



# RENTIAN TECHNOLOGY HOLDINGS LIMITED 仁天科技控股有限公司\*

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

(Stock Code 股份代號: 885)

## Annual Report 年報 2017



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# Corporate Information

## 公司資料

### BOARD OF DIRECTORS

#### Executive Directors

Ms. Yang Xiaoying  
Mr. Tsang To  
Mr. Yip Denis Shing Fai  
(appointed on 21 December 2017)  
Mr. Kwok Kenneth Wai Lung  
(appointed on 21 December 2017)  
Mr. Yuan Wenxin (appointed on 10 January 2018)

#### Independent Non-executive Directors

Mr. Zhang Xiaoman  
Mr. Chin Hon Siang  
Mr. Huang Xin

### COMMITTEES

#### Audit Committee

Mr. Chin Hon Siang (*Chairman*)  
Mr. Zhang Xiaoman  
Mr. Huang Xin

#### Remuneration Committee

Mr. Zhang Xiaoman (*Chairman*)  
Mr. Tsang To  
Mr. Chin Hon Siang  
Mr. Huang Xin

#### Nomination Committee

Mr. Chin Hon Siang (*Chairman*)  
Mr. Zhang Xiaoman  
Mr. Huang Xin

### COMPANY SECRETARY

Mr. Wong Kwok San

### AUTHORISED REPRESENTATIVES

Mr. Kwok Kenneth Wai Lung  
Mr. Wong Kwok San

### REGISTERED OFFICE

P. O. Box 309, Ugland House,  
Grand Cayman, KY1-1104,  
Cayman Islands

### 董事會

#### 執行董事

楊曉櫻女士  
曾濤先生  
葉成輝先生  
(於二零一七年十二月二十一日獲委任)  
郭瑋瓏先生  
(於二零一七年十二月二十一日獲委任)  
袁文心先生 (於二零一八年一月十日獲委任)

#### 獨立非執行董事

張小滿先生  
陳鴻先先生  
黃欣先生

#### 委員會

##### 審核委員會

陳鴻先先生 (*主席*)  
張小滿先生  
黃欣先生

##### 薪酬委員會

張小滿先生 (*主席*)  
曾濤先生  
陳鴻先先生  
黃欣先生

##### 提名委員會

陳鴻先先生 (*主席*)  
張小滿先生  
黃欣先生

### 公司秘書

黃國新先生

### 授權代表

郭瑋瓏先生  
黃國新先生

### 註冊辦事處

P. O. Box 309, Ugland House,  
Grand Cayman, KY1-1104,  
Cayman Islands

**PRINCIPAL PLACE OF BUSINESS IN HONG KONG**

Suites 1801-1803, 18/F.,  
Everbright Centre, 108 Gloucester Road, Wanchai,  
Hong Kong

**AUDITOR**

Mazars CPA Limited  
Certified Public Accountants  
42nd Floor, Central Plaza,  
18 Harbour Road, Wanchai,  
Hong Kong

**PRINCIPAL BANKERS**

Bank of China (Hong Kong) Limited  
Hang Seng Bank Limited  
Industrial Bank Co., Limited, Hong Kong Branch  
The Bank of East Asia Limited  
China Minsheng Banking Corporation Limited,  
Hong Kong Branch

**CAYMAN ISLANDS LEGAL ADVISERS**

Maples and Calder (Hong Kong) LLP  
53rd Floor, The Center,  
99 Queen's Road Central,  
Hong Kong

**PRINCIPAL SHARE REGISTRAR  
AND TRANSFER OFFICE**

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

**HONG KONG BRANCH SHARE REGISTRAR AND  
TRANSFER OFFICE**

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

**STOCK CODE**

00885

**WEBSITE**

[www.rentiantech.com](http://www.rentiantech.com)

**香港主要營業地點**

香港  
灣仔告士打道108號光大中心  
18樓1801至1803室

**核數師**

瑪澤會計師事務所有限公司  
執業會計師  
香港  
灣仔港灣道18號  
中環廣場42樓

**主要往來銀行**

中國銀行(香港)有限公司  
恒生銀行有限公司  
興業銀行股份有限公司香港分行  
東亞銀行有限公司  
中國民生銀行股份有限公司香港分行

**開曼群島法律顧問**

邁普達律師事務所(香港)有限法律責任合夥  
香港  
皇后大道中99號  
中環中心53樓

**股份過戶登記總處**

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

**香港股份過戶登記分處**

卓佳登捷時有限公司  
香港  
皇后大道東183號  
合和中心22樓

**股份代號**

00885

**網址**

[www.rentiantech.com](http://www.rentiantech.com)



## Financial Highlights 財務摘要

The board of directors (the “Directors”) (the “Board”) of Rentian Technology Holdings Limited (the “Company” or “Rentian Technology”) is pleased to present the audited consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2017 (the “Year”). The annual results have been audited by Mazars CPA Limited, the auditor of the Company, and reviewed by the audit committee of the Company (the “Audit Committee”).

仁天科技控股有限公司（「本公司」或「仁天科技」）董事（「董事」）會（「董事會」）欣然呈報本公司及其附屬公司（「本集團」）截至二零一七年十二月三十一日止年度（「本年度」）之經審核綜合業績。年度業績已由本公司核數師瑪澤會計師事務所有限公司審核，並由本公司之審核委員會（「審核委員會」）審閱。

The following is the financial highlights of the Company for the Year:

以下為本公司於本年度之財務摘要：

		Year ended 31 December 截至十二月三十一日止年度		Change 變動	Change 變動
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	HK\$'000 千港元	% 百分比
Revenue	收益	<b>1,531,414</b>	1,203,580	327,834	27.2%
Gross profit	毛利	<b>745,036</b>	464,259	280,777	60.5%
<i>Gross profit margin</i>	<i>毛利率</i>	<b>48.7%</b>	38.6%		
Profit from operation	經營溢利	<b>605,776</b>	386,130	219,646	56.9%
Profit for the year	年內溢利	<b>306,665</b>	231,014	75,651	32.7%
<i>Net profit margin</i>	<i>純利率</i>	<b>20.0%</b>	19.2%		
Profit attributable to the owners of the Company	本公司擁有人應佔溢利	<b>202,628</b>	154,446	48,182	31.2%
Adjusted net profit (Note 1)	經調整純利（附註1）	<b>384,942</b>	329,750	55,192	16.7%
EBITDA	除利息、稅項、折舊及攤銷前盈利（「EBITDA」）	<b>583,272</b>	392,090	191,182	48.8%
<i>EBITDA margin</i>	<i>EBITDA率</i>	<b>38.1%</b>	32.6%		
Adjusted EBITDA (Note 2)	經調整EBITDA（附註2）	<b>631,820</b>	473,765	158,055	33.4%
<i>Adjusted EBITDA margin</i>	<i>經調整EBITDA率</i>	<b>41.3%</b>	39.4%		

# Financial Highlights

## 財務摘要

		Year ended 31 December 截至十二月三十一日止年度		Change 變動	Change 變動
		2017 二零一七年 HK Cents 港仙	2016 二零一六年 HK Cents 港仙	HK Cents 港仙	% 百分比
Earnings per share	每股盈利				
– basic	– 基本	<b>1.91</b>	1.59	0.32	20.1%
– diluted	– 攤薄	<b>1.89</b>	1.56	0.33	21.2%
Adjusted earnings per share (Note 3)	經調整每股盈利 (附註3)				
– basic	– 基本	<b>2.64</b>	2.61	0.03	1.1%
– diluted	– 攤薄	<b>2.62</b>	2.56	0.06	2.3%
		As at 31 December 於十二月三十一日		Change 變動	Change 變動
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	HK\$'000 千港元	% 百分比
Total assets	資產總值	<b>6,910,688</b>	5,436,612	1,474,076	27.1%
Total liabilities	負債總額	<b>2,603,110</b>	2,003,120	599,990	30.0%
Net assets	資產淨值	<b>4,307,578</b>	3,433,492	874,086	25.5%

Notes:

- Adjusted net profit is not defined under Hong Kong Financial Reporting Standards (“HKFRS”), and is derived from the net profit excluding the effect of non-cash share options expenses and non-cash expenses.
- Adjusted EBITDA, as presented, represents adjusted net profit, adjusted to exclude finance costs, taxation and depreciation.
- Adjusted basic earnings per share is calculated by dividing the adjusted net profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year. The denominator for computing the adjusted diluted earnings per share is calculated by the weighted average number of ordinary shares outstanding to assume certain specific conditions of profit guarantee arrangements were met and the relevant consideration shares were assumed to be issued.

附註：

- 經調整純利於香港財務報告準則中未有界定，乃按純利扣除非現金購股權開支及非現金開支之影響得出。
- 所呈列之經調整EBITDA指經調整純利，已作調整以扣除財務成本、稅項及折舊。
- 經調整每股基本盈利按本公司擁有人應佔經調整純利除以年內已發行普通股加權平均數計算。計算經調整每股攤薄盈利所用分母按假設溢利保證安排之若干特定條件已達成及相關代價股份已獲發行下之已發行普通股加權平均數計算。



## Executive Director's Statement 執行董事報告

**Kwok Kenneth Wai Lung**  
郭瑋瓏

*Executive Director and Chief Operation Officer*  
執行董事兼首席營運官

In 2017, Rentian Technology continued with its corporate internet-of-things (“IoT”) solution business and spared no efforts in strengthening the Group’s leading position in the IoT sector of the People’s Republic of China (the “PRC”) by further integrating the resources of the Group’s subsidiaries. During the Year, with their existing core management, the Group’s subsidiaries kept on exploring new businesses and application scenarios and sought to tap into market segments with high potential, such as risk control over car loans, tracking and management of air cylinders for industrial use and smart storage. Most of the companies acquired over the years have achieved their respective overall growth targets and hence sailed through the profit guarantee period. Such achievements have demonstrated the success of Rentian Technology in managing and integrating those companies after the profit guarantee period.

The Group completed the acquisition of 51% equity interests in Beijing Weein Software Technology Company Limited\* (“Weein”) in 2017. Weein is a close partner of Tencent Holdings Limited for its WeChat business, and also a key technical partner for the WeChat services and marketing activities of the three largest telecommunication operators in the PRC. The Group believes that with the coming era of 5th generation mobile systems (“5G”) and the introduction of Narrowband IoT (“NB-IoT”) technology, the IoT industry will witness dramatic changes brought by the network upgrade and revamp carried out by mobile network operators. The extensive operation experience in mobile network operation and advanced research and development technique of the WeChat platform possessed by the founders of Weein will allow Weein to effectively cope with the growing demand for application scenarios. Through the acquisition of Weein, the Group has not only enriched its corporate IoT solution portfolio in terms of communication channel, but also secured excellent technologies for existing corporate clients serving an enormous number of users.

\* For identification propose only

二零一七年仁天科技持續在企業物聯網(IoT)解決方案領域開展業務，進一步加強本集團附屬公司之間的資源整合，努力夯實本集團在中華人民共和國(「中國」)物聯網領域的領先地位。本年度內，本集團各附屬公司保持核心管理層穩定，不斷拓展新的業務領域和應用場景，並切入若干深具潛力的市場領域，如車貸風控、工業氣瓶追蹤管理、智能倉儲等。歷年收購的公司大部分已平穩渡過溢利保證期限，整體業績達到增長目標，說明仁天科技已經順利完成溢利保證期結束後公司治理和業務整合的過渡階段。

二零一七年度本集團完成了對北京微應軟件科技有限公司(「微應」)51%股本權益的收購。微應是騰訊控股有限公司旗下微信業務的緊密合作夥伴，也是中國三大電信運營商的微信服務和營銷活動的主要技術合作夥伴之一。本集團相信隨着5G時代的到來和NB-IoT技術的落地，物聯網業勢必隨着移動運營商的網絡升級改造發生天翻地覆的變化。而微應來自移動運營商的創始人團隊，不僅有着豐富的運營商經營經驗，還擁有前沿的微信平台研發技術，將能有效地應對新的應用場景需求。本集團通過完成對微應的收購，不僅在通信手段上進一步豐富本集團企業物聯網解決方案，也為現有企業客戶服務其海量用戶提供了優質的技術工具。

\* 僅供識別

## Executive Director's Statement 執行董事報告

According to the latest Worldwide Semiannual Internet of Things Spending Guide of International Data Corporation (“IDC”), worldwide spending on IoT is expected to reach US\$772.5 billion in 2018, representing an increase of 14.6% from US\$674.0 billion in 2017. The compound annual growth rate of worldwide IoT spending between 2017 and 2021 is expected to stand at 14.4%, bringing the spending to US\$1.1 trillion by 2021. Rientan Technology believes that the IoT market will maintain a rapid growth in the next few years and the Group will therefore continue to focus on market expansion, product development, investment, merger and acquisition in the IoT sector.

The PRC has also formulated a number of national IoT development policies and plans to nurture the IoT industry. In January 2017, the Ministry of Industry and Information Technology of the PRC (the “MIIT”) promulgated the Internet of Things Development Plan (2016-2020) (《物聯網發展規劃(2016-2020年)》), which envisaged an IoT industry capable of competing in the international market with a gross value of RMB1.5 trillion encompassing sensory production equipment, network transmission and smart information services by 2020; the introduction and installation of sensory devices across IoT networks; over 1.7 billion M2M connections on public networks; introduction of industry-wide standards that facilitate the development of the IoT industry, improve research and development, and boost innovation in IoT technologies; the continuous expansion of large-scale IoT applications; and the initial success of a safe universal IoT network. To foster the development of NB-IoT, the MIIT issued the Notice on the Full-Scale Construction and Development of Narrowband Internet of Things (NB-IoT) (《關於全面推進移動物聯網(NB-IoT)建設發展的通知》) in June 2017. This policy pressed for an NB-IoT network with 400,000 base stations that connects all major cities such as municipalities and provincial capitals by the end of 2017, and a nationwide NB-IoT network with 1.5 million base stations that infiltrates indoor areas, transportation networks, tunnels and other usage locations by 2020.

根據最新的IDC「全球半年物聯網支出指南」報告，預計二零一八年全球物聯網支出將達到7,725億美元，比二零一七年的6,740億美元增長14.6%。全球物聯網支出將在二零一七年至二零二一年預測期內維持複合年增長率14.4%，到二零二一年達到1.1萬億美元。仁天科技相信未來幾年物聯網市場仍將保持高速增長趨勢，本集團將繼續圍繞物聯網領域進行市場拓展、產品研發及投資併購。

中國就物聯網發展也做出了多項國家政策及規劃，推進物聯網產業體系不斷完善。二零一七年一月，國家工信部發佈了《物聯網發展規劃(2016-2020年)》，提出到二零二零年，具有國際競爭力的物聯網產業體系基本形成，包含感知製造、網絡傳輸、智能信息服務在內的總體產業規模突破人民幣1.5萬億元。推進物聯網感知設施規劃佈局，公眾網絡M2M連接數突破17億。物聯網技術研發水平和創新能力顯著提高，適應產業發展的標準體系初步形成，物聯網規模應用不斷拓展，泛在安全的物聯網體系基本成型。為促進NB-IoT行業發展，工信部在二零一七年六月發佈了《關於全面推進移動物聯網(NB-IoT)建設發展的通知》。該項政策提出到二零一七年末，實現NB-IoT網絡覆蓋直轄市、省會城市等主要城市，基站規模達到40萬個。到二零二零年，NB-IoT網絡實現全國普遍覆蓋，面向室內、交通路網、地下管網等應用場景實現深度覆蓋，基站規模達到150萬個。

## Executive Director's Statement 執行董事報告

IoT is a key component of next-generation information technologies. Thanks to the incorporation of NB-IoT, 5G, artificial intelligence ("AI"), cloud computing, big data, blockchain, edge computing and other new technologies, the resulting cross-industry, integrated, innovative and large-scale development of IoT will be of growing importance in the transformation and upgrade of traditional industries, and new business models and development opportunities will emerge. The application of these new technologies in the field of IoT will be an important driver for the digitalisation and development of the whole economy in the next stage.

It is foreseeable that IoT will enjoy exponential growth in 2018. The gradual implementation of national IoT policies will create endless new IoT application scenarios spanning from tradition agriculture to industrial manufacturing as well as from internet of vehicles to daily consumption. Such ever-growing demand will then promote and propel the Group's business growth. Looking forward to 2018, Rentian Technology will reallocate the resources among its businesses and further invest in and develop the following aspects:

物聯網是新一代信息技術的重要組成部分，當前，NB-IoT、5G、人工智能(AI)、雲計算、大數據、區塊鏈、邊緣計算等一系列全新技术不斷地注入物聯網領域，由此帶來的物聯網的跨界融合、集成創新和規模化發展，在促進傳統產業轉型升級方面起到了越來越積極的作用，並帶來全新的商業模式和發展機遇。而這些新技术在物聯網領域的應用，將會成為下一階段社會經濟數字化轉型和發展的重要引擎。

可以預計，二零一八年將會是物聯網規模爆發的一年。隨着物聯網相關國家政策的逐步落實，創新的物聯網行業應用將會如雨後春筍般地浮現，從傳統農業到工業製造，從車聯網到生活消費，不斷呈現垂直上升的需求，從而促進及加速本集團業務的發展。展望二零一八年，仁天科技將調配集團其他業務資源在如下方面進行進一步的投入與發展：

# Executive Director's Statement

## 執行董事報告

### 1. Tap into the inherent value and use of data by promoting big data, blockchain and other platforms for IoT development (“cloud”)

The proliferation of IoT will inevitably generate a colossal amount of data. As anticipated by IDC, by 2020, data stored by the PRC will reach approximately 39ZB, of which around 30% will come from devices linked to IoT. The keys for corporations to outstrip market competitors in the big data era lie in efficiently extracting useful data which realise corporate values in the immense pool of unorganised data and using those data to support corporate policies on future development. On the other hand, security breaches of big data will result in grave economic losses. A ransomware outbreak in May 2017 infected hundreds of thousands of users in over 100 countries across the globe. Commercial, educational, medical, electricity, power, banking, transportation and many other sectors were affected to some extent and incurred incalculable losses. In addition to taking legal actions, corporations are also in urgent need of security for their IoT systems to prevent breaches. Beijing Orient LegendMaker Software Development Company Limited\* (“Orient LegendMaker”), a subsidiary of the Group, has extended its coverage from traditional database business to big data mining and security business in 2018. It is working closely with Symantec and other renowned international security solution companies to tap into the growing demand for big data from IoT corporations.

\* For identification purpose only

### 1. 重視數據核心價值和服務，縱深推動大數據、區塊鏈等物聯網基礎平台的建設（「雲」）

物聯網設備的大爆發，必然產生大量的數據。據IDC預計，到二零二零年中國數據儲存量達到約39ZB，其中約30%的數據來自於物聯網設備的接入。大數據時代，如何在海量的無序數據中，高效地挖掘出能體現企業價值的有效數據，並對企業未來發展決策提供支撐依據，是企業在市場競爭中致勝的關鍵。同時，大數據安全的疏失，也會帶來重大的經濟損失。二零一七年五月爆發的「勒索病毒」，導致全球100多個國家數十萬用戶被波及，企業、學校、醫療、電力、能源、銀行、交通等多個行業均遭受不同程度的影響，損失不可估量。除依靠法律手段之外，企業迫切需要建立物聯網安全架構體系，防患於未然。本集團旗下之北京東方龍馬軟件發展有限公司（「東方龍馬」）在2018年除了繼續發展傳統的數據庫業務外，將大數據有效挖掘及數據安全業務作為新的業務增長點，與賽門鐵克等國際著名的安全解決方案公司緊密合作，共同服務物聯網企業日益增長的大數據需求。

\* 僅供識別



## Executive Director's Statement

### 執行董事報告

As to blockchain technology, not only has it dramatically altered and transformed the financial industry, but it will also revolutionise the IoT sector. This technology allows direct data transfer using a peer-to-peer network. Large data centres are no longer needed to carry out data synchronisation and management in a complete IoT solution. Operations such as data acquisition, order transmission and software update can be carried out and executed through decentralised and highly-secured blockchain networks. To allow direct data transmission between IoT devices of different brands or with different specifications via encryption protocol and direct currency settlement between operators within the whole network, IoT equipment providers need only to configure their devices to support blockchain functions before delivery. The Group is of the view that the transformation of IoT to blockchain network could happen at a speed far exceed current expectation. When IoT truly connects everything, blockchain will be of immense value. The Group's subsidiaries will all step up their investments and efforts in the research and development of the blockchain IoT operation.

區塊鏈技術，不僅深刻地影響和改變金融行業，在物聯網領域也將起到革命性的作用。區塊鏈技術以點對點直聯的方式進行數據傳輸，整個物聯網解決方案不需要引入大型數據中心進行數據同步和管理控制，包括數據採集、指令發送和軟件更新等操作都可以通過一個去中心化而又高度安全的區塊鏈網絡進行傳輸和執行。物聯網設備提供商只要在出廠之前給設備加入區塊鏈的支持，不同品牌、不同規範的物聯網設備就可以直接通過加密協議相互傳輸數據，且可以在全網範圍內在不同的運營商之間進行直接的貨幣結算。本集團認為，物聯網向區塊鏈網絡轉型的發展速度可能會遠遠超過目前人們的普遍預期，當物聯網真正實現萬物互聯互通的時候，區塊鏈的價值將得到更大的發揮。本集團下屬各公司也都將在區塊鏈物聯網業務的研發上作進一步的投入和推動。



# Executive Director's Statement

## 執行董事報告

### 2. Realise customers' value with outstanding products and solutions capitalising on next-generation IoT telecommunication technologies ("pipeline")

Next-generation IoT telecommunication technologies such as NB-IoT and 5G are facilitating IoT applications including smart manufacturing, internet of vehicles and industry of internet. They have also redefined corporate value chains with new business models, products and even markets. The cross-industry, integrated, innovative and large-scale development of IoT is speeding up. IoT is combining with new form of industrialisation, urbanisation, informatisation and agricultural modernisation. Industrial, manufacturing, consumption, complete transportation and travel, smart home, medicine and healthcare sectors are also creating demand for IoT applications, and a grand smart internet ecosystem will eventually emerge for the next generation. Shenzhen Hexicom Technologies Company Limited\* ("Hexicom") and Hangzhou Lepei Telecommunication Company Limited\* ("Lepei"), both subsidiaries of the Group, have provided telecommunication operators with a large number of Ethernet over coax ("EoC") and fibre-optic communication products and services. In the future, they will offer more auxiliary means of communication, such as homeplug and indoor Wi-Fi systems, and focus on business opportunities brought by new IoT communication technologies.

\* For identification purpose only

### 2. 把握新一代物聯網通信技術發展趨勢，通過優秀產品和解決方案實現客戶價值（「管」）

NB-IoT、5G等新一代物聯網通信技術正帶動包括智能製造、車聯網、工業互聯網等方面的物聯網應用，並且重新定義了企業的價值鏈，創造出全新的業務模式、產品乃至市場。物聯網正加速進入「跨界融合、集成創新和規模化發展」新階段，與新型工業化、城鎮化、信息化、農業現代化建設深度交匯，物聯網應用需求也開始轉戰工業、製造、消費、整體交通出行、智能家居、醫療健康等領域，從而營造新一代的生態智聯大格局。本集團旗下深圳市海億康科技有限公司（「海億康」）及杭州樂佩通信有限公司（「樂佩」）在過去為電信運營商大量提供同軸電纜通信及光纖通信相關的產品和服務，在未來將會延展至更多的輔助通信方式，如電力貓及室內分佈Wifi覆蓋業務等，並重點關注物聯網新通信技術所帶來的業務機會。

\* 僅供識別

# Executive Director's Statement

## 執行董事報告

### 3. Develop new smart systems and equipment with AI and edge computing technology ("endpoint")

Current successful applications of AI in IoT usage scenarios concentrate on image, speech and semantics recognition, such as emotional chatting, facial recognition, smart customer service, auto-pilot and smart surveillance. Deep learning, a method or concept of AI, is a machine learning method which differs from human's logical reasoning in the way that it utilises big data and intelligence algorithms. For example, AlphaGo, the computer Go programme written by Google, won the board game with its deep learning function utilising hundreds of thousands of sets played by expert Go players. The key to the transformation of the colossal amount of big data into valuable assets lies in AI's deep learning ability to disentangle big data for feature mining with practical algorithms. The Group expects that this technology will boost the development of the IoT industry in the near future. Shenzhen CNEOP Technology Company Limited\* ("CNEOP") and Guangzhou Wealth-Depot Logistics Technology Company Limited\* ("Wealth-Depot"), both subsidiaries of the Group, have successfully applied human, vehicle and object tracking technologies to logistics, storage, smart communities and other IoT areas. In 2018, they will apply the deep learning ability of AI to launch new businesses such as risk control over car loans and automated storage systems.

\* For identification purpose only

### 3. 通過人工智能及邊緣計算技術打造全新智能系統設備(「端」)

人工智能(AI)目前主要在圖像識別和語音語義識別等物聯網應用場景有較多的落地成果,例如情感陪護、人臉識別、智能客服、無人駕駛、智能監控等。深度學習,是AI中的一種技術或思想,本質是一種機器自我學習的方法。與人們依靠邏輯推理所不同,它靠的是大數據和智能算法。以圍棋計算機AlphaGo為例,它之所以能夠接連取得勝利,正是依靠Google使用了數十萬盤圍棋高手之間對弈所獲取的深度學習功能。智能機器通過深度學習,將大數據挖掘問題轉化為可計算問題來處理,這也是大數據處理從量變到質變的關鍵。本集團預期在不遠的未來,這項技術將會極大促進物聯網行業的發展。本集團旗下深圳市中光遠科技有限公司(「中光遠」)和廣州大庫工業設備有限公司(「大庫」)在過去已經成功將人、車、物追蹤技術應用在物流倉儲、智能社區等物聯網領域,在二零一八年將通過應用AI深度學習技術,分別在車貸風控領域和自動化倉儲系統領域開展全新業務。

\* 僅供識別

## Executive Director's Statement 執行董事報告

The essence of edge computing is to perform computing at the edge of the system near the source of the data instead of some cloud platforms or data centres, thereby effectively reducing the bandwidth needed while providing quick and timely response and high efficiency. Fujian Start Computer Equipment Company Limited\* ("FSCE"), a subsidiary of the Group, will maintain its focus on the research, development, production and sale of applications and equipment using edge computing, such as cloud terminal equipment and smart point-of-sales ("POS"), so as to be closely in line with the current IoT development strategies and market trends.

Following the global and regional consolidation across the industry in 2017, the management expects the coming year to be full of challenges and opportunities. The increasing demand for IoT application scenarios has presented enormous business potential. As a leading enterprise in the Chinese IoT sector, Rentian Technology has been keeping to its original aspiration, rising to challenges and striving hard to grow its business. We also pledge that in the coming year, Rentian Technology will make concerted efforts to get over the challenges at such time of IoT boom and will dedicate itself to promoting the IoT development in the PRC.

### **Kwok Kenneth Wai Lung**

*Executive Director and Chief Operation Officer*

邊緣計算的核心在於通過把系統計算從雲端或數據中心往端點遷移，從而有效降低對傳輸帶寬的要求，能夠提供快速、及時、高效的實時響應。本集團旗下福建實達電腦設備有限公司（「實達外設」）將繼續聚焦雲終端設備及智能POS等邊緣計算應用設備的研發、生產、與銷售，繼續保持與當前物聯網發展策略與市場趨勢的高度匹配。

延續二零一七年全球和地區性業務的行業整合，管理層認為來年將會是充滿挑戰和機遇的一年。越來越多的物聯網應用場景需求的浮現，孕育着巨大的潛在商機。仁天科技作為中國物聯網領域的領先企業，一直以來不忘初心、櫛風沐雨、堅持不懈地發展業務。我們也承諾，在物聯網時代風起雲湧之際，在新的一年裡，仁天科技將戮力同心，砥礪前行，為中國物聯網的發展貢獻自己的一份重要力量。

執行董事兼首席營運官

**郭瑋瓏**

\* For identification purpose only

\* 僅供識別

# Management Discussion and Analysis

## 管理層討論與分析

### BUSINESS REVIEW

The Group has the following major business activities during the Year:

#### IoT Business

The major business activities of the Group covers cloud computing and data processing and analysis (“cloud”), telecommunication infrastructure and technologies (“pipeline”) and terminal computing (“endpoint”) for corporate IoT systems. Given the varied, but inter-related businesses of the subsidiaries, the Group’s business portfolio is diversified with potential for profit growth.

During the Year, the Group has made 2 additional acquisitions to strengthen the IoT business.

In April 2017, the Group completed the acquisition of 40.65% in aggregate (subsequently increased shareholding to 43.56%) equity interests in Enterprise Development Holdings Limited (“Enterprise Development”) and its subsidiaries (“ED Group”). ED Group is principally engaged in providing integrated business software solutions and trading of listed securities.

In November 2017, the Group completed the acquisition of 51% equity interests in Weein, which is principally engaged in (i) the research, development and production of mobile internet technology consulting services; (ii) the provision of Tencent Wechat’s enterprise technology solutions; and (iii) the operation of network carrier’s mobile marketing and education institution’s mobile servicing platform.

The Group’s IoT business can be further divided into 3 segments, namely (i) integrated smart IoT solutions (“IoT solution”); (ii) human-machine interactive devices business (“HMID”); and (iii) intelligent documentation service business (“IDS”). During the Year, the Group’s segment results from the IoT solution business amounted to approximately HK\$200.6 million, representing an increase of 27.4% from approximately HK\$157.4 million in the year of 2016. Segment results from the IDS business increased to approximately HK\$25.0 million, representing an increase of 33.0% from approximately HK\$18.8 million in the year of 2016. Segment results from the HMID business decreased to approximately HK\$24.1 million, representing a decrease of 58.7% from approximately HK\$58.4 million in the year of 2016.

### 業務回顧

本集團於本年度曾進行下列主要業務活動：

#### 物聯網業務

本集團之主營業務主要分佈在面向企業之物聯網體系中之雲端計算和數據處理分析（「雲」）、通訊基礎設施與技術（「管」）和終端計算（「端」）三個環節。基於集團成員公司之組合特點，本集團之業務具有很好的行業多樣性和潛在盈利增長能力。

本集團於本年度再進行兩宗收購，加強物聯網業務。

於二零一七年四月，本集團完成收購企展控股有限公司（「企展」）及其附屬公司（「企展集團」）合共40.65%（其後股權增持至43.56%）股本權益。企展集團主要從事提供綜合商業軟件方案及買賣上市證券之業務。

於二零一七年十一月，本集團完成收購微應51%股本權益。微應主要從事(i)研究、開發及生產流動互聯網技術顧問服務；(ii)提供騰訊微信企業技術解決方案；及(iii)經營網絡供應商流動營銷及教育機構流動服務平台業務。

本集團之物聯網業務可進一步分為三個分類，即(i)整合智能物聯網解決方案（「物聯網解決方案」）；(ii)人機互動商業終端業務（「人機互動」）；及(iii)智能檔案服務業務（「智能檔案服務」）。於本年度，本集團物聯網解決方案業務之分類業績約為200,600,000港元，較二零一六年約157,400,000港元增加27.4%。智能檔案服務業務之分類業績上升至約25,000,000港元，較二零一六年約18,800,000港元增加33.0%。人機互動業務之分類業績下跌至約24,100,000港元，較二零一六年約58,400,000港元減少58.7%。

# Management Discussion and Analysis

## 管理層討論與分析

### Profit guarantees in relation to the acquisitions of subsidiaries

As mentioned in the Company's announcement dated 27 March 2018 and note 37 to the consolidated financial statements, the vendors of CNEOP, Hexicom, Lepei, Next Concept International Investment Limited (together with its subsidiaries, the "Next Concept Group") and Wealth-Depot agreed to provide profit guarantees to the Group, namely "CNEOP Profit Guarantee", "Hexicom Profit Guarantee", "Lepei Profit Guarantee", "Next Concept Group Profit Guarantee" and "Wealth-Depot Profit Guarantee".

Based on the actual financial information, the accumulated profits of CNEOP for the three years ended 31 December 2015, 2016 and 2017 exceeded RMB44 million, as a result, the CNEOP Profit Guarantee was met. As agreed among the Company, the investor and the vendor of CNEOP, convertible notes in the aggregate principal amount of HK\$15.06 million which is convertible into a maximum of 35,857,142 shares upon full conversion at the conversion price of HK\$0.42 will be issued and HK\$4.3 million in cash will be paid to the vendor of CNEOP by the Group.

Based on the actual financial information, the accumulated profits of Hexicom for the three years ended 31 December 2015, 2016 and 2017 exceeded RMB47.5 million, as a result, the Hexicom Profit Guarantee was met. As agreed among the Company, the investor and the vendors of Hexicom, the Company shall allot and issue 79,648,445 shares and pay the cash rewards of HK\$458,667 to the vendors of Hexicom.

### 有關收購附屬公司之溢利保證

誠如本公司日期為二零一八年三月二十七日之公告，以及綜合財務報表附註37所述，中光遠、海億康、樂佩、進念國際投資有限公司（連同其附屬公司為「進念集團」）及大庫之賣方同意向本集團提供溢利保證，即「中光遠溢利保證」、「海億康溢利保證」、「樂佩溢利保證」、「進念集團溢利保證」及「大庫溢利保證」。

根據實際財務資料，中光遠截至二零一五年、二零一六年及二零一七年十二月三十一日止三個年度之累計溢利超過人民幣44,000,000元。因此，中光遠溢利保證已經達成。誠如本公司與中光遠之投資者及賣方所協定，本集團將向中光遠之賣方發行本金總額15,060,000港元之可轉換債券（可於悉數轉換時按轉換價0.42港元轉換為最多35,857,142股股份）及支付4,300,000港元之現金。

根據實際財務資料，海億康截至二零一五年、二零一六年及二零一七年十二月三十一日止三個年度之累計溢利超過人民幣47,500,000元。因此，海億康溢利保證已經達成。誠如本公司與海億康之投資者及賣方所協定，本公司將向海億康之賣方配發及發行79,648,445股股份及支付458,667港元之現金回報。

# Management Discussion and Analysis

## 管理層討論與分析

Based on the actual financial information, the accumulated profits of Lepei and its subsidiaries for the two years ended 31 December 2016 and 2017 exceeded RMB10.35 million, as a result, the Lepei Profit Guarantee for the years ended 31 December 2016 and 2017 were met. The Group shall pay approximately RMB4.9 million to the vendors of Lepei.

Based on the actual financial information, the actual profit after tax of the Next Concept Group for the year ended 31 December 2016 was approximately HK\$152 million, as a result, the 2016 Next Concept Group Profit Guarantee was met and the actual profit after tax of the Next Concept Group for the year ended 31 December 2017 was approximately HK\$155 million, as a result, the 2017 Next Concept Group Profit Guarantee was not met. Pursuant to the agreement, (i) the Group shall release 50% of the consideration shares (being approximately 756,000,000 consideration shares) to the vendors of Next Concept Group; and (ii) the vendors of Next Concept Group shall compensate the Group an amount of approximately HK\$187 million ("2017 Compensation Amount"). The 2017 Compensation Amount will be firstly settled by way of setting off the promissory notes in the principal amount and the accrued interest of approximately HK\$174 million and the remaining balance of approximately HK\$13 million will be settled by the vendors of Next Concept Group in cash ("Remaining Cash Compensation").

The Group is currently in discussion with the vendors of Next Concept Group about the compensation arrangement and the Group will release the 50% of the consideration shares to the vendors of Next Concept Group upon the settlement of the Remaining Cash Compensation by the vendors of Next Concept Group which is expected to be settled on or before the end of June 2018.

根據實際財務資料，樂佩及其附屬公司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累計溢利超過人民幣10,350,000元。因此，截至二零一六年及二零一七年十二月三十一日止年度之樂佩溢利保證已經達成。本集團將向樂佩之賣方支付約人民幣4,900,000元。

根據實際財務資料，進念集團截至二零一六年十二月三十一日止年度之實際除稅後溢利約為152,000,000港元，因此，二零一六年進念集團溢利保證已達成，而進念集團截至二零一七年十二月三十一日止年度之實際除稅後溢利約為155,000,000港元，因此，二零一七年進念集團溢利保證並未達成。根據協議，(i)本集團將發放50%之代價股份（即約756,000,000股代價股份）予進念集團之賣方；及(ii)進念集團之賣方將向本集團補償約187,000,000港元（「二零一七年賠償金額」）。二零一七年賠償金額將首先以抵銷承兌票據之本金及累計利息約174,000,000港元，而餘額約13,000,000港元將由進念集團之賣方以現金（「餘下現金賠償」）支付。

本集團現正與進念集團之賣方商討賠償安排，而本集團將於進念集團之賣方支付餘下現金賠償後發放50%之代價股份予進念集團之賣方。預期餘下現金賠償將於二零一八年六月底或之前支付。



# Management Discussion and Analysis

## 管理層討論與分析

Based on the actual financial information, the actual net profit of Wealth-Depot for the years ended 31 December 2015, 2016 and 2017 were approximately RMB0.4 million, RMB7.0 million and RMB8.4 million respectively, as a result, the Wealth-Depot Profit Guarantee was not met. Pursuant to the profit guarantee agreement, no consideration shares is required to be issued by the Company to the vendors of Wealth-Depot and approximately 32% equity interests in Wealth-Depot shall be transferred for free or as gift to the Group. The Group anticipated the share transfer process will be completed by the end of June 2018.

### Impairment of goodwill

The Group performed a year end annual impairment test on goodwill. Taking into consideration of the Next Concept Group did not meet the profit guarantee of HK\$216 million for the Year, and the unfavourable market condition facing by Next Concept Group, the Group determined that there was an indication for impairment on the goodwill arising from the acquisition of the Next Concept Group. An impairment loss on goodwill amounted to approximately HK\$200 million was recognised for the Year which was partially offset by 2017 Compensation Amount of approximately HK\$187 million arising from the unfulfilled Next Concept Group Profit Guarantee. Please refer to note 13 to these consolidated financial statements for details of impairment of goodwill.

Except the above, the Group did not recognise any impairment loss of goodwill in relation to the other acquisitions.

### **Securities Investment Business**

The Group invested in Hong Kong's listed securities as both short-term and long-term investments. During the Year, the Group recorded a net realised gain on disposal of financial assets at fair value through profit or loss of approximately HK\$126.9 million, dividend income from listed securities of approximately HK\$48.0 million and a gain on changes in fair value of financial assets at fair value through profit or loss of approximately HK\$284.7 million. The Group also recorded a loss of approximately HK\$61.1 million on impairment loss on available-for-sales financial assets for long-term investments.

根據實際財務資料，大庫截至二零一五年、二零一六年及二零一七年十二月三十一日止年度之實際純利分別約為人民幣400,000元、人民幣7,000,000元及人民幣8,400,000元，因此，大庫溢利保證並未達成。根據溢利保證協議，本公司毋須向大庫之賣方發行代價股份，而大庫約32%股本權益將無償或以餽贈方式轉讓予本集團。本集團預計股份轉讓程序將最遲於二零一八年六月底完成。

### 商譽減值

本集團已對商譽進行年終年度減值測試。考慮到進念集團未有達成本年度之溢利保證216,000,000港元，且進念集團所面對之市況不景，本集團釐定有跡象顯示收購進念集團產生之商譽出現減值。商譽減值虧損約200,000,000港元已於本年度確認，部分由未達成進念集團溢利保證之二零一七年賠償金額約187,000,000港元抵銷。有關商譽減值之詳情請參閱綜合財務報表附註13。

除上文所述者外，本集團並無就其他收購之商譽確認任何減值虧損。

### **證券投資業務**

本集團投資於香港上市證券作短期及長期投資。於本年度，本集團因出售於損益帳按公平值處理之財務資產錄得已變現收益淨額約126,900,000港元，並錄得上市證券之股息收入約48,000,000港元及於損益帳按公平值處理之財務資產公平值變動之收益約284,700,000港元。本集團亦就作長期投資之可供出售財務資產之減值錄得虧損約61,100,000港元。



# Management Discussion and Analysis

## 管理層討論與分析

The Group's significant investments (i.e. investment with carrying amount exceeding 5% of the total assets of the Group) held as at 31 December 2017 stated in this report as follows:

本集團於二零一七年十二月三十一日所持重大投資（即帳面金額佔本集團資產總值超過5%之投資）於本報告內載列如下：

Type of security 證券類別	Classification of financial assets (fair value through profit or loss (FVTPL)/ available-for-sale (AFS)) 財務資產分類（於損益帳按公平值處理/可供出售）	% of shareholding represented by the shares/ underlying shares held by the Company 本公司所持股份/相關股份所佔持股量之百分比		Unrealised gain/(loss) or increase/(decrease) in fair value as at 31 December 2017 於二零一七年十二月三十一日之未變現收益/（虧損）或公平值增加/（減少） (Audited) (經審核) HK\$'000 千港元	Unrealised gain/(loss) or increase/(decrease) in fair value as at 31 December 2016 於二零一六年十二月三十一日之未變現收益/（虧損）或公平值增加/（減少） (Audited) (經審核) HK\$'000 千港元	Fair value as at 31 December 2017 於二零一七年十二月三十一日之公平值 (Audited) (經審核) HK\$'000 千港元	Fair value as at 31 December 2016 於二零一六年十二月三十一日之公平值 (Audited) (經審核) HK\$'000 千港元	
		as at 31 December 2017 於二零一七年十二月三十一日	as at 31 December 2016 於二零一六年十二月三十一日					
Investment A (Note 1) 投資甲（附註1）	Ordinary shares 普通股	0.51	0.65%	AFS 可供出售	(61,109)	(41,114)	48,997	110,106
		7.64	5.96%	FVTPL 於損益帳按公平值處理	(528,613)	(110,855)	729,959	1,005,824
Investment B (Note 2) 投資乙（附註2）	Ordinary shares 普通股	4.47	N/A 不適用	FVTPL 於損益帳按公平值處理	712,870	N/A 不適用	919,333	N/A 不適用

Notes:

附註：

1. Investment A is Carnival Group International Holdings Limited (stock code: 00996.HK) ("Carnival") which is the Hang Seng Mid-Cap Index Constituent Stock. The information published by Carnival regarding its performance and prospects can be found at the HKEXNews website. Based on published announcement and report, Carnival develops and sells high-end coastal residential properties adjacent to its theme park, outlet mall and hotels. Carnival would focus on the integrated large-scale tourist complex project and property development. In order to diversify the concentration risk and currency risk, besides the property markets in the mainland China and Hong Kong, Carnival expect to explore more in other geographical locations in the overseas property market.

1. 投資甲指嘉年華國際控股有限公司（股份代號：00996.HK）（「嘉年華」，為恒生中型股指數成份股）。嘉年華就其表現及前景發佈之資料載於披露易網站。基於已刊發之公告及報告，嘉年華開發及銷售高端濱海住宅物業，該等物業與主題樂園、購物商場及酒店毗鄰。嘉年華將重點放在一體化大型旅遊綜合項目及物業發展。為分散集中風險及貨幣風險，除中國內地及香港之物業市場外，嘉年華希望於其他地區之海外物業市場進一步拓展業務。

# Management Discussion and Analysis

## 管理層討論與分析

2. Investment B is China Oriental Group Company Limited (stock code: 00581.HK) ("China Oriental") which is the market leader in medium and large H-section steel market in the PRC and the Hang Seng Small-Cap Index Constituent Stock. The information published by China Oriental regarding its performance and prospects can be found at the HKEXNews website. Based on published announcement and report, China Oriental will continue to keep an eye on state projects which will consume large volume of steel, broaden the channels to collect market shortages product information to guide its new product development. Furthermore, it will strengthen the risks management and production procedure supervision to enhance the function of the risk management department, to improve the risk resistance capacity of China Oriental and to maintain its stable operation.

### Money Lending Business

The Group provides short-term loans to various borrowers. Those short-term loans carried interest rates ranging from 5% to 18% per annum. During the Year, the money lending business contributed a loan interest income of approximately HK\$18.0 million to the Group.

## OUTLOOK

### IoT Business

The principal businesses of the Group cover cloud computing and data processing and analysis ("cloud"), telecommunication infrastructure and technologies ("pipeline") and terminal computing ("endpoint") for corporate IoT systems. Given the inter-related businesses of the subsidiaries, the Group's business portfolio is diversified with potential for profit growth. After a series of acquisitions and consolidations between 2015 and 2017, the Group has established a whole new platform for the corporate IoT solution business in 2017.

2. 投資乙為中國中、大型H型鋼市場翹楚兼恒生綜合小型股指數成份股中國東方集團控股有限公司(股份代號:00581.HK) (「中國東方」)。中國東方就其表現及前景發佈之資料載於披露易網站。基於已刊發之公告及報告,中國東方將繼續追蹤國家重點耗鋼項目建設,拓闊渠道以收集更多有關市場緊缺及產品資料之訊息,作為其新產品開發之導向。再者,其亦將繼續加強監督風險管理及生產過程,強化風險管理部職能作用,以改善中國東方抵抗風險能力及維持穩健經營。

### 貸款業務

本集團向多名借款人提供短期貸款。該等短期貸款按年利率介乎5厘至18厘計息。於本年度,貸款業務為本集團貢獻約18,000,000港元之貸款利息收入。

## 展望

### 物聯網業務

本集團之主營業務主要分佈在面向企業之物聯網體系中之雲端計算和資料處理分析(「雲」)、通訊基礎設施與技術(「管」)和終端計算(「端」)三個環節。基於集團成員公司之組合特點,本集團之業務具有很好的行業多樣性和潛在盈利增長能力。經過二零一五年至二零一七年間成員公司的收購和平台整合後,二零一七年本集團業務在企業物聯網解決方案領域踏上了全新的台階。

# Management Discussion and Analysis

## 管理層討論與分析

A brief discussion and analysis of the operations of the Group is as follows.

### *Integrated Smart IoT Solutions business*

During the Year, the Group achieved new milestones and extended its smart IoT endpoints from the existing logistic, courier, customs and banking sectors to other new areas such as smart communities. It secured a large-scale smart community construction project in Malaysia of a leading real estate corporation and developed a smart logistic bin tracking project for a major apparel corporation. In addition, the Group has entered the car loan risk control field with its smart IoT tracking technologies and has secured annual orders from two major car financing service companies in the PRC at the end of 2017. In the coming year, the Group has focused on developing solutions for the construction of smart communities and the car loan risk control solution business.

The Group continued to pursue IoT telecommunication development. In addition to EoC telecommunication equipment and fibre-optic telecommunication equipment for the existing telecommunication operators, the Group will continue enlarge its share in the telecommunication operator market with the development and sale of auxiliary telecommunication products. New products such as homeplug has been successfully commercialised and applied by telecommunication operators.

The Group offers smart logistic bin products to renowned domestic and overseas logistic, e-commerce, retailing and catering brands and always has a good reputation for its major products in the industry. Backed by its strategic collaboration with top storage and logistic automation companies in the global arena, it has successfully secured several large smart storage system projects in the PRC during the Year. The Group expects that further enhancement will be seen in the coming year.

以下將針對本集團運營進行概要討論和分析。

### *整合智慧物聯網解決方案業務*

本年度除在原有的物流、快遞、海關銀行等行業外，智慧物聯網終端設備在智慧社區等新行業領域繼續取得突破，成功承建了某大型房地產集團在馬來西亞的大型智慧社區建設專案，及開發某大型服裝集團智慧物流箱追蹤項目。本集團亦運用物聯網智慧追蹤技術進入全新的車貸風控領域，並在二零一七年底獲得了國內兩家大型車貸服務公司的年度訂單。新的一年裡，本集團將持續聚焦於智慧社區建設解決方案及車貸風險管控行業解決方案的開拓。

本集團繼續在物聯網通訊領域發力，除原有電信運營商的同軸電纜通信設備和光纖通信設備外，本集團將繼續通過研發銷售輔助通信產品佔領電信運營商客戶市場，包括電力貓在內的新產品已成功進入電信運營商的商業應用。

本集團為海內外知名的物流、電商、零售、餐飲品牌提供智慧物流箱產品，其主要產品在行業中一貫享有盛譽。本年度，通過與國際一流的倉儲物流自動化廠商進行戰略合作，成功地承接了多個國內大型智慧倉儲系統。本集團預期在未來一年裡能持續取得更大進展。

# Management Discussion and Analysis

## 管理層討論與分析

### *Commercial HMID Business*

The Group focuses on commercial HMID and develops terminal hardware, software and service applications for treasury, taxation, finance, education and other key industries. It offers smart and mobile-internet corporate solutions including but not limited to industry-specific integrated or self-service systems, smart payment devices, printing devices and all-in-one cloud-based systems. Apart from the traditional banking sectors, the Group will continue to explore the national treasury and taxation and other sectors. In respect of the research and development of new products, in 2017, the Group has invested in the research and development of the next-generation smart POS systems that introduce ground-breaking functions including human scanning verification, rapid mobile payment and convenient scanning invoicing.

### *Intelligent Documentation Service*

The Group provides specialised services to accelerate document-driven business processes to over 40 companies in the property insurance and life insurance industry in the PRC. The entire service process is supported by high level of confidentiality, data accuracy and processing velocity. The Group is also engaged in development and sale of software products and technology and provision of IT services and operations in combination with various industry applications, leveraging its technological expertise in the insurance sector.

The Group will continue to focus on developing its existing business as well as expanding into new innovative solutions with high growth potential.

### *人機互動商業終端業務*

本集團主要聚焦於人機互動商業終端(HMID)領域，圍繞財稅、金融、教育等重點行業應用場景構建終端硬體、軟體和服務產品，提供面向企業的智慧化和移動互聯化的解決方案，包括但不限於行業化的集成式或自助式系統、智慧支付設備、列印設備和基於雲平台的一體機系統。在行業領域方面，除傳統的銀行領域外，本集團將繼續在國家財務和稅務等領域努力。在新產品研發方面，本集團在二零一七年投入研發了新一代智慧POS系統，新系統引進了全新的人性掃碼驗證、快捷移動支付、便捷掃碼發票等業內領先的業務功能。

### *智能檔案服務*

本集團為中國財產保險及人壽保險行業40多間公司提供加快文件主導業務流程之專門服務。整個服務過程具備高度保密性、數據準確性及處理速度。本集團亦從事軟件產品和技術之開發及銷售，並結合各種行業應用提供資訊科技服務及運營，利用其在保險行業之技術專長。

本集團將繼續致力於發展現有業務，並擴展到具有高增長潛力之新型創新解決方案。

# Management Discussion and Analysis

## 管理層討論與分析

The management of the Group currently plans to open new intelligent documentation centers in various cities in the PRC in the coming 3 to 5 years.

As for the co-operation between the subsidiaries, the Group invested additional resources and strive to encourage collaborations between subsidiaries spanning from collaborative technological research and development to co-operation in marketing and supply chain management during the Year. Such initiatives have yielded groundbreaking results.

### Securities Investment Business

Big caps stole the limelight in 2017, although the Heng Seng Index was mainly pushed up by a few giants, the connect mechanism was the key driving force. Accumulated capital inflow from Shanghai and Shenzhen jumped by 70% and 20x in 2017 to RMB751 billion and RMB147 billion, respectively.

Following the stellar run in January 2018, the equities market suffered a fierce sell-off in February 2018 due to re-pricing for expectations of rising inflation and the interest rate outlook in the United States. Despite high volatility, the Group sticks with high-conviction calls with solid earnings growth outlooks and strong fundamentals. Rather than well-covered stocks, there are some hidden gems offering strong earnings growth at undemanding valuations.

本集團之管理層目前計劃在未來3至5年於中國多個城市開設全新的智能檔案中心。

在各附屬公司協作方面，集團方面本年度加大了各種資源的投入，不遺餘力地推動各附屬公司間的協作機會，既包括技術研發性質的協作，市場行銷方面的協作，以及供應鏈管理的協作等，並取得突破性的進展。

### 證券投資業務

大型股於二零一七年大放異彩。然而，儘管恒生指數主要由少數重磅股推高，惟互聯互通機制才是主要動力。於二零一七年，由上海及深圳流入之累計資金分別大增70%及20倍至人民幣7,510億元及人民幣1,470億元。

股票市場於二零一八年一月走勢迅猛，惟於二零一八年二月，對通脹上升之預期及美國利率前景觸發市場調整，股票市場出現拋售潮。儘管市場大幅波動，惟本集團堅持投資於盈利增長前景堅實及基本因素強健之確信建議買入股份。相對於投資穩健保守之公司，本公司相信市場上仍有部分未被發掘之股票能以相宜估值提供強勁之盈利增長。

# Management Discussion and Analysis

## 管理層討論與分析

### FINANCIAL REVIEW

#### Results for the Year

The Group's revenue for the Year increased by 27.2% year-on-year to approximately HK\$1,531.4 million (2016: HK\$1,203.6 million) and a profit before taxation of approximately HK\$344.1 million (2016: HK\$253.1 million), representing a year-on-year increase of 36.0% for the Year. Increase in revenue by 30.6% from IoT solution business amounted from approximately HK\$511.5 million in 2016 to approximately HK\$668.2 million in the Year, was mainly contributed by revenue from ED Group of approximately HK\$235.5 million since its acquisition in April 2017. Revenue from HMID business amounted to approximately HK\$469.4 million, which represented a decrease of 4.5% from approximately HK\$491.5 million in 2016 as a result of delay of new product launched schedule. Revenue from IDS business amounted to approximately HK\$200.9 million, which represented an increase of 20.8% from approximately HK\$166.3 million in 2016 as a result of a growth in the PRC insurance market. Revenue from IoT solution business, HMID business and IDS business contributed 87.4% of total revenue for the Year. Revenue from the investing business increased by 583.2% to approximately HK\$174.9 million (2016: HK\$25.6 million), which is benefit from around 7,000 points increase in Hang Seng Index during the Year, the Group recorded a net realised gain on disposal of financial assets at fair value through profit or loss of approximately HK\$126.9 million and dividend income from listed securities of approximately HK\$48.0 million.

The profit before tax was mainly attributable from (i) segment results generated from the IoT solution business of approximately HK\$200.6 million (2016: HK\$157.4 million); and (ii) segment results generated from the investing business of approximately HK\$369.1 million (2016: HK\$200.8 million), which offsetting the (i) finance costs of approximately HK\$190.1 million (2016: HK\$109.7 million) and (ii) share option expenses of approximately HK\$19.1 million (2016: HK\$52.2 million). Adjusted net profit was approximately HK\$384.9 million, which increased by 16.7% year-on-year. EBITDA and adjusted EBITDA increased by 48.8% and 33.4% to approximately HK\$583.3 million and HK\$631.8 million respectively in 2017.

#### 財務回顧

#### 本年度業績

本集團本年度之收益按年增加27.2%至約1,531,400,000港元(二零一六年: 1,203,600,000港元), 而本年度之除稅前溢利約344,100,000港元(二零一六年: 253,100,000港元), 按年增長36.0%。本年度物聯網解決方案業務收益約為668,200,000港元, 較二零一六年約511,500,000港元增長30.6%, 增長主要源自企展集團自二零一七年四月收購以來之收益約235,500,000港元。由於新產品延遲推出, 故人機互動業務收益約為469,400,000港元, 較二零一六年約491,500,000港元減少4.5%。由於中國保險市場增長, 智能檔案服務業務收益約為200,900,000港元, 較二零一六年約166,300,000港元增長20.8%。物聯網解決方案業務、人機互動業務及智能檔案服務業務收益佔本年度總收益87.4%。投資業務收益增長583.2%至約174,900,000港元(二零一六年: 25,600,000港元), 源自本集團受惠於恒生指數於本年度上升約7,000點, 錄得出售於損益帳按公平值處理之財務資產之已變現淨收益約126,900,000港元, 以及上市證券股息收入約48,000,000港元。

錄得除稅前溢利主要是由於(i)物聯網解決方案業務錄得分類業績約200,600,000港元(二零一六年: 157,400,000港元); 及(ii)投資業務錄得分類業績約369,100,000港元(二零一六年: 200,800,000港元), 已抵銷(i)財務成本約190,100,000港元(二零一六年: 109,700,000港元); 及(ii)購股權開支約19,100,000港元(二零一六年: 52,200,000港元)。經調整純利約為384,900,000港元, 按年增加16.7%。於二零一七年, EBITDA及經調整EBITDA分別增加48.8%及33.4%至約583,300,000港元及631,800,000港元。



# Management Discussion and Analysis

## 管理層討論與分析

### Non-HKFRS Measures

To supplement this report which are presented in accordance with HKFRS, adjusted net profit and adjusted EBITDA are used as additional financial measures. These financial measures are presented because they are used by management to evaluate operating performance. The Company also believes that these non-HKFRS measures provide useful information to help investors and others understand and evaluate the Company's consolidated results of operations in the same manner as management and compare financial results across accounting periods and to those of our peer companies.

The following table sets forth the Group's non-HKFRS financial data for the years presented:

### 非香港財務報告準則計量資料

作為本公司根據香港財務報告準則呈列之本報告之補充，經調整純利及經調整EBITDA已用作額外財務計量資料。呈列該等財務計量資料乃因管理層利用有關資料評估經營表現。本公司同時相信，該等非香港財務報告準則計量資料提供有用資訊，讓投資者及其他人士可以管理層所用相同方式了解及評估本公司之綜合經營業績，以及比較各會計期間之財務業績及同業公司之財務業績。

下表載列本集團於呈列年度之非香港財務報告準則財務數據：

		截至十二月三十一日止年度 Year ended 31 December	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<i>Non-HKFRS Financial Data</i>	<i>非香港財務報告準則財務數據</i>		
Adjusted net profit	經調整純利	<b>384,942</b>	329,750
Adjusted EBITDA	經調整EBITDA	<b>631,820</b>	473,765
Adjusted EBITDA margin*	經調整EBITDA率*	<b>41.3%</b>	39.4%
Adjusted earnings per share (in HK cents)	經調整每股盈利(港仙)		
– basic	– 基本	<b>2.64</b>	2.61
– diluted	– 攤薄	<b>2.62</b>	2.56

\* Adjusted EBITDA margin is calculated by dividing adjusted EBITDA by revenue.

\* 經調整EBITDA率乃按經調整EBITDA除以收益計算。



# Management Discussion and Analysis

## 管理層討論與分析

截至十二月三十一日止年度  
Year ended 31 December

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<i>Profit for the year</i>	年內溢利	<u>306,665</u>	<u>231,014</u>
<u>Non-cash share options expenses</u>	非現金購股權開支		
Share-based payment in respect of share options	有關購股權之以股份支付之款項	<u>19,065</u>	<u>52,192</u>
<u>Other non-cash expenses</u>	其他非現金開支		
Share-based payment in respect of profit guarantee	有關溢利保證之以股份支付之款項	<u>10,423</u>	<u>10,423</u>
Long-term employee benefits in respect of profit guarantee	有關溢利保證之長期僱員福利	<u>19,060</u>	<u>19,060</u>
Amortisation of intangible assets	無形資產攤銷	<u>29,729</u>	<u>17,061</u>
		<u>59,212</u>	<u>46,544</u>
<b>Adjusted net profit</b>	經調整純利	<b>384,942</b>	329,750
Taxation	稅項	<b>37,394</b>	22,120
Finance costs	財務成本	<b>190,103</b>	109,685
Depreciation	折舊	<b>19,381</b>	<u>12,210</u>
<b>Adjusted EBITDA</b>	經調整EBITDA	<b>631,820</b>	<u>473,765</u>

# Management Discussion and Analysis

## 管理層討論與分析

### Non-HKFRS adjusted net profit

Non-HKFRS adjusted net profit eliminates the effect of non-cash share-based payment in respect of share options and profit guarantee, long-term employee benefits in respect of profit guarantee, and amortisation of intangible assets. The term of adjusted net profit is not defined under HKFRS.

### Non-HKFRS adjusted EBITDA

Non-HKFRS adjusted EBITDA, as presented, represents adjusted net profit, and adjusted to taxation, finance costs and depreciation. The use of non-HKFRS adjusted EBITDA has certain limitations because it does not reflect all items of income and expenses that affect operations. Items excluded from non-HKFRS adjusted EBITDA are significant components in understanding and assessing our operating and financial performance. Non-cash share options expenses and long-term employee benefits in respect of profit guarantee, depreciation and amortisation have been and may continue to be incurred are not reflected in the presentation of non-HKFRS adjusted EBITDA. Each of these items should also be considered in the overall evaluation of the Company's results.

### Non-HKFRS adjusted earnings per share

Non-HKFRS adjusted basic earnings per share and non-HKFRS adjusted diluted earnings per share are not defined under HKFRS. Non-HKFRS adjusted basic earnings per share is defined as adjusted net profit attributable to the owners of the Company divided by weighted average number of ordinary shares outstanding. The denominator for computing the adjusted diluted earnings per share is calculated by the weighted average number of ordinary shares outstanding to assume the consideration shares in respect of the profit guarantee arrangement were assumed to be issued. The numerator of adjusted diluted earnings per share is adjusted net profit attributable to the owners of the Company.

### 非香港財務報告準則經調整純利

非香港財務報告準則經調整純利已對銷有關購股權及溢利保證之以股份支付之非現金款項、有關溢利保證之長期僱員福利以及無形資產攤銷之影響。經調整純利一詞於香港財務報告準則中未有界定。

### 非香港財務報告準則經調整EBITDA

非香港財務報告準則經調整EBITDA一如所列，乃指就稅項、財務成本及折舊調整後之經調整純利。非香港財務報告準則經調整EBITDA之應用存在若干限制，原因在於此項目並不反映影響營運之所有收支項目。從非香港財務報告準則經調整EBITDA剔除之項目為了解及評估我們經營及財務表現之重要組成部分。已經及可能繼續產生之有關溢利保證之非現金購股權開支及長期僱員福利、折舊及攤銷並無於呈列非香港財務報告準則經調整EBITDA時反映。於整體評估本公司業績時亦應考慮各有關項目。

### 非香港財務報告準則經調整每股盈利

非香港財務報告準則經調整每股基本盈利及非香港財務報告準則經調整每股攤薄盈利於香港財務報告準則中未有界定。非香港財務報告準則經調整每股基本盈利之定義為本公司擁有人應佔經調整純利除以已發行普通股之加權平均數。計算經調整每股攤薄盈利所用分母乃按假設有溢利保證安排之代價股份已假設獲發行下之已發行普通股加權平均數計算。經調整每股攤薄盈利之分子為本公司擁有人應佔經調整純利。

# Management Discussion and Analysis

## 管理層討論與分析

### Liquidity, Financial Resources, Borrowing and Gearing Ratio

As at 31 December 2017, the current assets and current liabilities of the Group were approximately HK\$5,208.54 million (2016: HK\$3,588.32 million) and approximately HK\$1,384.11 million (2016: HK\$923.28 million) respectively. The liquidity ratio, which is calculated as current assets over current liabilities, was approximately 3.76 times as at 31 December 2017, as compared to that of approximately 3.89 times as at 31 December 2016.

The Group financed its operation largely through internal cash resources, interest-bearing borrowings and placing of new shares, promissory notes and convertible bonds. As at 31 December 2017, the Group maintained cash and bank balances (including pledged bank deposits) at approximately HK\$744.53 million (2016: HK\$442.68 million). The increase in cash and bank balances was mainly due to the operating cash inflow from IoT businesses. The Group's gearing ratio, expressed as a percentage of total borrowings and long-term debts (including promissory notes) over total equity, was stated at 49.07% (2016: 47.74%). The increase in gearing ratio was mainly due to the net increase in interest-bearing borrowing, promissory notes and convertible bonds by HK\$474.74 million during the Year.

The Group's total assets and total liabilities as at 31 December 2017 amounted to approximately HK\$6,910.69 million (2016: HK\$5,436.61 million) and approximately HK\$2,603.11 million (2016: HK\$2,003.12 million) respectively. The debt ratio, which is calculated based on total liabilities over total assets, was approximately 0.38 times as at 31 December 2017, as compared to that of approximately 0.37 times as at 31 December 2016.

The net asset value of the Group increased from HK\$3,433.5 million as at 31 December 2016 to HK\$4,307.6 million as at 31 December 2017.

### 流動資金、財務資源、借貸及負債資產比率

於二零一七年十二月三十一日，本集團之流動資產及流動負債分別約為5,208,540,000港元（二零一六年：3,588,320,000港元）及1,384,110,000港元（二零一六年：923,280,000港元）。於二零一七年十二月三十一日，按流動資產除以流動負債計算之流動資金比率約為3.76倍，而二零一六年十二月三十一日則約為3.89倍。

本集團主要以內部現金資源、計息借貸以及配售新股、承兌票據及可換股債券為其業務提供資金。於二零一七年十二月三十一日，本集團之現金及銀行結存（包括已質押銀行存款）維持於約744,530,000港元（二零一六年：442,680,000港元）。現金及銀行結存增加主要源於物聯網業務之經營現金流入。本集團之負債資產比率（以借貸及長期債務（包括承兌票據）總額除以權益總額之百分比列示）為49.07%（二零一六年：47.74%）。負債資產比率上升主要是由於在本年度計息借貸、承兌票據及可換股債券淨增加474,740,000港元所致。

於二零一七年十二月三十一日，本集團之資產總值及負債總額分別約為6,910,690,000港元（二零一六年：5,436,610,000港元）及2,603,110,000港元（二零一六年：2,003,120,000港元）。於二零一七年十二月三十一日，按負債總額除以資產總值計算之債務比率約為0.38倍，而二零一六年十二月三十一日則約為0.37倍。

本集團資產淨值由二零一六年十二月三十一日之3,433,500,000港元增加至二零一七年十二月三十一日之4,307,600,000港元。

# Management Discussion and Analysis

## 管理層討論與分析

### Capital Structure

On 27 June 2017, the Company entered into the placing agreement with the placing agent to place 1,000,000,000 shares to an independent investor at the placing price of HK\$0.36 per share. The placing was completed on 11 July 2017. As a result, the number of shares in issue increased from 10,148,390,530 shares to 11,148,390,530 shares on 11 July 2017.

### 資本架構

於二零一七年六月二十七日，本公司與配售代理訂立配售協議，向一名獨立投資者配售1,000,000,000股股份，配售價為每股0.36港元。是項配售已於二零一七年七月十一日完成。因此，已發行股份數目於二零一七年七月十一日由10,148,390,530股增加至11,148,390,530股。

### Use of proceed from placing

### 配售事項所得款項之用途

Date of announcement(s) 公告日期	Fund raising activity 集資活動	Net proceeds raised 所籌集所得款項淨額	Intended use of the proceeds 所得款項擬定用途	Actual use of the proceeds (up to the date of annual report) 所得款項實際用途 (直至年報日期)
27 June 2017, 30 June 2017, 3 July 2017 and 11 July 2017	the placing	approximately HK\$351.01 million	for general working capital	(i) approximately HK\$300.00 million had been used in financial assets at fair value through profit or loss in investing business
二零一七年六月二十七日、 二零一七年六月三十日、 二零一七年七月三日及 二零一七年七月十一日	配售事項	約351,010,000港元	用作一般營運資金	(i) 約300,000,000港元已用於投資於投資業務中之於損益帳按公平值處理之財務資產  (ii) approximately HK\$20.00 million had been used for the principal amount for the money lending business and related expenses (ii) 約20,000,000港元已用作放貸業務之本金額及相關開支  (iii) approximately HK\$25.70 million had been used for repayment of loans and interests payments (iii) 約25,700,000港元已用於償還貸款及支付利息  (iv) approximately HK\$2.90 million had been used for salaries and related expenses (iv) 約2,900,000港元已用作薪金及相關開支  (v) approximately HK\$2.41 million had been used for rental expenses, building management fee and administrative expenses (v) 約2,410,000港元已用作租金開支、樓宇管理費及行政開支

# Management Discussion and Analysis

## 管理層討論與分析

The capital of the Company comprises only ordinary shares. As at 31 December 2017, the issued share capital of the Company was 11,148,390,530 shares.

On 25 May 2017, the Company issued convertible bonds in the principal amount of HK\$14,000,000, at the adjusted conversion price of HK\$0.42 per share which is convertible into 33,333,333 conversion shares at maximum, to the vendor of CNEOP upon the satisfaction of the profit indicator for the years ended 31 December 2015 and 2016.

### Foreign Currency Exposure

The Group is not subject to material foreign currency exposure since its operations in Hong Kong are mainly denominated in Hong Kong dollars and United States dollars and the Group's revenue and operating costs in the PRC are denominated in the functional currency of the Group entity making the sales or incurring the costs. The Group considers there is no significant exposure to foreign exchange fluctuations for United States dollars as long as the Hong Kong-United States dollar exchange rate remains pegged. Accordingly, the Directors consider that the currency risk is not significant. As such, no hedging instrument is considered necessary by the Board during the Year. The Directors will monitor the Group's exposure on an ongoing basis and will consider hedging the currency risk should the need arise.

### Pledge of Assets

As at 31 December 2017, certain bank borrowings of a non wholly-owned subsidiary of HK\$11.10 million were guaranteed by the non-controlling shareholders and directors of the said subsidiary, of which HK\$6 million was secured by certain trade receivables. Certain bank borrowings of subsidiaries amounted to approximately HK\$21.60 million was secured by pledged bank deposits and guaranteed by the corporate guarantee of a PRC subsidiary and a director of a subsidiary. Bank borrowings of a subsidiary amounted to approximately HK\$6.70 million were secured by certain trade receivables.

本公司之資本僅包括普通股。於二零一七年十二月三十一日，本公司之已發行股本為11,148,390,530股股份。

在達成截至二零一五年及二零一六年十二月三十一日止年度之溢利指標後，於二零一七年五月二十五日，本公司按經調整轉換價每股0.42港元向中光遠之賣方發行本金額為14,000,000港元之可換股債券，最多可轉換為33,333,333股轉換股份。

### 外幣風險

由於本集團於香港之業務主要以港元及美元計值，而本集團於中國之收益及經營成本以本集團進行銷售或產生成本之實體之功能貨幣計值，故本集團並無面對重大外幣風險。本集團認為，在港元兌美元匯率仍然掛鈎之期間，本集團面對之美元外匯波動風險不大。因此，董事認為貨幣風險並不重大。因此，董事會認為於本年度無必要使用對沖工具。董事將持續監察本集團之風險，並於有需要時考慮對沖貨幣風險。

### 資產質押

於二零一七年十二月三十一日，一間非全資附屬公司之若干銀行借貸11,100,000港元由上述附屬公司之非控股股東及董事擔保，其中6,000,000港元借貸以若干貿易應收款項作抵押。多間附屬公司為數約21,600,000港元之若干銀行借貸以已質押銀行存款作抵押，並由一間中國附屬公司之公司擔保及一間附屬公司之董事擔保。一間附屬公司為數約6,700,000港元之銀行借貸以若干貿易應收款項作抵押。

## Management Discussion and Analysis

### 管理層討論與分析

As at 31 December 2017, other borrowings of the Group amounted to HK\$250 million from a financial institution were guaranteed by Mr. King Pak Fu ("Mr. King"), the controlling shareholder of the Company and secured by 203,854,292 shares of Enterprise Development.

As at 31 December 2017, margin facilities of approximately HK\$897.73 million obtained from certain regulated securities dealers were secured by financial assets at fair value through profit or loss and certain available-for-sale financial assets with a carrying amount of approximately HK\$2,602.85 million (2016: HK\$1,547.56 million). An amount of approximately HK\$425.08 million (2016: HK\$36.04 million) of the facilities was utilised as at 31 December 2017.

As at 31 December 2017, the convertible bonds of US\$80 million with an outstanding principal balance of approximately HK\$620.40 million were guaranteed by Mr. King and secured by the entire shares of subsidiaries, Elite Dynamic Enterprises Limited and Best Elite Enterprises Limited. As at 31 December 2017, promissory notes in the principal amount of HK\$200 million were guaranteed by Mr. King and secured by the charges over all of the shares issued by certain subsidiaries, Affluent Day Limited, All Billion Development Limited ("All Billion"), Billion Vest International Limited, King Billion International Limited ("King Billion"), Red Square Group Limited ("Red Square"), Smart Express Development Limited, Wealth Global Investment Limited ("Wealth Global") and Zhong Sheng Group Limited and supported by the undertaking letter in relation to negative pledges over all the equity interests in each of subsidiaries, FSCE, Wealth-Depot, Qingdao Jiahuasheng Investment Consulting Co. Ltd.\* (青島嘉華盛投資顧問有限公司) and Hexicom entered into by All Billion, King Billion, Red Square and Wealth Global. As at 31 December 2017, bank deposits of approximately HK\$6.03 million (2016: HK\$2.95 million) were pledged to secure trade finance facilities and banking facilities granted to the Group.

於二零一七年十二月三十一日，本集團從一間金融機構所取得為數250,000,000港元之其他借貸由本公司控股股東景百孚先生（「景先生」）擔保，並以203,854,292股企展股份作抵押。

於二零一七年十二月三十一日，從若干受規管證券交易商所取得為數約897,730,000港元之孖展融資，以帳面金額約2,602,850,000港元（二零一六年：1,547,560,000港元）之於損益帳按公平值處理之財務資產及若干可供出售財務資產作抵押。於二零一七年十二月三十一日，本集團已動用該等融資中約425,080,000港元（二零一六年：36,040,000港元）。

於二零一七年十二月三十一日，80,000,000美元之可換股債券（未轉換本金結餘為數約620,400,000港元）由景先生擔保，並以附屬公司Elite Dynamic Enterprises Limited及佳杰企業有限公司之全部股份作抵押。於二零一七年十二月三十一日，本金額200,000,000港元之承兌票據由景先生擔保，以若干附屬公司裕日有限公司、保億發展有限公司（「保億」）、Billion Vest International Limited、景億國際有限公司（「景億」）、方鴻集團有限公司（「方鴻」）、Smart Express Development Limited、世康投資有限公司（「世康」）及中昇集團有限公司所發行所有股份之押記作抵押，並由保億、景億、方鴻及世康所訂立涉及各附屬公司實達外設、大庫、青島嘉華盛投資顧問有限公司及海億康所有股本權益之負質押之承諾書支持。於二零一七年十二月三十一日，為數約6,030,000港元（二零一六年：2,950,000港元）之銀行存款已作質押，作為就貿易融資信貸及本集團所獲授銀行融資之抵押。

\* For identification purpose only

\* 僅供識別之用



# Management Discussion and Analysis

## 管理層討論與分析

As at 31 December 2017, the Group had pledged certain property, plant and equipment with a net book value of approximately HK\$13.81 million (2016: HK\$0.48 million) to secure the interest-bearing borrowings of HK\$5.44 million.

### FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the Year.

### MATERIAL ACQUISITIONS

Details of the transactions were disclosed in note 35 to the consolidated financial statements.

### MAJOR AND CONNECTED ACQUISITION AND DISPOSAL

On 13 February 2017, Luck Success Development Limited (the "Offeror" or "Luck Success"), an indirect wholly-owned subsidiary of the Company, and Enterprise Development jointly announced that Kingston Securities Limited would, on behalf of the Offeror, make voluntary conditional cash offer to acquire all of the issued shares of Enterprise Development ("ED Shares") (the "Offer") (other than those shares already owned by the Offeror and parties acting in concert with it).

As a result of the completion of the Offer in April 2017, the Offeror had received valid acceptances in respect of a total of 120,408,292 offer shares under the Offer, representing approximately 24.01% of the entire issued share capital of Enterprise Development. Taking into account the valid acceptances in respect of 120,408,292 offer shares under the Offer, the Offeror and parties acting in concert with it would hold an aggregate of 268,289,792 ED Shares, representing approximately 53.50% of the entire issued share capital of Enterprise Development.

於二零一七年十二月三十一日，本集團已質押帳面淨值約13,810,000港元（二零一六年：480,000港元）之若干物業、廠房及設備，作為為數5,440,000港元之計息借貸之抵押。

### 末期股息

董事會不建議派付本年度之末期股息。

### 重大收購

該項交易之詳情於綜合財務報表附註35披露。

### 重大及關連收購及出售

於二零一七年二月十三日，Luck Success Development Limited（「要約人」或「Luck Success」，本公司之間接全資附屬公司）與企展聯合宣佈，金利豐證券有限公司將代表要約人作出自願性有條件現金要約，以收購企展所有已發行股份（「企展股份」）（「要約」）（要約人及與其一致行動人士已擁有之股份除外）。

由於要約已於二零一七年四月完成，故要約人接獲要約項下涉及合共120,408,292股要約股份之有效接納，相當於企展全部已發行股本約24.01%。經計及要約項下涉及120,408,292股要約股份之有效接納，要約人及與其一致行動人士將持有合共268,289,792股企展股份，相當於企展全部已發行股本約53.50%。



## Management Discussion and Analysis

### 管理層討論與分析

Mr. King held approximately 14.76% equity interests in Enterprise Development through his wholly-owned investment vehicles throughout the year. In November 2017, Mr. King undertook that he shall cast the voting rights controlled by him in Enterprise Development in the same manner and the same way as does the Group in all shareholders' meeting. Subsequent to the dilution of the Company's equity interests from 40.65% to 38.72% in June 2017, the Group acquired additional 4.84% equity interests in Enterprise Development and together with the voting rights from Mr. King, the Group has 58.32% voting rights in Enterprise Development and therefore has control over Enterprise Development. The Group continued to consolidate the financial results of ED Group into the Company's consolidated financial statements.

In conjunction with note 35 to the consolidated financial statements, references are made to the joint announcements dated 13 February 2017, 12 April 2017, 13 April 2017 and 27 April 2017 jointly issued by the Offeror and Enterprise Development and the composite document issued by the Offeror and Enterprise Development dated 24 March 2017 in relation to the Offer and the circulars issued by the Company dated 27 March 2017 and 23 June 2017 in relation to the major and connected transaction.

In June 2017, Enterprise Development issued 25,000,000 ordinary shares to not less than six investors at net proceeds of HK\$30,015,000. Upon the completion of transaction, the Company's equity interests in Enterprise Development diluted from 40.65% to 38.72%. Detail of the transaction was disclosed in note 36(a) to the consolidated financial statements.

Subsequent to the dilution of the Group's equity interests in Enterprise Development to 38.72% in June 2017, the Group further acquired 4.84% equity interests in Enterprise Development on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") at a total cash consideration of HK\$44,829,000 and the equity interests of Enterprise Development held by the Group increased to 43.56%. Detail of the transaction was disclosed in note 36(b) to the consolidated financial statements.

於年內，景先生一直透過其全資擁有之投資工具持有企展約14.76%股本權益。於二零一七年十一月，景先生承諾，彼將按本集團於所有股東大會上所作出之相同方式及相同方法，行使由彼所控制之企展表決權。於二零一七年六月本公司之股本權益由40.65%攤薄至38.72%後，本集團增購企展4.84%股本權益，連同景先生之表決權，本集團擁有企展58.32%表決權，因而對企展擁有控制權。本集團繼續將企展集團之財務業績於本公司之綜合財務報表綜合入帳。

除綜合財務報表附註35外，謹此同時提述要約人與企展所聯合發表日期為二零一七年二月十三日、二零一七年四月十二日、二零一七年四月十三日及二零一七年四月二十七日之聯合公告、要約人與企展所發表日期為二零一七年三月二十四日有關要約之綜合文件，以及本公司所發表日期為二零一七年三月二十七日及二零一七年六月二十三日有關主要及關連交易之通函。

於二零一七年六月，企展向不少於六名投資者發行25,000,000股普通股，所得款項淨額為30,015,000港元。於交易完成後，本公司於企展之股本權益由40.65%攤薄至38.72%。該項交易之詳情於綜合財務報表附註36(a)披露。

於二零一七年六月本集團於企展之股本權益攤薄至38.72%後，本集團於香港聯合交易所有限公司（「聯交所」）按總現金代價44,829,000港元進一步收購企展4.84%股本權益，而本集團持有之企展股本權益增至43.56%。該項交易之詳情於綜合財務報表附註36(b)披露。

# Management Discussion and Analysis

## 管理層討論與分析

### EMPLOYEES, REMUNERATION POLICY AND RETIREMENT BENEFIT SCHEME

As at 31 December 2017, the Group had approximately 1,600 employees including Directors in Hong Kong and in the PRC. Employee remuneration, bonus, share option scheme and training policies are commensurate with individual performance and experience and comparable to the market rate. The Group contributes to a Mandatory Provident Fund under the Hong Kong Mandatory Provident Fund Schemes Ordinance for all qualifying employees in Hong Kong. Other employee benefits include insurance and medical cover, subsidised educational and training programmes as well as a share option scheme.

The employees of the Group's subsidiaries in the PRC are members of a state-managed retirement benefit plan operated by the government of the PRC. The subsidiaries are required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits.

### CONTINGENT LIABILITIES

As at 31 December 2017, except for the contingent consideration payable of HK\$16.71 million (2016: HK\$15.54 million), the Group had no material contingent liabilities.

### 僱員、薪酬政策及退休福利計劃

於二零一七年十二月三十一日，本集團有約1,600名僱員（包括董事）駐於香港及中國。僱員薪酬、花紅、購股權計劃及培訓政策按個人表現及經驗和參照市場水平釐定。本集團根據香港強制性公積金計劃條例就所有香港合資格僱員向強制性公積金供款。其他僱員福利包括保險及醫療保障、資助教育及培訓計劃以及購股權計劃。

本集團中國附屬公司之僱員為中國政府所營辦國家管理退休福利計劃之成員。該等附屬公司須按工資成本之指定百分比向退休福利計劃供款，為福利提供資金。

### 或然負債

於二零一七年十二月三十一日，除應付或然代價16,710,000港元（二零一六年：15,540,000港元）外，本集團並無重大或然負債。

# Management Profile

## 管理層履歷

### EXECUTIVE DIRECTORS

**Ms. Yang Xiaoying (“Ms. Yang”)**, aged 50, joined the Company on 26 August 2014. She studied and obtained her Bachelor degree in Computer Science in the University of Electronic Science & Technology of China (電子科技大學) in the PRC and EMBA in China Europe International Business School (中歐國際工商學院). She has 27 years of experience in sales and marketing, business development, operations as well as consulting in the IT industry. She currently is an independent non-executive director of Digital China Information Service Company Limited, which is listed on the Shenzhen Stock Exchange (stock code: 000555.SZ) and director of Fujian Start Group Company Limited (福建實達集團股份有限公司), which is listed on the Shanghai Stock Exchange (Stock code: 600734.SH). Before joining the Company as an executive director, Ms. Yang was Vice President of Oracle Customer Services, Greater China of Oracle (China) Software Systems Co., Ltd. from February 2006 to April 2014.

**Mr. Tsang To (“Mr. Tsang”)**, aged 42, joined the Company on 27 February 2014. He is a partner of a PRC law firm. Mr. Tsang holds a bachelor’s degree in laws from Xiamen University (廈門大學) and a master’s degree in laws from the University of London. He is admitted as a solicitor to the High Court of Hong Kong as well as a PRC qualified lawyer. Mr. Tsang was an executive director of Enterprise Development Holdings Limited (stock code: 01808.HK) (formerly known as Tai-I International Holdings Limited), a company listed on the Main Board of the Stock Exchange.

### 執行董事

**楊曉櫻女士** (「楊女士」), 50歲, 於二零一四年八月二十六日加入本公司。彼於中國電子科技大學修讀並取得計算機科學學士學位, 以及於中歐國際工商學院修讀並取得高層管理人員工商管理碩士學位。彼於資訊科技行業擁有27年銷售及市場推廣、業務發展、營運及諮詢經驗。彼現為神州數碼信息服務股份有限公司 (於深圳證券交易所上市, 證券代碼: 000555.SZ) 之獨立非執行董事, 並為福建實達集團股份有限公司 (於上海證券交易所上市, 股票代碼: 600734.SH) 之董事。加入本公司出任執行董事前, 楊女士於二零零六年二月至二零一四年四月期間, 曾任甲骨文 (中國) 軟件系統有限公司大中華區客戶服務部副總裁。

**曾濤先生** (「曾先生」), 42歲, 於二零一四年二月二十七日加入本公司。彼為一間中國律師事務所之合夥人。曾先生持有廈門大學法學學士學位及倫敦大學法學碩士學位。彼為香港高等法院認可律師及中國合資格律師。曾先生曾任企展控股有限公司 (聯交所主板上市公司, 股份代號: 01808.HK) (前稱合一國際控股有限公司) 之執行董事。

## Management Profile 管理層履歷

**Mr. Yip Denis Shing Fai (“Mr. Yip”)**, aged 49, joined the Company on 21 December 2017. He has over 26 years of worldwide industry experience in information management, software and global sales and services. Mr. Yip holds a Bachelor of Science degree and a Master of Science degree in Electrical Engineering and Computer Science from University of California, Berkeley, the United States. He also holds a Master of Business Administration (MBA) degree from Golden Gate University, the United States. Mr. Yip is the president and the director of Fujian Start Group Company Limited (福建實達集團股份有限公司) (stock code: 600734.SH), a company listed on the Shanghai Stock Exchange since December 2017. Prior to joining the Company, Mr. Yip was a chief executive officer and an executive director and president of Digital China Holdings Limited (stock code: 00861.HK), a company listed on the Main Board of the Stock Exchange from May 2017 to November 2017.

From January 1999 to July 2006, Mr. Yip held a variety of senior management positions at International Business Machines Corporation (“IBM”), including global vice president, general manager of the Asia Pacific Storage Division, president of the AS/400 Business in Asia Pacific Region, and general manager of the AS/400 and RS/6000 Businesses in Greater China region. Mr. Yip was in charge of various businesses at IBM based in Guangzhou, Beijing, Tokyo and Shanghai, and was at the time the youngest global vice president of IBM in 2003. In June 2016, Mr. Yip was also elected to the board of trustees of The Webb Schools, a private Boarding School in Claremont, California, the United States. He has been the global senior vice president and the president of Greater China of EMC Corporation (“EMC”) from July 2006 to April 2017, and was in charge of the overall business operations in mainland China, Hong Kong and Taiwan. Upon the merger of Dell Inc. (“DELL”) and EMC, Mr. Yip continued to be appointed as the global senior vice president of DELL and the president of Greater China of EMC. He was also a key member in the integration of DELL and EMC in Greater China region.

葉成輝先生(「葉先生」)，49歲，於二零一七年十二月二十一日加入本公司。彼於資訊管理、軟件及環球銷售及服務方面擁有逾26年全球行業經驗。葉先生持有美國加州大學伯克利分校(University of California, Berkeley)電子工程和計算機科學理學學士學位及理學碩士學位。彼亦持有美國金門大學(Golden Gate University)工商管理碩士學位。葉先生自二零一七年十二月起為福建實達集團股份有限公司(於上海證券交易所上市，證券代碼：600734.SH)之總裁兼董事。加入本公司前，葉先生於二零一七年五月至二零一七年十一月為神州數碼控股有限公司(聯交所主板上市公司，股份代號：00861.HK)之首席執行官、執行董事兼總裁。

葉先生於一九九九年一月至二零零六年七月曾擔任國際商業機器公司(「IBM」)全球副總裁、亞太區存儲事業部總經理、亞太區AS/400業務部總裁、大中華地區AS/400及RS/6000業務部總經理等高級管理職務。葉先生曾在廣州、北京、東京及上海主管IBM不同業務，於二零零三年成為最年輕之IBM全球副總裁。葉先生亦於二零一六年六月獲選為美國韋伯高中(The Webb Schools，美國加州克雷蒙特市私立寄宿制高中)之校董。彼於二零零六年七月至二零一七年四月擔任易安信公司(EMC Corporation，「EMC」)全球高級副總裁及大中華地區總裁，負責中國大陸、香港及台灣之整體業務運作。在戴爾公司(Dell Inc.，「戴爾」)與EMC合併後，葉先生繼續獲委任為戴爾全球高級副總裁兼EMC大中華地區總裁。彼亦為戴爾與EMC大中華地區整合之關鍵成員。

## Management Profile

### 管理層履歷

**Mr. Kwok Kenneth Wai Lung (“Mr. Kwok”)**, aged 45, joined the Company in June 2014 as the chief operation officer. Mr. Kwok is a graduate of Sun Yat-Sen University and Schulich Business School, York University with a Master of Business Administration degree specialized in both Finance and Strategic Management areas. He also holds a diploma of Spanish and Latin Culture from Universidad de Guanajuato, Mexico. Mr. Kwok has 23 years of technology industry knowledge, information technology expertise, and senior level management experience. He has extensive experience in global market expansion and has left his footprint all over the world through his career. Before joining the Company, he held various senior management positions in Oracle Corporation, Hewlett-Packard Enterprise Company, 3Com Inc., H3C Technology Inc., and other technology enterprises, involved in diverse fields of computer hardware, technology and application software, networking equipment, professional services, and etc. Currently Mr. Kwok also holds directorships in certain subsidiaries of the Company.

**Mr. Yuan Wenxin (“Mr. Yuan”)**, aged 48, joined the Company on 10 January 2018. He holds a bachelor’s degree in law from Hunan University Law School and an Executive MBA degree from China Europe International Business School. Mr. Yuan has served various banks, investment management companies under local governments, and window companies and listed companies in Hong Kong in different capacities and has extensive experience in financial investment, merger and acquisition. Mr. Yuan was an executive director, the deputy managing director and a member of the executive committee of Shougang Concord Grand (Group) Limited, whose shares is listed on the Main Board of the Stock Exchange (stock code: 00730.HK), from 2005 until his resignation on 6 January 2018 and had participated in mergers and acquisitions, restructuring, asset management and finance leasing.

**郭璋瓏先生（「郭先生」）**，45歲，於二零一四年六月加入本公司擔任首席營運官。郭先生畢業於中山大學及約克大學舒力克商學院（Schulich Business School, York University），持有工商管理碩士學位，專業為財務及戰略管理。彼亦持有墨西哥Universidad de Guanajuato西班牙文及拉丁文化文憑。郭先生擁有23年科技行業知識、資訊科技專長及高層管理經驗。彼於開拓全球市場方面擁有豐富經驗，發展事業期間涉足世界各地市場。加入本公司前，彼曾於甲骨文公司（Oracle Corporation）、惠普企業公司（Hewlett-Packard Enterprise Company）、3Com Inc.、H3C Technology Inc.及其他科技企業擔任不同高級管理職務，涉獵電腦硬件、技術及應用軟件、網絡設備及專業服務等不同領域。郭先生現時亦擔任本公司若干附屬公司之董事。

**袁文心先生（「袁先生」）**，48歲，於二零一八年一月十日加入本公司。彼持有湖南大學法學院法學學士學位，以及中歐國際工商學院高層管理人員工商管理碩士學位。袁先生先後在銀行、地方政府投資管理公司、駐香港窗口公司及香港上市公司工作，於金融投資及併購方面擁有豐富經驗。自二零零五年起至於二零一八年一月六日辭任為止，袁先生為首長四方（集團）有限公司（其股份於聯交所主板上市，股份代號：00730.HK）之執行董事、副董事總經理及執行委員會之成員，期間從事併購、重組、資產管理及融資租賃工作。

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. Zhang Xiaoman (“Mr. Zhang”)**, aged 36, joined the Company on 4 March 2015. He holds a bachelor’s degree in laws from Peking University. He is a partner of a law firm and qualified lawyer in China. He is currently an independent non-executive director of SDIC Essence Co., Ltd, which is listed on the Shanghai Stock Exchange (stock code: 600061.SH), and was an independent non-executive director of Enterprise Development Holdings Limited (stock code: 01808.HK) and Huarong Investment Stock Corporation Limited (stock code: 02277.HK), until he resigned on 28 January 2015 and 11 December 2017.

**Mr. Chin Hon Siang (“Mr. Chin”)**, aged 48, joined the Company on 14 October 2015. He holds a Bachelor of Commerce Degree from Monash University, Australia. Mr Chin is a member of CPA Australia. He has over 15 years of experience in external auditing, merger and acquisition and corporate finance. He currently is an independent non-executive director of Blockchain Group Company Limited, a company listed on the Main Board of the Stock Exchange (stock code: 00364.HK). He served as the Chief Financial Officer of Asia Green Agriculture Corp, a company formerly listed on the Over-the-Counter Bulletin Board in the United States of America (stock code: AGAC), from September 2012 to August 2015, the Chief Finance Manager of Dukang Distillers Holdings Limited, a company listed on Singapore Exchange (stock code: GJ8.SI) and Taiwan Stock Exchange Corporation (stock code: 911616.TW), from May 2010 to March 2012 and the Chief Financial Officer of United Food Holdings Limited, a company listed on Singapore Exchange (stock code: AZR.SI), from September 2002 to April 2010.

### 獨立非執行董事

**張小滿先生（「張先生」）**，36歲，於二零一五年三月四日加入本公司。彼持有北京大學法學學士學位。彼為一間中國律師事務所之合夥人及一名中國認可合資格律師。張先生現為國投安信股份有限公司（於上海證券交易所上市，證券代碼：600061.SH）之獨立非執行董事，並曾任企展控股有限公司（股份代號：01808.HK）及華融投資股份有限公司（股份代號：02277.HK）之獨立非執行董事，直至二零一五年一月二十八日及二零一七年十二月十一日分別辭任為止。

**陳鴻先先生（「陳先生」）**，48歲，於二零一五年十月十四日加入本公司。陳先生持有澳洲 Monash University 頒授之商學士學位，並為澳洲特許公認會計師公會會員。彼於外部審核、併購及企業融資方面擁有逾15年經驗。彼現為區塊鏈集團有限公司（聯交所主板上市公司，股份代號：00364.HK）之獨立非執行董事。於二零一二年九月至二零一五年八月期間，彼曾出任亞洲綠色農業集團公司（一間曾於美國場外櫃檯交易系統(Over-the-Counter Bulletin Board)（股份代號：AGAC）上市之公司）之財務總監；於二零一零年五月至二零一二年三月期間，彼曾出任杜康控股有限公司（一間於新加坡證券交易所（股份代號：GJ8.SI）及臺灣證券交易所（股份代號：911616.TW）上市之公司）之財務長；以及於二零零二年九月至二零一零年四月期間，彼曾出任聯合食品控股有限公司（一間於新加坡證券交易所（股份代號：AZR.SI）上市之公司）之財務總監。



## Management Profile

### 管理層履歷

**Mr. Huang Xin (Mr. Huang)**, aged 34, joined the Company on 15 November 2016. He holds a master's degree in laws from Peking University. He has worked in United Securities Limited, HongYuan Securities Co., Limited and Credit Suisse Founder Securities Limited and engaged in investment banking business. He is currently a director of 中海陽能源集團股份有限公司 (Raypower New Energy Co., Ltd.), a company listed on National Equities Exchange and Quotations (NEEQ: 430065), the director and general manager of 北京精益智慧教育科技有限責任公司 (Beijing Jingyixihui education technology Co.) and 共青城星辰投資管理有限公司 (Gongqingcheng Xingchen Investment Co.), formerly known as 共青城星辰教育投資管理有限公司 (Gongqingcheng Xingchen Education Investment Co.) and member of investment committee of 久泰藍山(蘇州)投資管理有限公司 (Suzhou Jiutailanshan Investment Co.).

黃欣先生(「黃先生」)，34歲，於二零一六年十一月十五日加入本公司。彼持有北京大學法學碩士學位。彼曾先後在聯合證券有限公司、宏源證券股份有限公司及瑞信方正證券有限責任公司從事投資銀行業務。彼現為中海陽能源集團股份有限公司(一間於中國全國中小企業股份轉讓系統上市之公司，新三板股份代號：430065)之董事；北京精益智慧教育科技有限責任公司及共青城星辰投資管理有限公司(前稱共青城星辰教育投資管理有限公司)之董事及總經理；久泰藍山(蘇州)投資管理有限公司投資決策委員會委員。

# Report of the Directors

## 董事會報告

The Directors hereby present their report together with the audited consolidated financial statements of the Company and its subsidiaries for the financial year ended 31 December 2017.

### PRINCIPAL PLACE OF BUSINESS

The Company is a company incorporated in the Cayman Islands with its registered office at P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands and its principal place of business at Suites 1801-1803, 18/F., Everbright Centre, 108 Gloucester Road, Wanchai, Hong Kong.

### PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Company is an investment holding company and, through its subsidiaries, is principally engaged in the businesses of (i) the provision of integrated smart IoT solutions to enterprise customers; (ii) Human-Machine Interactive Devices; (iii) intelligent documentation service; (iv) securities investment; and (v) money lending.

Further discussion and analysis of these activities as required by Schedule 5 to the Hong Kong Companies Ordinance, including a discussion of the principal risks and uncertainties facing the Group and an indication of likely future developments in the Group's business, can be found in the Management Discussion and Analysis set out on pages 14 to 33 of this annual report. This discussion forms part of this directors' report.

Particulars of the Company's principal subsidiaries are set out in note 14 to the consolidated financial statements.

The environmental policies and performance, compliance with relevant laws and regulations and relationships with employees are also discussed under the section headed "Environmental, Social and Governance Report" on pages 74 to 100.

董事謹此提呈本公司及其附屬公司截至二零一七年十二月三十一日止財政年度之報告連同經審核綜合財務報表。

### 主要營業地點

本公司為於開曼群島註冊成立之公司，其註冊辦事處位於P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands，而其主要營業地點為香港灣仔告士打道108號光大中心18樓1801至1803室。

### 主要業務及業務回顧

本公司為投資控股公司，透過其附屬公司主要從事(i)向企業客戶提供整合智能物聯網解決方案；(ii)人機互動商業終端；(iii)智能檔案服務；(iv)證券投資；及(v)貸款業務。

按照香港公司條例附表5所規定，對該等業務之進一步討論及分析可參閱本年報第14至33頁之管理層討論與分析，當中包括對本集團面對之主要風險及不明朗因素的描述，以及本集團業務相當可能有的未來發展之揭示。此討論構成本董事會報告一部分。

本公司主要附屬公司之詳情載於綜合財務報表附註14。

環境政策和績效、遵守相關法律及法規之情況以及與僱員之關係亦闡述於第74至100頁之「環境、社會及管治報告」一節。

# Report of the Directors

## 董事會報告

### COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS

During the Year, as far as the Board and management are aware, there was no material breach of or non-compliance with the applicable laws and regulations by the Group that has a significant impact on the businesses and operation of the Group.

### KEY RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

The Group recognises that employees are one of the significant assets of the Group. The Group aims to continue establishing a caring environment to employees and emphasise the personal development of its employees.

The Group maintains a good relationship with our customers and suppliers. The Group aims to continue providing quality products and services to our customers and establishing co-operation strategy with our suppliers.

### MAJOR SUPPLIERS AND CUSTOMERS

The information in respect of the Group's sales and purchases attributable to the major customers and suppliers respectively during the Year is as follows:

The largest customer/supplier	最大客戶／供應商
Five largest customers/suppliers in aggregate	五大客戶／供應商合計

At no time during the Year have the Directors, their associates or any shareholder of the Company (which to the knowledge of the Directors owned more than 5% of the Company's issued capital) had any interest in these major customers and suppliers.

### 遵守相關法律及法規之情況

於本年度內，據董事會及管理層所知，本集團並無嚴重違反或不符合適用法例及規例之情況，致令本集團業務及營運受到重大影響。

### 與僱員、客戶及供應商之重要關係

本集團確認僱員為本集團重要資產之一。本集團以繼續營造關愛僱員之環境為目標，重視其僱員之個人發展。

本集團與客戶及供應商保持良好關係。本集團繼續以向客戶提供優質產品及服務並與供應商建立合作策略為目標。

### 主要供應商及客戶

於本年度內，有關本集團主要客戶及供應商應佔銷售及購貨額之資料如下：

#### Percentage of the Group's total 所佔下列項目百分比

	Sales 本集團銷售總額	Purchases 本集團購貨總額
--	------------------	----------------------

The largest customer/supplier	最大客戶／供應商	7%	9%
Five largest customers/suppliers in aggregate	五大客戶／供應商合計	20%	20%

於本年度內任何時間，本公司董事、彼等之聯繫人或任何股東（據董事所知擁有本公司已發行股本5%以上者）概無於該等主要客戶及供應商中擁有任何權益。

# Report of the Directors

## 董事會報告

### RESULTS AND DIVIDENDS

The results of the Group for the Year and the state of affairs of the Company and of the Group at the date are set out in the consolidated financial statements on pages 109 to 286.

The Directors do not recommend the payment of any dividend in respect of the Year.

### CHARITABLE DONATIONS

Charitable donations made by the Group during the Year amounted to HK\$282,000.

### PROPERTY, PLANT AND EQUIPMENT

Details of movements in property, plant and equipment during the Year are set out in note 11 to the consolidated financial statements.

### SHARE CAPITAL

Details of movements in share capital of the Company during the Year are set out in note 31 to the consolidated financial statements. Shares were issued during the Year on placing of new shares. Details about the issue of shares are also set out in note 31 to the consolidated financial statements.

There were no purchases, sales or redemptions of the Company's listed securities by the Company or any of its subsidiaries during the Year.

### CONVERTIBLE SECURITIES, OPTION, WARRANTS OR OTHER SIMILAR RIGHTS

Details of movements in share option of the Company are set out in note 32 to the consolidated financial statements.

Details of the convertible bonds issued during the Year or subsisting at the end of the Year are set out in note 30 to the consolidated financial statements.

### 業績及股息

本集團本年度之業績及本公司與本集團於該日之事務狀況載於第109至286頁之綜合財務報表。

董事不建議就本年度派付任何股息。

### 慈善捐款

本集團於本年度內作出慈善捐款282,000港元。

### 物業、廠房及設備

物業、廠房及設備於本年度內之變動詳情載於綜合財務報表附註11。

### 股本

本公司股本於本年度內之變動詳情載於綜合財務報表附註31。於本年度內，曾於配售新股份時發行股份。有關發行股份之詳情亦載於綜合財務報表附註31。

於本年度內，本公司或其任何附屬公司概無購買、出售或贖回本公司之上市證券。

### 可換股證券、購股權、認股權證或其他相類權利

本公司購股權之變動詳情載於綜合財務報表附註32。

於本年度發行或於本年度年終存在之可換股債券詳情載於綜合財務報表附註30。

# Report of the Directors

## 董事會報告

### PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Articles of Association and the laws in the Cayman Islands, which would oblige the Company to offer shares on a pro rata basis to its existing shareholders.

### PURCHASE, SALES OR REDEMPTION OF SECURITIES

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

### RESERVES

Movements in the reserves of the Company during the Year are set out in note 43(a) to the consolidated financial statements. The surplus in distributable reserves of the Company as at 31 December 2017 amounted to approximately HK\$3,439,279,000 (2016: HK\$3,029,791,000).

### FIVE YEARS SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on pages 287 and 288 of the annual report.

### RELATED PARTY TRANSACTIONS AND CONNECTED TRANSACTIONS

Related party transactions are disclosed in note 39 of the consolidated financial statements.

### 優先購買權

本公司組織章程細則及開曼群島法律並無關於本公司須按比例向其現有股東發售股份之優先購買權之條文。

### 購買、出售或贖回證券

於本年度，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

### 儲備

本公司儲備於本年度之變動載於綜合財務報表附註43(a)。於二零一七年十二月三十一日，本公司之可供分派儲備盈餘約為3,439,279,000港元（二零一六年：3,029,791,000港元）。

### 五年概要

本集團過去五個財政年度之業績及資產負債概要載於年報第287及288頁。

### 關連人士交易及關連交易

關連人士交易於綜合財務報表附註39披露。

# Report of the Directors

## 董事會報告

The Group has entered into the following connected transactions during the Year:

### (a) Continuing Connected Transactions

- (i) On 30 December 2016, a tenancy agreement was entered into between FSCE (as the lessee) and 福建實達集團股份有限公司 (Fujian Start Group Company Limited) (“Fujian Start”), as lessor in relation to renew the existing lease of an office premise owned by Fujian Start for a term of 12 months commencing from 1 January 2017 to 31 December 2017 (the “Tenancy Agreement 1”).

On the same day, 江蘇實達迪美數據處理有限公司 (Jiangsu Start Dima Data Processing Company Limited) (“Dima”), as tenant, and Fujian Start, as landlord, entered into a tenancy agreement, pursuant to which Dima has agreed to renew the existing lease of an office premise owned by Fujian Start for a term of 12 months commencing from 1 January 2017 to 31 December 2017 (the “Tenancy Agreement 2”).

Details of the Tenancy Agreement 1 and Tenancy Agreement 2 were set out in the Company’s announcement dated 30 December 2016.

Accordingly, the Company set the annual cap for the aggregate amount of rental to be payable under the Tenancy Agreement 1 and Tenancy Agreement 2 at approximately HK\$4,000,000 for the Year.

The transactions under the Tenancy Agreement 1 and Tenancy Agreement 2 were subject to the reporting, announcement and annual review requirements, but were exempt from the independent shareholders’ approval requirement under Chapter 14A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

本集團於本年度內曾進行以下關連交易：

### (a) 持續關連交易

- (i) 於二零一六年十二月三十日，實達外設（作為承租人）與福建實達集團股份有限公司（「福建實達」，作為出租人）就重續福建實達所擁有辦公室物業之現有租賃訂立一份租賃協議，由二零一七年一月一日起至二零一七年十二月三十一日止為期十二個月（「租賃協議1」）。

同日，江蘇實達迪美數據處理有限公司（「迪美」，作為承租人）與福建實達（作為業主）訂立一份租賃協議，據此，迪美同意重續福建實達所擁有辦公室物業之現有租賃，由二零一七年一月一日起至二零一七年十二月三十一日止為期十二個月（「租賃協議2」）。

有關租賃協議1及租賃協議2之詳情載於本公司日期為二零一六年十二月三十日之公告。

就此，本公司就本年度根據租賃協議1及租賃協議2應付之租金總額設定年度上限約4,000,000港元。

根據香港聯合交易所有限公司證券上市規則（「上市規則」）第十四A章，租賃協議1及租賃協議2項下交易須遵守申報、公告及年度審核規定，惟獲豁免遵守獨立股東批准規定。



# Report of the Directors

## 董事會報告

During the Year, the annual aggregate rents of approximately RMB3,189,000 (equivalent to approximately HK\$3,572,000) were paid under the Tenancy Agreement 1 and Tenancy Agreement 2.

- (ii) On 20 January 2017, CNEOP and 深圳市東方拓宇科技有限公司 (Shenzhen Eastaeon Technology Co., Ltd) ("Eastaeon"), a wholly owned subsidiary of Fujian Start, entered into the purchase and services agreement, pursuant to which Eastaeon as the supplier has agreed to manufacture logistic smart terminals for, and provide research and development services to, CNEOP for the Year (the "Purchase and Services Agreement").

Details of the Purchase and Services Agreement were set out in the Company's announcement dated 20 January 2017.

The annual aggregate transaction amount that was payable by the Group to Fujian Start and Eastaeon under the Tenancy Agreement 1, the Tenancy Agreement 2 and the Purchase and Services Agreement for the Year was estimated to be approximately RMB40 million. The Board proposed the aggregate annual caps, being the maximum transaction amount payable under the Tenancy Agreement 1, the Tenancy Agreement 2 and the Purchase and Services Agreement for the Year will be approximately RMB40 million (approximately HK\$45 million).

The transactions under the Purchase and Services Agreement and the proposed annual cap for the Year were subject to the reporting, announcement and annual review requirements only and were exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

During the Year, no logistic smart terminals were manufactured and no research and development services were provided by Eastaeon under the Purchase and Services Agreement.

於本年度內，根據租賃協議1及租賃協議2支付之年度租金合共約為人民幣3,189,000元（相等於約3,572,000港元）。

- (ii) 於二零一七年一月二十日，中光遠與深圳市東方拓宇科技有限公司（福建實達之全資附屬公司，「東方拓宇」）訂立採購及服務協議，據此，東方拓宇（作為供應商）同意於本年度為中光遠製造物流智慧終端並提供研發服務（「採購及服務協議」）。

有關採購及服務協議之詳情載於本公司日期為二零一七年一月二十日之公告。

本集團根據租賃協議1、租賃協議2和採購及服務協議就本年度應付福建實達及東方拓宇之年度總交易額估計約為人民幣40,000,000元。董事會建議總年度上限（即根據租賃協議1、租賃協議2和採購及服務協議就本年度應付之最高交易額）將約為人民幣40,000,000元（約45,000,000港元）。

根據上市規則第十四A章，採購及服務協議項下交易及本年度之建議年度上限僅須遵守申報、公告及年度審核規定，惟獲豁免遵守獨立股東批准規定。

於本年度，東方拓宇並無根據採購及服務協議製造任何物流智慧終端或提供研發服務。

# Report of the Directors

## 董事會報告

### (b) Connected Transactions

On 13 February 2017, Luck Success and Enterprise Development jointly announced that Kingston Securities Limited would, on behalf of the Offeror, make the Offer (other than those shares already owned by the Offeror and parties acting in concert with it).

As a result of the completion of the Offer in April 2017, the Offeror had received valid acceptances in respect of a total of 120,408,292 offer shares under the Offer, representing approximately 24.01% of the entire issued share capital of Enterprise Development. Taking into account the valid acceptances in respect of 120,408,292 offer shares under the Offer, the Offeror and parties acting in concert with it would hold an aggregate of 268,289,792 ED Shares, representing approximately 53.50% of the entire issued share capital of Enterprise Development.

On 15 August 2017, Carnival Group International Holdings Limited ("Carnival"), a company incorporated in Bermuda with limited liability and whose shares are listed on the Main Board of the Stock Exchange, proposes to implement a rights issue in the proportion of one rights share for every four shares held at the subscription price of HK\$0.40 per rights share (the "Right Shares"). At the same date, the Group is interested in 1,115,929,800 shares of Carnival, representing 6.50% of the issued share capital of Carnival. The Group has executed the irrevocable undertaking in favour of Carnival and the underwriters, under which the Group conditionally and irrevocably undertook that it shall subscribe for the 278,982,450 Right Shares which comprise the full acceptance of its provisional allotment.

On 28 December 2017, CNEOP paid Eastaeon RMB112,000 (equivalent to HK\$129,000) for the purchase of IoT related products.

On 20 June 2017, FSCE paid Eastaeon RMB100,000 (equivalent to HK\$115,000) for the research and development services.

### (b) 關連交易

於二零一七年二月十三日，Luck Success 與企展聯合宣佈，金利豐證券有限公司將代表要約人作出要約（要約人及與其一致行動人士已擁有之股份除外）。

由於要約已於二零一七年四月完成，故要約人接獲要約項下涉及合共120,408,292股要約股份之有效接納，相當於企展全部已發行股本約24.01%。經計及要約項下涉及120,408,292股要約股份之有效接納，要約人及與其一致行動人士將持有合共268,289,792股企展股份，相當於企展全部已發行股本約53.50%。

於二零一七年八月十五日，嘉年華國際控股有限公司（「嘉年華」，一間於百慕達註冊成立之有限公司，其股份於聯交所主板上市）擬按認購價每股供股股份（「供股股份」）0.40港元以每持有四股股份獲發一股供股股份之比例實行供股。同日，本集團於嘉年華擁有1,115,929,800股股份之權益，相當於嘉年華已發行股本之6.50%。本集團已以嘉年華及包銷商為受益人簽立不可撤銷承諾，據此，本集團有條件及不可撤銷地承諾認購278,982,450股供股股份，包括悉數接納其暫定配額。

於二零一七年十二月二十八日，中光遠就購買物聯網相關產品向東方拓宇支付人民幣112,000元（相等於129,000港元）。

於二零一七年六月二十日，實達外設就研發服務向東方拓宇支付人民幣100,000元（相等於115,000港元）。

# Report of the Directors

## 董事會報告

### (c) Annual review of the continuing connected Transactions

In accordance with Rule 14A.37 of the Listing Rules, the independent non-executive directors had reviewed the above continuing connected transactions (the “2017 Continuing Connected Transactions”) which was subsisting during the year and confirmed that the 2017 Continuing Connected Transactions had been entered into:

- (i) in the ordinary and usual course of business of the Group;
- (ii) on normal commercial terms; and
- (iii) in accordance with the relevant agreements governing the 2017 Continuing Connected Transactions on terms that are fair and reasonable and in the interests of the Company’s shareholders as a whole.

The Company’s auditor was engaged to report on the Group’s 2017 Continuing Connected Transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information” and with reference to Practice Note 740 “Auditor’s Letter on Continuing Connected Transactions under the Hong Kong Listing Rules” issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued an unqualified letter containing their findings and conclusions in respect of the 2017 Continuing Connected Transactions disclosed above by the Group in accordance with Rule 14A.56 of the Listing Rules. A copy of the auditor’s letter has been provided by the Company to the The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

Save as disclosed above, none of the material related party transactions as disclosed in note 39 to the consolidated financial statements for the year constituted discloseable non-exempted connected transaction or non-exempted continuing connected transaction under the Listing Rules.

### (c) 持續關連交易之年度審核

按照上市規則第14A.37條，獨立非執行董事已審核於年內仍然有效之上述持續關連交易（「二零一七年持續關連交易」），並確認二零一七年持續關連交易乃：

- (i) 在本集團一般及日常業務過程中訂立；
- (ii) 按一般商務條款進行；及
- (iii) 按照條款屬公平合理並符合本公司股東整體利益之二零一七年持續關連交易相關監管協議進行。

本公司已委聘核數師，按照香港會計師公會頒佈之香港鑒證業務準則第3000號（經修訂）「非審核或審閱過往財務資料之鑒證工作」及參照實務說明第740號「關於香港《上市規則》所述持續關連交易的核數師函件」就本集團之二零一七年持續關連交易發表報告。核數師已根據上市規則第14A.56條發出無保留意見之函件，載列其有關本集團所進行上文披露之二零一七年持續關連交易之發現及結論。本公司已向香港聯合交易所有限公司（「聯交所」）提供核數師函件副本。

除上文所披露者外，根據上市規則，於本年度綜合財務報表附註39披露之重大關連人士交易概不構成須予披露之不獲豁免關連交易或不獲豁免持續關連交易。

# Report of the Directors

## 董事會報告

To the extent of the above material related party transactions constituted connected transaction as defined in the Listing Rules, the Company had complied with the relevant requirements under Chapter 14A of the Listing Rules during the Year.

### DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

The Directors who held office during the Year and up to the date of this report were:

#### Executive Directors

Ms. Yang Xiaoying ("Ms. Yang")  
Mr. Tsang To ("Mr. Tsang")  
Mr. Yip Denis Shing Fai ("Mr. Yip")  
(appointed on 21 December 2017)  
Mr. Kwok Kenneth Wai Lung ("Mr. Kwok")  
(appointed on 21 December 2017)  
Mr. Yuan Wenxin ("Mr. Yuan")  
(appointed on 10 January 2018)  
Mr. Choi Chi Fai ("Mr. Choi")  
(resigned on 21 December 2017)

#### Independent Non-executive Directors

Mr. Zhang Xiaoman  
Mr. Chin Hon Siang ("Mr. Chin")  
Mr. Huang Xin

According to Article 99 of the Article of Association of the Company, Mr. Yip, Mr. Kwok and Mr. Yuan who were newly appointed as executive directors will retire from office at the forthcoming annual general meeting and, being eligible, offer themselves for re-election at the annual general meeting.

In accordance with Article 116 of the Article of Association of the Company, Mr. Tsang and Mr. Chin will retire from office by rotation and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

上述重大關連人士交易凡構成關連交易(定義見上市規則),本公司均已於本年度內遵守上市規則第十四A章之相關規定。

### 董事及董事之服務合約

於本年度內及截至本報告日期在任之董事如下:

#### 執行董事

楊曉櫻女士(「楊女士」)  
曾濤先生(「曾先生」)  
葉成輝先生(「葉先生」)  
(於二零一七年十二月二十一日獲委任)  
郭璋瓏先生(「郭先生」)  
(於二零一七年十二月二十一日獲委任)  
袁文心先生(「袁先生」)  
(於二零一八年一月十日獲委任)  
蔡志輝先生(「蔡先生」)  
(於二零一七年十二月二十一日辭任)

#### 獨立非執行董事

張小滿先生  
陳鴻先先生(「陳先生」)  
黃欣先生

按照本公司組織章程細則第99條,新近獲委任之執行董事葉先生、郭先生及袁先生將於應屆股東週年大會上告退,惟彼等符合資格且願意於股東週年大會上接受重選。

按照本公司組織章程細則第116條,曾先生及陳先生將於應屆股東週年大會上輪流告退,惟彼等符合資格,且願意於會上接受重選。

# Report of the Directors

## 董事會報告

### DIRECTORS' SERVICE CONTRACTS

Ms. Yang has entered into a service contract with the Company on 16 June 2014. The service contract was effective from 26 August 2014, which may be terminated by either party thereto by giving to the other party three month's prior notice in writing. Ms. Yang is entitled to a monthly remuneration of HK\$104,167 and the Company will bear the salaries tax arises from this service contract in Hong Kong by Ms. Yang.

Mr. Yip has entered into a service contract with the Company on 21 December 2017. The service contract may be terminated by either party thereto by giving to the other party three month's prior notice in writing. Mr. Yip is entitled to an annual salary of HK\$7,850,000 which is determined with reference to his duties and responsibilities within the Company, the Company's remuneration policy and the prevailing market conditions. After completion of a consecutive 12-month services with the Company, he may be entitled to an annual discretionary performance bonus, which shall be determined by the Board in its absolute discretion with reference to, among other things, the performance of the Company, the ability of Mr. Yip to achieve the predetermined objectives, his role, responsibilities and performance, and the prevailing market conditions; which is estimated to be HK\$3,000,000. Mr. Yip may also be entitled to a one-off sign-on bonus of HK\$1,730,000 which shall be payable in the first month of the commencement date of his service agreement.

### 董事服務合約

於二零一四年六月十六日，楊女士與本公司訂立一份服務合約。該服務合約由二零一四年八月二十六日起生效，可由任何一方向另一方發出三個月事先書面通知終止。楊女士享有月薪104,167港元，而本公司將承擔楊女士於香港因此服務合約而產生之薪俸稅。

葉先生於二零一七年十二月二十一日與本公司訂立一份服務合約。該服務合約可由任何一方向另一方發出三個月事先書面通知終止。葉先生享有年薪7,850,000港元，有關款額乃參照其於本公司之職務及責任、本公司之薪酬政策及當時市況釐定。完成為本公司服務連續十二個月後，彼可享有年度酌情表現花紅，有關款額將由董事會參照（其中包括）本公司表現、葉先生能否達成預定目標、其角色、職責及表現以及當時市況絕對酌情釐定，估計將為3,000,000港元。葉先生亦可享有一次性入職獎金1,730,000港元，有關獎金將於服務協議開始日期首月支付。

## Report of the Directors 董事會報告

Mr. Yuan has entered into a service contract with the Company on 10 January 2018. The service contract may be terminated by either party thereto by giving to the other party three month's prior notice in writing. Mr. Yuan is entitled to an annual salary of HK\$2,000,000 which is determined with reference to his duties and responsibilities within the Company, the Company's remuneration policy and the prevailing market conditions. He is also eligible to receive a discretionary bonus, which shall be determined by the Board in its absolute discretion with reference to, among other things, the performance of the Company, his role, responsibilities and performance, and the prevailing market conditions which is estimated to be HK\$1,000,000.

Save as disclosed above, none of the Directors proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not terminable by the Company within one year without payment of compensation, other than statutory compensation.

### MANAGEMENT CONTRACTS

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

袁先生於二零一八年一月十日與本公司訂立一份服務合約。該服務合約可由任何一方向另一方發出三個月事先書面通知終止。袁先生享有年薪2,000,000港元，有關款額乃參照其於本公司之職務及責任、本公司之薪酬政策及當時市況釐定。彼亦合資格收取酌情花紅，有關款額將由董事會參照（其中包括）本公司表現、其角色、職責及表現以及當時市況絕對酌情釐定，估計將為1,000,000港元。

除上文所披露者外，擬於應屆股東週年大會上接受重選之董事概無與本公司訂立任何本公司不可於一年內免付補償（法定補償除外）而終止之服務合約。

### 管理合約

於本年度內概無訂立或存在關於本公司全部或任何重大部分業務之管理及行政合約。



# Report of the Directors

## 董事會報告

### DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

The Directors who held office at 31 December 2017 had the following interests in the shares of the Company, its holding company, subsidiaries and other associated corporations (within the meaning of the Securities and Futures Ordinance (the "SFO")) at that date as recorded in the register of directors' and chief executives' interests and short positions required to be kept under section 352 of the SFO:

#### (i) Long positions in shares of the Company

Name of Directors	Capacity	Ordinary shares (no. of shares)	Derivative shares (no. of shares)	Total number of shares held (no. of shares)	% of the Company's issued share capital	Note
董事姓名	身份	普通股 (股份數目)	衍生股份 (股份數目)	所持股份總數 (股份數目)	已發行股本之百分比	附註
Ms. Yang 楊女士	Interest of controlled corporation/Beneficial owner 於受控制法團之權益/ 實益擁有人	168,000,000	60,000,000	228,000,000	2.05%	1
Mr. Tsang 曾先生	Beneficial owner 實益擁有人	–	30,000,000	30,000,000	0.27%	2
Mr. Kwok 郭先生	Beneficial owner 實益擁有人	–	53,000,000	53,000,000	0.48%	3

Note 1: Toplap International Limited, the beneficial owner of 168,000,000 shares, is 90% owned by Ms. Yang. 60,000,000 shares are derived from the interest in 60,000,000 share options granted by the Company to Ms. Yang exercisable into 60,000,000 shares.

Note 2: These 30,000,000 shares are derived from the interest in 30,000,000 share options granted by the Company to Mr. Tsang exercisable into 30,000,000 shares.

Note 3: These 53,000,000 shares are derived from the interest in 53,000,000 share options granted by the Company to Mr. Kwok exercisable into 53,000,000 shares.

### 董事於股份及相關股份之權益及淡倉

按照根據證券及期貨條例第352條須存置之董事及最高行政人員權益及淡倉登記冊之紀錄，於二零一七年十二月三十一日，當時在任之董事於本公司、其控股公司、附屬公司及其他相聯法團（定義見證券及期貨條例）之股份中擁有以下權益：

#### (i) 於本公司股份中之好倉

附註1：Toplap International Limited (168,000,000股股份之實益擁有人)由楊女士擁有90%權益。60,000,000股股份衍生自本公司授予楊女士之60,000,000份購股權之權益，有關購股權可以行使，從而換取60,000,000股股份。

附註2：該30,000,000股股份衍生自本公司授予曾先生之30,000,000份購股權之權益，有關購股權可以行使，從而換取30,000,000股股份。

附註3：該53,000,000股股份衍生自本公司授予郭先生之53,000,000份購股權之權益，有關購股權可以行使，從而換取53,000,000股股份。

# Report of the Directors

## 董事會報告

### DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the section headed "Share Option Scheme" below and note 32 to the consolidated financial statements, at no time during the Year was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debt securities (including debentures) of, the Company or any other body corporate, neither the Directors nor any of their spouses or children under the age of 18 had any right to subscribe for the securities or debt securities of the Company or had exercised any such right.

### DIRECTORS' INTEREST IN CONTRACTS

No contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries or holding companies was a party to and in which any of the Company's Directors or members of its management had a material interest in, whether directly or indirectly, subsisted at the end of the year or at any time during the Year.

### DIRECTORS' INTEREST IN A COMPETING BUSINESS

During the Year and up to the date of this report, no Director is considered to have interests in a business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group, as defined in the Listing Rules.

### 董事購買股份或債權證之權利

除下文「購股權計劃」一節及綜合財務報表附註32所披露者外，於本年度內任何時間，本公司或其任何附屬公司概無訂立任何安排，致使董事可藉購買本公司或任何其他法人團體之股份或債務證券（包括債權證）而獲取利益，而各董事或彼等之配偶或十八歲以下子女概無擁有可認購本公司證券或債務證券之任何權利，亦無行使任何該等權利。

### 董事於合約之權益

於年終或本年度內任何時間並無存在由本公司或其任何附屬公司或控股公司就本集團業務訂立，且本公司任何董事或管理層成員於當中直接或間接擁有重大權益之重大合約。

### 董事於競爭業務之權益

於本年度內及截至本報告日期，概無董事被視為於與本集團業務直接或間接競爭或可能競爭之業務中擁有權益（定義見上市規則）。

# Report of the Directors

## 董事會報告

### SHARE OPTION SCHEME

The Company adopted a share option scheme on 6 August 2007 (the “Old Share Option Scheme”) whereby the Directors are authorised, at their discretion, to invite employees of the Group, including directors of any company in the Group, to take up options to subscribe for ordinary shares of the Company. The purpose of the Old Share Option Scheme is to provide an opportunity for employees of the Group to acquire an equity participation in the Company and to encourage them to work towards enhancing the value of the Company and its shares for the benefit of the Company and its Shareholders as a whole. The Old Share Option Scheme will lapse automatically upon its expiry on 5 August 2017, a new share option scheme (the “New Share Option Scheme”) has been adopted at the annual general meeting held on 2 June 2017 and the Old Share Option Scheme was terminated on the New Share Option Scheme came into effect on 2 June 2017.

Under the New Share Option Scheme, the Company may grant to the Directors and employees of the Group and any other persons who, in the sole discretion of the Board, have contributed or will contribute to the Group. The maximum number of shares to be issued upon exercise of all outstanding options granted and yet to be exercised under the New Share Option Scheme and any other share option scheme of the Company must not in aggregate exceed 30% of the total number of shares in issue from time to time.

### 購股權計劃

本公司於二零零七年八月六日採納一項購股權計劃（「舊購股權計劃」），據此，董事獲授權酌情邀請本集團僱員（包括本集團旗下任何公司之董事）承購購股權，以認購本公司之普通股。舊購股權計劃旨在為本集團僱員提供機會，取得於本公司之股本權益，鼓勵彼等為本公司及其股東整體之利益，努力提升本公司及其股份之價值。舊購股權計劃將於二零一七年八月五日屆滿時自動失效，本公司已於二零一七年六月二日舉行之股東週年大會上採納一項新購股權計劃（「新購股權計劃」），舊購股權計劃已於二零一七年六月二日新購股權計劃生效時終止。

根據新購股權計劃，本公司可向董事及本集團僱員以及董事會全權酌情認為曾經或將會對本集團作出貢獻之任何其他人士授出購股權。於根據新購股權計劃及本公司任何其他購股權計劃授出但尚未行使之所有發行在外購股權獲行使時發行之股份數目上限，合共不得超過不時已發行股份總數之30%。

## Report of the Directors 董事會報告

The total number of shares which may be issued upon exercise of all options to be granted under the New Share Option Scheme and any other share option scheme of the Company must not in aggregate exceed 10% of the shares in issue at the date of the passing of the relevant ordinary resolution. If any option is to be granted to connected person(s), it must be approved by independent non-executive directors or independent shareholders as the case may be. The maximum number of shares in respect of which share options may be granted to a specifically identified single grantee under the New Share Option Scheme (including exercised, cancelled and outstanding options) in any 12-month period shall not exceed 1% of the total number of shares in issue. Under the New Share Option Scheme, the options granted may be accepted by a participant within 14 days from the date of such offer. A consideration of HK\$1 is payable on acceptance of the offer of grant of an option. The exercise period of the share options granted is determinable by the Directors, and commences after a vesting period of no shorter than 12 months and ends on a date which is not later than 10 years from the date of offer of the share options.

The exercise price of options is the highest of the nominal value of the shares, the closing price of the shares on the Stock Exchange on the date of grant and the average closing price of the shares on the Stock Exchange for the five business days immediately preceding the date of grant.

As at 31 December 2017, the executive directors and employees of the Group had the following interests in options to subscribe for shares of the Company (market value per share at 29 December 2017 (last trading date in 2017) was HK\$0.385) granted for HK\$1 under the share option scheme of the Company. As at 31 December 2017, the total grant date fair value of unexercised unvested options, measured in accordance with the accounting policy set out in note 2 to the consolidated financial statements, amounted to HK\$19,065,000. The options are unlisted. Once vested, each option gives the holder the right to subscribe for one ordinary share of the Company. Assuming that all the options outstanding as at 31 December 2017 are exercised, the Company will receive proceeds of approximately HK\$264,895,000.

於根據新購股權計劃及本公司任何其他購股權計劃將授出之所有購股權獲行使時可予發行之股份總數，合共不得超過於相關普通決議案通過當日已發行股份之10%。凡向關連人士授出購股權，均須經獨立非執行董事或獨立股東（視情況而定）批准。於任何12個月期間內，根據新購股權計劃可向個別指明單一承授人授出之購股權（包括已行使、已註銷及未行使之購股權）所涉股份數目上限，不得超過已發行股份總數之1%。根據新購股權計劃，參與者可於由要約日期起計14日內接納所獲授之購股權。接納授出購股權之要約時，須支付代價1港元。已授出購股權之行使期由董事釐定，於不少於12個月之歸屬期結束後開始，於由購股權要約日期起計滿10年內屆滿。

購股權之行使價為股份面值、股份於授出日期在聯交所之收市價及股份於緊接授出日期前五個營業日在聯交所之平均收市價中之最高者。

於二零一七年十二月三十一日，執行董事及本集團僱員於本公司根據購股權計劃以1港元授出可認購本公司股份（股份於二零一七年十二月二十九日（二零一七年最後一個交易日）之市價為每股0.385港元）之購股權中擁有以下權益。於二零一七年十二月三十一日，未行使未歸屬購股權於授出日期之公平值（按照綜合財務報表附註2所載會計政策計量）合共為19,065,000港元。該等購股權並無上市。每份購股權於歸屬後將賦予持有人權利認購一股本公司之普通股。假設於二零一七年十二月三十一日尚未行使之購股權獲悉數行使，本公司將獲得所得款項約264,895,000港元。

# Report of the Directors

## 董事會報告

Category of participant	Date of grant	Exercise price	As at 1 January 2017	Number of share options			As at 31 December 2017
				Reclassification during the year	Granted during the year	Forfeited during the year	
參與者類別	授出日期	行使價	於二零一七年一月一日	年內重新分類	年內授出	年內沒收	於二零一七年十二月三十一日
<b>Executive Directors:</b>							
<b>執行董事:</b>							
Ms. Yang (Note 1) 楊女士(附註1)	30 March 2015 二零一五年三月三十日	HK\$0.247 0.247港元	60,000,000	-	-	-	60,000,000
Mr. Tsang 曾先生	30 March 2015 二零一五年三月三十日 14 July 2016 二零一六年七月十四日	HK\$0.247 0.247港元 HK\$0.52 0.52港元	20,000,000 10,000,000	-	-	-	20,000,000 10,000,000
			30,000,000	-	-	-	30,000,000
Mr. Kwok (Note 2) 郭先生(附註2)	30 March 2015 二零一五年三月三十日 14 July 2016 二零一六年七月十四日	HK\$0.247 0.247港元 HK\$0.52 0.52港元	-	30,000,000 23,000,000	-	-	30,000,000 23,000,000
			-	53,000,000	-	-	53,000,000
Mr. Choi (Note 3) 蔡先生(附註3)	30 March 2015 二零一五年三月三十日 14 July 2016 二零一六年七月十四日	HK\$0.247 0.247港元 HK\$0.52 0.52港元	72,363,900 70,000,000	(72,363,900) (70,000,000)	-	-	- -
			142,363,900	(142,363,900)	-	-	-
<b>Employees in aggregate</b> <b>僱員總計</b>	30 March 2015 二零一五年三月三十日 14 July 2016 二零一六年七月十四日 6 December 2016 二零一六年十二月六日	HK\$0.247 0.247港元 HK\$0.52 0.52港元 HK\$0.493 0.493港元	442,411,250 508,800,000 50,000,000	42,363,900 47,000,000 -	-	(197,911,250) (315,300,000) -	286,863,900 240,500,000 50,000,000
			1,001,211,250	89,363,900	-	(513,211,250)	577,363,900
<b>Total</b> <b>總計</b>			1,233,575,150	-	-	(513,211,250)	720,363,900

Note:

- Ms. Yang also through Toplap International Limited owns 168,000,000 shares of the Company.
- At the date of the appointment as an executive Director, Mr. Kwok was interested in an aggregate of 53,000,000 share options of the Company which shall entitle him to subscribe for up to (i) 30,000,000 shares of the Company at an exercise price of HK\$0.247 each (subject to adjustments); and (ii) 23,000,000 shares of the Company at an exercise price of HK\$0.520 each (subject to adjustments). Before the appointment as an executive Director, Mr. Kwok was served the Group as the chief operation officer of the Company.
- At the date of the resignation as an executive Director, Mr. Choi was interested in an aggregate of 142,363,900 share options of the Company which shall entitle him to subscribe for up to (i) 72,363,900 shares of the Company at an exercise price of HK\$0.247 each (subject to adjustments); and (ii) 70,000,000 shares of the Company at an exercise price of HK\$0.520 each (subject to adjustments). After the resignation from his role as an executive Director, Mr. Choi continues to serve the Group as the managing director in the major subsidiaries of the Company.

附註:

- 楊女士亦透過Toplap International Limited擁有168,000,000股本公司股份。
- 於獲委任為執行董事當日，郭先生於本公司合共53,000,000份購股權中擁有權益，賦予彼權利認購最多(i) 30,000,000股本公司之股份，行使價為每股0.247港元(可予調整)；及(ii) 23,000,000股本公司之股份，行使價為每股0.520港元(可予調整)。於獲委任為執行董事前，郭先生已任職於本集團，擔任本公司之首席營運官。
- 於辭任執行董事當日，蔡先生於本公司合共142,363,900份購股權中擁有權益，賦予彼權利認購最多(i) 72,363,900股本公司之股份，行使價為每股0.247港元(可予調整)；及(ii) 70,000,000股本公司之股份，行使價為每股0.520港元(可予調整)。於辭任執行董事職務後，蔡先生繼續效力本集團，擔任本公司主要附屬公司之董事總經理。

## Report of the Directors 董事會報告

Apart from the foregoing, at no time during the year was the Company, or any of its holding company, subsidiaries or fellow subsidiaries a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

### SUBSTANTIAL SHAREHOLDER AND OTHER PERSONS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 31 December 2017, the following person (other than the Directors or chief executive of the Company) has interests or short position in the shares and underlying shares of the company, being 5% or more of the Company's issued share capital, as known to the Company or recorded in the register required to be kept under Section 336 of the SFO and in accordance with information received by the Company.

除上述者外，於年內任何時間，本公司或其任何控股公司、附屬公司或同系附屬公司概無訂立任何安排，致使董事可藉購買本公司或任何其他法人團體之股份或債權證而獲取利益。

### 主要股東及其他人士於股份及相關股份之權益

於二零一七年十二月三十一日，據本公司所知或根據證券及期貨條例第336條須存置之登記冊所記錄及按照本公司獲得之資料，以下人士（本公司董事或最高行政人員除外）於本公司股份及相關股份中擁有佔本公司已發行股本5%或以上之權益或淡倉。

Name of Shareholders	Capacity/Nature of interest	Number in shares interested in or deemed to be interested (Long position) 擁有權益或被視為擁有權益之股份數目 (好倉)	% of voting right (Long position) 佔投票權之百分比 (好倉)	Note
股東姓名／名稱	身份／權益性質			附註
Mr. King 景先生	Interest in controlled corporation 於受控制法團之權益	6,239,983,350	55.97%	1
Mystery Idea Limited Mystery Idea Limited	Beneficial owner 實益擁有人	5,299,193,350	47.53%	
Better Joint Venture Limited Better Joint Venture Limited	Interest in controlled corporation 於受控制法團之權益	897,470,000	8.05%	2
	Beneficial owner 實益擁有人	43,320,000	0.39%	2
Carnival 嘉年華	Interest in controlled corporation 於受控制法團之權益	741,970,000	6.66%	3
	Beneficial owner 實益擁有人	155,500,000	1.39%	
Swift Fortune Investments Limited 捷發投資有限公司	Beneficial owner 實益擁有人	741,970,000	6.66%	
Mr. Wang Xu 王旭先生	Interest in controlled corporation 於受控制法團之權益	1,201,600,000	10.78%	4
State Frontier Limited 邦領有限公司	Beneficial owner 實益擁有人	1,201,600,000	10.78%	4



# Report of the Directors

## 董事會報告

Name of Shareholders	Capacity/Nature of interest	Number in shares interested in or deemed to be interested (Long position) 擁有權益或被視為擁有權益之股份數目 (好倉)	% of voting right (Long position) 佔投票權之百分比 (好倉)	Note 附註
股東姓名/名稱	身份/權益性質			
Mr. Lee Tai Hay 李大熙先生	Interest in controlled corporation 於受控制法團之權益	580,522,942	5.21%	5
Mr. Zhao Zhen Zhong 趙振中先生	Interest in controlled corporation 於受控制法團之權益	592,941,176	5.32%	6
Superb Fortune Limited Superb Fortune Limited	Beneficial owner 實益擁有人	592,941,176	5.32%	6
Ministry of Finance of the PRC 中國財政部	Interest in controlled corporation 於受控制法團之權益	589,751,535	5.29%	7
China Huarong Asset Management Co., Ltd. 中國華融資產管理股份有限公司	Interest in controlled corporation 於受控制法團之權益	589,751,535	5.29%	7
China Huarong Overseas Investment Holdings Co., Limited 中國華融海外投資控股有限公司	Interest in controlled corporation 於受控制法團之權益	589,751,535	5.29%	7

### Notes:

- Mr. King is deemed to be interested in (i) 43,320,000 Shares held through Better Joint Venture Limited ("Better Joint Venture"); (ii) 5,299,193,350 Shares held through Mystery Idea Limited ("Mystery Idea"); (iii) 155,500,000 Shares held through Carnival; and (iv) 741,970,000 Shares held through Swift Fortune Investments Limited ("Swift Fortune") under the SFO. Each of Better Joint Venture and Mystery Idea are wholly-owned by Mr. King. Swift Fortune is wholly-owned by Carnival, which in turn is indirectly owned as to approximately 63.95% by Mr. King.
- Better Joint Venture is interested in 43,320,000 Shares, and is deemed to be interested in (i) 155,500,000 Shares held through Carnival; and (ii) 741,970,000 Shares held through Swift Fortune under the SFO. Swift Fortune is wholly-owned by Carnival.
- Carnival is interested in 155,500,000 Shares, and is deemed to be interested in 741,970,000 Shares held through Swift Fortune under the SFO. Swift Fortune is wholly-owned by Carnival.
- Mr. Wang Xu is deemed to be interested in 1,201,600,000 Shares held through State Frontier Limited ("State Frontier") under the SFO. State Frontier is wholly-owned by Mr. Wang Xu.

### 附註:

- 根據證券及期貨條例，景先生被視為於(i)透過Better Joint Venture Limited (「Better Joint Venture」)持有之43,320,000股股份；(ii)透過Mystery Idea Limited (「Mystery Idea」)持有之5,299,193,350股股份；(iii)透過嘉年華持有之155,500,000股股份；及(iv)透過捷發投資有限公司(「捷發」)持有之741,970,000股股份中擁有權益。Better Joint Venture及Mystery Idea各自由景先生全資擁有。捷發由嘉年華全資擁有，而嘉年華由景先生間接擁有約63.95%權益。
- 根據證券及期貨條例，Better Joint Venture於43,320,000股股份中擁有權益，並被視為於(i)透過嘉年華持有之155,500,000股股份；及(ii)透過捷發持有之741,970,000股股份中擁有權益。捷發由嘉年華全資擁有。
- 根據證券及期貨條例，嘉年華於155,500,000股股份中擁有權益，並被視為於透過捷發持有之741,970,000股股份中擁有權益。捷發由嘉年華全資擁有。
- 根據證券及期貨條例，王旭先生被視為於透過邦領有限公司(「邦領」)持有之1,201,600,000股股份中擁有權益。邦領由王旭先生全資擁有。

## Report of the Directors 董事會報告

- (5) Mr. Lee Tai Hay is deemed to be interested in (i) 160,170,000 Shares held through Giant Profit Enterprises Limited (“Giant Profit”); and (ii) 420,352,942 Shares held through Glory Image International Investment Limited (“Glory Image”) under the SFO. Each of Giant Profit and Glory Image are wholly-owned by Mr. Lee Tai Hay.
- (6) Mr. Zhao Zhen Zhong is deemed to be interested in 592,941,176 Shares held through Superb Fortune Limited (“Superb Fortune”) under the SFO. Superb Fortune is wholly-owned by Mr. Zhao Zhen Zhong.
- (7) Brilliant Nexus Limited (“Brilliant Nexus”) is interested in 60,400,000 Shares. Brilliant Nexus is wholly-owned by China Huarong Overseas Investment Holdings Co., Limited (“Huarong Overseas”). These underlying shares represent a maximum of 529,351,535 new Shares that may be issued upon full conversion of the convertible bonds which are owned by Kingdom Harvest Limited (“Kingdom Harvest”). Kingdom Harvest is wholly-owned by Huarong Overseas. Huarong Overseas is wholly-owned by Huarong Huaqiao Asset Management Co., Ltd. (“Huarong Huaqiao”). Huarong Huaqiao is owned as to 51% by Huarong Zhiyuan Investment Management Co., Ltd. (“Huarong Zhiyuan”) and as to 40% by Guangdong Jinfeng Group Co., Ltd. (“Guangdong Jinfeng”). Huarong Zhiyuan is wholly-owned by China Huarong Asset Management Co., Ltd. (“Huarong AM”), the shares of which are listed on the Main Board of the Stock Exchange (stock code: 02799.HK). Huarong AM is owned as to approximately 67.75% by the Ministry of Finance of the PRC (the “MOF”). Guangdong Jinfeng is wholly-owned by Hong Kong Jinfeng Group Co., Ltd. (“Hong Kong Jinfeng”), which is in turn wholly-owned by Mr. Sun Siu Kit (“Mr. Sun”). Each of Huarong Overseas, Huarong Huaqiao, Huarong Zhiyuan, Guangdong Jinfeng, Huarong AM, the MOF, Hong Kong Jinfeng and Mr. Sun are deemed to be interested in the Shares in which Brilliant Nexus and Kingdom Harvest are interested in under the SFO.
- (5) 根據證券及期貨條例，李大熙先生被視為於(i)透過 Giant Profit Enterprises Limited (「Giant Profit」) 持有之160,170,000股股份；及(ii)透過弘立國際投資有限公司(「弘立」)持有之420,352,942股股份中擁有權益。Giant Profit及弘立各自自由李大熙先生全資擁有。
- (6) 根據證券及期貨條例，趙振中先生被視為於透過 Superb Fortune Limited (「Superb Fortune」) 持有之 592,941,176股股份中擁有權益。Superb Fortune由趙振中先生全資擁有。
- (7) Brilliant Nexus Limited (「Brilliant Nexus」) 於 60,400,000股股份中擁有權益。Brilliant Nexus由中國華融海外投資控股有限公司(「華融海外」)全資擁有。該等相關股份指Kingdom Harvest Limited (「Kingdom Harvest」)所擁有之可換股債券獲悉數轉換時可能發行之最多529,351,535股新股份。Kingdom Harvest由華融海外全資擁有。華融海外由華融華僑資產管理股份有限公司(「華融華僑」)全資擁有。華融華僑由華融致遠投資管理有限責任公司(「華融致遠」)擁有51%權益及由廣東錦峰集團有限公司(「廣東錦峰」)擁有40%權益。華融致遠由中國華融資產管理股份有限公司(「華融資產管理」)其股份於聯交所主板上市，股份代號：02799.HK全資擁有。華融資產管理由中國財政部(「財政部」)擁有約67.75%權益。廣東錦峰由香港錦峰集團有限公司(「香港錦峰」)全資擁有，而香港錦峰由孫少杰先生(「孫先生」)全資擁有。根據證券及期貨條例，華融海外、華融華僑、華融致遠、廣東錦峰、華融資產管理、財政部、香港錦峰及孫先生各自被視為於Brilliant Nexus及Kingdom Harvest擁有權益之股份中擁有權益。

All interests stated above represent long positions. As at 31 December 2017, no short positions were recorded in the Disclosure of Interests Register.

Save as disclosed above, as at 31 December 2017, the Directors were not aware of any person or corporation (other than the Director and chief executives of the Company) who had, or were deemed or taken to have, any interests or short positions in any Shares or underlying Shares as recorded in Disclosure of Interests Register or otherwise notified to the Company.

上述所有權益均為好倉。於二零一七年十二月三十一日，於權益披露登記冊內並無記錄任何淡倉。

除上文所披露者外，於二零一七年十二月三十一日，董事並不知悉任何人士或法團(除本公司董事或最高行政人員外)於任何股份或相關股份中擁有或視為或當作擁有已記錄於權益披露登記冊或另行知會本公司之任何權益或淡倉。

# Report of the Directors

## 董事會報告

### SUFFICIENCY OF PUBLIC FLOAT

Based on the information publicly available to the Company and within the knowledge of the Directors as at the date of this annual report, the Company has maintained the prescribed public float under the Listing Rules.

### CODE OF BEST PRACTICE

Principal corporate governance practices adopted by the Company are set out in the Corporate Governance Report on pages 59 to 73.

### EVENT AFTER THE REPORTING PERIOD

Details of the significant event after the reporting period of the Group are set out in note 42 to the consolidated financial statements.

### AUDITOR

The consolidated financial statements of the Company for the Year were audited by Mazars CPA Limited.

A resolution will be submitted to the forthcoming annual general meeting of the Company to re-appoint Mazars CPA Limited as auditor of the Company.

ON BEHALF OF THE BOARD

**Kwok Kenneth Wai Lung**

*Executive Director*

Hong Kong

27 March 2018

### 公眾持股量之充足程度

基於本公司所得之公開資料及於本年報日期就董事所知，本公司已維持上市規則規定之公眾持股量。

### 最佳常規守則

本公司採納之主要企業管治常規載於第59至73頁之企業管治報告。

### 報告期後事項

本集團於報告期後發生之重大事項詳情載於綜合財務報表附註42。

### 核數師

本公司本年度之綜合財務報表由瑪澤會計師事務所有限公司審核。

本公司將於應屆股東週年大會上提呈一項決議案，續聘瑪澤會計師事務所有限公司為本公司之核數師。

代表董事會

**郭瑋瓏**

*執行董事*

香港

二零一八年三月二十七日

# Corporate Governance Report

## 企業管治報告

The Company recognises that good governance standards maintained throughout the Group serves as an effective risk management mechanism for the Company. The Board is committed to ensuring a high level of corporate governance standards.

### CORPORATE GOVERNANCE PRACTICES

The Board has adopted its own code on corporate governance practices which incorporate all the code provision in the Corporate Governance Code (the “CG Code”) as set out in Appendix 14 to the Listing Rules. The Company will continue to enhance the corporate governance standards throughout the Group and ensure further standards be put in place by reference to the recommended best practices whenever suitable and appropriate.

Save as disclosed below, in the opinion of the Directors, the Company has adopted and complied with the CG Code as set out in Appendix 14 to the Listing Rules during the year.

- (a) CG Code Provision A.2.1 stipulated that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Since Ms. Yang Xiaoying has stepped down from her role as the chief executive officer on 21 December 2017, the Company does not have a designated position of Chief Executive Officer. The daily operation and management of the Company is monitored by the executive Directors. The Board will keep reviewing its current structure and the need of appointment of a suitable candidate to perform the role of Chairman.

本公司確認，本集團上下奉行之良好管治標準能有效地管理本公司之風險。董事會致力確保維持高企業管治水平。

### 企業管治常規

董事會已採納自訂企業管治常規守則，該守則加入上市規則附錄十四載列之企業管治守則之所有守則條文。本公司將繼續提升本集團整體之企業管治標準，確保於合適及適當之時參考建議最佳常規採用進一步之標準。

除下文所披露者外，董事認為，本公司於年內一直採納及遵守上市規則附錄十四所載之企業管治守則。

- (a) 企業管治守則條文A.2.1訂明主席與行政總裁的角色應有區分，並不應由一人同時兼任。自楊曉櫻女士於二零一七年十二月二十一日卸任行政總裁一職以來，本公司並無特設行政總裁職位。本公司之日常營運及管理由執行董事監察。董事會將不斷檢討其現行架構及委任適當人選履行主席職務之需要。

# Corporate Governance Report

## 企業管治報告

- (b) CG Code Provision A.4.1 stipulated that non-executive directors should be appointed for a specific term and be subject to re-election. The Company has not fixed the term of appointment for non-executive directors, which constitutes a deviation from Code Provision of A.4.1. However, all non-executive directors are also subject to retirement by rotation and re-election at the annual general meeting of the Company pursuant to Article 116 in the Articles of Association of the Company.
- (c) CG Code A.6.7 stipulated that independent non-executive directors and other non-executive directors should attend general meetings and develop a balanced understanding of the view of shareholders. Due to other pre-arranged business commitments which must be attended by the directors, Ms. Yang Xiaoying, Mr. Choi Chi Fai, Mr. Zhang Xiaoman and Mr. Huang Xin were not able to attend the general meeting of the Company on 13 April 2017.
- (b) 企業管治守則條文A.4.1訂明非執行董事的委任應有指定任期，並須接受重新選舉。本公司並無釐定非執行董事之任期，因而構成偏離守則條文A.4.1。然而，根據本公司組織章程細則第116條，全體非執行董事亦須於本公司股東週年大會上輪流告退並接受重選。
- (c) 企業管治守則條文A.6.7訂明獨立非執行董事及其他非執行董事應出席股東大會，對股東的意見有公正的了解。由於事先已有其他業務安排必須由董事出席，因此，楊曉櫻女士、蔡志輝先生、張小滿先生及黃欣先生於二零一七年四月十三日未能出席本公司之股東大會。

### DIRECTORS' SECURITIES TRANSACTIONS

#### Conduct on Share Dealings

The Company has adopted a code of conduct for securities transactions and dealings (the "Code of Conduct") based on the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules (the "Model Code"). The terms of Code of Conduct are no less exacting than the standards in the Model Code, and the Code of Conduct applies to all the relevant persons as defined therein. Specific enquiry has been made of all Directors of the Company who have confirmed in writing of their compliance with the required standards set out in the Code of Conduct during the year under review.

### 董事之證券交易

#### 股份買賣操守

本公司已根據上市規則附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」）採納證券交易及買賣之操守守則（「操守守則」）。操守守則之條款不遜於標準守則內之標準，而操守守則適用於當中界定之全部有關人士。本公司已向全體董事作出特定查詢，而彼等均已書面確認於回顧年度內已遵守操守守則所載之規定標準。

### CORPORATE MANAGEMENT

#### Board of Directors

##### *Composition*

As at the date of this report, the Board is comprised of 8 members including 5 executive Directors and 3 independent non-executive Directors. The biographical details are set out on pages 34 to 38 of this report. The executive Directors are responsible for managing the Group's business, including business development, corporate strategies and company policies. The independent non-executive Directors endeavor to assist the Board to maintain high standards of financial and other mandatory reporting standards as well as providing adequate checks and balance for safeguarding the interest of shareholders and the Company as a whole.

#### Independent Non-executive Directors

For the year ended 31 December 2017, the number of independent non-executive Directors at all times exceeded one-third of the Board membership. Pursuant to the Listing Rules, the Company has received written confirmation from each independent non-executive director of his independence to the Company, and the Company considered each of them is independent under Rule 3.13 of the Listing Rules. None of the existing independent non-executive Directors of the Company is appointed for a specific term which constitutes a deviation from code provision A.4.1 of the CG Code.

However, one-third of the Directors of the Company (both executive and independent non-executive) are subject to retirement by rotation at each annual general meeting under the Articles of Association of the Company. The Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are in line to those of the CG Code. The Board is comprised of professionally qualified and diversified individuals.

### 企業管理

#### 董事會

##### *成員組合*

於本報告日期，董事會由八名成員組成，包括五名執行董事及三名獨立非執行董事，彼等之履歷載於本報告第34至38頁。執行董事負責管理本集團之業務，包括業務發展、企業策略及公司政策。獨立非執行董事致力協助董事會維持高水平之財政及其他強制性申報標準，並作出充份制衡，以保障股東及本公司之整體利益。

#### 獨立非執行董事

於截至二零一七年十二月三十一日止年度，獨立非執行董事之人數一直超過董事會成員人數三分之一。根據上市規則，本公司已接獲各獨立非執行董事發出之確認書，確認其獨立於本公司，而本公司認為彼等均為上市規則第3.13條下之獨立人士。本公司之現任獨立非執行董事概無特定任期，此舉構成偏離企業管治守則之守則條文A.4.1。

然而，按照本公司組織章程細則，本公司三分之一之董事（包括執行董事及獨立非執行董事）須於每屆股東週年大會上輪流告退。本公司認為已採取足夠措施，確保本公司之企業管治常規符合企業管治守則之守則條文。董事會成員包括具備專業資格之多個界別人士。



# Corporate Governance Report

## 企業管治報告

### Directors' Training

All Directors should keep abreast of the responsibilities as a director, and of the conduct and business activities of the Company. The Company is responsible for arranging and funding suitable training for its Directors. Except for Mr. Yip Denis Shing Fai, Mr. Kwok Kenneth Wai Lung and Mr. Yuan Wenxin who were newly appointed as executive Directors on 21 December 2017 and 10 January 2018 respectively, the remaining Directors, namely Ms. Yang Xiaoying, Mr. Tsang To, Mr. Zhang Xiaoman, Mr. Chin Hon Siang and Mr. Huang Xin confirmed that they had participated in appropriate continuous professional development to develop and refresh their knowledge and skills or had studied the reading materials relevant to corporate governance and other regulatory requirements in order to ensure that their contribution to the board remains informed and relevant during the Year.

All Directors had provided the Company Secretary with their training records for the year under review. All Directors are encouraged to attend relevant training courses and seminars that may require keeping abreast with the latest changes in laws, regulations and the business environment.

### Board Process

The Board meets regularly throughout the year to discuss the overall strategy as well as the operational and financial performance of the Group. In 2017, the Board held 4 scheduled full board meetings. In addition, executive Board meetings are convened when necessary to deal with day-to-day matters that require the Board's prompt decision, and therefore usually only executive directors attend. Individual attendance records on full board meetings and committees meetings are set out on page 63 of this Annual Report. Directors who are considered having conflict of interests or material interests in the proposed transactions or issues to be discussed would not be counted in the quorum of meeting and would abstain from voting on the relevant resolutions subject to certain exceptions set out in the Articles of Association of the Company. Any Director, Audit Committee member, Remuneration Committee member and Nomination Committee member of the Company may take independent professional advice at the expense of the Company should they so wish.

### 董事培訓

全體董事應緊貼董事所負責任之最新資訊以及本公司之方針及業務活動。本公司有責任為其董事安排及撥資進行合適培訓。除分別於二零一七年十二月二十一日及二零一八年一月十日獲新委任為執行董事之葉成輝先生、郭瑋瓏先生及袁文心先生外，於本年度內，其餘董事楊曉櫻女士、曾濤先生、張小滿先生、陳鴻先先生及黃欣先生確認曾參與合適之持續專業發展活動，以獲得及更新知識及技能，或研習與企業管治及其他監管規定之讀物，從而確保在得到全面資訊情況下為董事會作出切合其需要之貢獻。

全體董事已向公司秘書提供彼等於回顧年度內之培訓紀錄。本公司鼓勵全體董事出席相關培訓課程及座談會，該等課程及座談會或能向董事提供有關法律、規例及業務環境之最近期變動。

### 董事會程序

董事會全年定期舉行會議，討論整體策略以及本集團之經營及財務表現。於二零一七年，董事會曾舉行4次全體會議。此外，必要時會召開執行董事會議，處理需要董事會迅速決策之日常事宜，有關會議一般僅由執行董事出席。個別出席全體董事會會議及委員會會議之紀錄載於本年報第63頁。被認為於建議交易或將予討論事宜中存在利益衝突或擁有重大權益之董事，將不會計入會議法定人數，並會放棄就相關決議案投票，惟本公司組織章程細則所載之若干例外情況除外。本公司董事、審核委員會成員、薪酬委員會成員及提名委員會成員均可按意願獲取獨立專業意見，費用由本公司承擔。

# Corporate Governance Report

## 企業管治報告

### Board and Board Committee Attendance

The following table indicates the number of Board, Committee and general meetings during the Year and the number of attendance by each of the Directors:

### 董事會及董事委員會之出席率

下表顯示董事會、其轄下委員會及股東大會於本年度內舉行會議之數目及各董事出席該等會議之次數：

Name 姓名	Board 董事會	Number of meetings attended/held 出席／舉行會議次數				General 股東大會
		Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會		
<b>Executive Directors</b> 執行董事						
Ms. Yang Xiaoying 楊曉櫻女士	14/14	N/A 不適用	N/A 不適用	N/A 不適用		1/2
Mr. Tsang To 曾濤先生	13/14	N/A 不適用	2/2	N/A 不適用		2/2
Mr. Choi Chi Fai (Note 1) 蔡志輝先生 (附註1)	14/14	N/A 不適用	N/A 不適用	N/A 不適用		1/2
Mr. Yip Denis Shing Fai (Note 2) 葉成輝先生 (附註2)	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用		N/A 不適用
Mr. Kwok Kenneth Wai Lung (Note 3) 郭瑋瓏先生 (附註3)	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用		N/A 不適用
Mr. Yuan Wenxin (Note 4) 袁文心先生 (附註4)	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用		N/A 不適用
<b>Independent Non-executive Directors</b> 獨立非執行董事						
Mr. Zhang Xiaoman 張小滿先生	14/14	2/2	2/2	2/2		1/2
Mr. Chin Hon Siang 陳鴻先先生	13/14	2/2	2/2	2/2		2/2
Mr. Huang Xin 黃欣先生	10/14	2/2	2/2	2/2		1/2

Notes:

- Mr. Choi Chi Fai resigned on 21 December 2017, 14 Board meetings were held before his resignation.
- Mr. Yip Denis Shing Fai was appointed as an executive Director on 21 December 2017.
- Mr. Kwok Kenneth Wai Lung was appointed as an executive Director on 21 December 2017.
- Mr. Yuan Wenxin was appointed as an executive Director on 10 January 2018.

附註：

- 蔡志輝先生於二零一七年十二月二十一日辭任，此前已舉行14次董事會會議。
- 葉成輝先生於二零一七年十二月二十一日獲委任為執行董事。
- 郭瑋瓏先生於二零一七年十二月二十一日獲委任為執行董事。
- 袁文心先生於二零一八年一月十日獲委任為執行董事。

# Corporate Governance Report

## 企業管治報告

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.

During the year, meetings of the Chairman and the independent non-executive Directors without presence of the executive Directors and the management were held and chaired by Ms. Yang Xiaoying to discuss and review the performance of the executive Directors and the management. This also includes the adequacy of systems and controls in place to safeguard the interests of the Group.

### Directors' Duties

The Board in charge of leadership and supervision on the Group's affairs and is collectively responsible for promoting the success of the Group. Each director has a duty to act in good faith and in the best interests of the Company.

Matters that require decisions by the Board normally include but not limited to overall Group strategies, major acquisitions and disposals, annual and interim results, recommendation on the appointment or reappointment of directors, and other significant operational and financial matters. Directors are kept up-to-date by monthly management information on a timely basis as well as on major changes that may affect the Group's businesses, including relevant rules and regulations.

The Board acknowledges its responsibility to prepare the financial statements and have them audited on an annual basis. The Company has adopted the generally accepted accounting standards in Hong Kong in preparing financial statements. Reasonable and prudent judgment and estimates have been made. The Group announces its financial results on a timely basis.

董事會會議紀錄由公司秘書保存，並可供董事查閱。每名董事會成員均有權取得董事會文件及相關材料，在取得公司秘書之意見及服務方面亦不受限制，並可自由尋求外部專業意見（如有需要）。

年內，主席與獨立非執行董事在並無執行董事及管理層在場情況下舉行會議，並由楊曉櫻女士擔任會議主席，討論及檢討執行董事及管理層之表現，並包括現行制度及監控是否足以保障本集團利益。

### 董事之職責

董事會之職責為領導及監督本集團事務，並須共同負責為本集團之成功作出努力。各董事有責任真誠地為本公司之最佳利益行事。

須提交董事會決定之事宜一般包括（但不限於）本集團整體策略、主要收購事項及出售事項、年度及中期業績、有關任命或重新任命董事之推薦建議以及其他重大營運及財務事宜。各董事均會透過每月管理資料適時獲得可能影響本集團業務之重大變動之最新資訊，包括相關規則及規例。

董事會知悉其有責任編製並每年審核財務報表。本公司於編製財務報表時採納香港公認會計原則，並已作出合理而審慎之判斷及估計。本集團適時公告其財務業績。

# Corporate Governance Report

## 企業管治報告

### Corporate Governance Functions

The Board is responsible for performing the corporate governance duties including:

- (a) to develop and review the Company's policies and practices on corporate governance;
- (b) to review and monitor the training and continuous professional development of Directors and senior management;
- (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and
- (e) to review the Company's compliance with Appendix 14 to the Listing Rules (Corporate Governance Code and Corporate Governance Report).

During the year, the Board reviewed the corporate governance policy and practices of the Company.

### Indemnification of Directors and Officers

The directors and officers are indemnified under a directors' and officers' liability insurance against any liability incurred by them in the discharge of their duties while holding office as the directors and officers of the Company.

### 企業管治職能

董事會負責履行企業管治責任，包括：

- (a) 制訂及檢討本公司之企業管治政策及常規；
- (b) 檢討及監察董事及高級管理人員之培訓及持續專業發展；
- (c) 檢討及監察本公司有關遵守法律及監管規定方面之政策及常規；
- (d) 制訂、檢討及監察適用於僱員及董事之操守守則及合規手冊（如有）；及
- (e) 檢討本公司遵守上市規則附錄十四（企業管治守則及企業管治報告）之情況。

年內，董事會已檢討本公司之企業管治政策及常規。

### 董事及高級職員之彌償保證

董事及高級職員於擔任本公司董事及高級職員時，為履行職責而招致之任何責任，均可根據董事及高級職員責任保險獲得彌償。

# Corporate Governance Report

## 企業管治報告

### Chairman and Chief Executive Officer

Code Provision A2.1 provides that the role of chairman and chief executive officer should be separate and should not be performed by the same individual. Since Ms. Yang Xiaoying has stepped down from her role as the chief executive officer on 21 December 2017, the Company does not have a designated position of Chief Executive Officer. The daily operation and management of the Company is monitored by the executive Directors. The Board will keep reviewing its current structure and the need of appointment of a suitable candidate to perform the role of Chairman.

### BOARD COMMITTEES

The Board established an Audit Committee, a Remuneration Committee and a Nomination Committee with defined terms of reference. Audit Committee, Remuneration Committee and Nomination Committee are chaired by independent non-executive Directors.

#### (a) Audit Committee

The Company has established an Audit Committee which comprises of three independent non-executive Directors namely Mr. Chin Hon Siang, Mr. Zhang Xiaoman and Mr. Huang Xin. The Audit Committee has reviewed the audit findings, the accounting principles and practices adopted by the Group, the Listing Rules and statutory compliance, and has discussed auditing, internal control, risk management and financial reporting matters (including the interim and annual financial statements) with senior management and the auditor. In addition, the Audit Committee has also reviewed the adequacy of resources, qualifications and experience of staff of the Group's accounting and financial reporting function.

### 主席及行政總裁

企業管治守則條文A.2.1訂明主席與行政總裁的角色應有所區分，並不應由一人同時兼任。自楊曉櫻女士於二零一七年十二月二十一日卸任行政總裁以來，本公司並無特定行政總裁職位。本公司之日常營運及管理由執行董事監察。董事會將不斷檢討其現行架構及委任適當人選履行主席職務之需要。

### 董事委員會

董事會已成立具有界定職權範圍之審核委員會、薪酬委員會及提名委員會。審核委員會、薪酬委員會及提名委員會均由獨立非執行董事擔任主席。

#### (a) 審核委員會

本公司已成立審核委員會，由三名獨立非執行董事陳鴻先先生、張小滿先生及黃欣先生組成。審核委員會已審閱核數結果、本集團採納之會計原則及常規、上市規則及法定合規情況，並聯同高級管理層及核數師討論審核、內部監控、風險管理及財務申報事宜（包括中期及年度財務報表）。此外，審核委員會亦已審閱本集團會計及財務申報職能之員工在資源、資格及經驗方面是否足夠。

# Corporate Governance Report

## 企業管治報告

The Audit Committee meet two times during the year to review the Group's annual and interim financial statements, review the external auditor's plan for the audit of the Group's accounts, review the internal control procedures and the financial reporting systems of the Group and make recommendations with respect to the appointment and reappointment of the auditor of the Company.

### (b) Remuneration Committee

A Remuneration Committee has been established in accordance with the requirements of the CG Code. The Remuneration Committee comprises three independent non-executive directors, namely Mr. Zhang Xiaoman, Mr. Chin Hon Siang and Mr. Huang Xin and one executive Director, namely Mr. Tsang To. The primary duties of the Remuneration Committee are to review and determination of the remuneration policy and packages of the directors and management executives. No director is involved in deciding his own remuneration.

The Remuneration Committee meet one time during the year to review the remuneration policies and remuneration packages of the directors of the Company.

### (c) Nomination Committee

A Nomination Committee has been established in accordance with the requirements of the CG Code. The Nomination Committee comprises three independent non-executive directors, namely Mr. Chin Hon Siang, Mr. Zhang Xiaoman and Mr. Huang Xin. The primary duties of the Nomination Committee are to review the structure, size and composition of the Board, and select and make recommendations to the Board on the appointment of Directors and senior management.

審核委員會於回顧年度曾舉行兩次會議，以審閱本集團之年度及中期財務報表、檢討外聘核數師有關本集團帳目之審核計劃、檢討本集團之內部監控程序及財務申報系統以及就委任及續聘本公司核數師作出推薦建議。

### (b) 薪酬委員會

薪酬委員會已根據企業管治守則之規定成立。薪酬委員會由三名獨立非執行董事張小滿先生、陳鴻先先生及黃欣先生，以及一名執行董事曾濤先生組成。薪酬委員會之主要職責為檢討及釐定董事及管理級行政人員之薪酬政策及組合。概無董事參與釐定其本身之薪酬。

薪酬委員會於回顧年度曾舉行一次會議，以檢討本公司董事之薪酬政策及待遇。

### (c) 提名委員會

提名委員會已根據企業管治守則之規定成立。提名委員會由三名獨立非執行董事陳鴻先先生、張小滿先生及黃欣先生組成。提名委員會之主要職責為檢討董事會之架構、規模及成員組合，以及就委任董事及高級管理人員進行甄選，並向董事會作出推薦建議。



# Corporate Governance Report

## 企業管治報告

The nomination process for executive director would in general be tied to his or her ability to contribute through his or her business acumen and strategic thinking process for the business. As for an independent non-executive director, his or her nominations are hinged on myriad of criteria whereby he or she should possess the independence of mind.

The Nomination Committee meet two times during the year to review the year to review the size, composition and structure of the Board, assess the independence of the independent non-executive directors of the Company, review the suitability of the directors of the Company proposed for re-election at the annual general meeting and approve the nomination and appointment of the director, independent non-executive director and chief executive officer of the Company and recommend to the Board for approval.

### ACCOUNTABILITY AND AUDIT

#### Financial Reporting

The Board is committed to providing a balanced, clear and comprehensive assessment of the financial performance and prospects of the Group in all the disclosures made to the shareholders and the regulatory authorities.

Timely release of interim and annual results announcements reflects the Board's commitment to provide transparent and up-to-date disclosures of the Group's performance.

The Board, assisted by the Audit Committee, oversees the financial reporting process and the quality of the financial reporting of the Group. The Audit Committee reviews and monitors the integrity of the Group's annual and interim financial statements. It also reviews the appropriateness of the Group's accounting policies and the changes to these policies as well as ensuring these financial statements comply with accounting standards and regulatory requirements.

具體而言，執行董事之提名程序取決於執行董事利用其商業判斷及策略思考作出貢獻之能力。至於獨立非執行董事，其提名涉及眾多條件，並能否具備獨立思考能力。

提名委員會於回顧年度曾舉行兩次會議，以檢討董事會之規模、成員組合及架構，評估本公司之獨立非執行董事之獨立性，檢討本公司建議於股東週年大會上重選之本公司董事之合適性，批准本公司執行董事、獨立非執行董事及行政總裁之提名及委任，並向董事會作出推薦建議以供批准。

#### 問責及審核

##### 財務申報

董事會致力於向股東及監管機構作出之披露資料中，就本集團之財務表現及前景提供不偏不倚、清晰而全面之評估。

適時發佈中期及年度業績公告，反映董事會致力提供有關本集團表現之具透明度及最新披露資料。

在審核委員會協助下，董事會監督本集團財務申報程序及財務申報之質素。審核委員會檢討及監察本集團年度及中期財務報表之完整性，亦檢討本集團會計政策及該等政策之變更是否恰當，以及確保該等財務報表符合會計準則及監管規定。

# Corporate Governance Report

## 企業管治報告

The Directors acknowledge their responsibilities for preparing the accounts of the Company and the responsibilities of the external auditor with in respect to financial reporting which are set out in the Independent Auditor's Report on pages 101 to 108.

### AUDITOR'S REMUNERATION

The fees paid/payable to the Company's auditor, Mazars CPA Limited, in respect of audit services and non-audit services for the year ended 31 December 2017 amounted to HK\$1,500,000 and HK\$788,000 respectively. Fees for non-audit services, which mainly consist of review of disclosure of financial information in 2017 interim report, agreed upon procedures in connection with the Environmental, Social and Governance Report and internal audit function; and professional services in connection with certain major transactions of HK\$281,000, HK\$185,000 and HK\$322,000, respectively.

### COMPANY SECRETARY

The Company Secretary is responsible to the Board for ensuring that board procedures are followed and that the Board is fully briefed on all legislative, regulatory and corporate governance developments and that it has regard to them when making decisions and would also facilitate induction and professional development of directors. The Company Secretary is also directly responsible for the Group's compliance with the continuing obligations of the Listing Rules, Codes on Takeovers and Mergers and Share Repurchases, Companies Ordinance, Securities and Futures Ordinance and other applicable laws, rules and regulations.

Mr. Wong Kwok San ("Mr. Wong") was appointed as the company secretary of the Company on 1 October 2014. He is responsible to the Board for ensuring the board procedures are followed and that the Board is briefed on legislative, regulatory and corporate governance developments. Mr. Wong has confirmed that he had received no less than 15 hours of relevant professional training for the year ended 31 December 2017, in compliance with Rule 3.29 of the Listing Rules.

董事確認彼等有責任編製本公司帳目，而外聘核數師就財務申報所負之責任載於第101至108頁之獨立核數師報告。

### 核數師酬金

於截至二零一七年十二月三十一日止年度，就審核及非審核服務已付／應付本公司核數師瑪澤會計師事務所有限公司之費用分別為1,500,000港元及788,000港元。非審核服務費用主要涵蓋審閱二零一七年年中期報告所披露之財務資料、有關環境、社會及管治報告以及內部審核職能之已協定程序；以及有關若干主要交易之專業服務，分別為281,000港元、185,000港元及322,000港元。

### 公司秘書

公司秘書向董事會負責，確保董事會程序得以遵從，並保證董事會已就全部法例、監管及企業管治發展獲得全面簡報，且董事會作出決定時已考慮彼等之意見，並負責安排董事之入職培訓及專業發展。公司秘書亦直接負責確保本集團履行上市規則、香港公司收購、合併及股份回購守則、公司條例、證券及期貨條例以及其他適用法例、規則及規例下之持續責任。

黃國新先生（「黃先生」）於二零一四年十月一日獲委任為本公司之公司秘書。彼須向董事會負責，確保遵守董事會議事規則，並確保董事會知悉有關法例、規例及企業管治最新狀況。黃先生確認，於截至二零一七年十二月三十一日止年度，彼已遵守上市規則第3.29條，接受不少於15小時相關專業培訓。

# Corporate Governance Report

## 企業管治報告

### RISK MANAGEMENT AND INTERNAL CONTROL

The Board recognizes the overall responsibility for the establishment, maintenance, and review of an internal control system that provides reasonable assurance of the reliability and integrity of financial and operational information, effectiveness and efficiency of operations, the safeguarding of assets and the compliance with laws and regulations. This system of internal control is designed to manage rather than eliminate all risks of failure where its goal is to provide reasonable but not absolute assurance regarding the achievement of organisational objectives.

The Board, through its Audit Committee and external auditor, conducted review of the effectiveness of the Group's risk management and internal control system which covers all material controls, including financial, operational and compliance control.

The risk management contains the following processes, which are connected to setting up targets, identification of risks, risk prioritisation and assessment, risk owner appointment, review, handling, reporting, follow-up, monitoring and reacting to identified risks.

The Group's internal audit function is performed by an internal audit team, which reports directly to the Board and Audit Committee.

With the adoption of a risk-based approach, the internal audit team takes the lead to evaluate the risk management and internal control systems of the Group by reviewing all its major operations on a cyclical basis. The audit reviews cover all material controls including financial, operational and compliance controls. Results of the audit reviews in the form of internal audit reports are submitted to the members of the Audit Committee for discussion at the Audit Committee meetings. The internal audit reports are also followed up by the internal audit team to ensure that findings previously identified have been properly resolved.

### 風險管理及內部監控

董事會確認其有整體責任成立、維持及檢討內部監控系統，以合理地確保財務及營運資料之可靠性及完整性、營運效率及效益、保障資產及遵守法律及法規。此內部監控系統乃為管理而非消除所有錯誤之風險而設，旨在就達成組織目標提供合理而非絕對之保證。

董事會透過審核委員會及外部核數師檢討本集團風險管理及內部監控系統之成效，有關系統涵蓋所有重大監控事宜，包括財務、營運及遵例監控。

風險管理包括以下程序，其涉及設立目標、識別風險、風險優次排序及評估、風險責任人、審閱、處理、報告、跟進、監察及回應所識別之風險。

本集團之內部審核職能由內部審核團隊履行，其直接向董事會及審核委員會報告。

隨著採用以風險為基礎之方法，內部審核團隊牽頭，透過週期性檢討本集團所有主要營運，評估本集團之風險管理及內部監控系統。該審核檢討覆蓋所有重要監控，包括財務、營運及合規監控。審核檢討之結果會以內部審核報告形式向審核委員會成員匯報，以便於審核委員會會議上討論。內部審核報告亦會由內部審核團隊跟進，確保報告先前識別之事項已妥善解決。

# Corporate Governance Report

## 企業管治報告

The Board also engaged an external professional firm to conduct the annual review of the effectiveness of the risk management and internal control systems for the Year. The Group has properly followed all recommendations, and ensures these recommendations will be implemented within a reasonable time.

The Company regulates the handling and propagation of inside information according to the "Guidelines on Disclosure of Inside Information" published by the Securities and Futures Commission in June 2012 and as indicated in the corporate responsibility policy and various affiliate proceedings to ensure inside information remains confidential until the disclosure of such information is appropriately approved, and the propagation of such information is efficiently and consistently made. The Company regularly reminds the Directors and employees about the due compliance with all policies regarding the inside information with the latest regulatory updates.

The Board has conducted a review of the systems of risk management and internal control for the Year 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 were effective and adequate.

### 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 an extraordinary general meeting.

董事會亦委聘外部專業事務所，對本年度風險管理及內部監控系統之成效進行年度檢討。本集團已妥為跟進所有建議，並確保有關建議將於合理時間內落實。

本公司按照證券及期貨事務監察委員會於二零一二年六月發佈之「內幕消息披露指引」以及按公司責任政策和多項附屬程序所列監管內幕消息之處理及發佈，以確保內幕消息於獲適當批准披露前一直保密，並以有效及一致之方式發佈。本公司定期提醒董事及僱員妥善遵守有關內幕消息之所有政策，並提供最新監管資訊。

董事會已檢討本年度之風險管理及內部監控系統以確保其屬有效及足夠。該等檢討須每年進行。董事會認為，本公司本年度之風險管理及內部監控系統屬有效及足夠。

### 股東權利

本公司之股東大會乃股東與董事會之溝通機會。本公司每年於董事會可能釐定之地點舉行股東週年大會。除股東週年大會外，各個股東大會稱為股東特別大會。

# Corporate Governance Report

## 企業管治報告

### Convening Extraordinary General Meeting and Putting Forward Proposals at Shareholders' Meetings

Pursuant to the Articles of Association of the Company, shareholders are requested to follow article 72 of the Articles of Association of the Company to propose new resolutions at the general meetings. Pursuant to article 72 of the Articles of Association of the Company, general meetings shall be convened on the written requisition of any two or more members of the Company deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitionists, provided that such requisitionists held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company. General meetings may also be convened on the written requisition of any one member of the Company which is a recognized clearing house (or its nominee(s)) deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitionist, provided that such requisitionist held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company. If the Board does not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting, the requisitionist(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to them by the Company.

### 召開股東特別大會及於股東大會上提呈建議

本公司之組織章程細則要求股東於股東大會上提呈新決議案時，依循本公司之組織章程細則第72條。根據本公司之組織章程細則第72條，股東大會須在兩名或以上本公司股東向本公司於香港之主要辦事處或（倘本公司並無主要辦事處）註冊辦事處送達書面要求之情況下召開，書面要求須列明大會目的，並由提出要求之人士簽署，惟提出要求之人士於遞交要求當日須持有有權於本公司股東大會投票之本公司繳足股本不少於十分一。股東大會亦可在一名屬認可結算所之本公司股東（或其代名人）向本公司於香港之主要辦事處或（倘本公司並無主要辦事處）註冊辦事處送達書面要求之情況下召開，書面要求須列明大會目的，並由提出要求之人士簽署，惟提出要求之人士於遞交要求當日須持有有權於本公司股東大會投票之本公司繳足股本不少於十分一。倘董事會未有於提交要求當日起計21日內正式召開大會，提出要求之人士或當中持有彼等總投票權過半之任何人士可自行以與董事會召開大會相同之方式（盡可能相近）召開股東大會，惟如此召開之大會不可遲於提交要求當日起計三個月後召開，而提出要求之人士因董事會未能完成有關要求而產生之所有合理開支，將由本公司向彼等作出補償。



# Corporate Governance Report

## 企業管治報告

If a shareholder, who is entitled to attend and vote at the relevant general meeting, wishes to nominate a person (not being the nominating shareholder) to stand for election as a Director, he or she should give a notice to the Company Secretary in writing of the intention to propose a person for election as a Director and notice in writing by that person of his or her willingness to be so elected, no earlier than the day after the dispatch of the notice of the relevant general meeting and no later than 7 days prior to the date appointed for the relevant general meeting.

Detailed procedures for shareholders to propose a person for election as a Director are available on the Company's website.

### Procedures for directing Shareholders' enquiries to the Board

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

## INVESTOR RELATIONS AND COMMUNICATIONS

The Company continues to pursue a proactive policy in promoting investor relations and communication by maintaining meetings with institutional shareholders, fund managers and analysts through different means including meetings, presentations and correspondence. In an effort to enhance communications with shareholders and investors, the Company maintains a website ([www.rentiantech.com](http://www.rentiantech.com)) to disseminate information relating to the latest business developments and all Company announcements. The Company regards the Annual General Meeting (the "AGM") as an important event as it provides direct communication between the Board and its shareholders. All shareholders of the Company are given at least a minimum of 20 clear business days notice of the date and venue of the AGM at which time the Directors and Committee members are available to answer questions on the business. The Company supports the CG Code's principle to encourage shareholder participation. The Board, according to the Listing Rules, will conduct voting at the forthcoming AGM by poll. The results of the Company voting will be announced on the website of the Stock Exchange and the Company respectively.

## CONSTITUTIONAL DOCUMENTS

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

倘有權出席相關股東大會並於會上投票之股東有意提名任何人士（並非作出提名之股東）參選董事，應向公司秘書發出書面意向通知，表示建議該名人士參選董事，而該名人士亦應向本公司秘書發出書面通知，表明願意參選。有關通知須於相關股東大會通告寄發翌日至相關股東大會指定舉行日期前七日期間送交本公司秘書。

股東建議人士參選董事之詳細程序可於本公司網站查閱。

### 股東向董事會作出查詢之程序

股東可將向本公司作出之書面查詢送交本公司之香港主要營業地點，註明收件人為公司秘書。

## 投資者關係及溝通

本公司繼續採取主動促進投資者關係和溝通之政策，與機構股東、基金經理及分析師會面，形式包括會議、簡報及書信。為加強與股東及投資者之溝通，本公司已設立一個網站 ([www.rentiantech.com](http://www.rentiantech.com))，方便發放有關最新業務發展之資料及本公司所有公告。本公司將股東週年大會視為重要活動，因股東週年大會可讓董事會與其股東直接溝通。本公司全體股東於股東週年大會舉行前至少有最短20個完整營業日獲通知大會舉行日期及地點，而董事及委員會成員屆時會於會上回應有關業務之提問。本公司支持企業管治守則鼓勵股東參與之原則。董事會將根據上市規則，於即將舉行之股東週年大會上以投票表決方式進行投票。本公司之投票結果將分別於聯交所網站及本公司網站公告。

## 憲章文件

於本年度內，本公司之憲章文件並無重大變動。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

### ABOUT THIS REPORT

#### Overview

This Environmental, Social and Governance (ESG) Report (the "Report") of Rentian Technology Holdings Limited and its subsidiaries ("the Group") for the Year covers environmental and social subject areas in accordance with the requirements of Environmental, Social and Governance Reporting Guide stated in Appendix 27 to the Listing Rules. Corporate governance is addressed separately in the Corporate Governance Report.

#### Scope of the Report

The Report endeavours to present a balanced representation of the Group's environmental and social performance and covers the entire operations of all entities in the Group.

The content of the Report is defined through a process to determine ESG management approach, strategy, priorities and objectives relating to the Group's operations, to describe our management, measurement and monitoring system employed to implement ESG strategy, and to disclose our key policies, compliance with relevant laws and regulations, our performance, and key performance indicators ("KPIs").

#### Approval by the Board

The Board has overall responsibility for the Group's ESG strategy and reporting. The Board is responsible for evaluating and determining the Group's ESG-related risks, and ensuring that appropriate and effective ESG risk management and relevant internal control systems are in place. The Report was approved by the Board on 27 March 2018.

### 關於本報告

#### 概覽

此份仁天科技控股有限公司及其附屬公司（「本集團」）本年度之環境、社會及管治（「ESG」）報告（「本報告」）乃按照上市規則附錄二十七所列環境、社會及管治報告指引之規定，提供在環境及社會方面之資料。企業管治於企業管治報告另行處理。

#### 本報告之範圍

本報告旨在均衡陳述本集團在環境及社會方面之表現，範圍涵蓋本集團旗下所有實體全部業務。

於界定本報告之範圍時，本集團已釐定其有關營運之ESG管理方針、策略、重要性及目標，並描述用以執行ESG策略之管理、計量及監察系統，以及披露本集團之主要政策、相關法律及法規之合規情況、績效及關鍵績效指標（「KPI」）。

#### 董事會批准

董事會對本集團之ESG策略及匯報承擔整體責任。董事會負責評估及釐定本集團有關ESG之風險，並確保本集團設有合適及有效之ESG風險管理及相關內部監控系統。本報告於二零一八年三月二十七日獲董事會批准。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### ENVIRONMENTAL AND SOCIAL SUBJECT AREAS OF THE GROUP

#### About the Group

The Group is principally engaged in the businesses of (i) the provision of integrated smart Internet-of-things solutions to enterprise customers; (ii) Human-machine Interactive Devices; (iii) intelligent documentation service; (iv) securities investment; and (v) money lending. The Group mainly operates in Mainland China and Hong Kong. Particulars of the Group's principal subsidiaries are set out in note 14 to the consolidated financial statements for the Year.

#### Strategies

Environmental and social responsibilities are viewed as the Group's core commitment to environment, internal workplace, and external community, and an integral part of the Group's practice to create value for stakeholders. Our strategy is to fulfil the Group's environmental and social responsibilities through achieving environmental and social objectives during daily operations.

#### Objectives

We integrate environmental and social considerations into the Group's business objectives to achieve:

#### Environmental objectives:

- Add environmentally-friendly elements to our daily research, development, manufacturing, sales, and service activities;
- Continuously improve waste management;
- Use energy and resources efficiently; and
- Reduce greenhouse gas emissions

### 本集團之主要環境及社會範疇

#### 關於本集團

本集團主要從事(i)向企業客戶提供整合智能物聯網解決方案；(ii)人機互動商業終端；(iii)智能檔案服務；(iv)證券投資；及(v)貸款業務。本集團主要於中國內地及香港經營。本集團旗下主要附屬公司之詳情載於本年度之綜合財務報表附註14。

#### 策略

環境及社會責任被視為本集團對環境、內部工作環境及社會各界之主要承擔，亦為本集團為持份者創造價值之常規的其中重要一環。本集團之策略為透過於日常運作中達成環境及社會目標，從而履行其環境及社會責任。

#### 目標

本集團之業務目標結合環境及社會因素，從而達致：

#### 環境目標：

- 在日常研究、開發、製造、銷售及服務活動中增添環保元素；
- 不斷改善廢物管理；
- 善用能源及資源；及
- 減少溫室氣體排放

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Social objectives:

- Respect rights of employees and promote an equal opportunity workplace;
- Commit to occupational safety and health, and provide a safe and healthy workplace;
- Promote community participation; and
- Commit to ethical business practices, and build integrity within the workplace.

### Approach

Monitored by the Board, the Group is executing its environmental and social strategy and achieving its related objectives through a series of actions and commitments:

- Embed environmental and social objectives into business processes including decision making process;
- Formulate and document environmental and social policies for management and staff members to follow;
- Comply with environmental and social laws and regulations;
- Report our performance on a balanced picture;
- Disclose KPIs as measurement of actual results;
- Ensure appropriate and effective ESG risk management and internal control systems are in place; and
- Practise corporate citizenship in things we do.

### 社會目標：

- 尊重僱員權益，於工作環境提倡平等機會；
- 確保職業安全及健康，提供安全而健康之工作環境；
- 宣揚服務社會；及
- 恪守商業道德操守，在工作環境培養誠信。

### 方針

在董事會監督下，本集團透過一系列行動及承擔，推行環境及社會策略，達成相關目標：

- 在決策等業務過程中結合環境及社會目標；
- 制定及列明環境及社會政策，供管理層及員工遵守；
- 遵守環境及社會法律及法規；
- 公正地匯報表現；
- 按實際業績之衡量方法披露KPI；
- 確保設有合適及有效之ESG風險管理及內部監控系統；及
- 在活動中奉行企業公民責任。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Environmental and social management system comprises:

- The direction from the Board to fulfil the ESG responsibilities;
- Day-to-day execution of environmental and social strategy and achieving its objectives by management;
- Performance and achievements done by employees in accordance with the Group's environmental and social policies;
- Compliance with environmental and social laws and regulations;
- Review and monitoring of ESG risks management and internal control systems by the Board; and
- Reporting and disclosure of our performance and KPIs.

Measures for the achievement of environmental and social objectives are:

- Environmental policies;
- Social policies;
- Checklists for the compliance with applicable environmental and social laws and regulations;
- Requiring documentation for the performance and achievements of environmental and social related activities or matters; and
- Data collection, calculation, and disclosure of KPIs.

The implementation of environmental and social strategies, management of environmental activities, and measurement of achieving environmental and social objectives are monitored by dedicated managerial staff members and finally by the Board for its overall ESG responsibility.

環境及社會管理系統包括：

- 董事會領導履行ESG責任；
- 管理層負責環境及社會策略之日常執行，並達成有關目標；
- 僱員履行及恪守本集團之環境及社會政策；
- 遵守環境及社會法律及法規；
- 董事會檢討並監察ESG風險管理及內部監控系統；及
- 匯報及披露本集團之績效及KPI。

達成環境及社會目標之措施包括：

- 環境政策；
- 社會政策；
- 遵守適用環境及社會法律及法規之清單；
- 就履行及達成環境及社會相關活動或事宜作出記錄之規定；及
- KPI之數據收集、計算及披露。

董事會最終承擔ESG責任，並指定管理層成員監督施行環境及社會策略、管理環境活動並衡量環境及社會目標之達成情況。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Stakeholder Engagement and Materiality

Stakeholder engagement is a key success factor in formulating our environmental and social strategy, defining our objectives, assessing materiality, and establishing policies. Our key stakeholders include customers, suppliers, employees and management. We have conducted a survey, discussed or communicated with stakeholders to understand their views and respond to their needs and expectations, evaluated and prioritised their inputs to improve our performance, and finally strived to provide value to our stakeholders, community and the public as a whole.

Based on the stakeholder engagement, we have identified issues with significant environmental and social impact and issues concerning stakeholders. The results of materiality assessment prioritised stakeholder inputs and made us focused on the material aspects for actions, achievements and reporting. We present below the relevant and required disclosure.

### GENERAL DISCLOSURE AND KPIS

#### A. Environmental

The Group recognises the importance of a practice to protect the natural environment for the benefit of humans. We are committed to doing things we can to reduce the degrading of the biophysical environment.

#### *Aspect A1: Emissions*

Emissions refer to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.

Emissions disclosed as KPIs are calculated based on the consumption data collected and applicable emission factors. Since certain emission factors of mainland China are not accessible or updated from official sources, we have applied relevant emission factors which are available from recognized or reputable sources. If certain emission factors of mainland China are not available, available consumption data collected, waste produced, or emission measured is disclosed.

### 權益人參與及重要性

權益人的參與對制定環境及社會策略、界定目標、評估重要性及建立政策至關重要。本集團之主要權益人包括客戶、供應商、僱員及管理層。本集團已進行調查、與權益人討論或溝通，以瞭解彼等之見解，回應其需要及期望，評估及排列其對於改善本集團表現之意見，並致力為權益人、社區及普羅大眾創造價值。

基於權益人之參與，本集團已識別出對環境及社會具重要影響以及與權益人有關之事宜。重要性評估之結果將權益人之意見排列次序，讓本集團集中處理重要層面，作出行動、執行及匯報。本集團於下文呈列相關及規定之披露事項。

### 一般披露及KPI

#### A. 環境

本集團肯定保護自然環境對人類福祉之重要性。本集團矢志盡其所能減少影響生態環境。

#### *層面A1：排放物*

排放物指廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物之產生。

按KPI披露之排放物乃依據收集之消耗數據及適用排放因素計算。由於本集團未能從官方來源取得或更新中國內地之若干排放因素，故已應用從認可或知名來源取得之相關排放因素。倘未能取得中國內地之若干排放因素，則會披露收集所得之消耗數據、已產生之廢棄物或已計量之排放物。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

- Air and Greenhouse Gas Emissions

Air emissions include nitrogen oxides (“NOx”), sulphur oxides (“SOx”) and other pollutants regulated under national laws and regulations. Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride.

- Air and Greenhouse Gas Emissions from Production

The Group controls air emissions during the production process. One of subsidiaries established policies to control air emissions by requiring employees to operate and maintain the production equipment properly to avoid excessive air and greenhouse emissions. Quality control department is responsible for inspection of air emissions on a regular basis. External environmental agency is engaged to measure the emissions if it is necessary. Excessive emissions are required to be addressed and remedied timely.

In view of the Group’s business nature, there was no air emissions as a result from gaseous fuel consumption in production.

- Air and Greenhouse Gas Emissions from Vehicles

The Group believes that green logistics brings benefits, which include reduction of transportation costs and reduction of energy consumption and pollution. As such, the Group requires that trucks used for long-distance transportation are loaded to the optimal capacity. In particular, the Group encourages optimising transportation routes, high loading rate and proper tire pressure to achieve efficiency.

- 廢氣及溫室氣體排放

廢氣排放包括氮氧化物（「NOx」）、硫氧化物（「SOx」）及其他受國家法律及規例規管的污染物。溫室氣體包括二氧化碳、甲烷、氧化亞氮、氫氟碳化物、全氟化碳及六氟化硫。

- 生產廢氣及溫室氣體排放

本集團控制生產過程中之廢氣排放。其中一間附屬公司已制定政策控制廢氣排放，要求僱員妥善操作及保養生產設備，防止排放過量廢氣及溫室氣體。品質控制部門負責定期檢測廢氣排放。如有必要，本集團會委聘外界環保機構量度排放。本集團規定及時處理及糾正過量排放。

基於本集團之業務性質，生產過程消耗之氣體燃料並無產生廢氣排放。

- 汽車廢氣及溫室氣體排放

本集團深信綠色物流的裨益，包括減省運輸成本、節省能源及減少污染。因此，本集團要求長途運輸貨車乘載適量貨物。本集團尤其鼓勵採用最佳運輸路線、高運量及適當軟壓以提高效率。



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The Group reminds employees to consider environmental impact in their commuting decisions to reduce air and greenhouse gas emissions. Employees are encouraged to take public transportation as often as possible and select fuel-efficient vehicles. While employees are driving, it is suggested to avoid unnecessary acceleration or deceleration, close windows when the vehicle is travelling at high speed, and only use air-conditioning when it is necessary.

The Group requires vehicles to use unleaded petrol and maintain the vehicles properly. Vehicles should undergo annual emissions testing and repair when it is necessary to improve air quality.

### KPI A1.1 Emissions from vehicles

本集團提醒僱員在通勤時考慮環境影響，減少廢氣及溫室氣體排放，例如鼓勵僱員盡可能利用公共交通系統，並選擇具燃料效益的交通工具。本集團鼓勵僱員駕駛時避免不必要加速或減速、在高速行駛下關窗及於必要時方使用空調。

本集團要求車輛使用無鉛汽油及通過適當保養。汽車應每年進行排氣測試，於必要時進行維修，改善排氣質素。

### KPI A1.1 汽車排放量

		2017
		二零一七年
		(g)
Types of emissions	排放物種類	(克)
NO <sub>x</sub>	氮氧化物	14,421
SO <sub>x</sub> – Hong Kong office	硫氧化物－香港辦事處	63
SO <sub>2</sub> – Mainland China operation	二氧化硫－中國內地業務	1,995
Particulate Matter (“PM”)	顆粒物(「PM」)	1,703
Hydrocarbons (“HC”)	碳氫化合物(「HC」)	
– Mainland China operation	– 中國內地業務	17,700
Carbon Monoxide (“CO”)	一氧化碳(「CO」)	
– Mainland China operation	– 中國內地業務	153,844

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### KPI A1.2 Greenhouse gas ("GHG") emissions in total

GHG emissions in total are 1,463 tonnes for the Year, which includes scope 1, scope 2, and scope 3 emissions as disclosed below.

### KPI A1.2 Scope 1 – Direct emissions from operations that are owned or controlled by the Group

### Main categories of Scope 1 emissions: GHG emissions from mobile combustion sources 範圍1排放之主要類別：流動燃燒源之溫室氣體排放

Types of emissions	排放物種類	2017 二零一七年 (kg) (千克)
Carbon Dioxide ("CO <sub>2</sub> ")	二氧化碳 (「CO <sub>2</sub> 」)	70,754
Methane ("CH <sub>4</sub> ")	甲烷 (「CH <sub>4</sub> 」)	239
Nitrous Oxide ("N <sub>2</sub> O")	氧化亞氮 (「N <sub>2</sub> O」)	2,839
Total GHG emissions	溫室氣體總排放量	73,832

#### – Indirect Greenhouse Gas Emissions from Electricity Consumption

The Group requires workers to turn the machine on only when production preparation work has been done, and turn the machine off immediately at the end of production to reduce the indirect greenhouse gas emissions from electricity consumption.

### KPI A1.2 溫室氣體總排放量

截至二零一七年十二月三十一日止年度，溫室氣體總排放量為1,463噸，包括下文所披露之範圍1、範圍2及範圍3排放。

### KPI A1.2 範圍1 – 涵蓋由本集團擁有或控制之業務直接產生之溫室氣體排放

#### – 用電之間接溫室氣體排放

本集團要求工人只於完成生產準備工作後方開啟機器，並於生產完成時立即關掉機器，減少用電之間接溫室氣體排放。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Installation of energy-efficient lighting has been planned. It is required for proper maintenance of electricity devices to avoid electricity leakage. Air-conditioning should be set at reasonable range. It is also required to disable the standby mode for all electrical appliances, including computers, photocopiers and printers before leaving the office.

*KPI A1.2 Scope 2 – Energy indirect emissions resulting from the generation of purchased or acquired electricity, heating, cooling and steam consumed within the Group*

本集團已計劃安裝具能源效益的照明系統，並要求妥善保養電器，避免漏電。空調應設定於合理範圍。本集團亦規定於離開辦公室前關閉所有電器之備用模式，包括電腦、影印機及打印機。

*KPI A1.2範圍2—涵蓋來自本集團內部消耗（購回來之或取得之）電力、熱能、冷凍及蒸氣所引致之間接能源溫室氣體排放*

### Main sources of Scope 2 emissions: Electricity purchased from power companies

範圍2排放之主要來源：從電力公司購買之電力

Types of emissions	排放物種類	2017
		二零一七年 (kg) (千克)
CO <sub>2</sub> equivalent emission	CO <sub>2</sub> 當量排放	1,246,327
Total GHG emissions	溫室氣體總排放量	1,246,327

- Indirect Greenhouse Gas Emissions from Paper Waste Disposed at Landfills  
In order to address indirect emissions relating to paper waste deposited at landfills, the Group encourages employees to apply computer technology such as email and storage devices to reduce paper consumption, avoid unnecessary printing or copying on paper, to print on both sides of a sheet of paper, to put recycling boxes near the photocopiers to collect single-sided paper for reuse and used double-sided paper for recycling, and to adjust documents and use space efficiency formats to optimise use of paper.

- 廢紙在堆填區所產生之間接溫室氣體排放  
為解決廢紙在堆填區所產生之間接排放，本集團鼓勵僱員應用電郵及儲存裝置等電腦科技減少耗紙；避免不必要之打印或複印用紙，每張紙張進行雙面打印，於打印機旁放置回收箱回收單面紙供循環再用，而經雙面使用之紙張則作循環再造；以及調節文件及使用善用空間之有效格式，盡用紙張。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

– Indirect Greenhouse Gas Emissions from Business Travel by Employees

The Group recognises the severity of indirect greenhouse gas emissions from business travel by employees, and encourages employees to utilise teleconference instead of overseas meetings and choose railway for short-distance travel to reduce the number of air travel and ultimately reduce the carbon footprint of business travel.

*KPI A1.2 Scope 3 – All other indirect emissions that occur outside the Group, including both upstream and downstream emissions*

– 僱員出外公幹之間接溫室氣體排放

本集團明白僱員出外公幹產生大量間接溫室氣體排放，並鼓勵僱員使用電話會議而非海外會議，短途行程使用鐵路，減少使用航空交通，盡可能減少出外公幹之碳足跡。

*KPI A1.2範圍3 – 涵蓋公司以外發生之所有其他間接溫室氣體排放，包括上游及下游之排放*

### Activities from which indirect GHG emissions arise

產生間接溫室氣體排放之活動

		2017 二零一七年 (kg) (千克)
<u>Types of emissions</u>	<u>排放物種類</u>	
Paper waste disposed at landfills – Hong Kong office CO <sub>2</sub> equivalent emission	棄置到堆填區的廢紙 – 香港辦事處 CO <sub>2</sub> 當量排放	2,078
Business air travel by employees CO <sub>2</sub> equivalent emission	僱員出外公幹 CO <sub>2</sub> 當量排放	141,202
Total GHG emissions	溫室氣體總排放量	143,280

# Environmental, Social and Governance Report

## 環境、社會及管治報告

For Mainland China operation, total paper waste disposed of during the year ended 31 December 2017 is 2,137 kg.

- Discharges into Water and Land  
The Group requires that discharges, if any, into waterways and land must comply with relevant laws and regulations.
- Generation of Hazardous Waste and Non-hazardous Waste
  - Hazardous Waste  
Hazardous wastes are those defined by national regulations. Hazardous wastes are required to be collected by recycling companies and labelled properly with sealed packaging.

### *KPI A1.3 Total hazardous waste produced and intensity*

There was no significant hazardous waste generated in view of the Group's business nature.

- Non-hazardous Waste  
The Group promotes "reduce, reuse and recycle" to minimise waste and protect environment. Employees are encouraged to purchase supplies or equipment with an option to be upgraded and longer life-span, to install recycling bins to collect recyclables, and to have recyclers to collect recyclables.

就中國內地業務而言，截至二零一七年十二月三十一日止年度廢紙總量為2,137千克。

- 向水及土地的排污  
本集團要求向水道及土地排放之污染物（如有）必須符合相關法律及法規。
- 有害及無害廢棄物之產生
  - 有害廢棄物  
有害廢棄物為受國家法例規管的廢棄物。本集團規定妥善標籤、以密封容器存放並由回收公司收集有害廢棄物。

### *KPI A1.3所產生有害廢棄物總量及密度*

基於本集團之業務性質，並無產生大量有害廢棄物。

- 無害廢棄物  
本集團提倡「減少、再用、回收」，減廢及保護環境。本集團鼓勵僱員購買可升級及壽命較長之供應品或設備，安裝回收桶收集可循環物料，並安排回收商收集可循環物料。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

*KPI A1.4 Total non-hazardous waste produced and the intensity*

*KPI A1.4 所產生無害廢棄物總量及密度*

		2017 二零一七年 (Tonnes) (噸)
Non-hazardous waste produced	所產生無害廢棄物	
– Landfill	– 堆填	0.5
Non-hazardous waste produced	所產生無害廢棄物	
– Landfill or Incineration	– 堆填或焚化	4.0
Total non-hazardous waste produced	所產生無害廢棄物總量	4.5
		(Tonnes/ per employee) (以噸/ 每名僱員計算)
Non-hazardous waste intensity	無害廢棄物密度	0.003

*KPI A1.5 Description of measures to mitigate emissions and results achieved*

In accordance with policies stated above for the reduction of air and greenhouse gas emissions from vehicles, the Group adopts the following measures: control the numbers of vehicles owned by the Group; control the frequency of employees not to take public transportation for local business commuting; and control the volume of business travel by employees. We consider such measures had been achieved for the year ended 31 December 2017.

*KPI A1.5 描述減低排放量之措施及所得成果。*

根據上述減低汽車廢氣及溫室氣體排放之政策，本集團採取以下措施：控制由本集團擁有之汽車數目；控制僱員以非公共交通工具於本地通勤之頻率；以及控制僱員公幹規模。本集團認為該等措施於截至二零一七年十二月三十一日止年度取得成果。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

*KPI A1.6 Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved*

Non-hazardous wastes are preferred to be recycled, otherwise, they are sent for landfill or incineration. In accordance with policies stated above for the reduction of non-hazardous wastes, the Group adopts the following measures: control the commercial wastes generated by employees; control the waste of papers; control the volume of non-hazardous waste going direct to landfill or incineration without recycling. We consider such measures had been achieved for the year ended 31 December 2017.

### **Aspect A2: Use of Resources**

The Group recognises that efficient use of resources, including energy, water and other raw materials, in production, storage, transportation, buildings, electronic equipment, etc. is one of the important aspects to protect environment.

- *Efficient Use of Energy*

The Group established policies and procedures to reduce energy consumption in the facility, to assess the energy efficiency and utilisation of machineries as well as facilities, to increase the use of clean energy, if possible, to set targets to monitor energy consumption, and to ensure power is turned off when electrical appliances are not in use.

*KPI A1.6 描述處理有害及無害廢棄物之方法、減低產生量之措施及所得成果*

無害廢棄物會盡量循環再造，否則送往堆填區或焚化。根據上述減低無害廢棄物之政策，本集團採取以下措施：控制僱員產生之商業廢棄物；控制廢紙量；控制不經循環再造而直接送往堆填區或焚化之無害廢棄物數量。本集團認為該等措施於截至二零一七年十二月三十一日止年度取得成果。

### **層面A2：資源使用**

本集團肯定於生產、儲存、運輸、樓宇、電子設備等有效使用資源（包括能源、水及其他原材料）對於保護環境至關重要。

- *善用能源*

本集團已制定政策及程序減少設施能耗，評估能源效益及使用機器設施之情況，盡可能增加使用清潔能源，訂立目標監察能源消耗，並確保關掉不在使用中之電器。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

KPI A2.1 Direct and/or indirect energy consumption by type in total and intensity

KPI A2.1 按類型劃分之直接及／或間接能源總耗量及密度

### Direct energy consumption by type 按類型劃分之直接能源耗量

		2017 二零一七年 (kWh in'000s) (以千個 千瓦時計算)
Non-renewable fuel consumed by:	以下各方消耗之不可再生燃料耗量：	
a subsidiary with factory ("Group A")	一間擁有廠房之附屬公司 (「甲組」)	129
a subsidiary with intelligent documentation services ("Group B")	一間提供智能檔案服務之 附屬公司(「乙組」)	35
other subsidiaries not classified above ("Group C")	未歸入上述分類之 其他附屬公司(「丙組」)	122
<b>Total non-renewable fuel consumed</b>	<b>不可再生燃料總耗量</b>	<b>286</b>
Electricity purchased for consumption by:	以下各方購買作消耗之電力：	
Group A	甲組	889
Group B	乙組	782
Group C	丙組	135
<b>Total electricity purchased for consumption</b>	<b>購買作消耗之電力總量</b>	<b>1,806</b>

### Direct energy consumption by Group A 甲組之直接能源耗量

		2017 二零一七年 (kWh in'000s) (以千個 千瓦時計算)
Non-renewable fuel	不可再生燃料	129
Electricity	電力	889
<b>Total energy consumed by Group A</b>	<b>甲組之能源總耗量</b>	<b>1,018</b>

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(kWh in'000s/  
units in'000s)  
(以千個千瓦時/  
每千產量單位計算)

Total energy consumption intensity – per thousand units of production	能源總耗量密度 – 每千產量單位	1.71
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### Direct energy consumption by Group B 乙組之直接能源耗量

**2017**  
二零一七年  
(kWh in'000s)  
(以千個  
千瓦時計算)

Non-renewable fuel	不可再生燃料	35
Electricity	電力	782
Total energy consumed by Group B	乙組之能源總耗量	817

(kWh in'000s/  
tonne)  
(以千個千瓦時/  
每噸計算)

Total energy consumption intensity – per tonne of production	能源總耗量密度 – 每噸產量	0.24
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### Direct energy consumption by Group C 丙組之直接能源耗量

**2017**  
二零一七年  
(kWh in'000s)  
(以千個  
千瓦時計算)

Non-renewable fuel	不可再生燃料	122
Electricity	電力	135
Total energy consumed by Group C	丙組之能源總耗量	257

(kWh in'000s/  
per employee)  
(以千個千瓦時/  
每名僱員計算)

Total energy consumption intensity – per employee	能源總耗量密度 – 每名僱員	1.17
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# Environmental, Social and Governance Report

## 環境、社會及管治報告

- Water Consumption

The Group requires employees to reduce water consumption. For example, employees are encouraged to fully empty any containers before washing, and to turn off water taps promptly.

Our Beijing, Guangzhou and Hong Kong offices operate in leased office premises for which both the water supply and discharge are solely controlled by the building management, therefore, the provision of water withdrawal and discharge data or sub-meter for individual occupants are not feasible.

*KPI A2.2 Water consumption in total and intensity*

		<b>2017</b> 二零一七年 (Cubic metres) (立方米)
Annual water consumed by:	每年耗水量：	
Group A	甲組	7,202
Group B	乙組	1,451
Group C	丙組	1,312
Total annual water consumption	每年總耗水量	<u>9,965</u>
		<b>2017</b> 二零一七年 (Cubic metres) (立方米)
Annual water consumed by Group A	甲組之每年耗水量	7,202
		(Cubic metres/ units in '000s) (以立方米/ 每千單位計算)
Water consumption intensity – per thousand units of production	耗水密度—每千產量單位	12.06

- 用水

本集團要求僱員減少用水。例如，本集團鼓勵僱員於清潔前清除容器積水，並迅速關閉水龍頭。

本集團之北京、廣州及香港辦事處於租賃辦公室物業營運，其耗水及排水由樓宇管理公司全權控制，因此提供耗水及排水數據或為個別租戶安裝分水錶並不可行。

*KPI A2.2 總耗水量及密度*

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**2017**  
二零一七年  
(Cubic metres)  
(立方米)

Annual water consumed by Group B	乙組之每年耗水量	1,451
		(Cubic metres/ tonne) (以立方米/ 每噸計算)

Water consumption intensity – per tonne of production	耗水密度—每噸產量	0.43
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**2017**  
二零一七年  
(Cubic metres)  
(立方米)

Annual water consumed by Group C	丙組之每年耗水量	1,312
		(Cubic metres/ per employee) (以立方米/ 每名僱員計算)

Water consumption intensity – per employee	耗水密度—每名僱員	9.3
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### *KPI A2.3 Description of energy use efficiency initiatives and results achieved*

The Group's ability to use energy efficiently can be revealed by its intention and measures for the reductions in energy consumption. Energy consumption has a direct effect on the environmental footprint of the Group, its operational costs, and exposure to certain risks (e.g. fluctuations in energy supply and prices). The Group's policies and measures specific to managing energy use have been stated above. We consider such policies had been adopted and measures had been achieved for the year ended 31 December 2017.

### *KPI A2.3 描述能源使用效益計劃及所得成果*

本集團減能之計劃及措施可反映其有效耗能之能力。耗能對本集團之環境足跡、營運成本及若干風險之承受（如能源供應及價格波動）有直接影響。本集團針對耗能管理而採用之政策及措施載於上文。本集團認為已採取之政策及措施於截至二零一七年十二月三十一日止年度取得成果。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

*KPI A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved*

The Group's ability to use water efficiently can be revealed by its intention and measures for the reductions in water consumption. Water consumption has a direct effect on the environmental footprint of the Group, its operational costs, and exposure to certain risks (e.g. reliance on sources of water that may be considered sensitive due to their relative size or function; or status as a possibly rare, threatened, or endangered system; or to their possible support of a particular endangered species of plant or animal). The Group's policies and measures specific to water use have been stated above. We consider such policies had been adopted and measures had been achieved for the year ended 31 December 2017.

- **Efficient Use of Raw Material and Packaging Material**  
The Group endeavours to adopt the lifecycle assessment approach to consider the environmental impact of products throughout their lifecycle, covering raw material selection, acquisition, production, usage, disposal, and recycling. The Group encourages employees to use recycled or renewable material for packaging, and to design the packaging to be returnable, reusable, and renewable.

*KPI A2.4 描述求取適用水源可有任何問題，以及提升用水效益計劃及所得成果*

本集團減耗水量之計劃及措施可反映其有效耗水之能力。耗水對本集團之環境足跡、營運成本及若干風險之承受（如對敏感水源之依賴（水源敏感是因為其相對規模或職能；或因屬稀有、受威脅或瀕危系統；或屬特定瀕臨滅絕之植物或動物種類之支援））有直接影響。本集團針對耗水而採用之政策及措施載於上文。本集團認為已採取之政策及措施於截至二零一七年十二月三十一日止年度取得成果。

- **善用原材料及包裝物料**  
本集團致力利用生命週期評估法，考慮產品於生命週期中對環境之影響，涵蓋原材料選擇、收購、生產、使用、處置及回收。本集團鼓勵僱員在包裝上使用回收或可循環物料，並設計可收回、可再用及可循環之包裝。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

*KPI A2.5 Total packaging material used for finished products and, if applicable, with reference to per unit produced*

The disposal of products and packing materials at the end of a use phase is a steadily growing environmental challenge, tracking the use of packaging materials is to reduce, reuse and/or recycle the packaging materials.

*KPI A2.5 製成品所用包裝材料之總量及(如適用)每生產單位佔量*

在使用階段後期如何處置產品及包裝物料日漸成為具挑戰性之環境問題，了解包裝物料之使用情況，旨在減少、重複使用及／或回收包裝物料。

### Total packaging material used by type

使用之包裝物料總量(按類別)

2017

二零一七年

(Tonnes)

(噸)

Plastic	塑膠	390
Paper	紙張	470

Total packaging material used	所用包裝材料之總量	860
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(Tonnes/  
per units in '000s)

(以噸/  
每千單位計算)

Intensity of packaging material use	使用之包裝材料密度	0.76
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# Environmental, Social and Governance Report

## 環境、社會及管治報告

### **Aspect A3: The Environment and Natural Resources**

The Group is committed to reducing the production and operation impacts on environment and natural resources. Policies are established to consider the actual impacts on environment and natural resources and to reduce such impacts. As a result, one of subsidiaries has obtained various energy-saving product certificates and environmental-labelling product certificates.

To raise the awareness of impacts on the environment and natural resources, certain training on environment protection are conducted. For example, human resource department of our operating subsidiaries organised training on environmental-labelling product certification and established an environmental impact assessment method to assess the occurrence and impact of actual issues resulting from production and operation, and to establish control procedures to mitigate such impact.

#### *KPI A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them*

We understand that our performance in respect of emissions, waste production and disposal, and use of resources impacts the environment, we endeavour to minimise such impacts, and communicate our environmental policies, measures, performance, and achievements to our stakeholders. No significant impacts on the environment and natural resources were caused, in view of the Group's business nature. Policies and/or measures adopted in the year ended 31 December 2017 specific to manage potential impacts of activities on the environment and natural resources are mentioned above.

### **層面A3：環境及天然資源**

本集團致力減少生產及營運對環境及天然資源之影響，並已制定政策考慮對環境及天然資源之實際影響以及如何減輕影響。因此，其中一間附屬公司已取得多項節能產品認證及環保標籤產品認證。

為了提升對環境及天然資源影響之意識，本集團已進行若干環保培訓。舉例而言，營運附屬公司之人力資源部已安排有關環保標籤產品認證之培訓，並已制定環境影響評估方法，評估生產及經營所產生之實際問題及影響，並建立監控程序減輕有關影響。

#### *KPI A3.1 描述業務活動對環境及天然資源之重大影響及已採取管理有關影響之行動*

本集團了解在排放、廢物產生及處置以及資源使用方面之表現會對環境造成影響，致力減低該等影響，並向權益人提供環境政策、措施、績效及成果等資料。基於本集團之業務性質，並無對環境及天然資源造成重大影響。截至二零一七年十二月三十一日止年度特別為管理業務活動對環境及天然資源之潛在影響而採取之政策及／或措施載於上文。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### B. Social

The Group recognises that fulfilling social responsibilities is our duty as a corporate citizen. We endeavour to establish harmonious relationship with our employees, customers, suppliers, and the community at large. We care about the well-being and development of employees, ensure high standard of product responsibility, enhance transparent relationship with customers and suppliers, and contribute to our community development.

#### Employment and Labour Practices

##### *Aspect B1: Employment*

The Group has established employment policies, including compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.

- **Compensation and Dismissal**  
The Group offers competitive remuneration to attract and retain talented staff. Remuneration packages are reviewed periodically to ensure consistency with employment market. Laws and regulations on minimum wage and statutory social benefits are required to be followed. Dismissal is required to comply with employment laws and regulations, and to follow the internal policies and procedures, including policy on prevention of dismissal purely on employees' gender, marital status, pregnancy, disability, age or family status.

In order to retain talent, in 2017, our human resource department conducted an employee turnover analysis to identify the key reasons of turnover and find solutions to improve the employee turnover rate.

### B. 社會

本集團明白履行社會責任是作為企業公民的職責。本集團銳意與僱員、客戶、供應商及社區建立和諧關係。本集團關心僱員身心健康及發展，保持高產品責任標準，提升客戶及供應商關係之透明度，並為社區發展作出貢獻。

#### 僱傭及勞工常規

##### *層面B1：僱傭*

本集團已制定有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利之政策。

- **薪酬及解僱**  
本集團提供具競爭力之薪酬以吸引及挽留優秀員工，定期檢討薪酬待遇，確保與僱傭市場一致，要求遵守有關最低工資及法定社會福利之法律及法規，並按照僱傭法律及法規以及內部政策及程序解僱員工，包括防止純粹因僱員性別、婚姻狀況、懷孕、殘疾、年齡或家庭狀況解僱員工之政策。

為了挽留人才，人力資源部於二零一七年進行僱員流失率分析，確定主要流失理由及尋求改善僱員流失率之方案。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

- **Recruitment and Promotion**  
The Group attracts talent through flexible, fair and transparent recruitment strategy. Our recruitment process includes application for recruitment, description of position, collection of job applications, interview, selection, approval, and job offering. Promotion is based on performance and suitability. Promotion process includes recommendation of candidates, evaluation, approval, and confirmation of promotion.
- **Working Hours, Rest Periods, Benefits and Welfare**  
Employees' working hours, rest periods, benefits and welfare, including social security benefits and retirement pension plans, are required in compliance with employment or labour laws and regulations.
- **Equal Opportunities, Diversity and Anti-discrimination**  
The Group endeavours to provide a fair workplace for employees and follow the principles of equality and non-discrimination. Recruitment, remuneration, promotion, and benefits are required to be handled based on objective assessment, equal opportunity and non-discrimination regardless of gender, race, employment type, age, geographical region, or other measure of diversity.
- **招聘及晉升**  
本集團以靈活、公平及透明之招聘策略吸引人才。招聘程序包括申請招聘、描述職位、收集應徵申請、面試、甄選、批准及聘用。晉升取決於表現及是否稱職。晉升程序包括推薦人選、評估、批准及確定晉升。
- **工作時數、假期、待遇及福利**  
僱員之工作時數、假期、待遇及福利（包括社會保障福利及退休金計劃）須符合僱傭或勞工法律及法規。
- **平等機會、多元化及反歧視**  
本集團努力為僱員提供公平之工作環境，恪守公平及反歧視原則。招聘、薪酬、晉升及福利必須建基於客觀評估、平等機會及不涉歧視，包括性別、種族、職位類別、年齡、地區或其他多元性指標。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### **Aspect B2: Health and Safety**

The Group is committed to maintaining a healthy and safe workplace for employees, and to preventing workplace injuries and illnesses.

- **Providing a Safe Working Environment**  
The Group requires entities to establish and document policies and procedures on safety for employees to follow, set targets for the safety of employees, monitor the safety performance against the targets periodically, and report any safety incidents to management. For example, one of subsidiaries established written procedures for emergency response, including procedures for fire extinguishing, police emergency call service, ambulance service, and rescue procedures.
- **Protecting Employees from Occupational Hazards**  
One of the success factors for protecting employees from occupational hazards is to train employees to protect themselves from psychological and physical hazards. The Group requires such training to be delivered to employees, especially those who operate equipment and tools.
- **Work-life Balance**  
The Group organises leisure and sports activities outside of workplace including annual dinners in Hong Kong and the PRC to promote work-life balance for employees.

### **層面B2：健康與安全**

本集團致力為僱員提供健康及安全的工作環境以及保障僱員避免工傷及與工作有關之疾病。

- **提供安全工作環境**  
本集團要求各實體制定及列明僱員應遵守之安全政策及程序，訂立僱員安全目標，定期對照安全表現與目標，並向管理層匯報安全事故。例如，其中一間附屬公司已制定書面緊急應變程序，包括火警、報警、召援及急救程序。
- **保障僱員避免職業性危害**  
保障僱員避免職業性危害之其中一項成功要素為訓練僱員保護自己免受心理及身體傷害。本集團規定為僱員（尤其是設備及工具操作員）提供有關培訓。
- **作息平衡**  
本集團舉辦工餘消閒及體育活動，包括香港及中國的年度晚宴，以鼓勵僱員作息平衡。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### **Aspect B3: Development and Training**

The Group is committed to providing adequate training to our employees to improve their knowledge and skills for discharging duties at work. Training includes vocational training courses provided internally or externally and paid by the Group.

- **Employee Development**  
The Group requires employees to attend internal and external training courses, including new employee orientation and employee continuing education to improve employees' knowledge and skills for their job positions. The costs of qualified training courses are borne by the Group.
- **Training Activities**  
The Group recorded attendance for fresh graduates on a research and development training, and recorded attendance for a new employee orientation training. Various training classes were organised for our staff as well.

### **Aspect B4: Labour Standards**

The Group is committed to avoiding child and forced labour in the workplace.

- **Preventing Child and Forced Labour**  
The Group prohibits child labour, and requires human resource department and user departments to work together to prevent or identify child labour, and to ensure child labour is not in our workforce.

The Group is committed to protecting human rights, to prohibiting forced labours, and to creating a workplace with respect, fairness, and free will for our employees.

### **層面B3：發展及培訓**

本集團致力為僱員提供足夠培訓，提升僱員履行工作職責的知識及技能。該等培訓包括由本集團付費之內外部職業培訓課程。

- **僱員發展**  
本集團要求僱員出席內外部培訓課程，包括新員工入職、僱員持續教育，提升僱員履行工作職責的知識及技能。合資格培訓課程費用由本集團承擔。
- **培訓活動**  
本集團記錄應屆畢業生出席一項研發培訓之情況，並記錄新員工出席入職培訓之情況。此外，本集團曾為員工舉辦不同培訓班。

### **層面B4：勞工準則**

本集團銳意於工作場所防止使用童工或強制勞工。

- **防止童工或強制勞工**  
本集團禁止使用童工，並規定人力資源部及招工部門合作防止或識別童工，確保本集團工作場所並無童工。

本集團致力保障人權，禁止強制勞工，為僱員締造互相尊重、公平與自願的工作環境。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Operating Practices

#### **Aspect B5: Supply Chain Management**

Supply chain management is one of the important areas of our business, which includes managing environmental and social risks of the supply chain. The Group requires suppliers to provide products and services for us with up-to-standard quality, health and safety to ensure compliance with environmental laws and regulations, and to ensure compliance with labour standards. The contracting for purchase of products and services is required to be based solely upon specification, quality, service, delivery, price, and tendering.

The Group requires impartial selection of suppliers and service providers, maximisation of competition in tendering process, approval of contract terms, compliance with laws and regulations, prevention and detection of bribery or fraud in the tendering and procurement process, and achievement of efficiency and cost saving in procurement.

Supply chain management policies and procedures are established, including assessment, selection, approval, procurement, and performance evaluation. Performance evaluation is based on quality, service, cost, and delivery.

#### **Aspect B6: Product Responsibility**

Product responsibility refers to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.

- **Health and Safety**  
The Group is fully responsible for our products and services, including health and safety relating to our products. We ensure health and safety relating to our products from the following areas: product design to ensure health and safety, selection of raw materials with health and safety consideration, quality control during the manufacturing processes, health and safety check for finished products, proper delivery and after-sale services.

### 營運慣例

#### **層面B5：供應鏈管理**

供應鏈管理是本集團業務其中一個重要範疇，當中包括管理供應鏈之環境及社會風險。本集團要求供應商向本集團提供產品及服務之最新質量、健康及安全標準，確保符合環境法律及法規以及勞工準則。訂約採購產品及服務必須純粹建基於規格、品質、服務、交貨、定價及招標。

本集團規定挑選供應商及服務供應商時必須公正，發揮招標程序的競爭性，審批合約條款，遵守法律及法規，防止及偵測招標及採購程序中的賄賂或欺詐行為，同時提升採購效率及減省成本。

本集團已制定供應鏈管理政策及程序，涵蓋評審、挑選、批准、採購及表現評估。表現評估建基於品質、服務、成本及交貨質量。

#### **層面B6：產品責任**

產品責任涉及所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法。

- **健康與安全**  
本集團對其產品及服務負全責，包括產品健康與安全。本集團在以下範疇確保產品健康與安全：產品設計確保健康與安全、根據健康與安全因素選擇原材料、生產過程的品質控制、製成品健康與安全檢測、妥善運送及售後服務。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

- **Advertising**  
The Group understands our customers' rights and is committed to providing accurate product and service information for customers in connection with their purchase or consumption decision. The Group requires careful review of advertising material to protect customers' interest.
- **Labelling**  
The Group requires that labelling is accurate, legitimate, clear, and not misleading, and intellectual property rights are protected.
- **Privacy Matters**  
The Group is committed to protecting customer data and privacy information and keeping business information confidential. Training to employees in this regard and proper information system security are required.
- **Methods of Redress**  
Although we ensure the quality of our products and services, at the same time, the Group requires that products or services with quality, safety, or health issues should be returned or compensated in accordance with terms of sales or service contracts. Return, recall, or compensation of products and services is required to be offered to all customers who are affected with consistent treatment and procedures.

### **Aspect B7: Anti-corruption**

The Group established anti-corruption policies to prohibit employees from receiving any advantages offered by customers, suppliers, colleagues, or other parties, while they are performing employee duties, and prohibit any activities involving conflicts of interest, bribery, extortion, fraud, and money laundering. The Group encourages employees, customers, suppliers, or other parties to report incidents relating to any conflicts of interest, bribery, extortion, fraud and money laundering.

- **廣告**  
本集團瞭解客戶權益，矢志為客戶提供準確產品及服務資訊，供彼等於購買或使用時參考。本集團要求仔細審查廣告材料，保障客戶權益。
- **標籤**  
本集團要求標籤準確、合法、清晰及無誤導成份，並保障知識產權。
- **私隱事宜**  
本集團致力保障客戶數據及私隱資料，並對商業機密保密。本集團規定提供此方面之僱員培訓及恰當資訊系統保障。
- **補救方法**  
儘管本集團確保產品及服務品質，本集團同時要求按照銷售或服務合約條款退還或補償存在質量、安全或健康問題的產品或服務。本集團規定以一致的方式及程序向所有受影響客戶進行產品及服務退還、召回或賠償。

### **層面B7：反貪污**

本集團已制定反貪污政策禁止僱員於履行職務時收受客戶、供應商、同事或其他人士提供的利益，並禁止任何涉及利益衝突、賄賂、勒索、欺詐及洗黑錢的活動。本集團鼓勵僱員、客戶、供應商或其他人士舉報涉及利益衝突、賄賂、勒索、欺詐及洗黑錢的活動。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Community

#### **Aspect B8: Community Investment**

The Group is committed to contributing to the communities in which we operate, including community engagement to understand the needs of communities, and to ensure the Group's activities take into consideration of the communities' interest.

- **Labour Needs**  
The Group strives to enlarge the business operation so that we can hire more workers to utilize communities' available labour resources.
- **Community Activities**  
The Group encourages employees to participate in community activities, such as community health initiatives, sports, cultural activities, education and volunteer work. During the Year, the Group donated over HK\$280,000 to charities.
- **Environmental Protection**  
All employees of the Group are encouraged to participate in environmental protection activities and raise the environmental awareness of people in the communities.

### REGULATORY COMPLIANCE

The Group was not aware of any non-compliance with laws and regulations that has a significant impact on the Group relating to emissions, employment, health and safety, labour standards, product responsibility and anti-corruption during the Year.

### 社區

#### **層面B8：社區投資**

本集團矢志貢獻經營所在社區，包括社區參與，以瞭解社區需要，確保本集團的活動計及社區利益。

- **勞工需求**  
本集團致力擴充業務營運，僱用更多工人，利用社區勞工資源。
- **社區活動**  
本集團鼓勵僱員參與社區活動，如社區健康行動、體育、文化活動、教育及志願工作。於本年度，本集團向慈善團體捐款超過280,000港元。
- **環保**  
本集團鼓勵全體僱員參與環保活動，提升社區各界環保意識。

### 監管合規

於本年度內，本集團並無發現在排放物、僱傭、健康與安全、勞工準則、產品責任及反貪污方面對本集團有重大影響的違法違規情況。

# Independent Auditor's Report

## 獨立核數師報告



### MAZARS CPA LIMITED

瑪澤會計師事務所有限公司

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**To the shareholders of**  
**Rentian Technology Holdings Limited**  
*(incorporated in the Cayman Islands with limited liability)*

### Opinion

We have audited the consolidated financial statements of Rentian Technology Holdings Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 109 to 286, which comprise the consolidated statement of financial position as at 31 December 2017, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

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

致仁天科技控股有限公司  
*(於開曼群島註冊成立之有限公司)*  
全體股東

### 意見

吾等已審核列載於第109至286頁仁天科技控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表。綜合財務報表包括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全面收入報表、綜合股東權益變動表及綜合現金流量表連同綜合財務報表附註(包括主要會計政策概要)。

吾等認為，綜合財務報表已按照香港會計師公會頒佈之香港財務報告準則真實而公平地顯示 貴集團於二零一七年十二月三十一日之財務狀況以及於截至該日止年度之財務表現及現金流量，並已遵照香港公司條例之披露規定妥為編製。

# Independent Auditor's Report

## 獨立核數師報告

### Basis for Opinion

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

### Key Audit Matters

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

### 意見基準

吾等按照香港會計師公會頒佈之香港審計準則進行審核。吾等於該等準則下之責任在本報告「核數師就審核綜合財務報表之責任」一節進一步闡述。按照香港會計師公會之「專業會計師道德守則」（「守則」），吾等獨立於貴集團，並已按照守則履行其他道德責任。吾等相信，吾等已取得充分而適當之審核憑證，可為吾等之意見提供基礎。

### 關鍵審核事項

關鍵審核事項為根據吾等之專業判斷，對吾等審核本期綜合財務報表最為重要之事項。此等事項乃於吾等審核綜合財務報表及就此出具意見時一併處理，吾等不會就此等事項分別提供意見。

# Independent Auditor's Report

## 獨立核數師報告

Key audit matters identified in our audit are summarised as follows: 吾等於審核時識別之關鍵審核事項概述如下：

### Key Audit Matter

#### 關鍵審核事項

### How our audit addressed the Key Audit Matter

#### 吾等於審核時處理關鍵審核事項之方法

*Impairment review of intangible assets and goodwill*  
無形資產及商譽之減值檢討

*Refer to notes 12 and 13 to these consolidated financial statements*  
參閱綜合財務報表附註12及13

As a result of the acquisitions of businesses in recent years, the Group, among others, recognised certain intangible assets and goodwill.

由於近年收購業務，故 貴集團確認（其中包括）若干無形資產及商譽。

The aggregate carrying amounts of the Group's intangible assets and goodwill amounted to HK\$155,403,000 and HK\$1,141,467,000 as at 31 December 2017 respectively. 於二零一七年十二月三十一日，貴集團無形資產及商譽之帳面總額分別為155,403,000港元及1,141,467,000港元。

The carrying amounts of intangible assets and goodwill are significant to the consolidated financial statements. The impairment review assessment of the intangible assets and goodwill were performed at the recoverable amount of the relevant cash generating units ("CGUs") which involved significant judgements and estimates about the future results of the businesses.

無形資產及商譽之帳面金額對綜合財務報表有重大影響。對無形資產及商譽之減值檢討之評估在相關現金產生單位可收回金額層面進行，當中涉及重大判斷及有關業務未來業績之估計。

Our procedures, among others, included:  
吾等之程序包括：

- Assessing the competency and results of the work of independent professional valuers that were appointed by the management and assisted management to determine the recoverable amounts of the relevant CGUs;
- 評估由管理層委任以協助管理層釐定相關現金產生單位之可收回金額之獨立專業估值師之能力及工作結果；
- Evaluating and challenging the appropriateness of the model used by the management to calculate the fair value less costs of disposal of the relevant CGUs;
- 評價及質疑管理層計算相關現金產生單位公平值減出售成本的模型是否適當；
- Evaluating and challenging the composition of the Group's future cash flow forecasts in each relevant CGU, and the process by which they were drawn up, including testing the underlying calculations and comparing with the latest approved budgets;
- 評價及質疑 貴集團各相關現金產生單位內未來現金流預測的組成部分以及制定有關預測的過程，包括測試相關計算方法以及將之與最新批准預算作比較；
- Challenging the reasonableness of key assumptions and variables based on our knowledge of the business and industry; and
- 基於吾等對業務及行業的認知質疑主要假設及變數是否合理；及
- Challenging the management on the adequacy of sensitivity analysis.
- 就敏感性分析是否足夠質疑管理層。



# Independent Auditor's Report

## 獨立核數師報告

### Key Audit Matter 關鍵審核事項

### How our audit addressed the Key Audit Matter 吾等於審核時處理關鍵審核事項之方法

*Acquisition of Enterprise Development Holdings Limited ("Enterprise Development") and its subsidiaries ("ED Group")*  
收購企展控股有限公司(「企展」)及其附屬公司(「企展集團」)

*Refer to note 35 to these consolidated financial statements*  
參閱綜合財務報表附註35

During the year, the Group acquired 40.65% equity interests in ED Group in aggregate, in which, among others, intangible assets of HK\$30,703,000 and goodwill of HK\$135,511,000 were recognised.

年內，貴集團收購企展集團合共40.65%股本權益，其中確認無形資產30,703,000港元及商譽135,511,000港元。

The accounting for the acquisition required the identification and valuation of the assets acquired and liabilities assumed, which involved significant judgements and estimates.

將收購入帳時須識別所收購資產及所承擔負債及就此進行估值，當中涉及重大判斷及估計。

Our procedures, among others, included:  
吾等之程序包括：

- Assessing the competency and results of the work of an independent professional valuer that was appointed by the management and assisted management to value significant intangible assets acquired in the acquisition;
- 評估由管理層委任以協助管理層就於收購事項收購之重大無形資產進行估值之獨立專業估值師之能力及工作結果；
- Assessing the valuation methodology;
- 評估估值方法；
- Reviewing the identification of the assets acquired and liabilities assumed;
- 檢討識別所收購資產及所承擔負債之方法；
- Challenging the reasonableness of key assumptions based on our knowledge and understanding of the business and market; and
- 基於吾等對業務及市場的認知及了解質疑主要假設是否合理；及
- Considering the adequacy of the Group's disclosure in respect of the acquisition.
- 考慮 貴集團有關收購事項的披露是否足夠。

# Independent Auditor's Report

## 獨立核數師報告

### Other Information

The directors of the Company are responsible for the other information. The other information comprises the information included in the Company's 2017 annual report but does not include the consolidated financial statements and our auditor's report thereon.

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

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

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

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

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

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

### 其他資料

貴公司董事就其他資料負責。其他資料包括 貴公司二零一七年年報所載的資料，惟不包括綜合財務報表及吾等就此發出之核數師報告。

吾等對綜合財務報表之意見並不涵蓋其他資料，吾等亦不就其他資料發表任何形式之鑒證結論。

結合吾等對綜合財務報表的審核，吾等之責任為閱覽上述的其他資料，而在此過程中，吾等會考慮其他資料是否與綜合財務報表或吾等在審核過程中了解之情況嚴重不符，或是否似乎存在重大錯誤陳述。基於吾等已進行之工作，如吾等認為其他資料存在重大錯誤陳述，則吾等須報告有關事實。就此而言，吾等並無任何報告。

### 董事及管治人員就綜合財務報表之責任

貴公司董事負責根據由香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露規定，編製可真實而公平地反映狀況之綜合財務報表，並對董事釐定就編製並無重大錯誤陳述（無論因欺詐或錯誤）之綜合財務報表而言屬必要之內部監控負責。

編製綜合財務報表時，貴公司董事負責評估 貴集團是否有能力繼續持續經營，披露（如適用）與持續經營相關事項，以及使用持續經營會計處理，除非擬將 貴集團清盤或終止經營 貴集團，或除此之外並無實質替代方案，則作別論。

管治人員負責監督 貴集團之財務申報程序。

# Independent Auditor's Report

## 獨立核數師報告

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

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

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

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

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

### 核數師就審核綜合財務報表之責任

吾等之目標為合理確定綜合財務報表整體是否並無重大錯誤陳述（無論因欺詐或錯誤），並發出包含吾等意見之核數師報告。本報告僅向全體股東作出，除此以外不作其他用途。吾等概不就本報告之內容向任何其他人士承擔或負上責任。

合理確定屬高層次鑒證，但不能擔保根據香港審計準則進行之審核工作總能發現存有之重大錯誤陳述。錯誤陳述可源於欺詐或錯誤，倘錯誤陳述個別或整體在合理預期情況下可影響使用者根據綜合財務報表作出之經濟決定，即被視為重大。

作為根據香港審計準則進行審核工作一環，吾等運用專業判斷，在整個審核過程中抱持專業懷疑態度。吾等亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述之風險，因應此等風險設計及執行審核程序，以及取得充足而適當之審核憑證以為吾等之意見提供基礎。由於欺詐可能涉及串謀、偽造、故意遺漏、誤導性陳述或凌駕內部監控，因此未能發現由此造成之重大錯誤陳述風險較未能發現因錯誤而導致之重大錯誤陳述風險為高。
- 了解與審核有關之內部監控，以設計恰當審核程序，惟並非旨在對貴集團內部監控之成效發表意見。

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 評估董事所用會計政策是否合適，以及董事作出之會計估計及相關披露是否合理。
- 對董事採用持續經營會計基準是否恰當作出結論，並依照所得之審核憑證，決定是否存在與事件或情況有關之重大不明朗因素，而可能對貴集團持續經營之能力構成重大疑慮。倘吾等認為存在重大不明朗因素，則須於核數師報告中促請注意綜合財務報表中相關披露資料，而倘有關披露資料不足，則須修改吾等之意見。吾等之結論建基於截至核數師報告日期為止所獲得之審核憑證。然而，未來事件或情況可能導致貴集團無法繼續持續經營。
- 評估綜合財務報表（包括披露資料）之整體列報、架構及內容，以及綜合財務報表是否已公平地反映及列報相關交易及事件。
- 就貴集團內各實體或業務活動之財務資料獲得充足審核憑證，以就綜合財務報表發表意見。吾等負責指導、監督及執行貴集團之審核工作。吾等對審核意見承擔全部責任。

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

吾等與管治人員溝通（其中包括）計劃審核範圍及時間安排以及重大審核發現，包括吾等在審核過程中識別出之內部監控重大缺失。

# Independent Auditor's Report

## 獨立核數師報告

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

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

### **Mazars CPA Limited**

*Certified Public Accountants*

Hong Kong, 27 March 2018

The engagement director on the audit resulting in this independent auditor's report is:

### **Chan Hiu Fun**

Practising Certificate number: P05709

吾等亦向管治人員提交聲明，說明吾等已符合有關獨立性之相關道德要求，並與彼等溝通所有可能合理地被認為會影響吾等獨立性之關係及其他事項，以及（如適用）相關防範措施。

從與管治人員溝通之事項中，吾等決定對審核本年度綜合財務報表最為重要之事項，因而構成關鍵審核事項。吾等於吾等之核數師報告中說明該等事項，除非法律或規例禁止公開披露有關事項，或在極其罕見之情況下，若合理預期在吾等報告中指出某事項所造成之負面後果將會超過其產生之公眾利益，吾等不會在此等情況下在報告中指出該事項。

### **瑪澤會計師事務所有限公司**

*執業會計師*

香港，二零一八年三月二十七日

出具本獨立核數師報告的審核項目董事為：

### **陳曉奮**

執業證書編號：P05709

# Consolidated Statement of Comprehensive Income

## 綜合全面收入報表

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

		Note	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
		附註		
<b>Revenue</b>	<b>收益</b>	3(a)	<b>1,531,414</b>	1,203,580
Cost of sales	銷售成本		<b>(786,378)</b>	(739,321)
<b>Gross profit</b>	<b>毛利</b>		<b>745,036</b>	464,259
Other income	其他收入	3(b)	<b>52,766</b>	40,154
Selling and distribution expenses	銷售及分銷開支		<b>(100,710)</b>	(68,414)
General and administrative expenses	一般及行政開支		<b>(376,055)</b>	(314,305)
Changes in fair value of financial assets at fair value through profit or loss	於損益帳按公平值處理之 財務資產之公平值變動	19	<b>284,739</b>	264,436
<b>Profit from operation</b>	<b>經營溢利</b>		<b>605,776</b>	386,130
Finance costs	財務成本	5(a)	<b>(190,103)</b>	(109,685)
Share of result of associates	應佔聯營公司之業績	15	<b>1,473</b>	18,960
Other gains/(losses), net	其他收益/(虧損)淨額	5(b)	<b>1,265</b>	(1,157)
Changes in fair value of contingent consideration receivables	應收或然代價之公平值變動	17	<b>186,757</b>	–
Impairment of goodwill	商譽減值	13	<b>(200,000)</b>	–
Impairment of available-for-sale financial assets	可供出售財務資產減值	16(a)	<b>(61,109)</b>	(41,114)
<b>Profit before taxation</b>	<b>除稅前溢利</b>	5	<b>344,059</b>	253,134
Taxation	稅項	8	<b>(37,394)</b>	(22,120)
<b>Profit for the year</b>	<b>年內溢利</b>		<b>306,665</b>	231,014

# Consolidated Statement of Comprehensive Income

## 綜合全面收入報表

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

	Note 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>Other comprehensive income (loss):</b> <i>Items that are or may be reclassified to profit or loss:</i>			
Changes in fair value of available-for-sale financial assets	16(a)	(61,109)	-
Reclassification to profit or loss upon impairment of available-for-sale financial assets	16(a)	61,109	41,114
Exchange differences arising from translation of foreign operations		105,155	(43,061)
Share of other comprehensive income (loss) of associates	15	1,314	(8,660)
<b>Other comprehensive income (loss) for the year</b>		<b>106,469</b>	<b>(10,607)</b>
<b>Total comprehensive income for the year</b>		<b>413,134</b>	<b>220,407</b>
<b>Profit attributable to:</b>			
Owners of the Company		202,628	154,446
Non-controlling interests		104,037	76,568
		<b>306,665</b>	<b>231,014</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the Company		278,902	152,731
Non-controlling interests		134,232	67,676
		<b>413,134</b>	<b>220,407</b>
		<b>HK cents</b>	<b>HK cents</b>
		<b>港仙</b>	<b>港仙</b>
<b>Basic earnings per share</b>	10	<b>1.91</b>	1.59
<b>Diluted earnings per share</b>	10	<b>1.89</b>	1.56



# 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
	Note 附註			
<b>Non-current assets</b>		<b>非流動資產</b>		
Property, plant and equipment	11	物業、廠房及設備	84,774	48,484
Intangible assets	12	無形資產	155,403	142,839
Goodwill	13	商譽	1,141,467	1,194,558
Interests in associates	15	於聯營公司之權益	–	103,444
Available-for-sale financial assets	16	可供出售財務資產	313,786	357,606
Pledged bank deposits	22	已質押銀行存款	1,210	360
Deferred tax assets	26	遞延稅項資產	1,009	549
Deposits for acquisition of a subsidiary	42(a)	收購一間附屬公司之按金	4,500	–
Contingent consideration receivables	17	應收或然代價	–	452
			<b>1,702,149</b>	<b>1,848,292</b>
<b>Current assets</b>		<b>流動資產</b>		
Inventories	18	存貨	157,319	110,596
Financial assets at fair value through profit or loss	19	於損益帳按公平值處理之財務資產	3,297,511	2,527,073
Loan receivables	20	應收貸款	126,226	62,427
Trade and other receivables	21	貿易及其他應收款項	884,168	440,733
Income tax receivables		應收所得稅	–	5,171
Pledged bank deposits	22	已質押銀行存款	4,820	2,594
Bank balances and cash	23	銀行結存及現金	738,495	439,726
			<b>5,208,539</b>	<b>3,588,320</b>
<b>Current liabilities</b>		<b>流動負債</b>		
Trade and other payables	24	貿易及其他應付款項	415,259	313,128
Income tax payables		應繳所得稅	30,686	4,753
Interest-bearing borrowings	25	計息借貸	724,659	41,549
Promissory notes	27	承兌票據	199,881	563,846
Convertible bonds	30	可換股債券	13,621	–
			<b>1,384,106</b>	<b>923,276</b>
<b>Net current assets</b>		<b>流動資產淨值</b>	<b>3,824,433</b>	<b>2,665,044</b>
<b>Total assets less current liabilities</b>		<b>資產總值減流動負債</b>	<b>5,526,582</b>	<b>4,513,336</b>

# 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
		Note 附註		
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Interest-bearing borrowings	計息借貸	25	279	433
Deferred tax liabilities	遞延稅項負債	26	26,528	30,518
Promissory notes	承兌票據	27	539,943	434,203
Contingent consideration payables	應付或然代價	29	16,713	15,540
Convertible bonds	可換股債券	30	635,541	599,150
			<u>1,219,004</u>	<u>1,079,844</u>
<b>NET ASSETS</b>	<b>資產淨值</b>		<u>4,307,578</u>	<u>3,433,492</u>
<b>Capital and reserves</b>	<b>股本及儲備</b>			
Share capital	股本	31	11,148	10,148
Reserves	儲備		3,829,066	3,191,255
Equity attributable to owners of the Company	本公司擁有人應佔股權		3,840,214	3,201,403
Non-controlling interests	非控股權益		467,364	232,089
<b>TOTAL EQUITY</b>	<b>股權總值</b>		<u>4,307,578</u>	<u>3,433,492</u>

These consolidated financial statements on pages 109 to 286 were approved and authorised for issue by the Board of Directors on 27 March 2018 and signed on its behalf by

第109至286頁之綜合財務報表由以下人士代表董事會於二零一八年三月二十七日簽署批准及授權刊發

**Kwok Kenneth Wai Lung**

郭瑋瓏

Director

董事

**Yip Denis Shing Fai**

葉成輝

Director

董事

# Consolidated Statement of Changes in Equity

## 綜合股東權益變動表

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

		Attributable to the owners of the Company 歸屬於本公司擁有人													
		Share capital	Share premium	Share-based payment reserve	Capital reserve	Capital redemption reserve	Available-for-sale financial assets revaluation reserve	Convertible bonds equity reserve	Foreign currency translation reserve	Other reserve	Statutory reserve	Retained profits	Sub-total	Non-controlling interests	Total equity
		股本 HK\$'000 千港元	股份溢價 HK\$'000 千港元 (附註a)	以股份支付之 款項儲備 HK\$'000 千港元 (附註b)	資本儲備 HK\$'000 千港元 (附註c)	贖回儲備 HK\$'000 千港元 (附註d)	可供出售 財務資產 重估儲備 HK\$'000 千港元 (附註e)	可換股 債券 儲備 HK\$'000 千港元 (附註f)	外幣換算 儲備 HK\$'000 千港元 (附註g)	其他儲備 HK\$'000 千港元 (附註h)	法定儲備 HK\$'000 千港元 (附註i)	保留溢利 HK\$'000 千港元	小計 HK\$'000 千港元	非控股 權益 HK\$'000 千港元	股權總值 HK\$'000 千港元
At 1 January 2016	於二零一六年一月一日	8,136	1,924,369	31,950	10,482	1,173	(41,114)	-	(22,846)	-	350	202,500	2,115,000	149,310	2,264,310
<b>Comprehensive income</b>	<b>全面收入</b>														
Profit for the year	年內溢利	-	-	-	-	-	-	-	-	-	-	154,446	154,446	76,568	231,014
<b>Other comprehensive income (loss) for the year</b>	<b>年內其他全面收入(虧損)</b>														
Reclassification to profit or loss upon impairment of available-for-sale financial assets	可供出售財務資產減值時重新分類至損益核	-	-	-	-	-	41,114	-	-	-	-	-	41,114	-	41,114
Exchange differences arising from translation of foreign operations	換算海外業務所產生之匯兌差額	-	-	-	-	-	-	-	(34,169)	-	-	-	(34,169)	(8,892)	(43,061)
Share of other comprehensive loss of associates	應佔聯營公司之其他全面虧損	-	-	-	-	-	-	-	(8,660)	-	-	-	(8,660)	-	(8,660)
<b>Other comprehensive income (loss) for the year</b>	<b>年內其他全面收入(虧損)</b>	-	-	-	-	-	41,114	-	(42,829)	-	-	-	(1,715)	(8,892)	(10,607)
<b>Total comprehensive income (loss) for the year</b>	<b>年內全面收入(虧損)總額</b>	-	-	-	-	-	41,114	-	(42,829)	-	-	154,446	152,731	67,676	220,407
<b>Transfer</b>	<b>轉撥</b>	-	-	-	-	-	-	-	-	2,240	(2,240)	-	-	-	-
<b>Transactions with owners</b>	<b>與擁有人進行之交易</b>														
Contributions and distributions	出資及分派														
Issue of new shares, net of expenses	發行新股(已扣除開支)	500	204,168	-	-	-	-	-	-	-	-	-	204,668	-	204,668
Issue of new shares on acquisition of subsidiaries	收購附屬公司時發行新股	1,512	664,220	-	-	-	-	-	-	-	-	-	665,732	-	665,732
Dividends paid to non-controlling shareholders	向非控股股東派付之股息	-	-	-	-	-	-	-	-	-	-	-	-	(5,785)	(5,785)
Recognition of equity component of convertible bonds	確認可換股債券之權益部分	-	-	-	-	-	22,079	-	-	-	-	22,079	-	22,079	
Equity-settled share-based payments	以權益結算以股份支付之款項	-	-	67,155	-	-	-	-	-	-	-	67,155	-	67,155	
Share options forfeited during the year	年內沒收之購股權	-	-	(4,540)	-	-	-	-	-	-	-	(4,540)	-	(4,540)	
		2,012	868,388	62,615	-	-	22,079	-	-	-	-	955,094	(5,785)	949,309	
<b>Changes in ownership interests</b>	<b>擁有權益變動</b>														
Non-controlling interests arising from acquisition of subsidiaries	收購附屬公司所產生之非控股權益	-	-	-	-	-	-	-	-	-	-	-	-	79,241	79,241
Acquisition of addition interest in non-wholly owned subsidiaries without change in control	增購非全資附屬公司之權益(並無改變控制權)	-	-	-	-	-	-	-	-	(21,422)	-	(21,422)	(58,353)	(79,775)	
		-	-	-	-	-	-	-	-	(21,422)	-	(21,422)	20,888	(534)	
<b>Total transactions with owners</b>	<b>與擁有人進行之交易總額</b>	2,012	868,388	62,615	-	-	22,079	-	(21,422)	-	-	933,672	15,103	948,775	
At 31 December 2016	於二零一六年十二月三十一日	10,148	2,792,757	94,565	10,482	1,173	-	22,079	(65,675)	(21,422)	2,590	354,706	3,201,403	232,089	3,433,492

# Consolidated Statement of Changes in Equity

## 綜合股東權益變動表

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

		Attributable to the owners of the Company 歸屬於本公司擁有人													
		Share capital	Share premium	Share-based payment reserve	Capital reserve	Capital redemption reserve	Available-for-sale financial assets revaluation reserve	Convertible bonds equity reserve	Foreign currency translation reserve	Other reserve	Statutory reserve	Retained profits	Sub-total	Non-controlling interests	Total equity
		股本	股份溢價	以股份支付之款項儲備	資本儲備	贖回儲備	可供出售財務資產重估儲備	可換股債券儲備	外幣換算儲備	其他儲備	法定儲備	保留溢利	小計	非控股權益	股東總值
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		(Note a)	(Note a)	(Note b)	(Note c)	(Note d)	(Note e)	(Note f)	(Note g)	(Note h)	(Note i)				
		(附註a)	(附註a)	(附註b)	(附註c)	(附註d)	(附註e)	(附註f)	(附註g)	(附註h)	(附註i)				
At 1 January 2017	於二零一七年一月一日	10,148	2,792,757	94,565	10,482	1,173	-	22,079	(65,675)	(21,422)	2,590	354,706	3,201,403	232,089	3,433,492
<b>Comprehensive income</b>	<b>全面收入</b>														
Profit for the year	年內溢利	-	-	-	-	-	-	-	-	-	-	202,628	202,628	104,037	306,665
<b>Other comprehensive income (loss) for the year</b>	<b>年內其他全面收入(虧損)</b>														
Changes in fair value of available-for-sale financial assets (note 16(a))	可供出售財務資產之公平值變動(附註16(a))	-	-	-	-	-	(61,109)	-	-	-	-	-	(61,109)	-	(61,109)
Reclassification to profit or loss upon impairment of available-for-sale financial assets (note 16(a))	可供出售財務資產減值時重新分類至損益賬(附註16(a))	-	-	-	-	-	61,109	-	-	-	-	-	61,109	-	61,109
Exchange differences arising from translation of foreign operations	換算海外業務所產生之匯兌差額	-	-	-	-	-	-	-	74,960	-	-	-	74,960	30,195	105,155
Share of other comprehensive income of associates	應佔聯營公司之其他全面收入	-	-	-	-	-	-	-	1,314	-	-	-	1,314	-	1,314
<b>Other comprehensive income for the year</b>	<b>年內其他全面收入</b>	-	-	-	-	-	-	-	76,274	-	-	-	76,274	30,195	106,469
<b>Total comprehensive income for the year</b>	<b>年內全面收入總額</b>	-	-	-	-	-	-	-	76,274	-	-	202,628	278,902	134,232	413,134
Transfer	轉撥	-	-	-	-	-	-	-	-	-	9,071	(9,071)	-	-	-
<b>Transactions with owners</b>	<b>與擁有人進行之交易</b>														
Contributions and distributions	溢利及分派														
Issue of new shares, net of expenses (note 31(a))	發行新股(已扣除開支)(附註31(a))	1,000	350,009	-	-	-	-	-	-	-	-	-	351,009	-	351,009
Recognition of equity component of convertible bonds (note 30)	確認可換股債券之權益部分(附註30)	-	-	-	-	-	-	933	-	-	-	-	933	-	933
Equity-settled share-based payments	以權益結算以股份支付之款項	-	-	29,488	-	-	-	-	-	-	-	-	29,488	-	29,488
Share options forfeited during the year	年內沒收之購股權	-	-	(14,156)	-	-	-	-	-	-	-	14,156	-	-	-
		1,000	350,009	15,332	-	-	-	933	-	-	-	14,156	381,430	-	381,430
<b>Changes in ownership interests</b>	<b>擁有權益變動</b>														
Non-controlling interests arising from acquisition of subsidiaries (note 35)	收購附屬公司所產生之非控股權益(附註35)	-	-	-	-	-	-	-	-	-	-	-	-	109,869	109,869
Capital injections from non-controlling shareholders in a non wholly-owned subsidiary (note 36(a))	非全資附屬公司注資(附註36(a))	-	-	-	-	-	-	-	-	6,566	-	-	6,566	23,449	30,015
Acquisition of addition interest in non-wholly owned subsidiaries without change in control (note 36(b))	增購非全資附屬公司之權益(並無改變控制權)(附註36(b))	-	-	-	-	-	-	-	-	(28,529)	-	-	(28,529)	(16,300)	(44,829)
Acquisition of addition interest in non-wholly owned subsidiaries in relation to compensation from profit guarantee (note 37(c))	就溢利保證賠償增購非全資附屬公司之權益(附註37(c))	-	-	-	-	-	-	-	-	442	-	-	442	(15,975)	(15,533)
		-	-	-	-	-	-	-	-	(21,521)	-	-	(21,521)	101,043	79,522
<b>Total transactions with owners</b>	<b>與擁有人進行之交易總額</b>	1,000	350,009	15,332	-	-	-	933	-	(21,521)	-	14,156	359,909	101,043	460,952
At 31 December 2017	於二零一七年十二月三十一日	11,148	3,142,766	109,897	10,482	1,173	-	23,012	10,599	(42,943)	11,661	562,419	3,840,214	467,364	4,307,578

# Consolidated Statement of Changes in Equity

## 綜合股東權益變動表

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

### Notes:

- (a) Share premium represents the excess of the net proceeds or consideration from issuance of the Company's shares over their par value.
- (b) The share-based payment reserve comprises the fair value at the grant date of unexercised share options granted to and other share-based payment transactions with employees of the Group and is dealt with in accordance with the accounting policy as set out in note 2 to these consolidated financial statements.
- (c) The capital reserve represents the remaining credit balance pursuant to the Group's capital reorganisation that took place in prior years.
- (d) The capital redemption reserve has been set up in accordance with the provisions of the Companies Law of the Cayman Islands on repurchases and cancellations of the Company's shares.
- (e) The available-for-sale financial assets revaluation reserve has been set up and is dealt with in accordance with the accounting policies adopted for the changes of fair value in available-for-sale financial assets as set out in note 2 to these consolidated financial statements.
- (f) The convertible bonds equity reserve represents the equity component (conversion right) of the convertible bonds issued as set out in note 2 to these consolidated financial statements.
- (g) The foreign currency translation reserve has been set up and is dealt with in accordance with the accounting policies adopted for foreign currency translation as set out in note 2 to these consolidated financial statements.
- (h) The other reserve has been set up to deal with the changes in ownership interests in subsidiaries that do not result in a loss of control. The difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised in equity.
- (i) In accordance with the relevant laws and regulations in the People's Republic of China (the "PRC"), it is required to appropriate 10% of the annual statutory net profits of the PRC subsidiaries (as reported in the respective statutory financial statements of the PRC subsidiaries prepared in accordance with the PRC accounting regulations), after offsetting any prior years' losses as determined under the PRC accounting standards, to the statutory surplus reserve fund before distributing the net profit. If the accumulated statutory reserve reaches 50% of the registered capital of the respective PRC subsidiaries, the subsidiary is not required to make any further appropriation.

### 附註：

- (a) 股份溢價指發行本公司股份之所得款項淨額或代價超出其面值之部分。
- (b) 以股份支付之款項儲備包括已授予本集團僱員但尚未行使之購股權於授出日期之公平值及與本集團僱員進行之其他以股份支付之交易，乃按照本綜合財務報表附註2所載之會計政策處理。
- (c) 資本儲備指根據本集團於過往年度進行股本重組之餘下貸方結餘。
- (d) 資本贖回儲備已按照開曼群島公司法之條文成立，用於購回及註銷本公司股份。
- (e) 可供出售財務資產重估儲備已成立並按本綜合財務報表附註2所載就可供出售財務資產公平值變動所採納之會計政策處理。
- (f) 可換股債券權益儲備指按本綜合財務報表附註2所載已發行可換股債券之權益部分（轉換權）。
- (g) 外幣換算儲備已成立並按本綜合財務報表附註2所載就外幣換算所採納之會計政策處理。
- (h) 其他儲備已成立以處理並無導致失去控制權之附屬公司擁有權權益變動。非控股權益調整金額與已付或已收代價公平值之間的差額乃於權益確認。
- (i) 按照中華人民共和國（「中國」）相關法律及法規，中國附屬公司在根據中國會計準則對銷過往年度任何虧損後及於分派純利前，須將其每年法定純利（按根據中國會計法規編製之中國附屬公司相關法定財務報表所呈報）之10%轉撥至法定盈餘公積金。倘累計法定儲備達有關中國附屬公司註冊資本之50%，則該附屬公司毋須再作任何轉撥。

# Consolidated Statement of Cash Flows

## 綜合現金流量表

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

	Note	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
	附註		
<b>OPERATING ACTIVITIES</b>			
<b>經營業務</b>			
Profit before taxation		<b>344,059</b>	253,134
除稅前溢利			
Amortisation expenses	12	<b>29,729</b>	17,061
攤銷開支			
Amortisation of deferred day-one gain	27	<b>(20,479)</b>	(23,035)
遞延首日收益攤銷			
(Reversal of allowance) Allowance for write down of inventories		<b>(5,283)</b>	2,740
撤減存貨(備抵撥回)備抵			
Changes in fair value of contingent consideration payables		-	743
應付或然代價之 公平值變動			
Changes in fair value of contingent consideration receivables	17	<b>(186,757)</b>	-
應收或然代價之 公平值變動			
Changes in fair value of financial assets at fair value through profit or loss		<b>(284,739)</b>	(264,436)
於損益帳按公平值處理之 財務資產之公平值變動			
Depreciation expenses	11	<b>19,381</b>	12,210
折舊開支			
Equity-settled share-based payments		<b>29,488</b>	62,615
以權益結算以股份支付之 款項			
Exchange difference		<b>3,351</b>	(1,606)
匯兌差額			
Finance charges on obligations under finance leases		<b>14</b>	19
融資租賃債務之財務支出			
Gain on deemed disposal of associates	15	<b>(1,265)</b>	-
視作出售聯營公司之收益			
Impairment of available-for-sales financial assets	16(a)	<b>61,109</b>	41,114
可供出售財務資產減值			
Impairment of goodwill	13	<b>200,000</b>	-
商譽減值			
Increase in allowance for doubtful debts on trade receivables	21(b)	<b>1,337</b>	797
貿易應收款項呆帳 備抵增加			
Increase (Decrease) in allowance for doubtful debts on other receivables		<b>247</b>	(450)
其他應收款項呆帳 備抵增加(減少)			
Interest expenses on convertible bonds	30	<b>66,457</b>	17,505
可換股債券利息開支			
Interest expenses on promissory notes	27	<b>76,462</b>	71,339
承兌票據利息開支			
Interest expenses on interest-bearing borrowings		<b>47,170</b>	20,822
計息借貸利息開支			
Interest income from financial institutions	3(b)	<b>(13,243)</b>	(3,104)
來自財務機構之利息收入			
Long-term employee benefits in respect of profit guarantee		<b>19,060</b>	19,060
有關溢利保證之 長期僱員福利			
Loss on disposal of available-for-sales financial assets		-	414
出售可供出售財務資產之 虧損			

# Consolidated Statement of Cash Flows

## 綜合現金流量表

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

			2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
	Note 附註			
Loss on disposal of property, plant and equipment		出售物業、廠房及設備之虧損	1,124	134
Share of result of associates	15	應佔聯營公司之業績	(1,473)	(18,960)
Changes in working capital:		營運資金變動：		
Financial assets at fair value through profit or loss		於損益帳按公平值處理之財務資產	(487,640)	(515,633)
Inventories		存貨	(22,050)	(18,288)
Loan receivables		應收貸款	(57,753)	(31,679)
Trade and other receivables		貿易及其他應收款項	(115,548)	(17,003)
Trade and other payables		貿易及其他應付款項	(31,620)	(13,068)
Cash used in operations		經營所用現金	(328,862)	(387,555)
Income tax paid		已付所得稅	(19,684)	(53,628)
<b>Net cash used in operating activities</b>		<b>經營業務所用現金淨額</b>	<b>(348,546)</b>	<b>(441,183)</b>
<b>INVESTING ACTIVITIES</b>		<b>投資活動</b>		
Deposit for acquisition of a subsidiary		收購一間附屬公司之按金	(4,500)	-
Decrease in pledged bank deposits		已質押銀行存款減少	3,451	645
Interest income received from financial institutions		已收來自財務機構之利息收入	13,243	3,104
Addition to intangible assets		增添無形資產	(9,474)	-
Proceeds from disposal of available-for-sale financial assets		出售可供出售財務資產所得款項	-	123,559
Proceeds from disposal of property, plant and equipment		出售物業、廠房及設備所得款項	27	2,573
Purchase of available-for-sale financial assets		購買可供出售財務資產	(17,289)	-
Purchase of property, plant and equipment		購買物業、廠房及設備	(50,525)	(31,098)
Net cash (outflow) inflow on acquisition of subsidiaries		收購附屬公司之現金(流出)流入淨額	(62,880)	21,159
<b>Net cash (used in) generated from investing activities</b>		<b>投資活動(所用)所得現金淨額</b>	<b>(127,947)</b>	<b>119,942</b>



# Consolidated Statement of Cash Flows

## 綜合現金流量表

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

			2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
	Note 附註			
<b>FINANCING ACTIVITIES</b>		<b>融資活動</b>		
Dividends paid to non-controlling shareholders		向非控股股東派付之股息	–	(5,785)
Capital injections from non-controlling shareholders	36(a)	非控股股東注資	<b>30,015</b>	–
New bank borrowings raised	33	新造銀行借貸	<b>17,274</b>	5,359
New margin loan raised	33	新造孖展貸款	<b>425,079</b>	36,041
New other borrowings raised	33	新造其他借貸	<b>250,000</b>	–
Payment for acquisition of non-controlling interests	36(b)	收購非控股權益之款項	<b>(44,829)</b>	(79,775)
Proceeds from issue of new shares, net of expenses	31(a)	發行新股所得款項 (已扣除開支)	<b>351,009</b>	204,668
Proceeds from issue of convertible bonds, net of expenses		發行可換股債券所得款項 (已扣除開支)	–	614,255
Proceeds from issue of promissory notes	27 & 33	發行承兌票據所得款項	<b>464,500</b>	200,000
Repayment of bank borrowings	33	償還銀行借貸	<b>(10,326)</b>	(23,874)
Repayment of margin loan	33	償還孖展貸款	<b>(36,041)</b>	(350,000)
Repayment of obligations under finance leases	33	償還融資租賃債務	<b>(149)</b>	(145)
Repayment of promissory notes	33	償還承兌票據	<b>(565,240)</b>	–
Interest expenses paid	33	已付利息開支	<b>(127,158)</b>	(52,830)
<b>Net cash generated from financing activities</b>		<b>融資活動所得現金淨額</b>	<b>754,134</b>	547,914

# Consolidated Statement of Cash Flows

## 綜合現金流量表

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

	Note 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>Net increase in cash and cash equivalents</b>	現金及現金等價物增加淨額	<b>277,641</b>	226,673
<b>Cash and cash equivalents at beginning of year</b>	年初之現金及現金等價物	<b>439,726</b>	228,247
Effect on exchange rate changes on cash and cash equivalents	匯率變動對現金及現金等價物之影響	<b>21,128</b>	(15,194)
<b>Cash and cash equivalents at end of year, represented by bank balances and cash</b>	年終之現金及現金等價物，以銀行結存及現金代表	<b>738,495</b>	439,726
<b>Major of non-cash transactions</b>	重大非現金交易		
Issuance of convertible bonds for the satisfaction of the profits guarantee	因達成溢利保證而發行可換股債券	30(b) & 33 <b>14,000</b>	–
Waiver of promissory notes and relevant interest payables for the compensation from profit guarantee	就溢利保證賠償豁免承兌票據及相關應付利息	17 & 37(d) <b>(173,851)</b>	–
Proceeds from disposal of available-for-sale financial assets for listed shares recorded under financial assets at fair value through profit or loss	就於損益帳按公平值處理之財務資產下入帳之上市股份出售可供出售財務資產之所得款項	–	95,000
Waiver of promissory notes for the settlement of derivative contracts	為支付衍生工具合約豁免承兌票據	–	(57,200)

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 1. CORPORATION INFORMATION

Rentian Technology Holdings Limited (the “Company”) was incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The functional currency of the Company and its subsidiaries (collectively referred to as the “Group”) is Hong Kong dollars (“HK\$”) except for those subsidiaries established in the People’s Republic of China (the “PRC”), Renminbi (“RMB”) is the functional currency.

The address of the registered office, principal place of business activities and particulars of the Company are set out in the “Corporation Information” section of the annual report for 2017.

### 2. PRINCIPAL ACCOUNTING POLICIES

#### Basis of preparation

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable HKFRSs, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

### 1. 公司資料

仁天科技控股有限公司（「本公司」）在開曼群島註冊成立為獲豁免有限公司，其股份於香港聯合交易所有限公司（「聯交所」）主板上市。

本公司及其附屬公司（統稱「本集團」）之功能貨幣為港元，惟在中華人民共和國（「中國」）成立之附屬公司之功能貨幣為人民幣。

本公司註冊辦事處地址、主要營業地點及詳情載於二零一七年年報「公司資料」一節。

### 2. 主要會計政策

#### 編製基準

本綜合財務報表乃按照香港財務報告準則（香港財務報告準則為一統稱，包括香港會計師公會頒佈之所有適用香港財務報告準則、香港會計準則及詮釋）、香港公認會計原則及香港公司條例之披露規定編製。本綜合財務報表亦符合聯交所證券上市規則（「上市規則」）之適用披露條文。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

## 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

### Basis of preparation (Continued)

These consolidated financial statements have been prepared on a basis consistent with the accounting policies adopted in the 2016 consolidated financial statements. The adoption of the new/revised HKFRSs that are relevant to the Group and effective from the current year had no significant effects on the results and financial position of the Group for the current and prior years, except that certain presentation and disclosures of consolidated financial statements items have been revised. A summary of the principal accounting policies adopted by the Group is set out below.

### Adoption of new/revised HKFRSs

The Group has applied, for the first time, the following new/revised HKFRSs issued by the HKICPA, which are relevant to the Group and effective for the annual period beginning on 1 January 2017:

Amendments to HKAS 7	Disclosure Initiative
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses
Annual Improvements to HKFRSs	2014-2016 Cycle: HKFRS 12

#### Amendments to HKAS 7: Disclosure Initiative

The amendments require entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

The adoption of the amendments results in the additional disclosures in note 33 to these consolidated financial statements. In accordance with the transitional provisions therein, the comparative information is not presented in the first year of adoption.

## 2. 主要會計政策 (續)

### 編製基準 (續)

本綜合財務報表之編製基準與二零一六年綜合財務報表所採納之會計政策貫徹一致。除綜合財務報表項目之若干呈列方式及披露已修訂外，採用與本集團有關並由本年度起生效之新訂／經修訂香港財務報告準則對本集團之本年度及過往年度之業績及財務狀況並無任何重大影響。本集團所採用之主要會計政策概要載列如下。

### 採納新訂／經修訂香港財務報告準則

本集團已首次採納以下由香港會計師公會頒佈、與本集團有關且於二零一七年一月一日開始之年度期間生效之新訂／經修訂香港財務報告準則：

香港會計準則第7號之修訂	披露計劃
香港會計準則第12號之修訂	就未變現虧損確認遞延稅項資產
香港財務報告準則之年度改進項目	二零一四年至二零一六年週期：香港財務報告準則第12號

#### 香港會計準則第7號之修訂：披露計劃

該等修訂規定實體提供披露事項，讓財務報表使用者可評價融資活動所產生負債之變動，包括現金流量所產生之變動及非現金變動。

採用該等修訂導致於本綜合財務報表附註33作出額外披露。按照修訂內之過渡條文，於採用修訂首年毋須呈列比較資料。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Adoption of new/revised HKFRSs (Continued)

##### Amendments to HKAS 12: Recognition of Deferred Tax Assets for Unrealised Losses

The amendments clarify, among others, how to account for deferred tax assets related to debt instruments measured at fair value.

The adoption of the amendments did not have any significant impact on the consolidated financial statements.

##### Annual Improvements 2014-2016 Cycle: HKFRS 12 – Clarification of the scope

The amendments clarify that except for the summarised financial information for subsidiaries, joint ventures and associates in which the interests are classified or included in a disposal group that is classified as held for sale in accordance with HKFRS 5, the requirements of HKFRS 12 apply to interests in entities within the scope of HKFRS 5.

The adoption of the amendments did not have any significant impact on the consolidated financial statements.

#### Basis of measurement

The measurement basis used in the preparation of these consolidated financial statements is historical cost, except for contingent consideration receivables/payables, financial assets at fair value through profit or loss and certain available-for-sale financial assets, which are measured at fair value as explained in the accounting policies set out below.

### 2. 主要會計政策 (續)

#### 採納新訂／經修訂香港財務報告準則 (續)

##### 香港會計準則第12號之修訂：就未變現虧損確認遞延稅項資產

該等修訂釐清 (其中包括) 如何將與按公平值計量之債務工具有關之遞延稅項資產入帳。

採用該等修訂對綜合財務報表並無任何重大影響。

##### 二零一四年至二零一六年週期年度改進：香港財務報告準則第12號－釐清範圍

該等修訂釐清除有關附屬公司、合營公司及聯營公司 (於當中之權益乃按照香港財務報告準則第5號分類為持作出售或計入分類為持作出售之出售組別) 之財務資料概要外，香港財務報告準則第12號之規定適用於香港財務報告準則第5號範圍內之實體權益。

採用該等修訂對綜合財務報表並無任何重大影響。

#### 計量基準

編製本綜合財務報表所採用之計量基準為歷史成本，惟如下文載列之會計政策所述，應收／應付或然代價、於損益帳按公平值處理之財務資產及若干可供出售財務資產以公平值計量。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and all of its subsidiaries as at 31 December each year. The financial statements of the subsidiaries are prepared for the same reporting year as that of the Company using consistent accounting policies.

All intra-group balance, transactions, income and expenses and profits and losses resulting from intra-group transactions are eliminated in full. The results of subsidiaries are consolidated from the date on which the Group obtains control and continue to be consolidated until the date that such control ceases.

Non-controlling interests are presented, separately from owners of the Company, in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position. The non-controlling interests in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in event of liquidation, are measured initially either at fair value or at the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. This choice of measurement basis is made on an acquisition-by-acquisition basis. Other types of non-controlling interests are initially measured at fair value, unless another measurement basis is required by HKFRSs.

### 2. 主要會計政策 (續)

#### 綜合基準

綜合財務報表包括本公司及其所有附屬公司截至每年十二月三十一日為止之財務報表。附屬公司之財務報表乃於與本公司相同之報告年度使用與本公司貫徹一致之會計政策編製。

集團內公司間之所有結餘、交易、收支及集團內公司間交易所產生盈虧會全數對銷。附屬公司之業績由本集團取得控制權當日起至有關控制權終止當日止綜合計算。

非控股權益於綜合全面收入報表及綜合財務狀況表之股權中與本公司擁有人分開呈列。於被收購公司之非控股權益為現時擁有權權益，賦予持有人權利於被收購公司清盤時按比例攤分被收購公司之資產淨值，初步按公平值或按現時擁有權工具所佔被收購公司可識別資產淨值已確認金額之比例計量。計量基準會因應逐項收購選擇。除非香港財務報告準則規定採納另一計量基準，否則其他類型非控股權益初步按公平值計量。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Basis of consolidation (Continued)

##### *Contingent consideration arising from business combination*

Any contingent consideration to be transferred by the acquirer is recognised at acquisition-date fair value. Subsequent adjustments to consideration are recognised against goodwill only to the extent that they arise from new information obtained within the measurement period (a maximum of 12 months from the acquisition date) about the fair value at the acquisition date. The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is re-measured at subsequent reporting dates with the corresponding gain or loss being recognised in profit or loss.

##### *Allocation of total comprehensive income*

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

##### *Changes in ownership interest*

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

### 2. 主要會計政策 (續)

#### 綜合基準 (續)

##### *業務合併產生之或然代價*

將由收購方轉讓之任何或然代價按收購日期之公平值確認。其後對代價之調整於調整源自於計量期(最長為收購日期起計12個月)內所取得有關於收購日期之公平值之新資料時,方於商譽確認。不符合作為計量期間調整之或然代價公平值變動之其後會計處理取決於或然代價如何分類。分類為權益之或然代價不會於其後報告日期重新計量,而其後結算於權益內入帳。分類為資產或負債之或然代價會於其後報告日期重新計量,而相應盈虧於損益帳中確認。

##### *分配全面收入總額*

損益及其他全面收入各組成部分會歸屬於本公司擁有人及非控股權益。全面收入總額會歸屬於本公司擁有人及非控股權益,即使此舉會導致非控股權益之結餘出現虧絀。

##### *擁有權權益變動*

倘本集團於附屬公司之擁有權權益出現變動,但並無導致本集團失去對該附屬公司之控制權,則入帳列作股權交易。本集團會調整控股與非控股權益之帳面金額,以反映彼等於附屬公司之相關權益之變動。非控股權益之調整款額與已付或已收代價之公平值兩者間之任何差額,會直接於股權確認並歸屬於本公司擁有人。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Basis of consolidation (Continued)

##### Changes in ownership interest (Continued)

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest determined at the date when control is lost and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests at the date when control is lost. The amounts previously recognised in other comprehensive income in relation to the disposed subsidiary are accounted for on the same basis as would be required if the holding company had directly disposed of the related assets or liabilities. Any investment retained in the former subsidiary and any amounts owed by or to the former subsidiary are accounted for as a financial asset, associate, joint venture or others as appropriate from the date when control is lost.

#### Subsidiaries

A subsidiary is an entity that is controlled by the Group. 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 reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control.

In the Company's statement of financial position which is presented within these notes, investments in subsidiaries are stated at cost less impairment losses. The carrying amount of the investment is reduced to its recoverable amount on an individual basis, if it is higher than the recoverable amount. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

### 2. 主要會計政策 (續)

#### 綜合基準 (續)

##### 擁有權權益變動 (續)

當本集團失去對附屬公司之控制權時，出售損益按(i)已收代價之公平值及於失去控制權當日所釐定任何保留權益之公平值之總額與(ii)該附屬公司之資產(包括商譽)及負債以及任何非控股權益於失去控制權當日之帳面金額兩者間之差額計算。先前就已出售附屬公司於其他全面收入確認之款額，按控股公司直接出售相關資產或負債所須使用之相同基準入帳。在前附屬公司保留之任何投資及該前附屬公司所結欠或應收之任何金額，會由失去控制權當日起入帳列作財務資產、聯營公司、合營公司或其他項目(如適用)。

#### 附屬公司

附屬公司指受本集團控制之實體。當本集團就參與實體業務所得可變動回報承擔風險或享有權利，並能透過其於該實體之權力影響該等回報時，本集團即控制該實體。如有事實及情況顯示一項或多項控制權要素出現變化，則本集團會重新評估其是否控制接受投資公司。

於附註內呈列之本公司財務狀況表中，於附屬公司之投資按成本減去減值虧損入帳。投資之帳面金額如高於可收回金額，按個別基準扣減至其可收回金額。本公司按已收及應收股息基準將附屬公司之業績入帳。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Associates

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

The Group's investments in associates are accounted for under the equity method of accounting. Under the equity method, the investment is initially recorded at cost and adjusted thereafter for the post-acquisition changes in the Group's share of the investee's net assets and any impairment loss relating to the investment. Except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee, the Group discontinues recognising its share of further losses when the Group's share of losses of the investee equals or exceeds the carrying amount of its interest in the investee, which includes any long term interests that, in substance, form part of the Group's net investment in the investee.

Goodwill arising on an acquisition of an associate is measured as the excess of the cost of investment over the Group's share of the net fair value of the identifiable assets and liabilities of the acquired associate. Such goodwill is included in interests in associates. On the other hand, any excess of the Group's share of its net fair value of identifiable assets and liabilities over the cost of investment is recognised immediately in profit or loss as an income.

Unrealised profits and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's interest in the investees, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

### 2. 主要會計政策 (續)

#### 聯營公司

聯營公司指本集團對其擁有重大影響力之實體。重大影響力指參與接受投資公司財務及營運政策決定但並非控制或共同控制有關政策之權力。

本集團於聯營公司之投資以權益會計法入帳。根據權益會計法，有關投資初步按成本入帳，其後就本集團應佔接受投資公司資產淨值之收購後變動及與該投資相關之任何減值虧損作出調整。倘本集團應佔接受投資公司之虧損相等於或超過其於該接受投資公司之權益（包括任何實質上構成本集團於該接受投資公司之淨投資一部分之長期權益）之帳面金額，則本集團不再確認其應佔之進一步虧損，惟本集團已產生法定或推定責任，或已代表該接受投資公司付款，則作別論。

收購聯營公司產生之商譽按投資成本超出本集團應佔所收購聯營公司之可識別資產及負債公平淨值之差額計量。有關商譽計入於聯營公司之權益內。另一方面，本集團應佔其可識別資產及負債公平淨值超出投資成本之任何差額即時於損益帳確認為收入。

本集團與其聯營公司之間進行交易所產生之未變現盈虧會予以對銷，惟以本集團於該等接受投資公司之權益為限；而倘未變現虧損提供證據顯示所轉讓資產出現減值，則有關虧損會即時於損益帳確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Goodwill

Goodwill arising on an acquisition of a business is measured at the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of any previously held equity interest in the acquiree over the acquisition date amounts of the identifiable assets acquired and the liabilities assumed of the acquired business.

Goodwill on acquisition of business is recognised as a separate asset and is carried at cost less accumulated impairment losses, which is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. For the purpose of impairment test and determination of gain or loss on disposal, goodwill is allocated to cash-generating units. An impairment loss on goodwill is not reversed.

On the other hand, any excess of the acquisition date amounts of identifiable assets acquired and the liabilities assumed of the acquired business over the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree, if any, after reassessment, is recognised immediately in profit or loss as an income from bargain purchase.

#### Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Repairs and maintenance are charged to profit or loss during the year in which they are incurred.

### 2. 主要會計政策 (續)

#### 商譽

收購業務產生之商譽按所轉撥之代價、於被收購公司之任何非控股權益金額及於被收購公司之先前所持股本權益之公平值超出所收購業務之已購入可識別資產及所承擔負債之收購當日金額之差額計量。

收購業務之商譽會確認為一項獨立資產，按成本減累計減值虧損列帳，並每年作減值測試，或於有事件發生或情況有變而顯示帳面值可能減值時進行較頻密之減值測試。就減值測試及釐定出售盈虧而言，商譽被分配至現金產生單位。商譽之減值虧損不予撥回。

另一方面，重新評估後所收購業務之已購入可識別資產及所承擔負債之收購當日金額超出所轉撥代價、於被收購公司之任何非控股權益金額及收購公司先前於被收購公司所持權益之公平值總額之任何差額（如有），隨即於損益帳確認為一項議價購買收入。

#### 物業、廠房及設備

物業、廠房及設備按成本減累計折舊及減值虧損列帳。物業、廠房及設備項目之成本包括其購買價及令資產達致其營運狀況及運送至其運作地點作擬定用途之任何直接應佔費用。維修及保養開支於產生當年在損益帳中扣除。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

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

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual values over their estimated useful life. Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis and depreciated separately. The principal annual rates used for this purpose are as follows:

Buildings	5%
Leasehold improvement	20%-50%
Moulds	10%-30%
Plant and machinery	9%
Furniture, fixture and equipment	18%-50%
Motor vehicles	18%-33%

Assets held under finance leases are depreciated over the shorter of their expected useful lives or the terms of the leases.

### 2. 主要會計政策 (續)

#### 物業、廠房及設備 (續)

折舊按直線法計算，以於各物業、廠房及設備項目之估計可用年期將該等物業、廠房及設備項目之成本撇銷至其餘值。倘物業、廠房及設備項目各部分具有不同可用年期，則項目成本按合理基準分配及分開折舊。就此使用之主要年率如下：

樓宇	5%
租賃物業裝修	20%-50%
模具	10%-30%
廠房及機器	9%
傢具、裝置及 設備	18%-50%
汽車	18%-33%

根據融資租賃持有之資產按其預計可用年期或租期之較短期間折舊。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

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

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in profit or loss in the year in which the item is derecognised.

#### Intangible assets

##### Trademarks

Trademarks acquired in a business combination are recognised at fair value at the acquisition date. Trademarks that have an indefinite useful life are tested annually for impairment or more frequently if events or changes in circumstances indicate that the carrying amount may be impaired and carried at cost less accumulated impairment losses.

##### Customer relationships, customer contracts, computer software copyright and software patents

The customer relationships, customer contracts, computer software copyright and software patents acquired in a business combination are recognised at fair value at the acquisition date. Amortisation is provided on the straight-line basis over their estimated useful lives of 2-10 years.

### 2. 主要會計政策 (續)

#### 物業、廠房及設備 (續)

物業、廠房及設備項目於出售時或預期持續使用該資產不會產生未來經濟利益時終止確認。終止確認資產所產生之任何盈虧(按出售所得款項淨額與項目帳面金額之差額計算)計入項目終止確認年度之損益帳。

#### 無形資產

##### 商標

在業務合併中購入之商標按收購日期之公平值確認。無限定可用年期之商標每年作減值測試，或於有事件發生或情況有變而顯示帳面金額可能減值時進行較頻密之減值測試，並按成本減累計減值虧損列帳。

##### 客戶關係、客戶合約、電腦軟件版權及軟件專利

在業務合併中購入之客戶關係、客戶合約、電腦軟件版權及軟件專利按收購日期之公平值確認。攤銷於其2至10年之估計可用年期內以直線法撥備。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Intangible assets (Continued)

##### Research and development costs

Research costs are expensed as incurred. Costs incurred on development activities, which involve the application of research findings to a plan or design for the production of new or substantially improved products and processes, are capitalised if the product or process is technically and commercially feasible and the Group has sufficient resources to complete the development.

#### Financial instruments

##### Recognition and derecognition

Financial assets and financial liabilities, except for unlisted available-for-sale financial assets, are recognised when and only when the Group becomes a party to the contractual provisions of the instruments and on a trade date basis.

Unlisted available-for-sale financial assets are recognised when and only when the Group becomes a party to the contractual provisions of the instruments and on a settlement date basis.

A financial asset is derecognised when and only when (i) the Group's contractual rights to future cash flows from the financial asset expire or (ii) the Group transfers the financial asset and either (a) it transfers substantially all the risks and rewards of ownership of the financial asset, or (b) it neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset but it does not retain control of the financial asset.

### 2. 主要會計政策 (續)

#### 無形資產 (續)

##### 研究及開發成本

研究成本於產生時確認為開支。開發活動成本(涉及將研究結果應用於生產全新產品或大幅改進產品及工序之計劃或設計)若在產品或工序在技術及商業上可行,且本集團具有足夠資源完成開發時將會撥充資本。

#### 財務工具

##### 確認及終止確認

當且僅當本集團成為該等工具之合約條文之一方時,財務資產及財務負債(非上市可供出售財務資產除外)方會確認,而於確認時乃以交易日期為基準。

當且僅當本集團成為該等工具之合約條文之一方時,非上市可供出售財務資產方會確認,而於確認時乃以結算日期為基準。

當且僅當(i)本集團於財務資產未來現金流量之合約權利屆滿,或(ii)本集團轉讓該財務資產,同時(a)轉移該項財務資產擁有權之絕大部分風險及回報,或(b)本集團既無轉移亦無保留該項財務資產擁有權之絕大部分風險及回報,且並無保留該項財務資產之控制權時,方會終止確認財務資產。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Recognition and derecognition (Continued)

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises the financial asset to the extent of its continuing involvement and an associated liability for amounts it may have to pay.

A financial liability is derecognised when and only when the liability is extinguished, that is, when the obligation specified in the relevant contract is discharged, cancelled or expires.

##### Classification and measurement

Financial assets or financial liabilities are initially recognised at their fair value plus, in the case of financial assets or financial liabilities not carried at fair value through profit or loss, transaction costs that are direct attributable to the acquisition or issue of the financial assets or financial liabilities.

#### 1) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition as at fair value through profit or loss, and financial assets resulting from a contingent consideration arrangement in a business combination to which HKFRS 3 applies. They are carried at fair value, with any resultant gain and loss recognised in profit or loss.

### 2. 主要會計政策 (續)

#### 財務工具 (續)

##### 確認及終止確認 (續)

倘本集團保留被轉移財務資產擁有權之絕大部分風險及回報，則本集團繼續確認該項財務資產，同時就所收所得款項確認抵押借貸。

倘本集團既無轉移亦無保留已轉移財務資產擁有權之絕大部分風險及回報，並繼續控制該項財務資產，則本集團按其持續參與程度確認該項財務資產，並就可能須支付之金額確認相關負債。

當且僅當財務負債消除時（即相關合約列明之義務被免除、取消或屆滿時），財務負債方會終止確認。

##### 分類及計量

財務資產或財務負債初步按公平值另加（如並非於損益帳按公平值列帳）收購或發行財務資產或財務負債直接應佔之交易成本確認。

#### 1) 於損益帳按公平值處理之財務資產

於損益帳按公平值處理之財務資產包括持作買賣之財務資產、於初步確認時指定於損益帳按公平值處理之財務資產及業務合併中或然代價安排產生之財務資產（香港財務報告準則第3號適用），以公平值列帳，所產生之任何盈虧於損益帳確認。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Classification and measurement (Continued)

#### 1) Financial assets at fair value through profit or loss (Continued)

Financial assets are classified as held for trading if they are (i) acquired or incurred principally for the purpose of selling or repurchasing in the near future; (ii) part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or (iii) derivatives that are not financial guarantee contracts or not designated and effective hedging instruments.

Financial assets are designated at initial recognition as at fair value through profit or loss only if (i) the designation eliminate or significantly reduce the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on a different basis; or (ii) they are part of a group of financial assets and/or financial liabilities that are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management strategy; or (iii) they contain embedded derivatives that would need to be separately recorded.

Where a contract contains one or more embedded derivatives, the entire hybrid contract may be designated as a financial asset at fair value through profit or loss, except where the embedded derivative does not significantly modify the cash flows or it is clear that separation of the embedded derivative is prohibited.

### 2. 主要會計政策 (續)

#### 財務工具 (續)

##### 分類及計量 (續)

#### 1) 於損益帳按公平值處理之財務資產 (續)

倘財務資產(i)主要為於短期內出售或購回而購入或產生；(ii)由本集團集中管理且有跡象顯示近期出現實際短期獲利之已識別財務工具組合之一部分；或(iii)並非財務擔保合約亦非指定為有效對沖工具之衍生工具，則分類為持作買賣財務資產。

財務資產僅會於下列情況下於初步確認時指定為於損益帳按公平值處理：(i)該項指定消除或大幅減少因按不同基準計量資產或負債或確認盈虧而導致處理方法不一之情況；或(ii)該等財務資產或財務負債屬受管理且根據明文風險管理策略按公平值基準評估表現之一組財務資產及／或財務負債之一部分；或(iii)該等財務資產或財務負債包含須分開記錄之嵌入式衍生工具。

倘一份合約包含一項或多項嵌入式衍生工具，則整份混合合約或會指定為於損益帳按公平值處理之財務資產，惟倘嵌入式衍生工具不能大幅改變現金流量或明顯不得將嵌入式衍生工具分開則除外。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Classification and measurement (Continued)

#### 2) Loans and receivables

Loans and receivables including loan receivables, trade and other receivables, pledged bank deposits and bank balances and cash are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are not held for trading. They are measured at amortised cost using the effective interest method, except where receivables are interest-free loans and without any fixed repayment term or the effect of discounting would be insignificant. In such case, the receivables are stated at cost less impairment loss. Amortised cost is calculated by taking into account any discount or premium on acquisition over the period to maturity. Gains and losses arising from derecognition, impairment or through the amortisation process are recognised in profit or loss.

#### 3) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated at this category or not classified in any of the other categories of financial assets. They are measured at fair value with changes in value recognised as a separate component of equity until the assets are sold, collected or otherwise disposed of, or until the assets are determined to be impaired, at which time the cumulative gain or loss previously reported in other comprehensive income shall be reclassified to profit or loss as a reclassification adjustment.

Available-for-sale financial assets that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are stated at cost less impairment loss.

### 2. 主要會計政策 (續)

#### 財務工具 (續)

##### 分類及計量 (續)

#### 2) 貸款及應收款項

貸款及應收款項包括應收貸款、貿易及其他應收款項、已質押銀行存款以及銀行結存及現金，為有固定或可釐定付款額而並無活躍市場報價且非持作買賣之非衍生財務資產。此等貸款及應收款項以實際利率法按攤銷成本計量，惟倘應收款項為無固定還款期或貼現影響不大之免息貸款，則按成本減去減值虧損列帳。攤銷成本於到期前各期間經計及收購時之任何折讓或溢價後計算。終止確認、減值或透過攤銷過程所產生之盈虧於損益帳確認。

#### 3) 可供出售財務資產

可供出售財務資產為指定為此類別或不予分類為其他財務資產類別之非衍生財務資產，按公平值計量，而價值變動確認為股權獨立部分，直至資產被出售、收集或以其他方式處置為止，或直至資產被釐定為已減值為止，屆時，之前於其他全面收入中呈報之累計收益或虧損將重新分類至損益帳，列作重新分類調整。

並無活躍市場報價且公平值不能可靠地計量之可供出售財務資產按成本減去減值虧損列帳。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Classification and measurement (Continued)

#### 4) Financial liabilities

The Group's financial liabilities include contingent consideration payables, trade and other payables, interest-bearing borrowings, promissory notes and convertible bonds. All financial liabilities, except for derivatives and contingent consideration payables are recognised initially at their fair value and subsequently measured at amortised cost, using effective interest method, unless the effect of discounting would be insignificant, in which case they are stated at cost.

##### Impairment of financial assets

At the end of each reporting period, the Group assesses whether there is objective evidence that financial assets, other than those at fair value through profit or loss, are impaired. The impairment loss of financial assets carried at amortised cost is measured as the difference between the assets' carrying amount and the present value of estimated future cash flow discounted at the financial asset's original effective interest rate. Such impairment loss is reversed in subsequent periods through profit or loss when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

### 2. 主要會計政策 (續)

#### 財務工具 (續)

##### 分類及計量 (續)

#### 4) 財務負債

本集團之財務負債包括應付或然代價、貿易及其他應付款項、計息借貸、承兌票據及可換股債券。所有財務負債(衍生工具及應付或然代價除外)初步按公平值確認,其後以實際利率法按攤銷成本計量,惟倘貼現影響並不重大,則按成本列帳。

##### 財務資產減值

本集團會於各報告期結束日評估是否有客觀證據顯示財務資產(於損益帳按公平值處理者除外)出現減值。按攤銷成本列帳之財務資產之減值虧損按資產帳面金額與按財務資產原實際利率貼現之估計未來現金流量現值之差額計量。倘資產之可收回金額增加,而是項增加能夠客觀地與確認減值後發生之事件有關,則於往後期間透過損益帳撥回有關減值虧損,惟該項資產於撥回減值當日之帳面金額不得超過原先並無確認減值時之攤銷成本。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Impairment of financial assets (Continued)

When an available-for-sale financial asset is impaired, a cumulative loss comprising the difference between its acquisition cost (net of any principal repayment and amortisation) and current fair value, less any previously recognised impairment loss in profit or loss, is reclassified from equity to profit or loss as a reclassification adjustment. Impairment losses recognised in profit or loss in respect of available-for-sale equity instrument are not reversed through profit or loss. Any subsequent increase in fair value of available-for-sale equity instrument after recognition of impairment loss is recognised in equity. Reversal of impairment loss of available-for-sale debt instruments are reversed through profit or loss, if the increase in fair value of the instrument can be objectively related to an event occurring after the impairment loss was recognised in profit or loss.

For an available-for-sale financial asset that is carried at cost, the amount of impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss shall not be reversed.

#### Convertible bonds

The component of the convertible bonds that exhibits characteristics of a liability is recognised as a liability in the consolidated statement of financial position, net of issue costs.

### 2. 主要會計政策 (續)

#### 財務工具 (續)

##### 財務資產減值 (續)

可供出售財務資產出現減值時，其收購成本（已扣除任何本金還款及攤銷）與當前公平值之差額減去任何先前於損益帳確認之減值虧損所得之累計虧損，將由權益重新分類至損益帳，列作重新分類調整。就可供出售股本工具於損益帳確認之減值虧損不得於損益帳撥回。可供出售股本工具於確認減值虧損後之任何公平值增加於股權確認。倘可供出售債務工具公平值增加之客觀因素與於損益帳確認減值虧損後發生之事件有關，則該工具之減值虧損會於損益帳撥回。

至於按成本列帳之可供出售財務資產，減值虧損之金額按財務資產之帳面金額與按類似財務資產現有市場回報率貼現之估計未來現金流量現值之差額計量。有關減值虧損不予撥回。

#### 可換股債券

可換股債券具負債特徵之部分於綜合財務狀況表確認為負債，當中扣除發行成本。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Convertible bonds (Continued)

On the issue of the convertible bonds, the fair value of the liability component is determined using a market rate for a similar bond that does not have a conversion option; and this amount is carried as a long-term liability on the amortised cost basis until extinguished on conversion or redemption. The early redemption option components are measure at fair value at the issue date. In subsequent period, the early redemption option component is measure at fair value with changes in fair value recognised in profit or loss.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in the convertible bonds equity reserve within shareholders' equity, net of issue costs. The value of the conversion option carried in equity is not changed in subsequent years. When the conversion option is exercised, the balance of the convertible bonds equity reserve is transferred to share capital or other appropriate reserve. When the conversion option remains unexercised at the expiry date, the balance remained in the convertible bonds equity reserve is transferred to retained profits. No gain or loss is recognised in profit or loss upon conversion or expiration of the option.

Issue costs are apportioned between the liability and equity components of the convertible bonds based on the allocation of proceeds to the liability and equity components when the instruments are first recognised. Transaction costs that relate to the issue of the convertible bonds are allocated to the liability and equity components in proportion to the allocation of proceeds.

### 2. 主要會計政策 (續)

#### 可換股債券 (續)

於發行可換股債券時，負債部分之公平值採用不帶換股權之類似債券之市場利率釐定，而此金額按攤銷成本基準列為長期負債，直至於轉換或贖回時被消除為止。提早贖回權部分按發行當日之公平值計量。於往後期間，提早贖回權部分按公平值計量，公平值變動會於損益帳確認。

所得款項結餘分配至已確認並計入股東權益內可換股債券權益儲備之換股權，當中扣除發行成本。於權益列帳之轉換權之價值於其後年度不變。當換股權獲行使時，可換股債券權益儲備之結餘會轉撥至股本或其他適當儲備。當換股權於到期日仍未行使時，可換股債券權益儲備之結餘會轉撥至保留溢利。換股權獲轉換或到期時不會於損益帳中確認任何收益或虧損。

發行成本乃根據首次確認可換股債券之負債及權益部分時所得款項分配至該等工具之比例，分配至可換股債券之負債及權益部分。發行可換股債券相關之交易費用按所得款項分配比例分配至負債及權益部分。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Cash equivalents

For the purpose of the consolidated statement of cash flows, cash equivalents represent short-term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value.

#### Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue and costs, if applicable, can be measured reliably and on the following bases.

Sale of products is recognised on transfer of risks and rewards of ownership, which generally coincides with the time when the goods are delivered to customers and the title is passed.

Service income is recognised when services are rendered.

Realised gain or loss on financial assets at fair value through profit or loss is recognised on a trade date basis whilst unrealised gain or loss on financial assets at fair value through profit or loss is recognised to restate to their fair value at the end of the reporting period.

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

Interest income from financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

### 2. 主要會計政策 (續)

#### 現金等價物

就綜合現金流量表而言，現金等價物指可隨時轉換為可知數額現金而所承受之價值變動風險不大之短期高流動性投資項目。

#### 收益確認

收益乃於經濟利益極有可能將會流入本集團且收益及成本（如適用）能可靠地計量時按下列基準確認。

銷售產品於轉移擁有權之風險及回報時確認，一般與貨品交付客戶及所有權轉交時同時發生。

服務收入於提供服務時確認。

於損益帳按公平值處理之財務資產之已變現收益或虧損按交易日基準確認，而於損益帳按公平值處理之財務資產之未變現收益或虧損則以重列其於報告期結束日之公平值之方式確認。

投資股息收入於本集團收款之權利確立時確認。

財務資產之利息收入參考未償還本金及適用實際利率按時間基準計算。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Foreign currency translation

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 HK\$, which is the Company's functional currency, and rounded to the nearest thousands unless stated otherwise.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Foreign exchange gains and losses resulting from the retranslation of non-monetary items carried at fair value are recognised in profit or loss except for those arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity, in which cases, the gains or losses are also recognised directly in equity.

The results and financial position of all the group entities that have a functional currency different from the presentation currency ("foreign operations") are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented and, where applicable, goodwill and fair value adjustments on the carrying amounts of assets and liabilities arising on an acquisition of a foreign operation which are to be treated as assets and liabilities of that foreign operation, are translated at the closing rate at the end of the reporting period;
- Income and expenses for each statement of comprehensive income are translated at average exchange rate;

### 2. 主要會計政策 (續)

#### 外幣換算

本集團各實體之財務報表內所列項目依照各實體營運所在之主要經濟環境所用貨幣(「功能貨幣」)計量。綜合財務報表以本公司之功能貨幣港元呈列，而除非另有指明，否則會四捨五入至最接近之千位。

外幣交易採用交易當日之匯率換算為功能貨幣。因結算該等交易及按年結日匯率換算以外幣計值之貨幣資產及負債而產生之外匯收益及虧損於損益帳中確認。因重新換算以公平值列帳之非貨幣項目而產生之外匯收益及虧損於損益帳中確認，惟倘有關收益及虧損乃因重新換算直接於股權確認收益及虧損之非貨幣項目而產生，則同樣直接於股權確認。

功能貨幣有別於呈列貨幣之各集團實體(「海外業務」)之業績及財務狀況，乃按以下方式換算為呈列貨幣：

- 於各財務狀況表呈列之資產及負債，以及(如適用)就收購海外業務產生之資產及負債(被視為該海外業務之資產及負債)帳面金額作出之商譽及公平值調整，按報告期結束日之收市匯率換算；
- 各全面收入報表之收入及開支按平均匯率換算；



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Foreign currency translation (Continued)

- All resulting exchange differences arising from the above translation and exchange differences arising from a monetary item that forms part of the Group's net investment in a foreign operation are recognised as a separate component of equity;
- On the disposal of a foreign operation, which includes the disposal of the Group's entire interest in a foreign operation, a disposal involving the loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in an associate that includes a foreign operation of which the retained interest is no longer equity-accounted for, the cumulative amount of the exchange differences relating to the foreign operation that is recognised in other comprehensive income and accumulated in the separate component of equity is reclassified from equity to profit or loss when the gain or loss on disposal is recognised;
- On the partial disposal of the Group's interest in a subsidiary that includes a foreign operation which does not result in the Group losing control over the subsidiary, the proportionate share of the cumulative amount of the exchange differences recognised in the separate component of equity is re-attributed to the non-controlling interests in that foreign operation and are not recognised in profit or loss;
- On all other partial disposals, which includes partial disposal of associates that do not result in the Group losing significant influence, the proportionate share of the cumulative amount of exchange differences recognised in the separate component of equity is reclassified to profit or loss.

### 2. 主要會計政策 (續)

#### 外幣換算 (續)

- 所有因上述換算而產生之匯兌差額及因構成本集團於海外業務之淨投資一部分之貨幣項目而產生之匯兌差額，確認為股權之獨立部分；
- 出售海外業務（包括出售本集團於海外業務之全部權益，涉及喪失包含海外業務附屬公司之控制權之出售事項，或部分出售於包含海外業務之聯營公司之權益，而不再以權益會計法處理當中之保留權益）時，涉及該海外業務而於其他全面收入中確認並於股權獨立部分中累計之匯兌差額累計金額於確認出售盈虧時由股權重新分類至損益帳；
- 部分出售本集團包含海外業務之附屬公司之權益，而本集團不會因此喪失對該附屬公司之控制權時，於股權獨立部分確認之按比例應佔匯兌差額之累計金額部分重新歸入該海外業務之非控股權益，且不會於損益帳確認；及
- 至於所有其他部分出售（包括部分出售聯營公司，而本集團不會因此喪失重大影響力），於股權獨立部分確認之按比例應佔匯兌差額之累計金額部分重新分類至損益帳。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Inventories

Inventories are stated at the lower of cost and net realisable value. Cost, which comprises all costs of purchase and, where applicable, other costs that have been incurred in bringing the inventories to their present location and condition, is calculated using the weighted average cost method. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period of the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

#### Impairment of other assets

At the end of each reporting period, the Group reviews internal and external sources of information to assess whether there is any indication that its property, plant and equipment, intangible assets, interests in associates and interests in subsidiaries may be impaired or impairment loss previously recognised no longer exists or may be reduced. If any such indication exists, the recoverable amount of the asset is estimated, based on the higher of its fair value less costs of disposal and value-in-use ("VIU"). In addition, the Group tests its intangible assets that have indefinite useful lives and intangible assets that are not yet available for use for impairment by estimating their recoverable amount on an annual basis and whenever there is an indication that those assets may be impaired. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the smallest group of assets that generates cash flows independently (i.e. a cash-generating unit).

### 2. 主要會計政策 (續)

#### 存貨

存貨按成本及可變現淨值兩者中之較低者列帳。成本包括全部購買成本及(如適用)使存貨達致目前地點及狀況產生之其他成本。成本按加權平均成本法計算。可變現淨值指日常業務過程中之估計售價減估計銷售所需成本。

存貨一經出售，其帳面金額於相關收益之確認期間確認為開支。存貨撇減至可變現淨值之任何金額及所有存貨虧損於撇減或虧損之發生期間確認為開支。倘存貨之任何撇減出現任何逆轉，則逆轉金額於逆轉發生期間確認為原確認為開支之存貨扣減。

#### 其他資產之減值

於各報告期結束日，本集團審閱內部及外部所得資料，以評估是否有跡象顯示其物業、廠房及設備、無形資產、於聯營公司之權益及於附屬公司之權益可能出現減值，或先前確認之減值虧損是否不再存在或可能有所減少。倘有任何該等跡象存在，則根據其公平值減出售成本及使用價值(以較高者為準)估計該項資產之可收回金額。此外，本集團每年藉估計其可收回金額，對具有不限定可用年期之無形資產及目前不可使用之無形資產進行減值測試，並於有跡象顯示該等資產或會減值時作減值測試。倘無法估計個別資產之可收回金額，本集團則估計可獨立產生現金流量之最小資產組別(即現金產生單位)之可收回金額。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Impairment of other assets (Continued)

If the recoverable amount of an asset or a cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. Impairment losses are recognised as expense in profit or loss immediately.

A reversal of impairment loss is limited to the carrying amount of the asset or cash-generating unit that would have been determined had no impairment loss been recognised in prior years. Reversal of impairment loss is recognised as income in profit or loss immediately.

#### Borrowing costs

Borrowing costs incurred, net of any investment income on the temporary investment of the specific borrowings, that are directly attributable to the acquisition, construction or production of qualifying assets, i.e. 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. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

#### Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the years necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, the fair value is credited to a deferred income account/recognised as a deduction from the carrying amount of the relevant asset and is released to profit or loss over the expected useful life of the relevant asset on a systematic basis.

### 2. 主要會計政策 (續)

#### 其他資產之減值 (續)

倘資產或現金產生單位之可收回金額估計低於其帳面金額，則資產或現金產生單位之帳面金額會減至其可收回金額。減值虧損即時於損益帳確認為開支。

撥回之減值虧損以假設在過往年度並無確認減值虧損之情況下釐定之資產或現金產生單位之帳面金額為限。撥回之減值虧損即時於損益帳確認為收入。

#### 借貸成本

收購、建造或生產合資格資產（即需要一段頗長時間始能達至其擬定用途或出售之資產）之直接應佔借貸成本，在扣除特定借貸之任何暫時性投資之投資收入後，會撥充資本作為該等資產成本之一部分。於該等資產大致上可作其擬定用途或出售時，該等借貸成本將會停止撥充資本。所有其他借貸成本於產生期間確認為開支。

#### 政府補助

倘有合理保證將會收取政府補助及將符合所有附帶條件，則有關補助將按公平值確認。當補助涉及開支項目時，會按有系統基準於需配合補助之年度確認為收入，以抵銷擬用作補償之成本。倘補助涉及資產，則將公平值計入遞延收入帳戶／確認為有關資產帳面金額之扣減，並於有關資產之預期可用年期按有系統基準撥入損益帳。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Leases

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

Assets held under finance leases are recognised as assets of the Group at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as finance lease obligation. Finance charges, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are charged to profit or loss over the term of the term of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease.

Lease incentives are recognised in profit or loss as an integral part of the net consideration agreed for the use of leased asset.

#### Employee benefits

##### Short term employee benefits

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees.

### 2. 主要會計政策 (續)

#### 租賃

凡租賃條款將擁有權之絕大部分風險及回報轉移予承租人之租賃，皆分類為融資租賃。所有其他租賃則分類為經營租賃。

根據融資租賃持有之資產按租賃資產之公平值或最低租賃付款現值之較低者確認為本集團資產。結欠出租人之相應負債計入綜合財務狀況表作為融資租賃債務。融資費用指租賃承擔總額與已收購資產公平值之差額，於相關租賃期內自損益帳扣除，以反映各會計期間債務餘額之固定定期費率。

根據經營租賃應付之租金於相關租賃期內以直線法自損益帳扣除。

租賃優惠於損益帳確認為使用租賃資產所協定之淨代價之一部分。

#### 僱員福利

##### 短期僱員福利

薪金、年度花紅、有薪年假、界定供款退休計劃供款及非貨幣福利之成本於僱員提供相關服務之年度累計。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Employee benefits (Continued)

##### Defined contribution plans

The Group, other than overseas and PRC subsidiaries, operates Mandatory Provident Fund (“MPF”) schemes to provide retirement benefits for its full time permanent employees in Hong Kong. The obligations for contributions to retirement benefit schemes are recognised as expenses in profit or loss as incurred. The assets of the schemes are held separately from those of the Group with independent trustees.

Pursuant to the law and regulations of the PRC, contributions to the defined contribution retirement schemes for the Group’s PRC staff are made to the relevant government authorities in the PRC, which are calculated on certain percentages of the applicable payroll costs as stipulated under the requirements in the PRC. These contributions are recognised as expenses in profit or loss as incurred.

##### Long service payment

The Group’s net obligation in respect of long service payment under the Hong Kong Employment Ordinance is the amount of expected future benefit that employees have earned in return for their services in the current and prior periods. The obligation is calculated using the projected unit credit method and discounted to its present value and after deducting the fair value of any related assets, including retirement scheme benefit. Re-measurements are recognised in profit or loss in the year in which they arise.

### 2. 主要會計政策 (續)

#### 僱員福利 (續)

##### 界定供款計劃

本集團(海外及中國附屬公司除外)營辦強制性公積金(「強積金」)計劃,為其香港全職永久僱員提供退休福利。向退休福利計劃供款之責任於產生時在損益帳確認為開支。計劃資產由獨立受託人持有,與本集團之資產分開。

根據中國之法律及法規,本集團為其中國員工制定之界定供款退休計劃之供款會交予中國有關政府機構,供款需按中國規定以適用薪資成本之若干百分比計算。該等供款於產生時在損益帳確認為開支。

##### 長期服務金

本集團根據香港僱傭條例有關長期服務金之責任淨額為僱員於本期間及過往期間提供服務所賺取之預期未來福利金額。有關責任乃以預期單位貸記法計算,並貼現至其現值,再扣除任何相關資產(包括退休計劃福利)之公平值。重新計量於產生年度在損益帳確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Employee benefits (Continued)

*Other long-term employee benefits: Contingent payments under profit guarantee arrangements*

The Group's obligation in respect of contingent payments is the amount of expected future benefit that employees have earned in return for their services in the current and prior periods under the profit guarantee arrangements. The obligation is calculated using the projected unit credit method and discounted to its present value. The measurement takes into account various factors including the expectation of attaining the earning targets. Re-measurements are recognised in profit or loss in the year in which they arise.

#### Share-based payment transactions

*Equity-settled transactions*

The Group's employees, including directors, receive remuneration in the form of share-based payment transactions, whereby the employees rendered services in exchange for shares or rights over shares. The cost of such transactions with employees is measured by reference to the fair value of the equity instruments at the grant date. The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a reserve within equity. The fair value is determined using the binomial model, taking into account any market conditions and non-vesting conditions.

### 2. 主要會計政策 (續)

#### 僱員福利 (續)

*其他長期僱員福利：溢利保證安排下之或然付款*

本集團之或然付款責任為僱員根據溢利保證安排於本期間及過往期間提供服務所賺取之預期未來福利金額。有關責任使用預期單位貸記法計算，並貼現至其現值。有關計量計及多項因素，包括達至盈利目標之預期。重新計量於產生年度在損益帳確認。

#### 以股份付款之交易

*以股權結算之交易*

本集團僱員（包括董事）提供服務以換取股份或有關股份之權利時，即以股份付款之交易方式收取薪酬。與僱員進行該等交易之成本乃參考股本工具於授出日期之公平值計量。向僱員授出之購股權之公平值確認為僱員成本，而股權內之儲備會相應增加。公平值乃使用二項式模型釐定，當中已考慮任何市場條件及非歸屬條件。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Share-based payment transactions (Continued)

##### Equity-settled transactions (Continued)

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the vesting conditions are to be fulfilled, ending on the date on which the entitlement of relevant employees to the award is no longer conditional on the satisfaction of any non-market vesting conditions ("vesting date"). During the vesting period, the number of share options that is expected to vest ultimately is reviewed. Any adjustment to the cumulative fair value recognised in prior periods is charged/credited to profit or loss for the year of the review, with a corresponding adjustment to the reserve within equity.

When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share options reserve will be transferred to retained profits.

#### Taxation

The charge for current income tax is based on the results for the year as adjusted for items that are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the end of reporting period.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, any deferred tax arising from initial recognition of goodwill; or other asset or liability in a transaction other than a business combination that at the time of the transaction affects neither the accounting profit nor taxable profit or loss is not recognised.

### 2. 主要會計政策 (續)

#### 以股份付款之交易 (續)

##### 以股權結算之交易 (續)

以股權結算之交易之成本連同股權之相應增加於達成歸屬條件之期間確認，直至有關僱員不再須達成任何非市場歸屬條件而可享有有關獎勵之日（「歸屬日期」）為止。本公司於歸屬期內審閱預期最終歸屬之購股權數目。已於過往期間確認之累計公平值之任何調整於審閱年度於損益帳扣除／計入，並於股權內對儲備作出相應之調整。

當購股權於歸屬日期後被沒收或於到期日仍未獲行使時，之前於購股權儲備確認之金額會轉撥至保留溢利。

#### 稅項

即期所得稅支出乃按就無須課稅或不得抵扣項目調整之年內業績計算，並使用於報告期結束日已實行或大致上已實行之稅率計算。

遞延稅項乃使用負債法，就資產與負債之稅基與該等資產及負債於綜合財務報表內之帳面金額於報告期結束日之所有暫時差額作出撥備。然而，倘遞延稅項因初步確認商譽而產生，或因業務合併以外之交易之其他資產或負債而產生，而進行交易時對會計溢利或應課稅溢利或虧損均無影響，則不予確認。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Taxation (Continued)

The deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is recovered or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, tax losses and credits can be utilised.

Deferred tax is provided on temporary differences arising on investment in subsidiaries and associates, except where the timing of the reversal of the temporary differences is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

#### 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 Group or of the holding company of the Group.

### 2. 主要會計政策 (續)

#### 稅項 (續)

遞延稅項資產及負債乃按照於報告期結束日已實行或大致上實行之稅率及稅務法律，按照預期將於收回資產或償還負債之期間適用之稅率計量。

遞延稅項資產在極可能有未來應課稅溢利以動用可抵扣暫時差額、稅項虧損及稅項抵免時確認。

遞延稅項按於附屬公司及聯營公司之投資所產生之暫時差額作出撥備，惟本集團可控制暫時差額之撥回時間，以及暫時差額不大可能於可見未來撥回之情況除外。

#### 關連人士

關連人士為與本集團有關連之人士或實體。

- (a) 任何人士或其近親如符合以下情況，即與本集團有所關連：
- (i) 擁有本集團之控制權或共同控制權；
  - (ii) 對本集團有重大影響力；或
  - (iii) 為本集團或本集團控股公司之主要管理人員。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Related parties (Continued)

- (b) An entity is related to the Group if any of the following conditions applies:
- (i) The entity and the Group are members of the same group (which means that each holding company, 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 holding company 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 Group or to the holding company of the Group.

### 2. 主要會計政策 (續)

#### 關連人士 (續)

- (b) 任何實體如符合以下任何條件，即與本集團有所關連：
- (i) 該實體與本集團屬同一集團之成員公司（意即控股公司、附屬公司及同系附屬公司各自互有關連）。
  - (ii) 一個實體為另一實體之聯營公司或合營公司（或另一實體為當中成員之集團之成員之聯營公司或合營公司）。
  - (iii) 兩個實體均為同一第三方之合營公司。
  - (iv) 一個實體為第三方實體之合營公司，而另一實體為該第三方之聯營公司。
  - (v) 該實體為一離職後福利計劃，而其受益人為本集團或與其有關連之實體之僱員。倘本集團本身為該計劃，則發起之僱主亦與本集團有所關連。
  - (vi) 該實體受(a)項列明之人士控制或共同控制。
  - (vii) (a)(i)項列明之人士對該實體有重大影響力或為該實體（或其控股公司）之主要管理人員。
  - (viii) 該實體或該實體所屬集團之任何成員公司為本集團或本集團控股公司提供主要管理人員服務。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Related parties (Continued)

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (a) that person's children and spouse or domestic partner;
- (b) children of that person's spouse or domestic partner; and
- (c) dependants of that person or that person's spouse or domestic partner.

In the definition of a related party, an associate includes subsidiaries of the associate and a joint venture includes subsidiaries of the joint venture.

#### Segment reporting

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

### 2. 主要會計政策 (續)

#### 關連人士 (續)

任何人士之近親為可能預期於與該實體之交易中影響該名人士或受該名人士影響之家族成員，包括：

- (a) 該名人士之子女及配偶或同居伴侶；
- (b) 該名人士之配偶或同居伴侶之子女；及
- (c) 該名人士或其配偶或同居伴侶之受養人。

於關連人士之定義中，聯營公司包括該聯營公司之附屬公司，而合營公司包括該合營公司之附屬公司。

#### 分類報告

經營分類及於綜合財務報表申報之各分類項目金額均按定期提供予本集團最高層行政管理人員之財務資料劃分，以於本集團各業務及地區之間分配資源及評估其表現。

個別重大經營分類於進行財務報告時不會合併計算，惟倘若分類具有類似經濟特性，以及產品及服務性質、生產程序性質、客戶種類或類型、分銷產品或提供服務之方法以及監管環境性質相類似時則作別論。並非個別重大之經營分類在上述大部分條件共通時可予合併。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Critical accounting estimates and judgements

Estimates and assumptions concerning the future and judgements are made by the management in the preparation of the consolidated financial statements. They affect the application of the Group's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. Where appropriate, revisions to accounting estimates are recognised in the period of revision and future periods, in case the revision also affects future periods.

#### (i) Estimation uncertainty

##### Allowance for doubtful debts

The provisioning policy for doubtful debts of the Group is based on the evaluation by management of the collectability of the loan receivables, trade and other receivables. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including assessing the current creditworthiness and the past collection history of each debtor. If the financial conditions of these debtors were to deteriorate, resulting in an impairment of their ability to make payments, allowance will be required.

##### Allowance for inventories

The Group's management reviews the condition of inventories at the end of each reporting period, and makes allowance for inventories that are identified as obsolete, slow-moving or no longer recoverable or suitable for use in production. The Group carries out the inventory review on a product-by-product basis and makes allowances by reference to the latest market prices and current market conditions.

### 2. 主要會計政策 (續)

#### 關鍵會計估計及判斷

管理層於編製綜合財務報表時會作出關於未來之估計及假設以及判斷。有關估計、假設及判斷會影響本集團會計政策之應用情況、資產、負債、收入及開支之申報金額以及所披露之資料，並持續根據經驗及相關因素（包括在各種情況下相信對未來事件作出之合理預期）評估。於適用時，會計估計之修訂會於作出修訂之期間及未來期間（如有關修訂同時影響未來期間）確認。

#### (i) 估計不確定因素

##### 呆帳備抵

本集團之呆帳撥備政策乃管理層根據能否收回應收貸款、貿易及其他應收款項作出評估。於評估該等應收款項之最終變現能力時，須從多方面作出判斷，包括評估各名債務人之現時信譽及過往收帳記錄。倘該等債務人之財務狀況惡化，令其還款能力受損，將須作出撥備。

##### 存貨備抵

本集團之管理層於各報告期結束日檢討存貨情況，就確認為過時、滯銷或不可能回收或不適合用於生產之存貨作出備抵。本集團就各項產品逐一檢討存貨，並根據市場價格及現行市況作出備抵。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Critical accounting estimates and judgements (Continued)

##### (i) Estimation uncertainty (Continued)

###### Impairment of available-for-sale financial assets

The Group classifies certain assets as available-for-sale and recognises movements of their fair values in equity. A significant or prolonged decline in fair value below cost is considered to be objective evidence of impairment. In making this judgement, the historical data on market volatility as well as the price of the specific investment are taken into account. The Group also takes into account financial information regarding the issuers/ investees.

Based on the Group's assessment, approximately HK\$61,109,000 (2016: HK\$41,114,000) has been provided for impairment of available-for-sale financial assets.

###### Impairment of investments and receivables

The Group assesses annually if investment in subsidiaries and associates has suffered any impairment in accordance with HKAS 36 and follows the guidance of HKAS 39 in determining whether amounts due from these entities are impaired. Details of the approach are stated in the respective accounting policies. The assessment requires an estimation of future cash flows, including expected dividends, from the assets and the selection of appropriate discount rates. Future changes in financial performance and position of these entities would affect the estimation of impairment loss and cause the adjustments of their carrying amounts.

### 2. 主要會計政策 (續)

#### 關鍵會計估計及判斷 (續)

##### (i) 估計不確定因素 (續)

###### 可供出售財務資產減值

本集團將若干資產分類為可供出售，並於權益確認該等資產公平值之變動。公平值大幅或長期低於成本被視為減值之客觀證據。於作出有關判斷時會計及市場波動之歷史數據及特定投資之價格。本集團亦會考慮有關發行人／被投資公司之財務資料。

根據本集團之評估，已作出約 61,109,000 港元 (二零一六年：41,114,000 港元) 之可供出售財務資產減值撥備。

###### 投資及應收款項減值

本集團根據香港會計準則第36號每年評估於附屬公司及聯營公司之投資有否出現減值，並依循香港會計準則第39號之指引釐定應收此等實體之款項有否出現減值。有關方法詳載於相關之會計政策。評估時須估計資產之未來現金流量 (包括預期股息) 及挑選適當之貼現率。倘此等實體之財務表現及狀況日後有變，會影響對減值虧損之估計，因而須對帳面金額作出調整。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Critical accounting estimates and judgements (Continued)

##### (i) Estimation uncertainty (Continued)

##### Impairment of goodwill and intangible assets with indefinite useful life

The Group determines whether goodwill and intangible assets with indefinite useful life are impaired at least on an annual basis. This requires an estimation of recoverable amount (being the higher of the fair value less costs of disposal and VIU) of the cash-generating units to which the goodwill and intangible assets with indefinite useful life are allocated. The calculation of the fair value less costs of disposal requires the Group to determine the model being used and to choose suitable ratios and discount and other factors. Estimating the VIU requires the Group to make an estimate of the expected cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

Details of the estimates used to calculate the recoverable amounts of goodwill and intangible assets with indefinite useful life are given in notes 13 and 12 to these consolidated financial statements respectively.

Based on the Group's assessment, approximately HK\$200,000,000 (2016: HK\$Nil) has been provided for the impairment of goodwill.

##### Income taxes

The Group is subject to income taxes in several jurisdictions. Significant estimates are required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business, where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impair the income tax and deferred tax provision in the year in which such determination is made.

### 2. 主要會計政策 (續)

#### 關鍵會計估計及判斷 (續)

##### (i) 估計不確定因素 (續)

##### 商譽及具有不限定可用年期之無形資產減值

本集團至少每年一次釐定商譽及具有不限定可用年期之無形資產有否減值。釐定商譽有否減值需估計獲分配商譽及具有不限定可用年期之無形資產之現金產生單位之可收回金額(即公平值減出售成本及使用價值兩者中之較高者)。本集團計算公平值減出售成本時,需決定所用模型及選出適當之比率、折讓及其他因素。本集團估計使用價值時,需估計該現金產生單位預期產生之現金流量,並選出適當之貼現率計算該等現金流量之現值。

有關用於計算具有不限定可用年期之商譽及無形資產可收回金額之估算詳情分別載於本綜合財務報表附註13及12。

根據本集團之評估,已作出約200,000,000港元(二零一六年:零港元)之商譽減值撥備。

##### 所得稅

本集團須繳納若干司法權區之所得稅。釐定所得稅撥備需運用重大估算。在日常業務過程中有多項交易及計算方式會導致未能確定最終稅項。倘該等事宜最終所計出之稅項與最初錄得之金額有別,則有關差額將影響釐定稅項年度之所得稅及遞延稅項撥備。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Critical accounting estimates and judgements (Continued)

##### (i) Estimation uncertainty (Continued)

###### Deferred tax liabilities

Deferred tax liabilities have not been provided for the withholding tax that would be payable on the undistributed earnings of certain entities of the Group in the PRC as those earnings are not expected to be distributable in the foreseeable future. Details of deferred tax liabilities are disclosed in note 26 to these consolidated financial statements.

###### Useful lives and impairment of property, plant and equipment

The Group's management reviews the residual value, useful lives and depreciation method of property, plant and equipment at the end of each reporting period, through careful consideration with regards to expected usage, wear-and-tear and potential technical obsolescence to usage of the assets.

In determining whether an asset is impaired or the event previously causing the impairment no longer exists, the Group's management has to assess whether an event has occurred that may affect the asset value or such event affecting the asset value has not been in existence. If any such indication exists, the recoverable amounts of the asset would be determined by reference to VIU and fair value less costs of disposal. VIU is determined using the discounted cash flow method. Owing to inherent risk associated with estimations in the timing and magnitude of the future cash flows and fair value less costs of disposal, the estimated recoverable amount of the asset may be different from its actual recoverable amount and profit or loss could be affected by accuracy of the estimations.

### 2. 主要會計政策 (續)

#### 關鍵會計估計及判斷 (續)

##### (i) 估計不確定因素 (續)

###### 遞延稅項負債

鑑於本集團若干中國實體之未分派盈利預期不會於可見將來可予分派，本集團並未就該等盈利應付之預扣稅作出遞延稅項撥備。有關遞延稅項負債之詳情於本綜合財務報表附註26披露。

###### 物業、廠房及設備之可用年期及減值

本集團管理層於各報告期結束日審慎考慮對資產之預計用量、損耗及技術過時之潛在性，以檢討物業、廠房及設備之殘值、可用年期及折舊方法。

在釐定資產是否出現減值或過往導致減值之事件是否不再存在時，本集團管理層須評估有否出現可能影響資產價值之事件或該影響資產價值之事件是否並不存在。倘有任何該等跡象存在，則會參考使用價值及公平值減出售成本釐定資產之可收回金額。使用價值乃採用貼現現金流量法釐定。鑑於估計未來現金流量及公平值減出售成本之時間及數額涉及固有風險，資產之估計可收回金額或會與實際可收回金額有所不同，而有關估計之準確度可能對損益帳造成影響。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Critical accounting estimates and judgements (Continued)

##### (i) Estimation uncertainty (Continued)

Estimated useful life of customer relationships, customer contracts, computer software copyrights and software patents

The Group determines the estimated useful life and related amortisation charge for customer relationships, customer contracts, computer software copyrights and software patents classified as intangible assets with reference to the estimated period that the Group intends to derive future economic benefits from the use of customer relationships, customer contracts, computer software copyrights and software patents. The Group will assess annually and revise the useful life of customer relationships, customer contracts, computer software copyrights and software patents to reflect the actual economic benefits derived from the customer relationships, customer contracts, computer software copyrights and software patents.

##### Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. The directors of the Company have determined the appropriate valuation techniques and inputs for fair value measurements.

### 2. 主要會計政策 (續)

#### 關鍵會計估計及判斷 (續)

##### (i) 估計不確定因素 (續)

客戶關係、客戶合約、電腦軟件版權及軟件專利之估計可用年期

本集團參照本集團擬透過利用分類為無形資產之客戶關係、客戶合約、電腦軟件版權及軟件專利產生未來經濟利益之估計期間釐定客戶關係、客戶合約、電腦軟件版權及電腦軟件版權之估計可用年期及相關攤銷開支。本集團將每年評估及修訂客戶關係、客戶合約、電腦軟件版權及軟件專利之可用年期，以反映從客戶關係、客戶合約、電腦軟件版權及軟件專利產生之實際經濟利益。

##### 公平值計量及估值過程

為進行財務匯報，本集團部分資產及負債乃按公平值計量。本公司董事已決定合適之估值技術及公平值計量輸入項目。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Critical accounting estimates and judgements (Continued)

##### (i) Estimation uncertainty (Continued)

#### Fair value measurements and valuation processes (Continued)

In estimating the fair value of the Group's certain available-for-sale financial assets, financial assets at fair value through profit or loss, promissory notes, contingent consideration payables, convertible bonds, share options granted, other employee benefits and contingent consideration receivables, the Group uses market-observable data to the extent it is available. The management of the Group will exercise their judgements based on their experience to establish and determine the appropriate valuation techniques and inputs to the valuation model. Where there is a material change in the fair value of the assets/liabilities, the causes of the fluctuations will be reported to the directors of the Company. Notes 16, 19, 27, 29, 30 and 32 to these consolidated financial statements provide detailed information about the valuation techniques, inputs and key assumptions used in the determination of those assets and liabilities.

### 2. 主要會計政策 (續)

#### 關鍵會計估計及判斷 (續)

##### (i) 估計不確定因素 (續)

#### 公平值計量及估值過程 (續)

於估計本集團若干可供出售財務資產、於損益帳按公平值處理之財務資產、承兌票據、應付或然代價、可換股債券、已授出購股權、其他僱員福利及應收或然代價之公平值時，本集團會利用市場可觀察數據（以可獲得者為限）。本集團之管理層將按經驗行使判斷，以制訂及釐定合適之估值技術及估值模型輸入項目。倘資產／負債公平值出現重大變動，則會向本公司董事匯報造成有關波動之原因。本綜合財務報表附註16、19、27、29、30及32提供關於釐定該等資產及負債時所用估值技術、輸入項目及主要假設之詳細資料。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Critical accounting estimates and judgements (Continued)

##### (ii) Judgement

##### Control over Enterprise Development Holdings Limited

In April 2017, the Group acquired additional 24.01% equity interests in Enterprise Development Holdings Limited (“Enterprise Development”), a company incorporated in the Cayman Islands with limited liability and its shares are listed on the Main Board of the Stock Exchange. Together with the additional 16.64% equity interests acquired, the Group held 40.65% equity interests in aggregate in Enterprise Development and its subsidiaries (collectively referred to as “ED Group”). Although the Company held less than half of the ownership interests and voting rights in Enterprise Development, the Group has considered that it has control over Enterprise Development on a de facto power basis after considering (i) the voting rights held by the Group is relatively larger than other investors; (ii) dispersion of shareholdings of other investors in Enterprise Development; and (iii) relatively low and passive participation of the other shareholders at the shareholders’ meetings. Accordingly, the financial results of Enterprise Development have been consolidated in the consolidated financial statements of the Company since April 2017.

### 2. 主要會計政策 (續)

#### 關鍵會計估計及判斷 (續)

##### (ii) 判斷

##### 對企展控股有限公司之控制權

於二零一七年四月，本集團增購企展控股有限公司（「企展」，一間於開曼群島註冊成立之有限公司，其股份於聯交所主板上市）24.01%股本權益。連同已收購之另外16.64%股本權益，本集團合共持有企展及其附屬公司（統稱「企展集團」）40.65%股本權益。儘管本公司持有企展少於半數擁有權權益及表決權，惟考慮到(i)本集團持有之表決權相比其他投資者所持有者相對較高；(ii)其他投資者於企展之股權分散；及(iii)其他股東出席股東大會之比率偏低且較為被動，本集團認為其對企展擁有實際控制權。因此，企展之財務業績自二零一七年四月起已於本公司之綜合財務報表中綜合入帳。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Critical accounting estimates and judgements (Continued)

##### (ii) Judgement (Continued)

#### Control over Enterprise Development Holdings Limited (Continued)

Throughout the year, Mr. King Pak Fu ("Mr. King") (controlling shareholder of the Company) held approximately 14.76% equity interests in Enterprise Development through his wholly-owned investment vehicles. In November 2017, Mr. King undertook that he shall cast the voting rights controlled by him in Enterprise Development in the same manner and the same way as does the Group in all shareholders' meetings. After the dilution of equity interests in Enterprise Development from 40.65% to 38.72% due to the completion of placing of Enterprise Development's shares in June 2017 and the additional 4.84% equity interests acquired during the reporting period, together with the voting rights held by Mr. King, the Group has 58.32% voting rights in aggregate in Enterprise Development. The Group therefore continues to consolidate the financial results of Enterprise Development. Details of the acquisition of Enterprise Development, dilution of interests due to the completion of placing and additional equity interests acquired during the year are set out in notes 35, 36(a) and 36(b) to these consolidated financial statements.

### 2. 主要會計政策 (續)

#### 關鍵會計估計及判斷 (續)

##### (ii) 判斷 (續)

#### 對企展控股有限公司之控制權 (續)

年內，景百孚先生（「景先生」，本公司之控股股東）一直透過其全資擁有之投資工具持有企展約14.76%股本權益。於二零一七年十一月，景先生承諾其於全部股東會議上行使其所控制企展之表決權之方式及方法，會與本集團相同。因二零一七年六月完成配售企展股份而令景先生於企展之股本權益由40.65%攤薄至38.72%及在報告期內增購4.84%股本權益後，連同景先生持有之表決權，本集團合計擁有企展58.32%表決權。因此，本集團繼續將企展之財務業績綜合入帳。年內收購企展、因配售完成而導致權益攤薄及增購股本權益之詳情載於本綜合財務報表附註35、36(a)及36(b)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Critical accounting estimates and judgements (Continued)

##### (ii) Judgement (Continued)

##### Fair value of identifiable assets and liabilities acquired through business combination

The Group applies the acquisition method to account for business combinations, which requires the Group to record assets acquired and liabilities assumed at their fair values on the date of acquisition. Significant judgment is used to estimate the fair values of the assets and liabilities acquired, including estimating future cash flows from the acquired business, determining appropriate discount rates, asset lives and other assumptions.

The acquisitions of subsidiaries for the current year is accounted for as business combination and details of the fair value of the assets acquired and liabilities assumed at the date of acquisition are set out in note 35 to these consolidated financial statements.

#### Future changes in HKFRSs

At the date of authorisation of these consolidated financial statements, the HKICPA has issued the following new/revised HKFRSs that are not yet effective for the current year, which the Group has not early adopted.

### 2. 主要會計政策 (續)

#### 關鍵會計估計及判斷 (續)

##### (ii) 判斷 (續)

##### 透過業務合併收購之可識別資產及負債之公平值

本集團應用收購法將業務合併入帳。根據購買法，本集團須按所收購資產及所承擔負債於收購當日之公平值將該等資產及負債入帳。估計所收購資產及負債之公平值時須作出重大判斷，包括估計所收購業務之未來現金流量、釐定適當之貼現率、資產年期及其他假設。

本年度收購附屬公司入帳列作業務合併，而所收購資產及所承擔負債於收購當日之公平值詳情載於本綜合財務報表附註35。

#### 香港財務報告準則之未來變動

於授權刊發本綜合財務報表當日，香港會計師公會已頒佈以下新訂／經修訂香港財務報告準則，該等準則於本年度尚未生效，而本集團亦未有提早採用。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Future changes in HKFRSs (Continued)

Annual Improvements to HKFRSs	2014-2016 Cycle: HKFRS 1 and HKAS 28 <sup>1</sup>
Amendments to HKAS 40	Transfers of Investment Property <sup>1</sup>
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions <sup>1</sup>
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts <sup>1</sup>
HKFRS 9	Financial Instruments <sup>1</sup>
HKFRS 15	Revenue from Contracts with Customers <sup>1</sup>
HK(IFRIC) Interpretation 22	Foreign Currency Transactions and Advance Consideration <sup>1</sup>
Annual Improvements to HKFRSs	2015-2017 Cycle <sup>2</sup>
HKFRS 16	Leases <sup>2</sup>
HK(IFRIC) Interpretation 23	Uncertainty over Income Tax Treatments <sup>2</sup>
Amendments to HKAS 28	Investments in Associates and Joint Ventures <sup>2</sup>
Amendments to HKFRS 9	Prepayment Features with Negative Compensation <sup>2</sup>
HKFRS 17	Insurance Contracts <sup>3</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>4</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2018

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2019

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2021

<sup>4</sup> The effective date to be determined

### 2. 主要會計政策 (續)

#### 香港財務報告準則之未來變動 (續)

香港財務報告準則之年度改進項目	二零一四年至二零一六年週期: 香港財務報告準則第1號及香港會計準則第28號 <sup>1</sup>
香港會計準則第40號之修訂	轉讓投資物業 <sup>1</sup>
香港財務報告準則第2號之修訂	以股份支付之款項之分類及計量 <sup>1</sup>
香港財務報告準則第4號之修訂	於香港財務報告準則第4號下香港財務報告準則第9號之適用 <sup>1</sup>
香港財務報告準則第9號	財務工具 <sup>1</sup>
香港財務報告準則第15號	來自客戶合約之收益 <sup>1</sup>
香港(國際財務報告詮釋委員會)詮釋第22號	外幣交易及預付代價 <sup>1</sup>
香港財務報告準則之年度改進	二零一五年至二零一七年週期 <sup>2</sup>
香港財務報告準則第16號	租賃 <sup>2</sup>
香港(國際財務報告詮釋委員會)詮釋第23號	有關所得稅處理方法之不確定因素 <sup>2</sup>
香港會計準則第28號之修訂	於聯營公司及合營公司之投資 <sup>2</sup>
香港財務報告準則第9號之修訂	具有負補償之預付特性 <sup>2</sup>
香港財務報告準則第17號	保險合約 <sup>3</sup>
香港財務報告準則第10號及香港會計準則第28號之修訂	投資者與其聯營公司或合營公司間之資產出售或注資 <sup>4</sup>

<sup>1</sup> 於二零一八年一月一日或之後開始之年度期間生效

<sup>2</sup> 於二零一九年一月一日或之後開始之年度期間生效

<sup>3</sup> 於二零二一年一月一日或之後開始之年度期間生效

<sup>4</sup> 生效日期待定

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Future changes in HKFRSs (Continued)

The Group is in the process of making an assessment of what the impact of these amendments are expected to be in the period of initial application. So far the Group has identified some aspects of the new standards which may have a significant impact on the consolidated financial statements. Further details of the expected impacts are discussed below. As the Group has not completed its assessment, further impacts may be identified in due course and will be taken into consideration when determining whether to adopt any of these new requirements before their effective date and which transitional approach to take, where there are alternative approaches allowed under the new standards.

#### HKFRS 9 (2014): Financial instruments

HKFRS 9 is finalised in September 2014. It was intended that HKFRS 9 would replace HKAS 39 in its entirety and the project was divided into three main phases:

##### (a) Phase 1: classification and measurement of financial assets and financial liabilities

- In November 2009, the chapters for classification and measurement of financial assets were issued and required financial assets to be classified as subsequently measured at: 1) amortised cost; or 2) fair value through profit or loss, on the basis of the business model within which they are held and their contractual cash flow characteristics.

### 2. 主要會計政策 (續)

#### 香港財務報告準則之未來變動 (續)

本集團現正評估該等修訂於初步應用之期間之預期影響。本集團迄今已識別新準則若干方面可能會對綜合財務報表造成重大影響。預期影響之進一步詳情於下文討論。由於本集團尚未完成評估，故可能會於適當時候識別出其他影響，並於新規定允許使用替代安排之情況下，會於決定是否在任何該等新規定之生效日期前採納該等規定及採取何種過渡安排時考慮有關影響。

#### 香港財務報告準則第9號 (二零一四年)：財務工具

香港財務報告準則第9號於二零一四年九月落實，意向為香港財務報告準則第9號將全面取代香港會計準則第39號，該項目分為三大階段：

##### (a) 第一階段：財務資產及財務負債之分類及計量

- 於二零零九年十一月，有關財務資產之分類及計量之章節已頒佈，並規定財務資產其後以持有資產之業務模式及合約現金流量特徵為基礎分類為：1) 按攤銷成本；或2)於損益帳按公平值處理計量。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### HKFRS 9 (2014): Financial instruments (Continued)

(a) Phase 1: classification and measurement of financial assets and financial liabilities (Continued)

- In November 2010 the requirements related to the classification and measurements of financial liabilities were added. Most of those requirements were carried forward unchanged from HKAS 39.
- In December 2013, HKFRS 9 was amended to address the “own credit risk” issue related to financial liabilities designated as at fair value through profit or loss (“FVTPL”). An entity is required to present the effects of changes in the liability’s credit risk in other comprehensive income, rather than in profit or loss. HKFRS 9 was amended to permit entities to early apply these requirements without applying the other requirements of HKFRS 9.
- In September 2014, limited amendments were made to the classification and measurement requirements in HKFRS 9 for financial assets to introduce a “fair value through other comprehensive income” (“FVTOCI”) measurement category, where the financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial asset.

### 2. 主要會計政策 (續)

#### 香港財務報告準則第9號 (二零一四年) : 財務工具 (續)

(a) 第一階段：財務資產及財務負債之分類及計量 (續)

- 於二零一零年十一月，新增有關財務負債之分類及計量之規定。大部分新增規定乃承襲自香港會計準則第39號，並無任何變動。
- 於二零一三年十二月，香港財務報告準則第9號已作修訂，以處理與指定為於損益帳按公平值處理之財務負債相關之「自有信貸風險」問題。實體須於其他全面收入而非損益呈列負債信貸風險變動之影響。香港財務報告準則第9號已作修訂，以允許實體提早應用該等規定，而無須應用香港財務報告準則第9號之其他規定。
- 於二零一四年九月，香港財務報告準則第9號內財務資產之分類及計量規定已作有限修訂，以引入「於其他全面收入按公平值處理」之計量分類，於該分類中，財務資產按為透過收取合約現金流量及出售財務資產達致目的之業務模式持有。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### HKFRS 9 (2014): Financial instruments (Continued)

##### (b) Phase 2: impairment methodology

In September 2014, the impairment requirements relating to the accounting for an entity's expected credit losses on its financial assets and commitments to extend credit were added. Under the impairment approach in HKFRS 9, it is no longer necessary for a credit event to have occurred before credit losses are recognised. Instead, an entity always accounts for expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition and, consequently, more timely information is provided about expected credit losses.

##### (c) Phase 3: hedge accounting

In December 2013, the requirements related to hedge accounting were added. These requirements align hedge accounting more closely with risk management, establish a more principle-based approach to hedge accounting and address inconsistencies and weaknesses in the hedge accounting model in HKAS 39. In the discussion of the hedge accounting requirements, specific accounting for open portfolios or macro hedging was not addressed and a discussion paper was issued in April 2014. Consequently, the exception in HKAS 39 for a fair value hedge of an interest rate exposure of a portfolio of financial assets or financial liabilities continues to apply. Entities are provided with an accounting policy choice between applying the hedge accounting requirements of HKFRS 9 or continuing to apply the existing hedge accounting requirements in HKAS 39 for all hedge accounting because it had not yet completed its project on the accounting for macro hedging.

### 2. 主要會計政策 (續)

#### 香港財務報告準則第9號 (二零一四年): 財務工具 (續)

##### (b) 第二階段: 減值方法

於二零一四年九月, 新增有關實體將財務資產及延長信貸承擔之預期信貸虧損入帳之減值規定。根據香港財務報告準則第9號之減值方法, 無需再待信貸事件發生即可確認信貸虧損。反之, 實體會一直將預期信貸虧損入帳。本集團於各報告日期更新預期信貸虧損, 以反映自初步確認以來信貸風險之變動, 並因此提供更適時之預期信貸虧損資料。

##### (c) 第三階段: 對沖會計法

於二零一三年十二月, 新增有關對沖會計法之規定。該等規定使對沖會計法更符合風險管理, 並設立更符合原則基準之對沖會計方法, 以處理香港會計準則第39號中對沖會計模型之不一致及缺陷問題。於討論對沖會計法規定時, 並無處理未平倉組合或宏觀對沖之特定會計法, 且於二零一四年四月發佈討論文件。因此, 香港會計準則第39號對財務資產或財務負債組合之利率風險之公平值對沖之例外情況繼續適用。實體於進行所有對沖會計時, 可選擇應用香港財務報告準則第9號之對沖會計規定或繼續應用香港會計準則第39號之現行對沖會計規定, 原因為將宏觀對沖入帳之項目尚未完成。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### HKFRS 9 (2014): Financial instruments (Continued)

The directors of the Company anticipate that the application of HKFRS 9 in the future may have impact on the classification and measurement of the Group's financial assets.

The Group has assessed that its financial assets currently measured at amortised costs and FVTPL will continue with their respective classifications and measurements upon the adoption of HKFRS 9.

The Group's available-for-sale investments, currently stated at fair value or costs less impairment, will be designated as FVTOCI. However, it is not practicable to provide a reasonable estimate of that effect until the Group performs a detailed review.

The classification and measurement requirements for financial liabilities under HKFRS 9 are largely unchanged from HKAS 39 except that HKFRS 9 requires the fair value change of a financial liability designated at FVTPL that is attributable to changes of that financial liability's credit risk to be recognised in other comprehensive income (without reclassification to profit or loss). The Group currently does not have any financial liabilities designated at FVTPL and therefore this new requirement will not have any impact on the Group on adoption of HKFRS 9.

The new impairment model in HKFRS 9 replaces the "incurred loss" model in HKAS 39 with an "expected credit loss" model. Under the expected credit loss model, it will no longer be necessary for a loss event to occur before an impairment loss is recognised. Instead, an entity is required to recognise and measure either a 23-month expected credit loss or a lifetime expected credit loss, depending on the asset and the facts and circumstances. While the Group has not yet undertaken a detailed assessment of how its impairment provisions would be affected by the new model, the Group expects that the application of the expected credit loss model may result in earlier recognition of credit losses.

### 2. 主要會計政策 (續)

#### 香港財務報告準則第9號 (二零一四年): 財務工具 (續)

本公司董事預計，日後應用香港財務報告準則第9號或會影響本集團財務資產之分類及計量。

本集團評估，於採納香港財務報告準則第9號後，目前按攤銷成本計量及於損益帳按公平值處理之財務資產將繼續各自之分類及計量方式。

本集團目前按公平值或成本扣除減值列帳之可供出售投資將指定為於其他全面收入按公平值處理。然而，本集團於進行詳細檢討前，提供有關影響之合理估計並不可行。

與香港會計準則第39號比較，香港財務報告準則第9號之財務負債分類及計量規定大致維持不變，惟香港財務報告準則第9號規定指定為於損益帳按公平值處理之財務負債來自其信貸風險變動之公平值變動，須於其他全面收入確認（而不會重新分類至損益帳）。本集團目前並無任何指定為於損益帳按公平值處理之財務負債，故於採納香港財務報告準則第9號後，此項新規定不會對本集團產生任何影響。

香港財務報告準則第9號之新減值模型以「預期信貸虧損」模型取代香港會計準則第39號之「已產生虧損」模型。在預期信貸虧損模型下，毋須再待虧損事件發生即可確認減值虧損。反之，視乎資產以及事實與情況而定，實體須確認及計量23個月之預期信貸虧損或有效年期內之預期信貸虧損。雖然本集團尚未詳細評估新模型將如何影響減值撥備，惟本集團預期應用預期信貸虧損模型或會導致提早確認信貸虧損。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### HKFRS 9 (2014): Financial instruments (Continued)

The new standard also introduces expanded disclosure requirements and changes in presentation. There are expected to change the nature and extent of the Group's disclosures about its financial instruments particularly in the year of the adoption of the new standard.

#### HKFRS 15: Revenue from Contracts with Customers

HKFRS 15 aims at providing a more robust framework for addressing revenue issues; improving comparability; and providing more useful information.

The core principle of HKFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services, by applying the following 5 steps:

- (a) Identify the contract(s) with a customer;
- (b) Identify the performance obligations in the contract(s);
- (c) Determine the transaction price, the amount of consideration in a contract to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer;
- (d) Allocate the transaction price to the performance obligations in the contract(s); and
- (e) Recognise revenue when (or as) the entity satisfies a performance obligation.

### 2. 主要會計政策 (續)

#### 香港財務報告準則第9號 (二零一四年): 財務工具 (續)

該項新準則亦引入經擴大之披露規定，更改呈列方式。預期本集團披露財務工具之性質及內容將會改變，尤其是於採納該項新準則之年度。

#### 香港財務報告準則第15號：來自客戶合約之收益

香港財務報告準則第15號旨在為處理收益事宜提供更健全之框架、加強可比較程度及提供更有用的資料。

香港財務報告準則第15號之主要原則為實體應確認收益，以說明實體透過應用下列五個步驟，按反映交換所承諾商品或服務預期所得代價之金額向客戶轉讓該等商品或服務：

- (a) 識別與客戶訂立之合約；
- (b) 識別合約之履約責任；
- (c) 釐定交易價格（即一份合約中實體為交換向客戶轉讓所承諾商品或服務預期所得代價之金額）；
- (d) 分配交易價格至合約中之履約責任；及
- (e) 於實體達成各履約責任時（或期間）確認收益。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### HKFRS 15: Revenue from Contracts with Customers

(Continued)

HKFRS 15 also includes a cohesive set of disclosure requirements that would result in an entity providing users of financial statements with comprehensive information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

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

Based on the current business model, and at this preliminary stage, the directors of the Company do not expect that the adoption of HKFRS 15 would result in any significant impact on the amounts reported on the Group's consolidated financial statements in the future. However, there will be additional qualitative and quantitative disclosures upon the adoption of HKFRS 15.

#### HKFRS 16: Leases

HKFRS 16 significantly changes, among others, the lessee accounting by replacing the dual-model under HKAS 17 with a single model which requires a lessee to recognise right-of-use assets and lease liabilities for the rights and obligations created by all leases with a term of more than 12 months, unless the underlying asset is of low value. For lessor accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. HKFRS 16 also requires enhanced disclosures to be provided by lessees and lessors.

### 2. 主要會計政策 (續)

#### 香港財務報告準則第15號：來自客戶合約之收益 (續)

香港財務報告準則第15號亦包括一套緊密相關之披露要求，實體因而須為財務報表使用者提供關於其客戶合約所產生之收益及現金流之性質、金額、時間及不確定性等全面資訊。

在香港財務報告準則第15號下，實體於達成履約責任時（或期間）確認收益，即個別履約責任所涉商品或服務之「控制權」轉移至客戶之時。香港財務報告準則第15號已就具體情況加入更多規範指引。再者，香港財務報告準則第15號亦要求更廣泛之披露。

按照目前業務模式以及於現時之初步階段，本公司董事預期採納香港財務報告準則第15號不會對日後於本集團綜合財務報表內呈報之金額產生任何重大影響。然而，於採納香港財務報告準則第15號後，可能須加入額外定性及定量披露資料。

#### 香港財務報告準則第16號：租賃

香港財務報告準則第16號大幅更改（其中包括）對承租人之會計方法，以單一模型取代香港會計準則第17號下之雙重模型。該單一模型規定除非相關資產為低價值資產，否則承租人須就因年期超過12個月之所有租賃而產生之權利及責任確認使用權資產及租賃負債。出租人會計方法方面，香港財務報告準則第16號大致秉承香港會計準則第17號之出租人會計規定。因此，出租人繼續將租賃分類為經營租賃或融資租賃，並以不同方式將該兩類租賃入帳。香港財務報告準則第16號亦規定承租人及出租人提供更詳盡披露資料。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### HKFRS 16: Leases (Continued)

HKFRS 16 will primarily affect the Group's accounting as a lessee of leases for properties, plant and equipment which are currently classified as operating leases. The application of the new accounting model is expected to lead to an increase in both assets and liabilities and to impact on the timing of the expense recognition in the statement of profit or loss over the period of the lease.

As disclosed in note 38 to these consolidated financial statements, at 31 December 2017 the Group's future minimum lease payments under non-cancellable operating leases amounted to HK\$27,738,000 for properties, which is payable between 1 and 5 years after the reporting date. A preliminary assessment indicates that these arrangements will meet the definition of a lease under HKFRS 16, and hence the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases upon the application of HKFRS 16. The combination of straight-line depreciation of the right-of-use asset and the effective interest rate applied to the lease liability will result in a higher total charge to the profit or loss in the initial years of the lease, and decreasing expenses during the latter part of the lease term, but there is no impact on the total expenses recognised over the lease term. The directors of the Company anticipate that the application of HKFRS 16 would not have significant impact on the financial position and performance of the Group comparing HKAS 17 currently adopted by the Group. In addition, the application of new requirements may result changes in measurement, presentation and disclosure as indicated above.

### 2. 主要會計政策 (續)

#### 香港財務報告準則第16號：租賃 (續)

香港財務報告準則第16號將主要影響本集團作為承租人就物業、廠房及設備租賃 (現時分類為經營租賃) 之會計方法。預期應用新會計模型將導致資產及負債同時增加，並影響租期內於綜合損益表確認開支的時間。

誠如本綜合財務報表附註38所披露，於二零一七年十二月三十一日，本集團於不可撤銷經營租賃下有關物業之未來最低租賃付款為27,738,000港元，須於報告日期後一至五年內支付。初步評估顯示，該等安排將符合香港財務報告準則第16號下租賃之定義，因此本集團將就所有該等租賃確認使用權資產及相應負債，除非該等租賃於香港財務報告準則第16號應用時符合資格作為低價值或短期租賃，則作別論。使用權資產之直線折舊加上應用於租賃負債之實際利率將會增加租賃初始年度在損益帳扣除之支出總額，並減少租期較後部分之開支，惟對於租期內確認之開支總額並無影響。本公司董事預計，相比本集團目前採納之香港會計準則第17號，應用香港財務報告準則第16號不會對本集團之財務狀況及表現產生重大影響。此外，應用新規定可能導致上文所列之計量、呈列及披露有變。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. REVENUE AND OTHER INCOME

An analysis of the Group's revenue and other income by category:

### 3. 收益及其他收入

本集團收益及其他收入按分類之分析：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>(a) Revenue</b>	<b>(a) 收益</b>		
Sale of products	銷售產品	918,243	845,684
Service income	服務收入	420,272	323,557
Dividend income from listed securities	上市證券之股息收入	47,991	13
Net realised gain on disposal of financial assets at fair value through profit or loss (note)	出售於損益帳按公平值處理之財務資產之已變現收益淨額(附註)	126,883	25,626
Interest income from loan receivables	應收貸款之利息收入	18,025	8,700
		<b>1,531,414</b>	<b>1,203,580</b>

Note: Represented the proceeds from the sale of investments at fair value through profit or loss of HK\$1,897,001,000 (2016: HK\$546,522,000) less relevant costs and carrying value of the investments sold of HK\$1,770,118,000 (2016: HK\$520,896,000).

附註：指出售於損益帳按公平值處理之投資之所得款項1,897,001,000港元(二零一六年：546,522,000港元)減相關成本及已出售投資之帳面值1,770,118,000港元(二零一六年：520,896,000港元)。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. REVENUE AND OTHER INCOME (Continued)

### 3. 收益及其他收入 (續)

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>(b) Other income</b>	<b>(b) 其他收入</b>		
Amortisation of deferred day-one gain (note 27)	遞延首日收益攤銷 (附註27)	<b>20,479</b>	23,035
Exchange gain, net	匯兌收益淨額	-	1,606
Government grant	政府補助	<b>14,687</b>	8,736
Interest income from financial institutions	來自財務機構之利息收入	<b>13,243</b>	3,104
Others	其他	<b>4,357</b>	3,673
		<b>52,766</b>	40,154

### 4. SEGMENTAL INFORMATION

The following is an analysis of the Group's revenue and results by operating segments, based on information provided to the chief operating decision maker (the "CODM") who is the board of directors of the Company, for the purpose of allocating resources to segments and assessing their performance. This is also the basis upon which the Group is arranged and organised.

In 2016, there were three reportable and operating segments, namely (i) securities and other investment ("Investing"); (ii) integrated smart internet-of-things solutions ("IoT solution"); and (iii) human-machine interactive devices business ("HMID").

### 4. 分類資料

下文是基於為將資源分配至各分類及評估該等分類之表現而向主要營運決策人 (即本公司董事會) 提供的資料, 按經營分類對本集團收益及業績進行之分析。此亦為本集團安排及組織之基礎。

於二零一六年, 本集團有三個可報告及經營分類, 即(i)證券及其他投資(「投資」); (ii)整合智能物聯網解決方案(「物聯網解決方案」); 及(iii)人機互動商業終端(「人機互動」)業務。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 4. SEGMENTAL INFORMATION (Continued)

To better reflect current and future business development and organisation of the Group, as well as resources allocation in 2017, the CODM further divides the HMID into (i) HMID; and (ii) intelligent documentation service (“IDS”), based on the nature of the products sold and services provided, which are currently the basis used for the purpose of assessing the business performance, allocating resources and managing business operations. There is no change to the organisation of the Investing and IoT solution segments.

Therefore, there are four reportable and operating segments in current year as follows:

- (a) IoT solution
- (b) HMID
- (c) IDS
- (d) Investing

Consequently, the comparative segment information for the year ended 31 December 2016 has been re-presented in order to conform with the presentation adopted in current year. The changes in the segment information do not have any impact on the Group’s consolidated financial statements.

The Group’s other operating segments do not meet any of the quantitative thresholds for determining as reportable segments. The information of these other operating segment is included in the “Unallocated” column.

Segments results represent the results from each reportable segment without allocation of finance costs. The following analysis is the measure reported to executive directors, being the CODM, for the purposes of resources allocation and assessment of segment performance.

### 4. 分類資料 (續)

於二零一七年，為更清晰地反映本集團現時及未來業務發展與組織架構以及資源分配，主要營運決策人按照所出售產品及所提供服務之性質，進一步將人機互動分拆為(i)人機互動；及(ii)智能檔案服務。分拆所據基準乃現時用於評估業務表現、分配資源及管理業務營運之基準。投資及物聯網解決方案分類之組織架構並無變動。

因此，本集團於本年度有以下四個可報告及經營分類：

- (a) 物聯網解決方案
- (b) 人機互動
- (c) 智能檔案服務
- (d) 投資

故此，截至二零一六年十二月三十一日止年度之比較分類資料已重列，以符合於本年度採用之呈列方式。分類資料之變動對本集團之綜合財務報表並無任何影響。

本集團其他經營分類並不達到釐定可報告分類之任何量化最低要求。該等其他經營分類之資料已計入「未經分配」一欄。

分類業績指各可報告分類之業績，當中並無分配財務成本。以下分析為向執行董事（即主要營運決策人）作出報告之方法，以供分配資源及評估分類表現。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 4. SEGMENTAL INFORMATION (Continued)

#### By business segments

An analysis of the Group's revenue and results by reportable segment is set out below:

### 4. 分類資料 (續)

#### 按業務分類

本集團收益及業績按可報告分類之分析載列如下：

		Year ended 31 December 2017 截至二零一七年十二月三十一日止年度					
	IoT solution 物聯網 解決方案 HK\$'000 千港元	HMID 人機互動 HK\$'000 千港元	IDS 智能檔案服務 HK\$'000 千港元	Investing 投資 HK\$'000 千港元	Unallocated 未經分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元	
<b>Revenue</b>	<b>收益</b>						
Sale of products	銷售產品	455,072	463,171	-	-	918,243	
Service income	服務收入	213,147	6,200	200,925	-	420,272	
Net realised gain on disposal of financial assets at fair value through profit or loss	出售於損益帳按公平值處理之財務資產之已變現收益淨額	-	-	-	126,883	126,883	
Dividend income from listed securities	上市證券之股息收入	-	-	-	47,991	47,991	
Interest income from loan receivables	應收貸款之利息收入	-	-	-	18,025	18,025	
<b>Total revenue</b>	<b>總收益</b>	<b>668,219</b>	<b>469,371</b>	<b>200,925</b>	<b>174,874</b>	<b>1,531,414</b>	
<b>Operating results</b>	<b>經營業績</b>						
Segment results	分類業績	200,571	24,100	25,002	369,072	(84,583)	
Finance costs	財務成本					(190,103)	
<b>Profits before taxation</b>	<b>除稅前溢利</b>					<b>344,059</b>	
<b>Other information</b>	<b>其他資料</b>						
Segment assets	分類資產	2,306,521	678,604	119,605	3,639,994	165,964	
Segment liabilities	分類負債	(258,717)	(170,544)	(63,010)	(1,964,179)	(146,660)	
						(2,603,110)	

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 4. SEGMENTAL INFORMATION (Continued)

By business segments (Continued)

### 4. 分類資料 (續)

按業務分類 (續)

		Year ended 31 December 2017 截至二零一七年十二月三十一日止年度					
		IoT solution 物聯網 解決方案 HK\$'000 千港元	HMID 人機互動 HK\$'000 千港元	IDS 智能檔案服務 HK\$'000 千港元	Investing 投資 HK\$'000 千港元	Unallocated 未經分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Additions to property, plant and equipment and intangible assets	添置物業、廠房及設備以及無形資產						
- Additions	- 添置	32,975	5,530	17,815	-	3,679	59,999
- Additions - Acquisition of subsidiaries	- 添置 - 收購附屬公司	32,191	-	-	-	-	32,191
(Allowance) reversal of allowance for doubtful debts on trade receivables	貿易應收款項呆帳 (備抵) 備抵撥回	(572)	(772)	7	-	-	(1,337)
Allowance for doubtful debts on other receivables	其他應收款項呆帳備抵	-	(215)	(32)	-	-	(247)
Reversal of allowance for write down of inventories	撇減存貨備抵撥回	-	5,283	-	-	-	5,283
Changes in fair value of contingent consideration receivables	應收或然代價之公平值變動	186,757	-	-	-	-	186,757
Changes in fair value of financial assets at fair value through profit or loss	於損益帳按公平值處理之財務資產之公平值變動	-	-	-	284,739	-	284,739
Depreciation and amortisation	折舊及攤銷	(35,768)	(6,759)	(5,916)	-	(667)	(49,110)
Impairment of available-for-sale financial assets	可供出售財務資產減值	-	-	-	(61,109)	-	(61,109)
Impairment of goodwill	商譽減值	(200,000)	-	-	-	-	(200,000)
Gain on deemed disposal of associates	視作出售聯營公司之收益	1,265	-	-	-	-	1,265
Loss on disposal of property, plant and equipment, net	出售物業、廠房及設備之虧損淨額	(1,030)	-	(77)	-	(17)	(1,124)
Research and development costs	研究及開發成本	(12,997)	(7,039)	(2,266)	-	-	(22,302)
Share of result of associates	應佔聯營公司之業績	1,473	-	-	-	-	1,473
Long-term employee benefits in respect of profit guarantee	有關溢利保證之長期僱員福利	(19,060)	-	-	-	-	(19,060)
Share-based payment in respect of profit guarantee	有關溢利保證之以股份支付之款項	(10,423)	-	-	-	-	(10,423)
Share-based payment in respect of share options	有關購股權之以股份支付之款項	-	-	-	-	(19,065)	(19,065)

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 4. SEGMENTAL INFORMATION (Continued)

By business segments (Continued)

### 4. 分類資料 (續)

按業務分類 (續)

		Year ended 31 December 2016 (re-presented)					
		截至二零一六年十二月三十一日止年度 (經重列)					
	IoT solution 物聯網 解決方案 HK\$'000 千港元	HMID 人機互動 HK\$'000 千港元	IDS 智能檔案服務 HK\$'000 千港元	Investing 投資 HK\$'000 千港元	Unallocated 未經分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元	
<b>Revenue</b>	<b>收益</b>						
Sale of products	銷售產品	365,338	480,346	-	-	845,684	
Service income	服務收入	146,131	11,152	166,274	-	323,557	
Net realised gain on disposal of financial assets at fair value through profit or loss	出售於損益帳按公平值處理之財務資產之已變現收益淨額	-	-	-	25,626	25,626	
Dividend income from listed securities	上市證券之股息收入	-	-	-	13	13	
Interest income from loan receivables	應收貸款之利息收入	-	-	-	8,700	8,700	
<b>Total revenue</b>	<b>總收益</b>	<b>511,469</b>	<b>491,498</b>	<b>166,274</b>	<b>25,639</b>	<b>1,203,580</b>	
<b>Operating results</b>	<b>經營業績</b>						
Segment results	分類業績	157,410	58,383	18,835	200,825	(72,634)	
Finance costs	財務成本					(109,685)	
<b>Profits before taxation</b>	<b>除稅前溢利</b>					<b>253,134</b>	
<b>Other information</b>	<b>其他資料</b>						
Segment assets	分類資產	1,656,793	631,008	73,825	2,954,175	120,811	
Segment liabilities	分類負債	(431,160)	(173,281)	(41,222)	(999,306)	(358,151)	
						(2,003,120)	

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 4. SEGMENTAL INFORMATION (Continued)

By business segments (Continued)

### 4. 分類資料 (續)

按業務分類 (續)

		Year ended 31 December 2016 (re-presented) 截至二零一六年十二月三十一日止年度 (經重列)					
		IoT solution 物聯網 解決方案 HK\$'000 千港元	HMID 人機互動 HK\$'000 千港元	IDS 智能檔案服務 HK\$'000 千港元	Investing 投資 HK\$'000 千港元	Unallocated 未經分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Additions to property, plant and equipment and intangible assets	添置物業、廠房及設備以及無形資產						
– Additions	– 添置	15,635	10,902	4,493	–	68	31,098
– Additions – Acquisition of subsidiaries	– 添置 – 收購附屬公司	130,017	–	–	–	–	130,017
Allowance for doubtful debts on trade receivables	貿易應收款項呆帳備抵	(61)	(717)	(19)	–	–	(797)
Reversal of allowance (Allowance) for doubtful debts on other receivables	其他應收款項呆帳備抵撥回 (備抵)	(51)	409	92	–	–	450
Allowance for write down of inventories	撇減存貨備抵	(153)	(2,587)	–	–	–	(2,740)
Changes in fair value of contingent consideration payables	應付或然代價之公平值變動	(743)	–	–	–	–	(743)
Changes in fair value of financial assets at fair value through profit or loss	於損益帳按公平值處理之財務資產之公平值變動	–	–	–	264,436	–	264,436
Depreciation and amortisation	折舊及攤銷	(20,561)	(5,994)	(2,269)	–	(447)	(29,271)
Gain (loss) on disposal of property, plant and equipment	出售物業、廠房及設備之收益 (虧損)	–	91	(225)	–	–	(134)
Impairment of available-for-sale financial assets	可供出售財務資產減值	–	–	–	(41,114)	–	(41,114)
Loss on disposal of available-for-sale financial assets	出售可供出售財務資產之虧損	–	–	–	(414)	–	(414)
Research and development costs	研究及開發成本	(14,678)	(7,597)	(3,579)	–	–	(25,854)
Share of result of associates	應佔聯營公司之業績	18,960	–	–	–	–	18,960
Long-term employee benefits in respect of profit guarantee	有關溢利保證之長期僱員福利	(19,060)	–	–	–	–	(19,060)
Share-based payment in respect of profit guarantee	有關溢利保證之以股份支付之款項	(10,423)	–	–	–	–	(10,423)
Share-based payment in respect of share options	有關購股權之以股份支付之款項	–	–	–	–	(52,192)	(52,192)

For the purpose of monitoring segment performance and allocating resources between segments, all assets other than loan receivables and unallocated corporate assets are allocated to reportable segment.

就監察分類表現及於各分類間分配資源而言，所有資產均獲分配至可報告分類，惟應收貸款及未經分配公司資產除外。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 4. SEGMENTAL INFORMATION (Continued)

#### Geographical information

The Group operates in two principal geographical areas: Hong Kong (country of domicile) and the PRC.

The following table sets out information about geographical location of (i) the Group's revenue from external customers; and (ii) the Group's property, plant and equipment, intangible assets, goodwill and interests in associates ("specified non-current assets"). The geographical location of customers is based on the location at which the services are provided or the goods are delivered. The geographical location of specified non-current assets is based on the physical location of the assets, in the case of property, plant and equipment, the location of the operation to which they are allocated, in the case of intangible assets and goodwill, and the location of operations, in the case of interests in associates.

### 4. 分類資料 (續)

#### 地區資料

本集團主要於兩個地理位置營運：香港（註冊地點）及中國。

下表載列有關(i)本集團來自外部客戶之收益；及(ii)本集團物業、廠房及設備、無形資產、商譽及於聯營公司之權益（「指定非流動資產」）之地理位置資料。客戶之地理位置以提供服務或交付貨品之位置為基礎。指定非流動資產之地理位置以資產本身所在地（倘屬物業、廠房及設備）、所分配營運之位置（倘屬無形資產及商譽）及營運位置（倘屬於聯營公司之權益）為基礎。

		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
The PRC	中國	1,271,832	980,900	1,377,902	1,488,577
Hong Kong	香港	208,691	196,775	3,742	748
Overseas	海外	50,891	25,905	—	—
		<b>1,531,414</b>	<b>1,203,580</b>	<b>1,381,644</b>	<b>1,489,325</b>



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 4. SEGMENTAL INFORMATION (Continued)

#### Information about major customers

No single customer individually contributed 10% or more of the Group's revenue for the year ended 31 December 2017. Revenue of HK\$146,131,000 was derived from a single customer of the IoT solution operating segment that contributed 10% or more of the Group's revenue for the year ended 31 December 2016.

### 5. PROFIT BEFORE TAXATION

Profit before taxation is stated after charging (crediting):

### 4. 分類資料 (續)

#### 有關主要客戶之資料

於截至二零一七年十二月三十一日止年度，概無單一客戶為本集團收益貢獻10%或以上。於截至二零一六年十二月三十一日止年度，146,131,000港元之收益來自物聯網解決方案經營分類之單一客戶，彼為本集團收益貢獻10%或以上。

### 5. 除稅前溢利

除稅前溢利經扣除(計入)下列各項後列帳：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>(a) Finance costs</b>	<b>(a) 財務成本</b>		
Interest on promissory notes (note 27)	承兌票據利息(附註27)	76,462	71,339
Interest on convertible bonds (note 30)	可換股債券利息(附註30)	66,457	17,505
Interest on interest-bearing borrowings	計息借貸利息	47,170	20,822
Finance charges on obligations under finance leases	融資租賃債務之融資費用	14	19
Total borrowing costs	總借貸成本	190,103	109,685

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. PROFIT BEFORE TAXATION (Continued)

### 5. 除稅前溢利 (續)

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>(b) Other items</b>	<b>(b) 其他項目</b>		
Allowance for doubtful debts on trade receivables (note 21(b))	貿易應收款項呆帳備抵 (附註21(b))	1,337	797
Allowance (Reversal of allowance) for doubtful debts on other receivables (Reversal of allowance) Allowance for write-down of inventories	其他應收款項呆帳備抵 (備抵撥回) 撇減存貨 (備抵撥回) 備抵	247	(450)
Amortisation of intangible assets** (note 12)	無形資產攤銷** (附註12)	(5,283)	2,740
Auditor's remuneration	核數師酬金	29,729	17,061
– Audit-related assurance services	– 核數相關鑒證服務	1,500	1,714
– Other services	– 其他服務	788	552
Changes in fair value of contingent consideration payables***	應付或然代價之公平值變動***	–	743
Cost of inventories*	存貨成本*	650,316	618,981
Depreciation of property, plant and equipment	物業、廠房及設備折舊	19,381	12,210
Gain on deemed disposal of associates*** (note 15)	視作出售聯營公司之收益*** (附註15)	(1,265)	–
Exchange loss (gain), net	匯兌虧損 (收益) 淨額	3,351	(1,606)
Loss on disposal of available-for-sale financial assets***	出售可供出售財務資產之虧損***	–	414
Loss on disposal of property, plant and equipment, net	出售物業、廠房及設備之虧損淨額	1,124	134
Operating lease charges on premises	物業之經營租賃支出	23,892	16,886
Research and development costs	研究及開發成本	22,302	25,854
Staff costs, including directors' remuneration:	員工成本, 包括董事薪酬:		
– Salaries and other allowances	– 薪金及其他津貼	159,780	112,124
– Contributions to defined contribution plans (note 28)	– 界定供款計劃供款 (附註28)	29,152	16,216
– Share-based payment in respect of share options (note 32(c))	– 有關購股權之 以股份支付之款項 (附註32(c))	19,065	52,192
– Share-based payment in respect of profit guarantee (note 37(b))	– 有關溢利保證之 以股份支付之款項 (附註37(b))	10,423	10,423
– Long-term employee benefits in respect of profit guarantee	– 有關溢利保證之 長期僱員福利	19,060	19,060

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. PROFIT BEFORE TAXATION (Continued)

- \* Cost of inventories includes HK\$28,128,000 (2016: HK\$31,406,000) relating to staff costs, depreciation and operating lease charges, the amounts of which are also included in the respective total amounts disclosed separately above for each of these types of expenses.
- \*\* Included in "General and administrative expenses" in the consolidated statement of comprehensive income.
- \*\*\* Included in "Other gains/(losses), net" in the consolidated statement of comprehensive income.

### 5. 除稅前溢利 (續)

- \* 存貨成本包括與員工成本、折舊及經營租賃支出相關之28,128,000港元(二零一六年: 31,406,000港元)，有關款項亦已按各開支類別計入上文個別披露之相關總金額內。
- \*\* 計入綜合全面收入報表之「一般及行政開支」。
- \*\*\* 計入綜合全面收入報表之「其他收益/(虧損)淨額」。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 6. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

#### (a) Directors' and chief executive's emoluments

The aggregate amounts of emoluments received or receivable by the Company's directors and chief executive are as follows:

### 6. 董事及最高行政人員酬金

#### (a) 董事及最高行政人員酬金

本公司董事及最高行政人員已收或應收之酬金總額如下：

		Year ended 31 December 2017 截至二零一七年十二月三十一日止年度				
Name of directors	董事姓名	Fees 袍金 HK\$'000 千港元	Basic salaries, allowance and other benefits 基本薪金、 津貼及 其他福利 HK\$'000 千港元	Retirement benefit scheme contributions 退休福利 計劃供款 HK\$'000 千港元	Equity-settled share-based payment 權益結算 以股份 支付之款項 HK\$'000 千港元 (Note (i)) (附註(i))	Total 總計 HK\$'000 千港元
<b>Executive directors</b>		<b>執行董事</b>				
Ms. Yang Xiaoying	楊曉櫻女士	-	1,250	18	911	2,179
Mr. Tsang To	曾濤先生	-	360	18	638	1,016
Mr. Yip Denis Shing Fai (Appointed on 21 December 2017)	葉成輝先生 (於二零一七年 十二月二十一日獲委任)	-	175	2	-	177
Mr. Kwok Kenneth Wai Lung ("Mr. Kwok") (Appointed on 21 December 2017)	郭璋瓏先生(「郭先生」) (於二零一七年 十二月二十一日獲委任)	-	59	-	6	65
Mr. Choi Chi Fai ("Mr. Choi") (Resigned on 21 December 2017)	蔡志輝先生(「蔡先生」) (於二零一七年 十二月二十一日辭任)	-	1,824	18	1,140	2,982
<b>Independent non-executive directors</b>		<b>獨立非執行董事</b>				
Mr. Zhang Xiaoman	張小滿先生	240	-	-	-	240
Mr. Chin Hon Siang	陳鴻先先生	240	-	-	-	240
Mr. Huang Xin	黃欣先生	240	-	-	-	240
		<b>720</b>	<b>3,668</b>	<b>56</b>	<b>2,695</b>	<b>7,139</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 6. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (Continued)

#### (a) Directors' and chief executive's emoluments (Continued)

### 6. 董事及最高行政人員酬金 (續)

#### (a) 董事及最高行政人員酬金 (續)

		Year ended 31 December 2016 截至二零一六年十二月三十一日止年度				
Name of directors	董事姓名	Fees	Basic salaries, allowance and other benefits	Retirement benefit scheme contributions	Equity-settled share-based payment	Total
		袍金	基本薪金、津貼及其他福利	退休福利計劃供款	以股份支付之款項	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元 (Note (i)) (附註(i))	HK\$'000 千港元
Executive directors	執行董事					
Ms. Yang Xiaoying	楊曉櫻女士	-	1,510	18	3,330	4,858
Mr. Tsang To	曾濤先生	-	360	18	2,618	2,996
Mr. Choi Chi Fai	蔡志輝先生	-	600	18	6,898	7,516
Independent non-executive directors	獨立非執行董事					
Mr. Zhang Xiaoman	張小滿先生	240	-	-	-	240
Mr. Chin Hon Siang	陳鴻先生	240	-	-	-	240
Mr. Huang Xin	黃欣先生					
(Appointed on 15 November 2016)	(於二零一六年十一月十五日獲委任)	31	-	-	-	31
Mr. Pak William Eui Won	Pak William Eui Won先生					
(Resigned on 15 November 2016)	(於二零一六年十一月十五日辭任)	105	-	-	-	105
		616	2,470	54	12,846	15,986

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 6. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (Continued)

#### (a) Directors' and chief executive's emoluments (Continued)

Note:

- (i) Equity-settled share-based payment represents share options granted to the directors of the Company under a share option scheme adopted by the Company. The value of these share options is measured according to the Group's accounting policies for share-based payment transactions.

Details of share options granted to the directors of the Company and other employees, including the principal terms and number of options granted, are set out in note 32 to these consolidated financial statements.

No director waived and agreed to waive any emoluments during the years ended 31 December 2017 and 2016. No incentive payment or compensation for loss of office was paid or payable to any director for both years.

#### (b) Directors' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Company's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the reporting period or at any time during the years ended 31 December 2017 and 2016.

### 6. 董事及最高行政人員酬金 (續)

#### (a) 董事及最高行政人員酬金 (續)

附註：

- (i) 權益結算以股份支付之款項指根據本公司所採納之購股權計劃授予本公司董事之購股權。該等購股權之價值按本集團有關以股份付款之交易之會計政策計量。

有關向本公司董事及其他僱員授予購股權之詳情（包括主要條款及授出購股權數目）載於本綜合財務報表附註32。

於截至二零一七年及二零一六年十二月三十一日止年度，並無董事放棄或同意放棄任何酬金。於兩個年度內，本集團概無向任何董事支付或應付任何款項作為獎金或離職補償。

#### (b) 董事於交易、安排或合約中之重大權益

概無本公司董事於本公司就其業務所訂立，並於報告期結束日或截至二零一七年及二零一六年十二月三十一日止年度內任何時間有效之重大交易、安排及合約中擁有直接或間接重大權益。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 7. INDIVIDUALS WITH HIGHEST EMOLUMENTS

Among the five individuals with the highest emoluments, two (2016: two) are executive directors and chief executive, whose emoluments are disclosed in note 6 to these consolidated financial statements.

The emoluments paid to the remaining three (2016: three) individuals during the year were as follows:

### 7. 最高薪人士

五位最高薪人士中兩位(二零一六年:兩位)為執行董事及最高行政人員,彼等之酬金於本綜合財務報表附註6內披露。

年內已付其餘三位(二零一六年:三位)人士之酬金如下:

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Basic salaries, share option and allowances 基本薪金、購股權及津貼	9,455	13,604
Retirement benefit scheme contributions 退休福利計劃供款	66	18
	<b>9,521</b>	<b>13,622</b>

The emoluments fell within the following bands:

酬金介乎以下範圍:

		Number of individuals 人數	
		2017 二零一七年	2016 二零一六年
HK\$1,500,001 – HK\$2,000,000	1,500,001港元至2,000,000港元	1	–
HK\$2,500,001 – HK\$3,000,000	2,500,001港元至3,000,000港元	1	–
HK\$3,000,001 – HK\$3,500,000	3,000,001港元至3,500,000港元	–	1
HK\$4,000,001 – HK\$4,500,000	4,000,001港元至4,500,000港元	–	1
HK\$5,000,001 – HK\$5,500,000	5,000,001港元至5,500,000港元	1	–
HK\$6,000,001 – HK\$6,500,000	6,000,001港元至6,500,000港元	–	1
		<b>3</b>	<b>3</b>

During the years ended 31 December 2017 and 2016, no emoluments were paid by the Group to the five highest paid individuals (including directors and other employees) as an inducement to join or upon joining the Group or as compensation for loss of office.

於截至二零一七年及二零一六年十二月三十一日止年度,本集團並無向五位最高薪人士(包括董事及其他僱員)支付酬金,作為鼓勵加盟或加盟本集團時之獎金或離職補償。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 8. TAXATION

Hong Kong Profits Tax has not been provided as the Group's entities either have no assessable profit or their assessable profits for the years ended 31 December 2017 and 2016 are wholly absorbed by unrelieved tax losses brought forward from previous years.

The applicable PRC Enterprise Income Tax ("EIT") for the PRC subsidiaries is at the statutory rate of 25% (2016: 25%) based on its taxable profit, unless otherwise specified below.

Seven (2016: six) PRC subsidiaries of the Company have been officially designated by the local tax authority as "High and New Technology Enterprises". A reduced tax rate of 15% (2016: 15%) for the period of three years was granted as long as those PRC subsidiaries meet the high-tech enterprise qualification.

In 2017, a PRC subsidiary of the Company was qualified as software enterprises and granted a tax holiday of two-year tax exemption followed by three-year 50% tax reduction (subject to annual review), starting from the first profit making year from the PRC tax perspective under the effective tax regulations. This PRC subsidiary made the first-year profit from 2016. As a result, it is exempted from EIT for 2017, and is subject to EIT at 12.5% from 2018 to 2020 and at 25% from 2021 onwards (2016: subject to EIT at a rate of 25% based on its deemed profit (i.e. 10% of its revenue in accordance with the authorised taxation method)).

### 8. 稅項

由於本集團之實體於截至二零一七年及二零一六年十二月三十一日止年度並無應課稅溢利或於截至二零一七年及二零一六年十二月三十一日止年度之應課稅溢利已被於過往年度結轉之未抵銷稅項虧損全數抵銷，故並無計提香港利得稅撥備。

除非下文另有指明，否則中國附屬公司之適用中國企業所得稅乃根據其應課稅溢利按25% (二零一六年：25%)之法定稅率計算。

本公司七間 (二零一六年：六間) 中國附屬公司獲地方稅務機關正式認定為「高新技術企業」。該等中國附屬公司於符合高新技術企業資格之期間可享有三年期15% (二零一六年：15%)之減免稅率。

於二零一七年，本公司一間中國附屬公司為合資格軟件企業，可根據有效之稅務法規由首個獲利年度 (就中國稅務層面而言) 起享有免繳兩年稅項之稅務優惠期，隨後三年可減免50%稅項 (須經每年檢討)。此中國附屬公司之首個獲利年度為二零一六年。因此，該附屬公司免繳二零一七年企業所得稅，二零一八年至二零二零年按12.5%之稅率繳納企業所得稅，由二零二一年起按25%之稅率繳納企業所得稅 (二零一六年：按視作溢利 (即按照認可計稅方法計算之收益之10%) 以25%之稅率繳納企業所得稅)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 8. TAXATION (Continued)

### 8. 稅項 (續)

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>Current tax</b>	<b>本期稅項</b>		
PRC EIT	中國企業所得稅		
Current year	本年度	45,321	27,434
Over provision in prior year	過往年度超額撥備	(1,066)	(785)
		<u>44,255</u>	<u>26,649</u>
<b>Deferred tax (note 26)</b>	<b>遞延稅項 (附註26)</b>	<u>(6,861)</u>	<u>(4,529)</u>
<b>Tax expenses for the year</b>	<b>年內稅項開支</b>	<u>37,394</u>	<u>22,120</u>

### Reconciliation of tax expenses

### 稅項開支對帳

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Profit before taxation	除稅前溢利	<u>344,059</u>	<u>253,134</u>
Tax at rate applicable to the jurisdictions concerned	按有關司法權區適用之稅率計算之稅項	48,462	35,156
Non-deductible expenses	不可扣稅開支	32,706	16,687
Tax exempted revenue	免稅收益	(28,787)	(15,736)
Share of results of associates	應佔聯營公司之業績	(243)	(3,128)
Utilisation of previously unrecognised tax losses	動用先前未確認之稅項虧損	(23,780)	(25,588)
Unrecognised tax losses	未確認之稅項虧損	10,827	15,393
Over provision in prior year	過往年度超額撥備	(1,066)	(785)
Others	其他	(725)	121
<b>Tax expenses for the year</b>	<b>年內稅項開支</b>	<u>37,394</u>	<u>22,120</u>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 8. TAXATION (Continued)

The weighted average applicable tax rate was 14.09% (2016: 13.90%), representing the weighted average of the rates of taxation prevailing in the territories in which the Group operates.

### 9. DIVIDENDS

The directors of the Company do not recommend the payment of a dividend for the year (2016: HK\$Nil).

### 10. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share is based on the following data:

### 8. 稅項 (續)

加權平均適用稅率為14.09% (二零一六年: 13.90%)，即本集團營運所在地區之當前加權平均稅率。

### 9. 股息

本公司董事不建議派付本年度之股息 (二零一六年: 零港元)。

### 10. 每股盈利

每股基本及攤薄盈利乃基於以下數據計算:

			2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>Numerator</b>		<b>分子</b>		
Profit attributable to owners of the Company used in computing basic and diluted earnings per share		用於計算每股基本及攤薄盈利之本公司擁有人應佔溢利	<b>202,628</b>	154,446
		<b>分母</b>		
			2017 二零一七年 '000 shares 千股	2016 二零一六年 '000 shares 千股
<b>Denominator</b>		用於計算每股基本盈利之年內已發行普通股加權平均數		
Weighted average number of ordinary shares in issue during the year used in computing basic earnings per share			<b>10,625,103</b>	9,701,221
Effect of dilution – weighted average number of ordinary shares		攤薄影響 – 普通股加權平均數		
– Consideration shares		– 代價股份	<b>79,648</b>	–
– Share options		– 購股權	–	169,655
Weighted average number of ordinary shares in issue during the year used in computing diluted earnings per share		用於計算每股攤薄盈利之年內已發行普通股加權平均數	<b>10,704,751</b>	9,870,876

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 10. EARNINGS PER SHARE (Continued)

Notes:

- (a) The weighted average number of ordinary shares in issue during the year ended 31 December 2017 was adjusted to take into account the effects arising from the placing of shares in July 2017 as set out in note 31 to these consolidated financial statements. The weighted average number of ordinary shares in issue during the year ended 31 December 2016 was adjusted to take into account the effects arising from the placing of shares and consideration shares in February 2016 and April 2016 respectively.
- (b) The Company's dilutive potential ordinary shares comprise consideration shares to be issued under the profit guarantee arrangement as the directors of the Company is virtually certain that profit guarantee arrangement as disclosed in note 37(b) to these consolidated financial statements would be met. As at 31 December 2016, no adjustment has been made in respect of the consideration shares to be issued under the profit guarantee arrangement as the conditions under the relevant profit guarantee arrangement was not yet satisfied.
- (c) As at 31 December 2017, none of the specific conditions of the share options was met or deemed to have met and thus dilutive potential ordinary shares were not included in the calculation of diluted earnings per share for the year. As at 31 December 2016, certain specific conditions of part of the share options were deemed to have met and therefore that part of the share options outstanding were assumed to have exercised during the year, and included in the calculation of diluted earnings per share.
- (d) Other dilutive potential ordinary shares were excluded from the calculation of diluted earnings per share as their inclusion would have been anti-dilutive or the specific conditions were not met.

### 10. 每股盈利 (續)

附註：

- (a) 於截至二零一七年十二月三十一日止年度之已發行普通股加權平均數已作調整，以計及本綜合財務報表附註31所載於二零一七年七月配售股份所產生之影響。於截至二零一六年十二月三十一日止年度之已發行普通股加權平均數已作調整，以計及於二零一六年二月及二零一六年四月分別配售股份及代價股份所產生之影響。
- (b) 本公司之潛在攤薄普通股包括將根據溢利保證安排發行之代價股份，原因為本公司董事認為本綜合財務報表附註37(b)所披露之溢利保證安排幾可肯定會達成。於二零一六年十二月三十一日，由於相關溢利保證安排下之條件尚未達成，故並無就將根據溢利保證安排發行之代價股份作出調整。
- (c) 於二零一七年十二月三十一日，購股權之特定條件概無達成或視作達成，因此於計算本年度之每股攤薄盈利時並無計及具潛在攤薄影響之普通股。於二零一六年十二月三十一日，部分購股權之若干特定條件已視作達成，因此該部分之未獲行使購股權已假設於年內行使，並於計算每股攤薄盈利時包括在內。
- (d) 計算每股攤薄盈利時已剔除其他潛在攤薄普通股，原因為計入該等普通股會有反攤薄影響或特定條件尚未達成。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 11. PROPERTY, PLANT AND EQUIPMENT

### 11. 物業、廠房及設備

		Buildings outside Hong Kong 位於香港境外 之樓宇 HK\$'000 千港元	Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Moulds 模具 HK\$'000 千港元	Plant and machinery 廠房及機器 HK\$'000 千港元	Furniture, fixtures and equipment 傢具、裝置 及設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<i>Carrying amount</i>	<i>帳面金額</i>							
At 1 January 2016	於二零一六年一月一日	-	5,853	9,997	3,963	10,222	2,881	32,916
Additions – acquisition of subsidiaries	添置 – 收購附屬公司	-	-	-	-	2,258	95	2,353
Additions	添置	-	3,791	12,022	7,362	7,773	150	31,098
Disposals	出售	-	-	(90)	(2,276)	(231)	(110)	(2,707)
Depreciation	折舊	-	(2,714)	(3,712)	(1,022)	(3,793)	(969)	(12,210)
Exchange realignments	匯兌調整	-	(416)	(1,015)	(438)	(980)	(117)	(2,966)
At 31 December 2016	於二零一六年十二月三十一日	-	6,514	17,202	7,589	15,249	1,930	48,484
At 31 December 2016	於二零一六年十二月三十一日							
Cost	成本	-	11,863	24,376	9,626	21,414	3,231	70,510
Accumulated depreciation	累計折舊	-	(5,349)	(7,174)	(2,037)	(6,165)	(1,301)	(22,026)
		-	6,514	17,202	7,589	15,249	1,930	48,484
<i>Carrying amount</i>	<i>帳面金額</i>							
At 1 January 2017	於二零一七年一月一日	-	6,514	17,202	7,589	15,249	1,930	48,484
Additions – acquisition of subsidiaries (note 35)	添置 – 收購附屬公司 (附註35)	-	-	-	-	1,488	-	1,488
Additions	添置	13,331	6,819	3,517	16,784	9,645	429	50,525
Disposals	出售	-	(653)	-	-	(498)	-	(1,151)
Depreciation	折舊	(300)	(3,378)	(5,404)	(2,341)	(7,159)	(799)	(19,381)
Exchange realignments	匯兌調整	534	474	1,222	1,164	1,311	104	4,809
At 31 December 2017	於二零一七年十二月三十一日	13,565	9,776	16,537	23,196	20,036	1,664	84,774
At 31 December 2017	於二零一七年十二月三十一日							
Cost	成本	13,878	18,376	29,878	27,079	33,012	3,865	126,088
Accumulated depreciation	累計折舊	(313)	(8,600)	(13,341)	(3,883)	(12,976)	(2,201)	(41,314)
		13,565	9,776	16,537	23,196	20,036	1,664	84,774

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 11. PROPERTY, PLANT AND EQUIPMENT

(Continued)

Property, plant and equipment with a net book value at the end of the reporting period of HK\$13,565,000 (2016: HK\$Nil) were pledged to secure loans of HK\$5,007,000 (2016: HK\$Nil) as set out in note 25(b) to these consolidated financial statements.

The net book value of the Group's property, plant and equipment as at 31 December 2017 included an amount of HK\$248,000 (2016: HK\$477,000) in respect of assets held under finance leases as set out in note 25(g) to these consolidated financial statements.

### 11. 物業、廠房及設備 (續)

於報告期結束日帳面淨值為13,565,000港元(二零一六年:零港元)之物業、廠房及設備已作質押,作為本綜合財務報表附註25(b)所載5,007,000港元(二零一六年:零港元)之貸款之抵押。

本集團物業、廠房及設備於二零一七年十二月三十一日之帳面淨值包括有關本綜合財務報表附註25(g)所載根據融資租賃持有之資產之248,000港元(二零一六年:477,000港元)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 12. INTANGIBLE ASSETS

### 12. 無形資產

		Computer software copyright 電腦軟件版權 HK\$'000 千港元	Customer contracts 客戶合約 HK\$'000 千港元	Customer relationships 客戶關係 HK\$'000 千港元	Software patents 軟件專利 HK\$'000 千港元	Trademarks 商標 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<i>Carrying amount</i>	<i>帳面金額</i>						
At 1 January 2016	於二零一六年一月一日	-	-	-	-	33,144	33,144
Additions – acquisition of subsidiaries	添置 – 收購附屬公司	2,961	-	124,703	-	-	127,664
Amortisation	攤銷	(434)	-	(16,627)	-	-	(17,061)
Exchange realignments	匯兌調整	-	-	-	-	(908)	(908)
At 31 December 2016	於二零一六年十二月三十一日	2,527	-	108,076	-	32,236	142,839
At 31 December 2016	於二零一六年十二月三十一日						
Cost	成本	2,961	-	124,703	-	32,236	159,900
Accumulated amortisation	累計攤銷	(434)	-	(16,627)	-	-	(17,061)
		2,527	-	108,076	-	32,236	142,839
<i>Carrying amount</i>	<i>帳面金額</i>						
At 1 January 2017	於二零一七年一月一日	2,527	-	108,076	-	32,236	142,839
Additions – acquisition of subsidiaries (note 35)	添置 – 收購附屬公司 (附註35)	-	2,976	11,974	8,433	7,320	30,703
Additions	添置	-	-	-	9,474	-	9,474
Amortisation	攤銷	(652)	(1,677)	(26,936)	(464)	-	(29,729)
Exchange realignments	匯兌調整	-	-	-	920	1,196	2,116
At 31 December 2017	於二零一七年十二月三十一日	1,875	1,299	93,114	18,363	40,752	155,403
At 31 December 2017	於二零一七年十二月三十一日						
Cost	成本	2,961	2,976	136,677	18,845	40,752	202,211
Accumulated amortisation	累計攤銷	(1,086)	(1,677)	(43,563)	(482)	-	(46,808)
		1,875	1,299	93,114	18,363	40,752	155,403



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 12. INTANGIBLE ASSETS (Continued)

Software patents, customer contracts, certain customer relationships and certain trademarks were acquired as a result of the acquisition of ED Group in April 2017 as detailed in note 35 to these consolidated financial statements. Amortisation for customer contracts, customer relationships and software patents that are newly acquired during the year are provided on the straight-line bases over their estimated useful lives of 2, 4 and 10 years respectively. The carrying amounts of customer contracts, customer relationships and software patents are measured at cost less accumulated amortisation and impairment losses. The trademarks acquired during the year have been granted for period of 10 years by the relevant government and can be renewed at the expiry date of each trademark with insignificant cost. Coupled with the fact that trademarks acquired during the year have been previously renewed for further 10 years with an option of renewal at the expiry date, the Group has determined that the trademark has an indefinite useful life.

Certain customer relationships and computer software copyright were acquired as a result of the acquisition of Next Concept International Investment Limited (“Next Concept”) and its subsidiaries (collectively referred as “Next Concept Group”) in April 2016. Amortisation is provided on the straight-line basis over their estimated useful lives of 5 years. The carrying amounts of customer relationships and computer software copyright are measured at cost less accumulated amortisation and impairment losses.

### 12. 無形資產 (續)

軟件專利、客戶合約、若干客戶關係及若干商標乃因於二零一七年四月收購企展集團（詳載於本綜合財務報表附註35）而購入。年內購入之新客戶合約、客戶關係及軟件專利之攤銷於分別為2年、4年及10年之估計可用年期內以直線法計提。客戶合約、客戶關係及軟件專利之帳面金額按成本減累計攤銷及減值虧損計量。年內所收購商標獲相關政府授出10年期限，可於各項商標之到期日以極低成本重續。加上年內所收購商標已再續期10年，並有權於到期日選擇重續，本集團評定商標具有不限定可用年期。

若干客戶關係及電腦軟件版權乃因於二零一六年四月收購進念國際投資有限公司（「進念」）及其附屬公司（統稱「進念集團」）而購入。攤銷於其5年之估計可用年期內以直線法撥備。客戶關係及電腦軟件版權之帳面金額按成本減去累計攤銷及減值虧損計量。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 12. INTANGIBLE ASSETS (Continued)

Certain trademarks were acquired as a result of the acquisition of Smart Express Development Limited (“Smart Express”) and its subsidiaries (collectively referred as “Smart Express Group”) in September 2014. The trademarks acquired have been granted for period of 10 years by the relevant government and can be renewed at the expiry date of each trademark with insignificant cost. Coupled with the fact that previous trademarks acquired have been previously renewed for further 10 years with an option of renewal at the expiry date, the Group has determined that these assets have an indefinite useful life. Trademarks are therefore measured at cost less accumulated impairment losses.

As at 31 December 2017 and 2016, trademarks were tested for impairment (see note 13) and no impairment loss was charged for both years.

### 13. GOODWILL

### 12. 無形資產 (續)

若干商標乃因於二零一四年九月收購 Smart Express Development Limited (「Smart Express」) 及其附屬公司 (統稱「Smart Express集團」) 而購入。所收購之商標已獲有關政府批予10年期，並可於各商標到期當日以極低費用續期。有鑑於先前收購之商標已再續期10年，並附帶於各商標到期當日續期之選擇權，本集團認定該等資產具有不限定可用年期。因此，商標按成本減累計減值虧損計量。

於二零一七年及二零一六年十二月三十一日，商標已進行減值測試 (見附註13)，兩個年度內並無扣除減值虧損。

### 13. 商譽

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<i>Reconciliation of carrying amount</i>	<i>帳面金額對帳</i>		
At beginning of reporting period	於報告期初	<b>1,194,558</b>	266,592
Acquisition of subsidiaries (note 35)	收購附屬公司 (附註35)	<b>146,909</b>	927,966
Impairment losses	減值虧損	<b>(200,000)</b>	—
<b>At the end of the reporting period</b>	<b>於報告期結束日</b>	<b><u>1,141,467</u></b>	<b><u>1,194,558</u></b>
<b>At 31 December</b>	<b>於十二月三十一日</b>		
Cost	成本	<b>1,341,467</b>	1,194,558
Accumulated impairment losses	累計減值虧損	<b>(200,000)</b>	—
		<b><u>1,141,467</u></b>	<b><u>1,194,558</u></b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 13. GOODWILL (Continued)

Goodwill arose because the consideration paid for the acquisitions effectively included amounts in relation to the benefits originated from future market development and the assembled workforce of the acquired businesses. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. None of the goodwill recognised is expected to be deductible for income tax purposes. Details of the acquisitions carried out during the year are set out in note 35 to these consolidated financial statements.

The carrying amounts of trademarks with indefinite useful lives (see note 12) as at 31 December 2017 includes an amount of HK\$33,226,000 (2016: HK\$32,236,000) and HK\$7,526,000 (2016: HK\$Nil) which are attributable to the Group's cash-generating unit ("CGU") of Fujian Start Computer Equipment Company Limited\* ("FSCE") and its subsidiaries (collectively referred as "FSCE Group") and ED Group respectively.

All of the goodwill related to the operating segments of HMID and IoT solution. Goodwill is monitored by the management at each CGU identified as follows within HMID and IoT solution segments.

### 13. 商譽 (續)

產生商譽之原因為就收購事項所支付之代價實際上包括源自未來市場發展及所收購業務集合人力之利益金額。該等利益由於不符合可識別無形資產之確認條件，故不會與商譽分開確認。預期已確認之商譽不可用於扣減所得稅。有關年內所進行收購事項之詳情載於本綜合財務報表附註35。

具有不限定可用年期之商標（見附註12）於二零一七年十二月三十一日之帳面金額包括33,226,000港元（二零一六年：32,236,000港元）之款項及7,526,000港元（二零一六年：零港元），乃分別來自本集團福建實達電腦設備有限公司（「實達外設」）及其附屬公司（統稱「實達外設集團」）以及企展集團之現金產生單位。

所有商譽乃關於人機互動經營分類及物聯網解決方案經營分類。管理層會按以下人機互動分類及物聯網解決方案分類之各個已識別現金產生單位監察商譽。

\* The official name is in Chinese and the English name is translated for identification purpose only

\* 官方名稱以中文為準，英文翻譯名稱僅供識別之用。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 13. GOODWILL (Continued)

The carrying amount of goodwill was allocated to the Group's CGUs identified as follows:

### 13. 商譽 (續)

商譽帳面金額分配至本集團所識別各現金產生單位如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>HMID business segment</b>	<b>人機互動業務分類</b>		
FSCE Group	實達外設集團	<b>114,786</b>	114,786
<b>IoT solution business segment</b>	<b>物聯網解決方案業務分類</b>		
Shenzhen CNEOP Technology Company Limited* ("CNEOP")	深圳市中光遠科技有限公司 (「中光遠」)	<b>49,845</b>	49,845
Shenzhen Hexicom Technologies Company Limited* ("Hexicom")	深圳市海億康科技有限公司 (「海億康」)	<b>49,652</b>	49,652
Guangzhou Wealth-Depot Logistics Technology Company Limited* ("Wealth-Depot")	廣州大庫工業設備有限公司 (「大庫」)	<b>52,309</b>	52,309
Next Concept Group	進念集團	<b>702,225</b>	902,225
Hangzhou Lepei Telecommunication Company Limited* ("Lepei")	杭州樂佩通信有限公司 (「樂佩」)	<b>25,741</b>	25,741
ED Group	企展集團	<b>135,511</b>	-
Beijing Weein Software Technology Company Limited* ("Weein")	北京微應軟件科技有限公司 (「微應」)	<b>11,398</b>	-
		<b>1,141,467</b>	1,194,558

\* The official names are in Chinese and the English names are translated for identification purpose only.

\* 官方名稱以中文為準，英文翻譯名稱僅供識別之用。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 13. GOODWILL (Continued)

The Group has engaged independent valuers, APAC Asset Valuation and Consulting Limited ("APAC"), to perform an appraisal of the value of the FSCE Group, CNEOP, Hexicom, Wealth-Depot, Lepei and Weein, and Jones Lang LaSalle Corporate Appraisal and Advisory Limited ("JLL") to perform an appraisal of the value of Next Concept Group, as at 31 December 2017. The recoverable amounts of CGUs have been determined on the basis of higher of the CGUs' fair value less costs of disposal and VIU calculations.

The recoverable amounts for the HMID business segment's CGU was determined based on VIU calculations using cash flow projections based on financial budgets covering a five-year period approved by senior management. The discount rate applied to the cash flow projections is 17% (2016: 17%) and cash flows beyond the five-year are extrapolated using a growth rate of 3% (2016: 3%).

The recoverable amounts for the IoT solution business segment's CGUs, except for the CGUs of ED Group and Next Concept Group, were determined based on VIU calculations using cash flow projections based on a financial budgets covering a five-year period approved by senior management. The discount rate applied to the cash flow projections is 20% to 22% (2016: 19% to 28%) and cash flows beyond the five-year are extrapolated using a growth rate of 3% (2016: 3%). The discount rates used are pre-tax and reflect specific risks relating to the relevant segments. The recoverable amounts of these CGUs are determined to be higher than the carrying amount of these CGUs. Accordingly, the Group's management considers that trademarks and goodwill attributable to these CGUs (except for Next Concept Group) are not impaired. The Group's management is also of the opinion that any reasonably possible change in the key assumptions would not cause the CGUs' carrying amount to exceed their recoverable amount.

### 13. 商譽 (續)

本集團已委聘獨立估值師亞太資產評估及顧問有限公司(「亞太」)評估實達外設集團、中光遠、海億康、大庫、樂佩及微應於二零一七年十二月三十一日之價值，並委聘獨立估值師仲量聯行企業評估及諮詢有限公司(「仲量聯行」)評估進念集團於二零一七年十二月三十一日之價值。現金產生單位之可收回金額按現金產生單位公平值減處置成本及使用價值計算法(以較高者為準)釐定。

人機互動業務分類現金產生單位之可收回金額以高級管理層所批准涵蓋5年期之財政預算使用現金流量預測進行使用價值計算法釐定。現金流量預測所用貼現率為17%(二零一六年:17%)，而5年期後之現金流量乃使用3%(二零一六年:3%)之增長率推算。

除企展集團及進念集團現金產生單位外，物聯網解決方案業務分類現金產生單位之可收回金額以高級管理層所批准涵蓋5年期之財政預算使用現金流量預測進行使用價值計算法釐定。現金流量預測所用貼現率為20%至22%(二零一六年:19%至28%)，而5年期後之現金流量乃使用3%(二零一六年:3%)之增長率推算。所用貼現率為稅前並能反映相關分類之特定風險。該等現金產生單位之可收回金額被評定為高於該等現金產生單位之帳面金額。據此，本集團管理層認為該等現金產生單位(進念集團除外)應佔之商標及商譽並無減值。本集團管理層亦認為，主要假設出現任何可能合理變動不會導致該等現金產生單位之帳面金額高於可收回金額。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 13. GOODWILL (Continued)

The recoverable amounts for a group of CGUs in ED Group were determined based on quoted market prices of Enterprise Development on the Stock Exchange at the end of the reporting period.

As at 31 December 2016, the recoverable amount of Next Concept Group's CGU was determined based on the VIU calculations. In determining the VIU, the management prepared cash flow projections based on financial budgets covering a five-year period approved by senior management. The discount rate applied to the projections was 28% and cash flows beyond the five-year period are extrapolated using a growth rate of 3%. The key assumptions have been determined based on past performance and management expectations for the industry development. The discount rate used was pre-tax and reflect specific risks relating to Next Concept Group. Based on the assessment, the recoverable amount of Next Concept Group's CGU was estimated to be higher than its carrying amount and no impairment loss was recognised for the year ended 31 December 2016.

### 13. 商譽 (續)

企展集團一組現金產生單位之可收回金額基於企展在報告期結束日之聯交所所報市價釐定。

於二零一六年十二月三十一日，進念集團現金產生單位之可收回金額按使用價值計算方法釐定。於釐定使用價值時，管理層以高級管理層所批准涵蓋5年期之財政預算編製現金流量預測。預測所用貼現率為28%，而5年期後之現金流量乃使用3%之增長率推算。主要假設由管理層按過去表現及對行業發展之預期釐定。所用貼現率為稅前並能反映進念集團之特定風險。於截至二零一六年十二月三十一日止年度，基於有關評估，進念集團現金產生單位之可收回金額估計高於帳面金額，故並無確認減值虧損。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 13. GOODWILL (Continued)

As at 31 December 2017, based on the valuation report prepared by JLL, the fair value less costs of disposal of the respective CGU of Next Concept Group was higher than its VIU. The recoverable amount of the CGU was therefore determined based on the fair value less costs of disposal by the management. As the recoverable amount was lower than the carrying amount of the CGU, an impairment loss of HK\$200,000,000 was recognised for the year ended 31 December 2017. The calculation of the fair value less costs of disposal are based on adjusted ratios of enterprise value ("EV") divided by earnings before interest and tax ("EBIT") ("EV/EBIT") of several comparable public companies (ranging from 5.7 to 11.2) multiplied by the EBIT of Next Concept Group and control premium of 18%, and discounted for the lack of marketability ("DLOM") at 17%. The comparable public companies are chosen based on factors such as industry similarity, company size, profitability and financial risks. An adverse change of 5% in EV/EBIT, control premium and DLOM could lead to a further recognition of impairment of approximately HK\$67,200,000. The above sensitivity analysis assumes that the specific assumption moves in isolation, whilst all other assumptions are held constant. In reality, a change in one of the aforementioned assumptions may accompany a change in another assumption which may have an offsetting impact. Action is also usually taken to respond to adverse changes in economic assumptions that may mitigate the impact of any such change. The fair value on which the recoverable amount is based on is categorised as level 3 measurement.

### 13. 商譽 (續)

於二零一七年十二月三十一日，根據仲量聯行編製之估值報告，進念集團現金產生單位之公平值減處置成本高於使用價值。因此，管理層按公平值減出售成本釐定現金產生單位之可收回金額。由於現金產生單位之可收回金額低於帳面金額，故就截至二零一七年十二月三十一日止年度確認減值虧損200,000,000港元。計算公平值減處置成本時建基於多間可資比較公眾公司之經調整企業價值（「EV」）除以除利息及稅項前盈利（「EBIT」）之比率（「EV/EBIT」）（介乎5.7至11.2），再乘以進念集團之EBIT及18%之控制權溢價，並作出17%之不可銷售性折讓（「DLOM」）。該等可資比較公眾公司乃基於行業近似度、公司規模、盈利能力及財務風險等因素挑選。EV/EBIT、控制權溢價及DLOM出現5%不利變動可導致確認進一步減值約67,200,000港元。上述敏感度分析假設特定假設單獨變動，而所有其他假設維持不變。在現實中，上述其中一項假設變動可伴隨另一項假設變動，可能互相抵銷。經濟假設之不利變動亦通常引起若干行動，或可減輕有關變動之影響。可收回金額所依據之公平值分類為級別三計量。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 14. SUBSIDIARIES

Details of the principal subsidiaries at the end of the reporting period are as follows:

### 14. 附屬公司

主要附屬公司於報告期結束日之詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ Type of legal entity 註冊成立地點/ 法律實體類別	Particulars of issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊資本詳情	Percentage of equity interests held by the Company 本公司 所持股本權益百分比		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Gauteng Focus Limited ("Gauteng Focus") Gauteng Focus Limited ("Gauteng Focus")	The BVI/Limited liability company 英屬處女群島/有限公司	-	100%	-	Investment holding 投資控股
Loyal Fine Limited Loyal Fine Limited	The BVI/Limited liability company 英屬處女群島/有限公司	United States Dollar ("US\$") 1 1美元	100%	-	Investment holding 投資控股
Easy Talent Limited ("Easy Talent") 智易有限公司 ("智易")	The Cayman Islands/ Limited liability company 開曼群島/有限公司	US\$10 10美元	-	66.14% (2016: 40%) (二零一六年: 40%)	Investment holding 投資控股
Enterprise Development 企展	The Cayman Islands/Limited liability company 開曼群島/有限公司	HK\$52,650,898 ordinary share 52,650,898港元普通股	-	43.56% (2016: Nil) (二零一六年: 無)	Investment holding 投資控股
Forefront International (Hong Kong) Limited 福方(香港)有限公司	Hong Kong/Limited liability company 香港/有限公司	HK\$100,000 ordinary shares HK\$6,000,000 non-voting deferred shares (note (i)) 100,000港元普通股 6,000,000港元 無投票權遞延股份(附註(i))	-	100%	Provision of management services for the Group 為本集團提供管理服務
Great Develop Group Limited 拓盈集團有限公司	Hong Kong/Limited liability company 香港/有限公司	HK\$1 ordinary share 1港元普通股	-	100%	Investment holding 投資控股
Holly Good Group Limited ("Holly Good") 浩金集團有限公司 ("浩金")	Hong Kong/Limited liability company 香港/有限公司	HK\$1 ordinary share 1港元普通股	-	100%	Investment holding 投資控股
Jiashengtai (HK) Limited 嘉盛泰(香港)有限公司	Hong Kong/Limited liability company 香港/有限公司	HK\$1 ordinary share 1港元普通股	-	51%	Investment holding and trading of commodities 投資控股及商品交易
King Billion International Limited ("King Billion") 景億國際有限公司 ("景億")	Hong Kong/Limited liability company 香港/有限公司	HK\$1 ordinary share 1港元普通股	-	100%	Investment holding 投資控股

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 14. SUBSIDIARIES (Continued)

Details of the principal subsidiaries at the end of the reporting period are as follows: (Continued)

### 14. 附屬公司 (續)

主要附屬公司於報告期結束日之詳情如下: (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ Type of legal entity 註冊成立地點/ 法律實體類別	Particulars of issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊資本詳情	Percentage of equity interests held by the Company 本公司 所持股本權益百分比		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Luck Success Development Limited Luck Success Development Limited	The BVI/Limited liability company 英屬處女群島/有限公司	-	-	100% (2016: Nil) (二零一六年: 無)	Investment holding 投資控股
Next Concept 進念	The BVI/Limited liability company 英屬處女群島/有限公司	US\$100 100美元	-	51%	Investment holding 投資控股
Red Square Group Limited ("Red Square") 方鴻集團有限公司(「方鴻」)	Hong Kong/Limited liability company 香港/有限公司	HK\$1 ordinary share 1港元普通股	-	100%	Investment holding 投資控股
Rentian Finance Company Limited 仁天財務有限公司	Hong Kong/Limited liability company 香港/有限公司	HK\$2,000,000 ordinary shares 2,000,000港元普通股	-	100%	Money-lending 貸款
Premium Talent Group Limited Premium Talent Group Limited	The BVI/Limited liability company 英屬處女群島/有限公司	-	-	100%	Investment holding 投資控股
Sino Wealthy Limited Sino Wealthy Limited	The BVI/Limited liability company 英屬處女群島/有限公司	US\$1 1美元	-	100%	Trading of securities 證券買賣
Smart Express Smart Express	The BVI/Limited liability company 英屬處女群島/有限公司	US\$2 2美元	-	100%	Investment holding 投資控股
Beijing Orient LegendMaker Software Development Company Limited* 北京東方龍馬軟件發展有限公司	The PRC/Limited liability company 中國/有限責任公司	Registered and paid-up capital of RMB110,000,000 註冊及繳足資本人民幣110,000,000元	-	66.14% (2016: 40%) (二零一六年: 40%)	Provision of integrated business software solutions 提供綜合商業軟件解決方案

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 14. SUBSIDIARIES (Continued)

Details of the principal subsidiaries at the end of the reporting period are as follows: (Continued)

### 14. 附屬公司 (續)

主要附屬公司於報告期結束日之詳情如下: (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ Type of legal entity 註冊成立地點/ 法律實體類別	Particulars of issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊資本詳情	Percentage of equity interests held by the Company 本公司 所持股本權益百分比		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Weein	The PRC/Limited liability company	Registered capital of RMB20,408,163 and paid-up capital of RMB11,548,163 (note ii)	-	51% (2016: Nil)	Provision in (i) research, development and production of mobile internet technology consulting services; (ii) the provision of Tencent Wechat's enterprise technology solutions; and (iii) the operation of network carrier's mobile marketing and education institution's mobile servicing platform.
微應	中國/有限責任公司	註冊資本人民幣20,408,163元及繳足資本人民幣11,548,163元(附註ii)	(二零一六年: 無)	(二零一六年: 無)	(i)提供移動互聯網技術研究、開發、生產及諮詢服務;(ii)提供騰訊微信企業技術解決方案;及(iii)經營網絡營運商移動營銷及教育機構移動服務平台
CNEOP	The PRC/Limited liability company	Registered capital of RMB20,000,000 (2016: RMB14,375,000) and paid-up capital of RMB14,375,000 (2016: RMB14,375,000) (note iii)	-	61%	Research, development and production of mobile data capture intelligence terminals; provision of IoT application and solutions based on automatic identification and data capture technologies; and operation of IoT data servicing platform
中光遠	中國/有限責任公司	註冊資本人民幣20,000,000元(二零一六年:人民幣14,375,000元)及繳足資本人民幣14,375,000元(二零一六年:人民幣14,375,000元)(附註iii)			移動數據智能採集終端之研發與生產;基於自動識別與數據採集技術提供物聯網應用及解決方案;及物聯網資料服務平台運營
FSCE	The PRC/Limited liability company	Registered and paid-up capital of RMB148,181,800	-	100%	Design, manufacturing and distribution of printers, terminals and POS electronic products and provision of related services under its own brand name "Start" in the PRC
實達外設	中國/有限責任公司	註冊及繳足資本人民幣148,181,800元			於中國設計、製造及分銷打印機、終端機及POS電子產品,並以自有品牌名稱「實達(Start)」提供相關服務

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 14. SUBSIDIARIES (Continued)

Details of the principal subsidiaries at the end of the reporting period are as follows: (Continued)

Name of subsidiary 附屬公司名稱	Place of incorporation/ Type of legal entity 註冊成立地點/ 法律實體類別	Particulars of issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊資本詳情	Percentage of equity interests held by the Company 本公司 所持股本權益百分比		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Hexicom	The PRC/Limited liability company	Registered capital of RMB30,000,000 and paid-up capital of RMB30,000,000	–	70%	Research and development, manufacturing and sale of IoT and Industrial 4.0 network solutions in the PRC
海德康	中國/有限責任公司	註冊資本人民幣30,000,000元及繳足資本人民幣30,000,000元			於中國研發、製造及銷售物聯網及工業4.0網絡解決方案
Jiangsu Start Dima Data Processing Company Limited*	The PRC/Limited liability company	Registered and paid-up capital of RMB13,000,000	–	76.92%	Software and technology development and printing outsourcing services in the PRC
江蘇賁達迪美數據處理有限公司	中國/有限責任公司	註冊及繳足資本人民幣13,000,000元			於中國從事軟件及技術開發以及打印外包服務
Lepei	The PRC/Limited liability company	Registered and paid-up capital of RMB1,300,000	–	52.50%	Research and development, design and manufacturing of optical transmission network equipment and software products for Gigabit-Capable Passive Optical Network ("GPON") and Ethernet Passive Optical Network ("EPON") communication
樂佩	中國/有限責任公司	註冊及繳足資本人民幣1,300,000元			研發、設計及製造千兆無源光網絡(GPON)及乙太網無源光網絡(EPON)通信相關之光纖傳輸網絡設備及軟件產品
Qingdao Jiashengtai Technology Services Co. Ltd (formerly known as Qingdao Jiashengtai Investment Consulting Company Limited)*	The PRC/Limited liability company	Registered capital of US\$2,000,000 and paid-up capital of US\$400,000	–	51%	One-stop solution, including but not limited to marketing research, software design, IT solution and strategic business consultation and development, to companies in the commodities industry in the PRC
青島嘉盛泰科技服務有限公司(前稱青島嘉盛泰投資諮詢有限公司)	中國/有限責任公司	註冊資本2,000,000美元及繳足資本400,000美元			向中國大宗商品行業之公司提供一站式解決方案,包括但不限於市場推廣研究、軟件設計、資訊科技解決方案及策略業務諮詢及開發

### 14. 附屬公司 (續)

主要附屬公司於報告期結束日之詳情如下: (續)

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 14. SUBSIDIARIES (Continued)

Details of the principal subsidiaries at the end of the reporting period are as follows: (Continued)

Name of subsidiary 附屬公司名稱	Place of incorporation/ Type of legal entity 註冊成立地點/ 法律實體類別	Particulars of issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊資本詳情	Percentage of equity interests held by the Company 本公司 所持股本權益百分比		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Wealth-Depot	The PRC/Limited liability company	Registered and paid-up capital of RMB7,296,000	-	83% (2016: 51%)	Design and manufacture of the standard returnable radio- frequency identification smart bins, implementation of smart warehouse and smart logistics solution
大庫	中國/有限責任公司	註冊及繳足資本 人民幣7,296,000元		(二零一六年: 51%)	設計及製造標準可流通射頻識別 智能物流箱, 實施智慧倉儲及 智慧物流之解決方案

\* The official names are in Chinese and the English names are translated for identification purpose only.

Notes:

- (i) Holders of deferred shares have no rights to vote at general meetings or receive any dividend. Upon winding up, they are entitled to one half of the balance of the company's assets after HK\$100,000,000,000 has been distributed to holders of ordinary shares.
- (ii) The remaining registered capital of RMB8,860,000 are committed by non-controlling shareholders to inject on or before 31 December 2020.
- (iii) On 5 May 2017, the registered capital increased from RMB14,375,000 to RMB20,000,000. The remaining registered capital of RMB3,431,250 and RMB2,193,750 are committed by the Group and non-controlling shareholders respectively to inject on or before 2 July 2045.

None of the subsidiaries had any loan capital in issue at any time during the years ended 31 December 2017 and 2016.

### 14. 附屬公司 (續)

主要附屬公司於報告期結束日之詳情如下: (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ Type of legal entity 註冊成立地點/ 法律實體類別	Particulars of issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊資本詳情	Percentage of equity interests held by the Company 本公司 所持股本權益百分比		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Wealth-Depot	The PRC/Limited liability company	Registered and paid-up capital of RMB7,296,000	-	83% (2016: 51%)	Design and manufacture of the standard returnable radio- frequency identification smart bins, implementation of smart warehouse and smart logistics solution
大庫	中國/有限責任公司	註冊及繳足資本 人民幣7,296,000元		(二零一六年: 51%)	設計及製造標準可流通射頻識別 智能物流箱, 實施智慧倉儲及 智慧物流之解決方案

\* 官方名稱以中文為準, 英文翻譯名稱僅供識別之用。

附註:

- (i) 遞延股份之持有人無權在股東大會上投票, 亦無權收取任何股息。在清盤時, 該公司資產中 100,000,000,000 港元將首先用於分派予普通股之持有人, 而餘額之一半由遞延股份之持有人享有。
- (ii) 其餘註冊資本人民幣 8,860,000 元由非控股股東於二零二零年十二月三十一日或之前注入。
- (iii) 於二零一七年五月五日, 註冊資本由人民幣 14,375,000 元增加至人民幣 20,000,000 元。其餘註冊資本人民幣 3,431,250 元及人民幣 2,193,750 元分別由本集團及非控股股東於二零四五年七月二日或之前注入。

各附屬公司於截至二零一七年及二零一六年十二月三十一日止年度內任何時間並無任何已發行借貸資本。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 14. SUBSIDIARIES (Continued)

#### Financial information of subsidiaries with individually material non-controlling interests ("NCI")

The following table shows the information relating to Next Concept Group and Easy Talent Group (as hereinafter defined in note 15) (2016: Next Concept Group) that have material NCI. The summarised financial information represents amounts before inter-company eliminations.

### 14. 附屬公司 (續)

擁有個別重大非控股權益之附屬公司之財務資料

下表顯示有關擁有重大非控股權益之進念集團及智易集團(定義見附註15)(二零一六年:進念集團)之資料。財務資料概要指公司間對銷前之數額。

		Next Concept Group 進念集團	
		2017 二零一七年	2016 二零一六年
Proportion of NCI's effective ownership interests	非控股權益之實際擁有權益比例	<b>49%</b>	49%
		<b>HK\$'000</b> 千港元	HK\$'000 千港元
Current assets	流動資產	<b>361,961</b>	173,829
Non-current assets	非流動資產	<b>90,542</b>	113,538
Current liabilities	流動負債	<b>(21,340)</b>	(5,050)
Non-current liabilities	非流動負債	<b>(21,253)</b>	(27,651)
Net assets	資產淨值	<b>409,910</b>	254,666
Carrying amount of NCI	非控股權益之帳面金額	<b>200,856</b>	124,786

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 14. SUBSIDIARIES (Continued)

Financial information of subsidiaries with individually material non-controlling interests ("NCI") (Continued)

### 14. 附屬公司 (續)

擁有個別重大非控股權益之附屬公司之財務資料 (續)

		Next Concept Group 進念集團	
		Year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 HK\$'000 千港元	Post- acquisition period ended 31 December 2016 截至 二零一六年 十二月三十一日 止收購後期間 HK\$'000 千港元
Revenue	收益	<b>193,232</b>	308,567
Profit for the year/period	年/期內溢利	<b>154,821</b>	106,100
Total comprehensive income for the year/period	年/期內全面收入總額	<b>174,437</b>	96,861
Profit attributable to NCI	歸屬於非控股權益之溢利	<b>66,457</b>	51,989
Dividends paid to NCI	已付非控股權益之股息	—	—
Net cash flows generated from (used in):	來自(用於)下列各項之 現金流量淨額:		
Operating activities	經營業務	<b>116,275</b>	58,341
Investing activities	投資活動	<b>12,338</b>	(1,157)
Financing activities	融資活動	<b>5,943</b>	604



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 14. SUBSIDIARIES (Continued)

Financial information of subsidiaries with individually material non-controlling interests ("NCI") (Continued)

### 14. 附屬公司 (續)

擁有個別重大非控股權益之附屬公司之財務資料 (續)

		Easy Talent Group 智易集團 2017 二零一七年
Proportion of NCI's effective ownership interests	非控股權益之實際擁有權權益比例	<b>33.86%</b>
		HK\$'000 千港元
Current assets	流動資產	<b>328,094</b>
Non-current assets	非流動資產	<b>38,073</b>
Current liabilities	流動負債	<b>(63,964)</b>
Non-current liabilities	非流動負債	<b>(2,408)</b>
Net assets	資產淨值	<b>299,795</b>
Carrying amount of NCI	非控股權益之帳面金額	<b>101,523</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 14. SUBSIDIARIES (Continued)

Financial information of subsidiaries with individually material non-controlling interests ("NCI") (Continued)

### 14. 附屬公司 (續)

擁有個別重大非控股權益之附屬公司之財務資料 (續)

		Easy Talent Group 智易集團 Post-acquisition period ended 31 December 2017 截至 二零一七年 十二月三十一日止 收購後期間 HK\$'000 千港元
Revenue	收益	<u>220,010</u>
Profit for the period	期內溢利	<u>9,201</u>
Total comprehensive income for the period	期內全面收入總額	<u>26,423</u>
Profit attributable to NCI	歸屬於非控股權益之溢利	<u>3,289</u>
Dividends paid to NCI	已付非控股權益之股息	<u>–</u>
Net cash flows generated from (used in):	來自 (用於) 下列各項之現金流量淨額:	
Operating activities	經營業務	<u>59,532</u>
Investing activities	投資活動	<u>(2,419)</u>
Financing activities	融資活動	<u>(502)</u>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 15. INTERESTS IN ASSOCIATES

The interests in associates are set out below:

		Note	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
		附註		
Cost of investment	投資成本	(a)	–	83,016
Bargain purchase	議價購買		–	8,740
Share of post-acquisition results	應佔收購後業績		–	11,688
Share of net assets	應佔淨資產		–	103,444

Notes:

- (a) As at 31 December 2016, the Group held 40% equity interests in Easy Talent and its subsidiaries (collectively referred to as "Easy Talent Group"). During the year, the Group acquired 40.65% equity interests in aggregate in Enterprise Development, while Enterprise Development through its subsidiaries held 60% equity interests in Easy Talent Group. Due to the acquisition of Enterprise Development, the Group indirectly acquired additional 24.39% equity interests in Easy Talent Group and held 64.39% equity interests in aggregate in Easy Talent Group upon the completion of the above acquisition. Easy Talent Group became non-wholly owned subsidiaries of the Group since then. A gain on deemed disposal of interests in associates of HK\$1,265,000 was recognised in profit or loss.

Details of the above acquisition are set out in notes 15(d) and 35(a) to these consolidated financial statements.

### 15. 於聯營公司之權益

於聯營公司之權益載列如下：

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
	–	83,016
	–	8,740
	–	11,688
	–	103,444

附註：

- (a) 於二零一六年十二月三十一日，本集團持有智易及其附屬公司（統稱「智易集團」）40%股本權益。年內，本集團收購企展合共40.65%股本權益，而企展透過其附屬公司持有智易集團60%股本權益。由於收購企展，故本集團間接收購智易集團額外24.39%股本權益，並於上述收購完成後持有智易集團合計64.39%股本權益。智易集團自此成為本集團之非全資附屬公司。本集團已於損益帳確視作出售於聯營公司之權益之收益1,265,000港元。

上述收購之詳情載於本綜合財務報表附註15(d)及35(a)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 15. INTERESTS IN ASSOCIATES (Continued)

Notes: (Continued)

- (b) Details of the material associates as at 31 December 2016 were as follows:

Name of associates	Place of incorporation/ Type of legal entity	Place of operation	Particulars of issued and paid up ordinary share capital	Proportion of value of issued shares capital indirectly held by the Company	Principal activity
聯營公司名稱	註冊成立地點/法律實體類別	經營地點	已發行及繳足普通股 股本詳情	本公司間接所持 已發行股本價值所佔比例	主要業務
<b>Easy Talent Group</b>					
<b>智易集團</b>					
Easy Talent	The Cayman Islands/Limited liability company	Hong Kong	10 shares of US\$1 each	40%	Investment holding
智易	開曼群島/有限公司	香港	10股每股面值1美元之股份		投資控股
Beijing Orient LegendMaker Software Development Company Limited*	The PRC/Limited liability company	The PRC	Registered and paid-up capital of RMB110,000,000	40%	Provision of integrated business software solutions
北京東方龍馬軟件發展有限公司	中國/有限責任公司	中國	註冊及繳足資本人民幣110,000,000元		提供綜合商業軟件解決方案

\* The official name is in Chinese and the English name is translated for identification purpose only.

As at 31 December 2016, all of the above associates were accounted for using the equity method in these consolidated financial statements.

- (c) Fair value of associates  
As at 31 December 2016, all of the Group's associates were private companies and there was no quoted market price available.

### 15. 於聯營公司之權益 (續)

附註：(續)

- (b) 於二零一六年十二月三十一日之重大聯營公司詳情如下：

Name of associates	Place of incorporation/ Type of legal entity	Place of operation	Particulars of issued and paid up ordinary share capital	Proportion of value of issued shares capital indirectly held by the Company	Principal activity
聯營公司名稱	註冊成立地點/法律實體類別	經營地點	已發行及繳足普通股 股本詳情	本公司間接所持 已發行股本價值所佔比例	主要業務
<b>Easy Talent Group</b>					
<b>智易集團</b>					
Easy Talent	The Cayman Islands/Limited liability company	Hong Kong	10 shares of US\$1 each	40%	Investment holding
智易	開曼群島/有限公司	香港	10股每股面值1美元之股份		投資控股
Beijing Orient LegendMaker Software Development Company Limited*	The PRC/Limited liability company	The PRC	Registered and paid-up capital of RMB110,000,000	40%	Provision of integrated business software solutions
北京東方龍馬軟件發展有限公司	中國/有限責任公司	中國	註冊及繳足資本人民幣110,000,000元		提供綜合商業軟件解決方案

\* 官方名稱以中文為準，英文翻譯名稱僅供識別之用。

於二零一六年十二月三十一日，上述所有聯營公司均以權益法於本綜合財務報表入帳。

- (c) 聯營公司之公平值  
於二零一六年十二月三十一日，本集團所有聯營公司均為私人公司，並無市場報價。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 15. INTERESTS IN ASSOCIATES (Continued)

Notes: (Continued)

- (d) Financial information of individual material associates  
Summarised financial information of the material associates of the Group is set out below, which represents amounts shown in the associates' consolidated financial statements prepared in accordance with HKFRSs and adjusted by the Group for equity accounting purposes including any differences in accounting policies and fair value adjustments. The information for 2017 includes the results of Easy Talent Group only for the period from 1 January 2017 to the date of deemed disposal of interests in Easy Talent Group, when Easy Talent Group became subsidiaries of the Group.

### 15. 於聯營公司之權益 (續)

附註：(續)

- (d) 個別重大聯營公司之財務資料  
本集團重大聯營公司之財務資料概要如下，乃指該等聯營公司根據香港財務報告準則編製之綜合財務報表所列金額，並經本集團就權益會計處理作出調整，包括會計政策差異及公平值調整。有關二零一七年的資料僅包括智易集團於二零一七年一月一日至視作出售智易集團權益日期（智易集團成為本集團附屬公司之時）之業績。

		Easy Talent Group
		智易集團
		2016
		二零一六年
		HK\$'000
		千港元
<i>Gross amount</i>	總額	
Current assets	流動資產	327,835
Non-current assets	非流動資產	34,011
Current liabilities	流動負債	(103,235)
<i>Reconciliation</i>	對帳	
Gross amount of equity	股權總額	258,611
Proportion of the Group's ownership interests in associates	本集團於聯營公司之擁有權權益之比例	40%
Carrying amount of the Group's interests in associates	本集團於聯營公司之權益之帳面金額	103,444

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 15. INTERESTS IN ASSOCIATES (Continued)

Notes: (Continued)

(d) Financial information of individual material associates (Continued)

### 15. 於聯營公司之權益 (續)

附註：(續)

(d) 個別重大聯營公司之財務資料 (續)

		Period from 1 January 2017 to the date of deemed disposal of interests in Easy Talent Group 二零一七年 一月一日至 視作出售智易集團 權益日期之期間 HK\$'000 千港元	Year ended 31 December 2016 截至 二零一六年 十二月三十一日 止年度 HK\$'000 千港元
<i>Gross amount</i>	總額		
Revenue	收益	<b>132,149</b>	541,346
Profit for the period/year	期/年內溢利	<b>3,682</b>	47,401
Other comprehensive income (loss)	其他全面收入(虧損)	<b>3,287</b>	(21,648)
Total comprehensive income	全面收入總額	<b>6,969</b>	25,753
Dividend received from associates	已收聯營公司股息	-	-

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 15. INTERESTS IN ASSOCIATES (Continued)

Notes: (Continued)

(d) Financial information of individual material associates (Continued)

The following table summarises the information relating to the interest in an associate immediately before the completion of the additional acquisition of 24.39% equity interests in Easy Talent Group:

### 15. 於聯營公司之權益 (續)

附註：(續)

(d) 個別重大聯營公司之財務資料 (續)

下表概述於緊接增購智易集團24.39%股本權益完成前，有關於一間聯營公司之權益的資料：

		HK\$'000 千港元
Carrying amount as at 31 December 2016	於二零一六年十二月三十一日之帳面金額	103,444
Share of profit of an associate from 1 January 2017 to the date of deemed disposal of interests in Easy Talent Group	應佔一間聯營公司於二零一七年一月一日 至視作出售智易集團權益日期之溢利	1,473
Share of other comprehensive income of an associate from 1 January 2017 to the date of the date of deemed disposal of interests in Easy Talent Group	應佔一間聯營公司於二零一七年 一月一日至視作出售智易集團權益 日期之其他全面收入	1,314
Carrying amount as at the date of deemed disposal of interests in Easy Talent Group	於視作出售智易集團權益日期 之帳面金額	106,231
Disposal of interest in an associate	出售於一間聯營公司之權益	(106,231)
Carrying amount as at 31 December 2017	於二零一七年十二月三十一日之 帳面金額	-
Carrying amount of 40% equity interests in Easy Talent Group held immediately before obtaining control	緊接取得控制權前所持智易集團 40%股本權益之帳面金額	106,231
Fair value of 40% equity interests in Easy Talent Group held immediately before obtaining control (note 35(c))	緊接取得控制權前所持智易集團 40%股本權益之公平值(附註35(c))	107,496
Gain on deemed disposal of an associate	視作出售一間聯營公司之收益	(1,265)



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 16. AVAILABLE-FOR-SALE FINANCIAL ASSETS

### 16. 可供出售財務資產

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
	Note 附註		
Listed equity securities in Hong Kong, at fair value	於香港上市之股本證券，按公平值	48,997	110,106
Unlisted equity securities in a private limited company incorporated outside Hong Kong, at cost	於香港境外註冊成立之私人有限公司之非上市股本證券，按成本	247,500	247,500
Unlisted partnership investments, at cost	非上市合夥投資，按成本	17,289	-
		<b>313,786</b>	<b>357,606</b>

Notes:

- (a) The amounts represent the Group's interest in a company whose shares are listed on the Main Board of the Stock Exchange. During the year ended 31 December 2017, a decrease in fair value of HK\$61,109,000 (2016: HK\$Nil) in respect of these shares held by the Group was recognised in the available-for-sale financial assets revaluation reserve. The fair value of listed equity securities is based on quoted market prices in active markets at the end of the reporting period.

With reference to the historical quoted market price of the listed equity securities available to the Group, an impairment loss of HK\$61,109,000 (2016: HK\$41,114,000) has been reclassified as a reclassification adjustment during the year ended 31 December 2017.

附註：

- (a) 有關金額指本集團於一間股份在聯交所主板上市之公司之權益。於截至二零一七年十二月三十一日止年度，本集團就其所持該等股份在可供出售財務資產重估儲備確認公平值減少61,109,000港元（二零一六年：零港元）。上市股本證券之公平值以報告期結束日之活躍市場所報市價為基礎。

參照本集團可獲得之上市股本證券過往市場報價，於截至二零一七年十二月三十一日止年度已將減值虧損61,109,000港元（二零一六年：41,114,000港元）重新分類為重新分類調整。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 16. AVAILABLE-FOR-SALE FINANCIAL ASSETS

(Continued)

Notes: (Continued)

- (b) The unlisted investments represented long-term investments in unlisted equity securities issued by a private entity and a private partnership. In the opinion of the directors of the Company, their fair values cannot be measured reliably because the range of reasonable fair value estimates is so significant and the probabilities of the various estimates cannot be reasonably assessed. As a result, they are measured at cost less impairment at end of each reporting period.
- (c) The balance represents the Group's equity interests in Co-Lead Holdings Limited ("Co-Lead"), a company incorporated in the BVI with limited liability. As at 31 December 2016, the Group held 15.81% equity interests in Co-Lead, due to the allotment of new shares to other investors, the Group's equity interests in Co-Lead were diluted from 15.81% to 10.77% at the end of the reporting period. The principal activity of Co-Lead is investment holding. In the opinion of the directors of the Company, the Group has no significant influence over Co-Lead and the investment is accounted for as available-for-sale financial assets.
- (d) In March 2017, the Group entered into a subscription agreement with an independent third party and agreed to contribute US\$10,000,000 (representing approximately 5.69% of the committed capital of the partnership at the date of subscription and subsequently diluted to 4.59% due to the new capital contribution from other investors at the end of the reporting period), in a private partnership incorporated in the Cayman Islands ("Partnership Commitment"). During the year, the Group has contributed US\$2,218,000 (equivalent to approximately HK\$17,289,000) and the remaining Partnership Commitment will be contributed by installments requested by the general partner of the partnership upon at least 10 business days' in advance written notice. The Group is the limited partner to the partnership and in the opinion of the directors of the Company, the Group has no significant influence over the partnership and the investment is accounted for as available-for-sale financial assets.

### 16. 可供出售財務資產 (續)

附註：(續)

- (b) 非上市投資指於一間私人實體及一個私人合夥發行之非上市股本證券之長期投資。本公司董事認為，由於非上市投資之合理公平值估計範圍過大，且多項估計之概率不能合理地評估，故非上市投資之公平值不能可靠地計量，因此於各報告期結束日，非上市投資按成本減去減值計量。
- (c) 該結餘指本集團於Co-Lead Holdings Limited (「Co-Lead」，一間於英屬處女群島註冊成立之有限公司)之股本權益。於二零一六年十二月三十一日，本集團持有Co-Lead之15.81%股本權益。由於向其他投資者配發新股，故本集團於Co-Lead之股本權益由15.81%攤薄至報告期結束日之10.77%。Co-Lead之主要業務為投資控股。本公司董事認為，本集團對Co-Lead並無重大影響力，而該項投資乃入帳列作可供出售財務資產。
- (d) 於二零一七年三月，本集團與一名獨立第三方訂立一份認購協議，並同意向一個於開曼群島註冊成立之私人合夥出資10,000,000美元(相當於該合夥於認購日期之已承諾資本約5.69%，其後因其他投資者新出資而攤薄至報告期結束日之4.59%) (「合夥承諾」)。年內，本集團已出資2,218,000美元(相等於約17,289,000港元)，而餘下之合夥承諾將應合夥之普通合夥人於作出最少10個營業日之事先書面通知要求之情況下分期出資。本集團為該合夥之有限合夥人，而本公司董事認為，本集團對該合夥並無重大影響力，而該項投資乃入帳列作可供出售財務資產。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 17. CONTINGENT CONSIDERATION RECEIVABLES

### 17. 應收或然代價

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At beginning of reporting period	於報告期初	452	-
Acquisition of subsidiaries	收購附屬公司	-	452
Fair value change (note 37(d))	公平值變動(附註37(d))	186,757	-
Compensation from profit guarantee	溢利保證賠償		
- set-off with promissory notes and relevant interest payables (note 37(d))	- 抵銷承兌票據及相關應付利息(附註37(d))	(173,851)	-
- Other receivables	- 其他應收款項	(13,358)	-
<b>At the end of the reporting period</b>	<b>於報告期結束日</b>	<b>-</b>	<b>452</b>

Pursuant to the Sale and Purchase Agreement (“S&P Agreement”) for the acquisition of 51% equity interests in Next Concept in March 2016, the selling shareholders of Next Concept (the “Selling Shareholders A”) have jointly and severally, unconditionally and irrevocably guaranteed to compensate the Group, not more than HK\$440,640,000 and HK\$660,960,000 for the years ended 31 December 2016 and 2017 respectively, if the profit after taxation of Next Concept Group is less than HK\$144,000,000 and HK\$216,000,000 respectively (the “Next Concept Profit Guarantee”), the Selling Shareholders A shall compensate the Group by way of setting off the Promissory Notes E (as hereinafter defined in note 27) together with the relevant interest, and any remaining balance will be settled in cash. Details of the calculation of the compensation are set out in the Company’s announcement dated 31 March 2016.

根據有關於二零一六年三月收購進念51%股本權益之買賣協議(「買賣協議」), 進念之售股股東(「售股股東A」)共同及各別地、無條件地及不可撤銷地擔保, 倘進念集團截至二零一六年及二零一七年十二月三十一日止年度之除稅後溢利分別少於144,000,000港元及216,000,000港元, 則分別向本集團賠償不多於440,640,000港元及660,960,000港元(「進念溢利保證」)。售股股東A應以抵銷承兌票據E(定義見下文附註27)連同相關利息之方式賠償本集團, 任何餘額將以現金結清。計算賠償之詳情載於本公司日期為二零一六年三月三十一日之公告。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 17. CONTINGENT CONSIDERATION RECEIVABLES

(Continued)

The profit after tax of Next Concept Group for the year ended 31 December 2017 did not reach HK\$216,000,000 and as a result, a compensation of approximately HK\$187,209,000 estimated by the directors of the Company pursuant to the S&P Agreement was deducted by way of setting off the principal amount and the relevant interests associated with Promissory Notes E as mentioned in note 27 to these consolidated financial statements as at 31 December 2017 of HK\$165,240,000 and HK\$8,611,000 respectively, the remaining balance of approximately HK\$13,358,000 has been included in "other receivables".

### 18. INVENTORIES

Raw materials	原材料
Work-in-progress	在製品
Finished goods	製成品

At the end of reporting period, all inventories, excluding those fully provided for with nil carrying value, are stated at cost.

### 17. 應收或然代價 (續)

進念集團截至二零一七年十二月三十一日止年度之除稅後溢利並未達到216,000,000港元，因此，根據買賣協議，本公司董事所估計之賠償約為187,209,000港元，已以抵銷於二零一七年十二月三十一日與本綜合財務報表附註27所述承兌票據E相關之本金額165,240,000港元及相關利息8,611,000港元之方式扣除，餘額約13,358,000港元則列入「其他應收款項」。

### 18. 存貨

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Raw materials	94,523	67,004
Work-in-progress	27,286	20,194
Finished goods	35,510	23,398
	<b>157,319</b>	<b>110,596</b>

於報告期結束日，除帳面值為零並已計提全數撥備之存貨外，所有存貨均按成本列帳。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 19. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

### 19. 於損益帳按公平值處理之財務資產

			2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
		Note 附註		
Held for trading	持作買賣			
Equity securities listed in Hong Kong	香港上市股本證券	(a)	2,561,686	1,437,445
Equity securities listed outside Hong Kong	香港境外上市股本證券	(a)	3,042	–
Designated upon initial recognition	於初步確認時指定			
Equity-linked notes (“ELN”)	股票掛鈎票據	(b)	282,785	677,200
Wealth management products, unlisted	財富管理產品，非上市	(c)	449,998	412,428
			<b>3,297,511</b>	<b>2,527,073</b>

Notes:

- (a) The fair value of listed equity securities is based on quoted market prices in active markets at the end of the reporting period. During the year ended 31 December 2017, the fair value gain on financial assets held for trading of HK\$264,967,000 (2016: HK\$55,267,000) was recognised in profit or loss.

附註：

- (a) 上市股本證券之公平值乃基於報告期結束日在活躍市場所報之市價計算。於截至二零一七年十二月三十一日止年度，於損益帳已確認持作買賣財務資產之公平值收益264,967,000港元（二零一六年：55,267,000港元）。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 19. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

Notes: (Continued)

- (b) The ELN as at 31 December 2016 were fully redeemed during the year at a consideration of HK\$756,230,000. A gain of redemption of ELN amounting to HK\$79,030,000 was recognised as "net realised gain on disposal of financial assets at fair value through profit or loss" in the consolidated statement of comprehensive income.

In November 2017, (i) the Group subscribed a new ELN with total principal amount of HK\$271,120,000 from an investment entity incorporated in the BVI (the "Issuer"); (ii) the ELN is linked to a basket of three companies whose shares listed on the Main Board of the Stock Exchange with the market capitalisation ranging from approximately HK\$1,975,738,000 to HK\$17,802,000,000 at end of reporting date (the "Underlying Securities"); and (iii) the ELN is redeemable at the discretion of the Group based on the net proceeds to be obtained from the disposal of the Underlying Securities at the time of redemption after the settlement of any transaction costs.

At the end of the reporting period, the fair value of the ELN was determined by the Issuer based on the expected proceeds received from disposal of the Underlying Securities at the quoted market prices at the reporting date after deducting any accrued transaction costs. During the year ended 31 December 2017, the fair value gain on the ELN of HK\$11,665,000 (2016: HK\$202,077,000) was recognised in profit or loss.

- (c) The unlisted wealth management products as at 31 December 2017 and 2016 comprise of unlisted funds and financial products.

These unlisted wealth management products were subscribed from (i) a company registered and approved by the Asset Management Association of China; (ii) a company registered and approved by Securities and Futures Commission; and (iii) certain banks in the PRC. These unlisted wealth management products were redeemable at the discretion of the Group from time to time and the intention of holding them was for short-term investment. Included in unlisted wealth management products, HK\$258,924,000 (2016: HK\$205,418,000) and HK\$53,795,000 (2016: HK\$Nil) were denominated in RMB and USD respectively.

### 19. 於損益帳按公平值處理之財務資產 (續)

附註：(續)

- (b) 於二零一六年十二月三十一日之股票掛鈎票據已於年內悉數贖回，代價為756,230,000港元。股票掛鈎票據之贖回收益79,030,000港元已於綜合全面收入報表確認為「出售於損益帳按公平值處理之財務資產之已變現收益淨額」。

於二零一七年十一月，(i)本集團向一間於英屬處女群島註冊成立之投資實體（「發行人」）認購本金總額271,120,000港元之新股票掛鈎票據；(ii)股票掛鈎票據與三間股份在聯交所主板上市、於報告期結束日之市值介乎約1,975,738,000港元至17,802,000,000港元之公司之股份（「相關證券」）掛鈎；及(iii)股票掛鈎票據可由本集團基於贖回之時從出售相關證券取得之所得款項淨額（已扣除任何交易成本）酌情贖回。

於報告期結束日，股票掛鈎票據之公平值由發行人按市場報價基於預期自出售相關證券收取之所得款項（已扣除任何應計交易成本）釐定。於截至二零一七年十二月三十一日止年度，股票掛鈎票據之公平值收益11,665,000港元（二零一六年：202,077,000港元）已於損益帳確認。

- (c) 於二零一七年及二零一六年十二月三十一日之非上市財富管理產品包括非上市基金及財務產品。

該等非上市財富管理產品乃向(i)一間已登記及經中國證券投資基金業協會認可之公司；(ii)一間已登記及經證券及期貨事務監察委員會認可之公司；及(iii)中國若干銀行認購。該等非上市財富管理產品可由本集團不時酌情贖回，旨在作為短期投資持有。該等非上市財富管理產品中，258,924,000港元（二零一六年：205,418,000港元）及53,795,000港元（二零一六年：零港元）分別以人民幣及美元計值。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 19. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

Notes: (Continued)

(c) (Continued)

The fair values of the unlisted wealth management products were reported and provided by the fund managers and the banks. During the year ended 31 December 2017, the fair value gain on the unlisted wealth management products of HK\$8,107,000 (2016: HK\$7,082,000) was recognised in profit or loss.

### 20. LOAN RECEIVABLES

Loans granted to borrowers are repayable according to repayment schedules. The balance comprises loan receivables from:

Loan receivables	應收貸款		
Allowance for doubtful debts	呆帳備抵		
Balances due within one year and included in current assets	計入流動資產、 於一年內到期之結餘		

Notes:

- (a) At the end of the reporting period, (1) loan receivables of HK\$90,628,000 (2016: HK\$62,427,000) were unsecured, carried at fixed interest rate of ranging from 10% to 18% (2016: ranging from 13% to 18%) per annum and within the respective maturity dates; (2) loan receivables of HK\$3,617,000 (2016: HK\$Nil) was secured, carried at fixed interest rate of 5% and within its maturity date; (3) loan receivables of HK\$31,981,000 (2016: HK\$Nil) was secured by listed securities with fair value amounted to HK\$91,313,000, carried at fixed interest rate of 15% per annum and within its maturity date; and (4) loan receivables of HK\$20,290,000 (2016: HK\$20,290,000) was overdue and fully impaired.

### 19. 於損益帳按公平值處理之財務資產 (續)

附註: (續)

(c) (續)

該等非上市財富管理產品之公平值由基金經理及銀行報告及提供。於截至二零一七年十二月三十一日止年度，本集團於損益帳確認非上市財富管理產品之公平值收益8,107,000港元(二零一六年: 7,082,000港元)。

### 20. 應收貸款

借款人獲授之貸款須按照還款時間表償還。有關結餘包括源於下列各項之應收貸款:

Note	2017	2016
附註	二零一七年	二零一六年
	HK\$'000	HK\$'000
	千港元	千港元
	146,516	82,717
	(20,290)	(20,290)
(a)-(d)	126,226	62,427

附註:

- (a) 於報告期結束日，(1) 90,628,000港元(二零一六年: 62,427,000港元)之應收貸款為無抵押，按固定年利率介乎10厘至18厘(二零一六年: 介乎13厘至18厘)計息及並無逾期; (2) 3,617,000港元(二零一六年: 零港元)之應收貸款為有抵押，按固定利率5厘計息及並無逾期; (3) 31,981,000港元(二零一六年: 零港元)之應收貸款以公平值91,313,000港元之上市證券作抵押，按固定年利率15厘計息及並無逾期; 及(4)20,290,000港元(二零一六年: 20,290,000港元)之應收貸款已逾期並悉數減值。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 20. LOAN RECEIVABLES (Continued)

Notes: (Continued)

- (b) The directors of the Company assessed the collectability of loan receivables at the end of the reporting period individually with reference to borrowers' past collection history and current creditworthiness. Based on the assessment with reference to the amount recovered from the borrowers up to the date of the authorisation of these consolidated financial statements, there was no indication of deterioration in the collectability of the remaining amount of HK\$126,226,000 (2016: HK\$62,427,000) and thus no additional allowance was considered necessary.
- (c) The ageing analysis of loan receivables that are neither individually nor collectively considered to be impaired is as follows:

Neither past due nor impaired 並無逾期或減值

Receivables that were neither past due nor impaired relate to nine borrowers (2016: two borrowers) for whom there was no recent history of default and there had not been significant change in credit quality. These loans are repayable within 10 (2016: 11) months.

- (d) The loan receivables of HK\$122,609,000 (2016: HK\$62,427,000) and HK\$3,617,000 (2016: HK\$Nil) were denominated in HK\$ and RMB respectively.

### 20. 應收貸款 (續)

附註：(續)

- (b) 本公司董事於報告期結束日參照借款人過往之還款紀錄及現時之信用程度，個別評估能否收回應收貸款。根據參照截至本綜合財務報表獲授權日期已從借款人收回之金額作出之評估，並無跡象顯示收回餘額126,226,000港元（二零一六年：62,427,000港元）方面出現問題，故無須作出額外備抵。

- (c) 並無個別或集體被視為已減值之應收貸款之帳齡分析如下：

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
126,226	62,427

並無逾期或減值之應收款項涉及近期並無違約紀錄，且信貸質素並無重大變動之九名（二零一六年：兩名）借款人。該等貸款須於10（二零一六年：11）個月償還。

- (d) 122,609,000港元（二零一六年：62,427,000港元）及3,617,000港元（二零一六年：零港元）之應收貸款分別以港元及人民幣計值。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 21. TRADE AND OTHER RECEIVABLES

### 21. 貿易及其他應收款項

		Note	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
		附註		
<b>Trade receivables</b>	<b>貿易應收款項</b>			
Trade receivables	貿易應收款項		<b>613,335</b>	319,947
Allowance for doubtful debts	呆帳備抵	(b)	<b>(2,188)</b>	(780)
		(a) & (c)	<b>611,147</b>	319,167
<b>Notes receivables</b>	<b>應收票據</b>	(d)	<b>2,720</b>	7,120
<b>Other receivables</b>	<b>其他應收款項</b>			
Prepayments to suppliers	向供應商預付之款項	(e)	<b>159,189</b>	16,641
Prepayments	預付款項		<b>5,724</b>	40,077
Deposits and other debtors	按金及其他應收帳款		<b>105,388</b>	57,728
			<b>270,301</b>	114,446
			<b>884,168</b>	440,733

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 21. TRADE AND OTHER RECEIVABLES (Continued)

Notes:

- (a) The ageing analysis of trade receivables, net of allowance for doubtful debts, based on the invoice date, is as follows:

Within 90 days	90天內
91 – 180 days	91至180天
181 – 365 days	181至365天
Over 365 days	365天以上

The Group allows a credit period of 30 – 90 (2016: 30 – 90) days to its customers.

- (b) Allowance for doubtful debts on trade receivables is recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade receivables directly.

The movements of allowance for doubtful debts are analysed as follows:

Allowance for doubtful debts	呆帳備抵
At beginning of reporting period	於報告期初
Increase in allowance	備抵增加
Exchange realignments	匯兌調整
At the end of the reporting period	於報告期結束日

### 21. 貿易及其他應收款項 (續)

附註：

- (a) 貿易應收款項 (扣除呆帳備抵) 按發票日期之帳齡分析如下：

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
435,504	242,019
33,261	10,425
59,390	36,008
82,992	30,715
<b>611,147</b>	<b>319,167</b>

本集團給予其客戶30至90(二零一六年: 30至90)天之信貸期。

- (b) 貿易應收款項呆帳備抵以備抵帳記錄，除非本集團認為收回有關款項之機會甚微，在此情況下，減值虧損將直接從貿易應收款項撤銷。

呆帳備抵之變動分析如下：

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
780	20
1,337	797
71	(37)
<b>2,188</b>	<b>780</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 21. TRADE AND OTHER RECEIVABLES (Continued)

Notes: (Continued)

- (c) The ageing analysis of trade receivables which are past due but not impaired is as follows:

Neither past due nor impaired	並無逾期或減值
Within 90 days	90天內
91 – 180 days	91至180天
181 – 365 days	181至365天
Over 365 days	365天以上
Past due but not impaired	已逾期但未減值

Included in the Group's trade receivables balance are debtors with carrying amounts of HK\$173,427,000 as at 31 December 2017 (2016: HK\$94,275,000) which are past due at the end of the reporting period but which the Group has not impaired as there have not been any significant changes in credit quality and the directors of the Company believe that the amounts are fully recoverable. The directors of the Company have reviewed the subsequent settlement status and repayment history of these customers and no further allowance for doubtful debt is considered necessary. The Group does not hold any collateral over these balances.

Receivables that were neither past due nor impaired related to a wide range of customers for whom there was no history of default.

### 21. 貿易及其他應收款項 (續)

附註：(續)

- (c) 已逾期但未減值之貿易應收款項之帳齡分析如下：

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>437,720</b>	224,892
<b>44,891</b>	25,171
<b>36,377</b>	27,051
<b>52,054</b>	20,728
<b>40,105</b>	21,325
<b>173,427</b>	94,275
<b>611,147</b>	319,167

本集團之貿易應收款項結餘包括於二零一七年十二月三十一日帳面金額為173,427,000港元(二零一六年：94,275,000港元)之應收帳款，於報告期結束日已逾期惟本集團仍未作出減值，原因為信貸質素並無任何重大變動而本公司董事相信該等款項可全數收回。本公司董事已審閱其後結算狀況及該等客戶之還款紀錄，認為無須進一步就呆帳作出備抵。本集團並無就該等結餘持有任何抵押品。

既無逾期亦無減值之應收款項與並無任何違約紀錄而層面廣泛之客戶有關。

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## 綜合財務報表附註

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

### 21. TRADE AND OTHER RECEIVABLES (Continued)

Notes: (Continued)

- (d) Notes receivables were not past due as at the end of the reporting period and will mature within 30 to 180 days (2016: 30 to 180 days).
- (e) These prepayments to suppliers are unsecured, interest free and will be used to offset against future purchases from suppliers.

### 22. PLEDGED BANK DEPOSITS

At the end of the reporting period, the Group pledged bank deposits amounting to HK\$6,030,000 (2016: HK\$2,954,000) to banks to secure trade finance facilities and banking facilities granted to subsidiaries. Deposits amounting to HK\$4,820,000 (2016: HK\$2,594,000) have a maturity period within one year and are therefore classified as current assets. Deposits amounting to HK\$1,210,000 (2016: HK\$360,000) have a maturity period more than one year and are therefore classified as non-current assets. The pledged bank deposits carry fixed interest rate at 0.35% (2016: 0.35%) per annum as at 31 December 2017. The pledged bank deposits will be released upon the settlement of relevant trade finance facilities and banking facilities.

### 23. BANK BALANCES AND CASH

At the end of the reporting period, the bank balances of the Group denominated in RMB amounted to HK\$623,353,000 (2016: HK\$206,077,000). RMB is not freely convertible into other currencies. The government of the PRC has implemented foreign exchange control and the remittance of these funds out of the PRC is subject to exchange restrictions imposed by the government of the PRC.

### 21. 貿易及其他應收款項 (續)

附註：(續)

- (d) 應收票據於報告期結束日並未逾期，將於30至180天(二零一六年：30至180天)內到期。
- (e) 該等預付供應商之款項為無抵押、免息及將用於抵銷未來向供應商購貨之金額。

### 22. 已質押銀行存款

於報告期結束日，本集團向多家銀行質押銀行存款6,030,000港元(二零一六年：2,954,000港元)，作為授予附屬公司之貿易融資信貸及銀行融資之抵押。4,820,000港元(二零一六年：2,594,000港元)之存款之期限為一年內，因此分類為流動資產。1,210,000港元(二零一六年：360,000港元)之存款之期限為一年以上，因此分類為非流動資產。於二零一七年十二月三十一日，已質押銀行存款按固定年利率0.35厘(二零一六年：0.35厘)計息。已質押銀行存款將於相關貿易融資信貸及銀行融資結清後獲解除。

### 23. 銀行結存及現金

於報告期結束日，本集團以人民幣計值之銀行結存為623,353,000港元(二零一六年：206,077,000港元)。人民幣不可自由兌換為其他貨幣。中國政府已實施外匯管制，而將該等資金匯出中國須受限於中國政府施加之匯兌限制。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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### 24. TRADE AND OTHER PAYABLES

### 24. 貿易及其他應付款項

		Note 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>Trade payables</b>	<b>貿易應付款項</b>	(a)	<b>209,963</b>	149,461
<b>Bill payables</b>	<b>應付票據</b>		–	725
<b>Other payables</b>	<b>其他應付款項</b>			
Accrued charges	應計費用		109,546	76,007
Amount due to a non-controlling shareholder	應付一名非控股股東款項		6,004	–
Interest payables	應付利息		26,392	32,463
Other creditors	其他應付帳款		29,141	12,669
Trade deposits received	已收貿易按金		34,213	41,803
			<b>205,296</b>	162,942
			<b>415,259</b>	313,128

Notes:

- (a) The credit period of trade payables is normally within 90 (2016: 90) days. The ageing analysis of the trade payables, based on the invoice date, is as follows:

附註：

- (a) 貿易應付款項之信貸期一般為90(二零一六年：90)天內。貿易應付款項按發票日期之帳齡分析如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within 90 days	90天內	199,469	141,743
91 – 180 days	91至180天	3,047	5,590
181 – 365 days	181至365天	1,999	27
Over 365 days	365天以上	5,448	2,101
		<b>209,963</b>	149,461

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## 綜合財務報表附註

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### 25. INTEREST-BEARING BORROWINGS

### 25. 計息借貸

	Note 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Bank borrowings, unsecured and guaranteed	(a)	5,103	5,359
Bank borrowings, secured and unguaranteed	(b)	11,707	—
Bank borrowings, secured and guaranteed	(c)	27,616	—
Margin loan, secured and unguaranteed	(d)	425,079	36,041
Loan from a third party, unsecured and unguaranteed	(e)	5,000	—
Loan from a financial institution, secured and guaranteed	(f)	250,000	—
Obligations under finance leases	(g)	433	582
		<b>724,938</b>	<b>41,982</b>
The maturity of the interest-bearing borrowings are as follows:	計息借貸之到期情況如下：		
Within 1 year	一年內	724,659	41,549
2 to 5 years	二至五年	279	433
		<b>724,938</b>	<b>41,982</b>
Portion classified as current liabilities	分類為流動負債之部分	<b>(724,659)</b>	<b>(41,549)</b>
Non-current portion	非流動部分	<b>279</b>	<b>433</b>



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## 綜合財務報表附註

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

### 25. INTEREST-BEARING BORROWINGS (Continued)

### 25. 計息借貸 (續)

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Analysis of the amount due based on scheduled payment dates set out in the loan agreements (ignoring the effect of any repayment on demand clause) is as follows:	基於貸款協議所載預訂付款日之到期款項分析 (撇除任何按要求償還條款之影響) 如下:		
Within 1 year	一年內	474,659	41,549
2 to 5 years	二至五年	250,279	433
		<b>724,938</b>	<b>41,982</b>

Notes:

- (a) Bank borrowings, unsecured and guaranteed  
The bank borrowings were denominated in RMB (2016: RMB) and carried interest at the prevailing interest rate of loan prime rate plus 135.50 basis points (2016: prevailing interest rate of the People's Bank of China with 25% mark-up) per annum. The bank borrowings as at 31 December 2017 were guaranteed by a director of a subsidiary and non-controlling shareholders of a subsidiary (2016: guaranteed by a director of a subsidiary and non-controlling shareholders of a subsidiary). The bank borrowings are wholly repayable within one year.
- (b) Bank borrowings, secured and unguaranteed  
The bank borrowings were denominated in RMB and carried interest (i) at the loan prime rate plus 1.4% per annum; or (ii) at fixed rate of 5.655%. The bank borrowings of HK\$5,007,000 were secured by the Group's property, plant and equipment (note 11) and remaining bank borrowings of HK\$6,700,000 was secured by certain trade receivables. The bank borrowings are wholly repayable within one year.

附註:

- (a) 銀行借貸，無抵押及有擔保  
該等銀行借貸以人民幣 (二零一六年：人民幣) 計值，按現行最優惠貸款年利率加135.50個基點 (二零一六年：中國人民銀行現行年利率加25%加成) 計息。於二零一七年十二月三十一日，該等銀行借貸由一間附屬公司之董事及一間附屬公司之非控股股東 (二零一六年：一間附屬公司之董事及一間附屬公司之非控股股東) 擔保。該等銀行借貸須於一年內悉數償還。
- (b) 銀行借貸，有抵押及無擔保  
該等銀行借貸以人民幣計值，按(i)最優惠貸款年利率加1.4厘；或(ii)固定利率5.655厘計息。5,007,000港元之銀行借貸以本集團之物業、廠房及設備 (附註11) 作抵押；餘下6,700,000港元之銀行借貸以若干貿易應收款項作抵押。該等銀行借貸須於一年內悉數償還。

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## 綜合財務報表附註

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

### 25. INTEREST-BEARING BORROWINGS (Continued)

Notes: (Continued)

- (c) Bank borrowings, secured and guaranteed  
The bank borrowings were denominated in RMB and carried interest (i) at the prevailing interest rate of loan prime rate plus 170.30 basis points; (ii) at fixed rate of 5.655%; or (iii) at the loan prime rate plus 1.52% per annum. The bank borrowings of HK\$6,003,000 were secured by certain trade receivables and guaranteed by the Company, non-controlling shareholders and directors of a subsidiary; and the remaining bank borrowings of HK\$21,613,000 were secured by pledged bank deposits and guaranteed by a director of a subsidiary. The bank borrowings are wholly repayable within one year.
- (d) Margin loan, secured and unguaranteed  
The margin loans were secured by certain listed equity securities held under the securities margin account, with a total market value of approximately HK\$1,561,083,000 as at 31 December 2017 (2016: HK\$72,000,000). It carried interest rates ranging from 3% to 8.25% (2016: 6%) per annum and are repayable on demand.
- (e) Loan from a third party, unsecured and unguaranteed  
The loan due to an independent third party is unsecured, carried interest rate of 9% per annum and is repayable within one year.
- (f) Loan from a financial institution, secured and guaranteed  
The loan due to a financial institution is secured by 203,854,292 Enterprise Development's shares, guaranteed by the controlling shareholder of the Company, carried interest rate at The Bank of China (Hong Kong) Limited's ("BOCHK's") HK\$ prime rate plus 2% per annum. The loans are due in July 2019 pursuant to the loan agreements. The loan agreements contains clauses which give the lender the right at its sole discretion to demand immediate repayment at any time irrespective of whether the Company has complied with the covenants and met the scheduled repayment obligations, and therefore the loan was classified as current liabilities even though the directors of the Company do not expect that the lender would exercise their rights to demand repayment.

### 25. 計息借貸 (續)

附註：(續)

- (c) 銀行借貸，有抵押及有擔保  
該等銀行借貸以人民幣計值，按(i)現行最優惠貸款利率加170.30個基點；(ii)固定利率5.655厘；或(iii)最優惠貸款年利率加1.52厘計息。6,003,000港元之銀行借貸以若干貿易應收款項作抵押，由本公司、一間附屬公司之非控股股東及董事擔保；餘下21,613,000港元之銀行借貸以已質押銀行存款作抵押，由一間附屬公司之董事擔保。該等銀行借貸須於一年內悉數償還。
- (d) 孖展貸款，有抵押及無擔保  
該等孖展貸款以於證券孖展帳戶持有之若干上市股本證券作抵押，於二零一七年十二月三十一日之總市值約為1,561,083,000港元（二零一六年：72,000,000港元），按年利率介乎3厘至8.25厘（二零一六年：6厘）計息，並須按要求償還。
- (e) 來自一名第三方之貸款，無抵押及無擔保  
該筆應付一名獨立第三方之貸款為無抵押，按年利率9厘計息，並須於一年內償還。
- (f) 來自一間財務機構之貸款，有抵押及有擔保  
該筆應付一間財務機構之貸款以203,854,292股企展股份作抵押，由本公司之控股股東擔保，按中國銀行（香港）有限公司（「中銀香港」）港元最優惠利率加年利率2厘計息。根據貸款協議，該等貸款於二零一九年七月到期。貸款協議載有條款，給予貸款人權利隨時按其全權酌情要求即時還款，而不論本公司是否已遵守契諾及履行預訂還款責任。因此，即使本公司董事預期貸款人不會行使權利要求還款，該筆貸款已分類為流動負債。

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## 綜合財務報表附註

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

### 25. INTEREST-BEARING BORROWINGS (Continued)

Notes: (Continued)

(g) Obligations under finance leases

### 25. 計息借貸 (續)

附註：(續)

(g) 融資租賃債務

		Minimum lease payments 最低租賃付款		Present value of minimum lease payments 最低租賃付款現值	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Amount payable	應付款項				
Within one year	一年內	164	164	154	145
In the second to fifth years inclusive	第二至第五年 (包括首尾兩年)	286	449	279	437
		450	613	433	582
Future finance charges	未來融資費用	(17)	(31)		
Present value of lease obligations	租賃債務現值	433	582		
Amount due for settlement within 12 months	於12個月內到期清償之金額			154	149
Amount due for settlement after 12 months	於12個月後到期清償之金額			279	433
				433	582

The obligations under finance leases are interest-bearing at 1.45% (2016: 1.45%) per annum and are repayable in monthly instalments with the final instalment due in April 2020.

融資租賃債務按年利率1.45厘(二零一六年：1.45厘)計息，須每月分期攤還，最後一期還款於二零二零年四月到期。

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## 綜合財務報表附註

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

### 26. DEFERRED TAXATION

The following is the analysis of major deferred taxation assets (liabilities) recognised by the Group and movements thereon:

### 26. 遞延稅項

以下為本集團所確認主要遞延稅項資產（負債）及其變動之分析：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Deferred tax assets	遞延稅項資產	1,009	549
Deferred tax liabilities	遞延稅項負債	<b>(26,528)</b>	<b>(30,518)</b>
		<b>(25,519)</b>	<b>(29,969)</b>

		Allowance for trade and other receivables 貿易及 其他應收 款項備抵 HK\$'000 千港元	Fair value adjustments 公平值 調整 HK\$'000 千港元	Others 其他 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	317	(2,867)	-	(2,550)
Additions – acquisition of subsidiaries	添置－收購附屬公司	-	(31,916)	-	(31,916)
Credited to profit or loss	計入損益帳	264	4,265	-	4,529
Exchange realignments	匯兌調整	(32)	-	-	(32)
<b>At 31 December 2016 and 1 January 2017</b>	<b>於二零一六年十二月三十一日及二零一七年一月一日</b>	<b>549</b>	<b>(30,518)</b>	<b>-</b>	<b>(29,969)</b>
Additions – acquisition of subsidiaries (note 35)	添置－收購附屬公司（附註35）	-	(2,865)	377	(2,488)
Credited to profit or loss (note 8)	計入損益帳（附註8）	6	6,855	-	6,861
Exchange realignments	匯兌調整	41	-	36	77
<b>At 31 December 2017</b>	<b>於二零一七年十二月三十一日</b>	<b>596</b>	<b>(26,528)</b>	<b>413</b>	<b>(25,519)</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 26. DEFERRED TAXATION (Continued)

At the end of the reporting period, the Group had unrecognised tax losses of approximately HK\$555,725,000 (2016: HK\$629,084,000) available for offsetting against future profits. No deferred tax asset has been recognised in respect of such tax losses due to the unpredictability of future profit streams. The tax losses do not expire under the current tax legislation.

The accumulated profits of the PRC subsidiaries would be subject to additional tax if they are distributed. The estimated deferred tax liabilities of HK\$28,873,000 (2016: HK\$12,548,000) have not been recognised in respect of the tax that would be payable on the distribution of the accumulated profits as the Company controls the dividend policy of these subsidiaries and in the opinion of the directors of the Company, these accumulated profits, at the present time, are retained for financing the continuing operations of the entities and no distribution would be made in the foreseeable future.

### 26. 遞延稅項 (續)

於報告期結束日，本集團有未確認稅項虧損約555,725,000港元(二零一六年：629,084,000港元)，可供抵銷未來溢利。由於未能預測未來溢利來源，故並無就該等稅項虧損確認遞延稅項資產。根據現行稅法，稅項虧損不會到期。

分派中國附屬公司之累計溢利將須繳納額外稅項。由於本公司控制該等附屬公司之股息政策，且本公司董事認為該等累計溢利目前保留作實體持續經營資金，不會於可見將來分派，故並無就分派該等累計溢利時應付之稅項確認估計遞延稅項負債28,873,000港元(二零一六年：12,548,000港元)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 27. PROMISSORY NOTES

### 27. 承兌票據

		Debt component 債務部分 HK\$'000 千港元	Deferred day-one gain 遞延首日收益 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	489,450	41,887	531,337
Fair value of promissory notes issued at the inception date	已發行承兌票據於初始日期之公平值	182,712	-	182,712
Fair value of promissory notes issued at the date of acquisition of subsidiaries	已發行承兌票據於收購附屬公司日期之公平值	317,425	-	317,425
Day-one gain of newly issued promissory notes at inception not recognised in profit or loss	新發行承兌票據於初始時未於損益帳確認之首日收益	-	17,288	17,288
Interest charged for the year	年內利息支出	71,339	-	71,339
Interest payable on promissory notes included in other payables	計入其他應付款項之承兌票據應付利息	(43,263)	-	(43,263)
Amortisation of deferred day-one gain	遞延首日收益攤銷	-	(23,035)	(23,035)
Settlement	結算	(52,870)	(2,884)	(55,754)
<b>At 31 December 2016 and 1 January 2017</b>	<b>於二零一六年十二月三十一日及二零一七年一月一日</b>	<b>964,793</b>	<b>33,256</b>	<b>998,049</b>
Fair value of promissory notes issued at the inception date	已發行承兌票據於初始日期之公平值	452,791	-	452,791
Day-one gain of newly issued promissory notes at inception not recognised in profit or loss	新發行承兌票據於初始時未於損益帳確認之首日收益	-	11,709	11,709
Interest charged for the year (note 5(a))	年內利息支出(附註5(a))	76,462	-	76,462
Interest payable on promissory notes included in other payables	計入其他應付款項之承兌票據應付利息	(39,617)	-	(39,617)
Amortisation of deferred day-one gain (note 3(b))	遞延首日收益攤銷(附註3(b))	-	(20,479)	(20,479)
Set-off with contingent consideration receivables (note 17)	抵銷應收或然代價(附註17)	(173,851)	-	(173,851)
Settlement	結算	(565,240)	-	(565,240)
<b>At 31 December 2017</b>	<b>於二零一七年十二月三十一日</b>	<b>715,338</b>	<b>24,486</b>	<b>739,824</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 27. PROMISSORY NOTES (Continued)

### 27. 承兌票據 (續)

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
The analysis of maturities of the promissory notes is as follows:	承兌票據之到期情況分析如下：		
Within 1 year	一年內	199,881	563,846
2 to 5 years	二至五年	534,943	434,203
Over 5 years	五年以上	5,000	—
		<b>739,824</b>	998,049
Portion classified as current liabilities	分類為流動負債之部分	<b>(199,881)</b>	(563,846)
Non-current portion	非流動部分	<b>539,943</b>	434,203

#### Promissory Notes A and Promissory Notes B

In prior years, the Group issued several promissory notes ("Promissory Notes A" and "Promissory Notes B") of HK\$80,000,000 and HK\$400,000,000, at 5% interest rate per annum with 7 years of maturity and at 6% interest rate per annum with 2 years of maturity from the date of issue respectively, to several independent third parties.

During the year ended 31 December 2017, interest expenses on Promissory Notes A and Promissory Notes B of HK\$8,900,000 and HK\$18,221,000 (2016: HK\$8,237,000 and HK\$32,139,000); and amortisation of deferred day-one gain on Promissory Notes A and Promissory Notes B of HK\$5,049,000 and HK\$4,804,000 (2016: HK\$5,049,000 and HK\$8,062,000) were recognised in profit or loss respectively.

The Promissory Notes B of HK\$400,000,000 matured and was fully settled during the year.

#### 承兌票據A及承兌票據B

於過往年度，本集團發行分別80,000,000港元及400,000,000港元之多份承兌票據（「承兌票據A」及「承兌票據B」）予數名獨立第三方，承兌票據A按年利率5厘發行，於由發行日期起計滿七年時到期，而承兌票據B按年利率6厘發行，於由發行日期起計滿兩年時到期。

於截至二零一七年十二月三十一日止年度，承兌票據A及承兌票據B之利息開支分別8,900,000港元及18,221,000港元（二零一六年：8,237,000港元及32,139,000港元）以及遞延首日收益攤銷分別5,049,000港元及4,804,000港元（二零一六年：5,049,000港元及8,062,000港元）已於損益帳確認。

400,000,000港元之承兌票據B已於年內到期並悉數結算。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 27. PROMISSORY NOTES (Continued)

#### Promissory Notes C

In January 2016, the Group issued promissory notes of HK\$200,000,000 in aggregate at 4% interest rate per annum with 2 years of maturity from the date of issue to a financial institution in Hong Kong ("Promissory Notes C"). Promissory Notes C is guaranteed by the controlling shareholder of the Company and secured by the charges over the entire issued share capital in certain subsidiaries of the Company.

During the year ended 31 December 2017, interest expenses on Promissory Notes C of HK\$16,978,000 (2016: HK\$15,806,000); and amortisation of deferred day-one gain on Promissory Notes C of HK\$8,644,000 (2016: HK\$8,478,000) were recognised in profit or loss.

As Promissory Notes C will mature in March 2018, it is therefore classified as current.

#### Promissory Notes D and Promissory Notes E

In connection with the acquisition of 51% equity interests in Next Concept Group in April 2016, the Group issued two promissory notes ("Promissory Notes D" and "Promissory Notes E") of HK\$165,240,000 each to the Selling Shareholder A as part of the acquisition consideration. Promissory Notes D and Promissory Notes E were issued at interest rate per annum of 3% and will mature on 30 April 2017 and 30 April 2018 respectively.

During the year ended 31 December 2017, interest expenses on Promissory Notes D and Promissory Notes E of HK\$6,998,000 and HK\$11,213,000 (2016: HK\$6,056,000 and HK\$6,901,000) were recognised in profit or loss respectively.

### 27. 承兌票據 (續)

#### 承兌票據C

於二零一六年一月，本集團按年利率4厘發行合共200,000,000港元之承兌票據（「承兌票據C」）予香港一間財務機構，於由發行日期起計滿兩年時到期。承兌票據C由本公司控股股東提供擔保，並以本公司若干附屬公司全部已發行股本之押記作抵押。

於截至二零一七年十二月三十一日止年度，承兌票據C之利息開支16,978,000港元（二零一六年：15,806,000港元）及遞延首日收益攤銷8,644,000港元（二零一六年：8,478,000港元）已於損益帳確認。

由於承兌票據C將於二零一八年三月到期，故分類為流動。

#### 承兌票據D及承兌票據E

就於二零一六年四月收購進念集團51%股本權益而言，本集團按年利率3厘發行各165,240,000港元之兩份承兌票據（「承兌票據D」及「承兌票據E」）予售股股東A，分別將於二零一七年四月三十日及二零一八年四月三十日到期，作為部分收購代價。

於截至二零一七年十二月三十一日止年度，承兌票據D及承兌票據E之利息開支分別6,998,000港元及11,213,000港元（二零一六年：6,056,000港元及6,901,000港元）已於損益帳確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 27. PROMISSORY NOTES (Continued)

#### Promissory Notes D and Promissory Notes E (Continued)

The Promissory Notes D of HK\$165,240,000 matured and was fully settled during the year.

At the end of the reporting period, the directors of the Company considered that it was virtually certain that the Next Concept Group Profit Guarantee would not be achieved based on the latest information available. As a result, compensation of approximately HK\$187,209,000 would be deducted by way of setting off the Promissory Notes E and therefore the debt component of HK\$173,851,000 was de-recognised. Details are disclosed in notes 17 and 37(d) to these consolidated financial statements.

#### Promissory Notes F, Promissory Notes G, Promissory Notes H and Promissory Notes I

During the year ended 31 December 2017, the Group issued several promissory notes ("Promissory Notes F", "Promissory Notes G", "Promissory Notes H" and "Promissory Notes I") of HK\$8,000,000, HK\$1,500,000, HK\$5,000,000 and HK\$450,000,000, at 6% interest rate per annum with 4 years of maturity, at 6% interest rate per annum with 5 years of maturity, at 6% interest rate per annum with 7 years of maturity and at 6% interest rate per annum with 2 years of maturity from the date of issue respectively, to several independent third parties.

### 27. 承兌票據 (續)

#### 承兌票據D及承兌票據E (續)

165,240,000港元之承兌票據D已於年內到期並悉數結算。

於報告期結束日，本公司董事認為基於最新可得資料，進念集團溢利保證幾可肯定無法達成。因此，約187,209,000港元之賠償將以抵銷承兌票據E之方式扣除，債務部分173,851,000港元因而終止確認。詳情於本綜合財務報表附註17及37(d)披露。

#### 承兌票據F、承兌票據G、承兌票據H及承兌票據I

於截至二零一七年十二月三十一日止年度，本集團分別按年利率6厘、6厘、6厘及6厘發行8,000,000港元、1,500,000港元、5,000,000港元及450,000,000港元之多份承兌票據（「承兌票據F」、「承兌票據G」、「承兌票據H」及「承兌票據I」）予多名獨立第三方，分別於由發行日期起計滿四年、滿五年、滿七年及滿兩年時到期。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 27. PROMISSORY NOTES (Continued)

#### Promissory Notes F, Promissory Notes G, Promissory Notes H and Promissory Notes I (Continued)

At the issue date, the fair value of Promissory Notes F, Promissory Notes G, Promissory Notes H and Promissory Notes I were HK\$8,000,000, HK\$1,500,000, HK\$5,000,000 and HK\$438,291,000 respectively on initial recognition and measured based on the present value of their expected future cash flows. In obtaining the present value, risk adjusted discount rates ranging from 6% to 8% per annum were applied as an input. The risk-adjusted discount rates of Promissory Notes F, Promissory Notes G, Promissory Notes H and Promissory Notes I were estimated by the directors of the Company with reference to a discount rate estimated by APAC based on the interest rate of notes issuers with similar credit rating of the Company. Subsequently, Promissory Notes F, Promissory Notes G, Promissory Notes H and Promissory Notes I were measured at amortised cost by using an effective interest method until extinguished on redemption. During the year ended 31 December 2017, interest expenses on Promissory Notes F, Promissory Notes G, Promissory Notes H and Promissory Notes I of HK\$412,000, HK\$48,000, HK\$50,000 and HK\$13,642,000 were recognised in profit or loss respectively.

As the valuation cannot be supported by observable market data, the day-one gains on newly issued Promissory Notes F of HK\$Nil, Promissory Notes G of HK\$Nil, Promissory Notes H of HK\$Nil and Promissory Notes I of HK\$11,709,000 at the date of inception is not recognised in profit or loss but are deferred. This deferred day-one gain will be recognised in profit or loss over the life of Promissory Notes I on a straight-line basis.

During the year ended 31 December 2017, amortisation of deferred day-one gain on Promissory Notes I of HK\$1,982,000 was recognised in profit or loss.

### 27. 承兌票據 (續)

#### 承兌票據F、承兌票據G、承兌票據H及承兌票據I (續)

於發行日期，承兌票據F、承兌票據G、承兌票據H及承兌票據I於初步確認時之公平值分別為8,000,000港元、1,500,000港元、5,000,000港元及438,291,000港元，乃按預期未來現金流量之現值計量。得出有關現值時已使用年率介乎6厘至8厘之風險調整貼現率作輸入項目。承兌票據F、承兌票據G、承兌票據H及承兌票據I之風險調整貼現率乃本公司董事經參照亞太按信貸評級與本公司相若之票據發行人之利率估算之貼現率估算。其後，承兌票據F、承兌票據G、承兌票據H及承兌票據I採用實際利率法按攤銷成本計量，直至於贖回時被消除為止。於截至二零一七年十二月三十一日止年度，承兌票據F、承兌票據G、承兌票據H及承兌票據I之利息開支分別412,000港元、48,000港元、50,000港元及13,642,000港元已於損益帳確認。

由於估值無法以可觀察市場數據支持，故於初始日期之新發行承兌票據F、承兌票據G、承兌票據H及承兌票據I首日收益零港元、零港元、零港元及11,709,000港元並無於損益帳確認，惟作遞延處理。此遞延首日收益將於承兌票據I年內以直線法在損益帳確認。

於截至二零一七年十二月三十一日止年度，承兌票據I之遞延首日收益攤銷1,982,000港元已於損益帳確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 28. DEFINED CONTRIBUTION PLANS

The group companies in Hong Kong participate in the MPF scheme which is a defined contribution scheme managed by independent trustees. The assets of the fund are held separately from those of the group companies and are managed by independent professional fund managers. Under the MPF scheme, each of the companies (the employer) and its employees make monthly contributions to the MPF scheme at 5% of the employees' earnings as defined under the MPF legislation. The monthly contributions of each of the employees are subject to a cap of HK\$1,500 (2016: cap of HK\$1,500) and thereafter contributions are voluntary.

The employees of the Group's subsidiaries in the PRC are members of the state-managed retirement benefits scheme operated by the government of the PRC. These subsidiaries of the Group are required to contribute certain percentage of their payroll costs to the retirement benefits scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefits scheme is to make the specified contributions.

Contributions of approximately HK\$29,152,000 (2016: HK\$16,216,000) were made during the year ended 31 December 2017.

At 31 December 2017 and 2016, the Group had no material forfeited contribution available to reduce its contributions to the retirement benefits scheme in future years.

### 28. 界定供款計劃

本集團旗下在香港之公司已參加強積金計劃，該計劃乃由獨立受託人管理之界定供款計劃。該基金之資產與本集團各公司之資產分開持有，並由獨立專業基金經理管理。根據強積金計劃，各公司（僱主）及其僱員須根據強積金法例所界定，各自每月向強積金計劃作出相等於僱員收入5%之供款。每名僱員之每月供款上限為1,500港元（二零一六年：1,500港元），超出之供款純屬自願性質。

本集團中國附屬公司之僱員為中國政府所營辦國家管理退休福利計劃之成員。本集團之附屬公司須向退休福利計劃貢獻其工資成本之若干百分比，以作為福利資金。本集團關於退休福利計劃之唯一責任為作出指定供款。

本集團於截至二零一七年十二月三十一日止年度作出之供款約為29,152,000港元（二零一六年：16,216,000港元）。

於二零一七年及二零一六年十二月三十一日，本集團並無重大已沒收供款可供扣減未來年度之退休福利計劃供款。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 29. CONTINGENT CONSIDERATION PAYABLES

### 29. 應付或然代價

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At beginning of reporting period	於報告期初	15,540	–
Acquisition of subsidiaries	收購附屬公司	–	15,916
Fair value change	公平值變動	–	743
Exchange realignments	匯兌調整	1,173	(1,119)
<b>At the end of the reporting period</b>	<b>於報告期結束日</b>	<b>16,713</b>	<b>15,540</b>

At 31 December 2017, the fair value of the contingent consideration payables is determined by APAC by applying income approach on the estimated profit from Lepei for the year ending 31 December 2018 (2016: years ending 31 December 2018 and 2017) and the probability of occurrence of each expected earning scenario. During the year ended 31 December 2017, no fair value change on contingent consideration payables (2016: fair value loss of HK\$743,000) was recognised in profit or loss. Details of profit guarantee in relation to Lepei are set out in note 37(e) to these consolidated financial statements.

於二零一七年十二月三十一日應付或然代價之公平值由亞太釐定，當中已就樂佩截至二零一八年十二月三十一日止年度（二零一六年：截至二零一八年及二零一七年十二月三十一日止年度）之估計溢利及發生各個預期盈利情況之概率應用收入法。於截至二零一七年十二月三十一日止年度，應付或然代價公平值並無變動（二零一六年：743,000港元之公平值虧損）已於損益帳確認。樂佩溢利保證詳情載於綜合財務報表附註37(e)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 30. CONVERTIBLE BONDS

The movements of liability component at amortised costs of the convertible bonds is as follows:

### 30. 可換股債券

可換股債券按攤銷成本之負債部分變動如下：

		2016 Convertible Bonds 二零一六年 可換股債券 HK\$'000 千港元 (Note a) (附註a)	2017 Convertible Bonds 二零一七年 可換股債券 HK\$'000 千港元 (Note b) (附註b)	Total 總計 HK\$'000 千港元
Nominal value of convertible bonds issued	已發行可換股債券之面值	620,460	-	620,460
Issue costs apportioned to liability component	分配至負債部分之發行成本	(6,205)	-	(6,205)
Derivative component at the issue date	於發行日期之衍生工具部分	(1,072)	-	(1,072)
Equity component at the issue date	於發行日期之權益部分	(22,079)	-	(22,079)
Liability components at the issue date	於發行日期之負債部分	591,104	-	591,104
Interest charged for the year	年內利息支出	17,505	-	17,505
Interest payable on convertible bonds included in other payables	計入其他應付款項之可換股債券應付利息	(9,351)	-	(9,351)
Exchange realignments	匯兌調整	(108)	-	(108)
		8,046	-	8,046
<b>At 31 December 2016 and at 1 January 2017</b>	<b>於二零一六年十二月三十一日及於二零一七年一月一日</b>	<b>599,150</b>	<b>-</b>	<b>599,150</b>
Nominal value of convertible bonds issued	已發行可換股債券之面值	-	14,000	14,000
Equity component at the issue date	於發行日期之權益部分	-	(933)	(933)
Liability components at the issue date	於發行日期之負債部分	-	13,067	13,067
Interest charged for the year (note 5(a))	年內利息支出(附註5(a))	65,903	554	66,457
Interest payable on convertible bonds included in other payables	計入其他應付款項之可換股債券應付利息	(34,286)	-	(34,286)
Exchange realignments	匯兌調整	4,774	-	4,774
		36,391	554	36,945
<b>At 31 December 2017</b>	<b>於二零一七年十二月三十一日</b>	<b>635,541</b>	<b>13,621</b>	<b>649,162</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 30. CONVERTIBLE BONDS (Continued)

### 30. 可換股債券 (續)

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
The maturity of the convertible bonds is as follows:	可換股債券之到期情況如下：		
Within 1 year	一年內	13,621	–
2 to 5 years	二至五年	635,541	599,150
		<b>649,162</b>	599,150
Portion classified as current liabilities	分類為流動負債之部分	<b>(13,621)</b>	–
Non-current portion	非流動部分	<b>635,541</b>	599,150

Notes:

- (a) On 9 September 2016, the Company, as issuer, entered into a placing agreement with a lead manager, pursuant to which the Company conditionally agreed to issue, and the lead manager conditionally agreed to procure (a) the first round investors to subscribe for the initial convertible bonds in the principal amount of US\$80,000,000 (the "2016 Convertible Bonds I"); and (b) the second round investors to subscribe for, the additional convertible bonds in the principal amount of US\$30,000,000 (the "2016 Convertible Bonds II"), at the initial conversion price of HK\$0.586 per share (collectively referred to the "2016 Convertible Bonds") based on the agreed exchange rate of US\$1 = HK\$7.755.

On 23 September 2016, the Company issued 2016 Convertible Bonds I of US\$80,000,000 to two investors which is convertible into 1,058,703,070 conversion shares at maximum. The 2016 Convertible Bonds I are secured, interest-bearing at 5.5% per annum and have a term of 3 years.

附註：

- (a) 於二零一六年九月九日，本公司（作為發行人）與牽頭經辦人訂立一份配售協議，據此，本公司有條件同意發行，而牽頭經辦人則有條件同意促使(a)首輪投資者認購首批可換股債券，本金額為80,000,000美元（「二零一六年可換股債券I」）；及(b)第二輪投資者認購額外可換股債券，本金額為30,000,000美元（「二零一六年可換股債券II」），初步轉換價為每股0.586港元（統稱「二零一六年可換股債券」），按協定匯率1美元兌7.755港元計算。

於二零一六年九月二十三日，本公司向兩名投資者發行80,000,000美元之二零一六年可換股債券I（最多可轉換為1,058,703,070股轉換股份）。二零一六年可換股債券I為有抵押、按年利率5.5厘計息及年期為三年。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 30. CONVERTIBLE BONDS (Continued)

Notes: (Continued)

(a) (Continued)

Net proceeds of approximately US\$79,210,000 (equivalent to approximately HK\$614,260,000) was used which (i) approximately HK\$16,750,000 was used in the development and expansion of its business of and relating to the provision of IoT solutions and services; (ii) approximately HK\$222,000,000 was used in investing business; (iii) approximately HK\$320,500,000 was used for repayment of loans and interests payments; (iv) approximately HK\$45,110,000 was used for the money lending business and related expenses; (v) approximately HK\$4,800,000 was used for salaries and related expenses; (vi) approximately HK\$2,600,000 was used for rental expenses, building management fee and administrative expenses; and (vii) approximately HK\$2,500,000 was used for the legal and professional fees and management fees.

- (b) In August 2015, the Group completed the acquisition of 51% equity interests in CNEOP. As part and parcel of the acquisitions, the Group and a selling shareholder of CNEOP (the "Selling Shareholder B") entered into a profit guarantee agreement, pursuant to which the Company shall issue and allot the convertible bonds in the principal amounts up to the value of HK\$29,060,000 and pay up to HK\$8,290,000 in cash to the Selling Shareholder B subject to the satisfaction of the profit indicator.

On 25 May 2017, the Company issued convertible bonds in the principal amount of HK\$14,000,000 (the "2017 Convertible Bonds"), at the adjusted conversion price of HK\$0.42 per share which is convertible into 33,333,333 conversion shares at maximum, to the Selling Shareholder B upon the satisfaction of the profit indicator for the years ended 31 December 2015 and 2016. The 2017 Convertible Bonds are unsecured, interest free and have a term of 1 year.

The Company shall have the right at any time after the issue of the 2017 Convertible Bonds to redeem the whole of the outstanding amount. The fair value of derivative component is immaterial with reference to valuation carried out by APAC.

The fair value of the liability component of the 2017 Convertible Bonds was estimated by the directors of the Company with reference to valuation carried out by APAC. Subsequent to the initial recognition, the liability component is carried at amortised costs using the effective interest method.

As 2017 Convertible Bonds will mature in May 2018, they are therefore classified as current liabilities.

### 30. 可換股債券 (續)

附註: (續)

(a) (續)

已收所得款項淨額約79,210,000美元(相等於約614,260,000港元)中(i)約16,750,000港元已用於發展及擴充提供物聯網解決方案及服務之業務;(ii)約222,000,000港元已用於投資業務;(iii)約320,500,000港元已用於償還貸款及利息付款;(iv)約45,110,000港元已用於貸款業務及相關開支;(v)約4,800,000港元已用作薪金及相關開支;(vi)約2,600,000港元已用作租金開支、樓宇管理費及行政開支;及(vii)約2,500,000港元已用作法律及專業費用以及管理費。

- (b) 於二零一五年八月,本集團完成收購中光遠51%股本權益。作為收購之一部分,本集團與中光遠之售股股東(「售股股東B」)訂立一份溢利保證協議,據此,在達成溢利指標之規限下,本公司將向售股股東B發行及配發本金額價值最高29,060,000港元之可換股債券及支付最多8,290,000港元現金。

在達成截至二零一五年及二零一六年十二月三十一日止年度之溢利指標後,於二零一七年五月二十五日,本公司按經調整轉換價每股0.42港元向售股股東B發行本金額為14,000,000港元之可換股債券(「二零一七年可換股債券」),最多可轉換為33,333,333股轉換股份。二零一七年可換股債券為無抵押及免息,年期為1年。

本公司有權於發行二零一七年可換股債券後隨時贖回全部未轉換金額。衍生工具部分之公平值乃參照亞太進行之估值得出,數額並不重大。

二零一七年可換股債券負債部分之公平值由本公司董事參照亞太進行之估值估算。於初步確認後,負債部分採用實際利率法按攤銷成本列帳。

由於二零一七年可換股債券將於二零一八年五月到期,故分類為流動負債。

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## 綜合財務報表附註

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

### 31. SHARE CAPITAL

### 31. 股本

		2017 二零一七年		2016 二零一六年	
		No. of shares 股份數目	HK\$'000 千港元	No. of shares 股份數目	HK\$'000 千港元
		'000 千股		'000 千股	
<b>Authorised:</b>	<b>法定：</b>				
At beginning of reporting period and at the end of the reporting period	於報告期初及於報告期結束日				
Ordinary shares of HK\$0.001 each	每股面值0.001港元之普通股	5,000,000,000	5,000,000	5,000,000,000	5,000,000
<b>Issued and fully paid:</b>	<b>已發行及繳足：</b>				
At beginning of reporting period	於報告期初				
Ordinary shares of HK\$0.001 each	每股面值0.001港元之普通股	10,148,390	10,148	8,136,390	8,136
Issue of new shares (note (a))	發行新股份 (附註(a))	1,000,000	1,000	-	-
Issue of new shares (note (b))	發行新股份 (附註(b))	-	-	500,000	500
Issue of new shares on acquisition of subsidiaries	收購附屬公司時發行新股份	-	-	1,512,000	1,512
<b>At the end of the reporting period</b>	<b>於報告期結束日</b>				
Ordinary shares of HK\$0.001 each	每股面值0.001港元之普通股	11,148,390	11,148	10,148,390	10,148

Note:

(a) On 11 July 2017, the Company allotted and issued an aggregate of 1,000,000,000 shares at a placing price of HK\$0.36 per share to an independent third party for cash. Net proceeds of HK\$351,009,000 received and (i) approximately HK\$300,000,000 was used in financial assets at fair value through profit or loss in investing business; (ii) approximately HK\$20,000,000 was used for money lending business; (iii) approximately HK\$25,700,000 was used for repayment of loans and interest payment; (iv) approximately HK\$2,900,000 was used for salaries and related expenses; and (v) approximately HK\$2,409,000 was used for rental expenses, building management fee and administrative expenses for the Group. The closing market price of the Company's shares as at the issue date was HK\$0.385 per share.

附註：

(a) 於二零一七年七月十一日，本公司以配售價每股0.36港元向一名獨立第三方配發及發行合共1,000,000,000股股份，以換取現金。已收所得款項淨額351,009,000港元中(i)約300,000,000港元已用於投資業務中之於損益帳按公平值處理之財務資產；(ii)約20,000,000港元已用於貸款業務；(iii)約25,700,000港元已用於償還貸款及利息付款；(iv)約2,900,000港元已用作薪金及相關開支；及(v)約2,409,000港元已用作本集團之租金開支、樓宇管理費及行政開支。本公司股份於發行日期之收市價為每股0.385港元。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 31. SHARE CAPITAL (Continued)

Note: (Continued)

- (b) On 4 February 2016, the Company allotted and issued an aggregate of 500,000,000 shares at a placing price of HK\$0.42 per share to an independent third party for cash. Net proceeds of HK\$204,650,000 received and (i) approximately HK\$121,020,000 was used for investment in securities; (ii) approximately HK\$17,400,000 was used for repayment of loans and interests payments; (iii) approximately HK\$3,400,000 was used for salaries and related expenses; (iv) approximately HK\$4,250,000 was used for rental expenses, building management fee and administrative expenses; (v) approximately HK\$50,000,000 was used for the principal amount for the money lending business and related expenses; and (vi) approximately HK\$8,580,000 was used for the legal and professional fees and management fees.

All new shares issued during the year rank pari passu in all respects with the existing shares.

### 32. SHARE OPTIONS

#### (a) Share option scheme

On 2 June 2017, with approval by the shareholders, the Company adopted a new share option scheme (the "Scheme") for a period of ten years to replace the share option scheme approved on 6 August 2007 that would otherwise expire on 6 August 2017 (the "Old Scheme").

Under the Scheme, the Company may grant options to directors and employees of the Group and any other persons who, in the sole discretion of the Board, have contributed or will contribute to the Group. The options will expire either after 10 years from the date of grant or upon the termination or the issuance of termination notice of the relevant grantee's employment with the Company. The maximum number of shares to be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option scheme of the Company must not in aggregate exceed 30% of the total number of shares in issue from time to time.

### 31. 股本 (續)

附註：(續)

- (b) 於二零一六年二月四日，本公司以配售價每股0.42港元向一名獨立第三方配發及發行合共500,000,000股股份，以換取現金。已收所得款項淨額204,650,000港元中(i)約121,020,000港元已用於投資證券；(ii)約17,400,000港元已用於償還貸款及利息付款；(iii)約3,400,000港元已用作薪金及相關開支；(iv)約4,250,000港元已用作租金開支、樓宇管理費及行政開支；(v)約50,000,000港元已用作貸款業務之本金及相關開支；及(iv)約8,580,000港元已用作法律及專業費用以及管理費。

年內發行之所有新股份於各方面與現有股份享有同等權益。

### 32. 購股權

#### (a) 購股權計劃

於二零一七年六月二日，本公司在股東批准下採納一項新購股權計劃（「計劃」），有效期10年，以取代於二零零七年八月六日獲批准並應於二零一七年八月六日屆滿之購股權計劃（「舊計劃」）。

根據計劃，本公司可向本集團董事及僱員以及董事會全權酌情認為曾經或將會對本集團作出貢獻之任何其他人士授出購股權。購股權將於由授出日期起計10年後或於終止或藉發出終止通知終止相關承授人與本公司之僱傭關係後失效。將於根據計劃及本公司任何其他購股權計劃授出但尚未行使之所有發行在外購股權獲行使時發行之股份數目上限，合共不得超過不時已發行股份總數之30%。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 32. SHARE OPTIONS (Continued)

#### (a) Share option scheme (Continued)

The total number of shares which may be issued upon exercise of all options to be granted under the Scheme and any other share option scheme of the Company must not in aggregate exceed 10% of the shares in issue at the date of the passing of the relevant ordinary resolution. If any option is to be granted to connected person(s), it must be approved by independent non-executive directors or independent shareholders as the case may be.

The maximum number of shares in respect of which share options may be granted to a specifically identified single grantee under the Scheme (including exercised, cancelled and outstanding options) in any 12-month period shall not exceed 1% of the total number of shares in issue.

Under the Scheme, the options granted may be accepted by a participant within 14 days from the date of such offer. A consideration of HK\$1 is payable on acceptance of the offer of grant of an option. The exercise period of the share options granted is determinable by the directors of the Company, and commences after a vesting period of no shorter than 12 months and ends on a date which is not later than 10 years from the date of offer of the share options. The subscription price for shares payable on exercise of share options granted under the Scheme shall be a price determined by the directors of the Company, but shall in any event not be less than the highest of (i) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of the offer of grant, which must be a trading day; (ii) the average closing price of the shares as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of the offer of grant; and (iii) the nominal value of share.

The options granted prior to and remaining outstanding at termination, if any, shall continue to be valid and exercisable in accordance with the terms of the Scheme.

### 32. 購股權 (續)

#### (a) 購股權計劃 (續)

於根據計劃及本公司任何其他購股權計劃授出之所有購股權獲行使時可予發行之股份總數，合共不得超過於通過相關普通決議案當日已發行股份之10%。凡向關連人士授出購股權，均須經獨立非執行董事或獨立股東（視情況而定）批准。

於任何12個月期間內，根據計劃可向個別指明單一承授人授出之購股權（包括已行使、已註銷及未行使之購股權）所涉股份數目上限，不得超過已發行股份總數之1%。

根據計劃，參與者可於由要約日期起計14日內接納所獲授之購股權。接納授出購股權之要約時須支付1港元代價。所授出購股權之行使期由本公司董事釐定，於不少於12個月之歸屬期後開始，最遲於購股權要約日期起計滿10年之日結束。根據計劃授出之購股權獲行使時應付之股份認購價由本公司董事釐定，惟在任何情況下不得低於下列之最高者：(i)股份於授出要約日期（必須為交易日）在聯交所每日報價表所列之收市價；(ii)股份於緊接授出要約日期前五個交易日在聯交所每日報價表所列之平均收市價；及(iii)股份面值。

於終止時已授出及仍未行使之購股權（如有）將繼續有效及可按照計劃之條款行使。

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## 綜合財務報表附註

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

### 32. SHARE OPTIONS (Continued)

#### (b) Movements in share options granted

The following table discloses movements of the Company's share options held by directors and employees of the Group during the years ended 31 December 2017 and 2016:

2017

Name of category of participant	Date of grant <sup>a</sup>	Exercise price	Outstanding at 1 January 2017	Reclassification during the year	Granted during the year	Exercised during the year	Forfeited during the year	Outstanding at 31 December 2017	The closing price of the Company's shares quoted on the Stock Exchange immediately before the date of grant
參與者類別名稱	授出日期	行使價 HK\$ 港元	於二零一七年一月一日 尚未行使	年內重新分類 (Note) (附註)	年內授出	年內行使	年內沒收	於二零一七年十二月三十一日 尚未行使	本公司股份 於緊接授出 日期前在聯交所 所報之收市價 HK\$ 港元
Directors in aggregate 董事總計	30 March 2015 二零一五年三月三十日	0.247	152,363,900	(42,363,900)	-	-	-	110,000,000	0.245
	14 July 2016 二零一六年七月十四日	0.520	80,000,000	(47,000,000)	-	-	-	33,000,000	0.530
Employees in aggregate 僱員總計	30 March 2015 二零一五年三月三十日	0.247	442,411,250	42,363,900	-	-	(197,911,250)	286,863,900	0.245
	14 July 2016 二零一六年七月十四日	0.520	508,800,000	47,000,000	-	-	(315,300,000)	240,500,000	0.530
	6 December 2016 二零一六年十二月六日	0.493	50,000,000	-	-	-	-	50,000,000	0.495
			<u>1,233,575,150</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(513,211,250)</u>	<u>720,363,900</u>	
Weighted average exercise price (HK\$) 加權平均行使價 (港元)			<u>0.387</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>0.415</u>	<u>0.368</u>	

During the year ended 31 December 2017, 344,255,625 (2016: 115,863,900) share options were forfeited upon the resignation of certain employees (2016: certain employees) of the Group.

### 32. 購股權 (續)

#### (b) 已授出購股權之變動

下表披露於截至二零一七年及二零一六年十二月三十一日止年度由本集團董事及僱員持有之本公司購股權之變動：

二零一七年

於截至二零一七年十二月三十一日止年度，344,255,625份（二零一六年：115,863,900份）購股權於本集團若干僱員（二零一六年：若干僱員）辭任後被沒收。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 32. SHARE OPTIONS (Continued)

#### (b) Movement in share option granted (Continued)

Note:

At the date of the appointment as an executive director, Mr. Kwok was interested in an aggregate of 53,000,000 share options of the Company which shall entitle him to subscribe for up to (i) 30,000,000 shares of the Company at an exercise price of HK\$0.247 each (subject to adjustments); and (ii) 23,000,000 shares of the Company at an exercise price of HK\$0.520 each (subject to adjustments). Before the appointment as an executive director, Mr. Kwok was served the Group as the chief operation officer of the Company.

At the date of the resignation as an executive director, Mr. Choi was interested in an aggregate of 142,363,900 share options of the Company which shall entitle him to subscribe for up to (i) 72,363,900 shares of the Company at an exercise price of HK\$0.247 each (subject to adjustments); and (ii) 70,000,000 shares of the Company at an exercise price of HK\$0.520 each (subject to adjustments). After the resignation from his role as an executive director, Mr. Choi continues to serve the Group as the managing director in the major subsidiaries of the Company.

### 32. 購股權 (續)

#### (b) 已授出購股權之變動 (續)

附註:

於獲委任為執行董事當日，郭先生於本公司合共53,000,000份購股權中擁有權益，賦予彼權利認購最多(i) 30,000,000股本公司之股份，行使價為每股0.247港元（可予調整）；及(ii) 23,000,000股本公司之股份，行使價為每股0.520港元（可予調整）。於獲委任為執行董事前，郭先生已任職於本集團，擔任本公司之首席營運官。

於辭任執行董事當日，蔡先生於本公司合共142,363,900份購股權中擁有權益，賦予彼權利認購最多(i) 72,363,900股本公司之股份，行使價為每股0.247港元（可予調整）；及(ii) 70,000,000股本公司之股份，行使價為每股0.520港元（可予調整）。於辭任執行董事職務後，蔡先生繼續效力本集團，擔任本公司主要附屬公司之董事總經理。

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## 綜合財務報表附註

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

### 32. SHARE OPTIONS (Continued)

#### (b) Movement in share option granted (Continued)

2016

Name of category of participant	Date of grant <sup>△</sup>	Exercise price	Outstanding at 1 January 2016	Reclassification during the year	Granted during the year	Exercised during the year	Forfeited during the year	Outstanding at 31 December 2016	The closing price of the Company's shares quoted on the Stock Exchange immediately before the date of grant
參與者類別名稱	授出日期 <sup>△</sup>	行使價 HK\$ 港元	於二零一六年一月一日尚未行使	年內重新分類	年內授出	年內行使	年內沒收	於二零一六年十二月三十一日尚未行使	本公司股份於緊接授出日期前在聯交所所報之收市價 HK\$ 港元
Directors in aggregate 董事總計	30 March 2015 二零一五年三月三十日	0.247	152,363,900	-	-	-	-	152,363,900	0.245
	14 July 2016 二零一六年七月十四日	0.520	-	-	80,000,000	-	-	80,000,000	0.530
Employees in aggregate 僱員總計	30 March 2015 二零一五年三月三十日	0.247	551,275,150	-	-	-	(108,863,900)	442,411,250	0.245
	14 July 2016 二零一六年七月十四日	0.520	-	-	515,800,000	-	(7,000,000)	508,800,000	0.530
	6 December 2016 二零一六年十二月六日	0.493	-	-	50,000,000	-	-	50,000,000	0.495
			<u>703,639,050</u>	<u>-</u>	<u>645,800,000</u>	<u>-</u>	<u>(115,863,900)</u>	<u>1,233,575,150</u>	
Weighted average exercise price (HK\$) 加權平均行使價(港元)			<u>0.247</u>	<u>-</u>	<u>0.518</u>	<u>-</u>	<u>0.263</u>	<u>0.387</u>	

△ The options granted on 30 March 2015, 14 July 2016 and 6 December 2016 were vested as follows:

50% of the share options granted will vest on the second anniversary of the date of grant, subject to the satisfaction of the certain specific conditions; and the remaining 50% of the share options granted will vest on the third anniversary of the date of grant, subject to the satisfaction of the certain specific conditions

No share options were exercised for the years ended 31 December 2017 and 2016. As at 31 December 2017, no share options were exercisable (2016: Nil).

### 32. 購股權 (續)

#### (b) 已授出購股權之變動 (續)

二零一六年

Name of category of participant	Date of grant <sup>△</sup>	Exercise price	Outstanding at 1 January 2016	Reclassification during the year	Granted during the year	Exercised during the year	Forfeited during the year	Outstanding at 31 December 2016	The closing price of the Company's shares quoted on the Stock Exchange immediately before the date of grant
參與者類別名稱	授出日期 <sup>△</sup>	行使價 HK\$ 港元	於二零一六年一月一日尚未行使	年內重新分類	年內授出	年內行使	年內沒收	於二零一六年十二月三十一日尚未行使	本公司股份於緊接授出日期前在聯交所所報之收市價 HK\$ 港元
Directors in aggregate 董事總計	30 March 2015 二零一五年三月三十日	0.247	152,363,900	-	-	-	-	152,363,900	0.245
	14 July 2016 二零一六年七月十四日	0.520	-	-	80,000,000	-	-	80,000,000	0.530
Employees in aggregate 僱員總計	30 March 2015 二零一五年三月三十日	0.247	551,275,150	-	-	-	(108,863,900)	442,411,250	0.245
	14 July 2016 二零一六年七月十四日	0.520	-	-	515,800,000	-	(7,000,000)	508,800,000	0.530
	6 December 2016 二零一六年十二月六日	0.493	-	-	50,000,000	-	-	50,000,000	0.495
			<u>703,639,050</u>	<u>-</u>	<u>645,800,000</u>	<u>-</u>	<u>(115,863,900)</u>	<u>1,233,575,150</u>	
Weighted average exercise price (HK\$) 加權平均行使價(港元)			<u>0.247</u>	<u>-</u>	<u>0.518</u>	<u>-</u>	<u>0.263</u>	<u>0.387</u>	

△ 於二零一五年三月三十日、二零一六年七月十四日及二零一六年十二月六日授出之購股權按下述方式歸屬：

待若干特定條件達成後，已授出購股權之50%將於授出日期之第二週年日歸屬；待若干特定條件達成後，已授出購股權其餘50%將於授出日期之第三週年日歸屬

於截至二零一七年及二零一六年十二月三十一日止年度，概無購股權獲行使。於二零一七年十二月三十一日，並無購股權(二零一六年：無)可行使。



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## 綜合財務報表附註

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

### 32. SHARE OPTIONS (Continued)

#### (c) Fair value of share options and assumptions

The fair value of the share options granted is measured at the date of grant, using the binomial option pricing model, taking into account the terms and conditions of the share-based arrangement except for non-market vesting conditions. The fair value calculated is inherently subjective and uncertain due to the assumptions made and the limitations of the model used. The inputs into the model are as follows:

Grant date	Weighted average fair value at grant date	The closing price of the Company's shares quoted on the Stock Exchange at grant date 本公司股份於授出日期在聯交所所報之收市價 HK\$ per share 每股港元	Exercise price	Risk-free interest rate	Expected volatility	Expected life	Expected dividend yield
授出日期	於授出日期之加權平均公平值 HK\$ per share 每股港元	所報之收市價 HK\$ per share 每股港元	行使價 HK\$ per share 每股港元	無風險利率	預期波幅	預期行使期	預期股息率
30 March 2015	0.134	0.247	0.247	1.450%	66%	10 years	N/A
二零一五年三月三十日	0.134	0.247	0.247	1.450%	66%	10年	不適用
14 July 2016	0.205	0.520	0.520	0.925%	44%	10 years	N/A
二零一六年七月十四日	0.205	0.520	0.520	0.925%	44%	10年	不適用
6 December 2016	0.185	0.490	0.493	1.438%	39%	10 years	N/A
二零一六年十二月六日	0.185	0.490	0.493	1.438%	39%	10年	不適用

The expected volatility was determined by using the historical volatility of the Company's share price over the last one year of share option granted. The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate.

During the year ended 31 December 2017, the fair value of equity-settled share-based payment in respect of the Scheme of HK\$19,065,000 (2016: HK\$52,192,000) was recognised in profit or loss.

### 32. 購股權 (續)

#### (c) 購股權公平值及假設

已授出購股權之公平值乃經考慮以股份為基礎安排之條款及條件(非市場歸屬條件除外)後,以二項式購股權定價模型於授出日期計量。因受到計算公平值時之所作假設及所採用計算模型之限制,所計出之公平值本身屬主觀及不確定。計算模型所用之輸入項目如下:

預期波幅乃使用上一授出購股權年度本公司股價之歷史波幅釐定。計算購股權公平值所用之變數及假設乃以董事最佳估計作基礎。

於截至二零一七年十二月三十一日止年度,有關計劃之權益結算以股份支付之款項之公平值19,065,000港元(二零一六年:52,192,000港元)已於損益帳確認。

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## 綜合財務報表附註

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

### 33. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

Details of the changes in the Group's liabilities from financing activities are as follows:

### 33. 融資活動所產生負債之變動

本集團融資活動所產生負債之變動詳情如下：

		Interest-bearing payables	Interest-bearing borrowings	Promissory notes	Convertible bonds	Total
		應付利息	計息借貸	承兌票據	可換股債券	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
		(Note 24)	(Note 25)	(Note 27)	(Note 30)	
		(附註24)	(附註25)	(附註27)	(附註30)	
At 1 January 2017	於二零一七年一月一日	32,463	41,982	998,049	599,150	1,671,644
<b>Changes from financing cash flows:</b>	<b>融資現金流量變動：</b>					
New bank borrowings raised	新造銀行借貸	-	17,274	-	-	17,274
New margin loan raised	新造孖展貸款	-	425,079	-	-	425,079
New other borrowings raised	新造其他借貸	-	250,000	-	-	250,000
Proceeds from issue of promissory notes	發行承兌票據所得款項	-	-	464,500	-	464,500
Repayment of bank borrowings	償還銀行借貸	-	(10,326)	-	-	(10,326)
Repayment of margin loan	償還孖展貸款	-	(36,041)	-	-	(36,041)
Repayment of obligations under finance leases	償還融資租賃債務	-	(149)	-	-	(149)
Repayment of promissory notes	償還承兌票據	-	-	(565,240)	-	(565,240)
Interest expenses paid	已付利息開支	(127,158)	-	-	-	(127,158)
Total changes from financing cash flows	融資現金流量變動總額	(127,158)	645,837	(100,740)	-	417,939

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 33. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES (Continued)

Details of the changes in the Group's liabilities from financing activities are as follows: (Continued)

### 33. 融資活動所產生負債之變動 (續)

本集團融資活動所產生負債之變動詳情如下：(續)

		Interest payables 應付利息 HK\$'000 千港元 (Note 24) (附註24)	Interest-bearing borrowings 計息借貸 HK\$'000 千港元 (Note 25) (附註25)	Promissory notes 承兌票據 HK\$'000 千港元 (Note 27) (附註27)	Convertible bonds 可換股債券 HK\$'000 千港元 (Note 30) (附註30)	Total 總計 HK\$'000 千港元
<b>Exchange realignments</b>	<b>匯兌調整</b>	—	5,026	—	4,774	9,800
<b>Other changes:</b>	<b>其他變動：</b>					
Finance costs (note 5(a))	財務成本(附註5(a))	47,184	—	76,462	66,457	190,103
Compensation from profit guarantee (note 17)	溢利保證賠償(附註17)	(8,611)	—	(165,240)	—	(173,851)
Acquisition of subsidiaries (note 35(c))	收購附屬公司 (附註35(c))	—	32,093	—	—	32,093
Interest payables on convertible bonds	可換股債券應付利息	34,286	—	—	(34,286)	—
Interest payables on promissory notes	承兌票據應付利息	48,228	—	(48,228)	—	—
Others	其他	—	—	(20,479)	13,067	(7,412)
<b>Total other changes</b>	<b>其他變動總額</b>	<b>121,087</b>	<b>32,093</b>	<b>(157,485)</b>	<b>45,238</b>	<b>40,933</b>
<b>At 31 December 2017</b>	<b>於二零一七年 十二月三十一日</b>	<b>26,392</b>	<b>724,938</b>	<b>739,824</b>	<b>649,162</b>	<b>2,140,316</b>

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## 綜合財務報表附註

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

### 34. MARGIN FACILITIES

As at 31 December 2017, margin facilities of HK\$897,732,000 (2016: HK\$337,631,000) from certain regulated securities dealers were granted to the Group under which financials assets at fair value through profit or loss of HK\$2,553,850,000 (2016: HK\$1,437,445,000) and certain available-for-sale financial assets of HK\$48,997,000 (2016: HK\$110,106,000) were treated as collateral for the facilities granted. The Group utilised part of these facilities amounting to HK\$425,079,000 as at 31 December 2017 (2016: HK\$36,041,000).

### 35. ACQUISITION OF SUBSIDIARIES

#### (a) Acquisition of 24.01% equity interests in ED Group in April 2017 (the "ED Group Acquisition")

In April 2017, the Group completed the acquisition of additional 24.01% equity interests in ED Group at a cash consideration of HK\$120,408,000. ED Group is principally engaged in providing integrated business software solutions and trading of listed securities. The directors of the Company considered that the ED Group Acquisition would complement the products and services currently provided by the Group, which would further strengthen the Group's market position and profitability.

### 34. 孖展融資

於二零一七年十二月三十一日，若干受規管證券經紀向本集團授出孖展融資897,732,000港元（二零一六年：337,631,000港元），據此，於損益帳按公平值處理之財務資產2,553,850,000港元（二零一六年：1,437,445,000港元）及若干可供出售財務資產48,997,000港元（二零一六年：110,106,000港元）被視為獲授融資之抵押品處理。於二零一七年十二月三十一日，本集團已動用該等融資之一部分，為數425,079,000港元（二零一六年：36,041,000港元）。

### 35. 收購附屬公司

#### (a) 於二零一七年四月收購企展集團24.01%股本權益（「企展集團收購事項」）

於二零一七年四月，本集團完成以現金代價120,408,000港元增購企展集團24.01%股本權益。企展集團主要從事提供綜合商業軟件解決方案及買賣上市證券之業務。本公司董事認為，企展集團收購事項將對本集團現時提供之產品及服務作出補充，而此將進一步增強本集團之市場地位及盈利能力。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 35. ACQUISITION OF SUBSIDIARIES (Continued)

#### (a) Acquisition of 24.01% equity interests in ED Group in April 2017 (the "ED Group Acquisition") (Continued)

Before the ED Group Acquisition, the Group held 16.64% equity interests in Enterprise Development and 40% equity interests in Easy Talent Group, in which the 60% remaining equity interests in Easy Talent Group were held by Enterprise Development. The acquisition of 24.01% equity interests in Enterprise Development gives the Group de facto control over ED Group (including Easy Talent Group) regardless the Group held less than 50% equity interests in Enterprise Development. Detailed analysis on the de facto control is set out in note 2 to these consolidated financial statements. Therefore, ED Group (including Easy Talent Group) became subsidiaries of the Group upon the completion of the ED Group Acquisition.

The ED Group Acquisition, together with the 16.64% equity interests in Enterprise Development and the 40% equity interests in Easy Talent Group held by the Group before the ED Group Acquisition, would be treated as "step acquisition" under HKFRS 3 (Revised) "Business Combination".

Previously held interests, which were accounted for interests in associates and financial assets at fair value through profit or loss, are remeasured to fair value upon the completion of the ED Group Acquisition while any gain or loss arising is recognised in profit or loss. The previously held interests are deemed to have been disposed of, with the consideration transferred, in return for the total 40.65% equity interests in Enterprise Development.

### 35. 收購附屬公司 (續)

#### (a) 於二零一七年四月收購企展集團 24.01%股本權益 (「企展集團收購事項」) (續)

於進行企展集團收購事項前，本集團持有企展16.64%股本權益及智易集團40%股本權益，而智易集團餘下60%股本權益由企展持有。收購企展24.01%股本權益讓本集團獲得企展集團（包括智易集團）之實際控制權，即使本集團持有企展少於50%股本權益。有關實際控制權之詳細分析載於綜合財務報表附註2。因此，企展集團（包括智易集團）於企展集團收購事項完成後成為本集團之附屬公司。

根據香港財務報告準則第3號（經修訂）「業務合併」，企展集團收購事項連同本集團於進行企展集團收購事項前所持企展之16.64%股本權益及智易集團之40%股本權益將視作「逐步收購」處理。

於企展集團收購事項完成時，先前持有而入帳列作於聯營公司之權益及於損益帳按公平值處理之財務資產之權益會按公平值重新計量，而所產生之任何損益會於損益帳確認。先前持有之權益會被視作已出售，以連同所轉讓代價換取企展之合共40.65%股本權益。

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## 綜合財務報表附註

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

### 35. ACQUISITION OF SUBSIDIARIES (Continued)

#### (b) Acquisition of 51% equity interests in Weein in November 2017 (the "Weein Acquisition")

In November 2017, the Group and the original shareholders of Weein entered into a capital injection agreement in relation to the acquisition of 51% equity interests in Weein by the Group. Pursuant to the agreement, the Group agreed to contribute RMB30,600,000 (equivalent to approximately HK\$36,139,000) to Weein, of which RMB10,408,000 (equivalent to approximately HK\$12,292,000) were attributed to the increase in the registered capital of Weein and the remaining RMB20,192,000 (equivalent to approximately HK\$23,847,000) were attributed to the capital reserve of Weein. After the completion of transaction in November 2017, the Group held 51% equity interests in Weein and Weein became an indirect non-wholly owned subsidiary of the Group.

Weein is principally engaged in (i) the research, development and production of mobile internet technology consulting services; (ii) the provision of Tencent Wechat's enterprise technology solutions; and (iii) the operation of network carrier's mobile marketing and education institution's mobile servicing platform. The directors of the Company considered that the Weein Acquisition has not only enriched its corporate IoT solution portfolio in terms of communication channel, but also secured excellent technologies for existing corporate clients serving an enormous number of users.

### 35. 收購附屬公司 (續)

#### (b) 於二零一七年十一月收購微應51%股本權益(「微應收購事項」)

於二零一七年十一月，本集團與微應之原股東訂立一份注資協議，內容有關由本集團收購微應51%股本權益。根據協議，本集團同意向微應出資人民幣30,600,000元(相等於約36,139,000港元)，其中人民幣10,408,000元(相等於約12,292,000港元)用於增加微應之註冊資本，餘下人民幣20,192,000元(相等於約23,847,000港元)用作微應之資本公積。於二零一七年十一月交易完成後，本集團持有微應51%股本權益，而微應成為本集團之間接非全資附屬公司。

微應主要從事(i)研究、開發及生產流動互聯網技術顧問服務；(ii)提供騰訊微信企業技術解決方案；及(iii)經營網絡供應商流動營銷及教育機構流動服務平台業務。本公司董事認為微應收購事項不僅在通信手段上進一步豐富本集團企業物聯網解決方案，也為現有企業客戶服務其海量用戶提供了優質技術工具。

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## 綜合財務報表附註

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

### 35. ACQUISITION OF SUBSIDIARIES (Continued)

- (c) The following summarises the consideration paid and the identifiable assets acquired and liabilities assumed, as well as the amount of non-controlling interest recognised at the respective date of acquisition:

### 35. 收購附屬公司 (續)

- (c) 下表概述於各收購日期已付之代價、所收購可識別資產及所承擔負債以及所確認非控股權益之金額：

		ED Group Acquisition 企展集團 收購事項 HK\$'000 千港元	Weein Acquisition 微應 收購事項 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>Initial consideration</b>	<b>初步代價</b>			
Paid in cash	以現金支付	120,408	36,139	156,547
Fair value of 40% equity interests in Easy Talent Group (note i)	智易集團40%股本權益之公平值(附註i)	107,496	–	107,496
Fair value of 16.64% equity interests in Enterprise Development held before the ED Group Acquisition and classified as financial assets at fair value through profit or loss (note ii)	於企展集團收購事項進行前持有並分類為於損益帳按公平值處理之財務資產之企展16.64%股本權益之公平值(附註ii)	83,446	–	83,446
<b>Total consideration</b>	<b>總代價</b>	<b>311,350</b>	<b>36,139</b>	<b>347,489</b>



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## 綜合財務報表附註

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

### 35. ACQUISITION OF SUBSIDIARIES (Continued)

(c) (Continued)

### 35. 收購附屬公司 (續)

(c) (續)

		ED Group Acquisition 企展集團 收購事項 HK\$'000 千港元	Weein Acquisition 微應 收購事項 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>Recognised amounts of identifiable assets acquired and liabilities assumed:</b>	<b>所收購可識別資產及所承擔負債之已確認金額:</b>			
Property, plant and equipment (note 11)	物業、廠房及設備 (附註11)	1,488	–	1,488
Intangible assets (note 12)	無形資產 (附註12)	30,703	–	30,703
Deferred tax assets (note 26)	遞延稅項資產 (附註26)	431	–	431
Inventories	存貨	2,378	–	2,378
Loan receivables (note iii)	應收貸款 (附註iii)	5,677	–	5,677
Trade and other receivables (note iii)	貿易及其他應收款項 (附註iii)	229,431	15,931	245,362
Financial assets at fair value through profit or loss	於損益帳按公平值處理之財務資產	47,055	2,928	49,983
Pledged bank deposits	已質押銀行存款	6,527	–	6,527
Bank balances and cash	銀行結存及現金	57,884	35,783	93,667
Trade and other payables	貿易及其他應付款項	(79,060)	(6,130)	(85,190)
Interest-bearing borrowings	計息借貸	(32,093)	–	(32,093)
Income tax payables	應繳所得稅	(5,565)	–	(5,565)
Deferred tax liabilities (note 26)	遞延稅項負債 (附註26)	(2,919)	–	(2,919)
<b>Total identifiable net assets</b>	<b>可識別淨資產總值</b>	<b>261,937</b>	<b>48,512</b>	<b>310,449</b>
<b>Non-controlling interests (note iv)</b>	<b>非控股權益 (附註iv)</b>	<b>(86,098)</b>	<b>(23,771)</b>	<b>(109,869)</b>
<b>Goodwill arising on acquisition (note 13)</b>	<b>收購產生之商譽 (附註13)</b>	<b>135,511</b>	<b>11,398</b>	<b>146,909</b>
		<b>311,350</b>	<b>36,139</b>	<b>347,489</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 35. ACQUISITION OF SUBSIDIARIES (Continued)

(c) (Continued)

### 35. 收購附屬公司 (續)

(c) (續)

		ED Group Acquisition 企展集團 收購事項 HK\$'000 千港元	Weein Acquisition 微應 收購事項 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>Net cash outflow on acquisition of subsidiaries</b>	<b>收購附屬公司之現金流出淨額</b>			
Consideration paid in cash	已付現金代價	(120,408)	(36,139)	(156,547)
Bank balances and cash acquired from the subsidiaries	從附屬公司收購之銀行結存及現金	57,884	35,783	93,667
		<b>(62,524)</b>	<b>(356)</b>	<b>(62,880)</b>
<b>Acquisition-related costs</b>	<b>收購相關成本</b>	<b>22,555</b>	<b>–</b>	<b>22,555</b>

Notes:

- (i) The fair value of existing 40% equity interests in Easy Talent Group and the amounts of assets and liabilities arising from the ED Group Acquisition are determined by an independent valuer, Colliers International (Hong Kong) Limited.

附註:

- (i) 智易集團現時40%股本權益之公平值以及企展集團收購事項所產生資產及負債之金額由獨立估值師高力國際物業顧問(香港)有限公司釐定。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 35. ACQUISITION OF SUBSIDIARIES (Continued)

#### (c) (Continued)

Notes: (Continued)

- (ii) The fair value of 16.64% equity interests in Enterprise Development held before the ED Group Acquisition is measured based on quoted market prices in active market.
- (iii) The fair value and the gross contractual amounts of loan receivables and trade and other receivables at the date of acquisition amounted to HK\$5,677,000 and HK\$245,362,000 respectively, of which no balance is expected to be uncollectible.
- (iv) The non-controlling interests are determined as follows:

### 35. 收購附屬公司 (續)

#### (c) (續)

附註：(續)

- (ii) 於進行企展集團收購事項前持有之企展16.64%股本權益之公平值乃基於活躍市場所報之市價計量。
- (iii) 應收貸款以及貿易及其他應收款項於收購日之公平值及合約總額分別為5,677,000港元及245,362,000港元，當中並無結餘預期不可收回。
- (iv) 非控股權益釐定如下：

		ED Group Acquisition 企展集團 收購事項 HK\$'000 千港元	Weein Acquisition 微應 收購事項 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Fair value of the identifiable net assets as set out above	上文所載可識別淨資產之公平值	261,937	48,512	310,449
Net identifiable net assets attributable to 40% equity interests in Easy Talent held by the Group which were presented as non-controlling interests by ED Group	本集團所持智易40%股本權益(由企展集團呈列為非控股權益)應佔可識別淨資產淨值	(116,870)	-	(116,870)
Net identifiable net assets attributable to the equity holders	權益持有人應佔之可識別淨資產淨值	145,067	48,512	193,579
Non-controlling interests*	非控股權益*	86,098	23,771	109,869

\* The non-controlling interests are measured at the non-controlling interests' proportionate share of fair value of the identifiable net assets of ED Group and Weein.

\* 非控股權益按其按比例應佔企展集團及微應可識別淨資產公平值之份額計量。

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## 綜合財務報表附註

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

### 35. ACQUISITION OF SUBSIDIARIES (Continued)

- (d) The goodwill is attributable to the acquisition of assembled workforce of ED Group and Weein and economics of scale arise after the Group's acquisitions. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. None of the goodwill recognised is expected to be deductible for income tax purposes.

Acquisition-related costs have been excluded from the consideration transferred and have been recognised as "general and administrative expenses" and "finance costs" in the consolidated statement of comprehensive income.

Included in the revenue for the year ended 31 December 2017 are approximately HK\$235,518,000 and HK\$848,000 attributable to the additional business generated by ED Group and Weein respectively. Profit before tax for the year includes profit of approximately HK\$19,475,000 and HK\$156,000 contributed by ED Group and Weein respectively.

If the business combination effected during the year had been taken place at beginning of the year, the revenue contributed to the Group by ED Group and Weein would have been HK\$342,829,000 and HK\$7,247,000 respectively, and loss incurred by ED Group would have been HK\$111,337,000 and profit contributed by Weein would have been HK\$704,000. The revenue and profit before tax of the Group would have been HK\$1,645,124,000 and HK\$213,795,000 respectively. This pro-forma information is for illustrative purposes only and is not necessarily an indication of revenue and result of operations of the Group that actually would have been achieved had the acquisitions been completed on 1 January 2017.

### 35. 收購附屬公司 (續)

- (d) 商譽源自收購企展集團及微應集合人力及本集團於進行收購後產生之規模經濟。該等利益由於不符合可識別無形資產之確認條件，故不會與商譽分開確認。預期已確認之商譽不可用於扣減所得稅。

收購相關成本已從所轉讓代價中剔除，並於綜合全面收入報表確認為「一般及行政開支」及「財務成本」。

截至二零一七年十二月三十一日止年度之收益中，由企展集團及微應產生之額外業務所佔者分別約為235,518,000港元及848,000港元。年內除稅前溢利包括企展集團及微應產生之溢利分別約19,475,000港元及156,000港元。

倘於年內實行之業務合併於年初已進行，則企展集團及微應為本集團貢獻之收益應分別為342,829,000港元及7,247,000港元，而企展集團產生之虧損應為111,337,000港元，微應貢獻之溢利應為704,000港元。本集團之收益及除稅前溢利應分別為1,645,124,000港元及213,795,000港元。此備考資料僅供說明用途，並不一定反映倘收購事項於二零一七年一月一日完成，本集團實際上將達到之收益及經營業績。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 36. CHANGES IN OWNERSHIP INTERESTS IN SUBSIDIARIES WITHOUT A CHANGE IN CONTROL

#### (a) Equity interests in Enterprise Development diluted from 40.65% to 38.72%

On 1 June 2017, Enterprise Development issued 25,000,000 ordinary shares to not less than six investors for net proceeds of HK\$30,015,000. Upon the completion of transaction, the Group's equity interests in Enterprise Development diluted from 40.65% to 38.72%, resulting in an increase in non-controlling interests of HK\$23,449,000 and an increase in equity attributable to owners of the Company of HK\$6,566,000.

#### (b) Equity interests in Enterprise Development increased from 38.72% to 43.56%

Subsequent to the dilution of Group's equity interests in Enterprise Development to 38.72% in June 2017, the Group further acquired 4.84% equity interests in Enterprise Development on the Stock Exchange at a total cash consideration of HK\$44,829,000 and the equity interests of Enterprise Development held by the Group increased to 43.56%. The carrying amount of the non-controlling interests in Enterprise Development on the date of acquisition was HK\$16,300,000. The Group derecognised non-controlling interests of HK\$16,300,000 and recognised directly in equity attributable to owners of the Company of HK\$28,529,000 for the difference between the amounts by which the non-controlling interests are adjusted and the fair value of the consideration paid.

### 36. 附屬公司之擁有權權益變動（並無改變控制權）

#### (a) 於企展之股本權益由40.65%攤薄至38.72%

於二零一七年六月一日，企展向不少於六名投資者發行25,000,000股普通股，所得款項淨額為30,015,000港元。於交易完成後，本集團於企展之股本權益由40.65%攤薄至38.72%，使非控股權益增加23,449,000港元及本公司擁有人應佔股權增加6,566,000港元。

#### (b) 於企展之股本權益由38.72%增至43.56%

本集團於企展之股本權益在二零一七年六月攤薄至38.72%後，本集團於聯交所進一步收購企展4.84%股本權益，總現金代價為44,829,000港元，而本集團所持企展之股本權益增至43.56%。於企展之非控股權益於收購當日之帳面金額為16,300,000港元。本集團已終止確認16,300,000港元之非控股權益，並直接於本公司擁有人應佔股權確認非控股權益調整金額與已付代價公平值之差額28,529,000港元。

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## 綜合財務報表附註

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

### 37. CONTINGENT PAYMENTS UNDER PROFIT GUARANTEE ARRANGEMENTS

#### (a) Profit guarantee in relation to financial results of CNEOP

In August 2015, the Group completed the acquisition of 51% equity interests in CNEOP. As part and parcel of the acquisitions, Holly Good and the Selling Shareholder B entered into a profit guarantee agreement, pursuant to which the Company shall issue and allot the convertible bonds in principal amount up to HK\$29,060,000 and pay up to HK\$8,290,000 in cash to the Selling Shareholder B if the profits after tax of CNEOP for the six months ended 31 December 2015, the years ended 31 December 2016 and 2017 reach RMB6,000,000 (equivalent to approximately HK\$7,457,000), RMB15,600,000 (equivalent to approximately HK\$19,388,000) and RMB22,400,000 (equivalent to approximately HK\$27,839,000) respectively (the "CNEOP Profit Guarantee"). The convertible bonds can be converted into 69,190,477 ordinary shares of the Company at maximum. In the opinion of the directors of the Company, the nature of the CNEOP Profit Guarantee is to remunerate the Selling Shareholder B for future services. The convertible bonds and/or cash to be issued/paid are therefore accounted for as other long-term employee benefit.

### 37. 溢利保證安排下之或然款項

#### (a) 有關中光遠財務業績之溢利保證

於二零一五年八月，本集團完成收購中光遠51%股本權益。作為收購之一部分，浩金與售股股東B訂立一份溢利保證協議，據此，倘中光遠截至二零一五年十二月三十一日止六個月以及截至二零一六年及二零一七年十二月三十一日止年度之除稅後溢利分別達到人民幣6,000,000元（相等於約7,457,000港元）、人民幣15,600,000元（相等於約19,388,000港元）及人民幣22,400,000元（相等於約27,839,000港元），則本公司將向售股股東B發行及配發本金額最高29,060,000港元之可換股債券並支付最多8,290,000港元現金（「中光遠溢利保證」）。可換股債券最多可轉換為69,190,477股本公司普通股。本公司董事認為，中光遠溢利保證之性質為就未來服務向售股股東B提供報酬。將發行之可換股債券及／或將支付之現金因而入帳列作其他長期僱員福利。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 37. CONTINGENT PAYMENTS UNDER PROFIT GUARANTEE ARRANGEMENTS (Continued)

#### (a) Profit guarantee in relation to financial results of CNEOP (Continued)

The profit after tax of CNEOP for the year ended 31 December 2017 exceeded RMB22,400,000 (equivalent to approximately HK\$27,839,000) and as a result, the CNEOP Profit Guarantee for that year was met and an amount of HK\$18,870,000 (2016: HK\$18,870,000) was recognised as long-term employee benefits in profit or loss.

At the end of the reporting period, the Group considered that it was virtually certain that the CNEOP Profit Guarantee would be achieved based on the latest information available. As a result, compensation in terms of convertible bonds in principal amount of HK\$29,060,000 and HK\$8,290,000 in cash shall be issued and paid by the Company accordingly. Up to the end of reporting period, convertible bonds of HK\$14,000,000 have been issued and cash of HK\$3,990,000 has been paid to the Selling Shareholder B and the outstanding balance of approximately HK\$19,360,000 has been included in other payables.

### 37. 溢利保證安排下之或然款項 (續)

#### (a) 有關中光遠財務業績之溢利保證 (續)

中光遠截至二零一七年十二月三十一日止年度之除稅後溢利超過人民幣22,400,000元(相等於約27,839,000港元)。因此,該年度之中光遠溢利保證已達成,而本集團已於損益帳確認18,870,000港元(二零一六年:18,870,000港元)為長期僱員福利。

於報告期結束日,本集團認為基於最新可得資料,中光遠溢利保證幾可肯定會達成。因此,本公司將以發行本金額29,060,000港元之可換股債券及支付8,290,000港元現金之形式作出補償。直至報告期結束日,本公司已向售股股東B發行14,000,000港元可換股債券及支付3,990,000港元現金,而未清償結餘約19,360,000港元已計入其他應付款項。



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## 綜合財務報表附註

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

### 37. CONTINGENT PAYMENTS UNDER PROFIT GUARANTEE ARRANGEMENTS (Continued)

#### (b) Profit guarantee in relation to financial results of Hexicom

In September 2015, the Group completed the acquisition of 70% equity interests in Hexicom. As part and parcel of the acquisition, Red Square and the selling shareholders of Hexicom (the "Selling Shareholders C") entered into a profit guarantee agreement, pursuant to which the Company shall allot and issue up to 79,648,445 consideration shares and pay cash up to the value of HK\$458,667 to the Selling Shareholders C if the profits after tax of Hexicom for the years ended 31 December 2015, 2016 and 2017 reach RMB10,000,000 (equivalent to approximately HK\$12,428,000), RMB15,000,000 (equivalent to approximately HK\$18,642,000) and RMB22,500,000 (equivalent to approximately HK\$27,963,000) respectively (the "Hexicom Profit Guarantee"). In the opinion of the directors of the Company, the nature of the Hexicom Profit Guarantee is to remunerate the Selling Shareholders C for future services. The consideration shares to be issued and cash to be paid are therefore accounted for as share-based payment and other long-term employee benefits respectively.

The accumulated profit after tax of Hexicom for the years ended 31 December 2015, 2016 and 2017 exceeded RMB47,500,000 (equivalent to approximately HK\$59,033,000) and as a result, the Group considered that Hexicom Profit Guarantee would be met and amount of HK\$190,000 (2016: HK\$190,000) and HK\$10,423,000 (2016: HK\$10,423,000) were recognised as long-term employee benefits and share-based payment in profit or loss respectively.

### 37. 溢利保證安排下之或然款項 (續)

#### (b) 有關海億康財務業績之溢利保證

於二零一五年九月，本集團完成收購海億康70%股本權益。作為收購之一部分，方鴻與海億康之售股股東（「售股股東C」）訂立一份溢利保證協議，據此，倘海億康截至二零一五年、二零一六年及二零一七年十二月三十一日止年度之除稅後溢利分別達到人民幣10,000,000元（相等於約12,428,000港元）、人民幣15,000,000元（相等於約18,642,000港元）及人民幣22,500,000元（相等於約27,963,000港元），則本公司將向售股股東C配發及發行最多79,648,445股代價股份並支付價值最高458,667港元之現金（「海億康溢利保證」）。本公司董事認為，海億康溢利保證之性質為就未來服務向售股股東C提供報酬。將發行之代價股份及將支付之現金因而入帳列作以股份支付之款項及其他長期僱員福利。

海億康截至二零一五年、二零一六年及二零一七年十二月三十一日止年度之累計除稅後溢利超過人民幣47,500,000元（相等於約59,033,000港元），因此，本集團認為海億康溢利保證已經達成，而本集團已於損益帳確認190,000港元（二零一六年：190,000港元）為長期僱員福利及10,423,000港元（二零一六年：10,423,000港元）為以股份支付之款項。

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

### 37. CONTINGENT PAYMENTS UNDER PROFIT GUARANTEE ARRANGEMENTS (Continued)

#### (b) Profit guarantee in relation to financial results of Hexicom (Continued)

At the end of the reporting period, the Group considered that it was virtually certain that the Hexicom Profit Guarantee would be achieved based on the latest information available. As a result, compensation in terms of 79,648,445 consideration shares and cash of HK\$458,664 shall be issued and paid by the Company accordingly. Up to the end of the reporting period, no consideration shares have been issued and the outstanding balance of HK\$23,452,000 and HK\$427,000 has been included in share-based payment reserve and other payables respectively.

#### (c) Profit guarantee in relation to financial results of Wealth-Depot

In October 2015, the Group completed the acquisition of 51% equity interests in Wealth-Depot. As part and parcel of the acquisition, King Billion and the selling shareholders of Wealth-Depot (the "Selling Shareholders D") entered into a profit guarantee agreement, pursuant to which the Company will allot and issue up to 65,079,365 consideration shares to the Selling Shareholders D if the profits after tax of Wealth-Depot for the years ending 31 December 2015, 2016 and 2017 reach RMB12,000,000 (equivalent to approximately HK\$14,914,000), RMB16,800,000 (equivalent to approximately HK\$20,879,000) and RMB23,500,000 (equivalent to approximately HK\$29,206,000) respectively (the "Wealth-Depot Profit Guarantee"). In the opinion of the directors of the Company, the nature of the Wealth-Depot Profit Guarantee is to remunerate the Selling Shareholders D for future services. The consideration shares to be issued are therefore accounted for as share-based payment.

### 37. 溢利保證安排下之或然款項 (續)

#### (b) 有關海億康財務業績之溢利保證 (續)

於報告期結束日，本集團認為基於最新可得資料，海億康溢利保證幾可肯定會達成。因此，本公司將以發行79,648,445股代價股份及支付458,664港元現金之形式作出補償。直至報告期結束日，本公司尚未發行代價股份，而未清償結餘23,452,000港元及427,000港元已分別計入以股份支付之款項及其他應付款項。

#### (c) 有關大庫財務業績之溢利保證

於二零一五年十月，本集團完成收購大庫51%股本權益。作為收購之一部分，景億與大庫之售股股東（「售股股東D」）訂立一份溢利保證協議，據此，倘大庫截至二零一五年、二零一六年及二零一七年十二月三十一日止年度之除稅後溢利分別達到人民幣12,000,000元（相等於約14,914,000港元）、人民幣16,800,000元（相等於約20,879,000港元）及人民幣23,500,000元（相等於約29,206,000港元），則本公司將向售股股東D配發及發行最多65,079,365股代價股份（「大庫溢利保證」）。本公司董事認為，大庫溢利保證之性質為就未來服務向售股股東D提供報酬。將發行之代價股份因而入帳列作以股份支付之款項。

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## 綜合財務報表附註

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

### 37. CONTINGENT PAYMENTS UNDER PROFIT GUARANTEE ARRANGEMENTS (Continued)

#### (c) Profit guarantee in relation to financial results of Wealth-Depot (Continued)

The profit after tax of Wealth-Depot for the year ended 31 December 2017 did not reach RMB16,800,000 (equivalent to approximately HK\$20,879,000) and as a result, the Wealth-Depot Profit Guarantee for that year were not meet. After taking into consideration of the probabilities of fulfilling the conditions specified in the Wealth-Depot Profit Guarantee, no share-based payment was recognised during the years ended 31 December 2017 and 2016.

At the end of the reporting period, the Group considered that it was virtually certain that the Wealth-Depot Profit Guarantee would not be achieved based on the latest information available. As a result, compensation of approximately 32% equity interests in Wealth-Depot held by the Selling Shareholders D shall be transferred to the Group at nil consideration. The carrying amount of the non-controlling interests in Wealth-Depot as at the end of the reporting period was HK\$24,461,000. As a result, the Group should derecognise non-controlling interests of HK\$15,975,000.

At the date of acquisition of Wealth-Depot, prepayment to Selling Shareholders D of HK\$15,533,000 was recorded as prepayment and therefore was set-off against the de-recognition of non-controlling interests as forementioned. The remaining amount of HK\$442,000 was recognised directly in equity attributable to owners of the Company for the additional interests obtained from non-controlling interests without changes in control.

### 37. 溢利保證安排下之或然款項 (續)

#### (c) 有關大庫財務業績之溢利保證 (續)

大庫截至二零一七年十二月三十一日止年度之除稅後溢利未能達到人民幣16,800,000元(相等於約20,879,000港元)。因此，該年度之大庫溢利保證未能達成。經考慮履行大庫溢利保證所列條件之概率，截至二零一七年及二零一六年十二月三十一日止年度並無確認以股份支付之款項。

於報告期結束日，本集團認為基於最新可得資料，大庫溢利保證幾可肯定無法達成。因此，售股股東D所持大庫約32%股本權益之賠償將無償轉讓予本集團。於報告期結束日，大庫非控股權益之帳面金額為24,461,000港元。因此，本集團應終止確認15,975,000港元之非控股權益。

於收購大庫當日，預付售股股東D之款項15,533,000港元已記帳為預付款項，因此如前所述抵銷終止確認非控股權益。本集團已就向非控股權益取得之額外權益(並無控制權變動)直接於本公司擁有人應佔權益確認餘額442,000港元。

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## 綜合財務報表附註

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### 37. CONTINGENT PAYMENTS UNDER PROFIT GUARANTEE ARRANGEMENTS (Continued)

#### (d) Profit guarantee in relation to financial results of Next Concept Group

In March 2016, the Group completed the acquisition of 51% equity interests in Next Concept Group. As part and parcel of the acquisition, the Selling Shareholders A have jointly and severally, unconditionally and irrevocably guaranteed to compensate the Group under Next Concept Group Profit Guarantee. In the opinion of the directors of the Company, this profit guarantee is for the exchange of control for the Next Concept Group and therefore considered as contingent consideration receivables.

The profit after tax of Next Concept Group for the year ended 31 December 2017 did not reach HK\$216,000,000 and as a result, Next Concept Group Profit Guarantee for that year did not meet and a compensation of approximately HK\$187,209,000 should be settled by Selling Shareholders A.

At the end of the reporting period, the Group considered that it was virtually certain that the Next Concept Group Profit Guarantee would not be achieved based on the latest information available. As a result, compensation of approximately HK\$187,209,000 would be deducted by way of setting off the Promissory Notes E together with the relevant interest; and any remaining balance will be settled in cash. As a result, promissory notes of HK\$165,240,000, interests payable of HK\$8,611,000 and contingent consideration receivables of HK\$452,000 were derecognised and a fair value gain on contingent consideration receivables of HK\$186,757,000 were recognised in profit or loss.

### 37. 溢利保證安排下之或然款項 (續)

#### (d) 有關進念集團財務表現之溢利保證

於二零一六年三月，本集團完成收購進念集團51%股本權益。作為收購之一部分，售股股東A共同及各別地、無條件地及不可撤銷地擔保根據進念集團溢利保證向本集團賠償。本公司董事認為，該溢利保證乃為交換進念集團之控制權，因此被視為應收或然代價。

進念集團截至二零一七年十二月三十一日止年度之除稅後溢利未能達到216,000,000港元。因此，該年度之進念集團溢利保證未能達成。售股股東A應結清約187,209,000港元之賠償。

於報告期結束日，本集團認為基於最新可得資料，進念集團溢利保證幾可肯定無法達成。因此，約187,209,000港元之賠償將以抵銷承兌票據E連同相關利息之方式扣除，而任何餘額將以現金結清。因此，165,240,000港元之承兌票據、8,611,000港元之應付利息及452,000港元之應收或然代價已終止確認，而應收或然代價之公平值收益186,757,000港元已於損益帳確認。

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### 37. CONTINGENT PAYMENTS UNDER PROFIT GUARANTEE ARRANGEMENTS (Continued)

#### (e) Profit guarantee in relation to financial results of Lepei

In April 2016, the Group completed the acquisition of 75% equity interests in Lepei. As part and parcel of the acquisition, the Group and the selling shareholders of Lepei (the "Selling Shareholders E") entered into a profit guarantee agreement, pursuant to which the Group shall pay cash up to the value of RMB4,898,000 (equivalent to approximately HK\$5,718,000) and RMB9,477,000 (equivalent to approximately HK\$11,064,000) for the year ended 31 December 2017 and year ending 31 December 2018 respectively ("Lepei Compensation"), to the Selling Shareholders E if the profits after taxation of Lepei for the years ended 31 December 2016 and 2017, year ending 31 December 2018 reached RMB4,500,000 (equivalent to approximately HK\$5,346,000), RMB5,850,000 (equivalent to approximately HK\$6,950,000) and RMB7,605,000 (equivalent to approximately HK\$9,036,000) respectively (the "Lepei Profit Guarantee"). In the opinion of the directors of the Company, this profit guarantee is for the exchange of control for the Lepei and therefore considered as contingent consideration payables.

### 37. 溢利保證安排下之或然款項 (續)

#### (e) 有關樂佩財務表現之溢利保證

於二零一六年四月，本集團完成收購樂佩75%股本權益。作為收購之一部分，本集團與樂佩之售股股東（「售股股東E」）訂立一份溢利保證協議，據此，倘樂佩截至二零一六年、二零一七年及二零一八年十二月三十一日止年度之除稅後溢利分別達到人民幣4,500,000元（相等於約5,346,000港元）、人民幣5,850,000元（相等於約6,950,000港元）及人民幣7,605,000元（相等於約9,036,000港元），則本集團須就截至二零一七年十二月三十一日止年度及截至二零一八年十二月三十一日止年度分別向售股股東E支付價值最高人民幣4,898,000元（相等於約5,718,000港元）及人民幣9,477,000元（相等於約11,064,000港元）之現金（「樂佩賠償」）（「樂佩溢利保證」）。本公司董事認為，該溢利保證乃為交換樂佩之控制權，因此被視為應付或然代價。

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

### 37. CONTINGENT PAYMENTS UNDER PROFIT GUARANTEE ARRANGEMENTS (Continued)

#### (e) Profit guarantee in relation to financial results of Lepei (Continued)

If Lepei is not able to meet the Lepei Profit Guarantee, the Selling Shareholders E have jointly and severally, unconditionally and irrevocably guaranteed to compensate the Group, from deducting not more than RMB5,608,000 (equivalent to approximately HK\$6,663,000), RMB7,290,000 (equivalent to approximately HK\$8,661,000) and RMB9,477,000 (equivalent to approximately HK\$11,260,000) for the years ended 31 December 2016 and 2017 and year ending 31 December 2018 respectively from Lepei Compensation if the profits after taxation of Lepei for the years ended 31 December 2016 and 2017 and year ending 31 December 2018 do not reach the guarantee level. The additional consideration or compensation shall be settled in cash.

The accumulated profit after tax of Lepei for the years ended 31 December 2016 and 2017 exceeded RMB10,350,000 (equivalent to approximately HK\$12,296,000) and as a result, the Group considered that Lepei Profit Guarantee would be met and contingent consideration payables of HK\$16,713,000 (2016: HK\$15,540,000) was recognised.

### 37. 溢利保證安排下之或然款項 (續)

#### (e) 有關樂佩財務表現之溢利保證 (續)

倘樂佩無法達到樂佩溢利保證，則售股股東E已共同及各別地、無條件地及不可撤銷地擔保向本集團賠償，方式為倘樂佩截至二零一六年、二零一七年及二零一八年十二月三十一日止年度之除稅後溢利未能達致保證水平，則就截至二零一六年、二零一七年及二零一八年十二月三十一日止年度分別從樂佩賠償扣除不多於人民幣5,608,000元（相等於約6,663,000港元）、人民幣7,290,000元（相等於約8,661,000港元）及人民幣9,477,000元（相等於約11,260,000港元）。額外代價或賠償應以現金結清。

樂佩截至二零一六年及二零一七年十二月三十一日止年度之累計除稅後溢利超過人民幣10,350,000元（相等於約12,296,000港元）。因此，本集團認為樂佩溢利保證將達成，並確認應付或然代價16,713,000港元（二零一六年：15,540,000港元）。

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## 綜合財務報表附註

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### 38. COMMITMENTS UNDER OPERATING LEASES

The Group leases a number of properties under operating leases, which typically run for an initial period of 1-5 years. None of these leases includes contingent rentals. At the end of the reporting period, the Group had future lease payments under non-cancellable operating leases, which are payable as follows:

### 38. 經營租賃承擔

本集團以一般初步為期一至五年之經營租賃租用多項物業。有關租賃並不包括或然租金。於報告期結束日，本集團根據不可註銷經營租賃之未來租賃付款應按以下年期支付：

		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	15,280	11,712
In the second to fifth years inclusive	第二至第五年（包括首尾兩年）	12,458	2,911
		<b>27,738</b>	14,623



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## 綜合財務報表附註

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### 39. RELATED PARTY TRANSACTIONS

In addition to information disclosed elsewhere in these consolidated financial statements, the Group had the following significant related party transactions during the year:

### 39. 關連人士交易

除本綜合財務報表其他部分所披露之資料外，本集團於年內進行之重大關連人士交易如下：

Related party relationship 關連人士關係	Nature of transaction 交易性質	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Key management personnel, i.e. the directors  主要管理人員（即董事）	Salaries and other allowances 薪金及其他津貼	4,388	3,086
	Contributions to defined contribution plans 界定供款計劃供款	56	54
	Equity-settled share-based payment 權益結算以股份支付之款項	2,695	12,846
	Total compensation 補償總額	7,139	15,986
Related company <sup>^</sup> 關連公司 <sup>^</sup>	Operating lease expenses 經營租賃開支	3,572	3,726
Related company <sup>^</sup> 關連公司 <sup>^</sup>	Sales of products 銷售產品	129	—
Related company <sup>^</sup> 關連公司 <sup>^</sup>	Services fee expenses 服務費開支	115	—

<sup>^</sup> The related company was controlled by the controlling shareholder.

<sup>^</sup> 該關連公司由控股股東控制。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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### 40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments are available-for-sale financial assets, pledged bank deposits, bank balances and cash, interest-bearing borrowings, promissory notes and convertible bonds. The main purpose of these financial instruments is to raise and maintain finance for the Group's operations. The Group has various other financial instruments such as financial assets at fair value through profit or loss, loan receivables, trade and other receivables and trade and other payables, which arise directly from its business activities.

The main risks arising from the Group's financial instruments are equity price risk, credit risk, liquidity risk, interest rate risk and foreign currency risk. The directors of the Company generally adopt conservative strategies on its risk management and limit the Group's exposure to these risks to a minimum. The directors of the Company review and agree policies for managing each of these risks and they are summarised below.

#### Equity price risk

The Group is exposed to equity price risk arising from trading of listed securities, ELN and unlisted wealth management products included in financial assets at fair value through profit or loss and certain available-for-sale financial assets. The sensitivity analysis has been determined based on the exposure to equity price risk.

### 40. 財務風險管理目標及政策

本集團之主要財務工具為可供出售財務資產、已質押銀行存款、銀行結存及現金、計息借貸、承兌票據以及可換股債券。此等財務工具之主要用途乃為本集團之營運籌集及維持融資。本集團有若干其他財務工具，如直接自其業務活動產生之於損益帳按公平值處理之財務資產、應收貸款、貿易及其他應收款項以及貿易及其他應付款項。

本集團財務工具所產生之主要風險為股價風險、信貸風險、流動資金風險、利率風險及外幣風險。本公司董事一般對風險管理採取審慎策略，並將本集團面對之風險減至最低。本公司董事檢討及協定有關管理以上各種風險之政策，各種風險已概列於下文。

#### 股價風險

本集團面對之股價風險來自買賣計入於損益帳按公平值處理之財務資產及若干可供出售財務資產之上市證券、股票掛鈎票據及非上市財富管理產品。敏感度分析乃根據所面對之股價風險釐定。

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### 40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

#### Equity price risk (Continued)

At the end of the reporting period, if the quoted stock prices and the change of corresponding prices of wealth management products had been 5% (2016: 7%) higher or lower while all other variables were held constant, the Group's net profit would increase or decrease by HK\$164,876,000 (2016: increase or decrease by HK\$100,622,000) and other equity reserves would increase or decrease by HK\$2,450,000 (2016: increase or decrease by HK\$7,707,000) as a result of changes in fair value of investments. The Group's sensitivity to equity price has not changed significantly during the year mainly due to less volatile price fluctuation.

The sensitivity analysis has been determined assuming that the reasonably possible changes in the stock prices, corresponding prices of wealth management products or other relevant risk variables had occurred at the end of the reporting period and had been applied to the exposure to equity price risk in existence at that date. It is also assumed that the fair values of the Group's investments would change in accordance with the historical correlation with the relevant stock market index or the relevant risk variables, and that all other variables remain constant. The stated changes represent management's assessment of reasonably possible changes in the relevant stock market index or the relevant risk variables over the period until the end of the next annual reporting period. The analysis is performed on the same basis for 2016.

In the opinion of the directors of the Company, the sensitivity analysis is unrepresentative of the inherent equity price risk because the exposure at the end of each reporting period does not reflect the exposure during the year.

### 40. 財務風險管理目標及政策 (續)

#### 股價風險 (續)

於報告期結束日，倘若所報股價及相應財富管理產品價格變動上升或下跌5% (二零一六年：7%)，在所有其他變數不變之情況下，投資公平值變動將令本集團純利增加或減少164,876,000港元 (二零一六年：增加或減少100,622,000港元)，而其他股權儲備將增加或減少2,450,000港元 (二零一六年：增加或減少7,707,000港元)。本集團對股價之敏感度於年內因價格波動相對輕微而無大幅改變。

敏感度分析乃假設股價、財富管理產品相應價格或其他相關風險變數於報告期結束日出現合理可能變動而釐定，並適用於當日存在之股價風險。敏感度分析亦假設本集團投資之公平值隨相關股票市場指數或相關風險變數之歷史關係而變動，以及所有其他變數不變。上述變動指管理層對相關股票市場指數或相關風險變數於下年度報告期結束日前期間出現合理可能變動之評估。進行分析之基準與二零一六年相同。

本公司董事認為，由於各報告期結束日所面對之風險並不反映年內所面對之風險，故敏感度分析不能代表潛在股價風險。

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

### 40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

#### Credit risk

The credit risk of the Group is primarily attributable to trade and other receivables, loan receivables, pledged bank deposits and bank balances.

In respect of trade and other receivables, in order to minimise the credit risk, the management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis. Credit evaluations of its customers' financial position and condition are performed on each and every major customer periodically. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. At the end of the reporting period, 23% (2016: 20%) and 39% (2016: 51%) of the trade receivables were due from the Group's largest customer and the five largest customers respectively within the IoT solution segment, 9% (2016 (re-presented): 10%) and 30% (2016 (re-presented): 45%) of the trade receivables were due from the Group's largest customer and the five largest customers respectively within the IDS segment and 11% (2016 (re-presented): 5%) and 28% (2016 (re-presented): 22%) of the trade receivables were due from the Group's largest customer and the five largest customers respectively within the HMID segment.

### 40. 財務風險管理目標及政策 (續)

#### 信貸風險

本集團之信貸風險主要來自貿易及其他應收款項、應收貸款、已質押銀行存款及銀行結存。

就貿易及其他應收款項而言，為將信貸風險減至最低，管理層設有信貸政策，並會持續監察該等信貸風險。本集團會定期就每名主要客戶之財務水平及狀況進行信貸評估。該等評估着眼於客戶過往之到期付款紀錄及目前之付款能力，並計及客戶之個別資料及與客戶經營所在經濟環境有關之資料。

本集團面對之信貸風險主要受每名客戶之個別特點影響，而非取決於客戶經營之行業或國家。因此，當本集團面對有關個別客戶之重大風險時，即出現信貸風險高度集中之情況。於報告期結束日，貿易應收款項中23% (二零一六年：20%)及39% (二零一六年：51%)分別為應收本集團物聯網解決方案分類最大客戶及五大客戶之款項，9% (二零一六年(經重列)：10%)及30% (二零一六年(經重列)：45%)分別為應收本集團智能檔案服務分類最大客戶及五大客戶之款項，而11% (二零一六年(經重列)：5%)及28% (二零一六年(經重列)：22%)分別為應收本集團人機互動分類最大客戶及五大客戶之款項。

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### 40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

#### Credit risk (Continued)

Due to the change in segment information as mentioned in note 4 to these consolidated financial statements, the comparative credit risk information for the year ended 31 December 2016 has been represented to conform with the presentation adopted in the current year.

In respect of loan receivables, the Group has adopted procedures in extending credit terms to loan borrowers and in monitoring its credit risk. The credit policy on extending credit terms to loan borrowers includes assessing and evaluating loan borrowers' creditworthiness and financial standing. Management also closely monitors all outstanding debts and reviews the collectability of other receivables periodically. At the end of the reporting period, 25% (2016: 92%) and 88% (2016: 100%) of the total loan receivables were due from the Group's largest borrower and the five largest borrowers (2016: two largest borrowers) respectively within the unallocated segment.

The Group has limited credit risk with its money deposited in financial institutions and brokers, who are with high credit ratings and assessed as having low credit risk. The Group has not had any significant loss arising from non-performance by these parties in the past and management does not expect so in the future.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in these consolidated financial statements.

### 40. 財務風險管理目標及政策 (續)

#### 信貸風險 (續)

鑑於本綜合財務報表附註4所述分類資料有變，截至二零一六年十二月三十一日止年度之比較信貸風險資料已重列，以符合於本年度採納之呈列方式

就應收貸款而言，本集團已採納若干有關給予貸款借款人之信貸期之程序以及監察有關信貸風險之程序。給予貸款借款人信貸期之信貸政策包括評定及評估貸款借款人之信用度及財務狀況。管理層亦會密切監察所有未收債項及定期審閱其他應收款項之收款情況。於報告期結束日，應收貸款總額中25% (二零一六年：92%) 及88% (二零一六年：100%) 分別為應收本集團最大借款人及五大借款人 (二零一六年：兩大借款人) 之款項，而該等借款人乃屬於未經分配分類。

本集團於財務機構及經紀之存款面對之信貸風險有限，原因是該等財務機構及經紀均具高信用評級，獲評定為低信貸風險。本集團過往並無因有關人士不履行責任而產生重大虧損，而管理層預期日後亦不會出現該等情況。

信貸風險之最高額度為本綜合財務報表內各項財務資產之帳面金額。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

#### Liquidity risk

Liquidity risk refers to the risk in which the Group is unable to meet its short-term obligations. Liquidity risk is minimal and is managed by matching the payments and receipts cycles. The Group's operations are financed mainly through its business activities.

The maturity profile of the Group's non-derivative financial liabilities at the end of the reporting period, based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates at the end of the reporting period) are summarised below:

### 40. 財務風險管理目標及政策 (續)

#### 流動資金風險

流動資金風險指本集團無力履行其短期責任之風險。流動資金風險微不足道，乃透過配合還款及收款週期加以管理。本集團之營運主要透過業務活動提供資金。

於報告期結束日，按合約未貼現現金流量（包括利用合約利率或（如屬浮動）按照於報告期結束日之利率計算之利息款項）計算，本集團之非衍生財務負債之到期情況概列如下：

		On demand or within 1 year 按要求或 一年內 HK\$'000 千港元	2 to 5 years 二至五年 HK\$'000 千港元	Over 5 years 五年以上 HK\$'000 千港元	Total contractual undiscounted cash flows 合約未貼現 現金流量總額 HK\$'000 千港元	Total carrying amount 帳面總額 HK\$'000 千港元
<b>At 31 December 2017</b>	<b>於二零一七年 十二月三十一日</b>					
Trade and other payables	貿易及其他應付款項	379,974	-	-	379,974	379,974
Interest-bearing borrowings	計息借貸	494,297	258,964	-	753,261	724,938
Convertible bonds	可換股債券	39,018	733,353	-	772,371	649,162
Promissory notes	承兌票據	218,880	578,045	5,551	802,476	739,824
		<b>1,132,169</b>	<b>1,570,362</b>	<b>5,551</b>	<b>2,708,082</b>	<b>2,493,898</b>
<b>At 31 December 2016</b>	<b>於二零一六年 十二月三十一日</b>					
Trade and other payables	貿易及其他應付款項	270,253	-	-	270,253	270,253
Interest-bearing borrowings	計息借貸	41,784	449	-	42,233	41,982
Convertible bonds	可換股債券	24,769	761,788	-	786,557	599,150
Promissory notes	承兌票據	588,044	467,197	-	1,055,241	998,049
		<b>924,850</b>	<b>1,229,434</b>	<b>-</b>	<b>2,154,284</b>	<b>1,909,434</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

#### Interest rate risk

The management believes that the Group's fair value interest rate risk is minimal and no sensitivity analysis is performed.

The Group is exposed to cash flow interest rate risk in relation to bank balances and variable-rate interest-bearing borrowings (see notes 25(a), 25(b), 25(c) and 25(f)). The exposure to cash flow interest rate risk is mainly concentrated on the fluctuation of the prevailing interest rate of the loan prime rate and BOCHK's HK\$ prime rate (2016: *prevailing interest rate of the People's Bank of China*) arising from the Group's bank borrowings and loan from a financial institution (2016: *bank borrowings*). The Group currently does not have a formal interest rate hedging policy. However, the management monitors the interest rate exposure on an ongoing basis and will consider hedging the interest rate risk should the need arise.

#### Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for the variable-rate interest-bearing borrowings at the end of the reporting period. The analysis is prepared assuming the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease in interest rates is used when reporting interest rate risk internally to management's assessment of the reasonably possible change in interest rates over the period until the end of the next annual reporting period.

### 40. 財務風險管理目標及政策 (續)

#### 利率風險

管理層相信，本集團之公平值利率風險微不足道，故並無進行敏感度分析。

本集團就銀行結存及浮息計息借貸（見附註25(a)、25(b)、25(c)及25(f)）面對現金流量利率風險。所面對之現金流量利率風險主要集中於本集團銀行借貸及來自一間財務機構之貸款（二零一六年：銀行借貸）所產生最優惠借貸利率及中銀香港港元最優惠利率現行利率（二零一六年：中國人民銀行之現行利率）波動。本集團現時並無正式利率對沖政策。然而，管理層持續監察所面對之利率風險，並將於有需要時考慮對沖利率風險。

#### 敏感度分析

下文之敏感度分析乃按照浮息計息借貸於報告期結束日面對之利率風險釐定。編製敏感度分析時已假設於報告期結束日尚未償還之負債於整個年度尚未償還。內部向管理層報告利率風險以評估利率於下年度報告期結束日前期間之合理可能變動時，使用50個基點之利率升幅或跌幅。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

#### Interest rate risk (Continued)

##### Sensitivity analysis (Continued)

If interest rates had been 50 basis points (2016: 50 basis points) higher/lower and all other variables were held constant, the Group's profit for the year would decrease/increase by approximately HK\$1,379,000 (2016: HK\$27,000).

In the opinion of the directors of the Company, the sensitivity analysis is unrepresentative of the inherent interest rate risk because the exposure at the end of each reporting period does not reflect the exposure during the year.

#### Currency risk

Substantially all of the Group's sales and operating costs are denominated in the functional currency of the group entity making the sales or incurring the costs. Accordingly, the management considers that the currency risk is not significant. The Group currently does not have a formal currency hedging policy in relation to currency risk. However, the management monitors the currency risk exposure on an ongoing basis and will consider hedging the currency risk should the need arise.

#### Capital management

The objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to provide returns for shareholders. The Group manages its capital structure and makes adjustments, including payment of dividend to shareholders, return capital to shareholders or issue new shares or sell assets to reduce debts. No changes were made in the objectives, policies or processes during the years ended 31 December 2017 and 2016.

### 40. 財務風險管理目標及政策 (續)

#### 利率風險 (續)

##### 敏感度分析 (續)

倘若利率上升/下跌50個基點(二零一六年: 50個基點), 在所有其他變數不變之情況下, 本集團年內溢利將減少/增加約1,379,000港元(二零一六年: 27,000港元)。

本公司董事認為, 由於各報告期結束日所面對之風險並不反映年內所面對之風險, 故敏感度分析不能代表潛在利率風險。

#### 貨幣風險

本集團絕大部分銷售及經營成本乃以進行銷售或招致成本之集團實體之功能貨幣計值。因此, 管理層認為貨幣風險並不重大。本集團現時並無關於貨幣風險之正式貨幣對沖政策。然而, 管理層持續監察所面對之貨幣風險, 並將於有需要時考慮對沖貨幣風險。

#### 資本管理

本集團管理資本之目的為保障本集團能持續經營, 並為股東帶來回報。本集團管理其資本架構並作出調整, 包括向股東派付股息、向股東退還資本或發行新股或出售資產以減少債項。於截至二零一七年及二零一六年十二月三十一日止年度並無更改有關目標、政策或過程。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

#### Capital management (Continued)

The Group monitors capital on the basis of debt-to-equity capital ratio, which is net debt divided by total equity. The debt-to-equity capital ratios at the end of the reporting period were as follows:

### 40. 財務風險管理目標及政策 (續)

#### 資本管理 (續)

本集團根據債項與股權資本比率(以債項淨額除以股權總值計算)監察資本。於報告期結束日之債項與股權資本比率如下:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Convertible bonds	可換股債券	649,162	599,150
Interest-bearing borrowings	計息借貸	724,938	41,982
Promissory notes	承兌票據	739,824	998,049
Total debt	債項總額	<b>2,113,924</b>	1,639,181
Less: Pledged bank deposits	減: 已質押銀行存款	<b>(6,030)</b>	(2,954)
Less: Bank balances and cash	減: 銀行結存及現金	<b>(738,495)</b>	(439,726)
Net debt	債項淨額	<b>1,369,399</b>	1,196,501
Total equity	股權總值	<b>4,307,578</b>	3,433,492
Debt-to-equity capital ratio	債項與股權資本比率	<b>31.79%</b>	34.85%

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 41. FAIR VALUE MEASUREMENTS

The following presents the assets and liabilities measured at fair value or required to disclose their fair value in these consolidated financial statements on a recurring basis at 31 December 2017 and 2016 across the three levels of the fair value hierarchy defined in HKFRS 13, *Fair Value Measurement*, with the fair value measurement categorised in its entirety based on the lowest level of input that is significant to that fair value measurement. The levels of inputs are defined as follows:

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

### 41. 公平值計量

下文呈列於二零一七年及二零一六年十二月三十一日按公平值計量或須於本綜合財務報表中按經常性基準根據香港財務報告準則第13號「公平值計量」所界定公平值架構三個級別披露公平值之資產及負債，當中會按對有關公平值計量有重大影響之最低輸入項目級別將整項公平值計量分類。輸入項目級別界定如下：

- 級別一（最高級別）：使用於計量日期本集團能夠於活躍市場上取得之相同財務資產或負債報價（未經調整）；
- 級別二：級別一所涵蓋報價以外，可直接或間接觀察之資產或負債輸入項目；
- 級別三（最低級別）：不可觀察資產或負債輸入項目。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 41. FAIR VALUE MEASUREMENTS (Continued)

#### a) Assets (liabilities) measured at fair value

### 41. 公平值計量 (續)

#### a) 按公平值計量之資產(負債)

		31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元	Level 1 級別一 HK\$'000 千港元	Level 2 級別二 HK\$'000 千港元	Level 3 級別三 HK\$'000 千港元
<b>Assets (liabilities) measured at fair value</b>	按公平值計量之 資產(負債)				
<b>Available-for-sale financial assets</b>	可供出售財務資產				
- Listed equity securities	- 上市股本證券	48,997	48,997	-	-
<b>Financial assets at fair value through profit or loss</b>	於損益帳按公平值處理之 財務資產				
- Listed equity securities	- 上市股本證券	2,564,728	2,564,728	-	-
- ELN	- 股票掛鈎票據	282,785	-	282,785	-
- Wealth management products, unlisted	- 財富管理產品, 非上市	449,998	-	-	449,998
<b>Contingent consideration payables</b>	應付或然代價	(16,713)	-	-	(16,713)
		<b>3,329,795</b>	<b>2,613,725</b>	<b>282,785</b>	<b>433,285</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 41. FAIR VALUE MEASUREMENTS (Continued)

#### a) Assets (liabilities) measured at fair value (Continued)

		31 December 2016 二零一六年 十二月三十一日 HK\$'000 千港元	Level 1 級別一 HK\$'000 千港元	Level 2 級別二 HK\$'000 千港元	Level 3 級別三 HK\$'000 千港元
<b>Assets (liabilities) measured at fair value</b>	<b>按公平值計量之 資產(負債)</b>				
Available-for-sale financial assets	可供出售財務資產				
– Listed equity securities	– 上市股本證券	110,106	110,106	–	–
Financial assets at fair value through profit or loss	於損益帳按公平值處理之 財務資產				
– Listed equity securities	– 上市股本證券	1,437,445	1,437,445	–	–
– ELN	– 股票掛鈎票據	677,200	–	677,200	–
– Wealth management products, unlisted	– 財富管理產品， 非上市	412,428	–	–	412,428
Contingent consideration receivables	應收或然代價	452	–	–	452
Contingent consideration payables	應付或然代價	(15,540)	–	–	(15,540)
		<u>2,622,091</u>	<u>1,547,551</u>	<u>677,200</u>	<u>397,340</u>

During the years ended 31 December 2017 and 2016, there was no transfer between Level 1 and Level 2 fair value measurements and no transfer into and out of Level 3 fair value measurements.

於截至二零一七年及二零一六年十二月三十一日止年度，並無於公平值計量級別一與級別二之間進行轉撥，公平值計量級別三亦無轉入及轉出。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 41. FAIR VALUE MEASUREMENTS (Continued)

#### a) Assets (liabilities) measured at fair value (Continued)

The details of the movements of the recurring fair value measurements categorised as Level 3 of the fair value hierarchy are as follows:

Movements in Level 3 fair value measurements

31 December 2017

### 41. 公平值計量 (續)

#### a) 按公平值計量之資產(負債)(續)

分類為公平值架構級別三之經常性公平值計量之變動詳情如下:

公平值計量級別三之變動

二零一七年十二月三十一日

Description	描述	Financial assets at fair value through profit or loss – Wealth management product, unlisted	Contingent consideration receivables	Contingent consideration payables	Total
		於損益帳按公平值處理之財務資產—財富管理產品，非上市	應收或然代價	應付或然代價	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At beginning of reporting period	於報告期初	412,428	452	(15,540)	397,340
Initial recognition	初步確認	837,096	-	-	837,096
Addition – acquisition of subsidiaries	增添—收購附屬公司	33,825	-	-	33,825
Disposal during the year	年內出售	(853,895)	-	-	(853,895)
Fair value changes	公平值變動	8,107	186,757	-	194,864
Compensation from profit guarantee – set-off with promissory notes	溢利保證賠償—抵銷承兌票據	-	(173,851)	-	(173,851)
– other receivables	—其他應收款項	-	(13,358)	-	(13,358)
Exchange realignments	匯兌調整	12,437	-	(1,173)	11,264
<b>At the end of the reporting period</b>	<b>於報告期結束日</b>	<b>449,998</b>	<b>-</b>	<b>(16,713)</b>	<b>433,285</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 41. FAIR VALUE MEASUREMENTS (Continued)

#### a) Assets (liabilities) measured at fair value (Continued)

Movements in Level 3 fair value measurements  
(Continued)

31 December 2016

Description	描述	Financial assets at fair value through profit or loss – Wealth management product, unlisted 於損益帳按公平值處理之財務資產—財富管理產品·非上市 HK\$'000 千港元	Contingent consideration receivables 應收或然代價 HK\$'000 千港元	Contingent consideration payables 應付或然代價 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At beginning of reporting period	於報告期初	-	-	-	-
Initial recognition	初步確認	405,418	-	-	405,418
At completion date of acquisition	於收購完成日	-	452	(15,916)	(15,464)
Fair value changes	公平值變動	7,092	-	(743)	6,349
Exchange realignments	匯兌調整	(82)	-	1,119	1,037
At the end of the reporting period	於報告期結束日	412,428	452	(15,540)	397,340

The above fair value changes are reported as "changes in fair value of financial assets at fair value through profit or loss/contingent consideration payables/contingent consideration receivables" in the consolidated statement of comprehensive income.

上述公平值變動於綜合全面收入報表內呈報為「於損益帳按公平值處理之財務資產／應付或然代價／應收或然代價之公平值變動」。

### 41. 公平值計量 (續)

#### a) 按公平值計量之資產 (負債) (續)

公平值計量級別三之變動 (續)

二零一六年十二月三十一日



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 41. FAIR VALUE MEASUREMENTS (Continued)

#### a) Assets (liabilities) measured at fair value (Continued)

*Description of the valuation techniques and inputs used in Level 3 fair value measurement*

The Group recognises the fair value of those purchase considerations receivables and payables for acquisitions, as of their respective acquisition dates as part of the consideration transferred in exchange for the acquired businesses. These fair value measurements require, among other things, significant estimation of post-acquisition performance of the acquired businesses and discount rates. These calculations use cash flow projections for post-acquisition performance and the probability of occurrence of each expected earnings scenarios.

The unlisted wealth management products' investment portfolio mainly comprise investment in debentures, bank debentures, bank saving, corporate bonds and listed securities and other investments in the PRC and global market with high credit rating (the "Investment") and the fair value of the Investment is reported by the financial institutions and external fund managers.

#### *Valuation processes of the Group*

The Group reviews estimation of fair value of the unlisted wealth management products and contingent consideration receivables/payables which is categorised into Level 3 of the fair value hierarchy. Reports with estimation of fair value are prepared by the financial institutions and external fund managers on a monthly basis and independent valuer on a semi-annually basis. Discussion of the valuation process and results with those charged with governance is held twice a year, to coincide with the reporting dates.

### 41. 公平值計量 (續)

#### a) 按公平值計量之資產 (負債) (續)

*公平值計量級別三採用之估值技術及輸入項目描述*

本集團會就收購事項確認應收及應付購買代價於相關收購日期之公平值，作為就交換所收購業務轉讓之部分代價。該等公平值計量需（其中包括）對所收購業務之收購後表現及貼現率作出重大估計。就收購後表現及發生各個預期盈利情況之概率而言，有關計算採用現金流量預測。

非上市財富管理產品投資組合主要包括於債權證、銀行債權證、銀行儲蓄、公司債券、上市證券之投資以及於中國及全球市場具高信貸評級之其他投資（「投資」），而投資之公平值由財務機構及外部基金經理報告。

#### *本集團之估值過程*

本集團會審閱分類為公平值架構級別三之非上市財富管理產品及應收／應付或然代價之公平值估計。財務機構及外部基金經理會每月編製附帶公平值估計之報告，而獨立估值師則每半年編製一次。管治人員會配合報告日期每年兩次討論估值過程及結果。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 41. FAIR VALUE MEASUREMENTS (Continued)

#### b) Assets and liabilities with fair value disclosure, but not measured at fair value

Except for certain available-for-sale financial assets for which fair values cannot be measured reliably, all other financial assets and liabilities including loan receivables, trade and other receivables, trade and other payables and interest-bearing borrowings are carried at amounts not materially different from their fair values as at 31 December 2017 and 2016.

### 42. OTHER EVENTS AND EVENTS AFTER THE REPORTING PERIOD

Other than disclosed elsewhere in these consolidated financial statements, a summary of other events and events transacted after the end of reporting period is set out below:

#### (a) Proposed acquisition of the entire issued share capital of Ho Fung Shares Investment Limited (“Ho Fung”)

On 16 May 2017, Magic Stars Investments Limited (“Magic Stars”), an indirect non wholly-owned subsidiary of the Company, entered into a share purchase agreement (the “Share Purchase Agreement”) with the independent third parties (the “Sellers”), pursuant to which Magic Stars has agreed to acquire, and the Sellers have agreed to sell, 100% equity interests in Ho Fung, at a consideration of HK\$15,000,000. Upon signing of the Share Purchase Agreement, a deposit of HK\$4,500,000 has been paid to the Sellers.

### 41. 公平值計量 (續)

#### b) 須披露公平值但並非按公平值計量之資產及負債

於二零一七年及二零一六年十二月三十一日，除公平值無法可靠計量之若干可供出售財務資產外，所有其他財務資產及負債（包括應收貸款、貿易及其他應收款項、貿易及其他應付款項以及計息借貸）之列帳金額與公平值並無重大差別。

### 42. 其他事項及報告期後事項

除本綜合財務報表其他部分所披露者外，其他事項及於報告期結束日後進行之事項概述如下：

#### (a) 建議收購浩豐證券投資有限公司（「浩豐」）全部已發行股本

於二零一七年五月十六日，本公司間接非全資附屬公司 Magic Stars Investments Limited（「Magic Stars」）與獨立第三方（「賣方」）訂立一份購股協議（「購股協議」），據此，Magic Stars 同意收購而賣方同意出售浩豐 100% 股本權益，代價為 15,000,000 港元。於購股協議簽訂後已向賣方支付按金 4,500,000 港元。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 42. OTHER EVENTS AND EVENTS AFTER THE REPORTING PERIOD (Continued)

#### (a) Proposed acquisition of the entire issued share capital of Ho Fung Shares Investment Limited (“Ho Fung”) (Continued)

On 16 November 2017, a supplemental agreement to the Share Purchase Agreement was entered into by Magic Stars and the Sellers, pursuant to which the Sellers and Magic Stars have mutually agreed in writing to vary certain terms of the Share Purchase Agreement.

Ho Fung is a company incorporated in Hong Kong with limited liability, which is principally engaged in the business of securities broking and holds a license for Type 1 regulated activity (dealing in securities) under the Securities and Futures Ordinance (the “SFO”) (Chapter 571 of the Laws of Hong Kong).

As at the date of these consolidated financial statements, the acquisition of Ho Fung has not yet been completed. Details of the acquisition are set out in the Enterprise Development’s announcements dated 16 May 2017 and 16 November 2017.

### 42. 其他事項及報告期後事項 (續)

#### (a) 建議收購浩豐證券投資有限公司 (「浩豐」)全部已發行股本 (續)

於二零一七年十一月十六日，Magic Stars與賣方訂立購股協議之補充協議，據此，賣方與Magic Stars互相書面協定修改購股協議之若干條款。

浩豐為一間於香港註冊成立之有限公司，主要從事證券經紀業務，並持有香港法例第571章證券及期貨條例（「證券及期貨條例」）下第1類受規管活動（證券交易）之牌照。

於本綜合財務報表日期，收購浩豐一事尚未完成。收購詳情載於企展日期為二零一七年五月十六日及二零一七年十一月十六日之公告。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 42. OTHER EVENTS AND EVENTS AFTER THE REPORTING PERIOD (Continued)

#### (b) Proposed acquisition of 50% equity interests in Taiping Securities (HK) Co Limited ("Taiping") in relation to the deemed disposal of ED Group

On 14 November 2017, Enterprise Development, Reliable Intelligence Asia Limited ("Reliable Intelligence"), an indirect non wholly-owned subsidiary of Company, and Taiping Financial Holdings Company Limited ("Taiping Financial"), a company incorporated in Hong Kong with limited liability and is a wholly-owned subsidiary of China Taiping Insurance Holdings Company Limited ("CTIH"), a company incorporated in Hong Kong with limited liability and the shares of which are traded on the Main Board of the Stock Exchange with stock code of 00966.HK, entered into a sale and purchase agreement, pursuant to which Reliable Intelligence conditionally agreed to purchase and the Taiping Financial conditionally agreed to sell 50% equity interests in Taiping, at a total consideration of HK\$229,884,785 (subject to the adjustment) which shall be satisfied in the following manner:

- i. as to HK\$143,886,163 shall be payable by Reliable Intelligence procuring Enterprise Development, which shall allot and issue Enterprise Development's consideration shares to Taiping (or its nominee(s)) at the issue price of HK\$1.10 per Enterprise Development's consideration share upon completion; and
- ii. the remaining balance of the consideration shall be payable by Reliable Intelligence procuring Enterprise Development, which shall issue the convertible bonds to Taiping (or its nominee(s)) upon completion, with the initial conversion price of such convertible bonds at HK\$1.10 per conversion share.

### 42. 其他事項及報告期後事項 (續)

#### (b) 有關視作出售企展集團之建議收購太平証券(香港)有限公司(「太平」)50%股本權益

於二零一七年十一月十四日，企展、信智亞洲有限公司(「信智亞洲」，本公司之間接非全資附屬公司)及太平金融控股有限公司(「太平金融」，一間於香港註冊成立之有限公司)及為中國太平保險控股有限公司(「中國太平」，一間於香港註冊成立之有限公司，其股份於聯交所主板買賣(股份代號：00966.HK))之全資附屬公司)訂立一份買賣協議，據此，信智亞洲有條件同意購買及太平金融有條件同意出售太平50%股本權益，總代價為229,884,785港元(可予調整)，將以下列方式支付：

- i. 143,886,163港元由信智亞洲於完成時，以促使企展按發行價每股企展代價股份1.10港元向太平(或其代名人)配發及發行企展代價股份之方式支付；及
- ii. 代價餘額將由信智亞洲於完成時，以促使企展向太平(或其代名人)發行可換股債券之方式支付，該等可換股債券之初始換股價為每股換股股份1.10港元。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 42. OTHER EVENTS AND EVENTS AFTER THE REPORTING PERIOD (Continued)

#### (b) Proposed acquisition of 50% equity interests in Taiping Securities (HK) Co Limited ("Taiping") in relation to the deemed disposal of ED Group (Continued)

Upon completion, Enterprise Development will indirectly hold 50% of the issued share capital of Taiping, which will become an associate of Enterprise Development and the investment of the ED Group in Taiping will be classified as interests in an associate.

The directors of the Company take the view that the financial results of ED Group may or may not continue to be consolidated into the financial statements of the Group on the commencement of the conversion period of the convertible bonds. Details please refer to the circular of the Company dated 15 February 2018.

Taiping is a company incorporated in Hong Kong with limited liability, which is licensed by the Securities and Futures Commission of Hong Kong to carry out Type 1 (dealing in securities) regulated activity under the SFO, and is principally engaged in the businesses of securities dealing and broking, and securities margin financing.

As at the date of these consolidated financial statements, the acquisition of Taiping has not yet been completed. Details of the acquisition are set out in the Company's announcements dated 14 November 2017 and 20 December 2017 and the circular of the Company dated 15 February 2018.

### 42. 其他事項及報告期後事項 (續)

#### (b) 有關視作出售企展集團之建議收購太平証券(香港)有限公司(「太平」)50%股本權益(續)

於完成後，企展將間接持有太平50%已發行股本，而太平將成為企展之聯營公司，而企展集團於太平之投資將分類為於一間聯營公司之權益。

本公司董事認為，於可換股債券轉換期開始時，企展集團之財務業績可能會或可能不會繼續於本集團之財務業績綜合入帳。有關詳情請參閱本公司日期為二零一八年二月十五日之通函。

太平為一間於香港註冊成立之有限公司，獲香港證券及期貨事務監察委員會發牌從事證券及期貨條例下第1類(證券交易)受規管活動，並主要從事證券買賣及經紀業務以及證券保證金融資服務。

於本綜合財務報表日期，收購太平一事尚未完成。收購詳情載於本公司日期為二零一七年十一月十四日及二零一七年十二月二十日之公告以及日期為二零一八年二月十五日之通函。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 42. OTHER EVENTS AND EVENTS AFTER THE REPORTING PERIOD (Continued)

#### (c) Possible Transfer

The Board was informed by Mr. King, that he was negotiating with Fujian Start Group Company Limited\* ("Fujian Start") (福建實達集團股份有限公司) in relation to the possible transfer of 5,342,513,350 shares of the Company, representing approximately 47.92% of the issued share capital of the Company held by Better Joint Venture Limited and Mystery Idea Limited, being companies wholly-owned by Mr. King (the "Possible Transfer"). Better Joint Venture Limited and Mystery Idea Limited had entered into a framework agreement on 19 March 2018 with Lifting Rise Limited (the "Potential Purchaser"), a wholly-owned subsidiary of Fujian Start. If the Possible Transfer materialises, the Potential Purchaser will acquire more than 30% of the voting rights of the Company, giving rise to an obligation on the part of the Potential Purchaser and parties acting in concert with it to make mandatory general cash offers under Rule 26.1 of the Takeovers Code. Details of the Possible Transfer are set out in the joint announcements of the Company and Enterprise Development dated 19 January 2018 and 7 February 2018 respectively, and the Company's announcements dated 14 February 2018, 15 March 2018 and 19 March 2018 respectively.

### 42. 其他事項及報告期後事項 (續)

#### (c) 可能轉讓事項

董事會獲景先生告知，彼目前正與福建實達集團股份有限公司（「福建實達」）進行磋商，或會轉讓5,342,513,350股本公司股份（相當於Better Joint Venture Limited及Mystery Idea Limited（均為景先生全資擁有之公司）所持本公司已發行股本約47.92%）（「可能轉讓事項」）。Better Joint Venture Limited及Mystery Idea Limited於二零一八年三月十九日與Lifting Rise Limited（「有意買方」，福建實達之全資附屬公司）訂立一份框架協議。倘若可能轉讓事項落實，則有意買方將取得本公司投票權30%以上，導致有意買方及與其一致行動之人士根據收購守則規則26.1作出強制全面現金要約之責任。可能轉讓事項之詳情載於本公司與企展日期為二零一八年一月十九日及二零一八年二月七日之聯合公告，以及本公司日期為二零一八年二月十四日、二零一八年三月十五日及二零一八年三月十九日之公告。

\* The official names are in Chinese and the English names are translated for identification purpose only.

\* 官方名稱以中文為準，英文翻譯名稱僅供識別之用。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 43. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

### 43. 本公司財務狀況表

	Note 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>Non-current assets</b>			
Interests in subsidiaries		<b>4,467,754</b>	3,903,525
<b>Current assets</b>			
Due from subsidiaries		<b>416,794</b>	758,425
Other receivables		<b>17,622</b>	19,669
Bank balances and cash		<b>62</b>	19,325
		<b>434,478</b>	797,419
<b>Current liabilities</b>			
Other payables		<b>61,646</b>	62,633
Convertible bonds		<b>13,621</b>	–
Promissory notes		<b>199,881</b>	563,846
		<b>275,148</b>	626,479
<b>Net current assets</b>		<b>159,330</b>	170,940
<b>Total assets less current liabilities</b>		<b>4,627,084</b>	4,074,465
<b>Non-current liabilities</b>			
Promissory notes		<b>539,943</b>	434,203
Convertible bonds		<b>635,541</b>	599,150
		<b>1,175,484</b>	1,033,353
<b>NET ASSETS</b>		<b>3,451,600</b>	3,041,112
<b>Equity and reserves</b>			
Share capital		<b>11,148</b>	10,148
Reserves	43(a)	<b>3,440,452</b>	3,030,964
<b>TOTAL EQUITY</b>		<b>3,451,600</b>	3,041,112

This statement of financial position was approved and authorised for issue by the Board of Directors on 27 March 2018 and signed on its behalf by

本財務狀況表經由以下人士代表董事會於二零一八年三月二十七日簽署批准及授權刊發

**Kwok Kenneth Wai Lung**  
郭瑋瓏  
Director  
董事

**Yip Denis Shing Fai**  
葉成輝  
Director  
董事



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 43. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

#### (a) Reserves

### 43. 本公司財務狀況表 (續)

#### (a) 儲備

		Share premium	Capital redemption reserve	Capital reserve	Contributed reserve	Convertible bonds equity reserve	Share-based payment reserve	Retained profits	Total
		股份溢價	資本贖回儲備	資本儲備	繳入盈餘	可換股債券權益儲備	以股份支付之款項儲備	保留溢利	總計
		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
At 1 January 2016	於二零一六年一月一日	1,924,369	1,173	4,492	16,692	-	31,950	69,484	2,048,160
Profit for the year and total comprehensive income for the year	年內溢利及年內全面收入總額	-	-	-	-	-	-	29,722	29,722
Transaction with owners:	與擁有人進行之交易:								
<i>Contributions and distributions</i>	<i>出資及分派</i>								
- Issue of new shares, net of expenses	- 發行新股 (已扣除開支)	204,168	-	-	-	-	-	-	204,168
- Issue of new shares on acquisition of subsidiaries	- 於收購附屬公司時發行新股	664,220	-	-	-	-	-	-	664,220
- Recognition of equity component of convertible bonds	- 確認可換股債券之權益部分	-	-	-	-	22,079	-	-	22,079
- Equity-settled share-based payments	- 以權益結算以股份支付之款項	-	-	-	-	-	67,155	-	67,155
- Share options forfeited during the year	- 年內沒收之購股權	-	-	-	-	-	(4,540)	-	(4,540)
Total transaction with owners	與擁有人進行之交易總額	868,388	-	-	-	22,079	62,615	-	953,082
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	2,792,757	1,173	4,492	16,692	22,079	94,565	99,206	3,030,964
Profit for the year and total comprehensive income for the year	年內溢利及年內全面收入總額	-	-	-	-	-	-	29,058	29,058
Transaction with owners:	與擁有人進行之交易:								
<i>Contributions and distributions</i>	<i>出資及分派</i>								
- Issue of new shares, net of expenses	- 發行新股 (已扣除開支)	350,009	-	-	-	-	-	-	350,009
- Recognition of equity component of convertible bonds	- 確認可換股債券之權益部分	-	-	-	-	933	-	-	933
- Equity-settled share-based payments	- 以權益結算以股份支付之款項	-	-	-	-	-	29,488	-	29,488
- Share options forfeited during the year	- 年內沒收之購股權	-	-	-	-	-	(14,156)	14,156	-
Total transaction with owners	與擁有人進行之交易總額	350,009	-	-	-	933	15,332	14,156	380,430
At 31 December 2017	於二零一七年十二月三十一日	3,142,766	1,173	4,492	16,692	23,012	109,897	142,420	3,440,452

# Financial Summary

## 財務概要

The following is a summary of the published results and assets and liabilities of Rentian Technology Holdings Limited (the "Company") and its subsidiaries (together the "Group") for the past five years.

以下為仁天科技控股有限公司（「本公司」）及其附屬公司（統稱「本集團」）過去五年之已刊發業績以及資產及負債概要。

### RESULTS

### 業績

		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	1,531,414	1,203,580	904,096	525,517	13,234
Cost of sales	銷售成本	(786,378)	(739,321)	(550,404)	(158,827)	-
Gross profit	毛利	745,036	464,259	353,692	366,690	13,234
Other revenue	其他收益	-	-	-	-	23,051
Other income	其他收入	52,766	40,154	23,650	7,426	1,765
Selling and distribution expenses	銷售及分銷開支	(100,710)	(68,414)	(79,319)	(29,917)	-
General and administrative expenses	一般及行政開支	(376,055)	(314,305)	(171,415)	(38,531)	(19,365)
Other operating expenses	其他經營開支	-	-	(49)	(444)	-
Changes in fair value of financial assets at fair value through profit or loss	於損益帳按公平值處理之財務資產之公平值變動	284,739	264,436	(77,666)	611,528	93,623
Changes in fair value of a financial liability at fair value through profit or loss	一項於損益帳按公平值處理之財務負債之公平值變動	-	-	-	-	(194,912)
Changes in fair value of contingent consideration receivables	應收或然代價之公平值變動	186,757	-	-	-	-
Other gains/(losses), net	其他收益／(虧損)淨額	1,265	(1,157)	-	5	-
Loss on disposal of debt investment	出售債務投資之虧損	-	-	-	-	(26,840)
Impairment loss of available-for-sale financial assets	可供出售財務資產之減值虧損	(61,109)	(41,114)	-	(12,536)	-
Impairment of goodwill	商譽減值	(200,000)	-	-	-	-
Finance costs	財務成本	(190,103)	(109,685)	(37,732)	(9,177)	(853)
Share of results of an associate/associates	應佔一間聯營公司／聯營公司之業績	1,473	18,960	48,059	(10,051)	2,308
Gain on bargain purchase on acquisition of an associate	收購一間聯營公司之議價購買收益	-	-	8,740	-	-
Profit (Loss) before taxation	除稅前溢利(虧損)	344,059	253,134	67,960	884,993	(107,989)
Taxation	稅項	(37,394)	(22,120)	(6,956)	(196)	-
Profit (Loss) after taxation	除稅後溢利(虧損)	306,665	231,014	61,004	884,797	(107,989)
Profit (Loss) attributable to: Owners of the Company	溢利(虧損)歸屬於： 本公司擁有人	202,628	154,446	38,258	881,837	(107,989)
Non-controlling interests	非控股權益	104,037	76,568	22,746	2,960	-
		306,665	231,014	61,004	884,797	(107,989)

# Financial Summary

## 財務概要

### ASSETS AND LIABILITIES

### 資產及負債

		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
Non-current assets	非流動資產	<b>1,702,149</b>	1,848,292	920,767	427,949	152,592
Current assets	流動資產	<b>5,208,539</b>	3,588,320	2,547,185	1,892,184	839,834
Current liabilities	流動負債	<b>(1,384,106)</b>	(923,276)	(723,856)	(340,660)	(7,563)
Net current assets	流動資產淨值	<b>3,824,433</b>	2,665,044	1,823,329	1,551,524	832,271
Total assets less current liabilities	資產總值減流動負債	<b>5,526,582</b>	4,513,336	2,744,096	1,979,473	984,863
Non-current liabilities	非流動負債	<b>(1,219,004)</b>	(1,079,844)	(479,786)	(80,752)	(60,000)
Net assets	資產淨值	<b>4,307,578</b>	3,433,492	2,264,310	1,898,721	924,863



RENTIAN TECHNOLOGY HOLDINGS LIMITED  
仁天科技控股有限公司\*