



丘鈦科技(集團)有限公司  
Q Technology (Group) Company Limited

(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: 1478

Build intelligent **VISION**  
for **MACHINES**

Annual Report  
**2017** 年報

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# Corporate Information 公司資料

## BOARD OF DIRECTORS

### Executive Directors

Mr. He Ningning (*Chairman*)  
Mr. Wang Jianqiang (*Chief Executive Officer*)  
Mr. Hu Sanmu (*Vice President of Sales*)

### Independent Non-Executive Directors

Mr. Chu Chia-Hsiang  
Ms. Chen Jun (resigned on 31 May 2017)  
Mr. Ng Sui Yin  
Mr. Ko Ping Keung (appointed on 31 May 2017)

## AUDIT COMMITTEE

Mr. Ng Sui Yin (*Chairman*)  
Ms. Chen Jun (resigned on 31 May 2017)  
Mr. Chu Chia-Hsiang  
Mr. Ko Ping Keung (appointed on 31 May 2017)

## REMUNERATION COMMITTEE

Mr. Chu Chia-Hsiang (*Chairman*)  
Mr. Ng Sui Yin  
Ms. Chen Jun (resigned on 31 May 2017)  
Mr. Ko Ping Keung (appointed on 31 May 2017)

## NOMINATION COMMITTEE

Mr. He Ningning (*Chairman*)  
Ms. Chen Jun (resigned on 31 May 2017)  
Mr. Chu Chia-Hsiang  
Mr. Ko Ping Keung (appointed on 31 May 2017)

## 董事會

### 執行董事

何寧寧先生 (主席)  
王健強先生 (行政總裁)  
胡三木先生 (銷售副總裁)

### 獨立非執行董事

初家祥先生  
陳郡女士  
(於二零一七年五月三十一日辭任)  
吳瑞賢先生  
高秉強先生  
(於二零一七年五月三十一日獲委任)

## 審核委員會

吳瑞賢先生 (主席)  
陳郡女士  
(於二零一七年五月三十一日辭任)  
初家祥先生  
高秉強先生  
(於二零一七年五月三十一日獲委任)

## 薪酬委員會

初家祥先生 (主席)  
吳瑞賢先生  
陳郡女士  
(於二零一七年五月三十一日辭任)  
高秉強先生  
(於二零一七年五月三十一日獲委任)

## 提名委員會

何寧寧先生 (主席)  
陳郡女士  
(於二零一七年五月三十一日辭任)  
初家祥先生  
高秉強先生  
(於二零一七年五月三十一日獲委任)

## RISK MANAGEMENT COMMITTEE

Mr. Ko Ping Keung (*Chairman*) (appointed on 31 May 2017)

Ms. Chen Jun (*Chairlady*) (resigned on 31 May 2017)

Mr. Ng Sui Yin

Mr. Fan Fuqiang

## COMPANY SECRETARIES

Mr. Fan Fuqiang (resigned as the joint company secretary on 21 November 2017)

Ms. Hung Ching Yuen (resigned as the joint company secretary on 21 November 2017)

Mr. Cheng Zhihua (appointed as the company secretary on 21 November 2017)

## REGISTERED OFFICE

Cricket Square, Hutchins Drive  
PO Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

## PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1715, 17/F  
Topsail Plaza  
11 On Sum Street  
Shatin, New Territories  
Hong Kong

## 風險管理委員會

高秉強先生 (主席)

(於二零一七年五月三十一日獲委任)

陳郡女士 (主席)

(於二零一七年五月三十一日辭任)

吳瑞賢先生

范富強先生

## 公司秘書

范富強先生

(於二零一七年十一月二十一日

辭任聯席公司秘書)

洪靜遠女士

(於二零一七年十一月二十一日

辭任聯席公司秘書)

程芝化先生

(於二零一七年十一月二十一日

獲委任為公司秘書)

## 登記辦事處

Cricket Square, Hutchins Drive  
PO Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

## 香港主要營業地點

香港

新界沙田

安心街11號

華順廣場

17樓1715室

# Corporate Information

## 公司資料

### HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PEOPLE'S REPUBLIC OF CHINA (THE "PRC")

No. 3 Taihong Road  
Hi-tech Industry Park  
Kunshan  
Jiangsu Province  
PRC

### 於中華人民共和國（「中國」）的總部及主要營業地點

中國  
江蘇省  
昆山市  
高新技術產業開發區  
台虹路3號

### COMPANY'S WEBSITE

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

### 公司網站

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

### LEGAL ADVISER AS TO HONG KONG LAW

Sidley Austin

### 香港法律顧問

盛德律師事務所

### INDEPENDENT AUDITOR

KPMG  
Certified Public Accountants

### 獨立核數師

畢馬威會計師事務所  
執業會計師

### PRINCIPAL BANKERS

China Construction Bank Corporation ("CCBC")  
Industrial and Commercial Bank of China Limited ("ICBC")  
China Minsheng Banking Corporation Limited  
Bank of China Limited  
Bank of China (Hong Kong) Limited  
Hang Seng Bank Limited  
China Merchants Bank Company Limited ("CMB")

### 主要往來銀行

中國建設銀行股份有限公司  
（「中國建設銀行」）  
中國工商銀行股份有限公司  
（「中國工商銀行」）  
中國民生銀行股份有限公司  
中國銀行股份有限公司  
中國銀行（香港）有限公司  
恆生銀行有限公司  
招商銀行股份有限公司（「招商銀行」）

## PRINCIPAL SHARE REGISTRAR

Conyers Trust Company (Cayman) Limited  
(formerly known as “Codan Trust Company  
(Cayman) Limited”, the name has been changed with  
effect from 30 March 2017)  
Cricket Square, Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

## HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

## STOCK CODE

Stock Code: 1478

## AUTHORISED REPRESENTATIVES

Mr. Wang Jianqiang  
Ms. Hung Ching Yuen (resigned on 21 November 2017)

Mr. Cheng Zhihua (appointed on 21 November 2017)

## 股份過戶登記總處

Conyers Trust Company (Cayman)  
Limited (前稱「Codan Trust  
Company (Cayman) Limited」，  
名稱變更自二零一七年  
三月三十日起生效)  
Cricket Square, Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

## 香港證券登記分處

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1712-1716號舖

## 股份代號

股份代號：1478

## 授權代表

王健強先生  
洪靜遠女士  
(於二零一七年十一月二十一日辭任)  
程芝化先生  
(於二零一七年十一月二十一日獲委任)

# Corporate Profile

## 公司介紹

Q Technology (Group) Company Limited (the “Company”, together with its subsidiaries, the “Group”) is a leading mid-to-high end camera and fingerprint recognition module manufacturer in the People’s Republic of China (the “PRC”). The Group is primarily engaged in the design, research and development, manufacture and sales of camera modules and fingerprint recognition modules, and centred on mid-to-high end camera and fingerprint recognition module market for Chinese branded smart phone and tablet PC manufacturers. The Group is one of the first few manufacturers in the PRC to use chip on board (“COB”) and chip on flex (“COF”) technologies and molding on board (“MOB”) and molding on chip (“MOC”) technologies in the manufacture of camera modules, as well as to produce ultra-thin camera modules with resolutions of 20 mega pixels and above, dual camera modules and fingerprint recognition modules with various technologies on a mass production scale. Currently, the Group’s product mix covers camera modules ranging from 3 mega pixels to 24 mega pixels, dual camera modules, fingerprint recognition modules and outdoor sports camera modules. The Group is dedicated to become a technology company which provides intelligent vision systematic solutions for intelligent mobile terminals, through continuously building up capabilities of optical design, computing vision, deep learning and system integration, with an aim to let the machines see clearly and better understand the world.

丘鈦科技(集團)有限公司(「本公司」)·連同其附屬公司(「本集團」)為一間中華人民共和國(「中國」)領先的中高端攝像頭模組及指紋識別模組製造商。本集團主要從事設計、研發、製造和銷售攝像頭模組及指紋識別模組，並以中國品牌智能手機及平板電腦製造商的中高端攝像頭模組和指紋識別模組市場為主。本集團為中國少數最先於攝像頭模組製造中採用板上芯片封裝(COB)、薄膜覆晶封裝(COF)技術、板上塑封(MOB)及芯片塑封(MOC)技術以及能夠批量生產及銷售2,000萬像素及以上超薄攝像頭、雙攝像頭模組和不同工藝指紋識別模組的製造商之一。目前，本集團產品覆蓋了三百萬像素至二千四百萬像素的攝像頭模組、雙攝像頭模組、指紋識別模組及戶外運動相機模組等。透過不斷構建在光電設計、計算成像和深度學習及系統集成方面之能力，本集團致力於成長為一家為智能移動終端提供智能視覺系統化解決方案的科技企業，以讓機器看清看懂整個世界。

# Five-Year Financial Summary

## 五年財務概要

(In Renminbi ("RMB") thousands, except per share amounts or (人民幣千元·每股金額或另有指明除外) otherwise indicated)

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	2015 二零一五年	2014 二零一四年	2013 二零一三年
		Consolidated 合併				
<b>Operating results</b>	<b>經營業績</b>					
Revenue	收入	<b>7,938,958</b>	4,991,158	2,202,395	2,161,084	1,410,613
Gross profit	毛利	<b>882,733</b>	422,437	240,571	352,579	234,046
Finance costs	融資成本	<b>(16,912)</b>	(5,548)	(9,948)	(23,171)	(9,010)
Profit before taxation	除稅前溢利	<b>509,515</b>	214,587	114,701	239,077	188,172
Income tax	所得稅	<b>(73,238)</b>	(23,832)	(12,702)	(43,571)	(25,011)
<b>Profit for the year</b>	<b>年內溢利</b>	<b>436,277</b>	190,755	101,999	195,506	163,161
<b>Attributable to:</b>	<b>歸屬：</b>					
Owners of the Company	本公司股東	<b>436,277</b>	190,755	101,999	195,506	163,161
Non-controlling interests	非控股權益	-	-	-	-	-
		<b>436,277</b>	190,755	101,999	195,506	163,161



# Five-Year Financial Summary

## 五年財務概要

(In Renminbi ("RMB") thousands, except per share amounts or otherwise indicated) (人民幣千元，每股金額或另有指明除外)

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	2015 二零一五年	2014 二零一四年	2013 二零一三年
		Consolidated 合併				
Basic earnings per share (RMB cents)	基本每股盈利 (人民幣分)	39.8	18.4	10.1	31.8	32.6
Diluted earnings per share (RMB cents)	攤薄每股盈利 (人民幣分)	38.9	18.1	9.8	29.6	30.9
<b>Assets and liabilities</b>	<b>資產及負債</b>					
Non-current assets	非流動資產	1,953,154	826,185	453,930	359,954	294,174
Current assets	流動資產	4,147,096	3,694,144	1,536,731	1,942,579	1,468,266
<b>Total assets</b>	<b>資產總值</b>	<b>6,100,250</b>	<b>4,520,329</b>	<b>1,990,661</b>	<b>2,302,533</b>	<b>1,762,440</b>
Bank borrowings	銀行借款	1,078,119	335,432	142,164	712,679	427,581
Other liabilities	其他負債	2,876,474	2,616,932	630,940	465,566	1,066,260
<b>Total liabilities</b>	<b>負債總額</b>	<b>3,954,593</b>	<b>2,952,364</b>	<b>773,104</b>	<b>1,178,245</b>	<b>1,493,841</b>
<b>Net assets</b>	<b>資產淨值</b>	<b>2,145,657</b>	<b>1,567,965</b>	<b>1,217,557</b>	<b>1,124,288</b>	<b>268,599</b>
<b>Total equity</b>	<b>權益總額</b>	<b>2,145,657</b>	<b>1,567,965</b>	<b>1,217,557</b>	<b>1,124,288</b>	<b>268,599</b>
<b>Key Financial Ratio</b>	<b>主要財務比率</b>					
Gross profit margin (%)	毛利率 (%)	11.1%	8.5%	10.9%	16.30%	16.60%
Net profit margin (%)	純利率 (%)	5.5%	3.8%	4.6%	9.00%	11.60%
Gearing ratio (%) (Note 1)	資本負債比率 (%) (附註1)	50.2%	21.4%	11.7%	63.40%	213.60%
Rate of return on common Stockholders' equity (%)	淨資產回報率 (%)	20.3%	12.2%	8.4%	17.4%	60.7%
Current ratio (times) (Note 2)	流動比率 (倍) (附註2)	1.1	1.3	2.0	1.7	1.1
Quick ratio (times) (Note 3)	速動比率 (倍) (附註3)	0.9	1.0	1.7	1.5	1.0
Net asset value per share attributable to owners of the Company	本公司股權持有人應占每股淨資產	1.92	1.45	1.18	1.12	0.54
Price per share as at 31 December (HKD)	十二月三十一日每股價格 (港幣元)	11.00	4.00	1.59	2.20	N/A
Price earnings ratio (Note 4)	市盈率 (附註4)	23.10	20.29	13.19	5.46	N/A
Market capitalization as at 31 December (HKD thousand)	十二月三十一日市值 (港幣千元)	12,271,567	4,327,084	1,634,447	2,200,000	N/A
Dividend per share (RMB cents)	每股股息 (人民幣分)	7.80	3.50	-	4.06	-
Dividend yield (%)	股息收益率	0.90%	1.21%	-	2.10%	-
EBITDA (Note 5)	息稅折舊及攤銷前利潤 (附註5)	662,232	284,155	167,098	293,574	207,297

Note 1: Gearing ratio represents the balance of bank borrowings and related parties' loans as of the end of the year/period divided by total equity as of the end of the year/period.

附註1: 資本負債比率指截至年/期末的銀行借款及關連方借款餘額除以截至年/期末的權益總額。

Note 2: Current ratio represents total current assets divided by total current liabilities as of the end of the year/period.

附註2: 流動比率指截至年/期末的流動資產總值除以流動負債總額。

Note 3: Quick ratio represents total current assets less inventories divided by total current liabilities as of the end of the year/period.

附註3: 速動比率指截至年/期末的流動資產總值減去存貨再除以流動負債總額。

Note 4: Price earnings ratio represents the market price of shares divided by earnings per share as of the end of the year/period.

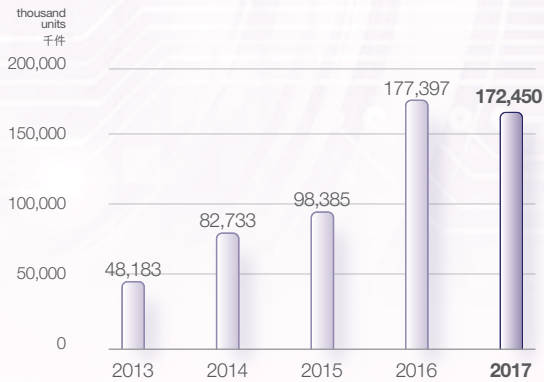
附註4: 市盈率指截至年/期末的股票市價除以每股收益。

Note 5: EBITDA represents earnings before interest and tax (EBIT) + depreciation cost + amortization cost.

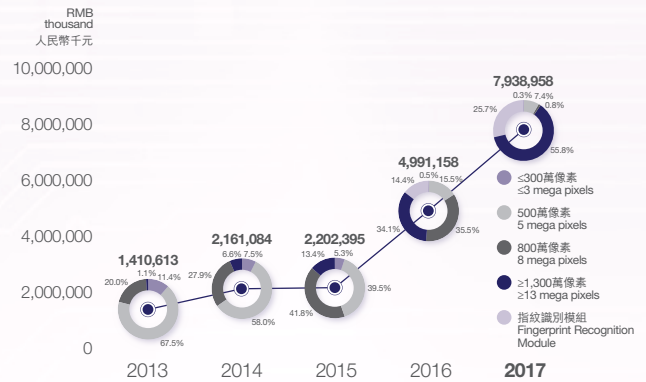
附註5: EBITDA指息稅前利潤 (EBIT) + 折舊費用 + 攤銷費用。

# Five-Year Financial Summary 五年財務概要

## Sales Volume of Camera Modules 攝像頭模組銷售數量



## Revenue 收入



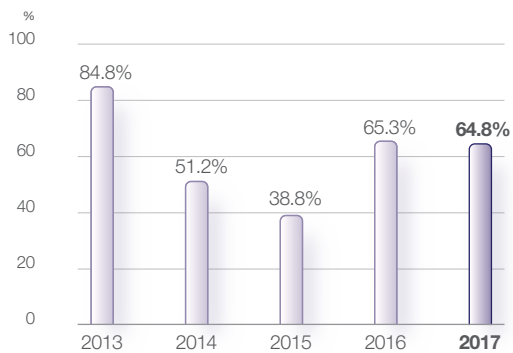
## Profit Attributable to Owners 股東應佔溢利



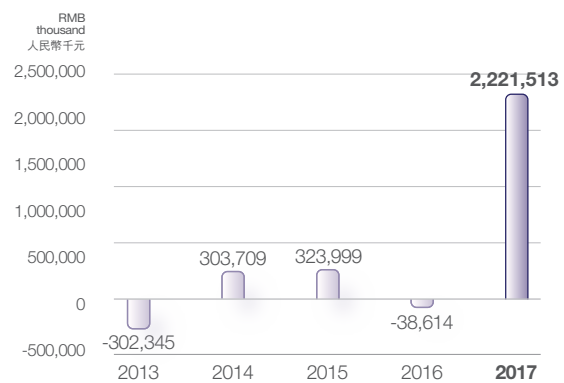
## Net Assets 資產淨值



## Debt Asset Ratio 資產負債率



## Cash Flow Generated from Operating Activities 經營活動現金流



# Chairman's Statement

## 主席報告

Dear Shareholders,

We are very honored to present to the shareholders the annual results for the year ended 31 December 2017 (the "Year"), the fourth annual results of Q Technology (Group) Company Limited since its listing on the main board of The Stock Exchange of Hong Kong Limited ("Stock Exchange").

### BUSINESS REVIEW

During the Year, both the global and the PRC economies were in the courses of recovery. According to the data released by the National Bureau of Statistics of China on 18 January 2018, China's gross domestic product (GDP) amounted to approximately RMB82,712.2 billion in 2017, representing an increase of 6.9% over the previous year, achieving the first increase in GDP growth rate since 2011. It has been pointed out in the Report on the Work of the Government delivered by Mr. Li Keqiang, Premier of the State Council, at the First Session of the 13th National People's Congress of the People's Republic of China held on 5 March 2018 that the target for GDP growth of China in 2018 has been set at around 6.5%, and the Chinese economy will remain capable of maintaining a steady growth. On the other hand, protectionism in some countries is rising, adversely affecting the trend of economic globalization, which hinders the growth of the world economy with challenges and risks. At the same time, according to some professional research institutions, the growth in shipment of smartphones may slow down due to the extension of smartphone replacement cycle. Although China's smartphone brands received better recognition from customers on product design and cost/price performance through continuous product innovation and effective marketing, they need to tackle various barriers such as trade protection in some countries. As a result, the overall growth rate slowed down from the previous year. Nevertheless, we still considered camera modules and fingerprint recognition modules to be one of the consumers' most concerned smartphone components. The continuous pursuit of better images has further driven the improvement of camera modules with progressive transition from 2-dimension to 3-dimension. The demand for privacy protection of smartphones has further increased the popularity of fingerprint recognition modules. This has promoted the steady development of the supply chain of camera modules and fingerprint recognition modules. Through relentless efforts, the Group has comprehensively demonstrated its excellence in the design, research and development, manufacture and after-sales of mid-to-high end camera modules and fingerprint recognition modules, and successfully acquired camera module supplier qualification from Huawei, as well as dual camera module supplier qualifications from vivo and many other well-known brands. Consequently, the customer and product mixes improved greatly, and the Group's business achieved a rapid growth during the Year.

致股東：

本集團非常榮幸向股東呈上截至二零一七年十二月三十一日止年度（「本年度」）業績，這是丘鈦科技（集團）有限公司在香港聯合交易所有限公司（「聯交所」）主板掛牌上市後的第四份年度業績。

### 業務回顧

於本年度，全球經濟和中國經濟均有所復甦。根據中國國家統計局於2018年1月18日發佈的資料，2017年中國國內生產總值（GDP）約人民幣82,712.2億元，比上年增長6.9%，增長率實現2011年以來的首次回升，而國務院總理李克強先生於2018年3月5日召開的十三屆全國人民代表大會第一次會議所作之政府工作報告中提出2018年度中國國內GDP增長預期目標為6.5%左右，中國經濟仍有望繼續保持穩健增長。但另一方面，部分國家的民族保護主義不斷興起，經濟全球化的趨勢出現變數，令得世界經濟的增長仍然充滿挑戰和風險。與此同時，根據某些專業調研機構的數據，智能手機換機週期有所延長，使得智能手機出貨數量的增長速度可能趨於緩慢，中國智能手機品牌雖然憑藉持續的產品創新和正確的市場營銷使得消費者對其產品設計美譽度和性價比有了更高的認可，但在某些國家也面臨著貿易保護等困難，因此，整體增長速度較上一年度有所放緩。雖然如此，我們認為攝像頭模組和指紋識別模組仍然是消費者最為關注的智能手機配件之一，對於圖像美觀的持續追求令得攝像頭模組的規格進一步提升，並從2D逐步向3D發展，而對於智能手機隱私的保障需求則令得指紋識別模組的普及率進一步提升，從而帶動攝像頭模組和指紋識別模組供應鏈穩健發展。本集團通過持續的努力，充分展示在中高端攝像頭模組和指紋識別模組產品的設計、研發、生產和售後方面的卓越能力，順利取得華為的攝像頭模組供應商資格，及取得vivo等多個著名品牌雙攝像頭模組的供應商資格，令得客戶結構和產品結構均得以大幅改善，並帶動本集團於本年度實現了業務的快速增長。

Looking back to the Year, with the trust and support of our core customers and the relentless efforts of all of our employees, the revenue of the Group recorded a rapid growth, driven by a substantial increase in the sales volume of fingerprint recognition modules and significant optimization of the product mix of camera modules. The sales volume of camera modules reached approximately 172.45 million units, representing a decrease of approximately 2.8% as compared with that of 2016 (approximately 177.40 million units), while the sales volume of fingerprint recognition modules reached approximately 80.73 million units, representing an increase of approximately 285.5% as compared with that of 2016 (approximately 20.94 million units). The revenue of the Group amounted to approximately RMB7,938,958,000, representing an increase of approximately 59.1% as compared with that of 2016 (approximately RMB4,991,158,000), among which, the revenue of camera modules reached approximately RMB5,901,798,000, representing an increase of approximately 38.1% as compared with that of 2016 (approximately RMB4,274,867,000), while the revenue of fingerprint recognition modules reached approximately RMB2,037,160,000, representing an increase of 184.4% as compared with that of 2016 (approximately RMB716,291,000). The year-on-year growth in revenue of camera modules was faster than that of the sales volume, mainly due to the surge of average selling price of camera modules to approximately RMB34.22 (2016: approximately RMB24.09) as a result of the significant enhancement of the product mix of camera modules and the significant increase in the proportion of dual camera modules. The year-on-year growth in revenue of fingerprint recognition modules was slower than that of the sales volume, mainly due to a decline in the average selling price of fingerprint recognition modules to approximately RMB25.23 (2016: approximately RMB34.20) as a result of the change in the product mix of fingerprint recognition modules and a significant decrease in the selling price driven by material cost. The overall product average selling price was approximately RMB31.36, representing an increase of approximately RMB6.20 (approximately 24.6%) as compared with that of 2016 (2016: approximately RMB25.16).

回顧本年度，在核心客戶的支持與信任，以及全體員工的努力下，本集團指紋識別模組產品的銷售數量大幅增長，攝像頭模組產品的結構明顯優化，帶動營業收入實現快速增長，其中：攝像頭模組的銷售數量達到約17,245萬件，較二零一六年（約17,740萬件）下跌約2.8%；而指紋識別模組的銷售數量達到約8,073萬件，較二零一六年（約2,094萬件）增長約285.5%。本集團錄得營業收入約人民幣7,938,958,000元，較二零一六年（約人民幣4,991,158,000元）增長約59.1%，其中攝像頭模組收入約人民幣5,901,798,000元，較二零一六年（約人民幣4,274,867,000元）增長約38.1%；指紋識別模組收入約人民幣2,037,160,000元，較二零一六年（約人民幣716,291,000元）增長約184.4%。攝像頭模組營業收入同比增幅大於銷售數量的同比增幅，乃由於攝像頭模組產品像素結構的明顯提升和雙攝像頭模組佔比明顯提升推動攝像頭模組產品的平均銷售單價提升至約人民幣34.22元（二零一六年：約人民幣24.09元）；指紋識別模組營業收入同比增幅小於銷售數量的同比增幅，乃由於指紋識別模組產品結構發生改變及材料成本帶動銷售單價較大幅度下跌，令得指紋識別模組產品的平均銷售單價下降至約人民幣25.23元（二零一六年：約人民幣34.20元）。而綜合產品平均銷售單價約為人民幣31.36元，較二零一六年上漲了約人民幣6.20元（約24.6%）（二零一六年：約人民幣25.16元）。

# Chairman's Statement

## 主席報告

During the Year, the gross profit margin of the Group was approximately 11.1%, representing an increase of approximately 2.6 percentage points as compared with approximately 8.5% of 2016. The increase in gross profit margin was mainly attributable to a year-on-year increase in the gross profit margin of camera modules due to an increase in the added value of camera modules resulting from the significant enhancement of product mix of camera modules, significant increase in the proportion of dual camera modules and single camera modules with resolutions of 13 mega pixels and above as compared with that of the last year. At the same time, the gross profit margin of fingerprint recognition modules decreased due to the intensified market competition, despite the fact that a significant expansion of the sales scale of the fingerprint recognition modules helped reduce the marginal cost.

During the Year, the Group has proactively responded to the market demand for single and dual camera modules with higher pixels and developed the mid-to-high end camera modules with resolutions of 13 mega pixels and above. The total sales volume of camera modules with resolutions of 13 mega pixels and above significantly increased to approximately 83.05 million units (2016: approximately 41.48 million units), which accounted for approximately 48.2% of the Group's total sales volume of camera modules for the Year (2016: approximately 23.4%), and approximately 75.1% of the Group's total revenue of the camera modules for the Year (2016: approximately 39.8%), among which, the sales volume of the dual camera modules was approximately 20.78 million units, accounting for approximately 12.0% of the Group's total sales volume of camera modules for the Year (2016: approximately 0.9%). The rapid increase in the sales volume and higher proportion of mid-to-high end camera modules has demonstrated the increasing market recognition of the Group's mid-to-high end products, which reflected the Group's stronger competitiveness in the mid-to-high end camera module products and laid a solid foundation for further optimization of the product mix of camera modules of the Group in the future.

本年度，本集團的毛利率約為11.1%，較二零一六年的約8.5%上升了約2.6個百分點。毛利率上升的主要因為：攝像頭模組的產品結構明顯優化，雙攝像頭模組和一千三百萬像素及以上的單攝像頭模組的佔比較去年明顯提升，令得攝像頭模組產品附加值增加，導致攝像頭模組產品的毛利率同比提升。與此同時，雖然指紋識別模組銷售規模明顯擴大幫助降低了邊際成本，但激烈的市場競爭仍導致指紋識別模組的毛利率有所降低。

本年度，本集團積極順應市場對高像素單攝像頭模組產品和雙攝像頭模組產品的需求，努力加強發展一千三百萬像素及以上的中高端攝像頭模組。一千三百萬像素及以上攝像頭模組的合計銷售數量大幅上升至約8,305萬件（二零一六年：約4,148萬件），佔本集團本年度攝像頭模組總銷售數量的約48.2%（二零一六年：約23.4%），以及佔本集團本年度攝像頭模組總營業額的約75.1%（二零一六年：約39.8%），其中雙攝像頭模組的銷售數量為約2,078萬件，佔本集團本年度攝像頭模組總銷售數量的約12.0%（二零一六年：約0.9%）。上述中高端攝像頭模組銷售數量及比例的快速提升，反映出市場對本集團中高端產品的認可度明顯提升，體現出本集團在中高端攝像頭模組產品領域較強的競爭力，為未來進一步優化本集團的攝像頭模組產品結構奠定了堅實的基礎。

Meanwhile, the Group's sales volume of fingerprint recognition modules for the Year amounted to approximately 80.73 million units (2016: approximately 20.94 million units), which accounted for approximately 31.9% of the Group's total sales volume for the Year (2016: approximately 10.6%), and approximately 25.7% of the Group's total revenue for the Year (2016: approximately 14.4%), among which, the fingerprint recognition modules that adopted cover lens technique accounted for approximately 25.0% of the total sales volume of fingerprint recognition modules (2016: approximately 35.3%). The year-on-year decline in the proportion of the fingerprint recognition modules that adopted cover lens technique was mainly affected by the introduction of full screen design of smartphones. The rapid increase in the sales volume of fingerprint recognition modules was benefited from, on one hand, the rapid growth in demand from smartphone brands for fingerprint recognition modules, and, on the other hand, the higher market recognition of the Group's manufacturing ability of fingerprint recognition modules, which enhanced the market share of the Group's fingerprint recognition modules.

During the Year, the Group continued to strengthen its research and development on camera modules, in order to develop more advanced functionalities and products. On one hand, the Group vigorously promoted the development of miniaturized technology for camera modules in response to the demand for smaller camera modules due to the continuous growth in dual camera modules and gradual popularity of multi-camera modules in the future. Research in miniaturized technology for modules such as molding on chip, molding on board and holding on chip has resulted in substantial progress. Camera modules that adopted molding on chip and molding on board technology have achieved bulk deliveries for the Year, which enables the Group to become one of the few earliest companies in the stage of mass production and sales of camera modules with miniaturized module technology in Mainland China. On the other hand, the Group continued to strengthen the development of high-end modules with resolutions of 16 mega pixels and above, dual camera modules and 3D camera modules, especially the research and development in the production of dual camera modules and 3D structure light modules without AA process. As of the end of the Year, scaffold dual camera modules without AA process have already achieved bulk deliveries. At the same time, the Group also focused on the research and development of under-glass fingerprint products, and has mastered the various principles and manufacturing technology of optical under-glass fingerprint products, which laid a solid foundation for the development of under-glass fingerprint products in the future.

同時，本集團本年度指紋識別模組的銷售數量達到約8,073萬件（二零一六年：約2,094萬件），約佔本集團本年度總銷售數量的31.9%（二零一六年：約10.6%），以及約佔本集團本年度總營業額的25.7%（二零一六年：約14.4%），其中使用蓋板工藝生產的指紋識別模組佔指紋識別模組總銷售數量的約25.0%（二零一六年：約35.3%），使用蓋板工藝生產的指紋識別模組佔比同比下跌主要是受智能手機全面屏設計的影響。指紋識別模組銷售數量的迅速提升，一方面得益於智能手機品牌對指紋識別模組需求的迅速增長，另一方面亦得益於市場對本集團指紋識別模組製造能力的高度認可，令得本集團在指紋識別模組的市場份額得到了提升。

於本年度，本集團持續推進在攝像頭模組產品方面的研究開發，以開發更優良的功能及產品。一方面，本集團大力推進攝像頭模組小型化技術的發展，以適應雙攝像頭模組滲透率不斷提升甚至多攝像頭模組也可能在未來逐步得到採用的市場趨勢下進一步降低攝像頭模組尺寸的需求，芯片塑封(Molding on Chip)、板上塑封(Molding on Board)、芯片成型(Holding on Chip)等模組小型化技術都有了實質上的研究進展，其中使用芯片塑封、板上塑封技術的攝像頭模組已經在本年度批量出貨，使得本集團成為中國大陸少數最早使用模組小型化技術批量生產銷售攝像頭模組的公司；另一方面，本集團繼續加強對一千六百萬像素及以上高端模組、雙攝像頭模組和3D攝像頭模組的開發，尤其是使用免AA製程生產雙攝像頭模組和3D結構光模組方面的研發，截止本年度末，使用免AA製程生產的支架式雙攝像頭模組已經批量出貨。與此同時，本集團亦大力推進在屏下指紋產品方面的研究開發，並熟練掌握了光學式屏下指紋產品的各項原理和製造工藝，為將來發展屏下指紋產品業務奠定了堅實的基礎。

# Chairman's Statement

## 主席報告

### AWARDS AND HONOURS

During the Year, the Group continued to adhere to our customer-oriented service strategies, always considered the provision of good personal experience for customers as our operation direction and devoted our best efforts to satisfy customers' needs in product R&D, sales delivery, after-sales service, product quality and technology innovation, and earned high recognition of the Group's products and services from the industry, local governments and our customers.

In April 2017, Kunshan Q Technology Limited ("Kunshan QT China"), a wholly-owned subsidiary of the Company, won the "High Quality Award" granted by vivo, one of the most well-known global handset brands, becoming the only camera module supplier that won this award;

In August 2017, Chengdu Q Technology Limited ("Chengdu QT"), a wholly-owned subsidiary of the Company, was successfully recognized as a High and New Technology Enterprise ("HNTE") and obtained the recognition certificate as a HNTE with a validity period of three years, becoming the second HNTE of the Group which obtained the recognition certificate following Kunshan QT China.

In October 2017, Kunshan QT China won the "Best Quality Award" granted by Xiaomi, one of the most well-known global handset brands, becoming the only camera module and fingerprint recognition module supplier that won the quality related award in 2017;

In October 2017, Mr. Wang Jianqiang, Executive Director and CEO of the Company, was granted "Honorary Citizen of Kunshan" by Kunshan Municipal Government, becoming the second senior manager of the Group who has been granted such an honour following Mr. He Ningning, the Chairman;

### 獎項與榮譽

本年度，本集團繼續秉承以客戶為中心的服務宗旨，一直以為客戶提供良好體驗作為業務運營的根本，在產品研發、銷售交付、售後服務、產品質量和技術創新等方面都盡最大努力滿足客戶需求，並獲得了行業、地方政府和客戶對本集團產品及服務的高度認可。

二零一七年四月，本公司全資附屬公司昆山丘鈦微電子科技有限公司（「昆山丘鈦中國」）榮獲全球著名智能手機品牌vivo頒發的「品質獎」，成為唯一一家獲得此獎項的攝像頭模組供應商；

二零一七年八月，本公司全資附屬公司成都丘鈦微電子科技有限公司（「成都丘鈦」）順利通過高新技術企業（「高新技術企業」）認定工作，取得國家《高新技術企業證書》，有效期為三年，成為本集團繼昆山丘鈦中國後第二家榮獲高新技術企業資質的公司。

二零一七年十月，昆山丘鈦中國榮獲全球著名智能手機品牌小米頒發的二零一七年度「最佳品質獎」，成為唯一一家獲得與品質相關獎項的攝像頭模組和指紋識別模組供應商；

二零一七年十月，本公司執行董事、行政總裁王健強先生榮獲昆山市政府頒發「昆山市榮譽市民」稱號，成為繼董事長何寧寧先生後第二位獲此殊榮的集團高管；

# Chairman's Statement

## 主席報告

In November 2017, Kunshan QT China won the “Global Best Partner Award” granted by ZTE Corporation, one of the most well-known global handset companies, becoming the only camera module supplier that won this highest award in 2017;

In November 2017, Kunshan QT China was recognized as the “Corporate Technical Center” of Jiangsu Province by Jiangsu Economic and Information Technology Commission;

In November 2017, Kunshan QT China won the “Best Collaboration Partner” granted by Huawei, one of the most well-known global handset brands, becoming the only fingerprint recognition module supplier that won this prestige award in 2017;

In December 2017, the “Q TECH fingerprint recognition modules” manufactured by Kunshan QT China was recognized as the 2017 “Jiangsu Famous-brand Product” by Jiangsu Strategic Top Brand Promotion Committee;

In January 2018, “2017 China Financial Market Award” hosted by China Financial Market, a well-known financial magazine, granted Mr. Fan Fuqiang, CFO of the Company, the “Best CFO of the Year” honorary title. The appraisal organizations of the activity included The Listed Companies Council of Hong Kong Chinese Enterprises Association, The Chinese Asset Management Association of Hong Kong, The Hong Kong Institute of Financial Analysts and Professional Commentators Limited, China Mergers & Acquisitions Association Hong Kong Branch, Chinese Securities Association of Hong Kong, The Hong Kong Institute of Chartered Secretaries and Chinese Financial Association of Hong Kong and other authority organizations.

The aforementioned awards and honours have reflected the high recognition by local governments, our core customers and all sectors of society, which has further enhanced our confidence in further implementing the long-term strategy to develop intelligent visual system products, further consolidated our confidence in driving the product mix optimization strategies and providing customers with good personal experience, and also further strengthened our confidence in maintaining a sound operation.

二零一七年十一月，昆山丘鈦中國榮獲全球著名智能手機廠商中興通訊股份有限公司頒發二零一七年度「全球最佳合作夥伴獎」，成為攝像頭模組供應商中唯一獲此最高殊榮的供應商；

二零一七年十一月，昆山丘鈦中國被江蘇省經濟和信息化委員會認定為江蘇省「企業技術中心」；

二零一七年十一月，昆山丘鈦中國榮獲全球著名智能手機品牌華為頒發二零一七年度「最佳協同獎」，成為指紋識別模組供應商中唯一獲此殊榮的廠商；

二零一七年十二月，昆山丘鈦中國生產的Q TECH牌指紋識別模組被江蘇省名牌戰略推進委員會認定為2017年江蘇名牌產品；

二零一八年一月，由知名財經雜誌《中國融資》主辦的「2017年中國融資大獎」授予本公司財務總監范富強先生「年度最佳CFO」榮譽稱號，該活動評審機構包括香港中國企業協會上市公司委員會、香港中資基金業協會、香港股票分析師協會、中國併購公會香港分會、香港中資證券業協會、香港特許秘書公會以及香港中國金融協會等權威組織。

上述獎項及榮譽的獲得，反映了地方政府、本集團核心客戶和社會各界對本集團的充分認可，進一步加強了本集團繼續發展智能視覺系統產品長期戰略的信心，進一步堅定了本集團全力推動產品結構優化策略和堅持以客戶良好體驗為追求的信心，並進一步增強了本集團保持良好運營的信心。



# Chairman's Statement

## 主席報告

### PROSPECTS

Although the Group recorded a significant growth in the operating results for the Year as compared with that of 2016, coupled with the significant optimization of the product mix of camera modules, which led to the significant increase in our comprehensive gross profit margin as compared with that of 2016, the Directors are well aware that 2018 will still be full of challenges. On one hand, coupled with the rising of the protectionism in some countries, some economic powers may enter into the interest rate hike cycle. The market liquidity will be tightened with the shrinking balance sheet by some countries or economies affecting the overall trend of economic globalization. Therefore, the growth of the global economy will still be confronted with challenges and risks, and the prospect of the intelligent mobile communication terminal industry also remains highly uncertain under the macro-economic environment. Meanwhile, according to professional research institutions, the extended replacement cycle of smartphones will lead to the slower growth of the shipment volume of smartphones, resulting in lower or even zero growth rate of the industry. On the other hand, although the customer mix of the Group has been significantly enhanced with establishment of supply cooperation relationship with famous brands in the world such as Huawei, Xiaomi, vivo, OPPO, ZTE and Lenovo, major customers of the Group remain to be smartphone manufacturers in Mainland China with relatively high regional concentration. The probable trade protection under protectionism may pose new barriers for their entry into overseas markets, and affect their overseas expansion. Meanwhile, overseas smartphone brands are also actively scrambling for market share with launch of new products, which may compete with smartphone manufacturers in China. Therefore, our existing customers may not be able to record the same growth rate as in the past, thereby affecting our sales. Moreover, the exchange rates of RMB against USD experienced significant appreciation for the Year, but may fluctuate in the future due to various factors such as politics, economy and supply and demand. As it is difficult in the short run to adjust the Group's business model, under which sales revenue will be settled in RMB but overseas purchases of several core components will be settled in USD, the exchange risks may still have impacts on the operation of the Group in 2018. However, the directors of the Company (the "Directors") remain unwavering in continuously promoting the development of intelligent visual system products, and cautiously optimistic about the development of the camera modules and fingerprint recognition modules in the coming year, and believe that:

### 前景展望

儘管本集團本年度的經營業績較二零一六年明顯增長，尤其是攝像頭模組的產品結構得到明顯優化，推動本集團的綜合毛利率較二零一六年明顯上升，但董事充分意識到，二零一八年仍將充滿挑戰。一方面，部分國家的民族保護主義不斷興起，部分經濟大國可能進入加息週期，市場流動性亦可能隨著部分國家或經濟體收縮資產負債表而出現收緊，經濟全球化的趨勢出現變數，令得世界經濟的增長仍然充滿挑戰和風險，而智能移動通信終端行業的發展前景在宏觀經濟環境的影響下同樣具有很大不確定性，同時，根據專業調研機構的資料，智能手機換機週期有所延長，使得智能手機出貨數量的增長速度可能趨於緩慢，行業增長率可能較低甚至沒有增長。另一方面，雖然本集團的客戶結構有了明顯改善，已經和包括華為、小米、vivo、OPPO、中興、聯想等全球著名品牌建立供應合作關係，但主要客戶均為中國大陸智能手機品牌廠商，區域集中度較高，在民族保護主義下可能的貿易保護有可能給這些品牌進入海外市場造成新的障礙，從而影響他們的海外拓展進程，同時海外手機品牌亦在積極通過新產品爭搶市場份額，亦可能對中國智能手機品牌廠商形成衝擊，因此，我們的現有客戶可能無法繼續錄得過去的增長速度，從而影響本集團的產品銷售。此外，本年度人民幣兌美元匯率出現了明顯升值，但在未來可能受政治、經濟和供需等多方面因素的影響出現波動，而本集團銷售收入以人民幣結算為主及多個核心元器件由境外採購併以美元結算的業務模式短時間內難於扭轉，因此，匯兌風險仍可能對本集團二零一八年度的運營形成衝擊。然而，本公司董事（「董事」）對持續推動發展智能視覺系統化產品的戰略堅定不移，亦對新年度攝像頭模組和指紋識別模組業務的發展持審慎樂觀態度，認為：

- (i) Camera modules will remain one of the end-consumers' most concerned smartphone components, as consumers prefer to take photos with portable and convenient smartphones instead of cameras, and they hope to have more video functions in their smartphones, which will lead to continuous improvement in product specifications of camera modules. The proportion of products with resolutions of 8 mega pixels and below remains as high as approximately 51.8% during the Year. The Group currently has obtained the qualification for supplying high pixel single camera module products to all customers, which will help the Group to further uplift the shipment proportion of single camera modules with resolutions of 10 mega pixels and above.
- (ii) With the increasingly improved dual camera module solutions, consumers' recognition of the photographing functions of dual camera modules has been continuously enhanced. Smartphone brands may likely adopt dual camera modules, which were previously equipped in high-end flagship phones only, into other mid-end phones. This may lead to a remarkable improvement in market penetration of dual camera modules in the future. The Group has obtained the qualification for supplying dual camera module products to major customers except Huawei, and becomes the main supplier of dual camera modules of several high-end flagship phones for core customers in 2017, which can help the Group further increase the shipment proportion of dual camera modules and further optimize the product specification of camera modules in 2018.
- (i) 攝像頭模組仍然是終端消費者最關注的智能手機配置之一，消費者使用手機拍照的頻率遠較使用相機拍照的頻率為高，消費者希望能在攜帶和使用便利的智能手機上實現更多的攝像功能，令得攝像頭模組的產品規格仍將持續得以提升，本年度本集團在八百萬像素及以下產品的比例仍然高達約51.8%，而本集團目前已經取得所有客戶在高像素單攝像頭模組產品方面的供應商資格，有利於幫助集團進一步提升一千萬像素及以上單攝像頭模組的出貨比例。
- (ii) 雙攝像頭模組的解決方案已經日趨完善，消費者對於雙攝像頭模組所實現的拍照效果的認同度不斷提升，使得智能手機品牌可能將雙攝像頭模組從高端旗艦機型向下延伸配置到中端機型，推動雙攝像頭模組的滲透率在未來得以明顯提升，而本集團已經取得除華為外其他主要客戶的雙攝像頭模組供應商資格，並在二零一七年度成為核心客戶多款高端旗艦機型雙攝像頭模組的主要供應商，有利於幫助本集團在二零一八年度進一步提升雙攝像頭模組的出貨比例，幫助進一步優化攝像頭模組產品規格。

# Chairman's Statement

## 主席報告

(iii) Camera modules are one of the most important human-machinery interactive interfaces during the Internet of Things era. A famous worldwide brand has launched smartphones with 3D structure light modules with functions such as face recognition in 2017. Smartphone brands in Mainland China will probably follow with their launch of smartphone with 3D modules. The Group has made long-term preparations in 3D module field. If smartphone brands in Mainland China launch smartphones with 3D modules as scheduled, the Group may be benefited in gaining new momentum for the growth of camera modules. In addition, the on-going demand for camera modules by products such as AR, VR, MR and motor vehicles may give a new growth potential for the volume and value expansion of camera modules.

(iv) Nowadays consumers are accustomed to mobile payment via smartphones, and many of them regard smartphones as important official and personal data storage tools. Therefore, consumers have continuously increased their demand on the security of smartphones. On one hand, 3D modules may satisfy the demand through face recognition. But due to the higher cost and incomplete supply chain of 3D modules, traditional capacitive fingerprint recognition modules with increasingly mature technology and lower cost will probably remain an important choice as the standard configuration of smartphones. Therefore, the market penetration of capacitive fingerprint recognition modules may continue to grow. The Group has established supply cooperative relationship in terms of capacitive fingerprint recognition modules with most of the Chinese renowned smartphone brands, which can help the Group increase its market share of the capacitive fingerprint recognition modules in 2018. Meanwhile, the Group has made long-term preparations for developing the optical under-glass fingerprint recognition modules, so it will be ready to be benefited and gain from the potential for growth in the fingerprint recognition modules if the potential customers launch smartphones with optical under-glass fingerprint recognition modules as scheduled.

(iii) 攝像頭模組是物聯網時代重要的人機信息交互界面之一，某全球著名品牌已經在二零一七年度率先推出搭載3D結構光模組的智能手機，提供人臉識別等應用功能，中國大陸智能手機品牌可能會跟隨推出搭載3D模組的智能手機，本集團已經在3D模組領域進行了長時間的準備，如果中國大陸智能手機品牌按計劃推出搭載3D模組的機型，本集團可能受益，令得本集團攝像頭模組業務得到新的增長空間。此外，AR、VR、MR和汽車等產品對於攝像頭模組的需求亦在持續提升，亦可能給攝像頭模組的數量規模和價值規模提供新的增長空間。

(iv) 使用智能手機實現移動支付日益成為消費者的重要習慣，而同時，諸多消費者也將智能手機視作重要的辦公工具和個人資料存儲工具，因此，消費者對智能手機的安全性需求不斷上升。一方面，3D模組通過人臉識別可以解決該項需求，但由於3D模組成本可能更高，且供應鏈需要時間更趨完善，而傳統的電容式指紋識別模組技術成熟、成本低廉，可能仍然會是智能手機標準配備的重要選擇，因此，電容式指紋識別模組業務的行業滲透率有可能保持增長，而本集團已經與絕大部分中國知名智能手機品牌廠商建立了在電容式指紋識別模組方面的供應合作關係，有利於幫助本集團在二零一八年度爭取提升電容式指紋識別模組業務的市場份額。與此同時，本集團在光學式屏下指紋識別模組方面進行了長時間的準備，如果潛在客戶按計劃推出搭載光學式屏下指紋識別模組的機型，本集團可能受益，令得本集團指紋識別模組業務得到新的增長空間。

Hence, the Directors believe that opportunities coexist with challenges. The Group will adhere to the mission of “providing intelligent vision systematic products for intelligent mobile terminals” and strengthen its capacity development in three aspects, namely optical design, computing vision and system integration, continue to enhance the R&D of new products and new processes and improve its precision manufacturing capability, and proactively carry out marketing activities to enhance its customer relationship, aggressively expand overseas renowned smartphone branded customers and continuously enhance the core competitiveness of the Group. We will focus on developing high-end camera modules with resolutions of 16 mega pixels and above, dual camera modules, 3D structure light modules and under-glass fingerprint recognition modules, provide assistance to Newmax Technology Co., Ltd. (“Newmax Technology”), our associate, a company listed on the Taipei Exchange (stock code: 3630), in the development of camera module lens and 3D structure light module VCSEL Lens, with an effort to strengthen the technical cooperation and resource integration in image algorithm of dual/multiple camera modules and strengthen the technical cooperation and resource integration between camera modules and key components such as lens, at the same time striving to achieve a breakthrough in the application of camera modules in non-mobile-phone sector. The Group endeavours to achieve the following objectives: (i) Shipment of camera modules in 2018 will increase by approximately 10% to 20% over the previous year; (ii) Shipment of fingerprint recognition modules in 2018 will increase by approximately 20% to 30% over the previous year; (iii) While constantly reviewing customers rolling demand and the Group's business plan, production capacity of camera modules will be gradually expanded to not more than 45 million per month by the end of 2018, including production capacity of dual camera modules of approximately 10 million per month. The Directors are confident in leading the Group to embrace the challenges, and make further efforts to achieve good development and strive to create greater value for the shareholders of the Company (the “Shareholders”).

因此，董事相信，機遇與挑戰並存，而本集團將堅持秉承「為智能移動終端提供智能視覺系統化產品」的戰略積極加強光學設計、計算成像和系統集成三個方面的能力建設，繼續加強新產品、新工藝的研發，繼續提高精密製造能力，積極開展客戶關係營銷，積極拓展海外知名智能手機品牌客戶，不斷提升本集團的核心競爭力，並將重點推進一千六百萬像素及以上高端攝像頭模組、雙攝像頭模組、3D結構光模組、屏下指紋識別模組等高端產品的發展，協助推動聯營公司新鉅科技股份有限公司（「新鉅科技」）（一家於台灣的證券櫃檯買賣中心上櫃之公司，股份代碼：3630）在智能手機攝像頭模組Lens、3D結構光模組VCSEL Lens的發展，努力加強在雙／多攝像頭模組圖像算法方面的技術合作和資源整合，努力加強攝像頭模組與Lens等關鍵器件方面的技術合作和資源整合，同時努力實現攝像頭模組在非手機領域的應用突破。並努力達至以下目標：(i) 2018年度攝像頭模組出貨量同比增長約10%至20%；(ii) 2018年度指紋識別模組出貨數量同比增長約20%至30%；(iii) 持續檢視客戶需求及本集團業務發展情況，並於2018年年底前逐步將攝像頭模組產能擴充至不超過每月4,500萬顆，當中包括約每月1,000萬顆的雙攝像頭模組產能。董事有信心帶領本集團直面挑戰並繼續努力實現良好的發展，力爭為本公司股東（「股東」）創造更好的價值。

# Chairman's Statement

## 主席報告

### ACKNOWLEDGEMENTS

The Group sincerely thank the directors, the management and the entire staff for their dedication and loyal services to the Group, without which we would not have witnessed increasing sales growth. I would personally like to take this opportunity to give thanks on behalf of the board of directors to the shareholders, clients, partners, suppliers and banks for their trust and support accorded.

**He Ningning**  
*Chairman*

Hong Kong  
19 March 2018

### 致謝

本集團衷心感謝董事、管理層團隊及全體員工為本集團所作的不懈努力及忠誠服務，使本集團業務蒸蒸日上。本人謹藉此機會代表董事會向廣大股東、客戶、合作夥伴、供應商及銀行對本集團一直以來的信任及支持致以謝忱。

主席  
**何寧寧**

香港  
二零一八年三月十九日

# Management Discussion and Analysis

## 管理層討論與分析

### BUSINESS REVIEW

During the Year, both the global and the PRC economies were in the courses of recovery. According to the data released by the National Bureau of Statistics of China on 18 January 2018, China's gross domestic product (GDP) amounted to approximately RMB82,712.2 billion in 2017, representing an increase of 6.9% over the previous year, achieving the first increase in GDP growth rate since 2011. It has been pointed out in the Report on the Work of the Government delivered by Mr. Li Keqiang, Premier of the State Council, at the First Session of the 13th National People's Congress of the People's Republic of China held on 5 March 2018 that the target for GDP growth of China in 2018 has been set at around 6.5%, and the Chinese economy will remain capable of maintaining a steady growth. On the other hand, protectionism in some countries is rising, adversely affecting the trend of economic globalization, which hinders the growth of the world economy with challenges and risks. At the same time, according to some professional research institutions, the growth in shipment of smartphones may slow down due to the extension of smartphone replacement cycle. Although China's smartphone brands received better recognition from customers on product design and cost/price performance through continuous product innovation and effective marketing, they need to tackle various barriers such as trade protection in some countries. As a result, the overall growth rate slowed down from the previous year. Nevertheless, we still considered camera modules and fingerprint recognition modules to be one of the consumers' most concerned smartphone components. The continuous pursuit of better images has further driven the improvement of camera modules with progressive transition from 2-dimension to 3-dimension. The demand for privacy protection of smartphones has further increased the popularity of fingerprint recognition modules. This has promoted the steady development of the supply chain of camera modules and fingerprint recognition modules. Through relentless efforts, the Group has comprehensively demonstrated its excellence in the design, research and development, manufacture and after-sales of mid-to-high end camera modules and fingerprint recognition modules, and successfully acquired camera module supplier qualification from Huawei, as well as dual camera module supplier qualifications from vivo and many other well-known brands. Consequently, the customer and product mixes improved greatly, and the Group's business achieved a rapid growth during the Year.

### 業務回顧

於本年度，全球經濟和中國經濟均有所復甦。根據中國國家統計局於2018年1月18日發佈的資料，2017年中國國內生產總值（GDP）約人民幣827,122億元，比上年增長6.9%，增長率實現2011年以來的首次回升，而國務院總理李克強先生於2018年3月5日召開的十三屆全國人民代表大會第一次會議所作之政府工作報告中提出2018年度中國國內GDP增長預期目標為6.5%左右，中國經濟仍有望繼續保持穩健增長。但另一方面，部分國家的民族保護主義不斷興起，經濟全球化的趨勢出現變數，令得世界經濟的增長仍然充滿挑戰和風險。與此同時，根據某些專業調研機構的數據，智能手機換機週期有所延長，使得智能手機出貨數量的增長速度可能趨於緩慢，中國智能手機品牌雖然憑藉持續的產品創新和正確的市場營銷使得消費者對其產品設計美譽度和性價比有了更高的認可，但在某些國家也面臨著貿易保護等困難，因此，整體增長速度較上一年度有所放緩。雖然如此，我們認為攝像頭模組和指紋識別模組仍然是消費者最為關注的智能手機配件之一，對於圖像美觀的持續追求令得攝像頭模組的規格進一步提升，並從2D逐步向3D發展，而對於智能手機隱私的保障需求則令得指紋識別模組的普及率進一步提升，從而帶動攝像頭模組和指紋識別模組供應鏈穩健發展。本集團通過持續的努力，充分展示在中高端攝像頭模組和指紋識別模組產品的設計、研發、生產和售後方面的卓越能力，順利取得華為的攝像頭模組供應商資格，及取得vivo等多個著名品牌雙攝頭模組的供應商資格，令得客戶結構和產品結構均得以大幅改善，並帶動本集團於本年度實現了業務的快速增長。

# Management Discussion and Analysis

## 管理層討論與分析

Looking back to the Year, with the trust and support of our core customers and the relentless efforts of all of our employees, the revenue of the Group recorded a rapid growth, driven by a substantial increase in the sales volume of fingerprint recognition modules and significant optimization of the product mix of camera modules. The sales volume of camera modules reached approximately 172.45 million units, representing a decrease of approximately 2.8% as compared with that of 2016 (approximately 177.40 million units), which was mainly due to keen market competition and the Group's misjudgment in production capacity planning in the second half of 2017, as a result of which the Group encountered a bottleneck in terms of its production capacity and had to withdraw from some mid-to-low end projects; while the sales volume of fingerprint recognition modules reached approximately 80.73 million units, representing an increase of approximately 285.5% as compared with that of 2016 (approximately 20.94 million units), which was mainly due to the continuous improvement in the customer structure of the fingerprint recognition modules with increasing market share. The revenue of the Group amounted to approximately RMB7,938,958,000, representing an increase of approximately 59.1% as compared with that of 2016 (approximately RMB4,991,158,000), among which, the revenue of camera modules reached approximately RMB5,901,798,000, representing an increase of approximately 38.1% as compared with that of 2016 (approximately RMB4,274,867,000), while the revenue of fingerprint recognition modules reached approximately RMB2,037,160,000, representing an increase of 184.4% as compared with that of 2016 (approximately RMB716,291,000). The year-on-year growth in revenue of camera modules was faster than that of the sales volume, mainly due to the surge of average selling price of camera modules to approximately RMB34.22 (2016: approximately RMB24.09) as a result of the significant enhancement of the product mix of camera modules and the significant increase in the proportion of dual camera modules. The year-on-year growth in revenue of fingerprint recognition modules was slower than that of the sales volume, mainly due to a decline in the average selling price of fingerprint recognition modules to approximately RMB25.23 (2016: approximately RMB34.20) as a result of the change in the product mix of fingerprint recognition modules and a significant decrease in the selling price driven by material cost. The overall product average selling price was approximately RMB31.36, representing an increase of approximately RMB6.20 (approximately 24.6%) as compared with that of 2016 (2016: approximately RMB25.16).

回顧本年度，在核心客戶的支持與信任，以及全體員工的努力下，本集團指紋識別模組產品的銷售數量大幅增長，攝像頭模組產品的結構明顯優化，帶動營業收入實現快速增長，其中：攝像頭模組的銷售數量達到約17,245萬件，較二零一六年（約17,740萬件）下跌約2.8%，銷售數量同比下跌主要由於激烈的市場競爭以及本集團在二零一七年下半年的產能規劃出現失誤，致使產能出現瓶頸，只能選擇性退出了一些中低端項目的參與；而指紋識別模組的銷售數量達到約8,073萬件，較二零一六年（約2,094萬件）增長約285.5%，銷售數量同比大幅增長主要由於指紋識別模組的客戶結構持續改善，並搶佔了更多的市場份額。本集團錄得營業收入約人民幣7,938,958,000元，較二零一六年（約人民幣4,991,158,000元）增長約59.1%，其中攝像頭模組收入約人民幣5,901,798,000元，較二零一六年（約人民幣4,274,867,000元）增長約38.1%；指紋識別模組收入約人民幣2,037,160,000元，較二零一六年（約人民幣716,291,000元）增長約184.4%。攝像頭模組營業收入同比增幅大於銷售數量的同比增幅，乃由於攝像頭模組產品像素結構的明顯提升和雙攝像頭模組佔比明顯提升推動攝像頭模組產品的平均銷售單價提升至約人民幣34.22元（二零一六年：約人民幣24.09元）；指紋識別模組營業收入同比增幅小於銷售數量的同比增幅，乃由於指紋識別模組產品結構發生改變及材料成本帶動銷售單價較大幅度下跌，令得指紋識別模組產品的平均銷售單價下降至約人民幣25.23元（二零一六年：約人民幣34.20元）。而綜合產品平均銷售單價約為人民幣31.36元，較二零一六年上漲了約人民幣6.20元（約24.6%）（二零一六年：約人民幣25.16元）。

# Management Discussion and Analysis

## 管理層討論與分析

During the Year, the gross profit margin of the Group was approximately 11.1%, representing an increase of approximately 2.6 percentage points as compared with approximately 8.5% of 2016. The increase in gross profit margin was mainly attributable to a year-on-year increase in the gross profit margin of camera modules due to an increase in the added value of camera modules resulting from the significant enhancement of product mix of camera modules, significant increase in the proportion of dual camera modules and single camera modules with resolutions of 13 mega pixels and above as compared with that of the last year. At the same time, the gross profit margin of fingerprint recognition modules decreased due to the intensified market competition, despite the fact that a significant expansion of the sales scale of the fingerprint recognition modules helped reduce the marginal cost.

During the Year, the Group has proactively responded to the market demand for single and dual camera modules with higher pixels and developed the mid-to-high end camera modules with resolutions of 13 mega pixels and above. The total sales volume of camera modules with resolutions of 13 mega pixels and above significantly increased to approximately 83.05 million units (2016: approximately 41.48 million units), which accounted for approximately 48.2% of the Group's total sales volume of camera modules for the Year (2016: approximately 23.4%), and approximately 75.1% of the Group's total revenue of the camera modules for the Year (2016: approximately 39.8%), among which, the sales volume of the dual camera modules was approximately 20.78 million units, accounting for approximately 12.0% of the Group's total sales volume of camera modules for the Year (2016: approximately 0.9%). The rapid increase in the sales volume and higher proportion of mid-to-high end camera modules has demonstrated the increasing market recognition of the Group's mid-to-high end products, which reflected the Group's stronger competitiveness in the mid-to-high end camera module products and laid a solid foundation for further optimization of the product mix of camera modules of the Group in the future.

本年度，本集團的毛利率約為11.1%，較二零一六年的約8.5%上升了約2.6個百分點。毛利率上升的主要因為：攝像頭模組的產品結構明顯優化，雙攝像頭模組和一千三百萬像素及以上的單攝像頭模組的佔比較去年明顯提升，令得攝像頭模組產品附加值增加，導致攝像頭模組產品的毛利率同比提升。與此同時，雖然指紋識別模組銷售規模明顯擴大幫助降低了邊際成本，但激烈的市場競爭仍導致指紋識別模組的毛利率有所降低。

本年度，本集團積極順應市場對高像素單攝像頭模組產品和雙攝像頭模組產品的需求，努力加強發展一千三百萬像素及以上的中高端攝像頭模組。一千三百萬像素及以上攝像頭模組的合計銷售數量大幅上升至約8,305萬件（二零一六年：約4,148萬件），佔本集團本年度攝像頭模組總銷售數量的約48.2%（二零一六年：約23.4%），以及佔本集團本年度攝像頭模組總營業額的約75.1%（二零一六年：約39.8%），其中雙攝像頭模組的銷售數量為約2,078萬件，佔本集團本年度攝像頭模組總銷售數量的約12.0%（二零一六年：約0.9%）。上述中高端攝像頭模組銷售數量及比例的快速提升，反映出市場對本集團中高端產品的認可度明顯提升，體現出本集團在中高端攝像頭模組產品領域較強的競爭力，為未來進一步優化本集團的攝像頭模組產品結構奠定了堅實的基礎。



# Management Discussion and Analysis

## 管理層討論與分析

Meanwhile, the Group's sales volume of fingerprint recognition modules for the Year amounted to approximately 80.73 million units (2016: approximately 20.94 million units), which accounted for approximately 31.9% of the Group's total sales volume for the Year (2016: approximately 10.6%), and approximately 25.7% of the Group's total revenue for the Year (2016: approximately 14.4%), among which, the fingerprint recognition modules that adopted cover lens technique accounted for approximately 25.0% of the total sales volume of fingerprint recognition modules (2016: approximately 35.3%). The year-on-year decline in the proportion of the fingerprint recognition modules that adopted cover lens technique was mainly affected by the introduction of full screen design of smartphones. The rapid increase in the sales volume of fingerprint recognition modules was benefited from, on one hand, the rapid growth in demand from smartphone brands for fingerprint recognition modules, and, on the other hand, the higher market recognition of the Group's manufacturing ability of fingerprint recognition modules, which enhanced the market share of the Group's fingerprint recognition modules.

同時，本集團本年度指紋識別模組的銷售數量達到約8,073萬件（二零一六年：約2,094萬件），約佔本集團本年度總銷售數量的31.9%（二零一六年：約10.6%），以及約佔本集團本年度總營業額的25.7%（二零一六年：約14.4%），其中使用蓋板工藝生產的指紋識別模組佔指紋識別模組總銷售數量的約25.0%（二零一六年：約35.3%），使用蓋板工藝生產的指紋識別模組佔比同比下跌主要是受智能手機全面屏設計的影響。指紋識別模組銷售數量的迅速提升，一方面得益於智能手機品牌對指紋識別模組需求的迅速增長，另一方面亦得益於市場對本集團指紋識別模組製造能力的高度認可，令得本集團在指紋識別模組的市場份額得到了提升。

# Management Discussion and Analysis

## 管理層討論與分析

During the Year, the Group continued to strengthen its research and development on camera modules, in order to develop more advanced functionalities and products. On one hand, the Group vigorously promoted the development of miniaturized technology for camera modules in response to the demand for smaller camera modules due to the continuous growth in dual camera modules and gradual popularity of multi-camera modules in the future. Research in miniaturized technology for modules such as molding on chip, molding on board and holding on chip has resulted in substantial progress. Camera modules that adopted molding on chip and molding on board technology have achieved bulk deliveries for the Year, which enables the Group to become one of the few earliest companies in the stage of mass production and sales of camera modules with miniaturized module technology in Mainland China. On the other hand, the Group continued to strengthen the development of high-end modules with resolutions of 16 mega pixels and above, dual camera modules and 3D camera modules, especially the research and development in the production of dual camera modules and 3D structure light modules without AA process. As of the end of the Year, scaffold dual camera modules without AA process have already achieved bulk deliveries. At the same time, the Group also focused on the research and development of under-glass fingerprint products, and has mastered the various principles and manufacturing technology of optical under-glass fingerprint products, which laid a solid foundation for the development of under-glass fingerprint products in the future.

### AWARDS AND HONOURS

During the Year, the Group continued to adhere to our customer-oriented service strategies, always considered the provision of good personal experience for customers as our operation direction and devoted our best efforts to satisfy customers' needs in product R&D, sales delivery, after-sales service, product quality and technology innovation, and earned high recognition of the Group's products and services from the industry, local governments and our customers.

於本年度，本集團持續推進在攝像頭模組產品方面的研究開發，以開發更優良的功能及產品。一方面，本集團大力推進攝像頭模組小型化技術的發展，以適應雙攝像頭模組滲透率不斷提升甚至多攝像頭模組也可能在未來逐步得到採用的市場趨勢下進一步降低攝像頭模組尺寸的需求，芯片塑封(Molding on Chip)、板上塑封(Molding on Board)、芯片成型(Holding on Chip)等模組小型化技術都有了實質上的研究進展，其中使用芯片塑封、板上塑封技術的攝像頭模組已經在本年度批量出貨，使得本集團成為中國大陸少數最早使用模組小型化技術批量生產銷售攝像頭模組的公司；另一方面，本集團繼續加強對一千六百萬像素及以上高端模組、雙攝像頭模組和3D攝像頭模組的開發，尤其是使用免AA製程生產雙攝像頭模組和3D結構光模組方面的研發，截止本年度末，使用免AA製程生產的支架式雙攝像頭模組已經批量出貨。與此同時，本集團亦大力推進在屏下指紋產品方面的研究開發，並熟練掌握了光學式屏下指紋產品的各項原理和製造工藝，為將來發展屏下指紋產品業務奠定了堅實的基礎。

### 獎項與榮譽

本年度，本集團繼續秉承以客戶為中心的服務宗旨，一直以為客戶提供良好體驗作為業務運營的根本，在產品研發、銷售交付、售後服務、產品質量和技術創新等方面都盡最大努力滿足客戶需求，並獲得了行業、地方政府和客戶對本集團產品及服務的高度認可。

# Management Discussion and Analysis

## 管理層討論與分析

In April 2017, Kunshan QT China, a wholly-owned subsidiary of the Company, won the “High Quality Award” granted by vivo, one of the most well-known global handset brands, becoming the only camera module supplier that won this award;

In August 2017, Chengdu QT, a wholly-owned subsidiary of the Company, was successfully recognized as a HNTE and obtained the recognition certificate as a HNTE with a validity period of three years, becoming the second HNTE of the Group which obtained the recognition certificate following Kunshan QT China.

In October 2017, Kunshan QT China won the “Best Quality Award” granted by Xiaomi, one of the most well-known global handset brands, becoming the only camera module and fingerprint recognition module supplier that won the quality related award in 2017;

In October 2017, Mr. Wang Jianqiang, Executive Director and CEO of the Company, was granted “Honorary Citizen of Kunshan” by Kunshan Municipal Government, becoming the second senior manager of the Group who has been granted such an honour following Mr. He Ningning, the Chairman;

In November 2017, Kunshan QT China won the “Global Best Partner Award” granted by ZTE Corporation, one of the most well-known global handset companies, becoming the only camera module supplier that won this highest award in 2017;

In November 2017, Kunshan QT China was recognized as the “Corporate Technical Center” of Jiangsu Province by Jiangsu Economic and Information Technology Commission;

二零一七年四月，本公司全資附屬公司昆山丘鈦中國榮獲全球著名智能手機品牌vivo頒發的「品質獎」，成為唯一一家獲得此獎項的攝像頭模組供應商；

二零一七年八月，本公司全資附屬公司成都丘鈦順利通過高新技術企業認定工作，取得國家《高新技術企業證書》，有效期為三年，成為本集團繼昆山丘鈦中國後第二家榮獲高新技術企業資質的公司。

二零一七年十月，昆山丘鈦中國榮獲全球著名智能手機品牌小米頒發的二零一七年度「最佳品質獎」，成為唯一一家獲得與品質相關獎項的攝像頭模組和指紋識別模組供應商；

二零一七年十月，本公司執行董事、行政總裁王健強先生榮獲昆山市政府頒發「昆山市榮譽市民」稱號，成為繼董事長何寧寧先生後第二位獲此殊榮的集團高管；

二零一七年十一月，昆山丘鈦中國榮獲全球著名智能手機廠商中興通訊股份有限公司頒發二零一七年度「全球最佳合作夥伴獎」，成為攝像頭模組供應商中唯一獲此最高殊榮的供應商；

二零一七年十一月，昆山丘鈦中國被江蘇省經濟和信息化委員會認定為江蘇省「企業技術中心」；

# Management Discussion and Analysis

## 管理層討論與分析

In November 2017, Kunshan QT China won the “Best Collaboration Partner” granted by Huawei, one of the most well-known global handset brands, becoming the only fingerprint recognition module supplier that won this prestige award in 2017;

In December 2017, the “Q TECH fingerprint recognition modules” manufactured by Kunshan QT China was recognized as the 2017 “Jiangsu Famous-brand Product” by Jiangsu Strategic Top Brand Promotion Committee;

In January 2018, “2017 China Financial Market Award” hosted by China Financial Market, a well-known financial magazine, granted Mr. Fan Fuqiang, CFO of the Company, the “Best CFO of the Year” honorary title. The appraisal organizations of the activity included The Listed Companies Council of Hong Kong Chinese Enterprises Association, The Chinese Asset Management Association of Hong Kong, The Hong Kong Institute of Financial Analysts and Professional Commentators Limited, China Mergers & Acquisitions Association Hong Kong Branch, Chinese Securities Association of Hong Kong, The Hong Kong Institute of Chartered Secretaries and Chinese Financial Association of Hong Kong and other authority organizations.

The aforementioned awards and honours have reflected the high recognition by local governments, our core customers and all sectors of society, which has further enhanced our confidence in further implementing the long-term strategy to develop intelligent visual system products, further consolidated our confidence in driving the product mix optimization strategies and providing customers with good personal experience, and also further strengthened our confidence in maintaining a sound operation.

二零一七年十一月，昆山丘鈦中國榮獲全球著名智能手機品牌華為頒發二零一七年度「最佳協同獎」，成為指紋識別模組供應商中唯一獲此殊榮的廠商；

二零一七年十二月，昆山丘鈦中國生產的Q TECH牌指紋識別模組被江蘇省名牌戰略推進委員會認定為2017年江蘇名牌產品；

二零一八年一月，由知名財經雜誌《中國融資》主辦的「2017年中國融資大獎」授予本公司財務總監范富強先生「年度最佳CFO」榮譽稱號，該活動評審機構包括香港中國企業協會上市公司委員會、香港中資基金業協會、香港股票分析師協會、中國併購公會香港分會、香港中資證券業協會、香港特許秘書公會以及香港中國金融協會等權威組織。

上述獎項及榮譽的獲得，反映了地方政府、本集團核心客戶和社會各界對本集團的充分認可，進一步加強了本集團繼續發展智能視覺系統產品長期戰略的信心，進一步堅定了本集團全力推動產品結構優化策略和堅持以客戶良好體驗為追求的信心，並進一步增強了本集團保持良好運營的信心。

# Management Discussion and Analysis

## 管理層討論與分析

### PROSPECTS

Although the Group recorded a significant growth in the operating results for the Year as compared with that of 2016, coupled with the significant optimization of the product mix of camera modules, which led to the significant increase in our comprehensive gross profit margin as compared with that of 2016, the Directors are well aware that 2018 will still be full of challenges. On one hand, coupled with the rising of the protectionism in some countries, some economic powers may enter into the interest rate hike cycle. The market liquidity will be tightened with the shrinking balance sheet by some countries or economies affecting the overall trend of economic globalization. Therefore, the growth of the global economy will still be confronted with challenges and risks, and the prospect of the intelligent mobile communication terminal industry also remains highly uncertain under the macro-economic environment. Meanwhile, according to professional research institutions, the extended replacement cycle of smartphones will lead to the slower growth of the shipment volume of smartphones, resulting in lower or even zero growth rate of the industry. On the other hand, although the customer mix of the Group has been significantly enhanced with establishment of supply cooperation relationship with famous brands in the world such as Huawei, Xiaomi, vivo, OPPO, ZTE and Lenovo, major customers of the Group remain to be smartphone manufacturers in Mainland China with relatively high regional concentration. The probable trade protection under protectionism may pose new barriers for their entry into overseas markets, and affect their overseas expansion. Meanwhile, overseas smartphone brands are also actively scrambling for market share with launch of new products, which may compete with smartphone manufacturers in China. Therefore, our existing customers may not be able to record the same growth rate as in the past, thereby affecting our sales. Moreover, the exchange rates of RMB against USD experienced significant appreciation for the Year, but may fluctuate in the future due to various factors such as politics, economy and supply and demand. As it is difficult in the short run to adjust the Group's business model, under which sales revenue will be settled in RMB but overseas purchases of several core components will be settled in USD, the exchange risks may still have impacts on the operation of the Group in 2018. However, the Directors remain unwavering in continuously promoting the development of intelligent visual system products, and cautiously optimistic about the development of the camera modules and fingerprint recognition modules in the coming year, and believe that:

### 前景展望

儘管本集團本年度的經營業績較二零一六年明顯增長，尤其是攝像頭模組的產品結構得到明顯優化，推動本集團的綜合毛利率較二零一六年明顯上升，但董事充分意識到，二零一八年仍將充滿挑戰。一方面，部分國家的民族保護主義不斷興起，部分經濟大國可能進入加息週期，市場流動性亦可能隨著部分國家或經濟體收縮資產負債表而出現收緊，經濟全球化的趨勢出現變數，令得世界經濟的增長仍然充滿挑戰和風險，而智能移動通信終端行業的發展前景在宏觀經濟環境的影響下同樣具有很大不確定性，同時，根據專業調研機構的資料，智能手機換機週期有所延長，使得智能手機出貨數量的增長速度可能趨於緩慢，行業增長率可能較低甚至沒有增長。另一方面，雖然本集團的客戶結構有了明顯改善，已經和包括華為、小米、vivo、OPPO、中興、聯想等全球著名品牌建立供應合作關係，但主要客戶均為中國大陸智能手機品牌廠商，區域集中度較高，在民族保護主義下可能的貿易保護有可能給這些品牌進入海外市場造成新的障礙，從而影響他們的海外拓展進程，同時海外手機品牌亦在積極通過新產品爭搶市場份額，亦可能對中國智能手機品牌廠商形成衝擊，因此，我們的現有客戶可能無法繼續錄得過去的增長速度，從而影響本集團的產品銷售。此外，本年度人民幣兌美元匯率出現了明顯升值，但在未來可能受政治、經濟和供需等多方面因素的影響出現波動，而本集團銷售收入以人民幣結算為主及多個核心元器件由境外採購併以美元結算的業務模式短時間內難於扭轉，因此，匯兌風險仍可能對本集團二零一八年度的運營形成衝擊。然而，董事對持續推動發展智能視覺系統化產品的戰略堅定不移，亦對新年度攝像頭模組和指紋識別模組業務的發展持審慎樂觀態度，認為：

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- (i) Camera modules will remain one of the end-consumers' most concerned smartphone components, as consumers prefer to take photos with portable and convenient smartphones instead of cameras, and they hope to have more video functions in their smartphones, which will lead to continuous improvement in product specifications of camera modules. The proportion of products with resolutions of 8 mega pixels and below remains as high as approximately 51.8% during the Year. The Group currently has obtained the qualification for supplying high pixel single camera module products to all customers, which will help the Group to further uplift the shipment proportion of single camera modules with resolutions of 10 mega pixels and above.
- (ii) With the increasingly improved dual camera module solutions, consumers' recognition of the photographing functions of dual camera modules has been continuously enhanced. Smartphone brands may likely adopt dual camera modules, which were previously equipped in high-end flagship phones only, into other mid-end phones. This may lead to a remarkable improvement in market penetration of dual camera modules in the future. The Group has obtained the qualification for supplying dual camera module products to major customers except Huawei, and becomes the main supplier of dual camera modules of several high-end flagship phones for core customers in 2017, which can help the Group further increase the shipment proportion of dual camera modules and further optimize the product specification of camera modules in 2018.
- (i) 攝像頭模組仍然是終端消費者最關注的智能手機配置之一，消費者使用手機拍照的頻率遠較使用相機拍照的頻率為高，消費者希望能在攜帶和使用便利的智能手機上實現更多的攝像功能，令得攝像頭模組的產品規格仍將持續得以提升，本年度本集團在八百萬像素及以下產品的比例仍然高達約51.8%，而本集團目前已經取得所有客戶在高像素單攝像頭模組產品方面的供應商資格，有利於幫助集團進一步提升一千萬像素及以上單攝像頭模組的出貨比例。
- (ii) 雙攝像頭模組的解決方案已經日趨完善，消費者對於雙攝像頭模組所實現的拍照效果的認同度不斷提升，使得智能手機品牌可能將雙攝像頭模組從高端旗艦機型向下延伸配置到中端機型，推動雙攝像頭模組的滲透率在未來得以明顯提升，而本集團已經取得除華為外其他主要客戶的雙攝像頭模組供應商資格，並在二零一七年度成為核心客戶多款高端旗艦機型雙攝像頭模組的主要供應商，有利於幫助本集團在二零一八年度進一步提升雙攝像頭模組的出貨比例，幫助進一步優化攝像頭模組產品規格。

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(iii) Camera modules are one of the most important human-machinery interactive interfaces during the Internet of Things era. A famous worldwide brand has launched smartphones with 3D structure light modules with functions such as face recognition in 2017. Smartphone brands in Mainland China will probably follow with their launch of smartphone with 3D modules. The Group has made long-term preparations in 3D module field. If smartphone brands in Mainland China launch smartphones with 3D modules as scheduled, the Group may be benefited in gaining new momentum for the growth of camera modules. In addition, the on-going demand for camera modules by products such as AR, VR, MR and motor vehicles may give a new growth potential for the volume and value expansion of camera modules.

(iv) Nowadays consumers are accustomed to mobile payment via smartphones, and many of them regard smartphones as important official and personal data storage tools. Therefore, consumers have continuously increased their demand on the security of smartphones. On one hand, 3D modules may satisfy the demand through face recognition. But due to the higher cost and incomplete supply chain of 3D modules, traditional capacitive fingerprint recognition modules with increasingly mature technology and lower cost will probably remain an important choice as the standard configuration of smartphones. Therefore, the market penetration of capacitive fingerprint recognition modules may continue to grow. The Group has established supply cooperative relationship in terms of capacitive fingerprint recognition modules with most of the Chinese renowned smartphone brands, which can help the Group increase its market share of the capacitive fingerprint recognition modules in 2018. Meanwhile, the Group has made long-term preparations for developing the optical under-glass fingerprint recognition modules, so it will be ready to be benefited and gain from the potential for growth in the fingerprint recognition modules if the potential customers launch smartphones with optical under-glass fingerprint recognition modules as scheduled.

(iii) 攝像頭模組是物聯網時代重要的人機信息交互界面之一，某全球著名品牌已經在二零一七年度率先推出搭載3D結構光模組的智能手機，提供人臉識別等應用功能，中國大陸智能手機品牌可能會跟隨推出搭載3D模組的智能手機，本集團已經在3D模組領域進行了長時間的準備，如果中國大陸智能手機品牌按計劃推出搭載3D模組的機型，本集團可能受益，令得本集團攝像頭模組業務得到新的增長空間。此外，AR、VR、MR和汽車等產品對於攝像頭模組的需求亦在持續提升，亦可能給攝像頭模組的數量規模和價值規模提供新的增長空間。

(iv) 使用智能手機實現移動支付日益成為消費者的重要習慣，而同時，諸多消費者也將智能手機視作重要的辦公工具和個人資料存儲工具，因此，消費者對智能手機的安全性需求不斷上升。一方面，3D模組通過人臉識別可以解決該項需求，但由於3D模組成本可能更高，且供應鏈需要時間更趨完善，而傳統的電容式指紋識別模組技術成熟、成本低廉，可能仍然會是智能手機標準配備的重要選擇，因此，電容式指紋識別模組業務的行業滲透率有可能保持增長，而本集團已經與絕大部分中國知名智能手機品牌廠商建立了在電容式指紋識別模組方面的供應合作關係，有利於幫助本集團在二零一八年度爭取提升電容式指紋識別模組業務的市場份額。與此同時，本集團在光學式屏下指紋識別模組方面進行了長時間的準備，如果潛在客戶按計劃推出搭載光學式屏下指紋識別模組的機型，本集團可能受益，令得本集團指紋識別模組業務得到新的增長空間。

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## 管理層討論與分析

Hence, the Directors believe that opportunities coexist with challenges. The Group will adhere to the mission of “providing intelligent vision systematic products for intelligent mobile terminals” and strengthen its capacity development in three aspects, namely optical design, computing vision and system integration, continue to enhance the R&D of new products and new processes and improve its precision manufacturing capability, and proactively carry out marketing activities to enhance its customer relationship, aggressively expand overseas renowned smartphone branded customers and continuously enhance the core competitiveness of the Group. We will focus on developing high-end camera modules with resolutions of 16 mega pixels and above, dual camera modules, 3D structure light modules and under-glass fingerprint recognition modules, provide assistance to Newmax Technology, our associate, in the development of camera module lens and 3D structure light module VCSEL Lens, with an effort to strengthen the technical cooperation and resource integration in image algorithm of dual/multiple camera modules and strengthen the technical cooperation and resource integration between camera modules and key components such as lens, at the same time striving to achieve a breakthrough in the application of camera modules in non-mobile-phone sector. The Group endeavours to achieve the following objectives: (i) Shipment of camera modules in 2018 will increase by approximately 10% to 20% over the previous year; (ii) Shipment of fingerprint recognition modules in 2018 will increase by approximately 20% to 30% over the previous year; (iii) While constantly reviewing customers rolling demand and the Group’s business plan, production capacity of camera modules will be gradually expanded to not more than 45 million per month by the end of 2018, including production capacity of dual camera modules of approximately 10 million per month. The Directors are confident in leading the Group to embrace the challenges, and make further efforts to achieve good development and strive to create greater value for the shareholders of the Company.

因此，董事相信，機遇與挑戰並存，而本集團將堅持秉承「為智能移動終端提供智能視覺系統化產品」的戰略積極加強光學設計、計算成像和系統集成三個方面的能力建設，繼續加強新產品、新工藝的研發，繼續提高精密製造能力，積極開展客戶關係營銷，積極拓展海外知名智能手機品牌客戶，不斷提升本集團的核心競爭力，並將重點推進一千六百萬像素及以上高端攝像頭模組、雙攝像頭模組、3D結構光模組、屏下指紋識別模組等高端產品的發展，協助推動聯營公司新鉅科技在智能手機攝像頭模組Lens、3D結構光模組VCSEL Lens的發展，努力加強在雙／多攝像頭模組圖像算法方面的技術合作和資源整合，努力加強攝像頭模組與Lens等關鍵器件方面的技術合作和資源整合，同時努力實現攝像頭模組在非手機領域的應用突破。並努力達至以下目標：(i) 2018年度攝像頭模組出貨量同比增長約10%至20%；(ii) 2018年度指紋識別模組出貨數量同比增長約20%至30%；(iii) 持續檢視客戶需求及本集團業務發展情況，並於2018年年底前逐步將攝像頭模組產能擴充至不超過每月4,500萬顆，當中包括約每月1,000萬顆的雙攝像頭模組產能。董事有信心帶領本集團直面挑戰並繼續努力實現良好的發展，力爭為本公司股東創造更好的價值。



# Management Discussion and Analysis

## 管理層討論與分析

### FINANCIAL REVIEW

#### Revenue

For the Year, the revenue of the Group was approximately RMB7,938,958,000, representing an increase of approximately 59.1% as compared with approximately RMB4,991,158,000 of 2016. The increase in revenue was mainly attributable to: (i) the sales volume of fingerprint recognition modules amounted to approximately 80.73 million units, representing an increase of approximately 285.5% as compared with approximately 20.94 million units of 2016; and (ii) the surge of average selling price of camera modules amounted to approximately RMB34.22 as a result of the obvious improvement in the product mix of camera modules, representing an increase of approximately 42.0% as compared with approximately RMB24.09 of 2016.

#### Cost of sales

For the Year, the cost of sales of the Group was approximately RMB7,056,225,000, representing an increase of approximately 54.4% as compared with approximately RMB4,568,721,000 of 2016. The increase in the cost of sales was primarily attributed to the increase in sales volume of fingerprint recognition modules as well as the increase in sales size of both camera modules and fingerprint recognition modules and resulted in that: (i) total investments in raw materials increased by approximately 50.9% to approximately RMB6,264,797,000 as compared with the 2016; (ii) labour cost increased by approximately 84.8% to approximately RMB371,086,000 as compared with 2016 due to an increase in the total number of employees, staff under labour service agreements and interns of the Group; (iii) depreciation cost from production base and equipment being invested for expanding the production capacity increased by approximately 109.1% to approximately RMB107,444,000 as compared with 2016; and (iv) sub-contracting charges increased by approximately 89.5% to approximately RMB140,923,000 as compared with 2016.

### 財務回顧

#### 營業額

本年度，本集團的營業額約為人民幣7,938,958,000元，較二零一六年的約人民幣4,991,158,000元同比增長約59.1%。營業額增長的主要原因為：(i)指紋識別模組的銷售數量達到約8,073萬件，較二零一六年的約2,094萬件增長了約285.5%；及(ii)攝像頭模組的產品結構優化明顯，推動攝像頭模組的平均銷售單價達到約人民幣34.22元，較二零一六年的約人民幣24.09元增長了約42.0%。

#### 銷售成本

本年度，本集團的銷售成本約為人民幣7,056,225,000元，較二零一六年的約人民幣4,568,721,000元同比增長約54.4%。銷售成本的增加主要歸因於指紋識別模組銷售數量的增長、攝像頭模組和指紋識別模組銷售金額的同時增長，並使得：(i)原材料的投入總額較二零一六年增長約50.9%至約人民幣6,264,797,000元；(ii)本集團的僱員、勞務派遣工人及實習生總人數增加令得人工成本較二零一六年增長約84.8%至約人民幣371,086,000元；(iii)擴大產能投入的生產場所及設備產生的折舊費用較二零一六年增加約109.1%至約人民幣107,444,000元；及(iv)委託加工費用較二零一六年增加約89.5%至約人民幣140,923,000元。

# Management Discussion and Analysis

## 管理層討論與分析

### Gross profit and gross profit margin

For the Year, the gross profit of the Group was approximately RMB882,733,000 (2016: approximately RMB422,437,000), representing an increase of approximately 109.0% as compared with 2016, while the gross profit margin was approximately 11.1% (2016: approximately 8.5%). The increase in gross profit margin was mainly attributable to the significant increase in the proportion of dual camera modules and single camera modules with resolutions of 13 mega pixels and above as compared with 2016 as a result of the significant enhancement of product mix of camera modules, which pushed up the added value of camera module products and resulted in the year-on-year increase in the gross profit margin of camera module products. Meanwhile, although the obvious expansion of sales of fingerprint recognition modules reduced the marginal cost, the gross profit margin of fingerprint recognition modules decreased due to the intense market competition.

### Other revenue

For the Year, other revenue of the Group was approximately RMB35,099,000, representing an increase of approximately 90.7% as compared with approximately RMB18,407,000 of 2016. The increase in other revenue was primarily due to: (i) interest income from the bank deposits of the Group was approximately RMB18,377,000, representing an increase of approximately 331.8% as compared with approximately RMB4,256,000 of 2016; and (ii) the recognised government grants of the Group was approximately RMB16,659,000, representing an increase of approximately 22.3% as compared with approximately RMB13,620,000 of 2016.

### 毛利及毛利率

本年度，本集團的毛利約為人民幣882,733,000元（二零一六年：約人民幣422,437,000元），較二零一六年增長約109.0%；而毛利率約為11.1%（二零一六年：約8.5%）。毛利率提升的主要因為：攝像頭模組的產品結構明顯優化，雙攝像頭模組和一千三百萬像素及以上的單攝像頭模組的佔比較二零一六年明顯提升，令得攝像頭模組產品附加值增加，導致攝像頭模組產品的毛利率同比提升。與此同時，雖然指紋識別模組銷售規模明顯擴大幫助降低了邊際成本，但激烈的市場競爭仍導致指紋識別模組的毛利率有所降低。

### 其他收益

本年度，本集團的其他收益約為人民幣35,099,000元，較二零一六年的約人民幣18,407,000元增長約90.7%。其他收益的增長主要由於：(i)本集團來自銀行存款的利息收入約為人民幣18,377,000元，較二零一六年的約為人民幣4,256,000元增長約331.8%；及(ii)本集團確認之政府補助約為人民幣16,659,000元，較二零一六年的約為人民幣13,620,000元增長約22.3%。

# Management Discussion and Analysis

## 管理層討論與分析

### Other net loss

For the Year, the Group had other net loss of approximately RMB23,931,000, representing a decrease of approximately 47.0% as compared with other net loss of approximately RMB45,172,000 in 2016. Such other net loss was primarily attributable to: (i) net exchange gain recorded of approximately RMB41,918,000 due to the appreciation in exchange rates of RMB against US dollar during the Year; (ii) the net realised and unrealised loss on foreign currency option contracts entrusted in 2016 and early 2017 amounted to approximately RMB47,911,000; and (iii) the estimated fair value loss of foreign currency forward contracts was approximately RMB17,555,000.

### Selling and distribution expenses

For the Year, the selling and distribution expenses of the Group amounted to approximately RMB16,045,000, representing an increase of approximately RMB6,383,000 or approximately 66.1% as compared with approximately RMB9,662,000 of 2016. The ratio of selling and distribution expenses in turnover was approximately 0.2%, which was at similar level of approximately 0.2% for 2016. The increase in selling and distribution expenses was mainly attributed to the increase of sales staff's total salaries as a result of the expansion in the sales scale and increase in number of staff, and increase in entertainment expenses in relation to the sales activities during the Year.

### 其他虧損淨額

本年度，本集團錄得其他虧損淨額約人民幣23,931,000元，較二零一六年其他虧損淨額約人民幣45,172,000元減少約47.0%，該等其他虧損淨額主要由於：(i)雖然本年度人民幣兌美元匯率升值導致淨匯兌收益達到約人民幣41,918,000元；但(ii)於二零一六年和二零一七年初委託的外匯期權合約已實現及未實現之淨虧損達到約人民幣47,911,000元；及(iii)外匯遠期合約的公允價值評估為虧損約人民幣17,555,000元。

### 銷售及分銷費用

本年度，本集團的銷售及分銷費用約為人民幣16,045,000元，較二零一六年的約人民幣9,662,000元增加約人民幣6,383,000元或約66.1%，銷售及分銷費佔營業額的比例為約0.2%，與二零一六年的約0.2%相約。銷售及分銷費用的增加，主要由於本年度銷售規模擴大，銷售人員有所增加令得銷售人員的工資總額有所增長以及銷售活動所產生的交際應酬費用增加。

# Management Discussion and Analysis

## 管理層討論與分析

### Administrative and other operating expenses

For the Year, total administrative and other operating expenses of the Group increased from approximately RMB41,311,000 of 2016 to approximately RMB64,955,000, representing an increase of approximately RMB23,644,000 or approximately 57.2%. The increase in administrative and other operating expenses was mainly attributable to: (i) due to business expansion during the Year, staff costs and other administrative expenses increased accordingly, and the staff recruitment expenses increased significantly from approximately RMB1,444,000 in 2016 to approximately RMB24,441,000 for the Year, representing an increase of approximately 1,592.6% in particularly for resolving the abnormal capacity as a result of the difficulties in recruitment; and (ii) the reversal of provision of allowance for doubtful debts on trade receivables for the Year of approximately RMB9,555,000 as compared with approximately RMB9,400,000 provision of allowance for doubtful debts on trade receivables of 2016.

### R&D expenses

For the Year, total R&D expenses of the Group amounted to approximately RMB269,556,000, representing an increase of approximately 116.4% as compared with approximately RMB124,564,000 of 2016. The increase in R&D expenses for the Year was mainly attributable to the Group's continuous investments in the R&D of new products, new functionality and new production techniques, so as to allow the Group to develop camera module products with higher pixels, dual camera modules products with different functions and applications, camera module products with smaller size, 3D optical module products, camera module products applied in automotive and smart home areas, more miniature fingerprint recognition module products with higher definition, fingerprint recognition module products under optical screen, as well as to optimise and enhance the standards of production automation.

### 行政及其他經營費用

本年度，本集團的行政及其他經營費用總額為約人民幣64,955,000元，較二零一六年的約人民幣41,311,000元增加約人民幣23,644,000元或約57.2%。行政及其他經營費用增加主要是由於：(i)由於本年度業務擴張，員工成本及其他行政開支相應增加，尤其是為了解決招工困難問題導致的產能異常，員工招聘費用由二零一六年度約人民幣1,444,000元大幅增加至約人民幣24,441,000元，增幅達約1,592.6%；及(ii)本年度撥回貿易應收款項呆帳撥備約人民幣9,555,000元，而二零一六年計提貿易應收款項呆帳撥備約人民幣9,400,000元。

### 研發費用

本年度，本集團的研發費用總額約為人民幣269,556,000元，較二零一六年的約人民幣124,564,000元增加約116.4%。本年度研發費用的增加主要是由於本集團持續對新產品、新功能和新生產工藝的研發投入，從而使本集團能夠開發更高像素的攝像頭模組產品、具不同應用功能的雙攝像頭模組產品、尺寸更小型化的攝像頭模組產品、3D結構光模組產品、應用於汽車與智能家居領域的攝像頭模組產品、更小型化及解析度更高的指紋識別模組產品及光學式屏下指紋識別模組產品等，以及優化提升生產自動化水平。

# Management Discussion and Analysis

## 管理層討論與分析

### Finance costs

For the Year, the finance costs of the Group was approximately RMB16,912,000, increased by approximately 204.8% from approximately RMB5,548,000 of 2016, which was primarily due to the combined effect of the year-on-year increase in the Group's daily average balance of bank borrowings as compared with 2016 and the increase in interest rate of USD borrowings.

### Income tax expenses

For the Year, the income tax expenses of the Group increased by approximately 207.3% from approximately RMB23,832,000 for 2016 to approximately RMB73,238,000, which was mainly attributable to increase in revenue and gross profit margin that resulted in significant increase in net profit amount during the Year. The income tax rate for the Year was approximately 14.4%, representing an increase of approximately 3.3 percentage points as compared with approximately 11.1% of 2016. The increase in income tax rate was mainly due to the following factors: (i) the tax effect of additional deduction of research and development expenses of Kunshan QT China for the Year amounted to approximately RMB20,035,000 (2016: approximately RMB9,207,000), accounting for approximately 3.9% (2016: approximately 4.3%) of the profit before tax. The decrease in the deduction rate reduced the contribution of income tax deduction; (ii) for the Year, a withholding tax of Kunshan QT China of approximately RMB4,495,000 was incurred due to dividend proposed, while there was no withholding tax in 2016; (iii) for the Year, profits tax of Kunshan Q Technology (Hong Kong) Limited ("Kunshan QT Hong Kong"), a wholly-owned subsidiary of the Company, amounted to approximately RMB1,512,000, while profits tax refund of approximately RMB2,142,000 was recorded in 2016; and (iv) for the Year, the proportion of the profit before tax of Kunshan QT China in the profit before tax of the Group increased to approximately 99% from approximately 95% of 2016.

### 融資成本

本年度，本集團的融資成本約為人民幣16,912,000元，較二零一六年的約人民幣5,548,000元增加約204.8%。融資成本的增加主要受本集團銀行借款之日均餘額同比增長及美元借款利率有所上升的綜合影響。

### 所得稅開支

本年度，本集團的所得稅費用約為人民幣73,238,000元，較二零一六年的約人民幣23,832,000元增加約207.3%，主要是由於本年度營業收入增長和毛利率提升導致淨利潤金額大幅增長。本年度的所得稅率約為14.4%，較二零一六年的約11.1%提升約3.3個百分點。所得稅率提升的原因主要為：(i) 昆山丘鈦中國於本年度研發費用加計扣除的稅務影響金額約為人民幣20,035,000元（二零一六年：約人民幣9,207,000元），約佔稅前利潤的3.9%（二零一六年：約4.3%）。扣除比率下降減少了所得稅扣除的貢獻；(ii) 本年度，昆山丘鈦中國因擬派發股息而產生金額約為人民幣4,495,000元的預扣稅，而二零一六年度並無預扣；(iii) 本年度，本公司之全資附屬公司Kunshan Q Technology (Hong Kong) Limited（「昆山丘鈦香港」）發生利得稅約為人民幣1,512,000元，而二零一六年度收到利得稅退稅約人民幣2,142,000元；及(iv) 本年度，昆山丘鈦中國之稅前利潤佔本集團稅前利潤之比例由二零一六年的約95%提升至約99%。

# Management Discussion and Analysis

## 管理層討論與分析

Kunshan QT China, a wholly-owned subsidiary of the Company, was successfully recognized as a HNTE on 6 July 2015, and obtained the recognition certificate as a HNTE. Kunshan QT China will continue to enjoy preferential policies of income tax rate of 15% and bonus deduction allowance of R&D expenses with a validity period up to 31 December 2017. Kunshan QT China was actively pushing on the review issue. Chengdu QT, a wholly-owned subsidiary of the Company, was qualified for the recognition of software enterprises. According to relevant policies, software enterprises are subject to the preferential policy of “refund immediately after payment” for the excess of actual tax on value-added tax over 3% after the payment of the value-added tax at the tax rate of 17% for the sales of self-developed and produced software products. At the same time, Chengdu QT is entitled to preferential policies in the “2-year exemption and 3-year half payment” of income tax from 1 January 2015, with a validity period up to 31 December 2019. Chengdu QT was successfully recognized as a HNTE on 29 August 2017, and obtained the recognition certificate as a HNTE. Therefore, Chengdu QT can enjoy preferential policies of income tax rate of 15% and bonus deduction allowance of R&D expenses with a validity period up to 31 December 2019.

### Profit for the Year

Based on the foregoing, the profit of the Group for the Year amounted to approximately RMB436,277,000 (2016: approximately RMB190,755,000), representing an increase of approximately 128.7% as compared with 2016.

## LIQUIDITY AND FINANCIAL RESOURCES

### Bank borrowings

As at 31 December 2017, the Group's bank borrowings amounted to approximately RMB1,078,119,000, representing an increase of approximately 221.4% from approximately RMB335,432,000 as at 31 December 2016. The maturities of all of those bank borrowings are less than 1 year.

本公司一家全資附屬公司，昆山丘鈦中國於二零一五年七月六日通過國家高新技術企業認定，並取得高新技術企業認定證書，可繼續享受15%的所得稅稅率和研發費用加計扣除稅收優惠政策，有效期至二零一七年十二月三十一日止，昆山丘鈦中國正在積極推進複審事宜。本公司一家全資附屬公司，成都丘鈦符合軟件企業資質認定，根據相關政策，軟件企業銷售其自行開發生產的軟件產品，享受按17%稅率徵收增值稅後，對其增值稅實際稅負超過3%的部分實行即徵即退的優惠政策。同時，成都丘鈦享受企業所得稅「兩免三減半」的優惠政策，有效期自二零一五年一月一日至二零一九十二月三十一日止。於二零一七年八月二十九日，成都丘鈦亦通過國家高新技術企業認定，並取得高新技術企業認定證書，可享受15%的所得稅稅率和研發費用加計扣除稅收優惠政策，有效期至二零一九年十二月三十一日。

### 本年度溢利

根據上文所述，本年度，本集團的溢利約為人民幣436,277,000元（二零一六年：約人民幣190,755,000元），較二零一六年增長約128.7%。

### 流動資金及財務資源

#### 銀行借款

於二零一七年十二月三十一日，本集團的銀行借款為約人民幣1,078,119,000元，較二零一六年十二月三十一日的約人民幣335,432,000元增長約221.4%。所有銀行借款期限均不超過一年。

# Management Discussion and Analysis

## 管理層討論與分析

As at 31 December 2017, the Group's bank borrowings were denominated in RMB and/or USD. The overview of the Group's cash flow for the Year and 2016 was set out as follows:

於二零一七年十二月三十一日，本集團之銀行借款以人民幣及／或美元計值。本集團於本年度及二零一六年的現金流概況如下：

### For the year ended 31 December 截至十二月三十一日止年度

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Net cash generated from/(used in) operating activities	經營活動產生／(所用)的現金淨額	2,221,513	(38,614)
Net cash used in investing activities	投資活動所用的現金淨額	(2,118,977)	(429,711)
Net cash generated from financing activities	融資活動產生的現金淨額	311,626	245,529

As of 31 December 2017, the cash and cash equivalents of the Group amounted to approximately RMB464,982,000, representing an increase of approximately RMB400,077,000 from approximately RMB64,905,000 as at 31 December 2016. The increase in cash and cash equivalents was mainly due to the net cash inflow in operating activities and the funds raised by placing of new shares under general mandate (which has been completed on 29 December 2017).

本集團截至二零一七年十二月三十一日的現金及現金等價物約為人民幣464,982,000元，較二零一六年十二月三十一日約人民幣64,905,000元增加約人民幣400,077,000元，現金及現金等價物的增加主要是由於經營活動的現金淨流入及於二零一七年十二月二十九日完成根據一般授權配售新股份募集的資金。

### Operating activities

For the Year, the Group's net cash inflow of operating activities amounted to approximately RMB2,221,513,000, while there was a net cash outflow of operating activities of approximately RMB38,614,000 in 2016. The Group's cash flow recorded a net inflow from its operating activities, which was primarily attributed to: (i) the decrease by approximately 20 days to approximately 104 days in turnover days of receivables during the Year from approximately 124 days in 2016, while the turnover days of payables increased by approximately 12 days to approximately 130 days during the Year from approximately 118 days in 2016; and (ii) the increase in gross profit margin of the Group during the Year.

### 經營活動

本年度，本集團的經營活動現金流量淨流入額約為人民幣2,221,513,000元，而二零一六年的經營活動現金流量為淨流出額約人民幣38,614,000元。本集團的經營活動現金流量為淨流入，主要由於：(i)本集團於本年度的應收賬款周轉天數為約104天，較二零一六年的約124天縮短約20天，而應付賬款周轉天數則從二零一六年的約118天增加約12天至本年度的約130天；及(ii)本集團於本年度的毛利率有所提升。

# Management Discussion and Analysis

## 管理層討論與分析

### Investing activities

The net cash outflow used in the investing activities of the Group in the Year amounted to approximately RMB2,118,977,000, which was mainly due to (i) the expenses for plant expansion and purchasing equipment in the amount of approximately RMB942,196,000; (ii) the net cash outflow of purchase and redemption of other financial assets of approximately RMB865,744,000; and (iii) investments in Newmax Technology in the amount of approximately RMB275,236,000.

### Financing activities

The net cash inflow generated from the financing activities of the Group during the Year amounted to approximately RMB311,626,000, which was mainly due to: (i) the inflow of bank borrowings of approximately RMB877,046,000 and the cash outflows for repaying bank borrowings of approximately RMB658,554,000; (ii) the net proceeds from placing of 20 million new ordinary shares under general mandate (which has been completed on 29 December 2017) of approximately RMB179,065,000; and (iii) the payment of dividend of approximately RMB37,145,000.

### Gearing ratio

As at 31 December 2017, the gearing ratio, which is defined as the balance of bank borrowings and related parties' loans divided by total equity at the end of the Year, was approximately 50.2%, representing an increase of approximately 28.8 percentage points as compared with approximately 21.4% as at 31 December 2016, which was mainly due to: (i) significant increase in bank borrowings balance, which increased by approximately 221.4% from approximately RMB335,432,000 as at 31 December 2016 to approximately RMB1,078,119,000 as at 31 December 2017; (ii) payment of dividend during the Year amounting to approximately RMB37,145,000; and (iii) the net profit recorded in the Year of approximately RMB436,277,000, and no dividend having been paid to shareholders of the Company in respect of such profit recorded for the year 2017.

### 投資活動

本集團於本年度投資活動所用的現金淨流出額約為人民幣2,118,977,000元，主要為：(i)擴建廠房及購買設備的支出約人民幣942,196,000元；(ii)申購及贖回其他金融資產的現金淨流出額約為人民幣865,744,000元；及(iii)投資新鉅科技支付之款項約人民幣275,236,000元。

### 融資活動

本集團於本年度融資活動所產生的現金淨流入額約為人民幣311,626,000元，主要為：(i)銀行借款流入約人民幣877,046,000元，歸還銀行借款所支出現金約人民幣658,554,000元；(ii)於二零一七年十二月二十九日完成根據一般授權配售新股份2,000萬股普通股所得款項淨額約人民幣179,065,000元；及(iii)支付股息約人民幣37,145,000元。

### 資本負債比率

於二零一七年十二月三十一日之資本負債比率（定義為銀行借款及關連方借款餘額除以本年度末權益總額）約為50.2%，較二零一六年十二月三十一日的約21.4%增加約28.8個百分點，主要原因為：(i)銀行借款餘額大幅增長，截至二零一七年十二月三十一日止的銀行借款餘額為約人民幣1,078,119,000元，較二零一六年十二月三十一日止的約人民幣335,432,000元增長約221.4%；(ii)本年度支付股息約人民幣37,145,000元；及(iii)本年度錄得淨利潤約人民幣436,277,000元，而且尚未就錄得的有關利潤向本公司股東派發二零一七年度股息。



# Management Discussion and Analysis

## 管理層討論與分析

### Treasury policies

The Group's treasury policy was disclosed in the prospectus of the Company dated 20 November 2014 (the "Prospectus"), and was amended by the risk management committee (the "Risk Management Committee") of the Company on 24 March 2016, the details of which were disclosed under the "Management Discussion and Analysis" section of the 2016 annual report. The Board, the Risk Management Committee of the Company and the staff at the relevant positions always remain alert to the performance and risk assessment of the wealth management products so as to ensure that the wealth management operation does not pose excessive risk to the principal amount. At the same time, the Company also pays close attention to the liquidity and debt asset position of the Group in order to ensure the sufficiency of its working capital and maintain the debt asset ratio at a reasonable level.

As of 31 December 2017, the balance of other financial assets of the Group was approximately RMB873,486,000 at the end of the period. The breakdown is as follows:

### 理財政策

本集團的理財政策披露於日期為二零一四年十一月二十日的本公司招股章程（「招股章程」），並經本公司風險管理委員會（「風險管理委員會」）於二零一六年三月二十四日作出修訂，有關詳情披露於二零一六年年報「管理層討論與分析」部分。董事會、本公司風險管理委員會和相關崗位工作人員保持對理財產品的持續關注與風險評估，以確保理財業務不會使本金金額承擔過多的安全風險。同時，本公司亦密切關注本集團流動資金和資產負債狀況，確保其營運資金之充足及資產負債比率處於合理水平。

截至二零一七年十二月三十一日止，本集團期末其他金融資產的餘額約為人民幣873,486,000元，其明細如下：

No.	Amount (RMB'000) 金額 (人民幣千元)	Principal 委託主體	Commissioned Bank 委託銀行	Value date 起息日	Maturity date 到期日	Term (day) 期限(天)	Expected return 預期收益率	Value recognized at the end of the period (RMB'000) 期末確認價值 (人民幣千元)
1	70,000.00	Kunshan QT China 昆山丘鈦中國	Heyuan Branch of ICBC 中國工商銀行河源分行	2017/8/11	2018/8/8	362	4.8000%	71,315.97
2	100,000.00	Kunshan QT China 昆山丘鈦中國	Heyuan Branch of ICBC 中國工商銀行河源分行	2017/8/25	2018/8/22	362	4.9500%	101,749.13
3	136,000.00	Kunshan QT China 昆山丘鈦中國	Heyuan Branch of ICBC 中國工商銀行河源分行	2017/9/20	2018/9/18	363	4.9500%	137,885.14
4	83,500.00	Kunshan QT China 昆山丘鈦中國	Heyuan Branch of ICBC 中國工商銀行河源分行	2017/9/25	2018/9/20	360	4.9500%	84,635.01
5	31,500.00	Kunshan QT China 昆山丘鈦中國	Heyuan Branch of ICBC 中國工商銀行河源分行	2017/9/25	2018/9/18	358	4.9500%	31,937.29
6	148,000.00	Kunshan QT China 昆山丘鈦中國	Heyuan Branch of ICBC 中國工商銀行河源分行	2017/11/1	2018/10/30	363	4.9500%	149,219.59

# Management Discussion and Analysis

## 管理層討論與分析

No.	Amount (RMB'000) 金額	Principal	Commissioned Bank	Value date	Maturity date	Term (day)	Expected return	Value recognized at the end of the period (RMB'000) 期末確認價值 (人民幣千元)
序號	(人民幣千元)	委託主體	委託銀行	起息日	到期日	期限(天)	預期收益率	(人民幣千元)
7	4,000.00	Chengdu QT 成都丘鈦	Chengdu Branch of CCB 中國建設銀行成都分行	2017/10/19	Redeemable after the sixtieth day from the value date based on the T+1 principle 起息60天後T+1贖回		4.3000%	4,000.00
8	28,744.00	Kunshan QT China 昆山丘鈦中國	Kunshan Branch of CMB 招商銀行昆山分行	2017/12/20	No fixed term and redeemable at any time on workdays 無固定期·工作日隨時贖回		4.0200%	28,744.00
9	65,000.00	Kunshan QT China 昆山丘鈦中國	Kunshan Branch of CCB 中國建設銀行昆山分行	2017/12/28	No fixed term and redeemable at any time on workdays 無固定期·工作日隨時贖回		2.3000%	65,000.00
10	199,000.00	Kunshan QT China 昆山丘鈦中國	Heyuan Branch of ICBC 中國工商銀行河源分行	2017/12/29	No fixed term and redeemable at any time on workdays 無固定期·工作日隨時贖回		3.0000%	199,000.00
Total 合計	865,744.00							873,486.13

# Management Discussion and Analysis

## 管理層討論與分析

Other financial assets at the end of the period set out in the above table are short-term regular investments carried out for financial management purposes and are transactions conducted by the Group in its ordinary course of business to obtain gains. The subscription of wealth management products was discussed, voted and approved by the Risk Management Committee of the Company pursuant to the treasury policies of the Group. Directors and the Risk Management Committee believe that such other financial assets were all subscribed from top-ranking commercial banks in the PRC in terms of total assets and such idle funds in surplus cash reserve can generate more income effectively. As it is part of the financial management of the Group in its ordinary course of business, no transaction should be defined as discloseable transaction and/or connected transaction under Chapters 14 and/or 14A of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”). The No.1 to No.6 wealth management products in the above table were all issued by and subscribed from the Heyuan Branch of ICBC, which is an independent third party of the Company, and were pledges for securing bank borrowings from the bank; the No.7 to No.10 wealth management products in the above table were no fixed-term or short-term wealth management products subscribed by Kunshan QT China and Chengdu QT, which are wholly-owned subsidiaries of the Company, from a number of banks, all of which are independent third parties of the Company, for the purpose of generating more income from idle funds. Other financial assets at the end of the period were all low-risk and short-term wealth management products with a term shorter than one year and will all expire before 31 December 2018, which is in line with the treasury policies of the Group.

### MATERIAL ACQUISITION AND DISPOSAL

Save for participation in the private placement of shares of Newmax Technology, the Group did not have any material acquisitions or disposals of its subsidiaries, associates and joint ventures as at 31 December 2017.

上表中的期末其他金融資產均屬財政管理目的而進行的短期正規投資，為本集團日常業務中進行屬於收益性質的交易，購買理財產品均按本集團理財政策由本公司之風險管理委員會中予以討論、表決及同意，董事及風險管理委員會認為該等其他金融資產均向中國總資產排名居前的商業銀行認購，可以有效提高閒置資金的收益，旨在運用現金盈餘儲備，屬本集團日常業務中財政管理的一部分，據此概無交易須被列入聯交所證券上市規則（「上市規則」）第14及／或14A章下須予披露的交易及／或關連交易。其中上表之第1-6筆均為向中國工商銀行河源分行（為本公司的獨立第三方）購買其發行的理財產品，並作為向該行申請銀行借款之抵押；上表之第7-10筆為本公司全資附屬公司昆山丘鈦中國和成都丘鈦為提升閒置資金之收益率，向多家銀行（均為本公司的獨立第三方）購買的無固定期或短期理財產品。所有期末其他金融資產均屬低風險、短期的理財產品，期限均不超過一年，均將於2018年12月31日之前到期，符合本集團的理財政策。

### 重大收購及出售

除參與新鉅科技之私募配售以外，本集團於截至二零一七年十二月三十一日止並無任何有關附屬公司、聯營公司及合營企業的重大收購或出售。

# Management Discussion and Analysis

## 管理層討論與分析

### SIGNIFICANT INVESTMENT

On 31 August 2017, the Company completed its participation in the private placement of shares of Newmax Technology. A total of 57,008,888 placing shares, representing approximately 36.0% of the total number of issued ordinary shares of the Newmax Technology as enlarged after the completion of private placement, has been issued and allotted to the Company at the price of TWD21.88 per share. Details of the private placement are disclosed in the announcements of the Company dated 22 February 2017, 19 March 2017, 24 August 2017 and 31 August 2017.

On 17 October 2017, Kunshan QT China entered into an investment agreement (the “Investment Agreement”) with the management committee (“Kunshan Management Committee”) of Kunshan Hi-tech Industrial Development Park (“Kunshan High-Tech Park”), pursuant to which Kunshan QT China has agreed to increase its investment in Kunshan Hi-tech Park by way of increase of registered capital of US\$100 million in Kunshan QT China and establishment of a camera lens project company with a registered capital of US\$30 million in Kunshan Hi-tech Park. As part of the arrangement under the Investment Agreement, on 29 December 2017, Kunshan QT China entered into a project supervisory agreement with Kunshan Management Committee, pursuant to which the Group agreed to invest a total amount of not less than US\$300 million (including an investment amount of not less than RMB215 million in fixed assets) towards the new production base to be constructed on a parcel of industrial land located at Kunshan High-Tech Park, which will be funded by internally generated funds and other internal resources of the Group and/or external borrowings and financing. Construction of the new production base on the land will commence within six months from the date of the delivery of the land (which is currently scheduled to be delivered on or before 22 March 2018), and is scheduled to be completed within two years. Details of the investment are disclosed in the announcements of the Company dated 17 October 2017 and 29 December 2017.

### 重大投資

本公司於二零一七年八月三十一日完成參與新鉅科技的股份私募配售，合共57,008,888股配售股份已按每股21.88元新台幣配發及發行予本公司，相當於於完成私募配售後經擴大新鉅科技之全部已發行普通股總數之約36.0%。有關私募配售的詳情已於本公司二零一七年二月二十二日、二零一七年三月十九日、二零一七年八月二十四日及二零一七年八月三十一日之公告披露。

於二零一七年十月十七日，昆山丘鈦中國與昆山高新技術產業開發區（「昆山高新區」）管理委員會（「昆山管委會」）訂立了投資協議（「投資協議」），據此，昆山丘鈦中國同意在昆山高新區增加投資，方式為新增昆山丘鈦中國註冊資本1億美元及於昆山高新區新設立註冊資本為3,000萬美元的鏡頭光學項目公司。作為投資協議項下安排的一部分，於二零一七年十二月二十九日，昆山丘鈦中國與昆山管委會訂立一份項目監管協議，據此，本集團同意將於一幅位於昆山高新區的工業用地上興建之新生產基地之投資總金額不少於300,000,000美元（其中固定資產投資金額不少於人民幣215,000,000元），將以本集團內部產生的資金及其他內部資源及／或外部借貸及融資提供資金。於該地塊上之新生產基地將於該地塊交付日期（目前計劃將於二零一八年三月二十二日或之前交付）起六個月內動工興建，及計劃將於兩年內竣工。有關投資詳情披露於本公司日期為二零一七年十月十七日及二零一七年十二月二十九日之公告內。

# Management Discussion and Analysis

## 管理層討論與分析

Save as disclosed in the above announcements, as at 31 December 2017, the Group did not hold any significant investment and there were no legally binding agreements or arrangements with respect to any investment opportunities entered into by the Group.

### CONTINGENT LIABILITIES

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

### PLEDGE OF ASSETS

As at 31 December 2017, the assets pledged by the Group included bank deposits, trade receivables, bills receivable and other financial assets of approximately RMB894,153,000, which were pledged as security for bank borrowings and bills payable.

### EMPLOYEE POLICIES AND REMUNERATION

As at 31 December 2017, the Group had a total of 2,526 employees (as at 31 December 2016: 1,850) (excluding staff under labour service agreements and internship agreements). The Group is committed to providing all staff with fair working environment, providing newly recruited staff with induction training and job technical counseling to help them to adapt to job requirements quickly, providing all staff with clear job responsibilities guidelines and for employees at different positions with on-the-job training together with other training programmes to help improving their skills and knowledge, and strived to provide all staff with competitive remuneration packages. For the Year, the remuneration of the employees (including staff under labour service agreements and internship agreements) of the Group was approximately RMB463,868,000 (2016: approximately RMB278,918,000). Apart from basic salary, the package also includes performance bonus, medical insurance and provident fund (staff under labour service agreements and internship agreements are treated according to the laws and regulations of the PRC).

除上述公告所披露者外，截至二零一七年十二月三十一日止，本集團並無任何重大投資或就任何投資機會訂立任何合法具約束力協議或安排。

### 或然負債

於二零一七年十二月三十一日，本集團並無任何或然負債。

### 資產抵押

於二零一七年十二月三十一日，本集團抵押的資產包括約為人民幣894,153,000元的銀行存款、貿易應收款項、應收票據和其他金融資產用於銀行借款及應付票據的擔保。

### 僱員政策和薪酬

於二零一七年十二月三十一日，本集團共有員工2,526人（不包括勞務派遣工、實習生）（於二零一六年十二月三十一日：1,850人）。本集團一直致力於為全體員工提供公平的工作環境，向新入職員工提供入職培訓和崗位技術輔導，以幫助他們迅速適應崗位工作要求，向全體員工提供明確的崗位職責指引，並繼續為不同職位的僱員提供在職培訓及其他培訓項目，以幫助他們增進技能和學識，並努力向全體員工提供具競爭力的薪酬福利。本年度，本集團僱員（包括勞務派遣工、實習生）的酬金約為人民幣463,868,000元（二零一六年：約人民幣278,918,000元），除基本薪金外，還包括績效獎金、醫療保險及公積金等（勞務派遣工和實習生則依據中國法規進行處理）。

# Management Discussion and Analysis

## 管理層討論與分析

Meanwhile, the Company has accepted the applications from 42 staff to exercise their options and issued a total of 13,826,000 ordinary shares during the Year pursuant to the pre-IPO share option scheme adopted on 13 November 2014, at the exercise price of RMB0.40 per share and total consideration received was approximately RMB5,530,000, which highlighted the confidence of the core management and technical personnel in the Company. In addition, the Group granted share options for a total of 39,425,000 ordinary shares to 165 staff (including two Executive Directors, Mr. Wang Jianqiang and Mr. Hu Sanmu) on 26 October 2016 in accordance with the share option scheme adopted by the Company on 13 November 2014 with the exercise price of HK\$4.13 per share (please refer to the announcement of the Company dated 26 October 2016 for details). No option granted on 26 October 2016 was exercised during the Year, but options for a total of 2,660,000 ordinary shares were waived as a result of the resignations of 14 grantees as at 31 December 2017. On 9 June 2017, the Company granted options for a total of 8,083,000 ordinary shares to 48 staff (none of whom are Directors, chief executive or substantial shareholders of the Company or any of their respective associates) with the exercise price of HK\$6.22 per share and subject to certain vesting conditions and exercise periods (please refer to the announcement of the Company dated 9 June 2017 for details). During the Year, no option granted on 9 June 2017 was exercised, but options for a total of 1,530,000 ordinary shares were waived as a result of the resignations of 6 grantees during the Year. Since 1 January 2018 up to the date of this report (i.e. on 19 March 2018), option granted on 9 June 2017 for a total of 160,000 ordinary shares was also waived as a result of the resignation of one grantee. (For details of the terms of the pre-IPO share option scheme and the share option scheme adopted on 13 November 2014, please refer to the disclosures set out in sections D1 and D2 headed “Share Option Scheme” and “Pre-IPO Share Option Scheme” respectively in Appendix IV “Statutory and General Information” to the Prospectus.)

In respect of the compliance in the labour and social security aspect, there was no material non-compliance incidents involved by the Group and we had obtained the Certificate of Compliance and No Punishment issued by Kunshan Municipal Human Resources and Social Security Bureau.

同時，本公司還根據於二零一四年十一月十三日採納的首次公開發售前購股權計劃，在本年度內接受42名員工的行權申請，向其發行總計13,826,000股普通股股份，行權價格為每股人民幣0.40元，合計收取行權對價款約人民幣5,530,000元，從而令得本公司核心管理與技術人員的信心得以加強。此外，二零一六年十月二十六日根據本公司於二零一四年十一月十三日所採納之購股權計劃向165名員工（包括兩名執行董事王健強先生和胡三木先生）授出共計39,425,000份購股權（購股權之行使價為每股4.13港元，詳見本公司於二零一六年十月二十六日的公告，於本年度，二零一六年十月二十六日授出的購股權未獲任何人士行使，截至二零一七年十二月三十一日，惟共有14名承授人因離職而放棄共計2,660,000份於二零一六年十月二十六日獲授的購股權）。其後，於二零一七年六月九日，本公司向48名員工（概無被授人為本公司董事、主要行政人員或主要股東或彼等各自之任何聯繫人）授出共計8,083,000份購股權，購股權之行使價為每股6.22港元，被授人在滿足一定的條件下可以在未來分期申請行權（詳見本公司於二零一七年六月九日的公告），於本年度，二零一七年六月九日授出的購股權未獲任何人士行使，惟共有6名承授人因離職而放棄共計1,530,000份於二零一七年六月九日獲授的購股權（於二零一八年一月一日起截至本報告出具之日（即二零一八年三月十九日）止，還有1名承授人因離職而放棄共計160,000份於二零一七年六月九日獲授的購股權）。（有關於二零一四年十一月十三日採納的首次公開發售前購股權計劃及購股權計劃條款的詳情，詳見招股書附錄四「法定及一般資料」D1及D2節「購股權計劃」及「首次公開發售前購股權計劃」的披露。）

在勞動和社會保障的合規性方面，本集團並無發生重大的違法違紀行為，並取得了由昆山市人力資源和社會保障局出具的無處罰證明。

# Management Discussion and Analysis

## 管理層討論與分析

### FOREIGN EXCHANGE EXPOSURE

The Group is exposed to currency risk primarily due to certain receivables, payables, cash balances and loans that are denominated in foreign currencies other than RMB arising from the operating activities such as bank borrowings, product sales and purchase of raw materials. The Group is also exposed to currency risk from the exchange or translation of USD and Hong Kong Dollars into RMB. During the Year, the Group recorded an exchange gain of approximately RMB41,918,000 as the sales income of the Group was still mainly settled in RMB but various raw materials for production and some equipment for production were purchased from overseas and settled in USD, and appreciated approximately 6.2% in the RMB against USD exchange rate for the Year. However, the realized and unrealized loss on foreign currency option contracts amounted to approximately RMB47,911,000, and the fair value loss on foreign currency forward contracts amounted to approximately RMB17,555,000. As affected by multiple factors such as politics, economic, and supply and demand, the trend of RMB against USD in the future is subject to great uncertainties. It is difficult to adjust the business mode of the Group in the short run. Therefore, the profit or loss of the Group may still be affected by exchange rate fluctuation in the future. The Company will, on one hand, strive to strengthen the expansion of overseas business continuously to increase USD income; on the other hand, the Group will coordinate actively with suppliers receiving settlement in USD to seek the consent of certain suppliers to purchase domestically or arrange settlement in RMB, so as to reduce the demand for USD. Meanwhile, the Group will enhance monitoring of the exchange rate fluctuation on a daily basis, adjust the proportion of USD deposits to total deposits balance and the proportion of USD loans to total loans balance from time to time with reference to the analysis of exchange rates fluctuation trend, fix the future foreign exchange costs by properly using currency derivative instruments such as foreign exchange forwards and options, and take into account of costs during the price quotation for purchase or sales, so as to strengthen the management of foreign exchange risks and strive to reduce foreign exchange loss.

### 匯兌風險

由於本集團在銀行借貸、產品銷售及原材料採購等經營活動中產生的部分應收款項、應付款項、現金結餘及貸款中以人民幣以外的外幣計值，因而產生匯兌風險，亦主要在美元及港元與人民幣的兌換或折算中產生匯兌風險。本年度內，由於本集團的銷售收入仍以人民幣結算為主，而多種生產用原材料及部分生產用設備均由境外採購併以美元結算，且由於人民幣兌美元匯率於本年度內升值約6.2%，令得本集團錄得匯兌收益，金額約為人民幣41,918,000元，但已實現及未實現外匯期權合約錄得虧損約人民幣47,911,000元，及外匯遠期合約錄得公平值虧損約人民幣17,555,000元。受政治、經濟、供需等多方面因素的影響，未來人民幣兌美元匯率走勢仍然存在很大的不確定性，而本集團的業務模式短時間內難以改變，因此，本集團的運營損益未來仍然可能受到匯率波動的影響。一方面公司將繼續努力加強海外業務拓展，努力提升美元收入佔比，另一方面本集團將繼續與目前以美元結算的供應商積極協調，爭取一部分供應商同意改為國內採購或以人民幣結算，從而減少美元需求。同時，本集團將加強每日匯率變動監控，並參照匯率的變動趨勢分析不時調整美元存款佔總存款餘額的比例和美元貸款佔總貸款餘額的比例，適當採用遠期購匯、外匯期權等貨幣衍生工具固化未來的匯兌成本，並爭取在採購報價或銷售報價時納入成本綜合考慮，從而努力加強匯兌風險的管理，爭取減少匯兌損失。

### USE OF PROCEEDS FROM GLOBAL OFFERING

On 2 December 2014, the shares of the Company (the “Shares”) were initially listed on the Main Board of the Stock Exchange by global offering. The net proceeds from the above global offering was approximately HK\$658,000,000 (after deducting relevant listing expenses). As at 31 December 2017, the fund raised was fully utilised. Among the utilised net proceeds: (i) approximately HK\$256,620,000 was utilised to purchase production and testing machinery and equipment; (ii) approximately HK\$164,500,000 was utilised to enhance R&D capabilities; (iii) approximately HK\$101,990,000 was utilised to expand the production base; (iv) approximately HK\$46,718,000 was utilised to repay bank borrowings; (v) approximately HK\$22,372,000 was utilised for sales costs of product and business expansion; and (vi) approximately HK\$65,800,000 was utilised for general corporate purposes. The capital utilisation is consistent with the intended use of the global offering.

### USE OF PROCEEDS FROM PLACING OF SHARES

On 12 December 2016, the Company completed the placing of 40,000,000 new ordinary shares of HK\$0.01 each under a general mandate granted to the Directors by the Shareholder to two placees, namely Value Partners Hong Kong Limited and The People’s Insurance Company (Group) of China Limited, who and whose ultimate beneficial owners are not connected persons of the Company, and are third parties independent of the Company and its connected persons, at the placing price of HK\$3.90 per placing share. Based on the closing price of HK\$4.12 per share on 1 December 2016, being the date of the placing agreement, the placing shares had a market value of HK\$164,800,000 and an aggregate nominal value of HK\$400,000. The Directors considered that the placing offered a good opportunity to raise additional funds to strengthen the financial position. More importantly, the Directors considered that the placing to the placees was beneficial and constructive to the Group with the following merits because: (i) the placees were reputable fund and fund management company whose investment into the Company allowed the Group to further strengthen its goodwill and reputation; (ii) the placing broadened the shareholder base of the Company and was helpful to the continuous growth and sustainable development of the Group. The net proceeds from the above placing was approximately HK\$154,428,000, after deducting the related placing commission, professional fees and all related expenses. As at 31 December 2017, the fund raised was fully utilised. Among the utilised net proceeds: (i) approximately HK\$70,000,000 was utilised for capital expenses; (ii) approximately HK\$70,000,000 was utilised for R&D activities; and (iii) approximately HK\$14,428,000 was utilised for general working capital. The capital utilisation is consistent with the intended use of the net proceeds of the placing.

### 全球發售所得款項用途

於二零一四年十二月二日，本公司股份（「股份」）以全球發售形式於聯交所主板首次上市。上述全球發售所得款項淨額約為658,000,000港元（經扣除相關上市開支後），截至二零一七年十二月三十一日，募集資金已經使用完畢。在已使用的所得款項淨額中：(i)用於採購生產及測試設備的資金約為256,620,000港元；(ii)用於提升研發能力的資金約為164,500,000港元；(iii)用於擴展生產基地的資金約為101,990,000港元；(iv)用於歸還銀行貸款的資金約為46,718,000港元；(v)用於產品及業務拓展的銷售費用約為22,372,000港元；及(vi)用於補充日常營運流動的資金約為65,800,000港元。資金使用與全球發售的計劃用途一致。

### 股份配售所得款項用途

於二零一六年十二月十二日，本公司完成根據股東授予董事的一項一般授權向兩名承配人（即惠理基金管理香港有限公司及中國人民保險集團股份有限公司（彼等及彼等之最終實益擁有人並非本公司關連人士及為獨立於本公司及其關連人士的第三方））配售每股面值0.01港元的新普通股40,000,000股，配售價為每股配售股份3.90港元。根據股份於二零一六年十二月一日（即配售協議日期）的收市價每股4.12港元計算，配售股份的市值為164,800,000港元及總面值為400,000港元。董事認為配售乃籌集額外資金以加強財務實力之良機。尤為重要的是，董事認為向承配人進行配售因下列裨益而對本集團有利及具建設性，該等裨益包括：(i)承配人為具聲譽之基金和基金管理公司，彼等投資於本公司使本集團得以進一步加強其商譽及聲譽；(ii)配售可擴寬本公司之股東基礎且有助於本集團之不斷成長及持續發展。上述配售所得款項淨額約為154,428,000港元（經扣除相關配售佣金、專業費用和所有相關開支後），截至二零一七年十二月三十一日，募集資金已經全部使用完畢。已使用所得款項淨額中：(i)用於資本開支的資金約70,000,000港元；(ii)用於研究及開發的資金約70,000,000港元；及(iii)用於本集團營運資金的資金約14,428,000港元。資金使用與配售所得款項淨額的計劃用途一致。



# Management Discussion and Analysis

## 管理層討論與分析

On 29 December 2017, the Company completed the placing of 20,000,000 new ordinary shares of HK\$0.01 each under a general mandate granted to the Directors by the Shareholders to not less than six placees, being professional, institutional and/or other investors, who and whose ultimate beneficial owners are not connected persons of the Company, and are third parties independent of the Company and its connected persons, at the placing price of HK\$10.80 per placing share. Based on the closing price of HK\$11.22 per share on 29 December 2017, being the date of the placing agreement, the placing shares had a market value of HK\$224.40 million and an aggregate nominal value of HK\$200,000. The Directors considered that the placing offered a good opportunity to raise additional funds to strengthen the financial position. The Directors were of the view that the placing would also broaden the shareholder base and the capital base of the Company and was helpful to the continuous growth and sustainable development of the Group. The net proceeds from the above placing was approximately HK\$214,218,000, after deducting the related placing commission, professional fees and all related expenses. As at 31 December 2017, the fund raised was utilised as to HK\$93,889,000. Among the utilised net proceeds: (i) approximately HK\$59,996,000 was utilised for capital expenses; and (ii) approximately HK\$33,893,000 was utilised for R&D activities. It is contemplated that the capital utilisation will be consistent with the intended use of the net proceeds of the placing.

### DIVIDEND

The Board recommended the payment of a final dividend for the year ended 31 December 2017 of RMB7.8 cents (equivalent to HK9.6 cents) per share (final dividend for the year ended 31 December 2016: RMB3.5 cents (equivalent to HK3.9 cents) per share) to the Shareholders whose names appear on the register of members of the Company on Tuesday, 12 June 2018. Subject to the approval by the Shareholders at the forthcoming annual general meeting (the "AGM"), the proposed final dividend is expected to be paid on or around Monday, 25 June 2018.

於二零一七年十二月二十九日，本公司完成根據股東授予董事的一項一般授權向不少於六名承配人（即專業、機構及／或其他投資者（彼等及彼等之最終實益擁有人並非本公司關連人士及為獨立於本公司及其關連人士的第三方））配售每股面值0.01港元的新普通股20,000,000股，配售價為每股配售股份10.80港元。根據股份於二零一七年十二月二十九日（即配售協議日期）的收市價每股11.22港元計算，配售股份的市值為224,400,000港元及總面值為200,000港元。董事認為配售乃籌集額外資金以加強財務實力之良機。董事認為配售亦可擴寬本公司之股東基礎及資本基礎，且有助於本集團之不斷成長及持續發展。上述配售所得款項淨額約為214,218,000港元（經扣除相關配售佣金、專業費用和所有相關開支後），截至二零一七年十二月三十一日，募集資金經已使用93,889,000港元。已使用所得款項淨額中：(i)用於資本開支的資金約59,996,000港元；及(ii)用於研究及開發的資金約33,893,000港元。資金使用擬將與配售所得款項淨額的計劃用途一致。

### 股息

董事會建議向於二零一八年六月十二日（星期二）名列本公司股東名冊之股東派發截至二零一七年十二月三十一日止年度之末期股息每股人民幣7.8分（相當於9.6港仙）（截至二零一六年十二月三十一日止年度之末期股息為：每股人民幣3.5分（相等於3.9港仙））。建議末期股息預期將於二零一八年六月二十五日（星期一）或該日前後派付，惟須於應屆股東週年大會（「股東週年大會」）上獲得股東批准。

# Management Discussion and Analysis

## 管理層討論與分析

### CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the eligibility to attend the 2017 annual general meeting, the register of members of the Company will be closed from 21 May 2018 to 25 May 2018. All transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on 18 May 2018.

For the purpose of determining the eligibility to receive the final dividend, the register of members of the Company will be closed from 8 June 2018 to 12 June 2018, during which period no transfer of shares will be effected. All transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on 7 June 2018.

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

On 29 December 2017, the Company completed the placing of 20,000,000 new ordinary shares under general mandate at the placing price of HK\$10.80 per share. Save as the aforesaid, during the Year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

### 暫停辦理股份過戶登記手續

為符合出席二零一七年年股東週年大會資格，本公司將於二零一八年五月二十一日至二零一八年五月二十五日暫停辦理股份過戶登記手續。所有的股份過戶文件連同有關股票，必須於二零一八年五月十八日下午四時三十分前，送至本公司於香港之證券登記分處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716號舖。

為符合資格收取末期股息，本公司將於二零一八年六月八日至二零一八年六月十二日暫停辦理股份過戶登記手續，期間不會進行任何股份過戶登記。所有股份過戶文件連同有關股票，必須於二零一八年六月七日下午四時三十分前，送至本公司於香港之證券登記分處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716號舖。

### 購買、出售或贖回本公司上市證券

於二零一七年十二月二十九日，本公司完成根據一般授權配售新普通股20,000,000股，配售價為每股10.80港元。除前述者外，本年度，本公司或其任何附屬公司概無購買、出售或贖回本公司之任何上市證券。

# Management Discussion and Analysis

## 管理層討論與分析

### ENVIRONMENTAL PROTECTION MANAGEMENT

The Group has strictly complied with the applicable environmental protection laws and policies in the jurisdictions where the respective members of the Group are located. During the Year, the Group had continued to revise, improve and implement a number of internal rules and regulations in relation to environmental protection management such as the implementation of Wastewater Management Regulations, Waste Gas Management Regulations and Greenhouse Gas Management Measures , and to further perfect the wastewater, waste gas and greenhouse gas treatment system in order to strengthen its management and control in production and domestic sewage so as to ensure that the wastewater discharge is in compliance with statutory requirements, and clarified the ranges, procedure and instrument of collecting the data of greenhouse gas for the effective management of greenhouse gas of the Group in the long run and prepared for reducing carbon emissions. As the same time, the Group had also amended and implemented certain regulations and measures including improving the Fire Safety Management Regulations and Emergency Plan, held fire drills with particular focus on strengthening of self-check of the fire control facilities and improving the fire prevention and control capability, and Kunshan QT China successfully obtained the compliance certificate in terms of work safety granted by Administration of Work Safety and Environmental Protection of Kunshan Hi-tech Industrial Development Park.

Particulars of the environmental protection management of the Company are disclosed in the Environmental, Social and Governance Report.

### 環境保護管理

本集團一直嚴格遵守本集團各相關成員公司所在地所適用的環境保護法規政策，本年度，本集團繼續修訂完善並實施了多個關於環境保護管理的內部規章制度，譬如實施《廢水管理規定》、《廢氣管理規定》和《溫室氣體管理辦法》等，進一步完善廢水、廢氣和溫室氣體的處理系統，以加強生產、生活污水的管控，確保廢水排放符合法定要求；明確收集溫室氣體數據的範圍、流程和工具等，為長遠有效地對本集團溫室氣體進行管理，減碳減排作好準備。同時，本集團亦修訂實施《消防管理規定》和《緊急應變計劃》等若干規定及措施，舉辦火災演習，重點加強消防設施自查和提升火災預防控制能力等，昆山丘鈦中國順利取得了由昆山高新技術產業開發區安全生產監督管理和環境保護局出具的無處罰證明和安全守法生產證明。

本公司環境保護管理之詳情於環境、社會及管治報告中披露。

# Biographical Details of Directors and Senior Management

## 董事及高級管理層之履歷詳情

### BOARD OF DIRECTORS

The board of Directors (the “Board”) of the Company currently consists of six Directors, comprising three executive Directors, namely Mr. He Ningning, Mr. Wang Jianqiang and Mr. Hu Sanmu, and three independent non-executive Directors, namely Mr. Chu Chia-Hsiang, Mr. Ko Ping Keung and Mr. Ng Sui Yin.

#### Executive Directors

**Mr. He Ningning (何寧寧)**, aged 47, was appointed as a Director on 5 May 2014 and was re-designated as an executive Director on 13 November 2014. Mr. He has been the chairman of the Board and the nomination committee (the “Nomination Committee”) of the Board of the Company since 13 November 2014. He is primarily responsible for overall strategic planning and formulation of investment strategies of our Group. Mr. He founded Kunshan QT China in October 2007 and has more than 20 years of experience in the electrical and electronic industries. Prior to founding the Group, Mr. He served as a sales officer of Samsung Electro-Mechanics Dongguan Co., Ltd. (東莞三星電機有限公司), a manufacturer of electronic components, from July 1992 to April 1997 where he was primarily responsible for sales and delivery management. In November 2000 and June 2004, Mr. He founded Surewheel Asia Pacific Limited (幸誠賽貝亞太有限公司) (“Surewheel”), a company principally engaged in agency sales of printheads, and Shenzhen Xike Dexin Telecom Equipment Co., Ltd. (深圳市西可德信通信技術設備有限公司) (“Shenzhen CK”), a company principally engaged in the research, development and sales of complete handsets components, and has been the chairman of Surewheel and Shenzhen CK. Mr. He is primarily responsible for the strategic planning. In December 2004, Mr. He founded CK Telecom Limited (西可通信技術設備(河源)有限公司) (“Heyuan CK”), a company principally engaged in the sales and manufacturing of complete handsets and handset components and modules, and has been the chairman of Heyuan CK. Mr. He is primarily responsible for the strategic planning of Heyuan CK. Mr. He is the sole director and the sole shareholder of Q Technology Investment Inc. (“QT Investment”), a controlling shareholder of the Company as at the date of this report. Mr. He received his bachelor’s degree in science, majoring in weather dynamic, from the Peking University in July 1992 and his master’s degree of business administration from the University of California in March 2002. Mr. He is also the step-brother of Mr. Wang Jianqiang, an executive Director and chief executive officer (the “Chief Executive Officer”) of the Company.

### 董事會

本公司董事會(「董事會」)目前由六名董事組成，包括三名執行董事：何寧寧先生、王健強先生、胡三木先生及三位獨立非執行董事：初家祥先生、高秉強先生和吳瑞賢先生。

#### 執行董事

**何寧寧先生**，47歲，於二零一四年五月五日獲委任為董事並於二零一四年十一月十三日調任執行董事。何先生自二零一四年十一月十三日起擔任本公司董事會主席及提名委員會(「提名委員會」)主席，主要負責本集團整體策略規劃及制訂投資策略。何先生於二零零七年十月創辦昆山丘鈦中國，在電氣和電子行業擁有超過20年經驗。於創立本集團前，何先生曾於一九九二年七月至一九九七年四月擔任電子組件製造商東莞三星電機有限公司的銷售主管，主要負責銷售及交付管理。於二零零零年十一月及二零零四年六月，何先生創立幸誠賽貝亞太有限公司(一間主要從事打印機頭代理銷售的公司)(「幸誠賽貝」)及深圳市西可德信通信技術設備有限公司(一間主要從事研發及銷售完整手機組件的公司)(「深圳西可」)，並一直擔任幸誠賽貝亞太有限公司及深圳西可的主席。何先生主要負責策略規劃。於二零零四年十二月，何先生創立西可通信技術設備(河源)有限公司(一間主要從事銷售及生產完整手機、手機組件及模組的公司)(「河源西可」)，並一直擔任河源西可的主席。何先生主要負責河源西可的策略規劃。於本報告日期，何先生為本公司控股股東丘鈦投資有限公司(「丘鈦投資」)的唯一董事及唯一股東。何先生於一九九二年七月獲得北京大學理學學士學位，主修天氣動力學並於二零零二年三月獲得加州大學的工商管理碩士學位。何先生亦為本公司執行董事兼行政總裁(「行政總裁」)王健強先生的繼兄。

## Biographical Details of Directors and Senior Management 董事及高級管理層之履歷詳情

Mr. He is also a director of each of Q Technology (Great China) Inc. (formerly known as “CK Telecom (Great China) Inc.”), Kunshan QT Hong Kong and Kunshan QT China, each of which is a subsidiary of the Company.

**Mr. Wang Jianqiang (王健強)**, aged 46, was appointed as a Director on 5 May 2014 and was re-designated as an executive Director on 13 November 2014. Mr. Wang was appointed as Chief Executive Officer of the Company since 8 July 2016 and is primarily responsible for operation and business management of the Group. Prior to joining the Group, Mr. Wang served as a supervisor of the quality assurance department of SAE Magnetics (東莞新科電子廠), a computer hardware manufacturer, from October 1995 to September 1996, where he was primarily responsible for product quality assurance. From August 1998 to January 2005, he served as the sales assistant manager of the Shenzhen office of Samsung Electro-Mechanics (H.K.) Limited (三星電機(香港)有限公司), a manufacturer of electronic components, where he was primarily responsible for the sales of the electronic components. From February 2005 to April 2014 and December 2005 to April 2014, respectively, Mr. Wang served as the chief financial officer of Shenzhen CK and Heyuan CK where he was primarily responsible for audit management and budgeting. Mr. Wang received his bachelor’s degree in engineering, majoring in fluid machinery and engineering, from the Sichuan University of Science and Technology (四川工業學院) in June 1995. Mr. Wang is the step-brother of Mr. He.

Mr. Wang is also a director of Kunshan QT Hong Kong, Kunshan QT China and Chengdu QT, each of which is a subsidiary of the Company.

何先生亦是本公司附屬公司 Q Technology (Great China) Inc. (前稱CK Telecom (Great China) Inc.)、昆山丘鈦香港、昆山丘鈦中國的董事。

**王健強先生**，46歲，於二零一四年五月五日獲委任為董事並於二零一四年十一月十三日調任執行董事。王先生自二零一六年七月八日起獲委任為本公司行政總裁，主要負責本集團的業務運營管理。於加入本集團前，王先生於一九九五年十月至一九九六年九月在電腦硬件製造商東莞新科電子廠擔任質量保證部主管，主要負責產品質量保證。於一九九八年八月至二零零五年一月，彼擔任電子組件製造商三星電機(香港)有限公司深圳辦事處的助理銷售經理，主要負責銷售電子組件。於二零零五年二月至二零一四年四月及二零零五年十二月至二零一四年四月，王先生分別擔任深圳西可及河源西可的財務總監，主要負責審計管理及預算。王先生於一九九五年六月獲得四川工業學院的工程學士學位，主修流體機械及工程。王先生為何先生的繼弟。

王先生亦是本公司附屬公司昆山丘鈦香港、昆山丘鈦中國、成都丘鈦的董事。

# Biographical Details of Directors and Senior Management

## 董事及高級管理層之履歷詳情

**Mr. Hu Sanmu (胡三木)**, aged 42, is the vice president of sales of the Group. He is primarily responsible for the expansion of sales network and maintenance of relationship with customers. Mr. Hu was appointed as an executive Director of the Group since 8 July 2016. Prior to joining the Group, Mr. Hu held various positions in VTech (Shenzhen) Electronic Limited (偉易達電子產品(深圳)有限公司), a company principally engaged in manufacturing of telecommunication products, from July 1998 to November 2002, where he last served as a mechanical structure engineer and was primarily responsible for the mechanical design. From November 2002 to August 2004, Mr. Hu held various positions in Tianjin Amphenol Kae Co., Ltd. (天津安費諾凱翼電子有限公司), a manufacturer of interconnect products, where he last served as a sales engineer and was primarily responsible for maintaining the relationship with existing customers and the expansion of sales network. From July 2004 to November 2009, Mr. Hu held various positions in Van Telecom Limited (唯安科技有限公司), a company principally engaged in manufacturing and sales of precise connectors, where he last served as the sales director and was primarily responsible for sales management and product planning. Mr. Hu received his bachelor's degree in engineering, majoring in mechanical design and manufacture from the Xi'an University of Science and Technology (西安科技大學), previously known as Xi'an Mining Institute (西安礦業學院), in July 1998.

Mr. Hu is also a director of Kunshan QT China, which is a subsidiary of the Company.

胡三木先生，42歲，為本集團的銷售副總裁。彼主要負責拓寬銷售網絡及維持客戶關係。胡先生自二零一六年七月八日起獲委任為本集團執行董事。於加入本集團前，胡先生曾於一九九八年七月至二零零二年十一月於偉易達電子產品(深圳)有限公司(一間主要從事電訊產品製造的公司)擔任多個職位，最後擔任機械結構工程師，並主要負責機械設計。於二零零二年十一月至二零零四年八月，胡先生曾於互連產品製造商天津安費諾凱翼電子有限公司擔任多個職位，最後擔任銷售工程師，並主要負責維繫現有客戶關係及拓寬銷售網絡。於二零零四年七月至二零零九年十一月，胡先生曾於主要從事製造及銷售精密連接器的公司唯安科技有限公司擔任多個職位，最後擔任銷售總監，並主要負責銷售管理及產品規劃。胡先生於一九九八年七月獲得西安科技大學(前稱西安礦業學院)工程學士學位，主修機械設計及製造。

胡先生亦是本公司附屬公司昆山丘鈦中國的董事。

# Biographical Details of Directors and Senior Management

## 董事及高級管理層之履歷詳情

### Independent Non-executive Directors

**Mr. Ko Ping Keung (高秉強)**, aged 67, JP, was appointed an independent non-executive Director (the “INED”), a member of each of the audit committee (“Audit Committee”) of the Board, the remuneration committee (“Remuneration Committee”) of the Board, the Nomination Committee and the chairman of the Risk Management Committee of the Company on 31 May 2017. Mr. Ko holds a Bachelor of Science (Honours) degree from The University of Hong Kong, and holds a Master of Science degree and a Doctor of Philosophy degree from the University of California at Berkeley. He is an Adjunct Professor of Peking University and Tsinghua University and Emeritus Professor of Electrical & Electronic Engineering and the former Dean of the School of Engineering of The Hong Kong University of Science and Technology. Mr. Ko was the Vice Chairman of Electrical Engineering and Computer Science Department of the University of California at Berkeley from 1991 to 1993 and a member of Bell Labs in USA from 1982 to 1984. Mr. Ko is an independent non-executive director of each of Henderson Investment Limited (Stock code: 0097) and Henderson Land Development Company Limited (Stock code: 0012) respectively, both of which are Hong Kong listed companies.

### 獨立非執行董事

**高秉強先生**，67歲，太平紳士，於二零一七年五月三十一日獲委任為本公司獨立非執行董事、審核委員會成員（「審核委員會」）、薪酬委員會成員（「薪酬委員會」）、提名委員會成員及風險管理委員會主席。高先生持有香港大學理學士（榮譽）學士學位，以及持有美國伯克萊加利福尼亞大學理學士碩士學位和哲學博士學位。彼為北京大學及清華大學兼任教授、香港科技大學工程學院機電工程系榮休教授及前任院長。高先生於一九九一年至一九九三年期間出任美國伯克萊加利福尼亞大學電子工程及計算機科學系副主任，並於一九八二年至一九八四年期間為美國貝爾實驗室(Bell Labs)的成員。高先生現分別為香港上市公司恆基兆業發展有限公司（股份代號：0097）及恆基兆業地產有限公司（股份代號：0012）之獨立非執行董事。

# Biographical Details of Directors and Senior Management

## 董事及高級管理層之履歷詳情

**Mr. Chu Chia-Hsiang (初家祥)**, aged 48, was appointed as an INED, the chairman of the Remuneration Committee and a member of each of the Audit Committee and the Nomination Committee of the Company on 13 November 2014. From June 1997 to June 2002, Mr. Chu served at various positions in Hewlett-Packard Taiwan Ltd. (惠普科技股份有限公司), which is a provider of computing devices, testing and skilled solutions, and last served as a sales expert and was primarily responsible for overseeing its sales department in respect of the computing devices. From May 2002 to August 2004, Mr. Chu served as the investment manager of CDIB Venture Capital Corp. (中華開發創業投資股份有限公司), which was a wholly-owned subsidiary of China Development Financial Holding Corporation (中華開發金融控股股份有限公司) (Stock Code: 2883) listed on the Taiwan Stock Exchange and was primarily engaged in enterprise operations, management, and consulting services. Mr. Chu was primarily responsible for exploring and assessing investment plans and post-investment management. In January 2014, Mr. Chu established WK Innovation Ltd. (普訊創新股份有限公司), a venture capital firm, and served as the managing director and acted as its chairman and chief executive officer, where he was primarily responsible for its strategic planning. From August 2004 to January 2014, Mr. Chu served as the general manager of WK Technology Fund (普訊創業投資, previously known as 普訊創業投資股份有限公司), a venture capital firm. Mr. Chu was primarily responsible for exploring and assessing investment plans and post-investment management. He was the legal representative of Litmax Electronics Inc. (晶達光電股份有限公司, Stock code: 4995) and Raydium Semi-conductor Corporation (瑞鼎科技股份有限公司, Stock code: 3592), each of which is listed on the Taiwan Cretai Securities Market (台灣證券櫃檯買賣中心).

Mr. Chu received his bachelor of science degree in electrical engineering from the National Tsing-Hua University in Taiwan in July 1993 and his master's degree in management from the National Cheng-Kung University in Taiwan in June 1995. Mr. Chu served as an executive council member of the Taiwan Private Equity & Venture Capital Association (台灣創業投資商業同業公會) from May 2008 to May 2010.

初家祥先生，48歲，於二零一四年十一月十三日獲委任為獨立非執行董事、本公司薪酬委員會主席及審核委員會及提名委員會成員。於一九九七年六月至二零零二年六月，初先生於電腦裝置、測試及技術解決方案供應商者惠普科技股份有限公司出任多個不同職位，最後擔任銷售專家，主要負責監督電腦裝置的銷售部門。於二零零二年五月至二零零四年八月，初先生在中華開發創業投資股份有限公司(台灣證券交易所上市公司中華開發金融控股股份有限公司(股份代號：2883)的全資附屬公司，該公司主要從事企業營運、管理及諮詢服務)擔任投資經理。初先生主要負責研究及評估投資計劃和投資後管理。於二零一四年一月，初先生成立風險投資公司普訊創新股份有限公司，出任董事總經理及擔任主席兼行政總裁，主要負責策略規劃。自二零零四年八月至二零一四年一月，初先生在風險投資公司普訊創業投資(前稱普訊創業投資股份有限公司)擔任總經理。初先生主要負責研究及評估投資計劃和投資後管理。初先生還曾擔任台灣證券櫃檯買賣中心上市的公司晶達光電股份有限公司(股份代碼：4995)和瑞鼎科技股份有限公司(股份代碼：3592)的法定代表人。

初先生於一九九三年七月獲得台灣國立清華大學的電機工程學理學士學位及於一九九五年六月獲得台灣國立成功大學的管理學碩士學位。初先生於二零零八年五月至二零一零年五月擔任台灣創業投資商業同業公會的理事會成員。



## Biographical Details of Directors and Senior Management 董事及高級管理層之履歷詳情

**Mr. Ng Sui Yin (吳瑞賢)**, aged 49, was appointed as an INED, the chairman of the Audit Committee and a member of each of the Remuneration Committee and the Risk Management Committee of the Company on 13 November 2014. Mr. Ng was previously the financial controller of Beijing Gas Blue Sky Holdings Limited, a company whose shares are listed on the Stock Exchange (Stock code: 6828). He is now the financial controller and company secretary of Man Yue Technology Holdings Limited, a company whose shares are listed on the Stock Exchange (Stock code: 0894). Mr. Ng has extensive experience in the areas of finance, audit, tax, bankruptcy, information technology and business development. Mr. Ng has been admitted as a member of the Hong Kong Institute of Certified Public Accountants and an associate of the Taxation Institute of Hong Kong since April 2001 and April 2009, respectively. Mr. Ng was registered as a certified tax advisor of the Taxation Institute of Hong Kong in July 2010. He received his Honours Diploma in Accounting from the Hong Kong Shue Yan College (now known as Hong Kong Shue Yan University) and Master's degree in Professional Accounting and Corporate Governance from City University of Hong Kong.

吳瑞賢先生，49歲，於二零一四年十一月十三日獲委任為獨立非執行董事、本公司審核委員會主席以及薪酬委員會、風險管理委員會成員。吳先生曾於聯交所上市公司北京燃氣藍天控股有限公司（股份代號：6828）擔任財務總監。其現於聯交所上市公司萬裕科技集團有限公司（股份代碼：0894）擔任財務總監及公司秘書。吳先生在財務、審計、稅務、破產、資訊科技及業務拓展方面擁有豐富經驗。吳先生自二零零一年四月及二零零九年四月起分別獲接納為香港會計師公會會員及香港稅務學會會員。吳先生於二零一零年七月註冊成為香港稅務學會的註冊稅務師。吳先生持有香港樹仁學院（現稱香港樹仁大學）會計學榮譽文憑及香港城市大學專業會計與企業管治碩士學位。

# Biographical Details of Directors and Senior Management

## 董事及高級管理層之履歷詳情

### SENIOR MANAGEMENT

**Mr. Fan Fuqiang (范富强)**, aged 40, was appointed as chief financial officer of the Company on 8 July 2016. Mr. Fan is primarily responsible for financial management, securities affairs and risk control functions. Prior to joining the Group, Mr. Fan held various positions in Heyuan branch of the Bank of China, a state-owned bank principally engaged in providing a range of corporate banking, personal banking, investment banking and other services, from July 1996 to June 2011 and last served as the general manager of Heyuan High-tech Zone sub-branch of Bank of China and vice general manager of the corporate department of Heyuan branch of Bank of China, where he was primarily responsible for the grant of the credit facilities, risks management and international settlement. From May 2013 to April 2014 and July 2011 to April 2014, respectively, Mr. Fan served as the assistant to the chief financial officer of Shenzhen CK and Heyuan CK, and was primarily responsible for legal compliance matters and risk control. Mr. Fan received a professional certificate from Guangdong International Finance College (廣東國際金融學校) located in the PRC, in July 1996, majoring in international finance. He received a graduation certificate from the Central Party School of Guangdong Provincial Committee (中共廣東省委黨校) located in the PRC, in January 2008, majoring in public management, and received a graduation certificate from South China University of Technology (華南理工大學) in July 2016, majoring in administrative management. Mr. Fan was one of the joint company secretaries of the Company before his resignation on 21 November 2017.

Mr. Fan received the Top Ten Distinguished Employees (十佳員工) Award of Heyuan branch of Bank of China for the years 2005 and 2006 and the Innovative Employee Award (先進工作者) by Heyuan branch of Bank of China for the year 2007.

### 高級管理層

范富强先生，40歲，於二零一六年七月八日起獲委任為本公司財務總監。范先生主要負責財務管理、證券事務及風險控制。於加入本集團前，范先生曾於一九九六年七月至二零一一年六月在中國銀行河源分行（一間主要從事提供多種企業銀行、個人銀行、投資銀行及其他服務的國有銀行）擔任多個職位，最後擔任中國銀行河源分行高新區支行的行長及河源分行企業部副總經理，主要負責授出信貸融資、風險管理及國際結算。於二零一三年五月至二零一四年四月以及二零一一年七月至二零一四年四月，范先生分別擔任深圳西可及河源西可的財務總監助理，主要負責法律合規事宜及風險控制。范先生於一九九六年七月獲得中國廣東國際金融學校的專業證書，主修國際金融。彼於二零零八年一月獲得中國中共廣東省委黨校的畢業證書，主修公共管理，於二零一六年七月獲得華南理工大學的畢業證書，主修行政管理。范先生還曾為本公司的聯席司秘書之一，直至二零一七年十一月二十一日止辭任。

范先生於二零零五年及二零零六年獲評為中國銀行河源分行十佳員工及於二零零七年獲中國銀行河源分行評為先進工作者。

# Biographical Details of Directors and Senior Management

## 董事及高級管理層之履歷詳情

**Mr. Liu Tongquan (劉統權)**, aged 40, is the production director of the Group and the assistant general manager of Kunshan QT China. Mr. Liu is primarily responsible for the process engineering and production management. Prior to joining the Group, Mr. Liu served as a production manager of Kunshan Giantplus Optoelectronics Technology Co., Ltd. (昆山凌達光電技術有限公司), a LCD display manufacturer, from July 2002 to November 2007, where he was primarily responsible for production management. Mr. Liu received his bachelor's degree in engineering, majoring in measurement and control technology and instrumentation, and his bachelor's degree in economics from Wuhan University (武漢大學) in June 2002 and July 2002, respectively.

**Mr. Jin Yuanbin (金元斌)**, aged 42, is the research and development director of the Group. Mr. Jin is primarily responsible for the research and development of products, as well as the improvement in manufacturing technology and techniques of the Group. Prior to joining the Group, Mr. Jin served as the manager of testing engineering department of Walton Advanced (Suzhou) Engineering Inc. (華東科技(蘇州)有限公司) from 2003 to 2007, where he was responsible for preparation of the implementation, testing criteria and method for new product. From 2008 to 2010, he worked in Altek System (Kunshan) Co., Ltd. (彩晶光電科技(昆山)有限公司), and served as the factory director of camera modules business department, where he was responsible for manufacturing engineering and production operation of camera modules. Mr. Jin has been engaging in the research and development, engineering, testing and production of camera modules since 2002, and possesses extensive related work experience. Mr. Jin received his diploma majoring in financial management, from Nanyang Institute of Technology (南陽理工學院) in 2008.

**劉統權先生**，40歲，為本集團的製造總監及昆山丘鈦中國的副總經理。劉先生主要負責工藝工程及生產管理。於加入本集團前，劉先生曾於二零零二年七月至二零零七年十一月擔任液晶顯示器製造商昆山凌達光電技術有限公司的生產經理，主要負責生產管理。劉先生分別於二零零二年六月獲得武漢大學的工程學士學位，主修測控技術與儀器，以及於二零零二年七月取得武漢大學頒發的經濟學學士學位。

**金元斌先生**，42歲，為本集團的研發總監。金先生主要負責本集團的產品研究開發和製造工藝改良等工作。在加入本集團前，金先生於二零零三年至二零零七年就職於華東科技(蘇州)有限公司，任測試工程部經理，負責新產品實現與測試標準及方法制定。彼於二零零八年至二零一零年就職於彩晶光電科技(昆山)有限公司，任攝像頭模組事業部廠長，負責攝像頭模組製造工程及生產運營。金先生自二零零二年起從事攝像模組研發、工程、測試、生產等工作，有非常豐富的相關工作經驗。金先生於二零零八年獲得南陽理工學院專科學歷，主修財務管理專業。

# Biographical Details of Directors and Senior Management

## 董事及高級管理層之履歷詳情

**Mr. Sun Wei (孫偉)**, aged 39, is the purchasing director of our Group. Mr. Sun is primarily responsible for selecting and evaluating the suppliers and overseeing the sourcing and purchases of raw materials and equipment. Prior to joining our Group, Mr. Sun served as the procurement officer (採購專員) of Compal Electronic Technology (Kunshan) Co., Ltd. (仁寶電子科技(昆山)有限公司), a notebook computer manufacturer, from July 2004 to May 2005, where he was primarily responsible for procurement of the materials. From July 2005 to June 2008, Mr. Sun served as the procurement supervisor of Altek System (Kunshan) Co., Ltd. (彩晶光電科技(昆山)有限公司), a digital camera manufacturer, where he was primarily responsible for sourcing and buying the materials for optical products. From July 2008 to February 2011, he served as the section manager of the supplier development division of Young Optics (Kunshan) Co., Ltd. (昆山揚明光學有限公司), a projector manufacturer, where he was primarily responsible for sourcing and buying the materials for optical products. Mr. Sun received his master's degree in management, majoring in management sciences and engineering, from Harbin Institute of Technology (哈爾濱工業大學) in July 2004.

**Ms. Le Yanfang (樂燕芳)**, aged 34, is the senior human resources manager of our Group. Ms. Le is primarily responsible for management of human resources of our Group. Prior to joining our Group, Ms. Le served as the head of the human resources department in AVCON Information Technology Co., Ltd. (華平信息技術股份有限公司), a company principally engaged in the provision of the multi-media communication system solutions, and was primarily responsible for formulating human resources policies and human resources affairs from October 2007 to December 2010. Ms. Le received her graduation certificate from Jiujiang Vocational and Technical College (九江職業技術學院) in June 2004, majoring in electronic technology and application. Ms. Le completed an online programme in human resources management provided by Nankai University (南開大學) in January 2012.

**Mr. Cheng Zhihua (程芝化)**, aged 42, was appointed as the company secretary of the Company on 21 November 2017. Mr. Cheng graduated from the Jinan University (暨南大學) with a bachelor of accounting degree in 1999 and further obtained a master of business administration degree from the Jinan University in 2010. Mr. Cheng is also a member of the Chinese Institute of Certified Public Accountants. He is currently a financial director of a private company in Hong Kong and has more than 20 years of experience in handling accounting and compliance matters at various companies and accounting firms in Hong Kong and the PRC. Mr. Cheng has been a member of the Hong Kong Institute of Certified Public Accountants since 2017.

孫偉先生，39歲，為本集團的採購總監。孫先生主要負責甄選及評估供應商以及監督原材料及設備的採購及購買。於加入本集團前，孫先生於二零零四年七月至二零零五年五月曾擔任筆記本電腦製造商仁寶電子科技(昆山)有限公司的採購專員，主要負責物料採購。於二零零五年七月至二零零八年六月，孫先生為數碼相機製造商彩晶光電科技(昆山)有限公司的採購主任，主要負責採購及購買光學產品物料。於二零零八年七月至二零一一年二月，彼曾擔任投影機製造商昆山揚明光學有限公司的供應商發展部門的科長，主要負責採購及購買光學產品物料。孫先生於二零零四年七月獲得哈爾濱工業大學的管理碩士學位，主修管理科學及工程。

樂燕芳女士，34歲，為本集團的人力行政高級經理。樂女士主要負責本集團的人力資源管理。於加入本集團前，樂女士曾於二零零七年十月至二零一零年十二月擔任華平信息技術股份有限公司(一間主要從事提供多媒體通信系統解決方案的公司)人力資源部主管，主要負責制訂人力資源政策及處理人力資源事務。樂女士於二零零四年六月獲得九江職業技術學院頒發的畢業證書，主修電子技術及應用。樂女士於二零一二年一月修畢南開大學提供的人力資源管理網上課程。

程芝化先生，42歲，於二零一七年十一月二十一日起獲聘任為本公司之公司秘書。程先生於一九九九年於暨南大學畢業，取得會計學士學位，並於二零一零年於暨南大學取得工商管理碩士學位。程先生亦為中國註冊會計師協會會員。彼現為香港一間私人公司之財務總監並於香港及中國多家公司及會計師事務所擁有逾20年處理會計及合規事宜方面之經驗。自二零一七年起，程先生為香港會計師公會會員。

# Directors' Report

## 董事會報告

The Directors of the Company are pleased to present the annual report and the audited consolidated financial statements of the Group for the Year.

### USE OF PROCEEDS FROM GLOBAL OFFERING

Details of use of proceeds from Global Offering of the Company are set out in the "USE OF PROCEEDS FROM GLOBAL OFFERING" in the Management Discussion and Analysis on page 47 of this annual report.

### USE OF PROCEEDS FROM PLACING OF SHARES

Details of use of proceeds from placing of shares of the Company are set out in the "USE OF PROCEEDS FROM PLACING OF SHARES" in the Management Discussion and Analysis on pages 47 to 48 of this annual report.

### PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. Its subsidiaries are principally engaged in the design, research and development, manufacture and sales of mid-to-high end camera modules and fingerprint recognition modules.

### FIVE-YEAR FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the past five accounting years are set out on pages 7 to 9 of this annual report.

### RESULTS

The results of the Group for the Year are set out in the consolidated statement of profit or loss and other comprehensive income on page 174.

本公司董事欣然提呈本年度本集團之年度報告及經審核之合併財務報表。

### 全球發售所得款項用途

本公司全球發售所得款項用途的詳情載於本年度報告管理層討論與分析第47頁的「全球發售所得款項用途」。

### 股份配售所得款項用途

本公司股份配售所得款項用途的詳情載於本年度報告管理層討論與分析第47頁至48頁的「股份配售所得款項用途」。

### 主要業務

本公司為一間投資控股公司，其附屬公司主要從事中高端攝像頭模組、指紋識別模組的設計、研發、生產和銷售。

### 五年財務概要

本集團於最近五個會計年度的業績及資產負債概要載於本年度報告第7至9頁。

### 業績

本集團於本年度的業績載於第174頁的合併損益及其他全面收益表。

### BUSINESS REVIEW

A review of the business of the Group during the Year and a discussion on the Group's future business development are provided in the Chairman's Statement on pages 10 to 20 of this report. Description of possible risks and uncertainties that the Group may be facing can be found in the Chairman's Statement on pages 10 to 20. Also, the financial risk management objectives and policies of the Group and particulars of important events affecting the Group that have occurred since the end of the Year are provided in the Management Discussion and Analysis on pages 21 to 50 of this annual report. An analysis of the Group's performance during the year using financial key performance indicators is provided in the Group Five-year Financial Summary on pages 7 to 9 of this annual report. In addition, discussions on the Group's environmental policies, relationships with its stakeholders and compliance with relevant laws and regulations which have a significant impact on the Group are contained in the Chairman's Statement, the Management Discussion and Analysis, the Corporate Governance Report, the Environmental, Social and Governance Report and this Directors' Report on pages 10 to 20, pages 21 to 50, pages 105 to 130, pages 131 to 162, and pages 60 to 104 respectively. These discussions form part of this Directors' Report.

### COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

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

### RELATIONSHIP WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

The Group understands the importance of maintaining a good relationship with its employees, customers and suppliers to meet its immediate and long-term business goals. During the Year, there were no material and significant dispute between the Group and its employees, customers and suppliers.

### 業務回顧

有關本集團本年度業務的審視與對未來業務發展的論述均載於本報告第10頁至第20頁的主席報告，而有關本集團可能面對的風險及不明朗因素的描述，亦載於第10頁至第20頁的主席報告，本年報第21頁至第50頁的管理層討論與分析刊載了本集團的財務風險管理目標及政策，以及本年度終結後發生並對本集團有影響的重大事件。本年報第7頁至第9頁則刊載集團五年財務概要，以財務關鍵表現指標分析本集團年內表現。此外，關於本集團環保政策、與持份者關係及對本集團有重大影響的相關法律及規例之遵守情況，分別刊於第10頁至第20頁的主席報告、第21頁至第50頁的管理層討論與分析、第105頁至第130頁的企業管治報告、第131頁至第162頁的環境、社會及管治報告及第60頁至第104頁之本董事會報告書中。該等討論為本董事會報告的一部分。

### 遵守相關法律及法規

於本年度，據董事會及管理層所知，本集團並無重大違反或不遵守對本集團的業務及營運有重大影響的適用法律及法規。

### 與僱員、客戶及供應商之關係

本集團瞭解與其僱員、客戶及供應商保持良好關係對達到其短期及長期目標之重要性。於本年度，本集團與其僱員、客戶及供應商之間概無嚴重及重大糾紛。

### FINAL DIVIDEND DISTRIBUTION

The Board recommended the payment of a final dividend for the year ended 31 December 2017 of RMB7.8 cents (equivalent to HK9.6 cents) per share to the Shareholders whose names appear on the register of members of the Company on Tuesday, 12 June 2018. Subject to the approval by the Shareholders at the forthcoming AGM of the Company to be held on Friday, 25 May 2018, the proposed final dividend is expected to be paid on or around Monday, 25 June 2018.

There was no arrangement under which a shareholder has waived or agreed to waive any dividends for the Year.

For determining shareholders' entitlement to attend the AGM, the register of members of the Company will be closed from 21 May 2018 to 25 May 2018. All transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on 18 May 2018.

For the purpose of determining the eligibility to receive the final dividend, the register of members of the Company will be closed from 8 June 2018 to 12 June 2018, during which period no transfer of shares will be effected. All transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on 7 June 2018.

### 末期股息分派

董事會建議向於二零一八年六月十二日（星期二）名列本公司股東名冊之股東派付截至二零一七年十二月三十一日止年度之末期股息每股人民幣7.8分（相等於9.6港仙）。建議末期股息預期將於二零一八年六月二十五日（星期一）或該日前後派付，惟須於將於二零一八年五月二十五日（星期五）舉行之本公司股東週年大會上獲得股東批准。

本年度，並無股東已放棄或同意放棄任何股息的安排。

為符合出席股東週年大會資格，本公司將於二零一八年五月二十一日至二零一八年五月二十五日暫停辦理股份過戶登記手續。所有的股份過戶文件連同有關股票，必須於二零一八年五月十八日下午四時三十分前，送至本公司於香港之證券登記分處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716號舖。

為符合資格收取末期股息，本公司將於本公司將於二零一八年六月八日至二零一八年六月十二日暫停辦理股份過戶登記手續，期間不會進行任何股份過戶登記。所有股份過戶文件連同有關股票，必須於二零一八年六月七日下午四時三十分前，送至本公司於香港之證券登記分處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716號舖。

### MAJOR CUSTOMERS AND SUPPLIERS

For the Year, the trading between the Group and its major customers and suppliers were as follows:

The Group's purchases from its largest supplier accounted for approximately 13.3% (2016: approximately 17.2%) of the total purchases of the Group whilst the Group's five largest suppliers accounted for approximately 39.3% (2016: approximately 46.5%) of the total purchases of the Group.

The Group's largest customer accounted for approximately 37.8% (2016: approximately 31.9%) of the total turnover of the Group whilst the Group's five largest customers accounted for approximately 79.7% (2016: approximately 79.3%) of the total turnover of the Group.

During the Year, none of the Directors, their respective close associates (as defined in the Listing Rules) or any shareholders of the Company (which, to the best knowledge of the Directors, own more than 5% of the Company's issued shares) had any beneficial interest in any of the five largest suppliers or customers of the Group.

### PROPERTY, PLANT AND EQUIPMENT

Details of the movements in the property, plant and equipment of the Group during the Year are set out in note 10 to the consolidated financial statements.

### BORROWINGS

Particulars of borrowings of the Group as at 31 December 2017 are set out in note 21 to the consolidated financial statements of the Company.

### SHARE CAPITAL

Details of movements in the share capital of the Company during the Year are set out in note 27 to the consolidated financial statements.

### 主要客戶及供應商

本年度，本集團與主要供應商及客戶的交易情況如下：

本集團最大供應商的採購額佔本集團總採購額約13.3%（二零一六年：約17.2%），向五大供應商的採購額合共佔本集團採購總額約39.3%（二零一六年：約46.5%）。

本集團最大客戶的銷售額佔本集團總營業額約37.8%（二零一六年：約31.9%），向五大客戶的銷售額合共佔本集團總營業額約79.7%（二零一六年：約79.3%）。

本年度內，概無任何董事、其緊密聯繫人（如上市規則所定義）或本公司任何股東（據董事所知悉，擁有本公司已發行股份的5%以上）持有本集團五大供應商或客戶任何實益權益。

### 物業、廠房及設備

有關本集團於本年度的物業、廠房及設備的變動詳情載於合併財務報表附註10。

### 借款

本集團於二零一七年十二月三十一日之借款詳情載於本公司合併財務報表附註21。

### 股本

本公司於本年度股本的變化詳情載於合併財務報表附註27。



# Directors' Report

## 董事會報告

### ISSUE OF SHARES AND DEBENTURES

Save as disclosed in this report, the Company did not issue any shares or debentures during the Year.

### DISTRIBUTABLE RESERVES

Under the Companies Law of the Cayman Islands, the share premium of the Company is available for distribution to the shareholders of the Company subject to the articles of association of the Company (the "Articles of Association"). As at 31 December 2017, the aggregate amount of the Company's reserves (including share premium and retained profits) available for distribution to the equity holders of the Company was approximately RMB986,162,000 (2016: approximately RMB815,723,000).

### DIRECTORS

The Directors of the Company during the Year and up to the date of this report are:

#### Executive Directors

Mr. He Ningning (*Chairman*)<sup>N</sup>  
Mr. Wang Jianqiang  
Mr. Hu Sanmu

#### Independent Non-executive Directors ("INEDs")

Mr. Chu Chia-Hsiang<sup>NAR</sup>  
Ms. Chen Jun<sup>NARM</sup>  
(resigned on 31 May 2017)  
Mr. Ko Ping Keung<sup>NARM</sup>  
(appointed on 31 May 2017)  
Mr. Ng Sui Yin<sup>ARM</sup>

A member of audit committee of the Company  
R member of remuneration committee of the Company  
M member of risk management committee of the Company  
N member of nomination committee of the Company

### 發行股份及債權證

除本報告所披露者外，本公司於本年度並無發行任何股份或債權證。

### 可分派儲備

根據開曼群島公司法，本公司股份溢價賬上的資金可分派予本公司股東，惟須遵守本公司組織章程細則（「組織章程細則」）。於二零一七年十二月三十一日，可供分派予本公司股權持有人的儲備（包括股份溢價及保留溢利）總額約為人民幣986,162,000元（二零一六年：約人民幣815,723,000元）。

### 董事

於本年度內直至本報告日期期間本公司董事如下：

#### 執行董事

何寧寧先生（主席）<sup>N</sup>  
王健強先生  
胡三木先生

#### 獨立非執行董事（「獨立非執行董事」）

初家祥先生<sup>NAR</sup>  
陳郡女士<sup>NARM</sup>  
(於二零一七年五月三十一日辭任)  
高秉強先生<sup>NARM</sup>  
(於二零一七年五月三十一日獲委任)  
吳瑞賢先生<sup>ARM</sup>

A 本公司審核委員會成員  
R 本公司薪酬委員會成員  
M 本公司風險管理委員會成員  
N 本公司提名委員會成員

In accordance with article 83(3) of the Articles of Association, any Director appointed by the Board to fill a causal vacancy shall hold office until the first general meeting of the Company after his appointment and shall then be eligible for re-election 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. Accordingly, Mr. Ko Ping Keung (appointed as an independent non-executive Director on 31 May 2017) will hold office until the AGM and, being eligible, will offer himself for re-election at the AGM.

In accordance with articles 84(1) and 84(2) of the Articles of Association, Mr. He Ningning and Mr. Ng Sui Yin will retire by rotation and being eligible, will offer themselves for re-election at the AGM.

During the Year, other than Ms. Chen Jun's resignation as an INED, a member of each of the Audit Committee, the Remuneration Committee, the Nomination Committee and the chairlady of the Risk Management Committee due to personal affairs (please refer to the announcement of the Company dated 31 May 2017 for details), no Director resigned from his/her office or refused to stand for re-election to his/her office due to reasons relating to the affairs of the Company.

### DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHICAL DETAILS

The biographical details of the Directors and senior management are set out on pages 51 to 59 of this annual report.

### DIRECTORS' SERVICE CONTRACTS

Each of our executive Directors has entered into a service contract with our Company, among which, the term of office for each of Mr. He Ningning and Mr. Wang Jianqiang is 36 months commencing from the month in which the Company's Shares were listed on the Stock Exchange (i.e. December 2014); the term of office for Mr. Hu Sanmu is 36 months commencing from 8 July 2016. On 2 December 2017, Mr. He Ningning, Mr. Wang Jianqiang and Mr. Hu Sanmu renewed their service contracts with the Company for a term of 36 months commencing from 2 December 2017. The service contract of each executive Director may be terminated by not less than three months' notice in writing served by either party on the other party.

根據組織章程細則第83(3)條，任何獲董事會委任以填補臨時空缺的董事任期將直至其獲委任後首屆股東大會為止，且屆時將具資格再次競選，而任何獲董事會委任或加入現有董事會的董事任期僅至本公司下屆股東週年大會為止，且屆時將具資格進行再次競選。因此，高秉強先生（於二零一七年五月三十一日獲委任為獨立非執行董事）將供職至股東週年大會召開日期為止，並合資格及願意於股東週年大會上重選連任。

根據組織章程細則第84(1)及84(2)條，何寧寧先生及吳瑞賢先生將輪席退任，彼等符合資格並願意於股東週年大會上重選連任。

於本年度，除陳郡女士因個人事務的原因辭去獨立非執行董事、審核委員會成員、薪酬委員會成員、提名委員會成員及風險管理委員會主席的職務（詳見本公司於二零一七年五月三十一日之公告）外，概無董事因本公司事務相關的理由辭職或拒絕參選連任。

### 董事及高級管理層之個人履歷

董事及高級管理層之個人履歷詳情載於本年報第51頁至59頁。

### 董事服務合約

各執行董事已與本公司訂立服務合約，其中：何寧寧先生和王健強先生的任期分別為自本公司股份於聯交所上市的月份（即二零一四年十二月）起為期三十六個月；胡三木先生的任期為二零一六年七月八日起為期三十六個月。於二零一七年十二月二日，何寧寧先生、王健強先生和胡三木先生與本公司續簽了服務合約，任期均為自二零一七年十二月二日起為期三十六個月。各執行董事之服務合約可由任何一方向另一方發出不少於三個月的書面通知而終止。

# Directors' Report

## 董事會報告

Each of the INEDs has signed a letter of appointment with the Company, pursuant to which the term of office for each of Mr. Chu Chia-Hsiang and Mr. Ng Sui Yin is 3 years commencing from 2 December 2014, being the date on which the shares of the Company were initially listed on the Stock Exchange; and Mr. Ko Ping Keung's term of office is three years commencing from 31 May 2017. Ms. Chen Jun has resigned as an INED due to her personal affairs, details of which are set out in the announcement of the Company dated 31 May 2017. On 2 December 2017, Mr. Chu Chia-Hsiang and Mr. Ng Sui Yin signed letters of appointment with the Company for a term of 36 months commencing from 2 December 2017.

None of the Directors being proposed for re-election at the AGM has a service contract with the Company or any of its subsidiaries, which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

### **DIRECTORS' INTERESTS IN TRANSACTION, ARRANGEMENT OR CONTRACTS OF SIGNIFICANCE**

Save as disclosed in the section headed "Continuing Connected Transactions" below, no transaction, arrangement or contract of significance to which the Company, its holding company, its controlling shareholder or subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the Year or at any time during the Year.

各獨立非執行董事已與本公司簽署委任書，其中：初家祥先生和吳瑞賢先生任期為自二零一四年十二月二日，即本公司股份首次在聯交所上市日期起三年；高秉強先生任期為自二零一七年五月三十一日起三年。陳郡女士因個人事務原因辭任獨立非執行董事職位（詳見本公司於二零一七年五月三十一日之公告）。於二零一七年十二月二日，初家祥先生和吳瑞賢先生與本公司簽署委任書，任期均自二零一七年十二月二日起為期三十六個月。

建議於股東週年大會上重選連任的董事概無與本公司或其任何附屬公司訂立任何不可於一年內由本公司免付賠償（法定賠償除外）而終止的服務合約。

### **董事於交易、安排或重大合約之權益**

除下文「持續關連交易」一節所披露者外，本公司、其控股公司、控股股東或附屬公司概無於本年年底或年內任何時間訂立仍然有效而董事於其中（不論直接或間接）擁有重大利益的交易、安排或重大合約。

### DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2017, the interests of the Directors or chief executive of the Company in the shares, underlying shares (in relation to the positions held pursuant to equity derivatives) and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Future Ordinance, Chapter 571 of the Laws of Hong Kong (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 as recorded in the register required to be maintained by the Company pursuant to section 352 of the SFO; or otherwise 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") as set out in Appendix 10 to the Listing Rules, were as follows:

#### (a) Interest in the Shares of the Company

Name of Directors/ Chief Executive	Capacity/ Nature of interest	Number of issued Shares held	Position held	Approximate percentage of the issued Shares (Note 2)
董事／主要行政 人員姓名	身份／權益性質	所持之 已發行 股份數目	持倉	約持已發行 股份百分比 (附註2)
He Ningning 何寧寧	Interest of a controlled corporation 受控法團權益	751,391,000 (Note 1) (附註1)	Long position 好倉	67.35%
Wang Jianqiang 王健強	Beneficial owner 實益擁有人	10,000,000 (Note 3) (附註3)	Long position 好倉	0.90%
Hu Sanmu 胡三木	Beneficial owner 實益擁有人	1,493,000 (Note 4) (附註4)	Long position 好倉	0.13%

### 董事及主要行政人員於股份、相關股份及債券中擁有之權益

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於本公司及其相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份（與根據股本衍生工具所持有的持倉量相關）及債券中擁有之根據證券及期貨條例第XV部第7及8分部的條文須知會本公司及聯交所的記錄於證券及期貨條例第352節要求本公司備存的登記冊內；或根據上市規則附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所的權益如下：

#### (a) 於本公司股份之權益

# Directors' Report

## 董事會報告

### Notes:

1. Mr. He Ningning, an executive Director and the chairman of the Board, is the sole beneficial owner of QT Investment which owned approximately 67.35% of the issued Shares. Under Chapter 15 of the SFO, Mr. He Ningning is deemed to be interested in the Shares held by QT Investment.
2. The percentage represents the number of Shares divided by 1,115,597,000 issued Shares of the Company in total as at 31 December 2017.
3. On 3 April 2018, an aggregate of 644,800 Shares were issued to Mr. Wang Jianqiang pursuant to the exercise of 644,800 share options granted to him by the Company under the Share Option Scheme on 26 October 2016, at an exercise price of HK\$4.13 per share. Since 3 April 2018, Mr. Wang Jianqiang has been the beneficial owner of an aggregate of 10,644,800 Shares of the Company.
4. On 3 April 2018, an aggregate of 480,000 Shares were issued to Mr. Hu Sanmu pursuant to the exercise of 480,000 share options granted to him by the Company under the Share Option Scheme on 26 October 2016, at an exercise price of HK\$4.13 per share. Since 3 April 2018, Mr. Hu Sanmu has been the beneficial owner of an aggregate of 1,973,000 Shares of the Company.

### 附註：

1. 何寧寧先生，董事會執行董事兼主席，為丘鈇投資唯一實益擁有人，丘鈇投資持有已發行股份的約67.35%。根據證券及期貨條例第十五章，何寧寧先生被視為於丘鈇投資所持有之股份中擁有權益。
2. 該等百分比指相關股份數目除以本公司於二零一七年十二月三十一日的1,115,597,000股已發行股份總數。
3. 於二零一八年四月三日，王健強先生獲本公司以每股行使價格4.13港元行使其於二零一六年十月二十六日根據購股權計劃獲授予之644,800份購股權向其發行共644,800股股份。自二零一八年四月三日起，王健強先生為本公司合共10,644,800股股份的實益擁有人。
4. 於二零一八年四月三日，胡三木先生獲本公司以每股行使價格4.13港元行使其於二零一六年十月二十六日根據購股權計劃獲授予之480,000份購股權向其發行共480,000股股份。自二零一八年四月三日起，胡三木先生為本公司合共1,973,000股股份的實益擁有人。

### (b) Interest in Underlying Shares

### (b) 於相關股份之權益

Name of Directors/ Chief Executive	Capacity/ Nature of interest	Number of underlying Shares in respect of the share options granted	Position held	Approximately percentage of the underlying Shares over the Company's issued Shares <sup>(Note 2)</sup> (assuming that the share options are exercised in full)
董事／主要行政 人員姓名	身份／權益性質	涉及已授出 購股權的 相關股份數目	持倉	相關股份 佔本公司已發行 股份 <sup>(附註2)</sup> 概約百分比 (假設購股權 獲全數行使)
Wang Jianqiang 王健強	Beneficial owner 實益擁有人	1,612,000 <i>(Note 1 and 3)</i> <i>(附註1及3)</i>	Long position 好倉	0.14%
Hu Sanmu 胡三木	Beneficial owner 實益擁有人	1,200,000 <i>(Note 1 and 4)</i> <i>(附註1及4)</i>	Long position 好倉	0.11%

# Directors' Report

## 董事會報告

### Notes:

1. Details of the above share options have been disclosed in the following sections headed "Share Option Scheme" and note 25 to the consolidated financial statements of the Company.
2. The percentage represents the number of underlying Shares divided by 1,115,597,000 issued Shares of the Company in total as at 31 December 2017.
3. On 3 April 2018, Mr. Wang Jianqiang exercised 644,800 share options granted to him by the Company under the Share Option Scheme on 26 October 2016, at an exercise price of HK\$4.13 per share. Mr. Wang Jianqiang is interested in the remaining 967,200 share options granted to him.
4. On 3 April 2018, Mr. Hu Sanmu exercised 480,000 share options granted to him by the Company under the Share Option Scheme on 26 October 2016, at an exercise price of HK\$4.13 per share. Mr. Hu Sanmu is interested in the remaining 720,000 share options granted to him.

### 附註：

1. 上述購股權之詳情已於下文「購股權計劃」章節及本公司合併財務報表附註25披露。
2. 該等百分比指擁有權益的相關股份數目除以本公司於二零一七年十二月三十一日的1,115,597,000股已發行股份總數。
3. 於二零一八年四月三日，王健強先生以每股行使價格4.13港元行使其於二零一六年十月二十六日根據購股權計劃獲授予之644,800份購股權。王健強先生於已向其授出的餘下967,200份購股權中擁有權益。
4. 於二零一八年四月三日，胡三木先生以每股行使價格4.13港元行使其於二零一六年十月二十六日根據購股權計劃獲授予之480,000份購股權。胡三木先生於已向其授出的餘下720,000份購股權中擁有權益。

### (c) Interest in Associated Corporation

### (c) 於相聯法團之權益

Name of Directors/ Chief Executive	Name of associated corporation	Capacity/Nature of interest	Number of issued Shares held	Approximate percentage of the issued shares in associated corporation
董事／主要行政 人員姓名	相聯法團名稱	身份／權益性質	所持之已發行 股份數目	約持相聯法團 已發行股份 百分比
He Ningning 何寧寧	QT Investment 丘鈦投資	Beneficial owner 實益擁有人	1	100%

Other than as disclosed above, as at 31 December 2017, none of the Directors nor chief executive of the Company had any interests or short positions in any Shares, and underlying Shares (in respect of positions pursuant to equity derivatives) or debentures of the Company or any of 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 or as recorded in the register referred to in the SFO or which were required to be 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，概無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第XV部）的股份、相關股份（與根據股本衍生工具所持有的持倉量相關）或債券中擁有任何須知會本公司及聯交所或載於證券及期貨條例規定備存的登記冊內或根據標準守則須知會本公司及聯交所的權益或淡倉。

### SHAREHOLDERS' INTERESTS IN CONTRACT OF SIGNIFICANCE

### 股東之重大合約權益

Save as disclosed in the section headed "Continuing Connected Transactions", no contracts of significance to which the Company or any of its subsidiaries was a party and in which a Shareholder had a material interest, whether directly or indirectly, subsisted at the end of the Year or at any time during the Year.

除「持續關連交易」一節所披露者外，本公司或其任何附屬公司概無訂立任何本公司股東直接或間接擁有重大權益，並且於本年底或年度內任何時間仍然生效之重大合約。



# Directors' Report

## 董事會報告

### DISCLOSURE OF INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at 31 December 2017, so far as the Directors were aware of, the following persons (other than the Directors and chief executives of the Company) had interests or short positions in the Shares or underlying Shares (in respect of positions pursuant to equity derivatives) as recorded in the register required to be kept by the Company under section 336 of the SFO as follows:

### 主要股東權益披露

於二零一七年十二月三十一日，就本公司董事所知，下列人士（除本公司董事及主要行政人員外）於股份或相關股份（與根據股本衍生工具所持有的持倉量相關）中擁有記錄於證券及期貨條例第336節要求本公司備存的登記冊內之權益或淡倉如下：

Name of Shareholder	Long/short position	Capacity/Nature of interest	Number of Shares held	Approximate percentage of total issued Shares in the Company (Note 1) 約持本公司已發行股份總數百分比 (附註1)
股東名稱	好倉／淡倉	身份／權益類別	所持股份數目	
QT Investment 丘鈦投資	Long position 好倉	Beneficial owner 實益擁有人	751,391,000	67.35% (Note 2) (附註2)

Note:

- The percentage represents the number of underlying Shares divided by 1,115,597,000 issued Shares of the Company in total as at 31 December 2017.
- Mr. He Ningning is directly interested in the entire interest of Q Technology Investment Inc., which owned approximately 67.35% of the issued Shares.

Save as disclosed herein, the Company has not been notified of any other person (other than a Director or a chief executive of the Company) who had an interest or a short position in the Shares and underlying Shares (in respect of positions pursuant to equity derivatives) as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO as at 31 December 2017.

附註：

- 該等百分比指擁有權益的相關股份數目除以本公司於二零一七年十二月三十一日的1,115,597,000股已發行股份總數。
- 何寧寧先生直接擁有丘鈦投資有限公司全部權益，而丘鈦投資有限公司擁有已發行股份的約67.35%。

除此處所披露者外，於二零一七年十二月三十一日，概無任何人士（除本公司董事或主要行政人員外）知會本公司，其於本公司股份及相關股份（與根據股本衍生工具所持有的持倉量相關）中擁有記錄於根據證券及期貨條例第336節要求本公司備存之登記冊上的權益或淡倉。

### ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Other than the schemes disclosed in the section headed "Share Option Schemes" below, at no time during the Year was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

### MANAGEMENT CONTRACT

No contract 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.

### PERMITTED INDEMNITY PROVISION

The Articles of Association provide that each Director, secretary or other officer of the Company shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which any of them may incur or sustain in or about the execution of the duties in their respective offices. The Company has taken out and maintained appropriate insurance to cover potential legal actions against its Directors.

Save as disclosed in this report, the Company has not come into any permitted indemnity provision with the Directors.

### EQUITY-LINKED AGREEMENTS

No equity-linked agreements were entered into by the Group or existed during the Year.

### DONATIONS

The Group had not made charitable or other donations of HK\$10,000 and/or above during the Year.

### 購買股份或債券之安排

除下文「購股權計劃」一節所披露之計劃外，本公司或其任何附屬公司概無於本年度任何時間訂立任何安排，使董事可藉購買本公司或其他任何法人團體的股份或債權而獲益。

### 管理合約

於本年度，就本公司整體或任何重要環節業務方面並無訂立或存在管理及行政合約。

### 獲准許彌償條文

組織章程細則規定本公司每名董事、秘書或本公司其他高管，就其各自的職務執行其職責時招致的所有訴訟、費用、收費、損失、損害及開支，均可從本公司的資產及利潤獲得彌償。本公司已就其董事可能會面對的法律行動辦理及投購適當的保險。

除本報告所披露者外，本公司未與董事訂立任何獲准許的彌償條文。

### 股票掛鉤協議

於本年度，本集團並無訂立或存在任何股票掛鉤協議。

### 捐款

本集團於本年度並無作出一萬港元及／或以上之慈善或其他捐款。

# Directors' Report

## 董事會報告

### EVENTS AFTER THE REPORTING YEAR

Saved as disclosed in the Management Discussion and Analysis on pages 21 to 50, there were no other important events affecting the Group that had occurred after 31 December 2017 and up to the date of this report.

### REMUNERATION OF DIRECTORS AND FIVE INDIVIDUALS WITH HIGHEST EMOLUMENTS

Details of the emoluments of the Directors and the five individuals with the highest emoluments for the Year are set out in notes 6 and 7 to the consolidated financial statements, respectively.

### UPDATE ON THE DIRECTORS INFORMATION UNDER RULE 13.51B(1) OF THE LISTING RULES

There were no important changes in the information of Directors required to be disclosed in this report pursuant to Rule 13.51B(1) of the Listing Rules.

### SHARE OPTION SCHEMES

On 13 November 2014, the Company adopted the pre-IPO share option scheme (the "Pre-IPO Share Option Scheme") and a share option scheme (the "Share Option Scheme") and granted a total of 59,935,000 share options under the Pre-IPO Share Option Scheme to the eligible participants with an aim to reward their contribution to the Group made or possibly made. On 26 October 2016, the Company granted an aggregate of 39,425,000 share options under the Share Option Scheme to the eligible participants and on 9 June 2017, the Company granted an aggregate of 8,083,000 share options under the Share Option Scheme to the eligible participants. Details of the schemes are set out below:

### 報告年度後事項

除本年報第21頁至第50頁的管理層討論與分析所披露外，於二零一七年十二月三十一日後及直至本報告公佈之日未發生影響本集團之其他重要事件。

### 董事薪酬及五名最高薪人士

於本年度，董事薪酬及五名最高薪人士的詳情分別載於合併財務報表附註6及7。

### 根據上市規則第13.51B(1)條作出的董事資訊更新

根據上市規則第13.51B(1)條，概無董事資訊發生重大變化需在本報告中披露。

### 購股權計劃

於二零一四年十一月十三日，本公司採納了首次公開發售前購股權計劃（「首次公開發售前購股權計劃」）及一項購股權計劃（「購股權計劃」），及根據首次公開發售前購股權計劃向合資格參與者授出共計59,935,000份購股權，旨在獎勵他們曾經或可能已對本集團做出的貢獻。於二零一六年十月二十六日，本公司根據購股權計劃向合資格參與者授出共計39,425,000份購股權，並且於二零一七年六月九日，本公司根據購股權計劃向合資格參與者授出共計8,083,000份購股權。計劃詳情列載如下：

### A. Share Option Scheme

#### 1. Purpose of the Share Option Scheme:

The Share Option Scheme is established to recognise and acknowledge the contributions that the Eligible Participants (as defined in paragraph 2 below) had or may have made to the Group. The Share Option Scheme will provide the Eligible Participants with an opportunity to have a personal stake in the Company with a view to achieving the following objectives:

- (i) motivate the Eligible Participants to optimise their performance efficiency for the benefit of the Group; and
- (ii) attract and retain or otherwise maintain an on-going business relationship with the Eligible Participants whose contributions are or will be beneficial to the long-term growth of the Group.

#### 2. Participants of the Share Option Scheme:

The Board may, at its discretion, offer to grant an option to the following persons (collectively the "Eligible Participants") to subscribe for such number of new Shares as the Board may determine:

- (i) any full-time or part-time employees, executives or officers of the Company or any of its subsidiaries;
- (ii) any directors (including independent non-executive directors) of the Company or any of its subsidiaries; and
- (iii) any advisers, consultants, suppliers, customers, distributors and such other persons who in the sole opinion of the Board will contribute or have contributed to the Company or any of its subsidiaries.

### A. 購股權計劃

#### 1. 購股權計劃的目的：

購股權計劃旨在嘉許及表揚曾經或可能已對本集團作出貢獻的合資格參與者（定義見下文第2段）。購股權計劃將向合資格參與者提供一個於本公司擁有個人權益的機會，以達致下列目標：

- (i) 激勵合資格參與者為本集團的利益而優化其表現效率；及
- (ii) 吸引及挽留合資格參與者或與合資格參與者保持持續的業務關係，而該等合資格參與者的貢獻，乃對或將對本集團的長遠發展有利。

#### 2. 購股權計劃參與者：

董事會可酌情決定向下列人士（統稱「合資格參與者」）授出購股權，以認購董事會可能釐定的相關數目新股份：

- (i) 本公司或其任何附屬公司的任何全職或兼職僱員、行政人員或高級職員；
- (ii) 本公司或其任何附屬公司的任何董事（包括獨立非執行董事）；及
- (iii) 董事會全權認為將會或已經對本公司或其任何附屬公司作出貢獻的任何諮詢人、顧問、供應商、客戶、分銷商及有關其他人士。

# Directors' Report

## 董事會報告

3. Total number of Shares available for issue under the Share Option Scheme and percentage of the total number of issued Shares as at the date of this report:

At the annual general meeting of the Company held on 19 May 2017, an ordinary resolution was passed by the shareholders of the Company to approve the refreshment of the maximum number of Shares that may be issued upon the exercise of all options which may be granted under the Share Option Scheme and any other share option schemes of the Company to not exceeding 10% of the Shares in issue of the Company as at the date of approval by the Shareholders of the refreshed limit. On the date of approving such ordinary resolution (i.e. on 19 May 2017), the Shares in issue of the Company was 1,095,597,000 shares, therefore, the maximum number of Shares relating to the options that may be granted under the Share Option Scheme and any other share option schemes of the Company were refreshed to 109,559,700 Shares, representing approximately 9.82% of total number of 1,115,597,000 Shares in issue on the date of this report (i.e. on 19 March 2018).

3. 根據購股權計劃可供發行股份總數及佔於本報告之日已發行股份總數百分比：

於二零一七年五月十九日舉行之本公司股東週年大會上，本公司股東以普通決議案通過批准將根據購股權計劃及本公司任何其他購股權計劃授出之所有購股權獲行使時可能發行之股份數目上限，更新至不得超過股東批准經更新限額當日本公司已發行股份之10%。於批准該普通決議案當日（即二零一七年五月十九日），本公司之已發行股份為1,095,597,000股股份，因此根據購股權計劃及本公司任何其他購股權計劃可能授出的購股權所涉及的股份數目上限，更新為109,559,700股股份，並佔於本報告之日（即二零一八年三月十九日）已發行股份總數1,115,597,000股股份的約9.82%。

4. Maximum entitlement of each participant under the Share Option Scheme:

The maximum number of Shares issued and which may fall to be issued upon exercise of the options granted under the Share Option Scheme and any other share option schemes of the Company (including exercised, cancelled and outstanding options) to each Eligible Participant in any 12-month period up to the date of grant shall not exceed 1% of the Shares in issue as at the date of grant. Any further grant of options in excess of this 1% limit shall be subject to:

- (i) the issue of a circular by the Company containing the identity of the Eligible Participant, the numbers of and terms of the options to be granted (and options previously granted to such Eligible Participant), the information as required under Rules 17.02(2)(d) of and the disclaimer required under 17.02(4) of, the Listing Rules; and
- (ii) the approval of the Shareholders in general meeting and/or other requirements prescribed under the Listing Rules from time to time with such Eligible Participant and his/her close associates (as defined in the Listing Rules) (or his/her associates if the Eligible Participant is a connected person (as defined in the Listing Rules)) abstaining from voting.

4. 根據購股權計劃向每名參與者授出購股權的數目上限：

在截至授出日期止任何12個月期間，根據購股權計劃及本公司任何其他購股權計劃向每名合資格參與者授出的購股權（包括已行使、已註銷及尚未行使的購股權）獲行使時，已發行及可能發行的股份總數不得超過於授出日期已發行股份的1%。倘進一步授出購股權超過上述1%限額，本公司須：

- (i) 發出通函，其中載列合資格參與者的身份、將授出購股權（及過往授予該參與者的購股權）的數目及條款及上市規則第17.02(2)(d)條規定的資料及第17.02(4)條規定的免責聲明；及
- (ii) 經股東在股東大會上批准及／或遵守上市規則不時訂明的其他規定，而該名合資格參與者及其緊密聯繫人（定義見上市規則）（或其聯繫人（如合資格參與者為關連人士（定義見上市規則）））須放棄投票。

# Directors' Report

## 董事會報告

5. The period within which the options must be exercised under Share Option Scheme to subscribe for Shares:

An option may be exercised in accordance with the terms of the Share Option Scheme at any time in the period after the date upon which the option is deemed to be granted and accepted and prior to the expiry of 10 years from that date subject to the provisions for early termination set out in the Share Option Scheme.

6. The minimum period for which an option must be held before it can be exercised:

There is no minimum period for which an option granted must be held before it can be exercised unless otherwise imposed by the Directors.

7. The amount payable on application or acceptance of the option and the period within which payments or calls must or may be made, or loans for such purposes must be repaid:

Options granted must be taken up by eligible participants within 21 days of the date of grant, upon payment of HK\$1.

8. The basis of determining the exercise price:

The exercise price is determined by the Board but shall not be less than the highest of: (i) the official closing price of the Shares as stated in the Stock Exchange's daily quotation sheet on the date of grant, which must be a day on which the Stock Exchange is open for the business of dealing in securities; (ii) the average of the official closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant; and (iii) the nominal value of a Share.

5. 購股權須根據購股權計劃行使以認購股份的期限：

購股權可根據購股權計劃的條款於購股權被視為已授出並獲接納的日期後至自該日起計10年屆滿前期間隨時行使，惟或按購股權計劃所載的條文提早終止。

6. 購股權行使前最短持有期限：

除董事另有要求，授出之購股權在可供行使前毋需達到特定最短持有期限。

7. 申請或接納購股權時的應付金額及進行或可能進行支付或催繳，或須償還該目的之貸款的期限：

合資格參與者須於獲授出日期後二十一日內接納購股權，並為接納購股權支付1港元。

8. 釐定行使價之基準：

行使價由董事會釐定，惟不得低於下列最高者：(i)於授出日期（須為聯交所開門營業可供進行證券交易的日子）在聯交所每日報價表所報的正式收市價；(ii)緊接授出日期前五個營業日股份在聯交所每日報價表所報的正式收市價平均數；及(iii)股份面值。

9. The remaining life of the Share Option Scheme:

The Share Option Scheme remains in force for a period of 10 years commenced from 13 November 2014.

10. The total number of share options granted under the Share Option Scheme on 26 October 2016:

On 26 October 2016, the Company granted a total of 39,425,000 share options (representing approximately 3.78% of the total number of issued Shares on the date of grant of the relevant share options (i.e. on 26 October 2016) and approximately 3.53% of 1,115,597,000 shares of the total number of issued Shares as at the date of this report (i.e. on 19 March 2018)) under the Share Option Scheme to 165 eligible participants. Such share options were not exercisable during the Year and as of 31 December 2017, share options for a total of 2,660,000 shares were waived as a result of the resignations of 14 grantees.

9. 購股權計劃剩餘年期：

購股權計劃將於自二零一四年十一月十三日起十年期間保持生效。

10. 於二零一六年十月二十六日根據購股權計劃已授出購股權總數：

於二零一六年十月二十六日，本公司根據購股權計劃向165名合資格參與者授出共計39,425,000份購股權，即有關購股權授出之日（即二零一六年十月二十六日）本公司已發行股份總數的約3.78%，及於本報告之日（即二零一八年三月十九日）的已發行股份總數1,115,597,000股的約3.53%。於本年度，該項購股權尚未獲任何行權，截至二零一七年十二月三十一日，唯共有14名員工因離職而放棄共計2,660,000股的購股權。



# Directors' Report

## 董事會報告

11. The exercise period within which the options granted under the Share Option Scheme on 26 October 2016:

The options granted are exercisable within the period as notified by the Board to each grantee and in accordance with the following manner:

- (i) upon, among others, the revenue ("revenue") of the Company for the year ending 31 December 2017 increases by not less than 25% as compared with the revenue for the year ended 31 December 2016, up to 40% of the share options granted (rounded down to the nearest whole number) shall be exercisable during the period from 1 April 2018 to 31 December 2018 (both days inclusive);
- (ii) upon, among others, the revenue for the year ending 31 December 2018 recording compound annual growth rate of not less than 25% from the revenue for the year ended 31 December 2016, up to 30% of the share options granted (rounded down to the nearest whole number) shall be exercisable during the period from 1 April 2019 to 31 December 2019 (both days inclusive); and

11. 於二零一六年十月二十六日根據購股權計劃授出的購股權的行使期限：

授出的購股權可於董事會知會各承授人的期間內按以下方式行使：

- (i) 待（其中包括）截至二零一七年十二月三十一日止年度本公司之營業收入（「營業收入」）較截至二零一六年十二月三十一日止年度之營業收入增長不低於25%，所授出之最多40%購股權（向下約整至最接近整數）將自二零一八年四月一日至二零一八年十二月三十一日期間（包括首尾兩日）可予行使；
- (ii) 待（其中包括）截至二零一八年十二月三十一日止之年度營業收入較截至二零一六年十二月三十一日止年度營業收入之年複合增長幅度不低於25%，所授出之最多30%購股權（向下約整至最接近整數）將自二零一九年四月一日至二零一九年十二月三十一日期間（包括首尾兩日）可予行使；及

(iii) upon, among others, the revenue for the year ending 31 December 2019 recording compound annual growth rate of not less than 25% from the revenue for the year ended 31 December 2016, up to 30% of the share options granted (rounded down to the nearest whole number) shall be exercisable during the period from 1 April 2020 to 31 December 2020 (both days inclusive).

12. The basis of determining the exercise price of share options granted on 26 October 2016:

The exercise price per Share in respect of the share options granted on 26 October 2016 under the Share Option Scheme is HK\$4.13 per Share.

13. The total number of share options granted under the Share Option Scheme on 9 June 2017:

On 9 June 2017, the Company granted a total of 8,083,000 share options (representing approximately 0.74% of the total number of issued Shares of 1,095,597,000 shares on the date of grant of the relevant share options (i.e. on 9 June 2017) and approximately 0.72% of the total number of issued Shares of 1,115,597,000 shares as at the date of this report (i.e. on 19 March 2018)) under the Share Option Scheme to 48 eligible participants. Such share options were not exercisable during the Year and as of 31 December 2017, share options for total of 1,530,000 shares were waived as a result of the resignations of 6 grantees.

(iii) 待（其中包括）截至二零一九年十二月三十一日止之年度營業收入較截至二零一六年十二月三十一日止年度營業收入之年複合增長幅度不低於25%，所授出之最多30%購股權（向下約整至最接近整數）將自二零二零年四月一日至二零二零年十二月三十一日期間（包括首尾兩日）可予行使。

12. 於二零一六年十月二十六日授出購股權之行使價的釐定基準：

於二零一六年十月二十六日根據購股權計劃授出的購股權所涉及的每股股份的行使價為每股4.13港元。

13. 於二零一七年六月九日根據購股權計劃已授出購股權總數：

於二零一七年六月九日，本公司根據購股權計劃向48名合資格參與者授出共計8,083,000份購股權，即有關購股權授出之日（二零一七年六月九日）本公司已發行股份總數1,095,597,000股的約0.74%，及於本報告之日（即二零一八年三月十九日）的已發行股份總數1,115,597,000股的約0.72%。於本年度，該項購股權尚未獲任何行權，截至二零一七年十二月三十一日，唯共有6名員工因離職而放棄共計1,530,000股的購股權。

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14. The exercise period within which the options granted under the Share Option Scheme on 9 June 2017:

The options granted are exercisable within the period as notified by the Board to each grantee and in accordance with the following manners:

(1) Share Options One:

- (i) upon, among others, the revenue ("revenue") of the Company for the year ending 31 December 2017 increases by not less than 25% as compared with the revenue for the year ended 31 December 2016, up to 40% of the share options granted (rounded down to the nearest whole number) shall be exercisable during the period from 1 April 2018 to 31 December 2018 (both days inclusive);
- (ii) upon, among others, the revenue for the year ending 31 December 2018 recording compound annual growth rate of not less than 25% from the revenue for the year ended 31 December 2016, up to 30% of the share options granted (rounded down to the nearest whole number) shall be exercisable during the period from 1 April 2019 to 31 December 2019 (both days inclusive); and

14. 於二零一七年六月九日根據購股權計劃授出的購股權的行使期限：

授出的購股權可於董事會知會各承授人的期間內按以下方式行使：

(1) 購股權一：

- (i) 待（其中包括）截至二零一七年十二月三十一日止年度本公司之營業收入（「營業收入」）較截至二零一六年十二月三十一日止年度之營業收入增長不低於25%，所授出之最多40%購股權（向下約整至最接近整數）將自二零一八年四月一日至二零一八年十二月三十一日期間（包括首尾兩日）可予行使；
- (ii) 待（其中包括）截至二零一八年十二月三十一日止之年度營業收入較截至二零一六年十二月三十一日止年度營業收入之年複合增長幅度不低於25%，所授出之最多30%購股權（向下約整至最接近整數）將自二零一九年四月一日至二零一九年十二月三十一日期間（包括首尾兩日）可予行使；及

(iii) upon, among others, the revenue for the year ending 31 December 2019 recording compound annual growth rate of not less than 25% from the revenue for the year ended 31 December 2016, up to 30% of the share options granted (rounded down to the nearest whole number) shall be exercisable during the period from 1 April 2020 to 31 December 2020 (both days inclusive).

(2) Share Options Two:

(i) upon, among others, the revenue ("revenue") of the Company for the year ending 31 December 2018 increases by not less than 20% as compared with the revenue for the year ended 31 December 2017, up to 40% of the share options granted (rounded down to the nearest whole number) shall be exercisable during the period from 1 April 2019 to 31 December 2019 (both days inclusive);

(iii) 待（其中包括）截至二零一九年十二月三十一日止之年度營業收入較截至二零一六年十二月三十一日止年度營業收入之年複合增長幅度不低於25%，所授出之最多30%購股權（向下約整至最接近整數）將自二零二零年四月一日至二零二零年十二月三十一日期間（包括首尾兩日）可予行使。

(2) 購股權二：

(i) 待（其中包括）截至二零一八年十二月三十一日止年度本公司之營業收入（「營業收入」）較截至二零一七年十二月三十一日止年度之營業收入增長不低於20%，所授出之最多40%購股權（向下約整至最接近整數）將自二零一九年四月一日至二零一九年十二月三十一日期間（包括首尾兩日）可予行使；

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- (ii) upon, among others, the revenue for the year ending 31 December 2019 recording compound annual growth rate of not less than 20% from the revenue for the year ended 31 December 2017, up to 30% of the share options granted (rounded down to the nearest whole number) shall be exercisable during the period from 1 April 2020 to 31 December 2020 (both days inclusive); and
- (iii) upon, among others, the revenue for the year ending 31 December 2020 recording compound annual growth rate of not less than 20% from the revenue for the year ended 31 December 2017, up to 30% of the share options granted (rounded down to the nearest whole number) shall be exercisable during the period from 1 April 2021 to 31 December 2021 (both days inclusive).
15. The basis of determining the exercise price of share options granted on 9 June 2017:
- The exercise price per Share in respect of the share options granted on 9 June 2017 under the Share Option Scheme is HK\$6.22 per Share.
- (ii) 待（其中包括）截至二零一九年十二月三十一日止之年度營業收入較截至二零一七年十二月三十一日止年度營業收入之年複合增長幅度不低於20%，所授出之最多30%購股權（向下約整至最接近整數）將自二零二零年四月一日至二零二零年十二月三十一日期間（包括首尾兩日）可予行使；及
- (iii) 待（其中包括）截至二零二零年十二月三十一日止之年度營業收入較截至二零一七年十二月三十一日止年度營業收入之年複合增長幅度不低於20%，所授出之最多30%購股權（向下約整至最接近整數）將自二零二一年四月一日至二零二一年十二月三十一日期間（包括首尾兩日）可予行使。
15. 於二零一七年六月九日授出購股權之行使價的釐定基準：
- 於二零一七年六月九日根據購股權計劃授出的購股權所涉及的每股股份的行使價為每股6.22港元。

### B. Pre-IPO Share Option Scheme

#### 1. Purpose of the Pre-IPO Share Option Scheme:

The Pre-IPO Share Option Scheme was a share incentive scheme established to recognise and acknowledge the contributions that the Pre-IPO Eligible Participants (as defined in paragraph 2 below) had made to the Group. The Pre-IPO Share Option Scheme provided the Pre-IPO Eligible Participants with an opportunity to have a personal stake in the Company with a view to achieving the following purposes:

- (i) motivate the Pre-IPO Eligible Participants to optimise their performance efficiency for the benefit of the Group; and
- (ii) attract and retain or otherwise maintain relationships with the Pre-IPO Eligible Participants whose contributions are or will be beneficial to the longterm growth of the Group.

#### 2. Participants of the Pre-IPO Share Option Scheme:

The Board might, at its discretion, offer to grant an option to subscribe for such number of new Shares as the Board might determine to the full-time, key employees of the Group who, in the sole opinion of the Board, had contributed to the Company and/or any of the subsidiaries (the "Pre-IPO Eligible Participants").

### B. 首次公開發售前購股權計劃

#### 1. 首次公開發售前購股權計劃的目的：

首次公開發售前購股權計劃旨在嘉許及表揚曾經或可能已對本集團作出貢獻的合資格參與者（定義見下文第2段）。首次公開發售前購股權計劃將向首次公開發售前合資格參與者提供一個於本公司擁有個人權益的機會，以達致下列目標：

- (i) 激勵首次公開發售前購股權計劃合資格參與者為本集團的利益而優化其表現效率；及
- (ii) 吸引及挽留首次公開發售前購股權計劃合資格參與者或與合資格參與者保持持續的業務關係，而該等合資格參與者的貢獻，乃對或將對本集團的長遠發展有利。

#### 2. 首次公開發售前購股權計劃參與者：

首次公開發售前購股權計劃的合資格參與者為董事會全權認為曾對本公司及／或我們的任何附屬公司作出貢獻的本集團主要全職僱員（「首次公開發售前合資格參與者」）。

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3. Total number of Shares available for issue under the Pre-IPO Share Option Scheme:

The number of Shares in respect of which options were granted under the Pre-IPO Share Option Scheme is 59,935,000 Shares (representing approximately 5.99% of the total number of issued Shares immediately following completion of the Global Offering (as defined in the Prospectus) and approximately 5.37% of the total number of issued Shares of 1,115,597,000 Shares as at the date of this report (i.e. on 19 March 2018)). These options were granted on 13 November 2014 to subscribe for 59,935,000 Shares. No further options will be offered or granted under the Pre-IPO Share Option Scheme, as the rights to do so have been terminated.

4. The exercise period within which the options under the Pre-IPO Share Option Scheme:

The options granted are exercisable within the period as notified by the Board to each grantee and in accordance with the following manners:

- (i) up to 50% of the Shares that are subject to the option so granted to him/her (rounded down to the nearest whole number) at any time during the year commencing on 1 January 2015 and ending on 31 December 2017;
- (ii) up to 75% of the Shares that are subject to the option so granted to him/her less the number of Shares in respect of which the option has been exercised or lapsed (rounded down to the nearest whole number) at any time during the year commencing on 1 January 2016 and ending on 31 December 2017; and

3. 根據首次公開發售前購股權計劃可供發行股份總數：

首次公開發售前購股權計劃所涉及的股份總數上限為59,935,000股股份，即本公司於全球發售（定義見招股書）完成後的已發行股份總數的約5.99%，及於本報告之日（即二零一八年三月十九日）的已發行股份總數1,115,597,000股的約5.37%。該等購股權於二零一四年十一月十三日被授予以認購59,935,000股股份。概無更多股份將根據首次公開發售前購股權計劃被發行或授予，由於該等權利已被終止。

4. 根據首次公開發售前購股權計劃授出的購股權的行使期限：

授出的購股權可於董事會知會各承授人的期間內按以下方式行使：

- (i) 自二零一五年一月一日起至二零一七年十二月三十一日止年度，隨時行使獲授購股權認購最多50%所涉及的股份（向下約整至最接近整數）；
- (ii) 自二零一六年一月一日起至二零一七年十二月三十一日止年度，隨時行使獲授購股權認購最多75%所涉及的股份減已獲行使或失效的購股權所涉及的股份數目（向下約整至最接近整數）；及

- (iii) up to 100% of the Shares that are subject to the option so granted to him/her less the number of Shares in respect of which the option has been exercised or lapsed (rounded down to the nearest whole number) at any time during the year commencing on 1 January 2017 and ending on 31 December 2017.

Each option granted under the Pre-IPO Share Option Scheme is exercisable during the years when such option becomes vested.

As at the date of this report, none of share options granted under the Pre-IPO Share Option Scheme remained outstanding, and the Pre-IPO Share Option Scheme had lapsed accordingly.

5. The basis of determining the exercise price:

The exercise price per Share in respect of any particular option granted under the Pre-IPO Share Option Scheme is RMB0.4 per Share.

Except for the above, the principal terms of the Pre-IPO Share Option Scheme, which were confirmed and approved by resolutions in writing of all of the Shareholders passed on 13 November 2014, were substantially the same as the terms of the Share Option Scheme.

- (iii) 自二零一七年一月一日起至二零一七年十二月三十一日止年度，隨時行使獲授購股權認購最多100%所涉及的股份減已獲行使或失效的購股權所涉及的股份數目（向下約整至最接近整數）。

根據首次公開發售前購股權計劃授出的每份購股權可於購股權已歸屬的年度內行使。

於本報告日期，概無根據首次公開發售前購股權計劃授出之購股權尚未獲行使，首次公開發售前購股權計劃已相應失效。

5. 釐定行使價之基準：

根據首次公開發售前購股權計劃授出的任何特定購股權所涉及的每股股份的行使價為每股人民幣0.4元。

除上文所述者外，由所有股東確認及於二零一四年十一月十三日以書面決議案通過的首次公開發售前購股權計劃的主要條款，實質上與購股權計劃的條款相同。



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Details of changes during the Year in share options granted under the Pre-IPO Share Option Scheme are as follows:

根據首次公開發售前購股權計劃所授出購股權於年內之變動詳情如下：

Number of underlying Shares comprising share options  
購股權涉及之相關股份數目

Category	Date of grant	Exercise period	Outstanding as at 1 January 2017 於二零一七年一月一日尚未行使的購股權	Granted during the Year 本年內授出	Exercised during the Year 本年內行使	Cancelled during the Year 本年內註銷	Lapsed/ Forfeited during the Year 本年內失效/ 沒收	As at 31 December 2017 於二零一七年十二月三十一日
類別	授出日期	行使期						
<b>Directors</b>								
<b>董事</b>								
Wang Jianqiang 王健強	13 November 2014 二零一四年十一月十三日	1 January 2015 to 31 December 2017 二零一五年一月一日至二零一七年十二月三十一日	25,000,000 <sup>(a)</sup> 25,000,000 <sup>(b)</sup>	-	(2,500,000) <sup>(a)</sup> (2,500,000) <sup>(b)</sup>	-	-	-
Hu Sanmu 胡三木	13 November 2014 二零一四年十一月十三日	1 January 2015 to 31 December 2017 二零一五年一月一日至二零一七年十二月三十一日	373,250 <sup>(a)</sup> 373,250 <sup>(b)</sup>	-	(373,250) <sup>(a)</sup> (373,250) <sup>(b)</sup>	-	-	-
Directors (in total) 董事合計			2,873,250 2,873,250	-	(2,873,250) (2,873,250)	-	-	-
Employees (in total) 僱員 (合計)	13 November 2014 二零一四年十一月十三日	1 January 2015 to 31 December 2017 二零一五年一月一日至二零一七年十二月三十一日	10,952,750 <sup>(a)</sup> 10,952,750 <sup>(b)</sup>	-	(10,952,750) <sup>(a)</sup> (10,952,750) <sup>(b)</sup>	-	-	-
Total 總計			13,826,000 13,826,000	-	(13,826,000) (13,826,000)	-	-	-

### Notes:

On 6 January 2017, Mr. Wang Jianqiang exercised 2,500,000 share options, Mr. Hu Sanmu exercised 373,250 share options, and a total of 10,952,750 share options were exercised by the employees on the same date. The weighted average closing price immediately before the date on which the share options were exercised was HK\$4.29 per Share.

### 附註：

於二零一七年一月六日，王健強先生行使2,500,000份購股權，胡三木先生行使373,250份購股權，於同日僱員合共行使10,952,750份購股權。行權日上一個營業日的每股加權平均收市價為4.29港元。

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## 董事會報告

Details of changes during the Year in share options granted under the Share Option Scheme are as follows:

根據購股權計劃所授出購股權於年內之變動詳情如下：

Category	Date of grant	Exercise period	Number of underlying Shares comprising share options 購股權涉及之相關股份數目				As at 31 December 2017
			Options Outstanding as at 1 January 2017 於二零一七年 一月一日 尚未行使的 購股權	Granted during the Year	Exercised during the Year	Cancelled during the Year	
類別	授出日期	行使期		本年內授出	本年內行使	本年內註銷	於二零一七年 十二月 三十一日
<b>Directors</b>							
<b>董事</b>							
Wang Jianqiang	26 October 2016	please refer to the paragraph under "The exercise period within which the options granted under the Share Option Scheme on 26 October 2016" on pages 80 to 81	1,612,000	-	-	-	1,612,000 (Note 1)
王健強	二零一六年十月二十六日	請參閱第80至81頁「於二零一六年十月二十六日根據購股權計劃授出的購股權的行使期限」段落	1,612,000	-	-	-	1,612,000 (附註1)
Hu Sanmu	26 October 2016	please refer to the paragraph under "The exercise period within which the options granted under the Share Option Scheme on 26 October 2016" on pages 80 to 81	1,200,000	-	-	-	1,200,000 (Note 1)
胡三木	二零一六年十月二十六日	請參閱第80至81頁「於二零一六年十月二十六日根據購股權計劃授出的購股權的行使期限」段落	1,200,000	-	-	-	1,200,000 (附註1)
Directors (in total) 董事(合計)			2,812,000 2,812,000	- -	- -	- -	2,812,000 2,812,000

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Number of underlying Shares comprising share options  
購股權涉及之相關股份數目

Category	Date of grant	Exercise period	Options	Granted during the Year	Exercised during the Year	Cancelled during the Year	Lapsed/ Forfeited during the Year	As at 31 December 2017
			Outstanding as at 1 January 2017 於二零一七年一月一日尚未行使的購股權					
類別	授出日期	行使期		本年內授出	本年內行使	本年內註銷	本年內失效/沒收	於二零一七年十二月三十一日
Employees	26 October 2016	please refer to the paragraph under "The exercise period within which the options granted under the Share Option Scheme on 26 October 2016" on pages 80 to 81	35,932,000	-	-	-	(1,979,000)	33,953,000 (Note 1)
僱員	二零一六年十月二十六日	請參閱第80至81頁「於二零一六年十月二十六日根據購股權計劃授出的購股權的行使期限」段落	35,932,000	-	-	-	(1,979,000)	33,953,000 (附註1)
Employees Share Options One	9 June 2017	please refer to the paragraph under "The exercise period within which the options granted under the Share Option Scheme on 9 June 2017: (1) Share Options One" on pages 82 to 83	-	4,838,000	-	-	(1,290,000)	3,548,000 (Note 2)
僱員(購股權一)	二零一七年六月九日	請參閱第82至83頁「於二零一七年六月九日根據購股權計劃授出的購股權的行使期限:(1)購股權一」段落	-	4,838,000	-	-	(1,290,000)	3,548,000 (附註2)
Employees Share Options Two	9 June 2017	please refer to the paragraph under "The exercise period within which the options granted under the Share Option Scheme on 9 June 2017: (2) Share Options Two" on pages 83 to 84	-	3,245,000	-	-	(240,000)	3,005,000
僱員(購股權二)	二零一七年六月九日	請參閱第83至84頁「於二零一七年六月九日根據購股權計劃授出的購股權的行使期限:(2)購股權二」段落	-	3,245,000	-	-	(240,000)	3,005,000
Employees (in total) 僱員(合計)			35,932,000 35,932,000	8,083,000 8,083,000	- -	- -	3,509,000 3,509,000	40,506,000 40,506,000
Total 總計			38,744,000	8,083,000 8,083,000	- -	- -	(3,509,000) (3,509,000)	43,318,000 43,318,000

### Notes:

- On 3 April 2018, Mr. Wang Jianqiang exercised 644,800 share options, Mr. Hu Sanmu exercised 480,000 share options, and a total of 13,581,200 share options were exercised by the employees on the same date. The weighted average closing price immediately before the date on which the share options were exercised was HK\$10.02 per Share.
- On 3 April 2018, a total of 1,419,200 share options were exercised by the employees. The weighted average closing price immediately before the date on which the share options were exercised was HK\$10.02 per Share.

### 附註:

- 於二零一八年四月三日，王健強先生行使644,800份購股權，胡三木先生行使480,000份購股權，於同日僱員合共行使13,581,200份購股權。行權日上一個營業日的每股加權平均收市價為10.02港元。
- 於二零一八年四月三日，僱員合共行使1,419,200份購股權。行權日上一個營業日的每股加權平均收市價為10.02港元。

### PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

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

### AUDIT COMMITTEE

The Company has established an Audit Committee in accordance with the code provisions of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules. The annual results of the Group for the Year have been reviewed by the Audit Committee which comprises all the three INEDs, namely Mr. Ng Sui Yin, being the chairman, Mr. Ko Ping Keung and Mr. Chu Chia-Hsiang.

### CONTINUING CONNECTED TRANSACTIONS

During the Year, certain related party transactions as set out in note 30 to the consolidated financial statements also constituted continuing connected transactions for the Company under the Listing Rules, and are required to be disclosed in this report in accordance with Chapter 14A of the Listing Rules. Save as disclosed in this report, none of the related party transactions constitutes a continuing connected transaction or connected transaction as defined under the Listing Rules.

During the Year, the Group has certain continuing connected transactions which were exempted from the notice and independent Shareholders' approval requirements, but subject to the reporting, annual review and announcement requirements under Chapter 14A of the Listing Rules. The details of those transactions are set out below:

### 購買、出售或贖回上市證券

於本年度內，本公司或其任何附屬公司概無購買、出售或贖回本公司之上市證券。

### 審核委員會

本公司已遵照載於上市規則附錄十四的企業管治守則之守則條文成立審核委員會。本集團本年度之全年業績已經由審核委員會審閱，而審核委員會由三名獨立非執行董事組成，包括吳瑞賢先生（主席）、高秉強先生和初家祥先生。

### 持續關連交易

於本年度，於合併財務報表附註30披露的若干關聯方交易根據上述規則亦屬於本公司持續關連交易，及須按照上市規則第十四A章於本報告中披露。除本報告所披露者外，概無關聯方交易構成上市規則所定義的持續關連交易或關聯交易。

於本年度內，本集團進行若干獲豁免通告及獨立股東批准的持續關連交易，惟須遵守上市規則第十四A章的報告、年度檢討及公佈規定。該等交易詳情列載如下：

# Directors' Report

## 董事會報告

### Purchase Agreement in respect of the purchase of precise connectors from Van Telecom Limited ("Van Telecom PRC")

On 13 November 2014, the Company entered into a purchase agreement (the "Van Telecom PRC Purchase Agreement") with Van Telecom PRC, pursuant to which Van Telecom PRC agreed to supply the precise connectors to the Group for a term from 1 January 2014 to 31 December 2016. On 16 December 2016, the Company and Van Telecom PRC renewed the Purchase Agreement (the "Renewed Van Telecom PRC Purchase Agreement"), pursuant to which, Van Telecom PRC agreed to continue to supply to the Group precise connectors for a term commencing from 1 January 2017 and expiring on 31 December 2019. Please refer to the announcement of the Company dated 16 December 2016 for details.

The price for the precise connectors supplied by Van Telecom PRC under the Van Telecom PRC Purchase Agreement and the Renewed Van Telecom PRC Purchase Agreement was determined by reference to the price at which comparable types of precise connectors that are sold by independent suppliers to the Group under normal commercial terms in the ordinary course of its business and such price shall be no less favourable to the Group than was available from independent suppliers. In considering whether to purchase from Van Telecom PRC, the Group sought quotations from at least two independent third parties offering the same or comparable products. The Group purchased the precise connectors from Van Telecom PRC if the price and quality of the products offered were comparable to or more favourable to the Group than those offered by independent third parties for the same or comparable products.

Van Telecom PRC is wholly owned by CK Telecom Inc. ("CK Telecom"), which is in turn wholly owned by Mr. He Ningning, an executive Director, the Chairman and controlling shareholder (as defined in the Listing Rules) of the Company. As such, Van Telecom PRC is a connected person of the Company for the purpose of the Listing Rules.

### 有關向唯安科技有限公司（「唯安科技中國」）購買精密連接器訂立的採購協議

於二零一四年十一月十三日，本公司與唯安科技中國訂立採購協議（「唯安科技中國採購協議」），據此，唯安科技中國同意向本集團供應精密連接器，期限由二零一四年一月一日起至二零一六年十二月三十一日止。於二零一六年十二月十六日，本公司與唯安科技中國續期採購協議（「唯安科技中國續期採購協議」），據此，唯安科技中國同意向本集團繼續供應精密連接器，期限由二零一七年一月一日起至二零一九年十二月三十一日止，詳見本公司於二零一六年十二月十六日之公告。

唯安科技中國根據唯安科技中國採購協議及唯安科技中國續期採購協議供應的精密連接器價格乃參考獨立供應商於日常業務過程中按正常商業條款向本集團銷售的同類精密連接器的價格釐定，且向本集團提供的有關價格不得遜於獨立供應商所提供的價格。在考慮是否向唯安科技中國購買時，本集團至少尋求兩家提供相同或同類產品的獨立第三方的報價。如果唯安科技中國所提供產品的價格及質量與提供相同或同類產品的獨立第三方所提供產品相當或對本集團更為有益，則本集團向其購買精密連接器。

唯安科技中國由CK Telecom Inc.（「CK Telecom」）全資擁有，而CK Telecom由執行董事兼主席及本公司控股股東（如上市規則所定義）何寧寧先生全資擁有。因此，唯安科技中國根據上市規則屬本公司關連人士。

For the year ended 31 December 2017, the total transaction amount under the Van Telecom PRC Purchase Agreement and the Renewed Van Telecom PRC Purchase Agreement was RMB9,000 and the annual cap amount for the Year was RMB300,000.

### **C-Flex Electronic Purchase Agreement in respect of the purchase of flexible printed circuit board and rigid-flex printed circuit boards (“FPC and RFPC”) from C-Flex Electronic (Heyuan) Ltd. (formerly known as C-Flex Electronic (Heyuan) Co., Ltd) (“C-Flex Electronic”)**

On 13 November 2014, the Company entered into a purchase agreement (the “C-Flex Electronic Purchase Agreement”) with C-Flex Electronic, pursuant to which C-Flex Electronic agreed to supply the FPCs to the Group for a term from 1 January 2014 to 31 December 2016. On 16 December 2016, the Company and C-Flex Electronic renewed the Purchase Agreement (the “Renewed C-Flex Electronic Purchase Agreement”), pursuant to which, C-Flex Electronic agreed to continue to supply to the Group FPCs and RFPCs, for a further term commencing from 1 January 2017 and expiring on 31 December 2019. On 2 June 2017, the Company and C-Flex Electronic entered into the Supplemental C-Flex Electronic Purchase Agreement (the “Supplemental C-Flex Electronic Purchase Agreement”) to revise the annual caps for the transactions under the Renewed C-Flex Electronic Purchase Agreement for the three years ending 31 December 2019 and terminate the Renewed C-Flex Electronic Purchase Agreement with effect from 1 July 2017. Please refer to the announcement of the Company dated 2 June 2017 for details.

截至二零一七年十二月三十一日止年度，根據唯安科技中國採購協議及唯安科技中國續期採購協議進行的交易總額為人民幣9,000元，本年度之年度交易限額為人民幣300,000元。

有關向河源西普電子有限公司（前稱「西普電子（河源）有限公司」）（「西普電子」）購買柔性印刷電路板和軟硬結合型印刷電路板（「柔性印刷電路板和軟硬結合型印刷電路板」）訂立的西普電子採購協議

於二零一四年十一月十三日，本公司與西普電子訂立採購協議（「西普電子採購協議」），據此，西普電子同意向本集團提供柔性印刷電路板，期限由二零一四年一月一日起至二零一六年十二月三十一日止。於二零一六年十二月十六日，本公司與西普電子續期採購協議（「西普電子續期採購協議」），據此，西普電子同意向本集團繼續提供柔性印刷電路板和軟硬結合型印刷電路板，期限由二零一七年一月一日起至二零一九年十二月三十一日止。於二零一七年六月二日，本公司與西普電子訂立西普電子採購補充協議（「西普電子採購補充協議」），以修訂西普電子續期採購協議項下之交易截至二零一九年十二月三十一日止三個年度之年度交易限額，並自二零一七年七月一日起終止經續期西普電子採購協議，詳見本公司於二零一七年六月二日之公告。

# Directors' Report

## 董事會報告

The price for the FPCs and RFPCs supplied by C-Flex Electronic under the C-Flex Electronic Purchase Agreement, the Renewed C-Flex Electronic Purchase Agreement and the Supplemental C-Flex Electronic Purchase Agreement was determined by reference to the price at which comparable types of FPCs and RFPCs that are sold by independent suppliers to the Group under normal commercial terms in the ordinary course of its business and such price shall be no less favourable to the Group than was available from independent suppliers. In considering whether to purchase from C-Flex Electronic, the Group sought quotations from at least two independent third parties offering the same or comparable products. The Group purchased the FPCs and RFPCs from C-Flex Electronic if the price and quality of the products offered were comparable to or more favourable to the Group than those offered by independent third parties for the same or comparable products.

C-Flex Electronic is wholly owned by Shenzhen Handi Venture Capital Investment Co., Ltd., a wholly-owned subsidiary of Shenzhen CK which is in turn owned as to 90.0% by Mr. He Ningning, an executive Director, the Chairman and controlling shareholder (as defined in the Listing Rules) of the Company, and 10.0% by Mr. Wang Jianqiang, an executive Director and the Chief Executive Officer. As such, C-Flex Electronic is a connected person of the Company for the purpose of the Listing Rules.

For the year ended 31 December 2017, the total transaction amount under the C-Flex Electronic Purchase Agreement, the Renewed C-Flex Electronic Purchase Agreement and the Supplemental C-Flex Electronic Purchase Agreement was approximately RMB15,937,000 and the annual cap amount for the Year was RMB18,000,000.

西普電子根據西普電子採購協議、西普電子續期採購協議及西普電子採購補充協議供應的柔性印刷電路板和軟硬結合型印刷電路板價格乃參考獨立供應商於日常業務過程中按正常商業條款向本集團銷售的同類柔性印刷電路板和軟硬結合型印刷電路板的價格釐定，且向本集團提供的有關價格不得遜於獨立供應商所提供者。在考慮是否向西普電子購買時，本集團尋求至少兩家提供相同或同類產品的獨立第三方的報價。如果西普電子所提供產品的價格及質量與提供相同或同類產品的獨立第三方所提供者相當或對本集團更加優惠，則本集團向其購買柔性印刷電路板和軟硬結合型印刷電路板。

西普電子由深圳市漢迪創業投資有限公司（其為深圳西可之全資子公司）全資擁有，而深圳西可分別由執行董事兼主席及本公司控股股東（如上市規則所定義）何寧寧先生及執行董事兼行政總裁王健強先生擁有90.0%及10.0%權益。因此，西普電子根據上市規則屬本公司關連人士。

截至二零一七年十二月三十一日止年度，根據西普電子採購協議、西普電子續期採購協議及西普電子採購補充協議進行的交易總額約為人民幣15,937,000元，本年度之經修訂的年度交易限額為人民幣18,000,000元。

### Supply Agreement and Supplemental Supply Agreement in respect of the supply of camera modules and fingerprint recognition modules to CK Telecom Limited (“Heyuan CK”)

On 13 November 2014, the Company entered into a supply agreement (the “Heyuan CK Supply Agreement”) with Heyuan CK, pursuant to which the Group agreed to supply the camera modules to Heyuan CK for the production of its products for a term from 1 January 2014 to 31 December 2016. On 29 December 2014, the Company and Heyuan CK entered into a supplemental supply agreement (the “Heyuan CK Supplemental Supply Agreement I”) to revise the annual caps under the Supply Agreement. On 16 December 2016, the Company and Heyuan CK renewed the Supply Agreement (the “Renewed Heyuan CK Supply Agreement”), pursuant to which, Heyuan CK agreed to continue to purchase camera modules and fingerprint recognition modules from the Group, for a further term commencing from 1 January 2017 and expiring on 31 December 2019. On 2 June 2017, the Company and Heyuan CK entered into a supplemental supply agreement (the “Heyuan CK Supplemental Supply Agreement II”) to revise the annual caps of transactions under the Renewed Heyuan CK Supply Agreement for the three years ended 31 December 2019 under the Supply Agreement. Please refer to the announcement of the Company dated 2 June 2017 for details.

The price for the camera modules and fingerprint recognition modules supplied by the Group under the Heyuan CK Supply Agreement, Heyuan CK Supplemental Supply Agreement I, Renewed Heyuan CK Supply Agreement and Heyuan CK Supplemental Supply Agreement II was determined by reference to the raw material costs and production costs to be incurred by the Group and the profit margin, which is expected to be comparable with the level of profits derived from the Group’s sales to independent customers, subject to adjustments arising from the expected quantity, quality, delivery schedule, specifications and market competition.

有關向西可通信技術設備（河源）有限公司（「河源西可」）供應攝像頭模組和指紋識別模組訂立的供貨協議及補充供貨協議

於二零一四年十一月十三日，本公司與河源西可訂立供貨協議（「河源西可供貨協議」），據此，本集團同意向河源西可供應攝像頭模組作產品生產用途，期限由二零一四一月一日起至二零一六年十二月三十一日止。於二零一四年十二月二十九日，本公司與河源西可訂立補充供貨協議（「河源西可補充供貨協議一」）以修訂供貨協議所規定的的年度交易限額。於二零一六年十二月十六日，本公司與河源西可續期供貨協議（「河源西可續期供貨協議」），據此，河源西可同意向本集團繼續採購攝像頭模組和指紋識別模組，期限由二零一七年一月一日起至二零一九年十二月三十一日止。於二零一七年六月二日，本公司與河源西可訂立河源西可供貨補充協議（「河源西可補充供貨協議二」）以修訂經續期河源西可供貨協議項下之交易截至二零一九年十二月三十一日止三個年度之年度上限，詳見本公司於二零一七年六月二日之公告。

本集團根據河源西可供貨協議、河源西可補充供貨協議一、河源西可續期供貨協議及河源西可補充供貨協議二供應的攝像頭模組和指紋識別模組價格乃參考我們的原材料成本及本集團產生的生產成本以及利潤釐定，而利潤率與向獨立客戶作出的銷售所獲得的溢利水平相當，且根據預計數量、質量、交貨計劃、規格及市場競爭而作出調整。



# Directors' Report

## 董事會報告

Heyuan CK is wholly owned by CK Telecom which is in turn wholly owned by Mr. He Ningning, an executive Director, the Chairman and controlling shareholder (as defined in the Listing Rules) of the Company. As such, Heyuan CK is a connected person of the Company for the purpose of the Listing Rules.

For the year ended 31 December 2017, the total transaction amount under the Heyuan CK Supply Agreement, Heyuan CK Supplemental Supply Agreement I, Renewed Heyuan CK Supply Agreement and Heyuan CK Supplemental Supply Agreement II was approximately RMB78,821,000 and the revised annual cap amount for the Year was RMB140,000,000.

### **Property Sub-Lease Agreement entered into by Chengdu QT, an indirect wholly-owned subsidiary of the Company and Chengdu CK Technology Limited (“Chengdu CK”) (“Chengdu CK Sub-Lease Agreement”)**

On 6 June 2014, Chengdu QT, an indirect wholly-owned subsidiary of the Company entered into a lease agreement with Chengdu CK (the “Chengdu CK Sub-Lease Agreement”), pursuant to which, Chengdu CK agreed to sub-lease certain portion of the premises situated on the 6th floor, Block 12, Zone C, Tianfu Software Park, No. 219 Tianhua Er Road, Gaoxin District, Chengdu, the PRC (中國成都市高新區天華二路219號天府軟件園C區12棟6層), with total gross area of approximately 242 sq.m. to Chengdu QT for a term from 6 June 2014 to 31 December 2016. On 16 December 2016, Chengdu QT and Chengdu CK renewed the Sub-Lease Agreement (“the Renewed Chengdu CK Sub-Lease Agreement”), pursuant to which, Chengdu CK agreed to continue to sub-lease certain portion of the premises situated on the 6th floor, Block 12, Zone C, Tianfu Software Park, No. 219 Tianhua Er Road, Gaoxin District, Chengdu, the PRC (中國成都市高新區天華二路219號天府軟件園C區12棟6層), with total gross area of approximately 242 sq.m. to Chengdu QT, for a term commencing from 1 January 2017 and expiring on 31 December 2019. Please refer to the announcement of the Company dated 16 December 2016 for details.

河源西可由CK Telecom全資擁有，而CK Telecom由執行董事兼主席及本公司控股股東（如上市規則所定義）何寧寧先生全資擁有。因此，河源西可根據上市規則屬本公司關連人士。

截至二零一七年十二月三十一日止年度，根據河源西可供貨協議、河源西可補充供貨協議一、河源西可續期供貨協議及河源西可補充供貨協議二進行的交易總額約為人民幣78,821,000元，本年度之經修訂的年度交易限額為人民幣140,000,000元。

### **有關本公司之間接全資附屬公司成都丘鈦與成都西可科技有限公司（「成都西可」）訂立的物業轉租協議（「成都西可轉租協議」）**

於二零一四年六月六日，本公司之間接全資附屬公司成都丘鈦與成都西可訂立租賃協議（「成都西可轉租協議」），據此，成都西可同意將位於中國成都市高新區天華二路219號天府軟件園C區12棟6層的物業之若幹部分總面積約242平方米轉租予成都丘鈦，期限由二零一四年六月六日起至二零一六年十二月三十一日止。於二零一六年十二月十六日，成都丘鈦與成都西可續期轉租協議（「成都西可續期轉租協議」），據此，成都西可同意繼續將位於中國成都市高新區天華二路219號天府軟件園C區12棟6層的物業之若幹部分總面積約242平方米轉租予成都丘鈦，期限由二零一七年一月一日起至二零一九年十二月三十一日止，詳見本公司於二零一六年十二月十六日之公告。

The landlord of the premises sub-leased by Chengdu CK to Chengdu QT is an independent third party, the rent under the Chengdu CK Sub-Lease Agreement and Renewed Chengdu CK Sub-Lease Agreement to be paid by Chengdu QT to Chengdu CK is determined with reference to the market rent for similar premises in the vicinity and the rent, utilities and management fees payable by Chengdu CK under the tenancy agreement entered into with the Landlord and on normal commercial terms, and such prices shall be no less favourable to Chengdu QT than is available from independent third parties.

Chengdu CK is a wholly-owned subsidiary of Shenzhen CK, which is in turn owned as to 90.0% by Mr. He Ningning, an executive Director, the Chairman and controlling shareholder (as defined in the Listing Rules) of the Company and as to 10.0% by Mr. Wang Jianqiang, an executive Director and the Chief Executive Officer, respectively. As such, Chengdu CK is a connected person of the Company for the purpose of the Listing Rules.

For the year ended 31 December 2017, the total transaction amount under the Chengdu CK Sub-Lease Agreement and Renewed Chengdu CK Sub-Lease Agreement was approximately RMB124,000 and the annual cap amount for the Year was RMB131,000.

成都西可轉租予成都丘鈦之物業之業主為獨立第三方，成都丘鈦根據成都西可轉租協議及成都西可續期轉租協議將支付予成都西可的租金乃參考鄰近類似物業之市場租金及成都西可與業主訂立之租賃協議應付之租金、水電及管理費按正常商業條款釐定，向成都丘鈦提供的有關價格不得遜於獨立第三方所提供者。

成都西可為深圳西可之全資子公司，而深圳西可分別由執行董事兼主席及本公司控股股東（如上市規則所定義）何寧寧先生及執行董事兼行政總裁王健強先生擁有90.0%及10.0%權益。因此，成都西可根據上市規則屬本公司關連人士。

截至二零一七年十二月三十一日止年度，根據成都西可轉租協議及成都西可續期轉租協議進行的交易總額約為人民幣124,000元，本年度之年度交易限額為人民幣131,000元。

# Directors' Report

## 董事會報告

### Property Lease Agreements entered into by Kunshan QT China, an indirect wholly-owned subsidiary of the Company and Van Telecom PRC (the "Van Telecom PRC Property Lease Agreements")

Kunshan QT China, an indirect wholly-owned subsidiary of the Company entered into two factory building and dormitories lease agreements (collectively the "Van Telecom PRC Property Lease Agreements") with Van Telecom PRC on 23 June 2016 and 16 September 2016 respectively, pursuant to which, Van Telecom PRC agreed to lease certain factory buildings and worker's dormitories situated on No. 1999 Hanpu Road, Kunshan, Jiangsu Province, the PRC (中國江蘇省昆山市漢浦路1999號) to Kunshan QT China for a term up to 31 December 2018. On 16 December 2016, Kunshan QT China renewed the lease agreements with Van Telecom PRC (the "Renewed Van Telecom PRC Property Lease Agreement"), pursuant to which, Van Telecom PRC agreed to continue to lease certain factory buildings and worker's dormitories situated on No. 1999 Hanpu Road, Kunshan, Jiangsu Province, the PRC (中國江蘇省昆山市漢浦路1999號) to Kunshan QT China for a term commencing from 1 January 2017 and expiring on 31 December 2019. Please refer to the announcement of the Company dated 16 December 2016 for details

The property leased by Van Telecom PRC to Kunshan QT China is its own property, the rent under the Van Telecom PRC Property Lease Agreements and Renewed Van Telecom PRC Property Lease Agreement paid by Kunshan QT China to Van Telecom PRC was determined with reference to the market rent for similar premises in the vicinity and on normal commercial terms, and such prices offered by Van Telecom PRC shall be no less favourable to Kunshan QT China than is available from independent third parties.

Van Telecom PRC is wholly-owned by CK Telecom, which is in turn wholly-owned by Mr. He Ningning, an executive Director, the Chairman and controlling shareholder (as defined in the Listing Rules) of the Company. As such, Van Telecom PRC is a connected person of the Company for the purpose of the Listing Rules.

### 有關本公司之間接全資附屬公司昆山丘鈦中國與唯安科技中國訂立的物業租賃協議 (「唯安科技中國租賃協議」)

本公司之間接全資附屬公司昆山丘鈦中國與唯安科技中國分別於二零一六年六月二十三日及二零一六年九月十六日訂立兩份工業廠房與宿舍租賃協議 (統稱為「唯安科技中國租賃協議」)，據此，唯安科技中國同意將位於中國江蘇省昆山市漢浦路1999號之若干工業廠房及員工宿舍租賃予昆山丘鈦中國，租賃期限至二零一八年十二月三十一日止。於二零一六年十二月十六日，昆山丘鈦中國與唯安科技中國續期租賃協議 (「唯安科技中國續期租賃協議」)，據此，唯安科技中國同意繼續將位於中國江蘇省昆山市漢浦路1999號之若干工業廠房及員工宿舍租賃予昆山丘鈦中國，期限由二零一七年一月一日起至二零一九年十二月三十一日止，詳見本公司於二零一六年十二月十六日之公告。

唯安科技中國租予昆山丘鈦中國之物業為其自有物業，昆山丘鈦中國根據唯安科技中國租賃協議及唯安科技中國續期租賃協議支付予唯安科技中國的租金乃參考鄰近類似物業之市場租金按正常商業條款釐定，唯安科技中國向昆山丘鈦中國提供的有關價格不得遜於獨立第三方所提供者。

唯安科技中國由CK Telecom全資擁有，而CK Telecom由執行董事兼主席及本公司控股股東 (如上市規則所定義) 何寧寧先生全資擁有。因此，唯安科技中國根據上市規則屬本公司關連人士。

For the year ended 31 December 2016, the total transaction amount under the Van Telecom PRC Property Lease Agreements and Renewed Van Telecom PRC Property Lease Agreement was approximately RMB2,452,000 and the annual cap amount for the Year was RMB2,646,000.

### **The Huizhou Youhua Purchase Agreement in respect of the purchase of voice coil motors and linear motors (“VCM and LM”) from Huizhou Youhua Micro Electronic Technology Company Limited (“Huizhou Youhua”)**

On 6 December 2016, the Company entered into a purchase agreement (the “Huizhou Youhua Purchase Agreement”) with Huizhou Youhua, pursuant to which Huizhou Youhua agreed to supply the VCM and LM to the Group for a term from 1 July 2017 to 31 December 2019. Please refer to the announcement of the Company dated 16 December 2016 for details.

The price for the VCM and LM supplied by Huizhou Youhua under the Huizhou Youhua Purchase Agreement was determined with reference to the price at which comparable types of VCM and LM are sold to the Group by independent suppliers under normal commercial terms in the ordinary course of business, and such price shall be no less favourable to the Group than that were available from independent suppliers. In considering whether to purchase from Huizhou Youhua, the Group sought quotations from at least two independent third parties offering the same or comparable products. The Group purchased the VCM and LM from Huizhou Youhua if the price and quality of the products offered was comparable to or more favourable to the Group than those offered by such independent third parties for the same or comparable products.

截至二零一六年十二月三十一日止年度，根據唯安科技中國租賃協議及唯安科技中國續期租賃協議進行的交易總額約為人民幣2,452,000元，本年度之年度交易限額為人民幣2,646,000元。

### **有關向惠州友華微電子科技有限公司（「惠州友華」）採購音圈馬達及線性馬達（「音圈馬達及線性馬達」）訂立的惠州友華採購協議**

於二零一六年十二月六日，本公司與惠州友華訂立採購協議（「惠州友華採購協議」），據此，惠州友華同意向本集團提供音圈馬達及線性馬達，期限由二零一七年七月一日起至二零一九年十二月三十一日止，詳見本公司於二零一六年十二月十六日之公告。

惠州友華根據惠州友華採購協議供應的音圈馬達及線性馬達價格乃參考獨立供應商於日常業務過程中按正常商業條款向本集團銷售的同類音圈馬達及線性馬達的價格釐定，且向本集團提供的有關價格不得遜於獨立供應商所提供者。在考慮是否向惠州友華購買時，本集團尋求至少兩家提供相同或同類產品的獨立協力廠商的報價。如果惠州友華所提供產品的價格及質量與提供相同或同類產品的獨立協力廠商所提供者相當或對本集團更加優惠，則本集團向其購買音圈馬達及線性馬達。

# Directors' Report

## 董事會報告

Huizhou Youhua is owned as to 0.392% by Mr. Hu Sanmu, an executive Director of the Company, and as to 54.04% by Shenzhen Handi Venture Capital Investment Co., Ltd., a wholly-owned subsidiary of Shenzhen CK which is in turn owned as to 90.0% by Mr. He Ningning, an executive Director, the Chairman and controlling shareholder (as defined in the Listing Rules) of the Company, and as to 10.0% by Mr. Wang Jianqiang, an executive Director and the Chief Executive Officer. As such, Huizhou Youhua is a connected person of the Company for the purpose of the Listing Rules.

For the year ended 31 December 2017, the total transaction amount under the Huizhou Youhua Purchase Agreement was approximately RMB25,090,000 and the annual cap amount for the Year was RMB37,000,000.

### **Huangshi C-Flex Electronic Purchase Agreement in respect of the purchase of flexible printed circuit board and rigid-flex printed circuit boards (“FPCs and Rigid-Flex PCBs”) from C-Flex Electronic (Huangshi) Ltd. (“Huangshi C-Flex Electronic”)**

On 2 June 2017, the Company entered into a purchase agreement (the “Huangshi C-Flex Electronic Purchase Agreement”) with Huangshi C-Flex Electronic, pursuant to which Huangshi C-Flex Electronic agreed to supply the FPCs and Rigid-Flex PCBs to the Group for a term from 1 July 2017 to 31 December 2019. Please refer to the announcement of the Company dated 2 June 2017 for details.

惠州友華由本公司執行董事胡三木先生擁有0.392%權益及由深圳市漢迪創業投資有限公司（其為深圳西可之全資子公司）持有54.04%權益，而深圳西可分別由執行董事兼主席及本公司控股股東（如上市規則所定義）何寧寧先生及執行董事兼行政總裁王健強先生擁有90.0%及10.0%權益。因此，惠州友華根據上市規則屬本公司關連人士。

截至二零一七年十二月三十一日止年度，根據惠州友華採購協議進行的交易總額約為人民幣25,090,000元，本年度之年度交易限額為人民幣37,000,000元。

有關向黃石西普電子有限公司（「黃石西普電子」）購買柔性印刷電路板及軟硬結合型印刷電路板（「柔性印刷電路板及軟硬結合型印刷電路板」）訂立的黃石西普電子採購協議

於二零一七年六月二日，本公司與黃石西普電子訂立採購協議（「黃石西普電子採購協議」），據此，黃石西普電子同意向本集團提供柔性印刷電路板及軟硬結合型印刷電路板，期限由二零一七年七月一日起至二零一九年十二月三十一日止，詳見本公司於二零一七年六月二日之公告。

The price for the FPCs and Rigid-Flex PCBs supplied by Huangshi C-Flex Electronic under the Huangshi C-Flex Electronic Purchase Agreement was determined with reference to the price at which comparable types of FPCs and Rigid-Flex PCBs are sold to the Group by independent suppliers under normal commercial terms in the ordinary course of business, and such price shall be no less favourable to the Group than was available from independent suppliers. In considering whether to purchase from Huangshi C-Flex Electronic, the Group sought quotations from at least two independent third parties offering the same or comparable products. The Group purchased the FPCs and Rigid-Flex PCBs from Huangshi C-Flex Electronic if the price and quality of the products offered was comparable to or more favourable to the Group than those offered by such independent third parties for the same or comparable products.

Huangshi C-Flex Electronic is wholly owned by Shenzhen Handi Venture Capital Investment Co., Ltd., a wholly-owned subsidiary of Shenzhen CK which is in turn owned as to 90.0% by Mr. He Ningning, an executive Director, the Chairman and controlling shareholder (as defined in the Listing Rules) of the Company, and as to 10.0% by Mr. Wang Jianqiang, an executive Director and the Chief Executive Officer. As such, Huangshi C-Flex Electronic is a connected person of the Company for the purpose of the Listing Rules.

For the year ended 31 December 2017, the total transaction amount under the Huangshi C-Flex Electronic Purchase Agreement was approximately RMB2,899,000 and the annual cap amount for the Year was RMB22,000,000.

The INEDs have reviewed the aforesaid continuing connected transactions of the Company and confirmed that such transactions have been:

- (i) entered into in the ordinary and usual course of business of the Group;
- (ii) entered into on normal and fair commercial or better terms; and

黃石西普電子根據黃石西普電子採購協議供應的柔性印刷電路板及軟硬結合型印刷電路板價格乃參考獨立供應商於日常業務過程中按正常商業條款向本集團銷售的同類柔性印刷電路板及軟硬結合型印刷電路板的價格釐定，且向本集團提供的有關價格不得遜於獨立供應商所提供者。在考慮是否向黃石西普電子購買時，本集團尋求至少兩家提供相同或同類產品的獨立協力廠商的報價。如果黃石西普電子所提供產品的價格及質量與提供相同或同類產品的獨立協力廠商所提供者相當或對本集團更加優惠，則本集團向其購買柔性印刷電路板及軟硬結合型印刷電路板。

黃石西普電子由深圳市漢迪創業投資有限公司（其為深圳西可之全資子公司）全資擁有，而深圳西可分別由執行董事兼主席及本公司控股股東（如上市規則所定義）何寧寧先生及執行董事兼行政總裁王健強先生擁有90.0%及10.0%權益。因此，黃石西普電子根據上市規則屬本公司關連人士。

截至二零一七年十二月三十一日止年度，根據黃石西普電子採購協議進行的交易總額約為人民幣2,899,000元，本年度之年度交易限額為人民幣22,000,000元。

本公司獨立非執行董事已審閱及確認，本公司的上述持續關連交易：

- (i) 屬於本集團的日常業務；
- (ii) 交易已簽訂正常公允的商業條款或更佳條款；及

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(iii) entered into in accordance with the agreements governing them on terms that are fair and reasonable for the interests of Shareholders of the Company as a whole.

(iii) 按照具有對本公司股東的整體利益公平及合理的條款之協議簽訂。

The independent auditor of the Company was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and by reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The independent auditor of the Company has issued an unqualified letter containing its findings and conclusions in respect of the continuing connected transactions disclosed by the Group in this section in accordance with Rule 14A.56 of the Listing Rules. A copy of the relevant independent auditor's letter has been provided by the Company to the Stock Exchange.

本公司獨立核數師已獲委聘遵照香港會計師公會頒佈的香港鑒證業務準則第3000號「歷史財務信息審計或審閱以外的鑒證業務」，並參照實務說明第740號「香港上市規則規定的持續性關連交易的審計師函件」，就本集團的持續關連交易作出報告。本公司獨立核數師已根據上市規則第14A.56條的規定發出載有其有關本集團於本章內所披露持續關連交易的發現及結論的無保留意見函件。本公司已將獨立核數師函件副本呈交予聯交所。

### PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles of Association of the Company or the laws of the Cayman Islands, which would oblige the Company to offer new Shares on a pro-rata basis to existing Shareholders.

### 優先購買權

根據本公司組織章程細則或開曼群島相關法律，概無條文規定本公司須按比例向現有股東發售新股之優先購買權。

### SUFFICIENCY OF PUBLIC FLOAT

According to the information that is publicly available to the Company, and so far as the Directors are aware of, the Company has maintained a sufficient public float as required by the Listing Rules during the Year and up to the latest practicable date prior to the date of this report.

### 足夠之公眾持股量

根據本公司可從公眾渠道獲得之資料及就董事所知，於本年度至本報告發佈之日之前的最後實際可行日期，本公司一直維持上市規則規定的足夠之公眾持股量。

### DIRECTORS' COMPETING BUSINESS

A deed of non-competition (the "Deed of Non-Competition") was entered into by Mr. He Ningning, the Chairman and an executive Director and QT Investment (a company wholly-owned by Mr. He Ningning) (collectively, the "Controlling Shareholders") in favour of the Company on 13 November 2014, pursuant to which each of the Controlling Shareholders will not, and will procure its/his close associates (other than members of the Group) not to directly or indirectly be involved in or undertake any business (other than the Group's business) that directly or indirectly competes, or may compete, with the Group's business or undertaking, or hold shares or interest in any companies or business that compete directly or indirectly with the business engaged by the Group from time to time except where the Controlling Shareholders hold less than 5% of the total issued share capital of any company (whose shares are listed on the Stock Exchange or any other stock exchange) which is engaged in any business that is or may be in competition with any business engaged by any member of the Group and they do not control 10% or more of the composition of the Board.

The Company has received the annual written confirmation from the Controlling Shareholders in respect of the compliance and enforcement of the terms of the Deed of Non-Competition by the Controlling Shareholders during the Year.

### 董事之競爭業務

主席兼執行董事何寧寧先生及丘鈇投資（一間由何寧寧先生全資擁有的公司）（統稱「控股股東」）於二零一四年十一月十三日簽訂了對本公司有利的不競爭契據（「不競爭契據」），據此各控股股東將不會並將促使其緊密聯繫人（本集團成員公司除外）不直接或間接參與或進行任何與我們的業務或事業直接或間接構成競爭或可能構成競爭的業務（我們的業務除外），或於任何直接或間接與本集團不時從事的業務構成競爭的公司或業務持有股份或權益，惟控股股東於任何從事與本集團任何成員公司所從事的任何業務存在或可能存在競爭的業務的任何公司（其股份於聯交所或任何其他證券交易所上市）持有已發行股本總額少於5%，且對我們的董事會組成的控制權未達10%或以上者除外。

於本年度，本公司已收取來自控股股東就控股股東符合及執行不競爭契據之年度書面確認函。



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The INEDs have reviewed the Deed of Non-Competition entered into by the Controlling Shareholders as to whether the Controlling Shareholders had abided by the Deed of Non-Competition. The INEDs confirmed that the Controlling Shareholders had not been in breach of the Deed of Non-Competition during the Year.

Apart from the business of the Group, none of the Directors or their respective associates had engaged in or had any interest in any business which competed or might compete with the business of the Group during the Year.

### PROFESSIONAL TAX ADVICE RECOMMENDED

If the Shareholders of the Company are unsure about the taxation implications of purchasing, holding, disposing of, dealing in, or the exercise of any rights in relation to the Shares of the Company, they are advised to consult a professional adviser.

### INDEPENDENT AUDITORS

Upon the recommendation of the Audit Committee, the Board has resolved that a resolution will be proposed at the forthcoming AGM to re-appoint KPMG, Certified Public Accountants as the independent auditor of the Company.

On behalf of the Board  
**He Ningning**  
*Chairman*

Hong Kong, 19 March 2018

獨立非執行董事已就控股股東是否遵守彼等簽訂之不競爭契據審閱不競爭契據。獨立非執行董事確認控股股東於本年度並無違反不競爭契據。

除本集團業務外，本年度概無董事或彼等各自聯繫人參與任何與本集團業務競爭或可能競爭的業務或於其中擁有任何權益。

### 建議之專業稅務意見

如本公司股東未能確定購買、持有、出售、處理或行使本公司有關股份之任何權利之稅務影響，謹請彼等諮詢專業人士。

### 獨立核數師

應審核委員會之推薦，董事會決議同意，於應屆股東週年大會上將就續聘畢馬威會計師事務所（執業會計師）為本公司之獨立核數師提呈決議案。

代表董事會  
*主席*  
**何寧寧**

香港，二零一八年三月十九日

The Company is committed to fulfilling its responsibilities to the Company's Shareholders and protecting and enhancing Shareholders' value through good corporate governance.

The Directors of the Company recognise the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of the Group so as to achieve effective accountability.

## CORPORATE GOVERNANCE PRACTICES

The Company has complied with all applicable code provisions as set out in the Corporate Governance Code (the "CG Code") as contained in Appendix 14 to the Listing Rules during the Year.

## SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as its own code of conduct governing the securities transactions by the Directors. Following a specific enquiry made by the Company on the Directors, all Directors have confirmed that they had complied with the required standard set out in the Model Code during the Year.

本公司致力於履行其對本公司股東應負之責任，透過採用良好的企業管治保障及增加股東價值。

本公司董事認為在本集團管理架構及內部監控程序引進良好企業管治元素乃非常重要，藉以達致有效的問責性。

## 企業管治常規

本公司於本年度已遵照上市規則附錄十四所載企業管治守則（「企管守則」）所載的所有適用守則條文。

## 董事進行證券交易

本公司已採納上市規則附錄十所列載的上市發行人董事進行證券交易的標準守則（「標準守則」）作為其董事進行證券交易的行為守則。經本公司向董事作出具體查詢後，全體董事確認彼等於本年度已遵照標準守則所規定之準則。

# Corporate Governance Report

## 企業管治報告

### BOARD OF DIRECTORS

#### Responsibilities

The Board is primarily responsible for overseeing and supervising the management of the business affairs and the overall performance of the Group. The Board sets the Group's values and standards and ensures that the requisite financial and human resources support are in place for the Group to achieve its objectives. The functions performed by the Board include but are not limited to formulating the Group's business plans and strategies, deciding all significant financial (including major capital expenditure) and operational issues, developing, monitoring and reviewing the Group's corporate governance and all other functions reserved to the Board under the Company's articles of association (the "Articles of Association"). The Board has established Board committees and has delegated to these Board committees various responsibilities as set out in their respective terms of reference which are published on the respective websites of the Stock Exchange and the Company. The Board may from time to time delegate certain functions to management of the Group if and when considered appropriate. The management is mainly responsible for the execution of the business plans, strategies and policies adopted by the Board and assigned to it from time to time.

The Directors have full access to information of the Group and are entitled to seek independent professional advice in appropriate circumstances at the Company's expense.

#### Composition

The Company is committed to the view that the Board should include a balanced composition of executive and independent non-executive Directors so that there is a strong independent element on the Board, which can effectively exercise independent judgment.

### 董事會

#### 職責

董事會主要負責監管及監督本集團之業務事宜管理及整體表現。董事會設定本集團的價值及標準，並確保具備必須的財務及人力資源，使本集團得以實現其宗旨目標。董事會履行的職能包括但不限於制訂本集團業務計劃及策略、決定所有重大財務（包括主要的資本支出）及營運事項，發展、監察及審查本集團的企業管治及所有其他根據本公司組織章程細則（「組織章程細則」）須經由董事會負責的職能。董事會轄下已設立董事委員會，並向該等董事委員會轉授其各自職權範圍載列之各項責任。該等董事會委員各自的職權範圍分別於聯交所及本公司網站刊發。董事會可於其認為適當之時不時授予本集團管理人員若干職能。管理人員主要負責執行董事會採用及並不時獲指派的業務計劃、策略及政策。

董事可於適當之情況下取閱本集團之資料並有權徵詢獨立專業意見，費用由本公司支付。

#### 組成

本公司致力秉持董事會應包括適當比例的執行董事及獨立非執行董事，致使董事會具備高度獨立性以能有效作出獨立判斷。

During the Year and up to the date of this report, the Board comprises the following six Directors:

### Executive Directors

Mr. He Ningning (*Chairman*)  
Mr. Wang Jianqiang (*Chief Executive Officer*)  
Mr. Hu Sanmu (*Vice President of Sales*)

### Independent Non-executive Directors (the “INEDs”)

Ms. Chen Jun  
(resigned from her position as an INED, a member of the Audit Committee, a member of the Remuneration Committee, a member of the Nomination Committee and a member and the chairlady of the Risk Management Committee on 31 May 2017)

Mr. Ko Ping Keung  
(appointed as an INED, a member of the Audit Committee, a member of the Remuneration Committee, a member of the Nomination Committee and a member and the chairman of the Risk Management Committee on 31 May 2017)

Mr. Ng Sui Yin  
Mr. Chu Chia-Hsiang

The biographical details of each of the Directors are set out in the section headed “Biographical Details of Directors and Senior Management” of this annual report.

Mr. He Ningning, the chairman of the Board (the “Chairman”) and an executive Director, is the step-brother of Mr. Wang Jianqiang, the Chief Executive Officer of the Group and an executive Director. Save as aforesaid, there was no financial, business, family or other material relationship among the Directors.

The INEDs have brought a wide range of business and financial expertise, experience and independent judgment to the Board. Through active participation in the Board meetings and serving on various Board committees, all INEDs will continue to make various contributions to the Company.

於本年度及直至本報告日期，董事會包括以下六名董事：

### 執行董事

何寧寧先生 (主席)  
王健強先生 (行政總裁)  
胡三木先生 (銷售副總裁)

### 獨立非執行董事 (「獨立非執行董事」)

陳郡女士  
(二零一七年五月三十一日  
辭任獨立非執行董事、審核委員會  
成員、薪酬委員會成員、提名委員會  
成員及風險管理委員會成員及  
主席的職務)

高秉強先生 (二零一七年五月三十一日  
獲委任獨立非執行董事、審核委員會  
成員、薪酬委員會成員、提名委員會  
成員及風險管理委員會成員及  
主席的職務)

吳瑞賢先生  
初家祥先生

各董事的履歷資料列載於本年度報告「董事及高級管理層之履歷詳情」內。

董事會主席 (「主席」) 兼執行董事何寧寧先生為本集團行政總裁及執行董事王健強先生的繼兄。除上文所述，董事之間並無財務、業務、家族或其他重大關係。

獨立非執行董事為董事會帶來淵博的經營及財務專業知識、經驗及獨立判斷。通過積極參與董事會議，供職於各董事委員會，全體獨立非執行董事將繼續為本公司做出種種貢獻。

# Corporate Governance Report

## 企業管治報告

Throughout the Year, the Company had appointed three INEDs, representing half of the Board members, and has met the requirement of the Listing Rules that the number of INEDs must represent at least one-third of the Board members, and met the requirement that at least one of the INEDs has appropriate professional qualifications or accounting or related financial management expertise.

The Company has received an annual confirmation in writing from each of the INEDs pursuant to Rule 3.13 of the Listing Rules. Based on such confirmation, the Company considers that all the INEDs are independent and have met the independence guidelines set out in Rule 3.13 of the Listing Rules during the Year and up to the date of this report.

Each of the INEDs has been appointed for a term of three years, which is subject to retirement and re-election in accordance with the Listing Rules, the Articles of Association of the Company and the applicable laws in the Cayman Islands.

During the Year, the Chairman has held one meeting with INEDs without the presence of the executive Directors.

Proper insurance coverage in respect of potential legal actions against the Directors' liability has been arranged by the Company.

### Directors' Continuing Professional Development

During the Year, each of the Directors (namely Mr. He Ningning, Mr. Wang Jianqiang, Mr. Hu Sanmu, Mr. Ko Ping Keung, Ms. Chen Jun, Mr. Ng Sui Yin and Mr. Chu Chia-Hsiang) have complied with the requirements of the Code Provision A6.5 of the CG Code, have participated in relevant continuing professional development and training at the Company's expense, and all Directors have been requested to provide the Company with their training records.

In addition, the Company has from time to time provided briefings to all Directors to develop and refresh their duties and responsibilities.

本公司於本年度委任三名獨立非執行董事（相當於一半董事會成員），並符合上市規則規定，即獨立非執行董事的人數須佔董事會成員人數的至少三分之一，及符合至少有一名獨立非執行董事具備適當專業資格或會計或相關財務管理專業知識的規定。

本公司已收取來自各獨立非執行董事因應上市規則第3.13條規定而以書面形式提交之年度確認書。基於該等確認書，本公司認為，於本年度及直至本報告日期，全體獨立非執行董事均具獨立性且已遵守上市規則第3.13條所設定的獨立指引。

各獨立非執行董事的任期均為期三年，並須根據上市規則、本公司組織章程細則及開曼群島適用法律退任及重選。

於本年度，主席已與獨立非執行董事舉行一次無執行董事列席之會議。

本公司已就董事可能面對之法律訴訟作適當投保安排。

### 董事持續專業發展

於本年度，各董事（即何寧寧先生、王健強先生、胡三木先生、高秉強先生、陳郡女士、吳瑞賢先生及初家祥先生）均已遵守企管守則條文A6.5條之規定，參與了有關持續專業發展及培訓，費用由本公司承擔及全體董事已被要求向本公司提供其培訓記錄。

此外，本公司已不時向全體董事提供簡報，使董事得以發展及實時瞭解其職責及責任。

### Meetings of the Board and Directors' Attendance Records

During the Year, the Board held eighteen meetings in total (i.e. on 4 January, 11 January, 22 February, 16 March, 19 May, 31 May, 2 June, 9 June, 22 June, 9 August, 12 September, 22 September, 25 September, 28 September, 17 October, 21 November, 19 December and 26 December 2017 respectively) with notice given to the Directors at least 14 days in advance. Before each Board meeting, an agenda and the accompanying Board papers have been sent to all Directors at least three days before the intended date of the Board meeting or such other period as agreed in advance. The company secretary of the Company (the "Company Secretary") is responsible for keeping all Board meeting's minutes. The draft and final versions of the minutes have been circulated to the Directors for comments and record within a reasonable time after each meeting and the final version is open for the Directors' inspection.

The attendance of each Director at the Board meetings and general meeting during the Year is as follows:

### 董事會會議及董事出席記錄

於本年度，董事會共舉行十八次會議，分別於二零一七年一月四日、一月十一日、二月二十二日、三月十六日、五月十九日、五月三十一日、六月二日、六月九日、六月二十二日、八月九日、九月十二日、九月二十二日、九月二十五日、九月二十八日、十月十七日、十一月二十一日、十二月十九日及十二月二十六日，並最少於會議十四天前向董事發出通知。於每次董事會會議前，最少於董事會會議預定日期三天前或事前協定期間前向全體董事發出議程及隨附董事會文件。本公司公司秘書（「公司秘書」）負責保管所有董事會會議記錄。於每次會議後，於合理期間內提供記錄稿本及最終定稿予董事傳閱及記錄，以便董事給予意見，而最終確認版本可公開供董事查閱。

各董事於本年度出席董事會及股東大會會議記錄如下：

Name of Directors	董事姓名	Meetings attended/ Eligible to attend 出席次數／有資格出席	
		Board 董事會	General Meeting 股東大會
<b>Executive Directors</b>			
Mr. He Ningning ( <i>Chairman</i> )	何寧寧先生 (主席)	18/18	1/1
Mr. Wang Jianqiang ( <i>Chief Executive Officer</i> )	王健強先生 (行政總裁)	18/18	1/1
Mr. Hu Sanmu ( <i>Vice President of Sales</i> )	胡三木先生 (銷售副總裁)	18/18	1/1
<b>Independent Non-executive Directors (the "INEDs")</b>			
Ms. Chen Jun (resigned on 31 May 2017)	陳郡女士 (於二零一七年 五月三十一日辭任)	6/6	1/1
Mr. Ko Ping Keung (appointed on 31 May 2017)	高秉強先生 (於二零一七年 五月三十一日獲委任)	12/12	—
Mr. Ng Sui Yin	吳瑞賢先生	18/18	1/1
Mr. Chu Chia-Hsiang	初家祥先生	18/18	1/1

# Corporate Governance Report

## 企業管治報告

### Board Diversity Policy

The Board has adopted a policy of the Board diversity (the “Board Diversity Policy”) with all measurable objectives set for implementing the same.

The Company recognises and embraces the benefits of a diversity of Board members. It endeavours to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company’s business. All Board appointments will continue to be made on a merit basis with due regard for the benefits of diversity of the Board members. Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, language, cultural background, educational background, industry experience and professional experience.

### CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The roles of the Chairman and the Chief Executive Officer are separate and performed by different individuals to ensure a balance of power and authority so that power is not concentrated in any one individual. Mr. He Ningning, Chairman, is responsible for the management of the Board while Mr. Wang Jianqiang, Chief Executive Officer, is responsible for managing the Group’s business and overall operations. There is a clear division of responsibilities between Chairman and Chief Executive Officer.

During the Year, Ms. Chen Jun resigned as an Independent Non-Executive Director, a member of the Audit Committee, a member of the Remuneration Committee, a member of the Nomination Committee and a member and the chairlady of the Risk Management Committee due to personal affairs (please refer to the announcement of the Company dated 31 May 2017 for details).

### 董事會多元化政策

董事會採納董事會多元化政策（「董事會多元化政策」），並就推行相同政策討論所有可衡量宗旨。

本公司明白並深信董事會成員多元化之利益，並致力確保董事會具備適用於本公司業務要求的技巧、經驗及思維多元化之平衡配套。董事會所有委任將繼續以沿才委任為基準，兼顧董事會成員多元化之利益，並將根據一系列多元化思維（包括但不限於性別、年齡、語言、文化背景、教育背景、行業經驗及專業經驗）挑選候選人。

### 主席及行政總裁

主席及行政總裁負責不同任務及由不同人士擔當，以確保權力及授權之平衡，使任何單一人士不能包攬全部權力。主席何寧寧先生負責董事會管理，而行政總裁王健強先生負責管理本集團業務及整體運作。主席與行政總裁各自之責任顯然有別。

於本年度，陳郡女士因個人事務的原因辭去獨立非執行董事、審核委員會成員、薪酬委員會成員、提名委員會成員及風險管理委員會成員及主席職務（詳見本公司於二零一七年五月三十一日之公告）。

### BOARD COMMITTEES

The Board has established four Board committees, namely the Audit Committee, the Remuneration Committee, the Nomination Committee and the Risk Management Committee, to oversee particular aspects of the Company's affairs. The Board committees are provided with sufficient resources to discharge their duties.

The written terms of reference for the Board committees are posted on the respective websites of the Stock Exchange and the Company.

#### Audit Committee

The Audit Committee was established with written terms of reference in compliance with the CG Code. It comprises three INEDs, namely Mr. Ng Sui Yin, Mr. Ko Ping Keung and Mr. Chu Chia-Hsiang. Mr. Ng Sui Yin is the chairman of the Audit Committee.

The principal roles and functions of the Audit Committee include, but are not limited to:

- making recommendations to the Board on the appointment, re-appointment and removal of external auditor, and approving the remuneration and terms of engagement of the external auditor, and handling any questions regarding its resignation or dismissal;
- reviewing and monitoring the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards and discussing with the external auditor on the nature and scope of the audit and reporting obligations before the audit commences;
- developing and implementing a policy on engaging an external auditor to supply non-audit services and reporting to the Board, identifying and making recommendations on any matters where action or improvement is needed;

### 董事會轄下委員會

董事會已設立轄下四個委員會，即審核委員會、薪酬委員會、提名委員會及風險管理委員會，以專門監控本公司不同方面之指定事項。董事會轄下委員會均獲提供履行其各自職責之充分資源。

董事會轄下委員會之書面職權範圍分別刊登於聯交所及本公司網站上。

#### 審核委員會

審核委員會具備書面職權範圍及符合企管守則。審核委員會包括三名獨立非執行董事，即吳瑞賢先生、高秉強先生及初家祥先生。吳瑞賢先生擔任審核委員會主席。

審核委員會的主要角色及職能包括但不限於：

- 就外部核數師的委聘、續聘及解聘向董事會提供建議、批准外部核數師薪酬及聘用條款，及處理任何有關外部核數師辭職或解聘的問題；
- 監察外部核數師之獨立性、客觀性及核數程序依據適用準則之有效性，並於開始核數前與外部核數師商討核數性質與範疇及匯報責任；
- 制定及執行聘任外部核數師之政策，以提供非核數服務，向董事會匯報，並於需要行動或改進時確定及推薦任何事項；



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- reviewing and monitoring the integrity of the Company's financial statements and annual report and accounts, half-year report and, if prepared for publication, quarterly reports, and reviewing significant financial reporting judgments contained therein;
- reviewing the Company's financial controls, internal control and risk management systems;
- discussing the internal control system with the management to ensure that the management has performed its duty and have an effective internal control system in place;
- considering major investigation findings on internal control matters as delegated by the Board or on its own initiative and management's response to these findings;
- ensuring coordination between the internal and external auditors, ensuring that the internal audit function is adequately resourced and has appropriate standing within the Company, and reviewing and monitoring its effectiveness;
- reviewing the Group's financial and accounting policies and practices;
- reviewing the external auditor's management letter, any material queries raised by the auditor to management about the accounting records, financial accounts or systems of control and management's response;
- reviewing the pricing rules of continuing connected transactions and implementation of transaction caps, etc.;
- ensuring that the Board will provide a timely response to the issues raised in the external auditor's management letter; and
- considering other topics as defined by the Board.
- 審查及監察本公司財務報表、年度報告及賬目、半年度報告及季度報告（如為刊登而擬備）之完整性，並審查其中所載重大財務匯報判斷；
- 審查本公司財務管制、內部控制及風險管理制度；
- 與管理層商討內部控制制度，以確保管理層已履行其職責，提供有效之內部控制制度；
- 根據董事會轉委或其本身主動提議，審閱對內部控制事項主要調查結果及管理層對有關調查結果之回應；
- 確保內部與外部核數師之間的協調，使內部核數具備適當充實之功能及於本公司內部有恰當立場，並審查及監察其有效性；
- 審查本集團財務及會計之政策及慣例；
- 審查外部核數師之管理函件、核數師向管理層提出之任何會計記錄、財務賬目或管制制度之重大查詢及管理層之回應；
- 審查持續關連交易之定價規則及交易限額執行等各項情況；
- 確保董事會將會就外部核數師管理層函件所提出事項及時給予回應；及
- 研究董事會界定之其他課題。

# Corporate Governance Report

## 企業管治報告

During the Year, the Audit Committee held two meetings in total (i.e. on 16 March 2017 and 9 August 2017 respectively) (the “Audit Committee Meetings”) and reviewed the audited consolidated results for the year ended 31 December 2016 and the unaudited consolidated results for the six months ended 30 June 2017 of the Company, respectively, including the accounting principles and practice adopted by the Group, the Company’s compliance with the code provisions of the CG Code and disclosure thereof in the relevant annual and interim reports, the effectiveness of the Group’s internal control and recommended to the Board for consideration the same and the re-appointment of KPMG, Certified Public Accountant, as the Company’s external auditor at the annual general meeting of the Company held on 19 May 2017 (“2017 AGM”).

The attendance of each Director at the Audit Committee Meetings during the Year is as follows:

於本年度，審核委員會共舉行兩次會議，分別於二零一七年三月十六日及二零一七年八月九日（「審核委員會會議」），並分別審查本公司截至二零一六年十二月三十一日止年度經審核合併業績及截至二零一七年六月三十日止六個月未經審核合併業績，包括本集團所採用會計原則及慣例、本公司遵守企管守則之守則條文及在相關年報及中期報告中披露及本集團內部控制之有效性，並向董事會推薦考慮該等會計原則及慣例及於二零一七年五月十九日舉行之本公司股東週年大會（「二零一七年股東週年大會」）上續聘註冊會計師畢馬威會計師事務所擔任本公司外部核數師。

各董事於本年度出席審核委員會會議記錄如下：

Name of Directors	董事姓名	No. of Attendance (Note)/ Eligible to attend 出席次數（附註）/ 有資格出席
Mr. Ng Sui Yin ( <i>Chairman</i> )	吳瑞賢先生（主席）	2/2
Ms. Chen Jun (resigned on 31 May 2017)	陳郡女士（於二零一七年 五月三十一日辭任）	1/1
Mr. Ko Ping Keung (appointed on 31 May 2017)	高秉強先生（於二零一七年 五月三十一日獲委任）	1/1
Mr. Chu Chia-Hsiang	初家祥先生	2/2

*Note:* The Audit Committee Meeting was attended by all the Directors in person, not by an alternate.

*附註：* 所有董事均親身出席審核委員會會議，非由代理人出席。

# Corporate Governance Report

## 企業管治報告

The Audit Committee held one meeting on 19 March 2018 and reviewed the Company's draft audited consolidated results for the Year, including the accounting principles and practice adopted by the Group, the Company's compliance with the code provisions of the CG Code and disclosure in this report, as well as the effectiveness of the Group's internal control and recommended to the Board for consideration the same and the re-appointment of KPMG, Certified Public Accountant, as the Company's external auditor at the AGM.

### Remuneration Committee

The Remuneration Committee has been established with written terms of reference in compliance with the CG Code. The Remuneration Committee comprises three INEDs, namely Mr. Chu Chia-Hsiang, Mr. Ng Sui Yin and Mr. Ko Ping Keung. Mr. Chu Chia-Hsiang is the chairman of the Remuneration Committee.

The principal roles and functions of the Remuneration Committee include, but are not limited to:

- making recommendations to the Board on the Company's policy and structure for the remuneration of all Directors and senior management and on the establishment of a formal and transparent procedure for developing the remuneration policy;
- reviewing and approving the management's remuneration proposals by reference to the Board's corporate goals and objectives;
- making recommendations to the Board on the remuneration packages of individual executive Directors and senior management including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;
- making recommendations to the Board on the remuneration of non-executive Directors;

審核委員會亦於二零一八年三月十九日舉行一次會議，並審查本公司本年度經審核合併業績草稿，包括本集團所採用會計原則及慣例、本公司遵守企管守則之守則條文及在本報告的披露及本集團內部控制之有效性，並向董事會推薦考慮該等會計原則及慣例及在股東週年大會上續聘註冊會計師畢馬威會計師事務所擔任本公司外部核數師。

### 薪酬委員會

薪酬委員會具備書面職權範圍及符合企管守則。薪酬委員會包括三名獨立非執行董事，即初家祥先生、吳瑞賢先生及高秉強先生。初家祥先生擔任薪酬委員會主席。

薪酬委員會的主要角色及職能包括但不限於：

- 就本公司關於全體董事與高級管理人員薪酬政策及結構、及就制定薪酬政策而設立正式及透明程序而向董事會提供推薦意見；
- 於參考董事會企業目標及宗旨後，審查及批准管理層薪酬建議；
- 就個別執行董事及高級管理人員之薪酬組合向董事會提供推薦意見，包括實物利益、退休金權利及補償付款（包括任何損失或終止其任職或委任之任何應付補償）；
- 就非執行董事之薪酬向董事會提供推薦意見；

- considering salaries paid by comparable companies, time commitment, responsibilities and employment conditions elsewhere in the Group;
  - reviewing and approving compensation payable to the executive Directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with the contractual terms and is otherwise fair and reasonable and not excessive;
  - reviewing and approving compensation arrangements relating to the dismissal or removal of Directors for misconduct to ensure that they are consistent with the contractual terms and are otherwise reasonable and appropriate; and
  - ensuring that no Director or any of his/her associates (as defined in the Listing Rules) is involved in deciding his/her own remuneration.
- 審閱可供比較公司所支付薪金、時間之投放、責任及本集團其他成員之僱用條件；
  - 檢討及批准向執行董事及高級管理人員就喪失或終止其職務或委任有關的賠償，以確保有關賠償按有關合約條款釐定，若未能按有關合約條款釐定，賠償亦須公平合理，不會對公司造成過重負擔；
  - 檢討及批准關於罷免或解聘行為不當董事之補償安排，以確保有關安排按合約條款釐定，若未能按有關合約條款釐定，有關賠償亦須合理適當；及
  - 確保概無董事或其任何聯繫人士（定義見上市規則）參與釐定其本身薪酬。

During the Year, the Remuneration Committee held two meetings on 16 March 2017 and 31 May 2017, and reviewed and recommended to the Board for consideration certain remuneration-related matters of the Directors and senior management, determined the policy for the remuneration of executive Directors, assessed performance of executive Directors and approved the terms of newly appointed INEDs' service contracts and remuneration.

For determining the remuneration packages of each Director, market rates and factors such as each Director's workload and required commitment were taken into account. In addition, factors comprising economic and market situations, individual contributions to the Group's results and development as well as individual's potential were considered when determining the remuneration packages of Executive Directors.

於本年度，薪酬委員會共舉行兩次會議，分別於二零一七年三月十六日及二零一七年五月三十一日，並分別審查及向董事會推薦建議釐定若干與董事及高級管理人員薪酬有關之事項，決定執行董事的薪酬政策，評估執行董事的績效，及批准新任獨立非執行董事的服務合約及薪酬之事宜。

對於釐定各董事之薪酬待遇，考慮市場水平與各項因素，如董事之工作量及所承擔之責任。此外，當釐定執行董事薪酬待遇時考慮之因素包括：經濟及市場情況、對本集團業績及發展之貢獻，以及個人之潛能等。

# Corporate Governance Report

## 企業管治報告

The attendance of each Director at the Remuneration Committee Meetings during the Year is as follows:

各董事於本年度出席薪酬委員會會議記錄如下：

Name of Directors	董事姓名	No. of Attendance (Note)/ Eligible to attend 出席次數(附註)/ 有資格出席
Mr. Chu Chia-Hsiang ( <i>Chairman</i> )	初家祥先生(主席)	2/2
Mr. Ng Sui Yin	吳瑞賢先生	2/2
Ms. Chen Jun (resigned on 31 May 2017)	陳郡女士(於二零一七年 五月三十一日辭任)	2/2
Mr. Ko Ping Keung (appointed on 31 May 2017)	高秉強先生(於二零一七年 五月三十一日獲委任)	-

*Note:* The Remuneration Committee Meeting was attended by all the Directors in person, not by an alternate.

*附註:* 所有董事均親身出席薪酬委員會會議，非由代理人出席。

The Remuneration Committee also held one meeting on 19 March 2018, and reviewed and recommended to the Board for consideration certain remuneration-related matters of the Directors and senior management.

薪酬委員會亦於二零一八年三月十九日舉行一次會議，並審查及向董事會推薦建議釐定若干與董事及高級管理人員薪酬有關之事項。

### Nomination Committee

### 提名委員會

The Nomination Committee has been established with written terms of reference in compliance with the CG Code. It comprises two INEDs, namely Mr. Ko Ping Keung and Mr. Chu Chia-Hsiang and an executive Director, namely Mr. He Ningning. Mr. He Ningning is the chairman of the Nomination Committee.

提名委員會於具備書面職權範圍及符合企管守則。提名委員會包括兩名獨立非執行董事，即高秉強先生及初家祥先生，及一名執行董事，即何寧寧先生。何寧寧先生擔任提名委員會主席。

# Corporate Governance Report

## 企業管治報告

The principal roles and functions of the Nomination Committee include, but are not limited to:

- reviewing the structure, size and composition (including the skills, knowledge and experience and diversity of perspectives) of the Board at least annually and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- identifying individuals suitably qualified to become Board members and making recommendations to the Board on the selection of individuals nominated for directorships;
- assessing the independence of the INEDs;
- reviewing the Board Diversity Policy and reviewing the measurable objectives for implementing such Board Diversity Policy, including but not limited to gender, age, race, language, cultural background, educational background, industry experience and professional experience of the Board, and the progress on achieving the objectives; and making disclosure of its progress and its review results in the annual report annually; and
- making recommendations to the Board on the appointment or re-appointment of Directors and the succession planning for the Directors, in particular, the Chairman and the Chief Executive Officer.

During the Year, the Nomination Committee held two meetings on 16 March 2017 and 31 May 2017, and among other things, reviewed the structure, size and composition of the Board, assessed the independence of the INEDs and recommended to the Board for consideration the re-appointment of all the retiring Directors as Directors at the 2017 AGM, determined the policy for the nomination of Directors as well as made recommendations on the appointment of INEDs.

提名委員會的主要角色及職能包括但不限於：

- 至少每年檢討董事會結構、規模及組成（包括技巧、知識及經驗及觀點多樣性），並就任何建議變動向董事會提供推薦意見，以補充本公司的企業策略；
- 物色具備合適資格可擔任董事之人士，並就挑選提名有關人士出任董事向董事會提供推薦意見；
- 評估獨立非執行董事之獨立性；
- 檢討董事會多元化政策及審查為推行董事會多元化政策（包括但不限於性別、年齡、種族、語言、文化背景、教育背景、行業經驗及專業經驗挑選候選人）所設定可衡量宗旨及實現該等宗旨之進度；並於每年之年度報告披露其進度及審查結果；及
- 就董事委任或重新委任以及董事（尤其是主席及行政總裁）之繼任計劃，向董事會提供推薦意見。

於本年度，提名委員會共舉行兩次會議，分別於二零一七年三月十六日及二零一七年五月三十一日，分別（其中包括）審查董事會的結構、規模及組成，評估獨立非執行董事的獨立性及於二零一七年股東週年大會上向董事會推薦考慮重新委任全體退任董事為董事及決定提名董事的政策，以及就獨立非執行董事委任提供推薦意見。

# Corporate Governance Report

## 企業管治報告

The attendance of each Director at the Nomination Committee Meetings during the Year is as follows:

各董事於本年度出席提名委員會會議記錄如下：

Name of Directors	董事姓名	No. of Attendance (Note)/ Eligible to attend 出席次數(附註)/ 有資格出席
Mr. He Ningning ( <i>Chairman</i> )	何寧寧先生(主席)	2/2
Ms. Chen Jun (resigned on 31 May 2017)	陳郡女士(於二零一七年 五月三十一日辭任)	2/2
Mr. Ko Ping Keung (appointed on 31 May 2017)	高秉強先生(於二零一七年 五月三十一日獲委任)	-
Mr. Chu Chia-Hsiang	初家祥先生	2/2

*Note:* The Nomination Committee Meeting was attended by all the Directors in person, not by an alternate.

*附註:* 所有董事均親身出席提名委員會會議，非由代理人出席。

The Nomination Committee also held one meeting on 19 March 2018, and among other things, reviewed the structure, size and composition of the Board, assessed the independence of the INEDs and recommended to the Board for consideration the reappointment of the retiring Directors and the Directors who filled a casual vacancy or appointed as an addition to the existing Board, namely Mr. He Ningning, Mr. Ng Sui Yin and Mr. Ko Ping Keung as Directors at the AGM as well as reviewed the Board's Diversity Policy.

提名委員會亦於二零一八年三月十九日舉行一次會議，(其中包括)審查董事會的結構、規模及組成，評估獨立非執行董事的獨立性及於股東週年大會上向董事會推薦考慮重新委任退任董事及填補臨時空缺的董事或獲委任加入現有董事會的董事，即何寧寧先生、吳瑞賢先生及高秉強先生，為董事，以及審查董事會的多元化政策。

### Risk Management Committee

The Risk Management Committee has been established with written terms of reference in compliance with the CG Code. The Risk Management Committee comprises three members, namely Mr. Ko Ping Keung and Mr. Ng Sui Yin, both INEDs and Mr. Fan Fuqiang, the chief financial officer of the Company. In particular, two members are our INEDs. Mr. Ko Ping Keung is the chairman of the Risk Management Committee.

### 風險管理委員會

風險管理委員會具備書面職權範圍及符合企管守則。風險管理委員會包括三位成員，即獨立非執行董事高秉強先生、吳瑞賢先生及本公司財務總監范富強先生。其中兩位成員為我們的獨立非執行董事。高秉強先生擔任風險管理委員會主席。

The principal roles and functions of the Risk Management Committee include, but are not limited to:

- reviewing and assessing the Group's investment in wealth management products in terms of whether such investment complies with its treasury and investment policies, the fund safety of and the risks associated with such investment;
- reviewing the remedial actions in respect of policy breaches, if any;
- reviewing the risks associated with, and approving, the purchase of wealth management products with the transaction amount exceeding RMB50 million (RMB50 million exclusive) as requested from time to time (the provision of reviewing the risks associated with the purchase of wealth management products with single transaction amount exceeding RMB10 million (RMB10 million exclusive) as requested from time to time was amended to reviewing the risks associated with, and approving, the purchase of wealth management products with single transaction amount exceeding RMB50 million (RMB50 million exclusive) as requested from time to time, pursuant to the amendments made to the funds management policy at the Risk Management Committee meeting held on 24 March 2016);
- reviewing and assessing the expected return of the wealth management products with similar principal amount, and the track record of relevant issuers and similar wealth management products previously sold in the market; and
- considering, reviewing and approving the amendments to the Group's policies and requirements in respect of the operation and risk control of the Group's wealth management products.

風險管理委員會的主要角色及職能包括但不限於：

- 審閱及評估本集團在理財產品的投資，內容有關該等投資是否符合其財政及投資政策、該等投資的資金安全及與之相關的風險；
- 審閱有關違反政策的補救措施（如有）；
- 根據要求不時審閱與交易額超過人民幣5,000萬元（不含人民幣5,000萬元）之理財產品相關的風險及批准該等購買（根據風險管理委員會於二零一六年三月二十四日會議上對資金管理制度的修訂，不時應要求審閱購買單筆交易額超過人民幣1,000萬元（不含人民幣1,000萬元）的理財產品的相關風險修改為不時應要求審閱購買單筆交易額超過人民幣5,000萬元（不含人民幣5,000萬元）的理財產品的相關風險，並作出批准）；
- 審閱及評估本金額相若的理財產品的預期回報，以及相關發行人及過往市場上銷售的類似理財產品的往績；及
- 考慮、審閱及批准修訂本集團就本集團理財產品之操作及風險管理方面的政策及規定。



# Corporate Governance Report

## 企業管治報告

During the Year, the Risk Management Committee held four meetings in total (i.e. on 16 March, 19 May, 31 May and 9 August 2017) ("Risk Management Committee Meetings"). At the above meetings, the Risk Management Committee reviewed and assessed the Group's wealth management product investment in terms of whether such investment have complied with the Group's treasury and investment policies, the fund safety of and risks associated with such investment and reviewed the status such as debt asset ratio, operating cash flow and gearing ratio of the Company.

The attendance of each member of the Risk Management Committee Meetings during the Year is as follows:

於本年度，風險管理委員會共舉行四次會議，分別於二零一七年三月十六日、五月十九日、五月三十一日及八月九日（「風險管理委員會會議」）。風險管理委員會於該等會議上審閱及評估本集團的理財產品之投資是否已遵守本集團的理財政策及投資政策、資金安全及與該等投資有關的風險，以及檢視本公司資產負債率、經營性現金流、資本負債率等方面的狀況。

各成員於本年度出席風險管理委員會會議記錄如下：

Name of members	成員姓名	No. of Attendance (Note 1)/ Eligible to attend 出席次數（附註1）/ 有資格出席
Ms. Chen Jun ( <i>Chairlady</i> ) (resigned on 31 May 2017)	陳郡女士（主席）（於二零一七年五月三十一日辭任）	3/3
Mr. Ko Ping Keung ( <i>Chairman</i> ) (appointed on 31 May 2017)	高秉強先生（主席）（於二零一七年五月三十一日獲委任）	1/1
Mr. Ng Sui Yin	吳瑞賢先生	4/4
Mr. Fan Fuqiang ( <i>Note 2</i> )	范富強先生（附註2）	4/4

*Note 1:* The Risk Management Committee Meeting was attended by all the Directors in person, not by an alternate.

*附註1：* 所有董事均親身出席風險管理委員會會議，非由代理人出席。

*Note 2:* Mr. Fan Fuqiang is the chief financial officer and former joint company secretary of the Company. He has resigned as the joint company secretary on 21 November 2017.

*附註2：* 范富強先生為本公司財務總監及原聯席公司秘書，於二零一七年十一月二十一日辭任聯席公司秘書。

The Risk Management Committee also held one meeting on 19 March 2018, and reviewed and assessed the Group's wealth management product investment in terms of whether such investment has complied with the Group's treasury and investment policies, the fund safety of and risks associated with such investment, and also assessed whether the operating cash of the Group is sufficient and the control policies of liquidity risks.

風險管理委員會亦於二零一八年三月十九日舉行一次會議，審閱及評估本集團的理財產品之投資是否已遵守本集團的理財政策及投資政策、資金安全及與該等投資有關的風險，以及、評估本集團經營性現金是否充裕及流動性風險之管控政策。

### Corporate Governance Functions

The Board recognises that corporate governance should be the collective responsibility of the Directors though having delegated the corporate governance duties to the Audit Committee which include, but are not limited to:

- developing and reviewing the Company's policies and practices on corporate governance and making recommendations to the Board;
- reviewing and monitoring the training and continuous professional development of the Directors and senior management;
- reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements;
- developing, reviewing and monitoring the code of conduct and compliance manual (if any) applicable to employees and the Directors; and
- reviewing the Company's compliance with the CG Code and disclosure in this report.

### APPOINTMENT AND RE-ELECTION OF DIRECTORS

Each of the executive Directors has entered into a service contract with the Company, among which, the term of office for each of Mr. He Ningning and Mr. Wang Jianqiang is 36 months commenced from the month on which the shares of the Company were listed on the Stock Exchange (i.e. December 2014); the term of office for Mr. Hu Sanmu is 36 months commenced from 8 July 2016. On 2 December 2017, Mr. He Ningning, Mr. Wang Jianqiang and Mr. Hu Sanmu renewed their service contracts with the Company for a term of 36 months commencing from 2 December 2017.

### 企業管治職能

董事會確認企業管治應為董事的集體責任，儘管已向審核委員會授權企業管治職責，其中包括但不限於：

- 制定及檢討公司的企業管治政策及常規及向董事會提出建議；
- 審閱及監察董事及高級管理層之培訓及持續專業發展；
- 審閱及監察本公司遵守法律及監管規定之政策及常規；
- 制定、審閱及監察適用於僱員及董事之行為守則及合規手冊（如有）；及
- 審閱本公司遵守企業管治守則及在本報告中的披露。

### 委任及重選董事

各執行董事已與本公司訂立服務合約，其中：何寧寧先生和王健強先生的任期分別為自本公司股份於聯交所上市的月份（即二零一四年十二月）起為期三十六個月；胡三木先生的任期為二零一六年七月八日起為期三十六個月。於二零一七年十二月二日，何寧寧先生、王健強先生和胡三木先生與本公司續簽了服務合約，任期均為自二零一七年十二月二日起為期三十六個月。

# Corporate Governance Report

## 企業管治報告

Each of the INEDs has signed a letter of appointment with the Company, among which, the term of office for each of Mr. Ng Sui Yin and Mr. Chu Chia-Hsiang is three years with effect from 2 December 2014, being the date on which the shares of the Company were initially listed on the Stock Exchange ; the term of office for Mr. Ko Ping Keung is 36 months commenced from 31 May 2017. Ms. Chen Jun resigned as an INED due to personal affairs (please refer to the announcement of the Company dated 31 May 2017 for details). On 2 December 2017, Mr. Chu Chia-Hsiang and Mr. Ng Sui Yin signed letters of appointment with the Company for a term of 36 months commencing from 2 December 2017.

None of the Directors has a service contract/letter of appointment with the Company or any of its subsidiaries which is not determinable by the Company within one year without the payment of compensation (other than statutory compensation).

Pursuant to Article 83(3) of the Articles of Association, any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting after his appointment and shall then be eligible for re-election 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. Accordingly, Mr. Ko Ping Keung (appointed as an INED on 31 May 2017) will hold office until the AGM and, being eligible, will offer himself for re-election at the AGM.

各獨立非執行董事已與本公司簽署委任書，其中：吳瑞賢先生和初家祥先生的任期為自二零一四年十二月二日，即本公司股份首次在聯交所上市日期起三年；高秉強先生的任期為二零一七年五月三十一日起為期三十六個月。陳郡女士因個人事務的原因辭任獨立非執行董事職位（詳見本公司於二零一七年五月三十一日之公告）。於二零一七年十二月二日，初家祥先生和吳瑞賢先生與本公司簽署委任書，任期均自二零一七年十二月二日起為期三十六個月。

概無董事已與本公司或其任何附屬公司訂立不可於一年內由本公司免付賠償（法定賠償除外）而終止的服務合約／委任書。

組織章程細則第83(3)條規定，任何獲董事會委任以填補臨時空缺的董事任期將直至其獲委任後首屆股東大會為止，且屆時將具資格進行再次競選，而任何獲董事會委任或加入現有董事會的董事任期僅至本公司下屆股東週年大會為止，且屆時將具資格進行再次競選。因此，高秉強先生（於二零一七年五月三十一日獲委任為獨立非執行董事）將供職至股東週年大會召開日期為止，並合資格及願意於股東週年大會上重選連任。

All the Directors, including the INEDs, are subject to retirement by rotation and eligible for re-election in accordance with the Article 84 of Articles of Association. At each AGM, one-third of the Directors for the time being (or if their number is less than three or a multiple of three, then the number nearest to but not less than one-third) will retire from office by rotation provided that every Director will be subject to retirement at the AGM at least once every three years. A retiring Director will be eligible for re-election and will continue to act as a Director throughout the meeting at which he retires. The Directors to retire by rotation will include (so far as necessary to ascertain the number of Directors to retire by rotation) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those who have been the longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot. Any Director appointed by the Board pursuant to Article 83(3) of Articles of Association shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation. Accordingly, Mr. He Ningning and Mr. Ng Sui Yin will retire by rotation at the AGM and, being eligible to offer themselves for re-election at the AGM.

### REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

Particulars of the Directors' remuneration for the Year are set out in note 6 to the consolidated financial statements.

Pursuant to code provision B.1.5 of the CG Code, the remuneration of the members of the senior management (other than the Directors) whose particulars are contained in the section headed "Biographical Details of Directors and Senior Management" in this annual report for the Year by band is set out below:

全體董事（包括獨立非執行董事）須依據組織章程細則第84條輪席退任及符合重選資格。於每次股東週年大會上，當時三分之一董事（如數目少於三或三之倍數，則最接近之數，但不得少於三分之一）將輪席退任，惟各董事須最少每三年於股東週年大會退任一次。退任董事可膺選連任，並於其退任之整個大會舉行期間仍以董事身份行事。輪席退任之董事包括（就確保輪值退任之董事人數而言）任何擬退任且不願膺選連任之董事。任何其他擬退任之董事指自其上次獲重選或委任以來，服務年期最長之董事，故此，於同一日成為或上次獲重選之行將退任董事將經由抽籤決定（該等董事之間另行作出決定之情況除外）。在決定輪值退任的特定董事或董事數目時，根據組織章程細則第83(3)條獲董事會委任的任何董事不應被考慮在內。因此，何寧寧先生及吳瑞賢先生將於股東週年大會輪席退任，且有資格於股東週年大會膺選連任。

### 董事及高級管理人員薪酬

本年度董事之薪酬詳情列載於合併財務報表附註6內。

根據企管守則第B.1.5條之守則規定，高級管理人員（董事除外）薪酬（其資料按組別列載於本年度年度報告「董事及高級管理層之履歷詳情」內）列載如下：

Remuneration band (in RMB)	薪酬組別（人民幣）	Number of individuals 人士數目
Nil to 1,000,000	零至1,000,000元	6
1,000,001 to 1,500,000	1,000,001元至1,500,000元	1

# Corporate Governance Report

## 企業管治報告

### INDEPENDENT AUDITOR'S REMUNERATION

### 獨立核數師酬金

For the Year, KPMG was engaged as the Group's independent auditor.

本年度，畢馬威會計師事務所獲聘為本集團之獨立核數師。

The remuneration paid/payable to KPMG, the auditor, for the services provided during the Year is set out below:

就本年度提供之服務已付／應付核數師畢馬威會計師事務所之薪酬列載如下：

Services	服務	Fee paid/payable 已付／應付費用 RMB'000 人民幣千元
Interim review and annual audit service for 2017	二零一七年中期審閱及年度審計服務	1,930
Corporate environmental, Social and Governance Reporting advisory services	企業環境、社會及管治報告諮詢服務	200
Total	總計	2,130*

\* The amount includes service fee of RMB2,047,000 and related VAT of RMB83,000.

\* 該金額包括服務費用人民幣2,047,000元及相關增值稅人民幣83,000元。

There is no disagreement between the Board and the Audit Committee on the re-appointment of the independent auditor, and they both have agreed to recommend the re-appointment of KPMG as the Company's independent auditor for the ensuing year at the AGM.

董事會與審核委員會在續聘獨立核數師上意見一致，且其均同意推薦於股東週年大會上續聘畢馬威會計師事務所為本公司接下來一年的獨立核數師。

### DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

### 董事對財務報表之責任

The Directors acknowledge their responsibility for the preparation of the consolidated financial statements of the Group for the Year.

董事知悉彼等有責任編製本集團本年度之合併財務報表。

The Directors were 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.

董事並無發現有任何重大不肯定因素，可能與影響本公司持續經營能力之重大懷疑之事件或情況有關。

In addition, KPMG has stated in the independent auditor's report its reporting responsibilities on the Company's consolidated financial statements for the Year.

### INTERNAL CONTROL

It is the responsibility of the Board to ensure that the Company maintains sound and effective internal controls to safeguard the Shareholders' investment and the Group's assets at all times. The Company has adopted a series of internal control policies and procedures designed to provide reasonable assurance for achieving objectives including effective and efficient operations, reliable financial reporting and compliance with applicable laws and regulations. Highlights of our internal control system include the following:

- Code of conduct – The Company's code of conduct explicitly communicates to each employee its values, acceptable criteria for decision-making and its ground rules for behaviour.
- Management of related party transactions – The Group will continue to enhance its internal control and only enter into transactions with related parties that are carried out in the ordinary course of its business and on normal commercial terms and are in the interests of the Shareholders as a whole.
- Internal audit – The Group's internal audit function regularly monitors key controls and procedures in order to assure its management and the Board that the internal control system is functioning as intended. The Audit Committee is responsible for supervising the internal audit function.

此外，畢馬威會計師事務所已述明對本公司本年度之合併財務報表之獨立核數師報告申報責任。

### 內部控制

董事會有責任確保本公司一直維持穩健有效的內部控制，以保障股東的投資及本集團的資產。本公司已經採取一系列內部控制政策及程序，旨在為實現高效營運、可靠的財務報告及遵守適用法律及法規等目標提供合理保證。我們內部控制制度的摘要包括以下方面：

- 行為守則—本公司的行為守則明確向每位僱員傳達我們的價值、可接受決策標準及基本行為規範。
- 管理關聯方交易—本集團將繼續提升內部控制，並僅與關聯方訂立在我們日常業務過程中按正常商業條款訂立，且符合我們股東整體利益的交易。
- 內部審計—本集團的內部審計部門定期監察主要控制及程序，以向其管理層及董事會保證內部控制制度按計劃運作。審核委員會負責監督內部審計部門。

# Corporate Governance Report

## 企業管治報告

- Compliance with the Listing Rules and relevant laws and regulations – The Group will continue to monitor its compliance with relevant laws and regulations and its senior management team will work closely with the Group’s employees to implement actions required to ensure compliance with relevant laws and regulations. The Company will also continue to arrange for various trainings to be provided by its Hong Kong legal advisers or other professional parties to the Directors and senior management on the Listing Rules, including but not limited to aspects related to corporate governance and connected transactions, and by its legal advisers in PRC on PRC laws and regulations.

The Audit Committee and the Board have conducted a review of the effectiveness of the internal control system of the Group. The Directors (including the INEDs) consider that the internal control measures of the Company are adequate and effective.

### COMPANY SECRETARY

The Company has appointed Mr. Fan Fuqiang (“Mr. Fan”) as one of the joint company secretaries of the Company since 11 June 2014. Mr. Fan joined the Group in July 2011 with sound understanding of the operations of the Board and the Group. He was closely involved in the preparation of the Listing. To maintain sound corporate governance of the Company and comply with the requirements of the Listing Rules and other relevant laws and regulations, the Company has also appointed Ms. Hung Ching Yuen (“Ms. Hung”), who is in compliance with Note 1 to Rule 3.28 of the Listing Rules, as a joint company secretary. She worked closely with Mr. Fan and assisted him in fulfilling his duties and responsibilities as a joint company secretary of the Company. Ms. Hung primarily contacted with Mr. Fan in respect of company secretary matters.

Mr. Fan subsequently resigned as a joint company secretary with effect from 21 November 2017, but he remains to be the chief financial officer of the Company. Ms. Hung resigned as a joint company secretary and an authorised representative with effect from 21 November 2017. Mr. Cheng Zhihua (“Mr. Cheng”) was appointed as the Company Secretary and authorised representative with effect from 21 November 2017 (details were disclosed in the announcement of the Company dated 21 November 2017).

- 遵守上市規則及相關法律法規—本集團將持續監察遵守相關法律法規的情況，高級管理層團隊將與僱員緊密合作採取所需行動，以確保本集團遵守相關法律法規。本公司亦將繼續安排由香港法律顧問或其他專業機構就上市規則向董事及高級管理層提供的多項培訓，包括但不限於企業管治及關連交易，以及中國法律顧問對中國法律及法規等方面的培訓。

審核委員會及董事會已對本集團內部控制系統的有效性開展審核，董事（包括獨立非執行董事）認為本公司的內部控制措施足夠且有效。

### 公司秘書

本公司已於二零一四年六月十一日委任范富強先生（「范先生」）擔任本公司之聯席公司秘書之一。范先生於二零一一年七月加入本集團，對董事會及本集團運作有良好理解。彼曾緊密參與籌備上市。為維持本公司良好企業管治方面及符合上市規則及其他相關法例及法規之規定，本公司亦已委任洪靜遠女士（「洪女士」）擔任聯席公司秘書（洪女士符合上市規則第3.28條註釋1之規定），與范先生一起緊密工作，並協助范先生履行其作為本公司聯席公司秘書之職責及責任。洪女士就公司秘書事宜與本公司聯絡之主要人士為范先生。

其後，范先生自二零一七年十一月二十一日起辭任聯席公司秘書職務，惟繼續擔任本公司財務總監之職務，洪女士自二零一七年十一月二十一日起辭任聯席公司秘書及授權代表職務。程芝化先生（「程先生」）於二零一七年十一月二十一日獲委任為公司秘書及授權代表（有關詳情已於本公司日期為二零一七年十一月二十一日之公告披露）。

Mr. Cheng is an external service provider to the Company and a member of the Hong Kong Institute of Certified Public Accountants (in compliance with Note 1 to Rule 3.28 of the Listing Rules). The primary contact person between the Company and Mr. Cheng is Mr. Fan.

The Company Secretary reports to the Chairman and/or the Chief Executive Officer. All members of the Board have access to the advice and services of the Company Secretary. The appointment and removal of the joint company secretaries or the Company Secretary are subject to the Board's approval.

## SHAREHOLDERS' RIGHTS

### Procedures for Putting Forward Proposals at Shareholders' Meetings

There are no provisions allowing Shareholders to make proposals or make a motion at the annual general meetings under the memorandum of association of the Company and the Articles of Association (the "M&A") or the laws of the Cayman Islands. Shareholders who wish to make proposals or make a motion may, however, convene an extraordinary general meeting (the "EGM") in accordance with the "Procedures for Shareholders to Convene an EGM" set out below.

程先生乃本公司之外聘服務人員，為香港會計師公會會員（程先生符合上市規則第3.28條註釋1之規定）。本公司內部與程先生之主要聯絡人為范先生。

公司秘書向主席及／或行政總裁匯報，董事會所有成員可獲得公司秘書之意見及服務。委任及解聘聯席公司秘書或公司秘書須由董事會批准。

## 股東權利

### 在股東大會上提呈建議的程序

根據本公司之組織章程大綱及組織章程細則（「大綱及細則」）或開曼群島法例，概無守則條文允許股東於股東週年大會上提呈建議或作出動議。然而，有意股東可按照下文所載「股東召開股東特別大會的程序」召開股東特別大會（「股東特別大會」）提呈建議或作出動議。



# Corporate Governance Report

## 企業管治報告

### Procedures for Shareholders to Convene an EGM

Any one or more Shareholders holding at the date of deposit of the requisition not less than ten percent of the paid-up capital of the Company carrying the right of voting at general meetings of the Company (the “Eligible Shareholder(s)”) shall at all times have the right, by written requisition to require an EGM to be called by the Board or the Company Secretary for the transaction of any business specified in such requisition, including making proposals or making a motion at the EGM.

Eligible Shareholders who wish to convene an EGM for the purpose of making proposals or making a motion at the EGM must deposit a written requisition (the “Requisition”) signed by the Eligible Shareholder(s) concerned at the principal place of business of the Company in Hong Kong (Room 1715, 17/F, Topsail Plaza, 11 On Sum Street, Shatin, New Territories, Hong Kong) for the attention of the Company Secretary and/or the chief financial officer.

The Requisition must state clearly the name of the Eligible Shareholder(s) concerned, his/her/their shareholding in the Company, the reason(s) to convene an EGM and the proposed agenda.

The Company will check the Requisition and the identity and shareholding of the Eligible Shareholder(s) will be verified with the Company’s branch share registrar in Hong Kong. If the Requisition is found to be proper and in order, the Company Secretary will ask the Board to convene an EGM and/or include the proposal(s) made or the resolution(s) proposed by the Eligible Shareholder(s) at the EGM within 2 months after the deposit of the Requisition. On the contrary, if the Requisition has been verified as not in order, the Eligible Shareholder(s) concerned will be advised of the outcome and accordingly, the Board will not call for an EGM and/or include the proposal(s) made or the resolution(s) proposed by the Eligible Shareholder(s) at the EGM.

### 股東召開股東特別大會的程序

於提出要求當日持有本公司附有可於本公司股東大會上投票權利的已繳股本不少於百分之十的任何一名或多名股東（「合資格股東」），將可隨時書面要求董事會或公司秘書召開股東特別大會，以審議要求中所指明的任何事項，包括於股東特別大會提呈建議或作出動議。

有意為提呈建議或作出動議而召開股東特別大會的合資格股東必須將經有關合資格股東簽署的書面要求（「要求書」）遞交至本公司於香港的主要營業地點（地址為香港新界沙田安心街11號華順廣場17樓1715室），收件人為公司秘書及／或財務總監。

要求書必須清楚列明有關合資格股東之姓名、其於本公司之股權、召開股東特別大會之原因及建議議程。

本公司將查看要求書，及合資格股東之身份及股權將由本公司的香港股份過戶登記分處核實。若確定要求書為合適及適當，公司秘書將要求董事會於提出要求書後兩個月內召開股東特別大會及／或包括合資格股東於股東特別大會提出之建議或提呈之決議案。相反，倘要求書核實為不適當，則有關合資格股東將獲知會此結果，董事會將不會因而召開股東特別大會及／或包括合資格股東於股東特別大會提出之建議或提呈之決議案。

If within 21 days of the deposit of the Requisition the Board fails to proceed to convene such EGM, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the Eligible Shareholder(s) concerned as a result of the failure of the Board to convene an EGM shall be reimbursed to the Eligible Shareholder(s) by the Company.

### Procedures for Shareholders to Send Enquires to the Board

Shareholders may at any time send their enquiries and concerns to the Board of the Company by addressing them to the principal place of business of the Company, at Room 1715, 17/F, Topsail Plaza, 11 On Sum Street, Shatin, New Territories, Hong Kong by post or by email to Mr. Cheng Zhihua at [tonycheng128@yahoo.com.hk](mailto:tonycheng128@yahoo.com.hk) or Mr. Fan Fuqiang at [richard.fan@ck-telecom.com](mailto:richard.fan@ck-telecom.com), for the attention of the Company Secretary and/or the chief financial officer.

Upon receipt of the enquiries, the Company Secretary and/or the chief financial officer will forward the communications relating to:

1. matters within the Directors' purview to the executive Directors of the Company;
2. matters within a Board committee's area of responsibility to the chairman of the appropriate committee; and
3. ordinary business matters, such as suggestions, enquiries and customer complaints to the appropriate management of the Company.

倘董事會未能在要求書遞交後21天內召開有關股東特別大會，則要求人可自行召開股東特別大會，而本公司須向有關合資格股東償付因董事會未能召開該大會令有關合資格股東產生的所有合理費用。

### 股東向董事會發出查詢之程序

股東可於任何時間向本公司董事會提出問題及顧慮，透過郵件送達本公司之主要營業地點（香港新界沙田安心街11號華順廣場17樓1715室）或透過電郵送達程芝化先生([tonycheng128@yahoo.com.hk](mailto:tonycheng128@yahoo.com.hk))或范富強先生([richard.fan@ck-telecom.com](mailto:richard.fan@ck-telecom.com))，以供公司秘書及／或財務總監垂注。

收到該等查詢後，公司秘書及／或財務總監將轉發以下有關通訊：

1. 有關董事職權範圍內之事項至本公司之執行董事；
2. 有關董事會轄下委員會職責領域之事項至相應委員會主席；及
3. 一般業務事項（例如建議、問題及客戶投訴）至本公司相應管理層。

# Corporate Governance Report

## 企業管治報告

### COMMUNICATION WITH THE SHAREHOLDERS

The Company has adopted a Shareholders' communication policy with the objective of ensuring that the Shareholders can have equal and timely access to information about the Company in order to enable the Shareholders to exercise their rights in an informed manner and allow them to engage actively with the Company.

Information will be communicated to the Shareholders mainly through the Company's financial reports, AGMs and other general meetings that may be convened as well as all the disclosures submitted to the Stock Exchange.

### CONSTITUTIONAL DOCUMENTS

There were no changes in the constitutional documents of the Company during the Year. The M&A is available on the respective websites of the Stock Exchange and the Company.

### 股東通訊

本公司已採納股東通訊政策，目的為確保股東可平等及及時取得本公司之信息，使股東在知情情況下行使彼等權力以及允許彼等積極參與本公司。

資料將主要透過本公司財務報告、股東週年大會及其他可能召開之股東大會，與向聯交所提交之披露資料知會股東。

### 憲章文件

本公司於本年度之憲章文件並無改動。本公司已分別於聯交所及本公司網站刊登其大綱及細則。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 1 About this Report

#### Basis of Preparation

This report is the Environmental, Social and Governance Report of the Group in 2017, which is prepared in accordance with the disclosure requirements set out in the Environmental, Social and Governance Reporting Guide contained in Appendix 27 of the Listing Rules of Hong Kong Stock Exchange, truly reflecting the environmental, social and governance responsibilities performed by the Group in 2017.

#### Business of the Group

The Group is a leading mid-to-high end mobile terminal camera modules and fingerprint recognition modules manufacturer in the PRC, which mainly engages in the manufacturing of camera modules and fingerprint recognition modules used in smart mobile terminals, including mobile phones and tablets.

#### Scope of the Report

The reporting period of this report is the 2017 financial year (i.e. from 1 January 2017 to 31 December 2017). The principal businesses involved in this report include the manufacture and sale of camera modules and fingerprint recognition modules used in mobile phones and other smart devices. Kunshan QT China, a wholly-owned subsidiary of the Group, the principal place of business of which is the production base ("Production Base") and the headquarters office of the Group located in Kunshan, is the place where the Group's major business activities take place. As for operating offices of the Group located in other places such as Shenzhen, Taiwan and Hong Kong, taking into consideration their supporting roles, they are not covered in this report as their activities do not constitute any significant threat to the safety of the society and environment.

### 1 關於本報告

#### 編製基礎

本報告是本集團二零一七年度依循香港聯合交易所上市規則附錄27內的《環境、社會及管治報告指引》披露要求編製的環境、社會及管治報告，是本集團二零一七年度履行環境、社會及管治三大責任的真實反映。

#### 本集團業務

本集團是中國領先的中高端移動終端攝像頭模組及指紋識別模組製造商，主要經營業務為生產應用於移動智能終端包括手機、平板電腦等的攝像頭模組和指紋識別模組。

#### 報告範圍

本報告的報告期為二零一七年財政年度（即二零一七年一月一日至二零一七年十二月三十一日）。本報告的主體業務範圍為生產及銷售手機及其他智能設備的攝像頭模組及指紋識別模組。本集團旗下的全資附屬公司昆山丘鈦中國，主要經營業務地點為本集團位於昆山的生產基地（「生產基地」）和總部辦公室，是本集團主要經濟活動的發生地。考慮到本集團位於其他地點如深圳、台灣和香港的辦公室為支持性質的經營分部，其經濟活動對社會及環境安全方面不構成重大威脅，故此本報告範圍並不覆蓋。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Development Strategies of the Group on Environmental, Social and Governance

1. In recent years, sustainable development has become a significant concern of the public; in addition to product quality, issues in respect of whether the production process would cause serious environmental impacts and whether the workers have been treated fairly are drawing more and more attention.
2. We highly recognize the importance of managing sustainability risk, such as environmental pollution and child labour problems, which may constitute material threats to the corporate image and performance of the Group. As such, during the year, we continued to take all necessary measures to reduce energy consumption and emission, and reduce the production process's impacts on the earth, water and other natural resources in the neighborhood.
3. The Group has implemented the major principles of environmental protection and social responsibility in its daily operations. During the year, we engaged a third-party consultant to communicate with external stakeholders to learn about their needs, and to record and analyse environmental performance indicators in order to formulate appropriate management policies and objectives and to comply with relevant laws and regulations
4. The Group strives to become an enterprise which can get the respect and recognition from both the customers and the public.

### Source of Information

The information disclosed in this report is mainly sourced from the internal documents of the Group, internal data analysis and market public information. The contents of all information are reviewed and confirmed by the management of the Company and responsible departments, and are duly filed. In case of any doubt or opinion regarding the content of the report, you are welcome to contact the Group.

### 本集團對於環境、社會及管治的發展策略

1. 近年可持續發展受到社會大眾的高度關注，除產品質量外，生產過程是否對環境造成嚴重影響、工人的待遇公平與否等意識亦日漸抬頭。
2. 我們非常明白，可持續發展的風險不容忽視，問題如環境污染、童工違規生產等，會對企業的形象及表現構成重大威脅。因此，我們繼續於年內做好節能減排，減低生產過程對附近土地、水源及其他天然資源造成的災害。
3. 本集團把環境及社會責任的理念融入日常的決策營運之一，年內聘請了第三方顧問與外部利益相關方進行溝通以瞭解他們的需要、記錄及分析環境績效指標以制定合適之管理政策及目標、以及致力遵守相關的法律法規。
4. 本集團希望成為業內受客戶和社會大眾所尊敬的企業。

### 信息來源

本報告內所披露的信息，主要來源為集團內部文件，統計數據匯總和市場公開資料。所有信息內容均經過公司管理層和主管部門審核確認，並正式存檔。如對報告裡的任何內容存有疑問或意見，歡迎與本集團聯絡。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Responsibility of the Board

All the information disclosed in this Report has been reviewed and confirmed by members of the Board.

## 2 Stakeholder Engagement

In formulating the policies and directions in relation to environmental and social responsibility, materiality assessment plays an indispensable important role, which can instruct the future operation and development of the Group. Therefore, during the year, the Group engaged an independent third-party consultancy firm to extend our stakeholders engagement exercise to cover external stakeholders, including bankers, customers and investors, in order to understand those environmental and social responsibility issues that they view as important for the Group. The consultancy firm analyzed the findings from these interviews and identified issues with high levels of materiality to the Group.

In the future, there may arise a need for us to communicate with a more extensive scope of stakeholders, such as suppliers, independent non-executive directors and non-management employees, so as to obtain a more comprehensive understanding of all sorts of views and further improve the environmental, social and governance performance of the Group.

### Stakeholders Involved in the Interviews of 2017

Category	Focus
Bankers	The Group's operating results and compliance with laws in relation to environmental protection and social responsibilities issues
Customers	Product quality and safety
Investors	Internal management, anti-corruption system and business performance of the Group

### 董事會責任

本報告所披露的信息內容均經過董事會成員審核確認。

## 2 利益相關者參與

在制定環境和社會責任相關政策方針時，重要性分析是不可或缺的重要程序，它對本集團的未來營運方向及發展有指導性作用。所以，年內本集團邀請了第三方的獨立諮詢公司，為我們擴大利益相關者訪談的範圍到外部利益相關者，包括銀行、客戶及投資者，以了解他們認為對本集團重要的環境和社會責任議題。該團隊根據收集回來的結果進行分析，確認出對集團具重要性的議題。

在未來，我們有機會按需要與範圍更廣的利益相關者接觸，例如供貨商、獨立非執行董事及非管理層員工等，以獲得更全面的意見及再進一步提高本集團在環境、社會及管治方面的表現。

### 2017年度進行過訪談的利益相關者

所屬利益相關者組別	主要關注內容
合作銀行	集團營運成績、環保及社會責任相關法律之合規性
客戶	產品的質素及安全性
投資者	集團的內部管理、反貪污制度、集團業績等

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 3 Materiality Analysis

During the interviews with internal stakeholders, they were being invited to give scores on the questionnaire for the various issues on environmental and social responsibility base on materiality. A range of highly important issues that have material impact on the Group have been proposed after further analyzing the opinions collected.

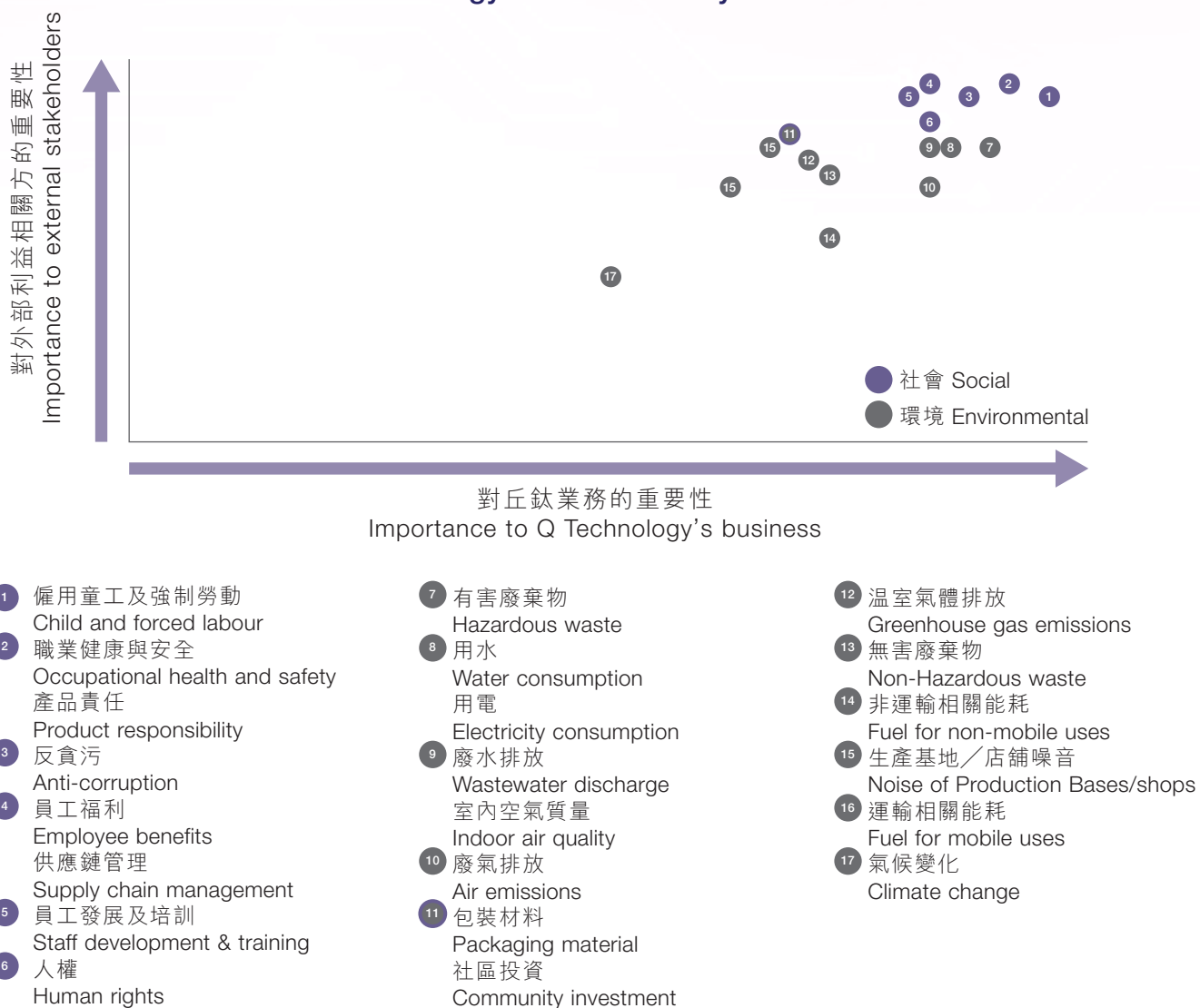
The materiality matrix constructed based on the results of the interviews is set out below:

### 3 重要性分析

在與內部利益相關者訪談時，被訪者獲邀請在問卷上根據重要性程度給各個環境及社會責任議題打分，所收集到的意見經過進一步的分析後，綜合出一系列對本集團發展至關重要的議題。

以下為根據訪談結果所構建的重要性矩陣：

2017丘鈦集團的重要性矩陣  
Q Technology 2017 Materiality Matrix



# Environmental, Social and Governance Report

## 環境、社會及管治報告

After assessing the views and opinions of stakeholders collected in interviews, we present the significant environmental, social and governance issues and their relationships with business operations based on materiality in the chart below:

我們把利益相關者訪談所收集的觀點及意見進行評估，將重大的環境、社會及管治問題及其與業務經營的關係按重要程度於下圖展示：

Aspects 範圍	Key issues 重要議題	Relationship with business 與業務之關係
Environmental 環境	Hazardous waste 有害廢棄物	Certain amount of hazardous chemicals were generated in the production process. 集團於生產過程中需使用一定數量的有害化學品。
	Electricity consumption 用電	Electricity was consumed in the operation of the Group's Production Bases to conduct production. 集團旗下的生產基地需使用電力運作，展開生產程序。
	Water consumption 用水	The major consumption of water of the Group was due to the operation of water curtain system for filtering air pollutants, used by the lenses cleaning and consumed as domestic water for dormitories. 集團主要的用水源頭為過濾空氣污染物之水幕系統、清洗鏡頭及宿舍之生活用水。
	Wastewater discharge 廢水排放	Wastewater was generated from the Production Bases and dormitories of the Group. 集團的生產基地及宿舍均會產生廢水。
	Indoor air quality 室內空氣質量	The soldering and painting process was required during camera modules and fingerprint recognition modules manufacturing of which, generated waste gases and posed impact on the indoor air quality. 在攝像頭模組和指紋模組的生產過程中需要進行焊接及噴塗的工序，因此會產生定量的廢氣及影響室內空氣的質量。
	Air emissions 廢氣排放	The soldering and painting process was required during camera modules and fingerprint recognition modules manufacturing of which, generated waste gases and emitted. 在攝像頭模組和指紋模組的生產過程中需要進行焊接及噴塗的工序，因此會產生定量的廢氣排放。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

Aspects 範圍	Key issues 重要議題	Relationship with business 與業務之關係
Social 社會	Child labour and labour exploitation 僱用童工及勞動剝削	The Group is very concerned about the issues of labour exploitation and child labour and therefore strictly complies with all relevant local labour laws and regulations. 本集團非常重視勞動剝削和童工問題，我們嚴格遵守當地所有的勞工相關法律法規。
	Product responsibility 產品責任	As a supplier of components, the quality of products and services is crucial to the business of the Group. 作為零部件供貨商，產品及服務的質素對本集團的業務至關重要。
	Occupational health and safety 職業健康與安全	Ensuring health and safety of staff is one of the most important objectives of the Group. We are committed to providing our staff with a safe and comfortable working environment. 保障員工的健康與安全為本集團的重要目標之一。我們致力為員工提供一個安全及舒適的工作環境。
	Anti-corruption 反貪污	The Group has always firmly believed that integrity and compliance are the source of strength for enterprise development. We require our staff to be honest and clean, and not to seek personal benefits by taking advantage of the Group's resource. 本集團一直堅信廉潔守法乃企業發展的力量泉源。我們要求員工保持清正廉潔，不利用本集團資源謀取私利。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 4 Environmental

#### 4.1 Environmental-related Policies

- As a leading camera and fingerprint recognition module manufacturer in the PRC, apart from attaching importance to scientific research innovation, high-efficient production and lean management, the Board believes that it is crucial to business operation to effectively conduct efforts on environmental conservation and improve resources consumption efficiency of production, and strives to reduce the hazards affecting the surrounding lands, water sources and other natural resources during production.
- The Group is well recognized in the construction of its environmental production system and has obtained ISO14001 (Environmental Management) Qualification Certificate.
- The Group complies with the state and regional relevant environmental protection and prevention rules. It also actively cooperates with government departments in inspections on safety, environmental protection, firefighting and occupational health of enterprises conducted in a regular, specific and unexpected manner, and make filing records for the environmental impact of construction projects as well as invites third party agencies to prepare environment impact assessment report according to the regulations.
- In accordance with the regulations, the Group starts to disclose five environmental key performance indicators (“KPI”) in this year’s ESG report and presents the total amount of the year. We will find appropriate method for measuring intensity through more in-depth research and discussion with an aim to continually improving the disclosure quality in the future.

### 4 環境

#### 4.1 環境相關政策

- 作為一家領先的中國攝像頭模組和指紋識別模組製造商，在重視科研創新、高效生產和精細管理外，董事會相信切實做好環保節能，改善生產耗用資源的效率，以及盡力降低生產過程中對附近土地、水源以及其他天然資源做成的災害，是業務營運的重中之重。
- 集團在環境生產系統的構建上備受認同，已取得了ISO14001(環境管理)的資格證明。
- 集團遵守國家和地區性的相關環保防治條例，積極配合政府部門例行性、專項性及突擊性對企業進行的安全、環保、消防、職業健康等檢查，就建設項目相關的環境影響進行登記表備案，並依例邀請第三方機構編制環評報告等。
- 按照規定，本集團於本年度報告開始披露五項環境績效指標(「績效指標」)，並以年度總數的方式展示。我們將透過更深入的研究及探討，找出合適的方法以用作計算密度，期望於未來持續改善披露的水平。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 4.2 Hazardous Waste Disposal

- The main hazardous wastes used and discharged by the Group are as follows: waste bath solutions, organic solutions, waste paint slag, printing ink, dye and coating and etc.
- The Group has formulated and implemented the Administrative Method for Waste Chemicals and Materials with clear guidelines regarding the procedures of classification and collection, specific storage container, chemical labeling, tracking and disposal of hazardous wastes. Each of the department head monitors the procurement, storage, utilization, disposal and emergency treatment of such chemicals and ensures its strict implementation.
- Each production department is required to collect and store hazardous materials in specific containers and administrative department will contact third-party organization which qualified by government authority to handle such chemicals after classification and recording. Regular online declaration of relevant discharge record will be conducted on the official website of local Environmental Protection Administration where the Production Bases locate.

### 4.2 有害廢物排放

- 集團主要使用及排放之有害廢物如下：廢槽液，有機溶液，廢油漆渣，油墨，染料和塗料等。
- 本集團已建立及實施《廢棄化學品及物料管理辦法》，就有害廢棄物的分類和收集程序、特定的貯存容器、化學品標示、追蹤及處理等都有明確的指引。由各部門主管監督化學品的採購、儲存、使用、棄置及應急處理，確保如實執行。
- 規定各生產部門需把有害物收集於專門的容器中，在經分類及記錄後由行政部聯繫政府認可的第三方機構專門處理該等化學物。相關的排放記錄會定期向生產基地所在地環保局的官方網站上作出申報。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Total amount of hazardous waste discharged by the Group in 2017

### 2017年集團的有害廢物排放總量

Classification of hazardous waste	Disposal (Kg)	有害廢物種類	排放量 (公斤)
Hydrocarbons and water mixtures for ultrasonic cleaning	59,680	用於超聲波清洗的 煙、水混合物	59,680
Industrial glue and hose	8,750	工業膠水膠管	8,750
Waste alcohol soaked wiping cloth	6,500	廢酒精擦拭布	6,500
Waste ethyl acetate for cleaning lances	92,215	用於清洗噴槍的 廢乙酸乙酯	92,215
Sewage from sedimentation tank of waste paint slag	200,000	廢漆渣沉澱池污水	200,000
waste paint slag	40,000	廢油漆渣	40,000

### 4.3 Electricity Consumption

- During the camera modules and fingerprint recognition modules manufacturing process, the main resource consumed is electricity. Precision manufacturing requires high standard for the production site, which are mostly clean rooms at class 10 or class 1000 standard which need strong air-conditioning and ventilation system. While in production, spot-welder and oven also need to be driven by more powerful electricity. Therefore, the main measures of the Group to conserve electricity are to optimize production procedures, enhance electricity utilization efficiency, execute recycling and reuse measures and even increase green energy usage such as solar power electricity generation within part of the dormitories.

### 4.3 用電

- 在攝像頭模組和指紋識別模組的製程中，最主要耗用的資源是電能。由於精密製造流程對生產場所有極高的要求，大部份的車間均是10級或1,000級的無塵室，需設置強力的空調和通風系統；而在生產製程中，點焊機和烤箱亦要求較大的電能推動，故此，優化生產流程，提升電能使用的效率，實行回收再利用措施，以至增加綠色能源如在部份員工宿舍使用太陽能發電等，是本集團節約電能的主要舉措。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

- In response to the national policy direction of green production under the 13th Five-Year Plan, the Group developed energy conservation plans and goals during the year, mainly to enhance hardware efficiency, optimize production and management procedures, review and evaluate the progress of energy-saving goals regularly, and analyze and adjust the measures in a timely manner.
  - Optimize production and management procedures:
    - Starting from the production plans to enable the equipment to operate at full capacity as much as possible
    - Reducing the wasted products and related energy consumption
    - Improving the automatic level of production and enhancing energy efficiency
- 響應國家十三五綠色生產之政策方向，集團年內制訂了節能計劃及目標，主要針對範圍為提升硬件能效、優化生產及管理程序，對節能目標定期進行審視及評估進度，及時分析及調整措施。
  - 優化生產及管理程序：
    - 從生產計劃開始進行優化，使設備盡量滿載工作
    - 減少廢品及相關的能耗
    - 提升自動化生產水平，提高能源效益

### Total electricity consumption of the Group in 2017

Scope	Total electricity consumption (kwh)
Production Base at Hanpu Road, Kunshan City	30,071,822
Phase I Production Base at Taihong Road, Kunshan City	57,357,493
Phase II Production Base at Taihong Road, Kunshan City	9,210,547
<b>Total consumption during the year</b>	<b>96,639,862</b>

### 2017年集團的總耗電量

範圍	總耗電量 (千瓦時)
昆山市漢浦路生產基地	30,071,822
昆山市台虹路一期生產基地	57,357,493
昆山市台虹路二期生產基地	9,210,547
<b>年度總用量</b>	<b>96,639,862</b>

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 4.4 Water Consumption and Sewage Discharge

- The Group highly focuses on water resources management, including water utilization. It avoids contaminating water sources during production and work process so as to sustain the utilization of water resources. The Group improved the spraying water curtain sewage treatment process and added the water curtain recycling sewage treatment equipment during the year, which reduced the amount of wastewater discharge and reduced the waste paint slag.
- The Group formulated the sewage management procedures, which assures sewage discharge to meet the relevant standards through separate treatment of sewage generated from plants and dormitories. The plants are also equipped with septic tank and sewage treatment system. Sewage must be treated before flowing into municipal pipe network. No direct discharge is permitted. Pipelines of sewage and rain are segregated strictly to avoid waste oil and chemicals from entering into the sewer. Factory staff inspects the sewage treatment system every day, records the sewage discharge volume and reports to local safety and environment department monthly for filing.
- The Group advocates the recycling of waste water and established the waste water recycling system according to Waste Water Recycling System Management Regulation 《廢水回用系統管理辦法》 formulated by the Group. It recovers and filters waste water for revolving use in the workshops and reduced water consumption.

### 4.4 用水及廢水排放

- 本集團高度關注水資源管理，包括水資源的運用，避免生產及作業過程中對水源的污染，確保水資源的可持續利用，年內對噴塗水幕污水處理工藝進行改良，增加水幕循環污水處理設備，降低廢水處置的數量以及減少產生廢油漆渣的數量。
- 本集團已制訂廢水管理程序，分開處理廠區工業廢水及宿舍生活廢水，確保廢水排放符合相關標準。同時，廠區內設有化糞池及污水處理系統，所有廢水均會先經處理後才進入市政管網，絕不容許直接傾倒。嚴格分開污水及雨水的管道，避免廢油、廢化學品等有害廢物流進下水道。廠務員每天對廢水處理系統檢查，每月紀錄污水排放流量數據並上報地方安環部門存檔。
- 提倡廢水循環再用，根據集團制定的《廢水回用系統管理辦法》建立廢水回用系統，把廢水回收過濾處理，供生產車間循環使用，減少水耗。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### *Total water consumption of the Group in 2017*

Scope	Total water consumption (m <sup>3</sup> )
Production Base at Hanpu Road, Kunshan City	284,194
Phase I Production Base at Taihong Road, Kunshan City	476,757
Phase II Production Base at Taihong Road, Kunshan City	62,278
<hr/>	
Total consumption during the year	823,229

### *2017年集團的總耗水量*

範圍	總耗水量 (立方米)
昆山市漢浦路生產基地	284,194
昆山市台虹路一期生產基地	476,757
昆山市台虹路二期生產基地	62,278
<hr/>	
年度總用量	823,229

### *Discharge and recovery of sewage from the Group's Production Base in 2017*

Sewage type	Total amount of water (m <sup>3</sup> )
Discharge	3,146
Recovery	28,314
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- The recycling percentage of the Group's sewage water is about 90%.	

### *2017年集團生產基地的廢水排放及回收量*

所屬廢水種類	總水量 (立方米)
排放	3,146
回收	28,314
<hr/>	
- 集團廢水回收重用的百分比約90%。	

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 4.5 Air Pollution

#### *Indoor Air Quality*

In the test report on the occupational hazardous agents in the workplace conducted during the year, the Group tested a number of toxic substances in the air within the workplace according to the national regulations. The tested items include: stannic oxide from the tin spotting process, methanol produced by glue, butanone emanated from the coating, and the circulation of indoor air. The test results showed that the exhaust gas concentration in the workshop is in line with the requirements of Occupational Exposure Limits for Hazardous Agents in the Workplace Part 1: Chemical Hazardous Agents (《工作場所有害因素職業接觸限值第1部分：化學有害因素》(GBZ 2.1-2007)) of National Occupational Health Standards of the People's Republic of China.

#### *Air Emissions*

There are three main categories of Air Emissions from the Group's Production Bases:

- Camera modules manufacturing: the reflow waste gas generated during the soldering process. As the volume is immaterial, waste gas will be collected and exhaust by a 15-meter high funnel in the form of turbine extraction.

### 4.5 空氣污染

#### *室內空氣質量*

集團在年內進行的工作場所職業危害因素檢測報告中，根據國家規定對多項工作場所空氣有毒物進行檢測，檢測項目包括：點錫程序所產生的二氧化錫、膠水所產生的甲醇、塗料所散發的丁酮及室內空氣的流通度等。檢測結果表明，生產車間內的廢氣濃度符合中華人民共和國國家職業衛生標準內的GBZ 2.1-2007《工作場所有害因素職業接觸限值 第1部分：化學有害因素》的要求。

#### *廢氣排放*

本集團生產基地排放的廢氣主要有三大類：

- 攝像頭模組生產：焊接的過程中所產生的回流焊接氣。因為量不多，廢氣會通過車間集中，再以渦輪抽風的方式一併通過15米高的排氣筒直接達標外排。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

- Fingerprint recognition modules manufacturing: Waste gas generated from coating material in coating workshops is filtered through specific water curtain installed in the Production Base. Particles generated from filtering will be combusted for disposal by RTO heat reserve exhaust air burning oven, and discharged collectively, without secondary pollution.
- Vehicle exhaust emission: the Group advocates less vehicle utilization, and encourages employees to go green by bus or on bicycle. Furthermore, the Group's vehicles are required to conduct comprehensive inspection in government's testing centers at scheduled time each year, and vehicles not conforming to exhaust emission requirements will not be used.

- 指紋識別模組生產：噴塗車間塗料所產生的廢氣均經過生產基地設有的專門水簾過濾。過濾後所產生的顆粒物會經過RTO蓄熱式焚燒爐燃燒處理，再進行集中排放，確保不產生二次污染。
- 汽車尾氣排放：集團提倡減少汽車的使用，鼓勵員工綠色出行，盡量以公交車或單車通勤。另外，本集團車輛每年需按規定時間到政府檢測中心進行全車檢查，不符合尾氣排放要求的車輛不得使用。

### *Air emissions from the Group's Production Bases in 2017*

### *2017年集團生產基地的廢氣排放量*

Scope	Emission (kg)	範圍	排放量 (公斤)
Production Base at Hanpu Road, Kunshan City	5,670	昆山市漢浦路生產基地	5,670
Production Base at Taihong Road, Kunshan City (Phase I and Phase II)	1,563	昆山市台虹路生產基地 (一期及二期)	1,563
Total consumption during the year	7,233	年度總排放量	7,233

- Exhaust emission includes welding waste gas and hot exhaust air.
- The emission from the Production Base at Hanpu Road, Kunshan City is based on estimation, and the Group is developing a new system to enhance the accuracy of data collection.

- 廢氣排放包括焊接廢氣、熱排風等。
- 昆山市漢浦路生產基地的排放量為估算值，本集團正在開發新系統以提升數據收集的準確性。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 4.6 Others

#### 4.6.1 Noise Control

- The Group pays serious attention to the noise effect from plant manufacturing to the surroundings, and formulated the Noise Management Regulation (《噪音管理辦法》) to regulate its staff.
- The Group engages a professional third party to conduct a noise monitoring exercise every year, and assures noise level is in conformity to statutory standards.
- Sets up respective departments for the introduction, development, research, application and marketing of new noise abatement technology, enhances employees' training and propaganda.
- Conducted noise inspection in Production Bases according to the Occupational Exposure Limits for Hazardous Agents in the Workplace. Part 2: Physical Agents (《工作場所有害因素職業接觸限值 第2部分：物理因素》) (GBZ 2.2-2007) of National Occupational Health Standards of the People's Republic of China during the year, and all the check points were in line with requirements of relevant regulations.

### 4.6 其他

#### 4.6.1 噪音管理

- 集團重視廠區對附近環境構成的噪音污染，因此制定了《噪音管理辦法》為員工設下指示。
- 集團每年委託專業第三方機構進行一次噪音的監察，確保廠區噪音符合法定標準要求。
- 成立相關部門負責噪音防治新技術的引進、開發、研製、應用和推廣，加強員工的培訓和宣傳。
- 年內按照中華人民共和國國家職業衛生標準內的GBZ 2.2-2007《工作場所有害因素職業接觸限值 第2部分：物理因素》的要求對生產基地的噪聲進行檢測，所有檢測點符合相關規定的要求。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 4.6.2 Greenhouse gas emission

- In recent years, the Group is preparing the Greenhouse Gases Regulations (《溫室氣體管理辦法》). The Group has preliminarily planned the scope of greenhouse gas data collection, with a view of implementation of greenhouse gas calculations as soon as possible with the assistance of professional third-party consultants, and well prepared for Central Government's plan on carbon reduction.

### 4.6.3 Non-hazardous waste disposal

The non-hazardous waste disposal sources are mainly generated from three aspects, which the Group has set up relevant management initiatives:

- Engineering construction: Re-engineering, repairing, new engineering works for equipment and surrounding Production Base should be conducted in the Production Base periodically. The Group required that before entering into contracts, contractors must provide respective documents such as Treatment of Waste Regulations (《廢棄物處理作業辦法》) and Environmental Guidelines (《環境方針》) and ensure appropriate treatment of building debris.
- Packaging materials and household waste in dormitories: Adopt the "sort first then treat" principle. Wastes will be gathered and will be dealt with by professional institution selected by tender.

### Compliance with Rules

During the reporting period, we were not aware of any material non-compliance with laws and regulations relating to Environmental emissions.

### 4.6.2 溫室氣體排放

- 集團在近年正在編製了《溫室氣體管理辦法》。集團目前已初步確認了收集溫室氣體數據的範圍，並期望透過專業第三方顧問的協助下盡快開展溫室氣體計算的工作。為支持中央政府減碳減排的政策做好準備。

### 4.6.3 無害廢物排放

無害廢物的排放來源主要有三，集團已設有相關的管理措施：

- 工程建造：生產基地需定期進行設備及外圍設施的改造、修理、新增工程，集團規定承包商在簽約前必須提供《廢棄物處理作業辦法》和《環境方針》等相關文件，以確保建築廢料得到妥善的處理。
- 包裝物料及宿舍家居廢物：採用先分類，後處理的原則。集中收集廢物，以招標的方式挑選專業機構處理。

### 合規情況

於報告期間，集團並沒有發現有任何嚴重違反環境排放相關法律法規的情況。

## 5 Social

### 5.1 Social-related Policies

The Group has a series of policies in place to manage the issues related to various aspects of the society. The policies are applicable to the following scopes:

- Child and forced labour
- Product responsibility
- Occupational Health and safety
- Anti-corruption
- Staff welfare
- Staff development and training
- Supply chain management
- Community investment

### 5.2 Child and forced labour

- The Group respects talents and is committed to provide a quality, diversify and impartial working environment without discrimination. The human resources department pays attention to the labour laws and relevant regulations on a regular basis, and is in strict compliance with relevant national laws and regulations, including but not limited to Labour Law of the PRC (《中華人民共和國勞動法》), Minors Protection Law (《未成年人保護法》), and has always been highly concerned about labour rights, career development and safety.

#### ***Forced Labour***

Working overtime is a common problem during the peak production season of the Group, but the Group will not force any employee to work overtime. Instead, the Group will manage employees' overtime hours through centralized system and employees can apply to work overtime voluntarily with a daily overtime working hours cap of three hours. The Group adopts a flexible paid leave system to ensure the health and balance development of employees.

## 5 社會

### 5.1 社會相關政策

本集團設有一系列的政策去管理有關社會各方面的議題，政策適用於以下的範圍：

- 僱用童工及強制勞動
- 產品責任
- 職業健康與安全
- 反貪污
- 員工福利
- 員工發展及培訓
- 供應鏈管理
- 社區投資

### 5.2 僱用童工及強制勞動

- 本集團尊重人才，致力於提供一個優質、多元化、公平公正、以及不存在歧視的工作環境。人力資源管理部門定期關注勞動法及相關條例，嚴格遵守國家相關法律及規例，包括但不限於《中華人民共和國勞動法》、《未成年人保護法》等，同時長期關注和保障員工的人權、職業發展及安全。

#### ***強制勞動***

在生產高峰季節本集團的加班問題普遍，但本集團堅持不強迫任何員工加班，以中央系統管理員工加班的時間，由員工自願申請加班，並設定上限為每天三小時。適時採取靈活的調休制度，以確保員工身心得以健康平衡發展。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Our employees have good impression on the Company as a whole. The annual turnover rate was less than 3% for functional staff. Proportion of male and female worker in the production line of Production Bases is 3:2, which is an average proportion and no discrimination against female employees is found.

### **Child Labour**

- The Group has formulated policies to clearly prohibit child labour, established a confidential and anonymous complaint mechanism and regularly reviews the procedures of recruitment agencies to ensure the verification of the age of their employees as a standard process and makes it a selecting criteria of agents. If job application of child labour is found, the Group will communicate with its legal guardian and arrange handling methods. If there is illegal behavior, platforms for reporting to management are established within the Group, for example, employees can report in person or by e-mails. Further, to protect underage workers between 16 and 18 years old, the Group will not arrange them to work night shift nor work in relatively high-polluted painting workshops.

### **Compliance with Rules**

During the reporting period, we were not aware of any material non-compliance with laws and regulations regarding labour standards, and obtained the compliance certificate in terms of work safety granted by Administration of Work Safety and Environmental Protection of Kunshan Hi-tech Industrial Development Park.

整體而言，員工對公司的印象良好，年度職能人員離職率在3%以內。生產基地生產線男女的比例是3:2，整體而言比較平均，並沒有發現歧視女性員工的情況。

### **童工**

- 集團制定了明確的防止童工的政策，建立了保密及匿名投訴機制，定期調查童工或強制勞工的可能跡象，定期調查機構的招聘流程，將核實僱員年齡作為中介機構選擇過程的一項標準。如發現童工的工作申請，集團將與其合法監護人溝通並安排處理的方法，若有違規行為，集團內設有各種平台以供僱員向管理層報告，例如當面匯報及設立舉報的電子郵箱。另外，為保護16至18週歲的未成年工人，本集團不會安排他們值夜班，以及無須於污染度較高的噴塗車間工作。

### **合規情況**

於報告期間，集團並沒有發現有任何嚴重違反勞工準則相關法律法規的情況，並取得了由昆山高新技術產業開發區安全生產監督管理和環境保護局出具的《無處罰證明》。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 5.3 Product responsibility

The Group strictly complied with the Law of the PRC on Product Quality (《中華人民共和國產品質量法》) and other product-related laws to establish formal management policies for the health and safety, advertisement, label and privacy of products and set up specific policies on process quality control and finished product management. Besides, the Group has obtained ISO9000 product quality control certificate and conducted customer satisfaction survey regularly.

To ensure no hazardous substances contained in raw materials, the Group regularly required raw material suppliers to provide authoritative third-party institution's inspection reports. All products must go through stringent internal inspection before delivery. Besides, the Group also entrusts a third-party institution for sample testing in accordance with international and domestic standards from time to time.

In order to protect customers' privacy, the Group has obtained the ISO 27001 certificate, which confirmed the Group's achievements and efforts in information safety management.

- During the year, the Group conducted interviews and communications with our two most important customers through the assistance of third-party consulting companies and customers are generally satisfied with the product quality and services. With increasing awareness of green products, customers also pay more attention to the groups' efforts on environmental and social issues in the supply chain. For example, they require suppliers to provide environmental impact assessment and social responsibility reports. The Group will try its best to cooperate with customers, jointly contributing to national green development.

### 5.3 產品責任

集團嚴格遵守《中華人民共和國產品質量法》等相關產品法，並為產品的健康與安全、廣告、標籤及私隱事宜設立正式的管理政策，訂立明確的過程質量控制及成品管理政策。同時集團已取得ISO9000的產品質量管理證書，並定期對客戶作出滿意度調查。

為確保原材料內不含對人體有害之物質，本集團定期要求原材料供貨商提供具權威的第三方機構檢測報告，在產品出貨前，均需要通過內部檢測。除此之外，本集團亦不時委託第三方機構根據國際及國內標準為樣品進行測試。

為保障客戶私隱，本集團已取得ISO 27001證書，確認了集團在信息安全管理方面的成就及努力。

- 年內透過第三方諮詢公司的協助與集團其中兩個最重要的客戶進行了訪談溝通，客戶普遍對產品質量及服務感到滿意。隨市場對綠色產品的關注度日漸提升，客戶亦變得愈來愈重視供應鏈上各個團體在環境及社會議題上的努力，例如要求供貨商提供環評及社會責任報告等。本集團定必盡力配合，共同為國家的綠色發展作出貢獻。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### **Compliance with Rules**

During the reporting period, we were not aware of any material non-compliance with laws and regulations regarding product responsibility.

### **5.4 Occupational Health and Safety**

The principal business of the Group is to produce camera and fingerprint recognition modules, which belongs to the light electronic industry. Therefore, it will not pose a serious safety problem to employees in the manufacturing process generally. However, during the production process, there is still a chance of exposure to risks arising from hazardous chemicals and potential fire hazard. The Group strictly complied with relevant safety laws and regulations such as the PRC Production Safety Law (《中華人民共和國安全生產法》) and Safe Production Regulations of Jiangsu Province (《江蘇省安全生產條例》), formulated and implemented the Code of Practice on Safety and Health (《安全衛生工作守則》) and the Hazards Realization Project (《危害通識計劃》), arranged specific occupational safety and health personnel for the Company, and regularly identified, assessed and controlled the hazards related to work environment or operation. The Group's efforts to ensure a safe working environment are highly recognized and have obtained OSHAS18001 safety certificate and the compliance certificate in terms of work safety granted by Administration of Work Safety and Environmental Protection of Kunshan Hi-tech Industrial Development Park.

The measures for occupational health and safety implemented during the year are as follows:

#### **Safety Risks in the Workshop**

- As some production machines inevitably produce noise with high frequency and high decibel during their operation, we required employees to wear earplugs. The Group's Safety Working Team regularly inspected the wearing of earplugs, masks and gloves for employees.

### **合規情況**

於報告期間，集團並沒有發現有任何嚴重違反產品責任相關法律法規的情況。

### **5.4 職業健康與安全**

集團主要的業務為生產攝像頭及指紋識別模組，屬輕電子工業，因此在製造過程中並不會對員工構成重大的安全問題。但於生產過程中仍會有機會接觸到危險化學品及面對潛在火災的風險。本集團嚴格遵守《中華人民共和國安全生產法》，《江蘇省安全生產條例》等安全相關法律法規，並已制定並實行《安全衛生工作守則》及《危害通識計劃》，為公司設置職業安全衛生人員，定期對工作環境或作業相關的危險作出辨認、評估及控制。集團保障安全工作環境的努力備受認同，並已取得 OSHAS18001 之安全證書及由昆山高新技術產業開發區安全生產監督管理和環境保護局出具的《安全守法生產證明》。

年內所實施有關職業健康與安全的措施如下：

#### **生產車間內的安全風險**

- 有部分生產機器在運行時難免會產生高頻率及高分貝的噪音，我們要求員工佩戴耳塞。集團的安全工作小組會定期檢查員工耳塞、口罩及手套的佩戴情況。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

- The Group cooled high-heat production machines with recycled pure water to help reduce the temperature in the workshop.
- During the year, the Group appointed qualified third party to evaluate the occupational hazards in the Production Base according to relevant national occupational health laws and regulations and to prepare an inspection report. No violations were found.

### **Fire Training and Drills**

- The Group has a complete firefighting and safety management system in place. Under the Surveillance and Measurement Control Program (《監視與量測管制程序》), the Group conducts two fire drills every year, assesses and improves the efficiency and smoothness of the drills, such as emergency evacuation route, whether all staff are in place within time limit, examines and maintains fire prevention and extinguishing apparatus regularly and installs smoke detectors.
- The Group has appointed safety officers to regularly inspect the safety of the workplace, conduct training and assessment of occupational risks for new recruits and existing employees, and set up appropriate signages and instructions for areas requiring attention in the Production Bases.

- 循環使用純水冷卻高熱的生產機器，以協助降低生產車間內的溫度。
- 年內聘請了合資格的第三方機構根據國家職業衛生相關法律法規，對生產基地的職業危害因素進行評估，並編寫檢測報告，並沒發現違規情況。

### **防火培訓及演練**

- 集團設有完善的消防及安全管理系統。根據《監視與量測管制程序》每年進行兩次的火災演習，事後評估演習的效率及順暢度並加以改善，例如檢討緊急疏散的路線，人員是否能在時限內全部到位等等，並且定期對防火及滅火裝置進行檢查及維護，安裝煙霧探測器等。
- 在集團內任命安全負責人，定期檢查工作場所的安全，定期對新入職人員和現有僱員進行職業風險培訓和評估，針對生產基地內需要注意的區域設立合適的標牌和指示。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

### *Treatment of Hazardous Chemicals*

Frontline staff will be exposed to hazardous chemicals during the modules production process; therefore, the Group has formulated the following codes and guidelines to ensure employees' safety:

- Chemicals Management Regulations (《化學品管理規定》) to strictly supervise and control the reserve and utilization of chemicals through an inventory in-and-out form and list of chemicals and hazardous goods to prevent misuse (such as storing privately) of hazardous chemicals.
- Disposed Chemicals and Materials Management Practices (《廢棄化學品及物料管理辦法》), requiring the units of the Group to properly classify and collect hazardous chemicals, and to the extent possible, consider treatment ways that can both reduce hazard caused to the environment and economically viable.

In addition, the Group is aware of the crucial importance of staff training for the treatment of hazardous chemicals. Therefore, the Group provided chemical management personnel regular trainings on chemical safety instructions to ensure corresponding reasonable treatment measures will be taken in emergencies, established an inventory in-and-out form and list of chemicals and hazardous goods to strictly supervise and control the storage and utilization of chemicals, formulated hazardous substances list and safety data sheet, standardized the label of hazardous substances and strengthened the hazards related training to establish the awareness of all staff to potential hazards and prevent the occurrence of hazards.

### *危化品處理*

前線員工在模組的生產過程中，會接觸到危化品，本集團制定了以下的守則和指引，以保障員工安全：

- 《化學品管理規定》，以化學品危險品的出入記錄表及其他列表，嚴格監控化學品的儲備及利用，防止不當使用（例如私存）相關危化品。
- 《廢棄化學品及物料管理辦法》要求集團各單位進行妥善分類及收集，亦盡可能考慮可同時降低對環境造成危害並符合經濟效益之處理方式。

另外，本集團意識到員工培訓於危化品處理的環節上至關重要，故此，本集團定期對化學品管理人員進行化學品安全說明的培訓，確保當發生緊急情況時能採取相應合理的處理措施，建立化學品危險品出入記錄表及化學品清單，嚴格監控化學品的儲備及利用，制定危害物質列表和安全資料表、統一危害物質標示、加強危害通識教育等，並藉此建立全體員工對潛在危害之認識，共同預防危害的發生。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### **Compliance with Rules**

During the reporting period, we were not aware of any material non-compliance with laws and regulations regarding occupational health and safety.

### **5.5 Anti-corruption**

- The Group considers anti-corruption as main commercial ethics principle among enterprises and firmly refuses damages to the fair competition environment in society. Accordingly, the Group has formal management policies in place to prevent bribery, blackmail, fraud and money laundering. Related provisions are also clearly set out in employment contracts, and all employees shall read relevant content within the contract before signing it. Besides, our internal Employee Manual stipulated the requirements that employees shall comply with, including Prevention of Bribery Ordinance (《防止賄賂條例》).
- The Group implements the policy of “Sunshine Procurement”, which strictly requires that two or more employees must be present when conducting price negotiation with suppliers and no employee is allowed to meet customers alone. In evaluating suppliers, the scores are given by several departments together to avoid concentration of authorities on a few of senior managements. Meanwhile, employees are encouraged to report via face-to-face reporting or emails to Board members if any non-compliance issue is identified.

### **合規情況**

於報告期間，集團並沒有發現有任何嚴重違反職業健康與安全相關法律法規的情況。

### **5.5 反貪污**

- 本集團認為反對貪污是企業主要的商業道德原則，積極避免其破壞社會公平競爭環境。因此，本集團為防止賄賂、勒索、欺詐及洗黑錢事宜設立正式的管理政策，僱員合約上亦有相關的明文規定。受聘者必須了解當中內容並簽署合同。同時，內部制定的員工手冊訂立了員工必須遵守的規定，其中包括《防止賄賂條例》。
- 集團設有「陽光採購」政策，嚴格要求在與供貨商談價格的時候，必須有兩個或以上的員工在場，不允許員工單獨見客。在評估供貨商時，需由多個部門共同打分決定，以確保權力並不只掌握在幾個高管的手上。同時，若員工發現任何違法行為，可以透過當面或電子郵件向董事會成員匯報。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

- The Group's clients maintain high requirement to our performance in anti-corruption, and our major customers regularly caution the Group's sales staffs to remind their suppliers the potential corruption problems that may arise in negotiation. The Group makes response seriously, and has formulated relevant operation procedures for anti-fraud and anti-corruption according to the relevant circumstances and conducted induction training for employees.

### **Compliance with Rules**

During the reporting period, there was no non-compliance incident with relevant anti-corruption regulations that have significant impact on the Group nor any incidents related to corruption.

## **5.6 Others**

### **5.6.1 Employment and staff welfare**

- The Group has well-established personnel policies in place, which cover remuneration and dismissal, recruitment and promotion, working hours, holidays, equal opportunities, anti-discrimination, other benefits and welfares and so on. To maintain transparency, staff benefits and responsibilities are clearly stated in Employees Manual.

The Group strictly complies with the Labour Law of the People's Republic of China (《中華人民共和國勞動法》), the Minors Protection Law (《未成年人保護法》) and other personnel related laws and regulations. Staffs have equal and fair access to promotion. The Group conducts work review, reporting and KPI analysis every quarter and its remuneration standard is market competitive. The Group also has established platforms such as interview, e-mail and regular staff communication meetings, etc. for employees to communicate with the management.

- 本集團客戶對反貪污的要求很高，主要客戶均會定期對本集團銷售人員做出警惕，提醒供貨商提防在談判時有可能出現的貪污問題。本集團亦嚴肅對待，並因應實際環境制定反舞弊反貪污的相關作業流程，並於員工入職前作出培訓。

### **合規情況**

於報告期間，本集團並沒有發現有違反任何對本集團有重大影響的反貪污相關法規，亦沒發現任何貪污事件。

## **5.6 其他**

### **5.6.1 僱傭及員工福利**

- 集團有完善的人事管理政策，涵蓋有關薪酬及解僱、招聘及晉陞、工作時數、假期、平等機會、反歧視以及其他待遇和福利等範疇。員工手冊清楚列出員工的福利及責任，保持透明度。

嚴格遵守《中華人民共和國勞動法》、《未成年人保護法》等人事相關法律法規，員工擁有公平及公正的晉陞機會，每個季度均會進行審核，述職以及KPI分析。薪酬水平具市場競爭力。本集團亦設有各種平台以供僱員向管理層提出意見，例如面談，郵件及定期的員工溝通會議。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

- Besides, the Company has rich sharing culture. During the Year, it established Management Measures for Internal Lecturer, which allows our staff from different professional fields to become our internal lecturer. Through knowledge and skills training, the Company improves the professional competence, management ability and teamwork spirit of its staffs, and realizes the sharing and passing of knowledge and experience, thereby improving the Company's core competitiveness.
  - The Company provides support to create a family-friendly working environment and implements special policies for pregnant employees:
    - Exclude the employee in the third trimester of pregnancy to work overtime
    - Provides a half-day paid leaves per month to the employee in the first six months of gestation period
    - Provides a full-day paid leaves per month to the employee in the seventh and eighth months of gestation period
    - Provides a full-day paid leaves on a semi-month basis to the employee in gestation period above eighth months
    - The employee in lactation period may enjoy one hour leave daily and is permitted to arrive late or leave early.
- 同時，公司有著濃厚的分享文化，年內建立《內部講師管理辦法》，讓不同專業的同事申請成為內部講師，通過知識和技能培訓，提升公司員工專業素質、管理能力及團隊合作能力，達到知識、經驗的分享與傳承，提升公司核心競爭力。
  - 本公司提倡家庭友好的工作環境，對懷孕的員工有特別的政策：
    - 不安排懷孕第三期員工加班
    - 孕期7個月以下，每個月可請帶薪假期半天
    - 孕期7至8個月，每個月可請帶薪假期1天
    - 8月以上每半個月可請帶薪假期1天
    - 哺乳期每天有一個小時假期，可以晚來上班或提前下班。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

- The Company has been committed to improve and enhance our staff welfare and living conditions by optimizing the accommodation environment, such as providing free network coverage, free shuttle bus and increasing meal fee standard. In addition, the Group grants gift packs to its employees on traditional festival, increases the investment to build a multiple-use activity center for employees, holds large-scale art performance on certain holidays and provides other welfare.

### **Compliance with Rules**

During the reporting period, we were not aware of any material non-compliance with laws and regulations regarding employment and labour practices.

### **5.6.2 Staff Development & Training**

- The Human Resources department provides no less than 20 hours of external or internal trainings for staff every year and offers relevant courses to different employee groups. For management and knowledge related courses, the Group usually engage third party professional lecturer to deliver. For instrumental skills related courses, the Group organize one internal training and sharing session per month. The training format includes classroom training, individual counseling and seminar. The management regularly supervises and checks the attendance record and training assessment to ensure the relevant policies are fully implemented.

- 公司持續投入進行員工福利和生活環境的完善升級，不斷優化住宿環境，例如提供免費網絡覆蓋、免費班車、提高餐費標準等。本集團於傳統節日贈予員工福利禮包，加大綜合型員工活動中心的投入，並舉辦大型節日的文藝晚會等。

### **合規情況**

於報告期間，集團並沒有發現有任何嚴重違反僱傭及勞工相關法律法規的情況。

### **5.6.2 員工發展與培訓**

- 人事部每年均為員工提供不少於20小時的外部及內部培訓，針對不同的員工團體提供各式各樣的課程。管理類及知識類的課程一般聘請第三方專業講師進行培訓。工具類的則每月舉辦一次內部訓練及分享會。培訓方式包括課堂培訓、個別輔導及研討會，管理人員定期監督、檢查培訓簽到記錄以及培訓考核，確保相關政策能貫徹執行。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 5.6.3 Supply chain management

- Apart from their basic reputation, qualification (such as ISO9001 and ISO14000), financial stability, cost, technical support and service, the Group will also take into consideration the environmental and social responsibilities policies of suppliers in selecting suppliers and have established the formal management policy.
- Suppliers must sign environmental protection agreement and social responsibility agreement before commencing cooperation with the Group. For example, strictly require the prohibition of child labour for suppliers. Besides, the Group will conduct an annual questionnaire survey on suppliers and conduct site investigations from time to time to check whether suppliers have complied with the environmental protection agreement and social responsibility agreement.
- For suppliers that repeatedly violate the environment or labour laws, we will terminate our partnership with them promptly and include them in the blacklist and never employ again.

### 5.6.4 Community Investment

- The Group continues to practice corporate citizen responsibility and contributes to the community and the country by participating in charity and voluntary activities. During the year, 40 employees of the Group were organized to participate in the activities of caring for the elderly living in nursing homes in Kunshan, so as to deliver warmth and blessing to those in need.

### 5.6.3 供應鏈管理

- 集團對供貨商的選擇標準除基本的聲譽、資質（如 ISO9001, ISO14000）、財務穩健、成本、技術支持及服務外，亦對供貨商的環境及社會責任政策有所關注，並已設立正式的管理政策。
- 供貨商在跟集團合作之前，必須簽定環保協議和社會責任協議，例如嚴格要求供貨商不能存有童工的問題。同時，本集團每年會對供貨商進行一次問卷調查，並不定時進行實地考察，以審查供貨商是否遵守環保及社會責任協議之約定。
- 對於屢次違反環境或勞動法的供貨商，我們會及時與之中止合作關係，並且列入永不再錄用之黑名單。

### 5.6.4 社區投資

- 本集團持續實踐企業公民責任，透過參與慈善及義務工作，為小區及國家作出貢獻。年內組織四十名本集團員工參與了昆山市敬老院的關愛孤寡老人活動，為有需要人士送上暖意和祝福。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Appendix I – Index Table of Environmental, Social and Governance Reporting Guide by Hong Kong Stock Exchange

### 附錄1 – 香港聯合交易所《環境社會及管治報告指引》索引表

Aspects 層面	Reporting Section 報告章節	Remarks 備註	
A A	Environmental 環境		
A1 A1	Emissions 排放物	4.2, 4.4, 4.5 and 4.6 – 4.2、4.4、4.5及4.6 –	
A1.1 A1.1	The types of emissions and respective emissions data. 排放物種類及相關排放資料。	4.2, 4.4 and 4.5 4.2、4.4及4.5	During the Year, the Group disclosed three important emissions data: hazardous waste, wastewater discharge and air emissions. 集團在本年度披露了三項重要的排放物數據：有害廢棄物排放、廢水排放及廢氣排放。
A1.2 A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 溫室氣體總排放量（以噸計算）及（如適用）密度（如以每產量單位、每項設施計算）。	4.6.2 4.6.2	The materiality analysis results of the Group during the Year shows that greenhouse gas emissions are not the most important environmental issues in relative terms, thus we will consider making disclosures on such data in the future. 集團本年的重要性分析結果顯示溫室氣體相對不是最重要的環保議題，因此我們將會考慮在未來作相關的數據披露。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Aspects 層面	Reporting Section 報告章節	Remarks 備註
A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	4.2	The Group will first disclose the total amount during the Year. The Group is considering suitable units for calculating intensity and plans to disclose it in the future.
A1.3 所產生有害廢棄物總量（以噸計算）及（如適用）密度（如以每產量單位、每項設施計算）。	4.2	集團在本年度先披露總量。集團正在考慮適合用作計算密度之單位並於未來作出披露。
A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	4.6.3	The materiality analysis results of the Group during the Year shows that non-hazardous waste is not the most important environmental issue in relative terms, thus we will consider making disclosures on such data in the future.
A1.4 所產生無害廢棄物總量（以噸計算）及（如適用）密度（如以每產量單位、每項設施計算）。	4.6.3	集團本年的重要性分析結果顯示無害廢物相對不是最重要的環保議題因此我們將會考慮在未來作相關的數據披露。
A1.5 Description of measures to mitigate emissions and results achieved.	4.2, 4.4, 4.5 and 4.6	-
A1.5 描述減低排放量的措施及所得成果。	4.2、4.4、4.5及4.6	-
A1.6 Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	4.2 and 4.6.3	-
A1.6 描述處理有害及無害廢棄物的方法、減低產生量的措施及所得成果。	4.2及4.6.3	-



# Environmental, Social and Governance Report

## 環境、社會及管治報告

Aspects 層面	Reporting Section 報告章節	Remarks 備註
A2 Use of Resources	4.3 and 4.4	–
A2 資源使用	4.3及4.4	–
A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	4.3	The Group will first disclose the total amount of electricity consumption during the Year. The Group is considering suitable units for calculating intensity and plans to disclose it in the future.
A2.1 按類型劃分的直接及／或間接能源（如電、氣或油）總耗量（以千個千瓦時計算）及密度（如以每產量單位、每項設施計算）。	4.3	集團在本年度先披露用電總量。集團正在考慮適合用作計算密度之單位並於未來作出披露。
A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	4.4	The Group will first disclose the total amount of water consumption during the year. The Group is considering suitable units for calculating intensity and plans to disclose it in the future.
A2.2 總耗水量及密度（如以每產量單位、每項設施計算）。	4.4	集團在本年度先披露用水總量。集團正在考慮適合用作計算密度之單位並於未來作出披露。
A2.3 Description of energy use efficiency initiatives and results achieved.	4.3	–
A2.3 描述能源使用效益計劃及所得成果。	4.3	–
A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	4.4	–
A2.4 描述求取適用水源上可有任何問題，以及提升用水效益計劃及所得成果。	4.4	–

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Aspects 層面	Reporting Section 報告章節	Remarks 備註
A2.5	4.6.3	The materiality analysis results of the Group during the Year shows that packaging materials are not the most important environmental issues in relative terms, thus we will consider making disclosures on such data in the future.
A2.5	4.6.3	集團本年的重要性分析結果顯示包裝材料相對不是最重要的環保議題因此我們將會考慮在未來作相關的數據披露。
<b>A3</b>	<b>The Environment and Natural Resources</b>	The Group strives to reduce the impact of its business on the environment and other natural resources. During the Reporting Period, the Group did not cause any significant pollution and damage to nearby air, land, water sources and the environment. The Group's policies and measures on resource use and emissions are described in detail in sections A1 and A2. 本集團致力降低業務對環境及其他天然資源造成的影響，報告期間並沒有對附近空氣、土地、水源及生態環境產生任何重大的污染及破壞。本集團針對資源使用及排放物的相應政策及措施已於A1及A2部份作詳細說明。
<b>A3</b>	<b>環境及天然資源</b>	
A3.1	–	
A3.1	–	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them. 描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Aspects 層面	Reporting Section 報告章節	Remarks 備註
B Social B 社會		
B1 Employment B1 僱傭	5.6.1 5.6.1	– –
B2 Health and Safety B2 健康與安全	5.4 5.4	– –
B3 Development and Training B3 發展與培訓	5.6.2 5.6.2	– –
B4 Labour Standards B4 勞工準則	5.2 5.2	– –
B5 Supply Chain Management B5 供應鏈管理	5.6.3 5.6.3	– –
B6 Product Responsibility B6 產品責任	5.3 5.3	– –
B7 Anti-corruption B7 反貪污	5.5 5.5	– –
B8 Community Investment B8 社區投資	5.6.4 5.6.4	– –

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



**Independent auditor's report  
to the shareholders of Q Technology (Group) Company Limited**  
*(incorporated in the Cayman Islands with limited liability)*

## Opinion

We have audited the consolidated financial statements of Q Technology (Group) Company Limited ("the Company") and its subsidiaries ("the Group") set out on pages 173 to 308, which comprise the consolidated statement of financial position as at 31 December 2017, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement 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 International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

**獨立核數師報告**  
**致丘鈦科技(集團)有限公司股東**  
*(於開曼群島註冊成立的有限公司)*

## 意見

本核數師(以下簡稱「我們」)已審計列載於第173至308頁的丘鈦科技(集團)有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的合併財務報表,此合併財務報表包括於二零一七年十二月三十一日的合併財務狀況表與截至該日止年度的合併損益及其他全面收益表、合併權益變動表和合併現金流量表,以及合併財務報表附註,包括主要會計政策概要。

我們認為,該等合併財務報表已根據國際會計準則委員會(「國際會計準則委員會」)頒佈的《國際財務報告準則》(「國際財務報告準則」)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合併財務狀況,及貴集團截至該日止年度的合併財務表現及合併現金流量,並已遵照香港《公司條例》的披露要求妥為擬備。

# Independent Auditor's Report

## 獨立核數師報告

### Basis for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSAAs”) issued by the Hong Kong Institute of Certified Public Accountants (“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”) together with any ethical requirements that are relevant to our audit of the consolidated financial statements in the Cayman Islands, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key audit matters

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

### 意見的基礎

我們已根據香港會計師公會（「香港會計師公會」）頒佈的《香港審計準則》（「香港審計準則」）進行審計。我們就該等準則項下承擔的責任已在本報告「核數師就審計合併財務報表須承擔的責任」一節中詳述。根據香港會計師公會頒佈的《專業會計師道德守則》（「守則」）及開曼群島中任何與我們審計合併財務報表有關的道德要求，我們獨立於貴集團，並已遵循該等道德要求及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是充足和適當地為我們的意見提供基礎。

### 關鍵審計事項

關鍵審計事項是指根據我們的專業判斷，認為對本期合併財務報表的審計最為重要的事項。該等事項是在我們審計整體合併財務報表及出具意見時進行處理的。我們不會對該等事項提供單獨的意見。

# Independent Auditor's Report

## 獨立核數師報告

### Timing of revenue recognition

#### 收益確認時點

Refer to note 2 to the consolidated financial statements and the accounting policies note 1(u) on page 204.

參閱合併財務報表附註2及第204頁的會計政策附註1(u)。

#### The Key Audit Matter

##### 關鍵審計事項

The Group's revenue arises from the sales of camera and fingerprint recognition modules.

貴集團的收益產生自攝像頭及指紋識別模組的銷售。

The Group enters into a framework sales agreement with each major customer and manufactures products based on purchase orders. Products are delivered to a location designated by the respective customer where they undergo a quality examination. After satisfactory completion of the quality examination the risks and rewards of ownership of the products are considered to have been transferred to the respective customer and revenue is recognised.

貴集團與各主要客戶訂立框架銷售協議，並根據採購訂單生產產品。產品交付至相關客戶的指定地點並進行質檢。待質檢完成滿意後，有關產品所有權的風險及回報被視為已轉移至相關客戶，從而確認收益。

#### How the matter was addressed in our audit

##### 在審計中的處理方法

Our audit procedures to assess the timing of revenue recognition included the following:

我們評估收益確認時點的審計程序包括以下方面：

- inspecting contracts with customers, on a sample basis, to understand the terms of the sale transactions, including the terms of delivery and goods acceptance and any sales return arrangements, to assess the Group's revenue recognition criteria with reference to the requirements of the prevailing accounting standards;
- 抽樣檢查與客戶的合約，了解銷售交易的條款，包括貨物運輸及驗收的條款以及任何銷售退回安排，以評估貴集團的收益確認標準是否符合現行會計準則的要求；
- assessing, on a sample basis, whether specific revenue transactions around the financial year end had been recognised in the appropriate financial period on the basis of the terms of sale as set out in the sales contracts by comparing the details in the relevant sales invoices to customers' acceptance documents or customers' inventory records which are available from shared platforms the customers have with the Group;
- 對財政年度末附近的特定收益交易進行抽樣檢查，將相關銷售發票詳情與客戶驗收的證據，或貴集團與客戶共享平台上的存貨紀錄核對，評估收益是否根據銷售合同中的銷售條款在恰當的財政期間確認；

# Independent Auditor's Report

## 獨立核數師報告

### The Key Audit Matter 關鍵審計事項

We identified the timing of revenue recognition as a key audit matter because revenue is one of the key performance indicators of the Group and therefore there is an inherent risk of manipulation of the timing of recognition of revenue by management to meet specific targets or expectations.

我們將收益確認時點作為關鍵審計事項，是由於收益是衡量貴集團績效的關鍵指標之一，存在管理層為了達到特定目標或期望而操縱收益確認時點的固有風險。

### How the matter was addressed in our audit 在審計中的處理方法

- scrutinising the sales ledger after the year end to identify sales returns and inspecting relevant underlying documentation to assess if the related adjustments to revenue had been accounted for in the appropriate financial period; and
- 檢查年結日後的銷售分錄，識別銷售退貨，並檢查相關支持性文件，以評估相關的收益調整是否在適當的財政期間確認；及
- scrutinising all the sales journals raised throughout the reporting period and comparing details of a sample of these journals, which met certain risk-based criteria, with relevant underlying documentation.
- 檢查報告期內所有的銷售分錄，根據若干風險標準選取分錄並核對至相關支持性文件。

## Recoverability of trade receivables

### 貿易應收款項的可收回性

Refer to note 16 to the consolidated financial statements and the accounting policies note 1(n) on page 197.

參閱合併財務報表附註16及第197頁的會計政策附註1(n)。

#### The Key Audit Matter

##### 關鍵審計事項

At 31 December 2017, the Group's gross trade receivables totalled RMB1,783,326,000, against which allowances for doubtful debts of RMB349,000 were recorded.

截至二零一七年十二月三十一日，貴集團貿易應收款項總額為人民幣1,783,326,000元，針對該餘額累計計提呆賬撥備為人民幣349,000元。

The Group's allowances for doubtful debts are based on management's estimate of the expected credit losses to be incurred, which is estimated by taking into account the ageing of overdue balances, the repayment history of the Group's individual customers, current market conditions and customer-specific conditions, all of which involve a significant degree of management judgement.

貴集團基於管理層對預期將產生的信用損失的估計計提呆賬撥備。估計的過程考慮了逾期餘額的賬齡、貴集團各個客戶的還款記錄、現行的市場環境以及客戶的特定情況，這些考慮均在較大程度上涉及管理層判斷。

#### How the matter was addressed in our audit

##### 在審計中的處理方法

Our audit procedures to assess the recoverability of trade receivables included the following:

我們評估貿易應收款項的可收回性的審計程序包括以下方面：

- obtaining an understanding of and assessing the design, implementation and operating effectiveness of management's key internal controls relating to credit control, debt collection and making allowances for doubtful debts;
- 了解管理層與信貸控制、賬款回收及計提呆賬撥備相關的關鍵內部控制，並評價這些內部控制的設計、執行及運行有效性；
- assessing whether items were correctly categorised in the trade receivables ageing report by comparing a sample of individual items with underlying sales invoices;
- 抽樣檢查貿易應收款項對應的原始發票，以評估貿易應收款項賬齡報告的分佈是否準確；



# Independent Auditor's Report

## 獨立核數師報告

### The Key Audit Matter 關鍵審計事項

We identified the recoverability of trade receivables as a key audit matter because the Group's customers are mainly smartphone manufacturers which are facing challenges in terms of their profitability due to the competitive market environment, which increases the inherent uncertainty in assessing the recoverability of trade receivables, and because determining the level of allowances for doubtful debts requires the exercise of significant management judgement.

我們將貿易應收款項可收回性作為關鍵審計事項，是因為貴集團的客戶主要為智能手機廠商，彼等因激烈的市場競爭而面臨盈利能力方面的挑戰，從而增加了貴集團評估貿易應收款項可收回性的固有不確定性，亦因為釐定呆賬撥備水平須行使重大的管理層判斷。

### How the matter was addressed in our audit 在審計中的處理方法

- obtaining an understanding of the basis of management's judgements about the recoverability of individual material and all overdue trade receivable balances and evaluating the allowances for doubtful debts made by management for these balances with reference to the debtors' financial condition, the industry in which the debtors are operating, the ageing of overdue balances and historical and post year end payment records;
- 了解管理層判斷單項重大及所有逾期貿易應收款項餘額的可收回性的基礎，並通過參考債務人的財務狀況、債務人業務所處的行業、逾期餘額的賬齡、過往及期後還款記錄，以評估管理層就該等餘額作出的呆賬撥備；
- assessing the historical accuracy of the estimates made by management for the allowances for doubtful debts by comparing the allowances made by management as at 31 December 2016 with the actual new allowances and recoveries in respect of trade receivables as at 31 December 2016 during the current year; and
- 通過比較管理層於二零一六年十二月三十一日所作出的呆賬撥備與本年度針對二零一六年十二月三十一日貿易應收款項實際新增的撥備及所收回的款項，評估管理層針對呆賬撥備所作出估計的歷史準確性；及
- inspecting, on a sample basis, cash receipts from customers subsequent to the financial year end relating to trade receivable balances at 31 December 2017.
- 針對二零一七年十二月三十一日貿易應收款項餘額，抽樣檢查客戶於財政年結日後的回款情況。

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

## Information other than the consolidated financial statements and auditor's report thereon

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

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

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

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

## Responsibilities of the directors for the consolidated financial statements

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRSs issued by the IASB 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.

## 合併財務報表及其核數師報告以外的信息

董事須對其他信息負責。其他信息包括刊載於年報內的全部信息，但不包括合併財務報表及我們的核數師報告。

我們對合併財務報表作出的意見並不涵蓋其他信息。我們不對其他信息發表任何形式的鑒證結論。

結合我們對合併財務報表的審計，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合併財務報表或我們在審計過程中所瞭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。

## 董事就合併財務報表須承擔的責任

董事須負責根據國際會計準則委員會頒佈的《國際財務報告準則》及香港《公司條例》的披露要求擬備真實而中肯的合併財務報表，並對其認為為使合併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。

# Independent Auditor's Report

## 獨立核數師報告

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

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

### Auditor's responsibilities for the audit of the consolidated financial statements

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

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

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

審核委員會協助董事履行監督貴集團的財務報告過程的責任。

### 核數師就審計合併財務報表須承擔的責任

我們的目標，是對整體合併財務報表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，並出具包括我們意見的核數師報告。我們僅向整體股東報告，除此之外本報告不可用作其他用途。我們不會就本報告的內容向任何其他人士負責或承擔法律責任。

合理保證是高水平的保證，但不能保證按《香港審計準則》進行的審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，如果合理預期它們個別或匯總起來可能影響合併財務報表使用者依賴合併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。

# Independent Auditor's Report

## 獨立核數師報告

As part of an audit in accordance with HKSAAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

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合併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，以及取得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。
- 了解與審計有關的內部控制，以設計恰當的審計程序，但目的並非對貴集團的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。
- 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合併財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於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。
- 評價合併財務報表（包括披露）的整體列報方式、架構和內容，以及合併財務報表是否已中肯地反映交易及事項。

# Independent Auditor's Report

## 獨立核數師報告

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

The engagement partner on the audit resulting in this independent auditor's report is Siu Chi Hung.

### KPMG

*Certified Public Accountants*  
8th Floor, Prince's Building  
10 Chater Road  
Central, Hong Kong  
19 March 2018

- 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，以便對合併財務報表發表意見。我們負責集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們與審核委員會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。

我們還向審核委員會提交聲明，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。

從與審核委員會溝通的事項中，我們確定哪些事項對本期合併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為蕭志雄。

### 畢馬威會計師事務所

*執業會計師*  
香港中環  
遮打道10號  
太子大廈8樓  
二零一八年三月十九日

# Consolidated Statement of Profit and Loss

## 合併損益表

for the year ended 31 December 2017 截至二零一七年十二月三十一日止年度  
(Expressed in Renminbi) (以人民幣列示)

		Note 附註	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
<b>Revenue</b>	<b>收益</b>	2	<b>7,938,958</b>	4,991,158
Cost of sales	銷售成本		<b>(7,056,225)</b>	(4,568,721)
<b>Gross profit</b>	<b>毛利</b>		<b>882,733</b>	422,437
Other revenue	其他收益	3	<b>35,099</b>	18,407
Other net loss	其他淨虧損	3	<b>(23,931)</b>	(45,172)
Selling and distribution expenses	銷售及分銷開支		<b>(16,045)</b>	(9,662)
Administrative and other operating expenses	行政及其他經營開支		<b>(64,955)</b>	(41,311)
Research and development expenses	研發開支		<b>(269,556)</b>	(124,564)
<b>Profit from operations</b>	<b>經營溢利</b>		<b>543,345</b>	220,135
Finance costs	融資成本	4(a)	<b>(16,912)</b>	(5,548)
Share of loss of an associate	應佔聯營公司虧損		<b>(16,918)</b>	-
<b>Profit before taxation</b>	<b>除稅前溢利</b>	4	<b>509,515</b>	214,587
Income tax	所得稅	5	<b>(73,238)</b>	(23,832)
<b>Profit for the year</b>	<b>年內溢利</b>		<b>436,277</b>	190,755
<b>Attributable to:</b>	<b>歸屬：</b>			
Equity shareholders of the Company	本公司股權持有人		<b>436,277</b>	190,755
<b>Profit for the year</b>	<b>年內溢利</b>		<b>436,277</b>	190,755
<b>Earnings per share</b>	<b>每股盈利</b>		<b>RMB Cents 人民幣分</b>	<b>RMB Cents 人民幣分</b>
Basic	基本	9	<b>39.8</b>	18.4
Diluted	攤薄	9	<b>38.9</b>	18.1

The accompanying notes on pages 180 to 308 form part of these financial statements. Details of dividends payable to equity shareholders of the Company attributable to the profit for the year are set out in Note 27(b).

第180至308頁的隨附附註構成該等財務報表的一部份。有關應付本公司股權持有人應佔年內溢利之股息之詳情載於附註27(b)。

# Consolidated Statement of Profit or Loss and Other Comprehensive Income

## 合併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  
(Expressed in Renminbi) (以人民幣列示)

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
	Note 附註		
<b>Profit for the year</b>	年內溢利	<b>436,277</b>	190,755
<b>Other comprehensive income for the year (after tax and reclassification adjustments):</b>	年內其他全面收益 (除稅及重新分類調整後):		
Items that may be reclassified subsequently to profit or loss:	其後或會重新分類至損益的項目:		
– Exchange differences on translation of the financial statements of subsidiaries outside the Mainland China	– 換算中國內地以外附屬公司財務報表的匯兌差額	(12,739)	15,189
<b>Other comprehensive income for the year</b>	年內其他全面收益	<b>(12,739)</b>	15,189
	8		
<b>Total comprehensive income for the year</b>	年內全面收益總額	<b>423,538</b>	205,944
<b>Attributable to:</b>	歸屬:		
Equity shareholders of the Company	本公司股權持有人	423,538	205,944
<b>Total comprehensive income for the year</b>	年內全面收益總額	<b>423,538</b>	205,944

The accompanying notes on pages 180 to 308 form part of these financial statements.

第180至308頁的隨附附註構成該等財務報表的一部份。

# Consolidated Statement of Financial Position

## 合併財務狀況表

as at 31 December 2017 於二零一七年十二月三十一日  
(Expressed in Renminbi) (以人民幣列示)

			2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
		Note 附註		
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	10	1,480,662	720,181
Interests in an associate	於一間聯營公司的權益	12	258,318	-
Lease prepayments	租賃預付款項	13	16,632	17,048
Intangible assets	無形資產	14	1,154	1,315
Deferred tax assets	遞延稅項資產	26(c)	7,672	4,287
Prepayment for acquisition of non-current assets	收購非流動資產的預付款項		176,666	83,354
Deposits	按金		12,050	-
			1,953,154	826,185
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨	15	688,041	799,246
Trade and other receivables	貿易及其他應收款項	16	2,035,045	2,606,431
Other financial assets	其他金融資產	17	873,486	-
Derivative financial assets	衍生金融資產	18	7,073	126,867
Current tax assets	即期稅項資產	26(a)	-	152
Pledged bank deposits	已抵押銀行存款	19	78,469	96,543
Cash and cash equivalents	現金及現金等價物	20(a)	464,982	64,905
			4,147,096	3,694,144
<b>Current liabilities</b>	<b>流動負債</b>			
Bank borrowings	銀行借款	21	1,078,119	335,432
Trade and other payables	貿易及其他應付款項	22	2,830,117	2,592,781
Derivative financial liabilities	衍生金融負債	18	17,989	-
Current tax payable	應付即期稅項	26(a)	8,033	10,372
			3,934,258	2,938,585
<b>Net current assets</b>	<b>流動資產淨值</b>		212,838	755,559
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		2,165,992	1,581,744



# Consolidated Statement of Financial Position

## 合併財務狀況表

as at 31 December 2017 於二零一七年十二月三十一日  
(Expressed in Renminbi) (以人民幣列示)

		Note 附註	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Deferred income	遞延收入	23	14,598	11,739
Deferred tax liabilities	遞延稅項負債	26(c)	5,737	2,040
			<b>20,335</b>	<b>13,779</b>
<b>NET ASSETS</b>	<b>資產淨值</b>		<b>2,145,657</b>	<b>1,567,965</b>
<b>CAPITAL AND RESERVES</b>	<b>資本及儲備</b>			
Share capital	股本	27	8,895	8,605
Reserves	儲備	27	2,136,762	1,559,360
<b>TOTAL EQUITY</b>	<b>權益總額</b>		<b>2,145,657</b>	<b>1,567,965</b>

Approved and authorised for issue by the board of directors on 19 March 2018.

經董事會於二零一八年三月十九日批准及授權刊發。

He Ningning  
Wang Jianqiang

**Directors**

何寧寧  
王健強

**董事**

The accompanying notes on pages 180 to 308 form part of these financial statements.

第180至308頁的隨附附註構成該等財務報表的一部份。

# Consolidated Statement of Changes in Equity

## 合併權益變動表

for the year ended 31 December 2017 截至二零一七年十二月三十一日止年度  
(Expressed in Renminbi) (以人民幣列示)

		Attributable to equity shareholders of the Company 本公司應擁持有者應佔							
		Share capital	Share premium	Exchange reserve	PRC statutory reserve	Other reserve	Equity settled share-based payment reserve	Retained profits	Total
	Note	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
	附註	27	27	27	27	27	27	27	27
<b>As at 1 January 2016</b>		8,132	668,384	38,567	53,363	66	4,458	444,687	1,217,557
<b>Changes in equity for 2016:</b>									
Profit for the year		-	-	-	-	-	-	190,755	190,755
Other comprehensive income		-	-	15,189	-	-	-	-	15,189
Total comprehensive income for the year		-	-	15,189	-	-	-	190,755	205,944
Equity settled share-based payment transactions	4(b)	-	-	-	-	-	1,658	-	1,658
Shares issued under share option scheme	27(c)(i)	117	7,907	-	-	-	(2,494)	-	5,530
Shares issued for the Placement under general mandate	27(c)(ii)	356	138,920	-	-	-	-	-	137,276
Appropriation to PRC statutory reserves	27(c)(iii)	-	-	-	18,714	-	-	(18,714)	-
<b>As at 31 December 2016</b>		8,605	813,211	53,756	72,077	66	3,622	616,628	1,567,965
<b>As at 1 January 2017</b>		8,605	813,211	53,756	72,077	66	3,622	616,628	1,567,965
<b>Changes in equity for 2017:</b>									
Profit for the year		-	-	(12,739)	-	-	-	436,277	436,277
Other comprehensive income		-	-	-	-	-	-	-	(12,739)
Total comprehensive income for the year		-	-	(12,739)	-	-	-	436,277	423,538
Equity settled share-based payment transactions	4(b)	-	-	-	-	-	6,704	-	6,704
Shares issued under share option scheme	27(c)(i)	122	7,903	-	-	-	(2,495)	-	5,530
Shares issued for the Placement under general mandate	27(c)(ii)	168	178,897	-	-	-	-	-	179,065
Dividends approved in respect of previous year	27(b)(i)	-	-	-	-	-	-	(37,145)	(37,145)
Appropriation to PRC statutory reserves	27(c)(iii)	-	-	-	44,804	-	-	(44,804)	-
<b>As at 31 December 2017</b>		8,895	1,000,011	41,017	116,881	66	7,831	970,956	2,145,657

The accompanying notes on pages 180 to 308 form part of these financial statements. 第180至308頁的隨附附註構成該等財務報表的一部分。

# Consolidated Cash Flow Statement

## 合併現金流量表

for the year ended 31 December 2017 截至二零一七年十二月三十一日止年度  
(Expressed in Renminbi) (以人民幣列示)

			2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
		Note 附註		
<b>Operating activities</b>	<b>經營活動</b>			
Cash generated from/(used in) operations	經營所得/(所用)現金	20(b)	2,296,626	(33,891)
Income tax paid	已付所得稅		(75,113)	(4,723)
<b>Net cash generated from/ (used in) operating activities</b>	<b>經營活動所得/ (所用)現金淨額</b>		<b>2,221,513</b>	<b>(38,614)</b>
<b>Investing activities</b>	<b>投資活動</b>			
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項		14	203
Payment for purchase of non-current assets	購買非流動資產款項		(949,246)	(408,893)
Increase in deposits	增加存款		(12,050)	
Acquisition of an associate	收購聯營公司		(275,236)	-
Net cash outflow of purchase and redemption of other financial assets	申購及贖回其他金融資產的現金淨流出		(865,744)	(25,500)
Net premium paid for derivative financial instruments	衍生金融工具的已付溢價淨額		(35,092)	-
Decrease in pledged bank deposits	已抵押銀行存款減少		-	(800)
Interest received	已收利息		18,377	5,279
Placement of time deposits with maturity over three months	存入到期日超過三個月的定期存款		-	(26,181)
Withdrawal of time deposits with maturity over three months	提取到期日超過三個月的定期存款		-	26,181
<b>Net cash used in investing activities</b>	<b>投資活動 所用現金淨額</b>		<b>(2,118,977)</b>	<b>(429,711)</b>

# Consolidated Cash Flow Statement 合併現金流量表

for the year ended 31 December 2017 截至二零一七年十二月三十一日止年度  
(Expressed in Renminbi) (以人民幣列示)

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
	Note 附註		
<b>Financing activities</b>	<b>融資活動</b>		
Proceeds from share issued under shares option scheme	根據購股權計劃發行股份所得款項	5,530	5,530
Proceeds from share issued for the Placement	就配售發行股份所得款項	179,065	137,276
Proceeds from bank borrowings	銀行借款所得款項	877,046	245,746
Repayment of bank borrowings	償還銀行借款	(658,554)	(270,172)
(Increase)/decrease in pledged bank deposits	已抵押銀行存款 (增加)/減少	(37,468)	132,684
Interest paid	已付利息	(16,848)	(5,535)
Dividends paid	已付股息	(37,145)	-
<b>Net cash generated from financing activities</b>	<b>融資活動所得現金淨額</b>	<b>311,626</b>	<b>245,529</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>現金及現金等價物增加/(減少)淨額</b>	<b>414,162</b>	<b>(222,796)</b>
<b>Cash and cash equivalents at 1 January</b>	<b>於一月一日的現金及現金等價物</b>	<b>64,905</b>	<b>282,215</b>
<b>Effect of foreign exchange rate changes</b>	<b>匯率變動的影響</b>	<b>(14,085)</b>	<b>5,486</b>
<b>Cash and cash equivalents at 31 December</b>	<b>於十二月三十一日的現金及現金等價物</b>	<b>464,982</b>	<b>64,905</b>
	20(a)		

The accompanying notes on pages 180 to 308 form part of these financial statements.

第180至308頁的隨附附註構成該等財務報表的一部份。

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 1 Significant accounting policies

#### (a) Statement of compliance

These financial statements have been prepared in accordance with all applicable International Financial Reporting Standards (“IFRSs”), which collective term includes all applicable individual IFRSs, International Accounting Standards (“IASs”) and Interpretations issued by the International Accounting Standards Board (the “IASB”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Significant accounting policies adopted by the Group are disclosed below.

The IASB has issued certain new and revised IFRSs that are first effective or available for early adoption for the current accounting period of the Group and the Company. Note 1(c) provides information of any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

#### (b) Basis of preparation and presentation

The consolidated financial statements for the year ended 31 December 2017 comprise the Company, its subsidiaries (together referred to as the “Group”) and the Group’s interest in an associate.

### 1 主要會計政策

#### (a) 合規聲明

該等財務報表乃按照所有適用國際財務報告準則（「國際財務報告準則」）而編製。國際財務報告準則包括由國際會計準則委員會（「國際會計準則委員會」）頒佈的所有適用的個別國際財務報告準則、國際會計準則（「國際會計準則」）及詮釋、香港公認會計原則以及香港公司條例的披露規定。該等財務報表亦符合香港聯合交易所有限公司證券上市規則的適用披露規定。本集團採納的主要會計政策披露如下。

國際會計準則委員會已頒佈若干新訂及經修訂國際財務報告準則，該等準則於本集團及本公司現行會計期間首次生效或可提早採納。因初始應用該等發展而導致的會計政策變動的資料列載於附註1(c)，該等變動與本集團現行及過往會計期間有關並已反映於該等財務報表內。

#### (b) 編製及呈列基準

截至二零一七年十二月三十一日止年度的合併財務報表包括本公司、其附屬公司（統稱為「本集團」）以及本集團於一間聯營公司的權益。

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日  
(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 1 Significant accounting policies (continued)

#### (b) Basis of preparation and presentation (continued)

The financial statements are presented in Renminbi (“RMB”), rounded to the nearest thousand unless otherwise indicated as the Group’s principal activities were carried out in the PRC. RMB is the functional currency for the Company’s subsidiary established in the Mainland China. The functional currency of the Company and its subsidiaries outside the Mainland China is US dollars.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the following assets and liabilities are stated at their fair value as explained in the accounting policies set out below:

- Derivative financial instruments (Note 1(f));
- Other financial assets (Note 1(h)).

The preparation of financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

### 1 主要會計政策 (續)

#### (b) 編製及呈列基準 (續)

由於本集團的主要業務於中國進行，財務報表以人民幣（「人民幣」）呈列，除另有說明外，約整至最接近的千位數。人民幣為本公司於中國內地成立的附屬公司的功能貨幣。本公司及其中國內地以外附屬公司的功能貨幣為美元。

編製財務報表所用計量基準乃歷史成本基準，惟如以下會計政策所解釋的按其公平值呈列的以下資產及負債除外：

- 衍生金融工具（附註1(f)）；
- 其他金融資產（附註1(h)）。

按照國際財務報告準則編製財務報表須管理層作出判斷、估計及假設，而該等判斷、估計及假設會影響政策應用及所呈報資產、負債、收入及支出金額。該等估計及相關假設乃基於過往經驗及在具體情況下認為合理的多項其他因素作出，所得結果作為判斷難以通過其他來源獲得的資產及負債賬面值的依據。實際結果或會有別於該等估計。

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 1 Significant accounting policies (continued)

#### (b) Basis of preparation and presentation (continued)

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.

Judgments made by management in the application of IFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in Note 32.

#### (c) Changes in accounting policies

The IASB has issued a number of amendments to IFRSs that are first effective for the current accounting period of the Group. None of these developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented. However, additional disclosure has been included in note 20(c) to satisfy the new disclosure requirements introduced by the amendments to IAS 7, Statement of cash flows: Disclosure initiative, which require entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

### 1 主要會計政策 (續)

#### (b) 編製及呈列基準 (續)

該等估計及相關假設會按持續基準予以檢討。倘會計估計的修訂僅對作出修訂期間有影響，則該修訂於該期間確認，而倘修訂影響當前及未來期間，則於作出修訂期間及未來期間確認。

管理層運用國際財務報告準則時所作對財務報表具重大影響的判斷及估計不確定因素的主要來源於附註32討論。

#### (c) 會計政策變動

國際會計準則委員會已頒佈多項對國際財務報告準則的修訂，該等修訂於本集團現行會計期間首次生效。該等變動對本集團當前或過往期間業績及財務狀況之編製或呈列方式並無重大影響。然而，附註20(c)已載入額外披露資料，以符合國際會計準則第7號(修訂本)現金流量表：披露計劃引入的新披露規定，要求實體提供披露以便財務報表使用者可評估融資活動產生的負債變動，包括現金流量產生的變動及非現金變動。

本集團並無應用於現行會計期間尚未生效的任何新訂準則或詮釋。

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### 1 Significant accounting policies (continued)

#### (d) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

An investment in a subsidiary is consolidated in the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see Note 1(l)(ii)).

### 1 主要會計政策 (續)

#### (d) 附屬公司

附屬公司指本集團控制的實體。倘本集團擁有或有權支配來自所參與實體的可變回報，並有能力透過對該實體的權力影響該等回報，則本集團控制該實體。評估本集團是否擁有權力時，僅考慮（由本集團及其他方持有的）實質權利。

於附屬公司的投資自開始控制日期起計入合併財務報表，直至失去控制之日止。集團內公司間結餘、交易及現金流量與集團內公司間交易所產生的任何未變現溢利，於編製合併財務報表時悉數對銷。集團內公司間交易所產生的未變現虧損則僅於無減值跡象時按與未變現收益相同的方法對銷。

於本公司的財務狀況表中，於附屬公司的投資乃按成本減減值虧損（見附註1(l)(ii)）列賬。



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### 1 Significant accounting policies (continued)

#### (e) Associate

An associate is an entity in which the Group or Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

An investment in an associate is accounted for in the consolidated financial statements under the equity method. Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment (Note 1(l)(i)). Any acquisition-date excess over cost, the Group's share of the post-acquisition, post-tax results of the investees and any impairment losses for the year are recognised in the consolidated statement of profit or loss, whereas the Group's share of the post-acquisition post-tax items of the investees' other comprehensive income is recognised in the consolidated statement of profit or loss and other comprehensive income.

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

### 1 主要會計政策 (續)

#### (e) 聯營公司

聯營公司指本集團或本公司對其管理層有重大影響力（而非控制或共同控制），包括參與財務及經營決策之實體。

於聯營公司的投資按權益法於合併財務報表入賬。根據權益法，投資初步按成本記賬，並按本集團應佔被投資公司於收購日期可識別資產淨值之公平值超出投資成本之任何差額（如有）作出調整。其後，投資乃就本集團應佔被投資公司收購後之資產淨值變動及與投資有關之任何減值虧損（見附註1(l)(i)）作出調整。收購日期超出成本之任何差額、本集團應佔被投資公司於收購後及除稅後業績以及年內任何減值虧損於合併損益表內確認，而本集團應佔被投資公司於收購後及除稅後其他全面收益項目乃於合併損益及其他全面收益表內確認。

本集團與其聯營公司間之交易所產生的未變現損益，乃以本集團於被投資公司之權益為限予以對銷，除非未變現虧損提供已轉讓資產之減值證據，在此情況下，該等未變現虧損乃即時於損益中確認。

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### 1 Significant accounting policies (continued)

#### (e) Associate (continued)

In all other cases, when the Group ceases to have significant influence over an associate, it is accounted for as a disposal of the entire interest in that investee, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former investee at the date when significant influence is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset.

In the Company's statement of financial position, investment in associate is stated at cost less impairment losses.

#### (f) Derivative financial instruments

Derivative financial instruments are recognised initially at fair value. At the end of each reporting period, the fair value is remeasured. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss, except where the derivatives qualify for cash flow hedge accounting or hedge the net investment in a foreign operation, in which case recognition of any resultant gain or loss depends on the nature of the item being hedged.

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

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (Note 1(l)(ii)).

### 1 主要會計政策 (續)

#### (e) 聯營公司 (續)

在所有其他情況下，倘本集團不再對聯營公司有重大影響力，其乃被視作出售於該被投資公司之全部權益，而因此產生的收益或虧損將於損益中確認。任何在失去重大影響力當日仍保留在該前被投資公司之權益按公平值確認，而此金額被視為初步確認金融資產之公平值。

於本公司的財務狀況表中，於聯營公司的投資乃按成本減減值虧損列賬。

#### (f) 衍生金融工具

衍生金融工具初始按公平值確認。於各報告期末，公平值重新計量。重新計量公平值產生的收益或虧損即時於損益中確認，除非該等衍生工具符合現金流對沖會計或為海外經營業務投資淨額對沖衍生工具，在此情況下，任何因此產生的收益或虧損的確認會視乎該對沖項目的性質而定。

#### (g) 物業、廠房及設備

物業、廠房及設備按成本減累計折舊及減值虧損（附註1(l)(ii)）列賬。

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### 1 Significant accounting policies (continued)

#### (g) Property, plant and equipment (continued)

The cost of self-constructed items of property, plant and equipment includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads and borrowing costs (Note 1(w)).

No depreciation is provided in respect of construction in progress.

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight-line method over their estimated useful lives as follows:

- Buildings and plant	20 years
- Machinery	10 years
- Motor vehicles	5 years
- Office and other equipment	3 – 5 years

The residual value rates of each class of fixed assets are as follows:

	<i>Residual value rates (%)</i>
Buildings and plant	10%
Machinery	10%
Motor vehicles	10%
Office and other equipment	10%

Both the useful life of an asset and its residual value, if any, are reviewed annually.

### 1 主要會計政策 (續)

#### (g) 物業、廠房及設備 (續)

自建物業、廠房及設備項目的成本包括物料成本、直接勞工成本、拆卸及搬遷項目以及恢復項目所在地址原貌的成本的初步估計(倘相關)和適當比例的生產經常費用及借款成本(附註1(w))。

在建工程不計提折舊。

物業、廠房及設備項目於其估計可使用年期內按直線法折舊，以撇銷其成本減其估計剩餘價值(如有)，估計可使用年期如下：

- 樓宇及廠房	20年
- 機器	10年
- 汽車	5年
- 辦公室及其他設備	3至5年

各類固定資產的剩餘價值率如下：

	<i>剩餘價值率(%)</i>
樓宇及廠房	10%
機器	10%
汽車	10%
辦公室及其他設備	10%

資產的可使用年期及其剩餘價值(如有)均會每年進行檢討。

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### 1 Significant accounting policies (continued)

#### (g) Property, plant and equipment (continued)

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

#### (h) Other financial assets

Other financial assets are initially stated at fair value plus any directly attributable transaction costs. At the end of each reporting period, the fair value is re-measured, with any resultant gain or loss being recognised in other comprehensive income and accumulated separately in equity in the fair value reserve. Interest income from these financial assets is recognised using the effective interest method in profit or loss in accordance with the policy set out in Note 1(u)(ii). When these financial assets are derecognised or impaired (Note 1(l)(i)), the cumulative gain or loss is reclassified from equity to profit or loss.

#### (i) Lease prepayments

Lease prepayments represent cost of acquiring land use rights paid to the PRC's governmental authorities. Land use rights are stated at cost less accumulated amortisation and impairment losses (Note 1(l)(ii)). Amortisation is charged to profit or loss on a straight-line basis over the respective periods of the rights which are 50 years.

### 1 主要會計政策 (續)

#### (g) 物業、廠房及設備 (續)

物業、廠房及設備項目報廢或出售所產生的收益或虧損，按出售所得款項淨額與項目賬面值之間的差額釐定，並於報廢或出售日期在損益中確認。

#### (h) 其他金融資產

其他金融資產初步按公平值加任何直接應佔交易成本列賬。於各報告期末，公平值重新計量，而任何因此產生的收益或虧損於其他全面收益內確認並於公平值儲備的權益內分開累計。根據附註1(u)(ii)所載的政策，該等金融資產的利息收入按實際利率法於損益內確認。當該等金融資產終止確認或出現減值時（附註1(l)(i)），累計收益或虧損於由權益重新分類至損益。

#### (i) 租賃預付款項

租賃預付款項指就取得土地使用權支付予中國政府機關的成本。土地使用權按成本減累計攤銷及減值虧損（附註1(l)(ii)）列賬。攤銷於有關權利期間（50年）以直線法在損益中扣除。

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### 1 Significant accounting policies (continued)

#### (j) Intangible assets

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Expenditure on development activities is capitalised if the product or process is technically and commercially feasible and the Group has sufficient resources and the intention to complete development. The expenditure capitalised includes the costs of materials, direct labour, and an appropriate proportion of overheads and borrowing costs, where applicable. Capitalised development costs are stated at cost less accumulated amortisation and impairment losses (Note 1(l)(ii)). Other development expenditure is recognised as an expense in the period in which it is incurred.

Intangible assets that are acquired by the Group are stated at cost less accumulated amortisation (where the estimated useful life is finite) and impairment losses (Note 1(l)(ii)).

Amortisation of intangible assets with finite useful lives is charged to profit or loss on a straight-line basis over the assets' estimated useful lives and impairment losses (see note 1(l)(ii)). Computer software is amortised from the date they are available for the use for 5 years.

Both the useful life and method of amortisation are reviewed annually.

### 1 主要會計政策 (續)

#### (j) 無形資產

研究活動產生的支出在其產生期間確認為開支。倘某項產品或程序在技術及商業上可行，且本集團有充足的資源及有意完成開發工作，則開發活動產生的支出會予以資本化。資本化支出包括物料成本、直接勞工成本以及適當比例的經常費用及借款成本（倘適用）。資本化開發成本按成本減累計攤銷及減值虧損（附註1(l)(ii)）列賬。其他開發支出則在其產生期間確認為開支。

本集團所收購的無形資產乃以成本減累計攤銷（如估計可使用年期有限）及減值虧損（附註1(l)(ii)）列賬。

具有限可使用年期的無形資產的攤銷於資產的估計可使用年期及減值虧損（見附註1(l)(ii)）內以直線法在損益中扣除。計算機軟件於可供使用當日起計分5年攤銷。

可使用年期及攤銷方法會每年作檢討。

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### 1 Significant accounting policies (continued)

#### (k) Operating lease charges

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to profit or loss in equal installments over the accounting periods covered by the lease terms, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

#### (l) Impairment of assets

##### (i) *Impairment of investment in associate, available-for-sale financial assets, and current and non-current receivables*

Investment in associate, current and non-current receivables that are stated at cost or amortised cost and available-for-sale financial assets are reviewed annually to determine whether there is objective evidence of impairment. Objective evidence of impairment includes observable data that comes to the attention of the Group about one or more of the following loss events:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;

### 1 主要會計政策 (續)

#### (k) 經營租賃費用

倘本集團有權使用根據經營租賃持有的資產，則根據租賃作出的付款將於租期所覆蓋的會計期間內分期以等額在損益中扣除，惟倘有其他基準更能代表自租賃資產取得的利益模式除外。所獲得的租賃獎勵於損益中確認為已付淨租賃付款總額的一部份。或然租金於其產生的會計期間在損益中扣除。

#### (l) 資產減值

##### (i) *於聯營公司的投資、可供出售金融資產以及流動及非流動應收款項減值*

於聯營公司的投資、按成本或攤銷成本列示的流動及非流動應收款項以及可供出售金融資產會每年進行檢討，以確定是否有客觀減值證據。客觀減值證據包括本集團所悉關於下列一項或多項損失事件的可觀察數據：

- 債務人的重大財務困難；
- 違反合約，例如拖欠或無法如期償還利息或本金；

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### 1 Significant accounting policies (continued)

#### (l) Impairment of assets (continued)

##### (i) Impairment of investment in associate, available-for-sale financial assets, and current and non-current receivables (continued)

- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; and
- a significant or prolonged decline in the fair value of available-for-sale financial asset below its cost.

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

- For investments in associates and joint ventures accounted for under the equity method in the consolidated financial statements (Note 1(e)), the impairment loss is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with Note 1(l)(ii). The impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount in accordance with Note 1(l)(ii).

### 1 主要會計政策 (續)

#### (l) 資產減值 (續)

##### (i) 於聯營公司的投資、可供出售金融資產以及流動及非流動應收款項減值 (續)

- 債務人可能破產或進行其他財務重組；
- 技術、市場、經濟或法律環境出現對債務人不利的重大變化；及
- 可供出售金融資產的公平值大幅或持續下降至低於其成本。

倘存在任何該等證據，則按以下方式釐定及確認任何減值虧損：

- 就於合併財務報表根據權益法入賬的於聯營公司及合營企業的投資（附註1(e)）而言，減值虧損乃根據附註1(l)(ii)透過將投資可收回金額與其賬面值進行比較而計量。倘根據附註1(l)(ii)釐定可收回金額所用的估計出現有利變動，則會撥回減值虧損。

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### 1 Significant accounting policies (continued)

#### (l) Impairment of assets (continued)

##### (i) Impairment of investment in associate, available-for-sale financial assets, and current and non-current receivables (continued)

- For current receivables carried at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets), where the effect of discounting is material. This assessment is made collectively where these financial assets share similar risk characteristics, such as similar past due status, and have not been individually assessed as impaired. Future cash flows for financial assets which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective group.

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through profit or loss. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

### 1 主要會計政策 (續)

#### (l) 資產減值 (續)

##### (i) 於聯營公司的投資、可供出售金融資產以及流動及非流動應收款項減值 (續)

- 對於按攤銷成本列示的流動應收款項，減值虧損按資產的賬面值與按金融資產原定的實際利率（即該等資產初步確認時計算的實際利率）折現（如折現影響重大）的估計未來現金流量現值的差額計量。倘該等金融資產具備類似風險特徵，例如類似的逾期情況，且並無個別評估為減值，則有關評估一同進行。一同評估減值的金融資產的未來現金流量乃以與該類資產具有類似信貸風險特徵的資產的過往虧損經驗為基準。

倘於其後期間減值虧損金額減少，且有關減少客觀上與確認減值虧損後發生的事件有關，則有關減值虧損通過損益撥回。減值虧損的撥回不應使資產的賬面值超過以往年度若並無確認減值虧損而原應釐定的金額。



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## 財務報表附註

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(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 1 Significant accounting policies (continued)

#### (l) Impairment of assets (continued)

##### (i) Impairment of investment in associate, available-for-sale financial assets, and current and non-current receivables (continued)

– (continued)

For available-for-sale financial assets, the cumulative loss that has been recognised in the fair value reserve is reclassified to profit or loss. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss on that asset previously recognised in profit or loss.

Impairment losses recognised in profit or loss in respect of available-for-sale equity securities are not reversed through profit or loss. Any subsequent increase in the fair value of such assets is recognised in other comprehensive income.

Impairment losses in respect of available-for-sale debt securities are reversed if the subsequent increase in fair value can be objectively related to an event occurring after the impairment loss was recognised. Reversals of impairment losses in such circumstances are recognised in profit or loss.

### 1 主要會計政策 (續)

#### (l) 資產減值 (續)

##### (i) 於聯營公司的投資、可供出售金融資產以及流動及非流動應收款項減值 (續)

– (續)

對於可供出售金融資產，已於公平值儲備確認的累計虧損重新分類至損益。於損益確認的累計虧損金額為購買成本（扣除任何本金償還及攤銷）與當前公平值的差額減過往於損益確認資產的任何減值虧損。

已於損益確認的可供出售權益證券的減值虧損不會通過損益撥回。有關資產公平值其後的任何增加於其他全面收益確認。

倘公平值的其後增加客觀上與減值虧損確認後發生的事件有關，則撥回可供出售債務證券的減值虧損。於此等情況下撥回的減值虧損於損益確認。

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(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 1 Significant accounting policies (continued)

#### (l) Impairment of assets (continued)

##### (i) Impairment of investment in associate, available-for-sale financial assets, and current and non-current receivables (continued)

– (continued)

Impairment losses are written off against the corresponding assets directly, except for impairment losses recognised in respect of trade and bills receivables included within trade and other receivables, whose recovery is considered doubtful but not remote. In this case, the impairment losses for doubtful debts are recorded using an allowance account. When the Group is satisfied that recovery is remote, the amount considered irrecoverable is written off against trade and bills receivables directly and any amounts held in the allowance account relating to that debt are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in profit or loss.

### 1 主要會計政策 (續)

#### (l) 資產減值 (續)

##### (i) 於聯營公司的投資、可供出售金融資產以及流動及非流動應收款項減值 (續)

– (續)

減值虧損直接從相應資產撤銷，惟就計入可收回情況難以預料但並非不可能的貿易及其他應收款項內的貿易應收款項及票據確認的減值虧損除外。在此情況下，呆賬的減值虧損以撥備賬記錄。倘本集團信納不大可能收回，則視為不可收回的金額直接從貿易應收款項及票據撤銷，而撥備賬保留的相關債務金額則撥回。其後所收回先前於撥備賬列支的款項自撥備賬撥回。撥備賬的其他變動及其後收回先前直接撤銷的款項均於損益確認。

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(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 1 Significant accounting policies (continued)

#### (i) Impairment of assets (continued)

##### (ii) Impairment of other assets

Internal and external sources of information are reviewed at each reporting period to identify indications that the following assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment;
- intangible assets;
- lease prepayments; and
- investments in subsidiary and associate in the Company's statement of financial position.
- If any such indication exists, the asset's recoverable amount is estimated.

### 1 主要會計政策 (續)

#### (i) 資產減值 (續)

##### (ii) 其他資產減值

內部及外部資料來源會在各報告期予以審閱，以識別有無跡象顯示下列資產可能減值或先前所確認減值虧損不再存在或可能已減少：

- 物業、廠房及設備；
- 無形資產；
- 租賃預付款項；及
- 本公司財務狀況表內的於附屬公司及聯營公司的投資。
- 倘存在任何該等跡象，則須估計有關資產的可收回金額。

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### 1 Significant accounting policies (continued)

#### (i) Impairment of assets (continued)

##### (ii) Impairment of other assets (continued)

###### – Calculation of recoverable amount

The recoverable amount of an asset is the greater of its fair value less costs of sell 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. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

### 1 主要會計政策 (續)

#### (i) 資產減值 (續)

##### (ii) 其他資產減值 (續)

###### – 計算可收回金額

資產的可收回金額為其公平值減銷售成本與使用價值中的較高者。評估使用價值時，估計未來現金流量乃利用反映資金時間價值的現時市場評估及資產的特定風險的除稅前貼現率貼現至其現值。倘資產所產生的現金流入未能大致獨立於其他資產所產生的現金流入，則釐定可獨立產生現金流入的最小組別資產（即現金產生單位）的可收回金額。

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(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 1 Significant accounting policies (continued)

#### (l) Impairment of assets (continued)

##### (ii) Impairment of other assets (continued)

– Recognition of impairment losses

An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable) or value in use (if determinable).

– Reversals of impairment losses

An impairment loss is reversed if there has been a favorable change in the estimates used to determine the recoverable amount. A reversal of impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

### 1 主要會計政策 (續)

#### (l) 資產減值 (續)

##### (ii) 其他資產減值 (續)

– 確認減值虧損

倘資產或其所屬現金產生單位的賬面值超過其可收回金額，則於損益確認減值虧損。就現金產生單位確認的減值虧損首先按比例分配，以減少單位（或單位組別）內其他資產的賬面值，惟資產的賬面值不得減至低於其個別公平值減出售成本（倘可計量）或使用價值（倘可釐定）。

– 撥回減值虧損

倘用於釐定可收回金額的估計出現有利變動，則減值虧損可予撥回。減值虧損的撥回以有關資產過往年度如並無確認減值虧損而原應釐定的賬面值為限。減值虧損的撥回計入確認撥回年度的損益。

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### 1 Significant accounting policies (continued)

#### (m) Inventories

Inventories are carried at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

#### (n) Trade and other receivables

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less allowance for impairment of doubtful debts (Note 1(l)(i)) except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less allowance for impairment of doubtful debts.

### 1 主要會計政策 (續)

#### (m) 存貨

存貨按成本與可變現淨值的較低者入賬。

成本採用加權平均成本公式計算，並包括所有採購成本、轉換成本及將存貨達致目前地點及狀況產生的其他成本。

可變現淨值為日常業務過程中的估計售價減完成估計成本及作出銷售所需估計成本。

於存貨售出時，該等存貨的賬面值確認為於確認有關收益期間的開支。任何存貨撇減至可變現淨值的金額及存貨的所有虧損於撇減或虧損產生期間確認為開支。任何存貨撇減的任何撥回金額確認為撥回發生期間確認為開支的存貨金額的減少。

#### (n) 貿易及其他應收款項

貿易及其他應收款項初步按公平值確認，其後採用實際利率法按攤銷成本減呆賬減值撥備列賬（附註1(l)(i)），惟應收款項屬提供予關聯方的無固定還款期免息貸款或貼現的影響並不重大時則除外。在此等情況下，該等應收款項按成本減呆賬減值撥備列賬。

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### 1 Significant accounting policies (continued)

#### (o) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in profit or loss over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

#### (p) Trade and other payables

Trade and other payables are initially recognised at fair value and subsequently stated at amortised cost, except where the payables are interest-free loans made from related parties without any fixed repayment terms or the effect of discounting would be immaterial, in which case they are stated at cost.

#### (q) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

### 1 主要會計政策 (續)

#### (o) 計息借款

計息借款初步按公平值減應佔交易成本確認，其後按攤銷成本入賬，而初步確認的金額與贖回價值之間的任何差額連同任何利息及應付費用，均採用實際利率法於借款期間在損益內確認。

#### (p) 貿易及其他應付款項

貿易及其他應付款項初步按公平值確認，其後按攤銷成本列賬，惟倘應付款項乃關聯方提供的無固定還款期免息貸款或貼現的影響並不重大，則在此情況下按成本列賬。

#### (q) 現金及現金等價物

現金及現金等價物包括存入銀行及手頭現金、銀行及其他金融機構活期存款以及可隨時轉換成已知金額現金、價值變動風險不大且購買時到期日不超過三個月的短期高流通投資。

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### 1 Significant accounting policies (continued)

#### (r) Employee benefits

##### (i) Short term employee benefits and contributions to defined contribution retirement plans

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

Contributions to appropriate local defined contribution retirement schemes pursuant to the relevant labour rules and regulations in the PRC are recognised as an expense in profit or loss as incurred, except to the extent that they are included in the cost of inventories not yet recognised as an expense.

##### (ii) Share-based payments

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a capital reserve within equity. The fair value is measured at grant date using the black-scholes model, taking into account the terms and conditions upon which the share options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the share options, the total estimated fair value of the share options is spread over the vesting period, taking into account the probability that the share options will vest.

### 1 主要會計政策 (續)

#### (r) 僱員福利

##### (i) 短期僱員福利及向界定供款退休計劃供款

薪金、年度花紅、已付年假、界定供款退休計劃供款及非貨幣福利成本於僱員提供相關服務年度計算。倘延遲付款或結算並造成重大影響，則該等金額按其現值列賬。

根據中國相關勞動規章及法規向當地適當的界定供款退休計劃作出的供款，於供款時在損益中確認為開支，但已計入尚未確認為開支的存貨成本內的供款則除外。

##### (ii) 以股份為基礎的付款

授予僱員的購股權的公平值確認為僱員成本，相應的增加計入權益的資本儲備。公平值經考慮授出購股權所依據的條款及條件後使用柏力克-舒爾斯模型於授出日期計量。倘僱員須滿足歸屬條件方可無條件取得購股權，經考慮購股權是否可能歸屬後，購股權的總估計公平值於歸屬期分攤。



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(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 1 Significant accounting policies (continued)

#### (r) Employee benefits (continued)

##### (ii) Share-based payments (continued)

During the vesting period, the number of share options that is expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognised in prior years is charged/credited to the profit or loss for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the capital reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of share options that vest (with a corresponding adjustment to the capital reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognised in the capital reserve until either the share options are exercised (when it is transferred to the share premium account) or the share options expire (when it is released directly to retained profits).

#### (s) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

### 1 主要會計政策 (續)

#### (r) 僱員福利 (續)

##### (ii) 以股份為基礎的付款 (續)

於歸屬期間，會審閱預期歸屬的購股權數目，任何因而導致對過往年度所確認累計公平值的調整於回顧年度在損益內扣除／計入，並相應調整資本儲備，惟原僱員開支符合資產確認的要求除外。於歸屬日期，確認為開支的金額予以調整以反映所歸屬購股權的實際數目（並相應調整資本儲備），惟沒收僅因未達成與本公司股份市價有關的歸屬條件則作別論。權益金額於資本儲備內確認，直至購股權獲行使（屆時有關金額轉撥至股份溢價賬）或購股權屆滿（屆時有關金額直接撥入保留溢利）為止。

#### (s) 所得稅

年度所得稅包括即期稅項與遞延稅項資產及負債的變動。即期稅項和遞延稅項資產與負債的變動均於損益內確認，惟與其他全面收益或直接於權益確認的項目有關者則除外，在此情況下，有關稅項金額分別於其他全面收益或直接於權益確認。

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### 1 Significant accounting policies (continued)

#### (s) Income tax (continued)

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

### 1 主要會計政策 (續)

#### (s) 所得稅 (續)

即期稅項指就年度應課稅收入採用於報告期末已頒佈或實質已頒佈的稅率計算的預期應付稅項，及就過往年度應付稅項作出的任何調整。

可扣稅及應課稅的暫時差額（即資產和負債於財務報告中的賬面值與稅基之間的差額）可產生遞延稅項資產及負債。未動用稅項虧損及未動用稅項抵免亦可產生遞延稅項資產。

除若干少數例外情況外，會確認所有遞延稅項負債及所有遞延稅項資產（以可供用於抵扣資產的未來應課稅溢利為限）。可支持確認可扣稅暫時差額所產生遞延稅項資產的未來應課稅溢利包括因撥回現有應課稅暫時差額產生的金額；惟該等差額須與同一稅務機關及同一應課稅實體有關，並預期在可抵扣暫時差額預計撥回的同一年間或遞延稅項資產所產生稅項虧損可向後期或向前期結轉的期間撥回。釐定現有應課稅暫時差額是否足以支持確認未動用稅項虧損及稅項抵免產生的遞延稅項資產時，亦採納同一準則，即考慮該等差額是否與同一稅務機關及同一應課稅實體有關，及是否預期於可動用稅項虧損或稅項抵免期間撥回。

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 1 Significant accounting policies (continued)

#### (s) Income tax (continued)

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of reporting period. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at each balance sheet date and is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

### 1 主要會計政策 (續)

#### (s) 所得稅 (續)

已確認的遞延稅項金額按資產與負債賬面值的預期變現或清償方式，以報告期末已頒佈或實質已頒佈的稅率計量。遞延稅項資產及負債均不作貼現。

遞延稅項資產的賬面值於各結算日進行審閱，並在不再可能有足夠的應課稅溢利可用作抵扣相關稅項利益時扣減。倘有可能獲得足夠的應課稅溢利，則扣減金額予以撥回。

因派發派息產生之額外所得稅於確定支付相關股息之責任時確認。

# Notes to the Financial Statements

## 財務報表附註

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### 1 Significant accounting policies (continued)

#### (s) Income tax (continued)

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
  - the same taxable entity; or
  - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

### 1 主要會計政策 (續)

#### (s) 所得稅 (續)

即期稅項結餘及遞延稅項結餘與其變動將分開呈列，且不會相互抵銷。倘本集團有法定執行權以即期稅項資產抵銷即期稅項負債，且符合下列附帶條件，則即期稅項資產及遞延稅項資產可分別抵銷即期稅項負債及遞延稅項負債：

- 就即期稅項資產及負債而言，本集團計劃按淨額基準結算或同時變現該資產及清償該負債；或
- 就遞延稅項資產及負債而言，該等資產及負債須與同一稅務機關就以下其中一項徵收的所得稅有關：
  - 同一應課稅實體；或
  - 計劃在預期結算或收回大額遞延稅項負債或資產的每個未來期間，按淨額基準或同時變現及清算即期稅項資產及即期稅項負債的不同應課稅實體。

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 1 Significant accounting policies (continued)

#### (t) Provisions and contingent liabilities

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

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

#### (u) Revenue recognition

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

##### (i) Sale of goods

Revenue is recognised when goods are delivered and when the customer has accepted the related risks and rewards of ownership. Revenue excludes value added tax ("VAT") or other sales taxes and is after deduction of any trade discounts.

### 1 主要會計政策 (續)

#### (t) 撥備及或然負債

如本集團或本公司須就已發生的事件承擔法定或推定責任，並可能需要流出經濟利益以清償有關責任，且可作出合理估計，本集團便會就時間或金額不定的其他負債確認撥備。如果貨幣時間值屬重大，有關撥備按預計清償責任所需開支的現值列賬。

如需要經濟利益流出的可能性不大，或是無法對有關金額作出可靠估計，便會將該責任披露為或然負債，但經濟利益流出的可能性極低的情況除外。如本集團的責任須視乎一宗或多宗未來事件是否發生才能確定是否存在，則亦會披露為或然負債，但經濟利益流出的可能性極低的情況除外。

#### (u) 收益確認

收益乃按已收或應收代價的公平值計量。如經濟利益可能會流入本集團，而收益及成本（如適用）亦能夠可靠計量時，便會根據下列基準在損益中確認收益：

##### (i) 銷售貨物

收益在貨物交付以及客戶接收所有權相關的風險及回報時確認。收益並不包括增值稅（「增值稅」）或其他銷售稅，並已扣除任何交易折扣。

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日  
(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 1 Significant accounting policies (continued)

### 1 主要會計政策 (續)

#### (u) Revenue recognition (continued)

#### (u) 收益確認 (續)

##### (ii) Interest income

##### (ii) 利息收入

Interest income is recognised as it accrues using the effective interest method.

利息收入於應計提時採用實際利率法確認。

##### (iii) Government grants

##### (iii) 政府補助

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

政府補助將於收到合理保證及本集團將符合附帶條件時，初步於財務狀況表確認。補償本集團所產生開支的補助，於產生開支的相同年度，按系統基準在損益內確認為收入。補償本集團資產成本的補助於資產可使用年期內按系統基準於損益內以將補助設為遞延收入之方式確認。

Unconditional discretionary government grants from the government authorities are recognised in the profit or loss as other revenue when the amount is received.

來自政府機關不帶條件的政府酌情補助於收到款項時在損益中確認為其他收益。

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 1 Significant accounting policies (continued)

#### (u) Translation of foreign currencies (continued)

Foreign currency transactions during the period are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates.

The results of operations with functional currency other than Renminbi are translated into Renminbi at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items are translated into Renminbi at the closing foreign exchange rates ruling at the end of the reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange reserve.

### 1 主要會計政策 (續)

#### (u) 外幣換算 (續)

期內外幣交易按交易日的外匯匯率換算。以外幣計值的貨幣資產及負債則按報告期末的外匯匯率換算。匯兌盈虧於損益中確認。

以外幣按歷史成本計量的非貨幣資產及負債使用交易日的外匯匯率換算。

以人民幣以外功能貨幣計值的經營業績按與交易日的外匯匯率相若的匯率換算為人民幣。財務狀況表項目按報告期末的收市外匯匯率換算為人民幣。由此產生的匯兌差額於其他全面收益內確認並單獨於匯兌儲備權益中累計。

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## 財務報表附註

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### 1 Significant accounting policies (continued)

#### (v) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

#### (w) Related parties

(a) A person, or a close member of that person's family, is related to the Group if that person:

- (i) has control or joint control over the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the Group or the Group's parent.

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

- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

### 1 主要會計政策 (續)

#### (v) 借款成本

凡直接與購置、興建或生產某項資產（該資產必須經過頗長時間籌備以作預定用途或出售）有關的借款成本，均資本化為該資產的部份成本。其他借款成本均於產生期間內支銷。

#### (w) 關聯方

(a) 倘一名人士符合下列情況，其或其近親家屬成員即與本集團有關聯：

- (i) 對本集團有控制權或共同控制權；
- (ii) 對本集團有重大影響力；或
- (iii) 為本集團或本集團母公司主要管理人員。

(b) 符合下列任何條件的實體即與本集團有關聯：

- (i) 該實體與本集團為同一集團的成員（即各自的母公司、附屬公司及同系附屬公司之間有關聯）。
- (ii) 一實體為另一實體的聯營公司或合營企業（或為另一實體所屬集團旗下成員公司的聯營公司或合營企業）。



# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 1 Significant accounting policies (continued)

#### (w) Related parties (continued)

##### (b) (continued)

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

Close family members of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

### 1 主要會計政策 (續)

#### (w) 關聯方 (續)

##### (b) (續)

- (iii) 兩實體均為同一第三方的合營企業。
- (iv) 一實體為一家第三方實體的合營企業，而另一實體為該第三方實體的聯營公司。
- (v) 該實體乃為本集團或本集團關聯實體的僱員福利而設的離職後福利計劃。
- (vi) 該實體受(a)段所指人士控制或共同控制。
- (vii) (a)(ii)段所指人士對該實體有重大影響力或身為該實體(或該實體母公司)主要管理人員。
- (viii) 該實體或其所屬集團的任何成員公司向本集團或本集團母公司提供主要管理人員服務。

有關人士的近親家族成員指在該等成員與實體進行交易時預期可對該人士造成影響或受其影響的家族成員。

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31 December 2017 二零一七年十二月三十一日  
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### 1 Significant accounting policies (continued)

#### (x) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial statements provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

### 2 Revenue and segmental reporting

The principal activities of the Group are manufacturing and sales of camera modules and fingerprint recognition modules for mobile phones and other electronic appliances. No segment information is presented for the Group's business segment as the Group is principally engaged in a single line of business. Revenue represents the sales value of goods sold, excludes VAT and is after deduction of any trade discounts.

### 1 主要會計政策 (續)

#### (x) 分部報告

經營分部以及財務報表呈報的各分部項目金額，乃根據為本集團各類業務及地理位置分配資源及評估其表現而定期提供予本集團最高行政管理人員的財務報表確定。

就財務報告而言，重要個別經營分部不會合併入賬，除非有關分部的經濟特徵相近，且在產品及服務的性質、生產工序性質、客戶類型或階層、分銷產品或提供服務的方式以及監管環境性質等方面相似。同樣具備上述大部份特質的個別非重大經營分部可合併入賬。

### 2 收益及分部報告

本集團的主要業務是生產及銷售手機及其他電器的攝像頭模組及指紋識別模組。本集團主要從事單一的業務，因此並無本集團業務分部的分部資料呈報。收益指所售貨物的銷售價值，不包括增值稅且扣除任何交易折扣。

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 2 Revenue and segmental reporting (continued)

The Group's revenue by geographical location is determined by the locations of operations of the contracting parties.

### 2 收益及分部報告 (續)

本集團按地理位置劃分的收益乃根據各訂約方的經營地點確定。

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
<b>Revenue</b>	<b>收益</b>		
PRC (including Hong Kong)	中國(包括香港)	7,933,516	4,988,798
Overseas	海外	5,442	2,360
		<b>7,938,958</b>	<b>4,991,158</b>

The Group had three (2016: two) customers with whom transactions had exceeded 10% of the Group's revenue for the year ended 31 December 2017. The amount of sales to these customers amounted to approximately RMB5,463,529,000 (2016: RMB3,027,256,000) for the year ended 31 December 2017. Details of concentrations of credit risk arising from these customers are set out in Note 28(a).

截至二零一七年十二月三十一日止年度，本集團與三名(二零一六年：兩名)客戶的交易超過其收益的10%。截至二零一七年十二月三十一日止年度，向該等客戶的銷售總額約為人民幣5,463,529,000元(二零一六年：人民幣3,027,256,000元)。該等客戶產生的信貸風險集中的詳情載列於附註28(a)。

For the years ended 31 December 2017 and 2016, certain amounts of revenue are related to sales made to related parties (see Note 30).

截至二零一七年及二零一六年十二月三十一日止年度，若干收益金額乃有關向關聯方作出的銷售(見附註30)。

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日  
(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 3 Other revenue and other net loss

### 3 其他收益及其他淨虧損

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
<b>Other revenue</b>	<b>其他收益</b>		
Government grants	政府補助	16,659	13,620
Interest income	利息收入	18,377	4,256
Others	其他	63	531
		<b>35,099</b>	<b>18,407</b>
		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
<b>Other net loss</b>	<b>其他淨虧損</b>		
Net foreign exchange gain/(loss)	外匯收益／(虧損)淨額	41,918	(64,613)
Loss on disposal of property, plant and equipment	出售物業、廠房及 設備的虧損	(383)	(17)
Net realised and unrealised (loss)/gain on foreign exchange option contracts	外匯期權合約 已實現及未實現之 淨(虧損)／收益	(47,911)	19,458
Fair value loss on foreign currency forward contracts	外匯遠期合約之 公平值虧損	(17,555)	-
		<b>(23,931)</b>	<b>(45,172)</b>

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 4 Profit before taxation

Profit before taxation is arrived at after charging/(crediting):

### 4 除稅前溢利

除稅前溢利於扣除／(計入)下列各項後達致：

	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
<b>(a) Finance costs</b>		
Interest expenses	16,912	5,548
<b>(b) Staff costs</b>		
Contributions to defined contribution retirement plans (Note 24)	10,270	6,944
Salaries, wages and other benefits	446,894	270,316
Equity settled share-based payment expenses (Note 25)	6,704	1,658
	<b>463,868</b>	<b>278,918</b>
<b>(c) Other items</b>		
Amortisation		
– lease prepayments (Note 13)	416	416
– intangible assets (Note 14)	161	161
Depreciation (Note 10)	135,228	63,443
Auditors' remuneration		
– Audit and review services for the Group	2,047	1,651
– Audit services for the subsidiaries	123	152
Operating lease charges in respect of properties	9,020	4,117
Research and development costs (Note (i))	269,556	124,564
Impairment losses (reversed)/ recognised on trade and other receivables	(9,555)	9,400
Cost of inventories (Note (ii))	7,220,335	4,641,127

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日  
(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 4 Profit before taxation (continued)

Notes:

- (i) Research and development costs include staff costs of employees in the design, research and development department of RMB66,104,000 for the year ended 31 December 2017 (2016: RMB43,093,000), which are included in the staff costs as disclosed in Note 4(b).

The criteria for the recognition of such costs as an asset are generally not met until late in the development state of the project when the remaining development costs are immaterial. Hence both research costs and development costs are generally recognised as expenses in the period in which they are incurred.

- (ii) Cost of inventories includes RMB478,530,000 (2016: RMB252,230,000) for the year ended 31 December 2017 relating to staff costs, depreciation and amortisation expenses, which amounts are also included in the respective total amounts disclosed separately above or in Note 4(b) for each of these types of expenses.

### 4 除稅前溢利 (續)

附註：

- (i) 研發成本包括截至二零一七年十二月三十一日止年度設計、研發部門僱員的員工成本人民幣66,104,000元(二零一六年：人民幣43,093,000元)，計入附註4(b)披露的員工成本。

將該等成本確認為一項資產的標準一般直至項目開發狀態末期餘下開發成本並不重大時才會滿足。因此，研究成本及開發成本一般於其產生期間確認為開支。

- (ii) 截至二零一七年十二月三十一日止年度，存貨成本包括人民幣478,530,000元(二零一六年：人民幣252,230,000元)，與員工成本、折舊及攤銷開支有關，該等金額亦計入該等各類別開支在上文單獨披露或於附註4(b)披露的各項總金額。

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 5 Income tax in the consolidated income statement

(a) Income tax in the consolidated income statement represents:

### 5 合併損益表中的所得稅

(a) 合併損益表中的所得稅指：

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
<b>Current tax</b>	<b>即期稅項</b>		
PRC Corporate Income Tax	中國企業所得稅	66,919	25,339
PRC Dividend Withholding Tax	中國股息預扣稅	4,495	-
Hong Kong Profits Tax	香港利得稅	1,512	(2,142)
		<b>72,926</b>	<b>23,197</b>
<b>Deferred tax</b>	<b>遞延稅項</b>		
Origination and reversal of temporary differences (Note 26(b))	暫時性差額的產生及撥回 (附註26(b))	<b>312</b>	<b>635</b>
		<b>73,238</b>	<b>23,832</b>

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 5 Income tax in the consolidated income statement (continued)

### 5 合併損益表中的所得稅 (續)

#### (b) Reconciliation between tax expense and accounting profit at applicable tax rates:

#### (b) 按適用稅率計算的稅務開支與會計溢利的對賬：

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Profit before taxation	除稅前溢利	509,515	214,587
Notional tax on profit before taxation, calculated at the rates applicable to the tax jurisdictions concerned	除稅前溢利的名義稅項，按適用於相關稅務管轄權區的稅率計算	131,262	52,180
Tax effect of PRC preferential tax treatments (iii)	中國優惠稅務待遇的稅務影響(iii)	(44,073)	(17,088)
Tax effect of additional deduction on research and development costs	研發成本的額外扣減的稅務影響	(20,035)	(9,207)
Tax effect of non-deductible expenses	不可扣減開支的影響	1,589	89
Over provision in prior years	過往年度超額撥備	-	(2,142)
PRC dividend withholding tax (iv)	中國股息預扣稅(iv)	4,495	-
Actual tax expense	實際稅務開支	73,238	23,832



# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 5 Income tax in the consolidated income statement (continued)

#### (b) Reconciliation between tax expense and accounting profit at applicable tax rates: (continued)

Notes:

- (i) Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands (“BVI”), the Group is not subject to any income tax in the Cayman Islands and BVI.
- (ii) Kunshan Q Technology (Hong Kong) Ltd. (“Kunshan QT Hong Kong”) is subject to Hong Kong Profits Tax at 16.5% in 2017 and 2016.
- (iii) Effective from 1 January 2008, the PRC statutory income tax rate is 25%. Kunshan Q Technology Limited (“Kunshan QT China”) was qualified as a High and New Technology Enterprise (“HNTE”) in 2009, which entitled to a preferential income tax rate of 15% from the year 2009 to 2011 according to relevant regulations in the PRC Corporate Income Tax Law. Kunshan QT China successfully renewed the HNTE qualification on 21 May 2012 and 6 July 2015 respectively and continued to enjoy a preferential income tax rate of 15% for another three years commenced from 1 January 2015.

### 5 合併損益表中的所得稅 (續)

#### (b) 按適用稅率計算的稅務開支與會計溢利的對賬：(續)

附註：

- (i) 根據開曼群島及英屬處女群島（「英屬處女群島」）的規則及法規，本集團毋須於開曼群島及英屬處女群島繳納任何所得稅。
- (ii) 於二零一七年及二零一六年，Kunshan Q Technology (Hong Kong) Ltd.（「昆山丘鈦香港」）須按16.5%的稅率繳納香港利得稅。
- (iii) 自二零零八年一月一日起，中國的法定所得稅稅率為25%。昆山丘鈦微電子科技有限公司（「昆山丘鈦中國」）於二零零九年獲得高新技術企業（「高新技術企業」）資格，使其於二零零九年至二零一一年根據中國企業所得稅法的相關規定有權享有15%的優惠所得稅率。昆山丘鈦中國分別於二零一二年五月二十一日及二零一五年七月六日成功續新高新技術企業資格，自二零一五年一月一日起計另外三年再享有15%的優惠所得稅率。

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 5 Income tax in the consolidated income statement *(continued)*

#### (b) Reconciliation between tax expense and accounting profit at applicable tax rates: *(continued)*

*Notes: (continued)*

- (iv) According to the PRC Corporate Income Tax Law and its related regulations, the Group is subject to a withholding tax at 10%, unless reduced by tax treaties or arrangements, for dividends distributed by a PRC enterprise to its immediate holding company outside the PRC for earnings generated beginning on 1 January 2008 and undistributed earnings generated prior to 1 January 2008 are exempt from such withholding tax. According to the China-HK Tax Arrangement and its relevant regulations, a qualified Hong Kong tax resident which is the “beneficial owner” and holds 25% or more of a PRC enterprise is entitled to a reduced withholding rate of 5%.

### 5 合併損益表中的所得稅 (續)

#### (b) 按適用稅率計算的稅務開支與會計溢利的對賬：(續)

附註：(續)

- (iv) 根據中國企業所得稅法及其相關規定，本集團須就中國企業自二零零八年一月一日起所產生的盈利向其中國境外直接控股公司分派的股息按10%（惟根據稅收協定或安排調減除外）的稅率繳納預扣稅，於二零零八年一月一日前產生的未分派盈利獲豁免繳納該項預扣稅。根據中港兩地稅務安排及其相關規定，身為「實益擁有人」並持有中國企業25%或以上權益的合資格香港稅務居民有權按5%的經調減預扣稅率納稅。

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 6 Directors' emoluments

Directors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of information about Benefits of Directors) Regulation are as follows:

Year ended 31 December 2017

### 6 董事薪酬

根據香港公司條例第383(1)條及公司(披露董事利益資料)規例第2部規定所披露之董事薪酬如下：

截至二零一七年十二月三十一日止年度

		Salaries, allowances and Fee	Retirement scheme contributions	Discretionary bonuses	Share-based payments (note) 以股份為 基礎的付款 (附註)	Total
		薪金、津貼 袍金 RMB'000 人民幣千元	及其他福利 退休計劃供款 RMB'000 人民幣千元	酌情花紅 RMB'000 人民幣千元	小計 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
<b>Executive directors</b>	<b>執行董事</b>					
Mr. He Ningning	何寧寧先生	301	-	-	301	301
Mr. Wang Jianqiang	王健強先生	-	344	700	1,060	1,317
Mr. Hu Sanmu	胡三木先生	-	362	435	815	1,006
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>					
Mr. Chu Chia Hisang	初家祥先生	-	84	-	84	84
Mr. Gou Bing Koeng	高秉強先生	-	42	-	42	42
Ms. Chen Jun	陳郡女士	-	42	-	42	42
Mr. Ng Sui Yin	吳瑞賢先生	-	84	-	84	84
<b>Total</b>	<b>總計</b>	<b>301</b>	<b>958</b>	<b>1,135</b>	<b>2,428</b>	<b>2,876</b>

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日  
(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 6 Directors' emoluments (continued)

### 6 董事薪酬 (續)

Year ended 31 December 2016

截至二零一六年十二月三十一日止年度

		Salaries, allowances and other benefits		Retirement scheme contributions	Discretionary bonuses	Share-based payments	Total
		Fee	and other benefits			Sub-total	
		薪金、津貼	及其他福利	退休計劃供款	酌情花紅	以股份為基礎的付款	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>Executive directors</b>	<b>執行董事</b>						
Mr. He Ningning	何寧寧先生	322	-	-	-	322	322
Mr. Yang Peikun	楊培坤先生	-	279	19	-	298	454
Mr. Wang Jianqiang	王健強先生	-	195	5	500	700	825
Mr. Hu Sanmu	胡三木先生	-	319	18	370	707	770
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>						
Mr. Chu Chia Hisang	初家祥先生	-	90	-	-	90	90
Mr. Chen Jun	陳郡女士	-	90	-	-	90	90
Mr. Ng Sui Yin	吳瑞賢先生	-	90	-	-	90	90
<b>Total</b>	<b>總計</b>	<b>322</b>	<b>1,063</b>	<b>42</b>	<b>870</b>	<b>2,297</b>	<b>2,641</b>

Note: These represent the estimated value of share options granted to the directors under the Group's share option scheme. The value of these share options is measured according to the Group's accounting policies for share-based payment transactions as set out in Note 1(r)(ii).

The details of these benefits in kind, including the principal terms and number of options granted, are disclosed in Note 25.

附註：該等金額指根據本集團的購股權計劃向董事授出的購股權的估計價值。該等購股權的價值根據附註1(r)(ii)所載本集團以股份為基礎付款的交易的會計政策計量。

該等實物福利的詳情（包括已授出購股權的主要條款及數目）於附註25披露。

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 6 Directors' emoluments (continued)

During the year, there were no amounts paid or payable by the Group to the directors or any of the highest paid individuals set out in Note 7 below as an inducement to join or upon joining the Group or as a compensation for loss of office. There was no arrangement under which a director waived or agreed to waive any emolument during the year.

### 7 Individual with highest emoluments

Of the five individuals with the highest emoluments, two (2016: two) of them are directors for the year ended 31 December 2017, whose emoluments are disclosed in Note 6 above. The aggregate of the emoluments in respect of the remaining individuals are as follows:

### 6 董事薪酬 (續)

於本年度，本集團概無向董事或下文附註7所載任何最高薪人士已付或應付任何款項作為招攬加入本集團或於加入後的獎勵或作為離職的補償。於本年度，概無董事放棄或同意放棄任何薪酬的安排。

### 7 最高薪人士

截至二零一七年十二月三十一日止年度，五名最高薪人士中有兩名（二零一六年：兩名）為董事，其薪酬於上文附註6披露。餘下人士的薪酬總額如下：

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Salaries and other emoluments	薪金及其他薪酬	1,289	915
Discretionary bonuses	酌情花紅	1,134	1,204
Contributions to retirement benefit scheme	退休福利計劃供款	13	14
Share-based payments	以股份為基礎的付款	402	182
		<b>2,838</b>	<b>2,315</b>

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日  
(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 7 Individual with highest emoluments (continued)

The emoluments of the three (2016: three) individuals with the highest emoluments for the year ended 31 December 2017 are within the following bands:

### 7 最高薪人士 (續)

截至二零一七年十二月三十一日止年度，三名(二零一六年：三名)最高薪人士的薪酬介乎以下範圍：

		2017 二零一七年 Number of individuals 人數	2016 二零一六年 Number of individuals 人數
HK\$Nil to HK\$1,000,000	零港元至1,000,000港元	2	3
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	1	-

### 8 Other comprehensive income

Tax effects relating to each component of other comprehensive income

### 8 其他全面收益

有關其他全面收益各組成部份的稅務影響

		2017 二零一七年			2016 二零一六年		
		Before-tax amount 除稅前金額 RMB'000 人民幣千元	Tax effect 稅務影響 RMB'000 人民幣千元	Net-of-tax amount 除稅後金額 RMB'000 人民幣千元	Before-tax amount 除稅前金額 RMB'000 人民幣千元	Tax effect 稅務影響 RMB'000 人民幣千元	Net-of-tax amount 除稅後金額 RMB'000 人民幣千元
Exchange difference on translation of:	換算以下產生的匯兌差額：						
- financial statements of subsidiaries outside the Mainland China	- 中國大陸境外附屬公司的財務報表	(12,739)	-	(12,739)	15,189	-	15,189
Other comprehensive income	其他全面收益	(12,739)	-	(12,739)	15,189	-	15,189

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 9 Earnings per share

#### (a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of RMB436,277,000 (2016: RMB190,755,000) and the weighted average of 1,095,479,000 (2016: 1,038,359,000) ordinary shares in issue during the year, calculated as follows:

#### (i) Weighted average number of ordinary shares

Issued ordinary share at 1 January	於一月一日的 已發行普通股	1,081,771	1,027,945
Effect of share options exercised (Note 27(c)(iii))	已行使的購股權的影響 (附註27(c)(ii))	13,599	8,332
Shares issued for the Placement (Note 27(c)(iii))	配售已發行股份 (附註27(c)(iii))	109	2,082
Weighted average number of ordinary shares at 31 December	於十二月三十一日的 普通股加權平均數	1,095,479	1,038,359

### 9 每股盈利

#### (a) 每股基本盈利

每股基本盈利乃以本公司普通股權持有人應佔溢利人民幣436,277,000元(二零一六年：人民幣190,755,000元)及年內已發行普通股的加權平均數1,095,479,000股(二零一六年：1,038,359,000股)為基準計算如下：

#### (i) 普通股加權平均數

2017 二零一七年 '000 千股	2016 二零一六年 '000 千股
1,081,771	1,027,945
13,599	8,332
109	2,082
1,095,479	1,038,359

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日  
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### 9 Earnings per share (continued)

#### (b) Diluted earnings per share

The calculation of diluted earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of RMB436,277,000(2016: RMB190,755,000) and the weighted average of ordinary shares of 1,120,394,000 shares (2016: 1,056,739,000) calculated as follows:

#### (i) Weighted average number of ordinary shares (diluted)

Weighted average number of ordinary shares at 31 December 於十二月三十一日的普通股加權平均數

Effect of deemed issue of shares under the Company's share option schemes 視作根據本公司購股權計劃發行股份的影響

Weighted average number of ordinary shares (diluted) at 31 December 於十二月三十一日的普通股加權平均數 (攤薄)

### 9 每股盈利 (續)

#### (b) 每股攤薄盈利

每股攤薄盈利乃以本公司普通股權持有人應佔溢利人民幣436,277,000元(二零一六年: 人民幣190,755,000元)及普通股加權平均數1,120,394,000股(二零一六年: 1,056,739,000股)為基準計算如下:

#### (i) 普通股加權平均數 (攤薄)

	2017 二零一七年 '000 千股	2016 二零一六年 '000 千股
Weighted average number of ordinary shares at 31 December	1,095,479	1,038,359
Effect of deemed issue of shares under the Company's share option schemes	24,915	18,380
Weighted average number of ordinary shares (diluted) at 31 December	<b>1,120,394</b>	1,056,739



# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日  
(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 10 Property, plant and equipment

### 10 物業、廠房及設備

		Buildings	Plant and machinery	Motor vehicles	Office and other equipment 辦公及其他設備	Sub-total	Construction in progress	Total
		樓宇 RMB'000 人民幣千元	廠房及機器 RMB'000 人民幣千元	汽車 RMB'000 人民幣千元	其他設備 RMB'000 人民幣千元	小計 RMB'000 人民幣千元	在建工程 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
<b>Cost:</b>	<b>成本：</b>							
At 1 January 2016	於二零一六年一月一日	153,932	284,622	689	66,703	505,946	13,765	519,711
Additions	添置	20,547	188,324	-	58,143	267,014	96,160	363,174
Transfer from construction in progress	轉撥自在建工程	1,741	46,407	-	1,350	49,498	(49,498)	-
Disposals	出售	-	(1,042)	-	(21)	(1,063)	-	(1,063)
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日及二零一七年一月一日	176,220	518,311	689	126,175	821,395	60,427	881,822
Additions	添置	57,529	563,309	132	80,793	701,763	194,342	896,105
Transfer from construction in progress	轉撥自在建工程	31,012	81,771	-	983	113,766	(113,766)	-
Disposals	出售	-	(238)	-	(2,352)	(2,590)	-	(2,590)
At 31 December 2017	於二零一七年十二月三十一日	264,761	1,163,153	821	205,599	1,634,334	141,003	1,775,337
<b>Accumulated depreciation:</b>	<b>累計折舊：</b>							
At 1 January 2016	於二零一六年一月一日	(16,126)	(55,435)	(338)	(27,142)	(99,041)	-	(99,041)
Charge for the year	年內扣除	(9,351)	(31,978)	(124)	(21,990)	(63,443)	-	(63,443)
Written back on disposals	出售時撥回	-	836	-	7	843	-	843
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日及二零一七年一月一日	(25,477)	(86,577)	(462)	(49,125)	(161,641)	-	(161,641)
Charge for the year	年內扣除	(21,918)	(66,093)	(89)	(47,128)	(135,228)	-	(135,228)
Written back on disposals	出售時撥回	-	54	-	2,140	2,194	-	2,194
At 31 December 2017	於二零一七年十二月三十一日	(47,395)	(152,616)	(551)	(94,113)	(294,675)	-	(294,675)
<b>Net book value:</b>	<b>賬面淨值：</b>							
At 31 December 2016	於二零一六年十二月三十一日	150,743	431,734	227	770,050	659,754	60,427	720,181
At 31 December 2017	於二零一七年十二月三十一日	217,366	1,010,537	270	111,486	1,339,659	141,003	1,480,662

The buildings held for own use are located in the PRC under medium-term leases.

As at 31 December 2017, the Group was in the process of obtaining the ownership certificate in respect of buildings in the PRC with net book value of RMB31,012,000 (2016: RMB24,281,000).

持作自用的樓宇位於中國，屬中期租約。

於二零一七年十二月三十一日，本集團正在就位於中國之賬面淨值為人民幣31,012,000元（二零一六年：人民幣24,281,000元）之樓宇申領所有權證。

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日  
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### 11 Investments in subsidiaries

The following list contains the particulars of all the subsidiaries of the Company. The class of shares held is ordinary unless otherwise stated.

### 11 於附屬公司的投資

下表呈列本公司所有附屬公司之資料。除另有說明外，所持股份類別為普通股。

Name of Company 公司名稱	Place and date of incorporation/ establishment 註冊成立/成立地點及日期	Place of operation 營業地點	Paid up capital/ registered capital 已繳足資本/ 註冊資本	Proportion of equity interest attributable to the Company		Principal activities 主要業務
				Direct 直接	Indirect 間接	
Q Technology (Great China) Inc. ("QT Great China")*	British Virgin Islands ("BVI")/ 3 July 2007	BVI 英屬處女群島	US\$10,000 10,000美元	100%	-	Investment holding 投資控股
Q Technology (Great China) Inc. ("QT Great China")*	英屬處女群島 ("英屬處女群島")/ 二零零七年七月三日					
Kunshan Q Technology Limited* (昆山丘鈦微電子科技有限公司) (Note (ii)) 昆山丘鈦微電子科技有限公司 (附註(ii))	People's Republic of China ("PRC")/ 15 October 2007	PRC 中國	US\$175,000,000 175,000,000美元	-	100%	Manufacture and trading of Camera Modules 製造及買賣攝像頭模組
Kunshan Q Technology (Hongkong) Limited Kunshan Q Technology (Hongkong) Limited	Hong Kong/15 January 2013 香港/二零一三年一月十五日	Hong Kong 香港	HK\$10,000 10,000港元	-	100%	Trading of Camera Modules 買賣攝像頭模組
Chengdu Q Technology Limited* ("Chengdu QT Subsidiary") (成都丘鈦微電子科技有限公司) (Note (ii)) 成都丘鈦微電子科技有限公司 (「成都丘鈦附屬公司」) (附註(ii))	PRC/6 June 2014 中國/二零一四年六月六日	PRC 中國	RMB1,000,000 人民幣1,000,000元	-	100%	Research and development of Camera Modules 研發攝像頭模組
Shenzhen Q Technology Limited* ("Shenzhen QT Subsidiary") (深圳丘鈦微電子科技有限公司) (Note(ii)) 深圳丘鈦微電子科技有限公司 (「深圳丘鈦附屬公司」) (附註(ii))	PRC/19 June 2015 中國/二零一五年六月十九日	PRC 中國	RMB2,000,000 人民幣2,000,000元	-	100%	Trading of Camera Modules 買賣攝像頭模組
Taiwan Q Technology Limited* ("Taiwan QT Subsidiary") (台灣丘鈦微電子科技有限公司) 台灣丘鈦微電子科技有限公司 (「台灣丘鈦附屬公司」)	Taiwan/1 July 2015 台灣/二零一五年七月一日	Taiwan 台灣	TWD3,000,000 3,000,000新台幣	100%	-	Trading of Camera Modules 買賣攝像頭模組

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 11 Investments in subsidiaries (continued)

# The entity was previously known as CK Telecom (Great China) Inc. ("CK Great China"), and its name was changed to Q Technology (Great China) Inc. on 2 September 2015.

\* The English translation of the companies' names are for reference only. The official names of the companies are in Chinese.

Notes:

- (i) The entity is a wholly foreign owned enterprise incorporated in the PRC.
- (ii) The two entities are limited liabilities companies established in the PRC.

### 11 於附屬公司的投資 (續)

# 該實體原名CK Telecom (Great China) Inc. (「CK Great China」)，其名稱於二零一五年九月二日更改為Q Technology (Great China) Inc.。

\* 該等公司名稱之英文翻譯僅供參考。該等公司的正式名稱為中文。

附註：

- (i) 該實體為於中國註冊成立的外商獨資企業。
- (ii) 該兩家實體為於中國成立的有限責任公司。

### 12 Investments in associate

### 12 於聯營公司的投資

Name of Associate 聯營公司名稱	Date of incorporation 註冊成立日期	Place of operation and business 營業地點及業務	Paid up capital 已繳足資本	Proportion of equity interest attributable to the Company 本公司應佔股權比例		Principal activities 主要業務
				Direct 直接	Indirect 間接	
Newmax Technology Co., Ltd (新鉅科技股份有限公司) 新鉅科技股份有限公司	10 August 1999 一九九九年八月十日	Taiwan 台灣	TWD1,500,000,000 1,500,000,000新台幣	36%		- Design, research, development, manufacture and sales of optical lens 設計、研發、製造與行銷光學鏡頭

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日  
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### 12 Investments in associate (continued)

On 19 March 2017, the Group entered into a share subscription agreement with Newmax Technology Co., Ltd. Upon the settlement of the total consideration of RMB275,236,000 approximately on 31 August 2017, an aggregate of 57,008,888 placing shares have been allotted and issued to the Company, representing approximately 36% of the entire issued ordinary shares of Newmax Technology Co., Ltd as enlarged upon completion of the private placement. Newmax Technology Co., Ltd became an associate of the Group.

Summarised financial information of the associate, adjusted for any differences in accounting policies, and reconciled to the carrying amounts in the consolidated financial are disclosed below:

#### Gross amounts of the associate

### 12 於聯營公司的投資 (續)

於二零一七年三月十九日，本集團與新鉅科技股份有限公司訂立股份認購協議書。於二零一七年八月三十一日結清總代價約人民幣275,236,000元後，合共57,008,888股配售股份已配發及發行予本公司，相當於於完成私募配售後經擴大新鉅科技股份有限公司之全部已發行普通股之約36%。新鉅科技股份有限公司成為本集團之聯營公司。

下文披露聯營公司之財務資料概要，該等資料已就會計政策之任何差異作出調整，並與合併財務報表之賬面值對賬：

#### 聯營公司之總額

At  
31 December  
2017  
於二零一七年  
十二月三十一日  
RMB'000  
人民幣千元

Current assets	流動資產	498,757
Non-current assets	非流動資產	235,246
Current liabilities	流動負債	208,102
Non-current liabilities	非流動負債	6,584
Equity	股權	519,317

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日  
(Expressed in Renminbi unless otherwise indicated) (除另有指明外, 以人民幣列示)

### 12 Investments in associate (continued)

Gross amounts of the associate (continued)

### 12 於聯營公司的投資 (續)

聯營公司之總額 (續)

		For the period from 31 August 2017 to 31 December 2017 於二零一七年 八月三十一日 至 二零一七年 十二月三十一日 期間
Revenue	收入	59,399
Loss from operations	經營業務虧損	(46,995)
Other comprehensive income	其他全面收益	2,816
Total comprehensive income	全面收益總額	(44,179)

Reconciled to the Group's interests  
in the associates

本集團於聯營公司權益之對賬

		At 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元
Gross amounts of net assets of the associate	聯營公司資產淨值總額	519,317
Group's effective interest	本集團實際權益	36%
Group's share of net assets of the associate	本集團應佔聯營公司資產淨值	186,954
Goodwill	商譽	71,364
Carrying amount in the consolidated financial statements	合併財務報表的賬面值	258,318

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日  
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### 13 Lease prepayments

### 13 租賃預付款項

RMB'000  
人民幣千元

<b>Cost:</b>	<b>成本：</b>	
At 1 January 2016,	於二零一六年一月一日、二零一六年及	
31 December 2016 and 2017	二零一七年十二月三十一日	20,791
		<hr/>
<b>Accumulated amortisation:</b>	<b>累計攤銷：</b>	
At 1 January 2016	於二零一六年一月一日	(3,327)
Amortisation for the year	年內攤銷	(416)
		<hr/>
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日及	
	二零一七年一月一日	(3,743)
Amortisation for the year	年內攤銷	(416)
		<hr/>
At 31 December 2017	於二零一七年十二月三十一日	(4,159)
		<hr/>
<b>Net book value:</b>	<b>賬面淨值：</b>	
At 31 December 2016	於二零一六年十二月三十一日	17,048
		<hr/>
At 31 December 2017	於二零一七年十二月三十一日	16,632
		<hr/>

Interests in leasehold land represent prepayments of land use rights premium to the PRC authorities by the Group. The Group's leasehold land is located in PRC, on which its manufacturing plants were built. The Group is granted land use rights for a period of 50 years up to 2058.

The amounts include RMB416,000 (2016: RMB416,000) current portion of the lease prepayments as at 31 December 2017.

於租賃土地的權益指本集團向中國機關支付的土地使用權出讓金的預付款項。本集團的租賃土地位於中國，在土地之上建立其製造工廠。本集團獲授土地使用權的期限為50年，至二零五八年到期。

於二零一七年十二月三十一日，該等金額包括人民幣416,000元（二零一六年：人民幣416,000元）的租賃預付款項即期部份。

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日  
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### 14 Intangible assets

### 14 無形資產

Computer  
software  
計算機軟件  
RMB'000  
人民幣千元

<b>Cost:</b>	<b>成本：</b>	
At 31 December 2016 and 2017	於二零一六年及 二零一七年十二月三十一日	<u>1,608</u>
<b>Accumulated amortisation:</b>	<b>累計攤銷：</b>	
At 1 January 2016	於二零一六年一月一日	(132)
Amortisation for the year	年內攤銷	<u>(161)</u>
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日及 二零一七年一月一日	<b>(293)</b>
Amortisation for the year	年內攤銷	<u>(161)</u>
At 31 December 2017	於二零一七年十二月三十一日	<u>(454)</u>
<b>Net book value:</b>	<b>賬面淨值：</b>	
At 31 December 2016	於二零一六年十二月三十一日	<u>1,315</u>
At 31 December 2017	於二零一七年十二月三十一日	<u><b>1,154</b></u>

The amortisation charges of the intangible assets for the year are included in “administrative and other operating expenses” in the consolidated income statement of profit or loss.

年內無形資產的攤銷開支計入合併損益表中的「行政及其他經營開支」。

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日  
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### 15 Inventories

Inventories in the consolidated statement of financial position comprise:

### 15 存貨

合併財務狀況表中的存貨包括：

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Raw materials and consumables	原材料及消耗品	153,019	227,125
Work in progress	在製品	303,789	272,938
Finished goods	成品	231,233	299,183
		<b>688,041</b>	<b>799,246</b>

The analysis of amount of inventories as an expenses and included in profit or loss is as follows:

作為開支計入損益中的存貨金額的分析如下：

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Carrying amount of inventories sold	已出售存貨的賬面值	7,054,083	4,564,809
Carrying amount of inventories recognised as administrative and other operating expenses and research and development expenses	確認為行政及其他經營費用及研發費用的存貨的賬面值	162,789	73,843
Write down of inventories	存貨撇減	3,463	2,475
		<b>7,220,335</b>	<b>4,641,127</b>



# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日  
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### 16 Trade and other receivables

### 16 貿易及其他應收款項

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Trade receivables	貿易應收款項		
– third parties	– 第三方	1,761,433	2,371,648
– related parties (Note 30(c))	– 關聯方 (附註30(c))	21,893	3,894
Bills receivable	應收票據		
– third parties	– 第三方	232,346	169,105
Trade and bills receivables	貿易應收款項及應收票據	2,015,672	2,544,647
Less: allowance for doubtful debts	減：呆賬撥備	(349)	(9,904)
		2,015,323	2,534,743
Other deposits, prepayments and receivables	其他按金、預付款項及應收款項	19,722	71,688
		2,035,045	2,606,431

All of the trade and other receivables are expected to be recovered or recognised as expense within one year, except for the Group's deposits amounting to RMB2,612,000 (2016: RMB264,000) as at 31 December 2017, which are expected to be recovered after more than one year.

所有貿易及其他應收款項預期將於一年內收回或確認為開支，惟於二零一七年十二月三十一日金額為人民幣2,612,000元（二零一六年：人民幣264,000元）的本集團按金除外，該等金額預期將於超過一年後收回。

Bill receivable represented outstanding bank acceptance bills and commercial acceptance bills. As at 31 December 2017, bills receivable amounting to RMB27,427,000 (2016: RMB129,225,000) were pledged as security for bills payable (see Note 22(a)). Bills receivable are due in 3 to 6 months from the date of issue.

應收票據指未到期收款的銀行承兌票據及商業承兌票據。於二零一七年十二月三十一日，人民幣27,427,000元（二零一六年：人民幣129,225,000元）的應收票據已抵押作為應付票據的擔保（見附註22(a)）。應收票據自發行日期起計3至6個月到期。

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日  
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### 16 Trade and other receivables (continued)

As at 31 December 2017, bills receivable amounting to RMB37,513,000 (2016: Nil) was pledged as security for bank borrowings (see Note 21).

As at 31 December 2017, trade receivables amounting to RMB128,704,000 (2016: Nil) and RMB46,224,000 (2016: Nil) was pledged as security for bills payable (see Note 22(a)) and bank borrowings respectively (see Note 21).

#### (a) Ageing analysis

As of the end of the year, the ageing analysis of trade and bills receivables (which are included in trade and other receivables), based on the invoice date and net of allowance for doubtful debts, is as follows:

### 16 貿易及其他應收款項 (續)

於二零一七年十二月三十一日，應收票據人民幣37,513,000元（二零一六年：無）已抵押作為銀行借款的擔保（見附註21）。

於二零一七年十二月三十一日，貿易應收款項人民幣128,704,000元（二零一六年：無）及人民幣46,224,000元（二零一六年：無）已分別抵押作為應付票據（見附註22(a)）及銀行借款（見附註21）的擔保。

#### (a) 賬齡分析

於年末，按發票日期劃分及扣除呆賬撥備後的貿易應收款項及應收票據（已計入貿易及其他應收款項）的賬齡分析如下：

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Within 1 month	於1個月以內	1,495,748	1,569,991
More than 1 month but within 3 months	超過1個月但於3個月以內	492,370	902,416
More than 3 months but within 6 months	超過3個月但於6個月以內	27,161	62,336
More than 6 months but within 1 year	超過6個月但於1年以內	44	-
		2,015,323	2,534,743

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 16 Trade and other receivables (continued)

#### (b) Impairment of trade and bills receivables

Impairment losses in respect of trade and bills receivables are recorded using an allowance account unless the Group is satisfied that the recovery of the amount is remote, in which case the impairment loss is written off against trade and bills receivables directly (see Note 1(l)(i)).

The movement in the allowance for doubtful debts during the year is as follows:

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
At 1 January	於一月一日	9,904	504
Impairment loss recognised	已確認的減值虧損	-	9,400
Reversal of impairment loss recognised	已確認的減值虧損的撥回	(9,555)	-
At 31 December	於十二月三十一日	349	9,904

As at 31 December 2017, there was an impairment provision of RMB349,000 (2016: RMB9,904,000) related to certain customers which balances were overdue and were individually determined to be impaired. The Group does not hold any collateral over these balances. After taking into account their respective financial condition and the subsequent year end settlements from customers up to the date of these financial statements, the directors considered that such specific provision was adequate but not excessive.

### 16 貿易及其他應收款項 (續)

#### (b) 貿易應收款項及應收票據減值

貿易應收款項及應收票據的減值虧損採用撥備賬記錄，除非本集團信納收回有關金額的可能性微乎其微，在此情況下，減值虧損直接與貿易應收款項及應收票據撇銷（見附註1(l)(i)）。

年內呆賬撥備的變動如下：

	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
於一月一日	9,904	504
已確認的減值虧損	-	9,400
已確認的減值虧損的撥回	(9,555)	-
於十二月三十一日	349	9,904

於二零一七年十二月三十一日，有關若干客戶之減值撥備為人民幣349,000元（二零一六年：人民幣9,904,000元），其結餘已逾期並個別釐定為減值。本集團並無持有該等結餘的任何抵押物。經計及該等客戶之財務狀況及其於報告期後至該等財務報表日期間的結算情況，董事認為有關專項撥備充足，但並未超額。

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日  
(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 16 Trade and other receivables (continued)

#### (c) Trade and bills receivables that are not impaired

The ageing analysis of trade and bills receivables that are neither individually nor collectively considered to be impaired are as follows:

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Neither past due nor impaired	既未逾期亦未減值	2,014,957	2,453,442
Less than 3 month past due	逾期3個月以內	322	617
Over 6 less than 12 months past due	逾期超過6個月但少於12個月	44	-
		<b>2,015,323</b>	<b>2,454,059</b>

Receivables that were neither past due nor impaired related to a wide range of customers for whom there was no recent history of default.

As at 31 December 2017, receivables that were past due but not impaired related to customers that maintain continuing trading relationships with the Group. Based on past experience and customer's financial condition, management believes that no impairment allowance is necessary as the balances are still considered fully recoverable.

### 16 貿易及其他應收款項 (續)

#### (c) 並無減值的貿易應收款項及應收票據

既未個別亦未共同被認為減值的貿易應收款項及應收票據的賬齡分析如下：

既未逾期亦未減值的應收款項與近期並無拖欠記錄的多類客戶有關。

於二零一七年十二月三十一日，已逾期但未減值的應收款項均來自與本集團保持貿易往來關係的客戶。根據過去的經驗及該等客戶的財務狀況，管理層認為，該等結餘仍可全部收回，故不需要就該等結餘作出減值撥備。

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日  
(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 17 Other financial assets

### 17 其他金融資產

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Other financial assets	其他金融資產	873,486	-

Other financial assets represent investments in short-term wealth management products issued by commercial banks in mainland China whose principal and returns are not guaranteed.

As at 31 December 2017, other financial assets amounting to RMB576,742,000 (2016: Nil) was pledged as security for bank borrowings (see Note 21).

其他金融資產是指該集團購買的由中國內地商業銀行發行之非保本浮動收益型短期理財產品。

於二零一七年十二月三十一日，其他金融資產人民幣576,742,000元（二零一六年：無）已抵押作為銀行借款的擔保（見附註21）。

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日  
(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 18 Derivative financial assets and liabilities

### 18 衍生金融資產及負債

		At 31 December 2017 於二零一七年十二月三十一日		
		Notional amount 名義金額 RMB'000 人民幣千元	Assets 資產 RMB'000 人民幣千元	Liabilities 負債 RMB'000 人民幣千元
Foreign currency derivative instruments	外匯衍生工具			
– Forward contracts	– 遠期合約	841,866		(17,555)
– Option contracts	– 期權合約	3,677,645	7,073	(434)
<b>Total</b>	<b>總計</b>	<b>4,519,511</b>	<b>7,073</b>	<b>(17,989)</b>

		At 31 December 2016 於二零一六年十二月三十一日		
		Notional amount 名義金額 RMB'000 人民幣千元	Assets 資產 RMB'000 人民幣千元	Liabilities 負債 RMB'000 人民幣千元
Foreign currency derivative instruments	外匯衍生工具			
– Option contracts	– 期權合約	884,468	126,867	–

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 18 Derivative financial assets and liabilities (continued)

The Group entered into foreign currency option and foreign currency forward contracts with bank. As at 31 December 2017, the notional amount of outstanding contracts amounted to about USD691,670,000 (2016: USD127,500,000). All these option and forward contracts are matured within one year.

The fair value of the foreign currency option contracts is measured using the Black-Scholes-Merton Model. Main parameters used in the model include the spot price of the foreign exchange rates as of the valuation date, strike rates, forward foreign exchange rates, implied volatilities of foreign exchange rates and the risk-free rates.

The fair value of foreign currency forward contracts takes into account the market interest rate and the estimated future pay-off of the forward contracts.

### 18 衍生金融資產及負債 (續)

本集團與一間銀行訂立外匯期權合約及外匯遠期合約。於二零一七年十二月三十一日，未到期合約之名義金額約為691,670,000美元（二零一六年：127,500,000美元）。所有該等期權及遠期合約均於一年內到期。

外匯期權合約的公平值乃採用柏力克-舒爾斯-墨頓模型計量。模型中採用的主要參數包括估值日即期匯率、行權匯率、遠期匯率、外匯匯率的隱含波動率以及無風險利率。

外匯遠期合約之公平值乃考慮到市場利率及遠期合約預計未來交割金額。

### 19 Pledged bank deposits

### 19 已抵押銀行存款

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Pledged for	為以下各項抵押		
– bank borrowings (Note 21)	– 銀行借款 (附註21)	49,468	12,000
– bills payable (Note 22)	– 應付票據 (附註22)	28,201	75,493
– letter of guarantee	– 擔保函	800	9,050
		<b>78,469</b>	<b>96,543</b>
Pledged bank deposits	已抵押銀行存款		

The pledged bank deposits will be released upon the settlement of relevant bank borrowings, bills payable, and the maturity of letter of guarantee.

已抵押銀行存款將於清償相關銀行借款、應付票據及擔保函到期後解除。

# Notes to the Financial Statements

## 財務報表附註

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(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 20 Cash and cash equivalents and other cash flow information

### 20 現金及現金等價物及其他現金流量資料

(a) Cash and cash equivalents comprise:

(a) 現金及現金等價物包括：

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Cash in hand	手頭現金	47	65
Cash at bank	銀行存款	<b>464,935</b>	64,840
Cash at bank and in hand	銀行存款及手頭現金	<b>464,982</b>	64,905

As at 31 December 2017, cash and cash equivalents placed with banks in the Mainland China amounted to RMB133,408,000 (2016: RMB40,744,000). Remittance of funds out of the Mainland China is subject to the relevant rules and regulations of foreign exchange control promulgated by the PRC government.

於二零一七年十二月三十一日，本集團存入中國內地銀行的現金及現金等價物為人民幣133,408,000元（二零一六年：人民幣40,744,000元）。將資金匯出中國內地須遵守中國政府頒佈的相關外匯管制規則及法規。



# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 20 Cash and cash equivalents and other cash flow information (continued)

### 20 現金及現金等價物及其他現金流量資料(續)

(b) Reconciliation of profit before taxation to cash generated from operations:

(b) 除稅前溢利與經營所得現金的對賬：

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Profit before taxation	除稅前溢利	509,515	214,587
Adjustments for:	就以下各項調整：		
Depreciation	折舊	135,228	63,443
Amortisation of lease prepayments	租賃預付款項攤銷	416	416
Amortisation of intangible assets	無形資產攤銷	161	161
Interest expenses	利息開支	16,912	5,548
Interest income	利息收入	(18,377)	(4,256)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備的虧損	383	17
Write down of inventories	存貨撇減	3,463	2,475
Impairment loss(reversed)/ recognised for trade and other receivables	已(撥回)/確認貿易及其他應收款項減值虧損	(9,555)	9,400
Equity-settled share-based payment transactions	以權益結算的股份付款交易	6,704	1,658
Net loss on foreign currency forward contracts	外匯遠期合約虧損淨額	17,555	-
Net loss/(gain) on foreign currency option contracts	外匯期權合約虧損/(收益)淨額	47,911	(19,458)
Share of loss of an associate	應佔聯營公司虧損	16,918	-
Foreign exchange (gain)/loss	外匯(收益)/虧損	(13,526)	20,460

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## 財務報表附註

31 December 2017 二零一七年十二月三十一日

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 20 Cash and cash equivalents and other cash flow information (continued)

### 20 現金及現金等價物及其他現金流量資料 (續)

#### (b) Reconciliation of profit before taxation to cash generated from operations: (continued)

#### (b) 除稅前溢利與經營所得現金的對賬：(續)

	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Changes in working capital: 營運資金變動：		
Decrease/(increase) in inventories 存貨減少／(增加)	107,742	(592,459)
Decrease/(increase) in trade and other receivables 貿易及其他應收款項減少／(增加)	9,735	(2,058,425)
Increase in trade and other payables 貿易及其他應付款項增加	1,401,875	2,362,344
Decrease/(increase) in pledged deposits with banks 存放於銀行的已抵押存款減少／(增加)	55,542	(57,408)
Increase in amounts due to related parties 應付關聯方款項增加	23,164	967
(Increase)/decrease in amounts due from related parties 應收關聯方款項(增加)／減少	(17,999)	9,652
Increase in deferred income 遞延收入增加	2,859	6,987
Cash generated from/(used in) operations 經營所得／(所用)現金	<b>2,296,626</b>	<b>(33,891)</b>

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 20 Cash and cash equivalents and other cash flow information (continued)

#### (c) Reconciliation of liabilities arising from financing activities:

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated cash flow statement as cash flows from financing activities.

### 20 現金及現金等價物及其他現金流量資料(續)

#### (c) 融資活動產生之負債對賬：

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或將來現金流量於本集團合併現金流量表分類為融資活動現金流量之負債。

		Bank borrowings 銀行借款 RMB'000 人民幣千元
<b>At 1 January 2017</b>	於二零一七年一月一日	335,432
<b>Changes from financing cash flows:</b>	<b>融資現金流量變動：</b>	
Proceeds from new bank loans	新銀行貸款所得款項	877,046
Repayment of bank loans	償還銀行貸款	(658,554)
Total changes from financing cash flows	融資現金流量變動總額	218,492
<b>Exchange adjustments</b>	<b>匯兌調整</b>	(7,130)
<b>Other changes:</b>	<b>其他變動：</b>	
Settlements of trade payables directly by the bank through import trade loan facilities	直接由銀行透過進口貿易貸款融資結算貿易應付款項	531,325
<b>At 31 December 2017</b>	於二零一七年十二月三十一日	1,078,119

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 20 Cash and cash equivalents and other cash flow information (continued)

### 20 現金及現金等價物及其他現金流量資料 (續)

#### (d) Major non-cash transactions

#### (d) 主要非現金交易

Major non-cash transactions during the year included the following items:

年內，主要非現金交易包括以下項目：

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Settlements of trade payables directly by the bills endorsement	直接由票據背書結算貿易應付款項	589,205	320,705
Settlements of trade payables directly by the bank through import trade loan facilities	直接由銀行透過進口貿易貸款融資結算貿易應付款項	531,325	207,537
Total	總計	<b>1,120,530</b>	528,242

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 21 Bank borrowings

As at 31 December 2017, the bank borrowings with effective interest rate of 3.31% (2016: 1.91%) were repayable within one year or on demand as follows:

### 21 銀行借款

於二零一七年十二月三十一日，實際利率為3.31%（二零一六年：1.91%）且須於一年內或按要求償還的銀行借款如下：

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Bank borrowings	銀行借款		
– secured (Note)	– 有抵押 (附註)	673,891	111,335
– unsecured	– 無抵押	404,228	224,097
		<b>1,078,119</b>	<b>335,432</b>

Note: The bank borrowings were secured by assets of the Group and the carrying amounts of these assets are as follows:

附註：銀行借款由本集團的資產作抵押，該等資產的賬面值如下：

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Other financial assets (Note 17)	其他金融資產 (附註17)	576,742	–
Pledged bank deposits (Note 19)	已抵押銀行存款 (附註19)	49,468	12,000
Bill receivables (Note 16)	應收票據 (附註16)	37,513	–
Trade receivables (Note 16)	貿易應收款項 (附註16)	46,224	–
		<b>709,947</b>	<b>12,000</b>

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## 財務報表附註

31 December 2017 二零一七年十二月三十一日  
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### 22 Trade and other payables

### 22 貿易及其他應付款項

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Trade payables and accruals	貿易應付款項及應計費用		
– third parties	– 第三方	1,858,471	2,054,547
– related parties (Note 30 (c))	– 關聯方 (附註30(c))	24,334	1,170
Bills payable (Note (a))	應付票據 (附註(a))		
– third parties	– 第三方	770,356	318,154
Trade and bills payables (Note (b))	貿易應付款項及應付票據 (附註(b))	2,653,161	2,373,871
Accrued payroll	應計工資	60,894	50,161
Foreign currency option premium	外匯期權費	–	107,409
Other payables and accruals	其他應付款項及應計費用	116,062	61,340
		<b>2,830,117</b>	<b>2,592,781</b>

All of the trade and other payables as at 31 December 2017 are expected to be settled or recognised as income within one year or are repayable on demand.

於二零一七年十二月三十一日的所有貿易及其他應付款項預期於一年內清償或確認為收入或須按要求償還。

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## 財務報表附註

31 December 2017 二零一七年十二月三十一日

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 22 Trade and other payables (continued)

### 22 貿易及其他應付款項 (續)

#### (a) Bills payable analysed by type of security

#### (a) 按抵押類型分析之應付票據

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Bills payable secured by	由以下各項資產抵押		
	而開具之應付票據		
– Bills receivable (Note 16)	– 應收票據 (附註16)	27,427	124,760
– Pledged bank deposits (Note 19)	– 已抵押銀行存款 (附註19)	20,153	102,748
– Trade receivables (Note 16)	– 貿易應收款項 (附註16)	100,000	–
		147,580	227,508
Bills payable unsecured	無抵押應付票據	622,776	90,646
		770,356	318,154

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## 財務報表附註

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### 22 Trade and other payables (continued)

(b) An ageing analysis of the trade and bills payables based on the invoice date is as follows:

### 22 貿易及其他應付款項 (續)

(b) 按發票日期劃分之貿易應付款項及應付票據之賬齡分析如下：

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Within 3 months	於3個月以內	1,700,477	2,046,742
More than 3 months but within 6 months	超過3個月但於6個月以內	695,397	182,461
More than 6 months but within 1 year	超過6個月但於1年以內	169,407	896
More than 1 year	超過1年	11,422	829
		<b>2,576,703</b>	<b>2,230,928</b>

As at 31 December 2017, the accrued trade payables which represented the amounts with no invoice received by the end of the year, amounted to RMB76,458,000 (2016: RMB142,943,000).

於二零一七年十二月三十一日，應計貿易應付款項（即年末並無收取發票的款項）為人民幣76,458,000元（二零一六年：人民幣142,943,000元）。



# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日  
(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 23 Deferred income

### 23 遞延收入

		Government grant 政府補助 RMB'000 人民幣千元
At 1 January 2016	於二零一六年一月一日	4,752
Additions during the year	年內添置	9,081
Amortisation credited to consolidated income statement	計入合併收益表的攤銷	(2,094)
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日及 二零一七年一月一日	11,739
Additions during the year	年內添置	5,000
Amortisation credited to consolidated income statement	計入合併收益表的攤銷	(2,141)
At 31 December 2017	於二零一七年十二月三十一日	14,598

### 24 Employee retirement benefits

### 24 僱員退休福利

#### Defined contribution retirement plans

The PRC subsidiaries of the Group participate in defined contribution retirement benefit schemes (the "Schemes") organized by the PRC municipal and provincial government authorities whereby the PRC subsidiaries are required to make contributions at the rate of 20% starting from 1 December 2011 (before 1 December 2011: 18%) of the eligible employees' salary rate to the Schemes. The Group has accrued for the required contributions which are remitted to the respective local government authorities when the contributions become due. The local government authorities are responsible for the pension obligations payable to the retired employees covered under the Schemes.

#### 界定供款退休計劃

本集團的中國附屬公司參與由中國市級及省級政府機構所成立的界定供款退休福利計劃(「該計劃」)，據此，自二零一一年十二月一日開始，中國附屬公司須以合資格僱員薪金的20% (二零一一年十二月一日前：18%) 的比率向該計劃作出供款。本集團已積累所需供款，於供款到期時匯付予各地方政府機關。地方政府機關就應向該計劃所涉及的退休僱員支付退休金承擔責任。

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### 24 Employee retirement benefits (continued)

#### Defined contribution retirement plans (continued)

Starting from 2014, the Group also operates a Mandatory Provident Fund Scheme (the “MPF scheme”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance and not previously covered by the defined benefit retirement plan. The MPF scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees’ relevant income, subject to a cap of monthly relevant income of HK\$30,000 (HK\$25,000 prior to June 2014). Contributions to the plan vest immediately.

The Group has no other material obligation for the payment of pension benefits beyond the contributions described above.

### 25 Equity settled share-based transactions

On 13 November 2014, the Company adopted a pre-IPO share option scheme (the “Pre-IPO Share Option Scheme”) and a share option conversion scheme (the “Conversion Scheme”) and granted a total of 59,935,500 share options under the Pre-IPO Share Option Scheme to the eligible participants with an aim to reward their contribution to the Group made or possibly made. The directors of the Company were authorised, at their discretion, to invite certain employees of the Group, including directors of any company in the Group, to take up options at Nil consideration to subscribe for shares of the Company. Details of the Pre-IPO Share Option Scheme are set out in Note 25(a)(i).

### 24 僱員退休福利 (續)

#### 界定供款退休計劃 (續)

自二零一四年起，本集團亦根據《香港強制性公積金計劃條例》為香港《僱傭條例》管轄下僱傭的之前並未納入界定福利退休計劃的僱員實施強制性公積金計劃（「強積金計劃」）。強積金計劃為由獨立受託人管理的界定供款退休計劃。根據強積金計劃，僱主及其僱員須分別向計劃注入有關僱員入息的5%作為供款，每月相關入息的上限為30,000港元（二零一四年六月前為25,000港元）。對計劃作出的供款即時歸屬。

除上述供款以外，本集團就支付退休金福利並無其他重大責任。

### 25 以權益結算以股份為基礎的交易

於二零一四年十一月十三日，本公司採納了首次公開發售前購股權計劃（「首次公開發售前購股權計劃」）及一項購股權轉換計劃（「轉換計劃」），及根據首次公開發售前購股權計劃向合資格參與者授出共計59,935,500份購股權，旨在獎勵他們曾經或可能已對本集團作出的貢獻。本公司董事獲授權可酌情邀請本集團部份僱員（包括本集團任何公司的董事）以零代價接納購股權認購本公司股份。首次公開發售前購股權計劃的詳情載於附註25(a)(i)。

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### 25 Equity settled share-based transactions (continued)

On 26 October 2016, the Company granted a total of 39,425,000 share options (the “2016 Share Option Scheme”) to eligible participants to subscribe for a total of 39,425,000 ordinary shares of HK\$0.01 each in the capital of the Company, subject to performance conditions related to certain revenue growth target of the Company’s 2017, 2018 and 2019 financial years. Details of the three tranches of the 2016 Share Option Scheme are set out in Note 25(a)(ii).

On 9 June 2017, the Company granted share options (the “2017 Share Option Scheme I and 2017 Share Option Scheme II”) to 48 eligible participants (“Grantees”) to subscribe for a total of 8,083,000 ordinary share of HK\$0.01 each in the capital of the Company, subject to performance conditions related to certain revenue growth target of the Company’s 2017, 2018, 2019 and 2020 financial years. Details of the 2017 Share Option Scheme I and 2017 Share Option Scheme II are set out in Note 25(a)(iii) and Note 25(a)(iv).

### 25 以權益結算以股份為基礎的 交易 (續)

於二零一六年十月二十六日，本公司向合資格參與者授出合共39,425,000份購股權（「二零一六年購股權計劃」）以認購本公司股本中合共39,425,000股每股面值0.01港元之普通股，惟須待有關本公司二零一七、二零一八及二零一九財政年度之若干收入增長目標之行使條件獲達成後，方可作實。此三批二零一六年購股權計劃之詳情載於附註25(a)(ii)。

於二零一七年六月九日，本公司向48名合資格參與者（「承授人」）授出購股權（「二零一七年購股權計劃I及二零一七年購股權計劃II」）以認購本公司股本中合共8,083,000股每股面值0.01港元之普通股，惟須待有關本公司二零一七、二零一八、二零一九及二零二零財政年度之若干收入增長目標之行使條件獲達成後，方可作實。二零一七年購股權計劃I及二零一七年購股權計劃II之詳情載於附註25(a)(iii)及附註25(a)(iv)。

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### 25 Equity settled share-based transactions (continued)

### 25 以權益結算以股份為基礎的 交易 (續)

(a) The terms and conditions of the grants are as follows:

(a) 授出的條款及條件如下：

	Number of instruments 工具數目	Vesting conditions 歸屬條件 Years from the date of grant 自授出日期起計之年限	Contractual life of options 購股權的合約年期
(i) Pre-IPO Share Option Scheme			
(i) 首次公開發售前購股權計劃			
<b>2012</b>			
<b>二零一二年</b>			
Granted to directors: 授予董事：			
– on 1 January 2012 – 於二零一二年一月一日	15,000,000	3 years 3年	6 years 6年
– on 1 January 2012 – 於二零一二年一月一日	7,500,000	4 years 4年	6 years 6年
– on 1 January 2012 – 於二零一二年一月一日	7,500,000	5 years 5年	6 years 6年
Granted to employees: 授予僱員：			
– on 1 January 2012 – 於二零一二年一月一日	11,948,500	3 years 3年	6 years 6年
– on 1 January 2012 – 於二零一二年一月一日	5,974,250	4 years 4年	6 years 6年
– on 1 January 2012 – 於二零一二年一月一日	5,974,250	5 years 5年	6 years 6年
Sub-total for 2012 二零一二年小計	53,897,000		

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### 25 Equity settled share-based transactions (continued)

(a) The terms and conditions of the grants are as follows: (continued)

### 25 以權益結算以股份為基礎的交易 (續)

(a) 授出的條款及條件如下：(續)

	Number of instruments 工具數目	Vesting conditions 歸屬條件 Years from the date of grant 自授出日期起計之年限	Contractual life of options 購股權的合約年期
(i) Pre-IPO Share Option Scheme (i) 首次公開發售前購股權計劃			
<b>2013</b> 二零一三年			
Granted to employees: 授予僱員：			
- on 1 January 2013 - 於二零一三年一月一日	2,186,500	2 years 2年	5 years 5年
- on 1 January 2013 - 於二零一三年一月一日	1,093,250	3 years 3年	5 years 5年
- on 1 January 2013 - 於二零一三年一月一日	1,093,250	4 years 4年	5 years 5年
Sub-total for 2013 二零一三年小計	4,373,000		

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### 25 Equity settled share-based transactions (continued)

(a) The terms and conditions of the grants are as follows: (continued)

### 25 以權益結算以股份為基礎的交易 (續)

(a) 授出的條款及條件如下：(續)

	Number of instruments 工具數目	Vesting conditions 歸屬條件 Years from the date of grant 自授出日期起計之年限	Contractual life of options 購股權的合約年期
(i) Pre-IPO Share Option Scheme			
(i) 首次公開發售前購股權計劃			
2014			
二零一四年			
Granted to employees:			
授予僱員：			
- on 1 January 2014	832,500	1 years	4 years
- 於二零一四年一月一日		1年	4年
- on 1 January 2014	416,250	2 years	4 years
- 於二零一四年一月一日		2年	4年
- on 1 January 2014	416,250	3 years	4 years
- 於二零一四年一月一日		3年	4年
Sub-total for 2014	1,665,000		
二零一四年小計			
Total Pre-IPO Share Options granted	59,935,000		
已授首次公開發售前購股權總數			

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### 25 Equity settled share-based transactions (continued)

(a) The terms and conditions of the grants are as follows: (continued)

### 25 以權益結算以股份為基礎的交易 (續)

(a) 授出的條款及條件如下：(續)

	Number of instruments 工具數目	Vesting conditions 歸屬條件 Years from the date of grant 自授出日期起計之年限	Contractual life of options 購股權的合約年期
<b>(ii) 2016 Share Option Scheme:</b>			
<b>(ii) 二零一六年購股權計劃：</b>			
Granted to directors: 授予董事：			
- on 26 October 2016 - 於二零一六年十月二十六日	1,124,800	1 years and 5 months 1年零5個月	2 years and 2 months 2年零2個月
- on 26 October 2016 - 於二零一六年十月二十六日	843,600	2 years and 5 months 2年零5個月	3 years and 2 months 3年零2個月
- on 26 October 2016 - 於二零一六年十月二十六日	843,600	3 years and 5 months 3年零5個月	4 years and 2 months 4年零2個月
Granted to employees: 授予僱員：			
- on 26 October 2016 - 於二零一六年十月二十六日	14,645,200	1 years and 5 months 1年零5個月	2 years and 2 months 2年零2個月
- on 26 October 2016 - 於二零一六年十月二十六日	10,983,900	2 years and 5 months 2年零5個月	3 years and 2 months 3年零2個月
- on 26 October 2016 - 於二零一六年十月二十六日	10,983,900	3 years and 5 months 3年零5個月	4 years and 2 months 4年零2個月
Total 總數	39,425,000		

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### 25 Equity settled share-based transactions (continued)

(a) The terms and conditions of the grants are as follows: (continued)

### 25 以權益結算以股份為基礎的交易 (續)

(a) 授出的條款及條件如下：(續)

	Number of instruments 工具數目	Vesting conditions 歸屬條件 Years from the date of grant 自授出日期起計之年限	Contractual life of options 購股權的合約年期
<b>(iii) 2017 Share Option Scheme I:</b>			
<b>(iii) 二零一七年購股權計劃I:</b>			
Granted to employees: 授予僱員：			
- on 9 June 2017 - 於二零一七年六月九日	1,935,200	9 months 9個月	1 years and 6 months 1年零6個月
- on 9 June 2017 - 於二零一七年六月九日	1,451,400	1 years and 9 months 1年零9個月	2 years and 6 months 2年零6個月
- on 9 June 2017 - 於二零一七年六月九日	1,451,400	2 years and 9 months 2年零9個月	3 years and 6 months 3年零6個月
Total 總數	4,838,000		



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### 25 Equity settled share-based transactions (continued)

(a) The terms and conditions of the grants are as follows: (continued)

### 25 以權益結算以股份為基礎的交易 (續)

(a) 授出的條款及條件如下：(續)

	Number of instruments 工具數目	Vesting conditions 歸屬條件 Years from the date of grant 自授出日期起計之年限	Contractual life of options 購股權的合約年期
<b>(iv) 2017 Share Option Scheme II:</b>			
<b>(iv) 二零一七年購股權計劃II：</b>			
Granted to employees: 授予僱員：			
- on 9 June 2017 - 於二零一七年六月九日	1,298,000	1 years and 9 months 1年零9個月	2 years and 6 months 2年零6個月
- on 9 June 2017 - 於二零一七年六月九日	973,500	2 years and 9 months 2年零9個月	3 years and 6 months 3年零6個月
- on 9 June 2017 - 於二零一七年六月九日	973,500	3 years and 9 months 3年零9個月	4 years and 6 months 4年零6個月
Total 總數	3,245,000		

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### 25 Equity settled share-based transactions (continued)

(b) The number and exercise prices of share options are as follows:

(i) *Pre-IPO Share Option Scheme*

### 25 以權益結算以股份為基礎的 交易 (續)

(b) 購股權數目及行使價如下：  
(續)

(i) *首次公開發售前購股權計劃*

		2017 二零一七年		2016 二零一六年	
		Exercise price 行使價 RMB 人民幣元	Number of options 購股權數目 '000 千份	Exercise price 行使價 RMB 人民幣元	Number of options 購股權數目 '000 千份
Outstanding at the beginning of the year	於年初尚未行使	0.4	13,826	0.4	27,745
Forfeited during the year	於年內已失效		-	0.4	(93)
Exercised during the year	於年內已行使	0.4	(13,826)	0.4	(13,826)
Outstanding at the end of the year	於年末尚未行使		-	0.4	13,826
Exercisable at the end of the year	於年末可行使		-	-	-

On 13 November 2014, the share options under Employee Share Option Scheme were converted into share options of the Company, with 1 share option under Employee Share Option Scheme being converted into 100,000 share options of the Company, at the same terms and conditions, except that the respective exercise prices were adjusted on a proportionate basis from RMB40,000 to RMB0.4 per share. During the year, the remaining 13,826,000 options under the Pre-IPO Share Option Scheme were all exercised to subscribe for ordinary shares in the Company as set out in Note 27(c)(i).

於二零一四年十一月十三日，僱員購股權計劃項下之購股權已轉換為本公司之購股權，按相同條款及條件將每1份僱員購股權計劃項下之購股權轉換為100,000份本公司之購股權，惟相關行使價已由人民幣40,000元按比例調整至每股人民幣0.4元。年內，首次公開發售前購股權計劃項下的餘下13,826,000份購股權已獲悉數行使以認購本公司普通股（載於附註27(c)(i)）。

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### 25 Equity settled share-based transactions (continued)

(b) The number and exercise prices of share options are as follows: (continued)

(ii) 2016 Share Option Scheme:

### 25 以權益結算以股份為基礎的 交易 (續)

(b) 購股權數目及行使價如下：  
(續)

(ii) 二零一六年購股權計劃：

		2017 二零一七年		2016 二零一六年	
		Exercise price 行使價 HKD 港元	Number of options 購股權數目 '000 千份	Exercise price 行使價 HKD 港元	Number of options 購股權數目 '000 千份
Outstanding at the beginning of the year	於年初尚未行使	4.13	38,744	-	-
Granted during the year	於年內已授出	-	-	4.13	39,425
Forfeited during the year	於年內已失效	4.13	(1,979)	4.13	(681)
Outstanding at the end of the year	於年末尚未行使	4.13	36,765	4.13	38,744
Exercisable at the end of the year	於年末可行使	-	-	-	-

The 2016 Share Options outstanding at 31 December 2017 had an exercise price of HKD4.13 (2016: HKD4.13) and a weighted average remaining contractual life of 1.9 years (2016: 2.9 years).

於二零一七年十二月三十一日尚未行使的二零一六年購股權的行使價為4.13港元（二零一六年：4.13港元）以及加權平均剩餘合約年期為1.9年（二零一六年：2.9年）。

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### 25 Equity settled share-based transactions (continued)

(b) The number and exercise prices of share options are as follows: (continued)

(iii) 2017 Option Scheme I

### 25 以權益結算以股份為基礎的交易 (續)

(b) 購股權數目及行使價如下：  
(續)

(iii) 二零一七年購股權計劃I

		2017 二零一七年	
		Exercise price 行使價	Number of options 購股權數目
		HKD 港元	'000 千份
Granted during the year	於年內已授出	6.22	4,838
Forfeited during the year	於年內已失效	6.22	(1,290)
Outstanding at the end of the year	於年末尚未行使	6.22	3,548
Exercisable at the end of the year	於年末可行使	-	-

The 2017 Share Options Scheme I outstanding at 31 December 2017 had an exercise price of HKD 6.22 and a weighted average remaining contractual life of 1.9 years.

於二零一七年十二月三十一日尚未行使的二零一七年購股權計劃I的行使價為6.22港元以及加權平均剩餘合約年期為1.9年。

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### 25 Equity settled share-based transactions (continued)

(b) The number and exercise prices of share options are as follows: (continued)

(iv) 2017 Share Option Scheme II

### 25 以權益結算以股份為基礎的 交易 (續)

(b) 購股權數目及行使價如下：  
(續)

(iv) 二零一七年購股權計劃II

		2017 二零一七年	
		Exercise price 行使價	Number of options 購股權數目
		HKD 港元	'000 千份
Granted during the year	於年內已授出	6.22	3,245
Forfeited during the year	於年內已失效	6.22	(240)
Outstanding at the end of the year	於年末尚未行使	6.22	3,005
Exercisable at the end of the year	於年末可行使	-	-

The 2017 Share Options Scheme II outstanding at 31 December 2017 had an exercise price of HKD 6.22 and a weighted average remaining contractual life of 2.9 years.

於二零一七年十二月三十一日尚未行使的二零一七年購股權計劃II的行使價為6.22港元以及加權平均剩餘合約年期為2.9年。

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### 25 Equity settled share-based transactions (continued)

#### (c) Fair value of share options and assumptions

The fair value of services received in return for share options granted is measured by reference to the fair value of share options granted.

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

The estimate of the fair value of the Pre-IPO Share Options granted is measured based on Black-Scholes model. The contractual life of the share option is used as an input into this model. Expectations of early exercise are incorporated into the Black-Scholes model.

### 25 以權益結算以股份為基礎的交易 (續)

#### (c) 購股權的公平值及假設

以授出購股權換取的服務的公平值參考授出購股權的公平值計量。

##### (i) 首次公開發售前購股權計劃

授出首次公開發售前購股權的估計公平值按柏力克－舒爾斯模型計量。購股權的合約年期在該模型中作為輸入數據使用。提早行使的預期值已輸入柏力克－舒爾斯模型內。

		2012	2013	2014
		Employee	Employee	Employee
		Share	Share	Share
		Options	Options	Options
		二零一二年	二零一三年	二零一四年
		僱員購股權	僱員購股權	僱員購股權
Fair value at measurement date	於計量日期的公平值	RMB16,206 人民幣16,206元	RMB25,332 人民幣25,332元	RMB89,705 人民幣89,705元
Spot Price	現貨價	RMB35,394 人民幣35,394元	RMB50,772 人民幣50,772元	RMB123,604 人民幣123,604元
Exercise Price (Note(b)(i))	行使價 (附註(b)(i))	RMB0.4 人民幣0.4元	RMB0.4 人民幣0.4元	RMB0.4 人民幣0.4元
Expected volatility	預期波幅	53.8%	51.3%	47.9%
Option life (expressed as weighted average life used in the modelling)	購股權年期 (以於建模時使用的加權平均年期表示)	4.88	3.88	2.88
Expected Dividend	預期股息	0.00%	0.00%	0.00%
Risk-free interest rate (based on CNY China Government Bond Yield)	無風險利率 (按中國政府人民幣債券收益率計算)	3.27%	3.25%	4.42%

# Notes to the Financial Statements

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(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 25 Equity settled share-based transactions (continued)

#### (c) Fair value of share options and assumptions (continued)

##### (i) Pre-IPO Share Option Scheme (continued)

The expected volatility is based on the historic volatility of comparable companies operating in similar industry of the Company, calculated based on the weighted average remaining life of the share options, adjusted for any expected changes to future volatility based on publicly available information. Expected dividends are based on historical dividends. Changes in the subjective input assumptions could materially affect the fair value estimate.

Share options were granted under a service condition. This condition has not been taken into account in the grant date fair value measurement of the services received. There were no market conditions associated with the share option grants.

### 25 以權益結算以股份為基礎的 交易 (續)

#### (c) 購股權的公平值及假設 (續)

##### (i) 首次公開發售前購股權計劃 (續)

預期波幅以於本公司類似行業運營的可資比較公司的歷史波幅為基準，基於購股權的加權平均剩餘年期計算，並根據公開所得資料就預期未來波幅出現的任何變動作出調整。預期股息乃以歷史股息為基準。主觀輸入數據假設的任何變化可對公平值估計造成重大影響。

購股權乃根據服務條件授出。計量授出日期所獲服務的公平值時並未考慮該條件。授出購股權並無附帶市場條件。

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### 25 Equity settled share-based transactions (continued)

#### (c) Fair value of share options and assumptions (continued)

##### (ii) 2016 Share Option Scheme:

The estimate of the fair value of the 2016 Share Options granted is measured based on a Binomial Option Pricing Model. The contractual life of the share option is used as an input into this model. Expectations of early exercise are incorporated into the model.

### 25 以權益結算以股份為基礎的 交易 (續)

#### (c) 購股權的公平值及假設 (續)

##### (ii) 二零一六年購股權計劃

授出二零一六年購股權的估計公平值按二項式期權定價模型計量。購股權的合約年期在該模型中作為輸入數據使用。提早行使的預期值已輸入該模型內。

		2016 Employee Share Options 二零一六年 僱員購股權	2016 Employee Share Options 二零一六年 僱員購股權	2016 Employee Share Options 二零一六年 僱員購股權
Vesting date	歸屬日期	01/04/2018 二零一八年 四月一日	01/04/2019 二零一九年 四月一日	01/04/2020 二零二零年 四月一日
Maturity date	到期日	31/12/2018 二零一八年 十二月三十一日	31/12/2019 二零一九年 十二月三十一日	31/12/2020 二零二零年 十二月三十一日
Fair value at measurement date	於計量日期的公平值	HKD0.48港元	HKD0.35港元	HKD0.26港元
Share price	股價	HKD4.13港元	HKD4.13港元	HKD4.13港元
Exercise price (Note(b)(iii))	行使價 (附註(b)(iii))	HKD4.13港元	HKD4.13港元	HKD4.13港元
Expected volatility	預期波幅	40.86%	40.64%	40.63%
Risk-free interest rate	無風險利率	0.47%	0.51%	0.58%
Expected dividends	預期股息	0.49%	0.49%	0.49%
Forfeiture rate	失效率	2.25%	2.25%	2.25%
Suboptimal early exercise factor	次優提早行使因素	1.85	1.85	1.85



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(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 25 Equity settled share-based transactions (continued)

#### (c) Fair value of share options and assumptions (continued)

##### (ii) 2016 Share Option Scheme (continued)

The expected volatility was referenced to the average of daily historical share price volatility of comparable companies operating in similar industry of the Company. Expected dividends are estimated as the average of the Company's historical dividends. The option scheme was granted under a performance condition, and management of the Company estimates the probability of attaining revenue growth target. Changes in the subjective input assumptions could materially affect the fair value estimate. There were no market conditions associated with the share option grants.

### 25 以權益結算以股份為基礎的 交易 (續)

#### (c) 購股權的公平值及假設 (續)

##### (ii) 二零一六年購股權計劃 (續)

預期波幅乃參考於本公司類似行業運營的可資比較公司的日均歷史股價波幅。預期股息估計為本公司歷史股息的平均數。購股權計劃乃根據表現條件及本公司管理層估計達到收入增長目標的可能性而授出。主觀輸入數據假設的任何變化可對公平值估計造成重大影響。授出購股權並無附帶市場條件。

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### 25 Equity settled share-based transactions (continued)

#### (c) Fair value of share options and assumptions (continued)

##### (iii) 2017 Share Option Scheme I:

The estimate of the fair value of the 2017 Share Options granted is measured based on a Binomial Option Pricing Model. The contractual life of the share option is used as an input into this model. Expectations of early exercise are incorporated into the model.

### 25 以權益結算以股份為基礎的 交易 (續)

#### (c) 購股權的公平值及假設 (續)

##### (iii) 二零一七年購股權計劃 I:

授出二零一七年購股權的估計公平值按二項式期權定價模型計量。購股權的合約年期在該模型中作為輸入數據使用。提早行使的預期值已輸入該模型內。

		2017 Employee Share Options 二零一七年 僱員購股權	2017 Employee Share Options 二零一七年 僱員購股權	2017 Employee Share Options 二零一七年 僱員購股權
Vesting date	歸屬日期	01/04/2018	01/04/2019	01/04/2020
Maturity date	到期日	31/12/2018	31/12/2019	31/12/2020
Fair value at measurement date	於計量日期的公平值	HKD0.58港元	HKD0.47港元	HKD0.36港元
Share price	股價	HKD6.22港元	HKD6.22港元	HKD6.22港元
Exercise price (Note(b)(iii))	行使價 (附註(b)(iii))	HKD6.22港元	HKD6.22港元	HKD6.22港元
Expected volatility	預期波幅	37.86%	40.07%	39.51%
Risk-free interest	無風險利率	0.57%	0.71%	0.80%
Expected dividends	預期股息	0.41%	0.41%	0.41%
Forfeiture rate	失效率	5.61%	5.61%	5.61%
Suboptimal early exercise factor	次優提早行使因素	1.85	1.85	1.85

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(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 25 Equity settled share-based transactions (continued)

#### (c) Fair value of share options and assumptions (continued)

##### (iii) 2017 Share Option Scheme I: (continued)

The expected volatility was referenced to the average of daily historical share price volatility of comparable companies operating in similar industry of the Company. Expected dividends are estimated as the average of the Company's historical dividends. The option scheme was granted under a performance condition, and management of the Company estimates the probability of attaining revenue growth target. Changes in the subjective input assumptions could materially affect the fair value estimate. There were no market conditions associated with the share option grants.

### 25 以權益結算以股份為基礎的 交易 (續)

#### (c) 購股權的公平值及假設 (續)

##### (iii) 二零一七年購股權計劃： (續)

預期波幅乃參考於本公司類似行業運營的可資比較公司的日均歷史股價波幅。預期股息估計為本公司歷史股息的平均數。購股權計劃乃根據表現條件及本公司管理層估計實現收入增長目標的可能性而授出。主觀輸入數據假設的任何變化可對公平值估計造成重大影響。授出購股權並無附帶市場條件。

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(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 25 Equity settled share-based transactions (continued)

#### (c) Fair value of share options and assumptions (continued)

##### (iv) 2017 Share Option Scheme II:

The estimate of the fair value of the 2017 Share Options granted is measured based on a Binomial Option Pricing Model. The contractual life of the share option is used as an input into this model. Expectations of early exercise are incorporated into the model.

### 25 以權益結算以股份為基礎的 交易 (續)

#### (c) 購股權的公平值及假設 (續)

##### (iv) 二零一七年購股權計劃II:

授出二零一七年購股權的估計公平值按二項式期權定價模型計量。購股權的合約年期在該模型中作為輸入數據使用。提早行使的預期值已輸入該模型內。

		2017 Employee Share Options 二零一七年 僱員購股權	2017 Employee Share Options 二零一七年 僱員購股權	2017 Employee Share Options 二零一七年 僱員購股權
Vesting date	歸屬日期	01/04/2019	01/04/2020	01/04/2021
Maturity date	到期日	31/12/2019	31/12/2020	31/12/2021
Fair value	於計量日期的公平值			
at measurement date		HKD0.47港元	HKD0.36港元	HKD0.21港元
Share price	股價	HKD6.22港元	HKD6.22港元	HKD6.22港元
Exercise Price (Note(b)(iv))	行使價 (附註(b)(iv))	HKD6.22港元	HKD6.22港元	HKD6.22港元
Expected volatility	預期波幅	40.07%	39.51%	40.39%
Risk-free interest rate	無風險利率	0.71%	0.80%	0.90%
Expected dividends	預期股息	0.41%	0.41%	0.41%
Forfeiture rate	失效率	5.61%	5.61%	5.61%
Suboptimal early exercise factor	次優提早行使因素	1.85	1.85	1.85

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### 25 Equity settled share-based transactions (continued)

#### (c) Fair value of share options and assumptions (continued)

##### (iv) 2017 Share Option Scheme II: (continued)

The expected volatility was referenced to the average of daily historical share price volatility of comparable companies operating in similar industry of the Company. Expected dividends are estimated as the average of the Company's historical dividends. The option scheme was granted under a performance condition, and management of the Company estimates the probability of attaining revenue growth target. Changes in the subjective input assumptions could materially affect the fair value estimate. There were no market conditions associated with the share option grants.

### 25 以權益結算以股份為基礎的 交易 (續)

#### (c) 購股權的公平值及假設 (續)

##### (iv) 二零一七年購股權計劃II： (續)

預期波幅乃參考於本公司類似行業運營的可資比較公司的日均歷史股價波幅。預期股息估計為本公司歷史股息的平均數。購股權計劃乃根據表現條件及本公司管理層估計實現收入增長目標的可能性而授出。主觀輸入數據假設的任何變化可對公平值估計造成重大影響。授出購股權並無附帶市場條件。

### 26 Income tax in the consolidated statement of financial position

#### (a) Current taxation in the consolidated statement of financial position represents:

### 26 合併財務狀況表中的所得稅

#### (a) 合併財務狀況表中的即期稅項 指：

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
<b>Current tax assets</b>	<b>即期稅項資產</b>		
PRC Corporate Income Tax	中國企業所得稅	-	152
<b>Current tax payable</b>	<b>即期應付稅項</b>		
PRC Corporate Income Tax	中國企業所得稅	8,033	10,372

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### 26 Income tax in the consolidated statement of financial position (continued)

### 26 合併財務狀況表中的所得稅 (續)

#### (b) Deferred tax assets and liabilities recognised:

The components of deferred tax assets and liabilities recognised in the consolidated statement of financial position and the movements during the year are as follows:

#### (b) 已確認的遞延稅項資產及負債：

年內於合併財務狀況表確認的遞延稅項資產及負債的組成部份及變動如下：

		Fair value change of financial instruments	Undistributed profits of PRC subsidiaries	Unrealised profit arising from intra-group transactions 自集團內公司間 交易產生的 未變現溢利	Impairment on inventories and trade receivables 存貨及 貿易應收款項 減值	Deferred income	Total
		金融工具 公平值變動 RMB'000 人民幣千元	中國附屬公司的 未分配溢利 RMB'000 人民幣千元	交易產生的 未變現溢利 RMB'000 人民幣千元	存貨及 貿易應收款項 減值 RMB'000 人民幣千元	遞延收入 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
At 1 January 2016	於二零一六年一月一日	-	(2,040)	4,034	175	713	2,882
(Credited)/charged to consolidated income statement of profit or loss (Note 5(a))	(計入)/扣除自 合併損益表(附註5(a))	(2,919)	-	(513)	1,749	1,048	(635)
At 31 December 2016 and 1 January 2017	於二零一六年十二月 三十一日及 二零一七年一月一日	(2,919)	(2,040)	3,521	1,924	1,761	2,247
(Credited)/charged to consolidated income statement of profit or loss (Note 5(a))	(計入)/扣除自 合併損益表(附註5(a))	3,395	(2,365)	(646)	(1,125)	429	(312)
At 31 December 2017	於二零一七年 十二月三十一日	476	(4,405)	2,875	799	2,190	1,935

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### 26 Income tax in the consolidated statement of financial position (continued)

### 26 合併財務狀況表中的所得稅 (續)

#### (c) Reconciliation to the consolidated statement of financial position:

#### (c) 合併財務狀況表對賬：

	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Net deferred tax asset recognised in the consolidated statement of financial position 於合併財務狀況表確認的遞延稅項資產淨值	7,672	4,287
Net deferred tax liability recognised in the consolidated statement of financial position 於合併財務狀況表確認的遞延稅項負債淨額	(5,737)	(2,040)
	<b>1,935</b>	<b>2,247</b>

#### (d) Deferred tax liabilities not recognised

The Group did not recognise deferred tax liabilities in respect of the PRC dividend withholding tax relating to certain undistributed profits of the PRC subsidiaries as at 31 December 2017 since the Group controls the dividend policy of these subsidiaries. Based on the assessment of the management, as of 31 December 2017, the undistributed profits amounted to RMB870,336,000 (2016: RMB559,708,000) will not be distributed in the foreseeable future.

#### (d) 未確認遞延稅項負債

本集團並無就中國附屬公司於二零一七年十二月三十一日的有關若干未分配溢利所繳納中國股息預扣稅確認遞延稅項負債，原因在於本集團控制該等附屬公司的股息政策。根據管理層評估，截至二零一七年十二月三十一日，未分配溢利金額人民幣870,336,000元（二零一六年：人民幣559,708,000元）將不會於可預見的未來分配。

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## 財務報表附註

31 December 2017 二零一七年十二月三十一日  
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### 27 Capital, reserves and dividends

### 27 資金、儲備及股息

#### (a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

#### (a) 權益部份變動

本集團合併權益各部份的年初及年終結餘的對賬載於合併權益變動表。本公司權益個別部份於年初至年終的變動詳情載列如下：

		Share capital	Share premium	Exchange reserve	Other reserve	Equity settled share-based payment reserve	Accumulated loss/Retained profits	Total
	Note	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	以權益結算的以股份為基礎付款儲備 RMB'000 人民幣千元	累計虧損/保留溢利 RMB'000 人民幣千元	RMB'000 人民幣千元
			27(d)(i)	27(d)(i)	27(d)(ii)	27(d)(v)/25		
At 1 January 2016	於二零一六年一月一日	8,132	668,384	39,749	66	4,458	5,363	726,152
Share issued under share option schemes	根據購股權計劃發行股份	27(c)(i)	117	7,907	-	-	(2,494)	5,530
Equity settled share-based payment transactions	以權益結算的以股份為基礎付款交易	4(b)	-	-	-	1,658	-	1,658
Shares issued for the Placement under general mandate	根據一般授權就配售發行股份	27(c)(iii)	356	136,920	-	-	-	137,276
Loss for the year	年內虧損	-	-	-	-	-	(2,851)	(2,851)
Other comprehensive income	其他全面收益	-	-	49,844	-	-	-	49,844
<b>As at 31 December 2016 and 1 January 2017</b>	<b>於二零一六年十二月三十一日及二零一七年一月一日</b>	<b>8,605</b>	<b>813,211</b>	<b>89,593</b>	<b>66</b>	<b>3,622</b>	<b>2,512</b>	<b>917,609</b>
Share issued under share option schemes	根據購股權計劃發行股份	27(c)(i)	122	7,903	-	-	(2,495)	5,530
Equity settled share-based payment transactions	以權益結算的以股份為基礎付款交易	4(b)	-	-	-	6,704	-	6,704
Shares issued for the Placement under general mandate	根據一般授權就配售發行股份	27(c)(iii)	168	178,897	-	-	-	179,065
Profit for the year	年內溢利	-	-	-	-	-	20,784	20,784
Dividend approved in respect of the previous year	過往年度批准股息	27(b)(i)	-	-	-	-	(37,145)	(37,145)
Other comprehensive income	其他全面收益	-	-	(48,308)	-	-	-	(48,308)
<b>As at 31 December 2017</b>	<b>於二零一七年十二月三十一日</b>	<b>8,895</b>	<b>1,000,011</b>	<b>41,285</b>	<b>66</b>	<b>7,831</b>	<b>(13,849)</b>	<b>1,044,239</b>



# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 27 Capital, reserves and dividends (continued) 27 資金、儲備及股息 (續)

#### (b) Dividends

##### (i) Dividends payable to equity shareholders of the Company attributable to the year

Final dividend proposed after the end of the reporting period of RMB7.8 cents (2016 RMB3.5 cents) equivalent to HKD9.6 cents (2016: HKD3.9 cents)

於報告期結束後建議末期股息為人民幣7.8分 (二零一六年：人民幣3.5分) (相等於9.6港仙 (二零一六年：3.9港仙))

The final dividend proposed after the end of the year has not been recognised as a liability as at the end of the reporting period.

##### (ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year.

Final dividend in respect of the previous financial year, approved and paid during the year of RMB3.5 cents (2016: Nil) equivalent to HKD3.9 cents (2016: Nil)

有關年內已批准及支付之上一個財政年度末期股息為人民幣3.5分 (二零一六年：零) (相等於3.9港仙 (二零一六年：零))

#### (b) 股息

##### (i) 年內應付本公司股權持有人股息

2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
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87,017	38,151
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於報告期末，於本年度結束後建議的末期股息尚未確認為負債。

##### (ii) 年內已批准及支付之上一個財政年度應付本公司股權持有人股息。

2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
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37,145	—
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# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日  
(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 27 Capital, reserves and dividends (continued) 27 資金、儲備及股息 (續)

#### (c) Share capital

##### (i) Authorised and issued share capital

		Number of shares		Amount	
		股份數目		金額	
		'000		HK\$'000	
		千股		千港元	
<b>Authorised:</b>	<b>法定：</b>				
Ordinary shares	每股0.01港元之普通股				
of HK\$0.01 each		50,000,000		500,000	
		Number of shares		Nominal value of ordinary shares	
		股份數目		普通股面值	
		'000		HK\$'000	
		千股		千港元	
		附註		人民幣千元	
<b>Issued and fully paid:</b>	<b>已發行及繳足：</b>				
At 1 January 2016	於二零一六年一月一日	1,027,945		10,279	8,132
Shares issued under	根據首次公開發售前				
Pre-IPO Share Option Scheme	購股權計劃發行股份	(ii)	13,826	138	117
Shares issued for the Placement	就配售發行股份	(iii)	40,000	400	356
At 31 December 2016 and	於二零一六年				
1 January 2017	十二月三十一日及				
	二零一七年				
	一月一日	1,081,771		10,817	8,605
Shares issued under	根據首次公開發售前				
Pre-IPO Share Option Scheme	購股權計劃發行股份	(ii)	13,826	138	122
Shares issued for the Placement	就配售發行股份	(iii)	20,000	200	168
At 31 December 2017	於二零一七年				
	十二月三十一日	1,115,597		11,155	8,895

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 27 Capital, reserves and dividends (continued) 27 資金、儲備及股息 (續)

#### (c) Share capital (continued)

##### (ii) Shares issued under Pre-IPO Share Option Scheme

During the year, options were exercised to subscribe for 13,826,000 ordinary shares in the Company at a consideration of RMB5,530,400 all of which was credited to share premium account (2016: 13,826,000 shares at a consideration of RMB5,530,400). RMB2,495,000 was transferred from the equity settled share-based payment reserve to the share premium account (2016: RMB2,494,000).

##### (iii) Shares issued for the Placement under general mandate

On 29 December 2017, an aggregate of 20,000,000 shares were allotted and issued at HKD10.80 per share. The net proceeds after deducting placing commission, professional fees and all related expenses, is approximately RMB179,065,000.

On 12 December 2016, an aggregate of 40,000,000 shares were allotted and issued at HKD3.90 per share. The net proceeds after deducting placing commission, professional fees and all related expenses, is approximately RMB137,276,000.

#### (c) 股本 (續)

##### (ii) 根據首次公開發售前購股權計劃發行股份

年內，購股權獲行使以按代價人民幣5,530,400元認購本公司13,826,000股普通股，代價均計入股份溢價賬（二零一六年：按代價人民幣5,530,400元認購13,826,000股股份）。自以權益結算以股份為基礎付款儲備將人民幣2,495,000元轉撥至股份溢價賬（二零一六年：人民幣2,494,000元）。

##### (iii) 根據一般授權就配售發行股份

於二零一七年十二月二十九日，以每股股份10.80港元配發及發行合共20,000,000股股份。所得款項淨額（經扣除配售佣金、專業費及全部相關開支後）約為人民幣179,065,000元。

於二零一六年十二月十二日，以每股股份3.90港元配發及發行合共40,000,000股股份。所得款項淨額（經扣除配售佣金、專業費及全部相關開支後）約為人民幣137,276,000元。

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日  
(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 27 Capital, reserves and dividends (continued) 27 資金、儲備及股息 (續)

#### (d) Nature and purpose of reserves

##### (i) Share premium

Under the Companies Law (Revised) of the Cayman Islands, the funds in the share premium account of the Company are distributable to the shareholders of Company provided that immediately following the date on which the dividends is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.

##### (ii) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of financial statements of operations outside Mainland China which are dealt with in accordance with the accounting policies as set out in Note 1(v).

##### (iii) PRC Statutory reserve

As stipulated by regulations in the PRC, the Company's subsidiaries established and operated in the Mainland China are required to appropriate 10% of their after-tax-profit (after offsetting prior year losses) as determined in accordance with the PRC accounting rules and regulations, to the statutory surplus reserve until the reserve balance reaches 50% of the registered capital. The transfer to this reserve must be made before distribution of profits to parent companies.

The statutory reserve can be utilised, upon approval by the relevant authorities, to offset accumulated losses or to increase capital of the subsidiary, provided that the balance after such issue is not less than 25% of its registered capital.

#### (d) 儲備的性質及用途

##### (i) 股份溢價

根據開曼群島公司法(經修訂)，本公司股份溢價賬上的資金可分派予本公司股東，前提為緊隨建議派發股息當日之後，本公司仍有能力在日常業務過程中清償到期欠債。

##### (ii) 匯兌儲備

匯兌儲備包括換算中國內地以外業務的財務報表所產生的一切外匯差額，相關換算乃根據附註1(v)所載會計政策處理。

##### (iii) 中國法定儲備

按中國的法規規定，本公司於中國內地成立及營運的附屬公司須將其按中國會計規則及法規釐定的除稅後溢利的10% (經抵銷往年虧損後)撥入法定盈餘儲備，直至儲備結餘達註冊資本的50%為止。撥款予該儲備須於向母公司分派溢利前進行。

法定儲備待相關機構批准後方可用以抵銷累計虧損或增加附屬公司的資本，惟於有關使用後的結餘不低於其註冊資本的25%。

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 27 Capital, reserves and dividends (continued) 27 資金、儲備及股息 (續)

#### (d) Nature and purpose of reserves (continued)

##### (iv) Other reserve

The other reserve of the Group as at 31 December 2017 and 2016 represents the difference between (i) the carrying amount of share capital of QT Great China; and (ii) the nominal value of the share issued by the Company in exchange for all the issued share capital of QT Great China under the reorganisation of the Group completed on 26 June 2014.

##### (v) Equity settled share-based payment reserve

The equity settled share based payment reserve comprises the portion of the grant date fair value of unexercised shares options granted to the directors and employees of the Group that has been recognised in accordance with the accounting policy adopted for share-based payments in Note 1(r)(ii).

##### (vi) Fair value reserve

The fair value reserve comprises the cumulative net changes in the fair value of other financial assets held by the Group as at the year end dates net of deferred tax, and is dealt with in accordance with the accounting policies in Notes 1(h) and 1(l)(i).

#### (d) 儲備的性質及用途 (續)

##### (iv) 其他儲備

本集團於二零一七及二零一六年十二月三十一日的其他儲備指(i)QT Great China的股本賬面值；與(ii)本公司根據本集團於二零一四年六月二十六日完成的重組為交換QT Great China全部已發行股本而發行之股份之面值之間的差額。

##### (v) 以權益結算以股份為基礎的付款儲備

以權益結算以股份為基礎的付款儲備包括根據如附註1(r)(ii)所載就以股份為基礎的付款採納的會計政策確認授予本集團董事及僱員之未行使購股權的授出日期公平價值部份。

##### (vi) 公平值儲備

公平值儲備包括本集團所持其他金融資產於年結日的公平值累計變動淨額(扣除遞延稅項)，並按照附註1(h)及1(l)(i)所載會計政策處理。

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日  
(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 27 Capital, reserves and dividends (continued) 27 資金、儲備及股息 (續)

#### (d) Nature and purpose of reserves (continued)

##### (vii) Distributability of reserves

At 31 December 2017, the aggregate amount of reserves (including share premium and retained profits) available for distribution to equity shareholders of the Company was RMB986,162,000 (2016: RMB815,723,000).

#### (e) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for its shareholder and benefits for other stakeholders, by pricing products commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Group monitors its capital structure with reference to its debt position. The Group's strategy is to maintain the equity and debt in a balanced position and ensure there are adequate working capital to service its debt obligations. The Group's gearing ratio was 50.2% at 31 December 2017 (2016: 21.4%).

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

#### (d) 儲備的性質及用途 (續)

##### (vii) 儲備的分派能力

於二零一七年十二月三十一日，可供分派予本公司股權持有人的儲備（包括股份溢價及保留溢利）總額為人民幣986,162,000元（二零一六年：人民幣815,723,000元）。

#### (e) 資本管理

本集團管理資本的首要目標為保障本集團持續經營的能力，透過因應風險水平為產品定價以及以合理成本取得融資，繼續為股東帶來回報及為其他權益持有人帶來利益。

本集團積極定期審視及管理其資本架構，以期爭取在更高水平的借款下可能實現的更高股東回報與維持穩健資本狀況的好處及安全之間維持平衡，並且因應經濟情況的變化調整資本架構。

本集團參照其債務情況來監察資本架構。本集團的策略是保持權益與債務的適當平衡，確保有足夠營運資金支付債務。於二零一七年十二月三十一日，本集團的資本負債比率為50.2%（二零一六年：21.4%）。

本公司及其任何附屬公司均不受外界施加的資本規定所限制。

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 28 Financial risk management and fair values 28 金融風險管理及公平值

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business. The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

#### (a) Credit risk

The Group's credit risk is primarily attributable to trade and other receivables and deposits with banks. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

##### (i) Trade and other receivables

For the year ended 31 December 2017, certain amounts of sales were related directly to the related parties (Note 30(b)).

The management considers that related parties are under influence of the Group's Controlling Shareholder, hence no material credit risk exists on sales to related companies.

In respect of trade and other receivables, individual credit evaluations are performed on all customers requiring credit terms. These evaluations focus on the customer's history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. These trade receivables are due within 30 to 90 days from the date of billing. Normally, the Group does not obtain collateral from customers.

本集團於日常業務過程中產生信貸、流動資金、利率及貨幣風險。下文說明本集團面臨該等風險的狀況及本集團管理該等風險所採用的金融風險管理政策及慣例。

#### (a) 信貸風險

本集團的信貸風險主要歸因於貿易及其他應收款項及銀行存款。管理層已實施信貸政策，並且持續監察該等信貸風險。

##### (i) 貿易及其他應收款項

截至二零一七年十二月三十一日止年度，若干銷售款項與直接向關聯方的銷售有關（附註30(b)）。

管理層認為關聯方乃受本集團的控股股東影響，故向關聯公司的銷售並不存在重大信貸風險。

就貿易及其他應收款項而言，對所有要求取得信用期的客戶進行個別信用評估。該等評估的重點在於客戶於到期時支付的記錄及現時的支付能力並考慮客戶以及有關客戶經營所在經濟環境的特定資料。該等貿易應收款項自開票日期起30至90天內到期。本集團一般不會向客戶收取抵押品。

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日  
(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 28 Financial risk management and fair values (continued)

#### (a) Credit risk (continued)

##### (i) Trade and other receivables (continued)

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. As at 31 December 2017, 14.59% (2016: 32.49%) of the total trade and bills receivables were due from the Group's largest customer, and 63.8% (2016: 58.13%) of the total trade and bills receivables were due from the Group's five largest customers.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the consolidated statement of financial position after deducting any impairment allowance.

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from trade and other receivables are set out in Note 16.

The Group derecognised bills receivable when it transferred bank acceptance bills to suppliers through endorsement. Bill holders in due course preserve right of recourse against the Group in case of dishonor of the bills. As at the year ended 31 December 2017, the outstanding bills endorsed with recourse totaled RMB148,296,000 (2016: RMB65,099,000), which represents the Group's exposure to credit risk. All of these bills are due within one year.

### 28 金融風險管理及公平值 (續)

#### (a) 信貸風險 (續)

##### (i) 貿易及其他應收款項 (續)

本集團面臨的信貸風險主要受各客戶個別特徵的影響，因此倘本集團面臨個別客戶的重大風險，則會發生高度集中的信貸風險。於二零一七年十二月三十一日，貿易應收款項及應收票據總額的14.59%（二零一六年：32.49%）應收自本集團最大客戶，而貿易應收款項及應收票據總額的63.8%（二零一六年：58.13%）應收自本集團五大客戶。

最高信貸風險指經扣除任何減值撥備後合併財務狀況表內各金融資產的賬面值。

有關本集團面臨的來自貿易及其他應收款項的信貸風險進一步定量披露載於附註16。

本集團於以背書形式轉讓銀行承兌票據予供應商時終止確認應收票據。倘票據遭拒付，則票據持有人適時維護對本集團的追索權。於二零一七年十二月三十一日，附追索權背書之票據的未償還餘額合共為人民幣148,296,000元（二零一六年：人民幣65,099,000元），其代表本集團面臨的信貸風險。該等票據均於一年內到期。



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## 財務報表附註

31 December 2017 二零一七年十二月三十一日

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 28 Financial risk management and fair values (continued)

#### (a) Credit risk (continued)

##### (i) Trade and other receivables (continued)

The Group only accepts bank acceptance bills issued by major banks or banks with qualified rating in the PRC and thus considers that the credit risk associated with such bank acceptance bills to be insignificant. The Group had not suffered any losses in this respect during the year.

The Group does not provide financial guarantee which would expose the Group to credit risk.

##### (ii) Deposits with banks

The Group mitigates its exposure to credit risk by placing deposits with financial institutions with established credit ratings. Given the high credit ratings of the banks, management does not expect any counterparty to fail to meet its obligations.

#### (b) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the short term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to approval by the board of directors when the borrowings exceed certain predetermined levels of authority.

The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

### 28 金融風險管理及公平值 (續)

#### (a) 信貸風險 (續)

##### (i) 貿易及其他應收款項 (續)

本集團僅接納中國主要銀行或評級合格的銀行出具的銀行承兌票據，因而認為與該等銀行承兌票據有關的信貸風險並不重大。年內，本集團並無因此遭受任何損失。

本集團未提供將使本集團面臨信貸風險的任何財務擔保。

##### (ii) 銀行存款

本集團透過在信貸評級卓越的金融機構存款減低信貸風險。鑑於銀行的信貸評級良好，管理層預計任何對手方均不會不履行其責任。

#### (b) 流動資金風險

本集團內的個別經營實體負責其本身的現金管理，包括現金盈餘的短期投資及募集貸款以應付預期的現金需求，惟倘借款超出若干預定的授權水平，則須取得董事會批准。

本集團的政策乃定期監察流動資金需求及其借貸契諾的遵守情況，以確保其維持充裕現金儲備及取得主要金融機構提供足夠的承諾資金，以應付短期及長期的流動資金需求。

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## 財務報表附註

31 December 2017 二零一七年十二月三十一日

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 28 Financial risk management and fair values (continued)

#### (b) Liquidity risk (continued)

All non-interest bearing financial liabilities of the Group are carried at amount not materially different from their contractual undiscounted cash flow and all the financial liabilities are with maturities within one year or repayable on demand as at 31 December 2017.

The following tables show the remaining scheduled maturities at the end of reporting period of the Group's financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period):

### 28 金融風險管理及公平值 (續)

#### (b) 流動資金風險 (續)

由於所有金融負債於一年內屆滿或須於二零一七年十二月三十一日應要求償還，故本集團的所有免息金融負債均按與其合約未貼現現金流量相近的金額計算。

下表列示本集團於報告期末按合約未貼現現金流量的金融負債（包括按合約利率或（如屬浮息）根據於報告期末通行的利率計算的利息付款）餘下的預定到期詳情：

		Total contractual undiscounted cash flow/ within 1 year or on demand	Total contractual undiscounted cash flow/ more than 1 year but less than 2 years	Carrying amount
		合約未貼現 現金流量總額/ 一年內或應要求 RMB'000 人民幣千元	現金流量總額/ 超過一年 但不到兩年 RMB'000 人民幣千元	賬面值 RMB'000 人民幣千元
Bank borrowings	銀行借款	1,097,400	-	1,078,119
Trade and other payables	貿易及其他應付款項	2,830,117	-	2,830,117
At 31 December 2017	於二零一七年十二月三十一日	3,927,517	-	3,908,236
Bank borrowings	銀行借款	336,665	-	335,432
Trade and other payables	貿易及其他應付款項	2,592,781	-	2,592,781
At 31 December 2016	於二零一六年十二月三十一日	2,929,446	-	2,928,213

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### 28 Financial risk management and fair values (continued)

#### (c) Interest rate risk

The Group's interest rate risk arises primarily from bank borrowings. As at 31 December 2017 and 31 December 2016, the Group does not obtain any bank borrowings at variable interest rates. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. Details of the interest rates and terms of bank borrowings are disclosed in Note 21.

#### (d) Currency risk

The Group is exposed to currency risk primarily through bank borrowings, and sales and purchases which give rise to loan balances, cash balances, receivables, and payables that are denominated in a foreign currency, i.e. a currency other than the functional currency of the operations to which the transactions relate. The currencies giving rise to this risk are primarily USD and RMB.

### 28 金融風險管理及公平值 (續)

#### (c) 利率風險

本集團的利率風險主要來自銀行借款。於二零一七年十二月三十一日及二零一六年十二月三十一日，本集團並無按浮動利率取得任何銀行借款。按固定利率發行的借款令本集團面臨公平值利率風險。利率的詳情及銀行借款的條款於附註21披露。

#### (d) 貨幣風險

本集團所面對的貨幣風險主要來自產生貸款結餘、現金結餘、應收款項、及應付款項的以外幣（即與交易有關的業務的功能貨幣以外的貨幣）計值的銀行借款以及銷售及採購。引致此項風險的貨幣主要為美元及人民幣。

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### 28 Financial risk management and fair values (continued)

#### (d) Currency risk (continued)

##### (i) Exposure to currency risk

The following table details the Group's major exposure at the end of each reporting period to currency risk arising from recognised assets and liabilities denominated in a currency other than the functional currency of the Group to which they relate. For presentation purposes, the amounts of the exposure are shown in Renminbi, translated using the spot rate at the end of each reporting period.

### 28 金融風險管理及公平值 (續)

#### (d) 貨幣風險 (續)

##### (i) 貨幣風險承擔

下表詳列本集團於各報告期末所承受的主要貨幣風險，該等貨幣風險乃因已確認資產及負債以與其有關的本集團的功能貨幣以外的貨幣計值而產生。就呈報目的而言，風險額以人民幣列示，並以各報告期末的即期匯率換算。

		USD 美元		RMB 人民幣	
		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Cash and cash equivalents	現金及現金等價物	569	625	9,445	881
Trade and other receivables	貿易及其他應收款項	326,338	66,384	89,567	-
Trade and other payables	貿易及其他應付款項	(817,262)	(1,656,508)	(50,517)	-
Bank loans and borrowings	銀行貸款及借款	(148,980)	(20,395)	-	(50,000)
Gross exposure to currency risk	貨幣風險承擔總額	(639,335)	(1,609,894)	48,495	(49,119)
Notional amounts of exchange rate derivatives	匯率衍生業務的 名義金額	4,519,511	901,810	-	-
- Forward contracts	- 遠期合約	841,866	17,342	-	-
- Option contracts	- 期權合約	3,677,645	884,468	-	-
Net exposure to currency risk	貨幣風險承擔淨額	3,880,176	(708,084)	48,495	(49,119)

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(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 28 Financial risk management and fair values (continued)

#### (d) Currency risk (continued)

##### (ii) Sensitivity analysis

The following table indicates the instantaneous change in the Group's profit after tax (and retained profits) and other components of consolidated equity that would arise if foreign exchange rates to which the Group has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant.

		2017 二零一七年			2016 二零一六年		
	Increase/ (decrease) in foreign exchange rates 外匯匯率 上升/ (下降) %	Effect on profit after tax 對除稅後 溢利影響 RMB'000 人民幣千元	Effect on other component of equity 對權益 其他部分的 影響 RMB'000 人民幣千元		Increase/ (decrease) in foreign exchange rates 外匯匯率 上升/ (下降) %	Effect on profit after tax 對除稅後 溢利影響 RMB'000 人民幣千元	Effect on other component of equity 對權益 其他部分的 影響 RMB'000 人民幣千元
USD	美元	5	164,907	-	5	(30,094)	-
		(5)	(164,907)	-	(5)	30,094	-
RMB	人民幣	5	2,026	-	5	(2,051)	-
		(5)	(2,026)	-	(5)	2,051	-

Results of the analysis above represent an aggregation of the instantaneous effects on the Group's profit after tax and retained profits measured in the respective functional currencies, translated into Renminbi at the exchange rate ruling as at the end of the respective reporting periods for presentation purposes.

### 28 金融風險管理及公平值 (續)

#### (d) 貨幣風險 (續)

##### (ii) 敏感度分析

下表詳列本集團除稅後溢利(及保留溢利)及將產生合併權益其他部份(倘本集團外匯匯率於報告期末因該利率於該日變動而存在重大風險，假設所有其他風險變量保持不變)的即時變動。

上述分析的結果總結了本集團以相關功能貨幣計量的除稅後溢利及保留溢利的即時影響，有關影響以各報告期末的現行匯率換算為人民幣，以供呈列之用。

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### 28 Financial risk management and fair values (continued)

#### (d) Currency risk (continued)

##### (ii) Sensitivity analysis (continued)

The sensitivity analysis above assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group which expose the Group to foreign currency at the end of the respective reporting periods, including inter-company payables and receivables within the Group which are denominated in a currency other than the functional currencies of the lender or the borrower. The analysis excludes differences that would result from the translation of the financial statements of foreign operations into the Group's presentation currency. The analysis has been performed on the same basis for 2016.

#### (e) Fair value

##### (i) Financial instruments carried at fair value

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in IFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. Unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date

### 28 金融風險管理及公平值 (續)

#### (d) 貨幣風險 (續)

##### (ii) 敏感度分析 (續)

上述敏感度分析乃假設外幣匯率的變動已用於重新計量本集團於各報告期末所持使本集團面臨外匯風險的金融工具，包括本集團內公司間應付款項及應收款項，有關款項以貸款人或借款人功能貨幣以外的貨幣列值。分析並不包括因海外業務財務報表兌換為本集團呈列貨幣產生的差額。分析乃以與二零一六年相同的基準進行。

#### (e) 公平值

##### (i) 按公平值列賬的金融工具

下表呈列本集團金融工具的公平值，該等金融工具於報告期末按經常性基準計量，並分類為國際財務報告準則第13號公平值計量所界定的三級公平值架構。將公平值計量分類的等級乃經參考如下估值方法所用輸入數據的可觀察性及重要性後釐定：

- 層級1估值：僅使用層級1輸入數據（即於計量日相同資產或負債於活躍市場的未經調整報價）計量的公平值

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### 28 Financial risk management and fair values (continued)

#### (e) Fair value (continued)

##### (i) Financial instruments carried at fair value (continued)

- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available
- Level 3 valuations: Fair value measured using significant unobservable inputs

The Group has a team headed by the assistant chief financial officer performing valuations for the financial instruments, including other financial assets which are categorised into Level 2 of the fair value hierarchy. The team reports directly to the chief financial officer. A valuation report with analysis of changes in fair value measurement is prepared at the end of each reporting period, and is reviewed and approved by the chief financial officer.

### 28 金融風險管理及公平值 (續)

#### (e) 公平值 (續)

##### (i) 按公平值列賬的金融工具 (續)

- 層級2估值：使用層級2輸入數據（即未能達到層級1的可觀察輸入數據）且並未使用重大不可觀察輸入數據計量的公平值。不可觀察輸入數據為無市場數據的輸入數據
- 層級3估值：使用重大不可觀察輸入數據計量的公平值

本集團有一隊由財務總監助理帶領的團隊對金融工具（包括分類至公平值等級中層級2的其他金融資產）進行估值。該團隊直接向財務總監報告。於各報告期末編製附有公平值計量變動分析的估值報告，並由財務總監審閱及批准。

Fair value measurement as at 31 December 2017 categorised into 於二零一七年十二月三十一日的公平值計量分類為				
2017 二零一七年 RMB'000 人民幣千元	Level 1 層級1 RMB'000 人民幣千元	Level 2 層級2 RMB'000 人民幣千元	Level 3 層級3 RMB'000 人民幣千元	
<b>Assets:</b>	<b>資產：</b>			
Derivative financial assets	衍生金融資產			
- Foreign currency option contracts	- 外匯期權合約	7,073	-	7,073
- Other financial assets	- 其他金融資產	873,486	-	873,486
<b>Liabilities:</b>	<b>負債：</b>			
Derivative financial liabilities	衍生金融負債			
- Foreign currency forward contracts	- 外匯遠期合約	(17,555)	-	(17,555)
- Foreign currency option contracts	- 外匯期權合約	(434)	-	(434)

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### 28 Financial risk management and fair values (continued)

### 28 金融風險管理及公平值 (續)

#### (e) Fair value (continued)

#### (e) 公平值 (續)

#### (i) Financial instruments carried at fair value (continued)

#### (i) 按公平值列賬的金融工具 (續)

Fair value measurement as at  
31 December 2016 categorised into  
於二零一六年十二月三十一日的公平值計量分類為

	2016	Level 1	Level 2	Level 3
	二零一六年	層級1	層級2	層級3
	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>Assets:</b>				
<b>資產：</b>				
Derivative financial assets				
衍生金融資產				
- Foreign currency option contracts	126,867	-	126,867	-
- 外匯期權合約				

The fair value of foreign currency forward contracts in Level 2 is determined by using the forward exchange rates at the end of the reporting period and comparing to the contractual rates, with the resulting value discounted back to the present value.

層級2外匯遠期合約的公平值乃通過採用報告期末遠期匯率釐定，並與合約匯率相比，將所得價值貼現至目前價值。

The fair value of foreign exchange option contracts in Level 2 is determined by using the Black-Scholes-Merton model. The observable inputs for valuation were described in Note 18.

層級2外匯期權合約的公平值採用柏力克-舒爾斯-墨頓模型釐定。估值的可觀察輸入數據載於附註18。

The fair value of non financial assets in Level 2 is determined using discounted cash flow models. The discount rate used is derived from the relevant government yield curve as at the end of each reporting period plus an adequate constant credit spread.

層級2非金融資產的公平值採用貼現現金流量模式釐定。所用貼現率來自各報告期末的相關國債收益率曲線加上恰當的持續信貸息差。



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### 28 Financial risk management and fair values (continued)

#### (e) Fair value (continued)

##### (ii) Fair value of financial assets and liabilities carried at other than fair value

The carrying amounts of the Group's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 31 December 2017.

### 29 Commitments

#### (a) Capital commitments

Capital commitments outstanding at 31 December 2017 not provided for in the financial statements were as follows:

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Contracted for	已訂約	127,477	51,103

### 28 金融風險管理及公平值 (續)

#### (e) 公平值 (續)

##### (ii) 並非按公平值列賬的金融資產 及負債的公平值

本集團按成本或攤銷成本入賬的金融工具的賬面值與其於二零一七年十二月三十一日的公平值並無重大差別。

### 29 承擔

#### (a) 資本承擔

於二零一七年十二月三十一日尚未償還且於財務報表並無計提撥備的資本承擔如下：

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### 29 Commitments (continued)

#### (b) Operating lease payments

As at 31 December 2017, the total future minimum lease payments under non-cancellable operating leases were payable as follows:

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Within 1 year	1年內	3,214	1,969
After 1 year but within 5 years	1年後但於5年內	192	1,477
		<b>3,406</b>	<b>3,446</b>

The Group leases a number of properties under operating leases. The leases typically run for an initial period of 1 to 2 years, at the end of which period all terms are renegotiated. None of the leases includes contingent rentals.

### 29 承擔 (續)

#### (b) 經營租賃付款

於二零一七年十二月三十一日，根據不可撤銷經營租約應付的未來最低租賃付款總額如下：

本集團根據經營租約租賃多項物業。租約一般初步為期1至2年，所有條款可於租約期末重新磋商。租約均不包括或然租金。

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### 30 Material related party transactions

In addition to the related party information disclosed elsewhere in these financial statements, the Group entered into the following significant related party transactions:

### 30 重大關聯方交易

除此資料外，本集團訂立以下重大關聯方交易：

Name of related parties	Relationship with the Group
關聯方姓名／名稱	與本集團的關係
– Heyuan CK* (“西可通信技術設備(河源)有限公司”)	Controlled by Mr. He Ningning
– 河源西可(「西可通信技術設備(河源)有限公司」)	由何寧寧先生控制
– Guangzhou CK Telecom Limited (“Guangzhou CK”) (“廣州西可通信技術設備有限公司”)	Controlled by key management of the Group
– 廣州西可通信技術設備有限公司(「廣州西可」)	由本集團主要管理人員控制
– Van Telecom Limited (“Van Telecom PRC”) (“唯安科技有限公司”)	Controlled by Mr. He Ningning
– 唯安科技有限公司(「唯安科技中國」)	由何寧寧先生控制
– C-Flex Electronic (Heyuan) Ltd.* (“C-Flex Electronic”) (“西普電子(河源)有限公司”)	Controlled by Mr. He Ningning
– 西普電子(河源)有限公司(「西普電子」)	由何寧寧先生控制
– CK Telecom Asia Pacific Ltd	Controlled by Mr. He Ningning
– CK Telecom Asia Pacific Ltd	由何寧寧先生控制
– Chengdu CK Technology Limited* (“Chengdu CK”) (“成都西可科技有限公司”)	Controlled by Mr. He Ningning
– 成都西可科技有限公司(「成都西可」)	由何寧寧先生控制
– C-Flex Electronic (Huangshi) Ltd. (“Huangshi C-Flex”) (“黃石西普電子科技有限公司”)	Controlled by Mr. He Ningning
– 黃石西普電子科技有限公司(「黃石西普」)	由何寧寧先生控制
– Huizhou Youhua Micro Electronic Technology Company Limited (“Huizhou Youhua”) (“惠州友華微電子科技有限公司”)	Controlled by Mr. He Ningning
– 惠州友華微電子科技有限公司(「惠州友華」)	由何寧寧先生控制
– Nexmax Technology Co., Ltd (“Newmax Technology”) (“新鉅科技股份有限公司”)	The associate of the Group
– 新鉅科技股份有限公司(「新鉅科技」)	本集團聯營公司

\* The English translation of the companies' names is for reference only. The official names of these companies are in Chinese.

\* 該等公司名稱之英文翻譯僅供參考。該等公司的正式名稱為中文。

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### 30 Material related party transactions (continued)

#### (a) Key management personnel remuneration

Key management personnel are those persons holding positions with authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including the Company's directors.

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors as disclosed in Note 6 and certain of the highest paid employees as disclosed in Note 7, is as follows:

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Short-term employee benefits	短期僱員福利	6,835	5,146
Post-employment benefits	離職後福利	66	69
Equity compensation benefits	股權補償福利	1,379	609
		<b>8,280</b>	<b>5,824</b>

The above remuneration to key management personnel is included in "staff costs" (Note 4(b)).

### 30 重大關聯方交易 (續)

#### (a) 主要管理人員薪酬

主要管理人員指擔任直接或間接擁有規劃、指導及控制本集團活動的權利與責任之職務的人士，包括本公司董事。

本集團主要管理人員薪酬包括已付本公司董事（如附註6所披露）及若干最高薪酬僱員（如附註7所披露）金額如下：

上述主要管理人員薪酬載於「員工成本」（附註4(b)）。

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日  
(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 30 Material related party transactions (continued)

### 30 重大關聯方交易 (續)

#### (b) Transactions with related parties

#### (b) 與關聯方的交易

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Sales of products to	產品售予		
– Heyuan CK	– 河源西可	78,821	70,219
		<b>78,821</b>	<b>70,219</b>
Purchases of products from	產品購自		
– C-Flex Electronic	– 西普電子	15,937	6,387
– Huangshi C-Flex	– 黃石西普	2,899	–
– Van Telecom PRC	– 唯安科技中國	9	–
– Huizhou Youhua	– 惠州友華	25,090	–
		<b>43,935</b>	<b>6,387</b>
Rental expenses to	支付租賃開支予		
– Chengdu CK	– 成都西可	124	128
– Van Telecom PRC	– 唯安科技中國	2,452	588
		<b>2,576</b>	<b>716</b>

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日  
(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 30 Material related party transactions (continued)

### 30 重大關聯方交易 (續)

#### (c) Balances with related parties

At 31 December 2017, the Group had the following balances with related parties.

##### (i) Due from related parties

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
<b>Trade-related</b>	<b>貿易相關</b>		
Trade receivables	貿易應收款項		
– Heyuan CK	– 河源西可	21,893	3,894

##### (ii) Due to related parties

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
<b>Trade-related</b>	<b>貿易相關</b>		
Trade and bills payable	貿易應付款項及應付票據		
– C-Flex Electronic	– 西普電子	391	1,170
– Van Telecom PRC	– 唯安科技中國	6	–
– Huangshi C-Flex	– 黃石西普	3,267	–
– Huizhou Youhua	– 惠州友華	20,670	–
		<b>24,334</b>	<b>1,170</b>

The amounts due from/to related parties as at 31 December 2017 and 31 December 2016 were expected to be recovered/repaid within one year.

於二零一七年十二月三十一日，本集團與關聯方有以下結餘。

##### (i) 應收關聯方

##### (ii) 應付關聯方

於二零一七年十二月三十一日及二零一六年十二月三十一日，應收／應付關聯方款項預期將於一年內收回／償還。

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 30 Material related party transactions (continued)

#### (d) Operating lease payments

As at 31 December 2017, the total future minimum lease payments under non-cancellable operating leases are payable to Chengdu CK and Van Telecom PRC as follows:

Within 1 year	1年內
After 1 year but within 5 years	1年後但於5年內

The Group leases a number of properties under operating leases. The leases typically run for an initial period of 1 to 2 years, at the end of which period all terms are renegotiated. None of the leases includes contingent rentals.

#### (e) Applicability of the Listing Rules relating to continuing connected transactions

The transactions in relation to sales of products to Heyuan CK, purchases of products from Van Telecom PRC and C-Flex Electronic as disclosed above constitute connected transaction or continuing connected transactions as defined in Chapter 14A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). The disclosures required by Chapter 14A of the Listing Rules are provided in the section headed "Continuing Connected Transactions" of the Directors Report.

### 30 重大關聯方交易 (續)

#### (d) 經營租賃付款

於二零一七年十二月三十一日，根據不可撤銷經營租約應付成都西可及唯安科技中國的未來最低租賃付款總額如下：

2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
1,062	1,062
131	1,193
<b>1,193</b>	<b>2,255</b>

本集團根據經營租約租賃多項物業。租約一般初步為期1至2年，所有條款可於租約期末重新磋商。租約均不包括或然租金。

#### (e) 與持續關連交易相關的上市規則的適用性

上文所披露之關於向河源西可銷售產品、向唯安科技中國及西普電子購買產品的交易構成香港聯合交易所有限公司證券上市規則（「上市規則」）第14A章所定義的關連交易或持續關連交易。上市規則第14A章所規定之披露載於董事會報告「持續關連交易」一節。

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日  
(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 31 Company level statement of financial position

### 31 公司層面財務狀況表

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
	Note 附註		
<b>Non-current assets</b>	<b>非流動資產</b>		
Investments in subsidiaries	投資附屬公司	18,670	11,965
Investments in associate	投資聯營公司	258,318	–
Amount due from a subsidiary	應收一間附屬公司款項	522,761	554,987
		<b>799,749</b>	<b>566,952</b>
<b>Current assets</b>	<b>流動資產</b>		
Amount due from a subsidiary	應收一間附屬公司款項	335,963	351,258
Cash and cash equivalents	現金及現金等價物	182,955	4,357
		<b>518,918</b>	<b>355,615</b>
<b>Current liabilities</b>	<b>流動負債</b>		
Trade and other payables	貿易及其他應付款項	2,671	4,958
Amount due to a subsidiary	應付一間附屬公司款項	271,757	–
		<b>274,428</b>	<b>4,958</b>
<b>Net current assets</b>	<b>流動資產淨值</b>	<b>244,490</b>	<b>350,657</b>
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>	<b>1,044,239</b>	<b>917,609</b>
<b>CAPITAL AND RESERVES</b>	<b>資本及儲備</b>		
Share capital	股本	27(c) 8,895	8,605
Reserves	儲備	27(a) 1,035,344	909,004
<b>TOTAL EQUITY</b>	<b>權益總額</b>	<b>1,044,239</b>	<b>917,609</b>

Approved and authorised for issue by the board of directors on 19 March 2018.

董事會於二零一八年三月十九日核准並許可刊發。

He Ningning  
Wang Jianqiang

Directors

何寧寧  
王健強

董事



# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 32 Significant accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The selection of critical accounting policies, the judgements and other uncertainties affecting application of those policies and the sensitivity of reported results to changes in condition and assumptions are factors to be considered when reviewing these financial statements. The principal accounting policies are set forth in Note 1. The Group believes the following critical accounting policies involve the most significant judgements and estimates used in the preparation of these financial statements.

#### (a) Impairment of trade and other receivables

The Group estimates the impairment allowances for trade and other receivables by assessing the recoverability based on credit history and prevailing market conditions. This requires the use of estimates and judgements. Allowances are applied to trade and other receivables where events or changes in circumstances indicate that the balances may not be collectible. Where the expectation is different from the original estimate, such difference will affect the carrying amounts of trade and other receivables and thus the impairment loss in the period in which such estimate is changed. The Group reassesses the impairment allowances annually.

### 32 重大會計估計及判斷

估計及判斷會以經驗及其他因素（包括因應當時情況認為屬對未來事件的合理預期）為基準持續評估。

重要會計政策的選擇、影響該等政策應用的判斷及其他不明朗因素以及所呈報業績對條件及假設變動的敏感度均為審閱此等財務報表時所考慮的因素。主要會計政策載列於附註1。本集團相信，以下重要會計政策涉及編製此等財務報表所使用的最為重要的判斷及估計。

#### (a) 貿易及其他應收款項減值

本集團通過基於信貸歷史及目前市況評估貿易及其他應收款項的可收回性估計其減值撥備。這需要使用估計及判斷。倘有事件出現或情況變動顯示結餘或不可收回，則就貿易及其他應收款項計提撥備。倘預期與初步估計有所不同，則有關差額將影響貿易及其他應收款項的賬面值，繼而影響估計變動期間的減值虧損。本集團每年重新評估減值撥備。

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 32 Significant accounting estimates and judgements (continued)

#### (b) Net realisable value of inventories

Net realisable value of inventories is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale. These estimates are based on the current market conditions and the historical experience of selling products with similar nature. Any change in the assumptions would increase or decrease the amount of inventories write-down or the related reversals of write-down made in prior years and affect the Group's net assets value. The Group reassesses these estimates annually.

#### (c) Impairment of Property, Plant and Equipment

If circumstances indicate that the carrying value of an asset may not be recoverable, the asset may be considered "impaired", and an impairment loss may be recognised in profit or loss. The carrying amounts of assets are reviewed periodically in order to assess whether the recoverable amounts have declined below the carrying amounts. These assets are tested for impairment whenever events or changes in circumstances indicate that their recorded carrying amounts may not be recoverable. When such a decline has occurred, the carrying amount is reduced to recoverable amount.

### 32 重大會計估計及判斷 (續)

#### (b) 存貨的可變現淨值

存貨的可變現淨值乃於日常業務過程中的估計售價減估計完成的成本及進行銷售所需的估計成本。該等估計乃基於目前市況及銷售類似性質產品的過往經驗。假設的任何變動將增加或減少過往年度作出的存貨撇減的金額或有關撇減撥回，並影響本集團的資產淨值。本集團每年重新評估該等估計。

#### (c) 物業、廠房及設備減值

倘情況顯示資產的賬面值可能無法收回，則該資產可能被視為「已減值」，並可在損益中確認減值虧損。資產的賬面值會定期進行審閱，以評估可收回金額是否已下跌至低於賬面值。當事件或情況變動顯示該等資產的記錄賬面值可能無法收回時，有關資產會進行減值測試。倘出現上述下跌，賬面值會減至可收回金額。

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 32 Significant accounting estimates and judgements (continued)

#### (c) Impairment of Property, Plant and Equipment (continued)

The recoverable amount is the greater of the fair value less costs to sell and the value in use. In determining the value in use, expected cash flows generated by the asset are discounted to their present value, which requires significant judgment relating to level of sales volume, sales revenue and amount of operating costs. The Group uses all readily available information in determining an amount that is a reasonable approximation of recoverable amount, including estimates based on reasonable and supportable assumptions and projections of sales volume, sales revenue and amount of operating costs.

#### (d) Depreciation and amortisation

Property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives, after taking into account the estimated residual value. Intangible assets are amortised on a straight-line basis over the estimated useful lives. The Group reviews the estimated useful lives of the assets regularly in order to determine the amount of depreciation and amortisation expenses to be recorded during any reporting period. The useful lives are based on the Group's historical experience with similar assets and taking into account anticipated technological changes. The depreciation and amortisation expenses for future periods are adjusted prospectively if there are significant changes from previous estimates.

### 33 Immediate and ultimate controlling party

As at 31 December 2017, the directors consider the immediate controlling party of the Group to be QT Investment, which is incorporated in the BVI, and the ultimate controlling party of the Group to be Mr. He Ningning.

### 32 重大會計估計及判斷 (續)

#### (c) 物業、廠房及設備減值 (續)

可收回金額為公平值減出售成本與使用價值兩者中的較高者。在釐定使用價值時，資產產生的預期現金流量會折現至其現值，而這需要對銷售額、銷售收入及經營成本作出重大判斷。本集團在釐定與可收回金額相若的合理數額時會採用所有可供使用的資料，包括根據對銷售額、銷售收入及經營成本的合理且可以證據支持的假設和預測作出的估計。

#### (d) 折舊及攤銷

物業、廠房及設備乃經計及估計殘值後以直線法於其估計可使用年期折舊。無形資產以直線法於其估計可使用年期攤銷。本集團定期審閱資產的估計可使用年期，以釐定於任何報告期內記錄的折舊及攤銷開支金額。可使用年期乃根據本集團對類似資產的過往經驗，並計及預計的技術變化後得出。倘過往估計出現重大變動，未來期間的折舊及攤銷開支則會作預早調整。

### 33 直接及最終控股方

於二零一七年十二月三十一日，董事認為本集團的直接控股方為於英屬處女群島註冊成立的丘鈦投資，而本集團的最終控股方為何寧寧先生。

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日  
(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 34 Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 December 2017

Up to the date of issue of these financial statements, the IASB has issued a number of amendments and new standards which are not yet effective for the year ended 31 December 2017 and which have not been adopted in these financial statements. These include the following which may be relevant to the Group.

### 34 截至二零一七年十二月三十一日止年度已頒佈惟尚未生效的修訂、新訂準則及詮釋的可能影響

截至此等財務報表刊發日期，國際會計準則委員會已頒佈多項修訂及新訂準則。該等修訂及新訂準則於截至二零一七年十二月三十一日止年度尚未生效，故於此等財務報表並未採用，其中包括以下可能與本集團相關者。

**Effective for accounting periods beginning on or after**  
於下列日期或之後開始的會計期間生效

IFRS 15, <i>Revenue from contracts with customers</i> 國際財務報告準則第15號，與客戶訂立合約的收益	1 January 2018 二零一八年一月一日
IFRS 9, <i>Financial Instruments</i> 國際財務報告準則第9號，金融工具	1 January 2018 二零一八年一月一日
<i>Amendments to IFRS 2, Classification and measurement of share-based payment transactions</i> 國際財務報告準則第2號(修訂本)，以股份為基準的付款交易的分類及計量	1 January 2018 二零一八年一月一日
<i>IFRIC 22, Foreign currency transactions and advance Consideration</i> 國際財務報告詮釋委員會第22號，外幣交易及預付代價	1 January 2018 二零一八年一月一日
IFRS 16, <i>Leases</i> 國際財務報告準則第16號，租賃	1 January 2019 二零一九年一月一日
IFRIC 23, <i>Uncertainty over income tax treatments</i> 國際財務報告詮釋委員會第23號，所得稅處理之不確定性	1 January 2019 二零一九年一月一日

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 34 Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 December 2017 (continued)

The Group is in the process of making an assessment of what the impact of these amendments and new standards and interpretations is expected to be in the period of initial application. So far the Group has identified some aspects of the new standards which may have a significant impact on the consolidated financial statements. Further details of the expected impacts are discussed below. While the assessment has been substantially completed for IFRS 9 and IFRS 15, the actual impacts upon the initial adoption of the standards may differ as the assessment completed to date is based on the information currently available to the Group, and further impacts may be identified before the standards are initially applied in the Group's interim financial report for the six months ended 30 June 2018. The Group may also change its accounting policy elections, including the transition options, until the standards are initially applied in that financial report.

#### IFRS 9, Financial instruments

IFRS 9 will replace the current standard on accounting for financial instruments, IAS 39, Financial instruments: Recognition and measurement. IFRS 9 introduces new requirements for classification and measurement of financial assets, including the measurement of impairment for financial assets and hedge accounting. On the other hand, IFRS 9 incorporates without substantive changes the requirements of IAS 39 for recognition and derecognition of financial instruments and the classification and measurement of financial liabilities.

IFRS 9 is effective for annual periods beginning on or after 1 January 2018 on a retrospective basis. The Group plans to use the exemption from restating comparative information and will recognise any transition adjustments against the opening balance of equity at 1 January 2018.

### 34 截至二零一七年十二月三十一日止年度已頒佈惟尚未生效的修訂、新訂準則及詮釋的可能影響(續)

本集團正評估此等修訂及新訂準則及詮釋於首次應用期間將帶來的預期影響。迄今本集團已識別新訂準則的若干方面可能對合併財務報表造成重大影響。有關預期影響的進一步詳情於下文論述。儘管就國際財務報告準則第9號及國際財務報告準則第15號進行之評估絕大部分已完成，首次採納該等準則之實際影響或會有所不同，因為迄今已完成的評估乃基於本集團的目前可得資料進行，而於該等準則首次應用於本集團截至二零一八年六月三十日止六個月之中期財務報告前，可能會發現進一步影響。本集團亦可能會更改其會計政策選擇，包括過渡選擇，直至該等準則首次應用於該財務報告內。

#### 國際財務報告準則第9號，金融工具

國際財務報告準則第9號將取代有關金融工具會計處理方法的現有準則國際會計準則第39號，金融工具：確認及計量。國際財務報告準則第9號引入分類及計量金融資產的新規定，包括計量金融資產減值及對沖會計。另一方面，國際財務報告準則第9號納入且並無大幅變動國際會計準則第39號有關確認及終止確認金融工具及金融負債分類及計量的規定。

國際財務報告準則第9號於二零一八年一月一日或之後開始之年度期間追溯生效。本集團計劃採用豁免重列比較資料並將就二零一八年一月一日之權益期初結餘確認任何過渡調整。

# Notes to the Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日  
(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 34 Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 December 2017 (continued)

#### IFRS 9, Financial instruments (continued)

Expected impacts of the new requirements on the Group's financial statements are as follows:

#### (a) Classification and measurement

IFRS 9 contains three principal classification categories for financial assets: measured at (1) amortised cost, (2) fair value through profit or loss (FVTPL) and (3) fair value through other comprehensive income (FVTOCI):

- The classification for debt instruments is determined based on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the asset. If a debt instrument is classified as FVTOCI then interest revenue, impairment and gains/losses on disposal will be recognised in profit or loss.
- For equity securities, the classification is FVTPL regardless of the entity's business model. The only exception is if the equity security is not held for trading and the entity irrevocably elects to designate that security as FVTOCI. If an equity security is designated as FVTOCI then only dividend income on that security will be recognised in profit or loss. Gains, losses and impairments on that security will be recognised in other comprehensive income without recycling.

### 34 截至二零一七年十二月三十一日止年度已頒佈惟尚未生效的修訂、新訂準則及詮釋的可能影響 (續)

#### 國際財務報告準則第9號，金融工具 (續)

新規定對本集團財務報表的預期影響如下：

#### (a) 分類及計量

國際財務報告準則第9號包括金融資產的三個主要分類方法：(1)攤銷成本，(2)按公平值計入損益；及(3)按公平值計入其他全面收益計量如下：

- 債務工具之分類乃基於實體管理金融資產的業務模式及該資產的合約現金流特點而釐定。倘債務工具分類為按公平值計入其他全面收益計量，則利息收益、減值及出售收益／虧損將於損益內確認。
- 就股本證券而言，不論實體採用何種業務模式均分類為按公平值計入損益計量，惟股本證券並非持作買賣及該實體不可撤回地選擇指定該證券為按公平值計入其他全面收益計量則例外。倘股本證券獲指定為按公平值計入其他全面收益計量，則僅該證券的股息收入將於損益內確認。該證券之收益、虧損及減值將於其他全面收益內確認且不可撥回。

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## 財務報表附註

31 December 2017 二零一七年十二月三十一日

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 34 Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 December 2017 (continued)

#### IFRS 9, Financial instruments (continued)

##### (a) Classification and measurement (continued)

The Group has assessed that its financial assets currently measured at amortised cost and FVTPL will continue with their respective classification and measurements upon the adoption of IFRS 9.

The classification and measurement requirements for financial liabilities under IFRS 9 are largely unchanged from IAS 39, except that IFRS 9 requires the fair value change of a financial liability designated at FVTPL that is attributable to changes of that financial liability's credit risk to be recognised in other comprehensive income (without reclassification to profit or loss). The Group currently does not have any financial liabilities designated at FVTPL and therefore this new requirement will not have any impact on the Group on adoption of IFRS 9.

### 34 截至二零一七年十二月三十一日止年度已頒佈惟尚未生效的修訂、新訂準則及詮釋的可能影響 (續)

#### 國際財務報告準則第9號，金融工具 (續)

##### (a) 分類及計量 (續)

本集團已評估其現時按攤銷成本及按公平值計入損益計量之金融資產將於採納國際財務報告準則第9號後繼續其各自之分類及計量。

國際財務報告準則第9號有關金融負債之分類及計量規定與國際會計準則第39號相較基本保持不變，惟國際財務報告準則第9號規定因指定為按公平值計入損益計量之金融負債信貸風險有變而導致其公平值變動之部分乃於其他全面收益內確認（不會重新分類至損益）。本集團現時並無任何指定為按公平值計入損益計量之金融負債，因此於採納國際財務報告準則第9號時，該新規定不會對本集團造成任何影響。

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(Expressed in Renminbi unless otherwise indicated) (除另有指明外，以人民幣列示)

### 34 Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 December 2017 (continued)

#### IFRS 9, Financial instruments (continued)

##### (b) Impairment

The new impairment model in IFRS 9 replaces the “incurred loss” model in IAS 39 with an “expected credit loss” model. Under the expected credit loss model, it will no longer be necessary for a loss event to occur before an impairment loss is recognised. Instead, an entity is required to recognise and measure either a 12-month expected credit loss or a lifetime expected credit loss, depending on the asset and the facts and circumstances. The Group expects that the application of the expected credit loss model will result in earlier recognition of credit losses. However, a more detailed analysis is required to determine the extent of the impact.

#### IFRS 15, Revenue from contracts with customers

IFRS 15 establishes a comprehensive framework for recognising revenue from contracts with customers. IFRS 15 will replace the existing revenue standards, IAS 18, Revenue, which covers revenue arising from sale of goods and rendering of services, and IAS 11, Construction contracts, which specifies the accounting for revenue from construction contracts.

### 34 截至二零一七年十二月三十一日止年度已頒佈惟尚未生效的修訂、新訂準則及詮釋的可能影響 (續)

#### 國際財務報告準則第9號，金融工具 (續)

##### (b) 減值

國際財務報告準則第9號之新減值模式以「預期信貸虧損」模式取代國際會計準則第39號項下的「已產生虧損」模式。根據預期信貸虧損模式，毋須再待發生虧損事件方確認減值虧損。相反，實體須根據資產以及事實及情況確認及計量預期信貸虧損為12個月預期信貸虧損或永久預期信貸虧損。本集團預期應用預期信貸虧損模式將導致提前確認信貸虧損。然而，仍需更詳細的分析以釐定影響之程度。

#### 國際財務報告準則第15號，與客戶訂立合約的收益

國際財務報告準則第15號建立了確認來自客戶合約收益的全面框架。國際財務報告準則第15號建立了確認來自客戶合約收益的全面框架。國際財務報告準則第15號將取代現有收益準則，即國際會計準則第18號，收益（包括銷售貨物及提供服務所產生的收益）及國際會計準則第11號，建造合約（訂明建造合約收益的會計處理方法）。



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### 34 Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 December 2017 (continued)

#### IFRS 15, Revenue from contracts with customers (continued)

Based on the assessment completed to date, the Group has identified the following areas which are expected to be affected:

##### (a) Timing of revenue recognition

The Group's revenue recognition policies are disclosed in Note 1(u). Currently, revenue from the sale of goods is generally recognised when the risks and rewards of ownership have passed to the customers.

Under IFRS 15, revenue is recognised when the customer obtains control of the promised good or service in the contract. IFRS 15 identifies 3 situations in which control of the promised good or service is regarded as being transferred over time:

- (a) When the customer simultaneously receives and consumes the benefits provided by the entity's performance, as the entity performs;
- (b) When the entity's performance creates or enhances an asset (for example work in progress) that the customer controls as the asset is created or enhanced;

### 34 截至二零一七年十二月三十一日止年度已頒佈惟尚未生效的修訂、新訂準則及詮釋的可能影響 (續)

#### 國際財務報告準則第15號，與客戶訂立合約的收益 (續)

根據迄今完成之評估，本集團已識別以下預期將受影響之方面：

##### (a) 收益確認時點

本集團之收益確認政策披露於附註1(u)。目前，銷售貨物所得收益通常於所有權風險及回報轉移予客戶時確認。

根據國際財務報告準則第15號，收益於客戶獲得合約之承諾貨物或服務之控制權時確認。國際財務報告準則第15號確定了以下對承諾貨物或服務之控制權被視為隨時間轉移之三種情況：

- (a) 當客戶於實體履約時同時接受及使用實體履約所提供之利益時；
- (b) 當實體履約設立或增強一項於資產被設立或增強時由客戶控制之資產（如在建工程）時；

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### 34 Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 December 2017 (continued)

#### IFRS 15, Revenue from contracts with customers (continued)

##### (a) Timing of revenue recognition (continued)

- (c) When the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

If the contract terms and the entity's activities do not fall into any of these 3 situations, then under IFRS 15 the entity recognises revenue for the sale of that good or service at a single point in time, being when control has passed. Transfer of risks and rewards of ownership is only one of the indicators that will be considered in determining when the transfer of control occurs.

The Group has assessed that the new revenue standard is not likely to have significant impact on how it recognises revenue.

##### (b) Sales with a right of return

Currently when the customers are allowed to return the Group's products, the Group estimates the level of expected returns and makes an adjustment against revenue and cost of sales.

The Group has assessed that the adoption of IFRS 15 will not materially affect how the Group recognises revenue and cost of sales when the customers have a right of return.

### 34 截至二零一七年十二月三十一日止年度已頒佈惟尚未生效的修訂、新訂準則及詮釋的可能影響 (續)

#### 國際財務報告準則第15號，與客戶訂立合約的收益 (續)

##### (a) 收益確認時點 (續)

- (c) 當實體之履約並無設立對實體而言具替代用途之資產，且該實體對迄今完成之履約付款具有可執行權利時。

倘合約條款及實體活動並不屬於任何該等三種情況，則根據國際財務報告準則第15號，實體於某一指定時間點（即控制權轉移時）就銷售該貨物或服務確認收益。所有權風險及回報之轉移僅為於釐定控制權轉移發生時將考慮的其中一項指標。

本集團已評估新收益準則不太可能對其收益確認方式造成重大影響。

##### (b) 具退貨權之銷售

目前，當客戶被允許退回產品時，本集團會估計預期退貨水平並就收益及銷售成本作出調整。

本集團已評估採納國際財務報告準則第15號將不會對本集團於客戶有退貨權時確認收益及銷售成本之方式造成重大影響。

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### 34 Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 December 2017 (continued)

#### IFRS 15, Revenue from contracts with customers (continued)

##### (b) Sales with a right of return (continued)

However, the new requirement to recognise separately a return asset for the products expected to be returned will impact the presentation in the consolidated statement of financial position as the Group currently adjusts the carrying amounts of inventory for the expected returns, instead of recognising a separate asset.

The Group plans to elect to use the cumulative effect transition method for the adoption of IFRS 15 and will recognise the cumulative effect of initial application as an adjustment to the opening balance of equity at 1 January 2018.

#### IFRS 16, Leases

As disclosed in Note 1(k), currently the Group classifies leases into finance leases and operating leases and accounts for the lease arrangements differently, depending on the classification of the lease. The Group enters into some leases as the lessee.

### 34 截至二零一七年十二月三十一日止年度已頒佈惟尚未生效的修訂、新訂準則及詮釋的可能影響 (續)

#### 國際財務報告準則第15號，與客戶訂立合約的收益 (續)

##### (b) 具退貨權之銷售 (續)

然而，由於本集團目前就預期退貨對存貨賬面值進行調整而非另行確認資產，因此另行就預期將被退回之產品確認退回資產之新規定將影響於綜合財務狀況表之呈列。

本集團計劃選擇就採納國際財務報告準則第15號使用累積效應過渡法，並將確認首次應用之累積效應，作為對二零一八年一月一日權益期初結餘之調整。

#### 國際財務報告準則第16號，租賃

誠如附註1(k)所披露，本集團現時將租賃分類為融資租賃及經營租賃，並根據租賃的分類對租賃安排進行列賬。本集團作為承租人訂立部分租約。

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### 34 Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 December 2017 (continued)

#### IFRS 16, Leases (continued)

IFRS 16 is not expected to impact significantly on the way that lessors account for their rights and obligations under a lease. However, once IFRS 16 is adopted, lessees will no longer distinguish between finance leases and operating leases. Instead, subject to practical expedients, lessees will account for all leases in a similar way to current finance lease accounting, i.e. at the commencement date of the lease the lessee will recognise and measure a lease liability at the present value of the minimum future lease payments and will recognise a corresponding “right-of-use” asset. After initial recognition of this asset and liability, the lessee will recognise interest expense accrued on the outstanding balance of the lease liability, and the depreciation of the right-of-use asset, instead of the current policy of recognising rental expenses incurred under operating leases on a systematic basis over the lease term. As a practical expedient, the lessee can elect not to apply this accounting model to short-term leases (i.e. where the lease term is 12 months or less) and to leases of low-value assets, in which case the rental expenses would continue to be recognised on a systematic basis over the lease term.

IFRS 16 will primarily affect the Group’s accounting as a lessee of leases for properties, plant and equipment which are currently classified as operating leases. The application of the new accounting model is expected to lead to an increase in both assets and liabilities and to impact on the timing of the expense recognition in the statement of profit or loss over the period of the lease. As disclosed in Note 29(b), at 31 December 2017 the Group’s future minimum lease payments under non-cancellable operating leases amount to RMB3,406,000 for properties, the majority of which is payable within 1 year.

### 34 截至二零一七年十二月三十一日止年度已頒佈惟尚未生效的修訂、新訂準則及詮釋的可能影響 (續)

#### 國際財務報告準則第16號，租賃 (續)

預期國際財務報告準則第16號將不會大幅影響出租人根據租約將彼等權利及承擔入賬的方式。然而，一旦採納國際財務報告準則第16號，承租人將不再區分融資租賃及經營租賃。相反，受可行權宜方法的規限，承租人將按與現有融資租賃會計處理方法類似的方式將所有租約入賬，即於租約開始日期，承租人將按日後最低租賃付款的現值確認及計量租賃負債，及將確認相應的「使用權」資產。於初步確認該資產及負債後，承租人將確認租賃負債未償還結餘所產生的利息開支及使用權資產折舊，而非根據現有政策於租期內按系統基準確認根據經營租約所產生的租賃開支。作為一項可行權宜方法，承租人可選擇不將此會計模式應用於短期租賃（即租期為12個月或以下）及低價值資產的租賃，於該等情況下，租金開支將繼續於租期內按系統基準確認。

國際財務報告準則第16號將主要影響本集團作為租約承租人就物業、廠房及設備（現時分類為經營租賃）的會計處理方法。預期應用新會計模式將導致資產及負債均有所增加，及影響租約期間於損益表確認開支的時間。如附註29(b)所披露，於二零一七年十二月三十一日，本集團於不可撤銷經營租賃項下就物業的日後最低租賃付款達人民幣3,406,000元，其中大部分須於一年內支付。

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### 34 Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 December 2017 (continued)

#### IFRS 16, Leases (continued)

IFRS 16 is effective for annual periods beginning on or after 1 January 2019. The Group has decided not to early adopt IFRS 16 in its 2018 consolidated financial statements. Now the Group is in the process of making an assessment of the impact of the new standards is expected to be in the period of initial application.

### 34 截至二零一七年十二月三十一日止年度已頒佈惟尚未生效的修訂、新訂準則及詮釋的可能影響 (續)

#### 國際財務報告準則第16號，租賃 (續)

國際財務報告準則第16號於二零一九年一月一日或之後開始的年度期間生效。本集團決定不會於其二零一八年合併財務報表內提前採納國際財務報告準則第16號。本集團現時正在評估新準則於首次應用期間預期將產生的影響。

