should not drop significantly compared with the period before this disposal, however its business nature will change from an original brand manufacturer (“OBM”) to an electronics manufacturing services (“EMS”) provider. By then, the gross profit margin would drop notably but the Group would no longer need to bear the huge R&D expenses and marketing costs of the modules business, nor the inventory risk of raw materials.

This disposal will not affect the Group's handsets and IOT terminals business. In the future, the Group will continue to focus on the IOT/ industrial terminals markets, in order to better understand the demand and weakness of different business segments. The Group will also increase the investments in R&D, and actively plan and develop terminals or specialised modules that suit the markets. Regarding market development, the Group will focus more on securing new customers in overseas markets. The proceeds from the above mentioned disposal will be used to build an operations center in Dongguan and a factory to upgrade handsets. The Directors believe that the Group can stand out amidst the keen competition of the IOT terminals market.

展望

為了配合集團的轉型策略並使無線通訊模塊業務得到更好的發展，日前，集團與深圳日海通訊技術有限公司訂立買賣協議：出售旗下子公司芯訊通無線科技(上海)有限公司(「芯訊通無線科技」)(本集團之附屬公司)100%的股權。進一步詳情披露於本公告內「重大收購及出售附屬公司及聯營公司」一節。

本次出售前，本集團無線通訊模塊業務涵蓋了無線通訊模塊業務運作整個業務鏈，也就是從產品研發(含產品規劃、產品定義)、備料採購、生產加工(含製成品物流發貨)直到經營銷售。而交割之後，本集團只負責備料採購、生產加工(含製成品物流發貨)。預計此次出售後，無線通訊模塊業務仍然是本集團幾個業務板塊之一，其營收規模將與出售前相比下降不多，但是業務性質將由自有品牌的生產商(OBM)轉為電子製造服務供應商(EMS)。屆時預計毛利率將大幅降低，但同時本集團不需要再承受模組業務巨額研發費用和營銷費用，而且不需要承擔備料庫存的風險。

此次出售不會影響本集團手機和物聯網終端業務。本集團將繼續聚焦物聯網／行業終端市場，深入瞭解各業務的需求和痛點，增加研發投資，主動規劃並研發出適合該市場的終端或專用模塊。在市場的開拓發展方面，集團將更注重開拓海外新市場新客戶。有了出售後，所得的新資金的支持，可用於建設東莞運營中心及改造手機終端製造工廠，董事有信心本集團定能在物聯網終端市場的慘烈激烈競爭中脫穎而出。

Regarding the IOT system and O2O business, the Group will continue to bolster the R&D and marketing of IOT back-end software and expand the cloud computing and big data service platform. The Group will also further expand the ancillary applications of self-developed IOT terminals for different industries, so as to bring new business opportunities to the IOT system and O2O business segment. At the same time, the Group will retain the service platform model for automatic vending machines, in order to build an integrated service platform to focus on serving small-to-medium automatic vending machine operators and beverage manufacturers. This asset-light operation mode is expected to optimise the Group's IT technical strengths and control operational risks while facilitating overall business operations.

Intelligent manufacturing business is the Group's latest business pursuit and has strong potential for development. After years of efforts, out of three production lines, the automated robotic line has carved out market share in the handsets manufacturing industry. The performance of the optical technological products has proven that they can create huge value for customers. Industrial internet products have been increasingly deployed at our factories. After several years' of hard work, the entire business team has grown into a top unit integrating R&D, manufacturing, sales and after-sales functions. Transformation to intelligent robotic manufacturing has become a major trend in manufacturing within China, thus, there will be a strong demand for intelligent manufacturing and AI in the future. The competition in the industry among homogeneous products or for talent is expected to become more intense. Facing a fiercely competitive market, the Group's intelligent manufacturing team has made the necessary full preparation and the Group, for its part, will nurture their entrepreneurial "can-do" spirit through more effective solutions. Thus the Group expects the intelligent manufacturing business will develop rapidly in the next few years.

物聯網系統及運營業務，本集團繼續加強物聯網後台系統軟件的研發與市場推廣，擴展雲計算和大資料服務平台。深化與本集團自主研发的各行業物聯網終端配套應用，以此為物聯網系統及運營業務板塊帶來新的業務機會。同時將堅持自動售貨機業務的服務平台模式，打造一個面向中小規模自動售貨機運營商以及飲料廠商的綜合服務平台。可以預期，此種輕資產的運作模式更能夠發揮本集團資訊科技技術的優勢且運作風險可控，更加健康。

智能製造業務是本集團最新業務領域，有著巨大的發展潛能。數年來的努力，三個產品線中，機器人自動化生產線已經在手機製造業中搶佔了市場。視覺技術產品已經在客戶端證明了該產品可以為客戶帶來的巨大價值。工業互聯網的產品也已在自身工廠逐步應用。經過幾年的努力，整個業務團隊已經成長為一支集研發、生產、銷售、售後與一體的優質團隊。當前國內製造業正處於機器人智能改造的風口浪尖，未來智能製造、人工智能的需求將有爆發式的增長。同樣可以預見，行業競爭、同質化產品競爭、人才競爭也會愈演愈烈。本集團的智能製造團隊已經做好了充分的準備，以更有效的方案激勵員工發揮創業者的拼搏精神，來面對未來殘酷激烈的市場競爭。本集團預計未來幾年智能製造業務將會有爆發式快速增長。

More than ten years ago, the Group has constructed its headquarters in Shanghai, namely SIM Technology Building Block A and Block B located at No. 633 Jinzhong Road, Changning District, Shanghai City, the PRC, which were intended partly for internal use and partly for leasing. The property market in China had not surged at that time, so the leasing area was relatively small and the rent was low. The Group didn't launch a dedicated leasing business, rather it was considered as other income only. However, the property market in China has become more and more prosperous in recent years with a substantial increase in rent. Thus, the Group has moved part of the staff to the Qingpu factory as the rent there is lower, and subsequently enlarged the leasing area at the Shanghai headquarters. To utilise our resources more effectively, the Group is developing the property leasing business by leasing out the spare space at factories and other buildings. As at 31 December 2017, part of SIM Technology Building is held on medium-term lease as investment properties for leasing purpose. At the same time, the Group plans to invest and build a southern base in Dongguan, and parts of the properties are to be earmarked for the leasing business as well. The Group believes that the property market in China has passed the stage of explosive growth, nonetheless will keep growing steadily, rental income will become a stable growth business of the Group.

Looking ahead, the Group will enhance its business transformation, develop value-added businesses and refine its business model as it tightens control and management of costs and expenses. While transformation can be painful for a fresh start, so every staff should have the ambition to start a new business, embrace the change and bear the responsibilities. We firmly believe that the Group will create greater economies of scale to accommodate the continuous development of its business.

十多年前，集團於上海長寧區金鐘路633號興建總部上海晨訊科技大樓A、B棟的時候早已規劃為部分自用，部分出租。由於當時國內的地產市場並未開始急速發展，出租的面積相對較少，租金相對較低，集團並沒有即時開展租賃業務，只是作為其他收入來考慮。近年來國內的地產市場發展愈來愈蓬勃，租金大幅上升，集團把部分員工搬遷到租金較低的青浦工廠，上海總部可用於出租的物業面積也有所增加。為了令公司的資源帶來更大的效益，集團將持續出租一些已騰出的大樓或廠房用於發展物業租賃業務。於二零一七年十二月三十一日，部分晨訊大樓乃根據中期租約持有用於出租的投資物業。同時，集團正計劃在東莞投資建設南方基地，也將有部分物業用於發展租賃業務。集團相信雖然國內物業市場暴漲階段已經過去，但是未來仍將會維持健康增長，因此，租賃收入將會成為集團一項穩定及持續增長的業務。

展望未來，本集團將著力加大業務轉型的步伐，開拓高附加值的業務及模式，對成本和費用實施精細化的管理和控制。轉型是痛苦的，猶如鳳凰涅槃，但集團每位員工都懷著二次創業崛起的雄心，擁抱變化，承擔責任，我們堅信本集團將開拓更廣闊的發展空間，基業長青。

The management believes the development in the past year has proved that the new development directions and strategies of the Group are correct. The completion of business transformation achieved initial results that laid the foundation for the sustainable development. The management expects that new businesses will hurl the Group's development to new heights again in the next few years.

On behalf of the Board, I would like to express my cordial appreciation to all members of the management and the employees for their efforts and dedication throughout the Year. Finally, I would like to thank the financial institutions, Shareholders and investors for their continuous support and confidence in us.

Yeung Man Ying
Chairman


Hong Kong, 22 March 2018

管理層認為，過去一年的發展證明瞭本集團新發展方向和戰略完全正確，過去一年完成了布局，並已經取得了初步的成效，為日後的可持續發展奠定了基礎。管理層相信，未來的幾年新業務的成長必定將本集團的發展推向又一次高峰。

董事會感謝本集團之股東、客戶、供應商、往來銀行及專業顧問對本集團給予支持，本人並為本公司所有員工於本年度內盡忠職守作出貢獻致謝。

楊文瑛
主席

香港，二零一八年三月二十二日



**SMART Machine and
SMART Module for Internet of Things**

物聯網時代的

智能設備和智能模塊

Management's Discussion and Analysis

管理層討論及分析



FINANCIAL REVIEW

During the Year, the revenue from handsets and IOT terminals business, wireless communication modules business, IOT system and O2O business and intelligent manufacturing business (“Core Business”) increased by 16.6% to HK\$2,952.1 million (2016: HK\$2,531.9 million). The revenue from the sale of residential units in PRC amounted to HK\$306.4 million (2016: HK\$192.4 million). The total revenue of the Group for the Year, included revenue of Core Business and properties development, amounted to HK\$3,258.5 million (2016: HK\$2,724.4 million).

The gross profit for Core Business of the Group for the Year decreased by 9.2% year-on-year to HK\$343.5 million (2016: HK\$378.6 million). The gross profit margin for Core Business decreased to 11.6% (2016: 15.0%). The overall gross profit margin of the Group for the Year was 12.1% (2016: 14.7%).

The Group achieved a profit attributable to owners of the Company which increased year-on-year by 44.5% to HK\$111.7 million (2016: HK\$77.3 million) for the Year. The basic earnings per share for the Year was HK4.36 cents (2016: HK3.02 cents).

財務回顧

於本年度，銷售手機及物聯網終端業務、無線通訊模塊業務、物聯網系統及運營業務及智能製造業務(「核心業務」)之收入增加16.6%至2,952,100,000港元(二零一六年：2,531,900,000元)。來自銷售位於中國之住宅單位之收入為306,400,000港元(二零一六年：192,400,000港元)。本集團於本年度之總收入(包括核心業務及物業發展的收入)為3,258,500,000港元(二零一六年：2,724,400,000港元)。

本集團於本年度之核心業務的毛利按年減少9.2%至343,500,000港元(二零一六年：378,600,000港元)。核心業務的毛利率減少至11.6%(二零一六年：15.0%)。本集團於本年度整體毛利率為12.1%(二零一六年：14.7%)。

於本年度，本集團錄得本公司擁有人應佔溢利按年增加44.5%至111,700,000港元(二零一六年：77,300,000港元)。本年度每股基本盈利為4.36港仙(二零一六年：3.02港仙)。

**SMART Phone and
SMART Application for
3G&4G Phones**
3G&4G 時代的
智能手機和智能應用



Research and development expenses

In 2017, the Group mainly focused on the development of intelligent manufacturing businesses. The number of design and development team members was 840 (2016: 860) in 2017. Total R&D expenses of the Group, which amounted to HK\$90.6 million (2016: HK\$102.2 million), represented 2.8% (2016: 3.8%) of the Group's revenue.

Selling and distribution costs

The selling and distribution costs of the Group for the Year increased by 6.3% to HK\$144.4 million (2016: HK\$135.9 million). The ratio of the selling and distribution costs over revenue in 2017 was 4.4 % (2016: 5.0%).

Administrative expenses

The Group's administrative expenses for 2017 decreased by 2.4% to HK\$122.2 million (2016: HK\$125.2 million), representing 3.8% (2016: 4.6%) of the revenue.

研究及開發費用

於二零一七年，本集團集中在智能製造業務的研發，於二零一七年，設計及開發團隊共有840名成員(二零一六年：860名)。研發開支為90,600,000港元(二零一六年：102,200,000港元)，佔本集團收入約2.8%(二零一六年：3.8%)。

銷售及分銷成本

本集團本年度的銷售及分銷成本增加6.3%至144,400,000港元(二零一六年：135,900,000港元)。於二零一七年，銷售及分銷成本佔收入的比例為4.4%(二零一六年：5.0%)。

行政開支

於二零一七年，本集團的行政開支減少2.4%至122,200,000港元(二零一六年：125,200,000港元)，佔收入的3.8%(二零一六年：4.6%)。



Segment results of core business

核心業務的分類業務

		Year ended 31 December 2017 截至二零一七年十二月三十一日止年度			Year ended 31 December 2016 截至二零一六年十二月三十一日止年度		
		Revenue	Gross profit	Gross profit margin	Revenue	Gross profit	Gross profit margin
		收入	毛利	毛利率	收入	毛利	毛利率
		HK\$'M	HK\$'M	%	HK\$'M	HK\$'M	%
		百萬港元	百萬港元	%	百萬港元	百萬港元	%
Handsets and IOT terminals business	手機及物聯網終端業務	1,076.9	136.4	12.7	1,271.1	158.2	12.4
Wireless communication modules business	無線通訊模塊業務	1,454.9	127.7	8.8	815.0	118.4	14.5
IOT system and O2O business	物聯網系統及運營業務	318.9	40.2	12.6	302.3	45.9	15.2
Intelligent manufacturing business	智能製造業務	101.4	39.2	38.7	143.5	56.1	39.1
Total	總計	2,952.1	343.5	11.6	2,531.9	378.6	15.0





Handsets and IOT terminals business

During the Year, since more customers have shifted towards using IOT/industrial application terminals and some differentiated high-end handsets products, the Group no longer developed consumer handsets that are homogeneous and single model with bulk shipment, which generates narrow gross profit margins. However, the IOT/industrial application terminals and some differentiated high-end handset products have higher selling prices and gross profit margins but much lower shipment volumes. As a result, the revenue of this segment decreased significantly year-on-year by 15.3% to HK\$1,076.9 million (2016: HK\$1,271.1 million) in 2017. Nevertheless, as the application terminals having higher average selling price and profit margin, the overall gross profit margin of this business segment increased slightly to 12.7% (2016: 12.4%) for the Year. The revenue of ODM business contributed to approximately 72% of the revenue of this segment in 2017 (2016: 73%).

Wireless communication modules business

Due to the increasing demand for the Group's wireless communication modules from domestic bike sharing industry, revenue of this segment increased year-to-year by 78.5%. However due to the declining average selling price of 2G and other low-end modules, the gross profit margin decreased to 8.8% (2016: 14.5%).

手機及物聯網終端業務

於本年度，由於本集團持續將客戶群進一步轉向物聯網／行業應用終端及一些差異化的高端手機產品，不再開發同質化單款大量低毛利率的中低端消費類手機。雖然物聯網／行業應用終端及一些差異化的高端手機產品平均售價和毛利率都要好於消費類手機，但出貨數量遠遠不及。二零一七年此分部之收入按年大幅減少15.3%至1,076,900,000港元(二零一六年：1,271,100,000港元)。但受惠於應用終端的平均售價及毛利率較高，該業務分部本年的整體毛利率輕微加至12.7%(二零一六年：12.4%)。於二零一七年，ODM業務收入佔此分部收入約72%(二零一六年：73%)。

無線通訊模塊業務

由於國內共享單車業務對本集團的無線通訊模塊的需求持續增加，本分類之收入按年增加78.5%。但是，由於2G及其他低端模塊的平均售價(ASP)呈現下降趨勢，毛利率下降至8.8%(二零一六年：14.5%)。

IOT system and O2O business

During the Year, the revenue of this segment increased 5.5% to HK\$318.9 million (2016: HK\$302.3 million). That was mainly due to the increase in establishment of a sub-depot by the Group in other regions and the addition of business channels. Meanwhile, the Group eliminated the directly managed and operated vending machine outlets with poor efficiency and reduced the amount of financing leasing, leading to a non-operating loss. The operation of some sub-depots has not reached a break-even point while the necessary wages, warehousing and logistics expenses were still incurred, which dragged down the profitability of this business segment. The gross profit margin for the Year decreased to 12.6% (2016: 15.2%).

Intelligent manufacturing business

As the China government implemented a deleveraging policy in 2017, most manufacturing companies became more prudent in equipment investments, which suppressed the market demand. Besides, several automation companies that the Group acquired two years ago recorded losses, because they are currently managed by joint venture partners and operating beyond its effective control. As a result, the revenue for the Year of this segment decreased by 29.3% to HK\$101.4 million (2016: HK\$ 143.5 million), while gross profit decreased by 30%. The gross profit margin also decreased to 38.7% (2016: 39.1%).

物聯網系統及運營業務

於本年度，此分部的收入增加5.5%至318,900,000港元（二零一六年：302,300,000港元），主要因為本集團外地分倉的建立和業務管道的增加。同時集團撤銷了效益不佳的直接管理運營售賣機網點，收縮融資租賃規模，引起了一定金額的非經營性損失。目前一些分倉的經營尚未達到盈虧平衡點，必不可少的人工、倉儲、物流支出進一步拉低了整個板塊的盈利水平。本年度毛利率下降至12.6%（二零一六年：15.2%）。

智能製造業務

2017年，由於國內政府大力推動金融去槓桿政策，大部分製造業企業對設備類投資相對謹慎，抑制了市場的需求。另外，兩年前併購的幾家自動化公司由合資方經營管理，本集團未能對其形成有效控制，出現虧損。因此，本年度該分部收入減少29.3%至101,400,000港元（二零一六年：143,500,000港元），而毛利減少30.0%及毛利率也減少至38.7%（二零一六年：39.1%）。



LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

Liquidity

As at 31 December 2017, the Group had bank balances and cash of HK\$417.1 million (31 December 2016: HK\$249.1 million), among which 88.3% was held in Renminbi, 11.5% was held in US dollars and the remaining balance was held in Hong Kong dollars. As at 31 December 2017, the Group also had pledged bank deposits of HK\$30.1 million (31 December 2016: HK\$76.6 million) in Renminbi for the purpose of the Group's Renminbi borrowings. The Group intends to finance its working capital and capital expenditure plans from such bank balances. The Group has pledged certain of its assets (including property, plant and equipment, investment properties, land use rights and notes receivables) to secure the bank borrowings. The total bank borrowings of the Group amounted to HK\$84.1 million as at 31 December 2017 (31 December 2016: HK\$300.0 million), all of which HK\$62.1 million was denominated in Renminbi and HK\$22.0 million was denominated in US dollars. All of the bank borrowings were at floating interest rates and repayable within one year.

Operating Efficiency

The turnover period of the inventory, trade and notes receivables, trade and notes payables of the Group for the Core Business are presented below:

		2017 二零一七年 Days 天	2016 二零一六年 Days 天
Inventory turnover period	存貨週轉期	105	119
Trade and notes receivables turnover period	應收貿易賬款及票據週轉期	37	40
Trade and notes payables turnover period	應付貿易賬款及票據週轉期	48	88

In the Year, due to significant increase in sales volume, the purchase and cost of sales of the Group increased significantly. The inventory turnover period thus decreased as compared to that of year 2016.

The trade and notes receivable turnover period decreased for the Year as compared to that of year 2016 due to the significant increase in sales for the Year.

流動資金、財務資源及資本結構

流動資金

於二零一七年十二月三十一日，本集團的銀行結餘及現金為417,100,000港元（二零一六年十二月三十一日：249,100,000港元），其中88.3%以人民幣持有，11.5%以美元持有，其餘則以港元持有。於二零一七年十二月三十一日，本集團亦就其人民幣借貸抵押以人民幣計值的銀行存款為30,100,000港元（二零一六年十二月三十一日：76,600,000港元）。本集團擬以該等銀行結餘撥付本集團的營運資金及資本開支計劃所需的資金。本集團已抵押若干資產（包括物業、廠房及設備，投資物業，土地使用權及應收票據），作為獲得銀行借貸之擔保。本集團之總銀行借貸為84,100,000港元（二零一六年十二月三十一日：300,000,000港元），其中62,100,000港元以人民幣計值及22,000,000港元以美元計值，該借貸全部以浮動利率計息及於一年內償還。

營運效率

本集團主營業務之存貨、應收貿易賬款及票據、應付貿易賬款及票據的週轉期呈列如下：

本年度，由於銷售量的明顯上升集團的採購及成本也大幅上升。存貨週轉期因此比二零一六年大幅減少。

由於銷售的明顯上升，因此，本年度之應收貿易賬款及票據週轉期比二零一六年減少。

The trade and notes payables turnover period decreased for the Year as compared to that of year 2016 due to the decrease in average balance of trade and notes payables for the Year.

As at 31 December 2017, the current ratio, calculated as current assets over current liabilities, was 1.9 times (31 December 2016: 1.9 times).

The Group reckons that inventory turnover period, trade and notes receivables turnover period, and trade and notes payables turnover period help the Group to understand its ability to convert inventory into cash and sales and cash conversion cycle. Through reviewing the turnover periods, the Group can improve its operational efficiency. The current ratio can help the Group to understand its ability to pay short-term and long-term obligations.

Treasury Policies

The Group adopts a prudent approach in its treasury policy. The Group's surplus funds are held under fixed and savings deposits in reputable banks to earn interest income. As at 31 December 2017, the Group has entrusted a total amount of HK\$36.2 million under certain asset management agreements for an investment period of one year. During the Year, the Group did not have any other security or capital investments or derivative investments.

Certain sales and purchases of inventories of the Group are denominated in US dollars. Furthermore, certain trade receivables, trade payables, bank balances and bank borrowings are denominated in US dollars, therefore exposing the Group to the currency risk of US dollars. During 2016, the Group entered into a foreign exchange forward contract of US\$20.0 million to reduce the foreign exchange exposures in US dollars. The aforementioned foreign exchange forward contract was matured on 16 November 2017 and there was no outstanding foreign exchange forward contract as at 31 December 2017. Save as disclosed, as at 31 December 2017, the Group did not use any financial instrument for hedging purpose.

由於應付貿易賬款及票據於本年度之平均餘額減少，因此，本年度之應付貿易賬款及票據週轉期比二零一六年減少。

於二零一七年十二月三十一日，流動比率（按流動資產對流動負債計算）為1.9倍（二零一六年十二月三十一日：1.9倍）。

本集團認為存貨週轉期、應收貿易賬款及票據週轉期、應付貿易賬款及票據週轉期有助本集團瞭解存貨變現能力的效率，銷售與現金週轉週期。透過審視週轉天數將可改善本集團的營運效率。流動比率可幫助本集團瞭解其短期及長期償債能力。

庫務政策

本集團採納審慎之庫務政策。本集團之盈餘資金乃存入聲譽良好之銀行作為定期及活期存款，以賺取利息收入。於二零一七年十二月三十一日，本集團已根據若干份投資期為一年之資產管理合約委託合共36,200,000港元。於本年度，本集團並無任何其他抵押或資本投資或衍生投資。

本集團若干銷售及購買存貨以美元計值，另本集團若干應收貿易賬款、應付貿易賬款、銀行結餘及銀行借貸以美元計值，本集團因此承受美元貨幣風險。於二零一六年，本集團訂立了一份20,000,000美元的外匯長期合約，以減低於美元的外匯風險。上述外匯長期合約已於二零一七年十一月十六日到期。於二零一七年十二月三十一日，概無未完成之外匯長期合約。除已披露者外，於二零一七年，本集團無使用任何金融工具作對沖用途。

CAPITAL STRUCTURE

As at 31 December 2017, the Company had 2,559,546,300 ordinary shares of HK\$0.10 each in issue.

The Company has issued 1,650,000 ordinary shares of HK\$0.1 each upon exercise of share options of the Company during the Year.

Save as disclosed above, no shares of the Company has been issued or repurchased during the Year.

資本結構

截至二零一七年十二月三十一日，本公司已發行2,559,546,300股每股面值0.10港元之普通股。

於本年度，因行使本公司構股權，本公司發行了1,650,000股每股面值0.10港元之普通股。

除上述披露者外，於本年度，概無發行或回購本公司之股票。

CASH FLOW STATEMENT HIGHLIGHTS

現金流量表摘要

		2017 二零一七年 HK\$' million 百萬港元	2016 二零一六年 HK\$' million 百萬港元
Net cash from operating activities	來自經營活動之現金淨額	380.2	211.0
Capital expenditure	資本開支	(53.5)	(59.0)
Development costs	開發成本	(201.1)	(194.5)
Net decrease in bank borrowings	銀行借貸減少淨額	(236.6)	(18.1)
Net decrease in entrusted loan receivables	應收委託貸款減少淨額	76.6	3.5
Proceeds from disposal of equipment	出售設備所得款項	2.4	5.3
Deposits received for disposal of an associate	就出售一家聯營公司收取之訂金	-	1.2
Bank interest paid	支付銀行利息	(9.0)	(10.1)
Dividend paid	已付股息	(25.6)	-
Repayment to non-controlling shareholders of subsidiaries	償還附屬公司非控股股東	(35.6)	(9.4)
Deposits received from disposal of subsidiaries	已收出售附屬公司之按金	62.4	-
Consideration received from disposal of an associate	已收出售一間聯營公司之代價	10.1	-
Increase in other liabilities	其他負債增加	141.2	-
Others	其他	9.9	(5.4)
Net increase/(decrease) in cash and cash equivalents (including pledged bank deposits)	現金及現金等值項目增加/(減少)淨額(包括已抵押銀行存款)	121.4	(75.5)

GEARING RATIO

As at 31 December 2017, the total assets value of the Group was HK\$3,630.4 million (31 December 2016: HK\$3,479.8 million) and the bank borrowings was HK\$84.1 million (31 December 2016: HK\$300.0 million). The gearing ratio of the Group, calculated as total bank borrowings over total assets, was 2.3% (31 December 2016: 8.6%).

負債比率

於二零一七年十二月三十一日，本集團之資產總值為3,630,400,000港元(二零一六年十二月三十一日：3,479,800,000港元)，銀行借貸為84,100,000港元(二零一六年十二月三十一日：300,000,000港元)。本集團之負債比率(按銀行借貸總額除以資產總值計算)為2.3%(二零一六年十二月三十一日：8.6%)。

The Group reviews its gearing ratio on a regular basis. According to the capital plan for the future, the Group tries to maximise revenue for Shareholders with capital risk awareness in mind. Capital structure is being constantly adjusted according to changes in the operational environment.

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES AND ASSOCIATED COMPANIES

On 20 January 2017, SIM Technology Group (BVI) Limited, a wholly-owned subsidiary of the Company and u-blox AG, a wholly-owned subsidiary of u-blox Holding AG (a company listed on the SIX Swiss Exchange), entered into the technology assignment (“Technology Assignment Contract”) and the asset purchase agreement (“Asset Purchase Agreement”), pursuant to which the Group has agreed to sell the Group’s 2G, 3G, 4G wireless communication module and GNSS module business related technology and assets at the aggregate consideration of US\$52.5 million.

On 21 May 2017, the Group and u-blox AG have mutually agreed not to proceed with the above mentioned proposed disposal. Both parties have therefore decided to amicably terminate the Technology Assignment Contract and Asset Purchase Agreement and all ancillary agreements.

Further details of the above mentioned proposed disposal are disclosed in the announcements of the Company dated 22 January 2017 and 22 May 2017 and the circular of the Company dated 28 February 2017.

On 22 September 2017, the Company, Simcom International Holdings Limited (“Simcom International”), 上海移為通信技術股份有限公司 (Queclink Wireless Solutions Co., Ltd.*) (“Queclink Wireless”), Richjoy Talent Limited (“Richjoy”), Shanghai Simcom Electronic Limited (“Simcom Electronic”, together with Simcom Wireless as the “Target Companies”) and Simcom Wireless entered into a sale and purchase agreement under which Simcom International has conditionally agreed to sell, and Queclink Wireless and Richjoy have conditionally agreed to purchase the equity interest in the Target Companies at the aggregate consideration of RMB528 million.

透過定期審視資本負債比率，依據未來資金規劃需求，於股東回報及資金安全之間取得平衡，並且因應經營環境的變化調整資本結構。

重大收購及出售附屬公司及聯營公司

於二零一七年一月二十日，SIM Technology Group (BVI) Limited (本公司之全資附屬公司) 與u-blox Holding AG (一間於瑞士證券交易所上市的公司) 之全資附屬公司u-blox AG 訂立技術轉讓(「技術轉讓合約」)及資產購買協議(「資產購買協議」)，據此，本集團已同意出售本集團之2G、3G、4G無線通訊模塊及GNSS模塊業務相關之技術及資產，總代價為52,500,000美元。

於二零一七年五月二十一日，本集團與u-blox AG已相互同意不進行上述建議的出售事項。雙方因而決定友好地終止技術轉讓合約、資產購買協議及所有附屬協議。

上述建議的出售事項之進一步詳情披露於本公司日期為二零一七年一月二十二日及日期為二零一七年五月二十二日之公告及本公司日期為二零一七年二月二十八日之通函。

於二零一七年九月二十二日，本公司、Simcom International Holdings Limited (「Simcom International」) 上海移為通信技術股份有限公司 (Queclink Wireless Solutions Co., Ltd.*) (「移為通信」)、日領有限公司 (「日領」)、上海芯通電子有限公司 (「芯通電子」) 與芯訊通無線科技統稱為「標的公司」) 與芯訊通無線科技訂立買賣協議，據此，Simcom International已有條件同意出售而移為通信及日領已有條件同意購買標的公司的股本權益，總代價為人民幣528,000,000元。

On 7 December 2017, the Company, Simcom International, Queclink Wireless, Richjoy, the Target Companies, Shenyang SIM Simcom Technology Limited and Shanghai SIM Technology Limited entered into a termination agreement for the above mentioned sale and purchase agreement.

Further details of the above mentioned proposed disposal are disclosed in the announcements of the Company dated 22 September 2017, 24 November 2017 and 7 December 2017.

於二零一七年十二月七日，本公司、Simcom International、移為通信、日領、標的公司、沈陽晨訊希姆通科技有限公司及晨訊科技(上海)有限公司就上述買賣協議訂立終止協議。

上述建議的出售事項之進一步詳情披露於本公司日期為二零一七年九月二十二日、日期為二零一七年十一月二十四日及二零一七年十二月七日之公告。



On 21 December 2017, the Company, Simcom International (an indirect wholly-owned subsidiary of the Company), 深圳日海通訊技術股份有限公司 (Shenzhen Sunsea Communication Technology Co. Limited*) ("Shenzhen Sunsea") (a company listed on the Shenzhen Stock Exchange), Simcom Electronic and Simcom Wireless entered into the sale and purchase agreement ("Sale and Purchase Agreement") under which Simcom International has conditionally agreed to sell, and Shenzhen Sunsea has conditionally agreed to purchase, 100% of the equity interest of Simcom Wireless ("Disposal"). It is expected that approximately 35% of the actual net gain from the disposal will be used for payment of a special interim dividend. Further details of the amount of the special interim dividend and the record date of the entitlements will be announced by the Company after completion. Details of the Disposal are disclosed in the announcements of the Company dated 21 December 2017 and 13 February 2018 and the circular of the Company dated 18 January 2018.

Save as disclosed above, during the Year, the Group did not have any material acquisition or disposal of subsidiaries or associated companies.

SIGNIFICANT INVESTMENT

As at 31 December 2017, the available-for-sale investment represented the Group's investment in 3.41% of the shares in Shanghai Guao Electronic Technology Co., Ltd ("Shanghai Guao") ("Investment") and the Investment cost was approximately HK\$16.9 million. During 2016, Shanghai Guao became listed on the ChiNext of the Shenzhen Stock Exchange. The fair value, based on the quoted market price, of the Investment at 31 December 2017 is approximately HK\$80.3 million (31 December 2016: HK\$187.4 million). HK\$171,000 dividends was received from Shanghai Guao during the Year. Shanghai Guao specializes in the research and development, manufacturing, marketing and service of innovative financial equipment. The Group noted the development strategy of Shanghai Guao as stated in its annual report for the year 2016 issued on April 2017, that Shanghai Guao will focus on the new financial products based on its existing production system and technology reserve. Shanghai Guao will continue to develop its technology so as to improve its sales and after-sale service. Shanghai Guao will develop projects in relation to automated cash treatment.

於二零一七年十二月二十一日，本公司、Simcom International (本公司之間接全資附屬公司)、深圳日海通訊技術股份有限公司 (「深圳日海」) (一間於深圳證券交易所上市之公司)、芯通電子及芯訊通無線科技訂立買賣協議 (「買賣協議」)，據此，Simcom International 已有條件出售而深圳日海已有條件同意購買芯訊通無線科技的100%股本權益 (「出售事項」)。預期買賣協議項下擬進行之交易之實際收益淨額約35%將用於支付特別中期股息。特別中期股息金額及收取股息資格的記錄日期詳情將於交割後由本公司公佈。該出售事項之詳情載於本公司日期為二零一七年十二月二十一日及日期為二零一八年二月十三日之公告及本公司日期為二零一八年一月十八日之通函。

除上述披露者外，於本年度，本集團並無任何重大收購或出售附屬或聯營公司。

重大投資

於二零一七年十二月三十一日，可供出售投資指本集團持有上海古鰲電子科技股份有限公司 (「上海古鰲」) 3.41% 股權 (「該投資」)。該投資之成本約為16,900,000港元。上海古鰲於2016年在深圳證券交易所創業板上市。該投資於二零一七年十二月三十一日之公平值 (按市場價釐定) 約為80,300,000港元 (二零一六年十二月三十一日：187,400,000港元)。於本年度從上海古鰲收取之股息為171,000港元。上海古鰲是從事創新之金融設備的研發、生產、銷售與服務。本集團注意到於二零一七年四月刊發的上海古鰲二零一六年年報中所述，其發展戰略將為根據其現有生產系統及技術儲備集中發展新金融產品。上海古鰲將繼續發展其技術以改善銷售及售後服務。上海古鰲將發展與自動現金處理有關的項目。

EMPLOYEES

As at 31 December 2017, the Group had approximately 2,540 (2016: 2,390) employees. The Group operates a Mandatory Provident Fund retirement benefits scheme for all its employees in Hong Kong, and provides its PRC employees with welfare schemes as required by the applicable laws and regulations of the PRC. The Group has a comprehensive training system in place that establishes a network-based career path for employees, including position and ability management, skills enhancement programme, various training opportunities, online learning programme for staff, internal promotion system, key employees development programme, succession plans for key positions and leadership development programme. The Group also offers discretionary bonuses and may grant share options under the share option scheme of the Company to its employees by reference to individual performance and the performance of the Group. Total staff costs incurred by the Group amounted to HK\$308.0 million (2016: HK\$387.5 million) during the Year.

EMOLUMENT POLICY

The emolument policy of the employees of the Group is set by the human resources department. The Group seeks to provide remuneration packages on the basis of the merit, qualifications and competence of the employees.

The emoluments of the Directors and senior management of the Company are reviewed by the remuneration committee of the Board, having regard to factors including the Group's operating results, responsibilities of the Directors and senior management and comparable market statistics.

The Company adopted a pre-listing share option scheme to recognise and reward the contribution of certain Directors and employees of the Group to the growth and development of the Group. The Company has adopted share option scheme, the primary purpose of which is to motivate the eligible persons referred to in the scheme, which include executive Directors and employees of the Group, to optimise their future contributions to the Group and to reward them for their efforts. Details of the share option schemes of the Company are set out in note 36 to the consolidated financial statements.

僱員

於二零一七年十二月三十一日，本集團有約 2,540 名（二零一六年：2,390 名）僱員。本集團為其所有香港僱員設立一項強制性公積金退休福利計劃，並根據中國適用法律及法規之規定向中國僱員提供福利。本集團設有全面的培訓系統，為僱員建立基於網絡的職業道路，包括職位及能力管理、技巧提升項目、各式培訓機會、僱員在線學習項目、內部提升機制、主要僱員發展項目、主要職位繼任計劃及領導力發展計劃。本集團亦根據僱員個別表現及本集團之表現向僱員提供酌情花紅及根據本公司之購股權計劃授予股權。於本年度，本集團的員工成本總額為 308,000,000 港元（二零一六年：387,500,000 港元）。

薪酬政策

本集團之僱員薪酬政策由人力資源部釐定。本集團根據僱員之功績、資格及能力而提供薪酬待遇。

董事及高級管理層之酬金會由本公司薪酬委員會參考本集團經營業績、董事及高級管理層所承擔之責任及可作比較之市場統計數據後進行審閱。

本公司已採納一項首次公開發售前購股權計劃，以嘉許及獎勵本集團若干對本集團增長及發展作出貢獻的董事及僱員。本公司已採納一項購股權計劃，主要目的為鼓勵計劃所述包括本集團執行董事及僱員在內的合資格人士於日後為本集團帶來最大貢獻，並回報彼等所作出的努力。購股權計劃之詳情載於綜合財務報表附註 36。

FUTURE PLANS FOR MATERIAL INVESTMENT

As stated in the circular of the Company dated 18 January 2018, the Group intends to use part of the net proceeds from the Disposal in the following manner:

- as to approximately HK\$201.5 million for purchase of the land for the Group's operations centre in Dongguan, the PRC and the construction of the operation centre; and
- as to approximately HK\$115.1 million for (a) upgrading the production facilities of the Group in Shanghai and the above operations centre and development of an automated intelligent 3D-warehouse; (b) further implementation of the digitizing, networking and intelligent processes by Industry 4.0; and (c) enhancing the competitiveness of the high-end handsets ODM (original design manufacturing) and EMS businesses.

Save as disclosed above, the Group did not have any plans for material investment or capital assets during the Year.

CONTINGENT LIABILITIES

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

EVENTS AFTER THE REPORTING PERIOD

On 13 February 2018, the Shareholders approved the Sale and Purchase Agreement and the transactions contemplated thereunder. Subsequent to 31 December 2017, the Disposal has been completed and the Group is in the process of assessing the relevant financial impact of the Disposal to the Group.

Details of the Disposal are disclosed in the section of "Material Acquisition and Disposal of Subsidiaries and Associated Companies" in this report and the announcements of the Company dated 21 December 2017 and 13 February 2018 and the circular of the Company dated 18 January 2018.

Save as disclosed above, there were no significant events of the Group occurred since the end of the Year.

未來重大投資計劃

在公司於二零一八年一月十八日之通函所載，本集團擬按以下方式使用出售事項之部份所得款項：

- 約201,500,000 港元用作購買位於中國東莞的用於興建本集團營運中心的土地及用於該營運中心的建造；及
- 約115,100,000港元用作(a)更新本集團於上海的生產設備及上述營運中心，以及發展自動化智能3D倉庫；(b)進一步實施產業4.0數碼化；及(c)提高高端手機原始設計製造(ODM)及電子代工製造服務(EMS)業務的競爭力。

除上述披露者外，本集團於本年度並無任何未來重大投資或資本資產之計劃。

或然負債

於二零一七年十二月三十一日，本集團並無任何重大或然負債。

於報告期後事項

於二零一八年二月十三日，股東已批准該買賣協議及根據其進行之交易。於二零一七年十二月三十一日後，該出售事項已完成，本集團正評估該出售對本集團的相關財務影響。

該出售事項之詳情披露於本年報「重大收購及出售附屬及聯營公司」一節及本公司日期為二零一七年十二月二十一日、日期為二零一八年二月十三日之公告及本公司日期為二零一八年一月十八日之通函。

除上述披露者外，自本年度末起，概無發生本集團之重大事項。

Caring for our Society
關注我們的社會



Development Concept of SIM Technology

晨訊科技的發展理念



LONG-TERM DEVELOPMENT CONCEPT

We will continue to strive to create long-term values for our customers, shareholders and employees.

長期發展的理念

我們通過全體員工孜孜不倦地長期奮鬥，為我們的客戶、股東及員工創造長期的價值。

TARGETED AT MARKET LEADERS

Our target is to make the Company the leader in global wireless communication terminals product solutions and services. All employees of the Group are fully confident in, and are striving for, achieving the target.

世界級企業的目標

我們的目標是：致力於成為全球無線通訊領域終端產品解決方案與服務的世界級企業。集團全體員工始終抱著這個堅定的信念和充足的信心，為實現這一目標而努力。

CUSTOMER-ORIENTED WITH CONTINUOUS INNOVATION

We are customer-oriented. We attend to, in a timely manner, and continue to satisfy customers' needs, through continuous innovation in technology and management.

關注客戶，不斷創新

我們強調客戶導向的理念。我們時刻關注客戶的需求，通過不斷的技术創新和管理創新，持續滿足客戶的需求。

BUSINESS FIDELITY AND SUSTAINABLE OPERATION

Fidelity is the Company's operating principle and standard, thereby we have won confidence from our investors, customers, suppliers, as well as employees.

誠信立業、永續經營

我們以誠信立業，以誠信為企業經營準則，並藉此贏得我們的投資者、客戶、供應商和員工的信任。



MAKING THE WORLD BETTER BECAUSE OF US

With “making the world better because of us” as our corporate vision, the Group aims to provide the world with a light of betterment through our continuous efforts.

Support from the community is vital to corporate development, thus giving back is undeniably our corporate responsibility. We are aware of our limited ability, but as long as we do our best in every detail and take up our responsibility, the world will be better because of us.

SUNRISE PEOPLE CHARITY FUND

An organisation established and funded by the employees of the Group for charity purpose. Sunrise People (the employees of the Group) should not only be satisfied with material wealth but should also enrich ourselves spiritually. The Group wishes that more Sunrise People can share our charitable culture and carry it out so as to create a better and more harmonious future together.

FOCUSED ON ENVIRONMENTAL PROTECTION

The Group initiated campaigns such as the “Green in Action” and started from every detail to contribute to environmental protection.

讓世界因我們更美好

集團以「讓世界因我們更美好」為企業願景，希望能夠通過我們的不斷努力，為世界增添一份美好。

企業發展離不開社會的支持，所以回報社會是企業義不容辭的責任。我們深知自己能力有限，但只要我們努力去做，用心去做，從小事做起，從身邊的事情做起，盡自己的一份責任，那麼這個世界畢竟會因我們多一份美好。

晨興人慈善基金

由本集團僱員建立並資助的慈善組織。晨興人（本集團之僱員）除了物質上的財富，還應該有更多精神上的財富。本集團希望有更多的晨興人認同慈善文化，並付諸實踐，大家攜手創造更加美好、和諧的明天。

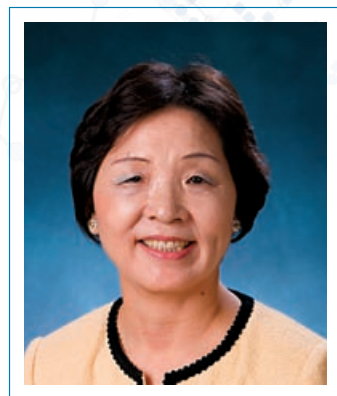
注重環境保護

集團發起「綠色在行動」等活動，從點滴做起，為環境保護貢獻自己的力量。

Directors and Senior Management Profile

董事及高級管理人員

DIRECTORS



Ms Yeung Man Ying (“Mrs Wong”), aged 73, is the chairman of the Company and an executive Director and a director of Sunrise Electronic Industry Limited. Mrs Wong is responsible for developing direction and strategies of the Group. Mrs Wong together with her spouse, Mr Wong Cho Tung (“Mr Wong”), an executive Director, were the founders of the Company. Over the years, Mrs Wong and Mr Wong had established a number of companies which engaged in the electronics and telecommunications business including Shanghai Sunrise Simcom Ltd. (“Shanghai Sunrise Simcom”), one of the Group’s main operating subsidiary which was established in November 1993. Mrs Wong has over 20 years of operational and management experience in the electronics and telecommunications industry. Mrs Wong lectured at the Electrical Department of the South China University of Technology in 1977. Mrs Wong has been a guest professor at Tongji University since 2003. Mrs Wong graduated in 1968 from the Beijing University of Aeronautics and Astronautics (currently known as Beihang University), specialising in electrical engineering.



Mr Wong Cho Tung (“Mr Wong”), aged 73, is an executive Director and the president of the Group. Mr Wong is responsible for participating in formulation of the direction, strategies and be responsible for the development plan of the new business of the Group. Mr Wong is the chairperson of Shanghai SIM Technology Limited (“Shanghai SIM Technology”), a director of Shanghai Sunrise Simcom and SIM Technology HK Limited (“SIM Technology (HK)”). Mr Wong is also the director of Info Dynasty Group Limited and Intellipower Investments Limited, both of which are the substantial Shareholders. Mr Wong together with his spouse, Mrs Wong, an executive Director, were the founders of the Company. Mr Wong graduated in 1968 from the Beijing University of Aeronautics and Astronautics (currently known as Beihang University), specialising in electrical engineering. Mr Wong has decades of experience in the electrical, electronics and telecommunications industry.

董事

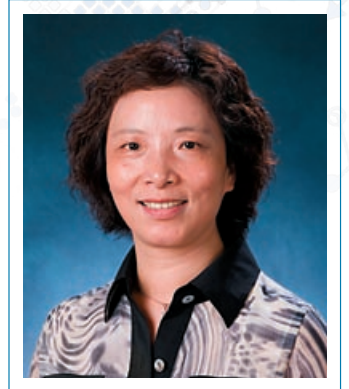
楊文瑛女士（「王太太」），73歲，本公司主席兼執行董事及晨興電子工業有限公司之董事。王太太負責本集團之發展方向和策略。王太太及其配偶王祖同先生（「王先生」），執行董事，為本公司之創立者。多年來，王太太及王先生成立多家公司，從事電子及通訊業務，包括上海晨興希姆通電子科技有限公司（「上海晨興希姆通」），該公司於一九九三年十一月成立，為本集團主要營運附屬公司之一。王太太於電子及電信業擁有逾20年營運及管理經驗。王太太於一九七七年曾任教華南理工大學電子工程學系。自二零零三年起，彼為同濟大學之客席教授。王太太於一九六八年畢業於北京航空航天大學，主修電子工程專業。

王祖同先生（「王先生」），73歲，執行董事及本集團總裁。王先生負責參與制定本集團發展方向、策略並負責新業務拓展計劃。王先生為晨訊科技（上海）有限公司（「上海晨訊科技」）主席、上海晨興希姆通及晨訊科技香港有限公司（「香港晨訊科技」）之董事。王先生亦為Info Dynasty Group Limited及Intellipower Investments Limited之董事，兩者均為本公司主要股東。王先生及其配偶王太太，執行董事，為本公司之創立者。王先生於一九六八年畢業於北京航空航天大學，主修電機工程專業。王先生於電機、電子及通訊業擁有豐富經驗。

Ms Tang Rongrong (“Ms Tang”), aged 64, is an executive Director, vice president of the business operation headquarter (located in Shanghai, PRC) of the Group and a director of Shanghai Sunrise Simcom, Shenyang SIM Real Estate Limited, Shenyang SIM Technology Limited, Shanghai Mobile Phone Public Testing Platform Co., Ltd. and Shanghai SIM Technology. Ms Tang has nearly 20 years of experience in human resources management, administration and corporate operation. Prior to joining the Group in 1995, Ms Tang was a physician of 江西省贛州市第一人民醫院 (Jiangxi Ganzhou First People's Hospital) and the head of technology and deputy chief physician of 南昌市計劃生育指導所 (Nanchang Birth Planning Institute). Since then, Ms Tang has served as the manager and deputy general manager of the personnel and administration department of Shanghai Sunrise Simcom. Ms Tang graduated from 贛南醫學專科學校 (Gannan Medical College) in 1978.

Mr Chan Tat Wing, Richard (“Mr Chan”), aged 61, is an executive Director and the chief finance officer of the Group. Mr Chan was qualified as a certified general accountant (CGA) in Canada in 1988. He is a member of the Certified General Accountants Association of Canada. Mr Chan has more than 25 years of financial management experience and has worked as, amongst other positions, the chief finance officer of E-Mice Solutions (HK) Limited and Chinatron Group Holdings Limited, the financial controller of SmarTone Telecommunications Holdings Limited and the finance director of EMI (Hong Kong) Ltd and had also held a financial management position in Merrell Dow Pharmaceuticals (Canada) Inc. Mr Chan obtained a bachelor's degree in arts from York University, Canada in 1979 and a bachelor's degree in administrative studies with honours from the same university in 1982. Mr Chan joined SIM Technology (HK) in July 2004.

唐融融女士 (「唐女士」), 64歲, 執行董事、本集團業務運營總部(位於中國上海)之副總裁及上海晨興希姆通、晨訊置業(沈陽)有限公司、晨訊科技(沈陽)有限公司、上海手機測試公共服務平台有限公司及上海晨訊科技之董事。唐女士於人力資源管理、行政管理及企業經營方面擁有近20年經驗。於一九九五年加盟本集團之前, 唐女士為江西省贛州市第一人民醫院之醫師, 並為南昌市計劃生育指導所醫療技術負責人及副總醫師。此後, 唐女士於上海晨興希姆通擔任人事管理部經理及副總經理。唐女士於一九七八年於贛南醫學專科學校畢業。



陳達榮先生 (「陳先生」), 61歲, 執行董事及本集團之首席財務總監。陳先生於一九八八年成為加拿大註冊會計師。彼為加拿大註冊會計師公會會員。陳先生擁有逾25年財務管理經驗, 曾擔任(其中包括)香港德軟信息技術有限公司及中國傳訊控股有限公司之財務總監、數碼通電訊集團有限公司之財務總監及百代唱片有限公司之財務總監, 亦於Merrell Dow Pharmaceuticals (Canada) Inc. 擔任財務管理職位。陳先生一九七九年取得加拿大York University文學士學位, 並於一九八二年於同一所大學獲頒行政學榮譽學士學位。陳先生於二零零四年七月加入香港晨訊科技。





Mr Liu Jun (“Mr Liu”), aged 45, is an executive Director and the chief executive officer of the Group. Mr Liu is fully responsible for the overall management of the Group. Mr Liu graduated with a bachelor’s degree in electronic engineering from 天津大學 (Tianjin University) in 1994 and was awarded a master’s degree in information technology from 南京郵電學院 (unofficial English translation being Nanjing Institute of Post and Telecommunications) (currently known as 南京郵電大學 (Nanjing University of Post and Telecommunications)) in 1997. Mr Liu has extensive experience in the field of telecommunication technology and software programmes development. Prior to joining the Group, Mr Liu has worked for the mobile research and development centre of Motorola in Beijing and was responsible for the development of telecommunication software programmes. Mr Liu has also worked for China Techfaith Wireless Communication Technology Limited, a company listed on the NASDAQ of the United States of America (“US”), from August 2002 to March 2007, in various positions including as a director, chief operating officer and executive senior vice president. Mr. Liu was appointed as an executive Director in June 2015.

劉軍先生 (「劉先生」) · 45歲 · 執行董事 (於二零一五年六月四日委任) 及本集團之首席執行官 · 劉先生全面負責本集團整體管理。劉先生於一九九四年畢業於天津大學 · 取得電子工程學士學位元 · 並且於一九九七年取得南京郵電學院 (現稱南京郵電大學) 資訊技術碩士學位。劉先生於通訊技術及軟件程式開發有豐富經驗。於加入本集團前 · 劉先生於摩托羅拉手機北京研發中心負責通訊軟件開發。劉先生自二零零二年八月起至二零零七年三月止期間 · 於美國納斯達克上市公司中國德信無線通訊科技有限公司 (China Techfaith Wireless Communication Technology Limited) 曾擔任董事 · 首席營運官及高級行政副總裁等不同職位。劉先生於二零一五年六月獲委任為執行董事。



Mr Liu Hing Hung (“Mr HH Liu”), aged 55, is an independent non-executive Director, the chairman of the audit committee of the Board and the chairman of the remuneration committee of the Board. Mr HH Liu is a fellow member of the Hong Kong Institute of Certified Public Accountants and the Taxation Institute of Hong Kong and also a member of the Society of Chinese Accountants and Auditors. Mr HH Liu now runs a professional accountancy firm in Hong Kong and has over ten years of experience in accounting, taxation, auditing and corporate finance. Mr HH Liu is also an independent non-executive director of Emperor Watch & Jewellery Limited (stock code: 887), a company listed on the Main Board of The Stock Exchange of Hong Kong Limited (“Stock Exchange”) from May 2017. Mr HH Liu was previously an independent non-executive director of Emperor International Holdings Limited (stock code: 163), a company listed on the Main Board of Stock Exchange from September 2004 to August 2015. Mr HH Liu was appointed as an independent non-executive Director in September 2008.

廖慶雄先生 (「廖先生」) · 現年55歲 · 為獨立非執行董事、董事會之審核委員會主席及董事會之薪酬委員會主席。廖先生為香港會計師公會及香港稅務學會之資深會員 · 亦為香港華人會計師公會會員。廖先生現主理香港一間專業會計師行 · 彼在會計、稅務、核數及企業融資方面擁有逾十年經驗。廖先生於二零一七年五月起亦為英皇鐘錶珠寶有限公司 (股份代號：887) 之獨立非執行董事 · 該公司於香港聯合交易所有限公司 (「聯交所」) 主板上市。廖先生曾於二零零四年九月至二零一五年八月期間為英皇集團 (國際) 有限公司 (股份代號：163) 之獨立非執行董事 · 該公司於香港聯合交易所有限公司主板上市。廖先生於二零零八年九月獲委任為獨立非執行董事。

Mr Wang Tianmiao, aged 58, is an independent non-executive Director. Mr. Wang Tianmiao has been a professor at Beihang University in the PRC since 1995. Mr Wang Tianmiao was (i) a member of the Academic Subject Assessment Expert Panel of the Academic Committee of the State Council of the PRC; (ii) the expert panel leader of the national “863 Programme” on robotics technology; (iii) the deputy leader of the Expert Panel Meeting of the Manufacturing Industry Informatization Project of the Ministry of Science and Technology of the PRC; (iv) a member of the Robotics Professional Committee of the Ministry of Science and Technology of the PRC; (v) the honorary department head at the Graduate School of Robotics of Beihang University; (vi) a supervisor of each of the major laboratory of the mechanic industrial service robot and the artificial intelligence and robotics engineering technology centre of Beihang University; and (vii) the deputy councillor of the Academic Committee of Beihang University. Mr Wang Tianmiao's research areas mainly focus on advanced robotics technology, and he has achieved outstanding results in the research development of medical robots, bionic mechanical fish and embedded intelligent control. Mr Wang Tianmiao obtained a bachelor's degree from Xi'an Jiaotong University in 1982, a master's degree from the Northwestern Polytechnical University in 1987, and a doctoral degree from the Northwestern Polytechnical University in 1989 in the PRC. Mr Wang Tianmiao has been an independent director of Goertek Inc. (歌爾股份有限公司), the shares of which are listed on the Main Board of the Shenzhen Stock Exchange (stock code: 002241), since April 2016. Mr Wang Tianmiao was appointed as an independent non-executive Director in April 2017.

Mr Wu Zhe (“Mr Wu”), aged 61, is an independent non-executive Director. Mr. Wu has been the professor at Beihang University in the PRC since October 1993 and the deputy principal at Dongguan University of Technology in the PRC since 2015. During the period from May 1991 to October 1993, Mr Wu was the lecturer and the associate professor in aircraft design of Beihang University. From 1997 to 2004, he was the deputy principal of Beihang University. He obtained a bachelor's degree in Wuhan Institute of Construction* (武漢建材學院) (currently known as Wuhan University of Technology) in 1982, a doctoral degree from Harbin Institute of Architecture* (哈爾濱建工學院) (currently known as Harbin Institute of Technology) in 1988 and a postdoctoral certificate from Northwestern Polytechnical University in 1991 in the PRC. Mr Wu was appointed as an independent non-executive Director in April 2017.

王田苗先生，58歲，為獨立非執行董事。王田苗先生自一九九五年起擔任中國北京航空航天大學（「北航大學」）教授。王田苗先生曾為(i)中華人民共和國（「中國」）國務院學位委員會學科評審專家組成員；(ii)全國「863計劃」機器人技術主題專家組組長；(iii)中國科技部製造業信息化工程專家組副組長；(iv)中國科技部中國機器人專業委員會委員；(v)北航大學機器人研究所名譽所長；(vi)北航大學機械工業服務機器人重點實驗室主任及智能技術與機器人工程技術中心主任；及(vii)北航大學學術委員會副主任委員。王田苗先生的研究方向為先進機器人技術，並於醫用機器人、仿生機器魚及嵌入式智能控制等方面取得突出成績。王田苗先生於一九八二年取得西安交通大學學士學位，於一九八七年取得西北工業大學碩士學位，並於一九八九年取得西北工業大學博士學位。自二零一六年四月起，王田苗先生擔任深圳交易所主板上市公司歌爾股份有限公司（股份代號：002241）之獨立董事。王田苗先生於二零一七年四月獲委任為獨立非執行董事。



武哲先生（「武先生」），61歲，為獨立非執行董事。武先生自一九九三年十月起擔任北航大學教授，並於二零一五年起擔任中國東莞理工學院副校長。於一九九一年五月至一九九三年十月期間，武先生獲聘為北航大學飛行器設計專業講師及副教授。於一九九七年至二零零四年間，彼擔任北航大學副校長。彼於一九八二年取得武漢建材學院*（現為武漢理工大學）學士學位，於一九八八年取得哈爾濱建工學院*（現為哈爾濱工業大學）博士學位，並於一九九一年獲得西北工業大學博士後證書。武先生於二零一七年四月獲委任為獨立非執行董事。



SENIOR MANAGEMENT

Ms Chan Chi Yin ("Ms Chan"), CPA, aged 39, is the company secretary and finance manager of SIM Technology (HK). Ms Chan joined SIM Technology (HK) on April 2017 and is responsible for the financial reporting of the Group. Ms Chan was appointed as the company secretary of the Company ("Company Secretary") on 28 June 2017. Ms Chan is a member of the Hong Kong Institute of Certified Public Accountants and has over 10 years of experience in the field of accounting. Ms Chan obtained a Bachelor of Business Administration degree with majoring in Accountancy and a Master of Science Programme in Finance from The Chinese University of Hong Kong.

高級管理人員

陳梓妍女士 (「陳女士」) (CPA)，39歲，本公司之公司秘書及香港晨訊科技之財務經理。陳女士於二零一七年四月加入香港晨訊科技，負責本集團之財務報告事宜。陳女士於二零一七年六月二十八日獲委任為本公司之公司秘書 (「公司秘書」)。陳女士為香港會計師公會會員及於會計界擁有逾10年經驗。陳女士持有香港中文大學工商管理學士學位 (主修會計學) 及金融學理學碩士課程之學位。

Report of the Directors

董事會報告

The Directors are pleased to present the Group's annual report and the audited consolidated financial statements for the Year ("Report").

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The activities of its subsidiaries are set out in note 42 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the Year are set out in the consolidated statement of profit or loss on page 76.

Subject to Shareholders' approval at the forthcoming annual general meeting, the Board has recommended the payment of a final dividend of HK1.6 cents per ordinary share to the Shareholders on the register of members on 15 June 2018, amounting to a total of approximately HK\$40,953,000 (based on 2,559,546,300 ordinary shares of the Company), and the retention of the remaining profit attributable to owners of the Company for the Year of HK\$70,698,000.

There was no arrangement with any Shareholder under which he/she/it has waived or agreed to waive any dividends.

FINANCIAL SUMMARY

A summary of the results of the Group for the past five financial years ended 31 December 2017 and assets and liabilities of the Group as at 31 December 2013, 2014, 2015, 2016 and 2017 are set out on page 206 of the annual report.

INVESTMENT PROPERTIES, PROPERTY, PLANT AND EQUIPMENT AND LAND USE RIGHTS

Details of the movements in the investment properties, property, plant and equipment and land use rights of the Group during the Year are set out in notes 15, 16 and 17 to the consolidated financial statements respectively.

董事欣然提呈本年度之本集團之年報及經審核綜合財務報表(「本年報」)。

主要業務

本公司乃一家投資控股公司。各附屬公司之業務載於綜合財務報表附註42。

業績及分派

本集團截至本年度之業績載於第76頁之綜合損益表。

董事會已建議向於二零一八年六月十五日登記在股東名冊的股東派發末期股息每股普通股1.6港仙，合共約40,953,000港元(按本公司2,559,546,300股普通股計算)，並保留本年度剩餘本公司股東應佔盈利為70,698,000港元，惟須經股東於應屆股東週年大會上批准。

本公司並無與任何股東訂立其放棄或同意放棄任何股息之安排。

財務概要

本集團於截至二零一七年十二月三十一日止過往五個財政年度之業績概要及本集團於二零一三年、二零一四年、二零一五年、二零一六年及二零一七年十二月三十一日之資產與負債載於年報第206頁。

投資物業、物業、廠房及設備及土地使用權

本集團投資物業、物業、廠房及設備及土地使用權於本年度之變動詳情分別載於綜合財務報表附註15、16及17。

SHARE CAPITAL

Details of movements in the share capital of the Company during the Year are set out in note 31 to the consolidated financial statements.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the Year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

TAX RELIEF AND EXEMPTION

The Directors are not aware of any tax relief and exemption available to the Shareholders by reason of their holding of the Company's securities.

DISTRIBUTABLE RESERVES

The Company's reserves available for distribution to Shareholders as at 31 December 2017 were approximately HK\$95,382,000, being the contributed surplus of approximately HK\$193,848,000 and accumulated losses of approximately HK\$98,466,000.

Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus account of the Company is available for distribution. However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus if:

- (a) it is, or would after the payment be, unable to pay its liabilities as they become due; or
- (b) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium account.

股本

本公司股本於本年度之變動詳情載於綜合財務報表附註31。

購回、出售或贖回上市證券

於本年度內，本公司及其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

稅項寬減及豁免

董事並不知悉股東因持有本公司證券而享有任何稅項寬減及豁免。

可供分派儲備

本公司於二零一七年十二月三十一日可供分派予股東之儲備約為95,382,000港元，即繳入盈餘約193,848,000港元加累計虧損約98,466,000港元。

根據百慕達一九八一年公司法(經修訂)，本公司之繳入盈餘賬可用作分派用途。然而，倘發生下列情況，本公司不可宣派或派付股息，或於繳入盈餘作出分派：

- (a) 於作出派付後，其未能或可能未能於債項到期時作出償還；或
- (b) 其資產之可變現淨值將因此少於其負債及已發行股本及股份溢價賬之總值。

DIRECTORS AND SERVICE CONTRACTS

The Directors during the Year and as at the date of this report are:

Executive Directors:

Ms Yeung Man Ying (*Chairman*)

Mr Wong Cho Tung (*President*)

Ms Tang Rongrong

Mr Chan Tat Wing, Richard

Mr Liu Hong

(*resigned with effect from 31 December 2017*)

Mr Liu Jun (*Chief Executive Officer*)

Independent non-executive Directors:

Mr Liu Hing Hung

Mr Xie Linzhen

(*resigned as Independent non-executive Director with effect from 18 April 2017*)

Mr Dong Yunting

(*resigned as Independent non-executive Director with effect from 18 April 2017*)

Mr Wang Tianmiao

(*appointed as Independent non-executive Director with effect from 18 April 2017*)

Mr Wu Zhe

(*appointed as Independent non-executive Director with effect from 18 April 2017*)

None of the Directors has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

Biographical details of the Directors are set out in the "Directors and Senior Management Profile" section of this annual report.

董事及服務合約

於本年度及截至本報告日期之董事如下：

執行董事：

楊文瑛女士(主席)

王祖同先生(總裁)

唐融融女士

陳達榮先生

劉泓先生

(於二零一七年十二月三十一日起辭任生效)

劉軍先生(首席執行官)

獨立非執行董事：

廖慶雄先生

謝麟振先生

(於二零一七年四月十八日辭任獨立非執行董事)

董雲庭先生

(於二零一七年四月十八日辭任獨立非執行董事)

王田苗先生

(於二零一七年四月十八日委任為獨立非執行董事)

武哲先生

(於二零一七年四月十八日委任為獨立非執行董事)

概無董事與本公司或其任何附屬公司訂立任何不可於一年內由本集團終止而毋須賠償(法定賠償除外)之服務合約。

董事之履歷詳情載於本年報之「董事及高級管理人員」一節內。

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITION IN SHARES

As at 31 December 2017, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Cap 571, Laws of Hong Kong) ("SFO")), as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or as otherwise notified to the Company and Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules"), were as follows:

Long position in the shares of the Company

Name of director 董事姓名	Nature of interest 權益性質	Total number of ordinary shares of the Company 本公司 普通股總數	Underlying shares of the Company 相關股份	Total 總數	Approximate percentage of interest in the Company 佔本公司權益 概約百分比 (note 3) (附註3)
Mr Wong Cho Tung 王祖同先生	Corporate interest (note 1) 公司權益(附註1)	1,209,084,000		1,209,084,000	47.24%
	Personal interest 個人權益	3,098,000		3,098,000	0.12%
	Total 總數			1,212,182,000	47.36%
Ms Yeung Man Ying 楊文瑛女士	Corporate interest (note 2) 公司權益(附註2)	734,857,000		734,857,000	28.71%
	Personal interest 個人權益	3,418,000		3,418,000	0.13%
	Total 總數			738,275,000	28.84%
Ms Tang Rongrong 唐融融女士	Personal interest 個人權益	-	4,446,000	4,446,000	0.17%
Mr Chan Tat Wing Richard 陳達榮先生	Personal interest 個人權益	-	5,382,000	5,382,000	0.21%
Mr Liu Jun 劉軍先生	Personal interest 個人權益	1,000,000	936,000	1,936,000	0.08%

董事及主要行政人員於股份之權益及淡倉

於二零一七年十二月三十一日，董事及本公司主要行政人員於本公司或其任何相關法團之股份、相關股份及債券(定義見證券及期貨條例第XV部(香港法例第571章)(「證券及期貨條例」))中擁有根據證券及期貨條例第352條記錄於本公司須予備存之登記冊中，或根據載於聯交所證券上市規則(「上市規則」)附錄10中上市發行人董事進行證券交易的標準守則(「標準守則」)須知會本公司及聯交所之權益及淡倉如下：

持有本公司股份之好倉

Notes:

1. Mr Wong Cho Tung (“Mr Wong”) controls more than one-third of the voting power of Info Dynasty Group Limited (“Info Dynasty”). Mr Wong is therefore deemed to be interested in all the 734,857,000 shares held by Info Dynasty in the Company by virtue of Part XV of the SFO. Mr Wong is the sole director of Intellipower Investments Limited (“Intellipower”) and Simcom Limited (“Simcom (BVI)”) is wholly-owned by Mr Wong. Therefore, Mr Wong is deemed to be interested in all the 454,227,000 shares and 20,000,000 shares held by Intellipower and Simcom (BVI) respectively in the Company by virtue of Part XV of the SFO respectively.
2. Ms Yeung Man Ying (“Mrs Wong”), the spouse of Mr Wong, controls more than one-third of the voting power of Info Dynasty. Mrs Wong is therefore deemed to be interested in all the 734,857,000 shares held by Info Dynasty by virtue of Part XV of the SFO.
3. Calculation of percentage of interest in the Company is based on the issued share capital of 2,559,546,300 shares of the Company as at 31 December 2017.

As at 31 December 2017, save as disclosed above, none of the Directors, chief executives of the Company or their associates had any interests or short positions, whether beneficial or non-beneficial, in the shares, underlying shares or debentures of the Company or any of its associated corporations as recorded in the register required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

EQUITY-LINKED AGREEMENTS

Save as disclosed below, during the Year, the Company has not entered into any equity-linked agreement (as defined in section 6 of the Companies (Directors’ Report) Regulation (Chapter 622D of the Laws of Hong Kong)).

Share option schemes

Particulars of the Company’s share option schemes and details of movements in the share options are set out in note 36 to the consolidated financial statements.

附註：

1. 王祖同先生(「王先生」)控制Info Dynasty Group Limited (「Info Dynasty」)三分之一以上之投票權，根據證券及期貨條例第XV部，故王先生被視為擁有Info Dynasty所持全部本公司734,857,000股股份之權益。由於王先生是Intellipower Investments Limited (「Intellipower」)的唯一董事及Simcom Limited (「Simcom (BVI)」)由王先生全資擁有。根據證券及期貨條例第XV部，故王先生被視為擁有Intellipower及Simcom (BVI)所持全部本公司分別454,227,000股及20,000,000股股份之權益。
2. 楊文瑛女士(「王太太」)，王先生之配偶，控制Info Dynasty三分之一以上之投票權，根據證券及期貨條例第XV部，故王太太被視為擁有Info Dynasty所持全部本公司734,857,000股股份之權益。
3. 根據本公司於二零一七年十二月三十一日之已發行股本2,559,546,300股股份計算佔公司權益百分比。

於二零一七年十二月三十一日，除上文所披露者外，並無董事、本公司之主要行政人員或彼等之聯繫人士於本公司或其任何相聯法團之股份、相關股份或債券中，擁有任何根據證券及期貨條例第352條記錄於本公司須予備存之登記冊中，或根據標準守則須知會本公司及聯交所之實益或非實益的權益或淡倉。

股票掛鈎協議

除披露如下，在本年度內，本公司沒有訂立任何股票掛鈎協議(其定義在香港法律第622D章《公司(董事報告)規例》的第6條)。

購股權計劃

本公司購股權計劃之詳情及購股權之變動詳情載於綜合財務報表附註36。

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Other than the share option schemes disclosed in note 36 to the consolidated financial statements, at no time during the Year nor at the end of the Year was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries, a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS IN TRANSACTION, ARRANGEMENT OR CONTRACT OF SIGNIFICANCE

No transaction, arrangement nor contract of significance (as defined in the Listing Rules), to which the Company, its holding company, or any of its subsidiaries or fellow subsidiaries was a party and in which a Director or an entity connected with a Director had a material interest, whether directly or indirectly, subsisted at the end of the Year or at any time during the Year.

MANAGEMENT CONTRACTS

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

CONTRACT OF SIGNIFICANCE

No contract of significance was entered into by, and/or subsisted between the Company or any of its subsidiaries with the controlling Shareholder or any of its subsidiaries during the Year; and there is no contract of significance in relation to provision of services to the Company or any of its subsidiaries by the controlling Shareholder or any of its subsidiaries.

DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTEREST IN COMPETING BUSINESS

No Directors nor the controlling Shareholders (as defined in the Listing Rules) had any interest in a business apart from the Company's business, which competes or is likely to compete, either directly or indirectly, with the business of the Company during the Year.

購買股份或債券之安排

除綜合財務報表附註36所披露之購股權計劃外，本公司、其控股公司或其任何附屬公司及同系附屬公司概無於本年度任何時間或本年度年結日訂立任何安排，致使董事可藉購買本公司或任何其他法人團體之股份或債券而獲益。

董事於交易、安排或重要合約之權益

本公司、其控股公司、或其任何附屬公司及同系附屬公司概無訂立於本年度年結日或本年度任何時間有效而董事或與董事有關連的實體於其中直接或間接擁有重大權益之重要合約（定義於上市規則）。

管理層合約

於本年度，概無任何有關本公司及本集團之業務全部或主要部分與管理層或行政人員訂立合約或該等合約存在。

重大合約

本公司或其任何附屬公司於本年度內概無與控股股東或其任何附屬公司訂立及／或於本年度有效之任何重大合約；且概無就控股股東或其任何附屬公司向本公司或其任何附屬公司提供服務而訂有任何重大合約。

董事及控股股東於競爭業務的權益

於本年度，概無董事或控股股東（定義見上市規則）於任何會或可能會、直接或間接與本公司業務競爭的業務擁有任何權益。

PERMITTED INDEMNITY PROVISION

During the Year and up to the date of this annual report, permitted indemnity provision (as defined in section 9 of the Companies (Directors' Report) Regulation (Chapter 622D of the Laws of Hong Kong) was and is being in force for the benefit of the Directors.

The Company has also arranged for appropriate liability insurance to indemnify its Directors and officers for their liabilities arising out of corporate affairs. The insurance coverage is reviewed annually.

SUBSTANTIAL SHAREHOLDERS' OR OTHERS' INTERESTS IN THE SECURITIES OF THE COMPANY

As at 31 December 2017, the interests or short positions of substantial Shareholders and other persons (other than Directors or chief executives of the Company) in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO were as follows:

Name of Shareholder 股東姓名	Nature of interest 權益性質	Total number of ordinary shares of the Company 於本公司之 普通股股份數目	Approximate percentage of interest in the Company 佔本公司權益 之概約百分比 (Note 1) (附註1)
Info Dynasty (note 2) (附註2)	Personal interest 個人權益	734,857,000	28.71%
Intellipower (note 3) (附註3)	Personal interest 個人權益	454,227,000	17.75%

Notes:

- Calculation of percentage of interest in the Company is based on the issued share capital of 2,559,546,300 shares of the Company as at 31 December 2017.
- The relationship between Info Dynasty and Mr Wong and the relationship between Info Dynasty and Mrs Wong is disclosed under the section headed "Directors' and Chief Executives' Interests and Short Position in Shares" above.
- The relationship between Intellipower and Mr Wong is disclosed under the section headed "Directors' and Chief Executives' Interests and Short Position in Shares" above.

獲准許的彌償條文

在本年度內及截至本年報日期，獲准許的彌償條文（其定義在香港法律第622D章《公司（董事報告）規例》的第9條）曾經及正在惠及本公司董事。

本公司已安排適當之責任保險，以就董事及高級行政人員因各種企業事宜產生之責任提供彌償保證。該等保險每年進行檢討。

主要股東或其他人士於本公司之證券權益

於二零一七年十二月三十一日，在根據證券及期貨條例第336條本公司須予備存之名冊所記錄，主要股東及其他人士（董事或本公司主要行政人員除外）於本公司股份、相關股份及債券中之權益及淡倉如下：

Total number of ordinary shares of the Company 於本公司之 普通股股份數目	Approximate percentage of interest in the Company 佔本公司權益 之概約百分比 (Note 1) (附註1)
734,857,000	28.71%
454,227,000	17.75%

附註：

- 根據本公司於二零一七年十二月三十一日之已發行股本2,559,546,300股股份計算佔本公司權益百分比。
- Info Dynasty與王先生之關係及Info Dynasty與王太太之關係於以上「董事及主要行政人員於股份之權益及淡倉」一節中披露。
- Intellipower與王先生之關係於以上「董事及主要行政人員於股份之權益及淡倉」一節中披露。

Save as disclosed above, as at 31 December 2017, there is no other substantial Shareholders or persons who had any interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO.

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received, from each of the independent non-executive Directors, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the independent non-executive Directors to be independent.

RETIREMENT BENEFITS SCHEMES

Particulars of the retirement benefits schemes of the Group are set out in note 35 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Bye-laws or the laws of Bermuda which would oblige the Company to offer new shares on a pro rata basis to existing Shareholders.

SUFFICIENCY OF PUBLIC FLOAT

At the latest practicable date prior to the issue of this Report, based on information that is publicly available to the Company and to the best knowledge of the Directors, the Directors confirmed that the Company has maintained sufficient public float as required under the Listing Rules.

MAJOR CUSTOMERS AND SUPPLIERS

For the Year, the five largest customers accounted for 30.07% of the Group's total sales and the largest customer accounted for 9.41% of the Group's total sales.

For the Year, the five largest suppliers accounted for 29.94% of the Group's total purchases.

At no time during the Year did any Director, any close associate of a Director or any Shareholder (which to the knowledge of the Directors owns more than 5% of the Company's issued shares) had an interest in any of the Group's five largest customers or five largest suppliers.

除上文所披露者外，於二零一七年十二月三十一日，概無其他主要股東或人士於本公司股份及相關股份中擁有任何根據證券及期貨條例第336條記錄本公司須予備存的登記冊中之權益或淡倉。

委任獨立非執行董事

本公司已收到每位獨立非執行董事根據上市規則第3.13條規定就其獨立性發出之年度確認書。本公司認為所有獨立非執行董事均為獨立人士。

退休福利計劃

本集團退休福利計劃之詳情載於綜合財務報表附註35。

優先購買權

公司細則或百慕達法例均無載列有關優先購買權之條文，規定本公司須向現有股東按比例配發新股份。

足夠公眾持股量

於發佈本報告前之最後實際可行日期，根據公開途徑所得的資料及就董事所知，董事確認本公司一直維持上市規則所規定的足夠公眾持股量。

主要客戶及供應商

截至本年度，本集團五大客戶佔本集團總銷售額30.07%及最大客戶佔本集團總銷售額9.41%。

截至本年度，本集團五大供應商佔本集團總採購額29.94%。

任何董事、任何緊密聯繫人士或就董事所知擁有本公司已發行股份5%以上之任何股東，概無於本年度內任何時間，在本集團五大客戶或五大供應商中擁有任何權益。

AUDITOR

The consolidated financial statements for the Year have been audited by Deloitte Touche Tohmatsu who are due to retire and, being eligible, shall offer themselves for re-appointment at the Annual General Meeting.

There has been no change of auditors of the Company in any of the preceding three financial years.

BUSINESS REVIEW

The fair review, financial key performance indicators and indication of future development of the Group for the year ended 31 December 2017 is set out in the sections headed “Chairman’s Statement” and “Management’s Discussion & Analysis” in this annual report. That discussion forms part of this Report of the Directors.

Principal risks and uncertainties

A number of factors may affect the results and business operations of the Group. Major risks are summarized below.

We adapt to the national plan “Made in China 2025” and extend automated manufacturing services based on our experience in traditional telecommunications and terminal manufacturing businesses. Manufacturing pipeline transformation services of our competitors in the past are developed as our new business to alleviate risks raising from slow-down in economy in the PRC.

1. *Handset manufacturing overcapacity results in the trend of moving towards the downstream of the industry:*

In recent years, growth of handset industry in the PRC has been declining with the economic slowdown and diminishing demographic dividend. Therefore, handset market turns from the increment market to the existing market in a short while. Besides, handsets have become more homogeneous than ever, and few customers feel the need to get the latest model. Thus, the handset market recorded a decrease in 2017, leading to merger, winding up, bankruptcy and transfer occurring from time to time among companies in the upstream and downstream of the industry chain. Overcapacity occurs immediately, which means there is too much supply in relative to demand. Meanwhile, production capacity adjustment will inevitably lead to certain risks such as diluted profits, and increase in marketing and channel’s cost. People that previously engaged in ODM are moving towards the downstream of the industry, resulting in a more competitive downstream and a lower profit margin.

核數師

本年度之綜合財務報表已經德勤•關黃陳方會計師行審核，彼因任期屆滿應於股東週年大會上退任，但合資格膺選連任。

於前三個財政年度內，本公司核數師概無任何變動。

業務回顧

本集團於截至二零一七年十二月三十一日止年度的中肯審視，財務關鍵表現指標以及未來發展揭示載於本年報中「主席報告」及「管理層討論及分析」一節。該討論構成本董事會報告的組成部份。

主要風險及不明朗因素

多項因素可能影響本集團業績及業務營運。主要風險概述如下。

我們順應國家2025的計劃，基於我們傳統通信及終端製造業務經驗開拓自動化製造服務業務。把以前競爭對手的生產製造流水線改造服務作為我們的新業務，從而減低因中國經濟放緩的風險。

1. *手機產能過剩，導致從業者大量轉向行業終端的風險：*

近年來由於中國經濟放緩，中國手機行業增速也在放緩，人口紅利逐漸消失，手機市場迅速由增量市場轉為存量市場。而且由於手機功能的同質性越來越強，消費者的換機願望降低，2017年手機整體市場下降。從而導致手機產業鏈上下游企業(含手機ODM企業)的兼併，停業，破產，轉讓的現象時有發生。直接導致產能過剩，反映供給遠大於需求。壓縮產能的過程必定導致利潤攤薄、營銷及渠道成本的增加等風險。這樣有一部分原有手機ODM從業者也轉型向行業終端發展，增加了行業終端的競爭性，攤薄了毛利。

The Group has accelerated the transformation with more involvement in developing industrial application terminals. Currently, products applied in industry contribute more than a half of the whole telecommunications and terminal segment. We strive for first-mover advantage and a bigger market share.

2. Risks related to the expansion of automated intelligent manufacturing business:

In terms of the automated intelligent manufacturing business, we focus on the automatization of the production line of communication terminals. The Group is familiar with such modification. However, given that more enterprises are equipping themselves with auto test, our modification business is shrinking accordingly. For those manufacturers that do not have auto test, they do not feel the need to modify their production lines as their handset business is also going downhill. The risk of a shrinking business volume emerges. Meanwhile, lots of mechanical instrument manufacturers are participating in manufacturing automated intelligent products. Thus, we are expanding our business towards both the upstream and the downstream of the supply chain of communication terminals. By offering automatization services to component suppliers, we are expanding our business and diversify the product line of our automated products.

3. Risks related to management of receivables from the IOT operation service

In terms of the IOT operation service, we are engaged in the wholesale and logistics services of beverages and food. Currently we offer credit for payments for goods to small and medium automated vending machine operators in general, and there are risks that we are unable to collect payments for goods from such small operators. Fast payments are expected when sales are robust in peak seasons, however, payments can be slow or are even delayed when sales are sluggish in off seasons. We have a relatively large number of small and medium operators as our customers, which causes risks related to receivables.

本集團加大轉型力度，更多地參與行業應用類通信終端的開發，目前行業類產品的營業額已經佔整個通信終端板塊業務的一半以上，並力爭先發優勢，擴大行業終端的市場佔有率。大大降低了手機業務的風險。

2. 自動化智能製造業務面擴展的風險：

自動化智慧製造業務我們主要集中在集團比較熟悉的通訊終端生產線的自動化改造專案。但隨著大量企業增加自動化測試線後相應的業務量會下降。而那些沒有在生產線上增加自動化測試線的工廠由於本身手機業務的收縮，也沒有再改造生產線的願望。這樣就造成有業務量下降的風險。另外中國大量的機械儀錶行業公司也開始轉型搶奪自動化智慧製造的市場。為此我們需要把業務面向通訊終端的上下游供應商擴展，為那些部件廠商提供自動化改造，擴展業務量的盤子，同時豐富我們自動化產品的產品線。

3. 物聯網運營服務應收賬款管理的風險：

物聯網運營服務中我們提供飲料食品的批發物流服務。目前的生意形態普遍是給中小自動售貨機運營商提供貨品的放賬。這些小運營商的貨款回收具有一定的風險。運營旺季銷售順暢，回款就快；運營淡季銷售部暢，回款就慢甚至是拖。目前我們的中小運營商客戶比較多，這樣就形成一定應收款項的風險。

In respect of controlling receivables of IOT, we adopt quota management system and warning management system, and require responsible divisions to maintain responding invoices properly to control risks to the reasonable limit.

Key Relationships

The Group's success also depends on the support from key relationships with employees, suppliers and customers.

1. Employees

The Company is committed to value every talent and emphasizes that excellent employees are valuable assets for the Company. We pay attention to self-improvement of staff and give them a working environment full of fairness, openness, sincerity, warmth and opportunities. Our competitive remuneration system brings long-term and stable return for staff and also takes into account the long-term and stable development of the Company. We determine staffs' remuneration and promotion based on their capacity and contribution to the Group. The Company recognizes staff with outstanding performance and the same values with the Company as valuable assets. We keep trying our best to provide promising career prospect and a platform for them to display their talents fully. Therefore, the Company not only helps our employees to improve their knowledge, skills and experience through performing their own duties, but also creates good conditions in facilities and environment suitable for their development. To facilitate the proper allocation and development of high caliber talents, the Company has set up an employee career development system which focuses on both management and technical skills. Through this system, each outperforming key member can seize the opportunity to improve overall abilities by various ways. The Company aims to create conducive conditions for talents to demonstrate themselves and grow through career, and also build solid team with talents.

對於物聯運營中應收賬款的控制，我們採用額度管理及預警管理體制，同時要求相關部門管控好對應票據，把風險控制在合理範圍。

重要關係

本集團的成功亦依賴於僱員、供應商及客戶等重要關係的支持。

1. 僱員

人才為本是企業的核心理念，優秀員工是公司的寶貴財富。我們重視員工的自我發展，為員工提供一個公平、開放、真誠、溫馨且充滿機會的工作環境。我們擁有負責任的、有競爭力的薪酬體系，兼顧公司長期、穩定的發展，同時為員工帶來長期、穩定的回報。我們以能力定薪資，憑貢獻論晉升。公司將認同企業價值觀、績效優良的員工視為公司最寶貴的財富，並致力於為員工提供良好的職業發展前景和施展才華的舞臺。因此，除了幫助員工通過本職工作的歷練和學習，得到知識技能與經驗積累外，公司還將為員工的發展創造良好的軟硬件條件。為促進人才合理配置和發展，公司目前建立了管理與專業技術並重的員工職業生涯發展體系。表現優秀的各類骨幹員工將有機會通過多種途徑得到全方位的能力提升，在推動公司發展的過程中獲得更多的個人發展機會，以事業凝聚人才，以人才成就事業。

2. Suppliers

The Company selects and enters into strategic cooperation with suppliers with good reputation in accordance with the principle of mutually beneficial cooperation and international standards such as ISO9001, ISO14001 and OHSAS18001. We use a strict social responsibility management system to manage our suppliers, ensure that the quality of materials provided by the suppliers meets our requirements and their production management systems also comply with requirements on environment, occupational health and safety management system as stated in relevant laws and regulations. We also make cost and delivery plans in advance to meet delivery demand.

3. Customers

We establish complete management systems in compliance with national standards and abroad, as well as well-known clients' requirements, which cover product quality, environment, occupational health and safety, information security and product safety management. Through survey on clients' satisfaction we conduct every year, our clients express their positive feedback on quality, logistics, cost and service. Among our clients all over the world, both new and old well-known clients supervise and inspect each management system of the Company every year. Apart from this, our Company also implements Key Performance Indicator (KPI), internal control scheme, management appraisal program in every aspect. In order to continuously enhance management systems of the Company, we set up a specific department to supervise operation and pass the results to the management on a regular basis to review.

The major customers of the Group include handset manufacturers for famous domestic and overseas brands, high-end domestic brands in security, protection and monitoring, and walkie-talkie industry, domestic bike-sharing branded companies, etc. The length of relationship with the major customers of the Group are from 3 years to over 10 years. The credit terms granted by the Group to major customers are in line with those granted to other customers and the normal credit period taken on sales of goods is 0-90 days. Almost all trade receivables with major customers at 31 December 2017 were settled up to date of this report and no specific provisions are necessary for the major customers.

2. 供應商

公司選擇行業內信譽良好的供應商進行合作，選擇行業內知名的供應商進行戰略合作，本著會互惠互利的原則，嚴格按照ISO9001、ISO14001、OHSAS18001國際標準篩選認證供應商，嚴格按照企業社會責任管理體系管理供應商，確保供應商提供的物料質量能夠滿足要求，確保供應商的生產管理體系滿足相關環保、職業健康安全管理体系等相關法律法規要求。提前做好供應商成本及交付計劃，滿足公司交付需求。

3. 客戶

我們嚴格按照國內國際知名品牌客戶的要求，按照國內國際標準要求建立質量、環境、職業健康安全、信息安全、產品安全管理體系，每年對客戶滿意度進行調查確認，產品質量、交付、成本、服務都得到了客戶普遍的好評。現在客戶遍及世界各地，每年都有知名新舊客戶對公司各項管理體系進行運行監督檢查，並且公司內部也會按照管理的要求確定各個方面的關鍵績效指標(KPI)、內審計劃、管理評審計劃，按照要求進行體系審核，設立專門部門進行監控，將監控結果定期報告公司高層進行檢討，持續改善公司管理體系。

本集團主要客戶包括國內外知名手機品牌廠商；國內安防監控、對講領域高端品牌；國內共享單車品牌等。本集團與主要客戶之關係介於3年到10年以上，向主要客戶授出之信貸期與其他客戶及一般0至90日之售貨信貸期相符。幾乎全部截至二零一七年十二月三十一日與主要客戶的應收貿易賬款於本年報日期以結清，且無需對主要客戶作出特別撥備。

Environmental policies

Environmental protection is not only the responsibility of our business, but also the responsibility of each of us. We initiate and strive to minimize our environmental impact by using water saving facilities, saving electricity and encouraging recycle of office supplies and other materials. We also operate in strict compliance with the relevant environmental regulations and rules and possess all necessary permission and approval from the PRC regulators. The Group also has environmental policies to reduce emission, raise efficiency use of resources and reduce pollution.

Compliance with laws and regulations

The Group's operations are carried out by the Company's subsidiaries in the PRC while the Company itself is listed on the Hong Kong Stock Exchange. Our operations are regulated by Hong Kong and PRC laws. During the year ended 31 December 2017 and up to the date of this report, we have complied with the relevant laws and regulations that have significant impact to the Group in the PRC and Hong Kong.

In particular, as the Group's business involves manufacturing, the Group's operation is regulated by environmental protection laws and regulations in the PRC. During the year under review, the Group did not have any material non-compliance with such laws and regulations.

Events after the reporting period

Save as disclosed under the paragraph headed "Events after the Reporting Period" in the "Management's Discussion and Analysis" section, the discussion of which forms part of this Report of the Directors, there were no significant events after the reporting period of the Group.

On behalf of the Board

Yeung Man Ying

Chairman

Hong Kong

22 March 2018

環保政策

環境保護不僅是我們業務的責任，亦是我們每一人的責任。我們通過一系列措施減少我們對環境造成的影響，包括使用節水設施、節約用電及鼓勵辦公耗材的回收利用。我們亦嚴格按照相關的環保規例及規則營運，並持有中國監管部門的一切必要許可及批文。本集團亦有為減排、提高使用資源效能及減少污染而設的環保政策。

對法律法規的遵守

本集團的業務營運由本公司在中國的附屬公司進行，而本公司本身則在香港聯交所上市。我們所營運業務受香港及中國法律監管。於截至二零一七年十二月三十一日止年度以及截至本報告日期止，我們已遵守在中國及香港對本集團具有重大影響的相關法例及規例。

由於本集團從事與製造業相關業務，本集團的運營尤其須遵守中國環保法律及法規的監管。於回顧年度，本集團概無發生任何未能遵守該等法律及法規之事項。

報告期後的事件

除「管理層討論及分析」一節中「報告期後事項」一段所披露者（披露內容構成本董事會報告的一部分）外，本集團於報告期後概無任何重大事項。

代表董事會

楊文瑛

主席

香港

二零一八年三月二十二日

Corporate Governance Report

企業管治報告

The Company's goal is to continue to increase its transparency to the Shareholders and the public and to maintain a high standard of corporate governance. The principles of corporate governance adopted by the Group emphasise a Board with high quality, sound internal control, transparency, accountability and independence.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

Save as mentioned below, the Company has complied with the code provisions laid down in the Corporate Governance Code ("Corporate Governance Code") as set out in Appendix 14 to the Listing Rules during the Year.

Code Provision of A.2.7 of the Corporate Governance Code requires the chairman of the Board to hold meetings at least annually with the non-executive Directors (including independent non-executive Directors) without the executive Directors present.

As Ms Yeung Man Ying, the chairman of the Board, is also an executive Director, the Company has deviated from this code provision as it is not applicable. Currently, the chairman of the Board may communicate with the non-executive Directors on a one-to-one or group basis periodically to understand their concerns, to discuss pertinent issues and to ensure that there is access to adequate and complete information.

In respect of code provisions A.5.1 to A.5.4 of the Corporate Governance Code, the Company does not have a nomination committee. At present, the Company does not consider it necessary to have a nomination committee as the full Board is responsible for reviewing the structure, size and composition of the Board and the appointment of new Directors from time to time to ensure that it has a balanced composition of skills and experience appropriate for the requirements of the businesses of the Company, and the Board as a whole is also responsible for assessing the independence of the independent non-executive Directors and reviewing the succession plan for the Directors, in particular the chairman of the Board.

According to the code provision E.1.2 of the Corporate Governance Code, the chairman of the Board shall attend the annual general meeting of the Company and arrange for the chairmen of the audit, remuneration and nomination committees (as appropriate) or in the absence of the chairman of such committees, another member of the committee or failing this, his duly appointed delegate, to be available to answer questions at the annual general meeting.

本公司目標為持續提高其對股東及公眾之透明度及保持高標準之企業管治。本集團所採納之企業管治原則著重於高質素之董事會、健全之內部控制、具透明度、問責及具獨立性。

遵守企業管治守則

除下文所述者外，本公司已於本年度遵守上市規則附錄十四所載之企業管治守則（「企業管治守則」）內之守則條文。

企業管治守則之守則條文A.2.7規定，董事會主席須至少每年在沒有執行董事出席下與非執行董事（包括獨立非執行董事）會面。

由於董事會主席楊文瑛女士亦為執行董事，故本公司已偏離此條並不適用的守則條文。目前，董事會主席可透過單對單或小組會議與非執行董事定期溝通，以了解其關注、討論相關事務及確保可獲得足夠及完備的資料。

就企業管治守則之守則條文第A.5.1至A.5.4條而言，本公司並未設立提名委員會。由於董事會全體成員負責不時審閱董事會之架構、人數及組成，並委任新董事，以確保董事會由具備配合本公司業務所需技能及經驗之人士組成，加上董事會全體共同負責評估獨立非執行董事之獨立性以及審閱董事（尤其是董事會主席）之繼任計劃，因此本公司認為目前不需設立提名委員會。

根據企業管治守則之守則條文第E.1.2條，董事會主席須出席本公司之股東週年大會，及安排審核委員會、薪酬委員會及提名委員會（如合適）之主席或（倘該等委員會主席缺席）委員會其他成員（或如其未能出席時，由其正式指定代表）出席該股東週年大會回答提問。

At the annual general meeting of the Company held on 8 June 2017 (“2017 AGM”), Ms Yeung Man Ying, the chairman of the Board, was unable to attend due to an unexpected business engagement. Mr Chan Tat Wing, Richard, an executive Director and the chief finance officer of the Group, chaired the 2017 AGM on behalf of the chairman of the Board pursuant to the bye-laws of the Company and was available to answer questions. Mr Liu Hing Hung, an independent non-executive Director and the chairman of the remuneration committee of the Board and the audit committee of the Board (“Audit Committee”), was also available at the 2017 AGM to answer questions from Shareholders.

THE BOARD

Board functions

The Board is responsible for the promotion of the success of the Company by directing and guiding its affairs in an accountable and effective manner. Board members acknowledge their duty to act in good faith, with due diligence and care, and in the best interests of the Company and its Shareholders.

The types of decisions which are to be taken by the Board include:

1. setting the Company’s mission and values;
2. formulating strategic directions of the Company;
3. reviewing and guiding corporate strategy; setting performance objectives and monitoring implementation and corporate performance;
4. monitoring and managing potential conflicts of interest of management, Board members; and
5. ensuring the integrity of the Company’s accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for monitoring risk, financial control, and compliance with the law.

董事會主席楊文瑛女士由於有未能預料之業務事宜，未能出席本公司於二零一七年六月八日舉行之股東週年大會（「二零一七年股東週年大會」）。根據本公司之章程細則，執行董事兼本集團財務總監陳達榮先生，代表董事會主席主持二零一七年股東週年大會及回答提問。獨立非執行董事兼董事會轄下之薪酬委員會及董事會轄下之審核委員會（「審核委員會」）主席廖慶雄先生亦出席二零一七年股東週年大會，並回答股東提問。

董事會

董事會之職能

董事會有責任透過對本公司各事務作出可靠及有效之指導及指引，推動本公司之成功。董事會成員有責任以真誠、盡責、審慎及符合本公司及其股東之最佳利益之方式行事。

須由董事會作出之決定包括：

1. 制定本公司之使命及價值；
2. 規劃本公司之策略方向；
3. 審閱及指引企業策略；設定業績目標及監督實行情況與企業表現；
4. 監督及管理管理層與董事會成員之間潛在利益衝突；及
5. 確保本公司之會計及財務報告制度（包括獨立審核）之完善以及落實適當之控制體系，特別是監控風險、財務控制及合規方面。

Board composition and practices

As at 31 December 2017 and the date of this annual report, the Board comprised five executive Directors and three independent non-executive Directors:

Executive Directors:

Ms Yeung Man Ying (*Chairman*)
Mr Wong Cho Tung (*President*)
Ms Tang Rongrong
Mr Chan Tat Wing, Richard (*Chief Finance Officer*)
Mr Liu Jun (*Chief Executive Officer*)

Independent non-executive Directors:

Mr Liu Hing Hung
Mr Wang Tianmiao
Mr Wu Zhe

Biographical details of the Directors and the relationships among them are set out in the “Directors and Senior Management Profile” section on pages 34 to 38 of this annual report.

Save as disclosed in this annual report, none of the Directors has any connection (including financial, business or family relationship) with each other as required to be disclosed pursuant to Appendix 16 of the Listing Rules.

During the Year, the roles of the chairman, president and the chief executive officer were separated in order to reinforce their respective independence, accountability and responsibility in compliance with the requirement under Code Provision A.2.1 of the Corporate Governance Code. During the Year, the role of the chairman was performed by Ms Yeung Man Ying who was responsible for developing direction and strategies of the Group. During the Year, the role of the president was performed by Mr Wong Cho Tung who was responsible for formulating the direction, strategies and the development plan of the new business of the Group. During the Year, the chief executive officer of the Group was performed by Mr Liu Jun, during his tenure, he took up the responsibility of the overall management of the Group’s product and business planning, including management of product definition, sales, procurement, production and delivery.

董事會之組成及運作

於二零一七年十二月三十一日及本年報日期，董事會由五名執行董事及三名獨立非執行董事組成：

執行董事：

楊文瑛女士 (*主席*)
王祖同先生 (*總裁*)
唐融融女士
陳達榮先生 (*首席財務總監*)
劉軍先生 (*首席執行官*)

獨立非執行董事：

廖慶雄先生
王田苗先生
武哲先生

董事之個人資料詳情及彼此之相互關係載於本年度報告第34頁至第38頁之「董事及高級管理人員」一節。

除於本年報所披露者外，董事之間概無根據上市規則附錄16所需披露的任何關連（包括財務、商務或家庭關係）。

於本年度，按照企業管治守則之守則條文A.2.1條之要求，主席、總裁及首席執行官之角色分立，以強化各自之獨立性、問責性及職責。於本年度，主席的角色由楊文瑛女士擔任，負責本集團之發展方向和策略。於本年度，總裁的角色由王祖同先生擔任，負責參與制定本集團發展方向、策略及新業務拓展計劃，首席執行官的角色由劉軍先生擔任，彼能執行本集團產品及經營規劃，全面管理本集團包括產品定義及銷售，到採購、生產及交付運作管理之職責。

The independent non-executive Directors contribute to the Company with diversified industry expertise, advise the management on strategy development and ensure that the Board maintains high standards of financial and other mandatory reporting as well as provide adequate checks and balances to safeguard the interests of the Shareholders and the Company as a whole.

Each of the independent non-executive Directors has given a written confirmation to the Company confirming that he has met the criteria set out in Rule 3.13 of the Listing Rules regarding the guidelines for the assessment of independence of non-executive Directors.

The Board delegates specific tasks to the Group's management including the implementation of strategies and decisions approved by the Board and the preparation of accounts for approval by the Board before public reporting.

The Company has arranged for appropriate liability insurance to indemnify its Directors and officers for their liabilities arising out of corporate affairs. The insurance coverage is reviewed annually.

Regular Board meetings are scheduled in advance to give all Directors an opportunity to attend. Directors may attend meetings in person or through other means of electronic communication in accordance with the Bye-laws. All Directors are kept informed on a timely basis of major changes that may affect the Group's businesses, including relevant rules and regulations. Directors shall have full access to information on the Group and are able to obtain independent professional advice whenever deemed necessary by the Directors. No request was made by any Director for such independent professional advice during the year. The Company Secretary shall prepare minutes and keep records of matters discussed and decisions resolved at all Board meetings, which will be available for inspection by Directors upon request.

獨立非執行董事就策略發展向本公司提供各行業之專業建議及向管理層提供建議，確保董事會保持高標準之財務及其他強制性報告，以及為保障股東及本公司之整體利益提供足夠之控制及制衡。

本公司已收到每位獨立非執行董事就其與本公司之獨立性發出之書面確認，確認彼已符合上市規則第3.13條規定所載之標準，內容關於非執行董事之獨立性之評估指引。

董事會授權本集團管理層之特別任務包括執行董事會批准之策略及決策，以及編製賬目，以於公佈前待董事會批准。

本公司已安排適當之責任保險，以就董事及高級行政人員因各種企業事宜產生之責任提供彌償保證。該等保險每年進行檢討。

董事會之定期會議事先安排召開時間，以使所有董事均有機會出席。根據公司細則，董事可親身或透過其他電子通訊方法出席會議。所有董事均及時獲知會影響本集團業務之重大變動，包括相關規則及規例之變動。董事應可獲得有關本集團之資料，並可在其視為必要時獲得獨立專業建議。於本年度，概無任何董事提出尋求該等獨立專業建議之要求。公司秘書須負責為所有董事會會議編撰會記錄，並保存會上討論之事項所作出決定之記錄，該等紀錄將可供董事隨時查閱。

The Board held four meetings and the Company held two general meetings in 2017. The following is the attendance record of each Director at the Board meetings and the general meeting of the Company for the Year:

於二零一七年內，董事會舉行了四次會議及本公司舉行了二次股東大會，以下為各董事於本年度本公司之董事會會議及股東大會之出席紀錄：

Name of Director	Number of general meeting attended/ Number of general meeting held	Number of Board meetings attended/ Number of Board meetings held	董事姓名	出席股東大會次數/ 舉行股東大會次數	出席會議次數/ 舉行會議次數
Ms Yeung Man Ying	0/2	4/4	楊文瑛女士	0/2	4/4
Mr Wong Cho Tung	0/2	4/4	王祖同先生	0/2	4/4
Ms Tang Rongrong	0/2	4/4	唐融融女士	0/2	4/4
Mr Chan Tat Wing, Richard	2/2	4/4	陳達榮先生	2/2	4/4
Mr Liu Hong	0/2	4/4	劉泓先生	0/2	4/4
<i>(Resigned with effect from 31 December 2017)</i>			<i>(於二零一七年十二月三十一日辭任生效)</i>		
Mr Liu Jun	0/2	4/4	劉軍先生	0/2	4/4
Mr Liu Hing Hung	1/2	4/4	廖慶雄先生	1/2	4/4
Mr Xie Linzhen	0/1	1/1	謝麟振先生	0/1	1/1
<i>(Resigned with effect from 18 April 2017)</i>			<i>(於二零一七年四月十八日辭任生效)</i>		
Mr Wang Tianmiao	0/1	2/3	王田苗先生	0/1	2/3
<i>(Appointed with effect from 18 April 2017)</i>			<i>(於二零一七年四月十八日委任生效)</i>		
Mr Dong Yunting	0/1	1/1	董雲庭先生	0/1	1/1
<i>(Resigned with effect from 18 April 2017)</i>			<i>(於二零一七年四月十八日辭任生效)</i>		
Mr Wu Zhe	0/1	3/3	武哲先生	0/1	3/3
<i>(Appointed with effect from 18 April 2017)</i>			<i>(於二零一七年四月十八日委任生效)</i>		

NOMINATION OF DIRECTORS

The Company does not have a nomination committee. The Board is responsible for nominating appropriate person, either to fill in casual vacancy or as an addition to the existing Directors for election by Shareholders at the general meeting of the Company.

As and when circumstances required, the Board will meet to discuss nomination of new Directors. In considering the suitability of a candidate for directorship, the Board will base on objective criteria, with due regard to the benefits of diversity, as set out in the board diversity policy of the Company (“Board Diversity Policy”) as well as the requirements under the Listing Rules.

The re-election procedure set out in the Bye-laws provides that one-third of the Directors for the time being (or if their number is not a multiple of three, then the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at least once every three years at each annual general meeting of the Company. A retiring Director shall be eligible for re-election and shall continue to act as a Director throughout the meeting at which he retires. The Directors to retire by rotation will be those who have been longest in office since their last re-election or appointment but as between persons who become or were last re-elected Directors on the same day those retire will (unless they otherwise agree among themselves) be determined by lot.

BOARD DIVERSITY POLICY

The Company continuously seeks to enhance the effectiveness of the Board and to maintain the highest standards of corporate governance and recognises and embraces the benefits of diversity in the Board. During the Year, the Board had in place the Board Diversity Policy in accordance with the Corporate Governance Code.

According to the diversity policy of the Board adopted by the Company, the Board takes into account various elements of diversity including but not limited to age, gender, cultural and educational background, skills, professional knowledge, and industry experience in determining the appointment and reappointment of the Directors and proposed candidates. All Directors appointments are based on meritocracy and due regard is given to the Board’s diversity to ensure the Company can obtain the benefits of such diversity.

董事之提名

本公司不設提名委員會。董事會負責提名合適人選填補空缺或作為現有董事以外之新增委任，以供股東於本公司股東大會上選舉。

於情況有需要時，董事會將舉行會議，以討論提名新任董事之事宜。於考慮董事候選人之合適程度時，董事會將基於客觀條件、充分顧及董事會成員多元化(載於本公司董事會多元化政策(「董事會多元化政策」))的裨益，以及根據上市規則之規定作出委任。

載於章程細則內之重選之程序訂明，於本公司每屆股東週年大會上，當時三分之一之董事(或如其數目並非三之倍數，則以最接近但不少於三分之一之數目為準)須輪席告退，惟每名董事須最少每三年告退一次。退任董事符合資格膺選連任，並於其告退之大會期間繼續擔任董事。輪席告退之董事將為自上次重選或獲委任以來在任最久之董事，惟於同一日獲委任或重選為董事之人士而言，將以抽籤方式(除非彼等互相協定)決定應予告退之人士。

董事會多元化政策

本公司不斷致力提高董事會之效能，並保持最高水平之企業管治，確認及相信董事會多元化之益處。本年度內，根據企業管治守則之新守則條文，董事會已採納董事會多元化政策。

根據本公司所採納的董事會成員多元化政策，董事會考慮多種多元化元素，包括但不限於年齡、性別、文化和教育背景、技能、專業知識及行業經驗、以確定董事與提名候選人的委任與連任。所有董事委任均以用人唯才為原則並顧及董事會成員多元化，確保本公司能有所裨益。

During the Year, the Board was satisfied with the diversity of the existing Board composition and did not, for the time being, set up any measurable objective regarding board diversity.

The composition, experience and balance of skills on the Board are regularly reviewed to ensure that the Board retains a core of members with longstanding knowledge of the Group alongside new Director(s) appointed from time to time who bring fresh perspectives and diverse experiences to the Board. Board appointments will continue to be made on a merit basis. The Board will review the Board Diversity Policy on a regular basis to ensure its continued effectiveness.

CORPORATE GOVERNANCE FUNCTIONS

The Board is collectively responsible for performing the corporate governance functions in accordance with code provision D.3.1 of the Corporate Governance Code. During the Year, the Board has reviewed the policies and practices and compliance by the Company and has reviewed and monitored the training and continuous professional development of the Directors.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors are responsible for overseeing the preparation of the financial statements for each financial period which give a true and fair view of the state of affairs of the Group and of the results and cash flows for that period. In preparing the financial statements, the Directors have selected appropriate accounting policies, applied them consistently, made judgments and estimation that are prudent, fair and reasonable, ensured all applicable accounting standards are followed and prepared the financial statements on a going concern basis. The Directors are also responsible for ensuring that the Group keeps accounting records which disclose with reasonable accuracy at any time the financial position of the Group and which enable the preparation of financial statements in accordance with the applicable accounting standards and regulatory requirements.

於本年度，董事會滿意現時董事會組成的多元化，並暫無就董事會成員多元化制定任何可量化指標。

董事會定期對成員組合、經驗及技能平衡進行檢討，從而確保董事會保留對本集團有長期認識之核心成員，並不時委任可為董事會帶來新觀點及不同經驗之新董事。董事會將繼續秉持用人唯才之精神。董事會將會定期檢討董事會多元化政策，以求確保其持續有效。

企業管治職能

董事會根據企業管治守則之守則條文第D.3.1條共同負責履行企業管治職能。於本年度內，董事會已檢討本公司之企業管治政策及常規以及本公司之合規情況，並已審閱及監察董事培訓及持續專業發展。

董事於財務報表之責任

董事負責監督編製每一財務期間之財務報表。財務報表應真實公平地反映本集團之財務狀況及期間之業績和現金流。編製財務報表時，董事選用適當之會計原則並貫徹執行，作出審慎、公平及合理之判斷及估計，確保採用所有適用之會計準則並採取持續經營基準編製財務報表。董事亦須負責確保本集團保存會計記錄，該等記錄須於任何時間合理準確地披露本集團之財務狀況，並可據此按適用之會計準則及監管規定編製財務報表。

CONTINUOUS PROFESSIONAL DEVELOPMENT

During the Year, the Company has provided regular updates to the Directors on material changes to regulatory requirements applicable to the Directors and the Company on a timely basis and on the latest business development of the Company. The Directors confirmed that they have complied with code provision A.6.5 of the Corporate Governance Code on directors' training. During the Year, all Directors namely, Ms Yeung Man Ying, Mr Wong Cho Tung, Ms Tang Rongrong, Mr Chan Tat Wing, Richard, Mr Liu Hong (resigned on 31 December 2017), Mr Liu Jun, Mr Liu Hing Hung, Mr Wang Tianmiao and Mr Wu Zhe, have participated in continuous professional development by attending seminars/in-house briefing/reading materials to develop and refresh their knowledge and skills in areas related to their roles, functions and duties of Directors such as corporate governance, regulatory updates and topics related to telecommunications industry.

During the Year, the company secretary of the Company has fully complied with Rule 3.29 of the Listing Rules by taking no less than 15 hours of relevant professional training.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as its own code of conduct for dealing in securities of the Company by Directors. Having made specific enquiry of all Directors, all Directors have confirmed that they have complied with the required standard set out in the Model Code for the Year.

REMUNERATION COMMITTEE

The Company has established the Remuneration Committee with written terms of reference of the Remuneration Committee in compliance with the Corporate Governance Code. The Remuneration Committee is responsible for assisting the Board in achieving its goals of providing packages which can attract, retain and motivate Directors with required qualities for running the Company successfully.

持續專業發展

於本年度內，本公司定期適時向董事提供適用於董事及本公司之規管規定之重大變動之最新資料，並定時向彼等提供有關本公司最新業務發展之資料。董事確認，彼等已遵守企業管治守則之守則條文第A.6.5條有關董事培訓之規定。於本年度內，全體董事楊文瑛女士、王祖同先生、唐融融女士、陳達榮先生、劉泓先生（於二零一七年十二月三十一日辭任）、劉軍先生、廖慶雄先生、王田苗先生及武哲先生已透過出席研討會／內部簡報會／閱讀各種資料之方式參與持續專業發展，以發展及更新有關其作為董事之角色、職能及職責方面之知識及技能，如企業管治、最新監管資料及電信行業相關資料等。

於本年度，本公司之公司秘書已全面遵守上市規則規則3.29，接受不少於15個小時的相關專業培訓。

董事進行證券交易之標準守則

本公司已採納標準守則，作為其董事買賣本公司證券的守則條文。經向所有董事作出具體詢問，所有董事均已確認於本年度遵守標準守則所規定之標準。

薪酬委員會

本公司成立一根據企業管治常規守則書面列明其職權範圍之薪酬委員會。薪酬委員會之責任是協助董事會制定可吸引、挽留及激勵具備成功運作本公司所需質素之董事所需之薪酬福利組合之目標。

The primary duties of the Remuneration Committee include: (i) making recommendations to the Board on the Company's policy and structure for all remuneration of Directors and senior management and on the establishment of a formal and transparent procedure for developing policies on such remuneration; (ii) determining the terms of the specific remuneration package of each executive Director and senior management; and (iii) reviewing and approving performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time. Terms of reference of the Remuneration Committee which have been adopted by the Board are available on the websites of the Company and the Stock Exchange.

The Remuneration Committee had one meeting in 2017 and had reviewed the remuneration packages of Directors and senior management of the Group. The members and attendance of the meeting are as follows:

Name of Director	Number of meeting attended/ Number of meeting held	董事姓名	出席會議次數/ 舉行會議次數
Mr Liu Hing Hung	1/1	廖慶雄先生	1/1
Mr Wang Tianmiao	1/1	王田苗先生	1/1
Mr Wu Zhe	1/1	武哲先生	1/1
Mr Wong Cho Tung	1/1	王祖同先生	1/1

No Directors took part in any discussion about his own remuneration.

The Remuneration Committee consists of four members, three of whom are independent non-executive Directors, being Mr Liu Hing Hung, Mr Wang Tianmiao and Mr Wu Zhe, and one executive Director being Mr Wong Cho Tung. They have substantial experience in human resources management. The Remuneration Committee is chaired by Mr Liu Hing Hung.

薪酬委員會之主要職責包括：(i)就本公司董事會及高級管理層之所有薪酬政策及結構向董事提供建議，以及制定正式及具透明度之程序以制定有關該等薪酬之政策；(ii)確定每位執行董事及高級管理層人員具體薪酬福利之條款；及(iii)參考董事會不時決定之企業目標及宗旨，審閱及批准以表現為本之薪酬。董事會所採納之薪酬委員會之職權範圍可在本公司及聯交所之網站查閱。

薪酬委員會於二零一七年舉行了一次會議，並已審閱本集團董事及高層管理人員的薪酬。該會議之成員及出席之次數如下：

所有董事均沒有參與有關其本身薪酬的討論。

薪酬委員會由四名成員組成，包括三名獨立非執行董事廖慶雄先生、王田苗先生及武哲先生以及一名執行董事王祖同先生。彼等於人力資源管理方面有豐富經驗。薪酬委員會由廖慶雄先生擔任主席。

Executive Directors, assisted by the Group's human resources department, are responsible for reviewing all relevant remuneration information and obtaining market conditions in addition to considering the performance of individuals and the profitability of the Group, and proposing to the Remuneration Committee for consideration and approval, remuneration packages for Directors and senior management. Executive Directors, however, do not participate in the determination of their own remuneration.

The primary objective of the remuneration policy on executive remuneration package is to enable the Company to retain and motivate executives in promoting the success of the Group. The remuneration package comprises basic salary, and may include discretionary bonus and/or share options.

Each of the executive Directors is entitled to a basic salary which is subject to review by the Remuneration Committee after such executive Directors has completed 12 months of services.

Subject to the recommendation of the Remuneration Committee, the Company may, at its sole discretion, grant share options to executive Directors in accordance with the share option schemes adopted by the Company.

Each of the executive Directors (except Ms Yeung Man Ying and Mr Wong Cho Tung) is entitled to a discretionary bonus as determined by the Remuneration Committee by reference to the performance of the Group and the Director.

Each of Mr Liu Hing Hung, Mr Wang Tianmiao and Mr Wu Zhe entered into a letter of appointment with the Company to serve as an independent non-executive Director for one year commencing on the date of appointment and subject to the right of the independent non-executive Director or the Company to terminate the appointment of the independent non-executive Director at any time by giving at least one month's notice in writing.

執行董事在本集團人事部門協助下負責於考慮個人表現及本集團盈利能力以外，審閱所有相關薪酬資料及獲取市場訊息，並將董事及高級管理層之薪酬福利提呈薪酬委員會考慮及批准。然而，執行董事並不參與其本身薪酬之釐定。

行政人員薪酬福利政策之主要目標是挽留及激勵行政人員，以推動本集團之成功。薪酬福利包括基本薪金、酌情花紅及／或購股權。

每名執行董事均可獲得基本薪金，惟須於該等執行董事服務十二個月後經薪酬委員會進行檢討。

根據薪酬委員會之建議，本公司可酌情根據本公司採納之購股權計劃授予每名執行董事購股權。

經參考本集團及董事之表現，薪酬委員會決定，每名執行董事（楊文瑛女士及王祖同先生除外）均可獲得酌情花紅。

廖慶雄先生、王田苗先生及武哲先生各人與本公司訂立委任書擔任獨立非執行董事，任期為由委任日起計一年，且獨立非執行董事或本公司均可於任何時間透過發出不少於一個月之通知，終止獨立非執行董事之委任。

AUDIT COMMITTEE

The Company has established the Audit Committee with the written terms of reference in compliance with Rule 3.21 of the Listing Rules and code provision of the Corporate Governance Code. The primary duties of the Audit Committee are to assist the Board to provide an independent review of the effectiveness of the financial reporting process, internal control and risk management system of the Group and oversee the audit process and other duties and responsibilities as assigned by the Board.

The Audit Committee members met twice in 2017 to review with senior management and the Company's external auditors the internal and external audit findings, the accounting principles and practices adopted by the Group, and Listing Rules and statutory compliance, and discussed auditing, internal controls, risk management and financial reporting matters (including the 2016 annual financial statements and 2017 interim financial statements before recommending them to the Board for approval).

The following is the attendance record of each member at the Audit Committee meetings during the Year:

Name of Director	Number of meeting attended/ Number of meeting held
Mr Liu Hing Hung	2/2
Mr Xie Linzhen (Resigned with effect from 18 April 2017)	1/1
Mr Wang Tianmiao (Appointed with effect from 18 April 2017)	1/1
Mr Dong Yunting (Resigned with effect from 18 April 2017)	1/1
Mr Wu Zhe (Appointed with effect from 18 April 2017)	1/1

The Audit Committee comprises three independent non-executive Directors, namely, Mr Liu Hing Hung, Mr Wang Tianmiao and Mr Wu Zhe. The Audit Committee is chaired by Mr Liu Hing Hung who has professional qualifications in accountancy.

The Audit Committee has reviewed the annual report of the Company for the year ended 31 December 2017.

審核委員會

本公司已成立根據上市規則第3.21條及企業管治守則條文書面列明其職權範圍之審核委員會。審核委員會之主要職責是協助董事會就本集團財務報告程序、內部控制及風險管理體系之有效性提供獨立評價，監督審核程序以及董事會委派之其他職責及責任。

審核委員會成員於二零一七年舉行了兩次會議，與高級管理層及本公司之外部核數師共同審閱內部及外部審核結果、本集團採納之會計原則及慣例，以及上市規則及法規之遵守情況，並就有關審核、內部控制、風險管理及財務報告事宜(包括在將二零一六年度財務報表及二零一七中期財務報表提交董事會批准之前對其進行審閱)進行討論。

以下為各成員於本年度審核委員會會議之出席紀錄：

董事姓名	出席會議次數/ 舉行會議次數
廖慶雄先生	2/2
謝麟振先生 (於二零一七年四月十八日辭任生效)	1/1
王田苗先生 (於二零一七年四月十八日委任生效)	1/1
董雲庭先生 (於二零一七年四月十八日辭任生效)	1/1
武哲先生 (於二零一七年四月十八日委任生效)	1/1

審核委員會由三名獨立非執行董事廖慶雄先生、王田苗先生及武哲先生組成。審核委員會由廖慶雄先生擔任主席，彼具有專業會計資格。

審核委員會已審閱本公司截至二零一七年十二月三十一日止年度之年報。

EXTERNAL AUDITORS

The Audit Committee has reviewed a service plan from Deloitte Touche Tohmatsu regarding their independence and objectivity and had a meeting with Deloitte Touche Tohmatsu, the external auditors of the Company, to discuss the scope of their audit and approve the scope.

The Audit Committee also makes recommendations to the Board on the appointment and retention of the external auditors. For the Year, the Company paid Deloitte Touche Tohmatsu, the external auditors of the Company, HK\$1.9 million as audit fees and HK\$0.3 million as non-audit fees for reviewing the interim financial report of 2017.

The auditors' reporting responsibility is set out on pages 69 to 75 of this annual report.

INTERNAL CONTROL AND RISK MANAGEMENT

The Directors acknowledges that it is their responsibility to maintain effective risk management and internal control system and to review them at regular intervals.

The Group's risk management and internal control system is designed to reduce risks, safeguard the Group's assets, prevent and detect fraud and protect Shareholders' investment as well as to ensure that proper accounting records are maintained and applicable legislation and regulations are complied with. During the year under review, through discussions with the management and external auditors the Board has conducted assessments and reviews of the effectiveness of the Group's risk management and internal control system in various perspectives, including, among others, financial control, operational and compliance controls and risk management. The risk management and internal control systems are reviewed by the Board annually and each review covers a whole financial year.

A bottom-up and top-down approach is utilised to ensure a holistic risk management process. The bottom-up approach is supported by key business units to identify and prioritise risks while the topdown approach reviews and assesses if risks are comprehensively identified, prioritised, and properly addressed by key business units to accomplish the Group's objectives.

外部核數師

審核委員會已審閱德勤•關黃陳方會計師行確認其獨立性及客觀性之服務計劃，並與本公司之外部核數師德勤•關黃陳方會計師行舉行會議，討論及批准其審核範圍。

審核委員會亦就委聘及挽留外部核數師向董事會提供建議。本年度，本公司向本公司之外部核數師德勤•關黃陳方會計師行支付審計費為1,900,000港元及審閱二零一七年年中期財務報告之非審計費為300,000港元。

核數師之申報職責載於本年報第69至75頁

內部監控及風險管理

董事明白維持有效之風險管理及內部監控制度並定期進行檢討是董事會之責任。

本集團設立風險管理及內部監控系統，旨在減低風險、保障本集團資產、防止及偵查欺詐及保障股東權益，確保維持適當會計記錄，遵守合適法規及規例。於回顧年度，董事會透過與管理層及外聘核數師進行討論的方式，來評估與在各不同角度檢討本集團風險管理及內部監控系統之有效性，其中包括財務監控、營運與合規監控以及風險管理。風險管理及內部監控系統每年由董事會審核且每次審核覆蓋整個財政年度。

集團利用自下而上及自上而下的方式，確保擁有一套完善的風險管理程序。自下而上的方式以核心業務單位識別風險及確定風險評級為基礎；而自上而下的方式則評估及檢討核心業務單位於實現本集團的目標時是否已全面識別風險、為風險劃分級別及予以妥善處理。

The internal audit unit of the Company, which is subordinated to the Board, formulates the internal audit plan of the Group based on the strategic objectives analysis, business flow analysis, risk assessment and performance evaluation and the self-inspection mechanism with comprehensive risk management functions under the authority of the Board and the guidance of the Audit Committee. It regularly reports to the Audit Committee and the Board for its audit findings and recommendations on internal control.

During the year under review, the internal audit unit of the Company continuously optimised job responsibilities and functions of different departments according to the annual audit plan approved by the Board. Such audit work covered financial, operation, statutory compliance and risk management of the Group at all levels and functions, taking into account of the manpower cost-effectiveness. During the year under review, the Board has reviewed the effectiveness of the Group's risk management and material internal controls system and is of the opinion that the resources for and qualifications of staff of the Company's accounting and financial reporting function are adequate and sufficient. Based on information furnished to it and on its own observations, the Board is satisfied with the present risk management and internal control system of the Group and considers them effective and adequate. During the year under review and up to the date of this annual report, nothing has been found which requires substantial improvement.

The Company has formulated policies on information disclosure and regularly reminded Directors and employees to properly comply with relevant policies on inside information while notifying the Directors (who are also the senior management of the Group) and employees the latest guidance announced by the regulatory body on such information disclosure from time to time to keep all of them abreast of the latest information.

INTERNAL AUDIT

The internal audit department of the Group was responsible for conducting internal audits of the Group. Internal audits are designed to provide the Board with reasonable assurance that the internal control systems of the Group are effective and the risks associated with the achievement of business objectives are being managed properly. The department also conducts other projects and investigation work as required. The Directors were satisfied that an effective control system had been in operation having reviewed the material controls and all other major components of the internal control system of the Group for the Year.

本公司內部審核單位隸屬董事會，在董事會之授權範圍內及審核委員會指導下，透過戰略目標分析、業務流程分析、風險評估、績效衡量，結合全面風險管理的內部監控自查機制，擬定本集團內部稽核工作計劃，並定期就查核結果與內控建議向審核委員會及董事會匯報。

於回顧年度，本公司內部審計單位在不斷完善部門崗位職責之前提下，遵循董事會通過之年度稽核計劃，對本集團進行各層級及機能之項目審計，審計範圍涵蓋財務、營運、法規遵循以及風險管理工作。於回顧年度，董事會已檢閱本集團的風險管理及重大內部監控系統的有效性並認為本公司會計之資源和員工資歷以及財務匯報職能均為適當和充分。根據董事會所獲得資料及其本身觀察，董事會滿意本集團現行之風險管理及內部監控系統及認為該系統是有效及充份的。於回顧年度及截至本年報的日期，並無發現有重大事項需要改進。

本公司已制定信息披露政策，並定期提醒董事及員工適當遵守內幕消息的相關政策，並會不時知會董事（彼等亦為本集團的高級管理層）及員工有關監管機構公佈的上述信息披露最新指引，以令彼等全體獲得最新的資訊。

內部審核

內部審核部負責對本集團進行審核工作。內部審核的目的是向董事會作出合理的保證，保證本集團的內部監控制度有效以令達成業務目標的有關風險得到適當的管理。如有需要，該部門亦進行其他計劃和調查工作。董事經檢討本集團之重要控制措施及內部監控制度所有其他主要元素後，已信納本年度已運作有效之控制制度。

INVESTOR RELATIONS AND SHAREHOLDERS' COMMUNICATIONS

The Group promotes investor relations and communications by setting up meetings with the investment community. The Group also responds to requests for information and queries from the investment community by the investor relations personnel.

The Board is committed to provide clear and full information of the Group to Shareholders through sending the Shareholders the Company's interim and annual reports, circulars, notices, financial reports as and when appropriate and providing additional information to Shareholders in the "Investor Relations" section of the Company's website.

Annual general meeting of the Company ("Annual General Meeting") provides a good opportunity for communications between the Board and Shareholders. Shareholders are encouraged to attend the Annual General Meeting. Notice of the Annual General Meeting and related papers are sent to the Shareholders at least 20 clear business days before the meeting and the said notice is also published on the websites of the Stock Exchange and of the Company. The Chairman and Directors will answer questions on the Group's business at the Annual General Meeting. External auditors will also attend the Annual General Meeting.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. Therefore, all the resolutions put to the vote at the Annual General Meeting will be taken by way of poll.

The poll is conducted by the Company's registrars and the results of the poll will be published on websites of the Stock Exchange and the Company. Financial and other information is made available on the Company's website and updated regularly. Specific enquiries and suggestions by Shareholders can be sent in writing to the Board or the Company Secretary at the Company's head office and principal place of business in Hong Kong at Unit 2908, 29th Floor, 248 Queen's Road East, Wanchai, Hong Kong.

與投資者之關係及與股東之溝通

本集團透過與投資界召開會議，促進與投資者之關係及溝通。本集團亦透過投資者關係人員對投資界人士索取資料及詢問作出回應。

董事會透過適時向股東寄發本公司之中期報告及年報、通函、通告及財務報告致力向股東提供本集團清晰而全面之資料，本公司亦於本公司網站「投資者關係」一欄向股東提供本公司之其他資料。

本公司之股東週年大會（「股東週年大會」）為促進董事會與股東之溝通提供良機。本公司鼓勵股東出席股東週年大會。股東週年大會通告及有關文件於大會舉行至少二十個完整工作日前向股東寄發，且通告將在聯交所及本公司之網站上刊登，主席及董事將於股東週年大會上就本集團之業務回答提問。外部核數師亦將出席股東週年大會。

根據上市規則第13.39(4)條，股東週年大會的任何決議均須以投票方式表決。因此，所有呈呈股東週年大會表決之決議案將以投票方式表決。

投票由本公司之股份過戶處主持，其結果於聯交所及本公司網站公佈。財務及其他資料可於本公司網站查閱，並定期更新。股東之具體問題及意見可以書面方式寄往本公司於香港之總辦事處及主要營業地址（地址為香港灣仔皇后大道東248號29樓2908室）寄予董事會或公司秘書。

PROCEDURES FOR SHAREHOLDERS TO CONVENE A GENERAL MEETING/PUT FORWARD PROPOSALS

A. *Procedures for Shareholders to convene a general meeting*

1. Shareholder(s) holding at the date of deposit of the requisition not less than one-tenth of the paid-up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition sent to the Company's head office and principal place of business in Hong Kong at Unit 2908, 29th Floor, 248 Queen's Road East, Wanchai, Hong Kong, for the attention to the Board or the Company Secretary, to require a special 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.
2. The written requisition must state the purposes of the meeting, and must be signed by the Shareholder(s) concerned and may consist of several documents in like form, each signed by one or more of those Shareholder(s).
3. The requisition will be verified with the Company's branch share registrar and upon their confirmation that the requisition is proper and in order, the Company Secretary will ask the Board to convene a special general meeting by serving sufficient notice in accordance with the statutory requirements and the Listing Rules to all the registered Shareholders. On the contrary, if the requisition has been verified as not in order, the Shareholder(s) concerned will be advised of this outcome and accordingly, a special general meeting will not be convened as requested.

股東召開股東大會／提呈建議之程序

A. 股東召開股東大會之程序

1. 在提交要求當日持有本公司繳足股本(賦有權利可在本公司股東大會投票)不少於十分之一之股東，有權隨時以書面要求董事會召開股東特別大會，以處理要求內指明之事項，有關要求可寄至本公司於香港之總辦事處及主要營業地址(地址為香港灣仔皇后大道東248號29樓2908室)，註明交董事會或公司秘書收；而有關大會須於提交要求後兩(2)個月內舉行。
2. 書面要求中必須列明大會的目的，且必須經有關股東簽署，而有關書面要求可由多份格式內容相同，並經由一名或多名有關股東簽署之文件組成。
3. 本公司股份過戶登記分處將核實有關要求，於確認要求妥為恰當地提出後，公司秘書將要求董事會根據法定規定及上市規則向全體登記股東發出充份通知，藉以召開股東特別大會。相反，倘有關要求經核實為不恰當，有關股東將會被告知相關結果，並因而不會按要求召開股東特別大會。

4. The notice period to be given to all the registered Shareholders for consideration of the proposal raised by the Shareholder(s) concerned at a special general meeting varies according to the nature of the proposal as follows:
- at least twenty-one (21) clear days' and not less than ten (10) clear business days' notice in writing if the proposal constitutes a special resolution of the Company, which cannot be amended other than to a mere clerical amendment to correct a patent error; and
 - at least fourteen (14) clear days' and not less than ten (10) clear business days' notice in writing if the proposal constitutes an ordinary resolution of the Company.

B. Procedures for Shareholders to make proposals at general meeting other than a proposal of a person for election as Director

1. The Shareholder(s) holding not less than one-twentieth of the total voting rights of those Shareholders having the right to vote at such meeting or not less than one hundred Shareholders, at the expenses of the Shareholder(s) concerned, can submit a written requisition to move a resolution at a general meeting.
2. The written requisition must state the resolution, accompanied by a statement of not more than 1,000 words with respect to the matter referred to in the proposed resolution, signed by all the Shareholder(s) concerned and may consist of several documents in like form (which between them contain the signatures of all the Shareholder(s) concerned).
3. The written requisition must be deposited at Unit 2908, 29th Floor, 248 Queen's Road East, Wanchai, Hong Kong, the head office and principal place of business of the Company in Hong Kong, for the attention of the Company Secretary not less than six weeks before the meeting in the case of a requisition requiring notice of a resolution and not less than one week in the case of any other requisition.

4. 向全體登記股東發出通知以供考慮相關股東於股東特別大會上所提呈建議之期限因建議性質而異，詳情如下：

- 倘建議構成本公司不可修訂之特別決議案(更正明顯錯誤之純粹文書修訂除外)，須最少發出二十一(21)個整日及不少於十(10)個完整營業日之書面通知；及
- 倘建議構成本公司之普通決議案，須最少發出十四(14)個整日及不少於十(10)個完整營業日之書面通知。

B. 董事於股東大會作出提名人士參選董事以外建議之程序

1. 股東大會上之決議案可由持有有權於大會投票之股東總投票權不少於二十分之一的股東，或不少於百名股東提交書面要求處理，費用由所涉股東承擔。
2. 書面要求必須列名決議案，連同不超過1,000字有關所提呈決議案所述事宜的陳述，並由所涉之全體股東簽署，而有關書面要求可由多份格式內容相同之文件(彙集各份文件後須有所涉全部股東之簽署)組成。
3. 書面要求必須於大會舉行前最少六星期(如有關要求須發出決議案通告)及最少一星期(如為其他要求)交往本公司於香港之總辦事處及主要營業地址(地址為香港灣仔皇后大道東248號29樓2908室)，註明交公司秘書收。

4. The requisition will be verified with the Company's branch share registrar and upon their confirmation that the requisition is Proper and in order, the Company Secretary will ask the Board to (i) include the resolution in the agenda for the Annual General Meeting; or (ii) convene a special general meeting by serving sufficient notice in accordance with the statutory requirements and the Listing Rules to all the registered Shareholders. On the contrary, if the requisition has been verified as not in order, the Shareholders concerned will be advised of this outcome and accordingly, (i) the proposed resolution will not be included in the agenda for the Annual General Meeting; or (ii) a special general meeting will not be convened as requested.

CONSTITUTIONAL DOCUMENTS

During the Year, the Company had not amended its constitutional documents.

RELATED PARTY TRANSACTIONS

The Board confirms that the related party transactions during the Year as disclosed in note 37 to the consolidated financial statements did not fall under the definition of "connected transactions" nor "continuing connected transactions" (as the case may be) in Chapter 14A of the Listing Rules. The Directors confirm that the Company has, where applicable, complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

4. 本公司股份過戶登記分處將核實有關要求，於確認要求妥為恰當地提出後，公司秘書將要求董事會 (i) 於股東週年大會議程中加入有關決議案；或 (ii) 根據法定規定及上市規則向全體登記股東發出充份通知，藉以召開股東特別大會。相反，倘有關要求經核實為不恰當，有關股東將會被告知相關結果，並因而 (i) 不會於股東週年大會議程中加入有關決議案；或 (ii) 不會按要求召開股東特別大會。

憲法文件

於本年度，本公司並無修訂其憲法文件。

關連人士交易

董事會確認，綜合財務報表附註37所披露於年內進行之關連人士交易並不構成上市規則第十四A章所界定之「關連交易」或「持續關連交易」(視情況而定)。董事確認本公司已(如適用)遵守上市規則第十四A章之披露規定。

Deloitte.

德勤

TO THE MEMBERS OF SIM TECHNOLOGY GROUP LIMITED

晨訊科技集團有限公司

(incorporated in Bermuda with limited liability)

致晨訊科技集團有限公司股東

(於百慕達註冊成立的有限公司)

OPINION

We have audited the consolidated financial statements of SIM Technology Group Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 76 to 205, which comprise the consolidated statement of financial position as at 31 December 2017, and the consolidated statement of profit or loss, 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 International Financial Reporting Standards (“IFRSs”) 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 International Standards on Auditing (“ISAs”). 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 International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (the “Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

意見

本核數師(以下簡稱「我們」)已審計列載於第76至205頁的晨訊科技集團有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表，此財務報表包括於二零一七年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益表及綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已根據《國際財務報告準則》(「國際財務報告準則」)真實而中肯地反映了貴集團於二零一七年十二月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露要求妥為擬備。

意見的基礎

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

KEY AUDIT MATTERS

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

Key audit matter	How our audit addressed the key audit matter
Valuation of inventories	
<p>We identified the valuation of inventories as a key audit matter because of the significant judgement exercised by management in determining the appropriate levels of allowance.</p>	<p>Our audit procedures to assess the valuation of inventories included the following:</p> <ul style="list-style-type: none">• Obtaining an understanding of how allowance for inventories is estimated by the management;• Testing the ageing analysis of inventory, on a sample basis, to goods receipt notes;• Discussing with the management and evaluating the basis of obsolete inventories identified by the management, based on the current market conditions, product life cycle and marketing and promotion plans;• Assessing the reasonableness of allowance for inventories with reference to historical sales records, current market conditions, product life cycle, ageing analysis and subsequent selling and purchase prices of the inventories; and• Tracing a selection of inventories with subsequent selling prices to sales invoices.
<p>The carrying amount of inventories is approximately HK\$758,531,000 as at 31 December 2017. The management of the Group reviews an ageing analysis of inventories at the end of the reporting period and makes allowance for obsolete and slow-moving inventory items identified that are no longer suitable for use in production or sale. The management estimates the net realisable value for such finished goods and raw materials based primarily on the latest selling and purchase prices and current market conditions. The Group carries out an inventory review on a product-by-product basis at the end of the reporting period and makes allowance for obsolete items.</p>	

關鍵審計事項

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

關鍵審計事項	我們的審計如何對關鍵審計事項進行處理
存貨估值	
<p>由於管理層釐定適當水平的撥備時進行重要判斷，我們將存貨估值確定為關鍵審計事項。</p>	<p>我們就存貨估值的審計包括以下程序：</p> <ul style="list-style-type: none">• 了解管理層如何估計存貨撥備；• 按抽樣基準對照收貨票據檢測存貨的賬齡分析；• 根據當前市況、產品使用年限及推廣計劃與管理層討論並評估管理層認定陳舊存貨之基準；• 參照存貨的歷史銷售記錄、當前市況、產品使用年限、賬齡分析及隨後買賣價格評估存貨撥備是否合理；及• 對照銷售發票，追溯存貨的隨後售價。
<p>於二零一七年十二月三十一日存貨的賬面值為758,531,000港元。貴集團之管理層於報告期末審閱存貨賬齡分析，並就被認為不再適合作生產或銷售之陳舊或滯銷存貨項目作出撥備。管理層主要根據最近期買賣價格及當時之市況而估計該等製成品及原材料之可變現淨值。貴集團於報告期末按產品基準進行存貨審閱並對陳舊項目作出撥備。</p>	

Key audit matter	How our audit addressed the key audit matter	關鍵審計事項	我們的審計如何對關鍵審計事項進行處理
<p>Valuation of investment properties</p>	<p>Our audit procedures to assess the valuation of investment properties included the following:</p>	<p>投資物業估值</p>	<p>我們就投資物業估值的審計包括以下程序：</p>
<p>We identified the valuation of investment properties as a key audit matter because of the significant judgements are required to determine the fair value of investment properties.</p>	<ul style="list-style-type: none"> Obtaining the valuation report from independent qualified professional valuers and discussing with management and independent qualified valuers to understand the valuation basis, methodology used and underlying assumptions applied; 	<p>由於釐定投資物業公平值需重要判斷，我們將投資物業估值確定為關鍵審計事項。</p>	<ul style="list-style-type: none"> 取得獨立合資格專業估值師的估值報告，並与管理層及獨立合資格估值師討論以了解估值基準、所用方法及應用相關假設；
<p>As disclosed in note 15 to the consolidated financial statements, the Group's investment properties amounted to HK\$384,949,000 as at 31 December 2017. Gain on changes in fair value of investment properties of HK\$9,565,000 was recognised in the consolidated statement of profit or loss and other comprehensive income for the year then ended.</p>	<ul style="list-style-type: none"> Evaluating management's process in respect of reviewing the valuation performed by independent qualified professional valuers; 	<p>如綜合財務報表附註15所披露，貴集團於二零一七年十二月三十一日之投資物業達384,949,000港元。投資物業公平值變動之收益為9,565,000港元已於截至該日期止年度之綜合損益及其他全面收益表中確認。</p>	<ul style="list-style-type: none"> 評估管理層對獨立合資格專業估值師估值的審閱過程；
<p>The fair value of the Group's investment properties was determined by adopting the valuation techniques with significant unobservable inputs, assumptions of market conditions and judgements based on the valuation performed by independent qualified professional valuers. Details of the valuation techniques and key inputs used in the valuations are disclosed in note 15 in the consolidated financial statements.</p>	<ul style="list-style-type: none"> Evaluating the competence, capabilities and objectivity of independent qualified professional valuers; 	<p>釐定 貴集團投資物業的公平值採用設計重大不可觀察輸入數據的估值技巧、對市況的假設及根據獨立合資格專業估值師進行的估值作出判斷。估值技巧及估值中所用的關鍵輸入數據詳情披露於本綜合財務報表附註15。</p>	<ul style="list-style-type: none"> 評估獨立合資格專業估值師的資格、能力及客觀性；
	<ul style="list-style-type: none"> Challenging the valuation techniques and reasonableness of the significant inputs adopted by the management of the Group and the independent qualified professional valuers based on our knowledge of the property industry; and 		<ul style="list-style-type: none"> 根據我們對房地產行業的知識質疑 貴集團管理層及獨立合資格專業估值師估值技巧及所採用的重要輸入數據是否合理；及
	<ul style="list-style-type: none"> Performing market research and analysis to assess whether the changes in fair value of investment properties resulted from the valuation was reasonable and consistent with market trends to our knowledge. 		<ul style="list-style-type: none"> 就估值所產生的投資物業公平值變動是否合理及符合我們所掌握的市場趨勢進行市場研究及分析。

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 IFRSs and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors of the Company 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 of the Company 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 of the Company 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.

其他資訊

貴公司董事需對其他資訊負責。其他資訊包括刊載於年報內的資訊，但不包括綜合財務報表及我們的核數師報告。

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

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

董事及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國際財務報告準則及香港公司條例的披露要求擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

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

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 Section 90 of the Bermuda Companies Act, 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 ISAs 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 ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

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

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並按照《百慕達公司法》第90條的規定僅向全體股東出具包括我們意見的核數師報告。除此以外，我們的報告不可用作其他用途。本行並不就本行報告之內容對任何其他人士承擔任何責任或接受任何義務。合理保證是高水準的保證，但不能保證按照國際審計準則進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期他們單獨或匯總起來可能影響綜合財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據國際審計準則進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程式以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 瞭解與審計相關的內部控制，以設計適當的審計程式，但目的並非對貴集團內部控制的有效性發表意見。

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors of the Company.
- 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.
- 評價 貴公司董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就 貴集團內實體或業務活動的財務資訊獲取充足、適當的審計憑證，以對綜合財務報表發表意見。我們負責 貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

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.

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

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 Wan Chi Lap.

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

22 March 2018

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

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

出具本獨立核數師報告的審計專案合夥人是尹志立。

德勤•關黃陳方會計師行

執行會計師

香港

二零一八年三月二十二日

Consolidated Statement of Profit or Loss

綜合損益表

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

		Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Revenue	收入	5	3,258,517	2,724,390
Cost of sales	銷售成本		(2,863,306)	(2,322,609)
Gross profit	毛利		395,211	401,781
Other income	其他收入	7	73,736	71,002
Other gains and losses	其他收益及虧損	8	37,678	(1,306)
Research and development expenses	研究及開發費用		(90,641)	(102,196)
Selling and distribution costs	銷售及分銷成本		(144,433)	(135,938)
Administrative expenses	行政開支		(122,238)	(125,170)
Share of results of associates	分佔聯營公司業績	22	(1,527)	(1,533)
Finance costs	融資成本	9	(8,990)	(10,140)
Profit before taxation	除稅前溢利		138,796	96,500
Taxation	稅項	11	(36,190)	(22,067)
Profit for the year	本年度溢利	12	102,606	74,433
Profit for the year attributable to:	下列各項應佔溢利：			
Owners of the Company	本公司股東		111,651	77,278
Non-controlling interests	非控股權益		(9,045)	(2,845)
			102,606	74,433
Earnings per share (HK cents)	每股盈利(港仙)	14		
Basic	基本		4.36	3.02
Diluted	攤薄		4.36	3.02

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
截至二零一七年十二月三十一日止年度

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Profit for the year	本年度溢利	102,606	74,433
Other comprehensive (expense) income	其他全面(開支)收益		
Items that may be subsequently reclassified to profit or loss during the year:	其後重新分類至本年度損益之項目：		
Fair value change on available-for-sale investment	可供出售之投資公平值變動	(107,195)	170,573
Deferred tax arising from fair value change on available-for-sale investment	可供出售之投資公平值變動產生遞延稅項	26,799	(42,643)
Item that may not be subsequently reclassified to profit or loss during the year:	其後不會重新分類至本年度損益之項目：		
Exchange difference arising on translation to presentation currency	換算至呈列貨幣產生之匯率差額	93,628	(80,699)
Other comprehensive income	其他全面收益	13,232	47,231
Total comprehensive income for the year	本年度全面收益總額	115,838	121,664
Total comprehensive income (expense) attributable to:	下列各項應佔全面收益(開支)總額：		
Owners of the Company	本公司擁有人	118,777	128,063
Non-controlling interests	非控股權益	(2,939)	(6,399)
		115,838	121,664

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2017
於二零一七年十二月三十一日

		Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Non-current assets	非流動資產			
Investment properties	投資物業	15	384,949	350,779
Property, plant and equipment	物業、廠房及設備	16	399,258	376,914
Land use rights	土地使用權	17	86,793	84,185
Intangible assets	無形資產	19	188,765	148,405
Deferred tax assets	遞延稅項資產	20	47,339	43,719
Finance lease receivables	應收融資租賃	18	705	637
Interests in associates	於聯營公司之權益	22	2,274	3,800
Available-for-sale investment	可供出售投資	23	80,253	187,448
Consideration receivable	應收代價	38	1,733	1,621
			1,192,069	1,197,508
Current assets	流動資產			
Inventories	存貨	24	758,531	737,417
Finance lease receivables	應收融資租賃	18	2,097	6,085
Properties under development for sale	發展中的銷售物業	25	–	359,130
Properties held for sale	持作銷售物業	26	502,998	167,355
Trade and notes receivables	應收貿易賬款及票據	27	344,208	258,321
Other receivables, deposits and prepayments	其他應收賬款、按金及預付款項	27	331,579	275,090
Consideration receivable	應收代價	38	723	676
Amount due from an associate	應收一間聯營公司款項	27	3,200	2,000
Amounts due from non-controlling shareholders of subsidiaries	應收附屬公司非控股股東款項	27	11,633	11,633
Entrusted loan receivables	應收委託貸款	21	36,150	112,700
Pledged bank deposits	已抵押銀行存款	28	30,125	76,636
Bank balances and cash	銀行結餘及現金	28	417,092	249,132
			2,438,336	2,256,175
Assets classified as held for sale	分類為持作出售之資產	22	–	26,117
			2,438,336	2,282,292

			2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Current liabilities	流動負債			
Trade and notes payables	應付貿易賬款及票據	29	393,750	374,218
Other payables, deposits received and accruals	其他應付賬款、已收按金及應計款項	29	599,012	423,995
Other liabilities	其他負債	29	141,154	–
Amounts due to non-controlling shareholders of subsidiaries	應付附屬公司非控股股東款項	29	–	35,613
Bank borrowings	銀行借貸	30	84,104	299,991
Tax payable	應付稅項		37,992	23,138
			1,256,012	1,156,955
Liabilities associated with asset classified as held for sale	與分類為持作出售之資產有關的負債	22	–	24,794
			1,256,012	1,181,749
Net current assets	流動資產淨值		1,182,324	1,100,543
Total assets less current liabilities	總資產減流動負債		2,374,393	2,298,051
Capital and reserves	資本及儲備			
Share capital	股本	31	255,955	255,790
Reserves	儲備	32	1,865,855	1,770,956
Equity attributable to owners of the Company	本公司擁有人應佔權益		2,121,810	2,026,746
Non-controlling interests	非控股權益		101,481	105,801
Total equity	權益總額		2,223,291	2,132,547

Consolidated Statement of Financial Position
綜合財務狀況表

At 31 December 2017
於二零一七年十二月三十一日

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Non-current liabilities	非流動負債		
Deferred tax liabilities	遞延稅項負債	20	111,638
Deferred income	遞延收入	29	53,866
		151,102	165,504
		2,374,393	2,298,051

The consolidated financial statements on pages 76 to 205 were approved by the Board of Directors on 22 March 2018 and are signed on its behalf by:

載於第76頁至205頁之綜合財務報表已於二零一八年三月二十二日獲董事會批准，並由以下董事代表簽署：

WONG CHO TUNG

王祖同

DIRECTOR

董事

CHAN TAT WING, RICHARD

陳達榮

DIRECTOR

董事

Consolidated Statement of Changes in Equity

綜合權益變動表

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

		Attributable to owners of the Company 本公司擁有人應佔												
		Share capital	Share premium	Statutory surplus reserve	Other reserve	Share option reserve	Properties revaluation reserve	Assets revaluation reserve	Capital redemption reserve	Translation reserve	Accumulated profits	Total	Non-controlling interests	Total
		股本	股份溢價	盈餘儲備	其他儲備	購股權儲備	重估儲備	重估儲備	贖回儲備	換算儲備	累計溢利	合計	非控股權益	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
				(Note a) (附註a)	(Note b) (附註b)									
At 1 January 2016	於二零一六年一月一日	255,790	831,363	40,623	97,091	30,888	102,827	-	2,282	177,573	357,342	1,895,779	102,605	1,998,384
Profit (loss) for the year	本年度溢利(虧損)	-	-	-	-	-	-	-	-	-	77,278	77,278	(2,845)	74,433
Other comprehensive income (expense) for the year	本年度其他全面收益(開支)	-	-	-	-	-	-	127,930	-	(77,145)	-	50,785	(3,554)	47,231
Total comprehensive income (expense) for the year	本年度全面收益(開支)總額	-	-	-	-	-	-	127,930	-	(77,145)	77,278	128,063	(6,399)	121,664
Share options lapsed	購股權失效	-	-	-	-	(4,280)	-	-	-	-	4,280	-	-	-
Capital reduction of non-wholly owned subsidiary	非全資附屬公司股本削減	-	-	-	-	-	-	-	-	-	-	-	(2,315)	(2,315)
Incorporation of non-wholly owned subsidiaries	成立非全資附屬公司	-	-	-	-	-	-	-	-	-	-	-	11,910	11,910
Transfer to statutory surplus reserve	轉撥至法定盈餘儲備	-	-	7,416	-	-	-	-	-	-	(7,416)	-	-	-
Recognition of equity settled share-based payments	確認以權益結算之股份付款	-	-	-	-	2,904	-	-	-	-	-	2,904	-	2,904
At 31 December 2016	於二零一六年十二月三十一日	255,790	831,363	48,039	97,091	29,512	102,827	127,930	2,282	100,428	431,484	2,026,746	105,801	2,132,547
Profit (loss) for the year	本年度溢利(虧損)	-	-	-	-	-	-	-	-	-	111,651	111,651	(9,045)	102,606
Other comprehensive (expense) income for the year	本年度其他全面(開支)收益	-	-	-	-	-	-	(80,396)	-	87,522	-	7,126	6,106	13,232
Total comprehensive (expense) income for the year	本年度全面(開支)收益總額	-	-	-	-	-	-	(80,396)	-	87,522	111,651	118,777	(2,939)	115,838
Transfer upon exercise of share options	於行使購股權時轉撥	-	297	-	-	(297)	-	-	-	-	-	-	-	-
Issue of new shares upon exercise of share options	於行使購股權時發行新股	165	406	-	-	-	-	-	-	-	-	571	-	571
Share options lapsed	購股權失效	-	-	-	-	(751)	-	-	-	-	751	-	-	-
Disposal of subsidiaries	出售附屬公司	-	-	-	-	-	-	-	-	-	-	-	(1,252)	(1,252)
Acquisition of additional interests in subsidiaries	收購附屬公司的額外權益	-	-	-	13	-	-	-	-	-	-	13	(129)	(116)
Transfer to statutory surplus reserve	轉撥至法定盈餘儲備	-	-	2,045	-	-	-	-	-	-	(2,045)	-	-	-
Recognition of equity settled share-based payments	確認以權益結算之股份付款	-	-	-	-	1,282	-	-	-	-	-	1,282	-	1,282
Dividend paid	已付股息	-	-	-	-	-	-	-	-	-	(25,579)	(25,579)	-	(25,579)
At 31 December 2017	於二零一七年十二月三十一日	255,955	832,066	50,084	97,104	29,746	102,827	47,534	2,282	187,950	516,262	2,121,810	101,481	2,223,291

Consolidated Statement of Changes in Equity
綜合權益變動表

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

Notes:

- (a) As stipulated by the relevant laws and regulations of the People's Republic of China ("PRC"), before distribution of the net profit each year, the subsidiaries established in the PRC shall set aside 10% of their net profit after taxation for the statutory surplus reserve fund (except where the reserve has reached 50% of the subsidiaries' registered capital). The reserve fund can only be used, upon approval by the board of directors of the relevant subsidiaries and by the relevant authority, to offset accumulated losses or increase capital.
- (b) Other reserve is arisen from the reorganisation in preparation for the listing of the Company's shares on the Main Board of The Stock Exchange of Hong Kong Limited, and the difference between the considerations paid and the relevant non-controlling interests upon the acquisition of additional interests in subsidiaries.

附註:

- (a) 誠如中華人民共和國(「中國」)法律及法規之規定，於中國成立之附屬公司每年須於派發淨利潤之前撥出其稅後淨利潤10%作為法定盈餘儲備金(儲備達致附屬公司註冊資本50%情況下除外)。該等儲備金僅可用於抵銷累計虧損或增加資本，惟須獲得相關附屬公司董事會及相關主管機構之批准。
- (b) 為籌備本公司股份於香港聯合交易所有限公司主板上市而進行重組產生之其他儲備，及已付代價與於收購附屬公司的額外權益時的相關非控股權益兩者之間的差異。

Consolidated Statement of Cash Flows

綜合現金流量表

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

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
OPERATING ACTIVITIES	經營活動		
Profit before taxation	除稅前溢利	138,796	96,500
Adjustments for:	就下列項目作出調整：		
Finance costs	融資成本	8,990	10,140
Depreciation and amortisation	折舊及攤銷	231,161	227,691
Loss on disposal of property, plant and equipment	出售物業、廠房及 設備之虧損	1,836	885
Gain on disposal of subsidiaries	出售附屬公司之收益	(118)	-
Gain on disposal of an associate	出售一間聯營公司之收益	(8,736)	-
Dividend income	股息收入	(171)	-
Share-based payments expense	以股份付款開支	1,282	2,904
Net reversal of allowance for bad and doubtful debts	呆壞賬撥備撥回淨額	(854)	(3,324)
Share of results of associates	應佔聯營公司業績	1,527	1,533
Reversal of allowance of inventories	存貨撥備撥回	(11,706)	(2,898)
Reversal of impairment loss recognised in respect of property, plant and equipment	就物業、廠房及設備確認之 減值虧損撥回	-	(6,304)
Changes in fair values of investment properties	投資物業公平值變動	(9,565)	(12,348)
Interest income	利息收入	(11,714)	(11,513)
Operating cash flows before movements in working capital	營運資金變動前之 經營現金流量	340,728	303,266
Decrease (increase) in inventories	存貨減少(增加)	28,669	(98,420)
Decrease in properties under development for sales and properties held for sales	發展中的銷售物業及 持作出售物業減少	86,191	13,876
(Increase) decrease in trade and notes receivables	應收貿易賬款及票據(增加)減少	(72,845)	23,284
Increase in other receivables, deposits and prepayments	其他應收賬款、按金及 預付款項增加	(76,390)	(32,643)
Decrease in finance lease receivables	應收融資租賃減少	4,385	6,416
Decrease in trade and notes payables	應付貿易賬款及票據減少	(2,717)	(223,931)
Increase in other payables, deposits received and accruals and deferred income	其他應付賬款、已收按金、 應計款項及遞延收入增加	71,360	220,424
Cash generated from operations	來自經營之現金	379,381	212,272
Interest received	已收利息	12,061	11,513
PRC tax paid	已付中國稅項	(11,217)	(12,758)
NET CASH FROM OPERATING ACTIVITIES	來自經營活動之現金淨額	380,225	211,027

Consolidated Statement of Cash Flows
綜合現金流量表

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

	Note 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
INVESTING ACTIVITIES			
投資活動			
Purchases of property, plant and equipment		(53,544)	(58,997)
Proceeds from disposal of property, plant and equipment		2,398	5,275
Development costs paid		(201,056)	(194,485)
Placement of pledged bank deposits		(85,535)	(136,224)
Withdrawal of pledged bank deposits		132,046	158,236
Investment in entrusted loan receivables		(36,150)	(69,960)
Receipt of entrusted loan receivables		112,700	73,458
Dividend received		171	–
Injection from non-controlling shareholders of subsidiaries		–	6,466
Deposits received for disposal of an associate		–	1,224
Net cash inflow on disposal of subsidiaries	38	2,577	–
Consideration received from the disposal of an associate		10,059	–
Deposits received for disposal of subsidiaries		62,419	–
Advance to an associate		(1,200)	(2,000)
NET CASH USED IN INVESTING ACTIVITIES		(55,115)	(217,007)
FINANCING ACTIVITIES			
融資活動			
New bank borrowings raised		232,465	557,146
Repayment of bank borrowings		(469,114)	(575,223)
Increase in other liabilities		141,154	–
Interest paid		(8,990)	(10,140)
Dividend paid		(25,579)	–
Repayment to non-controlling shareholders of subsidiaries		(35,613)	(9,352)
Net proceeds from issue of shares upon exercise of shares options		571	–
Cash used in acquisitions of additional interests of subsidiaries		(116)	–
Repayment to an associate		–	(3,501)
NET CASH USED IN FINANCING ACTIVITIES		(165,222)	(41,070)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		159,888	(47,050)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		249,132	298,386
EFFECT OF FOREIGN EXCHANGE RATE CHANGES		8,072	(2,204)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR, represented by bank balances and cash		417,092	249,132
		年終現金及現金等值項目， 即銀行結餘及現金	

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

1. GENERAL INFORMATION

The Company was incorporated in Bermuda as an exempted company under the Companies Act 1981 of Bermuda (as amended) with limited liability. The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information section of the annual report.

The functional currency of the Company is Renminbi (“RMB”). The consolidated financial statements are presented in Hong Kong dollars (“HK\$”), as the Directors consider that it is a more appropriate presentation for a company listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and for the convenience of the shareholders.

The Company is an investment holding company. The principal activities of its subsidiaries are disclosed in note 42.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”)

Amendments to IFRSs that are mandatorily effective for the current year

The Group has applied the following amendments to IFRSs for the first time in the current year:

Amendments to IAS 7

國際會計準則第7號之修訂

Amendments to IAS 12

國際會計準則第12號之修訂

Amendments to IFRS 12

國際財務報告準則第12號之修訂

Disclosure initiative

披露計劃

Recognition of deferred tax assets for unrealised losses

就未變現虧損確認遞延稅項資產

As part of the annual improvements to IFRSs 2014-2016 cycle
為國際財務報告準則二零一四年至二零一六年週期之年度改進之一部分

1. 一般資料

本公司乃根據百慕達一九八一年公司法(經修訂)於百慕達註冊成立為獲豁免有限公司。本公司之註冊辦事處及主要營業地點在年報之公司資料一節內披露。

本公司之功能貨幣為人民幣(「人民幣」)。本綜合財務報表以港元呈列，乃因董事認為作為一間香港聯合交易所有限公司(「聯交所」)的上市公司和方便本公司股東，財務報表以港元呈列更為恰當。

本公司為一家投資控股公司。其附屬公司之主要業務於附註42披露。

2. 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)

於本年度強制生效之國際財務報告準則之修訂

本集團已於本年度首次應用以下國際財務報告準則之修訂：

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (CONTINUED)

Amendments to IFRSs that are mandatorily effective for the current year (CONTINUED)

Except as described below, the application of the amendments to IFRSs 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.

Amendments to IAS 7 Disclosure initiative

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

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

A reconciliation between the opening and closing balances of relevant items is provided in note 39. Consistent with the transition provisions of the amendments, the Group has not disclosed comparative information for the prior year. Apart from the additional disclosure in note 39, the application of these amendments has had no impact on the Group’s consolidated financial statements.

2. 應用新訂及經修訂國際財務報告準則（「國際財務報告準則」）（續）

於本年度強制生效之國際財務報告準則之修訂（續）

除如以下所述外，於本年度應用國際財務報告準則之修訂對本集團於本年度及過往年度之財務表現及狀況及／或綜合財務報表內所載之披露並無重大影響。

國際會計準則第7號之修訂「披露計劃」

本集團已於本年度首次應用該等修訂。該等修訂要求實體提供披露資料，令使用財務報表的人士得以評估融資活動所產生負債之變動（包括現金及非現金變動）。此外，該等修訂亦要求，當金融資產之現金流量已經或其未來現金流量將會計入融資活動之現金流量時，實體須披露有關金融資產之變動。

具體而言，該等修訂要求披露下列各項：(i) 融資現金流量之變動；(ii) 取得或失去附屬公司或其他業務控制權所引起之變動；(iii) 外幣匯率變動之影響；(iv) 公平值之變動；及(v) 其他變動。

相關項目年初與年終之結餘對賬載於附註39。根據該等修訂之過渡條文，本集團並無披露去年之比較資料。除附註39之額外披露外，應用該等修訂並無對本集團之綜合財務報表造成影響。

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (CONTINUED)

2. 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)

New and revised IFRSs in issue but not effective

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

已頒佈但尚未生效之新訂及經修訂國際財務報告準則

本集團尚未提早應用下列已頒佈但尚未生效之新訂及經修訂國際財務報告準則：

IFRS 9	Financial instruments ¹
國際財務報告準則第9號	金融工具 ¹
IFRS 15	Revenue from contracts with customers and the related amendments ¹
國際財務報告準則第15號	客戶合約收益及相關修訂 ¹
IFRS 16	Leases ²
國際財務報告準則第16號	租賃 ²
IFRS 17	Insurance contracts ⁴
國際財務報告準則第17號	保險合約 ⁴
IFRIC 22	Foreign currency transactions and advance consideration ¹
國際財務報告詮釋委員會詮釋第22號	外幣交易及預付代價 ¹
IFRIC 23	Uncertainty over income tax treatments ²
國際財務報告詮釋委員會詮釋第23號	所得稅處理之不確定性 ²
Amendments to IFRS 2	Classification and measurement of share-based payment transactions ¹
國際財務報告準則第2號之修訂	以股份為基礎之支付交易的分類及計量 ¹
Amendments to IFRS 4	Applying IFRS 9 Financial instruments with IFRS 4 Insurance contracts ¹
國際財務報告準則第4號之修訂	應用國際財務報告準則第9號「金融工具」及國際財務報告準則第4號「保險合約」 ¹
Amendments to IFRS 9	Prepayment features with negative compensation ²
國際財務報告準則第9號之修訂	具有負補償之預付款項特性 ²
Amendments to IFRS 10 and IAS 28	Sale or contribution of assets between an investor and its associate or joint venture ³
國際財務報告準則第10號及國際會計準則第28號之修訂	投資者及其聯營公司或合營企業間之資產出售或注入 ³
Amendments to IAS 19	Plan amendment, curtailment or settlement ²
國際會計準則第19號之修訂	計劃之修訂、削減或結算 ²
Amendments to IAS 28	Long-term interests in associates and joint ventures ²
國際會計準則第28號之修訂	於聯營公司及合營企業之長期權益 ²
Amendments to IAS 28	As part of the annual improvements to IFRS 2014-2016 cycle ¹
國際會計準則第28號之修訂	為國際財務報告準則二零一四年至二零一六年週期之年度改進之一部分 ¹
Amendments to IAS 40	Transfers of investment property ¹
國際會計準則第40號之修訂	投資物業之轉化 ¹
Amendments to IFRSs	Annual improvements to IFRS 2015-2017 cycle ²
國際財務報告準則之修訂	國際財務報告準則二零一五年至二零一七年週期之年度改進 ²

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (CONTINUED)

New and revised IFRSs in issue but not effective (CONTINUED)

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

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

IFRS 9 “Financial instruments”

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

2. 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)

已頒佈但尚未生效之新訂及經修訂國際財務報告準則(續)

- 1 於二零一八年一月一日或之後開始之年度期間生效。
- 2 於二零一九年一月一日或之後開始之年度期間生效。
- 3 於待釐定日期或之後開始之年度期間生效。
- 4 於二零二一年一月一日或之後開始之年度期間生效。

除下文所述之新訂及經修訂國際財務報告準則外，本公司董事預期應用所有其他新訂及經修訂國際財務報告準則於可見將來將不會對綜合財務報表造成重大影響。

國際財務報告準則第9號「金融工具」

國際財務報告準則第9號引入有關金融資產、金融負債之分類及計量、金融資產一般對沖會計處理方法及減值規定之新規定。

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (CONTINUED)

IFRS 9 “Financial instruments” (CONTINUED)

Key requirements of IFRS 9 relevant to the Group are described below:

- All recognised financial assets that are within the scope of IAS 39 “Financial instruments: Recognition and measurement” are subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at fair value through other comprehensive income (“FVTOCI”). All other financial assets are measured at their fair value at subsequent accounting periods. In addition, under IFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.
- In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under IAS 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. 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)

國際財務報告準則第9號「金融工具」(續)

國際財務報告準則第9號與本集團相關之主要規定載述如下：

- 國際會計準則第39號「金融工具：確認和計量」範圍內所有已確認的金融資產其後按已攤銷成本或公平值計量。具體而言，於目的為收回合約現金流量的業務模式所持有的債務投資，以及合約現金流量僅為支付本金及未償還本金的利息的債務投資，一般按其後會計期間結算日的攤銷成本計量。於目的為同時收回合約現金流量及出售金融資產的業務模式中持有的債務工具，以及金融資產條款令於特定日期產生的現金流量僅為支付本金及未償還本金的利息的債務工具，透過其他全面收益按公平值列賬的方式計量。所有其他金融資產按其後會計期間之公平值計量。此外，根據國際財務報告準則第9號，實體可以不可撤回地選擇於其他全面收益呈列股本投資（並非持作買賣）其後的公平值變動，而通常只有股息收入於損益內確認。
- 就金融資產之減值而言，與國際會計準則第39號項下按已產生信貸虧損模式計算相反，國際財務報告準則第9號規定按預期信貸虧損模式計算。預期信貸虧損模式需要實體於各報告日期將預期信貸虧損及該等信貸虧損的預期變動入賬，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。

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (CONTINUED)

IFRS 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 IFRS 9.

Classification and measurement:

Debt instruments classified as loan receivables carried at amortised cost: these are held within a business model whose objective is to collect the contractual cash flows that are solely payments of principal and interest on the principal outstanding. Accordingly, these financial assets will continue to be subsequently measured at amortised cost upon the application of IFRS 9;

Listed equity securities classified as available-for-sale investments carried at fair value: these securities qualified for designation as measured at FVTOCI under IFRS 9 and the Directors have elected to present subsequent changes in fair value in other comprehensive income, however, the fair value gains or losses accumulated in the assets revaluation reserve amounting to HK\$47,534,000 as at 1 January 2018 will no longer be subsequently reclassified to profit or loss under IFRS 9, which is different from the current treatment. This will affect the amounts recognised in the Group’s profit or loss and other comprehensive income but will not affect total comprehensive income;

All other financial assets and financial liabilities will continue to be measured on the same bases as are currently measured under IAS 39.

2. 應用新訂及經修訂國際財務報告準則（「國際財務報告準則」）（續）

國際財務報告準則第9號「金融工具」(續)

基於本集團截至二零一七年十二月三十一日之金融工具及風險管理政策，本公司董事預期下列初始應用國際財務報告準則第9號之潛在影響。

分類及計量：

分類為按攤銷成本列賬之應收貸款之債務工具：該等工具於一個業務模式內持有，而其目的為收回僅為支付未償還本金及本金利息的合約現金流量。因此，該等金融資產於應用國際財務報告準則第9號後，將會繼續於其後按攤銷成本計量；

分類為按公平值列賬之可供出售投資的上市股本證券：根據國際財務報告準則第9號，該等證券合資格指定為透過其他全面收益按公平值列賬的方式計量，董事亦選擇了於其他全面收益中呈列公平值的後期變化，然而，根據國際財務報告準則第9號，截至二零一八年一月一日於資產重估儲備累計之公平值收益或虧損47,534,000港元將不再於其後被重新分類至損益，此有別於現時的處理。這將會影響於本集團損益及其他全面收益中確認的金額，但將不會影響全面收益總額；

所有其他金融資產及金融負債將繼續以與現時根據國際會計準則第39號相同之基準計量。

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (CONTINUED)

IFRS 9 “Financial instruments” (CONTINUED)

Impairment

In general, the Directors of the Company anticipate that the application of the expected credit loss model of IFRS 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 IFRS 9 by the Group.

Based on the assessment by the Directors of the Company, if the expected credit loss model were to be applied by the Group, the accumulated amount of impairment loss to be recognised by the Group as at 1 January 2018 would be increased as compared to the accumulated amount recognised under IAS 39 mainly attributable to expected credit losses provision on trade receivables. Such further impairment recognised under expected credit loss model would reduce the opening accumulated profits at 1 January 2018.

IFRS 15 “Revenue from contracts with customers”

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

2. 應用新訂及經修訂國際財務報告準則（「國際財務報告準則」）（續）

國際財務報告準則第9號「金融工具」(續)

減值

本公司董事普遍預期應用國際財務報告準則第9號之預期信貸虧損模式將導致本集團於應用國際財務報告準則第9號後，就本集團以攤銷成本計量之金融資產及其他須作出減值撥備之項目之尚未產生信貸虧損提早計提撥備。

根據本公司董事之評估，倘若本集團應用預期信貸虧損模式，於二零一八年一月一日本集團確認之減值虧損之累計金額將會較根據國際會計準則第39號確認之累計金額增加，主要由於就應收貿易賬款作出預期信貸虧損撥備所致。於預期信貸虧損模式項下確認之該等進一步減值將會減少於二零一八年一月一日之年初累計溢利。

國際財務報告準則第15號「客戶合約收益」

國際財務報告準則第15號已頒佈制定一項單一全面模式供實體用作將自客戶合約所產生的收益入賬。於國際財務報告準則第15號生效後，其將取代國際會計準則第18號「收益」、國際會計準則第11號「建築合約」及相關詮釋現時所載之收益確認指引。

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (CONTINUED)

IFRS 15 “Revenue from contracts with customers” (CONTINUED)

The core principle of IFRS 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 IFRS 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 IFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by IFRS 15.

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

2. 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)

國際財務報告準則第15號「客戶合約收益」(續)

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

- 第一步：識別與客戶訂立之合約
- 第二步：識別合約中之履約責任
- 第三步：釐定交易價
- 第四步：將交易價分配至合約中之履約責任
- 第五步：於(或當)實體完成履約責任時確認收益

根據國際財務報告準則第15號，實體於完成履約責任時(或就此)確認收益，即於特定履約責任相關之商品或服務的「控制權」轉讓予客戶時。國際財務報告準則15號已就特別情況之處理方法加入更明確之指引。此外，國際財務報告準則第15號要求更詳盡之披露。

於二零一六年，已頒佈國際財務報告準則第15號有關確定履約義務、委託人與代理安排及發牌申請指引之澄清。

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (CONTINUED)

IFRS 15 “Revenue from contracts with customers” (CONTINUED)

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

IFRS 16 “Leases”

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

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

2. 應用新訂及經修訂國際財務報告準則（「國際財務報告準則」）（續）

國際財務報告準則第15號「客戶合約收益」(續)

董事預期於未來應用國際財務報告準則第15號可能會導致於綜合財務報表作出更多披露，然而，本公司董事預期應用國際財務報告準則第15號不會對相關報告期間確認收入的時間及金額有重大影響。

國際財務報告準則第16號「租賃」

國際財務報告準則第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。國際財務報告準則第16號於生效時將取代國際會計準則第17號「租賃」及相關詮釋。

國際財務報告準則第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。除短期租賃及租賃低值資產外，經營租約與融資租賃的差異自承租人會計處理中撤銷，並由承租人須就所有租賃確認使用權資產及相應負債的單一模式替代。

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (CONTINUED)

IFRS 16 “Leases” (CONTINUED)

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

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

In contrast to lessee accounting, IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

Furthermore, extensive disclosures are required by IFRS 16.

2. 應用新訂及經修訂國際財務報告準則（「國際財務報告準則」）（續）

國際財務報告準則第16號「租賃」（續）

使用權資產初步按成本計量，而其後乃按成本（若干例外情況除外）減累計折舊及減值虧損計量，並就租賃負債任何重新計量而作出調整。租賃負債初步按並非於該日支付之租賃付款現值計量。其後，租賃負債會就利息及租賃付款以及（其中包括）租賃修訂的影響而作出調整。就現金流量分類而言，本集團現時將投資物業之前期預付租賃付款呈列為投資現金流量，而其他經營租約付款則呈列為營運現金流量。於應用國際財務報告準則第16號後，有關租賃負債之租賃付款將分配至本金及利息部分（將會被本集團呈列為融資現金流量）。

根據國際會計準則第17號，本集團已確認本集團作為承租人之租賃土地之預付租賃付款。應用國際財務報告準則第16號將視乎本集團單獨或於倘擁有資產時將呈列之相應有關資產的同一項目內呈列使用權資產而可能導致該等資產之分類發生潛在變動。

與承租人會計處理相反，國際財務報告準則第16號充分推進國際會計準則第17號之出租人會計處理規定，並繼續要求出租人將租賃分類為經營租賃或融資租賃。

此外，國際財務報告準則第16號亦要求較廣泛的披露。

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (CONTINUED)

IFRS 16 “Leases” (CONTINUED)

As at 31 December 2017, the Group has non-cancellable operating lease commitment of HK\$13,061,000 as disclosed in note 33. A preliminary assessment indicates that these arrangements will meet the definition of a lease. Upon application of IFRS 16, the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases. In addition, the Group currently considers refundable rental deposits paid and refundable rental deposits received as rights and obligations under leases to which IAS 17 applies. Based on the definition of lease payments under IFRS 16, such deposits are not payments relating to the right to use the underlying assets, accordingly, the carrying amounts of such deposits may be adjusted to amortised cost and such adjustments are considered as additional lease payments. Adjustments to refundable rental deposits paid would be included in the carrying amount of right-of-use assets. Adjustments to refundable rental deposits received would be considered as advance lease payments.

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

2. 應用新訂及經修訂國際財務報告準則（「國際財務報告準則」）（續）

國際財務報告準則第 16 號「租賃」(續)

於二零一七年十二月三十一日，誠如附註 33 所披露，本集團不可撤銷的經營租賃承擔為 13,061,000 港元。初步評估表明，該等安排符合租賃定義。於應用國際財務報告準則第 16 號後，本集團將就所有該等租賃確認使用權資產及相應負債，除非其符合低價值或短期租賃。此外，本集團目前視已付之可退回租賃按金及已收之可退回租賃按金為國際會計準則第 17 號項下之權利及責任。根據國際財務報告準則第 16 號之租賃付款定義，該等按金與使用相關資產權利的付款無關，因此，該等按金之賬面值或會調整為攤銷成本，且該調整被視為額外租賃付款。對已付之可退回租賃按金的調整將計入使用權資產的賬面值。對已收之可退回租賃按金的調整將被視為預付租賃付款。

此外，應用新的規定或會導致計量、呈列及披露出現上述所示的變化。

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (CONTINUED)

Amendments to IFRS 10 and IAS 28 “Sale or contribution of assets between an investor and its associate or joint venture”

The amendments to IFRS 10 “Consolidated financial statements” and IAS 28 “Investments in associates and joint ventures” deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent’s profit or loss only to the extent of the unrelated investors’ interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent’s profit or loss only to the extent of the unrelated investors’ interests in the new associate or joint venture.

The Directors anticipate that the application of these amendments to IFRS 10 and IAS 28 may have an impact on the Group’s consolidated financial statements in future periods should such transactions arise.

2. 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)

國際財務報告準則第10號及國際會計準則第28號之修訂「投資者及其聯營公司或合營企業間之資產出售或注入」

國際財務報告準則第10號「綜合財務報表」及國際會計準則第28號「於聯營公司及合營公司的投資」處理投資者與其聯營公司或合營公司進行資產出售或注資的情況。特別是，修訂說明在與以權益法入賬之聯營公司或合營企業之間進行交易導致失去對並無業務之附屬公司之控制權時，要求在母公司損益中就該等交易所產生之收益或虧損所確認之金額以非相關投資者於該聯營公司或合營企業之權益為限。同樣地，重新計量於已成為聯營公司或合營企業(按權益法入賬)之任何前附屬公司所保留之投資之公平值所產生之收益及虧損，會在母公司損益中所確認，金額以非相關投資者於該聯營公司或合營企業之權益為限。

本公司董事預期應用該等國際財務報告準則第10號及國際會計準則第28號之修訂於未來期間發生該等交易時可能對本集團之綜合財務報表造成影響。

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (CONTINUED)

Amendments to IAS 40 “Transfers of investment property”

The amendments clarify that a transfer to, or from, investment property necessitates an assessment of whether a property meets, or has ceased to meet, the definition of investment property, supported by observable evidence that a change in use has occurred. The amendments further clarify that situations other than the ones listed in IAS 40 may evidence a change in use, and that a change in use is possible for properties under construction. For example, change in use for transfer from properties under development for sale in the ordinary course of business to investment properties could be evidenced by inception of an operating lease to another party. Currently, the Group accounts for such transfer only upon commencement of an operating lease.

The Directors of the Company anticipate that the application of these amendments will result in early recognition of such transfers on the Group’s consolidated financial statements in future periods should there be a change in use of any of its properties.

3. SIGNIFICANT ACCOUNTING POLICIES

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

The consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments that are measured at fair values at the end of each reporting periods as explained in the accounting policies set out below.

2. 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)

國際會計準則第40號之修訂「投資物業之轉化」該等修訂澄清，轉化為投資物業或由投資物業轉化需要評估物業是否符合或已不再符合投資物業之定義，並須以可觀察的憑證支持用途已改變。該等修訂進一步澄清，國際會計準則第40號所列情況外之情況或可證實為用途改變，而建造中物業亦可能出現用途改變。例如，在日常業務過程中就待售發展中物業轉化為投資物業而產生的用途改變，可由向另一方開始的經營租賃作憑證。現時，本集團僅於經營租賃開始時將有關轉化入賬。

本公司董事預期，倘若其任何物業之用途改變，應用該等修訂將導致本集團日後於其綜合財務報表中提前確認該等轉化。

3. 重大會計政策

綜合財務報表已根據國際財務報告準則編製。此外，綜合財務報表包括根據聯交所證券上市規則(「上市規則」)及香港公司條例規定之適用披露。

除若干物業及金融工具於各報告期末按公平值計算外，綜合財務報表以歷史成本基準編製，詳情載於本集團會計政策。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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

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

3. 重大會計政策 (續)

歷史成本一般根據貨物及服務交換所得代價之公平值釐定。

公平值是於計量日期市場參與者於有秩序交易中出售資產可收取或轉讓負債須支付的價格，而不論該價格是否可直接觀察得出或透過使用其他估值技術估計得出。若市場參與者於計量日期對資產或負債定價時會考慮資產或負債的特點，則本集團於估計資產或負債的公平值時會考慮該等特點。就此等綜合財務報告所計量及／或披露的公平值乃按此基準釐定，惟屬於國際財務報告準則第2號「以股份支付」範圍的以股份支付之交易、國際會計準則第17號「租賃」範圍內的租賃交易，以及與計量公平值有部份相似但並非計量公平值（如國際會計準則第2號「存貨」內的可變現淨值或國際會計準則第36號「資產減值」內的使用價值）除外。

非金融資產的公平值計量須考慮市場參與者通過將資產出售予另一名將充分及最佳利用此資產的市場參與者，而達到充分及最佳利用其資產而產生經濟效益的能力。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

The principal accounting policies are set out below.

Basis of consolidation

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

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

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

3. 重大會計政策(續)

此外，就財務報告而言，公平值計量根據公平值計量所用輸入數據之可觀察程度及有關輸入數據對整體計量之重要性分類為第一級別、第二級別或第三級別，載述如下：

- 第一級別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之報價(未經調整)；
- 第二級別輸入數據是就資產或負債直接或間接地可觀察之輸入數據(第一級別內包括的報價除外)；及
- 第三級別輸入數據是資產或負債的不可觀察輸入數據。

主要會計政策載列如下。

合併基準

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之財務報表。本公司於下列情況取得控制權：

- 可對被投資方行使權力；
- 須承擔或享有參與被投資方之可變回報風險及權力；及
- 可運用其對被投資方之權力以影響其回報。

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of consolidation (CONTINUED)

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

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by other members of the Group's accounting policies.

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

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in existing subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's relevant components of equity and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries, including re-attribution of relevant reserves between the Group and the non-controlling interests according to the Group's and the non-controlling interests' proportionate interests. Any difference between the amount by which the non-controlling interests are adjusted, and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

3. 重大會計政策 (續)

合併基準 (續)

附屬公司乃於本集團取得附屬公司控制權起綜合入賬，並於本集團失去該附屬公司控制權時終止入賬。特別是，年內所收購或出售之附屬公司之收入及開支由本集團取得控制權當日起至本集團不再控制該附屬公司之日 止計入綜合損益表。

損益及各綜合收益項目由本公司擁有人及非控股權益分佔。即使會導致非控股權益出現虧絀，附屬公司之全面收益總額仍由本公司擁有人及非控股權益分佔。

附屬公司的財務報表於有需要時作出調整，以使其會計政策與本集團其他成員公司所採納者一致。

本集團成員之間交易之所有集團內公司間資產與負債、權益、收入、開支及現金流量已於綜合時全數抵銷。

本集團於現有附屬公司擁有權之變動

本集團於現有附屬公司所有權權益之變動如並無導致本集團對其喪失控制權，將列作權益交易入賬。本集團權益相關部份及非控股權益之賬面值均予以調整，以反映彼等於附屬公司相關權益之變動，包括根據本集團及非控股權益兩者之間的權益比例重新歸屬相關儲備予兩者。非控股權益之調整金額與所付或所收代價之公平值之間的任何差額將直接計入權益並歸屬於本公司擁有人。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of consolidation (CONTINUED)

Changes in the Group's ownership interests in existing subsidiaries (CONTINUED)

When the Group loses control of a subsidiary, the assets and liabilities of that subsidiary and non-controlling interests (if any) are derecognised. A gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the Company and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRSs).

Interests in associates

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

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting except when the investment is classified as held for sale, in which case it is account for in accordance with IFRS 5 "Non-current assets held for sale and discontinued operations." The financial statements of associates used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

3. 重大會計政策(續)

合併基準(續)

本集團於現有附屬公司擁有權之變動(續)

倘本集團失去附屬公司控制權，則終止確認該附屬公司之資產及負債及其非控股權益(如有)。收益或虧損於損益確認並按(i)所收代價之公平值及任何保留權益之公平值的總額及(ii)本公司擁有人應佔該附屬公司之資產(包括商譽)及負債以及任何非控股權益之前的賬面值兩者之間的差額計算。先前於其他全面收益就該附屬公司確認之所有款額，會按猶如本集團已直接出售該附屬公司之相關資產或負債入賬(即按適用國際財務報告準則所訂明/允許而重新分類至損益或轉撥至另一權益類別)。

於聯營公司之權益

聯營公司乃指本集團對其擁有重大影響力之實體。重大影響力乃指參與被投資方財務及經營決策之權力，但並非控制或共同控制該等政策。

聯營公司之業績及資產及負債會按權益會計法計入該等綜合財務報表內，惟當投資分類為持作出售時除外，於此情況下該投資將根據國際財務報告準則第5號「持作出售之非流動資產及已終止經營業務」作會計處理。聯營公司作權益會計處理而編製之財務報表，乃採用本集團在類似情況下就類似交易及事件一致之會計政策編製。根據權益法，於一間聯營公司之投資初步按成本於綜合財務狀況表確認，並於其後作出調整，以確認本集團應佔聯營公司之損益及其他全面收益。倘本集團應佔一間聯營公司之虧損超出本集團於該聯營公司之權益(包括實際上構成本集團對該聯營公司之淨投資之任何長期權益)，本集團將終止確認日後應佔之虧損。本集團僅會在產生法定或推定責任或代該聯營公司付款時，方會確認該額外虧損。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Interests in associates (CONTINUED)

An investment in an associate is accounted for using the equity method from the date of which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

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

The Group discontinues the use of the equity method from the date when the investment is classified as held for sale.

When the Group ceases to have significant influence over an associate or joint control over a joint venture, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) upon disposal of the relevant associate.

3. 重大會計政策 (續)

於聯營公司之權益 (續)

於一間聯營公司之投資由被投資公司成為一間聯營公司之日起，以權益會計法入賬。在收購於一間聯營公司之投資時，收購成本超出本集團分佔被投資公司可識別資產及負債公平值淨值之部分會確認為商譽，並計入該投資之賬面值中。經重新評估後，本集團分佔可識別資產及負債之公平值淨值超出投資成本之部分，即時於收購投資之期間之損益中確認。

國際會計準則第39號之規定乃用以釐定是否需要就本集團於一間聯營公司之投資確認任何減值虧損。如需要時，該項投資之全部賬面值（包括商譽）會根據國際會計準則第36號「資產減值」以單一資產的方式進行減值測試，方法是比較其可收回金額（即使用價值與公平值減出售成本之較高者）與賬面值。任何已確認之減值虧損構成該項投資賬面值之一部份。有關減值虧損之任何撥回乃根據國際會計準則第36號確認，惟以該項投資其後增加之可收回金額為限。

本集團自投資被分類為持作代售資產時終止採用權益法。

當本集團對一間聯營公司不再具有重大影響力或不再擁有一間合營企業之共同控制權時，則列作出售投資對象之全部權益入賬，而所得盈虧於損益內確認。此外，本集團會將先前就該聯營公司在其他全面收益確認之所有金額入賬，基準與該聯營公司直接出售相關資產或負債所需基準相同。因此，倘若該聯營公司先前已於其他全面收益確認之盈虧會於出售相關資產或負債時重新分類至損益，本集團會於出售該相關聯營公司時將盈虧由權益重新分類至損益（作為重新分類調整）。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Non-current assets held for sale

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

When the Group is committed to a sale plan involving disposal of an investment in an associate, the investment that will be disposed of is classified as held for sale when the criteria described above are met, and the Group discontinues the use of the equity method in relation to the portion that is classified as held for sale. The Group discontinues the use of the equity method at the time of disposal when the disposal results in the Group losing significant influence over the associate.

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

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for discounts and sales related taxes.

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

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

Revenue from sale of properties in the ordinary course of business is recognised when the respective properties have been completed and delivered to the buyers. Deposits and instalments received from purchasers prior to meeting to meeting the above criteria for revenue recognition are included in the consolidated statement of financial position under current liabilities.

3. 重大會計政策 (續)

持作待售非流動資產

倘非流動資產及出售組別的賬面值主要通過銷售交易(而非透過持續使用)收回,則分類為持作銷售。僅於非流動資產(或出售組別)可於現況下僅根據銷售該資產(或出售組別)一般及慣常條款即時出售或出售機會相當高時,方被視為符合本條件。管理層必須承諾出售,預期應由符合分類日期起計一年內完成出售確認。

當本集團承諾進行涉及出售於聯營公司之投資時,將予出售之該項投資會在滿足上述標準時被分類為持作出售,本集團將不再就分類為持作出售之部分使用權益法。當出售導致本集團喪失對聯營公司之重大影響力時,本集團於出售時不再使用權益法。

分類為持作出售之非流動資產按其先前賬面值金額與公平值減出售成本之較低者計量。

收入確認

收入按已收或應收取代價的公平值計量,並已扣除折扣及銷售有關稅項。

收益於收益金額能可靠地計量時;未來經濟利益將有可能流入本集團時;及本集團各業務活動達致特定條件時確認,詳情參見下文。

銷售貨品的收益於貨品交付及擁有權轉移時確認。

於日常業務過程中銷售物業所得的收入,於相關物業已竣工及交付予買方時確認。於達致上述收益確認條件前所收取之按金及分期付款項計入綜合財務狀況報表流動負債項下。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition (CONTINUED)

Service income is recognised when services are provided.

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

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

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

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

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 entities are translated into the presentation currency of the Group (i.e. HK\$) at the rate of exchange prevailing at the end of the reporting period, and their income and expenses are translated at the average exchange rates for the year. Exchange differences arising are recognised in other comprehensive income and accumulated in equity under the heading of the translation reserve (attributed to non-controlling interests as appropriate).

3. 重大會計政策(續)

收入確認(續)

服務收入於提供服務時確認。

投資股息收入於收取款項之權利成立時確認。

金融資產之利息收入乃考慮未提取之本金額及所適用之實際利率按時間基準確認入賬，該利率指於初始確認時金融資產之估計未來所收現金在估計可使用期內折現至該資產賬面淨值之利率。

本集團確認經營租賃產生之收益的會計政策於下列經營租賃的會計政策中描述。

外幣

於編製每個個別集團實體的財務報表時，倘交易的貨幣與實體的功能貨幣(外幣)不同，則按交易日期適用的匯率確認。於報告期末，以外幣為面值的貨幣項目按該日適用的匯率重新換算。

結算貨幣項目及重新換算貨幣項目所產生的匯率差異，於其產生期間在損益賬內確認。

為呈列綜合財務報表的目的，本集團實體的資產及負債均以報告期末適用匯率換算為本集團的呈列貨幣(即港元)，而其收入及開支則以本年度平均匯率予以換算。產生的匯率差異於其他全面收益確認及累計於權益的換算儲備項下(倘適合將分配予非控股權益)。

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 as reported in the profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable and deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from 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.

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

3. 重大會計政策(續)

稅項

所得稅開支指現時應付稅項及遞延稅項之總和。

現時應付稅項乃按本年應課稅溢利計算。應課稅溢利不包括其他年度的應課稅或應扣減之收入或開支項目，亦不包括從未課稅或可扣稅之項目，故與損益表所列溢利不同。本集團本期稅項負債乃按已於報告期末實施或大致實施之稅率計算。

遞延稅項以綜合財務報表內資產及負債賬面值與計算應課稅溢利所採用相應稅基之暫時差異入賬。遞延稅項負債通常會就所有可抵減暫時差額確認，惟在應課稅溢利可供扣減暫時差額抵銷時，方就所有可扣減暫時差額確認遞延稅項資產。倘若暫時差額由商譽或由初次確認一項不影響應課稅溢利或會計溢利之其他資產及負債(業務合併除外)所產生，則不會確認有關資產及負債。

遞延稅項負債乃按於附屬公司及聯營公司之投資而引致之應課稅暫時差額而確認，惟若本集團可控制暫時差額之撥回及暫時差額有可能不會於可見將來之撥回之情況則除外。與該等投資相關的可扣減暫時差額所產生的遞延稅項資產，僅在按可能出現可利用暫時差額扣稅之應課稅溢利時，並預期於可見將來撥回時，方會進行確認。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxation (CONTINUED)

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

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

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

For the purposes of measuring deferred tax for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

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

3. 重大會計政策 (續)

稅項 (續)

遞延稅項資產之賬面值於各報告期末作檢討，並在沒可能有足夠應課稅溢利收回全部或部分資產時加以遞減。

根據報告期末已頒佈或實際已頒佈之稅率(及稅法)，遞延稅項資產及負債按負債清償或資產變現期間預期適用之稅率計量。

遞延稅項負債及資產之計量反映本集團預期於報告期末將出現的稅務後果，以收回資產或清償負債之賬面值。

就計算使用公平值模式計量之投資物業之遞延稅項而言，該等物業之賬面值乃假設透過出售而收回，除非有關假設被推翻。倘投資物業乃可予折舊，且持有投資物業之業務模式隨時間(而非透過出售)消耗投資物業大部分內在經濟利益，則有關假設會被推翻。

本期及遞延稅項於損益確認，惟當其與於其他全面收益確認或直接於權益確認之項目有關時，在此情況下，本期及遞延稅項亦會分別於其他全面收益確認或直接於權益確認。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leasing

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

The Group as lessor

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

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

The Group as lessee

Operating lease payments, including the cost of acquiring land held under operating leases, are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

3. 重大會計政策(續)

租約

當租約條款將涉及擁有權之絕大部分風險及回報轉讓予承租人時，該租約乃分類為融資租約。所有其他租約均分類為經營租約。

由本集團出租

根據融資租賃應收承租人的款項會按本集團於租賃的淨投資金額確認為應收款項。融資租賃收入被分配至會計期間，以反映本集團於有關租賃的未償還淨投資的定期回報率。

經營租約之租金收入乃按相關租約年期以直線法在損益內確認。磋商及安排經營租賃所產生之初始直接成本計入該項租賃資產之賬面值，並於租期內以直線法確認。

由本集團承租

經營租約付款(包括收購經營租賃持有土地之成本)以直線法於租約期內確認為開支，惟倘另一種系統基準更能反映租賃資產消耗經濟利益的時間模式除外。

如訂立經營租時收取租賃優惠，該優惠確認為負債。優惠之利益總額按直線基準確認為租金開支的減少，惟倘另一種系統基準更能反映租賃資產消耗經濟利益的時間模式除外。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government grants

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

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

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

Retirement benefit costs

Payments to state-managed retirement benefits schemes and the Mandatory Provident Fund Scheme (“MPF Scheme”) are recognised as an expense when employees have rendered service entitling them to the contributions.

Short-term employee benefits

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

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

3. 重大會計政策(續)

政府項目收入

在合理地保證本集團會遵守政府項目收入的附帶條件以及將會得到補助後，政府項目收入方會予以確認。

政府項目收入按本集團將擬用作補償的補貼相關成本確認為開支的期間有系統地於損益確認。具體而言，主要條件為本集團應購買、建造或以其他方式購入非流動資產的政府項目收入於綜合財務狀況表中確認為遞延收入，並按有關資產的可用年期轉撥至損益。

作為本集團已發生的費用或損失的補償，或是為本集團提供直接財務支援而未來不會發生任何相關成本的應收政府項目收入，在其成為應收款項的期間有系統及合理地於損益確認。

退休福利成本

向國家管理之退休福利計劃及強制公積金計劃(「強積金計劃」)支付之款項於僱員提供服務而有權獲得供款時確認為開支。

短期僱員福利

短期僱員福利於僱員提供服務時按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，除非另一項國際財務報告準則要求或允許將有關福利納入資產成本。

在扣除已支付之任何款項後，對僱員應得的福利(如工資及薪金、年假及病假)確認為負債。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are initially measured at cost, including any directly attributable expenditure, except for those transferred from property, plant and equipment and land use rights which are measured at fair value at date of transferred. Subsequent to initial recognition, investment properties are measured at their fair value using the fair value model. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise.

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

Property, plant and equipment

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

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

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

3. 重大會計政策(續)

投資物業

投資物業是指持作賺取租金及／或資本增值的物業。

投資物業除由物業、廠房及設備及土地使用轉撥而於轉撥之日用公平值量度，均於首次確認時按成本(包括任何相關的直接支出)計量。於首次確認後，投資物業是採用公平值模式以其公平值計量。投資物業的公平值變動所產生的收益或虧損於產生期間直接確認為損益。

當投資物業出售，或永久不再被使用，或預期出售不會產生未來經濟利益時，該項投資物業不再被確認。因不再確認為資產而產生的收益或虧損(按出售所得款項淨額與資產的賬面值之差額計算)於該項目取消確認期間在損益內入賬。

物業、廠房及設備

物業、廠房及設備(包括持作生產或提供貨物或服務的建築物)按成本減其後累計折舊以及其後累計減值虧損，於綜合財務狀況表列賬。

折舊採用直線法，按資產減去其剩餘價值後在估計可使用年期撇減其成本。估計可使用年期、剩餘價值和折舊方法在每個報告期間結束時檢討，並採用未來基準計算估計變更的影響。

物業、廠房及設備項目於出售或預期持續使用該資產後亦將不會產生任何日後經濟利益之時，取消確認。物業、廠房及設備項目出售或報廢時所產生的任何收益或虧損按出售所得款項與該資產賬面值之間的差額釐定並確認為利潤或虧損。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leasehold land and building

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

To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as “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. When the payments cannot be allocated reliably between the leasehold land and building elements, the entire property is generally classified as if the leasehold land is under finance lease.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

3. 重大會計政策(續)

租賃土地及樓宇

當本集團支付一份同時包括租賃土地及樓宇部分之物業權益時，本集團會分別依照各部分擁有權隨附之絕大部分風險及回報是否已轉移至本集團作評估，除非兩個部分清楚確認為經營租賃，於此情況下，整體物業列作經營租賃入賬。具體而言，所有代價(包括任何一筆過支付的預付款項)會按初始確認時租賃土地部分與樓宇部分租賃權益的相關公平值比例，於租賃土地與樓宇部分之間分配。

在相關租金能可靠分配的情況下，經營租賃的租賃土地權益應於綜合財務狀況表中呈列為「預付租金」，並按直線基準在租賃期間攤銷，除非其獲分類為並按公平值模式列作投資物業入賬。當租金不能夠在租賃土地與樓宇部分間可靠地分配時，整體物業通常被分類為融資租賃項下之租賃土地。

借貸成本

與收購、建造或生產合資格資產直接有關之借貸成本均撥充資本，作為該等資產之部分成本。當資產大致可作其擬定用途或可供銷售時，該等借貸成本將不再撥充為資本。特定借貸中，在其應用於合資格的資產之前所作的臨時投資所賺取的投資收入，須於資本化的借貸成本中扣除。

所有其他借貸成本均在發生期間於損益內確認。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Intangible assets

Research and development expenditure

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

An internally-generated intangible asset arising from development activities (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is charged to profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible asset is measured at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately.

3. 重大會計政策(續)

無形資產

研究及開發費用

研究活動的費用於產生之期間確認為開支。

因開發(或因內部項目的某開發階段)而於內部產生的無形資產，會於並僅會於下列全部各項均已展示時確認：

- 完成無形資產在技術上屬可行，其因而將可供使用或出售；
- 有意完成無形資產並使用或出售；
- 有能力使用或出售無形資產；
- 無形資產將產生未來潛在經濟利益的方法；
- 有足夠技術、財務及其他資源完成開發並使用或出售無形資產的可使用程度；及
- 有能力可靠地計量屬無形資產於開發期內的開支。

就內部產生無形資產初步確認之金額，為該等無形資產首次符合確認標準當日起產生之開支總額。倘並無內部產生無形資產可予確認，則開發費用將於產生期間內於損益內扣除。

於初次確認後，內部產生無形資產以個別購入的無形資產的相同基準，按成本減累計攤銷及累計減值虧損列賬。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Intangible assets (CONTINUED)

Intangible assets acquired separately

Intangible assets acquired separately and with finite useful lives are carried at costs less accumulated amortisation and any accumulated impairment losses.

Amortisation for intangible assets with finite useful lives is provided on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

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

Impairment losses on tangible and intangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its tangible and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss, if any.

When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

3. 重大會計政策(續)

無形資產(續)

獨立購入的無形資產

獨立購入及有限定可使用年期的無形資產按成本減累計攤銷及任何累計減值虧損列賬。

可使用年期有限的無形資產於估計可使用年期內以直線法攤銷。估計使用年期及攤銷方法於各報告期末審閱，而估計變動之影響乃按預先基準入賬。

無形資產於出售時或當預期使用或出售而不會產生將來經濟利益時終止確認。於終止確認無形資產時產生的任何損益，乃按該項資產的出售所得款項淨額與其賬面值之間的差額釐定，並於終止確認該項資產時之期間於損益內確認。

有形及無形資產之減值虧損

於報告期末，本集團均會審閱其有限使用年期之有形及無形資產之賬面值，以確認該等資產是否已出現減值虧損。倘出現任何有關跡象，則估計相關資產可收回金額，以釐定減值虧損的幅度(如有)。

倘無法估計個別資產之可收回金額，則本集團會估計資產所屬現金產生單位之可收回金額。倘能識別合理及一致之分配基準，公司資產亦會分配至個別現金產生單位，或(倘能確認合理及一致之分配基準)分配至最細之現金產生單位。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment losses on tangible and intangible assets (CONTINUED)

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

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

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

Inventories

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

Provisions

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

3. 重大會計政策(續)

有形及無形資產之減值虧損(續)

可收回金額為公平值(扣減出售成本後)或使用價值兩者之較高者。於評估使用價值時,估計未來現金流會以稅前貼現率貼現至其現值,有關稅前貼現率反映當時市場對金錢時間價值之評估,以及估計未來現金流未就其作出調整之資產(或現金產生單位)之特定風險。

倘一項資產(或現金產生單位)之可回收金額估計將低於其賬面值,則該項資產(或現金產生單位)之賬面值須削減至其可回收金額。減值虧損會即時於損益確認。

倘某項減值虧損其後撥回,則該項資產(或現金產生單位)之賬面值將增至其可回收金額之經修訂估計數額,惟增加後之賬面值不得超過以往年度若資產(或現金產生單位)並無減值虧損確認而釐定之賬面值。減值虧損撥回將即時於損益中確認。

存貨

存貨按成本及可變現淨值兩者中之較低者入賬。成本按加權平均方法計算。可變現淨值指存貨指估計售價減已完成的所有估計成本及銷售所需成本。

撥備

倘本集團因過往事件而現時須承擔法定或推定責任,且本集團可能需要履行有關責任,而責任金額能可靠估計時,則會確認撥備。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Provisions (CONTINUED)

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

Properties under development for sale

Properties under development for sale are stated at lower of cost and net realisable value. Cost comprises both the land use rights and development cost of the property. Net realisable value takes into account the price ultimately expected to be realised, less applicable selling expenses and the anticipated costs to completion.

Development cost of property comprises the related land cost, construction costs, borrowing costs capitalised according to the Group's accounting policy and directly attributable costs incurred during the development period. On completion, the properties are transferred to properties held for sales.

Properties held for sale

Properties held for sale are stated at the lower of cost and net realisable value. Cost includes the costs of land, development expenditure incurred and, where appropriate, borrowing costs capitalised. Net realisable value is determined based on price ultimately expected to be realised less applicable selling expenses.

Financial instruments

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

3. 重大會計政策 (續)

撥備 (續)

確認為撥備的金額為於報告期末履行現時責任所需代價的最佳估算，當中已計及責任所附帶的風險及不確定因素。倘撥備以履行現時責任的估計現金流量計量時，其賬面值為該等現金流量之現值（倘貨幣時間價值之影響屬重大）。

發展中的銷售物業

發展中的銷售物業乃按成本與可變現淨值兩者的較低值入賬。成本包括土地使用權以及物業的開發成本。可變現淨值計入最終預計可變現價格，減去適用銷售開支及預期竣工成本計算。

物業的發展成本包括相關土地成本、建築成本，及根據本集團會計政策撥充資本的借貸成本及於發展期間產生的直接應佔成本。竣工後，發展中物業轉撥至持作銷售用途的物業。

持作出售物業

持作出售物業以成本及可變現淨值之較低者列值。成本包括土地成本、所產生之開發開支及（如適用）撥充資本之借貸成本。可變現淨值根據預可變現之最終價格減適用之銷售開支。

金融工具

當一家集團實體成為工具合約條文之一方，金融資產及金融負債於綜合財務狀況表內確認。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (CONTINUED)

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

Financial assets

The Group's financial assets are classified to financial assets at fair value through profit or loss ("FVTPL"), available-for-sale investments and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial assets at FVTPL

Financial assets are classified as at FVTPL when the financial asset is held for trading.

A financial asset is classified as held for trading if:

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

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial assets and is included in the other gains and losses. Fair value is determined in the manner described in note 41.

3. 重大會計政策(續)

金融工具(續)

金融資產及金融負債初步按公平值計量。收購或發行金融資產及金融負債直接應佔之交易成本(經損益賬按公平值入賬之金融資產及金融負債除外)乃於初步確認時按適當情況加入或從金融資產或金融負債之公平值扣除。須經損益賬直接由收購金融資產或金融負債引致的交易成本，即時於損益內確認。

金融資產

本集團之金融資產分類為經損益賬按公平值入賬之金融資產、可供出售投資以及貸款及應收賬款。分類乃按金融資產之性質及目的，於初始確認時予以釐定。

經損益賬按公平值入賬之金融資產

當金融資產為持作買賣時，會被分類為經損益賬按公平值入賬之金融資產。

在下列情況下，金融資產將被分類為持作買賣：

- 收購該資產時的主要目的是為了近期銷售；或
- 於初步確認時，屬於本集團集中管理的可識別金融工具組合的一部分，並且實際按照短期獲利方式進行管理；或
- 屬於不被指定的、有效對沖工具的衍生工具。

經損益賬按公平值入賬之金融資產乃按公平值列賬，而重新計量所產生的任何收益或虧損於損益內確認。於損益內確認的收益或虧損淨額包括金融資產賺取的任何股息或利息，並已包括於「其他收益及虧損」內。公平值乃按附註41所述方法釐定。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (CONTINUED)

Financial assets (CONTINUED)

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees 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 asset, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

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

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or are not classified as financial assets at FVTPL, loans and receivables or held-to-maturity investment.

Equity securities held by the Group that are classified as available-for-sale and are traded in an active market are measured at fair value at the end of each reporting period. Other changes in the carrying amount of available-for-sale financial assets are recognised in other comprehensive income and accumulated under the heading of assets revaluation reserve. When the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the assets revaluation reserve is reclassified to profit or loss.

Dividends on available-for-sale equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established.

3. 重大會計政策 (續)

金融工具 (續)

金融資產 (續)

實際利率法

實際利率法乃是一種用以計算金融資產之攤銷成本及於相關期間內攤分利息收入的方法。實際利率為實際於該項金融資產的預計年期或(如適用)初次確認賬面淨值的較短期間折現預計未來現金收入(包括所有合約內交易雙方所支付或收取構成整體實際利息一部分之費用、交易成本及其他溢價或折讓)之利率。

就債務工具而言，利息收入按實際利率基準確認。

可供出售之金融資產

可供出售之金融資產乃指定歸入或未分類為經損益按公平值入賬之金融資產、貸款及持有至到期投資之非衍生工具。

本集團所持分類為可供出售金融資產，且在活躍市場中買賣之股本證券於各報告期末按公平值計量。可供出售金融資產賬面值之其他變動於其他全面收益中確認，並於資產重估儲備下累計。當投資出售或被釐定為減值時，過往於資產重估儲備內累計之累計收益或虧損重新分類至損益。

可供出售股本工具之股息於本集團收取股息之權利獲確立時在損益中確認。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (CONTINUED)

Financial assets (CONTINUED)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including amounts due from non-controlling shareholders of subsidiaries and an associate, trade and notes receivables, entrusted loan receivables, other receivables, consideration receivable, pledged bank deposits and bank balances) are carried at amortised cost using the effective interest method, less any identified impairment losses.

Impairment of financial assets

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

For an available-for-sale equity investment, a significant or prolonged decline in the fair value of that investment below its cost is considered to be objective evidence of impairment.

For loans and receivables, 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.

Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments and an increase in the number of delayed payments in the portfolio past the average credit period of 90 days.

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

貸款及應收款項

貸款及應收款項為並無於交投活躍之市場內報價而附帶固定或可議定付款的非衍生金融資產。於初步確認後，貸款及應收款項(包括應收附屬公司及一間聯營公司非控股股東款項、應收貿易賬款及票據、應收委託貸款、其他應收款項、應收代價、已抵押銀行存款和銀行結餘)使用實際利率法按攤銷成本減任何可識別減值虧損列賬。

金融資產減值

金融資產(除該等經損益賬按公平值入賬之外)乃就於各報告期末出現的減值跡象作出評估。一項或多項發生於初始計量金融資產後之事件作為客觀證據，顯示金融資產之估計未來現金流受到影響，金融資產即被視為已減值。

就一項可供出售股本投資而言，該項投資之公平值大幅或長時間下跌至低於其成本被視為減值之客觀證據。

就貸款及應收賬款而言，減值之客觀證據可能包括：

- 發行人或交易對方出現重大財政困難；或
- 違反合約，例如拖欠或逾期償還利息或本金；或
- 借款人將很有可能進入破產程序或進行財務重組。

應收賬款組合減值的客觀證據可包括本集團過往的收款經驗，以及組合內超逾平均信貸期90天的延遲付款的宗數增加的現象。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (CONTINUED)

Impairment of financial assets (CONTINUED)

For financial assets carried at amortised cost, the amount of 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 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.

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

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

In respect of available-for-sale equity investments, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of assets revaluation reserve.

3. 重大會計政策 (續)

金融工具 (續)

金融資產減值虧損 (續)

就按攤銷成本列賬之金融資產而言，已確認減值虧損金額乃按資產賬面值與按原有實際利率折算的估計未來現金流量的現值兩者間之差異計量。

除應收貿易賬款賬面值是通過計提壞賬準備削減外，所有金融資產之賬面值是直接按減值虧損予以削減。壞賬準備賬面值之變動被計入損益內確認。當應收貿易賬款被認為不可收回，其將從壞賬準備上撇銷。隨後追回以前撇銷之款項會計入損益。

倘若可供出售金融資產被視為已減值，先前於其他全面收益確認之累計收益或虧損將重新分類至期內損益。

就按攤銷成本計量的金融資產而言，如在其後的某一期間，減值虧損的金額減少而有關的減少為可與確認減值虧損後發生的事件客觀地關連，之前已確認的減值虧損將透過損益撥回，並以該項資產於撥回減值日期的賬面值不超出倘並無確認該等減值原應有的攤銷成本為前提進行撥回。

就可供出售股本投資而言，過往於損益確認之減值虧損不會透過損益撥回。減值虧損後公平值的任何增加直接計入其他全面收益，並在資產重估儲備下累計。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (CONTINUED)

Financial liabilities and equity instruments

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity instruments 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 an entity after deducting all of its liabilities. Equity instruments issued by the Group 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.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading.

A financial liability is classified as held for trading if:

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

3. 重大會計政策(續)

金融工具(續)

金融負債及股本工具

某一集團實體所發行之債務及股本工具乃根據所訂立的合約安排的內容以及金融負債和股本工具的定義，分類為金融負債或為股本工具。

股本工具

股本工具為證明於實體資產之餘額權益經扣除其所有負債後之任何合約。本集團發行之股本工具以已收所得款項扣除直接發行成本後確認。

實際利率法

實際利率法乃計算金融負債之攤銷成本及於有關期間攤分利息支出之方法。實際利率為實際於該項金融負債的預計年期或(如適用)初次確認賬面淨值的較短期間折現預計未來現金收入(包括所支付或收取構成整體實際利息一部分之費用、交易成本及其他溢價或折讓)之利率。

利息支出按實際利率基準確認。

經損益賬按公平值入賬之金融負債

當金融負債為持作買賣時，會被分類為經損益賬按公平值入賬之金融負債。

在下列情況下，金融負債將被分類為持作買賣：

- 收購該資產時的主要目的是為了近期購回；或
- 於初步確認時，屬於本集團集中管理的可識別金融工具組合的一部分，並且實際按照短期獲利方式進行管理；或
- 屬於不被指定的、有效對沖工具的衍生工具。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (CONTINUED)

Financial liabilities and equity instruments (CONTINUED)

Financial liabilities at FVTPL (CONTINUED)

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

Financial liabilities at amortised cost

Financial liabilities (including trade and notes payables, other payables and accruals, amounts due to non-controlling shareholders of subsidiaries, other liabilities and bank borrowings) are initially measured at fair values and subsequently measured at amortised cost using the effective interest method.

Derivative financial instruments

Derivatives are initially recognised at fair value at the date when derivative contracts are entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

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 and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

The Group derecognised 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 or payable is recognised in profit or loss.

3. 重大會計政策 (續)

金融工具 (續)

金融負債及股本工具 (續)

經損益賬按公平值入賬之金融負債 (續)

經損益賬按公平值入賬之金融負債乃按公平值計量，而重新計量所產生的任何收益或虧損於損益內確認。於損益內確認的收益或虧損淨額包括金融負債支付的任何利息，並已包括於其他收益及虧損內。

按成本攤銷之金融負債

金融負債（包括應付貿易賬款及票據、其他應付款項及應計費用、應付附屬公司非控股股東款項、其他負債及銀行借貸）初步按公平值計量，其後則使用實際利率法按攤銷成本計量。

衍生金融工具

衍生工具初始以衍生工具合約簽訂日的公平值確認，其後則以報告期末的公平值重新計量。所產生的盈虧將即時在損益內確認，除非該衍生工具是一項指定並有效的對沖工具，在此情況下，於損益內確認的時間取決於對沖關係的性質。

終止確認

倘從資產收取現金流的合約權利已到期，或本集團將其金融資產或該等資產擁有權的絕大部份風險及回報轉移予另一實體時，本集團方會取消確認該金融資產。

於完全取消確認一項金融資產時，該資產賬面值與已收及應收代價金額總額與已在其他全面收益中確認並於權益中累計的累積損益之和之差額於損益中確認。

本集團於並僅於本集團的特定責任獲解除、取消或已到期時終止確認金融負債。終止確認的金融負債賬面值與已付或應付代價的差額乃於損益中確認。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity-settled share-based payment transactions

Share options granted to employees and other providing similar services as employees

The fair value of services received determined by reference to the fair value of share options granted at the grant date is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity (share option reserve).

At the end of the reporting period, the Group revises its estimates of the number of options that are 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 share option reserve.

At the time when the share options are exercised, the amount previously recognised in share option reserve will be transferred to share premium. When the share options are forfeited after the vesting date or still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to accumulated profits.

4. CRITICAL ACCOUNTING JUDGEMENTS AND 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.

3. 重大會計政策(續)

以權益結算股份付款之交易

授予僱員及其他提供與僱員類似服務之人士之購股權

已接獲服務之公平值參考於授出日期所授出購股權之公平值釐定，以直線法於歸屬期支銷，並於權益中相應增加(購股權儲備)。

於報告期末，本集團透過評估所有相關非市場歸屬條款，修正其預算歸屬購股權數量之估計。修正原有估計之影響(如有)乃於損益中確認，以於累計開支中反映修正估計，並於購股權儲備中作相對應的調整。

於行使購股權時，以往於購股權儲備確認之款項，將撥入股份溢價。當購股權於屆滿日期仍未行使或購股權於歸屬期後失效時，以往於購股權儲備確認之款項，將撥入累計溢利。

4. 關鍵會計判斷及估計不確定性的 主要來源

應用本集團於附註3詳述的會計政策時，本公司董事須就無法從其他來源取得可靠依據的資產及負債的賬面值作出判斷、估計及假設。該等估計及相關假設乃基於過往經驗及其他被視為相關的因素而作出，因此，實際結果或會有別於該等估計。

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

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

The following are critical judgements involving estimations, the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Allowances for inventories

The management of the Group reviews an aging analysis at the end of the reporting period and makes allowance for obsolete and slow-moving inventory items identified that are no longer suitable for use in production or sale. The management estimates the net realisable value for such finished goods and raw materials based primarily on the latest selling and purchase prices and current market conditions. The Group carries out an inventory review on a product-by-product basis at the end of the reporting period and makes allowance for obsolete items if the market condition was to deteriorate, resulting in a lower net realisable value for such finished goods and raw materials, additional allowances may be required. As at 31 December 2017, the carrying amount of inventories is approximately HK\$758,531,000 (2016: HK\$737,417,000). During the year ended 31 December 2017, reversal of allowance of inventories of HK\$11,706,000 (2016: HK\$2,898,000) was credited to profit or loss.

Collectability of entrusted loan receivables

When there is objective evidence of impairment loss on entrusted loan receivables, the Group estimates the future cash flows of entrusted loan receivables for impairment testing purpose. The amount of the impairment loss is measured as the difference between the entrusted loan receivable's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). Where the actual future cash flows are less than expected, a material impairment loss may arise in future financial periods. The aggregate carrying value of entrusted loan receivables at 31 December 2017 was HK\$36,150,000 (2016: HK\$112,700,000).

4. 重大會計判斷及估計不確定性的主要來源 (續)

以下為於報告期末涉及估計之關鍵判斷、有關未來之主要假設及估計不確定性的其他主要來源，其有極高風險導致於下一個財政年度內對資產及負債之賬面值作重大調整。

存貨撥備

本集團之管理層於報告期末審閱賬齡分析，並就被認定有不再適合作生產或銷售之陳舊或滯銷存貨項目作出撥備。管理層主要根據最近期買賣價格及當時之市況而估計該等製成品及原材料之可變現淨值。本集團於報告期末按產品基準進行存貨審閱及對陳舊項目作出撥備。倘若市況轉差，導致該等製成品及原材料可變現淨值下降，則可能需要作出額外撥備。於二零一七年十二月三十一日，存貨賬面值約為758,531,000港元(二零一六年：737,417,000港元)。截至二零一七年十二月三十一日止年度，存貨撥備撥回約11,706,000港元(二零一六年：2,898,000港元)已計入損益中。

應收委託貸款之可收回性

倘有客觀證據顯示應收委託貸款出現減值虧損，本集團會估計應收委託貸款之未來現金流以進行減值測試。減值虧損金額乃按應收委託貸款賬面值及按金融資產原實際利率(即初步確認時計算之實際利率)貼現之估計未來現金流(不包括尚未產生之未來信貸虧損)現值間之差額計量。倘實際未來現金流入少於預期，則未來財務期間或會出現重大減值虧損。於二零一七年十二月三十一日，應收委託貸款之總賬面值為36,150,000港元(二零一六年：112,700,000港元)。

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Impairment of trade receivables

In estimating whether allowance for bad and doubtful debts is required, the Group takes into consideration the ageing status and the likelihood of collection. When there is objective evidence of impairment loss, the Group takes into consideration the estimation of future cash flows. The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. Where the actual future cash flows are less than expected, a material impairment loss may arise. As at 31 December 2017, the net carrying amounts of trade receivables are approximately HK\$302,581,000 (2016: HK\$234,477,000). During the year ended 31 December 2017, net reversal of allowance for bad and doubtful debts of HK\$854,000 (2016: HK\$3,324,000) is credited to profit or loss. Details of trade receivables are disclosed in note 27.

Estimated impairment of intangible assets

Determining whether development costs included in intangible assets are individually impaired requires an estimation of the value in use calculation by reference to the cash flow projections prepared in accordance with the signed sales contracts of respective projects. Where the actual future cash flows are less than expected, an impairment loss may arise. As at 31 December 2017, the carrying amount of development costs is approximately HK\$183,872,000 (2016: HK\$147,486,000). Details of the recoverable amount calculation of development costs are disclosed in note 19.

4. 重大會計判斷及估計不確定性的主要來源(續)

應收貿易賬款減值

本集團於估計是否須就呆壞賬撥備時，會考慮賬齡情況及收回的可能性。倘有客觀證據顯示出現減值虧損，本集團會考慮未來現金流量的估計。減值虧損金額乃按資產賬面值與按金融資產原實際利率貼現之估計未來現金流(不包括尚未產生之未來信貸虧損)現值間之差額計量。倘實際未來現金流少於預期，則可能會產生重大減值虧損。於二零一七年十二月三十一日，應收貿易賬款之賬面淨值約為302,581,000港元(二零一六年：234,477,000港元)。截至二零一七年十二月三十一日止年度，呆壞賬撥備撥回淨額854,000港元(二零一六年：3,324,000港元)已計入損益。應收貿易賬款的詳情於附註27中披露。

無形資產之估計減值

於釐訂計入無形資產之開發成本是否個別出現減值時，需要估計參考根據各項目已簽訂銷售合約編製的現金流預測計算的使用價值。倘實際現金流少於預期，則會出現減值虧損。於二零一七年十二月三十一日，開發成本之賬面值約為183,872,000港元(二零一六年：147,486,000港元)。有關計算開發成本可收回金額之詳情於附註19中披露。

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Land appreciation tax ("LAT")

The Group is subject to LAT in the PRC. However, the implementation and settlement of the tax varies amongst different tax jurisdictions in various cities of the PRC and certain projects of the Group have not yet finalised their land appreciation tax calculations and payments with any local tax authorities in the PRC. Accordingly, significant judgement is required in determining the amount of land appreciation and its related income tax provisions. The Group recognised the LAT based on management's best estimates. The final tax outcome could be different from the amounts that were initially recorded, and these differences will impact the income tax expense and the related income tax provisions in the periods in which such tax is finalised with local tax authorities.

Estimated fair value of investment properties

Investment properties were revalued at the end of the reporting period using income capitalisation approach by independent qualified professional valuer. Such valuation was based on certain assumptions, which are subject to uncertainty and might materially differ from the actual results. In making the valuation, the Group's management has made estimates concerning rental yield for rental income to be generated by the investment properties. The assumptions used are intended to reflect conditions existing at the end of the reporting period. Where there are any changes in the assumptions due to the market conditions in the PRC, the estimate of fair value of investment properties may be significantly affected. As at 31 December 2017, investment properties of approximately HK\$384,949,000 (2016: HK\$350,779,000) were revalued.

4. 重大會計判斷及估計不確定性的 主要來源 (續)

土地增值稅

本集團於中國需要繳納土地增值稅。然而，中國不同城市之稅務司法權區對稅項之落實及支付措施均有所不同，而本集團仍有若干項目未完成計算其土地增值稅金額及向中國當地稅務機關支付稅項。因此，於釐定土地增值金額及相關所得稅撥備金額時需要作出重大判斷。本集團根據管理層之最佳估算確認土地增值稅。最終稅務結果可能與初步入賬之金額有所不同，有關差異將對與當地稅務機關確定最終稅項期間之所得稅開支及相關所得稅撥備造成影響。

估計投資物業之公平值

投資物業之價值會於報告期末由獨立合資格專業估值師利用收入資本化方式進行重估。有關重估乃基於若干假設進行，當中涉及不確定性，並可能與實際業績存在重大差異。在作出估值時，本集團管理層已就投資物業將產生之租金收入相關之租金收益率作出估計。所使用之假設乃為反映於報告期末出現之情況。倘有關假設因中國市場狀況出現任何變動，將可能對投資物業之估計公平值造成重大影響。於二零一七年十二月三十一日，約有384,949,000港元(二零一六年：350,779,000港元)之投資物業被重估。

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Deferred taxation on investment properties

For the purposes of measuring deferred taxation arising from investment properties that are measured using the fair value model, the Directors of the Company have reviewed the Group's investment property portfolios and concluded that the Group's investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. Therefore, in measuring the Group's deferred taxation on investment properties, the Directors have determined that the presumption that the carrying amounts of investment properties measured using the fair value model are recovered entirely through sale is rebutted. Accordingly, deferred taxation in relation to the Group's investment properties has been measured in accordance with the general principles set out in IAS 12.

4. 重大會計判斷及估計不確定性的主要來源 (續)

投資物業之遞延稅項

為計算以公平值模式計量之投資物業所產生之遞延稅項，本公司董事已審閱本集團之投資物業組合，並認為本集團之投資物業乃透過目的為隨時間（而非透過出售）消耗投資物業絕大部分內在經濟利益之業務模式持有。因此，於計量本集團投資物業之遞延稅項時，董事確定透過出售全數收回以公平值模式計量之投資物業賬面值之假設已被推翻。因此，有關本集團投資物業之遞延稅項已按照國際會計準則第12號所載之一般原則計量。

5. REVENUE

Revenue represents the amounts received and receivable for goods sold net of discounts and sales related taxes, interest income generated from equipment financial leasing to outsiders and service income generated from service provided to outsiders.

5. 收入

收入指已售貨物扣除折扣及銷售相關稅項後的已收款項及應收賬款、向外界融資租賃設備所產生的利息收入及向外界提供服務所產生的服務收入。

6. SEGMENT INFORMATION

Information reported to the executive Directors, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on types of goods delivered.

During the years ended 31 December 2017 and 2016, the Group was organised into five reportable and operating segments, being Handsets and internet of things terminals business ("Handsets and IOT terminals business"), Wireless communication modules business, Internet of things system and online-to-offline business ("IOT system and O2O business"), Intelligent manufacturing business and Property development.

6. 分類資料

為就資源分配及分類業績評估向執行董事（即主要營運決策者）報告之資料，乃按交付貨物的類型而呈列。

截至二零一七年及二零一六年十二月三十一日止年度，本集團已分有五個可呈報及營運分類，即手機及物聯網終端業務（「手機及物聯網終端業務」）、無線通訊模塊業務、物聯網系統及運營業務（「物聯網系統及運營業務」）、智能製造業務及物業發展。

6. SEGMENT INFORMATION (CONTINUED)

The Group has changed its segment names from “sales of handsets, solutions and intelligent terminals” to “Handsets and IOT terminals business”; from “sales of wireless communication modules” to “Wireless communication modules business”; and from “internet of things business” to “IOT system and O2O business” during the year ended 31 December 2017. However, the underlying businesses of these segments are same as prior year.

These reportable and operating segments are the basis of the internal reports about components of the Group that are regularly reviewed by the executive Directors in order to allocate resources to segments and to assess their performance.

Segment revenue and results

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

For the year ended 31 December 2017

	Handsets and IOT terminals business	Wireless communication modules business	IOT system and O2O business	Intelligent manufacturing business	Property development	Consolidated
	手機及 物聯網 終端業務	無線通訊 模塊業務	物聯網系統 及運營業務	智能 製造業務	物業發展	綜合
	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
Revenue						
External sales	1,076,853	1,454,923	318,942	101,428	306,371	3,258,517
Segment profit (loss)	26,394	57,478	(9,188)	(12,453)	34,543	96,774
Other income and other gains and losses						78,646
Share of results of associates						(1,527)
Corporate expenses						(26,107)
Finance costs						(8,990)
Profit before taxation						138,796

6. 分類資料(續)

於二零一七年十二月三十一日止年度，本集團更改其分類名稱，由「手機、解決方案及智能終端之銷售」改為「手機及物聯網終端業務」；由「銷售無線通訊模塊」改為「無線通訊模塊業務」；及由「物聯網業務」改為「物聯網系統及運營業務」。然而，該等分部之相關業務與過往年度相同。

該等可呈報及營運分類為執行董事所定期審閱有關本集團組成部分之內部報告的基礎，用以分配資源予分類並評估表現。

分類收入及業績

下表為本集團按可呈報及營運分類之收入及業績分析：

截至二零一七年十二月三十一日止年度

6. SEGMENT INFORMATION (CONTINUED)

6. 分類資料(續)

Segment revenue and results (CONTINUED)

For the year ended 31 December 2016

分類收入及業績(續)

截至二零一六年十二月三十一日止年度

		Handsets and IOT terminals business 手機及 物聯網 終端業務 HK\$'000 千港元	Wireless communication modules business 無線通訊 模塊業務 HK\$'000 千港元	IOT system and O2O business 物聯網系統 及運營業務 HK\$'000 千港元 (Note) (附註)	Intelligent manufacturing business 智能 製造業務 HK\$'000 千港元	Property development 物業發展 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Revenue	收入						
External sales	對外銷售	1,271,117	815,016	302,354	143,454	192,449	2,724,390
Segment profit	分類溢利	22,831	63,974	13	6,283	3,678	96,779
Other income and other gains and losses	其他收入及其他收益 及虧損						39,815
Share of results of associates	分佔聯營公司業績						(1,533)
Corporate expenses	公司開支						(28,421)
Finance costs	融資成本						(10,140)
Profit before taxation	除稅前溢利						96,500

Note: The IOT system and O2O business is still in a developing stage. The revenue of this segment represents the income generated from equipment finance lease service, sale of goods to vending machine customers and franchisees and provision of procurement agency service.

附註: 物聯網系統及運營業務仍處於發展階段。該分類的收入指設備融資租賃服務及向售賣機客戶及特許經營商銷售貨品，以及提供採購代理服務所產生的收入。

6. SEGMENT INFORMATION (CONTINUED)

Segment revenue and results (CONTINUED)

The accounting policies of the reportable and 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 without allocation of gain from changes in fair values of investment properties, rental income, interest income, unallocated exchange gain or loss, loss on disposal of property, plant and equipment, gain on disposal of an associate, fair value change on derivative financial instruments, certain other income, corporate expenses, share of results of associates, finance costs and taxation. This is the measure reported to the executive Directors for the purposes of resource allocation and performance assessment.

Inter-segment sales were charged at mutually agreed terms.

6. 分類資料(續)

分類收入及業績(續)

可呈報及營運分類之會計政策與附註3中所述之本集團會計政策相同。分類業績代表每一分類在未分配投資物業公平值變動收益、租金收入、利息收入、未分配匯兌收益或虧損、出售物業、廠房及設備虧損、出售一間聯營公司之收益、衍生金融工具之公平值變動、若干其他收入、公司開支、分佔聯營公司業績、融資成本及稅項之情況下所產生之溢利或虧損。此乃就資源分配及表現評估而向執行董事作出報告之方法。

分類間銷售按相互協定之條款收費。

6. SEGMENT INFORMATION (CONTINUED)

6. 分類資料(續)

Segment assets and liabilities

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

At 31 December 2017

分類資產及負債

下表載列本集團按可呈報及營運分類劃分的資產及負債分析：

於二零一七年十二月三十一日

		Handsets and IOT terminals business	Wireless communication modules business	IOT system and O2O business	Intelligent manufacturing business	Property development 物業發展	Consolidated 綜合
		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
Segment assets	分類資產	891,788	653,297	153,196	214,891	554,350	2,467,522
Investment properties	投資物業						384,949
Property, plant and equipment	物業、廠房及設備						102,230
Land use rights	土地使用權						44,543
Deferred tax assets	遞延稅項資產						47,339
Entrusted loan receivables	應收委託貸款						36,150
Interests in associates	於聯營公司之權益						2,274
Available-for-sale investment	可供出售投資						80,253
Consideration receivable	應收代價						2,456
Amounts due from non-controlling shareholders of subsidiaries	應收附屬公司非控股股東款項						11,633
Amount due from an associate	應收一間聯營公司款項						3,200
Other receivables, deposits and prepayments	其他應收賬款、按金及預付款項						639
Pledged bank deposits	已抵押銀行存款						30,125
Bank balances and cash	銀行結餘及現金						417,092
Consolidated assets	綜合資產						3,630,405
Segment liabilities	分類負債	506,278	174,713	15,699	84,328	397,630	1,178,648
Other payables, deposits received and accruals	其他應付賬款、已收按金及應計款項						7,219
Bank borrowings	銀行借貸						84,104
Tax payable	應付稅項						37,992
Deferred tax liabilities	遞延稅項負債						99,151
Consolidated liabilities	綜合負債						1,407,114

6. SEGMENT INFORMATION (CONTINUED)

6. 分類資料(續)

Segment assets and liabilities (CONTINUED)

At 31 December 2016

分類資產及負債(續)

於二零一六年十二月三十一日

		Handsets and IOT terminals business 手機及 物聯網 終端業務 HK\$'000 千港元	Wireles communication modules business 無線通訊 模塊業務 HK\$'000 千港元	IOT system and O2O business 物聯網系統 及運營業務 HK\$'000 千港元	Intelligent manufacturing business 智能 製造業務 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 assets	分類資產	859,359	494,816	185,400	232,582	597,743	2,369,900
Investment properties	投資物業						350,779
Property, plant and equipment	物業、廠房及設備						25,563
Land use rights	土地使用權						15,560
Deferred tax assets	遞延稅項資產						43,719
Entrusted loan receivables	應收委託貸款						112,700
Interests in associates	於聯營公司之權益						3,800
Available-for-sale investment	可供出售投資						187,448
Consideration receivable	應收代價						2,297
Amounts due from non-controlling shareholders of subsidiaries	應收附屬公司非控股 股東款項						11,633
Amount due from an associate	應收一間聯營公司款項						2,000
Other receivables, deposits and prepayments	其他應收賬款、按金及 預付款項						2,516
Pledged bank deposits	已抵押銀行存款						76,636
Bank balances and cash	銀行結餘及現金						249,132
Asset classified as held for sale	分類為持作出售之資產						26,117
Consolidated assets	綜合資產						<u>3,479,800</u>
Segment liabilities	分類負債	384,528	111,910	11,011	67,822	299,548	874,819
Other payables, deposits received and accruals	其他應付賬款、已收 按金及應計款項						12,873
Bank borrowings	銀行借貸						299,991
Tax payable	應付稅項						23,138
Deferred tax liabilities	遞延稅項負債						111,638
Liability associated with asset classified as held for sale	與分類為持作出售 之資產相關之負債						24,794
Consolidated liabilities	綜合負債						<u>1,347,253</u>

6. SEGMENT INFORMATION (CONTINUED)

Segment assets and liabilities (CONTINUED)

For the purposes of monitoring segment performances and allocating resources between segments:

- all assets are allocated to reportable and operating segments other than investment properties, certain property, plant and equipment, certain land use rights, pledged bank deposits, bank balances and cash, entrusted loan receivables, interests in associates, available-for-sale investment, consideration receivable, deferred tax assets, certain other receivables, deposits and prepayments, amounts due from non-controlling shareholders of subsidiaries and an associate and asset classified as held for sale. Assets used jointly by operating segments are allocated on the basis of the revenues earned by individual operating segments; and
- other than liabilities specifically identified for reportable and operating segments on IOT system and O2O business, intelligent manufacturing business and property development, the remaining liabilities are allocated between payables jointly consumed by reportable and operating segments on Handsets and IOT terminals business and Wireless communication modules business and corporate liabilities. Corporate liabilities include certain other payables, deposits received and accruals, tax payable, bank borrowings, deferred tax liabilities and liability associated with asset classified as held for sale.

6. 分類資料(續)

分類資產及負債(續)

為監控分類表現及在各分類間分配資源：

- 除投資物業、若干物業、廠房及設備、若干土地使用權、已抵押銀行存款、銀行結餘及現金、應收委託貸款、於聯營公司之權益、可供出售投資、應收代價、遞延稅項資產、若干其他應收賬款、按金及預付款項、應收附屬公司及一間聯營公司非控股股東款項以及分類為持作出售資產外，所有資產均分配至可呈報及營運分類。營運分類共同使用的資產按各營運分類所賺取的收入分配；及
- 除具體確定為物聯網系統及運營業務、智能製造業務及物業發展之可呈報及營運分類之負債外，其餘負債已分配至由手機及物聯網終端及無線通訊模塊業務之可呈報及營運分類共同消耗之應付賬款，以及企業負債。企業負債包括若干其他應付賬款、已收按金及應計款項、應付稅項、銀行借貸、遞延稅項負債及與分類為持作出售資產相關之負債。

6. SEGMENT INFORMATION (CONTINUED)

6. 分類資料(續)

Other segment information

For the year ended 31 December 2017

其他分類資料

截至二零一七年十二月三十一日止年度

	Handsets and IOT terminals business	Wireless communication modules business	IOT system and O2O business	Intelligent manufacturing business	Property development	Unallocated	Consolidated
	手機及 物聯網 終端業務	無線通訊 模塊業務	物聯網系統 及運營業務	智能 製造業務	物業發展	未分配	綜合
	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
Amounts included in the measure of segment profit or loss or segment assets:							
Amounts included in the measure of segment profit or loss or segment assets:							
Additions of property, plant and equipment	40,437	9,239	1,170	2,142	-	46	53,034
Additions of intangible assets	85,313	78,408	803	41,410	-	-	205,934
Depreciation of property, plant and equipment	28,938	9,487	3,829	2,391	163	6,900	51,708
Amortisation of intangible assets	90,497	42,034	4,134	39,677	-	-	176,342
Amortisation of land use rights	924	914	152	34	-	1,087	3,111
Net reversal of allowance for bad and doubtful debts	(854)	-	-	-	-	-	(854)
Reversal of allowance of inventories	(11,706)	-	-	-	-	-	(11,706)
Loss on disposal of property, plant and equipment	1,035	32	642	127	-	-	1,836

6. SEGMENT INFORMATION (CONTINUED)

6. 分類資料(續)

Other segment information (CONTINUED)

For the year ended 31 December 2016

其他分類資料(續)

截至二零一六年十二月三十一日止年度

	Handsets and IOT terminals business	Wireless communication modules business	IOT system and O2O business	Intelligent manufacturing business	Property development	Unallocated	Consolidated	
	手機及 物聯網 終端業務	無線通訊 模塊業務	物聯網系統 及連營業務	智能 製造業務	物業發展	未分配	綜合	
	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	
Amounts included in the measure of segment profit or loss or segment assets:	衡量分類損益或分類 資產涉及的金額：							
Additions of property, plant and equipment	添置物業、廠房及 設備	11,440	10,003	3,161	34,386	7	-	58,997
Additions of intangible assets	添置無形資產	118,053	39,411	3,317	33,704	-	-	194,485
Depreciation of property, plant and equipment	物業、廠房及設備之 折舊	44,511	8,890	4,834	8,091	329	1,740	68,395
Amortisation of intangible assets	無形資產攤銷	95,864	35,007	1,112	24,199	-	-	156,182
Amortisation of land use rights	土地使用權攤銷	1,738	454	117	390	-	415	3,114
Net reversal of allowance for bad and doubtful debts	壞呆賬撥備撥回淨額	(3,324)	-	-	-	-	-	(3,324)
Reversal of impairment loss recognised in respect of property, plant and equipment	就物業、廠房及設備 確認之減值虧損 撥回	(6,304)	-	-	-	-	-	(6,304)
Reversal of allowance of inventories	存貨撥備撥回	(2,898)	-	-	-	-	-	(2,898)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備 之虧損	885	-	-	-	-	-	885

6. SEGMENT INFORMATION (CONTINUED)

6. 分類資料(續)

Revenue from major products/services

來自主要產品／服務的收入

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Sale of handsets and IOT terminals	銷售手機及物聯網終端	1,076,853	1,271,117
Sale of wireless communication modules	銷售無線通訊模塊	1,454,923	815,016
Sale of goods to vending machine customers and franchisees	向售賣機客戶及特許經營商銷售貨品	299,749	272,490
Finance lease of equipment	設備融資租賃	1,965	3,720
Procurement agency service	提供代理服務	17,228	26,144
Sale of intelligent manufacturing products	銷售智能製造產品	101,428	143,454
Sale of residential properties	銷售住宅物業	306,371	192,449
		3,258,517	2,724,390

Geographical information

The Group's revenue and non-current assets are substantially generated from and located in the PRC, the country of domicile from which the group entities derive revenue and hold assets. Accordingly, no further analysis is presented.

地區資料

本集團收入及非流動資產主要來自及位於中國，即本集團實體產生收入及持有資產之所在國。因此，並無呈列進一步分析。

7. OTHER INCOME

7. 其他收入

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Refund of Value Added Tax (“VAT”) (Note 1)	增值稅(「增值稅」)退稅(附註1)	9,652	10,876
Government grants (Note 2)	政府項目收入(附註2)	22,863	20,034
Interest income earned on bank balances	銀行結餘賺取之利息收入	4,693	2,575
Interest income earned on entrusted loan receivables	應收委託貸款賺取之利息收入	7,021	8,938
Rental income (Less: outgoings of HK\$2,661,000 (2016: HK\$2,967,000))	租金收入(減：支出2,661,000港元(二零一六年：2,967,000港元))	25,526	28,464
Dividend income from available-for-sale investment	自可供出售投資之股息收入	171	-
Others	其他	3,810	115
		73,736	71,002

7. OTHER INCOME (CONTINUED)

Notes:

- (1) Shanghai Simcom Limited (“Shanghai Simcom”) and Shanghai Simcom Wireless Solutions Limited (“Simcom Wireless”) are engaged in the business of distribution of self-developed and produced software and the development of automated test equipment and software. Under the current PRC tax regulation, they are entitled to a refund of VAT paid for sales of self-developed and produced software and the development of automated test software in the PRC.
- (2) The amount includes HK\$4,262,000 (2016: HK\$2,487,000) unconditional government grants received during the year ended 31 December 2017, which was granted to encourage the Group’s research and development activities in the PRC.

In addition, during the year ended 31 December 2017, the Group also received government grants of HK\$13,143,000 (2016: HK\$19,591,000) towards the cost of development of Wireless communication modules business and Handsets and IOT terminals business in Shanghai and Shenyang. The amount received is deferred and is transferred to other income to match actual expenditure used in research and development activities and HK\$18,601,000 (2016: HK\$17,547,000) was recognised in the profit or loss during the year. As at 31 December 2017, an amount of HK\$55,445,000 (2016: HK\$57,134,000) remained to be amortised and is included in other payables (for current portion) and deferred income (for non-current portion) (Note 29).

7. 其他收入 (續)

附註：

- (1) 本公司之全資附屬公司希姆通信技術(上海)有限公司(「上海希姆通」)及芯訊通無線科技(上海)有限公司(「芯訊通無線科技」)均從事分銷自行開發及生產之軟件，以及開發自動化檢測設備。根據中國現行之稅務法規，在中國就銷售自行開發及生產之軟件，以及開發自動化檢測設備已繳付之增值稅可享有退稅。
- (2) 此金額包括於截至二零一七年十二月三十一日止年度收到之無條件政府項目收入4,262,000港元(二零一六年：2,487,000港元)，乃為鼓勵本集團於中國的研發活動而授出。

此外，本集團於截至二零一七年十二月三十一日止年度亦獲得政府項目收入13,143,000港元(二零一六年：19,591,000港元)，用作於上海及沈陽開發無線通訊模塊業務、手機及物聯網終端業務的成本。所收取之金額屬遞延性質，並已轉撥至其他收入以配合研發活動的實際開支，並已於年內在損益中確認18,601,000港元(二零一六年：17,547,000港元)。於二零一七年十二月三十一日，一筆55,445,000港元(二零一六年：57,134,000港元)的款項仍然未攤銷並已計入其他應付賬款(就即期部分而言)及遞延收入(就非即期部分而言)(附註29)。

8. OTHER GAINS AND LOSSES

8. 其他收益及虧損

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	(1,836)	(885)
Net foreign exchange gain (loss)	外匯收益(虧損)淨額	30,223	(22,397)
Changes in fair values of investment properties	投資物業公平值變動	9,565	12,348
Net reversal of allowance for bad and doubtful debts	壞呆賬撥備撥回淨額	854	3,324
Reversal of impairment loss recognised in respect of property, plant and equipment	就物業、廠房及設備確認之減值虧損撥回	–	6,304
Gain from disposal of subsidiaries	出售附屬公司之收益	118	–
Fair value change on derivative financial instruments – forward contracts	衍生金融工具的公平值變動 – 遠期合約	(9,982)	–
Gain on disposal of an associate	出售一間聯營公司之收益	8,736	–
		37,678	(1,306)

9. FINANCE COSTS

9. 融資成本

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Interests on bank borrowings	銀行借貸利息	8,990	10,140

10. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS

10. 董事、首席執行官及僱員酬金

Directors' and chief executive's emoluments

Directors' and chief executive's remuneration for the year, disclosed pursuant to the applicable Listing Rules and Hong Kong Companies Ordinance, is as follows:

董事及首席執行官酬金

根據適用上市規則及香港公司條例所披露之本年度內向每名董事及首席執行官已付或應付之酬金如下：

		For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度					
		Directors' fees	Salaries and allowances	Bonus	Share-based payments	Retirement benefits contributions	Total emoluments
		董事袍金	薪金及津貼	花紅	以股份付款	退休福利計劃供款	總酬金
		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
				(Note 1) (附註1)			
Executive Directors	執行董事						
Ms Yeung Man Ying	楊文瑛女士	-	-	-	-	-	-
Mr Wong Cho Tung	王祖同先生	-	-	-	-	-	-
Ms Tang Rongrong	唐融融女士	-	489	350	-	-	839
Mr Chan Tat Wing, Richard	陳達榮先生	-	1,560	-	-	72	1,632
Mr Liu Hong (Note 2)	劉泓先生(附註2)	-	839	186	-	102	1,127
Mr Liu Jun*	劉軍先生*	-	839	326	-	121	1,286
Sub-total	小計	-	3,727	862	-	295	4,884
Independent non-executive Directors	獨立非執行董事						
Mr Dong Yunting (Note 3)	董雲庭先生(附註3)	47	-	-	-	-	47
Mr Liu Hing Hung	廖慶雄先生	156	-	-	-	-	156
Mr Xie Linzhen (Note 3)	謝麟振先生(附註3)	47	-	-	-	-	47
Mr Wu Zhe (Note 4)	武哲先生(附註4)	110	-	-	-	-	110
Mr Wang Tianmiao (Note 4)	王田苗先生(附註4)	110	-	-	-	-	110
Sub-total	小計	470	-	-	-	-	470
Total	總計						5,354

The executive Directors' and chief executive's emoluments shown above were mainly for the management of the affairs of the Company and the Group.

上述執行董事及首席執行官酬金主要關於對本公司及本集團事務之管理。

The independent non-executive Directors' emoluments shown above were mainly for their services as Directors of the Company.

上述獨立非執行董事之酬金主要關於彼等擔任本公司董事。

10. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (CONTINUED)

10. 董事、首席執行官及僱員酬金 (續)

Directors' and chief executive's emoluments (CONTINUED)

董事及首席執行官酬金 (續)

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

		Directors' fees	Salaries and allowances	Bonus	Share-based payments	Retirement benefits contributions	Total emoluments
		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
				(Note 1) (附註 1)			
Executive Directors	執行董事						
Ms Yeung Man Ying	楊文瑛女士	-	-	-	-	-	-
Mr Wong Cho Tung	王祖同先生	-	-	-	-	-	-
Ms Tang Rongrong	唐融融女士	-	490	350	-	-	840
Mr Chan Tat Wing, Richard	陳達榮先生	-	1,560	-	-	72	1,632
Mr Liu Hong (Note 2)	劉泓先生(附註 2)	-	840	186	-	97	1,123
Mr Liu Jun*	劉軍先生*	-	840	326	-	114	1,280
Sub-total	小計	-	3,730	862	-	283	4,875

The executive Directors' and chief executive's emoluments shown above were mainly for the management of the affairs of the Company and the Group.

上述執行董事及首席執行官酬金主要關於對本公司及本集團事務之管理。

* Being the chief executive officer of the Company

* 為本公司首席執行官

Independent non-executive Directors

獨立非執行董事

Mr Dong Yunting (Note 3)	董雲庭先生(附註 3)	156	-	-	-	-	156
Mr Liu Hing Hung	廖慶雄先生	156	-	-	-	-	156
Mr Xie Linzhen (Note 3)	謝麟振先生(附註 3)	156	-	-	-	-	156
Sub-total	小計	468	-	-	-	-	468

The independent non-executive Directors' emoluments shown above were mainly for their services as Directors of the Company.

上述獨立非執行董事之酬金主要關於彼等擔任本公司董事。

Total 總計 5,343

10. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (CONTINUED)

Directors' and chief executive's emoluments (CONTINUED)

Notes:

- (1) Incentive performance bonus for the year was determined by the remuneration committee having regard to the performance and duties of Directors and the Group's operating results.
- (2) Mr Liu Hong resigned on 31 December 2017.
- (3) Mr Dong Yunting and Mr Xie Linzhen resigned on 18 April 2017.
- (4) Mr Wu Zhe and Mr Wang Tianmiao were appointed on 18 April 2017.

Employees' emoluments

The five highest paid individuals included three (2016: three) Directors for the year ended 31 December 2017, whose emoluments are included in the above. The emoluments of the remaining two (2016: two) individuals are as follows:

Salaries and allowances	薪金及津貼
Bonus	花紅
Share-based payments	以股份付款
Retirement benefits scheme contributions	退休福利計劃供款

Their emoluments were within the following bands:

HK\$Nil to HK\$1,000,000	零港元至 1,000,000 港元
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

10. 董事、首席執行官及僱員酬金 (續)

董事及首席執行官酬金 (續)

附註：

- (1) 年度表現獎勵花紅是由薪酬委員會經考慮董事之表現及職責以及本集團之經營業績而釐定。
- (2) 劉泓先生於二零一七年十二月三十一日辭任。
- (3) 董雲庭先生及謝麟振先生於二零一七年四月十八日辭任。
- (4) 武哲先生及王田苗先生均於二零一七年四月十八日獲委任。

僱員酬金

截至二零一七年十二月三十一日止年度，五名最高薪酬人士包括三名(二零一六年：三名)董事，其酬金已於上文披露。餘下兩名(二零一六年：兩名)人士之酬金如下：

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
1,643	1,679
460	198
25	609
153	194
2,281	2,680

彼等之酬金在以下所列範圍：

2017 二零一七年 Number of employees 僱員人數	2016 二零一六年 Number of employees 僱員人數
1	–
1	1
–	1

10. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (CONTINUED)

Employees' emoluments (CONTINUED)

During the year, no emoluments were paid by the Group to any of the Directors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office. None of the Directors waived or agreed to waive any emoluments for both years.

10. 董事、首席執行官及僱員酬金 (續)

僱員酬金 (續)

本年度，本集團並未向任何董事或五名最高薪酬人士支付任何酬金，作為誘使彼等加入本集團或於彼等加入本集團時向彼等支付之任何款項，或作為離職補償。於兩個年度均無董事放棄或同意放棄任何酬金。

11. TAXATION

11. 稅項

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
PRC Enterprise Income Tax ("EIT")	中國企業所得稅(「企業所得稅」)	(18,673)	(16,892)
LAT in the PRC	中國土地增值稅	(5,797)	(3,801)
Overprovisions on PRC EIT in previous years	過往年度中國企業所得稅超額撥備	-	7,447
		(24,470)	(13,246)
Deferred tax expense for current year (note 20)	本年度遞延稅項開支(附註20)	(11,720)	(8,821)
Taxation for the year	本年度稅項	(36,190)	(22,067)

No provision for Hong Kong Profits Tax has been made for both years as the Group has no assessable profits arising in Hong Kong.

EIT is calculated at the rates prevailing in the relevant districts of the PRC and taking relevant tax incentives into account. Simcom Wireless, Shanghai Sunrise Simcom Limited ("Shanghai Sunrise Simcom"), Shanghai Simcom and Shenyang SIM Simcom Technology Limited ("Shenyang SIM Simcom") are classified as New and High Technology Enterprise and is entitled to adopt a tax rate of 15% (2016: 15%). The relevant annual tax rate used for PRC EIT for the Group's subsidiaries ranged from 15% to 25% (2016: 15% to 25%).

由於本集團在香港並無產生應課稅溢利，並無就兩個年度作出香港利得稅撥備。

企業所得稅於計及相關稅務優惠後，按中國有關地區之現行稅率計算。芯訊通無線、上海晨興希姆通電子科技有限公司(「上海晨興希姆通」)、上海希姆通及沈陽晨訊希姆通科技有限公司(「沈陽希姆通」)被評為「高新技術企業」，並有權採用15%的稅率(二零一六年：15%)。本集團附屬公司採用之中國企業所得稅相關年度稅率介乎15%至25%之間(二零一六年：15%至25%)。

11. TAXATION (CONTINUED)

The provision of LAT is estimated according to the requirements set forth in the relevant tax laws and regulations of the PRC, which is charged at progressive rates ranging from 30% to 60% (2016: 30% to 60%) of the appreciation value, with certain allowable deductions.

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

11. 稅項(續)

土地增值稅撥備乃根據中國有關的稅務法律和法規所載的規定估計作出，有關稅項就增值部分按漸進稅率30%至60%（二零一六年：30%至60%）計算，並可作若干扣減。

本年度稅項扣除與綜合損益表中所示之除稅前溢利對賬如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Profit before taxation	除稅前溢利	138,796	96,500
Taxation at the PRC income tax rate of 25% (2016: 25%)	按中國所得稅稅率25% (二零一六年：25%)計算之稅項	(34,699)	(24,125)
Tax effect of expenses not deductible for tax purpose	不可扣稅之開支之稅務影響	(1,349)	(7,234)
Tax effect of income not taxable for tax purpose	毋須課稅之收入之稅務影響	26,735	14,387
Tax effect of tax losses not recognised	未確認稅務虧損之稅務影響	(32,415)	(24,717)
Utilisation of tax losses previously not recognised	動用過往未確認之稅務虧損	6,102	9,841
Overprovisions on PRC EIT in previous years	過往年度中國企業所得稅超額撥備	-	7,447
Income tax on concessionary rate LAT	按優惠稅率計算之所得稅 土地增值稅	3,784 (5,797)	5,185 (3,801)
Income tax effect on LAT	土地增值稅之所得稅影響	1,449	950
Tax charge for the year	本年度稅項扣除	(36,190)	(22,067)

12. PROFIT FOR THE YEAR

12. 本年度溢利

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Profit for the year is arrived at after charging (crediting):	本年度溢利已扣除(計入):		
Auditor's remuneration	核數師酬金	2,200	2,160
Amortisation of intangible assets (included in cost of sales)	無形資產攤銷 (計入銷售成本)	176,342	156,182
Less: Amount capitalised in development costs	減: 已資本化的開發成本	(1,085)	(4,307)
Less: Amount capitalised in inventories	減: 已資本化的存貨	(175,257)	(151,875)
		-	-
Amortisation of land use rights	土地使用權攤銷	3,111	3,114
Depreciation of property, plant and equipment	物業、廠房及設備折舊	51,708	68,395
Less: Amount capitalised in development costs	減: 已資本化的開發成本	(3,279)	(2,864)
Less: Amount capitalised in inventories	減: 已資本化的存貨	(29,769)	(37,528)
		18,660	28,003
Reversal of allowance of inventories (included in cost of sales)	存貨撥備撥回 (計入銷售成本)	(11,706)	(2,898)
Cost of inventories recognised as an expense (included in cost of sales)	確認為開支之存貨成本 (計入銷售成本)	2,621,764	2,149,914
Cost of properties sold (included in cost of sales)	已售物業的成本 (計入銷售成本)	241,542	172,695
Staff costs:	員工成本:		
Directors' emoluments (note 10)	董事酬金(附註10)	5,354	5,343
Other staff costs	其他員工成本		
– Salaries and other benefits	– 工資及其他福利	252,206	317,352
– Retirement benefits scheme contributions	– 退休福利計劃供款	49,172	61,914
– Share-based payments	– 以股份付款	1,282	2,904
		308,014	387,513
Less: Amount capitalised in development costs	減: 已資本化的開發成本	(119,998)	(146,920)
Less: Amount capitalised in inventories	減: 已資本化的存貨	(29,621)	(17,105)
		158,395	223,488

13. DIVIDENDS

A final dividend of HK1 cent (2016: Nil) per share amounting to HK\$25,579,000 (2016: Nil) was paid to the ordinary shareholders during the year.

The Directors recommend the payment of a final dividend of HK\$40,953,000 (HK1.6 cents per share) (2016: HK\$25,579,000 (HK 1 cent per share)) for the year ended 31 December 2017 which is subject to approval by the shareholders of the Company in the forthcoming annual general meeting.

13. 股息

年內，已向普通股股東支付末期股息每股1港仙（二零一六年：無）共25,579,000港元（二零一六年：無）。

董事建議就截至二零一七年十二月三十一日止年度派付末期股息40,953,000港元（每股1.6港仙）（二零一六年：25,579,000港元）（每股1港仙），惟有待本公司股東於應屆股東週年大會上批准。

14. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

14. 每股盈利

本公司擁有人應佔每股基本及攤薄盈利乃按以下數據計算：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Earnings	盈利		
Earnings for the purposes of basic and diluted earnings per share (profit for the year attributable to the owners of the Company)	計算每股基本及攤薄盈利之盈利(本公司擁有人應佔本年度溢利)	111,651	77,278
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic earnings per share	用於計算每股基本盈利的普通股加權平均數目	2,558,338	2,557,896
Effect of dilutive potential ordinary shares-share option	攤薄潛在普通股之影響－購股權	4,756	-
Weighted average number of ordinary shares for the purpose of diluted earnings per share	用於計算每股攤薄盈利的普通股加權平均數目	2,563,094	2,557,896

14. EARNINGS PER SHARE (CONTINUED)

For the year ended 31 December 2016, the computation of diluted earnings per share did not assume the exercise of the Company's outstanding share options because the exercise prices of these share options were higher than the average market price for shares for the year.

14. 每股盈利(續)

截至二零一六年十二月三十一日止年度，計算每股攤薄盈利並無假設已行使本公司的尚未行使之購股權，因為該等購股權的行使價高於本年度股份的平均市價。

15. INVESTMENT PROPERTIES

15. 投資物業

		HK\$'000 千港元
FAIR VALUE	公平值	
At 1 January 2016	於二零一六年一月一日	355,981
Increase in fair value recognised in profit or loss	於損益確認之公平值增加	12,348
Exchange differences	匯率差異	(17,550)
At 31 December 2016	於二零一六年十二月三十一日	350,779
Increase in fair value recognised in profit or loss	於損益確認之公平值增加	9,565
Exchange differences	匯率差異	24,605
At 31 December 2017	於二零一七年十二月三十一日	384,949
Unrealised gain on property valuation included in profit or loss	計入損益之未變現物業估值收益	9,565

The Group's investment properties are held under medium-term leases in the PRC.

本集團位於中國之投資物業乃根據中期租約持有。

The fair value of the Group's investment properties at 31 December 2017 and 2016 have been arrived at on the basis of a valuation carried out on that date by Vigers Appraisal & Consulting Limited, independent qualified professional valuers not related to the Group.

本集團投資物業於二零一七年及二零一六年十二月三十一日之公平值，乃以與本集團並無關連之獨立專業合資格估值師威格斯資產評估顧問有限公司於該日進行之估值為依據得出。

15. INVESTMENT PROPERTIES (CONTINUED)

The fair value was determined based on the income capitalisation approach, where the market rentals of all lettable units of the properties are assessed and discounted at the market yield expected by investors for this type of properties. The market rentals are assessed based on estimates of future cash flows, supported by the terms of existing lease and reasonable and supportable assumptions that represent what knowledgeable willing parties would assume about rental income for future leases in the light of current conditions. The rate is determined by reference to the yields derived from analysing the sales transactions of similar commercial properties in Shanghai. There has been no change from the valuation technique used in the prior year.

In estimating the fair value of the properties, the highest and best use of the properties is their current use. At the end of the reporting period, the chief financial officer of the Group works closely with the independent qualified professional valuer to establish and determine the appropriate valuation techniques and inputs. Where there is a material change in the fair value of the assets, the causes of the fluctuations will be reported to the management of the Group.

15. 投資物業(續)

公平值乃根據收入資本化法釐定，據此，會評估物業的所有可出租單位之市場租金，並按投資者對此類物業所預期之市場回報率貼現。市場租金乃根據估計未來現金流評估，並以現有租期及合理及有力之假設(即知情自願各方在現行情況下對未來租金所出之假設)作支持。收益率則參考分析上海同類商業物業銷售交易得出之收益率釐定。估值技巧與過往年度所採用者相同。

在估計物業之公平值時，物業之最高及最佳用途為其目前用途。於報告期末，本集團財務總監與獨立合資格專業估值師密切合作，以確立及釐定合適的估值技巧及輸入數據。倘資產之公平值出現重大變動，將向本集團管理層匯報出現波幅之原因。

15. INVESTMENT PROPERTIES (CONTINUED)

15. 投資物業(續)

Information about fair value measurements using significant unobservable input

The following table shows the valuation techniques used in the determination of fair values for investment properties and unobservable inputs used in the valuation models.

使用重大不可觀察輸入數據進行公平值計量之資料

下表顯示釐定投資物業公平值所用之估值技巧及估值模式所用之不可觀察輸入數據。

As at 31 December 2017

於二零一七年十二月三十一日

Fair value hierarchy	Valuation techniques	Fair value	Unobservable inputs	Range of unobservable inputs	Relationship of unobservable inputs to fair value
公平值架構	估值技巧	公平值 HK\$'000 千港元	不可觀察輸入數據	不可觀察 輸入數據範圍	不可觀察 輸入數據與 公平值之關係
Level 3 第三級	Income capitalisation approach 收入資本化法	384,949	(i) Capitalisation rate (i) 資本化率	5.5%-7.0%	A significant increase in the capitalisation rate would result in a significant decrease in fair value, and vice versa. 資本化率的重大增高，會導致公平值的重大減低，反之亦然。
			(ii) Market rent (ii) 市場租金	RMB3.7-RMB8.2 per month per square meter 每月每平方米 人民幣3.7元至 人民幣8.2元	A significant increase in the market rent would result in a significant increase in fair value, and vice versa. 市場租金的重大增高，會導致公平值的重大增高，反之亦然。
			(iii) Growth rate (iii) 增長率	2.5%	A significant increase in the growth rate would result in a significant increase in fair value, and vice versa. 增長率的重大增高，會導致公平值的重大增高，反之亦然。

15. INVESTMENT PROPERTIES (CONTINUED)

15. 投資物業(續)

Information about fair value measurements using significant unobservable input (continued)

As at 31 December 2016

使用重大不可觀察輸入數據進行公平值計量之資料(續)

於二零一六年十二月三十一日

Fair value hierarchy 公平值架構	Valuation techniques 估值技巧	Fair value 公平值 HK\$'000 千港元	Unobservable inputs 不可觀察輸入數據	Range of unobservable inputs 不可觀察 輸入數據範圍	Relationship of unobservable inputs to fair value 不可觀察 輸入數據與 公平值之關係
Level 3 第三級	Income capitalisation approach 收入資本化法	350,779	(i) Capitalisation rate (i) 資本化率	5.5%-7.3%	A significant increase in the capitalisation rate would result in a significant decrease in fair value, and vice versa. 資本化率的重大增高，會導致公平值的重大減低，反之亦然。
			(ii) Market rent (ii) 市場租金	RMB3.6-RMB7.8 per month per square meter 每月每平方米 人民幣3.6元至 人民幣7.8元	A significant increase in the market rent would result in a significant increase in fair value, and vice versa. 市場租金的重大增高，會導致公平值的重大增高，反之亦然。
			(iii) Growth rate (iii) 增長率	2.5%	A significant increase in the growth rate would result in a significant increase in fair value, and vice versa. 增長率的重大增高，會導致公平值的重大增高，反之亦然。

There were no transfers into or out of Level 3 during the years ended 31 December 2017 and 2016.

截至二零一七年及二零一六年十二月三十一日止年度，概無轉撥至或轉撥出第三級。

All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.

本集團所有根據經營租賃持有並作賺取租金或資本增值用途的物業權益，均採用公平值模式計量及分類及入賬列為投資物業。

As at 31 December 2017, the Group has pledged investment properties having a fair value of approximately HK\$112,658,000 (2016: HK\$103,507,000) to secure general banking facilities granted to the Group.

於二零一七年十二月三十一日，本集團公平值約112,658,000港元(二零一六年：103,507,000港元)之投資物業已予抵押，作為本集團所獲得一般銀行融資之擔保。

16. PROPERTY, PLANT AND EQUIPMENT

16. 物業、廠房及設備

		Buildings	Leasehold improvements	Equipment, furniture and fixtures	Plant and machinery	Motor vehicles	Total
		樓宇	租賃物業裝修	設備、傢俬及裝置	廠房及機器	汽車	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
COST	成本						
At 1 January 2016	於二零一六年一月一日	452,546	5,825	257,890	240,118	13,077	969,456
Exchange differences	匯率差異	(21,787)	(272)	(12,910)	(11,559)	(602)	(47,130)
Additions	添置	-	-	11,297	47,396	304	58,997
Disposals	出售	-	-	(8,442)	(45,941)	(839)	(55,222)
At 31 December 2016	於二零一六年十二月三十一日	430,759	5,553	247,835	230,014	11,940	926,101
Exchange differences	匯率差異	29,813	373	17,079	15,921	788	63,974
Additions	添置	869	-	15,362	36,216	587	53,034
Disposals	出售	-	-	(5,010)	(11,176)	(365)	(16,551)
Disposal of subsidiaries	出售附屬公司	-	-	(376)	-	-	(376)
At 31 December 2017	於二零一七年十二月三十一日	461,441	5,926	274,890	270,975	12,950	1,026,182
DEPRECIATION AND IMPAIRMENT	折舊及減值						
At 1 January 2016	於二零一六年一月一日	155,604	4,776	228,178	165,844	9,078	563,480
Exchange differences	匯率差異	(8,249)	(227)	(11,277)	(7,164)	(405)	(27,322)
Charge for the year	本年度扣除	22,613	149	9,751	34,895	987	68,395
Eliminated on disposals	於出售時對銷	-	-	(7,241)	(41,028)	(793)	(49,062)
Reversal of impairment loss upon disposal	出售減值虧損撥回	-	-	-	(6,304)	-	(6,304)
At 31 December 2016	於二零一六年十二月三十一日	169,968	4,698	219,411	146,243	8,867	549,187
Exchange differences	匯率差異	12,407	314	15,083	10,164	601	38,569
Charge for the year	本年度扣除	18,752	-	11,562	20,444	950	51,708
Eliminated on disposals	於出售時對銷	-	-	(2,710)	(9,497)	(110)	(12,317)
Disposal of subsidiaries	出售附屬公司	-	-	(223)	-	-	(223)
At 31 December 2017	於二零一七年十二月三十一日	201,127	5,012	243,123	167,354	10,308	626,924
CARRYING AMOUNTS	賬面值						
At 31 December 2017	於二零一七年十二月三十一日	260,314	914	31,767	103,621	2,642	399,258
At 31 December 2016	於二零一六年十二月三十一日	260,791	855	28,424	83,771	3,073	376,914

16. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Property, plant and equipment are depreciated on its cost less their residual values on a straight-line basis at the following rates per annum:

Buildings	樓宇	5%
Leasehold improvements	租賃物業裝修	The shorter of the lease terms and 5 years 租賃期限及5年之較短者
Equipment, furniture and fixtures	設備、傢俬及裝置	20%-25%
Plant and machinery	廠房及機器	10%-20%
Motor vehicles	汽車	20%

As at 31 December 2017, the Group has pledged buildings having a carrying value of approximately HK\$128,762,000 (2016: HK\$229,049,000) to secure general banking facilities granted to the Group.

16. 物業、廠房及設備(續)

物業、廠房及設備乃按其成本減其剩餘價值，並以直線法及下列年率折舊：

5%
The shorter of the lease terms and 5 years 租賃期限及5年之較短者
20%-25%
10%-20%
20%

於二零一七年十二月三十一日，本集團已抵押賬面值約128,762,000港元(二零一六年：229,049,000港元)之樓宇，作為本集團所獲得一般銀行融資之擔保。

17. LAND USE RIGHTS

17. 土地使用權

		HK\$'000 千港元
COST	成本	
At 1 January 2016	於二零一六年一月一日	109,389
Exchange differences	匯率差異	(5,266)
		<hr/>
At 31 December 2016	於二零一六年十二月三十一日	104,123
Exchange differences	匯率差異	7,206
		<hr/>
At 31 December 2017	於二零一七年十二月三十一日	111,329
		<hr/>
AMORTISATION	攤銷	
At 1 January 2016	於二零一六年一月一日	17,784
Charge for the year	本年度扣除	3,114
Exchange differences	匯率差異	(960)
		<hr/>
At 31 December 2016	於二零一六年十二月三十一日	19,938
Charge for the year	本年度扣除	3,111
Exchange differences	匯率差異	1,487
		<hr/>
At 31 December 2017	於二零一七年十二月三十一日	24,536
		<hr/>
CARRYING AMOUNTS	賬面值	
At 31 December 2017	於二零一七年十二月三十一日	86,793
		<hr/>
At 31 December 2016	於二零一六年十二月三十一日	84,185
		<hr/>

The land use rights of the Group are held under medium-term lease in the PRC and amortised over the term of the lease of 50 years.

As at 31 December 2017, the Group has no pledged land use rights (2016: HK\$1,795,000) to secure general banking facilities granted to the Group.

本集團於中國之土地使用權乃根據中期租約持有，並按50年租約年期攤銷。

於二零一七年十二月三十一日，本集團概無抵押(二零一六年：1,795,000港元)土地使用權，作為本集團所獲得一般銀行融資之擔保。

18. FINANCE LEASE RECEIVABLES

18. 應收融資租賃

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Current finance lease receivables	流動融資租賃之應收款項	2,097	6,085
Non-current finance lease receivables	非流動融資租賃之應收款項	705	637
		2,802	6,722

Leasing arrangements

Certain of the Group's storage equipment are leased out under finance leases. All leases are denominated in RMB. The average term of finance leases entered into is 3 years (2016: 4.5 years).

租賃安排

本集團若干存儲設備乃根據融資租賃出租。所有租賃以人民幣計值，融資租賃之平均年期為3年(二零一六年：4.5年)。

Amounts receivable under finance leases

融資租賃之應收款項

		Minimum lease payments 最低租賃付款		Present value of lease payments 租賃付款現值	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Not later than one year	一年以內	2,340	6,930	2,097	6,085
Later than one year and not later than five years	一年以上五年以內	824	803	705	637
		3,164	7,733	2,802	6,722
Less: unearned finance income	減：未賺取融資收益	(362)	(1,011)	n/a	n/a
Present value of minimum lease payments receivable	應收最低租賃款項現值	2,802	6,722	2,802	6,722

Unguaranteed residual values of assets leased under finance leases at the end of the reporting period are estimated at HK\$2,802,000 (2016: HK\$6,722,000).

於報告期末，根據融資租賃租賃之資產之無擔保剩餘價值估計為2,802,000港元(二零一六年：6,722,000港元)。

18. FINANCE LEASE RECEIVABLES (CONTINUED)

The interest rate inherent in the leases is fixed at the contract date for the entire lease term. The average effective interest rate is approximately 19% (2016: 26%) per annum.

The finance lease receivables at the end of the reporting period are neither past due nor impaired.

18. 應收融資租賃(續)

租賃於整個租期之內含利率於合約日期當日設定水平。平均實際年利率約為19%(二零一六年: 26%)。

於報告期末之應收融資租賃並無逾期或減值。

19. INTANGIBLE ASSETS

19. 無形資產

		Licence fee 許可證費 HK\$'000 千港元	Development costs 開發成本 HK\$'000 千港元	Technical know-how 專有技術 HK\$'000 千港元	Customer contracts 客戶合約 HK\$'000 千港元	Total 總計 HK\$'000 千港元
COST	成本					
At 1 January 2016	於二零一六年一月一日	79,145	857,208	71,339	27,514	1,035,206
Additions	添置	604	193,881	-	-	194,485
Exchange differences	匯率差異	(7,221)	(60,175)	-	-	(67,396)
At 31 December 2016	於二零一六年十二月三十一日	72,528	990,914	71,339	27,514	1,162,295
Additions	添置	4,866	201,068	-	-	205,934
Exchange differences	匯率差異	5,187	74,770	-	-	79,957
Disposal of subsidiaries	出售附屬公司	-	(5,714)	-	-	(5,714)
At 31 December 2017	於二零一七年十二月三十一日	82,581	1,261,038	71,339	27,514	1,442,472
AMORTISATION AND IMPAIRMENT	攤銷及減值					
At 1 January 2016	於二零一六年一月一日	77,278	742,058	71,339	27,514	918,189
Charge for the year	本年度扣除	1,491	154,691	-	-	156,182
Exchange differences	匯率差異	(7,160)	(53,321)	-	-	(60,481)
At 31 December 2016	於二零一六年十二月三十一日	71,609	843,428	71,339	27,514	1,013,890
Charge for the year	本年度扣除	1,085	175,257	-	-	176,342
Exchange differences	匯率差異	4,994	64,195	-	-	69,189
Disposal of subsidiaries	出售附屬公司	-	(5,714)	-	-	(5,714)
At 31 December 2017	於二零一七年十二月三十一日	77,688	1,077,166	71,339	27,514	1,253,707
CARRYING AMOUNTS	賬面值					
At 31 December 2017	於二零一七年十二月三十一日	4,893	183,872	-	-	188,765
At 31 December 2016	於二零一六年十二月三十一日	919	147,486	-	-	148,405

19. INTANGIBLE ASSETS (CONTINUED)

Licence fee, technical know-how and customer contracts of the Group were acquired from third parties.

The intangible assets have finite useful lives. Intangible assets are amortised on a straight-line basis over the following period:

Licence fee	1-5 years
Development costs	9 months-2 years
Technical know-how	5-8 years
Customer contracts	3 years

19. 無形資產(續)

本集團之許可證費、專有技術及客戶合約均為自第三方取得。

無形資產使用年期為有限。無形資產以直線法按以下期間攤銷：

許可證費	1至5年
開發成本	9個月至2年
專有技術	5至8年
客戶合約	3年

20. DEFERRED TAX

The following are the major deferred tax (liabilities) assets recognised by the Group and the movement thereon, during the current and prior years.

20. 遞延稅項

以下為於本年度及過往年度，本集團所確認之主要遞延稅項(負債)資產及有關變動。

		Revaluation of available- for-sale investment	Development cost capitalised	Write-down of inventories and trade receivables	Impairment of property, plant and equipment	Revaluation of investment properties	Total
		可供出售 投資重估	已資本化 開發成本	存貨及應收 貿易賬款撇減	物業、廠房及 設備減值	投資物業 重估	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2016	於二零一六年一月一日	-	(9,830)	28,333	17,154	(53,698)	(18,041)
Exchange differences	匯率差異	-	612	(966)	(748)	2,688	1,586
(Charge) credit to profit or loss	於損益(扣除)計入	-	(4,149)	702	(2,287)	(3,087)	(8,821)
Charge to other comprehensive income	於其他全面收益中扣除	(42,643)	-	-	-	-	(42,643)
At 31 December 2016	於二零一六年十二月三十一日	(42,643)	(13,367)	28,069	14,119	(54,097)	(67,919)
Exchange differences	匯率差異	292	(1,197)	2,425	250	(742)	1,028
Charge to profit or loss	於損益扣除	-	(5,417)	(827)	-	(5,476)	(11,720)
Credit to other comprehensive income	於其他全面收益中計入	26,799	-	-	-	-	26,799
At 31 December 2017	於二零一七年十二月三十一日	(15,552)	(19,981)	29,667	14,369	(60,315)	(51,812)

20. DEFERRED TAX (CONTINUED)

The following is the analysis of the deferred tax balances for financial reporting purposes:

Deferred tax assets	遞延稅項資產
Deferred tax liabilities	遞延稅項負債

At 31 December 2017, other than the deferred tax assets and liabilities mentioned above, subsidiaries of the Group had unused tax losses of approximately HK\$446,760,000 (2016: HK\$341,508,000) available for offset against future profit. No deferred tax asset has been recognised due to the unpredictability of future profit streams of those subsidiaries. Included in unused tax losses was HK\$129,660,000 (2016: HK\$98,871,000) that will expire by 2022 (2016: 2021). Other losses may be carried forward indefinitely.

Under the EIT Law of PRC, withholding tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has not been provided for in the consolidated financial statements in respect of temporary differences attributable to accumulated profits of the PRC subsidiaries amounting to HK\$1,127,909,000 (2016: HK\$976,399,000) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

20. 遞延稅項(續)

以下乃就財務報告所作之遞延稅項餘額分析：

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
47,339	43,719
(99,151)	(111,638)
(51,812)	(67,919)

於二零一七年十二月三十一日，除上述遞延稅項資產及負債外，本集團附屬公司有未動用稅項虧損約446,760,000港元(二零一六年：341,508,000港元)可供抵銷未來溢利。由於該等附屬公司未來溢利流不可預測，故並無確認遞延稅項資產。未動用稅項虧損中有129,660,000港元(二零一六年：98,871,000港元)將於二零二二年(二零一六年：二零二一年)屆滿。其他虧損可無限期結轉。

根據中國企業所得稅法，以中國附屬公司於二零零八年一月一日後所賺取溢利宣派的股息須繳交預扣稅。綜合財務報表內未有就中國附屬公司累計溢利的暫時差額1,127,909,000港元(二零一六年：976,399,000港元)作出遞延稅項撥備，原因為本集團可控制該等暫時差額的撥回時間，以及該等暫時差額在可見的將來不大可能撥回。

21. ENTRUSTED LOAN RECEIVABLES

21. 應收委託貸款

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Carrying amount receivable based on maturity set out in the loan agreements	根據貸款協議所載到期日劃分之應收款項賬面值		
Within one year	一年內	36,150	112,700

As at 31 December 2017 and 2016, the Group's wholly owned subsidiary, Shanghai Suncom Logistics ("Suncom Logistics") had an entrusted loan agreement with Bank of Communications. Pursuant to the agreement, Suncom Logistics entrusted an aggregated amount of RMB30,000,000 (equivalent to approximately HK\$36,150,000) (2016: RMB30,000,000, equivalent to approximately HK\$33,810,000) to a specific corporate borrower at an interest rate of 10% per annum. Bank of Communications acted as the trustee of this entrusted loan. Trustee fee of 0.1% per month is charged. This entrusted loan will be matured in March 2018 (2016: matured in April 2017).

As at 31 December 2016, Suncom Logistics also had an entrusted loan agreement with Shanghai Pudong Development Bank. Pursuant to the agreement, Suncom Logistics entrusted an aggregated amount of RMB30,000,000 (equivalent to approximately HK\$33,810,000) to a specific corporate borrower at an interest rate of 8.6% per annum. Shanghai Pudong Development Bank acted as the trustee of the entrusted loan for a trustee fee of 0.1% per month. This entrusted loan matured in August 2017.

於二零一七年及二零一六年十二月三十一日，本集團全資附屬公司上海羅捷斯迪電子有限公司（「羅捷斯迪」）與交通銀行銀行訂立一份委託貸款協議。根據該協議，羅捷斯迪將一筆總額人民幣30,000,000元（相等於約36,150,000港元）（二零一六年：人民幣30,000,000元（相等於約33,810,000港元））之款項委託予一名指定公司借款人，有關款項按年利率10厘計息。上海浦東發展銀行作為委託貸款之受託人每月收取0.1%託管費。委託貸款將於二零一八年三月到期（二零一六年：於二零一七年四月到期）。

於二零一六年十二月三十一日，羅捷斯迪亦與上海浦東發展銀行訂立一份委託貸款協議。根據該協議，羅捷斯迪將一筆總額人民幣30,000,000元（相等於約33,810,000港元）之款項委託予一名指定公司借款人，有關款項按年利率8.6厘計息。上海浦東發展銀行作為委託貸款之受託人每月收取0.1%託管費。委託貸款將於二零一七年八月到期。

21. ENTRUSTED LOAN RECEIVABLES (CONTINUED)

As at 31 December 2016, Suncom Logistics had two entrusted loan agreements with China Fortune Securities Co. Ltd. (“China Fortune”) and China Minsheng Banking Corp., Ltd. Shanghai Branch (“Minsheng Bank”). Pursuant to these agreements, Suncom Logistics entrusted an aggregated amount of RMB40,000,000 (equivalent to approximately HK\$45,080,000) to a specific corporate borrower at an interest rate of 9.25% per annum. China Fortune acted as a manager to manage the entrusted loan for a management fee of 1.2% per annum and Minsheng Bank acted as the trustee of the entrusted loan for a trustee fee of 0.05% per month. These entrusted loans matured in April 2017.

As at 31 December 2017, interest income generated from entrusted loans amounting approximately HK\$7,021,000 (2016: HK\$8,938,000) and recognised as other income.

As at 31 December 2017 and 2016, no entrusted loan receivables have been past due or impaired.

All the Group’s entrusted loan receivables are denominated in RMB, which is the functional currency of the respective group companies.

21. 應收委託貸款(續)

於二零一六年十二月三十一日，羅捷斯迪亦與華鑫證券有限責任公司(「華鑫」)及中國民生銀行股份有限公司(上海分行)(「民生銀行」)訂立兩份委託貸款協議。根據該等協議，羅捷斯迪按9.25厘年利率向一名指定公司借款人墊付一筆總額為人民幣40,000,000元(相等於約45,080,000港元)之款項。華鑫作為管理人，就委託貸款每年收取1.2%之管理費，而民生銀行作為委託貸款之受託人，每月收取0.05%託管費。該等委託貸款於二零一七年四月到期。

於二零一七年十二月三十一日，本集團已收到委託貸款所產生利息收入約7,021,000港元(二零一六年：8,938,000港元)，並將其確認為其他收入。

於二零一七年及二零一六年十二月三十一日，應收委託貸款並無逾期或減值。

本集團所有應收委託貸款均以人民幣計值，而人民幣為相關集團公司之功能貨幣。

22. INTERESTS IN ASSOCIATES

22. 於聯營公司之權益

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Costs of investments in unlisted associates	於非上市聯營公司之投資之成本	6,595	33,744
Share of post-acquisition losses	分佔收購後虧損	(4,321)	(3,827)
Less: Asset classified as held for sale	減：分類為持作出售之資產	-	(26,117)
		2,274	3,800

The Group had interests in the following associates:

本集團於下列聯營公司中擁有權益：

Name of entity 實體名稱	Form of business structure 業務結構形式	Country of incorporation 註冊成立國家	Principal place of operation 主要營業地點	Class of share held 所持股份類別	Proportion of registered capital held by the Group 本集團所持註冊資本比例		Proportion of voting power held 所持投票權比例		Principal activities 主要業務
					2017 二零一七年	2016 二零一六年	2017 二零一七年	2016 二零一六年	
Xian Helicopter Co. Limited ("Xian Helicopter") 西安直升機有限公司 (「西安直升機」)	Incorporated 註冊成立	The PRC 中國	The PRC 中國	Registered capital 註冊資本	-	-	-	-	Provision of industrial use helicopter services 提供工業用直升機服務
Beijing Yunyifangyu IOT Limited ("Beijing Yunyi") 北京雲易方字物聯網有限公司 (「北京雲易」)	Incorporated 註冊成立	The PRC 中國	The PRC 中國	Registered capital 註冊資本	45	45	45	45	Software development 軟件開發
上海視馬艾智能科技 有限公司 (「上海視馬」)	Incorporated 註冊成立	The PRC 中國	The PRC 中國	Registered capital 註冊資本	40	40	40	40	Software development 軟件開發

22. INTERESTS IN ASSOCIATES (CONTINUED)

Notes:

- (i) During the year ended 31 December 2014, the Group entered into a sale and purchase agreement (“Sale and Purchase Agreement”) with the existing major shareholder of Xian Helicopter (the “Acquirer”), to dispose of the Group’s entire 30% equity interest in Xian Helicopter for a consideration of RMB26,160,000 (or equivalent to approximately HK\$32,831,000) which will be settled by three instalments. As at 31 December 2016, part of the consideration amounting to RMB22,000,000 (equivalent to approximately HK\$24,794,000) had been received by the Group and the remaining RMB4,160,000 (equivalent to approximately HK\$8,037,000) had not been settled. The transaction will be completed upon the receipt of the full consideration by the Group. As at 31 December 2016, the interest in Xian Helicopter had been classified as asset classified as held for sale and the consideration received of HK\$24,794,000 had been classified as liability associated with asset classified as held for sale.

The sale proceeds exceed the carrying amount of the interest in Xian Helicopter and, accordingly, no impairment loss had been recognised. The remaining consideration has been fully settled during the year ended 31 December 2017 and the disposal has been completed with gain on disposal of an associate of HK\$8,736,000 recognised in current year.

- (ii) During the year ended 31 December 2015, the Group incorporated 上海視馬 with registered capital of RMB20,000,000. Initial capital injection of RMB4,000,000 was made by the Group upon incorporation. As at 31 December 2017, the Group and other investors had capital commitment of RMB4,000,000 (equivalent to HK\$4,820,000) (2016: RMB4,000,000 (equivalent to HK\$4,508,000)) and RMB 12,000,000 (equivalent to HK\$14,460,000) (2016: RMB12,000,000 (equivalent to HK\$13,524,000)). The Group’s capital commitment is set out in note 34.

There are no significant restrictions on the ability of the associates to transfer funds to the Group in the form of cash dividends, or to repay loans or advance made by the Group.

Summarised financial information of each reporting period is not disclosed as it is not material to the Group.

22. 於聯營公司之權益(續)

附註：

- (i) 截至二零一四年十二月三十一日止年度，本集團與西安直升機現有主要股東(「買方」)訂立買賣協議(「買賣協議」)，出售本集團於西安直升機之全部30%股權，代價為人民幣26,160,000元(或相等於約32,831,000港元)，將分三期支付。於二零一六年十二月三十一日，本集團已收到部分代價人民幣22,000,000元(相等於約24,794,000港元)，餘下人民幣4,160,000元(相等於約8,037,000港元)尚未結付。該交易將於本集團收取全額代價後完成。於二零一六年十二月三十一日，於西安直升機之權益已分類為持作出售資產，而已收代價為24,794,000港元已分類為與持作出售之資產相關之負債。

銷售所得款項超逾於西安直升機之權益之賬面值，因此並無確認減值虧損。餘下代價已於截至二零一七年十二月三十一日止年度悉數結清，且出售一間附屬公司已完成，於本年度確認收益8,736,000港元。

- (ii) 截至二零一五年十二月三十一日止年度，本集團註冊成立上海視馬，註冊資本為人民幣20,000,000元。本集團於註冊成立時初步注資人民幣4,000,000元。於二零一七年十二月三十一日，本集團及其他投資者的資本承擔為人民幣4,000,000元(相等於約4,820,000港元)(二零一六年：人民幣4,000,000元(相等於4,508,000港元))及人民幣12,000,000元(相等於約14,460,000港元)(二零一六年：人民幣12,000,000元(相等於13,524,000港元))。本集團之資本承擔載於附註34。

聯營公司以現金股息方式向本集團轉撥資金或償還本集團提供之貸款或墊款之能力並無受到重大限制。

各報告期財務資料概要並未披露，因為其對本集團而言並不重大。

23. AVAILABLE-FOR-SALE INVESTMENT

23. 可供出售投資

Available-for-sale investment comprise: 可供出售投資包括：

Listed equity securities outside Hong Kong, at fair value (<i>note</i>)	於香港以外上市股本證券(按公平值) (附註)
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Note:

At 31 December 2017, the total carrying amount of the investment was approximately HK\$80,253,000 (2016: HK\$187,448,000) with the change in fair value of approximately HK\$107,195,000 debited to (2016: HK\$170,573,000 credited to) assets revaluation reserve in equity.

附註：

於二零一七年十二月三十一日，該投資總賬面值約為80,253,000港元(二零一六年：187,448,000港元)，公平值變動約107,195,000港元(二零一六年：170,573,000港元計入)自實體資產重估儲備扣除。

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
80,253	187,448

24. INVENTORIES

24. 存貨

Raw materials	原料
Work in progress	在製品
Finished goods	製成品

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
518,252	448,608
108,453	55,201
131,826	233,608
758,531	737,417

25. PROPERTIES UNDER DEVELOPMENT FOR SALE

25. 發展中的銷售物業

		HK\$'000 千港元
At 1 January 2016	於二零一六年一月一日	227,010
Additions	添置	147,999
Exchange differences	匯率差異	(15,879)
At 31 December 2016	於二零一六年十二月三十一日	359,130
Additions	添置	192,086
Exchange differences	匯率差異	12,108
Transfer to properties held for sale	轉至持作出售物業	(563,324)
At 31 December 2017	於二零一七年十二月三十一日	-

The properties under development for sale of the Group were situated in the PRC and located on land use rights under medium-term leases.

本集團發展中的銷售物業位於中國及座落於按中期租約持有土地使用權的土地上。

As at 31 December 2016, included in the properties under development for sale classified as current assets was an amount of HK\$359,130,000 which represented the carrying value of the properties expected to be completed and sold within twelve months from the end of the reporting period.

於二零一六年十二月三十一日，分類為流動資產之發展中的銷售物業包括一筆359,130,000港元之款項，有關款項為該等預期於報告期末後十二個月內落成及出售之物業之賬面值。

26. PROPERTIES HELD FOR SALE

26. 持作銷售物業

The Group's properties held for sale are all situated in the PRC. All the properties held for sale are stated at the lower of cost and net realisable value.

本集團持作銷售物業均位於中國。所有持作銷售物業均以成本及可變現淨值之較低者列值。

27. OTHER CURRENT FINANCIAL ASSETS

The normal credit period given on sale of goods relating to Handsets and IOT terminals business, Wireless communication modules business and IOT system and O2O business is 0-90 days. A longer period is granted to a few customers with whom the Group has a good business relationship and which are in sound financial condition. There is no credit given to sales of properties.

The following is an aged analysis of trade receivables, net of allowance for bad and doubtful debts, as well as notes receivables presented based on the invoice dates at the end of the reporting period, which approximated the revenue recognition dates:

Trade receivables	應收貿易賬款
0-30 days	零至30天
31-60 days	31至60天
61-90 days	61至90天
91-180 days	91至180天
Over 180 days	超過180天
Less: Accumulated allowances	減：累計撥備
Trade receivables	應收貿易賬款
Notes receivables (Note)	應收票據(附註)
0-30 days	零至30天
61-90 days	61至90天
91-180 days	91至180天

Note: Notes receivables represent the promissory notes issued by banks received from the customers.

27. 其他流動金融資產

銷售與手機及物聯網終端業務、無線通訊模塊業務及物聯網系統及運營業務有關之貨品之一般信貸期為零至90天。少數與本集團有良好業務關係且財務狀況穩健之客戶會獲較長之信貸期。並無就銷售物業給予信貸期。

以下為於報告期末(與確認收入之日期相若)應收貿易賬款(扣除呆壞賬撥備)以及應收票據按發票日期作出之賬齡分析：

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
181,821	164,342
55,644	31,917
25,079	26,616
14,633	14,260
47,859	19,163
325,036	256,298
(22,455)	(21,821)
302,581	234,477
35,172	23,324
1,514	–
4,941	520
41,627	23,844
344,208	258,321

附註：應收票據為向客戶收取由銀行發出之承兌票據。

27. OTHER CURRENT FINANCIAL ASSETS (CONTINUED)

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits by customer. Limits attributed to customers are reviewed twice a year. The Group has policy for allowance of bad and doubtful debts which is based on an evaluation of the collectability and age analysis of accounts on every individual trade debtor basis and on management's judgement including creditworthiness and the past collection history of each customer.

Included in the Group's trade receivable balance are debtors with aggregate carrying amount of HK\$20,512,000 (2016: HK\$15,096,000) which are past due at the reporting date for which the Group has not provided for impairment loss because they were either subsequently settled as at the date of issuance of the consolidated financial statements or there was no historical default of payments by the respective customers. The Group does not hold any collateral over these balances. The average age of these receivables is 149 days (2016: 139 days).

Ageing of trade receivables which are past due but not impaired

90-180 days	90至180天
181-365 days	181至365天

Movement in the allowance for bad and doubtful debts

Balance at beginning of the year	年初結餘
Exchange differences	匯率差異
Impairment losses recognised	所確認之減值虧損
Impairment losses reversed	減值虧損撥回
Amount written off as uncollectible	撇銷為不可收回金額
Balance at end of the year	年末結餘

27. 其他流動金融資產(續)

接納任何新客戶前，本集團會評估潛在客戶的信貨質素並設定客戶的信貸限額。客戶限額每年審閱兩次。本集團定有政策，根據每項應收貿易賬款賬目之可收回程度評估及賬齡分析及管理層之判斷(包括每名客戶之信貨評級及過往還款記錄)，就呆壞賬作出撥備。

本集團之應收貿易賬款結餘內包含賬面總值為20,512,000港元(二零一六年：15,096,000港元)的應收賬款，於報告日期為已過期而本集團並無就減值虧損作撥備，因有關款項已於刊發綜合財務報表日期後付清或這些客戶並沒有拖欠付款記錄。本集團並無就該等結餘持有任何抵押品。該等應收賬款之平均賬齡為149天(二零一六年：139天)。

已逾期但未減值的應收貿易賬款之賬齡

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
14,385	13,779
6,127	1,317

呆壞賬撥備之變動

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
21,821	31,551
1,488	(1,235)
1,492	5,771
(2,346)	(9,095)
-	(5,171)
22,455	21,821

27. OTHER CURRENT FINANCIAL ASSETS (CONTINUED)

As at 31 December 2017, trade receivables of HK\$49,260,000 (2016: HK\$34,024,000) are denominated in United States Dollars (“USD”), which are not denominated in the functional currency of the respective group entities.

Other receivables are unsecured, interest-free and will be settled within twelve months after the end of reporting period. Deposits mainly represented trade deposits paid to third parties.

The following is the breakdown of other receivables, deposits and prepayments:

VAT recoverable	可收回增值稅
Deposits paid to suppliers for purchasing inventories	就購買存貨支付予供應商之按金
Deposits paid to sub-contractors for construction of properties	就興建物業支付予分包承建商之按金
Deposits paid for the acquisition of land use rights for property development purpose	就收購土地使用權作物業發展用途所支付之按金
Prepayments	預付款項
Other receivables	其他應收賬款
Entrusted loan interest receivable	應收委託貸款利息
Government subsidy receivable	應收政府津貼

Amounts due from non-controlling shareholders of subsidiaries and an associate

Amounts are unsecured, interest-free and repayment on demand.

27. 其他流動金融資產(續)

於二零一七年十二月三十一日，49,260,000港元(二零一六年：34,024,000港元)的應收貿易賬款以美元計值，並非以相關集團實體的功能貨幣計值。

其他應收賬款為無抵押、免息及將於報告期末後十二個月內償還。按金主要為支付予第三方之貿易按金。

以下為其他應收賬款、按金及預付款項之分析：

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
101,348	77,487
154,437	109,792
–	26,266
28,920	27,048
12,730	4,875
31,046	22,253
2,772	3,119
326	4,250
331,579	275,090

應收附屬公司及一間聯營公司非控股股東款項

有關款項為無抵押、免息及應要求償還。

28. PLEDGED BANK DEPOSITS AND BANK BALANCES AND CASH

The bank balances and cash of the Group are mainly denominated in RMB, HK\$ and USD. The bank balances receive variable interest at an average rate of 1% (2016: 1%) per annum. Included in the bank balances and cash and pledged bank deposits was an amount of HK\$398,340,000 (2016: HK\$257,861,000) denominated in RMB, which is not freely convertible into other currencies.

The Group's bank deposits of HK\$30,125,000 (2016: HK\$76,636,000) as at 31 December 2017 were pledged to secure the short-term general banking facilities granted by banks and discounted bills. The bank deposits will mature on clearance of the discounted bills.

At 31 December 2017, bank balances of HK\$48,038,000 (2016: HK\$67,440,000) are denominated in USD, which are not denominated in the functional currency of the respective group entities.

29. FINANCIAL LIABILITIES

Trade and notes payables, other payables, deposits received and accruals principally comprise amounts outstanding for trade purposes and ongoing costs.

Trade and notes payables

Trade and notes payables (other than for the construction of properties held for sale) principally comprise amounts outstanding for trade purchases. The normal credit period taken for trade purchases is 30-90 days.

Payables and accrued expenditure on construction of properties held for sale comprise construction costs and other project-related expenses which are payable based on project progress measured by the Group.

28. 已抵押銀行存款及銀行結餘及現金

本集團之銀行結餘及現金主要以人民幣、港元及美元計值。銀行結餘按浮動利率計息，平均年利率為1厘(二零一六年：1厘)。銀行結餘及現金以及已抵押銀行存款內包括一筆以人民幣計值之款項398,340,000港元(二零一六年：257,861,000港元)，該等款項不可自由轉換為其他貨幣。

本集團於二零一七年十二月三十一日之銀行存款30,125,000港元(二零一六年：76,636,000港元)已予抵押，作為獲得銀行授出短期一般銀行融資及貼現票據之抵押。銀行存款將於貼現票據結算時到期。

於二零一七年十二月三十一日，以美元計值的銀行結餘為48,038,000港元(二零一六年：67,440,000港元)，有關款項並非以相關集團實體的功能貨幣計值。

29. 金融負債

應付貿易賬款及票據、其他應付賬款、已收按金及應計款項主要包括貿易用途之未償付款項以及持續成本。

應付貿易賬款及票據

應付貿易賬款及票據(不包括興建持作銷售物業)主要包括未償還之貿易採購金額。貿易採購之一般信貸期為30至90天。

興建持作銷售物業之應付賬款及應計開支包括建築成本及其他與項目相關之開支，有關款項根據本集團計量之項目進度支付。

29. FINANCIAL LIABILITIES (CONTINUED)

An aged analysis of the Group's trade and notes payables at the end of the reporting period is presented based on the invoice dates for trade payables or date of issuance for notes payables is as follows:

0-30 days	零至30天
31-60 days	31至60天
61-90 days	61至90天
Over 90 days	超過90天

Notes payables	應付票據
0-30 days	零至30天

As at 31 December 2017, included in the trade and notes payables, HK\$83,110,000 (2016: HK\$88,161,000) are denominated in USD, which are not denominated in the functional currency of the respective group entities.

Other payables, deposits received and accruals

The following is the breakdown of other payables, deposits received and accruals:

Deferred income (note)	遞延收入(附註)
Payables on acquisition of property, plant and equipment	收購物業、廠房及設備之應付賬款
Deposits received from customers for sales of goods	就銷售貨物向客戶收取之按金
Deposits received from customers for pre-sales of properties	就預售物業向客戶收取之按金
Deposit received from disposal of subsidiaries (note 44)	已收來自出售附屬公司之按金(附註44)
Accruals	應計款項
VAT payables	應付增值稅
Other payables	其他應付賬款

29. 金融負債(續)

以下為於報告期末本集團之應付貿易賬款及票據按應付貿易賬款之發票日期或應付票據之發出日期作出之賬齡分析：

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
279,846	327,308
9,114	21,918
2,076	9,316
63,551	15,676
354,587	374,218
39,163	–
393,750	374,218

於二零一七年十二月三十一日，應付貿易賬款及票據內包括以美元計值之款項83,110,000港元(二零一六年：88,161,000港元)，有關款項並非以相關集團實體的功能貨幣計值。

其他應付賬款、已收按金及應計款項

以下為其他應付賬款、已收按金及應計款項之分析：

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
55,445	57,134
54	564
203,483	162,316
284,185	209,613
62,419	–
14,366	6,866
6,414	11,514
24,597	29,854
650,963	477,861

29. FINANCIAL LIABILITIES (CONTINUED)

Note: As at 31 December 2017, other payables included deferred income on government grants amounting to HK\$55,445,000 (2016: HK\$57,134,000). Government grants are given to support the research and development of advanced electronic devices and technology and used for acquisition of property, plant and equipment. These grants are released to income to cover actual expenditure used in research and development activities or transferred to profit or loss over useful lives of the related assets. Included in deferred income on government grants amounting to HK\$51,951,000 (2016: HK\$53,866,000) represented the income that is not expected to be realised to profit or loss within 12 months of the reporting date based on the depreciation rates of the related assets and therefore has been presented to non-current liabilities.

Other liabilities

At the close of business on 31 December 2017, a subsidiary of the Company had an arrangement with a bank in which approximately HK\$141,154,000 (2016: Nil) of notes receivables issued by another group entity (the “Issuing Subsidiary”) through intra-group transactions were discounted to a bank without recourse. The notes remained payable by the Issuing Subsidiary and were classified as other liabilities of the Group as at 31 December 2017.

Amounts due to non-controlling shareholders of subsidiaries

Amounts were unsecured, interest-free and repayable on demand.

29. 金融負債(續)

*附註：*於二零一七年十二月三十一日，其他應付賬款包括政府項目收入之遞延收入55,445,000港元(二零一六年：57,134,000港元)。政府項目收入乃用於支持先進電子設備及技術之研發，以及收購物業、廠房及設備。該等補助會轉撥至收入彌補研發活動之實際開支或於相關資產之使用期轉撥至損益。政府項目收入之遞延收入中包括一筆51,951,000港元(二零一六年：53,866,000港元)之款項，根據相關資產之折舊率，預期有關款項不會於報告日期後12個月內於損益中變現，因而呈列為非流動負債。

其他負債

於二零一七年十二月三十一日營業時間結束時，本公司的附屬公司與一間銀行訂立安排，據此，由另一集團實體(「簽發附屬公司」)通過集團內公司間交易發出的應收票據約141,154,000港元(二零一六年：無)將於不附帶追索權的情況下貼現予一間銀行。於二零一七年十二月三十一日，有關票據仍有待簽發附屬公司支付，並分類為本集團之其他負債。

應付附屬公司非控股股東款項

有關款項為無抵押、免息及應要求償還。

30. BANK BORROWINGS

30. 銀行借貸

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Secured:	有抵押：		
Bank loans (note i)	銀行貸款(附註i)	84,104	45,080
Discounted bills (note ii)	貼現票據(附註ii)	-	254,911
		84,104	299,991

30. BANK BORROWINGS (CONTINUED)

Notes:

- (i) At the end of the reporting period, the loans include an amount of HK\$62,058,000 (2016: HK\$45,080,000) denominated in RMB, which are the functional currency of the respective group entities and an amount of HK\$22,046,000 (2016: Nil) denominated in USD. The loans carry variable interest at Loan Prime Rate (“LPR”) plus a spread (2016: variable interest at LPR plus a spread). All loans are repayable within one year. Pursuant to the loan agreements, the bank borrowings were secured by investment properties, property, plant and equipment and land use rights as disclosed in notes 15, 16 and 17 respectively.
- (ii) As at 31 December 2016, discounted bills included an amount of HK\$254,911,000 denominated in RMB, which was the functional currency of respective entities of the Group, and were secured by notes receivables. The effective interest rates of the discounted bills ranged from 0.7% to 2.4% per annum. Bills were issued through intra-group transactions and the relevant group entities discounted the bills to independent third parties. The bills receivable and payable issued between group entities were fully eliminated on consolidation.

30. 銀行借貸(續)

附註：

- (i) 於報告期末，有關貸款包括以相關集團實體之功能貨幣人民幣計值之貸款62,058,000港元(二零一六年：45,080,000港元)及以美元計值之款項22,046,000港元(二零一六年：無)。有關貸款按貸款基礎利率(「貸款基礎利率」)加息差之浮動利率計息(二零一六年：按貸款基礎利率加息差之浮動利率計息)。所有貸款均須於一年內償還。根據貸款協議，銀行借貸乃以投資物業、物業、廠房及設備及土地使用權作為抵押(分別於附註15、16及17中披露)。
- (ii) 於二零一六年十二月三十一日，貼現票據包括以相關集團實體之功能貨幣人民幣計值之金額254,911,000港元，並以應收票據作為抵押。貼現票據之實際年利率介於0.7厘至2.4厘。該等票據通過集團內部交易發行，而相關集團實體將票據貼現予獨立第三方。集團實體間所發行之應收及應付票據於綜合入賬時全數抵銷。

31. SHARE CAPITAL

31. 股本

		Number of shares 股份數目 '000 千股	Share capital 股本 HK\$'000 千港元
Ordinary shares of HK\$0.1 each	每股面值0.1 港元之普通股		
Authorised:	法定：		
At 1 January 2016,	於二零一六年一月一日、		
31 December 2016 and	二零一六年十二月三十一日及		
31 December 2017	二零一七年十二月三十一日	3,000,000	300,000
Issued:	已發行：		
At 1 January 2016 and	於二零一六年一月一日及		
31 December 2016	二零一六年十二月三十一日	2,557,896	255,790
Shares issued upon exercise of share options	行使購股權發行之股份	1,650	165
31 December 2017	於二零一七年十二月三十一日	2,559,546	255,955

Details of the exercise of share options are set out in note 36.

行使購股權之詳情載於附註36。

32. RESERVES

32. 儲備

Properties revaluation reserve	物業重估儲備	HK\$'000 千港元
At 1 January 2016, 31 December 2016 and 2017	於二零一六年一月一日、二零一六年 及二零一七年十二月三十一日	102,827
Assets revaluation reserve	資產重估儲備	HK\$'000 千港元
At 1 January 2016	於二零一六年一月一日	-
Fair value change on available-for-sale investment	可供出售投資公平值變動	127,930
At 31 December 2016	於二零一六年十二月三十一日	127,930
Fair value change on available-for-sale investment	可供出售投資公平值變動	(80,396)
At 31 December 2017	於二零一七年十二月三十一日	47,534

32. RESERVES (CONTINUED)

32. 儲備(續)

		HK\$'000 千港元
Translation reserve	換算儲備	
At 1 January 2016	於二零一六年一月一日	177,573
Exchange differences arising on translation to presentation currency	換算至呈列貨幣產生的匯率差異	(77,145)
At 31 December 2016	於二零一六年十二月三十一日	100,428
Exchange differences arising on translation to presentation currency	換算至呈列貨幣產生的匯率差異	87,522
At 31 December 2017	於二零一七年十二月三十一日	<u>187,950</u>

33. OPERATING LEASE ARRANGEMENT

33. 經營租賃安排

The Group as lessee

The Group made minimum lease payments under operating leases in respect of office premises of approximately HK\$13,245,000 (2016: HK\$10,104,000), in which approximately HK\$2,843,000 (2016: HK\$4,111,000) were capitalised in development cost.

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

本集團作為承租人

本集團就辦公室物業而根據經營租賃支付之最低租金款項約為13,245,000港元(二零一六年: 10,104,000港元), 其中約2,843,000港元(二零一六年: 4,111,000港元)已於開發成本中資本化。

於報告期末, 本集團根據不可撤銷經營租賃支付之未來最低租金款項承擔之到期日如下:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year	一年內	6,697	8,575
In the second to fifth year inclusive	第二至第五年(首尾兩年包括在內)	6,364	2,223
		<u>13,061</u>	<u>10,798</u>

Leases are negotiated for an average term of two years and rentals are fixed for an average of two years.

租賃之平均年期商定為兩年, 而租金固定期平均為兩年。

33. OPERATING LEASE ARRANGEMENT (CONTINUED)

The Group as lessor

All of the properties held have committed tenants for 2-10 years.

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments:

Within one year	一年內
In the second to fifth year inclusive	第二至第五年(首尾兩年包括在內)
After five years	五年後

33. 經營租賃安排(續)

本集團作為出租人

所有持有之物業未來2至10年均有租客承租。

於報告期末，本集團與租客訂約之未來最低租金款項如下：

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
25,241	25,197
18,591	38,791
72	554
43,904	64,542

34. COMMITMENTS

34. 承擔

Expenditure in respect of investment in an associate contracted for but not provided in the consolidated financial statements (note 22)	已訂約但未於綜合財務報表中撥備之有關於一間聯營公司之投資開支(附註22)
Expenditure in respect of properties under development for sale contracted for but not provided in the consolidated financial statements	已訂約但未於綜合財務報表中撥備之發展中銷售物業開支

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
4,820	4,508
—	52,920

35. RETIREMENT BENEFITS SCHEMES

The Group operates a MPF Scheme under rules and regulations of Mandatory Provident Fund Schemes Ordinance for all its employees in Hong Kong. All the employees of the Group in Hong Kong are required to join the MPF Scheme. Contributions are made based on a percentage of the employees' salaries and are charged to consolidated statement of profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme. No forfeited contribution is available to reduce the contribution payable in the future years as at 31 December 2017 and 2016.

The Group's subsidiaries in the PRC, in compliance with the applicable regulations of the PRC, participate in a state-managed retirement benefits scheme operated by the local government. The subsidiaries are required to contribute a specific percentage of their payroll costs to the retirement benefits scheme. The only obligation of the Group with respect to the retirement benefits scheme is to make the specified contributions.

During the year, the total amounts of HK\$49,467,000 (2016: HK\$62,197,000) contributed by the Group to the schemes and cost charged to the consolidated statement of profit or loss represents contribution payable to the schemes by the Group at rates specified in the rules of the schemes.

35. 退休福利計劃

本集團根據強制性公積金計劃條例為其所有香港僱員設立一項強積金計劃。所有於香港的本集團僱員均須加入強積金計劃。供款按僱員基本薪金的某一百分比作出，並根據強積金計劃之規則於應予支付時在綜合損益表扣除。強積金計劃之資產與本集團的其他資產分開處理，由一獨立管理之基金持有。在向強積金計劃供款時，本集團僱主供款將全數歸屬於僱員所有。於二零一七年及二零一六年十二月三十一日，並無沒收之供款可用作扣減本集團於未來年度之應付供款。

本集團於中國之附屬公司遵照中國之適用規則，參與一項國家管理由當地政府經營的退休福利計劃。附屬公司須按工資成本的指定百分比比率向退休福利計劃供款。本集團就退休福利計劃之唯一責任為作出指定供款。

年內，本集團向計劃供款總額 49,467,000 港元（二零一六年：62,197,000 港元），而於綜合損益表扣除之成本，代表本集團根據計劃規則按指定比率向計劃應付之供款數額。

36. SHARE OPTION SCHEMES

The Company had two share option schemes, including post-initial public offering share options scheme (the “Post-IPO Options”) and new share options scheme (the “New Share Options”). Post-IPO Options and New Share Options were adopted on 30 May 2005 and 1 June 2016, respectively. The major terms and conditions of the two schemes are set out below:

(A) Post-IPO Options

- (i) The purpose was to provide incentives to the participants.
- (ii) The participants included any employee or executive Director and such other persons as the board of directors may consider appropriate.
- (iii) On 12 December 2008, a resolution to renew the 10% general limit of the Post-IPO Options was duly passed by the shareholders of the Company. The maximum number of shares in respect of which options might be granted under the Post-IPO Options must not exceed 10% of the shares in issue as at 12 December 2008 (i.e. 151,749,000 shares, being 5.93% of the issued shares of the Company as the date of this annual report) and in any event the total maximum number of shares which might be issued or issuable upon exercise of all outstanding options should not exceed 30% of the issued share capital of the Company from time to time.
- (iv) The acceptance of an option, if accepted, must be made within 5 business days from the date of grant. No consideration is required to be paid by the grantee for the grant of options.
- (v) The exercise price of an option must be the highest of:
 - the closing price of the share on the grant date;
 - the average closing price of the share for the 5 trading days immediately preceding the grant; and
 - the nominal value of the share.

36. 購股權計劃

本公司有兩項購股權計劃，包括首次公開發售後購股權計劃（「首次公開發售後購股權計劃」）及新購股權計劃（「新購股權計劃」）。首次公開發售後購股權計劃及新購股權計劃分別於二零零五年五月三十日及二零一六年六月一日被採納。兩項計劃之主要條款概要如下：

(A) 首次公開發售後購股權計劃

- (i) 目的是為參與者提供激勵。
- (ii) 參與者包括任何僱員或執行董事，以及董事會可能認為合適之其他人士。
- (iii) 於二零零八年十二月十二日，本公司股東正式通過一項決議案更新首次公開發售後購股權計劃之10%一般上限。根據首次公開發售後購股權計劃可予授出的購股權所涉及的最高股份數目，不得超過於二零零八年十二月十二日已發行股份之10%（即151,749,000股股份，相當於本公司於本年報日期已發行股份5.93%），而因行使所有尚未行使之購股權而可能已發行或可發行之最高股份總數，無論如何不得超過本公司任何時候已發行股本之30%。
- (iv) 購股權之接納（倘若接納）必須於授出日期起計五個營業日內作出。承授人毋須就獲授之購股權支付代價。
- (v) 購股權之行使價必須為以下之最高者：
 - 於授出日期股份之收市價；
 - 緊接授出日期前五個交易日股份之平均收市價；及
 - 股份之面值。

36. SHARE OPTION SCHEMES (CONTINUED)

(A) Post-IPO Options (continued)

- (vi) The life of the Post-IPO Options was effective until 29 May 2015, after which time no further option will be granted but provisions of the Post-IPO Options shall remain in full force and effect in all other respects.
- (vii) On 19 July 2013, the Company has granted an aggregate of 63,000,000 share options under the Post-IPO Options to eligible participants thereof, including certain employees and business partners of the Group ("Grantees"). The Options entitle the Grantees to subscribe for an aggregate of 63,000,000 new ordinary shares of HK\$0.10 each in the share capital of the Company upon exercise in full.
- (viii) Unless approved by shareholders in general meeting in the manner prescribed in the Listing Rules, the Board shall not grant options to any grantee if the acceptance of those options would result in the total number of shares issued and to be issued to that grantee on exercise of his options during any 12 month period exceeding 1 per cent of the total shares then in issue.

Where any further grant of options to a grantee, if exercised in full, would result in the total number of shares already issued or to be issued upon exercise of all options granted and to be granted to such grantee (including exercised, cancelled and outstanding options) in any 12-month period up to and including the date of such further grant exceeding one per cent of the total number of shares in issue, such further grant must be separately approved by the shareholders in general meeting with such participant and his associates abstaining from voting.

36. 購股權計劃(續)

(A) 首次公開發售後購股權計劃(續)

- (vi) 首次公開發售後購股權計劃之年期直至二零一五年五月二十九日為止一直生效，其後將不會再授出購股權，但首次公開發售後購股權計劃之條文在所有其他方面仍具十足效力及生效。
- (vii) 於二零一三年七月十九日，本公司根據首次公開發售後購股權計劃向計劃之合資格參與者(包括本集團若干僱員及業務夥伴(「承授人」)授出合共63,000,000份購股權。購股權於悉數獲行使時將賦予承授人權力認購本公司股本中合共63,000,000股每股面值0.10港元之新普通股。
- (viii) 倘承授人於任何12個月期間因接納該等購股權而導致於行使該等購股權時之已發行及將予發行股份總數超過當時已發行股份總數1%，除非獲股東於股東大會上以上市規則所述之方式批准，否則董事會不可向任何承授人授出購股權。

倘於任何截至及包括額外授出購股權當日止12個月內向承授人額外授出任何購股權(倘悉數行使)而導致因行使已授予及將授予該承授人之所有購股權(包括已行使、註銷及未行使者)而已發行及將發行之股份合共超過已發行股份總數1%，則該項額外授出購股權須獲得本公司股東於股東大會上另行批准，而該名參與者及其聯繫人士須放棄就該議案投票。

36. SHARE OPTION SCHEMES (CONTINUED)

(B) New Share Options

- (i) The purpose was to provide incentives to the participants.
- (ii) The participants included any employee or executive Director and such other persons as the board of directors may consider appropriate.
- (iii) The maximum number of shares in respect of which options might be granted under the New Share Options must not exceed 30% of the shares in issue from time to time and in any event the total maximum number of shares which might be issued or issuable upon exercise of all outstanding options should not exceed 10% of the issued share capital of the Company from time to time.
- (iv) The acceptance of an option, if accepted, must be made within 5 business days from the date of grant. No consideration is required to be paid by the grantee for the grant of options.
- (v) The exercise price of an option must be the highest of:
 - the closing price of the share on the grant date;
 - the average closing price of the share for the 5 trading days immediately preceding the grant; and
 - the nominal value of the share.
- (vi) The life of the New Share Options was effective until 1 June 2026, after which time no further option will be granted but provisions of the New Share Options shall remain in full force and effect in all other respects.

36. 購股權計劃(續)

(B) 新購股權計劃

- (i) 目的是為參與者提供激勵。
- (ii) 參與者包括任何僱員或執行董事，以及董事會可能認為合適之其他人士。
- (iii) 根據新購股權計劃可予授出的購股權所涉及的最高股份數目不得超過任何時候已發行股份之30%，且於任何情況下，行使所有尚未行使的購股權而可能已發行或可發行之最高股份總數，無論如何不得超過本公司於任何時候已發行股本之10%。
- (iv) 購股權之接納(倘若接納)必須於授出日期起計5個營業日內作出。承授人毋須就獲授之購股權支付代價。
- (v) 購股權之行使價必須為以下之最高者：
 - 於授出日期股份之收市價；
 - 緊接授出日期前五個交易日股份之平均收市價；及
 - 股份之面值。
- (vi) 新購股權計劃之年期直至二零二六年六月一日為止一直生效，其後將不會再授出購股權，但新購股權計劃之條文在所有其他方面仍具十足效力及生效。

36. SHARE OPTION SCHEMES (CONTINUED)

(B) New Share Options (continued)

- (vii) Unless approved by shareholders in general meeting in the manner prescribed in the Listing Rules, the Board shall not grant options to any grantee if the acceptance of those options would result in the total number of shares issued and to be issued to that grantee on exercise of his options during any 12 month period exceeding 1 per cent of the total shares then in issue.

Where any further grant of options to a grantee, if exercised in full, would result in the total number of shares already issued or to be issued upon exercise of all options granted and to be granted to such grantee (including exercised, cancelled and outstanding options) in any 12-month period up to and including the date of such further grant exceeding one per cent of the total number of shares in issue, such further grant must be separately approved by the shareholders in general meeting with such participant and his associates abstaining from voting.

- (viii) No share options were granted under the New Share Options during the years ended 31 December 2017 and 2016.

36. 購股權計劃(續)

(B) 新購股權計劃(續)

- (vii) 倘承授人於任何12個月期間因接納該等購股權而導致於行使該等購股權時之已發行及將予發行股份總數超過當時已發行股份總數1%，除非獲股東於股東大會上以上市規則所述之方式批准，否則董事會不可向任何承授人授出購股權。

倘於任何截至及包括額外授出購股權當日止12個月內向承授人額外授出任何購股權(倘悉數行使)而導致因行使已授予及將授予該承授之所有購股權(包括已行使、註銷及未行使者)而已發行及將發行之股份合共超過已發行股份總數1%，則該項額外授出購股權須獲得本公司股東於股東大會上另行批准，而該名參與者及其聯繫人士須放棄就該議案投票。

- (viii) 截至二零一七年及二零一六年十二月三十一日止年度，概無根據新購股權計劃授出任何購股權。

36. SHARE OPTION SCHEMES (CONTINUED)

36. 購股權計劃(續)

The following table disclose details of the options under pre-initial public offering share options scheme (the “Pre-IPO Options”) and Post-IPO Options held by the grantee and movements in such holdings:

下表披露承授人根據首次公開發售前購股權計劃(「首次公開發售前購股權計劃」)及首次公開發售後購股權計劃持有之購股權之詳情及該等權益之變動：

Category of participants	Name of scheme	Date of grant	Exercisable period	Exercise price per share	Outstanding	Forfeited during the year	Lapsed during the year	Outstanding	Reallocated upon change of directorate	Exercised during the year	Forfeited during the year	Lapsed during the year	Outstanding
					at 1 January 2016			at 31 December 2016					at 31 December 2017
參與者類別	計劃名稱	授出日期	行使期 (Note i) (附註i)	每股 行使價 HK\$ 港元	於二零一六年 一月一日 尚未行使	年內沒收	年內失效	於二零一六年 十二月三十一日 尚未行使	董事變動後 重新分配 (Note ii) (附註ii)	年內行使	年內沒收	年內失效	於二零一七年 十二月三十一日 尚未行使
Directors													
董事													
Tang Rongrong 唐融融	Post-IPO Options 首次公開發售後 購股權計劃	28.3.2008 二零零八年 三月二十八日	15.4.2009-27.3.2018 二零零九年四月十五日至 二零一八年三月二十七日	0.69	936,000	-	-	936,000	-	-	-	-	936,000
	Post-IPO Options 首次公開發售後 購股權計劃	3.9.2009 二零零九年 九月三日	15.4.2010-2.9.2019 二零一零年四月十五日至 二零一九年九月二日	0.68	3,510,000	-	-	3,510,000	-	-	-	-	3,510,000
Chan Tat Wing, Richard 陳達榮	Post-IPO Options 首次公開發售後 購股權計劃	28.3.2008 二零零八年 三月二十八日	15.4.2009-27.3.2018 二零零九年四月十五日至 二零一八年三月二十七日	0.69	1,872,000	-	-	1,872,000	-	-	-	-	1,872,000
	Post-IPO Options 首次公開發售後 購股權計劃	3.9.2009 二零零九年 九月三日	15.4.2010-2.9.2019 二零一零年四月十五日至 二零一九年九月二日	0.68	3,510,000	-	-	3,510,000	-	-	-	-	3,510,000
Liu Hong 劉泓	Post-IPO Options 首次公開發售後 購股權計劃	13.11.2007 二零零七年 十一月十三日	1.4.2008-12.11.2017 二零零八年四月一日至 二零一七年十一月十二日	1.40	117,000	-	-	117,000	-	-	-	(117,000)	-
	Post-IPO Options 首次公開發售後 購股權計劃	28.3.2008 二零零八年 三月二十八日	15.4.2009-27.3.2018 二零零九年四月十五日至 二零一八年三月二十七日	0.69	393,120	-	-	393,120	(393,120)	-	-	-	-
	Post-IPO Options 首次公開發售後 購股權計劃	3.9.2009 二零零九年 九月三日	15.4.2010-2.9.2019 二零一零年四月十五日至 二零一九年九月二日	0.68	936,000	-	-	936,000	(936,000)	-	-	-	-
Liu Jun 劉軍	Post-IPO Options 首次公開發售後 購股權計劃	3.9.2009 二零零九年 九月三日	15.4.2010-2.9.2019 二零一零年四月十五日至 二零一九年九月二日	0.68	936,000	-	-	936,000	-	-	-	-	936,000
					12,210,120	-	-	12,210,120	(1,329,120)	-	-	(117,000)	10,764,000

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

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

36. SHARE OPTION SCHEMES (CONTINUED)

36. 購股權計劃(續)

Category of participants	Name of scheme	Date of grant	Exercisable period	Exercise price per share	Outstanding at 1 January 2016	Forfeited during the year	Lapsed during the year	Outstanding at 31 December 2016	Reallocated upon change of directorate	Exercised during the year	Forfeited during the year	Lapsed during the year	Outstanding at 31 December 2017
參與者類別	計劃名稱	授出日期	行使期 (Note i) (附註i)	每股 行使價 HK\$ 港元	於二零一六年 一月一日 尚未行使	年內沒收	年內失效	於二零一六年 十二月三十一日 尚未行使	董事變動後 重新分配 (Note ii) (附註ii)	年內行使	年內沒收	年內失效	於二零一七年 十二月三十一日 尚未行使
Employees of the Group 本集團僱員	Post-IPO Options 首次公開發售後 購股權計劃	12.5.2006 二零零六年 五月十二日	1.1.2007-11.5.2016 二零零七年一月一日至 二零一六年五月十一日	3.14	2,363,400	-	(2,363,400)	-	-	-	-	-	-
	Post-IPO Options 首次公開發售後 購股權計劃	13.11.2007 二零零七年 十一月十三日	1.4.2008-12.11.2017 二零零八年四月一日至 二零一七年十一月十二日	1.40	3,635,775	(93,600)	-	3,542,175	-	-	(285,480)	(3,256,695)	-
	Post-IPO Options 首次公開發售後 購股權計劃	28.3.2008 二零零八年 三月二十八日	15.4.2009-27.3.2018 二零零九年四月十五日至 二零一八年三月二十七日	0.69	12,667,005	(251,550)	-	12,415,455	393,120	-	(531,180)	-	12,277,395
	Post-IPO Options 首次公開發售後 購股權計劃	3.9.2009 二零零九年 九月三日	15.4.2010-2.9.2019 二零一零年四月十五日至 二零一九年九月二日	0.68	40,377,015	(1,889,550)	-	38,487,465	936,000	-	(1,062,945)	-	38,360,520
	Post-IPO Options 首次公開發售後 購股權計劃	19.7.2013 二零一三年 七月十九日	15.4.2015-18.7.2023 二零一五年四月十五日至 二零二三年七月十八日	0.346	17,213,000	(300,000)	-	16,913,000	-	(1,650,000)	-	-	15,263,000
	Post-IPO Options 首次公開發售後 購股權計劃	19.7.2013 二零一三年 七月十九日	15.4.2015-18.7.2023 二零一五年四月十五日至 二零二三年七月十八日	0.346	45,400,000	-	-	45,400,000	-	-	-	-	45,400,000
	顧問	顧問	二零一三年 七月十九日	二零一五年四月十五日至 二零二三年七月十八日	0.346	45,400,000	-	-	45,400,000	-	-	-	-
Total 總計					133,866,315	(2,534,700)	(2,363,400)	128,968,215	-	(1,650,000)	(1,879,605)	(3,373,695)	122,064,915
Exercisable at the end of the year 於年末可予行使								128,968,215					122,064,915

36. SHARE OPTION SCHEMES (CONTINUED)

Notes:

- (i) In relation to each grantee of the options granted under the Pre-IPO Options, subject to the vesting period set out below and terms of the Pre-IPO Options, an option may be exercised by the grantee at any time during the period of 10 years commencing on the date of grant, 25% of the options will vest during the period from 1 April 2006 to 31 December 2006 and in each of the three calendar years from 1 January 2007 to 31 December 2009.

In relation to each grantee of the options granted on 12 May 2006 under Post-IPO Options, 25% of the options will vest in each of the four calendar years from 1 January 2007.

In relation to each grantee of the options granted on 13 November 2007 under Post-IPO Options, 25% of the options will vest in each of the four years from 1 April 2008.

In relation to each grantee of the options granted on 28 March 2008 under Post-IPO Options, 25% of options will vest in each of the four year from 15 April 2009.

In relation to each grantee of the options granted on 3 September 2009 under Post-IPO Options, 25% of options will vest in each of the four year from 15 April 2010.

In relation to each grantee of the options granted on 19 July 2013 under Post-IPO Options, 25% of options will vest in each of the four year from 15 April 2014.

- (ii) Liu Hong resigned as a Director with effect from 31 December 2017 and became an employee of the Group since then.

Fair value of share options granted to employees determined at the date of grant is expensed over the vesting period, with a corresponding adjustment to the Group's share option reserve. For the year ended 31 December 2017, an amount of share option expense of approximately HK\$1,282,000 (2016: HK\$2,904,000) has been recognised with a corresponding adjustment recognised in the Group's share option reserve.

36. 購股權計劃(續)

附註:

- (i) 就根據首次公開發售前購股權計劃獲授購股權之每名承授人而言，在下文所載之歸屬期及首次公開發售前購股權之條款規限下，承授人可於授出日期起10年期間內隨時行使購股權，而於二零零六年四月一日至二零零六年十二月三十一日止期間及於二零零七年一月一日至二零零九年十二月三十一日止三個曆年各年將有25%之購股權歸屬。

就根據首次公開發售後購股權計劃於二零零六年五月十二日獲授購股權之每名承授人而言，由二零零七年一月一日起的四個曆年每年將有25%之購股權歸屬。

就根據首次公開發售後購股權計劃於二零零七年十一月十三日獲授購股權之每名承授人而言，由二零零八年四月一日起的四個年度每年將有25%之購股權歸屬。

就根據首次公開發售後購股權計劃於二零零八年三月二十八日獲授購股權之每名承授人而言，由二零零九年四月十五日起的四個年度每年將有25%之購股權歸屬。

就根據首次公開發售後購股權計劃於二零零九年九月三日獲授購股權之每名承授人而言，由二零一零年四月十五日起的四個年度每年將有25%之購股權歸屬。

就根據首次公開發售後購股權計劃於二零一三年七月十九日獲授購股權之每名承授人而言，由二零一四年四月十五日起的四個年度每年將有25%之購股權歸屬。

- (ii) 劉泓已於二零一七年十二月三十一日辭任亦自此成為本集團之僱員。

於授出日期所釐定向僱員授出之購股權之公平值於歸屬期支銷，並會於本集團之購股權儲備作相應調整。截至二零一七年十二月三十一日止年度，已確認購股權支出金額約1,282,000港元(二零一六年：2,904,000港元)，並已於本集團之購股權儲備確認相應調整。

37. RELATED PARTY TRANSACTIONS

Compensation of key management personnel

The remuneration of key management representing the Directors' remuneration as disclosed in note 10 during the year was as follows:

Short-term benefits	短期福利
Post-employment benefits	離職後福利

The remuneration of Directors and key executives is determined by the remuneration committee having regard to the Group's operating results, responsibilities and performance of individuals and market trends.

37. 關連人士交易

主要管理人員之報酬

於本年度，在附註10所披露代表董事酬金的主要管理人員酬金如下：

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
5,059	5,060
295	283
5,354	5,343

董事及主要行政人員之酬金由薪酬委員會經考慮本集團經營業績、個人所承擔之責任及其表現及市場趨勢後釐定。

38. DISPOSAL OF SUBSIDIARIES

- (a) During the year ended 31 December 2015, the Group disposed of its 60% equity interest in 上海鼎希物聯網科技有限公司 Shanghai Dingxi Internet of Things Technology Limited (“Shanghai Dingxi”) at a total consideration of RMB4,000,000 (equivalent to approximately HK\$5,000,000) to the non-controlling shareholder (“Purchaser”) of Shanghai Dixi (“Disposal”). The consideration was to be satisfied by cash, of which (i) the first instalment of RMB1,200,000 to be settled at the date of the completion of the Disposal; (ii) the second instalment of RMB600,000 to be settled on the 90th day of the date of the completion of the Disposal; and (iii) the final instalment of RMB2,200,000 to be settled at the third anniversary date of the date of completion of the Disposal. The settlement date of final instalment of RMB2,200,000 could be delayed to the sixth anniversary date of the date of completion of the Disposal at the discretion of the Purchaser. Fair value of the consideration receivable is estimated by using discounted cash flow method with imputed interest rate of 7.345% per annum at initial recognition and subsequently measured at amortised cost. As at 31 December 2017, the unsettled consideration of RMB2,038,000 (equivalent to approximately HK\$2,456,000) (2016:RMB2,038,000 (equivalent to approximately HK\$2,297,000)) was recorded as consideration receivable in the consolidated statement of financial position.
- (b) During the year ended 31 December 2017, the Group entered into sale and purchase agreements with a few independent third parties to dispose of the share capital of certain subsidiaries held by the Group. The aggregate considerations were HK\$3,447,000 in cash. The disposals of the subsidiaries were all completed in the current year.

38. 出售附屬公司

- (a) 於截至二零一五年十二月三十一日止年度，本集團向上海鼎希物聯網科技有限公司（「上海鼎希」）的非控股股東（「買方」）出售其於上海鼎希60%股權，總代價為人民幣4,000,000元（相當於約5,000,000港元）（「出售事項」）。有關代價將以現金償付，當中(i)首期人民幣1,200,000元將於出售事項完成日期償付；(ii)第二期人民幣600,000元將於出售事項完成日期後第90天償付；而(iii)最後一期人民幣2,200,000元將於出售事項完成日期後的三周年當日償付。買方可酌情將最後一期人民幣2,200,000元的還款日期延遲至出售事項完成日期後的六周年當日。應收代價的公平值乃於初始確認時採用現金流量折現法按估算利率每年7.345厘估計及其後按攤銷成本計量。於二零一七年十二月三十一日，尚未償付的代價人民幣2,038,000元（相等於約2,456,000港元）（二零一六年：人民幣2,038,000元（相等於約2,297,000港元））於綜合財務狀況表記作應收代價。
- (b) 於截至二零一七年十二月三十一日止年度，本集團與數名獨立第三方人士訂立買賣協議，出售本集團持有之若干附屬公司股本。累計代價為現金3,447,000港元。出售附屬公司全部於本年度完成。

38. DISPOSAL OF SUBSIDIARIES (CONTINUED) 38. 出售附屬公司(續)

		HK\$'000 千港元
Aggregate considerations received:	累計已收代價：	
Cash received	已收現金	3,447
		HK\$'000 千港元
Analysis of aggregate assets and liabilities over which control was lost:	失去控制權時的累計資產及負債分析：	
Property, plant and equipment	物業、廠房及設備	153
Inventories	存貨	1,967
Trade and other receivables	應收貿易及其他款項	8,518
Trade and other payables	應付貿易及其他款項	(6,927)
Bank balances and cash	銀行結餘及現金	870
Net assets disposed of	出售資產淨值	4,581
Loss on disposal of subsidiaries:	出售附屬公司之虧損：	
Considerations received	已收代價	3,447
Net assets disposed of	出售資產淨值	(4,581)
Non-controlling interests	非控股權益	1,252
Gain on disposal	出售之收益	118
Net cash inflow arising on disposal:	出售產生之現金流入淨額：	
Cash considerations	現金代價	3,447
Less: Bank balances and cash disposed of	減：出售之銀行結餘及現金	(870)
		2,577

39. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

39. 來自金融活動之負債對賬

以下表格詳列本集團來自金融活動(包括現金及非現金變動)之負債。來自金融活動之負債乃該等其現金流曾經,或將會於本集團的綜合現金流報表中分類為來自金融活動的現金流。

		Bank borrowings	Amounts due to non-controlling shareholders of subsidiaries	Other liabilities	Dividend payable	Total
		銀行借貸	應付附屬公司非 控股股東款項	其他負債	應付股息	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
At 1 January 2017	於二零一七年 一月一日	299,991	35,613	-	-	335,604
Financing cash flows	融資現金流量	(245,639)	(35,613)	141,154	(25,579)	(165,677)
Non-cash changes:	非現金變動:					
Foreign exchange	外匯	20,762	-	-	-	20,762
Interest expenses	利息支出	8,990	-	-	-	8,990
Dividend	股息	-	-	-	25,579	25,579
At 31 December 2017	於二零一七年 十二月三十一日	84,104	-	141,154	-	225,258

40. NON-CASH TRANSACTIONS

During the year ended 31 December 2017, the purchase consideration of property, plant and equipment amounting to HK\$54,000 (2016: HK\$564,000) remained unsettled and included in other payables, deposits received and accruals as at 31 December 2017.

During the year ended 31 December 2016, the Group and certain non-controlling shareholders incorporated certain non-wholly owned subsidiaries of which capital injection from non-controlling interests amounting to HK\$3,129,000 remained unsettled and included in amounts due from non-controlling shareholders of subsidiaries as at 31 December 2017 and 2016.

41. FINANCIAL INSTRUMENTS

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of debts, which include the bank borrowings and equity attributable to owners of the Company, comprising issued share capital, reserves and accumulated profits. The management reviews the capital structure by considering the cost of capital and the risks associated with each class of capital. In view of this, the Group will balance its overall capital structure through the payment of dividends, new share issues as well as the issue of new debt or the redemption of existing debt. The Group's overall strategy remains unchanged throughout the year.

40. 非現金交易

截至二零一七年十二月三十一日止年度，購置物業、廠房及設備的代價中尚有54,000港元（二零一六年：564,000港元）未繳付，並已計入於二零一七年十二月三十一日的其他應付賬款、已收按金及應計款項中。

截至二零一六年十二月三十一日止年度，本集團及若干非控股股東註冊成立若干非全資附屬公司，其中來自非控股權益注資3,129,000港元尚未支付，並於二零一七年及二零一六年十二月三十一日計入應收附屬公司非控股股東款項中。

41. 金融工具

資本風險管理

本集團管理資本之目的為透過優化債務權益之平衡，確保本集團旗下各實體有能力繼續以持續基準經營，並同時為股東帶來最高回報。本集團之資本結構包括債務（其包括銀行借貸）及本公司擁有人應佔權益（包括已發行股本、儲備及累計溢利）。管理層審閱資本結構時會考慮資本成本及與各類資本相關之風險。就此，本集團將透過支付股息、發行新股以及發行新債或贖回現有債務平衡整體資本結構。本集團之整體策略於本年度內維持不變。

41. FINANCIAL INSTRUMENTS (CONTINUED)

41. 金融工具(續)

Categories of financial instruments		金融工具類別	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Financial assets	金融資產		
Loans and receivables (including cash and cash equivalents)	貸款與應收賬款 (包括現金及現金等值項目)	879,008	824,550
Available-for-sale investment	可供出售之投資	80,253	187,448
Financial liabilities	金融負債		
Amortised cost	已攤銷成本	720,444	758,620

Financial risk management objectives and policies

The Group's major financial instruments include available-for-sale investment, trade and notes receivables and payables, other receivables and payables, accruals, entrusted loan receivables, amounts due from/to non-controlling shareholders of subsidiaries and an associate, consideration receivable, pledged bank deposits, bank balances, bank borrowings and other liabilities. Details of these financial instruments are disclosed in the respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Currency risk

Several subsidiaries of the Group have foreign currency sales and purchases, which expose the Group to foreign currency risk. Approximately 17% (2016: 25%) of the Group's sales are denominated in currencies other than the functional currency of the group entity making the sale, whilst almost 60% (2016: 60%) of costs are denominated in the group entity's functional currency.

財務風險管理的目標與政策

本集團之主要金融工具包括可供出售投資、應收及應付貿易賬款及票據、其他應收及應付賬款、應計費用、應收委託貸款、應收／應付及一間聯營公司附屬公司非控股股東款項、應收代價、已抵押銀行存款、銀行結餘、銀行借貸及其他負債。該等金融工具之詳情於有關附註中披露。與該等金融工具相關之風險以及有關減低該等風險之政策載於下文。管理層管理及監察該等風險，以確保能及時和有效採取適當措施。

貨幣風險

本集團多家附屬公司以外幣進行買賣，令本集團面對外幣風險。本集團銷售額約17% (二零一六年：25%) 以集團實體進行買賣的功能貨幣以外的貨幣計值，而約60% (二零一六年：60%) 的成本是以集團實體的功能貨幣計值。

41. FINANCIAL INSTRUMENTS (CONTINUED)

Financial risk management objectives and policies (continued)

Currency risk (continued)

At the end of the reporting period, the major financial assets and liabilities of the Group denominated in currencies other than the functional currency of the respective group entities are trade receivables, bank balances, trade payables and bank borrowings and the amounts are disclosed in notes 27, 28, 29 and 30 respectively.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of reporting period are as follows:

USD	美元
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The management monitors foreign exchange exposure and will consider hedging significant foreign currency expose should the need arise.

41. 金融工具(續)

財務風險管理的目標與政策(續)

貨幣風險(續)

於報告期末，本集團以各自集團實體功能貨幣以外的貨幣計值的主要金融資產及負債為應收貿易賬款、銀行結餘、應付貿易賬款及銀行借貸，其相關金額分別於附註27、28、29及30中披露。

於報告期末，本集團以外幣計值的貨幣資產及貨幣負債的賬面值如下：

Assets 資產		Liabilities 負債	
2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
97,297	101,464	105,156	88,161

管理層會監察外匯風險，並於有需要時考慮對沖重大外幣風險。

41. FINANCIAL INSTRUMENTS (CONTINUED)

41. 金融工具(續)

Financial risk management objectives and policies (continued)

Currency risk (continued)

Sensitivity analysis

The following table details the Group's sensitivity to a 10% (2016: 10%) increase and decrease in RMB against USD. 10% (2016: 10%) represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for a 10% (2016: 10%) change in foreign currency rates. A positive number below indicates an increase in post-tax profit where RMB strengthen 10% against USD for the both years. For a 10% weakening of RMB against USD, there would be an equal and opposite impact on the post-tax profit and the balances below would be negative.

Increase in post-tax profit 除稅後溢利增加

Note: This is mainly attributable to the exposure on outstanding USD bank balances, receivables, payables and bank borrowings of the Group at the end of the reporting period.

Credit risk

The Group's credit risk is primarily attributable to trade and notes receivables, other receivables, consideration receivable, entrusted loan receivables, amounts due from non-controlling shareholders of subsidiaries and an associate, pledged bank deposits and bank balances.

The Group's maximum exposure to credit risk in the event of the counterparties failure to perform their obligations as at 31 December 2017 and 2016 in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated statement of financial position.

財務風險管理的目標與政策(續)

貨幣風險(續)

敏感度分析

下表詳細列出本集團對於人民幣兌美元升值/貶值10%(二零一六年:10%)的敏感度。10%(二零一六年:10%)代表管理層所評估外匯匯率可能出現的合理變動。敏感度分析僅包括以外幣計值的未償還貨幣項目,並以匯率出現10%(二零一六年:10%)變動對其於報告期末的換算金額作出調整。以下的正數代表人民幣兌美元在兩個年度升值10%的除稅後溢利增加。如人民幣兌美元貶值10%,除稅後溢利將有相同但相反的影響,而結餘將會是負數。

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
371	1,951

附註: 主要為來自本集團於報告期末以美元計值之未償還銀行結餘、應收及應付款項以及銀行借貸之風險。

信貸風險

本集團的信貸風險主要來自應收貿易賬款及票據、其他應收賬款、應收代價、應收委託貸款、應收附屬公司及一間聯營公司非控股股東款項、已抵押銀行存款以及銀行結餘。

於二零一七年及二零一六年十二月三十一日,本集團因對手方未能履行責任而就每類已確認金融資產所須承受之最大信貸風險,為該等資產於綜合財務狀況表內所示之賬面值。

41. FINANCIAL INSTRUMENTS (CONTINUED)

Financial risk management objectives and policies (continued)

Credit risk (continued)

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual debt at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In respect of credit risks arising from amounts due from non-controlling shareholders of subsidiaries and an associate, in the opinion of the Directors, no significant credit risks are expected as there is no default repayment history. In this regard, the Directors consider that the Group's credit risk is significantly reduced.

As at 31 December 2017, the Group invested into one (2016: four) entrusted loan agreements (details are set out in note 21). Under the entrusted loan agreements, the Group provided funding to loan borrowers through licensed asset managers and/or licensed banks, which acted as the assets managers and trustees respectively. The asset managers and the trustee banks do not bear the credit risk of the entrusted loan receivables. Before entering into these agreements, the Group assesses the credit quality of the loan borrowers and defines the terms of the loans. The Group has concentration of risk on the entrusted loan receivables as the loans are made to one (2016: three) entrusted loan borrowers. During the year ended 31 December 2017, the Group received interest income of HK\$7,021,000 (2016: HK\$8,938,000) and recognised as other income. In view of the timely interest repayment, in the opinion of the Directors, the credit risk in respect to the entrusted loan receivables could be monitored.

41. 金融工具(續)

財務風險管理的目標與政策(續)

信貸風險(續)

為盡量減低信貸風險，本集團管理層已委派一支團隊負責釐定信貸限額、信貸審批及其他監察程序，以確保採取跟進措施收回逾期債務。此外，本集團會於報告期末審閱各項債務的可收回金額，以確保就不可收回金額計提合適的減值虧損。就應收附屬公司及一間聯營公司非控股股東款項而產生的信貸風險而言，董事認為，由於沒有違約償還歷史，預計不會發生重大信貸風險。就此而言，董事認為本集團的信貸風險已顯著減低。

於二零一七年十二月三十一日，本集團投資於一份(二零一六年：四份)委託貸款協議(詳情載於附註21)。根據委託貸款協議，本集團透過持牌資產管理人及/或持牌銀行(分別作為資產管理人及受託人)向貸款借款人提供資金。資產管理人及受託銀行並無承擔應收委託貸款之信貸風險。本集團訂立該等協議前，已評估貸款借款人之信貸質素，並且界定貸款年期。本集團向一名(二零一六年：三名)委託貸款借款人提供應收委託貸款，因而就該等貸款而有集中風險。於截至二零一七年十二月三十一日止年度，本集團已收取利息收入7,021,000港元(二零一六年：8,938,000港元)，並確認為其他收入。董事認為，基於利息按時償付，就應收委託貸款承擔之信貸風險在可監察範圍。

41. FINANCIAL INSTRUMENTS (CONTINUED)

41. 金融工具(續)

Financial risk management objectives and policies (continued)

Credit risk (continued)

The Group's bank balances and cash are deposited with banks in Hong Kong and the PRC and the Group has limited the exposure to any single financial institution. In addition, the Group's pledged deposits are also deposited with a bank in the PRC. The credit risk on liquid funds is limited because the counterparties are banks with good reputation.

The Group has concentration of credit risks with exposure limited to certain customers. As at 31 December 2017, five (2016: five) customers amounting to HK\$96,829,000 (2016: HK\$61,792,000) comprised approximately 32% (2016: 26%) of the Group's trade receivables. These customers are within the same mobile phone technology industry in the PRC, Singapore and the United Kingdom. The management closely monitors the subsequent settlement of the customers. In this regard, the Directors consider that the Group's credit risk is significantly reduced.

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank borrowings and ensures compliance with loan covenants.

As at 31 December 2017, the carrying amount of bank borrowings amounted to HK\$84,104,000 (2016: HK\$299,991,000). All such bank borrowings included a repayment on demand clause exercisable at any time by the relevant banks and are classified as current liabilities. In accordance with the scheduled repayment dates set out in the loan agreements, the aggregate principal and interest cash outflows amount to HK\$86,057,000 (2016: HK\$300,912,000). However, should the relevant banks exercise their rights to demand immediate repayment, the principal amounts of these bank borrowings amounting to HK\$84,104,000 (2016: HK\$299,991,000) will be repayable on demand. Taking into account the Group's financial position, the Directors do not believe that it is probable that the banks will exercise their discretionary rights to demand immediate repayment.

財務風險管理的目標與政策(續)

信貸風險(續)

本集團之銀行結餘及現金存於多間香港及中國之銀行，故本集團就任何單一財務機構承擔之風險有限。此外，本集團之抵押存款亦存放於中國一間銀行。流動資金之信貸風險有限，因為交易對方均為具良好信譽之銀行。

本集團存在信貸風險集中的情況，風險集中於若干客戶。於二零一七年十二月三十一日，涉及五名(二零一六年：五名)客戶的款項為96,829,000港元(二零一六年：61,792,000港元)，佔本集團的應收貿易賬款約32%(二零一六年：26%)。該等客戶位於中國、新加坡及英國同樣從事移動電話技術行業。管理層將密切監察該等客戶往後之結算情況。就此而言，本公司董事認為本集團之信貸風險已大大降低。

流動資金風險

管理流動資金風險方面，本集團會監察及維持現金及現金等值項目於管理層視為充足的水平，以應付本集團營運所需，並降低現金流量波動之影響。管理層會監察銀行借貸之運用，以確保符合貸款契諾。

於二零一七年十二月三十一日，銀行借貸的賬面值達84,104,000港元(二零一六年：299,991,000港元)。所有銀行借貸均載有銀行可於任何時間行使的按要求償還條款，因而分類為流動負債。根據借貸協議中的償還日期，本金及利息現金流出總額為86,057,000港元(二零一六年：300,912,000港元)。然而，如有關銀行行使權利要求即時還款，該等銀行借貸之本金額84,104,000港元(二零一六年：299,991,000港元)將須於要求時償還。考慮到本集團的財務狀況，本公司董事認為銀行不大可能行使其酌情權要求即時償還。

41. FINANCIAL INSTRUMENTS (CONTINUED)

Financial risk management objectives and policies (continued)

Liquidity risk (continued)

The Directors consider that liquidity risk is limited after considering the future cash flows of the Group in the foreseeable future, including the repayment schedule of bank borrowings as discussed above and the short-term liabilities which are required to be repaid within three months from the end of the reporting period. The Group manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Interest rate risk

The Group's fair value interest rate risk relates primarily to its entrusted loan receivables.

As at 31 December 2017 and 2016, the Group is exposed to cash flow interest rate risk in relation to variable-rate bank borrowings and bank balances.

The Group currently does not have a cash flow interest rate hedging policy. However, the management closely monitors its exposure to future cash flow risk as a result of change on market interest rate and will consider hedging changes in market interest rates should the need arise. A 100 basis point (2016: 100 basis point) change represents management's assessment of the reasonably possible change in interest rates.

The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of LPR arising from the Group's variable interest rate bank borrowings.

41. 金融工具(續)

財務風險管理的目標與政策(續)

流動資金風險(續)

考慮到本集團在可見將來的未來現金流(包括上文所討論的銀行借貸還款時間及需於報告期末後三個月內償還的短期債務)之後,董事認為流動資金風險有限。本集團通過持續監察預期與實際現金流,並將金融資產與負債的到期日相配以維持適當的儲備,從而管理流動資金風險。

利率風險

本集團公平值利率風險主要與其應收委託貸款有關。

於二零一七年及二零一六年十二月三十一日,本集團就浮息銀行借貸及銀行結餘承受現金流利率風險。

本集團現時並無現金流利率對沖政策。然而,管理層嚴密監控因市場利率變動而承受之未來現金流風險,並將於需要時考慮對沖市場利率之變動。100個基點(二零一六年:100個基點)之變動乃代表管理層所評估利率可能出現之合理變動。

本集團現金流動利率風險主要集中在本集團浮息銀行借貸產生之貸款基礎利率波動。

41. FINANCIAL INSTRUMENTS (CONTINUED)

41. 金融工具(續)

Financial risk management objectives and policies (continued)

Interest rate risk (continued)

Sensitivity analysis

The management considers that the Group's exposure to future cash flow risk on variable-rate bank balances as a result of the change of market interest rate is insignificant and thus variable-rate bank balances are not included in the sensitivity analysis.

The sensitivity analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. If the interest rate of bank borrowings had been 100 basis point (2016: 100 basis point) higher/lower and all other variables were held constant, the Group's post-tax profit for the year ended 31 December 2017 would decrease/increase by HK\$631,000 (2016: HK\$2,016,000). This is mainly attributable to the Group's exposure to interest rates on its variable-rate bank borrowings.

Price risk

As at 31 December 2017 and 2016, the Group is exposed to other price risk through its listed available-for-sale investment.

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to equity price risk at the end of the reporting period. The sensitivity analysis included the available-for-sale investment carried at fair value. If the price of the respective available-for-sale investment in listed equity securities had been 10% higher/lower, assuming all other variables were held constant, the Group's other comprehensive income (net of tax) for the year ended 31 December 2017 would increase/decrease by HK\$6,019,000 (2016: HK\$14,059,000).

財務風險管理的目標與政策(續)

利率風險(續)

敏感度分析

管理層認為，本集團因市場利率變動向浮息銀行結餘承受之未來現金流風險不大，因此，敏感度分析並無包括浮息銀行結餘。

編製敏感度分析乃假設在報告期末尚未償還的金融工具於整年內未償還。如銀行借貸利率上升/下降100基點(二零一六年: 100基點)而所有其他變數維持不變，本集團截至二零一七年十二月三十一日止年度的除稅後溢利將會減少/增加631,000港元(二零一六年: 2,016,000港元)。這主要是由於本集團浮息銀行借貸的利率風險所致。

價格風險

於二零一七年及二零一六年十二月三十一日，本集團因其可供出售上市投資而面對其他價格風險。

敏感度分析

下文之敏感度分析乃根據報告期末所面對之股本價格風險釐定。敏感度分析包含按公平值計值的可供出售投資。倘於上市股本證券的相關可供出售投資的價格上升/下降10%，而所有其他變數維持不變，本集團截至二零一七年十二月三十一日止年度的其他全面收益(除稅後)將增加/減少6,019,000港元(二零一六年: 14,059,000港元)。

41. FINANCIAL INSTRUMENTS (CONTINUED)

Fair value measurements of financial instruments

This note provides information about how the Group determines fair values of various financial assets.

The Group's available-for-sale investments are measured at fair value for financial reporting purposes. In estimating the fair value, the Group uses market observable data to the extent it is available.

Fair value of the Group's financial assets that are measured at fair value on a recurring basis

As at 31 December 2017, the Group's available-for-sale investment is listed equity securities outside Hong Kong of HK\$80,253,000 (2016: HK\$187,448,000) which was classified as Level 1 of the fair value hierarchy. The carrying amount of the investments was measured at fair value based on the quoted bid price in an active market.

Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis

The management of the Group estimates the fair value of its financial assets and financial liabilities measured at amortised cost using the discounted cash flows analysis.

The management of the Group considers that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated statement of financial position approximate their fair values.

41. 金融工具(續)

金融工具之公平值計量

本附註提供有關本集團如何釐定不同金融資產公平值之資料。

就財務報告而言，本集團的可供出售投資按公平值計量。於估計公平值時，本集團使用可用的市場可觀察數據。

本集團按經常基準按公平值計量之金融資產之公平值

於二零一七年十二月三十一日，本集團的可供出售投資為價值80,253,000港元(二零一六年：187,448,000港元)的在香港以外上市的股本證券，其分類為公平值等級的第一級。該等投資的賬面值根據活躍市場所報買入價按公平值計量。

本集團並非按經常基準按公平值計量之金融資產及金融負債之公平值

本集團管理層使用貼現現金流量分析，估計其以攤銷成本計量之金融資產及金融負債之公平值。

本集團管理層認為，於綜合財務狀況表以攤銷成本入賬之金融資產及金融負債之賬面值與其公平值相若。

42. PARTICULARS OF PRINCIPAL SUBSIDIARIES

42. 主要附屬公司之詳情

Particulars of the subsidiaries of the Company at 31 December 2017 and 2016 are as follows:

於二零一七年及二零一六年十二月三十一日本公司之附屬公司詳情如下：

Name of subsidiary 附屬公司名稱	Date and place of incorporation/ registration 註冊成立/註冊 日期及地點	Issued and fully paid up share capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of nominal value of share capital/ registered capital held by the Company 本公司所持股本面值/註冊資本之比例				Principal activities 主要業務
			Directly 直接		Indirectly 間接		
			2017 二零一七年	2016 二零一六年	2017 二零一七年	2016 二零一六年	
SIM Technology Group (BVI) Limited	13 October 2004 British Virgin Islands ("BVI") 二零零四年十月十三日 英屬處女群島	Ordinary shares US\$12,233 普通股 12,233 美元	100%	100%	-	-	Investment holding 投資控股
Sunrise Electronic Industry Limited 晨興電子工業有限公司	17 December 1999 Samoa 一九九九年十二月十七日 薩摩亞群島	Ordinary shares US\$2,002 普通股 2,002 美元	-	-	100%	100%	Investment holding 投資控股
Shanghai Sunrise Simcom ² 上海晨興希姆通 ²	9 November 1993 The PRC 一九九三年十一月九日 中國	Registered capital RMB200,000,000 註冊資本 人民幣 200,000,000 元	-	-	100%	100%	Manufacturing and Handsets and IOT terminals business in the PRC 在中國生產手機及物聯網終端業務
Shanghai Simcom ² 上海希姆通 ²	5 December 2002 The PRC 二零零二年十二月五日 中國	Registered capital US\$5,000,000 註冊資本 5,000,000 美元	-	-	100%	100%	Design and development of Handsets and IOT terminals business and Wireless communication modules business in the PRC 在中國從事設計及開發手機及物聯網 終端業務及無線通訊模塊業務
Shanghai Suncom Logistics Limited ¹ 上海羅捷斯迪電子有限公司 ¹	23 September 2003 The PRC 二零零三年九月二十三日 中國	Registered capital US\$400,000 註冊資本 400,000 美元	-	-	100%	100%	Procurement, outsourcing, sales and marketing of the Group's products and provides logistics services in the PRC 在中國採購、外包、銷售及推廣本集團 產品及提供物流服務

42. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

42. 主要附屬公司之詳情(續)

Name of subsidiary 附屬公司名稱	Date and place of incorporation/ registration 註冊成立/註冊 日期及地點	Issued and fully paid up share capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of nominal value of share capital/ registered capital held by the Company 本公司所持股本面值/註冊資本之比例				Principal activities 主要業務
			Directly 直接		Indirectly 間接		
			2017 二零一七年	2016 二零一六年	2017 二零一七年	2016 二零一六年	
Simcom International Holdings Limited	2 October 2003 BVI 二零零三年十月二日 英屬處女群島	Ordinary share US\$1 普通股 1美元	-	-	100%	100%	Investment holding 投資控股
Suncom International Holdings Limited	12 January 2004 BVI 二零零四年一月十二日 英屬處女群島	Ordinary share US\$1 普通股 1美元	-	-	100%	100%	Investment holding 投資控股
SIM Technology HK Limited 晨訊科技香港有限公司	21 April 2004 Hong Kong 二零零四年四月二十一日 香港	Ordinary share HK\$1 普通股 1港元	-	-	100%	100%	Provision of administrative services in Hong Kong 在香港提供行政服務
Shanghai Speedcomm Technology Limited ¹ 上海思必得通訊技術有限公司 ¹	16 November 2005 The PRC 二零零五年十一月十六日 中國	Registered capital RMB7,500,000 註冊資本 人民幣 7,500,000 元	-	-	100%	100%	Design and development of Handsets and IOT terminals business and Wireless communication modules business in the PRC 在中國從事設計及開發手機及物聯網 終端業務及無線通訊模塊業務
Max Vision Limited 天景有限公司	17 September 2003 Hong Kong 二零零三年九月十七日 香港	Ordinary shares HK\$2 普通股 2港元	-	-	100%	100%	Investment holding 投資控股
Max Vision (Shanghai) Limited ¹ 麥維訊電子(上海)有限公司 ¹	8 December 2003 The PRC 二零零三年十二月八日 中國	Registered capital US\$200,000 註冊資本 200,000 美元	-	-	100%	100%	Procurement, outsourcing, sales and marketing of the Group's products and provides logistics services in the PRC 在中國採購、外包、銷售及推廣本集團 產品及提供物流服務

42. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

42. 主要附屬公司之詳情(續)

Name of subsidiary 附屬公司名稱	Date and place of incorporation/ registration 註冊成立/註冊 日期及地點	Issued and fully paid up share capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of nominal value of share capital/ registered capital held by the Company 本公司所持股本面值/註冊資本之比例				Principal activities 主要業務
			Directly 直接		Indirectly 間接		
			2017	2016	2017	2016	
			二零一七年	二零一六年	二零一七年	二零一六年	
Simcom Wireless ¹ 芯訊通無線科技 ¹	31 October 2006 The PRC 二零零六年十月三十一日 中國	Registered capital US\$1,000,000 註冊資本 1,000,000美元	-	-	100%	100%	Design and development of Wireless communication modules business in the PRC 在中國從事設計及開發無線通訊模塊業務
Shanghai SIM Technology Limited ¹ 晨訊科技(上海)有限公司 ¹	2 August 2006 The PRC 二零零六年八月二日 中國	Registered capital RMB40,000,000 註冊資本 人民幣40,000,000元	-	-	100%	100%	Investment holding of land use rights in the PRC 在中國之土地使用權之投資控股
Shanghai Simcom Electronic Limited ¹ 上海芯通電子有限公司 ¹	21 November 2006 The PRC 二零零六年十一月二十一日 中國	Registered capital US\$200,000 註冊資本 200,000美元	-	-	100%	100%	Procurement, outsourcing, sales and marketing of the Group's products and provides logistics services in the PRC 在中國採購、外包、銷售及推廣本集團產品及提供物流服務
Shenyang SIM Technology Limited ² 晨訊科技(沈陽)有限公司 ²	25 October 2007 The PRC 二零零七年十月二十五日 中國	Registered capital US\$10,000,000 註冊資本 10,000,000美元	-	-	100%	100%	Investment holding of land use rights in the PRC 在中國之土地使用權之投資控股
Shenyang SIM Real Estate Limited ("SYRE") ² 晨訊置業(沈陽)有限公司 ²	8 November 2007 The PRC 二零零七年十一月八日 中國	Registered capital US\$20,000,000 註冊資本 20,000,000美元	-	-	60%	60%	Properties development in PRC 在中國從事物業發展
Shenyang SIM Simcom ⁴ 沈陽晨訊希姆通 ⁴	24 July 2008 The PRC 二零零八年七月二十四日 中國	Registered capital RMB30,000,000 註冊資本 人民幣30,000,000元	-	-	100%	100%	Design and development of handsets and Wireless communication modules business in the PRC 在中國從事設計及開發手機及無線通訊模塊業務

42. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

42. 主要附屬公司之詳情(續)

Name of subsidiary 附屬公司名稱	Date and place of incorporation/ registration 註冊成立/註冊 日期及地點	Issued and fully paid up share capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of nominal value of share capital/ registered capital held by the Company 本公司所持股本面值/註冊資本之比例				Principal activities 主要業務
			Directly 直接		Indirectly 間接		
			2017 二零一七年	2016 二零一六年	2017 二零一七年	2016 二零一六年	
Shenzhen Simcom Technology Limited ⁴ 深圳希姆通科技有限公司 ⁴	28 August 2008 The PRC 二零零八年八月二十八日 中國	Registered capital RMB5,000,000 註冊資本 人民幣 5,000,000 元	-	-	100%	100%	Design and development of Wireless communication modules business in the PRC 在中國從事設計及開發無線通訊模塊業務
Simcom Holdings HK Limited 晨訊控股香港有限公司	22 September 2008 Hong Kong 二零零八年九月二十二日 香港	Ordinary share HK\$1 普通股 1 港元	-	-	100%	100%	Investment holding 投資控股
Shanghai iLove Limited ¹ 上海艾樂弗信息技術有限公司 ¹	27 February 2009 The PRC 二零零九年二月二十七日 中國	Registered capital US\$3,000,000 註冊資本 3,000,000 美元	-	-	100%	100%	Investment holding 投資控股
Shanghai Xinkang Electronic Technology Limited ⁴ 上海芯康電子科技有限公司 ⁴	5 January 2009 The PRC 二零零九年一月五日 中國	Registered capital RMB20,000,000 註冊資本 人民幣 20,000,000 元	-	-	100%	100%	Design and development of Wireless communication modules business in the PRC 在中國從事設計及開發無線通訊模塊業務
Goldsey Limited 高仕有限公司	31 January 2008 Hong Kong 二零零八年一月三十一日 香港	Ordinary shares HK\$18,000,000 普通股 18,000,000 港元	-	-	100%	100%	Investment holding 投資控股
Smartwireless Technology Limited ¹ 北京華創智豐科技有限公司 ¹	13 February 2007 The PRC 二零零七年二月十三日 中國	Registered capital RMB20,500,000 註冊資本 人民幣 20,500,000 元	-	-	100%	100%	Design and development of Handsets and IOT terminals business in the PRC 於中國設計及開發手機及物聯網終端業務

42. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

42. 主要附屬公司之詳情(續)

Name of subsidiary 附屬公司名稱	Date and place of incorporation/ registration 註冊成立/註冊 日期及地點	Issued and fully paid up share capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of nominal value of share capital/ registered capital held by the Company 本公司所持股本面值/註冊資本之比例				Principal activities 主要業務
			Directly 直接		Indirectly 間接		
			2017	2016	2017	2016	
			二零一七年	二零一六年	二零一七年	二零一六年	
Shanghai Mobile Phone Public Testing Platform Co., Ltd. ⁴ 上海手機測試公共服務平臺有限公司 ⁴	21 December 2009 The PRC 二零零九年十二月二十一日 中國	Registered capital RMB20,000,000 註冊資本 人民幣20,000,000元	-	-	87.5%	87.5%	Design and development of Handsets and IOT terminals business in the PRC 於中國設計及開發手機及物聯網終端業務
Taizhou SIM Real Estate Limited ³ 泰州晨訊置業有限公司 ³	7 March 2013 The PRC 二零一三年三月七日 中國	Registered capital RMB120,000,000 註冊資本 人民幣120,000,000元	-	-	100%	100%	Properties development in the PRC 在中國從事物業發展
Jiangsu Chenri Investment Limited ⁴ 江蘇晨日投資有限公司 ⁴	24 April 2013 The PRC 二零一三年四月二十四日 中國	Registered capital RMB50,000,000 註冊資本 人民幣50,000,000元	-	-	100%	100%	Investment holding 投資控股
Jiangsu Yunmao Internet of Things Technology Limited ⁴ 江蘇雲貿物聯網科技有限公司 ⁴	7 June 2013 The PRC 二零一三年六月七日 中國	Registered capital RMB10,000,000 註冊資本 人民幣10,000,000元	-	-	100%	100%	Development of internet of things system and online to online equipment in the PRC 在中國開發物聯網系統及運營設備
Shanghai Wide-Top Financial Leasing Co., Ltd. ¹ 上海博鼎融資租賃有限公司 ¹	17 July 2013 The PRC 二零一三年七月十七日 中國	Registered capital US\$17,000,000 註冊資本 17,000,000美元	-	-	100%	100%	Finance lease service in the PRC 在中國提供融資租賃服務
Jiangsu Hangjin Electronic Technology Limited ³ 江蘇航錦電子科技有限公司 ³	9 July 2013 The PRC 二零一三年七月九日 中國	Registered capital RMB30,000,000 註冊資本 人民幣30,000,000元	-	-	100%	100%	Development of internet of things system and online-to-offline equipment in the PRC 在中國開發物聯網系統及運營設備
Alpha Apex Limited	26 October 2012 Samoa 二零一二年十月二十六日 薩摩亞群島	Registered capital US\$1 註冊資本1美元	-	-	100%	100%	Investment holding 投資控股

42. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

42. 主要附屬公司之詳情(續)

Name of subsidiary 附屬公司名稱	Date and place of incorporation/ registration 註冊成立/註冊 日期及地點	Issued and fully paid up share capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of nominal value of share capital/ registered capital held by the Company 本公司所持股本面值/註冊資本之比例				Principal activities 主要業務
			Directly 直接		Indirectly 間接		
			2017 二零一七年	2016 二零一六年	2017 二零一七年	2016 二零一六年	
Shanghai Boshen Vending Machine Limited ⁴ 上海博申自動售貨機有限公司 ⁴	5 August 2011 The PRC 二零一一年八月五日 中國	Registered capital RMB5,000,000 註冊資本 人民幣 5,000,000 元	-	-	100%	100%	Finance lease service and trading of snacks in the PRC 在中國提供融資租賃服務及從事零食貿易
Shanghai Yunhao Trading Limited ⁴ 上海雲灝貿易有限公司 ⁴	28 August 2014 The PRC 二零一四年八月二十八日 中國	Registered capital RMB38,500,000 註冊資本 人民幣 38,500,000 元	-	-	98.7%	98.7%	Procurement and trading of snacks in the PRC 在中國從事零食採購及貿易
Shanghai Yunmao IOT Limited ⁴ 上海雲貿物聯網科技有限公司 ⁴	11 October 2014 The PRC 二零一四年十月十一日 中國	Registered capital RMB10,000,000 註冊資本 人民幣 10,000,000 元	-	-	100%	100%	Trading of snacks in the PRC 在中國從事零食貿易
Shenyang Zhonghong Intel-Tech Limited ⁴ 沈陽中弘智能科技有限公司 ⁴	28 October 2014 The PRC 二零一四年十月二十八日 中國	Registered capital RMB30,000,000 註冊資本 人民幣 30,000,000 元	-	-	100%	75%	Development of internet of things system and online-to-offline equipment in the PRC 在中國開發物聯網系統及運營設備
Shanghai Simcom System Limited ⁴ 希姆通智能系統集成(上海)有限公司 ⁴	17 March 2014 The PRC 二零一四年三月十七日 中國	Registered capital RMB20,000,000 註冊資本 人民幣 20,000,000 元	-	-	100%	100%	Building design and construction of smart home in the PRC 在中國設計及建造智能家居
Shenzhen Zhouxunda Technology Development Co., Limited ^{4, 6} 深圳市卓訊達科技發展有限公司 ^{4, 6}	4 January 2015 The PRC 二零一五年一月四日 中國	Registered and contributed capital RMB7,000,000 註冊及實繳資本 人民幣 7,000,000 元	-	-	-	78%	Development of automated test equipment and software in the PRC 在中國開發自動化檢測設備及軟件
Hangzhou Kawo Automation Technology Co., Limited ⁴ 杭州卡沃自動化科技有限公司 ⁴	13 February 2015 The PRC 二零一五年二月十三日 中國	Registered capital RMB6,000,000 註冊資本 人民幣 6,000,000 元	-	-	80%	80%	Development of automated test equipment in the PRC 在中國開發自動化檢測設備

42. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

42. 主要附屬公司之詳情(續)

Name of subsidiary 附屬公司名稱	Date and place of incorporation/ registration 註冊成立/註冊 日期及地點	Issued and fully paid up share capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of nominal value of share capital/ registered capital held by the Company 本公司所持股本面值/註冊資本之比例				Principal activities 主要業務
			Directly 直接		Indirectly 間接		
			2017 二零一七年	2016 二零一六年	2017 二零一七年	2016 二零一六年	
Guandong Chentuo Robot Technology Co., Limited ⁴ 廣東晨拓機器人科技有限公司 ⁴	11 March 2015 The PRC 二零一五年三月十一日 中國	Registered capital RMB10,000,000 註冊資本 人民幣10,000,000元	-	-	100%	80%	Development of automated test equipment in the PRC 在中國開發自動化檢測設備
Dongguan Xinlubiao Automation Equipment Technology Co., Limited ⁴ 東莞市新路標自動化設備技術 有限公司 ⁴	11 May 2012 The PRC 二零一二年五月十一日 中國	Registered capital RMB15,000,000 註冊資本 人民幣15,000,000元	-	-	63.6%	70%	Development of automated test equipment in the PRC 在中國開發自動化檢測設備
Shenyang Jingxingcheng Automation Technology Co., Limited ² 沈陽精信誠自動化技術有限公司 ²	24 August 2015 The PRC 二零一五年八月二十四日 中國	Registered capital RMB10,000,000 註冊資本 人民幣10,000,000元	-	-	60%	60%	Development of automated test equipment in the PRC 在中國開發自動化檢測設備
Hefei Yunhao Trade Co., Limited ⁴ 合肥雲灝貿易有限公司 ⁴	19 December 2014 The PRC 二零一四年十二月十九日 中國	Registered capital RMB1,500,000 註冊資本 人民幣1,500,000元	-	-	51%	51%	Trading of snacks in the PRC 在中國從事零食貿易
Hangzhou Yunyou Trade Co., Limited ⁴ 杭州雲優貿易有限公司 ⁴	3 November 2015 The PRC 二零一五年十一月三日 中國	Registered capital RMB2,000,000 註冊資本 人民幣2,000,000元	-	-	51%	51%	Trading of snacks in the PRC 在中國從事零食貿易
Shenzhen Yunding Vending Operators Co., Limited ⁴ 深圳市雲鼎自動售貨機運營有限 公司 ⁴	16 January 2015 The PRC 二零一五年一月十六日 中國	Registered capital RMB7,000,000 註冊資本 人民幣7,000,000元	-	-	70%	70%	Trading of snacks in the PRC 在中國從事零食貿易
Shanghai Bachen Intelligent Technology Co., Limited ⁴ 上海巴辰智能技術有限公司 ⁴	14 October 2015 The PRC 二零一五年十月十四日 中國	Registered capital RMB5,500,000 註冊資本 人民幣5,500,000元	-	-	100%	100%	Trading of snacks in the PRC 在中國從事零食貿易

42. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

42. 主要附屬公司之詳情(續)

Name of subsidiary 附屬公司名稱	Date and place of incorporation/ registration 註冊成立/註冊 日期及地點	Issued and fully paid up share capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of nominal value of share capital/ registered capital held by the Company 本公司所持股本面值/註冊資本之比例				Principal activities 主要業務
			Directly 直接		Indirectly 間接		
			2017 二零一七年	2016 二零一六年	2017 二零一七年	2016 二零一六年	
Shanghai Jizhi Automation Technology Co., Limited ⁴ 上海機智自動化科技有限公司 ⁴	29 September 2014 The PRC 二零一四年九月二十九日 中國	Registered capital RMB20,000,000 註冊資本 人民幣20,000,000元	-	-	100%	100%	Development of internet of things system and online-to-offline equipment in the PRC 在中國開發物聯網系統及運營設備
Shanghai Pami Intelligent Technology Co., Limited ⁴ 上海葩彌智慧科技有限公司 ⁴	14 March 2016 The PRC 二零一六年三月十四日 中國	Registered capital RMB10,000,000 註冊資本 人民幣10,000,000元	-	-	100%	100%	Development of automated test equipment in the PRC 在中國開發自動化檢測設備
Guangdong Chengshida Automation Technology Co., Limited ⁴ 廣東農施達自動化科技有限公司 ⁴	21 April 2016 The PRC 二零一六年四月二十一日 中國	Registered capital RMB10,000,000 註冊資本 人民幣10,000,000元	-	-	100%	100%	Development of automated test equipment in the PRC 在中國開發自動化檢測設備
Wuhan Yunbang Supply Chain Management Co., Limited ⁴ 武漢雲邦供應鏈管理有限公司 ⁴	30 June 2016 The PRC 二零一六年六月三十日 中國	Registered capital RMB2,000,000 註冊資本 人民幣2,000,000元	-	-	51%	51%	Trading of snacks in the PRC 在中國從事零食貿易
Ningbo Yunjing Supply Chain Management Co., Limited ⁴ 寧波雲景供應鏈管理有限公司 ⁴	24 June 2016 The PRC 二零一六年六月二十四日 中國	Registered capital RMB2,000,000 註冊資本 人民幣2,000,000元	-	-	51%	51%	Trading of snacks in the PRC 在中國從事零食貿易
Fujian Sheng Yunxiang Supply Chain Management Co., Limited ⁴ 福建省雲翔供應鏈管理有限公司 ⁴	3 August 2016 The PRC 二零一六年八月三日 中國	Registered capital RMB10,000,000 註冊資本 人民幣10,000,000元	-	-	51%	51%	Trading of snacks in the PRC 在中國從事零食貿易
Shijiazhang Yunhao Supply Chain Management Co., Limited ^{4,5} 石家莊雲灝供應鏈管理有限公司 ^{4,5}	30 August 2016 The PRC 二零一六年八月三十日 中國	Registered and contributed capital RMB2,000,000 註冊及實繳資本 人民幣2,000,000元	-	-	-	51%	Trading of snacks in the PRC 在中國從事零食貿易

42. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

- 1 Wholly foreign owned enterprises (“WFOE”) registered in the PRC.
- 2 Sino-foreign equity joint venture registered in the PRC.
- 3 Re-investment in WFOE registered in the PRC.
- 4 Domestic Company registered in the PRC.
- 5 The company was disposed at 31 May 2017.
- 6 The company was disposed at 28 September 2017.

None of the subsidiaries had any debt securities subsisting at the end of the year or at any time during the year.

A majority of these subsidiaries operate in Handsets and IOT terminals business, Wireless communication modules business, Property development, IOT system and O2O business and Intelligent manufacturing business. The principal activities of these subsidiaries are summarised as follows:

Principal activities 主要業務	Principal place of of business 主要營業地點
Handset and IOT terminals business 手機及物聯網終端業務	PRC 中國
Wireless communication modules business 無線通訊模塊業務	PRC 中國
Property development 物業發展	PRC 中國
IOT system and O2O business 物聯網系統及運營業務	PRC 中國
Intelligent manufacturing business 智能製造業務	PRC 中國

The table below shows details of non-wholly owned subsidiaries of the Group that has material non-controlling interests:

42. 主要附屬公司之詳情(續)

- 1 在中國註冊之外商獨資企業。
- 2 在中國註冊之中外合資企業。
- 3 重新投資於在中國註冊之外商獨資企業。
- 4 在中國註冊之全內資企業。
- 5 該公司於二零一七年五月三十一日出售。
- 6 該公司於二零一七年九月二十八日出售。

並無任何附屬公司於本年度末或本年度內任何時間有任何生效的債務證券。

該等附屬公司大部分從事銷售手機及物聯網終端業務、無線通訊模塊業務、物業發展、物聯網系統及運營業務及智能製造業務。該等附屬公司之主要業務概列如下：

	Number of subsidiaries 附屬公司數目	
	2017 二零一七年	2016 二零一六年
Handset and IOT terminals business 手機及物聯網終端業務	8	7
Wireless communication modules business 無線通訊模塊業務	4	3
Property development 物業發展	2	2
IOT system and O2O business 物聯網系統及運營業務	12	14
Intelligent manufacturing business 智能製造業務	8	10

下表載列本集團於當中擁有重大非控股權益之非全資附屬公司：

42. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

42. 主要附屬公司之詳情(續)

Name of subsidiaries 附屬公司名稱	Place of incorporation and principal place of business 註冊成立及主要營業地點	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		Profit (loss) allocated to non-controlling interests 溢利(虧損) 分配至非控股權益之		Accumulated non- controlling interests 累計非控股權益	
		2017 二零一七年	2016 二零一六年	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
SYRE 晨訊置業	PRC 中國	40%	40%	474	(2,697)	75,040	69,724
Individually immaterial subsidiaries with non-controlling interests 擁有非控股權益之個別不重大附屬公司						26,441	36,077
						101,481	105,801

Summarised financial information for the years ended 31 December 2017 and 2016 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 intragroup eliminations.

本集團擁有重大非控股權益之附屬公司於截至二零一七年及二零一六年十二月三十一日止年度之財務資料概要如下。下文所載之財務資料概要乃未作出集團內公司間對銷。

42. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

42. 主要附屬公司之詳情(續)

		SYRE 晨訊置業	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Non-current assets	非流動資產	201	216
Current assets	流動資產	274,020	295,614
Current liabilities	流動負債	(86,622)	(121,520)
Total equity	權益總額	187,599	174,310
Revenue	收入	77,209	93,123
Expenses	開支	(76,023)	(99,865)
Profit (loss) for the year	本年度溢利(虧損)	1,186	(6,742)
Other comprehensive income (expense) for the year	本年度其他全面收益(開支)	12,105	(9,673)
Total comprehensive income (expense) for the year	本年度全面收益(開支)總額	13,291	(16,415)
Profit (loss) for the year attributable to	下列各項應佔本年度溢利(虧損)		
– the owner of SYRE	– 晨訊置業之擁有人	712	(4,045)
– non-controlling interests of SYRE	– 晨訊置業之非控股權益	474	(2,697)
Profit (loss) for the year	本年度溢利(虧損)	1,186	(6,742)
Other comprehensive income (expense) for the year attributable to	下列各項應佔本年度其他全面收益(開支)		
– the owner of SYRE	– 晨訊置業之擁有人	7,263	(5,804)
– non-controlling interests of SYRE	– 晨訊置業之非控股權益	4,842	(3,869)
Other comprehensive income (expense) for the year	本年度其他全面收益(開支)	12,105	(9,673)
Total comprehensive income (expense) for the year attributable to	下列各項應佔本年度全面收益(開支)總額		
– the owner of SYRE	– 晨訊置業之擁有人	7,975	(9,849)
– non-controlling interests of SYRE	– 晨訊置業之非控股權益	5,316	(6,566)
Total comprehensive income (expense) for the year	本年度全面收益(開支)總額	13,291	(16,415)
Net cash outflow used in operating activities	經營活動現金流出淨額	(22,272)	(12,260)
Net cash inflow from investing activities	投資活動現金流入淨額	–	38
Net cash outflow used in financing activities	融資活動現金流出淨額	–	(6,886)
Net cash outflow	現金流出淨額	(22,272)	(19,108)

43. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

43. 本公司財務狀況表及儲備

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Non-current assets	非流動資產		
Investment in a subsidiary	於一間附屬公司之投資	179,803	118,401
Amounts due from subsidiaries	應收附屬公司款項	1,038,477	1,101,519
		1,218,280	1,219,920
Current assets	流動資產		
Other receivables	其他應收款項	618	614
Bank balances	銀行結餘	11,627	393
		12,245	1,007
Current liabilities	流動負債		
Amounts due to subsidiaries	應付附屬公司款項	11,806	106
Other payables and accruals	其他應付賬款及應計款項	3,288	1,751
		15,094	1,857
Net current liabilities	流動負債淨值	(2,849)	(850)
Total assets less current liabilities	總資產減流動負債	1,215,431	1,219,070
Capital and reserves	資本及儲備		
Share capital	股本	255,955	255,790
Reserves	儲備	959,476	963,280
Total equity	權益總額	1,215,431	1,219,070

43. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (CONTINUED)

43. 本公司財務狀況表及儲備(續)

Movement in the Company's reserves

本公司儲備變動

		Share premium 股份溢價 HK\$'000 千港元	Capital redemption reserve 資本贖回儲備 HK\$'000 千港元	Share option reserve 購股權儲備 HK\$'000 千港元	Special reserve 特別儲備 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2016	於二零一六年一月一日	831,363	2,282	30,888	193,848	(122,008)	936,373
Profit and total comprehensive income for the year	本年度溢利及全面收益總額	-	-	-	-	24,003	24,003
Share options lapsed	購股權失效	-	-	(4,280)	-	4,280	-
Recognition of equity-settled share-based payments	確認以股權結算之股份付款	-	-	2,904	-	-	2,904
At 31 December 2016	於二零一六年十二月三十一日	831,363	2,282	29,512	193,848	(93,725)	963,280
Profit and total comprehensive income for the year	本年度溢利及全面收益總額	-	-	-	-	20,087	20,087
Transfer upon exercise of share options	於行使購股權時轉撥	297	-	(297)	-	-	-
Issue of new shares upon exercise of share options	於行使購股權時發行新股	406	-	-	-	-	406
Dividend paid	已付股息	-	-	-	-	(25,579)	(25,579)
Share options lapsed	購股權失效	-	-	(751)	-	751	-
Recognition of equity-settled share-based payments	確認以股權結算之股份付款	-	-	1,282	-	-	1,282
At 31 December 2017	於二零一七年十二月三十一日	832,066	2,282	29,746	193,848	(98,466)	959,476

44. EVENT AFTER THE PERIOD END DATE

44. 期末日期後事項

On 21 December 2017, the Group entered into a sale and purchase agreement with an independent third party under which the Group has conditionally agreed to dispose of technology and assets in relation to wireless communication modules business at a total consideration of approximately RMB608,000,000 (equivalent to approximately HK\$717,400,000) (the "Disposal"). The Group has received a deposit of approximately RMB51,800,000 (equivalent to approximately HK\$62,419,000). Subsequent to 31 December 2017, the Disposal has been completed and the Group is in the process of assessing the relevant financial impact of the Disposal.

於二零一七年十二月二十一日，本集團與一名獨立第三方訂立買賣協議，據此，本集團有條件同意出售有關無線通訊模塊的技術及資產，總代價約人民幣608,000,000元(相當於約717,400,000港元)。「出售」。本集團已收按金約人民幣51,800,000元(相當於約62,419,000港元)。於二零一七年十二月三十一日後，該出售已完成，本集團現正評估該出售的相關財務影響。

Financial Summary

財務摘要

		For the year ended 31 December 截至十二月三十一日止年度				
		2013 二零一三年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
RESULTS	業績					
Revenue	收入	1,716,079	2,352,353	3,197,289	2,724,390	3,258,517
(Loss) profit before taxation	除稅前(虧損)溢利	(266,178)	50,175	89,650	96,500	138,796
Tax credit (charge)	稅項計入(扣除)	13,797	(16,029)	(19,775)	(22,067)	(36,190)
(Loss) profit for the year	本年度(虧損)溢利	(252,381)	34,146	69,875	74,433	102,606
Attributable to:	以下人士應佔：					
Owners of the Company	本公司擁有人	(239,198)	23,967	64,645	77,278	111,651
Non-controlling interests	非控股權益	(13,183)	10,179	5,230	(2,845)	(9,045)
		(252,381)	34,146	69,875	74,433	102,606
		As at 31 December 於十二月三十一日				
		2013 二零一三年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
ASSETS AND LIABILITIES	資產與負債					
Total assets	總資產	2,858,620	3,074,583	3,396,089	3,479,800	3,630,405
Total liabilities	總負債	(899,572)	(1,076,129)	(1,397,705)	(1,347,253)	(1,407,114)
		1,959,048	1,998,454	1,998,384	2,132,547	2,223,291
Equity attributable to owners of the Company	本公司擁有人 應佔權益	1,880,947	1,912,011	1,895,779	2,026,746	2,121,810
Non-controlling interests	非控股權益	78,101	86,443	102,605	105,801	101,481
		1,959,048	1,998,454	1,998,384	2,132,547	2,223,291

Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Ms YEUNG Man Ying (Chairman)
Mr WONG Cho Tung (President)
Ms TANG Rongrong
Mr CHAN Tat Wing, Richard
Mr LIU Hong
(resigned as Executive Director with effect from 31 December 2017)
Mr LIU Jun (Chief executive officer)

Independent non-executive Directors

Mr LIU Hing Hung
Mr XIE Linzhen
(resigned as Independent non-executive Director with effect from 18 April 2017)
Mr DONG Yunting
(resigned as Independent non-executive Director with effect from 18 April 2017)
Mr WANG Tianmiao
(appointed as Independent non-executive Director with effect from 18 April 2017)
Mr WU Zhe
(appointed as Independent non-executive Director with effect from 18 April 2017)

AUDIT COMMITTEE

Mr LIU Hing Hung (Chairman)
Mr XIE Linzhen
(resigned as a member of Audit Committee with effect from 18 April 2017)
Mr DONG Yunting
(resigned as a member of Audit Committee with effect from 18 April 2017)
Mr WANG Tianmiao
(appointed as a member of Audit Committee with effect from 18 April 2017)
Mr WU Zhe
(appointed as a member of Audit Committee with effect from 18 April 2017)

REMUNERATION COMMITTEE

Mr LIU Hing Hung (Chairman)
Mr XIE Linzhen
(resigned as a member of Remuneration Committee with effect from 18 April 2017)
Mr DONG Yunting
(resigned as a member of Remuneration Committee with effect from 18 April 2017)
Mr WANG Tianmiao
(appointed as a member of Remuneration Committee with effect from 18 April 2017)
Mr WU Zhe
(appointed as a member of Remuneration Committee with effect from 18 April 2017)
Mr WONG Cho Tung

COMPANY SECRETARY

Ms WONG Tik
(resigned as Company Secretary with effect from 28 June 2017)
Ms CHAN Chi Yin
(appointed as Company Secretary with effect from 28 June 2017)

AUDITORS

Deloitte Touche Tohmatsu

LEGAL ADVISERS AS TO HONG KONG LAWS

LEUNG & LAU

PRINCIPAL BANKERS

Hang Seng Bank Limited
Bank of Communications
Shanghai Pudong Development Bank

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

董事會

執行董事

楊文瑛女士(主席)
王祖同先生(總裁)
唐融融女士
陳達榮先生
劉泓先生
(於二零一七年十二月三十一日辭任執行董事)
劉軍先生(首席執行官)

獨立非執行董事

廖慶雄先生
謝麟振先生
(於二零一七年四月十八日辭任獨立非執行董事)
董雲庭先生
(於二零一七年四月十八日辭任獨立非執行董事)
王田苗先生
(於二零一七年四月十八日委任為獨立非執行董事)
武哲先生
(於二零一七年四月十八日委任為獨立非執行董事)

審核委員會

廖慶雄先生(主席)
謝麟振先生
(於二零一七年四月十八日辭任審核委員會委員)
董雲庭先生
(於二零一七年四月十八日辭任審核委員會委員)
王田苗先生
(於二零一七年四月十八日委任為審核委員會委員)
武哲先生
(於二零一七年四月十八日委任為審核委員會委員)

薪酬委員會

廖慶雄先生(主席)
謝麟振先生
(於二零一七年四月十八日辭任薪酬委員會委員)
董雲庭先生
(於二零一七年四月十八日辭任薪酬委員會委員)
王田苗先生
(於二零一七年四月十八日委任為薪酬委員會委員)
武哲先生
(於二零一七年四月十八日委任為薪酬委員會委員)
王祖同先生

公司秘書

黃荻女士
(於二零一七年六月二十八日辭任公司秘書)
陳梓妍女士
(於二零一七年六月二十八日委任為公司秘書)

核數師

德勤•關黃陳方會計師行

香港法律之法律顧問

梁寶儀劉正豪律師行

主要往來銀行

恒生銀行有限公司
交通銀行
上海浦東發展銀行

註冊辦事處

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Corporate Information

公司資料

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香港
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皇后大道東 248 號
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PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

股份過戶登記總處

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(Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke
Bermuda

Butterfield Fund Services
(Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke
Bermuda

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STOCK CODE

股份編號

2000

2000



SIM Technology

晨訊科技集團有限公司*

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