

**KaShui**<sup>1980</sup>

Ka Shui International Holdings Limited  
嘉瑞國際控股有限公司

Incorporated in the Cayman Islands with Limited Liability  
於開曼群島註冊成立的有限公司

Stock Code 股份代號：822

**Technovation**  
Drives the  
**Smart Future**

科技創新 智訊未來

Annual Report 2016 年報

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# CORPORATE INFORMATION

## 公司資料

### DIRECTORS

#### Executive Directors

Mr. Lee Yuen Fat (*Chairman*)

Mr. Wong Wing Chuen (*Vice Chairman*)  
(*appointed on 1 January 2017*)

Dr. Wong Cheong Yiu (*Chief Executive Officer*)

Mr. Chan Tat Cheong, Alan  
(*resigned on 23 May 2016*)

#### Independent Non-Executive Directors

Mr. Sun Kai Lit, Cliff BBS, JP

Ir Dr. Lo Wai Kwok SBS, MH, JP

Mr. Andrew Look

Mr. Kong Kai Chuen, Frankie

### AUTHORISED REPRESENTATIVES

Dr. Wong Cheong Yiu

Ms. Yam Suk Yee, Celia

### COMPANY SECRETARY

Ms. Yam Suk Yee, Celia

### AUDIT COMMITTEE

Mr. Kong Kai Chuen, Frankie

Mr. Sun Kai Lit, Cliff BBS, JP

Ir Dr. Lo Wai Kwok SBS, MH, JP

Mr. Andrew Look

### NOMINATION COMMITTEE

Mr. Sun Kai Lit, Cliff BBS, JP

Ir Dr. Lo Wai Kwok SBS, MH, JP

Mr. Andrew Look

Mr. Kong Kai Chuen, Frankie

Dr. Wong Cheong Yiu

### REMUNERATION COMMITTEE

Mr. Sun Kai Lit, Cliff BBS, JP

Ir Dr. Lo Wai Kwok SBS, MH, JP

Mr. Andrew Look

Mr. Kong Kai Chuen, Frankie

Dr. Wong Cheong Yiu

### 董事

#### 執行董事

李遠發先生(主席)

黃永銓先生(副主席)

(於二零一七年一月一日獲委任)

黃昌耀博士(行政總裁)

陳達昌先生

(於二零一六年五月二十三日辭職)

#### 獨立非執行董事

孫啟烈先生 BBS, 太平紳士

盧偉國博士 SBS, MH, 太平紳士

陸東先生

江啟銓先生

#### 授權代表

黃昌耀博士

任淑儀小姐

#### 公司秘書

任淑儀小姐

#### 審核委員會

江啟銓先生

孫啟烈先生 BBS, 太平紳士

盧偉國博士 SBS, MH, 太平紳士

陸東先生

#### 提名委員會

孫啟烈先生 BBS, 太平紳士

盧偉國博士 SBS, MH, 太平紳士

陸東先生

江啟銓先生

黃昌耀博士

#### 薪酬委員會

孫啟烈先生 BBS, 太平紳士

盧偉國博士 SBS, MH, 太平紳士

陸東先生

江啟銓先生

黃昌耀博士

# CORPORATE INFORMATION (CONTINUED)

## 公司資料(續)

### REGISTERED OFFICE

Clifton House, 75 Fort Street  
P. O. Box 1350 GT, George Town  
Grand Cayman, Cayman Islands

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room A, 29/F, Tower B, Billion Centre  
1 Wang Kwong Road, Kowloon Bay  
Kowloon, Hong Kong

### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Royal Bank of Canada Trust Company (Cayman)  
Limited  
4th Floor, Royal Bank House  
24 Shedden Road, George Town  
Grand Cayman KY1-1110  
Cayman Islands

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited  
Shops 1712–1716, 17th Floor  
Hopewell Centre, 183 Queen's Road East  
Hong Kong

### AUDITOR

RSM Hong Kong

### PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited  
Standard Chartered Bank (Hong Kong) Limited  
Bank of China (Hong Kong) Limited  
Chong Hing Bank Limited

### WEBSITE

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

### 註冊辦事處

Clifton House, 75 Fort Street  
P.O. Box 1350 GT, George Town  
Grand Cayman, Cayman Islands

### 香港主要營業地點

香港九龍  
九龍灣宏光道1號  
億京中心B座29樓A室

### 主要股份過戶登記處

Royal Bank of Canada Trust Company (Cayman)  
Limited  
4th Floor, Royal Bank House  
24 Shedden Road, George Town  
Grand Cayman KY1-1110  
Cayman Islands

### 香港股份過戶登記分處

香港中央證券登記有限公司  
香港皇后大道東183號  
合和中心17樓1712–1716室

### 核數師

中瑞岳華(香港)會計師事務所

### 主要往來銀行

香港上海滙豐銀行有限公司  
渣打銀行(香港)有限公司  
中國銀行(香港)有限公司  
創興銀行有限公司

### 網址

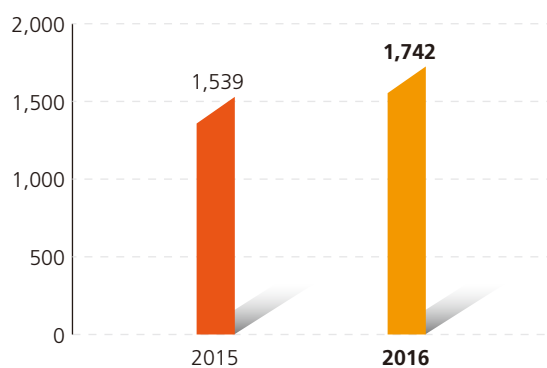
[www.kashui.com](http://www.kashui.com)

# FINANCIAL HIGHLIGHTS

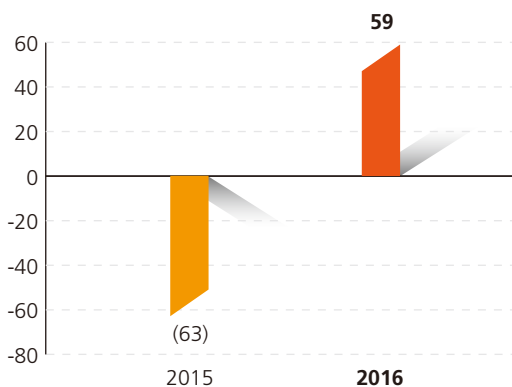
## 財務概要

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>RESULTS</b>	<b>業績</b>		
Revenue	收入	1,742,476	1,539,344
Profit/(Loss) attributable to owners of the Company	本公司權益持有人應佔溢利/(虧損)	59,243	(63,489)
EBITDA	未計利息、稅項、折舊及攤銷前盈利	214,143	24,000
<b>PER SHARE DATA</b>	<b>每股資料</b>		
Basic earnings/(loss) per share (HK cents)	每股基本盈利/(虧損)(港仙)	6.63	(7.10)
Total dividends per share (HK cent)	每股總股息(港仙)	1.00	–
– Interim dividend paid per share (HK cent)	– 已付每股中期股息(港仙)	–	–
– Proposed final dividend per share (HK cent)	– 建議派發末期股息(港仙)	–	–
Dividend payout ratio	派息比率	15.1%	N/A 不適用

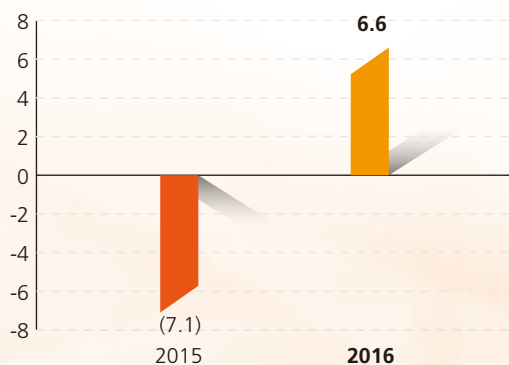
Revenue (HK\$ million)  
收入(百萬港元)



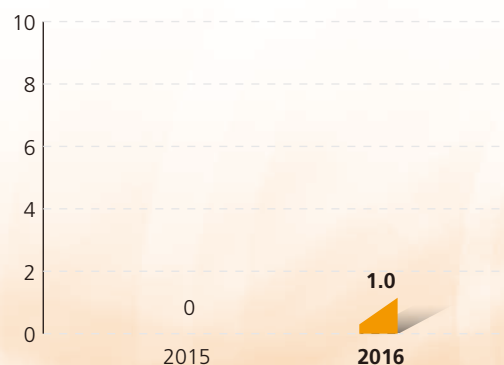
(Loss)/Profit attributable to owners of the Company (HK\$ million)  
本公司權益持有人應佔(虧損)/溢利(百萬港元)



Basic (loss)/earnings per share (HK cents)  
每股基本(虧損)/溢利(港仙)



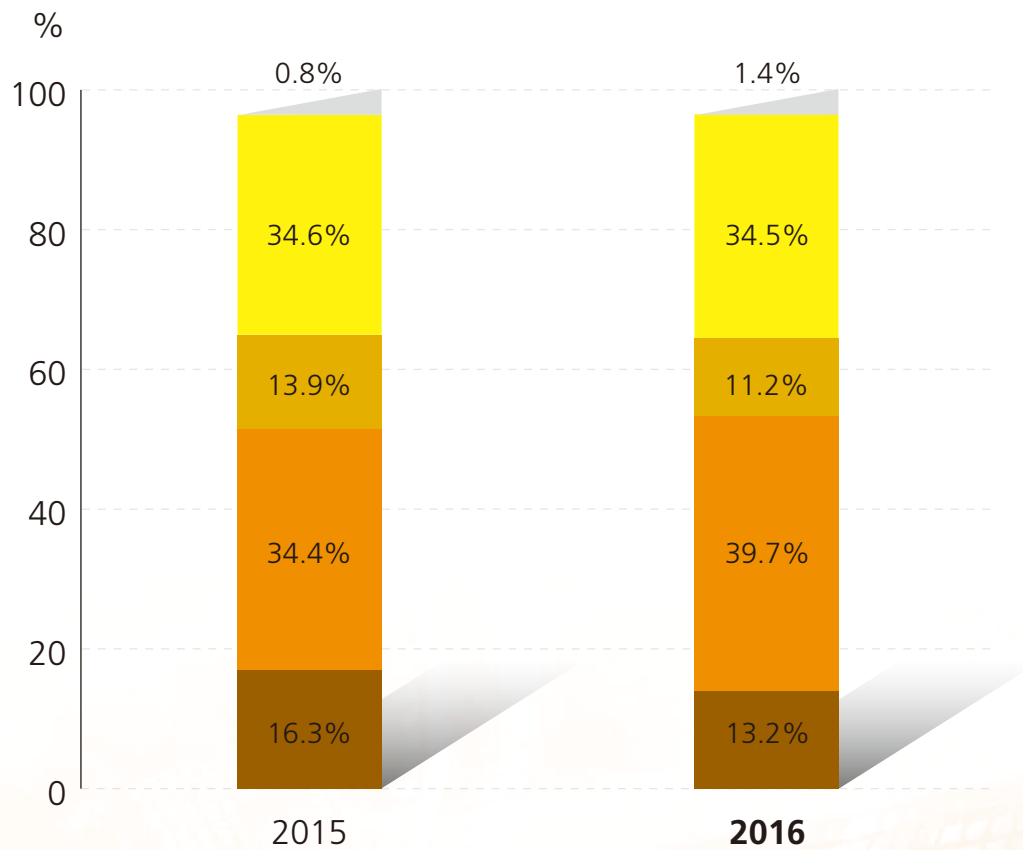
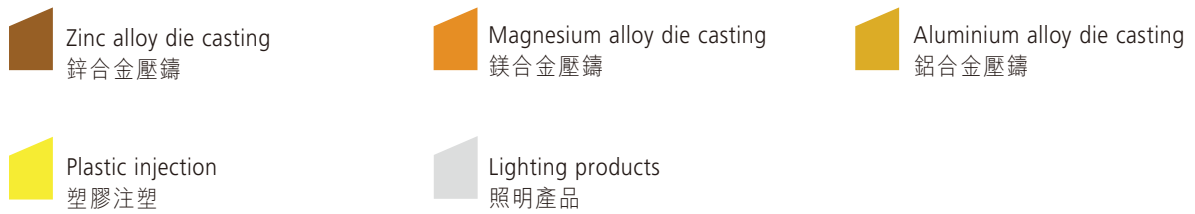
Total dividends per share (HK cent)  
每股總股息(港仙)



# FINANCIAL HIGHLIGHTS (CONTINUED)

## 財務概要(續)

### Revenue percentage by business segments 按業務分部的收入百分率



# KEY INFORMATION FOR SHAREHOLDERS

## 股東主要資料

### FINANCIAL CALENDAR

Announcement of 2016 Annual Results  
27 March 2017

Annual General Meeting  
19 May 2017

Ex-dividend Date for 2016 Final Dividend  
24 May 2017

2016 Final Dividend Payment Date  
7 June 2017

### STOCK CODE

822

### BOARD LOT

2,000 Shares

### INVESTOR RELATIONS

Ms. Yam Suk Yee, Celia  
Company Secretary  
Ka Shui International Holdings Limited  
Room A, 29/F, Tower B, Billion Centre  
1 Wang Kwong Road, Kowloon Bay  
Kowloon, Hong Kong  
Tel: (852) 3759 8900  
Fax: (852) 2412 1743  
Email: celia.yam@kashui.com

### 財務日誌

二零一六年全年業績公佈  
二零一七年三月二十七日

股東週年大會  
二零一七年五月十九日

二零一六年末期股息除淨日期  
二零一七年五月二十四日

二零一六年末期股息派發日期  
二零一七年六月七日

### 股份代號

822

### 每手股數

2,000股

### 投資者關係

任淑儀小姐  
公司秘書  
嘉瑞國際控股有限公司  
香港九龍  
九龍灣宏光道1號  
億京中心B座29樓A室  
電話：(852) 3759 8900  
傳真：(852) 2412 1743  
電郵：celia.yam@kashui.com

# CHAIRMAN'S STATEMENT

## 主席報告



Dear Shareholders,

On behalf of the Board of Directors of Ka Shui International Holdings Limited (the "Company"), I am pleased to present you the audited annual results of the Company and its subsidiaries (collectively the "Group") for the year ended 31 December 2016 (the "Year").

For the year under review, the Group has recorded a 13.2% increase in the overall revenue, reaching approximately HK\$1,742,476,000 (2015: approximately HK\$1,539,344,000). The upturn in revenue was mainly due to better performance from the magnesium alloy die casting and plastic injection moulding businesses. The Group's gross profit amounted to approximately HK\$391,732,000, representing an increase of 34.2% over last year (2015: approximately HK\$291,981,000).

致各位股東：

本人謹代表嘉瑞國際控股有限公司（「本公司」）董事會，欣然向閣下提呈本公司及其附屬公司（統稱為「本集團」）截至二零一六年十二月三十一日止年度（「本年度」）之經審核全年業績。

於回顧年度，本集團錄得總收入增加13.2%達至約1,742,476,000港元（二零一五年：約1,539,344,000港元）。收入的上升主要是由於鎂合金壓鑄和塑膠注塑業務的更佳表現。本集團的毛利約為391,732,000港元，較去年上升34.2%（二零一五年：約291,981,000港元）。



## CHAIRMAN'S STATEMENT (CONTINUED)

### 主席報告(續)

In 2016, the Group has settled all forward foreign exchange contracts and recorded a reversal of certain loss on forward foreign exchange contracts of approximately HK\$14,767,000 arising from settlements and change in fair value of these contracts. With multiple consolidation measures and encouraging business results, the Group achieved a turnaround and recorded a profit attributable to the owners of the Company of approximately HK\$59,243,000 (2015: a loss of approximately HK\$63,489,000). The Group's EBITDA, computed as profit before tax, depreciation, amortisation and finance costs, amounted to HK\$214,143,000 (2015: HK\$24,000,000).

The Board of Directors recommended the payment of a final dividend of HK1.0 cent (2015: Nil) per share for the Year after due consideration of the future business development as well as financial position of the Group. The dividend payout ratio for the Year would be 15.1% (2015: Nil).

During the Year, magnesium alloy die casting business maintained a healthy growth and continued to be one of the Group's major revenue contributors. For our notebook and ultrabook computer casing business, the Group has been a long-term supplier to top brands in the world. Although the launch of new product had been delayed in the first half of 2016, the demand for computer metal casings from top computer brands recovered in the second half. The Group anticipates that new product launches will resume in 2017, thus creating a significant demand for magnesium alloy notebook casings. With our long history and strong expertise in the die casting industry, the Group believes that we would be able to maintain a good and long term relationship with our existing and new partners. In addition, the Group is committed to provide customer-oriented solutions with special effort to co-operate with our customers in early research and development stage. The Group is currently developing new material, as well as new forming technology, such as thixomoulding, as a platform for hybrid applications. These high value-added products and services will enable the Group in providing a more comprehensive product offerings and achieving stronger profitability.

On the other hand, due to the need for energy conservation and better environmental efficiency, "weight reduction" vehicle has become the major development trend for automotive industries around the globe. As fuel efficiency will be highly enhanced with lighter car, car manufacturers have been seeking automotive parts solution that are durable yet light in weight. With the potential for becoming high strength alloys, light metal such as aluminium and magnesium would be suitable for "vehicle weight reduction" solutions with better environmental efficiency. To further cope with the pollution challenge, the Chinese Government has been actively developing light-weight new-energy vehicles as one

於二零一六年，本集團所有遠期外匯合約已平倉。由於此等合約平倉及其公平值改變，本集團錄得此等合約若干之虧損回撥約14,767,000港元。由於多項整合措施以及令人鼓舞的業績，本集團轉虧為盈，並錄得本公司持有人應佔溢利約59,243,000港元(二零一五年：虧損約63,489,000港元)。本集團之未計利息、稅項、折舊及攤銷前盈利(「EBITDA」)(以稅項、折舊、攤銷及融資成本前溢利計算)為214,143,000港元(二零一五年：24,000,000港元)。

經詳細考慮本集團之未來業務發展及財務狀況，董事會建議派發截至二零一六年十二月三十一日止年度之末期股息每股1.0港仙(二零一五年：零)，本年度之派息比率為15.1%(二零一五年：零)。

年內，鎂合金壓鑄業務繼續保持健康增長，並繼續成為本集團主要收入貢獻者之一。於筆記本及超薄筆記本電腦外殼業務方面，本集團一直是世界頂級品牌的長期供應商。雖然此等新產品推出計劃在二零一六年上半年推遲，頂級電腦品牌之電腦金屬外殼需求在下半年復蘇。本集團預期新產品上市將於二零一七年恢復，從而對鎂合金筆記本電腦外殼產生顯著需求。憑藉在壓鑄行業悠久的歷史和堅實的專業知識，本集團相信我們有能力與現有和新合作夥伴能保持良好及長期的業務關係。此外，本集團致力提供以客戶導向的解決方案，特別著力與我們的客戶在早期研發階段的合作。本集團目前正開發新材料以及新成型技術如半固態成型，作為混合應用的平台。此等高附加值的產品和服務將使本集團能夠提供更全面的產品和達至更強的盈利能力。

另一方面，由於節能需要和更佳之環境保護效益，「輕量化」車輛已成為全球汽車工業的主要發展趨勢。由於燃料效率將隨著更輕的汽車而大大提昇，汽車製造商一直尋求耐用且重量輕的汽車零部件解決方案。輕金屬如鋁及鎂具有可塑造成高強合金的潛力，將會適合「汽車輕量化」方案及具有更佳之環境保護效益。為了進一步面對污染所帶來之挑戰，中國政府積極地把輕量化新能源汽車作為第十三個五年計劃及新興產業國家戰略發展規劃的戰略目標之一。由

## CHAIRMAN'S STATEMENT (CONTINUED)

### 主席報告(續)

of strategic goals in the 13th Five-year Plan, as well as in the National Strategic Development Plan for Emerging Industries. Since China is the largest market for new-energy vehicles with the highest sales volume ranking in the world, there will be ample potential for the Group to tap into the automobile industry and further expand the applications of new materials, technology and equipment. This will enable the Group to widen its income streams and develop more light weight automotive parts, such as for new energy light-weight vehicles. The Group has also been exploring more innovative forming technology with applications on new materials, such as rare-earth magnesium alloy and rare-earth aluminium alloy. At the same time, the Group is developing environmentally-friendly production techniques, such as surface finishing treatment, aiming to bring in pioneering solutions to the industry and sustain its leadership in the market. For zinc and aluminium alloy die casting businesses, the sales in 2016 slightly dropped. It is expected that both segments will remain stable in 2017.

For the plastic injection segment, the Group has been providing accessories for 3C (communication, computer and consumer electronics) and healthcare products over the past years. With the launch of new smartphone models and the re-bounce in the emerging markets in the coming years, the Group believes that the mobile device market has very good potential to be further developed. Mobile device such as smartphones is one of the major communication devices nowadays and has become a daily necessity to the society. It is estimated that the demand for smartphones will remain stable, hence deriving consumer demand for plastic mobile accessories with creative features or designs. Mobile device accessories have transformed into fashion which consumer would switch and change frequently. Developing along with this market trend and working closely with our business partners, the Group will collaboratively provide mobile device accessories with more creative solutions. Our customisation and creative solutions endeavour to offer a more multifunctional and versatile product range and to satisfy diverse needs from the extensive customer requirements. In addition, the Group will continue to expand its customer base and support to capture higher market share in high quality functional and decorative plastic injection automobile and precision components industry. The Group has developed the germ-repellant polyethylene resins in collaboration with a research organisation. This technology can be applied in a wide range of consumer and commercial products with a view to tap the potential of new plastic injection solutions.

For the plasma lighting business, the Group's shareholding in Topanga Asia Limited was diluted from 79.7% to 38.9% by introducing a new strategic partner with new capital injected and technical skills in early 2016. As such, the Group has reduced its financial burden. Working in collaboration with our new partner, the Group will continue to optimise

於中國新能源汽車銷量世界排名最高，是新能源汽車最大的市場，因此能提供充分的潛力予本集團發展汽車產業及進一步擴展新材料、技術及裝備的應用，從而令本集團擴闊其收入來源及開發更多輕量化的汽車零部件(如新能源輕量汽車)。本集團亦已探索更多創新成型技術在新材料如稀土鎂合金及稀土鋁合金上之應用。同時，本集團正在開發環保生產技術如表面處理，旨在為行業帶來的領先方案，並保持其在市場上的領導地位。鋅合金及鋁合金壓鑄業務之銷售於二零一六年稍為回落，預期此兩個業務分部將於二零一七年維持穩定。

至於塑膠注塑分部，本集團在過往數年一直提供3C(通訊、電腦及消費者電子)配件和健康護理產品。隨著新智能手機型號的推出和在未來幾年新興市場的反彈，集團相信流動裝置市場仍有非常良好進一步發展潛力。流動裝置如智能手機是當今主要通信設備之一，並已成為社會的日常必需品。預期智能手機的需求將保持穩定，從而帶動消費者對具有創意特徵或設計之塑膠流動裝置配件的需求。流動裝置配件已經轉變為時尚配飾，消費者會頻繁轉換和更替。隨著此市場趨勢的發展及與我們的商業夥伴緊密合作，本集團將共同協作提供更多創新之流動裝置配件解決方案。我們個性化及創新解決方案致力提供一個更多功能及多樣化的產品系列，以滿足廣泛客戶群的不同需求。此外，本集團將繼續擴展其客戶基礎及支援，並致力於高品質功能零部件及注塑汽車裝飾件及精密零部件行業獲取更高市場份額。本集團與研究機構合作開發了抗菌聚乙烯樹脂。此技術可廣泛應用於消費和商業產品，以開拓新塑膠注塑解決方案的潛力。

於等離子照明業務方面，由於在二零一六年年初引入新的戰略合作夥伴注入新資本及技術，本集團於勁亮嘉科技有限公司的股權由79.7%降至38.9%。因此，本集團已減少未來的財務負擔。透過與新夥伴合作，本集團將繼續優化等

## CHAIRMAN'S STATEMENT (CONTINUED) 主席報告(續)

plasma lighting products in order to provide more versatile solutions to cater for different customer needs. In 2016, the B2B LED lighting business maintained a steady growth and the Group will continue to enlarge its sales network and explore new market opportunities.

Industry 4.0 is the trend towards management intelligence and digitisation in production technologies, which also goes in-line with the national policy "Made in China 2025". Under such direction, the Group is determined to upgrade so as to improve the intelligence standard of manufacturing, enhance the Group's core competitiveness and efficiency in offering high quality products for customers, and also develop staff's management and technical skills towards such digital direction. To develop our own Industry 4.0 intelligent infrastructure and practice, the Group has established the Industry 4.0 Preparatory Committee to work together with the German expert consulting team in collaboration with Hong Kong Productivity Council.

In the past couple of years, the Group has been relocating its production lines and consolidating its production facilities in Shenzhen and Huizhou in China with an aim to optimise its production efficiency and enhance its value by rationalising its facilities. On 24 October 2016, the Group announced the disposal of MG Technology (Shenzhen) Company Limited ("MG Technology") for a total consideration of HK\$290,000,000, and obtained approval from independent shareholders during the extraordinary general meeting of the Company on 7 December 2016. MG Technology was principally engaged in the manufacture and sale of magnesium and aluminum alloy die casting products and components, and its original businesses and operations had been gradually consolidated into the base in Huizhou and other facilities of the Group. The transaction would enable the Group to provide integrated production facilities and to enhance overall operational efficiency. At the same time, the transaction will help strengthen the Group's financial position.

During the Year, the Group was honored to be awarded by different industry associations for our contribution to the industry. In the 12th Annual Meeting of China Foundry Association and the 1st Global Foundry Forum, held in Beijing, Ka Yi Technology (Huizhou) Co., Ltd., the subsidiary of the Group has been granted "China Green Foundry Model Enterprise". On 2 June 2016, the Group was awarded "Corporate Environmental Leadership Awards 2015: EcoChallenger" by Federation of Hong Kong Industries and Bank of China (Hong Kong). These awards not only recognised our achievements in areas of technological advance and proactive implementation of sustainable development strategies, but also encouraged the Group to continue pursuing innovation and create an energy-saving technological environment.

離子照明產品，提供更多樣化之解決方案以迎合客戶之不同要求。在二零一六年，B2B LED照明業務維持穩定增長，本集團將繼續擴大其銷售網絡及探索新市場機遇。

工業4.0是生產科技趨向智能管理化及數據化之趨勢，這也符合國家政策「中國製造2025」。在此方向下，本集團決心升級以改善製造業的智能水平、提高本集團的核心競爭力及提升為客戶提供高品質產品的效率，並同時發展員工之管理技巧及工藝技術以邁向此數據化方向。為了建立我們自己之工業4.0智能設施及措施，本集團成立了工業4.0籌備委員會，與德國專家顧問團隊及香港生產促進局共同合作。

在過去數年，本集團一直在中國深圳遷移其生產線和整合其在深圳和惠州的生產設施，目的為通過設施整合以優化生產效率和提高其價值。於二零一六年十月二十四日，本集團宣佈出售創金美科技(深圳)有限公司(「創金美科技」)，總代價為290,000,000港元，並於二零一六年十二月七日日本公司股東特別大會上獲獨立股東通過。創金美科技主要從事製造及銷售鎂及鋁合金壓鑄產品及零部件，其原有業務及營運已逐漸併入本集團惠州及其他生產設施。是次交易將促使本集團提供綜合生產設施及提升整體營運效率。同時，此交易將有助於加強本集團財務狀況。

年內，本集團榮幸獲得不同行業協會頒發獎項表揚對行業所作出的貢獻。在中國鑄造協會第十二屆年會和在北京舉行的第一屆全球鑄造論壇上，本集團附屬公司嘉宜科技(惠州)有限公司獲得「中國綠色鑄造模範企業」。於二零一六年六月二日，本集團榮獲香港工業總會及中國銀行(香港)頒發的「企業環保領先大獎二零一五：環保優秀企業」。這些獎項不僅表彰了我們在技術升級、及積極實施可持續發展戰略領域所取得的成就，而且鼓勵集團繼續追求創新，並創造節能技術環境。

# CHAIRMAN'S STATEMENT (CONTINUED)

## 主席報告(續)



Looking into the future, the Group is cautious yet optimistic towards its business and development. Focusing on the theme of “Integrating Resources, Pursuing Excellence” in 2017, the Group will continuously seek for technological advancement across different business segments, implement cost-control and operational efficiency measures while explore other business collaboration opportunities in the market in order to maximise our profitability. Despite of the uncertainties of the global economy, the Group, as a well-known industrial leader, will be able to overcome the difficulties ahead.

On behalf of the Board of Directors, I would like to take this opportunity to express my heartfelt gratitude to our shareholders, customers, suppliers and all business partners for their unfailing support; our management and staff for their commitment and dedication throughout the Year.

**Lee Yuen Fat**  
Chairman

Hong Kong, 27 March 2017

展望未來，本集團對其業務及發展持謹慎樂觀態度。專注於二零一七年之主題「資源整合、精益求精」，本集團將繼續尋求各業務分部的技術改進、實行成本控制和營運效益措施，同時探索市場上的其他業務合作機會，務求將利潤最大化。即使全球經濟充滿不確定性，本集團作為知名的行業領袖，將有能力跨越前面之困難。

我謹代表董事會藉此機會向我們的股東、客戶、供應商和所有商業夥伴的不懈支持表示衷心感謝；並感謝我們的管理層和員工的全情投入。

**李遠發**  
主席

二零一七年三月二十七日，香港

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### (A) FINANCIAL REVIEW

Benefitting from the recovery in the magnesium alloy die casting business and flourishing demand for plastic injection moulding products, the Group sustained a steady growth for the year ended 31 December 2016, with turnover increased by 13.2% to approximately HK\$1,742,476,000 (2015: HK\$1,539,344,000). Gross profit also reached HK\$391,732,000 (2015: HK\$291,981,000). The overall gross profit margin also increased from 19.0% in 2015 to 22.5%.

In 2016, the Group has settled all forward foreign exchange contracts to rectify its exposure in foreign exchange and recorded a gain on financial liabilities at fair value through profit or loss of approximately HK\$14,767,000 due to a reversal of certain loss arising from settlements and change in fair value of these contracts. With its consolidation and operational efficiency measures, plus the encouraging results from magnesium alloy and plastic injection moulding business segments, the Group achieved a turnaround in 2016 and recorded a profit attributable to the owners of the Company of approximately HK\$59,243,000 (2015: a loss of approximately HK\$63,489,000). The Group's EBITDA, computed as profit before tax, depreciation, amortisation and finance costs, amounted to HK\$214,143,000 (2015: HK\$24,000,000).

As for the plasma lighting business, the Group's shareholding in Topanga Asia Limited was diluted from 79.7% to 38.9% by introducing a new strategic partner with new capital injected in early 2016. By collaboratively investing and managing the business with the new partner, the Group has reduced its financial burden in this business.

### (B) BUSINESS REVIEW

#### Magnesium alloy die casting business

Due to the recovery of magnesium alloy die casting business arising from the increasing demand for notebook computer casings, the revenue of this business segment for the year ended 31 December 2016 increased by 30.4% to HK\$691,194,000 (2015: HK\$529,870,000), accounting for 39.7% (2015: 34.4%) of the Group's overall revenue. The Group is currently exploring the possibility in developing various applications of magnesium alloy and advanced forming technology as a platform for hybrid applications for consumer products and automotive components to capture the growth potential of this business segment in the forthcoming future.

### (A) 財務回顧

受惠於鎂合金壓鑄業務的復蘇及塑膠注塑產品的需求旺盛，本集團於截至二零一六年十二月三十一日止年度持續穩定增長，營業額增加約13.2%至約1,742,476,000港元（二零一五年：1,539,344,000港元）。毛利亦達391,732,000港元（二零一五年：291,981,000港元）。整體毛利率也從二零一五年的19.0%上升至22.5%。

於二零一六年，本集團所有遠期外匯合約已平倉以修正其外匯風險。由於此等合約平倉及其公平值改變而產生若干虧損回撥，本集團錄得按公平值計入損益賬的金融負債收益約14,767,000港元。由於其整合及營運效益措施以及鎂合金及塑膠注塑業務分部所帶來的令人鼓舞的業績，本集團於二零一六年轉虧為盈，並錄得本公司持有人應佔溢利約59,243,000港元（二零一五年：虧損約63,489,000港元）。本集團之未計利息、稅項、折舊及攤銷前盈利（「EBITDA」）（以稅項、折舊、攤銷及融資成本前溢利計算）為214,143,000港元（二零一五年：24,000,000港元）。

於等離子照明業務方面，由於在二零一六年年初引入一個新的戰略合作夥伴注入新資本，本集團於勁亮嘉科技有限公司的股權由79.7%降至38.9%。通過與新合作夥伴合作投資和管理業務，本集團已減少其於此業務之財務負擔。

### (B) 業務回顧

#### 鎂合金壓鑄業務

由於筆記本電腦外殼需求持續增加導致鎂合金壓鑄業務的復蘇，此業務分部截至二零一六年十二月三十一日止年度之收入增加30.4%至691,194,000港元（二零一五年：529,870,000港元），佔本集團總收入的39.7%（二零一五年：34.4%）。本集團目前正探討開發鎂合金和先進成型技術的多種應用的可能性，作為消費產品和汽車部件的混合應用平台，以捕捉此業務分部在未來的增長潛力。

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析(續)

### Plastic injection moulding business

The overwhelming response of the new smartphone models launched in the second half of 2016 has led to an increase in the demand for plastic protective cases. Therefore, the revenue of this business segment had recorded an increase of 13.0% to HK\$601,267,000 (2015: HK\$532,151,000), which accounted for 34.5% (2015: 34.6%) of the Group's overall revenue. In addition, the growth for plastic injection automotive components remained strong. In view of this, the Group will continue to enlarge its share of business and expand its customer base.

### Zinc alloy die casting business

During the year under review, the revenue of zinc alloy die casting business was HK\$230,614,000 (2015: HK\$250,322,000), representing a decrease of 7.9% when compared with that of 2015. This business segment accounted for 13.2% (2015: 16.3%) of the Group's overall revenue. It is expected that this business segment will continue to provide a stable income to the Group in the forthcoming future.

### Aluminium alloy die casting business

For the year ended 31 December 2016, the revenue of aluminium alloy die casting business decreased by 8.4% to HK\$195,763,000 (2015: HK\$213,760,000) when compared with that of the previous year. The segment's contribution to the Group's overall revenue had dropped from 13.9% in 2015 to 11.2% in 2016.

### Lighting Products

During the year, the revenue of lighting products business increased by 78.5% to HK\$23,638,000 (2015: HK\$13,241,000). The increase was mainly derived from sales of LED lighting products to customers in the United States ("US").

### 塑膠注塑業務

二零一六年下半年推出的新智能手機型號反應熱烈，帶動塑膠保護套的需求增加。因此，此業務分部的收入增加13.0%至601,267,000港元（二零一五年：532,151,000港元），佔本集團整體收入的34.5%（二零一五年：34.6%）。此外，塑膠注塑汽車零部件的增長依然強勁。有鑑於此，本集團將繼續擴大其業務份額及拓展客戶基礎。

### 鋅合金壓鑄業務

在回顧年度內，鋅合金壓鑄業務的收入相比二零一五年減少7.9%至230,614,000港元（二零一五年：250,322,000港元），佔集團總收入13.2%（二零一五年：16.3%）。預期此業務分部將在未來將繼續為本集團提供穩定之收入。

### 鋁合金壓鑄業務

截至二零一六年十二月三十一日止年度，鋁合金壓鑄業務之收入較上年減少約8.4%至195,763,000港元（二零一五年：213,760,000港元）。此分部對本集團整體收入的貢獻從二零一五年的13.9%下降至二零一六年的11.2%。

### 照明產品

年內，照明產品業務的收入上升78.5%至23,638,000港元（二零一五年：13,241,000港元）。此增長主要來自在美國銷售LED照明產品予客戶。

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### 管理層討論及分析(續)

#### (C) PROSPECTS

2016 has been a difficult year for business operation. The new presidential inauguration in the United States as well as the conflict between North and South Korea has created an unstable global political situation and a challenging operating environment for corporates around the world. The Group predicted that the difficult situation will persist. Despite such adversity, the Group has continuously optimised its business operation, as well as sought progression in business development, which has contributed to a successful turnaround during the year. Propelling forward, apart from strengthening the existing businesses, the Group will continue to look for new business opportunities in the market to create new income streams, as well as, synergies and growth drivers for all business segments. The management is positive towards the outlook of the Company and will continue to implement its strategies to achieve sustainable development.

Riding on the increasing popularity of “light weight” trend in the consumer market, the magnesium alloy die casting business will remain as our major focus of development, particularly for consumer electronics and automotive components. In the coming years, the Group believes that portable and highly-functional ultrabook computer will continue to attract demand from consumers, which will make it the major growth drivers for the personal computer market and derive ongoing demand for light-weight magnesium alloy notebook casings. As a supplier of the world’s top computer brands, the rolling plans of launching new products have brought in stable orders for the Group, thus generating a substantial demand for notebook casings and benefitting the Group’s magnesium alloy casting business. On the other hand, automobile manufacturers have started to incorporate more light-weight alloy spare parts in order to achieve “vehicle light weight” and enhance car performance. In particular, the pollution problem in China has accelerated the development for new-energy vehicles. China will further improve the competitiveness of new-energy vehicles in the 13th Five-Year Plan with a key strategic goal of creating light-weight and intelligent new-energy vehicles and making them as commercially competitive as their fuel counterparts. To capture these opportunities, the Group has been developing the automobile supply chain, and is now exploring applications of various new materials, such as rare-earth magnesium alloy and rare-earth aluminium alloy, to cater for the different need of prospective customers. At the same time, the Group has been focusing its efforts on cost-effective and innovative production technologies, such as surface treatment techniques, so as to enhance its competitiveness and heighten the quality standard in the industry.

#### (C) 展望

二零一六年是企業經營困難的一年。美國新總統就職以及南北韓之間的衝突為環球企業製造了一個不穩定的全球政治局勢和一個具有挑戰性的經營環境。本集團預測，此困難的局面將會持續。儘管此逆境，本集團不斷優化我們的業務運營，以及尋求促進業務發展，達致本集團於年內成功轉虧為盈。展望未來，除鞏固現有業務外，本集團將繼續在市場上尋找新的業務機遇，以創造新的收入來源以及為所有業務分部帶來協同和增長動力。管理層對本公司之前景感到樂觀，並將繼續執行其策略以實現可持續發展。

隨著消費者市場「輕量化」趨勢的日益普及，鎂合金壓鑄業務將繼續作為我們的主要發展重點，特別是消費類電子和汽車零部件。未來數年，本集團相信便攜式和功能卓越之超薄筆記本電腦將繼續吸引消費者的需求，此將成為個人電腦市場的主要增長動力，並帶動輕量鎂合金筆記本外殼的持續需求。作為世界頂級電腦品牌的供應商，產品推陳出新的計劃會為本集團帶來穩定的訂單，從而推動對筆記本外殼的大量需求，並惠及集團的鎂合金壓鑄業務。另一方面，汽車製造商已經開始加入重量更輕的合金零部件，以實現「汽車輕量化」並提高汽車性能。特別是中國的污染問題加速了新能源汽車的發展。中國將在第十三個五年計劃中進一步提高新能源汽車的競爭力，其戰略目標是創造輕重量之智能新能源汽車，並促使其與燃油汽車具相同商業競爭力。為了把握這些機遇，本集團繼續發展汽車供應鏈，並正探索各種新材料(如稀土鎂合金及稀土鋁合金)的應用，以滿足潛在客戶的不同需求。同時，本集團專注努力於成本效益和創新的生產技術(如表面處理技術)，以增強其競爭力及提高行業質量標準。

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### 管理層討論及分析(續)

On the other hand, the Group is positive towards the development of the plastic injection moulding business. The mobile device market is anticipated to continue to grow with the new launching models, thus generating stable demand for related plastic mobile accessories. Moreover, it is expected that these accessories have gradually become fashion nowadays, and the frequent changes will create more opportunities for the Group's plastic injection business to develop. To further seize opportunities in the market, the Group has worked collaboratively in designing accessories with our clients, producing various prototypes and aiming to provide high-quality and fashionable products in-line with market trends and to satisfy the versatile demand from customers. The Group has developed the germ-repellant polyethylene resins in collaboration with a research organisation. This technology can be applied in a wide range of consumer and commercial products with a view to tap the potential of new plastic injection solutions.

As for the "B2B" LED lighting business, it is expected that this business will maintain a steady growth and the Group will continue to enlarge its sales network and explore new market opportunities.

Leveraging on the Group's long history and strong brand recognition, together with the extensive business network and the expertise in die casting and plastic injection moulding, the Group will continue to pursuit of excellence and is ready to embrace the opportunities arising from the market consolidation upfront. Looking into 2017, amid the challenging environment, the Group is cautiously optimistic and will continue to focus on strengthening its core businesses, while exploring different potential business collaborations. The Group will keep on enhancing its operation efficiency and risk management. With prudent strategies, the Group will strive to achieve sustainable development, as well as fruitful returns for its shareholders.

另一方面，本集團對塑膠注塑業務的發展維持正面。預計流動通訊裝置市場因新型號推出而繼續增長，從而對相關流動裝置塑膠配件產生穩定需求。此外，預期這些配件已逐漸成為當今時尚，而頻繁更替將為本集團注塑業務的發展創造更多的機會。為進一步抓住市場機會，本集團已與客戶共同設計配件及生產各種樣板，旨在提供高質量和富時尚之產品以緊接市場趨勢，並滿足客戶多樣化之需求。本集團與研究機構合作開發了斥菌聚乙烯樹脂。此技術可廣泛應用於消費和商業產品，以開拓新塑膠注塑解決方案的潛力。

「B2B」LED照明業務方面，預期此業務維持穩定增長及本集團將繼續擴大其銷售網絡，並開拓新的市場機會。

憑藉本集團悠久的歷史及強大的品牌知名度，加上其廣泛商業網絡及壓鑄及塑膠注塑的專業知識，本集團繼續追求卓越，並準備充足以掌握市場整合前期所帶來之業務機遇。展望二零一七年，在充滿挑戰的環境下，本集團持謹慎樂觀態度，將繼續專注於加強其核心業務，同時探索不同的潛在業務合作。本集團將繼續提高其運營效率和風險管理。以審慎的策略，本集團將致力實現可持續發展以及股東的卓越回報。



## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析(續)

### (D) LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2016, the Group had restricted bank balances as well as bank and cash balances of approximately HK\$297,572,000 (2015: HK\$267,496,000 (before the reclassification of assets held for sale)), most of which were either denominated in US dollars, Renminbi or Hong Kong dollars.

Total interest-bearing borrowings of the Group as at 31 December 2016 were all bank loans of approximately HK\$565,952,000 (2015: HK\$603,587,000). All of these borrowings were either denominated in US dollars, Renminbi or Hong Kong dollars to which the interest rates applied were primarily subject to floating interest rate.

As at 31 December 2016, the net gearing ratio (a ratio of the sum of total bank borrowings less pledged bank deposits, restricted bank balances (if any) and bank and cash balances then divided by total equity) of the Group was approximately 34.8% (2015: 45.9%)

As at 31 December 2016, the net current assets of the Group were approximately HK\$91,082,000 (2015: HK\$54,632,000), which consisted of current assets of approximately HK\$1,021,954,000 (2015: HK\$872,501,000) and current liabilities of approximately HK\$930,872,000 (2015: HK\$817,869,000), representing a current ratio of approximately 1.1 (2015: 1.1).

### (E) EXPOSURE TO FOREIGN EXCHANGE RISK

Most of the Group's transactions were conducted in US dollars, Hong Kong dollars or Renminbi. As such, the Group is aware of the potential foreign currency risk that may arise from the fluctuation of exchange rates between US dollars, Hong Kong dollars and Renminbi. The Group will closely monitor its overall foreign exchange exposure with a view to safeguarding the Group from exchange rate risk.

### (F) CONTINGENT LIABILITIES

As at 31 December 2016, the Group had no material contingent liabilities.

### (D) 流動資金及財務資源

於二零一六年十二月三十一日，本集團擁有有限制銀行存款和銀行及現金結餘約297,572,000港元(二零一五年：267,496,000港元(再分類為持作銷售資產前))，當中大多數以美元、人民幣或港元計值。

本集團於二零一六年十二月三十一日的計息借款全為銀行貸款，總額約為565,952,000港元(二零一五年：603,587,000港元)。該等借款全部以美元、人民幣或港元計值，所採用的利率主要為浮動利率。

於二零一六年十二月三十一日，本集團的淨借貸比率(以計息借款總和減已抵押銀行存款、有限制銀行存款(如有)和銀行及現金結餘除以權益總額)約為34.8%(二零一五年：45.9%)。

於二零一六年十二月三十一日，本集團流動資產淨值約為91,082,000港元(二零一五年：54,632,000港元)，包括流動資產約1,021,954,000港元(二零一五年：872,501,000港元)及流動負債約930,872,000港元(二零一五年：817,869,000港元)，流動比率約為1.1(二零一五年：1.1)。

### (E) 外匯風險承擔

本集團的大部分交易均以美元、港元或人民幣進行。因此，本集團已注意到美元、港元及人民幣匯率的波動可能引起的潛在外匯風險。本集團將密切監察其整體外匯風險以避免本集團遭受匯率風險所帶來之影響。

### (F) 或然負債

於二零一六年十二月三十一日，本集團並無任何重大或然負債。

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析(續)

### (G) CHARGE ON ASSETS

As at 31 December 2016, the Group's banking facilities were secured by guarantees given by the following assets: (a) all monies assignment of rental over the property situated in Hong Kong owned by the Group; (b) a property situated in Hong Kong owned by the Group; and (c) corporate guarantees provided by the Company and certain subsidiaries of the Group.

### (H) HUMAN RESOURCES

As at 31 December 2016, the Group had approximately 5,400 full-time employees (2015: 5,800). The Group attributes its success to the hard work and dedication of its staff as a whole, therefore, they are deemed to be the most valuable assets of the Group. In order to attract and retain high caliber staff, the Group provides competitive salary package, including retirement scheme, medical benefit and bonus. The Group's remuneration policy and structure is determined based on market trends, the performance of individual staff as well as the financial performance of the Group. The Group has also adopted a share option scheme and share award scheme as incentive and reward for those qualifying staff who have made contribution to the Group.

The Group provides regular training courses for different level of staff and holds various training programs together with PRC institutes and external training bodies. Apart from academic and technical training, the Group also organises different kinds of recreational activities, including New Year gathering, various sport competitions and interest groups. The aim is to promote interaction among staff, establish harmonious team spirit and promote healthy lifestyle.

### (G) 資產抵押

於二零一六年十二月三十一日，本集團抵押下列資產作為銀行借貸的擔保：(a) 本集團擁有的香港物業之一切租金轉讓；(b) 本集團擁有的香港物業；及(c) 本公司及本集團某些附屬公司提供之企業擔保。

### (H) 人力資源

於二零一六年十二月三十一日，本集團約有5,400名全職僱員(二零一五年：5,800名)。本集團之成功有賴全體僱員的表現和責任承擔，故此本集團把僱員視作為我們的核心資產。為了吸引及保留優秀員工，本集團提供具競爭力的薪酬，包括退休金計劃、醫療福利和花紅獎賞。本集團之薪酬政策及結構乃根據市場趨勢、個人工作表現以及本集團的財務表現而釐定。本集團亦已採納購股權計劃及股份獎勵計劃，旨在向合資格僱員提供作為彼等對本集團所作出貢獻之鼓勵及獎賞。

本集團定期舉辦多項針對不同階層員工的培訓課程，並與多間國內專上學院及外間培訓機構合辦各種培訓計劃。除學術和技術培訓外，本集團舉辦了不同類型的文娛康樂活動，其中包括新春聯誼活動、各種體育比賽和興趣班等，目的為促進各部門員工之間的關係，建立和諧團隊精神及提倡健康生活。

## DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理人員

#### EXECUTIVE DIRECTORS

**Mr. Lee Yuen Fat**, aged 61, is the Chairman, an Executive Director of the Company and a director of certain subsidiaries of the Company. Mr. Lee is responsible for the formulation of the overall business strategies of the Group. He has over 35 years of experience in the die casting industry. Mr. Lee holds a master degree in engineering from the Yanshan University. He was conferred an award of Honorary Fellowship and Fellowship of Management and Business Administration by the Professional Validation Council of Hong Kong Industries and is the Vice Chairman of the Professional Validation Council of Hong Kong Industries.

Mr. Lee was one of the founding members and was the Chairman of the Hong Kong Diecasting Association (now become the Hong Kong Foundry Association (the "HKFA")) in 1989. He was elected as the first Chairman of the HKFA and Hong Kong Federation of Innovative Technologies and Manufacturing Industries (formerly known as Federation of Hong Kong Machinery and Metal Industries) in 2008 and 2011 respectively. Mr. Lee is also the Joint Chairman of Die Casting Branch of the China Foundry Association, Executive Director of the China Foundry Association, Deputy Director of Semi-Solid Processing Technologies Specialties Committee, Technology of Plasticity Branch of Chinese Mechanical Engineering Society, Vice-Director General of the Guangdong Foundry Industry Association, the Vice-Director General of the Guangdong Mechanical Engineering Association Die Casting Branch. Mr. Lee is currently a member of Hunan Provincial Committee of the Chinese People's Political Consultative Conference, the Deputy Director of Sub-committee 4 on Die Casting of National Technical Committee 54 on Foundry of Standardisation Administration of China, the Deputy Secretary General and member of Sub-committee 2 on Metal Hot-forming Branch of National Technical Committee 186 on Foundry Machinery of Standardization Administration of China, the Deputy Director of the Fourth Die Casting Technical Committee, Foundry Institution, Chinese Mechanical Engineering Society, Chairman of Hong Kong Federation of Innovation Technologies and Manufacturing Industries and Vice Chairman of the PRD Council of Federation of Hong Kong Industries, Shenzhen Division.

#### 執行董事

**李遠發先生**，61歲，本公司主席、執行董事及本公司若干附屬公司之董事。李先生負責制定本集團整體業務策略。彼擁有逾35年壓鑄業經驗，持有燕山大學工程碩士學位。此外，李先生獲香港工業專業評審局頒授榮譽院士及工商院士，並擔任副主席一職。

李先生為香港壓鑄學會（現時為香港鑄造業總會）創辦人之一，及後於一九八九年出任該會會長。彼分別於二零零八年及二零一一年被選為香港鑄造業總會和香港創新科技及製造業聯合總會（前稱香港機械金屬業聯合總會）首任會長。李先生現為中國鑄造協會壓鑄分會聯席會長、中國鑄造協會常務理事、中國機械工程學會塑性工程分會半固態加工技術專業委員會副主任、廣東省鑄造行業協會副理事長、廣東省機械工程學會壓鑄分會副理事長。李先生現擔任中國人民政治協商會議湖南省委員會委員、全國鑄造標準化技術委員會壓力鑄造分技術委員會(SAC/TC54/SC4)副主任委員、全國鑄造機械標準化技術委員會金屬熱成形分技術委員會(SAC/TC186/SC2)委員兼副秘書長、中國機械工程學會鑄造分會第四屆壓鑄技術委員會副主任委員、香港創新科技及製造業聯合總會主席及香港工業總會珠三角工業協會深圳分部副主席。

## DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

### 董事及高級管理人員(續)

**Mr. Wong Wing Chuen**, aged 55, is the Vice Chairman, an Executive Director of the Company and a director of certain subsidiaries of the Company. Joined the Group in 1988, Mr. Wong is now responsible for the Group's manufacturing activities. Mr. Wong has over 30 years' experience in die design and manufacturing and the die casting industry. He is an Associate of the Professional Validation Council of Hong Kong Industries.

**Dr. Wong Cheong Yiu**, aged 63, is the Chief Executive Officer, an Executive Director of the Company and a director of certain subsidiaries of the Company. He is primarily responsible for the overall management, as well as supervision of the execution of the overall business strategies of the Group. Dr. Wong holds a doctorate degree in engineering from the University of Warwick and a master degree in business administration from the University of Hull. Dr. Wong was appointed as an Industrial Fellow of the University of Warwick in 2006. He is a retired fellow of the Institute of Chartered Secretaries and Administrators and the Hong Kong Institute of Companies Secretaries and a life associate member of the Chartered Institute of Bankers. Dr. Wong has over 40 years' working experience in Hong Kong and overseas and held various senior positions in different private and publicly listed companies.

#### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. Sun Kai Lit, Cliff BBS, JP**, aged 63, was appointed as an Independent Non-executive Director of the Company on 2 June 2007. He is the chairman of the remuneration committee as well as the nomination committee of the Company. Mr. Sun is an associate of the Institute of Industrial Engineers of Ohio and has over 30 years of experience in the household products manufacturing industry. Mr. Sun was appointed the Justice of the Peace in July 2003 and was awarded the Bronze Bauhinia Star by the Hong Kong Government in July 2006. He is a member of the 11th Zhejiang Committee of Chinese People's Political Consultative Conference. He is currently the Honorary President of the Federation of Hong Kong Industries, Honorary Chairman of The Hong Kong Exporters' Association, Honorary Chairman of the Hong Kong Q Mark Council, the Honorary President of the Hong Kong Plastics Manufacturers Association, Chairman of the ICAC Business Ethics Development Committee and the President of Shenzhen Overseas Chinese International Association. Mr. Sun is currently an independent non-executive director of Wisdom Education International Holdings Company Limited (Stock Code: 6068) and a non-executive director of China South City Holdings Limited (Stock Code: 1668), all of which are listed on the Hong Kong Stock Exchange. He was an independent non-executive director of Ming Fai International Holdings Limited (Stock Code: 3828) from November 2007 to March 2016.

**黃永銓先生**，55歲，本公司副主席、執行董事及本公司若干附屬公司之董事。黃先生於一九八八年加入本集團，現負責本集團之製造業務。黃先生擁有逾30年模具設計與製造及鑄業經驗，為香港工業專業評審局的副院士。

**黃昌耀博士**，63歲，為本公司之行政總裁、執行董事及本公司若干附屬公司之董事，主要負責本集團的整體管理及監督整體業務策略的執行。黃博士持有英國華威大學工程學博士及赫爾大學工商管理碩士學位，並於2006年獲英國華威大學委任為工業院士。黃博士為英國特許秘書及行政人員學會及香港公司秘書公會退休資深會員和英國特許銀行學會終身會員。黃博士擁有40多年香港和海外的的工作經驗，曾在不同的私人和上市公司擔任要職。

#### 獨立非執行董事

**孫啟烈先生BBS,太平紳士**，63歲，於二零零七年六月二日獲委任為本公司獨立非執行董事。彼為本公司薪酬委員會及提名委員會主席。孫先生為美國俄亥俄州工業工程師學會會員，於家居用品製造業擁有逾30年經驗。孫先生於二零零三年七月獲頒太平紳士榮譽，並於二零零六年七月獲香港政府頒發銅紫荊星章。彼為中國人民政治協商會議第十一屆浙江省委員會委員。彼現時為香港工業總會名譽會長、香港出口商會名譽主席、香港優質產品標誌局名譽主席、香港塑膠業廠商會名譽會長、廉政公署香港道德發展諮詢委員會主席及深圳僑商國際聯合會會長。孫先生現為香港聯交所上市之睿見教育國際控股有限公司(股份代號：6068)的獨立非執行董事及華南城控股有限公司(股份代號：1668)的非執行董事。彼於二零零七年十一月至二零一六年三月期間出任明輝國際控股有限公司(股份代號：3828)的獨立非執行董事。

## DIRECTORS AND SENIOR MANAGEMENT (CONTINUED) 董事及高級管理人員(續)

**Ir Dr. Lo Wai Kwok SBS, MH, JP**, aged 64, was appointed as an Independent Non-executive Director of the Company on 2 June 2007. Ir Dr. Lo holds a doctorate degree in engineering, master degrees in engineering and business administration respectively and a bachelor degree in engineering. He is a Chartered Engineer and Fellow of the Hong Kong Institute of Engineers. Ir Dr. Lo was awarded with the “Young Industrial Awards of Hong Kong” and the “Ten Outstanding Young Persons Selection” in 1992, the “Medal of Honour” of the Hong Kong Government in July 2001, and was appointed “Justice of the Peace” of the Hong Kong Government in July 2004. Ir Dr. Lo was awarded the Bronze Bauhinia Star in July 2009 and the Silver Bauhinia Star in July 2015 by the Hong Kong Government respectively.

Ir Dr. Lo is currently a member of the Legislative Council of Hong Kong, representing the Engineering Functional Constituency. He has over 30 years of experience in the electronic and power supply industry. He is an Adjunct Professor of the City University of Hong Kong and an Honorary Professor of the Open University of Hong Kong.

**Mr. Andrew Look**, aged 52, was appointed as an Independent Non-executive Director of the Company on 16 December 2009. Mr. Look holds a bachelor of commerce degree from the University of Toronto and has over 25 years’ experience in the equity investment analysis of Hong Kong and China stock markets. From 2000 to 2008, Mr. Look served in Union Bank of Switzerland (“UBS”) as the head of Hong Kong research, strategy and product. He was rated as the best Hong Kong strategist and best analyst by the Asiamoney magazine, a leading monthly financial and capital markets publication for corporate and finance readers and investors, in 2001, 2002, 2003, 2005, 2006 and 2007. Mr. Look is currently the managing director and chief investment officer of Look’s Asset Management Limited, a fund management company founded by him in April 2009. Mr. Look is also currently an independent non-executive director of Hung Fook Tong Group Holdings Limited (Stock Code: 1446), Citic Resources Holdings Limited (Stock Code: 1205) and Union Medical Healthcare Limited (Stock Code: 2138), all of which are listed on the Hong Kong Stock Exchange. He was an independent non-executive director of TCL Communication Technology Holdings Limited (a company delisted on the Hong Kong Stock Exchange on 30 September 2016) from September 2010 to September 2016 and an independent non-executive director of Man Sang Jewellery Holdings Limited (Stock Code: 1466), a company listed on the Hong Kong Stock Exchange from September 2014 to December 2016.

**盧偉國博士SBS, MH, 太平紳士**，64歲，於二零零七年六月二日獲委任為本公司獨立非執行董事。盧博士持有工程學博士學位、工程及工商管理碩士學位與工程學士學位，並為特許工程師及香港工程師學會資深會員。盧博士為一九九二年「香港青年工業家獎」及「十大傑出青年選舉」與二零零一年七月香港政府「榮譽勳章」的得獎者，更於二零零四年七月獲香港政府委任為「太平紳士」。盧博士分別於二零零九年七月及二零一五年七月獲香港政府頒發銅紫荊星章及銀紫荊星章。

盧博士現為香港立法會議員，代表工程界別。彼於電子及電源供應業積累超過30年經驗。彼於香港城市大學出任兼任教授及於香港公開大學出任榮譽教授。

**陸東先生**，52歲，於二零零九年十二月十六日獲委任為本公司獨立非執行董事。陸先生持有加拿大多倫多大學商科學士學位，於香港及中國股票市場資產投資分析累積逾25年經驗。由二零零零年至二零零八年，陸先生於瑞士銀行（「瑞士銀行」）出任香港研究、策略及產品部主管。陸先生曾於二零零一、二零零二、二零零三、二零零五、二零零六及二零零七年獲得《亞洲貨幣》雜誌（一本以企業及財經讀者及投資者為對象之著名財經及資本市場月刊）頒發「香港最佳策略員」及「最佳分析師」殊榮。陸先生現為Look’s Asset Management Limited（一間由彼於二零零九年四月創立的基金管理公司）之總經理及投資總監。陸先生現時亦為香港聯交所上市公司鴻福堂集團有限公司（股份代號：1446）、中信資源控股有限公司（股份代號：1205）及香港醫思醫療集團有限公司（股份代號：2138）的獨立非執行董事。彼於二零一零年九月至二零一六年九月期間出任TCL通訊科技控股有限公司（已於二零一六年九月三十日於香港聯交所除牌）的獨立非執行董事，及於二零一四年九月至二零一六年十二月期間出任香港聯交所上市公司民生珠寶控股有限公司（股份代號：1466）的獨立非執行董事。

## DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

### 董事及高級管理人員(續)

**Mr. Kong Kai Chuen, Frankie**, aged 53, was appointed as an Independent Non-executive Director of the Company on 11 May 2015. He is the chairman of the audit committee of the Company. Mr. Kong is an associate member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Chartered Association of Certified Accountants (the United Kingdom). He is currently the Financial Controller of a private manufacturing company and has accumulated over 25 years' experience in accounting, auditing, corporate finance and project administration mostly from Hong Kong listed companies and multinational business conglomerates. Mr. Kong is also currently an independent non-executive director of Auto Italia Holdings Limited (Stock Code: 720), a company listed on the main board of the Hong Kong Stock Exchange.

#### SENIOR MANAGEMENT

**Mr. Lo Hin Fai**, aged 54, joined the Group in 2012 and is currently the director of finance and corporate strategy of the Group. He is primarily responsible in overseeing the Group's finance, investment, strategic development and capital market financing activities. Mr. Lo holds a MBA degree in Finance, Corporate Accounting and Organisation from the University of Rochester, USA. He has over 25 years of experience in banking, corporate finance and investment. Prior to joining the Group, he has served finance, investment and management functions within both financial institution and corporate business, working closely with different multinational and local companies in Asia, covering mergers and acquisitions, equity and project investments.

**Ms. Chan So Wah**, aged 58, joined the Group in 1999. She is the director of administration of the Group and is primarily responsible for overseeing the administration activities of the Group. Ms. Chan has over 25 years' experience in sales, marketing and management. She is an Associate of the Professional Validation Council of Hong Kong Industries and is the sister-in-law of Mr. Lee Yuen Fat.

**Mr. Chan Sin Wing**, aged 44, joined the Group in 2004 and is the director of enterprise development of the Group. He is primarily responsible for overseeing the research and development and business development of the Group. Mr. Chan holds a master degree in industrial engineering and industrial management and a bachelor degree in engineering from the University of Hong Kong. Prior to joining the Group, he worked as a senior consultant of the Hong Kong Productivity Council for over 9 years.

**江啟銓先生**，53歲，於二零一五年五月十一日獲委任為本公司獨立非執行董事。彼為本公司審核委員會主席。江先生是香港會計師公會會員及英國特許公認會計師公會資深會員。彼目前為一家私人製造公司的財務總監及於香港上市公司及國際商業綜合企業累積了超過25年的會計、審計、企業融資及項目管理的經驗。江先生現時亦為香港聯交所上市公司意達利控股有限公司(股份代號：720)的獨立非執行董事。

#### 高級管理人員

**羅顯輝先生**，54歲，於二零一二年加入本集團，現為本集團財務及企業策略總監，主要負責監督集團財務、投資、策略發展及資本市場融資事宜。羅先生持有美國羅徹斯特大學工商管理碩士(財務、企業會計及組織)學位，在銀行、企業財務及投資範疇累積超過25年經驗。加入本集團前，彼皆於金融機構和企業專事財務、投資及管理工作，在亞州地區與不同的跨國公司及當地企業緊密協作，涵蓋合併收購、股權及項目投資。

**陳素華女士**，58歲，於一九九九年加入本集團，為本集團行政總監，主要負責監督本集團的行政事務。陳女士擁有逾25年銷售、市場推廣及管理經驗。彼為香港工業專業評審局之副院士及為李遠發先生的弟婦。

**陳善榮先生**，44歲，於二零零四年加入本集團，為本集團產業拓展總監，主要負責監督本集團的研發及業務拓展工作。陳先生持有香港大學工業工程及工業管理碩士學位和工程學士學位。加入本集團前，陳先生曾任香港生產力促進局高級顧問逾九年。

## DIRECTORS AND SENIOR MANAGEMENT (CONTINUED) 董事及高級管理人員(續)

**Mr. Wong Wai Chung, Peter**, aged 62, joined the Group in 2012 and is the chief marketing officer of the Group. He is primarily responsible for overseeing the Group's sales and marketing activities. Mr. Wong holds a bachelor degree in engineering from the McGill University, Canada and is a Fellow of the Professional Validation Council of Hong Kong Industries. He has over 35 years' experience in plastic, metal and electronics manufacturing and management.

**Mr. Chan Man Fu**, aged 45, joined the Group in 2016 and is currently the financial controller of the Company. Prior to joining the Company, Mr. Chan has held senior financial positions in different listed companies in Hong Kong and has over 20 years of experience in the areas of audit, finance and treasury management. He holds a master degree in Business Administration from the Hong Kong Baptist University and is a member of the Hong Kong Institute of Certified Public Accountants.

黃維中先生，62歲，於二零一二年加入本集團，為本集團市場推廣總監，主要負責監督本集團之銷售及市場推廣工作。黃先生持有加拿大麥基爾大學工程學士學位，為香港工業專業評審局院士，並在塑膠、金屬及電子製造及管理方面累積逾35年經驗。

陳文賦先生，45歲，於二零一六年加入本集團，現為本集團之財務總監。於加入本公司前，陳先生曾於多間香港上市公司擔任高級財務職位及於審計、財務與財資管理範疇擁有超過20年經驗。彼持有香港浸會大學工商管理碩士學位及為香港會計師公會會員。

# DIRECTOR'S REPORT

## 董事會報告

The directors have pleasure in submitting their report together with the audited consolidated financial statements of Ka Shui International Holdings Limited (the "Company") and its subsidiaries (collectively the "Group") for the year ended 31 December 2016.

### PRINCIPAL ACTIVITIES

The Group is principally engaged in the sale and manufacture of zinc, magnesium and aluminium alloy die casting, plastic injection products and components which are mainly sold to customers engaging in the household products, 3C (communication, computer and consumer electronics) products, automotive parts and precision components. The activities of the subsidiaries are set out in note 20 to the financial statements.

### BUSINESS REVIEW

The business review of the Group for the year ended 31 December 2016 is set out in the "Management Discussion and Analysis" on pages 12 to 17 of this annual report.

As an innovative high-tech enterprise, the Group is committed to offering one-stop solutions and professional services to meet the various needs of our customers, while building an environmentally-friendly corporation that pays close attention to conserving natural resources. Discussions on the environmental policies and performance, compliance with the relevant local laws and regulations that have a significant impact on the Group and the account of the key relationships of the Group with employees, customers and suppliers are set out in the section headed "Environmental, Social and Governance Report" on pages 48 to 64 of this annual report.

### EMOLUMENT POLICY AND RETIREMENT BENEFITS SCHEME

The Group's emolument policy, including salaries and bonuses, is in line with the local practices where the Company and its subsidiaries operate. The Group has also adopted a share option scheme and share award scheme as incentive and reward for those qualifying staff who have made contribution to the Group. The Remuneration Committee of the Company make recommendations to the Board on the Company's policy and structure for the remuneration of directors and senior management. It also reviews and determines the terms of remuneration packages, the award of bonuses and other compensation payable to directors and senior management of the Group, having regard to the Group's financial performance, individual performance and comparable market statistics.

董事會欣然提呈嘉瑞國際控股有限公司(「本公司」)及其附屬公司(統稱「本集團」)截至二零一六年十二月三十一日止年度之董事會報告及經審核綜合財務報表。

### 主要業務

本集團以生產及銷售鋅、鎂及鋁合金壓鑄、塑膠注塑產品及零部件為主，主要售予從事家居用品、3C(通訊、電腦及消費者電子)產品、汽車零部件及精密部件的客戶。附屬公司之主要業務載於財務報表附註20。

### 業務回顧

本集團截至二零一六年十二月三十一日止年度之業務回顧分別載於本年報第12至17頁之「管理層討論及分析」一節。

作為創新及高科技企業，本集團致力提供一站式解決方案及專業服務以迎合我們客戶之不同需求，同時關注保護自然資源以創建環保型的工作環境。有關環境政策及表現之討論、對本集團構成重大影響之地方相關法律法規之遵守情況及本集團與僱員、客戶及供應商之主要關係論述載於本年報第48至64頁之「環境、社會及管治報告」一節。

### 薪酬政策及退休福利計劃

本集團之薪酬政策(包括薪金及花紅)符合本公司及其附屬公司經營當地之一般慣例。本集團亦已採納購股權計劃及股份獎勵計劃，旨在向合資格僱員提供作為彼等對本集團所作出貢獻之鼓勵及獎賞。本公司之薪酬委員會就本公司董事及高級管理人員之薪酬政策及架構向董事會推薦意見，並經考慮本集團之財務表現、個人表現及可供比較之市場數據資料，以審閱及釐定本集團董事及高級管理人員之薪酬待遇、花紅獎賞及其他報酬。



## DIRECTORS' REPORT (CONTINUED) 董事會報告 (續)

The Group has joined a mandatory provident fund scheme ("MPF Scheme") for all employees in Hong Kong. The MPF Scheme is registered with the Mandatory Provident Fund Schemes Authority under the Mandatory Provident Fund Schemes Ordinance. Under the MPF Scheme, the employer and its employees are each required to make contributions to the MPF Scheme at rates specified in the rules. The employees of the Company's subsidiaries established in the PRC are members of a state-managed retirement scheme operated by the PRC government. These subsidiaries are required to contribute certain percentage of payroll costs to the retirement benefit scheme.

### RESULTS AND APPROPRIATIONS

The results of the Group for the year are set out in the consolidated statement of profit or loss on page 72.

### FINAL DIVIDEND

The Board has recommended the payment of a final dividend of HK1.0 cent per share for the year ended 31 December 2016 to the shareholders whose names appear on the register of members of the Company on Wednesday, 31 May 2017. Subject to the approval of the shareholders of the Company at the forthcoming annual general meeting to be held on Friday, 19 May 2017, the final dividend will be paid on or about Wednesday, 7 June 2017.

The register of members of the Company will be closed from Tuesday, 16 May 2017 to Friday, 19 May 2017, both days inclusive, during which no transfer of shares will be registered. In order to be eligible to attend and vote at the forthcoming annual general meeting of the Company, all share transfer documents accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Monday, 15 May 2017.

The register of members of the Company will be closed from Friday, 26 May 2017 to Wednesday, 31 May 2017, both days inclusive, during which no transfer of shares will be registered. In order to qualify for the final dividend, all share transfer documents accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Thursday, 25 May 2017.

本集團為所有香港僱員參與強制性公積金計劃(「強積金計劃」)。強積金計劃是根據強制性公積金計劃條例向強制性公積金計劃管理局登記。根據強積金計劃，僱主及僱員在強積金計劃下都須作相應數額之供款，供款率為強積金計劃所界定。本公司於中國成立之附屬公司為一由中國政府營運之國營退休計劃之成員。該等附屬公司需按薪酬成本之一定比率貢獻至該退休計劃。

### 業績及分派

本集團於年內之業績載於第72頁之綜合損益表內。

### 末期股息

董事會建議向於二零一七年五月三十一日(星期三)名列本公司股東名冊之股東派付截至二零一六年十二月三十一日止年度之末期股息每股1.0港仙。待本公司股東在二零一七年五月十九日(星期五)舉行之應屆股東週年大會批准後，末期股息將於二零一七年六月七日(星期三)或前後派付。

本公司將於二零一七年五月十六日(星期二)至二零一七年五月十九日(星期五)(包括首尾兩日)暫停辦理股份過戶登記手續，於此期間將不會辦理股份過戶登記。為符合資格出席應屆股東週年大會並於會上投票，所有股份過戶文件連同有關股票及過戶表格須於二零一七年五月十五日(星期一)下午四時三十分前送交本公司之香港股份過戶登記分處香港中央證券登記有限公司辦理登記手續，地址為香港皇后大道東183號合和中心17樓1712至1716室。

本公司將於二零一七年五月二十六日(星期五)至二零一七年五月三十一日(星期三)(包括首尾兩日)暫停辦理股份過戶登記手續，於此期間將不會辦理股份過戶登記。為符合資格獲派末期股息，所有股份過戶文件連同有關股票及過戶表格須於二零一七年五月二十五日(星期四)下午四時三十分前送交本公司之香港股份過戶登記分處香港中央證券登記有限公司辦理登記手續，地址為香港皇后大道東183號合和中心17樓1712至1716室。

# DIRECTORS' REPORT (CONTINUED)

## 董事會報告(續)

### RESERVES

Movements in reserves during the year are set out in the consolidated statement of changes in equity on page 76.

As at 31 December 2016, the Company's reserve available for distribution amounted to approximately HK\$247,709,000 (2015: HK\$ 235,132,000).

### PROPERTY, PLANT AND EQUIPMENT

Details of movements in property, plant and equipment of the Group during the year are set out in note 19 to the consolidated financial statements.

### MAJOR CUSTOMERS AND SUPPLIERS

During the year, the percentage of the Group's major customers attributable to the Group's total sales was as follows:

Sales		
–	the largest customer	23.5%
–	five largest customers combined	70.1%

During the year, the Group purchased less than 30% from its five largest suppliers combined.

None of the directors, their associates or any shareholders (which to the knowledge of the directors owns more than 5% of the Company's share capital) had an interest in the Group's five largest customers and suppliers.

### FINANCIAL SUMMARY

A summary of the results of the Group for the past five financial years ended 31 December 2016 and assets and liabilities of the Group as at 31 December 2012, 2013, 2014, 2015 and 2016 are set out on page 196.

### 儲備

本年度內，儲備之變動情況載於第76頁之綜合權益變動表。

於二零一六年十二月三十一日，本公司之可供分派儲備約為247,709,000港元(二零一五年：235,132,000港元)。

### 物業、機器及設備

本集團物業、機器及設備於本年度內之變動詳情載於綜合財務報表附註19。

### 主要客戶及供應商

於本年度內，本集團之主要客戶應佔總營業額之百分比如下：

銷售		
–	最大客戶	23.5%
–	五大客戶合計	70.1%

於本年度內，本集團向其五大供應商合計採購少於30%。

概無任何本公司董事、聯繫人士或據董事所知擁有本公司股本5%以上權益之任何股東於本集團首五大客戶及供應商擁有權益。

### 財務概要

本集團於截至二零一六年十二月三十一日止過往五個財政年度之業績以及本集團於二零一二年、二零一三年、二零一四年、二零一五年及二零一六年十二月三十一日之資產及負債的概要載於第196頁。

## DIRECTORS' REPORT (CONTINUED)

### 董事會報告 (續)

#### SHARE CAPITAL

Details of the movements in share capital of the Company during the year are shown in note 34 to the financial statements.

#### EQUITY-LINKED AGREEMENTS

Save for the share option scheme and share award scheme described below, the Group has not entered into any equity-linked agreements during the year.

#### DONATIONS

During the year, the Group made charitable and other donations amounting to approximately HK\$106,000 (2015: HK\$:405,000).

#### PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Articles of Association and the Companies Law of the Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

#### PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

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

#### THE BOARD

The directors of the Company during the year and up to the date of this report were:

##### Executive Directors

Mr. Lee Yuen Fat ("Mr. Lee") (Chairman)

Mr. Wong Wing Chuen (Vice Chairman)

(Appointed on 1 January 2017)

Dr. Wong Cheong Yiu (Chief Executive Officer)

Mr. Chan Tat Cheong, Alan

(Resigned on 23 May 2016)

##### Independent non-executive directors

Mr. Sun Kai Lit, Cliff BBS, JP

Ir Dr. Lo Wai Kwok SBS, MH, JP

Mr. Andrew Look

Mr. Kong Kai Chuen, Frankie

The biographical details of the directors are set out on pages 18 to 22 of this annual report.

#### 股本

本公司之股本於本年度內之變動詳載於財務報表附註34。

#### 股票掛鈎協議

除下文所述之購股權計劃及股份獎勵計劃外，本集團於年內並無訂立任何股票掛鈎協議。

#### 捐款

於本年度，本集團作出之慈善及其他捐款合共約為106,000港元(二零一五年：405,000港元)。

#### 股份優先購買權

本公司之組織章程細則及開曼群島之公司法中並無股份優先購買權之條文，規定本公司必須按比例發售新股予現有股東。

#### 購買、出售或贖回本公司之上市證券

於本年度內，本公司及其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

#### 董事會

於本年度內及截至本報告日期止，本公司之董事為：

##### 執行董事

李遠發先生(「李先生」)(主席)

黃永銓先生(副主席)

(於二零一七年一月一日獲委任)

黃昌耀博士(行政總裁)

陳達昌先生

(於二零一六年五月二十三日辭職)

##### 獨立非執行董事

孫啟烈先生BBS,太平紳士

盧偉國博士SBS, MH,太平紳士

陸東先生

江啟銓先生

董事之履歷詳情載列於本年報之第18至第22頁。

## DIRECTORS' REPORT (CONTINUED)

### 董事會報告(續)

During the year under review, no director resigned from his office or refused to stand for re-election to his office due to reasons relating to the affairs of the Company.

In accordance with the Company's Articles of Association, Dr. Wong Cheong Yiu, Mr. Sun Kai Lit, Cliff BBS, JP and Mr. Andrew Look will retire at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

#### PERMITTED INDEMNITY PROVISION

A permitted indemnity provision for the benefit of the directors is currently in force and was in force throughout the financial year.

The Company has taken out and maintained directors' liability insurance throughout the year, which provides appropriate cover for the directors of the Group.

#### DIRECTORS' SERVICE CONTRACTS

The directors being proposed for re-election at the forthcoming annual general meeting do not have any service contract with the Company which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

#### DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed under the section headed "Continuing Connected Transactions" and "Connected Transaction" set out on pages 36 to 37, there were no transactions, arrangements or contracts of significance, to which the Company, its holding company, any of its subsidiaries or fellow subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted during or at the end of the year.

#### MANAGEMENT CONTRACTS

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

於回顧年度內，概無董事因本公司事務相關的理由辭職或拒絕參選連任。

根據本公司組織章程細則，黃昌耀博士、孫啟烈先生BBS,太平紳士及陸東先生於即將舉行之股東週年大會上退任，惟彼等均符合資格並願意膺選連任。

#### 獲准許之彌償條文

為董事訂立之獲准許彌償條文於整個財政年度一直生效且現時正在生效。

本公司於年內辦理董事責任保險及續保有關保險，為本集團董事提供適當保障。

#### 董事之服務合約

擬於即將召開之股東週年大會上膺選連任之董事，概無與本公司訂立本集團不可於一年內毋須賠償(法定補償除外)而終止之服務合約。

#### 董事於重大交易、安排或合約之權益

除列載於第36至第37頁之「持續關連交易」及「關連交易」一節所披露者外，本公司、其控股公司、其任何附屬公司或同系附屬公司概無參與訂立本公司董事直接或間接擁有重大權益，而於年內或年終仍屬有效之重大交易、安排或合約。

#### 管理合約

本年度內，本公司並無訂立或進行任何與本公司全部或重要業務有關之管理及行政合約。

## DIRECTORS' REPORT (CONTINUED)

### 董事會報告 (續)

#### SPECIFIC PERFORMANCE OBLIGATIONS ON CONTROLLING SHAREHOLDER

The Group has obtained banking facilities with certain banks with the specific performance obligation on the controlling shareholder:

1. Mr. Lee must at all times maintain substantial shareholding (whether directly or indirectly) in the interest of the borrower, Ka Shui Manufactory Co., Limited (a wholly-owned subsidiary of the Company).
2. Mr. Lee should maintain management control over the Company.

#### REMUNERATION OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

Details of the emoluments of the directors and the top five highest paid individuals of the Group are set out in notes 15 and 16 to the consolidated financial statements.

#### DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 31 December 2016, the interests and short positions of the directors and chief executives of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 to 9 of Part XV of the SFO (including interests and short positions in which they are taken or deemed to have under such provisions of the SFO); or were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") in the Rules Governing the Listing on Securities on the Stock Exchange (the "Listing Rules") were as follows:

#### 控股股東之強制履約責任

本集團已從若干銀行獲得銀行融資，附帶控股股東實施之強制履約責任：

1. 李先生必須於所有時間維持主要控股權益（無論直接或間接）於作為借方之嘉瑞製品有限公司（本公司全資附屬公司）。
2. 李先生必須於本公司維持管理控制權。

#### 董事及五名最高薪酬人士之薪酬

本集團董事及五名最高薪酬人士之薪酬詳情載於綜合財務報表附註15及16。

#### 董事及主要行政人員於本公司及其相聯法團之股份、相關股份及債券的權益及短倉

於二零一六年十二月三十一日，本公司董事及主要行政人員，於本公司及其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債券中，擁有根據證券及期貨條例第XV部第7至第9分部須知會本公司及香港聯合交易所有限公司（「聯交所」）之權益及短倉（包括根據證券及期貨條例該等條文被當作或被視為擁有之任何權益及短倉）；或根據證券及期貨條例第352條須記錄在該條所述登記冊之權益及短倉；或根據聯交所證券上市規則（「上市規則」）上市公司董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所之權益及短倉如下：

# DIRECTORS' REPORT (CONTINUED)

## 董事會報告(續)

### Long Positions in the Shares

### 股份之長倉

Name of Director 董事姓名	Capacity 身份	Number of Shares 股份數目	Approximate percentage of interest in the Company 佔本公司權益 概約百分比
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#### Executive Directors

##### 執行董事

Mr. Lee 李先生	Interest in controlled company <sup>(1)</sup> 受控制公司權益 <sup>(1)</sup>	480,000,000	53.71%
	Founder of a discretionary trust <sup>(2)</sup> 全權信託之創立人 <sup>(2)</sup>	127,980,000	14.32%
Mr. Wong Wing Chuen 黃永銓先生	Beneficial owner 實益擁有人	11,050,000	1.24%

#### Independent Non-Executive Directors

##### 獨立非執行董事

Mr. Andrew Look 陸東先生	Beneficial owner 實益擁有人	8,800,000	0.98%
Dr. Lo Wai Kwok SBS, MH, JP 盧偉國博士SBS, MH, 太平紳士	Beneficial owner 實益擁有人	1,000,000	0.11%

Note:

- Mr. Lee holds the entire issued share capital of Precisefull Limited ("Precisefull"). As such, Mr. Lee is deemed to have a controlling interest in Precisefull and is therefore deemed to be interested in the interests of Precisefull in the Company.
- The 127,980,000 shares, in which 77,980,000 shares and 50,000,000 shares are held by Beautiful Crystal Development Limited ("Beautiful Crystal") and Beautiful Colour Assets Limited ("Beautiful Colour") respectively (both companies are wholly-owned by YF Lee Family Trust). YF Lee Family Trust is a discretionary trust set up by Mr. Lee as settlor and UBS TC (Jersey) Limited ("UBS TC") as trustee on 20 February 2014. The discretionary objects are family members of Mr. Lee. Mr. Lee is the settlor of YF Lee Family Trust and is deemed to be interested in the 127,980,000 shares held by Beautiful Crystal and Beautiful Colour under the SFO.

附註：

- 李先生持有Precisefull Limited (「Precisefull」) 全部已發行股本。因此，李先生被視為擁有Precisefull的控制性權益，並因此而被視為擁有Precisefull於本公司所持有之權益。
- 該127,980,000股股份分別由Beautiful Crystal Development Limited (「Beautiful Crystal」) 及 Beautiful Colour Assets Limited (「Beautiful Colour」) 持有77,980,000及50,000,000股股份，此等公司由YF Lee Family Trust全資擁有。YF Lee Family Trust乃由李先生作為信託委託人及UBS TC (Jersey) Limited (「UBS TC」) 作為受託人於二零一四年二月二十日成立之全權信託，其受益對象為李先生之家族成員。李先生作為YF Lee Family Trust之信託委託人，根據證券及期貨條例，彼被視為於Beautiful Crystal及Beautiful Colour所持有之127,980,000股股份中擁有權益。

## DIRECTORS' REPORT (CONTINUED)

### 董事會報告 (續)

Save as disclosed above, as at 31 December 2016, none of the directors and chief executives of the Company had any interests or short positions in shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 to 9 of Part XV of the SFO (including interests and short positions in which they are taken or deemed to have under such provisions of the SFO); or were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or were required to be notified to the Company and the Stock Exchange, pursuant to the Model Code in the Listing Rules. In addition, save as disclosed above, at no time during the year ended 31 December 2016 was the Company or any of its subsidiaries a party to any arrangements to enable the directors of the Company or any of their spouses or children under the age of 18 to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

#### **INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS**

As at 31 December 2016, the following persons, other than the directors or chief executives of the Company, who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 to 5 of Part XV of the SFO or, who were, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company, or which were required, pursuant to Section 336 of the SFO, to be entered in the register referred to therein, were as follows:

除上文所披露者外，於二零一六年十二月三十一日，概無本公司董事及主要行政人員於本公司及其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債券中擁有任何根據證券及期貨條例第XV部第7至第9分部須知會本公司及聯交所之權益或短倉（包括彼等根據證券及期貨條例該等條文被當作或視為擁有之權益及短倉）；或根據證券及期貨條例第352條須記錄於該條所述之登記冊之權益及短倉；或根據標準守則須知會本公司及聯交所之權益及短倉。此外，除上述披露外，本公司或其任何附屬公司於截至二零一六年十二月三十一日止整年內概無訂立任何安排，令本公司董事或彼等之配偶或未滿十八歲之子女可藉購入本公司或其他法團之股份或債權證而獲益。

#### **主要股東於本公司及其相聯法團之股份、相關股份及債券的權益及短倉**

於二零一六年十二月三十一日，下列人士（本公司董事或主要行政人員除外）於本公司股份或相關股份中，擁有根據證券及期貨條例第XV部第2至第5分部須向本公司披露之權益或短倉，或直接或間接擁有可於任何情況下在本公司股東大會投票之任何類別股本面值5%或以上之權益或短倉，或擁有根據證券及期貨條例第336條須記錄在該條所述登記冊之權益或短倉：

# DIRECTORS' REPORT (CONTINUED)

## 董事會報告(續)

### Long Positions in the Shares

### 股份之長倉

Name 名稱	Capacity 身份	Number of Shares 股份數目	Approximate percentage of interest in the Company 佔本公司權益 概約百分比
Precisefull	Beneficial owner <sup>(1)</sup> 實益擁有人 <sup>(1)</sup>	480,000,000	53.71%
Beautiful Crystal	Beneficial owner <sup>(2)</sup> 實益擁有人 <sup>(2)</sup>	77,980,000	8.73%
Beautiful Colour	Beneficial owner <sup>(2)</sup> 實益擁有人 <sup>(2)</sup>	50,000,000	5.59%
UBS TC	Trustee <sup>(2)</sup> 受託人 <sup>(2)</sup>	127,980,000	14.32%
Famous Wide Limited (「Famous Wide」)	Person having a security interest in shares <sup>(3)</sup> 對股份持有保證權益的人 <sup>(3)</sup>	130,000,000	14.55%
Qi Chang Jing 齊常靜	Interest in controlled company <sup>(3)</sup> 受控制公司權益 <sup>(3)</sup>	130,000,000	14.55%

Note:

附註：

- Mr. Lee holds the entire issued share capital of Precisefull. As such, Mr. Lee is deemed to have a controlling interest in Precisefull and is therefore deemed to be interested in the interests of Precisefull in the Company.
- 77,980,000 shares and 50,000,000 shares are held by Beautiful Crystal and Beautiful Colour respectively (both companies are wholly owned by YF Lee Family Trust). The YF Lee Family Trust is a discretionary trust set up by Mr. Lee as settlor and UBS TC as trustee on 20 February 2014.
- Qi Chang Jing holds the entire issued share capital of Famous Wide. As such, Qi Chang Jing is deemed to have a controlling interest in Famous Wide and is therefore deemed to be interested in the interests of Famous Wide in the Company.

- 李先生持有Precisefull全部已發行股本。因此，李先生被視為擁有Precisefull的控制性權益，並因此視為擁有Precisefull所持有的本公司權益。
- Beautiful Crystal及Beautiful Colour分別持有77,980,000及50,000,000股股份，此等公司由YF Lee Family Trust全資擁有。YF Lee Family Trust乃由李先生作為信託委託人及UBS TC作為受託人於二零一四年二月二十日成立之全權信託。
- 齊常靜持有Famous Wide全部已發行股本。因此，齊常靜被視為擁有Famous Wide之控制性權益，並因此而被視為擁有Famous Wide於本公司所持有之權益。



## DIRECTORS' REPORT (CONTINUED) 董事會報告 (續)

Save as disclosed above, at no time during the year, the directors and the chief executive of the Company were aware of any other persons (other than the directors or chief executives of the Company) who had interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 to 5 of Part XV of the SFO, or, who were, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company, or which were required, pursuant to Section 336 of the SFO, to be entered in the register referred to therein.

### SHARE OPTION SCHEME

A share option scheme (the "Share Option Scheme") was adopted pursuant to the written resolutions passed by the shareholders of the Company on 2 June 2007. The purpose of the Share Option Scheme is to provide incentives and rewards to selected eligible persons for their contributions to the Group. The Share Option Scheme will remain valid until 1 June 2017 and each option will be granted at a consideration for HK\$10.

The participants of the Share Option Scheme may include directors, employees, consultants, professionals, customers, suppliers, agents, partners, advisors and contractors of the Group or a company in which the Group holds an interest or a subsidiary of such company.

The maximum number of shares which may be issued upon the exercise of all options to be granted under the Share Option Scheme and under any other share option scheme(s) adopted by the Company must not in aggregate exceed 10% of the aggregate of the shares at the time of listing of the Company. In addition, the maximum number of shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other schemes involving the issue or grant of share options by the Company must not, in aggregate, exceed 30% of the shares in issue from time to time.

The total number of shares issued and to be issued upon exercise of the options already granted or to be granted to each participant under the Share Option Scheme and any other share option scheme(s) of the Company (including exercised and outstanding share options) in any 12-month period up to and including the date of such grant should not exceed 1% aggregate of the shares in issue as at the date of such grant. Any grant of further options above this 1% limit shall be subject to approval of the shareholders of the Company at general meetings, with such participant and his associates abstaining from voting.

除上文所披露者外，於本年度內，本公司董事及主要行政人員並不知悉任何其他人士（本公司董事或主要行政人員除外）於本公司之股份及相關股份中擁有須根據證券及期貨條例第XV部第2至第5分部披露之權益或短倉，或直接及間接擁有可於任何情況下在本公司股東大會投票之任何類別股本面值5%或以上權益，或擁有根據證券及期貨條例第336條須記錄在該條所述登記冊之權益或短倉。

### 購股權計劃

一項購股權計劃（「購股權計劃」）於二零零七年六月二日根據本公司股東通過之書面決議案獲採納。購股權計劃旨在向選定人士提供作為彼等對本集團所作出貢獻之獎勵及獎賞。購股權計劃將一直有效至二零一七年六月一日及每一購股權將以代價10港元授出。

購股權計劃之參與者包括本集團或本集團持有權益公司或該公司的附屬公司之董事、僱員、顧問、專業人士、客戶、供應商、代理商、合作伙伴、諮詢人及承辦商。

根據購股權計劃及本公司所採納之其他購股權計劃將予授出之購股權獲悉數行使時可能發行之股份數目，最高不得超過本公司於上市時股份總數之10%。此外，根據購股權計劃及任何涉及發行或授出本公司購股權的購股權計劃已授出但尚未行使或將予行使之購股權獲行使時可能發行之股份數目，合共不得超過本公司不時已發行股本之30%。

根據購股權計劃及本公司所採納之其他購股權計劃向各參與者已授出或將予授出之購股權（包括已行使及尚未行使之購股權）獲行使而於任何12個月期間（包括授予當日）已發行及將予發行之股份總數，不得超過授出日期已發行股份總數之1%。任何進一步授予超過1%上限之購股權必須於股東大會上獲本公司股東批准，而有關參與者及其聯繫人士須放棄投票。

## DIRECTORS' REPORT (CONTINUED)

### 董事會報告(續)

The total number of shares in respect of which options may be granted under the Share Option Scheme shall be 74,346,600 shares, representing approximately 8.3% of the issued share capital of the Company as at the date of this annual report.

The period within which the options must be exercised will be specified by the Board at the time of the offer of grant, and must expire no later than 10 years from the effective date of the Share Option Scheme. There is no general requirement on the minimum period for which an option must be held or the performance targets which must be achieved before an option can be exercised under the terms of the Share Option Scheme.

The subscription price for any share under the Share Option Scheme will be a price determined by the Board and will be not less than the highest of:

- (i) the closing price of a share as stated in the Stock Exchange's daily quotations sheet on the date of grant of the relevant option, which must be a business day;
- (ii) an amount equivalent to the average closing price of a share as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant of the relevant option; and
- (iii) the nominal value of a share on the date of the grant.

根據購股權計劃可能授出的購股權所涉及之股份總數為74,346,600股，相當於本年報日期本公司已發行股本約8.3%。

董事會將於授出購股權要約時指明購股權須予行使之期限，必須不遲於購股權計劃生效日期起計十年內屆滿。購股權計劃之條款下並無有關必須持有購股權之最短期限或可行使購股權而必須達到之表現目標之一般規定。

購股權計劃項下股份之認購價將由董事會決定，惟該價格不得低於以下最高者：

- (i) 授出有關購股權日期(須為營業日)聯交所每日報價表所列股份收市價；
- (ii) 緊接授出有關購股權日期前五個營業日聯交所每日報價表所列股份平均收市價；及
- (iii) 授出日期股份之面值。

## DIRECTORS' REPORT (CONTINUED)

### 董事會報告 (續)

On 13 March 2008, the Company granted 20,102,000 share options to the Group's employees under the Share Option Scheme at an exercise price of HK\$0.415 per share. A summary of movements of share options of the Company during the year is set out as below:

於二零零八年三月十三日，本公司根據購股權計劃向本集團僱員授出20,102,000份購股權，行使價為每股0.415港元。於本年度內，本公司購股權之變動概述如下：

Category of Grantee/Name	Date of grant	Exercise Price (HK\$)	Exercise Period	Number of share options 購股權數目				
				As at 01/01/2016 於二零一六年一月一日	Granted during the year 於年內授出	Exercised during the year 於年內行使	Lapsed/Cancelled during the year 於年內失效/註銷	Outstanding as at 31/12/2016 於二零一六年十二月三十一日尚未行使
Employees 僱員	13/03/2008	0.415	13/03/2009–12/03/2018	40,800	-	-	-	40,800
Employees 僱員	13/03/2008	0.415	13/03/2010–12/03/2018	20,600	-	-	-	20,600
Employees 僱員	13/03/2008	0.415	13/03/2011–12/03/2018	40,600	-	-	-	40,600
<b>Total 總數</b>				102,000	-	-	-	102,000

Note:

- The vesting period of the share options is from the date of grant until the commencement of the exercise period.
- The closing price of the share immediately before the date of grant was HK\$0.415.
- The fair values of options granted and the respective accounting policy adopted are set out in note 37 to the consolidated financial statements.

附註：

- 購股權歸屬期間為自授出日期起至行使期開始日期止。
- 在緊接購股權授出日期之前的收市價為0.415港元。
- 已授出的購股權公平值及其採取之會計政策載於綜合財務報表附註37。

# DIRECTORS' REPORT (CONTINUED)

## 董事會報告(續)

### SHARE AWARD SCHEME

On 10 January 2013 (the "Adoption Date"), the Board of Company adopted a share award scheme (the "Share Award Scheme") under which the shares of the Company (the "Awarded Shares") may be awarded to selected persons to recognise the contributions by certain employees and persons to the Group and to provide them with incentives in order to retain them for the continual operation and development of the Group and to attract suitable personnel for further development of the Group. The Share Award Scheme will be valid and effective for a term of ten years commencing on the Adoption Date until 9 January 2023.

The participants of the Share Award Scheme may include executives, officers, employees, directors of the Company or any of its subsidiary, any business or joint venture partner, investor, consultant, adviser or agent of any member of the Group.

The Share Award Scheme shall be subject to the administration of the Administration Committee in accordance with the rules of the Share Award Scheme and the terms of the Trust Deed.

Pursuant to the Share Award Scheme, the Board shall select the eligible persons for participation in the Share Award Scheme and determine the number of shares to be awarded. Shares will be acquired by an independent trustee at the cost of the Company or shares will be allotted to the independent trustee under the general mandate granted or to be granted by the shareholders of the Company at general meetings from time to time and be held in trust for the awarded persons until the end of each vesting period. Vested shares will be transferred at no cost to the awarded persons.

Where any Awarded Shares is proposed to be offered to a connected person of the Company (as defined under Chapter 14A of the Listing Rules), such offer of Awarded Shares has to be first approved by the independent non-executive directors of the Company and the Company will comply with the applicable requirements of Chapter 14A of the Listing Rules in respect of such offer (including but not limited to the obtaining of independent Shareholders' approval if necessary).

Based on the 890,435,400 Shares in issue as at the adoption date, the maximum number of Awarded Shares under the Share Award Scheme would be 44,521,770 Shares and the maximum number of shares which may be awarded to an awarded person under the Share Award Scheme would be 8,904,354 shares.

For the year ended 31 December 2016, no Awarded Share was granted pursuant to the Share Award Scheme.

### 股份獎勵計劃

於二零一三年一月十日(「採納日期」)，本公司董事會採納股份獎勵計劃(「股份獎勵計劃」)。據此，本公司股份(「獎勵股份」)可授予經甄選人士以表彰本集團若干僱員及人士之貢獻，並給予獎勵以挽留該等僱員及人士為本集團之持續經營和發展而努力，亦為本集團進一步發展吸引合適之人才。股份獎勵計劃將由採納日期起生效，有效期為十年至二零二三年一月九日。

股份獎勵計劃之參與者包括本公司或其任何附屬公司之行政人員、高級職員、僱員、董事、本集團之任何合營夥伴、投資者、顧問、諮詢人或代理。

股份獎勵計劃會依據股份獎勵計劃之規則及信託契據之條款，由行政管理委員會管理。

根據股份獎勵計劃，董事會將甄選合資格人士參與股份獎勵計劃，並釐定予以獎勵股份之數目。股份將由獨立受託人購入，成本由本公司支付，或股份將根據於股東大會上不時由本公司股東授予或將授予的一般授權分配予獨立受託人，並以信託方式為獲獎勵人士持有，直至各歸屬期完結止。歸屬股份將無償轉讓予獲獎勵人士。

倘擬向本公司之關連人士(定義見上市規則第14A章)授予任何獎勵股份，該授予獎勵股份之建議須事先經本公司獨立非執行董事批准，且本公司將就有關建議遵守上市規則第14A章之適用規定(包括但不限於在需要時取得獨立股東批准)。

根據於採納日期已發行890,435,400股股份計算，股份獎勵計劃可授出之獎勵股份數目上限為44,521,770股股份及股份獎勵計劃可獎勵予每名獲獎勵人士之股份數目上限為8,904,354股股份。

於截至二零一六年十二月三十一日止年度，概無按股份獎勵計劃授出獎勵股份。

## DIRECTORS' REPORT (CONTINUED)

### 董事會報告 (續)

#### COMPETING BUSINESS

None of the directors of the Company had any interest in any competing business with the Company or any of its subsidiaries during the year under review. Each of Mr. Lee and Precisefull (the controlling shareholders (within the meaning of the Listing Rules) of the Company) has provided a written confirmation, which has been reviewed and confirmed by the independent non-executive directors of the Company, confirming that they have complied with the terms of a Deed of Non-competition entered into between them and the Company for the year ended 31 December 2016.

#### CONTINUING CONNECTED TRANSACTIONS

On 7 December 2015, the Group entered into a renewed master agreement (the "Renewed Master Agreement") with Chit Shun Machinery Limited ("Chit Shun") for a term of three years commencing from 1 January 2016 to 31 December 2018, in relation to the purchase of equipment, machineries and parts (together with the maintenance services). Chit Shun is a limited liability company incorporated in Hong Kong and beneficially owned by Mr. Lee and an independent third party, in equal share. Mr. Lee has nominated a director to the board of Chit Shun. Since Mr. Lee is a director and controlling shareholder of Chit Shun, Chit Shun is a connected person of the Company (as defined in the Listing Rules). Accordingly, the transactions between the Group and Chit Shun constitute continuing connected transactions (the "Chit Shun Transactions") of the Group. At the board meeting held on 7 December 2015, the board of directors of the Company had approved (i) the Renewed Master Agreement and the transactions contemplated thereunder; and (ii) the proposed annual caps for each of the three years ending 31 December 2018.

For the year ended 31 December 2016, Chit Shun Transactions totalled approximately HK\$2,417,000 (2015: HK\$7,681,000).

The independent non-executive directors of the Company have reviewed the Chit Shun Transactions and confirmed that they have been entered into:

1. in the ordinary and usual course of business of the Group;
2. on normal commercial terms or better; and
3. in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

#### 競爭業務

於回顧年度，本公司董事概無於與本公司或其任何附屬公司競爭的任何業務中擁有任何權益。本公司控股股東(定義見上市規則)李先生及Precisefull各自已提供書面確認，並由本公司獨立非執行董事審閱及確認，彼等於截至二零一六年十二月三十一日止年度內已遵守本公司與彼等所訂立之不可競爭契據之條款。

#### 持續關連交易

於二零一五年十二月七日，本集團與捷迅機械設備有限公司(「捷迅」)就購買設備、機器與零件(連同相關保養服務)訂立經更新總協議(「經更新總協議」)，年期由二零一六年一月一日起至二零一八年十二月三十一日止，為期三年。捷迅為香港註冊成立的有限公司，由李先生及一名獨立第三方按等額權益實益擁有。李先生曾向捷迅董事會提名董事人選。因李先生為捷迅之董事兼控權股東，故捷迅為本公司的關連人士(定義見上市規則)。故此，本集團與捷迅之交易構成本集團之持續關連交易(「捷迅交易」)。於二零一五年十二月七日舉行之董事會會議上，本公司之董事已批准(i)經更新總協議及其項下擬進行之交易；及(ii)截至二零一八年十二月三十一日止三個年度各年之建議年度上限。

截至二零一六年十二月三十一日止年度，捷迅交易之總額約為2,417,000港元(二零一五年：7,681,000港元)。

本公司獨立非執行董事已審核捷迅交易並確認該等交易：

1. 在本集團的日常業務中訂立；
2. 按照一般商務條款或更佳條款進行；及
3. 根據監管該等交易之有關協議條款進行，而條款公平合理，並且符合本公司股東的整體利益。

## DIRECTORS' REPORT (CONTINUED)

### 董事會報告(續)

The Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with the 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 his unqualified letter containing his findings and conclusions in respect of the continuing connected transactions disclosed by the Group on page 36 and 37 of this report in accordance with the Main Board Listing Rule 14A.56. A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

#### CONNECTED TRANSACTION

On 24 October 2016, The Group has entered into an equity transfer agreement with Forever International Development Limited (the "Purchaser"), pursuant to which the Group has conditionally agreed to sell and the Purchaser has conditionally agreed to acquire the entire equity interest of MG Technology (Shenzhen) Company Limited, the Group's wholly-owned subsidiary, at a consideration of HK\$290,000,000. As of the date of the relevant agreement, since the Purchaser was wholly-owned by Mr. Lee, a controlling shareholder and an executive director of the Company, the Purchaser is a connected person of the Company. Accordingly, the disposal constitutes a connected transaction of the Company under Listing Rules.

Details of this transaction were disclosed in the Company's announcement dated 24 October 2016 and the circular dated 22 November 2016. The transaction was approved by the independent shareholders of the Company at the extraordinary general meeting held on 7 December 2016.

#### PUBLIC FLOAT

As at the date of this report, the Company has maintained the prescribed public float required under the Listing Rules, based on the information that is publicly available to the Company and within the knowledge of the directors.

#### EVENTS AFTER THE REPORTING PERIOD

On 27 March 2017, the Board has recommended the payment of a final dividend of HK1.0 cent per share (2015: Nil) for the year ended 31 December 2016 to the shareholders whose names appear on the register of members of the Company on Wednesday, 31 May 2017. Subject to the approval of the shareholders of the Company at the forthcoming annual general meeting to be held on Friday, 19 May 2017, the final dividend will be paid on or about Wednesday, 7 June 2017.

本公司核數師已獲聘根據香港會計師公會頒佈的《香港核證工作準則》第3000號(經修訂)「審核或審閱歷史財務資料以外的核證工作」及參照實務說明第740號「關於香港《上市規則》所述持續關連交易的核數師函件」報告本集團的持續關連交易。核數師已根據上市規則第14A.56條發出無保留函件，而該函件載有核數師對有關本集團在本報告第36及37頁披露的持續關連交易的發現及結論。本公司已將核數師函件副本送呈聯交所。

#### 關連交易

於二零一六年十月二十四日，本集團與恆星國際發展有限公司(「買方」)訂立股權轉讓協議，據此，本集團已有條件同意出售及買方已有條件同意購買本公司之全資附屬公司創金美科技(深圳)有限公司之全部股本權益，代價為290,000,000港元。於有關協議日期，由於買方由控股股東兼執行董事李先生全資擁有，故買方為本公司之關連人士。因此，根據上市規則，出售事項構成本公司之關連交易。

此交易之詳情已於本公司日期為二零一六年十月二十四日之公佈及二零一六年十一月二十二日之通函中披露。此交易已於二零一六年十二月七日舉行之股東特別大會中獲本公司獨立股東通過。

#### 公眾持股量

於本報告日，根據本公司可以得悉之公開資料及本公司董事亦知悉之情況下，本公司已按上市規則之要求，維持足夠公眾持股量。

#### 報告期間完結後事項

於二零一七年三月二十七日，董事會建議向於二零一七年五月三十一日(星期三)名列本公司股東名冊之股東派付截至二零一六年十二月三十一日止年度之末期股息每股1.0港仙(二零一五年：零)。待本公司股東在二零一七年五月十九日(星期五)舉行之應屆股東週年大會批准後，末期股息將於二零一七年六月七日(星期三)或前後派付。

## DIRECTORS' REPORT (CONTINUED) 董事會報告 (續)

### AUDITOR

At the Company's last general meeting, RSM Hong Kong was re-appointed as auditor of the Company.

RSM Hong Kong shall retire and being eligible, offer themselves for re-appointment, and a resolution to this effect will be proposed at the forthcoming annual general meeting.

### OTHER CHANGES IN DIRECTORS' INFORMATION

Other changes in directors' information since the date of 2016 Interim Report are set out below:

1. Mr. Sun Kai Lit, Cliff BBS, JP, an independent non-executive director of the Company, was appointed as an independent non-executive director of Wisdom Education International Holdings Company Limited (Stock Code: 6068) on 24 January 2017.
2. Mr. Andrew Look, an independent non-executive director of the Company, resigned as an independent non-executive director of TCL Communication Technology Holdings Limited (a company delisted on the Hong Kong Stock Exchange on 30 September 2016) and Man Sang Jewellery Holdings Limited (Stock Code: 1466) on 30 September 2016 and 10 December 2016 respectively.

Save as the information disclosed above, there is no change in directors' information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

By order of the Board  
**Lee Yuen Fat**  
Chairman

Hong Kong, 27 March 2017

### 核數師

於本公司上次股東週年大會，中瑞岳華(香港)會計師事務所獲重聘為本公司之核數師。

中瑞岳華(香港)會計師事務所將退任，惟願意膺選連任，而重聘彼等之有關決議案於即將舉行之股東週年大會上提呈。

### 董事資料的其他變更

自二零一六年中期報告日期以來的董事資料其他變更載列如下：

1. 本公司獨立非執行董事孫啟烈先生BBS, 太平紳士於二零一七年一月二十四日獲委任為睿見教育國際控股有限公司(股份編號：6068)之獨立非執行董事。
2. 本公司獨立非執行董事陸東先生分別於二零一六年九月三十日及二零一六年十二月十日辭任TCL通訊科技控股有限公司(已於二零一六年九月三十日於香港聯交所除牌)及民生珠寶控股有限公司(股份代號：1466)之獨立非執行董事。

除上文所披露資料外，概無任何董事變更資料須根據上市規則第13.51B(1)條之規定予披露。

承董事會命  
**李遠發**  
主席

香港，二零一七年三月二十七日

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The board of directors (the “Board”) believes that good corporate governance practices are essential for promoting investors’ confidence and maximising shareholders’ returns. The Board is committed to maintaining a high standard of corporate governance and reviews its corporate governance practices on a regular basis.

The Company’s corporate governance practices are based on the principles and code provisions as set out in the Code on Corporate Governance Practices (the “CG Code”) contained in Appendix 14 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). For the year ended 31 December 2016, the Company is in compliance with all the code provisions of the CG Code.

### THE BOARD

The Board is collectively responsible for formulating the Group’s overall business strategies, monitoring and evaluating its operating and financial performance and reviewing the corporate governance standard of the Company. The day-to-day management, administration and operation of the Company are led by the chief executive officer of the Company. The Board has also delegated a schedule of responsibilities to the senior management of the Company, which include the implementation of decisions of the Board, the co-ordination and direction of day-to-day operation and management of the Company in accordance with the management strategies and plans approved by the Board, formulating and monitoring the production and operating plans and budgets, and supervising and monitoring the control systems. The Board has the full support of the senior management to discharge its responsibilities.

As at 31 December 2016, the Board comprises seven members as follows:

#### Executive Directors

Mr. Lee Yuen Fat (*Chairman*)  
 Mr. Wong Wing Chuen (*Vice Chairman*)  
*(appointed on 1 January 2017)*  
 Dr. Wong Cheong Yiu (*Chief Executive Officer*)  
 Mr. Chan Tat Cheong, Alan  
*(resigned on 23 May 2016)*

#### Independent Non-executive Directors

Mr. Sun Kai Lit, Cliff, BBS, JP  
 Ir Dr. Lo Wai Kwok, SBS, MH, JP  
 Mr. Andrew Look  
 Mr. Kong Kai Chuen, Frankie

Biographical details of the directors of the Company as at the date of this report are set out on pages 18 to 22 of this annual report.

本公司董事會(「董事會」)相信良好之企業管治守則對於提高投資者的信心和增加股東的回報至為重要。董事會一向致力維持高水平的企業管治及定期檢討本公司之企業管治守則。

本公司之企業管治守則乃以香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄十四《企業管治守則》(「企業管治守則」)之原則及守則條文為基礎。於截至二零一六年十二月三十一日止年度，本公司已遵守企業管治守則中的所有守則條文。

### 董事會

董事會共同負責制訂本集團之整體業務策略，及監管和評估本集團其營運與財務上之表現，並檢討本公司之企業管治水平。本公司的日常管理、行政及營運均由本公司行政總裁領導。董事會已將一系列職責轉授予本公司高級管理層，包括執行董事會的決策、依照董事會批准的管理策略及計劃對本公司日常運作及管理作出協調及指揮、制定及監察生產和營運計劃及預算，以及監督及監察監控制度。董事會亦獲高級管理層全力支持履行其職責。

於二零一六年十二月三十一日，董事會包括下列七名成員：

#### 執行董事

李遠發先生(*主席*)  
 黃永銓先生(*副主席*)  
*(於二零一七年一月一日獲委任)*  
 黃昌耀博士(*行政總裁*)  
 陳達昌先生  
*(於二零一六年五月二十三日辭職)*

#### 獨立非執行董事

孫啟烈先生BBS, 太平紳士  
 盧偉國博士SBS, MH, 太平紳士  
 陸東先生  
 江啟銓先生

於本報告日，本公司董事之個人資料詳載於本年報第18至第22頁。



## CORPORATE GOVERNANCE REPORT (CONTINUED)

### 企業管治報告(續)

The Board members have no financial, business, family or other material/relevant relationships with each other.

Each of the independent non-executive directors has confirmed in writing his independence from the Company in accordance with Rule 3.13 of the Listing Rules. On this basis, the Company considers all such directors to be independent.

All the independent non-executive directors were appointed for a specific term of two years and subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the provisions of the Articles of Association of the Company. To further strengthen the standard of corporate governance, the Company follows the CG Code and requires any re-appointment of an independent non-executive director who has served on the Board for over nine years to be subject to a separate resolution to be approved by shareholders. In such cases, the Board will set out in the annual report or circular the reasons why it considers such director to continue to be independent and should be re-elected.

The Board conducts four regular scheduled meetings a year on a quarterly basis and ad hoc meetings are convened when circumstances require. Notice of at least 14 days is given to all directors for all regular Board meetings and all directors are given opportunity to include matters for discussion in the agenda. Draft minutes of Board meetings are circulated to all directors for comments. Minutes of Board meetings with details of matters considered by the Board and decision reached are kept by the Company Secretary and open for inspection by the directors.

During the Year, ten Board meetings, one annual general meeting and one extraordinary general meeting were held and details of individual attendance of directors are set out in the table on page 44 of this annual report.

#### CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Pursuant to Code Provision A.2.1 of the CG Code, the roles of Chairman and Chief Executive Officer should be separate and should not be performed by the same individual. The roles of chairman and chief executive officer of the Company are segregated and are not performed by the same person. Mr. Lee Yuen Fat, the Chairman, is responsible for the leadership and effective running of the Board while Dr. Wong Cheong Yiu, the Chief Executive Officer, is responsible for the overall management and supervision of the execution of the overall business strategies of the Group.

各董事會成員之間並沒有財務、業務、親屬或其他重大或相關之關係。

各獨立非執行董事已根據上市規則第3.13條就其獨立性以書面確認；因此，本公司認為該等董事確屬獨立人士。

所有獨立非執行董事之指定任期為兩年。彼等須按照本公司組織章程細則的條文在本公司之股東週年大會上輪值告退及膺選連任。為進一步提高企業管治水平，本公司依照企業管治守則，已要求凡服務董事會超過九年之獨立非執行董事，須獲得股東以獨立決議案方式批准，方可連任。如有此情況，董事會將在年報或通告函中向股東列明其認為該董事仍屬獨立人士以及應獲重選之原因。

董事會於年內舉行四次定期會議，約每季度一次，並於情況需要時召開特別會議。董事會的所有定期會議通知最少在會議前十四天發給所有董事，所有董事均可提出討論事項列入會議議程。董事會會議紀錄初稿會發送予全體董事以表達意見。董事會會議紀錄詳細紀錄董事局考慮之事項及達致的決定，由公司秘書備存，董事可隨時查閱。

於本年度內，本公司已舉行十次董事會會議、一次股東週年大會及一次股東特別大會，個別董事之出席資料詳載於本年報第44頁。

#### 主席及行政總裁

根據企業管治守則之守則條文第A.2.1條，主席與行政總裁的角色應有區分，並不應由一人同時兼任。本公司主席及行政總裁之角色已分開及不是由同一人出任。李遠發先生為本公司主席，負責領導及有效地管理董事會；而黃昌耀博士為本公司行政總裁，負責本集團的整體管理及監督整體業務策略的執行。

# CORPORATE GOVERNANCE REPORT (CONTINUED)

## 企業管治報告(續)

### LIABILITY INSURANCE FOR THE DIRECTORS

The Company has in force appropriate insurance coverage on directors' and officers' liabilities arising from the Group's business. The Company reviews the extent of insurance coverage on an annual basis.

### CONTINUOUS PROFESSIONAL DEVELOPMENT

The directors are regularly briefed on the amendments to or updates on the Listing Rules, corporate governance practices, other regulatory regime and the business development of the Company. To keep abreast of the responsibilities of the directors and infuse them with new knowledge, an in-house seminar was conducted during the Year. Apart from what the Company had arranged, some of the directors also attended other external training seminars.

### AUDIT COMMITTEE

The Company established the Audit Committee in June 2007. The primary duties of the Audit Committee are to review the Company's financial reports, make recommendations on the appointment, removal and remuneration of independent auditor, approve audit and audit-related services, supervise the Company's internal financial reporting procedures and management policies, and review the Company's risk management and internal control systems as well as the internal audit function. The Audit Committee comprises four independent non-executive directors, namely Mr. Kong Kai Chuen, Frankie, Mr. Sun Kai Lit, Cliff BBS, JP, Ir Dr. Lo Wai Kwok SBS, MH, JP and Mr. Andrew Look and is chaired by Mr. Kong Kai Chuen, Frankie, a qualified accountant with extensive experience in financial reporting and controls.

During 2016, the Audit Committee held two meetings to review the financial statements of the Group, review the Group's financial controls, risk management and internal control systems and to make recommendation to the Board on the re-appointment of the auditors of the Company.

### 董事責任保險

本公司已就董事及行政人員因本集團業務而引起之責任購買適當保險，本公司每年檢討保險所保障之範圍。

### 持續專業發展

董事亦定期獲簡介有關上市規則、企業管治常規、相關法例之修訂及本公司的業務發展。為使董事瞭解其職責及灌輸新的知識，於本年度內已舉行了一次內部研討會。除由本公司作出之安排外，若干董事亦有參加其他外部培訓研討會。

### 審核委員會

本公司於二零零七年六月成立審核委員會。審核委員會之主要職責為審閱本公司之財務報告、就委任及罷免獨立核數師以及其薪酬提供推薦建議、批准審計及審計相關服務、監管本公司內部財務匯報程序及管理政策，和檢討本公司之風險管理及內部監控系統，以及內部審核職能。審核委員會由四名獨立非執行董事組成，分別為江啟銓先生、孫啟烈先生BBS，太平紳士、盧偉國博士SBS，MH，太平紳士及陸東先生，而江啟銓先生為審核委員會之主席，彼為合資格會計師，於財務報告及控制擁有豐富經驗。

於二零一六年，審核委員會舉行了兩次會議，審閱本集團之財務報表，審閱本公司之財務監控、風險管理與內部監控系統及就本公司核數師之重新委任向董事會提供推薦建議。

## CORPORATE GOVERNANCE REPORT (CONTINUED)

### 企業管治報告(續)

#### NOMINATION COMMITTEE

The Nomination Committee was set up in June 2007 and is mainly responsible for reviewing the structure, size and the composition of the Board and making recommendations on any proposed change to the Board to complement the Company's corporate strategy; assessing the independence of independent non-executive directors; making recommendations to the Board on the appointment of directors and succession planning for directors. The members of the Nomination Committee are Mr. Sun Kai Lit, Cliff BBS, JP, Ir Dr. Lo Wai Kwok SBS, MH, JP, Mr. Andrew Look, Mr. Kong Kai Chuen, Frankie and Dr. Wong Cheong Yiu. Mr. Sun Kai Lit, Cliff BBS, JP is the Chairman of the Nomination Committee.

During the year, the Nomination Committee held one meeting to make recommendations to the Board on the appointment of Vice Chairman and review the structure, size and the composition of the Board.

#### BOARD DIVERSITY POLICY

The Board has adopted a board diversity policy (the "Board Diversity Policy") during the Year which sets out the approach to achieve diversity on the Board. The Company recognises that increasing diversity at the Board level will support the attainment of the Company's strategic objectives and sustainable development. The Company seeks to achieve Board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The Company will also take into consideration its own business model and specific needs from time to time in determining the optimum composition of the Board.

The Nomination Committee will review and monitor the implementation of the Board Diversity Policy to ensure its effectiveness.

#### 提名委員會

提名委員會於二零零七年六月成立，主要負責檢討董事會的架構、人數及組成與就任何為配合本公司企業策略而擬對董事會作出的變動提出建議；評核獨立非執行董事的獨立性；就委任董事及董事繼任計劃向董事會提供意見。提名委員會之成員包括孫啟烈先生BBS，太平紳士、盧偉國博士SBS，MH，太平紳士、陸東先生、江啟銓先生及黃昌耀博士，而孫啟烈先生BBS，太平紳士為提名委員會之主席。

於本年度，提名委員會舉行了一次會議，向董事會就委任副主席提供意見及檢討董事會之架構、規模及組成。

#### 董事會成員多元化政策

董事會於年內採納董事會成員多元化政策（「董事會成員多元化政策」），該政策載列達致董事會成員多元化之途徑。本公司了解董事會層面日益多元化將為達成本公司策略目標和可持續發展提供支持。本公司藉考慮多項因素，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技術、知識及任職年期，務求達致董事會成員多元化。本公司在決定董事會最佳成員組合時，亦會考慮其本身之業務模式及具體需要。

提名委員會會檢討及監察董事會成員多元化政策的執行以確保其有效性。

# CORPORATE GOVERNANCE REPORT (CONTINUED)

## 企業管治報告(續)

### REMUNERATION COMMITTEE

The Company established the Remuneration Committee in June 2007. The major duties of the Remuneration Committee are to make recommendations to the Board on the Company's policy and structure for the remuneration of directors and senior management. It also reviews and determines the terms of remuneration packages, the award of bonuses and other compensation payable to individual directors and senior management with reference to the Board's corporate goals and objectives. The Remuneration Committee consists of Mr. Sun Kai Lit, Cliff BBS, JP, Ir Dr. Lo Wai Kwok SBS, MH, JP, Mr. Andrew Look, Mr. Kong Kai Chuen, Frankie and Dr. Wong Cheong Yiu. The Chairman of the Remuneration Committee is Mr. Sun Kai Lit, Cliff BBS, JP, an independent non-executive director.

During 2016, the Remuneration Committee held one meeting to review the salary adjustment of executive directors and senior management of the Company.

The remuneration of the members of the senior management by band for the year ended 31 December 2016 is set out below:

		Number of individuals 人數
HK\$500,001 – HK\$1,000,000	500,001港元至1,000,000港元	1
HK\$1,000,001 – HK\$1,500,000	1,000,001港元至1,500,000港元	3
HK\$1,500,001 – HK\$2,000,000	1,500,001港元至2,000,000港元	1

### CORPORATE GOVERNANCE FUNCTION

The Board is responsible for the corporate governance functions with the following duties:

- to develop and review the Company's policies and practices on corporate governance and make recommendations on changes and updating;
- to review and monitor the training and continuous professional development of directors;
- to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and directors; and
- to review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

### 薪酬委員會

本公司於二零零七年六月成立薪酬委員會。薪酬委員會之主要職責為就本公司董事及高級管理人員之薪酬政策及架構向董事會推薦意見，並因應董事會之企業方針及目標而檢討及釐定個別董事及高級管理人員之薪酬待遇、花紅獎賞及其他報酬。薪酬委員會由孫啟烈先生BBS，太平紳士、盧偉國博士SBS，MH，太平紳士、陸東先生、江啟銓先生及黃昌耀博士組成。薪酬委員會之主席為獨立非執行董事孫啟烈先生BBS，太平紳士。

於二零一六年，薪酬委員會舉行了一次會議，檢討本公司執行董事及高級管理人員之薪酬調整。

於截至二零一六年十二月三十一日止年度按薪酬組別劃分之高級管理人員薪酬載列如下：

### 企業管治職能

董事會負責企業管治職能，並有下列職責：

- 制訂及檢討本公司的企業管治政策及常規，並就變動及更新提出建議；
- 檢討及監察董事的培訓及持續專業發展；
- 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；
- 制訂、檢討及監察適用於僱員及董事的操守守則及合規手冊(如有)；及
- 檢討本公司遵守企業管治守則的情況及於企業管治報告中作出的披露。

# CORPORATE GOVERNANCE REPORT (CONTINUED)

## 企業管治報告(續)

### ATTENDANCE OF MEETINGS

A summary of attendance of Board meetings, committee meetings and general meetings in 2016 are detailed in the following table:

### 出席會議

下表載列於二零一六年董事會會議、委員會會議及股東大會之出席率摘要：

	Number of attendance/Number of meetings					
	出席次數/會議次數					
	Board meeting	Audit Committee meeting	Nomination Committee meeting	Remuneration Committee meeting	Annual General Meeting	Extraordinary General Meeting
	董事會會議	審核委員會會議	提名委員會會議	薪酬委員會會議	股東週年大會	股東特別大會

#### Executive Directors

##### 執行董事

Mr. Lee Yuen Fat 李遠發先生	10/10	-	-	-	1/1	1/1
Mr. Wong Wing Chuen 黃永銓先生	10/10	-	-	-	1/1	1/1
Dr. Wong Cheong Yiu 黃昌耀博士	10/10	-	1/1	1/1	1/1	1/1
Mr. Chan Tat Cheong, Alan <sup>1</sup> 陳達昌先生 <sup>1</sup>	5/5	-	-	-	1/1	-

#### Independent Non-Executive Directors

##### 獨立非執行董事

Mr. Sun Kai Lit, Cliff BBS, JP 孫啟烈先生BBS, 太平紳士	10/10	2/2	1/1	1/1	1/1	1/1
Ir Dr. Lo Wai Kwok SBS, MH, JP 盧偉國博士SBS, MH, 太平紳士	9/10	2/2	0/1	1/1	0/1	0/1
Mr. Andrew Look 陸東先生	10/10	2/2	1/1	1/1	1/1	1/1
Mr. Kong Kai Chuen, Frankie 江啟銓先生	10/10	2/2	1/1	1/1	1/1	1/1

Note:

1. Mr. Chan Tat Cheong, Alan resigned as an executive director of the Company on 23 May 2016.

附註：

1. 陳達昌先生於二零一六年五月二十三日辭任本公司執行董事。

# CORPORATE GOVERNANCE REPORT (CONTINUED)

## 企業管治報告(續)

### MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules. Having made specific enquiry of all directors, all directors have confirmed that they have fully complied with the required standard set out in the Model Code during the Year.

### 董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載之標準守則。經向全體董事作出具體查詢後確認，彼等於本年度一直全面遵守標準守則所載規定準則。

### DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The directors acknowledge their responsibility for the preparation of the financial statements of the Company for the year ended 31 December 2016. The statement of the external auditor of the Company in relation to their reporting responsibility on the financial statements of the Group is set out in the Independent Auditor's Report on page 68 and 71.

### 董事就財務報表所承擔之責任

董事確認彼等對編制本公司截至二零一六年十二月三十一日止年度財務報表之責任。本公司之外聘核數師就其對本集團財務報表之申報責任而發出之聲明，載於第68及第71頁之獨立核數師報告內。

### RISK MANAGEMENT AND INTERNAL CONTROL

The Board has overall responsibility for maintaining and reviewing the effectiveness of the risk management and internal control systems of the Group in order to safeguard the Group's assets and shareholders' investments. The system of internal control of the Group is designed to manage rather than eliminate the risk of failure to achieve corporate objectives and provide reasonable but not absolute assurance against material misstatement or loss.

### 風險管理及內部監控

董事會全權負責維持及檢討本集團風險管理及內部監控系統之成效，以保障本集團資產及股東之投資。本集團之內部監控系統旨在管理而非消除未能達成業務目標之風險，並提供合理而非絕對保證無重大錯誤陳述或損失。

There is currently an internal audit department within the Group. Its duties are to review the internal control system covering all relevant financial, operational and compliance control functions within an established framework. Reports prepared by this department are submitted to the Audit Committee of the Company twice a year for review to ensure that an effective and adequate internal control system has been in place.

現時集團有一內部審核部門，其職責為檢討內部監控系統，包括已建立的架構內的所有相關財務、營運及依從規例監控效能。該部門每年兩次把所編制之報告提呈本公司之審核委員會審閱，以確保有效及足夠之內部監控系統經已存在。

During the year, the Group has also engaged an independent professional consultant to identify, evaluate and prioritise the significant risks exposed to the Group through reviewing the implemented system and procedures, including areas covering financial, operational and legal compliance controls and risk management functions. In addition, a structured approach to risk management was adopted and a risk-based three-year internal audit plan was introduced through restructuring of internal control system in address to the significant risks identified and assessed by the Group.

年內，本集團已經聘用獨立專業顧問透過檢討已實行的制度及程序，範圍涵蓋財務、營運及法律合規監控及風險管理功能方面，以識別、評估及排序本集團面對之重大風險。再者，集團採納了具結構化的風險管理方法，並透過重組內部監控系統引入以風險為導向的內部審核三年規劃，以應對集團已被識別和評估之重大風險。

During the year, the Audit Committee and the Board have received an enterprise-wide risk assessment report and the internal audit reports and conducted review on the effectiveness of risk management and internal control systems.

年內，審核委員會及董事會已收到企業風險評估報告及內部審核報告，並對本集團的風險管理及內部監控系統之成效完成相關檢討。

## CORPORATE GOVERNANCE REPORT (CONTINUED)

### 企業管治報告(續)

For the year ended 31 December 2016, the Board considered that the Company's internal control and risk management systems are adequate and effective and the Company has complied with the code provisions on internal control and risk management of the CG Code.

The Company has taken appropriate measures to identify inside information and preserve its confidentiality until proper dissemination via the electronic publication system operated by the Stock Exchange.

#### AUDITOR'S REMUNERATION

Total auditor's remuneration in relation to statutory audit work and non-audit services of the Group is set out as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Statutory audit	法定審核	1,660	1,650
Non-audit services <sup>(1)</sup>	非審核服務 <sup>(1)</sup>	399	569
<b>Total</b>	<b>總數</b>	<b>2,059</b>	<b>2,219</b>

Note:

1. Non-audit services mainly include agreed-upon procedures on interim results and tax advisory service.

#### COMPANY SECRETARY

The Company Secretary of the Company is a full time employee of the Company. For the year ended 31 December 2016, the Company Secretary has duly complied with the relevant professional training requirement under Rule 3.29 of the Listing Rules.

截至二零一六年十二月三十一日止年度，董事會認為本公司的內部監控及風險管理制度乃充足及有效，而本公司亦已遵守企業管治守則有關內部監控及風險管理的守則條文。

本公司已採取適當措施識別內幕消息和在透過聯交所管理的電子發佈系統適當分發前保持其機密。

#### 核數師之酬金

本集團付予有關法定審核及非審核服務的核數師酬金如下：

附註：

1. 非審核服務主要包括中期業績之約定程序及稅務諮詢服務。

#### 公司秘書

本公司之公司秘書為本公司之全職僱員。截至二零一六年十二月三十一日止年度，公司秘書已遵守上市規則第3.29條的相關專業培訓規定。

# CORPORATE GOVERNANCE REPORT (CONTINUED)

## 企業管治報告(續)

### SHAREHOLDERS' RIGHTS

#### Procedures for convening extraordinary general meeting on requisition

Pursuant to Article 64 of the Company's Articles of Association, an extraordinary general meeting may be convened on the requisition of one or more shareholders holding, at the date of deposit of the requisition, not less than one tenth of the paid up capital of the Company having the right of voting at general meetings. Such requisition shall be made in writing to the Board or the Company Secretary for the purpose of requiring an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

#### Procedure for putting forward proposals at general meeting

A shareholder shall make a written requisition to the Board or the Company Secretary at the Company's office in Hong Kong, specifying the shareholding information of the shareholder, contact details and the proposal he/she intends to put forward at general meeting regarding any specified business and its supporting documents.

#### Shareholders' enquiries

Shareholders should direct their questions in relation to their shareholdings to the Company's share registrar. Shareholders may at any time make a request for the Company's information to the extent that such information is publically available. Shareholders may send written enquiries to the Board by writing to the Company Secretary at the Company's office in Hong Kong at Room A, 29th Floor, Tower B, Billion Centre, 1 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong.

#### Constitutional Documents

There is no change in the Company's constitutional documents during the year ended 31 December 2016.

### 股東之權利

#### 請求召開股東特別大會之程序

根據本公司組織章程細則第64條，股東特別大會亦可由一名或多名持有股東要求召開，該等股東於提出要求當日須持有本公司實繳股本不少於十分之一並有權在股東大會上投票。有關要求須以書面形式向董事會或公司秘書提出，藉以要求董事會就處理有關要求所指明之任何事務而召開股東特別大會。有關會議須在遞交該請求書後兩個月內召開。如董事會在請求書遞交日期起計二十一日內未有進行安排召開有關會議，則請求人(或多名請求人)可用相同方式自行召開會議，且請求人因董事會未有妥為召開會議而招致的所有合理費用，須由本公司償還請求人。

#### 於股東大會上提呈建議之程序

股東須致函本公司香港辦事處向本公司之董事會或公司秘書提出書面要求，當中須列明該股東的股權資料、其詳細聯絡資料，以及擬就任何具體的事務而於股東大會上提呈的建議及其有關文件。

#### 股東提問

股東應向本公司股份過戶登記處提出有關其股權之疑問。股東可隨時要求索取有關本公司之公開資料。股東亦可致函公司秘書向董事會作出查詢，本公司香港辦事處之地址為香港九龍九龍灣宏光道一號億京中心B座29樓A室。

#### 組織章程文件

於截至二零一六年十二月三十一日止年度，本公司之組織章程文件並無任何變動。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

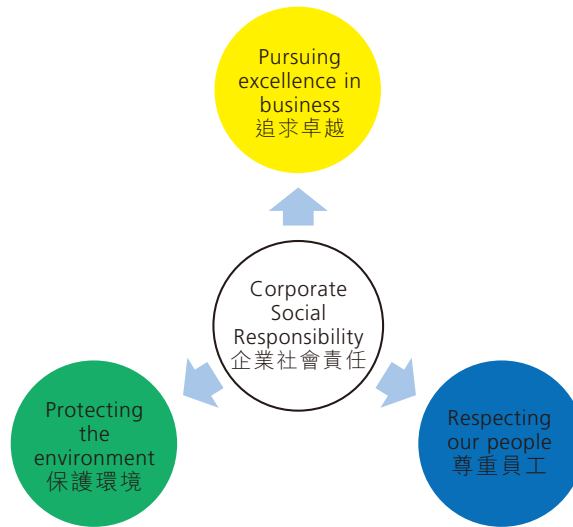
## 環境、社會與管治報告

Ka Shui, as the leading company specialising in magnesium, aluminium and zinc alloys die casting, and plastic injection moulding, understands that a sustainable business must be both environmentally and socially responsible. To achieve this goal, we have prepared the Environmental, Social & Governance (“ESG”) report for the first time this year, and would like to share with our stakeholders the major ESG issues faced and how they were tackled by the Company.

作為一家專注於鎂、鋁和鋅合金壓鑄及塑膠注塑的領先公司，嘉瑞瞭解可持續發展的企業務必具有環境和社會責任。為了實現此目標，我們今年首次編制了環境、社會與管治（「環境、社會與管治」）報告，希望與我們的持份者分享關於本公司所面對的主要環境、社會與管治問題以及如何解決這些問題。

Guided by our key operating principle of “Honouring Customers, Respecting People, Fostering Innovation and Supporting Continuous Improvement”, we have developed a practical approach to sustain the development in our business with three core Corporate Social Responsibility (“CSR”) objectives:

我們在「以客為尊、以人為本、科技創新及持續改善」原則的指導下，我們制定了一套持續發展的實用方法，以實現我們企業社會責任的三個核心目標：



In “pursuing excellence in business”, we take the lead in providing high-quality services and products to our customers, as well as conveying our CSR values to the business partners and the community that we interact with. These, altogether, define “excellence” to us in doing business.

於「追求卓越」方面，我們牽頭為客戶提供高品質服務和產品，並向我們的業務合作夥伴及與我們互動的社區傳遞我們的企業社會責任價值觀。這形成了我們「卓越」經營的定義。

Next, “respecting our people”, we believe that respecting people can bring us continuous innovation and improved productivity. In addition, we highly emphasise on creating a healthy and safe workplace for our employees.

其次，於「尊重員工」方面，我們相信，尊重員工能有助於持續創新及提高生產力。此外，我們高度重視為員工創造健康、安全的工作環境。

We always regard “protecting the environment” as important as the other two core CSR objectives. It is the Group’s vision to develop into a leading green and high-tech enterprise. We implement green initiatives to tackle environmental issues arising from our operation, and promote innovation to manufacture green products as the way to create green value to our stakeholders.

在我們看來，「保護環境」與企業社會責任的其他兩個核心目標同等重要。本集團的願景是發展成為一家領先的綠色高科技企業。我們實施綠色行動，解決我們運營過程中所產生的環境問題，促進創新，及通過製造綠色產品為我們的持份者創造綠色價值。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED) 環境、社會與管治報告(續)

The ESG Report was prepared in accordance with Appendix 27 of the Rules Governing the Listing of Securities, Hong Kong Exchanges and Clearing Limited (HKEx), with reference to the General Disclosures. The scope of the ESG report confines to the Company and its major subsidiaries, as listed below:

- Ka Shui International Holdings Limited
- MG Technology (Shenzhen) Company Limited
- Ka Fung Industrial Technology (Huizhou) Company Limited
- Ka Yi Technology (Huizhou) Company Limited

Ka Shui is now on the journey to make the business more sustainable and will continue to invest for sustainable growth. Moving forward, we may consider disclosing information on Key Performance Indicators to help us track our sustainability performance.

### STAKEHOLDERS ENGAGEMENT AND MATERIALITY ASSESSMENT

Stakeholders engagement forms a vital process in our approach to fulfil our CSR by identifying issues influencing the stakeholders in our operation. For this first year of reporting, we gathered views from our key stakeholders on CSR issues by conducting an online survey. The key stakeholder groups we engaged include employees, suppliers, customers, non-governmental organisation and community organisations. From the survey, we could see that stakeholders generally realise there is a growing influence on CSR to Ka Shui and themselves, and they are generally aware of the CSR issues in Ka Shui.

我們根據香港聯合交易所有限公司(「聯交所」)證券上市規則附錄27及參考一般披露規則編制環境、社會與管治報告。環境、社會與管治報告的範圍僅限於本公司及其主要附屬公司，列示如下：

- 嘉瑞國際控股有限公司
- 創金美科技(深圳)有限公司
- 嘉豐工業科技(惠州)有限公司
- 嘉宜科技(惠州)有限公司

嘉瑞現正努力發展更為可持續發展的業務，並繼續投資，以取得可持續增長。展望未來，我們可能會考慮披露關鍵表現指標的資料，以幫助我們跟蹤我們的可持續發展表現。

### 持份者參與重要性評估

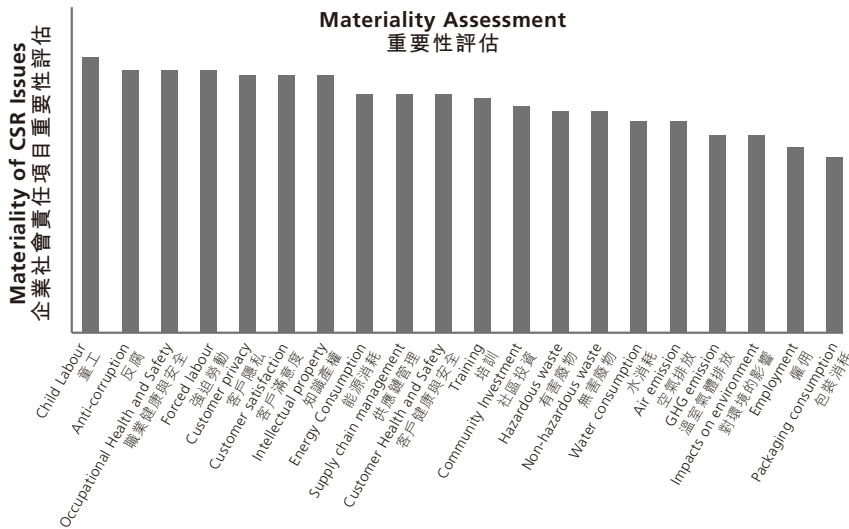
透過識別於我們營運中對持份者之影響，持份者之參與在我們符合企業社會責任之方向形成一個重要的過程。對第一年的報告，我們以線上調查方式，收集我們主要持份者對企業社會責任問題的看法。我們所涉及的主要持份者包括員工、供應商、客戶、非政府組織和社區組織。從調查中可以看出，持份者普遍意識到企業社會責任對嘉瑞和他們自身的影響越來越大，他們也普遍意識到了嘉瑞的企業社會責任項目。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

## 環境、社會與管治報告(續)

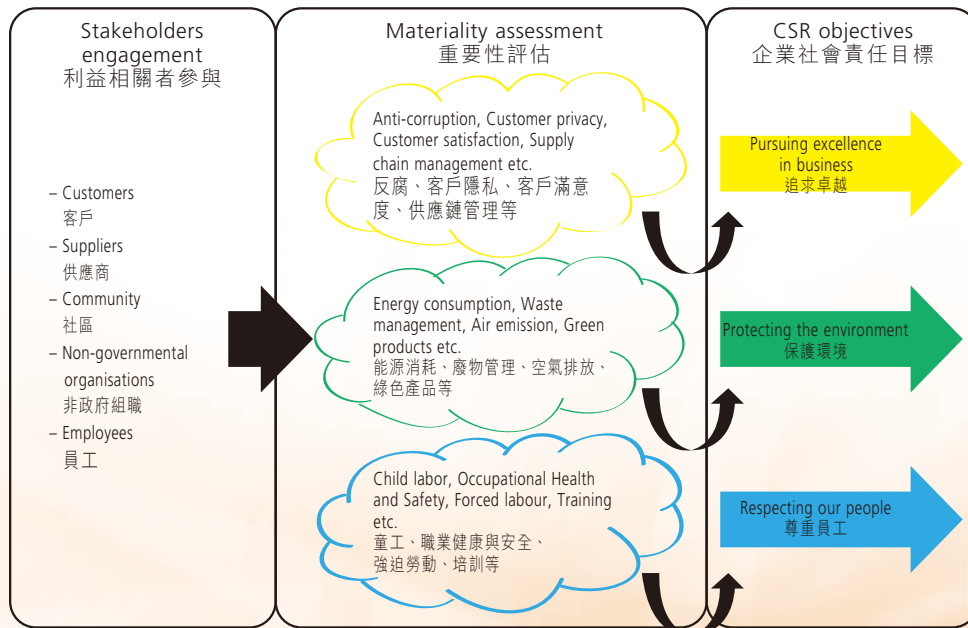
Among all the CSR issues, we need to know those issues that are most material to the Group. Through the survey, the sustainability issues were rated by the stakeholders and we conducted a materiality assessment to pinpoint those issues that result in greatest impact to our business, as well as the most concern to our stakeholders. The result of the materiality assessment is presented in the following graph.

在所有企業社會責任項目中，我們需要知悉那些項目對本集團至為重要的那些問題。通過調查，持份者對持續發展問題作出評分，我們並進行了重要性評估，以查明對我們企業影響最大，同時也是對持份者最重要的問題。重要性評估的結果如下圖。



For the first year, we incorporated stakeholders engagement and materiality assessment together into our CSR management, as we realise their importance in providing us information to refine the CSR objectives which then influence the whole CSR management. We will continuously engage with our stakeholders to review the CSR management so as to meet their expectations.

我們第一年把持份者的參與和重要性評估納入我們的企業社會責任管理中，因為我們認識到他們向我們提供信息以改善影響整個企業社會責任管理的企業社會責任目標。我們將繼續與我們的持份者一起檢討企業社會責任管理以滿足他們的期望。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

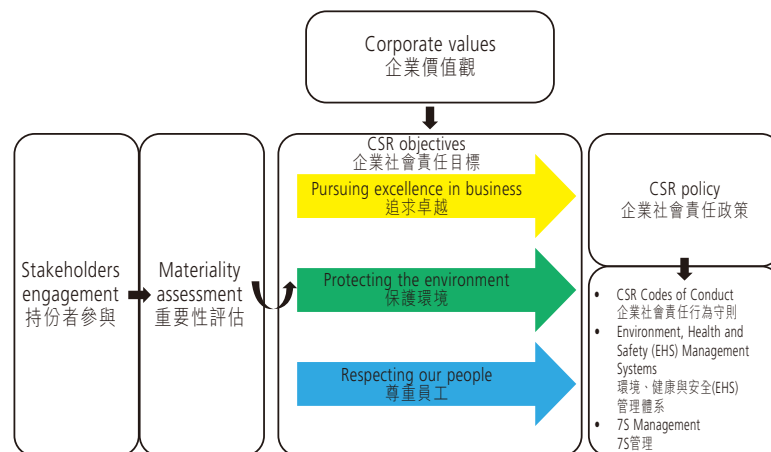
## 環境、社會與管治報告(續)

### CORPORATE SOCIAL RESPONSIBILITY MANAGEMENT

The pursuit of sustainability is embedded in the core values we uphold – “pursuit of excellence, creation of value, unity and mutual trust, harmonious development, green production and giving back to the community”, and the operating principle we committed – “honoring customers, respecting people, fostering innovation and supporting continuous improvement”. These corporate values provide the foundation of our strategy to fulfil our CSR in three core objectives – pursuing excellence in business, protecting the environment and respecting our people.

### 企業社會責任管理

追求可持續發展是我們秉承的核心價值觀：「追求卓越、鑄造價值、團結互信、和諧發展、綠色製造、回饋社會」及我們的經營原則「以客為尊、以人為本、科技創新及持續改善」的內容。這些企業價值觀為我們達成我們企業社會責任的三個核心目標－追求卓越、保護環境、尊重員工－提供策略基礎。



In order to incorporate our corporate values into our daily practices, we established the Group CSR policy consisting of our commitments in labour standard, environment, occupational health & safety and business ethics. Various tools, including CSR Codes of Conduct, EHS Management Systems and 7S Management, are developed at subsidiary level with reference to international and industry-specific standards, such as Social Accountability International SA 8000, Electronic Industry Citizenship Coalition (“EICC”) Code of Conduct, relevant ISO standards and Forest Stewardship Council – Chain of Custody (“FSC-CoC”). The EHS Management Systems are established in accordance with international standards – ISO 14001 and OHSAS 18001, to ensure a recognisable, effective and holistic approach to manage environmental, health and safety issues arising from our production facilities.

為了將我們的企業價值觀納入我們的日常實踐中，我們制定了本集團的企業社會責任政策，包括我們在勞工標準、環境、職業健康與安全及商業道德等方面的承諾，並在附屬公司層面借鑒國際和行業標準（如SA 8000社會責任國際標準、電子行業公民聯盟（「EICC」）行為準則、相關的ISO標準和森林管理委員會監管鏈（「FSC-CoC」），制定了各種政策，包括企業社會責任行為準則、EHS管理體系及7S管理。EHS管理體系是根據國際標準ISO 14001和OHSAS 18001認證之標準設立，以確保能採用公認的有效和全面的方法來管理我們的生產活動中所產生的環境、健康和安全管理問題。

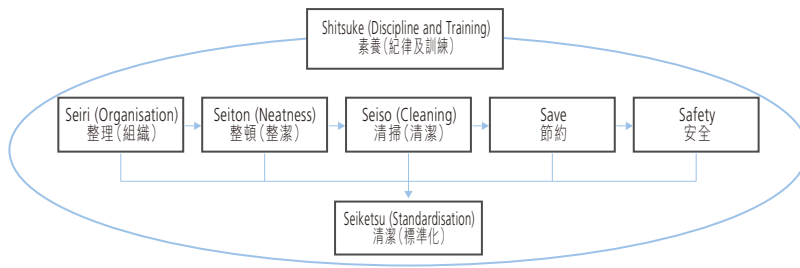
# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED) 環境、社會與管治報告(續)

## What is 7S Management?

The 7S Management was originated from the 5S management, and the building blocks are one of the most powerful lean manufacturing tools. The five phrases come from Japanese terms beginning with the letter "S" – Seiri, Seiton, Seiso, Seiketsu and Shitsuke, and the two additional phrases – Safety and Save to complete our management approach. It is particularly used for guiding our employees to maintain a healthy and safe workplace, to manufacture quality products and to conserve resources through behavioural change.

## 什麼是7S管理？

7S管理源於5S管理，而每一個詞語均是其中一個最強大的精益生產方法。其中5個詞語來自開頭字母為「S」的日語—Seiri「整理」、Seiton「整頓」、Seiso「清掃」、Seiketsu「清潔」及Shitsuke「素養」，而另外兩個詞語是Safety「安全」和Save「節約」，這7個詞語，反映了我們的管理方法。這個方法尤其用於指導我們的員工維持一個健康和安全的工作場所，生產高品質的產品及通過行為改變節約資源。



## PURSuing EXCELLENCE IN BUSINESS

Pursuing excellence is the cornerstone in our business. In Ka Shui, the definition of excellence in business is more than the idea of quality production and service; furthermore, it goes along with ethical business and sustainable value creation to our business partners and the community.

## 追求卓越

追求卓越是我們企業的基石。在嘉瑞，企業卓越不僅僅指高品質生產和服務的理念，更重要的是，它與我們的商業道德一樣，能為我們的商業夥伴和社區創造可續持價值。



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

### 環境、社會與管治報告(續)

#### Preventing Corrupt Practices

Ka Shui takes the principle of “Compliance, Integrity, Fairness and Anti-corruption” seriously and stands against any forms of bribery in order to do ethical business.

To make this strong commitment within our business, we have established strict rules for all our business partners and employees, which are detailed in our Code of Conduct and Anti-corruption policy. We strictly prohibit our employees, directly or indirectly, from receiving any forms of benefits such as presents and money. We require all suppliers to follow the content stated in the declaration of integrity; otherwise, they will be blacklisted and may be subject to legal prosecution. Whistle-blowing channels are also set up for any reporting on the case of anti-corruption.

#### Maintaining Customer Relationships

It is our primary goal to satisfy clients’ expectations on the products. We have established quality management systems certified with the international standard ISO 9001 to ensure that customers get high quality products and services. A customer satisfaction survey is also conducted to understand customers’ needs and expectations, and continuously look for room for improvement. In case of any dissatisfaction or return of product from customers, we will investigate the reasons and set up improvement plans on our production and service. Constant follow-ups and procedures are implemented to prevent re-occurrence of the same deficiency.

Intellectual property right, in particular, is what we value and respect. In Ka Shui, there are patents and trademarks held for several of our technologies and developed materials. As a patent owner, we understand the importance of intellectual property to a business; and therefore, we strive to protect the intellectual property right of clients in our confidentiality and data protection policy. Apart from signing confidentiality and Non-Disclosure Agreements (“NDAs”) with our clients to commit to protecting all customers’ confidential business information and product information, strict rules are set up for our employees to ensure proper handling of any confidential information of clients and the Group.

#### 預防貪腐措施

嘉瑞認真貫徹「奉公守法、誠信廉潔、公平公正、禁止腐敗」原則，反對任何形式的賄賂，以實現道德經營。

為在企業內作出這一堅定承諾，我們對所有業務合作夥伴和員工制定了嚴格的規章制度，這些規章制度詳列於我們的行為準則和反腐政策中。我們直接或間接嚴格禁止我們的員工接受任何形式的利益，如禮物和金錢。我們要求所有的供應商遵循誠信宣言中所規定的內容；否則，他們將被列入黑名單，並可能受到法律起訴。此外，我們也設立舉報渠道供舉報任何反貪腐案件。

#### 維護客戶關係

我們的主要目標是滿足客戶對產品的期望。我們已建立經ISO 9001國際標準認證的品質管理體系，確保客戶獲得高品質的產品和服務。我們亦進行了客戶滿意度調查以瞭解客戶的需求和期望，並不斷尋找改進的空間。客戶如有任何不滿或退貨，我們會調查原因，並制定改善我們的生產和服務之計劃。我們實施持續跟進流程，以防止再次出現相同的缺陷。

尤其是，我們非常重視和尊重知識產權。嘉瑞持有一些技術和已開發材料的專利和商標。作為專利擁有者，我們明白知識產權對一個企業的重要性；因此，我們制定保密和數據保護政策，努力保護客戶的知識產權。除了與我們的客戶簽署保密及不披露協議，致力於保護客戶的商業保密信息和產品信息之外，我們還建立了嚴格的規則，確保我們的員工妥善處理客戶和本集團的任何保密信息。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED) 環境、社會與管治報告(續)

### Managing Sustainability in Supply Chain

Our supply chain management aims at meeting the raw material requirements from Ka Shui and our clients, and building mutual trust between suppliers and us.

We want our suppliers to share the same view with us towards CSR. Therefore, for all new suppliers, we have developed a thorough supplier assessment which consists of not only criteria linked to quality and production management, but also a whole range of CSR-related aspects, such as environmental protection, OHS, intellectual property rights, privacy, labour standard and welfares.

Suppliers are also required to sign an agreement to show that they understand our EHS policy and are committed to accomplishing our expectations in their EHS performance. Since we strictly follow the Restriction of Hazardous Substances ("RoHS") and Registration, Evaluation, Authorisation and Restriction of Chemicals ("REACH") standards, suppliers are required not only to declare their supplying materials comply with the standards, but also to submit testing reports performed by third-party for verification of the compliance. For chemical suppliers, they are required to submit Material Safety Data Sheet (MSDS) to disclose the health and safety hazard information of the chemical and corresponding health and safety measures.

We, also, look closely at the ethicality of our procurement. Specifically, for the minerals used in our products, such as tantalum, tin, tungsten and gold, we do not source minerals from whose extraction and trade in unstable regions affected by armed groups such as the Democratic Republic of Congo or adjoining countries, which constitute human right abuses.

### Engaging Our Community

Being mindful of giving back to community, Ka Shui has made great contribution to the community throughout the years.

Supporting the people in need is our prime objective in community investment. We made donation to organisations in different natures such as public health care, cultural development and youth education and disaster relief. We have also developed an internship programme with Guangzhou City Construction College, which aims to provide students with an opportunity to work with us and start developing their career paths.

In addition, we always encourage our staff to involve in community activities. We have established a volunteer team, and constantly participate in various activities to fulfil not only the CSR of Ka Shui, but also the good citizenship of everyone.

### 供應鏈管理的可持續性

我們的供應鏈管理旨在滿足嘉瑞和我們的客戶的原材料需求，並和供應商建立相互信任關係。

我們希望我們的供應商對企業社會責任與我們有同樣的看法。因此，對所有新的供應商，我們制定了一個全面的供應商評估制度，不僅包括與品質和生產管理有關的標準，也包括與企業社會責任相關的所有方面，如環境保護、職業健康與安全、知識產權、隱私權、勞工標準和福利。

供應商還必須簽署一份協議，表明他們理解我們的EHS政策和致力於實現我們對他們的EHS表現的期望。由於我們嚴格遵循《使用有害物質限制》(「RoHS」)和《化學品的註冊、評估、授權和限制法規》(「REACH」)標準，因此，供應商不僅須申報其所提供材料符合標準，而且要提交由第三方檢測的報告，以驗證是否合規。化工供應商須提交的材料安全數據表(「MSDS」)，披露化工產品的健康和 safety 隱患信息及相應的健康和安全措施。

我們亦密切關注我們採購行為是否道德。具體來說，對於我們產品中使用的礦物，如鉭、錫、鎢和黃金，我們不採購在受到武裝團體影響的不穩定地區(如剛果民主共和國或毗鄰國家)提取和貿易的礦物，因為那些地區踐踏人權。

### 回饋我們的社區

嘉瑞銘記回饋社會，多年來，嘉瑞為社區作出了巨大貢獻。

幫助有需要的人是我們社區投資的首要目標。我們向不同性質的機構捐款，如公共衛生醫療、文化發展、青少年教育和賑災等。我們還與廣州城建職業學院制定了一個實習計劃，旨在為學生提供一個機會，與我們一起工作，並開始發展他們的職業生涯。

此外，我們一直鼓勵員工參與社區活動。我們建立了一支志願者隊伍，不斷參與各種活動，此不僅實現了嘉瑞的企業社會責任，也讓每個人取得了良好的公民身份。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED) 環境、社會與管治報告(續)



Volunteer for the local community activities in Longgang district, Shenzhen.

在深圳市龍崗區的社區活動做義工。



A charity run for raising money to a charitable scheme (志願者大病互助計劃).

為志願者大病互助計劃籌款的慈善奔跑。



Our volunteer team participated in a tree planting activity.

我們的志願者小組參加植樹活動。



We are recognised by the Professional Validation Council of Hong Kong Industries for our support in the Council and related industries.

我們對香港工業專業評審局及工業界的支持獲得承認



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED) 環境、社會與管治報告(續)

We sponsored students of Vocational Training Council ("VTC") in developing SOPHIE, the solar powered electric vehicle. 我們贊助職業訓練局的學生研發SOPHIE太陽能電動車。



We donated the Outstanding Industrial Attachment Scholarship of VTC.

我們捐助職業訓練局之優秀企業實習獎學金。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

## 環境、社會與管治報告(續)

### RESPECTING OUR PEOPLE

“Respect” has been a major element in our business philosophy since the beginning of our business back in 1980, and is one key reason to the success of our business. Our employees, in particular, are whom we profoundly respect as they are the backbone supporting the growth of Ka Shui. With this in mind, it is our goal to create a harmonious workplace and a mutual relationship with our employees.

To achieve the goal, we focus on five areas: labour rights, fairness & zero-discrimination, benefits & welfare, staff development and occupational health and safety (“OHS”). Under each area, we look closely at not only the national regulations but also other standards including SA8000 and EICC code of conduct to detail our policies, and, ultimately, respect our people.

### 尊重員工

自1980年成立以來，「尊重」一直是我們的企業理念的一個主要元素，也是我們企業成功的一個關鍵原因。尤其是，我們非常尊重我們的員工，因為他們是支持嘉瑞發展的支柱。謹記這一原則，我們的目標是建立一個和諧的工作場所，並與員工建立和諧關係。

為了實現此目標，我們專注五個方面：勞工權利、公平與零歧視、利益與福利、員工發展及職業健康與安全。在每個方面，我們不僅密切關注國家規定，同時亦密切關注其他標準，包括SA8000標準和EICC行為準則，以制定詳細的尊重員工的政策。



### Labour Rights

The labour rights of employees on wage, dismissal, working hours and compensation are provided in compliance with relevant regulations. We also ensure our staff work consensually, and disapprove any forced labour behaviour in Ka Shui.

We care about the children’s right; therefore, we prohibit child labour in all our subsidiaries. In addition, we have procedures in place if we discover child labour in our factories. We will send the children back home, followed by providing medical health check and sufficient living expenses until they are 16 years old. We aim to offer as much assistance as possible and alleviate potential negative impacts on them.

### 勞工權利

我們按照有關法規，規定了員工的在工資、解聘、工時、補償等方面的勞工權利。我們也確保我們的員工在自願情況下工作，不允許在嘉瑞出現任何強迫勞動行為。

我們關心兒童的權利，因此，我們在所有附屬公司禁止僱用童工。此外，如果發現我們的工廠僱用童工，我們會實施相應的措施禁止。我們會送孩子回家，然後提供醫療健康檢查和充足的生活費用，直到他們16歲。我們的目標是提供盡可能多的援助，並減輕對他們的潛在負面影響。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED) 環境、社會與管治報告(續)

### Fairness & Zero-Discrimination

We are committed to providing a fair and non-discriminatory working environment for our employees. Our employment practices do not discriminate on the ground of nationality, age, gender, sexual orientation, gender identity, ethnicity, disability, pregnancy, political inclination, and/or other forms of difference that is unrelated to job requirements. We respect diversity and freedom of association, as well as prohibit any forms of discrimination, harassment and victimisation at workplace. At the same time, to build unity mutual trust, we operate an anonymous whistle-blowing system to encourage the reporting of misconduct while respecting the privacy of the whistle-blowers.

### Benefit & Welfare

A successful business should maintain a motivated and harmonious environment at work. Our people are essentially treated with fair wage, fixed working hours, proper insurance coverage and statutory holidays. We also provide incentives to employees with outstanding achievements and performance in various aspects of work.

Beyond these, we uphold our corporate culture – Praise, Home & Love – with the aim to turn Ka Shui into a workplace just as peaceful as a second home for our employees. Our regular publication “Window of Ka Shui” serves literally as the window of the home, in which we uphold the four values (Learn, Operate, Value and Effective) by not only announcing company’s latest news in the publication, but also sharing knowledge regarding to health, working skills, or any interesting stories to our people.

In addition, we organise various leisure activities such as monthly birthday parties, basketball and singing competitions as well as Chinese New Year gathering and Mid-Autumn Lantern Carnival on regular basis. We also provide physical fitness rooms, library, internet rooms and badminton courts in workplaces. These all together, can give our people’s mind a rest from daily stress and re-energised them for upcoming tasks.



Dancing performance during our annual Chinese New Year gathering.  
春節聚會的舞蹈表演。

### 公平與零歧視

我們致力於為員工提供一個公平、零歧視的工作環境。我們的招聘措施不分國籍、年齡、性別、性取向、性別身份、種族、殘疾、懷孕、政治傾向、及／或不存在與工作要求無關的其他形式的差異歧視。我們尊重多樣性和結社自由，並在工作場所禁止任何形式的歧視、騷擾和傷害。同時，為了建立團結互信關係，我們建立一個匿名舉報制度，鼓勵舉報不當行為，同時尊重舉報人的隱私。

### 利益與福利

一個成功的企業應該維持一個積極和諧的工作環境。我們的員工基本上享有公平的工資、固定的工作時間、適當的保險範圍和法定假日。我們還獎勵在工作的各個方面有突出成就和表現的員工。

除此之外，我們秉承我們的企業文化—讚美、家庭和愛—旨在把我們的工作環境變成一個和平的工作場所，成為我們員工的第二個家。我們定期發佈「嘉瑞之窗」，字面意義就是家庭之窗，在這方面，我們秉承四個價值觀—學習、經營、價值和效力—不僅公佈公司最新消息，也與員工分享健康方面的知識、工作技能、或任何有趣的故事。

此外，我們定期組織各種休閒活動，如每月生日聚會、籃球和唱歌比賽以及春節聚會和中秋彩燈嘉年華。我們還在工作場所提供健身室、圖書館、互聯網室和羽毛球場。此等可以讓我們的員工得到休息，釋放壓力，為即將到來的工作重新輸入能量。



Our volunteer team is packing and distributing mooncakes for our employees during the Mid-Autumn Festival.  
中秋節期間，我們的志願者小組在包裝月餅並分發給我們員工。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED) 環境、社會與管治報告(續)



Year-end staff dinner to thank our employees for a hard year's work.  
年終員工聚餐，感謝我們員工一年來的辛苦工作。



Annual dinner, which is one of the largest events in the year 2016, gathered most of our staff together for a joyful night with feast.  
年度晚宴，這是2016年度最大的活動之一，我們大部分員工聚集在一起，度過了一個歡樂的夜晚。

### Staff Development

We view the talents of our employees as our most valuable asset.

To strengthen their skills, we offer learning opportunities to all employees. In 2005, we established Ka Shui Enterprise Academy. Through lectures and relationship-building activities, our people at different job positions and levels can have chances to experience corporate culture and develop in both personal and professional development.

It is also crucial to let our people fully understand the Group's core values and business principles. We provide a series of training programmes based on industry-wide standard EICC requirements, covering issues related to reinforcement of labour rights, ethics, as well as occupational health and safety, so that these concepts can be internalised and helped with building unity and mutual trust within the Group.

### 員工發展

我們把員工的才能視為我們最寶貴的財富。

我們為所有員工提供學習機會，加強技能。2005年，我們成立了嘉瑞企業學院。通過講座和旨在建立關係的活動，我們在不同職位和級別的員工可以有機會體驗企業文化，及實現個人及專業發展。

讓我們的員工充分瞭解本集團的核心價值觀和經營理念也是至關重要的。我們提供一系列基於行業標準EICC要求的培訓課程，涉及與勞工權利強化、倫理、以及職業健康與安全相關的問題，以讓這些概念被內在化，並有助於本集團內部團結和相互信任。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED) 環境、社會與管治報告(續)



Outbound training for team-building.  
團隊建設拓展培訓。



Social education class for our employees.  
員工社會教育課。

### OCCUPATIONAL HEALTH AND SAFETY

It is our responsibility to provide a healthy and safe workplace for our employees. As a company with manufacturing processes such as metal alloys die casting and plastic injection moulding, our employees are exposed to hazards that cause injury, illness or other adverse health effects. We have therefore, set up health and safety policy under the EHS Management Systems, and a systematic approach to control these OHS risks. Apart from complying with all relevant regulations and laws, we are committed to identifying, monitoring, and controlling the risks through conducting regular occupational hazard factor inspection, and formulate action plans to mitigate the corresponding risks.

Comprehensive OHS trainings are also provided to our staff. Based on employees' job natures and needs, we provide sufficient training to ensure their acknowledgment to all the potential hazards and dangers in their own workplace, and are competent to safely perform all activities.

Accidents, however, may still happen even with all the preventive measures in place. We therefore have first aiders in the subsidiaries as required in related legal provisions for any immediate first-aid support. In order to cope with emergency situations, we have developed an emergency procedure plan. Drills for fire and other emergency situations are also periodically conducted and reviewed to increase staff's safety awareness and response in case of emergency events.

### 職業健康與安全

為員工提供一個健康、安全的工作場所是我們的責任。作為一家涉及金屬合金壓鑄和塑膠注塑等生產過程的公司，我們的員工會接觸到可引起傷害、疾病或其他不良健康影響的危害物。因此，我們EHS管理體系制定了健康安全政策，及控制這些職業健康與安全風險的系統方法。除遵守所有相關法規和法律外，我們致力於通過定期進行職業危害因素檢查以識別、監測和控制這些風險，並制定相應的行動計劃，以減輕相應的風險。

我們也向我們的員工提供全面的職業健康與安全培訓。我們根據員工的工作性質和需要，提供充分的培訓，以確保他們知悉在他們自己的工作場所的所有潛在危害物和危險物，並有能力安全地執行所有活動。

但是，即使所有的預防措施存在，事故仍然可能發生。因此，我們根據任何即時急救支援相關之法律規定，在附屬公司設立急救人員。為了應付緊急情況，我們制定了緊急程序計劃。我們也定期進行消防和其他緊急情況演習和檢討，以提高員工的安全意識和在發生緊急事件時的反應。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

### 環境、社會與管治報告(續)

#### PROTECTING THE ENVIRONMENT

With a vision to develop into a leading green and high-tech enterprise, environmental protection is regarded as one of our core objectives. As a manufacturer, we have an indivisible bond with the environment, from which we strongly rely on the natural resources to manufacture our products, and thus it is our responsibility to give back to the environment.

#### 保護環境

我們的願景是發展成為一家領先的綠色高科技企業，因此，環保是我們的核心理念之一。作為一個製造商，我們與環境有一個不可分割的紐帶，我們強烈依賴自然資源來生產我們的產品，因此我們有責任回饋環境。



Our Group environmental policy consists of four objectives – 1) compliance with regulations; 2) continuous improvement; 3) clean and effective production; and 4) environmental promotion and education. We aim to govern five major environmental aspects within our operation – air, energy and greenhouse gas, water, waste and product and technology.

本集團的環境政策包括四個目標—1)遵守法規；2)持續改善；3)清潔和高效生產；及4)環保宣傳和教育。我們的目標是，在經營過程中管理五大環境方面—空氣、能源和溫室氣體、水、廢物及產品與技術。



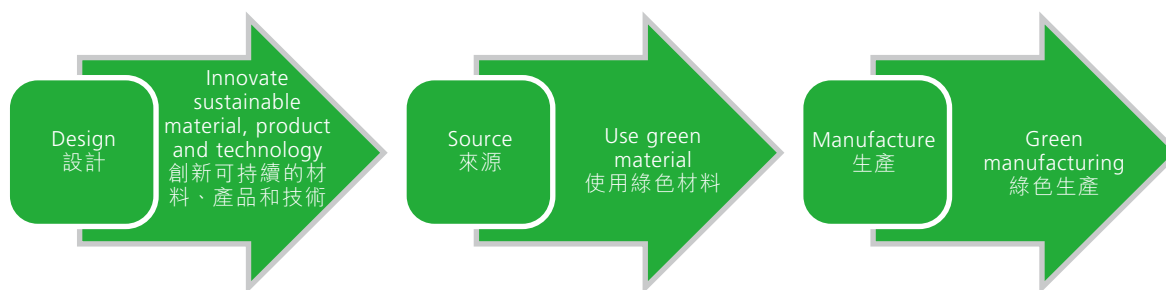
To our honour this year, one of our subsidiaries in Huizhou – Ka Yi Technology (Huizhou) Company Limited, received the award “China Green Foundry Model Enterprise” from the China Foundry Association, in recognition of its outstanding green performance. This effort has recognised our continuous efforts and commitment to environmental protection.

就今年我們所取得的榮譽而言，我們其中一間附屬公司之嘉宜科技(惠州)有限公司被中國鑄造協會授予「中國綠色鑄造示範企業」稱號，以嘉獎其取得出色的綠色表現。我們不斷努力並致力於環境保護已得到認同。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED) 環境、社會與管治報告(續)

### Product and Technology

With limited amount of resources and increasing environmental pollution issues on our planet, Ka Shui places high importance on reducing the environmental footprint of the products to create values for our customers and other stakeholders. We strive to look for opportunities to deliver quality products that bring less impact to the environment with our strategy lying in the “Design”, “Source” and “Manufacture” phases of products:



As a one-stop solution provider, we also engage in Research and Development (R&D) of materials and technologies used in the industry. In the “Design” phase of our green product strategy, apart from the pursuit of quality, we also aim to innovate materials, products and technologies, which can lead to higher energy efficiency for the end products, higher resource utilisation efficiency in manufacturing process, and less impacts to the environment. For more details of our green innovations, please refer to our website: [www.kashui.com](http://www.kashui.com).

In the “Source” phase, we aim to use sustainable raw materials which bring less harm to the environment and human throughout the product life; therefore, we strictly manage the raw materials of our product in compliance with international standards, including RoHS and REACH to control the regulated hazardous substances and chemicals in production. In addition, we also follow the FSC standard as requested from our client to ensure the wooden material we use in our production are sourced from sustainable origin.

In the “Manufacture” phase of the strategy, it is, in fact, the combined result of how we manage the energy use, air emission, resource use and waste generation during the operations in our production facilities, as discussed in the latter sections. It is our goal to lower these indirect impacts of the products coming from their manufacturing processes.

### 產品與技術

全球環境污染問題日益增加，但資源有限，因此，嘉瑞高度重視減少產品對環境的污染，從而為我們的客戶和其他持份者創造價值。我們努力尋找機會，提供對環境影響較小的優質產品，因此，我們在產品「設計」、「來源」和「製造」等階段實施相應的策略：

作為一站式解決方案提供者，我們還從事行業中使用的材料和技術的研究和開發工作。在「設計」其綠色產品策略之階段，除了追求品質之外，我們亦致力創新材料、產品和技術，以提高最終產品的能源效率，在生產過程中提高資源利用效率，及減少對環境的影響。欲瞭解我們的綠色創新更多詳細資料，請訪問我們的網站：[www.kashui.com](http://www.kashui.com)。

在「來源」階段，我們的目標是利用可持續發展的原材料，在整個產品週期減少對環境和人類的傷害；因此，我們根據國際標準（包括RoHS及REACH），嚴格管理產品的原材料，從而在生產中有效控制有害物質及化工產品。此外，我們還應客戶請求，按照FSC標準，保證我們的生產過程中使用的木質材料都來自可持續發展來源。

「生產」階段的策略實際上是我們如何在操作生產設施的過程中管理能源利用、空氣排放、資源利用和廢物產生的綜合結果，將在後面的章節中討論。我們的目標是，降低產品在生產過程中的這些間接影響。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

## 環境、社會與管治報告(續)

### Energy Use and Greenhouse Gas Emissions

We pursue to utilise energy efficiently and as the major means to reduce our greenhouse gas (“GHG”) emission.

In order to continuously improve our energy performance and lower our carbon footprint, monitoring our energy usage is crucial. Our production facilities have installed electricity meters in adequate locations to record the electricity use, and hence understand the pattern and identify area for improvement. Apart from monitoring, we always look for possible energy-saving opportunities, especially on choosing energy-efficient models of our machinery in production and facilities of our factories.

Apart from the energy saving in manufacturing process, we broaden this idea to the offices and our staff. In the procurement of office equipment, we always opt for the model with higher energy efficiency. Staff are also given guidelines reminding them to turn off office equipment and facilities when not in use.

### Air Emission

Given the Group’s business portfolio, there are a number of air pollutants inevitably produced in our manufacturing processes. We have installed filtering devices for our major air pollutants, including particulate matter (“PM”) and Volatile Organic Compounds (“VOCs”), along our production chain to ensure the emission level complies with the national regulations. Monitoring on the air quality is conducted by third party regularly to ensure the level of pollutants does not exceed the threshold limit.

### Water Management

We endeavour to implement an effective water management through efficient water use and water recycling. Our primary goal is to reduce the water consumption by measuring our water use, inspecting water pipes constantly to prevent any water leakage and promoting water-saving behaviours to all staff. In addition, we put effort on water reclamation, for example, a wastewater treatment system was installed at our factory to process industrial wastewater which can then be used back into the manufacturing process.

### 能源利用及溫室氣體排放

我們追求有效利用能源作為減少溫室氣體排放的主要手段。

為了不斷提高能源利用率和降低碳排放量，監測能源使用至關重要。我們的生產設施已在適當的位置安裝電錶，記錄電力使用情況，從而瞭解模式並識別改進的方面。除了監測之外，我們也一直在尋求有可能的節能機會，尤其是選擇節能型機器作為我們工廠的生產設施。

除了在生產過程中節能，我們向辦公室和員工推廣此意念。在採購辦公設備時，我們總是選擇具有較高能源效率的型號。我們還作出指引，提醒員工在不使用時關閉辦公室設備和設施。

### 空氣排放

鑒於本集團的業務組合，在我們的生產過程中，不可避免地產生一些空氣污染物。我們已經在我們的生產鏈安裝了過濾設備，過濾我們生產的主要空氣污染物，包括顆粒物和揮發性有機化合物，以確保排放水準符合國家規定。我們聘請第三方定期進行空氣品質監測，以確保污染物濃度不超過限值。

### 水管理

我們致力於通過有效的用水和水循環來實現有效的水資源管理。我們的主要目標是通過測量用水量、經常檢查水管防止任何漏水以及向所有員工宣傳節水行為，以減少水的消耗。此外，我們致力於水回收，例如，在我們的工廠安裝廢水處理系統，處理工業廢水，然後可以再用於生產階段。



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED) 環境、社會與管治報告(續)

### Waste Management

We aim to reduce waste disposal with our three waste management actions: reduce, recycle and dispose.

“Reduce” refers to reduction of the use of production raw material and office material by increasing their efficiency, and is the most preferable option in our waste management. We continuously improve on the efficiency of production process in order to lower the demand on raw materials and reduce failure products. We also educate our staff with the 7S Management to promote resource saving practice.

Separation of waste is important for proceeding into “Recycle” and “Dispose”. We separate waste into three categories – valuable waste, hazardous waste and non-hazardous waste. This is a vital step in the management to isolate hazardous waste which requires different approaches to handle, and to scavenge the valuable waste for recycling.

“Recycle” refers to the recycling of valuable waste such as metals from the leftover in production, which can be recycled back into the production. “Dispose” refers to the disposal of waste to landfill. Although this is the least preferable option in waste management, there is some waste which unavoidably ends up with being disposed of. It is our duty to ensure waste, hazardous waste in particular, is disposed of in strict compliance with the national regulations.

### 廢物管理

我們旨在透過採用我們的三項廢物管理措施：減少、回收和處置，來減少廢物處置。

「減少」指通過提高效率，來減少使用生產原材料和辦公材料，是我們廢物管理中最可取的選擇。我們不斷提高生產過程之效率，以降低對原材料的需求及減少不合格產品。我們亦培訓我們的員工關於7S管理方面的知識，以促進資源節約措施。

廢物分類對「回收」和「處置」非常重要。我們將廢物分為三類：有價值的廢物、有害廢物和非有害廢物。這是管理過程中的一個重要步驟，分開需要採用不同方法來處理的有害廢物，及回收有價值的廢物。

「回收」指從生產中的剩餘物中回收有價值的廢物如金屬，其可以回收再用於生產。「處置」指廢物填埋處置。雖然這是廢物管理中最不可取的選擇，但有些廢物不可避免地須處置。確保嚴格遵守國家規定處置廢物(尤其是有毒廢物)是我們的責任。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告



**TO THE SHAREHOLDERS OF  
KA SHUI INTERNATIONAL HOLDINGS LIMITED**  
*(Incorporated in the Cayman Islands with limited liability)*

致嘉瑞國際控股有限公司  
全體股東  
*(於開曼群島公司註冊成立的有限公司)*

### OPINION

We have audited the consolidated financial statements of Ka Shui International Holdings Limited (the "Company") and its subsidiaries (the "Group") set out on pages 72 to 195, which comprise the consolidated statement of financial position as at 31 December 2016, and the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2016, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### BASIS FOR OPINION

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

### 意見

本核數師(以下簡稱「我們」)已審核列載於第72頁至195頁嘉瑞國際控股有限公司(「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表，此綜合財務報表包括於二零一六年十二月三十一日之綜合財務狀況表，與截至該日止年度的綜合損益表及綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註(包括主要重大會計政策概要)。

我們認為，綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的《香港財務報告準則》(「香港財務報告準則」)真實而公平地反映 貴集團於二零一六年十二月三十一日的綜合財務狀況以及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照《香港公司條例》的披露規定妥善編製。

### 意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》進行審核。我們就該等準則承擔的責任將在本報告「核數師就審核綜合財務報表承擔的責任」部分中闡述。根據香港會計師公會的《專業會計師道德守則》(以下簡稱「守則」)，我們獨立於 貴集團，並已履行守則中的其他職業道德責任。我們相信，我們所獲得的審核憑證能充分及適當地為我們的審核意見提供基礎。

# INDEPENDENT AUDITOR'S REPORT (CONTINUED)

## 獨立核數師報告(續)

### KEY AUDIT MATTERS

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

1. Fair value measurement of land
2. Allowance for inventories

#### Key Audit Matter

##### 關鍵審核事項

1. Fair value measurement of land  
土地公平值的計量

Refer to notes 5(e), 7 and 19 to the consolidated financial statements.  
參閱綜合財務報告附註5(e)、7及19。

The Group measures its land at fair value using a market approach. The valuation is a level 3 fair value measurement as it involves adjustments to market comparables to reflect the particular characteristics of the land, including location and plot sizes, which are based on unobservable inputs that are subjective. The value of land is sensitive to these inputs. In order to determine an appropriate fair value of the land, the Group appointed an independent professional valuer to perform the assessment.  
貴集團使用市場法，按公平值計量其土地。估值為第三層公平值計量，因為當中涉及就市場可資比較資料進行調整，以反映土地的具體特性，包括地方及地段大小，乃以主觀不可觀察的參數為基礎。土地之價值對該等參數敏感。為釐定該土地的恰當公平值，貴集團委任獨立專業估值師進行評估。

### 關鍵審核事項

關鍵審核事項是根據我們的專業判斷，對本期間綜合財務報表的審核最為重要的事項。這些事項是在我們審核整體綜合財務報表及出具意見時進行處理的，而我們不會對這些事項提供單獨的意見。我們識別出的關鍵審核事項包括：

1. 土地公平值的計量
2. 存貨撥備

#### How our audit addressed the Key Audit Matter

##### 我們在審核中對關鍵審核事項的處理方式

Our procedures in relation to the fair value measurement of land included:

我們就土地公平值的計量進行的程序包括：

- Evaluation of the independent external valuer's competence, capabilities and objectivity;  
評估獨立估值師的資格、能力及客觀性；
- Assessing the valuation methodologies used and the appropriateness of the key assumptions and comparables;  
評估所用估值方法以及主要假設及可資比較資料是否恰當；
- Checking the accuracy of the observable inputs;  
檢查可觀察參數是否準確；
- Reviewing the appropriateness of those adjustments which were based on unobservable inputs; and  
檢討按不可觀察參數所作調整是否恰當；及
- Assessing the adequacy of the disclosures in respect of the fair value of land.  
評估就土地公平值所作披露是否足夠。

# INDEPENDENT AUDITOR'S REPORT (CONTINUED)

## 獨立核數師報告(續)

### KEY AUDIT MATTERS (Continued)

#### Key Audit Matter

#### 關鍵審核事項

2. Allowance for inventories  
存貨撥備

Refer to notes 5(a) and 24 to the consolidated financial statements.

參閱綜合財務報告附註5(a)及24。

At the end of the reporting period, the Group identifies obsolete and slow-moving inventory items that are not probable for use in future production or to be sold out. It also identifies any other inventories with net realisable value below cost. The identification is based on forecasts of customers' future orders and future market conditions, and involves subjective estimation. The allowance has impact on the carrying amount of inventories and the profit or loss for the year.

於報告期末，貴集團識別不可能用作未來生產或售出的過時及滯銷存貨項目。彼亦識別可變現淨值低於成本的任何其他存貨。該識別是以預測客戶未來訂單及未來市場狀況為基礎，並涉及主觀估計。有關撥備對年內存貨賬面值及損益有影響。

### 關鍵審核事項(續)

#### How our audit addressed the Key Audit Matter

#### 我們在審核中對關鍵審核事項的處理方式

Our procedures in relation to the allowance for inventories included:  
我們就存貨撥備進行的程序包括：

- Reviewing inventory ageing analysis to identify obsolete or slow-moving inventories;  
審閱存貨賬齡分析，識別過時或滯銷存貨；
- Testing that the net realisable value of major items of inventories did not exceed cost by reviewing sales after the reporting date; and  
審閱報告日期後的銷售，測試主要存貨項目的可變現淨值是否低於成本；及
- Reviewing the appropriateness of the allowance for inventories by reference to information about subsequent sales or usage.  
參考有關其後銷售或使用的資料，審閱存貨撥備是否恰當。

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) 獨立核數師報告(續)

### OTHER INFORMATION

The directors are responsible for the Other Information. The Other Information comprises all of the information included in the 2016 annual report of the Company other than the consolidated financial statements and our auditor's report thereon.

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

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

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

### RESPONSIBILITIES OF DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

### 其他資料

董事需對其他資料負責。其他資料包括 貴公司二零一六年年報所載列的全部資料(不包括綜合財務報表及我們就此發出的核數師報告)。

我們對綜合財務報表的意見並不涵蓋其他資料及我們亦不對其他資料發表任何形式的保證結論。

在我們審核綜合財務報表時，我們的責任是閱讀其他資料，在此過程中，考慮其他資料是否與綜合財務報表或我們在審核過程中所了解的情況有重大抵觸，或者似乎有重大錯誤陳述。

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

### 董事就綜合財務報表須承擔的責任

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

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

審核委員會協助董事履行監督 貴集團財務報告過程的責任。

# INDEPENDENT AUDITOR'S REPORT (CONTINUED)

## 獨立核數師報告(續)

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

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

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

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

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

### 核數師就審核綜合財務報表承擔的責任

我們的目標，是對整體綜合財務報表是否不存在由於欺詐或錯誤而導致的任何重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向閣下（作為整體）報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

合理保證是高水平的保證，但不能保證按《香港審計準則》進行的審核工作總能發現所有存在的重大錯誤陳述。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們個別或滙總起來可能影響綜合財務報表使用者所作出的經濟決定，則可被視作重大錯誤陳述。

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

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

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) 獨立核數師報告(續)

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

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

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

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

### 核數師就審核綜合財務報表承擔的責任(續)

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審核憑證，決定是否存在與事件或情況有關的重大不確定性，而可能對貴集團持續經營的能力構成重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提醒使用者對綜合財務報表中的相關披露資料的關注。假若有關的披露資料不足，則修改我們的意見。我們的結論是基於截至核數師報告日止所取得的審核憑證。然而，未來事件或情況可能導致貴集團不能繼續持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露資料，以及綜合財務報表是否公允反映相關交易和事項。
- 就貴集團內各實體或業務活動的財務資料獲得充足適當的審核憑證，以就綜合財務報表發表意見。我們負責指導、監督和執行集團的審核工作。我們須為我們的審核意見承擔全部責任。

我們與審核委員會溝通了審核計劃範圍及時間安排以及重大審核發現等事項，包括我們在審核期間識別出內部控制的任何重大缺失。

我們亦向審核委員會作出聲明，指出我們已符合有關獨立性的相關道德要求，並與彼等溝通可能被合理認為會影響我們獨立性的所有關係及其他事宜，以及相關防範措施(如適用)。

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) 獨立核數師報告(續)

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

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

The engagement partner on the audit resulting in this independent auditor's report is Liu Eugene.

### 核數師就審核綜合財務報表承擔的責任(續)

從與審核委員會溝通的事項中，我們釐定對本期間綜合財務報表的審核至關重要的事項，因而構成關鍵審核事項。我們在核數師報告中描述該等事項，除非法律或法規不允許公開披露該等事項，或在極端罕見的情況下，倘合理預期在我們報告中溝通某事項造成的負面後果超出產生的公眾利益，則我們決定不應在報告中傳達該事項。

出具本獨立核數師報告的審核項目合夥人是廖於勤。

#### RSM Hong Kong

Certified Public Accountants  
Hong Kong  
27 March 2017

#### 中瑞岳華(香港)會計師事務所

執業會計師  
香港  
二零一七年三月二十七日



# CONSOLIDATED STATEMENT OF PROFIT OR LOSS

## 綜合損益表

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

		Note	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
		附註		
<b>Revenue</b>	<b>收入</b>	8	<b>1,742,476</b>	1,539,344
Cost of sales	銷售成本		<b>(1,350,744)</b>	(1,247,363)
<b>Gross profit</b>	<b>毛利</b>		<b>391,732</b>	291,981
Other income	其他收入	9	<b>25,677</b>	23,720
Selling and distribution expenses	銷售及分銷開支		<b>(29,318)</b>	(28,211)
General and administrative expenses	一般及行政開支		<b>(262,526)</b>	(262,990)
Other operating expenses and income	其他營運開支及收入	11	<b>(3,157)</b>	(97,010)
<b>Profit/(Loss) from operations</b>	<b>經營溢利／(虧損)</b>		<b>122,408</b>	(72,510)
Finance costs	融資成本	12	<b>(17,489)</b>	(8,792)
Gain on a bargain purchase	議價收購收益	38(b)	–	9,546
Gain on deemed disposal of subsidiaries	視作出售附屬公司收益	38(c)	<b>4,635</b>	–
Share of loss of associates	攤分聯營公司損失	22	<b>(3,400)</b>	–
<b>Profit/(Loss) before tax</b>	<b>除稅前溢利／(虧損)</b>		<b>106,154</b>	(71,756)
Income tax expense	所得稅開支	13	<b>(46,252)</b>	(5,410)
<b>Profit/(Loss) for the year</b>	<b>年內溢利／(虧損)</b>	14	<b>59,902</b>	(77,166)
Attributable to:	以下人士應佔權益：			
Owners of the Company	本公司權益持有人		<b>59,243</b>	(63,489)
Non-controlling interests	非控股權益		<b>659</b>	(13,677)
			<b>59,902</b>	(77,166)
			<b>HK Cents</b>	HK Cents
			<b>港仙</b>	港仙
<b>Earnings/(Loss) per share</b>	<b>每股盈利／(虧損)</b>	18		
Basic	基本		<b>6.63</b>	(7.10)
Diluted	攤薄		<b>6.55</b>	(7.24)

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## 綜合損益及其他全面收益表

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>Profit/(Loss) for the year</b>	年內溢利／(虧損)	<b>59,902</b>	(77,166)
<b>Other comprehensive income:</b>	其他全面收益：		
<i>Items that will not be reclassified to profit or loss:</i>	將不會重新分類至損益之項目：		
Surplus on revaluation of leasehold land	租賃土地價值重估之盈餘	<b>45,146</b>	50,907
Income tax on items that will not be reclassified to profit or loss	不會重新分類至損益之項目之所得稅	<b>(8,184)</b>	(10,688)
		<b>36,962</b>	40,219
<i>Items that may be reclassified to profit or loss:</i>	可重新分類至損益之項目：		
Exchange differences on translating foreign operations	換算海外業務產生之匯兌差額	<b>(62,402)</b>	(45,664)
Exchange differences reclassified to profit or loss on deemed disposal of foreign operations	重新分類至損益之視作出售海外業務之匯兌差額	<b>(37)</b>	-
		<b>(62,439)</b>	(45,664)
<b>Other comprehensive income for the year, net of tax</b>	年內除稅後其他全面收益	<b>(25,477)</b>	(5,445)
<b>Total comprehensive income for the year</b>	年內全面收益總額	<b>34,425</b>	(82,611)
<b>Attributable to:</b>	以下人士應佔權益：		
Owners of the Company	本公司權益持有人	<b>34,248</b>	(68,924)
Non-controlling interests	非控股權益	<b>177</b>	(13,687)
		<b>34,425</b>	(82,611)

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

At 31 December 2016 於二零一六年十二月三十一日

	Note	2016	2015
	附註	二零一六年 HK\$'000 千港元	二零一五年 HK\$'000 千港元
<b>Non-current assets</b>			
Property, plant and equipment	19	834,389	899,035
Intangible assets	21	718	718
Investments in associates	22	1,678	–
Available-for-sale financial assets	23	–	–
Deposits paid for acquisition of property, plant and equipment		6,635	7,066
Deferred tax assets	33	373	12,282
		<b>843,793</b>	919,101
<b>Current assets</b>			
Inventories	24	196,162	173,924
Trade receivables	25	457,414	361,385
Prepayments, deposits and other receivables		66,069	64,526
Due from associates	22	2,346	–
Current tax assets		2,391	–
Restricted bank balances	26	1,564	4,117
Bank and cash balances	26	296,008	260,529
		<b>1,021,954</b>	864,481
<b>Assets classified as held for sale</b>			
	27	–	8,020
<b>Total current assets</b>		<b>1,021,954</b>	872,501
<b>Current liabilities</b>			
Trade payables	28	313,088	225,906
Deposits received		41,519	330
Other payables and accruals	28	87,364	87,681
Financial liabilities at fair value through profit or loss	29	–	52,434
Due to associates	22	636	–
Due to a related company	30	2,020	1,895
Bank borrowings	31	458,708	422,536
Current tax liabilities		27,537	24,585
		<b>930,872</b>	815,367
<b>Liabilities directly associated with assets classified as held for sale</b>			
	27	–	2,502
<b>Total current liabilities</b>		<b>930,872</b>	817,869
<b>Net current assets</b>		<b>91,082</b>	54,632
<b>Total assets less current liabilities</b>		<b>934,875</b>	973,733

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

## 綜合財務狀況表(續)

At 31 December 2016 於二零一六年十二月三十一日

			2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
		Note 附註		
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Financial liabilities at fair value through profit or loss	按公平值計入損益賬的金融負債	29	–	25,934
Bank borrowings	銀行借款	31	<b>107,244</b>	181,051
Deferred tax liabilities	遞延稅項負債	33	<b>56,124</b>	35,248
			<b>163,368</b>	242,233
<b>Net assets</b>	<b>資產淨值</b>		<b>771,507</b>	731,500
<b>Capital and reserves</b>	<b>資本及儲備</b>			
Share capital	股本	34	<b>89,376</b>	89,376
Reserves	儲備	36	<b>673,803</b>	639,555
<b>Equity attributable to owners of the Company</b>	<b>本公司權益持有人應佔權益</b>		<b>763,179</b>	728,931
<b>Non-controlling interests</b>	<b>非控股權益</b>		<b>8,328</b>	2,569
<b>TOTAL EQUITY</b>	<b>權益總額</b>		<b>771,507</b>	731,500

Approved by the Board of Directors on 27 March 2017 and are signed on its behalf by:

經董事會於二零一七年三月二十七日批准，並由以下董事代表簽署：

**Lee Yuen Fat**  
李遠發  
Director  
董事

**Wong Cheong Yiu**  
黃昌耀  
Director  
董事

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

		Attributable to owners of the Company 本公司權益持有人應佔權益											
		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Retained earnings 保留盈利 HK\$'000 千港元	Capital reserve 資本儲備 HK\$'000 千港元	Merger reserve 合併儲備 HK\$'000 千港元	Foreign currency translation reserve 匯兌儲備 HK\$'000 千港元	Share option reserve 購股權儲備 HK\$'000 千港元	Statutory reserve 法定儲備 HK\$'000 千港元	Land revaluation reserve 土地重估儲備 HK\$'000 千港元	Non-controlling interests 非控股權益 HK\$'000 千港元	Total equity 權益總額 HK\$'000 千港元	
													Total
At 1 January 2015	於二零一五年一月一日	89,376	204,650	353,370	8,036	(9,931)	60,115	624	7,723	104,025	817,988	31,555	849,543
Total comprehensive income for the year	年內全面收益	-	-	(63,489)	-	-	(45,654)	-	-	40,219	(68,924)	(13,687)	(82,611)
Adjustment of non-controlling interest arising from further acquisition of subsidiaries' equity	進一步收購附屬公司股權導致非控股權益調整	-	-	-	(5,921)	-	-	-	-	-	(5,921)	(15,322)	(21,243)
Forfeiture of share options	沒收之購股權	-	-	675	-	-	-	(675)	-	-	-	-	-
Recognition of share-based payments	確認以股權結算之款項	-	-	-	-	-	-	88	-	-	88	23	111
Dividends paid	已付股息	-	-	(14,300)	-	-	-	-	-	-	(14,300)	-	(14,300)
Changes in equity for the year	年內權益變動	-	-	(77,114)	(5,921)	-	(45,654)	(587)	-	40,219	(89,057)	(28,986)	(118,043)
At 31 December 2015 and 1 January 2016	於二零一五年十二月三十一日及二零一六年一月一日	89,376	204,650	276,256	2,115	(9,931)	14,461	37	7,723	144,244	728,931	2,569	731,500
Total comprehensive income for the year	年內全面收益	-	-	59,243	-	-	(61,957)	-	-	36,962	34,248	177	34,425
Effect of deemed disposal of subsidiaries	視作出售附屬公司之影響	-	-	(6,559)	6,586	-	-	(27)	-	-	-	(2,355)	(2,355)
Adjustment of non-controlling interest arising from the issue of shares of a subsidiary for the settlement of contingent consideration	附屬公司配發股份作支付或然代價導致非控股權益調整	-	-	-	-	-	-	-	-	-	-	5,966	5,966
Transfer to statutory reserve	轉移至法定儲備	-	-	(17,429)	-	-	-	-	17,429	-	-	-	-
Capital contribution from non-controlling interests	來自非控股權益之資本投入	-	-	-	-	-	-	-	-	-	-	1,971	1,971
Changes in equity for the year	年內權益變動	-	-	35,255	6,586	-	(61,957)	(27)	17,429	36,962	34,248	5,759	40,007
At 31 December 2016	於二零一六年十二月三十一日	89,376	204,650	311,511	8,701	(9,931)	(47,496)	10	25,152	181,206	763,179	8,328	771,507

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

	Note 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>	經營業務所得現金淨額		
	38(a)	<b>82,990</b>	108,667
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	投資活動之現金流量		
Decrease in pledged bank deposits	已抵押銀行存款減少	<b>194</b>	20,039
Acquisition of subsidiaries	收購業務	38(b) -	(6,228)
Settlement of cash component of contingent consideration	償還或然代價之現金部份	38(b) <b>(1,200)</b>	-
Deemed disposal of subsidiaries	視作出售附屬公司	38(c) <b>(1,630)</b>	-
Deposit received from a potential investor of a subsidiary	已收附屬公司之潛在投資者之訂金	-	1,938
Deposit received for the disposal of a subsidiary	已收出售附屬公司之訂金	41(d) <b>40,000</b>	-
Interest received	已收利息	<b>868</b>	2,194
Proceeds from disposals of property, plant and equipment	出售物業、機器及設備	<b>255</b>	440
Purchase of property, plant and equipment	購置物業、機器及設備	<b>(33,461)</b>	(100,612)
Deposit paid for the acquisition of property, plant and equipment	預付物業、機器及設備之訂金	<b>(2,641)</b>	(3,421)
<b>Net cash generated from/(used in) investing activities</b>	投資活動所得/(耗)之現金淨額	<b>2,385</b>	(85,650)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	融資活動之現金流量		
Acquisition of non-controlling interest	收購非控股權益	-	(21,243)
Capital contribution from non-controlling interest	來自非控股權益之資本投入	<b>1,971</b>	-
Dividends paid	已付股息	-	(14,300)
Repayment to a director	向董事償還之款項	-	(1,860)
Net short term bank loans raised/(repaid)	新增/(償還)短期銀行貸款淨額	<b>73,741</b>	(125,456)
Advance to associates	向聯營公司墊付之款項	<b>(1,788)</b>	-
Repayment of long term bank loans	償還長期銀行貸款	<b>(123,714)</b>	(139,975)
Long term bank loans raised	新增長期銀行貸款	<b>13,369</b>	315,922
<b>Net cash (used in)/generated from financing activities</b>	融資活動所(耗)/得之現金淨額	<b>(36,421)</b>	13,088
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	現金及等同現金項目增加淨額	<b>48,954</b>	36,105
<b>CASH AND CASH EQUIVALENTS AT 1 JANUARY</b>	於一月一日的現金及等同現金項目	<b>263,130</b>	237,019
Effect of foreign exchange rate changes	匯率變動影響	<b>(16,076)</b>	(9,994)
<b>CASH AND CASH EQUIVALENTS AT 31 DECEMBER</b>	於十二月三十一日的現金及等同現金項目	<b>296,008</b>	263,130
Bank and cash balances included in assets held for sale	分類為持作銷售資產之現金及等同現金項目	27 -	(2,601)
		<b>296,008</b>	260,529
<b>Analysis of CASH AND CASH EQUIVALENTS</b>	現金及等同現金項目分析		
Bank and cash balances	銀行及現金結餘	26 <b>296,008</b>	260,529

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands. The address of its registered office is Clifton House, 75 Fort Street, P.O. Box 1350 GT, George Town, Grand Cayman, Cayman Islands. The address of its principal place of business is Room A, 29/F., Tower B, Billion Centre, 1 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 20 to the consolidated financial statements.

In the opinion of the directors of the Company, as at 31 December 2016, Precisefull Limited, a company incorporated in the British Virgin Islands, is the ultimate parent and Mr. LEE Yuen Fat ("Mr. Lee") is the ultimate controlling party of the Company.

### 2. BASIS OF PREPARATION

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

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

### 1. 公司資料

本公司根據開曼群島公司法在開曼群島註冊成立為受豁免有限公司。其註冊辦事處地點為Clifton House, 75 Fort Street, P.O. Box 1350 GT, George Town, Grand Cayman, Cayman Islands。其主要營業地點為香港九龍九龍灣宏光道一號億京中心B座29樓A室。本公司之股份在香港聯合交易所有限公司(「聯交所」)主板上市。

本公司為一家投資控股公司。其附屬公司的主要業務載於本綜合財務報表附註20。

本公司董事認為，於二零一六年十二月三十一日，Precisefull Limited(一間於英屬處女群島註冊成立之公司)為最終母公司，李遠發先生(「李先生」)為本公司之最終控股方。

### 2. 編制基準

此等綜合財務報表乃根據適用之由香港會計師公會(「香港會計師公會」)所頒佈香港財務報告準則(「香港財務報告準則」)編制。香港財務報告準則包括香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋。此等綜合財務報表也遵從適用之聯交所證券上市規則(「上市規則」)之披露守則及香港公司條例(第622章)之披露要求。

香港會計師公會已頒佈若干於本集團本會計期間首次生效或可供提早採納之新訂及經修訂香港財務報告準則。在該等綜合財務報表中反映之因初次應用該等與本集團有關的頒佈而引致之本年度或過往會計期間會計政策之任何變動詳述於綜合財務報表附註3。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

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

#### (a) Application of new and revised HKFRSs

The HKICPA has issued a number of new and revised HKFRSs that are first effective for annual periods beginning on or after 1 January 2016. Of these, the following new or revised HKFRSs are relevant to the Group:

#### **Amendments to HKAS 1 Presentation of Financial Statements: Disclosure Initiative**

The amendments to HKAS 1 clarify, rather than significantly change, existing HKAS 1 requirements. The amendments clarify various presentation issues relating to:

- Assessment of materiality versus minimum disclosure requirements of a standard.
- Disaggregation of specific line items in the statement(s) of profit or loss and other comprehensive income and the statement of financial position. There is also new guidance on the use of subtotals.
- Confirmation that the notes do not need to be presented in a particular order.
- Presentation of other comprehensive income items arising from equity-accounted associates and joint ventures.

The amendments as mentioned above have no material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented.

### 3. 採納新訂及經修訂香港財務報告準則

#### (a) 運用新訂及經修訂香港財務報告準則

香港會計師公會已頒佈若干新訂及經修訂的香港財務報告準則，並於二零一六年一月一日或之後的年度首次生效。當中，以下新訂及經修訂的香港財務報告準則與本集團有關：

#### **香港會計準則第1號財務報表呈列(修訂)：披露主動性**

香港會計準則第1號之修訂澄清了現行的香港會計準則第1號之要求，而不是該準則之顯著改變。該修訂澄清以下相關的各種呈列事項：

- 重要性的評估與標準之最低披露要求。
- 於損益表、其他全面收益表及財務狀況表中的特定項目之細分，以及使用小計的新指引。
- 確認附註不需要以特定順序表示。
- 股權投資聯營公司及合資企業的其他全面收益項目之呈列。

上述之修訂對本集團現有或以前期間已經準備或呈列的業績和財務狀況沒有重大影響。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

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

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

The Group has not early applied new and revised HKFRSs that have been issued but are not yet effective for the financial year beginning 1 January 2016. These new and revised HKFRSs include the following which may be relevant to the Group.

	Effective for accounting periods beginning on or after
Amendments to HKAS 7 Statement of Cash Flows: Disclosure initiative	1 January 2017
Amendments to HKAS 12 Income Taxes: Recognition of deferred tax assets for unrealised losses	1 January 2017
HKFRS 9 Financial Instruments	1 January 2018
HKFRS 15 Revenue from Contracts with Customers	1 January 2018
HKFRS 16 Leases	1 January 2019

The Group is in the process of making an assessment of what the impact of these amendments and new standards is expected to be in the period of initial application. So far the Group has identified some aspects of the new standards which may have a significant impact on the consolidated financial statements. Further details of the expected impacts are discussed below. As the Group has not completed its assessment, further impacts may be identified in due course.

#### 3. 採納新訂及經修訂香港財務報告準則(續)

##### (b) 已頒佈但尚未生效之新訂及經修訂香港財務報告準則

本集團並無提早應用已頒佈但尚未於二零一六年一月一日開始的財政年度起生效之新訂及經修訂香港財務報告準則。這些新訂及經修訂的香港財務報告準則包括以下可能與本集團相關的事項：

	於下列 會計期間 開始或 之後生效
香港會計準則第7號現金流量表(修訂)：主動披露	二零一七年 一月一日
香港會計準則第12號所得稅(修訂)：確認未變現虧損之遞延稅項資產	二零一七年 一月一日
香港財務報告準則第9號金融工具	二零一八年 一月一日
香港財務報告準則第15號來自客戶合約之收入	二零一八年 一月一日
香港財務報告準則第16號租賃	二零一九年 一月一日

本集團正在評估這些修訂及新標準預計將在應用初期內之影響。目前為止，本集團已識別新標準的某方面可能對綜合財務報表產生重要的影響。預期影響的細節將於以下討論。本集團需於完成評估後方可估計新準則的進一步影響。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

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

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

##### HKFRS 9 Financial Instruments

The standard replaces HKAS 39 Financial Instruments: Recognition and Measurement.

The standard introduces a new approach to the classification of financial assets which is based on cash flow characteristics and the business model in which the asset is held. A debt instrument that is held within a business model whose objective is to collect the contractual cash flows and that has contractual cash flows that are solely payments of principal and interest on the principal outstanding is measured at amortised cost. A debt instrument that is held within a business model whose objective is achieved by both collecting the contractual cash flows and selling the instruments and that has contractual cash flows that are solely payments of principal and interest on the principal outstanding is measured at fair value through other comprehensive income. All other debt instruments are measured at fair value through profit or loss. Equity instruments are generally measured at fair value through profit or loss. However, an entity may make an irrevocable election on an instrument-by-instrument basis to measure equity instruments that are not held for trading at fair value through other comprehensive income.

The requirements for the classification and measurement of financial liabilities are carried forward largely unchanged from HKAS 39 except that when the fair value option is applied changes in fair value attributable to changes in own credit risk are recognised in other comprehensive income unless this creates an accounting mismatch.

### 3. 採納新訂及經修訂香港財務報告準則(續)

#### (b) 已頒佈但尚未生效之新訂及經修訂香港財務報告準則(續)

香港財務報告準則第9號金融工具  
該準則取代香港會計準則第39號  
金融工具：確認及計量。

此準則就金融資產分類引入新方法，基於現金流量特徵及持有資產的業務模式進行。於以收取合約現金流為目的之業務模式中持有之債務工具，及擁有純粹為支付本金及尚未償還本金利息之合約現金流之債務工具，均按攤銷成本計量。於以同時收取合約現金流及出售工具為目的之業務模式中持有之債務工具，以及擁有純粹為支付本金及尚未償還本金利息之合約現金流之債務工具，均以公平值計入其他全面收益計量。所有其他債務工具透過損益按公平值計量。股本工具一般透過損益按公平值計量。然而，實體可按個別工具基準作出不可撤回的選擇，把並非持作買賣之股本工具以公平值計入其他全面收益計量。

有關分類及計量金融負債之要求大致繼承香港會計準則第39號，並無重大變動，惟倘選擇按公平值計量，因自身信貸風險變動所引致之公平值變動乃於其他全面收益中確認，除非此舉會產生會計錯配。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

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

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

##### HKFRS 9 Financial Instruments (Continued)

HKFRS 9 introduces a new expected-loss impairment model to replace the incurred-loss impairment model in HKAS 39. It is no longer necessary for a credit event or impairment trigger to have occurred before impairment losses are recognised. For financial assets measured at amortised cost or fair value through other comprehensive income, an entity will generally recognise 12-month expected credit losses. If there has been a significant increase in credit risk since initial recognition, an entity will recognise lifetime expected credit losses. The standard includes a simplified approach for trade receivables to always recognise the lifetime expected credit losses.

The de-recognition requirements in HKAS 39 are carried forward largely unchanged.

HKFRS 9 substantially overhauls the hedge accounting requirements in HKAS 39 to align hedge accounting more closely with risk management and establish a more principle based approach.

The Group's financial assets that are currently classified as available-for-sale include certain unlisted equity securities. The unlisted equity securities are currently measured at cost less impairment with any impairment losses recognised in profit or loss. As the investee company has no operation and full impairment has been made against the carrying amount, the revised HKFRS 9 will have no impact on the consolidated financial statements in this aspect.

The new expected credit loss impairment model in HKFRS 9 may result in the earlier recognition of impairment losses on the Group's trade receivables and other financial assets. The Group is unable to quantify the impact until a more detailed assessment is completed.

### 3. 採納新訂及經修訂香港財務報告準則(續)

#### (b) 已頒佈但尚未生效之新訂及經修訂香港財務報告準則(續)

##### 香港財務報告準則第9號金融工具(續)

香港財務報告準則第9號引入新預期虧損減值模式，取代香港會計準則第39號之已發生虧損減值模式。確認減值虧損前毋須再事先生信事件或減值原因。就按攤銷成本計量或以公平值計入其他全面收益之金融資產而言，實體一般將確認12個月之預期虧損。倘於初始確認後信貸風險顯著上升，實體將會確認使用年限內之預期信貸虧損。該準則就貿易應收款項納入一項簡化處理方法，在通常情況下均會確認使用年限內之預期信貸虧損。

香港會計準則第39號內終止確認之規定獲大致繼承，並無重大變動。

香港財務報告準則第9號大幅修改香港會計準則第39號內之對沖會計要求，以使對沖會計法更符合風險管理，並設立更為符合原則基準的會計方法。

本集團之金融資產現時分類為可供出售之金融資產，包括若干非上市股本證券。非上市股本證券目前按成本減減值計量，而任何減值虧損於損益確認。由於被投資單位尚未營業及對賬面價值已進行全面減值，因為經修訂後的香港財務報告準則第9號對綜合財務報表無影響。

香港財務報告準則第9號之新預期信貸虧損減值模式可導致提前確認本集團貿易應收賬款及其他金融資產之減值虧損。本集團於完成更為詳細之評估後方可量化有關影響。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

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

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

##### HKFRS 15 Revenue from Contracts with Customers

HKFRS 15 replaces all existing revenue standards and interpretations.

The core principle of the standard is that an entity recognises revenue to depict the transfer of goods and services to customers in an amount that reflects the consideration to which the entity expects to become entitled in exchange for those goods and services.

An entity recognises revenue in accordance with the core principle by applying a 5-step model:

1. Identify the contract with a customer
2. Identify the performance obligations in the contract
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations in the contract
5. Recognise revenue when or as the entity satisfies a performance obligation

The standard also includes comprehensive disclosure requirements relating to revenue.

The Group is currently assessing the impact of HKFRS 15 on the consolidated financial statements but is unable to estimate the impact of the new standard on the consolidated financial statements until a detailed analysis is completed.

### 3. 採納新訂及經修訂香港財務報告準則(續)

#### (b) 已頒佈但尚未生效之新訂及經修訂香港財務報告準則(續)

##### 香港財務報告準則第15號客戶合約收入

香港財務報告準則第15號取代所有現有收益準則及詮釋。

該準則之核心標準為實體確認收益以描述向客戶之轉讓貨物及服務，該金額應為能反映該實體預期就交換該等貨物及服務而有權收取之代價。

實體根據核心原則透過應用五個步驟模式確認收益：

1. 識別與客戶訂立之合約
2. 識別合約中之履約責任
3. 釐定交易價
4. 將交易價分配至合約中的履約責任
5. 於實體完成履約責任時(或就此)確認收益

該準則亦包括有關收益之詳盡披露要求。

本集團目前正評估採納香港財務報告準則第15號對綜合財務報表之影響，但於完成更為詳細之評估後方可估計新準則對綜合財務報表之影響。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

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

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

###### HKFRS 16 Leases

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

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

As disclosed in note 39, the Group's future minimum lease payments under non-cancellable operating leases for its staff quarters, factory, office premises, office equipment, warehouse amounted to HK\$46,512,000 as at 31 December 2016. The Group will need to perform a more detailed assessment in order to determine the new assets and liabilities arising from these operating leases commitments after taking into account the transition reliefs available in HKFRS 16 and the effects of discounting.

#### 3. 採納新訂及經修訂香港財務報告準則(續)

##### (b) 已頒佈但尚未生效之新訂及經修訂香港財務報告準則(續)

###### 香港財務報告準則第16號租賃

香港財務報告準則第16號取代香港會計準則第17號租賃及其相關詮釋。該新訂準則引入有關承租人的單一會計處理模式。承租人無需區分經營和融資租賃，但需就全部租賃確認使用權資產及租賃負債(短期租賃及低價值資產之租賃可獲選擇性豁免)。香港財務報告準則第16號大致保留香港會計準則第17號有關出租人的會計處理規定。因此，出租人需繼續將租賃分類為營運租約或融資租賃。

本集團之辦公室、廠房、倉庫、員工宿舍及辦公室設備租賃現分類為經營租賃，租賃付款(減除自出租人收取之金錢激勵)於租期內按直線法確認為開支。根據香港財務報告準則第16號，本集團可能需就該等租賃按未來最低租賃付款之現值及負債確認及計量，並確認其相應使用權資產。租賃負債之利息開支及使用權資產之折舊將於損益中確認。本集團的資產及負債將相應增加且開支確認之時間亦會受到影響。

如附註39中披露，於二零一六年十二月三十一日，本集團租賃其員工宿舍、廠房、辦公室建築物、辦公室設備及倉庫之不可撤銷經營租賃項下之未來最低租賃付款為46,512,000港元。本集團將需進行更詳盡之評估，以於考慮香港財務報告準則第16號允許之過渡安排及折讓影響後釐定該等經營租賃承擔所產生之新資產及負債。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES

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

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

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

#### (a) Consolidation

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

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

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

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

### 4. 主要會計政策

除按下列會計政策外(以公平值計量之租賃土地及若干金融工具),此等綜合財務報表乃按歷史成本作為編制基準。

編制符合香港財務報告準則的綜合財務報表須使用若干重要會計估計,亦需要管理層於應用會計政策的過程中作出判斷。對此等綜合財務報表涉及高度之判斷及具複雜性及屬重大的假設及估計的範疇於綜合財務報表附註5中披露。

編制此等綜合財務報表所採用的主要會計政策載列如下:

#### (a) 綜合賬目

綜合財務報表包括本公司及其附屬公司截至十二月三十一日止的財務報表。附屬公司為本集團擁有控制權的實體。當本集團透過其能力影響另一實體之回報,並從參予該實體之運作而得到或有權利得到可變動之回報,則視為本集團對該實體擁有控制權。當本集團現有權利令其目前有能力主導相關活動(即對實體回報構成重大影響的活動),則本集團對該實體擁有權力。

在評估本集團是否擁有控制權時,本集團會考慮潛在表決權以及其他各方所持潛在表決權。潛在表決權僅於持有人擁有實質能力可行使該項權利時方予考慮。

附屬公司於控制權轉移至本集團當日全面綜合計算,並於控制權終止當日不再作綜合處理。

因出售一間附屬公司而導致失去控制權的盈虧指(i)出售代價公平值加上於該附屬公司任何保留投資公平值與(ii)本公司應佔該附屬公司資產淨值加上與該附屬公司有關的任何餘下商譽以及與該附屬公司有關之任何相關累計外幣換算儲備兩者間的差額。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

#### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (a) Consolidation (Continued)

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

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

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

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

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

#### 4. 主要會計政策(續)

##### (a) 綜合賬目(續)

集團間的交易、結餘及未變現溢利會予以對銷。未變現虧損亦會予以對銷，除非交易有證據顯示所轉讓資產出現減值則除外。附屬公司的會計政策已於有需要時作出變動，以確保與本集團所採納的政策貫徹一致。

非控股權益指並非本公司直接或間接應佔之附屬公司權益。非控股權益於綜合財務狀況表及綜合權益變動表之權益內呈列。非控股權益於綜合損益表及綜合損益及其他全面收益表呈列為本公司非控股股東與擁有人應佔溢利或虧損及年內全面收益總額之分配。

即使會導致非控股權益出現赤字結餘，損益及其他全面收益各部分仍歸屬於本公司擁有人及非控股股東。

本公司於不會導致失去控制權之附屬公司之擁有權權益變動計入權益交易(即以擁有人身分與擁有人進行之交易)。控股權益及非控股權益之賬面值已經調整，以反映其於附屬公司之相關權益變動。非控股權益之調整金額與已付或已收代價之公平值兩者間之任何差額直接於權益確認，並由本公司擁有人分佔。

於本公司之財務狀況表內，於附屬公司之投資按成本扣除減值虧損撥備列賬，除非該投資被分類為持作銷售(或包括在被分類為持作銷售之出售組別)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (b) Business combination and goodwill

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

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

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

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

### 4. 主要會計政策(續)

#### (b) 業務合併及商譽

於業務合併中收購附屬公司乃按收購會計法處理。於業務合併中轉移之代價按交易日所交付資產、所發行股本工具、所產生或承擔之負債及或然代價之公平值計算。與收購有關之成本於產生成本及獲得服務之期間確認為開支。所收購附屬公司之可識別資產及負債按收購當日之公平值計算。

轉移之代價總和超出本集團攤分附屬公司可識別資產及負債之公平淨值之差額將以商譽列賬。本公司攤分可識別資產及負債之公平淨值高於收購成本之差額將於綜合損益表內確認為本集團應佔之議價收購收益。

分階段進行業務合併時，過往持有之附屬公司股本權益按收購日期之公平值重新計算，據此產生之損益則於綜合損益確認。公平值將計入代價總和，以計算商譽。

附屬公司之非控股權益初步以非控股股東於收購日在附屬公司中可識別資產及負債之公平值之股權比例計量。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

#### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (b) Business combination and goodwill (Continued)

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

##### (c) Associates

Associates are entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of an entity but is not control or joint control over those policies. The existence and effect of potential voting rights that are currently exercisable or convertible, including potential voting rights held by other entities, are considered when assessing whether the Group has significant influence. In assessing whether a potential voting right contributes to significant influence, the holder’s intention and financial ability to exercise or convert that right is not considered.

#### 4. 主要會計政策(續)

##### (b) 業務合併及商譽(續)

經初步計量後，商譽以成本減累計減值虧損計量。就減值測試而言，於業務合併中收購的商譽將分配各個或各組預期將自該業務合併所產生之協同效應獲益的現金產生單位。各個或各組獲分配商譽的現金產生單位相當於本集團內最低層，其商譽就內部管理目的而受監察。商譽減值檢討每年進行一次，倘發生任何事件或情況有變顯示潛在減值風險，檢討將更為頻密。載有商譽之現金產生單位的賬面值將與其可收回金額(即其使用價值或其公平值減出售成本之較高者)比較。任何減值將即時確認為開支並不可於其後撥回。

##### (c) 聯營公司

聯營公司為本集團對其有重大影響之實體。重大影響乃於有關實體之財務及營運決策擁有參與權而非控制或共同控制權。包括其他實體持有之潛在投票權在內的現時可行使或可兌換之潛在投票權，其存在及影響將於評估本集團有否重大影響力時予以考慮。在評估潛在投票權有否重大影響時，持有人行使或兌換該權力之意圖及財務能力不會考慮在內。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (c) Associates (Continued)

Investment in an associate is accounted for in the consolidated financial statements by the equity method and is initially recognised at cost. Identifiable assets and liabilities of the associate in an acquisition are measured at their fair values at the acquisition date. The excess of the cost of the investment over the Group's share of the net fair value of the associate's identifiable assets and liabilities is recorded as goodwill. The goodwill is included in the carrying amount of the investment and is tested for impairment together with the investment at the end of each reporting period when there is objective evidence that the investment is impaired. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognised in consolidated profit or loss.

The Group's share of an associate's post-acquisition profits or losses and other comprehensive income is recognised in consolidated statement of profit or loss and other comprehensive income. When the Group's share of losses in an associate equals or exceeds its interest in the associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The gain or loss on the disposal of an associate that results in a loss of significant influence represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that associate and (ii) the Group's entire carrying amount of that associate (including goodwill) and any related accumulated foreign currency translation reserve. If an investment in an associate becomes an investment in a joint venture, the Group continues to apply the equity method and does not remeasure the retained interest.

### 4. 主要會計政策(續)

#### (c) 聯營公司(續)

於聯營公司之投資乃採用權益會計法於綜合財務報表列賬，並按成本作出初步確認。所收購聯營公司之可識別資產及負債乃按其於收購當日之公平值計量。倘投資成本超出本集團應佔聯營公司之可識別資產及負債之公平淨值，則差額將以商譽列賬。該商譽列入投資之賬面值內，並於有客觀證據顯示投資已減值時於各報告期末與投資一併進行減值測試。倘本集團應佔可識別資產及負債之公平淨值高於收購成本，則有關差額將於綜合損益內確認。

本集團應佔聯營公司之收購後損益及其他全面收益於綜合收益表及其他全面收益表內確認。倘本集團應佔聯營公司虧損相等於或超逾其於聯營公司之權益(包括實際上構成本集團於該聯營公司投資淨值一部分之任何長期權益)，則本集團不會進一步確認虧損，除非本集團已代聯營公司承擔負債或支付款項。倘聯營公司其後報收溢利，則本集團僅於其應佔溢利等於其應佔未確認之虧損後恢復確認其應佔之該等溢利。

因出售聯營公司而導致其失去重大影響之盈虧為(i)出售代價之公平值加任何保留於該聯營公司之投資之公平值及(ii)本集團應佔該聯營公司全部賬面值(包括商譽)及任何有關累計匯兌儲備兩者間之差額。倘於聯營公司之投資成為於合營企業投資，本集團繼續採用權益法而不重新計量保留權益。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (c) Associates (Continued)

Unrealised profits on transactions between the Group and its associates are eliminated to the extent of the Group's interests in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

#### (d) Foreign currency translation

##### (i) Functional and presentation currency

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

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

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

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

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

### 4. 主要會計政策(續)

#### (c) 聯營公司(續)

對銷本集團與其聯營公司間交易之未變現溢利乃以本集團於聯營公司之權益為限。未變現虧損亦會對銷，除非該交易有證據顯示所轉讓資產出現減值則作別論。聯營公司之會計政策已按需要變更，以確保與本集團所採納政策貫徹一致。

#### (d) 外幣換算

##### (i) 功能及呈列貨幣

本集團各實體的財務報表所納入的項目乃按實體經營業務所在主要經濟環境的貨幣(「功能貨幣」)計算。綜合財務報表以港元呈列，而港元為本公司的功能及呈列貨幣。

##### (ii) 各實體財務報表內的交易及結餘

外幣交易以交易日期適用的匯率換算為基本確認之功能貨幣。以外幣計值的貨幣資產及負債按每個報告期間完結時適用的匯率換算。該換算政策所產生的溢利及虧損列入損益內。

按公平值以外幣計算的非貨幣項目以決定公平值當天之匯率換算。

當非貨幣項目的收益或虧損於全面收益中確認，任何該收益或虧損之匯兌部份於其他全面收益中確認。當非貨幣項目的收益或虧損於損益中確認，任何該收益或虧損之匯兌部份於損益中確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (d) Foreign currency translation (Continued)

##### (iii) Translation on consolidation

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

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

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

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

### 4. 主要會計政策(續)

#### (d) 外幣換算(續)

##### (iii) 綜合賬目時的換算

集團內所有功能貨幣與本公司呈列貨幣有別的實體，其業績及財務狀況乃按下列方式換算為本公司的呈列貨幣：

- 各財務狀況表所呈列的資產及負債均按結算日的收市匯率換算；
- 期內的收入及開支按平均匯率換算（除非該平均匯率並非為交易日期的適用匯率累計影響的合理約數，在該情況下，收入及開支按交易日期的匯率換算）；及
- 所產生的全部匯兌差額於其他全面收益內確認及於匯兌儲備內累計。

綜合賬目時，換算海外實體投資淨額所產生的現金項目匯兌差額於匯兌儲備內確認及於匯兌儲備內累計。當海外業務被出售，該匯兌差額於綜合損益中重新分類至出售溢利或虧損的一部分。

收購海外實體所產生的商譽及公平值調整被視作海外實體的資產及負債，並按收市匯率換算。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (e) Property, plant and equipment

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

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

Leasehold land held for use in the production or supply of goods or services, or for administrative purposes, are stated in the consolidated statement of financial position at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined using fair values at the end of each reporting period.

Any revaluation increase arising on the revaluation of such land is recognised in other comprehensive income and accumulated in land revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously expensed. A decrease in the carrying amount arising on the revaluation of such land is recognised in profit or loss to the extent that it exceeds the balance, if any, held in the land revaluation reserve relating to a previous revaluation of that asset.

### 4. 主要會計政策(續)

#### (e) 物業、機器及設備

就生產用途或供應貨品或服務或行政目的持有之物業、機器及設備(不包括租賃土地(分類為融資租約)及下述在建物業),乃按成本減其後累計折舊及其後累計減值虧損(如有)於綜合財務狀況表入賬。

只有在與項目相關的未來經濟效益有可能流入本集團,並能夠可靠地計量項目成本的情況下,本集團才會將其後成本計入為資產賬面值之一部分或確認為獨立資產項目(如適用)。所有其他維護及保養費用均需於產生時於該財務期間之損益確認。

就生產用途或供應貨品或服務或行政目的持有之租賃土地乃按彼等的重估金額(即於重估日期之公平值減任何其後累計折舊及其後累計減值虧損)於綜合財務狀況表入賬。重估每隔若干適當時間進行,以確保賬面值與於各報告期末以公平值釐定的數值不會出現重大偏差。

重估有關土地產生之重估增值會於其他全面收益內確認,並累計列入土地重估儲備。倘若某一資產之重估增值可抵銷同一資產過往於損益確認之重估減值,則該部份增值會以之前支出之減額為限計入損益。重估有關土地產生之賬面減值會於損益內確認,至其超過與該資產過往重估有關之土地重估儲備內之結餘(如有)為止。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (e) Property, plant and equipment (Continued)

Depreciation of revalued land is recognised in profit or loss. On the subsequent sale or retirement of a revalued land, the attributable revaluation surplus remaining in the land revaluation reserve is transferred directly to retained earnings.

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

Buildings	5 to 20 years or over the unexpired term of lease
Leasehold land	over the unexpired term of lease
Leasehold improvements	shorter of 3 years and the unexpired term of lease
Plant and machinery	5 to 10 years
Computer equipment	3 to 5 years
Furniture, fixtures and office equipment	3 to 5 years
Motor vehicles	3 to 5 years

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

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

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

### 4. 主要會計政策(續)

#### (e) 物業、機器及設備(續)

經重估土地的折舊於損益確認。已重估土地其後出售或報廢時，留存於土地重估儲備的應佔重估盈餘乃直接轉撥至保留盈利。

物業、機器及設備之折舊乃於估計可使用年內，以直線法按適當比率計算以撇銷其成本或重估金額減其剩餘價值。主要可用年期如下：

樓宇	5至20年或尚餘租賃年期
租賃土地	尚餘租賃年期
租賃物業裝修	3年或尚餘租賃年期(以較短者為準)
機器及設備	5至10年
電腦設備	3至5年
傢俬、固定裝置及辦公室設備	3至5年
汽車	3至5年

剩餘價值、可使用年期及折舊方法於各報告期末進行檢討及調整(如適用)。

在建工程指建設中的樓宇及待安裝的設備，按成本減減值虧損列賬。當有關資產可供使用時，折舊即開始。

出售物業、機器及設備的收益或虧損指出售所得款項淨額與有關資產賬面值兩者間的差額，並於損益內確認。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (f) Leases

##### The Group as lessee

##### (i) Operating leases

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

##### The Group as lessor

##### (i) Operating leases

Leases that do not substantially transfer to the lessees all the risks and rewards of ownership of assets are accounted for as operating leases. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

#### (g) Research and development expenditure

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

#### (h) Patents and trademarks

Patents and trademarks are stated at cost less accumulated amortisation and impairment losses. Amortisation is calculated on a straight-line basis over their estimated useful lives of 7 years.

#### (i) Club membership

Club membership with indefinite useful life is stated at cost less any impairment losses. Impairment is reviewed annually or when there is any indication that the club membership has suffered an impairment loss.

### 4. 主要會計政策(續)

#### (f) 租約

##### 本集團為承租人

##### (i) 經營租約

將資產擁有權的所有風險及回報不會大部份轉移至本集團的租約列為經營租約。租約款項在扣除自出租人收取的任何獎勵金後，於租約期內以直線法確認費用。

##### 本集團作為出租人

##### (i) 經營租賃

將資產擁有權的所有風險及回報不會大部份轉移至承租人的租賃列為經營租賃。經營租賃的租金收入按相關租賃期以直線法確認。

#### (g) 研究及開發支出

研究活動的支出於產生的期間作為開支確認。

#### (h) 專利及商標

專利及商標按成本扣除累計攤銷及減值虧損列賬。攤銷乃以直線法按彼等估計可使用期七年計算。

#### (i) 會所會籍

具無限可使用年期的會所會籍按成本減任何減值虧損列賬。會所會籍每年及當有跡象顯示出現減值虧損時，將進行減值檢討。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (j) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average basis. The cost of finished goods and work in progress comprises raw materials, direct labour and an appropriate proportion of all production overhead expenditure, and where appropriate, subcontracting charges. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

#### (k) Recognition and derecognition of financial instruments

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

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

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

### 4. 主要會計政策(續)

#### (j) 存貨

存貨按成本與可變現淨值兩者中的較低者入賬。成本乃按加權平均基準計量。製成品及在製品的成本包括原材料、直接勞工及所有生產經常性開支及分包開支(如適用)。可變現淨值按一般業務過程中的估計銷售價格減去估計完成成本及估計銷售所需費用計算。

#### (k) 確認及終止確認金融工具

金融資產及金融負債於本集團成為工具合約條文的訂約方時，將於綜合財務狀況表內確認。

倘從資產收取現金流的合約權利已到期，或本集團已將其於資產擁有的絕大部份風險及回報轉移，或本集團並無轉移及保留其於資產擁有權的絕大部份風險及回報但沒有保留對資產的控制權，則金融資產將被終止確認。於終止確認金融資產時，資產的賬面值與已收代價及已直接於其他全面收益內確認的累計盈虧兩者總和的差額，將於損益內確認。

倘於有關合約的特定責任獲解除、取消或到期，則金融負債將被終止確認。終止確認的金融負債的賬面值與已付代價的差額將於損益內確認。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (I) Financial assets

Financial assets are recognised and derecognised on a trade date basis where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial assets within the timeframe established by the market concerned, and are initially measured at fair value, plus directly attributable transaction costs except in the case of financial assets at fair value through profit or loss.

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

#### (i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are either financial assets classified as held for trading or designated as at fair value through profit or loss upon initial recognition. These financial assets are subsequently measured at fair value. Gains or losses arising from changes in fair value of these financial assets are recognised in profit or loss.

#### (ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These assets are carried at amortised cost using the effective interest method (except for short-term receivables where interest is immaterial) minus any reduction for impairment or uncollectibility. Typically trade and other receivables, bank balances and cash are classified in this category.

### 4. 主要會計政策(續)

#### (I) 金融資產

金融資產乃按交易日基準(即購買或出售投資之合約條款所規定及經由所屬市場設定的時限交付該項投資之日)確認及終止確認,並初步按公平值加上直接應佔交易成本計量,惟按公平值計入損益賬的金融資產則除外。

本集團的金融資產歸為以下類別:按公平值計入損益賬、貸款及應收款項以及可供出售。有關分類取決於收購金融資產的目的。管理層於初步確認時釐定其金融資產的分類。

#### (i) 按公平值計入損益賬的金融資產

於初步確認時,按公平值計入損益的金融資產均為持作買賣指定為按公平值計入損益賬。此等金融資產隨後按公平值計量。此等金融資產公平值變動引起的損益均在損益內確認。

#### (ii) 貸款及應收款項

貸款及應收款項指提供固定或可釐定付款之非衍生工具金融資產,其並無活躍市場報價。該等資產按攤銷成本以實際利率法(利息極低的短期應收款項除外)減任何減值削減或不可收回款項計算。一般應收賬項及其他應收款項、銀行結餘及現金乃分類為此類別。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (I) Financial assets (Continued)

##### (iii) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are not classified as loans and receivables or financial assets at fair value through profit or loss. Available-for-sale financial assets are subsequently measured at fair value. Gains or losses arising from changes in fair value of these investments are recognised in other comprehensive income and accumulated in the investment revaluation reserve, until the investments are disposed of or there is objective evidence that the investments are impaired, at which time the cumulative gains or losses previously recognised in other comprehensive income are reclassified from equity to profit or loss. Interest calculated using the effective interest method and dividends on available-for-sale equity investments are recognised in profit or loss.

Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments, are measured at cost less impairment losses.

##### (m) Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment.

### 4. 主要會計政策(續)

#### (I) 金融資產(續)

##### (iii) 可供出售金融資產

可供出售金融資產指並非分類為貸款及其他應收款項的非衍生金融資產或透過損益以公平值列賬的金融資產。可供出售金融資產其後按公平值計量。因該等投資的公平值變動而產生的收益或虧損於其他全面收益確認及於投資重估儲備內累計，直至出售該等投資或有客觀證據顯示投資出現減值為止，屆時之前於其他全面收益確認的累計收益或虧損會重新由權益分類至損益。利息按實際利率法計算。可供出售股本投資之股息於損益中確認。

投資於並無活躍市場的市價報價且其公平值未能可靠計量的股本投資，及與該等無報價股本工具掛鉤及其作結算的衍生工具，按成本值減減值虧損計算。

##### (m) 應收賬款及其他應收款項

應收賬款為在日常業務過程中因出售商品或提供服務而應收客戶之款項。倘應收賬款及其他應收款項預計將在一年或以內收回(或屬正常業務經營週期(倘較長)內)，則分類為流動資產。否則，則呈列為非流動資產。

應收賬款及其他應收款項初步按公平值確認，其後以實際利率法按攤銷成本減除減值撥備計算。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (n) Cash and cash equivalents

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

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

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

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

#### (p) Financial liabilities and equity instruments

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

#### (i) Borrowings

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

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

### 4. 主要會計政策(續)

#### (n) 現金及現金等價物

就現金流量表而言，現金及現金等價物指銀行及手頭現金、存放於銀行及其他財務機構的活期存款以及可隨時兌換為已知數額現金且所承受價值變動風險不大的短期高度流通投資。須按要求償還並構成本集團現金管理主要部分的銀行透支亦計入為現金及現金等價物一部分。

#### (o) 持作銷售的非流動資產及已終止業務

非流動資產或出售組別之賬面值如可透過出售交易而非透過持續使用而收回，則會分類為持作銷售。此條件僅於很有可能達成出售及資產或出售組別可於現況下即時出售時方告符合。本集團必須對出售作出承擔，而出售預期應可於分類日期起計一年內合資格確認為已完成出售。

分類為持作銷售之非流動資產或出售組別乃按該資產或出售組別的以往賬面值與公平值兩者中之較低者減出售成本計量。

#### (p) 金融負債及股本工具

金融負債及股本工具乃根據所訂立的合約安排性質及根據香港財務報告準則對金融負債及股本工具的定義而分類。股本工具為證明於本集團經扣除其所有負債後的資產中所剩餘權益的任何合約。就特定金融負債及股本工具而採納的會計政策載於下文。

#### (i) 借貸

借貸初步按公平值扣除所產生的交易成本確認，其後則以實際利率法按攤銷成本值計量。

除非本集團擁有無條件權利，可將負債的償還日期遞延至報告期間完結後至少十二個月，否則借貸被分類為流動負債。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (p) Financial liabilities and equity instruments (Continued)

##### (ii) Financial guarantee contract liabilities

Financial guarantee contract liabilities are measured initially at their fair value and are subsequently measured at the higher of:

- the amount of the obligations under the contracts, as determined in accordance with HKAS 37 "Provisions, Contingent Liabilities and Contingent Assets"; and
- the amount initially recognised less cumulative amortisation recognised in profit or loss on a straight-line basis over the terms of the guarantee contracts.

##### (iii) Trade and other payables

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

##### (iv) Equity instruments

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

#### (q) Revenue recognition

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

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

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

Rental income is recognised on a straight-line basis over the lease term.

### 4. 主要會計政策(續)

#### (p) 金融負債及股本工具(續)

##### (ii) 財務擔保合約負債

財務擔保合約負債最初按其公平值計量，其後則按以下兩者中較高者計量：

- 根據香港會計準則第37號「撥備、或然負債及或然資產」確定之合約承擔金額；及
- 初步確認之金額減去於擔保合約期限內按直線基準於損益內確認之累計攤銷。

##### (iii) 貿易及其他應付款項

貿易及其他應付款項初步按公平值列賬，其後則以實際利率法按攤銷成本值計量，貼現影響微少則作別論，在該情況下，則按成本值列賬。

##### (iv) 股本工具

本公司發行的股本工具按已收的所得款項，扣除直接發行費用列賬。

#### (q) 收入確認

收入乃按已收或應收代價的公平值計量，並於經濟利益有可能流入本集團且收益金額能可靠計量時確認。

銷售生產的貨品及原材料貿易的收入於擁有權的大部分風險及回報轉讓時確認。所有權轉讓通常與貨品交付及業權轉讓予客戶的時間相同。

利息收入按時間比例用實際利息法確認。

租金收入按租賃期內以直線法確認。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

#### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (r) Employee benefits

###### (i) Employee leave entitlements

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

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

###### (ii) Pension obligations

The Group contributes to defined contribution retirement schemes which are available to all employees. Contributions to the schemes by the Group and employees are calculated as a percentage of employees' basic salaries. The retirement benefit scheme cost charged to profit or loss represents contributions payable by the Group to the funds.

###### (iii) Termination benefits

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

#### 4. 主要會計政策(續)

##### (r) 僱員福利

###### (i) 僱員享有的假期

僱員年假及長期服務假於僱員享有時確認，並已就僱員因截至報告期間完結時止所提供服務享有的年假及長期服務假的估計負債作出撥備。

僱員病假及產假於放假時始確認。

###### (ii) 退休金承擔

本集團向定額供款退休金計劃作出供款，全體僱員均可參與該計劃。供款由本集團及僱員按僱員基本薪金的百分比作出。自損益扣除的退休福利計劃成本指本集團應向該基金支付的供款。

###### (iii) 離職福利

離職福利於本集團不再撤回福利邀約與本集團確認重組成本及涉及支付離職福利當日(以較早者為準)確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (s) Share-based payments

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

#### (t) Borrowing costs

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

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

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

### 4. 主要會計政策(續)

#### (s) 以股權結算之款項

本集團向若干僱員發行以股權結算以股份支付的款項。以股權結算以股份支付的款項乃於授出當日按股本工具的公平值(不包括非市場歸屬條件的影響)計量。於按股權結算以股份支付的款項授出當日釐定的公平值,根據本集團所估計最終就非市場歸屬條件歸屬及調整的股份,按歸屬期以直線法支銷。

#### (t) 借貸成本

直接源自收購、建造或生產合資格資產,而有關資產需要一段長時間方可供作擬定用途或出售的借貸成本,會撥充該等資產成本部分,直至該資產大致上可供作擬定用途或出售為止。尚未用於合資格資產的特定借貸作短期投資賺取的投資收入,會於合資格資本化的借貸成本中扣除。

對於一般性借入資金用於獲取一項合資格的資產,可予資本化的借貸成本乃以在該資產的支出應用一個資本化比率釐定。資本化比率為期內適用於本集團尚未償還借款(用於獲取一項合資格的資產的借貸除外)的借貸成本的加權平均值。

所有借貸成本乃於其產生期間在損益中確認。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

#### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (u) Government grants

A government grant is recognised when there is reasonable assurance that the Group will comply with the conditions attaching to it and that the grant will be received.

Government grants relating to income are deferred and recognised in profit or loss over the period to match them with the costs they are intended to compensate.

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

##### (v) Taxation

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

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

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

#### 4. 主要會計政策(續)

##### (u) 政府補助金

如有合理保證本集團將收取政府補助金，且所有附帶條件將獲遵守，則確認政府補助金。

與收入有關之政府補助金就其與擬補償成本配對之所需期間於損益遞延及確認。

作為開支或已承受的虧損的補償或為本集團提供即時財務資助而可收取(並無日後相關成本)的政府補助金，乃於其成為可收取的期間於損益確認為收入。

##### (v) 稅項

所得稅為即期稅項與遞延稅項的總和。

即期稅項乃按本年度應課稅溢利計算。應課稅溢利與損益中所確認的溢利不同，因應課稅溢利不包括在其他年度應課稅收入或可扣減開支項目，而且不包括永遠毋須課稅及不可扣稅項目。本集團的即期稅項負債乃按報告期間完結前已頒佈或實質頒佈的稅率計算。

遞延稅項乃就綜合財務報表中資產及負債的賬面值與用作計算應課稅溢利的相應稅基間的差額確認。遞延稅項負債通常會就所有應課稅暫時差異確認，遞延稅項資產僅於可能有應課稅溢利而動用暫時性差異、未動用稅項虧損或未動用稅項資產可予以抵銷時方予以確認。於一項交易中，倘因商譽或其他資產及負債之初步確認(業務合併除外)而產生的暫時差異且不影响應課稅溢利及會計溢利時，則該等資產及負債不會予以確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (v) Taxation (Continued)

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

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

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

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

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

### 4. 主要會計政策(續)

#### (v) 稅項(續)

遞延稅項負債乃就投資於附屬公司及聯營公司而產生的應課稅暫時差異予以確認，惟倘本集團能控制撥回暫時差異以及暫時差異在可見將來不會被撥回則作別論。

遞延稅項資產的賬面值於各報告期間完結時均會作出檢討，並在預期不再有足夠應課稅溢利可令全部或部份資產變現時作出相應減值。

遞延稅項乃以預期於償還負債或變現資產即期應用的稅率並基於報告期間完結前頒佈或實質頒佈的稅率計算。遞延稅項會於損益中確認，惟遞延稅項與已於其他全面收益中或直接於權益中確認的相關聯者則除外，在此情況下，遞延稅項亦會於其他全面收益中或直接於權益中確認。

遞延稅項資產及遞延稅項負債之計量反映本集團於報告期間結束時預計收回或結算資產及負債賬面值之方式而引致之稅務後果。

倘有法定可行使權利可以即期稅項資產抵銷即期稅項負債，且彼等為關乎同一稅務機構徵收的所得稅，且本集團擬按淨額基準結算即期稅項資產及負債，則遞延稅項資產與負債會予以抵銷。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (w) Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at each reporting date for indications of impairment and where an asset is impaired, it is written down as an expense through the consolidated statement of profit or loss to its estimated recoverable amount unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. If this is the case, recoverable amount is determined for the CGU to which the asset belongs. Recoverable amount is the higher of value in use and the fair value less costs of disposal of the individual asset or the CGU.

Value in use is the present value of the estimated future cash flows of the asset/CGU. Present values are computed using pre-tax discount rates that reflect the time value of money and the risks specific to the asset/CGU whose impairment is being measured.

Impairment losses for CGUs are allocated first against the goodwill of the unit and then pro rata amongst the other assets of the CGU. Subsequent increases in the recoverable amount caused by changes in estimates are credited to profit or loss to the extent that they reverse the impairment unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

### 4. 主要會計政策(續)

#### (w) 非金融資產減值

非金融資產之賬面值於各報告期檢討有無減值跡象，倘資產已減值，則透過綜合損益表以開支撇減至其估計可收回金額，惟倘有關資產乃按重估金額列賬，則減值虧損按重估減少處理。可收回金額乃就個別資產釐定，惟倘資產並無產生大部分獨立於其他資產或資產組合之現金流入，則可收回金額就資產所屬之現金產生單位釐定。可收回金額為個別資產或現金產生單位之使用價值與其公平值減出售成本兩者中之較高者。

使用價值為資產／現金產生單位估計未來現金流量之現值。現值按反映貨幣時間值及資產／現金產生單位(已計量減值)之特有風險之稅前貼現率計算。

現金產生單位之減值虧損首先用於抵銷單位商譽，然後於現金產生單位的其他資產之間按比例分配。隨後估計變動導致的可收回金額增長計入損益，直至撥回減值。惟倘有關資產乃按重估金額列賬，則減值虧損的撥回按重估增加處理。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (x) Impairment of financial assets

At the end of each reporting period, the Group assesses whether its financial assets (other than those at fair value through profit or loss) are impaired, based on objective evidence that, as a result of one or more events that occurred after the initial recognition, the estimated future cash flows of the (group of) financial asset(s) have been affected.

In addition, for trade receivables that are assessed not to be impaired individually, the Group assesses them collectively for impairment, based on the Group's past experience of collecting payments, an increase in the delayed payments in the portfolio, observable changes in economic conditions that correlate with default on receivables, etc.

Only for trade receivables, the carrying amount is reduced through the use of an allowance account and subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

For all other financial assets, the carrying amount is directly reduced by the impairment loss.

For financial assets measured at amortised cost, if the amount of the impairment loss decreases in a subsequent period and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed (either directly or by adjusting the allowance account for trade receivables) through profit or loss. However, the reversal must not result in a carrying amount that exceeds what the amortised cost of the financial asset would have been had the impairment not been recognised at the date the impairment is reversed.

### 4. 主要會計政策(續)

#### (x) 金融資產減值

於各報告期末，本集團均會根據客觀證據(即(一組)金融資產之估計未來現金流量由初步確認後發生之一項或多項事件而受到影響)評估其金融資產(按公平值計入損益的金融資產除外)有否減值。

此外，就單獨評估並無減值之應收賬項而言，本集團將根據本集團之過往收款經驗、投資組合內延遲還款之增加、與應收款項違約情況有連帶關係之經濟狀況出現明顯改變等共同評估有否減值。

僅應收賬項之賬面值會使用撥備賬扣減，而其後收回之前已撇銷之數額乃計入撥備賬。撥備賬之賬面值變動於損益中確認。

就所有其他金融資產而言，賬面值會直接按減值虧損作出扣減。

就按攤銷成本計量的金融資產而言，倘減值虧損之金額於其後期間減少，而該減少可以客觀地與確認減值後發生之一項事件有關，則先前已確認之減值虧損透過損益撥回(直接或藉著調整應收賬項之撥備賬)。然而，撥回不得導致賬面值高於假使並無確認減值該項金融資產於撥回減值當日之攤銷成本。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (y) Provisions and contingent liabilities

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

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

#### (z) Events after the reporting period

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

### 4. 主要會計政策(續)

#### (y) 撥備及或然負債

倘本集團因過往事件承擔現有法定或推定責任而可能需要經濟利益流出以履行有關責任並可作出可靠估計，便會就無確定時間或金額的負債確認撥備。倘款項的時間價值重大，撥備會以履行責任預期所需開支的現值列報。

倘不大可能需要經濟利益流出，或有關款額不能可靠估量，有關責任則按或然負債披露，除非導致經濟利益流出的可能性極低，則作別論。可能承擔的責任（其存在與否僅藉一項或多項未來事件的發生與否而確定）亦按或然負債披露，除非導致經濟利益流出的可能性極低，則作別論。

#### (z) 報告期間完結後事項

報告期間完結後事項提供本集團於報告期間完結時狀況的額外資料，此等為調整事項並反映於財務報表。如屬非調整事項的報告期間完結後事項，倘屬重大時，則於綜合財務報表附註內披露。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 5. KEY SOURCES OF ESTIMATION UNCERTAINTY

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

#### (a) Allowance for inventories

The directors identify obsolete and slow-moving inventory items that are no longer suitable for use in production at the end of each reporting period. The directors estimate the net realisable value for such inventories based primarily on the latest selling prices and costs of completion and selling expenses estimated at current operation conditions. The directors carry out an inventory review on a product-by-product basis at the end of each reporting period and makes allowance for obsolete items.

Where the actual outcome or expectation in future is different from the original estimates, such differences will impact the carrying value of inventories and allowance/write-back in the period in which such estimates have been changed.

The allowance on inventories as at 31 December 2016 was approximately HK\$22,774,000 (2015: HK\$19,599,000).

#### (b) Property, plant and equipment and depreciation

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

The carrying amount of property, plant and equipment as at 31 December 2016 was approximately HK\$834,389,000 (2015: HK\$899,035,000).

### 5. 估計不明朗因素的主要來源

下文討論有關未來之主要假設及於報告期間完結時之其他主要不確定估計來源，而該等假設及不確定估計可能導致下一個財政年度資產及負債賬面值須作出重大調整之重大風險。

#### (a) 存貨撥備

董事於各報告期間完結時識別一些不再適合生產的過時及滯銷存貨項目。董事主要根據最新售價及現時經營狀況下的預計完成成本及銷售開支估計該等存貨的可變現淨值。董事於每個報告期間完結時對存貨逐一進行檢查，並對過時項目作出撥備。

倘實際結果或日後預期與原定估計有差異，則該等差異將影響存貨賬面值及期間的撥備/撥回值。

於二零一六年十二月三十一日，存貨撥備賬面值為數約22,774,000港元（二零一五年：19,599,000港元）。

#### (b) 物業、機器及設備以及折舊

本集團釐定本集團之物業、機器及設備的估計可使用年限、剩餘價值及相關折舊開支。此等估算乃根據類似性質及功能的物業、機器及設備的實際可使用年期的過往經驗作出。當可使用年限及剩餘價值與先前估算不同時，本集團將修訂折舊開支或將已棄用在技術上過時或屬非策略性的資產撇銷或撇減。

於二零一六年十二月三十一日，物業、機器及設備賬面值為數約834,389,000港元（二零一五年：899,035,000港元）。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 5. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

#### (c) Impairment loss for bad and doubtful debts

The Group makes impairment loss for bad and doubtful debts based on assessments of the recoverability of the trade and other receivables, including the current creditworthiness and the past collection history of each debtor. Impairments arise where events or changes in circumstances indicate that the balances may not be collectible. The identification of bad and doubtful debts, in particular of a loss event, requires the use of judgement and estimates. Where the actual result is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debt expenses in the year in which such estimate has been changed.

The allowance on trade receivables as at 31 December 2016 were approximately HK\$Nil (2015: HK\$53,000). No allowance was made on other receivables as at 31 December 2016 (2015: HK\$Nil).

#### (d) Income taxes

The Group is subject to income taxes in several jurisdictions. Significant estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. During the year, HK\$46,252,000 (2015: HK\$5,410,000) of income tax was charged to profit or loss based on the estimated profit from operations.

### 5. 估計不明朗因素的主要來源 (續)

#### (c) 呆壞賬的減值虧損

本集團根據對貿易及其他應收款項的可收回性評估(包括各債務人的現時信譽及過往還款記錄)就呆壞賬作出減值虧損。減值於發生事件或情況出現轉變,顯示或不能夠收回結餘時產生。識別呆壞賬須運用判斷及估計。倘實際結果有別於原先估計,則有關差異將會影響年內貿易及其他應收款項以及呆賬開支的賬面值。

於二零一六年十二月三十一日,貿易應收款項撥備約零港元(二零一五年:53,000港元)。於二零一六年十二月三十一日沒有為其他應收賬款作出撥備(二零一五年:零港元)。

#### (d) 所得稅

本集團須在多個司法權區繳納所得稅。於釐定所得稅撥備時須作出重要估計。在日常業務過程中有多項交易及計算方式,均會導致不能確定最終稅項。倘若該等事情最終所得之稅項與最初錄得之款額有所差異,有關差額將影響作出有關釐定期間之所得稅及遞延稅項撥備。於本年度,根據經營業務的估計溢利計入損益的所得稅為46,252,000港元(二零一五年:5,410,000港元)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 5. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

#### (d) Income taxes (Continued)

Recognition of deferred tax assets, which principally relates to deductible temporary differences and tax losses, depends on whether it is probable that future taxable profits or taxable temporary differences will be available against which deferred tax assets can be utilised. In cases where the actual future taxable profits or taxable temporary differences generated are less than expected, a reversal of deferred tax assets may arise, which will be recognised in profit or loss for the period in which such a reversal takes place. The directors considered that, based on the profit forecast of the group companies with tax losses, it is probable that the tax losses can be utilised in the foreseeable future. The profit forecast required the use of judgement and estimates.

The carrying amount of deferred tax assets with respect to tax losses as at 31 December 2016 was approximately HK\$1,032,000 (2015: HK\$Nil).

#### (e) Fair value of leasehold land

The Group appointed an independent professional valuer to assess the fair value of the leasehold land. In determining the fair value, the valuer has utilised a method of valuation which involves certain estimates. The directors have exercised their judgement and are satisfied that the method of valuation is reflective of the current market conditions.

The carrying amount of leasehold land as at 31 December 2016 was approximately HK\$244,474,000 (2015: HK\$215,900,000).

### 5. 估計不明朗因素的主要來源 (續)

#### (d) 所得稅(續)

確認遞延稅項資產主要與可扣減暫時差異及稅項虧損有關，視乎是否很可能獲得可利用遞延稅項資產來抵扣之未來應課稅溢利或應課稅暫時差異而定。倘所產生之未來實際應課稅溢利或應課稅暫時差異少於預期數額，則該遞延稅項資產可能予以撥回，並會於有關撥回發生期間之損益內確認。董事認為，根據錄得稅項虧損之集團公司之溢利預測，稅項虧損很可能在可見將來動用。溢利預測需要運用判斷及估計。

於二零一六年十二月三十一日，有關稅項虧損之遞延稅項資產之賬面值約為1,032,000港元(二零一五年：零港元)。

#### (e) 租賃土地的公平值

本集團委任獨立專業估值師評估租賃土地的公平值。於釐定公平值時，估值師利用的估值方法涉及若干估計。董事已行使判斷，並信納估值方法反映現行市況。

於二零一六年十二月三十一日，租賃土地的賬面值為數約244,474,000港元(二零一五年：215,900,000港元)。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

#### 6. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: foreign currency risk, credit risk, liquidity risk and interest rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

##### (a) Foreign currency risk

The Group has certain exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in HK\$, United States dollars ("USD") and Renminbi ("RMB"). The Group currently does not have a foreign currency hedging policy in respect of other foreign currency transactions, assets and liabilities. The Group monitors its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

At 31 December 2016, if HK\$ had weakened 0.5 per cent (2015: 0.5 per cent) against USD with all other variables held constant, consolidated profit after tax for the year would have been approximately HK\$1,350,000 higher (2015: consolidated loss after tax HK\$717,000 lower), arising mainly as a result of the foreign exchange gain on trade receivables and bank balances denominated in USD, but partly offset by the foreign exchange loss on trade and other payables and bank borrowings denominated in USD (2015: foreign exchange gain on trade receivables and bank balances denominated in USD, but partly offset by the foreign exchange loss on trade payables and bank borrowings denominated in USD). If HK\$ had strengthened 0.5 per cent (2015: 0.5 per cent) against USD with all other variables held constant, consolidated profit after tax for the year would have been approximately HK\$1,350,000 lower (2015: consolidated loss after tax HK\$717,000 higher), arising mainly as a result of the foreign exchange loss on trade receivables and bank balances denominated in USD, but partly offset by the foreign exchange gain on trade and other payables and bank borrowings denominated in USD (2015: foreign exchange loss on trade receivables and bank balances denominated in USD, but partly offset by the foreign exchange gain on trade payables and bank borrowings denominated in USD).

#### 6. 財務風險管理

本集團因經營業務而承受多項財務風險：外匯風險、信貸風險、流動資金風險及利率風險。本集團的整體風險管理計劃集中在金融市場的不可預測性，故務求降低本集團財務表現所受到的潛在負面影響。

##### (a) 外匯風險

由於本集團大部分商務交易、資產及負債主要以港元、美元(「美元」)及人民幣(「人民幣」)列值，故本集團面對若干外匯風險。本集團現時並無就外匯交易、資產及負債採取外匯對沖政策。本集團將密切監察其外匯風險，並將考慮於需要時對沖重大外匯風險。

於二零一六年十二月三十一日，倘港元兌美元貶值0.5% (二零一五年：0.5%)，而其他所有變數維持不變，則年內除稅後綜合溢利將增加約1,350,000港元(二零一五年：除稅後綜合虧損減少717,000港元)，主要由於以美元計值的貿易應收款項及銀行結餘產生外匯收益所致，惟部份影響被以美元計值之貿易和其他應付款項及銀行借款產生外匯虧損所抵銷(二零一五年：以美元計值的貿易應收款項及銀行結餘產生外匯收益所致，惟部份影響被以美元計值之貿易應付款項及銀行借款產生外匯虧損所抵銷)。倘港元兌美元升值0.5% (二零一五年：0.5%)，而其他所有變數維持不變，則年內除稅後綜合溢利將減少約1,350,000港元(二零一五年：除稅後綜合虧損增加717,000港元)，主要由於以美元計值的貿易應收款項及銀行結餘產生外匯虧損所致，惟部份影響被以美元計值之貿易和其他應付款項及銀行借款產生外匯收益所抵銷(二零一五年：以美元計值的貿易應收款項及銀行結餘產生外匯虧損所致，惟部份影響被以美元計值之貿易應付款項及銀行借款產生外匯收益所抵銷)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 6. FINANCIAL RISK MANAGEMENT (Continued)

#### (a) Foreign currency risk (Continued)

At 31 December 2016, if HK\$ had weakened 5 per cent (2015: 5 per cent) against RMB with all other variables held constant, consolidated profit after tax for the year would have been approximately HK\$1,027,000 lower (2015: consolidated loss after tax HK\$5,021,000 lower), arising mainly as a result of the foreign exchange loss on trade receivables and bank balances denominated in HK\$ held by the subsidiaries operating in the PRC, but partly offset by the foreign exchange gain on other receivables and bank balances denominated in RMB held by the Hong Kong subsidiaries (2015: foreign exchange gain on other receivables and bank balances denominated in RMB held by Hong Kong subsidiaries, and the foreign exchange gain on amounts due to group companies denominated in HK\$ incurred by the subsidiaries operating in the PRC). If HK\$ had strengthened 5 per cent (2015: 5 per cent) against RMB with all other variables held constant, consolidated profit after tax for the year would have been approximately HK\$1,027,000 higher (2015: consolidated loss after tax HK\$5,021,000 higher), arising mainly as a result of the foreign exchange gain on trade receivables and bank balances denominated in HK\$ held by the subsidiaries operating in the PRC, but partly offset by the foreign exchange loss on other receivables and bank balances denominated in RMB held by the Hong Kong subsidiaries (2015: the foreign exchange loss on other receivables and bank balances denominated in RMB held by Hong Kong subsidiaries, and the foreign exchange loss on amounts due to group companies denominated in HK\$ held by the subsidiaries operating in the PRC).

### 6. 財務風險管理(續)

#### (a) 外匯風險(續)

於二零一六年十二月三十一日，倘港元兌人民幣貶值5%（二零一五年：5%），而其他所有變數維持不變，則年內除稅後綜合溢利將減少約1,027,000港元（二零一五年：除稅後綜合虧損減少5,021,000港元），主要由於於中華人民共和國（「中國」）營運之附屬公司以港元計值之應收款項及銀行結餘產生外匯虧損所致，惟部份影響被以於香港營運之附屬公司以人民幣計值之貿易應收款項及銀行結餘產生之外匯收益所抵銷（二零一五年：於香港營運之附屬公司以人民幣計值之貿易應收款項及銀行結餘產生外匯收益，和於中國營運之附屬公司以港元計值之應付集團公司款項產生之外匯收益所致）。倘港元兌人民幣升值5%（二零一五年：5%），而其他所有變數維持不變，則年內除稅後綜合溢利將增加約1,027,000港元（二零一五年：除稅後綜合虧損增加5,021,000港元），主要由於於中國營運之附屬公司以港元計值之應收款項及銀行結餘產生外匯收益所致，惟部份影響被以於香港營運之附屬公司以人民幣計值之貿易應收款項及銀行結餘產生之外匯虧損所抵銷（二零一五年：於香港營運之附屬公司以人民幣計值之貿易應收款項及銀行結餘產生之外匯虧損所致，和於中國營運之附屬公司以港元計值之應付集團公司款項及銀行結餘產生之外匯虧損所致）。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

#### 6. FINANCIAL RISK MANAGEMENT (Continued)

##### (a) Foreign currency risk (Continued)

At 31 December 2016, if RMB had weakened 5 per cent (2015: 5 per cent) against USD with all other variables held constant, consolidated profit after tax for the year would have been approximately HK\$265,000 lower (2015: consolidated loss after tax HK\$4,248,000 lower), arising mainly as a result of the foreign exchange loss on trade payables of the PRC subsidiaries denominated in USD (2015: foreign exchange gain on trade receivables of the PRC subsidiaries denominated in USD). If RMB had strengthened 5 per cent (2015: 5 per cent) against USD with all other variables held constant, consolidated profit after tax for the year would have been approximately HK\$265,000 higher (2015: consolidated loss after tax HK\$4,248,000 higher), arising mainly as a result of the foreign exchange gain on trade payables of the PRC subsidiaries denominated in USD (2015: foreign exchange loss on trade receivables of the PRC subsidiaries denominated in USD).

At 31 December 2015, if RMB had weakened 5 per cent against USD with all other variables held constant, consolidated loss after tax for the year would have been approximately HK\$49,128,000 higher, arising mainly as a result of the loss on the USD to RMB forward contract included in the financial liabilities at fair value through profit or loss. At 31 December 2015, if RMB had strengthened 5 per cent against USD with all other variables held constant, consolidated loss after tax for the year would have been approximately HK\$49,128,000 lower, arising mainly as a result of the gain on the USD to RMB forward contract included in the financial liabilities at fair value through profit or loss.

#### 6. 財務風險管理(續)

##### (a) 外匯風險(續)

於二零一六年十二月三十一日，倘人民幣兌美元貶值5%（二零一五年：5%），而其他所有變數維持不變，則年內除稅後綜合溢利將減少約265,000港元（二零一五年：除稅後綜合虧損減少4,248,000港元），主要由於於中國營運之附屬公司以美元計值之貿易應付款項產生外匯虧損所致（二零一五年：於中國營運之附屬公司以美元計值之貿易應收款項產生外匯收益所致）。倘人民幣兌美元升值5%（二零一五年：5%），而其他所有變數維持不變，則年內除稅後綜合溢利將增加約265,000港元（二零一五年：除稅後綜合虧損增加4,248,000港元），主要由於於中國營運之附屬公司以美元計值之貿易應付款項產生外匯收益所致（二零一五年：於中國營運之附屬公司以美元計值之貿易應收款項產生外匯虧損所致。）

於二零一五年十二月三十一日，倘人民幣兌美元貶值5%，而其他所有變數維持不變，則年內除稅後綜合虧損將增加約49,128,000港元，主要由按公平值計入損益賬的金融負債中之美元兌人民幣遠期合約的虧損所致。於二零一五年十二月三十一日，倘人民幣兌美元升值5%，而其他所有變數維持不變，則年內除稅後綜合虧損將減少約49,128,000港元，主要由按公平值計入損益賬的金融負債中之美元兌人民幣遠期合約的收益所致。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 6. FINANCIAL RISK MANAGEMENT (Continued)

#### (b) Credit risk

The percentage of trade receivables due from the Group's largest customer and due from the Group's five largest customers in aggregate to the Group's total trade receivables are as follows:

		2016	2015
		二零一六年	二零一五年
		%	%
		百分比	百分比
Due from the Group's largest customer	應收本集團最大客戶款項	19	14
Due from the Group's five largest customers	應收本集團五大客戶款項	67	57

The Group has policies in place to ensure that sales are made to customers with an appropriate credit history.

The credit risk on pledged bank deposits, restricted bank balance and bank and cash balances is limited because the counterparties are well-recognised banks in Hong Kong and the PRC and licensed banks in the United States of America (the "USA").

#### (c) Liquidity risk

The Group's policy is to regularly monitor its liquidity requirements, its compliance with lending covenants and its relationship with its bankers to ensure that it maintains sufficient reserves of cash and readily realisable marketable securities and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

The following tables show the remaining contractual maturities at the end of the reporting period of the Group's bank borrowings and other financial liabilities, based on undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates currently at the end of the reporting period) and the earliest date the Group can be required to pay.

### 6. 財務風險管理(續)

#### (b) 信貸風險

本集團最大客戶及本集團五大客戶的貿易應收款項總值佔本集團貿易應收款項總額的百分比如下：

		2016	2015
		二零一六年	二零一五年
		%	%
		百分比	百分比
Due from the Group's largest customer	應收本集團最大客戶款項	19	14
Due from the Group's five largest customers	應收本集團五大客戶款項	67	57

本集團訂有政策，以確保只向信貸記錄良好的客戶銷售產品。

由於交易對手方均為於香港及中國廣泛認同的銀行和美利堅合眾國(「美國」)的持牌銀行，故已抵押銀行存款、有限制銀行存款及銀行及現金結餘的信貸風險有限。

#### (c) 流動資金風險

本集團之政策為定期監察其流動資金需要、其遵守借款契諾及其與銀行之關係，以確保其維持足以應付短期及較長遠之重要融資需要之現金儲備及可隨時變現有價證券以及資金之已承諾額度。

下表列示按未折現現金流量(包括按合約利率或(如為浮息)按報告期末的現行利率計算的利息金額)及本集團可能須還款的最早日期呈列的本集團於報告期末的銀行借款及其他金融負債的餘下合約期限。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 6. FINANCIAL RISK MANAGEMENT (Continued)

#### (c) Liquidity risk (Continued)

Specifically, for bank loans which contain a repayment on demand clause which can be exercised at the bank's sole discretion, the analysis shows the cash outflow based on the earliest period in which the entity can be required to pay, that is if the lenders were to invoke their unconditional rights to call the loans with immediate effect. The maturity analysis for other financial liabilities is prepared based on the scheduled repayment dates.

### 6. 財務風險管理(續)

#### (c) 流動資金風險(續)

具體而言，對於銀行可全權酌情行使的按要求償還條款的定期貸款，有關分析按可能須還款的最早期間(即倘貸款人擬行使其無條件權利要求即時償還貸款)呈列現金流量，其他金融負債的到期日分析則按預定還款期編制。

		2016 二零一六年					
		Maturity Analysis – Undiscounted cash outflows 到期日分析 – 未折現現金流出					
		On demand	Within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total undiscounted cash outflows
		按要求	一年內	一年以上 但少於兩年	兩年以上 但少於五年	五年以上	未折現現金 流出總額
		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
Trade payables	貿易應付款項	98,795	214,293	-	-	-	313,088
Other payables and accruals	其他應付款項及應計費用	3	79,576	-	-	-	79,579
Due to associates	應付聯營公司款項	636	-	-	-	-	636
Due to a related company	應付關連公司款項	2,020	-	-	-	-	2,020
Bank borrowings	銀行借款	380,680	83,747	58,884	53,114	-	576,425
		482,134	377,616	58,884	53,114	-	971,748

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 6. FINANCIAL RISK MANAGEMENT (Continued)

#### (c) Liquidity risk (Continued)

### 6. 財務風險管理(續)

#### (c) 流動資金風險(續)

		2015 二零一五年					
		Maturity Analysis – Undiscounted cash outflows 到期日分析 – 未折現現金流出					
		On demand	Within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total undiscounted cash outflows
		按要求	一年內	一年以上但少於兩年	兩年以上但少於五年	五年以上	未折現現金流出總額
		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
Trade payables	應付貿易款項	63,010	163,058	-	-	-	226,068
Other payables and accruals	其他應付款項及應計費用	24	80,158	-	-	-	80,182
Financial liabilities at fair value through profit or loss	按公平值計入損益賬的金融負債	-	52,434	26,747	-	-	79,181
Due to a related company	應付關連公司款項	1,895	-	-	-	-	1,895
Bank borrowings	銀行借款	404,536	18,161	76,042	118,026	-	616,765
		469,465	313,811	102,789	118,026	-	1,004,091

The following table summarises the maturity analysis of bank borrowings with a repayment on demand clause based on agreed scheduled repayments set out in the loan agreements. The amounts include interest payments computed using contractual rates. As a result, these amounts were greater than the amounts disclosed in the "on demand" time band in the maturity analysis contained above.

下表概述根據附有按要求償還條款的銀行借款按貸款協議載列的議定還款日期的到期日分析。該等金額包括按合約利率計算的利息款項。因此，該等金額較上文所載到期日分析中「按要求」時間範圍內披露的金額為高。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 6. FINANCIAL RISK MANAGEMENT (Continued)

#### (c) Liquidity risk (Continued)

		Maturity Analysis – bank borrowings subject to a repayment on demand clause based on scheduled repayments				
		到期日分析 – 按預定還款期附有按要求償還條款的銀行借貸				
		On demand or within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total undiscounted cash outflows
		按要求或一年內	一年以上但少於兩年	兩年以上但少於五年	五年以上	未折現金流出總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
<b>31 December 2016</b>	二零一六年十二月三十一日					
Bank borrowings	銀行借款	<b>338,980</b>	<b>26,490</b>	<b>19,698</b>	<b>-</b>	<b>385,168</b>
<b>31 December 2015</b>	二零一五年十二月三十一日					
Bank borrowings	銀行借款	336,011	48,352	45,150	-	429,513

#### (d) Interest rate risk

The Group's exposure to interest rate risk arises from its bank deposits, short term and long term borrowings. These deposits and borrowings bear interests at variable rates varied with the then prevailing market condition.

At 31 December 2016, if interest rates at that date had been 10 basis points (2015: 10 basis points) lower with all other variables held constant, consolidated profit after tax for the year would have been approximately HK\$320,000 higher (2015: consolidated loss after tax HK\$370,000 lower), arising mainly as a result of lower interest expenses on bank borrowings but partly offset by lower interest income on bank balances. If interest rates had been 100 basis points (2015: 100 basis points) higher, with all other variables held constant, consolidated profit after tax for the year would have been approximately HK\$3,201,000 lower (2015: consolidated loss after tax HK\$3,700,000 higher), arising mainly as a result of higher interest expenses on bank borrowings but partly offset by higher interest income on bank balances.

#### (d) 利率風險

本集團的利率風險來自其銀行存款、短期及長期借款。該等存款及借款按跟隨當時市場狀況而變動的不同利率計息。

於二零一六年十二月三十一日，倘利率下跌10個基點（二零一五年：10個基點），而其他所有變數維持不變，則年內除稅後綜合溢利將增加約320,000港元（二零一五年：除稅後綜合虧損減少370,000港元），主要由於銀行借款的利息開支減少所致，惟部份影響會由銀行結餘的利息收入減少所抵銷。倘利率上升100個基點（二零一五年：100個基點），而其他所有變數維持不變，則年內除稅後綜合溢利將減少約3,201,000港元（二零一五年：除稅後綜合虧損增加3,700,000港元），主要由於銀行借款的利息開支增加所致，惟部份影響會由銀行結餘的利息收入增加所抵銷。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

**6. FINANCIAL RISK MANAGEMENT (Continued)****(e) Categories of financial instruments at 31 December 2016****6. 財務風險管理(續)****(e) 於二零一六年十二月三十一日金融工具之分類**

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>Financial assets:</b>	<b>金融資產：</b>		
Loans and receivables (including cash and cash equivalents)	貸款及應收款項(包括現金及等同現金項目)	<b>772,466</b>	677,284
<b>Financial liabilities:</b>	<b>金融負債：</b>		
Financial liabilities at amortised cost	按攤銷成本計算之金融負債	<b>961,275</b>	911,732
Financial liabilities at fair value through profit or loss:	按公平值計入損益賬的金融負債：		
Held for trading	持作買賣	-	78,368

**(f) Fair values**

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the consolidated statement of financial position approximate their respective fair values.

**(f) 公平值**

本集團之金融資產及金融負債於綜合財務狀況表反映之賬面值概若相等於各自之公平值。

**7. FAIR VALUE MEASUREMENTS**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following disclosures of fair value measurements use a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2 inputs: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs: unobservable inputs for the asset and liability.

The Group's policy is to recognise transfers into and transfers out of any of the three levels as of the date of the event or change in circumstances that caused the transfer.

**7. 公平值計量**

公平值指市場參與者之間於計量日期在有序交易中出售資產將收取或轉讓負債將支付的價格。下文披露使用公平值等級計量的公平值，用作計量公平值的估值方法參數據此分為三個級別：

第1層：本集團可於計量日期獲得之相同資產及負債於活躍市場之報價(未經調整)。

第2層：第一層所包括於報價以外，資產及負債直接或間接觀察得出之參數。

第3層：資產或負債不可觀察之參數。

本集團的政策為確認截至事件或變化日期導致轉讓的任何三個級別轉入及轉出情況。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

**7. FAIR VALUE MEASUREMENTS (Continued)****(a) Disclosures of level in fair value hierarchy:**

Description	項目	Fair value measurement using:			Total 總數 二零一六年 HK\$'000 千港元
		Level 1 第1層 HK\$'000 千港元	Level 2 第2層 HK\$'000 千港元	Level 3 第3層 HK\$'000 千港元	
<b>Recurring fair value measurements:</b>					
<b>Leasehold land</b>					
Commercial – Hong Kong	商業 – 香港	–	–	37,860	37,860
Commercial – the PRC	商業 – 中國	–	–	206,772	206,772
<b>Total</b>	<b>合計</b>	–	–	<b>244,632</b>	<b>244,632</b>

**7. 公平值計量(續)****(a) 公平值等級架構披露:**

Description	項目	Fair value measurement using:			Total 總數 二零一五年 HK\$'000 千港元
		Level 1 第1層 HK\$'000 千港元	Level 2 第2層 HK\$'000 千港元	Level 3 第3層 HK\$'000 千港元	
<b>Recurring fair value measurements:</b>					
<b>Leasehold land</b>					
Commercial – Hong Kong	商業 – 香港	–	–	36,000	36,000
Commercial – the PRC	商業 – 中國	–	–	179,900	179,900
<b>Total</b>	<b>合計</b>	–	–	<b>215,900</b>	<b>215,900</b>

<b>Recurring fair value measurements:</b>					
<b>Financial liabilities</b>					
Financial liabilities at fair value through profit or loss	按公平值計入損益賬的金融負債				
Contingent consideration payable	應付或然代價	–	–	7,166	7,166
Derivatives – currency forward contracts	衍生工具 – 遠期外匯合約	–	71,121	–	71,121
Derivatives – interest rate swap	衍生工具 – 利率掉期	–	81	–	81
		–	71,202	7,166	78,368

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 7. FAIR VALUE MEASUREMENTS (Continued)

#### (b) Reconciliation of assets/(liabilities) measured at fair value based on level 3:

### 7. 公平值計量(續)

#### (b) 根據第三層公平值計量的資產/(負債)對賬:

		Properties held for own use – Leasehold land 持作自用物業 – 租賃土地 HK\$'000 千港元	Continent consideration payable 應付或然代價 HK\$'000 千港元	2016 Total 總計 HK\$'000 千港元
At beginning of year	年初	215,900	(7,166)	208,734
Settlements	償付	–	7,166	7,166
Recognised in profit or loss:	於損益中確認:			
Depreciation charge for the year recognised in cost of sales and general and administrative expenses	年內於銷售成本及一般及行政開支中確認之折舊開支	(5,862)	–	(5,862)
Recognised in other comprehensive income:	於其他全面收益中確認:			
Exchange differences on translating foreign operations	換算海外業務產生之匯兌差額	(10,710)	–	(10,710)
Surplus on revaluation of leasehold land	租賃土地價值重估之盈餘	45,146	–	45,146
At end of year	年末	244,474	–	244,474



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

#### 7. FAIR VALUE MEASUREMENTS (Continued)

##### (b) Reconciliation of assets/(liabilities) measured at fair value based on level 3: (Continued)

#### 7. 公平值計量(續)

##### (b) 根據第三層公平值計量的資產/(負債)對賬:(續)

		Properties held for own use – Leasehold land 持作自用物業 – 租賃土地 HK\$'000 千港元	Continent consideration payable 應付或然代價 HK\$'000 千港元	2015 Total 總計 HK\$'000 千港元
At beginning of year	年初	175,400	–	175,400
Additions	添置	–	(6,750)	(6,750)
Recognised in profit or loss:	於損益中確認:			
Depreciation charge for the year recognised in cost of sales and general and administrative expenses	年內於銷售成本及一般及行政開支中確認之折舊開支	(4,349)	–	(4,349)
Loss on financial liabilities at fair value through profit or loss recognised in other operating expenses and income	於其他營運開支及收入中確認之按公平值計入損益賬的金融負債虧損	–	(416)	(416)
Recognised in other comprehensive income:	於其他全面收益中確認:			
Exchange differences on translating foreign operations	換算海外業務產生之匯兌差額	(6,058)	–	(6,058)
Surplus on revaluation of leasehold land	租賃土地價值重估之盈餘	50,907	–	50,907
At end of year	年末	215,900	(7,166)	208,734

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 7. FAIR VALUE MEASUREMENTS (Continued)

#### (b) Reconciliation of assets/(liabilities) measured at fair value based on level 3: (Continued)

The total gains or losses recognised in other comprehensive income are presented in surplus on revaluation of leasehold land and exchange differences on translating foreign operations in the consolidated statement of profit or loss and other comprehensive income.

The total gains or losses recognised in profit or loss are presented in cost of sales and general and administrative expenses (2015: cost of sales, general and administrative expenses, and other operating expenses and income) in the consolidated statement of profit or loss.

All the gains or losses recognised in profit or loss for the year were attributable the unrealised gain and loss of the leasehold land (2015: the leasehold land and the contingent consideration payable) held at the end of reporting period.

#### (c) Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements at 31 December 2016:

The Group's financial controller (2015: chief financial officer) is responsible for the fair value measurements of assets and liabilities required for financial reporting purposes, including level 3 fair value measurements. The financial controller (2015: chief financial officer) reports directly to the Board of Directors for these fair value measurements. Discussions of valuation processes and results are held between the financial controller (2015: chief financial officer) and the Board of Directors at least twice a year.

For level 3 fair value measurements, the Group will normally engage external valuation experts with the recognised professional qualifications and recent experience to perform the valuations.

Key unobservable inputs used in level 3 fair value measurements are mainly adjusted accommodation value of the PRC and Hong Kong leasehold land per square metre estimated based on recent market transactions.

### 7. 公平值計量(續)

#### (b) 根據第三層公平值計量的資產／(負債)對賬：(續)

於其他全面收益中確認之總收益或虧損乃於綜合損益及其他全面收益表中之租賃土地價值重估之盈餘及換算海外業務產生之匯兌差額呈列。

於損益內確認之總收益或虧損乃於綜合損益表中之銷售成本以及一般及行政開支(二零一五年：銷售成本、一般及行政開支以及其他營運開支及收入)呈列。

所有於損益內確認的收益或虧損均由於報告期末所持之租賃土地(二零一五年：租賃土地及應付或然代價)的未實現收益及虧損所致。

#### (c) 於二零一六年十二月三十一日本集團所採用的估值程序及公平值計量所採用的估值方法及參數的披露：

本集團的財務總監(二零一五年：首席財務總監)負責就財務報告進行所需的資產及負債的公平值計量(包括第3層公平值計量)。財務總監(二零一五年：首席財務總監)就此等公平值計量直接向董事會匯報。財務總監(二零一五年：首席財務總監)與董事會每年至少兩次檢討討論估值程序及有關結果。

就第三層公平值計量而言，本集團一般委聘具備認可專業資格且有近期估值經驗的外聘估值專家。

第三層公平值計量所用主要不可觀察參數主要包括根據最近的市場交易估計中國及香港租賃土地的已調整每平方米單位價格。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

#### 7. FAIR VALUE MEASUREMENTS (Continued)

##### (c) Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements at 31 December 2016: (Continued)

##### Level 2 fair value measurements

#### 7. 公平值計量(續)

##### (c) 於二零一六年十二月三十一日本集團所採用的估值程序及公平值計量所採用的估值方法及參數的披露:(續)

##### 第二層公平值計量

Description 項目	Valuation technique 估值方法	Inputs 參數	Fair value 公平值	
			Liabilities 負債 2016 二零一六年 HK\$'000 千港元	Liabilities 負債 2015 二零一五年 HK\$'000 千港元
Financial liabilities at fair value through profit or loss				
Derivatives				
– currency forward contracts	Marking-to-market approach and discounted cash flow method	(i) Contractual amount (ii) Risk-free rate (iii) Expected tenor (iv) Contractual exchange rate (v) Settlement date market forward exchange rate	–	71,121
按公平值計入損益賬之金融負債 衍生工具 –遠期外匯合約	市價計值法及折現現金流法	(i) 合約金額 (ii) 無利率風險 (iii) 預計年期 (iv) 合約匯率 (v) 結算日的市場遠期匯率		
– interest rate swap	Marking-to-market approach and discounted cash flow method	(i) Notional amount (ii) Fixed rate (iii) Counterparty floating rate (iv) Effective date and termination date	–	81
–利率掉期	市價計值法及折現現金流法	(i) 名義金額 (ii) 固定利率 (iii) 對方浮動利率 (iv) 有效日期及終止日期		

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 7. FAIR VALUE MEASUREMENTS (Continued)

#### (c) Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements at 31 December 2016: (Continued)

##### Level 3 fair value measurements

### 7. 公平值計量(續)

#### (c) 於二零一六年十二月三十一日本集團所採用的估值程序及公平值計量所採用的估值方法及參數的披露:(續)

##### 第三層公平值計量

Description 項目	Valuation technique 估值方法	Unobservable inputs 不可觀察的參數	Range 範圍	Effect on fair value for increase of inputs 參數增加對 公平值的影響	Fair value 公平值	
					2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Land use rights in Egongling Village, Pinghu Town, Shenzhen City, the PRC 中國深圳市平湖鎮鵝公嶺村的土地使用權	Direct comparison approach 直接比較法	Adjusted accommodation value per square metre taking into account the differences from the comparables with respect to location, quantum, usage and time 經考慮可比較土地之地點、面積、用途及時間差異的每平方米經調整樓面價格	RMB1,185/square metre – RMB1,494/square metre (2015: RMB731/square metre – RMB1,461/square metre) 每平方米人民幣1,185元至每平方米人民幣1,494元(二零一五年:每平方米人民幣731元至每平方米人民幣1,461元)	Increase 增加	11,200	8,700
Land use rights in Phoenix Avenue, Pinghu Town, Shenzhen City, the PRC 中國深圳市平湖鎮鳳凰大道的土地使用權	Direct comparison approach 直接比較法	Adjusted accommodation value per square metre taking into account the differences from the comparables with respect to location, quantum, facilities, and tenure 經考慮可比較土地之地點、面積、設施及使用年期差異的每平方米經調整樓面價格	RMB1,753/square metre – RMB1,844/square metre (2015: RMB731/square metre – RMB1,461/square metre) 每平方米人民幣1,753元至每平方米人民幣1,844元(二零一五年:每平方米人民幣731元至每平方米人民幣1,461元)	Increase 增加	72,972	57,000
Land use rights in Western District of Daya Bay, Huizhou City, the PRC 中國惠州大亞灣西區的土地使用權	Direct comparison approach 直接比較法	Adjusted accommodation value per square metre taking into account the differences from the comparables with respect to location, quantum, and tenure 經考慮可比較土地之地點、面積及使用年期差異的每平方米經調整樓面價格	RMB221/square metre – RMB503/square metre (2015: RMB250/square metre – RMB300/square metre) 每平方米人民幣221元至每平方米人民幣503元(二零一五年:每平方米人民幣250元至每平方米人民幣300元)	Increase 增加	116,700	107,900

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

**7. FAIR VALUE MEASUREMENTS (Continued)****(c) Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements at 31 December 2016: (Continued)****Level 3 fair value measurements (Continued)****7. 公平值計量(續)****(c) 於二零一六年十二月三十一日本集團所採用的估值程序及公平值計量所採用的估值方法及參數的披露：(續)**  
**第三層公平值計量(續)**

Description 項目	Valuation technique 估值方法	Unobservable inputs 不可觀察的參數	Range 範圍	Effect on fair value for increase of inputs 參數增加對公平值的影響	Fair value 公平值	
					2016 二零一六年	2015 二零一五年
					HK\$'000 千港元	HK\$'000 千港元
Land use rights in Wuhu City, Anhui Province, the PRC 中國安徽省蕪湖市的土地使用權	Direct comparison approach 直接比較法	Adjusted accommodation value per square metre taking into account the differences from the comparables with respect to location, quantum, and tenure 經考慮可比較土地之地點、面積及使用年期差異的每平方米經調整樓面價格	RMB132/square metre – RMB173/square metre (2015: RMB157/square metre – RMB158/square metre) 每平方米人民幣132元至每平方米人民幣173元(二零一五年：每平方米人民幣157元至每平方米人民幣158元)	Increase 增加	<b>5,900</b>	6,300
Land use rights in Kowloon Bay, Hong Kong 香港九龍灣的土地使用權	Direct comparison approach 直接比較法	Adjusted accommodation value per square metre taking into account the differences from the comparables with respect to location, quantum, time and view 經可比較土地之地點、面積、時間及景觀差異的每平方米經調整樓面價格	HK\$9,224/square metre – HK\$15,365/square metre (2015: HK\$9,005/square metre – HK\$12,801/square metre) 每平方米9,224港元至每平方米15,365港元(二零一五年：每平方米9,005港元至每平方米12,801港元)	Increase 增加	<b>37,860</b>	36,000
Contingent consideration payable 應付或然代價	Discounted cash flow method 已貼現現金流量	Discount rate 貼現率	22.75%	Decrease 減少	-	(7,166)
		Expected profit after tax derived from the new business acquired 由收購新業務帶來之預期除稅後溢利	Approximately HK\$4,500,000 to HK\$4,900,000 for each year 約每年4,500,000至4,900,000港元	Increase 增加		

The fair value of leasehold land held for own use located in the PRC and Hong Kong is determined using direct comparison approach by reference to recent sales price of comparable leasehold land on an accommodation value per metre basis, adjusted for a premium or a discount specific to the quality of the Group's leasehold land compared to the recent sales. Higher premium for higher quality land will result in a higher fair value measurement.

During the two years, there were no changes in the valuation techniques used.

位於中國及香港持有作自用的租賃土地的公平值乃使用直接比較法釐定，當中已參考可比較租賃土地近期銷售的每平方米樓面價格，並按本集團租賃土地的質量與最近銷售比較所引致的溢價或折讓作出調整。高質量土地可享有較高溢價，並可產生較高的公平值計量數值。

於兩個年度，所使用的估值方法並無變動。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 8. REVENUE

The Group is principally engaged in the sale and manufacture of zinc, magnesium and aluminium alloy die casting and plastic injection products and components.

Revenue represents the net amounts received and receivable for goods sold, net of returns and allowances to customers during the year.

### 8. 收入

本集團主要從事生產及銷售鋅、鎂及鋁合金壓鑄、塑膠注塑產品和零部件。

收入指於年內銷售貨品的已收及應收款項淨額(已扣除退貨及給予客戶的折扣)。

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Sales of goods	銷售貨品	<b>1,742,476</b>	1,539,344

### 9. OTHER INCOME

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Exchange difference	匯兌差額	<b>9,095</b>	8,842
Interest income on bank deposits	銀行存款利息收入	<b>868</b>	2,194
Rental income	租金收入	<b>789</b>	401
Reimbursement from customers	客戶報銷收回	<b>8,023</b>	7,251
Sales of scrap materials	廢料銷售	<b>615</b>	2,239
Government grants	政府補助金	<b>3,967</b>	1,401
Others	其他	<b>2,320</b>	1,392
		<b>25,677</b>	23,720

Government grants mainly comprised unconditional support for subsidizing the Group's research and development.

政府補助金主要包括無條件支援本集團之研發之資助。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 10. SEGMENT INFORMATION

For management purposes, the Group's operation is currently categorised into five (2015: five) operating divisions – zinc, magnesium and aluminum alloy die casting, plastic injection products and components and lighting products. These divisions are the basis of the Group's five reportable segments. The Group's reportable segments are strategic business units that offer different products. They are managed separately because each business requires different technology and different cost measurement.

Segment profits or losses do not include interest income, corporate income, gain or loss from derivative instruments, gain on deemed disposal of subsidiaries, share of loss of associates, gain on a bargain purchase, corporate expenses, finance costs and income tax expense.

### 10. 分部資料

為方便管理，本集團現時業務分為五個營運部門(二零一五年：五個)－鋅、鎂及鋁合金壓鑄、塑膠注塑產品和零部件以及照明產品。該等部門是本集團呈報五個分部資料的基準。本集團之呈報分部為提供不同產品之的策略業務單位。由於有關業務需要不同技術及有不同成本計量方式，故該等分部乃獨立管理。

分部溢利或虧損不包括利息收入、企業收益、來自衍生工具之損益、視作出售附屬公司收益、攤分聯營公司損失、議價收購之收益、企業開支、融資成本及所得稅開支。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 10. SEGMENT INFORMATION (Continued)

#### Information about reportable segment profit or loss:

### 10. 分部資料(續)

呈報分部溢利或虧損之資料如下：

		Zinc alloy die casting 鋅合金壓鑄 HK\$'000 千港元	Magnesium alloy die casting 鎂合金壓鑄 HK\$'000 千港元	Aluminium alloy die casting 鋁合金壓鑄 HK\$'000 千港元	Plastic injection 塑膠注塑 HK\$'000 千港元	Lighting products 照明產品 HK\$'000 千港元	Total 總數 HK\$'000 千港元
<b>Year ended 31 December 2016</b>	<b>截至二零一六年十二月三十一日止年度</b>						
Revenue from external customers	來自外來客戶的收入	230,614	691,194	195,763	601,267	23,638	1,742,476
Segment profit/(loss)	分部溢利/(虧損)	16,737	30,377	5,404	78,663	(11,005)	120,176
Depreciation and amortisation	折舊及攤銷	8,538	38,717	7,969	33,730	190	89,144
<b>Year ended 31 December 2015</b>	<b>截至二零一五年十二月三十一日止年度</b>						
Revenue from external customers	來自外來客戶的收入	250,322	529,870	213,760	532,151	13,241	1,539,344
Segment profit/(loss)	分部溢利/(虧損)	12,708	16,071	874	72,599	(78,983)	23,269
Depreciation and amortisation	折舊及攤銷	12,073	33,474	7,327	22,586	7,216	82,676
Impairment loss on property, plant and equipment	物業、機器及設備減值虧損	–	–	–	–	4,750	4,750
Impairment loss on intangible assets	無形資產減值虧損	–	–	–	–	11,206	11,206



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

**10. SEGMENT INFORMATION (Continued)****Reconciliation of reportable segment revenue, profit or loss:****10. 分部資料(續)**

呈報分部收入、溢利或虧損之對賬：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>Revenue</b>	<b>收入</b>		
Total revenue of reportable segments	呈報分部之總收入	<b>1,742,476</b>	1,539,344
Unallocated amounts	不分類數目	-	-
<b>Consolidated revenue</b>	<b>綜合收入</b>	<b>1,742,476</b>	1,539,344
		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>Profit or loss</b>	<b>溢利或虧損</b>		
Total profit of reportable segments	呈報分部總溢利	<b>120,176</b>	23,269
Unallocated amounts:	不分類數目：		
Gain on a bargain purchase	議價收購收益	-	9,546
Gain on deemed disposal of subsidiaries	視作出售附屬公司收益	<b>4,635</b>	-
Share of loss of associates	攤分聯營公司損失	<b>(3,400)</b>	-
Interest income	利息收入	<b>868</b>	2,194
Gain on financial liabilities at fair value through profit or loss	按公平值計入損益賬的金融負債之收益	<b>14,767</b>	33
Loss on financial liabilities at fair value through profit or loss	按公平值計入損益賬的金融負債之虧損	-	(71,679)
Finance costs	融資成本	<b>(17,489)</b>	(8,792)
Income tax expense	所得稅開支	<b>(46,252)</b>	(5,410)
Corporate income	企業收入	<b>9,262</b>	8,927
Corporate expenses	企業開支	<b>(22,665)</b>	(35,254)
<b>Consolidated profit/(loss) for the year</b>	<b>年內綜合溢利/(虧損)</b>	<b>59,902</b>	(77,166)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 10. SEGMENT INFORMATION (Continued)

#### Reconciliation of reportable segment revenue, profit or loss: (Continued)

### 10. 分部資料(續)

#### 呈報分部收入、溢利或虧損之對賬：(續)

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>Other material items – depreciation and amortisation</b>	<b>其他重大項目 – 折舊及攤銷</b>		
Total depreciation and amortisation of reportable segments	呈報分部總折舊及攤銷	<b>89,144</b>	82,676
Unallocated amounts:	不分類數目：		
Depreciation of property, plant and equipment for corporate use	企業用物業、機器及設備折舊	<b>1,356</b>	4,288
Consolidated depreciation and amortisation	綜合折舊及攤銷	<b>90,500</b>	86,964

#### Geographical information:

#### 地區資料：

		Revenue 收入	
		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Hong Kong	香港	<b>307,492</b>	423,003
The PRC except Hong Kong	中國(香港除外)	<b>822,741</b>	597,153
Japan	日本	<b>23,063</b>	3,718
USA	美國	<b>472,291</b>	448,620
Others	其他	<b>116,889</b>	66,850
Consolidated total	綜合總數	<b>1,742,476</b>	1,539,344

In presenting the geographical information, revenue is based on the locations of the customers.

呈列地區資料時，收入是以客戶的地區為基準。

The Group's non-current assets by geographical areas are not presented as the geographical segments other than the PRC are less than 10% (2015: less than 10%) of the aggregate amount of all segments.

因為除中國外之地區分部金額佔所有分部之總額少於10% (二零一五年：少於10%)，所以本集團按地區之非流動資產沒有呈列。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

#### 10. SEGMENT INFORMATION (Continued)

##### Revenue from major customers:

#### 10. 分部資料(續)

##### 來自主要客戶之收入：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Zinc alloy die casting segment	鋅合金壓鑄分部		
Customer a	客戶a	<b>117,678</b>	132,886
Customer b	客戶b	<b>55,394</b>	54,823
Customer c	客戶c	<b>4,518</b>	–
Magnesium alloy die casting segment	鎂合金壓鑄分部		
Customer c	客戶c	<b>256,053</b>	180,817
Customer e	客戶e	<b>144,177</b>	108,138
Aluminium alloy die casting segment	鋁合金壓鑄分部		
Customer a	客戶a	<b>110,367</b>	116,594
Customer e	客戶e	<b>7,814</b>	4,475
Customer c	客戶c	<b>145</b>	–
Plastic injection segment	塑膠注塑分部		
Customer b	客戶b	<b>115,718</b>	118,029
Customer a	客戶a	<b>1,120</b>	8,536
Customer d	客戶d	<b>408,833</b>	374,948

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

**11. OTHER OPERATING EXPENSES AND INCOME****11. 其他經營開支及收入**

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Acquisition-related costs in business combination	業務合併中與收購有關的費用	-	450
Allowance for inventories	存貨撥備	<b>12,110</b>	6,147
Bad debts written off (net of bad debt recovery)	壞賬撇銷(扣減壞賬收回)	<b>275</b>	14
Gain on financial liabilities at fair value through profit or loss	按公平值計入損益之金融負債收益	<b>(14,767)</b>	(33)
Impairment loss on intangible assets	無形資產之減值虧損	-	11,206
Impairment loss on property, plant and equipment	物業、機器及設備之減值虧損	<b>1,122</b>	4,750
(Gain)/Loss on disposal of property, plant and equipment	出售物業、機器及設備的(收益)/虧損	<b>(45)</b>	267
Loss on financial liabilities at fair value through profit or loss	按公平值計入損益之金融負債虧損	-	71,679
Property, plant and equipment written back	物業、機器及設備撇銷回撥	-	(1,000)
Property, plant and equipment written off	物業、機器及設備撇銷	<b>4,515</b>	3,888
Reversal of allowance for doubtful debts	撥回呆賬撥備	<b>(53)</b>	(358)
		<b>3,157</b>	97,010

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

#### 12. FINANCE COSTS

#### 12. 融資成本

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Interest expenses on bank borrowings	總借貸成本	<b>17,933</b>	16,480
Amount capitalised	資本化金額	<b>(444)</b>	(7,688)
		<b>17,489</b>	8,792

The analysis shows the finance costs of bank borrowings including bank borrowings which contain a repayment on demand clause, in accordance with the agreed scheduled repayments dates set out in the loan agreements. For the years ended 31 December 2016 and 2015, the interest on bank borrowings which contain a repayment on demand clause before the capitalisation of borrowing costs amounted to approximately HK\$10,392,000 and HK\$13,500,000 respectively.

The weighted average capitalisation rate on funds borrowed generally is at a rate of 3.2% (2015: 3.1%) per annum.

有關分析列示銀行借款的融資成本，包括根據貸款協議所載的議定預定還款期之附有按要求償還條款的銀行借款。截至二零一六年及二零一五年十二月三十一日止年度，附有按要求償還條款的銀行借款及在資本化前的利息分別約為10,392,000港元及13,500,000港元。

借貸資金之加權平均資本化年利率普遍為3.2% (二零一五年：3.1%)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

**13. INCOME TAX EXPENSE****13. 所得稅開支**

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Current tax – Hong Kong Profits Tax	即期稅項 – 香港利得稅		
Provision for the year	本年度撥備	<b>7,653</b>	7,338
(Over)/Under-provision in prior years	過往年度(超額撥備)/撥備不足	<b>(1,723)</b>	1,210
Current tax – PRC enterprise income tax	即期稅項 – 中國企業所得稅		
Provision for the year	本年度撥備	<b>14,770</b>	11,360
Over-provision in prior years	過往年度超額撥備	<b>(833)</b>	(385)
Deferred tax (note 33)	遞延稅項(附註33)	<b>26,385</b>	(14,113)
<b>Income tax expense</b>	<b>所得稅開支</b>	<b>46,252</b>	5,410

Hong Kong Profits Tax has been provided at a rate of 16.5% (2015: 16.5%) on the estimated assessable profits of Hong Kong incorporated subsidiaries for the year ended 31 December 2016.

Under the PRC Enterprise Income Tax (the "EIT") Law, the statutory tax rate for the Group's subsidiaries established and operating in Mainland China is 25% (2015: 25%). However, one of the Group's subsidiaries has been recognised as a "New and High Technology Enterprise" in the PRC and were therefore subject to a preferential tax rate of 15% (2015: 15%) for the year ended 31 December 2016.

Income tax on overseas profit has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing on the overseas countries in which the Group operates.

According to the PRC EIT Law, withholding tax of a rate of 10% would be imposed on dividends relating to profits earned from 2008 onwards to foreign investors for the companies established in the PRC. Such dividend tax rate may be further reduced by applicable tax treaties or arrangements.

截至二零一六年十二月三十一日止年度之香港利得稅根據香港註冊附屬公司之估計應課稅溢利以稅率16.5% (二零一五年: 16.5%) 作出撥備。

根據中國企業所得稅法，本集團於中國大陸成立及營運之附屬公司之法定稅率為25% (二零一五年: 25%)。但是，本集團其中一間附屬公司獲確定為中國「高新技術企業」，因此其於截至二零一六年十二月三十一日止年度可享有15% (二零一五年: 15%) 之優惠稅率。

海外溢利之所得稅根據年內估計應課稅溢利以本集團有營運之海外國家之現行稅率計算。

根據中國企業所得稅法，外國投資者由二零零八年起自於中國成立之公司賺取利潤相關之股息將被施加10%預提所得稅。該股息之稅率有可能按適用稅務條例或安排進一步降低。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

#### 13. INCOME TAX EXPENSE (Continued)

The reconciliation between the income tax expense and the product of profit/(loss) before tax multiplied by the Hong Kong Profits Tax rate is as follows:

#### 13. 所得稅開支(續)

所得稅開支與除稅前溢利/(虧損)乘以香港利得稅稅率計算所得結果的對賬如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Profit/(Loss) before tax	除稅前溢利/(虧損)	<b>106,154</b>	(71,756)
Tax at Hong Kong Profits Tax rate at 16.5% (2015: 16.5%)	按香港利得稅稅率16.5%(二零一五年: 16.5%)計算的稅項	<b>17,515</b>	(11,840)
Tax effect of expenses that are not deductible	不可扣稅開支的稅務影響	<b>8,893</b>	3,550
Tax effect of income that is not taxable	毋須課稅收入的稅務影響	<b>(4,113)</b>	(929)
Tax effect of temporary differences not recognised	未確認暫時差異的稅務影響	<b>(290)</b>	(443)
Tax effect of share of loss of associates	攤分聯營公司損失之稅務影響	<b>561</b>	-
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	<b>16,605</b>	24,351
Utilisation of tax losses not previously recognised	動用先前未確認之稅項虧損之影響	<b>(6,973)</b>	(2,611)
Withholding tax arising from undistributed profits of a PRC subsidiary	來自中國子公司未分配利潤所產生之預提所得稅	<b>15,852</b>	-
Over-provision in prior years	過往年度超額撥備	<b>(2,556)</b>	(385)
Under-provision in prior years	過往年度撥備不足	-	1,210
Over-provision for current year	本年度超額撥備	<b>157</b>	726
Effect of different tax rates of subsidiaries	附屬公司稅率不同的稅務影響	<b>601</b>	(8,219)
Income tax expense	所得稅開支	<b>46,252</b>	5,410

In addition to the amount charged to profit or loss, deferred tax relating to the revaluation of the Group's leasehold land during the year has been charged to other comprehensive income.

除在損益表列賬外，於年內本集團之租賃土地重估之有關遞延稅項已在其他全面收益中列賬。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

**14. PROFIT/(LOSS) FOR THE YEAR**

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

**14. 年內溢利／(虧損)**

本集團年內之溢利／(虧損)已扣除／(計入)下列各項：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Amortisation of intangible assets (included in general and administrative expenses)	無形資產攤銷(包含於一般及行政開支)	-	2,402
Acquisition-related costs in business combination (note (a))	業務合併中與收購有關的費用(附註(a))	-	450
Allowance for inventories (note (a))	存貨撥備(附註(a))	12,110	6,147
Reversal of allowance for doubtful debts (note (a))	呆賬撥備回撥(附註(a))	(53)	(358)
Bad debts recovery (note (a))	壞賬收回(附註(a))	-	(4)
Bad debts written off (note (a))	壞賬撇銷(附註(a))	275	18
Auditor's remuneration	核數師酬金		
Provision for the year	本年度撥備	1,660	1,650
Over-provision in prior year	過往年度超額撥備	-	(90)
		1,660	1,560
Impairment on intangible asset (note (a))	無形資產減值虧損(附註(a))	-	11,206
Impairment loss on property, plant and equipment (note (a))	物業、機器及設備減值虧損(附註(a))	1,122	4,750
Cost of inventories sold (note (c))	已售存貨成本(附註(c))	1,288,458	1,134,933
Depreciation of property, plant and equipment	物業、機器及設備折舊	90,500	84,562
Net (gain)/loss on disposal of property, plant and equipment (note (a))	出售物業、機器及設備之(收益)／虧損(附註(a))	(45)	267
Property, plant and equipment written off (note (a))	物業、機器及設備撇銷(附註(a))	4,515	3,888
Property, plant and equipment written back (note (a) and (b))	物業、機器及設備撇銷回撥(附註(a)及(b))	-	(1,000)
Loss on financial liabilities at fair value through profit or loss (note (a))	按公平值計入損益之金融負債虧損(附註(a))	-	71,679
Gain on financial liabilities at fair value through profit or loss (note (a))	按公平值計入損益賬之金融負債收益(附註(a))	(14,767)	(33)
Net exchange gain	淨滙兌收益	(9,095)	(8,842)
Operating lease charges in respect of land and buildings	土地及樓宇經營租約支出	8,860	11,212
Other fees paid to the auditor of the Company	付本公司核數師之其他費用	399	569
Research and development expenditure (note (d))	研究及開發支出(附註(d))	23,994	35,102



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 14. PROFIT/(LOSS) FOR THE YEAR (Continued)

Note:

- (a) These amounts were included in other operating expenses and income.
- (b) A fire accident took place in one of the Group's production bases in Shenzhen, the PRC on 27 November 2013 and impairment loss of approximately HK\$52,343,000 had been made for inventories and property, plant and equipment of the Group as a result of the fire accident and was included in other operating expenses in the consolidated statement of profit or loss for the year ended 31 December 2013. Machines of approximately HK\$3,137,000 and HK\$1,000,000 written off during 2013 have been repaired and the impairment loss was written back during the year ended 31 December 2014 and 2015 respectively.
- (c) Cost of inventories sold includes staff costs and depreciation of approximately HK\$421,952,000 (2015: HK\$365,933,000), which are included in the amounts disclosed separately.
- (d) Research and development expenditure includes staff costs of approximately HK\$11,828,000 (2015: HK\$20,158,000), which are included in the amounts disclosed separately.

### 14. 年內溢利／(虧損)(續)

附註:

- (a) 該等款項已計入其他營運開支及收入內。
- (b) 於二零一三年十一月二十七日，本集團位於中國深圳的其中一間生產基地發生火災，本集團已因此就存貨以及物業、機器及設備作出減值虧損52,343,000港元。減值虧損已計入於二零一三年十二月三十一日年度的綜合損益表的其他營運開支內。由於約3,137,000港元及1,000,000港元之機器設備已於二零一三年作減值虧損但及後經維修回復，所以全數亦在截至二零一四及二零一五年十二月三十一日止之年度作出減值虧損回撥。
- (c) 已售存貨成本包括員工成本及折舊約421,952,000港元(二零一五年：365,933,000港元)，彼等已各自分別披露。
- (d) 研究及開發支出中包括獨立披露的員工成本約11,828,000港元(二零一五年：20,158,000港元)。

### 15. EMPLOYEE BENEFITS EXPENSE

### 15. 僱員福利開支

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Employee benefits expense (excluding directors' emoluments):	僱員福利開支 (不包括董事酬金):		
Salaries, bonuses and allowances	薪酬、花紅及津貼	434,674	392,373
Equity-settled share-based payments	以權股結算以股份支付之款項	-	111
Retirement benefit scheme contributions	退休福利計劃供款	28,655	21,581
Other benefits	其他福利	35,566	30,770
		<b>498,895</b>	444,835

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

**15. EMPLOYEE BENEFITS EXPENSE (Continued)****Five highest paid individuals**

The five highest paid individuals in the Group during the year included 3 (2015: 3) directors whose emoluments are reflected in the analysis presented in note 16. The emoluments of the remaining 2 (2015: 2) individuals for the year ended 31 December 2016 are set out below:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Basic salaries and allowances	基本薪酬及津貼	2,807	3,229
Discretionary bonus	酬情花紅	194	50
Retirement benefits scheme contributions	退休福利計劃供款	36	18
		<b>3,037</b>	<b>3,297</b>

The emoluments fell within the following bands:

酬金介乎以下範圍：

		Number of individuals 人數	
		2016 二零一六年	2015 二零一五年
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	1	1
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	1	1

During the year, no emoluments were paid by the Group to any of these highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

年內，本集團並無向該等最高薪人士支付任何作為加盟本集團時或之後的獎勵或離職的補償之酬金。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

**16. BENEFITS AND INTEREST OF DIRECTORS****(a) Emoluments of directors**

The emoluments of each director were as follows:

**16. 董事福利及利益****(a) 董事酬金**

各董事的酬金如下：

Name of director	董事姓名	Fees 袍金 HK\$'000 千港元	Salaries and allowances 薪金及津貼 HK\$'000 千港元	Discretionary bonus 酬情花紅 HK\$'000 千港元	Estimated money value of other benefits	Retirement benefits contributions	Total 總計 HK\$'000 千港元
					其他福利的估計貨幣價值 HK\$'000 千港元 (note v) (附註v)	退休計劃計劃供款 HK\$'000 千港元	
<b>Year ended 31 December 2016</b>		<b>截至二零一六年十二月三十一日</b>					
<b>Executive directors</b>		<b>執行董事</b>					
Mr. Lee	李先生	-	2,955	209	206	18	3,388
Dr. WONG Cheong Yiu (note i)	黃昌耀博士(附註i)	-	2,140	146	-	37	2,323
Mr. WONG Wing Chuen	黃永銓先生	-	1,588	109	92	18	1,807
Mr. CHAN Tat Cheong, Alan (note ii)	陳達昌先生(附註ii)	-	654	-	-	6	660
<b>Independent non-executive directors</b>		<b>獨立非執行董事</b>					
Mr. SUN Kai Lit, Cliff BBS, JP	孫啟烈先生BBS, 太平紳士	180	-	-	-	-	180
Ir Dr. LO Wai Kwok SBS, MH, JP	盧偉國博士SBS, MH, 太平紳士	180	-	-	-	-	180
Mr. KONG Kai Chuen, Frankie (note iii)	江啟銓先生(附註iii)	180	-	-	-	-	180
Mr. Andrew LOOK	陸東先生	180	-	-	-	-	180
<b>Total for 2016</b>	<b>二零一六年總計</b>	<b>720</b>	<b>7,337</b>	<b>464</b>	<b>298</b>	<b>79</b>	<b>8,898</b>
<b>Year ended 31 December 2015</b>		<b>截至二零一五年十二月三十一日</b>					
<b>Executive directors</b>		<b>執行董事</b>					
Mr. Lee	李先生	-	2,949	210	290	18	3,467
Dr. WONG Cheong Yiu (note i)	黃昌耀博士(附註i)	-	1,237	-	-	22	1,259
Mr. WONG Wing Chuen	黃永銓先生	-	1,585	113	156	18	1,872
Mr. CHAN Tat Cheong, Alan (note ii)	陳達昌先生(附註ii)	-	1,567	113	-	18	1,698
<b>Independent non-executive directors</b>		<b>獨立非執行董事</b>					
Mr. SUN Kai Lit, Cliff BBS, JP	孫啟烈先生BBS, 太平紳士	180	-	-	-	-	180
Ir Dr. LO Wai Kwok SBS, MH, JP	盧偉國博士SBS, MH, 太平紳士	180	-	-	-	-	180
Mr. YEOW Hoe Ann, John (note iv)	姚和安先生(附註iv)	90	-	-	-	-	90
Mr. KONG Kai Chuen, Frankie (note iii)	江啟銓先生(附註iii)	115	-	-	-	-	115
Mr. Andrew LOOK	陸東先生	180	-	-	-	-	180
<b>Total for 2015</b>	<b>二零一五年總計</b>	<b>745</b>	<b>7,338</b>	<b>436</b>	<b>446</b>	<b>76</b>	<b>9,041</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 16. BENEFITS AND INTEREST OF DIRECTORS (Continued)

#### (a) Emoluments of directors (Continued)

Note:

- (i) Dr. Wong Cheong Yiu was appointed as an executive director of the Company on 1 June 2015. He is also the chief executive officer of the Company and his emoluments disclosed above include those services rendered by him as chief executive.
- (ii) Mr. Chan Tat Cheong, Alan was resigned as an executive director of the Company on 23 May 2016.
- (iii) Mr. Kong Kai Chuen, Frankie was appointed as an independent non-executive director of the Company on 11 May 2015.
- (iv) Mr. Yeow Hoe Ann, John was retired as an independent non-executive director of the Company on 11 May 2015.
- (v) Estimated money values of other benefits include cars of the Group used by the directors.

There were no arrangements under which a director waived or agreed to waive any emoluments during the year (2015: Nil).

During the year, no emoluments were paid by the Group to any of the directors as an inducement to join or upon joining the Group or as compensation for loss of office.

#### (b) Directors' material interests in transactions, arrangement or contracts

Save as the continuing connected transactions as disclosed in note 41 to the consolidated financial statements, no significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company and the director's connected party had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

### 17. DIVIDENDS

Subsequent to the end of the reporting period, final dividend in respect of the year ended 31 December 2016 of HK1.0 cent (final dividend in respect of the year ended 31 December 2015: Nil) per shares has been proposed by the directors and is subject to approval by the shareholders at the forthcoming general meeting.

### 16. 董事福利及利益(續)

#### (a) 董事酬金(續)

附註：

- (i) 黃昌耀博士於二零一五年六月一日獲委任為本公司執行董事。彼亦為本公司行政總裁，上文所披露之薪酬包括彼作為行政總裁提供服務的酬金。
- (ii) 陳達昌先生於二零一六年五月二十三日退任本公司執行董事。
- (iii) 江啟銓先生於二零一五年五月十一日獲委任為本公司獨立非執行董事。
- (iv) 姚和安先生於二零一五年五月十一日辭任本公司獨立非執行董事。
- (v) 其他福利的估計貨幣價值包括董事使用的本集團汽車。

董事於本年內概無作出放棄或同意放棄任何酬金的安排(二零一五年：無)。

年內，本集團並無向任何董事支付任何作為加盟本集團時或之後的獎勵或離職補償的酬金。

#### (b) 董事於交易、安排或合約中的重大權益

除載列於綜合財務報表附註41之持續關連交易所披露者外，於年終或年內任何時間，本公司概無訂立任何與本集團業務有關而本公司董事及其關連人士於當中直接或間接擁有重大權益的重大交易、安排及合約。

### 17. 股息

於報告期間完結後，本公司董事會建議宣派截至二零一六年十二月三十一日止年度之末期股息每股1.0港仙(截至二零一五年十二月三十一日止年度末期股息：零)，此股息有待本公司股東於應屆股東週年大會上批准。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 18. EARNINGS/(LOSS) PER SHARE

The calculation of the basic and diluted earnings/(loss) per share is based on the following:

### 18. 每股盈利／(虧損)

每股基本及攤薄盈利／(虧損)按下列計算：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>Earnings/(Loss)</b>	<b>盈利／(虧損)</b>		
Profit/(Loss) attributable to the owners of the Company, used in the basic earnings per share calculation	用於計算每股基本盈利之本公司權益持有人應佔溢利／(虧損)	<b>59,243</b>	(63,489)
Effect of profit attributable to the non-controlling interest assuming 300 shares of a subsidiary, Katchon Precision Holdings Company Limited ("Katchon") were issued to the seller of Goodly Precision Industrial Limited ("Goodly"), pursuant to the contingent consideration arrangement of the business combination as detailed in note 38(b) to the consolidated financial statements	按綜合財務報表附註38(b)所述之收購業務中或其代價安排，假設已發行附屬公司嘉昌精密控股有限公司(「嘉昌」)之300股股份來抵銷卓研精密工業有限公司(「卓研」)之賣家對非控股權益應佔溢利之影響	<b>(664)</b>	(1,254)
Profit/(Loss) attributable to owners of the Company, used in the diluted earnings per share calculation	用於攤薄每股基本盈利之本公司權益持有人應佔溢利／(虧損)	<b>58,579</b>	(64,743)
<b>Number of shares</b>	<b>股份數目</b>		
Weighted average number of ordinary shares used in basic earnings per share calculation	用於計算每股基本盈利之加權平均普通股股數	<b>893,761,400</b>	893,761,400
Effect of dilutive potential ordinary shares arising from share options	購股權導致潛在攤薄普通股之影響	<b>30,353</b>	-
Weighted average number of ordinary shares used in diluted earnings per share calculation	用於計算每股攤薄盈利之加權平均普通股股數	<b>893,791,753</b>	893,761,400

The share options of the subsidiary outstanding at 31 December 2015 and the share options of the Company outstanding at 31 December 2015 are anti-dilutive and hence they are not included in the calculation of diluted loss per share.

附屬公司於二零一五年十二月三十一日與本公司於二零一五年十二月三十一日未獲行使之購股權為反攤薄，因此計算每股攤薄虧損時並不包括此等購股權。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

**19. PROPERTY, PLANT AND EQUIPMENT****19. 物業、機器及設備**

		Leasehold land	Buildings	Leasehold improvements	Plant and machinery	Computer equipment	Furniture, fixtures and office equipment	Motor vehicles	Construction in progress	Total
		租賃土地 HK\$'000 千港元	樓宇 HK\$'000 千港元	租賃物業裝修 HK\$'000 千港元	機器及設備 HK\$'000 千港元	電腦設備 HK\$'000 千港元	傢俬、固定裝置及辦公室設備 HK\$'000 千港元	汽車 HK\$'000 千港元	在建工程 HK\$'000 千港元	總計 HK\$'000 千港元
<b>Cost or valuation</b>	<b>成本或估值</b>									
At 1 January 2015	於二零一五年一月一日	175,400	302,066	130,651	570,555	9,385	6,445	15,701	86,682	1,296,885
Transfer	轉移	-	65,393	8,278	11,447	-	359	-	(85,477)	-
Additions	添置	-	1,609	39,613	57,539	317	2,483	101	10,176	111,838
Surplus on revaluation	重估盈餘	50,907	-	-	-	-	-	-	-	50,907
Depreciation eliminated against cost	於成本減去折舊	(4,349)	-	-	-	-	-	-	-	(4,349)
Write back	撇回撥	-	-	-	1,454	-	-	-	-	1,454
Disposal/write off	出售/撇銷	-	(6,731)	-	(7,230)	(184)	(132)	(194)	-	(14,471)
Reclassified as held for sale	再分類為持作銷售	-	-	-	(11,219)	(49)	(51)	-	-	(11,319)
Acquisition of subsidiaries	收購附屬公司	-	-	850	11,039	-	3,223	385	-	15,497
Exchange difference	匯兌差額	(6,058)	(14,905)	(6,143)	(23,630)	(126)	(422)	(512)	(1,373)	(53,169)
At 31 December 2015 and 1 January 2016	於二零一五年十二月三十一日及二零一六年一月一日	215,900	347,432	173,249	609,955	9,343	11,905	15,481	10,008	1,393,273
Transfer	轉移	-	2,559	2,036	-	-	320	-	(4,915)	-
Additions	添置	-	-	15,541	19,543	292	522	194	885	36,977
Surplus on revaluation	重估盈餘	45,146	-	-	-	-	-	-	-	45,146
Depreciation eliminated against cost	於成本減去折舊	(5,511)	-	-	-	-	-	-	-	(5,511)
Disposal/write off	出售/撇銷	-	(7,857)	-	(2,250)	(37)	(34)	(640)	-	(10,818)
Exchange difference	匯兌差額	(10,903)	(20,584)	(9,824)	(33,820)	(113)	(663)	(687)	(420)	(77,014)
At 31 December 2016	於二零一六年十二月三十一日	<b>244,632</b>	<b>321,550</b>	<b>181,002</b>	<b>593,428</b>	<b>9,485</b>	<b>12,050</b>	<b>14,348</b>	<b>5,558</b>	<b>1,382,053</b>
<b>Accumulated depreciation and impairment</b>	<b>累計折舊及減值</b>									
At 1 January 2015	於二零一五年一月一日	-	58,150	68,237	297,102	7,611	5,051	10,320	-	446,471
Charge for the year	年內扣除	4,452	14,464	18,586	43,677	781	1,026	1,576	-	84,562
Disposal/write off	出售/撇銷	-	(3,029)	-	(6,389)	(184)	(99)	(175)	-	(9,876)
Write back	撇回撥	-	-	-	454	-	-	-	-	454
Adjustment on revaluation	重估調整	(4,349)	-	-	-	-	-	-	-	(4,349)
Impairment	減值	-	-	-	4,698	37	15	-	-	4,750
Reclassified as held for sale	再分類為持作銷售	-	-	-	(11,219)	(49)	(51)	-	-	(11,319)
Exchange difference	匯兌差額	(103)	(2,859)	(2,489)	(10,442)	(83)	(177)	(302)	-	(16,455)
At 31 December 2015 and 1 January 2016	於二零一五年十二月三十一日及二零一六年一月一日	-	66,726	84,334	317,881	8,113	5,765	11,419	-	494,238
Charge for the year	年內扣除	5,862	14,696	23,287	43,524	664	1,104	1,363	-	90,500
Disposal/write off	出售/撇銷	-	(3,536)	-	(1,869)	(19)	(29)	(640)	-	(6,093)
Adjustment on revaluation	重估調整	(5,511)	-	-	-	-	-	-	-	(5,511)
Impairment	減值	-	-	-	-	-	-	-	1,122	1,122
Exchange difference	匯兌差額	(193)	(4,478)	(4,592)	(16,354)	(143)	(297)	(486)	(49)	(26,592)
At 31 December 2016	於二零一六年十二月三十一日	<b>158</b>	<b>73,408</b>	<b>103,029</b>	<b>343,182</b>	<b>8,615</b>	<b>6,543</b>	<b>11,656</b>	<b>1,073</b>	<b>547,664</b>
<b>Carrying amount</b>	<b>賬面值</b>									
At 31 December 2016	於二零一六年十二月三十一日	<b>244,474</b>	<b>248,142</b>	<b>77,973</b>	<b>250,246</b>	<b>870</b>	<b>5,507</b>	<b>2,692</b>	<b>4,485</b>	<b>834,389</b>
At 31 December 2015	於二零一五年十二月三十一日	215,900	280,706	88,915	292,074	1,230	6,140	4,062	10,008	899,035

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 19. PROPERTY, PLANT AND EQUIPMENT (Continued)

The Group's leasehold land of HK\$72,814,000 and HK\$171,660,000 was revalued on 30 September 2016 and 31 December 2016 respectively, and all on 31 December 2015 using the direct comparison approach by reference to market evidence of recent transactions for similar properties by independent surveyors.

The carrying amount of the Group's leasehold land would have been approximately HK\$44,893,000 (2015: HK\$47,881,000) had it been stated at cost less accumulated depreciation and impairment losses.

The carrying amount of property, plant and equipment pledged as security for the Group's banking facilities amounted to approximately HK\$42,405,000 (2015: HK\$40,694,000).

During the year ended 31 December 2015, the Group assessed the recoverable amount of the plasma lighting CGU due to the poor market conditions of the lighting products, and as a result recognised impairment losses of approximately HK\$4,750,000 in respect of plant and machinery attributable to that CGU. Details of the impairment assessment are disclosed in note 21 to the consolidated financial statements.

### 19. 物業、機器及設備(續)

本集團價值72,814,000港元及171,660,000港元之租賃土地分別於二零一六年九月三十日及二零一六年十二月三十一日，及所有租賃土地於二零一五年十二月三十一日按直接比較法價值參考市場類似物業之最近交易證據重估。

若按成本減累計折舊及減值虧損列賬，本集團租賃土地的賬面值約為44,893,000港元(二零一五年：47,881,000港元)。

本集團賬面值為數約42,405,000港元(二零一五年：40,694,000港元)的物業、機器及設備已質押作為本集團銀行信貸的抵押。

於截至二零一五年十二月三十一日止年度，由於照明產品的市場狀況不景氣，本集團對等離子照明現金產生單位的可收回金額進行評估，從而就該現金產生單位應佔的機器及設備確認減值虧損約4,750,000港元。有關減值評估的詳情於綜合財務報表附註21披露。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 20. INVESTMENTS IN SUBSIDIARIES

Particulars of the subsidiaries as at 31 December 2016 are as follows:

### 20. 於附屬公司的投資

於二零一六年十二月三十一日，附屬公司之詳情如下：

Name 名稱	Place and date of incorporation 註冊成立地點及日期	Issued and fully paid up share capital/ registered capital 已發行及繳足 股本/註冊資本	Percentage of ownership interest/voting power/profit sharing 應佔權益/投票權/ 溢利百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Ka Shui (Holdings) Company Limited 嘉瑞集團有限公司	British Virgin Islands ("BVI") 英屬處女群島	US\$36,909 36,909美元	100%	-	Investment holding 投資控股
Ample Wealth Developments Limited 富豐發展有限公司	BVI 英屬處女群島	US\$1 1美元	-	100%	Investment holding 投資控股
Ka Fung Metal Manufactory Company Limited 嘉豐金屬製品廠有限公司	Hong Kong 香港	HK\$74,487,660 74,487,660港元	-	100%	Sales of plastic injection products and components 銷售塑膠注塑產品及零部件
Ka Shui Manufactory Co., Limited 嘉瑞製品有限公司	Hong Kong 香港	HK\$10,000 10,000港元	-	100%	Sale of zinc, magnesium and aluminium alloy die casting and plastic injection products and components 銷售鋅、鎂及鋁合金壓鑄和 塑膠注塑產品及零部件
MG Technology (Shenzhen) Company Limited ("MG Technology") 創金美科技(深圳)有限公司 (「創金美科技」)	The PRC 中國	Registered capital HK\$150,000,000 註冊資本150,000,000港元	-	100%	Sale and manufacture of magnesium and aluminium alloy die casting products and components 銷售及生產鎂及鋁合金 壓鑄產品及零部件
Ka Shui Technology (Huizhou) Company Limited 嘉瑞科技(惠州)有限公司	The PRC 中國	Registered capital HK\$310,000,000 註冊資本310,000,000港元	-	100%	Sale and manufacture of magnesium alloy die casting products and components 銷售及生產鎂合金壓鑄產品及 零部件



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 20. INVESTMENTS IN SUBSIDIARIES (Continued)

Particulars of the subsidiaries as at 31 December 2016 are as follows: (Continued)

### 20. 於附屬公司的投資(續)

於二零一六年十二月三十一日，附屬公司之詳情如下：(續)

Name 名稱	Place and date of incorporation 註冊成立地點及日期	Issued and fully paid up share capital/ registered capital 已發行及繳足 股本/註冊資本	Percentage of ownership interest/voting power/profit sharing 應佔權益/投票權/ 溢利百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Elegant Shine Investments Limited 雅輝投資有限公司	BVI 英屬處女群島	US\$1 1美元	-	100%	Investment holding 投資控股
Ample Wealth Property Developments (Huizhou) Limited 富豐物業開發(惠州)有限公司	The PRC 中國	Registered capital HK\$6,800,000 註冊資本6,800,000港元	-	100%	Inactive 暫無業務
Ka Shui Technology Limited 嘉瑞科技有限公司	Hong Kong 香港	HK\$10,000 10,000港元	-	100%	Investment holding 投資控股
Wing Yu (Far East) Industries Company Limited 永裕(遠東)實業有限公司	Hong Kong 香港	HK\$6,900,000 6,900,000港元	-	100%	Investment holding 投資控股
Huizhou Wing Yu Metal and Plastic Manufactory Company Limited 惠州市永裕五金塑料製品有限公司	The PRC 中國	Registered capital HK\$4,500,000 註冊資本4,500,000港元	-	100%	Provision of surface finishing treatment services and sale and manufacture of zinc alloy die casting products and components 提供表面處理服務及銷售及生產 鋅合金壓鑄產品及零部件
Ka Yi Technology (Huizhou) Company Limited 嘉宜科技(惠州)有限公司	The PRC 中國	Registered capital HK\$20,000,000 註冊資本20,000,000港元	-	100%	Sale and manufacture of zinc and aluminium alloy die casting products and components 銷售及生產鋅及鋁合金壓鑄產品及 零部件
Ka Fung Industrial Technology (Huizhou) Company Limited 嘉豐工業科技(惠州)有限公司	The PRC 中國	Registered capital HK\$92,000,000 註冊資本92,000,000港元	-	100%	Sale and manufacture of products and components with plastic contents 銷售及生產含塑膠部件之產品及 零部件
Alphalite Company Limited 嘉能照明有限公司	Hong Kong 香港	HK\$1 1港元	-	100%	Trading and marketing of plasma lighting products 從事等離子照明產品 之貿易及市場推廣

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

**20. INVESTMENTS IN SUBSIDIARIES (Continued)**

Particulars of the subsidiaries as at 31 December 2016 are as follows: (Continued)

**20. 於附屬公司的投資(續)**

於二零一六年十二月三十一日，附屬公司之詳情如下：(續)

Name 名稱	Place and date of incorporation 註冊成立地點及日期	Issued and fully paid up share capital/ registered capital 已發行及繳足 股本/註冊資本	Percentage of ownership interest/voting power/profit sharing 應佔權益/投票權/ 溢利百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Ka Shui Metal Manufactory (Shenzhen) Company Limited 嘉瑞金屬製品(深圳)有限公司	The PRC 中國	Registered capital HK\$40,000,000 註冊資本40,000,000港元	-	100%	Sale and manufacture of zinc and magnesium alloy die casting products and components 銷售及生產鋅及鎂合金壓鑄產品及部件
Alphalite Incorporation	USA 美國	US\$100 100美元	-	100%	Trading and marketing of lighting products 從事照明產品之貿易及市場推廣
Ka Shui (USA) Incorporation	USA 美國	US\$5,000 5,000美元	-	100%	Marketing of zinc and magnesium alloy die casting and plastic injection products and components 從事鋅及鎂合金壓鑄及塑膠注塑產品及部件之市場推廣
Kalok Technology Investment Limited 嘉樂科技投資有限公司	BVI 英屬處女群島	US\$50,000 50,000美元	-	100%	Investment holding 投資控股
Wuhu Lenka Technologies Company Limited ("Wuhu Lenka") 蕪湖聯嘉工業科技有限公司 (「蕪湖聯嘉」)	The PRC 中國	Registered capital RMB50,000,000 註冊資本 人民幣50,000,000元	-	100%	Sale and manufacture of magnesium alloy die casting products and components 銷售及生產鎂合金壓鑄產品及部件
Ka Shui Metal Company Limited 嘉瑞金屬有限公司	Hong Kong 香港	HK\$100,000 100,000港元	-	100%	Sale of magnesium alloy die casting products and components 銷售鎂合金壓鑄產品及零部件
Katchon 嘉昌	BVI 英屬處女群島	US\$1,000 1,000美元	-	70%	Investment holding 投資控股
Katchon Industrial Company Limited 嘉昌工業有限公司	Hong Kong 香港	HK\$1 1港元	-	100%	Inactive 暫無業務
Goodly 卓研	Hong Kong 香港	HK\$50,000 50,000港元	-	70%	Investment holding 投資控股
Goodly Precision (Suzhou) Industrial Limited ("Goodly Suzhou") 卓研精密工業(蘇州)有限公司 (「卓研蘇州」)	The PRC 中國	Registered capital US\$5,000,000 註冊資本 5,000,000美元	-	70%	Research, manufacture and sale of plastic injection moulding and components of car-related products 汽車相關之塑膠注塑零部件之研發、生產及銷售
齊齊哈爾北方嘉瑞輕合金科技有限公司	The PRC	Registered capital RMB12,000,000 註冊資本 人民幣12,000,000元	-	51%	Research and development, manufacture and sales of metal alloy material 合金材料研發、製造和銷售

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

#### 20. INVESTMENTS IN SUBSIDIARIES (Continued)

MG Technology, Ka Shui Technology (Huizhou) Company Limited, Ample Wealth Property Developments (Huizhou) Limited, Ka Yi Technology (Huizhou) Company Limited, Ka Fung Industrial Technology (Huizhou) Company Limited, Ka Shui Metal Manufactory (Shenzhen) Company Limited, Huizhou Wing Yu Metal and Plastic Manufactory Company Limited, Topanga Technology (Huizhou) Limited and Goodly Suzhou are wholly-foreign owned enterprises established in the PRC. Wuhu Lenka and 齊齊哈爾北方嘉瑞輕體合金科技有限公司 are registered as a company with limited liability under the law of the PRC.

During the year ended 31 December 2015, the Group acquired the equity interest in Wuhu Lenka of 40% from the non-controlling shareholders at a cash consideration of RMB17,800,000 (equivalent to HK\$21,243,000). After the acquisition, Wuhu Lenka became the wholly owned subsidiary of the Company.

During the year ended 31 December 2015, the Group had injected capital of US\$4,832,987 (equivalent to approximately HK\$37,455,649) to Topanga Asia Limited ("Topanga Asia") in return of the issue of 898,936 ordinary shares by Topanga Asia. After the capital injection, the Group's interest in Topanga Asia increased from 60% to approximately 79.7%. On 5 February 2016, Topanga Asia allotted a total of 1,912,069 shares to a third party and a non-controlling shareholder, representing 51% of Topanga Asia immediately after the share allotment. The Group's interest in Topanga Asia reduced to 38.9% (notes 27 and 38(c)). Since then, the Group lost the control in Topanga Asia and its subsidiaries, namely, Topanga USA Inc. ("Topanga US") and Topanga Technology (Huizhou) Limited ("Topanga Huizhou"). It constitutes a deemed disposal of subsidiaries and the financial results and positions of Topanga Asia and its subsidiaries were deconsolidated from the Group's consolidated financial statements. The retained interests in Topanga Asia and its subsidiaries are accounted for as investments in associates as disclosed in note 22 to the consolidated financial statements.

As at 31 December 2016, the bank and cash balances and restricted bank deposits of the Group's subsidiaries in the PRC denominated in RMB amounted to approximately HK\$123,272,000 (2015: HK\$116,230,000). Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations.

#### 20. 於附屬公司的投資(續)

創金美科技、嘉瑞科技(惠州)有限公司、富豐物業開發(惠州)有限公司、嘉宜科技(惠州)有限公司、嘉豐工業科技(惠州)有限公司、嘉瑞金屬製品(深圳)有限公司、惠州市永裕五金塑料製品有限公司、勁亮嘉科技(惠州)有限公司及卓研蘇州為於中國成立之外商獨資企業。蕪湖聯嘉及齊齊哈爾北方嘉瑞輕體合金科技有限公司按中國法律成立之有限責任公司。

於截至二零一五年十二月三十一日止年度，本集團向非控股股東收購蕪湖聯嘉40%股權，現金代價為人民幣17,800,000元(相當於21,243,000港元)。收購後，蕪湖聯嘉成為本公司的全資附屬公司。

於截至二零一五年十二月三十一日止年度，本集團向勁亮嘉科技有限公司(「勁亮嘉」)注入資本4,832,987美元(相當於約37,455,649港元)，以交換勁亮嘉所發行之898,936股普通股。在注資之後，本集團於勁亮嘉之權益從60%增至79.7%。於二零一六年二月五日，勁亮嘉配發1,912,069股股份予一名第三者及非控股股東，佔勁亮嘉於緊隨股份配發後51.1%權益。本集團於勁亮嘉之權益降至38.9%(附註27及38(c))。此後，本集團於勁亮嘉及其附屬公司Topanga USA Inc. (「Topanga US」)及勁亮嘉科技(惠州)有限公司(「勁亮嘉惠州」)失去控制權。此構成視作出售附屬公司及勁亮嘉及其附屬公司之財務業績及狀況不再綜合於本集團綜合財務報表。於勁亮嘉及其附屬公司之餘下權益以於聯營公司之投資入賬，並於綜合財務報表附註22中披露。

於二零一六年十二月三十一日，本集團於中國以人民幣計值的附屬公司的銀行及現金結餘及有限制銀行存款約為123,272,000港元(二零一五年：116,230,000港元)。將人民幣兌換為外幣須根據中國的《外匯管制條例》及《結匯、售匯及付匯管理規定》進行。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

**21. INTANGIBLE ASSETS****21. 無形資產**

		Club membership (purchased)	Trademark (purchased)	Patent and unpatent technologies (purchased)	Total
		會所會籍 (購買)	商標 (購買)	專利及 非專利技術 (購買)	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
<b>Cost</b>	<b>成本</b>				
At 1 January 2015	於二零一五年一月一日	718	7,531	9,280	17,529
Reclassified as held for sale	再分類為持作銷售	-	(7,531)	(9,280)	(16,811)
At 31 December 2015, 1 January 2016 and 31 December 2016	於二零一五年十二月 三十一日、二零一六年 一月一日及二零一六年 十二月三十一日	718	-	-	718
<b>Accumulated amortisation and impairment losses</b>	<b>累計攤銷及減值虧損</b>				
At 1 January 2015	於二零一五年一月一日	-	1,435	1,768	3,203
Amortisation for the year	年內攤銷	-	1,076	1,326	2,402
Impairment on intangible assets	無形資產減值	-	5,020	6,186	11,206
Reclassified as held for sale	再分類為持作銷售	-	(7,531)	(9,280)	(16,811)
At 31 December 2015, 1 January 2016 and 31 December 2016	於二零一五年十二月 三十一日、二零一六年 一月一日及二零一六年 十二月三十一日	-	-	-	-
<b>Carrying amount</b>	<b>賬面值</b>				
At 31 December 2016	於二零一六年十二月 三十一日	718	-	-	718
At 31 December 2015	於二零一五年十二月 三十一日	718	-	-	718

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

#### 21. INTANGIBLE ASSETS (Continued)

Both the trademark and patent and unpatent technologies were acquired through business combination of Topanga Asia in 2013. The Group's trademark protects the design and specification of the Group's products. The patent and unpatent technologies are developed from research and development activities of a non-controlling shareholder before the acquisition of the business of lighting products. The average remaining amortisation period of the trademark and patent and unpatent technologies are Nil (2015: Nil).

The Group had carried out reviews of recoverable amount of its trademark and patent and unpatent technologies in 2015, having regard to the market conditions of the lighting products. The intangible assets are used in the plasma lighting CGU. The review led to the recognition of an impairment loss of approximately HK\$11,206,000 and HK\$4,750,000 in the profit or loss for these assets and for property, plant and equipment (note 19) respectively in the plasma lighting CGU for the year ended 31 December 2015. The recoverable amount of HK\$Nil for the relevant CGU has been determined on the basis of their value in use using discounted cash flow method. The discount rate used was 27.17%.

The trademark, patent and unpatent technologies are deconsolidated upon the deemed disposal of Topanga Asia (notes 20, 27 and 38(c)).

The Group's club membership of HK\$718,000 (2015: HK\$718,000) at 31 December 2016 is assessed as having indefinite useful life because there is no time limit that the Group can enjoy the services provided by that club.

#### 22. INVESTMENTS IN ASSOCIATES

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Unlisted investments:	非上市投資：		
Share of net assets	攤分淨資產	1,046	-
Goodwill	商譽	632	-
		<b>1,678</b>	-

The amounts due from/to associates are unsecured, interest free and repayable on demand.

#### 21. 無形資產(續)

商標以及專利及非專利技術乃透過二零一三年勁亮嘉之業務合併收購。本集團的商標保障本集團產品的設備及規格。專利及非專利技術乃於收購照明產品業務前為一名非控股股東進行的研發活動而開發。商標以及專利及非專利技術的平均剩餘攤銷期為零(二零一五年：無)。

鑒於照明產品的市場狀況，本集團於二零一五年對其商標及專利及非專利技術的可收回金額進行檢討。該等無形資產乃用於等離子照明現金產生單位。有關檢討導致於截至二零一五年十二月三十一日止年度損益賬內分別就等離子照明現金產生單位的該等資產以及物業、機器及設備(附註19)確認減值虧損約11,206,000港元及4,750,000港元。根據有關現金產生單位的使用價值採用貼現現金流法釐定的可收回金額為零港元。所使用的貼現率為27.17%。

當視作出售勁亮嘉時，商標以及專利及非專利技術不再綜合(附註20、27及38(c))。

於二零一六年十二月三十一日，由於本集團享用會所提供的服務方面並無時間限制，本集團的會所會籍718,000港元(二零一五年：718,000港元)乃按具有無限可使用年期進行評估。

#### 22. 於聯營公司之投資

應收／應付聯營公司款項為無抵押、免息及須在要求時即時償還。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

**22. INVESTMENTS IN ASSOCIATES (Continued)**

Details of the Group's associates at 31 December 2016 are as follows:

**22. 於聯營公司之投資(續)**

於二零一六年十二月三十一日本集團之聯營公司資料如下：

Name 名稱	Place of incorporation/ registration 註冊/登記地點	Issued and fully paid up share capital/ registered capital 已發行及繳足 股本/註冊資本	Percentage of ownership interest/voting power/profit sharing 應佔權益/投票權 /溢利百分比	Principal activities 主要業務
Topanga Asia 勁亮嘉	Hong Kong 香港	HK\$127,373,638 127,373,638港元	38.9%	Sale of plasma lighting products 銷售等離子照明產品
Topanga US	USA 美國	US\$1 1美元	38.9%	Research and development of plasma lighting products 研發等離子照明產品
Topanga Huizhou 勁亮嘉惠州	The PRC 中國	Registered capital HK\$6,500,000 註冊資本 6,500,000港元	38.9%	Manufacturing of plasma lighting products 生產等離子照明產品

The following table shows, in aggregate, the Group's share of the amounts of all individually immaterial associates that are accounted for using the equity method:

下表載列本集團以權益會計法入賬之所有個別非重要聯營公司攤分金額總數：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>At 31 December:</b>	<b>於十二月三十一日</b>		
Carrying amounts of interests	利息賬面值	<b>1,678</b>	—
<b>Period ended 31 December:</b>	<b>於十二月三十一日完結之期間</b>		
Loss from operations	經營虧損	<b>3,400</b>	—
Other comprehensive income	其他全面收益	—	—
Total comprehensive income	總全面收益	<b>3,400</b>	—

As at 31 December 2016, the bank and cash balances of the Group's associates in the PRC denominated in Renminbi ("RMB") amounted to HK\$226,000. Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations.

於二零一六年十二月三十一日，本集團於中國以人民幣計值的聯營公司的銀行及現金結餘約為226,000港元。將人民幣兌換為外幣須根據中國的《外匯管制條例》及《結匯、售匯及付匯管理規定》進行。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

#### 23. AVAILABLE-FOR-SALE FINANCIAL ASSETS

#### 23. 可供出售金融資產

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Unlisted equity, at cost	非上市股本(按成本計算)	8,303	8,303
Impairment loss	減值虧損	(8,303)	(8,303)
		-	-

Unlisted equity is carried at cost. The investee company has ceased business and the management has made full impairment loss for the investment.

非上市股本投資乃按成本入賬。被投資公司已終止業務及管理層已對此項投資作出全數減值虧損。

#### 24. INVENTORIES

#### 24. 存貨

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Raw materials	原材料	54,451	61,661
Consumables supplies and spare parts	消耗品及備用零部件	10,240	9,902
Work in progress	在製品	64,593	51,959
Finished goods	製成品	89,652	72,590
		218,936	196,112
Less: Allowance for inventories	減：存貨撥備	(22,774)	(19,599)
		196,162	176,513
Reclassified as held for sale	再分類為持作銷售	-	(2,589)
		196,162	173,924

#### 25. TRADE RECEIVABLES

During the year 2016, the Group obtained finance for part of its trade debtors with full recourse from financial institutions. In the event of default by the debtors, the Group is still obliged to pay the financial institutions the amount in default. Interest is charged on average at 2.64% (2015: 2.21%) per annum on the proceeds received from the financial institutions until the date the debtors pay. The Group is therefore exposed to the risks of credit losses and late payment in respect of the secured debts.

#### 25. 貿易應收款項

於二零一六年，本集團向金融機構貼現具有完全追索權的部分貿易應收賬款。倘若有關債務人違約，本集團須向金融機構支付違約金額。有關利息按自金融機構獲得的有關款項的平均2.64%年利率(二零一五年：2.21%)計算，直至有關債務人支付該等賬款。因此，本集團就貼現債務承擔信貸損失及延期支付風險。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 25. TRADE RECEIVABLES (Continued)

The trade receivables in respect of the financed transactions do not meet the de-recognition conditions in HKAS 39 as the Group retains substantially all of the risks and rewards of ownership of the financed trade debts. At 31 December 2016, trade debts of HK\$95,076,000 (2015: HK\$25,276,000) continue to be recognised in the Group's consolidated financial statements. The proceeds of the financed transactions are included in borrowings as asset-backed financing (note 31) until the trade debts are collected and the Group settles the borrowings to the financial institutions. At 31 December 2016, the asset-backed financing liability amounted to HK\$92,675,000 (2015: HK\$24,490,000). Up to the date of this annual report, asset-backed financing of HK\$Nil (2015: HK\$5,900,000) is still outstanding.

The Group's trading terms with customers are mainly on credit. The credit terms generally ranged from 30 to 120 days (2015: 30 to 120 days) after end of the month in which the invoices issued. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by the directors. The ageing analysis of trade receivables, based on the invoice date, and net of allowance, is stated as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
0 to 30 days	0至30日	147,131	149,268
31 to 60 days	31至60日	145,047	113,081
61 to 90 days	61至90日	63,980	46,896
91 to 180 days	91至180日	93,794	50,196
Over 180 days	180日以上	7,462	2,526
		<b>457,414</b>	361,967
Reclassified as held for sale	再分類為持作銷售	-	(582)
		<b>457,414</b>	361,385

At 31 December 2016, an allowance was made for estimated irrecoverable trade receivables of HK\$Nil (2015: HK\$53,000).

### 25. 貿易應收款項(續)

有關貿易應收款項之貼現交易並不符合香港會計準則第39號有關取消確認金融資產的規定，因為本集團保留貼現貿易應收賬款所有權的大多數風險及回報。於二零一六年十二月三十一日，貿易應收賬款為95,076,000港元(二零一五年：25,276,000港元)繼續於本集團綜合財務報表中確認。貼現交易的所得款項作為資產抵押融資(附註31)列入借貸，直至收回貿易債務或本集團結清金融機構之借貸。於二零一六年十二月三十一日，資產抵押融資負債為92,675,000港元(二零一五年：24,490,000港元)。截至本年報日期，仍未收回之資產抵押融資為零港元(二零一五年：5,900,000港元)。

本集團與客戶之交易主要以信貸形式進行。信貸期一般介乎開票當月結束後30至120天(二零一五年：30至120天)。本集團致力嚴格控制未償還應收款，由董事定期檢討逾期未付結餘。應收賬款(扣除撥備)按發票日期之賬齡分析載列如下：

於二零一六年十二月三十一日，就估計不可收回應收賬款作出撥備零港元(二零一五年：53,000港元)。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

#### 25. TRADE RECEIVABLES (Continued)

Reconciliation of allowance for trade receivables:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
At 1 January	於一月一日	53	2,113
Reversal upon recovery of doubtful debts	於收回呆賬時回撥	-	(358)
Reversal upon write off of bad debts	於撇銷壞賬時回撥	(53)	(1,702)
At 31 December	於十二月三十一日	-	53

As of 31 December 2016, trade receivables of approximately HK\$84,721,000 (2015: HK\$52,038,000) were past due but not impaired. These relate to a number of independent customers for whom there are no recent history of default. The ageing analysis of these trade receivables, based on the due date, is as follows:

#### 25. 貿易應收款項(續)

貿易應收款項撥備之對賬：

於二零一六年十二月三十一日，約84,721,000港元(二零一五年：52,038,000港元)的貿易應收款項為逾期但無減值撥備。該等款項與眾多最近並無拖欠紀錄的獨立客戶有關。逾期貿易應收款項根據到期日的賬齡分析如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Up to 3 months	3個月以內	76,580	50,749
4 to 6 months	4至6個月	6,703	734
Over 6 months	6個月以上	1,438	920
Reclassified as held for sale	再分類為持作銷售	84,721 -	52,403 (365)
		<b>84,721</b>	52,038

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

#### 25. TRADE RECEIVABLES (Continued)

The carrying amount of the Group's trade receivables is denominated in the following currencies:

#### 25. 貿易應收款項(續)

本集團貿易應收款項的賬面值以下列貨幣列值：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
HK\$	港元	29,769	54,108
USD	美元	371,108	269,109
RMB	人民幣	54,126	35,632
Others	其他	2,411	3,118
		<b>457,414</b>	361,967
Reclassified as held for sale	再分類為持作銷售	-	(582)
		<b>457,414</b>	361,385

#### 26. PLEDGED BANK DEPOSITS, RESTRICTED BANK BALANCES AND BANK AND CASH BALANCES

The Group's pledged bank deposits represent the amounts pledged to banks to secure corporate credit card granted to the Group. The deposits are denominated in currencies as follows:

#### 26. 已抵押銀行存款、有限制銀行存款與銀行及現金結餘

本集團的已抵押銀行存款指就本集團獲授公司信用卡抵押予銀行作為擔保的款項。該存款以下貨幣計值：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
USD	美元	-	194
Reclassified as held for sale	再分類為持作銷售	-	(194)
		-	-

As at 31 December 2015, the deposits in USD carried at interest rate of 0.05% per annum.

於二零一五年十二月三十一日，美元的存款以年利率0.05%計息。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

#### 26. PLEDGED BANK DEPOSITS, RESTRICTED BANK BALANCES AND BANK AND CASH BALANCES (Continued)

The Group's restricted bank balances represent:

- (a) Balance of RMB1,400,000 (equivalent to approximately HK\$1,564,000) (2015: RMB3,450,000 (equivalent to approximately HK\$4,117,000)) to guarantee for the use of natural gas in the PRC (2015: the use of natural gas in the PRC and for currency forward contracts);
- (b) Balance of US\$Nil (2015: US\$7,000 (equivalent to approximately HK\$55,000)) to apply for a radioactive licence in the USA for the lighting product business. The balance for 2015 is reclassified as assets held for sale (note 27).

The cash at banks earned interest at floating interest rates ranging from 0.01% to 0.54% per annum (2015: 0.01% to 3.25% per annum).

The carrying amounts of bank and cash balances are denominated in the following currencies:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
HK\$	港元	79,923	47,798
USD	美元	93,925	72,341
RMB	人民幣	122,062	142,893
EURO	歐元	59	17
Others	其他	39	81
		<b>296,008</b>	263,130
Reclassified as held for sale	再分類為持作銷售	-	(2,601)
		<b>296,008</b>	260,529

Under the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sales and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for foreign currencies through the banks that are authorised to conduct foreign exchange business.

#### 26. 已抵押銀行存款、有限制銀行存款與銀行及現金結餘(續)

本集團的有限制銀行存款指：

- (a) 人民幣1,400,000元(相等於約1,564,000港元)(二零一五年：人民幣3,450,000元(相等於約4,117,000港元))作為於中國使用天然氣的擔保(二零一五年：於中國使用天然氣及遠期外匯合約之擔保)；
- (b) 零美元(二零一五年：7,000美元(相等於約55,000港元))用作為照明產品業務於美國申請放射性執照。該餘額於二零一五年再分類為持作銷售資產(附註27)。

銀行存款按每年0.01厘至0.54厘(二零一五年：每年0.01厘至3.25厘)的浮動利率賺取利息。

銀行及現金結餘之賬面值以下列貨幣為單位：

根據中國的《外匯管制條例》及《結匯、售匯及付匯管理規定》，本集團可透過獲授權開展外匯業務的銀行以人民幣兌換外幣。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

**27. ASSETS CLASSIFIED AS HELD FOR SALE****27. 分類為持作銷售資產**

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Assets of Topanga Asia and its subsidiaries	勁亮嘉及其附屬公司的資產	-	8,020
Liabilities directly associated with assets classified as held for sale	與持作出售資產直接相關的負債	-	2,502

On 31 December 2015, Topanga Asia entered into a non-legal binding term sheet with a third party, pursuant to which the third party intended to invest US\$1,150,000 to Topanga Asia, in return for approximately 51% the equity interest in Topanga Asia. Topanga Asia and its subsidiaries are engaged in sale, manufacture, research and development of plasma lighting products and forms part of the Group's lighting segment. As a result, the Group classified the assets of Topanga Asia as assets held for sale as at 31 December 2015.

Subsequent to the end of the reporting period, on 5 February 2016, the Group entered into a share purchase agreement, according to which 1,912,069 shares were allotted to the third party and a non-controlling shareholder of Topanga Asia, representing 51.1% of Topanga Asia immediately after the share allotment (notes 20 and 38(c)). The Company estimated the fair value less costs to sell of the assets classified as held for sale according to the consideration subsequently agreed with the third party. No impairment loss is required to adjust the carrying amount to fair value less costs to sell as the former is lower than the latter. The major classes of assets and liabilities of Topanga Asia and its subsidiaries at the end of the reporting period are as follows:

於二零一五年十二月三十一日，勁亮嘉與一第三方訂立一份無法律約束力的條款書，據此，該第三方擬向勁亮嘉投資1,150,000美元，以持有勁亮嘉的約51%股權。勁亮嘉及其附屬公司從事等離子照明產品的銷售、製造及研發，並為本集團照明業務分部的一部分。因此，本集團於二零一五年十二月三十一日將勁亮嘉資產分類為持作出售資產。

於報告期完結後，在二零一六年二月五日，本集團訂立股份購買協議，據此配發1,912,069股股份予一名第三者及勁亮嘉非控股股東，佔勁亮嘉於緊隨股份配發後51.1%權益(附註20及38(c))。本公司按其後與該第三方協定的代價來估算公平值減出售成本。由於賬面值低於公平值減出售持作出售資產成本，故毋須作出減值虧損，以將賬面值調整至公平值減出售成本。勁亮嘉及其附屬公司於報告期末的主要資產及負債類別如下：

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

#### 27. ASSETS CLASSIFIED AS HELD FOR SALE (Continued)

#### 27. 分類為持作銷售資產(續)

		2015 二零一五年 HK\$'000 千港元
Property, plant and equipment (after impairment)	物業、廠房及設備(減值後)	–
Intangible assets (after impairment)	無形資產(減值後)	–
Inventories	存貨	2,589
Trade receivables	貿易應收款項	582
Other receivables	其他應收款項	1,999
Restricted bank deposits	受限制銀行存款	55
Pledged bank deposits	已抵押銀行存款	194
Cash and bank balances	現金及銀行結餘	2,601
<hr/>		
Assets of Topanga Asia classified as held for sale	分類為持作出售的勁亮嘉資產	8,020
<hr/>		
Trade payables	貿易應付款項	162
Other payables	其他應付款項	2,340
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Liabilities associated with assets classified as held for sale	與分類為持作出售資產相關的負債	2,502
<hr/>		
Net assets of Topanga Asia classified as held for sale	分類為持作出售的勁亮嘉淨資產	5,518

The amount of cumulative expense recognised in other comprehensive income and accumulated in equity relating to assets held for sale is HK\$Nil (2015: HK\$24,000).

於其他全面收入確認並於權益中累計、與持作出售資產相關的累積開支為零港元(二零一五年：24,000港元)。

The assets classified as held for sale and the liabilities associated with assets classified as held for sales were deconsolidated upon the deemed disposal of Topanga Asia (notes 20 and 38(c)).

分類為持作出售資產與分類為持作出售資產有關之負債於視作出售勁亮嘉時取消綜合(附註20及38(c))。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

#### 28. TRADE PAYABLES, OTHER PAYABLES AND ACCRUALS

The ageing analysis of trade payables, based on the date of receipt of goods, is as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
0 to 30 days	0至30日	66,692	60,775
31 to 60 days	31至60日	66,520	55,845
61 to 90 days	61至90日	64,974	52,850
91 to 180 days	91至180日	103,265	51,415
Over 180 days	180日以上	11,637	5,183
		<b>313,088</b>	226,068
Reclassified as held for sale	再分類為持作銷售	-	(162)
		<b>313,088</b>	225,906

The carrying amount of the Group's trade payables is denominated in the following currencies:

本集團貿易應付款項賬面值以下列貨幣為單位：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
HK\$	港元	7,645	4,740
USD	美元	51,489	38,088
RMB	人民幣	253,225	183,189
Others	其他	729	51
		<b>313,088</b>	226,068
Reclassified as held for sale	再分類為持作銷售	-	(162)
		<b>313,088</b>	225,906

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

#### 28. TRADE PAYABLES, OTHER PAYABLES AND ACCRUALS (Continued)

Other payables and accruals comprise the following:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Accrued wages	應計工資	33,374	33,783
Other accrued expenses	其他應計費用	27,165	24,129
Other payables	其他應付款項	26,825	32,109
		<b>87,364</b>	90,021
Reclassified as held for sale	再分類為持作銷售	-	(2,340)
		<b>87,364</b>	87,681

The carrying amount of the Group's other payables and accruals is denominated in the following currencies:

#### 28. 貿易應付款項、其他應付款項及應計費用(續)

其他應付款項及應計費用包括以下各項：

本集團其他應付款項及應計費用的賬面值按以下貨幣列值：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
HK\$	港元	7,757	16,672
USD	美元	6,236	1,159
RMB	人民幣	73,354	72,190
Others	其他	17	-
		<b>87,364</b>	90,021
Reclassified as held for sale	再分類為持作銷售	-	(2,340)
		<b>87,364</b>	87,681

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 29. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

### 29. 按公平值計入損益賬的金融負債

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>Financial liabilities</b>	<b>金融負債</b>		
Currency forward contracts (note (a))	遠期外匯合約(附註(a))	-	71,121
Interest rate swap (note (b))	利率掉期(附註(b))	-	81
Contingent consideration payable (note (c))	應付或然代價(附註(c))	-	7,166
		-	78,368
Analysed as:	分析為:		
Current liabilities	流動負債	-	52,434
Non-current liabilities	非流動負債	-	25,934
		-	78,368

The above financial liabilities are classified as held for trading.

上述金融資產及負債為持作買賣。

Note:

附註:

- (a) As at 31 December 2015, the Group had currency forward contracts to sell USD and buy RMB. The fair values of the derivatives are determined with reference to the market forward exchange rate at year end and the fixed forward rates stated in the contracts. The notional amounts of RMB and USD to be acquired or sold under forward contracts are set out below:

- (a) 於二零一五年十二月三十一日，本集團已訂立遠期外匯合約，以沽售美元及購入人民幣。此等衍生工具之公平值參考年終的市場遠期匯率及合約中訂明的固定遠期匯率釐定。

		2016 二零一六年 Notional amount 名義金額	2015 二零一五年 Notional amount 名義金額
Currency forward contracts	遠期外匯合約	-	Sales of US\$159,000,000 in exchange for RMB1,007,130,000 出售159,000,000 美元換取人民幣 1,007,130,000元

All the currency forward contracts were terminated or expired as at 31 December 2016.

於二零一六年十二月三十一日，所有遠期外匯合約已終止或屆滿。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

#### 29. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

Note: (Continued)

- (b) As at 31 December 2015, the Group had an interest rate swap contract, pursuant to which the Group will pay fixed interests on notional amounts ranging from HK\$850,000 to HK\$3,200,000 each at a rate of 2.5% per annum, in exchange for floating interests on the same notional amounts at Hong Kong Interbank Borrowing Rate for every 3 months up to March 2019. The fair value of the interest rate swap is measured by reference to the notional amounts, the fixed rate and floating rate. The interest rate swap contract ended during 2016.
- (c) During the year ended 31 December 2015, the Group acquired Goodly, details of which are set out in note 38(b). The consideration of the acquisition includes contingent consideration comprising cash and shares of Katchon, a subsidiary of the Company and the immediate holding company of Goodly after the acquisition, as follows:

		HK\$'000 千港元
Cash consideration	現金代價	1,200
Share consideration	股份代價	5,966
		7,166

The cash to be paid and shares to be allotted depend on the audited consolidated total comprehensive income of Goodly and its subsidiary for the year ended 31 December 2015. The fair value of shares of Katchon is estimated by the discounted cash flows of the expected profit stream of Goodly and its subsidiary. The above considerations were settled during 2016 as Goodly's audited consolidated total comprehensive income met the target requirement as set out in the share purchase agreement acquiring Goodly.

#### 29. 按公平值計入損益賬的金融負債(續)

附註：(續)

- (b) 於二零一五年十二月三十一日，本集團持有利率掉期合約，根據該合約，本集團將就850,000港元至3,200,000港元的名義金額支付固定利息，年率均為2.5%，以換取截至二零一九年三月止每三個月按香港銀行同業借款利率計算相同名義金額的浮動利息。利率掉期的公平值參考名義金額、固定利率及浮動利率計算。利率掉期合約於二零一六年內完結。
- (c) 於截至二零一五年十二月三十一日止年度內，本集團收購卓研，詳情載於附註38(b)。收購代價包括或然代價，即包括現金及嘉昌（本公司附屬公司及於收購後為卓研的直接控股公司）的股份，具體如下：

將支付現金及擬配發股份視乎卓研及其附屬公司截至二零一五年十二月三十一日止年度之經審核綜合全面收入總額而定。嘉昌股份之公平值按卓研及其附屬公司預期溢利流的貼現現金流量估算。由於卓研之經審核綜合全面收益已符合購買卓研之股份購買協議之目標要求，上述代價已於二零一六年內償付。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

**30. DUE TO A RELATED COMPANY**

Particulars of the amount due to a related company are as follows:

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Chit Shun Machinery Limited 捷迅機械設備有限公司	<b>2,020</b>	1,895

The amount due to a related company is of trade nature and is unsecured, interest free and repayable on demand. Mr. Lee has joint control in the related company.

**30. 應付關連公司款項**

應付關連公司款項詳情如下：

應付關連公司的款項為業務性質及並無抵押、免息及須在要求時即期償還。李先生在關連公司擁有共同控制。

**31. BANK BORROWINGS**

The analysis of the carrying amount of bank borrowings is as follows:

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>Current liabilities 流動負債</b>		
Portion of bank borrowings due for repayment within one year 須於一年內到期償還的銀行貸款部分	<b>321,088</b>	318,542
Portion of bank borrowings due for repayment after one year which contains a repayment on demand clause 須於一年後到期償還的包含按要償還條款的銀行貸款部分	<b>44,945</b>	79,504
Asset-backed financing (note (a)) 資產抵押融資(附註(a))	<b>92,675</b>	24,490
	<b>458,708</b>	422,536
<b>Non-current liabilities 非流動負債</b>		
Portion of bank borrowings due for repayment after one year which do not contain repayment on demand clause 須於一年後到期償還的不包含按要償還條款的銀行貸款部分	<b>107,244</b>	181,051

The interest-bearing bank borrowings, including the bank borrowings repayable on demand, are carried at amortised cost. None of the portion of bank borrowings due for repayment after one year which contain a repayment on demand clause that is classified as current liabilities is expected to be settled within one year.

**31. 銀行借款**

銀行借款的賬面值分析如下：

計息銀行貸款(包括須按要償還的銀行貸款)乃按攤銷成本列賬。須於一年後到期償還的包含按要償還條款且分類為流動負債的銀行貸款部分預期毋須於一年內清償。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

#### 31. BANK BORROWINGS (Continued)

At 31 December 2016, interest-bearing bank loans were due for repayment as follows:

#### 31. 銀行借款(續)

於二零一六年十二月三十一日，到期償還的計息銀行貸款及透支如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Portion of bank borrowings due for repayment within one year	須於一年內到期償還的 銀行貸款部分	<b>321,088</b>	318,542
Asset-backed financing (note (a))	資產抵押融資(附註(a))	<b>92,675</b>	24,490
		<b>413,763</b>	343,032
Portion of bank borrowings due for repayment after one year which contains a repayment on demand clause (note (b)):	須於一年後到期償還 (包含按要求償還條款)的 銀行貸款部分(附註(b)):		
After 1 year but within 2 years	一年之後但兩年之內	<b>25,608</b>	36,759
After 2 years but within 5 years	兩年之後但五年之內	<b>19,337</b>	42,745
		<b>44,945</b>	79,504
Portion of bank borrowings due for repayment after one year which do not contain a repayment on demand clause:	須於一年後到期償還 (不包含按要求償還條款) 的銀行貸款部分:		
After 1 year but within 2 years	一年之後但兩年之內	<b>55,682</b>	70,682
After 2 years but within 5 years	兩年之後但五年之內	<b>51,562</b>	110,369
		<b>107,244</b>	181,051
		<b>565,952</b>	603,587

Note:

- (a) The asset-backed financing represents the amount of financing obtained in invoice financing transactions which do not meet the de-recognition requirement in HKAS 39. The corresponding assets are included in trade receivables (note 25).
- (b) The amounts due are based on the scheduled repayment dates set out in the loan agreements and ignore the effect of any repayment on demand clause.

附註：

- (a) 資產抵押融資指透過不符合香港會計準則第39號的取消確認規定之交易而獲得的融資金額。有關資產列入貿易應收賬款(附註25)。
- (b) 結欠款項乃按貸款協議所載的預定還款期為基準，並無計及任何按要求償還條款的影響。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 31. BANK BORROWINGS (Continued)

Eight (2015: ten) of the bank facilities are subject to the fulfillment of covenants relating to certain of the Group's financial ratios, as are commonly found in lending arrangements with financial institutions. Should the Group breach the covenants, the drawn down facilities would become repayable on demand. In addition, some of the Group's bank loan agreements contain clauses which give the lenders the right at their sole discretion to demand immediate repayment at any time irrespective of whether the Group has complied with the covenants and met the scheduled repayment obligations.

The Group regularly monitors its compliance with these covenants, and is up to date with the scheduled repayments of the bank borrowings. Further details of the Group's management of liquidity risk are set out in note 6(c). During the year ended 31 December 2015, covenants relating to drawn down facilities with two banks containing repayment on demand clauses had been breached. The breach permitted the banks to demand accelerated repayment. These covenants include certain requirements in the total liabilities to total equity ratio and interest cover. The total carrying amounts of these borrowings amounted to HK\$65,572,000 at 31 December 2015, and were already classified as current liabilities as the Group has no unconditional right to defer repayment after one year from the end of the reporting period. These covenants have been re-negotiated and remedied after the end of the reporting period. There have been no breaches in the financial covenants of any interest-bearing borrowings for the year ended 31 December 2016.

### 31. 銀行借款(續)

八個(二零一五年:十個)銀行融資額度需符合有關本集團若干財務比率之契諾,該等契諾通常於與金融機構訂立之貸款安排中出現。倘本集團違反有關契諾,則已動用之融資額度須按要價償還。此外,本集團若干定期貸款協議之條款中給予貸款人全權酌情決定隨時要求即時償還貸款的權利,而無論本集團是否遵守契諾及符合預定償還職責。

本集團定期監控此等契諾之遵守,並根據銀行貸款的預定還款期作出償還。本集團控制流動資金風險的其他詳情載於附註6(c)。截至二零一五年十二月三十一日止年度,與兩間銀行訂立之有關提取信貸之契諾(包括按要價還款條款)已遭違約。違約後,銀行可要求加快還款。該等契諾包括負債總額與權益總額比率及利息保障的若干要求。該等借款於二零一五年十二月三十一日的總賬面值為65,572,000港元,並已列為流動負債,因本集團並無無條件權利於報告期末起一年後延後還款。該等契諾已於報告期末後重新協商並作出補救。於截至二零一六年十二月三十一日止年度,概無違反任何計息借款之財務契諾。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

#### 31. BANK BORROWINGS (Continued)

All bank borrowings were arranged at floating interest rate. The range of the interest rates per annum at 31 December 2016 was as follows:

		2016 二零一六年 %	2015 二零一五年 %
		per annum 每年	per annum 每年
Floating rate	浮動利率	2.1% to 5.3%	1.7% to 4.0%

The carrying amount of the bank borrowings is denominated in the following currencies:

銀行借款賬面值以下列貨幣為計算單位：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
HK\$	港元	517,060	587,220
RMB	人民幣	26,546	–
USD	美元	22,346	16,367
Total	總計	565,952	603,587

#### 32. BANKING FACILITIES

As at 31 December 2016, the Group had available banking facilities of approximately HK\$788,000,000 (2015: HK\$937,000,000), which were utilised to the extent of approximately HK\$566,000,000 (2015: HK\$604,000,000). These banking facilities were secured by the following:

- corporate guarantees provided by the Company and certain subsidiaries of the Group;
- a property situated in Hong Kong owned by the Group; and
- all monies assignment of rental over the property situated in Hong Kong owned by the Group.

#### 32. 銀行信貸

於二零一六年十二月三十一日，本集團可動用的銀行信貸約為788,000,000港元（二零一五年：937,000,000港元），而已動用的數額約為566,000,000港元（二零一五年：604,000,000港元）。此等銀行信貸以下列項目作為抵押：

- 本公司及本集團某些附屬公司提供的公司擔保；
- 本集團擁有的一項香港物業；及
- 本集團在香港擁有之物業由租金轉讓之所有金額。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

**33. DEFERRED TAX ASSETS/LIABILITIES**

The following is the deferred tax liabilities and assets recognised by the Group, and the movements thereon, during the year:

Deferred tax liabilities:

**33. 遞延稅項資產／負債**

以下為本集團於年內已確認的主要遞延稅項負債及資產與相關變動：

遞延稅項負債：

		Undistributed earnings of a subsidiary 附屬公司未分派盈利 HK\$'000 千港元	Revaluation of leasehold land 租賃土地價值重估 HK\$'000 千港元	Accelerated tax depreciation 加速稅項折舊 HK\$'000 千港元	Intangible assets and inventories 無形資產及存貨 HK\$'000 千港元	Total 總數 HK\$'000 千港元
At 1 January 2015	於二零一五年一月一日	-	25,579	31	2,245	27,855
Charge to other comprehensive income for the year	於年內其他全面收益扣除	-	10,688	-	-	10,688
Credit to profit or loss for the year (note 13)	於年內入賬至損益 (附註13)	-	(124)	-	(2,245)	(2,369)
Exchange difference	匯兌調整	-	(926)	-	-	(926)
At 31 December 2015 and 1 January 2016	於二零一五年十二月三十一日及二零一六年一月一日	-	35,217	31	-	35,248
Charge to other comprehensive income for the year	於年內其他全面收益扣除	-	8,184	-	-	8,184
Charge/(Credit) to profit or loss for the year (note 13)	於年內扣除/(入賬)至損益 (附註13)	15,852	(208)	(31)	-	15,613
Exchange difference	匯兌調整	-	(1,889)	-	-	(1,889)
At 31 December 2016	於二零一六年十二月三十一日	<b>15,852</b>	<b>41,304</b>	-	-	<b>57,156</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

#### 33. DEFERRED TAX ASSETS/LIABILITIES (Continued)

Deferred tax assets:

		Tax losses	Financial liabilities at fair value through profit or loss 按公平值計入損益之金融負債	Fair value adjustment on business combination 業務合併的公平值調整	Total
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2015	於二零一五年一月一日	-	-	-	-
Acquisition of subsidiaries	收購業務	-	18	520	538
Credit to profit or loss for the year (note 13)	於年內入賬至損益(附註13)	-	11,738	6	11,744
At 31 December 2015 and 1 January 2016	於二零一五年十二月三十一日及二零一六年一月一日	-	11,756	526	12,282
Credit/(Charge) to profit or loss for the year (note 13)	於年內入賬/(扣除)至損益(附註13)	1,080	(11,756)	(96)	(10,772)
Exchange difference	匯兌調整	(48)	-	(57)	(105)
At 31 December 2016	於二零一六年十二月三十一日	<b>1,032</b>	-	<b>373</b>	<b>1,405</b>

The following is the analysis of the deferred tax balances (after offset) for consolidated statement of financial position purposes:

就綜合財務狀況表而言，遞延稅項結餘(抵銷後)之分析如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Deferred tax liabilities	遞延稅項負債	<b>56,124</b>	35,248
Deferred tax assets	遞延稅項資產	<b>(373)</b>	(12,282)
Total	總計	<b>55,751</b>	22,966

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 33. DEFERRED TAX ASSETS/LIABILITIES (Continued)

At 31 December 2016, the Group had unused tax losses of approximately HK\$150,142,000 (2015: HK\$198,111,000) which are available for offset against future profits. A deferred tax asset has been recognised in respect of HK\$4,130,000 (2015: HK\$Nil) of such losses. No deferred tax asset has been recognised in respect of the remaining tax losses due to the unpredictability of future profit streams. Included in the unrecognised tax losses are losses of approximately HK\$17,174,000 (2015: HK\$9,849,000) which may be carried forward indefinitely. The remaining unrecognised tax losses of approximately HK\$128,838,000 (2015: HK\$188,262,000) will expire as follows:

### 33. 遞延稅項資產／負債(續)

於二零一六年十二月三十一日，本集團有未動用稅項虧損約150,142,000港元(二零一五年：198,111,000港元)可供抵銷未來溢利。本集團就該等虧損確認4,130,000港元(二零一五年：無)遞延稅項資產。本集團並無就該等剩餘稅項虧損確認遞延稅項資產，因為未能確定未來溢利流入。未確認稅項虧損中包括虧損約17,174,000港元(二零一五年：9,849,000港元)，可無限期結轉。餘下之未確認稅項虧損約128,838,000港元(二零一五年：188,262,000港元)將於下列期間到期：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Year 2016	二零一六年	-	11,938
Year 2017	二零一七年	-	12,274
Year 2018	二零一八年	135	17,690
Year 2019	二零一九年	21,615	36,972
Year 2020	二零二零年	47,908	45,902
Year 2021	二零二一年	51,381	-
Year 2033	二零三三年	-	7,311
Year 2034	二零三四年	2,030	29,032
Year 2035	二零三五年	2,837	27,143
Year 2036	二零三六年	2,932	-
		<b>128,838</b>	188,262

At 31 December 2016, the aggregate amount of temporary differences associated with undistributed earnings of subsidiaries is HK\$345,435,000 (2015: HK\$325,908,000). No liability has been recognised in respect of temporary differences of HK\$186,913,000 (2015: HK\$325,908,000) because the Group is in a position to control the timing of reversal of the temporary differences and it is probable that such differences will not be reversed in the foreseeable future.

於二零一六年十二月三十一日，與附屬公司未分派盈利有關之暫時差額合共約345,435,000港元(二零一五年：325,908,000港元)。本集團並無就暫時差額186,913,000港元(二零一五年：325,908,000港元)確認負債，原因為本集團能控制暫時差額的回撥，而該差額將不可能於可見未來回撥。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 34. SHARE CAPITAL

### 34. 股本

		Number of shares 股份數目	Amount 金額 HK\$'000 千港元
Authorised:	法定：		
Ordinary shares of HK\$0.1 each	每股面值0.1港元的普通股		
At 1 January 2015, 31 December 2015, 1 January 2016 and 31 December 2016	於二零一五年一月一日、二零一五年十二月三十一日、二零一六年一月一日及二零一六年十二月三十一日	5,000,000,000	500,000
Issued and fully paid:	已發行及繳足：		
Ordinary shares of HK\$0.1 each	每股面值0.1港元的普通股		
At 1 January 2015, 31 December 2015, 1 January 2016 and 31 December 2016	於二零一五年一月一日、二零一五年十二月三十一日、二零一六年一月一日及二零一六年十二月三十一日	893,761,400	89,376

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from the previous year.

本集團管理其資本以確保本集團將可持續經營，而持份者亦可透過優化債務及權益結餘取得最大回報。本集團的整體策略與去年無異。

The capital structure of the Group consists of cash and cash equivalents and total equity, comprising issued share capital, reserves, retained earnings and non-controlling interests. The directors of the Company review the capital structure on a semi-annual basis. As part of this review, the directors consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors, the Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debt or the redemption of existing debt.

本集團的資本架構包括現金及等同現金項目及權益總額，包括已發行股本、儲備、保留盈利及非控股權益。本公司董事每半年檢討一次資本架構。於進行檢討時，董事考慮資本成本及有關各類資本的風險。根據董事的建議，本集團將透過派付股息、發行新股及購回股份以及發行新債項或贖回現有債項，藉以平衡整體資本架構。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

**34. SHARE CAPITAL (Continued)**

The net gearing ratio at the year end is as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Debt (a)	負債(a)	<b>565,952</b>	603,587
Less: Pledged bank deposits	減：已抵押銀行存款	-	(194)
Restricted bank deposits	有限制銀行存款	<b>(1,564)</b>	(4,172)
Bank and cash balances	銀行及現金結餘	<b>(296,008)</b>	(263,130)
Net debt	負債淨額	<b>268,380</b>	336,091
Equity (b)	權益(b)	<b>771,507</b>	731,500
Net debt to equity ratio	債務淨額與權益比率	<b>34.8%</b>	45.9%

(a) Debt is defined as bank borrowings as detailed in note 31 to the consolidated financial statements.

(b) Equity includes all capital and reserves of the Group.

The only externally imposed capital requirements for the Group are (i) in order to maintain its listing on the Stock Exchange it has to have a public float of at least 25% of its shares, and (ii) to meet financial covenants attached to the interest-bearing borrowings. The Group receives reports from major shareholders and other connected persons on any changes in shares held by them to ensure the continuing compliance with the 25% limit throughout the year. As at 31 December 2016, 29.64% (2015: 29.51%) of the shares were in public hands. Breaches in meeting the financial covenants would permit the banks to immediately call for repayment of borrowings. The financial covenants of the bank borrowings containing repayment on demand clauses drawn from two banks had been breached which permitted the banks to demand accelerated repayment as at 31 December 2015. Details are set out in note 31 to the consolidated financial statements. There have been no breaches in the financial covenants of any interest-bearing borrowings as at 31 December 2016.

**34. 股本(續)**

於年終的淨借貸比率如下：

(a) 債務乃界定為銀行借款，有關詳情載於綜合財務報表附註31。

(b) 權益包括本集團所有資本及儲備。

本集團唯一向外承擔之資本規定為(i)於聯交所之上市地位及具有不少於25%之公眾持股量；及(ii)遵守附於計息借款之財務契約。本集團從主要股東及其他關連人士收取有關彼等所持有的股份之任何變動的報告，以確保年內持續遵守25%的限制。於二零一六年十二月三十一日，29.64%（二零一五年：29.51%）之股份由公眾持有。違反財務契約將容許銀行即時收回借款。於二零一五年十二月三十一日，有兩間銀行載有按要償還的條款之銀行借款財務契約被違反而容許銀行要求加速還款。詳情載於綜合財務報表附註31。於截至二零一六年十二月三十一日止年度，概無違反任何計息借款之反財務契約。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

#### 35. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY

##### (a) Statement of financial position of the Company

#### 35. 財務狀況表及本公司之儲備變動

##### (a) 本公司財務狀況表

	Note	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
	附註		
<b>Non-current assets</b>			
Investments in subsidiaries		<b>75,179</b>	68,210
<b>Current assets</b>			
Prepayments, deposits and other receivables		<b>50</b>	70
Due from subsidiaries		<b>373,277</b>	373,277
Bank and cash balances		<b>179</b>	82
		<b>373,506</b>	373,429
<b>Current liabilities</b>			
Other payables and accruals		<b>8</b>	14
Due to subsidiaries		<b>83,081</b>	81,828
Financial guarantee contracts liabilities		<b>28,501</b>	35,279
		<b>111,590</b>	117,121
<b>Net current assets</b>		<b>261,916</b>	256,308
<b>NET ASSETS</b>		<b>337,095</b>	324,518
<b>Capital and reserves</b>			
Share capital		<b>89,376</b>	89,376
Reserves	35(b)	<b>247,719</b>	235,142
<b>TOTAL EQUITY</b>		<b>337,095</b>	324,518

Approved by the Board of Directors on 27 March 2017  
and are signed on its behalf by:

經董事會於二零一七年三月二十七日批准，並由以下董事代表簽署：

Lee Yuen Fat  
李遠發  
Director  
董事

Wong Cheong Yiu  
黃昌耀  
Director  
董事

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 35. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (Continued)

#### (b) Reserve movement of the Company

### 35. 財務狀況表及本公司之儲備變動(續)

#### (b) 本公司之儲備變動

		Share premium 股份溢價 HK\$'000 千港元	Share option reserve 購股權儲備 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Total 總數 HK\$'000 千港元
At 1 January 2015	於二零一五年一月一日	204,650	10	43,600	248,260
Profit for the year	年內溢利	-	-	1,182	1,182
Dividends paid	已付股息	-	-	(14,300)	(14,300)
At 31 December 2015	於二零一五年十二月三十一日	204,650	10	30,482	235,142
At 1 January 2016	於二零一六年一月一日	204,650	10	30,482	235,142
Profit for the year	年內溢利	-	-	12,577	12,577
At 31 December 2016	於二零一六年十二月三十一日	<b>204,650</b>	<b>10</b>	<b>43,059</b>	<b>247,719</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 36. RESERVES

#### (a) The Group

The amounts of the Group's reserves and the movements therein are presented in the consolidated statement of profit or loss and other comprehensive income and consolidated statements of changes in equity.

#### (b) Nature and purpose of reserves

##### (i) Share premium

Share premium represents premium arising from the issue of shares at a price in excess of their par value per share. Under the Companies Law of the Cayman Islands, the funds in the share premium account of the Company are distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.

##### (ii) Merger reserve

The merger reserve represents the aggregate of (i) the nominal value of the shares issued by Ka Fung Metal Manufactory Company Limited on 18 January 2005 in exchange for the business of Ka Fung Metal Manufactory, an unincorporated partnership established in Hong Kong and controlled by Mr. Lee; and (ii) the nominal value of the shares issued by the Company in exchange for the entire shareholdings of Ka Shui (Holdings) Company Limited.

##### (iii) Capital reserve

The capital reserve represents (a) the amount of minority interests in Ka Fung Metal Manufactory Company Limited and Ka Fung Metal Manufactory acquired by the Group, (b) the adjustment of non-controlling interest arising from further acquisition of the equity interest up to 79.7% in Topanga Asia and up to 100% in Wuhu Lenka during the year ended 31 December 2015, and (c) the adjustment of non-controlling interest arising from the deemed disposal of Topanga Asia.

### 36. 儲備

#### (a) 本集團

本集團的儲備款項及相關變動均於綜合損益及其他全面收益表及綜合權益變動表呈列。

#### (b) 儲備之性質及目的

##### (i) 股份溢價

股份溢價乃指因按高於每股面值的價格發行股份而產生的溢價。根據開曼群島公司法，本公司的股份溢價賬的資金乃可分派予本公司的股東，惟緊隨股息建議分派之日後，本公司須有能力償還於日常業務過程中到期的債務。

##### (ii) 合併儲備

合併儲備指以下兩項的總和：(i)嘉豐金屬製品廠有限公司於二零零五年一月十八日為換取嘉豐金屬製品廠(一間非按公司法註冊成立的合夥公司，在香港成立，並由李先生控制)之業務而發行的股份面值；及(ii)本公司為換取嘉瑞集團有限公司的全部股權而發行的股份面值。

##### (iii) 資本儲備

資本儲備指(a)本集團收購嘉豐金屬製品廠有限公司及嘉豐金屬製品廠少數股東權益的款額；(b)於截至二零一五年十二月三十一日止年度因進一步收購勁亮嘉至79.7%及蕪湖聯嘉至100%股權而產生之非控股權益調整；及(c)由視作出售勁亮嘉而導致非控股權益之調整。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 36. RESERVES (Continued)

#### (b) Nature and purpose of reserves (Continued)

##### (iv) Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policies set out in note 4(d)(iii) to the consolidated financial statements.

##### (v) Share option reserve

The share option reserve represents the fair value of the actual or estimated number of unexercised share options granted to employees of the Group recognised in accordance with the accounting policy adopted for equity-settled share-based payments in note 4(s) to the consolidated financial statements.

##### (vi) Statutory reserve

The statutory reserve comprises the PRC statutory reserve fund which is non-distributable.

As stipulated by the relevant laws and regulations for foreign investment enterprises in the PRC, the Company's PRC subsidiaries are required to transfer 10% of their profit after taxation calculated under PRC accounting rules and regulations to the statutory reserve fund, until the accumulated total of the statutory reserve fund reaches 50% of their registered capital. The statutory surplus reserve fund can be used to make up prior year losses or applied in conversion into capital.

##### (vii) Land revaluation reserve

The land revaluation reserve has been set up and is dealt with in accordance with the accounting policies adopted for leasehold land in note 4(e) to the consolidated financial statements.

### 36. 儲備(續)

#### (b) 儲備之性質及目的(續)

##### (iv) 匯兌儲備

匯兌儲備包括來自換算海外業務財務報表時產生的所有匯兌差額。該等儲備根據綜合財務報表附註4(d)(iii)所示會計政策處理。

##### (v) 購股權儲備

購股權儲備指根據綜合財務報表附註4(s)所載按股權結算以股份支付的款項而採納的會計政策確認的授予本集團僱員的未行使購股權的實際或估計數目的公平值。

##### (vi) 法定儲備

法定儲備包括不可分派的中國法定儲備基金。

中國規管外商投資企業的相關法律及條例規定，本公司的中國附屬公司須根據中國會計法例及條例計算的除稅後溢利10%轉撥至法定儲備基金，直至累計法定儲備基金總額達到註冊資本的50%為止。法定盈餘儲備基金可用來填補過往年度虧損或撥入資本。

##### (vii) 土地重估儲備

設立土地重估儲備乃根據綜合財務報表附註4(e)所載有關租賃土地而採納之會計政策。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

#### 37. SHARE-BASED PAYMENTS

##### (a) Share Option Scheme

###### (i) Share option scheme of the Company

Pursuant to written resolutions of all the shareholders passed on 2 June 2007, a share option scheme (the "Share Option Scheme") was approved. The purpose of the Share Option Scheme is to recognise and acknowledge the contributions that eligible participants had made or may make to the Group. Eligible participants include (i) employees, directors, consultants, professionals, customers, suppliers, agents, partners or advisors of or contractors to the Group or a company in which the Group holds an interest or a subsidiary of such company ("Affiliate"), or (ii) companies beneficially owned by any director, employee, consultant, professional, customer, supplier, agent, partner, adviser of or contractor to the Group or an Affiliate. The Share Option Scheme became effective on 2 June 2007 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

The maximum number of shares which may be issued upon the exercise of all outstanding share options granted and yet to be exercised under the Share Option Scheme or any other schemes involving the grant of options over shares of the Company must not, in aggregate, exceed 30% of the shares of the Company in issue at anytime. The maximum number of shares issuable under share options to each eligible participant in the Share Option Scheme within any 12 month period, is limited to 1% of the shares of the Company in issue at anytime. Any further grant of shares options in excess of this limit is subject to shareholders' approval in a general meeting.

#### 37. 以股權結算之款項

##### (a) 購股權計劃

###### (i) 本公司購股權計劃

根據全體股東於二零零七年六月二日通過的書面決議案，購股權計劃(「購股權計劃」)已獲採納。購股權計劃目的在於認可或酬謝合資格參與者已經或可能對本集團作出的貢獻。合資格參與者包括(i)本集團或本集團持有權益公司或該公司之附屬公司(「附屬公司」)的僱員、董事、顧問、專業人士、客戶、供應商、代理商、夥伴或諮詢人或承包商，或(ii)由本集團或附屬公司的任何董事、僱員、顧問、專業人士、客戶、供應商、代理商、夥伴、諮詢人或承包商實益擁有的公司。購股權計劃於二零零七年六月二日起生效，除非另行註銷或修訂，購股權計劃將自該日起十年內有效。

因行使所有根據購股權計劃或任何其他涉及授出本公司股份期權的計劃已授出而尚未行使購股權而可發行的最高股份數目，合共不得超過本公司不時已發行股份30%。根據購股權計劃，於任何十二個月期間，可發行予該購股權計劃各合資格參與者的最高股份數目上限為本公司不時已發行股份的1%。進一步授出超過該上限的購股權須獲股東於股東大會上批准。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 37. SHARE-BASED PAYMENTS (Continued)

#### (a) Share Option Scheme (Continued)

##### (i) Share option scheme of the Company (Continued)

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the closing price of the Company's shares at the date of the grant) in excess of HK\$5,000,000, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

The offer of a grant of share options shall remain open for acceptance by the eligible participant concerned for a period of not less than three business days from the date of offer, except for any offer which is made within the last three business days of the life of this scheme, the offer shall remain open for acceptance on a business day by the eligible participant concerned for a period of not longer than the remaining life of this scheme. An offer cannot be accepted by an eligible participant who ceases to qualify as an eligible participant after the offer has been made. No offer shall be capable of or open for acceptance after the expiry of 10 years for the effective date of this scheme.

The offer of a grant of share options may be accepted upon payment of a nominal consideration of HK\$10 in total by the grantee. The exercise period of the share options granted is determinable by the directors, and commences after a certain vesting period as determined by directors at each grant and ends on a date which is not later than ten years from the date of the offer of the share options.

### 37. 以股權結算之款項(續)

#### (a) 購股權計劃(續)

##### (i) 本公司購股權計劃(續)

向本公司董事、行政總裁或主要股東或彼等各自的任何聯繫人士授出購股權，須待獨立非執行董事事先批准後方可進行。此外，於任何十二個月期間內向本公司主要股東或獨立非執行董事或彼等的任何聯繫人士授予的任何購股權，倘超過本公司不時已發行股份的0.1%或總值(按授出日期本公司股份收市價計算)超過5,000,000港元者，須待股東於股東大會上批准後方可進行。

授出購股權的邀約須於邀約日期起計不少於三個營業日的期限內可供合資格參與者接納，惟於該計劃年期的最後三個營業日內作出的任何邀約除外，邀約須於不超過該計劃餘下年期期限內可供合資格參與者於任何營業日接納。作出邀約後，不再為合資格參與者的參與者不得接納該項邀約。於該計劃生效日期10年屆滿後，不得提出邀約，亦不可供接納邀約。

承授人支付合共10港元的象徵式代價後，授出購股權的邀約便屬獲得接納。獲授購股權的行使期由董事釐定，並由董事於各授出日期釐定的若干歸屬期後開始，而屆滿日期不得遲於提出購股權繳約日期起計10年。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 37. SHARE-BASED PAYMENTS (Continued)

#### (a) Share Option Scheme (Continued)

##### (i) Share option scheme of the Company (Continued)

The exercise price of the share options is determinable by the directors, but may not be less than the highest of (i) the Stock Exchange closing price of the Company's shares on the date of the offer of the share options; (ii) the average Stock Exchange closing price of the Company's shares for the five trading days immediately preceding the date of the offer; and (iii) the nominal value of the Company's shares on the date of the offer.

Share options do not confer rights on the holder to dividends or to vote at shareholders' meetings.

Details of the specific categories of options are as follows:

### 37. 以股權結算之款項(續)

#### (a) 購股權計劃(續)

##### (i) 本公司購股權計劃(續)

購股權的行使價由董事釐定，且不得低於(i)提出購股權邀約之日本公司股份在聯交所的收市價；(ii)緊接邀約日期前五個營業日本公司股份在聯交所的平均收市價；及(iii)本公司股份於邀約日期的面值(以較高者為準)。

購股權持有人無權獲派股息或於股東大會上投票。

購股權的具體類別詳情如下：

Category of grantee	Date of grant	Vesting date	Exercise period	Fair value	Exercise price	Number of share options outstanding	
				at grant date		尚餘	2016
承授人類別	授出日期	歸屬日期	行使期	於授出日期之公平值	行使價	購股權數目	
				HK\$ 港元	HK\$ 港元	二零一六年	二零一五年
Junior staff 初級職員	13 March 2008 二零零八年 三月十三日	13 March 2009 二零零九年 三月十三日	13 March 2009 to 12 March 2018 二零零九年三月十三日 至二零一八年三月十二日	0.11	0.415	40,800	40,800
Junior staff 初級職員	13 March 2008 二零零八年 三月十三日	13 March 2010 二零一零年 三月十三日	13 March 2010 to 12 March 2018 二零一零年三月十三日至 二零一八年三月十二日	0.12	0.415	20,600	20,600
Junior staff 初級職員	13 March 2008 二零零八年 三月十三日	13 March 2011 二零一一年 三月十三日	13 March 2011 to 12 March 2018 二零一一年三月十三日至 二零一八年三月十二日	0.12	0.415	40,600	40,600

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 37. SHARE-BASED PAYMENTS (Continued)

#### (a) Share Option Scheme (Continued)

##### (i) Share option scheme of the Company (Continued)

The fair values of the options were determined at the dates of grant using the Black-Scholes option pricing model.

The following assumptions were used to calculate the fair values of shares options:

Share price	HK\$0.400
Exercise price	HK\$0.415
Expected life	3.5 - 6.5 years
Expected volatility	55.42%
Dividend yield	5.25%
Risk-free interest rate	2.005% - 2.176%

Expected volatility was determined by calculating the historical volatility of share prices of comparable companies with shares listed on the Stock Exchange and engaged in the similar business of the Group. The expected life used in the model has been adjusted, based on the Group's best estimate, for the effects of non transferability, exercise restrictions and behavioural considerations.

### 37. 以股權結算之款項(續)

#### (a) 購股權計劃(續)

##### (i) 本公司購股權計劃(續)

購股權的公平值於授出日期使用柏力克-舒爾斯期權定價模式釐定。

下列假設已用於計算購股權的公平值：

股價	0.400港元
行使價	0.415港元
預計年期	3.5 - 6.5年
預計波幅	55.42%
股息回報率	5.25%
無風險利率	2.005% - 2.176%

預計波幅乃透過計算股份於聯交所上市且所從事業務與本集團類似的可比較公司的股價的過往波幅釐定。就非轉讓性、行使限制及行為考慮而言，使用該模式的預計年期已根據本集團的最佳估計作出調整。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

#### 37. SHARE-BASED PAYMENTS (Continued)

##### (a) Share Option Scheme (Continued)

##### (i) Share option scheme of the Company (Continued)

Details of the share option movements during the year and share options outstanding at the end of the year under the Share Option Scheme are as follows:

		2016 二零一六年		2015 二零一五年	
		Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
		購股權數目	加權平均 行使價 HK\$ 港元	購股權數目	加權平均 行使價 HK\$ 港元
Outstanding at the beginning of the year	年初未行使	102,000	0.415	102,000	0.415
Forfeited during the year	年內沒收	-	0.415	-	0.415
Exercised during the year	年內行使	-	0.415	-	0.415
Outstanding at the end of the year	年終未行使	102,000	0.415	102,000	0.415
Exercisable at the end of the year	年終可行使	102,000	0.415	102,000	0.415

No (2015: No) share options were exercised during the year. The options outstanding at the end of the year have a weighted average remaining contractual life of 1.3 years (2015: 2.3 years) and the exercise price of HK\$0.415 (2015: HK\$0.415).

Save as disclosed above, no further options were granted under the Share Option Scheme.

#### 37. 以股權結算之款項(續)

##### (a) 購股權計劃(續)

##### (i) 本公司購股權計劃(續)

於年內購股權之變動及於年末尚未行使購股權之詳情如下：

年內無購股權獲行使(二零一五年：無)。年終未行使購股權的加權平均剩餘合約年期為1.3年(二零一五年：2.3年)，及行使價為0.415港元(二零一五年：0.415港元)。

除上文所披露者外，概無根據購股權計劃授出任何其他購股權。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 37. SHARE-BASED PAYMENTS (Continued)

#### (a) Share Option Scheme (Continued)

##### (ii) Share option scheme of Topanga Asia

Topanga Asia, a subsidiary of the Company in 2015 and deemed disposed on 5 February 2016, operates a share option plan (the "Share Option Plan") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of its operations. Eligible participants include the full-time employees of Topanga Asia or any of its subsidiaries (including directors of Topanga Asia or its subsidiaries) or any other persons who devote substantially all of their time and efforts to the business, management and operation of Topanga Asia and/or any subsidiary, as determined by the board of Topanga Asia. The Share Option Plan became effective on and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

The maximum number of unexercised share options currently permitted to be granted under the Share Option Plan is 70,000 shares of Topanga Asia, subject to the adjustment in such manner as the auditors shall certify to be appropriate, fair and reasonable in the event of any alteration in the capital structure of Topanga Asia in accordance with section 8 of the Share Option Plan, whether by way of capitalisation of profits or reserves, rights issue, consolidation, reclassification, reconstruction, subdivision or reduction of the share capital of Topanga Asia.

The offer of a grant of share options may be accepted within 15 days from the date of the offer, upon payment of a nominal consideration of US\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors, and commences after a certain vesting period and ends on a date which is not later than ten years from the date of the offer of the share options or the expiry date of the Share Option Plan, if earlier.

The exercise price of the share options is determinable by the directors in its absolute discretion.

Share options do not confer rights on the holder to dividends or to vote at shareholders' meetings.

### 37. 以股權結算之款項(續)

#### (a) 購股權計劃(續)

##### (ii) 勁亮嘉購股權計劃

勁亮嘉(本公司於二零一五年之附屬公司及於二零一六年視作出售)經營一購股權計劃(「購股權計劃」)，旨在向為本集團之成功作出貢獻的合資格參加者提供獎賞及獎勵。合資格參加者包括勁亮嘉及其任何附屬公司之全職員工(包括勁亮嘉及其任何附屬公司之董事)或為勁亮嘉及其任何附屬公司之業務、管理及營運貢獻其大部份時間及能力的任何其他人士。除非另行終止或修訂，購股權計劃將由該日期起十年期間生效及有效。

現時，根據購股權計劃准許授出而尚未行使的購股權之最高數目為70,000股勁亮嘉股份，根據購股權計劃第八章，倘勁亮嘉的資本結構出現任何變動，不論以溢利或儲備資本化、供股、合併、重新分類、資本重組、或細分或減少勁亮嘉股本之形式，此數目可調整至核數師證實為適當、公平及合理的數目。

購股權須於授出日期的十五天內，由承授人繳付面值為1美元之總代價作實。已授出購股權之行使期由董事決定，並於若干歸屬期後開始，於購股權授出日期後十年內之日期或購股權計劃到期日之較早者完結。

購股權之行使價由董事全權決定。

購股權並不授予其持有人收取股息或於股東大會中投票之權利。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

#### 37. SHARE-BASED PAYMENTS (Continued)

##### (a) Share Option Scheme (Continued)

##### (ii) Share option scheme of Topanga Asia (Continued)

Details of the specific categories of options are as follows:

#### 37. 以股權結算之款項(續)

##### (a) 購股權計劃(續)

##### (ii) 勁亮嘉購股權計劃(續)

於年內授出之購股權的具體類別如下：

	Date of grant 授出日期	Vesting period 歸屬期	Exercise period 行使期	Exercise price 行使價 US\$ 美元	Number of share options outstanding 尚餘購股權數目	
					2016 二零一六年	2015 二零一五年
Lot 1 第1批	16/6/2014	16/6/2014 – 5/9/2014	6/9/2014 – 16/6/2024	9.1375	-	275
Lot 2 第2批	16/6/2014	16/6/2014 – 5/10/2014	6/10/2014 – 16/6/2024	9.1375	-	22
Lot 3 第3批	16/6/2014	16/6/2014 – 5/11/2014	6/11/2014 – 16/6/2024	9.1375	-	23
Lot 4 第4批	16/6/2014	16/6/2014 – 5/12/2014	6/12/2014 – 16/6/2024	9.1375	-	23
Lot 5 第5批	16/6/2014	16/6/2014 – 5/1/2015	6/1/2015 – 16/6/2024	9.1375	-	23
Lot 6 第6批	16/6/2014	16/6/2014 – 5/2/2015	6/2/2015 – 16/6/2024	9.1375	-	23
Lot 7 第7批	16/6/2014	16/6/2014 – 5/3/2015	6/3/2015 – 16/6/2024	9.1375	-	23
Lot 8 第8批	16/6/2014	16/6/2014 – 5/4/2015	6/4/2015 – 16/6/2024	9.1375	-	22
Lot 9 第9批	16/6/2014	16/6/2014 – 5/5/2015	6/5/2015 – 16/6/2024	9.1375	-	23
Lot 10 第10批	16/6/2014	16/6/2014 – 5/6/2015	6/6/2015 – 16/6/2024	9.1375	-	23
Lot 11 第11批	16/6/2014	16/6/2014 – 5/7/2015	6/7/2015 – 16/6/2024	9.1375	-	23
Lot 12 第12批	16/6/2014	16/6/2014 – 5/8/2015	6/8/2015 – 16/6/2024	9.1375	-	23
Lot 13 第13批	16/6/2014	16/6/2014 – 5/9/2015	6/9/2015 – 16/6/2024	9.1375	-	24
Lot 14 第14批	16/6/2014	16/6/2014 – 5/10/2015	6/10/2015 – 16/6/2024	9.1375	-	22
Lot 15 第15批	16/6/2014	16/6/2014 – 5/11/2015	6/11/2015 – 16/6/2024	9.1375	-	23
Lot 16 第16批	16/6/2014	16/6/2014 – 5/12/2015	6/12/2015 – 16/6/2024	9.1375	-	23
Lot 17 第17批	16/6/2014	16/6/2014 – 5/1/2016	6/1/2016 – 16/6/2024	9.1375	-	23

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

**37. SHARE-BASED PAYMENTS (Continued)****(a) Share Option Scheme (Continued)****(ii) Share option scheme of Topanga Asia (Continued)**

Details of the specific categories of options are as follows: (Continued)

**37. 以股權結算之款項(續)****(a) 購股權計劃(續)****(ii) 勁亮嘉購股權計劃(續)**

於年內授出之購股權的具體類別如下(續):

	Date of grant 授出日期	Vesting period 歸屬期	Exercise period 行使期	Exercise price 行使價 US\$ 美元	Number of share options outstanding 尚餘購股權數目	
					2016 二零一六年	2015 二零一五年
Lot 18 第18批	16/6/2014	16/6/2014 – 5/2/2016	6/2/2016 – 16/6/2024	9.1375	-	23
Lot 19 第19批	16/6/2014	16/6/2014 – 5/3/2016	6/3/2016 – 16/6/2024	9.1375	-	23
Lot 20 第20批	16/6/2014	16/6/2014 – 5/4/2016	6/4/2016 – 16/6/2024	9.1375	-	22
Lot 21 第21批	16/6/2014	16/6/2014 – 5/5/2016	6/5/2016 – 16/6/2024	9.1375	-	23
Lot 22 第22批	16/6/2014	16/6/2014 – 5/6/2016	6/6/2016 – 16/6/2024	9.1375	-	23
Lot 23 第23批	16/6/2014	16/6/2014 – 5/7/2016	6/7/2016 – 16/6/2024	9.1375	-	23
Lot 24 第24批	16/6/2014	16/6/2014 – 5/8/2016	6/8/2016 – 16/6/2024	9.1375	-	23
Lot 25 第25批	16/6/2014	16/6/2014 – 5/9/2016	6/9/2016 – 16/6/2024	9.1375	-	24
Lot 26 第26批	16/6/2014	16/6/2014 – 5/10/2016	6/10/2016 – 16/6/2024	9.1375	-	22
Lot 27 第27批	16/6/2014	16/6/2014 – 5/11/2016	6/11/2016 – 16/6/2024	9.1375	-	23
Lot 28 第28批	16/6/2014	16/6/2014 – 5/12/2016	6/12/2016 – 16/6/2024	9.1375	-	23
Lot 29 第29批	16/6/2014	16/6/2014 – 5/1/2017	6/1/2017 – 16/6/2024	9.1375	-	23
Lot 30 第30批	16/6/2014	16/6/2014 – 5/2/2017	6/2/2017 – 16/6/2024	9.1375	-	23
Lot 31 第31批	16/6/2014	16/6/2014 – 5/3/2017	6/3/2017 – 16/6/2024	9.1375	-	23
Lot 32 第32批	16/6/2014	16/6/2014 – 5/4/2017	6/4/2017 – 16/6/2024	9.1375	-	22
Lot 33 第33批	16/6/2014	16/6/2014 – 5/5/2017	6/5/2017 – 16/6/2024	9.1375	-	23
Lot 34 第34批	16/6/2014	16/6/2014 – 5/6/2017	6/6/2017 – 16/6/2024	9.1375	-	23

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 37. SHARE-BASED PAYMENTS (Continued)

#### (a) Share Option Scheme (Continued)

##### (ii) Share option scheme of Topanga Asia (Continued)

Details of the specific categories of options are as follows: (Continued)

	Date of grant 授出日期	Vesting period 歸屬期	Exercise period 行使期	Exercise price 行使價 US\$ 美元	Number of share options outstanding 尚餘購股權數目	
					2016 二零一六年	2015 二零一五年
Lot 35 第35批	16/6/2014	16/6/2014 – 5/7/2017	6/7/2017 – 16/6/2024	9.1375	-	23
Lot 36 第36批	16/6/2014	16/6/2014 – 5/8/2017	6/8/2017 – 16/6/2024	9.1375	-	23
Lot 37 第37批	16/6/2014	16/6/2014 – 5/9/2017	6/9/2017 – 16/6/2024	9.1375	-	24
Lot 38 第38批	16/6/2014	16/6/2014 – 5/10/2017	6/10/2017 – 16/6/2024	9.1375	-	-
Lot 39 第39批	16/6/2014	16/6/2014 – 5/11/2017	6/11/2017 – 16/6/2024	9.1375	-	-
Lot 40 第40批	16/6/2014	16/6/2014 – 5/12/2017	6/12/2017 – 16/6/2024	9.1375	-	-
Lot 41 第41批	16/6/2014	16/6/2014 – 5/1/2018	6/1/2018 – 16/6/2024	9.1375	-	-
Lot 42 第42批	16/6/2014	16/6/2014 – 5/2/2018	6/2/2018 – 16/6/2024	9.1375	-	-
Lot 43 第43批	16/6/2014	16/6/2014 – 5/3/2018	6/3/2018 – 16/6/2024	9.1375	-	-
Lot 44 第44批	16/6/2014	16/6/2014 – 5/4/2018	6/4/2018 – 16/6/2024	9.1375	-	-

Options are forfeited if the employee leaves Topanga Asia and its subsidiaries.

During the year, Topanga Asia ceased to be the Group's subsidiary (notes 20, 27 and 38(c)). The share option reserve and the relevant share-based payment expenses thereafter were deconsolidated as a result.

The change in number of share options outstanding as set out above is due to deconsolidation during the year.

### 37. 以股權結算之款項(續)

#### (a) 購股權計劃(續)

##### (ii) 勁亮嘉購股權計劃(續)

於年內授出之購股權的具體類別如下(續):

若僱員離開勁亮嘉及其附屬公司，其購股權將予沒收。

於年內，勁亮嘉不再為本集團之附屬公司(附註20、27及38(c))。因此其後購股權儲備及相關以股權結算之款項支出取消綜合。

上述未行使購股權數目之變動乃因為年內取消綜合所致。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

**37. SHARE-BASED PAYMENTS (Continued)****(a) Share Option Scheme (Continued)****(ii) Share option scheme of Topanga Asia (Continued)**

Details of the share option movements during the year and share options outstanding at the end of the year are as follows:

	2016 二零一六年		2015 二零一五年	
	Number of share options 購股權數目	Weighted average exercise price 加權平均行使價 US\$ 美元	Number of share options 購股權數目	Weighted average exercise price 加權平均行使價 US\$ 美元
Outstanding at the beginning of the year 於年初尚未行使	1,100	9.1375	53,300	9.1375
Granted during the year 年內授出	-	9.1375	-	9.1375
Forfeited during the year 年內沒收	-	9.1375	52,200	9.1375
Deconsolidation 取消綜合	(1,100)	9.1375	-	9.1375
Outstanding at the end of the year 於年底尚未行使	-	9.1375	1,100	9.1375
Exercisable at the end of the year 於年底可予行使	-	9.1375	618	9.1375

Options were granted on 16 June 2014. The estimated fair value of the options on this date is US\$249,785 (approximately HK\$1,936,000). As at 31 December 2015, the options outstanding at the end of the year have a weighted average remaining contractual life of 8.5 years and the exercise price of US\$9.1375.

購股權於二零一四年六月十六日授出，估計購股權於當日之公平值為249,785美元（約1,936,000港元）。於年底尚未行使之購股權之加權平均尚餘合約年期為8.5年，行使價為9.1375美元。

**37. 以股權結算之款項(續)****(a) 購股權計劃(續)****(ii) 勁亮嘉購股權計劃(續)**

於年內購股權之變動及於年末尚未行使之購股權之詳情如下：



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

#### 37. SHARE-BASED PAYMENTS (Continued)

##### (a) Share Option Scheme (Continued)

##### (ii) Share option scheme of Topanga Asia (Continued)

These fair values were calculated using the binomial option pricing model. The inputs into the model are as follows:

Weighted average share price	US\$8.85
Weighted average exercise price	US\$9.1375
Expected volatility	65.72%
Expected life	10 years
Risk free rate	2.06%
Expected dividend yield	0.00%
Forfeiture rate	0.00%

Expected volatility was determined by calculating the average of industry annualised historical stock price volatility. The expected life used in the model has been adjusted, based on the Group's best estimate, for the effects of non transferability, exercise restrictions and behavioural considerations.

##### (b) Share Award Scheme

The Company adopted a share award scheme (the "Share Award Scheme") on 10 January 2013 ("Adoption Date") for a period of 10 years. The purpose and objective of the Share Award Scheme are to recognise the contributions by certain employees and persons of the Group and to provide them with incentives in order to retain them for the continued operation and development of the Group and to attract suitable personnel for further development of the Group. The Company has set up a Share Award Scheme Trust. Pursuant to the Share Award Scheme, new awarded shares may be allotted and issued to the independent trustee under general mandates granted or to be granted by the shareholders at general meetings of the Company from time to time and be held in trust for relevant participants until such shares are vested with the relevant participants in accordance with the provisions of the Share Award Scheme.

#### 37. 以股權結算之款項(續)

##### (a) 購股權計劃(續)

##### (ii) 勁亮嘉購股權計劃(續)

其公平值乃使用二項式定價模式計算。代入該模式之輸入數據如下：

加權平均股價	8.85美元
加權平均行使價	9.1375美元
預計波幅	65.72%
預計年期	10年
無風險利率	2.06%
預計股息回報率	0.00%
沒收比率	0.00%

預計波幅乃透過計算行業年率化歷史股價波幅平均值而釐定。就非轉讓性、行使限制及行為考慮而言，使用該模式的預計年期已根據本集團的最佳估計作出調整。

##### (b) 股份獎勵計劃

本公司於二零一三年一月十日(「採納日期」)採納股份獎勵計劃(「股份獎勵計劃」)，為期十年。股份獎勵計劃之目的及目標在表彰本集團若干僱員及人士之貢獻，並給予獎勵以挽留該等僱員及人士為本集團之持續經營和發展而努力，亦為本集團進一步發展吸引合適之人才。本公司已設立一個股份獎勵計劃信託。根據股份獎勵計劃，可根據股東於本公司之股東大會上已授出或不時授出之一般授權向行政管理委員會或獨立受託人配發及發行新獎勵股份，並以信託形式代有關參與者持有，直至有關股份根據股份獎勵計劃的條文歸屬於有關參與者為止。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

#### 37. SHARE-BASED PAYMENTS (Continued)

##### (b) Share Award Scheme (Continued)

Subject to any early termination as may be determined by the Board of the Company, the Share Award Scheme shall be valid and effective for a period of ten years commencing on the Adoption Date.

The maximum number of shares awarded under the Share Award Scheme shall not exceed 5% of the issued share capital of the Company as at the Adoption Date.

The maximum number of shares which may be awarded to a selected person under the Share Award Scheme shall not exceed 1% of the issued share capital of the Company as at the Adoption Date.

On 28 April 2014, the Company granted 210,000 shares to an eligible participant pursuant to the Share Award Scheme. The shares were vested immediately. The Company has recognised a share-based payment of HK\$292,000 and credited the share capital and share premium of approximately HK\$21,000 and HK\$271,000 respectively, representing the fair value of the shares awarded. The fair values of the awarded shares were measured by reference to the closing market price of the shares at grant date. For the years ended 31 December 2015 and 31 December 2016, no awarded share was granted pursuant to the Share Award Scheme.

#### 37. 以股權結算之款項(續)

##### (b) 股份獎勵計劃(續)

在本公司董事會可決定提早終止的規限下，股份獎勵計劃將由採納日期起十年期間有效及生效。

根據股份獎勵計劃授出的股份最高數目不得超過於採納日期本公司已發行股本的5%。

根據股份獎勵計劃向一名經甄選人士可能授出的股份最高數目不得超過於採納日期本公司已發行股本的1%。

於二零一四年四月二十八日，本公司已根據股份獎勵計劃向一名合資格參加者授出210,000股股份。該等股份已即時歸屬。本公司已確認一項以股份結算之款項292,000港元，並將約21,000港元及約271,000港元分別計入股本及股份溢價，相當於獎勵股份之公平值。獎勵股份之公平值參考股份於授出日期之收市價計量。於截至二零一五年十二月三十一日及二零一六年十二月三十一日止年度，概無按股份獎勵計劃授出獎勵股份。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 38. NOTES TO CONSOLIDATED STATEMENT OF CASH FLOWS

#### (a) Cash flows from operating activities

### 38. 綜合現金流量表附註

#### (a) 經營業務之現金流量

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Profit/(Loss) from operations	經營溢利/(虧損)	122,408	(72,510)
Adjustments for:	已作出下列調整：		
Interest income	利息收入	(868)	(2,194)
Share-based payment expenses	以股權結算之款項支出	-	111
Reversal of allowance for doubtful debts	呆賬撥備回撥	(53)	(358)
Bad debt written off (net of bad debt recovery)	壞賬撇銷(扣除壞賬收回)	275	14
Allowance for inventories	存貨撥備	12,110	6,147
Net (gain)/loss on financial assets/liabilities at fair value through profit or loss	按公平值計入損益的金融資產/負債之淨(收益)/虧損	(14,767)	71,646
(Gain)/Loss on disposal of property, plant and equipment	出售物業、機器及設備之(收益)/虧損	(45)	267
Property, plant and equipment written off	物業、機器及設備撇銷	4,515	3,888
Property, plant and equipment written back	物業、機器及設備回撥	-	(1,000)
Impairment on property, plant and equipment	物業、機器及設備減值	1,122	4,750
Depreciation on property, plant and equipment	物業、機器及設備折舊	90,500	84,562
Impairment on intangible assets	無形資產減值	-	11,206
Amortisation of intangible assets	無形資產攤銷	-	2,402
Operating profit before movements in working capital	未計營運資金變動前的經營溢利	215,197	108,931
(Increase)/Decrease in inventories	存貨(增加)/減少	(33,453)	22,848
Decrease in restricted bank balance	有限制銀行存款減少	2,714	-
(Increase)/Decrease in trade receivables	貿易應收款項(增加)/減少	(96,220)	59,779
(Increase)/Decrease in prepayments, deposits and other receivables	預付款項、按金及其他應收款項(增加)/減少	(827)	22,077
Increase/(Decrease) in trade payables	應付貿易款項增加/(減少)	87,062	(53,676)
Increase/(Decrease) in deposits received, other payables and accruals	已收按金、其他應付款項及應計費用增加/(減少)	625	(2,032)
Increase in due from associates	應付聯營公司款項增加	1,175	-
Increase in amount due to a related company	應付關連公司款項增加	125	996
Proceeds from financial assets at fair value through profit or loss	按公平值計入損益賬的金融資產款項	-	6,595
Payment for financial liabilities at fair value through profit or loss	按公平值計入損益賬的金融負債支出	(56,435)	(15,011)
Cash generated from operations	經營所得現金	119,963	150,507
Income tax paid	已付所得稅	(19,040)	(25,360)
Interest paid	已付利息	(17,933)	(16,480)
Net cash generated from operating activities	經營業務所得現金淨額	82,990	108,667

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 38. NOTES TO CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

#### (b) Acquisition of subsidiaries

On 14 May 2015, the Group acquired 100% of the issued share capital of Goodly. Goodly is an investment holding company and its subsidiary, Goodly Suzhou, was engaged in research, manufacture and sale of plastic injection moulding and components of car-related products during the period.

According to the share purchase agreement dated 14 May 2015 between the Group and the then shareholder of Goodly, the consideration of the acquisition of Goodly was settled by way of (a) cash consideration of HK\$10,000,000; (b) contingent consideration ("Contingent Consideration") comprising a cash consideration of maximum up to HK\$1,200,000 and a share consideration of maximum of 300 ordinary shares of Katchon. The final amount of Contingent Consideration depends on the consolidated total comprehensive income of Goodly for the year ended 31 December 2015. The fair value of the Contingent Consideration at acquisition date was measured by reference to the expected total comprehensive income of Goodly which had been discounted by applicable discount rates. The acquisition is for the purpose of expanding the Group's automotive components products portfolio and customer base with a view to enhance its revenue and profitability in the forthcoming future.

### 38. 綜合現金流量表附註(續)

#### (b) 收購業務

於二零一五年五月十四日，本集團收購卓研已發行股本的100%權益。卓研為一家投資控股公司，其附屬公司卓研蘇州乃從事研究、生產和銷售塑膠注塑產品及汽車相關產品的零件。

根據二零一五年五月十四日本集團與當時卓研股東之間的購股協議，收購卓研的代價按以下方式支付(a)現金代價10,000,000港元；(b)或然代價(「或然代價」)，包括最高1,200,000港元的現金代價及嘉昌最多300股普通股的股份代價。或然代價之最終金額取決於卓研截至二零一五年十二月三十一日的綜合年內全面收益總額。於收購日之或然代價的公平值是以適當的貼現率折現卓研的預期全面收益總額計量出來。進行收購的目的是擴展本集團汽車零部件之產品組合及客戶基礎，繼而在未來提昇其收入及盈利能力。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

#### 38. NOTES TO CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

##### (b) Acquisition of subsidiaries (Continued)

The fair value of the identifiable assets and liabilities of Goodly and its subsidiary acquired as at its date of acquisition is as follows:

Net assets acquired:		HK\$'000
所收購的資產淨值：		千港元
Property, plant and equipment	物業、機器及設備	15,497
Inventories	存貨	4,936
Trade and other receivables	貿易及其他應收款項	14,744
Current tax assets	即期稅項資產	242
Bank and cash balances	銀行及現金結餘	3,772
Deferred tax asset	遞延稅項資產	538
Trade and other payables	貿易及其他應付款項	(10,193)
Bank borrowings	銀行借貸	(3,126)
Financial liabilities at fair value through profit or loss	按公平值計入損益賬之金融負債	(114)
<b>Total net identifiable assets</b>	<b>可識別資產淨值總額</b>	<b>26,296</b>
<b>Gain on a bargain purchase</b>	<b>議價收購收益</b>	<b>(9,546)</b>
<b>Total consideration</b>	<b>總代價</b>	<b>16,750</b>
Satisfied by:	以下列方式支付：	
Cash	現金	10,000
Contingent consideration payable	應付或然代價	6,750
		<b>16,750</b>
<b>Net cash outflow arising on acquisition:</b>	<b>收購產生的現金流出淨額：</b>	
Cash consideration paid	已付現金代價	(10,000)
Cash and cash equivalents acquired	所收購現金及等同現金項目	3,772
		<b>(6,228)</b>

#### 38. 綜合現金流量表附註(續)

##### (b) 收購業務(續)

於收購日期，所收購卓研及其附屬公司的可識別資產及負債的公平值載列如下：

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

#### 38. NOTES TO CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

##### (b) Acquisition of subsidiaries (Continued)

The Group has recognised a gain on a bargain purchase of approximately HK\$9,546,000 which is mainly attributable to the immediate cash realisation opportunity offered to the vendor.

The receivables acquired (which principally comprised trade receivables) in this transaction with a fair value of approximately HK\$14,744,000 had gross contractual amounts of approximately HK\$14,744,000. The best estimate at acquisition date of the contractual cash flows not expected to be collected is nil.

At the date of acquisition, the fair value of the contingent consideration of approximately HK\$6,750,000 was the sum of the additional cash consideration of HK\$988,000, and the estimated fair value of the additional shares to be issued by Katchon. The fair value of shares of Katchon was estimated applying the income approach. The fair value estimates are based on an assumed discount rate of 21.33%.

For the year ended 31 December 2015, the consolidated total comprehensive income of Goodly has met the target requirement as stipulated in the share purchase agreement. As a result, the former shareholder of Goodly is entitled to the maximum amount of cash consideration and share consideration. The Group's final shareholding in Goodly was reduced to 70% after the issue of Katchon's shares to the former shareholder of Goodly. Therefore, the contingent consideration payable as at 31 December 2015 was adjusted accordingly. The cash consideration and share consideration of the Contingent Consideration were settled during 2016.

Acquisition-related costs amounting to approximately HK\$450,000 have been excluded from the consideration transferred and have been recognised as expenses in the year, within the "other operating expenses and income" line item in the consolidated statement of profit or loss.

#### 38. 綜合現金流量表附註(續)

##### (b) 收購業務(續)

本集團已確認議價購買收益約9,546,000港元，乃主要因提供予賣方之直接變現機會所致。

於是項交易中收購之應收款項(主要包括貿易應收款項)公平值約為14,744,000港元，其合約總金額約為14,744,000港元。預計不可收回之合約現金流量於收購日期的最佳估計金額為零。

於收購日，或然代價約6,750,000港元的公平值為額外現金代價988,000港元與嘉昌擬發行額外股份之估計公平值的總和。嘉昌股份的公平值乃以收益法估算。公平值估計乃基於假定貼現率21.33%計算。

於二零一五年十二月三十一日止年度，卓研之綜合全面收益已符合股份購買協議之目標條件。因此，卓研之前股東可享有現金代價及股份代價之最高金額。於發行嘉昌之股份予卓研之前股東後，本集團最終在卓研之股權已降至70%。所以，於二零一五年十二月三十一日之應付或然代價亦相應地調整。或然代價之現金代價及股份代價已於二零一六年償還。

收購相關成本約450,000港元已從轉讓代價中扣除，並已於年內在綜合損益表的「其他經營開支及收入」項下確認為開支。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 38. NOTES TO CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

#### (b) Acquisition of subsidiaries (Continued)

Goodly and its subsidiary contributed approximately HK\$25,675,000 and HK\$3,495,000 to the Group's revenue and profit for the year ended 31 December 2015 respectively for the period between the date of acquisition and the end of the reporting period.

If the acquisition had been completed on 1 January 2015, total revenue of the Group for the year ended 31 December 2015 would have been approximately HK\$1,559,151,000, and loss for the year ended 31 December 2015 would have been approximately HK\$74,682,000. The proforma information is for illustrative purposes only and is not necessarily an indication of the revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2015, nor is intended to be a projection of future results.

#### (c) Deemed disposal of subsidiaries

As set out in notes 20 and 27, on 5 February 2016, the Group entered into a share purchase agreement, according to which a total of 1,912,069 shares were allotted to a third party and a non-controlling shareholder of Topanga Asia, representing 51.1% of Topanga Asia immediately after the share allotment. The Group's equity interest in Topanga Asia was diluted to 38.9% after the allotment, and resulted in a loss of control in and deemed disposal of Topanga Asia.

### 38. 綜合現金流量表附註(續)

#### (b) 收購業務(續)

於收購日期至報告期末期間，卓研及其附屬公司為本集團截至二零一五年十二月三十一日止年度之收入及溢利分別貢獻約25,675,000港元及3,495,000港元。

倘收購於二零一五年一月一日經已完成，本集團於截至二零一五年十二月三十一日止年度的總收入將約為1,559,151,000港元，而截至二零一五年十二月三十一日止年度的虧損將約為74,682,000港元。備考資料僅供說明用途，未必為收購於二零一五年一月一日完成時本集團實際所得收入及經營業績的指標，亦不擬作未來業績的預測。

#### (c) 視作出售附屬公司

如附註20及27中列載，於二零一六年二月五日本集團訂立股份購買協議，據此配發1,912,069股股份予一名第三者及非控股股東，佔勁亮嘉於緊隨股份配發後51.1%權益。配發後本集團於勁亮嘉之權益攤薄至38.9%，並因此失去控制權及視作出售勁亮嘉。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 38. NOTES TO CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

#### (c) Deemed disposal of subsidiaries (Continued)

Net assets at the date of deemed disposal were as follows:

Net assets disposed:		HK\$'000
出售淨資產：		千港元
Inventories	存貨	2,603
Trade receivables	貿易應收款項	551
Other receivables, prepayment and deposit paid	其他應付款項、預付款項及按金	1,283
Amount due from a related company	應收關連公司款項	589
Bank and cash balances	銀行及現金結餘	1,630
Trade payables	貿易應付款項	(42)
Amount due to holding company	應付控股公司款項	(1,686)
Other payables and accruals	其他應付款項及應計費用	(2,093)
<b>Net assets disposed of</b>	<b>出售淨資產</b>	<b>2,835</b>
Fair value of the equity interest retained in Topanga Asia	於勁亮嘉剩餘股權之公平值	5,078
Net assets disposed of	出售淨資產	(2,835)
Non-controlling interests	非控股權益	2,355
Release of foreign currency translation reserve	匯兌儲備釋出	37
<b>Gain on deemed disposal</b>	<b>視作出售收益</b>	<b>4,635</b>
Net cash outflow arising on disposal:	由出售導致之淨現金流出	
Cash and cash equivalents disposed of	出售現金及等同現金項目	1,630

#### (d) Major non-cash transaction

Included in the additions of property, plant and equipment was an amount of approximately HK\$3,072,000 (2015: HK\$3,538,000) which was transferred from deposits paid for acquisition of property, plant and equipment.

#### (d) 主要非現金交易

計入添置物業、機器及設備約為3,072,000港元(二零一五年: 3,538,000港元), 乃由預付購買物業、機器及設備的按金所轉入。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

#### 39. OPERATING LEASE COMMITMENTS

##### The Group as lessor

The Group leases its property under operating lease arrangements, with leases negotiated for a term of one year (2015: one year). The terms of the leases generally provide for periodic rent adjustments according to the then prevailing market conditions.

At 31 December 2016, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Within one year	一年內	85	49
In the second to fifth year, inclusive	第二年至第五年(包括首尾兩年)	76	-
		<b>161</b>	49

##### The Group as lessee

At 31 December 2016, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Within one year	一年內	5,512	6,439
In the second to fifth year, inclusive	第二年至第五年(包括首尾兩年)	6,523	7,441
After five years	五年後	35,522	39,310
		<b>47,557</b>	53,190

Operating lease payments represent rentals payable by the Group for certain of its staff quarters, factory and office premises, office equipment and warehouses. Leases for staff quarters, factory and office premises, office equipment and warehouses except one warehouse and certain factory premises are negotiated, and rentals are fixed, for an average term of 1 to 5 years. Lease for certain factory premises are fixed with a term of 34 years.

#### 39. 經營租約承擔

##### 本集團作為出租人

本集團按經營租約安排出租其物業，租期為一年(二零一五年：一年)。租約提供一般以現行市場情況作定期租金調整之條款。

於二零一六年十二月三十一日，本集團根據不可撤銷經營租約而於下列期間到期的應收未來最低租賃款總額如下：

##### 本集團作為承租人

於二零一六年十二月三十一日，本集團根據不可撤銷經營租約的應付未來最低租賃款總額如下：

經營租約付款指本集團須就若干員工宿舍、工廠及辦公室物業、辦公室設備、貨倉及工廠物業支付的租金。員工宿舍、工廠及辦公室物業、辦公室設備及貨倉的租約(一間貨倉及若干工廠物業除外)經協商而訂立，租金為固定而租期平均為一至五年。工廠物業的租約協定的年期為三十四年。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 39. OPERATING LEASE COMMITMENTS (Continued)

#### The Group as lessee (Continued)

Lease arrangement of one warehouse (2015: one) has been subject to contingent rent by reference to monthly usage throughout the lease period.

The lease payments recognised as an expenses are as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Minimum lease payments	最低租賃款項	8,848	11,175
Contingent rent	或然租金	12	37
		<b>8,860</b>	<b>11,212</b>

### 40. CAPITAL COMMITMENTS

The Group's capital commitments in respect of purchase and construction of property, plant and equipment at the end of the reporting period are as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Acquisition of property, plant and equipment	收購物業、機器及設備	15,611	28,718

### 39. 經營租約承擔(續)

#### 本集團作為承租人(續)

一間(二零一五年: 一間)倉庫的租賃安排為參考租賃期間內的每月使用情況支付或然租金。

租賃款項確認為支出，如下所示：

### 40. 資本承擔

於報告期間完結日，本集團有關購買及建造物業、機器及設備的資本承擔詳情如下：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 41. RELATED PARTY TRANSACTIONS

- (a) In addition to those related party transactions and balances disclosed elsewhere in the consolidated financial statements, the Group had the following transactions with its related parties during the year:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Rental income from associates	自聯營公司租金收入	331	-
Rental expenses paid to an associate	付聯營公司租金支出	1,727	-
Purchase of machinery and machinery parts from and maintenance cost to a related company, Chit Shun Machinery Limited (note (i))	向關連公司捷迅機械設備有限公司購買機器、機器零部件及維修成本(附註(i))	2,417	7,594
Amount due to a related company, Chit Shun Machinery Limited (note (i))	應付關連公司捷迅機械設備有限公司金額(附註(i))	2,020	1,895
Deposit paid to a related company, Chit Shun Machinery Limited (note (i))	向關連公司捷迅機械設備有限公司支付按金(附註(i))	-	87

Note:

- (i) Mr. Lee has joint control in the related company. These transactions are made between the Company's subsidiaries and the related company under a master agreement dated 7 December 2015 between the related company and the Company, and are continuing connected transactions under the Listing Rules.

- (b) The above transactions were entered with the related parties on terms mutually agreed by individual parties. In the opinion of the directors of the Group, these related party transactions were conducted on normal commercial terms and in the ordinary and usual course of the Group's business.
- (c) During the year, compensation paid by the Group to the key management personnel, which were the directors of the Company, was disclosed in note 16 to the consolidated financial statements.

### 41. 關連人士交易

- (a) 除於綜合財務報表其他部份所披露的關連人士交易及結餘外，年內本集團曾與關連人士進行以下交易：

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
----------------------------------	----------------------------------

331	-
1,727	-
2,417	7,594
2,020	1,895
-	87

附註：

- (i) 李先生對此關連公司有共同控制。此等交易由本公司之附屬公司及關連公司按二零一五年十二月七日由關連公司及本公司訂立之總協議而進行，並構成上市規則之持續關連交易。

- (b) 上述交易均與關連人士按照各方互相協定的條款進行。本集團董事認為，該等關連交易乃根據一般商業條款於本集團日常業務過程中進行。
- (c) 年內，本集團已付主要管理人員(為本公司董事)酬金乃於綜合財務報表附註16披露。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 41. RELATED PARTY TRANSACTIONS (Continued)

- (d) On 24 October 2016, the Group has entered into an agreement with a company controlled by the controlling shareholder (the "Purchaser") to transfer the entire equity interest of MG Technology, a subsidiary of the Company, to the Purchaser, at a consideration of HK\$290,000,000. The consideration will be paid by three instalments, of which HK\$40,000,000 was received before year end and was included in deposits received in the consolidated statement of financial position. The transaction was a connected transaction under the Listing Rules and was approved by independent shareholders in an extraordinary general meeting held on 7 December 2016. Pursuant to the agreement, save for (i) the land and buildings, and (ii) bank and cash balances, trade receivables and payables of not more than HK\$110,000,000, MG Technology should transfer all assets and liabilities, businesses and employees to other group companies prior to the completion of the transaction. The Group expects that the transaction will be completed in 2017.

### 42. EVENTS AFTER THE REPORTING PERIOD

On 27 March 2017, the Board of Directors proposed to declare a final dividend of HK1.0 cent (2015: Nil) per ordinary share to its shareholders, as further disclosed in note 17 to the consolidated financial statements.

### 43. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the Board of Directors on 27 March 2017.

### 41. 關連人士交易(續)

- (d) 於二零一六年十月二十四日，本集團與控股股東控制之公司(「賣方」)訂立協議轉讓本公司附屬公司創金美科技之全部股權予賣方，代價為290,000,000港元。代價分三期支付，其中40,000,000港元已於年末前收取及已於綜合財務狀況表中入賬為已收訂金。按上市規則此交易為關連交易及於二零一六年十二月七日之股東特別大會獲獨立股東通過。根據協議，除(i)土地及物業；及(ii)銀行及現金結餘、貿易應收款項及貿易應付款項不超過110,000,000港元外，創金美科技須於完成交易前轉讓所有資產及負債、業務及僱員至其他集團公司。本集團預期此交易將於二零一七年完成。

### 42. 報告期後事項

於二零一七年三月二十七日，董事會建議宣派每股1港仙(二零一五年: 零)之末期普通股股息，其詳情載於綜合財務報表附註17。

### 43. 批准綜合財務報表

本綜合財務報表已於二零一七年三月二十七日獲董事會批准並授權刊發。

# FIVE-YEAR FINANCIAL SUMMARY

## 五年財務概要

		Year ended 31 December 截至十二月三十一日止年度				
		2012	2013	2014	2015	2016
		二零一二年	二零一三年	二零一四年	二零一五年	二零一六年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
<b>RESULTS</b>	<b>業績</b>					
Revenue	收入	1,568,958	1,806,585	1,582,333	1,539,344	<b>1,742,476</b>
Profit/(Loss) before tax	除稅前溢利/(虧損)	157,230	90,651	86,059	(71,756)	<b>106,154</b>
Income tax expense	所得稅開支	(31,336)	(34,539)	(26,707)	(5,410)	<b>(46,252)</b>
Profit/(Loss) for the year	年內溢利/(虧損)	125,894	56,112	59,352	(77,166)	<b>59,902</b>
Attributable to	以下人士應佔權益：					
– Owners of the Company	– 本公司權益持有人	125,894	60,542	77,246	(63,489)	<b>59,243</b>
– Non-controlling interests	– 非控股權益	–	(4,430)	(17,894)	(13,677)	<b>659</b>
		125,894	56,112	59,352	(77,166)	<b>59,902</b>
		As at 31 December 於十二月三十一日				
		2012	2013	2014	2015	2016
		二零一二年	二零一三年	二零一四年	二零一五年	二零一六年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
<b>ASSETS AND LIABILITIES</b>	<b>資產及負債</b>					
Total assets	總資產	1,596,677	1,700,608	1,829,980	1,791,602	<b>1,865,747</b>
Total liabilities	總負債	(780,903)	(847,045)	(980,437)	(1,060,102)	<b>(1,094,240)</b>
Net assets	淨資產	815,774	853,563	849,543	731,500	<b>771,507</b>



***KaShui***<sup>1980</sup>

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