

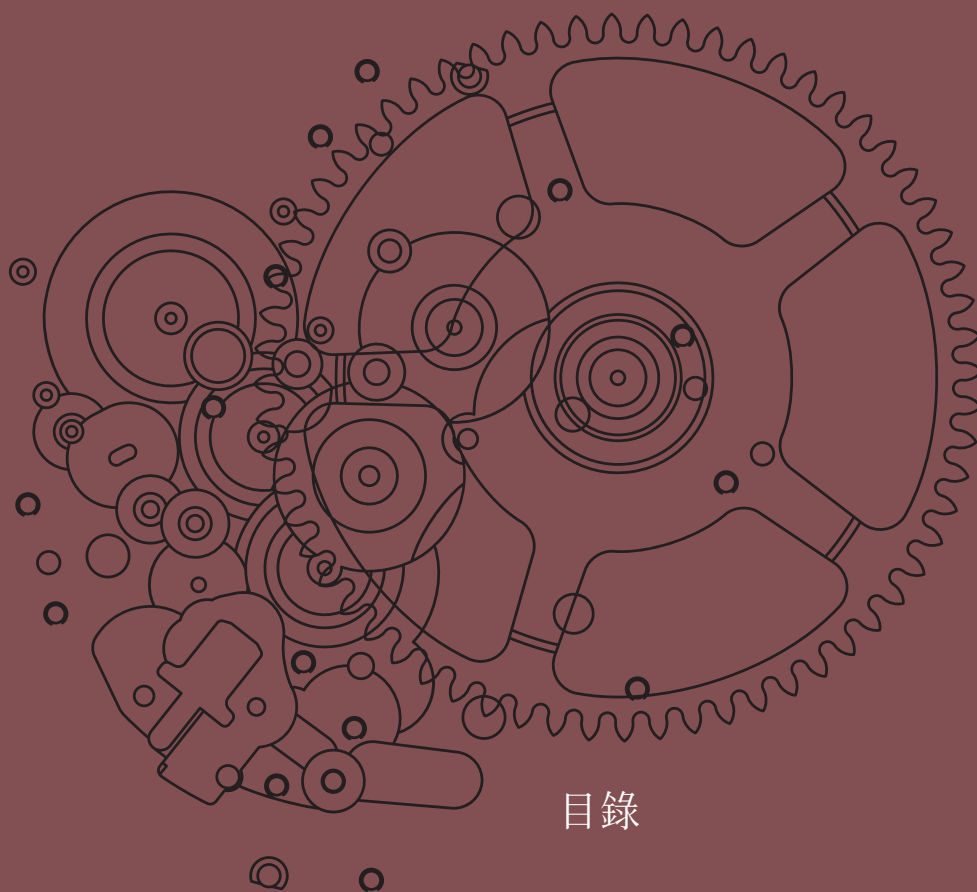
(Incorporated in the Cayman Islands with limited liability 冠城鐘錶珠寶集團有限公司) | Stock Code 股份代號: 256



CITYCHAMP

WATCH & JEWELLERY GROUP LIMITED
冠城鐘錶珠寶集團有限公司

ANNUAL REPORT 2016 年報



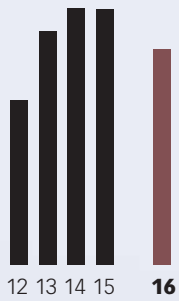
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財務摘要

收入

千港元

**2016: 2,939,955**

2015: 3,476,354

2014: 3,488,553

2013: 3,176,423

2012: 2,240,304

除稅後溢利

千港元

**2016: 63,840**

2015: 340,159

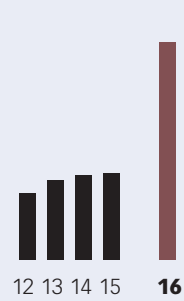
2014: 163,032

2013: 600,610

2012: 310,287

總資產

千港元

**2016: 17,255,820**

2015: 6,838,556

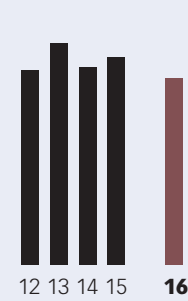
2014: 6,732,878

2013: 6,273,631

2012: 5,261,137

擁有人權益

千港元

**2016: 3,632,881**

2015: 4,043,253

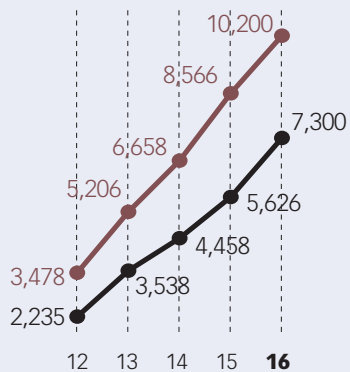
2014: 3,846,524

2013: 4,315,079

2012: 3,789,021

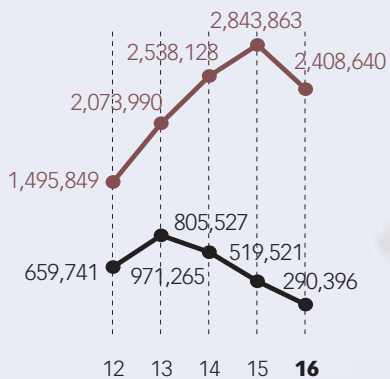


品牌價值
人民幣百萬元



● 羅西尼 ● 依波精品

按自有品牌及非自有品牌劃分之收入
千港元



● 自有品牌
● 非自有品牌



公司資料

董事會

執行董事

韓國龍(主席)
商建光(行政總裁)
石濤
林代文
畢波
薛黎曦
韓孝煌
陶立

獨立非執行董事

馮子華
鄭俊偉
李強(辭任於二零一七年一月二十日生效)
張斌
Rudolf Heinrich ESCHER
(委任於二零一七年一月二十日生效)

審核委員會

馮子華(主席)
鄭俊偉
李強(辭任於二零一七年一月二十日生效)
張斌
Rudolf Heinrich ESCHER
(委任於二零一七年一月二十日生效)

薪酬委員會

馮子華(主席)
鄭俊偉
李強(辭任於二零一七年一月二十日生效)
張斌
韓國龍
商建光
Rudolf Heinrich ESCHER
(委任於二零一七年一月二十日生效)

提名委員會

韓國龍(主席)
商建光
馮子華
鄭俊偉
李強(辭任於二零一七年一月二十日生效)
張斌
Rudolf Heinrich ESCHER
(委任於二零一七年一月二十日生效)

風險管理委員會

薛黎曦(主席)
石濤
林代文
畢波

合資格會計師及公司秘書

方志華

核數師

香港立信德豪會計師事務所有限公司

主要往來銀行

中國銀行(香港)有限公司
中國建設銀行(亞洲)股份有限公司
招商銀行股份有限公司
香港上海滙豐銀行有限公司
恒生銀行有限公司
渣打銀行(香港)有限公司
瑞士銀行
中信銀行(國際)有限公司

香港股份過戶登記分處

卓佳秘書商務有限公司
香港
皇后大道東183號
合和中心22樓

註冊辦事處

P.O. Box 309
Ugland House
South Church Street
Grand Cayman
Cayman Islands

主要辦事處

香港
九龍柯士甸道西1號
環球貿易廣場
19樓1902-04室

網站

www.irasia.com/listco/hk/citychamp
www.citychampwatchjewellery.com

二零一六年公司大事記要

二月 於二零一六年二月十九日，本公司之附屬公司環球富盛有限公司(「環球富盛」)訂立協議以代價24,800,000港元收購信亨証券有限公司(一家獲准根據證券及期貨條例(「證券及期貨條例」)進行第1類(證券交易)受規管活動的持牌公司)。收購事項將為本集團提供機會進軍香港證券交易市場以及有助本集團擴闊收益及收入來源。

三月 一八五六年創立的綺年華在二零一六年慶祝創立160週年並在二零一六年巴塞爾世界鐘錶珠寶博覽會發佈新型號。二零一六年是綺年華品牌復興的一年，將品牌於鐘錶市場年輕化及重新定位，推動活化及現代化。

羅西尼獲中華總商會及中華全國商業信息中心評為二零一五年度本地鐘錶類別整體市場佔有率第一位。羅西尼亦自二零零二年起連續14年評為本地鐘錶類別銷售量第一位。

本公司風險管理委員會於二零一六年三月三十日成立，成員包括四名執行董事：薛黎曦女士(主席)、石濤先生、林代文先生及畢波先生。委員會評估及釐定本集團所願承擔之風險水平、監察本集團風險管理系統及進行定期審視，以及識別及減低任何重大風險。

五月 本公司之全資附屬公司深圳市恒譽嘉時貿易有限公司以代價人民幣48,353,000元出售河南金爵實業有限公司(「河南金爵」)之46.05%股權。於出售后，本集團仍持有河南金爵之4.95%股權。

六月 羅西尼及依波精品均獲世界品牌實驗室評選為「二零一六年中國500最具價值品牌」。羅西尼於中國國錶類別排名第一，品牌價值約為人民幣102億元，而依波精品之品牌價值約為人民幣73億元。

七月 羅西尼獲在美國芝加哥舉行的第二十二屆亞太質量組織會議頒發全球卓越績效獎(世界級)。

八月 於二零一六年八月十五日，環球富盛訂立協議收購香港水杉資產管理有限公司(一家獲准根據證券及期貨條例進行第4類(就證券提供意見)及第9類(提供資產管理)受規管活動的持牌公司)之全部權益。

九月 本集團順利完成收購富帝銀行(列支敦士登)股份有限公司之83.22%股權，目前名為Bendura Bank AG(「富地銀行」)。於一九九八年創立之富地銀行為一間總部設於列支敦士登的全牌照銀行，專注於提供私人銀行、資產管理及投資顧問之相關服務。按所管理之規模及除稅後溢利計算，富地銀行在15間位於列支敦士登金融中心之銀行中名列第六位。

羅西尼及依波精品獲世界品牌實驗室評為「二零一六年亞洲品牌500強」。羅西尼已連續第九年獲獎，依波精品二度獲獎。



開拓新平台



主席報告

本人謹代表董事會(「董事會」)欣然提呈冠城鐘錶珠寶集團有限公司(「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的年度業績。

於二零一六年，我們一直致力創建新業務，保持我們的策略優勢、提升競爭力、締造協同效益及確保所有業務均可持續發展。

儘管中國內地及海外的業務面對重重挑戰，但我們於二零一六年在艱難的境況中仍取得發展。

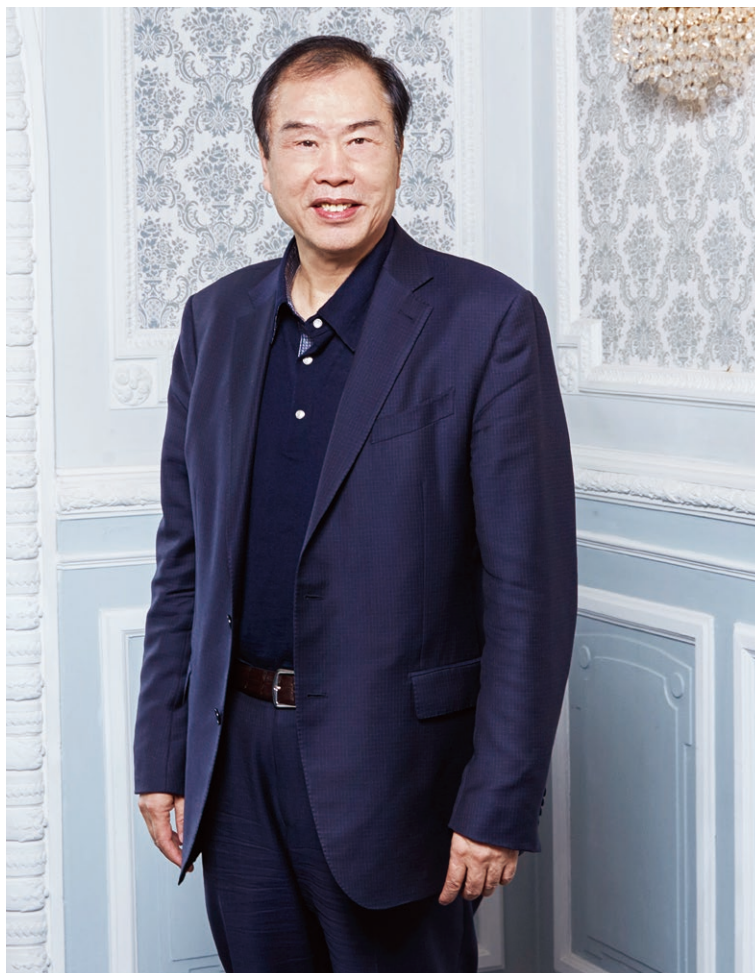
業績概況

二零一六年收入較二零一五年產生的34.8億港元減少15%至29.4億港元。本公司擁有人應佔溢利於二零一六年減少至36,700,000港元，較二零一五年賺取的307,700,000港元減少271,000,000港元或88%。二零一六年之每股基本盈利為0.84港仙。本地及環球市場面對之重大挑戰嚴重影響業績表現，加上港元升值、人民幣及瑞士法郎貶值亦導致收入及純利下跌。

董事會議決並不建議派付截至二零一六年十二月三十一日止年度之末期股息。然而，鑒於二零一七年三月二十三日簽立以代價人民幣14億元(約15.68億港元)出售森帝木業(深圳)有限公司全部股權之協議，董事會建議派付特別股息每股5港仙。

策略發展

考慮到香港作為國際金融中心之獨特地位，特別是中國中央政府推動一帶一路策略後，本集團有意多元化發展，進軍證券及銀行業務。因此，我們已於二零一六年九月收購Bendura Bank AG(前稱富帝銀行(列支敦士登)股份有限公司)(「富地銀行」)，並其後於二零一七年二



月收購信亨証券有限公司(「信亨」，一家獲證券及期貨監察委員會(「證監會」)批准進行第1類(證券交易)受規管活動的持牌公司)以及香港水杉資產管理有限公司(「水杉資產」，一家獲證監會批准進行第4類(就證券提供意見)及第9類(提供資產管理)受規管活動的持牌公司)。

收購後，富地銀行繼續為高資產值人士及其家族增加、管理及保管財富。自收購日期至二零一六年十二月三十一日，其取得令人滿意之業績。

主席報告

儘管中國內地及海外的業務面對重重挑戰，但我們於二零一六年在艱難的境況中仍取得發展。



業務及市場發展

儘管我們於中國內地之業務面對嚴峻的挑戰，但憑藉我們最合適的產品、廣泛分銷網點及遍佈各地的人脈聯繫，我們仍在中國內地鐘錶業穩佔領軍地位。中國內地的鐘錶市場一直是我們業務的支柱。

我們觀察到數碼經濟快速增長，不斷改變消費者行為，因此，我們正積極落實多項策略，加強電子商貿，特別是羅西尼、依波精品及勞特萊。

收購富地銀行後，其原有的強大管理團隊維持不變，從所管理之資產及所產生之費用及佣金收入反映出，富地銀行已重振旗鼓，逐步發展。

總體而言，我們繼續投入人力資源及設立足夠的制度體系，以確保我們的能力達到合適水平將發展計劃付諸實行。我們亦緊貼市場走勢及

狀況，確保在本地及海外均保持競爭力。

有關我們個別公司及分部於二零一六年所取得進展的詳情均載於本年報管理層討論及分析一節。

環境、社會及管治表現

良好的環境、社會及管治實務一直是本集團業務策略及管理方針不可或缺的一環。作為一個優秀的企業公民，本集團銳意向所營運業務的社會作出貢獻，尤其是中國內地。

風險管理

風險管理為建立良好企業管治的重要支柱之一，故本集團在經營上長期貫徹謹慎原則並維持高度意識。此乃決策過程中不可或缺的另一環。

董事會監督本集團的風險管理系統，並定期對該系統進行審視，以對可能發生之風險減至最低，最終確保達致良好企業管治。根據上市公司風險管理的有關規定及要求，董事會不斷地

主席報告

富地銀行、信亨及水杉資產與本集團接軌後，本集團將有足夠平台開展證券及銀行業務。透過結合增長、協同效應及風險管理，以及借助證券及銀行分部僱員之專業水平，於香港及歐洲營運之證券及銀行業務分部將得以發展。鐘錶業務與銀行證券業務並駕齊驅，本集團已手握收入及利潤的兩大推動力，以在未來數年為股東帶來回報。此外，我們將會一直物色及評估未來可能出現的業務機遇，並會把握可協助本集團達致可持續發展及為股東帶來長遠價值的業務機遇。

作為公眾上市公司，我們堅守為股東創造價值、嚴守商業規範及權衡風險與機遇的合理商業原則經營業務。最重要是，我們視自身為我們所服務的社群的一分子。過去，這份信念一直引領著我們，今後，我們亦定必緊守同一承諾。

完善內部治理結構及制度建設，提升公司規範運作水平，為此，本集團新成立風險管理委員會。風險管理委員會將在董事會領導下開展風險防範及治理工作，並定期對附屬公司及合營公司進行風險監控。我們將監管風險管理系統，並針對各項主要風險制定及採取合適的風險管理措施。

風險管理將繼續對本集團發揮重要作用。

展望

展望來年，我們預期營商環境不會在短期內出現重大改善。儘管嚴峻的營商環境可能仍會維持一段時間，但憑藉我們穩健的資本狀況、在中國內地及海外的獨特網絡以及領先的電子商貿平台，我們處於有利位置，足以應付艱難的市場環境及掌握未來的增長機遇。

致謝

本人謹此向董事會及附屬公司和聯營公司的董事，於過去一年其在履行職責上所作出的明智決策及付出之關注致謝。本人亦對各業務夥伴由衷感謝，並期待在來年能有進一步合作。此外，本人謹此感謝管理團隊及所有員工的盡心盡力及傑出表現。最後，本人謹代表團隊全人向各股東及客戶對本集團長期以來的信任及信心表示感謝。

主席

韓國龍

香港，二零一七年三月三十一日



ROSSINI

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ENGELVÖLKER
München - Kitzbühel



管理層討論及分析

經營業績

截至二零一六年十二月三十一日止年度，本集團錄得收入約2,939,955,000港元(二零一五年十二月三十一日：3,476,354,000港元)，較二零一五年減少536,399,000港元或15.4%。

年內非銀行業務之毛利約為1,533,957,000港元(二零一五年十二月三十一日：1,781,858,000港元)，較二零一五年減少247,901,000港元或13.9%。

年內經營開支(包括銷售及分銷開支以及行政開支)約為1,489,921,000港元(二零一五年十二月三十一日：1,499,303,000港元)，較二零一五年減少9,382,000港元或0.6%。

年內除稅後純利約為63,840,000港元(二零一五年十二月三十一日：340,159,000港元)，較二零一五年減少276,319,000港元或81.2%。約70,566,000港元之商譽減值虧損導致除所得稅後純利減少。

二零一六年業務發展策略

持續發展中國自有品牌

為應付二零一六年中國內地不利市場條件，羅西尼及依波精品準確定位迎合消費者不斷變化之需求，並受益於中國內地未來高速發展機遇之規模和復蘇力。羅西尼品牌建立已超過33年，依波品牌已超過25年，建立超過6,500個分銷點的獨特和強大平台配合迅猛發展之電子商務，其所覆蓋的消費者範圍非常廣泛，加上針對當地市場狀況和需求的產品，羅西尼及依波精品將繼續帶領中國內地之鐘錶行業。



持續發展國外自有品牌

儘管瑞士品牌普遍面對重重挑戰的市場狀況，崑崙仍達致收入增加，並於二零一六年幾乎達致收支平衡，而綺年華及帝福時集團則受奢侈產品需求全球衰退之影響。管理層團隊根據市場預測和加強內部資源配置，已制訂詳盡的應對措施。

管理層討論及分析

重組分銷公司

經過對中國內地現有分銷公司組合進行持續深入的評估，我們於二零一六年五月以代價人民幣48,353,000元(相當於約57,563,000港元)出售河南金爵實業有限公司(「河南金爵」)之46.05%股權。是項出售出現虧損約28,699,000港元。於出售後，我們仍擁有河南金爵4.95%股權。

進軍證券及銀行業務

鑒於香港作為國際金融中心之獨特地位，特別是中國中央政府推動一帶一路戰略後，本集團有意多元化發展並進軍證券及銀行業務。因此，我們已收購信亨証券有限公司(「信亨」)、Bendura Bank AG(「富地銀行」，前稱富帝銀行(列支敦士登)股份有限公司)及香港水杉資產管理有限公司(「水杉資產」)。

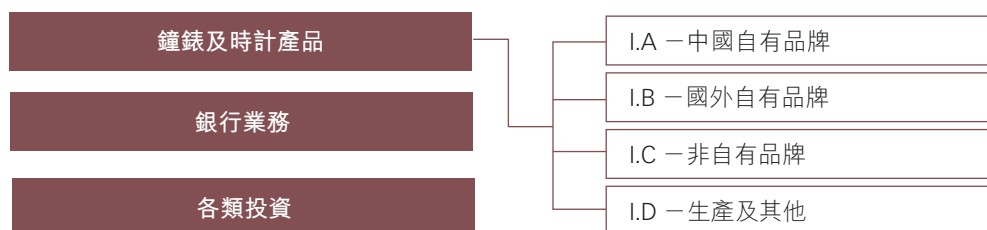
我們於二零一六年二月十九日訂立協議以代價24,800,000港元收購信亨(一家獲准根據證券及期貨條例(「證券及期貨條例」)進行第1類(證券交易)受規管活動的持牌公司)全部權益。我們相信，是次收購將為本集團進軍香港證券交易行業提供機遇，並有助本集團擴大營業額及收入來源。是次收購已於二零一七年一月獲證券及期貨事務監察委員會(「證監會」)批准，並於二零一七年二月正式完成。

我們於二零一六年三月二十四日訂立協議擬收購位於列支敦士登之富地銀行不少於68.85%股權。富地銀行不僅向歐洲傳統市場客戶提供傳統投資諮詢及資產管理服務，同時亦透過多種語言覆蓋服務迎合不同市場的客戶需要，以開發新興市場。此外，憑藉對銀行業未來前景的展望及信心，我們相信此次收購使本集團業務發展邁向多元化，為擴大營業額及收入來源創造良機。此項收購已於二零一六年九月二十日正式完成，最後本集團以最終代價788,401,000港元收購富地銀行83.22%股權。

本集團於二零一六年八月十五日訂立協議以代價6,000,000港元收購水杉資產(一家獲准根據證券及期貨條例進行第4類(就證券提供意見)及第9類(提供資產管理)受規管活動的持牌公司)全部權益。收購水杉資產已於二零一七年一月獲證監會批准，並於二零一七年二月正式完成。

透過收購信亨、富地銀行及水杉資產，本集團已準備就緒進軍證券及銀行業務。

我們按下列分部呈列討論及分析：



管理層討論及分析

I.A. 鐘錶及時計產品－中國自有品牌

珠海羅西尼錶業有限公司

二零一六年錄得收入992,552,000港元(約人民幣849,396,000元)，較二零一五年1,152,437,000港元(約人民幣921,950,000元)減少159,885,000港元(約人民幣72,554,000元)或13.9%(以人民幣計算為7.9%)。計及本公司佔股91%，二零一六年本公司擁有人應佔除稅後純利為291,662,000港元(約人民幣249,596,000元)，較二零一五年342,694,000港元(約人民幣274,155,000元)減少51,032,000港元(約人民幣24,559,000元)或14.9%(以人民幣計算為9.0%)。

年度	二零一四年	二零一五年	二零一六年
分銷點數目	2,681	3,190	3,400

羅西尼已經將銷售擴展至海外市場。於二零一六年，羅西尼於澳門及香港開設更多分銷點，並於新加坡、馬來西亞及柬埔寨增設銷售點。憑藉具吸引力的產品、具競爭力的價格及可靠的品質，羅西尼展現巨大的發展潛力。

考慮到亮麗、聲譽高的高科技手錶尤其受年輕一代歡迎，羅西尼已投入智能手錶之競爭中。羅西尼已成功研發智能手錶，並於二零一六年一月在市場推出首個型號。與電子商務一樣，開展智能手錶業務為順應羅西尼戰略發展之需求。

電子商務銷售額由二零一五年202,381,000港元增至二零一六年219,175,000港元，而其佔羅西尼總收入之比例由17.6%上升至22.1%。羅西尼將不斷物色更多合適的電子商務平台以擴大其現有平台及品牌。有見及中國內地電子商務的發展趨勢，預期電子商務將能於未來數年維持穩定的增長率。

位於總部之鐘錶博物館於二零一六年吸引大量遊客，超過260,000人次，產生超過30,236,000港元(二零一五年：37,688,000港元)收入。收入的輕微下跌乃由於鐘錶博物館進行翻新及擴建工程所致。羅西尼現正加大力度擴建鐘錶博物館及發展工業旅遊，從而提高品牌知名度。

佔地25,000平方米之羅西尼鐘錶文化工業園第二期(包括其上蓋佔地24,000平方米廠房設施)已於二零一七年一月起全面啟用。第二期園區包括全球電子商務中心、科技研發中心、機械機芯及智能手錶研發中心以及高檔鐘錶生產基地。於二零零七年設立並於近期獲評為國家認定企業技術中心之羅西尼技術中心亦已遷進第二期園區。品牌將透過新科技、新產品及新電子商務分銷渠道而獲得進一步提升。羅西尼已為進軍高增值產品行列及開拓國際市場做好準備。



管理層討論及分析

羅西尼於二零一六年獲頒多個獎項，表揚其於保證產品質量所作貢獻及成就，包括第二十二屆亞太質量組織會議頒發之全球表現優異獎(世界級)及第十六屆全國質量獎(入圍獎)。此外，羅西尼獲世界品牌實驗室評選為「二零一六年中國500最具價值品牌」之一(品牌價值約為人民幣102億元)及「二零一六年亞洲品牌500強」之一。

依波精品集團

依波精品集團包括依波系列品牌有限公司、依波精品(深圳)有限公司(「依波精品」)、深圳市依波精品在線電子商務有限公司及Swiss Chronometric AG。

二零一六年之收入為751,135,000港元(約人民幣642,799,000元)，較二零一五年956,559,000港元(約人民幣765,247,000元)減少205,424,000港元(約人民幣122,448,000元)或21.5%(以人民幣計算為16.0%)。二零一六年之除稅後純利為137,992,000港元(約人民幣118,089,000元)，較二零一五年231,683,000港元(約人民幣185,346,000元)減少93,691,000港元(約人民幣67,257,000元)或40.4%(以人民幣計算為36.3%)。

年度	二零一四年	二零一五年	二零一六年
分銷點數目	2,493	2,910	3,174

依波精品之業績受兩個互為衝突之因素所影響。一方面，二零一六年中國內地零售市場普遍下滑對依波精品構成重大影響。另一方面，中國內地電子商務日益強大之滲透力對依波精品帶來有利貢獻。

有見及零售市場下滑，依波精品已於二零一六年採取多項措施刺激銷售額。

第一，依波精品已對分銷點實施更嚴格的管控。我們加大數據分析力度，力求為分銷點針對性地制定不同策略。

第二，依波精品已改善售後服務系統。通過招聘及培訓技術人員以及購置設備，依波精品提供令人滿意的維修服務，從而提高品牌的聲譽。

第三，依波精品已向電子商務投入更多資源。透過中國內地主要電子商務平台網上商店產生之電子商務銷售額由二零一五年148,348,000港元增至二零一六年163,515,000港元；佔總收入比例由15.5%增至21.8%。依波精品與電子商務平台緊密合作、進行深入的數據分析、提升消費者之體驗並最終逐步擴大電子商務銷售額。依波精品加大力度進一步拓展現有電子商務平台之滲透率，同時就目前尚未開發之若干市場分部開拓新的電子商務平台。我們已加大力度定期改善官方網頁及產品呈列方式，以增加獲取的實際訂單的機會。



管理層討論及分析

依波精品新廠房的建設工程已於二零一六年大致竣工，預期將於二零一七年下半年全面投入運作。

依波精品榮獲世界品牌實驗室評選為「二零一六年中國500最具價值品牌」之一(品牌價值約為人民幣73億元)並於二零一六年獲評選為「二零一六年亞洲品牌500強」之一。

於二零一六年，羅西尼及依波精品仍為本集團主要收入來源，佔本集團來自非銀行業務之總收入逾61.6%(二零一五年：60.7%)。兩者亦為本集團純利的主要貢獻者，為本集團之新業務發展注入資金。



I.B. 鐘錶及時計產品－國外自有品牌

整體而言，年內國外自有品牌分別產生收入及除稅後虧損淨額664,953,000港元及255,702,000港元(二零一五年十二月三十一日：分別為734,867,000港元及132,950,000港元)。

崑崙

儘管瑞士鐘錶業面對多重困境(按瑞士鐘錶工業聯合會錄得負9.9%增長)，崑崙於二零一六年成功增加本公司整體營業額至397,113,000港元(約50,399,000瑞士法郎)，較二零一五年281,746,000港元(約34,956,000瑞士法郎)錄得40.9%(以瑞士法郎計算為44.2%)之顯著增長。由於新產品獲廣泛接受以及積壓存貨減少，崑崙已實現正現金流。

隨著分銷網絡持續擴展，於二零一六年十二月三十一日全球擁有超過580個零售點及6個合營精品店，配合專業化的市場營銷活動，所有合作伙伴重建信心，使崑崙各方面均超越預期。

綺年華

隨着眾多瑞士鐘錶品牌進駐中價時計產品市場，競爭日益激烈，對綺年華產品需求普遍減少。儘管面對重重挑戰，經濟狀況由疲弱逐漸復甦，瑞士國內市場的增長接近10%，而美國市場亦錄得增長。綺年華擴大市場至多個國家，如馬來西亞、泰國及越南，有助提高品牌於以上國家的知名度。

綺年華繼續集中銷售及市場營銷導向的營業模式，以重建綺年華的品牌為首要目標。推行將產品年青化、重新定位品牌及重新平衡產品系列以達致男女裝款式均等的措施已告完成。

管理層討論及分析

帝福時集團

帝福時繼續在歐洲、中東以及非洲地區錄得增長，亦於多個國家開展業務，如比利時、芬蘭、南非及中東，而英國市場在現有超過3,000個零售點的基礎上將繼續發展增設零售點，然而，英國脫歐事件加上其後英鎊兌美元貶值，導致售價500英鎊或以下之時計產品的銷售額下跌。

英國於脫歐爭論期間經歷政治及經濟不明朗，導致消費者信心下降及消費疲弱，英國市場二零一七年整體前景正面，多個指標顯示經濟呈現復甦跡象。為渡過難關及增加英國市場銷售，帝福時推出具吸引力之促銷活動及銷售獎勵。帝福時將繼續憑藉其實惠的價格水平及經典的產品設計穩固其市場地位。為打造國際品牌形象及分散其長期過多依賴英國市場的風險，帝福時繼續實施其全球化策略。機艙商品目錄銷售亦逐漸成為收入之重要來源。

二零一七年將繼續是帝福時關鍵的一年，內部落實整體業務簡化，以及減少出售貨品成本。隨着集團內姊妹公司產生的協同效益，預計帝福時於二零一七年的業績表現可顯著改善。

管理層討論及分析

I.C. 鐘錶及時計產品 – 非自有品牌

整體而言，期內分銷公司分別產生收入及除稅後虧損290,396,000港元及3,987,000港元(二零一五年十二月三十一日：分別為519,884,000港元及1,783,000港元)。

鑒於中國內地經濟增長相對放緩，以及中國中央政府強勢推行反腐倡廉政策，中國內地市場進口中位價及高檔腕錶之需求減弱，嚴重影響分銷公司之收入及業績。

I.D. 鐘錶及時計產品 – 生產

本集團有能力以OEM方式按具競爭力之成本為全球頂尖品牌生產由基本機械機芯至陀飛輪各類機械機芯以及時尚腕錶。

廣州五羊錶業有限公司已擴大其客戶基礎。

俊光實業有限公司(「俊光」)為本集團擁有25%權益之聯營公司，主要以OEM方式為某知名日本品牌製造手錶及手錶配件。儘管市場狀況挑戰重重，俊光的業績仍維持增長。

II. 銀行業務

本集團擁有83.22%股權之富地銀行旨在陪伴客戶走過每一世代，並創造長遠利益。我們高質素的員工具備多種語言能力(德語、英語、意大利語、土耳其語、俄語、波蘭語、捷克語、斯洛伐克語、塞爾維亞語、克羅地亞語、斯洛文尼亞語、匈牙利語及國語)以及必要的文化認識，有助我們有效打進國際市場。

私人銀行服務範圍廣泛，集中(其中包括)下列範疇：

- (1) 資產管理；
- (2) 投資意見；及
- (3) 交易銀行業務。

基於本集團已於二零一六年九月二十日完成收購及持有83.22%股權，富地銀行分別貢獻收入及本公司擁有人應佔除稅後純利109,480,000港元及39,913,000港元。

管理層討論及分析

二零一六年，富地銀行贊助於基茨比厄爾舉行的全球最大型雪地馬球錦標賽雪地馬球世界盃。眾多客戶及中產階層人士(如律師、稅務顧問、信託人及資產管理人等)均出席賽事，對新業務發展貢獻巨大作用。

富地銀行繼續投放資源於普通話團隊，致力於繼續為普通話客戶提供服務。

富地銀行及Bendura Fund Management Alpha AG(前稱Valartis Fund Management (Liechtenstein) AG)未來將會繼續在獨立之辦事處內經營業務。

III. 各類投資

於二零一六年十二月三十一日，本集團持有30,389,058股冠城大通股份有限公司股份，其市值約為243,058,000港元。

本集團所擁有位於中國內地廣東省東莞市之工廠綜合大樓、深圳市羅湖區沿河南路之物業及珠海市香華路三個舖位，加上香港一個住宅單位均已全部租出，於回顧年度內為本集團帶來穩定租金回報。年內，本集團產生之租金收入為19,123,000港元(二零一五年十二月三十一日：18,109,000港元)。

財務狀況

(1) 流動資金、財務資源及資本結構

於二零一六年十二月三十一日，本集團之無抵押現金及存款約為5,066,901,000港元(二零一五年十二月三十一日：836,065,000港元)。按照銀行借貸1,190,340,000港元(二零一五年十二月三十一日：938,532,000港元)、公司債券約692,127,000港元(二零一五年十二月三十一日：708,834,000港元)及股東權益3,632,881,000港元(二零一五年十二月三十一日：4,043,253,000港元)計算，本集團之資產負債比率(即借貸加公司債券除以股東權益)為52%(二零一五年十二月三十一日：41%)。銀行借貸增長乃由於本集團需要額外營運資金以撥付業務持續增長的需要。

於二零一六年十二月三十一日，本集團須於一年內或按要求償還之借貸金額為1,174,367,000港元(二零一五年十二月三十一日：766,654,000港元)，佔所有借貸之99%(二零一五年十二月三十一日：82%)。



管理層討論及分析

鑒於全球經濟環境挑戰重重，本集團擬對借款持保守態度。

按貨幣種類、利率性質及期限劃分之銀行借貸列表

貨幣	利率性質	期限於一年內	
		或按要求 千港元	超過一年 千港元
瑞士法郎	固定／浮動	105,178	15,973
歐元	浮動	93,758	—
英鎊	浮動	48,983	—
港元	固定／浮動	542,240	—
人民幣	固定	22,341	—
美元	浮動	361,867	—
		1,174,367	15,973

(2) 資產抵押

於二零一六年十二月三十一日，本公司之銀行融資以本集團的應收賬款33,647,000港元、位於香港之投資物業24,100,000港元以及位於瑞士賬面淨值為127,516,000港元之土地及樓宇作抵押，合共185,263,000港元(二零一五年十二月三十一日：227,769,000港元)。

(3) 資本承擔

於二零一六年十二月三十一日，資本承擔合共約為381,684,000港元(二零一五年十二月三十一日：109,974,000港元)：

1. 購買物業、廠房及設備；
2. 收購一間附屬公司—信亨；
3. 收購一間附屬公司—水杉資產；及
4. 投資於一間聯營公司—冠城聯合國際有限公司。

除上述者外，於二零一六年十二月三十一日，本集團概無其他重大資本承擔。

財務回顧

(1) 非銀行業務之毛利

毛利為1,533,957,000港元，較二零一五年1,781,858,000港元減少13.9%。在對集團內公司間交易作出調整前，羅西尼貢獻毛利707,437,000港元及毛利率71%，而依波精品集團貢獻毛利480,172,000港元及毛利率64%。

(2) 銷售及分銷費用

銷售及分銷費用總額為841,444,000港元，較二零一五年883,152,000港元減少4.7%。羅西尼、依波精品集團、綺年華集團、崑崙集團及帝福時集團分別產生銷售及分銷費用305,363,000港元、261,431,000港元、30,283,000港元、92,349,000港元及97,379,000港元。

管理層討論及分析

(3) 行政費用

行政費用總額為648,477,000港元，較二零一五年616,151,000港元增加5.2%。羅西尼、依波精品集團、綺年華集團、崑崙集團及帝福時集團分別產生行政費用73,623,000港元、71,600,000港元、75,024,000港元、111,665,000港元及47,977,000港元。

(4) 財務費用

財務費用總額為79,447,000港元，較二零一五年77,075,000港元增加3%。公司債券利息維持在相約水平，約為30,222,000港元(二零一五年：29,218,000港元)，而銀行借貸及銀行透支之利息開支由二零一五年約47,782,000港元增加至二零一六年約49,225,000港元。

(5) 減值虧損

本集團就帝福時集團計提資產減值約70,566,000港元。由於帝福時集團未來之業績未能達致其先前預期之業績，因此作出減值虧損撥備。

(6) 本公司擁有人應佔純利

本公司擁有人應佔純利為36,703,000港元，較二零一五年307,675,000港元減少88.1%。在對集團內公司間交易作出調整前，羅西尼貢獻本公司擁有人應佔純利291,662,000港元，而依波精品集團則貢獻137,992,000港元。

(7) 存貨

於二零一六年十二月三十一日，存貨為1,996,187,000港元，較二零一五年十二月三十一日2,042,892,000港元減少2.3%。羅西尼、依波精品集團、綺年華集團、崑崙集團及帝福時集團分別產生存貨405,569,000港元、500,271,000港元、284,320,000港元、377,822,000港元及102,812,000港元。

前景

目前，本集團之前景受經濟增長持續下降以及美國、歐洲及亞洲動盪之政治局面影響，導致宏觀經濟預測不斷出現不明朗因素。儘管中國中央政府已盡力維持其短期經濟增長，但從中期看，中國內地之經濟增長預期將會持續放緩。

儘管我們的鐘錶業務於中國內地之業務正面臨重重挑戰，但憑藉在中國內地的廣泛分銷網點、高知名度之品牌及獲利業務，我們仍穩佔領軍地位。透過改善管理、規劃與實施適宜的策略，我們預期海外鐘錶業務將得以改善。

我們的私人銀行業務主要依賴歐元區客戶，由於歐元區並無出現任何宏觀層面之過熱情況，故相對地維持利好形勢。受惠於歐洲中央銀行之清晰政策，因此毋須恐懼融資狀況出現任何惡化。

管理層討論及分析

將信亨、富地銀行及水杉資產全面整合後，本集團將有足夠平台開展證券及銀行業務。透過結合增長、協同效應及風險管理，以及借助其證券及銀行分部僱員之專業水平，於香港及歐洲營運之證券及銀行業務分部將得以發展。完善發展的鐘錶業務與銀行證券業務在本地及全球並駕齊驅，本集團已手握收入及利潤的兩大推動力，以在未來數年為股東帶來回報。

我們對本集團之未來保持長遠樂觀及積極之態度，並將繼續於品牌建立及鐘錶業務分銷管道投放資源，及投資於證券及銀行業務之發展，以迎接未來之挑戰。

僱員及薪酬政策

我們的持續成功有賴於員工之高水準知識、專業精神及敬業樂業。

於二零一六年十二月三十一日，本集團在香港及中國內地僱用約5,000名全職員工，並於歐洲僱用約330名員工。僱員之薪酬待遇乃按公平基準，經參考市況及個人表現後制定及檢討。本集團亦為僱員提供其他福利，包括年終雙糧、醫療保險及退休福利，並視乎本集團經營業績及僱員個人工作表現向彼等發放獎金花紅。本集團全體香港僱員均已參加公積金計劃。本集團之中國內地附屬公司僱員亦已參加由地方機關管理及運作之社保計劃，有關供款乃根據當地法例及法規作出。

致意

本集團之財務表現及策略舉措充分反映董事會及管理層向成功躋身中國內地鐘錶業領先行列之使命前行所作出之共同努力。倘無董事會及管理團隊之領導，本集團不可能取得發展。本人謹藉此機會對本集團之僱員、客戶、供應商、往來銀行、專業顧問、業務夥伴及股東之鼎力支持致以衷心感謝。

執行董事兼行政總裁

商建光

香港，二零一七年三月三十一日



董事及高層管理人員

執行董事



韓國龍

主席

韓國龍先生，六十二歲，於二零零四年四月加入董事會。彼為本公司提名委員會主席兼薪酬委員會成員。韓先生亦是冠城大通股份有限公司（「冠城大通」）之董事長，於二零一七年一月任期屆滿後退任，冠城大通之股份乃於中國內地上海證券交易所上市。冠城大通及其附屬公司在中國內地主要從事房地產開發和製造及銷售漆包銅線等業務。韓先生於中國內地商界累積豐富經驗，韓先生是中國人民政治協商會議全國委員會委員、中華全國歸國華僑聯合會常務委員及中國僑商聯合會常務副會長。韓先生亦獲委任為本公司多間附屬公司的董事，包括富地銀行。

商建光

行政總裁

商建光先生，六十五歲，於二零零四年十一月加入董事會，為本公司薪酬委員會兼提名委員會成員。商先生亦是本公司附屬公司珠海羅西尼錶業有限公司之總經理。商先生亦獲委任為本公司多間附屬公司的董事，包括富地銀行。商先生畢業於福州大學化工專業，持有中國內地之合資格高級工程師職稱。彼加入本集團前，曾在多家大公司出任高級職位，並曾任閩信集團有限公司（一間於聯交所主板上市之公司）之總經理及董事。彼亦擔任冠城大通之董事，冠城大通之股份乃於上海證券交易所上市。彼於企業管理、投資管理等方面擁有廣泛知識及豐富經驗。



石濤

石濤先生，五十三歲，於二零零四年四月加入董事會。石先生持有清華大學工程學學士學位，並持有武漢理工大學（前稱武漢工業大學）工程碩士學位。石先生於中國內地商界累積多年經驗。彼曾任新資本國際投資有限公司（「新資本」，一間於聯交所主板上市之公司）之執行董事。



董事及高層管理人員

林代文

林代文先生，五十九歲，於二零零四年四月加入董事會。林先生在中國內地物業發展方面累積多年經驗，曾任浙江華順房地產投資有限公司總經理及杭州元華商城建設有限公司執行董事及總經理。林先生為韓國龍先生之妻舅及韓孝煌先生之舅父。



畢波

畢波先生，三十七歲，於二零一零年八月加入董事會。畢先生於二零零六年五月獲得約翰霍普金斯大學理學(金融)碩士學位。彼於加入本集團前，曾任Carefirst Bluecross Blueshield高級精算助理(主管)，負責保險公司之精算估值及風險管理工作。彼於二零零九年取得北美準精算師資格。彼亦擁有併購交易經驗。



薛黎曦

薛黎曦女士，三十九歲，於二零零四年十一月加入董事會。彼先於二零零四年十一月獲委任為本公司非執行董事，並於二零一二年三月二十六日獲調任為本公司執行董事。薛女士畢業於福州大學市場營銷專業，持有中國內地助理工程師職稱。薛女士亦為冠城大通及福建豐榕投資有限公司之董事，冠城大通之股份乃於上海證券交易所上市。薛女士為韓國龍先生之兒媳婦。此外，薛女士之丈夫為林代文先生之外甥及韓孝煌先生之兄弟。



董事及高層管理人員



韓孝煌

韓孝煌先生，三十九歲，於二零一四年八月加入董事會。韓先生畢業於同濟大學，並持有工程管理學士學位。彼自二零零六年八月起擔任冠城大通(其為一間於上海證券交易所上市之公司)之副董事長，及自二零一七年一月起獲選為冠城大通主席。彼於中國內地房地產行業擁有豐富經驗。彼現任中國人民政治協商會議福建省委員會委員。韓孝煌先生為韓國龍先生之兒子，亦為林代文先生之外甥及薛黎曦女士之小叔。

陶立

陶立先生，六十四歲，於二零一四年十一月加入董事會，現為本集團歐洲執行委員會成員。陶先生畢業於北京對外貿易學院(現稱中國對外經貿大學)外貿英語專業，並擁有中國內地高級經濟師職稱。彼於商業管理、國際貿易、品牌建設及市場推廣方面擁有逾三十年經驗。彼於加入董事會之前，獲委任為本公司副總裁，負責本公司若干附屬公司之鐘錶製造及分銷業務。



董事及高層管理人員

獨立非執行董事

馮子華

馮子華先生，六十歲，於二零零四年四月加入董事會。彼為本公司審核委員會及薪酬委員會主席及提名委員會成員。馮先生是執業會計師及香港一間會計師事務所之董事。馮先生在香港擁有多年核數、稅務及公司秘書實務經驗，於二零零零年取得香港理工大學專業會計碩士學位。彼為香港會計師公會(「香港會計師公會」)、特許公認會計師公會、香港稅務學會及華人會計師及核數師公會之會員。彼自二零零四年四月至二零一二年三月任新資本國際投資有限公司(股份代號：1062)(「新資本」)及自二零零四年九月至二零一三年九月任積華生物醫藥控股有限公司(股份代號：2327)之獨立非執行董事，並分別自二零一二年十月及二零一七年一月起獲委任為帝國集團環球控股有限公司(股份代號：776)(前稱捷豐家居用品有限公司)及民眾金融科技控股有限公司(股份代號：279)之獨立非執行董事。上述公司之股份均於聯交所上市。



鄭俊偉

鄭俊偉博士，五十二歲，於二零零四年四月加入董事會並為本公司審核委員會、薪酬委員會及提名委員會成員。鄭博士為國際專業管理學會資深會員、香港市務學會會員，專攻市場推廣及工商管理之業務策略師。鄭博士於一九八七年在英國諾定咸大學取得哲學榮譽文學士學位，並於二零零一年在美國Newport University取得工商管理博士學位。鄭博士於二零零六年十一月至二零一二年三月二十一日期間擔任新資本之獨立非執行董事，新資本之股份於聯交所上市。

Rudolf Heinrich ESCHER

Rudolf Heinrich Escher先生，60歲，於二零一七年一月加入董事會，並獲委任為本公司審核委員會、薪酬委員會及提名委員會成員。Escher先生於一九八二年畢業於蘇黎世應用科學大學(Zurich University of Applied Sciences)，獲授工商管理學位。彼亦於二零零一年參加法國Fontainebleau歐洲工商管理學院(INSEAD)之國際行政人員計劃。加入本公司前，彼曾於Credit Suisse工作近37年，直至二零一六年十二月三十一日退休。彼於Credit Suisse之最後職位為亞太區瑞士私人銀行亞太部副主席，專責超高淨值人士業務。於Credit Suisse任職期間，Escher先生曾於不同國家擔任多項職務，並於銀行及金融業累積豐富經驗。



董事及高層管理人員



張斌

張斌先生，五十二歲，於二零一四年十一月加入董事會並為本公司審核委員會、薪酬委員會及提名委員會成員。張先生現為北京市浩天信和律師事務所(「浩天信和」)合夥人。彼於一九八六年取得上海復旦大學法學學士學位，並於一九八八年取得中國律師資格，畢業後曾在一間大型國有企業擔任法律顧問多年，二零零八年加入浩天信和前曾於北京、倫敦以及香港之律師事務所工作。張先生執業領域廣泛，於金融投資、房地產及知識產權方面之法律事務擁有豐富經驗。

高層管理人員

方志華

方志華先生，五十四歲，為本公司之財務總監及公司秘書。方先生亦獲委任為本公司多間附屬公司的董事，包括富地銀行。方先生為香港會計師公會會員、澳洲會計師公會資深會員、特許財務分析師及香港董事學會會員。方先生於中國內地及香港金融界直接投資、項目及結構融資及資本市場等各方面積逾二十年豐富經驗。方先生曾為霸菱投資(中國)基金管理有限公司之董事，並於ING Bank擔任多個管理職位。彼於二零零四年九月加入本公司。



尹偉榕

尹偉榕先生，六十歲，持有合資格高級經濟師職稱，為本公司副總裁。尹先生曾任中國內地一間著名跨國性企業之首席代表及一間大型中國國際信託及投資公司之總經理，負責投資工業及金融項目。彼在中國內地及海外之企業管理及市場開發方面積逾三十年經驗。彼於二零零七年四月加入本公司。



董事及高層管理人員

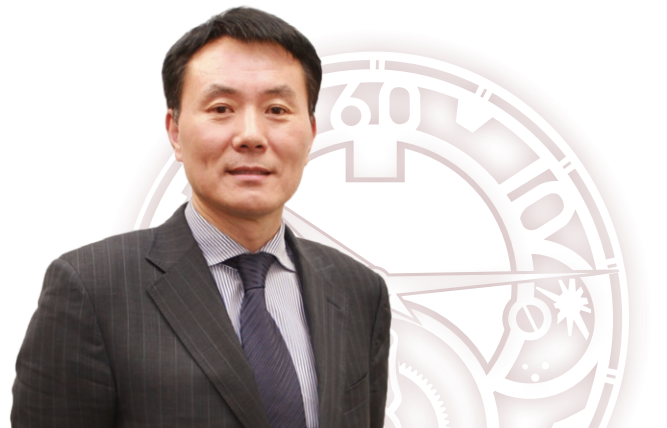


Teguh HALIM

Teguh Halim先生，三十五歲，於二零零八年十月加入本集團。彼為本公司副總裁，現為本集團歐洲執行委員會成員。彼亦是本集團若干從事鐘錶製造及分銷之附屬公司之董事。Halim先生畢業於俄亥俄州立大學，主修會計系。Halim先生為韓國龍先生之女婿。

呂軍

呂軍先生，五十三歲，自二零一四年十月起獲委任為本公司副總裁，目前擔任本公司附屬公司廣州五羊錶業有限公司之總經理兼董事。呂先生持有天津財經大學之高級管理人員工商管理碩士學位。彼從一九八三年開始任職於天津手錶廠(現稱天津海鷗錶業集團有限公司，「天津海鷗」)，在加入本公司前擔任天津海鷗總經理近四年。呂先生從事國內及海外鐘錶行業逾三十年，並擁有豐富的工商管理以及國際貿易經驗。



企業管治報告

企業管治常規守則

本公司致力維持與市場慣例一致之企業管治準則。

截至二零一六年十二月三十一日止年度，本公司已採納香港聯合交易所有限公司證券上市規則(「上市規則」)附錄十四所載企業管治常規守則(「企業管治守則」)之原則及遵守所有適用守則條文，惟以下披露詳情除外：

(i) 企業管治守則第E.1.2條

企業管治守則第E.1.2條規定董事會(「董事會」)主席應出席本公司之股東週年大會。董事會主席因其他公務而無法出席本公司於二零一六年五月二十五日舉行之股東週年大會(「二零一六年股東週年大會」)及於二零一六年九月十三日舉行之股東特別大會(「股東特別大會」)。

(ii) 企業管治守則第A.6.7條

企業管治守則第A.6.7條規定獨立非執行董事應出席股東大會。兩名獨立非執行董事因離港公幹而無法出席二零一六年股東週年大會，而三名獨立非執行董事亦因離港公幹而無法出席於二零一六年九月十三日舉行之股東特別大會。

除遇上阻礙彼等出席大會之突發或特殊情況外，董事會主席及獨立非執行董事將盡力出席本公司未來所有股東大會。董事會將不斷檢討及改進本公司之企業管治常規及準則，確保業務活動及決策流程受到妥善規管。

以下概述本公司之主要企業管治常規。

董事進行證券交易之標準守則

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易之標準守則(「標準守則」)作為本公司董事進行證券買賣之操守準則。本公司向全體董事會成員作出具體查詢後，所有董事已確認於截至二零一六年十二月三十一日止整個年度一直遵守標準守則所載之規定準則。

董事會

董事會主要負責制定本集團之整體策略發展及方向。董事會亦監管本集團業務營運之財務表現及內部監控。此外，董事會負責執行企業管治職務。董事會已清晰劃分董事會與管理層之職務及職責，以釐定董事會作出之決策類別及管理層獲指派之工作。董事會將定期檢討該等職務及職責之分工。透過主席於董事會內推動董事間之討論，全體董事為董事會帶來廣泛且寶貴之業務經驗、知識及專業技術，務求有效率及有效地履行董事會之職能。

企業管治報告

董事會之規模、組成及多元化

董事會現由八名執行董事及四名獨立非執行董事組成，詳情如下：

董事姓名	職位	首次獲委任 加入董事會之日期	上一次獲重選 為董事之日期
韓國龍	主席／執行董事	二零零四年四月八日	二零一六年五月二十五日
商建光	行政總裁／執行董事	二零零四年十一月十八日	二零一四年五月二十一日
石濤	執行董事	二零零四年四月八日	二零一六年五月二十五日
林代文	執行董事	二零零四年四月八日	二零一六年五月二十五日
畢波	執行董事	二零一零年八月二十四日	二零一四年五月二十一日
薛黎曦	執行董事	二零零四年十一月十八日	二零一六年五月二十五日
韓孝煌	執行董事	二零一四年八月二十九日	二零一五年六月二十五日
陶立	執行董事	二零一四年十一月二十六日	二零一五年六月二十五日
馮子華	獨立非執行董事	二零零四年四月八日	二零一五年六月二十五日
鄺俊偉	獨立非執行董事	二零零四年四月八日	二零一五年六月二十五日
李強(辭任於 二零一七年一月二十日生效)	獨立非執行董事	二零零四年十一月十八日	二零一五年六月二十五日
張斌	獨立非執行董事	二零一四年十一月二十六日	二零一五年六月二十五日
Rudolf Heinrich ESCHER (委任於二零一七年一月二十日生效)	獨立非執行董事	二零一七年一月二十日	不適用

除下文所述者外，董事會成員間並無任何關係：

- (i) 執行董事林代文先生為董事會主席韓國龍先生之妻舅。
- (ii) 執行董事薛黎曦女士為董事會主席韓國龍先生之兒媳婦，而薛女士之丈夫為林代文先生之外甥及韓孝煌先生之兄弟。
- (iii) 執行董事韓孝煌先生為董事會主席韓國龍先生之兒子及執行董事林代文先生之外甥。彼亦是執行董事薛黎曦女士之小叔。

各董事之履歷載於本年報第88至92頁。

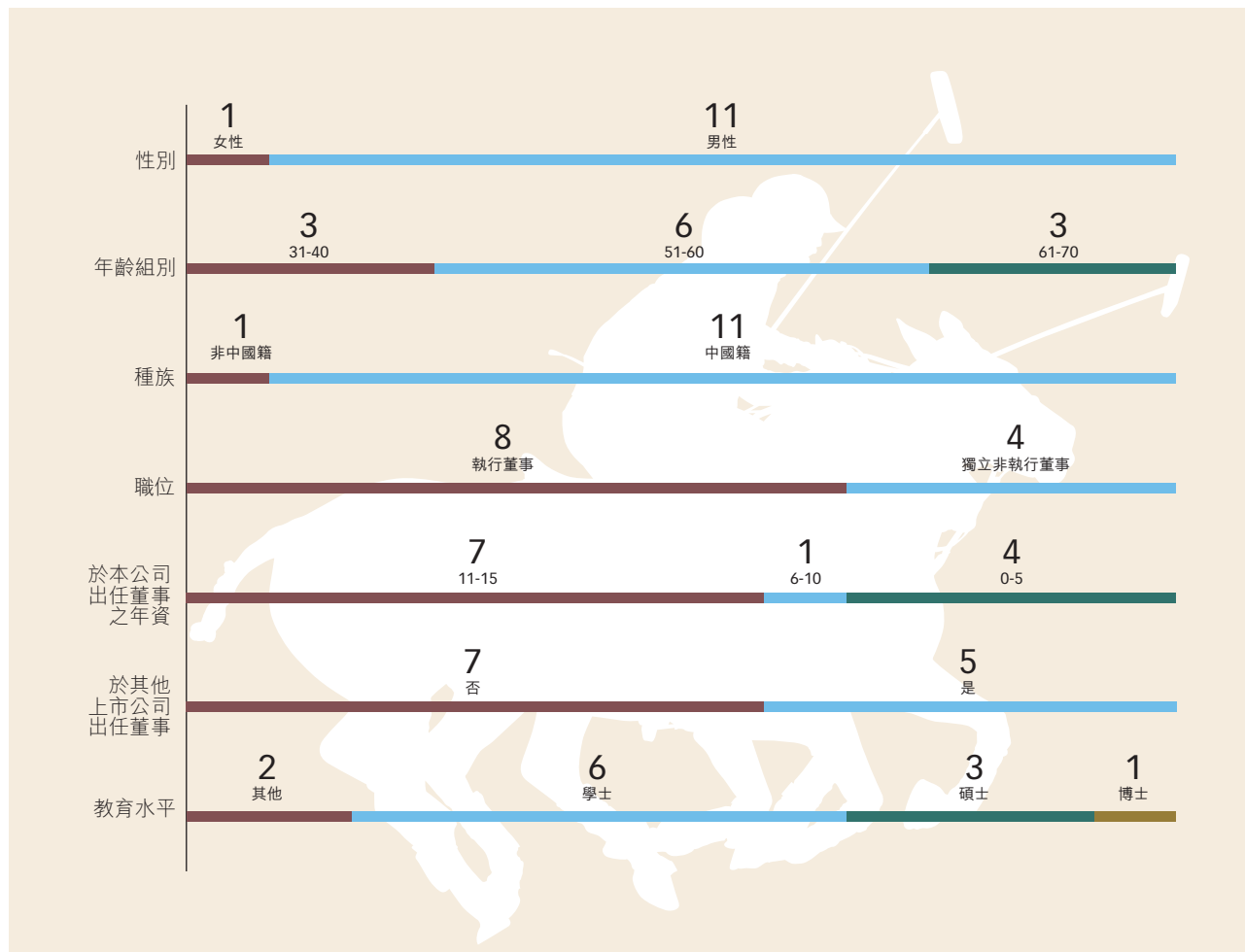
本公司認為董事會成員多元化對達成本公司策略目標及持續發展實屬重要。多項因素(包括但不限於性別、年齡、教育背景、專業經驗、技能、知識及服務年資)均在考慮之列。董事會定期檢討其規模及組成，以確保其成效。董事根據彼等各自技能、知識、經驗及能力獲選任，本公司認為這將有助於建立更加均衡及富有經驗之團隊，配合本公司長期策略及目標。

企業管治報告

現時董事會組成之多元化分析載列於下表：

董事會之多元化

(成員數目)



獨立非執行董事

其中一名獨立非執行董事擁有適當專業會計資格及財務管理知識。

獨立非執行董事憑藉廣博專業知識及各方技能，透過參與董事會會議及委員會事務，就策略、政策、表現、問責、資源、重要委聘及操守準則等各項事宜作出獨立判斷。於二零一七年一月二十日，本公司委任於銀行業(尤其是私人銀行業務)擁有超過30年經驗之Rudolf Heinrich Escher先生擔任本公司獨立非執行董事。董事會相信Escher先生於銀行業之背景、經驗及專業均可與現時董事會互為補充，並為本集團於歐洲的銀行業務發展帶來重大益處。

獨立非執行董事之意見於董事會決策過程中舉足輕重。董事會認為，各獨立非執行董事在身分及判斷力上均互相獨立，而彼等均符合上市規則所規定之指定獨立標準。獨立非執行董事之獨立性評估乃於其獲委任及根據上市規則第3.13條就其獨立性作出年度確認時，及任何其他時候出現需要特別考慮的情況時進行。

企業管治報告

主席及行政總裁

主席及行政總裁各自獨立並擔任不同角色。兩個職責之分離確保主席及行政總裁之分工清晰。主席韓國龍先生主要負責制定業務發展之方向及戰略，並領導和管理董事會。行政總裁商建光先生就本集團之日常營運及業務擔當監督管理角色。

股東週年大會、董事會會議及董事會常規

董事會於年內定期開會檢討整體策略、討論業務商機及監察本集團營運及財務表現。在公司秘書協助下，主席及行政總裁主要負責在諮詢全體董事後草擬及批准各董事會會議之議程。董事會就所有董事會例會向全體董事發出最少十四日通知，而董事可於需要時在議程內納入討論課題。有關董事會例會之議程及隨附董事會文件均於確認前在合理時間內全部寄交各董事。

董事會會議及董事委員會會議之會議記錄均由公司秘書保管。所有董事均可查閱董事會文件及相關資料，並即時獲提供充足資料，確保董事會就有待處理事宜作出知情決定。

截至二零一六年十二月三十一日止年度，曾舉行四次董事會會議及兩次股東大會，個別董事之出席率載列如下：

成員姓名	董事會會議	出席／舉行會議次數	
		於二零一六年 五月二十五日舉行 之股東週年大會	於二零一六年 九月十三日舉行 之股東特別大會
執行董事：			
韓國龍	4/4	0/1	0/1
商建光	4/4	1/1	0/1
石濤	4/4	0/1	0/1
林代文	4/4	1/1	0/1
畢波	4/4	1/1	1/1
薛黎曦	4/4	0/1	1/1
韓孝煌	3/4	1/1	0/1
陶立	3/4	0/1	0/1
獨立非執行董事：			
馮子華	4/4	1/1	1/1
鄺俊偉	4/4	1/1	1/1
李強(辭任於二零一七年一月二十日生效)	3/4	0/1	0/1
張斌	4/4	0/1	0/1
Rudolf Heinrich ESCHER (委任於二零一七年一月二十日生效)	不適用	不適用	不適用

企業管治報告

重選董事

各董事均按指定任期獲委任。本公司所有獨立非執行董事指定任期均為兩年，並須根據本公司組織章程細則相關規定辭職並退任。

根據本公司組織章程細則第99條，任何獲委任作為董事會新增成員之董事將僅履行職務至本公司應屆股東大會，並符合資格在該大會上重選連任。此外，根據組織章程細則第116條，當時三分之一之董事，或倘有關人數並非三之倍數則最接近但不少於三分之一之董事須輪值退任。每一位董事須至少每三年輪值退任一次。

持續專業發展

全體董事應參與持續專業發展以發展及更新彼等之知識及技能，以確保彼等在具備全面資訊及切合所需的情況下對董事會作出貢獻。

為方便董事履行其職責，董事獲提供月度報告及參考資料供其閱讀，包括上市規則、企業管治常規及其他監管制度的最新變動及發展、業務及市場變化、本集團策略發展，以及董事培訓課程的資訊。本公司亦鼓勵董事參加外界舉辦之講座及研討會，藉此豐富其知識及技能以履行其職責。

董事參與持續專業發展

董事	出席由本集團 舉辦之培訓	出席外部 培訓／講座	閱讀每月報告 及參考資料
執行董事			
韓國龍			✓
商建光	✓	✓	✓
石濤			✓
林代文	✓		✓
畢波	✓	✓	✓
薛黎曦	✓		✓
韓孝煌		✓	✓
陶立			✓
獨立非執行董事			
馮子華		✓	✓
鄭俊偉		✓	✓
李強(辭任於二零一七年一月二十日生效)			✓
張斌		✓	✓
Rudolf Heinrich Escher ¹		✓	✓

¹ 委任於二零一七年一月二十日生效之Rudolf Heinrich Escher於任職後已出席由外聘法律顧問提供之董事責任培訓。

企業管治報告

任何董事可要求本公司提供獨立專業建議以履行董事職務及職責，費用由本公司承擔。

新獲委任之董事可獲提供配合其個人需要之資料，其中包括與其他董事及本公司高層管理人員以及外聘核數師會面，使其更深入瞭解本集團之業務及策略以及重要風險及問題。藉著此等資訊，董事可在知情的情況下履行其職責。基於一名獨立非執行董事於二零一七年一月獲委任，其獲外聘法律顧問提供董事責任培訓。

根據企業管治守則，所有董事均須向本公司提供其各自之培訓記錄。

與董事之溝通

本公司深明向董事會全體成員及時提供充分準確資訊攸關重要，使彼等有效地履行職責。所有董事均有權查閱董事會文件及相關資料。於董事會或董事委員會會議前，會議議程、董事會文件及相關資料均會適時寄發予全體董事，以便董事會就會議上提呈之事宜作出知情決定。所有董事獲提供本集團之每月綜合賬目及最新財務資料，就本集團財務表現、狀況及前景作出公正及易於理解之評估。列載本集團財務及營運概況的董事會簡報於有必要及適當時向全體董事會成員發出及傳閱。全體董事亦不時獲提供上市規則、企業管治常規及其他監管制度之最新變動及發展情況。倘董事在某些事宜需要詳盡闡述，管理層將提供額外資料及解釋。

獨立非執行董事獲提供機會在執行董事不在場情況下與主席討論本集團事宜。此外，彼等亦獲提供機會在執行董事不在場情況下與管理層討論本集團事宜。獨立非執行董事亦為審核委員會成員，定期視察本公司主要附屬公司並會見該等附屬公司的管理層。視察期間，獨立非執行董事聽取附屬公司管理層彙報有關附屬公司之最新發展，並審閱及評價其內部監控及風險管理制度。

董事及高級行政人員保險

本公司已為其董事及高級行政人員安排董事及高級行政人員責任保險（「董事及高級行政人員保險」）。本公司每年檢討本公司董事及高級行政人員保單之保額、候選保險公司之聲譽及財務實力以及保單條款，確保向本公司董事及高級行政人員提供足夠保額及保障。

企業管治報告

董事會之授權

董事會已向根據特定職權範圍成立並履行職務之四個董事會委員會授權若干權力。該等委員會獲提供足夠資源及機會尋求獨立專業意見以履行其職務，費用由本公司承擔。

審核委員會

審核委員會成員為：

獨立非執行董事

馮子華(主席)

鄭俊偉

李強(辭任於二零一七年一月二十日生效)

張斌

Rudolf Heinrich Escher(委任於二零一七年一月二十日生效)

審核委員會之組成及成員均符合上市規則第3.21條之規定。審核委員會之職權範圍於聯交所網站及本公司網站可供參閱。

回顧年內，審核委員會曾與本公司外聘核數師、董事會及高層管理人員會面。於二零一六年，委員會舉行兩次會議以審閱包括半年度及年度業績之財務報告與須向股東提供之其他資料、會計制度、內部監控制度、外聘核數師之獨立性、核數程序之成效與客觀性以及履行職權範圍所載其他職務。於年內，審核委員會成員已視察本集團於歐洲之若干附屬公司(包括本集團最近收購之富地銀行)，並就該等附屬公司之會計、內部監控及風險管理制度等相關事項與管理層作出討論。就富地銀行而言，審核委員會成員與列支敦士登金融市場監管局會面並瞭解他們如何監管富地銀行。彼等亦已檢討及評價附屬公司之內部審核報告以及資源充足度、從事會計及財務申報職能之員工資歷、經驗及培訓。審核委員會亦聽取於回顧年度對本公司選定附屬公司所進行之內部審計之報告。

審核委員會與管理層已審閱本集團採納之會計準則及慣例，並討論內部監控及財務申報事宜，包括審閱截至二零一六年六月三十日止六個月及截至二零一六年十二月三十一日止年度之財務報表。

年內曾舉行兩次會議，個別成員之出席率載列如下：

成員	出席／舉行 會議次數
馮子華	2/2
鄭俊偉	2/2
李強(辭任於二零一七年一月二十日生效)	1/2
張斌	2/2
Rudolf Heinrich Escher(委任於二零一七年一月二十日生效)	不適用

企業管治報告

薪酬委員會

薪酬委員會目前由以下成員組成：

獨立非執行董事

馮子華(主席)

鄭俊偉

李強(辭任於二零一七年一月二十日生效)

張斌

Rudolf Heinrich Escher(委任於二零一七年一月二十日生效)

執行董事

韓國龍

商建光

薪酬委員會就本公司所有董事及高層管理人員薪酬之整體政策及結構，以及就制定薪酬政策確立正規而具透明度程序，向董事會提出建議。薪酬委員會亦就個別執行董事及高層管理人員之薪酬組合向董事會提出建議。薪酬委員會須確保董事或其任何聯繫人士均不得參與釐定其自身薪酬。薪酬委員會之職權範圍於聯交所網站及本公司網站可供參閱。

薪酬委員會檢討本公司董事及高層管理人員薪酬政策之主要內容，並審閱及批准全體董事及高層管理人員之具體薪酬組合。

年內曾舉行一次會議，個別成員之出席率載列如下：

成員	出席／舉行 會議次數
馮子華	1/1
鄭俊偉	1/1
李強(辭任於二零一七年一月二十日生效)	1/1
韓國龍	0/1
商建光	1/1
張斌	1/1
Rudolf Heinrich Escher(委任於二零一七年一月二十日生效)	不適用

提名委員會

目前，提名委員會由以下成員組成：

獨立非執行董事

馮子華

鄭俊偉

李強(辭任於二零一七年一月二十日生效)

張斌

Rudolf Heinrich Escher(委任於二零一七年一月二十日生效)

執行董事

韓國龍(主席)

商建光

企業管治報告

提名委員會之主要職責為檢討董事會之結構、規模及組成，物色及提名適當之合資格人士成為董事會成員，並就委任或重新委任董事及董事繼任計劃向董事會提出建議。提名委員會亦負責評估獨立非執行董事之獨立性。提名委員會之職權範圍於聯交所網站及本公司網站可供參閱。

於年內，提名委員會舉行一次會議，個別成員之出席率載列如下：

成員	出席／舉行 會議次數
韓國龍(主席)	0/1
商建光	1/1
馮子華	1/1
鄭俊偉	1/1
李強(辭任於二零一七年一月二十日生效)	1/1
張斌	1/1
Rudolf Heinrich Escher(委任於二零一七年一月二十日生效)	不適用

風險管理委員會

風險管理委員會於二零一六年三月三十日成立，目前委員會由以下成員組成：

執行董事

薛黎曦(主席)
石濤
林代文
畢波

風險管理委員會之主要職責包括評估及釐定本集團就達致戰略目標所願承擔之風險偏向，持續監察本集團風險管理系統並每年至少一次檢討系統之成效，以及識別本集團承受的重大風險及制定計劃及措施管理或減輕有關重大風險。風險管理委員會之職權範圍於聯交所網站及本公司網站可供參閱。

自其成立日期至二零一六年十二月三十一日止期間，風險管理委員會舉行一次會議，個別成員之出席率載列如下：

成員	出席／舉行 會議次數
薛黎曦(主席)	1/1
石濤	0/1
林代文	1/1
畢波	1/1

企業管治報告

公司秘書

方志華先生為本公司之財務總監兼公司秘書。公司秘書協助主席提倡企業管治之最高標準及推動董事會及其委員會的有效運作。所有董事均可直接聯繫公司秘書以取得其意見及服務。公司秘書向主席匯報董事會管治事宜，並負責確保董事會程序獲得遵守及董事之間的資訊交流適時且適當。公司秘書亦於本公司及投資者間扮演重要角色。公司秘書及助理公司秘書參加由專業會計及公司秘書協會舉辦之各種培訓。於二零一六年，公司秘書及助理公司秘書各接受超過十五小時相關專業培訓以更新彼等之技能及知識。

公司秘書之履歷載列於本年報第92頁高層管理人員一節。

外聘核數師

本集團截至二零一六年十二月三十一日止年度之外聘核數師為香港立信德豪會計師事務所有限公司(「立信德豪」)。審核委員會審閱及監察外聘核數師之獨立性，確保審核程序符合適用標準之有效性及財務報表之客觀性。立信德豪已向審核委員會作出書面聲明，彼等獨立於本公司且並不知悉有任何事宜可能合理被認為會影響其獨立性。下表顯示本集團於過去兩年就審核及非審核服務已付／應付立信德豪之費用：

	二零一六年	二零一五年
審計服務	3,900,000港元	2,480,000港元
非審計服務	780,000港元	300,000港元
總計	4,680,000港元	2,780,000港元

截至二零一六年十二月三十一日止年度，非審計服務主要包括有關中期財務資料及一項非常重大收購之專業服務。

董事責任聲明

董事會確認其編製截至二零一六年十二月三十一日止年度之財務報表的責任，該等賬目須真實公平反映本集團於該期間之事務、業績及現金流量。編製截至二零一六年十二月三十一日止年度財務報表時，董事會：

- (a) 選用及貫徹應用適當會計政策；
- (b) 採納適當香港財務報告準則；
- (c) 作出多項審慎合理之調整及估計；及
- (d) 確保財務報表按持續經營基準編製。

董事會亦有責任妥當存管會計記錄，隨時以合理的準確度披露本公司之財務狀況。

董事會致力就本集團之表現、狀況及前景呈報持平、清晰及全面之評估。

企業管治報告

股東權利

根據本公司組織章程細則第72條，股東特別大會須按本公司任何兩名成員或任何一名或以上成員(彼／彼等合共持有不少於本公司股東大會上十分之一投票權之股份)之書面要求而召開，而該書面要求須向註冊辦事處呈交並指明會議目的，且由發出書面要求之人士簽署。

倘董事於呈交書面要求日期後二十一日內未能適時召開會議，發出書面要求之人士可按由董事召開會議之同一方式儘快召開股東大會，董事未能召開會議而令發出書面要求之人士產生之所有合理開支須由本公司償付。

股東及其他利益相關者可透過公司秘書向董事會傳遞彼等之查詢及關注。公司秘書按行政總裁或董事委員會主席或高層管理人員之職責範圍內適當地向彼等轉達該等查詢及關注。

本集團歡迎股東就本集團之營運、策略及／或管理提出建議，以供股東大會討論。建議書須以書面要求之方式向董事會或公司秘書寄發。根據本公司組織章程細則，有意提呈建議書之股東須按上文所載程序召開股東特別大會。

與股東之溝通及投資者關係

本公司致力維持高透明度，務求與股東及投資界聯繫溝通。為確保與股東及投資者維持有效、清晰及準確之溝通渠道，所有公司通訊均根據本公司之既定慣例及程序，由執行董事及指定高層行政人員安排及處理。本公司適時並於上市規則所載時限內於年報、中期報告、通函及公佈內提供最新及廣泛信息，確保所有股東能夠準確瞭解本集團業務表現及財務狀況並作出知情投資決定。

本公司於回顧年度內曾進行股東背景分析，以助董事會深入瞭解股東背景及股權變動。

本公司視股東週年大會為董事會與股東會面及當面溝通之主要討論場合。董事會主席、所有執行董事、董事會委員會主席及外聘核數師盡量出席股東週年大會向股東匯報本集團業務及運作、回答詢問，藉以持平瞭解股東觀點。

股東週年大會將於二零一七年五月二十六日舉行。各重大獨立事項(包括個別董事之重選)均將於股東大會上單獨提呈決議案。此外，載有投票表決程序之通函與年報將會一併寄發予股東。

本公司繼續致力加強與投資界之溝通及關係。執行董事及指定高層管理人員與股東、機構投資者、基金經理、分析員及媒體保持開放積極對話。管理層樂意在已提供予公眾信息之範圍內在會議、採訪及路演期間回應彼等所提出之查詢，協助彼等更深入瞭解本公司。

企業管治報告

二零一六年股東大事載列如下。

事件	日期
有關收購信亨証券有限公司全部股本權益之關連交易公佈	二零一六年二月十九日
有關短暫停牌之公佈	二零一六年三月二十九日
有關刊發二零一五年全年業績之公佈	二零一六年三月三十日
成立風險管理委員會	二零一六年三月三十日
有關(1)收購富帝銀行(列支敦士登)股份有限公司(「富帝銀行」) 不少於68.85%權益之非常重大收購事項；及(2)恢復股份買賣之公佈	二零一六年四月六日
股東週年大會	二零一六年五月二十五日
有關富帝銀行非常重大收購事項之通函	二零一六年八月二十六日
有關刊發二零一六年中期業績之公佈	二零一六年八月三十日
股東特別大會	二零一六年九月十三日
有關完成富帝銀行非常重大收購事項之公佈	二零一六年九月二十日
有關成立合營公司之關連交易公佈	二零一六年九月二十八日
有關短暫停牌之公佈	二零一六年十一月二十八日
澄清公佈及恢復股份買賣	二零一六年十一月二十九日

於截至二零一六年十二月三十一日止年度，本公司組織章程大綱及細則並無變動。

本公司網站(www.irasia.com/listco/hk/citychamp)供股東、投資者及大眾適時瀏覽本公司資料。本公司財務資料及所有公司通訊均刊載於本公司網站，並會定期更新。

股東如對董事會有任何疑問，可致函公司秘書，地址為香港九龍柯士甸道西1號環球貿易廣場19樓1902-04室。

財政年度結束後之變動

於二零一七年三月二十三日，Bright Merit Investments Limited(「Bright Merit」)、Pacific Timber Holding Limited(「Pacific Timber」)及EB Investments Holdings Limited(「EB Investments」)(全部均為本公司之全資附屬公司)與深圳康田城市更新投資有限公司(「深圳康田」)訂立出售協議。根據出售協議，Bright Merit、Pacific Timber及EB Investments同意以代價人民幣1,400,000,000元(相當於約1,568,000,000港元)向深圳康田出售彼等分別於森帝木業持有的18.27%、26.93%及54.80%股份權益。出售事項根據上市規則構成本公司須予披露交易，有關詳情載於本公司日期為二零一七年三月二十三日及二零一七年三月二十八日之公佈。

除上述所披露者外，本公司或本集團於報告期後概無進行任何重大事項。

風險管理及內部監控

董事會對監察本集團風險管理及內部監控制度承擔整體責任，並每年檢討其成效。董事會致力推行有效及穩健之內部監控制度，保障股東投資及本集團資產。董事會委派有關董事會委員會及高級管理層推行內部監控制度，及檢討所有相關的財務、營運、合規監控及風險管理職能。相關董事會委員會及高級管理層向董事會匯報其重大發現。

風險管理

風險管理為建立良好企業管治的重要支柱之一，故本集團在經營上一直實施謹慎原則並保持高度警惕。此亦是決策過程中不可或缺的一環。

董事會在風險管理委員會之協助下，監督本集團的風險管理系統，並定期對該系統進行審視，以減低可能產生的潛在風險，最終確保達致良好的企業管治實踐。

根據本集團的發展策略，我們已設立一套涵蓋所有業務分部的風險管理系統，以評估及管理本集團業務活動的各種風險。

風險評估

風險評估為辨識和評估風險及決定如何管理該等風險的過程。本集團各層面存在可能妨礙實現既定目標的內部及外部風險。理想情況是，管理層應設法防止該等風險。然而，我們有時未能防止風險發生。在該情況下，我們須決定是否接受風險、減低風險至可接受水平或避免風險。為合理確保本集團實現其目標，我們確保各種風險將獲適當評估及處理。

風險管理

我們為本集團各級經理提供指引，協助釐定各類風險可予接受的水平。利用該等指引及風險評估資料，經理須釐定在特定情況下是否可接受或可避免風險，或可完全減低風險或避免風險。

監控措施

監控措施是可協助避免或減低可能影響本集團達成目標及使命的風險的工具。我們制定監控措施，以助企業有效及迅速達成目標及使命。我們緊密監察及評估監控措施，確保該等措施能妥善執行及其有效性不會因管理層干預、串通或誤判等事件而受到影響。監控措施的資源須基於其可避免或減低的風險的重要性及可能性作出分配。

經識別及評估有關風險後，本集團將馬上訂立風險減緩計劃，旨在監察及匯報應對各項風險所採取行動的狀況。最高級別的風險將被急切處理。此外，風險減緩計劃亦可協助本集團分配既有資源對主要風險進行管理。

主要風險及不明朗因素

本集團面對之主要風險及不明朗因素如下，董事會將密切監察有關情況，並採納任何必要之風險減緩措施。

經濟風險

就鐘錶及時計產品分部而言，收入能否持續增長乃視乎消費者對鐘錶之消費有否增長而定。國內或全球出現的任何持續性經濟放緩均可能導致消費者減少對鐘錶之消費，繼而可能對本集團之業務及營運業績造成重大不利影響。目前，不論宏觀經濟前景，抑或國內或全球市況均備受挑戰。本集團將重新調整策略組合以應對不斷改變之經濟情況，並密切監察未來經濟趨勢帶來之影響。

行業風險

鐘錶行業深受快速轉變之市場趨勢及國內或國際同業者間之競爭所影響。鐘錶行業屬高度競爭市場，而我們之鐘錶價格及需求均受我們所面對的競爭劇烈程度所影響。我們之競爭對手在財政狀況、技術、設計及客戶關係方面或會擁有強大競爭優勢。為保持競爭力，我們必須在整體上不斷加強我們的產品、分銷及營銷。

風險管理及內部監控

電子商務風險

就鐘錶及時計產品分部而言，電子商務日趨普及，且對傳統鐘錶及時計產品分銷網絡構成不利影響。過往數年，本集團一直以進退得宜之策略建立我們之電子商務分部。本集團聘請專業的電子商務人員，從而可與電子商務平台緊密合作、進行數據分析、改善客戶體驗及最終擴大電子商務之銷售。我們現時尚未發展強勁的社交媒體及流動營銷活動。透過於中國內地及海外的附屬公司，本集團將在可見未來繼續投資於電子商務及新型營銷方式，如社交媒體及流動營銷，作為促進我們業務持續發展的一個途徑。於二零一五年及二零一六年，電子商務分別佔本集團來自鐘錶及時計產品之收入約10.1%及13.6%。

利率風險

利率風險源自金融工具之公平值或現金流量受市場利率變動而產生的波動。本集團承受市場利率變動之風險主要與應付客戶款項結餘、債務責任及浮息銀行存款有關。於二零一五年及二零一六年十二月三十一日，計息貸款分別為938,532,000港元及1,190,340,000港元，且所有貸款利率均為浮動性質，其利率分別介乎2.1%至6.1%以及1.96%至4.35%不等。根據敏感度分析，於二零一六年十二月三十一日，倘利率整體上升／下降50個基點而所有其他變數維持不變，則本集團之除所得稅後溢利及保留溢利將增加／減少約7,735,000港元(二零一五年：減少／增加369,000港元)。本集團將繼續監察全球資本市場之利率走勢，並對定息及浮息計息貸款之組合進行相應調整。

匯率風險

就鐘錶及時計產品分部而言，我們大部分銷售乃以人民幣計值，而我們部分採購則以其他貨幣(如瑞士法郎)進行。因此，我們須承受外匯匯率風險，而倘其他外幣(如瑞士法郎)兌人民幣升值，則我們的溢利將可能遭受不利影響。另一方面，於截至二零一五年及二零一六年十二月三十一日止年度，我們的總成本中約63%及57%是以人民幣計值，而約28%及33%則以瑞士法郎計值。

我們的申報貨幣為港元。當我們編製綜合財務報表時，以外幣計值之銷售及採購均已按相關財政年度之平均匯率折算為港元，而外幣資產負債表則按資產負債表日期之匯率折算為港元。因此，倘港元兌有關貨幣的匯率出現任何上升時，則自外幣產生之溢利將有所下降。

外匯匯率波動亦可能會影響我們客戶之購買力及其購買鐘錶之意慾。我們的業務及財務狀況可能因匯率波動而受到不利影響，尤其是當波動持續發生時。

匯率亦影響金融工具未來現金流量之公平值。本集團承受的匯率風險亦主要來自若干金融工具，包括以美元、歐元、瑞士法郎、英鎊及人民幣計值之不同資產負債表項目。本集團目前並無外匯對沖政策，惟管理層一直持續監察外匯風險。

法律風險

由於我們在全球開展業務，故我們須遵守經營業務所在司法權區之不同法律及法規。未有遵守此等法律及法規可能導致我們的銷售遭施加條件或暫停，或遭查封商品，或遭處以高額罰款或索償。倘我們經營業務之國家收緊該等法律及法規之執行情況，我們之營運成本或會增加，且我們未必能將此等額外成本轉移至客戶。此外，倘我們經營業務之司法權區對開設新銷售點施加任何新法律、法規、限制或其他入行門檻，我們擴充業務之能力或會受到限制，而我們的增長及發展均可能遭受不利影響。

我們透過內部監控程序及指示之方式管理法律風險，並委聘外部法律顧問以降低法律風險。

風險管理及內部監控

品牌風險

我們之品牌為我們競爭優勢中不可或缺之一環。於二零一六年，羅西尼及依波精品之品牌價值合共超過人民幣175億元。本集團持續提供優質產品，透過優質渠道進行產品分銷及開展良好之銷售及市場推廣活動，務求保持強勢品牌地位。

知識產權風險

我們的製錶技術、設計及品牌中蘊含之知識產權亦為我們競爭優勢中不可或缺之一環。我們的運營取決於我們的知識產權（包括商標、專利及技術專業知識）是否得到足夠的保障。透過向我們經營業務所在不同司法權區之政府機關正式註冊之方式，知識產權可得到保障。然而，某些司法權區未必能給予充分保障。我們致力與全球各地之專業人士合作以保障我們的知識產權。

營運風險

我們將營運風險界定為因外在事件及／或內部程序、人力及制度上的不足或失效而造成的潛在的損失。由於營運風險來自本集團內進行的所有活動，故大型及複雜之國際機構內發生的潛在營運風險事件乃一大恆常挑戰。為應對此挑戰，我們旨在使所有行動的程序及標準達到具「行業實力」，並在實踐過程中以同業、其他行業及監管規定作為參照基準。我們透過內部監控程序及指示之方式管理營運風險。

信貸風險

就非銀行業務而言，本集團與大多客戶主要以信貸方式進行貿易。一般而言，主要客戶之信貸期為期一至六個月。為減輕信貸風險，本集團僅與受認可及信用度高的人士進行交易。應收賬款乃受本集團經營業務所在地區之普遍經濟狀況影響。於二零一五年及二零一六年十二月三十一日，我們之應收貿易賬款總額（扣除呆壞賬撥備後）分別約為694,000,000港元及462,000,000港元，其中約64,000,000港元及42,000,000港元（或約8.4%及8.3%）分別被視作已逾期。本集團對所有交易對手均設定風險限額，且信貸風險均遍布不同市場之不同客戶。因此，信貸風險過於集中之情況並不存在。本集團根據既定之內部系統跟進已逾期之應收貿易賬款。

就銀行業務而言，富地銀行之同業存放獲外界評級為A級或以上之銀行所擔保或存放於該等銀行。例外情況會於每月進行獨立評估，於有需要時須經詳細評估後方可批審。

為配合本集團的放貸政策，富地銀行一般僅授出有抵押貸款。貸款須由該銀行之相關經理、信貸委員會及最終由董事會批准及監管。該銀行實施一套根據關鍵準則評估信貸風險的系統以全面審視信貸風險。該銀行亦借助經濟風險資本之概念監管信貸風險，並應用標準化流程以監督風險規定之合規情況。

流動資金風險

流動資金風險指我們並無足夠財政資源償還到期之債務，或我們僅可以過高成本方能取得財務資源之風險。我們旨在於任何時間於所有地區就任何貨幣均維持足夠流動資金，以能夠履行所有到期債務。我們同時按短期及結構性基準對流動資金風險進行管理。短期而言，我們專注確保長達三十日之時間內現金流需求在必要時得以滿足。中期而言，我們則專注確保資產負債表維持結構性穩健且與我們的策略一致。為符合監管規定的流動資產及流動資金覆蓋比率分析每月向董事會及高級管理層呈報。

富地銀行向客戶授予貸款通常為證券業務之一部分。富地銀行授出貸款之過程謹慎，並大部份附設獨家抵押。大部分貸款提供予位於歐洲的客戶，而因此相關國家風險有限。就銀行間交易而言，富地銀行僅與最高評級之對手進行交易，並會設置限額。

風險管理及內部監控

富地銀行之流動資金受法定銀行監管條例監察及監控。該銀行之流動資金水平高於銀行監管法規之最低要求。

買賣及使用衍生工具之風險

富地銀行之衍生金融工具專門用於客戶交易或作為對沖交易。在買賣交易中，對手均為最高評級銀行。

股本價格風險

股本價格風險與金融工具之公平值或未來現金流量因市場價格變動而波動之風險有關(除了因策略性部署而持有及於報告期末按市場價格估值之非上市股本投資除外)。

存貨風險

對我們鐘錶產品之需求很大程度上取決於客戶的喜好及市場趨勢而定，此不在我們所控制的範圍之內。倘本集團產品未能符合客戶不斷轉變之喜好及市場趨勢，滯銷存貨將會增加。倘我們未能管理存貨以採購或生產合適的產品去迎合客戶喜好及未來市場趨勢，過時及滯銷的存貨數量則會增加，而我們需要按較低價格清理該等存貨或進行存貨撇賬，倘發生該情況，我們的業績表現或會受到重大不利影響。本集團採取措施在分銷點層面上提高銷售效益，以加強分銷點、區域銷售分部及總部間之資訊交流以改善整體存貨管理，及不斷加大力度清理存貨。

減值風險

減值風險乃是我們個別業務現金產生單位中資產的賬面金額超出其可收回金額所產生之撇賬風險。根據二零一五年及二零一六年十二月三十一日之賬目所示，商譽及無形資產之總金額分別為913,906,000港元及987,738,000港元。倘相關附屬公司之未來表現未能符合其預期表現，則該等資產可能會減值。本集團將不斷監察相關附屬公司之業務表現，並盡量減低減值(如有)程度。

集中風險

富地銀行之債券組合由不同到期日、地區、分部及貨幣的債券組成，因此可確保多元化。資產及負債之風險集中度須每月進行分析及向董事會及高級管理層呈報。

有關可能違反資本充足比率的風險

富地銀行一直致力維持穩固的資本基礎，以支持其業務發展及滿足監管資本及槓桿需求。

基本目標是利用已投入資本為股東帶來可執行及適當之風險經調整後回報。為達成此目標，我們於管理資本時致力確定有利的風險回報比率。在此方面，本集團避免出現可能影響風險承受能力及繼而影響業務健全及存續的極端風險，以及在風險預算的範圍內管理所有風險。於管理資本時，本集團評估所需資本(按監管規定處理各項風險的最低資本金額)及可用的可計算資本(根據監管機構的準則計算之可動用資本)，並評估該等資本的發展情況，作為其資本規劃的一部分。

資本需求以及第一級及第二級資本乃按國際財務報告準則綜合財務報表之基準訂定，但遵照核心資本之更嚴格定義。總資本比率、現金儲備比率及槓桿比率之計算每月向高級管理層及董事會呈報。

董事會報告

本公司董事欣然提呈董事會報告以及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經審核財務報表。

主要業務

本公司之主要業務為投資控股。主要附屬公司之主要業務詳情載於財務報表附註53。本集團之主要業務於年內並無其他重大變動。

財務報表及分配

本集團截至二零一六年十二月三十一日止年度之財務表現以及本集團於當日之財務狀況載於財務報表第139至293頁。

董事會議決並不建議派付截至二零一六年十二月三十一日止年度之末期股息(截至二零一五年十二月三十一日止年度：每股2.5港仙)。鑒於二零一七年三月二十三日簽立以代價人民幣1,400,000,000元(約1,568,000,000港元)出售森帝木業(深圳)有限公司全部股權之協議，以及於二零一七年三月二十四日收取200,000,000港元之相關按金，董事會建議派付特別股息每股5港仙。

財務資料概要

本集團過去五個財政年度已刊發業績、資產、負債與非控股權益概要載於第294頁及第295頁，乃摘錄自經審核財務報表。該概要並不構成經審核財務報表其中部分。

物業、廠房及設備以及投資物業

本公司及本集團物業、廠房及設備以及投資物業於年內之變動詳情，分別載於財務報表附註28及29內。本集團主要投資物業之進一步詳情載於年報第296頁。

股本

本公司股本變動詳情載於財務報表附註42。

優先購買權

本公司之公司組織章程細則或開曼群島法律並無有關優先購買權之條文，規定本公司須按比例向現有股東發售新股份。

獲准許之彌償條文

於二零一六年，惠及董事的獲准許之彌償條文已生效。本公司已為本集團董事及高級行政人員就其可能因履行職務而產生之潛在損失或責任安排適合之董事及高級行政人員責任保險。

附屬公司

本公司於二零一六年十二月三十一日之主要附屬公司詳情載於財務報表附註53。

董事會報告

購買、贖回或出售本公司上市證券

於截至二零一六年十二月三十一日止年度內，本公司作出以下本公司上市股份之場內購回：

股份購回日期	註銷日期	購回股份數目	每股代價 港元	總代價 (不包括交易成本) 港元
二零一六年四月二十日	二零一六年五月五日	65,442,000	1.15	75,258,300

除上文披露者外，本公司於回顧年內並無購回任何本公司上市股份(不論於聯交所或其他交易所)。

儲備

本公司及本集團儲備於年內之變動詳情分別載於財務報表附註44及綜合權益變動表內。

可供分派儲備

除本公司之保留溢利外，本公司之股份溢價賬亦可向股東分派，惟於緊隨建議進行上述分派當日之後，本公司必須仍有能力償還在日常業務中到期支付之欠款。

於二零一六年十二月三十一日，本公司可供作現金及／或實物分派之儲備，即保留溢利及股份溢價賬之總額，為848,040,000港元。

主要客戶與供應商

於回顧年內，主要客戶與供應商應佔之銷售及採購分別載列如下。

	總銷售／採購百分比	
	銷售	採購
五大客戶	4%	—
五大供應商	—	17%
最大客戶	2%	—
最大供應商	—	7%

董事會報告

董事

以下為本公司本年度及截至本報告日期在任之董事：

執行董事：

韓國龍先生(主席)
商建光先生(行政總裁)
石濤先生
林代文先生
畢波先生
薛黎曦女士
韓孝煌先生
陶立先生

獨立非執行董事：

馮子華先生
鄭俊偉博士
李強先生(辭任於二零一七年一月二十日生效)
張斌先生
Rudolf Heinrich Escher先生(委任於二零一七年一月二十日生效)

根據本公司組織章程細則第116條，當時三分之一董事須輪值告退，惟每名董事須按上市規則規定最少每三年輪值退任一次。因此，商建光先生、畢波先生、韓孝煌先生及陶立先生將在應屆股東週年大會上輪值告退，並符合資格及願意重選連任。此外，根據本公司章程細則第99條，獲委任填補臨時空缺或作為新增董事之任何董事，其任期僅為直至本公司下屆股東週年大會為止，並符合資格在大會上重選連任。因此，Rudolf Heinrich Escher先生(委任於二零一七年一月二十日生效)將會於應屆股東週年大會上退任，並符合資格重選連任。

本公司已獲取四名現任獨立非執行董事各自發出之年度獨立確認書，表示彼等已符合上市規則第3.13條有關彼等獨立身分之所有因素，以及並無其他可能會影響彼等獨立身分之因素。本公司董事會認為，所有獨立非執行董事均為獨立人士。

董事及高層管理人員之履歷

本公司董事及本集團高層管理人員之履歷詳情載於年報第88至93頁。

董事於合約中之權益

於二零一六年二月十九日，本公司主席韓國龍先生與本公司當時全資附屬公司環球富盛有限公司訂立協議，據此，環球富盛有限公司同意以現金代價24,800,000港元向韓先生收購信亨証券有限公司全部已發行股本。有關交易之進一步詳情載於本公司日期為二零一六年二月十九日之公告。

董事會報告

於二零一六年九月二十八日，本公司全資附屬公司聯和投資有限公司與豐榕投資(香港)有限公司(「豐榕投資(香港)」)及冠城大通(香港)有限公司(「冠城大通(香港)」)訂立協議，據此，合營方將會成立名為冠城聯合國際有限公司之合營公司，而合營方將於合營公司共同投資最多900,000,000港元。豐榕投資(香港)為福建豐榕投資有限公司(「福建豐榕」)之全資附屬公司，而冠城大通(香港)由福建豐榕間接擁有約31.7%權益。福建豐榕由本公司執行董事薛黎曦女士及陸曉珺女士分別擁有約68.5%及31.5%權益。陸曉珺女士為本公司執行董事韓孝煌先生之配偶。有關交易之進一步詳情載於本公司日期為二零一六年九月二十八日之公告。

除上文披露者外，概無董事於本公司或其任何附屬公司於年內所訂立對本集團業務而言屬重大之合約中直接或間接擁有重大權益。

董事服務合約

本公司執行董事兼行政總裁商建光先生與本公司訂有服務合約，任期由二零一一年十一月十八日起為期三年，惟任何一方可發出不少於三個月書面通知予以終止。合約可於各方同意下予以重續。

本公司主席韓國龍先生、本公司執行董事石濤先生及林代文先生與本公司訂有服務合約，自二零零四年七月一日起初步為期兩年，惟任何一方可發出不少於兩個月書面通知予以終止。除非任何一方向另一方發出不少於兩個月書面通知終止，否則此等服務合約將繼續有效，並其後每次續期一年。

畢波先生與本公司訂有服務協議，自二零一零年八月二十四日起初步為期兩年，可由任何一方發出不少於兩個月書面通知予以終止。除非任何一方向另一方發出不少於兩個月書面通知終止，否則服務協議將繼續有效，並其後每次續期一年。

薛黎曦女士與本公司訂有服務協議，自二零一二年三月二十六日起初步為期兩年，可由任何一方發出不少於兩個月書面通知予以終止。除非任何一方向另一方發出不少於兩個月書面通知終止，否則服務協議將繼續有效，並其後每次續期一年。

韓孝煌先生與本公司訂有服務協議，自二零一四年八月二十九日起初步為期兩年，可由任何一方發出不少於兩個月書面通知予以終止。除非任何一方向另一方發出不少於兩個月書面通知予以終止，否則服務協議將繼續有效，並其後每次續期一年。

陶立先生與本公司訂有服務協議，自二零一四年十一月二十六日起初步為期兩年，可由任何一方發出不少於兩個月書面通知以終止。除非任何一方向另一方發出不少於兩個月書面通知終止，否則服務協議將繼續有效，並其後每次續期一年。

本公司獨立非執行董事馮子華先生及鄭俊偉博士均與本公司訂有服務合約，自二零零四年五月三日起初步為期兩年。除非任何一方向另一方發出不少於一個月書面通知終止，否則此等服務合約將繼續有效，並其後每次續期一年。

董事會報告

本公司獨立非執行董事張斌先生與本公司訂有服務合約，自二零一四年十一月二十六日起初步為期兩年。除非任何一方向另一方發出不少於一個月書面通知終止，否則服務合約將繼續有效，並其後每次續期一年。

本公司獨立非執行董事Rudolf Heinrich Escher先生與本公司訂有服務合約，自二零一七年一月二十日起初步為期兩年。除非任何一方向另一方發出不少於一個月書面通知終止，否則服務合約將繼續有效，並其後每次續期一年。

概無擬於應屆股東週年大會重選連任之董事與本公司訂有任何本公司不可在一年內毋須支付賠償(法定賠償除外)而終止之服務合約。

董事酬金

董事袍金可由本公司董事釐定，惟須獲股東於股東大會批准。其他酬金由董事會參考董事之職務、責任及表現以及本集團業績釐定。

董事及主要行政人員於股份及相關股份之權益及淡倉

於二零一六年十二月三十一日，按本公司根據證券及期貨條例(「證券及期貨條例」)第352條規定存置之登記冊所記錄，董事及主要行政人員於本公司或其相聯法團(定義見證券及期貨條例第XV部)之股本及相關股份中擁有之權益或淡倉或已根據上市規則附錄十所載上市發行人董事進行證券交易之標準守則(「標準守則」)知會本公司及香港聯合交易所有限公司(「聯交所」)之權益或淡倉如下：

於股份之好倉

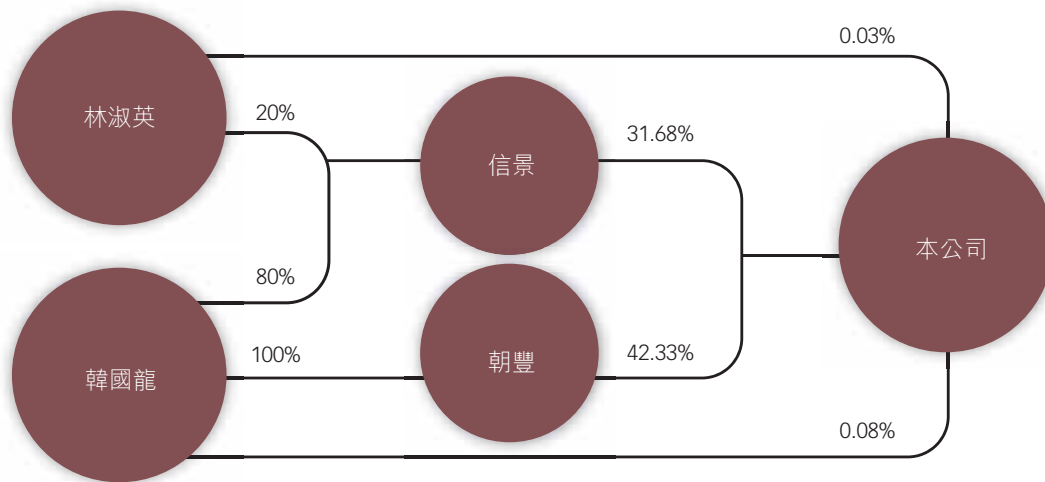
董事姓名	權益性質	所持股份數目	持股百分比
韓國龍	公司(附註1)	3,217,389,515	74.02%
	實益擁有人	3,500,000	0.08%
	家族權益(附註2)	1,374,000	0.03%
商建光	實益擁有人	5,300,000	0.12%
石濤	實益擁有人	5,000,000	0.11%
林代文	實益擁有人	2,400,000	0.06%
馮子華	實益擁有人	1,600,000	0.04%
韓孝煌	實益擁有人	1,750,000	0.04%
陶立	實益擁有人	5,000,000	0.12%

附註：

- 3,217,389,515股股份中1,840,128,000股股份由朝豐有限公司(「朝豐」)持有，而1,377,261,515股股份由信景國際有限公司(「信景」)持有。
- 1,374,000股股份由韓國龍先生之妻子林淑英女士持有。

董事會報告

視作韓國龍先生持有之權益於下圖概述。



於本公司認購股份權之好倉

董事姓名	授出日期	尚未行使之 認購股份權數目	行使期限	每股股份之 行使價 港元
韓國龍	二零零八年十二月九日	-	二零零九年十二月九日至 二零一九年一月七日	0.325
商建光	二零零八年十二月九日	-	二零零九年十二月九日至 二零一九年一月七日	0.325
石濤	二零零八年十二月九日	-	二零零九年十二月九日至 二零一九年一月七日	0.325
林代文	二零零八年十二月九日	-	二零零九年十二月九日至 二零一九年一月七日	0.325
韓孝煌	二零零八年十二月九日	-	二零零九年十二月九日至 二零一九年一月七日	0.325
陶立	二零零八年十二月九日	-	二零零九年十二月九日至 二零一九年一月七日	0.325
馮子華	二零零八年十二月九日	-	二零零九年十二月九日至 二零一九年一月七日	0.325
鄺俊偉	二零零八年十二月九日	-	二零零九年十二月九日至 二零一九年一月七日	0.325
李強(附註)	二零零八年十二月九日	3,500,000	二零零九年十二月九日至 二零一九年一月七日	0.325

附註：李強先生已於二零一七年一月以每股股份行使價0.325港元行使3,500,000份認購股份權。

董事會報告

於珠海羅西尼錶業有限公司(「羅西尼」)之好倉(附註1)

董事姓名	權益性質	持股百分比
薛黎曦	公司(附註2)	9%
韓孝煌	公司(附註2)	9%

附註：

1. 羅西尼分別由本公司及福建豐榕間接擁有91%及9%權益。羅西尼為本公司之相聯法團(定義見證券及期貨條例第XV部)。
2. 於羅西尼之權益由福建豐榕持有，該公司分別由執行董事薛黎曦女士及陸曉珺女士擁有約68.5%及31.5%權益。薛黎曦女士及陸曉珺女士均為本公司執行董事韓國龍先生之兒媳婦。本公司執行董事韓孝煌先生作為陸曉珺女士之丈夫，亦被視為擁有福建豐榕31.5%之權益。

除上文披露者外，於二零一六年十二月三十一日，概無任何人士於本公司或其任何相聯法團之股份及相關股份中擁有根據證券及期貨條例第352條須記錄之任何權益或淡倉，或已根據標準守則知會本公司及聯交所之任何權益或淡倉。

董事購買股份或債券之權利

於年內任何時間，董事或彼等各自之配偶或未成年子女概無獲授或行使可藉購買本公司股份或債券獲益之權利，而本公司或其任何附屬公司亦無參與任何安排，致使董事可於任何其他法團獲取該等權利。

主要股東於股份及相關股份之權益

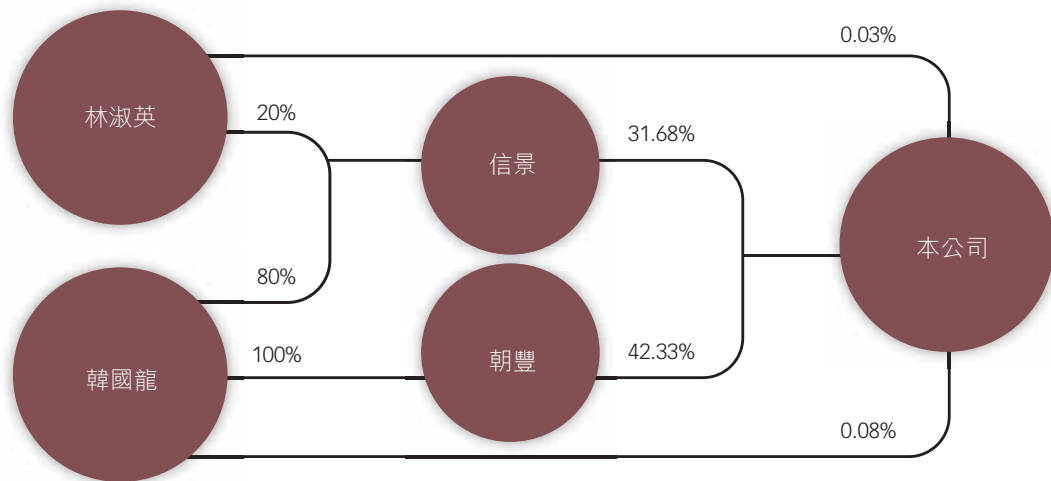
於二零一六年十二月三十一日，按照本公司根據證券及期貨條例第336條存置之權益登記冊所記錄，下列各方持有本公司已發行股本5%或以上權益：

	股份數目	佔現有已發行股本之百分比
信景國際有限公司	1,377,261,515	31.68%
朝豐有限公司	1,840,128,000	42.33%
韓國龍(附註)	3,222,263,515	74.13%
林淑英(附註)	3,222,263,515	74.13%

附註：

韓國龍先生及林淑英女士被視為於同一批3,222,263,515股股份中擁有權益(當中1,377,261,515股股份由信景持有，1,840,128,000股股份由朝豐持有，3,500,000股股份由韓國龍先生持有，而林淑英女士則持有1,374,000股股份)。股權結構於下圖概述：

董事會報告



除上文披露者外，於二零一六年十二月三十一日，除其權益載於上文「董事及主要行政人員於股份及相關股份之權益及淡倉」一節之本公司董事及主要行政人員外，概無任何人士於本公司股份及相關股份中登記擁有根據證券及期貨條例第336條須予記錄之權益或淡倉。

關連交易

於二零一六年二月十九日，本公司主席韓國龍先生與本公司當時之全資附屬公司環球富盛有限公司訂立協議，據此，環球富盛有限公司同意以現金代價24,800,000港元向韓先生收購信亨証券有限公司全部已發行股本。有關交易之進一步詳情載於本公司日期為二零一六年二月十九日之公告。

於二零一六年九月二十八日，本公司之全資附屬公司聯和投資有限公司與豐榕投資(香港)有限公司(「豐榕投資(香港)」)及冠城大通(香港)有限公司(「冠城大通(香港)」)訂立協議，據此，合營方將會成立名為冠城聯合國際有限公司之合營公司，而合營方將於合營公司共同投資最多900,000,000港元。豐榕投資(香港)為福建豐榕投資有限公司(「福建豐榕」)之全資附屬公司，而冠城大通(香港)由福建豐榕間接擁有約31.7%權益。福建豐榕由本公司執行董事薛黎曦女士及陸曉珺女士分別擁有約68.5%及31.5%權益。陸曉珺女士為本公司執行董事韓孝煌先生之配偶。有關交易之進一步詳情載於本公司日期為二零一六年九月二十八日之公告。

除上文披露者外，年內根據上市規則本集團概無重大關連交易。

董事會報告

認購股份權計劃

本公司認購股份權計劃詳情載於財務報表附註43。

下表披露本公司認購股份權於截至二零一六年十二月三十一日止年度之變動：

參與者姓名或類別	認購股份權數目		
	於二零一六年 一月一日	於年內行使	於二零一六年 十二月三十一日
獨立非執行董事			
李強先生(附註)	3,500,000	–	3,500,000
小計	3,500,000	–	3,500,000
其他合資格僱員			
合計	4,225,000	(2,650,000)	1,575,000
其他合資格人士			
合計	5,710,000	(230,000)	5,480,000
總計	13,435,000	(2,880,000)	10,555,000

附註：李強先生已於二零一七年一月以每股股份行使價0.325港元行使3,500,000份認購股份權。

董事於競爭業務之權益

年內，除董事因代表本公司及／或本集團利益而獲委聘為董事之該等業務外，根據上市規則，概無董事被視為在與本集團業務直接或間接構成競爭或可能構成競爭之業務中擁有權益。

足夠公眾持股量

按本公司可公開獲取之資料及據董事所知悉，公眾人士所持本公司股份數目超過本公司於本報告日期之全部已發行股本25%。

企業管治

本公司企業管治常規報告載列於本年報第94至105頁。

證券交易之標準守則

董事會已採納標準守則作為董事買賣本公司證券之本公司操守準則。經向本公司全體董事作出具體查詢後，本公司確定所有董事於本年報所涵蓋整個會計年度一直遵守標準守則所載之規定準則。

董事會報告

核數師

截至二零一六年十二月三十一日止年度之財務報表已由香港立信德豪會計師事務所有限公司審計。

本公司將於應屆股東週年大會提呈有關續聘香港立信德豪會計師事務所有限公司為本公司核數師之決議案。

代表董事會

主席

韓國龍

香港

二零一七年三月三十一日

環境、社會及管治報告

本集團作為負責任及關懷社會之企業公民，不但專注達成經營目標及財務目標，亦致力向不同持份者作出貢獻，為僱員及其家庭、社區及社會整體謀求福祉，同時推動環保及有效善用資源。本集團視奉行良好商規及盡企業社會責任為持續成功不可或缺之理念。

報告期及報告範圍

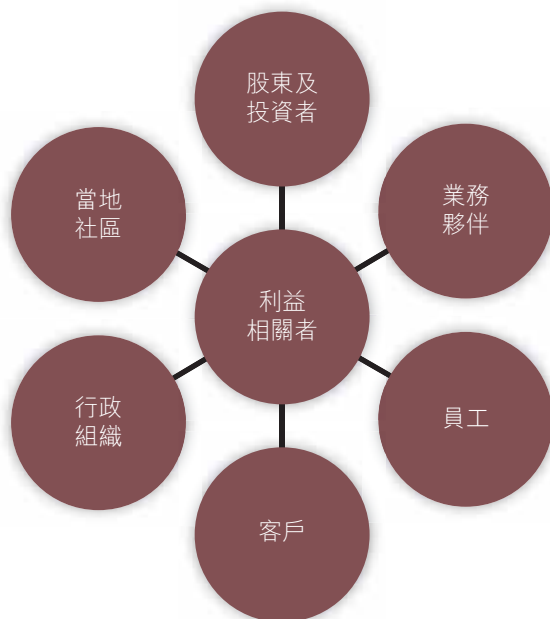
本報告根據聯交所發佈的《環境、社會及管治報告指引》闡述本集團於二零一六年一月一日至二零一六年十二月三十一日期間在環保、社會及管治方面實施的政策、履行的義務及表現。本報告聚焦本集團從事鐘錶及時計業務的主要營運機構，即位於珠海的羅西尼和位於深圳的依波精品(下稱「報告機構」)。

	羅西尼	依波	合計
報告機構面積	42,525平方米	9,636平方米	52,162平方米

往後，本集團將擴大披露範圍至其它業務及更多營運機構，及披露更多關鍵績效指標，以持續提高信息的豐富性及透明度。

利益相關者之參與及重要性

本集團非常重視與利益相關者的對話，包括股東及投資者、業務夥伴、員工、客戶、行政組織、當地社區。我們深明與利益相關者保持良好溝通，對業務營運及企業發展是非常重要的。



過去多年來我們積極主動開展各種活動，爭取機會與利益相關者溝通。未來我們將繼續與利益相關者建立良好關係，與他們保持緊密聯繫和對話，瞭解和回應他們不同的關注，致力於發展一個繁榮並以溝通為導向的社會。

環境、社會及管治報告

<p style="text-align: center;">股東及投資者</p> <ul style="list-style-type: none"> • 股東大會 • 年報與中期報告、業績公佈 • 公告及通函 • 公司網頁發佈消息 	<p style="text-align: center;">業務夥伴</p> <ul style="list-style-type: none"> • 供應商定期評估 • 實地考察 • 安全問卷調查 • 合作會議 • 供應商管理制度 	<p style="text-align: center;">員工</p> <ul style="list-style-type: none"> • 員工聚會 • 興趣協會 • 意見分享會 • 內部通告 • 培訓課程 • 志願活動
<p style="text-align: center;">客戶</p> <ul style="list-style-type: none"> • 日常營運交流 • 鐘錶展覽 • 客戶服務熱線 • 服務／產品意見回饋機制 	<p style="text-align: center;">行政組織</p> <ul style="list-style-type: none"> • 有關合規經營、環境保護之會議 • 公文往來 • 實地視察 • 評選及認證 	<p style="text-align: center;">社區</p> <ul style="list-style-type: none"> • 社區活動 • 協辦捐款、慈善項目 • 贊助及捐獻 • 辦學培育人才

A. 環境

作為負責任之企業，我們恪守環保原則及嚴格遵守相關的法律法規，包括《中華人民共和國環境保護法》、《中華人民共和國環境影響評價法》、《建設項目環境保護管理條例》、《中華人民共和國固體廢物污染環境防治法》及《廣東省固體廢物污染環境防治條例》等。

環境、社會及管治報告

A1. 排放物

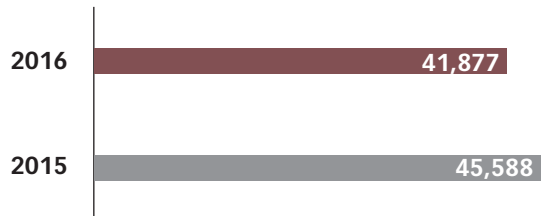
報告機構主要從事生產及分銷鐘錶及時計產品，營運時未有產生大量空氣污染物（例如氮氧化物(NO_x)和二氧化硫(SO₂)）及溫室氣體，產生的主要排放物種類如下：

排放物種類	污染物	處理方式
工業廢水	CODcr、SS、氨氮、石油類、超聲波清洗廢水	除超聲波清洗廢水經環保部門認可的工業廢物處理站集中處理外，其餘廢水經污水處理池進行冷凝、化學沉澱等處理后排入污水處理廠
生活廢水	CODcr、BOD ₅ 、氨氮、動植物油類、磷酸鹽	經沉澱池沉澱后排入污水處理廠
工業廢氣	顆粒物	經水浴水霧除塵設備處理后高空排放
食堂油煙	油煙	經水霧處理及高壓靜電除塵后高空排放
噪音	機械加工噪聲、廠界噪聲	通過水浴水霧隔音擋板及消聲裝置處理
固體廢棄物	廢礦物油、廢乳化液、廢抹布／過濾棉芯、廢日光燈管及廢硒鼓／墨盒	均獨立儲存，定期經具備資質的回收商統一回收處理

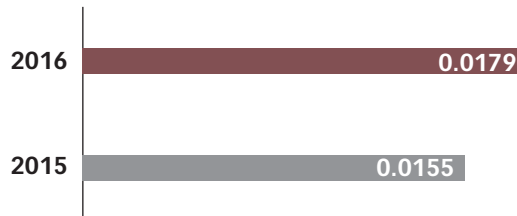
A2. 資源使用

總耗水量及密度

總耗水量(噸)

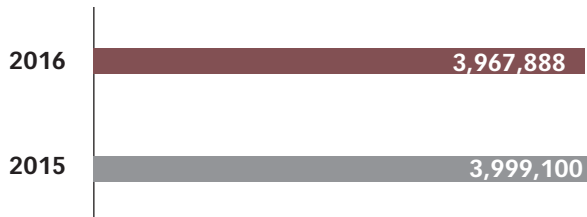


每產量耗水量(噸／只)

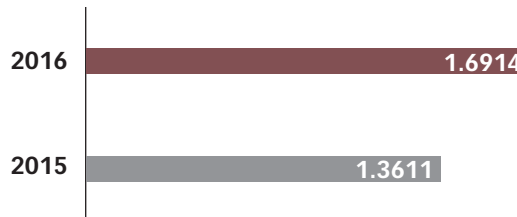


總耗電量及密度

總耗電量(千瓦時)



每產量耗電量(千瓦時／只)

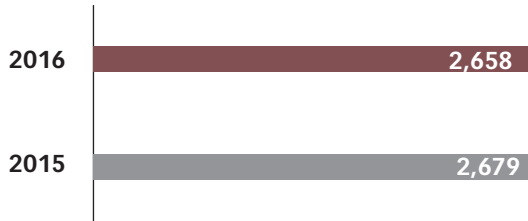


我們旨在透過提升資源善用及採納綠色技術盡量提升生產過程中之節能程度。變頻驅動空調及無功率補償系統已安裝於各廠房以助節省電力。

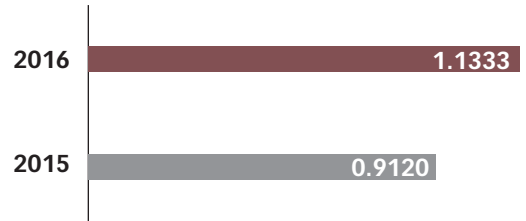
環境、社會及管治報告

二氧化碳總排放量及每生產單位排放量

二氧化碳總排放量(噸)



每產量二氧化碳排放量(千克/只)



我們專注改進減碳目標，並透過一系列節能及減碳措施以積極監控及減低對環境之影響。我們主要的環保目標是在整個營運過程中更有效率地運用能源及資源。隨著環保法規在規管範圍及嚴格性上日益上升，我們力爭做到不僅合規，且在可行情況下盡可能超出強制性責任範圍。為此，我們採用環境管理監督措施以助我們訂立及檢討目標，並追蹤跟進表現以求持續進步。

包裝材料總量及每生產單位估量

包裝材料主要包括手錶盒、手提袋、紙箱、泡沫袋及靜電膜等。二零一六年，包裝材料總用量為630噸，每產量用量為0.2686千克。

我們從源頭上開始系統性減少廢物產生、減少資源消耗，對各種廢棄物分類回收再利用，實現多種資源的綜合利用。

我們設立了安全生產管理委員會，建立《能源管理制度》、《安全環境因素識別與評價流程》、《職業健康安全／環境日常監控流程》，對公司環境進行識別評價，形成《重要環境因素清單》，根據《重要環境因素清單》的內容召開管理評審會議，制定《環境、職業健康安全目標、指標與管理方案》，以達到節能減污的目的。

根據環境相關法律的要求，我們制定了《化學危險品控制程序》、《危險廢棄物管理流程》、《廢棄物分類基準表》等相關程序和制度，發動全員開展節能、降耗、減污、增效等活動。

環境、社會及管治報告

A3. 環境及天然資源

報告機構一向極其關注環境之可持續性發展，並將其融入每項營運範疇。位於珠海之羅西尼生產廠房自二零零九年已獲得ISO14001環境管理體系認證，體現其有效及高效之環保生產過程。除本報告另有所述外，已採取的減低對環境及天然資源造成影響的行動包括但不限於：

- 於設計及建造廠房時採用環保材料及節能概念；
- 遵守相關環境保護法律及法規，正當處理廢氣及工業污染物之排放；
- 參照食品及餐飲業所規定之嚴格標準，建造防塵潔淨之生產設施；
- 透過林格爾曼煙濃度圖控制及減少發電機排放濃煙之密度；
- 將電鍍工序外判以助減少產生重金屬；
- 監察及減少發電機產生之噪音量；及
- 每年實施環保檢驗及審閱全部設施之檢驗結果。

環保及節能將繼續為本集團於整個生產過程中奉行的可持續發展原則之一。我們將持續通過有效的培訓及教育，提高僱員環保及善用資源的意識。

此外，我們於二零一六年建議本公司股東以電子方式收取本公司之公司通訊，以取代收取印刷本，籍此希望減少印刷量，減少耗紙。

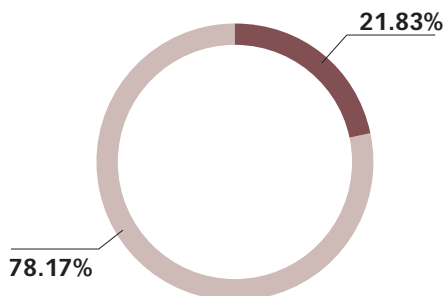
環境、社會及管治報告

B. 社會

B1. 僱傭

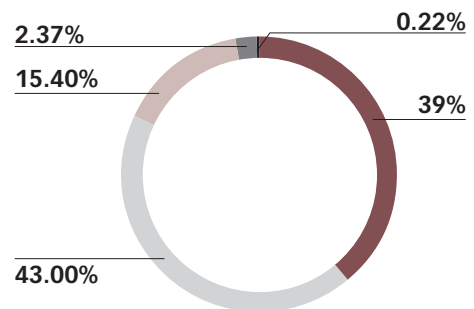
我們相信，一支積極進取且具均衡比例之員工團隊，對發展可持續經營模式及實現長遠回報攸關重要。於二零一六年十二月三十一日，報告機構於中國內地聘用合共3,720名全職員工。本集團之員工團隊來自不同性別及年齡層，均能帶來具創造性之觀點及具備不同層面之能力。

性別比例



● 男員工 812
● 女員工 2,908

年齡分佈



● 18-29歲 1,451
● 30-39歲 1,600
● 40-49歲 573
● 50-59歲 88
● 60歲以上 8

於報告期內，報告機構之員工流失率約為12%。

公正及公平之工作環境

我們承諾遵守有關準則及法規，以提供公正及公平之工作環境。我們在僱傭過程各個環節均奉行提供平等機會之理念，且絕不容忍任何形式之歧視或騷擾。我們對業務過程中接觸之每一位人士均以禮相待，尊敬有加。我們期望所有有關各方與同事、外判商、供應商、客戶及任何其他持份者互動時，均能應用同等準則。我們嚴厲禁止種族或道德上之貶損行為、不受歡迎的性要求及類似行為。

工作與生活平衡之理念

我們重視員工，並希望彼等能與本集團一同成長。

我們藉著鼓勵員工廣泛參與運動及工餘活動，以提倡工作與生活平衡之理念。

珠海羅西尼興建一幢多用途康樂中心、購置多種樂器組成公司樂團，並於辦公室及生產廠房附近興建多用途運動場。我們已成立康樂社，定期為僱員組織及主辦工餘活動，如派對、年度節慶、週年晚宴及團體旅遊，費用概由本集團承擔。我們成立多個興趣協會，包括籃球、排球、瑜伽、單車、游泳、保齡球、攝影、書法、中國象棋、



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烹飪及釣魚等，作為員工保持良好體格及健康的平台，於工作後舒緩壓力。興趣協會定期安排的文藝表演、體育比賽及其他休閒活動，毫無疑問可促進員工之間的溝通、加強凝聚力，並提高團隊合作精神及工作積極性。為將照顧擴展至員工家屬，本集團亦舉辦歡迎員工家屬一同參加的活動。

員工利益及福利

我們為所有員工設計薪酬待遇方案，以獎勵員工對本集團的成功所付出的工作及貢獻。薪酬待遇方案包括各種福利，視乎個別附屬公司的個別情況而定，例如醫療保險、外遊、午餐補貼、免費身體檢查、產假、婚假、喪假及其他資助。

「互相幫助」一直為本集團所強調的企業文化。為進一步在僱員之間推廣此文化，羅西尼以人民幣3,000,000元為創始金額設立應急基金，以幫助有需要的僱員。管理該應急基金的委員會委員確保該應急基金乃在公正及高度透明度的情況下管理。該應急基金不單惠及僱員，僱員的家屬亦在受保障。

B2. 健康及安全

我們致力確保員工健康及安全，其中包括為員工提供及維持健康及安全的工作場所，尤其是我們的生產廠房。我們已設立嚴格的管理制度及政策，確保工作環境符合職業健康及安全的標準。對該等制度及政策持續進行審查，確保有關標準在多種不同情況下均得以維持。一般而言，我們的目標是建立安全警惕意識，以持續辨識危害、評估風險及實施必要的控制措施。

珠海羅西尼已獲得職業健康安全管理體系(OHSAS) 18001的認證。各項措施已獲實施，包括進行定期職業健康安全評估、每年及於就職後為員工提供免費身體檢查、設置報警裝置及閉路電視系統以監察及盡量減少辦公室及生產廠房的危害性元素，並聘請第三方定期檢查及審查該職業健康安全系統。

於二零一六年，無發生因工作關係而死亡的事故，因工傷損失工作日數為30日。

B3. 發展及培訓

我們將僱員之個人發展及福祉視為重中之重。為此，我們致力建立一個可激勵員工的良好社區及環境，務求促進員工的發展，留住人才。

我們致力以清晰之職業前景激勵員工，藉此為員工提供晉升及提高專業知識、資歷和技能之機會。為此，我們提供各式各樣專門設計之培訓課程以提升員工之專業水平，課程涵蓋新員工入職培訓、安全培訓、技能培訓及行政管理類別課程。我們通過培訓需求調查、分析評估、確定需求，制定出培訓計劃及內容。該等培訓課程具有戰略意義並將持續進行，培養出眾、有能力及專業的人力資源以配合現時的需求及業務發展。

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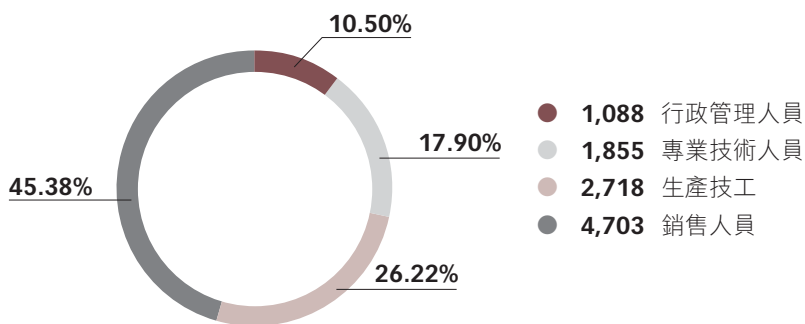
在內部或透過外界機構舉辦之培訓課程乃為各階層及各類工作崗位的僱員而提供，不論僱員背景、種族、性別、宗教、年齡或階級。年內，報告機構組織多個不同之培訓課程，內容涵蓋專業及技術培訓至個人技能發展。培訓形式包括由內部培訓師主持之講座及工作坊，亦有由外聘專家講授之研討會。

僱員接受培訓之摘要如下：

- 新員工於獲聘請後即參與企業迎新及入職介紹活動，以協助其儘快適應新工作環境，並令其熟悉工作職責，以及本集團之業務、營運及企業文化；
- 向現有員工提供有關企業文化及道德方面之培訓；
- 銷售員工獲安排參與有關客戶服務及產品知識之密集式培訓課程；
- 鐘錶工匠及技術人員參加持續開辦之有組織及規範化技術培訓，以確保在產品創新及質量方面均可達到卓越水平，其中包括派遣旗下中國品牌的鐘錶工匠及技術人員遠赴瑞士，研習最精湛的工藝及先進的技術與設計；及
- 管理層人員獲邀修讀管理課程，以不斷更新其商業管理專業知識，以及與個別公司營運所在之市場及行業有關之最新動態及發展趨勢；密集式領袖發展項目及輪崗計劃，旨在鼓勵及協助中層經理過渡至全新或更高層之領導角色。

二零一六年累計培訓時數7,074小時，培訓人次達10,364人次。

按不同僱員類別劃分的培訓人次：



我們亦鼓勵員工自我增值。倘員工參加獲本集團認可之相關課程及培訓，可獲考試假期及福利。本集團持續安排並提供密集式培訓，使員工具備相關資格及技能，鼓勵彼等成為有凝聚力的團隊，以提供持續優質的產品及服務。

B4. 勞工準則

報告機構嚴格遵守《中華人民共和國勞動法》，並且制定勞動用工控制程序，嚴禁聘用童工或強制勞工。

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B5. 供應鏈管理

建立《供應商供應鏈管理安全程式》，在開發選擇供應商時通過實地考察和供應商安全調查問卷等形式確認供應商的安全狀況、合作時要求供應商簽訂《供應鏈安全協定》和《安全協定聲明》，合作後也每年一度對供應商進行安全考核。

按地區劃分的供應商數目

地區	數量
廣東	104
上海	2
香港	4
日本	2
瑞士	1
其它	7

B6. 產品責任

設立市場管理部負責產品的銷售及服務、企劃部負責廣告策劃及品牌推進工作。公司已售或在送產品並無發生因質量問題導致人身傷害的事故或因安全與健康理由回收的情況。售後服務部為顧客提供售後服務及問題產品解決跟進。

品質安全、公共衛生控制過程與指標

類別	影響項目	相關風險	內控指標	測量方法	控制過程及方法
安全生產	物體打擊、機械傷害、觸電、火災、中毒等	人員傷亡、財產損失、影響社會穩定	人身傷亡事故為零、火災發生次數為零、觸電傷亡次數為零、食物中毒發生次數為零	安全性評價、定期檢查	1、按職業健康安全管理体系管理； 2、執行安全評價。
品質安全	有害物質、放射性元素	健康影響	產品品質導致的人身傷害	定期監測	產品品質管制、供應商管理
公共衛生	粉塵、雜訊等	職業病	職業病發病率、員工體檢率	定期監測	按職業健康安全管理体系管理

環境、社會及管治報告

B7. 反貪污

管理層率先垂範「和諧發展」的價值觀，積極宣導「誠信為本」和「誠信興企」，恪守商業道德。我們健全信用管理機制，明確責任、監督方式，從強化誠信文化建設入手，通過建立信用評估機制、建立信用檔案，與關鍵供方和合作夥伴一起共同建立誠信共贏的合作模式。

管理層奉行誠信守法是企業的立身之本，要求員工在企業經營中做到重合同、守信用、講道德、守法紀，並制定了相關規定要求約束員工行為：

- 基於企業使命、願景和價值觀，制定員工手冊等一系列管理制度，從制度上規範全員道德行為。
- 外部審計師每年進行審計，並由財務部加強對市場行銷、採購、在建專案、財務等關鍵環節的監察，對各種合同進行審核，確保守法經營。
- 建立了嚴格的財務管理制度、市場人員管理制度，通過公開招標、比價採購、資質認證等方法，公開公平選擇合作夥伴。
- 對新員工從思想上加強道德操守教育，在所有員工的入職培訓中，加入企業文化和道德操守、員工行為規範教育。
- 通過內／外部審核、員工監督舉報、安保人員的監督和社會監督等多種方式收集資訊，及時處理問題。

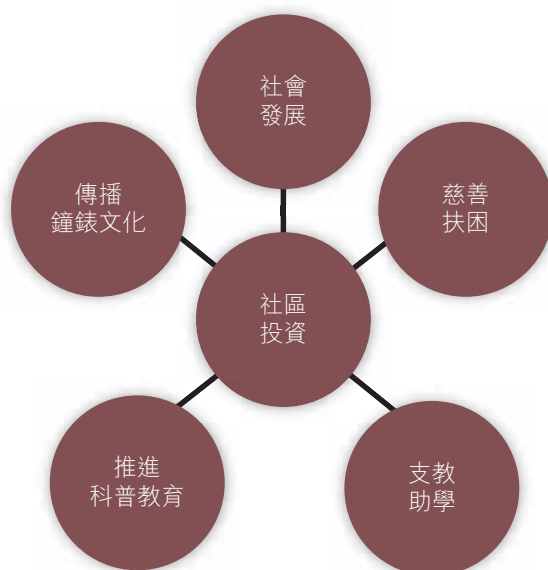
B8. 社區投資

我們積極履行社會責任，通過多方面建設和維護社區建設。

本集團董事會主席韓國龍先生，作為一個具有高度社會責任心和使命感的企業家，十多年來以身作則先後為中港兩地的公益事業慷慨解囊，捐助興建社會公共設施，扶助國內受災民眾。二零一六年，韓先生繼續其熱愛公益事業的精神，為支持香港青年到中國內地參觀學習和交流，韓先生捐贈善款港幣100萬元，資助「四海一家。香港青年交流團」活動的2,000多名香港青年到北京、福建及深圳親身探索內地非物質文化遺產，進一步瞭解國家「一帶一路」的理念，推動香港青年認識祖國及中華文化歷史。同年年底，韓先生以個人名義向福建石竹慈善基金會捐贈人民幣2億元，該基金會目標是推廣慈善活動、宣傳慈善精神、慈善文化、慈善理念，讓更多的弱勢群體或個人得到幫助。

環境、社會及管治報告

本集團積極參與各類社會公益慈善活動、支救助學、科普教育及文化傳播，推動社會進步及發展。



慈善扶困

「一諾十八年」

依波精品集團其中一項長期慈善項目名為「一諾十八年」，與中華全國婦女聯合會旗下中國婦女發展基金會合作發起。自二零零八年發生汶川地震以來已連續舉行九年。依波繼續履行承諾，資助地震後成為孤兒的100名兒童之撫養費用，直至他們滿十八歲。除捐款外，依波的愛心團隊亦每年攜帶大量物資前往四川探訪。至2016年已持續8年赴川探訪10餘次。截至二零一六年底，依波已為「一諾十八年」項目捐款約人民幣200萬元。



我們鼓勵員工向汶川地震、雅安地震及西南乾旱等自然災難的災民作出個人捐款，或以任何方式參與義工活動，幫助受天災影響的災民度過難關。我們十分高興收獲員工反饋，通過參與慈善及義工活動實現作為社會一員的真正價值，與社會建立更深的聯繫。

環境、社會及管治報告

「愛耳日公益活動」

二零一六年，依波攜手晴晴言語康復中心為聾啞兒童舉辦「依波慈善時光·愛耳日公益觀影之旅」公益活動。



支救助學

- 1997年興建「珠海羅西尼希望小學」，2013年制定「2014-2018珠海羅西尼希望小學助學興教五年計劃」，捐資人民幣50萬元用於改善學校硬體設備，學生獎學金及教師學習深造



- 1995年與政府合資創辦石岩公學，並於2003年被評為廣東省一級民辦名校

環境、社會及管治報告

推進科普教育

- 與珠海市技師學院聯辦「羅西尼」手錶維修專業班
- 先後與北京理工大學珠海學院、北京師範大學珠海學院、吉林大學珠海學院、廣東省科學職業技術學院等開展產學研合作項目
- 獲中國科學技術協會評為「全國科普教育基地」



傳播鐘錶文化

打造鐘錶博物館和鐘錶工業文化旅遊以傳播鐘錶文化，工業旅遊區總面積達11,280.60m²，博物館館藏展品約1,600件，共計接待遊客52萬人次。鐘錶博物館獲評為國家AAAA級景區、廣東省文化遺產保護突出貢獻團體。



INDEPENDENT
AUDITOR'S REPORT

獨立核數師報告

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永安中心25樓**TO THE MEMBERS OF CITYCHAMP WATCH & JEWELLERY GROUP LIMITED**
(incorporated in Cayman Islands with limited liability)**致冠城鐘錶珠寶集團有限公司股東**
(於開曼群島註冊成立之有限公司)

OPINION

意見

We have audited the consolidated financial statements of Citychamp Watch & Jewellery Group Limited (the "Company") and its subsidiaries (together "the Group") set out on pages 139 to 293, which comprise the consolidated statement of financial position as at 31 December 2016, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

本核數師(以下簡稱「我們」)已審計載於第139至293頁冠城鐘錶珠寶集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，此等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，以及截至該日止年度之綜合全面收入表、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(包括主要會計政策概要)。

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 issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

我們認為，該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈之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之綜合財務狀況以及 貴集團截至該日止年度之綜合財務表現及綜合現金流量，並已遵守香港公司條例之披露規定妥為編製。

BASIS FOR OPINION

意見基礎

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.

我們已根據香港會計師公會頒佈之香港核數準則(「香港核數準則」)進行審計。我們就該等準則承擔之責任在本報告「核數師就審計綜合財務報表須承擔之責任」部分進一步闡述。根據香港會計師公會之專業會計師道德守則(「守則」)，我們獨立於 貴集團，並已根據該守則履行其他道德責任。我們相信，我們所獲審計憑證能充足及適當地為我們的意見提供基礎。

KEY AUDIT MATTERS

關鍵審計事項

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

關鍵審計事項乃根據我們專業判斷，認為對我們審計本期綜合財務報表最為重要之事項。我們於審計整體綜合財務報表及就其作出意見時處理該等事項，但不會就該等事項提供單獨意見。

Impairment assessment on goodwill and intangible assets with indefinite useful lives

Refer to notes 32 and 31 to the consolidated financial statements and the accounting policies in notes 5.5 and 5.11 to the consolidated financial statements

As at 31 December 2016, the Group had goodwill with gross carrying amount of HK\$980,561,000 and intangible assets with indefinite useful lives with gross carrying amount of HK\$117,440,000 as the result of the acquisition of banking and watch and timepieces businesses in recent years.

Management is required to test the amount of goodwill and intangible assets with indefinite useful lives for impairment annually. For the purpose of assessing impairment, management assessed the recoverable amount of these assets based on higher of its fair value less costs of disposal and value-in-use. These assets were allocated to cash generating units ("CGU"), and the recoverable amount of each CGU was determined by management based on value-in-use calculations using cash flow projections.

The impairment assessment involves significant judgements and assumptions by the management underlying the value-in-use calculation.

Management concluded that, based on the impairment assessment result, an impairment loss on goodwill of HK\$70,566,000 has been recognised for the year.

How the matter was addressed in our audit

Our procedures on the management's impairment assessment on goodwill and intangible assets with indefinite useful lives included:

- (i) Assessing the reasonableness of discount rates and growth rates applied in determining the recoverable amount;
- (ii) Evaluating the reasonableness of other key assumptions based on our knowledge of the business and industry; and
- (iii) Checking input data to supporting evidences, such as approved budgets and assessing the reasonableness of these budgets.

Business combination

Refer to note 49 to the consolidated financial statements and the accounting policies in note 5.1 to the consolidated financial statements

The Group has completed the acquisition of Bendura Bank AG (formerly known as Valartis Bank (Liechtenstein) AG) (the "Bank") on 20 September 2016. The Bank is now the subsidiary of the Group and consolidated into the Group's consolidated financial statements, with the assets and liabilities purchased being accounted for at fair values at the date of the acquisition. The acquisition of the Bank is significant to the Group's financial position and financial performance.

Purchase accounting for the acquisition of the Bank involves significant judgements in assessing the fair values of assets and liabilities acquired, which directly affects the amount of goodwill recognised on acquisition.

商譽及無限可使用年期之無形資產減值評估

參照綜合財務報表附註32及31以及綜合財務報表附註5.5及5.11之會計政策

於二零一六年十二月三十一日，由於近年收購銀行以及鐘錶及時計產品業務，本集團擁有賬面總值980,561,000港元之商譽以及賬面總值117,440,000港元無限可使用年期之無形資產。

管理層須就每年減值測試商譽及無限可使用年期之無形資產之金額。就評估減值而言，管理層按其較高公平值減少出售成本及使用價值評估該等資產之可收回金額。該等資產獲分配至現金產生單位（「現金產生單位」），而各個現金產生單位之可收回金額由管理層根據現金流量預測以可使用價值方式計算。

減值評估涉及管理層利用可使用價值方式計算之重大判斷及假設。

管理層總結，根據減值評估結果，於本年度已確認商譽減值虧損70,566,000港元。

在審計中之處理方法

我們關於管理層就商譽及無形資產之減值評估程序如包括以下方面：

- (i) 評估應用於釐定可收回金額之貼現率及增長率之合理性；
- (ii) 根據我們對業務及行業之認知評估其他重要假設之合理性；及
- (iii) 檢查附加證據之輸入數據，如核准預算及評估該等預算之合理性。

業務合併

參照綜合財務報表附註49以及綜合財務報表附註5.1之會計政策

貴集團於二零一六年九月二十日完成收購Bendura Bank AG（富地銀行，前稱富帝銀行（列支敦士登）股份有限公司）（「該銀行」）。該銀行現時為貴集團附屬公司以及於貴集團綜合財務報表綜合列賬，並按收購日期之公平值計入已購入之資產及負債。收購銀行對本集團之財務狀況及業績屬重大。

計入收購該銀行之購置涉及評估所收購資產及負債之公平值重大判斷，其直接影響於收購事項確認之商譽金額。

How the matter was addressed in our audit

Our procedures on the business combination included:

- (i) Reviewing of the sales and purchase agreements to determine that no unusual terms, which that have not been accounted for, exist;
- (ii) Assessing the identification and fair value assessment of the identifiable assets and liabilities acquired made by the management including any fair value adjustments; and
- (iii) Evaluating the competency, capabilities and objectivity of the management's expert.

Revenue recognition relating to sales of goods

Refer to note 8 to the consolidated financial statements and the accounting policies in note 5.20 to the consolidated financial statements

A substantial portion of the Group's revenue was derived from sales of watches and timepieces.

For sales of watches and timepieces, the amount of revenue recognised during the year is dependent on the point in time the ownership transfers from the Group to the customers.

We identified the recognition of revenue relating to sales of goods as key audit matter because revenue is one of the key performance indicators of the Group and there is an inherent risk over the recognition of revenue by the management to meet specific targets or expectations.

How the matter was addressed in our audit

Our procedures on the revenue recognition relating to sales of goods included:

- (i) Assessing, on a sample basis, whether sales transactions recorded during the financial year had been recognised properly by inspecting the transactions selected with relevant underlying documentations;
- (ii) assessing, on a sample basis, whether sales transactions before and after the financial year end had been recognised in the appropriate period by comparing the transactions selected with relevant underlying documentations; and
- (iii) reviewing if there are any significant adjustments to revenue during the reporting period, understanding the reasons for such adjustments and comparing the details of the adjustments with relevant underlying documentations.

在審計中之處理方法

我們關於業務合併之審計程序包括：

- (i) 審閱買賣協議以判斷是否不存在尚未計入之不尋常條款；
- (ii) 評估管理層作出之可識別資產及負債識別方法及公平估值，包括任何公平值調整；及
- (iii) 評核管理層之專業資格、能力及客觀性。

有關銷售貨品之收益確認

參照綜合財務報表附註8及綜合財務報表附註5.20之會計政策

本集團大部分收入來自銷售鐘錶及時計產品。

就銷售鐘錶及時計產品而言，倘年內確認之收益金額視乎本集團向客戶轉讓擁有權之時間而定。

我們已識別有關銷售貨品之收益確認作為主要審計事項，此乃由於收益為貴集團其中一項主要業績表現指標，管理層就達到特定目標或預期確認收益時存在固有風險。

在審計中之處理方法

我們關於銷售貨品之收益確認之審計程序包括：

- (i) 透過檢查附有相關支持文件之所選交易以抽樣方式評估於財務年度記錄之銷售交易是否已妥善確認；
- (ii) 透過比較附有相關支持文件之所選交易，抽樣評估財政年結日前後之銷售交易是否於適當期間獲確認；及
- (iii) 審閱於報告期間收益是否有任何重大調整、瞭解有關調整之原因及比較附有相關支持文件之調整詳情。

OTHER INFORMATION IN THE ANNUAL REPORT

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

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

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

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

年報之其他資料

董事須對其他資料負責。其他資料包括已納入 貴公司年報之資料，但並不包括綜合財務報表及我們之核數師報告。

我們對綜合財務報表之意見並不涵蓋其他資料，我們亦不對其他資料發表任何形式之鑒證結論。

於我們審計綜合財務報表而言，我們的責任是閱覽其他資料，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計過程中所瞭解之情況有重大抵觸，或者似有重大錯誤陳述。基於已執行的工作，倘我們認為此其他資料有重大錯誤陳述，則須報告該事實。我們概無有關此方面之任何報告。

董事就綜合財務報表須承擔之責任

董事須負責根據香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露規定編製真實公平的綜合財務報表，以及落實董事認為必要之內部控制，以確保編製綜合財務報表時不存在由於欺詐或錯誤而導致之重大錯誤陳述。

於編製綜合財務報表時， 貴公司董事負責評估 貴集團持續經營的能力，並在適用情況下披露與持續經營有關之事項，以及使用持續經營會計基礎，除非董事有意將 貴集團清盤或停業，或別無其他現實之替代方案。

董事負責監督 貴集團財務報告過程，並在審核委員會協助下履行彼等之責任。

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

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

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs 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 HKSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

核數師就審計綜合財務報表須承擔之責任

我們的目標為就綜合財務報表整體是否不存在由於欺詐或錯誤而導致之重大錯誤陳述取得合理保證，並發出包括我們意見之核數師報告。我們僅根據委聘條款向全體股東作出報告，除此之外，本報告並無其他用途。我們不會就本報告的內容向任何其他人士負責或承擔任何責任。

合理保證屬高度保證，但並非關於根據香港核數準則進行之審計總能發現某一存在的重大錯誤陳述之擔保。錯誤陳述可由欺詐或錯誤引起，倘個別或整體合理預期情況下可影響使用者根據該等綜合財務報表作出之經濟決定，則有關錯誤陳述可被視作重大。

作為根據香港核數準則進行之審計工作的一部分，我們於整個審計過程中行使專業判斷並抱持專業懷疑態度。我們亦：

- 識別及評估綜合財務報表由於欺詐或錯誤而導致之重大錯誤陳述風險，設計及執行審計程序以應對該等風險，以及獲取充分及適當審計憑證為我們的意見提供基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或僭越內部控制，故因未能發現欺詐而導致之重大錯誤陳述風險高於因未能發現錯誤而導致之重大錯誤陳述風險。
- 瞭解有關審計之內部控制，以設計在各類情況下適當之審計程序，但並非旨在對貴集團內部控制之成效發表意見。
- 評估董事所用會計政策之恰當性及作出會計估計及相關披露之合理性。
- 總結董事採用持續經營會計基礎是否恰當，並根據已獲得的審計憑證，總結是否存在重大不明朗因素及可能令貴集團之持續經營能力嚴重成疑之事件或情況。倘我們得出結論認為存在重大不明朗因素，我們須於核數師報告中提請使用者注意綜合財務報表內之相關披露，或倘相關披露不足，則修訂我們的意見。我們的結論以截至核數師報告日期所獲得的審計憑證為基礎。然而，未來事件或情況可能導致貴集團不再持續經營。

- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 評估綜合財務報表(包括披露)之整體列報、架構及內容，以及綜合財務報表是否已中肯反映相關交易及事件。
- 就 貴集團內實體或業務活動之財務資料獲得充足及適當之審計憑證，以就綜合財務報表發表意見。我們負責指導、監督及執行集團審計。我們為我們的審計意見承擔全部責任。

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.

我們與審核委員會溝通(其中包括)審計工作之計劃範圍、時間及重大審計發現，該等發現包括我們於審計期間識別出內部控制之任何重大缺陷。

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.

我們亦向審核委員會提交聲明，說明我們已遵守有關獨立性之相關道德要求，並與彼等溝通可能被合理認為會影響我們獨立性之所有關係及其他事宜以及(倘適用)相關保障措施。

From the matters communicated with the directors, 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.

從與董事溝通之事項中，我們決定該等事項對本期綜合財務報表之審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述該等事項，除非法律或法規不允許公開披露該事項，或於極端罕見情況下，倘合理預期在報告中溝通某事項造成之負面後果超過其產生之公眾利益，則我們決定不應在報告中溝通該事項。

BDO Limited

Certified Public Accountants

Lui Chi Kin

Practising Certificate Number P06162
Hong Kong, 31 March 2017

香港立信德豪會計師事務所有限公司
執業會計師

呂智健

執業證書號碼P06162
香港，2017年3月31日

CONSOLIDATED STATEMENT OF 綜合全面收入表 COMPREHENSIVE INCOME

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

		Notes 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元 (Re-presented) (經重列)
Interest income from banking business	銀行業務之利息收入		26,934	–
Interest expenses from banking business	銀行業務之利息開支		(8,951)	–
Net interest income from banking business	銀行業務之利息收入淨額	8a	17,983	–
Service fees and commission income from banking business	銀行業務之服務費及佣金收入		95,896	–
Service fees and commission expenses from banking business	銀行業務之服務費及佣金開支		(23,301)	–
Net service fees and commission income from banking business	銀行業務之服務費及佣金收入淨額	8b	72,595	–
Trading income from banking business	銀行業務之交易收入	8c	18,902	–
Sales of goods from non-banking business	非銀行業務之貨品銷售收入	8d	2,811,352	3,458,245
Rental income from non-banking business	非銀行業務之租金收入	8d	19,123	18,109
Total revenue	總收入		2,939,955	3,476,354
Cost of sales from non-banking business	非銀行業務之銷售成本		(1,296,518)	(1,694,496)
Other ordinary income and other net gains or losses	其他經常性收入及其他收益或虧損淨額	9	63,165	257,545
Selling and distribution expenses	銷售及分銷費用		(841,444)	(883,152)
Administrative expenses	行政費用		(648,477)	(616,151)
Share of profit of associates	應佔聯營公司溢利	27	23,134	9,685
Finance costs	財務費用	10	(79,447)	(77,075)
Profit before income tax	除所得稅前溢利	11	160,368	472,710
Income tax expense	所得稅開支	12	(96,528)	(132,551)
Profit for the year	本年度溢利		63,840	340,159
Other comprehensive income	其他全面收入			
Item that will not be subsequently reclassified to profit or loss	不會於日後重新分類至溢利或虧損之項目			
– Remeasurement of net defined benefit obligations	– 重新計量定額福利責任淨額	16.2	14,368	9,485
Items that may be subsequently reclassified to profit or loss	可能於日後重新分類至溢利或虧損之項目			
– Exchange differences on translation to presentation currency	– 換算呈列貨幣之匯兌差額		(226,038)	(142,928)
– Release of exchange reserve to profit or loss upon disposal of subsidiaries	– 於出售附屬公司後解除外匯儲備至溢利或虧損	13	4,701	256
– Share of exchange differences on translation of associates	– 應佔聯營公司匯兌差異	27	(112)	133
– Changes in fair value of available-for-sale financial assets	– 可供出售金融資產公平值變動	24	(75,210)	9,051
			(296,659)	(133,488)
Other comprehensive income for the year	本年度其他全面收入		(282,291)	(124,003)
Total comprehensive income for the year	本年度全面收入總額		(218,451)	216,156

		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 (Re-presented) (經重列)
Profit for the year attributable to:	以下人士應佔本年度溢利：			
Owners of the Company	本公司擁有人		36,703	307,675
Non-controlling interests	非控股權益		27,137	32,484
			63,840	340,159
Total comprehensive income for the year attributable to:	以下人士應佔本年度全面收入總額：			
Owners of the Company	本公司擁有人		(227,203)	196,583
Non-controlling interests	非控股權益		8,752	19,573
			(218,451)	216,156
Earnings per share attributable to owners of the Company	本公司擁有人應佔每股盈利			
		15		
– Basic	– 基本		HK0.84 cent 港仙	HK6.98 cents 港仙
– Diluted	– 攤薄		HK0.84 cent 港仙	HK6.96 cents 港仙

CONSOLIDATED STATEMENT OF FINANCIAL POSITION 綜合財務狀況表

As 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 (Re-presented) (經重列)
	Notes 附註			
Assets		資產		
Cash and deposits	18	現金及存款	5,066,901	836,065
Due from clients	19	應收客戶款項	627,809	-
Due from banks	19	應收銀行款項	5,295,369	-
Trading portfolio investments	20	交易組合投資	197,089	367,471
Income tax recoverable		可收回所得稅	9,693	9,248
Derivative financial assets	21	衍生金融資產	2,338	2,244
Trade receivables	22	應收賬款	461,585	693,868
Inventories	23	存貨	1,996,187	2,042,892
Available-for-sale financial assets	24	可供出售金融資產	351,352	317,250
Held-to-maturity investments	25	持至到期投資	338,709	-
Short-term investments	26	短期投資	112,969	143,362
Interests in associates	27	所佔聯營公司權益	88,841	65,828
Property, plant and equipment	28	物業、廠房及設備	948,022	730,799
Investment properties	29	投資物業	107,779	111,676
Prepaid land lease payments	30	預付土地租賃款項	59,042	46,208
Intangible assets	31	無形資產	124,904	172,270
Goodwill	32	商譽	862,834	741,636
Deferred tax assets	41	遞延稅項資產	10,741	7,641
Other assets	33	其他資產	593,656	550,098
Total assets		總資產	17,255,820	6,838,556
Liabilities		負債		
Due to banks		應付銀行款項	3,007	-
Due to clients	34	應付客戶款項	10,393,047	-
Derivative financial liabilities	21	衍生金融負債	2,050	7,260
Trade payables	35	應付賬款	349,837	359,533
Corporate bonds	36	公司債券	692,127	708,834
Income tax payables		應付所得稅	87,654	69,323
Borrowings	37	借貸	1,190,340	938,532
Provisions	38	撥備	532	-
Subordinated debt	39	次級債務	83,345	-
Deferred tax liabilities	41	遞延稅項負債	33,196	27,486
Other liabilities	40	其他負債	567,995	493,101
Total liabilities		總負債	13,403,130	2,604,069

		Notes 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元 (Re-presented) (經重列)
Equity	權益			
Equity attributable to owners of the Company	本公司擁有人應佔權益			
Share capital	股本	42	434,682	440,938
Reserves	儲備	44	3,198,199	3,602,315
			3,632,881	4,043,253
Non-controlling interests	非控股權益		219,809	191,234
Total equity	權益總額		3,852,690	4,234,487
Total liabilities and equity	負債及權益總額		17,255,820	6,838,556

The consolidated financial statements on pages 139 to 293 were approved and authorised for issue by the board of directors on 31 March 2017 and are signed on its behalf by:

載於第139至293頁之綜合財務報表於二零一七年三月三十一日獲董事會批准及授權刊發，並由以下董事代表簽署：

Hon Kwok Lung

韓國龍
Director
董事

Shang Jianguang

商建光
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

	Equity attributable to owners of the Company												
	本公司擁有人應佔權益												
	Share capital	Share premium account*	Share option reserve*	Other reserve*	Goodwill arising on consolidation*	Statutory reserve*	Exchange reserve*	Investment revaluation reserve*	Retained profits*	Total	Non-controlling interests	Total equity	
股本	股份溢價賬*	認購股份權儲備*	其他儲備*	綜合賬目產生之商譽*	法定儲備基金*	外匯儲備*	投資重估儲備*	保留溢利*	總計	非控股權益	權益總額		
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
(note 42)	(note 44)	(note 44)	(note 44)	(note 44)	(note 44)	(note 44)	(note 44)	(note 44)	(note 44)	(note 44)	(note 44)	(note 44)	
Balance at 1 January 2015	於二零一五年一月一日之結餘	440,893	841,402	2,106	22,692	(15,300)	26,268	85,040	188,705	2,254,718	3,846,524	228,406	4,074,930
Transactions with owners	與擁有人交易	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds from shares issued under share option scheme	根據認購股份權計劃發行股份所得款項	45	101	-	-	-	-	-	-	146	-	-	146
Exercise of share options	行使認購股份權	-	68	(68)	-	-	-	-	-	-	-	-	-
Disposal of a subsidiary	出售一間附屬公司	-	-	-	-	-	-	-	-	-	(28,996)	-	(28,996)
Dividends paid to non-controlling interests	向非控股權益派付股息	-	-	-	-	-	-	-	-	-	-	(27,749)	(27,749)
Total transactions with owners	與擁有人交易總額	45	169	(68)	-	-	-	-	-	146	(56,745)	-	(56,599)
Comprehensive income	全面收入	-	-	-	-	-	-	-	-	307,675	307,675	32,484	340,159
Profit for the year	本年度溢利	-	-	-	-	-	-	-	-	307,675	307,675	32,484	340,159
Other comprehensive income	其他全面收入	-	-	-	-	-	-	-	-	-	-	-	-
Remeasurement of net defined benefit obligations	重新計量定額福利責任淨額	-	-	-	-	-	-	-	9,485	9,485	-	-	9,485
Exchange differences on translation to presentation currency	換算呈列貨幣產生之匯兌差額	-	-	-	-	-	(130,017)	-	-	(130,017)	(12,911)	-	(142,928)
Release of exchange reserve to profit or loss upon disposal of subsidiaries	於出售附屬公司後解除外匯儲備至溢利或虧損	-	-	-	-	-	256	-	-	256	-	-	256
Share of exchange differences on translation of associates	應佔聯營公司匯兌差異	-	-	-	-	-	133	-	-	133	-	-	133
Change in fair value of available-for-sale financial assets	可供出售金融資產公平值變動	-	-	-	-	-	-	9,051	-	9,051	-	-	9,051
Total comprehensive income for the year	本年度全面收入總額	-	-	-	-	-	(129,628)	9,051	317,160	196,583	19,573	-	216,156
Appropriation to statutory reserve	轉撥至法定儲備基金	-	-	-	-	-	4,313	-	(4,313)	-	-	-	-
Balance 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之結餘	440,938	841,571	2,038	22,692	(15,300)	30,581	(44,588)	197,756	2,567,565	4,043,253	191,234	4,234,487
Transactions with owners	與擁有人交易	-	-	-	-	-	-	-	-	-	-	-	-
Repurchase of ordinary shares	購回普通股	(6,544)	(68,907)	-	-	-	-	-	-	(75,451)	-	-	(75,451)
Proceeds from shares issued under share option scheme	根據認購股份權計劃發行股份所得款項	288	648	-	-	-	-	-	-	936	-	-	936
Exercise of share options	行使認購股份權	-	437	(437)	-	-	-	-	-	-	-	-	-
Disposal of a subsidiary	出售一間附屬公司	-	-	-	-	-	-	-	-	-	(61,212)	-	(61,212)
Arising from the acquisition of subsidiaries	產生自收購附屬公司	-	-	-	-	-	-	-	-	-	98,851	-	98,851
2015 final dividend (note 14)	二零一五年末期股息(附註14)	-	-	-	-	-	-	-	(108,654)	(108,654)	-	-	(108,654)
Dividends paid to non-controlling interests	向非控股權益派付股息	-	-	-	-	-	-	-	-	-	-	(17,816)	(17,816)
Total transactions with owners	與擁有人交易總額	(6,256)	(67,822)	(437)	-	-	-	-	(108,654)	(183,169)	19,823	-	(163,346)
Comprehensive income	全面收入	-	-	-	-	-	-	-	-	36,703	36,703	27,137	63,840
Profit for the year	本年度溢利	-	-	-	-	-	-	-	-	36,703	36,703	27,137	63,840
Other comprehensive income	其他全面收入	-	-	-	-	-	-	-	-	-	-	-	-
Remeasurement of net defined benefit obligations	重新計量定額福利責任淨額	-	-	-	-	-	-	-	13,876	13,876	492	-	14,368
Exchange differences on translation to presentation currency	換算呈列貨幣產生之匯兌差額	-	-	-	-	-	(207,188)	-	-	(207,188)	(18,850)	-	(226,038)
Release of exchange reserve to profit or loss upon disposal of subsidiaries	於出售附屬公司後解除外匯儲備至溢利或虧損	-	-	-	-	-	4,701	-	-	4,701	-	-	4,701
Share of exchange differences on translation of associates	應佔聯營公司匯兌差異	-	-	-	-	-	(112)	-	-	(112)	-	-	(112)
Change in fair value of available-for-sale financial assets	可供出售金融資產公平值變動	-	-	-	-	-	-	(75,183)	-	(75,183)	(27)	-	(75,210)
Total comprehensive income for the year	本年度全面收入總額	-	-	-	-	-	(202,599)	(75,183)	50,579	(227,203)	8,752	-	(218,451)
Appropriation to statutory reserve	轉撥至法定儲備基金	-	-	-	-	-	29,567	-	(29,567)	-	-	-	-
Balance at 31 December 2016	於二零一六年十二月三十一日之結餘	434,682	773,749	1,601	22,692	(15,300)	60,148	(247,187)	122,573	2,479,923	3,632,881	219,809	3,852,690

* These reserve accounts comprise the consolidated reserves of HK\$3,198,199,000 (2015: HK\$3,602,315,000) in the consolidated statement of financial position.

* 該等儲備賬目組成綜合財務狀況表內之綜合儲備3,198,199,000港元(二零一五年: 3,602,315,000港元)。

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

	Notes 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元 (Re-presented) (經重列)
Cash flows from operating activities			
經營業務產生之現金流量			
Profit before income tax		160,368	472,710
除所得稅前溢利			
Adjustments for:	經調整：		
Depreciation and amortisation	11	115,642	116,816
折舊及攤銷			
Provision and impairment losses		86,057	21,898
撥備及減值虧損			
Net deficit on revaluation of investment properties	29	3,897	499
重估投資物業之虧絀淨額			
Share of profits of associates	27	(23,134)	(9,685)
應佔聯營公司溢利			
Interest income from non-banking business	9	(22,453)	(35,511)
非銀行業務之利息收入			
Finance costs	10	79,447	77,075
財務費用			
Loss/(Gain) on disposal property, plant and equipment, intangible assets and brand name		328	(34,435)
出售物業、廠房及設備、無形資產及品牌名稱之虧損/(收益)			
Gain on repurchase of corporate bonds	9	(312)	(6,872)
贖回公司債券之收益			
Loss/(Gain) on disposal of subsidiaries	13	28,699	(9,517)
出售附屬公司之虧損/(收益)			
Dividend income		(6,916)	(9,234)
股息收入			
Operating profit before working capital changes		421,623	583,744
營運資金變動前之經營溢利			
Decrease in due to clients		(1,195,865)	–
應付客戶款項減少			
Decrease in due from clients		119,201	–
應收客戶款項減少			
Decrease in due to banks		(16,557)	–
應付銀行款項減少			
Increase in due from banks		(177,308)	–
應收銀行款項增加			
Decrease in trade receivables		118,394	57,103
應收賬款減少			
Increase in inventories		(169,263)	(131,314)
存貨增加			
Decrease/(Increase) in other assets		15,048	(49,299)
其他資產減少/(增加)			
Decrease in derivative financial assets		9,516	3,409
衍生金融資產減少			
Decrease in derivative financial liabilities		(14,616)	(18,250)
衍生金融負債減少			
Increase in trade payables		33,573	18,350
應付賬款增加			
Decrease/(Increase) in trading portfolio investments		179,365	(95,919)
交易組合投資減少/(增加)			
Increase/(Decrease) in other liabilities		66,426	(51,869)
其他負債增加/(減少)			
Cash (used in)/generated from operations		(610,463)	315,955
經營業務(動用)/產生之現金			
Income tax paid		(94,269)	(131,718)
已付所得稅			
Net cash (used in)/generated from operating activities		(704,732)	184,237
經營業務(動用)/產生之現金淨額			

	Notes 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元 (Re-presented) (經重列)
Cash flows from investing activities	投資活動產生之現金流量		
Proceeds from disposal of property, plant and equipment, intangible assets and brand name	出售物業、廠房及設備、無形資產及品牌名稱所得款項	730	11,475
Net cash inflow from disposal of subsidiaries	出售附屬公司現金流入淨額	47,161	90,192
Dividends received	已收股息	6,916	9,234
Decrease in held-to-maturity Investments	持至到期投資減少	9,596	–
Purchase of property, plant and equipment intangible assets, prepaid land lease payments and convertible bond investment	購買物業、廠房及設備、無形資產、預付土地租賃款項及可轉換債券投資	(167,043)	(311,337)
Deposits paid for acquisition of subsidiaries	已付收購附屬公司之按金	(13,000)	–
Consideration (paid)/payable for acquisition of subsidiaries	收購附屬公司(已付)/應付代價	(11,638)	11,638
Interest received from non-banking business	非銀行業務之已收利息	22,453	35,369
Proceeds received/(receivable) from disposal of brand name	出售品牌名稱已收/(應收)所得款項	5,000	(25,000)
Decrease/(Increase) in short-term investments	短期投資減少/(增加)	22,422	(3,155)
Net cash inflow from acquisition of subsidiaries	收購附屬公司現金流入淨額	4,620,984	–
Proceeds from disposal of treasury notes and bills	出售國庫債券及票據所得款項	617,285	–
Decrease in available-for-sales financial assets	可供出售金融資產減少	2,477	–
Net cash generated from/(used in) investing activities	投資活動產生/(動用)之現金淨額	5,163,343	(181,584)
Cash flows from financing activities	融資活動產生之現金流量		
Proceeds from shares issued under share option scheme	根據認購股份權計劃發行股份之所得款項	936	146
Repurchase of ordinary shares	購回普通股	(75,451)	–
Interest paid	已付利息	(73,080)	(76,966)
Proceeds from borrowings	借貸所得款項	709,489	612,139
Repayment of borrowings	償還借貸	(563,092)	(491,953)
Dividends paid to owners of the Company	已付本公司擁有人之股息	(108,654)	–
Dividends paid to non-controlling interests	已付非控股權益之股息	(17,816)	(27,749)
Repurchase of corporate bonds	購回公司債券	(1,697)	(51,262)
Decrease in other liabilities	其他負債減少	(812)	(13,284)
Net cash used in financing activities	融資活動動用之現金淨額	(130,177)	(48,929)
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加/(減少)淨額	4,328,434	(46,276)
Cash and cash equivalents at 1 January	於一月一日之現金及現金等價物	836,065	878,253
Effect of foreign exchange rate changes, net	匯率變動影響淨額	(215,311)	4,088
Cash and cash equivalents at 31 December	於十二月三十一日之現金及現金等價物	4,949,188	836,065
Analysis of balances of cash and cash equivalents	現金及現金等價物結餘分析		
Cash and deposits	現金及按金	5,066,901	836,065
Bank overdraft	銀行透支	(117,713)	–
		4,949,188	836,065

NOTES TO THE FINANCIAL
STATEMENTS

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

Citychamp Watch & Jewellery Group Limited (the “Company”) is a limited liability company incorporated in Cayman Islands. Its registered office address is P.O. Box 309, Uglund House, South Church Street, Grand Cayman, Cayman Islands and its principal place of business is Units 1902-04, Level 19, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong. The Company’s shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

During the year, the principal activities of the Company and its subsidiaries (together referred to as the “Group”) include:

- Manufacture and distribution of watches and timepieces;
- Property investments; and
- Banking business.

The Group completed the disposal of its 46.05% equity interest in Henan Jinjue Enterprise Company Limited (“Henan Jinjue”) in May 2016. Upon the completion of the disposal, Henan Jinjue ceased to be a subsidiary of the Group.

The Group completed the acquisition of 83.22% equity interest in Bendura Bank AG (formerly known as Valartis Bank (Liechtenstein) AG) and its subsidiaries (collectively referred to as “Bendura Group”) in September 2016.

Other than the aforementioned transactions, there was no other significant change in the Group’s operations during the year.

The Group’s principal places of the business are in Hong Kong, Switzerland, United Kingdom, Liechtenstein and the People’s Republic of China (the “PRC”).

1. 一般資料

冠城鐘錶珠寶集團有限公司(「本公司」)為於開曼群島註冊成立之有限公司，其註冊辦事處地址為P.O. Box 309, Uglund House, South Church Street, Grand Cayman, Cayman Islands。主要辦事處位於香港九龍柯士甸道西1號環球貿易廣場19樓1902-04室。本公司股份於香港聯合交易所有限公司(「聯交所」)上市。

年內，本公司及其附屬公司(統稱「本集團」)之主要業務包括：

- 鐘錶及時計產品製造及分銷；
- 物業投資；及
- 銀行業務。

本集團於二零一六年五月完成出售河南金爵實業有限公司(「河南金爵」)46.05%之股本權益。完成出售後，河南金爵不再為本集團之附屬公司。

本集團於二零一六年九月完成收購Bendura Bank AG前稱富帝銀行(列支敦士登)股份有限公司)及其附屬公司(統稱「富地集團」)83.22%之股權。

除上述交易外，本集團經營業務於本年度並無其他重大變動。

本集團之主要營業地點位於香港、瑞士、英國、列支敦士登及中華人民共和國(「中國」)。

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

2. 採納香港財務報告準則(「香港財務報告準則」)

(a) Adoption of new or revised HKFRSs – effective 1 January 2016

In the current year, the Group has applied for the first time the following new or revised standards, amendments and interpretations (the “new or revised HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), which are relevant to and effective for the Group’s consolidated financial statements for the annual period beginning on 1 January 2016:

HKFRSs (Amendments)	Annual Improvements 2012-2014 Cycle
Amendments to HKAS 1	Disclosure Initiative
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment Entities: Applying the Consolidation Exception

Amendments to HKAS 1 – Disclosure Initiative

The amendments are designed to encourage entities to use judgement in the application of HKAS 1 when considering the layout and content of their financial statements.

Included in the clarifications is that an entity’s share of other comprehensive income from equity accounted interests in associates and joint ventures is split between those items that will and will not be reclassified to profit or loss, and presented in aggregate as a single line item within those two groups.

The adoption of the amendments has no impact on these consolidated financial statements.

Amendments to HKAS 16 and HKAS 38 – Clarification of Acceptable Methods of Depreciation and Amortisation

The amendments to HKAS 16 prohibit the use of a revenue-based depreciation method for items of property, plant and equipment. The amendments to HKAS 38 introduce a rebuttable presumption that amortisation based on revenue is not appropriate for intangible assets. This presumption can be rebutted if either the intangible asset is expressed as a measure of revenue or revenue and the consumption of the economic benefits of the intangible asset are highly correlated. The amendments are applied prospectively.

The adoption of the amendments has no impact on these consolidated financial statements as the Group has not previously used revenue-based depreciation method.

(a) 採納新訂或經修訂香港財務報告準則 – 於二零一六年一月一日生效

於本年度，本集團首次應用以下由香港會計師公會(「香港會計師公會」)頒佈之新訂或經修訂之準則、修訂及詮釋(「新訂或經修訂香港財務報告準則」)，該等準則與本集團於二零一六年一月一日開始之年度期間綜合財務報表相關及有效：

香港財務報告準則(修訂本)	二零一二年至二零一四年週期之年度改進
香港會計準則第1號之修訂	披露計劃
香港會計準則第16號及香港會計準則第38號之修訂	釐清折舊及攤銷可接納之方法
香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第28號之修訂	投資實體：應用綜合入賬之例外情況

香港會計準則第1號之修訂 – 披露計劃

該等修訂旨在鼓勵實體在考慮其財務報表之框架及內容時應用香港會計準則第1號之判斷。

納入釐清之事項為，實體於聯營公司及合營企業之股本權益中呈列之應佔其他全面收入將區分為將會及將不會重新分類至虧損或溢利之項目，並於該兩個組別內共同作為單一項目呈列。

採納修訂對該等綜合財務報表並無任何影響。

香港會計準則第16號及香港會計準則第38號之修訂 – 釐清折舊及攤銷可接納之方法

香港會計準則第16號之修訂禁止對物業、廠房及設備項目使用以收入為基礎之折舊方法。香港會計準則第38號之修訂引入可駁回推定，以收入為基礎之攤銷不適用於無形資產。倘無形資產以收入計量且收入與無形資產經濟利益之耗用高度相關，則此推定可被推翻。該修訂採用未來適用法實行。

由於本集團並無使用以收入為基礎之折舊方法，採納修訂對本集團之該等綜合財務報表並無影響。

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (continued)

(a) Adoption of new or revised HKFRSs – effective 1 January 2016 (continued)

Amendments to HKFRS 10, HKFRS 12 and HKAS 28 – Investment Entities: Applying the Consolidation Exception

The amendments clarify that the exemption from preparing consolidated financial statements for an intermediate parent entity is available to a subsidiary of an investment entity (including investment entities that account for their subsidiaries at fair value rather than consolidating them). An investment entity parent will consolidate a subsidiary only when the subsidiary is not itself an investment entity and the subsidiary's main purpose is to provide services that relate to the investment entity's investment activities. A non-investment entity applying the equity method to an associate or joint venture that is an investment entity may retain the fair value measurements that associate or joint venture used for its subsidiaries. An investment entity that prepares financial statements in which all its subsidiaries are measured at fair value through profit or loss should provide the disclosures related to investment entities as required by HKFRS 12. The amendments are applied prospectively.

The adoption of the amendments has no impact on these consolidated financial statements as the Company is neither an intermediate parent entity nor an investment entity.

(b) New or revised HKFRSs that have been issued but are not yet effective

The following new or revised HKFRSs, potentially relevant to the Group's consolidated financial statements, have been issued but are not yet effective and have not been early adopted by the Group.

Amendments to HKAS 7	Disclosure Initiative ¹
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses ¹
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions ²
HKFRS 9	Financial Instruments ²
HKFRS 15	Revenue from Contracts with Customers ²
Amendments to HKFRS 15	Revenue from Contracts with Customers (Clarifications to HKFRS 15) ²
HKFRS 16	Leases ³
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴

¹ Effective for annual periods beginning on or after 1 January 2017

² Effective for annual periods beginning on or after 1 January 2018

³ Effective for annual periods beginning on or after 1 January 2019

⁴ The amendments were originally intended to be effective for periods beginning on or after 1 January 2016. The effective date has now been deferred/removed. Early application of the amendments of the amendments continue to be permitted.

2. 採納香港財務報告準則(「香港財務報告準則」)(續)

(a) 採納新訂或經修訂香港財務報告準則 – 於二零一六年一月一日生效 (續)

香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第28號之修訂 – 投資實體：應用綜合入賬之例外情況該等修訂釐清投資實體(包括按公平值入賬為附屬公司而非綜合入賬之投資實體)之附屬公司可獲豁免編製中介母公司實體之綜合財務報表。投資實體母公司僅於附屬公司本身並非投資實體且附屬公司之主要目的為提供與投資實體投資活動相關之服務時將該附屬公司綜合入賬。非投資實體對屬投資實體之聯營公司或合營企業採用權益法處理時，可保留該聯營公司或合營企業就其附屬公司所用之公平值計量。編製財務報表之投資實體(其全部附屬公司按公平值計入損益計量)須按照香港財務報告準則第12號之規定披露投資實體。該修訂採用未來適用法實行。

由於本公司並非中介母公司實體或投資實體，採納修訂對該等綜合財務報表並無影響。

(b) 已頒佈但尚未生效之新訂或經修訂香港財務報告準則

下列可能與本集團綜合財務報表有關之新訂或經修訂香港財務報告準則已頒佈但尚未生效，亦未獲本集團提早採納。

香港會計準則第7號之修訂	披露計劃 ¹
香港會計準則第12號之修訂	就未變現虧損確認遞延稅項資產 ¹
香港財務報告準則第2號之修訂	股份付款交易之分類及計量 ²
香港財務報告準則第9號	金融工具 ²
香港財務報告準則第15號	與客戶訂立合約之收入 ²
香港財務報告準則第15號之修訂	與客戶訂立合約之收入(對香港財務報告準則第15號之澄清) ²
香港財務報告準則第16號	租賃 ³
香港財務報告準則第10號及香港會計準則第28號之修訂	投資者與其聯營公司或合營企業之間之資產出售或注資 ⁴

¹ 於二零一七年一月一日或之後開始之年度期間生效

² 於二零一八年一月一日或之後開始之年度期間生效

³ 於二零一九年一月一日或之後開始之年度期間生效

⁴ 該等修訂本原訂於二零一六年一月一日或之後開始之期間生效。生效日期現已延遲/刪除。有關修訂繼續獲允許提前應用。

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (continued)

(b) New or revised HKFRSs that have been issued but are not yet effective (continued)

Amendments to HKAS 7 – Disclosure Initiative

The amendments introduce an additional disclosure that will enable users of financial statements to evaluate changes in liabilities arising from financing activities.

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

The amendments relate to the recognition of deferred tax assets and clarify some of the necessary considerations, including how to account for deferred tax assets related to debt instruments measured of fair value.

Amendments to HKFRS 2 – Classification and Measurement of Share-based Payment Transactions

The amendments provide requirements on the accounting for the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments; share-based payment transactions with a net settlement feature for withholding tax obligations; and a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled.

HKFRS 9 (2014) – Financial Instruments

Financial assets are required to be classified into three measurement categories: those to be measured subsequently at amortised cost, those to be measured subsequently at fair value through other comprehensive income ("FVTOCI") and those to be measured subsequently at fair value through profit or loss ("FVTPL"). Classification for debt instruments is driven by the entity's business model for managing the financial assets and whether the contractual cash flows represent solely payments of principal and interest ("SPPI"). If a debt instrument is held to collect, it may be carried at amortised cost if it also meets the SPPI requirement. Debt instruments that meet the SPPI requirement that are held in a portfolio where an entity both holds to collect assets' cash flows and sells assets may be classified as FVTOCI. Financial assets that do not contain cash flows that are SPPI must be measured at FVTPL (for example, derivatives). Embedded derivatives are no longer separated from financial assets but will be included in assessing the SPPI condition. Only embedded derivatives in host contracts that are financial assets are no longer separated from the financial assets. The accounting for embedded derivatives in non-financial host contracts remains unchanged from HKAS 39.

2. 採納香港財務報告準則(「香港財務報告準則」)(續)

(b) 已頒佈但尚未生效之新訂或經修訂香港財務報告準則(續)

香港會計準則第7號之修訂－披露計劃

該等修訂作出額外披露，讓財務報表之使用者能夠評估融資活動所產生之負債變動。

香港會計準則第12號之修訂－就未變現虧損確認遞延稅項資產

該等修訂與確認遞延稅項資產有關並澄清若干必要考量，包括如何將與按公平值計量之債務工具相關之遞延稅項資產入賬。

香港財務報告準則第2號之修訂－股份付款交易之分類及計量

該等修訂就歸屬及非歸屬條件對計量以下各項時之影響所作會計處理作出規定：以現金結算股份付款；就預扣稅責任具有淨額結算特徵之股份付款交易；及交易類別由現金結算變更為權益結算之股份付款條款及條件之修訂。

香港財務報告準則第9號(二零一四年)－金融工具

金融資產須分類為三種計量類別：其後按攤銷成本計量、其後按公平值計入其他全面收入(「按公平值計入其他全面收入」)計量及其後按公平值計入損益(「按公平值計入損益」)計量。債務工具之分類乃由實體管理金融資產之業務模式及合約現金流量是否代表僅為支付本金及利息(「僅為支付本金及利息」)所主導。倘債務工具持作收取且亦符合僅為支付本金及利息規定，則其可按攤銷成本列賬。倘債務工具符合僅為支付本金及利息規定並於由實體持有以收取資產現金流量及出售資產之投資組合中持有，則可被分類為按公平值計入其他全面收入計量。未包括屬僅為支付本金及利息之現金流量之金融工具須以按公平值計入損益計量(如衍生工具)。嵌入衍生工具不再獨立於金融資產，惟將於評估僅為支付本金及利息之條件時計入。僅屬金融資產之主體合約之嵌入衍生工具不再獨立於金融資產。非金融主體合約之嵌入衍生工具之會計處理與香港會計準則第39號一致。

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

(b) New or revised HKFRSs that have been issued but are not yet effective (continued)

HKFRS 9 (2014) – Financial Instruments (continued)

Investments in equity instruments are always measured at fair value. However, management can make an irrevocable election to present changes in fair value in other comprehensive income, provided the instrument is not held for trading. If the equity instrument is held for trading, changes in fair value are presented in profit or loss.

Most of the requirements in HKAS 39 for classification and measurement of financial liabilities were carried forward unchanged to HKFRS 9 (2014). The key change is that an entity will be required to present the effects of changes in own credit risk of financial liabilities designated at fair value through profit or loss in other comprehensive income.

HKFRS 9 (2014) introduces a new model for the recognition of impairment losses – the expected credit losses (“ECL”) model. There is a ‘three stage’ approach which is based on the change in credit quality of financial assets since initial recognition. In practice, the new rules mean that entities will have to record an immediate loss equal to the 12-month ECL on initial recognition of financial assets that are not credit impaired (or lifetime ECL for trade receivables). Where there has been a significant increase in credit risk, impairment is measured using lifetime ECL rather than 12-month ECL. The model includes operational simplifications for lease and trade receivables.

Hedge accounting requirements will be amended to align accounting more closely with risk management. The standard provides entities with an accounting policy choice between applying the hedge accounting requirements of HKFRS 9 (2014) or continuing to apply HKAS 39 to all hedges, because the standard currently does not address accounting for macro hedging.

2. 採納香港財務報告準則(「香港財務報告準則」)(續)

(b) 已頒佈但尚未生效之新訂或經修訂香港財務報告準則(續)

香港財務報告準則第9號(二零一四年) – 金融工具(續)

股本工具投資一直按公平值計量。然而，倘該工具並非持作買賣，管理層可作出不可撤回選擇，以將公平值變動列入其他全面收入。倘股本工具持作買賣，則公平值變動列入損益。

香港會計準則第39號有關金融負債分類及確認之大多數規定與香港財務報告準則第9號(二零一四年)貫徹一致。關鍵變動為實體將須於其他全面收入中呈列指定為按公平值計入損益之金融負債之自身信貸風險變動之影響。

香港財務報告準則第9號(二零一四年)引進減值虧損確認新模式 – 預期信貸虧損(「預期信貸虧損」)模式。存在一個「三階段」方法，其乃基於初步確認以來金融資產信貸質素變動。實際上，新規則意味著實體將須記錄相當於初步確認並無信貸減值之金融資產之十二個月預期信貸虧損(或應收賬款之永久預期信貸虧損)之即時虧損。倘信貸風險顯著提高，減值乃使用永久預期信貸虧損而非十二個月預期信貸虧損。該模式包括租賃及應收賬款。

將修訂對沖會計規定以使會計與風險管理更緊密一致。因該準則目前不涉及宏觀對沖會計處理，故其為實體提供一種會計政策選擇，選擇應用香港財務報告準則第9號(二零一四年)之對沖會計規定或繼續就所有對沖應用香港會計準則第39號。

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

(b) New or revised HKFRSs that have been issued but are not yet effective (continued)**HKFRS 15 – Revenue from Contracts with Customers**

The new standard establishes a single revenue recognition framework. The core principle of the framework is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. HKFRS 15 supersedes existing revenue recognition guidance including HKAS 18 “Revenue”, HKAS 11 “Construction Contracts” and related interpretations.

HKFRS 15 requires the application of a 5-step approach to revenue recognition:

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

HKFRS 15 includes specific guidance on particular revenue related topics that may change the current approach taken under HKFRSs. The standard also significantly enhances the qualitative and quantitative disclosures related to revenue.

Amendments HKFRS 15 – Revenue from Contracts with Customers (Clarifications to HKFRS 15)

The amendments to HKFRS 15 include clarifications on identification of performance obligations; application of principal versus agent; licenses of intellectual property; and transition requirements.

2. 採納香港財務報告準則(「香港財務報告準則」)(續)

(b) 已頒佈但尚未生效之新訂或經修訂香港財務報告準則(續)**香港財務報告準則第15號－與客戶訂立合約之收入**

該新準則確立單一收入確認框架。該框架之核心原則為實體應確認收入，以使用金額描述向客戶轉讓承諾貨品或服務，該金額反映該實體預期有權就貨品及服務交換所收取之代價。香港財務報告準則第15號取代現行收入確認指引，包括香港會計準則第18號「收入」、香港會計準則第11號「建築合約」及相關詮釋。

香港財務報告準則第15號要求按五個步驟確認收入：

- 第一步：識別與客戶之合約
- 第二步：識別合約中之履約責任
- 第三步：釐定交易價
- 第四步：將交易價分配至各履約責任
- 第五步：於各履約責任完成時確認收入

香港財務報告準則第15號包含與特定收入相關議題之特定指引，該等指引或會更改香港財務報告準則現時應用之方法。該準則亦顯著提升與收入相關之質化與量化披露。

香港財務報告準則第15號之修訂－與客戶訂立合約之收入(對香港財務報告準則第15號之澄清)

香港財務報告準則第15號之修訂包括澄清對履行責任之識別；應用委託人或代理人；知識產權許可；及過渡規定。

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

(b) New or revised HKFRSs that have been issued but are not yet effective (continued)

HKFRS 16 – Leases

HKFRS 16, which upon the effective date will supersede HKAS 17 “Leases” and related interpretations, introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Specifically, under HKFRS 16, a lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Accordingly, a lessee should recognise depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows. Also, the right-of-use asset and the lease liability are initially measured on a present value basis. The measurement includes non-cancellable lease payments and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or to exercise an option to terminate the lease. This accounting treatment is significantly different from the lessee accounting for leases that are classified as operating leases under the predecessor standard, HKAS 17.

In respect of the lessor accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

As disclosed in note 45.2, total operating lease commitments of the Group in respect of buildings and plants and machineries as at 31 December 2016 amounted to HK\$67,543,000. The directors do not expect the adoption of HKFRS 16 as compared with the current accounting policy would result in a significant impact on the Group’s financial performance but it is expected that certain portion of these lease commitments will be required to be recognised in the form of an asset (for the right-of-use) and a financial liability (for the payment obligation) in the consolidated statement of financial position.

Amendments to HKFRS 10 and HKAS 28 (2011) – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments clarify the extent of gains or losses to be recognised when an entity sells or contributes assets to its associate or joint venture. When the transaction involves a business, the gain or loss is recognised in full, conversely when the transaction involves assets that do not constitute a business, the gain or loss is recognised only to the extent of the unrelated investor’s interests in the joint venture or associate.

The Group is in the progress of making assessments of potential impact of these new or revised HKFRSs upon initial application.

2. 採納香港財務報告準則(「香港財務報告準則」)(續)

(b) 已頒佈但尚未生效之新訂或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號由生效當日起將取代香港會計準則第17號「租賃」及相關詮釋，其引入單一承租人會計處理模式，並規定承租人就為期超過12個月之所有租賃確認資產及負債，除非相關資產為低價值資產則作別論。具體而言，根據香港財務報告準則第16號，承租人須確認使用權資產(表示其有權使用相關租賃資產)及租賃負債(表示其有責任支付租賃付款)。因此，承租人應確認使用權資產折舊及租賃負債利息，並將租賃負債之現金還款分類為本金部分及利息部分，以於現金流量表內呈列。此外，使用權資產及租賃負債初步按現值基準計量。計量包括不可撤銷租賃付款，亦包括承租人合理地肯定將行使選擇權延續租賃或行使選擇權終止租賃之情況下，將於選擇權期間內作出之付款。此會計處理方法與承租人會計處理顯著不同，後者適用於根據舊準則香港會計準則第17號分類為經營租賃之租賃。

就出租人會計處理而言，香港財務報告準則第16號大致繼承香港會計準則第17號之出租人會計處理規定。因此，出租人繼續將其租賃分類為經營租賃或融資租賃，並對兩類租賃進行不同之會計處理。

誠如附註45.2所披露，於二零一六年十二月三十一日，本集團有關樓宇及廠房及機器之經營租賃承擔總額為67,543,000港元。董事並無預期採納香港財務報告準則第16號相較於現時會計政策將會對本集團財務表現構成重大影響，但預期該等租賃承擔之若干部分將須以資產(使用權)及金融負債(支付義務)形式於綜合財務狀況表中確認。

香港財務報告準則第10號及香港會計準則第28號(二零一一年)之修訂 – 投資者與其聯營公司或合營企業之間之資產出售或注資

該等修訂釐清實體向其聯營公司或合營企業出售或注入資產時將予確認之收益或虧損程度。當交易涉及一項業務，則須確認全數收益或虧損。反之，當交易不涉及構成一項業務資產，則僅須就無關投資者於合營企業或聯營公司之權益確認收益或虧損。

本集團正在評估該等新訂準則及新訂詮釋於初步應用期間預期構成之影響。

3. BASIS OF PREPARATION

3.1 Statement of compliance

The consolidated financial statements have been prepared in accordance with all applicable individual HKFRSs, Hong Kong Accounting Standards ("HKASs") and Interpretations (hereinafter collectively referred to as the "HKFRSs") issued by the HKICPA. The consolidated financial statements also included the disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

3.2 Basis of measurement

The consolidated financial statements have been prepared under historical cost basis except for investment properties and financial instruments including trading portfolio investments, derivative financial instruments and certain available-for-sale financial assets, which are measured at fair value. The adoption of the new or revised HKFRSs and the impacts on the Group's consolidated financial statements, if any, are disclosed in note 2.

It should be noted that accounting estimates and assumptions are used in preparing these consolidated financial statements. Although these estimates are based on management's best knowledge and judgement of current events and actions, actual results may ultimately differ from those estimates.

The Company's financial statements have been prepared on a going concern basis though the Company was in a net current liability position of HK\$864,954,000 as at 31 December 2016. The directors are of the opinion, after considering the distribution of profits available from its subsidiaries when necessary, that the Company will have sufficient cash resources to satisfy its future working capital and other financial requirements and the Company can be operated as a going concern for the next twelve months.

3.3 Functional and presentation currency

The consolidated financial statements are presented in Hong Kong Dollars ("HK\$"), which is also the functional currency of the Company and all values are rounded to the nearest thousand ("HK\$'000") unless otherwise stated.

3. 編製基準

3.1 合規聲明

綜合財務報表乃根據香港會計師公會頒佈之所有適用香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋(以下統稱「香港財務報告準則」)編製。綜合財務報表亦包括香港公司條例及香港聯合交易所有限公司證券上市規則(「上市規則」)之披露規定。

3.2 計量基準

綜合財務報表乃根據歷史成本法編製，惟投資物業及金融工具除外，包括交易組合投資、衍生金融工具及若干可供出售金融資產，均以公平值計量。採納新訂或經修訂香港財務報告準則及其對本集團綜合財務報表之影響(如有)於附註2披露。

務請注意，在編製該等綜合財務報表時會採用會計估計及假設。儘管管理層就當時之事項及行動之最佳認知及判斷作出此等估計，惟實際結果最終或會與該等估計存有差異。

儘管本公司於二零一六年十二月三十一日錄得流動負債淨額狀況864,954,000港元，本公司之財務報表是按持續經營基準編製。經考慮於有需要時自其附屬公司分派可供分派溢利後，董事認為本公司將擁有充足現金資源應付其日後營運資金及其他財務所需，而本公司可於未來十二個月按持續經營基準經營。

3.3 功能及呈列貨幣

綜合財務報表以本公司功能貨幣港元(「港元」)呈列，除另有指明外，所有金額均已約整至最接近千位數(「千港元」)。

4. PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

As mentioned in note 1, during the year ended 31 December 2016, the Group has acquired 83.22% equity interest in Bendura Group, which principally engaged in banking business. To align with the presentation of the financial information of the banking business, certain reclassifications are made to the comparative figures as presented in the consolidated financial statements of the Group for the year ended 31 December 2015 to conform to current year's presentation. These reclassifications have no effect on the consolidated financial position of the Group as at 31 December 2015 and its consolidated financial performance and consolidated cash flows for the year then ended.

Reconciliations for the re-presented comparative figures for the year ended 31 December 2015 in the consolidated financial statements are set out as below.

4.1 Consolidated statement of financial position as at 31 December 2015

Audited consolidated statement of financial position of the Group as at 31 December 2015 as extracted from the Group's 2015 annual report	摘錄自本集團二零一五年年報之本集團於二零一五年十二月三十一日之經審計綜合財務狀況表	Reclassifications 重新分類			Re-presented consolidated statement of financial position of the Group as at 31 December 2015
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	經重列之本集團於二零一五年十二月三十一日之綜合財務狀況表
Non-current assets	非流動資產				Assets
Property, plant and equipment	物業、廠房及設備	730,799	-	730,799	Property, plant and equipment 物業、廠房及設備
Investment properties	投資物業	111,676	-	111,676	Investment properties 投資物業
Prepaid land lease payments	預付土地租賃款項	45,242	966	46,208	Prepaid land lease payments 預付土地租賃款項
Goodwill	商譽	741,636	-	741,636	Goodwill 商譽
Interests in associates	所佔聯營公司之權益	65,828	-	65,828	Interests in associates 所佔聯營公司權益
Available-for-sale financial assets	可供出售金融資產	317,250	-	317,250	Available-for-sale financial assets 可供出售金融資產
Convertible bond investment	可換股債券投資	8,327	(6,083)	2,244	Derivative financial assets 衍生金融資產
Intangible assets	無形資產	172,270	-	172,270	Intangible assets 無形資產
Prepayments and deposits	預付款項及按金	21,887	(21,887)	-	
Deferred tax assets	遞延稅項資產	7,641	-	7,641	Deferred tax assets 遞延稅項資產
		2,222,556			

4. 呈列綜合財務報表

誠如附註1所述，於截至二零一六年十二月三十一日止年度，本集團已收購主要從事銀行業務之富地集團83.22%權益。為與銀行業務之財務資料呈列一致，本集團對截至二零一五年十二月三十一日止年度之綜合財務報表所列示之可比較數據作出若干重新分類，以符合本年度之呈列。該等分類對本集團於二零一五年十二月三十一日之綜合財務報表及截至該日止年度之綜合財務表現及綜合現金流量並無影響。

截至二零一五年十二月三十一日止年度財務報表可比較數據重新呈列之對賬如下。

4.1 於二零一五年十二月三十一日之綜合財務狀況表

4. PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued) 4. 呈列綜合財務報表(續)

4.1 Consolidated statement of financial position as at 31 December 2015 (continued)

4.1 於二零一五年十二月三十一日之綜合財務狀況表(續)

Audited consolidated statement of financial position of the Group as at 31 December 2015 as extracted from the Group's 2015 annual report	摘錄自本集團二零一五年年報之本集團於二零一五年十二月三十一日之經審計綜合財務狀況表	Reclassifications 重新分類			Re-presented consolidated statement of financial position of the Group as at 31 December 2015 經重列之本集團於二零一五年十二月三十一日之綜合財務狀況表
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
Current assets	流動資產				
Inventories	存貨	2,042,892	-	2,042,892	Inventories 存貨
Trade receivables	應收賬款	693,868	-	693,868	Trade receivables 應收賬款
Prepaid land lease payments	預付土地租賃款項	966	(966)	-	
Prepayments, deposits and other receivables	預付款項、按金及其他應收款	522,128	27,970	550,098	Other assets 其他資產
Tax recoverable	可收回稅項	9,248	-	9,248	Income tax recoverable 可收回所得稅
Equity investments held for trading	持作買賣股本投資	367,471	-	367,471	Trading portfolio investments 交易組合投資
Short-term investments	短期投資	143,362	-	143,362	Short-term investments 短期投資
Cash and bank balances	現金及現金結餘	836,065	-	836,065	Cash and deposits 現金及存款
		4,616,000	6,838,556		Total assets 總資產

4. PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued) 4. 呈列綜合財務報表(續)

4.1 Consolidated statement of financial position as at 31 December 2015 (continued)

4.1 於二零一五年十二月三十一日之綜合財務狀況表(續)

Audited consolidated statement of financial position of the Group as at 31 December 2015 as extracted from the Group's 2015 annual report	摘錄自本集團二零一五年年報之本集團於二零一五年十二月三十一日之經審計綜合財務狀況表	Reclassifications 重新分類			Re-presented consolidated statement of financial position of the Group as at 31 December 2015 經重列之本集團於二零一五年十二月三十一日之綜合財務狀況表
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
Current liabilities	流動負債				Liabilities 負債
Trade payables	應付賬款	359,533	-	359,533	Trade payables 應付賬款
Other payables and accruals	其他應付款及應計費用	431,407	61,694	493,101	Other liabilities 其他負債
Dividend payables	應付股息	1,482	(1,482)	-	
Tax payables	應付稅項	69,323	-	69,323	Income tax payables 應付所得稅
Borrowings	借貸	766,654	171,878	938,532	Borrowings 借貸
Derivative financial liabilities	衍生金融負債	7,260	-	7,260	Derivative financial liabilities 衍生金融負債
Due to related companies	應付關連公司欠款	181	(181)	-	
		1,635,840			
Net current assets	流動資產淨值	2,980,160			
Total assets less current liabilities	總資產減流動負債	5,202,716			

4. PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued) 4. 呈列綜合財務報表(續)

4.1 Consolidated statement of financial position as at 31 December 2015 (continued)

4.1 於二零一五年十二月三十一日之綜合財務狀況表(續)

Audited consolidated statement of financial position of the Group as at 31 December 2015 as extracted from the Group's 2015 annual report	摘錄自本集團二零一五年年報之本集團於二零一五年十二月三十一日之經審計綜合財務狀況表	Reclassifications 重新分類			Re-presented consolidated statement of financial position of the Group as at 31 December 2015
		HK\$'000	HK\$'000	HK\$'000	經重列之本集團於二零一五年十二月三十一日之綜合財務狀況表
		千港元	千港元	千港元	
Non-current liabilities	非流動負債				
Other payables	其他應付款	60,031	(60,031)	-	
Borrowings	借貸	171,878	(171,878)	-	
Corporate bonds	公司債券	708,834	-	708,834	Corporate bonds 公司債券
Deferred tax liabilities	遞延稅項負債	27,486	-	27,486	Deferred tax liabilities 遞延稅項負債
Total non-current liabilities	非流動負債總額	968,229		2,604,069	Total liabilities 總負債
Net assets	資產淨值	4,234,487			
Equity	權益				Equity 權益
Equity attributable to owners of the Company	本公司擁有人應佔權益				Equity attributable to owners of the Company 本公司擁有人應佔權益
Share capital	股本	440,938	-	440,938	Share capital 股本
Reserves	儲備	3,602,315	-	3,602,315	Reserves 儲備
		4,043,253	-	4,043,253	
Non-controlling interests	非控股權益	191,234	-	191,234	Non-controlling interests 非控股權益
Total equity	權益總額	4,234,487		4,234,487	Total equity 權益總額
				6,838,556	Total liabilities and equity 負債及權益總額

4. PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued) 4. 呈列綜合財務報表(續)

4.2 Consolidated statement of comprehensive income for the year ended 31 December 2015

4.2 截至二零一五年十二月三十一日止年度之綜合全面收入表

Audited consolidated statement of comprehensive income of the Group for the year ended 31 December 2015 as extracted from the Group's 2015 annual report	摘錄自本集團二零一五年年報之本集團截至二零一五年十二月三十一日止年度之經審計綜合全面收入表	Reclassifications 重新分類			Re-presented consolidated statement of comprehensive income of the Group for the year ended 31 December 2015	經重列之本集團截至二零一五年十二月三十一日止年度之綜合全面收入表
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元		
Revenue	收入	3,476,354	(18,109)	3,458,245	Sales of goods from non-banking business	非銀行業務之貨品銷售收入
		-	18,109	18,109	Rental income from non-banking business	非銀行業務之租金收入
				3,476,354	Total revenue	總收入
Cost of sales	銷售成本	(1,694,496)	-	(1,694,496)	Cost of sales from non-banking business	非銀行業務之銷售成本
Gross profit	毛利	1,781,858				
Other income	其他收入	204,608	52,937	257,545	Other ordinary income and other net gains or losses	其他經常性收入及其他收益或虧損淨額
Selling and distribution expenses	銷售及分銷費用	(883,152)	-	(883,152)	Selling and distribution expenses	銷售及分銷費用
Administrative expenses	行政費用	(616,151)	-	(616,151)	Administrative expenses	行政費用
Gain on fair value changes in equity investments held for trading, net	持作買賣股本投資公平值變動之收益淨額	29,078	(29,078)	-		
Loss on fair value changes in contingent consideration payable	應付或然代價公平值變動之虧損	(969)	969	-		
Loss on fair value changes in the conversion option of the convertible bond investment	可換股債券投資換股權公平值變動之虧損	(1,749)	1,749	-		
Gain on fair value changes in derivative financial instruments	衍生金融工具公平值變動之收益	17,559	(17,559)	-		
Net deficit on revaluation of investment properties	投資物業重估虧絀淨額	(499)	499	-		
Gain on disposal of subsidiaries	出售附屬公司之收益	9,517	(9,517)	-		
Share of profit of associates	應佔聯營公司溢利	9,685	-	9,685	Share of profit of associates	應佔聯營公司溢利
Finance costs	財務費用	(77,075)	-	(77,075)	Finance costs	財務費用

4. PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued) 4. 呈列綜合財務報表(續)

4.2 Consolidated statement of comprehensive income for the year ended 31 December 2015 (continued)

4.2 截至二零一五年十二月三十一日止年度之綜合全面收入表(續)

Audited consolidated statement of comprehensive income of the Group for the year ended 31 December 2015 as extracted from the Group's 2015 annual report	摘錄自本集團二零一五年年報之本集團截至二零一五年十二月三十一日止年度之經審計綜合全面收入表	Reclassifications 重新分類			Re-presented consolidated statement of comprehensive income of the Group for the year ended 31 December 2015	經重列之本集團截至二零一五年十二月三十一日止年度之綜合全面收入表
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元		
Profit before income tax	除所得稅前溢利	472,710		472,710	Profit before income tax	除所得稅前溢利
Income tax expense	所得稅開支	(132,551)	-	(132,551)	Income tax expense	所得稅開支
Profit for the year	本年度溢利	340,159		340,159	Profit for the year	本年度溢利
Other comprehensive income	其他全面收入				Other comprehensive income	其他全面收入
Item that will not be subsequently reclassified to profit or loss	不會於日後重新分類至溢利或虧損之項目				Item that will not be subsequently reclassified to profit or loss	不會於日後重新分類至溢利或虧損之項目
- Remeasurement of net defined benefit obligations	- 重新計量定額福利責任淨額	9,485	-	9,485	- Remeasurement of net defined benefit obligations	- 重新計量定額福利責任淨額
Items that may be subsequently reclassified to profit or loss	可能於日後重新分類至溢利或虧損之項目				Items that may be subsequently reclassified to profit or loss	可能於日後重新分類至溢利或虧損之項目
- Exchange differences on translation of foreign operations	- 換算海外業務之匯兌差額	(142,928)	-	(142,928)	- Exchange differences on translation to presentation currency	- 換算呈列貨幣之匯兌差額
- Release of exchange fluctuation reserve to profit or loss upon disposal of subsidiaries	- 於出售附屬公司後解除外匯波動儲備至溢利或虧損	256	-	256	- Release of exchange reserve to profit or loss upon disposal of subsidiaries	- 於出售附屬公司後解除外匯儲備至溢利或虧損
- Share of other comprehensive income of associates	- 應佔聯營公司其他全面收入	133	-	133	- Share of exchange differences on translation of associates	- 應佔聯營公司匯兌差異
- Changes in fair value of available-for-sale financial assets	- 可供出售金融資產公平值變動	9,051	-	9,051	- Changes in fair value of available-for-sale financial assets	- 可供出售金融資產公平值變動
		(133,488)		(133,488)		

4. PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued) 4. 呈列綜合財務報表(續)

4.2 Consolidated statement of comprehensive income for the year ended 31 December 2015 (continued)

4.2 截至二零一五年十二月三十一日止年度之綜合全面收入表(續)

Audited consolidated statement of comprehensive income of the Group for the year ended 31 December 2015 as extracted from the Group's 2015 annual report	摘錄自本集團二零一五年年報之本集團截至二零一五年十二月三十一日止年度之經審計綜合全面收入表	Reclassifications 重新分類			經重列之本集團截至二零一五年十二月三十一日止年度之綜合全面收入表	Re-presented consolidated statement of comprehensive income of the Group for the year ended 31 December 2015
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元		Other comprehensive income for the year 本年度其他全面收入
Other comprehensive income for the year	本年度其他全面收入	(124,003)		(124,003)		Other comprehensive income for the year 本年度其他全面收入
Total comprehensive income for the year	本年度全面收入總額	216,156		216,156		Total comprehensive income for the year 本年度全面收入總額
Profit for the year attributable to:	以下人士應佔本年度溢利：					Profit for the year attributable to: 以下人士應佔本年度溢利：
– Owners of the Company	– 本公司擁有人	307,675	–	307,675		– Owners of the Company – 本公司擁有人
– Non-controlling interests	– 非控股權益	32,484	–	32,484		– Non-controlling interests – 非控股權益
		340,159		340,159		
Total comprehensive income for the year attributable to:	以下人士應佔本年度全面收入總額：					Total comprehensive income for the year attributable to: 以下人士應佔本年度全面收入總額：
– Owners of the Company	– 本公司擁有人	196,583	–	196,583		– Owners of the Company – 本公司擁有人
– Non-controlling interests	– 非控股權益	19,573	–	19,573		– Non-controlling interests – 非控股權益
		216,156		216,156		

4. PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued) 4. 呈列綜合財務報表(續)

4.3 Consolidated statement of cash flows for the year ended 31 December 2015

4.3 截至二零一五年十二月三十一日止年度之綜合現金流量表

Audited consolidated statement of cash flows of the Group for the year ended 31 December 2015 as extracted from the Group's 2015 annual report	摘錄自本集團二零一五年年報之本集團截至二零一五年十二月三十一日止年度之經審計綜合現金流量表	Reclassifications 重新分類			Re-presented consolidated statement of cash flows of the Group for the year ended 31 December 2015 經重列之本集團截至二零一五年十二月三十一日止年度之綜合現金流量表
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
Cash flows from operating activities	經營業務產生之現金流量				Cash flows from operating activities 經營業務產生之現金流量
Profit before income tax	除所得稅前溢利	472,710		472,710	Profit before income tax 除所得稅前溢利
Adjustment for:	經調整：				Adjustment for: 經調整：
Interest income	利息收入	(35,511)	–	(35,511)	Interest income 利息收入
Finance costs	財務費用	77,075	–	77,075	Finance costs 財務費用
Dividend income from available-for-sale financial assets	可供出售金融資產之股息收入	(7,597)	(1,637)	(9,234)	Dividend income 股息收入
Dividend income from equity investments held for trading	持作買賣股本投資之股息收入	(1,637)	1,637	–	
Net deficit on revaluation of investment properties	投資物業重估虧絀淨額	499	–	499	Net deficit on revaluation of investment properties 重估投資物業之虧絀淨額
Depreciation	折舊	103,144	13,672	116,816	Depreciation and amortisation 折舊及攤銷
Amortisation of prepaid land lease payments	預付土地租賃款項攤銷	1,015	(1,015)	–	
Amortisation of intangible assets	無形資產攤銷	9,096	(9,096)	–	
Amortisation of issuance costs of corporate bonds	公司債券發行成本攤銷	3,561	(3,561)	–	
Share of profit of associates	應佔聯營公司溢利	(9,685)	–	(9,685)	Share of profit of associates 應佔聯營公司溢利
Loss on fair value changes in contingent consideration payable	應付或然代價公平值變動之虧損	969	(969)	–	
Gain on fair value changes in derivative financial instruments	衍生金融工具公平值變動之收益	(17,559)	17,559	–	
Loss on fair value changes in conversion option component of convertible bond investment	可換股債券投資換股權部分公平值變動之虧損	1,749	(1,749)	–	

4. PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued) 4. 呈列綜合財務報表(續)

4.3 Consolidated statement of cash flows for the year ended 31 December 2015 (continued)

4.3 截至二零一五年十二月三十一日止年度之綜合現金流量表(續)

Audited consolidated statement of cash flows of the Group for the year ended 31 December 2015 as extracted from the Group's 2015 annual report	摘錄自本集團二零一五年年報之本集團截至二零一五年十二月三十一日止年度之經審計綜合現金流量表	Reclassifications 重新分類			Re-presented consolidated statement of cash flows of the Group for the year ended 31 December 2015 經重列之本集團截至二零一五年十二月三十一日止年度之綜合現金流量表
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
Gain on repurchase of corporate bonds	購回公司債券之收益	(6,872)	-	(6,872)	Gain on repurchase of corporate bonds 購回公司債券之收益
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	(155)	(34,280)	(34,435)	Gain on disposal of property, plant and equipment, intangible assets and brand name 出售物業、廠房及設備、無形資產及品牌名稱之收益
Gain on disposal of intangible assets	出售無形資產之收益	(4,280)	4,280	-	
Gain on disposal of brand name	出售品牌名稱之收益	(30,000)	30,000	-	
Reversal of impairment loss on trade receivables	撥回應收賬款減值虧損	(9,864)	9,864	-	
Reversal of write-down of inventories	撥回存貨撇減	(37,696)	37,696	-	
Impairment loss on trade receivables	應收賬款減值虧損	12,688	9,210	21,898	Provision and impairment losses 撥備及減值虧損
Write-down of inventories	存貨撇減	56,770	(56,770)	-	
Gain on disposal of subsidiaries	出售附屬公司之收益	(9,517)	-	(9,517)	Gain on disposal of subsidiaries 出售附屬公司之收益

4. PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued) 4. 呈列綜合財務報表(續)

4.3 Consolidated statement of cash flows for the year ended 31 December 2015 (continued)

4.3 截至二零一五年十二月三十一日止年度之綜合現金流量表(續)

Audited consolidated statement of cash flows of the Group for the year ended 31 December 2015 as extracted from the Group's 2015 annual report	摘錄自本集團二零一五年年報之本集團截至二零一五年十二月三十一日止年度之經審計綜合現金流量表	Reclassifications 重新分類			Re-presented consolidated statement of cash flows of the Group for the year ended 31 December 2015 經重列之本集團截至二零一五年十二月三十一日止年度之綜合現金流量表
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
Operating profit before working capital changes	營運資金變動前之經營溢利	568,903		583,744	Operating profit before working capital changes 營運資金變動前之經營溢利
Increase in inventories	存貨增加	(131,314)	-	(131,314)	Increase in inventories 存貨增加
Decrease in trade receivables	應收賬款減少	57,103	-	57,103	Decrease in trade receivables 應收賬款減少
Increase in prepayments, deposits and other receivables	預付款項、按金及其他應收款增加	(49,299)	-	(49,299)	Increase in other assets 其他資產增加
		-	3,409	3,409	Decrease in derivative financial assets 衍生金融資產減少
		-	(18,250)	18,250	Decrease in derivative financial liabilities 衍生金融負債減少
Increase in equity investments held for trading	持作買賣股本投資增加	(95,919)	-	(95,919)	Increase in trading portfolio investments 交易組合投資增加
Increase in trade payables	應付賬款增加	18,350	-	18,350	Increase in trade payables 應付賬款增加
Decrease in other payables and accruals	其他應付款及應計費用減少	(51,869)	-	(51,869)	Decrease in other liabilities 其他負債減少
Cash generated from operations	經營業務產生之現金	315,955		315,955	Cash generated from operations 經營業務產生之現金
Interest received	已收利息	35,369	(35,369)	-	
Interest paid	已付利息	(76,966)	76,966	-	
Income tax paid	已付所得稅	(131,718)	-	(131,718)	Income tax paid 已付所得稅
Net cash generated from operating activities	經營業務產生之現金淨額	142,640		184,237	Net cash generated from operating activities 經營業務產生之現金淨額

4. PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued) 4. 呈列綜合財務報表(續)

4.3 Consolidated statement of cash flows for the year ended 31 December 2015 (continued)

4.3 截至二零一五年十二月三十一日止年度之綜合現金流量表(續)

Audited consolidated statement of cash flows of the Group for the year ended 31 December 2015 as extracted from the Group's 2015 annual report	摘錄自本集團二零一五年年報之本集團截至二零一五年十二月三十一日止年度之經審計綜合現金流量表	Reclassifications 重新分類			Re-presented consolidated statement of cash flows of the Group for the year ended 31 December 2015
		HK\$'000	HK\$'000	HK\$'000	經重列之本集團截至二零一五年十二月三十一日止年度之綜合現金流量表
		千港元	千港元	千港元	
Cash flows from investing activities	投資活動產生之現金流量				Cash flows from investing activities 投資活動產生之現金流量
Dividends received from available-for-sale financial assets	已收可供出售金融資產股息	7,597	1,637	9,234	Dividends received 已收股息
Dividends received from equity investments held for trading	已收持作買賣股本投資股息	1,637	(1,637)	-	
Purchases of property, plant and equipment	購買物業、廠房及設備	(288,093)	(23,244)	(311,337)	Purchase of property, plant and equipment, intangible assets, prepaid land lease payments and convertible bond investment 購買物業、廠房及設備、無形資產、預付土地租賃款項及可換股債券投資
Purchases of intangible assets	購買無形資產	(698)	698	-	
Purchases of prepaid land lease payments	購買預付土地租賃款項	(12,546)	12,546	-	
Net cash inflow from disposal of subsidiaries	收購附屬公司現金流出淨額	90,192	-	90,192	Net cash inflow from disposal of subsidiaries 出售附屬公司現金流入淨額
Consideration payable for acquisition of subsidiaries	收購附屬公司應付代價	11,638	-	11,638	Consideration payable for acquisition of subsidiaries 收購附屬公司應付代價
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	839	10,636	11,475	Proceeds from disposal of property, plant and equipment, intangible assets and brand name 出售物業、廠房及設備、無形資產及品牌名稱所得款項
Proceeds from disposal of intangible assets	出售無形資產所得款項	5,636	(5,636)	-	
Proceeds from disposal of brand name	出售品牌名稱所得款項	5,000	(5,000)	-	
		-	35,369	35,369	Interest received 已收利息
Proceeds receivable from disposal of brand name	出售品牌名稱應收所得款項	(25,000)	-	(25,000)	Proceeds receivable from disposal of brand name 出售品牌名稱應收所得款項
Purchases of convertible bond investment	購買可換股債券投資	(10,000)	10,000	-	
Increase in short-term investments	短期投資增加	(3,155)	-	(3,155)	Increase in short-term investments 短期投資增加

4. PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued) 4. 呈列綜合財務報表(續)

4.3 Consolidated statement of cash flows for the year ended 31 December 2015 (continued)

4.3 截至二零一五年十二月三十一日止年度之綜合現金流量表(續)

Audited consolidated statement of cash flows of the Group for the year ended 31 December 2015 as extracted from the Group's 2015 annual report	摘錄自本集團二零一五年年報之本集團截至二零一五年十二月三十一日止年度之經審計綜合現金流量表	Reclassifications 重新分類			Re-presented consolidated statement of cash flows of the Group for the year ended 31 December 2015
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	經重列之本集團截至二零一五年十二月三十一日止年度之綜合現金流量表
Net cash used in investing activities	投資活動動用之現金淨額	(216,953)		(181,584)	Net cash used in investing activities 投資活動動用之現金淨額
Cash flows from financing activities	融資活動產生之現金流量				Cash flows from financing activities 融資活動產生之現金流量
Dividends paid to non-controlling interests	向非控股權益派付股息	(27,749)	–	(27,749)	Dividends paid to non-controlling interests 已付非控股權益之股息
Proceeds from bank and other borrowings	銀行及其他借貸所得款項	612,139	–	612,139	Proceeds from borrowings 已付借貸所得款項利息
		–	(76,966)	(76,966)	Interest paid 已付利息
Repayments of bank and other borrowings	償還銀行及其他借貸	(491,953)	–	(491,953)	Repayment of borrowings 償還借貸
Proceeds from shares issued under share option scheme	根據認購股份權計劃發行股份之所得款項	146	–	146	Proceeds from shares issued under share option scheme 根據認購股份權計劃發行股份之所得款項
Repurchase of corporate bonds	購回公司債券	(51,262)	–	(51,262)	Repurchase of corporate bonds 購回公司債券
Decrease in amounts due to related companies	應付聯營公司款項減少	(13,284)	–	(13,284)	Decrease in other liabilities 其他負債減少
Net cash generated from financing activities	融資活動產生之現金淨額	28,037		(48,929)	Net cash used in financing activities 融資活動動用之現金淨額
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	(46,276)		(46,276)	Net decrease in cash and cash equivalents 現金及現金等價物減少淨額
Cash and cash equivalents at 1 January 2015	於二零一五年一月一日之現金及現金等價物	878,253		878,253	Cash and cash equivalents at 1 January 2015 於二零一五年一月一日之現金及現金等價物
Effect of foreign exchange rate changes	匯率變動影響	4,088		4,088	Effect of foreign exchange rate changes, net 外匯匯率變動影響淨額
Cash and cash equivalents at 31 December 2015	於二零一五年十二月三十一日之現金及現金等價物	836,065		836,065	Cash and cash equivalents at 31 December 2015 於二零一五年十二月三十一日之現金及現金等價物

5. SIGNIFICANT ACCOUNTING POLICIES

5.1 Business combination and basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Inter-company transactions and balances between group companies together with unrealised profits are eliminated in full in preparing the consolidated financial statements. Unrealised losses are also eliminated unless the transaction provides evidence of impairment on the asset transferred, in which case the loss is recognised in profit or loss.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective dates of acquisition or up to the effective dates of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

Acquisition of subsidiaries or businesses is accounted for using acquisition method. The cost of an acquisition is measured at the aggregate of the acquisition-date fair value of assets transferred, liabilities incurred and equity interests issued by the Group, as the acquirer. The identifiable assets acquired and liabilities assumed are principally measured at acquisition-date fair value. The Group's previously held equity interest in the acquiree is re-measured at acquisition-date fair value and the resulting gains or losses are recognised in profit or loss. The Group may elect, on a transaction-by-transaction basis, to measure non-controlling interests that represent present ownership interests in that subsidiary either at fair value or at the proportionate share of the acquiree's identifiable net assets. All other non-controlling interests are measured at fair value unless another measurement basis is required by HKFRSs. Acquisition-related costs incurred are expensed unless they are incurred in issuing equity instruments in which case the costs are deducted from equity.

Any contingent consideration to be transferred by the acquirer is recognised at acquisition-date fair value. Subsequent adjustments to consideration are recognised against goodwill only to the extent that they arise from new information obtained within the measurement period (a maximum of 12 months from the acquisition date) about the fair value at the acquisition date. All other subsequent adjustments to contingent consideration classified as an asset or a liability are recognised in profit or loss.

Contingent consideration balances arising from business combinations whose acquisition dates preceded 1 January 2010 (i.e. the date the Group first applied HKFRS 3 (2008)) have been accounted for in accordance with the transition requirements in the standard. Such balances are not adjusted upon first application of the standard. Subsequent revisions to estimates of such consideration are treated as adjustments to the cost of these business combinations and are recognised as part of goodwill.

5. 主要會計政策

5.1 業務合併及綜合基準

綜合財務報表包括本公司及其附屬公司之財務報表。集團內公司間交易及結餘連同未變現溢利於編製綜合財務報表時全數對銷。未變現虧損亦可對銷，惟有關交易可證明所轉讓資產出現減值除外，於該情況下，虧損於溢利或虧損確認。

年內所收購或出售附屬公司之業績自收購生效日期起或直至出售生效日期為止(視適用情況而定)計入綜合全面收入表。倘有必要，將對附屬公司之財務報表作出調整，以令其會計政策與本集團其他成員公司所採用者一致。

收購附屬公司或業務採用收購法列賬。一項收購之成本乃按所轉讓資產、所產生負債及本集團(作為收購方)發行之股權於收購當日之公平值總額計量。所收購可識別資產及所承擔負債則主要按收購當日公平值計量。本集團先前所持被收購方之股權以收購當日公平值重新計量，而所產生之收益或虧損則於溢利或虧損內確認。本集團可按逐筆交易基準選擇以被收購方之可識別資產淨值公平值或應佔比例計算代表於該附屬公司現有擁有權權益之非控股權益。除香港財務報告準則規定須使用另一計量基準外，所有其他非控股權益均按公平值計量。所產生之收購相關成本列作開支，惟於發行股本工具時產生之成本除外，在此情況下，成本於權益中扣除。

收購方將予轉讓之任何或然代價均按收購日期之公平值確認。倘其後代價調整僅於計量期間(最長為自收購日期起計12個月)內取得有關收購日期公平值新資料時產生，則於商譽確認。分類為資產或負債之或然代價所有其他其後調整均於溢利或虧損中確認。

收購日期為二零一零年一月一日(即本集團首次應用香港財務報告準則第3號(二零零八年)之日)前之業務合併所產生之或然代價結餘，已根據該準則之過渡規定入賬。有關結餘於首次應用該準則時並未作出調整。其後對有關代價估計之修訂被視為對該等業務合併成本之調整，並確認為商譽之一部分。

5. SIGNIFICANT ACCOUNTING POLICIES (continued)

5.1 Business combination and basis of consolidation (continued)

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

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of.

Subsequent to acquisition, the carrying amount of non-controlling interests that represent present ownership interests is the amount of those interests at initial recognition plus such non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to such non-controlling interests even if this results in the non-controlling interests having a deficit balance.

5.2 Subsidiaries

A subsidiary is an investee over which the Company is able to exercise control. The Company controls an investee if all three of the following elements are present: power over the investee, exposure, or rights, to variable returns from the investee, and the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

In the Company's statement of financial position, investments in subsidiaries are stated at cost less impairment loss, if any. The result of subsidiaries is accounted for by the Company on the basis of dividend received and receivable.

5. 主要會計政策(續)

5.1 業務合併及綜合基準(續)

本集團於附屬公司之權益變動(並無導致失去控制權)列作權益交易入賬。本集團之權益與非控股權益之賬面值均予以調整，以反映其於附屬公司之相對權益變動。非控股權益之調整金額與已支付或收取代價公平值之間之任何差額，均直接於權益中確認，並歸屬於本公司擁有人。

倘本集團失去附屬公司之控制權，出售溢利或虧損乃按下列兩者之差額計算：(i)所收取代價之公平值與任何保留權益之公平值總額，與(ii)該附屬公司之資產(包括商譽)及負債與任何非控股權益過往之賬面值。先前就該附屬公司於其他全面收入確認之款額按出售相關資產或負債時所規定之相同方式列賬。

收購後，代表現有擁有權權益之非控股權益賬面值為該等權益於初步確認時之款額另加有關非控股權益應佔權益其後變動之部分。即使會導致非控股權益出現虧絀結餘，全面收入總額仍歸屬於有關非控股權益。

5.2 附屬公司

附屬公司指本公司可對其行使控制權之被投資方。倘下列三項因素全部存在，則本公司控制被投資方：對被投資方擁有權力、就被投資方可變回報承受風險或享有權利及能夠運用其權力影響該等可變回報。當事實及情況顯示任何該等控制權因素可能發生變動，則會重新評估控制權。

於本公司之財務狀況表中，於附屬公司之投資按成本減任何減值虧損(如有)列賬。本公司按已收或應收股息將附屬公司業績入賬。

5. SIGNIFICANT ACCOUNTING POLICIES (continued)

5.3 Structured entities

The collective investment instruments of the Group are structured entities as defined under HKFRS 12. If the Group operates such an investment instrument acting as an agent primarily in the interests of investors, this structured entity is not consolidated. Investments in such investment instruments held by the Group are recognised as financial instruments. If the Group acts as principal primarily in its own interests, the investment instrument is consolidated.

5.4 Associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor a joint arrangement. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

Associates are accounted for using the equity method whereby they are initially recognised at cost and thereafter, their carrying amount are adjusted for the Group's share of the post-acquisition change in the associates' net assets except that losses in excess of the Group's interest in the associate are not recognised unless there is an obligation to make good those losses.

Profits and losses arising on transactions between the Group and its associates are recognised only to the extent of unrelated investors' interests in the associate. The investor's share in the associate's profits and losses resulting from these transactions is eliminated against the carrying value of the associate. Where unrealised losses provide evidence of impairment of the asset transferred they are recognised immediately in profit or loss.

Any premium paid for an associate above the fair value of the Group's share of the identifiable assets, liabilities and contingent liabilities acquired is capitalised and included in the carrying amount of the associate. Where there is objective evidence that the investment in an associate has been impaired, the carrying amount of the investment is tested for impairment in the same way as other non-financial assets. Accounting policies on impairment of interests in associates are described in note 5.6 below.

5. 主要會計政策(續)

5.3 結構實體

本集團集體投資工具為香港財務報告準則第12號所界定之結構實體。倘本集團主要為投資者之利益充當代理人經營該投資工具，則本結構實體不予綜合入賬。本集團持有於該投資工具之投資確認為金融工具。倘本集團主要為其自身利益作為當事人行事，則投資工具綜合入賬。

5.4 聯營公司

聯營公司為本集團可對其行使重大影響力，且並非附屬公司或共同安排之實體。重大影響力指參與被投資方之財務及經營政策決定，但並非對該等政策實施控制或共同控制之權力。

本集團以權益會計法將聯營公司入賬，初步按成本確認，其後按本集團應佔聯營公司之資產淨值於收購後之變動調整其賬面值。惟數額超出本集團於聯營公司權益之虧損不予確認，除非本集團有責任彌補該等虧損。

本集團與其聯營公司之間進行交易產生之溢利或虧損僅以聯營公司之無關投資者權益確認。投資者因進行該等交易而分佔聯營公司之溢利及虧損與聯營公司賬面值對銷。當未變現虧損有證據顯示已轉讓資產減值，則即時於溢利或虧損確認。

任何就聯營公司支付之溢價高於本集團應佔所收購可識別資產、負債及或然負債公平值之差額會撥充資本，並於聯營公司賬面值入賬。倘有客觀證據表明於聯營公司之投資已減值，則有關投資賬面值按與其他非金融資產相同之方式測試減值。有關於聯營公司權益減值之會計政策載於下文附註5.6。

5. SIGNIFICANT ACCOUNTING POLICIES (continued)

5.5 Goodwill

Goodwill is initially recognised at cost being the excess of the aggregate of consideration transferred and the amount recognised for non-controlling interests over the fair value of identifiable assets, liabilities and contingent liabilities acquired. The consideration transferred is measured at the aggregate of fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group.

Where the fair value of identifiable assets, liabilities and contingent liabilities exceed the fair value of consideration paid, the excess is recognised in profit or loss on the acquisition date, after re-assessment.

Goodwill is measured at cost less accumulated impairment losses. For the purpose of impairment testing, goodwill arising from an acquisition is allocated to each of the relevant cash-generating units that are expected to benefit from the synergies of the acquisition. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, and whenever there is an indication that the unit may be impaired.

For goodwill arising on an acquisition in a financial year, the CGU to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the CGU is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro-rata on the basis of the carrying amount to each asset in the unit. However, the loss allocated to each asset will not reduce the individual asset's carrying amount to below its fair value less cost of disposal (if measurable) or its value in use (if determinable), whichever is the higher. Any impairment loss for goodwill is recognised in profit or loss and is not reversed in subsequent periods.

5.6 Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of the following assets to determine whether there is any indication that those assets have suffered an impairment loss or an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment;
- prepaid land lease payments;
- intangible assets; and
- interests in subsidiaries and associates.

5. 主要會計政策(續)

5.5 商譽

商譽初始按成本確認，即所轉讓代價與就非控制權益確認之款項總額超出所收購可識別資產、負債及或然負債公平值之部分。轉讓代價按本集團於交換日期所給予資產、所招致或所承擔負債及所發行股本工具之合計公平值計量。

倘可識別資產、負債及或然負債之公平值高於所付代價之公平值，則超出部分於重估後在收購日期之溢利或虧損中確認。

商譽按成本扣除累計減值虧損計量。就減值測試而言，收購產生之商譽分配至預期會受惠於收購協同效益之各相關現金產生單位。現金產生單位為資產之最小可識別組別，該組別產生之現金流入在很大程度上獨立於其他資產或資產組別之現金流入。獲分配商譽之現金產生單位會每年及於有跡象顯示該單位可能出現減值時進行減值測試。

就於某個財政年度之收購所產生之商譽而言，獲分配商譽之現金產生單位於該財政年度完結前進行減值測試。當現金產生單位之可收回金額少於該單位之賬面值，則會先分配減值虧損以減少該單位獲分配之任何商譽賬面值，其後則按該單位內各項資產賬面值之比例分配至該單位之其他資產。然而，分配至各資產之虧損不會將個人資產賬面值減至低於其公平值減出售成本(如可計量)或其使用價值(如可釐定)，以較高者為準。商譽之任何減值虧損於溢利或虧損內確認，於往後期間不予撥回。

5.6 非金融資產之減值

於各報告期末，本集團審閱下列資產之賬面值以釐定是否有任何跡象顯示該等資產出現減值虧損或過往確認之減值虧損不再出現或可能已有所減少：

- 物業、廠房及設備；
- 預付土地租賃款項；
- 無形資產；及
- 於附屬公司及聯營公司之權益。

5. SIGNIFICANT ACCOUNTING POLICIES (continued)

5.6 Impairment of non-financial assets (continued)

If the recoverable amount (i.e. the Higher of the fair value less costs of disposal and value in use) of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately.

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

Value in use is based on the estimated future cash flows expected to be derived from the asset or cash generating unit (note 5.5), discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash generating unit.

5.7 Related parties

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

5. 主要會計政策(續)

5.6 非金融資產之減值(續)

倘預計資產之可收回金額(即公平值減出售成本與使用價值之較高者)低於其賬面值，則該資產之賬面值將減至其可收回金額。減值虧損即時於溢利或虧損中確認。

當減值虧損於其後撥回，該資產之賬面值乃增加至其可收回金額修訂後之估計數額，惟增加之賬面值不可超出於過往年度未就該資產確認減值虧損原應釐定之賬面值。減值虧損撥回即時於溢利或虧損中確認。

使用價值乃基於預期從該資產或現金產生單位(附註5.5)產生之估計未來現金流量，採用反映貨幣時間價值及該資產或現金產生單位特定風險之當前市場評估之稅前貼現率而貼現至現值。

5.7 關連人士

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

5. SIGNIFICANT ACCOUNTING POLICIES (continued)

5.7 Related parties (continued)

(b) An entity is related to the Group if any of the following conditions apply:

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

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (i) that person's children and spouse or domestic partner;
- (ii) children of that person's spouse or domestic partner; and
- (iii) dependents of that person or that person's spouse or domestic partner.

5. 主要會計政策(續)

5.7 關連人士(續)

(b) 倘符合下列任何條件，即實體與本集團有關連：

- (i) 實體與本集團同一集團之成員公司(即各母公司、附屬公司及同系附屬公司彼此間有關連)。
- (ii) 一間實體為另一實體之聯營公司或合營企業(或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業)。
- (iii) 兩間實體均為同一第三方之合營企業。
- (iv) 一間實體為第三方實體之合營企業，而另一實體為該第三方實體之聯營公司。
- (v) 實體為本集團或與本集團有關連之實體就僱員福利設立之離職福利計劃。
- (vi) 實體受(a)項所識別人士控制或共同控制。
- (vii) 於(a)(i)項所識別人士對實體有重大影響力或屬該實體(或該實體之母公司)主要管理層成員。
- (viii) 實體或其所屬集團之任何成員公司向本集團或本集團母公司提供主要管理人員服務。

某一人士之近親指預期可影響該人士與實體進行買賣或於買賣時受該人士影響之有關家屬成員，並包括：

- (i) 該名人士之子女及配偶或家庭夥伴；
- (ii) 該名人士之配偶或家庭夥伴之子女；及
- (iii) 該名人士或該名人士之配偶或家庭夥伴之受養人。

5. SIGNIFICANT ACCOUNTING POLICIES (continued)

5. 主要會計政策(續)

5.8 Property, plant and equipment

Buildings held for own use which are situated on leasehold land, where the fair value of the buildings could be measured separately from the fair value of the leasehold land at the inception of the lease, and other items of plant and equipment, other than construction in progress ("CIP"), are stated at acquisition cost less accumulated depreciation and any identified impairment.

The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to the working condition and location for its intended use.

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. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are recognised as an expense in profit or loss in the year in which they are incurred.

Depreciation is provided to write off the cost less their estimated residual values over their estimated useful lives, using straight-line method, at the following rates per annum:

Land and buildings	Over the terms of the leases or estimated useful lives, ranging between 20 years and 50 years, whichever is shorter
Leasehold improvements	Over the terms of the leases, or estimated useful life of 5 years, whichever is shorter
Plant and machinery	6% to 20%
Furniture, fixtures and office equipment	6% to 50%
Motor vehicles	9% to 25%

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

5.8 物業、廠房及設備

於租賃土地上持作自用之樓宇，倘其公平值可與租約開始時租賃土地之公平值分開計算，則連同其他廠房及設備項目(在建工程(「在建工程」)除外)按收購成本減累計折舊及任何可識別減值後列賬。

資產成本包括其購買價及任何使其投入擬定用途之運作狀況及地點之直接應佔成本。

其後成本僅在項目相關之未來經濟利益可能流入本集團及能夠可靠計量項目成本時，在適當情況下入賬資產賬面值或確認為獨立資產。重置部分之賬面值取消確認。所有其他維修及保養成本，均於產生年度於溢利或虧損確認為開支。

折舊按估計可使用年期以直線法撇銷成本減估計剩餘價值計算，年率如下：

土地及樓宇	租賃年期或估計可使用年期(一般介乎20年至50年之間)，以較短者為準
租賃物業裝修	租賃年期或估計可使用年期5年，以較短者為準
廠房及機器	6%至20%
傢具、裝置及辦公室設備	6%至50%
汽車	9%至25%

資產估計可使用年期、估計剩餘價值及折舊方法於各報告期末檢討及視適當情況調整。

5. SIGNIFICANT ACCOUNTING POLICIES (continued)

5. 主要會計政策(續)

5.8 Property, plant and equipment (continued)

CIP, which mainly represents renovation work on buildings and installation of machinery, is stated at cost less any impairment losses. Cost comprises direct costs incurred during the periods of construction, installation and testing. CIP is reclassified to the appropriate class of property, plant and equipment when substantially all the activities necessary to prepare the assets for their intended use are completed. No depreciation is provided for in respect of CIP until it is completed and ready for its intended use.

The gain or loss arising on retirement or disposal is determined as the difference between the net sale proceeds and the carrying amount of the asset and is recognised in profit or loss.

5.9 Investment properties

Investment properties are land and/or buildings which are owned or held under a leasehold interest to earn rental income and/or for capital appreciation.

When the Group holds a property interest under an operating lease to earn rental income and/or for capital appreciation, the interest is classified and accounted for as an investment property on a property-by-property basis. Any such property interest which has been classified as an investment property is accounted for as if it were held under a finance lease.

On initial recognition, investment property is measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment property is stated at fair value. Fair value is determined by external professional valuers, with sufficient experience with respect to both the location and the nature of the investment property. The carrying amounts recognised in the consolidated statement of financial position reflect the prevailing market conditions at the reporting date.

Gains or losses arising from either change in the fair value or the sale of an investment property are included in profit or loss in the period in which they arise.

5.8 物業、廠房及設備(續)

在建工程主要指樓宇翻新工程以及機器安裝，按成本減任何減值虧損列賬。成本包括於建造、安裝及測試期間產生之直接成本。當使資產投入擬定用途所必須之絕大部分準備工作完成時，在建工程會重新分類至物業、廠房及設備之適當組別。在建工程於完成及準備作擬定用途前，毋須計提折舊撥備。

廢棄或出售時所產生之收益或虧損按銷售所得款項淨額與資產賬面值之差額釐定，並於溢利或虧損確認。

5.9 投資物業

投資物業指就賺取租金收入及／或資本增值而擁有或以租賃權益持有之土地及／或樓宇。

倘本集團以經營租約持有物業權益以賺取租金收入及／或為了資本增值，有關權益會以每項物業為基準分類及入賬為投資物業。任何分類為投資物業之有關物業權益會按以融資租賃持有者入賬。

於初步確認時，投資物業按成本計量，包括任何直接應佔開支。於初步確認後，投資物業按公平值列賬。公平值由具足夠資歷之外聘專業估值師就投資物業之所在地及性質釐定。於綜合財務狀況表確認之賬面值反映於報告日之當時市況。

投資物業公平值變動或銷售產生之收益或虧損於產生期間計入溢利或虧損。

5. SIGNIFICANT ACCOUNTING POLICIES (continued)

5.10 Leases

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

(i) The Group as lessee

Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases. Where the Group has the right to use of assets held under operating leases, payments made under the leases are charged to profit or loss using straight-line method over the lease terms except where an alternative basis is more representative of the time pattern of benefits to be derived from the leased assets. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rental are charged to profit or loss in the year in which they are incurred.

Where the Group acquires the use of assets under finance lease, the amounts representing the fair value of the leased asset, or, if lower, the present value of the minimum lease payments, of such assets is included in fixed assets and the corresponding liabilities, net of finance charges, are recorded as obligations under finance lease. Subsequent accounting for assets under finance lease agreements corresponds to those applied to comparable acquired assets. The corresponding finance lease liability is reduced by lease payments less finance charges.

Finance charges implicit in the lease payments are charged to profit or loss over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period. Contingent rentals charged to profit or loss in the accounting period in which they are incurred.

5. 主要會計政策(續)

5.10 租約

倘本集團釐定有關安排於協定期限內將特定資產使用權出讓以換取一筆或一連串付款，則包含一項交易或連串交易之安排則屬於或包括一項租約。該項釐定乃基於安排內容之評估而作出，而不論該項安排是否採取租約之法律形式。

(i) 本集團作為承租人

擁有權絕大部分風險及回報並無轉移至本集團之租約分類為經營租約。倘若本集團以經營租約持有資產使用權，根據租約作出之付款將於租期內採用直線法自溢利或虧損扣除，惟倘有另一種更能反映租賃資產衍生利益之時間模式之基準除外。所獲租賃減免在溢利或虧損確認為已付淨租金總額一部分。或然租金將於其產生之年度自溢利或虧損扣除。

倘本集團以融資租賃收購資產之使用權，則代表租賃資產公平值款額或(如為較低者)該資產最低租賃付款之現值計入固定資產，而相關負債(扣除融資費用)入賬列作融資租賃承擔。根據融資租賃協議持有之資產後續會計處理與類似購入資產所應用者相一致。相應融資租賃負債會按租賃付款減融資費用扣除。

租賃付款內含之融資費用在租賃期扣自溢利或虧損，使各會計期間之融資費用佔承擔餘額比率大致相同。或然租金將於其產生之會計期間自溢利或虧損扣除。

5. SIGNIFICANT ACCOUNTING POLICIES (continued)

5. 主要會計政策(續)

5.10 Leases (continued)

(ii) The Group as lessor

Assets leased out under operating leases are measured and presented according to the nature of the assets. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as rental income.

Rental income receivable from operating leases is recognised in profit or loss on the straight-line method over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable. Contingent rentals are recognised as income in the accounting period in which they are earned.

(iii) Prepaid land lease payments

Prepaid land lease payments are up-front payments to acquire the long-term interests in usage of land on which the buildings are situated. These payments are stated at cost less accumulated amortisation and any impairment loss. Amortisation is calculated using straight-line method over the respective lease terms.

5.11 Intangible assets

(i) Acquired intangible assets

Intangible assets acquired separately are initially recognised at cost. The cost of intangible assets acquired in a business combination is fair value at the date of acquisition. Subsequently, intangible assets with definite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is provided on a straight-line basis over their useful lives as follows. Intangible assets with indefinite useful lives are carried at cost less any accumulated impairment losses. The amortisation expense is recognised in profit or loss.

Supplier and distribution networks	10 years
Brand names	10 years
Patents	10 years

Intangible assets with indefinite useful lives shall not be amortised.

5.10 租約(續)

(ii) 本集團作為出租人

經營租約項下之出租資產根據資產之性質計量及呈列。於協商及安排經營租約時所產生之初步直接成本計入租賃資產之賬面值，並於租期內以與租金收入相同之基準確認為開支。

來自經營租約之應收租金收入於租賃期間按直線法於溢利或虧損確認，除非有其他基準更能反映來自使用租賃資產利益之模式。所獲租賃減免在溢利或虧損確認為應收淨租金總額之一部分。或然租金在其賺取之會計期間確認為收入。

(iii) 預付土地租賃款項

預付土地租賃款項為收購樓宇所在土地使用長期權益支付之首筆付款。該等付款按成本減累計攤銷及任何減值虧損列賬。攤銷採用直線法於相關租賃期內計算。

5.11 無形資產

(i) 已收購無形資產

獨立收購之無形資產初步以成本確認。於業務合併中收購之無形資產成本為收購日期之公平值。其後，可使用年期有限之無形資產以成本減累計攤銷及累計減值虧損列賬。

攤銷按直線法於以下可使用年期作出撥備。具無限可使用年期之無形資產按成本減任何累計減值虧損列賬。攤銷費用於溢利或虧損確認。

供應商及分銷網絡	10年
品牌名稱	10年
專利權	10年

具無限可使用年期之無形資產毋須作攤銷。

5. SIGNIFICANT ACCOUNTING POLICIES (continued)

5.11 Intangible assets (continued)

(ii) Internally generated intangible assets (research and development costs)

Expenditure on internally developed products is capitalised if it can be demonstrated that:

- it is technically feasible to develop the product for it to be sold;
- adequate resources are available to complete the development;
- there is an intention to complete and sell the product;
- the Group is able to sell the product;
- sale of the product will generate future economic benefits; and
- expenditure on the project can be measured reliably.

Capitalised development costs are amortised over the periods the Group expects to benefit from selling the products developed. The amortisation expense is recognised in profit or loss.

Development expenditure not satisfying the above criteria and expenditure on the research phase of internal projects are recognised in profit or loss as incurred.

(iii) Impairment

Intangible assets with finite lives are tested for impairment when there is an indication that an asset may be impaired. Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, irrespective of whether there is any indication that they may be impaired. Intangible assets are tested for impairment by comparing their carrying amounts with their recoverable amounts (note 5.6).

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

5. 主要會計政策(續)

5.11 無形資產(續)

(ii) 內部產生之無形資產(研發成本)

內部開發產品之支出如能夠證實以下各項，則可撥充資本：

- 開發產品以供出售在技術上可行；
- 具備足夠資源以完成開發；
- 有意完成及銷售該產品；
- 本集團有能力銷售該產品；
- 銷售該產品將帶來未來經濟利益；及
- 有關項目之開支能夠可靠計量。

已撥充資本之開發成本於本集團預期將取得銷售所開發產品之利益期間攤銷。攤銷費用於溢利或虧損中確認。

不符合上述標準之開發支出及內部項目在研究階段之支出於產生時在溢利或虧損中確認。

(iii) 減值

當有跡象顯示資產可能減值時，具有有限可使用年期之無形資產將作減值測試。具無限可使用年期之無形資產及尚未可使用之無形資產會每年進行減值測試，不論是否有跡象顯示該等資產可能減值。無形資產透過比較其賬面值與其可收回金額進行減值測試(附註5.6)。

當資產之估計可收回金額少於賬面值時，該資產之賬面值將調低至其可收回金額。減值虧損會即時確認為開支。

5. SIGNIFICANT ACCOUNTING POLICIES (continued)

5. 主要會計政策(續)

5.11 Intangible assets (continued)

(iii) Impairment (continued)

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount; however, the carrying amount should not be increased above the lower of its recoverable amount and the carrying amount that would have resulted had no impairment loss been recognised for the asset in prior years. All reversals are recognised in the profit or loss immediately.

5.12 Financial assets

The Group's financial assets are classified as trading portfolio investments, loans and receivables, available-for-sale financial assets, held-to-maturity investments and derivative financial assets. Management determines the classification of its financial assets at initial recognition depending on the purpose for which the financial assets were acquired and where allowed and appropriate, re-evaluates this designation at the end of each reporting period.

All financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade date, that is, the date that the Group commits to purchase or sell the asset. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

De-recognition of financial assets occurs when the rights to receive cash inflows from the investments expire or are transferred and substantially all of the risks and rewards of ownership have been transferred.

At the end of each reporting period, financial assets are reviewed to assess whether there is objective evidence of impairment. If any such evidence exists, impairment loss is determined and recognised based on the classification of the financial asset.

5.11 無形資產(續)

(iii) 減值(續)

倘其後撥回減值虧損，則資產之賬面值會增至其修訂後之估計可收回金額；然而，賬面值不得增至超過其可收回金額與假設該資產於過往年度並無確認減值虧損而可能產生之賬面值兩者中之較低者。所有撥回即時於損益表確認。

5.12 金融資產

本集團金融資產分類為交易組合投資、貸款及應收款、可供出售金融資產、持至到期投資及衍生金融資產。管理層視乎收購金融資產之目的，於初步確認時釐定其金融資產之分類，並於許可及適當情況下，於各報告期末重新評估其分類。

所有金融資產僅在本集團訂立工具合約條款時確認，日常方式買賣之金融資產於交易日期確認，即本集團承諾買賣資產之日期。金融資產初步確認時按公平值計量，如屬並非按公平值計入溢利或虧損之投資，則加上直接應佔之交易成本計量。

倘自投資收取現金流入之權利屆滿或被轉讓且絕大部分擁有權之風險及回報均已轉讓，則取消確認金融資產。

於各報告期末，金融資產將予進行檢討，以評估有否客觀證據顯示減值。倘出現任何該等證據，則會按該金融資產之分類釐定及確認減值虧損。

5. SIGNIFICANT ACCOUNTING POLICIES (continued)

5. 主要會計政策(續)

5.12 Financial assets (continued)

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

Financial assets at fair value through profit or loss mainly represent trading portfolio investments, which are mainly financial assets held for trading and they may be designated upon initial recognition as at fair value through profit or loss. They are classified as held for trading if they are acquired for the purpose of selling in the near term, or it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent pattern of short-term profit-taking.

Financial assets may be designated at initial recognition as at fair value through profit or loss if the following criteria are met:

- the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the assets or recognising gains or losses on them on a different basis; or
- the assets are part of a group of financial assets which are managed and their performance is evaluated on a fair value basis, in accordance with a documented risk management strategy and information about the group of financial assets is provided internally on that basis to the key management personnel; or
- the financial asset contains an embedded derivative that would need to be separately recorded.

Subsequent to initial recognition, the financial assets included in this category are measured at fair value with changes in fair value recognised in profit or loss. Fair value is determined by reference to active market transactions or using a valuation technique where no active market exists. Fair value gain or loss does not include any dividend or interest earned on these financial assets. Dividend and interest income is recognised in accordance with the Group's accounting policies in note 5.20.

5.12 金融資產(續)

(i) 按公平值計入溢利或虧損之金融資產

按公平值計入溢利或虧損之金融資產主要指交易組合投資，主要為持作買賣及初步確認時可能指定為以公平值計入溢利或虧損之金融資產。倘收購該等金融資產之目的是為了於短期內銷售，或該等金融資產屬共同管理且有證據顯示其近期模式屬短期獲利之已識別金融工具組合之其中一部分，則該等金融資產分類為持作買賣。

倘符合以下準則，金融資產則可於初步確認時指定作按公平值計入溢利或虧損：

- 有關指定能消除或大大減低因按照不同基準計量有關資產或確認其收益或虧損而出現之不一致處理情況；或
- 根據列明之風險管理策略，該等資產為一組受管理而其表現按公平值基準評估之金融資產之其中一部分，有關該組金融資產之資料按該基準提供予內部主要管理人員；或
- 有關金融資產包含需要分開記賬之嵌入式衍生工具。

初步確認後，計入此類別之金融資產按公平值計量，而公平值變動在溢利或虧損確認。公平值乃參考活躍市場交易釐定，倘無活躍市場則運用估值方法釐定。公平值收益或虧損並不包括就此等金融資產賺取之任何股息或利息。股息及利息收入根據附註5.20之本集團會計政策確認。

5. SIGNIFICANT ACCOUNTING POLICIES (continued)

5. 主要會計政策(續)

5.12 Financial assets (continued)

(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 are subsequently measured at amortised cost using the effective interest method, less any impairment losses. Amortised cost is calculated taking into account any discount or premium on acquisition and includes fees and costs that are an integral part of the effective interest rate and transaction cost.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

(iii) Available-for-sale financial assets

These include non-derivative financial assets that do not qualify for inclusion in any of the other categories of financial assets.

All financial assets within this category are subsequently measured at fair value. Gain or loss arising from a change in the fair value excluding any dividend and interest income is recognised in other comprehensive income and accumulated separately in the investment revaluation reserve in equity, except for impairment losses (see the policy below) and foreign exchange gains and losses on monetary assets, until the financial asset is derecognised, at which time the cumulative gain or loss previously recognised in equity would be recycled to profit or loss. Interest calculated using the effective interest method is recognised in profit or loss. Upon disposal, the cumulative gain or loss previously recognised in equity is transferred to profit or loss.

For available-for-sale investment in equity securities 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, they are measured at cost less any identified impairment losses at the end of each reporting period subsequent to initial recognition.

(iv) Derivative financial assets

Accounting policies for derivative financial assets have been set out in note 5.14 below.

5.12 金融資產(續)

(ii) 貸款及應收款

貸款及應收款為具固定或有待釐定付款金額而並無在活躍市場報價之非衍生金融資產。該等資產其後以實際利率法按攤銷成本減任何減值虧損計量。攤銷成本之計算經計及任何收購時產生之折讓或溢價，包括構成實際利率及交易成本之費用及成本。

實際利率法是指計算金融資產或金融負債以及於相關期間分配利息收入或利息支出攤銷成本之方法。實際利率是將估計未來現金收入或付款透過金融資產或負債之預期年期或(倘適用)較短期間準確貼現之利率。

(iii) 可供出售金融資產

當中包括並不合資格歸類為任何其他金融資產類別之非衍生金融資產。

本類別內之所有金融資產其後以公平值計量。除減值虧損(見下文政策)及貨幣資產外匯收益及虧損外，公平值變動產生之收益或虧損(不包括任何股息及利息收入)於其他全面收入確認，並於權益之投資重估儲備獨立累計，直至有關金融資產取消確認為止，屆時以往於權益確認之累計收益或虧損將重新撥至溢利或虧損。使用實際利率法計算之利息於溢利或虧損確認。出售有關資產時，過往於權益確認之累計收益或虧損轉撥至溢利或虧損。

就並無在活躍市場報價且公平值不能可靠計量之可供出售股本證券投資以及與無報價股本工具掛鈎及必須透過支付該等工具結清之衍生工具而言，於初步確認後各報告期末，按成本減任何已識別減值虧損計量。

(iv) 衍生金融資產

衍生金融資產之會計政策載於下文附註5.14。

5. SIGNIFICANT ACCOUNTING POLICIES (continued)

5.12 Financial assets (continued)

(v) Investment in convertible bonds

The component parts of the convertible instruments are classified separately as debt component and conversion option derivative.

At the date of acquisition of investments in convertible bonds, the initial value of the debt component is the residual value after separating out the initial fair value of conversion option component. In subsequent periods, the debt component of the convertible instruments is carried at amortised cost using the effective interest method. The conversion option derivative is measured at fair value with changes in fair value recognised in profit or loss.

Transaction costs that relate to the acquisition of the convertible investments are allocated to debt and derivative components in proportion to their relative fair values. Transaction costs relating to the derivative components are charged to profit loss immediately. Transaction costs relating to the debt component are included in the carrying amount of the debt portion and amortised over the period of the convertible instruments using the effective interest method.

(vi) Due from banks and clients

Balances due from banks and clients include non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than:

- those that the Group intends to sell immediately or in the near term and those that the Group, upon initial recognition, designates as at FVTPL;
- those that the Group, upon initial recognition, designates as available-for-sale; or
- those for which the Group may not recover substantially all of its initial investment, other than because of credit deterioration.

After initial measurement, amounts due from banks and clients are subsequently measured at amortised cost using the effective interest method, less allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees and costs that are an integral part of the effective interest rate. Therefore, the Group recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of the loan, hence, recognising the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (prepayments, penalty interest and charges). If expectations are revised the adjustment is booked a positive or negative adjustment to the carrying amount in the consolidated statement of financial position with an increase or reduction in interest income. The adjustment is subsequently amortised through interest and similar income in profit or loss.

5. 主要會計政策(續)

5.12 金融資產(續)

(v) 可換股債券投資

可換股工具之組成部分可獨立分類為債務部分及換股權衍生工具。

於收購可換股債券投資之日，債務部分之初步價值為剔除換股權部分之初步公平值後之剩餘價值。期後，可換股工具之債務部分乃使用實際利率法按攤銷成本列賬。換股權衍生工具乃按公平值計量，而公平值變動於溢利或虧損中確認。

有關收購可換股投資之交易成本乃按相關公平值分配至債務部分及衍生部分。有關衍生部分之交易成本會即時於溢利或虧損中支銷，而有關債務部分之交易成本則計入債務部分之賬面值，並使用實際利率法於可換股工具期內攤銷。

(vi) 應收銀行及客戶款項

應收銀行及客戶結餘包括於活躍市場並無報價之固定或可予釐定付款之非衍生金融資產，但不包括：

- 本集團擬立即或近期出售者及初步確認後，本集團指定為按公平值計入溢利或虧損者；
- 初步確認後，本集團指定為可供出售者；或
- 本集團可能無法收回其絕大部分初步投資者(因信貸情況惡化而無法收回者除外)。

初步計量後，應收銀行及客戶金額其後以實際利息法按攤銷成本減減值撥備計量。攤銷成本之計算經計及任何收購時產生之任何折讓或溢價以及構成實際利率不可或缺部分之費用及成本。因此，本集團按回報率確認利息收入，回報率指對預期貸款行為壽命之穩定回報率之最佳估計，因此確認不同利率於不同階段變動之潛在影響及產品生命週期之其他特徵(預付款項、罰金利息及費用)。倘修改預期，則利息收入增加或減少之調整於綜合財務狀況表之賬面值按正調整或負調整入賬。調整於其後透過利息及類似收入在損益表中攤銷。

5. SIGNIFICANT ACCOUNTING POLICIES (continued)

5. 主要會計政策(續)

5.12 Financial assets (continued)

5.12 金融資產(續)

(vii) Securities borrowing and lending transactions**(vii) 證券借入及借出交易**

Securities borrowing and lending transactions are backed by collateral. In such transactions, the Group lends or borrows securities against securities or cash deposits as collateral. The Group also borrows securities from the securities portfolios of individual clients. Shares and debt instruments are used for securities borrowing and lending operations. Securities received or delivered within the scope of securities borrowing or lending transactions are recognised or derecognised in the consolidated statement of financial position only if control over the contractual rights connected with the securities is transferred.

證券借入及借出交易由抵押品作擔保。於該等交易中，本集團借出或借入證券，以證券或保證金作抵押品。本集團亦從個別客戶之證券組合中借入證券。股份及債務工具用於證券借入及借出業務。僅於已轉移證券相關合約權利之控制權時，證券借入或借出交易範圍內已收取或交付之證券方會於綜合財務狀況表確認或終止確認。

In securities lending operations, the cash deposit received is recognised under “cash and deposits” in the consolidated statement of financial position and a corresponding liability is recognised under “cash deposits for loaned securities”.

於證券借出業務中，已收保證金於綜合財務狀況表之「現金及存款」項下確認，而相應負債則於「借出證券之保證金」項下確認。

In securities borrowing transactions, the cash deposit made is eliminated from the consolidated statement of financial position and a corresponding receivable is recognised.

於證券借入交易中，已抵押之保證金從綜合財務狀況表撇銷，而相應收款則獲確認。

(viii) Financial assets held/sold under resale/repurchase agreements**(viii) 返售／購回協議項下所持有／所出售之金融資產**

Financial assets held under resale agreements are transactions that the Group acquires financial assets which will be resold at a predetermined price in the future date under resale agreements. Financial assets sold under repurchase agreements are transactions that the Group sells financial assets which will be repurchased at a predetermined price in the future date under repurchase agreements.

返售協議項下所持有之金融資產為本集團根據轉售協議先買入再於未來日期按事先釐定之價格返售之金融資產交易。購回協議項下所出售之金融資產為本集團根據購回協議先賣出再於未來日期按事先釐定之價格購回之金融資產交易。

The cash advanced or received is recognised as amounts held under the resale and repurchase agreements in the consolidated statement of financial position. Assets held under resale agreements are recorded in memorandum accounts as off-balance sheet items. Assets sold under repurchase agreements continue to be recognised in the consolidated statement of financial position.

提前墊付或所收之現金於綜合財務狀況表按返售及購回協議項下所持有之金額確認。返售協議項下所持有之資產於表外作備查入賬。購回協議項下所出售之資產將持續於綜合財務狀況表內確認。

The difference between the sale and repurchase consideration, and that between the purchase and resale consideration, are amortised over the period of the respective transaction using the effective interest method and are included in interest income and interest expense respectively.

出售代價與購回代價之間之差額，及購買代價與返售代價之間之差額於各自交易期間以實際利率法攤銷並分別入賬為利息收入及利息開支。

5. SIGNIFICANT ACCOUNTING POLICIES (continued)

5. 主要會計政策(續)

5.12 Financial assets (continued)

(ix) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity for which the Group has the positive intention and ability to hold to maturity, other than (a) those that the Group, upon initial recognition, designates as at fair value through profit or loss or as available-for-sale; and (b) those that meet the definition of loans and receivables.

Held-to-maturity investments are carried at amortised cost using the effective interest method less any impairment losses.

If, as a result of a change in intention or ability, it is no longer appropriate to classify an investment as held-to-maturity, it shall be reclassified as available-for-sale and remeasured at fair value.

(x) Impairment of financial assets

At the end of each reporting period, financial assets other than at fair value through profit or loss are reviewed to determine whether there is any objective evidence of impairment. If any such evidence exists, impairment loss is determined and recognised based on the classification of the financial asset. Objective evidence of impairment of individual financial assets includes observable data that comes to the attention of the Group about one or more of the following loss events:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- granting concession to a debtor because of debtor's financial difficulty; and
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation.

Loss events in respect of a group of financial assets include observable data indicating that there is a measurable decrease in the estimated future cash flows from the group of financial assets. Such observable data includes but not limited to adverse changes in the payment status of debtors in the group and, national or local economic conditions that correlate with defaults on the assets in the group.

5.12 金融資產(續)

(ix) 持有至到期投資

持有至到期投資為具有固定或可釐定付款及固定到期日、且本集團具有持有至到期之明確計劃及能力之非衍生金融資產，但不包括(a)初步確認後，本集團指定為按公平值計入溢利或虧損者或可供出售者；及(b)符合貸款及應收款項定義者。

持有至到期投資以實際利率法按攤銷成本減任何減值虧損列賬。

倘由於計劃或能力變動，投資分類為持有至到期不再適當，則須重新分類為可供出售並重新計量公平值。

(x) 金融資產減值

於各報告期間結算日，檢討按公平值計入溢利或虧損以外之金融資產，以釐定是否出現任何減值客觀證據。倘存在任何該等證據，則減值虧損按金融資產分類釐定及確認。個別金融資產之客觀減值證據包括引致本集團對下列一項或多項虧損事件關注之可觀察數據：

- 債務人陷入重大財務困難；
- 違反合約，例如拖欠或延遲償還利息或本金；
- 因債務人財政困難而授予寬免；及
- 債務人可能破產或進行其他財務重整。

有關某一組金融資產之虧損事件包括顯示該組金融資產之估計未來現金流量出現可計量跌幅之可觀察數據。該等可觀察數據包括但不限於組別內債務人之付款狀況，以及與組別內資產拖欠情況有關之國家或當地經濟狀況出現逆轉。

5. SIGNIFICANT ACCOUNTING POLICIES (continued)

5. 主要會計政策(續)

5.12 Financial assets (continued)

5.12 金融資產(續)

(x) Impairment of financial assets (continued)

(x) 金融資產減值(續)

(i) Due from banks and clients

(i) 應收銀行及客戶款項

If any such evidence exists, the impairment loss is measured and recognised as follows:

倘存在任何該等證據，則減值虧損按以下方式計量及確認：

At each reporting date, a credit assessment is made to see if there are objective indications that the contractually owed amount may not be recovered in full. If there are such indications, specific value adjustments for credit risks are made on these impaired loans. Specific value adjustments for credit risks are recognised in the consolidated statement of financial position as write-downs of the carrying amount of the loan in question. The value adjustment is measured on the basis of the difference between the carrying amount of the receivable and the prospective recoverable amount, discounted at the effective interest rate determined in the initial recognition in consideration of the net proceeds from the realisation of any collateral. Loans with variable interest rates are discounted at the effective interest rate. If there are changes with regard to the amount and the timing of expected future cash flows compared to previous estimates, the value adjustment for credit risks is adjusted and recognised in profit or loss.

於各報告日期，將進行信貸評估，以觀察是否有客觀跡象顯示未必能悉數收回合約欠款。倘存在有關跡象，則就該等已減值貸款進行信貸風險特定價值調整。信貸風險特定價值調整於綜合財務狀況表確認為有關貸款賬面值撇減。價值調整按應收款賬面值與有可能收回金額間之差額計量，按計及變現任何抵押品所得款項淨額後初步確認時釐定之實際利率貼現。浮息貸款按實際利率貼現。倘預期未來現金流量之金額及時間與先前估計相比有所變動，則調整信貸風險價值調整，並於溢利或虧損確認。

Non-performing loans are receivables for which the contractually agreed capital and/or payments are overdue by more than 90 days and where there are no clear indications that they may be recovered by later payments or the sale of collateral. Interest more than 90 days overdue is subject to value adjustment, and is only recorded in profit or loss when it is paid. Loans are fixed without interest when their collectability is so doubtful that an accrual can no longer be considered reasonable. Non-performing loans that are classified as completely or partially unrecoverable are eliminated and charged to a specific value adjustment if one exists.

不良貸款為合約協定資本及／或款項逾期超過90日且無明確跡象顯示可透過其後付款或出售抵押品收回之應收款。逾期超過90日之利息須進行價值調整，並於支付後方會在損益表入賬。當貸款之可收回性存疑以致應計費用不再被視為合理時，貸款定為免息。出現分類為完全或部分不可收回之不良貸款時，則進行撇銷，並自特定價值調整扣除。

Impaired loans are reclassified at full value if the outstanding capital and interest is once again paid on time according to contractual agreements and if further credit risk requirements are fulfilled. The recovery of loans that had previously been written off is recorded in profit or loss. The existing procedures for the determination and calculation of specific value adjustments results in a comprehensive assessment of loans; accordingly, portfolio value adjustments are generally unnecessary. Realised income from loans that are sold before their maturity or repaid early are recorded in profit or loss.

倘未償還資本及利息根據合約協議再次準時支付且符合其他信貸風險規定，則已減值貸款按總值重新分類。收回先前已撇銷貸款於損益表入賬。釐定及計算特定價值調整之現有程序會導致進行全面貸款評估；因此，一般不需要進行組合價值調整。到期前已售出或提早償還貸款之已變現收入於損益表入賬。

5. SIGNIFICANT ACCOUNTING POLICIES (continued)

5. 主要會計政策(續)

5.12 Financial assets (continued)

5.12 金融資產(續)

(x) Impairment of financial assets (continued)**(x) 金融資產減值**(續)**(ii) Financial assets carried at amortised cost, other than due from banks and clients****(ii) 按攤銷成本列賬之金融資產(應收銀行及客戶款項除外)**

A provision for impairment of loans and receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. The amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The amount of the loss is recognised in profit or loss of the year in which the impairment occurs.

倘有客觀證據顯示本集團將無法根據應收款之原訂條款收回所有應收款額時，則就貸款及應收款作出減值撥備。減值虧損金額按資產賬面值與按金融資產原來之實際利率(即於初步確認時計算所得實際利率)貼現之估計未來現金流量之現值兩者間之差額計算。虧損金額於減值出現之年度於溢利或虧損確認。

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

倘於往後期間，減值虧損金額減少，而減幅與確認減值後發生之某一事項有客觀關連，則過往確認之減值虧損可予撥回，惟不得導致該項金融資產於撥回減值日期之賬面值超過如無確認減值之原本攤銷成本。撥回金額於作出撥回年度於溢利或虧損確認。

(iii) Available-for-sale financial assets**(iii) 可供出售金融資產**

When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the asset is impaired, an amount is removed from equity and recognised in profit or loss as an impairment loss. That amount is measured as the difference between the asset's acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss on that asset previously recognised in profit or loss.

倘可供出售金融資產之公平值減幅已在權益直接確認，且已存在客觀證據證明資產已出現減值，則從權益中扣除某一金額並於溢利或虧損確認減值虧損。該金額根據資產之收購成本(扣除任何本金還款及攤銷後)與現時公平值之差額，減該項資產過往已在溢利或虧損確認之減值虧損計量。

Reversals of impairment for investment in equity instruments classified as available-for-sale financial assets are not recognised in profit or loss. The subsequent increase in fair value is recognised in other comprehensive income.

有關分類為可供出售金融資產之股本工具投資之減值撥回不會在溢利或虧損確認。其後之公平值增加於其他全面收入確認。

5. SIGNIFICANT ACCOUNTING POLICIES (continued)

5. 主要會計政策(續)

5.13 Financial liabilities

The Group's financial liabilities are classified as financial liabilities at fair value through profit or loss and financial liabilities at amortised cost. Management determines the classification of its financial liabilities at initial recognition depending on the purpose for which the financial liabilities were incurred.

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities at fair value through profit or loss are initially measured at fair value and financial liabilities at amortised costs are initially measured at fair value, net of directly attributable costs incurred.

A financial liability is de-recognised when the obligations specified in the relevant contract are discharged, cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amount is recognised in profit or loss.

(i) Borrowings, corporate bonds and subordinated debt

Borrowings, corporate bonds and subordinated debt are subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings, corporate bonds and subordinated debt is recognised over the terms of the borrowings, corporate bonds and subordinated debt. All interest related charges are recognised in accordance with the Group's accounting policy for borrowing costs as set out in note 5.23.

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 date.

(ii) Other financial liabilities

Subsequent to initial recognition, other financial liabilities are measured at amortised cost less settlement payments, using the effective interest method.

5.13 金融負債

本集團金融負債分類為按公平值計入溢利或虧損之金融負債及按攤銷成本入賬之金融負債。管理層視乎產生金融負債之目的，於初步確認時將其金融負債分類。

金融負債在本集團訂立工具合約條文時確認。按公平值計入溢利或虧損之金融負債初步按公平值計量，而按攤銷成本入賬之金融負債則初步按公平值扣除直接產生之應佔成本計量。

倘有關合約訂明之責任已履行、註銷或屆滿，則取消確認金融負債。

倘一項現有金融負債被相同貸款人按條款基本迥異之另一項債項取代，或現有負債條款被重大修改，該取代或修改會被視作取消確認原有負債及確認一項新負債處理，且各賬面值間之差額會於溢利或虧損確認。

(i) 借貸、公司債券及次級債務

借貸、公司債券及次級債務以實際利率法其後按攤銷成本列賬。倘扣除交易成本後所得款項與償還或贖回借貸、公司債券及次級債務之間出現任何差額，則於借貸、公司債券及次級債務年期內確認。所有與利息相關之開支按載於附註5.23有關本集團借貸成本之會計政策確認。

除非本集團有權無條件將債務結付日期遞延至報告日後至少十二個月，否則借貸將分類至流動負債項下。

(ii) 其他金融負債

於初步確認後，其他金融負債按攤銷成本減結算款項以實際利率法計量。

5. SIGNIFICANT ACCOUNTING POLICIES (continued)

5.13 Financial liabilities (continued)

(iii) Derivative financial liabilities

Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Accounting policies for derivative financial liabilities have been set out in note 5.14 below.

5.14 Derivative financial instruments

Derivative financial instruments, in individual contracts or separated from hybrid financial instruments, are initially recognised at fair value on the date when the derivative contract is entered into. At the end of each reporting period, the fair value is re-measured. Gain or loss arising from changes in fair value is charged immediately to profit or loss for the year, except where the derivatives qualify for cash flow hedge accounting or hedge the net investment in a foreign operation, in which case recognition of any resultant gain or loss depends on the nature of the item being hedged.

5.15 Inventories

Inventories are initially recognised at cost, and subsequently at the lower of cost and net realisable value. Cost is determined using weighted average basis, and in the case of work-in-progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expense and the estimated costs necessary to make the sale.

5.16 Cash and cash equivalents

Cash and cash equivalents include cash and bank balances, demand deposits with banks, short-term highly liquid investments with original maturities of three months or less and bank overdraft that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in values.

5.17 Government grants

Government grants are recognised when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as revenue in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are deferred and recognised in profit or loss over the useful life of the asset.

5. 主要會計政策(續)

5.13 金融負債(續)

(iii) 衍生金融負債

衍生工具(包括分開之嵌入式衍生工具)亦分類為持作買賣,除非有關衍生工具已指定為有效之對沖工具。衍生金融負債之會計政策已載列於下文附註5.14。

5.14 衍生金融工具

衍生金融工具以個別合約或與混合金融工具分開於訂立衍生工具合約日期初步按公平值確認。公平值會於各報告期間結算日重新計量。公平值變動產生之收益或虧損即時入賬該年度之溢利或虧損,惟符合現金流量對沖會計處理或對沖海外業務投資淨額之衍生工具除外,在此情況下,確認任何因此產生之收益或虧損須視乎所對沖項目之性質而定。

5.15 存貨

存貨初步按成本確認,其後按成本及可變現淨值兩者之較低者列賬。成本按加權平均基準釐定,在製品及製成品之成本包括直接材料、直接勞工及按適當比例計算之生產成本。可變現淨值乃按照日常業務過程中之估計售價減任何適當銷售開支及完成銷售之估計成本計算。

5.16 現金及現金等價物

現金及現金等價物包括之現金及銀行結存、活期銀行存款、原到期日為三個月或以下之短期高度流通投資及銀行透支,均可隨時轉換為已知數額現金且價值變動風險不大。

5.17 政府補貼

政府補貼於合理確定將可收取及本集團將遵照所附有關條件時予以確認。就所產生開支向本集團補償之撥款,於開支產生之同期有系統地於溢利或虧損中確認為收入。用於抵銷本集團資產成本之補貼則予以遞延並按資產之可使用年期於損益中確認。

5. SIGNIFICANT ACCOUNTING POLICIES (continued)

5.18 Provisions and contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and 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.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

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 of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the Group, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Contingent liabilities are recognised in the course of the allocation of purchase price to the assets and liabilities acquired in a business combination. They are initially measured at fair value at the date of acquisition and subsequently measured at the higher of the amount that would be recognised in a comparable provision as described above and the amount initially recognised less any accumulated amortisation, if appropriate.

5.19 Income tax

Income tax comprises current tax and deferred tax.

Current tax is based on the profit or loss from ordinary activities adjusted for items that are non-assessable or disallowable for income tax purposes and is calculated using tax rates that have been enacted or substantively enacted at the end of reporting period.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for tax purposes. Except for goodwill and recognised assets and liabilities that affect neither accounting nor taxable profits, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is measured at the tax rates appropriate to the expected manner in which the carrying amount of the asset or liability is realised or settled and that have been enacted or substantively enacted at the end of reporting period.

5. 主要會計政策(續)

5.18 撥備及或然負債

當本集團現時因過往事件而須承擔法定或推定責任，而結算債務可能要求流出經濟利益，於能可靠地作出估計時，撥備予以確認。倘貨幣時間價值之影響屬重大，則有關撥備將按預計結算該責任所需費用之現值列賬。

所有撥備均於各報告日進行檢討，並作出調整以反映當前最佳估計。

當流出經濟利益之可能性不大，或未能可靠估計數額，則有關責任會披露為或然負債，除非流出經濟利益之可能性甚微。純粹視乎日後有否出現一項或多項並非完全在本集團控制內之不確定事件而可能產生之責任，亦會披露為或然負債，除非流出經濟利益之可能性甚微。

或然負債於分配收購價至業務合併所購入資產及負債之過程中確認，初步按收購日期公平值計量，其後按上文所述原應於可資比較撥備確認之款額與初步確認款額減任何累計攤銷(如適用)之較高者計量。

5.19 所得稅

所得稅包括即期稅項及遞延稅項。

即期稅項乃根據日常業務之溢利或虧損，就所得稅而言毋須課稅或不可扣稅之項目作出調整，並按報告期末已制定或大致上制定之稅率計算。

遞延稅項乃就財務報告而言資產與負債之賬面值與就稅務而言之相關數額之暫時差額而確認。除商譽及不影響會計或應課稅溢利之已確認資產與負債外，就所有應課稅暫時差額確認遞延稅項負債。於有可能出現可運用可扣稅之暫時差額抵銷之應課稅溢利時，遞延稅項資產方會確認。遞延稅項乃按預期適用於有關資產變現或有關負債結算之方式及於報告期末已制定或大致上制定之稅率計量。

5. SIGNIFICANT ACCOUNTING POLICIES (continued)

5.19 Income tax (continued)

An exception to the general requirement on determining the appropriate tax rate used in measuring deferred tax amount is when an investment property is carried at fair value under HKAS 40 "Investment Property". Unless the presumption is rebutted, the deferred tax amounts on these investment properties are measured using the tax rates that would apply on sale of these investment properties at their carrying amounts at the reporting date. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all the economic benefits embodied in the property over time, rather than through sale.

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.

Income taxes are recognised in profit or loss except when they relate to items recognised in other comprehensive income in which case the taxes are also recognised in other comprehensive income or when they relate to items recognised directly in equity in which case the taxes are also recognised directly in equity.

Current tax assets and current tax liabilities are presented in net if, and only if,

- (a) the Group has the legally enforceable right to set off the recognised amounts; and
- (b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The Group presents deferred tax assets and deferred tax liabilities in net if, and only if,

- (a) the Group has a legally enforceable right to set off current tax assets against current tax liabilities; and
- (b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:
 - (i) the same taxable entity; or
 - (ii) different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

5. 主要會計政策(續)

5.19 所得稅(續)

倘投資物業根據香港會計準則第40號「投資物業」按公平值列賬，則可豁免遵守釐定用於計量遞延稅項金額之適用稅率之一般規定。除非推定被駁回，否則該等投資物業之遞延稅項金額按於報告日賬面值出售該等投資物業所適用之稅率計量。倘投資物業可予折舊，且持有該物業之業務模式目標為隨時間消耗該物業絕大部分經濟利益(而非透過銷售)，則此假設可予駁回。

除非本集團可以控制暫時差額之撥回，且該撥回在可預見未來不大可能發生；於附屬公司及聯營公司之投資所產生有關應課稅暫時差額確認為遞延稅項負債。

所得稅於溢利或虧損確認，惟倘所得稅與其他全面收入確認之項目有關則除外，在此情況下，所得稅亦於其他全面收入確認，或倘所得稅與直接於權益確認之項目有關，則所得稅亦直接於權益確認。

即期稅項資產及即期稅項負債僅於以下情況按淨額呈列：

- (a) 本集團具有可合法執行權利抵銷已確認款額；及
- (b) 計劃以淨額基準結清或同時變現資產及結清負債。

本集團僅於以下情況按淨額呈列遞延稅項資產及遞延稅項負債：

- (a) 本集團具有可合法執行權利以即期稅項資產抵銷即期稅項負債；及
- (b) 遞延稅項資產及遞延稅項負債與相同稅務機關於以下情況徵收之所得稅有關：
 - (i) 相同應課稅實體；或
 - (ii) 於預期遞延稅項負債或資產重大款額結清或收回之日後每個期間，不同應課稅實體擬按淨額基準結清即期稅項負債及資產或同時變現資產及結清負債。

5. SIGNIFICANT ACCOUNTING POLICIES (continued)

5. 主要會計政策(續)

5.20 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Provided it is probable that the economic benefits will flow to the Group and revenue and costs, if applicable, can be measured reliably, revenue is recognised as follows:

(i) Interest income

Interest income arising from the use of entity assets by others is recognised in profit or loss based on the duration and the effective interest rate. Interest income includes the amortisation of any discount or premium or other differences between the initial carrying amount of an interest bearing instrument and its amount at maturity calculated on an effective interest rate basis.

The effective interest method is a method of calculating the amortised cost of financial assets and liabilities and of allocating the interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial instrument. When calculating the effective interest rate, the Group estimates cash flows considering all contractual terms of the financial instrument (for example, call and similar options) but does not consider future credit losses. The calculation includes all fees and interests paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

Interest on the impaired financial assets is recognised using the rate of interest used to discount future cash flows ("unwinding of discount") for the purpose of measuring the related impairment loss.

(ii) Fees and commission income

Fees and commission income is recognised when the corresponding service is provided.

Origination or commitment fees received/paid by the Group which result in the creation or acquisition of a financial asset are deferred and recognised as an adjustment to the effective interest rate. When a loan commitment is not expected to result in the draw-down of a loan, loan commitment fees are recognised.

5.20 收入確認

收入按已收或應收代價之公平值計量。倘經濟利益可能流入本集團以及收入及成本(如適用)能夠可靠計量時,按以下基準確認收入:

(i) 利息收入

其他人士使用實體資產所產生之利息收入按時間及實際利率於溢利或虧損中確認。利息收入包括任何折扣或溢價之攤銷或計息工具原賬面值與其按實際利率基準計算之到期金額間之其他差額之攤銷。

實際利率法為計算金融資產及負債之攤銷成本及於相關期間分配利息收入及利息開支之方法。實際利率為於金融工具預期年期或(倘適用)較短期間將估計未來現金付款或收入準確貼現至金融工具之賬面淨額之比率。計算實際利率時,本集團計及所有金融工具之合約條款(如認購期權及類似期權)估計現金流量,惟並無考慮未來信貸虧損。計算項目包括構成實際利率組成部分之訂約方之間所有已付或已收費用及利息、交易成本及所有其他溢價或折扣。

已減值金融資產之利息按就計量相關減值損失而對未來現金流量進行貼現(「折算貼現」)之利率確認。

(ii) 費用及佣金收入

費用及佣金收入於提供相關服務時確認。

本集團因設立或收購金融資產已收/已付之融資或承諾費用予以遞延並確認為實際利率之調整。預期貸款承諾不會導致提取貸款時,確認貸款承諾費用。

5. SIGNIFICANT ACCOUNTING POLICIES (continued)

5.20 Revenue recognition (continued)

(iii) Sales of goods

Sales of goods are recognised upon transfer of significant risks and rewards of ownership to the customer. This is usually taken as the time when the goods are delivered and the customer has accepted the goods. Revenue excludes any value-added tax, rebates and discounts.

(iv) Rental income

Rental income under operating leases is recognised on straight-line method over the term of the relevant lease.

(v) Dividend income

Dividend is recognised when the right to receive the dividend is established.

5.21 Retirement benefits

Retirement benefits to employees are provided through defined contribution plans and defined benefit pension plans.

(i) Defined contribution plans

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions after payment of the fixed contribution.

The contributions recognised in respect of defined contribution plans are expensed as they fall due. Liabilities and assets may be recognised if underpayment or prepayment has occurred and are included in current liabilities or current assets as they are normally of a short-term nature.

The Group operates a defined contribution staff retirement scheme (the "ORSO Scheme") for certain employees, the assets of which are held separately from those of the Group in an independently administered fund. Contributions are made based on a percentage of the eligible employees' basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the ORSO Scheme. When an employee leaves the ORSO Scheme prior to his/her interest in the Group's employer contributions vesting fully, the ongoing contributions payable by the Group can be reduced by the relevant amount of forfeited contributions.

5. 主要會計政策(續)

5.20 收入確認(續)

(iii) 貨物銷售

貨物銷售於擁有權大部分風險及回報轉嫁予客戶時確認，一般於貨物交付及客戶接納貨物時確認。收入不包括任何增值稅、回扣及折扣。

(iv) 租金收入

經營租賃之租金收入於有關租賃期間按直線法確認。

(v) 股息收入

股息於確立收取股息權利時確認。

5.21 退休福利

僱員退休福利透過定額供款計劃及定額退休福利計劃撥備。

(i) 定額供款計劃

定額供款計劃是一項退休金計劃，本集團根據該計劃向一個獨立實體支付定額供款。於支付定額供款後，本集團並無法定或推定責任支付進一步供款。

就定額供款計劃確認之供款於其到期時列作開支。倘產生繳付不足或預繳即可能就此確認該負債及資產，並因其通常屬短期性質而計入流動負債或流動資產。

本集團為其若干僱員設有定額供款僱員退休計劃(「職業退休計劃」)。該計劃之資產與本集團資產分開，由獨立管理基金持有。供款按合資格僱員基本薪金一定百分比作出，於根據職業退休計劃規則應付時，在溢利或虧損扣除。倘若僱員在本集團之僱主供款完全歸其所有前退出職業退休計劃，本集團可將有關金額之沒收供款用以減低日後應付供款。

5. SIGNIFICANT ACCOUNTING POLICIES (continued)

5. 主要會計政策(續)

5.21 Retirement benefits (continued)

5.21 退休福利(續)

(i) Defined contribution plans (continued)

(i) 定額供款計劃(續)

The Group also operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance, for those employees in Hong Kong who are eligible to participate in the MPF Scheme not previously covered by the ORSO Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

本集團亦為合資格參與強制性公積金退休福利計劃(「強積金計劃」)而之前無參與職業退休計劃之香港僱員根據強制性公積金計劃條例設有定額供款強積金計劃。供款按僱員基本薪金一定百分比作出，於根據強積金計劃規則應付時在溢利或虧損扣除。強積金計劃資產與本集團資產分開，由獨立管理基金持有。本集團之僱主供款於向強積金計劃作出時全數歸僱員所有。

The employees of the Group's subsidiaries which operate in the PRC are required to participate in a central pension scheme operated by the local municipal government (the "Scheme"). These subsidiaries are required to contribute certain percentage of its payroll costs to the central pension scheme. The Scheme is responsible for the entire pension obligations payable to the retired employees and the Group has no further obligations for the actual pension payments or other post-retirement benefits beyond the employer contributions. Contributions under the Scheme are charged to profit or loss as they become payable in accordance with the rules of the PRC.

本集團於中國經營業務之附屬公司之僱員須參與有關地方政府管理之中央退休金計劃(「該計劃」)。該等附屬公司規定須按工資成本若干百分比向中央退休金計劃供款。該計劃負責向已退休僱員支付全部退休金之責任，除僱主供款外，本集團就實際退休款項或其他退休後福利並無進一步責任。該計劃供款於根據中國規則應付時在溢利或虧損內扣除。

(ii) Defined benefit pension plans

(ii) 定額退休福利計劃

Defined benefit pension plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

定額退休福利計劃界定僱員於退休時將領取之退休金福利數額，數額通常視乎年齡、服務年資及薪酬等一項或多項因素而定。

The liability recognised in the consolidated statement of financial position in respect of defined pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflow using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to terms of the related pension obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

於綜合財務狀況表內就定額退休金計劃確認之負債，為於報告期間結算日之定額福利責任現值減計劃資產之公平值。定額福利責任每年由獨立精算師使用預計單位貸記法計算。定額福利責任現值按以支付福利之同一貨幣計值，且到期日與相關退休福利責任相若之優質公司債券利率貼現估計未來現金流出而釐定。在有關債券並無成熟市場之國家，則使用政府債券之市場利率。

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

因過往調整及精算假設變動所產生之精算收益及虧損乃於產生期間在權益之其他全面收入扣除或計入。

Past service costs are recognised immediately in profit or loss.

過往服務成本即時於溢利或虧損確認。

5. SIGNIFICANT ACCOUNTING POLICIES (continued)

5.21 Retirement benefits (continued)

(iii) Short-term employee benefits

Short term employee benefits are employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. Short term employee benefits are recognised in the year when the employees render the related services.

Non-accumulating compensated absences such as sick leave and maternity leave are not recognised until the time of leave.

5.22 Share-based employee compensation

The Group operates equity-settled share-based compensation plans for remuneration of its employees.

All employee services received in exchange for the grant of any share-based compensation are measured at their fair values. These are indirectly determined by reference to the share options awarded. Their value is appraised at the grant date and excludes the impact of any non-market vesting conditions.

Upon exercise of share options, the amount previously recognised in share option reserve and the proceeds received net of any directly attributable transaction costs up to the nominal value of the share issued are reallocated to share capital with any excess being recorded as share premium. When the share options are lapsed, forfeited or still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to retained profits.

5.23 Borrowing costs

Borrowing costs attributable directly to the acquisition, construction or production of qualifying assets which require a substantial period of time to be ready for their intended use or sale, are capitalised as part of the cost of those assets. Income earned on temporary investments of specific borrowings pending their expenditure on those assets is deducted from borrowing costs capitalised. Capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

5. 主要會計政策(續)

5.21 退休福利(續)

(iii) 短期僱員福利

短期僱員福利是指預計在僱員提供相關服務之年度報告期間結算日後十二個月前將全數結付之僱員福利(離職福利除外)。短期僱員福利於僱員提供相關服務之年度內確認。

病假及產假等非累積有薪假期於提取假期時方予確認。

5.22 僱員股份補償

本集團為其僱員設立股本結算以股份為基礎之補償計劃。

就所有僱員提供服務而授出之任何股份補償按其公平值計算。該等補償乃參考獲授出認購股份權間接釐定。其價值於授出日評估，並不包括任何非市場歸屬條件之影響。

於認購股份權獲行使後，過往於認購股份權儲備確認之款額及所收取之所得款項扣除任何直接應佔交易成本(但不超過已發行股份之面值)將獲重新分配至股本，任何差額將記錄為股份溢價。倘認購股份權於到期日失效、被沒收或仍未行使，過往於認購股份權儲備確認之款額將轉撥至保留溢利。

5.23 借貸成本

收購、建設或生產需要長時間籌備作擬定用途或銷售之合資格資產之直接應佔借貸成本，予以資本化作為該等資產成本之一部分。將有待用於該等資產之特定借貸作短期投資所賺取之收入會於已資本化之借貸成本扣除。倘將合資格資產預備作擬定用途或銷售之絕大部分活動完成時，資本化借貸成本將停止。所有其他借貸成本於產生期間於損益確認。

5. SIGNIFICANT ACCOUNTING POLICIES (continued)

5.24 Foreign currency

Transactions entered into by group entities in currencies other than the currency of the primary economic environment in which they operate (the “functional currency”) are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the end of reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income, in which case, the exchange differences are also recognised in other comprehensive income.

On consolidation, income and expense items of foreign operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the rates approximating to those ruling when the transactions took place are used. All assets and liabilities of foreign operations are translated at the rate ruling at the end of reporting period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity as exchange reserve (attributed to non-controlling interests as appropriate). Exchange differences recognised in profit or loss of group entities’ separate financial statements on the translation of long-term monetary items forming part of the Group’s net investment in the foreign operation concerned are reclassified to other comprehensive income and accumulated in equity as exchange reserve.

On disposal of a foreign operation, the cumulative exchange differences recognised in the exchange reserve relating to that operation up to the date of disposal are reclassified to profit or loss as part of the gain or loss on disposal.

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation on or after 1 January 2005 are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the end of reporting period. Exchange differences arising are recognised in the exchange reserve.

5. 主要會計政策(續)

5.24 外幣

集團實體以彼等營運所在主要經濟環境之貨幣(「功能貨幣」)以外貨幣訂立之交易乃按於交易日期之匯率記錄。外幣貨幣資產及負債乃按報告期間結算日之匯率換算。以外幣計值按公平值列賬之非貨幣項目乃按釐定公平值日期之當前匯率重新換算。按外幣過往成本計量之非貨幣項目毋須重新換算。

結算貨幣項目及換算貨幣項目所產生之匯兌差額於產生期間內於溢利或虧損中確認。重新換算按公平值列賬之非貨幣項目所產生之匯兌差額計入期內溢利或虧損，惟重新換算有關收益及虧損於其他全面收入確認之非貨幣項目所產生之匯兌差額除外，在此情況下，匯兌差額亦於其他全面收入確認。

綜合賬目時，海外業務之收支項目以年內平均匯率換算為本集團之呈列貨幣(即港元)，除非期內匯率大幅波動，在此情況下，則按進行該等交易時之相若匯率換算。所有海外業務之資產及負債均以報告期間結算日之匯率換算。所產生匯兌差額(如有)於其他全面收入確認，並於權益內累計入賬為匯兌儲備(非控股權益應佔外匯儲備(如適用))。於換算構成本集團於所涉海外業務部分投資淨額之長期貨幣項目時，在集團實體獨立財務報表之損益內確認之匯兌差額則重新分類至其他全面收入，並於權益內累計入賬為外匯儲備。

出售海外業務時，與截至出售當日該業務有關之匯兌儲備確認之累計匯兌差額，重新分類至損益作為出售收益或虧損一部分。

於二零零五年一月一日或之後收購海外業務產生之所收購無形資產之商譽及公平值調整已當作該海外業務之資產及負債，並於報告期間結算日按當前匯率進行換算。所產生之匯兌差額於匯兌儲備確認。

5. SIGNIFICANT ACCOUNTING POLICIES (continued)

5.25 Share capital and share premium

Ordinary shares are classified as equity. Share capital is determined using the nominal value of shares that have been issued.

Share premium includes any premiums received on the issuance of share over the par value. Any transaction costs associated with the issuing of shares are deducted from the share premium (net of any related income tax benefit) to the extent that they are incremental costs directly attributable to the equity transaction.

Where any group company purchases the Company's equity share capital, the consideration paid, including any directly attributable incremental costs (net of taxes) is deducted from equity attributable to owners of the Company until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued any consideration received net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to owners of the Company.

5.26 Financial guarantees issued

A financial guarantee contract is a contract that requires the issuer (or guarantor) to make specified payments to reimburse the holder (or the beneficiary of the guarantee) for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Where the Group issues a financial guarantee, the fair value of the guarantee is initially recognised as deferred income within other liabilities. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Group's policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised in profit or loss on initial recognition of any deferred income.

The amount of the guarantee initially recognised as deferred income is amortised in profit or loss over the term of the guarantee as income from financial guarantee issued. In addition, provisions are recognised in accordance with note 5.18 if and when it becomes probable that the holder of the guarantee will call upon the Group under the guarantee and the amount of that claim on the Group is expected to exceed the current carrying amount, i.e. the amount initially recognised less accumulated amortisation, where appropriate.

5. 主要會計政策(續)

5.25 股本及股份溢價

普通股分類為權益。股本採用已發行股份之面值釐定。

股份溢價包括發行股本所收任何溢價減面值。任何有關發行股份之交易成本於股份溢價(扣除任何相關所得稅溢利)內扣減，惟以該權益交易直接應佔遞增成本為限。

倘任何集團公司購買本公司之權益股本，包括任何直接應佔遞增成本(扣除稅項)之已付代價於本公司擁有人應佔權益內扣除，直至股份獲註銷或重新發行為止。倘此等普通股其後重新發行，則任何已收代價(減去任何直接應佔遞增交易成本及相關所得稅影響)計入本公司擁有人應佔權益中。

5.26 所發出財務擔保

財務擔保合約乃規定發行人(或擔保人)在當某債務人未能按照某債務工具之條款在到期時付款而出現虧損時向持有人(或擔保受益人)作出具體償付之合約。

當本集團發出財務擔保時，擔保公平值首次於其他負債認為遞延收入。如就發出擔保收取或應收代價，則該代價將根據適用於該項資產類別之本集團政策確認列賬。倘並無收取或應收代價，則即時支出會於首次確認任何遞延收入時於損益確認入賬。

首次確認為遞延收入之擔保金額會於擔保期內在溢利或虧損攤銷，列作已發出財務擔保之收入。此外，當擔保持有人有可能要求本集團履行擔保責任，而其向本集團索取之金額預期將超過當時賬面值(即首次確認之金額減累計攤銷，如適用)，則會根據附註5.18確認撥備。

5. SIGNIFICANT ACCOUNTING POLICIES (continued)

5.27 Segment reporting

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the executive directors for their decisions about resources allocation to the Group's business components and for their review of the performance of those components. The business components in the internal financial information reported to the executive directors are determined following the Group's major lines of business.

The Group has identified the following reportable segments: (a) manufacture and distribution of watches and timepieces; (b) property investments; and (c) banking business.

Each of these operating segments is managed separately as each of the product and service lines requires different resources as well as marketing approaches. All inter-segment transfers, if any, are carried out at arm's length prices.

The measurement policies the Group uses for reporting segment results under HKFRS 8 are the same as those used in its financial statements prepared under HKFRSs, except that:

- share of profit or loss of associates accounted for using equity method;
- finance costs;
- income tax expense; and
- corporate income and expenses which are not directly attributable to the business activities of any operating segment

are not included in arriving at the operating results of the operating segment.

Segment assets include all assets but interests in associates, certain available-for-sale financial assets, certain trading portfolio investments and short-term investments. In addition, corporate assets which are not directly attributable to the business activities of any operating segment are not allocated to a segment, which primarily applies to the Group's headquarter.

Segment liabilities exclude corporate liabilities which are not directly attributable to the business activities of any operating segment and are not allocated to a segment. These include corporate bonds, borrowings, derivative financial liabilities and due to related parties.

No asymmetrical allocations have been applied to reportable segments.

5. 主要會計政策(續)

5.27 分類報告

本集團根據定期向執行董事呈報之內部財務資料(乃供彼等決定分配資源至本集團各業務環節及檢討該等業務環節之表現)確定其經營分類及編製分類資料。向執行董事所報告內部財務資料中之業務環節按本集團主要業務類別決定。

本集團已確定以下報告分類：(a)鐘錶及時計產品製造及分銷；(b)物業投資；及(c)銀行業務。

由於各產品及服務類別所需資源以及市場方針不同，各經營分類獨立管理。所有分類間轉讓(如有)乃按公平價格計算。

本集團根據香港財務報告準則第8號就報告分類業績所用計量政策與根據香港財務報告準則編製財務報表所用者相同，惟以下項目：

- 以權益法列賬之應佔聯營公司溢利或虧損；
- 財務費用；
- 所得稅開支；及
- 並非直接計入任何經營分類業務活動之公司收入及開支

在計算經營分類經營業績時，並無包括在內。

分類資產包括所有資產，但不包括於聯營公司之權益、若干可供出售金融資產、若干交易組合投資及短期投資。此外，並非直接計入任何經營分類業務活動之公司資產不會分配至分類，主要應用於本集團總部。

分類負債不包括並非直接計入任何經營分類業務活動之公司負債，且不會分配至分類，當中包括公司債券、借貸、衍生金融負債及應付關連公司欠款。

並無就可報告分類作出不均分配。

6. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

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

The Group makes estimates and assumptions concerning the future. Such estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. The resulting accounting estimates will, by definition, rarely equal the related actual results. The estimates and assumptions 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:

Estimated impairment of goodwill

The Group tests on an annual basis whether goodwill has suffered any impairment in accordance with the accounting policy stated in note 5.6. The recoverable amounts of the CGUs have been determined based on value-in-use calculations. These calculations require the use of judgement and estimates of the future cash flows expected to arise from the CGUs, the timeframe for the cash flows forecast and the suitable discount rates in order to calculate the present value. In the process of estimating expected future cash flows management makes assumptions about future revenues and profits. These assumptions relate to future events and circumstances. The actual results may vary and may cause a material adjustment to the carrying amount of goodwill within the next financial year. Determining the appropriate discount rate involves estimating the appropriate adjustment for market risk and for asset specific risk factors. Details in impairment assessment are set out in note 32 to the financial statements.

Provision for inventories

In determining the amount of allowance required for obsolete and slow-moving inventories, the Group would evaluate ageing analysis of inventories and compare the carrying value of inventories to their respective estimated net realisable value. The assessment of the provision involves management judgement and estimates. Where the actual outcome or expectation in future is different from the original estimate, such differences will impact the carrying value of inventories and provision charge/write-back in the period in which such estimate has been changed.

6. 關鍵會計判斷及估計不確定因素之主要來源

於應用本集團之會計政策時，董事須對無法從其他途徑得知之資產及負債賬面值作出判斷、估計及假設。

估計及相關假設會持續檢討。倘會計估計修訂僅影響修訂估計期間，則有關修訂會於該期間確認；或倘有關修訂既影響當期亦影響未來期間，則有關修訂會於修訂期間及未來期間確認。

本集團對未來作出估計及假設。該等估計及相關假設乃根據過往經驗及其他視為相關之因素作出。顧名思義，因此而作出之會計估計甚少與有關實際結果相符。下文載列可能導致下個財政年度之資產及負債賬面值須作重大調整之估計及假設之討論：

商譽估計減值

本集團每年根據附註5.6所述會計政策測試商譽有否減值。現金產生單位之可收回金額按使用價值計算釐定。該等計算須採用對預期現金產生單位所產生未來現金流量之判斷及估計、現金流量預測時間表以及適合貼現率，以計算現值。於估計預期未來現金流量過程中，管理層就未來收入及溢利作出假設。該等假設與未來事件及條件有關。實際結果或會有所不同，並可能導致下個財政年度之商譽賬面值須作重大調整。釐定合適之貼現率涉及估計市場風險及資產特定風險因素之適當調整。減值評估詳情載於財務報表附註32。

存貨撥備

於釐定陳舊及滯銷存貨之撥備金額時，本集團須評估存貨之賬齡分析並將存貨之賬面值與其各自之估計可變現淨值作比較。評估撥備涉及管理層判斷及估計。倘日後實際結果或預期有別於原定估計，則有關差別將影響存貨賬面值，而撥備會於估計改變期間扣除／撥回。

6. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Depreciation and amortisation

The Group depreciates and amortises its property, plant and equipment and intangible assets with definite useful lives using straight-line method over their respective estimated useful lives, starting from the date on which the assets are put into productive use, in accordance with accounting policy stated in notes 5.8 and 5.11. The estimated useful lives reflect the directors' estimate of the period that the Group intends to derive future economic benefits from the use of these assets.

Estimated impairment of trade and other receivables

The Group's management reviews trade and other receivables on a regular basis to determine if any provision for impairment is necessary. Impairment loss on receivables of the Group is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. Allowances for impairment are determined by management of the Group based on the repayment history of its debtors and the current market conditions. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the receivable is impaired. Management reassesses the amount of impairment allowances of receivables, if any, at each reporting date.

Estimated impairment of non-financial assets

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates and assumptions about future events, which are subject to uncertainty and might materially differ from the actual results. In making these key estimates and judgements, the directors take into consideration assumptions that are mainly based on market condition existing at the reporting dates and appropriate market and discount rates. These estimates are regularly compared to actual market data and actual transactions entered into by the Group.

Income taxes

The Group is subject to income taxes in Hong Kong, Switzerland, United Kingdom, Liechtenstein and the PRC. Significant judgement is required in determining the amount of the provision for income taxes and the timing of the payments of related taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax based on estimates of whether additional taxes will be due. 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.

6. 關鍵會計判斷及估計不確定因素之主要來源(續)

折舊及攤銷

本集團根據附註5.8及5.11所述會計政策，採用直線法按各自估計可用年期為物業、廠房及設備以及可用年期有限之無形資產計算折舊及攤銷，自資產投入生產用途日期起計算。估計可用年期反映董事估計本集團擬自使用該等資產衍生未來經濟利益之期間。

應收賬款及其他應收款之估計減值

本集團管理層定期審查應收賬款及其他應收款以釐定是否必要進行任何減值撥備。倘有客觀證據證明本集團將不能按應收款之原有條款收回全部款項，則就本集團應收賬款確立減值虧損。減值撥備由本集團管理層按債務人還款記錄以及現行市況釐定。債務人出現重大財政困難、債務人可能破產或進行財務重組以及拖欠或未能付款，均被視為應收款出現減值之跡象。管理層於各報告日重新評估應收款之減值撥備金額(如有)。

非金融資產之估計減值

本集團透過評價可能導致資產減值之本集團獨有情況，於各報告日評估減值。倘存在觸發減值之情況，則釐定資產可收回款額。評估可收回款額時計算之使用價值涉及多項有關未來事項之主要估計及假設，該等估計及假設存在不明朗因素，且可能與實際結果大大不同。作出該等主要估計及判斷時，董事考慮主要以報告日市況為準之假設及適當市場及折算率。此等估計定期與實際市場數據及本集團進行之實際交易進行比較。

所得稅

本集團須繳納香港、瑞士、英國、列支敦士登及中國之所得稅。於決定就所得稅撥備之金額及就有關稅項付款之時間時，須作出重大判斷。於日常業務過程中，有許多交易及計算均難以明確作出最終之稅務釐定。本集團按有否額外稅項即將到期應付之估計就預計稅項確認負債。倘此等事項之最後稅項結果與初步記錄金額不同，該等差額將影響作出該項決定期間之所得稅及遞延稅項撥備。

6. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Assessment of identifiable assets and liabilities on acquisition of subsidiaries

Upon completion of acquisition of subsidiaries or businesses, the directors have assessed the acquisition-date fair value of the identifiable assets acquired and liabilities assumed from the acquisition. The directors use their judgement in selecting an appropriate valuation technique for the Group's property, plant and equipment obtained upon the acquisition of subsidiaries during the year. The fair values of the property, plant and equipment are estimated by an independent professional valuer. Where fair value of the identifiable assets acquired and liabilities assumed from the acquisition exceed the fair value of consideration paid for the acquisition, the excess is recognised in profit or loss on the acquisition date, after reassessment.

Warranty provision

Warranty provision is made for expenditure associated with future variable services and repair cost related to warranty claims. The management makes an assessment of the future costs related to this work by using the proportion of actual tasks related to warranty work as the basis for the calculation. The assessment of provision involves management judgement and estimates. When the actual outcome or expectation in future is different from the original estimate, such differences will impact the carrying value of warrant provision and provision charge/write-back in the period in which such estimate has been changed.

Estimation of defined benefit obligations

The Group operates three defined benefit plans. Pension costs for defined benefit plans are assessed using the projected unit credit method in accordance with HKAS 19 (2011), Employee Benefits. Under this method, the cost of providing pensions is charged to profit or loss in accordance with the advice of the actuaries who carry out a full valuation of the plans. The pension obligation is measured at the present value of the estimated future cash outflows using interest rates determined by reference to market yields at the end of the reporting period based on government agency or high quality corporate bonds with currency and term similar to the estimated term of benefit obligations. All actuarial gains and losses are recognised in full, in the year in which they occur, in other comprehensive income.

Management appointed actuaries to carry out a full valuation of these pension plans to determine the pension obligations that are required to be disclosed and accounted for in the accounts in accordance with the requirements of HKFRSs.

The actuaries use assumptions and estimates in determining the fair value of the defined benefit plans and evaluate and update these assumptions on an annual basis. Judgement is required to determine the principal actuarial assumptions to determine the present value of defined benefit obligations and service costs. Changes to the principal actuarial assumptions can significantly affect the present value of plan obligations and service costs in future periods.

6. 關鍵會計判斷及估計不確定因素之主要來源(續)

評估收購附屬公司所得之可識別資產及負債

完成附屬公司或業務收購後，董事已評估收購所得之可識別資產及所承擔負債於收購日之公平值。董事運用彼等之判斷選擇適合估值方法評估年內本集團收購附屬公司所得之物業、廠房及設備。物業、廠房及設備之公平值由獨立專業估值師估計。倘收購所得可識別資產及所承擔負債之公平值超過收購所支付代價之公平值，超出部分經重新評估後於收購日在溢利或虧損內確認。

保修撥備

本集團就日後各種服務及與保修索賠有關之維修成本相關開支作出保修撥備。管理層採用有關保修工作實際任務比例作為計算基準，以評估有關此工作之未來成本。評估撥備涉及管理層判斷及估計。當日後之實際結果或預期情況與原先估計存在差異，則有關差異將影響該等估計有變期間之保修撥備以及扣除／撥回撥備賬面值。

定額福利責任估計

本集團營辦三項定額福利計劃。定額福利計劃之退休金成本根據香港會計準則第19號(二零一一年)僱員福利之規定，使用預期單位記賬法進行評估。根據此方法，提供退休金之成本按對計劃作出全面估值之精算師意見於溢利或虧損內扣除。退休金責任為估計未來現金流出數額之現值，該現值參照於報告期間結算日與福利責任估計年期之條款及貨幣相若之政府機構或高質素公司債券之市場孳息率釐定之利率計算所得。所有精算收益及虧損於發生年度內在其他全面收入全數確認。

管理層委任精算師對該等退休金計劃進行全面估值，以釐定根據香港財務報告準則規定，須於賬目內披露及入賬之退休金責任。

精算師在釐定定額福利計劃之公平值時使用假設及估計，並每年評估及更新該等假設。在釐定主要精算假設時須運用判斷，以釐定定額福利責任之現值與服務成本。改變所採用之主要精算假設可對未來期間之計劃責任現值與服務成本造成重大影響。

6. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Valuation adjustments on credit positions

Various factors can influence the valuation adjustments estimates for credit positions regarding due from banks and clients. These factors include changes in borrowers' credit ratings, loan collateral valuations and the expected scale of loss. Management determines the amount of the valuation adjustments based on the present value of the expected future cash flows. In order to estimate the expected cash flows, management must make assumptions regarding the financial situation of the counterparty and the estimated recoverable amount of collateral.

Provisions

The Group recognises provisions for imminent threats if in the opinion of the responsible experts the probability that losses will occur is greater than the probability that they will not occur and if their amount can be reliably estimated. In judging whether the creation of a provision and its amount are reasonable, the best-possible estimates and assumptions as at the end of reporting periods are applied. If necessary, these will be adjusted to reflect new knowledge and circumstances at a later date. New knowledge may have a significant effect to profit or loss.

Research and development costs

In accordance with the accounting policy set out in note 5.11, costs associated with research activities are expensed in profit or loss as they are incurred, while costs that are directly attributable to development activities are recognised as intangible assets provided they meet all the requirements as set out in note 5.11. This requires the management to make judgements to distinguish the research phase and development phase of the projects being undertaken. Research is original and planned investigation undertaken with the prospect of gaining new scientific or technical knowledge and understanding. Development is the application of research, findings or other knowledge to a plan or design for the production of new or substantially improved materials devices, products, processes, systems or services before the start of commercial production or use. Determining the amounts to be expensed in profit or loss or to be capitalised required management to make judgement, and assumptions regarding the expected progress and outcome of the research and development activities the future expected cash generation of the assets, discount rates to be applied, and also the expected period of, probable future economic benefits. Because of the nature of the Group's research and development activities the criteria for the recognition of such costs as an asset are generally not met until late in the development stage of the projects. Hence research costs are generally recognised as expenses in the period in which they are incurred.

6. 關鍵會計判斷及估計不確定因素之主要來源(續)

信貸狀況之估值調整

多項因素可影響有關應付銀行及客戶款項之信貸狀況估值調整估計。該等因素包括借款人之信貸評級變動、貸款抵押品估值及預期虧損程度。管理層按預期未來現金流量之現值釐定價值調整金額。為估計預期現金流量，管理層須對對手方之財務狀況及抵押品之估計可收回金額作出假設。

撥備

倘相關專家認為發生虧損之可能性高於不會發生之可能性並能可靠估計虧損金額時，則本集團就當前威脅確認撥備。於判斷計提撥備及撥備金額有否合理時，應用報告期間結算日之最佳可能估計及假設。如有必要，日後可調整此最佳可能估計及假設以反映新認知及情況。新認知或會對溢利或虧損有重大影響。

研發成本

根據附註5.11載列之會計政策，研究活動相關之開支於產生時於溢利或虧損列作開支，而倘直接歸屬於開發活動之開支符合附註5.11載列之所有規定，則其將確認為無形資產。此要求管理層作出判斷以將所承接項目之研究階段及開發階段予以區分。研究乃所進行之原創及受規劃之調查，旨在獲得新科學或技術知識及瞭解。開發乃於開始作商業生產或使用前應用研究、結果或其他知識，以規劃或設計生產全新或重大改良物料器具、產品、工序、系統或服務。釐定於損益列作開支或予以資本化之金額時，管理層須作出判斷及有關研發活動之預期進度及結果、資產之未來預期現金產生、將應用之貼現率，及可能未來經濟效益之預期期間之假設。基於本集團之研究及開發活動性質，確認該等成本為資產之條件一般直至達到項目之開發階段後期時方會達成。因此，研究成本一般於產生期間內確認為開支。

6. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Fair value measurement

A number of assets and liabilities included in the Group's financial statements require measurement at, and/or disclosure of, fair value. The fair value measurement of the Group's financial and non-financial assets and liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the 'fair value hierarchy'):

- Level 1: unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2: observable inputs other than quoted prices included within Level 1; and
- Level 3: unobservable inputs are inputs for which market data are not available.

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

The Group measures the following items at fair value:

- Trading portfolio investments (note 20)
- Derivative financial assets (note 21)
- Derivative financial liabilities (note 21)
- Available-for-sales financial assets (note 24)
- Investment properties (note 29)

For more detailed information in relation to the fair value measurement of the items above, please refer to the respective notes.

6. 關鍵會計判斷及估計不確定因素之主要來源(續)

公平值計量

多項載列於本集團財務報表之資產及負債須按公平值進行計量及／或披露。本集團金融及非金融資產及負債之公平值計量乃於可行範圍內盡量使用市場可觀察資料輸入及數據。於釐定公平值計量時使用之資料輸入，乃根據所運用之估值技術中使用之資料輸入之可觀察程度而分類為不同層次(「公平值級別」)：

- 第一層：相同資產或負債於活躍市場之報價(未作調整)；
- 第二層：可觀察之資料輸入(不包括第一層之報價)；及
- 第三層：無法觀察之資料輸入乃市場不可得數據之資料輸入。

項目所歸入之上述層次，是依據對該項目公平值計量具有重大影響之最低層次資料輸入值。項目在層次之間之轉移於發生期間確認。

本集團計算以下若干項目之公平值：

- 交易組合投資(附註20)
- 衍生金融資產(附註21)
- 衍生金融負債(附註21)
- 可供出售金融資產(附註24)
- 投資物業(附註29)

有關上列項目公平值計量之更多詳盡資料，請參閱相關附註。

7. SEGMENT INFORMATION

During the year ended 31 December 2016, the Group has reorganised its internal reporting structure by simplifying the segmental classification based on revenue contribution from its products and service lines so as to enhance operational efficiency. The segment of the distribution of yacht has been grouped into the unallocated corporate segment. Accordingly, the comparative segment information has been re-presented to conform to current year's presentation.

The chief operating decision-maker, being the Company's executive directors, have re-organised the Group's products and service lines as operating segments as follows:

- (a) manufacture and distribution of watches and timepieces;
- (b) property investments; and
- (c) banking business.

These operating segments are monitored and strategic decisions are made on the basis of adjusted segment operating results.

2016

7. 分類資料

於截至二零一六年十二月三十一日止年度，本集團根據產品及服務類別貢獻之收益，透過簡化分類劃分，重組其內部報告架構，以提高營運效率。遊艇分銷經營分類已歸類至未分配公司分類。因此，可比較之分類資料已經重列，以符合本年度之呈報。

主要營運決策者(即本公司執行董事)已重組本集團產品及服務類別為以下多個經營分類：

- (a) 鐘錶及時計產品製造及分銷；
- (b) 物業投資；及
- (c) 銀行業務。

此等經營分類之監控及策略決定按經調整分類經營業績作出。

二零一六年

		Watches and timepieces 鐘錶及 時計產品 HK\$'000 千港元	Property investments 物業投資 HK\$'000 千港元	Banking business 銀行業務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment revenue:	分類收入：				
Net interest income from banking business	銀行業務之利息收入淨額	-	-	17,983	17,983
Net service fees and commission income from banking business	銀行業務之服務費及佣金收入淨額	-	-	72,595	72,595
Trading income from banking business	銀行業務之交易收入	-	-	18,902	18,902
Sales of goods from non-banking business	非銀行業務之貨品銷售收入	2,811,352	-	-	2,811,352
Rental income from non-banking business	非銀行業務之租金收入	-	19,123	-	19,123
Total revenue	總收入	2,811,352	19,123	109,480	2,939,955

7. SEGMENT INFORMATION (continued)

7. 分類資料(續)

2016 (continued)

二零一六年(續)

		Watches and timepieces 鐘錶及 時計產品 HK\$'000 千港元	Property investments 物業投資 HK\$'000 千港元	Banking business 銀行業務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment results	分類業績	201,582	3,079	53,988	258,649
Unallocated corporate income and expenses, net	未分配公司收入及支出淨額				(41,968)
Share of profit of associates	應佔聯營公司溢利				23,134
Finance costs	財務費用				(79,447)
Profit before income tax	除所得稅前溢利				160,368
Income tax expense	所得稅開支				(96,528)
Profit for the year	本年度溢利				63,840
Segment assets	分類資產	4,618,884	201,017	11,518,558	16,338,459
Unallocated corporate assets:	未分配公司資產：				
– Interests in associates	– 所佔聯營公司權益				88,841
– Available-for-sale financial assets	– 可供出售金融資產				254,512
– Trading portfolio investments	– 交易組合投資				187,362
– Short-term investments	– 短期投資				112,969
– Cash and deposits	– 現金及存款				70,453
– Other unallocated corporate assets	– 其他未分配公司資產				203,224
Consolidated total assets	綜合總資產				17,255,820
Segment liabilities	分類負債	688,546	68,786	10,608,974	11,366,306
Unallocated corporate liabilities:	未分配公司負債：				
– Corporate bonds	– 公司債券				692,127
– Borrowings	– 借貸				1,190,340
– Other unallocated corporate liabilities	– 其他未分配公司負債				154,357
Consolidated total liabilities	綜合總負債				13,403,130
Other segment information	其他分類資料				
Provision for impairment loss on trade receivables	應收賬款之減值虧損撥備	12,797	–	–	12,797
Impairment loss on goodwill	商譽減值虧損	70,566	–	–	70,566
Reversal of provisions for litigation risks, net	撥回訴訟風險撥備淨額	–	–	1,942	1,942
Reversal of impairment on due from banks and customers credit risks, net	撥回應收銀行及客戶信貸風險減值淨額	–	–	270	270
Provision for inventories	存貨撥備	4,885	–	–	4,885
Reversal of provision for inventories	撥回存貨撥備	5,325	–	–	5,325
Depreciation and amortisation	折舊及攤銷	100,074	2,436	3,178	105,688
Additions to non-current assets	添置非流動資產	182,693	–	202,163	384,856
Net deficit on revaluation of investment properties	投資物業重估虧絀淨額	–	3,897	–	3,897
Loss on disposal of a subsidiary	出售一間附屬公司之虧損	28,699	–	–	28,699

7. SEGMENT INFORMATION (continued)

7. 分類資料(續)

2015

二零一五年

		Watches and timepieces 鐘錶及 時計產品 HK\$'000 千港元 (Re-presented) (經重列)	Property investments 物業投資 HK\$'000 千港元 (Re-presented) (經重列)	Total 總計 HK\$'000 千港元 (Re-presented) (經重列)
Segment revenue:	分類收入：			
Sales of goods from non-banking business	非銀行業務之貨品銷售收入	3,458,245	–	3,458,245
Rental income from non-banking business	非銀行業務之租金收入	–	18,109	18,109
Total revenue	總收入	3,458,245	18,109	3,476,354
Segment results	分類業績	549,559	4,470	554,029
Unallocated corporate income and expenses, net	未分配公司收入及支出淨額			(13,929)
Share of profit of associates	應佔聯營公司溢利			9,685
Finance costs	財務費用			(77,075)
Profit before income tax	除所得稅前溢利			472,710
Income tax expense	所得稅開支			(132,551)
Profit for the year	本年度溢利			340,159
Segment assets	分類資產	4,988,845	235,551	5,224,396
Unallocated corporate assets:	未分配公司資產：			
– Interests in associates	– 所佔聯營公司權益			65,828
– Available-for-sale financial assets	– 可供出售金融資產			317,250
– Trading portfolio investments	– 交易組合投資			367,471
– Short-term investments	– 短期投資			143,362
– Cash and deposits	– 現金及存款			559,778
– Other unallocated corporate assets	– 其他未分配公司資產			160,471
Consolidated total assets	綜合總資產			6,838,556
Segment liabilities	分類負債	842,124	49,870	891,994
Unallocated corporate liabilities:	未分配公司負債：			
– Borrowings	– 借貸			938,532
– Corporate bonds	– 公司債券			708,834
– Other unallocated corporate liabilities	– 其他未分配公司負債			64,709
Consolidated total liabilities	綜合總負債			2,604,069
Other segment information	其他分類資料			
Provision for impairment loss on trade receivables	應收賬款之減值虧損撥備	12,688	–	12,688
Reversal of provision for impairment loss on trade receivables	撥回應收賬款減值虧損撥備	9,864	–	9,864
Provision for inventories	存貨撥備	49,932	–	49,932
Reversal of provision for inventories	撥回存貨撥備	37,696	–	37,696
Depreciation and amortisation	折舊及攤銷	97,680	4,470	102,150
Additions to non-current assets	添置非流動資產	296,097	–	296,097
Net deficit on revaluation of investment properties	投資物業重估虧絀淨額	–	499	499
Gain on disposal of a subsidiary	出售一間附屬公司之收益	9,517	–	9,517
Loss on fair value change in contingent consideration payable	應付或然代價公平值變動之虧損	969	–	969

7. SEGMENT INFORMATION (continued)

Unallocated corporate income and expenses mainly comprised dividend income from trading portfolio investments and available-for-sale financial assets, gain on fair value changes in trading portfolio investment, gain on fair value changes in derivative financial assets, gain on repurchase of corporate bonds, impairment of yacht and other corporate income and expenses of the Group's headquarter which are not directly attributable to the business activities of any operating segment. Other corporate expenses mainly included employee costs, directors' remuneration and office rental expenses for administrative purpose.

The Group's revenue from external customers and its non-current assets (other than financial assets and deferred tax assets) are divided into the following geographical areas:

7. 分類資料(續)

未分配公司收入及開支主要包括自交易組合投資及可供出售金融資產之股息收入、交易組合投資公平值變動之收益、衍生金融資產公平值變動之收益、購回公司債券之收益、遊艇減值及概不直接歸屬於任何經營分類業務活動之本集團總部其他公司收入及開支。其他公司開支主要包括僱員成本、董事薪酬及用作行政用途之辦公室租賃開支。

本集團來自外界客戶之收入及非流動資產(金融資產及遞延稅項資產除外)按以下地區劃分：

		Revenue from external customers		Non-current assets	
		來自外界客戶收入		非流動資產	
		2016	2015	2016	2015
		二零一六年	二零一五年	二零一六年	二零一五年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Hong Kong (domicile)	香港(所在地)	124,585	109,978	100,113	75,312
PRC	中國	2,119,637	2,706,583	1,329,623	1,344,978
Switzerland	瑞士	77,651	152,867	225,094	316,821
United Kingdom	英國	153,689	235,871	120,135	145,415
Liechtenstein	列支敦士登	109,480	-	424,562	-
Others	其他	354,913	271,055	5,771	4,132
		2,939,955	3,476,354	2,205,298	1,886,658

The geographical location of revenue is based on the location of customers. For goodwill and intangible assets, the geographical location is based on the areas of operation of CGUs. The geographical location of other non-current assets is based on the physical location of the assets.

The Group has a large number of customers and there is no significant revenue that is more than 10% of the Group's revenue derived from specific external customers for the years ended 31 December 2016 and 2015.

收入地區以客戶所在地點為準；商譽及無形資產以現金產生單位經營所在地為基準；其他非流動資產地區以資產實際所在地點為準。

本集團客戶眾多，截至二零一六年及二零一五年十二月三十一日止年度，概無任何來自特定外界客戶佔本集團收益超過10%之重大收入。

8. REVENUE

The Group is principally engaging in manufacture and distribution of watches and timepieces, property investments and banking business.

For banking business, revenue mainly comprises net interest income, net service fees and commission income and trading income (notes 8(a), 8(b) and 8(c)). For non-banking business, revenue mainly represents the net invoiced value of goods sold, after allowance for returns and trade discounts and rental income received and receivables (note 8(d)).

Revenue recognised during the year is as follows:

(a) Net interest income from banking business

8. 收入

本集團主要從事鐘錶及時計產品製造及分銷、物業投資及銀行業務。

就銀行業務而言，收入主要包括利息收入淨額、服務費用淨額及佣金收入以及交易收入(附註8(a)、8(b)及8(c))。就非銀行業務而言，收入主要指扣除退貨及貿易折扣之售出貨品發票淨值以及已收及應收租金收入。(附註8(d))。

年內確認之收入如下：

(a) 銀行業務之利息收入淨額

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Interest income from banking business arising from:	銀行業務產生之利息收入：		
Interest income – due from banks	利息收入－應收銀行款項	15,937	–
Interest income – due from clients	利息收入－應收客戶款項	8,480	–
Interest income from trading portfolio investments	交易組合投資之利息收入	36	–
Interest income from mortgage loans	按揭貸款利息收入	727	–
Interest income from available-for-sale financial assets	可供出售金融資產之利息收入	413	–
Interest income from held-to-maturity investments	持至到期投資之利息收入	1,108	–
Interest income from money market papers	貨幣市場票據利息收入	77	–
Negative interest expense on due to clients	應付客戶款項之負利息開支	156	–
		26,934	–
Interest expenses from banking business arising from:	銀行業務產生之利息開支：		
Interest expense on due to banks	應付銀行款項利息開支	(6,123)	–
Interest expense on due to clients	應付客戶款項利息開支	(659)	–
Interest expense for issued debt instruments	發行債務工具之利息開支	(941)	–
Negative interest income on due from banks and clients	應收銀行及客戶款項之負利息收入	(1,228)	–
		(8,951)	–
Net interest income from banking business	銀行業務之利息收入淨額	17,983	–

8. REVENUE (continued)

8. 收入(續)

(b) Net service fees and commission income from banking business

(b) 銀行業務之服務費及佣金收入淨額

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Service fees and commission income from banking business arising from:	銀行業務之服務費及佣金收入產生自下列各項：		
Commission income from loans	貸款所得佣金收入	597	-
Brokerage fees	經紀費	17,646	-
Custody account fees	託管賬戶費	7,158	-
Commission on investment advice and asset management	投資建議及資產管理佣金	25,585	-
Commission income from service fees	服務費用佣金收入	28,555	-
Commission income from fiduciary fees	信託費用佣金	90	-
Commission income from retrocession	轉分保佣金收入	1,080	-
Other commission income	其他佣金收入	15,185	-
		95,896	-
Service fees and commission expenses from banking business	銀行業務之服務費及佣金開支	(23,301)	-
Net service fees and commission income from banking business	銀行業務之服務費及佣金收入淨額	72,595	-

(c) Trading income from banking business

(c) 銀行業務之交易收入

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Debt instruments	債務工具	(37)	-
Securities	證券	8	-
Forex and precious metals	外匯及貴金屬	18,808	-
Funds	基金	123	-
Trading income from banking business	銀行業務之交易收入	18,902	-

(d) Revenue from non-banking business

(d) 非銀行業務之收入

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Sales of goods	貨品銷售	2,811,352	3,458,245
Rental income	租金收入	19,123	18,109
Revenue from non-banking business	非銀行業務之收入	2,830,475	3,476,354

9. OTHER ORDINARY INCOME AND OTHER NET GAINS OR LOSSES 9. 其他經常性收入及其他收益或虧損淨額

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Gain on fair value changes in trading portfolio investments, net	交易組合投資之公平值變動收益淨額	68,187	29,078
Loss on fair value changes in contingent consideration payable (note (a))	應付或然代價之公平值變動虧損(附註(a))	-	(969)
Gain on fair value changes in derivative financial instruments, net	衍生金融工具公平值變動之收益淨額	5,098	15,810
Net deficit on revaluation of investment properties	投資物業重估之虧絀淨額	(3,897)	(499)
(Loss)/Gain on disposal of subsidiaries	出售附屬公司之(虧損)/收益	(28,699)	9,517
Bank and other interest income from non-banking business	非銀行業務之銀行及其他利息收入	22,453	35,511
Dividend income from trading portfolio investments	買賣組合投資之股息收入	3,358	1,637
Dividend income from available-for-sale financial assets	可供出售金融資產之股息收入	3,558	7,597
Exchange gain, net	匯兌收益淨額	5,367	-
Sales of scrap materials	廢料銷售	3,471	8,280
Other operating income	其他經營收入	4,993	39,884
Government subsidies (note (b))	政府補助金(附註(b))	31,587	26,888
Gain on disposal of brand name	出售品牌名稱收益	-	30,000
Gain on repurchase of corporate bonds	購回公司債券之收益	312	6,872
Compensation received (note (c))	已收賠償(附註(c))	-	23,495
Reversal of impairment loss on trade receivables	撥回應收賬款減值虧損	-	9,864
Impairment loss on goodwill (note 32)	商譽減值虧損(附註32)	(70,566)	-
Reversal of provisions for litigation risks, net	撥回訴訟風險撥備淨額	1,942	-
Reversal of impairment on due from banks and customers credit risks, net	撥回應收銀行及客戶信貸風險減值淨額	270	-
Gain on disposal of intangible assets	出售無形資產收益	-	4,280
Sundry income	雜項收入	15,731	10,300
		63,165	257,545

9. OTHER ORDINARY INCOME AND OTHER NET GAINS OR LOSSES (continued)

Notes:

- (a) Contingent consideration payable represented the fair value of final consideration payment of the acquisition of The Dreyfuss Group Limited and its subsidiaries ("Dreyfuss Group"). For the year ended 31 December 2015, the final consideration payable to the vendor has been mutually agreed at GBP1,050,000 (equivalent to approximately HK\$11,638,000). The fair value loss of contingent consideration payable of HK\$969,000 had been recognised in the consolidated statement of comprehensive income for the year ended 31 December 2015. No contingent consideration payable is recognised during the year.
- (b) Government subsidies mainly comprised of unconditional subsidies received for subsidising the Group's business.
- (c) Compensation received represented the money from the vendor in respect of the acquisition of Montres Corum Sàrl to compensate the uncollected trade receivables in 2015. No such compensation income is recognised during the year.

10. FINANCE COSTS

9. 其他經常性收入及其他收益或虧損淨額(續)

附註：

- (a) 應付或然代價指收購帝福時集團有限公司及其附屬公司(「帝福時集團」)之末期代價款項公平值。截至二零一五年十二月三十一日止年度，應付賣方之最終代價共同協定為1,050,000英鎊(相當於約11,638,000港元)。應付或然代價之公平值虧損969,000港元已於截至二零一五年十二月三十一日止年度之綜合全面收入表中確認。年內，概無確認應付或然代價。
- (b) 政府補助金主要包括已收無條件補貼本集團業務。
- (c) 已收賠償指於二零一五年就收購Montres Corum Sàrl而自賣方收取之款項，以補償未能收回之應收賬款。年內，概無確認該補貼收入。

10. 財務費用

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Interest charged on corporate bonds	公司債券利息開支	30,222	29,218
Interest charged on bank borrowings and bank overdrafts	銀行借貸及銀行透支之利息開支	49,225	47,782
Interest charged on finance leases	融資租賃利息開支	-	75
		79,447	77,075

11. PROFIT BEFORE INCOME TAX

11. 除所得稅前溢利

Profit before income tax is arrived at after charging/(crediting):

除所得稅前溢利已扣除/(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
Cost of inventories recognised as expense, including:	確認為開支之存貨成本，包括：	1,296,518	1,694,496
– Reversal of provision for inventories (note (c))	– 撥回存貨撥備(附註(c))	(5,325)	(37,696)
– Provision for inventories	– 存貨撥備	10,231	56,770
Depreciation and amortisation	折舊及攤銷	115,642	116,816
– Depreciation (note (a))	– 折舊(附註(a))	107,363	103,144
– Amortisation of prepaid land lease payments (note (b))	– 預付土地租賃款項攤銷(附註(b))	949	1,015
– Amortisation of intangible assets (note (b))	– 無形資產攤銷(附註(b))	3,450	9,096
– Amortisation of issuance cost of corporate bonds (note (b))	– 公司債券發行成本攤銷(附註(b))	3,880	3,561
Lease payments under operating leases in respect of:	以下經營租約項下項目之租賃款項：		
– Land and buildings	– 土地及樓宇	53,007	54,324
– Plant and machinery	– 廠房及機器	1,386	3,493
Auditor's remuneration	核數師酬金	3,900	2,480
Gross rental income	租金收入總額	(19,123)	(18,109)
Less: direct operating expenses	減：直接經營開支	3,487	2,538
Net rental income	租金收入淨額	(15,636)	(15,571)
Exchange losses, net	匯兌虧損淨額	–	6,130
Loss/(Gain) on disposal of property, plant and equipment	出售物業、廠房及設備之虧損/(收益)	328	(155)
Research and development expenses (note (b))	研究及開發開支(附註(b))	61,270	110,898
Impairment loss on trade receivables	貿易應收賬款減值虧損	12,797	12,688

Notes:

- (a) Depreciation expense of HK\$20,271,000 (2015: HK\$15,104,000) has been included in cost of sales from non-banking business, HK\$42,009,000 (2015: HK\$44,616,000) in selling and distribution expenses and HK\$45,083,000 (2015: HK\$43,424,000) in administrative expenses.
- (b) Amortisation expenses and research and development expenses had been included in the administrative expenses.
- (c) Reversal of provision for inventories made in prior years arose mainly due to an increase in the estimated net realisable value of certain finished goods as a result of improved sales performance.

附註：

- (a) 折舊支出20,271,000港元(二零一五年：15,104,000港元)已計入非銀行業務之銷售成本、42,009,000港元(二零一五年：44,616,000港元)計入銷售及分銷費用以及45,083,000港元(二零一五年：43,424,000港元)計入行政費用。
- (b) 攤銷開支以及研究及開發開支已計入行政費用。
- (c) 過往年度作出之撥回存貨撥備主要由於銷售業績有所改善而導致若干製成品估計可變現淨值增加所致。

12. INCOME TAX EXPENSE

For the year ended 31 December 2016, Hong Kong profit tax has been provided for certain subsidiaries within the Group and is calculated at 16.5% on the estimated assessable profits. For the year ended 31 December 2015, no provision for Hong Kong profit tax has been made as the Group has no assessable profits arising in Hong Kong. The subsidiaries established in the PRC are subject to income taxes at tax rates ranging between 15% and 25% (2015: 15% and 25%). Overseas tax is calculated at the rates applicable in the respective jurisdictions.

The Group is also subject to PRC withholding tax at the rate of 5% or 10% (2015: 5% or 10%) in respect of its PRC sourced income earned, including rental income from properties in the PRC, dividend income derived from PRC incorporated company and profit arising from the transfer of equity interest in PRC incorporated company.

12. 所得稅開支

截至二零一六年十二月三十一日止年度，本集團已為若干附屬公司計提香港利得稅撥備，並按估計應課稅溢利16.5%計算。截至二零一五年十二月三十一日止年度，由於本集團並無於香港產生之應課稅溢利，所以並無計提香港利得稅撥備。於中國成立之附屬公司須按介乎15%至25%（二零一五年：15%至25%）之所得稅率繳稅。海外稅項按相關司法權區適用稅率計算。

本集團亦就其於中國賺取之收入按稅率5%或10%（二零一五年：5%或10%）繳交中國預扣稅，預扣稅包括來自中國物業之租金收入、產生自中國註冊成立公司之股息收入及轉讓於中國註冊之公司股權產生之溢利。

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Current tax for the year	年內即期稅項		
Hong Kong	香港	15	-
PRC	中國	91,319	124,123
Liechtenstein	列支敦士登	10,554	-
Switzerland	瑞士	240	2,128
United Kingdom	英國	-	2,370
Under/(Over)-provision in respect of prior years	過往年度撥備不足/(超額撥備)		
PRC	中國	-	(305)
Switzerland	瑞士	14	114
United Kingdom	英國	(1,528)	-
Deferred tax for the year (note 41)	年內遞延稅項(附註41)	(4,086)	4,121
Total income tax expense	所得稅開支總額	96,528	132,551

Reconciliation between income tax expense and accounting profit at applicable tax rates:

按適用稅率計算之所得稅開支與會計溢利之對賬如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Profit before income tax	除所得稅前溢利	160,368	472,710
Tax on profit before income tax, calculated at the rates applicable to the tax jurisdictions concerned	除所得稅前溢利之稅項 (根據相關稅務司法權區 適用之稅率計算)	33,144	90,856
Tax effect of non-taxable income	毋須課稅收入之稅務影響	(23,578)	(12,111)
Tax effect of non-deductible expenses	不可扣稅開支之稅務影響	43,662	13,272
Over-provision in respect of prior years	過往年度超額撥備	(767)	(190)
Utilisation of tax losses not recognised	動用未確認之稅項虧損	(4)	(659)
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	44,071	41,383
Total income tax expense	所得稅開支總額	96,528	132,551

13. DISPOSAL OF SUBSIDIARIES

13. 出售附屬公司

13.1 Disposal of Henan Jinjue

In May 2016, the Group has completed the disposal of its 46.05% equity interest in Henan Jinjue together with the selling and distribution networks to an independent third party at the total consideration of RMB48,353,000 (equivalent to HK\$57,563,000) and the Group recognised a loss on disposal of a subsidiary of approximately HK\$28,699,000. Details of the Group's loss on disposal of a subsidiary for the year ended 31 December 2016 were set out as follows:

13.1 出售河南金爵

於二零一六年五月，本集團以總代價人民幣48,353,000元（相當於57,563,000港元）完成出售其於河南金爵之46.05%股權（連同其向一名獨立第三方之銷售及分銷網絡）。本集團確認出售一間附屬公司虧損約28,699,000港元。有關本集團於截至二零一六年十二月三十一日止年度出售一間附屬公司虧損之詳情載列如下：

		HK\$'000 千港元
Net assets disposed of:	出售資產淨值：	
Cash and deposits	現金及按金	4,703
Trade receivables	應收賬款	58,813
Inventories	存貨	98,824
Property, plant and equipment (note 28)	物業、廠房及設備(附註28)	1,296
Intangible assets (note 31)	無形資產(附註31)	24,033
Other assets	其他資產	1,889
Trade payables	應付賬款	(22,029)
Income tax payable	應付所得稅	(172)
Other liabilities	其他負債	(18,400)
		148,957
Non-controlling interests	非控股權益	(61,212)
		87,745
Release of exchange reserve upon disposal	於出售時撥回外匯儲備	4,701
		92,446
Less: Fair value of consideration in cash	減：現金代價之公平值	(57,563)
Less: Value of the retained 4.95% equity interest in Henan Jinjue (note 24(d))	減：所保留河南金爵4.95%股權之價值(附註24(d))	(6,184)
Loss on disposal of Henan Jinjue	出售河南金爵之虧損	28,699

		HK\$'000 千港元
Net cash inflow arising on disposal:	出售產生之現金流入淨額：	
Cash consideration	現金代價	57,563
Less: Consideration receivable	減：應收代價	(45,063)
Less: Cash and deposits disposed of	減：所出售之現金及存款	(4,703)
Net cash inflow for the year ended 31 December 2016	截至二零一六年十二月三十一日止年度之現金流入淨額	7,797

13. DISPOSAL OF SUBSIDIARIES (continued)

13. 出售附屬公司(續)

13.1 Disposal of Henan Jinjue (continued)

The cash consideration of RMB10,501,000 (equivalent to HK\$12,500,000) from disposal of Henan Jinjue has been received by the Group during the year. Pursuant to the sales and purchase agreement with the acquirer, the remaining consideration of RMB37,852,000 (equivalent to HK\$42,282,000), which has been presented under "other assets" in the consolidated statement of financial position as at 31 December 2016, will be received by the Group on or before 31 May 2017.

13.1 出售河南金爵(續)

年內，本集團已收取出售河南金爵之現金代價人民幣10,501,000元(相當於12,500,000港元)。根據與收購方訂立之買賣協議，本集團將於二零一七年五月三十一日或之前收取餘下代價人民幣37,852,000元(相當於42,282,000港元)(已計入二零一六年十二月三十一日之綜合財務狀況表「其他資產」內)。

13.2 Disposal of Beijing Haina Tianshi Watch Company Limited ("Beijing Haina")

In May 2015, the Group completed the disposal of its 51% equity interest in Beijing Haina together with the selling and distribution networks at the total consideration of HK\$81,214,000 and the Group recognised a gain on disposal of a subsidiary of approximately HK\$9,517,000. Details of the Group's gain on disposal of a subsidiary for the year ended 31 December 2015 were set out as follows:

13.2 出售北京海納天時鐘錶有限公司(「北京海納」)

於二零一五年五月，本集團以總代價81,214,000港元完成出售其於北京海納之51%股權(連同其銷售及分銷網絡)。本集團確認出售一間附屬公司收益約9,517,000港元。有關本集團於截至二零一五年十二月三十一日止年度出售一間附屬公司收益之詳情載列如下：

		HK\$'000 千港元
Net assets disposed of:	出售資產淨值：	
Property, plant and equipment (note 28)	物業、廠房及設備(附註28)	196
Intangible assets (note 31)	無形資產(附註31)	41,260
Inventories	存貨	41,221
Trade receivables	應收賬款	10,041
Other assets	其他資產	10,727
Cash and deposits	現金及按金	6,022
Trade payables	應付賬款	(1,384)
Other liabilities	其他負債	(7,253)
Income tax payable	應付所得稅	(393)
		100,437
Non-controlling interests	非控股權益	(28,996)
		71,441
Release of exchange reserve upon disposal	於出售時撥回外匯儲備	256
		71,697
Less: Fair value of consideration in cash	減：現金代價之公平值	(81,214)
Gain on disposal of Beijing Haina	出售北京海納之收益	(9,517)
		HK\$'000 千港元
Net cash inflow arising on disposal:	出售產生之現金流入淨額：	
Fair value of consideration in cash	現金代價之公平值	81,214
Less: Cash and deposits disposed of	減：所出售之現金及存款	(6,022)
Net cash inflow for the year ended 31 December 2015	截至二零一五年十二月三十一日止年度之現金流入淨額	75,192

The cash consideration of HK\$81,214,000 has been fully received by the Group during the year ended 31 December 2015.

截至二零一五年十二月三十一日止年度，本集團已悉數收取現金代價81,214,000港元。

13. DISPOSAL OF SUBSIDIARIES (continued)

13.3 Disposal of Ruihuang (Chongqing) Watch Company Limited ("Ruihuang")

The remaining consideration of RMB33,066,000 (equivalent to HK\$39,364,000) in respect of disposal of Ruihuang, which presented under "other assets" in note 33 as at 31 December 2015, has been fully received by the Group during the year ended 31 December 2016.

14. DIVIDENDS

14.1 Final Dividend

The board of directors do not recommend the payment of final dividend for the year ended 31 December 2016 (2015: recommended final dividend of HK2.5 cents per share). For the year ended 31 December 2015, the final dividend declared after the reporting date had been paid to the Company's shareholders during the year ended 31 December 2016.

In the abovementioned board meeting, the board of directors resolved to recommend a special dividend of HK5 cents per share (2015: nil). The proposed special dividend is subject to shareholder's approval in the forthcoming 2017 annual general meeting and has not been recognised as dividend payable as at 31 December 2016, but will be reflected as an appropriation of retained profits/share premium for the year ending 31 December 2017.

15. EARNINGS PER SHARE

The calculations of basic and diluted earnings per share attributable to owners of the Company are based on the following data:

Earnings	盈利	2016	2015
		二零一六年	二零一五年
		HK\$'000	HK\$'000
		千港元	千港元
Profit attributable to owners of the Company for the purpose of calculating basic and diluted earnings per share	計算每股基本及攤薄盈利所依據之本公司擁有人應佔溢利	36,703	307,675

13. 出售附屬公司(續)

13.3 出售瑞皇(重慶)鐘錶有限公司(「瑞皇」)

截至二零一六年十二月三十一日止年度，本集團已全數收取有關出售瑞皇之餘下代價人民幣33,066,000元(相當於39,364,000港元)(於二零一五年十二月三十一日附註33獲呈列為「其他資產」)。

14. 股息

	2016	2015
	二零一六年	二零一五年
	HK\$'000	HK\$'000
	千港元	千港元
Final dividend paid in respect of previous financial year of HK2.5 cents per share (2015: nil)	108,654	—

於二零一七年三月三十一日舉行之董事會會議上，董事會並不建議就截至二零一六年十二月三十一日止年度派付末期股息(二零一五年：建議每股末期股息2.5港仙)。截至二零一五年十二月三十一日止年度，於報告日期後宣派之末期股息於截至二零一六年十二月三十一日止年度，已向本公司股東支付。

於上述董事會會議，董事會議決建議派付特別股息每股5港仙(二零一五年：無)。建議特別股息須待應屆二零一七年股東週年大會上獲股東批准後方可作實，且並無確認為二零一六年十二月三十一日之應付股息，惟將反映為截至二零一七年十二月三十一日止年度之保留溢利/股份溢價撥備。

15. 每股盈利

本公司擁有人應佔每股基本及攤薄盈利乃根據以下數據計算：

15. EARNINGS PER SHARE (continued)

15. 每股盈利(續)

Number of shares	股份數目	2016	2015
		二零一六年 Number of shares 股份數目 '000 千股	二零一五年 Number of shares 股份數目 '000 千股
Weighted average number of shares for the purpose of calculating basic earnings per share	計算每股基本盈利所依據之加權平均股數	4,367,238	4,409,302
Effect of dilutive potential shares:	潛在股份之攤薄影響：		
– share options issued by the Company	– 本公司發行之認購股份權	9,314	9,588
Weighted average number of shares for the purpose of calculating diluted earnings per share	計算每股攤薄盈利所依據之加權平均股數	4,376,552	4,418,890

16. EMPLOYEE BENEFIT EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS)

16. 僱員福利開支(包括董事酬金)

16.1 Employee benefit expense

16.1 僱員福利開支

		2016	2015
		二零一六年 HK\$'000 千港元	二零一五年 HK\$'000 千港元
Wages and salaries	工資及薪金	595,106	612,254
Pension costs	退休金成本	80,656	52,329
		675,762	664,583

Employee costs, including directors' emoluments of HK\$140,750,000(2015: HK\$155,460,000) has been included in cost of sales from non-banking business, HK\$195,639,000 (2015: HK\$228,220,000) in selling and distribution expenses and HK\$339,373,000 (2015: HK\$280,903,000) in administrative expenses.

僱員成本(包括董事酬金)140,750,000港元(二零一五年: 155,460,000港元)已計入非銀行業務之銷售成本、195,639,000港元(二零一五年: 228,220,000港元)計入銷售及分銷開支及339,373,000港元(二零一五年: 280,903,000港元)計入行政開支。

16.2 Defined benefit pension plans

16.2 定額退休福利計劃

		2016	2015
		二零一六年 HK\$'000 千港元	二零一五年 HK\$'000 千港元
Net defined benefit obligations	定額福利責任淨額	89,630	53,436

16. EMPLOYEE BENEFIT EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS) (continued)

16. 僱員福利開支(包括董事酬金)(續)

16.2 Defined benefit pension plans (continued)

Net defined benefit liability has been included in "other liabilities" (note 40) in the consolidated statement of financial position.

16.2 定額退休福利計劃(續)

定額福利負債淨額已計入綜合財務狀況表「其他負債」(附註40)項下。

The defined benefit pension plans are primarily arising from Eterna AG Uhrenfabrik and its subsidiaries (together the "Eterna Group"), Montres Corum Sàrl and its subsidiaries (together the "Corum Group") and Bendura Group. The Group makes contributions to the defined benefit pension plans that provide post-retirement benefits for employees upon retirement. Under the schemes, the employees in Switzerland and Liechtenstein are entitled to retirement benefits based on the plan assets accumulated on attainment of the retirement age and a fixed annual rate. Since there is potential down-side risk for the employer to pay additional contributions in case the plan has a deficit, Swiss and Liechtenstein plans are classified as defined benefit pension plans.

定額退休金福利計劃主要來自Eterna AG Uhrenfabrik及其附屬公司(統稱「綺年華集團」)、Montres Corum Sàrl及其附屬公司(統稱「崑崙集團」)及富地集團。本集團向定額退休金福利計劃作出供款，為僱員於退休時提供退休後福利。根據計劃，瑞士及列支敦士登僱員可享有退休福利，乃根據達到退休年齡及固定年率所累計之計劃資產釐定。由於一旦計劃出現赤字，僱主須支付額外供款，導致潛在損失風險，故瑞士及列支敦士登計劃分類為定額退休金福利計劃。

The latest independent actuarial valuations of plan assets and the present value of the defined benefit obligation on the Eterna Group were carried out at 31 December 2016 and 2015 by Martin Schnider, a member of the Swiss Associate of Actuaries in Switzerland, using the projected unit credit method.

綺年華集團計劃資產之最新獨立精算估值及定額福利責任現值乃由瑞士之Swiss Associate of Actuaries 一位會員 Martin Schnider於二零一六年及二零一五年十二月三十一日使用預測單位入賬方法進行。

The latest independent actuarial valuations of plan assets and the defined benefit obligations on the Corum Group were carried out at 31 December 2016 and 2015 by Nicolas Colozier, a member of the Swiss Associate of Actuaries in Switzerland, using the projected unit credit method.

崑崙集團計劃資產之最新獨立精算估值及定額福利責任乃由瑞士之Swiss Associate of Actuaries一位會員Nicolas Colozier於二零一六年及二零一五年十二月三十一日使用預測單位入賬方法進行。

The latest independent actuarial valuations of plan assets and the defined benefit obligations on the Bendura Group were carried out at 31 December 2016 by AXA Pension Solutions AG, a member of Swiss Associate of Actuaries in Switzerland, using the projected unit credit method.

富地集團計劃資產之最新獨立精算估值及定額福利責任乃由瑞士之Swiss Associate of Actuaries 一位會員 AXA Pension Solutions AG於二零一六年十二月三十一日使用預測單位入賬方法進行。

(a) The amount included in the consolidated statement of financial position arising from the Group's obligation in respect of its defined benefit plans is as follows:

(a) 載於綜合財務狀況表本集團就其定額福利計劃責任所產生之金額如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Present value of defined benefit obligations	定額福利責任現值	413,556	299,974
Fair value of plan assets	計劃資產之公平值	(323,926)	(246,538)
Net liability arising from defined benefit obligations	定額福利責任產生之負債淨額	89,630	53,436

16. EMPLOYEE BENEFIT EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS) (continued)

16. 僱員福利開支(包括董事酬金)(續)

16.2 Defined benefit pension plans (continued)

(b) Movements in the present value of the defined benefit obligations for both the years ended 31 December 2016 and 2015 are as follows:

16.2 定額退休福利計劃(續)

(b) 截至二零一六年及二零一五年十二月三十一日止兩個年度定額福利計劃責任現值變動如下：

		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	299,974	310,229
Addition through acquisition of subsidiaries	透過收購附屬公司之添置	127,783	-
Current service costs	現時服務成本	25,221	22,326
Interest cost	利息成本	2,817	2,861
Actuarial gains	精算收益	(13,780)	(12,298)
Benefits paid	已付福利	(16,052)	(22,246)
Exchange realignment	匯兌調整	(12,407)	(898)
At 31 December	於十二月三十一日	413,556	299,974

(c) Movements in the fair value of the plan assets for both the years ended 31 December 2016 and 2015 are as follows:

(c) 截至二零一六年及二零一五年十二月三十一日止兩個年度計劃資產公平值變動如下：

		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	246,538	256,831
Addition through acquisition of subsidiaries	透過收購附屬公司之添置	83,764	-
Interest income	利息收入	2,309	1,045
Return on plan assets	計劃資產之回報	2,307	2,466
Actuarial losses	精算虧損	(1,719)	(5,279)
Contributions by the employer	僱主供款	8,462	8,906
Contributions by plan participants	計劃參與者供款	7,776	5,508
Benefit paid	已付福利	(16,052)	(22,246)
Exchange realignment	匯兌調整	(9,459)	(693)
At 31 December	於十二月三十一日	323,926	246,538

16. EMPLOYEE BENEFIT EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS) (continued)

16. 僱員福利開支(包括董事酬金)(續)

16.2 Defined benefit pension plans (continued)

16.2 定額退休福利計劃(續)

- (d) Amounts recognised in the consolidated statement of comprehensive income in respect of these defined benefit plans are as follows:

- (d) 就該等定額福利計劃於綜合全面收入表內確認之金額如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Service cost:	服務成本：		
Current service costs	現時服務成本	25,221	22,326
Net interest expense	利息開支淨額	508	1,816
Components of defined benefit costs recognised in profit or loss	於溢利或虧損中確認之定額福利成本之組成部分	25,729	24,142
Remeasurement on the net defined benefit liability:	重新計算界定利益負債淨額：		
Return on plan assets	計劃資產之回報	2,307	2,466
Actuarial gains	精算收益	12,061	7,019
Components of defined benefit costs recognised in other comprehensive income	於其他全面收入中確認之定額福利成本之組成部分	14,368	9,485

The defined benefit cost of HK\$25,729,000 (2015: HK\$24,142,000) has been included in the administrative expenses. The remeasurement of the net defined benefit liability is included in other comprehensive income.

定額福利成本25,729,000港元(二零一五年：24,142,000港元)已於行政費用入賬。重新計算界定利益負債淨額於其他全面收入入賬。

- (e) The major categories of the fair value of the plan assets at the end of reporting period are as follows:

- (e) 於報告期末計劃資產公平值之主要類別如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Equity instruments	股本工具	54,647	62,300
Debt instruments	債務工具	85,300	87,285
Properties	物業	73,627	79,654
Commodities instruments	商品工具	1,911	772
Assets from reinsurance	重新保險資產	93,958	6,639
Hedge funds	對沖基金	4,135	-
Cash	現金	10,348	9,888
		323,926	246,538

The fair values of the above equity and debt instruments are determined based on quoted market prices in active markets whereas the fair value of properties, commodities instruments, assets from reinsurance and hedge funds are not based on quoted market prices in active markets.

上述股本及債務工具之公平值按活躍市場之市場報價釐定，而物業、商品工具、重新保險資產及對沖基金之公平值並非按活躍市場之市場報價釐定。

16. EMPLOYEE BENEFIT EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS) (continued)

16. 僱員福利開支(包括董事酬金)(續)

16.2 Defined benefit pension plans (continued)

16.2 定額退休福利計劃(續)

- (f) The principal assumption used for the purpose of the actuarial valuations was as follows:

- (f) 用於精算評估目的之主要假設如下：

		2016 二零一六年	2015 二零一五年
Discount rate(s)	貼現率	0.6%-0.75%	0.8%-0.85%
Expected rate(s) of salary increase	預期薪金升幅	0.5%-1.5%	0.5%-1%

- (g) Sensitivity analysis on defined benefit pension plans

- (g) 定額福利退休金計劃之敏感度分析

Significant actuarial assumptions for the determination of the defined benefit obligations are discount rate and expected rate of salary increase. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

釐定定額福利責任之主要精算假設為貼現率及預期薪金增幅比率。下文之敏感度分析乃按當所有其他假設保持不變時，報告期末所產生有關假設合理可能變動而釐定。

- If the discount rate is 50 basis points higher/(lower), the defined benefit obligation would decrease by HK\$21,846,000 (2015: HK\$29,381,000)/increase by HK\$35,401,000 (2015: HK\$34,050,000).
- If the expected rate of salary increase increases/(decreases) by 50 basis points, the defined benefit obligations would increase by HK\$5,083,000 (2015: HK\$3,865,000)/decrease by HK\$4,944,000 (2015: HK\$3,678,000).

- 倘貼現率上升/(下降)50個基點，定額福利責任將減少21,846,000港元(二零一五年：29,381,000港元)/增加35,401,000港元(二零一五年：34,050,000港元)。
- 倘預期薪金增幅比率增加/(減少)50個基點，定額福利責任將增加5,083,000港元(二零一五年：3,865,000港元)/減少4,944,000港元(二零一五年：3,678,000港元)。

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

上述敏感度分析可能並不代表定額福利責任之實際變化，原因為若干假設可能彼此關聯，假設中之變化不大可能單獨出現。

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit liability recognised in the consolidated statement of financial position.

此外，就上述敏感度分析之呈列，於報告期末定額福利責任之現值使用預測單位入賬方法計算，即與於綜合財務狀況表中所確認定額福利負債之計算所應用者相同。

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

過往年度用以制定敏感度分析之方法及假設概無變動。

17. DIRECTORS' REMUNERATION AND SENIOR MANAGEMENT'S EMOLUMENTS 17. 董事酬金及高層管理人員酬金

17.1 Directors' emoluments

Details of emoluments of the directors of the Company in connection with the management of affairs of the Company and its subsidiaries are set out below:

17.1 董事酬金

有關管理本公司及其附屬公司事宜之本公司董事酬金之詳情載列如下：

		Directors' fees	Salaries, allowances and benefits in kind	Contributions to pension scheme	Total
		HK\$'000	薪金、津貼及實物福利	退休計劃供款	總計
		千港元	HK\$'000	千港元	千港元
2016	二零一六年				
Executive directors	執行董事				
Mr. Hon Kwok Lung	韓國龍先生	—	1,690	18	1,708
Mr. Shang Jianguang	商建光先生	—	12,526	78	12,604
Mr. Shi Tao*	石濤先生*	—	1,690	18	1,708
Mr. Lam Toi Man	林代文先生	—	1,430	18	1,448
Mr. Bi Bo	畢波先生	—	1,456	18	1,474
Ms. Sit Lai Hei	薛黎曦女士	—	1,430	18	1,448
Mr. Hon Hau Wong	韓孝煌先生	—	1,430	18	1,448
Mr. Tao Li	陶立先生	—	5,909	121	6,030
Independent non-executive directors	獨立非執行董事				
Mr. Fung Tze Wa	馮子華先生	200	—	—	200
Dr. Kwong Chun Wai, Michael	鄺俊偉博士	150	—	—	150
Mr. Li Qiang#	李強先生#	150	—	—	150
Mr. Zhang Bin	張斌先生	150	—	—	150
		650	27,561	307	28,518

17. DIRECTORS' REMUNERATION AND SENIOR MANAGEMENT'S EMOLUMENTS (continued)

17. 董事酬金及高層管理人員酬金 (續)

17.1 Directors' emoluments (continued)

17.1 董事酬金(續)

		Directors' fees	Salaries, allowances and benefits in kind	Contributions to pension scheme	Total
		董事袍金	薪金、津貼及實物福利	退休計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$000
		千港元	千港元	千港元	千港元
2015	二零一五年				
Executive directors	執行董事				
Mr. Hon Kwok Lung	韓國龍先生	–	1,690	18	1,708
Mr. Shang Jianguang	商建光先生	–	10,169	72	10,241
Mr. Shi Tao*	石濤先生*	–	1,690	18	1,708
Mr. Lam Toi Man	林代文先生	–	1,430	18	1,448
Mr. Bi Bo	畢波先生	–	1,456	18	1,474
Ms. Sit Lai Hei	薛黎曦女士	–	1,430	18	1,448
Mr. Hon Hau Wong	韓孝煌先生	–	1,430	18	1,448
Mr. Tao Li	陶立先生	–	1,430	18	1,448
Independent non-executive directors	獨立非執行董事				
Mr. Fung Tze Wa	馮子華先生	200	–	–	200
Dr. Kwong Chun Wai, Michael	鄺俊偉博士	150	–	–	150
Mr. Li Qiang#	李強先生#	150	–	–	150
Mr. Zhang Bin	張斌先生	150	–	–	150
		650	20,725	198	21,573

Note:

There was no arrangement under which a director waived or agreed to waive any remunerations during the year ended 31 December 2016 (2015: nil).

* Save as disclosed in the above table, the Group also provided a quarter to the executive director, Mr. Shi Tao at HK\$10,000 monthly rental (2015: HK\$10,000). The carrying amount of the Group's investment property which was rented to the executive director as quarter as at 31 December 2016 was HK\$24,100,000 (2015: HK\$23,800,000).

Mr. Li Qiang has resigned as an independent non-executive director of the Company with effect from 20 January 2017.

附註:

截至二零一六年十二月三十一日止年度，並無董事放棄或同意放棄任何酬金安排(二零一五年：無)。

* 除上表所披露者外，本集團亦為執行董事石濤先生提供一間宿舍，月租為10,000港元(二零一五年：10,000港元)。於二零一六年十二月三十一日，租予執行董事作宿舍之本集團投資物業之賬面值為24,100,000港元(二零一五年：23,800,000港元)。

李強先生已辭任本公司之獨立非執行董事，自二零一七年一月二十日起生效。

17. DIRECTORS' REMUNERATION AND SENIOR MANAGEMENT'S EMOLUMENTS (continued)

17. 董事酬金及高層管理人員酬金 (續)

17.2 Five highest paid individuals

The five highest paid individuals of the Group during the year included two (2015: two) directors, details of whose remuneration are reflected in the analysis presented in note 17.1. Details of the remuneration of the remaining three (2015: three) non-director, highest paid individuals of the Group for the year are as follows:

17.2 五名最高酬金人士

年內，本集團五名最高薪人士包括兩名(二零一五年：兩名)董事，彼等酬金詳情反映於附註17.1所列分析。年內本集團餘下三名(二零一五年：三名)非董事最高薪人士酬金詳情如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	11,634	6,377
Contribution to pension scheme	退休金計劃供款	313	355
		11,947	6,732

The emoluments of non-director highest paid individuals were within following bands:

非董事最高薪人士之薪金介乎以下級別：

		2016 二零一六年 No. of individuals 人數	2015 二零一五年 No. of individuals 人數
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元	–	3
HK\$2,500,001 to HK\$3,000,000	2,500,001港元至3,000,000港元	1	–
HK\$3,000,001 to HK\$4,000,000	3,000,001港元至4,000,000港元	1	–
HK\$5,000,001 to HK\$5,500,000	5,000,001港元至5,500,000港元	1	–
		3	3

No emolument was paid by the Group to the directors or the three (2015: three) highest paid employee(s) as an inducement to join or upon joining the Group, or as compensation for loss of office (2015: nil).

本集團並無向董事或三名(二零一五年：三名)最高薪僱員支付酬金作為加入或於加入本集團時之獎勵，或作為離職補償(二零一五年：無)。

17. DIRECTORS' REMUNERATION AND SENIOR MANAGEMENT'S EMOLUMENTS (continued)

17. 董事酬金及高層管理人員酬金 (續)

17.3 Emoluments to members of senior management

The emoluments to members of senior management (excluding the remunerations to directors which have been disclosed in note 17.1 above) were within the following bands:

17.3 高層管理人員酬金

高層管理人員酬金(不包括已於上文附註17.1披露之董事酬金)介乎以下級別:

		2016 二零一六年 No. of individuals 人數	2015 二零一五年 No. of individuals 人數
Nil to HK\$1,000,000	零至1,000,000港元	1	2
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	3	2
		4	4

18. CASH AND DEPOSITS

18. 現金及存款

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Cash and bank balances (note (a) and note (b))	現金及銀行結餘(附註(a)及附註(b))	428,823	836,065
Sight deposits with central banks (note (c))	中央銀行之活期存款(附註(c))	4,638,078	-
		5,066,901	836,065

Notes:

- (a) Cash at bank earns interest at the floating rates based on the daily bank deposits rates.
- (b) Included in cash and bank balances of the Group are the amount of approximately HK\$308,988,000 (2015: HK\$226,043,000) denominated in RMB which are placed with the banks in the PRC. RMB is not freely convertible into other currencies. Under the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB into foreign currencies through the banks authorised to conduct foreign exchange business.
- (c) These balances with central banks represent sight deposits placed by the Bendura Group and they can be withdrawn immediately without any restrictions.

附註:

- (a) 銀行現金按每日銀行存款利率計算之浮動利率計息。
- (b) 本集團現金及銀行結餘包括為數約308,988,000港元(二零一五年: 226,043,000港元)以人民幣計值存於中國之銀行之款額。人民幣不得自由兌換為其他貨幣。根據中國關於外匯管理及結匯、售匯及付匯管理規定,本集團可透過獲授權進行外匯業務之銀行將人民幣兌換為外幣。
- (c) 該等中央銀行結餘指富地集團所存放之活期存款,可即時提取而無任何限制。

19. DUE FROM BANKS AND CLIENTS

19. 應收銀行及客戶款項

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Due from clients – mortgage loans	應收客戶款項 – 按揭貸款	247,647	–
Due from clients – other	應收客戶款項 – 其他	382,981	–
Valuation adjustments for default risk (note (a))	違約風險估值調整(附註(a))	(2,819)	–
Total due from clients	應收客戶款項總額	627,809	–
Due from banks on a daily basis	應收銀行日常款項	5,197,546	–
Due from banks other claims	應收銀行其他申索	98,037	–
Valuation adjustments for default risk (note (a))	違約風險估值調整(附註(a))	(214)	–
Total due from banks	應收銀行款項總額	5,295,369	–

Notes:

附註：

(a) Valuation adjustments for default risks

(a) 違約風險估值調整

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Acquisition of subsidiaries	收購附屬公司	12,598	–
Newly formed valuation adjustments for default risks	新增違約風險估值調整	552	–
Utilise of valuation adjustments for default risks	動用違約風險估值調整	(8,567)	–
Release of valuation adjustments for default risks	解除違約風險估值調整	(822)	–
Exchange realignment	匯兌調整	(560)	–
Other adjustments	其他調整	(168)	–
At 31 December	於十二月三十一日	3,033	–
of which on amounts due from banks	其中應收銀行款項	214	–
of which on amounts due from clients	其中應收客戶款項	2,819	–

19. DUE FROM BANKS AND CLIENTS (continued)

Notes: (continued)

(b) Impaired amounts due from banks and clients

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Impaired amounts due from banks and clients, gross	應收銀行及客戶減值款項，總額	3,033	—
Estimated realisation proceeds from collateral	估計抵押品變現所得款項	—	—
Impaired amounts due from banks and clients, net	應收銀行及客戶減值款項，淨額	3,033	—

(c) Non-performing loans

No interest income impact from non-performing loans was for the year ended 31 December 2016.

19. 應收銀行及客戶款項(續)

附註：(續)

(b) 應收銀行及客戶減值款項

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Impaired amounts due from banks and clients, gross	應收銀行及客戶減值款項，總額	3,033	—
Estimated realisation proceeds from collateral	估計抵押品變現所得款項	—	—
Impaired amounts due from banks and clients, net	應收銀行及客戶減值款項，淨額	3,033	—

(c) 不良貸款

截至二零一六年十二月三十一日止年度，概無不良貸款產生之利息收入影響。

20. TRADING PORTFOLIO INVESTMENTS

20. 交易組合投資

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Equity instruments	股本工具		
Listed equity instruments in Hong Kong at market value	按市值於香港上市之股本工具	187,362	367,471
Total equity instruments	股本工具總額	187,362	367,471
Debt instruments	債務工具		
Debt instruments of financial institutions listed outside Hong Kong	於香港境外上市之 金融機構債務工具	2,851	—
Unlisted debt instruments of financial institutions	金融機構之非上市債務工具	2,411	—
Total debt instruments	債務工具總額	5,262	—
Investment fund units	投資基金單位		
Investment fund units listed outside Hong Kong	於香港境外上市之投資基金單位	3,472	—
Unlisted investment fund units	非上市投資基金單位	993	—
Total investment fund units	投資基金單位總額	4,465	—
Total trading portfolio investments	交易組合投資總額	197,089	367,471

20. TRADING PORTFOLIO INVESTMENTS (continued)

The investments under trade portfolio are held for trading purposes.

Fair values of listed equity instruments, debt instruments and investment fund units have been determined by reference to their quoted market prices at the reporting date in active markets. Fair value of the listed trading portfolio investments is Level 1 recurring fair value measurement.

Fair value of unlisted debt instruments and investment fund units have been determined using significant inputs, which are market observable, directly or indirectly. The fair value of the unlisted trading portfolio investments is Level 2 recurring fair value measurement.

There is no transfer under the fair value hierarchy classification for the years ended 31 December 2016 and 2015.

The fair value gain during the year was amounted to HK\$68,187,000 (2015: HK\$29,078,000), which has been recognised in the consolidated statement of comprehensive income as "other ordinary income and other net gains or losses" (note 9) for the year ended 31 December 2016.

21. DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments are used to hedge the Group's foreign exchange risk. The Group uses forward contracts and options to hedge its foreign exchange risk.

Derivative financial assets are classified as Level 2 recurring fair value measurement. The fair value of derivative financial assets is determined by reference to the quoted market prices of the underlying instruments at the reporting date in active markets.

Derivative financial liabilities are classified as Level 2 recurring fair value measurement. The fair value of derivative financial liabilities is determined by reference to the quoted market prices of the underlying instruments at the reporting date in active markets.

There is no transfer under the fair value hierarchy classification for the years ended 31 December 2016 and 2015.

The fair value gain during the year was amounted to HK\$68,187,000 (2015: HK\$29,078,000), which has been recognised in the consolidated statement of comprehensive income as "other ordinary income and other net gains or losses" (note 9) for the year ended 31 December 2016.

20. 交易組合投資(續)

交易組合投資乃持有作買賣用途。

上市股本工具、債務工具及投資基金單位之公平值乃經參考其於報告日在活躍市場所報市價後予以釐定。上市交易組合投資之公平值為第一級經常性公平值計量。

倘重大輸入數值為市場可觀察數據，則非上市債務工具及投資基金單位之公平值直接或間接釐定。非上市交易組合投資之公平值為第二級經常性公平值計量。

截至二零一六年及二零一五年十二月三十一日止年度，概無根據公平值層級分類之轉移。

本年度之公平值收益為68,187,000港元(二零一五年：29,078,000港元)，已於截至二零一六年十二月三十一日止年度綜合全面收入表內確認為「其他一般收入及其他收益或虧損淨值」(附註9)。

21. 衍生金融工具

		Notes 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Derivative financial assets	衍生金融資產			
Convertible bond investment – Conversion option component	可換股債券投資 — 換股權部分	(a)	82	2,244
Forward and option contracts	遠期及期權合約	(c)	2,256	—
			2,338	2,244
Derivative financial liabilities	衍生金融負債			
Financial undertakings provided by the Group in relation to issuance of ordinary shares for:	本集團就下列項目發行普通股 作出之財務承諾：			
– Acquisition of intangible assets	— 收購無形資產	(b)	—	(7,260)
Forward and option contracts	遠期及期權合約	(c)	(2,050)	—
			(2,050)	(7,260)

21. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

Notes:

(a) Convertible bond investment – Conversion option component

The Group has subscribed a convertible bond issued by a company listed in Hong Kong, which is due on 1 December 2018 and convertible into fully paid ordinary shares with a par value of HK\$0.1 each at an initial conversion price of HK\$5, subject to adjustment on the occurrence of dilutive or concentrative event. The Group can exercise the conversion at any time until the maturity date and the convertible bond cannot be redeemed before maturity date (in whole or in part).

The principal amount of the convertible bond was HK\$10,000,000, which carries interest at 8% per annum payable every six months in arrears. There was no disposal or conversion of the convertible bond during the years ended 31 December 2016 and 2015.

The convertible bond is separated into two components: the debt component and the conversion option component. The Group has classified the debt component of the convertible bond as loans and receivables and the conversion option component of the convertible bond as derivative financial instruments.

The initial value of the debt component is the residual value after separating out the initial fair value of conversion option component. The initial fair value of conversion option component is determined by the directors with reference to the valuation performed by a valuer, Asset Appraisal. Subsequent to initial recognition, the debt component is carried at amortised cost using the effective interest method and the conversion option component is carried at fair value. The effective interest rate of the debt component is 29% (2015: 29%) as at 31 December 2016.

The fair value of the conversion option component is measured by the directors with reference to the valuation performed by Asset Appraisal using Binomial Option Pricing Model with the following key assumptions:

		At 31/12/2016 於二零一六年 十二月三十一日	At 31/12/2015 於二零一五年 十二月三十一日
Stock price	股價	HK\$ 1.45 港元	HK\$3.83 港元
Conversion price	轉換價	HK\$5.00 港元	HK\$5.00 港元
Expected volatility	預期波幅	50.0%	38.62%
Discount rate	貼現率	10.59%	18.64%
Risk free rate	無風險利率	1.03%	0.70%
Expected dividend yield	預期股息率	0.00%	0.00%

21. 衍生金融工具(續)

附註：

(a) 可換股債券投資 – 換股權部分

本集團已認購一間香港上市公司所發行之可換股債券，其於二零一八年十二月一日到期，且可按初步轉換價5港元轉換為每股面值0.1港元之繳足普通股，惟可因應攤薄或集中事件予以調整。本集團可隨時行使該轉換權，直至到期日為止，而可換股債券於到期日前不可贖回(全部或部分)。

可換股債券之本金額為10,000,000港元，附帶年利率8%，每六個月屆滿支付。截至二零一六年及二零一五年十二月三十一日止年度，概無出售或轉換可換股債券。

可換股債券分為兩部分：債務部分及換股權部分。本集團已將可換股債券之債務部分分類為貸款及應收款項，而可換股債券之換股權部分則分類為衍生金融工具。

債務部分之初始價值為剔除換股權部分之初始公平值之餘值。換股權部分之初始公平值由董事經參考估值師資產評值作出之估值後釐定。初始確認後，債務部分使用實際利率法按攤銷成本列賬，而換股權部分則按公平值列賬。於二零一六年十二月三十一日，債務部分之實際利率為29%(二零一五年：29%)。

換股權部分之公平值乃由董事經參考資產評值使用二項式期權定價模式作出之估值後計量，主要假設如下：

21. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

Notes: (continued)

(a) Convertible bond investment – Conversion option component (continued)

The carrying amounts of the debt component and conversion option component of the convertible bond are as follows:

		Debt component	Conversion option component	Total
		債務部分 HK\$'000 千港元	換股權部分 HK\$'000 千港元	總計 HK\$'000 千港元
At subscription date	於認購日期	6,007	3,993	10,000
Interest receivable	可收回利息	(66)	–	(66)
Effective interest income	實際利息收入	142	–	142
Change in the fair value of conversion option component	換股權部分之 公平值變動	–	(1,749)	(1,749)
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	6,083	2,244	8,327
Interest receivable	可收回利息	(802)	–	(802)
Effective interest income	實際利息收入	1,817	–	1,817
Change in the fair value of conversion option component	換股權部分之 公平值變動	–	(2,162)	(2,162)
At 31 December 2016	於二零一六年十二月三十一日	7,098	82	7,180

The debt component is classified as “other assets” (note 33) in the consolidated statement of financial position and the conversion option component is classified as a derivative financial asset.

The fair value loss of the conversion option component during the year was amounted to HK\$2,162,000 (2015: HK\$1,749,000), which has been recognised as “other ordinary income and other net gains or losses” (note 9) in the consolidated statement of comprehensive income for the year.

The fair value of the conversion option component is Level 3 recurring fair value measurement. There is no transfer under the fair value hierarchy classification for the years ended 31 December 2016 and 2015.

The key significant unobservable inputs to determine the fair value of the conversion option component are the discount rate and the expected volatility.

A higher in the discount rate would result in an decrease in the fair value of the conversion option component, and vice versa.

A higher in the expected volatility would result in an increase in the fair value of the conversion option component, and vice versa.

(b) Undertakings provided by the Group in respect of the consideration shares issued for the acquisitions of intangible assets and interests in associates

In previous years, the Group completed the acquisition of intangible assets and interests in associates by issue and allotment of ordinary shares of the Company. Pursuant to the terms of the acquisition agreements, the Group has provided financial undertakings to compensate the vendors the shortfall in cash if the average selling price of the consideration shares disposed of by the vendor from the expiration of the respective lock-up periods is less than HK\$1.

For the year ended 31 December 2016, the vendors have disposed of all the consideration shares at prices higher than HK\$1. A fair value gain of HK\$7,260,000 (2015: HK\$19,219,000) has been recognised as “other ordinary income and other net gains or losses” in the consolidated statement of comprehensive income during the year.

21. 衍生金融工具(續)

附註：(續)

(a) 可換股債券投資 – 換股權部分(續)

可換股債券之債務部分及換股權部分之賬面值如下：

		Debt component	Conversion option component	Total
		債務部分 HK\$'000 千港元	換股權部分 HK\$'000 千港元	總計 HK\$'000 千港元
At subscription date	於認購日期	6,007	3,993	10,000
Interest receivable	可收回利息	(66)	–	(66)
Effective interest income	實際利息收入	142	–	142
Change in the fair value of conversion option component	換股權部分之 公平值變動	–	(1,749)	(1,749)
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	6,083	2,244	8,327
Interest receivable	可收回利息	(802)	–	(802)
Effective interest income	實際利息收入	1,817	–	1,817
Change in the fair value of conversion option component	換股權部分之 公平值變動	–	(2,162)	(2,162)
At 31 December 2016	於二零一六年十二月三十一日	7,098	82	7,180

債務部分於綜合財務狀況表分類為「其他資產」(附註33)，而換股權部分歸類為衍生金融資產。

本年度換股權部分之公平值虧損為2,162,000港元(二零一五年：1,749,000港元)，其已於本年度綜合全面收入表中確認為「其他一般收入及其他收益或虧損」(附註9)。

換股權部分之公平值屬第三級經常性公平值計量。截至二零一六年及二零一五年十二月三十一日止年度，概無根據公平值層級分類之轉移。

釐定換股權部分公平值之主要重大不可觀察數據為貼現率及預期波幅。

貼現率較高可導致轉換購股權部分之公平值減少，反之亦然。

預期波幅較高可導致轉換購股權部分之公平值增加，反之亦然。

(b) 本集團就為收購無形資產及所佔聯營公司之權益而發行代價股份作出之承諾

於先前年度，本集團透過發行及配發本公司之普通股完成收購無形資產及所佔聯營公司之權益。根據該收購協議之條款，本集團作出財務承諾，倘賣方於有關禁售期屆滿後出售代價股份之平均銷售價少於1港元，則以現金向賣方賠償差額。

截至二零一六年十二月三十一日止年度，賣方已按多於1港元之價格出售所有代價股份。公平值收益7,260,000港元(二零一五年：19,219,000港元)已於本年度綜合全面收入表中確認為「其他一般收入及其他收益或虧損」。

21. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

Notes: (continued)

(c) Forward and option contracts arising in banking business

The Group's subsidiaries under the banking business segment act as an intermediary to offer derivative products including interest rate and currency forwards and swap to its customers. These derivative positions are managed through entering back-to-back deals with external parties to ensure the remaining exposures are within acceptable risk levels.

The following tables and notes provide an analysis of the nominal amounts of derivatives and the corresponding fair values as at the year ended date. The nominal amounts of the derivatives indicate the volume of transactions outstanding as at the reporting date; they do not represent amounts at risk.

		31 December 2016 二零一六年十二月三十一日		
		Nominal amount 面值 HK\$'000 千港元	Assets 資產 HK\$'000 千港元	Liabilities 負債 HK\$'000 千港元
Non-hedging instruments	非對沖工具			
- Currency derivatives	- 貨幣衍生工具	418,198	2,256	2,050
- Option	- 期權	10,359	—*	—*
		428,557	2,256	2,050

* Represents the amount less than HK\$1,000.

* 即指金額少於1,000港元。

Nominal amount analysed by remaining maturity

按餘下到期日分析之面值

		2016 二零一六年 HK\$'000 千港元
Within 3 months	3個月內	405,898
Between 3 months and 1 year	3個月至1年	12,300
Between 1 year and 5 years	1至5年	10,359
		428,557

The remaining term to maturity of derivatives does not represent the Group's intended holding period. Change in the fair value of forward and option contracts arising in banking business has been recognised in the consolidated statement of comprehensive income under "Trading income from banking business".

衍生工具到期日餘下期限並不代表本集團之擬持有期。來自銀行業務之遠期及期權合約之公平值變動已根據「銀行業務貿易收入」確認於綜合全面收入表內。

(d) Currency forward contracts arising in non-banking business

As at 31 December 2016 and 2015, there was no outstanding currency forward contract arising in non-banking business held by the Group. For the year ended 31 December 2015, the fair value loss amounting to HK\$1,660,000 has been recognised in the consolidated statement of comprehensive income.

(d) 來自非銀行業務之貨幣遠期合約

於二零一六年及二零一五年十二月三十一日，本集團並無持有來自非銀行業務尚未償還之貨幣遠期合約。截至二零一五年十二月三十一日止年度，1,660,000港元之公平值虧損已於綜合全面收入表內確認。

21. 衍生金融工具(續)

附註：(續)

(c) 來自銀行業務之遠期及期權合約

本集團銀行業務分部下之附屬公司作為中介向其客戶提供衍生工具產品，包括利率以及貨幣遠期及掉期。該等衍生工具持倉乃透過與外界人士訂立背對背交易進行管理以確保餘下風險於可接受風險水平內。

下表及附註就截至該日止年度之衍生工具面值及相應公平值提供分析。衍生工具之面值顯示於報告日期尚未完成之交易量而並無呈現風險金額。

		31 December 2016 二零一六年十二月三十一日		
		Nominal amount 面值 HK\$'000 千港元	Assets 資產 HK\$'000 千港元	Liabilities 負債 HK\$'000 千港元
Non-hedging instruments	非對沖工具			
- Currency derivatives	- 貨幣衍生工具	418,198	2,256	2,050
- Option	- 期權	10,359	—*	—*
		428,557	2,256	2,050

* 即指金額少於1,000港元。

按餘下到期日分析之面值

		2016 二零一六年 HK\$'000 千港元
Within 3 months	3個月內	405,898
Between 3 months and 1 year	3個月至1年	12,300
Between 1 year and 5 years	1至5年	10,359
		428,557

衍生工具到期日餘下期限並不代表本集團之擬持有期。來自銀行業務之遠期及期權合約之公平值變動已根據「銀行業務貿易收入」確認於綜合全面收入表內。

(d) 來自非銀行業務之貨幣遠期合約

於二零一六年及二零一五年十二月三十一日，本集團並無持有來自非銀行業務尚未償還之貨幣遠期合約。截至二零一五年十二月三十一日止年度，1,660,000港元之公平值虧損已於綜合全面收入表內確認。

22. TRADE RECEIVABLES

22. 應收賬款

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Trade receivables	應收賬款	503,836	757,927
Less: Provision for impairment loss	減：減值虧損撥備	(42,251)	(64,059)
Trade receivables, net	應收賬款，淨額	461,585	693,868

The Group's trading terms with its customers from non-banking business are mainly on credit, except for certain customers, where payment in advance is required. The credit period is generally for a period of one to six months (2015: one to six months) for major customers. The credit term for customers is determined by the management according to industry practice together with consideration of their creditability. In view of the aforementioned and the fact that the Group's trade receivables relate to a wide range of customers, there is no significant concentration of credit risk. Trade receivables are non-interest-bearing.

Impairment losses in respect of trade receivables are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade receivables directly.

Movements in the provision for impairment loss of trade receivables are as follows:

除若干非銀行業務客戶須預先付款外，本集團與其客戶訂立之買賣條款主要為記賬方式。主要客戶一般可獲一至六個月(二零一五年：一至六個月)之信貸期。客戶之信貸期由管理層根據行業慣例並考慮客戶之信譽釐定。鑒於上述事項及本集團應收賬款涉及大量不同客戶，故並無高度集中信貸風險。應收賬款並不計息。

應收賬款之減值虧損乃使用撥備賬列賬，除非本集團信納收回有關金額之可能性極低則作別論，在此情況下，減值虧損會直接撇銷應收賬款。

應收賬款之減值虧損撥備變動如下：

		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	64,059	61,994
Reversal of impairment loss previously recognised (note 9)	此前確認之減值虧損撥回(附註9)	-	(9,864)
Written-off of provision for impairment loss	減值虧損撥備撇銷	(31,711)	-
Impairment loss for the year (note 11)	年內減值虧損(附註11)	12,797	12,688
Exchange realignment	匯兌調整	(2,894)	(759)
At 31 December	於十二月三十一日	42,251	64,059

At each reporting date, the Group reviews trade receivables for evidence of impairment on both an individual and collective basis. The Group does not hold any collateral over these balances. As at 31 December 2016, trade receivables of HK\$33,647,000 (2015: HK\$74,572,000) have been pledged to secure banking facilities granted to the Group during the year (note 37).

於各報告日，本集團按個別及集體基準審閱應收賬款之減值證據。本集團並無就該等結餘持有任何抵押品。於二零一六年十二月三十一日，33,647,000港元之應收賬款已予抵押(二零一五年：74,572,000港元)，以使本集團於年內獲授銀行融資(附註37)。

22. TRADE RECEIVABLES (continued)

Ageing analysis of trade receivables as at the reporting date, based on invoice date, and net of provisions, 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
1 to 3 months	1至3個月	364,628	562,540
4 to 6 months	4至6個月	39,784	68,523
Over 6 months	超過6個月	57,173	62,805
		461,585	693,868

Ageing analysis of trade receivables as at the reporting date, based on due date and net of provisions, 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
Neither past due nor impaired	尚未逾期或減值	247,533	241,825
Less than 3 months past due	已逾期少於3個月	146,428	353,343
More than 3 months but less than 6 months past due	已逾期超過3個月但少於6個月	23,365	50,851
More than 6 months past due	已逾期超過6個月	44,259	47,849
		214,052	452,043
		461,585	693,868

Receivables that were neither past due nor impaired related to a wide range of customers for whom most of them do not have recent history of default.

Receivables that were past due but not impaired related to a number of customers that have a good track record with the Group. Based on past experience, management believes that no additional impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

The directors of the Company consider that as trade receivables are expected to be recovered within one year, their fair values are not materially different from their carrying amounts because these balances have short maturity periods on their inception at the reporting date.

22. 應收賬款(續)

應收賬款(扣除撥備)按照發票日期於報告日之賬齡分析如下:

應收賬款(扣除撥備)按照到期日於報告日之賬齡分析如下:

並無逾期或減值之應收款項與多名客戶有關，大部分該等客戶最近並無拖欠記錄。

已逾期但並無減值之應收款項與若干於本集團擁有良好付款記錄之客戶有關。根據過往經驗，管理層相信，由於信貸質素並無重大變化，加上有關結餘仍被視為可悉數收回，故毋須就該等結餘作出額外減值撥備。

本公司董事認為，於報告日，由於應收賬款預期將於一年內收回，且有關結餘自其開始以來之到期日偏短，故其公平值與其賬面值並無重大差異。

23. INVENTORIES

23. 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	253,366	246,328
Work-in-progress	在製品	417,192	367,055
Finished goods and merchandises	製成品及商品	1,325,629	1,429,509
		1,996,187	2,042,892

24. AVAILABLE-FOR-SALE FINANCIAL ASSETS

24. 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
Listed equity investment, at fair value (note (a))	上市股本投資，公平值(附註(a))	243,058	317,173
Listed debt instruments, at fair value (note (b))	上市債務工具，公平值(附註(b))	96,840	-
Unlisted investment, at fair value	非上市投資，公平值		
– Insurance policy (note (c))	– 保單(附註(c))	5,579	-
Unlisted equity investments, at cost	非上市股本投資，成本值		
– Others (note (d))	– 其他(附註(d))	5,875	77
Total	總計	351,352	317,250

Notes:

- (a) The listed equity investment, at fair value of HK\$243,058,000 (2015: HK\$317,173,000) represented the investment in Citychamp Dartong Company Limited (referred to "Dartong" and its shares referred to as the "Dartong Shares"). During the year, Dartong declared a cash dividend of RMB1 (2015: RMB2) per 10 shares. A dividend income totalling HK\$3,558,000 (2015: HK\$7,597,000) was recognised by the Group in profit or loss in the consolidated statement of comprehensive income for the year ended 31 December 2016.

Mr. Hong Kwok Lung, Mr. Shang Jianguang, Ms. Sit Lai Hei and Mr. Hon Hau Wong, the executive directors of the Company are also the executive directors of Dartong. Dartong is owned as to approximately 31.7% by Fujian Fengrong Investment Company Limited ("Fengrong"). Ms. Sit Lai Hei is the daughter-in-law of Mr. Hon Kwok Lung and the beneficial owner of Fengrong.

Particulars of the available-for-sale financial assets of listed equity investment, at fair value are as follows:

附註：

- (a) 上市股本投資(按公平值計算)243,058,000港元(二零一五年：317,173,000)指於冠城大通股份有限公司(「大通」，其股份稱為「大通股份」)之投資。年內，大通宣派現金股息每10股人民幣1元(二零一五年：人民幣2元)。本集團於截至二零一六年十二月三十一日止年度於綜合全面收入表所確認之股息收入合共3,558,000港元(二零一五年：7,597,000港元)。

本公司執行董事韓國龍先生、商建光先生、薛黎曦女士及韓孝煌先生亦為大通之執行董事。大通由福建豐榕投資有限公司(「豐榕」)持有約31.7%。薛黎曦女士為韓國龍先生之兒媳兼豐榕之實益擁有人。

可供出售金融資產上市股本投資(按公平值計算)詳情如下：

Name	Country of incorporation	Particulars of issued shares held	Number of shares held by the Group	Percentage of ownership interest attributable to the Group
名稱	註冊成立國家	所持已發行股份詳情	本集團所持股份數目	本集團所佔擁有權益之百分比
Citychamp Dartong Company Limited 冠城大通股份有限公司	PRC 中國	Ordinary A Share A股普通股	30,389,058 (2015: 30,389,058) 30,389,058股 (二零一五年： 30,389,058股)	2.04% (2015: 2.05%) 2.04% (二零一五年： 2.05%)

24. AVAILABLE-FOR-SALE FINANCIAL ASSETS (continued)

Notes: (continued)

(a) (continued)

The fair value of the listed equity investment held as available-for-sale financial assets has been determined directly with reference to published price quotation in active market. During the year, the decrease in fair value of Dartong Shares of HK\$74,115,000 (2015: increase in fair value of HK\$9,051,000) has been dealt with in other comprehensive income and the investment revaluation reserve.

(b) The listed debt instruments of HK\$96,840,000 represented the investment in listed debt instruments mainly issued by financial institutions and corporations in Europe.

The fair value of the debt instruments held as available-for-sale financial assets has been determined directly with reference to published price quotation in active market. During the year, the decrease in fair value of the debt instruments of HK\$176,000 (2015: nil) has been dealt with in other comprehensive income and the investment revaluation reserve.

(c) The Group entered into contract with an insurance company which contains life insurance policy to insure against the death of a member of senior management of the Group, with insured sum of approximately US\$5,400,000 (equivalent to approximately HK\$42,110,000). Under the contracts, the beneficiary and policy holder is a wholly-owned subsidiary of the Group. The Group has paid a one-off premium payment of US\$874,000 during the year ended 31 December 2016. The Group has the right to terminate the policy at any time and receive cash back based on the cash value of the policy at the date of termination, which is determined by the premium payment plus accumulated interest earned and minus the accumulated insurance charge and policy expense charge. The insurer will declare interest (including the guaranteed interest) to the Group on a quarterly basis, based on the amount of account value, at a rate to be determined at insurer's own discretion. For the year ended 31 December 2016, the decrease in fair value of HK\$919,000 (2015: nil) has been dealt with in other comprehensive income and the investment revaluation reserve. The fair value of investment in insurance policy is determined based on account value as stated in cash surrender value statement issued by insurer.

(d) In previous years, the Group owned 51% equity interest in Henan Jinjue and Henan Jinjue was being regarded as a subsidiary of the Group. During the year ended 31 December 2016, the Group has disposed of its 46.05% equity interest in Henan Jinjue and Henan Jinjue ceased to be a subsidiary of the Group.

The balances mainly represented the remaining 4.95% equity interest in Henan Jinjue which was classified as available-for-sales financial assets and stated at cost.

These are investments in unlisted private entities incorporated in the PRC. Their fair value information is not disclosed because the related fair value cannot be measured reliably, and they are measured at cost less accumulated impairment losses at each reporting date accordingly.

24. 可供出售金融資產(續)

附註：(續)

(a) (續)

上市權益投資之公平值及持作為可供出售財務資產之債務工具乃直接按活躍市場之報價而釐定。年內，大通股份之公平值減少74,115,000港元(二零一五年：公平值增加9,051,000港元)已於其他全面收入及投資重估儲備處理。

(b) 96,840,000港元之上市債務工具即指主要由歐洲金融機構及企業發行之上市債務工具投資。

上市權益投資之公平值及持作為可供出售財務資產之債務工具乃直接按活躍市場之報價而釐定。於年內，債務工具之公平值減少176,000港元(二零一五年：零)已於其他全面收入及投資重估儲備內處理。

(c) 本集團與一家保險公司訂立合約，其包括人壽保險保單，以就本集團高級管理層之成員身故投保，投保額約為5,400,000美元(相當於約42,110,000港元)。根據該等合約，受益人及保單持有人為本集團之全資附屬公司。截至二零一六年十二月三十一日止年度，本集團已支付一筆過保費874,000美元。本集團有權隨時終止保單，並根據保單於終止日期之現金價值(按保費支付款項加所賺取累計利息減累計保險費及保單費用開支釐定)收回現金。保險公司按其自身釐定之利率以賬戶價值為基準每季向本集團宣派利息(包括保證利息)。截至二零一六年十二月三十一日止年度，公平值減少919,000港元(二零一五年：零)已於其他全面收入及投資重估儲備內處理。保單投資之公平值乃按保險公司出具現金退保單所示之賬目金額而釐定。

(d) 於過往年度，本集團擁有河南金爵51%股本權益，而河南金爵被視為本集團之附屬公司。截至二零一六年十二月三十一日止年度，本集團已出售河南金爵46.05%股本權益，而河南金爵不再為本集團之附屬公司。

有關結餘主要指被分類為可供出售金融資產及按成本列賬之河南金爵剩餘4.95%股本權益。

此等為於中國註冊成立之非上市私人公司之投資。由於有關公平值未能可靠計量，且其按各相應報告日之成本減累計減值虧損計量，故並無披露其公平值資料。

25. HELD-TO-MATURITY INVESTMENTS

25. 持至到期投資

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Listed debt instruments, at amortised cost	上市債務工具，攤銷成本	338,709	-
Issued by:	由以下人士發行：		
Governments and public sectors	政府及公營部門	7,746	-
Financial institutions	金融機構	183,870	-
Corporations	企業	147,093	-
		338,709	-

26. SHORT-TERM INVESTMENTS

26. 短期投資

During the year, the Group purchased short-term investments from major banks in the PRC in which the balance of HK\$112,740,000 (2015: HK\$101,797,000) was subject to maturity up to January 2017 (2015: January 2016) and the balance of HK\$229,000 (2015: HK\$41,565,000) was not subject to maturity. These short-term investments are carried at amortised cost using the effective interest method less accumulated impairment losses.

年內，本集團向中國主要銀行購買短期投資，當中為數112,740,000港元(二零一五年：101,797,000港元)之結餘於二零一七年一月(二零一五年：二零一六年一月)到期，而為數229,000港元(二零一五年：41,565,000港元)之結餘並無到期日。該等短期投資按攤銷成本使用實際利率法減累計減值虧損而計算。

For those short-term investments not subject to maturity, the Group is entitled to require the banks to redeem the investments with the banks at anytime with immediate effect. The estimated return from these short-term investments ranged from 3.5% to 4.2% per annum (2015: 4.4% to 6% per annum). The accrued and unpaid interest will be received upon redemption of the investment from the banks. The directors of the Company consider that the carrying value of short-term investments approximates to their fair value at end of the reporting period.

就並無到期日之短期投資而言，本集團有權於任何時間要求銀行贖回投資。該等短期投資之估計回報率介乎每年3.5%至4.2%(二零一五年：每年4.4%至6%)。向銀行贖回投資後，本集團將收取應計及未支付利息。本公司董事認為短期投資之賬面值與其於報告期末之公平值相若。

27. INTERESTS IN ASSOCIATES

27. 所佔聯營公司之權益

		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	65,828	56,020
Share of total comprehensive income of associates	應佔聯營公司之全面收入總額	23,022	9,818
Exchange realignment	匯兌調整	(9)	(10)
At 31 December	於十二月三十一日	88,841	65,828

The amounts due from associates were unsecured, interest-free and repayable on demand.

應收聯營公司款項為無抵押、免息及須按要求償還。

27. INTERESTS IN ASSOCIATES (continued)

27. 所佔聯營公司之權益(續)

Particulars of the principal associate, which is a limited liability company, at 31 December 2016 are as follows:

於二零一六年十二月三十一日，主要聯營公司(為有限公司)之詳情如下：

Name 名稱	Particulars of issued capital 已發行股本詳情	Place of incorporation 註冊成立地點	Percentage of interest held 持有權益所佔百分比	Principal activities and place of operation 主要業務及營業地點
Fair Future Industrial Limited 俊光實業有限公司	HK\$600,000 600,000港元	Hong Kong 香港	25% (2015: 25%) 25% (二零一五年： 25%)	Manufacturing of watches and related accessories in the PRC 於中國製造鐘錶及相關配件

The summarised financial information of the Group's material associate extracted from its management accounts for the years ended 31 December 2016 and 2015 is as follows:

以下為截至二零一六年及二零一五年十二月三十一日止年度本集團重大聯營公司之財務資料概要(摘錄自其管理賬目)：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Fair Future Industrial Limited ("Fair Future")	俊光實業有限公司(「俊光」)		
As at 31 December	於十二月三十一日		
Current assets	流動資產	708,233	606,628
Non-current assets	非流動資產	43,884	40,390
Current liabilities	流動負債	(540,591)	(535,947)
Non-current liabilities	非流動負債	(706)	(782)
Net assets	資產淨值	210,820	110,289
Less: Non-controlling interests	減：非控股權益	–	434
Net assets attributable to owners of the associate	聯營公司擁有人應佔資產淨值	210,820	110,723
Reconciliation to the Group's interest in Fair Future:	本集團於俊光之權益之對賬：		
Proportion of the Group's ownership	本集團擁有權之比例	25%	25%
Group's share of net assets of the associate	本集團應佔一間聯營公司之資產淨值	52,705	27,681
Goodwill on acquisition	收購之商譽	37,987	37,987
Effect of unrealised profits arising from the transactions with an associate	來自於聯營公司交易之未實現溢利影響	(2,297)	–
Other reconciliation items	其他對賬項目	295	–
Carrying amount of the investment	投資賬面值	88,690	65,668

27. INTERESTS IN ASSOCIATES (continued)

27. 所佔聯營公司之權益(續)

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
For the year ended 31 December	截至十二月三十一日止年度		
Revenue	收入	1,276,171	1,182,278
Profit for the year	年內溢利	101,074	37,260
Other comprehensive income	其他全面收入	(437)	536
Total comprehensive income	全面收入總額	100,637	37,796
Profit for the year attributable to owners of an associate	一間聯營公司擁有人應佔年內溢利	101,724	38,739
Total comprehensive income for the year attributable to owners of an associate	一間聯營公司擁有人應佔年內全面收入總額	101,277	39,272
Reconciliation to the Group's share of results of Fair Future:	本集團應佔俊光業績之對賬：		
Proportion of the Group's ownership	本集團擁有權之比例	25%	25%
Group's share of profits of the associate	本集團應佔聯營公司之溢利	25,431	9,685
Effects of unrealised profits arising from the transactions with an associate	來自於聯營公司交易之未實現溢利影響	(2,297)	-
Net share of profit of the associate for the year	應佔年內聯營公司溢利淨額	23,134	9,685
Group's share of other comprehensive income of the associate	本集團應佔聯營公司之其他全面收入	(112)	133
Share of total comprehensive income of the associate	應佔聯營公司之全面收入總額	23,022	9,818

28. PROPERTY, PLANT AND EQUIPMENT

28. 物業、廠房及設備

		Land and buildings	Leasehold improvements	Plant and machinery	Furniture, fixtures and office equipment 傢具、裝置 及辦公室設備	Motor vehicles	CIP	Total
		土地及樓宇 HK\$'000 千港元	租賃物業裝修 HK\$'000 千港元	廠房及機器 HK\$'000 千港元	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
At 1 January 2015	於二零一五年一月一日							
Cost	成本	291,121	52,824	166,377	227,756	54,347	37,386	829,811
Accumulated depreciation	累計折舊	(39,514)	(31,816)	(55,119)	(93,194)	(33,507)	-	(253,150)
Net carrying amount	賬面淨值	251,607	21,008	111,258	134,562	20,840	37,386	576,661
Year ended 31 December 2015	截至二零一五年 十二月三十一日止年度							
Opening net book amount	年初賬面淨值	251,607	21,008	111,258	134,562	20,840	37,386	576,661
Additions	添置	6,305	6,072	20,470	74,653	2,332	178,261	288,093
Disposal of a subsidiary (note 13.2)	出售一間附屬公司(附註13.2)	-	(24)	-	(172)	-	-	(196)
Depreciation	折舊	(9,969)	(11,036)	(19,285)	(56,492)	(6,362)	-	(103,144)
Disposal	出售	-	-	(100)	(81)	(503)	-	(684)
Exchange realignment	匯兌調整	(7,460)	(594)	(4,692)	(6,020)	(641)	(10,524)	(29,931)
Closing carrying amount	年終賬面淨值	240,483	15,426	107,651	146,450	15,666	205,123	730,799
At 31 December 2015	於二零一五年十二月三十一日							
Cost	成本	287,511	56,174	179,368	287,939	49,845	205,123	1,065,960
Accumulated depreciation	累計折舊	(47,028)	(40,748)	(71,717)	(141,489)	(34,179)	-	(335,161)
Net carrying amount	賬面淨值	240,483	15,426	107,651	146,450	15,666	205,123	730,799
Year ended 31 December 2016	截至二零一六年 十二月三十一日止年度							
Opening net book amount	年初賬面淨值	240,483	15,426	107,651	146,450	15,666	205,123	730,799
Additions	添置	3,319	6,022	52,681	58,524	2,005	44,492	167,043
Acquisition of subsidiaries (note 49)	收購附屬公司(附註49)	172,514	-	-	27,818	640	-	200,972
Disposal of a subsidiary (note 13.1)	出售一間附屬公司(附註13.1)	-	(1,220)	-	(76)	-	-	(1,296)
Depreciation	折舊	(11,210)	(6,787)	(20,539)	(64,407)	(4,420)	-	(107,363)
Disposal	出售	-	(12)	(547)	-	(499)	-	(1,058)
Exchange realignment	匯兌調整	(16,524)	(573)	(6,872)	(1,897)	(591)	(14,618)	(41,075)
Closing carrying amount	年終賬面淨值	388,582	12,856	132,374	166,412	12,801	234,997	948,022
At 31 December 2016	於二零一六年十二月三十一日							
Cost	成本	443,761	45,904	197,786	349,308	47,522	234,997	1,319,278
Accumulated depreciation	累計折舊	(55,179)	(33,048)	(65,412)	(182,896)	(34,721)	-	(371,256)
Net carrying amount	賬面淨值	388,582	12,856	132,374	166,412	12,801	234,997	948,022

28. PROPERTY, PLANT AND EQUIPMENT (continued)

Notes:

- (a) The carrying value of the Group's land and buildings are held under the following lease terms:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Short-term leases	短期租約	–	458
Medium-term leases	中期租約	388,582	239,702
Long-term leases	長期租約	–	323
		388,582	240,483

The aforesaid land and buildings are located outside Hong Kong.

At 31 December 2016, land and buildings in Switzerland with an aggregated carrying value of HK\$127,516,000 (2015: HK\$132,640,000) have been pledged to secure banking facilities granted to the Group (note 37).

- (b) At 31 December 2015, the Group had not yet obtained the title certificates for certain leasehold buildings in the PRC with an aggregate carrying value of approximately HK\$3,467,000. The Group's legal advisor had confirmed that the Group has legally obtained the rights to use the buildings as at 31 December 2015. The Group has obtained the title certificates from the relevant government authorities for the year ended 31 December 2016.

28. 物業、廠房及設備(續)

附註：

- (a) 本集團土地及樓宇之賬面值乃按下列租期持有：

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Short-term leases	–	458
Medium-term leases	388,582	239,702
Long-term leases	–	323
	388,582	240,483

上述土地及樓宇位於香港境外。

於二零一六年十二月三十一日，本集團已抵押位於瑞士賬面總值127,516,000港元(二零一五年：132,640,000港元)之土地及樓宇以獲授銀行融資(附註37)。

- (b) 於二零一五年十二月三十一日，本集團尚未就其於中國賬面總值約3,467,000港元之若干租賃樓宇取得業權證明。本集團法律顧問已確認，本集團已於二零一五年十二月三十一日取得有關樓宇之合法使用權。截至二零一六年十二月三十一日止年度，本集團已自有關政府機關取得業權證明。

29. INVESTMENT PROPERTIES

All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.

Changes to the carrying amounts presented in the consolidated statement of financial position can be summarised as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Carrying amount at 1 January	於一月一日之賬面值	111,676	112,175
Net deficit on revaluation of investment properties	投資物業重估之虧絀淨額	(3,897)	(499)
Carrying amount at 31 December	於十二月三十一日之賬面值	107,779	111,676

The carrying amounts of the Group's investment properties situated in Hong Kong and the PRC held under medium-term leases are analysed as follows:

		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	24,100	23,800
PRC	中國	83,679	87,876
		107,779	111,676

At 31 December 2016, the Group has not obtained the relevant title certificates for investment properties with an aggregate carrying value of HK\$39,700,000 (2015: HK\$41,900,000). The Group's legal advisors have confirmed that the Group is the rightful and equitable owner of these investment properties. The directors are now in process of obtaining the title certificates from the relevant government authorities.

At 31 December 2016, investment properties in Hong Kong with an aggregate carrying value of HK\$24,100,000 (2015: HK\$23,800,000) have been pledged to secure banking facilities granted to the Group (note 37).

Investment properties were revalued at 31 December 2016 and 2015 by Asset Appraisal Limited ("Asset Appraisal") and Chung, Chan & Associate, independent professionally qualified valuers, at HK\$107,779,000 (2015: HK\$111,676,000) in aggregate. Asset Appraisal is a member of Hong Kong Institutes of Surveyors and Chung, Chan & Associates is a member of Royal Institution of Chartered Surveyors. Both have appropriate qualifications and relevant experiences in the location and category of properties being valued.

29. 投資物業

本集團所有就賺取租金或資本增值而以經營租約持有之物業權益，乃按公平值模式計量，並分類及入賬為投資物業。

於綜合財務狀況表呈列之賬面值變動概述如下：

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Carrying amount at 1 January	111,676	112,175
Net deficit on revaluation of investment properties	(3,897)	(499)
Carrying amount at 31 December	107,779	111,676

本集團位於香港及中國以中期租約持有之投資物業之賬面值分析如下：

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Hong Kong	24,100	23,800
PRC	83,679	87,876
	107,779	111,676

於二零一六年十二月三十一日，本集團並未就賬面總值39,700,000港元(二零一五年：41,900,000港元)之投資物業取得相關業權證明。本集團法律顧問已確認，本集團為該等投資物業之正式合理業主。董事現正向相關政府機關取得業權證明。

於二零一六年十二月三十一日，本集團抵押位於香港賬面總值24,100,000港元(二零一五年：23,800,000港元)之投資物業以獲授銀行融資(附註37)。

投資物業於二零一六年及二零一五年十二月三十一日由資產評估顧問有限公司(「資產評估」)及獨立專業認可估值師衡量行重估為合共107,779,000港元(二零一五年：111,676,000港元)。資產評估為香港測量師學會成員，衡量行則為英國皇家特許測量師學會成員。兩者均於經估值物業之位置及分類方面具備適當資格及相關經驗。

29. INVESTMENT PROPERTIES (continued)

Fair value hierarchy

The fair value of investment properties is a Level 3 recurring fair value measurement. A reconciliation of the opening and closing fair value balance is provided below.

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Opening balance (Level 3 recurring fair value)	年初結餘(第三級經常性公平值)	111,676	112,175
Net deficit on revaluation of investment properties	重估投資物業之虧絀淨額	(3,897)	(499)
Closing balance (Level 3 recurring fair value)	年末結餘(第三級經常性公平值)	107,779	111,676
Change in unrealised losses for the year included in profit or loss for assets held at 31 December	就十二月三十一日所持有資產計入虧損之年度未變現虧損變動	(3,897)	(499)

During the years ended 31 December 2016 and 2015, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

For the fair value measurement for investment properties in the PRC under income approach, the fair value was determined by taking into account the net rental incomes of the properties derived from the existing tenancies with due allowance for the reversionary income potential of the tenancies, which are then capitalised into the values at appropriate capitalisation rates.

Significant unobservable inputs

	Range
Capitalisation rate	3.53% to 6.7% (2015: 2.9% to 7%)
Market unit rent per square metre	HK\$4.95 to HK\$76 (2015: HK\$6 to HK\$77)

A lower in the capitalisation rate and a higher in the market unit rent used would result in an increase in the fair value measurement of the investment properties, and vice versa.

For the fair value measurement for investment property in Hong Kong under direct comparison method, it is assumed that each of the properties is capable of being sold in its existing state with the benefit of vacant possession and by making reference to comparable sales evidence as available in the relevant markets.

29. 投資物業(續)

公平值等級

投資物業之公平值為第三級經常性公平值計量。年初及年末公平值結餘之對賬載列如下。

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Opening balance (Level 3 recurring fair value)	111,676	112,175
Net deficit on revaluation of investment properties	(3,897)	(499)
Closing balance (Level 3 recurring fair value)	107,779	111,676
Change in unrealised losses for the year included in profit or loss for assets held at 31 December	(3,897)	(499)

於截至二零一六年及二零一五年十二月三十一日止年度，第一級與第二級之間並無轉撥，亦無轉撥入第三級或自第三級轉撥出。本集團之政策為於發生之報告期末確認各公平值等級水平之間之轉撥。

就按收益法評估之中國投資物業公平值計量，公平值乃計入該等物業從現有租賃產生之租金收入淨額，並考慮到租賃復歸之後收入潛力，其後按適當資本化比率撥充資本計出價。

重大不可觀察數據 範圍

資本化比率	3.53%至6.7% (二零一五年：2.9%至7%)
單位市場租金 (每平方米)	4.95港元至76港元 (二零一五年：6港元至77 港元)

使用較低資本化比率及較高單位市場租金會導致計算投資物業之公平值增加，反之亦然。

就根據直接比較法計量香港投資物業公平值而言，乃假設各項物業可按其現狀交吉出售，並參考有關市場可得之可比較銷售憑證。

29. INVESTMENT PROPERTIES (continued)

Fair value hierarchy (Continued)

One of the key inputs used under direct comparison method in valuing the investment property was the price per square feet and taking into account location and other individual factors. The price per square feet used is approximately HK\$14,754 (2015: HK\$14,570). An increase in the price per square feet would result in an increase in the fair value measurement of the investment property, and vice versa.

There has been no change from the valuation technique used in the prior year. The fair value measurement is based on the above properties' highest and best use, which does not differ from their actual use.

30. PREPAID LAND LEASE PAYMENTS

Changes to the carrying amounts are summarised as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Carrying amount at 1 January	於一月一日之賬面值	46,208	38,828
Additions	添置	18,742	12,546
Amortisation during the year	年內攤銷	(949)	(1,015)
Exchange realignment	匯兌調整	(4,959)	(4,151)
Carrying amount at 31 December	於十二月三十一日之賬面值	59,042	46,208

As at 31 December 2016, the amount of the Group's prepaid land lease payments expected to be recognised as expense after more than one year is HK\$58,135,000 (2015: HK\$45,242,000). The remaining prepaid land lease payments are expected to be recognised as expense within one year.

As at 31 December 2016 and 2015, all of the Group's prepaid land lease payments are related to land located in the PRC and held under medium-term leases.

At 31 December 2015, the Group's prepaid land lease payments included certain land use rights with a net carrying amount of HK\$11,949,000 for which the Group was still in the process of obtaining the land use rights certificate. The Group's legal advisor had confirmed that the Group had the legal right to use the land and there was no legal impediment to obtain the land use right certificate as at 31 December 2015. For the year ended 31 December 2016, the Group has obtained all the land use right certificates from the relevant government authority.

29. 投資物業(續)

公平值等級(續)

評估投資物業時，直接比較法項下主要輸入數據之一為每平方呎價格，且計及位置及其他個別因素。所用每平方呎價格約為14,754港元(二零一五年：14,570港元)。每平方呎價格上升會導致投資物業公平值計量增加，反之亦然。

於上一年度使用之估值方法並無變動。公平值乃根據上述物業之最高及最佳用途為基準計算，該等用途與其實際用途並無不同。

30. 預付土地租賃款項

賬面值變動概述如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Carrying amount at 1 January	於一月一日之賬面值	46,208	38,828
Additions	添置	18,742	12,546
Amortisation during the year	年內攤銷	(949)	(1,015)
Exchange realignment	匯兌調整	(4,959)	(4,151)
Carrying amount at 31 December	於十二月三十一日之賬面值	59,042	46,208

於二零一六年十二月三十一日，本集團一年以上預計將被確認為費用之預付土地租賃付款為58,135,000港元(二零一五年：45,242,000港元)。餘下預付土地租賃款項預計將於一年內確認為費用。

於二零一六年及二零一五年十二月三十一日，本集團之預付土地租賃款項乃與位於中國並根據中期租約持有之土地有關。

於二零一五年十二月三十一日，本集團之預付土地租賃款項包括賬面淨值為11,949,000港元之若干土地使用權，其中本集團仍在申請取得土地使用權證。本集團之法律顧問已確認，本集團具有使用土地之法律權利，且於二零一五年十二月三十一日在取得土地使用權證中概無法律障礙。截至二零一六年十二月三十一日止年度，本集團已從有關政府部門獲得所有土地使用權證書。

31. INTANGIBLE ASSETS

31. 無形資產

		Supplier and distribution			Total
		networks 供應商及 分銷網絡 HK\$'000 千港元	Brand names 品牌名稱 HK\$'000 千港元	Patents 專利 HK\$'000 千港元	
At 1 January 2015	於二零一五年一月一日				
Cost	成本	122,670	247,518	30,933	401,121
Accumulated amortisation and impairment losses	累計攤銷及減值虧損	(35,904)	(105,057)	(30,236)	(171,197)
Net carrying amount	賬面淨值	86,766	142,461	697	229,924
Year ended 31 December 2015	截至二零一五年十二月三十一日止年度				
Opening carrying amount	年初賬面值	86,766	142,461	697	229,924
Additions	添置	–	–	698	698
Disposal of a subsidiary (note 13.2)	出售一間附屬公司(附註13.2)	(41,260)	–	–	(41,260)
Disposal	出售	(765)	–	(591)	(1,356)
Amortisation	攤銷	(8,826)	(79)	(191)	(9,096)
Exchange realignment	匯兌調整	(1,327)	(5,293)	(20)	(6,640)
Closing carrying amount	年終賬面值	34,588	137,089	593	172,270
At 31 December 2015	於二零一五年十二月三十一日				
Cost	成本	58,024	242,080	31,497	331,601
Accumulated amortisation and impairment losses	累計攤銷及減值虧損	(23,436)	(104,991)	(30,904)	(159,331)
Net carrying amount	賬面淨值	34,588	137,089	593	172,270
Year ended 31 December 2016	截至二零一六年十二月三十一日止年度				
Opening carrying amount	年初賬面值	34,588	137,089	593	172,270
Disposal of a subsidiary (note 13.1)	出售一間附屬公司(附註13.1)	(24,033)	–	–	(24,033)
Amortisation	攤銷	(3,184)	(75)	(191)	(3,450)
Exchange realignment	匯兌調整	(557)	(19,218)	(108)	(19,883)
Closing carrying amount	年終賬面值	6,814	117,796	294	124,904
At 31 December 2016	於二零一六年十二月三十一日				
Cost	成本	20,417	220,106	30,564	271,087
Accumulated amortisation and impairment losses	累計攤銷及減值虧損	(13,603)	(102,310)	(30,270)	(146,183)
Net carrying amount	賬面淨值	6,814	117,796	294	124,904

32. GOODWILL

The amount of goodwill capitalised as an asset recognised in the consolidated statement of financial position, arising from business combinations, 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
At 1 January	於一月一日		
Gross carrying amount	賬面總值	791,031	791,031
Accumulated impairment losses	累計減值虧損	(49,395)	(49,395)
Net carrying amount	賬面淨值	741,636	741,636
Year ended 31 December	截至十二月三十一日止年度		
Opening carrying amount	年初賬面值	741,636	741,636
Acquisition of subsidiaries (note 49)	收購附屬公司(附註49)	242,875	-
Impairment loss	減值虧損	(70,566)	-
Exchange realignment	匯兌調整	(51,111)	-
Closing carrying amount	年終賬面值	862,834	741,636
At 31 December	於十二月三十一日		
Gross carrying amount	賬面總值	980,561	791,031
Accumulated impairment losses	累計減值虧損	(117,727)	(49,395)
Net carrying amount	賬面淨值	862,834	741,636

For the purpose of impairment testing, goodwill is allocated to the CGUs under watch and timepieces segment and banking business segment. The CGUs were identified as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
	Segment 分類		
Jia Cheng Investment Limited and its subsidiaries 佳城投資有限公司及其附屬公司	Watches and timepieces 鐘錶及時計產品	611,366	621,382
Corum Group 崑崙集團	Watches and timepieces 鐘錶及時計產品	47,161	49,395
Dreyfuss Group 帝福時集團	Watches and timepieces 鐘錶及時計產品	88,663	120,254
Bendura Group 富地集團	Banking business 銀行業務	233,371	-
Gross carrying amount 賬面總值		980,561	791,031

Valuations were carried out by Asset Appraisal to assess the recoverable amount of the goodwill arising from the acquisitions. The Group's management's key assumptions for the Group include stable profit margins, which have been determined based on the past performance and its expectations for the market share after taking into consideration of published market forecasts included in industry reports.

32. 商譽

業務合併產生之商譽資本化金額於綜合財務狀況表確認為資產如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
	Segment 分類		
	Watches and timepieces 鐘錶及時計產品	611,366	621,382
	Watches and timepieces 鐘錶及時計產品	47,161	49,395
	Watches and timepieces 鐘錶及時計產品	88,663	120,254
	Banking business 銀行業務	233,371	-
	Gross carrying amount 賬面總值	980,561	791,031

就進行減值測試，商譽分配至鐘錶及時計分部以及銀行業務分部之現金產生單位。現金產生單位已識別為：

資產評估進行估值，以評估收購所產生商譽之可收回金額。本集團管理層就本集團之主要假設包括穩定邊際溢利，乃經計及於業內報告所公佈市場預測後，按過往表現及其市場佔有率預測釐定。

32. GOODWILL (continued)

Jia Cheng Investment Limited and its subsidiaries

The recoverable amount of this CGU is determined based on a value-in-use calculation which uses cash flow projections based on financial budgets approved by the directors covering a five-year period, followed by an extrapolation of expected cash flow at the growth rates of 3% (2015: 3%) which do not exceed the long-term growth rate for the business in which the CGU operates, and a discount rate of 19.65% per annum (2015: 17.12%). The discount rate used is pre-tax and reflect specific risks relating to the CGU. The directors believe that any reasonably possible changes in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable of the CGU as at 31 December 2016 and 2015.

Corum Group

The goodwill arising from the acquisition of Corum Group in the watch and timepieces segment had been fully impaired and in previous years.

Dreyfuss Group

Dreyfuss Group incurred loss for the year ended 31 December 2016 and the revenue growth is not achieved as previously expected. The directors of the Company considered the goodwill arising from the acquisition of Dreyfuss Group should be impaired. As the recoverable amount of the CGU of Dreyfuss Group as at 31 December 2016 amounting to HK\$123,273,000 is lower than its carrying amount, an impairment loss on the goodwill of HK\$70,566,000 (2015: nil) was recognised in the consolidated statement of comprehensive income for the year ended 31 December 2016.

The recoverable amount of this CGU is determined based on a value-in-use calculation which uses cash flow projections based on financial budgets approved by the directors covering a five-year period, followed by an extrapolation of expected cash flow at the growth rates of 3% (2015: 3%) which do not exceed the long-term growth rate for the business in which the CGU operates, and a discount rate of 17.46% (2015: 18.72%) per annum. The discount rate used is pre-tax and reflect specific risks relating to the CGU.

32. 商譽(續)

佳城投資有限公司及其附屬公司

該現金產生單位之可收回金額乃以計算使用價值釐定，有關計算使用董事所批准覆蓋五年期之財務預算之現金流量預測，再按增長率3% (二零一五年：3%) (其不超過於現金產生單位經營之業務之長期增長率) 及年貼現率19.65% (二零一五年：17.12%) 推斷預期現金流量。所用貼現率為反映現金產生單位特定風險之除稅前比率。董事認為，根據主要假設之任何合理可能變動計得之可收回金額不會致使賬面總值超過現金產生單位於二零一六年及二零一五年十二月三十一日之可收回款項總額。

崑崙集團

收購崑崙集團產生鐘錶及時計產品分類之商譽於過往年度已悉數減值。

帝福時集團

帝福時集團截至二零一六年十二月三十一日止年度出現重大虧損，收入增幅亦未達早前預期。本公司董事認為從收購帝福時集團之商譽及無形資產應減值。帝福時集團現金產生單位之可收回金額為123,273,000港元，低於賬面值，商譽減值虧損70,566,000港元 (二零一五年：零) 於截至二零一六年十二月三十一日止年度綜合全面收入表中確認。

該現金產生單位之可收回金額乃以計算使用價值釐定，有關計算使用董事所批准覆蓋五年期之財務預算之現金流量預測，再按增長率3% (二零一五年：3%) (其不超過於現金產生單位經營之業務之長期增長率) 及年貼現率17.46% (二零一五年：18.72%) 推斷預期現金流量。所用貼現率為反映現金產生單位特定風險之除稅前比率。

32. GOODWILL (continued)

Bendura Group

The recoverable amount of this CGU is determined based on a value-in-use calculation which uses cash flow projections based on financial budgets approved by the directors covering a five-year period, followed by an extrapolation of expected cash flow at the zero growth rates which do not exceed the long-term growth rate for the business in which the CGU operates, and a discount rate of 12.81% per annum. The discount rate used is pre-tax and reflect specific risks relating to the CGU. The directors believe that any reasonably possible changes in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable of the CGU as at 31 December 2016.

Goodwill arising from business combinations prior to 2001

Goodwill arising from business combinations prior to 2001 had been eliminated against the consolidated reserves. As at 31 December 2016, the carrying amount of goodwill in the consolidated reserves was HK\$15,300,000 (2015: HK\$15,300,000).

33. OTHER ASSETS

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Other receivables	其他應收款	260,161	299,162
Dividend receivable from an associate (note 48.1 (iv))	應收一間聯營公司股息 (附註48.1(iv))	27,500	27,500
Consideration receivable from an associate in respect of disposal of brand name (note 48.1 (iv))	就出售品牌名稱應收一間聯營公司 代價(附註48.1(iv))	20,000	25,000
Deposits for acquisition of subsidiaries (notes 46(a) and 46(b))	收購附屬公司按金 (附註46(a)及46(b))	13,000	-
Consideration receivable in respect of disposal of subsidiaries (notes 13.1 and 13.3)	就出售附屬公司之應收代價 (附註13.1及13.3)	42,282	39,364
Debt component of convertible bond investment (note 21 (a))	可換股債券投資之債務部分 (附註21(a))	7,098	6,083
Amounts due from associates (note 48.1 (iv))	應收聯營公司款項(附註48.1(iv))	24,588	17,107
Amounts due from related companies (note 48.1 (iv))	應收關連公司款項(附註48.1(iv))	1,064	911
Prepayments	預付款項	98,439	108,052
Deposits	按金	49,205	26,919
Management and performance fees receivables	應收管理及表現費用	14,379	-
Other interest receivables	其他應收利息	20,615	-
Settlement and clearing account	交收及結算賬戶	15,325	-
		593,656	550,098

32. 商譽(續)

富地集團

該現金產生單位之可收回金額乃以計算使用價值釐定，有關計算使用董事所批准覆蓋五年期之財務預算之現金流量預測，再按增長率(其不超過於現金產生單位經營之業務之長期增長率)及年貼現率12.81%推斷預期現金流量。所用貼現率為反映現金產生單位特定風險之除稅前比率。董事認為，根據主要假設之任何合理可能變動計得之可收回金額不會致使賬面總值超過現金產生單位於二零一六年十二月三十一日之可收回款項總額。

二零零一年前業務合併之商譽

於二零零一年前業務合併產生之商譽已於綜合儲備對銷。於二零一六年十二月三十一日，於綜合儲備內之商譽賬面值為15,300,000港元(二零一五年：15,300,000港元)。

33. 其他資產

33. OTHER ASSETS (continued)

Other receivables represented cash advance to the staffs, VAT receivable, receivable on social securities, other advances and deposits in the securities accounts.

As at 31 December 2016, the amount of the Group's other assets expected to be recovered or recognised as expense after more than one year is HK\$14,779,000 (2015: HK\$21,887,000). The remaining other assets are expected to be recovered or recognised as expense within one year.

None of the above other receivables is either past due or impaired. Other receivables relate to counterparties for which there was no recent history of default.

34. DUE TO CLIENTS

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Due to clients precious metals	應付客戶貴金屬款項	27,499	-
Other amounts due to clients, mainly bank deposits	其他應付客戶款項 (主要為銀行存款)	10,365,548	-
		10,393,047	-

35. TRADE PAYABLES

The credit terms of trade payables from non-banking business vary according to the terms agreed with different suppliers. Ageing analysis of trade payables as at the reporting dates, based on the invoice dates, 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
1 to 3 months	1至3個月	268,591	320,297
4 to 6 months	4至6個月	21,771	16,745
Over 6 months	超過6個月	59,475	22,491
		349,837	359,533

Trade payables are non-interest bearing.

33. 其他資產(續)

其他應收款即指預付員工之現金、增值稅應收款項、社會保障應收款項、其他墊款及證券賬戶之存款。

於二零一六年十二月三十一日，本集團其他資產預計將於一年後收回或確認為開支之金額為14,779,000港元(二零一五年：21,887,000港元)。餘下其他資產預計於一年內收回或確認為開支。

上述其他應收款概無逾期或減值。與對手方有關之其他應收款並無最近拖欠記錄。

34. 應付客戶款項

35. 應付賬款

非銀行業務應付賬款之信貸期根據與不同供應商協定之條款而變。應付賬款按照發票日期於報告日之賬齡分析如下：

應付賬款為不計息。

36. CORPORATE BONDS

36. 公司債券

		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	708,834	764,914
Issuance of corporate bonds	發行公司債券	—	—
Amortisation of transaction costs	交易成本攤銷	3,880	3,561
Repurchase of corporate bonds	購回公司債券	(2,009)	(58,136)
Exchange realignment	匯兌調整	(18,578)	(1,505)
At 31 December	於十二月三十一日	692,127	708,834

On 24 July 2014, the Group issued CHF denominated corporate bonds of principal amount of CHF100,000,000 bears interest at 3.625% per annum. The interests of the corporate bonds are paid in arrears on 24 July every year. The corporate bonds are listed in SIX Swiss Exchange in Switzerland and guaranteed by the Company. The corporate bonds will mature on 24 July 2019.

Net proceeds from the issue of the corporate bonds, as reduced by transaction cost, amounted to approximately CHF97,295,000 (equivalent to approximately HK\$762,913,000).

The Group may, at any time after the date of issuance and prior to the date of maturity, redeem the whole corporate bonds at 100% of the total principal amounts together with payments of interest accrued up to the dates of such early redemption by serving a prior notice to a period of not less than 30 days nor more than 60 days.

During the year ended 31 December 2016, the Group has repurchased certain corporate bonds of principal amount of CHF255,000 (equivalent to approximately HK\$2,009,000) (2015:CHF7,385,000 (equivalent to approximately HK\$58,136,000)) at the consideration of CHF216,000 (equivalent to approximately HK\$1,697,000) (2015:CHF6,360,000 (equivalent to approximately HK\$51,262,000)). The Group recognised a gain on repurchase of the corporate bonds of CHF39,000 (equivalent to approximately HK\$312,000) (2015:CHF853,000 (equivalent to approximately HK\$6,872,000)) (after unamortised transaction costs) for the year ended 31 December 2016.

於二零一四年七月二十四日，本集團發行瑞士法郎公司債券，本金額為100,000,000瑞士法郎，按年利率3.625%計息。該等公司債券利息於每年七月二十四日分期支付。該等公司債券於瑞士證券交易所上市及由本公司擔保。該等公司債券到期日為二零一九年七月二十四日。

發行公司債券之所得款項淨額(扣除交易成本)為約97,295,000瑞士法郎(相當於約762,913,000港元)。

本集團可於發行日後任何時間至到期日前，發出不少於30日或不多於60日之事先通知，按本金總額100%連同直至該提早贖回日期止累計利息款項贖回全部公司債券。

截至二零一六年十二月三十一日止年度，本集團以代價216,000瑞士法郎(相當於約1,697,000港元)(二零一五年：6,360,000瑞士法郎(相當於約51,262,000港元))購回若干本金額255,000瑞士法郎(相當於約2,009,000港元)(二零一五年：7,385,000瑞士法郎(相當於約58,136,000港元))之公司債券。截至二零一六年十二月三十一日止年度，本集團確認購回公司債券收益39,000瑞士法郎(相當於約312,000港元)(二零一五年：853,000瑞士法郎(相當於約6,872,000港元)(扣除未攤銷交易費))。

37. BORROWINGS

37. 借貸

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Bank overdrafts	銀行透支	117,713	-
Bank borrowings	銀行借貸	1,072,627	938,532
		1,190,340	938,532

As at 31 December 2016, the amount of the Group's borrowings repayable within one year or on demand is HK\$1,174,367,000 (2015: HK\$766,654,000). The remaining borrowings are repayable over one year.

於二零一六年十二月三十一日，本集團須於一年內償還或按要求償還之借貸金額為1,174,367,000港元（二零一五年：766,654,000港元）。餘下借貸為於一年後償還。

Based on the scheduled repayment dates set out in the loan agreements and ignore the effect of any repayment on demand clause. Borrowings are repayable as follows:

根據載於貸款協議之計劃還款日期，且不計及按要求償付條款之影響。借貸須按下列方式償付：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Borrowings payable:	借貸應付款：		
Within one year or on demand	於一年內或按要求	939,187	559,977
In the second year	於第二年	235,637	258,815
In the third to fifth year	於第三至第五年	1,369	104,744
After fifth year	第五年後	14,147	14,996
		251,153	378,555
		1,190,340	938,532

The abovementioned borrowings are charged at floating rates ranging from 1.96% to 4.35% (2015: 2.1% to 6.11%) per annum.

以上所述借貸收取介乎每年1.96%至4.35%之間之浮動利率（二零一五年：2.1%至6.11%）。

37. BORROWINGS (continued)

At the reporting dates, the Group's borrowings were secured by:

- (i) corporate guarantees provided by subsidiaries within the Group as at 31 December 2016 and 2015;
- (ii) a corporate guarantee provided by Fengrong as at 31 December 2015 (note 48.1(v));
- (iii) a legal charge over certain of the Group's land and buildings and investment properties with the carrying amounts of HK\$127,516,000 (2015: HK\$129,397,000)(note 28(a)) and HK\$24,100,000 (2015: HK\$23,800,000) (note 29);
- (iv) certain of the Group's trade receivables with the carrying amounts of HK\$33,647,000 (2015: HK\$74,572,000) as at 31 December 2016 (note 22); and
- (v) a personal guarantee of HK\$27,600,000 provided by the director of a subsidiary as at 31 December 2016 and 2015.

Certain of borrowings contain clause which give the banks 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. Borrowings due for repayment after one year which contain a repayment on demand clause and are expected to be settled within one year. The carrying amounts of the borrowings approximate to their fair value.

37. 借貸(續)

於報告日，本集團之借貸以下列各項作抵押：

- (i) 本集團內附屬公司於二零一六年及二零一五年十二月三十一日所提供之公司擔保；
- (ii) 豐裕於二零一五年十二月三十一日所提供之公司擔保(附註48.1(v))；
- (iii) 本集團賬面值為127,516,000港元(二零一五年：129,397,000港元)之若干土地及樓宇(附註28(a))及賬面值為24,100,000港元(二零一五年：23,800,000港元)之若干投資物業(附註29)之法定押記；
- (iv) 本集團於二零一六年十二月三十一日之賬面值為33,647,000港元(二零一五年：74,572,000港元)之若干應收賬款(附註22)；及
- (v) 一間附屬公司之董事於二零一六年及二零一五年十二月三十一日提供之27,600,000港元個人擔保。

若干借貸包含給予銀行可要求於任何時間即時償付之全權酌情權之條文，而不論本集團是否已遵守契諾及符合計劃償付責任。於一年後到期償付之借貸部分包含按要求償付條文，且預期於一年內結付。借貸賬面值與其公平值相若。

38. PROVISIONS

38. 撥備

		Provision for litigation risks 訴訟風險撥備
		HK\$'000 千港元
Acquisition of subsidiaries (note 49)	收購附屬公司(附註49)	6,496
Utilised/Released in accordance with designated purpose	根據指定目的使用/解除	(3,973)
Newly formed and charged to profit or loss	新作出並扣自溢利或虧損	552
Released and credited to profit or loss	解除及計入溢利或虧損	(2,494)
Exchange realignment	匯兌調整	(49)
At 31 December 2016	於二零一六年十二月三十一日	532
Maturity of the provisions	撥備到期日	
Within one year	一年內	532

During the year ended 31 December 2016, net reversal of provision for litigation risks of HK\$1,942,000 has been recognised in the consolidated statement of comprehensive income.

As part of the normal business activities of banking business, the Group is exposed to a wide range of legal risks. These include in particular risks relating to litigation and tax law. The Group recognises provisions for such litigation and tax risks if the Group's management and its legal advisors are of the opinion that an outflow of resources embodying economic benefits is probable and a reliable estimate can be made of the amount. The amount of the provisions and their timing are by their nature subject to uncertainty. However, these uncertainties are evaluated as being low since it was possible to reliably estimate the individual amounts and the majority of the recognised provisions will probably become due within one year.

截至二零一六年十二月三十一日止年度，撥回訴訟風險撥備淨額1,942,000港元已於綜合全面收入表中確認。

作為銀行業務日常業務活動一部分，本集團面臨多類法律風險。該等風險包括與訴訟及稅法有關之特定風險。倘本集團管理層及其法律顧問認為體現經濟利益之資源可能流出且金額能可靠估計，則本集團就該訴訟及稅務風險確認撥備。撥備金額及其時間根據其性質受不確定因素規限。然而，由於能可靠地估計個別金額及大多數已確認撥備可能於一年內到期，故此經評估該等不確定因素為低。

39. SUBORDINATED DEBT

39. 次級債務

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Subordinated private placements	次級私人配售	83,345	-

Bendura Bank AG issued a subordinated debt instrument in the amount of EUR10 million via a private placement in 2013. In respect of the issued debt securities, there were no late payments or breaches of contract in the years under review. The maturity date is 14 June 2018 and its nominal and effective interest rates are 4% per annum.

Bendura Bank AG於二零一三年透過私人配售發行10,000,000歐元次級債務工具。就已發行債務證券，於回顧年度概無逾期付款或違約。到期日為二零一八年六月十四日，其名義及實際年利率為4%。

40. OTHER LIABILITIES

40. 其他負債

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Accruals	應計費用	103,988	142,781
Due to associates (note 48(iv))	應付聯營公司款項(附註48(iv))	19,996	21,275
Due to related companies (note 48(iv))	應付關連公司款項(附註48(iv))	-	181
Warranty provision	保養撥備	4,257	5,457
Net defined benefit obligations	定額福利責任淨額	89,630	53,436
Accrued interests and commission	應計利息及佣金	13,946	-
Consideration payable for acquisition of Dreyfuss Group	收購帝福時集團 應付代價	-	11,638
Other tax payable	其他應付稅款	33,026	61,157
Interest payable	應付利息	6,367	109
Receipt in advance	預付收據	19,125	17,355
Commission payable	應付佣金	35,956	10,041
Other payables	其他應付賬款	241,704	169,671
		567,995	493,101

Other payables represented accrued management and performance fees, accrued services fee, accrued salaries and bonus, accrued audit fee and accrued other operating expenses.

其他應付賬款即指應計管理及履約費、應計服務費、應計工資及花紅、應計審計費及應計其他營運開支。

As at 31 December 2016, the amount of the Group's other liabilities expected to be due after more than one year is HK\$94,129,000 (2015: HK\$60,031,000). The remaining other liabilities are expected to be due within one year.

於二零一六年十二月三十一日，本集團預期超過一年後到期之其他負債金額為94,129,000港元（二零一五年：60,031,000港元）。餘下其他負債預期將於一年內到期。

41. DEFERRED TAX

Deferred tax is calculated in full on temporary differences under the liability method using the applicable tax rates prevailing in the jurisdictions in which the Group operates.

Details of the Group's deferred tax assets/(liabilities) recognised and movements are as follows:

		Revaluation of intangible assets	Revaluation of property, plant and equipment	Tax losses	Impairment loss on investments	Temporary difference arising from bond repurchase	Decelerated tax depreciation	Other temporary differences	Total
		重估無形資產	重估物業、 廠房及設備	稅項虧損	投資減值虧損	購回債券產生 之暫時差額	減速稅項折舊	其他暫時差額	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2015	於二零一五年一月一日	(26,542)	(4,953)	12,236	(274)	-	2,940	-	(16,593)
(Charged)/Credited to profit or loss (note 12)	於溢利或虧損中(扣除)/ 計入(附註12)	-	-	(2,194)	-	(1,942)	15	-	(4,121)
Exchange realignment	匯兌調整	1,211	19	(286)	1	60	(136)	-	869
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	(25,331)	(4,934)	9,756	(273)	(1,882)	2,819	-	(19,845)
Acquisition of subsidiaries (note 49)	收購附屬公司(附註49)	-	(6,857)	-	-	-	-	1,738	(5,119)
Credited/(Charged) to profit or loss (note 12)	於溢利或虧損中計入/ (扣除)(附註12)	39	249	(61)	-	-	148	3,711	4,086
Exchange realignment	匯兌調整	843	138	(1,614)	6	56	(630)	(376)	(1,577)
At 31 December 2016	於二零一六年十二月三十一日	(24,449)	(11,404)	8,081	(267)	(1,826)	2,337	5,073	(22,455)

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of deferred tax balances for financial reporting purposes:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Deferred tax assets	遞延稅項資產	10,741	7,641
Deferred tax liabilities	遞延稅項負債	(33,196)	(27,486)
		(22,455)	(19,845)

41. 遞延稅項

遞延稅項按負債法採用本集團業務所在司法權區現行適用稅率就暫時差額全面計算。

本集團之已確認遞延稅項資產/(負債)及其變動詳情載列如下：

為於綜合財務狀況表中呈報，若干遞延稅項資產及負債已予抵銷。以下為用於財務報告之遞延稅項結餘分析：

41. DEFERRED TAX (continued)

As at 31 December 2016, the Group has estimated unused tax losses arising in Hong Kong of HK\$284,261,000 (2015: HK\$282,589,000), subject to the agreement of Inland Revenue Department, that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose.

As at 31 December 2016, the Group has estimated unused tax losses arising in the PRC of HK\$103,331,000 (2015: HK\$64,246,000) which are available for offsetting against future taxable profits for a maximum period of five years from the reporting date. Deferred tax assets have not been recognised in respect of these estimated unused tax losses as these were incurred by the companies that have been loss-making for some time.

As at 31 December 2016, the Group has estimated unused tax losses in United Kingdom of HK\$66,962,000 (2015: HK\$35,689,000), subject to the agreement of tax bureau in United Kingdom, that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets of HK\$3,295,000 (2015: HK\$4,822,000) have been recognised in respect of these estimated unused tax losses.

As at 31 December 2016, the Group has estimated unused tax losses in Switzerland of HK\$921,246,000 (2015: HK\$1,554,116,000), subject to the agreement of tax bureau in Switzerland, that are available for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets of HK\$4,786,000 (2015: HK\$4,934,000) have been recognised in respect of these estimated unused tax losses to the extent of deferred tax liabilities recognised in respect of revaluation of identifiable assets as a result of the acquisitions. Deferred tax assets have not been recognised in respect of the estimated unused tax losses as these were incurred by the subsidiaries that have been loss-making for some time. These estimated unused tax losses will be available for offsetting against future taxable profit for a maximum period of five years from the reporting date.

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders during the year.

As at 31 December 2016, deferred taxation has not been provided in the consolidated financial statements in respect of temporary differences attributable to the profits earned by the PRC subsidiaries amounted to HK\$1,898,660,000 (2015: HK\$1,548,493,000) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary difference will not reverse in the foreseeable future.

41. 遞延稅項(續)

於二零一六年十二月三十一日，本集團於香港產生估計未動用稅項虧損284,261,000港元(二零一五年：282,589,000港元)，有待與稅務局協議，可用作抵銷產生虧損公司之日後應課稅溢利。

於二零一六年十二月三十一日，本集團估計於中國產生之未動用稅項虧損為103,331,000港元(二零一五年：64,246,000港元)，可用作抵銷最長為由報告日起計五年之未來應課稅溢利。由於產生稅項虧損之公司已錄得虧損一段時間，故並無就該等估計未動用稅項虧損確認任何遞延稅項資產。

於二零一六年十二月三十一日，本集團於英國產生估計未動用稅項虧損66,962,000港元(二零一五年：35,689,000港元)，有待英國稅務局協議，可無限期用作抵銷產生虧損公司之日後應課稅溢利。已就該等估計未動用稅項虧損確認遞延稅項資產3,295,000港元(二零一五年：4,822,000港元)。

於二零一六年十二月三十一日，本集團於瑞士產生估計未動用稅項虧損921,246,000港元(二零一五年：1,554,116,000港元)，有待與瑞士稅務局協議，可用作抵銷產生虧損之公司日後應課稅溢利。以收購重估可識別資產之已確認遞延稅項負債為限，就該等估計未動用稅項虧損確認之遞延稅項資產為4,786,000港元(二零一五年：4,934,000港元)。由於該等估計未動用稅項虧損由蒙受虧損一段時間之附屬公司產生，故並無就該等虧損確認遞延稅項資產。該等估計未動用稅項虧損可用作抵銷最長為由報告日起計五年之日後應課稅溢利。

年內，本公司並無因向其股東支付股息而須承擔任何所得稅後果。

於二零一六年十二月三十一日，綜合財務報表並無就中國附屬公司所賺取溢利應佔之暫時差額1,898,660,000港元(二零一五年：1,548,493,000港元)作出遞延稅項撥備，原因為本集團能夠控制撥回暫時差額之時間，加上暫時差額很可能不會於可見將來撥回。

42. SHARE CAPITAL

42. 股本

		2016 二零一六年		2015 二零一五年	
		Number of shares 股份數目		Number of shares 股份數目	
		'000 千股	HK\$'000 千港元	'000 千股	HK\$'000 千港元
Authorised:	法定：				
Ordinary shares of HK\$0.10 each at 1 January and 31 December	於一月一日及十二月三十一日 每股面值0.10港元之普通股	6,000,000	600,000	6,000,000	600,000
Issued and fully paid:	已發行及繳足：				
At 1 January	於一月一日	4,409,374	440,938	4,408,924	440,893
Repurchase of ordinary shares (note (a))	購回普通股股份(附註(a))	(65,440)	(6,544)	-	-
Share option scheme – proceeds from shares issued (note (b))	認購股份權計劃—發行股份 所得款項(附註(b))	2,880	288	450	45
At 31 December	於十二月三十一日	4,346,814	434,682	4,409,374	440,938

Notes:

- (a) The Company has repurchased 65,440,000 ordinary shares during the year ended 31 December 2016. The repurchase price is based on the market price of the share at the date of repurchase and the total repurchase consideration is HK\$75,451,000. The repurchased shares were cancelled and accordingly the issued share capital of the Company was reduced by the nominal value of these shares of HK\$6,544,000. The premium paid on the repurchase of ordinary shares of HK\$68,907,000 was charged to share premium. The Company did not repurchase any of its ordinary shares in 2015.
- (b) During the year, 2,880,000 (2015: 450,000) new ordinary shares of the Company were issued upon the exercise of share options. The total proceeds received for the issues of shares under the share option scheme are HK\$936,000 (2015: HK\$146,000). The amount of HK\$648,000 (2015: HK\$101,000), representing the excess of the proceeds received over the nominal value of the ordinary shares of HK\$288,000 (2015: HK\$45,000), has been included in share premium account.

Details of the share options exercised during the years ended 31 December 2016 and 2015 are summarised in note 43. All shares issued in both years in relation to the share option scheme have the same rights as the Company's other issued ordinary shares.

附註：

- (a) 截至二零一六年十二月三十一日止年度，本公司已購回65,440,000股普通股。回購價乃按股份於回購日期之市價釐定，而回購總代價為75,451,000港元。已回購股份已註銷，因此本公司已發行股本按該等股份之面值6,544,000港元減少。回購普通股之已付溢價68,907,000港元已計入股份溢價。於二零一五年，本公司概無回購其任何普通股。
- (b) 年內，本公司於行使認購股份權時發行2,880,000股(二零一五年：450,000股)新普通股。就根據認購股份權計劃發行股份收取之所得款項總額為936,000港元(二零一五年：146,000港元)。為數648,000港元(二零一五年：101,000港元)為已收所得款項超出普通股面值288,000港元(二零一五年：45,000港元)之金額，該筆款項已計入股份溢價賬。

截至二零一六年及二零一五年十二月三十一日止年度，獲行使認購股份權詳情於附註43概述。所有於兩個年度內發行之股份(與認購股份權計劃有關)與本公司其他已發行普通股享有同等權利。

43. SHARE-BASED COMPENSATION

At the general meeting held on 30 May 2008, the shareholders of the Company terminated the option scheme adopted on 25 May 2001 and adopted a new share option scheme (the "Share Option Scheme") for a period of 10 years commencing on the adoption date.

The directors may, at their discretion, invite the eligible participants to take up options to subscribe for shares. The eligible participants include (i) any full-time or part-time employees, executives or officers of the Company or any of its subsidiaries; (ii) any directors (including executive directors, non-executive directors and independent non-executive directors) of the Company or any of its subsidiaries; and (iii) any advisers, consultants, suppliers, customers and agents to the Company or any of its subsidiaries.

Under the Share Option Scheme, the maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme shall not exceed 30% of the share capital of the Company in issue from time to time. No options may be granted under the Share Option Scheme if the grant of such option will result in the limit being exceeded. Subject to the approval of the Company's shareholders, the aggregate number of the Company's shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme shall not exceed 30% of the Company's shares in issue from time to time.

The total number of shares issued and which may fall to be issued upon exercise of the options and the options granted under the Share Option Scheme (including both exercised or outstanding options) to each grantee in any 12-month period shall not exceed 1% of the issued share capital of the Company. Where any further grant of options to a grantee would result in the shares issued and to be issued upon exercise of all options granted and proposed to be granted to such person (including exercised, cancelled and outstanding options) under the Share Option Scheme in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the shares in issue, such further grant requires approval of the shareholders of the Company in general meeting with such grantee and his associates abstaining from voting.

The maximum number of shares issued and to be issued upon exercise of the options granted under the Share Option Scheme to each of any eligible persons (including those cancelled, exercised and outstanding options), in any 12 months period up to the date of the latest grant shall not exceed 1% of the Company's shares in issue provided that the number of shares issued and to be issued upon exercise of all options granted and to be granted to each of the independent non-executive directors or substantial shareholders of the Company or any of their respective associates in the 12 months period up to the date of such grant in excess of 0.1% of the Company's shares in issue and with a value in excess of HK\$5 million must be approved in advance by the Company's independent shareholders. Any further grant of options in excess of such limit requires the approval of the shareholders in general meeting in accordance with the requirements of the Listing Rules.

43. 股份補償

於二零零八年五月三十日舉行之股東大會上，本公司股東終止於二零零一年五月二十五日採納之認購股份權計劃並採納新認購股份權計劃（「認購股份權計劃」），自採納日期起計為期十年。

董事可酌情邀請合資格參與者承購認購股份權，以認購股份。合資格參與者包括(i)本公司或其任何附屬公司之任何全職或兼職僱員、行政人員或高級人員；(ii)本公司或其任何附屬公司之任何董事(包括執行董事、非執行董事及獨立非執行董事)；及(iii)本公司或其任何附屬公司之任何顧問、諮詢人士、供應商、客戶及代理。

根據認購股份權計劃，於認購股份權計劃項下授出及有待行使之所有尚未行使認購股份權獲行使時可予發行之最高股份數目，不得超過本公司不時已發行股本之30%。倘授出之認購股份權導致超出有關上限，則不得根據認購股份權計劃授出認購股份權。除經本公司股東批准外，根據認購股份權計劃授出及有待行使之所有尚未行使認購股份權獲行使時可予發行之本公司股份總數，不得超過本公司不時已發行股份之30%。

在任何十二個月期間根據認購股份權計劃向每名承授人授出之認購股份權(包括已行使或尚未行使之認購股份權)行使時已發行及將予發行之股份總數不得超過本公司已發行股本之1%。倘向一名承授人進一步授出認購股份權，導致該名人士根據認購股份權計劃於十二個月期間直至進一步授出日期(包括當日)行使獲授及建議獲授之所有認購股份權(包括已行使、註銷及尚未行使認購股份權)後，已發行及將發行股份之數目合共超過已發行股份1%，有關進一步授出認購股份權必須於股東大會獲本公司股東批准，而有關承授人及彼之聯繫人士須放棄表決。

在任何十二個月期間直至最後授出日期根據認購股份權計劃向每名合資格人士授出之認購股份權(包括已註銷、行使及尚未行使之認購股份權)行使時已發行及將予發行之股份最高數目，不得超過本公司已發行股份之1%，惟倘於截至有關授出日期止十二個月期間向本公司各獨立非執行董事或主要股東或彼等各自之任何聯繫人士授出及將予授出之所有認購股份權獲行使時已發行及將予發行之股份數目超過本公司已發行股份0.1%及價值超過5,000,000港元，有關授予必須事先獲本公司獨立股東批准。任何進一步授出超過有關限額之認購股份權必須根據上市規則之規定獲股東於股東大會上批准。

43. SHARE-BASED COMPENSATION (continued)

The exercise period of the share options granted is determinable by the directors, and should not be later than 10 years from the date of the acceptance of the share options (the "Option Period").

The subscription price is equal to the higher of (i) the nominal value of the share of the Company; (ii) the closing price per share of the Company as stated in the Stock Exchange's daily quotation sheet on the date of grant; and (iii) the average closing price per share as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant.

The fair value of share options granted is recognised in profit or loss taking into account the probability that the options will vest over the vesting period. Upon the exercise of the options the resulting shares issued are recorded as additional share capital at the nominal value of the shares, and the excess of the exercise price per share over the nominal value of the shares is recorded in the share premium account. At the time when the share options are exercised, the amount previously recognised in share option reserve is transferred to share premium account. When the share options are forfeited or are still not exercised at the expiry date, the amount previously recognised in share option reserve is transferred to retained profits. Lapsed options are deleted from the outstanding options prior to their exercise date. All equity-settled share-based compensation expense is settled in equity. The Group has no legal or constructive obligation to repurchase or settle the options in cash.

The grantees may exercise the options in whole or in part by giving exercise notice to the grantor at any time during the Option Period provided that the grantees shall exercise the options to acquire the option shares in accordance with the following vesting schedule:

Vesting schedule	Maximum percentage of option shares comprised in an option which may be exercised
One year after the grant date	30%
Two years after the grant date	35%
Three years after the grant date	35%

Details of the share options granted up to the reporting date are as follows:

Date of grant:	9 December 2008
Exercisable period:	9 December 2009 to 7 January 2019
Exercise price:	HK\$0.325

43. 股份補償(續)

所授出認購股份權之行使期由董事釐定，且不應超過認購股份權接納日期後十年（「認購股份權期間」）。

認購價相當於下列各項之最高者：(i)本公司股份面值；(ii)本公司股份於授出日期在聯交所每日報價表所示之每股收市價；及(iii)緊接授出日期前五個營業日股份於聯交所每日報價表所示之每股平均收市價。

所授出認購股份權之公平值於計及認購股份權於歸屬期歸屬之可能性後在溢利或虧損確認。於認購股份權獲行使時，所引伸之已發行股份按股份面值記入額外股本，而每股行使價超出股份面值之差額則計入股份溢價賬。認購股份權獲行使時，先前於認購股份權儲備中確認之款額會轉撥至股份溢價賬。當認購股份權被沒收或於屆滿日期仍未行使時，先前於認購股份權儲備中確認之款額會轉撥至保留溢利。於行使日期前已失效認購股份權會自尚未行使認購股份權中剔除。所有以股本結算之股份補償開支將以權益結算。本集團並無法定或推定責任以現金購回或結算認購股份權。

承授人可於認購股份權期間任何時間向授予人發出行使通知，行使全部或部分認購股份權，惟承授人將根據下列歸屬期時間表行使認購股份權購入認購股份權股份：

歸屬時間表	可行使認購股份權所包含認購股份權股份最高百分比
授出日期後一年	30%
授出日期後兩年	35%
授出日期後三年	35%

直至報告日為止已授出認購股份權詳情如下：

授出日期：	二零零八年十二月九日
行使期：	二零零九年十二月九日 至二零一九年一月七日
行使價：	0.325港元

43. SHARE-BASED COMPENSATION (continued)

Share options and weighted average exercise price are as follows for the reporting periods presented:

		2016 二零一六年		2015 二零一五年	
		Number '000 數目千份	Weighted average exercise price 加權平均行使價 HK\$ 港元	Number '000 數目千份	Weighted average exercise price 加權平均行使價 HK\$ 港元
Outstanding at 1 January	於一月一日尚未行使	13,435	0.325	13,885	0.325
Exercised	已行使	(2,880)	0.325	(450)	0.325
Outstanding at 31 December	於十二月三十一日尚未行使	10,555	0.325	13,435	0.325
Exercisable at the end of the year	於年終可行使	10,555	0.325	13,435	0.325

The options outstanding at 31 December 2016 had a weighted average remaining contractual life of 2 years (2015: 3 years). The weighted average share price for share options exercised during the year at the date of exercise was HK\$1.56 (2015: HK\$1) per share.

During the year, the Group did not grant any share options (2015: nil).

Movements of the Share Option Scheme for the years ended 31 December 2016 and 2015 are as follows:

2016

Name or category of participants 參與者姓名或所屬類別		Number of share options 認購股份權數目		
		At 1 January 2016 於二零一六年 一月一日	Exercised during the year 於年內行使	At 31 December 2016 於二零一六年 十二月三十一日
Independent non-executive director Mr. Li Qiang	獨立非執行董事 李強先生	3,500,000	-	3,500,000
Other eligible employees In aggregate	其他合資格僱員 合計	4,225,000	(2,650,000)	1,575,000
Other eligible persons In aggregate	其他合資格人士 合計	5,710,000	(230,000)	5,480,000
Total	總計	13,435,000	(2,880,000)	10,555,000

43. 股份補償(續)

報告期內之認購股份權及加權平均行使價呈列如下：

於二零一六年十二月三十一日尚未行使之認購股份權加權平均餘下合約年期為2年(二零一五年：3年)。年內已行使認購股份權於行使日期之加權平均股價為每股1.56港元(二零一五年：1港元)。

年內，本集團概無授出任何購股權(二零一五年：無)。

於截至二零一六年及二零一五年十二月三十一日止年度，認購股份權計劃之變動如下：

二零一六年

43. SHARE-BASED COMPENSATION (continued)

2015

Name or category of participants 參與者姓名或所屬類別		Number of share options 認購股份權數目		
		At 1 January 2015 於二零一五年 一月一日	Exercised during the year 於年內行使	At 31 December 2015 於二零一五年 十二月三十一日
Independent non-executive director	獨立非執行董事			
Mr. Li Qiang	李強先生	3,500,000	-	3,500,000
Other eligible employees	其他合資格僱員			
In aggregate	合計	4,300,000	(75,000)	4,225,000
Other eligible persons	其他合資格人士			
In aggregate	合計	6,085,000	(375,000)	5,710,000
Total	總計	13,885,000	(450,000)	13,435,000

44. RESERVES

Group

The amounts of the Group's reserves and movements therein during the year are presented in the consolidated statement of changes in equity.

The share premium account mainly includes shares issued at a premium.

The share options reserve represents the cumulative expenses recognised on the granting of share options to the employees over the vesting period.

Other reserve represents the cumulative expenses recognised on the granting of share options to an independent third party.

Certain amounts of goodwill arising on the acquisition of subsidiaries in prior years remain eliminated against the consolidated reserves.

In accordance with the PRC regulations, certain of the Group's subsidiaries established in the PRC are required to transfer part of their profits after tax to the statutory reserve before profit distributions are made. The amounts of the transfers are subject to the approval of the boards of the directors of these subsidiaries, in accordance with their joint venture agreements and/or articles of association. The statutory reserve is non-distributable and has restricted use.

Exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations in accordance with the accounting policy adopted in note 5.24.

Investment revaluation reserve represents gains or losses arising on remeasuring financial assets classified as available-for-sale financial assets at fair value.

43. 股份補償(續)

二零一五年

Name or category of participants 參與者姓名或所屬類別		Number of share options 認購股份權數目		
		At 1 January 2015 於二零一五年 一月一日	Exercised during the year 於年內行使	At 31 December 2015 於二零一五年 十二月三十一日
Independent non-executive director	獨立非執行董事			
Mr. Li Qiang	李強先生	3,500,000	-	3,500,000
Other eligible employees	其他合資格僱員			
In aggregate	合計	4,300,000	(75,000)	4,225,000
Other eligible persons	其他合資格人士			
In aggregate	合計	6,085,000	(375,000)	5,710,000
Total	總計	13,885,000	(450,000)	13,435,000

44. 儲備

本集團

本集團於本年度之儲備數額及有關變動於綜合權益變動表中呈列。

股份溢價賬主要包括按溢價發行之股份。

認購股份權儲備指於歸屬期間向僱員授出認購股份權中確認之累計開支。

其他儲備指向一名獨立第三方授出認購股份權中確認之累計開支。

於過往年度收購附屬公司所產生之若干商譽仍於綜合儲備對銷。

按照中國法規，本集團若干於中國成立之附屬公司作出溢利分派前，須將其部分除稅後溢利轉撥至法定儲備基金。轉撥款額須由該等附屬公司之董事會按各自之合營協議及／或公司章程細則批准。法定儲備基金不可分派，且用途有所限制。

根據附註5.24內所採納之會計政策，外匯儲備包括換算海外業務財務報表所產生之所有匯兌差額。

投資重估儲備指按公平值歸類為可供出售金融資產之金融資產重新計量所產生之收益或虧損。

44. RESERVES (continued)

Company

The reserves of the Company as at 31 December 2016 and 2015 are as follows:

		Share premium account 股份溢價賬 HK\$'000 千港元	Share option reserve 認購 股份權儲備 HK\$'000 千港元	Other reserve 其他儲備 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1 January 2015	於二零一五年一月一日	841,402	2,106	22,692	(11,795)	854,405
Proceeds from shares issued under share option scheme	根據認購股份權計劃發行股份之所得款項	101	–	–	–	101
Exercise of share options	行使認購股份權	68	(68)	–	–	–
Profit and total comprehensive income for the year	本年度溢利及全面收入總額	–	–	–	97,607	97,607
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	841,571	2,038	22,692	85,812	952,113
Repurchase of ordinary shares	購回普通股	(68,907)	–	–	–	(68,907)
Proceeds from shares issued under share option scheme	根據認購股份權計劃發行股份之所得款項	648	–	–	–	648
Exercise of share options	行使認購股份權	437	(437)	–	–	–
Profit and total comprehensive income for the year	本年度溢利及全面收入總額	–	–	–	97,133	97,133
2015 final dividend	二零一五年末期股息	–	–	–	(108,654)	(108,654)
At 31 December 2016	於二零一六年十二月三十一日	773,749	1,601	22,692	74,291	872,333

Under the Companies Law Cap. 22, (Law 3 of 1961, as consolidated and revised) 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 a 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.

44. 儲備 (續)

本公司

本公司於二零一六年及二零一五年十二月三十一日之儲備如下：

		Share premium account 股份溢價賬 HK\$'000 千港元	Share option reserve 認購 股份權儲備 HK\$'000 千港元	Other reserve 其他儲備 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1 January 2015	於二零一五年一月一日	841,402	2,106	22,692	(11,795)	854,405
Proceeds from shares issued under share option scheme	根據認購股份權計劃發行股份之所得款項	101	–	–	–	101
Exercise of share options	行使認購股份權	68	(68)	–	–	–
Profit and total comprehensive income for the year	本年度溢利及全面收入總額	–	–	–	97,607	97,607
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	841,571	2,038	22,692	85,812	952,113
Repurchase of ordinary shares	購回普通股	(68,907)	–	–	–	(68,907)
Proceeds from shares issued under share option scheme	根據認購股份權計劃發行股份之所得款項	648	–	–	–	648
Exercise of share options	行使認購股份權	437	(437)	–	–	–
Profit and total comprehensive income for the year	本年度溢利及全面收入總額	–	–	–	97,133	97,133
2015 final dividend	二零一五年末期股息	–	–	–	(108,654)	(108,654)
At 31 December 2016	於二零一六年十二月三十一日	773,749	1,601	22,692	74,291	872,333

根據開曼群島公司法第22章(一九六一年第3條法例，經綜合及修訂)，本公司股份溢價賬之資金可供分派予本公司股東，惟緊隨建議分派股息日期後，本公司將有能力償還其於日常業務過程中已到期之債務。

45. OPERATING LEASE ARRANGEMENTS/COMMITMENTS

45. 經營租約安排／承擔

45.1 At 31 December 2016, total future minimum lease receipts by the Group under non-cancellable operating leases are as follows:

45.1 於二零一六年十二月三十一日，根據不可註銷之經營租約，本集團應收未來最低租賃款項總額如下：

		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	14,764	13,242
In the second to fifth year	第二年至第五年	37,051	35,389
After fifth year	五年後	26,091	28,475
		77,906	77,106

The Group leases certain of its properties under operating lease arrangements, with leases negotiated for initial terms ranging from one to twenty years (2015: one to twenty years). None of the leases include contingent rentals.

本集團根據經營租約安排租賃若干物業，議定之初步租約為期一年至二十年不等（二零一五年：一年至二十年）。該等租約不包括或然租金。

45.2 At 31 December 2016, the total future minimum lease payments by the Group under non-cancellable operating leases are as follows:

45.2 於二零一六年十二月三十一日，本集團根據不可註銷之經營租約應付未來最低租賃款項總額如下：

		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	33,294	22,878
In the second to fifth year	第二年至第五年	26,242	20,873
After fifth year	五年後	8,007	-
		67,543	43,751

The Group leases certain offices and factory premises under operating lease arrangements, for initial terms ranging from one to ten years (2015: one to ten years). None of the leases include contingent rentals.

本集團根據經營租約安排租賃若干辦公室及工廠物業，初步租約為期一年至十年不等（二零一五年：一年至十年）。該等租約不包括或然租金。

45.3 The Group is required to pay an annual fee in respect of the leasehold land in the PRC from 1992 up to 2042 with a 20% increment for every five years. During the year, an annual fee of HK\$587,000 (2015: HK\$557,000) was charged as an expense in profit or loss of the Group.

45.3 本集團自一九九二年至二零四二年止，須就中國之一幅租賃土地支付年費，年費每五年增加20%。年內，年費587,000港元（二零一五年：557,000港元）已於本集團損益內按開支支銷。

46. CAPITAL COMMITMENTS

At the reporting date, the Group had the following outstanding commitments:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Contracted, but not provided for:	已訂約但未撥備：		
– Purchase of property, plant and equipment	– 購買物業、廠房及設備	93,884	109,974
– Acquisition of a subsidiary – Shun Heng Securities Limited (“Shun Heng”) (note (a))	– 收購一間附屬公司 – 信亨證券有限公司(「信亨」)(附註(a))	14,800	–
– Acquisition of a subsidiary – Hong Kong Metasequoia Capital Limited (note (b))	– 收購一間附屬公司 – 香港水杉資產管理有限公司(附註(b))	3,000	–
– Investment in an associate – Citychamp Allied International Limited (note (c))	– 於聯營公司之投資 – 冠城聯合國際有限公司(附註(c))	270,000	–
		381,684	109,974

Note:

- (a) On 19 February 2016, Global Wealthy Link Limited (“Global Wealthy”), a wholly-owned subsidiary of the Company, entered into sales and purchase agreement with Mr. Hon Kwok Lung, the controlling shareholder and the executive director of the Company, for acquiring 100% equity interest of Shun Heng at the consideration of HK\$24,800,000. Pursuant to the agreement, a sum of HK\$10,000,000 has been paid to the vendor within 5 business days after the date of the agreement and the remaining consideration of HK\$14,800,000 shall be paid at the completion. The acquisition has been completed on 3 February 2017. Details of the transaction are set out in the Company’s announcement dated 19 February 2016.
- (b) On 1 August 2016, Global Wealthy entered into sales and purchase agreement with independent third party for acquiring the entire equity interests of Hong Kong Metasequoia Capital Limited (“HKMC”), who is a licensed corporation under Securities and Futures Commission (SFC), at the consideration of HK\$6,000,000. HKMC currently has licenses of Type 4 – Advising on securities and Type 9 – Asset management. As at 31 December 2016, Global Wealthy has paid HK\$3,000,000 to the vendor and the remaining consideration of HK\$3,000,000 shall be paid at the completion. The acquisition has been completed on 3 February 2017.
- (c) On 28 September 2016, Union United Investment Limited (“Union United”), a wholly-owned subsidiary of the Company, entered into an agreement with Citychamp Dartong (Hong Kong) Limited (“CD(HK)”) and Fengrong Investment (Hong Kong) Company Limited (“FI(HK)”), in relation to the formation of the joint venture company (“JV Company”) in the British Virgin Islands. JV Company shall be owned as to 40% by FI(HK), 30% by CD(HK) and 30% by Union United. JV Company is engaged in potential overseas equity investment. Pursuant to the agreement, Union United agreed to contribute the maximum capital commitment of HK\$270,000,000 to JV Company. Details of the transaction are set out in the Company’s announcement dated 28 September 2016.

附註：

- (a) 於二零一六年二月十九日，本公司之全資附屬公司環球富盛有限公司(「環球富盛」)與韓國龍先生(本公司之控股股東兼執行董事)訂立買賣協議，以代價24,800,000港元收購信亨全部股權。根據該協議，10,000,000港元已於該協議日期後五個營業日內支付予賣方，而剩餘代價14,800,000港元須於完成時支付。該收購事項已於二零一七年二月三日完成。交易詳情載於本公司日期為二零一六年二月十九日之公佈。
- (b) 於二零一六年八月一日，環球富盛與獨立第三方訂立買賣協議，以代價6,000,000港元收購香港水杉資產管理有限公司(「香港水杉」，證券及期貨事務監察委員會(證監會)下一間持牌法團)全部股權。香港水杉目前持有第4類(就證券提供意見)及第9類(提供資產管理)之牌照。於二零一六年十二月三十一日，環球富盛已向賣方支付3,000,000港元，剩餘代價3,000,000港元須於完成時支付。該收購事項已於二零一七年二月三日完成。
- (c) 於二零一六年九月二十八日，本公司之全資附屬公司聯和投資有限公司(「聯和」)與冠城大通(香港)有限公司(「冠城大通(香港)」)及豐榕投資(香港)有限公司(「豐榕投資(香港)」)訂立協議，內容有關於英屬處女群島成立合營公司(「合營公司」)。豐榕投資(香港)、冠城大通(香港)及聯和將分別擁有合營公司之40%、30%及30%權益。合營公司從事潛在境外股本投資業務。根據該協議，聯和同意向合營公司作出最高資本承擔270,000,000港元。交易詳情載於本公司日期為二零一六年九月二十八日之公佈。

47. OFF BALANCE SHEET ITEMS

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Contract volume	合約量	428,556	–
Fiduciary transactions with third-party banks	與第三方銀行之信託交易	1,278,977	–
		1,707,533	–

46. 資本承擔

於報告日，本集團未履行之承擔如下：

47. 資產負債外項目

48. RELATED PARTY TRANSACTIONS

48.1 Save as disclosed elsewhere in these consolidated financial statements, the Group had the following transactions carried out with related parties:

(i) Rental income

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Sub-lease income received (note)	已收分租收入(附註)	341	341

Note:

Sub-lease income was received from a company of which Mr. Hon Kwok Lung, Mr. Shang Jianguang, Ms Sit Lai Hei and Mr. Hon Hau Wong, directors of the Company are also directors of the related company, and this was charged at approximately HK\$29,000 (2015: HK\$29,000) per month on average.

(ii) Transactions with an associate, Fair Future and its subsidiaries

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Disposal of brand name*	出售品牌名稱*	-	30,000
Sales of goods	銷售商品	62,020	39,229
Service expenses	服務開支	128	192
Purchases of goods	購買商品	108,356	50,480
Rental expenses paid	已付租金開支	354	354
Rental income received	已收租金收入	-	154
Processing fee paid	已付加工費用	-	940
Maintenance fee paid	已付保養費用	30	57
Inspection fee paid	已付檢查費用	4,692	1,258

* During the year ended 31 December 2015, the Group entered into an agreement with a subsidiary of Fair Future in respect of the disposal of a brand name Code X at the consideration of HK\$30,000,000. The disposal was completed and the Group had recognised a gain of disposal of HK\$ 30,000,000 in the consolidated statement of comprehensive income for the year ended 31 December 2015.

The Group has received part of the consideration of HK\$10,000,000 (2015: HK\$5,000,000) up to 31 December 2016 and the remaining balance receivable of HK\$20,000,000 (2015: HK\$25,000,000) was presented as "other assets" in the consolidated statement of financial position.

(iii) The handling charges relating to the securities trading was paid to a company of which a director of the company is also a director of related company, and this was charged at approximately HK\$880,000 (2015: HK\$2,000) for the year ended 31 December 2016.

48. 關連人士交易

48.1 除綜合財務報表其他部分所披露者外，本集團亦曾與關連人士進行以下交易：

(i) 租金收入

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Sub-lease income received (note)	341	341

附註：

分租收入乃向一間公司收取，而本公司董事韓國龍先生、商建光先生、薛黎曦女士及韓孝煌先生亦為該關連公司之董事，平均月租約為29,000港元(二零一五年：29,000港元)。

(ii) 與一間聯營公司、俊光及其附屬公司之交易

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Disposal of brand name*	-	30,000
Sales of goods	62,020	39,229
Service expenses	128	192
Purchases of goods	108,356	50,480
Rental expenses paid	354	354
Rental income received	-	154
Processing fee paid	-	940
Maintenance fee paid	30	57
Inspection fee paid	4,692	1,258

* 截至二零一五年十二月三十一日止年度，本集團已與俊光一間附屬公司就按代價30,000,000港元出售Code X品牌名稱訂立協議。出售事項已完成，而本集團已於截至二零一五年十二月三十一日止年度之綜合全面收入表中確認出售事項收益30,000,000港元。

直至二零一六年十二月三十一日，本集團已收取部分代價10,000,000港元(二零一五年：5,000,000港元)，餘下應收賬款20,000,000港元(二零一五年：25,000,000港元)於綜合財務狀況表呈列為「其他資產」。

(iii) 有關證券買賣之手續費已支付予本公司一名董事亦為關連公司董事之公司，而該費用於截至二零一六年十二月三十一日止年度約為880,000港元(二零一五年：2,000港元)。

48. RELATED PARTY TRANSACTIONS (continued)

48.1 (continued)

(iv) Outstanding related party balances included in trade receivables, other assets, trade payables and other liabilities

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Dividend receivable from an associate	應收一間聯營公司股息	27,500	27,500
Consideration receivable from an associate in respect of disposal of brand name	就出售品牌名稱應收一間聯營公司代價	20,000	25,000
Due from associates (note (a))	應收聯營公司款項(附註(a))	24,588	17,107
Trade receivables from associates	應收聯營公司賬款	8,031	6,724
Due from related companies (note (b))	應收關連公司款項(附註(b))	1,064	911
Deposit for acquisition of a subsidiary (note (c))	收購一間附屬公司之按金	10,000	-
Due to associates (note (a))	應付聯營公司款項(附註(a))	19,996	21,275
Due to related companies (note (b))	應付關連公司款項(附註(b))	-	181
Trade payables to associates	應付聯營公司賬款	59,670	-

Notes:

- (a) The balance was unsecured, interest-free and repayable on demand. The maximum amount outstanding during the year was HK\$24,588,000 (2015: HK\$17,017,000).
- (b) The amounts were due from/to companies of which Mr. Hon Kwok Lung, Mr. Shang Jianguang, Ms. Sit Lai Hei and Mr. Hon Hau Wong, directors of the Company are also the directors of the related companies. The balance was unsecured, interest-free and repayable on demand. The maximum amount outstanding during the year was HK\$1,064,000 (2015: HK\$911,000).
- (c) The amount represented the deposit paid to Mr. Hon Kwok Lung, the controlling shareholder and the executive director of the Company, for acquisition of Shun Heng (note 46(a)).

(v) Financial guarantee provided by Fengrong

On 24 June 2013, the Company executed an agreement with Fengrong in respect of a financial guarantee of RMB300,000,000 provided by Fengrong in favour of a bank for a loan facility granted to the Group of EUR35,000,000. Ms Sit Lai Hei, a director of the Company, is also a director and a beneficial owner of Fengrong. The financial guarantee provided by Fengrong covered a 3-year period from 27 June 2013 to 26 June 2016, and secured by 72,000,000 ordinary shares of Dartong owned by Fengrong. Fengrong shall pay an annual guarantee fee of RMB4,500,000 to the bank and the Group will fully reimburse Fengrong all the guarantee fees and other direct expenses related to the financial guarantee totalling RMB14,000,000 in three years as incurred during the guarantee period. In 2014, the Group had made early repayment of EUR21,000,000. For the year ended 31 December 2016, the Group has reimbursed guarantee fee and other direct expenses totalling HK\$1,202,000 (2015: HK\$3,891,000) to Fengrong. The outstanding principal of EUR 14,000,000 is secured by 27,210,000 ordinary shares of Dantong owned by Fengrong at 31 December 2015. For the year ended 31 December 2016, the Group has fully repaid the outstanding loan.

48. 關連人士交易(續)

48.1 (續)

(iv) 計入應收賬款、其他資產、應付賬款及其他負債之未償付關連人士結餘

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Dividend receivable from an associate	27,500	27,500
Consideration receivable from an associate in respect of disposal of brand name	20,000	25,000
Due from associates (note (a))	24,588	17,107
Trade receivables from associates	8,031	6,724
Due from related companies (note (b))	1,064	911
Deposit for acquisition of a subsidiary (note (c))	10,000	-
Due to associates (note (a))	19,996	21,275
Due to related companies (note (b))	-	181
Trade payables to associates	59,670	-

附註：

- (a) 有關結餘為無抵押、免息及須應要求償還。於年內，最高未償付金額為24,588,000港元(二零一五年：17,017,000港元)。
- (b) 該等款項為應收/付公司款項，而本公司董事韓國龍先生、商建光先生、薛黎曦女士及韓孝煌先生亦為該等關連公司之董事。有關結餘為無抵押、免息及須應要求償還。於年內，最高未償付金額為1,064,000港元(二零一五年：911,000港元)。
- (c) 該金額即指就收購信亨支付予本公司控股股東兼執行董事韓國龍先生之按金(附註46(a))。

(v) 豐榕所提供之財務擔保

於二零一三年六月二十四日，本公司與豐榕簽立協議，內容關於豐榕為本集團獲授35,000,000歐元之貸款融資而向銀行提供人民幣300,000,000元之財務擔保。本公司董事薛黎曦女士亦為豐榕之董事兼實益擁有人。豐榕所提供之財務擔保自二零一三年六月二十七日起至二零一六年六月二十六日止為期3年，並由豐榕所擁有之72,000,000股大通普通股擔保。豐榕須向銀行支付擔保年費人民幣4,500,000元，而於擔保期間，本集團將分三年悉數償付豐榕因財務擔保所產生之所有擔保費及其他直接開支合共人民幣14,000,000元。於二零一四年，本集團已提早向豐榕償付21,000,000歐元。截至二零一六年十二月三十一日止年度，本集團已向豐榕償付擔保費及其他直接開支合共1,202,000港元。(二零一五年：3,891,000港元)於二零一五年十二月三十一日，未償付本金額14,000,000歐元以豐榕擁有之27,210,000股大通普通股作抵押。截至二零一六年十二月三十一日止年度，本集團已悉數償還未償還貸款。

48. RELATED PARTY TRANSACTIONS (continued)

48.1 (continued)

(vi) Financial guarantee provided to Fair Future

As 31 December 2016 and 2015, the Group has provided a corporate guarantee of HK\$120,000,000 (2015: HK\$120,000,000) in respect of a revolving loan facility of up to HK\$120,000,000 granted to Fair Future (note 50.1). The corporate guarantee is ending on the expiry of the term of the revolving loan facility.

The above transactions were conducted in accordance with the terms mutually agreed between the Group and the related companies controlled by the directors.

48.2 Key management personnel compensation:

Included in staff costs are key management personnel compensation and comprises the following categories:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Short-term employee benefits	短期僱員福利	28,211	21,375
Post-employment benefits	離職後福利	307	198
		28,518	21,573

The key management represents all directors of the Company. Further details of directors' emoluments are included in note 17.1 to the financial statements.

49. ACQUISITION OF SUBSIDIARIES

On 20 September 2016, the Group acquired 83.22% equity interest of Bendura Group, which conducts all transactions associated with it being an asset management bank in Liechtenstein and abroad with principal activities including accepting client deposits, investing the client deposits on stock exchanges and in financial centres and granting loans as part of its asset management business. Considering with 1.7% equity interest held by the bank itself as treasury stock, the Company effectively acquired 84.66% equity interest of Bendura Group. Following the acquisition, the Company obtained the control over the Bendura Group through the Company's right to nominate majority of the members of Bendura Group's directors, and Bendura Group became subsidiaries of the Company. The acquisition provides an opportunity for the Group to participate in the banking industry in Liechtenstein through Bendura Group and allows the Group to diversify into the financial sector.

Details of the net assets acquired as at the date of acquisition are as follows:

		HK\$'000 千港元
Cash consideration	現金代價	788,401
Less: Fair value of net assets acquired	減：已收購資產淨值之公平值	(545,526)
Goodwill	商譽	242,875

48. 關連人士交易(續)

48.1 (續)

(vi) 向俊光提供之財務擔保

於二零一六年及二零一五年十二月三十一日，本集團就授予俊光一項最多120,000,000港元之循環貸款融資提供120,000,000港元(二零一五年：120,000,000港元)之公司擔保(附註50.1)。公司擔保於循環貸款融資期限屆滿時終止。

上述交易乃按本集團與董事控制之關連公司雙方同意之條款進行。

48.2 主要管理人員之酬金：

主要管理人員之酬金計入員工成本內，包括以下類別：

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Short-term employee benefits	28,211	21,375
Post-employment benefits	307	198
	28,518	21,573

主要管理人員為本公司所有董事。有關董事酬金之進一步詳情載於財務報表附註17.1。

49. 收購附屬公司

於二零一六年九月二十日，本集團收購富地集團83.22%之股權，富地集團於列支敦士登及海外進行所有與其作為資產管理銀行相關之交易，主要業務包括接受客戶存款並將客戶存款投資於證券交易所及金融中心，以及批出貸款作為其資產管理業務之一部分。經考慮銀行持有1.7%股權作為庫存股票，本公司實際收購富地集團84.66%股權。收購完成後，本公司因有權提名富地集團董事大多數成員而獲得富地集團之控制權，而富地集團成為本公司之附屬公司。該收購事項為本集團提供機遇在對富地集團參與列支敦士登銀行業，使本集團能夠多元化發展金融業。

於收購日期收購之資產淨額詳情如下：

49. ACQUISITION OF SUBSIDIARIES (continued)

Pursuant to the share purchase agreement, total purchase consideration is CHF99,599,000 (equivalent to approximately HK\$788,401,000) in cash.

The goodwill of HK\$242,875,000, which is not deductible for tax purposes, comprises the acquired workforce and the expected future growth of the banking business in Liechtenstein to diversify the revenue stream of the existing business of the Group.

The fair values of the identifiable assets and liabilities arising from the acquisition of Bendura Group as at the date of acquisition:

49. 收購附屬公司(續)

根據股份購買協議，購買代價總額為99,599,000瑞士法郎(相當於約788,401,000港元)。

不可扣稅商譽242,875,000港元包括已獲得之勞動力及預期未來發展列支敦士登銀行業務以使本集團現有業務收益來源多樣化。

收購富地集團所產生之可識別資產及負債於收購日期之公平值：

		Fair value 公平值 HK\$'000 千港元
Cash and deposits	現金及存款	5,409,385
Due from clients	應收客戶款項	773,107
Due from banks	應收銀行款項	5,332,634
Trading portfolio investments	交易組合投資	9,376
Derivative financial assets	衍生金融工具	2,442
Available-for-sale financial assets	可供出售金融資產	127,959
Treasury notes and bills	國庫票據及國庫券	620,138
Held-to-maturity investments	持至到期投資	362,143
Property, plant and equipment (note 28)	物業、廠房及設備(附註28)	200,972
Deferred tax assets (note 41)	遞延稅項資產(附註41)	5,528
Other assets	其他資產	73,682
Due to banks	應付銀行款項	(19,763)
Due to clients	應付客戶款項	(12,017,676)
Derivative financial liabilities	衍生金融負債	(2,230)
Income tax payables	應付所得稅	(25,344)
Provisions	撥備	(6,496)
Subordinated debt	次級債務	(87,555)
Deferred tax liabilities (note 41)	遞延稅項負債(附註41)	(10,647)
Other liabilities	其他負債	(103,278)
Net assets	資產淨值	644,377
Non-controlling interests	非控股權益	(98,851)
Fair value of net assets acquired	已收購資產淨值之公平值	545,526

49. ACQUISITION OF SUBSIDIARIES (continued)

49. 收購附屬公司(續)

		HK\$'000 千港元
Net cash inflow from acquisition of subsidiaries:	收購附屬公司之現金流入淨額：	
Cash and deposits in subsidiaries acquired	於所收購附屬公司之現金及存款	5,409,385
Less: Purchase consideration settled in cash	減：以現金償付之購買代價	(788,401)
		4,620,984

Bendura Group contributed revenue of approximately HK\$109,480,000 and net profit of approximately HK\$47,145,000 to the Group from the date of acquisition to 31 December 2016.

自收購日期起至二零一六年十二月三十一日止，富地集團向本集團貢獻收入約109,480,000港元及純利約47,145,000港元。

Had the business combination taken place on 1 January 2016, revenue and net profit of the Group for the year ended 31 December 2016 would have been approximately HK\$3,126,663,000 and HK\$214,912,000 respectively. The pro-forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of the operations of the Group that actually would have been achieved had the acquisition of the Bendura Group been completed on 1 January 2016 nor are they intended to be a projection of future results.

倘業務合併已於二零一六年一月一日進行，本集團於截至二零一六年十二月三十一日止年度之收入及純利應分別約為3,126,663,000港元及214,912,000港元。備考資料僅供說明，並非假設於二零一六年一月一日完成收購富地集團後本集團實際應取得之收入及經營業績之指標，亦不擬作未來業績之預測。

50. CONTINGENT LIABILITIES

50. 或然負債

50.1 Financial guarantee

50.1 財務擔保

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Financial guarantee	財務擔保	120,000	120,000

At 31 December 2016 and 2015, the Group had contingent liability in relation to guarantee of approximately HK\$120,000,000 given to a bank in respect of a revolving loan facility of up to HK\$120,000,000 granted to an associate. The corporate guarantee is ending on the expiry of the term of the revolving loan facility. In the opinion of the directors, it is unlikely that a claim will be made against the Group and no cash outflow under the financial guarantee contract, the financial impact arising from the above guarantee is insignificant and accordingly, they are not accounted for in the financial statements.

於二零一六年及二零一五年十二月三十一日，本集團之或然負債為就一間聯營公司獲授最多120,000,000港元之循環貸款融資而向一間銀行提供約120,000,000港元之擔保。公司擔保於循環貸款融資期限屆滿時終止。董事認為，根據財務擔保合約對本集團作出申索之機會甚微，且並無現金流出，故上述擔保產生之財務影響並不重大，因此，上述財務擔保並不會於財務報表中入賬。

50. CONTINGENT LIABILITIES (continued)

50.2 Legal proceeding

In June 2016, Bendura Bank AG and Bendura Fund Management Alpha AG, subsidiaries of the Company have been confronted with potential claims of one investor having invested into an investment fund that currently is in liquidation. Bendura Bank AG acts as custodian and Bendura Fund Management Alpha AG acts as fund management company whereas the asset management function has been outsourced to an external asset manager. The respective legal proceedings are still in early stage, Bendura Group, based on the opinion from its legal advisor, concluded that the possibility of an outflow of economic resources is not probable as at 31 December 2016.

50.3 Credit card commitments

As 31 December 2016, the Group had contingent liability in relation to credit card commitments of approximately HK\$61,859,000 given to third parties. Credit card commitments represent the undrawn amount of credit card limits. In the opinion of the directors, those credit commitments are given with collateral and the possibility of an outflow of economic resources is not probable.

51. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group has various financial assets and financial liabilities such as available-for-sale financial assets, trading portfolio investments, derivative financial assets, cash and deposits, due from banks and clients, trade receivables, held-to-maturity investments, short-term investments, other assets, derivative financial liabilities, due to banks and clients, trade payables, corporate bonds, borrowings, subordinated debt and other liabilities, which arise directly from its operations. The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk, liquidity risk and equity price risk.

It is not the Group's policy to actively engage in the trading of financial instruments for speculative purposes. Its treasury department works under the policies approved by the directors and identifies ways to access financial markets and monitors the Group's financial risk exposures. Regular reports are provided to the directors. The board has reviewed and agreed policies periodically for managing each of these risks and they are summarised below.

50. 或然負債(續)

50.2 訴訟

於二零一六年六月，Bendura Bank AG及Bendura Fund Management Alpha AG(均為本公司之附屬公司)面臨一名投資於一項清算中投資基金之投資者之可能申索。Bendura Bank AG擔任託管人及Bendura Fund Management Alpha AG擔任基金管理公司，而資產管理職能則外判予外部資產經理。於二零一六年十二月三十一日，相關訴訟仍處於早期階段，惟富地集團(根據其法律顧問之建議)認為，經濟資源流出之可能性不大。

50.3 信用卡承擔

於二零一六年十二月三十一日，本集團擁有就授予第三方之信用卡承擔之或然負債約61,859,000港元。信用卡承擔指信用卡額度之未提取金額。董事認為，該等信貸承擔是以抵押品之形式所提供，故經濟資源流出之可能性不大。

51. 財務風險管理目標及政策

本集團有直接源自業務之金融資產及金融負債，例如可供出售金融資產、交易組合投資、衍生金融工具、現金及存款、應收銀行及客戶款項、應收賬款、持至到期投資、短期投資、其他資產、衍生金融負債、應付銀行及客戶款項、應付賬款、公司債券、借貸、次級債務及其他負債。本集團金融工具所產生主要風險為利率風險、外匯風險、信貸風險、流動資金風險及股本價格風險。

本集團之政策並非就投機目的積極買賣金融工具。其庫務部門根據經董事批准之政策行事，並確定涉足金融市場之方法及監察本集團所面對財務風險，並定期向董事提供報告。董事會定期檢討及協定管理上述各項風險之政策，有關政策概述如下。

51. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued) 51. 財務風險管理目標及政策(續)

51.1 Summary of financial assets and financial liabilities by category

The carrying amounts of the Group's financial assets and financial liabilities as recognised at 31 December 2016 are categorised as follows:

51.1 金融資產及金融負債分類概要

於二零一六年十二月三十一日確認之本集團金融資產及金融負債賬面值分類如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Financial assets	金融資產		
Financial assets at fair value:	按公平值列賬之金融資產：		
– Available-for-sale financial assets	– 可供出售金融資產	345,477	317,173
– Trading portfolio investments	– 交易組合投資	197,089	367,471
– Derivative financial assets	– 衍生金融工具	2,338	2,244
		544,904	686,888
Loans and receivables:	貸款及應收款：		
– Cash and deposits	– 現金及存款	5,066,901	836,065
– Due from banks	– 應收銀行款項	5,295,369	–
– Due from clients	– 應收客戶款項	627,809	–
– Trade receivables	– 應收賬款	461,585	693,868
– Short-term investments	– 短期投資	112,969	143,362
– Other assets	– 其他資產	476,176	422,839
		12,040,809	2,096,134
Available-for-sale financial assets, at cost	按成本計量之可供出售金融資產	5,875	77
Held-to-maturity investments	持至到期投資	338,709	–
		12,930,297	2,783,099
Financial liabilities	金融負債		
Financial liabilities at fair value:	按公平值列賬之金融負債：		
Derivative financial liabilities	衍生金融負債	2,050	7,260
Financial liabilities measured at amortised cost:	按攤銷成本計量之金融負債：		
– Due to banks	– 應付銀行款項	3,007	–
– Due to clients	– 應付客戶款項	10,393,047	–
– Trade payables	– 應付賬款	349,837	359,533
– Corporate bonds	– 公司債券	692,127	708,834
– Borrowings	– 借貸	1,190,340	938,532
– Subordinated debt	– 次級債務	83,345	–
– Other liabilities	– 其他負債	557,036	484,073
		13,268,739	2,490,972
		13,270,789	2,498,232

51. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

51. 財務風險管理目標及政策(續)

51.2 Interest rate risk

Interest rate risk relates to the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's interest rate risk arises primarily from borrowings and bank deposits. Borrowings and bank deposits bearing variable rates and fixed rates expose the Group to cash flow interest rate risk and fair value interest rate risk respectively. The interest rate and repayment terms of the borrowings outstanding at the end of the reporting period are disclosed in note 37.

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's borrowings and bank deposits with a floating interest rate.

Sensitivity Analysis

At 31 December 2016, it is estimated that a general increase/decrease of 50 basis points in interest rates, with all other variables held constant, would increase/decrease the Group's profit after income tax and retained profits by approximately HK\$7,735,000 (2015: decrease/increase the Group's profit after income tax and retained profits by approximately HK\$369,000). The assumed changes have no impact on the Group's other components of equity.

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the end of reporting period. The assumed changes in interest rates are considered to be reasonably possible changes on observation of current market conditions and represent management's assessment of a reasonably possible change in interest rates over the next twelve month period.

The calculation is based on a change in average market interest rates for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variable are held constant. The sensitivity analysis for the year ended 31 December 2015 has been prepared on the same basis.

51.2 利率風險

利率風險與金融工具之公平值或現金流量因市場利率變動而波動之風險有關。本集團之利率風險主要源自借貸及銀行存款。本集團分別因按浮息及定息計息之借貸及銀行存款面對現金流量利率風險及公平值利率風險。於報告期末尚未償還借貸之利率及償還條款於附註37披露。

本集團所面對市場利率變動風險主要與本集團按浮息計息之借貸及銀行存款有關。

敏感度分析

於二零一六年十二月三十一日，假設所有其他因素維持不變，估計假如利率整體上調／下調50個基點，將導致本集團之除所得稅後溢利及保留溢利分別增加／減少約7,735,000港元(本集團之除所得稅後溢利及保留溢利分別減少／增加約369,000港元)。所假設變動對本集團權益內其他項目並無影響。

上述敏感度分析乃假設利率於報告期末出現變動。利率之假設變動乃經觀察現行市況後被視為合理可能出現之變動，並為管理層對未來十二個月期間利率之合理可能變動之評估。

計算乃依據各期間市場平均利率變動及於各報告日所持對利率變動敏感度高之金融工具作出。所有其他因素保持不變。截至二零一五年十二月三十一日止年度之敏感度分析乃按相同基準編製。

51. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

51. 財務風險管理目標及政策(續)

51.3 Foreign currency risk

Foreign currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group mainly operates in Hong Kong, Switzerland, United Kingdom, Liechtenstein and the PRC with most of the transactions denominated and settled in HK\$, US\$, Euro, CHF, GBP and RMB. The Group's exposure to foreign currency risk primarily arise from certain financial instruments including available-for-sale financial assets, other assets, cash and deposits, other liabilities and borrowings which are denominated in US\$, Euro, CHF, GBP and RMB. The Group currently does not have a foreign currency hedging policy but the management continuously monitors the foreign exchange exposure.

51.3 外匯風險

外匯風險指金融工具之公平值或未來現金流量因匯率變動而波動之風險。本集團主要於香港、瑞士、英國、列支敦士登及中國經營，大部分交易以港元、美元、歐元、瑞士法郎、英鎊及人民幣列值及結算。本集團面對之外匯風險主要源自若干以美元、歐元、瑞士法郎、英鎊及人民幣列值之金融工具，包括可供出售金融資產、其他資產、現金及存款、其他負債及借貸。本集團目前並無外匯對沖政策，惟管理層一直監察外匯風險。

The following table summarises the Group's major financial assets and financial liabilities denominated in currencies other than the functional currencies of the respective group companies as at 31 December 2016 and 2015.

下表概述於二零一六年及二零一五年十二月三十一日本集團以有關集團公司各自功能貨幣以外之貨幣列值之主要金融資產及負債。

		Expressed in HK\$'000 以千港元呈列				
		US\$ 美元	Euro 歐元	CHF 瑞士法郎	GBP 英鎊	RMB 人民幣
As at 31 December 2016	於二零一六年十二月三十一日					
Cash and deposits	現金及存款	10,300	3,751,562	5,124	256	3,968
Available-for-sale financial assets	可供出售金融資產	72,814	16,370	-	-	243,058
Other assets	其他資產	735	282	30,237	-	359
Borrowings	借貸	(361,867)	(93,758)	-	-	(22,341)
Other liabilities	其他負債	(52,079)	(8,580)	(6,499)	(9)	(18,742)
Overall net exposure	整體風險淨額	(330,097)	3,665,876	28,862	247	206,302
As at 31 December 2015	於二零一五年十二月三十一日					
Cash and deposits	現金及存款	148,135	1,542	313,131	2,044	1,785
Available-for-sale financial assets	可供出售金融資產	-	-	-	-	317,173
Other assets	其他資產	-	-	110	-	31,855
Borrowings	借貸	(635,533)	(148,478)	-	-	-
Other liabilities	其他負債	(7,521)	(522)	-	(11,638)	(24,633)
Overall net exposure	整體風險淨額	(494,919)	(147,458)	313,241	(9,594)	326,180

51. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

51. 財務風險管理目標及政策(續)

51.3 Foreign currency risk (continued)

The following table indicates the approximate change in the Group's profit for the year and investment revaluation reserve (due to the change in fair value of the available-for-sale financial assets) in response to reasonably possible changes in the foreign exchange rates to which the Group has significant exposure at the end of reporting period. The sensitivity analysis includes balances between Group companies where the denomination of the balances is in a currency other than the functional currencies of the lender or the borrower. A positive number below indicates an increase in profit and investment revaluation reserve where the underlying functional currency weakens against the relevant foreign currency. For a strengthening of the underlying functional currency against the relevant foreign currency, there would be an equal and opposite impact on the profit and investment revaluation reserve, and the balances below would be negative.

	2016 二零一六年			2015 二零一五年		
	Change in foreign exchange rates 外匯 匯率變動	Effect on profit for the year 對年內 溢利之影響 HK\$'000 千港元	Effect on investment revaluation reserve 對投資重估 儲備之影響 HK\$'000 千港元	Change in foreign exchange rates 外匯 匯率變動	Effect on profit for the year 對年內 溢利之影響 HK\$'000 千港元	Effect on investment revaluation reserve 對投資重估 儲備之影響 HK\$'000 千港元
US\$ 美元	+5%	(2,078)	3,641	-	-	-
	-5%	2,078	(3,641)	-	-	-
Euro 歐元	+5%	182,475	818	+5%	(7,373)	-
	-5%	(182,475)	(818)	-5%	7,373	-
CHF 瑞士法郎	+5%	1,443	-	+5%	15,662	-
	-5%	(1,443)	-	-5%	(15,662)	-
GBP 英鎊	+5%	12	-	+5%	480	-
	-5%	(12)	-	-5%	(480)	-
RMB 人民幣	+5%	(1,838)	12,153	+5%	(450)	15,859
	-5%	1,838	(12,153)	-5%	450	(15,859)

The stated changes represent management's assessment of reasonably possible changes in foreign exchange rates over the period until the next annual reporting date. In this respect, it is assumed that there is no significant exposure expected on financial assets and liabilities denominated in US\$ for Group companies whose functional currency is HK\$ since HK\$ are pegged to USD. Results of the analysis as presented in the above table represent an aggregation of the effects on each of the group entities' profit for the year and equity measured in the respective functional currencies, translated into HK\$ at the exchange rate ruling at the end of reporting period for presentation purposes. The analysis is performed on the same basis for 2015.

51.3 外匯風險(續)

下表顯示本集團年內(因可供出售金融資產之公平值變動)就本集團於報告期末有重大風險之外匯匯率之合理可能變動所作出之溢利及投資重估儲備之概約變動。敏感度分析包括本集團公司間之結餘，結餘以非貸款人或借款人之功能貨幣之貨幣列值。以下正數表示相關功能貨幣兌有關外幣貶值情況下，溢利及投資重估儲備之增加。倘相關功能貨幣兌有關外幣升值，則對溢利及投資重估儲備有相等及相反影響，而以下結餘將為負數。

列示之變動代表管理層對外匯匯率於直至下一年度報告日止期間之合理可能變動之評估。就此而言，由於港元與美元掛鉤，故已假設功能貨幣為港元之本集團成員公司以美元所計值之金融資產及負債不會承擔任何重大風險。上表呈列之分析結果，代表對各集團實體年內溢利及股本(以各自功能貨幣計量及按報告期末規定作呈列用途之匯率換算為港元)之總體影響。二零一五年進行之分析採用相同基準。

51. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

51.4 Credit risk

Credit risk refers to the risk that the counterparty to a financial instrument would fail to discharge its obligation under the terms of the financial instruments and cause a financial loss to the Group.

For banking business, the credit risk management is primarily focused on managing and monitoring the collateral values, which are a result of haircuts applied to the market values, and the liquidity of the collateral. Credit exposure must always remain within the limits granted the Group, and it is secured by collateral. The ten largest single exposures encompass HK\$314,676,000, which are related to due from clients of the banking business as of 31 December 2016. These exposures relate mainly to loans which are covered with collateral in the form of securities as well as mortgage loans.

A loan is classified as impaired when it is more than 90 days overdue. The Group typically recovers these loans or formed provisions for such positions. Loans with a provision are disclosed in note 19.

As at 31 December 2016, there were no rescheduled loans and repossessed assets.

In respect of non-banking businesses, in order to minimise the credit risk, the Group trades only with recognised and creditworthy parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant. Since the Group trades only with recognised and creditworthy parties, there is no requirement for collateral. As at 31 December 2016 and 2015, the Group's trade receivables relate to a large number of diversified customers and there is no significant concentration of credit risk.

Credit risk on cash and deposits is mitigated as cash is deposited in banks of high credit rating.

51. 財務風險管理目標及政策(續)

51.4 信貸風險

信貸風險指金融工具之交易對方未能按金融工具之條款履行其責任，並導致本集團錄得財務虧損之風險。

就銀行業而言，信貸風險管理主要集中於管理及監控抵押品價值，有關價值來自適用於市值之扣減及抵押品之流動性。信貸風險必須始終保持在本集團所授限額內，且由抵押品作擔保。十大單一風險包括截至二零一六年十二月三十一日之314,676,000港元(與應付銀行業務客戶賬款相關)。該等風險主要涉及貸款(受證券形式之抵押品保障)及按揭貸款。

倘貸款逾期超過90日，則會分類為為減值。本集團通常已收回該等貸款或就有關情況作出撥備。作出撥備之貸款於附註19披露。

於二零一六年十二月三十一日，概無改期貸款及收回資產。

就非銀行業務而言，為盡可能減低信貸風險，本集團僅與信譽良好之認可人士進行買賣。本集團政策規定所有有意按信貸期進行交易之客戶須經過信貸核實程序。此外，本集團持續監察應收款結餘，且本集團面對之壞賬風險並不重大。由於本集團僅與信譽良好之認可人士進行買賣，故毋需抵押品。於二零一六年及二零一五年十二月三十一日，本集團應收賬款與大量且多元化客戶有關，並無重大集中信貸風險。

現金存入具備高信貸評級之銀行，以減低有關現金及存款之信貸風險。

51. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued) 51. 財務風險管理目標及政策(續)

51.4 Credit risk (continued)

(i) Maximum credit risk exposure of the Group

The maximum exposure to credit risk (excluding cash and deposits) as at the end of reporting date without taking into consideration of any collateral held or other credit enhancement is represented by the net balance of each type of financial assets in the consolidated statement of financial position after deducting any impairment allowance. A summary of the maximum exposure is as follows:

51.4 信貸風險(續)

(i) 本集團之最大信貸風險

於各報告日末，除現金及存款以外之最大信貸風險(不計及任何所持抵押品或其他信用增級)由綜合財務狀況表中各類金融資產之結餘淨值(經扣除任何減值撥備後)呈列。最高風險概要如下：

		2016 二零一六年			2015
		Banking business 銀行業務 HK\$'000 千港元	Non-banking business 非銀行業務 HK\$'000 千港元	Total 總計 HK\$'000 千港元	二零一五年 HK\$'000 千港元
Due from clients	應收客戶款項	627,809	–	627,809	–
Due from banks	應收銀行款項	5,295,369	–	5,295,369	–
Trading portfolio assets	交易組合資產	9,727	187,362	197,089	367,471
Derivative financial assets	衍生金融工具	2,256	82	2,338	2,244
Trade receivables	應收賬款	–	461,585	461,585	693,868
Available-for-sale financial assets	可供出售金融資產	96,840	254,512	351,352	317,250
Held-to-maturity investments	持至到期投資	338,709	–	338,709	–
Short-term investments	短期投資	–	112,969	112,969	143,362
Other assets	其他資產	59,239	416,937	476,176	422,839
		6,429,949	1,433,447	7,863,396	1,947,034
Credit card commitments and guarantees provided	已提供信用卡承擔及擔保	61,859	120,000	181,859	120,000
Maximum credit risk exposure	最高信貸風險	6,491,808	1,553,447	8,045,255	2,067,034

51. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued) 51. 財務風險管理目標及政策(續)

51.4 Credit risk (continued)

- (ii) Credit exposure by quality of assets of the banking business is as follows:

As at 31 December 2016

		AAA to AA AAA級 至AA級 HK\$'000 千港元	A+ to BBB- A+級至 BBB-級 HK\$'000 千港元	BB+ or lower BB+級 或更低 HK\$'000 千港元	No external rating 無外部評級 HK\$'000 千港元	Book value of impaired loans net 已減值貸款 之賬面淨值 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Due from banks	應收銀行欠款	1,742,992	2,811,529	-	740,635	213	5,295,369
Due from clients	應收客戶欠款	-	-	-	624,990	2,819	627,809
Financial instruments	金融工具	304,610	136,122	79	4,465	-	445,276
Other assets	其他資產	-	15	-	59,224	-	59,239
Derivative financial instruments	衍生金融工具	1,090	-	-	1,166	-	2,256
		2,048,692	2,947,666	79	1,430,480	3,032	6,429,949
Contingent liabilities	或然負債	-	5,976	-	55,883	-	61,859

The above table shows the quality of assets according to the external ratings available. Financial instruments without a rating are mainly instruments for which there is no external rating available. Amounts due from clients are allocated to the category "no external rating".

51.4 信貸風險(續)

- (ii) 按銀行業務資產質素劃分之信貸風險如下：

於二零一六年十二月三十一日

上表列示根據已有外部評級之資產質素。無評級金融工具主要為並無外部評級之工具。應收客戶欠款歸類為「無外部評級」。

51. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued) 51. 財務風險管理目標及政策(續)

51.4 Credit risk (continued)

(iii) Credit exposure by collateral of the banking business is as follows:

As at 31 December 2016

		Mortgage-backed 以按揭支持 HK\$'000 千港元	Other collateral 其他抵押品 HK\$'000 千港元	No collateral 無抵押品 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Due from clients of which mortgage loan	按揭貸款之應收客戶欠款				
– Residential property	– 住宅物業	227,829	–	–	227,829
– Office and business property	– 辦公及商用物業	8,357	–	–	8,357
– Commercial and industrial property	– 工商物業	11,461	–	–	11,461
– Other	– 其他	5,188	341,527	33,447	380,162
Financial instruments	金融工具	–	–	445,276	445,276
Derivative financial instruments	衍生金融工具	–	–	2,256	2,256
		252,835	341,527	480,979	1,075,341
Contingent liabilities	或然負債	–	61,826	33	61,859

The above table shows that secured lending represents constantly more than 90 per cent of the total due from clients.

51.4 信貸風險(續)

(iii) 按銀行業務抵押品劃分之信貸風險如下：

於二零一六年十二月三十一日

上表顯示有抵押貸款持續佔應收客戶欠款總額超過90%。

51. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued) 51. 財務風險管理目標及政策(續)

51.4 Credit risk (continued)

(iv) Credit risk by geographical sector of the banking business is as follows:

As at 31 December 2016

		Switzerland and Liechtenstein 瑞士及列支敦士登 HK\$'000 千港元	Europe (excluding Switzerland and Liechtenstein) 歐洲(不包括瑞士及列支敦士登) HK\$'000 千港元	Other 其他 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Due from banks	應收銀行欠款	2,162,363	3,034,147	98,859	5,295,369
Due from clients	應收客戶欠款	205,977	307,937	113,895	627,809
Other assets	其他資產	–	59,227	12	59,239
Financial instruments	金融工具	–	216,230	229,046	445,276
Derivative financial instruments	衍生金融工具	1,090	347	819	2,256
		2,369,430	3,617,888	442,631	6,429,949
Contingent liabilities	或然負債	52,261	8,126	1,472	61,859
		2,421,691	3,626,014	444,103	6,491,808

The above table shows a concentration in due from banks and clients as well as financial instruments outside Switzerland and Liechtenstein. As at 31 December 2016, outside Switzerland and Liechtenstein commitments amounted to HK\$4,070,117,000, or 63% percent of the total lending volume.

上表顯示應收瑞士及列支敦士登以外銀行及客戶欠款及金融工具集中。於二零一六年十二月三十一日，瑞士及列支敦士登以外承擔為4,070,117,000港元，或總借貸量之63%。

(v) Credit risk by counterparty of the banking business is as follows:

As at 31 December 2016

		Central banks 中央銀行 HK\$'000 千港元	Banks 銀行 HK\$'000 千港元	Public sector entities 公營實體 HK\$'000 千港元	Private and institutional investment clients 私人及機構投資客戶 HK\$'000 千港元	Other 其他 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Due from banks	應收銀行欠款	–	5,295,369	–	–	–	5,295,369
Due from clients	應收客戶欠款	–	–	–	627,809	–	627,809
Other assets	其他資產	–	9	–	59,220	10	59,239
Financial instruments	金融工具	–	267,600	7,746	169,930	–	445,276
Derivative financial instruments	衍生金融工具	–	1,090	–	1,166	–	2,256
		–	5,564,068	7,746	858,125	10	6,429,949
Contingent liabilities	或然負債	–	8,202	–	53,657	–	61,859

51.4 信貸風險(續)

(iv) 按銀行業務地區區域劃分之信貸風險如下：

於二零一六年十二月三十一日

(v) 按銀行業務交易對手劃分之信貸風險如下：

於二零一六年十二月三十一日

51. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

51.4 Credit risk (continued)

- (v) Credit risk by counterparty of the banking business is as follows: (continued)

The above table shows a concentration of bank counterparties, which is managed by a limit system. This process ensures the diversification of the counterparties themselves as well as the counterparty domiciles. Financial instruments issued by corporate entities are allocated to the category "private and institutional investment clients".

(vi) Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

As at 31 December 2016, the Group did not enter into enforceable master netting arrangements with counterparties and therefore there were no offsettings of any assets and liabilities in the consolidated statement of financial position.

51.5 Liquidity risk

Liquidity risk related to the risk that the Group will not able to meet its obligation associated with its financial liabilities. The Group manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash-outflows due in day-to-day business. Liquidity needs are monitored on a day-to-day basis. Long-term liquidity needs for a 360-day lookout period are identified monthly.

The Group maintains mainly cash to meet its liquidity requirements for up to 30-day periods. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities.

The following tables show the remaining contractual maturities at the reporting date of the Group's financial liabilities, which are based on contractual undiscounted cash flow (including interest payments computed using contractual rates or, if floating, based on rates current at the reporting date) and the earliest date the Group can be required to pay. Specially, for bank borrowings 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.

51. 財務風險管理目標及政策(續)

51.4 信貸風險(續)

- (v) 按銀行業務交易對手劃分之信貸風險如下：(續)

上表顯示銀行交易對手集中且由有限體系管理。該過程確保交易對手及其所屬地方分散。公司實體發行之金融工具歸類為「私人及機構投資客戶」。

(vi) 抵銷

當有可合法執行權利抵銷已確認金額及計劃按淨額基準結清，或同時變現資產及結清負債時，金融資產與金融負債相互抵銷，且淨額於綜合財務狀況表列報。

於二零一六年十二月三十一日，本集團未與交易對手訂立可強制執行總淨額結算安排，因此於綜合財務狀況表概無任何資產與負債之抵銷。

51.5 流動資金風險

流動資金風險與本集團無法履行其金融負債相關責任之風險有關。本集團透過謹慎監控長期金融負債之擬定還款期及日常業務現金流出，以管理其流動資金需求。本集團每日監察其流動資金需求。擁有360日監察期之長期流動資金需求於每月確定。

本集團主要利用現金應付其最多30日期間之流動資金需求。所需長期流動資金透過保持充足承諾信貸融資提供。

下表顯示於報告日本集團金融負債之剩餘合約到期日，其以合約未貼現現金流量（包括以合約利率計算之利息款項，或就浮息而言，基於報告日之當前利率）及本集團可能須付款之最早日期為基礎。具體而言，對於包含按要償還條款而有關條款可由銀行全權酌情行使之銀行借貸，該分析根據實體可能須付款之最早期間列示現金流出，即猶如放款人會行使其要求即時還款之無條件權利。

51. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES(continued) 51. 財務風險管理目標及政策(續)

51.5 Liquidity risk (continued)
As at 31 December 201651.5 流動資金風險(續)
於二零一六年十二月三十一日

		Carrying amount	Total contractual undiscounted cash flow	Within 1 year or on demand	Over 1 year
		賬面值 HK\$'000 千港元	合約未貼現 現金流量總額 HK\$'000 千港元	一年內或 按要求 HK\$'000 千港元	超過一年 HK\$'000 千港元
Non-derivative financial liabilities	非衍生金融負債				
Due to banks	應付銀行款項	3,007	3,007	117	2,890
Due to clients	應付客戶款項	10,393,047	10,393,047	10,363,939	29,108
Trade payables	應付賬款	349,837	349,837	347,486	2,351
Corporate bonds	公司債券	692,127	731,853	25,090	706,763
Borrowings	借貸	1,190,340	1,212,372	1,196,213	16,159
Subordinated debt	次級債務	83,345	88,485	3,334	85,151
Other liabilities	其他負債	557,036	557,036	466,141	90,895
		13,268,739	13,335,637	12,402,320	933,317
Maximum contractual amount	最高合約金額				
Financial guarantee issued	已發出財務擔保	–	120,000	120,000	–
Credit card commitments	信用卡承擔	–	61,859	61,859	–
		–	181,859	181,859	–

As at 31 December 2015

於二零一五年十二月三十一日

		Carrying amount	Total contractual undiscounted cash flow	Within 1 year or on demand	Over 1 year
		賬面值 HK\$'000 千港元	合約未貼現 現金流量總額 HK\$'000 千港元	一年內或 按要求 HK\$'000 千港元	超過一年 HK\$'000 千港元
Non-derivative financial liabilities	非衍生金融負債				
Trade payables	應付賬款	359,533	359,533	359,533	–
Corporate bonds	公司債券	708,834	800,909	25,695	775,214
Borrowings	借貸	938,532	957,847	782,836	175,011
Other liabilities	其他負債	484,073	484,073	428,769	55,304
		2,490,972	2,602,362	1,596,833	1,005,259
Maximum contractual amount	最高合約金額				
Financial guarantee issued	已發出財務擔保	–	120,000	120,000	–

51. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES(continued)

51. 財務風險管理目標及政策(續)

51.5 Liquidity risk (continued)

Liquidity risk also arises when there is mismatch between amounts and maturity dates of financial assets and financial liabilities.

The Group manages liquidity risk by holding liquid assets (including cash and deposits, financial instruments and other assets) of appropriate quality and quantity to ensure that short term funding requirements are covered within prudent limits.

The following tables indicate the analysis by remaining maturities of the Group's financial assets and liabilities:

As at 31 December 2016

		Repayable on demand 按要求償還 HK\$'000 千港元	Within 1 year 一年內 HK\$'000 千港元	More than 1 year 超過一年 HK\$'000 千港元	No maturity date 無到期日 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Total financial assets	金融資產總額	6,628,023	5,398,041	649,721	254,512	12,930,297
Total financial liabilities	金融負債總額	(11,948,662)	(407,250)	(914,877)	-	(13,270,789)
Financial asset-liability gap	金融資產負債缺口	(5,320,639)	4,990,791	(265,156)	254,512	(340,492)

As at 31 December 2015

		Repayable on demand 按要求償還 HK\$'000 千港元	Within 1 year 一年內 HK\$'000 千港元	More than 1 year 超過一年 HK\$'000 千港元	No maturity date 無到期日 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Total financial assets	金融資產總額	1,747,850	688,192	29,807	317,250	2,783,099
Total financial liabilities	金融負債總額	(739,060)	(823,426)	(935,746)	-	(2,498,232)
Financial asset-liability gap	金融資產負債缺口	1,008,790	(135,234)	(905,939)	317,250	284,867

As the financial instruments such as trading portfolio investments and available-for-sale investments may be sold before maturity or due to banks and clients may mature without being withdrawn, the contractual maturity dates do not represent expected dates of future cash flows.

51.5 流動資金風險(續)

流動資金風險乃由於金融資產及金融負債之金額及到期日錯配而產生。

本集團透過持有適當質量之流動性資產(包括現金及存款、金融工具及其他資產)管理流動資金風險，以確保在經審慎釐定的限額內符合短期資金需求。

下表列示本集團按餘下到期日計算金融資產及負債之分析：

於二零一六年十二月三十一日

於二零一五年十二月三十一日

由於金融工具如交易組合投資及可供出售金融資產可能於到期前出售或應付銀行及客戶款項可能在不被提取之情況下到期，合約到期日並非代表未來現金流的預計日期。

51. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES(continued) 51. 財務風險管理目標及政策(續)

51.5 Liquidity risk (continued)

The below table summarises the maturity analysis of borrowings with a repayment on demand clause based on agreed scheduled repayments set out in the loan agreements. The amounts included interest payments computed using contractual rates. As a result, these amounts were greater than the amount disclosed in the "Within one year and on demand" time band in the maturity analysis above. Taking into account the Group's financial position, the directors do not consider that it is probable that the banks will exercise their discretion to demand immediate repayment. The directors believe that such borrowings will be repaid in accordance with the scheduled repayment dates set out in the loan agreements.

		Carrying amount	Total contractual undiscounted cash flow	Within 1 year or on demand	Over 1 year but within 2 years	Over 2 years
		賬面值	合約未貼現現金流量總額	一年內或按要 求	超過一年但於兩年內	超過兩年
		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
As at 31 December 2016	於二零一六年十二月三十一日	1,174,140	1,194,182	1,082,546	111,636	-
As at 31 December 2015	於二零一五年十二月三十一日	310,021	333,556	115,859	111,844	105,853

51.6 Fair value risk

The fair value of the Group's current financial assets and liabilities are not materially different from their carrying amounts because of the immediate or short-term maturity. The fair values of non-current financial assets and liabilities were not disclosed because the carrying values were not materially different from their fair values.

51.7 Equity price risk

Equity price risk related to the risk that the fair values or future cash flows of a financial instrument will fluctuate because of change in market price (other than changes in interest rate and foreign exchange rate). The Group is exposed to equity price changes arising from equity investments classified as trading portfolio investments and available-for-sale financial assets at fair value.

Decisions to buy or sell trading portfolio investments are based on daily monitoring of the performance of individual securities and other industry indicators, as well as the Group's liquidity needs. Available-for-sale financial assets at fair value are based on their longer term growth potential and are monitored regularly for performance against expectations.

51.5 流動資金風險(續)

下表概述根據貸款協議所載協定擬定還款期須按要求償還條款之借貸之到期日分析。有關金額包括以合約利率計算之利息款項。因此，該等金額大於上文到期日分析之「一年內或按要求」時間範疇所披露之金額。經考慮本集團財務狀況後，董事認為銀行將不可能酌情行使其要求即時償付之權利。董事相信有關借貸將根據貸款協議所載擬定還款日償付。

51.6 公平值風險

由於本集團流動金融資產及負債即時或於短期內到期，故其公平值與賬面值並無重大差異。由於非流動金融資產及負債之賬面值與公平值並無重大差異，故不披露其公平值。

51.7 股本價格風險

股本價格風險與金融工具之公平值或未來現金流量因市價變動而波動(利率及外匯匯率變動除外)之風險有關。本集團須面對來自分類為買賣組合投資及按公平值列賬之可供出售金融資產之股本投資之股本價格變動風險。

買賣買賣組合投資決定按每日監察個別證券之表現及其他行業指標以及本集團之流動資金需要作出。按公平值列賬之可供出售金融資產以較長期間之增長潛力為基準，並定期監察投資表現是否符合預期。

51. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES(continued) 51. 財務風險管理目標及政策(續)

51.7 Equity price risk (continued)

The following table indicates the approximate change in the Group's profit after income tax and consolidated equity in response to reasonably possible changes in the share prices of the listed investments classified as trading portfolio investments and available-for-sale financial assets at fair value to which the Group has significant exposure at the reporting date. The analysis is performed on the same basis for 2015.

51.7 股本價格風險(續)

下表顯示分類為買賣組合投資之上市投資股價及本集團於報告日所持面對重大風險之按公平值列賬之可供出售金融資產之合理可能變動，對本集團之除所得稅後溢利及綜合權益之概約變動。二零一五年之分析按相同基準編製。

		2016 二零一六年		2015 二零一五年	
		Effect on profit after tax and retained profits 及保留溢利 之影響 HK\$'000 千港元	Effect on other comprehensive income and to the investment revaluation reserve 對其他全面收入 及投資重估儲備 之影響 HK\$'000 千港元	Effect on profit after tax and retained profits 及保留溢利 之影響 HK\$'000 千港元	Effect on other comprehensive income and to the investment revaluation reserve 對其他全面收入 及投資重估儲備 之影響 HK\$'000 千港元
Trading portfolio investments:	交易組合投資：				
Increase in share prices of the listed investments by 30% (2015: 30%)	上市投資之股價上升30% (二零一五年：30%)	58,762	-	110,241	-
Decrease in share prices of the listed investments by 30% (2015: 30%)	上市投資之股價下跌30% (二零一五年：30%)	(58,762)	-	(110,241)	-
Available-for-sale financial assets at fair value:	按公平值列賬之可供出售金融資產：				
Increase in share price of the listed investment by 30% (2015: 30%)	上市投資之股價上升30% (二零一五年：30%)	-	103,643	-	95,152
Decrease in share price of the listed investment by 30% (2015: 30%)	上市投資之股價下跌30% (二零一五年：30%)	-	(103,643)	-	(95,152)

51. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES(continued)

51. 財務風險管理目標及政策(續)

51.8 Operational risks

Operational risk is the risk of losses due to faulty internal processes, procedures and systems, inappropriate behaviour by employees, or external influences. The definition includes all legal risks as well as reputational risks. However, it excludes strategic risks. The ongoing monitoring of operational risk is, whenever possible, embedded in the operational processes. Separation of functions and a dual control principle are crucial elements in monitoring. The directors oversee the management of operational risk based on standardised reporting and adhoc information.

Capital management

The Group's capital management objectives are:

- (i) To safeguard the Group's ability to continue as a going concern, so that it continues to provide returns and benefits for stakeholders;
- (ii) To support the Group's stability and growth; and
- (iii) To provide capital for the purpose of potential mergers and acquisitions.

The Group sets the amount of equity capital in proportion to its overall financing structure. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the amount dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debts.

51.8 營運風險

營運風險指由於不完善之內部流程、程序及制度、員工行為不當或外部影響而造成損失之風險。其定義包括所有法律風險以及聲譽風險，然而並不包括戰略風險。每當可行，營運過程中均會持續監察營運風險。職能分隔和雙重控制原則是營運風險監控之關鍵因素。董事基於標準化報告及即時資料監察營運風險管理。

資本管理

本集團之資本管理目標為：

- (i) 確保本集團能夠持續經營，以繼續為股東提供回報及利益；
- (ii) 支持本集團穩定增長；及
- (iii) 為潛在合併及收購提供資金。

本集團根據其整體財務結構之比例釐定股本資金。本集團管理資本結構，並因應經濟狀況轉變及相關資產之風險特徵作出調整。為維持或調整資本結構，本集團或會調整向股東支付之股息金額、向股東退回資金、發行新股或出售資產減債。

51. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued) 51. 財務風險管理目標及政策(續)

51.8 Operational risks (continued)

Capital management (continued)

The capital-to-overall financing ratio at reporting date was as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Capital	資本		
Total equity	權益總額	3,852,690	4,234,487
Overall financing	整體融資		
Borrowings	借貸	1,190,340	938,532
Corporate bonds	公司債券	692,127	708,834
Subordinated debt	次級債務	83,345	-
Due to related companies	應付關連公司款項	-	181
		1,965,812	1,647,547
Capital-to-overall financing ratio	資本佔整體融資比率	1.96	2.57

51.8 營運風險(續)

資本管理(續)

於報告日，資本佔整體融資比率如下：

Capital adequacy of Bendura Group

Starting February 1, 2015, the calculation of regulatory capital incorporates the capital requirements following the Capital Requirements Regulation (EU) No. 575/2013 (Capital Requirements Regulation – CRR) and the Capital Requirements Directive No. 2013/36/EU (CRD 4) as implemented into Liechtenstein law. The minimum capital requirement is 8% of risk weighted assets which consists at least of 4.5% common equity tier 1 (CET 1) capital, 1.5% additional tier 1 capital and 2% tier 2 capital. In addition, the Bendura Group has to fulfill 2.5% buffer requirements (capital conservation buffer). The buffer requirement must be fulfilled with CET 1 capital.

Capital ratios measure capital adequacy by comparing the Bendura Group's eligible capital with balance sheet assets, off-balance sheet commitments and market positions at weighted amounts to reflect their relative risk. Assets are weighted according to broad categories of notional risk, first being multiplied by a conversion factor and then being assigned a risk weighting according to the amount of capital deemed to be necessary for them. Off-balance sheet commitments and default risk positions are also multiplied and risk-weighted. Market risk is calculated with the standard approach.

All results are based on the full application of the final CRR and CRD 4 framework in the European Union and thus without consideration of applicable transitional rules. The Bendura Group has complied with all externally imposed capital requirements as at 31 December 2016.

富地集團資本充足

自二零一五年二月一日起，隨著列支敦士登法律納入資本要求法規(歐盟)(資本要求法規—CRR)第575/2013號及資本規定指令第2013/36/EU號(CRD 4)，監管資本之計算包含資本要求。最低資本要求為風險加權資產之8%，其中至少包括4.5%核心一級資本(核心一級資本)、1.5%額外一級資本及2%二級資本。此外，富地集團須滿足2.5%之緩衝要求(資本儲備緩衝)。緩衝要求必須以核心一級資本達成。

資本充足率以資本比率衡量，方法為將富地集團之合格資本與資產負債表中資產、資產負債表外承擔及按加權金額計算之市場持倉比較，以反映其相對風險。資產根據大範圍名義風險加權，先乘以一個轉換因素，再根據被視為對其必要之資金數額分配加權風險。資產負債表外承擔及違約風險狀況亦會作出乘數及被分配加權風險。市場風險以標準方法計算。

所有結果基於全面遵守歐盟終版CRR及CRD 4而得出，因此未考慮適用過渡規定。富地集團於二零一六年十二月三十一日已全面遵守外部施加之資本要求。

51. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

51. 財務風險管理目標及政策(續)

51.9 Fair value measurements recognised in the consolidated statement of financial position

The fair values of the Group's financial assets and financial liabilities are determined as follows:

- the fair values of listed equity investments, debt instruments and investment fund units classified under trading portfolio investments and available-for-sale financial assets are determined by reference to their quoted market prices at the reporting date in active markets and have been translated using the spot foreign currency rates at the end of the reporting periods where appropriate.
- the fair values of unlisted debt instruments and investment fund units classified under trading portfolio investments and available-for-sale financial assets have been determined using significant inputs, which are market observable, directly or indirectly.
- the fair value of derivative financial liabilities classified as level 3 financial liabilities, is determined by the directors of the Company with reference to the valuation performed by Asset Appraisal Limited, an independent professionally qualified valuer, by using valuation techniques such as Black-Scholes Option Pricing Model and Binomial Option Pricing Model. These valuation techniques maximise the use of observable market data where it is available for all significant inputs and rely as little as possible on entity specific estimates.
- the fair values of derivative financial assets and liabilities classified as level 2 financial assets, are marked to market using the foreign exchange forward rates ruling at the end of each reporting periods.
- The fair value of unlisted investment in insurance policy is determined based on amount value as stated in cash surrender value statement issued by insurer.

HKFRS 13 introduced a three-level hierarchy for fair value measurement disclosures and additional disclosures about the relative reliability of fair value measurements.

The hierarchy groups financial assets and financial liabilities into three levels based on the relative reliability of significant inputs used in measuring the fair value of these financial assets and financial liabilities. The fair value hierarchy has the following levels:

- Level 1: unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2: observable direct and indirect inputs other than quoted prices included within Level 1; and
- Level 3: unobservable inputs are inputs for which market data are not available.

51.9 於綜合財務狀況表確認之公平值計量

本集團金融資產及金融負債之公平值按以下情況釐定：

- 分類至交易組合投資及可供出售金融資產之上市股本投資、債務工具及投資基金單位之公平值經參考其於報告日於活躍市場上之買入市價釐定，並已按報告期末之即期匯率換算(如適用)。上市股本證券以港元及人民幣計值。
- 分類至交易組合投資及可供出售金融資產之非上市債務工具及投資基金單位之公平值乃直接或間接使用市場可觀察之重大輸入數據釐定。
- 分類至第三級金融負債之衍生金融負債之公平值乃根據本公司董事經參考獨立專業合資格估值師資產評估顧問有限公司使用估值方法(如柏力克-舒爾斯期權定價模式及二項式期權定價模式)作出之估值釐定。該等估值方法最大限度地利用可供所有重大輸入數值之觀察所得市場數據，並盡可能不依賴特定實體估計。
- 分類至第二級金融資產之衍生金融資產及負債之公平值以各個報告期末當時遠期匯率計算。
- 保單投資之公平值乃按保險公司出具現金退保單所示之賬目金額而釐定。

香港財務報告準則第13號就公平值計量披露及有關公平值計量之相對可靠性之額外披露引入三個公平值層級。

金融資產及金融負債根據用於計量金融資產及金融負債之公平值之重大輸入數值之相對可靠性分為三個層級。公平值層級有以下層級：

- 第一級：相同資產或負債之未經調整活躍市場報價；
- 第二級：直接或間接可觀察之輸入數值(不包括第一層報價)；及
- 第三級：非觀察所得輸入數值為並無可用市場數值之輸入數值。

51. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

51. 財務風險管理目標及政策(續)

51.9 Fair value measurements recognised in the consolidated statement of financial position (continued)

51.9 於綜合財務狀況表確認之公平值計量(續)

The financial assets and financial liabilities measured at fair value in the consolidated statement of financial position are grouped into the fair value hierarchy as follows:

於綜合財務狀況表以公平值計量之金融資產及金融負債分為以下公平值層級：

		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總計 HK\$000 千港元
2016	二零一六年				
Assets	資產				
Trading portfolio investments	交易組合投資	190,213	6,876	–	197,089
Derivative financial assets	衍生金融資產	–	2,256	82	2,338
Available-for-sale financial assets at fair value	按公平值列賬之可供出售金融資產	320,247	25,230	–	345,477
		510,460	34,362	82	544,904
Liabilities	負債				
Derivative financial liabilities	衍生金融負債	–	2,050	–	2,050
		–	2,050	–	2,050
2015	二零一五年				
Assets	資產				
Trading portfolio investments	交易組合投資	367,471	–	–	367,471
Derivative financial assets	衍生金融資產	–	–	2,244	2,244
Available-for-sale financial assets at fair value	按公平值列賬之可供出售金融資產	317,173	–	–	317,173
		684,644	–	2,244	686,888
Liabilities	負債				
Derivative financial liabilities	衍生金融負債	–	–	7,260	7,260
		–	–	7,260	7,260

51. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

51.9 Fair value measurements recognised in the consolidated statement of financial position
(continued)

There have been no significant transfers between Levels 1 and 2 in the reporting period.

The level in the fair value hierarchy within which the financial assets and financial liabilities are categorised in its entirety is based on the lowest level of input that is significant to the fair value measurement.

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting periods.

The fair value of financial undertakings classified as derivative financial liabilities is Level 3 recurring fair value measurement. A reconciliation of the opening and closing fair value balances are provided as below.

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Opening balance (Level 3 recurring fair value)	年初結餘(第三級經常性公平值)	7,260	26,479
Change in fair value recognised in profit or loss during the year	於年內溢利或虧損確認之公平值變動	(7,260)	(19,219)
Closing balance (Level 3 recurring fair value)	年末結餘(第三級經常性公平值)	-	7,260

The key inputs to determine the fair value of financial undertakings are the stock price and expected volatility. A higher in stock price and volatility would result in an increase in the fair value of derivative financial liabilities, and vice versa.

51. 財務風險管理目標及政策(續)

51.9 於綜合財務狀況表確認之公平值計量(續)

報告期內，第一級及第二級之間並無重大轉撥。

在金融資產及金融負債之分類中，公平值層級之水平基於對公平值計量有重大影響之最低數值水平全面分類。

計量公平值所用方法及評估方式與上一報告期間無異。

分類至衍生金融負債之財務承諾公平值為第三級經常性公平值計量。年初及年末公平值結餘之對賬載列如下。

釐定財務承諾公平值之主要數據為股價及預期波幅。股價及波幅越大將導致衍生金融負債之公平值增加，反之亦然。

52. STATEMENT OF FINANCIAL POSITION

52. 財務狀況表

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
ASSETS AND LIABILITIES	資產及負債		
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	6,670	7,256
Convertible bond investment	可換股債券投資	7,180	8,327
Interests in subsidiaries	所佔附屬公司權益	2,158,454	1,356,052
		2,172,304	1,371,635
Current assets	流動資產		
Other assets	其他資產	38,573	79,453
Trading portfolio investments	買賣組合投資	96,009	283,885
Cash and deposits	現金及存款	30,934	483,662
		165,516	847,000
Current liabilities	流動負債		
Other liabilities	其他負債	34,994	26,094
Borrowings	借貸	995,476	437,150
		1,030,470	463,244
Net current (liabilities)/assets	流動(負債)/資產淨值	(864,954)	383,756
Total assets less current liabilities	總資產減流動負債	1,307,350	1,755,391
Non-current liabilities	非流動負債		
Other liabilities	其他負債	335	655
Borrowings	借貸	-	361,685
		335	362,340
Net assets	資產淨值	1,307,015	1,393,051
EQUITY	權益		
Share capital	股本	434,682	440,938
Reserves	儲備	872,333	952,113
		1,307,015	1,393,051

The statements of financial position of the Company was approved and authorised for issue by the board of directors of the Company on 31 March 2017 and are signed on its behalf by:

本公司財務狀況表於二零一七年三月三十一日獲董事會批准及授權刊發，並由以下董事代表簽署：

Hon Kwok Lung
韓國龍
Director
董事

Shang Jianguang
商建光
Director
董事

53. INFORMATION ABOUT PRINCIPAL SUBSIDIARIES

Particulars of the principal subsidiaries, each of which is a limited liability company, at 31 December 2016 are as follows:

53. 主要附屬公司資料

於二零一六年十二月三十一日，主要附屬公司（均為有限公司）之詳情如下：

Name 名稱	Place of incorporation/ registration 註冊成立／註冊地點	Particulars of issued/paid-up capital 已發行／ 繳入股本詳情	Effective percentage of equity interest held by the Company 本公司所持股權 之實際百分比		Principal activities and principal place of business 主要業務及營業地點
			2016 二零一六年	2015 二零一五年	
<i>Directly held:</i> 直接持有：					
Qingapen Limited 晴嘉投資有限公司	Hong Kong 香港	HK\$2 2港元	100%	100%	Property investment, PRC 於中國投資物業
China Haidian Commercial Network Services Limited 中國海澱商業網絡服務有限公司	Hong Kong 香港	HK\$2 2港元	100%	100%	Property investment, PRC 於中國投資物業
Haidian-Creation International Limited	British Virgin Islands ("BVI") 英屬處女群島 (「英屬處女群島」)	US\$1 1美元	100%	100%	Investment holding, Hong Kong 於香港投資控股
Sure Best Management Limited 港益管理有限公司	Hong Kong 香港	HK\$1 1港元	100%	100%	Property investment, Hong Kong 於香港投資物業
Jia Cheng Investment Limited 佳城投資有限公司	BVI 英屬處女群島	US\$1 1美元	100%	100%	Investment holding, Hong Kong 於香港投資控股
Citychamp Watch and Jewellery SwissCo AG	Switzerland 瑞士	CHF100,000 100,000瑞士法郎	100%	100%	Issuance of bonds, Switzerland 於瑞士發行債券
Bendura Bank AG (Formerly known as Valartis Bank (Liechtenstein) AG) Bendura Bank AG (前稱富帝銀行 (列支敦士登)股份有限公司)	Liechtenstein 列支敦士登	CHF20,000,000 20,000,000瑞士 法郎	83.22%	–	Assets management, accepting client deposits, making investment and granting loans, Liechtenstein 於列支敦士登管理資產、接受客 戶存款、投資及批出貸款
<i>Indirectly held:</i> 間接持有：					
EBOHR Luxuries International Co., Limited (note a) 依波精品(深圳)有限公司(附註a)	PRC 中國	HK\$36,000,000 36,000,000港元	100%	100%	Manufacture and distribution of watches and timepieces, PRC 於中國製造及分銷鐘錶及時計 產品
Shenzhen EBOHR Luxuries Online E-commerce Company Limited (note b) 深圳市依波精品在線電子商務有限公司(附註b)	PRC 中國	RMB1,000,000 人民幣1,000,000元	100%	100%	Distribution of watches and timepieces, PRC 於中國分銷鐘錶及時計產品
Seti Timber Industry (Shenzhen) Co., Ltd. (note c) 森帝木業(深圳)有限公司(附註c)	PRC 中國	US\$45,525,860 45,525,860美元	100%	100%	Investment holding, PRC 於中國投資控股
Shenzhen Seti Trading Development Company Limited (note b) 深圳市森帝貿易發展有限公司(附註b)	PRC 中國	RMB500,000 人民幣500,000元	100%	100%	Investment holding, PRC 於中國投資控股

53. INFORMATION ABOUT PRINCIPAL SUBSIDIARIES (continued) 53. 主要附屬公司資料(續)

Name 名稱	Place of incorporation/ registration 註冊成立/註冊地點	Particulars of issued/paid-up capital 已發行/ 繳入股本詳情	Effective percentage of equity interest held by the Company 本公司所持股權 之實際百分比		Principal activities and principal place of business 主要業務及營業地點
			2016 二零一六年	2015 二零一五年	
<i>Indirectly held: (continued)</i> <i>間接持有: (續)</i>					
Actor Investments Limited 安達投資有限公司	Hong Kong 香港	HK\$10,000 10,000港元	100%	100%	Investment holding, Hong Kong 於香港投資控股
Zhuhai Rossini Watch Industry Limited (note d) 珠海羅西尼錶業有限公司(附註d)	PRC 中國	RMB180,000,000 人民幣 180,000,000元	91%	91%	Manufacture and distribution of watches and timepieces, PRC 於中國製造及分銷鐘錶及時計 產品
PAMA Precision Manufacturing Limited (note b) 深圳市帕瑪精品製造有限公司(附註b)	PRC 中國	RMB10,000,000 人民幣 10,000,000元	100%	100%	Manufacture and distribution of watches and timepieces, PRC 於中國製造及分銷鐘錶及時計 產品
Shenzhen Permanence Commerce Co., Limited (note b) 深圳市恒譽嘉時貿易有限公司(附註b)	PRC 中國	RMB23,000,000 人民幣 23,000,000元	100%	100%	Distribution of watches and timepieces, PRC 於中國分銷鐘錶及時計產品
Zhuhai Rossini Glasses Industry Limited (note b) 珠海羅西尼眼鏡有限公司(附註b)	PRC 中國	RMB1,000,000 人民幣1,000,000元	91%	91%	Distribution of glasses, PRC 於中國分銷眼鏡
Swiss Chronometric AG 瑞士精密時計有限公司	Switzerland 瑞士	CHF2,000,000 2,000,000 瑞士法郎	100%	100%	Manufacture and distribution of watches and timepieces, Switzerland 於瑞士製造及分銷鐘錶及時計 產品
Eterna AG Uhrenfabrik	Switzerland 瑞士	CHF6,000,000 6,000,000 瑞士法郎	100%	100%	Manufacture and distribution of watches and timepieces, Switzerland 於瑞士製造及分銷鐘錶及時計 產品
Eterna Uhren GmbH, Kronberg	Germany 德國	EUR205,000 205,000歐元	100%	100%	Distribution of watches and timepieces, Germany 於德國分銷鐘錶及時計產品
Eterna Movement AG	Switzerland 瑞士	CHF1,000,000 1,000,000 瑞士法郎	100%	100%	Manufacture and distribution of watches and timepieces, Switzerland 於瑞士製造及分銷鐘錶及時計 產品

53. INFORMATION ABOUT PRINCIPAL SUBSIDIARIES (continued) 53. 主要附屬公司資料(續)

Name 名稱	Place of incorporation/ registration 註冊成立/註冊地點	Particulars of issued/paid-up capital 已發行/ 繳入股本詳情	Effective percentage of equity interest held by the Company 本公司所持股權 之實際百分比		Principal activities and principal place of business 主要業務及營業地點
			2016 二零一六年	2015 二零一五年	
<i>Indirectly held: (continued)</i> <i>間接持有：(續)</i>					
Guangdong Juxin Watch Co., Limited (note d) 廣東鉅信鐘錶連鎖有限公司(附註d)	PRC 中國	RMB15,000,000 人民幣 15,000,000元	51%	51%	Distribution of watches and timepieces, PRC 於中國分銷鐘錶及時計產品
Liaoning Hengjia Horologe Co., Limited (note d) 遼寧恒嘉鐘錶有限公司(附註d)	PRC 中國	RMB25,500,000 人民幣 25,500,000元	51%	51%	Distribution of watches and timepieces, PRC 於中國分銷鐘錶及時計產品
Guangzhou Five Goat Watch Co., Limited (note b) 廣州五羊錶業有限公司(附註b)	PRC 中國	RMB100,000,000 人民幣 100,000,000元	78%	78%	Manufacture and distribution of watches and timepieces, PRC 於中國製造及分銷鐘錶及時計 產品
Eterna (Asia) Limited 綺年華(亞洲)有限公司	Hong Kong 香港	HK\$5,000,000 5,000,000港元	70%	70%	Distribution of watches and timepieces, Hong Kong 於香港分銷鐘錶及時計產品
Centenaire Trading (Shanghai) Co., Ltd (note a) 聖坦尼爾貿易(上海)有限公司(附註a)	PRC 中國	RMB4,550,000 人民幣4,550,000元	70%	70%	Distribution of watches and timepieces, PRC 於中國分銷鐘錶及時計產品
Eterna (Beijing) International Trading Co., Ltd (note b) 綺年華(北京)國際貿易有限公司(附註b)	PRC 中國	RMB1,000,000 人民幣1,000,000元	70%	70%	Distribution of watches and timepieces, PRC 於中國分銷鐘錶及時計產品
Jilin Dayou Watch Limited (note d) 吉林大有鐘錶有限公司(附註d)	PRC 中國	RMB15,000,000 人民幣 15,000,000元	51%	51%	Distribution of watches and timepieces, PRC 於中國分銷鐘錶及時計產品
Gold Vantage Industrial Limited 金熹實業有限公司	Hong Kong 香港	HK\$10,000 10,000港元	51%	51%	Investment holding, Hong Kong 於香港投資控股
Qinzhou Jintai Precision Products Co., Ltd. (note b) 欽州金泰精密製造有限公司(附註b)	PRC 中國	RMB1,000,000 人民幣 1,000,000元	51%	51%	Manufacturing of watches and related accessories, PRC 於中國製造鐘錶及相關配件
Shenzhen Grand Chances Watch Manufacture Ltd. (note b) 深圳市冠城金熹錶業有限公司(附註b)	PRC 中國	RMB500,000 人民幣500,000元	51%	51%	Manufacturing of watches and related accessories, PRC 於中國製造鐘錶及相關配件
Qinzhou Pros Watch Industrial Co., Ltd. (note b) 欽州寶時錶業有限公司(附註b)	PRC 中國	RMB1,000,000 人民幣 1,000,000元	51%	51%	Manufacturing of watches and related accessories, PRC 於中國製造鐘錶及相關配件

53. INFORMATION ABOUT PRINCIPAL SUBSIDIARIES (continued) 53. 主要附屬公司資料(續)

Name 名稱	Place of incorporation/ registration 註冊成立/註冊地點	Particulars of issued/paid-up capital 已發行/ 繳入股本詳情	Effective percentage of equity interest held by the Company 本公司所持股權 之實際百分比		Principal activities and principal place of business 主要業務及營業地點
			2016 二零一六年	2015 二零一五年	
<i>Indirectly held: (continued)</i> <i>間接持有：(續)</i>					
Montres Corum Sàrl	Switzerland 瑞士	CHF3,000,000 3,000,000 瑞士法郎	100%	100%	Manufacture, and distribution of watches and timepieces, Switzerland 於瑞士製造及分銷鐘錶及時計 產品
Montres Corum (UK) Ltd.	United Kingdom 英國	GBP3,383,424 3,383,424英鎊	100%	100%	Distribution of watches and timepieces, United Kingdom 於英國分銷鐘錶及時計產品
Corum Italia SRL	Italy 意大利	EUR10,400 10,400歐元	100%	100%	Distribution of watches and timepieces, Italy 於意大利分銷鐘錶及時計產品
Montres Corum Europe SA	Switzerland 瑞士	CHF100,000 100,000瑞士法郎	100%	100%	Distribution of watches and timepieces, Switzerland 於瑞士分銷鐘錶及時計產品
Servicio de Importacion SA	Spain 西班牙	EUR739,000 739,000歐元	100%	100%	Distribution of watches and timepieces, Spain 於西班牙分銷鐘錶及時計產品
Corum Deutschland GmbH	Germany 德國	EUR200,000 200,000歐元	100%	100%	Distribution of watches and timepieces, Germany 於德國分銷鐘錶及時計產品
Corum (Hong Kong) Limited	Hong Kong 香港	HK\$1,000 1,000港元	100%	100%	Distribution of watches and timepieces, Hong Kong 於香港分銷鐘錶及時計產品
The Dreyfuss Group Limited	United Kingdom 英國	GBP 221,541 221,541英鎊	100%	100%	Distribution of watches and timepieces, United Kingdom 於英國分銷鐘錶及時計產品
Rotary Overseas Limited	United Kingdom 英國	GBP1,000,000 1,000,000英鎊	100%	100%	Distribution of watches and timepieces, United Kingdom 於英國分銷鐘錶及時計產品
Artemis Watch Company Limited	United Kingdom 英國	GBP100 100英鎊	100%	100%	Distribution of watches and timepieces, United Kingdom 於英國分銷鐘錶及時計產品

53. INFORMATION ABOUT PRINCIPAL SUBSIDIARIES (continued) 53. 主要附屬公司資料(續)

Name 名稱	Place of incorporation/ registration 註冊成立/註冊地點	Particulars of issued/paid-up capital 已發行/ 繳入股本詳情	Effective percentage of equity interest held by the Company 本公司所持股權 之實際百分比		Principal activities and principal place of business 主要業務及營業地點
			2016 二零一六年	2015 二零一五年	
<i>Indirectly held: (continued)</i> <i>間接持有: (續)</i>					
Rotary Watches LLC	United States of America 美國	USD10 10美元	100%	100%	Distribution of watches and timepieces, United States of America 於美國分銷鐘錶及時計產品
Dreyfuss & Co SA	Switzerland 瑞士	CHF100,000 100,000 瑞士法郎	100%	100%	Manufacturing of watches and timepieces, Switzerland 於瑞士製造鐘錶及時計產品
Fabrique de Moritres Rotary S.A	Switzerland 瑞士	CHF1,000,000 1,000,000 瑞士法郎	100%	100%	Manufacturing and distribution of watches and timepieces, Switzerland 於瑞士製造及分銷鐘錶及時計 產品
Bendura Fund Management Alpha AG (Formerly known as Valartis Fund Management (Liechtenstein) AG)	Liechtenstein 列支敦士登	CHF1,500,000 1,500,000 瑞士法郎	83.22%	—	Providing investment counselling, acting as technical administrator of fund units, acting as a fund management company and acting as an alternative investment fund manager, Liechtenstein 於列支敦士登提供投資諮詢、 擔任基金單位之技術管理員、 擔任基金管理公司及擔任另類 投資基金經理
VFM Mutual Fund AG	Liechtenstein 列支敦士登	CHF500,000 500,000瑞士法郎	83.22%	—	Managing a particular fund as general partner, Liechtenstein 於列支敦士登作為一般合夥人管 理一項特別基金
HIB Investment Ltd	BVI 英屬處女群島	USD50,000 50,000美元	83.22%	—	Managing the benchmark portfolio of Bendura Bank AG, Liechtenstein 管理Bendura Bank AG之基準投資 組合

53. INFORMATION ABOUT PRINCIPAL SUBSIDIARIES (continued) 53. 主要附屬公司資料(續)

上表載列董事認為主要影響本集團本年度之業

Name 名稱	Place of incorporation/ registration 註冊成立/註冊地點	Particulars of issued/paid-up capital 已發行/ 繳入股本詳情	Effective percentage of equity interest held by the Company 本公司所持股權 之實際百分比		Principal activities and principal place of business 主要業務及營業地點
			2016 二零一六年	2015 二零一五年	
<i>Indirectly held: (continued)</i> <i>間接持有: (續)</i>					
HIB Protector Ltd	BVI 英屬處女群島	USD10,000 10,000美元	83.22%		- Protecting assets of the clients by monitoring statutory provisions of trusts and foundations as well as potential transfers of trustee duties or functions, Liechtenstein 於列支敦士登透過監察信託及基金之法定條款以及受託人職務或職責之潛在轉移保護客戶資產
Hypo Trust and Corporate Services (Brunei) Ltd	Brunei Darussalam 汶萊達魯薩蘭國	USD130,000 130,000美元	83.22%		- Construed under Brunei's law and acting as trustee to service trusts, Brunei Darussalam 於汶萊達魯薩蘭國根據汶萊法律詮釋及擔任受託人向信託提供服務

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

None of the subsidiaries had issued any debt securities at the end of the year.

Notes:

- These subsidiaries are registered as wholly foreign owned enterprises under the law of PRC.
- These subsidiaries are registered as limited liability companies under the law of PRC.
- This subsidiary is registered as foreign joint venture under the law of PRC.
- These subsidiaries are registered as sino-foreign joint ventures under the law of PRC.

績或構成本集團資產淨值重大部分之本公司附屬公司。董事認為，詳列其他附屬公司之資料將會令有關資料過於冗長。

概無附屬公司於年末發行任何債務證券。

附註：

- 該等附屬公司根據中國法律登記為外商獨資企業。
- 該等附屬公司根據中國法律登記為有限公司。
- 該附屬公司根據中國法律登記為外商合資企業。
- 該等附屬公司根據中國法律登記為中外合資企業。

53. INFORMATION ABOUT PRINCIPAL SUBSIDIARIES (continued) 53. 主要附屬公司資料(續)

Set out below are the summarised financial information for the subsidiaries that had non-controlling interests which is material to the Group, before any elimination.

下文載列於任何對銷前擁有對本集團而言屬重大之非控股權益之各附屬公司財務資料概要。

		Bendura Bank AG 富地銀行 2016 二零一六年 HK\$'000 千港元	Zhuhai Rossini Watch Industry Limited 珠海羅西尼錶業有限公司 2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Summarised statement of financial position	財務狀況表概要			
As at 31 December	於十二月三十一日			
Effective non-controlling interests percentage	實際非控股權益百分比	15.34%	9%	9%
Current	流動			
Assets	資產	11,275,682	988,921	1,043,712
Liabilities	負債	(10,608,716)	(126,852)	(221,276)
Total net current assets	流動資產總淨值	666,966	862,069	822,436
Non-current	非流動			
Assets	資產	–	269,370	252,801
Total net non-current assets	非流動資產總淨值	–	269,370	252,801
Net assets	資產淨值	666,966	1,131,439	1,075,237
Accumulated non-controlling interests	累計非控股權益	102,317	101,830	96,771
Summarised statement of comprehensive income	全面收入表概要			
For the year ended 31 December	截至十二月三十一日止年度			
Revenue	收益	109,480	1,000,648	1,162,111
Profit before income tax	除所得稅前溢利	53,988	373,694	450,742
Other comprehensive income	其他全面收入	(24,813)	–	–
Total comprehensive income	全面收入總額	22,332	324,450	386,838
Profit allocated to non-controlling interests	分配至非控股權益之溢利	3,425	29,200	34,815
Dividends paid to non-controlling interests	向非控股權益支付之股息	–	17,335	11,997
Summarised statement of cash flows	現金流量表概要			
For the year ended 31 December 2016	截至二零一六年十二月三十一日止年度			
Cash flows generated (used in)/from operating activities	經營業務(使用)/產生之現金流量	(1,219,501)	237,516	89,722
Cash flows generated/(used in) from investing activities	投資活動產生/(使用)之現金流量	652,407	(151,254)	(45,247)
Cash flows used in financing activities	融資活動使用之現金流量	(812)	(27,108)	(15,399)
Net cash (outflow)/inflow	現金(流出)/流入淨額	(567,906)	59,154	29,076

FIVE YEAR FINANCIAL SUMMARY 五年財務資料摘要

A summary of the published results and financial position of the Group for the year ended 31 December 2016 and the last four years is set out below. This summary does not form part of the audited financial statements.

本集團截至二零一六年十二月三十一日止年度及過去四年之已刊發業績及財務狀況概要載列如下。此概要並不組成經審核財務報表之一部分。

FINANCIAL PERFORMANCE

財務表現

		Year ended 31 December 截至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	2014* 二零一四年 HK\$'000 千港元	2013* 二零一三年 HK\$'000 千港元	2012* 二零一二年 HK\$'000 千港元
Net interest income from banking business	銀行業務之利息收入淨額	17,983	-	-	-	-
Net service fees and commission income from banking business	銀行業務之服務費及佣金淨額	72,595	-	-	-	-
Trading income from banking business	銀行業務之買賣收入	18,902	-	-	-	-
Sales of goods from non-banking business	非銀行業務之貨品銷售收入	2,811,352	3,458,245	3,470,665	3,159,466	2,225,082
Rental income from non-banking business	非銀行業務之租金收入	19,123	18,109	17,888	16,957	15,222
Total revenue	總收入	2,939,955	3,476,354	3,488,553	3,176,423	2,240,304
Cost of sales from non-banking business	非銀行業務之銷售成本	(1,296,518)	(1,694,496)	(1,797,911)	(1,697,584)	(1,022,583)
Other ordinary income and other net gains or losses	其他經常性收入及其他收益或虧損淨值	63,165	257,545	269,603	570,761	62,119
Selling and distribution expenses	銷售及分銷費用	(841,444)	(883,152)	(926,387)	(724,581)	(513,278)
Administrative expenses	行政費用	(648,477)	(616,151)	(698,077)	(542,743)	(351,448)
Share of profit of associates	應佔聯營公司溢利	23,134	9,685	13,333	12,134	13,499
Finance costs	財務費用	(79,447)	(77,075)	(65,055)	(36,554)	(14,894)
Profit before income tax	除所得稅前溢利	160,368	472,710	284,059	757,856	413,719
Income tax expense	所得稅開支	(96,528)	(132,551)	(121,027)	(157,246)	(103,432)
Profit for the year	本年度溢利	63,840	340,159	163,032	600,610	310,287
Other comprehensive income	其他全面收入					
Item that will not be subsequently reclassified to profit or loss	不會於日後重新分類至溢利或虧損之項目					
- Remeasurement of net defined benefit obligations	- 重新計量定額福利責任淨額	14,368	9,485	(5,955)	1,785	-
Items that may be subsequently reclassified to profit or loss	可能於日後重新分類至溢利或虧損之項目					
- Exchange differences on translation to presentation currency	- 換算呈列貨幣之匯兌差額	(226,038)	(142,928)	(2,021)	32,719	16,468
- Release of exchange reserve to profit or loss upon disposal of subsidiaries	- 於出售附屬公司後解除外匯儲備至溢利或虧損	4,701	256	(2,015)	-	-
- Share of exchange differences on translation of associates	- 應佔聯營公司匯兌差異	(112)	133	(16)	-	-
- Release of investment revaluation reserve upon disposal	- 於出售時撥回投資重估儲備	-	-	(163,542)	(456,023)	-
- Changes in fair value of available-for-sale financial assets	- 可供出售金融資產公平值變動	(75,210)	9,051	(11,533)	94,418	601,480
		(296,659)	(133,488)	(179,127)	(328,886)	617,948

FINANCIAL PERFORMANCE (continued)

財務表現(續)

		Year ended 31 December 截至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	2014* 二零一四年 HK\$'000 千港元	2013* 二零一三年 HK\$'000 千港元	2012* 二零一二年 HK\$'000 千港元
Other comprehensive income for the year	本年度其他全面收入	(282,291)	(124,003)	(185,082)	(327,101)	617,948
Total comprehensive income for the year	本年度全面收入總額	(218,451)	216,156	(22,050)	273,509	928,235
Profit for the year attributable to:	以下人士應佔本年度溢利：					
Owners of the Company	本公司擁有人	36,703	307,675	132,005	565,434	270,425
Non-controlling interests	非控股權益	27,137	32,484	31,027	35,176	39,862
		63,840	340,159	163,032	600,610	310,287
Total comprehensive income for the year attributable to:	以下人士應佔本年度全面收入總額：					
Owners of the Company	本公司擁有人	(227,203)	196,583	(55,528)	233,899	887,501
Non-controlling interests	非控股權益	8,752	19,573	33,478	39,610	40,734
		(218,451)	216,156	(22,050)	273,509	928,235

ASSETS, LIABILITIES AND NON-CONTROLLING INTERESTS

資產、負債及非控股權益

		As at 31 December 於十二月三十一日				
		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
Total assets	總資產	17,255,820	6,838,556	6,732,878	6,273,631	5,261,137
Total liabilities	總負債	(13,403,130)	(2,604,069)	(2,657,948)	(1,711,587)	(1,305,018)
Non-controlling interests	非控股權益	(219,809)	(191,234)	(228,406)	(246,965)	(167,098)
		3,632,881	4,043,253	3,846,524	4,315,079	3,789,021

* Certain reclassifications are made to conform to current year's presentation.

* 若干重新分類為符合本年度呈列方式而作出。

SCHEDULE OF PRINCIPAL
INVESTMENT PROPERTIES

主要投資物業附表

Description	詳情	Group interest 集團權益	Use 用途	Tenure 年期
Flat B, 21st Floor, Jolly Villa, No. 8 Tai Hang Road, Hong Kong and Car parking space No. 32 on 3rd Floor of the same building	香港大坑道8號 竹麗苑21樓B室 及同一幢樓宇內3樓之 32號車位	100%	Residential 住宅	Medium term lease 中期租約
Industrial Complex, including Dormitories in the Sixth Industrial Zone Houjie Town, Dongguan County Guangdong Province The People's Republic of China (the "PRC")	中華人民共和國(「中國」) 廣東省東莞市厚街鎮 第六工業區工廠 綜合大樓(包括宿舍)	100%	Industrial/Residential 工業/住宅	Medium term lease 中期租約
2nd Lower Ground Level Jin Hua Building Yan He South Road Luohu District, Shenzhen Guangdong Province The PRC	中國廣東省深圳市 羅湖區沿河南路 錦花大廈底下層二層	100%	Commercial 商業	Medium term lease 中期租約
Shops at Street Nos. 13, 14 and 15 New City Centre Plaza Garden Nos. 459, 461 and 463 Xiang Hua Road Zhuhai City Guangdong Province The PRC	中國廣東省珠海市 香華路459、461及463號 新城市中心花園 商舖13、14及15號	100%	Commercial 商業	Medium term lease 中期租約

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