


# BEST PACIFIC INTERNATIONAL HOLDINGS LIMITED 超盈國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)  
(於開曼群島註冊成立的有限公司)

Stock Code 股份代號 : 2111



BUILD ON  
INNOVATION  
&  
TECHNOLOGY

ANNUAL REPORT 年報  
2017

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超盈國際控股有限公司 • 二零一七年年報

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# CORPORATE INFORMATION

## 公司資料

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Lu Yuguang (*Chairman*)  
Mr. Zhang Haitao (*Chief Executive Officer*)  
Mr. Wu Shaolun  
Ms. Zheng Tingting (*Chief Operating Officer*)

#### Independent non-executive Directors

Mr. Cheung Yat Ming  
Mr. Ding Baoshan  
Mr. Sai Chun Yu

### AUDIT COMMITTEE

Mr. Sai Chun Yu (*Chairman*)  
Mr. Cheung Yat Ming  
Mr. Ding Baoshan

### REMUNERATION COMMITTEE

Mr. Ding Baoshan (*Chairman*)  
Mr. Zhang Haitao (appointed on 20 March 2018)

Mr. Cheung Yat Ming  
Mr. Lu Yuguang (resigned on 20 March 2018)

### NOMINATION COMMITTEE

Mr. Lu Yuguang (*Chairman*)  
Mr. Cheung Yat Ming  
Mr. Ding Baoshan

### AUTHORISED REPRESENTATIVES

Mr. Zhang Haitao  
Mr. Chan Yiu Sing

### COMPANY SECRETARY

Mr. Chan Yiu Sing

### AUDITOR

Deloitte Touche Tohmatsu

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

### 董事會

#### 執行董事

盧煜光先生 (*主席*)  
張海濤先生 (*行政總裁*)  
吳少倫先生  
鄭婷婷女士 (*首席運營官*)

#### 獨立非執行董事

張一鳴先生  
丁寶山先生  
余振宇先生

#### 審核委員會

余振宇先生 (*主席*)  
張一鳴先生  
丁寶山先生

#### 薪酬委員會

丁寶山先生 (*主席*)  
張海濤先生 (於二零一八年三月二十日  
獲委任)  
張一鳴先生  
盧煜光先生 (於二零一八年三月二十日辭任)

#### 提名委員會

盧煜光先生 (*主席*)  
張一鳴先生  
丁寶山先生

#### 授權代表

張海濤先生  
陳耀星先生

#### 公司秘書

陳耀星先生

#### 核數師

德勤 • 關黃陳方會計師行

#### 香港股份過戶登記分處

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

**PRINCIPAL SHARE REGISTRAR AND  
TRANSFER OFFICE IN THE  
CAYMAN ISLANDS**

Conyers Trust Company (Cayman) Limited  
Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman  
KY1-1111  
Cayman Islands

**PRINCIPAL BANKS**

Bank of China (Hong Kong) Limited  
Bank of Communications Co., Ltd. Hong Kong Branch  
CTBC Bank Co., Ltd.  
Fubon Bank (Hong Kong) Limited  
Hang Seng Bank Limited  
Standard Chartered Bank (Hong Kong) Limited  
United Overseas Bank Limited

**REGISTERED OFFICE**

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman  
KY1-1111  
Cayman Islands

**HEADQUARTER AND PRINCIPAL PLACE  
OF BUSINESS IN THE PRC**

Xinsha Port Industrial Park  
Machong Town  
Dongguan City  
The PRC

**PRINCIPAL PLACE OF BUSINESS IN  
HONG KONG**

8th Floor  
West Gate Tower  
No. 7 Wing Hong Street  
Lai Chi Kok  
Kowloon  
Hong Kong

**COMPANY'S WEBSITE**

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

**STOCK CODE**

2111

**開曼群島股份過戶登記總處**

Conyers Trust Company (Cayman) Limited  
Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman  
KY1-1111  
Cayman Islands

**主要往來銀行**

中國銀行(香港)有限公司  
交通銀行股份有限公司香港分行  
中國信託商業銀行股份有限公司  
富邦銀行(香港)有限公司  
恒生銀行有限公司  
渣打銀行(香港)有限公司  
大華銀行有限公司

**註冊辦事處**

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman  
KY1-1111  
Cayman Islands

**總部及中國主要營業地點**

中國  
東莞市  
麻涌鎮  
新沙港工業園

**香港主要營業地點**

香港  
九龍  
荔枝角  
永康街7號  
西港都會中心  
8樓

**公司網站**

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

**股份代號**

2111

# CHAIRMAN'S STATEMENT

## 主席報告

On behalf of the board (the “**Board**”) of directors (the “**Directors**”) of Best Pacific International Holdings Limited (the “**Company**” or “**Best Pacific**”) and its subsidiaries (collectively, the “**Group**” or “**We**”), I am pleased to present the annual results of the Group for the year ended 31 December 2017.

During the year under review, it turned out to be a tumultuous and challenging year for the global apparel market, in which opportunities and growth came with risks and challenges. Under the shadow of political instability in the United States of America (“**U.S.**”) and Europe, as well as the provocations from North Korea and its nuclear ambitions, the Volatility Index of the Chicago Board Options Exchange recorded spikes in April and August 2017. For a while, the public seemed to be uncertain on the sustainability of the growth of the economy and some of our key customers reacted conservatively, which inevitably affected Best Pacific's performance in 2017.

In spite of the twists and turns, Best Pacific continued to leverage on the advantages of our unique position as a one-stop solutions supplier, along with our profound relationship with our customers and business partners. Besides, we had been exploring more opportunities with our existing customers and potential clients by utilising the innovative and technical support from our research and development team. As a result, Best Pacific recorded revenue of approximately HK\$2,794.8 million for the year ended 31 December 2017, hitting a record high since its listing on 23 May 2014 (the “**Listing Date**”). However, the increasing manufacturing costs, growing operating expenses and unfavourable changes in exchange rates put pressure on our margins. Accordingly, we executed certain measures to strengthen our internal management, including cost control and efficiency enhancement, and had sped up our international expansion plan.

本人謹代表超盈國際控股有限公司（「本公司」或「超盈國際」）及其附屬公司（統稱「本集團」或「我們」）董事（「董事」）會（「董事會」）欣然提呈本集團截至二零一七年十二月三十一日止年度之全年業績。

於回顧年內，全球服裝市場經歷了充滿動盪與挑戰的一年，機遇與增長帶來風險與挑戰。美利堅合眾國（「美國」）與歐洲政治不穩的影響加上北韓的挑釁與核武野心，使得芝加哥期權交易所波動性指數在二零一七年四月及八月創下高峰。各界一度對經濟增長之可持續性表現猶疑不定，我們的若干主要客戶也因應局勢表現保守，並無可避免地影響超盈國際二零一七年的表現。

即使經歷波動，超盈國際持續善用其作為一站式解決方案供應商的獨特地位，以及與客戶及業務夥伴之間的深厚關係。此外，我們運用旗下研發團隊的創新與技術支援，持續開發更多現有客戶及潛在客戶的機遇。因此，超盈國際於截至二零一七年十二月三十一日止年度錄得收入約2,794.8百萬港元，締造自二零一四年五月二十三日（「上市日期」）上市以來的歷史新高。然而，持續攀升的製造成本、經營開支與匯率的不利變動對我們的利潤帶來壓力。因此，我們採取若干措施強化內部管理，包括成本控制與效能強化，並加速國際擴張計劃。

Despite the uncertainty in the global market, the Consumer Confidence Index of December 2017 announced by The Conference Board stood at 122.1, representing a year-on-year increase of 8.8 index points. Simultaneously, the Global Manufacturing Purchasing Managers' Index issued by IHS Markit reached its near-seven-year high of 54.5 in December 2017. Both indices suggested the resumption of market confidence in the global economic prospects and we expect Best Pacific would be able to seize the respective opportunities in 2018, alongside with its existing expansion plans in Vietnam and Sri Lanka.

In particular, being the first overseas expansion project of Best Pacific, the operation in Vietnam have been launched and progressed as our management expected. After completion of the trial production, the official production has already kicked off in the third quarter of 2017. The relatively smooth operation in Vietnam has boosted our spirit and encouraged us to speed up the progress. We will continue to improve the production efficiency in Vietnam to allow the Group to further enjoy the respective benefit of the lower manufacturing costs in Vietnam. Looking forward, the production capacity in Vietnam will be gradually increased to meet the upsurge in market demand for high quality products.

Apart from the operation in Vietnam, Sri Lanka will be the next stop of Best Pacific's strategic expansion plan. On 6 November 2017 and 4 December 2017, we separately entered into two joint venture agreements with Brandix Lanka Limited ("**Brandix**") and MAS Capital (Private) Limited ("**MAS Capital**"), a wholly-owned subsidiary of MAS Holdings (Pvt) Ltd ("**MAS**"). Brandix and MAS are our existing major customers and both of them are reputable industry leaders in the realm of apparel and textile manufacturing with robust international production layouts. We believe that the strategic partnerships with our joint venture partners will allow the Group to leverage on their well-established presence in the global apparel market and to facilitate the development of the joint ventures and the Group in the long run.

儘管全球市場充滿不確定性，世界大型企業聯合會公佈的二零一七年十二月消費者信心指數仍高居122.1，按年增加8.8個指數點。同時，IHS Markit發佈的二零一七年十二月全球製造業採購經理人指數也升至54.5，為近七年新高。兩大指數顯示市場對全球經濟前景的信心回升，我們預期超盈國際將能在二零一八年掌握各個機遇，並同時在越南及斯里蘭卡進行現有的擴張計劃。

值得關注的是，作為超盈國際首項海外擴張計劃的越南業務已如管理階層預期般展開。於試產完成後，正式生產已於二零一七年第三季度啟動。在越南的營運相對順利使我們士氣為之一振，並鼓舞我們加快進度。我們將持續改善在越南的生產效能，使本集團進一步受益於越南較低的製造成本。展望未來，越南產能將因應對於高品質產品大幅成長的市場需求而持續提升。

除越南業務之外，斯里蘭卡將是超盈國際戰略擴張計劃的下一站。我們於二零一七年十一月六日與二零一七年十二月四日分別與Brandix Lanka Limited ("**Brandix**")及MAS Capital (Private) Limited ("**Mas Capital**") (為MAS Holdings (Pvt) Ltd ("**MAS**")之全資附屬公司) 訂立兩份合營企業協議。Brandix及MAS為我們現有的主要客戶，均為服裝與紡織製造領域的著名行業領袖，擁有穩健的國際生產網絡。我們相信與合營企業夥伴的戰略合作關係將使本集團得以利用其於全球服裝市場的知名度，促進合營企業及本集團的長期發展。

## CHAIRMAN'S STATEMENT

### 主席報告

Summing up the year of 2017, despite various difficulties and challenges from increasing costs and unpredictable currency market, the Group had been managing various difficulties and operated cautiously. Nevertheless, we will continue to deploy resources to our strategic expansion plan for the future development of the Group. Under our vision “build on innovation and technology”, the Group firmly believes that we will be able to grasp further opportunities arising from the global apparel market, especially in the sportswear space, and to deliver a promising return to its investors in the longer run.

**Lu Yuguang**

*Chairman*

Hong Kong, 20 March 2018

總結二零一七年，儘管與日俱增的成本與難以預測的貨幣市場帶來不同的困境與挑戰，本集團依然能克服萬難並謹慎經營。然而，我們將持續就戰略擴張計劃部署資源，為本集團未來的發展鋪路。在我們「以創新及技術為根基」的願景下，本集團堅信我們將能進一步掌握全球服裝市場的機遇，尤其是運動服裝市場，以為其投資人帶來長期的樂觀回報。

**盧煜光**

*主席*

香港，二零一八年三月二十日

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### BUSINESS REVIEW

During the year under review, the global textile and apparel industry was generally in a difficult situation, as numerous retail brands reported diminished revenue and profits, and the impact was, to a certain extent, spread to the upstream. While facing the same challenges as the whole industry did, Best Pacific managed to seize some opportunities in the market. On one hand, the intense global demand for apparel and sportswear products with high standards on appearance, comfort and functionality continued to be our key driver of business expansion. Our sales orders correspondingly increased in both volume and amount during the year ended 31 December 2017. Revenue of the Group for the reporting year hit a record high of approximately HK\$2,794.8 million since Best Pacific's listing, representing a growth of approximately 13.2% as compared to the year ended 31 December 2016. However, due to lower lingerie sales to our customers during the period of industry downturn and with which more competitive prices being requested, the growth was still below our expectation for the whole year 2017.

Thanks to the growing health consciousness of the public, the manufacturing and trading of elastic fabric continued to be benefited from the keen demand for comfortable and highly functional sports-related products. With our strong research and development capabilities, we further penetrated the markets of both existing and new customers. The revenue of elastic fabric for the year ended 31 December 2017 recorded approximately HK\$1,767.7 million, representing a year-on-year increase of approximately 15.8%. In particular, the revenue of elastic fabric for sportswear use increased by approximately 74.9% to approximately HK\$796.6 million during the reporting year.

With the effort of cross-selling of our team and our dedication in expanding our market share, the revenue of elastic webbing also reported an increase by approximately 13.1% to approximately HK\$941.6 million during the year under review. Yet, due to the market demand for simpler and thinner lace, which commanded a lower unit selling price, the revenue of lace amounted to approximately HK\$85.6 million during the reporting year, implying a year-on-year decrease of approximately 22.3%.

### 業務回顧

回顧年內，全球紡織及服裝業普遍陷入困局，期間許多零售品牌的收入及溢利均有所減少，某種程度上，此影響亦蔓延至上游。於整個行業面臨相同挑戰之時，超盈國際得以把握若干市場機遇。一方面，全球市場對服裝及運動服裝的大量需求及對服裝外觀、舒適度及功能性的高度標準持續作為我們擴張業務的關鍵驅動力。我們銷售訂單的數量及金額於截至二零一七年十二月三十一日止年度均錄得相應增長。於報告年內，本集團的收入較截至二零一六年十二月三十一日止年度增長約13.2%至約2,794.8百萬港元，創下自超盈國際上市以來的新高。然而，由於售出予女性內衣客戶的銷量下跌以及於行業低迷時期被要求之更具競爭力的價格，其增長仍然不如我們對二零一七年全年的預期。

由於大眾對健康日益重視，製造及買賣彈性織物面料持續因市場對舒適及高功能性運動相關產品的殷切需求而受惠。憑藉著我們強大的研發實力，我們進一步滲透到現有及新的客戶群。截至二零一七年十二月三十一日止年度，彈性織物面料錄得1,767.7百萬港元的收入，同比增長約15.8%。尤其是用於運動服裝的彈性織物面料收入於報告年內增長約74.9%至約796.6百萬港元。

憑藉我們團隊對於交叉銷售及擴大本集團市場份額的努力，彈性織帶的收入亦於報告年內增長約13.1%至約941.6百萬港元。然而，由於市場對款式更簡約輕薄且銷售單價較低的蕾絲之需求，蕾絲的收入於報告年內為約85.6百萬港元，同比下降約22.3%。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

On the other hand, in order to meet the growing demands from the market and, at the same time, satisfy their requirements for shorter production lead time and better product quality, extra manufacturing costs were inevitably incurred. The increased investments in property, plant and equipment, the more stringent environmental protection regulations, the increases in our number of staff as well as their overall wages, all put pressure on our profit margins. In addition, more resources were devoted to our research and development team to improve our product quality and enhance the variety of our products to meet the customers' demands.

Furthermore, Renminbi (“RMB”) had appreciated by approximately 6% against U.S. Dollars (“US\$”) in the year ended 31 December 2017. The exchange rate of RMB against US\$ reached the year's peak in early September 2017 and maintained at a relatively high level till the year end. As the majority of our products were produced in the People's Republic of China (the “PRC”) and exported to overseas customers billing in US\$, the appreciation of RMB against US\$ further eroded our profit margins.

As a result of the above, our gross profit margin and net profit margin declined to approximately 27.6% and 10.9% for the year ended 31 December 2017, respectively, as compared to approximately 33.5% and 18.5% for the year ended 31 December 2016.

Measures pinpointing efficiency improvement and cost control were in place with a view to ease the pressure on our profit margins. At the same time, in order to minimise the impact from both the increases in costs and expenses as well as the fluctuations in exchange rates, strategic plans have been put in place to expand the Group's production capacities into Vietnam and Sri Lanka, in which the manufacturing costs are lower and the respective currencies are considered to be relatively stable.

As of the year ended 31 December 2017, our annual designed production capacities of elastic fabric, elastic webbing and lace were approximately 110.3 million meters, 1,669.4 million meters and 24.6 million meters, respectively, representing a year-on-year increase of approximately 30.4%, 40.2% and 7.8%, respectively. The

另一方面，為了符合市場日益增長的需求，同時滿足彼等對較短生產時間及優質產品質量的需求，額外的製造成本是無可避免。對物業、廠房及設備的投資增加及日趨嚴格的環境保護規例，加上員工數量及整體工資增加，均對我們的毛利率及淨利潤率帶來壓力。此外，我們向研發團隊投入更多資源改進產品質量並增加產品種類，以符合客戶的需求。

此外，於截至二零一七年十二月三十一日止年度，人民幣（「人民幣」）兌美元（「美元」）升值約6%。於二零一七年九月初，人民幣兌美元匯率達到年度高位，並維持相對高水平直至年末。由於我們的產品大部份於中華人民共和國（「中國」）製造，並以美元計價出口予海外客戶，人民幣兌美元升值進一步削弱了我們的利潤率。

由於以上原因，我們截至二零一七年十二月三十一日止年度的利潤率分別下降至約27.6%及10.9%，而截至二零一六年十二月三十一日止年度約為33.5%及18.5%。

我們已實施針對效益改善及成本控制的措施，以舒緩利潤率面臨的壓力。同時，為了將成本及支出增加及匯率波動的影響降到最低，我們已展開將本集團產能擴張至越南及斯里蘭卡的戰略計劃，其製造成本較為低廉，貨幣也被視為相對穩定。

於截至二零一七年十二月三十一日止年度，我們的彈性織物面料、彈性織帶及蕾絲的年設計產能分別約為110.3百萬米、1,669.4百萬米及24.6百萬米，按年分別增加約30.4%、40.2%及7.8%。該等增加主要由於中國的產能增加及我們在越南的生產設施於年內投入

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

increases were mainly due to addition of capacities built in the PRC and the commencement of production of our manufacturing facility in Vietnam during the year. While we strive to control the manufacturing costs, in order to maintain our leading position as one of the world's largest lingerie fabric suppliers and to cope with the increasing demand should the market sentiment rebound, we will continue to closely monitor and assess the need and pace to increase our production capacities.

For our operation in Vietnam, the construction period subsisted until the beginning of the second half of the year 2017, in which period no revenue was generated but expenses were incurred. The expenses mainly included amortisation and depreciation, professional fees, staff benefits, training costs and utilities, etc., which put the Vietnam operations into a loss-making financial position. Nevertheless, we considered this ramp-up period necessary as it has enabled us to build a solid foundation in Vietnam. We started the official production and product delivery in the second half of the year. By improving the productivity and production scale of the operation in Vietnam step by step, we are expecting the contribution from Vietnam and its significance to the Group continue to rise in the near future.

In addition to the operations in Vietnam, our investment plan in Sri Lanka was another highlight of the year 2017. We entered into two joint venture agreements with Brandix and MAS (via its wholly-owned subsidiary, MAS Capital) on 6 November 2017 and 4 December 2017, respectively. Brandix and MAS are our current major customers with long-term business relationships, and both of them are reputable leaders in the industry of apparel and textile manufacturing with mature international operation systems. These joint ventures will follow our methodology in the production of elastic fabric and elastic webbing and leverage on the well-established distribution networks of Brandix and MAS. Through these co-operation, not only can we be benefited from the revenue generated by these joint ventures, but also allow Best Pacific to gain the opportunities with our joint venture partners in exchanging the experience in managing a multinational corporation, thereby facilitating the growth and development of the Group. Nevertheless, we expect net start-up costs to be incurred during the construction period in 2018.

生產。在我們致力控制製造成本之際，為維持我們作為全球最大女性內衣物料供應商之一的領先地位及於市場氣氛恢復時應對市場需求的增長，我們將繼續密切監察及評估我們產能增加的需求及步伐。

就我們於越南的營運而言，建設期一直持續至二零一七年下半年初。期內並無錄得任何收入，僅錄得開支。該等開支主要包括攤銷及折舊、專業費用、員工福利、培訓費及水電費等，其使越南營運陷入財務虧損狀況。然而，由於該增產期使我們能夠於越南奠定穩固的基礎，故我們認為該增產期乃屬必要。我們於二零一七年下半年開始正式生產及付運產品，透過逐步提高越南營運的生產能力及生產規模，我們預期越南的貢獻及其對本集團的重要性於不久將來會持續上升。

除了於越南的營運之外，我們於斯里蘭卡的投資計劃為二零一七年的另一亮點。於二零一七年十一月六日及二零一七年十二月四日，我們分別與Brandix及MAS(透過其全資附屬公司MAS Capital)訂立兩份合營企業協議。Brandix及MAS為我們目前的主要客戶，與本集團有長期的業務關係，且彼等於服裝及紡織製造業均為聲譽卓著並擁有成熟國際營運系統的領導企業。該等合營企業將遵循我們製造彈性織物面料及彈性織帶的方法，並利用Brandix及MAS建立的良好國際分銷網絡。經由此等合作，我們不只受益於該等合營企業產生之收入，超盈國際亦能獲得與合營企業夥伴交流管理跨國企業經驗的機會，進而鞏固本集團成長及發展而受惠。儘管如此，我們預計於二零一八年建設期內將產生淨啟動成本。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### FINANCIAL REVIEW

#### Revenue

The Group's revenue is primarily derived from the sales of its major products, elastic fabric, elastic webbing and lace. For the year ended 31 December 2017, revenue amounted to approximately HK\$2.79 billion, representing an increase of approximately HK\$325.7 million, or approximately 13.2%, from approximately HK\$2.47 billion for the year ended 31 December 2016. The increase in revenue during the year under review was mainly attributable to the increase in the volume of products sold as a result of the Group's continual expansion into the new sportswear and apparel materials segments.

A comparison of the Group's revenue for the years ended 31 December 2016 and 2017 by product categories is as follows:

#### 財務回顧

#### 收入

本集團的收入主要源自銷售其主要產品彈性織物面料、彈性織帶及蕾絲。截至二零一七年十二月三十一日止年度，收入約為27.9億港元，較截至二零一六年十二月三十一日止年度的收入約24.7億港元增加約325.7百萬港元或約13.2%。回顧年內收入增加主要是由於本集團持續擴張至新運動服裝及服裝物料分部使產品銷量增加所致。

本集團截至二零一六年及二零一七年十二月三十一日止年度之收入按產品類別劃分的比較如下：

		For the year ended 31 December					
		截至十二月三十一日止年度					
		2017		2016		Change	
		二零一七年		二零一六年		變動	
		Revenue (HK\$'000)	% of Revenue	Revenue (HK\$'000)	% of Revenue	Change (HK\$'000)	%
		收入 (千港元)	佔收入的 百分比	收入 (千港元)	佔收入的 百分比	(千港元)	百分比
Elastic fabric	彈性織物面料	1,767,693	63.2	1,526,439	61.8	241,254	15.8
Elastic webbing	彈性織帶	941,562	33.7	832,509	33.7	109,053	13.1
Lace	蕾絲	85,556	3.1	110,158	4.5	(24,602)	(22.3)
<b>Total</b>	<b>總計</b>	<b>2,794,811</b>	<b>100.0</b>	<b>2,469,106</b>	<b>100.0</b>	<b>325,705</b>	<b>13.2</b>

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

For the year ended 31 December 2017, revenue from sales of elastic fabric amounted to approximately HK\$1.77 billion, representing an increase of approximately HK\$241.3 million, or approximately 15.8%, as compared to the year ended 31 December 2016. The growth in revenue was mainly driven by the Group's continued expansion into the sportswear and apparel materials market, by leveraging on its high product quality, strong innovation research and development capabilities, and by fostering relationships with different sportswear brands, which were represented by a year-on-year growth of approximately 74.9% to approximately HK\$796.6 million in sales revenue of sportswear fabric materials.

Revenue from sales of elastic webbing amounted to approximately HK\$941.6 million, representing an increase of approximately HK\$109.1 million, or approximately 13.1%, as compared to the year ended 31 December 2016. The growth in revenue was mainly due to the Group's dedication in cross-selling its different primary products.

Revenue from sales of lace decreased from approximately HK\$110.2 million for the year ended 31 December 2016 to approximately HK\$85.6 million for the year ended 31 December 2017. The year-on-year decline of approximately 22.3% was mainly due to the simpler and thinner lace, which commanded a lower unit selling price, sold by the Group in the year ended 31 December 2017, as compared to the year ended 31 December 2016.

截至二零一七年十二月三十一日止年度，銷售彈性織物面料的收入約為17.7億港元，較截至二零一六年十二月三十一日止年度增加約241.3百萬港元或約15.8%。收入增長主要是由於本集團通過利用其高產品質量、強大的創新及研發實力以及透過推動與不同運動服裝品牌的關係而持續擴張至運動服裝及服裝物料市場，運動服裝面料物料的销售收入同比增長約74.9%至約796.6百萬港元。

銷售彈性織帶的收入約為941.6百萬港元，較截至二零一六年十二月三十一日止年度增加約109.1百萬港元或約13.1%。收入增長主要是由於本集團致力於交叉銷售不同的主要產品所致。

銷售蕾絲的收入由截至二零一六年十二月三十一日止年度約110.2百萬港元減少至截至二零一七年十二月三十一日止年度約85.6百萬港元。同比下降約22.3%主要是由於本集團截至二零一七年十二月三十一日止年度較截至二零一六年十二月三十一日止年度銷售更簡約輕薄且銷售單價較低的蕾絲。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Cost of sales

The Group's cost of sales mainly comprises costs of raw materials, manufacturing overheads, and direct labour costs.

### Cost of sales – by nature of expense

		For the year ended 31 December 截至十二月三十一日止年度					
		2017 二零一七年		2016 二零一六年		Change 變動	
		(HK\$'000) (千港元)	% 百分比	(HK\$'000) (千港元)	% 百分比	(HK\$'000) (千港元)	% 百分比
Raw materials	原材料	1,036,568	51.3	886,264	54.0	150,304	17.0
Manufacturing overheads	生產開支	733,542	36.3	555,414	33.8	178,128	32.1
Direct labour	直接人工	241,563	11.9	188,645	11.5	52,918	28.1
Others	其他	10,466	0.5	10,805	0.7	(339)	(3.1)
<b>Total</b>	<b>總計</b>	<b>2,022,139</b>	<b>100.0</b>	<b>1,641,128</b>	<b>100.0</b>	<b>381,011</b>	<b>23.2</b>

The Group's cost of sales for the year ended 31 December 2017 amounted to approximately HK\$2.02 billion, representing an increase of approximately HK\$381.0 million, or approximately 23.2%, as compared to the year ended 31 December 2016. The increase in our cost of sales was primarily due to (1) the increase in total sales volume; (2) the increase in overall manufacturing overheads driven by the Group's continued business expansion as well as higher production costs to cope with the more stringent environmental rules and regulations; (3) the increase in direct labour costs as a result of an increase in number of staff as well as overall wages; and (4) the increase in costs due to RMB appreciation.

### 銷售成本

本集團的銷售成本主要包括原材料成本、生產開支及直接人工成本。

### 銷售成本 – 按開支性質劃分

本集團截至二零一七年十二月三十一日止年度之銷售成本約為20.2億港元，較截至二零一六年十二月三十一日止年度增加約381.0百萬港元或約23.2%。我們的銷售成本增加主要是由於(1)總銷量增加；(2)本集團持續業務擴張致使整體生產開支增加，以及環境規則與規例日趨嚴格致使更高的生產成本；(3)員工數量及整體工資增加導致直接人工成本增加；及(4)人民幣升值導致成本增加所致。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Cost of sales – by product category

### 銷售成本 – 按產品類別劃分

#### For the year ended 31 December

截至十二月三十一日止年度

		2017		2016		Change	
		二零一七年		二零一六年		變動	
		(HK\$'000)	%	(HK\$'000)	%	(HK\$'000)	%
		(千港元)	百分比	(千港元)	百分比	(千港元)	百分比
Elastic fabric	彈性織物面料	1,314,743	65.0	1,019,727	62.2	295,016	28.9
Elastic webbing	彈性織帶	660,174	32.6	563,635	34.3	96,539	17.1
Lace	蕾絲	47,222	2.4	57,766	3.5	(10,544)	(18.3)
<b>Total</b>	<b>總計</b>	<b>2,022,139</b>	<b>100.0</b>	<b>1,641,128</b>	<b>100.0</b>	<b>381,011</b>	<b>23.2</b>

The cost of sales by product category as a percentage of the total cost of sales for the year ended 31 December 2017 remained relatively stable as compared to the year ended 31 December 2016.

本集團按產品類別劃分的銷售成本佔其截至二零一七年十二月三十一日止年度的總銷售成本的百分比相比截至二零一六年十二月三十一日止年度維持相對穩定。

### Gross profit, gross profit margin and net profit margin

### 毛利、毛利率及淨利潤率

#### For the year ended 31 December

截至十二月三十一日止年度

		2017		2016	
		二零一七年		二零一六年	
		Gross profit	Gross profit margin	Gross profit	Gross profit margin
		毛利	毛利率	毛利	毛利率
		(HK\$'000)	(%)	(HK\$'000)	(%)
		(千港元)	(百分比)	(千港元)	(百分比)
Elastic fabric	彈性織物面料	452,950	25.6	506,712	33.2
Elastic webbing	彈性織帶	281,388	29.9	268,874	32.3
Lace	蕾絲	38,334	44.8	52,392	47.6
<b>Total</b>	<b>總計</b>	<b>772,672</b>	<b>27.6</b>	<b>827,978</b>	<b>33.5</b>

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

The overall gross profit decreased from approximately HK\$828.0 million for the year ended 31 December 2016 to approximately HK\$772.7 million for the year ended 31 December 2017. The Group's overall gross profit margin for the year ended 31 December 2017 decreased by approximately 5.9 percentage points to 27.6%, as compared to 33.5% for the year ended 31 December 2016. The decline in gross profit margin was mainly due to (i) a lower-than-expected revenue from sales of elastic fabric, elastic webbing and lace to lingerie customers; (ii) the higher direct labour costs and manufacturing overheads; and (iii) the increase in costs due to RMB appreciation.

Net profit for the year ended 31 December 2017 amounted to approximately HK\$303.6 million, representing a decrease of approximately 33.5% as compared to approximately HK\$456.3 million for the year ended 31 December 2016. The Group recorded a lower net profit margin of approximately 10.9% for the year ended 31 December 2017, representing a decline of 7.6 percentage points, as compared to the year ended 31 December 2016. The decrease in net profit margin for the reporting year was mainly due to (i) a lower gross profit margin attained; (ii) the increased overall costs spent on human resources; (iii) the start-up costs of the operation in Vietnam; and (iv) the increase in costs or losses due to RMB appreciation.

本集團整體毛利由截至二零一六年十二月三十一日止年度約828.0百萬港元減少至截至二零一七年十二月三十一日止年度約772.7百萬港元。本集團整體毛利率由截至二零一六年十二月三十一日止年度的33.5%減少約5.9個百分點至截至二零一七年十二月三十一日止年度的27.6%。毛利率下降主要是由於(i)售予女性內衣客戶的彈性織物面料、彈性織帶及蕾絲銷售收入不如預期；(ii)直接人工成本及生產開支較高；以及(iii)因人民幣升值導致成本增加所致。

截至二零一七年十二月三十一日止年度的淨利潤約為303.6百萬港元，較截至二零一六年十二月三十一日止年度約456.3百萬港元減少約33.5%。於截至二零一七年十二月三十一日止年度本集團錄得淨利潤率下降至約10.9%，較截至二零一六年十二月三十一日止年度下降7.6個百分點。於報告年度，淨利潤率下降主要是由於(i)毛利率降低；(ii)整體人力資源成本上升；(iii)越南營運的啟動成本；及(iv)因人民幣升值導致成本或虧損增加。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Other income

The Group's other income mainly consists of government grants, net proceeds from sales of scrap materials, bank interest income, dividend income and others. The following table sets forth the breakdown of the Group's other income for the years indicated:

### 其他收入

本集團的其他收入主要包括政府補助、銷售廢料所得款項淨額、銀行利息收入、股息收入及其他。下表載列本集團於所示年度的其他收入明細：

		For the year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Government grants	政府補助	24,105	9,962
Net proceeds from sales of scrap materials	銷售廢料所得款項淨額	10,309	6,499
Bank interest income	銀行利息收入	4,040	18,708
Dividend income	股息收入	1,316	–
Others	其他	10,887	9,766
<b>Total</b>	<b>總計</b>	<b>50,657</b>	<b>44,935</b>

The increase in other income by approximately 12.7%, from approximately HK\$44.9 million for the year ended 31 December 2016 to approximately HK\$50.7 million for the year ended 31 December 2017, was mainly the result of the aggregate net effect of the increases in government grants received, net proceeds from sales of scrap materials, dividend income received and the decrease in bank interest income.

其他收入由截至二零一六年十二月三十一日止年度的約44.9百萬港元增加約12.7%至截至二零一七年十二月三十一日止年度的約50.7百萬港元，主要是由於所獲政府補助、銷售廢料所得款項淨額、所獲得的股息收入增加以及銀行利息收入減少互相影響所致。

### Other gains and losses

Other gains and losses mainly consist of net foreign exchange gain/loss and change in fair value in derivative financial instruments. For the year ended 31 December 2017, the net foreign exchange loss was approximately HK\$14.2 million (for the year ended 31 December 2016: net foreign exchange gain of approximately HK\$19.7 million) and the change in fair value in derivative financial instruments was approximately HK\$0.5 million (for the year ended 31 December 2016: approximately HK\$7.3 million). Details of the derivative financial instruments are disclosed in Note 29 to the consolidated financial statements.

### 其他收益及虧損

其他收益及虧損主要包括匯兌收益／虧損淨額及衍生金融工具的公平值變動。截至二零一七年十二月三十一日止年度，匯兌虧損淨額為約14.2百萬港元（截至二零一六年十二月三十一日止年度：匯兌收益淨額約19.7百萬港元），而衍生金融工具的公平值變動約0.5百萬港元（截至二零一六年十二月三十一日止年度：約7.3百萬港元）。有關衍生金融工具的詳情於綜合財務報表附註29中披露。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Selling and distribution expenses

Selling and distribution expenses primarily consist of employee benefit expenses, transportation, marketing and promotional expenses and other selling and distribution expenses. For the years ended 31 December 2016 and 2017, the Group's selling and distribution expenses represented approximately 4.9% and 5.3% of its total revenue, respectively. The increase in selling and distribution expenses was mainly due to the shorter production and delivery lead time as well as the Group's dedication in developing new businesses during the reporting year.

### Administrative expenses

Administrative expenses primarily consist of employee benefit expenses, depreciation and amortisation, motor vehicle expenses, bank charges and other administrative expenses. The Group's administrative expenses remained relatively stable at approximately 6.6% of its total revenue for the years ended 31 December 2016 and 2017. The equity-settled share-based compensation included in employee benefit expenses for the year ended 31 December 2017 was approximately HK\$1.7 million (for the year ended 31 December 2016: approximately HK\$6.0 million).

### Research and development costs

The Group is dedicated to catering to the changing market preferences by introducing innovative lingerie, apparel and sportswear materials. For the years ended 31 December 2016 and 2017, the Group's research and development costs represented approximately 2.2% and 3.0% of its total revenue, respectively.

### Finance costs

The Group's finance costs mainly represent interest expenses for bank borrowings. The finance costs increased by approximately 22.9% from approximately HK\$28.7 million for the year ended 31 December 2016 to approximately HK\$35.2 million for the year ended 31 December 2017. The increase in finance costs was primarily due to the increase in average balance in bank borrowings as a result of continuous expansion in the Group's production scale and the general increase in market interest rate.

### 銷售及分銷開支

銷售及分銷開支主要包括僱員福利開支、運輸、市場推廣及宣傳開支以及其他銷售及分銷開支。截至二零一六年及二零一七年十二月三十一日止年度，本集團的銷售及分銷開支分別佔總收入的約4.9%及5.3%。銷售及分銷開支增加主要是由於生產及交貨時間縮短，以及本集團於報告年內致力發展新業務所致。

### 行政開支

行政開支主要包括僱員福利開支、折舊及攤銷、汽車開支、銀行費用及其他行政開支。本集團於截至二零一六年及二零一七年十二月三十一日止年度的行政開支相當穩定維持於其總收入的約6.6%。截至二零一七年十二月三十一日止年度計入僱員福利開支的以權益結算以股份為基礎的補償為約1.7百萬港元（截至二零一六年十二月三十一日止年度：約6.0百萬港元）。

### 研發費用

本集團致力於引入創新的女性內衣、服裝及運動服裝物料，藉以迎合不斷變化的市場喜好。截至二零一六年及二零一七年十二月三十一日止年度，本集團的研發費用分別佔總收入約2.2%及3.0%。

### 融資成本

本集團的融資成本主要指銀行借款的利息開支。融資成本由截至二零一六年十二月三十一日止年度約28.7百萬港元增加約22.9%至截至二零一七年十二月三十一日止年度約35.2百萬港元。融資成本增加主要由於本集團生產規模持續擴大導致銀行借款的平均結餘增加及市場利率普遍上升所致。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Income tax expense

Hong Kong Profits Tax was calculated at 16.5% on the estimated assessable profit for 2016 and 2017.

Under the Law of the PRC on Enterprise Income Tax (the “**EIT Law**”) and Implementation Regulation of the EIT Law, the tax rate of the PRC companies is 25% during the years ended 31 December 2016 and 2017, unless there is any preferential tax treatment applicable.

Dongguan Best Pacific Textile Company Limited (“**Dongguan BPT**”), a subsidiary of the Company, has obtained the qualification as a high and new technology enterprise since 2010, which has been renewed for an additional three years from the financial year ended 31 December 2016. Hence, Dongguan BPT is subject to the preferential tax treatment and the applicable tax rate for both years was 15%. During the year ended 31 December 2016, Dongguan New Horizon Elastic Fabric Company Limited (“**Dongguan NHE**”), another subsidiary of the Company, was also qualified as a high and new technology enterprise for three years from the financial year ended 31 December 2016. Dongguan NHE is therefore also subject to the preferential tax treatment and the applicable tax rate for both years was 15%.

Pursuant to the relevant Vietnam Enterprises Income Tax rules and regulations, the applicable tax rates for the subsidiary operating in Vietnam is 20%. The subsidiary in Vietnam is eligible for tax holidays for two financial years since the first financial year of taxable profit and tax concession at a tax rate of 10% for the following four financial years. No provision for Vietnam Enterprises Income Tax has been made as the subsidiary in Vietnam has no assessable profit for both years.

Taxation arising in any other jurisdiction is calculated at the rate prevailing in the relevant jurisdiction.

### 所得稅開支

香港利得稅按二零一六年及二零一七年估計應課稅溢利的16.5%計算。

根據中國企業所得稅法（「**企業所得稅法**」）及企業所得稅法實施細則，除非有任何其他適用優惠稅率待遇，否則中國公司於截至二零一六年及二零一七年十二月三十一日止年度的稅率為25%。

東莞超盈紡織有限公司（「**東莞超盈**」），為本公司的附屬公司，已於二零一零年取得高新技術企業資格，並自截至二零一六年十二月三十一日止財政年度起獲延長額外三年。因此，東莞超盈享有優惠稅率待遇，而兩個年度的適用稅率為15%。截至二零一六年十二月三十一日止年度，本公司另一家附屬公司東莞潤信彈性織物有限公司（「**東莞潤信**」）亦取得高新技術企業資格，自截至二零一六年十二月三十一日止財政年度起為期三年。因此，東莞潤信亦享有優惠稅率待遇，而兩個年度的適用稅率為15%。

根據相關越南企業所得稅規則及規例，於越南營運之附屬公司的適用稅率為20%。越南附屬公司於首個錄得應課稅溢利的財政年度起合資格享有兩個財政年度的稅項豁免，及於其後四個財政年度享有稅率10%的稅務優惠。由於越南附屬公司於兩個年度均無應課稅溢利，故並無就越南企業所得稅作出撥備。

其他司法權區之稅項乃按有關司法權區當時之稅率計算。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Liquidity, financial resources and bank borrowings

As at 31 December 2017, net working capital (calculated as current assets less current liabilities) was approximately HK\$744.3 million, representing a decrease of approximately HK\$102.9 million as compared with 31 December 2016. The current ratio (calculated as current assets/current liabilities) is at 1.8 times as at 31 December 2017 as compared to 2.1 times as at 31 December 2016.

For the year ended 31 December 2017, net cash generated from operating activities decreased from approximately HK\$376.0 million for the year ended 31 December 2016 to approximately HK\$234.8 million for the year ended 31 December 2017.

Net cash used in investing activities amounted to approximately HK\$1,009.9 million for the year ended 31 December 2017, as compared to net cash used in investing activities amounting to approximately HK\$369.2 million for the year ended 31 December 2016. The main investing activities of the Group for the year ended 31 December 2017 were the investments spent on purchase of property, plant and equipment of approximately HK\$1,010.3 million, in order to cope with the business expansion of the Group.

During the year ended 31 December 2017, net cash from financing activities amounted to approximately HK\$516.0 million, as compared to net cash used in financing activities of approximately HK\$182.3 million for the year ended 31 December 2016. The cash from the Group's financing activities for the year ended 31 December 2017 was mainly due to the drawdown of syndicated loan and bank borrowings.

As at 31 December 2017, the Group's gearing ratio was 53.9% (as at 31 December 2016: 31.2%), which was calculated on the basis of the amount of total bank borrowings as a percentage of total equity. Details of bank borrowings are set out in Note 27 to the consolidated financial statements. The Group was in a net debt position (sum of bank deposits and bank balances and cash, less total bank borrowings) of approximately HK\$997.2 million as at 31 December 2017, as compared to a net debt position of HK\$94.0 million as at 31 December 2016.

### 流動資金、財務資源及銀行借款

於二零一七年十二月三十一日，營運資金淨額（按流動資產減流動負債計算）約為744.3百萬港元，較二零一六年十二月三十一日減少約102.9百萬港元。流動比率（按流動資產除流動負債計算）於二零一七年十二月三十一日為1.8倍，而於二零一六年十二月三十一日則為2.1倍。

截至二零一七年十二月三十一日止年度，經營活動所得現金淨額由截至二零一六年十二月三十一日止年度約376.0百萬港元減少至截至二零一七年十二月三十一日止年度約234.8百萬港元。

截至二零一七年十二月三十一日止年度，投資活動所用現金淨額為約1,009.9百萬港元，而截至二零一六年十二月三十一日止年度投資活動所用現金淨額為約369.2百萬港元。本集團於截至二零一七年十二月三十一日止年度的主要投資活動為投資於購買物業、廠房及設備約1,010.3百萬港元，以應對本集團業務擴張。

截至二零一七年十二月三十一日止年度的融資活動所得現金淨額約為516.0百萬港元，而截至二零一六年十二月三十一日止年度的融資活動所用現金淨額約為182.3百萬港元。本集團於截至二零一七年十二月三十一日止年度的融資活動所得現金主要由於提取銀團貸款及銀行借款所致。

於二零一七年十二月三十一日，本集團的資產負債比率為53.9%（於二零一六年十二月三十一日：31.2%），乃按銀行借款總額佔權益總額的百分比基準計算。銀行借款的詳情載於綜合財務報表附註27。於二零一七年十二月三十一日，本集團錄得債務淨額（銀行存款及銀行結餘及現金之總額減銀行借款的總和）約997.2百萬港元，而於二零一六年十二月三十一日則錄得債務淨額94.0百萬港元。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Working capital management

### 營運資金管理

As at 31 December

於十二月三十一日

		2017 二零一七年	2016 二零一六年	Change 變動	
				(days) (天數)	(%) (百分比)
Trade and bills receivables turnover days	貿易應收款項及應收票據週轉天數	79.0	75.8	3.2	4.2
Trade and bills payables turnover days	貿易應付款項及應付票據週轉天數	81.5	91.1	(9.6)	(10.5)
Inventory turnover days	存貨週轉天數	108.2	97.0	11.2	11.5

The trade and bills receivables turnover days remained relatively stable for the year ended 31 December 2016 and the year ended 31 December 2017.

截至二零一六年十二月三十一日止年度及截至二零一七年十二月三十一日止年度，貿易應收款項及應收票據週轉天數維持相對穩定。

The decrease in trade and bills payables turnover days for the year ended 31 December 2017 by 9.6 days was primarily due to the increase in use of cash to settle transactions for the benefits of better prices.

截至二零一七年十二月三十一日止年度，貿易應付款項及應付票據週轉天數減少9.6天，乃主要由於增加使用現金結算交易以享有較優惠價格所致。

The increase in inventory turnover days from 97.0 days for the year ended 31 December 2016 to 108.2 days for the year ended 31 December 2017 was primarily attributable to the fact that more raw materials were purchased by the Group to cope with the rising raw material prices as well as the shorter production time as demanded by customers, resulting in more work-in-progress inventories being prepared.

存貨週轉天數由截至二零一六年十二月三十一日止年度的97.0天增加至截至二零一七年十二月三十一日止年度的108.2天，主要是由於本集團購買更多原材料以應對原材料價格持續上升，以及客戶要求更短的生產時間，而需預備更多半成品存貨所致。

### Capital expenditure

For the year ended 31 December 2017, total addition to property, plant and equipment amounted to approximately HK\$992.7 million (for the year ended 31 December 2016: approximately HK\$494.6 million), which was mainly attributed to the increase in investment in machinery of approximately HK\$653.8 million (for the year ended 31 December 2016: approximately HK\$222.4 million) as well as the construction in progress of approximately HK\$297.2 million (for the year ended 31 December 2016: approximately HK\$242.1 million) to cope with the Group's overall business expansion.

### 資本開支

截至二零一七年十二月三十一日止年度，物業、廠房及設備的添置總額約為992.7百萬港元（截至二零一六年十二月三十一日止年度：約494.6百萬港元），主要由於機器及在建工程投資分別增加約653.8百萬港元（截至二零一六年十二月三十一日止年度：約222.4百萬港元）及約297.2百萬港元（截至二零一六年十二月三十一日止年度：約242.1百萬港元），以應對本集團整體業務擴張所致。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Pledge of assets

As at 31 December 2017, the Group pledged certain bank deposits and equipment to secure the bills payables issued by and the obligations under the finance leases of the Group.

The carrying amounts of the assets pledged are as follows:

### 資產抵押

於二零一七年十二月三十一日，本集團已抵押若干銀行存款及設備作為本集團所開出應付票據及融資租賃承擔的抵押。

已抵押資產的賬面值如下：

		As at 31 December 於十二月三十一日	
		2017 二零一七年 (HK\$'000) (千港元)	2016 二零一六年 (HK\$'000) (千港元)
Pledged bank deposits	已抵押銀行存款	54,623	61,610
Equipment	設備	34,019	37,105
<b>Total</b>	<b>總計</b>	<b>88,642</b>	<b>98,715</b>

### Contingent liabilities

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

### Events after the reporting period

The Group has no significant events after the reporting period and up to the date of this report.

### 或然負債

於二零一七年十二月三十一日，本集團並無任何重大或然負債。

### 報告期後事項

於報告期間後至本報告日期，本集團並無任何重大事項。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Foreign exchange risk

A substantial portion of the Group's revenue is denominated in US\$ and HK\$ and a portion of its purchases and expenses are denominated in RMB, the Group manages its foreign exchange risk by performing regular reviews and monitoring its foreign exchange exposure. Our finance department monitors our foreign exchange risk on a continuous basis by analysing our domestic and overseas sales orders on hand, expected domestic and overseas orders from customers and estimated foreign currency payment for our purchases. We intend to manage our foreign exchange risks by (i) managing our sales, purchases and expenses denominated in HK\$ and US\$ through our Hong Kong subsidiaries and managing our sales, purchases and expenses denominated in RMB through our PRC subsidiaries; and (ii) holding cash and bank deposits denominated in RMB primarily by our PRC subsidiaries and cash and bank deposits denominated in HK\$ and US\$ primarily by the Company and its Hong Kong subsidiaries.

### Employees and remuneration policies

As at 31 December 2017, the Group employed a total of 6,409 full-time employees (as at 31 December 2016: 5,725). The increase in the number of employees was mainly due to the increase in the scale of the Group's business, in particular, the new operation in Vietnam. There was no significant change in the Group's remuneration policy during the year and the Group will continue to provide regular training and competitive remuneration packages to its staff. The Group's remuneration packages include salary, bonuses, allowances and retirement benefits based on employee's performance, skills and knowledge. The Group also provides additional benefits to its employees that include subsidised accommodation, meals, accident and medical insurance and share options granted to eligible employees under the share option schemes of the Company.

### 外匯風險

本集團的收入大部分以美元及港元計值，而其一部分採購額及開支以人民幣計值。本集團通過定期檢討及監察其外幣風險以管理其外匯風險。我們的財務部門通過分析我們手頭的國內及海外銷售訂單、來自客戶的預期國內及海外訂單及我們採購額的估計外幣付款按持續經營基準監控我們的外匯風險。我們有意通過以下方式管理外匯風險(i)透過我們的香港附屬公司管理我們以港元及美元計值的銷售額、採購額及開支及通過我們的中國附屬公司管理我們以人民幣計值的銷售額、採購額及開支；及(ii)以人民幣計值的現金及銀行存款主要由我們的中國附屬公司持有，而以港元及美元計值的現金及銀行存款主要由本公司及其香港附屬公司持有。

### 僱員及薪酬政策

於二零一七年十二月三十一日，本集團僱傭總共6,409名全職僱員（於二零一六年十二月三十一日：5,725名）。員工人數增加主要由於本集團業務規模擴大，尤其是於越南之新業務營運所致。本集團薪酬政策於年內並無重大變動，而本集團將繼續向其員工提供定期培訓及具競爭力的薪酬待遇。本集團的薪酬待遇包括薪資、花紅、津貼及退休福利，乃以僱員的表現、技能及知識為基礎。本集團亦向其僱員提供額外福利，包括住宿、膳食、意外事故及醫療保險等補貼及根據本公司購股權計劃授予合資格僱員的購股權。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Dividend policy

The Board intends to maintain a long term, stable dividend payout ratio of not less than 20% of the Group's distributable profit for the year, providing shareholders with an equitable return.

The Board has resolved to declare a final dividend of HK5.9 cents per ordinary share in respect of the year ended 31 December 2017 (the **"Final Dividend"**) (for the year ended 31 December 2016: HK9.5 cents). The Final Dividend is expected to be paid on or about 13 June 2018 to shareholders whose names appear on the register of members of the Company on 31 May 2018, subject to the approval by the shareholders at the forthcoming annual general meeting of the Company on 21 May 2018 (the **"AGM"**).

The Board had resolved not to declare any interim dividend for the six months ended 30 June 2017 (for the six months ended 30 June 2016: HK7.3 cents per ordinary share).

### FUTURE STRATEGIES AND PROSPECTS

Best Pacific has archived certain milestones in 2017, including the significant growth of approximately 74.9% in sales of elastic fabric for sportswear use, the kick-off of production in Vietnam in the third quarter, and the initial establishment of strategic partnerships with our joint venture partners in Sri Lanka in the fourth quarter. All these have laid a solid foundation for the sustainable growth of Best Pacific in the future. However, at the same time, the Group has encountered various challenges in 2017, which are also perceived to continue for some time in 2018. While we strive to continue to control our manufacturing costs and further enhance our production efficiencies in the PRC, various overseas projects are expected to come into play in the near future, with which the Group would be able to benefit from the lower local manufacturing costs and soothe the pressure on our margins.

### 股息政策

董事會旨在維持長期、穩定的派息率，即不少於本集團年度可供分派溢利20%，為股東提供合理回報。

董事會已議決宣派截至二零一七年十二月三十一日止年度的末期股息（「**末期股息**」）每股普通股5.9港仙（截至二零一六年十二月三十一日止年度：9.5港仙）。預期末期股息於二零一八年六月十三日或前後向於二零一八年五月三十一日名列本公司股東名冊的股東派付，惟須待股東於二零一八年五月二十一日舉行之本公司應屆股東週年大會（「**股東週年大會**」）上批准後，方可作實。

董事會已決議不就截至二零一七年六月三十日止六個月宣派任何中期股息（截至二零一六年六月三十日止六個月：每股普通股7.3港仙）。

### 未來策略及展望

超盈國際於二零一七年達成若干里程碑，包括用於運動服裝的彈性織物面料銷售大幅增長約74.9%、第三季度於越南展開產品生產以及第四季度與我們於斯里蘭卡的合營企業夥伴初步建立戰略合作關係，這均為超盈國際未來的可持續成長奠定堅實的基礎。然而，與此同時，本集團在二零一七年面臨多項挑戰，該等挑戰預期亦將持續至二零一八年。在我們致力於持續控制製造成本並進一步強化於中國的生產效能之際，多項海外項目預期將在不久後展開，本集團將能藉此受益於較低廉的當地製造成本、緩解利潤面臨的壓力。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

Although we emphasise on the importance of cost control and efficiency control, it does not imply that the high quality of our products and services can be neglected or sacrificed. Through our dedication in research and development, the Group has developed and will continue putting resources in developing a diversified portfolio of high-performance lingerie, apparel and sportswear materials. As always, “build on innovation and technology” has been the Group's vision in business management and new product development. Recognition from customers as well as being qualified as high and new technology enterprises in the PRC (with a preferential profits tax rate of 15% awarded) reinforce the Group's belief that product innovation is the key to Best Pacific's success. The management also expects that its determination to provide high quality products and services as well as its continuous enhancement in its research and development capabilities will attract more long-term quality customers and business partners.

Looking at the latest economic data of the U.S., the unemployment rate went down to approximately 4.1% by the end of 2017, indicating a year-on-year drop of approximately 0.7 percentage point. Meanwhile, the gross domestic product increased by an annual rate of approximately 3% in the second half of 2017. In general, the U.S. economy had been growing at a solid pace over the second half of 2017. If such momentum continues in 2018, the relatively stronger economic outlook and a more robust job market should result in growth in household incomes and consumer spending, which should bring about slight improvement in the retail market sentiment in 2018.

儘管我們一再強調成本控制與效能控制的重要，但這並不代表我們將輕視或犧牲產品與服務的高品質。透過致力於研究及開發，本集團已發展高性能女性內衣、服裝及運動服裝物料的多樣化產品組合，並將持續對此投入資源。「以創新及技術為根基」始終為本集團的願景，並以此管理業務及開發新產品。客戶的認可及符合中國高新技術企業的資格（獲優惠稅率15%的待遇），使本集團更加堅信產品創新乃為超盈國際成功的關鍵。管理層亦預期對於提供高品質產品和服務及持續加強研發能力的決心，將吸引更多長期的優質客戶及業務夥伴。

最新美國經濟數據顯示，失業率於二零一七年底降至約4.1%，按年下降約0.7個百分點。同時，國內生產總值於二零一七年下半年的年增率約為3%。總體而言，美國經濟於二零一七年下半年持續穩定成長。如果這個勢頭持續至二零一八年，相對更強勁的經濟前景及更穩健的就業市場將帶動家庭收入及消費支出增長。換言之，零售市場的氣氛有望於二零一八年輕微改善。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

Meanwhile, the improvement in the U.S. economy also implies more room allowing the U.S. Federal Reserve to raise the federal funds rate as well as to execute the balance sheet normalisation program. In fact, the target range of the federal funds rate has already been raised by 0.25 percentage point in December 2017 and, simultaneously, the One-Month London Interbank Offered Rate, based on US\$, has reached approximately 1.6%. As stated in the Federal Reserve's semi-annual Monetary Policy Report issued in March 2018, the Federal Open Market Committee is in view of further gradual increases in the federal funds rate. With our current reliance on debt financing, the Group expects the overall borrowing costs to increase in 2018. Our management will continue to closely monitor the interest rate exposure and will consider hedging strategies should the need arise.

Apart from the increase in interest rate, the unfavourable movements in foreign exchange rates may also bring a negative financial impact to the Group, with the majority of our sales currently denominated in US\$ while the major production costs are still in RMB. In 2017, RMB had appreciated by approximately 6% against US\$ and induced a net foreign exchange loss of approximately HK\$14.2 million to the Group. In the first two months of 2018, RMB had further appreciated by approximately 3% against US\$. In addition to monitoring the volatility in the currency market, our management expects the launch of production plant in Vietnam will help reduce the overall currency risk to the Group.

Looking forward, under the Group's internationalisation plan, we will further ramp up our facilities in Vietnam and we target to complete the investment in joint ventures in Sri Lanka in 2018. In the future, this international production layout will also save us delivery time to customers as well as manufacturing costs and operating expenses. It will also bring us more opportunities in the lingerie, apparel as well as sportswear materials markets and allow us to further consolidate our leading market position. Best Pacific is committed to and confident in delivering a satisfactory growth and return to its shareholders in the long run.

另一方面，美國經濟回溫亦使美國聯邦儲備局更能提高聯邦基金利率並執行資產負債表正常化計劃。事實上，聯邦基金利率的目標範圍已於二零一七年十二月調高0.25個百分點，同時一個月倫敦銀行同業拆息（以美元計價）已達約1.6%。誠如聯邦儲備局於二零一八年三月刊發的半年度貨幣政策報告所述，美國聯邦公開市場委員會考慮進一步調升聯邦基金利率。鑒於我們目前對債務融資的依賴，本集團預期整體借款成本將在二零一八年增加。我們的管理層將持續密切監控利率風險並將於必要時考慮對沖策略。

除了利率增加之外，由於我們的銷售目前主要以美元計價而生產成本仍主要以人民幣計價，故匯率的不利波動亦可能對本集團造成負面財務影響。於二零一七年，人民幣兌美元升值約6%，導致本集團的匯兌虧損淨額約14.2百萬港元。於二零一八年首兩個月，人民幣兌美元進一步升值約3%。除了監察貨幣市場的波動，我們的管理層亦預期啟用越南的生產廠房將更有助於降低本集團的整體貨幣風險。

展望未來，在本集團的國際化計劃之下，我們將於二零一八年進一步擴充於越南的設施並目標完成於斯里蘭卡合營企業的投資。在未來，此項國際生產佈局亦將縮短我們向客戶交付訂單的時間並節省製造成本與經營開支。該佈局亦將為我們帶來更多女性內衣、服裝及運動服裝物料市場的機遇，並進一步鞏固我們的領先市場地位。超盈國際致力於長遠為股東帶來令人滿意的增長與回報，並對此深具信心。

# REPORT OF THE DIRECTORS

## 董事會報告

The Directors are pleased to present their report together with the audited consolidated financial statements of the Group for the year ended 31 December 2017.

### PRINCIPAL ACTIVITIES

The Group is principally engaged in the manufacture and trading of elastic fabric, elastic webbing and lace. Details of the Group's principal subsidiaries as at 31 December 2017 are set out in Note 41 to the consolidated financial statements.

The Group's turnover and results by operating segment are set out in Note 6 to the consolidated financial statements and Management Discussion and Analysis of this annual report.

There is no change in the principal activities of the Group during the year ended 31 December 2017.

### RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 December 2017 are set out in the Consolidated Statement of Profit or Loss and Other Comprehensive Income on page 110.

The Board recommends the payment of the Final Dividend of HK5.9 cents per ordinary share for the year ended 31 December 2017. Subject to approval by shareholders of the Company at the forthcoming AGM, the Final Dividend will be distributed on or about 13 June 2018 to shareholders whose names appear on the register of members of the Company on 31 May 2018.

The Board had resolved not to declare any interim dividend for the six months ended 30 June 2017 (for the six months ended 30 June 2016: HK7.3 cents per ordinary share).

董事欣然提呈其報告連同本集團截至二零一七年十二月三十一日止年度的經審核綜合財務報表。

### 主要活動

本集團主要從事製造及買賣彈性織物面料、彈性織帶及蕾絲。本集團於二零一七年十二月三十一日的主要附屬公司詳情載於綜合財務報表附註41。

本集團的營業額及經營分部業績載於綜合財務報表附註6及本年報的管理層討論及分析。

截至二零一七年十二月三十一日止年度本集團的主要活動並無變動。

### 業績及股息

本集團截至二零一七年十二月三十一日止年度的業績載於第110頁的綜合損益及其他全面收益表。

董事會建議派付截至二零一七年十二月三十一日止年度的末期股息每股普通股5.9港仙。經本公司股東於應屆股東週年大會上批准後，於二零一八年六月十三日或前後將向於二零一八年五月三十一日名列本公司股東名冊的股東分派末期股息。

董事會已議決不就截至二零一七年六月三十日止六個月宣派任何中期股息（截至二零一六年六月三十日止六個月：每股普通股7.3港仙）。

# REPORT OF THE DIRECTORS

## 董事會報告

### CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 16 May 2018 to 21 May 2018, both days inclusive, during which period no transfer of shares of the Company will be effected. In order to determine the identity of shareholders who are entitled to attend and vote at the AGM, all share transfer documents accompanied by the relevant share certificates must be lodged not later than 4:30 p.m. on 15 May 2018 with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

Subject to the approval of shareholders at the forthcoming AGM, the proposed Final Dividend will be payable to shareholders whose names appear on the register of members of the Company on 31 May 2018 and the register of members of the Company will be closed from 29 May 2018 to 31 May 2018, both days inclusive, during which no transfer of shares of the Company will be registered. In order to qualify for the proposed Final Dividend, all share transfer documents accompanied by the relevant share certificates shall be lodged not later than 4:30 p.m. on 28 May 2018 with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

### BUSINESS REVIEW

A review of the business of the Group during the year, a discussion on the Group's future business development as well as the Group's relationships with its key stakeholders are set out in the Chairman's Statement as well as the Management Discussion and Analysis on pages 4 to 6 and pages 7 to 24 of this annual report. An analysis of the Group's performance during the year using financial key performance indicators is set out in the Group's Five-year Financial Information Summary on page 240 of this annual report. The Group has no significant events after the end of the financial year ended 31 December 2017 and up to the date of this annual report.

### 暫停辦理股份過戶登記

本公司將於二零一八年五月十六日至二零一八年五月二十一日（首尾兩天包括在內）暫停辦理股份過戶登記，於該期間不會辦理股份過戶登記手續。為了確定可出席股東週年大會並於會上投票的股東身份，所有股份過戶文件連同相關股票須於二零一八年五月十五日下午四時三十分前交至本公司的香港股份過戶登記分處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712至1716室。

經股東於應屆股東週年大會上批准後，擬派末期股息將向於二零一八年五月三十一日名列本公司股東名冊的股東派付及本公司將於二零一八年五月二十九日至二零一八年五月三十一日（首尾兩天包括在內）暫停辦理股份過戶登記手續，於該期間不會辦理股份過戶登記手續。為了享有擬派末期股息之資格，所有股份過戶文件連同相關股票須於二零一八年五月二十八日下午四時三十分前交回本公司的香港股份過戶登記分處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712至1716室。

### 業務回顧

本集團於年內之業務回顧、有關本集團未來業務發展之討論以及本集團與其重要利益相關者之關係載於本年報第4頁至第6頁及第7頁至第24頁之主席報告及管理層討論及分析。使用財務關鍵績效指標分析的本集團於年內的表現載於本年報第240頁本集團的五年財務資料概要。截至二零一七年十二月三十一日止財政年度結束後直至本年報日期，本集團並無重大事件。

## FORMATION OF A JOINT VENTURE WITH BRANDIX IN SRI LANKA

On 6 November 2017, (i) Best Pacific International Sri Lanka (Pannala) Limited (“**BPSL (Pannala)**”), an indirect wholly-owned subsidiary of the Company, (ii) Brandix, and (iii) Best Pacific Textiles Lanka (Pvt) Ltd (“**BPTL**”), (collectively referred to as the “**Parties**”), entered into a shareholders’ agreement (the “**BPTL Shareholders’ Agreement**”) in relation to the establishment of BPTL for the purpose of, amongst other things, regulating the ownership, funding and management in BPTL. Prior to the execution of the BPTL Shareholders’ Agreement, BPTL was owned as to 100% by Brandix. Since completion of the initial subscription in November 2017, BPTL has been held as to 75% by BPSL (Pannala) and as to 25% by Brandix. The principal business of BPTL is manufacture and sales of synthetic textiles and textile related products.

As part of the contribution of Brandix to BPTL’s total capital of US\$50,000,000, Brandix will procure Brandix Textiles Limited (“**BTL**”), a direct wholly-owned subsidiary of Brandix, to transfer the ownership of certain assets (including the main factory building structure and the store building structure) having a total value of US\$1,500,000 to BPTL.

## 於斯里蘭卡與BRANDIX組建合營企業

於二零一七年十一月六日，(i) Best Pacific International Sri Lanka (Pannala) Limited (本公司的一間間接全資附屬公司) (「**BPSL (Pannala)**」)、(ii) Brandix及(iii) Best Pacific Textiles Lanka (Pvt) Ltd (「**BPTL**」) (以下統稱「**訂約方**」)，訂立股東協議 (「**BPTL股東協議**」)，內容有關成立BPTL，以(其中包括)規管BPTL的所有權、融資及管理事宜。於簽立BPTL股東協議前，Brandix持有BPTL 100%股權。初步認購事項於二零一七年十一月完成後，BPTL將由BPSL (Pannala) 及Brandix分別持有75%及25%股權。BPTL主要從事製造及銷售合成紡織及紡織相關產品。

作為Brandix注入BPTL資本總額50,000,000美元的一部份，Brandix將促使Brandix Textiles Limited (Brandix的一間直接全資附屬公司) (「**BTL**」) 向BPTL轉讓若干資產(包括主要廠房建築結構及店面建築結構)之所有權，其總價值為1,500,000美元。

## REPORT OF THE DIRECTORS

### 董事會報告

Besides, pursuant to the BPTL Shareholders' Agreement, Brandix shall also procure the sale of certain equipment by BTL to BPTL for a consideration of US\$94,001. The equipment comprises a wheel loader and an aeration tank.

Simultaneous with the execution of the BPTL Shareholders' Agreement, BTL (as lessor) and BPTL (as lessee) entered into a lease agreement, in relation to the lease of a parcel of freehold land with a site area of approximately 6.075 hectares in Sri Lanka for a term of 99 years at a total consideration of US\$2,200,000. BPTL shall have the option to renew the lease agreement after expiration for a further term of 99 years on the same terms and conditions at a consideration of US\$1 by giving six months' prior notice in writing to BTL.

In addition, pursuant to the BPTL Shareholders' Agreement, subject to approval from the relevant governmental authorities in Sri Lanka, BTL and BPTL shall enter into a deed of assignment in relation to the assignment by BTL of its leasehold rights to a parcel of leasehold land in Sri Lanka with a site area of approximately 2.023 hectares to BPTL at a consideration of US\$300,000.

Details of the above transactions were disclosed in the Company's announcement dated 6 November 2017.

此外，根據BPTL股東協議，Brandix將促使BTL按代價94,001美元向BPTL轉讓若干設備。設備包括一台鏟土機及一座曝氣池。

於簽立BPTL股東協議之同時，BTL（作為出租人）及BPTL（作為承租人）訂立租賃協議，將以2,200,000美元之總代價把完全擁有地權之土地（面積約為6.075公頃）出租，租期為99年。BPTL可選擇於租賃協議之租約到期後，以相同條款及條件更新租賃協議，並以1美元代價延長租期99年，惟須於期滿前六個月以書面通知BTL。

同時，根據BPTL股東協議，在取得斯里蘭卡相關政府機關之批准後，BTL及BPTL須訂立轉讓契據，內容有關BTL以代價300,000美元將其一塊位於斯里蘭卡（面積約為2.023公頃）之租賃土地之租賃權轉讓予BPTL。

上述交易的詳情已於本公司日期為二零一七年十一月六日之公告中披露。

### ACQUISITION OF 51% OF THE ENTIRE ISSUED SHARE CAPITAL OF TRISCHEL FABRIC (PRIVATE) LIMITED

On 4 December 2017, (i) Best Pacific International Sri Lanka (Thulhiriya) Limited (“**BPSL (Thulhiriya)**”), an indirect wholly-owned subsidiary of the Company, (ii) MAS Capital, a direct wholly-owned subsidiary of MAS, and (iii) Trischel Fabric (Private) Limited (“**Trischel**”) entered into a joint venture agreement (the “**MAS JV Agreement**”) in relation to the acquisition of 51% of the total issued share capital of Trischel by BPSL (Thulhiriya) from MAS Capital, and regulating the ownership, funding and management of Trischel on the terms and conditions as set out in the MAS JV Agreement.

Pursuant to the MAS JV Agreement, the consideration for the acquisition shall equal to 51% of the net asset value of Trischel as at the completion date and, in any event, shall be no more than US\$50,000,000. Pursuant to the MAS JV Agreement, the completion of the acquisition shall take place on or before 1 August 2018 or any other date as BPSL (Thulhiriya) and MAS Capital may agree in writing. After completion, Trischel will continue its existing businesses including, among others, the manufacture of warp and weft knitted fabric, and the importation of yarn and greige fabric and complementary accessories for dyeing and finishing for export.

Up to the date of this annual report, completion has not yet taken place and Trischel is still owned as to 100% by MAS Capital.

Details of the above transactions were disclosed in the Company’s announcement dated 4 December 2017.

### 收購TRISCHEL FABRIC (PRIVATE) LIMITED全部已發行股本的51%

於二零一七年十二月四日，(i) Best Pacific International Sri Lanka (Thulhiriya) Limited (本公司的一間間接全資附屬公司) (「**BPSL (Thulhiriya)**」)、(ii) MAS Capital (MAS的一間直接全資附屬公司)，及(iii) Trischel Fabric (Private) Limited (「**Trischel**」) 訂立合營協議 (「**MAS合營協議**」)，內容有關BPSL (Thulhiriya) 向MAS Capital收購Trischel全部已發行股本的51%，及按MAS合營協議所載的條款及條件，規管Trischel的所有權、融資及管理事宜。

根據MAS合營協議，收購代價將相當於Trischel於完成日期之資產淨值的51%，且不論如何應不會超過50,000,000美元。根據MAS合營協議，收購事項應於二零一八年八月一日或之前或由BPSL (Thulhiriya)與MAS Capital以書面協定的任何其他日期完成。於收購事項完成後，Trischel將繼續經營現有業務，包括(其中包括)製造經緯針織布料、進口紗線及坯布面料及配料進行染整以作出口。

截至本年報日期，收購尚未完成，且MAS Capital仍擁有Trischel的全部股權。

有關以上交易之詳情已於本公司日期為二零一七年十二月四日之公告中披露。

# REPORT OF THE DIRECTORS

## 董事會報告

### PRINCIPAL RISKS AND UNCERTAINTIES

A description of possible risks and uncertainties that the Group may be facing are set out in the Chairman's Statement on pages 4 to 6 of this annual report. The financial risk management objectives and policies of the Group are set out in Note 39 to the consolidated financial statements.

### ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group has been committed to operating in compliance with applicable environmental laws and regulations and has taken steps to ensure that any waste and by-products produced as a result of its operations are properly treated and discharged so as to minimise the adverse effects to the environment. At present, the Group has an on-site sewage treatment plant that treats sewage generated from its production process, in particular, dyeing and printing processes, by chemical and biological treatments. Processed sewage is required to meet certain chemical standards prescribed by the environmental protection department before it is discharged to the municipal sewage treatment network. The environmental protection department has also set up monitoring equipment at the Group's sewage treatment plant to ensure the processed sewage meets the prescribed standard before discharge.

For further details on the Group's environmental policies and performance, please refer to the section headed "Environmental, Social and Governance Report" on pages 68 to 86 of this annual report.

### 主要風險及不明朗因素

本集團可能面臨的潛在風險及不明朗因素的描述載於本年報第4頁至第6頁的主席報告內。本集團的財務風險管理目標及政策載於綜合財務報表附註39。

### 環境政策及執行情況

本集團致力於使營運符合適用環境法律及法規，並已採取措施確保其營運所產生的任何廢料及副產品均得以妥善處理及棄置，以盡量減少對環境造成的不利影響。目前，我們擁有廠內廢水處理廠，以化學及生物處理方式處理生產工序（尤其是印染工序）產生的污水。經處理的污水須符合環境保護部門指定的若干化學標準，方可排放至市級污水處理網絡。環保部門亦已於本集團的污水處理廠設置監察設備，以確保經處理污水於排放前符合指定標準。

有關本集團環境政策及執行情況的進一步詳情，請參閱載列於本年報第68頁至第86頁的「環境、社會及管治報告」一節。

## COMPLIANCE WITH LAWS AND REGULATIONS

Throughout the year ended 31 December 2017, the Company was not aware of any non-compliance with any relevant laws and regulations that had a significant impact on the Company.

## SUBSIDIARIES

Particulars of the Group's subsidiaries are set out in Note 41 to the consolidated financial statements.

## SHARE CAPITAL

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

## RESERVES

Details of the movements in the reserves of the Group during the year ended 31 December 2017 are set out in the "Consolidated Statement of Changes in Equity" on pages 113 and 114.

## DISTRIBUTABLE RESERVES

As at 31 December 2017, the distributable reserves of the Company amounted to approximately HK\$596.2 million, of which approximately HK\$61.2 million has been proposed as the Final Dividend for the year ended 31 December 2017.

## PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the amended and restated articles of association of the Company (the "Articles") or the laws of the Cayman Islands which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

## DONATIONS

Charitable and other donations made by the Group during the year ended 31 December 2017 amounted to approximately HK\$762,000.

## 遵守法律法規

截至二零一七年十二月三十一日止全年，據本公司所知，並無不遵守任何相關法律及法規而對本公司產生重大影響。

## 附屬公司

本集團附屬公司的詳情載於綜合財務報表附註41。

## 股本

本公司已發行股本截至二零一七年十二月三十一日止年度的變動詳情載於綜合財務報表附註31。

## 儲備

截至二零一七年十二月三十一日止年度本集團儲備的變動詳情乃載於第113及114頁「綜合權益變動表」。

## 可供分派儲備

於二零一七年十二月三十一日，本公司可供分派儲備達約596.2百萬港元，其中擬派發截至二零一七年十二月三十一日止年度末期股息為約61.2百萬港元。

## 優先購買權

本公司經修訂及重列組織章程細則（「細則」）或開曼群島法律並無有關本公司須按比例基準向現有股東發售新股份的優先購買權條文。

## 捐款

本集團於截至二零一七年十二月三十一日止年度的慈善及其他捐款約為762,000港元。



# REPORT OF THE DIRECTORS

## 董事會報告

### MAJOR CUSTOMERS AND SUPPLIERS

During the year ended 31 December 2017, sales to the Group's five largest customers accounted for approximately 35.5% of the Group's total sales for the year (of which sales to the Group's largest customers accounted for approximately 13.0%). Purchases from the Group's five largest suppliers accounted for approximately 36.4% of the Group's total purchases for the year (of which purchases attributable to the largest supplier accounted for approximately 9.1%).

None of the Directors or any of their close associates or any shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest customers and suppliers.

### BORROWINGS

Details of bank borrowings of the Group as at 31 December 2017 are set out in Note 27 to the consolidated financial statements.

### FIXED ASSETS

Details of the movements in property, plant and equipment of the Group are set out in Note 16 to the consolidated financial statements.

### PURCHASE, SALE OR REDEMPTION OF SECURITIES

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

### DIRECTORS

The Directors who held office during the year and up to the date of this annual report are:

#### Executive Directors

Mr. Lu Yuguang  
Mr. Zhang Haitao  
Mr. Wu Shaolun  
Ms. Zheng Tingting

#### Independent non-executive Directors

Mr. Cheung Yat Ming  
Mr. Ding Baoshan  
Mr. Sai Chun Yu

### 主要客戶及供應商

截至二零一七年十二月三十一日止年度，向本集團五大客戶的銷售額佔本集團本年度總銷售額約35.5%（其中對本集團最大客戶的銷售額約佔13.0%）。自本集團五大供應商的採購額佔本集團本年度總採購額約36.4%（其中最大供應商應佔採購額約佔9.1%）。

概無董事或任何彼等緊密聯繫人或任何股東（就董事所深知，擁有本公司已發行股本逾5%）於本集團五大客戶及供應商中擁有任何實益權益。

### 借款

於二零一七年十二月三十一日，本集團銀行借款的詳情載於綜合財務報表附註27。

### 固定資產

本集團的物業、廠房及設備的變動詳情載於綜合財務報表附註16。

### 購買、出售或贖回證券

截至二零一七年十二月三十一日止年度，概無本公司或其任何附屬公司購買、出售或贖回本公司任何上市證券。

### 董事

於年內及截至本年報日期任職的董事為：

#### 執行董事

盧煜光先生  
張海濤先生  
吳少倫先生  
鄭婷婷女士

#### 獨立非執行董事

張一鳴先生  
丁寶山先生  
佘振宇先生

# REPORT OF THE DIRECTORS

## 董事會報告

According to Article 83(3) of the Articles, the Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board. Any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of shareholders after his appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. Besides, Article 84(1) of the Articles stipulates that at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years.

Mr. Wu Shaolun (“**Mr. Wu**”), Ms. Zheng Tingting (“**Ms. Zheng**”) and Mr. Cheung Yat Ming will retire by rotation at the forthcoming AGM. All the above Directors, being eligible, will offer themselves for re-election at the AGM.

### PROFILES OF DIRECTORS

Profiles of the Directors are set out on pages 60 to 67 of this annual report.

### DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors (except for Ms. Zheng) had entered into a service agreement with the Company for an extended term of three years commencing from 23 May 2017. Ms. Zheng had entered into a service agreement with the Company for an initial term of three years commencing from her appointment date on 23 November 2015. Each service agreement will continue thereafter until terminated by either party by giving to the other party at least three months' prior notice in writing. Each of the independent non-executive Directors had been appointed for an extended term of three years with effect from 23 May 2017.

根據細則第83(3)條，董事有權不時及隨時委任任何人士為董事，以填補董事會之臨時空缺，或作為現有董事會之新增成員。獲董事會委任以填補臨時空缺之任何董事之任期至其獲委任後的首個股東大會為止，並有資格於該大會上重選連任；至於獲董事會委任以增加現有董事會成員之任何董事之任期，僅至本公司下屆股東週年大會為止，屆時有資格重選連任。此外，細則第84(1)條規定，於每屆股東週年大會上，三分之一當時董事（或倘數目並非三(3)的倍數，則為最接近但不少於三分之一之數目）須輪值退任，惟至少每三年每名董事須於股東週年大會上輪值退任。

吳少倫先生（「吳先生」）、鄭婷婷女士（「鄭女士」）及張一鳴先生將於應屆股東週年大會輪值退任。所有上述董事均合資格並願意於股東週年大會上膺選連任。

### 董事履歷

董事履歷載於本年報第60頁至第67頁。

### 董事服務合約

各執行董事（鄭女士除外）已與本公司訂立服務協議，自二零一七年五月二十三日起計延續任期三年。鄭女士已與本公司訂立服務協議，初步任期為自其委任日期（二零一五年十一月二十三日）起計為期三年。各服務協議之後將繼續有效，直至其中一方提前至少三個月向另一方發出事先書面通知予以終止。各獨立非執行董事已獲委任，自二零一七年五月二十三日起計延續任期三年。

# REPORT OF THE DIRECTORS

## 董事會報告

All Directors are subject to retirement by rotation in accordance with the Articles and Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”). None of the Directors proposed for re-election at the forthcoming AGM has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

### EMOLUMENT POLICY – DIRECTORS’ REMUNERATION

The Directors’ fees are subject to shareholders’ approval at general meetings. Other emoluments are determined by the Board with reference to Directors’ duties, responsibilities and performance and the results of the Group.

Details of the emoluments of every Director for the year ended 31 December 2017 are set out in Note 10 to the consolidated financial statements.

### DIRECTORS’ INTERESTS IN CONTRACTS

Save as disclosed under the sections headed “CONNECTED TRANSACTIONS” below and “RELATED PARTY TRANSACTIONS” in Note 40 to the consolidated financial statements, no Director had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company, or any of its holding companies, subsidiaries or fellow subsidiaries was a party during the year ended 31 December 2017.

### DIRECTORS’ INTERESTS IN COMPETING BUSINESS

During the year ended 31 December 2017, none of the Directors of the Company had any interest in any competing business with the Company or any of its subsidiaries.

根據細則及聯交所證券上市規則（「上市規則」）附錄14，全體董事須輪值退任。擬於應屆股東週年大會上膺選連任的董事概無與本公司或其任何附屬公司訂立不可由本集團於一年內終止而毋須支付賠償（法定賠償除外）的服務合約。

### 薪酬政策 – 董事薪酬

董事的袍金須經股東於股東大會上批准。其他報酬乃由董事會參考董事的職責、責任及表現以及本集團的業績釐定。

各董事於截至二零一七年十二月三十一日止年度的報酬詳情載於綜合財務報表附註10。

### 董事於合約之權益

除了下文「關連交易」一節及綜合財務報表附註40「關連方交易」所披露者外，概無董事於截至二零一七年十二月三十一日止年度於對本集團業務而言屬重要且本公司或其任何控股公司、附屬公司或同系附屬公司屬訂約方的任何合約中擁有重大權益（不論直接或間接）。

### 董事於競爭業務之權益

截至二零一七年十二月三十一日止年度，本公司董事概無於與本公司或其任何附屬公司有競爭的業務中擁有任何權益。

Mr. Lu Yuguang (“**Mr. Lu**”) and Grandview Capital Investment Limited (“**Grandview**”), being the controlling shareholders of the Company (the “**Controlling Shareholders**”), have each provided a written confirmation to the Company confirming that he/it has complied with the terms of the Deed of Non-competition for the year ended 31 December 2017. The independent non-executive Directors of the Company have also reviewed the status of compliance by each of the Controlling Shareholders and confirmed that, as far as they can ascertain, each of the Controlling Shareholders has complied with the terms of the Deed of Non-competition.

## MANAGEMENT CONTRACTS

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

## DISCLOSURE OF INTERESTS – DIRECTORS’ AND CHIEF EXECUTIVE’S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND/OR DEBENTURES

As at 31 December 2017, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and/or debentures (as the case may be) of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “**SFO**”)) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO) or which were required to be entered into the register required to be kept by the Company under Section 352 of the SFO or which were otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix 10 to the Listing Rules, were set out below:

本公司控股股東（「**控股股東**」）盧煜光先生（「**盧先生**」）及Grandview Capital Investment Limited（「**Grandview**」）各自已向本公司提供一份書面確認，確認彼已於截至二零一七年十二月三十一日止年度遵守不競爭契據之條款。本公司之獨立非執行董事亦已審閱各控股股東的合規情況並確認（就彼等所能查證）各控股股東已遵守不競爭契據之條款。

## 管理合約

截至二零一七年十二月三十一日止年度概無訂立或存在有關本公司全部或任何重大部分業務管理及行政的合約。

## 權益披露 – 董事及主要行政人員於股份、相關股份及／或債券的權益及淡倉

於二零一七年十二月三十一日，本公司董事及主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例（「**證券及期貨條例**」）第XV部）的股份、相關股份及／或債券（視情況而定）中擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所的權益及淡倉（包括根據證券及期貨條例的該等條文而計入或視作彼等擁有的權益及淡倉），或根據證券及期貨條例第352條須登記於本公司存置的登記冊內的權益及淡倉，或根據上市規則附錄10所載的上市發行人董事進行證券交易的標準守則（「**標準守則**」）須另行知會本公司及聯交所的權益及淡倉如下：

# REPORT OF THE DIRECTORS

## 董事會報告

### (I) The Company

### (I) 本公司

Name of Director	Long/short position	Capacity	Number of shares/ underlying shares	Notes	Approximate percentage of shareholding (%) 持股概約百分比 (%)
董事姓名	好 / 淡倉	身份	股份 / 相關 股份數目	附註	
Mr. Lu Yuguang 盧煜光先生	Long position 好倉	Beneficial owner 實益擁有人	1,500,000	1	
	Long position 好倉	Beneficial owner 實益擁有人	1,500,000	2	
	Long position 好倉	Interest held by his controlled corporation 其受控法團持有的權益	637,500,000	3	
			640,500,000		61.79
Mr. Zhang Haitao 張海濤先生	Long position 好倉	Interest held by his spouse 其配偶持有的權益	2,794,000	4	
	Long position 好倉	Interest held by his controlled corporation 其受控法團持有的權益	75,000,000	5	
			77,794,000		7.50
Ms. Zheng Tingting 鄭婷婷女士	Long position 好倉	Beneficial owner 實益擁有人	1,000,000	1	
	Long position 好倉	Beneficial owner 實益擁有人	1,794,000	6	
	Long position 好倉	Interest held by her spouse 其配偶持有的權益	75,000,000	7	
			77,794,000		7.50
Mr. Wu Shaolun 吳少倫先生	Long position 好倉	Beneficial owner 實益擁有人	3,000,000	8	
	Long position 好倉	Interest held by his controlled corporation 其受控法團持有的權益	37,500,000	9	
			40,500,000		3.90

# REPORT OF THE DIRECTORS

## 董事會報告

### Notes:

1. These shares represented the underlying shares under the outstanding options granted by the Company on 19 May 2014 pursuant to the pre-IPO share option scheme (the “**Pre-IPO Share Option Scheme**”) of the Company, details of which are set out in the section headed “SHARE OPTION SCHEMES” in this report.
2. These 1,500,000 ordinary shares were issued by the Company to Mr. Lu upon exercise of his share options granted under the Pre-IPO Share Option Scheme during the year ended 31 December 2016.
3. These 637,500,000 ordinary shares were held by Grandview, which was wholly owned by Mr. Lu. Under the SFO, Mr. Lu was deemed to be interested in such shares held by Grandview.
4. These shares represented 1,794,000 ordinary shares held by Ms. Zheng, an executive Director and the spouse of Mr. Zhang Haitao (“**Mr. Zhang**”), and 1,000,000 underlying shares under the outstanding options granted by the Company to Ms. Zheng pursuant to the Pre-IPO Share Option Scheme. Under the SFO, Mr. Zhang was deemed to be interested in such shares and underlying shares held by Ms. Zheng.
5. These 75,000,000 ordinary shares were held by Sunbrilliant Capital Investment Limited (“**Sunbrilliant**”), which was wholly owned by Mr. Zhang. Under the SFO, Mr. Zhang was deemed to be interested in such shares held by Sunbrilliant.
6. These 1,794,000 ordinary shares were held by Ms. Zheng upon exercise of her 1,000,000 share options granted under the Pre-IPO Share Option Scheme and acquisitions of 794,000 shares from the market during the year ended 31 December 2016.
7. Ms. Zheng is the spouse of Mr. Zhang, an executive Director and the Chief Executive Officer of the Company. Under the SFO, Ms. Zheng was deemed to be interested in the 75,000,000 ordinary shares held by Sunbrilliant as mentioned in Note 5 above.
8. These 3,000,000 ordinary shares were issued by the Company to Mr. Wu upon exercise of his share options granted under the Pre-IPO Share Option Scheme. 600,000 share options, 900,000 share options and 1,500,000 share options were exercised during the years ended 31 December 2015, 2016 and 2017 respectively.
9. These 37,500,000 ordinary shares were held by Lakefront Capital Investment Limited (“**Lakefront**”), which was wholly owned by Mr. Wu. Under the SFO, Mr. Wu was deemed to be interested in such shares held by Lakefront.

### 附註：

1. 該等股份指本公司根據本公司首次公開發售前購股權計劃（「**首次公開發售前購股權計劃**」）於二零一四年五月十九日所授出未行使購股權之相關股份，有關詳情載於本報告「購股權計劃」一節。
2. 該1,500,000股普通股乃盧先生於截至二零一六年十二月三十一日止年度行使其根據首次公開發售前購股權計劃獲授的購股權時由本公司配發給盧先生。
3. 該637,500,000股普通股由Grandview持有，而該公司由盧先生全資擁有。根據證券及期貨條例，盧先生被視為於Grandview所持有的該等股份中擁有權益。
4. 該等股份指鄭女士（執行董事及張海濤先生（「**張先生**」）的配偶）所持有的1,794,000股普通股及其根據首次公開發售前購股權計劃獲本公司授予而尚未行使的購股權項下的1,000,000股相關股份。根據證券及期貨條例，張先生被視為於鄭女士所持有的該等股份及相關股份中擁有權益。
5. 該75,000,000股普通股由Sunbrilliant Capital Investment Limited（「**Sunbrilliant**」）持有，而該公司由張先生全資擁有。根據證券及期貨條例，張先生被視為於Sunbrilliant所持有的該等股份中擁有權益。
6. 該1,794,000股普通股乃鄭女士於截至二零一六年十二月三十一日止年度行使其根據首次公開發售前購股權計劃獲授的1,000,000股購股權及自市場購買794,000股股份時持有。
7. 鄭女士為本公司執行董事兼行政總裁張先生的配偶。根據證券及期貨條例，鄭女士被視為於上述第5項附註所提及由Sunbrilliant所持有的75,000,000股普通股中擁有權益。
8. 該3,000,000股普通股乃吳先生分別於截至二零一五年、二零一六年及二零一七年十二月三十一日止年度行使其根據首次公開發售前購股權計劃獲授的600,000份購股權、900,000份購股權及1,500,000份購股權時由本公司配發給吳先生。
9. 該37,500,000股普通股由Lakefront Capital Investment Limited（「**Lakefront**」）持有，而該公司由吳先生全資擁有。根據證券及期貨條例，吳先生被視為於Lakefront所持有的該等股份中擁有權益。

# REPORT OF THE DIRECTORS

## 董事會報告

### (II) Associated Corporation (within the meaning of the SFO)

#### Grandview Capital Investment Limited

Name of Director	Long/short position	Capacity	Number of shares	Approximate percentage of shareholding (%) 持股概約百分比 (%)
董事姓名	好 / 淡倉	身份	股份數目	
Mr. Lu Yuguang 盧煜光先生	Long position 好倉	Beneficial owner 實益擁有人	10,001	100

### (II) 相聯法團 (定義見證券及期貨條例)

#### Grandview Capital Investment Limited

Save as disclosed above, as at 31 December 2017, none of the Directors or chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

除上文所披露者外，於二零一七年十二月三十一日，本公司董事或主要行政人員概無於本公司及其相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份及債券中擁有根據證券及期貨條例第XV部第7及第8分部的規定須知會本公司及聯交所的權益或淡倉（包括根據證券及期貨條例的該等條文而計入或視作彼等擁有的權益或淡倉），或根據證券及期貨條例第352條須登記於該條所述本公司存置的登記冊內的權益或淡倉，或根據標準守則而須另行知會本公司及聯交所的權益或淡倉。

**DISCLOSURE OF INTERESTS –  
SUBSTANTIAL SHAREHOLDERS’  
INTERESTS AND SHORT POSITIONS IN  
SHARES AND UNDERLYING SHARES OF  
THE COMPANY**

As at 31 December 2017, so far as was known to the Directors of the Company, the following persons/entities (other than the Directors or chief executive of the Company) had, or were deemed to have, interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO:

**權益披露 – 主要股東於本公司股份  
及相關股份的權益及淡倉**

於二零一七年十二月三十一日，就本公司董事所知，以下人士／實體（董事或本公司主要行政人員除外）於本公司股份或相關股份中擁有或被視為擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司及聯交所披露的權益或淡倉，或根據證券及期貨條例第336條須記入本公司所存置登記冊的權益或淡倉：

Name of substantial shareholder	Long/short position	Capacity	Number of shares/ underlying shares	Notes	Approximate percentage of shareholding (%) 持股概約百分比 (%)
主要股東姓名／名稱	好／淡倉	身份	股份／相關 股份數目	附註	
Grandview Capital Investment Limited	Long position 好倉	Beneficial owner 實益擁有人	637,500,000	1	61.50
Sunbrilliant Capital Investment Limited	Long position 好倉	Beneficial owner 實益擁有人	75,000,000	2	7.23
FMR LLC	Long position 好倉	Interest held by its controlled corporations 其受控法團持有的權益	103,782,606	3	10.01
FIL Limited	Long position 好倉	Interest held by its controlled corporations 其受控法團持有的權益	51,894,800	4	5.00



# REPORT OF THE DIRECTORS

## 董事會報告

### Notes:

1. Grandview was wholly owned by Mr. Lu, an executive Director and the Chairman of the Company and Mr. Lu was deemed to be interested in the 637,500,000 ordinary shares of the Company held by Grandview pursuant to the SFO. Mr. Lu's interests in shares are disclosed in this annual report in the section headed "DISCLOSURE OF INTERESTS – DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND/OR DEBENTURES".
2. Sunbrilliant was wholly owned by Mr. Zhang, an executive Director and the Chief Executive Officer of the Company and Mr. Zhang was deemed to be interested in the 75,000,000 ordinary shares of the Company held by Sunbrilliant pursuant to the SFO. Ms. Zheng, an executive Director, is the spouse of Mr. Zhang and was accordingly deemed to be interested in the 75,000,000 ordinary shares which Mr. Zhang was deemed to be interested in for the purposes of the SFO. Mr. Zhang's and Ms. Zheng's interests in shares are disclosed in this annual report in the section headed "DISCLOSURE OF INTERESTS – DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND/OR DEBENTURES".
3. FMR LLC was deemed to be interested in the 103,782,606 ordinary shares of the Company through its controlled corporations.
4. FIL Limited was deemed to be interested in the 51,894,800 ordinary shares of the Company through its controlled corporations.

Save as disclosed above, as at 31 December 2017, the Directors were not aware of any other persons/entities (other than the Directors and chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

### 附註：

1. Grandview由本公司執行董事兼主席盧先生全資擁有，及根據證券及期貨條例，盧先生被視為於Grandview所持本公司637,500,000股普通股中擁有權益。盧先生於股份的權益乃於本年報「權益披露 – 董事及主要行政人員於股份、相關股份及／或債券的權益及淡倉」一節披露。
2. Sunbrilliant由本公司執行董事兼行政總裁張先生全資擁有，及根據證券及期貨條例，張先生被視為於Sunbrilliant所持本公司75,000,000股普通股中擁有權益。執行董事鄭女士為張先生的配偶，因而根據證券及期貨條例被視為於張先生被視為擁有權益的75,000,000股普通股中擁有權益。張先生及鄭女士各自於股份的權益乃於本年報「權益披露 – 董事及主要行政人員於股份、相關股份及／或債券的權益及淡倉」一節披露。
3. FMR LLC通過其受控法團而被視為於本公司103,782,606股普通股中擁有權益。
4. FIL Limited通過其受控法團而被視為於本公司51,894,800股普通股中擁有權益。

除上文所披露者外，於二零一七年十二月三十一日，董事知悉概無任何其他人士／實體（董事及本公司主要行政人員除外）於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司及聯交所披露的權益或淡倉，或根據證券及期貨條例第336條須記入本公司所存置登記冊的權益或淡倉。

## SHARE OPTION SCHEMES

The Company has adopted two share option schemes on 8 May 2014, namely the Pre-IPO Share Option Scheme and the share option scheme (the “**Share Option Scheme**”) which is governed by Chapter 17 of the Listing Rules.

### (a) Pre-IPO Share Option Scheme

The Company conditionally approved and adopted the Pre-IPO Share Option Scheme pursuant to a resolution of the shareholders passed on 8 May 2014. The purpose of the Pre-IPO Share Option Scheme is to recognise and reward the contribution that certain Directors and employees of the Group who made or may have made to the growth and development of the Group and the Company's IPO.

The principal terms of the Pre-IPO Share Option Scheme are substantially the same as the terms of the Share Option Scheme which has also been conditionally adopted by the Company pursuant to the aforesaid resolution, except that:

- (a) The subscription price is, subject to certain adjustments set out in the Pre-IPO Share Option Scheme, equivalent to 50% discount to the offer price under the IPO.
- (b) The maximum number of shares of the Company which may be issued upon exercise of all options granted under the Pre-IPO Share Option Scheme is 30,000,000 shares, representing approximately 2.89% of the issued share capital of the Company as at the date of this annual report (i.e. 1,036,628,000 shares).
- (c) Eligible participants under the Pre-IPO Share Option Scheme are the Directors and employees of the Group who, in the sole opinion of the Board, will contribute or have contributed to the Group.

## 購股權計劃

本公司已於二零一四年五月八日採納兩項購股權計劃，即首次公開發售前購股權計劃及購股權計劃（「購股權計劃」），由上市規則第17章規管。

### (a) 首次公開發售前購股權計劃

根據二零一四年五月八日通過的股東決議案，本公司有條件批准及採納首次公開發售前購股權計劃。首次公開發售前購股權計劃的目的在於表揚及獎勵曾經或可能已對本集團之發展及本公司之首次公開發售作出貢獻的若干董事及僱員。

首次公開發售前購股權計劃的主要條款與本公司根據上述決議案有條件採納的購股權計劃的條款大致相同，惟下列者除外：

- (a) 認購價相當於首次公開發售的發售價折讓50%（可根據首次公開發售前購股權計劃所載進行若干調整）。
- (b) 本公司可能因行使根據首次公開發售前購股權計劃授出的所有購股權而發行的最多股份數目為30,000,000股股份，佔本年報日期本公司已發行股本（即1,036,628,000股）之約2.89%。
- (c) 首次公開發售前購股權計劃的合資格參與者，指本集團董事及僱員，即董事會全權認為將會或曾經對本集團作出貢獻者。

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- (d) Subject to any restrictions applicable under the Listing Rules, and notwithstanding the terms of grant thereof, all options granted under the Pre-IPO Share Option Scheme are subject to the following vesting period:
- (i) as to 20% of the aggregate number of shares underlying the option on the date of the first anniversary of the date of grant;
  - (ii) as to 30% of the aggregate number of shares underlying the option on the date of the second anniversary of the date of grant; and
  - (iii) as to 50% of the aggregate number of shares underlying the option on the date of the third anniversary of the date of grant.
- (e) Each option granted under the Pre-IPO Share Option Scheme will lapse upon the expiry of the option period of 5 years.
- (f) No further options will be offered or granted under the Pre-IPO Share Option Scheme on or after the Listing Date of the Company on 23 May 2014.
- (d) 在上市規則的任何適用限制下，儘管有關之授出條款有所規定，根據首次公開發售前購股權計劃所授出之所有購股權須遵守以下歸屬期：
- (i) 購股權所涉及股份總數的20%於授出日期第一週年當日歸屬；
  - (ii) 購股權所涉及股份總數的30%於授出日期第二週年當日歸屬；及
  - (iii) 購股權所涉及股份總數的50%於授出日期第三週年當日歸屬。
- (e) 根據首次公開發售前購股權計劃所授每份購股權將於5年購股權期間到期當日失效。
- (f) 本公司將不會於本公司上市日期（二零一四年五月二十三日）或之後根據首次公開發售前購股權計劃要約授出或授出其他購股權。

On 19 May 2014, the Company has conditionally granted options to subscribe for a total of 26,470,000 shares of the Company to certain directors and employees of the Group under the Pre-IPO Share Option Scheme.

於二零一四年五月十九日，本公司根據首次公開發售前購股權計劃向本集團若干董事及僱員有條件授出可認購本公司合共26,470,000股股份的購股權。

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Details of movements of the share options granted under the Pre-IPO Share Option Scheme for the year ended 31 December 2017 are as follows:

截至二零一七年十二月三十一日止年度根據首次公開發售前購股權計劃授出購股權的變動詳情如下：

Grantee	Date of grant	Exercise price per share	Exercise period	Number of shares issuable under the share options				
				As at 1 January 2017	Granted during the year	Exercised during the year	Lapsed/cancelled during the year	As at 31 December 2017
承授人	授出日期	每股行使價	行使期	於二零一七年一月一日	年內已授出	年內已行使	年內已失效/註銷	二零一七年十二月三十一日
<b>Directors</b>								
<b>董事</b>								
Mr. Lu Yuguang	19 May 2014	1.075	19/05/2015-19/05/2019 (Note 1)	1,500,000	-	-	-	1,500,000
盧煜光先生	二零一四年五月十九日		(附註1)					
Mr. Wu Shaolun	19 May 2014	1.075	19/05/2015-19/05/2019 (Note 1)	1,500,000	-	(1,500,000)	-	-
吳少倫先生	二零一四年五月十九日		(附註1)			(附註2)		
Ms. Zheng Tingting	19 May 2014	1.075	19/05/2015-19/05/2019 (Note 1)	1,000,000	-	-	-	1,000,000
鄭婷婷女士	二零一四年五月十九日		(附註1)					
<b>Employees of the Group</b>								
<b>本集團僱員</b>								
in aggregate	19 May 2014	1.075	19/05/2015-19/05/2019 (Note 1)	7,027,000	-	(6,227,000)	-	800,000
總計	二零一四年五月十九日		(附註1)			(附註3)		
<b>Grand Total:</b>				11,027,000	-	(7,727,000)	-	3,300,000
<b>累計：</b>								

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### Notes:

- (1) All share options granted under the Pre-IPO Share Option Scheme are subject to the following vesting period:
  - (a) 20% of the share options are exercisable from the date of the first anniversary of the date of grant (i.e. on or after 19 May 2015);
  - (b) 30% of the share options are exercisable from the date of the second anniversary of the date of grant (i.e. on or after 19 May 2016); and
  - (c) 50% of the share options are exercisable from the date of the third anniversary of the date of grant (i.e. on or after 19 May 2017).
- (2) The closing price of the Company's shares immediately before the date on which 1,500,000 share options were exercised was HK\$5.80 per share.
- (3) The weighted average closing price of the Company's shares immediately before the dates on which these share options were exercised was approximately HK\$6.22 per share.

### (b) Share Option Scheme

The principal terms of the Share Option Scheme, which shall be valid and effective for 10 years from its adoption date, are summarised below:

#### Purpose

The purpose of the Share Option Scheme is to reward the eligible participants who have contributed to the Group and to encourage them to work towards enhancing the value of the Company and its shareholders.

### 附註：

- (1) 根據首次公開發售前購股權計劃授出的所有購股權受以下歸屬期規限：
  - (a) 20%購股權可自授出日期第一週年當日起（即二零一五年五月十九日或之後）行使；
  - (b) 30%購股權可自授出日期第二週年當日起（即二零一六年五月十九日或之後）行使；及
  - (c) 50%購股權可自授出日期第三週年當日起（即二零一七年五月十九日或之後）行使。
- (2) 緊接1,500,000份購股權行使當日前本公司股份的收市價為每股5.80港元。
- (3) 緊接該等購股權獲行使當日前本公司股份的加權平均收市價為每股約6.22港元。

### (b) 購股權計劃

購股權計劃自其採納日期起10年有效，其主要條款概述如下：

#### 目的

購股權計劃的目的在於獎勵曾對本集團作出貢獻的合資格參與者及鼓勵彼等致力於提升本公司及其股東的價值。

### Eligible participants

The Board may at its discretion make offers inviting the Directors and employees of the Group and any advisors, consultants, distributors, contractors, suppliers, agents, customers, business partners, joint venture business partners, promoters or service providers of any member of the Group who the Board considers, in its absolute discretion, have contributed or will contribute to the Group, to take up options to subscribe for shares of the Company, subject to such conditions as the Board may think fit.

### Total number of shares available for issue under the Share Option Scheme

(a) 10% limit

Subject to the following paragraph, the maximum number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company must not, in aggregate, exceed 10% of the number of shares of the Company in issue on the Listing Date (not taking into account any shares which may be allotted and issued pursuant to the over-allotment option under the IPO) (the “**Scheme Mandate Limit**”). Options lapsed in accordance with the terms of the Share Option Scheme and (as the case may be) such other share option schemes of the Company will not be counted for the purpose of calculating the Scheme Mandate Limit.

The Company may, from time to time, refresh the Scheme Mandate Limit by obtaining the approval of the shareholders in general meeting, provided that the total number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company under the limit as refreshed must not exceed 10% of the shares of the Company in issue as at the date of the shareholders’ approval of the refreshed limit.

### 合資格參與者

董事會可酌情要約邀請本集團董事及僱員及董事會按其絕對酌情權認為曾經或將向本集團作出貢獻的任何顧問、專家顧問、分銷商、承包商、供應商、代理人、客戶、業務夥伴、合營企業合夥人、發起人或本集團任何成員公司的服務供應商認購可認購本公司股份的購股權，惟須達成董事會認為適當的有關條件方可作實。

### 根據購股權計劃可供發行的股份總數

(a) 10%限額

在不違反下述段落所載情況下，因行使根據購股權計劃及本公司任何其他購股權計劃所授出全部購股權而可能發行的股份數目上限，合共不得超過於上市日期已發行的本公司股份數目的10%（未計及根據首次公開發售的超額配股權可能配發及發行的任何股份）（「**計劃授權限額**」）。計算計劃授權限額時，根據購股權計劃及（視乎情況而定）本公司其他購股權計劃的條款已告失效的購股權不計算在內。

獲股東於股東大會批准後，本公司可不時更新計劃授權限額，惟基於已更新限額而行使根據購股權計劃及本公司任何其他購股權計劃所授出全部購股權而可能發行的股份總數，不得超過股東批准已更新限額當日的本公司已發行股份的10%。

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The Company may also seek separate approval of the shareholders in general meeting for granting options beyond the Scheme Mandate Limit or the refreshed limit, provided that the options in excess of such limit are granted only to eligible participants specifically identified by the Company before such approval is sought.

*(b) 30% limit*

The overall limit on the number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company must not, in aggregate, exceed 30% of the shares of the Company in issue from time to time.

### Maximum entitlement of each participant

The total number of shares issued and to be issued upon exercise of the options granted to each participant (including both exercised and outstanding options) in any 12-month period must not exceed 1% of the shares of the Company in issue from time to time. 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 to be granted to such person (including exercised, cancelled and outstanding options) in the 12-month period up to and including the date of such further grant exceeding 1% of the shares of the Company in issue, such further grant must be separately approved by the shareholders in general meeting with such grantee and his associates abstaining from voting.

### Performance target

The Share Option Scheme allows the Board, when offering the grant of any option, to impose any condition including any performance target, which must be met before the option shall vest and become exercisable.

本公司亦可在股東大會取得股東另行批准授出超過計劃授權限額或經更新限額的購股權，惟超出有關限額的購股權僅可授予本公司徵求有關股東批准前特別物色的合資格參與者。

*(b) 30%限額*

因行使根據購股權計劃及本公司任何其他購股權計劃已授出但尚未行使的全部購股權而可能發行的股份數目整體上限，合共不得超過本公司不時已發行股份的30%。

### 各參與者的最高權利

任何12個月期間因行使各參與者所獲授購股權（包括已行使及尚未行使的購股權）而已發行及將發行的股份總數不得超過本公司不時已發行股份的1%。凡向承授人額外授出任何購股權會導致因行使截至額外授出購股權日期為止（包括當日）的12個月內已授予或將授予該人士的所有購股權（包括已行使、已註銷及尚未行使的購股權）而已發行及將發行的股份超過本公司已發行股份的1%，則須於股東大會上經股東另行批准，而有關承授人及其聯繫人不得就此投票。

### 表現目標

購股權計劃允許董事會在要約授出任何購股權時施加任何條件，包括在購股權歸屬及可行使前須達成任何表現目標。

### Minimum period for which an option must be held

The Board may at its discretion, when offering the grant of any option, impose any minimum period for which an option must be held before it can be exercised.

### Exercise price

The exercise price shall be determined by the Board in its absolute discretion but in any event shall be not less than the highest of:

- (a) the closing price of the shares of the Company as stated in the daily quotations sheet of the Stock Exchange on the date of grant;
- (b) the average closing price of the shares of the Company as stated in the daily quotations sheets of the Stock Exchange for the 5 business days immediately preceding the date of grant; and
- (c) the nominal value of the shares of the Company.

### Amount payable upon acceptance of option

HK\$1.00 is payable by each eligible participant to the Company on acceptance of an offer of option.

The Company has not granted any share options under the Share Option Scheme since its adoption on 8 May 2014.

The total number of shares currently available for issue under the Share Option Scheme is 73,530,000 shares, representing approximately 7.09% of the issued share capital of the Company as at the date of this annual report (i.e. 1,036,628,000 shares).

### 購股權須持有的最低期限

董事會可於要約授出任何購股權時酌情施加在任何購股權可行使前須持有的最低期限。

### 行使價

行使價由董事會全權酌情釐定但無論如何不得低於以下之最高者：

- (a) 授出日期聯交所每日報價表所列本公司股份的收市價；
- (b) 緊接授出日期前5個營業日聯交所每日報價表所列本公司股份的平均收市價；及
- (c) 本公司股份面值。

### 接納購股權時應付數額

各合資格參與者在接納購股權要約時須向本公司支付1.00港元。

本公司自二零一四年五月八日採納購股權計劃以來並無授出任何購股權。

現時根據購股權計劃可供發行的股份總數為73,530,000股股份，相當於本年報日期本公司已發行股本（即1,036,628,000股股份）之約7.09%。



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### CONNECTED TRANSACTIONS

Certain related party transactions as disclosed in Note 40 to the consolidated financial statements also constitute continuing connected transactions under the Listing Rules, which are required to be disclosed in accordance with Chapter 14A of the Listing Rules. The following transactions between certain connected persons (as defined in the Listing Rules) and the Company have been entered into and/or are ongoing for which relevant disclosure had been made by the Company in the prospectus of the Company dated 13 May 2014 (the “**Prospectus**”) or disclosed by way of announcement in compliance with the disclosure requirements under Chapter 14A of the Listing Rules.

### 關連交易

綜合財務報表附註40中披露的若干關連方交易亦構成上市規則項下的持續關連交易，須根據上市規則第14A章予以披露。若干關連人士（定義見上市規則）與本公司之間已訂立及／或正在進行以下交易，本公司已遵照上市規則第14A章的披露要求在本公司日期為二零一四年五月十三日之招股章程（「**招股章程**」）中對其作出相關披露或透過公告予以披露。

## CONTINUING CONNECTED TRANSACTIONS

### a. Lease of certain premises for the use of production plant and dormitories in Humen Town

As disclosed in the Prospectus, on 1 January 2014, the Humen branch of Dongguan NHE, an indirect wholly-owned subsidiary of the Company, as lessee and Mr. Lu, as lessor, the Chairman and controlling shareholder of the Company, entered into a lease contract in relation to the lease of certain buildings with a gross floor area of approximately 5,835 square meters in Humen Town, Dongguan City, Guangdong Province, China, for the use as a production plant and dormitories for the staff of the Group for a term of three years from 1 January 2014 to 31 December 2016.

## 持續關連交易

### a. 租賃若干物業用作虎門鎮的生產廠房及宿舍

誠如招股章程所披露，於二零一四年一月一日，東莞潤信虎門分公司（本公司一間間接全資附屬公司，作為承租人）與本公司主席兼控股股東盧先生（作為出租人）就租賃中國廣東省東莞市虎門鎮建築面積約5,835平方米的若干樓宇訂立一份租賃合同，將其用作本集團的生產廠房及員工宿舍，租期自二零一四年一月一日至二零一六年十二月三十一日止為期三年。

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To ensure the continuous use of those buildings, on 31 March 2017, Dongguan NHE and Mr. Lu entered into a lease contract (the “**Renewed Humen Lease Contract**”) for renewal of the above lease contract for a term of three years commencing from 1 April 2017 to 31 March 2020. The terms under the Renewed Humen Lease Contract are substantially the same as those under the above lease contract, save that the monthly rental payable under the Renewed Humen Lease Contract for the financial year ended 31 December 2017 was RMB87,525 and the maximum monthly rental payable for the financial years ending 31 December 2018, 2019 and 2020 shall be RMB96,278, RMB105,905 and RMB116,525 respectively. The rental so charged by Mr. Lu is determined by reference to the historical rents of those buildings, the prevailing market rents for similar premises in the same or nearby areas or similar locations in China, the terms and conditions of the Renewed Humen Lease Contract, the historical trend and the expected increase in the rents in the PRC property market and inflation. Further details of the Renewed Humen Lease Contract were disclosed by the Company in its announcement dated 31 March 2017.

During the year ended 31 December 2017, rental paid to Mr. Lu by the Group amounted to RMB787,725 (equivalent to approximately HK\$918,305).

為確保該等樓宇的持續使用，於二零一七年三月三十一日，東莞潤信與盧先生訂立一份租賃合同（「**經續訂虎門租賃合同**」），以續訂上述租賃合同，自二零一七年四月一日起至二零二零年三月三十一日止為期三年。經續訂虎門租賃合同下的條款與上述租賃合同的條款基本相同，惟於截至二零一七年十二月三十一日止財政年度根據經續訂虎門租賃合同應付的月租為人民幣87,525元，而於截至二零一八年、二零一九年及二零二零年十二月三十一日止財政年度應付的最高月租則分別為人民幣96,278元、人民幣105,905元及人民幣116,525元。盧先生收取的租金乃參考該等樓宇的歷史租金、中國同一地區或鄰近地區或類似地點類似處所的現行市場租金、經續訂虎門租賃合同的條款及條件、中國房地產市場租金的歷史趨勢及預期增長以及通貨膨脹釐定。經續訂虎門租賃合同的進一步詳情於本公司日期為二零一七年三月三十一日的公告中披露。

於截至二零一七年十二月三十一日止年度內，本集團向盧先生支付的租金為人民幣787,725元（相等於約918,305港元）。

**b. Lease of certain premises for the use of production plant and dormitories in Houjie Town**

As disclosed in the Prospectus, on 1 January 2014, Dongguan NHE as lessee and Mr. Lu as lessor entered into two lease contracts in relation to the lease of certain buildings with a total gross floor area of approximately 17,370 square meters in Houjie Town, Dongguan City, Guangdong Province, China, for the use as administrative offices, a production plant and dormitories for the staff of the Group for a term of three years from 1 January 2014 to 31 December 2016.

**b. 租賃若干物業用於厚街鎮的生產廠房及宿舍**

誠如招股章程所披露，於二零一四年一月一日，東莞潤信（作為承租人）與盧先生（作為出租人）就租賃中國廣東省東莞市厚街鎮總建築面積約17,370平方米的若干樓宇訂立兩份租賃合同，將其用作本集團的行政辦公室、生產廠房及員工宿舍。兩份租約的期限自二零一四年一月一日至二零一六年十二月三十一日止為期三年。

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To ensure the continuous use of those buildings, on 31 March 2017, Dongguan NHE and Mr. Lu entered into another two lease contracts (the “**Renewed Houjie Lease Contracts**”) for renewal of the above lease contracts for a term of three years commencing from 1 April 2017 to 31 March 2020. The respective terms under the Renewed Houjie Lease Contracts are substantially the same as those under the above two lease contracts, save that the aggregated monthly rental under the Renewed Houjie Lease Contracts for the financial year ended 31 December 2017 was RMB260,550 and the maximum aggregated monthly rental payable for the financial years ending 31 December 2018, 2019 and 2020 shall be RMB286,605, RMB315,266 and RMB346,879 respectively. The rental so charged by Mr. Lu is determined by reference to the historical rents of those buildings, the prevailing market rents for similar premises in the same or nearby areas or similar locations in China, the terms and conditions of the Renewed Houjie Lease Contracts, the historical trend and the expected increase in the rents in the PRC property market and inflation. Further details of the Renewed Houjie Lease Contracts were disclosed by the Company in its announcement dated 31 March 2017.

During the year ended 31 December 2017, rental paid to Mr. Lu by the Group amounted to RMB2,344,950 (equivalent to approximately HK\$2,733,668).

為確保該等樓宇的持續使用，於二零一七年三月三十一日，東莞潤信與盧先生訂立另兩份租賃合同（「**經續訂厚街租賃合同**」），以續訂上述租賃合同，自二零一七年四月一日起至二零二零年三月三十一日止為期三年。經續訂厚街租賃合同下的相關條款與上述租賃合同的條款基本相同，惟於截至二零一七年十二月三十一日止財政年度根據經續訂厚街租賃合同應付的總月租為人民幣260,550元，而於截至二零一八年、二零一九年及二零二零年十二月三十一日止財政年度應付的最高總月租則分別為人民幣286,605元、人民幣315,266元及人民幣346,879元。盧先生收取的租金乃參考該等樓宇的歷史租金、中國同一地區或鄰近地區或類似地點類似處所的現行市場租金、經續訂厚街租賃合同的條款及條件、中國房地產市場租金的歷史趨勢及預期增長以及通貨膨脹釐定。經續訂厚街租賃合同的進一步詳情於本公司日期為二零一七年三月三十一日的公告中披露。

於截至二零一七年十二月三十一日止年度內，本集團向盧先生支付的租金為人民幣2,344,950元（相等於約2,733,668港元）。

**c. Lease of certain property for daily production and operational use in Machong Town**

On 25 September 2015, Dongguan BPT, an indirect wholly-owned subsidiary of the Company, as lessee, and Dongguan Quality Clothing Company Limited (“**Dongguan Clothing**”) as lessor entered into a lease agreement (the “**Lease Agreement**”) in relation to the lease of a property with a total leasing area of approximately 21,868 square meters in Machong Town, Dongguan City, Guangdong Province, China for the Group’s daily production and operational use at a monthly rental of RMB328,020. The lease is for a term of three years from 1 October 2015 to 30 September 2018, and is terminable by mutual agreement. The rental so charged by Dongguan Clothing is determined by reference to (i) the prevailing market rent of similar properties in the area; and (ii) the conditions of the property, including but not limited to the location of the property as well as the facilities associated with the property. Dongguan BPT shall be responsible for all the charges for the utility services to be used in respect of the property. The annual caps for the transaction amounts under the Lease Agreement for the financial year ended 31 December 2017 was HK\$8,517,000 and for the financial year ending 31 December 2018 shall be HK\$6,552,000. Further details of the lease were disclosed in the Company’s announcement dated 25 September 2015.

During the year ended 31 December 2017, rental and changes for the utility services paid to Dongguan Clothing by the Group amounted to approximately RMB6,181,092 (equivalent to approximately HK\$7,103,442).

As at 25 September 2015 and the date of this annual report, Dongguan Clothing is owned as to 50% by Ms. Wu Wanxiong (the spouse of Mr. Lu, the Chairman and an executive Director of the Company, and the sister of Mr. Wu, an executive Director of the Company), 30% by Ms. Zheng (an executive Director of the Company and the spouse of Mr. Zhang, an executive Director of the Company), 10% by Mr. Wu Junjie (the son of Mr. Wu) and 10% by Mr. Lu Canping (the nephew of Mr. Lu). Accordingly, Dongguan Clothing is an associate of Mr. Lu, Ms. Zheng, Mr. Zhang and Mr. Wu, and therefore is a connected person of the Company pursuant to Rule 14A.07 of the Listing Rules.

**c. 於麻涌鎮租賃若干物業用於日常生產及經營用途**

於二零一五年九月二十五日，本公司的間接全資附屬公司東莞超盈（作為承租人）與東莞市質品服飾有限公司（「東莞質品」，作為出租人）訂立一項租賃協議（「租賃協議」），該協議乃關於租賃中國廣東省東莞市麻涌鎮總租賃面積約為21,868平方米的物業，用於本集團的日常生產及經營用途，月租為人民幣328,020元。租約為期三年，自二零一五年十月一日至二零一八年九月三十日，可透過互相協定予以終止。東莞質品收取的租金乃參照以下各項釐定：(i)該地區類似物業的現行市場租金；及(ii)該物業的狀況，包括但不限於該物業的位置以及與該物業相關的設施。東莞超盈須負責就物業使用的公用服務承擔所有相關支出。東莞超盈於截至二零一七年十二月三十一日止財政年度根據租賃協議須支付的年度上限為8,517,000港元，而於截至二零一八年十二月三十一日止財政年度須支付的年度上限則為6,552,000港元。租賃的進一步詳情於本公司日期為二零一五年九月二十五日的公告中披露。

於截至二零一七年十二月三十一日止年度內，本集團向東莞質品支付的租金及公用服務相關支出約為人民幣6,181,092元（相等於約7,103,442港元）。

於二零一五年九月二十五日及於本年報日期，東莞質品由吳婉雄女士（本公司主席兼執行董事盧先生的配偶及本公司執行董事吳先生的妹妹）、鄭女士（本公司的執行董事且為本公司執行董事張先生的配偶）、吳俊傑先生（吳先生的兒子）及盧燦平先生（盧先生的侄兒）分別擁有50%、30%、10%及10%之股權。因此，東莞質品為盧先生、鄭女士、張先生及吳先生的聯繫人士，故根據上市規則第14A.07條為本公司之關連人士。

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### d. Sales of elastic fabric and elastic webbing to Dongguan Clothing

On 3 May 2016, Dongguan BPT and Dongguan NHE (as suppliers) entered into a sales agreement (the “Sales Agreement”) with Dongguan Clothing (as purchaser) in relation to the sales of elastic fabric and elastic webbing for a term of three years commencing from 4 May 2016 to 3 May 2019. Pursuant to the Sales Agreement, the selling prices for elastic fabric shall be within the range of RMB20 to RMB50 per meter (tax inclusive) and the selling prices for elastic webbing shall be within the range of RMB0.55 to RMB1.00 per meter (tax inclusive). The selling price ranges for the goods under the Sales Agreement are determined after arm’s length negotiations between the parties thereto and with reference to (i) the historical and prevailing market prices of the same and similar goods in the area, (ii) the historical and prevailing selling prices of Dongguan BPT and Dongguan NHE for the goods, and (iii) the credit worthiness and potential business growth of Dongguan Clothing. The annual caps for the transaction amounts under the Sales Agreement for the financial year ended 31 December 2017 was RMB15 million and for the financial years ending 31 December 2018 and 2019 shall be RMB15 million and RMB10 million respectively. Further details of the Sales Agreement were disclosed in the Company’s announcement dated 3 May 2016.

During the year ended 31 December 2017, sales to Dongguan Clothing by Dongguan BPT and Dongguan NHE under the Sales Agreement amounted to approximately RMB11,876,595 (equivalent to approximately HK\$13,777,924).

As at 3 May 2016 and the date of this annual report, Dongguan Clothing is owned as to 50% by Ms. Wu Wanxiong (the spouse of Mr. Lu, the Chairman and an executive Director of the Company, and the sister of Mr. Wu, an executive Director of the Company), 30% by Ms. Zheng (an executive Director of the Company and the spouse of Mr. Zhang, an executive Director of the Company), 10% by Mr. Wu Junjie (the son of Mr. Wu) and 10% by Mr. Lu Canping (the nephew of Mr. Lu). Accordingly, Dongguan Clothing is an associate of Mr. Lu, Ms. Zheng, Mr. Zhang and Mr. Wu, and therefore is a connected person of the Company pursuant to Rule 14A.07 of the Listing Rules.

### d. 銷售彈性織物面料及彈性織帶予東莞質品

於二零一六年五月三日，東莞超盈及東莞潤信（作為供應商）與東莞質品（作為買方）訂立銷售協議（「銷售協議」），內容有關銷售彈性織物面料及彈性織帶，銷售年期自二零一六年五月四日至二零一九年五月三日止為期三年。根據銷售協議，彈性織物面料的銷售價格範圍介乎於每米人民幣20元至人民幣50元（含稅），而彈性織帶的銷售價格範圍介乎於每米人民幣0.55元至人民幣1.00元（含稅）。銷售協議項下貨品之銷售價範圍乃經銷售協議項下訂約方公平磋商並參照(i)於相關區域等同及相若貨品之過往及現行市價；(ii)東莞超盈及東莞潤信就貨品提出之過往及現行銷售價；及(iii)東莞質品之信貸狀況及潛在業務增長後釐定。銷售協議項下交易額的年度上限於截至二零一七年十二月三十一日止財政年度為人民幣15百萬元，而於截至二零一八年及二零一九年十二月三十一日止財政年度則分別為人民幣15百萬元及人民幣10百萬元。銷售協議的進一步詳情於本公司日期為二零一六年五月三日的公告中披露。

於截至二零一七年十二月三十一日止年度內，根據銷售協議，東莞超盈及東莞潤信向東莞質品的銷售約為人民幣11,876,595元（相等於約13,777,924港元）。

於二零一六年五月三日及於本年報日期，東莞質品由吳婉雄女士（本公司主席兼執行董事盧先生的配偶及本公司執行董事吳先生的妹妹）、鄭女士（本公司的執行董事且為本公司執行董事張先生的配偶）、吳俊傑先生（吳先生的兒子）及盧燦平先生（盧先生的侄兒）分別擁有50%、30%、10%及10%之股權。因此，東莞質品為盧先生、鄭女士、張先生及吳先生的聯繫人士，故根據上市規則第14A.07條為本公司之關連人士。

e. **Sales of synthetic fabric and webbing to the Brandix Group**

Prior to the entering into of the BPTL Shareholders' Agreement and the completion of initial subscription of shares of BPTL, Best Pacific Textile Holdings Limited ("**BPTHL**"), a wholly-owned subsidiary of the Company, and its affiliates (collectively, the "**BPTHL Group**"), have been selling, and will continue to sell, synthetic fabric and webbing (or any other products as may be agreed between the parties) to Brandix and its affiliates (collectively, the "**Brandix Group**"). The initial subscription of shares of BPTL under the BPTL Shareholders' Agreement was completed on 6 November 2017. Since then, BPTL has been held as to 75% by BPSL (Pannala) and as to 25% by Brandix and Brandix has hence become a connected person of the Company at the subsidiary level under Rule 14A.06(9) of the Listing Rules. In anticipation of the continuing transactions between the BPTHL Group and the Brandix Group becoming continuing connected transactions under Chapter 14A of the Listing Rules after completion of the initial subscription, on 6 November 2017, BPTHL entered into a framework agreement (the "**Framework Agreement**") with Brandix for a terms of three years commencing on the date on which the completion of the initial subscription takes place, i.e. 6 November 2017.

Pursuant to the Framework Agreement, the BPTHL Group and the Brandix Group will enter into transactions relating to the sale and purchase of the synthetic fabric and webbing (or any other products as may be agreed between the parties) from time to time on normal commercial terms and subject to and upon the terms and conditions to be agreed between the relevant members of the BPTHL Group and the Brandix Group, setting out, among other things, the products to be supplied, specifications, quantity, price, delivery method and payment arrangement.

e. **銷售合成織物面料及織帶予Brandix集團**

於訂立BPTL股東協議及初步認購BPTL股份完成前，本公司之直接全資附屬公司超盈紡織控股有限公司（「超盈紡織控股」）及其聯屬公司（統稱「超盈紡織控股集團」）目前已銷售亦將持續銷售合成布料及織帶（或雙方之間可能商定的任何產品）予Brandix及其聯屬公司（統稱「Brandix集團」）。根據BPTL股東協議，初步認購BPTL股份已於二零一七年十一月六日完成。自此之後，BPTL由BPSL (Pannala)及Brandix分別持有75%及25%股權，因此，根據上市規則第14A.06(9)條，Brandix已成為本公司在附屬公司層級之關連人士。於初步認購事項完成後，超盈紡織控股集團與Brandix集團之間的持續交易將構成上市規則第14A章項下的持續關連交易，有鑑於此，超盈紡織控股與Brandix於二零一七年十一月六日訂立框架協議（「**框架協議**」），自初步認購事項完成日期（即二零一七年十一月六日）起計為期三年。

根據框架協議，超盈紡織控股集團與Brandix集團將按正常商業條款不時進行有關合成布料及織帶（或雙方之間可能商定的任何產品）之買賣交易，且該等交易須遵守將由超盈紡織控股集團及Brandix集團之相關成員同意之條款及條件，其中包括將供應之產品、規格、數量、價格、運輸方法及付款安排。



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The annual caps for the transaction amounts under the Framework Agreement for the financial year ended 31 December 2017 was US\$3 million and for the financial years ending 31 December 2018, 2019 and 2020 shall be US\$24 million, US\$36 million and US\$64 million respectively. During the year ended 31 December 2017, the sales to the Brandix Group by the BPTHL Group under the Framework Agreement amounted to approximately US\$2,229,502 (equivalent to approximately HK\$17,390,116). Further details of the Framework Agreement were disclosed in the Company's announcement dated 6 November 2017.

### Independent non-executive Directors' confirmation

The independent non-executive Directors have reviewed the above continuing connected transactions conducted during the year ended 31 December 2017 and confirmed that such transactions have been entered into:

- (a) in the ordinary and usual course of business of the Group;
- (b) either on normal commercial terms or, if there are not sufficient comparable transactions to judge whether they are on normal commercial terms, on terms no less favourable to the Group than terms available to or from (as appropriate) independent third parties; and
- (c) in accordance with the relevant agreement governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

### Review by the Company's auditor

Pursuant to Rule 14A.56 of the Listing Rules, the Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. Our auditor has issued its

框架協議項下於截至二零一七年十二月三十一日止財政年度之交易金額年度上限為3百萬美元，而於截至二零一八年、二零一九年及二零二零年十二月三十一日止財政年度之交易金額年度上限分別為24百萬美元、36百萬美元與64百萬美元。截至二零一七年十二月三十一日止年度，超盈紡織控股集團根據框架協議售予Brandix集團的銷售總額約為2,229,502美元（相等於約17,390,116港元）。有關框架協議的進一步詳情已於本公司日期為二零一七年十一月六日之公告中披露。

### 獨立非執行董事的確認

獨立非執行董事已審閱上述於截至二零一七年十二月三十一日止年度開展的持續關連交易並確認有關交易已在以下情況下訂立：

- (a) 在本集團的一般及日常業務過程中；
- (b) 按正常商業條款，或如果並無足夠的可資比較交易以判斷是否按正常商業條款，則按不遜色於本集團向獨立第三方提供或從獨立第三方享有（若適用）的條款；及
- (c) 依據按公平合理且符合本公司股東整體利益的條款訂立的規管各方的相關協議。

### 本公司核數師進行的審閱

根據上市規則第14A.56條，本公司委聘核數師根據香港會計師公會所頒佈之香港保證工作準則第3000號（經修訂）「審核或審閱過往財務資料以外之保證工作」及參考實務說明第740號「關於香港上市規則所述持續關連交易的核數師函件」就本集團持續關連交易作出報告。核數師已根據上市規則第14A.56條出具其無修正獨立保證報告，報告有關本集團在本年報第49頁至第56頁的截至二零

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unmodified independent assurance report on continuing connected transactions of the Group for the year ended 31 December 2017 in pages 49 to 56 of this annual report in accordance with Rule 14A.56 of the Listing Rules. A copy of the independent assurance report has been provided by the Company to the Stock Exchange.

### AUDIT COMMITTEE

An audit committee (the “**Audit Committee**”) was established by the Board with written terms of reference in compliance with the Corporate Governance Code (the “**CG Code**”) contained in Appendix 14 to the Listing Rules. The Audit Committee comprises three independent non-executive Directors, namely Mr. Sai Chun Yu (“**Mr. Sai**”), Mr. Cheung Yat Ming and Mr. Ding Baoshan (“**Mr. Ding**”). Mr. Sai is the chairman of the Audit Committee.

### REMUNERATION COMMITTEE

A remuneration committee (the “**Remuneration Committee**”) was established by the Board with written terms of reference in compliance with the CG Code contained in Appendix 14 to the Listing Rules.

The Remuneration Committee has three members. For the year ended 31 December 2017 and up to 19 March 2018, the members were Mr. Ding (who was also the chairman of the Remuneration Committee), Mr. Lu and Mr. Cheung Yat Ming.

With effect from 20 March 2018, Mr. Lu has resigned as a member of the Remuneration Committee and Mr. Zhang, the Chief Executive Officer and an executive Director, has been appointed as a member of the Remuneration Committee. After the above changes, the Remuneration Committee comprises three members, namely Mr. Ding, Mr. Zhang and Mr. Cheung Yat Ming and is chaired by Mr. Ding.

### CORPORATE GOVERNANCE

Principal corporate governance practices adopted by the Company are set out in the Corporate Governance Report from pages 87 to 101 of this annual report.

### SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company’s total issued share capital was held by the public as at the latest practicable date prior to the issue of this report.

一七年十二月三十一日止年度的持續關連交易。本公司已向聯交所提供獨立保證報告副本。

### 審核委員會

董事會設立了審核委員會（「**審核委員會**」），其書面職權範圍符合上市規則附錄14中所載的企業管治守則（「**企業管治守則**」）。審核委員會包括三位獨立非執行董事，即余振宇先生（「**余先生**」）、張一鳴先生及丁寶山先生（「**丁先生**」）。余先生為審核委員會的主席。

### 薪酬委員會

董事會設立了薪酬委員會（「**薪酬委員會**」），其書面職權範圍符合上市規則附錄14中所載的企業管治守則。

薪酬委員會有三位成員。截至二零一七年十二月三十一日止年度及直至二零一八年三月十九日，其成員為丁先生（彼亦為薪酬委員會主席）、盧先生及張一鳴先生。

自二零一八年三月二十日起，盧先生辭任薪酬委員會成員一職及張先生（行政總裁兼執行董事）已獲委任為薪酬委員會成員。經上述變動後，薪酬委員會包括三位成員，即丁先生、張先生及張一鳴先生，並由丁先生擔任主席。

### 企業管治

本公司採納的主要企業管治慣例載列於本年報第87頁至第101頁的企業管治報告。

### 公眾持股量的充足性

基於本公司可從公開途徑獲得的資料及據董事所知，於本年報刊發前的最後實際可行日期，本公司總發行股本中至少有25%由公眾持有。

# REPORT OF THE DIRECTORS

## 董事會報告

### DISCLOSURE PURSUANT TO RULE 13.21 OF THE LISTING RULES

As disclosed in the Company's announcement dated 2 November 2017, the Company (as guarantor) and its seven wholly-owned subsidiaries (as borrowers) entered into a facility agreement with certain banks in Hong Kong for a syndicated loan comprising HK\$2 billion equivalent multicurrency term loan and revolving credit facilities, with a maturity of 42 months from the date of first drawdown of the term loan facility. The facility agreement contains specific performance obligations on Mr. Lu, the controlling shareholder of the Company, requiring that he shall at all times:

- (i) maintain, directly or indirectly, at least 30% of the issued share capital of the Company and that such issued share capital shall remain unencumbered;
- (ii) be the single largest shareholder of the Company;
- (iii) be the Chairman of the Board of the Company; and
- (iv) maintain control over the management and business of the borrowers, the Company and the material subsidiaries.

As of the date of this annual report, Mr. Lu is the Chairman of the Board and an executive Director as well as the controlling shareholder of the Company, holding direct and indirect interests in 640,500,000 shares and underlying shares of the Company, representing approximately 61.78% of the issued share capital of the Company as at the date of this report, and is treated as the single largest shareholder of the Company.

Pursuant to the facility agreement, if Mr. Lu breaches any of his specific performance covenants as mentioned above, the borrowers shall prepay the syndicated loan together with the interests and all other amounts accrued in connection therewith in full within 21 days (or such longer period as the borrowers and the agent of the syndicated loan may agree) from the date of the notice delivered by the agent to the borrowers.

### 根據上市規則第13.21條進行的披露

誠如本公司日期為二零一七年十一月二日的公告所披露，本公司（作為擔保人）及其七間全資附屬公司（作為借方）與香港的若干銀行就銀團貸款（包括20.0億港元等值多元幣值的定期貸款及循環信貸融資，於定期貸款融資首次提取日期起計42個月到期）訂立一項融資協議。融資協議載有關於本公司控股股東盧先生的特定履約責任，要求其始終：

- (i) 直接或間接持有本公司已發行股本至少30%且該等已發行股本應始終為無抵押；
- (ii) 作為本公司的單一最大股東；
- (iii) 擔任本公司董事會主席；及
- (iv) 維持對借方、本公司及重要附屬公司的管理及業務的控制權。

截至本年報日期，盧先生為本公司董事會主席及執行董事以及控股股東，於640,500,000股本公司股份及相關股份中持有直接及間接權益，約佔於本報告日期本公司已發行股本的約61.78%，被視為本公司的單一最大股東。

根據融資協議，如盧先生違反其任何上述特定履約契諾，借方需於代理向借方發出通告日期起計21日內（或借方與銀團貸款的代理可能協定的有關較長期限）悉數提前歸還銀團貸款及與之有關的累計利息及其他所有金額。

## PERMITTED INDEMNITY PROVISION

Pursuant to the Articles, every Director shall be entitled to be indemnified out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which he/she may incur or sustain in or about the execution of the duties of his/her office or otherwise in relation thereto.

The Company has arranged appropriate directors' and officers' liability insurance coverage for the Directors and officers of the Group throughout the year.

## EVENTS AFTER THE REPORTING PERIOD

The Group had no significant events after 31 December 2017.

## AUDITOR

The consolidated financial statements of the Company for the year ended 31 December 2017 have been audited by Messrs. Deloitte Touche Tohmatsu. A resolution will be submitted at the forthcoming AGM to re-appoint Messrs. Deloitte Touche Tohmatsu as independent auditor of the Company.

By order of the Board  
**Lu Yuguang**  
Chairman

Hong Kong, 20 March 2018

## 允許的彌償條款

根據細則，各董事有權就其於執行其職務的職責時或與之有關或另行相關而可能產生或承擔的所有行動、成本、費用、虧損、損害賠償及開支而自本公司的資產及溢利中獲得彌償。

整年內，本公司已為本集團的董事及高級職員安排適當的董事及高級職員責任險。

## 報告期後事項

二零一七年十二月三十一日之後，本集團並無任何重大事項。

## 核數師

本公司於截至二零一七年十二月三十一日止年度的綜合財務報表已經德勤·關黃陳方會計師行審核。重新委任德勤·關黃陳方會計師行為本公司的獨立核數師的決議案將在應屆股東週年大會上提呈。

承董事會命  
**盧煜光**  
主席

香港，二零一八年三月二十日

# BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理層簡介

### EXECUTIVE DIRECTORS

**Mr. LU Yuguang** (盧煜光), aged 52, is the chairman of our Company. He was appointed as a Director on 14 June 2013 and re-designated as an executive Director of the Company on 21 January 2014. Mr. Lu is also the chairman of the Nomination Committee and (up to 19 March 2018) a member of the Remuneration Committee of the Company. Mr. Lu has approximately twenty-three years of experience in the textile industry and he formulates overall management plans and oversees the strategic business development of our Group. He is currently the legal representative and the chairman of Dongguan NHE and the chairman of the board of Dongguan BPT. Mr. Lu first started to engage in the textile industry in August 1994 when he was a chairman of Dongguan Runda Elastic Weaving Company Limited (“**Dongguan Runda**”), a company which was engaged in the manufacturing, production and sale of elastic webbing and throughout the years, Mr. Lu has been an active entrepreneur in Dongguan City and Guangdong Province. Since July 2017 and April 2017, Mr. Lu has been appointed as the president of Dongguan City MaChong Association of Enterprises with Foreign Investment (東莞市外商投資企業協會麻涌分會) and as an executive director of World Dongguan Entrepreneurs (世界莞商聯合會) respectively. Furthermore, he has been a committee member of the Chinese People’s Political Consultative Conference of the Dongguan Municipal (東莞市政協委員會) since December 2011 and a member of the Dongguan High-Tech Industry Association (東莞市高新技術產業協會) since July 2009. In July 2009, Mr. Lu was awarded with the “Chinese Enterprise Management Innovation Achievement Award” (中國企業管理創新成就獎) by the China Academy of Management Science (中國管理科學研究院). Mr. Lu is a brother-in-law of Mr. Wu. As at 31 December 2017, Mr. Lu was the controlling shareholder of the Company. Details of Mr. Lu’s interests in the share capital of the Company are set out in the section headed “DISCLOSURE OF INTERESTS – DIRECTORS’ AND CHIEF EXECUTIVE’S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND/OR DEBENTURES” in this annual report.

### 執行董事

盧煜光先生，52歲，本公司主席。彼於二零一三年六月十四日獲委任為董事，並於二零一四年一月二十一日獲調任為本公司執行董事。盧先生亦為本公司提名委員會主席及（直至二零一八年三月十九日）薪酬委員會成員。盧先生在紡織業約有二十三年經驗，負責制訂本集團的整體管理計劃及監督本集團的策略性業務發展。彼目前為東莞潤信的法律代表兼主席，亦為東莞超盈董事會主席。盧先生於一九九四年八月開始從事紡織業，當時為東莞潤達彈性織造有限公司（「**東莞潤達**」，一間從事製造、生產及銷售彈性織帶的公司）的主席，為多年來一直活躍於東莞市及廣東省的企業家。自二零一七年七月及四月，盧先生分別獲委任為東莞市外商投資企業協會麻涌分會會長和世界莞商聯合會常務理事。此外，盧先生自二零一一年十二月起一直為東莞市政協委員會委員，及自二零零九年七月起一直為東莞市高新技術產業協會會員。二零零九年七月，盧先生獲中國管理科學研究院頒授「中國企業管理創新成就獎」。盧先生為吳先生的妹夫。於二零一七年十二月三十一日，盧先生為本公司的控股股東。盧先生於本公司股本中的權益的詳情載列於本年報「權益披露 – 董事及主要行政人員於股份、相關股份及／或債券的權益及淡倉」一節。

## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層簡介

**Mr. ZHANG Haitao** (張海濤), aged 48, is the chief executive officer of our Group. He was appointed as a Director on 14 June 2013 and re-designated as an executive Director of the Company on 21 January 2014. He was also appointed as a member of the Remuneration Committee on 20 March 2018. He is currently a director and the general manager of Dongguan BPT and Dongguan NHE. Mr. Zhang formulates and executes overall corporate directions and business strategies of our Group. He has approximately twenty-two years of experience in the textile industry. Mr. Zhang has worked in our Group since February 2003 and held the position of general manager at Dongguan BPT. Prior to working in our Group, Mr. Zhang worked for Pioneer Elastic Fabric (China) Company Limited (明新彈性織物(中國)有限公司) as the business manager between March 1995 and March 1998. Between January 1998 and April 1999, and later from July 2001 to May 2010, Mr. Zhang was the general manager of Dongguan Runda. Mr. Zhang has been a director of the Guangdong Textiles Association (廣東省紡織協會) since November 2009 and an individual life member of the Hong Kong General Chamber of Textiles Limited (香港紡織商會) since September 2013. Mr. Zhang completed a fashion technology course at Beijing Institute of Fashion Technology (北京服裝學院) in July 1992 and further obtained a master degree in software systems at the University of St. Thomas in the United States in May 2001. Mr. Zhang is the spouse of Ms. Zheng, an executive Director of the Company. As at 31 December 2017, Mr. Zhang was interested in the shares and underlying shares of the Company, details of which are set out in the section headed “DISCLOSURE OF INTERESTS – DIRECTORS’ AND CHIEF EXECUTIVE’S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND/OR DEBENTURES” in this annual report.

張海濤先生，48歲，本集團行政總裁。彼於二零一三年六月十四日獲委任為董事，並於二零一四年一月二十一日獲調任為本公司執行董事。彼亦於二零一八年三月二十日獲委任為薪酬委員會成員。彼目前為東莞超盈及東莞潤信的董事兼總經理。張先生負責制訂並執行本集團之整體企業方針及業務策略。彼於紡織業約有二十二年經驗。張先生自二零零三年二月開始於本集團工作並一直擔任東莞超盈的總經理。張先生於本集團工作前於一九九五年三月至一九九八年三月期間擔任明新彈性織物(中國)有限公司營業經理。張先生其後於一九九八年一月至一九九九年四月期間及二零零一年七月至二零一零年五月期間擔任東莞潤達總經理。張先生自二零零九年十一月起一直為廣東省紡織協會理事，並自二零一三年九月起一直為香港紡織商會永久個人會員。張先生於一九九二年七月於北京服裝學院修畢一個服裝工程課程，其後於二零零一年五月取得美國聖托馬斯大學軟件系統碩士學位。張先生為本公司執行董事鄭女士的配偶。於二零一七年十二月三十一日，張先生於本公司的股份及相關股份中擁有權益，詳情載列於本年報「權益披露 – 董事及主要行政人員於股份、相關股份及／或債券的權益及淡倉」一節。

## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層簡介

**Mr. WU Shaolun** (吳少倫), aged 53, is an executive Director of the Company. He was appointed as a Director on 14 June 2013 and re-designated as an executive Director of the Company on 21 January 2014. He is currently a director and the deputy general manager of Dongguan BPT and Dongguan NHE. Mr. Wu is principally responsible for our Group's infrastructure and the general management of Dongguan BPT and Dongguan NHE. He has over twenty-one years of experience in the textile industry. Prior to joining our Group, Mr. Wu worked in Dongguan Runda as the deputy general manager from April 1995 to May 2010. Since February 2003, Mr. Wu has been the deputy general manager of Dongguan BPT. In addition, he has been the deputy general manager of Dongguan NHE since 2010. Mr. Wu has been a member of the High-tech Enterprises Association in Dongguan City (東莞市高新技術企業協會) since July 2009 and a director of the Dongguan City Association of Enterprises with Foreign Investment (東莞市外商投資企業協會) since November 2013. Mr. Wu is the brother-in-law of Mr. Lu. As at 31 December 2017, Mr. Wu was interested in the shares and underlying shares of the Company, details of which are set out in the section headed "DISCLOSURE OF INTERESTS – DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND/OR DEBENTURES" in this annual report.

吳少倫先生，53歲，本公司執行董事。彼於二零一三年六月十四日獲委任為董事及於二零一四年一月二十一日獲調任為本公司執行董事。彼目前為東莞超盈及東莞潤信的董事兼副總經理。吳先生主要負責本集團之基建及東莞超盈及東莞潤信的整體業務管理。彼於紡織業擁有逾二十一年經驗。吳先生於加盟本集團前，於一九九五年四月至二零一零年五月期間擔任東莞潤達的副總經理。吳先生自二零零三年二月起一直為東莞超盈的副總經理。此外，彼自二零一零年起一直擔任東莞潤信的副總經理。吳先生自二零零九年七月起一直為東莞市高新技術企業協會會員，並自二零一三年十一月起一直為東莞市外商投資企業協會理事。吳先生為盧先生的內兄。於二零一七年十二月三十一日，吳先生於本公司的股份及相關股份中擁有權益，詳情載列於本年報「權益披露 – 董事及主要行政人員於股份、相關股份及／或債券的權益及淡倉」一節。

## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層簡介

**Ms. ZHENG Tingting** (鄭婷婷), aged 43, is an executive Director of the Company, the chief operating officer and vice-president (marketing) of the Group and is responsible for the overall operations, manufacturing and developing and implementing the sales and marketing strategies of the Group. Prior to joining the Group in December 2006, Ms. Zheng joined the Guangzhou office of Parker Pen (Shanghai) Limited as a sourcing specialist in January 2004. In December 2006, Ms. Zheng joined Dongguan Runda and worked as the vice-president when she left in May 2010 and she has since joined Dongguan NHE in the same capacity. Also, starting from December 2006, Ms. Zheng worked as a sales manager in Dongguan BPT and since December 2008, she has been promoted as the vice-president (marketing) of the Group. Ms. Zheng has also been promoted as the chief operating officer of the Group since 1 September 2014. Ms. Zheng graduated from the English department of Xi'an Translation College (西安翻譯培訓學院) in the PRC in June 1996. Ms. Zheng is the spouse of Mr. Zhang, the chief executive officer and an executive Director of the Company. As at 31 December 2017, Ms. Zheng was interested in the shares and underlying shares of the Company, details of which are set out in the section headed "DISCLOSURE OF INTERESTS – DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND/OR DEBENTURES" in this annual report.

鄭婷婷女士，43歲，本公司執行董事、本集團首席運營官及營業副總裁，負責本集團整體運作、生產及制訂與實施銷售及營業策略等事宜。鄭女士於二零零六年十二月加盟本集團之前，於二零零四年一月加盟上海派克筆有限公司廣州辦事處擔任採購專員。鄭女士於二零零六年十二月加盟東莞潤達擔任副總裁至二零一零年五月離職為止，此後加盟東莞潤信，同樣擔任副總裁的職位。此外，自二零零六年十二月起，鄭女士於東莞超盈擔任銷售經理一職，於二零零八年十二月晉升為本集團營業副總裁。鄭女士亦於二零一四年九月一日起被晉升為本集團首席運營官。鄭女士於一九九六年六月於中國西安翻譯培訓學院英文系畢業。鄭女士為本公司行政總裁兼執行董事張先生的配偶。於二零一七年十二月三十一日，鄭女士於本公司的股份及相關股份中擁有權益，詳情載列於本年報「權益披露 – 董事及主要行政人員於股份、相關股份及／或債券的權益及淡倉」一節。



# BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理層簡介

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. CHEUNG Yat Ming** (張一鳴), aged 49, was appointed as an independent non-executive Director of the Company on 8 May 2014. He is also a member of the Audit Committee, the Remuneration Committee and the Nomination Committee of the Company. Mr. Cheung has extensive experience in the fields of investment, real estate and property market research, corporate finance and auditing. Prior to joining our Group, Mr. Cheung was a staff accountant and semi-senior accountant at Arthur Andersen & Co. in Hong Kong and China from August 1991. In August 1994, Mr. Cheung joined Citicorp Commercial Finance (HK) Limited as an administration and accounting manager and was promoted with Citibank's corporate title of assistant vice-president in September 1996. In October 1997, he joined Salomon Brothers Hong Kong Limited as an equity research associate. Mr. Cheung joined Donaldson, Lufkin & Jenrette as a research associate in its equity department in May 1999. In November 2000, Mr. Cheung joined HSBC Markets (Asia) Limited as its head of Hong Kong and China property research. In 2005, Mr. Cheung joined Cohen & Steers Asia Limited as an executive director and a vice-president in its investment research department and was promoted in January 2007 as a senior vice-president and Asia Pacific chief investment officer. In June 2009, Mr. Cheung joined DBS Vickers (Hong Kong) Limited as its head of research. From August 2011 to June 2013, Mr. Cheung worked as the chief investment officer of Neutron Greater China Equity Long/Short Fund as managed by Neutron INV Partners Limited. Since June 2013, Mr. Cheung has been the executive director, chief executive officer and responsible officer of New Century Asset Management Limited, which is the manager of New Century Real Estate Investment Trust, a REIT listed on the Stock Exchange (Stock Code: 1275). Since March 2014, Mr. Cheung has also taken up the position as an independent non-executive director of Springland International Holdings Limited, a company listed on the Stock Exchange (Stock Code: 1700). Mr. Cheung is

### 獨立非執行董事

張一鳴先生，49歲，於二零一四年五月八日獲委任為本公司獨立非執行董事。彼亦為本公司審核委員會，薪酬委員會及提名委員會之成員。張先生在投資、房地產及物業市場研究、企業融資及審計方面經驗豐富。張先生於加盟本集團前，於一九九一年八月在香港及中國安達信公司擔任會計員及中級會計師。於一九九四年八月，張先生加盟花旗工商財務(香港)有限公司擔任行政及會計經理，並於一九九六年九月晉升為花旗銀行之助理副總裁。彼於一九九七年十月加盟所羅門兄弟香港有限公司擔任證券研究助理。於一九九九年五月，張先生於Donaldson, Lufkin & Jenrette之投資部擔任證券研究分析員。張先生於二零零零年十一月加盟HSBC Markets (Asia) Limited擔任香港及中國物業分析主管。於二零零五年，張先生加盟Cohen & Steers Asia Limited擔任執行董事兼投資研究部副總裁，並於二零零七年一月晉升為高級副總裁兼亞太區投資總監。張先生於二零零九年六月加盟星展唯高達香港有限公司擔任研究主管。於二零一一年八月至二零一三年六月期間，張先生擔任由Neutron INV Partners Limited管理之Neutron Greater China Equity Long/Short Fund的投資總監。自二零一三年六月起，張先生一直擔任開元資產管理有限公司的執行董事、行政總裁兼負責人員，該公司為開元產業投資信託基金(聯交所上市的產業投資基金，股份代號：1275)的經理。自二零一四年三月起，張先生成為華地國際控股有限公司的獨立非執行董事(聯交所上市公司，股份代號：1700)。張先生獲證券及期貨事務監察委員會發牌從事第9類(提供資產管理)受規管活動。張先生於一九九五年一月

## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層簡介

licensed by the Securities and Future Commission to carry out Type 9 (asset management) regulated activity. He became a certified public accountant of the Hong Kong Institute of Certified Public Accountants in January 1995, a fellow of the Association of Chartered Certified Accountants in September 1999 and a fellow member of the Institute of Chartered Accountants in England and Wales in September 2017. In June 2010, Mr. Cheung received the Outstanding Chinese Business Leader Award (中華傑出商業領袖獎) from the HongQi (紅旗畫刊) and China Report (中國報道). Mr. Cheung graduated from the Hong Kong Polytechnic University with a bachelor degree in accountancy in November 1991.

Mr. Cheung was appointed as a director of Neutron Greater China Equity Long/Short Fund, an exempted limited company incorporated in the Cayman Islands on 11 June 2010 to conduct securities investment business. The company had ceased to trade and was not in operation, had no assets, nor liabilities to creditors, shareholders or any other third party at the time when the directors of the company, one of whom was Mr. Cheung, and the shareholders of the company believed that it was for the best interests of the company to be struck off from the register of companies in the Cayman Islands. The company was subsequently struck off from the register on 31 December 2013. Mr. Cheung was also a director of Neutron Capital Management Ltd., an exempted limited company incorporated in the Cayman Islands on 11 June 2010 to conduct securities investment business. The company had ceased to trade and was not in operation, it also had no assets, nor liabilities to creditors, shareholders or any other third party at the time when the directors of the company, one of whom was Mr. Cheung, and the shareholders of the company believed that it was for the best interests of the company to be struck off from the register of companies in the Cayman Islands. The company was subsequently struck off from the register on 31 December 2013.

成為香港會計師公會的執業會計師、於一九九九年九月成為特許公認會計師公會的資深會員以及於二零一七年九月成為英格蘭及韋爾斯特許會計師公會的資深會員。於二零一零年六月，張先生獲《紅旗畫刊》及《中國報道》授予中華傑出商業領袖獎。張先生於一九九一年十一月於香港理工大學畢業，取得會計學學士學位。

張先生獲委任為Neutron Greater China Equity Long/Short Fund (一間於二零一零年六月十一日在開曼群島註冊成立之獲豁免有限公司，從事證券投資業務)的董事。該公司已停止交易及營運，及張先生為該公司其中一名董事時，該公司並無債權人、股東或任何其他第三方的資產或負債，及該公司的股東認為將該公司從開曼群島的公司登記冊中剔除，此舉對該公司最為有利。該公司隨後於二零一三年十二月三十一日自登記冊中剔除。張先生亦為Neutron Capital Management Ltd. (一間於二零一零年六月十一日在開曼群島註冊成立之獲豁免有限公司，從事證券投資業務)的董事。該公司已停止交易及營運，及張先生為該公司其中一名董事時，該公司並無債權人、股東或任何其他第三方的資產或負債，及該公司的股東認為將該公司從開曼群島的公司登記冊中剔除，此舉對該公司最為有利。該公司隨後於二零一三年十二月三十一日自登記冊中剔除。

## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層簡介

**Mr. DING Baoshan** (丁寶山), aged 55, was appointed as an independent non-executive Director of the Company on 8 May 2014. He is also the chairman of the Remuneration Committee and a member of the Audit Committee and the Nomination Committee of the Company. Prior to joining our Group, Mr. Ding was an executive director of Denway Motors Limited, which was initially listed on the Stock Exchange but was delisted in 2010 upon its privatisation, from 2000 to 2007. Starting from July 2000, Mr. Ding also worked as the chief economist and the deputy general manager of Guangzhou Automobile Industry Group Company Limited (廣州汽車工業集團有限公司), managing various departments until October 2007. Starting from 2008, he was the general manager of Beijing Shengshi Huaxuan Investment Company Limited (北京盛世華軒投資有限公司) until June 2015. Starting from May 2011, he has been an independent director of Qinghai Huading Industrial Company Limited (青海華鼎實業有限公司), a company listed on the Shanghai Stock Exchange (Stock Code: 600243). Mr. Ding has also taken up the position as the chairman and an executive director of Pizu Group Holdings Limited, a company listed on the Stock Exchange (Stock Code: 8053) since December 2012, and subsequently resigned as the chairman on 15 November 2016. With effect from 30 March 2015, Mr. Ding has been appointed as an independent director of Shanxi Guoxin Energy Corporation Limited (山西省國新能源股份有限公司), a company listed on the Shanghai Stock Exchange (Stock code: 600617). Mr. Ding graduated from the Beijing Iron and Steel Institute (北京鋼鐵學院) with a bachelor degree in mining machinery in July 1985. In June 1988, Mr. Ding completed a master degree in engineering at Beijing University of Science and Technology (北京科技大學) in the PRC. Mr. Ding graduated from the China Social Science Institute (中國社會科學院) with a doctorate degree in economics in July 1991.

丁寶山先生，55歲，於二零一四年五月八日獲委任為本公司獨立非執行董事。彼亦為本公司薪酬委員會主席，審核委員會及提名委員會成員。丁先生於加盟本集團前，於二零零零年至二零零七年期間出任駿威汽車有限公司（駿威汽車有限公司最初於聯交所上市，但在該公司私有化後於二零一零年除牌）執行董事。自二零零零年七月起，丁先生亦於廣州汽車工業集團有限公司擔任總經濟師兼副總經理，管理不同部門，直至二零零七年十月為止。自二零零八年起，彼於北京盛世華軒投資有限公司擔任總經理直至二零一五年六月。自二零一一年五月起，彼於青海華鼎實業有限公司（於上海證券交易所上市的公司，股份代號：600243）出任獨立董事。自二零一二年十二月起，丁先生出任比優集團控股有限公司（聯交所上市公司，股份代號：8053）主席兼執行董事，並其後於二零一六年十一月十五日辭任主席一職。自二零一五年三月三十日起，丁先生獲委任為山西省國新能源股份有限公司（一家於上海證券交易所上市的公司，股份代號：600617）的獨立董事。丁先生於一九八五年七月於北京鋼鐵學院畢業，取得礦山機械學士學位。丁先生於一九八八年六月完成中國北京科技大學的工學碩士學位。丁先生於一九九一年七月於中國社會科學院畢業，取得經濟學博士學位。

# BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理層簡介

**Mr. SAI Chun Yu** (余振宇), aged 37, was appointed as an independent non-executive Director of the Company on 8 May 2014. He is also the chairman of the Audit Committee of the Company. Mr. Sai has over fifteen years of experience in audit, accounting, taxation and business consultancy. Prior to joining our Group, Mr. Sai worked at Ting Ho Kwan & Chan Certified Public Accountants from August 2002 to February 2006. Later in March 2006, Mr. Sai worked at KPMG as an assistant manager. Mr. Sai has been the managing partner of CCS & Company, Certified Public Accountants since March 2008. Since March 2012, Mr. Sai has been an independent non-executive director of Yueshou Environmental Holdings Limited, a company listed on the Stock Exchange (Stock Code: 1191) and resigned from such position with effect from 10 October 2014. In February 2006, Mr. Sai was admitted as a member of the Association of Chartered Certified Accountants. In September 2007, Mr. Sai became a certified public accountant of the Hong Kong Institute of Certified Public Accountants and was later registered as a certified public accountant (practising) in February 2008 with the same institute. Mr. Sai graduated from the Chinese University of Hong Kong with a bachelor degree in business administration in December 2002.

### CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY

**Mr. CHAN Yiu Sing** (陳耀星), aged 39, is the chief financial officer and company secretary of our Group. Mr. Chan is responsible for ensuring and maintaining the standards of corporate governance of the Group. Mr. Chan has over twelve years of experience in audit, investment, accounting and finance. He joined an international audit firm in February 2006 and was a manager of such audit firm until May 2012 prior to joining our Group in February 2013. Mr. Chan graduated from the University of New South Wales in Australia with a master degree in commerce in June 2005 and a bachelor degree in accounting and finance in October 2003. He has been a member of the Hong Kong Institute of Certified Public Accountants since September 2009.

余振宇先生，37歲，於二零一四年五月八日獲委任為本公司獨立非執行董事。彼亦為本公司審核委員會主席。余先生在審計、會計、稅務及商業顧問方面擁有逾十五年經驗。余先生於加盟本集團前，於二零零二年八月至二零零六年二月期間於丁何關陳會計師行工作。其後於二零零六年三月，余先生於畢馬威會計師事務所擔任助理經理。自二零零八年三月起，余先生成為安德會計師行之管理合夥人。自二零一二年三月起，余先生為粵首環保控股有限公司（聯交所上市公司，股份代號：1191）獨立非執行董事並於二零一四年十月十日辭任該職務。於二零零六年二月，余先生獲認可為特許公認會計師公會會員。於二零零七年九月，余先生成為香港會計師公會之執業會計師，並於二零零八年二月於該機構註冊成為執業會計師。余先生於二零零二年十二月於香港中文大學畢業，取得工商管理學士學位。

### 首席財務官及公司秘書

陳耀星先生，39歲，本集團首席財務官兼公司秘書。陳先生負責確保並維持本集團企業管治水準。陳先生在審計、投資、會計及財務方面擁有逾十二年經驗。彼於二零零六年二月加盟一家國際審計事務所，在該審計事務所擔任經理至二零一二年五月為止，其後於二零一三年二月加盟本集團。陳先生畢業於澳洲新南威爾士大學，分別於二零零五年六月及二零零三年十月獲該校頒授商科碩士學位及會計及財務學士學位，並自二零零九年九月起一直為香港會計師公會會員。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### ABOUT THIS REPORT

Best Pacific International Holdings Limited (the “**Company**” or “**Best Pacific**”) and its subsidiaries (collectively, the “**Group**” or “**our**” or “**we**” or “**us**”), is a leading one-stop solutions provider of lingerie materials by sales revenue. Being one of the few lingerie one-stop solutions providers, Best Pacific supplies the lingerie brand owners with a comprehensive product range of lingerie materials, comprising of elastic fabric, elastic webbing and lace. The Company sustains satisfactory business growth by leveraging on its high product quality and with strong innovative and research and development capabilities, Best Pacific has continued to reinforce its long-term and close collaborations with leading lingerie brands including ^Aimer, Chantelle, Embry Form, Maniform, Marks & Spencer, Spanx, Triumph, Victoria’s Secret and Wacoal. In 2013, the Group further expanded into the sportswear and apparel materials market. The Group continues to deepen its partnership with the world’s leading sportswear and apparel brands including ^Lululemon, Under Armour, sportswear series of Victoria’s Secret, PINK and Victoria Sport, as well as other international sportswear and apparel brands.

This environmental, social and governance report covering the reporting period from 1 January 2017 to 31 December 2017, with an objective to outline our approaches, commitments and strategies to the sustainability development of the Group. Relevant disclosures of sustainability performance in material aspects are made in accordance with the Environmental, Social and Governance Reporting Guide set out in Appendix 27 to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited. With the objective to enhance the Group’s global footprint and to further expand our market share, a manufacturing plant in Vietnam just started its production phase in the second half of 2017. While the policies disclosed in this report generally apply to the whole Group, those policies in relation to the production process and the relevant statistics are mainly related to our subsidiaries in the People’s Republic of China (the “**PRC**”) in which the main production capacities are located.

^ Brands are arranged in alphabetical order.

### 關於本報告

超盈國際控股有限公司（「**本公司**」或「**超盈國際**」）及其附屬公司（統稱「**本集團**」或「**我們**」）為一家女性內衣物料領先一站式解決方案供應商（按銷售收入計）。作為少數女性內衣一站式解決方案供應商之一，超盈國際向女性內衣品牌擁有人提供全面的女性內衣物料產品，包括彈性織物面料、彈性織帶及蕾絲。憑藉卓越的產品質量及強大的創新及研發能力，本公司持續取得驕人的業務增長。超盈國際繼續鞏固與首屈一指的女性內衣品牌（包括^愛慕、仙黛爾、安莉芳、曼妮芬、馬莎、Spanx、黛安芬、Victoria’s Secret及華歌爾）長期密切的合作關係。於二零一三年，本集團將業務進一步擴充至運動服裝及服裝物料市場。本集團繼續加深與世界首屈一指的運動服裝及服裝品牌（包括^Lululemon、Under Armour、Victoria’s Secret運動服裝系列、PINK及Victoria Sport）以及其他國際運動服裝及服裝品牌的合作關係。

本環境、社會及管治報告概述本集團於可持續發展方面的方法、實踐與策略，涵蓋期自二零一七年一月一日至二零一七年十二月三十一日。可持續表現在重大方面的相關披露乃根據香港聯合交易所有限公司證券上市規則（「**上市規則**」）附錄27所載的環境、社會及管治報告指引作出。為擴大本集團的全球業務範圍及進一步增加我們的市場份額，我們於越南的生產廠房於二零一七年下半年開始投產。儘管本報告所披露的政策普遍適用於整個集團，但有關生產工序及相關統計數據的政策主要與本集團於中國人民共和國（「**中國**」，主要產能所在地）的附屬公司有關。

^ 品牌按品牌英文字母順序排序。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### VISION

“Build on innovation and technology” has always been the Group’s vision in developing new products to meet the market demand. Through its dedication in research and development, the Group has developed a diversified portfolio of high-performance lingerie, sportswear and apparel materials, which are blended with quality, comfort and functionalities.

### MISSION

While Best Pacific is expanding and diversifying the customer portfolio with its innovative products across the sectors, we also focus on delivering our social responsibilities and the Group has always aimed at creating a green, healthy and safe working environment, while at the same time educating and equipping our staff with the relevant skills and knowledge to manufacture safe and quality products. Best Pacific not only sees the mission as part of our high corporate governance and social responsibilities, but also considers it a crucial element for the long term sustainable development of the Group.

### ENVIRONMENTAL PROTECTION

Being one of the world’s leading textile manufacturers, Best Pacific not only focuses on its business development by expanding production capacities and creating innovative and high quality products to customers, but also aims at putting efforts in making a better world by creating a green manufacturing environment through a series of measures. With the ISO14001:2004 certification issued by SGS United Kingdom Ltd., we are regarded to have exercised quality environmental and energy management throughout the manufacturing process. With a view to further improving our energy efficiency and to making a better world we live in, Best Pacific is working towards the ISO50001 certification and will continue to commit to creating a better environment through our resources-saving campaigns.

### 願景

「以創新及技術為根基」始終為本集團開發新產品以滿足市場需求的願景。透過致力於研究及開發，本集團開發了各種集質量、舒適度及功能為一體的高性能女性內衣、運動服裝及服裝物料產品。

### 使命

超盈國際在利用其創新產品在整個行業內擴大及多樣化其客戶組合同時，亦致力於履行我們的社會責任，且本集團一直致力於營造綠色、健康及安全的工作環境，同時教育並使我們的員工具備相關技能及知識，以生產安全及優質產品。超盈國際不僅將使命視作高水準企業管治及社會責任的一部分，亦將其視為本集團長期可持續發展的關鍵因素。

### 環境保護

作為全球領先的紡織廠之一，超盈國際不僅專注於業務發展，擴大產能及為客戶創造創新、優質產品，亦計劃透過一系列措施創造一個綠色的生產環境，讓世界更美好。憑借SGS United Kingdom Ltd頒發的ISO14001:2004認證，我們在生產過程中推行高效的環境及能源管理。為進一步提高我們的能源效率及營造良好的生活環境，超盈國際正申請ISO50001認證，且將繼續致力於透過節能活動打造一個更好的環境。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Emissions

Air and greenhouse gas emissions from boilers and pre-treating machines, sewage discharges from the dyeing process and other associated hazardous waste from other production phases are the major emissions of the Group's whole manufacturing process. We strictly follow the internal guidelines as laid out in the working environment handbook, as well as the relevant laws and regulations, guidelines and standards issued by the PRC government. Details of the emissions are as follows:

### 排放

鍋爐及預先處理機之空氣及溫室氣體排放、漂染過程中之污水排放及其他生產階段所產生之其他相關危險廢棄物乃本集團整個生產流程之主要排放物。我們嚴格遵守工作環境手冊載明之內部指引以及中國政府發佈之相關法律及法規、指引及標準。排放信息如下：

Emissions	排放	For the year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年	2016 二零一六年
Sewage	污水	1,440,000 Cubic meters 立方米	1,400,000 Cubic meters 立方米
Hazardous wastes	危險廢物	7.5 Tonnes 噸	3.0 Tonnes 噸
Non-hazardous wastes	非危險廢物	8,419.9 Tonnes 噸	4,211.1 Tonnes 噸

Air and greenhouse gas emissions	空氣及溫室氣體排放	For the year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年	2016 二零一六年
Carbon dioxide (CO <sub>2</sub> )	二氧化碳 (CO <sub>2</sub> )	21,478.8 Tonnes 噸	19,841.8 Tonnes 噸

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

Sewage discharges	污水排放	For the year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年	2016 二零一六年
		Intensity (Mg/L) 濃度 (毫克 / 公升)	Intensity (Mg/L) 濃度 (毫克 / 公升)
Suspended solids	懸浮物	7.917	8.583
Ammonia nitrogen	氨氮	1.048	0.956
Sulfide	硫化物	Less than 小於0.005	Less than 小於 0.005
Total phosphorus	總磷	0.067	0.052
Hexavalent chromium	六價鉻	0.043	0.022
Aniline	苯胺類	0.055	0.042

- Air and greenhouse gas emissions – major pollutants of the air and greenhouse gas emissions from boilers and pre-treating machines such as sulphur dioxide (SO<sub>2</sub>), nitrogen oxide (NO), carbon dioxide (CO<sub>2</sub>), smoke and dusts are emitted and controlled in accordance to the “Emission standard of air pollutants for boiler” issued by the Ministry of Environmental Protection of the PRC. The Group has successfully obtained the annual gas emission license in 2017, for which the license is subject to review and renewal annually, indicating that the Group is up to the required standards. Since the alteration of boilers in 2016, the fuel for boilers has been replaced by natural gas and, except for carbon dioxide (CO<sub>2</sub>), other air and greenhouse gas emissions are insignificant for measurement and disclosure.
- Sewage discharges – sewage is treated and discharged in accordance to the “Discharge standards of water pollutants for dyeing and finishing of textile industry” issued by the Ministry of Environmental Protection of the PRC. The sewage discharges are obtained and examined quarterly by the relevant governmental authority. Throughout the year, we had strictly complied with the given standards and the results are satisfactory.
- 空氣及溫室氣體排放 – 鍋爐及預先處理機的氣體排放產生的主要污染物，如二氧化硫(SO<sub>2</sub>)、氮氧化物(NO)、二氧化碳(CO<sub>2</sub>)、煙塵及粉塵，均根據中國環保部發佈的《鍋爐大氣污染排放標準》予以排放及控制。本集團已於二零一七年成功獲得年度氣體排放許可(須每年進行審核及更新)，表明本集團符合相關標準。自我們於二零一六年改造鍋爐以來，鍋爐所用燃料已為天然氣所取代，除了二氧化碳(CO<sub>2</sub>)以外的其他空氣及溫室氣體排放未達能計量及披露之程度。
- 污水排放 – 污水乃根據中國環保部發佈的《紡織染整工業水污染物排放標準》予以處理及排放。污水排放由相關政府部門每季度抽取及檢驗。於整個年度，我們已嚴格遵守相關標準，結果令人滿意。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

- Disposal of hazardous and non-hazardous wastes – hazardous wastes mainly include fabric and boxes contaminated by dye and used dye barrels while non-hazardous wastes mainly include wasted papers, wasted fabrics and wasted wood blocks. All the hazardous and non-hazardous wastes produced during the production process are centralised and managed by qualified operator in transferring out the waste. Volatile organic compounds (“VOCs”) emitted from pre-treating machines are managed in accordance to the “Emission standard of volatile organic compounds for furniture manufacturing operations” issued by the Ministry of Environmental Protection of the PRC on the intensity and velocity of emission. Moreover, various on-the-job training is provided to employees so as to minimise the creation of wastes during operation.
- 危險及非危險廢棄物處置 – 危險廢棄物主要包括被染料污染的紡織物和包裝箱及使用後的染料桶，而非危險廢棄物主要包括廢紙，廢棄紡織物和廢棄木塊。生產過程中產生的所有危險及非危險廢棄物均由合資格的操作員於轉出廢棄物時集中處理。預處理機排放的揮發性有機化合物（「揮發性有機化合物」）乃根據中國環保部發佈有關排放強度及速度的《傢俱製造行業揮發性有機化合物排放標準》予以處理。此外，通過各種予員工的在職培訓以減少操作業務過程中的廢物產生。

### Use of resources

Our major resources consumed during the manufacturing process include electricity, natural gas, water resources, steam and coal. In order to minimise the impact of the Group's operations to the environment, we closely monitor and control the resources consumed. Details of the use of resources are as follows:

### 資源利用

我們於生產過程中消耗的主要資源包括電力、天然氣、水資源、蒸汽及煤。為降低本集團營運對環境的影響，我們密切監測及控制所消耗的資源。資源利用詳情如下：

Use of resources	資源利用	For the year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年	2016 二零一六年
Electricity	電	108,448,207 Kilowatt hours 千瓦小時	91,943,547 Kilowatt hours 千瓦小時
Natural gas	天然氣	9,911,053 Cubic meters 立方米	6,026,768 Cubic meters 立方米
Water resources*	水資源*	5,485,807 Tonnes 噸	5,509,652 Tonnes 噸
Steam	蒸氣	268,442 Tonnes 噸	258,953 Tonnes 噸
Coal	煤	Nil 無	3,584 Tonnes 噸
Packaging materials	包裝物	167 Tonnes 噸	138 Tonnes 噸

\* The Group did not encounter any issue in sourcing water that is fit for purpose.

\* 本集團在求取適用水源上並沒有任何問題。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

Construction and renovation work have been carried out to upgrade the existing manufacturing facilities on a continuous basis and an annual assessment is performed to allow efficient use of resources and to minimise any environmental impacts associated with the production process. Relevant projects carried out in the year ended 31 December 2017 included:

本集團落實建設及改造工程，按持續經營基準升級現有生產設施，並開展年度評估，更有效地利用資源及減少生產過程中的任何環境影響。截至二零一七年十二月三十一日止年度，我們開展的相關項目包括：

Projects 項目	Details and results achieved 詳情及達成成果
<b>Photovoltaic power generation modules</b> 光伏發電模組	<ul style="list-style-type: none"> <li>9,460 pieces of photovoltaic power generation modules have been installed on the rooftop of our Phase I and Phase VI Production Plants in the PRC in 2017.</li> <li>於二零一七年已於第一期生產廠房及第六期生產廠房屋頂安裝9,460組光伏發電模組。</li> <li>These modules together have a maximum design output of 2.5542MWp.</li> <li>該等模組最大設計輸出為2.5542兆瓦。</li> <li>It is expected that, on average, these modules can produce 2,389,000 kilowatt hours annually for 25 years.</li> <li>預期該等模組平均每年可產出2,389,000千瓦時，為期二十五年。</li> </ul>
<b>LED lightings</b> LED照明	<ul style="list-style-type: none"> <li>The replacement of CFL bulbs by LED bulbs has further expanded from production area to non-production area, which further saved up much electricity.</li> <li>從生產區域進一步到非生產區域的照明由LED燈泡替代CFL燈泡，節省更多電力。</li> </ul>
<b>Reconstruction of recycled water pipes</b> 再生水管重建	<ul style="list-style-type: none"> <li>Condensed water from steam machines and cooling water from machines are recycled and reused for dyeing.</li> <li>蒸汽機產生的冷凝水及機器產生的冷卻水被回收再利用於染色。</li> <li>Over 400 tonnes of these 60°C recycled water are saved per day, and as a result, 14,000KJ of energy is saved daily in the water heating process.</li> <li>每天可節省超過400噸60°C的循環水，因此，每天從水加熱過程中可節省14,000千焦的能源。</li> </ul>
<b>Energy saving pumps of air conditioning system</b> 空調系統節能泵改造	<ul style="list-style-type: none"> <li>Energy saving pumps of air conditioning system saved us more than 21% consumption of electricity.</li> <li>空調系統節能泵替我們節省了超過21%的耗電量。</li> </ul>

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### EMPLOYMENT AND WORK ENVIRONMENT

### 僱傭及工作環境

#### Basic information on employees

As at 31 December 2017, the Group employed a total of 6,409 full-time employees.

#### 僱員基本資料

於二零一七年十二月三十一日，本集團共僱傭6,409名全職員工。

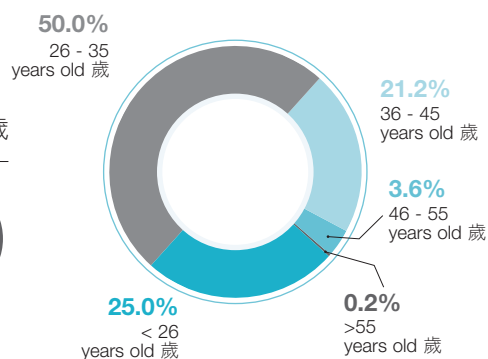
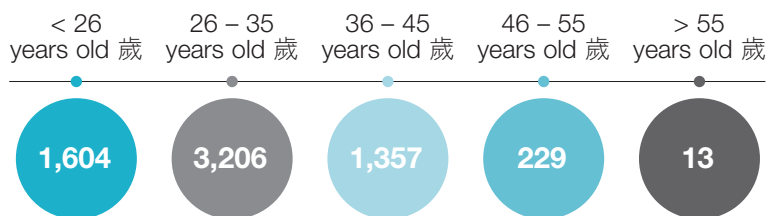
#### Talents distribution at a glance

人才分佈一覽表

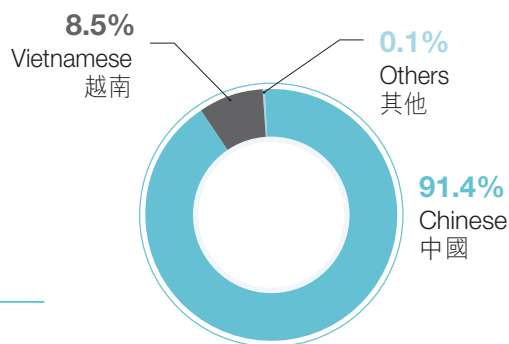
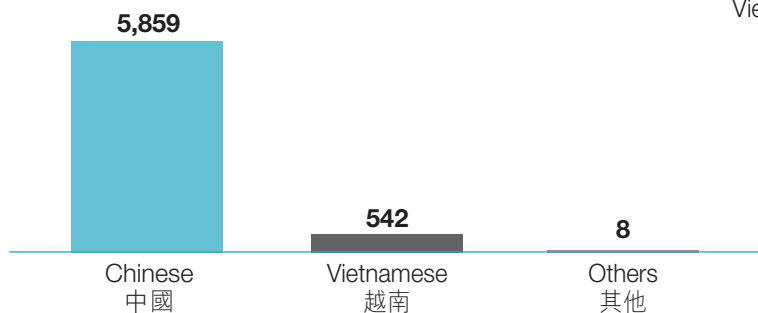
#### By gender 按性別



#### By age 按年齡



#### By nationality 按國籍



Total 總計 = 6,409 employees 名僱員 (100%)

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

As at 31 December 2016, the Group employed a total of 5,725 full-time employees.

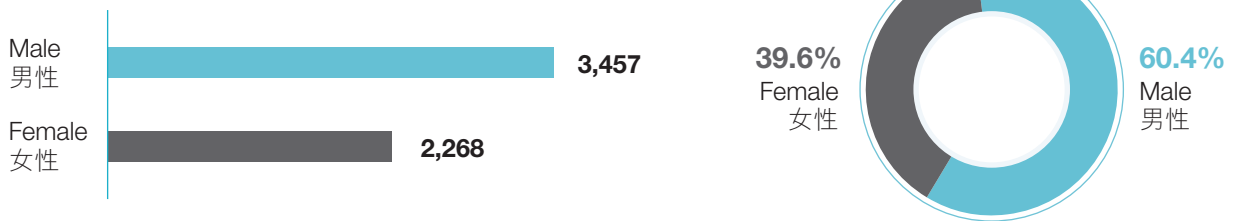
於二零一六年十二月三十一日，本集團共僱傭5,725名全職員工。

### Talents distribution at a glance

#### 人才分佈一覽表

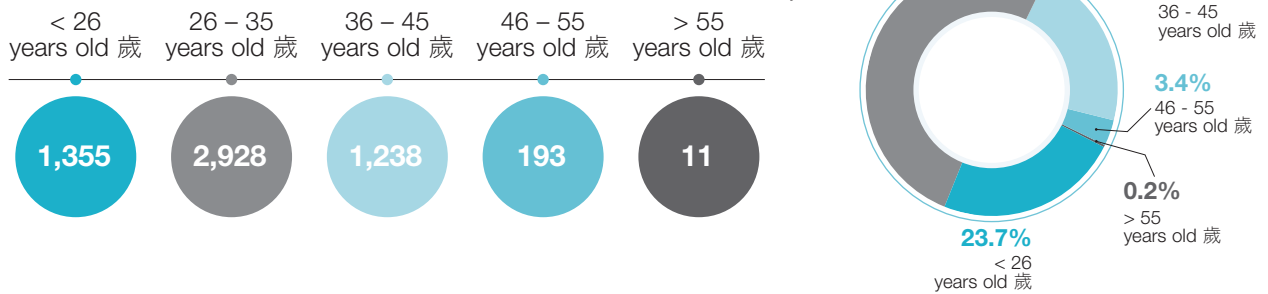
#### By gender

##### 按性別



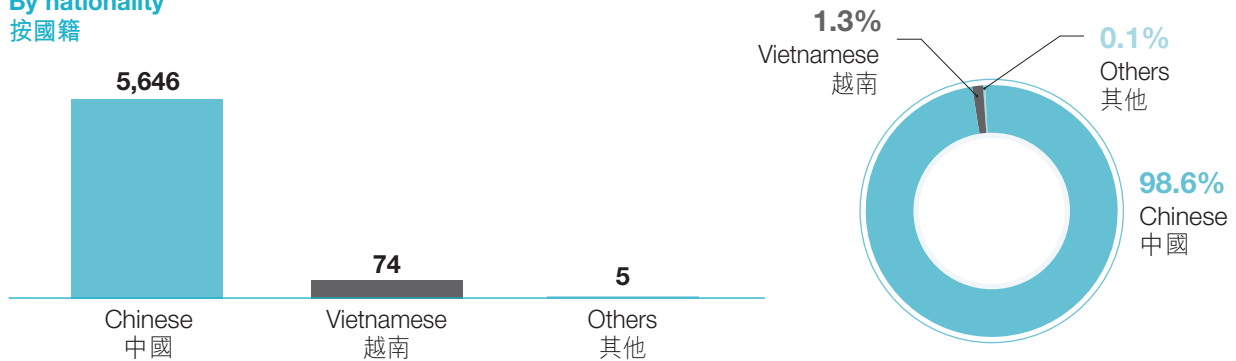
#### By age

##### 按年齡



#### By nationality

##### 按國籍



Total 總計 = 5,725 employees 名僱員 (100%)

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

As a people-oriented company, Best Pacific sees human capital as a valuable asset for the sustainable development of the Group in the long run.

We have been continuously making efforts to attract and retain talents in order to support our on-going business expansion domestically as well as diversification into other geographical locations. Recruitment and promotion of our people are based on their ability and performance and the Group is committed to creating a work environment which provides fair and equal development and learning opportunities to all staff, regardless of gender, age, nationality, race, family status or religion. Discrimination of any kinds is strictly not allowed in our workplace.

Work-life balance is perceived to be the crux to the physical as well as psychological development of our employees. Our staff have reasonable working hours and rest periods, enjoy all statutory holidays and are entitled to paid leave according to the laws of the different jurisdictions.

In terms of benefits and welfare, not only do we pay contributions of social insurance in the PRC and mandatory provident fund in Hong Kong, but also provide subsidised accommodation, meals, accidents and medical insurance to eligible employees. The Company is entitled to grant share options to eligible employees under its share option scheme to recognise and reward their contributions to the Group and to encourage them to work towards enhancing the value of the Company and its shareholders.

Compensation is also paid for work overtime according to local labour laws. Upon terminating any employees with dissatisfactory performance or of any other reasons, the Group pays the relevant dismissal compensation in accordance with their service contracts and the relevant laws and regulations.

作為一家「以人為本」的公司，超盈國際將人力資本視作本集團長期可持續發展的寶貴資產。

我們一直致力於吸引及挽留人才，以支持我們於國內的持續業務擴張及於其他地區的多元化經營。招募及晉升員工的標準是彼等的能力及表現，且本集團致力於為所有員工創造一個提供公平、平等發展及學習機會的工作環境，而無論員工的性別、年齡、國籍、種族、家庭狀況或宗教。我們的工作場所嚴格禁止任何形式的歧視。

我們認為，工作生活平衡是員工身心發展的關鍵。我們員工的工作及休息時間合理，享受所有法定假期，且根據不同司法管轄權區的法律，有權帶薪休假。

就福利而言，我們不僅於中國及香港繳納社保及強制性公積金，亦向合資格員工提供住宿、就餐、事故及醫療保險。本公司有權根據購股權計劃向合資格員工授予購股權，認可及表彰彼等對本集團作出的貢獻，並鼓勵彼等努力提升本公司及其股東的價值。

本集團亦根據當地勞動法提供加班工資。倘任何員工因表現不佳或任何其他原因被解僱，本集團將根據彼等服務合約及相關法律法規支付離職補償。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Development and training

Best Pacific is dedicated to people development and we believe that effective utilisation of human resources within the Group is critical to the successful implementation of our business strategies and development plans, which in turn will maximise our shareholders' value in the long run. The provision of continuous on-the-job training covering job specific skills as well as regular generic management training programmes is perceived to be the key to the success of Best Pacific. These training programmes would enable employees to excel in their positions by exploiting their potentials to the maximum extent, thus contributing to the sustainable development of the Group.

Further to the opening of Best Pacific School of Management and Administration (the “**School**”) in June 2016, which aims to provide generic management training to employees of different managerial level, the leadership and management training programme was held during the year and external consultants have been engaged to give lectures to the relevant employees regularly.

In order to equip employees with the requisite skills to further enhance Best Pacific's core value, innovation and quality, Best Pacific Institute of Technology and Research (the “**Institute**”) was officially established in June 2016. During the year ended 31 December 2017, the Institute engaged external professionals in the textile sector to provide a series of lectures to employees of different positions. The lectures aimed to introduce updated garment design concepts, manufacturing techniques and other industry specific knowledge to the relevant employees, so as to strengthen their knowledge of textile technology and to provide them with updates on the innovation and trends of the textile and garment industry. There were a total of 40 employees from the design team, research and development team, sales team and production department attending the lectures.

### 發展及培訓

超盈國際致力於員工發展，且我們認為，有效地利用本集團的人力資源對成功實施我們的業務策略及發展計劃至關重要，長期而言，將盡量提高我們股東的價值。提供持續的在職培訓（包括整套具體工作技能及定期一般管理培訓課程）是超盈國際取得成功的基礎。該等培訓課程將最大化地開發員工潛能，令其脫穎而出，為本集團的可持續發展作出貢獻。

繼於二零一六年六月成立超盈行政管理學院（「**學院**」）以向各級管理層員工提供一般管理培訓後，領導層及管理層培訓課程於年內進行，並外聘專家顧問為相關員工定期提供講座。

為令員工具備必要的技能，進一步提升超盈國際的核心價值－創新與高質，我們於二零一六年六月正式成立超盈技術研究院（「**研究院**」）。截至二零一七年十二月三十一日止年度，研究院外聘紡織領域的專業人員為擔任不同職位的員工提供一系列的講座。講座旨在向相關員工介紹最新的服裝設計理念、生產技術及其他特定行業知識，以提高彼等對紡織技術的瞭解，並向彼等更新紡織及服裝行業的創新發展及趨勢。設計團隊、研發團隊、銷售團隊及生產部門共有40名員工參加了講座。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Occupational health and safety

Health and safety at workplace has always been one of our top priorities. Through implementing below key occupational health and safety measures, we are committed to promoting a healthy and safe working environment to our employees:

- Occupational safety workshops for new employees;
- Regular work safety training programs to frontline production employees;
- Accessible work safety handbook placed at each work station;
- Protective equipment to employees, including but not limited to safety goggles, dust respirators, slip proof safety boots, safety helmets, gloves, etc.;
- Annual assessment on working environment;
- Highly automated lifting and production facilities to avoid spinal injuries;
- Regular repair and maintenance on production facilities;
- Non-smoking working environment (employees are only allowed to smoke in smoking rooms);
- Regular health check for employees;
- Regular fire drills and chemical leakage drills;
- Shortened working hours for each shift to avoid health over loading. Work shifts at labour level changed from two to three shifts per day;
- Drinking water assessment in every six months.

### 職業健康及安全措施

工作場所的健康及安全一直是我們的首要任務。我們通過實施以下主要工作場所健康及安全措施，致力給員工提供健康及安全的工作環境：

- 為新員工開設職業安全講習班；
- 為前線生產員工開設定期的工作安全培訓課程；
- 在各工作站放置可供查閱的安全工作手冊；
- 為員工提供保護性設備，包括但不限於防護眼鏡、防塵面罩、防滑安全靴、安全頭盔、手套等；
- 對工作環境進行年度評估；
- 高度自動化的起重及生產設施，以避免脊柱損傷；
- 定期維修及保養生產設施；
- 無煙工作環境（員工僅可在吸煙室吸煙）；
- 定期對員工進行體檢；
- 定期進行消防演習及化學品洩漏演習；
- 縮短每個班次的工作時間，避免超負荷工作。按工作量劃分的工作班次由每天兩個班次變更為每天三個班次；
- 每六個月進行一次飲用水評估。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Health and safety statistics for the years ended 31 December 2017 and 2016

### 健康及安全統計（截至二零一七年及二零一六年十二月三十一日止年度）

Types of cases 案件類別	Statistics for year 2017 二零一七年統計數據	Statistics for year 2016 二零一六年統計數據	Control measures and relevant policies 控制措施及相關政策
<b>Cases of fatality</b> 死亡案件	<ul style="list-style-type: none"> <li>zero cases of fatality due to workplace accidents in all locations of our operations</li> <li>營運所在地並無因工死亡案件</li> <li>one case of fatality due to heart attack in the factory in Dongguan, the PRC*</li> <li>一起於中國東莞工廠因心臟病而致的死亡案件*</li> </ul>	<ul style="list-style-type: none"> <li>zero cases of fatality due to workplace accidents in all locations of our operations</li> <li>營運所在地並無因工死亡案件</li> </ul>	<ul style="list-style-type: none"> <li>A training on avoiding workplace injury has been included in staff induction.</li> <li>員工入職培訓包括如何避免工傷。</li> <li>Responsible party(ies) is/are subject to severe punishment and shall be investigated for legal responsibilities if necessary.</li> <li>責任方將受到嚴重處罰，並於必要時接受法律責任調查。</li> <li>Subject to the source of responsibility, the Group may consider paying compensation or death gratuity.</li> <li>本集團可能須根據責任源支付賠償金或死亡恩恤金。</li> </ul>
<b>Lost days due to work injury</b> 因工傷損失工作日數	<ul style="list-style-type: none"> <li>1,083.5 days</li> <li>1,083.5天</li> </ul>	<ul style="list-style-type: none"> <li>699 days</li> <li>699天</li> </ul>	<ul style="list-style-type: none"> <li>A module on avoiding workplace injury has been included in staff induction.</li> <li>員工入職培訓包括如何避免工傷。</li> <li>Responsible party(ies) is/are subject to punishment and shall be investigated for legal responsibilities if necessary.</li> <li>責任方將受到處罰，並於必要時接受法律責任調查。</li> <li>Employees are entitled with paid sick leave in accordance with the local labour laws and regulations.</li> <li>僱員有權根據當地勞動法律及法規享受帶薪病假。</li> </ul>

\* The Group provided assistance to the family members of the employee.

\* 本集團為該員工的家屬提供協助。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Labour standards

The Group has guidelines setting out the procedures and standards on recruitment by the management and human resources team, which are to enable that staff employment strictly complies with local employment regulations. The guidelines are being reviewed on a regularly basis so as to ensure consistency with any update of the relevant rules and regulations in all locations of our operations.

Best Pacific complies with local employment regulations in all locations of our operations, and does not engage in any forced or child labour.

## OPERATING PRACTICES

### Supply chain management

Suppliers of Best Pacific are primarily the leading manufacturers of the respective kinds of yarn based in various countries across Asia. We only source raw materials from qualified suppliers on our suppliers list and the sourcing across Asia helps diversify concentration and operational risks. Long-term relationships with these leading yarn manufacturers have been maintained and we have had business relationships with our three largest suppliers for more than ten years, as of the date of this report. Nevertheless, we do not enter into long-term supply agreements with our raw materials suppliers but place individual orders for our raw materials as necessary. We believe that this enables us to source high quality raw materials at competitive prices available in the market and discussion on the expected pricing and volume is usually carried out on a quarterly basis.

In order to ensure stable supply of high quality raw materials for our products, and that the production capacities of our major suppliers are sufficient to meet our production and future development needs while maintaining the quality of raw materials, strict measures are in place in selecting new raw materials suppliers as well as monitoring quality of the raw materials provided by our existing suppliers, which include:

### 勞工標準

本集團擁有管理層及人力資源部制定的有關招聘程序及標準的指導方針。此舉可確保員工就業均嚴格遵守當地就業法規。該指導方針將定期進行檢討，以確保與我們運營地經更新的任何相關規則及規例保持一致。

超盈國際所有營運地點均遵守當地僱傭法規，並無涉及任何強迫勞動或童工問題。

### 營運實踐

#### 供應鏈管理

超盈國際的供應商主要為駐亞洲多個國家的各種紗線生產商。我們僅向供應商名單所列合資格供應商採購原材料，於亞洲分散採購有助於我們降低集中度及運營風險。我們已與該等領先的紗線生產商建立長期關係。截至本報告日期，我們與三大供應商建立超過十年的業務關係。然而，我們並無與原材料供應商訂立長期協議，但會就需要的原材料下發個別訂單。我們相信此舉可令我們能在市場上以具競爭力的價格採購高質素的原材料。我們一般與供應商每季討論預期價格及數量。

為確保產品優質原材料的穩定供應，以及主要供應商在保證原材料質量的同時，其產能足夠滿足我們的生產及未來發展需要，本公司已採取嚴密措施選擇新的原材料供應商及監控現有供應商所提供的原材料質量，其中包括：

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

Suppliers 供應商	Control measures 監控措施
New suppliers 新供應商	<ul style="list-style-type: none"> <li>• Subject to certain evaluation and assessment criteria.</li> <li>• 遵守若干考核評估標準。</li> <li>• Key factors to consider include: quality of products, technological know-how of suppliers, purchase price, production capacity, etc.</li> <li>• 主要考慮因素包括：產品質量、供應商技術專業知識、採購價及生產能力等。</li> <li>• Add to our suppliers list who are qualified after evaluation and assessment.</li> <li>• 考核評估後列入我們的合資格供應商名單。</li> </ul>
Existing suppliers 現有供應商	<ul style="list-style-type: none"> <li>• Subject to regular review and assessment.</li> <li>• 進行定期考核及評估。</li> <li>• On-site review at the premises of major suppliers and assessment of their production capacity and product quality by our procurement team.</li> <li>• 由採購部前往主要供應商的基地進行實地考查並評估彼等的生產能力及產品質量。</li> <li>• Remove suppliers who fail to meet our standards from our suppliers list.</li> <li>• 將未能達到我們標準的供應商從我們的供應商名單中剔除。</li> </ul>

## PRODUCT RESPONSIBILITY

### Product quality assurance

With the knowledge that reliable delivery of quality products to our customers is critical to our success, our Group has implemented quality control procedures throughout our production process, which is led by over 300 experts in our quality control team. The stringent quality control enables the Group to deliver quality innovations to the market.

## 產品責任

### 產品質量保證

我們知悉，向客戶及時交付優質產品乃成功之關鍵，本集團在整個生產工序中已實施質量控制程序，該程序由質量控制團隊中的逾300名專家領導。憑藉嚴格的質量控制措施，本集團可向市場提供優質的創新產品。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

Strict quality control measures have been adopted in each stage of our production process, including:

我們的各生產工序階段已採納嚴格的質量控制措施，包括：

Production stages 生產階段	Quality control measures 質量控制措施
<b>Suppliers</b> 供應商	We only source raw materials from suppliers on our suppliers list and evaluate our suppliers from time to time and conduct on-site review and assessment at the premises of our major suppliers. 我們僅向供應商名單所列合資格供應商採購原材料及會不時評估供應商，並前往主要供應商的基地進行實地考查及評估。
<b>Purchase of raw materials</b> 採購原材料	Sample tests are conducted prior to confirmation of orders to ensure quality. Sample tests are also carried out when raw materials are delivered at factory. 於確認訂單前將進行樣本抽查以確保質量。當原材料抵達工廠時亦會進行樣本抽查。
<b>Production</b> 生產	At each stage of the production process, comprehensive tests and research analysis on the quality of the semi-finished and finished products are conducted using international quality standards, with a view to ensuring that customers' specifications are adhered to. 將以國際質量標準對生產工序每個階段的半成品及成品進行對質量的全面檢測及研究分析，以確保已遵守客戶的規格。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

Products of Best Pacific are widely recognised for their quality in the lingerie, apparel and sportswear materials markets, both within and outside the PRC. The following table sets forth details of the major certifications we have applied for and received in relation to our achievements in quality control:

不論在中國境內及境外，超盈國際的產品在質量方面於女性內衣、服裝及運動服裝物料市場備受稱許。下表載列有關我們於質量控制的成就方面而已申請並獲得的主要認證的詳情：

Accreditation 認證	Issuing organisation 簽發組織	Area of accreditation 認證範疇	Year of issue 簽發年份
ISO9001:2008	SGS United Kingdom Ltd.	Quality assurance 質量保證	2014 二零一四年
Oeko-Tex Standard 100	Testex	Quality assurance 質量保證	2017 二零一七年

The Oeko-Tex Standard 100 is widely used in the textile industry as a uniform global standard of testing and certification. The Oeko-Tex Standard 100 tests harmful substances at all stages of production, including raw materials, semi-finished products and finished products. Only manufacturers who comply with strict testing and inspection procedures and provide verifiable quality assurance are allowed to place the Oeko-Tex label on their products.

Oeko-Tex Standard 100的認證為於紡織業被廣泛使用為檢測及認證的全球統一標準。Oeko-Tex Standard 100檢測所有生產階段（包括原材料、半製成品及製成品）中的有害物質。只有遵守嚴格檢測及檢查程序、並能提供可核實質量保證的製造商方可於其產品上貼上Oeko-Tex標籤。

Our quality control standards have been certified by a number of brand owners which allow us to conduct quality testing on our products in our own laboratories without the need to engage a third party laboratory. Our quality control laboratory has been certified by certain lingerie brand owners such as Marks & Spencer. As at 31 December 2016 and 2017, there were over 300 staff in our quality control team.

由於我們的質量控制標準已通過多名品牌商的認證，故我們已能於我們的實驗室裏進行產品的質量檢測而無須僱用第三方實驗室。我們的質量控制實驗室已通過如馬莎等若干女性內衣品牌商的認證。於二零一六年及二零一七年十二月三十一日，我們的質量控制團隊共有逾300名員工。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

For any complaints from customers in relation to product quality, our quality control team will analyse the details of the complaints and the respective products, and determine the reason(s) of defects and take safeguard measures to prevent it from happening in the future:

就有關產品質量的任何客戶投訴而言，我們的質量控制團隊將分析投訴詳情及相關產品，並找出瑕疵產品原因及採取保障措施以防日後發生：

Reasons of defective products 瑕疵產品原因	Responsible parties and safeguard measures 責任方及保障措施
<b>Defective raw materials</b> 瑕疵原材料	<ul style="list-style-type: none"><li>• Procurement team will communicate and verify with suppliers for the quality issue on the raw materials. Suppliers shall bear the responsibility once identified and confirmed.</li><li>• 採購部將就原材料的質量問題與供應商進行溝通查證。一經證實及確認，供應商須承擔責任。</li><li>• Such raw material supplier will be removed from our suppliers list if defective raw materials are identified repeatedly.</li><li>• 倘多次發現瑕疵產品，相關原材料供應商將自供應商名單中剔除。</li></ul>
<b>Improper or errors in manufacturing process</b> 生產程序不當或錯誤	<ul style="list-style-type: none"><li>• Quality control team will analyse the details of the complaint including walking through the manufacturing process with production team. Production team shall bear the responsibility once identified and confirmed.</li><li>• 質量控制團隊將分析投訴詳情，包括走查生產部的生產工序。一經證實及確認，生產部須承擔責任。</li><li>• Defective products will be collected from customers and replaced with new batch of products. Production team will take immediate assessment on the production process so as to achieve a defective-free production process.</li><li>• 自客戶處回收瑕疵產品，並以新產品替換。生產部將對生產程序進行即時評估，以便達致零瑕疵生產程序。</li></ul>
<b>Improper loading/unloading during transportation</b> 貨運過程中裝卸不當	<ul style="list-style-type: none"><li>• Quality control team will communicate and verify with carriers for the improper loading/unloading. Carriers shall bear the responsibility once identified and confirmed.</li><li>• 質量控制團隊將就裝卸不當與運輸公司進行溝通查證。一經證實及確認，運輸公司須承擔責任。</li><li>• Such carrier will be removed from our approved carriers list if improper loading/unloading are identified repeatedly.</li><li>• 倘多次出現裝卸不當，相關運輸公司將自獲認可運輸公司名單中剔除。</li></ul>

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

With our strict control on the product safety and quality, there were no products sold or shipped subject to recalls due to health and safety reasons in 2017.

### Protection of intellectual property rights and consumer data

Best Pacific recognises the importance of protecting and enforcing intellectual property rights. For any business conversations, including product designs and specifications, we strictly follow the confidentiality principles as agreed with the relevant counterparties.

We comply with the Personal Data (Privacy) Ordinance, ensuring that customer information we receive is only used for its intended purposes.

### ANTI-CORRUPTION

A series of policies, operating manuals, handbooks and protocols are in place which allow Best Pacific to maintain high ethical standards and a workplace free from corruption.

There are anti-corruption policies, rules and regulations for our employees, contractors and suppliers to follow. We also have a reporting mechanism for any corruption or suspected corruption behaviour. Any contravention to these policies, rules and regulations identified with solid evidence, we will terminate our engagement with the contravened parties immediately and if needed, report to relevant regulatory authorities after discussion among the management.

We review the relevant policies, rules and regulations from time to time.

There was no legal case brought against Best Pacific for corruption nor was there any corruption reported within the Group during the year.

鑒於產品安全及質量的嚴格控制，於二零一七年並無已售或已運送產品須因健康及安全理由收回。

### 知識產權及消費者資料保護

超盈國際意識到保護及執行知識產權的重要性。就任何商務會談（包括產品設計及規格）而言，我們嚴格遵守與相關交易對手協定的保密條款。

我們遵守個人資料（私隱）條例以確保我們收集的客戶資料僅作指定用途。

### 反貪污

為維持高度的道德標準及廉潔的工作環境，超盈國際已制定一系列政策、操作手冊、員工手冊及協議。

我們的員工、承包商及供應商須遵守反貪污政策、條例及法規。我們亦就任何貪污行為或疑似貪污行為設立匯報機制。一經發現違反該等政策、條例及法規證據確鑿，我們將立即終止與違規方的合作，並經管理層討論後呈報予相關監管機構（如需）。

我們將不時審閱相關政策、條例及法規。

年內並無針對超盈國際貪污的任何法律案件，亦無向本集團報告任何貪污案件。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### COMMUNITY

#### Community engagement

Our Group has always been keen to bring our value back to the society. We support the community through a wide range of charitable activities and community services. We encourage our employees to help the needed ones in volunteering and engaging in these activities. In addition, Best Pacific also sees youth development and employee support important and crucial, and has been supporting them through various channels.

#### To the poor and disabled communities

Financial assistance is always a direct way to support the needy minorities. Volunteers from Best Pacific are always generous in stretching out their helping hands in various fund raising activities for the poor and disabled people, as well as giving charitable donations. Apart from donations, we believe helping and serving the community through community visits could demonstrate our love and caring to the needy groups. Community visits are regularly paid to the elderly, disabled and child care centres, and we also send gifts to the elderly during festive time. In addition to helping the local communities, we are also keen on helping communities in other countries. During the year ended 31 December 2017, Best Pacific has supported charitable events in the PRC and Vietnam through sponsorships.

#### To the youth community

Best Pacific is dedicated to nurturing young talents as future leaders for the fast-growing and dynamic textile sector. We supported the youth community in the PRC and Vietnam through sponsorships during the year ended 31 December 2017.

#### To our staff community

Best Pacific believes that employees are valuable assets to the Group. We see every employee as our family member. "Love Support Foundation" has been set up to provide emergent financial support to our staff members who are unfortunately suffered from serious sickness, accidents, or difficulties in daily living. Through internal fund raising among staff members, sense of responsibilities and belongings to our Group are enhanced.

### 社區

#### 服務社區

本集團一直以回饋社會為己任。我們透過各種慈善活動及社區服務支持社區。我們鼓勵員工自願幫助有需要人士並鼓勵彼等參與該等活動。此外，超盈國際亦意識到青少年發展及員工支持的重要性，並透過多種渠道幫助該等人士。

#### 貧困及殘疾人士社區

經濟援助始終為扶持貧困少數民族的直接渠道。超盈國際志願者慷慨解囊，透過各類募捐活動，向貧困及殘疾人士伸出援助之手，並進行慈善捐款。除捐款外，我們相信，走進社區及服務社區可以彰顯愛心並扶助弱勢群體。定期進行社區走訪以探望長者、殘疾人士及兒童保育中心，我們亦向長者派發節日禮物。除幫助當地社區外，我們亦熱心幫助其他國家的社區。截至二零一七年十二月三十一日止年度，超盈國際以贊助商身份支持中國及越南的慈善活動。

#### 青少年社區

超盈國際致力於培養青年才俊，使其成為迅速發展及充滿活力的紡織業未來領頭人。我們於截至二零一七年十二月三十一日止年度以贊助商身份支持中國及越南的青少年社區。

#### 員工社區

超盈國際認為員工為本集團的寶貴財產。我們將每位員工視作我們的家庭成員。我們已設立「愛心幫助基金會」，向不幸遭遇重大疾病、事故或生活困難的員工提供應急財務幫助。透過員工內部募捐，本集團的責任意識及歸屬感得以提高。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining high standard of corporate governance which is essential to the sustainable development and growth of the Company. The Board is of the view that the Company has met all the applicable code provisions set out in the CG Code throughout the year ended 31 December 2017 (the “Reporting Period”).

### MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules.

Specific enquiry has been made to all the Directors of the Company and the Directors have confirmed that they have complied with the Model Code throughout the Reporting Period.

The Company has also established a code no less exacting than the Model Code for securities transactions by senior management who are likely to be in possession of unpublished price-sensitive or inside information of the Company.

### BOARD OF DIRECTORS

As at the end of the Reporting Period and the date of this annual report, the Board comprises seven members, consisting of four executive Directors, namely Mr. Lu (Chairman of the Board), Mr. Zhang (Chief Executive Officer), Mr. Wu and Ms. Zheng (Chief Operating Officer), and three independent non-executive Directors, namely Mr. Cheung Yat Ming, Mr. Ding and Mr. Sai.

The biographical information of the Directors as well as the relationships between the members of the Board are set out on pages 60 to 67 of this annual report.

### 企業管治常規

本公司致力維持高水平的企業管治，此對本公司之可持續發展及增長尤為重要。董事會認為，本公司已於截至二零一七年十二月三十一日止年度整個期間（「報告期間」）符合企業管治守則所載的所有適用守則條文。

### 進行證券交易的標準守則

本公司已採用上市規則附錄10中載列的標準守則。

已經向本公司全體董事作出具體查詢，董事已確認彼等於報告期間一直遵守標準守則。

本公司亦制訂不遜於標準守則的守則，以作為可能擁有本公司未公開的股價敏感資料或內幕消息的高級管理層進行證券交易的守則。

### 董事會

於報告期間結束時及本年報刊發日期，董事會由七名成員組成，包括四名執行董事（即盧先生（董事會主席）、張先生（行政總裁）、吳先生及鄭女士（首席運營官），以及三名獨立非執行董事（即張一鳴先生、丁先生及佘先生）。

董事的履歷資料以及董事會成員之間的關係載列於本年報第60頁至第67頁。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Chairman and Chief Executive Officer

The positions of Chairman and Chief Executive Officer are held by Mr. Lu and Mr. Zhang respectively. The Chairman provides leadership and is responsible for the effective functioning and leadership of the Board. The Chief Executive Officer focuses on the Company's business development and daily management and operations generally. Their respective responsibilities are clearly defined and set out in writing.

### Independent non-executive Directors

During the Reporting Period, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors representing more than one-third of the Board with one of whom possessing appropriate professional qualifications or accounting or related financial management expertise.

The Company has received written confirmation from each of the independent non-executive Directors in respect of his independence in accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules. The Company is of the view that all independent non-executive Directors are independent.

### Directors' Re-election and Retirement

According to the Articles, the Board has the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board. Any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of shareholders after his/her appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. Besides, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years.

### 主席及行政總裁

主席及行政總裁的職位分別由盧先生及張先生擔任。主席專責領導並負責董事會的有效運作。行政總裁專責本公司的業務發展、日常管理及運營。彼等各自的責任以書面形式清楚界定。

### 獨立非執行董事

於報告期間內，董事會一直符合上市規則有關委任至少三名獨立非執行董事（佔董事會超過三分之一），且其中至少一名獨立非執行董事須具有適當的專業資格或會計或相關財務管理專業知識的規定。

根據上市規則第3.13條載列的獨立性指引規定，本公司已接獲各獨立非執行董事關於其獨立性的書面確認。本公司認為，所有獨立非執行董事均屬獨立人士。

### 董事重選及退任

根據細則，董事會有權不時及於任何時候委任任何人士擔任董事以填補董事會臨時空缺或增加現有董事會的成員。董事會為填補臨時空缺而委任的任何董事須擔任其職務直至其獲委任後的首次股東週年大會召開並可於有關大會上獲重選，董事會為增加現有董事會成員而委任的任何董事僅須擔任其職務至本公司下一屆股東週年大會，屆時有資格獲重選。此外，於各屆股東週年大會上，當時三分之一的董事（或倘其數目並非三的倍數，則為最接近但不少於三分之一的數目）須輪席退任，惟各董事至少須每三年於股東週年大會上退任一次。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

Each of the executive Directors has entered into a service contract with the Company, and each of the independent non-executive Directors has signed a letter of appointment with the Company. All Directors are appointed for a specific term of three years, subject to retirement by rotation and re-election in accordance with the Articles.

Pursuant to the aforesaid provisions in the Articles, Mr. Wu, Ms. Zheng and Mr. Cheung Yat Ming will retire by rotation at the forthcoming AGM. All the above Directors, being eligible, will offer themselves for re-election at the AGM.

### Responsibilities, Accountabilities and Contributions of the Board and Management

The Board is responsible for leadership and control of the Company and oversees the Group's businesses, strategic decisions and performance and is collectively responsible for promoting the success of the Company by directing and supervising its affairs. Directors of the Board take decisions objectively in the interests of the Company.

All Directors, including independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning.

All Directors have full and timely access to all the information of the Company as well as the services and advice from the company secretary and senior management. The Directors may, upon request, seek independent professional advice in appropriate circumstances, at the Company's expenses for discharging their duties to the Company.

The Directors shall disclose to the Company details of other offices held by them and the Board regularly reviews the contribution required from each Director to perform his responsibilities to the Company.

各執行董事已與本公司訂立服務合約，且各獨立非執行董事已與本公司簽訂委任書。所有董事獲委任為期三年的特定年限，須依據細則輪席退任及重選。

根據前述細則條文，吳先生、鄭女士及張一鳴先生將於應屆股東週年大會輪席退任。所有上述董事均合資格並願意於股東週年大會上膺選連任。

### 董事會及管理層的責任、問責及貢獻

董事會負責領導及監控本公司，監督本集團的業務、戰略決策及表現，並共同負責管理及監管其事務以帶領本公司邁向成功。董事會成員就本公司的利益作出客觀決定。

全體董事（包括獨立非執行董事）為董事會提供廣泛而寶貴的業務經驗、知識及專業質素，使其可迅速及有效運作。

全體董事可全面、及時地取得本公司的所有資料以及公司秘書及高級管理層的服務及建議。於適當情況下，董事於履行彼等於本公司的職務時可要求尋求獨立專業意見，費用由本公司承擔。

董事須向本公司披露其擔任的其他職務的詳情，董事會定期檢討各董事履行其對本公司的責任所需做出的貢獻。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The Board reserves for its decision all major matters relating to policy matters, strategies and budgets, internal control and risk management, material transactions (in particular those that may involve conflict of interests), financial information, appointment of Directors and other significant operational matters of the Company. Responsibilities relating to implementing decisions of the Board, directing and co-ordinating the daily operation and management of the Company are delegated to the management.

### Continuous Professional Development of Directors

Pursuant to the code provision A.6.5 of the CG Code, all Directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution to the Board remains informed and relevant. The Company should be responsible for arranging and funding suitable training, placing an appropriate emphasis on the roles, functions and duties of a listed company director. The Company updates Directors on the latest development regarding the Listing Rules and other applicable regulatory requirements from time to time, in order to ensure compliance and enhance their awareness of good corporate governance practices. The Company is also arranging suitable professional development seminars and courses for the Directors. For instance, every newly appointed Director will receive induction on the first occasion of his/her appointment to ensure appropriate understanding of the business and operations of the Company and full awareness of Directors' responsibilities and obligations under the Listing Rules and relevant statutory requirements.

The Directors informed the Company that they had received sufficient and relevant training and continuous professional development during the Reporting Period.

董事會保留其對有關以下各方面的所有重大事項的決策：政策事項、策略及預算、內部控制及風險管理、重大交易（尤其是可能涉及利益衝突的重大交易）、財務資料、董事委任及本公司的其他重大營運事項。有關實施董事會決策、指導及統籌本公司日常營運管理的責任則由管理層承擔。

### 董事的持續專業發展

根據企業管治守則的守則條文A.6.5條，全體董事均應參與持續專業發展以發展及更新其知識及技能，以確保其繼續在具備全面資訊及切合所需的情況下對董事會作出貢獻。本公司應負責安排合適的培訓並提供有關經費，以及適當注重上市公司董事的角色、職能及職責。本公司不時告知董事有關上市規則及其他適用的監管要求的最新發展，以便確保合規並增強其在良好企業管治常規方面的意識。本公司亦為董事安排適當的專業發展研討會及課程。例如，每名新委任董事將於其首次委任接受入職培訓，以確保對本公司的業務及經營具有充分了解及全面知悉董事於上市規則及相關法定要求項下的責任及職責。

董事告知本公司，其於報告期間內獲得充分相關的培訓以及持續專業發展。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

Records of training by the Directors are maintained by the company secretary. Training records of Directors in 2017 are as follows:

董事接受的培訓記錄由公司秘書保存。董事於二零一七年的培訓記錄如下：

Directors 董事		Type of trainings 培訓種類
<b>Executive Directors</b> 執行董事		
Mr. Lu Yuguang	盧煜光先生	A & B
Mr. Zhang Haitao	張海濤先生	A & B
Mr. Wu Shaolun	吳少倫先生	A & B
Ms. Zheng Tingting	鄭婷婷女士	A & B
<b>Independent non-executive Directors</b> 獨立非執行董事		
Mr. Cheung Yat Ming	張一鳴先生	A & C
Mr. Ding Baoshan	丁寶山先生	A & C
Mr. Sai Chun Yu	余振宇先生	A & C

A: reading materials relating to the Group, general business, latest development of the Listing Rules and other applicable legal and regulatory requirements

A: 閱讀有關本集團、一般業務、上市規則的最新發展及其他適用法律及監管規定的材料

B: attending a training session on directors' duties and latest development of the Listing Rules conducted by legal advisers of the Company

B: 參加本公司法律顧問舉辦的有關董事職責及上市規則最新發展的培訓研討會

C: attending briefings, seminars, webinar or training courses

C: 參加簡報、研討會、網絡會議或培訓課程

### BOARD AND BOARD COMMITTEES

Under code provision A.1.1 of the CG Code, the Board should meet regularly and Board meetings should be held at least four times a year at approximately quarterly intervals and under code provision A.2.7 of the CG Code, the chairman of the Board should at least annually hold meeting with the non-executive Directors (including independent non-executive Directors) without the executive Directors present.

### 董事會及董事委員會

根據企業管治守則的守則條文A.1.1條，董事會應定期召開會議且每年應至少舉行四次（大約每季度一次）；根據企業管治守則的守則條文A.2.7條，董事會主席應至少每年與非執行董事（包括獨立非執行董事）舉行一次沒有執行董事出席的會議。

During the Reporting Period, five Board meetings were held.

於報告期間內，本公司已舉行五次董事會會議。

In addition, the Chairman held a meeting with the independent non-executive Directors without the executive Directors' presence.

另外，主席與獨立非執行董事舉行一次會議，且執行董事並無出席。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

A tentative schedule for regular Board meetings for 2018 will be provided to the Directors at the beginning of the year. At least 14 days' notice for all regular Board meetings will be given to all Directors and all Directors must be given the opportunity to include items or businesses for discussion in the agenda. For all other Board meetings, reasonable notice will be given. Relevant agenda and accompanying Board papers will be sent to all Directors at least three working days in advance of every regular Board meeting.

The Board has established three committees, namely, the Audit Committee, the Remuneration Committee and the Nomination Committee, for overseeing particular aspects of the Company's affairs. All Board committees of the Company are established with defined written terms of reference. The terms of reference of the Board committees are posted on the Company's website and the Stock Exchange's website and are available to shareholders upon request.

The majority of the members of each Board committee are independent non-executive Directors and the list of the chairman and members of each Board committee is set out under "Corporate Information" on page 2 of this annual report.

### Audit Committee

The Company established the Audit Committee on 8 May 2014 in compliance with Rules 3.21 and 3.22 of the Listing Rules and code provision C.3.3 of the CG Code. The Audit Committee has three members, namely Mr. Sai, Mr. Cheung Yat Ming and Mr. Ding and is chaired by Mr. Sai.

The main duties of the Audit Committee are to assist the Board in reviewing the financial information and reporting process, risk management and internal control systems and procedures, audit plan and relationship with external auditors, and arrangements to enable employees of the Company to raise, in confidence, concerns about possible improprieties in financial reporting, internal control or other matters of the Company.

二零一八年定期董事會會議的暫定時間表將於年初向董事提供。所有定期董事會會議的通知將至少提前十四天向全體董事發出，且必須給予全體董事機會將議題或事項列入議程中。至於召開其他所有董事會會議，本公司將發出合理的通知。相關的議程及隨附的董事會文件至少將於每次定期董事會會議之前三個工作日發送給全體董事。

為監督本公司特定方面的事務，董事會已成立三個委員會，即審核委員會、薪酬委員會及提名委員會。本公司所有董事委員會均有書面訂明的具體職權範圍。董事委員會的職權範圍於本公司網站及聯交所網站均有公佈，並可應要求供股東查閱。

各董事會下轄委員會的大部分成員均為獨立非執行董事。各董事會下轄委員會主席及成員的名單載列於本年報第2頁的「公司資料」項下。

### 審核委員會

於二零一四年五月八日，本公司遵照上市規則第3.21條及第3.22條以及企業管治守則的守則條文C.3.3條的規定成立審核委員會。審核委員會有三名成員，即余先生、張一鳴先生及丁先生，並由余先生擔任主席。

審核委員會的主要職責為協助董事會審核財務資料及報告流程、風險管理及內部控制系統及程序、審核計劃及與外聘核數師的關係，以及安排本公司員工能夠以保密的方式就有關本公司財務報告、內部控制或其他事項方面潛在的不當事宜提出關注。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The full terms of reference of the Audit Committee are available on the Stock Exchange's website and the Company's website.

During the Reporting Period, the Audit Committee held three meetings to review annual results of the Group for the year ended 31 December 2016, the interim results of the Group for the six months ended 30 June 2017 and significant issues on the financial reporting and compliance procedures, risk management and internal control systems, effectiveness of the Company's internal audit function, and arrangements for employees to raise concerns about possible improprieties.

The external auditors attended all the above meetings to discuss with the Audit Committee on issues arising from the audit and financial reporting matters.

### Remuneration Committee

The Company established the Remuneration Committee on 8 May 2014 in compliance with Rules 3.25 and 3.26 of the Listing Rules and code provision B.1.2 of the CG Code. The Remuneration Committee has three members. For the year ended 31 December 2017 and up to 19 March 2018, the members were Mr. Ding (who was also the chairman of the Remuneration Committee), Mr. Lu and Mr. Cheung Yat Ming.

With effect from 20 March 2018, Mr. Lu has resigned as a member of the Remuneration Committee and Mr. Zhang has been appointed as a member of the Remuneration Committee. After the above changes, the Remuneration Committee comprises three members, namely Mr. Ding, Mr. Zhang and Mr. Cheung Yat Ming and is chaired by Mr. Ding.

The primary functions of the Remuneration Committee include reviewing and making recommendations to the Board on the remuneration packages of individual executive Directors and senior management, the remuneration policy and structure for all Directors and senior management, and establishing transparent procedures for developing such remuneration policy and structure to ensure that no Director or any of his associates will participate in deciding his own remuneration.

The full terms of reference of the Remuneration Committee are available on the Stock Exchange's website and the Company's website.

審核委員會的職權範圍全文可於聯交所網站及本公司網站上查閱。

於報告期間內，審核委員會舉行三次會議以審閱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、本集團截至二零一七年六月三十日止六個月的中期業績以及與下述各項有關的重大問題：財務報告及合規程序、風險管理及內部控制系統、本公司內部審核功能的有效性以及讓員工可對潛在的不當事宜提出關注的安排。

外聘核數師出席前述全部會議，與審核委員會就審核及財務報告事項所產生的問題進行磋商。

### 薪酬委員會

於二零一四年五月八日，本公司遵照上市規則第3.25條及第3.26條以及企業管治守則的守則條文B.1.2條的規定成立薪酬委員會。薪酬委員會有三名成員。截至二零一七年十二月三十一日止年度及至二零一八年三月十九日，其成員為丁先生（彼亦為薪酬委員會主席）、盧先生及張一鳴先生。

自二零一八年三月二十日起，盧先生辭任薪酬委員會成員一職及張先生已獲委任為薪酬委員會成員。經上述變動後，薪酬委員會包括三位成員，即丁先生、張先生及張一鳴先生，並由丁先生擔任主席。

薪酬委員會的主要職能包括檢討個別執行董事及高級管理層的薪酬待遇、全體董事及高級管理層的薪酬政策及架構並向董事會提出建議；建立制訂有關薪酬政策及架構的透明程序以確保並無董事或其任何聯繫人參與決定其自身的薪酬。

薪酬委員會的職權範圍全文可於聯交所網站及本公司網站上查閱。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

During the Reporting Period, the Remuneration Committee met two times for the purpose of, among other matters, reviewing and making recommendations to the Board on the remuneration policy and structure of the Company, and the remuneration packages of the executive Directors and senior management and other related matters.

The details of the remuneration paid to the Directors for the year ended 31 December 2017 are set out in Note 10 to the consolidated financial statements.

Pursuant to code provision B.1.5 of the CG Code, the remuneration paid to other member of the senior management by band for the year ended 31 December 2017 is set out below:

Remuneration bands (HK\$) 薪酬等級 (港元)	Number of person(s) 人數
1,500,001 – 2,000,000	1

### Nomination Committee

The Company established the Nomination Committee on 8 May 2014 in compliance with code provisions A.5.1 and A.5.2 of the CG Code. The Nomination Committee has three members, namely Mr. Lu, Mr. Cheung Yat Ming and Mr. Ding and is chaired by Mr. Lu.

The principal duties of the Nomination Committee include reviewing the Board composition, developing and formulating relevant procedures for the nomination and appointment of Directors, making recommendations to the Board on the appointment and succession planning of Directors, and assessing the independence of independent non-executive Directors.

於報告期間內，薪酬委員會舉行兩次會議，以（其中包括）檢討本公司的薪酬政策及架構以及執行董事及高級管理層的薪酬待遇及其他相關事項，並向董事會提出建議。

截至二零一七年十二月三十一日止年度已付董事薪酬的詳情乃載於綜合財務報表附註10。

根據企業管治守則的守則條文B.1.5條，截至二零一七年十二月三十一日止年度按薪酬等級支付予其他高級管理層成員的薪酬詳情乃載列如下：

### 提名委員會

於二零一四年五月八日，本公司遵照企業管治守則的守則條文A.5.1條及A.5.2條的規定成立提名委員會。提名委員會有三名成員，即盧先生、張一鳴先生及丁先生，由盧先生擔任主席。

提名委員會的主要職責包括檢討董事會組成、制定提名及委任董事的相關程序、就董事的委任及繼任規劃向董事會提出建議以及評估獨立非執行董事的獨立性。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

In assessing the Board composition, the Nomination Committee would take into account various aspects set out in the Board diversity policy, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of services. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

The full terms of reference of the Nomination Committee are available on the Stock Exchange's website and the Company's website.

During the Reporting Period, the Nomination Committee met two times for the purpose of, among other matters, reviewing the structure, size and composition of the Board. The Nomination Committee considered the diversity of the Board is appropriate.

### Corporate Governance Committee

The Board is responsible for performing the functions set out in the code provision D.3.1 of the CG Code.

The Company has formulated a comprehensive corporate governance manual containing various policies and procedures governing the functioning of the Board and its committees, appraisal and remuneration, risk management, financial reporting, conflict of interest, connected transactions, shareholders' communication and other aspects of corporate governance and management of the Company.

The Board reviewed the Company's corporate governance policies and practices, training and continuous professional development of Directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of the Model Code and the Company's compliance with the CG Code and disclosure in this Corporate Governance Report.

評估董事會組成時，提名委員會將考慮董事會的多元化政策中載列的多項因素，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務年限。董事會的所有委任均以用人唯才為原則，參照客觀標準對候選人予以考慮，並充分顧及董事會成員多元化的裨益。

提名委員會的職權範圍全文可於聯交所網站及本公司網站上查閱。

於報告期間內，提名委員會舉行兩次會議，以（其中包括）檢討董事會的架構、人數及組成。提名委員會認為董事會在多元化方面為適當。

### 企業管治委員會

董事會負責履行企業管治守則的守則條文D.3.1條中載列的職能。

本公司已制定規管董事會及其委員會的全面企業管治措施（包括各種政策及程序）、評估及薪酬、風險管理、財務申報、利益衝突、關連交易、股東通訊及本公司企業管治及管理的其他方面。

董事會對以下各項進行了檢討：本公司的企業管治政策及實務、董事及高級管理層的培訓及持續專業發展、本公司遵守法律法規的政策及實務、標準守則的遵守情況及本公司遵守企業管治守則的情況以及本企業管治報告中的資料披露。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### ATTENDANCE RECORD OF DIRECTORS AND COMMITTEE MEMBERS

The attendance record of each Director at the Board and Board committee meetings and general meeting of the Company held during the Reporting Period is as follows:

### 董事及委員會成員會議出席記錄

各董事出席於報告期間內召開的本公司董事會及董事委員會會議及股東大會的記錄如下：

Name of Directors 董事姓名	Meetings attended/Meetings held 出席會議次數／會議舉行次數				
	Annual general meeting 股東週年大會	Board 董事會	Nomination Committee 提名委員會	Remuneration Committee 薪酬委員會	Audit Committee 審核委員會
LU Yuguang 盧煜光	1/1	5/5	2/2	2/2	N/A 不適用
ZHANG Haitao 張海濤	1/1	5/5	N/A 不適用	N/A 不適用	N/A 不適用
WU Shaolun 吳少倫	1/1	5/5	N/A 不適用	N/A 不適用	N/A 不適用
ZHENG Tingting 鄭婷婷	1/1	5/5	N/A 不適用	N/A 不適用	N/A 不適用
CHEUNG Yat Ming 張一鳴	1/1	4/5	2/2	2/2	3/3
DING Baoshan 丁寶山	1/1	5/5	2/2	2/2	3/3
SAI Chun Yu 余振宇	1/1	5/5	N/A 不適用	N/A 不適用	3/3

### DIRECTORS' RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the financial statements of the Company for the year ended 31 December 2017.

The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

The statement of the independent auditor of the Company about their reporting responsibilities on the financial statements is set out in the Independent Auditor's Report on pages 102 to 109 of this annual report.

### 董事對財務報表的責任

董事承認其對編製本公司截至二零一七年十二月三十一日止年度的財務報表負有責任。

董事並不知悉任何可能導致對本公司的持續經營能力產生重大懷疑的事項或狀況的重大不確定因素。

本公司獨立核數師關於其對財務報表的報告責任的聲明載列於本年報第102頁至第109頁的獨立核數師報告中。

### AUDITOR'S REMUNERATION

The remuneration paid to the Company's external auditors of the Company in respect of audit services and non-audit services (mainly for review of the condensed consolidated financial statements of the Group for the six months ended 30 June 2017 and tax compliance services) for the year ended 31 December 2017 amounted to approximately HK\$2.2 million and approximately HK\$674,000 respectively.

### RISK MANAGEMENT AND INTERNAL CONTROL

The Group has in place the sound and effective risk management and internal control systems to safeguard shareholders' investment and assets of the Group. The Board acknowledges its responsibility for the risk management and internal control systems of the Group. From time to time and at least once a year, the Board reviews the effectiveness of the risk management and internal control systems of the Group in order to ensure that they meet with the dynamic and ever changing business environment as well as the requirements under the Listing Rules. To enhance the objectiveness and credibility of the review, an independent audit firm has been engaged to conduct the appraisal of the adequacy and effectiveness of the Group's risk management and internal control systems.

During the year ended 31 December 2017, the Audit Committee, with reference to and based on the internal audit report issued by the independent audit firm, conducted a review on the effectiveness of the Group's risk management and internal control systems, including financial, operational and compliance controls and risk management functions, adequacy of resources, qualifications and experience of staff of the Company's accounting, internal control and financial reporting functions, and training programmes and budget. The Board has considered and discussed the internal audit report issued by the independent audit firm, the work conducted by the independent audit firm, the Audit Committee's view on the Group's risk management and internal control systems and their effectiveness. The Board and the Audit Committee are satisfied with the effectiveness of the risk management and internal control of the Group.

### 核數師薪酬

就截至二零一七年十二月三十一日止年度的審核服務及非審核服務（主要為審閱本集團截至二零一七年六月三十日止六個月的簡明綜合財務報表及稅收合規服務）而向本公司的外聘核數師支付的薪酬分別為約2.2百萬港元及約674,000港元。

### 風險管理及內部控制

本集團已制訂穩健及有效的風險管理及內部控制系統，以保障股東之投資及本集團之資產。董事會明白，本集團的風險管理及內部控制系統乃其責任。董事會不時且至少每年一次檢討本集團的風險管理及內部控制系統的有效性，以確保其適應高效且不斷變化的商業環境，並符合上市規則規定。為提高檢討的客觀性及可信度，本集團已委聘一間獨立審計事務所，就本集團風險管理及內部控制系統的客觀性及有效性進行評估。

截至二零一七年十二月三十一日止年度，經參考且根據獨立審計事務所發佈的內部審計報告，審核委員會對本集團風險管理及內部控制系統的成效進行審閱，審閱內容包括財務、營運及合規控制及風險管理活動、資源的充足性、本公司會計、內部監督及財務申報方面的員工資格及經驗以及培訓課程及預算。董事會已審議及討論獨立審計事務所發佈的內部審計報告、獨立審計事務所開展的工作、審核委員會就本集團的風險管理及內部控制系統以及其有效性發佈的觀點。董事會及審核委員會信納本集團風險管理及內部控制的有效性。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### BOARD DIVERSITY POLICY

The Board adopted a board diversity policy (the “**Diversity Policy**”) on 23 May 2014. A summary of this Diversity Policy, together with the measurable objectives set for implementing this policy, and the progress made towards achieving those objectives are disclosed as below.

#### Summary of the Board Diversity Policy

In designing the Board’s composition, Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

#### Measurable Objectives

Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

#### Monitoring and Reporting

The Nomination Committee will report annually, in the corporate governance report, on the Board’s composition under diversified perspectives, and monitor the implementation of the Diversity Policy.

As at the date of this annual report, the Board comprises seven Directors. Three of them are independent non-executive Directors, thereby promoting critical review and control of the management process. The Board is also characterised by significant diversity, whether considered in terms of age, experience, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service.

### 董事會成員多元化政策

董事會於二零一四年五月二十三日採納董事會成員多元化政策（「**多元化政策**」）。多元化政策的摘要及為執行該政策而制定的可計量目標，以及達標進度載列如下。

#### 董事會成員多元化政策摘要

本公司在設定董事會成員組合時，會從多個方面考慮董事會成員多元化，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期。董事會所有委任均以用人唯才為原則，並在考慮人選時以客觀條件充分顧及董事會成員多元化的裨益。

#### 可計量目標

甄選人選將按一系列多元化範疇為基準，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期。最終將按人選的長處及可為董事會作出的貢獻而作決定。

#### 監察及匯報

提名委員會將每年在《企業治理報告》內匯報董事會在多元化層面的組成，並監察多元化政策的執行。

於本年報日期，董事會由七名董事組成。三名為獨立非執行董事，這有助嚴格檢討及監控管理程序。以年齡、經驗、文化及教育背景、種族、專業經驗、技能、知識及服務任期等因素而言，董事會成員十分多元化。

### COMPANY SECRETARY

Mr. Chan Yiu Sing, the Company Secretary appointed by the Board, is a full-time employee of the Company; and in the opinion of the Board, possesses the necessary qualifications and experience, and is capable of performing the functions of a company secretary. During the Reporting Period, Mr. Chan has taken not less than 15 hours of professional training. The Company will continue to provide funds for Mr. Chan to take not less than 15 hours of appropriate professional training in each financial year as required under Rule 3.29 of the Listing Rules.

### COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS

The Company believes that effective communication with shareholders is essential for enhancing investor relations and investors' understanding of the Group's business performance and strategies. The Company also recognises the importance of transparency and timely disclosure of its corporate information, which enables shareholders and investors to make the best investment decision.

The Company maintains a website at [www.bestpacific.com](http://www.bestpacific.com) as a communication platform with shareholders and investors, where information and updates on the Group's business developments and operations and other information are available for public access.

Enquiries and suggestions from shareholders or investors to the Board are welcomed by mail to the Company's principal place of business in Hong Kong at 8th Floor, West Gate Tower, No. 7 Wing Hong Street, Lai Chi Kok, Kowloon, Hong Kong or via email to [ir@bestpacific.com](mailto:ir@bestpacific.com) for the attention of the Investor Relations Department. Inquiries are dealt with in an informative and timely manner.

### 公司秘書

由董事會委任的公司秘書陳耀星先生為本公司的全職僱員；董事會認為，彼擁有必要的資格及經驗且能夠履行公司秘書的職能。於報告期間內，陳先生已接受不少於15小時的專業培訓。按照上市規則第3.29條的要求，本公司將繼續為陳先生於每個財務年度接受不少於15小時的適當專業培訓提供經費。

### 與股東及投資者的溝通

本公司認為，與股東的有效溝通對加強投資者關係及增加投資者對本集團業務表現及策略的了解至關重要。本公司亦認識到公司資料的透明度以及及時披露的重要性，具透明度及適時地披露公司資料有助股東及投資者作出最佳的投資決定。

本公司設有([www.bestpacific.com](http://www.bestpacific.com))網站作為與股東及投資者溝通的平台，可供公眾人士瀏覽有關本集團的業務發展及營運的資料及最新情況以及其他資料。

歡迎股東或投資者向董事會進行查詢及提出建議，可致函至本公司在香港的主要營業地點（香港九龍荔枝角永康街7號西港都會中心8樓）或發送電郵至[ir@bestpacific.com](mailto:ir@bestpacific.com)，收件人為投資者關係部。本公司會適時處理有關查詢及提供相關資訊。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

Besides, shareholders' meetings provide an opportunity for communication between the Board and the shareholders. It is the Company's general practice that the Chairman of the Board as well as chairmen of the Audit Committee, the Nomination Committee and the Remuneration Committee, or in their absence, their duly appointed delegates, who are members of the relevant committees, will be available to answer questions at the general meetings of the Company. In addition, the Company will invite representatives of the auditor to attend its annual general meeting to answer shareholders' questions about the conduct of the audit, the preparation and content of the auditor's report, the accounting policies and the independence of the auditor.

### SHAREHOLDERS' RIGHTS

To safeguard shareholders' interests and rights, separate resolutions are proposed at shareholders' meetings on each substantial issue, including the election of individual Director, for shareholders' consideration and voting. The Company's shareholders may convene an extraordinary general meeting (the "EGM") or put forward proposals at shareholders' meetings as follows:

- (1) Shareholder(s) holding at the date of deposit of the requisition not less than one-tenth of the paid-up capital of the Company may request the Board to convene an EGM pursuant to Article 58 of the Articles by sending a written requisition to the Board or the Company Secretary at the Company's principal place of business in Hong Kong. The purpose of requiring such general meeting must be stated in the written requisition.

此外，股東大會為董事會與股東之間提供了交流的機會。依據本公司慣例，董事會主席以及審核委員會、提名委員會及薪酬委員會的主席（或在彼等未能出席的情況下，其正式委任的代表（相關委員會的成員））將出席本公司的股東大會回答問題。此外，本公司將邀請核數師的代表出席其股東週年大會，以便回答股東提出的有關審核行為、核數師報告的編製及內容、會計政策及核數師獨立性的問題。

### 股東權利

為保障股東的權益及權利，本公司於股東大會上就各項重要問題（包括個別董事的選舉）提出單獨的決議案供股東考慮及投票表決。本公司股東可召開股東特別大會（「股東特別大會」）或於股東大會上提出如下提案：

- (1) 根據細則第58條的規定，於遞呈要求日期持有不少於本公司實繳股本十分之一的股東可透過向董事會或公司秘書（地址為本公司在香港的主要營業地點）發出書面要求，要求董事會召開股東特別大會。書面要求中須指明要求召開股東大會的目的。

(2) If a shareholder wishes to propose a person other than a retiring Director for election as a Director of the Company at a general meeting, pursuant to Article 85 of the Articles, the shareholder (other than the person to be proposed) duly qualified to attend and vote at the general meeting shall send a written notice, duly signed by the shareholder, of his/her intention to propose such person for election and also a notice signed by the person to be proposed of his/her willingness to be elected. These notices should be lodged at the Company's principal place of business in Hong Kong, or the office of the Company's branch share registrar. The period for lodgement of such notices shall commence on the day after the despatch of the notice of such general meeting and end no later than 7 days prior to the date of such general meeting.

For the avoidance of doubt, shareholder(s) must provide their full name(s), contact details and identification, in the originally signed written requisition, notice or statement (as the case may be), in order to give effect thereto. Information of shareholder(s) may be disclosed as required by law. Shareholders may refer to the Articles for further details of the rights of shareholders.

All resolutions put forward at shareholders' meetings of the Company shall be voted by poll except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands pursuant to the Listing Rules and the Articles. The poll results shall be posted on the websites of the Stock Exchange and the Company after each shareholders' meeting.

### CONSTITUTIONAL DOCUMENTS

During the Reporting Period, there was no significant change in the articles of association of the Company.

The latest version of the articles of association of the Company are available on the websites of the Stock Exchange and the Company.

(2) 根據細則第85條的規定，倘股東擬提名即將退任董事以外的人士於股東大會上參選本公司董事，則正式合資格出席股東大會並於會上表決的股東（並非擬提名參選的人士）須發出經其正式簽署的書面通知，當中表明建議提名該人士參選的意向，並附上所提名人士簽署表示願意參選的通知。此等通知應提交至本公司在香港的主要營業地點或本公司股份過戶登記分處的辦事處。該等通知之提交期間於寄發有關股東大會召開通告後翌日開始，不得遲於有關股東大會舉行日期前七日結束。

為免生疑義，股東必須於最初簽署之書面申請書、通知或聲明（視乎情況而定）中提供其全名、聯繫方式及身份證明，以便使之生效，股東的資料可按照法律規定予以披露。有關股東權利的其他詳情，股東可參閱細則。

根據上市規則及細則的規定，除主席決定容許有關程序或行政事宜的決議案以舉手方式表決外，本公司股東大會上提出的所有決議案均須進行投票表決。每次股東大會結束後，投票結果須於聯交所及本公司網站上公佈。

### 章程文件

於報告期間內，本公司組織章程細則並無任何重大變動。

本公司最新版本的組織章程細則可於聯交所及本公司網站上查閱。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

# Deloitte.

# 德勤

**INDEPENDENT AUDITOR'S REPORT  
TO THE SHAREHOLDERS OF  
BEST PACIFIC INTERNATIONAL HOLDINGS LIMITED**  
*(incorporated in Cayman Islands with limited liability)*

獨立核數師報告  
致超盈國際控股有限公司股東

*(於開曼群島註冊成立的有限公司)*

## OPINION

We have audited the consolidated financial statements of Best Pacific International Holdings Limited (the “**Company**”) and its subsidiaries (collectively referred to as “**the Group**”) set out on pages 110 to 239, which comprise the consolidated statement of financial position as at 31 December 2017, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

## BASIS FOR OPINION

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

## 意見

本核數師(以下簡稱「**我們**»)已審計列載於第110至239頁的超盈國際控股有限公司(以下簡稱「**貴公司**»)及其附屬公司(以下統稱「**貴集團**»)的綜合財務報表,此財務報表包括於二零一七年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表,以及綜合財務報表附註,包括主要會計政策概要。

我們認為,該等綜合財務報表已根據由香港會計師公會頒佈的《香港財務報告準則》真實而中肯地反映了 貴集團於二零一七年十二月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量,並已按照香港《公司條例》披露規定妥為編製。

## 意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部份中作進一步闡述。根據香港會計師公會頒佈的《專業會計師道德守則》(以下簡稱「**守則**»),我們獨立於 貴集團,並已履行守則中的其他專業道德責任。我們相信,我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### KEY AUDIT MATTERS

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

#### Allowance for inventories

##### Key audit matter

We identified allowance for inventories as a key audit matter due to its significance to the Group's consolidated financial position and the involvement of subjective judgment and management estimates in determining allowance for inventories.

As at 31 December 2017, the Group's inventories mainly consist of elastic fabric, elastic webbing and lace products and amounting to approximately HK\$694.5 million, which represented approximately 16.5% of total assets of the Group.

As disclosed in Note 4 to the consolidated financial statements, management of the Group reviews the inventory aging analysis at the end of the reporting period and identifies the slow-moving or obsolete inventory items that are no longer suitable for use in production or sales. Management estimates the net realisable value for such inventories based primarily on the latest invoice prices, estimated costs of completion and current market conditions. In addition, the Group carries out regular inventory review with reference to aged inventories analysis, management experience and judgement on the expected future saleability of goods and provides necessary allowance if the net realisable value is estimated to be below the cost.

### 關鍵審計事項

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

#### 存貨撥備

##### 關鍵審計事項

我們將存貨撥備確定為關鍵審計事項，乃由於存貨對貴集團的綜合財務狀況至關重要，且在釐定存貨撥備時涉及主觀判斷及管理層估計。

於二零一七年十二月三十一日，貴集團的存貨主要包括彈性織物面料、彈性織帶及蕾絲產品，存貨價值約為694.5百萬港元，約佔貴集團總資產的16.5%。

誠如綜合財務報表附註4所披露，貴集團管理層於報告期間結束時審閱存貨賬齡分析，識別不再適合用作生產或銷售的滯銷或陳舊存貨項目。管理層主要根據最近發票價格、估計完成成本及當前市場狀況估計該等存貨的可變現淨值。此外，貴集團會參考存貨賬齡分析、管理層經驗及對貨品預期未來適銷性的判斷定期審閱存貨，並於估計可變現淨值將低於成本值時計提必要撥備。



# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### KEY AUDIT MATTERS (Continued)

#### Allowance for inventories (Continued)

##### How our audit addressed the key audit matter

Our procedures in relation to allowance for inventories included:

- Assessing key controls over the identification of slow-moving or obsolete products and management's process in estimating of allowance for inventories;
- Obtaining management's inventory aging analysis as at 31 December 2017, testing the integrity of such aging analysis used as a basis to calculate the allowance and performing retrospective review on such aging analysis of inventories against the basis for allowance in prior years; and
- Challenging management's basis and judgement in determining allowance for obsolete or slow-moving inventories and testing, on a sample basis for subsequent sales or usage for checking if the inventories are stated at the lower of cost and net realisable value and if sufficient allowance had been made.

#### Allowance for bad and doubtful debts

##### Key audit matter

We identified allowance for bad and doubtful debts as a key audit matter due to its significance to the Group's consolidated financial position and the involvement of subjective judgment and management estimates in evaluating the collectability of the Group's trade receivables in assessing allowance for trade receivables at the end of the reporting period.

### 關鍵審計事項 (續)

#### 存貨撥備 (續)

我們的審計如何對關鍵審計事項進行處理

我們有關存貨撥備的程序包括：

- 評估識別滯銷或陳舊產品的主要控制措施，以及管理層在估計存貨撥備時的流程；
- 獲得管理層於二零一七年十二月三十一日的存貨賬齡分析、測試用作撥備計算基準的相關賬齡分析的完整性及根據過往年度的撥備基準對存貨的相關賬齡分析進行回顧性審查；及
- 查詢管理層在釐定陳舊或滯銷存貨撥備時所採用的基準及判斷，並對後續銷售或使用的項目進行抽樣測試，以檢查存貨是否按成本及可變現淨值的較低者列賬，以及是否已計提足夠的撥備。

#### 呆壞賬撥備

##### 關鍵審計事項

於評估報告期間結束時的貿易應收款項撥備時，我們將呆壞賬撥備列為關鍵審計事項，乃由於貿易應收款項對貴集團的綜合財務狀況至關重要，且在釐定貴集團貿易應收款項的可收回性時涉及主觀判斷及管理層估計。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### KEY AUDIT MATTERS (Continued)

#### Allowance for bad and doubtful debts (Continued)

##### Key audit matter (Continued)

As at 31 December 2017, the Group's net trade receivables amounting to approximately HK\$639.1 million, which represented approximately 15.2% of total assets of the Group and out of these trade receivables of approximately HK\$109.0 million were past due but not impaired.

As disclosed in Note 4 to the consolidated financial statements, the allowance for bad and doubtful debts of the Group is based on the evaluation of collectability and aging analysis of individual trade debt performed by the management. A considerable amount of judgment is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of each customer. If the financial condition of customers of the Group is to deteriorate, resulting in an impairment of their ability to make payments, additional allowance may be required.

##### How our audit address the key audit matter

Our procedures in relation to allowance for bad and doubtful debts included:

- Assessing key controls on how the management estimates the allowance for bad and doubtful debts;
- Obtaining management's trade receivables aging analysis as at 31 December 2017 and testing integrity of such aging analysis on a sample basis;
- Challenging management's basis and judgement in determining allowance for bad and doubtful debts, including the reasonableness of management's assessment on the current creditworthiness and the past collection history of trade debtors; and
- Testing the recoverability of trade receivables on a sample basis by checking against schedules of subsequent settlements and tracing to supporting documents.

### 關鍵審計事項 (續)

#### 呆壞賬撥備 (續)

##### 關鍵審計事項 (續)

於二零一七年十二月三十一日，貴集團的貿易應收款項淨額約為639.1百萬港元，約佔貴集團總資產的15.2%，於該等貿易應收款項中，約109.0百萬港元已逾期但未減值。

誠如綜合財務報表附註4所披露，貴集團的呆壞賬撥備乃基於管理層作出的個別貿易債務的可收回性評估及賬齡分析而得出。估計此等應收款項最終能否變現須作出相當程度的判斷，包括評估每個客戶的當前信譽及過往還款記錄。倘貴集團客戶的財務狀況惡化，導致彼等付款能力減弱，則須作出額外撥備。

##### 我們的審計如何對關鍵審計事項進行處理

我們有關呆壞賬撥備的程序，包括：

- 評估管理層在估計呆壞賬撥備時的主要控制措施；
- 獲得管理層於二零一七年十二月三十一日的貿易應收款項賬齡分析，並對該等賬齡分析的完整性進行抽樣測試；
- 查詢管理層在釐定呆壞賬撥備時所採用的基準及判斷（包括管理層評估貿易債務人當前信譽及過往還款記錄的合理性）；及
- 透過檢查後續結算及追蹤證明性文件，對貿易應收款項的可收回性進行抽樣測試。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### OTHER INFORMATION

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

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

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

### RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

### 其他信息

貴公司董事需對其他信息負責。其他信息包括刊載於年報內的信息，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑑證結論。

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

### 董事及管理層就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的《香港財務報告準則》及按照香港《公司條例》的披露規定編製真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

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

管理層須負責監督貴集團的財務報告過程。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with our agreed terms of 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 HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

### 核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並按照我們協定之聘用條款僅向全體成員出具包括我們意見的核數師報告。除此以外，我們的報告不可用作其他用途。我們並不就本報告之內容對任何其他人士承擔任何責任或接受任何義務。合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

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

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

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

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

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

### 核數師就審計綜合財務報表承擔的責任 (續)

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應更正我們的意見。我們的結論是基於截至核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映相關交易和事項。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

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

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

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

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

The engagement partner on the audit resulting in the independent auditor's report is Lui Chi Wang.

**Deloitte Touche Tohmatsu**  
Certified Public Accountants  
Hong Kong  
20 March 2018

### 核數師就審計綜合財務報表承擔的責任 (續)

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

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

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

出具本獨立核數師報告的審計項目合夥人是呂志宏。

**德勤•關黃陳方會計師行**  
執業會計師  
香港  
二零一八年三月二十日

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## 綜合損益及其他全面收益表

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

		Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Revenue	收入	5	2,794,811	2,469,106
Cost of sales	銷售成本		(2,022,139)	(1,641,128)
Gross profit	毛利		772,672	827,978
Other income	其他收入	7	50,657	44,935
Other gains and losses	其他收益及虧損	8	(14,351)	24,725
Selling and distribution expenses	銷售及分銷開支		(149,072)	(120,584)
Administrative expenses	行政開支		(183,990)	(162,681)
Research and development costs	研發費用		(83,999)	(55,361)
Share of result of a joint venture	分佔合營企業業績		3,195	5,715
Finance costs	融資成本	9	(35,219)	(28,660)
Profit before taxation	除稅前溢利	12	359,893	536,067
Income tax expense	所得稅開支	13	(56,258)	(79,816)
<b>Profit for the year</b>	<b>年度溢利</b>		<b>303,635</b>	456,251
<b>Other comprehensive income (expense):</b>	<b>其他全面收益(開支):</b>			
Items that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益的項目:			
Exchange differences arising on translation of foreign operations	換算海外業務產生的匯兌差額		181,926	(150,236)
Share of translation reserve of a joint venture	分佔合營企業的換算儲備		906	(590)
Fair value gain on available-for-sale financial assets	可供出售金融資產的公平值收益		515	214
Reclassified to profit and loss on disposal of an available-for-sales financial asset	於出售一項可供出售金融資產時重新分類至損益		(250)	-
<b>Other comprehensive income (expense) for the year</b>	<b>年內其他全面收益(開支)</b>		<b>183,097</b>	(150,612)
<b>Total comprehensive income for the year</b>	<b>年內全面收益總額</b>		<b>486,732</b>	305,639
<b>Profit (loss) for the year attributable to</b>	<b>年內應佔溢利(虧損)</b>			
- Owners of the Company	- 本公司擁有人		304,219	456,251
- Non-controlling interests	- 非控股權益		(584)	-
			<b>303,635</b>	456,251
<b>Total comprehensive income (expense) for the year attributable to</b>	<b>年內應佔全面收益(開支)總額</b>			
- Owners of the Company	- 本公司擁有人		487,316	305,639
- Non-controlling interests	- 非控股權益		(584)	-
			<b>486,732</b>	305,639
<b>Earnings per share</b>	<b>每股盈利</b>	15		
- Basic (HK cents)	- 基本(港仙)		29.45	44.37
- Diluted (HK cents)	- 攤薄(港仙)		29.29	44.00

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

As at 31 December 2017 於二零一七年十二月三十一日

		Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	16	2,277,003	1,324,704
Prepaid lease payments	預付租賃付款	17	103,021	80,521
Interest in a joint venture	於合營企業的權益	18	32,413	15,300
Deposits	按金	22	104,838	90,523
Available-for-sale financial assets	可供出售金融資產	19	27,512	28,434
Deferred tax assets	遞延稅項資產	30	774	867
			<b>2,545,561</b>	1,540,349
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨	20	694,457	504,635
Prepaid lease payments	預付租賃付款	17	2,593	894
Trade and bills receivables	貿易應收款項及應收票據	21	648,359	561,898
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	22	80,537	67,074
Amount due from a related company	應收關聯公司款項	21	366	698
Derivative financial instrument	衍生金融工具	29	-	12,811
Pledged bank deposits	已抵押銀行存款	23	54,623	61,610
Short term bank deposits	短期銀行存款	23	11,687	13,362
Bank balances and cash	銀行結餘及現金	23	176,715	424,540
			<b>1,669,337</b>	1,647,522
<b>Current liabilities</b>	<b>流動負債</b>			
Trade payables	貿易應付款項	24	181,616	122,658
Bills payables	應付票據	25	285,175	314,013
Other payables and accrued charges	其他應付款項及應計費用	26	183,344	200,981
Bank borrowings	銀行借款	27	262,486	120,707
Obligations under finance leases	融資租賃承擔	28	629	5,302
Tax payable	應繳稅項		11,740	36,592
			<b>924,990</b>	800,253
<b>Net current assets</b>	<b>流動資產淨值</b>		<b>744,347</b>	847,269
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		<b>3,289,908</b>	2,387,618



# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

As at 31 December 2017 於二零一七年十二月三十一日

		Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Bank borrowings	銀行借款	27	977,776	472,795
Obligations under finance leases	融資租賃承擔	28	–	629
Derivative financial instrument	衍生金融工具	29	4,426	4,780
Deferred income	遞延收入		7,044	7,649
			989,246	485,853
<b>Net assets</b>	<b>資產淨值</b>		<b>2,300,662</b>	1,901,765
<b>Capital and reserves</b>	<b>資本及儲備</b>			
Share capital	股本	31	10,365	10,288
Reserves	儲備		2,290,881	1,891,477
<b>Equity attributable to owners of the Company</b>	<b>本公司擁有人應佔權益</b>		<b>2,301,246</b>	1,901,765
<b>Non-controlling interests</b>	<b>非控股權益</b>		<b>(584)</b>	–
<b>Total equity</b>	<b>權益總額</b>		<b>2,300,662</b>	1,901,765

The consolidated financial statements on pages 110 to 239 were approved by the Board of Directors on 20 March 2018 and are signed on its behalf by:

第110至239頁的綜合財務報表獲董事會於二零一八年三月二十日批准及獲以下代表簽署：

**Lu Yuguang**  
盧煜光  
Chairman  
主席

**Zhang Haitao**  
張海濤  
Executive Director  
執行董事

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

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

		Attributable to owners of the Company 本公司擁有人應佔											
		Capital	Share premium	Investment revaluation reserve	Other reserve	Special reserve	PRC statutory reserve	Translation reserve	Share options reserve	Retained profits	Total	Non-controlling interests	Total equity
		股本	股份溢價	投資重估儲備	其他儲備	特別儲備	中國法定儲備	換算儲備	購股權儲備	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
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
					(Note a) (附註 a)	(Note b) (附註 b)	(Note c) (附註 c)						
At 1 January 2016	於二零一六年一月一日	10,213	547,958	(479)	106,715	(13,070)	86,745	(38,610)	17,837	1,021,635	1,738,944	-	1,738,944
Profit for the year	年度溢利	-	-	-	-	-	-	-	-	456,251	456,251	-	456,251
Exchange differences arising on translation of foreign operations	換算海外業務時產生的匯兌差額	-	-	-	-	-	-	(150,236)	-	-	(150,236)	-	(150,236)
Share of translation reserve of a joint venture	分佔合營企業的換算儲備	-	-	-	-	-	-	(590)	-	-	(590)	-	(590)
Fair value gain on available-for-sale financial assets	可供出售金融資產的公平值收益	-	-	214	-	-	-	-	-	-	214	-	214
Other comprehensive expense for the year	年度其他全面開支	-	-	214	-	-	-	(150,826)	-	-	(150,612)	-	(150,612)
Total comprehensive income for the year	年度全面收益總額	-	-	214	-	-	-	(150,826)	-	456,251	305,639	-	305,639
Issue of new ordinary shares of the Company (Note 31)	發行本公司新普通股 (附註31)	75	21,005	-	-	-	-	-	(13,012)	-	8,068	-	8,068
Recognition of equity-settled share based payments (Note 33)	確認股權結算股份為基礎付款 (附註33)	-	-	-	-	-	-	-	6,015	-	6,015	-	6,015
Transfer from retained profits to the PRC statutory reserve	從保留溢利轉撥至中國法定儲備	-	-	-	-	-	26,460	-	-	(26,460)	-	-	-
Dividends recognised as distribution (Note 14)	確認分派的股息 (附註14)	-	-	-	-	-	-	-	-	(156,901)	(156,901)	-	(156,901)
At 31 December 2016	於二零一六年十二月三十一日	10,288	568,963	(265)	106,715	(13,070)	113,205	(189,436)	10,840	1,294,525	1,901,765	-	1,901,765
Profit for the year	年度溢利	-	-	-	-	-	-	-	-	304,219	304,219	(584)	303,635
Exchange differences arising on translation of foreign operations	換算海外業務時產生的匯兌差額	-	-	-	-	-	-	181,926	-	-	181,926	-	181,926
Share of translation reserve of a joint venture	分佔合營企業換算儲備	-	-	-	-	-	-	906	-	-	906	-	906
Fair value gain on an available-for-sale financial asset	一項可供出售金融資產的公平值收益	-	-	515	-	-	-	-	-	-	515	-	515
Reclassified to profit and loss on disposal of an available-for-sale financial asset	於出售一項可供出售金融資產時重新分類至損益	-	-	(250)	-	-	-	-	-	-	(250)	-	(250)
Other comprehensive income for the year	年內其他全面收益	-	-	265	-	-	-	182,832	-	-	183,097	-	183,097
Total comprehensive income for the year	年內全面收益總額	-	-	265	-	-	-	182,832	-	304,219	487,316	(584)	486,732
Issue of new ordinary shares of the Company (Note 31)	發行本公司新普通股 (附註31)	77	16,339	-	-	-	-	-	(8,109)	-	8,307	-	8,307
Recognition of equity-settled share based payments (Note 33)	確認股權結算股份為基礎付款 (附註33)	-	-	-	-	-	-	-	1,703	-	1,703	-	1,703
Transfer from retained profits to the PRC statutory reserve	從保留溢利轉撥至中國法定儲備	-	-	-	-	-	18,602	-	-	(18,602)	-	-	-
Dividends recognised as distribution (Note 14)	確認分派的股息 (附註14)	-	-	-	-	-	-	-	-	(97,845)	(97,845)	-	(97,845)
At 31 December 2017	於二零一七年十二月三十一日	10,365	585,302	-	106,715	(13,070)	131,807	(6,604)	4,434	1,482,297	2,301,246	(584)	2,300,662

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

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

### Notes:

- (a) Pursuant to sale and purchase agreement dated 16 January 2014, entered into between the Company with each of Grandview Capital Investment Limited (“**Grandview**”), Sunbrilliant Capital Investment Limited (“**Sunbrilliant**”) and Lakefront Capital Investment Limited (“**Lakefront**”), Grandview, Sunbrilliant and Lakefront transferred 85%, 10% and 5% of their respective interests in Best Pacific Textile Holdings Limited (“**BPT Holdings**”) to the Company, the consideration of which was settled by way of allotment and issue of 331,500, 39,000 and 19,500 shares of HK\$0.01 each by the Company, to Grandview, Sunbrilliant and Lakefront, respectively, with reference to their respective shareholdings in BPT Holdings. As Sunbrilliant and Lakefront had in effect obtained 10% and 5% beneficial interests in New Horizon Investment (Hong Kong) Limited (“**New Horizon Investment**”) after the aforesaid transfers and allotments, an additional consideration of approximately HK\$40 million and HK\$20 million were paid by Sunbrilliant and Lakefront to Grandview, respectively, and such consideration was determined with reference to the fair value of the 15% equity interests in New Horizon Investment and its subsidiary as at 30 September 2013. BPT Holdings then became a wholly-owned subsidiary of the Company. Other reserve of the Group amounting to approximately HK\$106,715,000 represents the difference between the nominal value of the shares issued by the Company and the carrying value of the non-controlling interests held by Sunbrilliant and Lakefront and the share capital of BPT Holdings prior to the completion of a group reorganisation on 16 January 2014.
- (b) Several subsidiaries of the Company provided financial guarantees to its related companies and the fair value of the financial guarantees was recognised as deemed distribution to the shareholders at initial recognition. These financial guarantees were released in previous years.
- (c) The People’s Republic of China (the “**PRC**”) statutory reserve is non-distributable and the transfer to this reserve is determined according to the relevant law in the PRC and by the board of directors of the PRC subsidiaries in accordance with the Articles of Association of the subsidiaries. It can be used to make up for previous year’s losses or convert into additional capital of the PRC subsidiaries of the Company.

### 附註：

- (a) 根據本公司與Grandview Capital Investment Limited (“**Grandview**”)、Sunbrilliant Capital Investment Limited (“**Sunbrilliant**”)及Lakefront Capital Investment Limited (“**Lakefront**”)各自於二零一四年一月十六日訂立之買賣協議，Grandview、Sunbrilliant及Lakefront分別向本公司轉讓彼等各自於超盈紡織控股有限公司 (“**超盈紡織控股**”)之85%、10%及5%權益，轉讓代價由本公司參照彼等各自於超盈紡織控股的股權分別向Grandview、Sunbrilliant及Lakefront配發及發行331,500股、39,000股及19,500股每股面值0.01港元之股份結算。由於Sunbrilliant及Lakefront於上述轉讓及配發後實際上取得潤達投資(香港)有限公司 (“**潤達投資**”)分別10%及5%之實益權益，因此，Sunbrilliant及Lakefront已分別支付約40百萬港元及20百萬港元的額外代價予Grandview，而有關代價乃參照所持潤達投資及其附屬公司15%股權於二零一三年九月三十日的公平值而釐定。超盈紡織控股隨後成為本公司之全資附屬公司。本集團的其他儲備約106,715,000港元，指本公司發行之股份面值與Sunbrilliant及Lakefront持有的非控股權益賬面值及超盈紡織控股於完成二零一四年一月十六日的集團重組前的股本之差額。
- (b) 本公司若干附屬公司為其關聯公司提供財務擔保，財務擔保的公平值初始確認為視作向股東分派。該等財務擔保已於過往年度解除。
- (c) 中華人民共和國 (“**中國**”)法定儲備為不可分派，對該儲備的轉撥由中國附屬公司的董事會根據附屬公司的組織章程細則按中國有關法律釐定。該儲備可用作彌補本公司中國附屬公司的去年虧損或轉換為額外資本。

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

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

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>Operating activities</b>	<b>經營活動</b>		
Profit before taxation	除稅前溢利	359,893	536,067
Adjustments for:	為下列各項作出調整：		
Interest income	利息收入	(4,040)	(18,708)
Finance costs	融資成本	35,219	28,660
Reversal of allowance of obsolete inventories	陳舊存貨撥備撥回	-	(6,923)
Share of result of a joint venture	分佔合營企業業績	(3,195)	(5,715)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	153,036	122,210
Change in fair value of derivative financial instruments	衍生金融工具的 公平值變動	(484)	(7,308)
Gain on disposal of property, plant and equipment	出售物業、廠房及 設備收益	913	2,244
Share-based payment expenses	股份為基礎的付款開支	1,703	6,015
Amortisation of prepaid lease payments	攤銷預付租賃付款	2,495	894
Amortisation of deferred income	攤銷遞延收入	(1,096)	(1,296)
Unrealised exchange loss (gain) arising on translation of current accounts within group entities	換算集團實體間往來 賬戶產生的未變現 匯兌虧損(收益)	23,952	(20,431)
Dividend income from an available-for-sale financial asset	來自一項可供出售 金融資產之股息收入	(1,316)	-
Gain on disposal of an available-for-sale financial asset	出售一項可供出售 金融資產的收益	(250)	-
Operating cash flows before movements in working capital	營運資金變動前的 經營現金流量	566,830	635,709
Increase in inventories	存貨增加	(152,572)	(163,056)
Increase in trade and bills receivables	貿易應收款項及應收票據 增加	(72,985)	(100,080)
Increase in other receivables, deposits and prepayments	其他應收款項、按金及 預付款項增加	(7,049)	(48,144)
Increase in trade payables	貿易應付款項增加	53,053	1,541
(Decrease) increase in bills payables	應付票據(減少)增加	(45,002)	65,133
(Decrease) increase in other payables and accrued charges	其他應付款項及應計費用 (減少)增加	(25,020)	48,499
Cash generated from operations	經營業務所得現金	317,255	439,602
Income tax paid	已付所得稅	(82,413)	(63,594)
<b>Net cash from operating activities</b>	<b>經營活動所得現金淨額</b>	<b>234,842</b>	<b>376,008</b>

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

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

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>Investing activities</b>	<b>投資活動</b>		
Placement of pledged bank deposit	存放已抵押銀行存款	(121,488)	(151,148)
Withdrawal of pledged bank deposits	提取已抵押銀行存款	132,443	123,619
Interests received	已收利息	4,113	22,645
Payment for prepaid lease payments	支付預付租賃付款	(24,084)	(43,978)
Addition of property, plant and equipment	添置物業、廠房及設備	(1,010,327)	(522,422)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	2,096	707
Dividend income from an available-for-sale financial asset	來自一項可供出售金融資產之股息收入	1,316	-
Government grant received	已收政府補助金	-	2,503
Purchase of available-for-sale financial assets	購買可供出售金融資產	-	(27,512)
Proceeds from disposal of an available-for-sale financial asset	出售一項可供出售金融資產所得款項	3,250	-
Placement of short term bank deposits with original maturity over 3 months	存放原到期日超過三個月之短期銀行存款	(820,271)	(2,078,838)
Withdrawal of short term bank deposits with original maturity over 3 months	提取原到期日超過三個月之短期銀行存款	822,802	2,305,926
Payment for additional interest in a joint venture	支付於一間合營企業之額外權益	(71)	-
Advance to a related company	墊款予一間關聯公司	-	(698)
Repayment from a related company	自關聯公司還款	332	-
<b>Net cash used in investing activities</b>	<b>投資活動所用現金淨額</b>	<b>(1,009,889)</b>	<b>(369,196)</b>
<b>Financing activities</b>	<b>融資活動</b>		
Interests paid	已付利息	(34,728)	(27,383)
Dividends paid	已付股息	(97,845)	(156,901)
Proceeds from issue of new shares	發行新股份所得款項	8,307	8,068
New bank borrowings raised	新增銀行借款	773,432	229,549
New syndicated loan raised	新增銀團貸款	1,000,000	600,000
Transaction cost paid on syndicated loan	銀團貸款已付交易成本	(28,000)	(21,100)
Repayment of bank borrowings	償還銀行借款	(508,310)	(550,926)
Repayment of syndicated loan	償還銀團貸款	(591,565)	(252,178)
Repayment of obligations under finance leases	償還融資租賃承擔	(5,302)	(11,427)
<b>Net cash from (used in) financing activities</b>	<b>融資活動所得(所用)現金淨額</b>	<b>515,989</b>	<b>(182,298)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>現金及現金等價物減少淨額</b>	<b>(259,058)</b>	<b>(175,486)</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>年初的現金及現金等價物</b>	<b>424,540</b>	<b>627,293</b>
Effect of foreign exchange rate changes	匯率變動的影響	11,233	(27,267)
<b>Cash and cash equivalents at end of the year, represented by Bank balances and cash</b>	<b>年終的現金及現金等價物，以銀行結餘及現金代表</b>	<b>176,715</b>	<b>424,540</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 1. GENERAL INFORMATION

The Company was incorporated as an exempted company and registered in the Cayman Islands with limited liability under the Companies Law Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands on 14 June 2013. Its immediate and ultimate holding company is Grandview Capital Investment Limited (“**Grandview**”), which is incorporated in the British Virgin Islands (“**BVI**”) and is wholly owned by Mr. Lu Yuguang (“**Mr. Lu**”), who is also the Chairman and executive director of the Company. The Company’s shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since 23 May 2014.

The functional currency of the Company is Hong Kong dollar (“**HK\$**”), which is the same as the presentation currency of the consolidated financial statements.

### 1. 一般資料

本公司於二零一三年六月十四日根據開曼群島法例第22章公司法（一九六一年第三號法案，經綜合及修訂）在開曼群島註冊成立為獲豁免有限公司。其直接及最終控股公司 Grandview Capital Investment Limited（「**Grandview**」）為於英屬處女群島（「**英屬處女群島**」）註冊成立並由本公司主席兼執行董事盧煜光先生（「**盧先生**」）全資擁有的公司。本公司股份已自二零一四年五月二十三日起在香港聯合交易所有限公司（「**聯交所**」）主板上市。

本公司的功能貨幣為港元（「**港元**」），亦為綜合財務報表的呈列貨幣。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

#### Amendments to HKFRSs that are mandatorily effective for the current year

The Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time in the current year:

Amendments to HKAS 7	<i>Disclosure Initiative</i>
Amendments to HKAS 12	<i>Recognition of Deferred Tax Assets for Unrealised Losses</i>
Amendments to HKFRS 12	<i>As part of the Annual Improvements to HKFRSs 2014-2016 Cycle</i>

The application of the amendments to HKFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years, but resulted in additional disclosures as set out in these consolidated financial statements as described below.

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

#### 本年度已強制生效的香港財務報告準則之修訂

本集團於本年度首次應用香港會計師公會（「香港會計師公會」）頒佈的以下香港財務報告準則之修訂：

香港會計準則第7號 (修訂本)	<i>披露計劃</i>
香港會計準則第12號 (修訂本)	<i>就未變現虧損作出遞延稅項資產之確認</i>
香港財務報告準則第12號 (修訂本)	<i>作為二零一四年至二零一六年週期香港財務報告準則之年度改進的一部分</i>

於本年度應用香港財務報告準則之修訂並未對本集團本年度及過往年度的財務表現及狀況有重大影響，但造成下文所述該等綜合財務報表所載之額外披露。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

#### Amendments to HKFRSs that are mandatorily effective for the current year (Continued)

##### Amendments to HKAS 7 Disclosure Initiative

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

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

A reconciliation between the opening and closing balances of these items is provided in Note 42. Consistent with the transition provisions of the amendments, the Group has not disclosed comparative information for the prior year. Apart from the additional disclosure in Note 42, the application of these amendments has had no impact on the Group's consolidated financial statements.

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

#### 本年度已強制生效的香港財務報告準則之修訂（續）

##### 香港會計準則第7號（修訂本）披露計劃

本集團本年度首次應用該等修訂。該等修訂要求實體提供披露，令使用財務報表的人士能夠評估融資活動產生之負債變動，包括現金及非現金變動。此外，該等修訂亦要求倘金融資產收取的現金流量已或未來現金流量將計入融資活動現金流量，則須披露該等金融資產之變動。

具體而言，該等修訂要求披露以下變動：(i) 融資現金流量變動；(ii) 取得或失去對附屬公司或其他業務之控制所帶來之變動；(iii) 匯率變動的影響；(iv) 公平值變動；及(v) 其他變動。

有關該等項目之年初及年末結餘之對賬載於附註42。根據該等修訂之過渡性條文，本集團並無披露過往年度的可比資料。除附註42的額外披露外，應用該等修訂並無對本集團綜合財務報表造成影響。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

#### New and revised HKFRSs in issue but not yet effective

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

HKFRS 9	Financial Instruments <sup>1</sup>
HKFRS 15	Revenue from Contracts with Customers and related Amendments <sup>1</sup>
HKFRS 16	Leases <sup>2</sup>
HKFRS 17	Insurance Contracts <sup>4</sup>
HK(IFRIC)-Int 22	Foreign Currency Transactions and Advance Consideration <sup>1</sup>
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments <sup>2</sup>
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions <sup>1</sup>
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts <sup>1</sup>
Amendments to HKFRS 9	Prepayment Features with Negative Compensation <sup>2</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>3</sup>

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

#### 已頒佈但尚未生效的新訂及經修訂香港財務報告準則

本集團並無提早應用以下已頒佈但尚未生效的新訂及經修訂香港財務報告準則：

香港財務報告準則第9號	金融工具 <sup>1</sup>
香港財務報告準則第15號	來自客戶合約之收益及相關修訂 <sup>1</sup>
香港財務報告準則第16號	租賃 <sup>2</sup>
香港財務報告準則第17號	保險合同 <sup>4</sup>
香港（國際財務報告詮釋委員會）— 詮釋第22號	外幣交易及預付代價 <sup>1</sup>
香港（國際財務報告詮釋委員會）— 詮釋第23號	所得稅處理的不確定性 <sup>2</sup>
香港財務報告準則第2號（修訂本）	以股份為基礎的付款交易之分類及計量 <sup>1</sup>
香港財務報告準則第4號（修訂本）	與香港財務報告準則第4號保險合同— 併應用香港財務報告準則第9號金融工具 <sup>1</sup>
香港財務報告準則第9號（修訂本）	具有負補償之提前還款特點 <sup>2</sup>
香港財務報告準則第10號及香港會計準則第28號（修訂本）	投資者及其聯營公司或合營企業出售或注入資產 <sup>3</sup>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

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

Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures <sup>2</sup>
Amendments to HKAS 28	As part of the Annual Improvements to HKFRSs 2014-2016 Cycle <sup>1</sup>
Amendments to HKAS 40	Transfers of Investment Property <sup>1</sup>
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015-2017 Cycle <sup>2</sup>

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

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

#### 已頒佈但尚未生效的新訂及經修訂香港財務報告準則（續）

香港會計準則第28號（修訂本）	於聯營公司及合營企業之長期權益 <sup>2</sup>
香港會計準則第28號（修訂本）	作為二零一四年至二零一六年週期香港財務報告準則之年度改進的一部分 <sup>1</sup>
香港會計準則第40號（修訂本）	轉讓投資物業 <sup>1</sup>
香港財務報告準則（修訂本）	二零一五年至二零一七年週期香港財務報告準則之年度改進 <sup>2</sup>

- <sup>1</sup> 於始於二零一八年一月一日或之後的年度期間生效。
- <sup>2</sup> 於始於二零一九年一月一日或之後的年度期間生效。
- <sup>3</sup> 於始於待定日期或之後的年度期間生效。
- <sup>4</sup> 於始於二零二一年一月一日或之後的年度期間生效。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

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

##### HKFRS 9 “Financial Instruments”

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

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

- All recognised financial assets that are within the scope of HKAS 39 “Financial Instruments: Recognition and Measurement” are subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at fair value through other comprehensive income (“FVTOCI”). All other financial assets are measured at their fair value at subsequent accounting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

#### 已頒佈但尚未生效的新訂及經修訂香港財務報告準則（續）

##### 香港財務報告準則第9號「金融工具」

香港財務報告準則第9號引入金融資產、金融負債、一般對沖會計及金融資產之減值規定分類及計量的新規定。

與本集團相關的香港財務報告準則第9號之主要規定載述如下：

- 屬香港會計準則第39號「金融工具：確認及計量」範圍內的所有已確認金融資產其後均須按攤銷成本或公平值計量。具體而言，於目的為收取合約現金流量的業務模式下持有以及附有純粹作本金及尚未償還本金利息付款的合約現金流量的債項投資，一般於其後的會計期間結束時按攤銷成本計量。於目的為同時收回合約現金流及出售金融資產之業務模式中持有之債務工具，以及金融資產條款令於特定日期產生之現金流純粹為支付本金及未償還本金之利息的債務工具，按透過其他全面收益按公平值列賬（「透過其他全面收益按公平值列賬」）之方式計量。所有其他金融資產均於其後的會計期間按公平值計量。此外，根據香港財務報告準則第9號，實體可作出不可撤回選擇，於其他全面收益呈列並非持作買賣的股本投資公平值的其後變動，且僅股息收入一般於損益確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

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

**HKFRS 9 “Financial Instruments”** (Continued)

- For non-substantial modifications of financial liabilities that do not result in derecognition, the carrying amount of the relevant financial liabilities will be calculated at the present value of the modified contractual cash flows and discounted at the financial liabilities’ original effective interest rate. Transaction costs or fees incurred are adjusted to the carrying amount of the modified financial liabilities and are amortised over the remaining term. Any adjustment to the carrying amount of the financial liability is recognised in profit or loss at the date of modification. Currently, the Group revises the effective interest rates for non-substantial modification of financial liabilities with no gain/loss being recognised in profit or loss. The directors of the Company anticipate that, upon the initial adoption of HKFRS 9, the non-substantial modifications of financial liabilities will not have significant impact to the opening retained profits of the Group.

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」） （續）

**已頒佈但尚未生效的新訂及經修訂香港財務報告準則**（續）

**香港財務報告準則第9號「金融工具」**（續）

- 有關不造成取消確認的金融負債之非重大改動，相關金融負債之賬面值將以修訂合約現金流量之現值計算，按該金融負債之原始實際利率貼現。產生的交易成本或費用按經改動金融負債之賬面值調整並於餘下期間攤銷。金融負債賬面值之任何調整於改動日期於損益中確認。現時，本集團修訂金融負債之非重大改動的實際利率，並無收益／虧損於損益中確認。本公司董事預期，於初步應用香港財務報告準則第9號後，金融負債之非重大改動將不會對本集團期初保留溢利產生重大影響。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

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

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

- In relation to the impairment of financial assets, HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

Based on the Group's financial instruments and risk management policies as at 31 December 2017, the directors of the Company anticipate the following potential impact on initial application of HKFRS 9:

##### Classification and measurement:

- Financial assets classified as loan and receivables carried at amortised cost as disclosed in Notes 21, 22 and 23: these are held within a business model whose objective is to collect the contractual cash flows that are solely payments of principal and interest on the principal outstanding. Accordingly, these financial assets will continue to be subsequently measured at amortised cost upon the application of HKFRS 9.

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

#### 已頒佈但尚未生效的新訂及經修訂香港財務報告準則（續）

##### 香港財務報告準則第9號「金融工具」（續）

- 就金融資產之減值而言，與香港會計準則第39號項下按已產生信貸虧損模式計算相反，香港財務報告準則第9號規定按預期信貸虧損模式計算。預期信貸虧損模式規定實體於各報告日期將預期信貸虧損及該等預期信貸虧損之變動入賬，以反映信貸風險自初始確認以來之變動。換言之，毋須再待發生信貸事件方確認信貸虧損。

根據本集團於二零一七年十二月三十一日的金融工具及風險管理政策，本公司董事預期初步應用香港財務報告準則第9號會有以下潛在影響：

##### 分類與計量：

- 於附註21、22及23中所披露被分類為貸款及應收款項並按攤銷成本列賬之金融資產：該等金融資產於目的為收取純粹為支付本金及尚未償還本金利息的合約現金流量的業務模式下持有。因此，應用香港財務報告準則第9號後，該等金融資產其後將持續按攤銷成本計量。

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## 綜合財務報表附註

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

## 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

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

**HKFRS 9 “Financial Instruments”** (Continued)

*Classification and measurement:* (Continued)

- Unlisted investment in a partnership classified as available-for-sale financial assets carried at cost less impairment as disclosed in Note 19: this investment qualified for designation as measured at FVTOCI under HKFRS 9 and the Group will measure these securities at fair value at the end of subsequent reporting periods with fair value gains or losses to be recognised as other comprehensive income and accumulated in the investment revaluation reserve. Upon initial application of HKFRS 9, the differences between the carrying amount at cost less impairment and fair value (net of deferred tax impact) relating to this investment would be adjusted to investments revaluation reserve as at 1 January 2018.

## 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

已頒佈但尚未生效的新訂及經修訂香港財務報告準則（續）

香港財務報告準則第9號「金融工具」（續）

分類與計量：（續）

- 於附註19中所披露被分類為可供出售金融資產並以成本減去減值列賬的於合夥公司的未上市投資：根據香港財務報告準則第9號，該投資有資格被指定按透過其他全面收益按公平值列賬之方式計量，且本集團將於其後報告期間結束時按公平值計量該等證券，公平值收益或虧損確認為其他全面收益並於投資重估儲備內累計。於初步應用香港財務報告準則第9號後，與該投資有關之以成本減去減值的賬面值與公平值（扣除遞延稅項影響）之間的差額將於二零一八年一月一日調整為投資重估儲備。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

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

**HKFRS 9 “Financial Instruments”** (Continued)

*Impairment:*

In general, the directors of the Company anticipate that the application of the expected credit loss model of HKFRS 9 will result in earlier provision of credit losses which are not yet incurred in relation to the Group’s financial assets measured at amortised costs and other items that are subject to the impairment provisions upon application of HKFRS 9 by the Group.

Based on the assessment by the directors of the Company, if the expected credit loss model were to be applied by the Group, the accumulated amount of impairment loss to be recognised by the Group as at 1 January 2018 would be slightly increased as compared to the accumulated amount recognised under HKAS 39 mainly attributable to expected credit losses provision on trade and bills receivables and other receivables and deposits. Such further impairment recognised under expected credit loss model would reduce the opening retained profits and increase the deferred tax assets at 1 January 2018.

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

**已頒佈但尚未生效的新訂及經修訂香港財務報告準則**（續）

**香港財務報告準則第9號「金融工具」**（續）

*減值：*

基本上，本公司董事預期應用香港財務報告準則第9號的預期信貸虧損模式將導致提早就有關本集團按攤銷成本計量的金融資產，以及於本集團應用香港財務報告準則第9號時須作出減值撥備的其他項目而尚未產生的信貸虧損作撥備。

根據本公司董事評估，倘本集團應用預期信貸虧損模式，本集團於二零一八年一月一日確認的累計減值虧損金額將較根據香港會計準則第39號確認的累計金額微幅增加，主要由於貿易應收款項及應收票據、其他應收款項及按金作出預期信貸虧損撥備。根據預期信貸虧損模式的進一步減值確認將於二零一八年一月一日減少期初保留溢利及增加遞延稅項資產。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

## 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

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

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

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

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, HKFRS 15 introduces a 5-step approach to revenue recognition:

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

## 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

### 已頒佈但尚未生效的新訂及經修訂香港財務報告準則（續）

#### 香港財務報告準則第15號「來自客戶合約之收益」

香港財務報告準則第15號已頒佈，其制定一項單一全面模式供實體用作將自客戶合約所產生之收益入賬。於香港財務報告準則第15號生效後，其將取代現時載於香港會計準則第18號「收益」、香港會計準則第11號「建築合約」及相關詮釋之收益確認指引。

香港財務報告準則第15號之核心原則為實體所確認描述向客戶轉讓承諾貨品或服務之收益金額，應為能反映該實體預期就交換該等貨品或服務有權獲得之代價。具體而言，香港財務報告準則第15號引入五個確認收益之步驟：

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



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

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

##### HKFRS 15 “Revenue from Contracts with Customers” (Continued)

Under HKFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when ‘control’ of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

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

The directors of the Company anticipate that the application of HKFRS 15 in the future may result in more disclosures, however, the directors of the Company do not anticipate that the application of HKFRS 15 will have a material impact on the timing and amounts of revenue recognised in the respective reporting period.

##### HKFRS 16 “Leases”

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

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

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

#### 已頒佈但尚未生效的新訂及經修訂香港財務報告準則（續）

##### 香港財務報告準則第15號「來自客戶合約之收益」（續）

根據香港財務報告準則第15號，實體於完成履約責任時確認收益，即於特定履約責任相關之貨品或服務之「控制權」轉讓予客戶時。香港財務報告準則第15號已就特別情況之處理方法加入更明確指引。此外，香港財務報告準則第15號規定作出更詳盡之披露。

香港會計師公會於二零一六年就識別履約義務、當事人與代理人的考慮及許可證應用指南頒佈香港財務報告準則第15號的澄清。

本公司董事預期，日後應用香港財務報告準則第15號或會導致有更多的資料需要披露，然而，本公司董事預期應用香港財務報告準則第15號將不會對於各報告期間確認的收入的時間及金額產生重大影響。

##### 香港財務報告準則第16號「租賃」

香港財務報告準則第16號為識別出租人及承租人的租賃安排及會計處理引入一個綜合模式。香港財務報告準則第16號於生效後將取代香港會計準則第17號「租賃」及相關詮釋。

香港財務報告準則第16號根據所識別資產是否由客戶控制來區分租賃及服務合約。除短期租賃及低值資產租賃外，經營租賃及融資租賃的差異自承租人會計處理中撤銷，並由承租人須就所有租賃確認使用權資產及相應負債的模式替代。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

## 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

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

#### HKFRS 16 “Leases” (Continued)

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

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

## 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

### 已頒佈但尚未生效的新訂及經修訂香港財務報告準則（續）

#### 香港財務報告準則第16號「租賃」（續）

使用權資產初步按成本計量，其後按成本（若干例外情況除外）減累計折舊及減值虧損計量，並就租賃負債的任何重新計量作出調整。租賃負債初步按該日尚未支付的租賃付款的現值計量。隨後，租賃負債將就（其中包括）利息及租賃付款以及租賃變動的影響作出調整。就現金流量的分類而言，本集團目前將與自用租賃土地及分類為投資物業的租賃土地有關的預付租賃付款列作投資現金流量，而其他經營租賃付款則列作經營現金流量。於應用香港財務報告準則第16號後，與租賃負債有關的租賃付款將劃入本金及利息部分，並將由本集團列作融資現金流量。

根據香港會計準則第17號，本集團已確認融資租賃安排的資產及相關融資租賃負債及本集團為承租人的租賃土地的預付租賃付款。應用香港財務報告準則第16號可能導致該等資產的分類發生變化，具體情況取決於本集團是否單獨或在與所擁有的相應相關資產相同的項目內呈列使用權資產。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

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

##### HKFRS 16 “Leases” (Continued)

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

Furthermore, extensive disclosures are required by HKFRS 16.

As at 31 December 2017, the Group has non-cancellable operating lease commitments of approximately HK\$25,381,000 as disclosed in Note 34. A preliminary assessment indicates that these arrangements will meet the definition of a lease under HKFRS 16. Upon the application of HKFRS 16, the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases upon the application of HKFRS 16.

In addition, the Group currently considers refundable rental deposits paid of HK\$2,520,000 as rights and obligations under leases to which HKAS 17 applies. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right to use the underlying assets, accordingly, the carrying amounts of such deposits may be adjusted to amortised cost and such adjustments are considered as additional lease payments. Adjustments to refundable rental deposits paid would be included in the carrying amount of right-of-use assets.

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

#### 已頒佈但尚未生效的新訂及經修訂香港財務報告準則（續）

##### 香港財務報告準則第16號「租賃」（續）

與承租人會計處理方法相反，香港財務報告準則第16號大致轉承了香港會計準則第17號的出租人會計處理方法的規定，並繼續要求出租人將其租賃分類為經營租賃或融資租賃。

此外，香港財務報告準則第16號要求作出更詳盡的披露。

於二零一七年十二月三十一日，本集團的不可撤銷經營租賃承擔約為25,381,000港元（如附註34所披露）。初步評估顯示，該等安排將符合香港財務報告準則第16號項下的租賃定義。於應用香港財務報告準則第16號後，本集團將就所有該等租賃確認使用權資產及相應負債，惟低值或短期租賃除外。

此外，本集團現時認為已付可退回租金按金2,520,000港元為租賃項下的權利及義務，適用於香港會計準則第17號。根據香港財務報告準則第16號租賃付款的定義，該等按金並非與使用相關資產權利有關的付款，因此，該等按金的賬面值可予調整至攤銷成本，而有關調整乃被視為額外租賃付款。已付可退回租金按金的調整會計入使用權資產的賬面值。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

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

##### HKFRS 16 “Leases” (Continued)

Furthermore, the application of new requirements may result in changes in measurement, presentation and disclosure as indicated above. However, it is not practicable to provide a reasonable estimate of the financial effect until the directors of the Company complete a detailed review.

Other than those disclosed above, the directors of the Company anticipate that the application of other amendments to HKFRSs and interpretations have no material impact on the results and financial position of the Group.

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

#### 已頒佈但尚未生效的新訂及經修訂香港財務報告準則（續）

##### 香港財務報告準則第16號「租賃」（續）

此外，應用新規定可能導致上述計量、呈列及披露發生變動。然而，在本公司董事進行詳細審閱之前，就財務影響作出合理估計並不可行。

除上文所披露者外，本公司董事預期，應用香港財務報告準則的其他修訂本及詮釋不會對本集團的業績及財務狀況造成重大影響。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES

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

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

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

### 3. 主要會計政策

該等綜合財務報表已根據香港會計師公會頒佈的香港財務報告準則編製。此外，該等綜合財務報表包括聯交所證券上市規則及香港公司條例所規定的適用披露。

誠如下文會計政策所述，除按各報告期間結束時的公平值計量的若干金融工具外，綜合財務報表已根據歷史成本基準編製。

歷史成本一般以為交換貨品及服務所作代價的公平值為準。公平值乃於計量日市場參與者於有序交易中出售資產所收取或轉讓負債所支付價格，而不論可否使用其他估值方法直接可觀察或估計該價格。於估計資產或負債的公平值時，本集團會考慮市場參與者於計量日對資產或負債定價時所考慮資產或負債特性。綜合財務報表中作計量及／或披露用途的公平值乃按此基準釐定，惟香港財務報告準則第2號「以股份為基礎的付款」範圍內的以股份為基礎的付款交易、香港會計準則第17號「租賃」範圍內的租賃交易及與公平值類似但並非公平值的計量（如香港會計準則第2號「存貨」的可變現淨值或香港會計準則第36號「資產減值」的使用價值）除外。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

The principal accounting policies adopted are set out below.

#### Basis of consolidation

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

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

### 3. 主要會計政策 (續)

此外，就財務報告而言，公平值計量根據公平值計量之輸入數據可觀察程度及輸入數據對公平值計量之整體重要性分類為第一級、第二級或第三級，載述如下：

- 第一級輸入數據是實體於計量日期可以取得的相同資產或負債於活躍市場之報價（未經調整）；
- 第二級輸入數據是就資產或負債直接或間接地可觀察之輸入數據（第一級內的報價除外）；及
- 第三級輸入數據是資產或負債的不可觀察輸入數據。

所採納的主要會計政策載列於下文。

#### 綜合基準

綜合財務報表併入本公司及本公司控制的實體（其附屬公司）的財務報表。倘屬以下情況，則本公司取得控制權：

- 對被投資公司擁有權力；
- 因藉參與被投資公司的業務而可或有權獲得可變回報；及
- 有能力行使其權力而影響其回報。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Basis of consolidation (Continued)

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

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

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

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

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

#### Investments in joint ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

### 3. 主要會計政策 (續)

#### 綜合基準 (續)

倘有事實及情況顯示上述三項控制因素中有一項或多項出現變化，本集團將重新評估其是否對被投資公司擁有控制權。

合併一間附屬公司於本集團取得該附屬公司的控制權時開始，並於本集團失去該附屬公司的控制權時終止。

損益及其他全面收益之各項目乃歸屬於本公司擁有人及非控股權益。附屬公司之全面收益總額歸屬於本公司擁有人及非控股權益，即使此舉會導致非控股權益產生虧絀結餘。

如有需要，將對附屬公司的財務報表作出調整，致使彼等的會計政策與本集團的會計政策一致。

與本集團成員公司交易有關的所有集團內公司間資產及負債、權益、收入、開支及現金流量，將於綜合賬目時悉數撇銷。

#### 於合營企業的投資

合營企業為聯合安排，據此對安排有聯合控制權的各方擁有對聯合安排淨資產的權利。聯合控制為透過合同約定共享安排的控制權，僅當與相關活動有關的決定需要共享控制權的各方一致同意時存在。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Investments in joint ventures (Continued)

The results and assets and liabilities of joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of joint ventures used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the joint venture. Changes in net assets of the joint venture other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership interest held by the Group. When the Group's share of losses of joint venture exceeds the Group's interest in that joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture.

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

### 3. 主要會計政策 (續)

#### 於合營企業的投資 (續)

合營企業的業績以及資產及負債乃採用權益會計法併入該等綜合財務報表。用於權益會計用途的合營企業的財務報表乃採用本集團在類似情況下用於類似交易及事件的統一會計政策編製。根據權益法，於合營企業的投資初步按成本確認於綜合財務狀況表，其後進行調整以確認本集團分佔合營企業的損益及其他全面收益。合營企業於損益及其他全面收益以外的淨資產變動並未列賬，除非該等變動導致本集團所持所有權權益有所變動。倘本集團分佔合營企業的虧損超過本集團於合營企業的權益（包括實質上構成本集團於合營企業的淨投資的一部分的任何長期權益），則本集團會停止確認其分佔的進一步虧損。額外虧損的確認僅限於以下情況：本集團已代表合營企業產生法定或推定義務或作出付款。

於合營企業的投資自被投資公司成為合營企業之日起採用權益法列賬。收購於合營企業的投資或收購於一間合營企業之額外權益後，投資成本超出本集團分佔被投資公司可識別資產及負債淨公平值的任何部分確認為商譽，而商譽計入投資的賬面值。重新評估後，本集團分佔可識別資產及負債淨公平值超出投資成本的任何部分立即確認於收購投資期間的損益中。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Investments in joint ventures (Continued)

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

When a group entity transacts with a joint venture of the Group (such as a sale or purchase), profits and losses resulting from the transactions with the joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the joint venture that are not related to the Group.

### 3. 主要會計政策 (續)

#### 於合營企業的投資 (續)

香港會計準則第39號的要求適用於釐定是否有必要確認與本集團於合營企業的投資有關的任何減值虧損。必要時，透過對其可收回金額（以使用價值及公平值減出售成本中之較高者為準）與其賬面值進行比較，作為單一資產根據香港會計準則第36號「資產減值」對投資的全部賬面值（包括商譽）進行減值測試。已確認的任何減值虧損構成投資賬面值的一部分。減值虧損的任何撥回乃根據香港會計準則第36號予以確認，惟限於投資的可收回金額隨後有所增加的情況。

當集團實體與本集團的合營企業進行交易（比如買賣）時，與合營企業的交易所產生的損益確認於本集團的綜合財務報表，惟僅限於與本集團並無關連的於合營企業的權益。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

#### Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances and sales related taxes.

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

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

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

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

### 3. 主要會計政策 (續)

#### 收入確認

收入乃按已收或應收代價的公平值計量。收入已就估計客戶退貨、回扣及其他類似津貼及銷售相關稅項作出扣減。

當未來經濟利益可能流入本集團及當已達成下文所述本集團各項活動的特定標準，而收入金額能可靠地計量，則確認收入。

來自銷售貨品的收入於交付貨品且轉移擁有權後確認。

利息收入乃以時間為基準按未償還本金額及適用實際利率累計，而該利率為於初步確認時將金融資產在預計年期的估計日後現金收入準確貼現為該資產的賬面淨值的比率。

投資股息收入於股東收取款項的權利確定時確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Government grants

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

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

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

### 3. 主要會計政策 (續)

#### 政府補助金

政府補助金於可合理確定本集團將符合有關附帶條件及將會收取有關補助金時方予確認。

政府補助金乃就本集團確認的有關開支（預期補助金可用作補償）期間按系統化的基準於損益中確認。具體而言，對於首要條件為本集團須採購、建造或以其他方式獲取非流動性資產的政府補助金，將會按系統化的基準於綜合財務狀況表確認為遞延收入，並按相關資產的可使用年期轉撥至損益。

倘應收政府補助金乃用作補償支出或已發生的虧損或為向本集團提供並無日後相關成本的即時財務支援，則在應收期間於損益中確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

#### Research and development expenditure

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

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

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

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

### 3. 主要會計政策 (續)

#### 研發開支

研究活動的開支於產生期間確認為開支。

開發活動或內部計劃發展階段產生的內部產生無形資產，僅在顯示以下所有條件時方予確認：

- 完成無形資產的技術可行性，從而可以使用或銷售；
- 有意去完成該無形資產從而使之可以使用或銷售；
- 使用或銷售無形資產的能力；
- 無形資產將如何產生可能日後經濟效益；
- 使用適當技術、財務和其他資源來完成其發展，並使用或銷售此無形資產；及
- 能夠準確衡量用於開發無形資產的支出。

就內部產生無形資產初步確認的款額為該等無形資產首次符合上述確認標準當日起產生的開支總額。倘並無內部產生無形資產可予確認，則開發支出將於產生期間在損益中確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Property, plant and equipment

Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for their intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

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

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

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

### 3. 主要會計政策 (續)

#### 物業、廠房及設備

物業、廠房及設備按成本減後期累計折舊及後期累計減值虧損（如有）於綜合財務狀況表列賬。

用作生產、供應或行政用途的在建物業按成本減已確認減值虧損列賬。成本包括專業費用及（就合資格資產而言）根據本集團會計政策資本化的借款成本。該等物業於完工後並達至擬定用途時劃分為物業、廠房及設備的合適類別。與其他物業資產的基準一樣，該等資產達至擬定用途時開始折舊。

資產（在建工程除外）之折舊乃以直線法按估計可使用年期撇銷其成本減剩餘價值計算。估計可使用年期、剩餘價值及折舊方法於各報告期間結束時進行審閱，而任何估計變動的影響按預先基準入賬。

根據融資租賃持有的資產乃按自有資產的相同基準於其預期可使用年期內折舊。然而，倘無法合理確定將於租賃期末獲得擁有權，則資產會以租賃期或其可使用年期（以較短者為準）折舊。

物業、廠房及設備項目乃於出售或預期持續使用該資產不會產生未來經濟利益時取消確認。出售或棄用一項物業、廠房及設備項目產生的任何收益或虧損釐定為資產銷售所得款項與賬面值的差額，並於損益內確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Buildings under development for future owner-occupied purpose

When buildings are in the course of development for production or for administrative purposes, the amortisation of prepaid lease payments provided during the construction period is included as part of costs of buildings under construction. Buildings under construction are carried at cost, less any identified impairment losses. Depreciation of buildings commences when they are available for use (i.e. when they are in the location and condition necessary for them to be capable of operating in the manner intended by management).

#### Impairment of non-financial assets

At the end of the reporting period, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

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

### 3. 主要會計政策 (續)

#### 日後自用的發展中樓宇

倘在建樓宇作生產或行政用途，建設期間計提的預付租賃付款的攤銷列入在建樓宇的部分成本。在建樓宇乃按成本減任何可識別減值虧損列賬。樓宇於可供使用時（即彼等達致管理層擬訂的營運方式所需的地點及狀況）開始計算折舊。

#### 非金融資產減值

於報告期間結束時，本集團會審閱其資產的賬面值以釐定有否跡象顯示有關資產出現減值虧損。倘出現此情況，本集團將估計資產的可收回金額，以釐定減值虧損數額（如有）。倘若不可能估計個別資產的可收回金額，則本集團估計資產所屬現金產生單位的可收回金額。如可識別分配的合理性及貫徹基準，則公司資產亦被分配至個別現金產生單位，或於其他情況下彼等被分配至現金產生單位的最小組別，而該現金產生單位的合理及貫徹分配基準可識別。

可收回金額為公平值減去出售成本及使用價值兩者中之較高者。於評估使用價值時，估計未來現金流量乃以稅前貼現率貼現至現值，該貼現率能反映當前市場所評估的貨幣時間值及資產特定風險，就此而言，未來現金流量估計尚未作出調整。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Impairment of non-financial assets (Continued)

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

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

#### Leasing

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

### 3. 主要會計政策 (續)

#### 非金融資產減值 (續)

倘資產 (或一個現金產生單位) 的可收回金額估計將少於其賬面值，該資產 (或一個現金產生單位) 的賬面值乃調低至其可收回金額。減值虧損乃即時於損益確認。

倘減值虧損其後撥回，資產 (或現金產生單位) 的賬面值乃調高至經修訂的估計可收回金額，惟調高後的賬面值不得高於倘過往年度並無確認資產 (或現金產生單位) 減值虧損的賬面值。減值虧損撥回乃即時於損益確認。

#### 租賃

倘若租賃條款在實質上將與擁有權有關的所有風險及回報轉讓予承租人，該租賃則歸類為融資租賃。所有其他租賃則歸類為經營租賃。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Leasing (Continued)

##### The Group as lessee

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs (see the accounting policy below).

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

##### Leasehold land and building

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

### 3. 主要會計政策 (續)

#### 租賃 (續)

##### 本集團作為承租人

以融資租賃持有的資產以其租賃開始時的公平值或(如屬較低者)以最低租賃付款的現值確認為本集團資產。出租人相應的負債則計入綜合財務狀況表列作融資租賃承擔。

租賃付款乃於融資開支與減低租賃承擔間分配，從而就負債餘額達致固定利率。融資開支即時於損益確認，除非其直接與合資格資產有關，於該情況下，該等開支將根據本集團有關借款成本的一般政策(見下文會計政策)撥充資本。

經營租賃付款按租期以直線法確認為開支。

##### 租賃土地及樓宇

當本集團就一項物業權益進行付款(包括租賃土地及樓宇分部)，本集團須基於對各分部擁有權隨附的風險與回報是否近乎全部轉移至本集團的評估而劃分各分部為融資或經營租賃，惟兩個分部顯然均屬經營租賃時則除外，在此情況下整個租賃歸類為經營租賃。特別是，最低租賃付款(包括任何一次過預付款)須於初步確認時於土地分部及樓宇分部的租賃權益相關公平值的比例於租賃土地及樓宇分部分配。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Leasing (Continued)

##### Leasehold land and building (Continued)

To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as “prepaid lease payments” in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis. When the lease payments cannot be allocated reliably between the leasehold land and building elements, the entire property is generally classified as if the leasehold land is under a finance lease.

#### Foreign currencies

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

### 3. 主要會計政策 (續)

#### 租賃 (續)

##### 租賃土地及樓宇 (續)

倘相關付款能夠可靠分配，則以經營租賃入賬的租賃土地權益於綜合財務狀況表中呈列為「預付租賃付款」，並於租期內按直線法攤銷。倘租賃付款無法於租賃土地及樓宇分部間可靠分配，則整個物業一般會歸類為融資租賃項下的租賃土地。

#### 外幣

於編製各個別集團實體的財務報表時，以該實體功能貨幣以外的貨幣（外幣）進行的交易均按交易日期的當期匯率確認。於報告期間結束時，以外幣計值的貨幣項目均按該日的當期匯率重新換算。以外幣歷史成本計量的非貨幣項目毋須重新換算。

於結算及重新換算貨幣項目時產生的匯兌差額均於彼等產生期間內於損益中確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Foreign currencies (Continued)

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) at the rate of exchange prevailing at the end of the reporting period, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve (attributed to non-controlling interests as appropriate).

#### Retirement benefit costs

Payments to state-managed retirement benefit schemes, the Mandatory Provident Fund Scheme and the State Social Insurance Fund are recognised as an expense when employees have rendered service entitling them to the contributions.

#### Borrowing costs

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

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

### 3. 主要會計政策 (續)

#### 外幣 (續)

就呈列綜合財務報表而言，本集團海外業務的資產及負債乃按於報告期間結束時的當期匯率換算為本集團的列賬貨幣（即港元），而其收入及支出乃按該年度的平均匯率進行換算，除非匯率於該期間內大幅波動則作別論，於此情況下，則採用交易當日的當期匯率。所產生的匯兌差額（如有）乃於其他全面收益內確認，並於權益中在匯兌儲備項下累計（於適當時撥作非控股權益）。

#### 退休福利成本

向國家管理退休福利計劃、強制性公積金計劃及國家社會保險基金支付的款項，均於僱員已提供服務以有權獲取供款時確認為開支。

#### 借款成本

購買、興建或製造合資格資產（即需較長時間預備以用於擬定用途或銷售的資產）應佔直接的借款成本，加入為該資產成本內，直至當資產可大致上用作擬定用途或出售。暫時投資特定借款以待用於合資格資產所賺取的投資收入自符合資本化資格的借款成本中扣除。

所有其他借款成本於產生期間於損益內確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from “profit before taxation” as reported in the consolidated statement of profit or loss and other comprehensive income because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

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

### 3. 主要會計政策 (續)

#### 稅項

所得稅支出乃指本期應付稅項加上遞延稅項的總額。

本期應付稅項乃按本年度應課稅溢利計算。應課稅溢利因其他年度的應課稅或可扣稅收支及毋須課稅或不獲扣稅項，故有別於綜合損益及其他全面收益表所列示的「除稅前溢利」。本集團本期稅項負債乃按報告期間結束時已頒佈或實質頒佈的稅率計算。

遞延稅項乃按綜合財務報表所載資產及負債賬面值與計算應課稅溢利所採用的相應稅基的臨時差額確認。所有應課稅臨時差額一般確認為遞延稅項負債。倘應課稅溢利可能足以抵銷該等可扣稅的臨時差額，則一般就所有可扣稅的臨時差額確認為遞延稅項資產。

遞延稅項負債按與於附屬公司的投資及於合營企業的權益相關之應課稅臨時差額確認，惟本集團能夠控制臨時差額之撥回及臨時差額有可能於可見將來不會撥回除外。與該等投資及權益相關之可扣稅臨時差額所產生之遞延稅項資產僅於可能有足夠應課稅溢利可以使用臨時差額之利益且預計於可見將來可以撥回時確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Taxation (Continued)

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

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

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

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

#### Inventories

Inventories mainly consist of textile products and are stated at the lower of cost and net realisable value. Cost of inventories is calculated using the first-in, first-out method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

### 3. 主要會計政策 (續)

#### 稅項 (續)

遞延稅項資產的賬面值會於報告期間結束時審核，並調低至應課稅溢利並未足以收回全部或部分資產。

遞延稅項資產及負債是根據報告期間結束前已制定或實際制定的稅率（及稅法）按預期於償還負債或變現資產期間使用的稅率計算。

遞延稅項負債及資產的計量反映了符合本集團預期在報告期間結束時收回或結算資產及負債的賬面值的稅項結果。

即期及遞延稅項於損益內確認，除非當與於其他全面收益或直接在權益中確認的項目相關，在此情況下，即期及遞延稅項亦分別在其他全面收益或直接在權益中確認。

#### 存貨

存貨主要包括紡織產品，並以成本及可變現淨值的較低者列賬。存貨成本乃採用先入先出方法計算。可變現淨值指估計存貨售價減所有估計完成成本及作出銷售的所需成本。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Provisions

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

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

#### Financial instruments

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

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

### 3. 主要會計政策 (續)

#### 撥備

倘本集團須因過往事件承擔現時法定或推定責任，而本集團可能需要履行該責任且可對責任金額作出可靠估計時，即確認撥備。

確認為撥備的金額乃按報告期間結束時履行現時責任所需代價作出的最佳估計計算，並計及有關責任的風險及不確定性。倘撥備按履行現時責任估計所需的現金流量計量，則其賬面值為有關現金流量的現值（倘貨幣的時間價值影響重大）。

#### 金融工具

當集團實體成為工具合同條文的訂約方時，金融資產及金融負債於綜合財務狀況表確認。

金融資產及金融負債初步按公平值計量。收購或發行金融資產及金融負債（透過損益按公平值（「**透過損益按公平值**」）計量的金融資產及金融負債除外）而直接應佔的交易成本乃於首次確認時加入金融資產或金融負債的公平值或自金融資產或金融負債的公平值扣除（如適用）。收購透過損益按公平值計量的金融資產或金融負債而直接應佔的交易成本即時於損益確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Financial assets

The Group's financial assets are classified into one of the three categories, including financial assets at FVTPL, loans and receivables and available-for-sale ("AFS") financial assets. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

##### Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

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

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融資產

本集團的金融資產歸入下列三個類別之其中一個，包括透過損益按公平值計量的金融資產、貸款及應收款項及可供出售（「可供出售」）金融資產。分類取決於金融資產的性質和目的，並在首次確認時已確定。所有定期購買或出售金融資產乃按交易日基準確認及取消確認。定期購買或出售乃購買或出售要求於市場上按規則或慣例設定的時間框架內付運的金融資產。

##### 實際利息法

實際利息法為計算債務工具攤銷成本及相關期間利息收入分配的方法。實際利率乃實際貼現按債務工具預計年期或（如適當）較短期間的估計未來現金款項（包括構成整體實際利率不可或缺部分的一切已付或已收利率差價費用、交易成本及其他溢價或折讓）至其首次確認時的賬面淨值的利率。

債務工具的利息收入按實際利息法確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

#### Financial assets (Continued)

#### Financial assets at FVTPL

Financial assets are classified as at FVTPL when the financial asset is (i) contingent consideration that may be paid by an acquirer as part of a business combination to which HKFRS 3 applies, (ii) held for trading, or (iii) it is designated as at FVTPL.

A financial asset is classified as held for trading if:

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

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial assets and is included in the 'other gains and losses' line item. Fair value is determined in the manner described in Note 39.

#### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade and bills receivables, amount due from a related company, other receivables and deposits, pledged bank deposits, short term bank deposits and bank balances and cash) are measured at amortised cost using the effective interest method, less any impairment. The accounting policy on impairment of financial assets is set out below.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

#### 金融資產 (續)

#### 透過損益按公平值計量的金融資產

當金融資產為(i)收購方可能支付的或然代價(作為香港財務報告準則第3號適用之業務合併的一部分);(ii)持作買賣;或(iii)其獲指定為透過損益按公平值計量時,金融資產分類為透過損益按公平值計量。

倘出現下列情況,金融資產被分類為持作買賣:

- 購入金融資產主要是為於短期內出售;或
- 於首次確認時,其構成本集團共同管理之已識別金融工具組合之一部分且具有最近實際短期獲利模式;或
- 其為未被指定及可有效作為對沖工具之衍生工具。

透過損益按公平值計量的金融資產乃按公平值列賬,而重新計量所產生之任何收益或虧損均於損益內確認。於損益內確認之收益或虧損淨額不包括就金融資產賺取之任何股息或利息並列入「其他收益及虧損」一項。公平值乃按附註39所述方式釐定。

#### 貸款及應收款項

貸款及應收款項乃非於活躍市場報價的固定或可釐定付款的非衍生金融資產。於首次確認後,貸款及應收款項(包括貿易應收款項及應收票據、應收關聯公司款項、其他應收款項及按金、已抵押銀行存款、短期銀行存款以及銀行結餘及現金),均按採用實際利息法計算的已攤銷成本減任何減值計量。有關金融資產減值的會計政策載列於下文。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

#### Financial assets (Continued)

##### AFS financial assets

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

Equity and debt securities held by the Group that are classified as AFS financial assets are measured at fair value at the end of each reporting period except for unquoted equity investments whose fair value cannot be reliably measured. Changes in the carrying amount of AFS debt instruments relating to interest income calculated using the effective interest method are recognised in profit or loss. Dividends on AFS equity investments are recognised in profit or loss when the Group's right to receive the dividends is established. Other changes in the carrying amount of AFS financial assets are recognised in other comprehensive income and accumulated under the heading of investment revaluation reserve. When the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss (see the accounting policy in respect of impairment on financial assets below).

AFS equity investments 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 investments are measured at cost less any identified impairment losses at the end of each reporting period.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

#### 金融資產 (續)

##### 可供出售金融資產

可供出售金融資產為非衍生項目，可指定為可供出售或未有分類為透過損益按公平值計量的金融資產、貸款及應收款項或持有至到期的工具。

除公平值不能可靠計量的無報價股本投資以外，本集團所持有並分類為可供出售金融資產的股本與債務證券於各報告期間結束時按公平值計量。與採用實際利息法計算的利息收入相關的可供出售債務工具的賬面值變動於損益確認。可供出售股本投資的股息於本集團收取股息的權利確立時於損益確認。可供出售金融資產賬面值的其他變動於其他全面收益內確認並於投資重估儲備內累計。當投資被出售或確定減值時，先前於投資重估儲備累計的累計收益或虧損則重新分類至損益（見下文有關金融資產減值的會計政策）。

就於並無交投活躍市場所報市價及公平值不能可靠計量的可供出售股本投資及與該等無報價股本投資關連且須透過交付該類無報價股本投資作結算的衍生工具，於各報告期間結束時，均按成本扣除任何已識別減值虧損計量。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Impairment of financial assets

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

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

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest and principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local economic conditions that correlate with default on receivables.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融資產的減值

金融資產(透過損益按公平值計量的金融資產除外)於各報告期間結束時評估減值指標。倘有客觀憑證因一項或多項事故於初次確認金融資產後出現而導致金融資產的估計未來現金流量已受影響，則金融資產被視為減值。

就可供出售股本投資而言，相關投資的公平值出現重大或長期下跌並低於其成本，可考慮為減值的客觀憑證。

就所有其他金融資產而言，減值的客觀憑證可以包括：

- 發行人或對手方出現重大財政困難；或
- 違反合約，如拖欠或逾期支付利息及本金；或
- 借款人可能將陷入破產或財務重組。

應收款項組合減值的客觀憑證可包括本集團過往的收款經驗、組合中於平均信貸期後延遲付款數量增加及出現與拖欠應收款項有關的全國或地方經濟狀況顯著變動。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Impairment of financial assets (Continued)

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of a financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When trade receivables are considered uncollectible, they are written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

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

When an AFS financial asset is considered to be impaired, cumulative losses previously recognised in other comprehensive income are reclassified to profit or loss in the period in which the impairment takes place.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融資產的減值 (續)

就按攤銷成本計量的金融資產而言，已確認的減值虧損金額為資產賬面值與估計未來現金流量按金融資產原始實際利率貼現的現值間的差額。

就按成本列賬的金融資產而言，減值虧損金額乃按資產賬面值與類似金融資產按現行市場回報率折現的估計未來現金流量現值間的差額計量。是項減值虧損不會於以後期間撥回。

當賬面值透過使用撥備賬進行削減時，金融資產的賬面值以全部金融資產（貿易應收款項除外）的直接減值虧損削減。撥備賬內賬面值的變動於損益確認。當貿易應收款項被視為無法收回時，會於撥備賬撇銷。其後撥回的先前撇銷款額會計入損益內。

就按攤銷成本計量的金融資產而言，倘於隨後期間減值虧損款額減少，而有關減額客觀上與確認減值虧損後發生的事件有關，則先前確認的減值虧損於損益撥回，惟該資產於減值撥回當日的賬面值不得超過倘無確認減值的攤銷成本。

當可供出售金融資產被視為減值時，過往於其他全面收益中確認的累計虧損於減值產生期間重新分類至損益。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Impairment of financial assets (Continued)

Impairment losses on AFS equity investments carried at fair value are not reversed in profit or loss in subsequent periods. Any increase in fair value subsequent to impairment loss is recognised directly in other comprehensive income and accumulated in investment revaluation reserve.

##### Financial liabilities and equity instruments

Financial liabilities and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

##### Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration that may be paid by an acquirer as part of a business combination to which HKFRS 3 applies, (ii) held for trading, or (iii) it is designated as at FVTPL.

A financial liability is classified as held for trading if:

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

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融資產的減值 (續)

按公平值列賬的可供出售股本投資的減值虧損不會於以後期間在損益內撥回。減值虧損後的任何公平值增幅直接於其他全面收益中確認，並於投資重估儲備中累計。

##### 金融負債及股本工具

集團實體所發行的金融負債及股本工具根據合約安排的具體內容及金融負債與股本工具的定義分類為金融負債或股本。

##### 透過損益按公平值計量的金融負債

當金融負債為(i)收購方可能支付的或然代價(作為香港財務報告準則第3號適用之業務合併的一部分);(ii)持作買賣;或(iii)其獲指定為透過損益按公平值處理時,金融負債分類為透過損益按公平值計量。

倘出現下列情況,金融負債被分類為持作買賣:

- 收購主要為於短期內將其購回;或
- 於首次確認時,其構成本集團共同管理之已識別金融工具組合之一部分及具有最近實際短期獲利模式;或
- 其為未被指定及可有效作為對沖工具之衍生工具。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

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

##### Financial liabilities at FVTPL (Continued)

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any interest paid on the financial liabilities and is included in the 'other gains and losses' line item. Fair value is determined in the manner described in Note 39.

##### Other financial liabilities

Other financial liabilities, including trade payables, bills payables, other payables and accrued charges and bank borrowings, are subsequently measured at amortised cost using the effective interest method.

##### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

#### 金融負債及股本工具 (續)

##### 透過損益按公平值計量的金融負債 (續)

透過損益按公平值計量的金融負債乃按公平值列賬，而重新計量所產生之任何收益或虧損均於損益內確認。於損益內確認之收益或虧損淨額不包括就金融負債支付之任何利息並列入「其他收益及虧損」一項。公平值乃按附註39所述之方式釐定。

##### 其他金融負債

其他金融負債（包括貿易應付款項、應付票據、其他應付款項及應計費用以及銀行借款）其後以實際利息法按攤銷成本計量。

##### 股本工具

股本工具是證明任何在扣除本集團的所有負債後其資產剩餘權益的合約。本公司發行的股本工具乃按已收所得款項扣除直接發行成本入賬。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

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

##### Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

##### Derivative financial instruments

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair values at the end of the reporting period. The resulting gain or loss is recognised in profit or loss immediately.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

#### 金融負債及股本工具 (續)

##### 實際利息法

實際利息法為計算金融負債攤銷成本及相關期間利息開支分配的方法。實際利率乃實際貼現按金融負債預計年期或(如適當)較短期間的估計未來現金款項(包括構成整體實際利率不可或缺部分之一切已付或已收利率差價費用、交易成本及其他溢價或折讓)至其首次確認時的賬面淨值的利率。

利息開支按實際利息法確認。

##### 衍生金融工具

衍生工具首次以訂立衍生工具合約當日的公平值計量，其後則以其於報告期間結束時的公平值重新計量。因此而導致的收益或虧損即時於損益內確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 取消確認

本集團僅於從資產收取現金流量的合約權利屆滿，或本集團將金融資產及有關資產所有權的絕大部分風險及回報轉讓予另一實體時取消確認金融資產。

當一項金融資產被取消確認，資產賬面值與已收取及應收代價總和的差額，以及於其他全面收益確認並於權益累計的累計收益或虧損乃於損益確認。

金融負債則於及僅於本集團的責任被履行、取消或屆滿時被本集團取消確認。取消確認的金融負債賬面值與已付及應付代價的差額於損益確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Equity-settled share-based payment transactions

##### Share options granted to directors and employees

For grants of share options that are conditional upon satisfying specified vesting conditions, the fair value of services received is determined by reference to the fair value of share options granted at the date of grant without taking into consideration all non-market vesting conditions and is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity (share options reserve).

At the end of the reporting period, the Group revises its estimates of the number of options that are expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimates, with a corresponding adjustment to share options reserve.

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

When share options are cancelled, the amount that would otherwise have been recognised for services received over the remainder of the vesting period is recognised immediately in profit or loss.

### 3. 主要會計政策 (續)

#### 股權結算股份為基礎付款交易

##### 授予董事及僱員之購股權

對於授出須滿足特定歸屬條件後方可作實的購股權，所獲服務的公平值參照所授購股權於授出日之公平值釐定而不考慮所有非市場歸屬條件，並以直線法在歸屬期間支銷，而股權（購股權儲備）會相應增加。

本集團於報告期間結束時根據所有相關非市場歸屬條件的評估修訂對預期歸屬購股權之估計數字。修訂原有估計數字之影響（如有）於損益確認，以累計開支反映經修訂估計，並於購股權儲備作相應調整。

購股權獲行使時，先前於購股權儲備確認之數額將轉撥至股份溢價。當購股權於歸屬日後被沒收或於到期日仍未獲行使，先前於購股權儲備確認之數額將轉撥至保留盈利。

當購股權註銷時，本應就餘下歸屬期間獲得的服務確認的金額即時於損益確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

#### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3, the management of the Group is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The followings are the key sources of estimation uncertainty at the end of the reporting period, that has a significant risk of causing a material adjustment to the carrying amounts of assets within the next financial year.

##### Allowance for inventories

Management of the Group reviews the inventory aging analysis at the end of the reporting period and identifies the slow-moving or obsolete inventory items that are no longer suitable for use in production or sales. Management estimates the net realisable value for such inventories based primarily on the latest invoice prices, estimated costs of completion and current market conditions. In addition, the Group carries out regular inventory review with reference to aged inventories analysis, management experience and judgement on the expected future saleability of goods and provides necessary allowance if the net realisable value is estimated to be below the cost.

#### 4. 主要不確定估計來源

於應用本集團的會計政策（其於附註3內闡述）時，本集團管理層須作出有關未能從其他來源輕易獲得的資產及負債賬面值的判斷、估計及假設。估計及相關假設乃基於過往經驗及被認為相關的其他因素。實際業績可能與該等估計有所差異。

估計及相關假設乃按持續經營基準予以檢討。倘會計估計的修訂僅影響估計獲修訂的期間，則會計估計的修訂於該期間予以確認，或倘若修訂影響現時及未來期間，則會計估計的修訂於修訂及未來期間內予以確認。

下文為於報告期間結束時估計不確定因素的主要來源，而該等估計不確定因素或會造成須對下一個財政年度的資產賬面值作出重大調整的重大風險。

##### 存貨撥備

本集團管理層於報告期間結束時審閱存貨賬齡分析，識別不再適合用作生產或銷售的滯銷或陳舊存貨項目。管理層主要根據最近發票價格、估計完成成本及當前市場狀況估計該等存貨的可變現淨值。此外，本集團會參考存貨賬齡分析、管理層經驗及對貨品預期未來適銷性的判斷定期審閱存貨，並於估計可變現淨值將低於成本值時計提必要撥備。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

#### Allowance for inventories (Continued)

There is no further allowance nor any reversal of allowance for obsolete inventories during the year ended 31 December 2017. Reversal of allowance for obsolete inventories of approximately HK\$6,923,000 was credited to profit or loss during the year ended 31 December 2016. The carrying amount of inventories is approximately HK\$694,457,000 (2016: HK\$504,635,000) as at 31 December 2017.

#### Allowance for bad and doubtful debts

The allowance for bad and doubtful debts of the Group is based on the evaluation of collectability and aging analysis of individual trade debt performed by the management. A considerable amount of judgment is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of each customer. If the financial condition of customers of the Group is to deteriorate, resulting in an impairment of their ability to make payments, additional allowance may be required.

During the years ended 31 December 2017 and 2016, no further allowance for bad and doubtful debts was charged to profit or loss. The carrying amount of trade receivables is approximately HK\$639,089,000 (2016: HK\$555,898,000) as at 31 December 2017.

### 4. 主要不確定估計來源 (續)

#### 存貨撥備 (續)

截至二零一七年十二月三十一日止年度，概無其他陳舊存貨撥備或任何撥備撥回。截至二零一六年十二月三十一日止年度之陳舊存貨撥備撥回約6,923,000港元已計入損益。於二零一七年十二月三十一日，存貨賬面值約為694,457,000港元（二零一六年：504,635,000港元）。

#### 呆壞賬撥備

本集團的呆壞賬撥備乃基於管理層作出的個別貿易債務的可收回性評估及賬齡分析而得出。估計此等應收款項最終能否變現須作出相當程度的判斷，包括評估每個客戶的現有信譽及過往還款記錄。倘本集團客戶的財務狀況惡化，導致彼等付款能力減弱，則須作出額外撥備。

截至二零一七年及二零一六年十二月三十一日止年度，概無呆壞賬之進一步撥備於損益內扣除。於二零一七年十二月三十一日，貿易應收款項的賬面值約為639,089,000港元（二零一六年：555,898,000港元）。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

#### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

##### Useful life of property, plant and equipment

Property, plant and equipment are depreciated on a straight line basis over the estimated useful lives of the relevant assets, after taking into account their estimated residual values, if any. The Group reviews the estimated useful lives of the assets annually in order to determine the amount of depreciation expenses to be recorded during the year. The useful lives are based on the Group's historical experience with similar assets taking into account anticipated technological changes.

The depreciation expense for future periods is adjusted if there are significant changes from previous estimates. During the year ended 31 December 2017, the Group determined that there is no change to the estimated useful lives of the property, plant and equipment. The carrying amount of property, plant and equipment is approximately HK\$2,277,003,000 as at 31 December 2017 (2016: HK\$1,324,704,000).

#### 5. REVENUE

The Group's revenue is derived from manufacturing and trading of elastic fabric, lace and elastic webbing in Hong Kong, the People's Republic of China (the "PRC") and the Socialist Republic of Vietnam ("Vietnam"), net of discounts and sales related taxes.

#### 4. 主要不確定估計來源 (續)

##### 物業、廠房及設備的可使用年期

物業、廠房及設備的折舊乃經考慮有關資產的估計餘值(如有)後,按有關資產的估計可使用年期以直線法計算。本集團每年審核資產的估計可使用年期,以釐定於年內記錄的折舊支出金額。可使用年期乃本集團根據對類似資產的過往經驗計算,並考慮預計技術轉變。

倘過往的估計出現重大變動,則日後期間的折舊支出會調整。截至二零一七年十二月三十一日止年度,本集團釐定物業、廠房及設備的估計可使用年期並無變動。於二零一七年十二月三十一日,物業、廠房及設備的賬面值約為2,277,003,000港元(二零一六年:1,324,704,000港元)。

#### 5. 收入

本集團收入來自於香港、中華人民共和國(「中國」)及越南社會主義共和國(「越南」)製造及買賣彈性織物面料、蕾絲及彈性織帶,扣除折扣及銷售相關稅項。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 6. SEGMENT INFORMATION

The financial information reported to executive directors of the Company, being the chief operating decision makers (“**CODM**”), for the purpose of assessment of segment performance and resources allocation focuses on types of goods delivered.

The Group's operating and reportable segments under HKFRS 8 are as follows:

- Manufacturing and trading of elastic fabric and lace

This segment derives its revenue from manufacturing and trading of elastic fabric and lace made from synthetic fibres that are commonly used in high-end knitted lingerie, apparel and sportswear products.

- Manufacturing and trading of elastic webbing

This segment derives its revenue from manufacturing and trading of elastic webbing made from synthetic fibres that are commonly used as shoulder straps, lingerie trims and waistbands.

### 6. 分部資料

向本公司執行董事（即主要經營決策者（「**主要經營決策者**」））呈報以評估分部表現及資源分配的財務資料專注於交付貨品的類別。

本集團根據香港財務報告準則第8號的經營及可報告分部如下：

- 製造及買賣彈性織物面料及蕾絲

此分部收入來自製造及買賣合成纖維製造的彈性織物面料及蕾絲，一般用於高級針織女性內衣、服裝及運動服裝產品。

- 製造及買賣彈性織帶

此分部收入來自製造及買賣合成纖維製造的彈性織帶，一般用於肩帶、女性內衣襯邊及腰帶。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 6. SEGMENT INFORMATION (Continued)

#### Segment revenue and results

The following is an analysis of the Group's revenue and results by operating and reportable segments:

For the year ended 31 December 2017

### 6. 分部資料 (續)

#### 分部收入及業績

以下為本集團按經營及可報告分部劃分的收入及業績分析：

截至二零一七年十二月三十一日止年度

		Manufacturing and trading of elastic fabric and lace 製造及買賣 彈性織物 面料及蕾絲 HK\$'000 千港元	Manufacturing and trading of elastic webbing 製造及買賣 彈性織帶 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment revenue from external customers	來自外界客戶的分部收入	1,853,249	941,562	2,794,811
Segment profits	分部溢利	248,296	187,341	435,637
Unallocated other income	未分配其他收入			7,408
Unallocated other gains and losses	未分配其他收益及虧損			(13,438)
Unallocated corporate expenses	未分配企業開支			(37,690)
Share of result of a joint venture	分佔合營企業業績			3,195
Finance costs	融資成本			(35,219)
Profit before taxation	除稅前溢利			359,893

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 6. SEGMENT INFORMATION (Continued)

#### Segment revenue and results (Continued)

For the year ended 31 December 2016

### 6. 分部資料 (續)

#### 分部收入及業績 (續)

截至二零一六年十二月三十一日止年度

		Manufacturing and trading of elastic fabric and lace 製造及買賣 彈性織物 面料及蕾絲 HK\$'000 千港元	Manufacturing and trading of elastic webbing 製造及買賣 彈性織帶 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment revenue from external customers	來自外界客戶的分部收入	1,636,597	832,509	2,469,106
Segment profits	分部溢利	363,241	199,823	563,064
Unallocated other income	未分配其他收入			21,986
Unallocated other gains and losses	未分配其他收益及虧損			24,725
Unallocated corporate expenses	未分配企業開支			(50,763)
Share of result of a joint venture	分佔合營企業業績			5,715
Finance costs	融資成本			(28,660)
Profit before taxation	除稅前溢利			536,067

The accounting policies of the operating and reportable segments are the same as the Group's accounting policies. Segment profit represents the results of each segment without allocation of corporate items including mainly bank interest income, dividend income from an available-for-sale financial asset, change in fair value in derivative financial instruments, net foreign exchange (loss) gain, share of result of a joint venture, loss on disposal of property, plant and equipment for corporate use, gain on disposal of an available-for-sale financial asset, corporate expenses and finance costs. Corporate expenses include directors' remuneration paid or payable by the Group, equity-settled share-based payments and certain administrative expenses for corporate function. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

經營及可報告分部的會計政策與本集團會計政策相同。分部溢利指各分部的業績，當中並未分配企業項目，其主要包括銀行利息收入、來自一項可供出售金融資產之股息收入、衍生金融工具公平值變動、匯兌(虧損)收益淨額、分佔合營企業業績、出售用作企業用途的物業、廠房及設備的虧損、出售一項可供出售金融資產的收益、企業開支及融資成本。企業開支包括本集團已付或應付董事酬金、股權結算股份為基礎付款及用作企業用途的若干行政開支。此乃向主要經營決策者匯報分配資源及評估表現的計量方法。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 6. SEGMENT INFORMATION (Continued)

#### Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by operating and reportable segment:

As at 31 December 2017

### 6. 分部資料 (續)

#### 分部資產及負債

以下為本集團按經營及可報告分部劃分的資產及負債分析：

於二零一七年十二月三十一日

		Manufacturing and trading of elastic fabric and lace 製造及買賣 彈性織物 面料及蕾絲 HK\$'000 千港元	Manufacturing and trading of elastic webbing 製造及買賣 彈性織帶 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>ASSETS</b>	<b>資產</b>			
Segment assets	分部資產	<b>3,079,139</b>	<b>783,098</b>	<b>3,862,237</b>
Property, plant and equipment	物業、廠房及設備			3,817
Interest in a joint venture	於合營企業的權益			32,413
Available-for-sale financial assets	可供出售金融資產			27,512
Deferred tax assets	遞延稅項資產			774
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項			45,120
Pledged bank deposits	已抵押銀行存款			54,623
Short term bank deposits	短期銀行存款			11,687
Bank balances and cash	銀行結餘及現金			176,715
Total assets	資產總值			<b>4,214,898</b>
<b>LIABILITIES</b>	<b>負債</b>			
Segment liabilities	分部負債	<b>424,754</b>	<b>225,507</b>	<b>650,261</b>
Other payables and accrued charges	其他應付款項及應計費用			6,918
Bank borrowings	銀行借款			1,240,262
Obligations under finance leases	融資租賃承擔			629
Tax payable	應繳稅項			11,740
Derivative financial instrument	衍生金融工具			4,426
Total liabilities	負債總額			<b>1,914,236</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 6. SEGMENT INFORMATION (Continued)

#### Segment assets and liabilities (Continued)

As at 31 December 2016

### 6. 分部資料 (續)

#### 分部資產及負債 (續)

於二零一六年十二月三十一日

		Manufacturing and trading of elastic fabric and lace 製造及買賣 彈性織物 面料及蕾絲 HK\$'000 千港元	Manufacturing and trading of elastic webbing 製造及買賣 彈性織帶 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>ASSETS</b>	<b>資產</b>			
Segment assets	分部資產	1,979,458	517,937	2,497,395
Property, plant and equipment	物業、廠房及設備			52,088
Prepaid lease payments	預付租賃付款			43,978
Interest in a joint venture	於合營企業的權益			15,300
Available-for-sale financial assets	可供出售金融資產			28,434
Deferred tax assets	遞延稅項資產			867
Other receivables, deposits and prepayments	其他應收款項、 按金及預付款項			37,486
Derivative financial instrument	衍生金融工具			12,811
Pledged bank deposits	已抵押銀行存款			61,610
Short term bank deposits	短期銀行存款			13,362
Bank balances and cash	銀行結餘及現金			424,540
Total assets	資產總值			3,187,871
<b>LIABILITIES</b>	<b>負債</b>			
Segment liabilities	分部負債	446,825	193,562	640,387
Other payables and accrued charges	其他應付款項及 應計費用			4,914
Bank borrowings	銀行借款			593,502
Obligations under finance leases	融資租賃承擔			5,931
Tax payable	應繳稅項			36,592
Derivative financial instrument	衍生金融工具			4,780
Total liabilities	負債總額			1,286,106

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 6. SEGMENT INFORMATION (Continued)

#### Segment assets and liabilities (Continued)

For the purposes of monitoring segment performances and allocating resources between segments:

- all assets are allocated to operating and reportable segments, other than property, plant and equipment and prepaid lease payments for corporate use (including the prepaid lease payments and property and plant under construction in Vietnam as at 31 December 2016 which were subsequently allocated to the respective segments upon the completion of the construction during year ended 31 December 2017), interest in a joint venture, available-for-sale financial assets, deferred tax assets, derivative financial instrument, pledged bank deposits, short term bank deposits and bank balances and cash and certain corporate assets.
- all liabilities are allocated to operating and reportable segments, other than bank borrowings, obligations under finance leases, tax payable, derivative financial instrument and certain corporate liabilities.

#### Other segment information

For the year ended 31 December 2017

### 6. 分部資料 (續)

#### 分部資產及負債 (續)

為監察分部間的分部表現及資源分配：

- 所有資產均分配至經營及可報告分部，惟用作企業用途的物業、廠房及設備以及預付租賃付款（包括於二零一六年十二月三十一日的預付租賃付款以及越南的在建物業及廠房，其隨後於截至二零一七年十二月三十一日止年度建設完成後，分配至各分部）、於合營企業的權益、可供出售金融資產、遞延稅項資產、衍生金融工具、已抵押銀行存款、短期銀行存款及銀行結餘及現金以及若干企業資產除外。
- 所有負債均分配至經營及可報告分部，惟銀行借款、融資租賃承擔、應繳稅項、衍生金融工具及若干企業負債除外。

#### 其他分部資料

截至二零一七年十二月三十一日止年度

		Manufacturing and trading of elastic fabric and lace 製造及買賣彈性織物面料及蕾絲 HK\$'000 千港元	Manufacturing and trading of elastic webbing 製造及買賣彈性織帶 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Amounts included in the measure of segment profit or segment assets:	計量分部溢利或分部資產時計入的金額：				
Additions of property, plant and equipment	添置物業、廠房及設備	777,358	215,325	5	992,688
Additions of prepaid leased payments	預付租賃付款增加	14,258	9,826	-	24,084
Depreciation of property, plant and equipment	物業、廠房及設備折舊	116,727	35,821	488	153,036
Amortisation of prepaid lease payments	攤銷預付租賃付款	1,867	628	-	2,495



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 6. SEGMENT INFORMATION (Continued)

#### Other segment information (Continued)

For the year ended 31 December 2016

### 6. 分部資料 (續)

#### 其他分部資料 (續)

截至二零一六年十二月三十一日止年度

		Manufacturing and trading of elastic fabric and lace 製造及買賣 彈性織物 面料及蕾絲 HK\$'000 千港元	Manufacturing and trading of elastic webbing 製造及買賣 彈性織帶 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Amounts included in the measure of segment profit or segment assets:	計量分部溢利或分部資產時計入的金額：				
Additions of property, plant and equipment	添置物業、廠房及設備	410,154	36,000	48,470	494,624
Additions of prepaid leased payments	預付租賃付款增加	-	-	43,978	43,978
Depreciation of property, plant and equipment	物業、廠房及設備折舊	95,146	26,576	488	122,210
Amortisation of prepaid lease payments	攤銷預付租賃付款	894	-	-	894
Reversal of allowance for obsolete inventories	陳舊存貨撥備撥回	(6,923)	-	-	(6,923)

Other than the segment information disclosed above, there was no other information reviewed by the CODM for both years.

除上文披露的分部資料外，主要經營決策者概無審閱兩個年度的其他資料。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 6. SEGMENT INFORMATION (Continued)

#### Geographical information

The Group's operations are located in the PRC, Hong Kong and Vietnam. The Group's revenue from external customers based on the location of the customers are detailed below:

		Year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Hong Kong	香港	946,480	879,865
The PRC	中國	687,977	671,739
Sri Lanka	斯里蘭卡	416,741	470,411
Vietnam	越南	125,268	50,444
Thailand	泰國	108,786	40,317
Europe and the United States of America	歐洲及美國	96,018	88,821
Indonesia	印尼	77,240	60,755
Bangladesh	孟加拉	57,949	31,501
India	印度	57,784	44,170
Others	其他	220,568	131,083
		<b>2,794,811</b>	2,469,106

Non-current assets (excluding financial assets and deferred tax assets) by geographical location of assets are detailed below:

		As at 31 December 於十二月三十一日	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
The PRC	中國	1,933,706	1,371,608
Hong Kong	香港	8,751	10,484
Vietnam	越南	567,826	121,964
		<b>2,510,283</b>	1,504,056

### 6. 分部資料 (續)

#### 地區資料

本集團業務位於中國、香港及越南。本集團來自外界客戶的收入乃根據客戶所在地區劃分，詳情如下：

		Year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Hong Kong	香港	946,480	879,865
The PRC	中國	687,977	671,739
Sri Lanka	斯里蘭卡	416,741	470,411
Vietnam	越南	125,268	50,444
Thailand	泰國	108,786	40,317
Europe and the United States of America	歐洲及美國	96,018	88,821
Indonesia	印尼	77,240	60,755
Bangladesh	孟加拉	57,949	31,501
India	印度	57,784	44,170
Others	其他	220,568	131,083
		<b>2,794,811</b>	2,469,106

按資產所在地區劃分的非流動資產（不包括金融資產及遞延稅項資產）詳情如下：

		As at 31 December 於十二月三十一日	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
The PRC	中國	1,933,706	1,371,608
Hong Kong	香港	8,751	10,484
Vietnam	越南	567,826	121,964
		<b>2,510,283</b>	1,504,056

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 6. SEGMENT INFORMATION (Continued)

#### Information about major customers

Revenues from customers contributing over 10% of the total revenue of the Group for the years ended 31 December 2017 and 2016 are as follows:

### 6. 分部資料 (續)

#### 有關主要客戶的資料

於截至二零一七年及二零一六年十二月三十一日止年度，為本集團貢獻逾10%收入總額的客戶收入如下：

		Year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Revenue from manufacturing and trading of elastic fabric and lace	來自製造及買賣彈性織物面料及蕾絲的收入		
– customer A	– 客戶甲	265,659	210,601
– customer B	– 客戶乙	243,069	268,881
Revenue from manufacturing and trading of elastic webbing	來自製造及買賣彈性織帶的收入		
– customer A	– 客戶甲	96,926	106,778
– customer B	– 客戶乙	61,624	48,399

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 7. OTHER INCOME

### 7. 其他收入

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Government grants (Note)	政府補助金 (附註)	24,105	9,962
Net proceeds from sales of scrap materials	銷售廢料所得款項淨額	10,309	6,499
Bank interest income	銀行利息收入	4,040	18,708
Dividend income from an available-for-sale financial asset	來自一項可供出售 金融資產之股息收入	1,316	-
Others	其他	10,887	9,766
		<b>50,657</b>	<b>44,935</b>

Note:

The amount includes HK\$23,009,000 (2016: HK\$8,666,000) unconditional government grants received during the year ended 31 December 2017, which was granted to encourage the Group's research and development activities in the PRC.

During the year ended 31 December 2016, the Group also received government grants in relation to purchase of equipments of HK\$2,503,000. Such amount, together with those government grant received in prior years of similar nature are deferred and are released to other income over the useful lives of the related equipment. Amounts of HK\$1,096,000 (2016: HK\$1,296,000) were recognised in profit or loss during the year ended 31 December 2017. As at 31 December 2017, amounts of HK\$7,044,000 (2016: HK\$7,649,000) remained to be released and are included in deferred income in the consolidated statement of financial position.

附註：

有關金額包括截至二零一七年十二月三十一日止年度的已收無條件政府補助金 23,009,000 港元 (二零一六年：8,666,000 港元)，有關補助金乃為鼓勵本集團於中國的研發活動而授出。

截至二零一六年十二月三十一日止年度，本集團亦收到有關設備採購之政府補助金 2,503,000 港元。該等款項連同於過往年度收到的具有類似性質的政府補助金均屬遞延，按有關設備的可使用年期轉撥至其他收入。截至二零一七年十二月三十一日止年度，已於損益確認金額 1,096,000 港元 (二零一六年：1,296,000 港元)。於二零一七年十二月三十一日，7,044,000 港元 (二零一六年：7,649,000 港元) 仍有待解除，並於綜合財務狀況表列作遞延收入。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 8. OTHER GAINS AND LOSSES

### 8. 其他收益及虧損

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Loss on disposal of property, plant and equipment	出售物業、廠房及設備的虧損	(913)	(2,244)
Change in fair value of derivative financial instruments (Note 29)	衍生金融工具公平值變動(附註29)	484	7,308
Net foreign exchange (loss) gain	匯兌(虧損)收益淨額	(14,172)	19,661
Gain on disposal of an available-for-sale financial asset	出售一項可供出售金融資產的收益	250	-
		<b>(14,351)</b>	24,725

### 9. FINANCE COSTS

### 9. 融資成本

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Interests on:	下列各項的利息：		
Bank borrowings	銀行借款	39,143	28,171
Finance leases	融資租賃	109	489
		<b>39,252</b>	28,660
Less: amounts capitalised in the cost of qualifying assets	減：合資格資產成本之資本化金額	(4,033)	-
		<b>35,219</b>	28,660

Borrowing costs capitalised during the year ended 31 December 2017 arose on the general borrowing pool and are calculated by applying a capitalisation rate of 3.34% (2016: nil) per annum to expenditure on qualifying assets.

截至二零一七年十二月三十一日止年度來自一般借款組合的資本化借款成本乃就合資格資產的支出按資本化年率3.34% (二零一六年：零) 計算。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 10. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

The remuneration paid or payable to the directors and chief executive of the Company was as follows:

### 10. 董事及主要行政人員酬金

已付或應付本公司董事及主要行政人員的酬金如下：

		Executive Directors 執行董事				Independent non-executive Directors 獨立非執行董事			Total 總計
		Mr. Lu 盧先生	Mr. Zhang 張先生	Mr. Wu 吳先生	Ms. Zheng Tingting 鄭婷婷女士	Mr. Cheung Yat Ming 張一鳴先生	Mr. Ding Baoshan 丁寶山先生	Mr. Sai Chun Yu 余振宇先生	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
<b>For the year ended 31 December 2017</b>	<b>截至二零一七年 十二月三十一日止年度</b>								
Fee	袍金	-	-	-	-	300	200	200	700
Salaries and allowances	薪金及津貼	3,931	3,907	2,723	2,219	-	-	-	12,780
Contributions to retirement benefits scheme	退休福利計劃供款	56	18	63	25	-	-	-	162
		<b>3,987</b>	<b>3,925</b>	<b>2,786</b>	<b>2,244</b>	<b>300</b>	<b>200</b>	<b>200</b>	<b>13,642</b>
<b>For the year ended 31 December 2016</b>	<b>截至二零一六年 十二月三十一日止年度</b>								
Fee	袍金	-	-	-	-	300	200	200	700
Salaries and allowances	薪金及津貼	2,987	3,744	2,605	1,902	-	-	-	11,238
Performance related incentive payments	績效獎勵付款	3,800	-	2,530	12,693	-	-	-	19,023
Contributions to retirement benefits scheme	退休福利計劃供款	65	18	72	111	-	-	-	266
		<b>6,852</b>	<b>3,762</b>	<b>5,207</b>	<b>14,706</b>	<b>300</b>	<b>200</b>	<b>200</b>	<b>31,227</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 10. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

*(Continued)*

The executive directors' remuneration shown above were mainly for their services in connection with the management of the affairs of the Company and the Group.

The independent non-executive directors' remuneration shown above were mainly for their services as director of the Company.

The performance related incentive payments to Mr. Lu, Mr. Wu and Ms. Zheng are determined by reference to the Group's performance and approved by the board of directors of respective group entities. Mr. Zhang is the Chief Executive Officer of the Company.

Share options were granted to executive directors of the Company in respect of their services to the Group under the Pre-IPO share option scheme of the Company (as defined in Note 33). Details of the Group's share option scheme and the amount of the benefits in relation to directors are set out in Note 33.

During the years ended 31 December 2017 and 2016, no remuneration was paid by the Group to the directors or chief executive of the Company as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors or chief executive of the Company has waived any remuneration during both years.

### 10. 董事及主要行政人員酬金 (續)

上表所示執行董事酬金主要涉及彼等有關本公司及本集團事務管理的服務。

上表所示獨立非執行董事酬金主要涉及彼等擔任本公司董事所提供的服務。

給予盧先生、吳先生及鄭女士的績效獎勵付款乃經參考本集團表現釐定，並經由各集團實體的董事會批准。張先生為本公司的行政總裁。

購股權乃根據本公司首次公開發售前購股權計劃（定義見附註33）就本公司執行董事對本集團提供之服務而授予彼等。有關本集團購股權計劃及有關董事的福利金額詳情載於附註33。

於截至二零一七年及二零一六年十二月三十一日止年度，本集團概無向本公司董事或主要行政人員支付任何酬金，作為招攬加盟或於加盟本集團時的獎勵或作為離職補償。於兩個年度期間，概無本公司董事或主要行政人員放棄任何酬金。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 11. EMPLOYEES' REMUNERATION

During the years ended 31 December 2017 and 2016, the five individuals with the highest remuneration in the Group include four (2016: four) directors of the Company. The remuneration of the remaining one (2016: one) individual, which was individually within the range of HK\$1,500,001 to HK\$2,000,000 per annum (2016: HK\$3,000,001 to HK\$3,500,000 per annum), was as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Salaries and allowances	薪金及津貼	1,730	2,881
Contributions to retirement benefits scheme	退休福利計劃供款	18	18
Equity-settled share-based payments	股權結算股份為基礎付款	103	364
		<b>1,851</b>	3,263

During the years ended 31 December 2017 and 2016, no remuneration was paid by the Group to the five highest paid individual as an inducement to join or upon joining the Group or as compensation for loss of office.

### 11. 僱員薪酬

於截至二零一七年及二零一六年十二月三十一日止年度，本集團五名最高薪酬人士包括本公司四名（二零一六年：四名）董事。餘下一名（二零一六年：一名）人士的薪酬個別介乎每年1,500,001港元至2,000,000港元（二零一六年：每年3,000,001港元至3,500,000港元），載列如下：

於截至二零一七年及二零一六年十二月三十一日止年度，本集團概無向五名最高薪酬人士支付任何薪酬，作為招攬加盟或於加盟本集團時的獎勵或作為離職補償。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 12. PROFIT BEFORE TAXATION

### 12. 除稅前溢利

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Profit before taxation has been arrived at after charging (crediting):	除稅前溢利已扣除(計入)下列各項:		
Auditor's remuneration	核數師酬金	2,172	2,102
Staff costs	員工成本		
Directors' remuneration*	董事酬金*	14,277	33,467
Other staff costs	其他員工成本		
– salaries and other benefits	– 薪金及其他福利	491,265	393,134
– contributions to retirement benefits schemes	– 退休福利計劃供款	43,498	32,573
– equity-settled share-based payments	– 股權結算股份為基礎付款	1,068	3,775
		550,108	462,949
Depreciation of property, plant and equipment	物業、廠房及設備折舊	153,036	122,210
Depreciation capitalised in inventories	資本化於存貨的折舊	(116,128)	(96,505)
		36,908	25,705
Amortisation of prepaid lease payments	預付租賃付款攤銷	2,495	894
Minimum lease payments in respect of rented premises	租賃物業的最低租賃付款	23,247	18,251
Cost of inventories recognised as an expense	確認為開支的存貨成本	2,022,139	1,641,128
Including: reversal of allowance for obsolete inventories**	包括: 陳舊存貨撥備撥回**	–	(6,923)

\* Including the directors' remuneration as disclosed in Note 10 and benefits to directors in relation to the Group's Share Option Scheme as disclosed in Note 33.

\* 包括如附註10所披露的董事薪酬及如附註33所披露的有關本集團購股權計劃之董事福利。

\*\* The reversal of allowance for obsolete inventories was due to sales of obsolete inventories during the year for which allowance had been made in previous years.

\*\* 陳舊存貨撥備撥回乃因年內銷售陳舊存貨而引致，而過往年度已就該等陳舊存貨作出撥備。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 13. INCOME TAX EXPENSE

### 13. 所得稅開支

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Current tax:	即期稅項：		
Hong Kong Profits Tax	香港利得稅	26,576	37,112
The PRC Enterprise Income Tax ("EIT")	中國企業所得稅 （「企業所得稅」）	32,045	45,701
Under(over)provision in prior years:	過往年度撥備不足 （超額撥備）：		
Hong Kong Profits Tax	香港利得稅	669	-
The PRC EIT	中國企業所得稅	(3,182)	(4,947)
		56,108	77,866
Deferred taxation (Note 30)	遞延稅項（附註30）	150	1,950
		56,258	79,816

Hong Kong Profits Tax is calculated at 16.5% on the estimated assessable profit for both years.

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC companies is 25% for both years, unless there is any preferential tax treatment applicable.

香港利得稅乃根據兩個年度的估計應課稅溢利按16.5%計算。

根據中華人民共和國企業所得稅法（「企業所得稅法」）及企業所得稅法的實施細則，除非有任何其他適用優惠稅率待遇，否則中國公司於兩個年度的稅率為25%。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 13. INCOME TAX EXPENSE (Continued)

Dongguan Best Pacific Textile Company Limited (“**Dongguan BPT**”), a subsidiary of the Company, has obtained the qualification as a high and new technology enterprise since 2010, which has been renewed for an additional three years from the financial year ended 31 December 2016. Hence, Dongguan BPT is subject to the preferential tax treatment and the applicable tax rate for both years was 15%. During the year ended 31 December 2016, Dongguan New Horizon Elastic Fabric Company Limited (“**Dongguan NHE**”), a subsidiary of the Company, was also qualified as a high and new technology enterprise for three years from the financial year ended 31 December 2016. Dongguan NHE is therefore also subject to the preferential tax treatment and the applicable tax rate for both years was 15%.

Pursuant to the relevant Vietnam Enterprises Income Tax rules and regulations, the applicable tax rates for the subsidiary operating in Vietnam is 20%. The subsidiary in Vietnam is eligible for tax holidays for two financial years since the first financial year of taxable profit and tax concession at a tax rate of 10% for the following four financial years. No provision for Vietnam Enterprises Income Tax has been made as the subsidiary in Vietnam has no assessable profit for both years.

Taxation arising in any other jurisdiction is calculated at the rate prevailing in the relevant jurisdiction.

### 13. 所得稅開支 (續)

本公司附屬公司東莞超盈紡織有限公司(「**東莞超盈**」)已於二零一零年取得高新技術企業資格，並自截至二零一六年十二月三十一日止財政年度起獲延長額外三年。因此，東莞超盈享有優惠稅率待遇，兩個年度的適用稅率為15%。截至二零一六年十二月三十一日止年度，本公司附屬公司東莞潤信彈性織物有限公司(「**東莞潤信**」)亦獲得高新技術企業資格，自截至二零一六年十二月三十一日止財政年度起計為期三年。因此，東莞潤信亦享有優惠稅率待遇，兩個年度的適用稅率為15%。

根據相關越南企業所得稅規則及規例，於越南營運之附屬公司的適用稅率為20%。越南附屬公司於首個錄得應課稅溢利的財政年度起合資格享有兩個財政年度的稅項豁免，及於其後四個財政年度享有稅率10%的稅務優惠。由於越南附屬公司於兩個年度均無應課稅溢利，故並無就越南企業所得稅作出撥備。

其他司法權區之稅項乃按有關司法權區當時之稅率計算。

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## 綜合財務報表附註

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

### 13. INCOME TAX EXPENSE (Continued)

Income tax expense for the year can be reconciled to the profit before taxation per the consolidated statement of profit or loss and other comprehensive income as follows:

### 13. 所得稅開支 (續)

本年度所得稅開支可與綜合損益及其他全面收益表的除稅前溢利對賬，載列如下：

		Hong Kong 香港		The PRC 中國		Others 其他		Total 總計	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Profit (loss) before taxation	除稅前 (虧損) 溢利	158,101	230,015	211,508	307,309	(9,716)	(1,257)	359,893	536,067
Taxation at the domestic income tax rate	按國內所得稅率 計算的稅項	26,087	37,952	52,877	76,827	(1,710)	(207)	77,254	114,572
Tax effect of expenses not deductible for tax purpose	不可扣稅開支的 稅務影響	640	1,713	905	885	1,547	592	3,092	3,190
Tax effect of income not taxable for tax purpose	毋須課稅收入的 稅務影響	(98)	(1,509)	-	-	(1,990)	(385)	(2,088)	(1,894)
Tax effect of share of results of a joint venture	分佔合營企業業績 的稅務影響	(527)	(943)	-	-	-	-	(527)	(943)
Tax effect of estimated tax losses not recognised	未確認估計稅項 虧損的稅務影響	561	-	-	-	2,153	-	2,714	-
Tax effect of utilisation of tax losses previously not recognised	動用先前未確認 稅項虧損的 稅務影響	(87)	(101)	-	-	-	-	(87)	(101)
Under(over)provision in prior years	過往年度撥備不足 (超額撥備)	669	-	(3,182)	(4,947)	-	-	(2,513)	(4,947)
Effect of tax concession in the PRC	中國稅務優惠的 影響	-	-	(21,587)	(30,061)	-	-	(21,587)	(30,061)
Income tax expense for the year	本年度所得稅開支	27,245	37,112	29,013	42,704	-	-	56,258	79,816

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 14. DIVIDENDS

### 14. 股息

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Dividends for ordinary shareholders of the Company recognised as distribution during the year:	年內確認為分派的本公司普通股股東之股息：		
2017 Interim dividend – nil (2016: 2016 interim dividend HK7.3 cents) per share	二零一七年年中期股息 – 無 (二零一六年：二零一六年中期股息每股7.3港仙)	–	75,072
2016 Final dividend – HK9.5 cents (2016: 2015 final dividend HK8 cents) per share	二零一六年末期股息 – 每股9.5港仙 (二零一六年：二零一五年末期股息每股8港仙)	<b>97,845</b>	81,829
		<b>97,845</b>	156,901

Subsequent to the end of the reporting period, a final dividend in respect of the year ended 31 December 2017 of HK5.9 cents per ordinary share (approximately HK\$61.2 million in aggregate) has been proposed by the directors of the Company and is subject to approval by the shareholders in the forthcoming general meeting.

繼報告期間結束後，本公司董事已建議截至二零一七年十二月三十一日止年度之末期股息為每股普通股5.9港仙（合共約61.2百萬港元），惟須於應屆股東大會上取得股東批准。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 15. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

### 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：

		2017 二零一七年	2016 二零一六年
<b>Earnings</b>	<b>盈利</b>		
Earnings for the purposes of basic and diluted earnings per share (profit for the year attributable to owners of the Company) (HK\$'000)	就每股基本及攤薄盈利而言的盈利(本公司擁有人應佔年度溢利)(千港元)	<b>304,219</b>	456,251
<b>Number of shares</b>	<b>股份數目</b>		
Weighted average number of ordinary shares for the purpose of basic earnings per share	就每股基本盈利而言的普通股加權平均數	<b>1,032,867,679</b>	1,028,336,137
Effect of dilutive potential ordinary shares:	潛在普通股的攤薄影響：		
Share options issued by the Company	本公司已發行購股權	<b>5,712,137</b>	8,481,488
Weighted average number of ordinary shares for the purpose of diluted earnings per share	就每股攤薄盈利而言的普通股加權平均數	<b>1,038,579,816</b>	1,036,817,625

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## 綜合財務報表附註

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

### 16. PROPERTY, PLANT AND EQUIPMENT 16. 物業、廠房及設備

		Buildings	Computer and office equipment	Motor vehicles	Machinery	Construction in progress	Total
		樓宇	電腦及辦公室設備	汽車	機器	在建工程	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
<b>COST</b>	<b>成本</b>						
At 1 January 2016	於二零一六年一月一日	412,592	25,765	46,552	1,123,379	29,325	1,637,613
Exchange adjustments	匯兌調整	(26,967)	(1,823)	(2,950)	(77,059)	(13,428)	(122,227)
Additions	添置	7,275	7,101	15,795	222,366	242,087	494,624
Transfer upon completion	完成時轉撥	11,860	-	-	-	(11,860)	-
Disposals	出售	(288)	(1,631)	(1,162)	(7,216)	-	(10,297)
At 31 December 2016	於二零一六年十二月三十一日	404,472	29,412	58,235	1,261,470	246,124	1,999,713
Exchange adjustments	匯兌調整	34,314	2,374	3,655	100,539	26,771	167,653
Additions	添置	20,696	10,816	10,110	653,849	297,217	992,688
Transfer upon completion	完成時轉撥	212,616	-	-	-	(212,616)	-
Disposals	出售	-	(957)	(1,453)	(9,009)	-	(11,419)
At 31 December 2017	於二零一七年十二月三十一日	672,098	41,645	70,547	2,006,849	357,496	3,148,635
<b>ACCUMULATED DEPRECIATION</b>	<b>累計折舊</b>						
At 1 January 2016	於二零一六年一月一日	77,584	17,951	20,198	487,269	-	603,002
Exchange adjustments	匯兌調整	(5,756)	(1,163)	(1,146)	(34,792)	-	(42,857)
Provided for the year	年度撥備	19,453	2,808	4,985	94,964	-	122,210
Eliminated on disposals	出售時對銷	(105)	(1,355)	(1,050)	(4,836)	-	(7,346)
At 31 December 2016	於二零一六年十二月三十一日	91,176	18,241	22,987	542,605	-	675,009
Exchange adjustments	匯兌調整	7,187	1,357	1,416	42,037	-	51,997
Provided for the year	年度撥備	23,918	4,358	6,040	118,720	-	153,036
Eliminated on disposals	出售時對銷	(780)	(905)	(1,028)	(5,697)	-	(8,410)
At 31 December 2017	於二零一七年十二月三十一日	121,501	23,051	29,415	697,665	-	871,632
<b>CARRYING AMOUNTS</b>	<b>賬面值</b>						
At 31 December 2016	於二零一六年十二月三十一日	313,296	11,171	35,248	718,865	246,124	1,324,704
At 31 December 2017	於二零一七年十二月三十一日	550,597	18,594	41,132	1,309,184	357,496	2,277,003

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 16. PROPERTY, PLANT AND EQUIPMENT (Continued)

The above items of property, plant and equipment, except for construction in progress, are depreciated on its cost less their residual values on a straight-line basis at the following rates per annum:

Buildings	Over the shorter of the term of the lease or 20 years
Computer and office equipment	20%-50%
Motor vehicles	10%-20%
Machinery	6%-20%

As at 31 December 2017, the carrying amounts of machinery included amounts of approximately HK\$34,019,000 (2016: HK\$37,105,000) in respect of assets held under finance leases.

### 16. 物業、廠房及設備 (續)

上述物業、廠房及設備項目(在建工程除外)乃按其成本減餘值採用直線法按以下年率折舊:

樓宇	租期或20年 (以較短者為準)
電腦及辦公室設備	20%-50%
汽車	10%-20%
機器	6%-20%

於二零一七年十二月三十一日,機器的賬面值包括根據融資租賃持有資產約34,019,000港元(二零一六年:37,105,000港元)。

### 17. PREPAID LEASE PAYMENTS

### 17. 預付租賃付款

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
The Group's prepaid lease payments comprise:	本集團的預付租賃付款包括:		
Leasehold land in the PRC	中國的租賃土地	39,122	37,437
Leasehold land in Vietnam	越南的租賃土地	66,492	43,978
		<b>105,614</b>	81,415
Analysed for reporting purposes as:	就申報分析:		
Current asset	流動資產	2,593	894
Non-current asset	非流動資產	103,021	80,521
		<b>105,614</b>	81,415



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## 綜合財務報表附註

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

### 18. INTEREST IN A JOINT VENTURE

Details of the Group's investment in a joint venture are as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Cost of investment in a joint venture Unlisted	於一間合營企業之投資成本 未上市	22,369	9,357
Share of post-acquisition profits and other comprehensive income	分佔收購後溢利及其他 全面收益	10,044	5,943
		<b>32,413</b>	15,300

Details of the Group's joint venture at the end of the reporting period are as follows:

Name of entity 實體名稱	Form of entity 實體類型	Place of incorporation/ registration/ 註冊成立/ 註冊地點	Principal place of operation 主要營業地點	Proportion of ownership class of shares held 所持股份類別 所有權比例	Proportion of interest held by the Group (Note) 本集團持有之權益比例 (附註)		Voting rights held by the Group (Note) 本集團持有之投票權 (附註)		Principal activity 主要業務
					2017 二零一七年	2016 二零一六年	2017 二零一七年	2016 二零一六年	
Charming Elastic Fabric Company Limited ("Charming Elastic") 綉麗橡根帶織品有限公司 (「綉麗橡根帶」)	Limited Liability Company 有限公司	Hong Kong 香港	Hong Kong 香港	Ordinary 普通股	51%	40%	60%	40%	Trading of elastic webbing and investment holding 買賣彈性織帶及投資控股

### 18. 於合營企業的權益

本集團於一間合營企業之投資詳情如下：

於報告期間結束時，本集團合營企業之詳情如下：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 18. INTEREST IN A JOINT VENTURE

(Continued)

Note: On 4 November 2015, the Group acquired 40% equity interest in Charming Elastic from an independent third party at a cash consideration of HK\$10,000,000. Charming Elastic also owns 100% equity interest in Jiangxi Charming Elastic Mfg. Co. Ltd, which is engaged in manufacturing of elastic webbing in the PRC.

Pursuant to the shareholders' agreement entered into among a wholly owned subsidiary of the Company, the other shareholder of Charming Elastic who by then held 60% equity interest in Charming Elastic and Charming Elastic on the same date (the "**Charming Elastic Shareholders' Agreement**"), the shareholder who holds more than 50% equity interest in Charming Elastic (the "**Majority Shareholder**") and the Group were entitled to appoint or remove three and two directors out of the five directors at the board of directors of Charming Elastic respectively.

The shareholders of Charming Elastic has also contractually agreed sharing control over Charming Elastic, as certain decisions about the relevant activities, including but not limited to business, financial and operational matters of Charming Elastic, require unanimous consents from at least two directors appointed by the Majority Shareholder and one director appointed by the other shareholder of Charming Elastic. Accordingly, the Group has joint control over Charming Elastic and the investment in equity interest in Charming Elastic is accounted for as an interest in a joint venture.

### 18. 於合營企業的權益 (續)

附註：於二零一五年十一月四日，本集團以現金代價10,000,000港元自獨立第三方收購綉麗橡根帶的40%股權。綉麗橡根帶亦擁有Jiangxi Charming Elastic Mfg. Co. Ltd (其於中國從事製造彈性織帶) 100%的股權。

根據本公司的一間全資附屬公司、綉麗橡根帶的另一位股東(彼當時持有綉麗橡根帶60%的股權)以及綉麗橡根帶於同日訂立的股東協議(「**綉麗橡根帶股東協議**」)，持有綉麗橡根帶股權50%以上的股東(「**主要股東**」)及本集團分別有權委任或罷免綉麗橡根帶董事會五位董事中的三位及兩位董事。

綉麗橡根帶的股東亦已訂約同意共享綉麗橡根帶的控制權，因為有關活動(包括但不限於綉麗橡根帶的業務、財務或營運事宜)的若干決定要求須經由主要股東委任的至少兩位董事及綉麗橡根帶另一位股東委任的一位董事全體同意。因此，本集團對綉麗橡根帶擁有共同控制權及於綉麗橡根帶股權的投資入賬列為於合營企業的權益。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 18. INTEREST IN A JOINT VENTURE

(Continued)

Note: (Continued)

The Charming Elastic Shareholders' Agreement also involves terms that granted rights to the Group to purchase additional equity interest in Charming Elastic and rights to the other shareholder of Charming Elastic to exercise to sell equity interest of Charming Elastic to the Group, accordingly, the Group recognised derivative financial assets and liabilities since the date of acquisition of Charming Elastic at the consolidated statement of financial position (details as set out in Note 29).

During the year ended 31 December 2017, Charming Elastic had met the financial performance target pursuant to the Charming Elastic Shareholders' Agreement. Accordingly, the Group exercised the Call Option (as defined in Note 29) and acquired an additional 11% equity interest of Charming Elastic through subscription of new ordinary shares allotted and issued by Charming Elastic at a consideration of HK\$71,000, which represented the nominal value of the new ordinary shares issued by Charming Elastic. Such nominal value of new shares together with the fair value of the Call Option (as disclosed in Note 29) at exercise date of HK\$12,941,000 is recognised as part of the cost of investment in Charming Elastic. Accordingly, the Group becomes the Majority Shareholder and is now entitled to appoint or remove three out of five directors at the board of directors of Charming Elastic. The arrangement on sharing of control over Charming Elastic between the Group and the other shareholder of Charming Elastic remains effective after the aforesaid acquisition of additional interest in Charming Elastic by the Group.

### 18. 於合營企業的權益 (續)

附註：(續)

綉麗橡根帶股東協議亦涉及授予本集團權利增購綉麗橡根帶股權及授予綉麗橡根帶另一位股東權利以向本集團出售綉麗橡根帶股權的條款，因此，本集團自收購綉麗橡根帶日期起於綜合財務狀況表確認衍生金融資產及負債（詳情載於附註29）。

於截至二零一七年十二月三十一日止年度，綉麗橡根帶已根據綉麗橡根帶股東協議達成財務表現目標。因此，本集團行使認購期權（定義見附註29）並透過認購綉麗橡根帶配發及發行的新普通股收購綉麗橡根帶額外11%的股權，代價為71,000港元，即綉麗橡根帶發行的新普通股之面值。有關新股份之面值連同認購期權（如附註29所披露）於行使日之公平值12,941,000港元已作為投資綉麗橡根帶成本的一部分予以確認。因此，本集團成為主要股東，有權委任或罷免綉麗橡根帶董事會五位董事中的三位董事。於上述本集團收購綉麗橡根帶額外股權後，本集團與綉麗橡根帶另一位股東共享對綉麗橡根帶的控制權之安排仍持續有效。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 19. AVAILABLE-FOR-SALE FINANCIAL ASSETS

### 19. 可供出售金融資產

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Unit trusts denominated in USD, at fair value	以美元列值單位信託， 按公平值計	-	2,736
Investment in a partnership, at cost (Note)	投資合夥公司， 按成本計（附註）	<b>27,512</b>	25,698
		<b>27,512</b>	28,434

Note:

The Group invested in an unlisted partnership established in the PRC. The assets are measured at cost less impairment at the end of the reporting period because the range of reasonable fair value estimates is so significant that the directors of the Company are of the opinion that its fair value cannot be measured reliably.

附註：

本集團投資於一家在中國成立的非上市合夥公司。資產於報告期間結束時按成本減去減值計量，原因是合理公平值估計的範圍太大，本公司董事認為其公平值無法可靠計量。

### 20. INVENTORIES

### 20. 存貨

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Raw materials	原材料	<b>208,883</b>	148,898
Work in progress	在製品	<b>273,887</b>	233,468
Finished goods	製成品	<b>211,687</b>	122,269
		<b>694,457</b>	504,635

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## 綜合財務報表附註

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

### 21. TRADE AND BILLS RECEIVABLES AND AMOUNT DUE FROM A RELATED COMPANY

#### Trade and bills receivables

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Trade receivables	貿易應收款項	640,302	557,031
Less: Allowance for bad and doubtful debts	減：呆壞賬撥備	(1,213)	(1,133)
Total trade receivables	貿易應收款項總額	639,089	555,898
Bills receivables	應收票據	9,270	6,000
		<b>648,359</b>	561,898

Before accepting any new customers, the Group assesses the potential customer's credit quality by evaluating their historical credit records and defines credit limits for each customer. Recoverability and credit limit of the existing customers are reviewed by the Group regularly.

Trade receivables from third parties mainly represent receivables from customers in relation to the sales of elastic fabric, elastic webbing and lace. The credit period granted to the customers ranges from 30 to 90 days from the date of issuance of a monthly statement for sales delivered in that month.

### 21. 貿易應收款項及應收票據以及應收關聯公司款項

#### 貿易應收款項及應收票據

於接納任何新客戶前，本集團透過評估彼等過往的信貸記錄以評估潛在客戶的信貸質素並釐定各客戶獲授的信貸限額。本集團定期審閱現有客戶的可收回性及信貸限額。

應收第三方貿易應收款項主要是銷售彈性織物面料、彈性織帶及蕾絲的應收客戶款項。授予客戶的信貸期自出具銷售月份的月結單發出日期起計30至90日。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 21. TRADE AND BILLS RECEIVABLES AND AMOUNT DUE FROM A RELATED COMPANY (Continued)

#### Trade and bills receivables (Continued)

The following is an aged analysis of trade receivables net of allowance for bad and doubtful debts presented based on the date of issuance of monthly statements at the end of each reporting period and aged analysis of bills receivables presented based on the date of issuance of the bills at the end of each reporting period.

### 21. 貿易應收款項及應收票據以及應收關聯公司款項 (續)

#### 貿易應收款項及應收票據 (續)

以下為於各報告期間結束時貿易應收款項扣除呆壞賬撥備按月結單發出日期呈列的賬齡分析及於各報告期間結束時應收票據按發單日期呈列的賬齡分析。

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>Trade receivables</b>	<b>貿易應收款項</b>		
0 – 90 days	0 – 90 日	563,614	493,297
91 – 180 days	91 – 180 日	51,330	42,792
Over 180 days	超過180 日	24,145	19,809
		<b>639,089</b>	555,898
<b>Bills receivables</b>	<b>應收票據</b>		
0 – 90 days	0 – 90 日	9,270	5,887
91 – 180 days	91 – 180 日	–	113
		<b>9,270</b>	6,000
		<b>648,359</b>	561,898

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 21. TRADE AND BILLS RECEIVABLES AND AMOUNT DUE FROM A RELATED COMPANY (Continued)

#### Trade and bills receivables (Continued)

Trade receivable balances with related companies included in the Group's trade receivables balance are listed below:

Related companies	關聯公司
A joint venture	一間合營企業
A related company*	一間關聯公司*
Other related companies <sup>#</sup>	其他關聯公司 <sup>#</sup>

### 21. 貿易應收款項及應收票據以及應收關聯公司款項 (續)

#### 貿易應收款項及應收票據 (續)

計入本集團貿易應收款項結餘的與關聯公司的貿易應收款項結餘載列如下：

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
	<b>22,794</b>	6,731

\* A related company controlled by close family members of directors of the Company (these directors are key management personnel of the Company).

<sup>#</sup> The related companies are fellow subsidiaries of the non-controlling shareholder who has significant influence over a subsidiary of the Group.

<sup>##</sup> As at 31 December 2016, such trade debtor had no related party relationship with the Group.

\* 由本公司董事的近親家族成員控制的關聯公司(該等董事為本公司的關鍵管理人員)。

<sup>#</sup> 該等關聯公司為對本集團一間附屬公司具有重大影響之非控股股東的同系附屬公司。

<sup>##</sup> 於二零一六年十二月三十一日，該貿易債務人與本集團不存在關連方關係。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 21. TRADE AND BILLS RECEIVABLES AND AMOUNT DUE FROM A RELATED COMPANY (Continued)

#### Trade and bills receivables (Continued)

The above trade receivable balances with related companies are unsecured, interest-free and with a credit term of 30 days from the date of issuance of a monthly statement for sales delivered in that month. The following is an aged analysis of trade receivables balances with related companies presented based on the date of issuance of monthly statements at the end of each reporting period.

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
0 – 90 days	0 – 90日	20,731	6,621
91 – 180 days	91 – 180日	1,900	110
Over 180 days	超過180日	163	–
		<b>22,794</b>	6,731

As at 31 December 2017, included in these trade receivables balances with related companies are debtors with aggregate carrying amount of HK\$5,232,000 (2016: HK\$1,068,000) which are past due but not impaired at the end of the reporting period.

As at 31 December 2017, included in the Group's trade receivables balance are debtors with aggregate carrying amount of HK\$108,997,000 (2016: HK\$85,406,000) which are past due at the end of the reporting period for which the Group has not provided for impairment loss. The trade receivables which are past due but not impaired were either settled subsequently or due from debtors which do not have historical default of payments. The Group does not hold any collateral over these balances.

### 21. 貿易應收款項及應收票據以及應收關聯公司款項 (續)

#### 貿易應收款項及應收票據 (續)

以上與關聯公司的貿易應收款項結餘無抵押、免息，信貸期為自出具銷售月份的月結單發出日期起計30日。以下為與關聯公司的貿易應收款項結餘於各報告期間結束時按月結單發出日期呈列的賬齡分析。

於二零一七年十二月三十一日，計入與關聯公司的該等貿易應收款項結餘的總賬面值5,232,000港元（二零一六年：1,068,000港元）的款項乃應收債務人的款項，該等款項已於報告期間結束時逾期但無減值。

於二零一七年十二月三十一日，計入本集團貿易應收款項結餘的總賬面值108,997,000港元（二零一六年：85,406,000港元）的款項乃應收債務人的款項，該等款項已於報告期間結束時逾期，而本集團並無就此作出減值虧損撥備。逾期但無減值的貿易應收款項其後已償付或涉及應收過往並無拖欠付款的債務人的款項。本集團概無就該等結餘持有任何抵押物。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 21. TRADE AND BILLS RECEIVABLES AND AMOUNT DUE FROM A RELATED COMPANY (Continued)

#### Trade and bills receivables (Continued)

#### Aged analysis of trade receivables which are past due but not impaired

The following aged analysis of trade receivables based on payment due dates which are past due but not impaired.

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
1 – 30 days	1 – 30 日	47,626	42,078
31 – 60 days	31 – 60 日	19,581	18,922
61 – 90 days	61 – 90 日	14,437	6,184
Over 90 days	超過90 日	27,353	18,222
		<b>108,997</b>	85,406

#### Movement in the allowance for bad and doubtful debts

#### 呆壞賬撥備變動

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Balance at beginning of the year	年初結餘	1,133	1,648
Amounts recovered during the year	年內收回金額	–	(18)
Amounts written off as uncollectible	因不可收回而撇銷的金額	–	(392)
Exchange adjustments	匯兌調整	80	(105)
Balance at end of the year	年終結餘	<b>1,213</b>	1,133

### 21. 貿易應收款項及應收票據以及應收關聯公司款項 (續)

#### 貿易應收款項及應收票據 (續)

#### 逾期但無減值的貿易應收款項的賬齡分析

以下為逾期但無減值的貿易應收款項按付款到期日的賬齡分析。

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### 21. TRADE AND BILLS RECEIVABLES AND AMOUNT DUE FROM A RELATED COMPANY (Continued)

#### Trade and bills receivables (Continued)

#### Movement in the allowance for bad and doubtful debts (Continued)

As at 31 December 2017, included in the allowance for bad and doubtful debts are individually impaired trade receivables with an aggregate balance of HK\$1,213,000 (2016: HK\$1,133,000) which are either aged over one year or the customer was in severe financial difficulty. In determining the recoverability of a trade receivable, the Group considers any change in credit quality of the trade receivables from the date credit was initially granted up to the end of the reporting period. Management of the Group believes that no further provision is required in excess of the allowance for bad and doubtful debts. Management of the Group writes off the bad and doubtful debts when the debtor is liquidated.

The Group's trade receivables that are denominated in currencies which are not the functional currencies of the relevant group entities are set out below:

### 21. 貿易應收款項及應收票據以及應收關聯公司款項 (續)

#### 貿易應收款項及應收票據 (續)

#### 呆壞賬撥備變動 (續)

於二零一七年十二月三十一日，計入呆壞賬撥備的獨立已減值貿易應收款項的總結餘為1,213,000港元（二零一六年：1,133,000港元），該等貿易應收款項的賬齡乃超過一年或客戶有嚴重財政困難。於釐定貿易應收款項的可收回性時，本集團考慮自信貸最初授出日起至報告期間結束時貿易應收款項的信貸評級的任何變動。本集團管理層相信，毋須在呆壞賬撥備以外作出額外撥備。本集團管理層於債務人清算時撇銷呆壞賬。

以非相關集團實體功能貨幣的貨幣計值的本集團貿易應收款項載列如下：

		Vietnam Dong ("VND") 越南盾 美元 ("越南盾")	HKD 港元	
	USD 美元 HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
As at 31 December 2017	於二零一七年十二月三十一日	284,989	1,497	1,492
As at 31 December 2016	於二零一六年十二月三十一日	251,019	-	-

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## 綜合財務報表附註

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### 21. TRADE AND BILLS RECEIVABLES AND AMOUNT DUE FROM A RELATED COMPANY (Continued)

#### Amount due from a related company

The related company is controlled by close family members of directors of the Company. The amount represents other receivables of approximately HK\$366,000 (2016: HK\$698,000) which are non-trade nature, unsecured, interest-free and repayable on demand. The maximum outstanding amount such other receivables with the related company during the year ended 31 December 2017 is HK\$698,000 (2016: HK\$698,000).

### 21. 貿易應收款項及應收票據以及應收關聯公司款項 (續)

#### 應收關聯公司款項

關聯公司乃由本公司董事的近親家族成員控制。該款項指其他應收款項約366,000港元(二零一六年: 698,000港元), 屬非貿易性質, 無抵押、免息且按要求償還。於截至二零一七年十二月三十一日止年度, 與關聯公司的其他應收款項之最大尚未收回金額為698,000港元(二零一六年: 698,000港元)。

### 22. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

### 22. 其他應收款項、按金及預付款項

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Deposit paid	已付按金	9,010	6,806
Deposit paid for acquisition of property plant and equipment	收購物業、廠房及設備的 已付按金	95,326	81,586
Deposits in life insurance policy (Note)	人壽保險按金(附註)	6,992	6,992
Prepayments	預付款項	13,305	9,608
Interest receivables	應收利息	64	137
Other tax recoverables	其他可收回稅項	34,310	39,733
Other receivables	其他應收款項	26,368	12,735
		<b>185,375</b>	157,597
Analysed as:	分析為:		
Current	流動	80,537	67,074
Non-current	非流動	104,838	90,523
		<b>185,375</b>	157,597

Non-current deposits stated on the consolidated statements of financial position include rental deposits, deposits paid for acquisition of property, plant and equipment and deposits in life insurance policy.

綜合財務狀況表所載的非流動按金包括租金按金、收購物業、廠房及設備的已付按金及人壽保險按金。

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## 綜合財務報表附註

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

### 22. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (Continued)

Note:

The Group has entered into one life insurance policy with HSBC Life (International) Limited (“HSBC”) to insure a director of the Company. Under this policy, the Group is the policy holder and a close family member of the director is the beneficiary and the total insured sum is USD3,500,000. The Group is required to pay a single premium of USD836,970 to HSBC. The Group can, at any time, receive cash back based on the cash value of the policy at the date of withdrawal, which is determined by the gross premium paid plus accumulated guaranteed interest earned and minus any charges made in accordance with the terms and conditions of the policy. In addition, if withdrawal is made between the 1st to 15th policy year, there is a specified amount of surrender charge. HSBC will pay the Group a guaranteed interest rate of 4.8% per annum for the first year, followed by minimum guaranteed interest rate of 3% per annum for the following years.

At the inception date, the gross premium was separated into deposit placed and prepayment of life insurance premium. The prepayment of life insurance premium is amortised in profit or loss over the insured period and the deposit placed is carried at amortised cost using the effective interest method. The effective interest rate for the deposit placed on initial recognition is 2.9% per annum, which was determined by discounting the estimated future cash receipts through the expected life of the policy of 30 years, excluding the financial effect of surrender charge.

As at 31 December 2017 and 2016, the expected life of the policy remained unchanged from the initial recognition and the management of the Group considers that the financial impact of the option to terminate the policies was insignificant.

### 22. 其他應收款項、按金及預付款項 (續)

附註：

本集團為本公司一名董事向滙豐人壽保險(國際)有限公司(「滙豐人壽」)購買人壽保險。根據該保單，本集團為投保人，而董事的一位近親家族成員為受益人，投保總額為3,500,000美元。本集團須向滙豐人壽支付一筆保費836,970美元。本集團可根據該份人壽保單於退保日的現金價值取回現金，有關價值根據支付的保費總額加所賺取的累計保證利息及扣除根據保單條款及條件所作出的收費計算得出。此外，倘於第一至第十五個投保年度之間退保，則須繳付特定金額的退保費用。滙豐人壽將於第一年向本集團支付年利率4.8%的保證利息，其後於往後年度支付年利率3%的最低保證利息。

於開始投保日期，保費總額分為存放按金及人壽保單保費預付款。人壽保單保費預付款按投保期間於損益賬攤銷，而存放按金則使用實際利率法按攤銷成本列賬。存放按金於初次確認時的實際年利率為2.9%，乃透過貼現於30年的預期投保期內估計未來收取的現金款項而釐定，並不包括退保費的財務影響。

於二零一七年及二零一六年十二月三十一日，保單的預期有效期自初次確認起維持不變，而本集團管理層認為選擇終止保單的財務影響並不重大。

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## 綜合財務報表附註

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

### 23. PLEDGED BANK DEPOSITS, SHORT TERM BANK DEPOSITS, BANK BALANCES AND CASH

As at 31 December 2017, pledged bank deposits represent deposits pledged to banks to secure the bills payables issued by the Group, carried at fixed interest rate ranged from 0.30% to 1.30% (2016: 1.32% to 1.95%) per annum.

As at 31 December 2017, short term bank deposits comprise bank deposits of fixed interest rates ranging from 1.10% to 1.30% (2016: 1.65%) per annum with an original maturity between three months and twelve months.

Bank balances and cash comprise cash held by the Group and bank deposits carry at variable interest rates with an original maturity of three months or less. As at 31 December 2017, the variable interest rates ranged from 0.001% to 0.30% (2016: 0.001% to 0.95%) per annum.

The Group's pledged bank deposits, short term deposits and bank balances and cash that are denominated in currencies which are not the functional currencies of the relevant group entities are set out below:

### 23. 已抵押銀行存款、短期銀行存款、銀行結餘及現金

於二零一七年十二月三十一日，已抵押銀行存款指抵押予銀行作為本集團發出的應付票據擔保的存款，固定年利率介乎0.30%至1.30%（二零一六年：1.32%至1.95%）。

於二零一七年十二月三十一日，短期銀行存款包括原定到期日為三個月至十二個月的固定年利率介乎1.10%至1.30%（二零一六年：1.65%）的銀行存款。

銀行結餘及現金包括本集團持有的現金及原定到期日為三個月或以下的浮息銀行存款。於二零一七年十二月三十一日，浮息年利率介乎0.001%至0.30%（二零一六年：0.001%至0.95%）。

以非相關集團實體功能貨幣的貨幣計值的本集團已抵押銀行存款、短期存款及銀行結餘及現金載列如下：

		HK\$ 港元	USD 美元	EUR 歐元	RMB 人民幣	VND 越南盾
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>As at 31 December 2017</b>	<b>於二零一七年 十二月三十一日</b>	<b>771</b>	<b>36,405</b>	<b>191</b>	<b>69</b>	<b>494</b>
As at 31 December 2016	於二零一六年 十二月三十一日	242	35,835	178	1,196	-

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## 綜合財務報表附註

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

### 24. TRADE PAYABLES

The credit period granted by the Group's creditors ranges from approximately 1 month to 3 months. The following is an aged analysis of trade payables presented based on the invoice date at the end of each reporting period:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
0 – 90 days	0 – 90 日	156,373	118,727
Over 90 days	超過90 日	25,243	3,931
		<b>181,616</b>	122,658

As at 31 December 2017, included in the Group's trade payables balance is an amount due to a joint venture of HK\$12,899,000 (2016: HK\$8,505,000). Such balance due to a joint venture is unsecured, interest-free and with a credit term of 30 days from the date of issuance of a monthly statement for purchases delivered in that month. These balances are aged within 90 days at the end of the reporting period.

The Group's trade payables that are denominated in currencies which are not the functional currencies of the relevant group entities are set out below:

		USD 美元 HK\$'000 千港元	EUR 歐元 HK\$'000 千港元	VND 越南盾 HK\$'000 千港元	RMB 人民幣 HK\$'000 千港元	HKD 港元 HK\$'000 千港元
<b>As at 31 December 2017</b>	於二零一七年 十二月三十一日	<b>22,340</b>	<b>17</b>	<b>9,927</b>	<b>94</b>	<b>60</b>
As at 31 December 2016	於二零一六年 十二月三十一日	28,434	108	-	-	-

### 24. 貿易應付款項

本集團債權人給予的信貸期介乎約一個月至三個月。以下為貿易應付款項於各報告期間結束時按發票日期呈列的賬齡分析：

於二零一七年十二月三十一日，計入本集團貿易應付款項結餘的12,899,000港元（二零一六年：8,505,000港元）乃應付合營企業款項。該等應付合營企業結餘無抵押、免息，信貸期為自出具購買月份的月結單發出日期起計30日。於報告期間結束時，該等結餘的賬齡在90日內。

以非相關集團實體功能貨幣的貨幣計值的本集團貿易應付款項載列如下：

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## 綜合財務報表附註

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

### 25. BILLS PAYABLES

The bills payables are secured by pledged bank deposits as set out in Note 36. The following is an aged analysis of bills payables presented based on the date of issuance of the bills at the end of each reporting period:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
0 – 90 days	0 – 90日	195,430	236,383
91 – 180 days	91 – 180日	89,745	77,630
		<b>285,175</b>	314,013

The Group's bills payables that are denominated in currencies which are not functional currencies of the relevant group entities are set out below:

### 25. 應付票據

應付票據乃以附註36所載的已抵押銀行存款作擔保。以下為應付票據於各報告期間結束時按票據發出日期呈列的賬齡分析：

以非相關集團實體功能貨幣的貨幣計值的本集團應付票據載列如下：

		USD 美元 HK\$'000 千港元	EUR 歐元 HK\$'000 千港元
<b>As at 31 December 2017</b>	於二零一七年 十二月三十一日	<b>47,630</b>	<b>1,270</b>
As at 31 December 2016	於二零一六年 十二月三十一日	55,314	3,438

### 26. OTHER PAYABLES AND ACCRUED CHARGES

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Accrued staff costs	應付職工薪酬	69,674	65,259
Other accruals	其他應計費用	25,634	30,739
Payables on acquisition of property, plant and equipment	收購物業、廠房及設備的應付款項	35,441	39,340
Receipts in advance	預收款項	19,411	32,130
Other payables	其他應付款項	33,184	33,513
Total	總計	<b>183,344</b>	200,981

### 26. 其他應付款項及應計費用

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## 綜合財務報表附註

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

### 27. BANK BORROWINGS

### 27. 銀行借款

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Unsecured syndicated loan	無抵押銀團貸款	965,257	585,693
Unsecured bank borrowings	無抵押銀行借款	275,005	7,809
		<b>1,240,262</b>	593,502
Carrying amount repayable*:	應償還款項賬面值*：		
Within one year	一年內	262,291	117,587
More than one year, but not exceeding two years	超過一年但不超過兩年	188,504	3,120
More than two years, but not more than five years	超過兩年但不超過五年	789,467	472,795
		<b>1,240,262</b>	593,502
Less: Amounts due within one year or contain a repayment on demand clause shown under current liabilities	減：流動負債所示須於一年內償還或包含按要求的償還條款的款項	<b>(262,486)</b>	(120,707)
Amounts shown under non-current liabilities	非流動負債所示款項	<b>977,776</b>	472,795
Carrying amount of bank borrowings that are repayable within one year and contain a repayment on demand clause	須於一年內償還及包含按要求的償還條款的銀行借款的賬面值	<b>274,810</b>	4,689
Carrying amount of bank borrowings that are repayable more than one year but contain a repayment on demand clause	超過一年後償還但包含按要求的償還條款的銀行借款的賬面值	<b>195</b>	3,120
		<b>275,005</b>	7,809

\* The amounts due are based on scheduled repayment dates set out in the loan agreements and included the unamortised portion of the prepaid transaction cost in relation to the unsecured syndicated loan.

\* 到期款項乃根據貸款協議所載的計劃償還日期釐定，並包括有關無抵押銀團貸款預付交易成本之未攤銷部分。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 27. BANK BORROWINGS (Continued)

During the year ended 31 December 2016, the Group entered into a facility agreement for an unsecured syndicated loan (“**2016 Syndicated Loan**”), which is to be repayable by installments from 1 February 2017 to 1 February 2019 and with an interest rate at 2.6% plus Hong Kong Interbank Offered Rate (“**HIBOR**”) per annum. During the year ended 31 December 2017, the Group further entered into a new facility agreement for an unsecured syndicated loan (“**2017 Syndicated Loan**”), which is to be repayable by installments, from 13 May 2019 to 13 May 2021 and with an interest rate at HIBOR plus 2.2% for HK\$ loan tranche and London Interbank Offered Rate (“**LIBOR**”) plus 2.2% for USD loan tranche. Certain proceeds from the 2017 Syndicated Loan was used to fully repay the 2016 Syndicated Loan. The 2016 Syndicated Loan and 2017 Syndicated Loan are guaranteed by the Company.

The unsecured bank borrowings were guaranteed by group companies as at 31 December 2017 and 2016.

The Group has floating-rate borrowings which carry interest at HIBOR plus 1.75% to 3.50% (2016: HIBOR plus 1.75% to 3.50%) per annum.

### 27. 銀行借款 (續)

截至二零一六年十二月三十一日止年度，本集團就無抵押銀團貸款訂立一項融資協議（「二零一六年銀團貸款」），貸款將自二零一七年二月一日至二零一九年二月一日分批償還，年利率為2.6%加上香港銀行同業拆息（「香港銀行同業拆息」）。截至二零一七年十二月三十一日止年度，本集團就無抵押銀團貸款進一步訂立新融資協議（「二零一七年銀團貸款」），貸款將自二零一九年五月十三日至二零二一年五月十三日分批償還，港元貸款年利率為香港銀行同業拆息加上2.2%，而美元貸款年利率為倫敦銀行同業拆息（「倫敦銀行同業拆息」）加上2.2%。來自二零一七年銀團貸款的若干所得款項已用於償還全部二零一六年銀團貸款。二零一六年銀團貸款及二零一七年銀團貸款均由本公司提供擔保。

於二零一七年及二零一六年十二月三十一日，無抵押銀行借款乃由集團公司提供擔保。

本集團有浮息借款，按香港銀行同業拆息加年利率1.75%至3.50%（二零一六年：香港銀行同業拆息加1.75%至3.50%）計息。

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### 27. BANK BORROWINGS (Continued)

The ranges of effective interest rates (which are also equal to contracted interest rates) on the Group's bank borrowings are as follows:

		2017 二零一七年	2016 二零一六年
Effective interest rate (per annum):	實際(年)利率:		
Floating-rate borrowings	浮息借款	2.01%-3.66%	2.48%-3.72%
Fixed-rate borrowings	定息借款	6.50%	N/A不適用

The Group's bank borrowings that are denominated in currencies which are not the functional currencies of the relevant group entities are set out below:

### 27. 銀行借款 (續)

本集團銀行借款的實際利率(亦相當於訂約利率)範圍如下:

以相關集團實體功能貨幣以外貨幣計值的本集團銀行借款載列如下:

		HKD 港元 HK\$'000 千港元	USD 美元 HK\$'000 千港元
<b>As at 31 December 2017</b>	於二零一七年 十二月三十一日	<b>472,197</b>	<b>39,000</b>
As at 31 December 2016	於二零一六年 十二月三十一日	-	-

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### 28. OBLIGATIONS UNDER FINANCE LEASES

### 28. 融資租賃承擔

		Minimum lease payments 最低租賃付款		Present value of minimum lease payments 最低租賃付款現值	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Amounts payable under finance leases:	融資租賃項下 應付款項：				
Within one year	一年內	632	5,411	629	5,302
In the second to fifth year inclusive	第二至五年 (包括首尾兩年)	-	632	-	629
		632	6,043	629	5,931
Less: future finance charges	減：未來融資開支	(3)	(112)	-	-
Present value of lease obligations	租賃承擔現值	629	5,931	629	5,931
Less: Amounts due for settlement within one year (shown as current liabilities)	減：一年內到期償還的 款項(於流動 負債所示)			(629)	(5,302)
Amounts due for settlement after one year	一年後到期償還的款項			-	629

The Group leased certain of its machineries and motor vehicles under finance leases. The lease terms ranged from 3 years to 4 years. Effective interest rates underlying all obligations under finance lease are 3.75% (2016: 3.75%) per annum as at 31 December 2017. All leases were on a fixed repayment basis and no arrangement was entered into for contingent rental payments.

The Group's obligations under finance leases were secured by the lessors' charge over the leased assets (Note 16).

本集團根據融資租賃租用若干機器及汽車，租賃期介乎3年至4年。於二零一七年十二月三十一日，所有融資租賃承擔的相關實際年利率均為3.75% (二零一六年：3.75%)。所有租賃均以固定還款為基準，及並無就或然租金付款訂立安排。

本集團的融資租賃承擔乃以出租人對租賃資產的押記作抵押(附註16)。

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

### 29. DERIVATIVE FINANCIAL INSTRUMENTS

### 29. 衍生金融工具

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>Financial assets</b>	<b>金融資產</b>		
Call option	認購期權	-	12,811
<b>Financial liabilities</b>	<b>金融負債</b>		
Put option	認沽期權	(4,426)	(4,780)

#### Call option of Charming Elastic

Pursuant to the Charming Elastic Shareholders' Agreement (Note 18), the Group was granted the right to acquire an additional 11% equity interest of Charming Elastic from the Majority Shareholder should Charming Elastic meet certain financial performance target during the 18 months ending 30 June 2017 or 36 months ending 31 December 2018 (the "Call Option"). The Call Option is recognised as a derivative financial instrument at FVTPL by the Group. The gain on fair value change of such call option of HK\$130,000 (2016: HK\$11,765,000) for the year ended 31 December 2017 was recognised in profit or loss as other gains or losses as set out in Note 8.

As set out in Note 18, the Call Option was exercised during the year end 31 December 2017. Upon the exercise date, the Group derecognised the Call Option and the fair value of the Call Option is recognised as part of the consideration of the acquisition of additional 11% equity interest in Charming Elastic.

#### 綉麗橡根帶的認購期權

根據綉麗橡根帶股東協議(附註18)，本集團獲授權利自主要股東收購綉麗橡根帶額外11%的股權，惟倘綉麗橡根帶於截至二零一七年六月三十日止18個月或於截至二零一八年十二月三十一日止36個月達成若干財務表現目標(「認購期權」)。認購期權由本集團確認為透過損益按公平值計量的衍生金融工具。於截至二零一七年十二月三十一日止年度，有關認購期權公平值變動的收益130,000港元(二零一六年：11,765,000港元)於損益確認為其他收益或虧損，如附註8所載。

誠如附註18所載，認購期權於截至二零一七年十二月三十一日止年度獲行使。於行使日期後，本集團取消確認認購期權，而認購期權的公平值確認為收購綉麗橡根帶額外11%股權的部分代價。

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### 29. DERIVATIVE FINANCIAL INSTRUMENTS

(Continued)

#### Put option of Charming Elastic

Pursuant to the Charming Elastic Shareholders' Agreement (Note 18), subject to and conditional upon the Group becoming the Majority Shareholder of Charming Elastic, the other shareholder of Charming Elastic is entitled the right to exercise its option to require the Group to buy out all or part of the issued shares of Charming Elastic held by the other shareholder at any time during the period of two years from 1 July 2020 to 30 June 2022 at a price set out in the Charming Elastic Shareholders' Agreement. The put option is recognised as a derivative financial instrument at FVTPL by the Group. The gain on fair value change of such put option of HK\$354,000 (2016: loss on fair value change of put option of HK\$4,457,000) for the year ended 31 December 2017 was recognised in profit or loss as other gains or losses as set out in Note 8.

### 30. DEFERRED TAXATION

The following is the major deferred tax assets (liabilities) recognised and movements during the current and prior years.

		Deferred government grants 遞延政府 補助金 HK\$'000 千港元	Capitalised finance cost 已資本化 融資成本 HK\$'000 千港元	Allowance for inventories 存貨撥備 HK\$'000 千港元	Allowance for doubtful debts 呆壞賬撥備 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2016	於二零一六年一月一日	1,670	(3,075)	4,300	424	3,319
Credited (charged) to profit or loss (Note 13)	從損益計入 (扣除) (附註13)	290	173	(2,310)	(103)	(1,950)
Exchange adjustments	匯兌調整	(120)	188	(532)	(38)	(502)
At 31 December 2016	於二零一六年十二月三十一日	1,840	(2,714)	1,458	283	867
(Charged) credited to profit or loss (Note 13)	從損益 (扣除) 計入 (附註13)	(321)	171	-	-	(150)
Exchange adjustments	匯兌調整	119	(185)	103	20	57
<b>At 31 December 2017</b>	<b>於二零一七年十二月三十一日</b>	<b>1,638</b>	<b>(2,728)</b>	<b>1,561</b>	<b>303</b>	<b>774</b>

### 29. 衍生金融工具 (續)

#### 綉麗橡根帶的認沽期權

根據綉麗橡根帶股東協議 (附註18)，受限於及有待本集團成為綉麗橡根帶的主要股東後，綉麗橡根帶的另一位股東有權行使其權利要求本集團按綉麗橡根帶股東協議所載價格收購從二零二零年七月一日至二零二二年六月三十日兩年期內任何時間由另一位股東持有的綉麗橡根帶的全部或部分已發行股份。認沽期權由本集團確認為透過損益按公平值計量的衍生金融工具。於截至二零一七年十二月三十一日止年度，有關認沽期權公平值變動的收益354,000港元 (二零一六年：認沽期權公平值變動的虧損4,457,000港元) 於損益確認為其他收益或虧損，如附註8所載。

### 30. 遞延稅項

以下為於本年度及過往年度的主要已確認遞延稅項資產 (負債) 及變動。

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### 30. DEFERRED TAXATION (Continued)

The above deferred tax assets and liabilities have been offset for presentation purpose in the consolidated statements of financial positions.

Withholding tax is imposed on dividends declared in respect of profits earned by the PRC subsidiaries from 1 January 2008 onwards. Under the EIT Law, deferred tax liabilities have not been provided for in the consolidated financial statements in respect of temporary differences attributable to accumulated profits of the PRC subsidiaries amounting to HK\$1,091,080,000 as at 31 December 2017 (2016: HK\$912,166,000), as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

The Group had unused tax losses of approximately HK\$16,485,000 as at 31 December 2017 (2016: HK\$2,854,000). No deferred tax assets have been recognised in respect of the unused tax losses due to the unpredictability of future profit streams of respective group entities. Included in unrecognised tax losses are tax losses of HK\$10,763,000 (2016: nil) that will be expired within five years, other tax losses may be carried forward indefinitely.

### 30. 遞延稅項 (續)

就呈報而言，上述遞延稅項資產及負債已於綜合財務狀況表抵銷。

自二零零八年一月一日起，中國附屬公司就所賺取溢利宣派股息時須繳納預扣稅。根據企業所得稅法，由於本集團可控制撥回臨時差額的時間，而有關臨時差額於可見將來可能不會撥回，故並無於綜合財務報表就中國附屬公司於二零一七年十二月三十一日的累計溢利應佔的臨時差額1,091,080,000港元(二零一六年：912,166,000港元)作出遞延稅項負債撥備。

於二零一七年十二月三十一日，本集團的未動用稅項虧損約為16,485,000港元(二零一六年：2,854,000港元)。由於各集團實體的未來溢利流的不可預測性，故並無確認有關未動用稅項虧損的遞延稅項資產。未確認稅項虧損中包括將於五年內到期的稅項虧損10,763,000港元(二零一六年：零)，其他稅項虧損或可無限期結轉。

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### 31. SHARE CAPITAL

The detailed movements of the Company's share capital are set out below.

### 31. 股本

本公司股本的變動詳情載列如下。

		Number of shares 股份數目	Amount 金額	
			HK\$ 港元	HK\$'000 千港元
Ordinary shares of HK\$0.01 each	每股面值0.01 港元之普通股			
Authorised:	法定：			
At 1 January 2016 and 31 December 2016 and 2017	於二零一六年一月一日及 二零一六年及二零一七年 十二月三十一日	50,000,000,000	500,000,000	500,000
Issued and fully paid:	已發行及繳足：			
At 1 January 2016	於二零一六年一月一日	1,021,276,000	10,212,760	10,213
Issue of shares upon exercise of share options (Note a)	於行使購股權後發行股份 (附註a)	7,505,000	75,050	75
At 31 December 2016	於二零一六年十二月三十一日	1,028,781,000	10,287,810	10,288
Issue of shares upon exercise of share options (Note b)	於行使購股權後發行股份 (附註b)	7,727,000	77,270	77
<b>At 31 December 2017</b>	<b>於二零一七年十二月三十一日</b>	<b>1,036,508,000</b>	<b>10,365,080</b>	<b>10,365</b>

All shares issued rank pari passu with other existing shares in all aspects.

所有已發行股份在所有方面與其他現有股份享有同等權益。

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### 31. SHARE CAPITAL (Continued)

Notes:

- (a) On 14 January 2016, 13 and 28 April 2016, 18, 23, 24 and 27 May 2016, 1, 2, 8, 21 and 28 June 2016, 5, 6 and 15 July 2016 and 28 and 29 December 2016, the Company issued 600,000, 66,000, 88,000, 134,000, 456,000, 240,000, 1,000,000, 900,000, 1,550,000, 110,000, 149,000, 282,000, 302,000, 962,000, 265,000, 201,000 and 200,000 shares respectively upon the exercise of share options by three Directors and certain employees.
- (b) On 12 and 13 January 2017, 30 March 2017, 22, 24 and 31 May 2017, 9, 15 and 29 June 2017, 14, 17, 19, 20, 21, 26 and 28 July 2017 and 14 and 18 September 2017, the Company issued 132,000, 215,000, 150,000, 650,000, 30,000, 1,010,000, 950,000, 400,000, 110,000, 745,000, 1,755,000, 120,000, 210,000, 280,000, 220,000, 480,000, 120,000 and 150,000 shares respectively upon the exercise of share options by a Director and certain employees.

### 31. 股本 (續)

附註：

- (a) 於二零一六年一月十四日、二零一六年四月十三日及四月二十八日、二零一六年五月十八日、五月二十三日、五月二十四日及五月二十七日、二零一六年六月一日、六月二日、六月八日、六月二十一日及六月二十八日、二零一六年七月五日、七月六日及七月十五日以及二零一六年十二月二十八日及十二月二十九日，本公司於三位董事及若干僱員行使購股權後分別發行600,000股、66,000股、88,000股、134,000股、456,000股、240,000股、1,000,000股、900,000股、1,550,000股、110,000股、149,000股、282,000股、302,000股、962,000股、265,000股、201,000股及200,000股股份。
- (b) 於二零一七年一月十二日及一月十三日、二零一七年三月三十日、二零一七年五月二十二日、五月二十四日及五月三十一日、二零一七年六月九日、六月十五日及六月二十九日、二零一七年七月十四日、七月十七日、七月十九日、七月二十日、七月三十一日、七月二十六日及七月二十八日以及二零一七年九月十四日及九月十八日，本公司於一位董事及若干僱員行使購股權後分別發行132,000股、215,000股、150,000股、650,000股、30,000股、1,010,000股、950,000股、400,000股、110,000股、745,000股、1,755,000股、120,000股、210,000股、280,000股、220,000股、480,000股、120,000股及150,000股股份。



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### 32. RETIREMENT BENEFITS PLANS

The Group operates a Mandatory Provident Fund Scheme (“**MPF Scheme**”) under the rules and regulations of the Mandatory Provident Fund Schemes Ordinance for all qualifying employees in Hong Kong. Contributions are made based on a percentage of the employees’ salaries with a cap of HK\$1,500 per month per employee starting from 1 June 2014 and are charged to the consolidated statement of comprehensive income 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. No forfeited contribution is available to reduce the contribution payable in the future years as at 31 December 2017 and 2016.

The Company’s PRC subsidiaries are required to make contributions to the state-managed retirement schemes operated by the local governments based on certain percentage of the monthly salaries of their current employees to fund the benefits.

Eligible employees in Vietnam currently participate in State Social Insurance Fund, which is a defined contribution pension scheme operated by the local municipal government. The calculation of contributions is based on certain percentage of employee’s payroll.

The only obligations of the Group with respect to the above defined contribution retirement benefits schemes are to make the required contributions under the respective schemes.

During the year ended 31 December 2017, the total costs charged to profit or loss are approximately HK\$43,660,000 (2016: HK\$32,839,000), representing contributions paid/payable to the above defined contribution retirement benefits schemes.

### 32. 退休福利計劃

本集團根據強制性公積金計劃條例的規則及規例，為其所有香港合資格僱員參與強制性公積金計劃（「**強積金計劃**」）。供款乃按僱員薪酬的若干百分比釐定，由二零一四年六月一日起上限為每名僱員每月1,500港元。當有關供款根據強積金計劃規則成為應付款項時，將自綜合全面收益表扣除。強積金計劃資產與本集團資產分開持有，由獨立受託人管理基金保管。於二零一七年及二零一六年十二月三十一日，並無被沒收供款可用以減少未來年度的應付供款。

本公司的中國附屬公司須按其現有僱員月薪的若干百分比向地方政府管理的國家管理退休計劃作出供款，作為福利資金。

越南合資格僱員目前參與國家社會保險基金，此乃一項由地方政府管理的界定供款退休計劃。供款乃根據僱員薪酬的若干百分比計算。

本集團就上述界定供款退休福利計劃的唯一責任為根據各計劃作出所須供款。

截至二零一七年十二月三十一日止年度，從損益扣除的成本總額約為43,660,000港元（二零一六年：32,839,000港元），即上述界定退休福利計劃的已付／應付供款。

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### 33. SHARE-BASED PAYMENTS

The Company's Pre-IPO share option scheme (the "Pre-IPO Share Option Scheme") and share option scheme (the "Share Option Scheme") were adopted pursuant to a resolution passed on 8 May 2014 for the primary purpose of providing incentives to directors and eligible employees, and will expire at the end of five years and ten years from the date of grant of respective share options for Pre-IPO Share Options Scheme and the Share Option Scheme, respectively.

For the Share Option Scheme, no share option was granted since its adoption.

At 31 December 2017, the number of shares in respect of which options had been granted and remained outstanding under the Pre-IPO Share Options Scheme was 3,300,000 shares (31 December 2016: 11,027,000 shares). The maximum number of shares of the Company which may be issued upon exercise of all options granted under the Pre-IPO Share Option Scheme is 30,000,000 shares.

### 33. 以股份為基礎的付款

根據於二零一四年五月八日通過的決議案採納本公司首次公開發售前購股權計劃（「首次公開發售前購股權計劃」）及購股權計劃（「購股權計劃」），主要為董事及合資格僱員提供激勵，並分別將於首次公開發售前購股權計劃及購股權計劃授出各股份購股權日期起五年及十年未到期。

就購股權計劃而言，自其採納起並無授出購股權。

於二零一七年十二月三十一日，與根據首次公開發售前購股權計劃已授出及尚未行使的購股權有關的股份數目為3,300,000股股份（二零一六年十二月三十一日：11,027,000股股份）。根據首次公開發售前購股權計劃授出的所有購股權獲行使後可能發行的最大數目的本公司股份為30,000,000股股份。

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### 33. SHARE-BASED PAYMENTS (Continued)

The table below discloses movement of the Company's share options granted under the Pre-IPO Share Option Scheme during each of the years ended 31 December 2016 and 2017:

	1 January 2016 二零一六年 一月 一日	Exercised during the year 年內已行使	31 December 2016 二零一六年 十二月 三十一日	Exercised during the year 年內已行使	31 December 2017 二零一七年 十二月 三十一日
Number of share options outstanding: 未獲行使購股權數目:					
- Directors of the Company - 本公司董事	7,400,000	(3,400,000)	4,000,000	(1,500,000)	2,500,000
- Employees - 僱員	11,132,000	(4,105,000)	7,027,000	(6,227,000)	800,000
	18,532,000	(7,505,000)	11,027,000	(7,727,000)	3,300,000
Number of share options exercisable 可行使購股權數目	1,708,000		512,000		3,300,000

Note:

The Group has recognised share-based payment expenses of HK\$238,000 (2016: HK\$840,000), HK\$238,000 (2016: HK\$840,000) and HK\$159,000 (2016: HK\$560,000) in profit or loss during the year ended 31 December 2017 in relation to the share options of Mr. Lu, Mr. Wu and Ms. Zheng, respectively.

### 33. 以股份為基礎的付款 (續)

下表披露截至二零一六年及二零一七年十二月三十一日止年度各年內根據首次公開發售前購股權計劃授出的本公司購股權之變動：

附註：

本集團已於截至二零一七年十二月三十一日止年度之損益內，分別就盧先生、吳先生及鄭女士之購股權確認以股份為基礎的付款開支238,000港元(二零一六年：840,000港元)、238,000港元(二零一六年：840,000港元)及159,000港元(二零一六年：560,000港元)。

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### 33. SHARE-BASED PAYMENTS (Continued)

During the year ended 31 December 2017, the weighted average closing price of the Company's shares at the date on which the share options were exercised by a director (2016: three directors) was HK\$4.84 (2016: HK\$4.90) per share.

During the year ended 31 December 2017, the weighted average closing price of the Company's shares at the dates on which the share options were exercised by employees of the Group was HK\$6.09 (2016: HK\$5.30) per share.

The share options granted under the Pre-IPO Share Option Scheme are subject to the vesting period as to 20%, 30% and 50% of the aggregate number of shares underlying the option on the date of the first, second and third anniversary of the date of grant of such options respectively. The exercise period of these share of options is from 19 May 2015 to 19 May 2019.

Share options were granted on 19 May 2014 with exercise price of HK\$1.075 per share. The fair value of the options determined at the date of grant using the Binomial option pricing model was HK\$33,640,000.

### 33. 以股份為基礎的付款 (續)

截至二零一七年十二月三十一日止年度，本公司股份於購股權獲一名董事（二零一六年：三名董事）行使當日的加權平均收市價為每股4.84港元（二零一六年：4.90港元）。

截至二零一七年十二月三十一日止年度，本公司股份於購股權獲本集團僱員行使當日之加權平均收市價為每股6.09港元（二零一六年：5.30港元）。

根據首次公開發售前購股權計劃授出之購股權須分別於授出該等購股權日期起計第一、第二及第三週年日按有關股份總數目的20%、30%及50%歸屬。該等購股權的行使期為二零一五年五月十九日至二零一九年五月十九日。

購股權於二零一四年五月十九日授出，行使價為每股1.075港元。使用二項式期權定價模型於授出日期釐定的購股權之公平值為33,640,000港元。

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## 綜合財務報表附註

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### 33. SHARE-BASED PAYMENTS (Continued)

The following assumptions were used to calculate the fair values of share options at the date of grant on 19 May 2014:

Spot price per share on grant date	於授出日期的每股現貨價	HK\$2.150 2.150港元
Exercise price	行使價	HK\$1.075 1.075港元
Life to expiration (Note a)	屆滿年期 (附註a)	5 years 5年
Expected volatility (Note b)	預期波幅 (附註b)	42.80%
Dividend yield	股息收益率	0.00%
Risk-free interest rate (Note c)	無風險利率 (附註c)	1.202%

Notes:

- (a) Life to expiration: Being the period of 5 years commencing on the date of grant based on the contractual terms of the share options.
- (b) Expected volatility: Estimated based on the daily stock prices of 4 comparable companies for a period equal to the life to expiration as of the valuation date.
- (c) Risk-free interest rate: Being the yield of Hong Kong Exchange Fund Notes with a maturity life equal to the life to expiration of the valuation date.

The Binomial option pricing model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. Changes in variables and assumptions may result in changes in the fair value of the options.

At the end of each reporting period, the Group revises its estimates of the number of options that are expected to vest ultimately. The impact of the revision of the estimates, if any, is recognised in profit and loss, with a corresponding adjustment to the share options reserve.

The share-based payments of HK\$1,703,000 (2016: HK\$6,015,000) for the year ended 31 December 2017 is recognised in profit or loss (included in administrative expenses).

### 33. 以股份為基礎的付款 (續)

以下假設用於計算於二零一四年五月十九日授出的購股權之公平值：

附註：

- (a) 屆滿年期：即按購股權之合約條款於授出日期起計5年期間。
- (b) 預期波幅：基於4間可資比較公司在相當於購股權截至估值日之屆滿年期期間之每日股價作出估計。
- (c) 無風險利率：即香港外匯基金票據於屆滿期(相當於購股權截至估值日之屆滿年期)之收益率。

二項式期權定價模型已用於估計購股權之公平值。計算購股權公平值所使用的變量及假設乃基於董事之最佳估計。變量及假設之變動可能導致購股權公平值出現變動。

於各報告期間結束時，本集團修訂其預期將最終歸屬的估計購股權數目。該估計修訂的影響(如有)，於損益確認，並於購股權儲備作相應調整。

截至二零一七年十二月三十一日止年度，以股份為基礎的付款1,703,000港元(二零一六年：6,015,000港元)於損益中確認(計入行政開支)。

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### 34. OPERATING LEASE COMMITMENTS

#### The Group as lessee

At the end of the reporting period, the Group had commitments for future minimum lease payments in respect of office and factory premises, warehouse and staff quarters rented under non-cancellable operating leases which fall due as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year	一年內	14,959	7,116
In the second to fifth year inclusive	第二至五年 (包括首尾兩年)	10,422	3,927
		<b>25,381</b>	11,043

Leases for office premises, warehouse and staff quarters are negotiated for an average term of three years and rentals are fixed for an average term of three years. A lease for factory premises was negotiated for a term of three years.

### 34. 經營租賃承擔

#### 本集團作為承租人

於報告期間結束時，本集團已就不可撤銷經營租賃項下辦公室及廠房物業、倉庫及員工宿舍承擔未來最低租賃款項，到期日如下：

經協定的辦公室物業、倉庫及員工宿舍的租約平均期限為三年，租金於平均租期三年內為固定。廠房物業的租約期限協定為三年。

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### 35. CAPITAL AND OTHER COMMITMENTS

### 35. 資本及其他承擔

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Capital expenditure in respect of the addition of property, plant and equipment contracted but not provided for	有關添置物業、廠房及設備的已訂約但未撥備的資本開支	112,622	486,041
Capital expenditure in respect of the addition of leasehold land contracted but not provided for	有關添置租賃土地的已訂約但未撥備的資本開支	-	20,365
Capital contribution to a partnership (Note a)	向合夥公司注資 (附註a)	44,258	41,341
		<b>156,880</b>	547,747

Notes:

- (a) The investment in a partnership is recognised as an available-for-sale financial asset in the consolidated statement of financial position as at 31 December 2017 and 2016 (Note 19). In February 2018, pursuant to a resolution at a partners' meeting of the partnership, the partners in the partnership agree to reduce the total capital contribution to the partnership and the partnership will distribute certain portion of the paid up contributed capital up to 31 December 2017 to partners according to their respective interest in the partnership. Accordingly, the Group is no longer required to make further capital contribution to the partnership and is entitled a distribution from the partnership of RMB6.7 million (equivalent to approximately HK\$8.0 million).

附註：

- (a) 於合夥公司的投資在二零一七年及二零一六年十二月三十一日的綜合財務狀況表內確認為可供出售金融資產 (附註19)。於二零一八年二月，根據一項合夥公司合夥人會議上的決議案，合夥公司的合夥人同意降低向合夥公司注資的注資總額，且合夥公司將向合夥人按其各自於合夥公司的權益分派截至二零一七年十二月三十一日的繳足注資金額的若干部分。因此，本集團將不再需要向該合夥公司注資，且有權自合夥公司收取人民幣6.7百萬元 (相等於約8.0百萬元) 的分派。

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### 35. CAPITAL AND OTHER COMMITMENTS (Continued)

- (b) On 4 December 2017, (i) Best Pacific International Sri Lanka (Thulhiriya) Limited (“**BPSL (Thulhiriya)**”), an indirect wholly-owned subsidiary of the Company, (ii) MAS Capital (Private) Limited (“**MAS Capital**”), a direct wholly-owned subsidiary of MAS Holdings (Pvt) Ltd (“**MAS**”) and (iii) Trischel Fabric (Private) Limited (“**Trischel**”) entered into a joint venture agreement (the “**MAS JV Agreement**”) in relation to the acquisition of 51% of the total issued share capital of Trischel by BPSL (Thulhiriya) from MAS Capital (the “**Acquisition**”), and regulating the ownership, funding and management of Trischel on the terms and conditions as set out in the MAS JV Agreement.

Pursuant to the MAS JV Agreement, the consideration for the acquisition shall equal to 51% of the net asset value of Trischel as at the completion date and, in any event, shall be no more than US\$50,000,000. Pursuant to the MAS JV Agreement, the completion of the Acquisition shall take place on or before 1 August 2018 or any other date as BPSL (Thulhiriya) and MAS Capital may agree in writing. After completion of the Acquisition, Trischel will continue its existing businesses including, among others, the manufacture of warp and weft knitted fabric, and the importation of yarn and greige fabric and complementary accessories for dyeing and finishing for export. Prior to the completion of the Acquisition, MAS Capital, MAS and Trischel are independent third parties to the Group.

Up to the date of this report, completion of the Acquisition has not yet taken place and Trischel is still owned as to 100% by MAS Capital. Details of the above transactions were disclosed in the Company's announcement dated 4 December 2017.

- (c) As disclosed in the Company's announcement dated 22 December 2016, Dongguan BPT and seven independent third parties entered into an agreement in relation to the formation of a company to be established in the PRC (“**the Investee**”) to engage in insurance business and related financial activities in the PRC. Pursuant to such agreement, Dongguan BPT has agreed to make a capital contribution of RMB140,500,000 (equivalent to approximately HK\$ HK\$158,765,000) in return for approximately 7.022% equity interest in the Investee. As at the date of this report, formation of the Investee is subject to the approval from China Insurance Regulatory Commission and no contribution was made by the Group to the Investee.

### 35. 資本及其他承擔 (續)

- (b) 於二零一七年十二月四日，(i) Best Pacific International Sri Lanka (Thulhiriya) Limited (本公司的一間間接全資附屬公司) (“**BPSL(Thulhiriya)**”)、(ii) MAS Capital (Private) Limited (MAS Holdings (Pvt) Ltd (“**MAS**”)的一間直接全資附屬公司) (“**MAS Capital**”)、及(iii) Trischel Fabric (Private) Limited (“**Trischel**”) 訂立合營協議 (“**MAS合營協議**”)，有關 BPSL(Thulhiriya)向 MAS Capital 收購 Trischel 全部已發行股本的 51% (“**收購事項**”)，及按 MAS 合營協議所載的條款及條件，規管 Trischel 的所有權、融資及管理事宜。

根據 MAS 合營協議，收購代價將相當於 Trischel 於完成日期之資產淨值的 51%，且不論如何應不會超過 50,000,000 美元。根據 MAS 合營協議，收購事項應於二零一八年八月一日或之前或由 BPSL (Thulhiriya) 與 MAS Capital 以書面協定的任何其他日期完成。於收購事項完成後，Trischel 將繼續經營現有業務，包括 (其中包括) 製造經緯針織布料、進口紗線及坯布面料及配料進行染整以作出口。於收購事項完成前，Mas Capital、Mas 及 Trischel 為本集團之獨立第三方。

截至本年報日期，收購事項尚未完成，且 MAS Capital 仍擁有 Trischel 的全部股權。有關以上交易之詳情已於本公司日期為二零一七年十二月四日之公告中披露。

- (c) 誠如本公司日期為二零一六年十二月二十二日的公告所披露，東莞超盈與七名獨立第三方訂立一份協議，內容有關在中國組建公司 (“**被投資公司**”)，以在中國從事保險業務及相關財務活動。根據該協議，東莞超盈已同意注資人民幣 140,500,000 元 (相等於約 158,765,000 港元)，以持有被投資公司約 7.022% 的股權。於本報告日期，成立被投資公司須經中國保險監督管理委員會批准，且本集團並無向被投資公司作出供款。



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### 36. PLEDGE OF ASSETS

At the end of the reporting period, the Group has pledged bank deposits and certain property, plant and equipment to secure the bills payables issued by the Group and finance lease obligations. The carrying amounts of the assets pledged are as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Pledged bank deposits	已抵押銀行存款	54,623	61,610
Equipment	設備	34,019	37,105
		<b>88,642</b>	98,715

### 37. CONTINGENT LIABILITIES

The Group does not have any contingent liability so far as the management is aware that is pending or threatened by or against companies of the Group.

### 38. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of debts, which mainly include bank borrowings as disclosed in Note 27 and equity attributable to owners of the Company, comprising share capital disclosed in Note 31 and reserves.

The management reviews the capital structure by considering the cost of capital and the risks associated with each class of capital. In view of this, the Group will balance its overall capital structure through the payment of dividends, new shares issue as well as the issue of new debt or the redemption of existing debts.

### 36. 抵押資產

於報告期間結束時，本集團已抵押銀行存款以及若干物業、廠房及設備，作為本集團發出的應付票據及融資租賃承擔的抵押。抵押資產的賬面值載列如下：

### 37. 或然負債

本集團概無據管理層所知悉本集團任何公司待決或對其構成威脅的任何或然負債。

### 38. 資本風險管理

本集團管理其資本以確保其將能夠繼續持續經營，同時透過優化債務與股權結餘而提高股東回報。本集團的整體策略與上一年度相比維持不變。

本集團資本架構包括債務（包括於附註27所披露的銀行借款）以及本公司擁有人應佔權益（包括附註31所披露的股本及儲備）。

管理層經考慮資金成本及與各類資本相關的風險檢討資本架構。有鑒於此，本集團將透過派付股息、發行新股以及發行新債務或贖回現有債務以平衡其整體資本架構。

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### 39. FINANCIAL INSTRUMENTS

#### Categories of financial instruments

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Financial assets	金融資產		
Loans and receivables (including cash and cash equivalents)	貸款及應收款項(包括 現金及現金等價物)	931,665	1,086,947
AFS financial assets	可供出售金融資產	27,512	28,434
Financial assets at FVTPL	透過損益按公平值 計量的金融資產		
– derivative financial instrument	– 衍生金融工具	–	12,811
Financial liabilities	金融負債		
Financial liabilities measured at amortised cost	按攤銷成本計量的 金融負債	1,870,986	1,199,024
Financial liabilities at FVTPL	透過損益按公平值 計量的金融負債		
– derivative financial instrument	– 衍生金融工具	4,426	4,780

#### Financial risk management objectives and policies

The Group's major financial instruments include AFS financial assets, derivative financial instruments, trade and bills receivables, other receivables and deposits, amount due from a related company, pledged bank deposits, short term bank deposits, bank balances and cash, trade payables, bills payables, other payables and accrued charges and bank borrowings. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

#### 財務風險管理目標及政策

本集團的主要金融工具包括可供出售金融資產、衍生金融工具、貿易應收款項及應收票據、其他應收款項及按金、應收關聯公司款項、已抵押銀行存款、短期銀行存款、銀行結餘及現金、貿易應付款項、應付票據、其他應付款項及應計費用以及銀行借款。該等金融工具的詳情於相關附註披露。下文載列與該等金融工具有關的風險及如何降低該等風險的政策。管理層管理及監控該等風險，以確保及時有效地採取適當措施。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 39. FINANCIAL INSTRUMENTS (Continued)

#### Financial risk management objectives and policies (Continued)

##### Market risk

##### Interest rate risk

The Group is mainly exposed to cash flow interest rate risk in relation to variable-rate bank borrowings and bank balances, and fair value interest rate risk in relation to fixed-rate pledged bank deposits, short term bank deposits, fixed-rate borrowings and obligations under finance leases.

The Group currently does not have interest rate hedging policy. However, management closely monitors its exposure to future cash flow risk as a result of change on market interest rate and will consider hedging changes in market interest rates should the need arise.

The Group's exposures to interest rates on financial liabilities are detailed in the liquidity risk section of this note. The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of HIBOR or LIBOR arising from the Group's variable-rate borrowings.

##### Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rate risk on bank borrowings. The sensitivity analysis is prepared assuming the bank borrowings outstanding at the end of the reporting period were outstanding for the whole year. No sensitivity analysis is presented on bank balances as the management of the Group considers that the interest rate fluctuation on bank balances is minimal.

A 50 basis point increase or decrease is used in the sensitivity analysis, which represents management's assessment of the reasonably possible change in interest rates. If the interest rate had been 50 basis point higher/lower and all other variables were held constant, the Group's post-tax profit for the year ended 31 December 2017 would decrease/increase by approximately HK\$5,028,000 (2016: HK\$2,478,000).

### 39. 金融工具 (續)

#### 財務風險管理目標及政策 (續)

##### 市場風險

##### 利率風險

本集團主要面對與浮息銀行借款及銀行結餘有關的現金流量利率風險，以及與定息已抵押銀行存款、短期銀行存款、定息借款及融資租賃承擔有關的公平值利率風險。

本集團目前並無利率對沖政策。然而，管理層密切監控因市場利率變動以致其面對未來現金流量風險，並將於需要時考慮市場利率的對沖變動。

本集團就金融負債承擔利率風險的詳情載於本附註流動資金風險一節。本集團的現金流量利率風險主要集中於來自本集團浮息借款之香港銀行同業拆息或倫敦銀行同業拆息的波幅。

##### 敏感性分析

以下敏感性分析乃根據就銀行借款面對的利率風險而釐定。敏感性分析乃假設於報告期間結束時尚未償還的銀行借款於整個年度未獲償還而編製。由於本集團管理層認為銀行結餘的利率波動極微，故概無就銀行結餘呈列敏感性分析。

敏感性分析中選用上升或下降50個基點，代表管理層評估為合理可能的利率變動。倘利率上升／下降50個基點而所有其他變數維持不變，本集團於截至二零一七年十二月三十一日止年度的除稅後溢利將減少／增加約5,028,000港元(二零一六年：2,478,000港元)。

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## 綜合財務報表附註

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

### 39. FINANCIAL INSTRUMENTS (Continued)

#### Financial risk management objectives and policies (Continued)

##### Market risk (Continued)

##### Currency risk

Certain trade receivables, trade payables, bills payables, bank balances and cash, and bank borrowings are denominated in foreign currencies other than the functional currency of the relevant group entities, which expose the Group to foreign currency risk. The Group does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

The carrying amounts of the Group's foreign currency denominated monetary assets and liabilities at the end of the reporting periods are as follows:

### 39. 金融工具 (續)

#### 財務風險管理目標及政策 (續)

##### 市場風險 (續)

##### 貨幣風險

若干貿易應收款項、貿易應付款項、應付票據、銀行結餘及現金以及銀行借款均以相關集團實體的功能貨幣以外的外幣計值，導致本集團面對外匯風險。本集團並無外幣對沖政策。然而，管理層監控外匯風險，並將於需要時考慮對沖重大外匯風險。

本集團以外幣計值的貨幣資產及負債於報告期間結束時的賬面值如下：

		<b>Assets</b> 資產	
		<b>2017</b> 二零一七年 <b>HK\$'000</b> 千港元	2016 二零一六年 HK\$'000 千港元
Euro ("EUR") against HK\$	歐元(「歐元」)兌港元	<b>231</b>	261
Renminbi ("RMB") against HK\$	人民幣(「人民幣」)兌港元	<b>69</b>	1,196
United States Dollar ("USD") against HK\$	美元(「美元」)兌港元	<b>328,714</b>	295,656
VND against USD	越南盾兌美元	<b>3,112</b>	117
HK\$ against USD	港元兌美元	<b>2,263</b>	-
		<b>Liabilities</b> 負債	
		<b>2017</b> 二零一七年 <b>HK\$'000</b> 千港元	2016 二零一六年 HK\$'000 千港元
EUR against HK\$	歐元兌港元	<b>1,287</b>	3,546
RMB against HK\$	人民幣兌港元	<b>-</b>	41
USD against HK\$	美元兌港元	<b>109,064</b>	83,748
VND against USD	越南盾兌美元	<b>14,490</b>	1,815
HK\$ against USD	港元兌美元	<b>473,621</b>	-

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## 綜合財務報表附註

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

### 39. FINANCIAL INSTRUMENTS (Continued)

#### Financial risk management objectives and policies (Continued)

##### Market risk (Continued)

##### Currency risk (Continued)

The carrying amounts of foreign currency denominated intra-group balances which have been eliminated in the consolidated financial statements of certain subsidiaries of which the functional currency are RMB, HK\$ and USD at the end of the reporting period are as follows:

		Amount due (to) from group entities (應付) 應收集團實體款項	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
HK\$ against RMB	港元兌人民幣	110,215	423,427
USD against RMB	美元兌人民幣	(11,885)	–
HK\$ against USD	港元兌美元	9,156	–
EUR against USD	歐元兌美元	10,738	–
EUR against HK\$	歐元兌港元	(8,559)	–

##### Sensitivity analysis

Since the exchange rate of HK\$ is pegged with USD, the Group does not expect any significant movements in the USD/HK\$ exchange rates. Therefore, the following sensitivity analysis does not include the effect between USD and HK\$.

### 39. 金融工具 (續)

#### 財務風險管理目標及政策 (續)

##### 市場風險 (續)

##### 貨幣風險 (續)

於報告期間結束時，以外幣計值的集團內公司間結餘的賬面值載列如下，有關結餘已於功能貨幣為人民幣、港元及美元的若干附屬公司的綜合財務報表內撇銷：

##### 敏感性分析

由於港元與美元掛鈎，本集團預期美元／港元匯率並無任何重大變動。因此，下列敏感性分析並無包括美元與港元的影響。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 39. FINANCIAL INSTRUMENTS (Continued)

#### Financial risk management objectives and policies (Continued)

##### Market risk (Continued)

##### Currency risk (Continued)

##### Sensitivity analysis (Continued)

The following table details the Group's sensitivity to a 10% increase and decrease in the functional currency of the respective group entity against relevant foreign currencies and all other variables were held constant. 10% is the sensitivity rate used by management in the assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currencies denominated monetary items and intragroup foreign currency balances and adjusts its translation at the period end for a 10% change in foreign currencies rates. A positive number below indicates an increase in post-tax profit for the year where foreign currencies strengthen 10% against functional currency (HK\$ or RMB or USD) of the respective group entity. For a 10% weakening of foreign currencies against functional currency (HK\$ or RMB or USD) of the respective group entity there would be an equal and opposite impact on the result for the year.

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Increase (decrease) in post-tax profit for the year	本年度除稅後溢利增加(減少)		
Foreign currency against HK\$	外幣兌港元	(797)	(178)
Foreign currency against RMB	外幣兌人民幣	8,358	34,197
Foreign currency against USD	外幣兌美元	(51)	(136)

In management's opinion, the sensitivity analysis is unrepresentative of the inherent currency risk as the exposure at the end of the reporting period does not reflect the exposure during the year.

### 39. 金融工具 (續)

#### 財務風險管理目標及政策 (續)

##### 市場風險 (續)

##### 貨幣風險 (續)

##### 敏感性分析 (續)

下表詳述本集團對各集團實體功能貨幣兌相關外幣升跌10%的敏感性，而所有其他變數維持不變。10%為管理層評估匯率可能合理變動的敏感性比率。敏感性分析僅包括尚未到期之以外幣列值的貨幣項目及集團內公司間外幣結餘，並於期末按10%的匯率變動調整其換算。下列正數顯示外幣兌各集團實體功能貨幣(港元或人民幣或美元)升值10%時本年度除稅後溢利的增加。外幣兌各集團實體功能貨幣(港元或人民幣或美元)貶值10%會對本年度業績產生相同及相反的影響。

管理層認為，由於報告期間結束時風險並不反映年內的風險，敏感性分析並不能代表內在貨幣風險。

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## 綜合財務報表附註

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

### 39. FINANCIAL INSTRUMENTS (Continued)

#### Financial risk management objectives and policies (Continued)

##### Market risk (Continued)

##### Other price risk

The Group is exposed to equity price risk through its available-for-sale financial assets (i.e. unit trusts) and derivative financial instruments. The management manages this exposure by reviewing the investments performance regularly.

##### Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to equity price risks at the end of the reporting period. For sensitivity analysis purpose, the sensitivity rate is 10% for both years.

If the prices of the available-for-sale financial assets (unit trusts) had been 10% higher and all other variables were held constant, the Group's investment revaluation reserve would increase approximately by HK\$274,000 for the year ended 31 December 2016 as a result of the changes in fair value of available-for-sale financial assets. If the prices of the available-for-sale financial assets had been 10% lower and all other variables were held constant, the Group's profit for the year ended 31 December 2016 would decrease approximately by HK\$539,000 (including the cumulative fair value loss of HK\$265,000 to be recycled from the Group's investment revaluation reserve) as a result of the relevant impairment loss.

### 39. 金融工具 (續)

#### 財務風險管理目標及政策 (續)

##### 市場風險 (續)

##### 其他價格風險

本集團因可供出售金融資產(即單位信託)及衍生金融工具面臨股本價格風險。管理層透過定期審閱投資表現管理有關風險。

##### 敏感性分析

以下敏感性分析乃根據報告期間結束時股本價格風險釐定。就敏感性分析而言，於兩個年度的敏感性比率為10%。

倘可供出售金融資產(單位信託)的價格上升10%，而所有其他變數維持不變，則本集團於截至二零一六年十二月三十一日止年度的投資重估儲備將因可供出售金融資產的公平值變動而增加約274,000港元。倘可供出售金融資產的價格下降10%，而所有其他變數維持不變，則本集團於截至二零一六年十二月三十一日止年度的溢利將因相關減值虧損而減少約539,000港元(包括將從本集團投資重估儲備收回的累計公平值虧損265,000港元)。

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## 綜合財務報表附註

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

### 39. FINANCIAL INSTRUMENTS (Continued)

#### Financial risk management objectives and policies (Continued)

##### Credit risk

As at 31 December 2017 and 2016, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge obligations by the counterparties as at the end of reporting period are arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. The Group reviews the recoverable amount of each individual debt at the end of each reporting period to ensure that adequate impairment losses or allowances are made for irrecoverable amounts.

The credit risk for pledged bank deposits, short term bank deposits and bank balances is considered as not material as such amounts are placed in banks with high credit ratings assigned by international credit-rating agencies or state-owned banks.

Other than concentration of credit risk on liquid funds which are deposited with several reputable banks, the Group had concentration of credit risk on trade receivables as 18.8% (2016: 8.9%) of the total trade receivables were due from the Group's largest customer based in Hong Kong and 38.7% (2016: 31.8%) of the total trade receivables were due from the Group's largest five customers, which were mainly based in the PRC, Sri Lanka and Hong Kong, as at 31 December 2017.

### 39. 金融工具 (續)

#### 財務風險管理目標及政策 (續)

##### 信貸風險

於二零一七年及二零一六年十二月三十一日，本集團就交易對手未能於報告期間結束時履行責任導致財務虧損所承擔的最高信貸風險，乃來自綜合財務狀況表所呈列各已確認金融資產的賬面值。

為盡量降低信貸風險，本集團管理層已委派團隊負責釐定信用額度、進行信用審批，並執行其他監控程序以確保採取跟進措施收回逾期債項。本集團於各報告期間結束時審閱各個別債項的可收回款項，確保已就不可收回款項計提充分的減值虧損或準備。

由於已抵押銀行存款、短期銀行存款及銀行結餘乃存放於獲國際信貸評級機構給予高信貸評級的銀行或國有銀行，故有關款項的信貸風險並不重大。

除存放於若干信譽良好銀行的流動資金有集中信貸風險外，本集團就貿易應收款項有集中信貸風險，乃因於二零一七年十二月三十一日，貿易應收款項總額的18.8% (二零一六年：8.9%) 來自應收本集團最大客戶 (位於香港) 的款項，而貿易應收款項總額的38.7% (二零一六年：31.8%) 來自應收本集團五大客戶 (主要位於中國、斯里蘭卡及香港) 的款項。



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## 綜合財務報表附註

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### 39. FINANCIAL INSTRUMENTS (Continued)

#### Financial risk management objectives and policies (Continued)

##### Liquidity risk

In the management of liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the operations and mitigate the effects of fluctuations in cash flows. The Group relies on bank borrowings as a significant source of liquidity. The management monitors the utilisation of borrowings and ensures compliance with loan covenants.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. Specifically, bank borrowings with a repayment on demand clause are included in the earliest time band regardless of the probability of the banks or financial institutions choosing to exercise their rights. The table includes both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from the interest rate at the end of the reporting period.

### 39. 金融工具 (續)

#### 財務風險管理目標及政策 (續)

##### 流動資金風險

就管理流動資金風險而言，本集團監控及維持管理層視為足夠的現金及現金等價物水平，以撥付營運所需資金及緩和現金流量波動的影響。本集團依賴銀行借款作為流動資金主要來源。管理層監控借款的使用情況，並確保其遵守貸款契約。

下表詳列本集團就其非衍生金融負債的剩餘合約到期情況。下表乃根據本集團須付款的最早日期，按金融負債的未貼現現金流量編製。特別是，包含按要求償還條款的銀行借款包括於最早組別，不論銀行或金融機構可能選擇行使其權利的可能性。該表包括利息及主要現金流量。

因利息流量為浮動利率，非貼現款額以報告期間結束時的利率計算。

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## 綜合財務報表附註

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### 39. FINANCIAL INSTRUMENTS (Continued)

#### Financial risk management objectives and policies (Continued)

#### Liquidity risk (Continued)

#### Liquidity tables

### 39. 金融工具 (續)

#### 財務風險管理目標及政策 (續)

#### 流動資金風險 (續)

#### 流動資金表

		Weighted average effective interest rate	Repayable on demand or within 3 months 按要求或 三個月內 償還	Between 3 months to 1 year 三個月至 一年	Between 1 to 5 years 一年至五年	Total undiscounted cash flows 未貼現現金 流量總額	Carrying amount at the end of the reporting date 於報告期間 結束時的 賬面值
		加權平均 實際利率	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>At 31 December 2017</b>	<b>於二零一七年十二月三十一日</b>						
<b>Non-derivative financial liabilities</b>	<b>非衍生金融負債</b>						
Trade payables	貿易應付款項	-	181,616	-	-	181,616	181,616
Bills payables	應付票據	-	185,124	100,051	-	285,175	285,175
Other payables and accrued charges	其他應付款項及應計費用	-	163,933	-	-	163,933	163,933
Bank borrowings – variable rate	銀行借款 – 浮動利率	3.25%	244,204	15,534	1,035,534	1,295,272	1,204,377
Bank borrowings – fixed rate	銀行借款 – 固定利率	6.50%	35,885	-	-	35,885	35,885
Obligations under finance leases	融資租賃承擔	3.75%	632	-	-	632	629
			<b>811,394</b>	<b>115,585</b>	<b>1,035,534</b>	<b>1,962,513</b>	<b>1,871,615</b>
<b>At 31 December 2016</b>	<b>於二零一六年十二月三十一日</b>						
<b>Non-derivative financial liabilities</b>	<b>非衍生金融負債</b>						
Trade payables	貿易應付款項	-	122,658	-	-	122,658	122,658
Bills payables	應付票據	-	186,877	127,136	-	314,013	314,013
Other payables and accrued charges	其他應付款項及應計費用	-	168,851	-	-	168,851	168,851
Bank borrowings – variable rate	銀行借款 – 浮動利率	3.17%	64,794	56,985	505,825	627,604	593,502
Obligations under finance leases	融資租賃承擔	3.75%	2,450	2,961	632	6,043	5,931
			<b>545,630</b>	<b>187,082</b>	<b>506,457</b>	<b>1,239,169</b>	<b>1,204,955</b>

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

### 39. FINANCIAL INSTRUMENTS (Continued)

#### Financial risk management objectives and policies (Continued)

##### Liquidity risk (Continued)

##### Liquidity tables (Continued)

The amounts included above for variable interest rate instruments for non-derivative financial liabilities are subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

As at 31 December 2017, the aggregate undiscounted principal amount of bank borrowings with repayment on demand clause amounting to HK\$275,005,000 (2016: HK\$7,809,000) are included in "Repayment on demand or within 3 months" time band in the above maturity analysis. Taking into account the Group's financial position, the management of the Group does not believe that it is probable that the banks or financial institutions will exercise their discretionary rights to demand immediate repayment. The management of the Group believes that such bank borrowings will be repaid in accordance with the scheduled repayment dates set out in the loan agreements.

### 39. 金融工具 (續)

#### 財務風險管理目標及政策 (續)

##### 流動資金風險 (續)

##### 流動資金表 (續)

倘浮動息率的變動有別於報告期間結束時的估計息率，上文所載列非衍生金融負債的浮動息率工具的金額亦會變動。

於二零一七年十二月三十一日，包含按要求償還條款的銀行借款的未貼現本金總額275,005,000港元(二零一六年：7,809,000港元)乃計入上文到期日分析「按要求或三個月內償還」的時間組別。計及本集團的財務狀況，本集團管理層相信，銀行或金融機構不大可能行使彼等的酌情權要求即時償還。本集團管理層相信，該等銀行借款將依照貸款協議所載計劃償還日期償還。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 39. FINANCIAL INSTRUMENTS (Continued)

#### Financial risk management objectives and policies (Continued)

#### Liquidity risk (Continued)

#### Liquidity tables (Continued)

For the purpose of managing liquidity risk, the management reviews the expected cash flow information of the Group's bank borrowings based on the scheduled repayment dates set out in the agreement as set out in the table below:

### 39. 金融工具 (續)

#### 財務風險管理目標及政策 (續)

#### 流動資金風險 (續)

#### 流動資金表 (續)

就管理流動資金風險而言，管理層根據協議所載計劃償還日期（如下表所載）審閱本集團銀行借款的預期現金流量資料：

		Weighted average interest rate	Within 3 months	3 months to 1 year	1 year to 5 years	Total undiscounted cash flows 未貼現 現金流量 總額	Carrying amount at the end of the reporting period 於報告期間 結束時的 賬面值
		加權平均 利率	三個月內	三個月至 一年	一年至五年	HK\$'000 千港元	HK\$'000 千港元
		%	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		%	千港元	千港元	千港元	千港元	千港元
<b>Bank borrowings</b>	<b>銀行借款</b>						
As at 31 December 2017	於二零一七年十二月三十一日	3.03%	237,292	39,646	200	277,138	275,005
As at 31 December 2016	於二零一六年十二月三十一日	3.14%	1,735	3,131	3,263	8,129	7,809

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 39. FINANCIAL INSTRUMENTS (Continued)

#### Fair value measurement

#### Fair value of the financial assets and liabilities that are measured at fair value on a recurring basis

Some of the Group's financial assets and liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (Level 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

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

### 39. 金融工具 (續)

#### 公平值計量

#### 以經常性基準按公平值計量的金融資產及負債的公平值

本集團部分金融資產及負債乃於各報告期間結束時按公平值計量。下表載列有關該等金融資產公平值釐定方法的資料(尤其是所使用的估值技術及輸入數據),以及基於公平值計量輸入數據的可觀察程度而劃分的公平值計量層級(第一至三級)。

- 第一級輸入數據為實體可於計量日期評估的完全相同的資產於活躍市場的報價(未調整);
- 第二級輸入數據為不包括第一級報價的資產的可直接或間接觀察的輸入數據;及
- 第三級輸入數據為資產的不可觀察輸入數據。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 39. FINANCIAL INSTRUMENTS (Continued)

#### Fair value measurement (Continued)

Fair value of the financial assets and liabilities that are measured at fair value on a recurring basis (Continued)

### 39. 金融工具 (續)

#### 公平值計量 (續)

以經常性基準按公平值計量的金融資產及負債的公平值 (續)

	Fair value as at 31 December 於十二月三十一日的公平值		Fair value hierarchy 公平值層級	Valuation techniques and key inputs 估值技術及主要輸入數據	Sensitivity 敏感度
	2017 二零一七年	2016 二零一六年			
(1) Available-for-sale financial assets (see Note 19)	-	Unit trust – HK\$2,736,000	Level 2	Based on fair value of underlying assets and liabilities which are subsequently derived from level 1 inputs.	N/A
(1) 可供出售金融資產 (見附註19)	-	單位信託 – 2,736,000港元	第二級	根據相關資產及負債的公平值釐定，其隨後來自第一級輸入數據。	不適用
(2) Derivative financial asset (see Note 29)	-	Call option – HK\$12,811,000	Level 3	Fair value derived by valuation model, Monte Carlo Simulation Model. The key unobservable inputs used by the Group mainly included price to earnings ratio of comparable companies, weighted average cost of capital ("WACC") and discount for lack of marketability.	The fair value of the derivative financial asset as a whole is negatively correlated with the WACC and the discount for lack of marketability and positively correlated with price to earning ratio of comparable companies.
(2) 衍生金融資產 (見附註29)	-	認購期權 – 12,811,000港元	第三級	按估值模型蒙特卡羅模擬模型得出的公平值。本集團所用的主要不可觀察輸入數據主要包括可資比較公司的市盈率、加權平均資本成本 (「加權平均資本成本」) 及缺少適銷性的折讓。	衍生金融資產的公平值整體與加權平均資本成本及缺少適銷性的折讓成反比，與可資比較公司的市盈率成正比。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 39. FINANCIAL INSTRUMENTS (Continued)

#### Fair value measurement (Continued)

#### Fair value of the financial assets and liabilities that are measured at fair value on a recurring basis (Continued)

	Fair value as at 31 December 於十二月三十一日的公平值		Fair value hierarchy 公平值層級	Valuation techniques and key inputs 估值技術及主要輸入數據	Sensitivity 敏感度
	2017 二零一七年	2016 二零一六年			
(3) Derivative financial liability (see Note 29)	Put option – 4,426,000	Put option – HK\$4,780,000	Level 3	Fair value derived by valuation model, Monte Carlo Simulation Model. The key unobservable inputs used by the Group mainly included expected volatility of comparable companies, WACC and discount for lack of marketability.	The fair value of the derivative financial liability as a whole is negatively correlated with the WACC and positively correlated with the discount for lack of marketability and the expected volatility of comparable companies.  As at 31 December 2017, it is estimated that with all other variables held constant, an increase/decrease in: <ul style="list-style-type: none"> <li>– WACC by 3% would have decreased/increased the fair value of the derivative financial liability by HK\$786,000/HK\$1,047,000 (2016: HK\$813,000/HK\$1,222,000);</li> <li>– Discount for lack of marketability by 5% would have increased/decreased the fair value of the derivative financial liability by HK\$1,189,000/HK\$962,000 (2016: HK\$1,667,000/HK\$1,227,000);</li> <li>– Expected volatility of comparable companies by 10% would have increased/decreased the fair value of the derivative financial liability by HK\$1,073,000/HK\$1,059,000 (2016: HK\$842,000/HK\$752,000).</li> </ul>
(3) 衍生金融負債 (見附註29)	認沽期權 4,426,000	認沽期權 – 4,780,000港元	第三級	按估值模型蒙特卡羅模擬模型得出的公平值。本集團所用的主要不可觀察輸入數據主要包括可資比較公司的預期波幅、加權平均資本成本及缺少適銷性的折讓。	衍生金融負債的公平值整體與加權平均資本成本成反比，與缺少適銷性的折讓及可資比較公司的預期波幅成正比。  於二零一七年十二月三十一日，估計在所有其他變數維持不變的情況下，倘： <ul style="list-style-type: none"> <li>– 加權平均資本成本增加/減少3%，將導致衍生金融負債的公平值增加/減少786,000港元/1,047,000港元 (二零一六年：813,000港元/1,222,000港元)；</li> <li>– 缺乏適銷性的折讓增加/減少5%，將導致衍生金融負債的公平值增加/減少1,189,000港元/962,000港元 (二零一六年：1,667,000港元/1,227,000港元)；</li> <li>– 可資比較公司的預期波幅增加/減少10%，將導致衍生金融負債的公平值增加/減少1,073,000港元/1,059,000港元 (二零一六年：842,000港元/752,000港元)。</li> </ul>

There is no transfers among Level 1, Level 2 and Level 3 during both years.

於兩個年度內，第一級、第二級及第三級間概無任何轉移。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 39. FINANCIAL INSTRUMENTS (Continued)

#### Fair value measurement (Continued)

#### Fair value of the financial assets and financial liabilities that are not measured at fair value on a recurring basis

The management of the Group estimates the fair value of its financial assets and financial liabilities measured at amortised cost using the discounted cash flows analysis.

The management of the Group considers that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

#### Valuation process

The finance manager of the Group is responsible to determine the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or a liability, the Group uses market-observable data or information provided by counterparty financial institutions to the extent it is available. Where Level 1 inputs are not available or counterparty financial institutions cannot provide sufficient information in relation to fair value, the management of the Group engages third party qualified valuers to perform the valuation. The finance manager reports to management of the Group semi-annually to explain the cause of fluctuations in the fair value of the assets.

Information about the valuation techniques and inputs used in determining the fair value of various financial instruments are disclosed above.

### 39. 金融工具 (續)

#### 公平值計量 (續)

並非按經常性基準以公平值計量的金融資產及金融負債的公平值

本集團管理層使用貼現現金流分析估計按攤銷成本計量的金融資產及金融負債的公平值。

本集團管理層認為綜合財務報表中按攤銷成本入賬的金融資產及金融負債賬面值與彼等的公平值相若。

#### 估值程序

本集團財務經理負責釐定合適的公平值計量估值技術及輸入數據。

於估計資產或負債的公平值時，本集團在可得情況下均採用市場可觀察數據或對手方金融機構提供的資料。倘並無第一級輸入數據或對手方金融機構未能提供有關公平值的足夠資料，本集團管理層委聘第三方合資格估值師進行估值。財務經理每半年向本集團管理層匯報，以解釋資產公平值波動的原因。

有關釐定多項金融工具公平值時所採用的估值技術及輸入數據的資料於上文披露。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 40. RELATED PARTY TRANSACTIONS

Other than disclosed elsewhere in the consolidated financial statements, the Group had the following related party transactions during the year:

(a)

#### Nature of transaction

#### 交易性質

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Sales of raw materials to a joint venture	向合營企業銷售原材料	1,959	1,592
Purchase of goods from a joint venture	自合營企業購買貨物	96,080	66,046
Sales of goods to a related company*	向關聯公司銷售貨物*	13,778	1,117
Sales of goods to other related companies#	向其他關聯公司銷售貨物#	17,390	N/A
Rental expense to a related company* (Note 1)	向一間關聯公司支付的 租金支出*(附註1)	7,103	7,153
Rental expense in respect of rented premises to Mr. Lu (Note 2)	有關向盧先生支付的 租賃物業租金支出 (附註2)	3,652	4,193

N/A: not applicable

N/A: 不適用

\* A related company controlled by close family members of directors of the Company.

\* 由本公司董事的近親家族成員控制的關聯公司。

# The other related companies are fellow subsidiaries of the non-controlling shareholder who has significant influence over a subsidiary of the Group. The related party sales transaction amount disclosed for the year ended 31 December 2017 represented the sales transactions with these other related companies since the date when they become related parties to the Group on 6 November 2017.

# 該等其他關聯公司為對本集團一間附屬公司具有重大影響之非控股股東的同系附屬公司。截至二零一七年十二月三十一日止年度披露的關連方銷售交易額指自該等其他關聯公司於二零一七年十一月六日成為本集團關連方以來，與該等關聯公司的銷售交易。

### 40. 關連方交易

除綜合財務報表其他部分所披露者外，本集團於年內進行下列關連方交易：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 40. RELATED PARTY TRANSACTIONS

(Continued)

Notes:

- At the end of each reporting period, the Group had commitments for future minimum payments under non-cancellable operating lease with a related company, which fall due as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year	一年內	3,531	4,398
In the second to fifth year inclusive	第二至五年 (包括首尾兩年)	-	3,299
		<b>3,531</b>	7,697

- At the end of each reporting period, the Group had commitments for future minimum payments under non-cancellable operating lease with Mr. Lu, which fall due as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year	一年內	4,996	-
In the second to fifth year inclusive	第二至五年 (包括首尾兩年)	6,246	-
		<b>11,242</b>	-

- Compensation to key management personnel of the Group which represents directors of the Company is set out in Note 10.

Details of the balances with a joint venture and related companies at the end of reporting period are disclosed in the consolidated statement of financial position and Note 21 to the consolidated financial statements.

### 40. 關連方交易 (續)

附註：

- 於各報告期間結束時，本集團已根據與關聯公司簽訂的不可撤銷經營租賃承擔未來最低付款，到期日如下：

- 於各報告期間結束時，本集團已根據與盧先生簽訂的不可撤銷經營租賃承擔未來最低付款，到期日如下：

- 本集團主要管理人員 (即本公司董事) 的酬金載於附註10。

有關於報告期間結束時於一間合營企業及關聯公司之結餘的詳情於綜合財務狀況表以及綜合財務報表附註21中披露。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 41. DETAILS OF SUBSIDIARIES

As at 31 December 2017 and 2016, the Company has the following subsidiaries:

### 41. 附屬公司之詳情

於二零一七年及二零一六年十二月三十一日，本公司有以下附屬公司：

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Place of operation 經營地點	Charter capital/ Paid up share capital/ registered capital 章程資本/ 繳足股本/註冊資本	Proportion of ownership interest held by the Company as at 31 December 本公司 於十二月三十一日 所持擁有權權益比例		Principal activities 主要業務
				2017	2016	
				二零一七年 %	二零一六年 %	
BPT Holdings 超盈紡織控股	BVI 英屬處女群島	Hong Kong 香港	Ordinary US\$20,000 普通股20,000美元	100	100	Investment holding 投資控股
Best Pacific Textile International Limited 超盈紡織國際有限公司	BVI 英屬處女群島	Hong Kong 香港	Ordinary US\$100 普通股100美元	100	100	Investment holding 投資控股
BPT 超盈紡織	Hong Kong 香港	Hong Kong 香港	Ordinary HK\$10,000 普通股 10,000 港元	100	100	Investment holding and trading of lace 投資控股及買賣蕾絲
Best Pacific Investment (Hong Kong) Limited 超盈投資(香港)有限公司	Hong Kong 香港	Hong Kong 香港	Ordinary HK\$1 普通股 1 港元	100	100	Investment holding 投資控股
Best Pacific Textile (Hong Kong) Limited 超盈紡織(香港)有限公司	Hong Kong 香港	Hong Kong 香港	Ordinary HK\$1 普通股 1 港元	100	100	Trading of elastic fabric 買賣彈性織物面料
New Horizon Investment 潤達投資	Hong Kong 香港	Hong Kong 香港	Ordinary HK\$10,000 普通股 10,000 港元	100	100	Investment holding 投資控股
New Horizon Elastic Fabric (Hong Kong) Limited 潤達彈性織物 (香港)有限公司	Hong Kong 香港	Hong Kong 香港	Ordinary HK\$1 普通股 1 港元	100	100	Trading of elastic webbing 買賣彈性織帶
Dongguan BPT 東莞超盈	The PRC 中國	The PRC 中國	Paid-up registered capital HK\$1,190,460,000 (Note iv) 繳足註冊資本 1,190,460,000 港元 (附註 iv)	100	100	Manufacture and trading of elastic fabric and lace 製造及買賣彈性織物 面料及蕾絲
Dongguan NHE 東莞潤信	The PRC 中國	The PRC 中國	Paid-up registered capital HK\$334,250,000 繳足註冊資本 334,250,000 港元	100	100	Manufacture and trading of elastic webbing 製造及買賣彈性織帶

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 41. DETAILS OF SUBSIDIARIES (Continued)

### 41. 附屬公司之詳情 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Place of operation 經營地點	Charter capital/ Paid up share capital/ registered capital 章程資本/ 繳足股本/註冊資本	Proportion of ownership interest held by the Company as at 31 December 本公司 於十二月三十一日 所持擁有權權益比例		Principal activities 主要業務
				2017 二零一七年 %	2016 二零一六年 %	
Dongguan Best Pacific International Trading Company Limited ("Dongguan BPI") 東莞超盈國際貿易有限公司 (「東莞超盈國際」)	The PRC 中國	The PRC 中國	Paid-up registered capital HK\$1,000,000 繳足註冊資本 1,000,000港元	100 (Note v) (附註v)	-	Purchase of machinaries, parts and raw materials 採購機器、零件及原材料
New Horizon International Investments Limited 潤達國際投資有限公司	BVI 英屬處女群島	Hong Kong 香港	Ordinary US\$100 普通股 100 美元	100	100	Investment holding 投資控股
Best Pacific International (Vietnam) Company Limited 超盈國際(越南)有限公司	BVI 英屬處女群島	Hong Kong 香港	Ordinary US\$100 普通股100 美元	100	100	Investment holding 投資控股
Best Pacific (Vietnam) Company Limited 超盈(越南)有限公司	Hong Kong 香港	Hong Kong 香港	Ordinary HK\$1 普通股 1 港元	100	100	Investment holding 投資控股
Best Pacific Vietnam Company Limited 超盈越南有限公司	Vietnam 越南	Vietnam 越南	Charter capital VND1,538,700,000.000 (Note iii) 章程資本 1,538,700,000,000 越南盾 (附註 iii)	100	100	Manufacturing and trading of elastic fabric and elastic webbing 製造及買賣彈性織物面料及彈性織帶
Best Pacific International Sri Lanka (Pannala) Limited	BVI 英屬處女群島	Hong Kong 香港	Ordinary US\$100 普通股 100 美元	100 (Note v) (附註v)	-	Investment holding 投資控股
Best Pacific Textiles Lanka (Pvt) Limited	Sri Lanka 斯里蘭卡	Sri Lanka 斯里蘭卡	Ordinary Sri Lankan rupee ("LKR") 450 普通股 450 斯里蘭卡盧比 (「斯里蘭卡盧比」)	75 (Note vi) (附註vi)	-	Manufacturing and trading of elastic fabric and elastic webbing 製造及買賣彈性織物面料及彈性織帶
BPSL (Thulhiriya)	BVI 英屬處女群島	Hong Kong 香港	Ordinary US\$100 普通股100 美元	100 (Note v) (附註v)	-	Investment holding 投資控股

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 41. DETAILS OF SUBSIDIARIES (Continued)

Notes:

- (i) As at 31 December 2017 and 2016, other than BPT Holdings which is a directly wholly owned subsidiary of the Company, all of the above subsidiaries are indirectly held by the Company.
- (ii) Dongguan BPT, Dongguan NHE and Dongguan BPI were established in the PRC in form of wholly foreign-owned enterprise.
- (iii) The total investment capital of this subsidiary is VND1,881,200,000,000 (equivalent to approximately US\$84,000,000 or HK\$655,200,000). Up to 31 December 2017, the Group has contributed VND 1,538,700,000,000 (equivalent to approximately US\$69,000,000 or HK\$538,000,000 (2016: VND535,200,000,000 (equivalent to approximately US\$24,000,000 or HK\$187,200,000)) of such investment capital to the subsidiary.
- (iv) The Group injected additional capital of HK\$102,570,000 into Dongguan BPT during the year ended 31 December 2017.
- (v) These companies were set up by the Group during the year ended 31 December 2017.
- (vi) The company was set up by the Group and an independent third party during the year ended 31 December 2017.
- (vii) None of the subsidiaries had issued any debt securities at the end of the reporting period.

### 41. 附屬公司之詳情 (續)

附註：

- (i) 於二零一七年及二零一六年十二月三十一日，除超盈紡織控股為本公司直接全資附屬公司外，所有以上附屬公司乃由本公司間接持有。
- (ii) 東莞超盈、東莞潤信及東莞超盈國際乃以外商獨資企業在中國成立。
- (iii) 該附屬公司的投資資本總額為1,881,200,000,000越南盾(相當於約84,000,000美元或655,200,000港元)。截至二零一七年十二月三十一日，本集團將該投資的1,538,700,000,000越南盾(相當於約69,000,000美元或538,000,000港元)(二零一六年：535,200,000,000越南盾(相當於約24,000,000美元或187,200,000港元))注入該附屬公司。
- (iv) 截至二零一七年十二月三十一日止年度，本集團向東莞超盈注入額外資金102,570,000港元。
- (v) 該等公司由本集團於截至二零一七年十二月三十一日止年度設立。
- (vi) 該公司由本集團及一名獨立第三方於截至二零一七年十二月三十一日止年度設立。
- (vii) 附屬公司於報告期間結束時並無發行任何債務證券。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 42. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

### 42. 融資活動產生之負債的對賬

下表為本集團融資活動產生之負債變動詳情，包括現金及非現金變動。融資活動產生之負債乃為現金流量已於或未來現金流量將於本集團綜合現金流量表分類為融資活動現金流量之負債。

		Dividends payable 應付股息 HK\$'000 千港元	Bank borrowings 銀行借款 HK\$'000 千港元	Obligations under finance leases 融資租賃承擔 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2017	於二零一七年一月一日	-	593,502	5,931	599,433
Financing cash flows	融資現金流量	(97,845)	610,938	(5,411)	507,682
Declare of dividend (Note 14)	股息宣派 (附註14)	97,845	-	-	97,845
Finance cost	融資成本	-	35,110	109	35,219
Increase in accrued interest	應計利息增加	-	(491)	-	(491)
Exchange realignment	匯兌調整	-	1,203	-	1,203
At 31 December 2017	於二零一七年十二月三十一日	-	1,240,262	629	1,240,891

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 43. INFORMATION ABOUT THE STATEMENT OF FINANCIAL POSITION OF THE COMPANY

### 43. 有關本公司財務狀況表資料

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>Non-current asset</b>	<b>非流動資產</b>		
Unlisted investments in subsidiaries and amounts due from subsidiaries	於附屬公司未上市投資及應收附屬公司款項	<b>610,757</b>	–
<b>Current assets</b>	<b>流動資產</b>		
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	<b>254</b>	172
Amounts due from subsidiaries	應收附屬公司款項	–	602,373
Bank balances and cash	銀行結餘及現金	<b>49</b>	461
		<b>303</b>	603,006
<b>Current liabilities</b>	<b>流動負債</b>		
Other payables	其他應付款項	<b>69</b>	21
<b>Net current assets</b>	<b>流動資產淨值</b>	<b>234</b>	602,985
<b>Net assets</b>	<b>資產淨值</b>	<b>610,991</b>	602,985
<b>Capital and reserves</b>	<b>資本及儲備</b>		
Share capital (Note 31)	股本(附註31)	<b>10,365</b>	10,288
Reserves	儲備	<b>600,626</b>	592,697
		<b>610,991</b>	602,985

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 43. INFORMATION ABOUT THE STATEMENT OF FINANCIAL POSITION OF THE COMPANY

(Continued)

#### Composition of reserves (Note)

		<b>2017</b>	2016
		二零一七年	二零一六年
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Share premium	股份溢價	<b>585,302</b>	568,963
Share options reserve	購股權儲備	<b>4,434</b>	10,840
Retained profits	保留溢利	<b>10,890</b>	12,894
		<b>600,626</b>	592,697

Note: Movements of respective reserves, except for retained profits which is disclosed below, are set out in the consolidated statement of changes in equity.

### 43. 有關本公司財務狀況表資料 (續)

#### 儲備組成 (附註)

附註：相關儲備變動(下文所披露保留溢利除外)乃載於綜合權益變動表。

#### Movement in retained profits of the Company

		<b>Year ended</b>	Year ended
		<b>31 December</b>	31 December
		<b>2017</b>	2016
		截至	截至
		二零一七年	二零一六年
		十二月三十一日	十二月三十一日
		止年度	止年度
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Balance at the beginning of year	年初結餘	<b>12,894</b>	5,997
Profit and total comprehensive income for the year	本年度溢利及全面收益總額	<b>95,841</b>	163,798
Dividends recognised as distribution (Note 14)	確認分派的股息(附註14)	<b>(97,845)</b>	(156,901)
Balance at the end of year	年末結餘	<b>10,890</b>	12,894

#### 本公司保留溢利變動



# FIVE-YEAR FINANCIAL INFORMATION SUMMARY

## 五年財務資料摘要

A summary of the published results, assets and liabilities of the Group for the last five financial years, prepared on the basis as set out herein, is set out below:

本集團過去五個財政年度按本報告所載基準編製的已刊發業績、資產及負債摘要如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元 (Note i) (附註i)	2013 二零一三年 HK\$'000 千港元 (Note i) (附註i)
<b>Results</b>	<b>業績</b>					
Revenue	收入	2,794,811	2,469,106	2,048,138	1,860,881	1,659,447
Profit for the year	年度溢利	303,635	456,251	342,383	246,904	244,505
Earnings per share	每股盈利					
– Basic (HK cents)	– 基本 (港仙)	29.45	44.37	33.56	27.05	28.61
– Diluted (HK cents)	– 攤薄 (港仙)	29.29	44.00	33.21	26.87	N/A不適用
<b>Assets and liabilities</b>	<b>資產及負債</b>					
Current assets	流動資產	1,669,337	1,647,522	1,776,416	1,630,997	983,065
Non-current assets	非流動資產	2,545,561	1,540,349	1,124,343	1,181,867	1,185,804
<b>Total assets</b>	<b>總資產</b>	<b>4,214,898</b>	3,187,871	2,900,759	2,812,864	2,168,869
Current liabilities	流動負債	924,990	800,253	1,148,583	912,243	852,894
Non-current liabilities	非流動負債	989,246	485,853	13,232	283,843	483,776
<b>Total liabilities</b>	<b>總負債</b>	<b>1,914,236</b>	1,286,106	1,161,815	1,196,086	1,336,670
Equity attributable to owners of the Company	本公司擁有人應佔權益	2,301,246	1,901,765	1,738,944	1,616,778	725,563
Non-controlling interests	非控股權益	(584)	–	–	–	106,636
<b>Total equity</b>	<b>權益總額</b>	<b>2,300,662</b>	1,901,765	1,738,944	1,616,778	832,199

Note:

(i) Pursuant to the group reorganisation, the Company became the holding company of the companies now comprising the Group on 16 January 2014. The Company and its subsidiaries have been under the common control of Mr. Lu throughout the years ended 31 December 2013 and 2014. The consolidated results, assets and liabilities for the years ended 31 December 2013 and 2014 of the companies now comprising the Group as if the current group structure had been in existence throughout the respective periods (except for the disposal of Deluxe Royal Limited in December 2013). The consolidated statement of financial position of the Group as at 31 December 2013 has been prepared to present the assets and liabilities of the companies now comprising the Group, as if the current group structure has been in existence at that date.

附註：

(i) 根據集團重組，本公司於二零一四年一月十六日成為本集團現時旗下公司的控股公司。本公司及其附屬公司截至二零一三年及二零一四年十二月三十一日止年度已由盧先生共同控制。截至二零一三年及二零一四年十二月三十一日止年度，本集團現時旗下公司的綜合業績、資產及負債，猶如現有集團架構於各期間已存在，惟於二零一三年十二月出售多御有限公司除外。本集團於二零一三年十二月三十一日的綜合財務狀況表的編製乃為呈列本集團現時旗下公司的資產及負債，猶如現有集團架構於該日已存在。

