



漢唐國際控股有限公司

Han Tang International Holdings Limited

(Incorporated in the British Virgin Islands and continued in Bermuda with limited liability) Stock Code: 01187
(於英屬處女群島註冊成立及於百慕達存續之有限公司) 股份代號：01187

2017 ANNUAL REPORT
年報

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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Director:

Zhao Wenjia (*Chief Executive Officer*)

Non-Executive Directors:

Xu Lei

Gu Yawei

Independent Non-Executive Directors:

Yao Yongjie

Ma Jianwei

Sinn Wai Kin Derek

COMPANY SECRETARY

Chan Pui Shan, Bessie

AUDIT COMMITTEE

Sinn Wai Kin Derek (*Committee Chairman*)

Yao Yongjie

Ma Jianwei

REMUNERATION COMMITTEE

Ma Jianwei (*Committee Chairman*)

Zhao Wenjia

Xu Lei

Yao Yongjie

Sinn Wai Kin Derek

NOMINATION COMMITTEE

Sinn Wai Kin Derek (*Committee Chairman*)

Zhao Wenjia

Xu Lei

Yao Yongjie

Ma Jianwei

SHARE OPTION COMMITTEE

Ma Jianwei (*Committee Chairman*)

Zhao Wenjia

Xu Lei

Yao Yongjie

Sinn Wai Kin Derek

董事會

執行董事：

趙文佳 (行政總裁)

非執行董事：

徐雷

顧亞維

獨立非執行董事：

姚勇杰

馬建威

冼偉健

公司秘書

陳佩珊

審核委員會

冼偉健 (委員會主席)

姚勇杰

馬建威

薪酬委員會

馬建威 (委員會主席)

趙文佳

徐雷

姚勇杰

冼偉健

提名委員會

冼偉健 (委員會主席)

趙文佳

徐雷

姚勇杰

馬建威

購股權委員會

馬建威 (委員會主席)

趙文佳

徐雷

姚勇杰

冼偉健

AUDITOR

ZHONGHUI ANDA CPA Limited

LEGAL ADVISOR

Sidley Austin

PRINCIPAL BANKER

OCBC Wing Hang Bank Limited

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suite 2101, 21st Floor
COFCO Tower, No. 262 Gloucester Road
Causeway Bay
Hong Kong

SHARE REGISTRARS

Bermuda Principal Share Registrar and Transfer Office:

Conyers Corporate Services (Bermuda) Limited
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Hong Kong Branch Share Registrar and Transfer Office:

Computershare Hong Kong Investor Services Limited
17M Floor, Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

STOCK CODE

01187

WEBSITE

<http://www.hantang.hk>

核數師

中匯安達會計師事務所有限公司

法律顧問

盛德律師事務所

主要往來銀行

華僑永亨銀行有限公司

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

總辦事處及香港主要營業地點

香港
銅鑼灣
告士打道262號中糧大廈
21樓2101室

股份過戶登記處

百慕達主要股份過戶登記處：

Conyers Corporate Services (Bermuda) Limited
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

香港股份過戶登記分處：

香港中央證券登記有限公司
香港
灣仔
皇后大道東183號
合和中心17M樓

股份代號

01187

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<http://www.hantang.hk>

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW AND OUTLOOK

During the year ended 31 December 2017 (the “**Current Year**”), there was no revenue recorded as Han Tang International Holdings Limited (the “**Company**”) has been fully focused its resources on, among others, the Acquisition (as defined below) and the Disposal (as defined below). The results of the Company and its subsidiaries (the “**Group**”) for the Current Year are set out in the consolidated statement of profit or loss and other comprehensive income.

The Group’s strategies are to maintain the Group’s sustainable development and maximise shareholders’ interest.

On 22 November 2016, the Company and Mr. Teng Daochun (滕道春) (the “**Vendor**”) entered into an agreement (as amended by the supplemental agreement dated 24 May 2017 and an extension letter dated 7 February 2018), pursuant to which the Company has conditionally agreed to acquire from the Vendor the entire issued share capital of a company incorporated in the British Virgin Islands with limited liability, which is a holding company of, among others, the wholly-owned subsidiaries, namely, 江蘇環鋒能源有限公司 (Jiangsu Jingfeng Energy Co., Ltd.*) (“**Jingfeng Energy**”) and 徐州盛輝管道工程有限公司 (Xuzhou Shenghui Pipe Engineering Limited*), and the non-wholly owned subsidiary, namely, 徐州東方熱電有限公司 (Xuzhou Dongfang Thermoelectricity Limited*) (collectively, the “**Target Group**”). The Target Group is engaged in the operation of power generators and generating revenue predominantly from the sale of electricity and heat. The consideration is HK\$327,586,206.70. It will be satisfied by the allotment and issue of 474,383,724 ordinary shares of HK\$0.01 each in the share capital of the Company (the “**Shares**”) at an issue price of HK\$0.12 per Share and the issue of the convertible bonds in the principal amount of HK\$270,660,159.70 (the “**Acquisition**”).

On 24 May 2017, the Company and Mr. Wu Zhao (吳兆) (“**Mr. Wu**”) entered into an agreement, pursuant to which the Company has conditionally agreed to acquire from Mr. Wu (i) the entire issued share capital of Mr. Wu’s offshore special purpose vehicle that holds 5% equity interest in Jingfeng Energy; and (ii) the shareholder’s loan from Mr. Wu of approximately HK\$14,800,000. The aggregate consideration is HK\$17,241,379.30, which will be settled by the issue of convertible bonds in the principal amount of HK\$17,241,379.30 (the “**Minority Acquisition**”).

業務回顧及前景

截至二零一七年十二月三十一日止年度（「**本年度**」），漢唐國際控股有限公司（「**本公司**」）並無錄得任何收益，乃由於本公司一直將其資源全部投入（其中包括）收購事項（定義見下文）及出售事項（定義見下文）。本公司及其附屬公司（「**本集團**」）於本年度之業績載於綜合損益及其他全面收益表。

本集團的策略乃維持本集團的可持續發展及令股東權益最大化。

於二零一六年十一月二十二日，本公司與滕道春先生（「**賣方**」）訂立一份協議（經日期為二零一七年五月二十四日之補充協議及日期為二零一八年二月七日之延期函件修訂），據此，本公司已有條件同意向賣方收購於英屬處女群島註冊成立之有限公司之全部已發行股本，該公司為（其中包括）全資附屬公司江蘇環鋒能源有限公司（「**環鋒能源**」）及徐州盛輝管道工程有限公司及非全資附屬公司徐州東方熱電有限公司（統稱為「**目標集團**」）之控股公司。目標集團從事經營發電機，主要自銷售電力及熱力產生收益。代價為327,586,206.70港元。代價將透過按每股0.12港元之發行價配發及發行474,383,724股本公司股本中每股面值0.01港元之普通股（「**股份**」）及發行本金額為270,660,159.70港元之可換股債券結付（「**收購事項**」）。

於二零一七年五月二十四日，本公司與吳兆先生（「**吳先生**」）訂立一份協議，據此，本公司已有條件同意向吳先生收購(i)吳先生之離岸特殊目的公司之全部已發行股本，該公司持有環鋒能源5%股權；及(ii)來自吳先生之股東貸款約14,800,000港元。總代價為17,241,379.30港元，將透過發行本金額為17,241,379.30港元之可換股債券結算（「**少數權益收購事項**」）。

On 26 April 2017, the Company and Ms. Chen Liuqing (陳柳靜) (“**Ms. Chen**”) entered into the sale and purchase agreement, pursuant to which the Company agreed to dispose (i) the entire issued capital of Tech One Investments Limited (“**Tech One**”, together with its subsidiaries (including indirect 72.79%-owned subsidiary namely IC Spectrum (Kunshan) Co., Limited (“**ICSC**”)), collectively, “**Tech One Group**”); and (ii) all the loans due from and owing by members of Tech One Group to members of the Group (other than Tech One Group) as at the date of the completion (the “**Sale Loan**”) to Ms. Chen at an aggregate consideration of HK\$1,000,000 (the “**Disposal**”, together with the Acquisition and the Minority Acquisition, collectively, the “**Resumption Proposal**”).

The Acquisition and the Minority Acquisition constitute, among others, (i) a very substantial acquisition of the Company under Chapter 14 of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”); and (ii) a reverse takeover of the Company under Rule 14.06(6)(a) of the Listing Rules. The Disposal constitutes a very substantial disposal of the Company under Chapter 14 of the Listing Rules. In addition, the Company will be treated as if it was a new listing applicant under Rule 14.54 of the Listing Rules and will be subject to the approval by the Listing Committee of the Stock Exchange of the new listing application. On 30 June 2017, the Company submitted the new listing application and the circular in relation to, among others, the Acquisition and the Disposal to the Stock Exchange and the Securities and Futures Commission of Hong Kong for their review and comment (the “**First Submission**”). Since the new listing application had lapsed for the six months after the First Submission, the Company re-submitted the new listing application on 9 February 2018. For details, please refer to the Company’s latest monthly update announcement dated 28 February 2018.

The Group is progressing and is committed to progressing with the implementation of all the plans contained in the Resumption Proposal once the Stock Exchange grants its in-principle approval. However, if the Company fails to do so or the Resumption Proposal fails to proceed for any reason, the Stock Exchange will proceed with the cancellation of the Company’s listing status. The Company will publish further announcement(s) to update the shareholders of the Company (the “**Shareholders**”) in relation to the Resumption Proposal as and when appropriate and in compliance with the Listing Rules and the Hong Kong Code on Takeovers and Mergers.

於二零一七年四月二十六日，本公司與陳柳靜女士（「**陳女士**」）訂立買賣協議，據此，本公司同意向陳女士出售 (i) 科運投資有限公司（「**科運**」，連同其附屬公司（包括間接擁有 72.79% 權益之附屬公司德芯電子（昆山）有限公司（「**德芯電子**」），統稱「**科運集團**」）之全部已發行股本；及 (ii) 於完成日期科運集團成員公司應付及欠付本集團成員公司（除科運集團外）之所有貸款（「**待售貸款**」），總代價為 1,000,000 港元（「**出售事項**」，連同收購事項及少數權益收購事項，統稱「**復牌建議**」）。

收購事項及少數權益收購事項構成（其中包括）(i) 本公司於香港聯合交易所有限公司（「**聯交所**」）證券上市規則（「**上市規則**」）第 14 章項下之非常重大收購事項；及 (ii) 本公司於上市規則第 14.06(6)(a) 條項下之反向收購。出售事項構成本公司於上市規則第 14 章項下之非常重大出售事項。此外，根據上市規則第 14.54 條，本公司將被視為猶如新上市申請人，並將須取得聯交所上市委員會對新上市申請之批准。於二零一七年六月三十日，本公司向聯交所及香港證券及期貨事務監察委員會遞交新上市申請及有關（其中包括）收購事項及出售事項之通函，以供彼等審閱及提出意見（「**首次提交**」）。由於自首次提交新上市申請起計已過去六個月，本公司已於二零一八年二月九日重新提交新上市申請。有關詳情，請參閱本公司日期為二零一八年二月二十八日之每月最新狀況公佈。

本公司正在及致力於聯交所原則上批准復牌建議時落實復牌建議所載所有計劃。然而，倘本公司未能如此行事或復牌建議因任何原因而未能進行，則聯交所將取消本公司之上市地位。本公司將會適時按照上市規則及香港收購及合併守則規定另行刊發公佈，以通知本公司股東（「**股東**」）有關復牌建議之最新消息。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW

Continuing operations

Operating results

There was no revenue for the Current Year (2016: Nil) as the Company had fully focused its resources on, among others, the Acquisition and the Disposal and thus no trading was concluded.

The administrative expenses increased from approximately HK\$24.7 million in the year ended 31 December 2016 (the “**Corresponding Year**”) to approximately HK\$30.3 million in the Current Year as a result of more professional fee was incurred in relation to the Resumption Proposal.

The finance costs amounted to approximately HK\$9.3 million in the Current Year as compared with the Corresponding Year of approximately HK\$7.4 million. The increase in finance costs is due to the increase in overall borrowings.

The Group recorded a loss from the continuing operations attributable to the owners of the Company amounting to approximately HK\$51.5 million, representing a decrease of approximately 31.8% as compared with approximately HK\$75.5 million in the Corresponding Year.

Basic loss from continuing operations attributable to the owners of the Company per Share amounted to approximately HK\$0.33 as compared with basic loss of approximately HK\$0.48 per Share in the Corresponding Year.

Discontinued operation

As mentioned above, the Company entered into a sale and purchase agreement to dispose the entire issued capital of Tech One and the Sale Loan. The results of Tech One Group under the business segment of manufacturing of semiconductors has been presented as discontinued operation according to the applicable financial reporting standard. The loss from discontinued operation was mainly attributable to the impairment loss on property, plant and equipment with an amount of approximately HK\$249.8 million.

財務回顧

持續經營業務

經營業績

於本年度並無錄得任何收益（二零一六年：無），乃由於本公司已將其資源完全投入（其中包括）收購事項及出售事項，因此並無落實任何貿易。

由於產生更多復牌建議有關的專業費用，行政開支由截至二零一六年十二月三十一日止年度（「**相應年度**」）約24,700,000港元增加至本年度約30,300,000港元。

本年度之融資成本約為9,300,000港元，而相應年度則約為7,400,000港元。融資成本增加乃由於整體借款增加。

本集團錄得本公司擁有人應佔持續經營業務之虧損約51,500,000港元，較相應年度約75,500,000港元減少約31.8%。

本公司擁有人應佔持續經營業務每股基本虧損約為0.33港元，而相應年度每股基本虧損則約為0.48港元。

已終止經營業務

如上所述，本公司訂立買賣協議以出售科運之全部已發行股本及待售貸款。按照適用財務報告準則，科運集團於製造半導體業務分類項下之業績已按已終止經營業務呈列。已終止經營業務之虧損主要源自物業、廠房及設備之減值虧損約249,800,000港元。

FINANCIAL POSITION

The total assets of the Group decreased from approximately HK\$271.4 million as at 31 December 2016 to approximately HK\$14.0 million as at 31 December 2017, representing a decrease of approximately 94.8% due to the decrease in the balance of the property, plant and equipment and inventories as explained below.

As at 31 December 2017, the total carrying amount of property, plant and equipment of the Group decreased from approximately HK\$249.5 million as at 31 December 2016 to approximately HK\$1.1 million as at 31 December 2017, representing a decrease of approximately 99.6%. The decrease was mainly attributable to (i) the impairment loss on property, plant and equipment on construction-in-progress owned by ICSC with an amount of approximately HK\$249.8 million; and (ii) reclassification of Tech One Group to disposal group held for sale with carrying amount of approximately HK\$6.5 million.

Trade and other receivables amounted to approximately HK\$5.5 million as at 31 December 2017, representing a decrease of approximately 14.1% as compared with approximately HK\$6.4 million as at 31 December 2016 which mainly consists of rental and utilities deposits.

Impairment loss on inventories was recognised as HK\$10 million as the Group was in difficulty in finding potential customer for its inventories with a reasonable market price. The Group considered that there was no redundancy resource to assess the value of the inventories, and thus impairment loss was fully recognised on inventories. The carrying amount of the inventories was decreased from HK\$10 million as at 31 December 2016 to HK\$0 as at 31 December 2017. The Group's auditor had not expressed an opinion on the inventories' recoverability as they were unable to obtain sufficient appropriate audit evidence to satisfy themselves as to the carrying amount of the inventories. Despite the fact of the impairment, the board (the "Board") of directors of the Company (the "Directors") will use endeavor to identify and negotiate with potential customer for the inventories of the Group.

The net liabilities of the Group attributable to owners of the Company amounted to approximately HK\$150.8 million as at 31 December 2017, when compared with net assets of the Group attributable to owners of the Company amounted to approximately HK\$76.7 million as at 31 December 2016.

財務狀況

由於物業、廠房及設備及存貨之結餘減少（如下文所闡述），本集團之資產總額由二零一六年十二月三十一日約271,400,000港元減少至二零一七年十二月三十一日約14,000,000港元，減幅約為94.8%。

於二零一七年十二月三十一日，本集團物業、廠房及設備之總賬面值由二零一六年十二月三十一日約249,500,000港元減少至二零一七年十二月三十一日約1,100,000港元，減幅約為99.6%。減少乃主要由於(i)德芯電子擁有之在建工程之物業、廠房及設備減值虧損約249,800,000港元；及(ii)科運集團重新分類為賬面值約6,500,000港元之持作出售之出售集團所致。

於二零一七年十二月三十一日，應收貿易及其他款項（主要包括租金及水電按金）約為5,500,000港元，較二零一六年十二月三十一日之約6,400,000港元減少約14.1%。

存貨減值虧損確認為10,000,000港元，原因是本集團在為其存貨尋找提供合理市價的潛在客戶方面存在困難。本集團認為，並無冗餘資源可評估存貨價值，因此，已就存貨全面確認減值虧損。存貨賬面值由二零一六年十二月三十一日之10,000,000港元減少至二零一七年十二月三十一日之0港元。本集團核數師並無就存貨的可回收性發表意見，原因是彼等未能就存貨之賬面值取得充足恰當之審核憑證以令彼等信納。儘管存在該減值，本公司董事（「董事」）會（「董事會」）將努力為本集團之存貨識別潛在客戶，並與彼等進行商談。

於二零一七年十二月三十一日，本公司擁有人應佔本集團負債淨額約為150,800,000港元，而於二零一六年十二月三十一日本公司擁有人應佔本集團資產淨額約為76,700,000港元。

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

As at 31 December 2017, the Company's issued share capital amounted to HK\$1,581,279.08 and the number of Shares was 158,127,908 with nominal value of HK\$0.01 each.

As disclosed in the Company's announcement dated 24 March 2017, a special resolution will be proposed at the special general meeting for, among others, the reduction of the credit amount standing to the share premium account of the Company.

As at 31 December 2017, the Group had cash and cash equivalents amounted to approximately HK\$0.9 million (31 December 2016: approximately HK\$5.2 million) mainly denominated in Hong Kong dollars. As at 31 December 2017, total borrowings of the Group amounted to approximately HK\$124.1 million (31 December 2016: approximately HK\$108.2 million) mainly denominated in Hong Kong dollars. As at 31 December 2017, the Group had net current liabilities of approximately HK\$65.5 million as compared with net current liabilities of approximately HK\$16.2 million as at 31 December 2016.

During the Current Year, the Company issued corporate bonds in aggregate principal amount of approximately RMB20 million at par value, bearing an interest rate of 9% per annum (payable semiannually) and maturity date of 2 years from the respective date of issue. The net proceeds from the issuance of the aforesaid corporate bonds amounted to approximately HK\$21.6 million. Such net proceeds were used as to approximately HK\$5.0 million for repayment of loan and the remaining balances of approximately HK\$16.6 million were used for general working capital of the Group. For details, please refer to the Company's announcements dated 7 July 2017 and 5 January 2018.

The current ratio of the Group, defined as the total current assets to the total current liabilities, amounted to 0.17 as at 31 December 2017 as compared with 0.57 as at 31 December 2016.

The gearing ratio of the Group, defined as the total borrowings to the shareholders' equity, was not applicable to the Group as at 31 December 2017 and amounted to 0.75 as at 31 December 2016.

流動資金、財務資源及資本架構

於二零一七年十二月三十一日，本公司的已發行股本為**1,581,279.08**港元，股份數目為**158,127,908**股，每股面值為**0.01**港元。

誠如本公司日期為二零一七年三月二十四日之公佈所披露，本公司擬於股東特別大會上提呈一項特別決議案，以（其中包括）削減本公司股份溢價賬中的進賬金額。

於二零一七年十二月三十一日，本集團的現金及現金等值物約為**900,000**港元（二零一六年十二月三十一日：約**5,200,000**港元），主要以港元計值。於二零一七年十二月三十一日，本集團的總借款約為**124,100,000**港元（二零一六年十二月三十一日：約**108,200,000**港元），主要以港元計值。於二零一七年十二月三十一日，本集團之流動負債淨額約為**65,500,000**港元，而於二零一六年十二月三十一日之流動負債淨額約為**16,200,000**港元。

於本年度，本公司按面值發行本金額合共約為人民幣**20,000,000**元之公司債券，按年利率**9**厘計息（每半年派息一次），到期日為自各發行日起計**2**年。上述公司債券發行之所得款項淨額約為**21,600,000**港元。所得款項淨額中約**5,000,000**港元乃用於償還貸款，而餘下結餘約**16,600,000**港元用作本集團之一般營運資金。有關詳情，請參閱本公司日期為二零一七年七月七日及二零一八年一月五日之公佈。

於二零一七年十二月三十一日，本集團的流動比率（界定為總流動資產除以總流動負債）為**0.17**，而於二零一六年十二月三十一日為**0.57**。

於二零一七年十二月三十一日，本集團之資產負債比率（界定為總借款除以股東權益）不適用，而於二零一六年十二月三十一日則為**0.75**。

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITION AND DISPOSAL

Save as disclosed in the section headed “Business Review and Outlook” above, the Group did not have any significant investments held, material acquisition or disposal of subsidiaries, associates and joint ventures during the year ended 31 December 2017.

HUMAN RESOURCES

As at 31 December 2017, the Group had a total of 11 employees (including Directors). The remuneration was linked to the financial results of the Group as well as the performance of individual staff. The remuneration policies of the Group’s employees are subject to review regularly. On irregular but necessary basis, adequate on-job trainings had been provided to staff in need. The Group has implemented a social insurance scheme for its PRC staff and mandatory provident fund for its Hong Kong staff in compliance with requirements of the relevant employment regulations in the PRC and Hong Kong respectively.

CONTINGENT LIABILITIES

There was no contingent liability as at 31 December 2017.

CAPITAL COMMITMENTS

Capital commitments outstanding, which were contracted but not provided for, in the financial statements were approximately HK\$6.9 million in respect of the manufacturing of semiconductors segment as at 31 December 2017.

CHARGES ON THE GROUP’S ASSETS

There were no material charges on the Group’s assets as at 31 December 2017.

FOREIGN EXCHANGE RISK MANAGEMENT

During the year ended 31 December 2017, the Group’s monetary assets and transactions are mainly denominated in Hong Kong dollars. The Group did not use any financial instruments for hedging purposes.

SUSPENSION OF TRADING IN SHARES

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on 1 April 2014, and will remain suspended until further notice.

持有重大投資、重大收購及出售

除上文「業務回顧及前景」一節所披露外，截至二零一七年十二月三十一日止年度，本集團並無持有任何重大投資，亦無重大收購或出售附屬公司、聯營公司及合營企業。

人力資源

於二零一七年十二月三十一日，本集團合共聘用 11 名僱員（包括董事）。薪酬與本集團財務業績及個別員工表現掛鈎。本集團定期檢討其僱員薪酬政策。如有必要，本集團會不定期向有需要之員工提供充足在職培訓。本集團已遵照中國及香港之相關僱員條例規定，為其中國員工及香港員工分別實施社會保險計劃及強制性公積金。

或然負債

於二零一七年十二月三十一日，概無或然負債。

資本承擔

於二零一七年十二月三十一日，財務報表內就製造半導體分類之未清償資本承擔（已訂約但未撥備）約為 6,900,000 港元。

本集團資產質押

於二零一七年十二月三十一日，本集團並無重大資產質押。

外匯風險管理

截至二零一七年十二月三十一日止年度，本集團的貨幣資產及交易主要以港元計值。本集團並無使用任何金融工具作對沖用途。

暫停股份買賣

應本公司要求，股份已自二零一四年四月一日上午九時正起於聯交所暫停買賣，並將繼續暫停直至另行通知為止。

Directors' Report

董事會報告書

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal business of the Company is investment holding and the Group's principal activities are manufacturing of semiconductors and trading of semiconductors/electronic products/components and timber. Details of principal activities of the subsidiaries of the Company are set out in note 18 to the consolidated financial statements.

A detailed review on the Group's business performance and financial position during the year ended 31 December 2017, as well as the development and likely future prospects of the Group's business are provided throughout this annual report and in particular under the following separate sections:

- (a) review of the Group's business and financial position; and development and future prospects of the Group's business – "Management Discussion and Analysis" section of this annual report;
- (b) details of key performance indicators – "Financial Key Performance Indicators" set out in the "Management Discussion and Analysis" section of this annual report;
- (c) the principal risks and uncertainties facing the Group – "Principal Risks and Uncertainties" set out in the following section of this report;
- (d) the Group's environmental policies and performance – "Environmental, Social and Governance Report" of this annual report;
- (e) the Group's compliance with the relevant laws and regulations – "Compliance with Laws and Regulations" set out in the following section of this report; and
- (f) key relationships with employees, customers and suppliers – "Key Relationships" set out in the following section of this report and "Environmental, Social and Governance Report" of this annual report.

These discussions form part of this Directors' report.

No important events affecting the Group have occurred since the year ended 31 December 2017.

主要業務及業務回顧

本公司之主要業務為投資控股及本集團之主要業務為製造半導體及半導體／電子產品／部件及木材之買賣。本公司附屬公司之主要業務詳情載於綜合財務報表附註18。

截至二零一七年十二月三十一日止年度本集團業務表現及財務狀況之詳細回顧，以及本集團業務發展及可能未來前景於本年報內披露，詳情見以下獨立各節：

- (a) 本集團業務及財務狀況之回顧；以及本集團業務發展及未來前景 – 本年報「管理層討論及分析」一節；
- (b) 主要表現指標詳情 – 本年報「管理層討論及分析」所載「主要財務表現指標」一節；
- (c) 本集團面臨之主要風險及不確定性因素 – 本報告書所載「主要風險及不確定因素」一節；
- (d) 本集團之環境政策及表現 – 本年報「環境、社會及管治報告」一節；
- (e) 本集團遵守有關法律及法規的情況 – 本報告書所載「遵守法律及法規」一節；及
- (f) 與僱員、客戶及供應商的重要關係 – 本報告書所載「重要關係」一節及本年報「環境、社會及管治報告」一節。

討論為董事會報告書之一部分。

自截至二零一七年十二月三十一日止年度以來，並無發生任何重要事項對本集團造成影響。

KEY RELATIONSHIPS

Employees

Human resources are one of the greatest assets of the Group and the Group regards the personal development of its employees as highly important. The Group wants to continue to be an attractive employer for committed employees.

The Group strives to motivate its employees with a clear career path and opportunities for advancement and improvement of their skills. The Group provides on-the-job training and development opportunities to its staff members and considers all valuable feedback from its employees for enhancing workplace productivity and harmony.

In addition, the Group offers competitive remuneration packages to its employees.

Further discussion in respect of the relationship with employees can be found in the section headed "Environmental, Social and Governance Report" of this annual report.

Customers and Suppliers

The customers and suppliers of the Group are independent third parties to the Group. The Group is committed to maintain good relationships with its customers and suppliers.

COMPLIANCE WITH LAWS AND REGULATIONS

The Group's operations are mainly carried out by the Company's subsidiaries in the PRC and Hong Kong while the Shares are listed on the Stock Exchange. Hence, our establishment and operations shall comply with relevant laws and regulations in the PRC, Hong Kong and the respective place of incorporation of the Company and its subsidiaries. In addition, the Company is required to comply with the Listing Rules.

During the year ended 31 December 2017 and up to the date of this annual report, as far as the Company is aware, there was no material breach of or non-compliance with applicable laws and regulations by the Group that has a significant impact on the business and operations of the Group.

重要關係

僱員

人力資源為本集團的最大資產之一，本集團高度重視僱員的個人發展。本集團欲繼續成為吸引盡忠職守的僱員之僱主。

本集團致力以清晰的事業發展路徑以及提高及完善技能的機會激勵僱員。本集團為其員工提供在職培訓及發展機會，並考慮其僱員所有有關提升工作效率及和諧工作氣氛之寶貴反饋意見。

此外，本集團為其僱員提供具競爭力的薪酬待遇。

與僱員的關係之進一步討論載於本年報「環境、社會及管治報告」一節。

客戶及供應商

本集團之客戶及供應商為本集團之獨立第三方。本集團致力與其客戶及供應商維持良好關係。

遵守法律及法規

本集團的業務主要由本公司於中國及香港的附屬公司進行，而本公司股份於聯交所上市。因此，本公司的成立及營運須遵守中國、香港以及本公司及其附屬公司各自的註冊成立地點之有關法律及法規。此外，本公司須遵守上市規則。

截至二零一七年十二月三十一日止年度及直至本年報日期，就本公司所知，本集團概無嚴重違反或不遵守適用法例及規例的情況，致使對本集團的業務及營運造成重大影響。

CENSURE

On 15 November 2017, the Stock Exchange publicly censured the Company for its breach of Rules 2.13(2), 14.34, 14.36, 14.38A, 14.48, 14.49, 14A.21, 14A.45, 14A.47, 14A.48 and 14A.49 of the Listing Rules for failing to (i) comply with the announcement, circular and shareholders' approval requirements with respect to certain agreements of the Company entered in 2012; (ii) announce and obtain shareholders' approval in respect of failure to satisfy a condition precedent, which constituted a material variation to the terms of an agreement previously announced and approved by the then Shareholders; and (iii) ensure the announcement of the Company dated 16 April 2013 was accurate, complete and not misleading. For details, please refer to the regulatory announcement issued by the Stock Exchange on 15 November 2017.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group realized the importance of sufficient financial funding. The Group will keep on to monitor and measure the liquidity and funding risk in an on-going basis, and ensure a sufficient cash flow for the business operations.

Other risks and uncertainties are set out in note 30 to the consolidated financial statements.

RESULTS

The results of the Group for the year ended 31 December 2017 and the financial positions of the Group as at 31 December 2017 are set out in the consolidated financial statements on pages 65 to 68 of this annual report.

RESERVES

Details of movement in reserves of the Company during the year ended 31 December 2017 are set out in note 28 to the consolidated financial statements.

譴責

於二零一七年十一月十五日，聯交所公開譴責本公司違反上市規則第**2.13(2)**、**14.34**、**14.36**、**14.38A**、**14.48**、**14.49**、**14A.21**、**14A.45**、**14A.47**、**14A.48**及**14A.49**條之規定，未有**(i)**就本公司於二零一二年訂立的若干協議遵守公佈、通函及取得股東批准的規定；**(ii)**就未能達成先決條件（構成對先前公佈並經當時股東批准之協議之重大改動）發出公佈及取得股東批准；及**(iii)**確保本公司日期為二零一三年四月十六日之公佈為準確、完備及並無誤導。有關詳情請參閱聯交所於二零一七年十一月十五日發佈之監管公告。

主要風險及不確定因素

本集團明白充足財務資金的重要性。本集團將持續監察及測量流動資金及融資風險，並確保有充足現金流量應付業務營運。

其他風險及不確定因素載於綜合財務報表附註**30**。

業績

本集團截至二零一七年十二月三十一日止年度之業績以及本集團於二零一七年十二月三十一日之財務狀況載於本年報第**65**至**68**頁之綜合財務報表。

儲備

本公司於截至二零一七年十二月三十一日止年度之儲備變動詳情載於綜合財務報表附註**28**。

DISTRIBUTABLE RESERVES

As at 31 December 2017, no reserves of the Company were available for distribution to its owners, calculated under the Companies Act 1981 of Bermuda (as amended)(2016: HK\$142,037,000).

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2017, there was neither revenue and purchase.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the forthcoming annual general meeting of the Company to be held on Thursday, 28 June 2018, the register of members of the Company will be closed from Friday, 22 June 2018 to Thursday, 28 June 2018, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the forthcoming annual general meeting, all transfers of Shares accompanied by the relevant share certificate(s) must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Thursday, 21 June 2018.

DIVIDENDS

No dividend had been paid during the year ended 31 December 2017 and the Board does not recommend the payment of any final dividend for the year ended 31 December 2017.

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and the assets and liabilities of the Group for the last five financial years is set out on page 136 of this annual report.

SHARE CAPITAL

Details of movements in share capital of the Company during the year ended 31 December 2017 are set out in note 26 to the consolidated financial statements.

BONDS

Details of the bonds issued during the year ended 31 December 2017 are set out in the section headed "Management Discussion and Analysis" of this annual report.

可供分派儲備

於二零一七年十二月三十一日，根據百慕達一九八一年公司法（經修訂）計算，並無可供分派予本公司擁有人之儲備（二零一六年：142,037,000港元）。

主要客戶與供應商

截至二零一七年十二月三十一日止年度，並無錄得收益及採購額。

暫停辦理股份過戶登記

為確定有權出席將於二零一八年六月二十八日（星期四）舉行的本公司應屆股東週年大會並於會上投票之資格，本公司將於二零一八年六月二十二日（星期五）至二零一八年六月二十八日（星期四）（首尾兩天包括在內）暫停辦理股份過戶登記手續，期間不會辦理任何股份過戶登記手續。為符合資格出席應屆股東週年大會並於會上投票，所有股份過戶文件連同有關股票須不遲於二零一八年六月二十一日（星期四）下午四時三十分送交本公司之香港股份過戶登記分處香港中央證券登記有限公司（地址為香港灣仔皇后大道東183號合和中心17樓1712-1716號舖）以供登記。

股息

截至二零一七年十二月三十一日止年度並無派付股息，而董事會並不建議就截至二零一七年十二月三十一日止年度派發任何末期股息。

五年財務概要

本集團過去五個財政年度之業績及資產與負債概要列載於本年報第136頁。

股本

截至二零一七年十二月三十一日止年度，本公司股本之變動詳情載於綜合財務報表附註26。

債券

於截至二零一七年十二月三十一日止年度發行的債券詳情載於本年報之「管理層討論及分析」一節內。

SHARE OPTION SCHEME

At the annual general meeting of the Company held on 8 September 2014, an ordinary resolution was passed by the Shareholders for the adoption of a share option scheme (the "Share Option Scheme").

The purpose of the Share Option Scheme is enable the Group to grant options to the eligible participants, including any director and employee of the Group and suppliers, consultants, advisors, customers, any member of or any holder of any securities issued by any member of the Group or any invested entity, as incentives or rewards for their contribution to the Group.

The principal terms of the Share Option Scheme are as follows:

- (i) the total number of Shares in respect of which options may be granted to each grantee in any 12-month's period shall not exceed 1% of the issued share capital of the Company for the time being.
- (ii) an option may be accepted by an eligible participant not later than 21 days from the date of grant of the option. Upon acceptance of the option, the grantee shall pay HK\$1.00 to the Company by way of consideration for the grant of the option.
- (iii) unless otherwise determined by the Directors, a grantee is not required to hold an option for any minimum period nor achieve any performance targets before the exercise of an option granted to him.
- (iv) the option may be exercised at any time within a period as specified by the Directors, which should not be more than 10 years from the date on which an option is granted.
- (v) the subscription price shall be a price determined by the Board and shall not be less than the highest of: (a) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet for trade in one or more board lots of the Shares on the date of grant; (b) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant; and (c) the nominal value of a Share on the date of grant.
- (vi) the Share Option Scheme remains valid for a period of 10 years commencing on 8 September 2014.

購股權計劃

於本公司在二零一四年九月八日舉行之股東週年大會上，股東通過批准採納購股權計劃（「購股權計劃」）之普通決議案。

購股權計劃之目的為讓本集團可向合資格參與者（包括本集團之任何董事及僱員以及供應商、顧問、諮詢人、客戶、本集團任何成員公司或任何投資實體之任何股東或其所發行任何證券之任何持有人）授出購股權作為彼等對本集團所作出貢獻之獎勵或回報。

購股權計劃之主要條款如下：

- (i) 可能向各承授人於任何十二個月期間授出之購股權所涉及之股份總數不得超過本公司當時已發行股本的1%。
- (ii) 購股權可由合資格人士於購股權授出日期起計21日內接納。於接納購股權時，承授人須向本公司支付1.00港元作為授出購股權的代價。
- (iii) 除非董事另行釐定，否則承授人毋須按任何最短期間持有購股權，亦毋須於行使獲授購股權前達致任何表現目標。
- (iv) 購股權可於董事指定期間內隨時行使，惟不得超過購股權授出日期起計十年後行使。
- (v) 認購價由董事會釐定及不得低於以下三者之最高者：(a) 於授出日期股份在聯交所每日報價表就買賣一手或多手股份所報之收市價；(b) 於緊接授出日期前五個營業日股份在聯交所每日報價表之平均收市價；及(c) 股份於授出日期之面值。
- (vi) 購股權計劃於二零一四年九月八日起計十年內有效。

Operation of the Share Option Scheme will commence after all conditions precedent have been fulfilled. As at the date of this annual report, the conditions precedent have not yet been completely fulfilled and therefore the Share Option Scheme has not yet become unconditional and operative. The total number of Shares available for issue under the Share Option Scheme, upon the Share Option Scheme becomes unconditional and operative, is 15,812,790 Shares, representing approximately 10% of the issued Shares as at the date of this annual report.

CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

During the year ended 31 December 2017, the Group had not entered into any transactions which constituted non-exempt connected transactions or non-exempt continuing connected transactions under the Listing Rules.

RELATED PARTY TRANSACTIONS

During the year ended 31 December 2017, the Group had entered into certain transactions with parties regarded as "related parties" under the applicable accounting standards but these transactions were not regarded as connected transactions or continuing connected transactions under the Listing Rules. Details of these related party transactions are disclosed in note 31 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the bye-laws of the Company ("Bye-Laws") or the laws in Bermuda which could oblige the Company to offer new Shares on a pro-rata basis to existing Shareholders.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

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

待所有先決條件達成後，購股權計劃方開始運作。於本年報日期，先決條件尚未全部達成，故購股權計劃尚未成為無條件及運作。在購股權計劃成為無條件及運作時根據購股權計劃可供發行之股份總數為15,812,790股股份，相當於本年報日期已發行股份約10%。

關連交易及持續關連交易

截至二零一七年十二月三十一日止年度，本集團並無訂立構成上市規則項下不獲豁免關連交易或不獲豁免持續關連交易之任何交易。

關連方交易

截至二零一七年十二月三十一日止年度，本集團根據適用會計原則與被視為「關連方」之人士訂立若干交易，惟該等交易並無被視為上市規則項下之關連交易及或持續關連交易。該等關連方交易之詳情於綜合財務報表附註31披露。

優先購買權

本公司之公司細則（「公司細則」）或百慕達之法律並無有關優先購買權之任何條款，規定本公司須按比例向現有股東發售新股份。

購買、贖回或出售本公司上市證券

截至二零一七年十二月三十一日止年度，本公司或其任何附屬公司概無購買、出售或贖回任何本公司之上市證券。

Directors' Report 董事會報告書

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year ended 31 December 2017 are set out in note 16 to the consolidated financial statements.

BOARD OF DIRECTORS

The following are the Directors as at the date of this report and during the year ended 31 December 2017:

Executive Director

Zhao Wenjia (*Chief Executive Officer*)

Non-Executive Directors

Xu Lei

Gu Yawei

Xu Ming (resigned on 17 February 2017)

Independent Non-Executive Directors

Yao Yongjie

Ma Jianwei

Sinn Wai Kin Derek

Pursuant to Bye-Law 84(1) of the Bye-Laws, Mr. Yao Yongjie and Mr. Ma Jianwei shall retire from office by rotation at the forthcoming annual general meeting. All the above retiring Directors, being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

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 are independent.

DIRECTORS' SERVICE CONTRACTS

None of the Directors who are proposed for re-election at the forthcoming annual general meeting has a service contract with the Company, or any of its subsidiaries, which is not determinable by the employing entity within one year without payment of compensation, other than statutory compensations.

物業、廠房及設備

截至二零一七年十二月三十一日止年度，本集團之物業、廠房及設備之變動詳情列載於綜合財務報表附註 16。

董事會

以下為於本報告日期及截至二零一七年十二月三十一日止年度內出任董事之人士：

執行董事

趙文佳 (*行政總裁*)

非執行董事

徐雷

顧亞維

徐鳴 (於二零一七年二月十七日辭任)

獨立非執行董事

姚勇杰

馬建威

冼偉健

根據公司細則第 84(1) 條，姚勇杰先生及馬建威先生須於應屆股東週年大會輪值退任。所有上述退任董事均符合資格並願於應屆股東週年大會重選連任。

本公司已接獲各獨立非執行董事根據上市規則第 3.13 條就其獨立性作出之年度確認書。本公司認為，全體獨立非執行董事均為獨立人士。

董事之服務合約

於應屆股東週年大會上建議連任之董事概無與本公司或其任何附屬公司訂立任何僱用機構不得於一年內免付補償（法定補償除外）而終止之服務合約。

DIRECTORS' INTERESTS IN CONTRACTS

No transaction, arrangement, or contract of significance in relation to the Group's business, to which the Company or any of its subsidiaries is or was a party and in which a Director or an entity connected with a Director is or was materially interested, either directly or indirectly, subsisted at 31 December 2017 or at any time during the year ended 31 December 2017.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year ended 31 December 2017.

PERMITTED INDEMNITY PROVISION

The Company has arranged for appropriate insurance cover for Director's and officers' liabilities in respect of legal actions against its Directors and senior management arising out of corporate activities. Save for the above, at no time during the year ended 31 December 2017 and up to the date of this annual report, there was or is, any permitted indemnity provision (as defined in section 9 of the Companies (Directors' Report) Regulation (Chapter 622D of the Laws of Hong Kong)) being in force for the benefit at any of the Directors (whether made by the Company or otherwise) or any of the directors of an associated company (if made by the Company).

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBT SECURITIES

At no time during the year ended 31 December 2017 was the Company or any of its subsidiaries, a party to any arrangement to enable the Directors or chief executive of the Company (including their spouses or children under 18 years of age) to have any right to subscribe for securities of the Company or any of its associated corporations as defined in the Securities and Futures Ordinance ("SFO") or to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other corporate.

董事於合約之權益

本公司或其任何附屬公司概無簽署與本集團業務有關而董事或與董事有關連之實體於其中擁有重大權益（不論直接或間接），並於二零一七年十二月三十一日或於截至二零一七年十二月三十一日止年度之任何時間內生效之重大交易、安排或合約。

管理合約

截至二零一七年十二月三十一日止年度，本公司並無訂立或存有關於其整體業務或其任何主要部分之管理及行政合約。

獲准許的彌償條文

本公司已就其董事及高級管理層可能會面對由企業活動產生的法律行動，為董事及行政人員的職責作適當的投保安排。除上述者外，於截至二零一七年十二月三十一日止年度及截至本年報日期止任何時間，概無曾以或現以任何董事（不論是否由本公司或以其他方式指定）或聯營公司任何董事（倘由本公司指定）為受益人的任何獲准許之彌償條文（定義見香港法例第622D章《公司（董事報告）規例》第9條）生效。

董事購入股份或債務證券之權利

本公司或其任何附屬公司於截至二零一七年十二月三十一日止年度概無參與任何安排，使本公司董事或最高行政人員（包括彼等之配偶或十八歲以下子女）擁有可認購本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」））證券之權利，或可藉買入本公司或任何其他法人團體之股份或債券而獲益之權利。

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 31 December 2017, the interests or short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or as otherwise notified to the Company and the 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 Listing Rules, are set out below:

Interests and short positions in Shares

Name of Director	Capacity	Long position/ short position	Number of Shares held	Approximate percentage of total issued Shares 佔已發行股份總數 之概約百分比
董事姓名	身份	好倉／淡倉	所持股份數目	
Zhao Wenjia 趙文佳	Beneficial owner 實益擁有人	Long position 好倉	2,000,000	1.26%
Xu Lei 徐雷	Interest of spouse (Note) 配偶權益(附註)	Long position 好倉	2,000,000	1.26%

Note: Mr. Xu Lei is the spouse of Ms. Zhao Wenjia. He is deemed to be interested in 2,000,000 Shares held by Ms. Zhao Wenjia.

Save as disclosed above, as at 31 December 2017, none of the Directors, chief executive of the Company or any of their associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register 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.

董事及最高行政人員於本公司或任何相聯法團股份、相關股份及債券之權益及淡倉

於二零一七年十二月三十一日，本公司各董事及最高行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債券中擁有根據證券及期貨條例第XV部第7及第8分部（包括彼等根據證券及期貨條例的有關條文被當作或視為擁有的權益或淡倉）已知會本公司及聯交所，或須根據證券及期貨條例第352條規定列入該條例所指之登記冊，或根據上市規則附錄十所載之上市發行人董事進行證券交易的標準守則（「標準守則」）已另行知會本公司及聯交所之權益或淡倉如下：

於股份之權益及淡倉

Name of Director	Capacity	Long position/ short position	Number of Shares held	Approximate percentage of total issued Shares 佔已發行股份總數 之概約百分比
董事姓名	身份	好倉／淡倉	所持股份數目	
Zhao Wenjia 趙文佳	Beneficial owner 實益擁有人	Long position 好倉	2,000,000	1.26%
Xu Lei 徐雷	Interest of spouse (Note) 配偶權益(附註)	Long position 好倉	2,000,000	1.26%

附註：徐雷先生為趙文佳女士的配偶。彼被視作於趙文佳女士持有的2,000,000股股份中擁有權益。

除上文披露者外，於二零一七年十二月三十一日，概無董事、本公司最高行政人員或彼等任何聯繫人士於本公司或任何相聯法團（定義見證券及期貨條例第XV部）之任何股份、相關股份或債券中擁有已記錄於本公司根據證券及期貨條例第352條所存置之登記冊，或根據標準守則之規定已另行知會本公司及聯交所之任何權益或淡倉。

SUBSTANTIAL SHAREHOLDERS'/OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 December 2017, the following persons (not being the Directors and the chief executive of the Company) had interests (or long position) 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:

Interests or short positions in Shares

Name of Shareholder	Capacity	Long position/ short position	Number of Shares held	Approximate percentage of total issued Shares 佔已發行股份總數 之概約百分比
股東姓名	身份	好倉／淡倉	所持股份數目	
First Call Investments Limited (Note) First Call Investments Limited (附註)	Beneficial owner 實益擁有人	Long position 好倉	29,000,000	18.34%
Zhu Baoguo (Note) 朱保國 (附註)	Interest of controlled corporation 受控制法團權益	Long position 好倉	29,000,000	18.34%
Li Li 李麗	Beneficial owner 實益擁有人	Long position 好倉	12,000,000	7.59%
Wang Chen Yuan 王辰元	Beneficial owner 實益擁有人	Long position 好倉	10,279,488	6.50%

Note: First Call Investments Limited is wholly owned by Zhu Baoguo. Zhu Baoguo is therefore deemed to be interested in the Shares held by First Call Investments Limited under Part XV of the SFO.

主要股東／其他人士於本公司之股份及相關股份之權益及淡倉

於二零一七年十二月三十一日，根據本公司按證券及期貨條例第336條而存置之登記冊所記錄，以下人士（並非為董事及本公司最高行政人員）擁有本公司股份及相關股份之權益（或好倉）或淡倉：

於股份之權益或淡倉

附註：First Call Investments Limited 由朱保國全資擁有。因此，根據證券及期貨條例第 XV 部，朱保國被視為於 First Call Investments Limited 持有之股份中擁有權益。

Directors' Report 董事會報告書

Except as disclosed above, the Directors and chief executive of the Company are not aware, as at 31 December 2017, of any person (who are not Directors and chief executive of the Company) who had an interest (or long position) or short position in the Shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

SUFFICIENCY OF THE PUBLIC FLOAT

The Company has maintained a sufficient public float throughout the year ended 31 December 2017 and up to the date of this annual report.

EMOLUMENT POLICY

The emoluments of the employees of the Group are based on their qualifications, experience, responsibilities, performance, competence and skills displayed, market comparables and economic performance of the Group.

Details of the Directors' emoluments are set out in note 13 to the consolidated financial statements. The Directors' emoluments are reviewed by the remuneration committee of the Company (the "Remuneration Committee"), having regard to the Company's operating results, individual performance, comparable market statistics and their time, effort and expertise to be exercised on the Group's affairs. The Remuneration Committee will make recommendation to the Board on the emoluments of the Directors.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year ended 31 December 2017, the Directors are not aware of any business or interest of the Directors and their respective associates (as defined under the Listing Rules) that compete with the business of the Group and any other conflicts of interest which any such person has or may have with the Group.

CORPORATE GOVERNANCE

A report on the principal corporate governance practices adopted by the Company is set out on pages 25 to 43 of this annual report.

除上文所披露者外，於二零一七年十二月三十一日，根據本公司按證券及期貨條例第336條而存置之登記冊所記錄，董事及本公司最高行政人員概不知悉有任何其他人士（並非為董事及本公司最高行政人員）於本公司股份或相關股份中擁有須根據證券及期貨條例第XV部第2及第3分部之條文向本公司披露之權益（或好倉）或淡倉。

足夠公眾持股量

本公司於截至二零一七年十二月三十一日止年度及直至本年報日期已維持足夠之公眾持股量。

酬金政策

本集團僱員之酬金乃根據彼等之資格、經驗、責任、表現、所展示之能力及技能、可資比較市場數據以及本集團之經濟表現而定。

董事酬金詳情載列於綜合財務報表附註13。董事酬金由本公司薪酬委員會（「薪酬委員會」）經參考本公司之經營業績、個人表現、可資比較市場數據以及彼等就本集團事務付出之時間、努力及專業知識而釐定。薪酬委員會將就董事之薪酬向董事會作出推薦建議。

董事於競爭業務之權益

截至二零一七年十二月三十一日止年度，董事概不知悉董事及彼等各自之聯繫人士（定義見上市規則）擁有與本集團之業務構成競爭之任何業務或權益，及該等人士擁有或可能會與本集團存在任何其他權益衝突。

企業管治

有關本公司所採納之主要企業管治常規之報告載於本年報第25至43頁。

AUDITOR

Following the retirement of ZHONGHUI ANDA CPA Limited ("ZHONGHUI ANDA") as auditor of the Company with effect from the conclusion of the annual general meeting of the Company held on 27 June 2016, ZHONGHUI ANDA was appointed as auditor of the Company by the Board to fill the casual vacancy arising from its own retirement on 13 October 2016 and to hold office until the conclusion of the next general meeting of the Company. A resolution in respect of the re-appointment of ZHONGHUI ANDA as auditor of the Company was passed at the special general meeting of the Company held on 7 November 2016.

Save as disclosed above, there were no other changes in auditor of the Company during the past three years.

A resolution will be proposed at the forthcoming annual general meeting to re-appoint ZHONGHUI ANDA as auditor of the Company.

On behalf of the Board

Zhao Wenjia

Executive Director and Chief Executive Officer

Hong Kong, 9 March 2018

核數師

自中匯安達會計師事務所有限公司（「中匯安達」）於本公司在二零一六年六月二十七日舉行之股東週年大會結束時退任核數師後，於二零一六年十月十三日，中匯安達獲董事會委任為本公司核數師以填補因其退任而產生的臨時空缺，任期直至本公司下屆股東大會結束時為止。有關續聘中匯安達為本公司核數師之決議案已於本公司在二零一六年十一月七日舉行之股東特別大會上通過。

除上文披露者外，本公司核數師於過去三年概無其他變動。

於應屆股東週年大會上將提呈一項決議案，以續聘中匯安達為本公司核數師。

代表董事會

執行董事兼行政總裁

趙文佳

香港，二零一八年三月九日

Biographical Details of Directors

董事之履歷

EXECUTIVE DIRECTOR

Ms. Zhao Wenjia (“**Ms. Zhao**”), aged 35, was appointed as an executive Director and the chief executive officer of the Company on 25 July 2016. Apart from her current directorate in the Company, she also holds directorship in various subsidiaries of the Group. Ms. Zhao is also a member of each of the Remuneration Committee, nomination committee (the “**Nomination Committee**”) and share option committee (the “**Share Option Committee**”) of the Company. Ms. Zhao graduated from the Beijing Institute of Technology with an undergraduate degree in business administration in 2005. She was also awarded the postgraduate diploma in international business administration from University of Northumbria in 2007. Ms. Zhao gained experience in implementing international energy projects, and in the management of international trade related businesses through her position as an executive director of Forewell International Limited in Hong Kong since 2009. She has strong insight in the global market and possesses strong corporate management capabilities.

Ms. Zhao is the spouse of Mr. Xu Lei, a non-executive Director.

NON-EXECUTIVE DIRECTORS

Mr. Xu Lei (“**Mr. Xu**”), aged 46, was appointed as a non-executive Director on 20 November 2013. He is also a member of each of the Remuneration Committee, Nomination Committee and Share Option Committee. Mr. Xu has over 17 years of senior executive and operational experiences in the fields of mass media, technological development and cultural promotion in China since completion of a graduate study majoring in Management Science and Engineering at Tongji University in China. He has been the president of Travel & Leisure Magazine from 2001 to the present. Through his association with certain enterprises, he has built a broad based social and people resource network in the broadcasting and media communications industries. Mr. Xu was a non-executive director of Heng Xin China Holdings Limited (stock code: 8046), shares of which are listed on GEM of the Stock Exchange, for the period from November 2009 to December 2015.

Mr. Xu is the spouse of Ms. Zhao, an executive Director and the chief executive officer of the Company.

執行董事

趙文佳女士（「趙女士」），35歲，於二零一六年七月二十五日獲委任為本公司之執行董事兼行政總裁。除目前於本公司擔任董事外，彼亦於本集團旗下多間附屬公司擔任董事。趙女士亦為本公司薪酬委員會、提名委員會（「**提名委員會**」）及購股權委員會（「**購股權委員會**」）之成員。趙女士二零零五年於北京理工大學取得工商管理學士學位。彼亦於二零零七年獲諾桑比亞大學（University of Northumbria）頒授國際工商管理研究生文憑。趙女士透過自二零零九年起於香港擔任富樞國際有限公司之執行董事，於執行國際能源的項目及管理國際貿易相關業務方面擁有經驗。彼於環球市場有著敏銳的洞察力並且具備卓越的企業管理能力。

趙女士為非執行董事徐雷先生之配偶。

非執行董事

徐雷先生（「徐先生」），46歲，於二零一三年十一月二十日獲委任為非執行董事。彼亦為薪酬委員會、提名委員會及購股權委員會成員。完成中國同濟大學管理科學與工程學科專業的研究院課程後，徐先生於中國大眾傳媒、技術發展及文化推廣之高級行政及營運方面擁有超過17年經驗。彼自二零零一年至今為《旅遊優閒》雜誌之總裁。彼透過與若干企業合作，於廣播及傳媒行業內已在社會及人脈資源網絡上建立廣泛基礎。於二零零九年十一月至二零一五年十二月期間，徐先生為恒芯中國控股有限公司（股份代號：8046）之非執行董事，該公司之股份於聯交所GEM上市。

徐先生為本公司執行董事兼行政總裁趙女士之配偶。

Ms. Gu Yawei (“Ms. Gu”), aged 54, was appointed as a non-executive Director on 25 July 2016. Ms. Gu obtained her bachelor’s degree in arts from Zhejiang Normal University (浙江師範大學) majoring in Chinese Language and Literature in 1985. She also obtained the master’s degree from Shanghai Normal University (上海師範大學) majoring in Contemporary Literature of China in 1990. Ms. Gu has over a decade of experience in the equity investment industry accumulated from her position as chairman in each of Bluebird Holdings Group Co., Ltd* (青鳥控股集團有限公司) from May 2000 to present and Hangzhou Bluebird Mountains Investment Management Co., Ltd* (杭州青鳥遠山投資管理有限公司) from July 2016 to present. She also has experience in the management and investment of corporations in hospitality industry, wholesales and retails in construction material and private equity funds both in Hong Kong and in Mainland China, accumulating business connections and knowledge across various industries.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Yao Yongjie (“Mr. Yao”), aged 47, was appointed as an independent non-executive Director on 25 July 2016. He is also a member of each of the audit committee of the Company (the “**Audit Committee**”), Remuneration Committee, Nomination Committee and Share Option Committee. Mr. Yao graduated from the Hunan University with an undergraduate degree in architecture in 1993. He has been the chairman of a PRC company engaged in asset management from February 2011 to present and the chairman of a company engaged in venture capital related business in the PRC from 2014 to present. Mr. Yao and his team have gained numerous provincial awards, including “2013 年度浙江省最佳LP獎” (Best LP Award of Zhejiang Province of the Year 2013*) and “2015 浙商新領軍者” (The New Leader of Zhejiang Merchants 2015*).

Mr. Ma Jianwei (“Mr. Ma”), aged 32, was appointed as an independent non-executive Director on 25 July 2016. He is also the chairman of each of the Remuneration Committee and Share Option Committee and a member of each of the Audit Committee and Nomination Committee. Mr. Ma graduated from the University of International Business and Economics in Beijing with a PhD degree in civil and commercial law in 2015. He gained experience in civil litigation, commercial arbitration, foreign commercial investment, antitrust law, mergers and acquisitions, and private equity investment funds, when he practiced law at Beijing Rongxian Law Firm* (北京融顯律師事務所) being joined as a lawyer in 2013 and promoted to partner since 2016.

顧亞維女士 (「顧女士」)，54歲，於二零一六年七月二十五日獲委任為非執行董事。顧女士於一九八五年於浙江師範大學取得文學學士學位，主修漢語言文學。彼亦於一九九零年於上海師範大學取得碩士學位，主修中國現代文學。顧女士透過分別於二零零零年五月至今在青鳥控股集團有限公司及於二零一六年七月至今在杭州青鳥遠山投資管理有限公司擔任董事長職位，於股權投資行業擁有逾十年經驗。彼亦於香港及中國酒店管理行業、建築材料批發及零售及私募股權基金之公司的管理及投資擁有經驗，積累了橫跨多個行業的商業網絡及知識。

獨立非執行董事

姚勇杰先生 (「姚先生」)，47歲，於二零一六年七月二十五日獲委任為獨立非執行董事。彼亦為本公司審核委員會 (「**審核委員會**」)、薪酬委員會、提名委員會及購股權委員會成員。姚先生於一九九三年畢業於湖南大學，取得建築學本科學位。彼亦於二零一一年二月至今擔任中國一間經營資產管理之公司之董事長及於二零一四年至今擔任中國一間經營風險資本相關業務之公司之董事長。姚先生與其團隊獲得多個省級獎項，包括「2013年度浙江省最佳LP獎」及「2015浙商新領軍者」。

馬建威先生 (「馬先生」)，32歲，於二零一六年七月二十五日獲委任為獨立非執行董事。彼亦為薪酬委員會及購股權委員會主席以及審核委員會及提名委員會成員。馬先生於二零一五年畢業於北京對外經濟貿易大學，獲民商法學博士學位。彼任職於北京融顯律師事務所從事法律實務，於二零一三年作為律師加入，並於二零一六年獲晉升為合伙人，於民事訴訟、商事仲裁、國外商務投資、反壟斷法、併購、私募基金方面取得經驗。

Biographical Details of Directors

董事之履歷

Mr. Sinn Wai Kin Derek (“**Mr. Sinn**”), aged 58, was appointed as an independent non-executive director on 25 July 2016. He is also the chairman of each of the Audit Committee and Nomination Committee and a member of each of the Remuneration Committee and Share Option Committee. Mr. Sinn is a fellow member of the Hong Kong Institute of Certified Public Accountants since 1999. Mr. Sinn has experience in audit, accounting and financial management. He also accumulated experience from various positions since then, including as group financial controller and then chief financial officer and the company secretary in Huajun Holdings Limited (stock code: 377), shares of which are listed on the Main Board of the Stock Exchange, from September 2008 to August 2015, chief financial officer in Enviro Energy Management Services Limited from September 2015 to December 2015, and company secretary in Enviro Energy International Holdings Limited (stock code: 1102), shares of which are listed on the Main Board of the Stock Exchange, from October 2015 to December 2015.

洗偉健先生（「洗先生」），58歲，於二零一六年七月二十五日獲委任為獨立非執行董事。彼亦為審核委員會及提名委員會主席，以及薪酬委員會及購股權委員會成員。洗先生自一九九九年為香港會計師公會資深會員。彼於審計、會計及財務管理方面積累豐富經驗。此後彼亦從多個職位中積累經驗，包括於二零零八年九月至二零一五年八月期間擔任華君控股有限公司（股份代號：377，該公司之股份於聯交所主板上市）之集團財務總監及隨後擔任首席財務官及公司秘書，於二零一五年九月至二零一五年十二月期間擔任環能管理服務有限公司之首席財務官，及於二零一五年十月至二零一五年十二月期間擔任環能國際控股有限公司（股份代號：1102，該公司之股份於聯交所主板上市）之公司秘書。

Corporate Governance Report

企業管治報告

COMPLIANCE WITH CORPORATE GOVERNANCE PRACTICES

The Board and the management are committed to maintaining and ensuring high standards of corporate governance as good corporate governance can safeguard the interests of all Shareholders and enhance corporate value. The Board continuously reviews and improves the corporate governance practices and standards of the Group from time to time to ensure that business activities and decision making processes are regulated in a proper manner.

The Company had complied with all code provisions as set out in the Corporate Governance Code (the “CG Code”) contained in Appendix 14 to the Listing Rules throughout the year ended 31 December 2017 except for the deviation from code provisions A.2.1 and A.4.1 of the CG Code.

Code provision A.2.1 of the CG Code stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The Company has not appointed any individual to take up the post of the chairman of the Board. Until the appointment of the chairman, the Board collectively focuses on the overall strategic planning and development of the Group and effective functioning of the Board. The Board will review the current situation from time to time and shall make necessary arrangements when the Board considers appropriate.

Code provision A.4.1 of the CG Code provides that non-executive Directors should be appointed for a specific term, subject to re-election. Ms. Gu Yawei, a non-executive Director, Mr. Yao Yongjie, Mr. Ma Jianwei and Mr. Sinn Wai Kin Derek, independent non-executive Directors, and Mr. Xu Ming, a former non-executive Director who resigned on 17 February 2017, were not appointed for specific terms. However, all existing non-executive Directors, including independent non-executive Directors, are subject to retirement by rotation and re-election at the annual general meeting of the Company at least once every three years in accordance with the Bye-Laws. On 20 March 2017, each of Ms. Gu Yawei and the independent non-executive Directors has been appointed for a fixed term of one year commencing on 20 March 2017, which is automatically renewable for successive term of one year each upon the expiry of the said term, unless terminated by not less than one month's notice in writing served by either party on the other.

遵守企業管治常規

董事會及管理層致力維持及確保優秀企業管治水平，因為良好企業管治可保障全體股東的權益及提升企業價值。董事會不斷不時檢討及改進本集團企業管治常規及標準，以確保業務活動及決策過程受妥善監管。

本公司已於截至二零一七年十二月三十一日止年度整年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」）所載列之全部守則條文，惟偏離企業管治守則之守則條文第A.2.1及第A.4.1條除外。

企業管治守則之守則條文第A.2.1條規定，主席及行政總裁職位應予區分，不應由同一人擔任。本公司並無委任任何人士擔任董事會主席一職。於委任主席之前，董事會共同集中處理本集團整體策略規劃及發展以及董事會之有效運作。董事會將不時審視目前情況，並於董事會認為適當時作出必要安排。

企業管治守則之守則條文第A.4.1條規定，非執行董事應委以特定任期，並須接受重選。非執行董事顧亞維女士、獨立非執行董事姚勇杰先生、馬建威先生及冼偉健先生以及已於二零一七年二月十七日辭任之前任非執行董事徐鳴先生並無特定委任年期。然而，全體現任非執行董事（包括獨立非執行董事）均須最少每三年一次根據公司細則於本公司之股東週年大會上輪值退任及接受重選。於二零一七年三月二十日，顧亞維女士及各獨立非執行董事已按固定任期委任，自二零一七年三月二十日起計為期一年，並可於年期屆滿後每次自動重續一年，除非由其中一方向另一方發出不少於一個月之書面通知予以終止。

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as the code of conduct regarding the securities transaction by Directors. Having made specific enquiries of all Directors, all Directors confirmed that they have complied with the required standards set out in the Model Code throughout the year ended 31 December 2017.

ROLES AND RESPONSIBILITIES OF THE BOARD

The Board is responsible for the leadership and control of the Company, and is responsible for setting up the overall strategy as well as reviewing the operation and financial performance of the Group. The Board reserved for its decision or consideration matters covering overall strategy of the Group, major acquisitions and disposals, annual budgets, annual and interim results, Directors' appointment or re-appointment, approval of major capital transactions and other significant operational and financial matters. The management was delegated the authority and responsibility by the Board for the daily management of the Group. In addition, the Board has also delegated various responsibilities to the Board committees. Further details of these committees are set out in this report.

Board Composition

The Board currently consists of six Directors including one executive Director, two non-executive Directors and three independent non-executive Directors:

Executive Director

Ms. Zhao Wenjia (*Chief Executive Officer*)

Non-Executive Directors

Mr. Xu Lei

Ms. Gu Yawei

Independent Non-Executive Directors

Mr. Yao Yongjie

Mr. Ma Jianwei

Mr. Sinn Wai Kin Derek

董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載之標準守則作為董事進行證券交易之行為守則。經特別向全體董事查詢後，全體董事確認彼等於截至二零一七年十二月三十一日止年度均遵守標準守則中所訂標準。

董事會角色及職責

董事會負責領導及監控本公司，並負責制訂整體策略及檢討本集團之營運及財務表現。經董事會決定或考慮之事宜包括本集團整體策略、重大收購及出售、年度預算、年度及中期業績、董事委任或重選、批准重大資本交易及其他重大營運及財務事宜。董事會向管理層轉授權力及責任，以管理本集團之日常事務。此外，董事會亦將多個職責分派予董事會委員會。該等委員會之進一步詳情載於本報告內。

董事會組成

董事會現由六名董事組成，包括一名執行董事，兩名非執行董事及三名獨立非執行董事：

執行董事

趙文佳女士 (*行政總裁*)

非執行董事

徐雷先生

顧亞維女士

獨立非執行董事

姚勇杰先生

馬建威先生

冼偉健先生

Apart from the marital relationship between Ms. Zhao Wenjia and Mr. Xu Lei, the current Board members do not have other financial, business, family or other material/relevant relationships with each other. Such balanced Board composition is formed to ensure strong independence exists across the Board and has complied with Rule 3.10A of the Listing Rules that the Board to have at least one-third of its members comprising independent non-executive Directors. The composition of the Board reflects the balanced skills and experience for effective leadership.

All Directors have given sufficient time and attention to the affairs of the Group. The executive Director has sufficient experience to hold the position so as to carry out her duties effectively and efficiently. The non-executive Directors and independent non-executive Directors, who combine to offer diverse industry expertise, serve the important function of providing relevant advise so as to assist the management on formulation of business strategy and ensuring that the Board maintains high standards of financial and other mandatory reporting requirements as well as providing adequate checks and balances for safeguarding the interests of Shareholders and the Company as a whole. The biographical information of the Directors are set out on pages 22 to 24 under the section headed "Biographical Details of Directors".

Board Diversity Policy

The Board has adopted on 16 October 2013 a board diversity policy (the "**Board Diversity Policy**") which sets out the approach to achieve diversity on the Board. The Company recognizes that increasing diversity at the Board level will support the attainment of the Company's strategic objectives and sustainable development. The Company seeks to achieve Board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The Board delegated certain duties under the Board Diversity Policy to the Nomination Committee. The Nomination Committee will review and adopt the above measurements when it reviewed the composition of the Board. After assessing the suitability of the Directors' skills and experience to the Company's business, the Nomination Committee considered that the existing Board were suitably qualified with professional backgrounds and/or equipped with extensive expertise for the purposes of providing direction to and oversight of the Group's strategic and business in achieving its objectives.

除趙文佳女士與徐雷先生之間有婚姻關係之外，目前董事會成員之間並無財務、業務、家族或其他重大／相關關係。該董事會組成均衡有致，確保董事會擁有極大獨立性，並遵守上市規則第3.10A條關於董事會至少有三分之一成員須由獨立非執行董事組成之規定。董事會之組成反映出達致有效領導力所需之均衡技能及經驗。

所有董事均付出足夠時間及精力處理本集團之事務，而執行董事具備足夠經驗，可有效及高效地履行職務。非執行董事及獨立非執行董事共同提供多個行業的專業知識，履行彼等向管理層提供相關建議，以協助管理層制定業務策略之重要職能，並確保董事會不單能維持對財務及其他強制性申報規定之嚴格標準，而且能提供合適制衡機制以保障股東及本公司的整體利益。董事之履歷資料載於第22頁至24頁「董事之履歷」一節。

董事會成員多元化政策

董事會已於二零一三年十月十六日採納董事會成員多元化政策（「**董事會成員多元化政策**」），該政策載列達致董事會成員多元化的方法。本公司知悉董事會層面日益多元化將為達成本公司策略目標及可持續發展提供支持。本公司藉考慮多項因素，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期，務求達致董事會成員多元化。董事會根據董事會成員多元化政策授權提名委員會若干職責。提名委員會將於檢討董事會之組成時檢討及採用上述措施。就各董事的技能及經驗對本公司業務的適合度作出評估後，提名委員會認為，現有董事會合適地具備專業背景及／或具備豐富之專業知識，為本集團達成目標之策略及業務提供方向及作出監督。

Directors' Training

According to the code provision A.6.5 of the CG Code, all directors should participate in continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the board remains informed and relevant. The Audit Committee is delegated the responsibility by the Board of reviewing and monitoring the training and continuous professional development of the Directors and senior management.

All Directors have participated in continuous professional development with respect to directors' duties, relevant programmes and seminars or had perused reading materials and updated information in relation to business and industrial development/regulatory update. The Directors provided records of training they received for the year ended 31 December 2017 to the Company.

Non-Executive Directors

The two non-executive Directors and the three independent non-executive Directors are high caliber persons with diversified industry expertise and academic/professional qualifications, bringing a wide range of skills and experience to the Group and provide strong support towards the effective discharge of the duties and responsibilities of the Board. Each independent non-executive Director gives an annual confirmation of his independence to the Company, and the Company considers each of them is independent under Rule 3.13 of the Listing Rules.

All non-executive Directors, including independent non-executive Directors, are appointed for an initial term of one year which shall be automatically renewable for successive term of one year each upon the expiry of the said term. Each of them shall subject to retirement by rotation in accordance with the Bye-Laws.

Chairman and Chief Executive Officer

The role of chief executive officer of the Company is currently performed by Ms. Zhao Wenjia and the role of Chairman is currently performed by the Board collectively. Further discussion can be found in the section headed "Compliance with Corporate Governance Practices" of this report.

董事培訓

根據企業管治守則之守則條文第A.6.5條，全體董事均應參與持續專業發展，以培養並更新其知識及技能，以確保能向董事會提供知情及相關的貢獻。審核委員會已獲董事會授權，負責檢討及監察董事及高級管理人員之培訓及持續專業發展。

全體董事均已參與有關董事職責之持續專業發展、相關計劃及研討會，或已閱讀有關業務及行業發展／監管更新之材料及最新資料。董事已向本公司提交截至二零一七年十二月三十一日止年度參與培訓之紀錄。

非執行董事

兩名非執行董事及三名獨立非執行董事為優秀人才，擁有豐富的行業經驗及學歷／專業資格。彼等藉著於各行業累積之技能及經驗，為有效履行董事會職能及責任提供強勢支援。各獨立非執行董事已就彼之獨立性向本公司發出年度確認書，而本公司認為彼等均具備上市規則第3.13條所載之獨立性。

所有非執行董事（包括獨立非執行董事）以一年初步任期獲委任，並將在上述任期屆滿後每次自動重續一年。彼等各自均須根據公司細則輪值退任。

主席及行政總裁

本公司行政總裁一職現由趙文佳女士擔任，而主席職責則由董事會集體履行。進一步討論載於本報告「遵守企業管治常規」一節。

Board Meetings

The Company planned in advance four scheduled Board meetings a year at approximately quarterly interval and additional meetings will be held as and when required. During the regular meetings of the Board, the Board reviewed the operation and financial performance and reviewed and approved the annual and interim results.

During the year ended 31 December 2017, the Board held 5 meetings and the attendance of each Directors at the Board meetings is set out in the table on pages 36 and 37 of this report. All Directors are given an opportunity to include any matters in the agenda for regular Board meetings, and are given sufficient time to review documents and information relating to matters to be discussed in Board meetings in advance.

Board minutes are kept by the Company Secretary and are open for inspection by the Directors. Every Board member is entitled to have access to Board papers and related materials and has unrestricted access to the advice and services of the Company Secretary, and has the liberty to seek external professional advice if so required.

General Meeting

During the year ended 31 December 2017, a general meeting, being the annual general meeting of the Company held on 26 June 2017 (the "2017 AGM"), was held. The attendance of each Directors at 2017 AGM is set out in the table on pages 36 and 37 of this report.

The Board is responsible for maintaining an on-going dialogue with Shareholders and in particular, uses annual general meetings or other general meetings to communicate with them and encourage their participation.

Board Committees

The Board has established the following committees with written terms of reference, which are on no less exacting terms than those set out in the CG Code:

- Audit Committee
- Remuneration Committee
- Nomination Committee

The Board also establish the Share Option Committee with written terms of reference.

董事會會議

本公司預先籌劃每年舉行四次董事會會議，約每一季度舉行一次，並於有需要時舉行額外會議。於董事會常規會議上，董事會檢討營運及財務表現，並審閱及批准年度及中期業績。

截至二零一七年十二月三十一日止年度，董事會舉行五次會議，各董事出席董事會會議的情況載於本報告第36及37頁之表格內。全體董事均可於董事會常規會議議程中加入任何事項，並有充裕時間預先檢閱將於董事會會議討論之事項相關的文件及資料。

公司秘書負責保存董事會會議記錄，其可供董事查閱。各董事會成員有權查閱董事會文件及相關資料，並可自由取得公司秘書之意見及服務，及可於有需要時自行對外尋求專業意見。

股東大會

截至二零一七年十二月三十一日止年度，本公司共舉行一次股東大會，即本公司於二零一七年六月二十六日舉行之股東週年大會（「二零一七年股東週年大會」）。各董事出席二零一七年股東週年大會的情況載於本報告第36及37頁之表格內。

董事會負責與股東維持緊密連繫，尤其是透過股東週年大會或其他股東大會與股東進行溝通，並鼓勵彼等參與。

董事會委員會

董事會已成立下列委員會，並制定職權範圍，其條款不遜於企業管治守則所載者：

- 審核委員會
- 薪酬委員會
- 提名委員會

董事會亦成立購股權委員會，並制定職權範圍。

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Each committees has authority to engage outside consultants or experts as it considers necessary to discharge the committee's responsibilities. Minutes of all committees' meetings are circulated to relevant committees' members and open for inspection by all Directors. To further reinforce independence and effectiveness, each of the Audit Committee, Nomination Committee, Remuneration Committee and Share Option Committee have been structured to include all or a majority of independent non-executive Directors. Details of the committees are set out below.

Audit Committee

The Company established the Audit Committee in 1997 with written terms of reference which was revised on 24 August 2012 and 31 December 2015. The terms of reference of the Audit Committee is currently made available on the websites of the Stock Exchange and the Company.

The Audit Committee currently comprises three independent non-executive Directors as follows:

Mr. Sinn Wai Kin Derek (*Committee Chairman*)
Mr. Yao Yongjie
Mr. Ma Jianwei

Terms of reference of the Audit Committee adopted by the Board are aligned with the code provisions set out in the CG Code.

The Audit Committee was established to review the Group's financial controls, internal controls and risk management systems and make relevant recommendations to the Board. The Audit Committee has been chaired by an independent non-executive Director and all of the Audit Committee members are independent non-executive Directors. The chairman of the Audit Committee possesses appropriate professional qualifications, accounting or related financial management expertise as required under the Listing Rules.

各委員會在其認為就履行委員會職責時屬必要的情况下，有權委聘外部顧問或專家。所有委員會會議的會議記錄均向相關委員會成員傳閱及供全體董事查閱。為進一步加強獨立性及有效性，審核委員會、提名委員會、薪酬委員會及購股權委員會的結構均包括全體或大部分獨立非執行董事。各委員會之詳情載於下文。

審核委員會

本公司於一九九七年成立審核委員會，並制定書面職權範圍（於二零一二年八月二十四日及二零一五年十二月三十一日修訂）。審核委員會之職權範圍目前登載於聯交所及本公司網站。

審核委員會目前由三名獨立非執行董事組成，載列如下：

冼偉健先生 (*委員會主席*)
姚勇杰先生
馬建威先生

董事會採納之審核委員會職權範圍符合企業管治守則所載之守則條文。

審核委員會的成立，旨在檢討本集團的財務監控、內部監控及風險管理制度，並向董事會提出相關建議。審核委員會主席由獨立非執行董事擔任，且全體審核委員會成員均為獨立非執行董事。審核委員會的主席具備上市規則所規定的適當專業資格、會計或相關財務管理的專業知識。

The Audit Committee also responsible for making recommendations to the Board on the appointment, re-appointment and removal of the external auditor and to approve the remuneration and terms of engagement of the external auditor, and any questions of resignation or dismissal of such auditor; reviewing the external auditor's independence, the Group's financial and accounting policies and practices; reviewing the interim and annual reports and financial statements of the Group; and overseeing the Company's financial reporting system, risk management and internal control systems including the adequacy of resources, qualifications and experience of staff in charge of the Company's accounting, internal audit and financial reporting function and their training arrangement and budget, and internal control procedures.

The Audit Committee meets the external auditor regularly to discuss any area of concern during the audit. The Audit Committee reviews the Company's annual report and interim report before submission to the Board and to focus particularly on:

- (i) any changes in accounting policies and practices;
- (ii) major judgmental areas;
- (iii) significant adjustments resulting from audit;
- (iv) the going concern assumptions and any qualifications;
- (v) compliance with accounting standards; and
- (vi) compliance with the Listing Rules and legal requirements in relation to financial reporting.

The Audit Committee is also responsible for performing the corporate governance duties, which include, to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board; to review and monitor the training and continuous professional development of Directors and senior management of the Company; to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements; to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and to review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

During the year ended 31 December 2017, the Audit Committee held 2 meetings and the attendance of each member of the Audit Committee at the Audit Committee's meetings is set out in the table on pages 36 and 37 of this report.

審核委員會亦負責就委任、續聘及罷免外部核數師、批准外部核數師之薪酬及委聘條款向董事會提出推薦建議，及處理有關核數師的辭任或罷免之問題、檢討外部核數師之獨立性、本集團之財務及會計政策及常規、審閱本集團的中期及年度報告及財務報表，及監察本公司的財務匯報制度、風險管理及內部監控制度，包括資源充足度、負責本公司之會計、內部審核及財務申報職能員工的資歷及經驗及彼等之培訓安排及預算，以及內部監控程序。

審核委員會定期與外部核數師舉行會議，討論審核過程中發現的任何問題。審核委員會審閱本公司年報及中期報告後，方會提交董事會，並特別注重以下事項：

- (i) 會計政策及常規的任何變動；
- (ii) 主要判斷範圍；
- (iii) 核數導致的重大調整；
- (iv) 持續經營假設及任何保留意見；
- (v) 是否遵守會計準則；及
- (vi) 是否遵守有關財務申報之上市規則及法律規定。

審核委員會亦負責履行企業管治職責，其中包括制定及檢討本公司政策及企業管治常規，並向董事會提供推薦建議；檢討及監督本公司董事及高級管理層的培訓及持續專業發展；檢討及監督本公司有關遵守法律及監管規定的政策及常規；制定、檢討及監督適用於僱員及董事的行為守則及合規手冊（如有）；檢討本公司遵守企業管治守則的情況及於企業管治報告中之披露。

截至二零一七年十二月三十一日止年度，審核委員會舉行兩次會議，審核委員會各成員出席審核委員會會議的情況載於本報告第36及37頁之表格內。

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During the year under review, the Audit Committee had performed the following work:

- recommended to the Board of the engagement of ZHONGHUI ANDA to review the consolidated interim financial statements of the Group for the six months ended 30 June 2017;
- reviewed the annual results for the year ended 31 December 2016 and the interim results for the six months ended 30 June 2017;
- discussed with management the risk management and internal control systems to ensure effective systems are in place;
- reviewed the financial controls, internal control and risk management systems of the Group;
- recommended to the Board of the re-appointment of the auditor of the Company and the terms of its engagement;
- reviewed the training and continuous professional development of Directors; and
- reviewed the Company's compliance with the CG Code and the Company's disclosure in Corporate Governance Report, and recommended the same to the Board for approval.

Remuneration Committee

The Company established the Remuneration Committee in 2005 with written terms of reference. The terms of reference of the Remuneration Committee is currently made available on the websites of the Stock Exchange and the Company.

於回顧年度內，審核委員會履行以下工作：

- 就委聘中匯安達審閱本集團截至二零一七年六月三十日止六個月之綜合中期財務報表向董事會提供推薦建議；
- 審閱截至二零一六年十二月三十一日止年度之全年業績及截至二零一七年六月三十日止六個月之中期業績；
- 與管理層討論風險管理及內部監控制度，以確保制度行之有效；
- 檢討本集團的財務監控、內部監控及風險管理制度；
- 就續聘本公司核數師及其委聘條款向董事會提供推薦建議；
- 檢討董事的培訓及持續專業發展；及
- 檢討本公司遵守企業管治守則之情況及本公司於企業管治報告之披露，並建議董事會予以批准。

薪酬委員會

本公司於二零零五年成立薪酬委員會，並制定書面職權範圍。薪酬委員會之職權範圍目前登載於聯交所及本公司網站。

The Remuneration Committee currently comprises five members as follows:

Independent Non-executive Directors

Mr. Ma Jianwei (*Committee Chairman*)
Mr. Yao Yongjie
Mr. Sinn Wai Kin Derek

Executive Director

Ms. Zhao Wenjia

Non-executive Director

Mr. Xu Lei

Terms of reference of the Remuneration Committee adopted by the Board are aligned with the code provisions set out in the CG Code.

The Remuneration Committee is chaired by an independent non-executive Director. The Remuneration Committee is responsible to make recommendations to the Board on the remuneration packages of the Directors and senior management of the Company so as to ensure that the Company attracts and retains the Directors and senior management of the Company needed to run the Group successfully and on the establishment of a formal and transparent procedure for developing remuneration policy, and also, review the appropriateness and relevance of the remuneration policy.

The Remuneration Committee has adopted the code provision B.1.2(c)(ii) to make recommendations to the Board on remuneration packages of individual executive Directors and senior management of the Company. During the year ended 31 December 2017, the Remuneration Committee held 1 meeting for reviewing the existing policy and structure of the remuneration for the Directors and senior management of the Company. The attendance of each member of the Remuneration Committee at the Remuneration Committee's Meeting is set out in the table on pages 36 and 37 of this report. Apart from attending the above meeting, the members of the Remuneration Committee by passing of written resolution made recommendation to the Board on the provision of accommodation facilities to the executive Director.

薪酬委員會目前由五名成員組成，載列如下：

獨立非執行董事

馬建威先生 (*委員會主席*)
姚勇杰先生
冼偉健先生

執行董事

趙文佳女士

非執行董事

徐雷先生

董事會採納之薪酬委員會職權範圍符合企業管治守則所載之守則條文。

薪酬委員會之主席由獨立非執行董事擔任。薪酬委員會負責就本公司董事及高級管理層之薪酬待遇向董事會作出推薦建議，以確保本公司吸引及挽留本集團成功營運所需之本公司董事及高級管理層以及為制訂此等薪酬政策設立正規而具透明度之程序，並檢討薪酬政策的適當性及相關性。

薪酬委員會已採納守則條文第B.1.2(c)(ii)條，就本公司個別執行董事及高級管理層之薪酬待遇向董事會提供推薦建議。於截至二零一七年十二月三十一日止年度，薪酬委員會舉行一次會議，檢討本公司董事及高級管理層現有薪酬政策及架構。薪酬委員會各成員出席薪酬委員會會議的情況載於本報告第36及37頁之表格內。除出席上述會議外，薪酬委員會之成員以通過書面決議案之方式推薦建議董事會向執行董事提供住宿設施。

Corporate Governance Report 企業管治報告

The emoluments payable to Directors and senior management of the Company will depend on their respective contractual terms under the employment agreements, if any, and is fixed by the Board, with authority given by the Shareholders at the general meeting, with reference to the recommendations of the Remuneration Committee, the performance of the Group and the prevailing market conditions. Details of the remuneration of the Directors and senior management of the Company are set out in note 13 to the consolidated financial statements.

The remuneration of the senior management of the Company (comprising Directors) for the year ended 31 December 2017, by band is set out below:

Remuneration band 薪酬範圍

Nil to HK\$1,000,000
零至 1,000,000 港元
HK\$1,000,001 - HK\$1,500,000
1,000,001 港元至 1,500,000 港元
HK\$1,500,001 - HK\$2,000,000
1,500,001 港元至 2,000,000 港元
HK\$2,000,001 - HK\$2,500,000
2,000,001 港元至 2,500,000 港元

Number of individual 人數

6
—
—
1

Nomination Committee

The Company established the Nomination Committee with written terms of reference which was revised on 16 October 2013. The terms of reference of the Nomination Committee is currently made available on the websites of the Stock Exchange and the Company.

The Nomination Committee currently comprises five members as follows:

Independent Non-executive Directors

Mr. Sinn Wai Kin Derek (*Committee Chairman*)
Mr. Yao Yongjie
Mr. Ma Jianwei

Executive Director

Ms. Zhao Wenjia

Non-executive Director

Mr. Xu Lei

支付予本公司董事及高級管理層的酬金取決於彼等各自委聘協議之相關合約條款(如有)，並經股東於股東大會上授權後，由董事會參考薪酬委員會之推薦建議、本集團之表現及當前市況釐定。本公司董事及高級管理層酬金之詳情載於綜合財務報表附註 13。

截至二零一七年十二月三十一日止年度本公司高級管理層(包括董事)之薪酬按薪酬範圍分析如下：

提名委員會

本公司成立提名委員會，並制定書面職權範圍(於二零一三年十月十六日修訂)。提名委員會之職權範圍目前登載於聯交所及本公司網站。

提名委員會目前由五名成員組成，載列如下：

獨立非執行董事

冼偉健先生 (*委員會主席*)
姚勇杰先生
馬建威先生

執行董事

趙文佳女士

非執行董事

徐雷先生

Terms of reference of the Nomination Committee adopted by the Board are aligned with the code provisions set out in the CG Code.

The Nomination Committee is currently chaired by the independent non-executive Director. The Nomination Committee is responsible to review the structure, size and composition (including the skills, knowledge, experience and diversity of perspectives required) of the Board and to make recommendations on any proposed changes to the Board to complement the Company's corporate strategy; to identify suitably qualified individuals to become Directors; to assess the independence of the independent non-executive Directors; to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors; and to review the Board Diversity Policy and any measurable objectives for implementing such Board Diversity Policy as may be adopted by the Board from time to time and to review the progress on achieving the objectives, and make disclosure of its review results in the Corporate Governance Report.

During the year ended 31 December 2017, the Nomination Committee held 2 meetings for reviewing the structure, size and composition of the Board, considering the independence of independent non-executive Directors, made recommendations to the Board on the re-election of retiring Directors at the 2017 AGM and the term of appointment of Directors. The Nomination Committee was of the opinion that the Board Diversity Policy is appropriate and shall remain unchanged. The attendance of each member of the Nomination Committee at the Nomination Committee's Meetings is set out in the table on pages 36 and 37 of this report.

Share Option Committee

The Company established the Share Option Committee with written terms of reference which was adopted in 2004 and amended on 29 March 2012. The terms of reference of the Share Option Committee is currently made available on the websites of the Stock Exchange and the Company.

The Share Option Committee is responsible to implement and administer the share option scheme(s) of the Company including to deal with the issue and allotment of new Shares arising from the exercise of options by grantees; to determine the number of Shares to be offered to eligible participants; to recommend the subscription price of the share options to the Board and to recommend to the Board where it deems necessary, any amendment, modification, addition, or deletion of the share option scheme(s) of the Company.

董事會採納之提名委員會職權範圍符合企業管治守則所載之守則條文。

提名委員會之主席現由獨立非執行董事擔任。提名委員會負責檢討董事會之架構、規模及組成（包括所需技能、知識、經驗及多元觀點），並就董事會之任何建議變動作出推薦建議，以配合本公司之企業策略，物色適當合資格人士擔任董事，評估獨立非執行董事之獨立性，以及就董事之委任或續任及繼任計劃向董事會提供推薦建議，並檢討董事會不時採納的董事會成員多元化政策及為執行該董事會成員多元化政策而制定的任何可計量目標，以及檢討該目標的達標進度；並每年於企業管治報告內披露該檢討結果。

截至二零一七年十二月三十一日止年度，提名委員會舉行兩次會議，以檢討董事會之架構、規模及組成、考慮獨立非執行董事之獨立性、就於二零一七年股東週年大會重選退任董事及董事之委聘條款向董事會提出建議。提名委員會認為董事會成員多元化政策屬適當，及應持不變。提名委員會各成員出席提名委員會會議的情況載於本報告第36及37頁之表格內。

購股權委員會

本公司成立購股權委員會，並制定書面職權範圍，其於二零零四年採納並於二零一二年三月二十九日修訂。購股權委員會的書面職權範圍現時可於聯交所及本公司網站查閱。

購股權委員會負責推行及管理本公司的購股權計劃，包括處理因承授人行使購股權而發行及配發新股份、釐定將提供予合資格參與者的股份數目、向董事會建議購股權之認購價，及在其認為必需對本公司之購股權計劃作出任何修訂、修改及增減時向董事會提供推薦建議。

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The Share Option Committee currently comprises five members as follows:

Independent Non-executive Directors

Mr. Ma Jianwei (*Committee Chairman*)
Mr. Yao Yongjie
Mr. Sinn Wai Kin Derek

Executive Director

Ms. Zhao Wenjia

Non-executive Director

Mr. Xu Lei

During the year ended 31 December 2017, the Share Option Committee did not hold any meeting.

Attendance of the Directors and members of the Board committees for the year ended 31 December 2017 are set out below:

購股權委員會目前由五名成員組成，載列如下：

獨立非執行董事

馬建威先生 (*委員會主席*)
姚勇杰先生
冼偉健先生

執行董事

趙文佳女士

非執行董事

徐雷先生

截至二零一七年十二月三十一日止年度，購股權委員會並無舉行任何會議。

截至二零一七年十二月三十一日止年度董事及董事會委員會成員出席會議情況載列如下：

Name of Directors 董事姓名	General Meeting 股東大會	Board Meetings 董事會會議	Audit Committee's Meetings 審核委員會會議	Remuneration Committee's Meeting 薪酬委員會會議	Nomination Committee's Meetings 提名委員會會議	Share Option Committee's Meeting 購股權委員會會議
Executive Director 執行董事						
Zhao Wenjia 趙文佳	1/1	5/5	-	1/1	2/2	-
Non-Executive Directors 非執行董事						
Xu Lei 徐雷	1/1	5/5	-	1/1	2/2	-
Gu Yawei 顧亞維	1/1	4/5	-	-	-	-
Xu Ming (<i>Note</i>) 徐鳴 (<i>附註</i>)	N/A 不適用	N/A 不適用	-	-	-	-

Name of Directors 董事姓名	General Meeting 股東大會	Board Meetings 董事會會議	Audit Committee's Meetings 審核委員會會議	Remuneration Committee's Meeting 薪酬委員會會議	Nomination Committee's Meetings 提名委員會會議	Share Option Committee's Meeting 購股權委員會會議
Independent Non-executive Directors 獨立非執行董事						
Yao Yongjie 姚勇杰	1/1	5/5	2/2	1/1	2/2	-
Ma Jianwei 馬建威	1/1	5/5	2/2	1/1	2/2	-
Sinn Wai Kin Derek 冼偉健	1/1	5/5	2/2	1/1	2/2	-
Total number of meetings 會議總數	1	5	2	1	2	-

Note: Mr. Xu Ming resigned as a non-executive Director on 17 February 2017. His attendances above were stated by reference to the number of meetings held during his tenure.

附註：徐鳴先生於二零一七年二月十七日辭任非執行董事。上述彼之出席次數乃參照其任期內舉行之會議次數而列示。

External Audit

The Company's existing external auditor, ZHONGHUI ANDA, performs independent statutory audit on the Group's consolidated financial statements for the year ended 31 December 2017. The Audit Committee also has unrestricted access to external auditor as necessary. The Company's external auditor also reports to the Audit Committee any significant weaknesses in the Group's internal control system which might come to its notice during the course of audit.

Prior to the commencement of the audit of the Company, the Audit Committee should be received written confirmation from the external auditor on its independence and objectivity as required by the Hong Kong Institute of Certified Public Accountants.

Members of the Audit Committee have been satisfied with the findings of their review on the audit fees, process and effectiveness, independence and objectivity of ZHONGHUI ANDA, and the Audit Committee has recommended to the Board the re-appointment of ZHONGHUI ANDA as the Company's external auditor.

外部審核

本公司現任外部核數師中匯安達對本集團截至二零一七年十二月三十一日止年度之綜合財務報表進行獨立法定審核。審核委員會在有需要時亦可自由聯絡外部核數師。本公司之外部核數師亦就其於審核過程中可能發現有關本集團內部監控系統的任何重大不足向審核委員會報告。

在本公司之審核開始前，外部核數師須根據香港會計師公會之規定，就其獨立性及客觀性向審核委員會發出書面確認。

審核委員會之成員已信納彼等對中匯安達的審核費用、過程以及有效性、獨立性及客觀性之審閱結果，而審核委員會已建議董事會續聘中匯安達為本公司外部核數師。

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Auditor's Remuneration

Total remunerations of HK\$400,000 and HK\$634,000 were paid/payable to ZHONGHUI ANDA for its audit of the consolidated financial statements of the Group for the year ended 31 December 2017 and non-audit services for the year ended 31 December 2017 respectively. The non-audit services mainly consists of review on the consolidated financial statements of the Group for the six months ended 30 June 2017 and acting as the reporting accountant in respect of the Resumption Proposal.

Company Secretary

The Company engaged an external professional company secretarial services provider, Uni-1 Corporate Services Limited ("**Uni-1**"), to provide compliance and full range of company secretarial services to the Group in order to assist the Group to cope with the changing regulatory environment and to suit different commercial needs.

Ms. Chan Pui Shan, Bessie ("**Ms. Chan**"), the representative of Uni-1, was appointed as the Company Secretary of the Company on 10 December 2013.

Ms. Cheng Kit Sum, Clara, the Group Financial Controller of the Company, is the primary point of contact at the Company for the Company Secretary.

According to the requirements of Rule 3.29 of the Listing Rules, Ms. Chan has taken not less than 15 hours of relevant professional training during the year ended 31 December 2017.

Shareholders' Rights

The general meetings of the Company provide an opportunity for communication between the Shareholders and the Board. An annual general meeting of the Company shall be held in each year and at the place as may be determined by the Board. Each general meeting, other than an annual general meeting, shall be called a special general meeting.

核數師酬金

已付／應付中匯安達審核本集團截至二零一七年十二月三十一日止年度之綜合財務報表及截至二零一七年十二月三十一日止年度之非審核服務之酬金總額分別為**400,000**港元及**634,000**港元。非審核服務主要包括審閱本集團截至二零一七年六月三十日止六個月之綜合財務報表及就復牌建議出任申報會計師。

公司秘書

本公司委聘外部專業公司秘書服務供應商統一企業服務有限公司（「**統一**」），以向本集團提供一致及全面的公司秘書服務，協助本集團應對多變的監管環境及迎合不同的商業需要。

統一之代表陳佩珊女士（「**陳女士**」）於二零一三年十二月十日獲委任為本公司之公司秘書。

本公司的集團財務總監鄭潔心女士為公司秘書於本公司之主要聯繫人。

根據上市規則第**3.29**條之規定，陳女士已於截至二零一七年十二月三十一日止年度內接受不少於**15**個小時的相關專業培訓。

股東之權利

本公司股東大會為股東與董事會之間提供溝通機會。本公司每年舉行一次股東週年大會，舉行地點由董事會決定。除股東週年大會外，各股東大會被稱為股東特別大會。

Shareholders to convene a special general meeting

Shareholders may convene a special general meeting of the Company according to the provisions as set out in the Bye-Laws and the Bermuda Laws. Members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require a special general meeting to be called by the Directors for the transaction of any business specified in such requisition; and such meeting shall be called within two months after the deposit of such requisition. If within twenty-one days of such deposit the Directors fails to proceed to convene such meeting, the requisitionists themselves may do so in accordance with the provisions of the Bermuda Laws by written notice at least twenty-one days before the meeting takes place in like manner as the annual general meeting of the Company.

Putting enquiries by Shareholders to the Board

Shareholders may send written enquiries to the Company at the Company's principal place of business in Hong Kong.

Procedures for putting forward proposals by Shareholders at Shareholders' meeting

The number of members necessary for a requisition for putting forward a proposal at a general meeting shall be:

- (a) any number of members representing not less than one-twentieth of the total voting rights at the date of the requisition; or
- (b) not less than one hundred members.

A copy or copies of requisition signed by all requisitionists shall be deposited, with a sum reasonably sufficient to meet the Company's expenses in giving notice of the proposed resolution or circulating any necessary statement, at the Company's registered office in the case of:

- (i) a requisition requiring notice of a resolution, not less than six weeks before the meeting; and
- (ii) any other requisition, not less than one week before the meeting.

The Company will verify the requisition and upon confirmation that the requisition is in proper and in order, the Board will proceed with the necessary procedures.

股東召開股東特別大會

根據公司細則及百慕達法例所載條文，股東可召開本公司股東特別大會。於遞交請求書日期持有不少於附帶本公司股東大會投票權之本公司實繳股本十分之一之股東隨時有權透過向董事會或本公司秘書發出書面請求，要求董事召開股東特別大會，以處理該請求書所載之任何業務交易；及該會議須於遞交請求書後兩個月內召開。倘於遞交該請求書二十一日期內，董事未能召開該會議，則請求人士可根據百慕達法例之條文，於會議舉行前至少二十一日發出書面通知自行召開該會議，形式與本公司股東週年大會相若。

股東向董事會查詢

股東可將書面查詢寄發至本公司位於香港的主要營業地點。

股東於股東大會提呈建議的程序

於股東大會上要求提呈建議所需之股東人數須為：

- (a) 代表不少於請求書日期總投票權二十分之一之任何股東人數；或
- (b) 不少於一百名股東。

所有請求人簽署之請求書副本或多份副本，連同合理足以支付本公司發出有關提呈決議案之通告或傳閱任何必要聲明所需費用之款項，應於下列時間內遞交本公司之註冊辦事處：

- (i) 倘屬需發出決議案通告之請求書，須於有關會議舉行前不少於六個星期；及
- (ii) 倘屬任何其他請求書，須於有關會議舉行前不少於一個星期。

本公司將核實有關請求書，一旦確認有關請求屬合適及妥當，董事會將繼續進行必要之程序。

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Voting by Poll

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholder at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. As such, all resolutions set out in the notice of the forthcoming annual general meeting of the Company will be voted by poll.

The general meetings of the Company provide an opportunity for communication between the Shareholders and the Board. The annual report together with the relevant circular are distributed to all the Shareholders at least 20 clear business days before the annual general meeting.

Constitutional Documents

There is no change in the Company's constitutional documents during the year ended 31 December 2017.

Investor Relations

The Company is committed to open and regular communication and reasonable disclosure of information to its Shareholders. Information of the Company is disseminated to the Shareholders in the following manner:

- Delivery of annual and interim reports to all Shareholders;
- Publication of announcements on the annual and interim results on the websites of the Stock Exchange and the Company, and publication of other announcements and Shareholders' circulars in accordance with the continuing disclosure obligations under the Listing Rules; and
- The general meeting of the Company is also an effective communication channel between the Board and Shareholders.

按股數投票表決

根據上市規則第 13.39(4) 條，股東於股東大會之任何表決必須以投票方式進行，惟大會主席真誠決定容許純粹有關程序或行政事宜的決議案以舉手方式表決外。因此，載於本公司應屆股東週年大會通告之所有決議案須按股數投票方式表決。

本公司股東大會為股東與董事會之間提供溝通機會。年報連同相關通函會於股東週年大會前至少 20 個完整營業日寄發予全體股東。

憲章文件

截至二零一七年十二月三十一日止年度，本公司之憲章文件並無變動。

投資者關係

本公司致力維持開放及定期溝通，並且向其股東合理地作出資料披露。有關本公司之資料通過以下方式向股東發佈：

- 向全體股東送呈年度及中期報告；
- 根據上市規則之持續披露責任，於聯交所及本公司之網站刊登年度及中期業績公佈以及刊發其他公佈及股東通函；及
- 本公司之股東大會亦為董事會與股東之間的有效溝通渠道。

RISK MANAGEMENT AND INTERNAL CONTROL

The Board's Responsibilities for the Risk Management and Internal Control Systems

The Board acknowledges its responsibility for overseeing the risk management and internal control systems of the Group and reviewing their effectiveness at least annually through the Audit Committee. However, the Board recognizes that no cost effective internal control and risk management systems will preclude all errors and irregularities, as such systems are designed to manage, rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has delegated its responsibilities (with relevant authorities) of risk management and internal control to the Audit Committee, and the management of the Company has provided a confirmation to the Audit Committee on the effectiveness of these systems for the year ended 31 December 2017.

Main Features of the Risk Management and Internal Control Systems

The main features of the risk management and internal control systems are to provide a clear governance structure, policies and procedures, as well as reporting mechanism to facilitate the Group to manage its risks across business operations.

Process used to Identify, Evaluate and Manage Significant Risks, to Review the Effectiveness of the Risk Management and Internal Control Systems and to Resolve Material Internal Control Defects

The Group has established a risk management framework, which consists of the Board, the Audit Committee and senior management. The Board determines the nature and extent of risks that shall be taken in achieving the Group's strategic objectives, and has the overall responsibility for monitoring the design, implementation and the overall effectiveness of risk management and internal control systems.

The Group has formulated and adopted Risk Management Policy in providing direction in identifying, evaluating and managing significant risks. At least on an annual basis, senior management identifies risks that would adversely affect the achievement of the Group's objectives, and assesses and prioritizes the identified risks according to a set of standard criteria. Risk mitigation plans and risk owners are then established for those risks considered to be significant.

風險管理及內部監控

董事會須就風險管理及內部監控系統負上的責任

董事會確認其有責任監察本集團風險管理及內部監控系統，並透過審核委員會至少每年檢討其成效。然而，董事會承認，概無符合成本效益之內部監控及風險管理系統可排除所有錯誤及違規情況，原因為該等系統旨在管理（而非消除）未能達成業務目標的風險，而且僅能就不會有重大的失實陳述或損失作出合理及非絕對的保證。

董事會已將其風險管理及內部監控職責（連同相關授權）轉授予審核委員會，及本公司管理層已就截至二零一七年十二月三十一日止年度該等系統的有效性向審核委員會提供確認書。

風險管理及內部監控系統的主要特點

本集團風險管理及內部監控系統的主要特點是提供清晰的管治架構、政策及程序以及匯報機制，以促進本集團管理各業務運營的風險。

用以識別、評估及管理重大風險、檢討風險管理及內部監控系統有效性及解決嚴重的內部監控缺失的程序

本集團已建立風險管理架構，由董事會、審核委員會及高級管理層組成。董事會釐定本集團達成策略目標時所願意接納的風險性質及程度，及全面負責監督風險管理及內部監控系統的設計、實施及其整體有效性。

本集團已制定及採納風險管理政策，提供識別、評估及管理重大風險之指示。高級管理層至少每年一次識別對實現本集團目標造成不利的風險，並根據一套規範標準對已識別的風險進行評估及排序，從而對被視作重大之風險制定風險緩解計劃及指定風險負責人。

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In addition, the Group has engaged an independent professional advisor to assist the Board and the Audit Committee in ongoing monitoring of the risk management and internal control systems of the Group. Deficiencies in the design and implementation of internal controls are identified and recommendations are proposed for improvement. Significant internal control deficiencies are reported to the Audit Committee and the Board on a timely basis to ensure prompt remediation actions are taken.

Risk management report and internal control report are submitted to the Audit Committee and the Board at least once a year. The Board had performed annual review on the effectiveness of the Group's risk management and internal control systems, including but not limited to the Group's ability to cope with its business transformation and changing external environment; the scope and quality of management's review on risk management and internal control systems; result of internal audit work; the extent and frequency of communication with the Board in relation to result of risk and internal control review; significant failures or weaknesses identified and their related implications; and status of compliance with the Listing Rules and financial reporting requirements. The Board conducted a review of the systems of risk management and internal control for the year ended 31 December 2017 to ensure the effectiveness and adequacy of the systems. Such review shall be conducted annually. The Board considered that the risk management and internal systems of Company for the year ended 31 December 2017 were effective and adequate.

Whistleblowing Policy

The Audit Committee establishes a whistleblowing policy, whereby employees and those who deal with the Company (e.g. customers and suppliers) to raise concerns about possible improprieties in any matter relating to the Company without fear of reprisal or victimization, in a responsible and effective manner. Written complaints can be lodged directly to the chairman of the Audit Committee and/or make a copy to the Group Financial Controller of the Company. The chairman of the Audit Committee will then convene a meeting to decide whether and/or how to carry out any necessary investigation and, depending upon the circumstances, consider to nominate investigating officer or set up a special committee to investigate the matter independently.

此外，本集團已委聘獨立專業顧問以協助董事會及審核委員會持續監督本集團之風險管理及內部監控系統，識別內部監控於設計及實施上的不足之處並提出改進建議。重大內部監控缺失會及時向審核委員會及董事會匯報，以確保快速採取補救行動。

風險管理報告及內部監控報告至少每年向審核委員會及董事會呈交一次。董事會已就本集團風險管理及內部監控系統之有效性進行年度檢討，包括但不限於本集團應對業務轉型及外部環境變動之能力；管理層檢討風險管理及內部監控系統之範圍及素質；內部審核工作結果；就風險及內部監控檢討結果與董事會進行溝通之程度及次數；已識別之重大監控失誤或弱項以及有關影響；以及上市規則及財務報告規定的合規情況。截至二零一七年十二月三十一日止年度，董事會已檢討風險管理及內部監控系統，以確保該等系統為有效及足夠。有關檢討須每年進行。董事會認為，截至二零一七年十二月三十一日止年度，本公司之風險管理及內部監控有效及足夠。

舉報政策

審核委員會建立舉報政策，據此，僱員及該等與本公司交易的人士（例如客戶及供應商）可負責任及有效地就有關本公司任何事宜中可能出現的不正當行為表達關注，而毋須擔憂遭到報復或受害。書面投訴可直接提交予審核委員會主席及／或向本公司之集團財務總監寄送副本。審核委員會主席其後將召開會議，以決定是否及／或如何進行任何所需調查，並視乎情況考慮提名調查主任或設立特別委員會以獨立調查有關事宜。

Procedures and Internal Controls for the Handling and Dissemination of Inside Information

The Group complies with requirements of the SFO and the Listing Rules. The Group discloses inside information to the public as soon as reasonably practicable unless the information falls within any of the Safe Harbours as provided in the SFO. Before the information is fully disclosed to the public, the Group ensures the information is kept strictly confidential. If the Group believes that the necessary degree of confidentiality cannot be maintained or that confidentiality may have been breached, the Group would immediately disclose the information to the public. The Group is committed to ensure that information contained in announcements are not false or misleading as to a material fact, or not false or misleading through the omission of a material fact in view of presenting information in a clear and balanced way, which requires equal disclosure of both positive and negative facts.

Internal Audit Function

The Group has conducted an annual review on whether there is a need for an internal audit department. Given the Group's relatively simple corporate and operation structure, as opposed to diverting resources to establish a separate internal audit department, the Board, supported by the Audit Committee, is directly responsible for risk management and internal control systems of the Group and for reviewing its effectiveness.

Directors' Responsibilities for the Consolidated Financial Statements

The Directors acknowledge their responsibilities to prepare the Company's accounts 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 consolidated financial statements for the year ended 31 December 2017, the Board has selected suitable accounting policies and applied them consistently; made judgments and estimates that are prudent, fair and reasonable and prepared the accounts on a going concern basis. The Directors are responsible for taking all reasonable and necessary steps to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The Directors adopted the going concern basis in the preparation of consolidated financial statements on the assumption that the Resumption Proposal will be successfully completed, and that, following the completion of the Resumption Proposal, the Group will continue to meet in full its financial obligations as they fall due in the foreseeable future.

處理及發佈內幕消息之程序和內部監控

本集團遵守證券及期貨條例及上市規則之規定。本集團須於合理切實可行之情況下盡快向公眾披露內幕資料，除非有關資料屬證券及期貨條例下任何安全港條文之範疇。本集團在向公眾全面披露有關資料前，會確保資料嚴格保密。倘本集團認為無法維持必要之保密程度，或該資料可能已外泄，會即時向公眾披露有關資料。本集團通過以清晰及平衡的方式呈列消息（其要求平等地披露正面及負面的事實），致力確保公佈所載之資料並無在重大事實方面失實或存在誤導成分，或並無因遺漏重大事實而造成失實或誤導。

內部審核職能

本集團已就是否需要設立內部審核部門進行年度審閱。鑒於本集團的公司及業務架構相對簡單，並不適合分散資源成立一個獨立的內部審核部門，董事會在審核委員會的協助下直接負責本集團的風險管理及內部監控系統並審閱其有效性。

董事編製綜合財務報表之責任

董事知悉彼等於各財政期間編製本公司賬目之責任，有關賬目真實公平反映本集團事務狀況以及該期間之業績與現金流量。於編製截至二零一七年十二月三十一日止年度之綜合財務報表時，董事會已選用並貫徹應用合適的會計政策，作出審慎、公平及合理之判斷與估計，以及按持續經營基準編製賬目。董事負責採取所有合理及必要步驟，保障本集團資產以及防止及辨識任何欺詐及其他違規行為。

董事採納持續經營基準編製綜合財務報表，並基於復牌建議將會成功完成，以及於復牌建議完成後，本集團於可預見將來債務到期時可持續完全償還債務之假設。

Environmental, Social and Governance Report

環境、社會及管治報告

INTRODUCTION AND ENVIRONMENTAL, SOCIAL AND GOVERNANCE GUIDELINE

This Environmental, Social and Governance Report (the “**ESG Report**”) summarises the initiatives, programmes and performance of the Group as well as demonstrates its commitment to sustainability.

The Group believes that environmental protection, low carbon footprint, resources conservation and sustainable development are the key trends in society. The Group recognises the importance of integrating environment, social and governance (“**ESG**”) aspects into its risk management system and has taken corresponding measures in its daily operation and governance perspective.

REPORTING SCOPE

The Group’s office in Hong Kong was mainly conducting accounting and administrative functions during the year ended 31 December 2017. This report covers the Group’s principal place of business in Hong Kong, unless stated otherwise. The ESG Key Performance Indicator (“**KPI**”) data is gathered and included under the Group’s direct control companies and subsidiaries.

REPORTING FRAMEWORK

This ESG Report has been prepared in accordance with the Environmental, Social and Governance Reporting Guide as set out in the Appendix 27 of the Listing Rules (the “**ESG Reporting Guide**”).

Information relating to the corporate governance practices of the Group has been set out in the Corporate Governance Report on pages 25 to 43 of this annual report.

序言和環境、社會及管治指引

本環境、社會及管治報告（「**ESG 報告**」）概述本集團的倡議、計劃及表現，並表明其在可持續發展方面的承諾。

本集團認為，環保、低碳足跡、資源節約及可持續發展乃社會發展的主流趨勢。本集團認可將環境、社會及管治（「**ESG**」）範疇納入其風險管理系統的重要性，並已在其日常營運及管治中採取相應措施。

報告範圍

截至二零一七年十二月三十一日止年度，本集團在香港的辦事處主要開展會計及行政管理職能。除非另行註明，否則本報告包括本集團於香港的主要辦事處。本報告按照本集團直接控制的公司及附屬公司收集及納入 **ESG** 關鍵績效指標（「**關鍵績效指標**」）數據。

報告框架

本 **ESG** 報告乃根據上市規則附錄 27 所載環境、社會及管治報告指引（「**ESG 報告指引**」）編製。

有關本集團企業管治常規的資料載於本年報第 25 至 43 頁的企業管治報告。

REPORTING PERIOD

The ESG Report specifies the environmental, social and governance activities, challenges and measures being taken during the year ended 31 December 2017.

STAKEHOLDER ENGAGEMENT

We value our stakeholders and their feedback regarding our Group on ESG aspects. In order to understand and address their concerns, we have maintained close communication with our key stakeholders, including but not limited to employees, government, regulatory bodies, Shareholders/investors and community through different channels such as conferences, electronic platforms and public events.

MATERIALITY ASSESSMENT

The management and employees who are responsible for the key functions of the Group have participated in preparing this report, assisted the Group in reviewing its operation, identifying key environmental, social and governance issues and assessing the importance of these issues to our businesses and stakeholders. We compiled a questionnaire in reference to the identified material environmental, social and governance issues to collect the information from relevant departments and business units of the Group.

報告期間

ESG 報告詳述截至二零一七年十二月三十一日止年度的環境、社會及管治活動、遇到的挑戰及採取的措施。

持份者參與

我們重視我們的持份者及其對本集團有關 ESG 範疇的反饋意見。為了解及解決彼等的擔憂，我們已通過不同的渠道（例如會議、電子平台及公開活動）與我們的主要持份者（包括但不限於僱員、政府、監管機構、股東／投資者及社區）保持緊密溝通。

重要範疇評估

管理層及負責本集團主要職能的僱員已參與編製本報告、協助本集團審閱其營運、識別主要環境、社會及管治範疇及評估該等範疇對我們的業務及持份者的重要性。我們編製了一份有關已識別的重大環境、社會及管治範疇的調查問卷，以從本集團相關部門及業務單位收集資料。

Environmental, Social and Governance Report

環境、社會及管治報告

We have considered feedback from the relevant stakeholders in determining the Group's material ESG aspects to be covered in this ESG Report. They are shown in the table below, together with the aspects of the ESG Guide to which they relate:

我們已考慮相關持份者的反饋意見，以決定本 ESG 報告涵蓋的本集團環境、社會及管治重要範疇。下表列載該等重要範疇及相關的 ESG 指引範疇：

ESG Reporting Guide ESG 報告指引

Material environmental, social and governance aspects of the Group 本集團重要的環境、社會及管治範疇

A. Environment

A. 環境

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		Sewage Discharge	P. 50
		污水排放	
		Wastes Management	P. 51
		廢棄物管理	
A2.	Use of Resources	Energy Consumption	P. 53
A2.	資源使用	能源消耗	
		Water Consumption and Use of Packaging Materials	P. 54
		水源消耗及包裝材料使用	
A3.	The Environment and Natural Resources	Indoor Air Quality	P. 56
A3.	環境及天然資源	室內空氣質量	

ESG Reporting Guide
ESG 報告指引

**Material environmental, social and
governance aspects of the Group**
本集團重要的環境、社會及管治範疇

B. Society

B. 社會

B1.	Employment 僱傭	Recruitment and Remuneration 招聘及報酬	P. 57
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B2.	Health and Safety 健康及安全	Employee Health Management 僱員健康管理	P. 58
B3.	Development and Training 發展及培訓	Training and Development Policies 培訓及發展政策	P. 58
B4.	Labor Standards 勞工準則	Prevention of Child Labor or Forced Labor 防止童工或強制勞工	P. 59
B5.	Supply Chain Management 供應鏈管理	Environmental and Social Responsibility of Suppliers 供應商環境及社會責任	P. 59
B5.		Fair and Open Procurement 公平公開採購	P. 59
B6.	Product Responsibility 產品責任	Product Responsibility 產品責任	P. 60
B7.	Anti-Corruption 反貪污	Internal Control 內部監控	P. 60
B7.		Whistleblowing Policy 舉報政策	P. 61
B8.	Community Investment 社區投資	Community Investment 社區投資	P. 61

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During the year ended 31 December 2017, the Group confirmed that appropriate and effective management policies and internal control systems for environmental, social and governance issues are in place and confirmed the information disclosed in this ESG Report meets the ESG Reporting Guide.

CONTACT US

Comments and suggestions are welcome from our stakeholders. You may provide comments on ESG Report or towards our performance in respect of sustainable development.

A. ENVIRONMENT

A1. Emissions

General Disclosure and KPI

The Group strives to protect the environment through the implementation of control activities and monitoring measures in its daily activities and workplace. We are committed to promoting a green environment by educating our employees to raise their awareness on environmental protection and complying with the relevant environmental laws and regulations.

During the year ended 31 December 2017, the Group did not produce any direct air emissions, hazardous wastes and waste water pollutants as it did not have any industrial production or any factory facilities.

The major types of emissions produced by the Group's operations include:

- Greenhouse gas emissions (will be covered in KPI A1.2); and
- Non-hazardous wastes (will be covered in KPI A1.4)

During the year ended 31 December 2017, the Group was not aware of any material non-compliance with laws and regulations relating to environmental laws and regulations in Hong Kong that would have a significant impact on the Group.

截至二零一七年十二月三十一日止年度，本集團確認已就環境、社會及管治問題制定適當及有效的管理政策及內部監控系統，並確認本 ESG 報告中披露的資料符合 ESG 報告指引。

聯絡我們

歡迎持份者發表評論及提出意見。您可就 ESG 報告或我們於可持續發展方面的表現提出意見。

A. 環境

A1. 排放物

一般披露及關鍵績效指標

本集團努力在其日常活動及工作場所通過實行監控活動及監測措施保護環境。我們致力於通過教育我們的僱員，提高彼等的環保及遵守相關環境法律及法規的意識，倡導綠色環保理念。

截至二零一七年十二月三十一日止年度，由於本集團並未開展任何工業生產或擁有任何廠房設施，故本集團並未直接產生任何空氣排放物、有害廢棄物及廢水污染物。

本集團業務營運所產生的主要排放物類型包括：

- 溫室氣體排放物（將於關鍵績效指標 A1.2 中介紹）；及
- 無害廢棄物（將於關鍵績效指標 A1.4 中介紹）

截至二零一七年十二月三十一日止年度，本集團並不知悉任何嚴重違反與香港環境法律及法規相關的法律及法規而將會對本集團產生重大影響的情況。

Emissions

The Group did not generate notable level of air or water pollutants during the year ended 31 December 2017 as it did not have any industrial production or factory facilities.

On the other hand, the Group only generated limited greenhouse gas (“GHG”) emissions mainly arising from the petrol consumed in business vehicles and electricity usage of the workplace. During the year ended 31 December 2017, the Group’s total GHG emissions amounted to approximately 24.14 tonnes and the total GHG emission per employee was 2.20 tonnes/employee. The detailed summary of the GHG emission is shown as below:

GHG Emissions Summary

GHG Scope ¹	溫室氣體範圍 ¹	Tonnes 噸	Intensity – Tonnes per employee 密度 – 噸/僱員
Direct GHG emission (Scope 1) – petrol consumption	溫室氣體直接排放 (範圍 1) – 汽油消耗	2.60	0.24
Indirect GHG emission (Scope 2) – electricity and towngas consumption	溫室氣體間接排放 (範圍 2) – 電力及煤氣消耗	21.54	1.96
Total GHG emission (Scope 1 + Scope 2)	溫室氣體總排放量 (範圍 1+ 範圍 2)	24.14	2.20

Note:

- GHG emissions data is presented in carbon dioxide equivalent and was in reference to, including but not limited to, the reporting requirements of the “GHG Protocol Corporate Accounting and Reporting Standard” issued by the World Resources Institute and the World Business Council for Sustainable Development, the “Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes)”, the ESG Reporting Guide, the latest published HK Electric Sustainability Report 2017 and Towngas Sustainability Report 2016.

排放物

截至二零一七年十二月三十一日止年度，由於本集團並未開展任何工業生產或擁有任何廠房設施，故本集團並未產生大量的空氣或水污染物。

另一方面，本集團僅產生少量的溫室氣體（「溫室氣體」）排放物，主要由商務車輛消耗的汽油及工作場所使用電力所產生。於截至二零一七年十二月三十一日止年度，本集團溫室氣體排放總量約為24.14噸，而每名僱員的溫室氣體排放總量為2.20噸。溫室氣體排放的詳情概述如下：

溫室氣體排放情況概述

附註：

- 溫室氣體排放數據乃按二氧化碳當量呈列，並參考（包括但不限於）世界資源研究所及世界可持續發展工商理事會刊發的「溫室氣體盤查議定書：企業會計與報告標準」、「建築物（商業、住宅或公共用途）的溫室氣體排放及減除的核算和報告指引」、ESG報告指引、最新發佈的港燈電力《2017年可持續發展報告》及煤氣公司《可持續發展報告2016》的報告規定計算。

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Electricity consumption accounts for a major source of our greenhouse gas emissions. We have adopted green measures in our offices to improve our operational efficiency and to reduce the greenhouse gas emissions as well as energy consumption of the Group.

During the year ended 31 December 2017, the Group has performed the following measures relating to mitigating emissions:

- Adopted office equipment which is having a higher energy-efficiency in our workplace when moving into the new office during the year ended 31 December 2017;
- Arranged regular examination of the business vehicles on the exhaust gas emission;
- Encouraged our staff to utilize teleconferences and video conferences, to reduce air and carbon emissions related to transportation needed for meetings; and
- Encouraged our staff to participate in campaigns and activities relating to the promotion of green environment.

Despite the Group's energy efficiency and emission performance being improved in long term, our staff's sense of environment protection and emission mitigation has been continuously fostered and awareness of their responsibility in achieving energy saving in workplace has been strengthened.

Sewage Discharge

We consumed slight amounts of water at the headquarter in Hong Kong, and therefore no material portion were discharged into water. The water supply and discharge facilities are provided and managed by property management company.

電力消耗是我們溫室氣體排放的主要來源。我們已在辦公室採取環保措施，以提高我們營運效率及減少本集團的溫室氣體排放及能源消耗。

截至二零一七年十二月三十一日止年度，本集團已採取以下減排相關的措施：

- 於截至二零一七年十二月三十一日止年度搬進新辦公室時，我們於工作場所採用高能效的辦公設備；
- 安排商務車輛定期進行尾氣排放檢查；
- 鼓勵員工進行電話會議及視頻會議，從而減少與會議行程相關的空氣污染及碳排放；及
- 鼓勵我們的員工參加與提倡綠色環保相關的運動和活動。

儘管本集團的能源效率及排放表現仍有待長期改善，但我們員工的環保及減排意識不斷增強，而且彼等在實現工作場所能源節約方面的責任意識亦已得到提升。

污水排放

我們於香港總部的耗水量較少，因此，並未向水大量排污。供水及排水設施乃由物業管理公司提供及管理。

Wastes Management

As the Group did not have any industrial production or any factory facilities, we did not generate significant amount of hazardous wastes and only generated limited non-hazardous wastes during the year ended 31 December 2017.

The non-hazardous wastes generated by the Group's operations mainly consist of paper. During the year ended 31 December 2017, the consumption volume generated by the Group is shown as below:

Non-hazardous waste category 無害廢棄物類型	Quantity 數量	Unit 單位	Intensity – Unit per employee 密度 – 頁數／僱員
Paper 紙張	32,451	Pages 頁數	2,950.09

Hazardous waste handling method

The Group did not generate hazardous wastes during the year ended 31 December 2017. However, in case there are any hazardous wastes produced, the Group must engage a qualified chemical waste collector to handle such wastes, which is complied with the relevant environmental regulations and rules.

Non-hazardous waste handling method

With the aim of minimizing the environmental impact of generating non-hazardous wastes from its daily operation, the Group has implemented certain measures to handle such wastes and launched different reduction initiatives.

Under the waste management principles of “reduce”, “reuse”, “recycle” and “replace” established in the relevant guidelines, the Group has taken the below measures.

Usage of paper

During the year ended 31 December 2017, the Group has performed the following measures relating to efficient usage of paper:

廢棄物管理

截至二零一七年十二月三十一日止年度，由於本集團並未開展任何工業生產或擁有任何廠房設施，故本集團並未產生大量有害廢棄物，而且僅產生少量的無害廢棄物。

本集團業務營運所產生的無害廢棄物主要為紙張。於截至二零一七年十二月三十一日止年度，本集團所產生的消耗量載列如下：

有害廢棄物的處理方法

本集團於截至二零一七年十二月三十一日止年度並未產生有害廢棄物。然而，如產生任何有害廢棄物，本集團必須遵守相關環境規例及規則，聘請合格化學廢棄物收集者處理有關廢棄物。

無害廢棄物的處理方法

為減少本集團日常業務營運所產生的無害廢棄物對環境的影響，本集團已實施若干措施來處理有關廢棄物並推出了各種減排措施。

根據相關指引訂明的「減少」、「再使用」、「回收」及「替代」的廢棄物管理原則，本集團已採取以下措施。

紙張使用

截至二零一七年十二月三十一日止年度，本集團已採用下列高效使用紙張相關的措施：

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- Minimized our paper usage at our workplace by recycling used papers regularly and using double-sided printing;
- Encouraged our staff to use electronic communications for directories, forms, reports and storage when possible; and
- Recycled and reused papers, carton boxes, envelopes and folders which have been used, including all non-confidential documents from the Group.

Maximizing the lifespan of office stationary

The procurement and disposal of office stationary serves another focus of our operational sustainability efforts. The office stationary has a great hidden environmental and social impact across its product life. The impacts arise from its production and use to eventual disposal. We have launched the following measures:

- Maximized every stationary lifespan (such as plastic binding ring, paper clip, etc.) by searching opportunities to reuse and refurbish them internally whenever feasible;
- Purchased reusable stationary whenever it is possible, such as Refillable Rollerball Pens and correction type paper;
- Avoided single-use disposable items; and
- Reuse of most stationaries at new office.

Enhancement of awareness

The Group has enhanced general awareness of importance of reducing waste generation and disposal through green procurement practices.

- 通過定期回收利用已用紙張及採用雙面打印來減少我們工作場所的紙張使用；
- 鼓勵我們的員工盡可能就名錄、表格、報告及儲存採用電子通訊方式；及
- 回收及再利用紙張、紙箱、信封及文件夾，包括本集團所有非機密文件。

盡量延長辦公用品的使用壽命

辦公用品的採購及處理是我們努力實現營運可持續性的另一重要方面。辦公用品的使用存在潛在巨大的環境及社會影響。這種影響從其生產、使用乃至最終處理中產生。我們已推出了以下措施：

- 透過發掘辦公用品在可行情況下再次使用及對其內部進行整修的機會，盡量延長每件用品的使用壽命（例如塑料鎖緊環、紙夾等）；
- 盡量購買可重複使用的用品，如可換芯簽字筆及修正型紙張。
- 避免使用一次性用品；及
- 在新辦公室重複使用大多數辦公用品。

提高意識

本集團通過綠色採購方法提升員工對減少廢棄物產生及處理重要性的整體意識。

On top of complying with the general disclosure requirement of Aspect A1, we have complied with the KPI requirement which is summarized below:

除遵守層面A1之一般披露規定外，我們已遵守下述關鍵績效指標規定：

“Comply or explain” Provisions

「不遵守就解釋」條文

KPI A1.1 關鍵績效指標 A1.1	The types of emissions and respective emissions data. 排放物種類及相關排放數據	Disclosed 已披露
KPI A1.2 關鍵績效指標 A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity 溫室氣體總排放量（噸）及（如適用）密度	Disclosed 已披露
KPI A1.3 關鍵績效指標 A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity 所產生有害廢棄物總量（噸）及（如適用）及密度	Not applicable – explained 不適用 – 已解釋
KPI A1.4 關鍵績效指標 A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity 所產生無害廢棄物總量（噸）及（如適用）及密度	Disclosed 已披露
KPI A1.5 關鍵績效指標 A1.5	Description of measures to mitigate emissions and results achieved 描述減低排放量的措施及所得成果	Disclosed 已披露
KPI A1.6 關鍵績效指標 A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved. 描述處理有害及無害廢棄物的方法、減少廢物的措施及所得成果	Disclosed 已披露

A2. Use of Resources

General Disclosure and KPI

Energy Consumption

The volume of energy consumption and electricity consumption are considered as relatively low as the Group did not have any industrial production or factory facilities during the year ended 31 December 2017. As mentioned in the Aspect A1 section, the Group has formulated policies and procedures relating to the environmental management, including energy management. Electricity consumption and petrol consumption account for a substantial part of the carbon emission of the Group.

A2. 資源使用

一般披露及關鍵績效指標

能源消耗

由於截至二零一七年十二月三十一日止年度，本集團並無開展任何工業生產或擁有任何廠房設施，故本集團的能源消耗量及電力消耗量相對較低。誠如層面A1部分所述，本集團已制定環境管理（包括能源管理）相關政策及程序。本集團的碳排放量絕大部分來自電力消耗量及汽油消耗量。

Environmental, Social and Governance Report

環境、社會及管治報告

During the year ended 31 December 2017, the Group's consumption in petrol, towngas and electricity were:

截至二零一七年十二月三十一日止年度，本集團的汽油、煤氣及電力消耗量如下：

Energy Type 能源類型	Quantity 數量	Unit 單位	Intensity – Unit per employee 密度 – 單位／僱員
Petrol 汽油	960.32	Litre 升	87.30
Towngas 煤氣	7,700.5	MJ 兆焦耳	700.05
Electricity 電力	27,149	kWh 千瓦時	2,468.09

The Group strives in cost reduction in terms of less electricity consumption in workplace in long run. On top of the energy saving measures disclosed in the Aspect A1 section, the Group has also conducted the following to improve the energy efficiency performance, including but not limited to:

長遠來看，本集團致力通過減少辦公場所的電力消耗量削減成本。除遵守層面A1部份所披露的節能措施外，本集團亦已開展下列措施改善能源效益表現，包括但不限於：

- Encouraged employees to turn off idling equipment, computers and lightings, when not in use or after working hours;
 - Monitored the energy usage on a monthly basis, along with investigating significant variance noted;
 - Utilized natural light where possible;
 - Adopted power-saving features for office equipment and computers; and
 - Performed vehicle and equipment maintenance on a regular basis to prevent inefficient fuel consumption or abnormal operations.
- 鼓勵僱員在不使用時或下班後關閉閒置的設備、電腦及照明設備；
 - 每月監控能源使用，並對發現的重大異常進行調查；
 - 盡量利用自然光；
 - 使用辦公設備及電腦的省電功能；及
 - 定期對車輛及設備進行維護，以防止低效燃料消耗或不正常運作。

Water Consumption and Use of Packaging Materials

During the year ended 31 December 2017, we did not consume significant amounts of water as the water consumption is only limited to basic clearing and sanitation. In addition, water supply facilities are provided and managed by property management company.

水源消耗及包裝材料使用

截至二零一七年十二月三十一日止年度，本集團的耗水量並不重大，原因是耗水量僅用於基本清潔及衛生。此外，水供應設備乃由物業管理公司提供並管理。

The Group recognises the growing concern of the public regarding water conservation and is committed to promoting awareness of water conservation amongst its staff.

本集團認識到，公眾對節約用水日益關注，因此致力於提升員工的節水意識。

As its operation is mainly based in Hong Kong, the issue in sourcing water that is fit for purpose is not relevant to the Group.

由於本集團主要於香港開展運營，因此，求取適用水源的問題與本集團無關。

In addition, the Group has no industrial production or any factory facilities during the year ended 31 December 2017. Therefore, we do not consume significant amounts of package materials for product packaging.

此外，於截至二零一七年十二月三十一日止年度本集團並無開展工業生產或擁有任何廠房設施。因此，我們並無消耗大量用於產品包裝的包裝材料。

During the year ended 31 December 2017, the Group was not aware of any material non-compliance with laws and regulations relating to the use of resources.

截至二零一七年十二月三十一日止年度，本集團並不知悉任何資源使用相關法律及法規的重大不合規情況。

On top of complying with the general disclosure requirement of Aspect A2, we have complied with the KPI requirement which is summarized below:

除遵守層面A2之一般披露規定外，我們已遵守下述關鍵績效指標規定：

“Comply or explain” Provisions

「不遵守就解釋」條文

KPI A2.1 關鍵績效指標 A2.1	Direct and/or indirect energy consumption by type and intensity 按類型劃分的直接及／或間接能源總消耗量及密度	Disclosed 已披露
KPI A2.2 關鍵績效指標 A2.2	Water consumption in total and intensity 總耗水量及密度	Not applicable – explained 不適用 – 已解釋
KPI A2.3 關鍵績效指標 A2.3	Description of energy use efficiency initiatives and results achieved 描述能源使用效益計劃及所得成果	Disclosed 已披露
KPI A2.4 關鍵績效指標 A2.4	Description on whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved 描述求取適用水源上可有任何問題，以及提升用水效益計劃及所得成果	Not applicable – explained 不適用 – 已解釋
KPI A2.5 關鍵績效指標 A2.5	Total packaging material used for finished products 製成品所用包裝材料的總量	Not applicable – explained 不適用 – 已解釋

A3. Environment and Natural Resources

General Disclosure and KPI

As an ongoing commitment to good corporate citizenship, in order to achieve a sustainable development for generating long-term values to our stakeholders and community as a whole, the Group endeavors to minimize negative impacts to the environment and natural resources in our daily operations.

During the year ended 31 December 2017, the Group has not found any material non-compliance with laws and regulations in respect of the environment and natural resources.

Indoor Air Quality

We have office removal during the year ended 31 December 2017. Indoor air quality is regularly monitored and measured in our new workplace. By adopting air purifying equipment in the workplace as well as conducting regular cleaning of air conditioning system, these measures resulted in maintaining indoor air quality and filtering out pollutants, contaminants and dust particles.

On top of complying with the general disclosure requirement of Aspect A3, we have complied with the KPI requirement which is summarized below:

“Comply or explain” Provisions

「不遵守就解釋」條文

KPI A3.1
關鍵績效指標 A3.1

Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them
描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動

Disclosed
已披露

A3. 環境及天然資源

一般披露及關鍵績效指標

作為良好企業公民的持續承諾，為實現可持續發展以為我們的持份者及社區整體締造長期價值，本集團竭力於日常運作中減少對環境及天然資源的負面影響。

截至二零一七年十二月三十一日止年度，本集團並無發現環境及天然資源相關法律及法規的任何重大不合規情況。

室內空氣質量

我們於截至二零一七年十二月三十一日止年度進行辦公室搬遷。我們新辦公場所的室內空氣質量經定期監控及測量。透過在辦公場所使用空氣淨化設備以及定期清潔空調系統等措施，我們能夠保持室內空氣質量及淨化有害物、污染物及灰塵。

除遵守層面A3之一般披露規定外，我們已遵守下述關鍵績效指標規定：

B. SOCIETY

B1. Employment

General disclosure

Human resources are the foundation in supporting the development of the Group. The human resources policies are formally documented as staff handbooks, covering resources planning, performance evaluation, training, recruitment, resignation, transfer, compensation and welfare as well as employee satisfaction survey, etc.

During the year ended 31 December 2017, the Group was not aware of any material non-compliance with laws and regulations relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare in Hong Kong that would have a significant impact on the Group.

Recruitment and Remuneration

The Group hires employees through open recruitment, fair competition and strict appraisals and recruits workers on a selective basis in accordance with the standard of having both ability and integrity. Employees of the Group are remunerated at a competitive level and are rewarded according to their performance and experience. Remuneration packages of the Group's employees include holidays, annual leave, medical scheme, group insurance, mandatory provident fund and discretionary bonus and are subject to review regularly.

Equal Opportunity and Anti-Discrimination

The Group is an equal opportunity employer and does not discriminate on the basis of personal characteristics, gender or age. The Group has staff handbook outlining the terms and conditions of employment, expectation for employees' conducts and behaviours, employees' rights and benefits.

B. 社會

B1. 僱傭

一般披露

人力資源是支持本集團發展的基石。人力資源政策以員工手冊形式正式編制成文，當中涵蓋資源規劃、表現評估、培訓、招聘、辭任、調遣、報酬及福利以及僱員滿意度調查等。

截至二零一七年十二月三十一日止年度，本集團並不知悉可能對本集團造成重大影響之報酬及解僱、招聘及晉升、工作時間、休息時間、平等機會、多元化、反歧視及其他香港福利相關法律及法規之任何重大不合規事宜。

招聘及報酬

本集團通過公開招聘、公平競爭及嚴格評估方式招聘僱員，及秉持德才兼備的標準擇優招聘員工。本集團僱員均獲得具競爭力的薪酬，而薪酬與彼等的表現及經驗掛鈎。本集團僱員的薪酬待遇包括節假日、年假、醫療計劃、團體保險、強制性公積金及酌情花紅，並經定期審閱。

平等機會及反歧視

本集團是提供平等機會的僱主，並不對個人特徵、性別或年齡施加歧視。本集團之員工手冊載列僱用條款及條件、對員工行為舉止的期望、僱員權利及福利。

B2. Health and Safety

General disclosure

The Group prides itself on providing a safe, effective and congenial work environment as we believe that employees are the valuable assets of an enterprise and regards human resources as its corporate wealth. To maintain a safe working environment, the Group has established safety policies on the prevention and remediation of safety accidents, and detection on potential safety hazards in workplace. Our Human Resources and Administration Department takes responsibilities for offices' occupational health and safety and relevant promotions and monitoring.

During the year ended 31 December 2017, the Group was not aware of any material non-compliance with health and safety-related laws and regulations (i.e. Occupational Safety and Health Ordinance) in Hong Kong that would have a significant impact on the Group.

Employee Health Management

The Group offers comprehensive health care coverage for our entire employees, including health benefits. The Group has also encourage our employees to adopt work-life balancing lifestyle. Health and safety communications are provided to employees to present the relevant information and raise awareness of occupational health and safety issues.

B3. Development and Training

General disclosure

Training and Development Policies

The Group regards our staff as the most important asset and resource as they help to sustain its core values and culture. On irregular but necessary basis, adequate on-job trainings had been provided to staff in need.

The Group also encourages employees to attend appropriate courses to enhance their competence for performance improvement and career development. Employees are also encouraged to enroll in external study opportunities and job-related courses to enrich themselves through acquiring higher professional skills and qualifications.

B2. 健康及安全

一般披露

本集團為提供安全、高效及愉快的工作環境而感到自豪，因為我們認為僱員是企業的寶貴資產，且視人力資源為其企業財富。為維持安全的工作環境，本集團已制定預防和補救安全事故及檢測工作場所潛在安全隱患的安全政策。我們的人力資源與行政部門負責辦公室職業健康與安全以及相關宣傳和監督工作。

截至二零一七年十二月三十一日止年度，本集團並不知悉會對本集團造成重大影響的香港健康與安全相關法律及法規（即職業安全及健康條例）的任何重大不合規情況。

僱員健康管理

本集團為全體僱員提供全面的醫療保障，包括健康福利。本集團亦鼓勵僱員採納工作與生活平衡的生活方式。本集團為僱員提供健康及安全通訊，以提供相關資料及提高職業健康及安全方面的意識。

B3. 發展及培訓

一般披露

培訓及發展政策

本集團將僱員視為最重要的資產和資源，因為他們有助於維持我們的核心價值和文化。我們在有必要時不定期為有需要的僱員提供充足的在職培訓。

本集團亦鼓勵僱員參加適當課程，以為績效提升及職業發展而提高自身能力。同時鼓勵僱員參加外部學習機會和與工作有關的課程，獲得更高的專業技能和資格充實自身。

B4. Labor Standards

General disclosure

Prevention of Child Labor or Forced Labor

We conduct recruitment based on the Hong Kong Employment Ordinance. Child and forced labour are strictly prohibited during the recruitment process. The Human Resources and Administration Department will also conduct a comprehensive recruitment review process to ensure that the data provided by the candidates are accurate and will regularly review the existence of employment of child and forced labour.

During the year ended 31 December 2017, the Group was not aware of any material non-compliance with child and forced labor-related laws and regulations.

B5. Supply Chain Management

General disclosure

The Group recognizes the importance of green supply chain management in mitigating the indirect environmental and social risks. In view of green supply chain management, we are aware of the environmental and social practices of the suppliers, and strive to engage suppliers with responsible acts to the society.

Environmental and Social Responsibility of Suppliers

We strive to actively share green practices with our suppliers, and deliver the importance of sustainable operations to them. In the supplier selection process, suppliers' environmental and social performances are considered as a selection criteria for establishing long-term relationship.

Fair and Open Procurement

The Group strictly monitor and prevent all kinds of business bribery and employees or personnel having any interest relationship with the suppliers should not be involved in the procurement activity.

B4. 勞工準則

一般披露

防止童工或強制勞工

我們根據香港僱傭條例進行招聘。在招聘過程中，童工或強制勞工的聘用被嚴格禁止。人力資源與行政部門還將開展全面的招聘審查程序，以確保應聘者提供的資料準確，並將定期審查是否存在童工及強制勞工。

截至二零一七年十二月三十一日止年度，本集團並無知悉童工及強制勞工相關法律及法規的任何重大不合規情況。

B5. 供應鏈管理

一般披露

本集團認識到綠色供應鏈管理對減輕間接環境和社會風險的重要性。在綠色供應鏈管理方面，我們知悉供應商的環境和社會實踐的重要性，並努力聘用對社會負責的供應商。

供應商的環境及社會責任

我們致力於積極與供應商分享綠色實踐，並向他們傳達可持續運營的重要性。在供應商選擇過程中，供應商的環境和社會表現被視為建立長期關係的一項選擇標準。

公平公開採購

本集團嚴格監控和防範各種商業賄賂，與供應商有任何利益關係的僱員或工作人員不應參與採購活動。

B6. Product Responsibility

General disclosure

Although the Group did not generate any revenue during the year ended 31 December 2017, we were still holding the information of our previous business. In order to protect the privacy of our previous data, we have formulated related rules and regulations to manage these information.

The Group was not aware of any material non-compliance with product and service-related laws and regulations in Hong Kong that would have a significant impact on the Group during the year ended 31 December 2017.

B7. Anti-Corruption

General disclosure

The Group strives to achieve high standards of ethics in our daily operations. Fraudulent acts are strictly prohibited. Employees should comply with the Code of Conduct in performing daily activities. Employees should also declare any conflict of interest under their job responsibility which may impair the integrity on work.

The Group provides clear guidance for its employees and business partners regarding misconduct reporting and investigation regulations. The Group ensures that all reported matters of true concern will be investigated and handled as required. Management is responsible on the investigation and resolution.

During the year ended 31 December 2017, the Group was not aware of any material non-compliance with laws and regulations relating to bribery, extortion, fraud and money laundering in Hong Kong that would have a significant impact on the Group.

Internal Control

The Audit Committee has been established for continuous evaluation of the Group's internal control effectiveness, detecting potential deficiency, and identifying areas of improvement and make recommendation to the Board.

B6. 產品責任

一般披露

儘管本集團於截至二零一七年十二月三十一日止年度並無產生任何收入，但我們仍持有先前商業資料。為保護我們商業數據的隱私，我們已制定相關規則及規例以管理該等信息。

截至二零一七年十二月三十一日止年度，本集團並不知悉會對本集團造成重大影響的香港產品及服務相關法律及法規的任何重大不合規情況。

B7. 反貪污

一般披露

本集團致力於在日常運營中實現高標準的道德規範。嚴格禁止欺詐行為。僱員在執行日常活動時應遵守行為準則。僱員亦應公佈其工作職責下可能損害工作誠信的任何利益衝突。

本集團就不當行為報告及調查規定向其僱員及商業夥伴提供明確指引。本集團確保會按要求調查和處理所有確有其事的報告事項。管理層負責調查和解決。

截至二零一七年十二月三十一日止年度，本集團並不知悉會對本集團造成重大影響的香港賄賂、勒索、欺詐及洗黑錢相關法律及法規的任何重大不合規情況。

內部監控

審核委員會已成立，目的為持續評估本集團內部監控的有效性、發現潛在缺陷，並找出可改進的方面及向董事會提供推薦建議。

Whistleblowing Policy

The Group operates a Whistleblowing Policy to assist whistleblowers to report serious concerns about any malpractice which he/she has aware or genuinely suspects that the Group has been or may become involved in through an established reporting channel. All reported cases are handled confidentially and independently. Employees will not suffer any form of intimidation, reprisal, retaliation or adverse reaction organizationally as a consequence of reporting a concern.

B8. Community Investment

General disclosure

As a corporate citizen, the Group is committed to invest in our community for the improvement of community well-being and social services.

The Group have not involved in community involvement due to limited resources during the year ended 31 December 2017. However, the Group encourages our staff to contribute their time and skills to volunteer work to benefit the local community. The Group believes that by encouraging staff to participate in a wide range of volunteer work, concerns for the community will be raised and boosted, which would inspire more people to take part in serving the community.

舉報政策

本集團制定舉報政策，協助舉報人透過完善的報告渠道，對其所知悉或真誠懷疑已經或可能令本集團牽涉其中的不當行為作出嚴重關注之舉報。所有舉報事件均會以保密方式獨立處理。僱員不會因作出舉報而遭受任何形式的恐嚇、報復、打擊或有組織的不利反應。

B8. 社區投資

一般披露

作為企業公民，本集團努力投資於社區，務求改善社區生活及社會服務。

截至二零一七年十二月三十一日止年度，本集團因資源有限而未參與社區活動。然而，本集團鼓勵僱員為義工工作投入他們的時間和技能，以造福當地社區。本集團相信，透過鼓勵僱員參加各式各樣的義工工作，將提高及弘揚關懷社區的意識，激勵更多人參與到社區服務中。

Independent Auditor's Report

獨立核數師報告



INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF HAN TANG INTERNATIONAL HOLDINGS LIMITED

(Incorporated in the British Virgin Islands and continued in Bermuda with limited liability)

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS DISCLAIMER OF OPINION

We were engaged to audit the consolidated financial statements of Han Tang International Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 65 to 135, which comprise the consolidated statement of financial position as at 31 December 2017, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

We do not express an opinion on the consolidated financial statements of the Group. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements. In all other respects, in our opinion, the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR DISCLAIMER OF OPINION

(a) Opening balances and corresponding figures

We were unable to obtain sufficient appropriate audit evidence to satisfy ourselves as to the recoverability and the control rights of the construction-in-progress included in the property, plant and equipment of HK\$246,880,000 as at 31 December 2016. There were no other satisfactory audit procedures that we could adopt to determine whether any allowance for non-recovery of the amount should be made in the consolidated financial statements.

致漢唐國際控股有限公司 股東之獨立核數師報告

(於英屬處女群島註冊成立及於百慕達存續之有限公司)

綜合財務報表審核報告

保留意見

吾等獲委聘審核漢唐國際控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)刊於第65至135頁之綜合財務報表,其包括於二零一七年十二月三十一日之綜合財務狀況表以及截至該日止年度之綜合損益及其他全面收益表、綜合股益變動表及綜合現金流量表,以及綜合財務報表附註(包括主要會計政策概要)。

吾等並不就貴集團之綜合財務報表發表意見。基於吾等之報告中「保留意見之基準」一節所述事宜之重要性,吾等未能取得充分及恰當之審核憑證,以就該等綜合財務報表發表審核意見。於所有其他方面,吾等認為綜合財務報表已遵照香港公司條例之披露規定妥為編製。

保留意見之基準

(a) 年初結餘及相關數字

吾等未能獲得充分及恰當之審核憑證,以令吾等本身信納計入物業、廠房及設備的在建工程(於二零一六年十二月三十一日為246,880,000港元)之可收回程度及控制權。吾等未能採用其他令人滿意之審核程序,以確定是否需要於綜合財務報表對無法收回之金額作出任何撥備。

(b) Property, plant and equipment and inventories

We were unable to obtain sufficient appropriate audit evidence to satisfy ourselves as to (i) the impairment loss on property, plant and equipment included in the loss for the year from discontinued operation and impairment loss on inventories for the year ended 31 December 2017 of approximately HK\$249,821,000 and HK\$10,000,000 respectively; (ii) the carrying amount of the inventories and the construction-in-progress included in the property, plant and equipment of the disposal group classified as held for sale of approximately HK\$nil and HK\$6,470,000 respectively as at 31 December 2017; and (iii) the control rights of the construction-in-progress mentioned in (ii).

Any adjustments to the above figures might have a significant consequential effect on the consolidated financial performance for the two years ended 31 December 2016 and 2017, the consolidated financial position as at 31 December 2016 and 2017, and the related disclosures thereof in the consolidated financial statements.

(c) Going Concern

We draw attention to note 3 to the consolidated financial statements which mentions that the Group incurred a loss of HK\$301,724,000 for the year ended 31 December 2017 and as at 31 December 2017 the Group has net current liabilities and net liabilities of HK\$65,483,000 and HK\$149,386,000 respectively. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. The consolidated financial statements have been prepared on a going concern basis, on the assumption that the proposed restructuring of the Company will be successfully completed, and that, following the restructuring, the Group will continue to meet in full its financial obligations as they fall due in the foreseeable future. The consolidated financial statements do not include any adjustments that would result from a failure to complete the restructuring. We consider that the disclosures are adequate. However, in view of the extent of the uncertainty relating to the completion of the restructuring, we disclaim our opinion in respect of the material uncertainty relating to the going concern basis.

(b) 物業、廠房及設備及存貨

吾等未能獲得充分及恰當之審核憑證，以令吾等本身信納(i)計入已終止經營業務之年度虧損之物業、廠房及設備之減值虧損及存貨減值虧損(截至二零一七年十二月三十一日止年度分別約為**249,821,000**港元及**10,000,000**港元)；(ii)計入分類為持作出售之出售集團之物業、廠房及設備的存貨及在建工程賬面值(截至二零一七年十二月三十一日止年度分別約為零港元及**6,470,000**港元)；及(iii)如(ii)所述的在建工程之控制權。

上述數字之任何調整可能對截至二零一六年及二零一七年十二月三十一日止兩個年度之綜合財務表現及於二零一六年及二零一七年十二月三十一日之綜合財務狀況，以及綜合財務報表內之相關披露構成相應重大影響。

(c) 持續經營

吾等留意到綜合財務報表附註3指出，貴集團於截至二零一七年十二月三十一日止年度產生**301,724,000**港元之虧損，而貴集團於二零一七年十二月三十一日的流動負債淨額及負債淨額分別為**65,483,000**港元及**149,386,000**港元。該等狀況顯示存在重大不確定因素，可能對貴集團繼續持續經營的能力構成重大疑問。綜合財務報表乃按持續經營基準編製，並基於貴公司所建議的重組將會順利完成，以及於重組後貴集團將於可預見將來債務到期時可悉數償還債務之假設。綜合財務報表不包括因一旦未能完成重組所導致的任何調整。吾等認為已作出足夠披露。然而，鑒於有關重組完成之不確定性，吾等無法就有關持續經營基準之重大不確定性發表意見。

Independent Auditor's Report 獨立核數師報告

RESPONSIBILITIES OF DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

Our responsibility is to conduct an audit of the Group's consolidated financial statements in accordance with Hong Kong Standards on Auditing issued by the HKICPA and to issue an auditor's report. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code.

ZHONGHUI ANDA CPA Limited

Certified Public Accountants

Fong Tak Ching

Audit Engagement Director

Practising Certificate Number P06353

Hong Kong, 9 March 2018

董事就綜合財務報表須承擔的責任

董事須負責根據香港會計師公會（「香港會計師公會」）頒佈的香港財務報告準則及香港公司條例的披露規定編製真實及公平反映情況的綜合財務報表，而董事必須確保採用彼等認為屬必要之內部控制，以令綜合財務報表之編製不存在因欺詐或錯誤而導致的重大失實陳述。

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

核數師就審核綜合財務報表須承擔的責任

吾等之責任為根據香港會計師公會頒佈之香港核數準則對 貴集團之綜合財務報表進行審核，並發出核數師報告。然而，由於吾等之報告內「保留意見之基準」一節內提述之事宜，吾等無法取得充足及適當之審核憑據作為就該等綜合財務報表發出審核意見之依據。

根據香港會計師公會的「職業會計師道德守則」（「守則」），吾等獨立於 貴集團，並已遵循守則履行其他道德責任。

中匯安達會計師事務所有限公司

執業會計師

方德程

審核委聘董事

執業證書編號 P06353

香港，二零一八年三月九日

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

For the year ended 31 December 2017
截至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 (Restated) (經重列)
CONTINUING OPERATIONS	持續經營業務			
Revenue	收益	8(a)	-	-
Other revenue and other net (loss)/income	其他收益及其他淨(虧損)/收入	8(b)	(1,888)	264
Administrative expenses	行政開支		(30,316)	(24,672)
Impairment loss on inventories	存貨減值虧損		(10,000)	-
Impairment loss on prepayment for acquisition of property, plant and equipment	收購物業、廠房及設備之預付款項之減值虧損		-	(10,000)
Impairment loss on trade and other receivables	應收貿易及其他款項之減值虧損		-	(33,706)
Finance costs	融資成本	9	(9,319)	(7,424)
Loss before taxation	除稅前虧損		(51,523)	(75,538)
Income tax	所得稅	10	-	-
Loss for the year from continuing operations	持續經營業務之年度虧損		(51,523)	(75,538)
DISCONTINUED OPERATION	已終止經營業務			
Loss for the year from discontinued operation	已終止經營業務之年度虧損	11	(250,201)	(1,029)
Loss for the year	年度虧損	12	(301,724)	(76,567)
Other comprehensive income/(loss) Items that may be reclassified subsequently to profit or loss:	其他全面收益/(虧損) 其後可能重新分類至損益之項目：			
Exchange differences on translation of subsidiaries' financial statements	附屬公司財務報表之換算匯兌差額		8,720	(16,653)
Total other comprehensive income/(loss)	其他全面收益/(虧損) 總額		8,720	(16,653)
Total comprehensive loss for the year	年度全面虧損總額		(293,004)	(93,220)

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

	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 (Restated) (經重列)
Loss for the year attributable to:			
Owners of the Company	本公司擁有人		
Loss from continuing operations	應佔年內虧損： 持續經營業務之虧損	(51,523)	(75,538)
Loss from discontinued operation	已終止經營業務之虧損	(182,225)	(749)
		(233,748)	(76,287)
Non-controlling interests	非控股權益		
Loss from discontinued operation	已終止經營業務之虧損	(67,976)	(280)
Loss for the year	年度虧損	(301,724)	(76,567)
Total comprehensive loss for the year attributable to:	以下人士應佔年度 全面虧損總額：		
Owners of the Company	本公司擁有人	(227,537)	(88,247)
Non-controlling interests	非控股權益	(65,467)	(4,973)
		(293,004)	(93,220)
Loss per share	每股虧損		
From continuing and discontinued operations	來自持續經營及 已終止經營業務 (Hong Kong cents)		
– Basic	– 基本	14(a) (147.8)	(48.2)
– Diluted	– 攤薄	14(a) N/A 不適用	N/A 不適用
From continuing operations	來自持續經營業務 (Hong Kong cents)		
– Basic	– 基本	14(b) (32.6)	(47.7)
– Diluted	– 攤薄	14(b) N/A 不適用	N/A 不適用
From discontinued operation	來自已終止經營業務 (Hong Kong cents)		
– Basic	– 基本	14(c) (115.2)	(0.5)
– Diluted	– 攤薄	14(c) N/A 不適用	N/A 不適用

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			
Property, plant and equipment	物業、廠房及設備	16	1,061	249,489
Goodwill	商譽	17	–	378
Total non-current assets	非流動資產總額		1,061	249,867
Current assets	流動資產			
Inventories	存貨	19	–	10,000
Trade and other receivables	應收貿易及其他款項	20	5,474	6,389
Cash and cash equivalents	現金及現金等值物		913	5,163
			6,387	21,552
Disposal group classified as held for sale	分類為持作出售之出售集團	21	6,599	–
Total current assets	流動資產總額		12,986	21,552
Current liabilities	流動負債			
Trade and other payables	應付貿易及其他款項	22	34,514	18,386
Borrowings	借款	24	38,714	18,650
Finance lease payables	應付融資租賃	23	434	739
			73,662	37,775
Liabilities directly associated with the disposal group	直接與出售集團有關之負債	21	4,807	–
Total current liabilities	流動負債總額		78,469	37,775
Net current liabilities	流動負債淨額		(65,483)	(16,223)
Total assets less current liabilities	總資產減流動負債		(64,422)	233,644

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
		Notes 附註		
Non-current liabilities	非流動負債			
Other payables	其他應付款項	22	-	1,259
Borrowings	借款	24	84,964	81,480
Finance lease payables	應付融資租賃	23	-	434
Amount due to a director	應付一名董事款項	25	-	6,853
Total non-current liabilities	非流動負債總額		84,964	90,026
NET (LIABILITIES)/ASSETS	(負債) / 資產淨額		(149,386)	143,618
EQUITY	權益			
Share capital	股本	26	1,581	1,581
Reserves	儲備	28	(152,388)	75,149
Equity attributable to owners of the Company	本公司擁有人應佔權益		(150,807)	76,730
Non-controlling interests	非控股權益		1,421	66,888
TOTAL (DEFICIT)/EQUITY	(虧蝕) / 權益總額		(149,386)	143,618

Approved by the Board and signed on its behalf by:

經董事會批准及由以下人士代為簽署：

Zhao Wenjia

趙文佳

Director

董事

Xu Lei

徐雷

Director

董事

Consolidated Statement of Changes in Equity

綜合股益變動表

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

		Share capital	Share premium	Equity component of convertible bonds 可換股債券	Capital reserve	Foreign currency translation reserve 外幣換算儲備	Contributed surplus	Accumulated losses	Sub-total	Non-controlling interests	Total
		股本	股份溢價	權益部分	資本儲備	儲備	實繳盈餘	累計虧損	小計	非控股權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	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
At 1 January 2016	二零一六年一月一日	1,581	230,325	2,263	1,553	(6,472)	109,665	(173,938)	164,977	71,861	236,838
Changes in equity for 2016:	二零一六年之股益變動:										
Loss for the year	年度虧損	-	-	-	-	-	-	(76,287)	(76,287)	(280)	(76,567)
Other comprehensive loss:	其他全面虧損:										
Exchange differences on translation of:	換算匯兌差額:										
- subsidiaries financial statements	- 附屬公司財務報表	-	-	-	-	(11,960)	-	-	(11,960)	(4,693)	(16,653)
Total comprehensive loss	全面虧損總額	-	-	-	-	(11,960)	-	(76,287)	(88,247)	(4,973)	(93,220)
Transfer to accumulated losses	轉撥至累計虧損	-	-	(2,263)	-	-	-	2,263	-	-	-
At 31 December 2016	於二零一六年十二月三十一日	1,581	230,325	-	1,553	(18,432)	109,665	(247,962)	76,730	66,888	143,618
At 1 January 2017	於二零一七年一月一日	1,581	230,325	-	1,553	(18,432)	109,665	(247,962)	76,730	66,888	143,618
Changes in equity for 2017:	二零一七年之股益變動:										
Loss for the year	年度虧損	-	-	-	-	-	-	(233,748)	(233,748)	(67,976)	(301,724)
Other comprehensive income:	其他全面收益:										
Exchange differences on translation of:	換算匯兌差額:										
- Subsidiaries financial statements	- 附屬公司財務報表	-	-	-	-	6,211	-	-	6,211	2,509	8,720
Total comprehensive income/(loss)	全面虧損收益/(虧損)	-	-	-	-	6,211	-	(233,748)	(227,537)	(65,467)	(293,004)
At 31 December 2017	於二零一七年十二月三十一日	1,581	230,325	-	1,553	(12,221)	109,665	(481,710)	(150,807)	1,421	(149,386)

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	經營業務		
Loss before taxation	除稅前虧損		
From continuing operations	來自持續經營業務	(51,523)	(75,538)
From discontinued operation	來自自己終止經營業務	(250,201)	(1,029)
Adjustments for:	就以下各項之調整：		
Depreciation	折舊	1,162	1,895
Amortisation of prepaid land lease payments	預付土地租賃款項攤銷	-	117
Finance costs	融資成本	9,319	7,769
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	(163)	(11)
Gain on disposal of prepaid land lease payments	出售預付土地租賃款項之收益	-	(350)
Written off of property, plant and equipment	撇銷物業、廠房及設備	128	9
Impairment loss on inventories	存貨減值虧損	10,000	-
Impairment loss on property, plant and equipment	物業、廠房及設備之減值虧損	249,821	-
Impairment loss on goodwill	商譽減值虧損	378	-
Impairment loss on prepayment for acquisition of property, plant and equipment	收購物業、廠房及設備的預付款項之減值虧損	-	10,000
Impairment loss on trade and other receivables	應收貿易及其他款項之減值虧損	-	33,706
Interest income	利息收入	-	(3)
Operating loss before working capital changes	營運資金變動前之經營虧損	(31,079)	(23,435)
(Increase)/decrease in trade and other receivables	應收貿易及其他款項(增加)/減少	(186)	10,917
Increase in inventories	存貨增加	-	(10,000)
Increase in trade and other payables	應付貿易及其他款項增加	15,979	4,762
Cash used in operations	經營所用之現金	(15,286)	(17,756)
Interest paid	已付利息	(3,838)	(4,284)
Net cash used in operating activities	經營業務所用之現金淨額	(19,124)	(22,040)

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
CASH FLOWS FROM INVESTING ACTIVITIES	投資業務之現金流量		
Purchase of plant and equipment	購買廠房及設備	(119)	(35)
Proceeds from disposal of prepaid land lease payments	出售預付土地租賃付款之所得款項	-	11,662
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得款項	210	444
Interest received	已收利息	-	3
Net cash generated from investing activities	投資業務所得之現金淨額	91	12,074
CASH FLOWS FROM FINANCING ACTIVITIES	融資業務之現金流量		
Repayment of loan from a non-controlling shareholder of a subsidiary	償還附屬公司非控股股東之貸款	-	(11,662)
Proceeds from issue of other bonds	發行其他債券所得款項	21,620	20,911
Repayment of finance lease payables	償還應付融資租賃	(739)	(1,355)
(Repayment)/loan from a director	來自一名董事之(償還)/貸款	(6,853)	6,853
Loan from a shareholder	來自一名股東之貸款	-	6,050
Loan from a third party	來自一名第三方之貸款	-	4,664
Repayment of convertible bonds	償還可換股債券	-	(2,000)
Repayment of other loans	償還其他貸款	(2,500)	(9,900)
Net cash generated from financing activities	融資業務所得之現金淨額	11,528	13,561
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值物(減少)/增加淨額	(7,505)	3,595
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	年初之現金及現金等值物	5,163	1,317
Effect of foreign exchange rate changes	匯率變動之影響	3,258	251
CASH AND CASH EQUIVALENTS AT END OF YEAR	年末之現金及現金等值物	916	5,163
ANALYSIS OF CASH AND CASH EQUIVALENTS	現金及現金等值物分析		
Cash and cash equivalents	現金及現金等值物	913	5,163
Cash and cash equivalents included in disposal group classified as held for sale	計入分類為持作出售之出售集團之現金及現金等值物	3	-
		916	5,163

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

1. CORPORATE INFORMATION

Han Tang International Holdings Limited (the “**Company**”) was incorporated in the British Virgin Islands (the “**BVI**”) on 17 February 1994 and continued under the laws of Bermuda by migration of its domicile to Bermuda on 21 October 1994. The Company was registered in Hong Kong as an overseas company pursuant to the Hong Kong Companies Ordinance on 24 May 1999.

The registered office and principal place of business in Hong Kong are as follows:

Registered office:

Clarendon House, 2 Church Street, Hamilton HM11, Bermuda

Principal place of business in Hong Kong:

Suite 2101, 21st Floor, COFCO Tower, No. 262 Gloucester Road, Causeway Bay, Hong Kong

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding.

During the year ended 31 December 2017, the Group is principally involved (i) manufacturing of semiconductors; and (ii) the trading of semiconductors/electronic products/components and timber.

3. BASIS OF PREPARATION

The Group incurred a loss of HK\$301,724,000 for the year ended 31 December 2017 and as at 31 December 2017 the Group has net current liabilities and net liabilities of HK\$65,483,000 and HK\$149,386,000 respectively. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. Therefore, the Group may be unable to realize its assets and discharge its liabilities in the normal course of business.

1. 公司資料

漢唐國際控股有限公司（「**本公司**」）於一九九四年二月十七日在英屬處女群島（「**英屬處女群島**」）註冊成立，並於一九九四年十月二十一日遷冊至百慕達，以根據百慕達法例存續。本公司於一九九九年五月二十四日根據香港公司條例在香港註冊為海外公司。

註冊辦事處及香港主要營業地點如下：

註冊辦事處：

Clarendon House, 2 Church Street, Hamilton HM11, Bermuda

香港主要營業地點：

香港銅鑼灣
告士打道262號
中糧大廈21樓2101室

2. 主要業務

本公司主要從事投資控股業務。

截至二零一七年十二月三十一日止年度，本集團主要從事(i)製造半導體；及(ii)半導體／電子產品／部件及木材之買賣。

3. 編製基準

本集團於截至二零一七年十二月三十一日止年度產生**301,724,000**港元之虧損，而本集團於二零一七年十二月三十一日的流動負債淨額及負債淨額分別為**65,483,000**港元及**149,386,000**港元。該等狀況顯示存在重大不確定因素，可能對本集團繼續持續經營的能力構成重大疑問。因此，本集團可能未能於其一般業務過程中變現其資產及解除其負債。

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截至二零一七年十二月三十一日止年度

3. BASIS OF PREPARATION (Continued)

As the Company was unable to demonstrate that it had sufficient operations or assets as required under Rule 13.24 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (the “**Listing Rules**”), the Stock Exchange placed the Company into the first and second delisting stages on 8 May 2015 and 11 November 2015 respectively. At the end of the second delisting stage on 10 May 2016, the Company did not provide a viable resumption proposal. Therefore, the Stock Exchange has placed the Company into the third delisting stage under Practice Note 17 to the Listing Rules, which commenced on 8 June 2016.

The Company submitted the resumption proposal to the Stock Exchange which involves, among others, (i) the proposed acquisition interest in a power and heat supply business in the People's Republic of China with emphasis on energy saving and environmental protection (the “**Acquisition**”) and (ii) a proposed disposal of the Group's entire interest in IC Spectrum (Kunshan) Co., Limited (“**ICSC**”), an indirect 72.79%-owned subsidiary of the Company (the “**Disposal**”). The Acquisition constitutes a connected transaction, a very substantial acquisition and a reverse takeover of the Company under the Listing Rules and will be subject to the reporting, announcement and independent shareholders' approval requirements pursuant to the Listing Rules and approval of the new listing application of the Company by the Stock Exchange.

On 17 February 2017, the Company received a letter from the Stock Exchange, which stated that the Stock Exchange agreed to allow the Company to submit a new listing application relating to the resumption proposal on or before 30 April 2017. If the Company fails to do so or the resumption proposal fails to proceed for any reason, the Stock Exchange will proceed with the cancellation of the Company's listing status.

On 30 June 2017, the Company submitted the new listing application and the circular in relation to, among others, the Acquisition and the Disposal (the “**Circular**”) to the Stock Exchange and the Securities and Futures Commission of Hong Kong for their review and comment. As six months have elapsed since the filing of the new listing application dated 30 June 2017, the new listing application has lapsed. On 9 February 2018, the Company re-submitted the new listing application to continue its application to list on the Stock Exchange. The Company expects that the Circular will be dispatched on or before 29 March 2018.

3. 編製基準 (續)

由於本公司不能證明其符合香港聯合交易所有限公司(「**聯交所**」)證券上市規則(「**上市規則**」)第13.24條所規定的足夠業務運作或資產，聯交所先後於二零一五年五月八日及二零一五年十一月十一日將本公司置於除牌程序的第一及第二階段。於除牌程序第二階段在二零一六年五月十日結束時，本公司並無提交可行的復牌建議。因此，聯交所根據上市規則第17項應用指引的規定將本公司置於除牌程序的第三階段，自二零一六年六月八日起生效。

本公司向聯交所呈交復牌建議，包括(其中包括)(i)建議收購中華人民共和國一項重視節能及環保的電力及熱力供應業務之權益(「**收購事項**」)；及(ii)建議出售本集團於德芯電子(昆山)有限公司(「**德芯電子**」)(為本公司間接擁有72.79%權益之附屬公司)的全部權益(「**出售事項**」)。收購事項構成本公司於上市規則項下之關連交易、非常重大收購事項及反收購，根據上市規則將須遵守申報、公告及獨立股東批准規定，且受限於聯交所對本公司新上市申請之批准。

於二零一七年二月十七日，本公司接獲聯交所發出之函件，當中說明聯交所同意准許本公司於二零一七年四月三十日或之前提交與復牌建議相關的新上市申請。倘本公司未能如此行事或該復牌建議因任何原因未能進行，聯交所將進而取消本公司的上市地位。

於二零一七年六月三十日，本公司向聯交所及香港證券及期貨事務監察委員會遞交新上市申請及有關(其中包括)收購事項及出售事項之通函(「**通函**」)，以供彼等審閱及提出意見。由於自二零一七年六月三十日遞交新上市申請起計已過去六個月，新上市申請已告失效。於二零一八年二月九日，本公司重新遞交新上市申請，以繼續其於聯交所上市的申請。本公司預期通函將於二零一八年三月二十九日或之前寄發。

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綜合財務報表附註

For the year ended 31 December 2017

截至二零一七年十二月三十一日止年度

3. BASIS OF PREPARATION (Continued)

The Directors adopted the going concern basis in the preparation of consolidated financial statements on the assumption that the proposed restructuring of the Company will be successfully completed, and that, following the restructuring, the Group will continue to meet in full its financial obligations as they fall due in the foreseeable future.

4. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants that are relevant to its operations and effective for its accounting year beginning on 1 January 2017. HKFRSs comprise Hong Kong Financial Reporting Standards; Hong Kong Accounting Standards; and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group’s accounting policies, presentation of the Group’s financial statements and amounts reported for the current year and prior years.

The Group has not applied the new HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a material impact on its results of operations and financial position.

5. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements are presented in Hong Kong dollars (“HK\$”), rounded to the nearest thousand except for per share data.

These consolidated financial statements have been prepared in accordance with HKFRSs and the applicable disclosures required by the Listing Rules and by the Hong Kong Companies Ordinance.

These consolidated financial statements have been prepared under the historical cost convention.

3. 編製基準 (續)

董事採納持續經營基準編製綜合財務報表，並基於本公司所建議的重組將會成功完成，以及於重組後本集團將於可預見將來債務到期時可持續完全償還債務之假設。

4. 應用新訂及經修訂香港財務報告準則

於本年度，本集團已採納香港會計師公會頒佈與本集團之業務有關且於二零一七年一月一日開始之會計年度生效之所有新訂及經修訂香港財務報告準則（「香港財務報告準則」）。香港財務報告準則包括香港財務報告準則、香港會計準則及詮釋。採納該等新訂及經修訂香港財務報告準則對本集團之會計政策、本集團財務報表之呈列及就本年度及過往年度所呈報之金額並無造成重大變動。

本集團並無應用已頒佈惟尚未生效之新訂香港財務報告準則。本集團已著手評估此等新訂香港財務報告準則之影響，但尚未能確定此等新訂香港財務報告準則會否對其經營業績及財務狀況造成重大影響。

5. 主要會計政策

該等綜合財務報表以港元（「港元」）呈報，除每股數據外，有關金額均調整至最接近之千位數。

該等綜合財務報表已根據香港財務報告準則以及上市規則及香港公司條例之適用披露規定編製。

該等綜合財務報表已根據歷史成本慣例編製。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2017

截至二零一七年十二月三十一日止年度

5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

The preparation of the audited consolidated financial statements in conformity with HKFRSs requires the use of certain key assumptions and estimates. It also requires the directors to exercise their judgements in the process of applying the accounting policies. The areas where assumptions and estimates are significant to these consolidated financial statements are disclosed in Note 6 to the consolidated financial statements.

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

(a) Consolidation

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

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

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

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

5. 主要會計政策 (續)

編製符合香港財務報告準則之經審核綜合財務報表須採用若干主要假設及估計，董事在應用會計政策的過程中亦須行使其判斷。對該等綜合財務報表而言屬重大的假設及估計之範疇於綜合財務報表附註6中披露。

編製該等綜合財務報表時採用之重大會計政策載列於下文。

(a) 綜合

綜合財務報表包括本公司及其附屬公司截至十二月三十一日止之財務報表。附屬公司為本集團對其擁有控制權的實體。當本集團承受或享有參與實體所得的可變回報，且有能透過其對實體的權力影響該等回報時，則本集團控制該實體。當本集團的現有權力賦予其目前掌控有關業務（即大幅影響實體回報的業務）時，則本集團對該實體擁有權力。

在評估控制權時，本集團會考慮其潛在投票權以及其他人士持有的潛在投票權，以釐定其是否擁有控制權。在持有人能實際行使潛在投票權的情況下，方會考慮其權利。

附屬公司在控制權轉移至本集團之日綜合入賬，而在控制權終止之日起停止綜合入賬。

導致失去控制權之出售附屬公司之收益或虧損為(i)出售代價之公平值加任何保留於該附屬公司之投資之公平值及(ii)本公司分佔該附屬公司資產淨額的部分加該附屬公司餘下任何商譽及任何相關累計外幣換算儲備兩者之差額。

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5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Consolidation (Continued)

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

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

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

(b) Business combination and goodwill

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

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

5. 主要會計政策 (續)

(a) 綜合 (續)

集團內公司間之交易、結餘及未變現溢利均予以對銷。除非交易提供憑證顯示所轉讓資產出現減值，否則未變現虧損亦予以對銷。倘有需要，附屬公司之會計政策會作出調整，以確保與本集團採納之政策一致。

非控股權益指本公司並非直接或間接應佔之附屬公司股益。非控股權益在綜合財務狀況表及綜合股益變動表的股益下呈列。非控股權益乃於綜合損益及其他全面收益表中呈列為非控股股東與本公司擁有人之間之年內損益及全面收益總額分配。

溢利或虧損及各其他全面收益項目歸屬於本公司擁有人及非控股股東，即使此舉導致非控股權益出現虧絀結餘。

(b) 業務合併及商譽

本集團採用收購法為業務合併中所收購之附屬公司列賬。收購成本乃按所獲資產收購日期之公平值、所發行之股本工具及所產生之負債以及或然代價計量。收購相關成本於有關成本產生及接獲服務期間確認為開支。於收購時，附屬公司之可識別資產及負債均按其於收購日期之公平值計量。

收購成本超出本公司分佔附屬公司可識別資產及負債之公平淨值之差額乃列作商譽。本公司分佔可識別資產及負債之公平淨值超出收購成本之差額乃於綜合損益表內確認為本公司應佔議價收購之收益。

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5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Business combination and goodwill (Continued)

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

If the changes in the value of the previously held equity interest in the subsidiary were recognised in other comprehensive income (for example, available-for-sale investment), the amount that was recognised in other comprehensive income is recognised on the same basis as would be required if the previously held equity interest were disposed of.

Goodwill is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired. Goodwill is measured at cost less accumulated impairment losses. The method of measuring impairment losses of goodwill is the same as that of other assets as stated in Note 4(t). Impairment losses of goodwill are recognised in consolidated profit or loss and are not subsequently reversed. Goodwill is allocated to cash-generating units that are expected to benefit from the synergies of the acquisition for the purpose of impairment testing.

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

5. 主要會計政策 (續)

(b) 業務合併及商譽 (續)

在分階段進行之業務合併中，先前於附屬公司持有之股本權益按收購日期之公平值計量，所產生之收益或虧損於綜合損益內確認。公平值加入收購成本，以計算商譽。

倘先前於附屬公司持有之股權之價值變動已於其他全面收益（例如可供出售投資）確認，則已於其他全面收益確認之金額會按假設先前持有之股權已出售之相同基準確認。

商譽會每年進行減值檢測或當事件或情況改變顯示可能出現減值時則更頻繁地進行減值檢測。商譽乃按成本減累計減值虧損計量。商譽減值虧損之計量方法與附註4(t)所載之其他資產之計量方法相同。商譽之減值虧損於綜合損益確認，且其後不會撥回。就減值檢測而言，商譽被分配至預期將受惠於收購協同效益之現金產生單位。

於附屬公司之非控股權益初步按非控股股東於收購日期應佔附屬公司可識別資產及負債之公平淨值比例計量。

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5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Foreign currency translation

(i) Functional and presentation currency

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

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

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

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

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

5. 主要會計政策 (續)

(c) 外幣換算

(i) 功能及呈列貨幣

本集團各實體之財務報表所載列之項目乃採用實體經營所在之主要經濟環境之貨幣(「功能貨幣」)計量。綜合財務報表以本公司之功能貨幣及呈列貨幣港元呈列。

(ii) 各實體財務報表之交易及結餘

外幣交易於首次確認時按交易日當時適用之匯率換算為功能貨幣。以外幣計值之貨幣資產及負債按各呈報期末之匯率換算。該換算政策所產生之收益及虧損於損益確認。

按公平值計量及以外幣計值之非貨幣項目乃按釐定公平值當日之匯率換算。

當非貨幣項目之收益或虧損於其他全面收入確認時，該收益或虧損之任何匯兌部分於其他全面收入確認。當非貨幣項目之收益或虧損於損益確認時，該收益或虧損之任何匯兌部分於損益確認。

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5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Foreign currency translation (Continued)

(iii) Translation on consolidation

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

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

On consolidation, exchange differences arising from the translation of the net investment in foreign entities and of borrowings are recognised in the foreign currency translation reserve. When a foreign operation is sold, such exchange differences are recognised in consolidated profit or loss as part of the gain or loss on disposal.

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

5. 主要會計政策 (續)

(c) 外幣換算 (續)

(iii) 綜合入賬時換算

功能貨幣有別於本公司呈列貨幣之所有本集團實體之業績及財務狀況均會以下列方式換算為本公司之呈列貨幣：

- 所呈列之各份財務狀況表之資產及負債以財務狀況表日期之收市匯率換算；
- 收支以平均匯率換算（惟倘此平均匯率並非各交易日期適用之匯率累計影響之合理概約值，則收支以交易日期之匯率換算）；及
- 所產生之所有匯兌差額於外幣換算儲備內確認。

於綜合入賬時，換算於海外實體之投資淨額及借款所產生之匯兌差額乃於外幣換算儲備內確認。於出售海外業務時，有關匯兌差額將於綜合損益表中確認為出售收益或虧損之部分。

收購海外實體所產生之商譽及公平值調整視作海外實體之資產及負債處理，並會按收市匯率換算。

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5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Property, plant and equipment

Buildings comprise mainly factories and offices. All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

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

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

Leasehold improvements	over the respective lease terms
Equipment	10% to 33.3%
Motor vehicles	20%
Computer	10% to 33.3%

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

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

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

5. 主要會計政策 (續)

(d) 物業、廠房及設備

樓宇主要包括廠房及辦公室。所有物業、廠房及設備均按成本減累計折舊及減值虧損列賬。

僅於有關項目的未來經濟利益有很大機會流入本集團而該項目成本能可靠計量時，後續成本方會計入資產賬面值中，或確認為個別資產（視適用情況而定）。所有其他維修及保養於產生的期間在損益確認。

物業、廠房及設備折舊乃按足以在其估計可使用年內撇銷其成本減剩餘價值的折舊率以直線法計算。主要年率如下：

租賃物業裝修	按各自租期
設備	10% 至 33.3%
汽車	20%
電腦	10% 至 33.3%

於各報告期末均會檢討及調整剩餘價值、可使用年期及折舊方法（如適用）。

在建工程指在建樓宇及廠房及待安裝之機器，並按成本減減值虧損列賬，當相關資產可供使用時會開始折舊。

出售物業、廠房及設備之收益或虧損指出售所得款項淨額與相關資產賬面值之間的差額，並在損益表內確認。

5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Leases

The Group as lessee

(i) Operating leases

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

(ii) Finance leases

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

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

Assets under finance leases are depreciated the same as owned assets.

5. 主要會計政策 (續)

(e) 租賃

本集團作為承租人

(i) 經營租賃

實際上並無向本集團轉讓資產擁有權之所有風險及回報之租賃入賬作為經營租賃。租賃付款(扣除收出租人的任何獎勵)按直線法於租期確認為開支。

(ii) 融資租賃

資產擁有權之絕大部分風險及回報實質上轉讓至本集團之租賃入賬作為融資租賃。融資租賃在開始時按租賃資產之公平值及最低租賃款項現值(兩者均於租賃開始時釐定)之較低者入賬。

對出租人之相應債務於財務狀況表中列作應付融資租賃。租賃款項按比例分配為財務費用及削減未付債務。財務費用於租期內各期間分攤，以為債務結餘得出一個貫徹之定期利率。

於融資租約下之資產按與自有資產相同之方式計算折舊。

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5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Recognition and derecognition of financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

Financial assets are derecognised when the contractual rights to receive cash flows from the assets expire; the Group transfers substantially all the risks and rewards of ownership of the assets; or the Group neither transfers nor retains substantially all the risks and rewards of ownership of the assets but has not retained control on the assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and the cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in profit or loss.

(g) Trade and other receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment. An allowance for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the allowance is the difference between the receivables' carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate computed at initial recognition. The amount of the allowance is recognised in profit or loss.

5. 主要會計政策 (續)

(f) 確認及終止確認金融工具

本集團於成為該等工具合約條文之訂約方時可在財務狀況表中確認金融資產及金融負債。

於收取資產現金流量之合約權利屆滿時；本集團轉讓資產擁有權之絕大部分風險及回報時；或本集團既無轉讓亦不保留資產擁有權之絕大部分風險及回報，但不保留資產之控制權時，將終止確認金融資產。終止確認一項金融資產時，資產賬面值與已收代價以及已於其他全面收益確認之累計盈虧之總和之間之差額於損益內確認。

倘相關合約訂明之責任解除、註銷或失效，則終止確認金融負債。已終止確認之金融負債賬面值與已付代價之差額於損益內確認。

(g) 應收貿易及其他款項

應收貿易及其他款項為非衍生工具金融資產，可按固定或可予釐定款項支付，且並無於活躍市場上報價，初步按公平值確認，其後則以實際利率法按經攤銷成本值計算，並須扣除減值撥備。倘有客觀證據顯示本集團無法按照應收款的原來條款收取所有欠款，則須為應收貿易及其他款項作出減值撥備。撥備額為應收款項之賬面值與估計未來現金流量按於初始確認時計算的實際利率換算之現值兩者的差額。撥備額於損益中確認。

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5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Trade and other receivables (Continued)

Impairment losses are reversed in subsequent periods and recognised in profit or loss when an increase in the receivables' recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the receivables at the date the impairment is reversed shall not exceed what the amortised cost would have been had the impairment not been recognised.

(h) Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents represent cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term highly liquid investments which are readily convertible into known amounts of cash and subject to an insignificant risk of change in value. Bank overdrafts which are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents.

(i) Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument under HKFRSs. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

(j) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

5. 主要會計政策 (續)

(g) 應收貿易及其他款項 (續)

倘應收款項的可收回金額增加客觀上與於確認減值後發生之事件有關，則減值虧損會於其後期間撥回並於損益中確認，惟應收款項於撥回減值之日之賬面值不得超過並無確認減值時之攤銷成本。

(h) 現金及現金等值物

就現金流量表而言，現金及現金等值物指銀行及手頭現金、在銀行及其他金融機構的活期存款，以及期限短、流動性強、可隨時轉換成已知金額的現金、且價值變動風險甚微的投資。須按要求償還並為本集團現金管理組成部分的銀行透支，亦計為現金及現金等值物之一部分。

(i) 金融負債及權益工具

金融負債及權益工具按所訂立合同安排的內容及香港財務報告準則中金融負債及權益工具的定義分類。權益工具為證明擁有本集團扣減其所有負債後的資產中所剩餘權益的任何合同。就特定金融負債及權益工具所採納的會計政策列載如下。

(j) 借款

借款初始按公平值（扣除產生的交易費用）確認，其後採用實際利率法按攤銷成本計量。

借款分類為流動負債，除非本集團擁有無條件權利將負債的償還遞延至報告期後最少12個月。

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5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Inventories

Inventories are stated at the lower of cost and net realisable value. The cost of inventories represent finished goods and are determined using the first-in, first-out basis. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(l) Trade and other payables

Trade and other payables are stated initially at their fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

(m) Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

(n) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably.

Revenues from the sales of manufactured goods and trading of raw materials are recognised on the transfer of significant risks and rewards of ownership, which generally coincides with the time when the goods are delivered and the title has passed to the customers.

Interest income is recognised on a time-proportion basis using the effective interest method.

(o) Employee benefits

(i) Employee leave entitlements

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the end of the reporting period.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

5. 主要會計政策 (續)

(k) 存貨

存貨按成本值與可變現淨值之較低者列賬。存貨成本值指製成品成本值，乃採用先入先出法釐定。可變現淨值為日常業務過程中之估計售價減去完成之估計成本及進行出售所需之估計成本。

(l) 應付貿易及其他款項

應付貿易及其他款項初始按公平值確認，其後運用實際利率法，以攤銷成本計量，除非貼現影響甚微，在此情況下，則按成本列值。

(m) 股益工具

本公司發行之股益工具按已收所得款項扣除直接發行成本列賬。

(n) 收入確認

收入按已收或應收代價的公平值計量，並於經濟利益將流入本集團，且收益金額能可靠地計量時確認。

銷售製成品及買賣原材料所得之收入，乃於轉讓擁有權重大風險及回報時確認，而其通常與貨品交付及所有權轉讓予客戶之時間一致。

利息收入按時間比例根據實際利率法確認。

(o) 僱員福利

(i) 僱員應享假期

僱員可享有之年假及長期服務假期乃在其權利產生時確認。本集團為截至報告期末僱員已提供之服務而產生之年假及長期服務假期之估計負債作出撥備。

僱員之病假及產假不作確認，直至僱員正式休假為止。

5. SIGNIFICANT ACCOUNTING POLICIES (Continued)*(o) Employee benefits (Continued)**(ii) Pension obligations*

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (“**MPF Scheme**”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance, for those employees who are eligible to participate in the MPF Scheme in Hong Kong. Contributions are made based on 5% of the employees’ relevant income, subject to a ceiling of monthly relevant income of HK\$30,000 and are charged to 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.

The Group also participates in a defined contribution retirement scheme organised by the government in the People’s Republic of China (the “**PRC**”). The Group is required to contribute a specific percentage of the payroll of its employees to the retirement scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the retirement scheme. No forfeited contributions may be used by the employers to reduce the existing level of contributions.

(iii) Termination benefits

Termination benefits are recognised at the earlier of the dates when the Group can no longer withdraw the offer of those benefits and when the Group recognises restructuring costs and involves the payment of termination benefits.

5. 主要會計政策 (續)*(o) 僱員福利* (續)*(ii) 退休金責任*

本集團根據香港強制性公積金計劃條例，為合資格參與香港強制性公積金退休福利計劃（「**強積金計劃**」）之僱員，設立一項定額供款強積金計劃。根據強積金計劃之規則，供款乃於應付供款時按照僱員相關收入的**5%**作出（相關每月收入之上限為**30,000**港元），並自損益中扣除。強積金計劃的資產與本集團的資產分開持有，並存放於獨立管理基金。在參與強積金計劃時，本集團的僱主供款全數歸屬予僱員。

本集團亦參與中華人民共和國（「**中國**」）政府組織之一項定額供款退休計劃。本集團須按指定比例之僱員薪金向退休計劃供款。該等供款於其根據退休計劃規定應付時於損益內扣除。僱主不可使用沒收供款以降低現有供款水平。

(iii) 離職福利

離職福利於本集團不再取消提供該等福利，或本集團確認重組成本並涉及支付離職福利時（以較早者為準）確認。

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5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) Share-based payments

Equity-settled share-based payments are measured at the fair value (excluding the effect of non market-based vesting conditions) of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non market-based vesting conditions.

(q) Borrowing costs

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

To the extent that funds are borrowed generally and used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the expenditures on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the Group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset.

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

5. 主要會計政策 (續)

(p) 股份付款

以股結算之股份付款乃按股益工具於授出日期之公平值計量（不包括非以市場為基礎之歸屬條件之影響）。按以股結算之股份付款授出日期釐定之公平值，乃根據本集團對最終將歸屬之股份之估計，於歸屬期內以直線法支銷，並就非以市場為基礎歸屬條件之影響作出調整。

(q) 借款成本

可直接歸屬於收購、建造或生產合資格資產（指需要經過相當長時間才能達到可使用或可銷售狀態的資產）的借款成本，直至該資產實質上已達到可使用或可銷售狀態之前均計入該資產的成本。在特定借款撥作合資格資產的支出前，暫時用作投資所賺取的投資收入，會從合資格資本化借款成本中扣除。

就於一般情況及用作取得合資格資產而借入之資金而言，合資格資本化之借款成本金額乃按用於該資產開支之資本化比率計算。資本化比率為適用於本集團該期間內尚未償還借款（不包括就取得合資格資產而借入之特定借款）之加權平均借款成本。

所有其他借款成本均在產生期間於損益內確認。

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For the year ended 31 December 2017

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5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(r) Taxation

Income tax represents the sum of the current tax and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit recognised in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

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

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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

5. 主要會計政策 (續)

(r) 稅項

所得稅為當期稅項與遞延稅項的總和。

當期應付稅項乃按年度應課稅溢利計算。應課稅溢利與損益中所確認的溢利不同，因應課稅溢利不包括在其他年度應課稅收入或可扣減收支項目，而且不包括毋須課稅或不可扣稅的項目。本集團的當期稅項負債，應按已執行或於報告期末實質上已執行的稅率計算。

遞延稅項根據財務報表中資產及負債的賬面值與用作計算應課稅溢利的相應稅基兩者之間的差額。一般就所有應課稅暫時性差異確認遞延稅項負債，而僅有可動用暫時性差異以致能使用可扣稅暫時性差異、未動用稅項虧損或未動用稅項抵免時，方確認遞延稅項資產。倘暫時性差異是因商譽或既不影響應課稅溢利也不影響會計溢利的交易中其他資產或負債的初始確認（業務合併除外）而產生，則不會確認該等資產及負債。

遞延稅項負債應就於附屬公司之投資及所產生之應課稅暫時性差異確認，惟倘本集團能夠控制暫時性差異之撥回且暫時性差異不會於可見將來撥回則作別論。

遞延稅項資產的賬面值會於各報告期末作出檢討，並在不再有足夠應課稅溢利以收回全部或部分資產時作出相應調低。

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For the year ended 31 December 2017

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5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(r) Taxation (Continued)

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is recognised in profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

(s) Related parties

A related party is a person or entity that is related to the Group.

- (A) A person or a close member of that person's family is related to the Group if that person:
- (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Company or of a parent of the Company.

5. 主要會計政策 (續)

(r) 稅項 (續)

遞延稅項按預期清償負債或實現資產的期間的稅率，並跟據於報告期末前已執行或實質上已執行的稅率計量。遞延稅項會於損益確認，惟倘若遞延稅項與於全面收益確認或於股益確認之項目相關則除外，在此情況下，遞延稅項亦會於其他全面收益或直接於股益確認。

遞延稅項資產及負債之計量反映出本集團預期於報告期末收回資產或清償負債賬面值之方式之稅務後果。

當有法定可強制執行權利將當期稅項資產與當期稅項負債互相抵銷，且彼等與同一稅務當局徵收的所得稅有關，及本集團擬按淨額基準結算當期稅項資產及負債，則會將遞延稅項資產與負債互相抵銷。

(s) 關連方

關連方為與本集團相關之人士或實體。

- (A) 倘屬以下人士，則該人士或該人士之近親與本集團有關連：
- (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響；或
 - (iii) 為本公司或本公司母公司之主要管理人員。

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5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) Related parties (Continued)

(B) An entity is related to the Group if any of the following conditions applies:

- (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (A).
- (vii) A person identified in (A)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to a parent of the Company.

5. 主要會計政策 (續)

(s) 關連方 (續)

(B) 倘符合下列任何條件，則實體與本集團有關連：

- (i) 該實體與本公司屬同一集團之成員公司（即各母公司、附屬公司及同系附屬公司彼此間有關連）。
- (ii) 一間實體為另一實體之聯營公司或合資企業（或另一實體為成員公司之集團旗下成員公司之聯營公司或合資企業）。
- (iii) 兩間實體均為同一第三方之合資企業。
- (iv) 一間實體為第三方實體之合資企業，而另一實體為該第三方實體之聯營公司。
- (v) 實體乃為本集團或與本集團有關連之實體就僱員福利而設立的離職後福利計劃。倘本集團自身屬於有關計劃，則提供資助之僱主亦與本集團相關連。
- (vi) 實體受(A)所識別人士控制或共同控制。
- (vii) 於(A)(i)所識別人士對實體有重大影響力或屬該實體（或該實體之母公司）主要管理人員。
- (viii) 實體、或一間集團之任何成員公司（為集團之一部分）向本公司或其母公司提供主要管理人員服務。

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5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Impairment of assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets except goodwill, inventories and receivables to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss. Where 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.

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.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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 (net of amortisation or depreciation) had no impairment loss been recognised for the asset or cash generating unit in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

5. 主要會計政策 (續)

(t) 資產減值

於各報告期末，本集團均會審閱其有形及無形資產（商譽、存貨及應收款項除外）的賬面值，以釐定是否有任何跡象顯示該等資產已出現減值虧損。倘存在任何有關跡象，則會估計資產的可收回金額，以釐定減值虧損的程度。如不能估計個別資產的可收回金額，則本集團會估計資產所屬現金產生單位的可收回金額。

可收回金額為公平值減去出售成本及使用價值兩者中的較高者。於評估使用價值時，估計未來現金流量乃以反映市場現時的金錢時值評估及資產特定風險之稅前貼現率貼現至現值。

倘資產或現金產生單位的可收回金額估計預期低於其賬面值，則資產或現金產生單位的賬面值會減少至其可收回金額。減值虧損會即時於損益確認，除非有關資產乃按重估數額列賬則除外，在該情況下，減值虧損會被視為重估減少。

倘其後撥回減值虧損，則資產或現金產生單位的賬面值會增至經修訂的預計可收回金額，惟增加後的賬面值（扣除攤銷或折舊後）不會超過過往年度並無就資產或現金產生單位確認減值虧損應予釐定的賬面值。減值虧損撥回會即時於損益確認，惟倘有關資產按重估金額列賬，則減值虧損撥回會作重估增加處理。

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5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(u) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow is remote.

(v) Events after the reporting period

Events after the reporting period that provide additional information about the Group's position at the end of the reporting period or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the consolidated financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the consolidated financial statements when material.

(w) Non-current assets held for sale and discontinued operations

Non-current assets or disposal group 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 sale is highly probable and the assets or disposal group are available for immediate sale in their present condition. The Group 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.

5. 主要會計政策 (續)

(u) 撥備及或然負債

倘本集團因過往事件負上現有法律或推定責任，而有關責任可能需要以經濟利益流出清償，且能作出可靠估計時，即會就未有確定時間或金額的負債確認撥備。金錢時間值重大，撥備會以清償責任預期所需支出的現值列賬。

倘流出經濟利益之可能性不大，或不能可靠估計該數額，則該責任披露為或然負債，惟流出經濟利益之可能性極低則除外。倘有關潛在責任須視乎某宗或多宗未來事件是否發生才能確定存在與否，則會披露為或然負債，惟流出經濟利益之可能性極低則除外。

(v) 報告期後事項

提供本集團於報告期末之業務狀況的額外資料或顯示持續經營假設並不適當的報告期後事項為調整事項，並反映於綜合財務報表內。並非調整事項的報告期後事項，倘屬重大時，於綜合財務報表附註內披露。

(w) 持作出售之非流動資產及已終止經營業務

倘非流動資產或出售集團之賬面值主要透過出售交易而非持續使用而收回，非流動資產或出售集團則被分類為持作出售。該條件於出售極有可能進行且資產或出售集團能以現狀即時出售之情況下方被視為達成。本集團須承諾進行出售，預計應可自分類之日起一年內合資格確認為已完成出售。

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5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(w) Non-current assets held for sale and discontinued operations (Continued)

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

A discontinued operation is a component of the Group, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which represents a separate major line of business or geographical area of operations, or is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale in accordance with HKFRS 5, if earlier. It also occurs when the operation is abandoned.

When an operation is classified as discontinued, a single amount is presented in the statement of profit or loss and other comprehensive income, which comprises:

- The post-tax profit or loss of the discontinued operation; and
- The post-tax gain or loss recognised on the measurement to fair value less costs to sell, or on the disposal, of the assets or disposal group constituting the discontinued operation.

5. 主要會計政策 (續)

(w) 持作出售之非流動資產及已終止經營業務 (續)

分類為持作出售之非流動資產或出售集團，以有關資產或出售集團之先前賬面值與公平值減出售成本之較低者計量。

已終止經營業務為本集團其中一部分，其營運和現金流量可與本集團其餘業務清晰劃分，構成業務或營運地域之一項獨立主要項目，或屬出售業務或營運地域之獨立主要項目之單一統籌計劃其中部分，或為純粹就轉售購入之附屬公司。

根據香港財務報告準則第5號，當出售或業務符合分類為持作出售之條件（以較早者為準）時，則作出已終止經營業務之分類。亦於廢棄業務時作出此分類。

倘業務分類為已終止，則於損益及其他全面收益表呈報單一數額，當中包括：

- 已終止經營業務除稅後溢利或虧損；及
- 於計量組成已終止經營業務之資產或出售集團之公平值減出售成本或於出售有關資產或出售集團時，確認除稅後收益或虧損。

6. CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY ESTIMATES

Critical judgements in applying accounting policies

In the process of applying the accounting policies, the Directors have made the following judgements that have the most significant effect on the amounts recognised in the consolidated financial statements apart from those involving estimations, which are dealt with below.

(a) *Going concern basis*

The consolidated financial statements have been prepared on a going concern basis, on the assumption that the proposed restructuring of the Company will be successfully completed, and that, following the restructuring, the Group will continue to meet in full its financial obligations as they fall due in the foreseeable future. Details are explained in note 3 to consolidated financial statements.

Key sources of estimation uncertainty

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

(a) *Property, plant and equipment and depreciation*

The Group determines the estimated useful lives, residual values and related depreciation charges for the Group's property, plant and equipment. This estimate is based on the historical experience of the actual useful lives and residual values of property, plant and equipment of similar nature and functions. The Group will revise the depreciation charge where useful lives and residual values are different to those previously estimated, or it will write off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

6. 應用會計政策之重大判斷及主要估計

應用會計政策之重大判斷

於應用會計政策的過程中，董事已作出以下對綜合財務報表所確認數額具最大影響的判斷（惟該等涉及估計的判斷除外，其將於下文處理）。

(a) *持續經營基準*

該等綜合財務報表乃按持續經營基準編製，基於假設本公司將順利完成建議重組，且於重組事項後，本集團在可預見未來將可繼續悉數履行其到期財務責任。詳情載於綜合財務報表附註3。

估計不明朗因素之主要來源

下文討論有關未來之主要假設及於各報告期末之其他主要不確定估計來源，而該等假設及不確定估計存在導致下一財政年度之資產及負債賬面值須作出重大調整之重大風險。

(a) *物業、廠房及設備以及折舊*

本集團釐定其物業、廠房及設備之估計可使用年期、餘值及相關折舊費用。此估計以性質及功能類似之物業、廠房及設備之過往實際可使用年期及餘值為基準。如可使用年期及餘值與先前估計者不同，本集團將修訂折舊費用，或撤銷或撤減技術上已過時或屬非戰略之已放棄或已出售資產。

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6. CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY ESTIMATES

(Continued)

Key sources of estimation uncertainty (Continued)

(b) Impairment loss on trade receivables

The Group estimates impairment losses of trade receivables resulting from the inability of the customers to make the required payment. The Group bases the estimates on the ageing of the accounts receivable balance, customer credit-worthiness, and historical write-off experience. If the financial condition of the customers were to deteriorate, actual write-offs might be higher than expected and could significantly affect the results of future periods.

(c) Impairment loss on inventories

Allowance for slow-moving inventories is made based on the ageing and estimated net realisable value of inventories. The assessment of the allowance amount involves judgement and estimates. Where the actual outcome in future is different from the original estimate, such difference will impact the carrying value of inventories and allowance charge/write-back in the period in which such estimate has been changed.

6. 應用會計政策之重大判斷及主要估計 (續)

估計不明朗因素之主要來源 (續)

(b) 應收貿易款項之減值虧損

本集團須估計由於客戶未能繳付規定款項而產生之應收貿易款項減值虧損。本集團會基於應收款項結餘賬齡情況、客戶之信用及撇銷之過往經驗作出估計。倘客戶之財務狀況惡化，實際之撇銷可能高於預期，並可能對未來期間之業績產生重大影響。

(c) 存貨減值虧損

滯銷存貨撥備乃根據存貨之賬齡及估計變現淨值而作出。評估撥備額涉及判斷和估計。倘日後之實際結果與原來估計不同，有關差異將會對有關估計已改變期間之存貨賬面值及扣除／撥回撥備造成影響。

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7. SEGMENT REPORTING

The Group manages its businesses by divisions, which are organised by a mixture of both business lines (products and services) and geography. In a manner consistent with the way in which information is reported internally to the Directors for the purposes of resources allocation and performance assessment, the Group has presented the following two reportable segments. No operating segments have been aggregated to form the following reportable segments.

The Group has presented the following two reportable segments. These segments are managed separately. Each segment offers very different products and services:

1. Trading business
2. Manufacturing of semiconductors

The trading business derives its revenue primarily from the trading of semiconductors/electronic products/components and timber.

(a) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Directors monitor the results, assets and liabilities attributable to each reportable segment on the following basis:

Segment assets include all tangible, intangible assets and current assets with the exception of other corporate assets. Segment liabilities include trade and other payables and finance lease payables, all of which are attributable to the activities of the individual segments with the exception of other bonds payables, other finance lease payables and other corporate liabilities.

7. 分類呈報

本集團按部門管理其業務，而部門則由業務（產品及服務）及地區組合而成。與就分配資源及評估表現而向董事內部報告資料之方式一致，本集團已呈列以下兩個可呈報分類。並無綜合計算經營分類以組成以下可呈報分類。

本集團已呈列以下兩個可呈報分類。該等分類乃獨立管理。各分類提供截然不同的產品及服務：

1. 貿易業務
2. 製造半導體

貿易業務的收益主要來自半導體／電子產品／部件及木材買賣。

(a) 分類業績、資產及負債

為評估分類表現及於分類之間資源分配，董事根據下列基礎監察各可呈報分類之業績、資產及負債：

分類資產包括所有有形、無形資產及流動資產，惟不包括其他公司資產。分類負債包括個別分類活動應佔之應付貿易及其他款項及應付融資租賃，惟不包括其他應付債券、其他應付融資租賃及其他公司負債。

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7. SEGMENT REPORTING (Continued)

(a) Segment results, assets and liabilities (Continued)

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arose from the depreciation or amortisation of assets attributable to those segments. There was no inter-segment sales and transfer during the year (2016: Nil).

The measure used for reporting segment profit is “adjusted EBITDA” i.e. “adjusted earnings before interest, taxes, depreciation and amortisation”, where “interest” is regarded as including investment income and “depreciation and amortisation” is regarded as including impairment losses on non-current assets. To arrive at adjusted EBITDA, the Group’s earnings are further adjusted for items not specifically attributed to individual segments, such as directors’ emoluments and auditor’s remuneration and other head office or corporate administration costs.

In addition to receiving segment information concerning adjusted EBITDA, the executive Director is provided with segment information concerning revenue (including inter-segment sales, if any), interest income and expense from cash balances and borrowings managed directly by the segments, depreciation, amortisation and impairment losses and additions to non-current segment assets used by the segments in their operations. Inter-segment sales are priced with reference to prices charged to external parties for similar orders.

7. 分類呈報 (續)

(a) 分類業績、資產及負債 (續)

收益及開支乃經參考該等分類產生之銷售額及該等分類產生之開支或該等分類應佔資產之折舊或攤銷產生之開支，分配至可呈報分類。年內並無進行分部間出售及轉讓事項（二零一六年：無）。

用於報告分類溢利的方法為「經調整 EBITDA」，即「扣除利息、稅項、折舊及攤銷前之經調整盈利」，其中「利息」被視作包括投資收入，而「折舊及攤銷」被視作包括非流動資產之減值虧損。為得出經調整 EBITDA，本集團之盈利就並未指定屬於個別分類之項目作出進一步調整，如董事酬金及核數師酬金以及其他總辦事處或公司行政開支。

除收到有關經調整 EBITDA 之分類資料外，董事獲提供有關收益（包括分類間銷售（如有））、來自分類直接管理之現金結餘及借款之利息收入及開支、分類於其營運中使用之非流動分類資產之折舊、攤銷及減值虧損以及添置之分類資料。分類間銷售乃經參考就類似訂單向外部人士收取之價格而進行定價。

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7. SEGMENT REPORTING (Continued)

(a) Segment results, assets and liabilities (Continued)

Information regarding the Group's reportable segments as provided to the Director for the purpose of resources allocation and assessment of segment performance for the years ended 31 December 2017 and 2016 is set out below:

7. 分類呈報 (續)

(a) 分類業績、資產及負債 (續)

為分配資源及評估分類表現而向董事提供本集團截至二零一七年及二零一六年十二月三十一日止年度之可呈報分類資料如下：

		2017 二零一七年				
		Continuing operations 持續經營業務	Discontinued operation 已終止經營業務			
		Trading business 貿易業務	Manufacturing of semiconductors 製造半導體	Sub-total 小計	Unallocated 未分配	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Revenue from external customers	來自外部客戶之收益	-	-	-	-	-
Reportable segment loss (adjusted EBITDA)	可呈報分類虧損 (經調整EBITDA)	(10,400)	(250,201)	(260,601)	-	(260,601)
Gain on disposal of property, plant and equipment, net	出售物業、廠房及設備之收益淨額	-	-	-	163	163
Impairment loss on property, plant and equipment	物業、廠房及設備之減值虧損	-	(249,821)	(249,821)	-	(249,821)
Impairment loss on goodwill	商譽減值虧損	-	(378)	(378)	-	(378)
Impairment loss on inventories	存貨減值虧損	(10,000)	-	(10,000)	-	(10,000)
Finance costs	融資成本	-	-	-	(9,319)	(9,319)
Depreciation and amortisation	折舊及攤銷	(2)	-	(2)	(1,160)	(1,162)
Written off of property, plant and equipment	撇銷物業、廠房及設備	-	-	-	(128)	(128)
Income tax expense	所得稅開支	-	-	-	-	-
Reportable segment assets	可呈報分類資產	21	6,599	6,620	7,427	14,047
Additions to non-current segment assets during the year	於年內添置非流動分類資產	-	-	-	119	119
Reportable segment liabilities	可呈報分類負債	9,165	4,807	13,972	149,461	163,433

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7. SEGMENT REPORTING (Continued)

(a) Segment results, assets and liabilities (Continued)

7. 分類呈報 (續)

(a) 分類業績、資產及負債 (續)

		2016 二零一六年				
		Continuing operations 持續經營業務	Discontinued operation 已終止經營業務			
		Trading business 貿易業務	Manufacturing of semiconductors 製造半導體	Sub-total 小計	Unallocated 未分配	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Revenue from external customers	來自外部客戶之收益	-	-	-	-	-
Reportable segment loss (adjusted EBITDA)	可呈報分類虧損 (經調整 EBITDA)	(35,016)	(10,565)	(45,581)	-	(45,581)
Interest income	利息收入	3	-	3	-	3
Gain/(loss) on disposal of property, plant and equipment, net	出售物業、廠房及設備之 收益/(虧損)淨額	27	-	27	(16)	11
Gain on disposal of prepaid land lease payments	出售預付土地租賃款項之收益	-	350	350	-	350
Impairment loss on prepayment for acquisition of property, plant and equipment	收購物業、廠房及設備的預付款項 之減值虧損	-	(10,000)	(10,000)	-	(10,000)
Impairment loss on trade and other receivables	應收貿易及其他款項之減值虧損	(33,706)	-	(33,706)	-	(33,706)
Finance costs	融資成本	(25)	(786)	(811)	(6,958)	(7,769)
Depreciation and amortisation	折舊及攤銷	(176)	(117)	(293)	(1,719)	(2,012)
Written off of property, plant and equipment	撇銷物業、廠房及設備	-	-	-	(9)	(9)
Income tax expense	所得稅開支	-	-	-	-	-
Reportable segment assets	可呈報分類資產	10,023	247,480	257,503	13,916	271,419
Additions to non-current segment assets during the year	於年內添置非流動分類資產	-	-	-	35	35
Reportable segment liabilities	可呈報分類負債	8,748	17,562	26,310	101,491	127,801

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7. SEGMENT REPORTING (Continued)

(b) Reconciliations of reportable segment loss

7. 分類呈報 (續)

(b) 可呈報分類虧損之對賬

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Reportable segment loss	可呈報分類虧損	(260,601)	(45,581)
Finance costs	融資成本	(9,319)	(7,769)
Depreciation and amortisation	折舊及攤銷	(1,162)	(2,012)
Interest income	利息收入	-	3
Gain on disposal of property, plant and equipment, net	出售物業、廠房及 設備之收益淨額	163	11
Gain on disposal of prepaid land lease payments	出售預付土地租 賃款項之收益	-	350
Written off of property, plant and equipment	撇銷物業、廠房及設備	(128)	(9)
Unallocated expenses	未分配開支	(30,677)	(21,560)
Consolidated loss before taxation	綜合除稅前虧損	(301,724)	(76,567)

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7. SEGMENT REPORTING (Continued)

(c) Geographic information

The following is an analysis of the geographical location of (i) the Group's revenue from external customers and (ii) the Group's non-current assets. The geographical location of customers refers to the location at which the services were provided or the goods delivered. The Group's non-current assets include property, plant and equipment and goodwill. The geographical location of property, plant and equipment is based on the physical location of the asset under consideration. In the case of intangible assets, it is based on the location of operation to which these intangibles are allocated.

		Revenue from external customers 來自外部客戶之收益		Specified non-current assets 指定非流動資產	
		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
Mainland China	中國大陸	-	-	1,059	247,364
Hong Kong	香港	-	-	2	2,503
		-	-	1,061	249,867

(d) Information about major customer

The revenue generated from the Group's largest customer for the two years ended 31 December 2017 and 2016 was nil.

7. 分類呈報 (續)

(c) 地區資料

以下為(i)本集團來自外部客戶之收益及(ii)本集團非流動資產之所在地分析。客戶所在地指提供服務或付運貨品之地區。本集團之非流動資產包括物業、廠房及設備及商譽。物業、廠房及設備之所在地為所考慮資產本身實際位處之地點。無形資產之所在地為獲分配該等無形資產之業務所在地區。

(d) 有關主要客戶之資料

截至二零一七年及二零一六年十二月三十一日止兩個年度，來自本集團最大客戶之收益為零。

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8. REVENUE, OTHER REVENUE AND OTHER NET (LOSS)/INCOME

- (a) No transactions were concluded to generate any trading income during the year.
- (b) The analysis of other revenue and other net (loss)/income is as follows:

8. 收益、其他收益及其他淨(虧損)／收入

- (a) 本集團於年內概無落實產生任何貿易收入之交易。
- (b) 其他收益及其他淨(虧損)／收入之分析如下：

		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
			(Restated)
			(經重列)
Other revenue	其他收益		
Interest income on bank deposits	銀行存款之利息收入	-	3
Other income	其他收入	1,327	-
		1,327	3
Other net (loss)/income	其他淨(虧損)／收入		
(Loss)/gain on foreign exchange	匯兌(虧損)／收益	(3,378)	250
Gain on disposal of prepaid land lease payments	出售預付土地租賃款項之收益	-	350
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	163	11
		(1,888)	614
Representing:	即：		
- Continuing operations	- 持續經營業務	(1,888)	264
- Discontinued operation (note 11)	- 已終止經營業務(附註11)	-	350
		(1,888)	614

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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 (Restated) (經重列)
Interests on:	以下項目的利息：		
– convertible bonds	– 可換股債券	–	441
– other bonds	– 其他債券	9,238	6,710
– other loans	– 其他貸款	39	140
– loan from a non-controlling shareholder of a subsidiary (wholly repayable within five years)	– 來自一間附屬公司非控股 股東之貸款 (須於五年內悉數償還)	–	345
– finance lease	– 融資租賃	42	133
		9,319	7,769
Representing:	即：		
– Continuing operations	– 持續經營業務	9,319	7,424
– Discontinued operation (note 11)	– 已終止經營業務(附註11)	–	345
		9,319	7,769

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10. INCOME TAX

- (a) No provision for profits tax in Bermuda, the BVI, the PRC or Hong Kong has been made as the Group has no assessable profits derived from or earned in these jurisdictions for the years ended 31 December 2017 and 2016.

The PRC enterprise income tax rate for the year is 25% (2016: 25%).

- (b) A reconciliation of the income tax expense applicable to the loss before taxation at the statutory tax rates to income tax expense at the effective tax rates of the Group is as follows:

10. 所得稅

- (a) 本集團並無就百慕達、英屬處女群島、中國或香港之利得稅作出撥備，原因為本集團於截至二零一七年及二零一六年十二月三十一日止年度期間並無自該等司法權區產生或賺取應課稅溢利。

年內中國企業所得稅率為25%（二零一六年：25%）。

- (b) 根據法定稅率計算適用於除稅前虧損之所得稅開支與根據本集團實際稅率計算之所得稅開支對賬如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Loss before taxation	除稅前虧損		
– From continuing operations	– 來自持續經營業務	(51,523)	(75,538)
– From discontinued operation	– 來自已終止經營業務	(250,201)	(1,029)
		(301,724)	(76,567)
Notional tax on loss before taxation, calculated at the rates applicable to loss in the tax jurisdictions concerned	按有關稅項司法權區 之虧損適用之稅率計算 之除稅前虧損之名義稅項		
– Mainland China @25% (2016: 25%)	– 中國大陸為25% (二零一六年：25%)	(62,592)	(582)
– Hong Kong @16.5% (2016: 16.5%)	– 香港為16.5% (二零一六年：16.5%)	(8,474)	(12,249)
		(71,066)	(12,831)
Tax effects of:	以下各項之稅務影響：		
Non-deductible expenses	不可扣稅開支	64,167	3,386
Deferred tax assets not recognised during the year	本年度未確認之遞延稅項資產	6,899	9,445
Income tax	所得稅	–	–

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11. DISCONTINUED OPERATION

On 26 April 2017, the Company entered into an agreement to dispose the entire equity interest in Tech One Investments Limited (“**Tech One**”, together with its subsidiaries (including 72.79% indirectly owned subsidiary namely ICSC), collectively, “**Tech One Group**”) and all the loans due from and owing by members of Tech One Group to members of the Group (other than Tech One Group) as at the date of completion at a consideration of HK\$1,000,000. The results of Tech One Group under the business segment of manufacturing of semiconductors has been presented as discontinued operation. The comparative consolidated statement of profit or loss and other comprehensive income has been re-presented to show the discontinued operation separately from continuing operations. Tech One Group was classified as disposal group held for sale on the consolidated statement of financial position.

The loss for the year from discontinued operation is analysed as follows:

11. 已終止經營業務

於二零一七年四月二十六日，本公司訂立協議，以出售科運投資有限公司（「科運」，連同其附屬公司（包括間接擁有72.79%權益之附屬公司德芯電子），統稱為「科運集團」）之全部股權及於完成日期科運集團成員公司應付及欠付本集團成員公司（除科運集團外）之所有貸款，代價為1,000,000港元。科運集團於製造半導體業務分類項下之業績已按已終止經營業務呈列。可比較之綜合損益及其他全面收益表已經重新呈列以將已終止經營業務與持續經營業務分開呈列。科運集團於綜合財務狀況表分類為持作出售之出售集團。

已終止經營業務之年度虧損分析如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元 (Restated) (經重列)
Revenue	收益	-	-
Other revenue and other net income	其他收益及其他淨收入	-	350
Administrative expenses	行政開支	(2)	(1,034)
Impairment loss on property, plant and equipment	物業、廠房及設備之減值虧損	(249,821)	-
Impairment loss on goodwill	商譽減值虧損	(378)	-
Finance costs	融資成本	-	(345)
Loss before taxation	除稅前虧損	(250,201)	(1,029)
Income tax	所得稅	-	-
Loss from discontinued operation	已終止經營業務之虧損	(250,201)	(1,029)

During the year ended 31 December 2016, Tech One Group paid approximately HK\$1,000 in respect of operating activities, received approximately HK\$11,662,000 in respect of investing activities and paid approximately HK\$11,662,000 in respect of financing activities.

截至二零一六年十二月三十一止年度，科運集團就經營業務支付約1,000港元、就投資業務收取約11,662,000港元及就融資業務支付約11,662,000港元。

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12. LOSS FOR THE YEAR

The Group's loss for the year is arrived after charging/(crediting) the following:

12. 年度虧損

本集團之年度虧損已扣除／（計入）以下各項：

	2017	2016
	二零一七年	二零一六年
	HK\$'000	HK\$'000
	千港元	千港元
		(Restated)
		(經重列)
Staff costs (including Directors' emoluments)		
– Wages, salaries and other benefits	4,602	7,325
– Retirement benefit scheme contributions	75	163
Auditor's remuneration	400	420
Amortisation of prepaid land lease payments	–	117
Depreciation	1,162	1,895
Gain on disposal of prepaid land lease payments	–	(350)
Gain on disposal of property, plant and equipment, net	(163)	(11)
Written off of property, plant and equipment	128	9
Loss/(gain) on foreign exchange, net	3,378	(250)
Operating lease charges	3,984	4,490

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13. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

(i) Emoluments of directors and chief executive

The emoluments paid or payable to each of the seven (2016: thirteen) directors who held office during the year were as follows:

		2017 二零一七年				
		Fees	Salaries and other benefits	Retirement scheme contributions	Discretionary bonuses	Total
		袍金	薪金及其他福利	退休計劃供款	酌情花紅	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
Executive director	執行董事					
Zhao Wenjia	趙文佳	-	2,496	-	-	2,496
Non-executive directors	非執行董事					
Xu Lei	徐雷	-	360	-	-	360
Gu Yawei	顧亞維	-	120	-	-	120
Xu Ming (resigned on 17 February 2017)	徐鳴 (於二零一七年二月十七日辭任)	-	30	-	-	30
Independent non-executive directors	獨立非執行董事					
Sinn Wai Kin Derek	冼偉健	100	-	-	-	100
Yao Yongjie	姚勇杰	60	-	-	-	60
Ma Jianwei	馬建威	60	-	-	-	60
		220	3,006	-	-	3,226

13. 董事及最高行政人員酬金

(i) 董事及最高行政人員酬金

已付或應付七名(二零一六年:十三名)年內任職之董事各自之酬金如下:

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13. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (Continued)

(i) Emoluments of directors and chief executive (Continued)

13. 董事及最高行政人員酬金 (續)

(i) 董事及最高行政人員酬金 (續)

		2016 二零一六年				
		Fees	Salaries and other benefits	Retirement scheme contributions	Discretionary bonuses	Total
		袍金	薪金及其他福利	退休計劃供款	酌情花紅	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
Chairman	主席					
Yang Liu (resigned on 25 July 2016)	楊銜 (於二零一六年七月二十五日辭任)	-	681	11	100	792
Executive directors	執行董事					
Lo Ka Wai (resigned on 24 June 2016)	羅嘉偉 (於二零一六年六月二十四日辭任)	-	577	9	100	686
Zhao Wenjia (appointed on 25 July 2016)	趙文佳 (於二零一六年七月二十五日獲委任)	-	627	-	-	627
Non-executive directors	非執行董事					
Xu Lei	徐雷	360	-	-	30	390
Gu Yawei (appointed on 25 July 2016)	顧亞維 (於二零一六年七月二十五日獲委任)	52	-	-	-	52
Xu Ming (appointed on 25 July 2016)	徐鳴 (於二零一六年七月二十五日獲委任)	157	-	-	-	157
Independent non-executive directors	獨立非執行董事					
Lai Ho Man, Dickson (resigned on 25 July 2016)	黎浩文 (於二零一六年七月二十五日辭任)	102	-	-	15	117
Wang Xiao Chuan (retired on 27 June 2016)	王曉川 (於二零一六年六月二十七日退任)	88	-	-	15	103
Wong Lit Chor, Alexis (resigned on 25 July 2016)	黃烈初 (於二零一六年七月二十五日辭任)	102	-	-	15	117
Liu Hongjun (retired on 27 June 2016)	劉紅軍 (於二零一六年六月二十七日退任)	36	-	-	-	36
Sinn Wai Kin Derek (appointed on 25 July 2016)	冼偉健 (於二零一六年七月二十五日獲委任)	43	-	-	-	43
Yao Yongjie (appointed on 25 July 2016)	姚勇杰 (於二零一六年七月二十五日獲委任)	26	-	-	-	26
Ma Jianwei (appointed on 25 July 2016)	馬建威 (於二零一六年七月二十五日獲委任)	26	-	-	-	26
		992	1,885	20	275	3,172

Note:

During both years, no remuneration was paid by the Group to any of the directors as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors waived any remuneration during both years.

附註:

於該兩個年度內，本集團概無向任何董事支付任何酬金，作為加入或吸引彼加入本集團之獎金或作為離職補償。於該兩個年度內，概無任何董事放棄任何酬金。

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13. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (Continued)

(ii) Five highest paid employees

Of the five individuals with the highest emoluments, two (2016: three) were directors of the Company whose emoluments are disclosed in Note 13(i). The emoluments of the three (2016: two) individuals other than directors of the Company were as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Bonuses	花紅	—	—
Salaries and allowances	薪金及津貼	1,898	1,763
Retirement scheme contributions	退休計劃供款	50	36
		1,948	1,799

The emoluments of the three (2016: two) individuals with the highest emoluments are within the following bands:

		2017 二零一七年 Number of individuals 人數	2016 二零一六年 Number of individuals 人數
Nil – HK\$1,000,000	零至 1,000,000 港元	2	1
HK\$1,000,001 – HK\$1,500,000	1,000,001 港元至 1,500,000 港元	1	1
		3	2

None of the directors and these highest paid employees waived any emoluments or received any inducement to join or compensation for loss of office during the years ended 31 December 2017 and 2016.

13. 董事及最高行政人員酬金 (續)

(ii) 五名最高薪金僱員

在五名最高酬金個人中，兩名（二零一六年：三名）為本公司董事，彼等之酬金於附註 13(i) 披露。三名（二零一六年：兩名）人士（並非本公司董事）之酬金如下：

擁有最高酬金之三名（二零一六年：兩名）人士之酬金範圍如下：

截至二零一七年及二零一六年十二月三十一日止年度，董事及該等最高薪金僱員概無放棄任何酬金或收取任何作為加入本集團之獎金或離職補償。

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14. BASIC AND DILUTED LOSS PER SHARE

(a) From continuing and discontinued operations

Basic loss per share

The calculation of basic loss per share from continuing and discontinued operations is based on the loss attributable to owners of the Company of approximately HK\$233,748,000 (2016: approximately HK\$76,287,000) and the weighted average of approximately 158,128,000 ordinary shares (2016: approximately 158,128,000 ordinary shares) in issue during the year.

Diluted loss per share

No diluted loss per share from continuing and discontinued operations are presented as the Company did not have any dilutive potential ordinary share during the year ended 31 December 2017. For the year ended 31 December 2016, the computation of diluted loss per share does not assume the conversion of the Company's outstanding convertible bonds since their exercise would result in decrease in the loss per share.

(b) From continuing operations

Basic loss per share

The calculation of basic loss per share from continuing operations is based on the loss attributable to owners of the Company of approximately HK\$51,523,000 (2016: approximately HK\$75,538,000) and the weighted average of approximately 158,128,000 ordinary shares (2016: approximately 158,128,000 ordinary shares) in issue during the year.

Diluted loss per share

No diluted loss per share from continuing operations are presented as the Company did not have any dilutive potential ordinary share during the year ended 31 December 2017. For the year ended 31 December 2016, the computation of diluted loss per share does not assume the conversion of the Company's outstanding convertible bonds since their exercise would result in decrease in the loss per share.

14. 每股基本及攤薄虧損

(a) 來自持續經營及已終止經營業務

每股基本虧損

來自持續經營及已終止經營業務之每股基本虧損乃根據本公司擁有人應佔虧損約**233,748,000**港元(二零一六年:約**76,287,000**港元)及於年內已發行普通股加權平均數約**158,128,000**股普通股(二零一六年:約**158,128,000**股普通股)計算。

每股攤薄虧損

截至二零一七年十二月三十一日止年度,由於本公司並無任何具潛在攤薄影響之普通股,故並無呈列來自持續經營及已終止經營業務之每股攤薄虧損。於截至二零一六年十二月三十一日止年度,計算每股攤薄虧損並無假設已轉換本公司尚未轉換之可換股債券,因為此舉將導致每股虧損減少。

(b) 來自持續經營業務

每股基本虧損

來自持續經營業務之每股基本虧損乃根據本公司擁有人應佔虧損約**51,523,000**港元(二零一六年:約**75,538,000**港元)及於年內已發行普通股加權平均數約**158,128,000**股普通股(二零一六年:約**158,128,000**股普通股)計算。

每股攤薄虧損

截至二零一七年十二月三十一日止年度,由於本公司並無任何具潛在攤薄影響之普通股,故並無呈列來自持續經營業務之每股攤薄虧損。於截至二零一六年十二月三十一日止年度,計算每股攤薄虧損並無假設已轉換本公司尚未轉換之可換股債券,因為此舉將導致每股虧損減少。

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14. BASIC AND DILUTED LOSS PER SHARE

(Continued)

(c) From discontinued operation

Basic loss per share

The calculation of basic loss per share from discontinued operation is based on the loss attributable to owners of the Company of approximately HK\$182,225,000 (2016: approximately HK\$749,000) and the weighted average of approximately 158,128,000 ordinary shares (2016: approximately 158,128,000 ordinary shares) in issue during the year.

Diluted loss per share

No diluted loss per share from discontinued operation are presented as the Company did not have any dilutive potential ordinary share during the year ended 31 December 2017. For the year ended 31 December 2016, the computation of diluted loss per share does not assume the conversion of the Company's outstanding convertible bonds since their exercise would result in decrease in the loss per share.

15. DIVIDEND

The Directors do not recommend the payment of any dividend in respect of the year ended 31 December 2017 (2016: Nil).

14. 每股基本及攤薄虧損 (續)

(c) 來自已終止經營業務 每股基本虧損

來自已終止經營業務之每股基本虧損乃根據本公司擁有人應佔虧損約182,225,000港元(二零一六年:約749,000港元)及於年內已發行普通股加權平均數約158,128,000股普通股(二零一六年:約158,128,000股普通股)計算。

每股攤薄虧損

截至二零一七年十二月三十一日止年度,由於本公司並無任何具潛在攤薄影響之普通股,故並無呈列來自已終止經營業務之每股攤薄虧損。於截至二零一六年十二月三十一日止年度,計算每股攤薄虧損並無假設已轉換本公司尚未轉換之可換股債券,因為此舉將導致每股虧損減少。

15. 股息

董事會並不建議就截至二零一七年十二月三十一日止年度派付任何股息(二零一六年:無)。

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16. PROPERTY, PLANT AND EQUIPMENT

16. 物業、廠房及設備

		2017 二零一七年					
		Leasehold improvements	Construction in-progress	Equipment	Motor vehicles	Computers	Total
		租賃物業裝修	在建工程	設備	汽車	電腦	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 2017	於二零一七年一月一日	1,543	364,579	1,367	4,610	326	372,425
Additions	添置	-	-	119	-	-	119
Transferred to disposal group classified as held for sale	轉撥至分類為持作出售之出售集團	-	(392,311)	(74)	-	(36)	(392,421)
Disposals	出售	-	-	(833)	-	(56)	(889)
Written off	撇銷	(1,543)	-	(319)	-	(25)	(1,887)
Exchange differences	匯兌差額	-	27,732	5	-	3	27,740
At 31 December 2017	於二零一七年十二月三十一日	-	-	265	4,610	212	5,087
Accumulated depreciation and impairment	累計折舊及減值						
At 1 January 2017	於二零一七年一月一日	1,541	117,699	636	2,778	282	122,936
Charge for the year	年內扣除	2	-	227	922	11	1,162
Impairment loss	減值虧損	-	249,717	70	-	34	249,821
Transferred to disposal group classified as held for sale	轉撥至分類為持作出售之出售集團	-	(385,841)	(73)	-	(35)	(385,949)
Disposals	出售	-	-	(561)	-	(56)	(617)
Written off	撇銷	(1,543)	-	(191)	-	(25)	(1,759)
Exchange differences	匯兌差額	-	18,425	7	-	-	18,432
At 31 December 2017	於二零一七年十二月三十一日	-	-	115	3,700	211	4,026
Carrying amount	賬面值						
At 31 December 2017	於二零一七年十二月三十一日	-	-	150	910	1	1,061

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16. PROPERTY, PLANT AND EQUIPMENT (Continued)

16. 物業、廠房及設備 (續)

		2016 二零一六年					
		Leasehold improvements 租賃物業裝修	Construction in-progress 在建工程	Equipment 設備	Motor vehicles 汽車	Computers 電腦	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Cost	成本						
At 1 January 2016	於二零一六年一月一日	1,543	390,123	1,352	7,001	329	400,348
Additions	添置	-	-	35	-	-	35
Disposals	出售	-	-	-	(2,391)	-	(2,391)
Written off	撇銷	-	-	(15)	-	-	(15)
Exchange differences	匯兌差額	-	(25,544)	(5)	-	(3)	(25,552)
At 31 December 2016	於二零一六年十二月三十一日	1,543	364,579	1,367	4,610	326	372,425
Accumulated depreciation and impairment	累計折舊及減值						
At 1 January 2016	於二零一六年一月一日	1,072	125,944	476	2,574	185	130,251
Charge for the year	年內扣除	469	-	167	1,161	98	1,895
Disposals	出售	-	-	-	(957)	-	(957)
Written off	撇銷	-	-	(6)	-	-	(6)
Exchange differences	匯兌差額	-	(8,245)	(1)	-	(1)	(8,247)
At 31 December 2016	於二零一六年十二月三十一日	1,541	117,699	636	2,778	282	122,936
Carrying amount	賬面值						
At 31 December 2016	於二零一六年十二月三十一日	2	246,880	731	1,832	44	249,489

As at 31 December 2017, the carrying amount of the Group's motor vehicles of HK\$910,000 (2016: HK\$1,832,000) was acquired under finance leases.

於二零一七年十二月三十一日，本集團根據融資租賃收購賬面值為910,000港元（二零一六年：1,832,000港元）之汽車。

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17. GOODWILL

17. 商譽

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Cost	成本		
At 1 January and 31 December	於一月一日及十二月三十一日	378	378
Accumulated impairment losses	累計減值虧損		
At 1 January	於一月一日	-	-
Recognised during the year	於年內確認	378	-
At 31 December	於十二月三十一日	378	-
Carrying amount	賬面值		
At 31 December	於十二月三十一日	-	378

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18. SUBSIDIARIES

Particulars of the principal subsidiaries as at 31 December 2017 are as follows:

18. 附屬公司

主要附屬公司於二零一七年十二月三十一日之詳情如下：

Name 名稱	Place of establishment or incorporation and operation/date of establishment or incorporation 成立或註冊成立及營運地點/成立或註冊成立日期	Issued and paid-up capital/registered and paid-up capital 已發行及繳足資本/註冊及繳足資本	Proportion of ownership of interest 擁有權益比例		Principal activities 主要業務
			Held by the Company 本公司持有	Held by subsidiaries 附屬公司持有	
Rodez Investments Limited	The BVI/Hong Kong/ 5 July 2011 英屬處女群島/香港/ 二零一一年七月五日	US\$1 1美元	100%	-	Investment holding 投資控股
Bright Eagle Holdings Limited ("BEH") [#] 駿揚集團有限公司(「駿揚」) [#]	Hong Kong/Hong Kong/ 27 September 2012 香港/香港/ 二零一二年九月二十七日	HK\$1 1港元	-	100%	Investment holding 投資控股
ICSC [△] 德芯電子 [△]	The PRC/The PRC/ 16 November 2005 中國/中國/ 二零零五年十一月十六日	US\$33,955,379 33,955,379美元	-	72.79%	Design, research and development, processing, manufacturing and sale of semiconductors, integrated circuits and new type electronic components and provision of related technical consultancy services 設計、研發、加工、製造及銷售半導體、合成電路及新型電子零件以及提供相關技術顧問服務
Charm Leader Investments Limited 創領投資有限公司	Hong Kong/Hong Kong/ 18 October 2013 香港/香港/ 二零一三年十月十八日	HK\$1 1港元	100%	-	Maintaining the corporate office 持有企業辦公室
Win Million Holdings Limited 永萬集團有限公司	Hong Kong/Hong Kong/ 2 August 2013 香港/香港/ 二零一三年八月二日	HK\$1 1港元	100%	-	Trading business 貿易業務
Lucky Ascent Investments Limited 祥昇投資有限公司	Hong Kong/Hong Kong/ 1 November 2013 香港/香港/ 二零一三年十一月一日	HK\$1 1港元	100%	-	Maintaining the motor vehicles 持有汽車

[#] Interests held by Tech One incorporated in the BVI and wholly owned by the Company

[#] 科運(於英屬處女群島註冊成立並由本公司全資擁有)所持權益

[△] Representing a sino-foreign equity joint venture established in the PRC and owned by BEH

[△] 於中國成立之中外合資公司並由駿揚擁有

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18. SUBSIDIARIES (Continued)

The following table shows information of subsidiary that have non-controlling interests ("NCI") material to the Group. The summarised financial information presented below represents the amounts before any inter-company elimination.

18. 附屬公司 (續)

下表顯示附屬公司之資料，其擁有之非控股權益（「非控股權益」）對本集團而言屬重大。下文呈列之財務資料概要代表任何集團內公司間對銷前之金額。

		ICSC 德芯電子	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Place of establishment and operation	成立及營業地點	The PRC 中國	The PRC 中國
Proportion of ownership interests and voting rights held by NCI	非控股權益所持擁有權權益及投票權比例	27.21%	27.21%
At 31 December:	於十二月三十一日：		
Current assets	流動資產	6,473	117
Non-current assets	非流動資產	126	246,984
Current liabilities	流動負債	(287,268)	(2,167)
Non-current liabilities	非流動負債	(1,354)	(266,052)
Net liabilities	負債淨額	(282,023)	(21,118)
Carrying amount of NCI	非控股權益之賬面值	1,421	66,888
For the year ended 31 December:	截至十二月三十一日止年度：		
Revenue	收益	-	-
Loss for the year	年度虧損	(249,821)	(1,027)
Total comprehensive loss	全面虧損總額	(240,599)	(18,275)
Loss allocated to NCI	分配至非控股權益之虧損	(67,976)	(280)
Dividend paid to NCI	支付非控股權益之股息	-	-
Net cash outflow from operating activities	經營業務之現金流出淨額	-	(1)
Net cash inflow from investing activities	投資業務之現金流入淨額	-	11,662
Net cash outflow from financing activities	融資業務之現金流出淨額	-	(11,662)
Net decrease in cash and cash equivalents	現金及現金等值物減少淨額	-	(1)

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19. INVENTORIES

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Merchandises	商品	10,000	10,000
Less: impairment loss recognised	減：已確認減值虧損	(10,000)	-
		-	10,000

19. 存貨

20. TRADE AND OTHER RECEIVABLES

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Trade receivables	應收貿易款項	16,284	30,478
Less: allowance for impairment loss	減：減值虧損撥備	(16,284)	(30,478)
		-	-
Prepayments and deposits	預付款項及按金	5,474	6,268
Other receivables	其他應收款項	-	121
		5,474	6,389

20. 應收貿易及其他款項

(a) Ageing analysis

The ageing analysis of trade receivables, based on invoice dates, is as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
More than one year but less than two years	一年以上但不足兩年	-	14,194
Over two years	兩年以上	16,284	16,284
		16,284	30,478
Less: allowance for impairment loss	減：減值虧損撥備	(16,284)	(30,478)
		-	-

(a) 賬齡分析

應收貿易款項按發票日期之賬齡分析如下：

The Group generally requests for full payments upon delivery from its trade customers but also allows certain trade customers a credit period from 30 to 60 days.

本集團一般要求其貿易客戶於交付時悉數付款，惟亦向若干貿易客戶提供30至60日的信貸期。

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20. TRADE AND OTHER RECEIVABLES (Continued)

(b) Reconciliation of allowance for trade receivables

Reconciliation of allowance for trade receivables:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At 1 January	於一月一日	30,478	-
Allowance for the year	年度撥備	-	30,478
Amounts written off	撇銷金額	(14,194)	-
		16,284	30,478

21. DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

On 26 April 2017, the Company entered into an agreement to dispose the entire equity interest in Tech One and all the loans due from and owing by members of Tech One Group to members of the Group (other than Tech One Group) as at the date of completion. The results of Tech One Group under the business segment of manufacturing of semiconductors has been presented as discontinued operation. Accordingly, the assets and liabilities of Tech One Group have been classified as disposal group held for sale and are presented separately in the consolidated statement of financial position.

20. 應收貿易及其他款項 (續)

(b) 應收貿易款項撥備之對賬

應收貿易款項撥備之對賬：

21. 分類為持作出售之出售集團

於二零一七年四月二十六日，本公司訂立協議，以出售科運之全部股權及於完成日期科運集團成員公司應付及欠付本集團成員公司（除科運集團外）之所有貸款。科運集團於製造半導體業務分類項下之業績已按已終止經營業務呈列。因此，科運集團之資產及負債已被分類為持作出售之出售集團，並於綜合財務狀況表內單獨呈列。

		2017 二零一七年 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	6,472
Trade and other receivables	應收貿易及其他款項	124
Cash and cash equivalents	現金及現金等值物	3
Total assets associated with the disposal group	與出售集團有關的總資產	6,599
Other payables, and total liabilities associated with the disposal group	其他應付款項及與出售集團有關的總負債	(4,807)
Net assets of disposal group	出售集團的資產淨額	1,792

At 31 December 2017, cumulative income or expense recognised in other comprehensive income attributable to owners of the Company relating to the disposal group classified as held for sale amounted to a debit balance of HK\$12,322,000.

於二零一七年十二月三十一日，於其他全面收益中確認與分類為持作出售之出售集團相關的本公司擁有人應佔累計收益或開支為借方結餘 12,322,000 港元。

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22. TRADE AND OTHER PAYABLES

22. 應付貿易及其他款項

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Trade payables	應付貿易款項	4,327	4,327
Accruals and other payables	應計款項及其他應付款項	30,187	15,318
Financial liabilities measured at amortised cost	按攤銷成本計量之金融負債	34,514	19,645
Less: non-current portion	減：非即期部分	-	(1,259)
Current portion	即期部分	34,514	18,386

The ageing analysis of trade payables, based on invoice dates, is as follows:

應付貿易款項按發票日期之賬齡分析如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Over one year	一年以上	-	4,327
Over two years	兩年以上	4,327	-
		4,327	4,327

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23. FINANCE LEASE PAYABLES

At 31 December 2017, the Group had finance lease payables in relation to motor vehicles (Note 16) as follows:

		Present value of minimum lease payments 最低租賃付款現值		Minimum lease payments 最低租賃付款	
		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	不遲於一年	434	739	441	780
Later than one year but within five years	遲於一年但於五年內	-	434	-	441
		434	1,173	441	1,221
Less: total future interest expenses	減：未來利息開支總額			(7)	(48)
Present value of lease obligations	租賃責任之現值			434	1,173

24. BORROWINGS

		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
Other bonds payables	其他應付債券	a	113,224	87,516
Other loans	其他貸款	b	10,454	12,614
			123,678	100,130
Less: current portion	減：即期部分		(38,714)	(18,650)
Non-current portion	非即期部分		84,964	81,480

23. 應付融資租賃

於二零一七年十二月三十一日，本集團有以下與汽車相關之應付融資租賃（附註16）：

24. 借款

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24. BORROWINGS (Continued)

The borrowings are repayable as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Repayable on demand	按要求償還	16,150	3,100
Within one year	一年內	22,564	15,550
In the second year	第二年內	24,020	21,375
In the third to fifth years, inclusive	第三年至第五年 (包括首尾兩年)內	60,944	54,000
After five years	五年後	-	6,105
		123,678	100,130

Notes:

- (a) As at 31 December 2017, the Company issued corporate bonds with total principal amounts of HK\$116,280,000 (2016: HK\$91,411,000) to several independent third parties. The bonds are unsecured, bearing interest at rates ranging from 5% to 9% per annum and maturity dates ranging from one to seven-and-a-half years from the respective dates of issues.
- (b) As at 31 December 2016, a loan amounting to HK\$5,050,000 from an independent third party was unsecured, non-interest bearing and repayable in 6 months from the date of issue on 21 July 2016. As at 31 December 2017, several loans amounting to HK\$5,650,000 (2016: HK\$3,100,000) from independent third parties were unsecured, non-interest bearing and repayable on demand. The remaining loan represents a loan with principal amount of RMB4,000,000, approximately HK\$4,804,000 (2016: HK\$4,464,000) from an independent third party, which is unsecured, non-interest bearing and repayable on 31 December 2018.

24. 借款 (續)

借貨須於以下時間償還：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Repayable on demand	按要求償還	16,150	3,100
Within one year	一年內	22,564	15,550
In the second year	第二年內	24,020	21,375
In the third to fifth years, inclusive	第三年至第五年 (包括首尾兩年)內	60,944	54,000
After five years	五年後	-	6,105
		123,678	100,130

附註：

- (a) 於二零一七年十二月三十一日，本公司向數名獨立第三方發行本金總額為116,280,000港元（二零一六年：91,411,000港元）的公司債券。債券為無抵押、年利率介乎5%至9%及到期日介乎各自發行日期起計一至七年半。
- (b) 於二零一六年十二月三十一日，來自一名獨立第三方為數5,050,000港元的一筆貸款為無抵押、免息及須於發行日期二零一六年七月二十一日起計六個月內償還。於二零一七年十二月三十一日，若干來自獨立第三方為數5,650,000港元（二零一六年：3,100,000港元）之貸款為無抵押、免息及須按要求償還。餘下貸款指來自一名獨立第三方本金額為人民幣4,000,000元（約4,804,000港元）（二零一六年：4,464,000港元）之貸款，其為無抵押、免息及須於二零一八年十二月三十一日償還。

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24. BORROWINGS (Continued)

Notes (Continued)

(c) The foreign currency profile of borrowings is as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Hong Kong Dollar	港元	82,844	84,505
Renminbi	人民幣	40,834	15,625
		123,678	100,130

25. AMOUNT DUE TO A DIRECTOR

The amount was unsecured, non-interest bearing and fully repaid during the year.

26. SHARE CAPITAL

24. 借款 (續)

附註 (續)

(c) 借款之外幣狀況如下：

25. 應付一名董事款項

該款項為無抵押、不計息及須於年內悉數償還。

26. 股本

		Number of ordinary shares of HK\$0.01 per share 每股0.01港元 之普通股數目 '000 千股	HK\$'000 千港元
Authorised: At 31 December 2016 and 2017	法定： 於二零一六年及 二零一七年十二月三十一日	250,000	2,500
Issued and fully paid: At 31 December 2016 and 2017	已發行及繳足： 於二零一六年及 二零一七年十二月三十一日	158,128	1,581

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27. SHARE OPTION SCHEMES

An ordinary resolution was passed by the shareholders of the Company at the annual general meeting of the Company held on 8 September 2014 for the adoption of a new share option scheme (the “**2014 Scheme**”).

In accordance with the Company’s 2014 Scheme, the Board of Directors of the Company may grant options to any directors and employee of the Group and suppliers, consultants, advisors, agents, customers, service providers, contractors, any member of or any holder of any securities issued by any member of the Group or any invested entity to subscribe for shares in the Company at a price determined by the Board of Directors shall not be less than the highest of:

- (a) the closing price of the shares as stated in the Stock Exchange’s daily quotations sheet for trade in one or more board lots of the shares on the date of grant;
- (b) the average closing price of the shares as stated on the Stock Exchange’s daily quotations sheets for the five business days immediately preceding the date of grant; and
- (c) the nominal value of a share on the date of grant.

The option may be exercised at any time within a period as specified by the Directors, which should not be more than ten years from the date on which an option is granted.

Operation of the 2014 Scheme will commence after all conditions precedent have been fulfilled. As at the date of this report, the conditions precedent have not yet been completely fulfilled and therefore the 2014 Scheme has not yet become unconditional and operative.

During the years ended 31 December 2017 and 2016, there was no share option granted or exercised.

27. 購股權計劃

於本公司在二零一四年九月八日舉行之股東週年大會上，本公司股東通過一項普通決議案，以採納新購股權計劃（「**二零一四年計劃**」）。

根據本公司之二零一四年計劃，本公司董事會可向本集團任何董事及僱員、以及供應商、諮詢人、顧問、代理、客戶、服務供應商、承包商、本集團任何成員公司或任何受投資實體之股東或其所發行任何證券之任何持有人授出購股權，以按董事會釐定之價格（不得低於以下最高者）認購本公司股份：

- (a) 於授出日期，聯交所的每日報價表就買賣一手或以上股份所列的股份收市價；
- (b) 緊接授出日期前五個營業日，聯交所每日報價表所列的股份平均收市價；及
- (c) 股份於授出日期的面值。

購股權可於董事指定期間內隨時行使，惟不得超過購股權授出日期起計十年後行使。

二零一四年計劃將於所有先決條件獲達成後開始操作。於本報告日期，先決條件並未全部獲達成，因此二零一四年計劃並未成為無條件及開始操作。

於截至二零一七年及二零一六年十二月三十一日止年度，概無購股權獲授出或行使。

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28. RESERVES

The Group's reserves is set out in the consolidated statement of profit or loss and other comprehensive income and consolidated statement of changes in equity. The nature and purpose of reserves of the Group are as follows:

(a) Share premium

The application of the share premium account is governed by Section 40 of the Bermuda Companies Act 1981.

The Company's share premium account is distributable in the form of fully paid-up bonus shares.

(b) Capital reserve

As at 31 December 2017 and 2016, the Group's capital reserve of HK\$1,553,000 represents waiver of a loan from a former non-controlling shareholder of ICSC.

(c) Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of non-monetary items in respect of which gains and losses are recognised directly in equity and of the financial statements of the foreign operations. The reserve is not distributable by way of cash dividends and is dealt with in accordance with the accounting policy set out in Note 5(c)(iii).

(d) Contributed surplus

Pursuant to a resolution passed at the special general meeting of the Company on 29 July 2011, the Company reduced its issued share capital by an amount of approximately HK\$109,665,000 and transferred the same amount to the contributed surplus account of the Company. The contributed surplus may be utilised by the directors in accordance with the bye-laws of the Company and all applicable laws.

28. 儲備

本集團儲備載於綜合損益及其他全面收益表及綜合權益變動表。本集團的儲備之性質及目的如下：

(a) 股份溢價

股份溢價賬之應用受一九八一年百慕達公司法第40節監管。

本公司之股份溢價賬可以繳足紅股之形式分派。

(b) 資本儲備

於二零一七年及二零一六年十二月三十一日，本集團的資本儲備為1,553,000港元，指豁免德芯電子一名前非控股股東貸款。

(c) 外幣換算儲備

外幣換算儲備包括因換算非貨幣項目而產生之所有匯兌差額，有關損益直接於權益及海外業務之財務報表確認。儲備不能以現金股息之形式分派，並根據附註5(c)(iii)所載之會計政策處理。

(d) 實繳盈餘

根據於二零一一年七月二十九日舉行之本公司股東特別大會通過之決議案，本公司已削減其已發行股本約109,665,000港元，並將該金額轉撥入本公司之實繳盈餘賬戶。董事可根據本公司之公司細則及所有適用法例動用實繳盈餘。

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28. RESERVES (Continued)

(e) Distributability of reserves

At 31 December 2017, no reserves of the Company available for distribution to its owners (2016: HK\$142,037,000).

The Company's reserves are as follows:

		Share premium	Equity component of convertible bonds 可換股債券 權益部分	Contributed surplus 實繳盈餘	Accumulated losses 累計虧損	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2016	於二零一六年一月一日	230,325	2,263	109,665	(178,857)	163,396
Loss for the year	年度虧損	-	-	-	(21,359)	(21,359)
Transfer to accumulated losses	轉撥至累計虧損		(2,263)		2,263	-
At 31 December 2016	於二零一六年十二月三十一日	230,325	-	109,665	(197,953)	142,037
At 1 January 2017	於二零一七年一月一日	230,325	-	109,665	(197,953)	142,037
Loss for the year	年度虧損	-	-	-	(285,646)	(285,646)
At 31 December 2017	於二零一七年十二月三十一日	230,325	-	109,665	(483,599)	(143,609)

28. 儲備 (續)

(e) 可供分派儲備

於二零一七年十二月三十一日，概無可供分派予本公司擁有人之本公司儲備（二零一六年：142,037,000 港元）。

本公司之儲備如下：

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29. COMMITMENTS

- (a) As at 31 December 2017, the Group had capital commitments not provided for in the consolidated financial statements as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Contracted for	已訂約		
– Manufacturing of semiconductors segment	– 製造半導體分類	6,895	6,895

- (b) As at 31 December 2017, the Group has total future minimum lease payments under non-cancellable operating leases payable as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year	一年內	3,008	4,051
After one year but not more than five years	一年以上但不超過五年	2,595	–
		5,603	4,051

Operating lease payments represent rentals payable by the Group for certain of its offices and staff quarters. Leases are negotiated for an average term of two years and rentals are fixed over the lease terms and do not include contingent rentals.

29. 承擔

- (a) 於二零一七年十二月三十一日，本集團於綜合財務報表內未撥備之資本承擔如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Contracted for	已訂約		
– Manufacturing of semiconductors segment	– 製造半導體分類	6,895	6,895

- (b) 於二零一七年十二月三十一日，本集團根據不可撤銷經營租賃之應付未來最低租賃付款總額如下：

		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	3,008	4,051
After one year but not more than five years	一年以上但不超過五年	2,595	–
		5,603	4,051

經營租賃款項指本集團就其若干辦公室及員工宿舍應付之租金。議定之租期平均為期兩年，租賃期內租金固定，亦不包括或然租金。

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30. FINANCIAL INSTRUMENTS

(i) Financial risk management policies

The Group's financial risk management policies seek to ensure that adequate financial resources are available for the development of the Group's business whilst managing its foreign currency, interest rate, credit, liquidity and cash flow risks. The Group operates within defined guidelines that are approved by the Board and the policies in respect of the major areas of treasury activity are as follows:

(a) Foreign currency risk

The Group has minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in the functional currencies of the Group entities. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

(b) Interest rate risk

The Group's shareholder's loan and other loans are interest free. The Group's other bonds payable and finance lease payables bear interest at fixed interest rates and therefore are subject to fair value interest rate risk. The Group's interest rate profile as monitored by management is set out below:

	Effective interest rate %	31 December 2017 HK\$'000 二零一七年十二月三十一日 千港元	Effective interest rate %	31 December 2016 HK\$'000 二零一六年十二月三十一日 千港元
Fixed rate borrowings:	定息借款：			
Other bonds payable	其他應付債券	7.5%-10.7%	7.5%-10.7%	87,516
Finance lease payables	應付融資租賃	4.7%-7.0%	4.7%-7.0%	1,173

Interest rate sensitivity analysis

At 31 December 2017 and 2016, as the Group had no significant bank deposits and interest bearing liabilities at variable rate, the management consider the risk is not significant.

30. 金融工具

(i) 金融風險管理政策

本集團之金融風險管理政策，旨在確保本集團獲得足夠財務資源以發展本集團之業務及同時管理其外匯、利率、信貸、流動資金及現金流量風險。本集團按照經董事會批准之確定指引運作，其主要庫務活動之政策如下：

(a) 外匯風險

由於本集團大部分業務交易、資產及負債主要以本集團實體之功能貨幣列值，故承擔之外匯風險甚微。本集團目前並無就外幣交易、資產及負債制訂外幣對沖政策。本集團將密切監察其面臨的外幣風險，並在有需要時將考慮對沖重大的外匯風險。

(b) 利率風險

本集團之股東貸款及其他貸款為免息。本集團之其他應付債券及應付融資租賃按固定利率計息，因此面對公平值利率風險。本集團之利率概況由管理層監察，並載列如下：

利率敏感度分析

於二零一七年及二零一六年十二月三十一日，由於本集團並無重大銀行存款及不同利率的計息負債，管理層認為風險並不重大。

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30. FINANCIAL INSTRUMENTS (Continued)

(i) Financial risk management policies (Continued)

(c) Credit risk

The Group's exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables and deposits with financial institutions. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

(i) Trade and other receivables

The maximum exposure to credit risk is represented by the total carrying amounts of these financial assets in the consolidated statement of financial position reduced by the effects of any netting arrangements with counterparties.

In respect of trade receivables, the Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The default risk of the industry and country in which customers operate also has an influence on credit risk but to a lesser extent. At the end of the reporting period, the Group has a certain concentration of credit risk as the largest debtor is approximately 53% (2016: approximately 53%) of the total trade receivables. Normally, the Group does not obtain collateral from its customers.

The Group manages its exposure to credit risk by investing its cash assets safely and profitably, and by the application of credit approvals, credit limits and monitoring procedures on an on-going basis.

30. 金融工具 (續)

(i) 金融風險管理政策 (續)

(c) 信貸風險

本集團之信貸風險或對手方不履行責任之風險，主要產生自應收貿易及其他款項以及於金融機構之存款。管理層已制定信貸政策，並對該等信貸風險進行持續監控。

(i) 應收貿易及其他款項

最高信貸風險指綜合財務狀況表內有關金融資產之賬面總額減與對手方之任何扣減安排之影響。

就應收貿易款項而言，本集團所面對之信貸風險主要受各客戶之個別特徵所影響。客戶營運所在行業及國家之違約風險亦在較底程度下對信貸風險產生影響。於報告期間結束時，本集團有若干信貸集中風險，因最大債務人佔貿易應收款項總額約53% (二零一六年：約53%)。本集團一般不會自客戶取得抵押品。

本集團透過安全及有利地投資其現金資產，及持續利用信貸審批、信貸限額及監管程序管理其信貸風險。

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30. FINANCIAL INSTRUMENTS (Continued)

(i) Financial risk management policies (Continued)

(c) Credit risk (Continued)

- (ii) Deposits with financial institutions
The Group limits its exposure to credit risk by placing deposits with financial institutions that meet the established credit rating or other criteria. Given these high credit ratings, management does not expect any counterparty to fail to meet its obligations.

As at 31 December 2017, the Group has certain concentration of credit risk as 98% (2016: 99%) of total cash and cash equivalents were deposited at one financial institution in Hong Kong with high credit ratings.

(d) Liquidity and cash flow risks

Liquidity and cash flow risks arise mainly from general funding and business activities. The Group practises prudent risk management by maintaining sufficient cash and the availability of funding through certain committed credit facilities.

30. 金融工具 (續)

(i) 金融風險管理政策 (續)

(c) 信貸風險 (續)

- (ii) 於金融機構之存款
本集團透過將存款存進已達到認可信貸評級或其他準則的金融機構降低其信貸風險。鑒於該等金融機構獲得高信貸評級，管理層預期對手方均能履行責任。

於二零一七年十二月三十一日，本集團須承受若干集中程度的信貸風險，原因是本集團98%（二零一六年：99%）之現金及現金等值物總額存放於香港一間高信貸評級金融機構。

(d) 流動資金及現金流量風險

流動資金及現金流量風險主要產生自一般資金及商業活動。本集團通過維持充足現金及通過若干授信融資獲取資金，以實現謹慎的風險管理。

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30. FINANCIAL INSTRUMENTS (Continued)

(i) Financial risk management policies (Continued)

(d) Liquidity and cash flow risks (Continued)

The following table details the remaining contractual maturities at the end of reporting period of the Group's non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed by using contractual rates or, if floating, based on current rate at the end of reporting period) and the earliest date the Group can be required to pay:

	Carrying amount	Total contractual undiscounted cash flow	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years
	賬面值	總合約非貼現現金流量	一年內或於提出要求時	一年以上但不足兩年	兩年以上但不足五年	五年以上
	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 31 December 2017						
Trade and other payables	應付貿易及其他款項	34,514	34,514	34,514	-	-
Other bonds payable	其他應付債券	113,224	139,932	40,207	28,642	71,083
Finance lease payables	應付融資租賃	434	441	441	-	-
Other loans	其他貸款	10,454	10,454	10,454	-	-
		158,626	185,341	85,616	28,642	71,083

30. 金融工具 (續)

(i) 金融風險管理政策 (續)

(d) 流動資金及現金流量風險 (續)

下表詳列本集團非衍生金融負債於報告期間結束時按合約非貼現現金流量 (包括利用合約利率或 (倘屬浮息) 按於報告期間結束時之現行利率計算之利息付款) 以及本集團須付款之最早日期分析之餘下合約期限資料:

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30. FINANCIAL INSTRUMENTS (Continued)

(i) Financial risk management policies (Continued)

(d) Liquidity and cash flow risks (Continued)

		Total contractual Carrying amount	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years
	總合約非貼現 賬面值	現金流量	一年內或於 提出要求時	一年以上 但不足兩年	兩年以上 但不足五年	五年以上
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 31 December 2016	於二零一六年 十二月三十一日					
Trade and other payables	應付貿易及其他款項	19,645	19,645	18,386	–	1,259
Other bonds payable	其他應付債券	87,516	113,870	16,802	22,115	64,127
Finance lease payables	應付融資租賃	1,173	1,221	780	441	–
Other loans	其他貸款	12,614	12,614	8,150	4,464	–
Amount due to a director	應付一名董事款項	6,853	6,853	–	6,853	–
		127,801	154,203	44,118	33,873	65,386
						10,826

(ii) 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 Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions. 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 as it sees fit and appropriate.

30. 金融工具 (續)

(i) 金融風險管理政策 (續)

(d) 流動資金及現金流量風險 (續)

(ii) 資金風險管理

本集團管理其資本，以確保本集團之實體將可持續經營，並透過優化債務及股益結餘為股東帶來最大回報。

本集團積極及定期檢討及管理其資金結構，以維持較高借款水平下可能獲取的較高股東回報與穩健資金狀況所帶來之優勢及保障之間的平衡，並因應經濟狀況變動對資金結構作調整。有鑒於此，本集團將於其認為合適及妥當之情況下，透過派付股息、發行新股及發行新債務或贖回現有債務之方式來平衡其整體資金結構。

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30. FINANCIAL INSTRUMENTS (Continued)

(ii) Capital risk management (Continued)

Consistent with industry practice, the Group monitors its capital structure on the basis of a gearing ratio. This ratio is calculated as total borrowings divided by total capital. Total borrowings comprise of borrowings and finance lease payables as shown in the consolidated statement of financial position. Total capital is calculated as equity, as shown in the consolidated statement of financial position.

During 2017, the Group's strategy, which was unchanged from 2016, was to maintain a gearing ratio of not more than 100%. The gearing ratio as at 31 December 2017 and 2016 were as follows:

Total borrowings	借款總額
Total equity	權益總額
Gearing ratio	資產負債比率

Neither the Company nor any of the Group entities are subject to externally imposed capital requirements.

30. 金融工具 (續)

(ii) 資金風險管理 (續)

與業界慣例一致，本集團按資產負債比率基準監察其資金結構。此比率乃根據借款總額除資本總額計算。借款總額包括綜合財務狀況表所示之借款及應付融資租賃。資本總額乃根據綜合財務狀況表所示權益計算。

於二零一七年，本集團之策略自二零一六年以來並無變動，仍是維持不超過100%之資產負債比率。於二零一七年及二零一六年十二月三十一日的資產負債比率如下：

2017	2016
二零一七年	二零一六年
HK\$'000	HK\$'000
千港元	千港元

Total borrowings	借款總額	124,112	101,303
Total equity	權益總額	(149,386)	143,618
Gearing ratio	資產負債比率	N/A 不適用	70.5%

本公司或本集團旗下任何實體均毋須遵守外部施加之資本規定。

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31. CONNECTED/RELATED PARTY TRANSACTIONS

- (a) The following is a summary of the transactions with connected/related parties, which were carried out in the normal course of operations of the Group:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Transactions between ICSC and Beijing Zhongying Century Investment Co., Limited*	德芯電子與北京中盈世紀投資有限公司之間的交易		
- Interest expense for borrowings	- 借款之利息開支	-	345
Disposal of property, plant and equipment to a related company#	向一間關連公司出售物業、廠房及設備#	-	444

* for identification purpose only

* 僅供識別

- # Mr. Lo Kai Wai (an executive Director who resigned on 24 June 2016) was the director of the related company and he had significant influence over the company.

- # 羅嘉偉先生(執行董事, 於二零一六年六月二十四日辭任)曾任該關連公司之董事, 彼對該公司有重大影響力。

- (b) Compensation of key management personnel:

The emoluments of Directors and other members of key management during the years were as follows:

- (b) 主要管理人員薪酬:

董事及其他主要管理層成員於有關年度之酬金如下:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Short-term employees benefits	短期僱員福利	3,226	3,152

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32. MAJOR NON-CASH TRANSACTION

(a) Changes in liabilities arising from financing activities

The following table shows the Group's changes in liabilities arising from financing activities during the year:

		Amount due to a director 應付一名 董事款項 HK\$'000 千港元	Convertible bonds 可換股 債券 HK\$'000 千港元	Borrowings 借款 HK\$'000 千港元	Finance lease payables 應付 融資租賃 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	-	14,728	77,708	3,139	95,575
Changes in cash flows:	現金流變動:	6,853	(2,000)	10,063	(1,355)	13,561
Non-cash changes	非現金變動					
- effect of foreign exchange rate changes	- 匯率變動之影響	-	-	(481)	-	(481)
- net with the proceeds from disposal of property, plant and equipment	- 扣除出售物業、廠房及設備所得款項	-	-	(1,000)	-	(1,000)
- interest charged	- 利息費用	-	441	7,195	-	7,636
- interest paid/payable	- 已付/應付利息	-	(169)	(6,355)	-	(6,524)
- settled by other payable	- 通過其他應付款項結算	-	-	-	(611)	(611)
- settled by bonds	- 通過債券結算	-	(13,000)	13,000	-	-
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日 及二零一七年一月一日	6,853	-	100,130	1,173	108,156
Changes in cash flows:	現金流變動:	(6,853)	-	19,120	(739)	11,528
Non-cash changes	非現金變動					
- effect of foreign exchange rate changes	- 匯率變動之影響	-	-	3,589	-	3,589
- interest charged	- 利息費用	-	-	9,277	-	9,277
- interest paid/payable	- 已付/應付利息	-	-	(8,438)	-	(8,438)
At 31 December 2017	於二零一七年十二月三十一日	-	-	123,678	434	124,112

32. 重大非現金交易

(a) 融資業務產生的負債變動

下表列示年內本集團融資業務產生之負債變動：

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32. MAJOR NON-CASH TRANSACTION (Continued)

(b) Major non-cash transaction

During the year ended 31 December 2017, certain property, plant and equipment with carrying amount of HK\$353,000 has been disposed of to an independent third party, at a proceeds of HK\$225,000, to settle the other payables.

During the year ended 31 December 2016, certain property, plant and equipment with carrying amount of HK\$973,000 has been disposed of to a shareholder, at a proceeds of HK\$1,000,000, to settle the shareholder's loan and other payables.

During the year ended 31 December 2016, the shareholder loan of HK\$1,000,000 transferred to straight bonds payable.

33. NON-ADJUSTING EVENT AFTER THE REPORTING PERIOD

Subsequent to the end of the reporting period, the Company received a demand note dated 27 February 2018 from a bond holder requesting the settlement of the bond amounting to HK\$5,500,000 and the related interest of HK\$990,000. The management expects that these amounts are to be settled within 3 weeks from the date of the demand note.

32. 重大非現金交易 (續)

(b) 重大非現金交易

於截至二零一七年十二月三十一日止年度，賬面值為**353,000**港元之若干物業、廠房及設備已售予一名獨立第三方，所得款項為**225,000**港元，以清償其他應付款項。

於截至二零一六年十二月三十一日止年度，賬面值為**973,000**港元之若干物業、廠房及設備已售予一名股東，所得款項為**1,000,000**港元，以清償股東貸款及其他應付款項。

於截至二零一六年十二月三十一日止年度，為數**1,000,000**港元之股東貸款已轉撥至應付普通債券。

33. 報告期後非調整事項

於報告期結束後，本公司收到債券持有人發出之日期為二零一八年二月二十七日之繳款通知書，要求結算債券合共**5,500,000**港元及相關利息**990,000**港元。管理層預期該等款項將自繳款通知書日期起計三週內結算。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2017

截至二零一七年十二月三十一日止年度

34. STATEMENT OF FINANCIAL POSITION OF THE COMPANY 34. 本公司財務狀況表

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
ASSETS AND LIABILITIES	資產及負債		
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	776	1,552
Interests in subsidiaries	於附屬公司之權益	-	245,374
Total non-current assets	非流動資產總額	776	246,926
Current assets	流動資產		
Prepayment and other receivables	預付款項及其他應收款項	3,813	4,781
Cash and cash equivalents	現金及現金等值物	641	4,628
Total current assets	流動資產總額	4,454	9,409
Current liabilities	流動負債		
Other payables	其他應付款項	28,030	9,260
Borrowings	借款	33,910	18,650
Finance lease payables	應付融資租賃	354	584
Total current liabilities	流動負債總額	62,294	28,494
Net current liabilities	流動負債淨額	(57,840)	(19,085)
Total assets less current liabilities	資產總額減流動負債	(57,064)	227,841
Non-current liabilities	非流動負債		
Finance lease payables	應付融資租賃	-	354
Amount due to a director	應付一名董事款項	-	6,853
Borrowings	借款	84,964	77,016
Total non-current liabilities	非流動負債總額	84,964	84,223
Net assets	資產淨額	(142,028)	143,618
EQUITY	權益		
Share capital	股本	1,581	1,581
Reserves	儲備	(143,609)	142,037
Total equity	權益總額	(142,028)	143,618

35. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board of Directors on 9 March 2018.

35. 批准財務報表

董事會於二零一八年三月九日批准及授權刊發財務報表。

Five-Year Financial Summary

五年財務概要

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Revenue	收益	-	-	28,844	50,467	-
Loss before taxation	除稅前虧損	(51,523)	(76,567)	(161,315)	(32,840)	(12,914)
Non-current assets	非流動資產	1,061	249,867	292,179	443,048	486,289
Current assets	流動資產	12,986	21,552	53,334	57,841	300,620
Current liabilities	流動負債	(78,469)	(37,775)	(28,442)	(6,983)	(250,381)
Non-current liabilities	非流動負債	(84,964)	(90,026)	(80,233)	(79,133)	(172,719)
Total (deficit)/equity	(虧蝕) / 權益總額	(149,386)	143,618	236,838	414,773	363,809

* For identification purpose only

* 僅供識別



漢唐國際控股有限公司
Han Tang International Holdings Limited