



Superactive Group Company Limited

先機企業集團有限公司

(Incorporated in Bermuda with limited liability)
(於百慕達註冊成立之有限公司)

Stock Code 股份代號: 176



Annual Report
2017 年報

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CORPORATE INFORMATION

企業資料

BOARD OF DIRECTORS

Executive Directors:

Ms. Yeung So Lai (*Chairman*)

Mr. Lee Chi Shing Caesar (*Deputy Chairman*)

Independent Non-executive Directors:

Mr. Chiu Sze Wai Wilfred

Mr. Chow Wai Leung William

Ms. Hu Gin Ing

AUDIT COMMITTEE

Ms. Hu Gin Ing (*Chairman*)

Mr. Chiu Sze Wai Wilfred

Mr. Chow Wai Leung William

NOMINATING AND CORPORATE GOVERNANCE COMMITTEE

Mr. Chow Wai Leung William (*Chairman*)

Mr. Chiu Sze Wai Wilfred

Ms. Hu Gin Ing

REMUNERATION COMMITTEE

Ms. Hu Gin Ing (*Chairman*)

Mr. Chiu Sze Wai Wilfred

Mr. Chow Wai Leung William

COMPANY SECRETARY

Mr. Luk Chi Keung

AUDITOR

BDO Limited

REGISTERED OFFICE

Clarendon House,
2 Church Street, Hamilton HM11,
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1206, China Merchants Tower,
Shun Tak Centre, 168-200 Connaught Road Central,
Sheung Wan, Hong Kong

董事會

執行董事：

楊素麗女士（主席）

李志成先生（副主席）

獨立非執行董事：

趙思瑋先生

周偉良先生

胡競英女士

審核委員會

胡競英女士（主席）

趙思瑋先生

周偉良先生

提名及企業管治委員會

周偉良先生（主席）

趙思瑋先生

胡競英女士

薪酬委員會

胡競英女士（主席）

趙思瑋先生

周偉良先生

公司秘書

陸志強先生

核數師

香港立信德豪會計師事務所有限公司

註冊辦事處

Clarendon House,
2 Church Street, Hamilton HM11,
Bermuda

總辦事處兼香港主要營業地點

香港上環
干諾道中168-200號信德中心
招商局大廈1206室

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN BERMUDA

Conyers Corporate Services
(Bermuda) Limited
Clarendon House
2 Church Street, Hamilton HM11,
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

PRINCIPAL BANKERS

Bank of Communications Co., Ltd. Hong Kong Branch
Heng Seng Bank Limited
The Hongkong and Shanghai Banking Corporation Limited

INVESTOR RELATIONS

For other information relating to the Company, please contact
Corporate Communication Department.

Website: www.superactive.com.hk

Email: info.superactive.com.hk

百慕達主要股份登記及過戶辦事處

Conyers Corporate Services
(Bermuda) Limited
Clarendon House
2 Church Street, Hamilton HM11,
Bermuda

香港股份登記及過戶分處

卓佳秘書商務有限公司
香港
皇后大道東183號
合和中心22樓

主要往來銀行

交通銀行股份有限公司香港分行
恒生銀行有限公司
香港上海滙豐銀行有限公司

投資者關係

有關本公司的其他資料，
請聯絡企業傳訊部。

網址：www.superactive.com.hk

電郵：info.superactive.com.hk

FIVE YEAR FINANCIAL SUMMARY

五年財務概要

RESULTS

業績

| | | Years ended 31 December | | Fifteen months ended 31 December | | Years ended 30 September | |
|--|---------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|--|
| | | 截至十二月三十一日止年度 | | 截至十二月三十一日止十五個月 | | 截至九月三十日止年度 | |
| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 | |
| Revenue | 收益 | 206,526 | 141,267 | 167,625 | 286,249 | 226,282 | |
| Gross Profit | 毛利 | 20,019 | 18,999 | 12,158 | 41,463 | 31,210 | |
| Share of results of an associate | 應佔一間聯營公司之業績 | 54,122 | 16,333 | 24,594 | 9,583 | - | |
| Gain on dilution of interest in an associate | 攤薄一間聯營公司權益之收益 | - | - | 1,152 | - | - | |
| Profit/(loss) before tax | 除稅前溢利/(虧損) | 79,048 | 7,763 | (5,305) | 61,492 | (3,662) | |
| Income tax expense | 所得稅開支 | (10,074) | (4,277) | (3,621) | (11,581) | (2,529) | |
| Profit/(loss) for the year/period | 年/期內溢利/(虧損) | 68,974 | 3,486 | (8,926) | 49,911 | (6,191) | |
| Net results from discontinued operations | 已終止經營業務業績淨額 | - | - | - | (228,670) | 59,567 | |
| Profit/(loss) for the year/period | 年/期內溢利/(虧損) | 68,974 | 3,486 | (8,926) | (178,759) | 53,376 | |
| Attributable to: | 以下各項應佔: | | | | | | |
| Owners of the Company | 本公司擁有人 | 69,324 | 3,486 | (8,926) | (178,759) | 53,376 | |
| Non-controlling interests | 非控股權益 | (350) | - | - | - | - | |
| | | 68,974 | 3,486 | (8,926) | (178,759) | 53,376 | |

ASSETS AND LIABILITIES

資產及負債

| | | At 31 December 於十二月三十一日 | | | At 30 September 於九月三十日 | |
|--|------------|----------------------------|-----------------|-----------------|---------------------------|-----------------|
| | | 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 |
| | | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 |
| Total assets | 資產總值 | 1,257,549 | 533,763 | 510,250 | 556,636 | 1,008,923 |
| Total liabilities | 負債總額 | 326,203 | 63,717 | (46,294) | (154,327) | (534,356) |
| Net assets | 資產淨值 | 931,346 | 470,046 | 463,956 | 402,309 | 474,567 |
| Equity attributable to owners of the Company | 本公司擁有人應佔權益 | 921,224 | 470,046 | 463,956 | 402,309 | 474,567 |
| Non-controlling interests | 非控股權益 | 10,122 | - | - | - | - |
| Total equity | 權益總額 | 931,346 | 470,046 | 463,956 | 402,309 | 474,567 |

CHAIRMAN'S STATEMENT

主席報告

On behalf of the board (the "Board") of directors (the "Directors") of Superactive Group Company Limited (the "Company" together with its subsidiaries (the "Group")), I am pleased to present the annual results of the Group for the year ended 31 December 2017 (the "Year")

REVIEW

During the Year, the Group was principally engaged in the manufacturing consumer electronics products, provision of money lending service and regulated financial service activities in Hong Kong; and provision of nursery education service and property development in the People's Republic of China ("PRC"). The manufacturing consumer electronics products industry continues to compete during the Year. Despite the increase in turnover, the segment profits of the manufacturing consumer electronics products industry recorded a decrease which resulted from the narrowing of gross profits. The newly acquired businesses, such as money lending, regulated financial services, nursery education and property development, have been completed in the second half of the Year. Although we are satisfied with the prospects for these newly acquired businesses, due to such factors as business integration, capital allocation and the time required to host the documents, these newly acquired businesses have yet been able to contribute to the Group's earnings for the Year. The profits for the Year mainly contributed by the share of results of an associate and the gain on bargain purchase recognised in the acquisition of the entire equity interest in a subsidiary.

本人謹代表先機企業集團有限公司（「本公司」，連同其附屬公司統稱「本集團」）董事（「董事」）會（「董事會」）欣然呈報本集團截至二零一七年十二月三十一日止年度（「本年度」）之全年業績。

回顧

於本年度，本集團主要於香港從事消費電子產品生產、提供放債服務及受監管金融服務活動；以及於中華人民共和國（「中國」）提供幼兒教育服務及進行物業開發。於本年度，消費電子產品生產行業持續競爭。儘管營業額有所上升，惟消費電子產品生產行業之分類溢利因毛利收窄而錄得下降。放債、受監管金融服務、幼兒教育服務及物業開發等新收購業務已於本年度下半年完成。儘管我們對該等新收購業務之前景感到滿意，惟因業務整合、資本分配及處理文件需時間因素，該等新收購業務尚未能夠於本年度為本集團之溢利帶來貢獻。本年度溢利主要源於應佔一間聯營公司之業績及收購一間附屬公司之全部股權而確認之議價收購收益。

PROSPECTS

As mentioned above, the manufacturing consumer electronics products business is highly competitive and the product cycle is short-lived. As the traditional business of the Group, manufacturing consumer electronics products business will need to be strengthened and fine-tuned. To broaden the Group's revenue stream and generate stable and sustainable income, the Company has entered a memorandum of understanding on 28 December 2017 to acquire 60% equity interest of a PRC company which is principally engaged in supply, manufacture and export of electronic devices in the PRC. With the continued development and maturity of the newly acquisition business during the Year, we are optimistic about the prospects of the Group. The Group will continue to explore and invest in potential projects and business opportunities with good potential.

COMMUNITY RELATIONS AND SOCIAL RESPONSIBILITY

At the Company, social responsibility is an important part of how we do business. We go beyond complying with legal or regulatory requirements and genuinely work towards making a positive impact on the welfare of our employees, our business partners, our local communities, and the environment. Environment, Social and Governance ("ESG") Report attached in the annual report to provide the public an appreciation of how we perform and respond to different ESG issues.

ACKNOWLEDGMENTS

Finally, I would like to thank our employees for their dedication, independent directors for their guidance and suggestions, and shareholders for their confidence in the management and their support. I am grateful to everyone who contributes to the success of the Group.

Yeung So Lai
Chairman

28 March 2018

展望未來

如上所述，消費電子產品生產業務競爭激烈及產品週期較短。作為本集團之傳統業務，消費電子產品生產業務將需加強及調整。為擴闊本集團之收益來源及帶來穩定及可持續收入，本公司於二零一七年十二月二十八日訂立諒解備忘錄，以收購一間中國公司之60%股權，該公司主要於中國從事供應、製造及出口電子設備。由於本年度之新收購業務持續發展及日趨成熟，我們對本集團之前景感到樂觀。本集團將繼續探索及投資具有強勁增長潛力的潛在項目與商機。

社區關係及社會責任

本公司深信社會責任是業務營運其中一個重要部分，因此我們致力做到高於法例或規管要求，真正為僱員的福利、我們的業務夥伴、我們的社區，以及環境帶來正面影響。年度報告所附的《環境、社會及管治（「環境、社會及管治」）報告》讓公眾清楚了解我們對環境、社會及管治方面的不同議題的表現及回應。

致謝

最後，我要感謝所有為本集團的成功作出貢獻的各方：勤奮工作的員工、提供指導及意見的獨立董事，以及相信管理層能力及給予支持的股東們。

楊素麗
主席

二零一八年三月二十八日

MANAGEMENT'S DISCUSSION AND ANALYSIS

管理層討論與分析

FINANCIAL REVIEW

Revenue and Gross Profit: Revenue comprised of sales of consumer electronics products, services income from provision of nursery education, income from provision of money lending and services income from provision of regulated financial services, of which the nursery education, money lending and provision of regulated financial services are the new operating business of the Group. The revenue in 2017 increased by approximately HK\$65,259,000 (representing an increase of approximately 46.20%) when compared with 2016. The increment of revenue in 2017 of which approximately HK\$5,188,000 is from the services income from provision of nursery education, approximately HK\$934,000 is from the income from provision of money lending and the remaining of approximately HK\$59,137,000 is from the sales of consumer electronics products. The gross profit increased by approximately HK\$1,020,000 from HK\$18,999,000 in 2016 to HK\$20,019,000 in 2017. However, the gross profit margin decreased from 13.45% in 2016 to 9.69% in 2017.

Other net gains: In 2017, other net gains was mainly attributable to the gain on bargain purchase of subsidiaries. The Group has completed to acquire Shenzhen City Qianhai Wanke Financial Services Company Limited ("Qianhai Wanke") and its subsidiaries in August 2017. The gain on bargain purchase is the result of the fair value of identifiable net assets of Qianhai Wanke and its subsidiaries over its consideration for the acquisition.

Selling and distribution costs: The selling and distribution costs in the Year remained stable when compared with 2016.

Administrative costs: The increase in the Year was mainly due to the increase in staff cost and the professional fee.

Share of results of an associate: The amount represented the Group recognised its share of the results for the Year of the associate, Yuji Development Corporation ("Yuji"), based on the percentage of the equity interest owned by the Group.

財務回顧

收益及毛利：收益包括消費電子產品的銷售、提供幼兒教育服務的收入、提供放債的收入及提供受監管金融服務的收入，其中幼兒教育、放債及提供受監管金融服務均為本集團的新營運業務。二零一七年的收益較二零一六年增加約65,259,000港元（即增加約46.20%）。二零一七年收益增加包括約5,188,000港元來自提供幼兒教育服務的收入、約934,000港元來自提供放債的收入及餘下約59,137,000港元來自消費電子產品的銷售。毛利由二零一六年的18,999,000港元增加約1,020,000港元至二零一七年的20,019,000港元。然而，毛利率由二零一六年的13.45%下降至二零一七年的9.69%。

其他收益淨額：於二零一七年，其他收益淨額主要來源於議價收購附屬公司之收益。於二零一七年八月，本集團完成收購深圳市前海萬客金融服務有限公司（「前海萬客」）及其附屬公司。議價收購收益為前海萬客及其附屬公司之可識別資產淨值之公允值超出其收購事項代價之差額。

銷售及分銷成本：本年度銷售及分銷成本相較二零一六年而言維持穩定。

行政成本：本年度增幅乃主要由於員工成本及專業費用增加所致。

應佔一間聯營公司之業績：該金額指本集團根據本集團所擁有股權百分比確認其本年度應佔聯營公司宇錡建設股份有限公司（「宇錡」）之業績。

SEGMENT ANALYSIS AND REVIEW

During the Year, the Group started its strategic transformation journey. In addition to the previous manufacturing consumer electronics products business, the Group diversified its business into money lending, regulated financial service activities, nursery education, and property development.

Segment Analysis

The Group is principally engaged in the manufacturing consumer electronics products, provision of money lending service and regulated financial service activities in Hong Kong; and provision of nursery education service and property development in the PRC during the Year. In 2017, the income from the manufacturing of consumer electronics products, interest income from money lending, services income from provision of regulated financial service, income from nursery education and property development income accounted for approximately 97.04% (2016: 100.00%), 0.45% (2016: 0.00%), 0.00% (2016: 0.00%), 2.51% (2016: 0.00%) and 0.00% (2016: 0.00%) of total revenue respectively.

Segment Review

Manufacturing Consumer Electronics Products

During the Year, manufacturing consumer electronics products contributed to the revenue approximately HK\$200.40 million (2016: HK\$141.26 million) representing an increase of 41.86% when compared with 2016. Baby monitors and semi product are the principal products of this segment during the Year with sales revenues accounting for 90% and 10% of total sales of manufacturing consumer electronics products respectively. The manufacturing consumer electronics products continued to perform well in developed markets. The United States of America (the "US") and the United Kingdom remained the top two market segments generating 77.95% and 9.86% of total sales of manufacturing consumer electronics products respectively.

分類分析及回顧

於本年度，本集團展開其策略改革的旅程。除以往的消費電子產品生產業務外，本集團將業務拓展至放債、受監管金融服務活動、幼兒教育及物業開發。

分類分析

於本年度，本集團主要於香港從事消費電子產品生產、提供放債服務及受監管金融服務活動；以及於中國提供幼兒教育服務及進行物業開發。於二零一七年，來自消費電子產品生產之收入、來自放債之利息收入、來自提供受監管金融服務之服務收入、來自幼兒教育之收入及物業開發收入分別約佔總收益的97.04%（二零一六年：100.00%）、0.45%（二零一六年：0.00%）、0.00%（二零一六年：0.00%）、2.51%（二零一六年：0.00%）及0.00%（二零一六年：0.00%）。

分類回顧

消費電子產品生產

於本年度，消費電子產品生產貢獻收益約200,400,000港元（二零一六年：141,260,000港元），較二零一六年增加41.86%。於本年度，嬰兒監視器及半成品為該分類的主要產品，銷售收益分別佔消費電子產品生產總銷售額90%及10%。消費電子產品生產於發達市場持續表現理想。美利堅合眾國（「美國」）及英國繼續為兩大市場分類，分別佔消費電子產品生產總銷售額77.95%及9.86%。

Provision of Money Lending Services

In May 2017, the Group entered into a sale and purchase agreement to acquire the entire issued share capital of Superactive Finance Company Limited ("Superactive Finance") (formerly known as Champion Wide Limited), a company incorporated in Hong Kong with limited liability and holds a money lender's licence under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) at the consideration of approximately HK\$0.4 million. During the Year, the provision of money lending services has generated approximately HK\$0.93 million in revenue since the acquisition of Superactive Finance was completed.

Subject to the contradiction between the borrower's urgency for the use of money and personal privacy and the disclosure requirements and the processing time to get the required approval of the notifiable transactions to comply with the Rules (the "Listing Rules") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), the Group faced a certain degree of difficulty in engaging in the money lending business. As the Group's revenue, profits and total assets increased, the impact will be reduced.

Nursery Education

In May 2017, the Group entered into a sale and purchase agreement to acquire the entire issued share capital of Speed Fame Enterprises Limited ("Speed Fame"), a company incorporated in British Virgin Islands with limited liability at a consideration of approximately HK\$58.12 million. Speed Fame and its subsidiaries are principally engaged in the provision of nursery education in Chengdu, the PRC. During the Year, nursery education has generated approximately HK\$5.19 million in revenue since the acquisition of Speed Fame was completed.

Regulated Financial Services

In April 2017, the Group entered into a sale and purchase agreement to acquire the entire issued share capital of Shining International Holdings Limited ("Shining"), a company incorporated in Hong Kong with limited liability, at the consideration of HK\$12.50 million. Shining is licensed under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) to carry out Type 4 (advising on securities), Type 5 (advising on futures contracts), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities. The acquisition of Shining was completed in October 2017. During the Year, no revenue from external party has been generated from provision of regulated financial services since the acquisition of Shining was completed.

提供放債服務

於二零一七年五月，本集團訂立買賣協議，按代價約400,000港元收購先機財務有限公司（「先機財務」）（前稱Champion Wide Limited，於香港註冊成立的有限公司，持有香港法例第163章《放債人條例》的放債人牌照）之全部已發行股本。於本年度，提供放債服務自先機財務收購事項完成以來錄得收益約930,000港元。

鑒於借款人急於用錢的迫切性及個人隱私與獲取須予公佈交易的所需批准以符合香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）的披露規定及處理時間之間的矛盾，本集團在從事放債業務方面面臨一定程度的困難。由於本集團之收益、溢利及總資產有所增加，有關影響將會減少。

幼兒教育

於二零一七年五月，本集團訂立買賣協議，按代價約58,120,000港元收購迅譽企業有限公司（「迅譽」）（於英屬維爾京群島註冊成立的有限公司）全部已發行股本。迅譽及其附屬公司主要於中國成都提供幼兒教育服務。於本年度，幼兒教育自迅譽收購事項完成以來錄得收益約5,190,000港元。

受監管金融服務

於二零一七年四月，本集團訂立買賣協議，按代價12,500,000港元收購舜麗國際控股有限公司（「舜麗」）（於香港註冊成立的有限公司）全部已發行股本。舜麗為香港法例第571章《證券及期貨條例》項下之持牌機構，可進行第4類（就證券提供意見）、第5類（就期貨合約提供意見）、第6類（就機構融資提供意見）及第9類（提供資產管理）受規管活動。舜麗收購事項於二零一七年十月完成。於本年度，自舜麗收購事項完成以來，並無已就提供受監管金融服務從外部人士獲得收益。

Property Development

In July 2017, the Group entered into a sale and purchase agreement to acquire 100% equity interest in Qianhai Wanke and its subsidiary at Renminbi (“RMB”)100,000,000 which will be payable on the date falling two years from the date of signing of the formal agreement. The subsidiary group of Qianhai Wanke is the developer of an underground walkway and civil air defense project. The acquisition was completed in August 2017.

The underground walkway and civil air defense project is located at the underground of Minzhu Road and Fuhui Road, Lijiang city, Yunan province, the PRC. The construction has been completed and the final acceptance of the underground walkway project is pending. The gross floor area of the underground walkway project is approximately 36,583 square metre (“sq. m.”) comprising a civil air defense work structure of approximately 13,730 sq. m., 741 units of the saleable shop premises with a total gross floor area of approximately 19,923 sq. m., a non-saleable property utility room of approximately 15 sq. m. and a commercial function room of approximately 2,915 sq. m. The underground walkway project is under pre-sales and expected to be delivered in the first quarter of 2019.

PROSPECTS

The manufacturing consumer electronic products business is highly competitive and the product cycle is short-lived. As the traditional business of the Group, manufacturing consumer electronic products business will need to be strengthened and fine-tuned. To broaden the Group's revenue stream and generate stable and sustainable income, the Company has entered a memorandum of understanding on 28 December 2017 to acquire 60% equity interest of a PRC company which is principally engaged in supply, manufacture and export of electronic devices in the PRC. With the continued development and maturity of the newly acquired business during the Year, the prospects of the Group are optimistic. The Group will continue to explore and invest in potential projects and business opportunities with good potential.

物業開發

於二零一七年七月，本集團訂立買賣協議以收購前海萬客及其附屬公司之100%股權，人民幣（「人民幣」）100,000,000元將於簽署正式協議日期後滿兩年之日支付。前海萬客之附屬公司集團為地下步行街及人民防空工程項目之開發商。收購事項於二零一七年八月完成。

地下步行街及人民防空工程項目位於中國雲南省麗江市民主路及福慧路地下。工程已完成，該地下步行街項目仍待最終驗收。該地下步行街項目建築面積約為36,583平方米（「平方米」），由面積約為13,730平方米之一項人民防空工程結構、總建築面積約為19,923平方米之741間可銷售商店、面積約為15平方米之一間不可銷售雜物室及面積約為2,915平方米之一間商業多用途室組成。該地下步行街項目已推出預售，預計將於二零一九年第一季度交吉。

展望

消費電子產品生產業務競爭激烈及產品週期較短。作為本集團之傳統業務，消費電子產品生產業務將需加強及調整。為擴闊本集團之收益來源及帶來穩定及可持續收入，本公司於二零一七年十二月二十八日訂立諒解備忘錄，以收購一間中國公司之60%股權，該公司主要於中國從事供應、製造及出口電子設備。由於本年度之新收購業務持續發展及日趨成熟，我們對本集團之前景感到樂觀。本集團將繼續探索及投資具有強勁增長潛力的潛在項目與商機。

LIQUIDITY, FINANCIAL RESOURCES AND GEARING

As at 31 December 2017, the Group has cash and cash equivalents of approximately HK\$108.13 million (2016: HK\$313.62 million) which included approximately HK\$11.89 million, RMB72.34 million and US\$1.20 million. The net cash (i.e. cash and cash equivalents net of interest-bearing borrowings) amounted to HK\$105.11 million (2016: HK\$312.98 million).

The Group had interest-bearing borrowings of approximately HK\$3.02 million (2016: HK\$0.64 million) of which all of them were repayable on demand or within one year. The Group's borrowings carried interest at floating interest rates. The Group's total bank and other borrowings divided by total assets as at 31 December 2017 was 0.24% (2016: 0.12%). As at 31 December 2017, the Group had zero gearing ratio (31 December 2016: zero). This ratio is calculated as net debt divided by total capital. Net debt is calculated as total interest-bearing bank borrowings less cash and cash equivalents. Most of the bank balances were in Hong Kong dollars. With the cash and bank balances available, the Group has sufficient financial resources to finance its operations and to meet the financial obligations of its business.

As at 31 December 2017, the Group has net asset value of HK\$931.35 million (2016: HK\$470.05 million), with a liquidity ratio (ratio of current assets to current liabilities) of 447.08% (2016: 603.44%).

CHARGE ON ASSETS

As at 31 December 2017, the share equity of (i) Chengdu One Two Three Aozhong Education Investment Company Limited, the operating company of the nursery education in PRC; (ii) Shining, the operating company of the regulated financial services; and (iii) Rise Up International Limited, a company which held the equity shares of the associate were pledged to secure the Company's bonds issued on 29 December 2017.

流動資金、財務資源及資本負債比率

於二零一七年十二月三十一日，本集團之現金及現金等值項目約為108,130,000港元（二零一六年：313,620,000港元），其中包括約11,890,000港元、人民幣72,340,000元及1,200,000美元。現金淨額（即扣除計息借款後之現金及現金等值項目）為105,110,000港元（二零一六年：312,980,000港元）。

本集團之計息借款約為3,020,000港元（二零一六年：640,000港元），所有借款均須按要求或於一年內償還。本集團借款以浮動息率計息。本集團於二零一七年十二月三十一日的銀行及其他借款總額除以總資產為0.24%（二零一六年：0.12%）。於二零一七年十二月三十一日，本集團資本負債比率為零（二零一六年十二月三十一日：零）。該比率按債務淨額除以資本總額計算。債務淨額按計息銀行借款總額減現金及現金等值項目計算。銀行結餘主要為港元。由於具備手頭現金及銀行結餘，本集團有足夠的財務資源為其業務提供資金及履行其業務之財務責任。

於二零一七年十二月三十一日，本集團之資產淨值為931,350,000港元（二零一六年：470,050,000港元），而流動資金比率（流動資產與流動負債之比率）為447.08%（二零一六年：603.44%）。

資產抵押

於二零一七年十二月三十一日，(i)成都壹貳叁澳中教育投資有限公司（一間於中國經營幼兒教育的公司）；(ii)舜麗（一間於中國經營受監管金融服務的公司）；及(iii) Rise Up International Limited（一間持有聯營公司股權的公司）的股權已被質押以為本公司於二零一七年十二月二十九日發行的債券作擔保。

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND RELATED HEDGES

The Group's monetary assets, loans and transactions are principally denominated in Hong Kong dollars, RMB, US dollars and New Taiwan dollars. All the Group's borrowings are denominated in US dollars. The Group did not engage in any derivative activities and did not commit to any financial instruments to hedge its financial position exposure as at 31 December 2017.

EMPLOYEES

As at 31 December 2017, the Group had a staff force of approximately 478 employees (2016: 300 employees). Of this, most were stationed in the PRC. The remuneration of employees was in line with the market trend and commensurable to the level of pay in the industry. Remuneration of the Group's employees includes basic salaries, bonuses and long-term incentives (such as share option scheme). Total staff costs incurred for the year 2017 was approximately HK\$46.43 million (2016: HK\$29.26 million).

EVENTS AFTER THE REPORTING PERIOD

- (i) On 7 November 2017, the Group entered into the provisional agreements in relation to the acquisition of office units in Shun Tak Centre, located in Hong Kong, for an aggregate consideration of HK\$320,352,000. The transaction was completed on 9 February 2018. Details please refer to the Company's announcement dated 7 November 2017 and the circular dated 22 December 2017.
- (ii) The Group had entered into a memorandum of understanding for acquiring 60% equity interest in Shenzhen Dowis Electronic Co., Ltd ("Shenzhen Dowis"), a company with limited liability established in the PRC. Shenzhen Dowis is principally engaged in supply, manufacture and export of electronic devices in the PRC. Details please refer to the Company's announcement dated 28 December 2017.
- (iii) On 29 December 2017, the Company has issued bonds to an independent third party for a principal amount of HK\$300 million. The bonds are interest-bearing at 8% per annum at issuance and interest is payable quarterly in arrears and will mature on 28 December 2019. The proceeds of the Company's bonds were received on 2 January 2018.

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the year 2017 (2016: nil).

匯率波動風險及有關對沖

本集團的貨幣資產、貸款及交易主要以港元、人民幣、美元及新台幣計值。本集團借款全部均以美元計值。於二零一七年十二月三十一日，本集團並沒有參與任何衍生工具活動及並無對任何金融工具作出承擔以對沖其財務狀況風險。

僱員

於二零一七年十二月三十一日，本集團擁有約478名僱員（二零一六年：300名僱員），其中大部份在中國工作。僱員的薪酬與市場趨勢一致，與業內的薪酬水平相若。本集團僱員的薪酬包括基本薪金、花紅及長期獎勵（如認股權計劃）。二零一七年所產生的員工成本總額約為46,430,000港元（二零一六年：29,260,000港元）。

報告期後事項

- (i) 於二零一七年十一月七日，本集團訂立臨時協議，內容有關收購位於香港之信德中心的辦公室單位，總代價為320,352,000港元。該交易已於二零一八年二月九日完成。有關詳情請參閱本公司日期為二零一七年十一月七日之公佈及日期為二零一七年十二月二十二日之通函。
- (ii) 本集團已就收購深圳市德維斯電子有限公司（「深圳市德維斯」）（一間於中國成立的有限公司）之60%股權訂立諒解備忘錄。深圳市德維斯主要從事於中國供應、製造及出口電子設備。有關詳情請參閱本公司日期為二零一七年十二月二十八日之公佈。
- (iii) 於二零一七年十二月二十九日，本公司向一名獨立第三方發行本金額為300,000,000港元之債券。該等債券於發行時按年利率8%計息，利息須於每季度支付及將於二零一九年十二月二十八日到期。有關本公司之債券款項已於二零一八年一月二日收取。

末期股息

董事會不建議派付二零一七年之末期股息（二零一六年：無）。

BIOGRAPHICAL DETAILS OF DIRECTORS

董事履歷詳情

As at the date of this annual report, the biographical details of the Directors are as follows:

EXECUTIVE DIRECTOR

Ms. Yeung So Lai (“Ms. Yeung”), aged 40, joined the Company on 25 January 2017 as an executive Director and acted as the Chairman of the Company on 8 February 2017. Ms. Yeung has been appointed as director of various subsidiaries of the Company. Ms. Yeung is presently a director of a number of private companies engaged in the business of investment holding and is experienced in corporate management. Ms. Yeung was also the executive director and chief executive officer of Imperium Group Global Holdings Limited (formerly known as JF Household Furnishings Limited) (stock code: 0776) from 21 September 2012 to 31 July 2016, the shares of which are listed on the Main Board of the Stock Exchange and was executive director of Suncity Group Holdings Limited (formerly known as Sun Century Group Limited and Hong Long Holdings Limited) (stock code: 1383), a company listed on the Main Board of the Stock Exchange, from 2 September 2011 to 31 March 2017.

Mr. Lee Chi Shing Caesar (“Mr. Lee”), aged 54, joined the Company on 25 January 2017 as an executive Director and acted as the Deputy chairman of the Company on 8 February 2017. Mr. Lee has been appointed as director of various subsidiaries of the Company. Mr. Lee obtained a Professional Diploma in Accountancy from the Hong Kong Polytechnic University (formerly known as Hong Kong Polytechnic) in 1985 and a Bachelor of Arts in Business Studies from the City University of Hong Kong (formerly known as the City Polytechnic of Hong Kong) in 1994. He had worked in the Inland Revenue Department for over 15 years after his graduation. In 2000, he joined Ernst and Young, an international accounting firm, as a senior manager. He later obtained a Master degree in International Accountancy from the City University of Hong Kong in 2001. He was the executive director of Sun International Resources Limited (formerly known as Galileo Capital Group Limited) (stock code: 8029), a company listed on the Growth Enterprise Market of the Stock Exchange, from 14 August 2006 to 30 November 2015. He has been the executive director of Newtree Group Holdings Limited (stock code: 1323), a company listed on the Main Board of the Stock Exchange since 4 October 2011. He is experienced in corporate management and internal control. He is a fellow member of both the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants. In addition, he is a member of the Society of Registered Financial Planners.

於本年報刊發日期，董事的履歷詳情如下：

執行董事

楊素麗女士（「楊女士」），40歲，於二零一七年一月二十五日加入本公司並擔任執行董事，並於二零一七年二月八日獲委任為本公司主席。楊女士獲委任為本公司多間附屬公司的董事。楊女士目前為多間從事投資控股業務的私人公司的董事，在企業管理方面經驗豐富。楊女士亦曾於二零一二年九月二十一日至二零一六年七月三十一日擔任帝國集團環球控股有限公司（前稱為捷豐家居用品有限公司）（股份代號：0776）執行董事兼行政總裁，該公司股份於聯交所主板上市，並曾於二零一一年九月二日至二零一七年三月三十一日擔任聯交所主板上市公司太陽城集團控股有限公司（前稱太陽世紀集團有限公司及鴻隆控股有限公司）（股份代號：1383）執行董事。

李志成先生（「李先生」），54歲，於二零一七年一月二十五日加入本公司並擔任執行董事，並於二零一七年二月八日獲委任為本公司副主席。李先生獲委任為本公司多間附屬公司的董事。李先生於一九八五年獲香港理工大學（前稱為香港理工學院）頒發會計專業文憑，並於一九九四年獲香港城市大學（前稱為香港城市理工學院）頒發商學文學士學位。彼畢業後於稅務局工作逾15年。於二零零零年，彼加入國際會計師事務所安永會計師事務所出任高級經理。其後，彼於二零零一年獲香港城市大學頒發國際會計碩士學位。彼於二零零六年八月十四日至二零一五年十一月三十日擔任聯交所GEM上市公司太陽國際資源有限公司（前稱為嘉利盈融資集團有限公司）（股份代號：8029）執行董事。彼自二零一一年十月四日起擔任聯交所主板上市公司友川集團控股有限公司（股份代號：1323）之執行董事。彼於企業管理及內部監控方面經驗豐富。彼為香港會計師公會及英國特許公認會計師公會資深會員。此外，彼亦為註冊財務策劃師協會會員。

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Chiu Sze Wai Wilfred (“Mr. Chiu”), aged 43, joined the Company on 8 February 2017 as an independent non-executive Director, a member of the Audit Committee, the Nominating and Corporate Governance Committee and the Remuneration Committee of the Company. He is currently a practicing solicitor in Hong Kong. Mr. Chiu obtained a Bachelor of Business from Southern Cross University, Australia in 1997. Mr. Chiu obtained a Bachelor of Laws from Manchester Metropolitan University, United Kingdom in 2003. Mr. Chiu subsequently obtained a Postgraduate Certificate in Laws from The University of Hong Kong in 2005. Mr. Chiu was admitted as a solicitor in 2007 and is now a Partner of Li, Wong, Lam & W.I. Cheung. Mr. Chiu specializes in land, property and development matters and possesses extensive experience in dealing with various kinds of property-related matters. Mr. Chiu is also the Legal Advisor of Hong Kong Gifted Education Teacher’s Association.

Mr. Chow Wai Leung William (“Mr. Chow”), aged 45, joined the Company on 8 February 2017 as an independent non-executive Director, Chairman of the Nominating and Corporate Governance Committee, a member of the Audit Committee and Remuneration Committee of the Company. He is a certified public accountant and an executive of an accounting firm in Hong Kong. Mr. Chow has various years of experience in auditing, taxation and company secretarial practice in Hong Kong. He obtained a Bachelor’s Degree in Business Administration (Hons.) from Hong Kong Baptist University in 1996. He is member of the Hong Kong Institute of Certified Public Accountants, the Association of Chartered Certified Accountants, the Society of Chinese Accountants and Auditors and the Taxation Institute of Hong Kong.

獨立非執行董事

趙思璋先生（「趙先生」），43歲，於二零一七年二月八日加入本公司，為本公司獨立非執行董事、審核委員會、提名及企業管治委員會兼薪酬委員會成員。彼現為香港執業律師。趙先生於一九九七年在澳洲南十字星大學(Southern Cross University)取得商學士學位，並於二零零三年在英國曼徹斯特都會大學(Manchester Metropolitan University)取得法學士學位。趙先生其後於二零零五年在香港大學取得法學專業證書。趙先生於二零零七年獲認許律師資格，現為張永賢•李黃林律師行之合夥人。趙先生專門從事土地、物業及發展項目事務，於處理各類物業相關事務方面擁有豐富經驗。趙先生亦為香港資優教育教師協會之法律顧問。

周偉良先生（「周先生」），45歲，於二零一七年二月八日加入本公司，為本公司獨立非執行董事、提名及企業管治委員會主席、審核委員會兼薪酬委員會成員。彼為執業會計師，並為香港一間會計師行之行政人員。周先生於香港審計、稅務及公司秘書業務方面擁有多年經驗。彼於一九九六年在香港浸會大學取得工商管理學士（榮譽）學位。彼為香港會計師公會、英國特許公認會計師公會、香港華人會計師公會及香港稅務學會會員。

INDEPENDENT NON-EXECUTIVE DIRECTOR

(Continued)

Ms. Hu Gin Ing (“Ms. Hu”), aged 59, joined the Company on 6 November 2013 as an independent non-executive Director, Chairman of the Audit Committee and a member of the Nominating and Corporate Governance Committee of the Company. Ms. Hu has been appointed as a member of the Remuneration Committee on 30 May 2014 and re-designated as Chairman of the Remuneration Committee on 15 September 2014. Ms. Hu has experience in media, television network and private equity investments. Ms. Hu has been a director/partner of NHL CPA Limited, Hong Kong, since January 2005. Ms. Hu is now the chairman of the board of Benepet Co., Ltd.. Ms. Hu has been an independent non-executive director of Carnival Group International Holdings Limited (stock code: 0996), LVGEM (China) Real Estate Investment Company Limited (stock code: 0095) and Enterprise Development Holdings Limited (stock code: 1808), all of which are listed on the Stock Exchange. Ms. Hu was an independent director of Arich Enterprise Co. Ltd., a company listed on the Taiwan Stock Exchange Corporation (stock code: 4173) from December 2012 to June 2015. Ms. Hu obtained a Master of Business Administration degree from Florida International University, the US, a Master of Science degree from Barry University, the US, and a Bachelor degree in Foreign Language from the National Taiwan University. Ms. Hu is a Certified Public Accountant, a member of the Hong Kong Institute of Certified Public Accountants as well as a member of the American Institute of Certified Public Accountants and has over 23 years of experience in accounting and finance.

獨立非執行董事 (續)

胡競英女士 (「胡女士」)，59歲，於二零一三年十一月六日加入本公司，為本公司之獨立非執行董事、審核委員會主席以及提名及企業管治委員會成員。胡女士於二零一四年五月三十日獲委任為薪酬委員會成員並於二零一四年九月十五日調任為薪酬委員會主席。胡女士於媒體、電視網絡及私募股權投資方面擁有經驗。胡女士自二零零五年一月起擔任香港匯俊會計師事務所有限公司之董事／合夥人。胡女士現時任職益龍生醫股份有限公司董事長。胡女士為嘉年華國際控股有限公司 (股份代號：0996)、綠景 (中國) 地產投資有限公司 (股份代號：0095) 及企展控股有限公司 (股份代號：1808) 之獨立非執行董事 (上述公司均於聯交所上市)。胡女士曾自二零一二年十二月至二零一五年六月擔任久裕企業股份有限公司 (於台灣證券交易所股份有限公司上市之公司 (股份代號：4173)) 之獨立董事。胡女士取得美國佛羅里達國際大學 (Florida International University) 工商管理碩士學位、美國貝瑞大學 (Barry University) 理科碩士學位及國立台灣大學外文系文學學士學位。胡女士為執業會計師、香港會計師公會會員以及美國會計師公會會員，並於會計及財務擁有逾23年經驗。

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

CHANGE OF COMPANY NAME

In order to symbolize a new start and reflect the Group's direction of future development, on 6 June 2017, the shareholders of the Company at the 2017 annual general meeting approved the change of the Company's name from "United Pacific Industries Limited" to "Superactive Group Company Limited" and to adopt and register the Chinese name of "先機企業集團有限公司" as the secondary name of the Company. The new name and new Chinese name of the Company are effective commencing from 9 June 2017.

ADOPTION OF NEW BYE-LAWS

In order to make corresponding amendments to the Company's Bye-laws to bring them in line with the amendments to the Listing Rules and the Companies Act since last amendments of the Company's Bye-laws, the shareholders of the Company at the 2017 annual general meeting held on 6 June 2017, passed a special resolution that approved and adopted as the new Company's Bye-laws in substitution for and to the exclusion of the then Bye-laws of the Company.

PRINCIPAL ACTIVITIES

The Company is a diversified investment holding company. The activities of its principal subsidiaries are set out in note 40 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the Year are set out in the consolidated statement of profit or loss on page 74 and the accompanying notes to the consolidated financial statements.

The Directors do not recommend the payment of a final dividend for the year ended 31 December 2017 (2016: nil).

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

更改公司名稱

為象徵著新開始及可反映本集團業務未來發展方向，於二零一七年六月六日，本公司股東於二零一七年股東週年大會上同意將本公司名稱由「United Pacific Industries Limited」更改為「Superactive Group Company Limited」及採納及登記中文名稱「先機企業集團有限公司」作為本公司之第二名稱。本公司新名稱及新中文名稱於二零一七年六月九日起生效。

採納新公司細則

為對本公司之公司細則作出相應修訂以符合自本公司之公司細則上次修訂以來上市規則及公司法所作之修訂，本公司股東於二零一七年六月六日舉行之二零一七年股東週年大會上通過一項特別決議案，批准及採納本公司新公司細則代替及取消本公司當時之公司細則。

主要業務

本公司為一家多元化投資控股公司。本公司主要附屬公司之業務載於綜合財務報表附註40內。

業績及分派

本集團之年內業績載於第74頁之綜合損益表及隨附之綜合財務報表附註內。

董事不建議派付截至二零一七年十二月三十一日止年度之末期股息（二零一六年：無）。

DONATIONS

The Group did not make any charitable and other donation during the Year (2016: HK\$100,000).

SHARE CAPITAL

Details of the Company's share capital as at 31 December 2017 are set out in note 27 to the consolidated financial statements.

RESERVES

Details of the movements in the reserves of the Group during the Year are set out in the consolidated statement of changes in equity on page 79.

DISTRIBUTABLE RESERVES

At 31 December 2017, the Company's reserves, for distribution purposes, showed a surplus of HK\$21,404,000 comprising accumulated losses of HK\$49,507,000 and a contribution surplus of HK\$70,911,000. Under the Companies Act 1981 of Bermuda (as may be amended from time to time), the contributed surplus of the Company is available for distribution. However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus if:

- (a) it is, or would after the payment be, unable to pay its liabilities as they become due; or
- (b) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.

捐款

本集團年內並無作出任何慈善及其他捐款(二零一六年: 100,000港元)。

股本

本公司截至二零一七年十二月三十一日之股本詳情載於綜合財務報表附註27。

儲備

年內, 本集團之儲備變動詳情載於第79頁之綜合權益變動表。

可分派儲備

於二零一七年十二月三十一日, 本公司作分派用之儲備出現盈餘21,404,000港元, 當中包括累計虧損49,507,000港元及繳入盈餘70,911,000港元。根據百慕達一九八一年公司法(經不時修訂), 本公司之繳入盈餘乃可供分派。然而, 在下列情況下, 本公司不得以繳入盈餘宣派或派付股息或作出分派:

- (a) 現時或於作出分派後將導致無法償還到期債項; 或
- (b) 其資產之可變現價值會因而低於其債項、已發行股本及股份溢價賬之總和。

USE OF PROCEEDS FROM THE OPEN OFFER

On 29 August 2017, the Company proposed to raise approximately HK\$338.8 million before expenses by issuing 677,523,795 offer shares at the subscription price of HK\$0.5 per offer share on the basis of one (1) offer share for every two (2) existing shares held on the record date (i.e. 14 September 2017) and payable in full upon application. The net proceeds from the open offer after deducting all relevant expenses are estimated to be approximately HK\$336.4 million, which are intended to be used for the acquisition of the entire equity interest in Qianhai Wanke. The open offer was completed and share certificates for the offer shares dispatched on 27 October 2017. The breakdown of the use of proceeds is set out as follows:

公開發售所得款項用途

於二零一七年八月二十九日，本公司擬透過按認購價每股發售股份0.5港元按於記錄日期（即二零一七年九月十四日）每持有兩(2)股現有股份獲發一(1)股發售股份之基準發行677,523,795股發售股份，以籌集約338,800,000港元（扣除開支前），股款須於申請時繳足。公開發售的所得款項淨額（扣除所有相關開支後）預計約為336,400,000港元，擬用於收購前海萬客之全部股權。公開發售已於二零一七年十月二十七日完成及就發售股份寄發股票。所得款項用途之明細載列如下：

| | Intended use of net proceeds | Amount used as at the date of this report |
|--|------------------------------------|--|
| | 所得款項淨額 擬定用途 | 於本報告日期 已動用金額 |
| | HK\$ million 百萬港元 | HK\$ million 百萬港元 |
| The acquisition of the entire equity interest in Qianhai Wanke | 收購前海萬客之全部股權 333.4 | 257.9 |

ISSUANCE OF BONDS

On 29 December 2017, the Company has issued bonds to an independent third party for a principal amount of HK\$300 million. The bonds are interest-bearing at 8% per annum at issue and interest is payable quarterly in arrears and will mature on 28 December 2019. The first instalment of interest was payable on 20 March 2018. According to the subscription agreement, the bonds is non-callable until 29 December 2018. The purpose of the bonds is to satisfy the funding needs of the money lending operation, the capital expenditures for the development of nursery education business and the general working capital of the Group. The proceeds of the bonds were received on 2 January 2018.

發行債券

於二零一七年十二月二十九日，本公司向一名獨立第三方發行本金額為300,000,000港元之債券。該等債券於發行時按年利率8%計息，利息須於每季度支付及將於二零一九年十二月二十八日到期。第一筆分期付款之利息應於二零一八年三月二十日支付。根據認購協議，該等債券於截至二零一八年十二月二十九日止為不可取消。該等債券乃旨在滿足本集團之放債業務之資金需求、發展幼兒教育業務之資本開支及一般營運資金。有關債券款項已於二零一八年一月二日收取。

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the Year are set out in note 13 to the consolidated financial statements.

DIRECTORS

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

Executive Directors:

Ms. Yeung So Lai (appointed on 25 January 2017)

Mr. Lee Chi Shing Caesar (appointed on 25 January 2017)

Ms. Kelly Lee (resigned on 8 February 2017)

Non-executive Directors:

Dato' Choo Chuo Siong (resigned on 8 February 2017)

Mr. Sun Jih-Hui (resigned on 8 February 2017)

Independent Non-executive Directors:

Mr. Chiu Sze Wai Wilfred (appointed on 8 February 2017)

Mr. Chow Wai Leung William (appointed on 8 February 2017)

Dr. Wong Ho Ching (resigned on 8 February 2017)

Mr. Lan Yen-Po (resigned on 8 February 2017)

Ms. Hu Gin Ing

BIOGRAPHICAL DETAILS OF THE DIRECTORS

The biographical details of the current directors are set out on page 14 to page 16 of this annual report.

物業、廠房及設備

年內，本集團之物業、廠房及設備之變動詳情載於綜合財務報表附註13。

董事

於年內及截至本報告刊發日期之董事如下：

執行董事：

楊素麗女士

(於二零一七年一月二十五日獲委任)

李志成先生

(於二零一七年一月二十五日獲委任)

Kelly Lee女士

(於二零一七年二月八日辭任)

非執行董事：

拿督Choo Chuo Siong

(於二零一七年二月八日辭任)

孫日輝先生

(於二零一七年二月八日辭任)

獨立非執行董事：

趙思璋先生

(於二零一七年二月八日獲委任)

周偉良先生

(於二零一七年二月八日獲委任)

黃河清博士

(於二零一七年二月八日辭任)

藍彥博先生

(於二零一七年二月八日辭任)

胡競英女士

董事之履歷詳情

現任董事之履歷詳情載於本年報第14至16頁。

DIRECTOR'S SERVICE CONTRACTS AND ROTATION

The appointment of each Director is subject to retirement by rotation and, being eligible, offer themselves for re-election in accordance with Bye-law 84 of the Company's Bye-laws and Code Provision A.4.2 of the Corporate Governance Code (the "CG Code") as set out in Appendix 14 of the Listing Rules. All of the independent non-executive Directors are appointed for a specific term.

In accordance with Bye-law 84 of the Company's Bye-laws, Ms. Yeung So Lai, and Mr. Chow Wai Leung William shall retire from the Board by rotation at the forthcoming annual general meeting and being eligible, offer themselves for re-election.

None of the Directors has entered or has proposed to enter into any service contract with the Company or any of its subsidiaries which is not expiring or determinable by the employing company within one year without payment of compensation other than statutory compensation.

DIRECTOR'S EMOLUMENTS

Details of Director's emoluments on a named basis are set out in note 9 to the consolidated financial statements.

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received, from each of the independent non-executive Directors, an annual confirmation of his/her independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the independent non-executive Directors to be independent.

董事服務合約與輪值

根據本公司公司細則第84條及上市規則附錄十四所載之企業管治守則（「企業管治守則」）守則條文第A.4.2條，各委任董事均須輪值退任且符合資格並願意重選連任。所有獨立非執行董事均按指定任期獲委任。

根據本公司之公司細則第84條，楊素麗女士及周偉良先生將於本公司即將舉行之股東週年大會上退任董事職務，而彼等符合資格並願意重選連任。

董事概無與本公司或其任何附屬公司訂立或擬訂立僱傭公司不可於一年內不作補償（法定補償除外）而終止之服務合約。

董事酬金

董事酬金詳情以具名方式載列於綜合財務報表附註9。

獨立非執行董事之獨立性

根據上市規則第3.13條之規定，本公司已收到每位獨立非執行董事就其獨立性之年度確認。本公司認為所有獨立非執行董事均屬獨立人士。

DIRECTORS' INTEREST IN THE SECURITIES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 31 December 2017, the interests of the Directors and their associates in the ordinary shares and underlying ordinary shares of the Company and any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO") which are required to be notified to the Company and the Stock Exchange pursuant to divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they have taken or are deemed to have taken under such provisions of the SFO) or which are required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which are required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), to be notified to the Company and the Stock Exchange, were as follows:

董事於本公司及其相聯法團證券之權益

於二零一七年十二月三十一日，董事及其聯繫人於本公司及其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之普通股及相關普通股中，擁有根據證券及期貨條例第XV部第7及8分部，須知會本公司及聯交所之權益（包括根據證券及期貨條例該等條文被當作或被視為擁有之權益及淡倉），或根據證券及期貨條例第352條須記入本條所述之登記冊之權益，或根據上市發行人董事進行證券交易之標準守則（「標準守則」）須知會本公司及聯交所之權益如下：

Long Positions in the Shares of the Company

於本公司股份之好倉

| Name of director 董事姓名 | Corporate Interest 公司權益 | Number of shares 股份數目 | |
|--|------------------------------|--------------------------|--|
| | | Total 總計 | Percentage of aggregate interest to total number of shares in issue* 總權益佔已發行股份總數之百分比* |
| Ms. Yeung So Lai ("Ms. Yeung") 楊素麗女士（「楊女士」） | 1,152,731,997 ⁽¹⁾ | 1,152,731,997 | 56.71% |
| Mr. Lee Chi Shing Caesar ("Mr. Lee") 李志成先生（「李先生」） | 1,152,731,997 ⁽²⁾ | 1,152,731,997 | 56.71% |

DIRECTORS' INTEREST IN THE SECURITIES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS (Continued)

Note:

- (1) This represents interest hold by Ms. Yeung through Super Fame Holdings Limited ("Super Fame") which hold 1,152,731,997 shares of the Company. Ms. Yeung So Lai has 55% interest in Super Fame, she is therefore deemed to be interested in 1,152,731,997 shares of the Company.
 - (2) This represents interest held by Mr. Lee through Super Fame which hold 1,152,731,997 shares of the Company. Mr. Lee Chi Shing Caesar has 45% interest in Super Fame, he is therefore deemed to be interested in 1,152,731,997 shares of the Company.
- * The percentage has been adjusted based on total number of shares of the Company in issue as at 31 December 2017 (i.e. 2,032,571,385 shares).

Other than as disclosed above, neither the Directors, nor any of their associates, had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Save as disclosed in note 35 to the consolidated financial statements headed "Related Party Transactions", no other contracts of significance to which the Company, its holding company or any of its 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.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the Year and up to the date of this annual report, none of the Directors are considered to have interests in a business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group, as defined in the Listing Rules.

DIRECTORS' RIGHTS TO ACQUIRE SHARES AND DEBENTURES

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

董事於本公司及其相聯法團證券之權益 (續)

附註：

- (1) 指楊女士透過持有本公司1,152,731,997股股份之超名控股有限公司(「超名」)持有之權益。楊素麗女士擁有超名之55%權益，故彼被視為於本公司1,152,731,997股股份中擁有權益。
 - (2) 指李先生透過持有本公司1,152,731,997股股份之超名持有之權益。李志成先生擁有超名之45%權益，故彼被視為於本公司1,152,731,997股股份中擁有權益。
- * 該百分比已按本公司於二零一七年十二月三十一日已發行股份總數(即2,032,571,385股)予以調整。

除以上披露者，董事或彼等之任何聯繫人概無於本公司或其任何相聯法團之任何股份、相關股份或債券中擁有任何權益或淡倉。

董事於重大合約中之權益

除綜合財務報表附註35「關連人士交易」所披露者外，於本年度末或年內任何時間概無存續由本公司、其控股公司或其任何附屬公司訂立而董事直接或間接於其中擁有重大權益之其他重大合約。

董事於競爭業務中之權益

於本年度內及直至本年報日期，概無董事被視為於與本集團之業務直接或間接形成競爭或可能形成競爭之業務(定義見上市規則)中擁有權益。

董事購入股份或債券之權利

本公司、其控股公司或其任何附屬公司在本年度內任何時間概無訂立任何安排，致使董事可藉購入本公司或任何其他法人團體之股份或債券而得益。

SUBSTANTIAL INTERESTS IN THE SHARE CAPITAL OF THE COMPANY

As at 31 December 2017, the interests or short positions of those persons (other than Directors whose interests disclosed above) in the ordinary shares and underlying ordinary shares of the Company as recorded in the register required to be kept pursuant to Section 336 of the SFO were as follows:

Long Positions

| Name | Capacity in which shares were held | Number of shares | Percentage of aggregate interest to total number of shares in issue* 總權益 佔已發行股份 總數之百分比* |
|---|------------------------------------|-------------------|--|
| 名稱 | 持有股份的身份 | 股份數目 | |
| Super Fame ¹ 超名 ¹ | Beneficial owner 實益擁有人 | 1,152,731,997 (L) | 56.71% |
| Jade Treasure Global Limited ("Jade Treasure") ² 致達環球有限公司("致達") ² | Security interest 抵押權益 | 1,152,731,997 (L) | 56.71% |

L: Long position

Notes:

- Super Fame is owned as to 55% by Ms. Yeung and 45% by Mr. Lee. As such, Ms. Yeung and Mr. Lee were deemed to be interested in 1,152,731,997 shares of the Company held by Super Fame.
 - Jade Treasure is wholly-owned by Right Select International Limited ("Right Select"), which is in turn wholly-owned by China Huarong International Holdings Limited ("Huarong International"). Huarong International is owned as to 11.9% by Huarong Zhiyuan Investment & Management Co., Ltd. ("Huarong Zhiyuan") and 88.1% by Huarong Real Estate Co., Ltd. ("Huarong Real Estate"). Huarong Zhiyuan and Huarong Real Estate are wholly-owned by China Huarong Asset Management Co., Ltd. ("China Huarong"). Thus, each of Right Select, Huarong International, Huarong Real Estate and China Huarong are deemed to be interested in 1,152,731,997 Shares in which Jade Treasure has security interest.
- * The percentage has been adjusted based on total number of shares of the Company in issue at 31 December 2017 (ie. 2,032,571,385 shares).

於本公司股本中之主要權益

於二零一七年十二月三十一日，根據證券及期貨條例第336條本公司須存置之登記冊所記錄，該等人士（不包括其權益於上文披露之董事）於本公司普通股及相關普通股持有之權益或淡倉如下：

好倉

L: 好倉

附註：

- 超名由楊女士及李先生分別擁有55%及45%權益。因此，楊女士及李先生被視為於超名持有的1,152,731,997股本公司股份中擁有權益。
 - 致達由Right Select International Limited ("Right Select")全資擁有，而Right Select由中國華融國際控股有限公司("華融國際")全資擁有。華融國際由華融致遠投資管理有限責任公司("華融致遠")擁有11.9%權益及華融置業有限責任公司("華融置業")擁有88.1%權益。華融致遠以及華融置業由中國華融資產管理股份有限公司("中國華融")全資擁有。因此，Right Select、華融國際、華融置業及中國華融各自被視為於致達擁有抵押權益之1,152,731,997股股份中擁有權益。
- * 該百分比已按本公司於二零一七年十二月三十一日已發行股份總數(即2,032,571,385股)予以調整。

SUBSTANTIAL INTERESTS IN THE SHARE CAPITAL OF THE COMPANY *(Continued)*

Save as disclosed above, as at 31 December 2017, the Company has not been notified of any other interests or short positions in the ordinary shares and underlying ordinary shares of the Company which had been recorded in the register required to be kept under section 336 of the SFO.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors throughout the Year and up to the date of this annual report, there is sufficient public float of not less than 25% of the Company's issued shares as required under the Listing Rules.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Bye-laws and there was no restriction against such rights under the laws of Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

PENSION SCHEMES

The pension schemes of the Group are primarily in form of contributions to Hong Kong's Mandatory Provident Fund and the PRC statutory public welfare fund, respectively.

CONNECTED TRANSACTIONS

During the Year, the Company did not have any connected transactions which were subject to requirements of the Listing Rules. Other transactions which were exempted from the requirements of the Listing Rule are also disclosed in note 35 to the consolidated financial statements as related party transactions.

MANAGEMENT CONTRACT

No contracts concerning the management and administration of the whole or any substantial part of any business of the Company were entered into during the Year or subsisted at the end of the Year.

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

The Company has not purchased, sold or redeemed any of the Company's listed securities during the Year.

於本公司股本中之主要權益 (續)

除上文所披露者外，於二零一七年十二月三十一日，本公司並未獲知會有任何其他人士擁有根據證券及期貨條例第336條須存置之登記冊所記錄之本公司普通股及相關普通股之任何其他權益或淡倉。

公眾持股量

根據本公司可獲得之公開資料，並就董事所知悉，本公司於本年度及直至本年報日期內維持充足的公眾持股量，其並不少於上市規則規定之本公司已發行股份之25%。

優先購買權

本公司之公司細則概無有關優先購買權之條文，百慕達法律亦沒有該等權利之規定，使本公司須按比例向現有股東發售新股。

退休金計劃

本集團之退休金計劃主要供款形式分別為香港強制性公積金計劃及中國法定公益金供款計劃。

關聯交易

於本年度，本公司並無訂立任何須遵守上市規則的關聯交易。獲上市規則豁免的其他交易亦於綜合財務報表附註35披露作關連人士交易。

管理合約

本年度概無訂立或於年末存續任何有關本公司全部或絕大部分業務管理與行政之合約。

購買、出售或贖回本公司上市證券

本公司於本年度概無購買、出售或贖回本公司任何上市證券。

BUSINESS REVIEW

Business review is set out on page 8 to page 13 under Management Discussion and Analysis of this annual report.

MAJOR CUSTOMERS AND MAJOR SUPPLIERS

Sales to the largest customer and the five largest customers accounted for 38.76% and 90.33%, respectively, of total revenues for the Year.

Purchases from the largest supplier and the five largest suppliers accounted for 15.15% and 50.04%, respectively, of total purchases for the Year.

As far as the Directors are aware, none of the Directors, their close associates, or any shareholder (which to the knowledge of the Directors own more than 5% of the Company's total issued shares) has any interest in the customers or suppliers of the Company disclosed above.

PERMITTED INDEMNITY PROVISION

The Bye-laws of the Company provides that directors shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they are or any of them shall or may incur or sustain by reason of any act done, concurred in or omitted in or about the execution of their duty or supposed duty in their respective offices. The Company has taken out insurance against the liability and costs associated with defending any proceedings which may be brought against Directors.

EVENTS AFTER THE REPORTING PERIOD

For the details of events after the reporting period, please refer to note 38 to the consolidated financial statements.

業務回顧

業務回顧載於本年報管理層討論與分析第8至13頁。

主要客戶及主要供應商

最大客戶及五大客戶之銷售額分別佔本年度總收益額之38.76%及90.33%。

最大供應商及五大供應商之採購額分別佔本年度總採購額之15.15%及50.04%。

據董事所知，概無董事、其緊密聯繫人或據董事所知擁有本公司已發行股份總數5%以上權益之任何股東於上文所披露之本公司客戶或供應商擁有任何權益。

獲准許的彌償條文

本公司之公司細則規定董事就各自執行其職務或應執行之職務時而所作出、發生之作為或不作為而招致或蒙受之所有訴訟、收費、損失、損害及開支，可獲確保就此免受任何損害，並從本公司的資產獲得彌償。本公司已就董事可能面對任何訴訟時產生的責任及相關的費用購買保險。

報告期後事項

有關報告期後事項之詳情，請參閱綜合財務報表附註38。

SHARE OPTION

On 6 June 2017, a resolution was passed in the 2017 annual general meeting of the Company to adopt a new share option scheme (the "Share Option Scheme").

The Listing Committee of the Stock Exchange has granted the listing of, and permission to deal in the shares of the Company which may fall to be issued pursuant to the exercise of the options which was granted and/or may be granted under the Share Option Scheme subsequently.

As at 31 December 2017, no share options were granted under the Share Option Scheme.

The following is a summary of the principal terms of the Share Option Scheme.

(A) Share Option Scheme

Purpose

To attract and retain the grantees and to promote the success of the business of the Group.

Participants

Eligible participants include:

- (a) any director, employee, consultant or advisor, substantial shareholder, distributor, contractor, supplier, agent, customer, business partner or service provider to the Group or a company in which the Group holds an interest or a subsidiary of such company (the "Affiliate")
- (b) a company beneficially owned by any director, employee, consultant or advisor, substantial shareholder, distributor, contractor, supplier, agent, customer, business partner or service provider to the Group or an Affiliate

購股權

於二零一七年六月六日，一項決議案已於本公司二零一七年股東週年大會上通過，以採納新購股權計劃（「購股權計劃」）。

聯交所上市委員會已批准本公司其後根據購股權計劃授出及／或可能授出之購股權獲行使後而須予發行之股份上市及買賣。

於二零一七年十二月三十一日，概無購股權根據購股權計劃獲授出。

以下為購股權計劃之主要條款概要。

(A) 購股權計劃

目的

吸引及挽留承授人並推動本集團業務成功。

參與者

合資格參與者包括：

- (a) 本集團、本集團持有權益之公司或該公司附屬公司之任何董事、僱員、顧問或諮詢人、主要股東、分銷商、承建商、供應商、代理、客戶、業務夥伴或服務供應商（「聯屬公司」）
- (b) 本集團或聯屬公司之任何董事、僱員、顧問或諮詢人、主要股東、分銷商、承建商、供應商、代理、客戶、業務夥伴或服務供應商所實益擁有之公司

SHARE OPTION *(Continued)*

(A) Share Option Scheme *(Continued)*

Exercise price

Determined by the Board and shall not be less than the higher of:

- (a) the closing price of one (1) share as stated in the Stock Exchange's daily quotation sheets at the offer date, which must be a business day;
- (b) the average closing price of one (1) share as stated in the Stock Exchange's daily quotation sheets for the five (5) business days immediately preceding the offer date; and
- (c) the nominal value of the share on the offer date,

provided that in case of fractional prices, the exercise price per share shall be rounded upwards to the nearest whole cents.

Total number of shares available for issue and the percentage of the issued share capital that it represents as at the date of this annual report

135,504,759 shares, being approximately 6.67% of the issued shares of the Company.

Maximum entitlement of each participant

Not exceed 1% of the shares in issue in any 12-month period.

Period within which the securities must be taken up under the option

Subject to the discretion by the Board and, in the absence of which, from the date of acceptance to the earlier of the date on which such option lapses and 10 years from the date of offer.

Minimum period for which an option must be held before it can be exercised

Subject to the discretion by the Board.

Amount payable on acceptance

HK\$1.00 payable upon acceptance of the offer.

購股權 *(續)*

(A) 購股權計劃 *(續)*

行使價

由董事會釐定，且不得低於以下之較高者：

- (a) 於授出日期（須為營業日）一(1)股股份在聯交所每日報價單所列之收市價；
- (b) 緊接授出日期前五(5)個營業日一(1)股股份在聯交所每日報價單所列之平均收市價；及
- (c) 股份於授出日期之面值，

惟就碎股股價而言，每股行使價應湊整至最接近完整仙位。

可發行股份總數及於本年度報告日期佔已發行股本之百分比

135,504,759股股份，佔本公司已發行股份約6.67%。

每名參與者之最高配額

不超過於任何十二個月期間已發行股份之1%。

根據購股權認購證券之期限

由董事會酌情釐定，如並無釐定，由接納日期起至有關購股權失效之日及由授出日期起計滿十年。

購股權行使前必須持有之最短期限

由董事會酌情釐定。

接納時應付金額

於接納時應付1.00港元。

SHARE OPTION *(Continued)*

(A) Share Option Scheme *(Continued)*

Period within which calls/loans must be made/repaid

Not applicable.

Remaining life of the scheme

The scheme will be valid and effective until 5 June 2027, after which no further options will be granted but the provisions of the scheme shall remain in full force and effect in all other respects. Options complying with the provisions of the Listing Rules which are granted during the duration of the scheme and remain unexercised immediately prior to 5 June 2026 shall continue to be exercisable in accordance with their terms of grant, notwithstanding the expiry of the scheme.

(B) Movements of the Share Option Scheme

No share option has been granted under the Share Option Scheme since the date of the adoption of the scheme.

AUDITOR

The consolidated financial statements for the Year have been audited by BDO Limited which will retire and being eligible, offer themselves for reappointment at the forthcoming AGM.

On behalf of the Board

Superactive Group Company Limited

Yeung So Lai

Chairman

Hong Kong, 28 March 2018

購股權 (續)

(A) 購股權計劃 (續)

付款金額／貸款須作出／償還之期限不適用。

計劃之餘下年期

計劃將生效及有效直至二零二七年六月五日，此後將不會進一步授出任何購股權，但計劃之條文於所有其他方面將維持十足效力及有效。於計劃期內授出且於緊接二零二六年六月五日前仍未獲行使但符合上市規則條文之購股權，將可繼續根據彼等之授出條款予以行使，儘管計劃之期限已屆滿。

(B) 購股權計劃之變動

自購股權計劃採購日期以來概無根據計劃授出任何購股權。

核數師

本年度之綜合財務報表已由香港立信德豪會計師事務所有限公司審核，該核數師將於下屆股東週年大會上退任並願意重選連任。

代表董事會

先機企業集團有限公司

楊素麗

主席

香港，二零一八年三月二十八日

CORPORATE GOVERNANCE REPORT

企業管治報告

The Company is committed to maintain a high standard of corporate governance practices in order to enhance corporate performance and accountability. Continuous efforts are made to review and enhance the Group's procedures in light of changes in regulations and developments in best practices.

CORPORATE GOVERNANCE CODE

The Company has adopted all the code provisions in the CG Code as set out in Appendix 14 of the Listing Rules. Throughout the Year, the Company complied with applicable code provisions of the CG Code, except for the deviation of A.2.1 of the CG Code.

In accordance with the CG Code provision A.2.1 stipulates that the roles of chairman and chief executive officer ("CEO") should be separated and should not be performed by the same individual. The Company does not at present have any officer with the title CEO. The daily operation and management of the Company is monitored by the executive Directors. The Board considers the present structure is more suitable for the Company because it can promote the efficient formulation and implementation of the Company's strategies.

BOARD OF DIRECTORS

As at the date of this report, the Board comprises five Directors, with two executive Directors and three independent non-executive Directors.

With effect from 25 January 2017, Ms. Yeung So Lai and Mr. Lee Chi Shing Caesar have been appointed as executive Directors.

With effect from 8 February 2017, Dato' Choo Chuo Siong resigned as chairman of the Company and non-executive Director; Ms. Kelly Lee resigned as deputy chairman, executive Director and CEO of the Company; Mr. Sun Jih-Hui resigned as non-executive Director; and Dr. Wong Ho Ching and Mr. Lan Yen-Po resigned as independent non-executive Directors. On the same date, Ms. Yeung So Lai and Mr. Lee Chi Shing Caesar were appointed as chairman and deputy chairman of the Company respectively, and Mr. Chiu Sze Wai Wilfred and Mr. Chow Wai Leung William were appointed as independent non-executive Directors.

本公司致力採取高水平企業管治常規，以提升企業表現及問責性。鑒於法規變動及最佳慣例之演變，我們亦持續審閱及加強本集團之程序。

企業管治守則

本公司已採納上市規則附錄十四所載之企業管治守則之所有守則條文。於整個年度內，本公司一直遵守企業管治守則之適用守則條文，惟偏離了企業管治守則第A.2.1條。

根據企業管治守則第A.2.1條所規定，主席與行政總裁（「行政總裁」）之角色應予分開，不應由同一人士兼任。本公司並無任何職稱為「行政總裁」之主管人員。本公司之日常運作及管理由執行董事監察。董事會認為現有架構適合本公司，因為其可促進本公司策略之有效制訂及實施。

董事會

於本報告刊發日期，董事會由五名董事組成，其中兩名為執行董事及三名為獨立非執行董事。

楊素麗女士及李志成先生已獲委任為執行董事，自二零一七年一月二十五日起生效。

自二零一七年二月八日起，拿督Choo Chuo Siong辭任本公司主席兼非執行董事；Kelly Lee女士辭任本公司副主席、執行董事兼行政總裁；孫日輝先生辭任非執行董事；及黃河清博士及藍彥博先生辭任獨立非執行董事。同日，楊素麗女士及李志成先生分別獲委任為本公司主席及副主席，以及趙思璋先生及周偉良先生獲委任為獨立非執行董事。

Appropriate directors' and officers' liability insurance had been arranged for all the Directors and Officers of the Company.

Each newly appointed director receives comprehensive, formal and tailored induction on his/her appointment, so as to ensure that he/she has appropriate understanding of the business and operations of the Company and that he/she is fully aware of his/her responsibilities and obligations under the Listing Rules and relevant regulatory requirements. Directors are also regularly updated on the Group's business and accounting reporting standards in the board meetings. All Directors have participated in continuous professional development to develop and refresh their knowledge and skills and provided a record of the training they received for the Year to the Company.

During the Year, the company secretary, who is the employee of the Company, has taken no less than 15 hours of relevant professional training requirement. A new company secretary was appointed on 8 February 2017, who is employee of the Company and has taken no less than 15 hours of relevant professional training requirement.

The Board has a balance of appropriate skills and experience to meet the requirements of the businesses of the Group. All Directors had separate and independent access to the advice and services of the senior management, the chief financial officer and the company secretary of the Company, with a view to ensuring that Board procedures, and all applicable rules and regulations, are followed.

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

The Company had received from each of its independent non-executive Directors an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules, and considers them to be independent.

本公司已為全體董事及高級職員投購合適之董事及高級職員責任保險。

各新委任董事獲委任時均會獲得一項全面、正規及切合個人需要的入職指引，以確保彼對本公司的業務及營運有恰當了解，並完全知悉其根據上市規則及有關法規的職責及責任。於董事會會議上，董事定時獲得與本集團業務及會計申報準則有關的更新資料。全體董事已參與持續專業發展，以發展並重溫其知識及技能，並已向本公司提供彼等年內所接受培訓之記錄。

年內，公司秘書（其為本公司之僱員）已符合不少於15小時的相關專業培訓規定。新任公司秘書於二零一七年二月八日獲委任，其為本公司僱員，並已符合不少於15小時的相關專業培訓規定。

董事會具備適當的技能和經驗以滿足本集團之業務需求。全體董事均有個別和獨立途徑取得高級管理層、首席財務官及本公司公司秘書之建議和服務，從而確保董事會程序，以及所有適用規則和規定得以遵從。

年內，董事會已遵守上市規則有關委任至少三名獨立非執行董事（超過董事會三份之一成員），且其中一名須具備適當專業資格或會計或相關財務管理專長的規定。

根據上市規則第3.13條，本公司已接獲每名獨立非執行董事就其獨立性作出之年度確認書，並對彼等之獨立性表示認同。

The Board meets regularly and the Board meetings are held at least four times a year, and at other times as necessary. Where appropriate, decisions are also taken by way of circulated resolutions. The Board monitors and reviews, among others, the performance of the Group companies, including operations, finance, risk management, internal controls and strategic issues. The principal functions of the Board are to:

- play a key role in the implementation and monitoring of internal controls, financial reporting and risk management;
- assume responsibility for corporate governance and compliance with applicable laws and regulations; and
- approve the Group's strategies, directions and financial objectives.

The overall management of the Company's business is vested in the Board. The Board reserves for its decision all major matters of the Company and it has delegated the day-to-day management, administration and operations of the Company to the executive Directors and senior management. The delegated functions and responsibilities are periodically reviewed. Approval has to be obtained from the Board for all material transactions entered into by senior management and other executives.

The Board regularly reviews the contribution required from each Director to perform his/her responsibilities to the Company.

For all of the Board meetings, proper and reasonable notices, adequate and appropriate information in the form of agenda, board papers and minutes of the meetings are prepared and circulated to all the Directors in a reasonable time.

董事會定期會面，一年最少召開四次董事會會議，及於必要時在其他時間召開會議。在適當情況下，亦會以傳閱決議案之方式作決定。董事會監察及檢討（其中包括）本集團成員公司於營運、財務、風險管理、內部控制及策略等事項之表現。董事會之主要職能為：

- 在執行和監察內部控制、財務報告及風險管理方面擔當重要角色；
- 承擔企業管治責任並遵守適用法律及法規；及
- 批核本集團之策略、方向及財務目標。

董事會負責本公司業務之整體管理。董事會對本公司所有重大事宜保留決策權，並委派執行董事及高級管理層負責本公司之日常管理、行政及運作，並定期檢討獲分派的職能及職責。高級管理人員及其他行政人員訂立的所有重大交易必須獲董事會批准。

董事會定期檢討各董事向本公司履行其職責時所作出的貢獻。

就所有董事會會議而言，正規及合理的通知以及充足及適當的資料包括議程、董事會文件及會議記錄均會在合理時間內編製及發送予各董事。

The attendance records of all the Directors for the Board and Committee meetings for the Year are set out below:

於本年度，所有董事的董事會及委員會會議出席記錄載列如下：

| Directors | No. of meetings attended/No. of meetings held 出席會議數目/舉行會議數目 | | | | | Annual general meeting* |
|---|--|-----------------|---------------|------------------------|------------|-------------------------|
| | Full Board | Audit Committee | NCG Committee | Remuneration Committee | | |
| 董事 | 董事會全體會議 | 審核委員會 | 提名及企業管治委員會 | 薪酬委員會 | 股東週年大會* | |
| <i>Executive Directors:</i> | | | | | | |
| <i>執行董事:</i> | | | | | | |
| Ms. Kelly Lee (resigned on 8 February 2017) | Kelly Lee女士 (於二零一七年二月八日辭任) | 2/2 | N/A 不適用 | N/A 不適用 | N/A 不適用 | 0/0 |
| Ms. Yeung So Lai (appointed on 25 January 2017) | 楊素麗女士 (於二零一七年一月二十五日獲委任) | 22/22 | N/A 不適用 | N/A 不適用 | N/A 不適用 | 1/1 |
| Mr. Lee Chi Shing Caesar (appointed on 25 January 2017) | 李志成先生 (於二零一七年一月二十五日獲委任) | 22/22 | N/A 不適用 | N/A 不適用 | N/A 不適用 | 1/1 |
| <i>Non-executive Directors:</i> | | | | | | |
| <i>非執行董事:</i> | | | | | | |
| Dato' Choo Chuo Siong (resigned on 8 February 2017) | 拿督Choo Chuo Siong (於二零一七年二月八日辭任) | 2/2 | N/A 不適用 | N/A 不適用 | N/A 不適用 | 0/0 |
| Mr. Sun Jih-Hui (resigned on 8 February 2017) | 孫日輝先生 (於二零一七年二月八日辭任) | 2/2 | N/A 不適用 | N/A 不適用 | N/A 不適用 | 0/0 |
| <i>Independent Non-executive Directors:</i> | | | | | | |
| <i>獨立非執行董事:</i> | | | | | | |
| Dr. Wong Ho Ching (resigned on 8 February 2017) | 黃河清博士 (於二零一七年二月八日辭任) | 2/2 | 0/0 | 2/2 | 2/2 | 0/0 |
| Mr. Lan Yen-Po (resigned on 8 February 2017) | 藍彥博先生 (於二零一七年二月八日辭任) | 2/2 | 0/0 | 2/2 | 2/2 | 0/0 |
| Ms. Hu Gin Ing | 胡競英女士 | 17/23 | 2/2 | 3/3 | 3/3 | 1/1 |
| Mr. Chiu Sze Wai Wilfred (appointed on 8 February 2017) | 趙思璋先生 (於二零一七年二月八日獲委任) | 16/21 | 2/2 | 1/1 | 1/1 | 1/1 |
| Mr. Chow Wai Leung William (appointed on 8 February 2017) | 周偉良先生 (於二零一七年二月八日獲委任) | 20/21 | 2/2 | 1/1 | 1/1 | 1/1 |
| Number of meetings held during the year ended 31 December 2017 | 截至二零一七年十二月三十一日止年度內舉行之會議數目 | 23 | 2 | 3 | 3 | 1 |

* 2017 annual general meeting held on 6 June 2017.

* 二零一七年股東週年大會於二零一七年六月六日舉行。

AUDIT COMMITTEE

The Audit Committee assists the Board in fulfilling its oversight responsibilities as to the Company's financial statements, reporting, audit findings and reviewing the risk management and internal control systems of the Company, as well as the Company's process for monitoring compliance with certain laws and regulations.

審核委員會

審核委員會協助董事會履行監察本公司之財務報表、匯報核數結果及審閱風險管理及內部控制系統，以及本公司監督遵循若干法律及法規程序之責任。

The members of the Audit Committee are as follows: Ms. Hu Gin Ing (Chairman of the Audit Committee), Dr. Wong Ho Ching, and Mr. Lan Yen-Po, all of whom are independent non-executive Directors. Dr. Wong Ho Ching and Mr. Lan Yen-Po resigned as members of the Audit Committee on 8 February 2017. Following their resignation, Mr. Chiu Sze Wai Wilfred and Mr. Chow Wai Leung William were appointed as members of the Audit Committee on 8 February 2017.

Work done during the Year

- reviewed the annual report and the interim report in accordance with the accounting policies and practices, accounting standards, Listing Rules and legal requirements;
- reviewed the appointment of auditors for audit and non-audit related services and their fees;
- reviewed the audit plans and findings of auditors, risk management, internal controls and financial reporting matters;
- discussed the audit approach and significant audit and accounting issues with the auditors; and

The Audit Committee met twice a year with the external auditors in the absence of the executive Directors during the Year.

REMUNERATION COMMITTEE

The Remuneration Committee advises the Board on the Group's compensation policy and practice with a view that a meaningful portion of management's compensation should be contingent upon financial performance of the Group in order to foster the creation of long term shareholder value.

The Remuneration Committee adopted the model described in code provision B.1.2(c)(i) of the CG Code.

審核委員會由以下人士組成：胡競英女士（審核委員會主席）、黃河清博士及藍彥博先生，全部皆為獨立非執行董事。黃河清博士及藍彥博先生於二零一七年二月八日辭任審核委員會成員。於彼等辭任後，趙思璋先生及周偉良先生於二零一七年二月八日獲委任為審核委員會成員。

於本年度處理的工作

- 根據會計政策及常規、會計準則、上市規則及法定要求，審閱年報及中期報告；
- 審閱委聘核數師提供核數及非核數相關服務及其酬金；
- 審閱核數師的核數計劃及結果、風險管理、內部控制及財務報告事宜；
- 與核數師討論審核方法及重大審核及會計事宜；及

於本年度，審核委員會在執行董事缺席的情況下每年與外聘核數師舉行兩次會議。

薪酬委員會

薪酬委員會就本集團之薪酬政策及慣例向董事會提供意見，其認為管理層薪酬之合理性應與本集團之財務表現掛鉤，以加強創造股東長遠價值。

薪酬委員會採用企業管治守則中守則條文B.1.2(c)(i)所述之模式。

The members of the Remuneration Committee are as follows: Ms. Hu Gin Ing (Chairman of the Remuneration Committee), Dr. Wong Ho Ching and Mr. Lan Yen-Po, all of whom are independent non-executive Directors. Dr. Wong Ho Ching and Mr. Lan Yen-Po resigned as members of the Remuneration Committee on 8 February 2017. Following their resignation, Mr. Chiu Sze Wai Wilfred and Mr. Chow Wai Leung William were appointed as members of the Remuneration Committee on 8 February 2017.

Work done during the Year

- reviewed the remuneration policy for the Directors and management with reference to the Board's corporate goals and objectives;
- reviewed and determined packages of the Directors and management with reference to their duties and responsibilities with the Company; and
- ensured no Director or any of his/her associate is involved in deciding his/her own remuneration.

Pursuant to code provision B.1.5 of the CG Code, the emoluments of the members of the senior management of the Group by band is set out below:

| Remuneration Bands 酬金級別 | | Number of Individuals 人數 |
|-------------------------------|-------------------------|-----------------------------|
| Nil to HK\$1,000,000 | 零至1,000,000港元 | 8 |
| HK\$1,000,001 – HK\$5,000,000 | 1,000,001港元至5,000,000港元 | 1 |
| HK\$5,000,001 – above | 5,000,001 港元以上 | 1 |
| | | 10 |

薪酬委員會由以下人士組成：胡競英女士（薪酬委員會主席）、黃河清博士及藍彥博先生，全部皆為獨立非執行董事。黃河清博士及藍彥博先生於二零一七年二月八日辭任薪酬委員會成員。於彼等辭任後，趙思璋先生及周偉良先生於二零一七年二月八日獲委任為薪酬委員會成員。

於本年度處理的工作

- 參考董事會的企業方針及目標，審閱董事及管理層的薪酬政策；
- 參考董事及管理層於本公司的職務及職責，審閱及釐定彼等的待遇；及
- 確保並無董事或其任何聯繫人士參與決定其自身的薪酬。

根據企業管治守則守則條文第B.1.5條，本集團高級管理層成員之酬金級別載列如下：

NOMINATING AND CORPORATE GOVERNANCE COMMITTEE (“NCG COMMITTEE”)

The NCG Committee oversees the composition of the Board to ensure that qualified individuals meeting the criteria of the provisions of the Listing Rules serve as members of the Board and its committees. The NCG Committee also has the responsibility to develop, recommend to the Board and oversee the implementation of corporate governance principles and policies relating to the operation of the Board and its committees and the Company as a whole.

Where vacancies on the Board exist or an additional Director is considered necessary, the NCG Committee will identify suitable candidates and propose the appointment of such candidates to the Board for consideration and the NCG Committee will take into account the qualification as required by the Listing Rules, ability, working experience, leadership and professional ethics, etc. of the candidates and approved if such appointment is considered suitable.

The members of the NCG Committee are as follows: Dr. Wong Ho Ching (Chairman of the NCG Committee), Mr. Lan Yen-Po and Ms. Hu Gin Ing, all of whom are independent non-executive Directors. Dr. Wong Ho Ching resigned as Chairman and member of the NCG Committee and Mr. Lan Yen-Po resigned as member of the NCG Committee on 8 February 2017. Following their resignation, Mr. Chow Wai Leung William was appointed as Chairman and member of the NCG Committee and Mr. Chiu Sze Wai Wilfred was appointed as member of the NCG Committee on 8 February 2017.

提名及企業管治委員會（「提名及企業管治委員會」）

提名及企業管治委員會監督董事會之組成，以確保由符合上市規則條文所訂標準之合資格人士出任董事會及其委員會之成員。提名及企業管治委員會亦有責任制定、向董事會提出建議及監督有關董事會及其委員會以及本公司整體營運之企業管治原則及政策之執行。

倘董事會出現空缺或認為有必要增加董事，提名及企業管治委員會將物色合適候選人，並向董事會提呈有關候選人之委任事項以供審議，提名及企業管治委員會則將考慮候選人是否符合上市規則規定之資格、能力、工作經驗、領導才能及職業道德操守等因素，如認為有關委任合適則給予批准。

提名及企業管治委員會由以下人士組成：黃河清博士（提名及企業管治委員會主席）、藍彥博先生及胡競英女士，全部皆為獨立非執行董事。於二零一七年二月八日，黃河清博士辭任提名及企業管治委員會主席及成員，以及藍彥博先生辭任提名及企業管治委員會成員。於彼等辭任後，於二零一七年二月八日，周偉良先生獲委任為提名及企業管治委員會主席及成員，而趙思璋先生獲委任為提名及企業管治委員會成員。

Work done during the Year

- reviewed the structure, size and composition of the Board, and is of the view that there is an appropriate and diverse mix of skills and experience;
- assessed the independence of independent non-executive Directors and confirmed that all independent non-executive Directors are considered independent;
- reviewed the profile and performance of Directors who will stand for re-election at annual general meeting and confirmed that all those Directors are suitable to stand for re-election;
- developed and reviewed the Company's policies and practices on corporate governance;
- reviewed and monitored the Company's policies and practices on compliance with legal and regulatory requirements; and
- reviewed the Company's compliance with the code provisions of CG Code and disclosure in the Corporate Governance Report.

The NCG Committee continued to monitor the Board composition with regard to its diversity policy by reviewing its own size, structure and composition to ensure that the Board has a balance of ages, talents, expertise, skills, experience, culture, knowledge and gender appropriate to the requirements of the Company. The Company believes diversity is important to enhance the Board's effectiveness by encouraging a diversity of perspectives and to maintain high standards of corporate governance. The Company will continue to monitor and develop new objectives for implementing and achieving improved diversity on the Board as and when it considers appropriate with regard to the specific needs of the Company and the market from time to time.

於本年度處理的工作

- 檢討董事會的架構、規模及組成，並認為董事會成員具備適當而多元化的技能及經驗；
- 評估獨立非執行董事的獨立性，並確認全體獨立非執行董事均屬獨立；
- 審閱將於股東週年大會上參與重選董事的履歷及表現，並確認所有有關董事適合參與重選；
- 發展及審閱本公司企業管治的政策及常規；
- 審閱及監察本公司政策及常規在遵守法定及監管要求的情況；及
- 審閱本公司遵守企業管治守則條文及企業管治報告的披露要求的情況。

針對董事會的多元化政策，提名及企業管治委員會透過審閱董事會的規模、架構及組成監察董事會的組成，以確保董事會於年齡、才能、專長、技能、經驗、文化、知識及性別方面可取得平衡，以切合本公司的要求。本公司相信多元化政策能鼓勵多元視野並維持企業管治處於高水平，對提升董事會的效能起重要作用。本公司將繼續監察，並不時因應本公司及市場的特別需要，在其認為適當時，制定落實及提升董事會多元化發展的新目標。

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules as the code of conduct governing Directors' securities transactions. All Directors have confirmed, following specific enquiry by the Company, that they had complied with the required standards set out in the Model Code throughout the Year.

RISK MANAGEMENT AND INTERNAL CONTROLS

The Group's systems of risk management and internal control involve the operation and/or supervision of the Board, the Audit Committee and the internal auditor. The main features and the key processes that have been established in reviewing the adequacy and effectiveness of such systems are stated below.

The Board is responsible for overseeing the Group's systems of risk management and internal control. However, these systems are designed to manage the Group's risks within an acceptable risk profile, rather than to eliminate the risk of failure to achieve the business objectives of the Group. Accordingly, it can only provide reasonable assurance but not absolute assurance against material misstatement of management and financial information and records or against financial losses or fraud.

The Board has overall responsibility in monitoring the process of corporate reporting and control system throughout the Group. The Board delegates the duties of proper and regular reviews on the deployment of resources and financial reporting systems, the corporate governance practices and compliance with the Listing Rules, the SFO and other applicable regulations to the internal auditor. The internal auditor reviews and briefs the systems with the Audit Committee at least annually.

The Board has established an on-going process for identifying, evaluating and managing the significant risks faced by the Group and this process includes updating the systems of risk management and internal control when there are changes to business environment or regulatory guidelines. The effectiveness and efficiency of the risk management and internal control systems are reviewed annually.

董事進行證券交易之標準守則

本公司已採納上市規則附錄十所載標準守則作為其本身之董事進行證券交易之操守準則。全體董事經本公司作出特別查詢後確認，彼等於整個年度內一直遵守標準守則內所規定之準則。

風險管理及內部控制

本集團之風險管理及內部監控系統涉及董事會、審核委員會及內部核數師之營運及／或指導。本集團所確立供審閱該等系統的充足性及有效性的主要特點及主要程序載列如下。

董事會負責監督本集團風險管理及內部監控系統。然而，該系統的設計旨在將本集團的風險控制在可接受的風險範圍內（而非完全消除失誤風險），以達至本集團業務目標。因此，有關系統僅可就管理層及財務資料及紀錄的重大錯誤陳述或財務損失或欺詐提供合理而非絕對的保證。

董事會負責監察本集團整體企業匯報及控制系統之程序。董事會已將適當地定期檢討資源調配及財務匯報系統、企業管治常規，以及符合上市規則、證券及期貨條例及其他適用法規等事宜之責任委派予內部核數師。內部核數師與審核委員會每年至少進行一次檢討及簡述系統。

董事會已確立既定程序，以識別、評估及管理本集團所面對的重大風險，有關程序包括於營商環境或規例指引變更時更新風險管理及內部監控系統。每年均就風險管理及內部監控系統之有效性及其效率進行檢討。

For risk management process, the Group has adopted a three lines of defense model to identify, assess and manage different types of risks. The Group is committed to the identification, evaluating, and management of risks associated with its business activities through ongoing assessment of a risk register, by considering the likelihood and impact of each identified risk. For any newly identified significant risks, the Group will evaluate its financial or operational impacts to the Group and adopt mitigating measures to manage such risks.

The Group has developed an internal control system, which covers major financial, operational and compliance controls to safeguard its assets against unauthorised use, ensure the maintenance of proper accounting records and ensure compliance with relevant laws and regulations. The internal control system is reviewed on an ongoing basis by the Board and Audit Committee annually. For any identified internal control weaknesses or defects, the Group will enhance control measures to rectify such control weaknesses or defects.

For the Year, the Board, through the Audit Committee with the assistance of internal auditor and the senior management of the Company, reviewed the effectiveness of the risk management and internal control systems of the Group (including the consideration of the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting, internal audit and financial reporting functions). The controls within these systems were considered effective and adequate.

Internal auditor assists the Board in the implementation of the Board's policies and procedures on risk and control by identifying and assessing the risks faced, and involving in the design, operation and monitoring of suitable internal controls to mitigate and control these risks.

就風險管理而言，本集團已採納三道防線模式以識別、評估和管理不同類型的風險。本集團致力於通過持續評估風險登記冊並考慮各項已識別風險的可能性及影響，以識別、評估及管理與其業務活動相關的風險。就任何新的已識別重大風險而言，本集團將評估其對本集團的財務或營運影響，並採取減輕措施以管理該風險。

本集團已制定內部監控系統，該系統涵蓋主要財務、營運及合規監控，以保障資產免受未經授權的使用，確保維持正式會計記錄及確保遵守相關法律及法規。董事會和審核委員會每年以持續基準檢討內部監控系統。本集團將針對任何已確認的內部監控弱點或缺陷加強監控措施，以糾正有關弱點或缺陷。

於年內，董事會透過審核委員會及內部核數師與本公司之高級管理人員之協助下，對本集團的風險管理及在內部監控系統的成效（包括考慮本公司在會計、內部審核及財務匯報功能方面的資源、員工資歷及經驗，以及員工所接受的培訓課程及有關預算是否足夠）作出檢討。該等系統之監控屬有效及足夠。

內部核數師協助董事會推行董事會之風險及控制的政策及措施，確定及評估所面對的風險，並參與設計、運作及監察合適的內部監控措施，以減少及控制此等風險。

The key processes that have been established in reviewing the adequacy and integrity of the systems of risk management and internal control include the following:

- the internal auditor ensures the effectiveness of the daily operations and that the operations are in accordance with the corporate objectives and strategies.
- the Audit Committee reviews risk management and internal control issues (if any) identified by internal auditor, external auditor, regulatory authorities and management, and evaluates the adequacy and effectiveness of the Group's risk management and internal control systems.

The internal auditor checks for compliance with statutory requirement, internal policies and procedures. He assesses the operating effectiveness and efficiency of the risk management and internal control systems in the course of his audit. The audit scope and frequency are determined by the level of assessed risks and have to be reviewed and approved by the Audit Committee.

The Group has already established the inside information policies. They depict clearly the decision trees to distinguish inside information and the necessary actions. Employees are required to keep all inside information in strict confidence. Once the inside information needs disclosure, the manner must be equal, timely and effective.

AUDITOR'S REMUNERATION

The Company's principal auditor is BDO Limited. The total remuneration paid to BDO Limited and auditors of subsidiaries and associate in respect of audit services and non-audit services during the Year amounted to approximately HK\$704,000 and HK\$758,000, respectively.

本集團已確立主要程序以審閱風險管理及內部監控系統的充足性及完整性，該等程序包括：

- 內部核數師確保日常運作有效率，且根據企業目標及策略營運。
- 審核委員會審閱內部核數師、外聘核數師、監管機構及管理層所確定的風險管理及內部監控事項（如有），並評估本集團風險管理及內部監控系統的充足性及有效性。

內部核數師檢查是否符合法定要求、內部政策及程序。彼等以其日常審計方式評核風險管理及內部監控系統運作之有效性及效率。審核範疇及頻率均按評估風險水平釐定及須由審核委員會檢討及批准。

本集團已訂立內幕消息政策。該政策已清楚描述決策樹以區別內幕消息及必要行動。僱員必須絕對保密所有內幕消息。如需披露內幕消息，必須以平等、適時及有效的方式披露。

核數師酬金

本公司之主要核數師為香港立信德豪會計師事務所有限公司。於年內，就已付香港立信德豪會計師事務所有限公司，以及附屬公司及聯營公司核數師之核數服務及非核數服務之酬金總額分別約為704,000港元及758,000港元。

RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

All Directors acknowledge their responsibility for preparing the financial statements for the year ended 31 December 2017. The auditor of the Company acknowledges its reporting responsibilities on the financial statements for the year ended 31 December 2017 as set out in the Independent Auditor's Report on pages 65 to 73.

COMMUNICATION WITH SHAREHOLDERS

The Company is committed to ensure that the Group complies with disclosure obligations under the Listing Rules and other applicable laws and regulations, and that all shareholders and potential investors have an equal opportunity to receive and obtain externally available information issued by the Company. Information regularly provided to the shareholders includes annual and interim reports, circulars and announcements in accordance with the Listing Rules.

The Company welcomes the attendance of shareholders at general meetings to express their views. All the Directors are encouraged to attend the general meetings to have personal communication with shareholders. The external auditor is also required to be present to assist the Directors in addressing any relevant queries by shareholders.

The Chairman of the Company, chairmen and members of audit, remuneration and nominating and corporate governance committees and representatives of BDO Limited, the external auditor of the Company, attended the annual general meeting held on 6 June 2017. All these persons were available to answer questions at the annual general meeting.

For both institutional and retail investors, the Company's website at www.supervactive.com.hk, provide up-to-date information of the Group. All key information such as announcements, annual and interim reports and circulars can be downloaded from these websites.

有關財務報表之責任

全體董事知悉彼等編製截至二零一七年十二月三十一日止年度之財務報表之責任。本公司核數師知悉其對第65至73頁獨立核數師報告載列之截至二零一七年十二月三十一日止年度財務報表之申報責任。

與股東之通訊

本公司致力確保本集團遵守上市規則項下之披露責任以及其他適用法律及法規，而所有股東及潛在投資者均有同等機會接獲及取得本公司發放之對外公開資料。本公司根據上市規則定期向股東提供之資料包括年報及中期報告、通函及公佈。

本公司歡迎股東出席股東大會以表達意見，並鼓勵所有董事出席股東大會與股東直接溝通。外聘核數師亦須出席股東大會，以協助董事回答股東之任何相關提問。

本公司主席、審核委員會、薪酬委員會以及提名及企業管治委員會的主席及成員、以及香港立信德豪會計師事務所有限公司（本公司外聘核數師）的代表均有出席於二零一七年六月六日舉行的股東週年大會，從而在股東週年大會上解答問題。

機構及散戶投資者可於本公司網站www.supervactive.com.hk獲得有關本集團之最新資料。所有主要資料如公佈、年報及中期報告及通函均可於上述網址下載。

SHAREHOLDERS' RIGHTS

(i) Procedures by which Shareholders can convene a Special General Meeting ("SGM")

The Board shall, on the requisition in writing of the shareholders of not less than one-tenth of the paid-up capital of the Company upon which all calls or other sums then due have been paid, forthwith proceed to convene a SGM.

The requisition must state the purpose of the meeting and must be signed by the requisitionists and deposited at the registered office of the Company with a copy to the Company's head office and principal place of business in Hong Kong at Room 1206, China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Sheung Wan, Hong Kong, for the attention of the Company Secretary.

If within twenty-one days of such deposit the Board fails to proceed to convene the SGM, the requisitionists or any of them representing more than one half of the total voting rights of all of them, may themselves convene a SGM, but any meeting so convened shall not be held after three months from the date of the original deposit.

(ii) Procedures for putting forward proposals at General Meetings ("GM")

Shareholders can submit a written requisition to move a resolution at GM. The number of shareholders shall represent not less than one-twentieth of the total voting rights of all shareholders having, at the date of the requisition, a right to vote at the GM, or who are no less than 100 shareholders.

股東之權利

(i) 股東召開股東特別大會（「股東特別大會」）之程序

應持有不少於本公司十分之一已繳足股本且已繳付所有到期催繳股款或其他款項之股東之書面請求，董事會須立即就此召開股東特別大會。

呈請須列明會議目的，並須由呈請人簽署並送交本公司註冊辦事處，且抄送至本公司總辦事處及於香港之主要營業地點（地址為香港上環干諾道中168-200號信德中心招商局大廈1206室），註明公司秘書收。

倘董事會並未於該請求書發出日期起計二十一日內召開股東特別大會，則提出該請求人士或持有全體請求人士之過半數總表決權之任何請求人士可自行召開股東特別大會，惟任何如此召開之會議不得於原來發出要求日期計起三個月後舉行。

(ii) 於股東大會（「股東大會」）提出建議之程序

股東可於股東大會上提出書面請求動議決議案。股東之數目須不少於在該請求提出之日期有權於股東大會上表決之所有股東之總表決權二十分之一，或不少於100名股東。

The written requisition must state the resolution, accompanied by a statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at the GM. It must also be signed by all of the shareholders concerned and be deposited at the Company's head office and principal place of business in Hong Kong at Room 1206, China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Sheung Wan, Hong Kong, for the attention of the Company Secretary not less than six weeks before the GM in case of a requisition requiring notice of a resolution and not less than one week before the GM in case of any other requisition.

The shareholders concerned must deposit a sum of money reasonably sufficient to meet the Company's expenses in serving the notice of the resolution and circulating the statement submitted by the shareholders concerned under applicable laws and rules.

(iii) Shareholders' Enquiries

Shareholders should direct their questions about their shareholdings to the Company's registrar. Shareholders and the investment community may at any time make a request for information on the Company to the extent that such information is publicly available. Shareholders may also make enquiries to the Board by writing to the Company Secretary at the Company's head office and principal place of business in Hong Kong at Room 1206, China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Sheung Wan, Hong Kong.

該請求書須列明有關決議案，連同一份不多於一千字之陳述書，內容有關任何提案所提述之事宜，或有關將在該股東大會上處理之事務。該請求書亦須由全體有關股東簽署並送交本公司之總辦事處及於香港之主要營業地點（地址為香港上環干諾道中168-200號信德中心招商局大廈1206室），註明公司秘書收。如屬要求發出決議案通知之情況，該請求書須在該股東大會舉行前不少於六個星期送交；如屬任何其他情況，則須在該股東大會舉行前不少於一個星期送交。

有關股東須存放一筆合理及充足之款項，用以支付本公司根據適用法律及規則送達決議案通知及傳閱有關股東提交之陳述書所產生之開支。

(iii) 股東之查詢

股東如對名下持股有任何疑問，應向本公司之股份過戶登記處提出。股東及投資人士可隨時要求索取有關本公司之公開資料。股東亦可透過致函本公司總辦事處及於香港之主要營業地點（地址為香港上環干諾道中168-200號信德中心招商局大廈1206室）之公司秘書向董事會作出查詢。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ENVIRONMENTAL, SOCIAL & GOVERNANCE REPORT

The Group (hereafter “We” and the “Superactive”) recognises that it is vital to integrate the principles of sustainability throughout our businesses activities to sustain the long-term business growth, and maintain a strong competitive edge in the industry.

This report covers the ESG performance on our operations and activities of the Company, including our office in Hong Kong and the production facility of our main subsidiary – the Foshan Shunde Alford Electronics Co. Ltd. in Guangdong, China.

The report covers the financial year from 1 January 2017 to 31 December 2017 (“the Reporting Period”), and was prepared in accordance with Appendix 27 of the Listing Rules. The report has been reviewed and approved by the Board.

We would like to hear your feedback on this report. If you have any suggestions, please contact us at info@superactive.com.hk.

STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

By taking into account the interests of all stakeholders in adherence to our mission, stakeholders’ engagement forms a crucial process for the Group to identify and understand the importance and relativity of ESG issues influencing the stakeholders in our operation.

We maintain open and transparent communication with our stakeholders to obtain their views on ESG issues and the ESG performance of the Group through meetings, interviews and survey. By taking into account the valued opinions and suggestions of our stakeholders, the Group will seek to formulate suitable ESG management strategies to address the expectations and concerns raised from our stakeholders, and further improve the Group’s ESG performance in the future.

環境、社會及管治報告

本集團（以下簡稱「我們」及「先機」）認識到於我們的業務活動貫徹整合可持續發展原則維持長期業務增長並保持業內強勁競爭優勢至關重要。

本報告涵蓋本公司在營運及業務（包括香港辦事處及我們於中國廣東省的主要附屬公司佛山市順德區雅富電子有限公司的生產設施）方面的環境、社會及管治表現。

本報告涵蓋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財政年度（「報告期間」），並根據上市規則附錄二十七編製。本報告已經董事會審議通過。

我們希望閣下對本報告作出反饋意見。倘閣下有任何建議，請通過 info@superactive.com.hk 與我們聯繫。

持份者之參與及重要性評估

秉承本集團的理念－重視所有持份者的利益，持份者的參與是一個關鍵過程，為本集團確定及了解於我們營運中影響持份者的環境、社會及管治問題的重要性及相關性議題。

我們與持份者維持公開透明的溝通，通過會議、訪談及調查取得彼等對環境、社會及管治問題及環境、社會及管治表現的意見。經考慮到持份者的寶貴意見和建議，本集團將尋求制定合適的環境、社會及管治管理策略，以滿足持份者提出的期望及擔憂，並進一步提高本集團於未來的環境、社會及管治表現。

OUR BUSINESS

To continue our successive business growth and development, we strive to provide high quality products coupled with excellent service at competitive prices to all our customers. Through implementation of our various effective management systems for managing our manufacturing operations, we ensure our business is operated in an ethical, accountable and transparent manner to uphold the confidence and trusts from our stakeholders.

Supply Chain Management

We manage our suppliers through our “Procurement Management Procedure”. To establish and maintain a sustainable supply chain, it is crucial to select suitable suppliers to support our business operation. Through our comprehensive supplier selection and assessment process, we have developed a green suppliers’ list for provision of suitable, reliable and sustainable raw materials, sub-assemblies, equipment and services for our manufacturing operations. We also prioritise to work with suppliers who are equipped with effective management systems such as those certified by ISO 9001, ISO 14001 or other systems recognised in electronics industry to safeguard the quality.

All potential suppliers must undergo a thorough supplier assessment in the following aspects:

- Production capability;
- Process on materials procurement;
- Quality, safety and environmental system;
- Complaint handling; and
- Corporate social responsibility.

我們的業務

為延續我們持續性的業務增長及發展，我們致力於為所有客戶提供高品質的產品及具有競爭力價格的優質服務。通過推行多種有效管理體系管理有關生產製造業務，我們確保我們的業務以符合道德、負責任及透明的方式運作，以維護持份者的信心及信任。

供應鏈管理

我們通過「採購管理程序」管理供應商。為建立及維持可持續的供應鏈，選擇合適的供應商支持我們的業務營運至關重要。通過我們全面的供應商篩選及評估流程，我們已制定綠色供應商名單，為我們的製造業務提供合適、可靠及可持續原材料、子配件、設備及服務。我們亦優先與配備有效管理體系的供應商合作，例如通過 ISO 9001、ISO 14001 或電子行業認可的其他系統認證的供應商，以保證質量。

所有潛在供應商必須進行以下各方面的詳盡供應商評估：

- 產能；
- 材料採購流程；
- 質量、安全環保體系；
- 投訴處理；及
- 企業社會責任。

As part of the assessment, all potential suppliers are requested to submit sample products with full specifications, declarations stating their compliance with hazardous substance requirements, as well as third parties testing reports on the products. This is to ensure all potential materials to be supplied are complied with national regulations and international standards, such as the Restriction of Hazardous Substances (“RoHS”) and Registration, Evaluation, Authorisation and Restriction of Chemicals (“REACH”). Only after satisfying all the above requirements, the suppliers can be qualified as approved suppliers.

For our existing approved suppliers, annual performance assessments that include on-site inspections are being conducted to evaluate their continuous performances. For identified non-conformities, corresponding areas-for-improvement reports will be issued to help the suppliers take corrective actions for improvement. A grace period will be given for rectifications. Consecutive failures in meeting our standards will result in disqualification from our approved supplier list.

In order to promote the values of social responsibility and sustainability to our suppliers, all our approved suppliers must follow our “Code of Business Conduct” and associated practices when operating business activities with us. They are requested to sign the “Declaration of Anti-corruption, Social Responsibility and Ethics” to ensure they are fully understood our requirements and are committed to upholding the same.

作為評估的一部分，所有潛在供應商要求提交完整規格的樣品產品、闡述彼等符合有害物質要求的聲明以及第三方對產品的檢測報告。以確保將予提供的所有可能材料符合國家法規及國際標準，例如危害性物質限制指令（「RoHS」）及化學品的註冊、評估、授權和限制規則（「REACH」）。僅有滿足上述所有要求後，供應商方有資格成為認可的供應商。

對於我們現有認可的供應商，正在進行包括實地考察在內的年度績效評估，以評估彼等的持續表現。對於發現的不合格情況，將發佈相應的改進領域報告，以幫助供應商採取糾正措施進行改進。寬限期將給予整改。連續未能達致我們標準將會導致從我們認可的供應商名單中取消資格。

為向供應商宣傳社會責任及可持續發展的價值觀，我們所有認可的供應商在與我們開展業務時均須遵守我們的「商業行為準則」及相關慣例。彼等須簽署「反貪污、社會責任及道德宣言」，確保彼等完全了解我們的要求並承諾維護相關要求。

As at 31 December 2017, the total number of suppliers we operated with is shown as follows:

於二零一七年十二月三十一日，我們經營的供應商總數如下：

| | | Numbers of Suppliers 供應商數目 |
|-------------------------------|--------------|-------------------------------|
| By geographical region | 按地區劃分 | |
| China | 中國 | 234 |
| Hong Kong | 香港 | 43 |
| Taiwan | 台灣 | 1 |
| US | 美國 | 1 |
| Total | 總計 | 279 |

Product Responsibility

Products quality & health and safety

Our quality policy has committed the Group to winning customers' trusts and satisfactions with excellent quality products. In doing so, we have implemented a quality management system certified with ISO 9001 standard in our operations. The system has helped the Group appropriately address all product quality issues along the manufacturing chains systematically, ensuring all our products are upheld against the highest quality standard. The system also helps the Group follow and comply with national regulations and international industrial standards such as RoHS and REACH.

Stringent quality control and assurance inspections – from incoming materials inspections, manufacturing process inspections to final products inspections are conducted by our Quality Control Department in line with the latest national regulations and international industrial standards. By carrying out these incoming materials inspections, we can ensure the types, quantity and quality of the delivered materials are identical to the purchase order, and meet the specifications, and relevant local and international standards before putting them into mass production.

產品責任

產品質量及健康與安全

我們的質量政策使本集團以優質的產品贏得客戶的信任及滿意度。為此，我們在我們的營運中實施通過ISO 9001標準認證的質量管理體系。該體系有助於本集團有系統地適當處理製造鏈中的所有產品質量問題，確保所有產品均符合最高質量標準。該系統亦有助於本集團遵守及符合國家法規及RoHS和REACH等國際行業標準。

嚴格的質量控制及保證檢驗—從來料檢驗、製造過程檢驗到最終產品檢驗由我們的質量控制部門根據最新的國家法規及國際行業標準進行。通過進行該等來料檢驗，我們可確保所交付物料的類型、數量及質量與採購訂單一致，並在投入批量生產之前符合規格及相關的本地及國際標準。

Our effective in-house quality control system has helped to maintain the product quality and prevent the severe defects of final products during our manufacturing processes. Besides, our final product quality assurance checks help to ascertain all the manufactured products are free from defects, are reliable and can meet the required product specifications before delivery.

All products with defects identified during quality inspections and audits will be subject to re-work, repair or scrapped following the “Non-conformity Goods Control Procedure”. Our Quality Control department and specialist engineers will further analyse the causes of the non-conformities and take relevant corrective actions to avoid occurrence of future defects on products.

During the Reporting Period, no non-compliance cases and products recalls related to quality, safety and health reasons were identified.

Customers Privacy & intellectual property rights

According to our Quality Management Manual, all information (e.g. sample raw materials, package materials, sub-assemblies, mould and technology etc.) provided by our customers is managed by our Marketing Department as strictly confidential. Only authorised staff can access, handle and keep the information for operational purposes, and staff members are prohibited from copying and disclosing any information to any third parties without prior consent from the customers.

To prevent any infringement of intellectual property rights (i.e. trademarks, patents and designs), we consult the legal advice from solicitors for drafting patent licence agreements or service contracts, to ensure all our business activities are in compliance with all the national regulations and there is no infringement on intellectual property rights.

During the Reporting Period, no non-compliance cases relating to the violation of privacy matter and intellectual rights relating to products and services provided were identified.

我們有效的內部質量控制體系有助於維持產品質量並防止於我們製造過程中最終產品的嚴重缺陷。此外，我們的最終產品質量保證檢測有助於確定所有製造的產品並無缺陷，屬可靠及在交付前可滿足所需求的產品規格。

所有在質量檢驗及審核過程中發現有缺陷的產品將根據「不合格貨物控制程序」進行再加工、維修或報廢。我們的質量控制部門及專業工程師將進一步分析導致不合格的原因並採取相應的糾正措施避免日後產品出現缺陷。

於報告期間，並無發現與質量、安全及衛生原因有關的不合規案件及產品召回事宜。

客戶隱私及知識產權

根據我們的質量管理手冊，我們客戶提供的所有資料（例如樣品原材料、包裝材料、子配件、模具及技術等）均由我們的營銷部門嚴格保密管理。僅有獲授權的員工可存取、處理及保存資料用作操作目的，且工作人員未經客戶事先同意，不得複製及向任何第三方披露任何資料。

為防止侵犯知識產權（即商標、專利及設計），我們就起草專利許可協議或服務合同向律師諮詢法律建議，以確保我們所有的業務活動符合所有國家法規的同時不侵犯知識產權。

於報告期間，並無發現有關侵犯隱私事宜及與所提供產品及服務有關的知識產權的不合規案件。

Customer Services

When communications are received from our customers regarding the product quality and schedule of product deliveries, our Marketing Department will follow-up with the communications under the “Customer Complaint Handling Procedure” to handle the complaints and attend to the concerned customers.

Prompt investigations will be carried out to follow-up and confirm the nature of the complaints. Relevant root-cause analysis will be conducted for confirmed cases by the responsible department, where corrections and corrective actions will be employed to avoid reoccurrence of the cases. We are committed to replying to the complainants within three working days as per our performance pledge. During the Reporting Period, no products and services related complaints were received.

Anti-Corruption

The Group is committed to conducting its business activities with the highest degree of honesty, transparency and accountability, and standing firm against any form of bribery, fraud, extortion and corruption practices. To strengthen this commitment within our business, we have set out rules and principles in our “Code of Business Conduct”, “EICC Social Responsibility Manual” and the “Anti-corruption Policy” for all our employees and business partners to strictly abide by.

We prohibit our employees, directly or indirectly, receiving any forms of benefits such as presents, coupons and money for any advantages and favours in the business. In case those benefits cannot be refuted, they shall be handed over to our Ethics Committee for further handling within one week. Employees will be subject to disciplinary action, which includes termination of the employment contract if they found violating the rules. We also require all suppliers to follow the content stated in the declaration of anti-corruption and uphold the same ethical standard when operating businesses with us.

客戶服務

當從我們的客戶收到有關產品質量和產品交付時間表的通訊時，我們的營銷部將根據「客戶投訴處理程序」跟進通訊，以處理投訴及應付相關客戶。

及時調查將開展以跟踪並確認投訴的性質。相關負責部門會進行有關根源分析，採取糾正及更正措施避免案件再次發生。我們承諾根據我們的服務承諾在三個工作日內給予投訴人答復。於報告期間，並無收到與產品及服務有關的投訴。

反貪污

本集團致力於以最高誠實度、透明度及問責性開展業務活動，堅決反對任何形式的賄賂、欺詐、勒索及腐敗行為。為加強對我們業務的承諾，我們已在我們的「商業行為守則」、「EICC社會責任手冊」及「反腐政策」中載明我們所有員工及業務合作夥伴須嚴格遵守的規則及原則。

我們禁止我們的員工直接或間接地接受任何形式的福利，例如禮物、優惠券及金錢以獲得商業上的任何便利及利益。倘該等利益無法駁回，則應在一週內移交我們的道德委員會進一步處理。倘員工違反有關規定，員工將受到紀律處分，甚至終止僱傭合同。我們亦要求所有供應商遵守反貪污宣言中規定的內容並在與我們開展業務時遵守相同的道德標準。

Our Ethics Committee has been established to monitor the effectiveness of the anti-corruption procedures, and carry out investigation on any malpractices in the Group. Inspections are being carried out on a quarterly basis to check if there are any misconducts and malpractices occurred in the workplace.

We have in place our “Whistle-blower Policy” and channels are in place for our employees and external parties to report any suspected or actual case(s) of bribery, fraud, extortion and corruption. We encourage all employees to report the case(s) in good faith and make every efforts to protect the confidentiality of the whistle-blowers. After receiving any suspected or actual cases, the Ethics Committee will investigate and handle the cases immediately and communicate the results to the whistle-blower within two months. Dedicated investigators are nominated with the Group to ensure the independence and the reliability of the investigation results. Where necessary, and in case of violation of laws, the cases will be handed over to the relevant authorities for relevant legal actions.

During the Reporting Period, there were no non-compliance cases relating to bribery, extortion, fraud and money laundering and no concluded legal cases regarding corrupt practices brought against the group and our employees.

我們已設立道德委員會以監督反貪污程序的有效性，並對本集團的任何不當行為進行調查。檢查乃按季度基準進行以檢查工作場所是否存在任何失當行為或不良行為。

我們制定「舉報政策」及建立渠道以便我們的員工及外部人士報告任何涉嫌賄賂、欺詐、勒索及貪污案件或實際案件。我們鼓勵所有員工真誠舉報案件並作出一切努力保護舉報人的機密。於接獲任何涉嫌或實際案件後，道德委員會將立即調查及處理案件並在兩個月內將結果告知舉報人。本集團提名專職調查人員，以確保調查結果的獨立性及可靠性。必要時，如發生違法情況，則將案件移交有關部門處理相關法律訴訟。

於報告所期間，並無發現與賄賂、勒索、欺詐及洗錢有關的不合規案件，亦無針對本集團及我們僱員涉及腐敗行為的已完結法律案件。

OUR PEOPLE

The Group fully recognises that our employees is one of the most important factors for our business success and continuity. Therefore, we aim to create a motivating, harmonious and safe working environment for our employees. Through the implementation of our Human Resource Management System by integrating the requirements of ICTI CARE standard and EICC code of conduct, we closely manage and optimised five focused areas: employment conditions, equity and anti-discrimination, labour rights, staff training and development, and occupational health and safety (“OHS”) to ensure all employees are treated with the highest respect and dignity.

我們的員工

本集團充分認識到，我們的員工是我們業務取得成功及持續經營的最重要因素之一。因此，我們的目標是為員工創造激勵、和諧及安全的工作環境。通過整合ICTI CARE標準及EICC行為準則的要求實施我們的人力資源管理體系，我們密切管理及優化了五個重點領域：僱傭條件、公平及反歧視、勞工權利、員工培訓和發展以及職業健康與安全（「職業健康與安全」），以確保所有員工以最高尊重及尊嚴相待。



Employment

The Group offers a competitive remuneration package to all employees including attractive wage, fixed working hours, comprehensive insurance coverage, overtime compensation and allowances, etc. Our employees are entitled to other additional holidays such as maternity leaves, paternity leaves, marriage leaves and compassionate leaves apart from annual leaves. We also provide monetary incentives and promotions to employees with outstanding achievements and performance in various aspects and units of our works. As at 31 December 2017, the total number of full-time employees is 478 people.

僱傭

本集團為所有員工提供具有競爭力的薪酬待遇，包括有吸引力的工資、固定的工作時間、全面保險、加班補貼及津貼等。我們的員工有權享受除年假以外之其他額外的假期，如產假、陪產假、結婚假及體恤假期等。我們亦為在工作各個方面及單位均有出色成就及表現的員工提供金錢獎勵及晉升。於二零一七年十二月三十一日，全職員工總數為478人。

| | | Total number of employees 員工總數 | Employees turnover rate (%) 員工流失率 (%) |
|-------------------------------|----------------|--------------------------------------|---|
| By gender | 按性別劃分 | | |
| Male | 男性 | 221 | 66.16 |
| Female | 女性 | 257 | 54.35 |
| By employment type | 按員工類別劃分 | | |
| Full-time | 全職 | 478 | 60.69 |
| Temporary | 臨時 | 0 | 0 |
| By age | 按年齡劃分 | | |
| < 30 years old | <30歲 | 291 | 64.43 |
| 30 – 50 years old | 30-50歲 | 172 | 54.86 |
| > 50 years old | >50歲 | 15 | 11.76 |
| By geographical region | 按地區劃分 | | |
| Hong Kong | 香港 | 17 | 26.09 |
| Mainland China | 中國內地 | 461 | 61.36 |

Equity & Anti-Discrimination

We are committed to the principles of equal opportunities and diversity, and strive to provide a respectful and fair working environment for our employees. Our employment, job rotation and promotion practices are based on the candidates' individual qualification, experience and performance; and are regardless to their nationality, age, gender, religion, sexual orientation, gender identity, ethnicity, disability, pregnancy, political inclination, union membership and/or other forms of difference that is unrelated to job requirements. Any forms of harassment and victimization are also strictly prohibited in our workplace.

We value our employees' voice and respect their freedom of association and collective bargaining. We encourage our staff to make suggestions or complaints via various established communication channels such as letters, direct report to supervisors or to the Human Resources Department. The rights of employees to take part in the Labour Union or internal labour committees freely are strongly protected. Our employees can also utilize the two-way communication channels with the management through the Labour Union to express their views on the existing management approaches and make recommendations for improvement. All the information received from our employees are treated as confidential.

Labour Rights

We have zero tolerance policy towards the child labour and forced labour in our workplace. By strictly following the national labour laws and EICC standard, we forbid employment of any persons who are under the age of 16, and all employees can exercise their freedom to pick their careers and resign with proper notifications. We also ensure our staff work consensually, including overtime work and disapprove any forced labour behaviour in the workplace.

To prevent any potential violation, we clearly explain to all applicants about the Group's stance on child labour and force labour during the job interview. Individual identities check and employment eligibility of potential candidates are verified thoroughly by our Human Resource Department before the job is offered and duty assumed.

公平及反歧視

我們秉持平等機會及多元化的原則，努力為員工提供受尊重及公平的工作環境。我們的僱傭、輪崗及晉升實踐乃以候選人的個人資格、經驗和表現為依據；不分國籍、年齡、性別、宗教信仰、性取向、性別認同、種族、殘疾、懷孕、政治傾向、工會會員身份及／或與工作要求無關的其他形式差異。我們的工作場所亦嚴禁任何形式的騷擾及傷害行為。

我們重視員工的聲音及尊重他們的結社自由及集體談判。我們鼓勵員工通過各種既定的溝通渠道（如信函）提出建議或投訴，直接向主管或人力資源部門報告。員工自由參加工會或內部勞工委員會的權利受到強烈保護。我們的員工亦可通過工會與管理層使用雙向溝通渠道，對現有的管理方法發表意見並提出改進建議。從我們員工得到的所有資料均被視為保密資料。

勞工權利

我們對工作場所的童工及強迫勞工採取零容忍政策。通過嚴格遵守國家勞動法及EICC標準，我們禁止僱傭任何16歲以下的員工，所有員工均可自由選擇職業並通過適當的通知辭職。我們亦確保我們的員工在自願情況下工作，包括加班工作及不贊成工作場所的強迫勞動行為。

為防止任何潛在的違規行為，我們於求職面試中向所有申請人清楚解釋本集團對童工及強迫勞工的立場。潛在候選人的個人身份檢驗及僱傭資格在提供工作及承擔責任之前我們的人力資源部門將會進行深入核實。

In addition, we request our suppliers to observe the same labour standards when conducting business with the Group and regular assessments will be carried out by our Procurement Department to evaluate if the suppliers meet the same labour requirements. The Group will refuse to have business partnerships with the suppliers who violate the labour standards.

During the Reporting Period, no non-compliance case regarding to child and force labour were identified.

Staff Training and Development

Apart from providing a pleasant workplace to our employees, the Group seeks to empower our employees by providing suitable on-the-job and external training programmes to further develop their skills, professional knowledge, talents and personal goals for continuous career development.

To achieve this goal, a Training Management Procedure was launched in order to identify the training needs and tailor a year plan to meet the training needs of various staff members. Reviews are being conducted at regular time intervals to evaluate the effectiveness and suitability of training, aiming to make adjustments/improvement for further training opportunities where necessary.

此外，我們要求供應商在與本集團開展業務時遵守相同的勞工標準，並由採購部門進行定期評估，以評估供應商是否符合同一勞工法例。本集團將拒絕與違反勞工標準的供應商建立業務夥伴關係。

於報告期間，並無發現有關童工及強迫勞工的不合規案件。

員工培訓及發展

除為僱員提供舒適的工作場所外，本集團尋求透過提供合適的在職及外部培訓課程，讓僱員進一步發展技能、專業知識、才能及持續職業發展的個人目標，成為有能力的強者。

為實現此目標，我們推出了培訓管理程序以識別培訓需求和定制年度計劃，滿足各類員工的培訓需求，並定期進行檢討，評估培訓的有效性及適當性，以便於必要情況下作出有利進一步培訓機會的調整／改善。



In order to ensure all new hirers are competent for their posts and promptly adopt to their new working environment, an orientation training programme is provided. It covers the Group's business profile, employees' obligations and liabilities, basic products description, fundamental ISO management system, occupational health and safety knowledge within 3 months upon their arrival.

Besides, monthly internal on-job training (e.g. the latest version of ISO management systems (ISO 9001 & 14001), hazardous waste segregation and handling, RoHS standard and Customs-Trade Partnership Against Terrorism (C-TPAT) system etc.) with verbal assessment is provided to all existing employees at different levels or departments to suit the operation needs. Employees are also encouraged to attend external training courses on a voluntary basis to pursue their professional developments.

為確保所有新入職者均能勝任崗位和快速適應新的工作環境，我們於彼等到崗後3個月內向其提供了入職培訓課程，當中涵蓋基本集團的企業概況、僱員義務及責任、基本產品描述、基本ISO管理系統以及職業健康與安全知識。

此外，對各個層級或部門的現有僱員每月提供內部在職培訓（包括最新版本的ISO管理系統(ISO 9001 & 14001)、危險廢物分類及處理、RoHS準則及海關-商貿反恐聯盟(C-TPAT)系統等），並配以口頭評估，以配合和滿足營運需要。我們亦鼓勵僱員自願參加外部培訓課程，追求專業發展。

| | | Percentage of employees trained 受訓僱員百分比 | Average training hours 平均受訓時數 |
|--------------------|------------|--|----------------------------------|
| By gender | 按性別 | | |
| Male | 男性 | 50.80 | 27.98 |
| Female | 女性 | 49.20 | 30.24 |
| By Position | 按職位 | | |
| Management | 管理層 | 7.20 | 31.89 |
| General Staff | 一般員工 | 92.80 | 36.57 |

Occupational Health and Safety

Superactive puts safety first at work to safeguard the well-being of our workforce. To achieve our ultimate goal of zero-accident in our workplace, we have implemented the safety and health management system to avoid potential safety hazards and risks in our premises.

Our Safety Committee conducts regular safety risk assessments to identify and assess the potential safety risks and hazards exposure to workers in the workplace. Working instructions, machines and equipment maintenance safety guidelines, in-house safety rules and personal protective equipment ("PPE") are implemented to minimize and mitigate the safety risks in the workplace. A daily safety inspection is carried out to ensure that safety control measures are effectively maintained. Furthermore, a workplace occupational

職業健康與安全

先機企業在工作中將安全放在首位，以保障僱員福祉。為實現工作場所零事故的最終目標，我們已實施安全與健康管理系統，避免經營場所的潛在安全危險及風險。

我們的安全委員會定期進行安全風險評估，以識別及評估工人在工作場所面對的潛在安全風險及危險。我們執行了工作指令、機器及設備維護安全指引、內部安全規則及個人防護裝備（「個人防護裝備」），以盡量降低和紓解工作場所的安全風險。為確保安全控制措施得到有效維護，我們會進行日常安全檢查。此外，還

hazard inspection is regularly conducted by external certified parties to ascertain the effectiveness of safety control measures, and that the levels of potential hazards such as noise, indoor air quality, chemicals etc. are not above the safety limits set.

To equip our workers with knowledge on safe work, all new hirers must attend the compulsory safety and health training before starting of work. OHS and fire safety refresh training courses are organized twice a year for all existing workers. Workers who operate in relative high-risk activities such as electrical works, welding, mobile plants operation are required to attend specific training courses and must demonstrate their competencies before starting their on-site operations. Full supervision is needed in particular to welding and cutting works to prevent fire hazards.

To prepare for unlikely emergency situations such as chemical leakage, fire and explosion in our factory, an Emergency Preparedness Plan which detailed the potential risks, emergency reporting procedure and corresponded actions has been prepared so that our workers can promptly response to the emergency cases in a safe way and minimize damage. Besides, emergency and first aid teams are formed in response to any emergency occurrence. To enhance the competency of the employees to cope with the emergency situations, emergency drills such as fire and chemical drills are regularly performed. The emergency plan is reviewed regularly to ensure its compatibility in the operation.

As at 31 December 2017, no non-compliance cases relating to providing a safe working environment and protecting employees from occupational hazards were identified. Meanwhile, there is no work-related fatality or lost days due to work injuries during the Reporting Period.

委託外部認可單位定期進行工作場所職業危險檢查，確定安全控制措施的有效性和潛在危險水平（如噪音、室內空氣質素及化學品等）不超過設定的安全限值。

為讓工人掌握安全工作知識，我們規定所有新入職者均須在開始工作前參加強制性的安全與健康培訓。OHS及消防安全重溫課程則一年舉辦兩次給全體現有員工。在相對高風險活動（如電力工程、焊接、流動式機械）中作業的工人須參加特定培訓課程，並須在開始現場作業前證明其能夠勝任工作。為防火險，焊接及切割工程尤其須接受全面監督。

為就我們廠房出現幾率不大的緊急情況（如化學品洩漏、火災或爆炸）作好準備，我們已擬備一個應急準備計劃，當中詳列潛在風險、緊急事故報告程序及相應措施，以便工人能以安全方式及時應對緊急情況和盡量降低損害。此外，我們亦成立了急救小組，以應對任何發生的緊急情況。為提高僱員應對緊急事故的能力，我們會定期進行消防及化學品事故演練等應急演練。應急計劃定期予以檢討，以確保其在營運中切合實際情況。

於二零一七年十二月三十一日，概無發現有關提供安全工作環境及保障僱員免受職業危險的違規事件。同時，報告期間概無工亡事故或因工傷損失工作日數。

| | | Numbers 數目 |
|--|-------------|---------------|
| Number of work-related fatalities | 因工作關係而死亡的人數 | 0 |
| Number of lost days due to work injuries | 因工傷損失工作日數 | 0 |

OUR ENVIRONMENT

We rely wholly on the natural resources from our planet for our factory productions. To minimize our adverse impact on the environment and to drive sustainable business development, we have implemented an environmental management system (“EMS”) certified by ISO 14001 standard in our manufacturing facility to manage the environmental issues in a well-planned and organized manner.

Environmental Policy

Our commitments on environmental protection is stated in our environmental policy, which consisted of five core elements:

- Comply with the environmental laws, regulations and other requirements.
- Establish EMS for pollution prevention through reduce, reuse and recycling, and separate proper handling of hazardous waste.
- Reduce the use of natural resources and energy.
- Raise the staff awareness and promote environmental conservation by providing adequate training via our EMS.
- Seek opportunities for continual improvement via regular reviews and continuous development to achieve the environmental goals.

Emissions

Air Emission

The major sources of air emission from the production are the volatile organic compounds (“VOCs”) from the use of organic solvents and limited dust and exhaust gas generated from tin soldering on the electronic appliances. To maintain the good indoor air quality of the factory, we have installed ventilation fans in the working area of tin soldering to avoid the excessive exhaust gas accumulation.

我們的環境

我們完全依賴地球上的天然資源滿足廠房生產所需。為將我們對環境的不利影響降至最低和推動可持續企業發展，我們在生產廠房實施經ISO 14001標準認證的環境管理系統（「環境管理系統」），以規劃妥善和組織有序的方式管理環境事宜。

環境政策

我們的環境政策中列有我們對環境保護的承諾，其中包括五個核心要素：

- 遵守環境法律、法規及其他規定。
- 設立環境管理系統防止污染，透過減少、重用及回收，以及妥善分類處理危險廢物。
- 減少使用天然資源及能源。
- 藉我們的環境管理系統提供足夠培訓，培養員工的環保意識和推進環保工作。
- 透過定期檢討和持續發展尋求能持續改善的機遇，以實現環境目標。

排放

氣體排放

生產中的主要氣體排放源頭是使用有機溶劑造成的揮發性有機化合物（「揮發性有機化合物」）及電子設備錫焊產生的少量灰塵和廢氣。為保持廠房的良好室內空氣質素，我們在錫焊工作區域安裝了抽氣扇，避免廢氣過度聚集。

We maintain regular checks on the Group vehicles and carefully select the routes of vehicle transportation to minimize the emission of nitrogen oxides (“NOx”) and sulphur oxides (“SOx”) from vehicles. Annual air quality inspection in the manufacturing facility is conducted by a third party to ensure the level of pollutants emitted to the air is complied with the national regulations.

Greenhouse Gas Emissions

Global warming influences the ecosystems stability, biodiversity and human species nowadays, and it can also endanger business sustainability. To combat the global warming, we proactively take measures to control the energy use and increase the production efficiency to reduce the direct and indirect carbon emission from our operation. The details of implemented management approaches will be further explained in “Use of Resource” section.

As at 31 December 2017, the total GHG emissions from our operations were 1,125.67 tonnes of CO₂e.

我們保持對集團車輛進行定期檢查，並審慎選定汽運路線，以盡量降低氮氧化物（「氮氧化物」）及硫氧化物（「硫氧化物」）的排放。製造廠房的空氣質素由第三方每年進行檢查，以確保向空氣排放的污染物水平符合國家法規。

溫室氣體排放

全球變暖不僅影響當今的生態系統穩定性、生物多樣性及人類，亦危害到企業的可持續發展。為遏止全球變暖，我們積極採取措施控制能源使用和生產效率，以減少營運造成的直接及間接碳排放。實施的管理方法詳情進一步闡述於「資源的使用」一節。

於二零一七年十二月三十一日，我們營運造成的溫室氣體排放總量為1,125.67噸二氧化碳當量。

| | Unit 單位 | 2017 二零一七年 |
|--|--|---------------|
| Type of Greenhouse Gas Emission 溫室氣體排放種類 | | |
| Scope 1 範疇1 | tCO ₂ e 噸二氧化碳當量 | 112.05 |
| Scope 2 範疇2 | tCO ₂ e 噸二氧化碳當量 | 1,011.41 |
| Scope 3 (Business Travel) 範疇3(差旅) | tCO ₂ e 噸二氧化碳當量 | 2.14 |
| Total 總計 | | 1,125.67 |
| Intensity 密度 | (tCO ₂ e per employee) (噸二氧化碳當量／每名僱員) | 2.35 |
| | (tCO ₂ e per unit of production output) (噸二氧化碳當量／ 每產量單位) | 0.0020 |

Use of Resources

We strive to maximize the resources efficiency and reduce our waste generation and disposal by adopting the 3R principles (reduce, reuse and recycle). Also, we reduce air and greenhouse gases emission to minimize the negative impact on the environment and cut down our carbon footprints. A summary of resource utilisation for 2017 is reported as follows:

資源的使用

我們致力於盡量提高資源效率和採用3R原則（減少、重用及回收）減少廢物產生及處理。同時，我們亦減少氣體及溫室氣體排放，以將對環境的負面影響降至最小和削減碳足跡。二零一七年的資源利用概要呈報如下：

| Type of Resources 資源種類 | Unit 單位 | 2017 二零一七年 |
|---------------------------------------|---|---------------|
| Electricity 電力 | kWh 千瓦時 | 1,132,509.00 |
| Intensity 密度 | (kWh per employee) (千瓦小時／每名僱員) | 2,369.27 |
| | (kWh per unit of production output) (千瓦小時／每產量單位) | 1.99 |
| Water 水 | m ³ 立方米 | 18,926.00 |
| Intensity 密度 | (m ³ per employee) (立方米／每名僱員) | 39.59 |
| | (m ³ per unit of production output) (立方米／每產量單位) | 0.033 |
| Stationary fuel 固定燃油 | | |
| – Diesel Oil – 柴油 | Litre 升 | 930.00 |
| Vehicle fuels 車輛燃油 | | |
| – Unleaded petrol – 無鉛汽油 | Litre 升 | 9,861.78 |
| – Diesel Oil – 柴油 | Litre 升 | 4,886.95 |
| Total fuel consumption 油耗總量 | Litre 升 | 15,678.73 |

| | Unit 單位 | 2017 二零一七年 |
|--|---|---------------|
| Intensity 密度 | (Litre per employee) (升／每名僱員) | 32.80 |
| | (Litre per unit of production output) (升／每產量單位) | 0.028 |
| Paper 紙張 | | |
| – A4 | kg 公斤 | 1,326.33 |
| – A3 | kg 公斤 | 49.50 |
| Refrigerant 製冷劑 | | |
| – R22 | kg 公斤 | 39.00 |
| Packaging materials 包裝物料 | | |
| – Carton – 紙板箱 | Tonne 噸 | 73.07 |
| – Boxes – 盒子 | Tonne 噸 | 57.39 |
| – Paper card – 紙卡 | Tonne 噸 | 18.27 |
| Total packaging materials consumption 包裝物料消耗總量 | Tonne 噸 | 148.73 |
| Intensity 密度 | (Tonne per unit of production output) (噸／每產單位量) | 0.00026 |

Energy Management

Electricity and vehicles fuel consumption are the main sources of energy in our operations. To improve our energy consumption efficiency and in turn reduce our carbon footprints, we actively look for energy saving opportunities, such as replacing old lighting by energy-efficient LED lights. Likewise, inverters are installed on air conditioners and plastic injection moulding machine to limit the electricity consumption. Besides, rooftop of our factory is covered with the thermal insulation which helps reduce the in-house temperature of the building significantly during summer, and hence reduce energy use in air conditioning. In the same vein, our maintenance team carries out regular maintenance on the air conditioning and ventilation system to ensure they work with maximum energy efficiency.

Apart from adopting energy saving measures in our manufacturing processes, we also adopt green practices in our offices and engage our staff to take part in energy saving. When purchasing office appliances, we opt for models with higher energy efficiency. We also implemented guidelines in our workplace to remind our staff to turn off the office appliances when they are not in use, utilize natural lighting and natural ventilation as much as possible and maintain the room temperature at 25 degrees Celsius.

To reduce the fuel consumption from vehicles, regular maintenance for all the Group's vehicles are carried out to make sure they function in the optimum conditions. Besides, prior approval must be sought from the department head for vehicles transportation, with the purpose of having a well-planned transportation route to minimize unnecessary transportation needs.

能源管理

電力及汽車燃油消耗是我們營運中的主要能源源頭。為改善能耗率進而減少碳足跡，我們積極尋求節能機遇，例如使用節能LED燈更換舊燈。同樣，我們在冷氣機及注塑機中安裝逆變器，限制電力消耗。此外，我們的廠房屋頂覆有隔熱層，有助於在夏季大幅降低樓宇的室內溫度，進而降低冷氣系統所消耗的能源。同樣，我們的保養小組會對製冷及通風系統進行定期保養，確保該等系統能以最優能效運作。

除在製造過程中採用節能措施外，我們亦在辦公室採用環保慣例，讓員工參與到節能行動中來。採購辦公器材時，我們會選擇能效更高的款型。我們亦在工作場所實施各種指引，提醒員工在無需使用時關掉辦公器材、盡可能使用天然照明及自然通風以及將室溫維持在25攝氏度。

為減少汽車燃油消耗，所有集團車輛均須接受定期保養，確保其能在最佳狀況下運作。此外，汽運須經部門主管事先批准，以擁有能將不必要運輸需求降至最低的妥善規劃運輸路線。

Water Management

Water is a precious resource that we all should contribute to conserve. In order to use water resource wisely, we have implemented a “Water Management Regulation” in our offices and manufacturing facility. All departments are responsible to maintain good conditions of the water supply facilities. Any leakage and damage of the water supply facilities should be reported to the maintenance team immediately for replacement or repair to avoid water wastage. Water contaminated by chemicals must be separately collected, stored in designated area and consigned to a licensed chemical waste collector to prevent water contamination to the environment. Annual inspection on the water quality is conducted by a third party to ensure the level of pollutants discharge to the water body is complied with the national regulations.

Waste Management

To ensure compliance with relevant laws and minimize negative impact on the environment due to the waste disposal, we have implemented an effective waste management system by adopting the 3R principles (Reduce, Recycle and reuse) for wastes generated from our office and manufacturing facility.

Common non-hazardous wastes such as general waste, wood board, plastic are generated in the factory. Designated recycling bins are provided in the workplace for waste sorting and the recyclable materials are sold to the designated waste collectors for recycling as far as practicable. We keep track on the types and amount of non-hazardous waste generated in the factory, and actively seek opportunities to reduce the sources of waste by regularly reviewing and optimizing the manufacturing processes.

During the production process, limited amount of hazardous wastes such as tin residues, organic solvents, batteries, light tubes, activated carbon are inevitably generated. These hazardous wastes are properly segregated and stored in dedicated containers with drip tray in the designated area, to avoid mixing with incompatible wastes and to prevent chemical leakage. Proper labelling and safety cautions signage are placed on the containers for hazard identifications. All the hazardous wastes are collected by licensed waste collectors for further handling and treatment. To reduce the amount of hazardous waste generated, the chemicals and solvents will be recycled and reused in the production process as much as possible.

水資源管理

水是我們所有人均須努力保育的寶貴資源。為合理用水，我們在辦公室和製造廠房實施「水管理條例」。所有部門均有責任維持供水設施狀況良好。供水設施出現任何洩漏及損害均須即時報告至保養小組，以進行更換或維修避免水浪費。受化學品污染的水必須分開收集，之後貯存在指定區域並交由持牌化學廢物收集商處理，避免對環境造成水污染。水質則由第三方進行年檢，確保向水體排放的污染物水平符合國家法規。

廢物管理

為確保遵守相關法律和盡量降低廢物處理對環境的負面影響，我們透過對辦公室及製造廠房產生的廢物採用3R原則（減少、重用及回收），實施有效的廢物管理系統。

廠房所產生的常見非危險廢物有一般廢物、木板及塑料等。我們於工作場所放置指定的回收垃圾箱以便進行廢物分類，而可回收的物料則盡量售予指定廢物收集商回收再造。我們追蹤記錄廠房所產生的非危險廢物的種類及數量，並透過定期檢討和不斷優化製造過程積極尋求機會減少廢物來源。

生產過程中不可避免地產生了數量有限的危險廢物，如錫渣、有機溶劑、電池、燈管及活性碳等。該等危險廢物會進行妥善分類，並在指定區域擺放及貯存在附有防漏盆的指定容器當中，以避免和不相容廢物混合及防止化學品洩漏。該等容器上均貼有適當標籤和安全警告牌，便於識別危險。所有危險廢物均由持牌廢物收集商收集，作進一步處置及處理。為減少產生的危險廢物量，生產過程中會盡量使用能夠回收及重用的化學品及溶劑。

In our office, papers, cartridges and stationery are the major wastes generated. To utilize resources effectively and avoid unnecessary waste generation, we reduce the paper printing by the application of electronic document filing system. We also recycle all the cartridges by our service provider, and reuse the office stationery such as document folders and envelop for internal documents transfer.

我們辦公室所產生的主要廢物是紙張、墨盒及文儀。為有效利用資源和避免不必要的廢物產生，我們透過應用電子文檔系統減少列印。我們亦由服務供應商回收所有墨盒，並在進行內部文件轉存時重用文件夾及信封等辦公室文儀。

The total amount of non-hazardous and hazardous wastes generated in during the Reporting Period is reported as follows:

於報告期間產生的非危險及危險廢物總量呈報如下：

| | Unit 單位 | 2017 二零一七年 |
|----------------------------------|--|---------------|
| Type of Waste 廢物種類 | | |
| - Non-hazardous waste - 非危險廢物 | Tonne 噸 | 3.09 |
| - Hazardous waste - 危險廢物 | Tonne 噸 | 0.38 |
| Intensity 密度 | | |
| - Non-hazardous waste - 非危險廢物 | (Tonne per employee) (噸／每名僱員) | 0.0065 |
| | (Tonne per unit of production output) (噸／每個產量單位) | 0.0000054 |
| - Hazardous waste - 危險廢物 | (Tonne per employee) (噸／每名僱員) | 0.00080 |
| | (Tonne per unit of production output) (噸／每產量單位) | 0.0000067 |

Green Purchasing

To select the best environmental friendly products, to prevent pollution and to efficiently use the natural resources, the Group follows the "Procurement Management Procedure" which guides the purchasing practices for our operations.

In terms of purchasing raw materials, sub-assemblies and parts, we are committed to using sustainable raw materials and hazardous substance free products. We also strictly select, inspect and test the products from our suppliers before putting them into production to ensure they are all in compliance with the national regulations and international industrial standards such as RoHS and REACH. By considering the products' life cycle, we help minimize harms and hazards to the environment and human health.

When purchasing office appliances and equipment, all departments are encouraged to avoid buying single-use disposable items. Instead, staff members are advised to search for green products with improved recyclability, with energy saving feature or with greater energy efficiency, but without toxic and hazardous substances.

OUR COMMUNITY

The Group recognises the importance and the values of giving back to the society that we operate. We are dedicated to undertaking activities that promote the well-being and sustainable development of the society. Besides, we encourage our employees to actively participate in various voluntary and charitable activities to exert our cares about the underprivileged ones in the community. We are developing our community investment strategies, which will enable us to better shoulder our corporate responsibilities in the future.

綠色採購

為選用最環保的產品、防止污染及有效利用天然資源，本集團奉行指導營運採購慣例的「採購管理程序」。

就採購原材料、附屬裝置及部件而言，我們致力於使用可再生原材料及零有害物質產品。我們亦嚴格挑選、檢查及測試供應商提供的產品，確保該等產品投入生產前均符合國家法規以及RoHS及REACH等國際行業標準。我們藉考慮產品的生命週期，盡力減低對環境和人類健康的損害及危害。

採購辦公器材及設備時，我們鼓勵所有部門均避免購買一次性即棄的物品。與之相反的是，我們建議全體僱員搜尋可回收性更好、具有節能特點或能效更高且並無有毒有害物質的綠色產品。

我們的社區

本集團認同回饋我們經營所處的社會不僅十分重要，亦極具價值。我們致力於進行各種能促進社會福祉和可持續發展的活動。此外，我們鼓勵僱員積極參加各類義務及慈善活動，關愛社區的弱勢社群。我們正制定社區投資策略，其將有助於我們日後更好地擔負起企業責任。

INDEPENDENT AUDITOR'S REPORT

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TO THE SHAREHOLDERS OF SUPERACTIVE GROUP COMPANY LIMITED

(FORMERLY KNOWN AS UNITED PACIFIC INDUSTRIES LIMITED)
(incorporated in Bermuda with limited liability)

OPINION

We have audited the consolidated financial statements of Superactive Group Company Limited (the "Company") and its subsidiaries (herein referred to as the "Group") set out on pages 74 to 172, which comprise the consolidated statement of financial position as at 31 December 2017, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

致先機企業集團有限公司股東

(前稱聯太工業有限公司)
(於百慕達註冊成立的有限公司)

意見

我們已審核第74頁至第172頁所載先機企業集團有限公司(「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表，此綜合財務報表包括於二零一七年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益表、綜合全面收益表、綜合權益變動表及綜合現金流量表，以及包括主要會計政策概要在內的綜合財務報表附註。

我們認為，綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實而公平地反映 貴集團於二零一七年十二月三十一日的綜合財務狀況及截至該日止年度 貴集團的綜合財務表現及其綜合現金流量，並已按照香港公司條例的披露規定妥為編製。

BASIS FOR OPINION

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

KEY AUDIT MATTERS

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

Impairment assessment of goodwill and other assets allocated to the cash generating units (“CGUs”)

(Refer to note 17 to the consolidated financial statements and the Group’s critical accounting estimates and judgements set out in note 4)

As at 31 December 2017, the Group had goodwill and other intangible assets of HK\$117,111,000 which is allocated to the CGUs of nursery education services, money lending business and regulated financial services business segments for annual impairment testing.

The Company’s directors have concluded that there was no impairment loss on goodwill in current year. This conclusion was based on the impairment testing carried out by the management for these CGUs in accordance with the Group’s accounting policy which is set out in detail in note 17 to the consolidated financial statements, which involved significant judgement and assumptions with respect to the determination of the pre-tax discount rates and the estimation of the underlying future cash flows.

意見基礎

我們已根據香港會計師公會頒佈的香港審核準則（「香港審核準則」）進行審核工作。根據該等準則，我們的責任於本報告「核數師對審核綜合財務報表的責任」一節中詳述。根據香港會計師公會「專業會計師道德守則」（「守則」），我們獨立於貴集團，並已遵循守則履行其他道德責任。我們相信，我們所獲得的審核憑證足夠及能適當地為我們的意見提供基礎。

關鍵審核事項

關鍵審核事項為我們的專業判斷中有關審核本期間的綜合財務報表中最重要的事項。我們於審核整體綜合財務報表中處理此等事項及就此達致意見，而不會就此等事項單獨發表意見。

分配至現金產生單位（「現金產生單位」）之商譽及其他資產之減值評估

（請參考綜合財務報表附註17及附註4所載 貴集團之重大會計估計及判斷）

於二零一七年十二月三十一日，貴集團之商譽及其他無形資產為117,111,000港元，並分配至幼兒教育服務、放債業務及受監管金融服務業務分類之現金產生單位作年度減值測試。

貴公司董事認為於本年度並無商譽減值虧損。此結論建基於管理層就該等現金產生單位根據綜合財務報表附註17詳述之 貴集團會計政策進行之減值測試，當中涉及對釐定除稅前貼現率及估計相關未來現金流量的重大判斷及假設。

KEY AUDIT MATTERS (Continued)

Impairment assessment of goodwill and other assets allocated to the cash generating units ("CGUs") (Continued)

We identified the impairment testing of goodwill and other assets of the relevant CGUs as a key audit matter because of its significance to the consolidated financial statements and because the impairment testing involved significant management judgement and estimates as explained above.

Our response

Our procedures in relation to management's impairment assessment above included:

- Evaluating the models used by management in the value in use calculations for impairment testing;
- Assessing the reasonableness of discount rates and growth rates applied to the impairment testing;
- Challenging the reasonableness of other key assumptions based on our knowledge of the business and industry;
- Checking input data to supporting evidence, such as approved budget and considering the reasonableness of the budget;
- Checking the value in use calculations mathematically;
- Performing sensitivity analysis including assessing the effect of a change in the key assumptions to the recoverable amounts of the CGUs; and
- Considering the overall adequacy of the disclosure in respect of impairment testing includes in the consolidated financial statements.

關鍵審核事項 (續)

分配至現金產生單位 (「現金產生單位」) 之商譽及其他資產之減值評估 (續)

我們將相關現金產生單位之商譽及其他資產之減值測試分類為關鍵審核事項，原因為其對綜合財務報表而言屬重大，以及減值測試涉及管理層如上所述作出的重大判斷及估計。

我們的回應

我們就管理層上述減值評估所採納程序包括：

- 評核管理層於減值測試之使用價值計算中採用之模式；
- 評估減值測試所應用貼現率及增長率的合理性；
- 基於我們對業務及行業的認識，質疑其他主要假設的合理性；
- 檢查支持證據的輸入數據，例如獲批准預算及考慮預算的合理性；
- 使用價值計算測試；
- 進行敏感度分析，包括評估更改有關現金產生單位可收回金額之主要假設之影響；及
- 考慮綜合財務報表所包含之減值測試披露的整體充足性。

KEY AUDIT MATTERS *(Continued)*

Identification of assets and liabilities for newly acquired business

(Refer to notes 30(a)(i) to 30(a)(iv) to the consolidated financial statements and the Group's accounting policy set out in note 2)

In 2017, the Group completed the acquisition of Speed Fame Enterprises Limited and Shining International Holdings Limited, the respective purchase price allocation ("PPA") of which involved significant judgement and assumptions.

Management has engaged independent valuer to assist management to determine the fair value of the identifiable assets acquired and liabilities assumed at the completion date. Fair value and corresponding deferred tax adjustments were made based on the PPA exercise, and goodwill has been recognised for the excess of the fair value of the purchase considerations over the fair value of identifiable assets acquired and liabilities assumed in each case.

We consider this as a key audit matter because of its significance to the consolidated financial statements and because the fair value determination of certain items in the PPA involved significant management judgement and estimates.

Our response

Our procedures in relation to the management's PPA above included:

- Assessing the competency and objectivity of the independent valuer engaged by the Group and involving our internal valuation experts to support us in our audit work;
- Testing the mathematical accuracy of the calculations which we considered necessary;
- Checking the purchase consideration amounts against relevant supporting information;
- Considering and evaluating the reasonableness of the identification of assets acquired and liabilities assumed;

關鍵審核事項 (續)

識別新收購業務的資產及負債

(請參考綜合財務報表附註30(a)(i)至30(a)(iv)以及附註2所載 貴集團之會計政策)

於二零一七年，貴集團完成收購迅譽企業有限公司及舜麗國際控股有限公司，其中各自之收購價格分配（「收購價格分配」）涉及重大判斷及假設。

管理層已委聘獨立估值師，協助釐定於完成日期所收購可識別資產及所承擔負債的公允值。公允值及相應遞延稅項調整乃按收購價格分配作出，而商譽於各情況下已按收購代價公允值超出所收購可識別資產及所承擔負債公允值的差額確認。

我們將此事項分類為關鍵審核事項，原因為其對綜合財務報表而言屬重大，以及釐定收購價格分配中若干項目的公允值時涉及管理層作出重大判斷及估計。

我們的回應

我們就管理層上述收購價格分配所採納程序包括：

- 評估 貴集團所委聘獨立估值師的能力及客觀性，並委聘內部估值專家支持我們的審核工作；
- 測試我們認為屬必要的計算之算術準確性；
- 以相關支持資料檢查收購代價金額；
- 考慮及評核識別所收購資產及所承擔負債的合理性；

KEY AUDIT MATTERS *(Continued)*

Our response *(Continued)*

- Evaluating the PPA and fair value determination of the assets acquired and liabilities assumed by reference to independent valuer's reports obtained by the management;
- Assessing the reasonableness of assumptions and inputs adopted in the fair value determination; and
- Considering the overall adequacy of the disclosure in respect of business combinations includes in the consolidated financial statements.

OTHER INFORMATION IN THE ANNUAL REPORT

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

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

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

關鍵審核事項 (續)

我們的回應 (續)

- 參照管理層取得的獨立估值師報告評核收購價格分配以及所收購資產及所承擔負債的公允值的釐定；
- 評估釐定公允值時所採用假設及輸入數據的合理性；及
- 考慮綜合財務報表所包含之業務合併披露的整體充足性。

年報的其他資料

董事負責其他資料。其他資料包括 貴公司年報所載資料，但不包括綜合財務報表及相關核數師報告。

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

審核綜合財務報表時，我們的責任為閱覽其他資料，於此過程中，考慮其他資料是否與綜合財務報表或我們於審核過程中所瞭解的情況有重大抵觸，或者似乎有重大錯誤陳述。基於我們已執行的工作，倘我們認為其他資料有重大錯誤陳述，我們須報告該事實。我們並無就此報告任何事項。

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

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

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

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, in accordance with Section 90 of the Bermuda Act 1981, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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

董事對綜合財務報表的責任

董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定編製並真實且公平地呈列綜合財務報表，並為其認為為使編製綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述而必需的內部監控措施負責。

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

董事亦負責監督貴集團的財務報告過程。審核委員會協助董事履行有關責任。

核數師對審核綜合財務報表的責任

我們的目標為合理確定整體綜合財務報表是否不存在由於欺詐或錯誤而導致的任何重大錯誤陳述，並發出載有我們意見的核數師報告。我們僅向閣下（作為整體）按照百慕達一九八一年公司法第90條報告，除此之外本報告別無其他目的。我們不會就本報告內容向任何其他人士負責或承擔任何責任。

合理確定屬高層次核證，但不能擔保根據香港審計準則進行的審核工作一定能發現所有存在的重大錯誤陳述。錯誤陳述可源於欺詐或錯誤，倘個別或整體於合理預期情況下可影響使用者根據綜合財務報表作出的經濟決定時，則被視為重大錯誤陳述。

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

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

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
 - conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- 核數師對審核綜合財務報表的責任
(續)**
- 根據香港審計準則進行審核時，我們運用專業判斷，於整個審核過程中抱持專業懷疑態度。我們亦：
- 識別及評估綜合財務報表由於欺詐或錯誤而導致的重大錯誤陳述風險，因應此等風險設計及執行審核程序，獲得充足及適當審核憑證為我們的意見提供基礎。由於欺詐可能涉及合謀串通、偽造、故意遺漏、誤導性陳述或凌駕內部控制，因此未能發現由此造成的重大錯誤陳述風險較未能發現由於錯誤而導致的重大錯誤陳述風險更高。
 - 瞭解與審核有關的內部控制，以設計恰當的審核程序，但並非旨在對貴集團內部控制的有效程度發表意見。
 - 評估所用會計政策是否恰當，以及董事所作會計估算及相關披露是否合理。
 - 總結董事採用以持續經營為基礎的會計法是否恰當，並根據已獲取的審核憑證，總結是否有對貴集團持續經營的能力構成重大疑問的事件或情況等重大不確定因素。倘我們總結認為存在重大不確定因素，我們需於核數師報告中提請注意綜合財務報表內的相關資料披露，或如果相關披露不足，則修訂我們的意見。我們的結論以截至核數師報告日期所獲得的審核憑證為基礎，惟未來事件或情況可能導致貴集團不再具有持續經營的能力。

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

- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

核數師對審核綜合財務報表的責任
(續)

- 評估綜合財務報表(包括資料披露)的整體列報、架構及內容,以及綜合財務報表是否已公允反映及列報相關交易及事項。
- 就 貴集團內各實體或業務活動的財務資料獲得充足的審核憑證,以就綜合財務報表發表意見。我們須負責指導、監督及執行集團的審核工作。我們須為我們的審核意見承擔全部責任。

我們與審核委員會就(其中包括)審核工作的計劃範圍及時間安排及重大審核發現(包括我們於審核期間識別出內部監控的任何重大缺陷)進行溝通。

我們亦向審核委員會提交聲明,說明我們已遵守有關獨立身份的道德要求,並就所有被合理認為可能影響我們的獨立身份的關係及其他事宜及相關防範措施(如適用)與審核委員會溝通。

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

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

BDO Limited

Certified Public Accountants

Li Pak Ki

Practising Certificate Number P01330

Hong Kong, 28 March 2018

**核數師對審核綜合財務報表的責任
(續)**

我們從與董事溝通的事項中，釐定對本期間綜合財務報表的審核工作最為重要的事項，並據此構成關鍵審核事項。除非法律或法規不容許公開披露此等事項，或於極罕有的情況下，我們認為披露此等事項可合理預期的不良後果將超越公眾知悉此等事項的利益而不應於報告中披露，否則我們會於核數師報告中描述此等事項。

香港立信德豪會計師事務所有限公司

執業會計師

李柏基

執業證書號碼：P01330

香港，二零一八年三月二十八日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益表

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

| | | Notes 附註 | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|---|----------------|-------------|----------------------------------|----------------------------------|
| Revenue | 收益 | 5 | 206,526 | 141,267 |
| Cost of sales | 銷售成本 | | (186,507) | (122,268) |
| Gross profit | 毛利 | | 20,019 | 18,999 |
| Other net gains | 其他收益淨額 | 6 | 63,368 | 3,309 |
| Selling and distribution costs | 銷售及分銷成本 | | (4,902) | (4,045) |
| Administrative costs | 行政成本 | | (53,336) | (26,824) |
| Finance costs | 財務成本 | 7 | (223) | (9) |
| Share of results of an associate | 應佔一間聯營公司之業績 | 14 | 54,122 | 16,333 |
| Profit before tax | 除稅前溢利 | 8 | 79,048 | 7,763 |
| Income tax expense | 所得稅開支 | 10 | (10,074) | (4,277) |
| Profit for the year | 年內溢利 | | 68,974 | 3,486 |
| Profit for the year attributable to: | 應佔年內溢利： | | | |
| Owners of the Company | 本公司擁有人 | | 69,324 | 3,486 |
| Non-controlling interests | 非控股權益 | | (350) | – |
| | | | 68,974 | 3,486 |
| Earnings per share | 每股盈利 | | | |
| Basic and diluted | 基本及攤薄 | 12 | HK cents 4.74港仙 | HK cents 0.26港仙 |

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

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

| | | Notes 附註 | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|--|-------------------------|-------------|----------------------------------|----------------------------------|
| Profit for the year | 年內溢利 | | 68,974 | 3,486 |
| Other comprehensive income | 其他全面收益 | | | |
| <i>Item that will not be reclassified to profit or loss:</i> | <i>將不會重新分類至損益之項目：</i> | | | |
| Investment revaluation reserve written off | 已撇銷投資重估儲備 | | - | 209 |
| <i>Items that may be reclassified subsequently to profit or loss:</i> | <i>其後可能會重新分類至損益之項目：</i> | | | |
| Exchange differences arising from the translation of foreign operations | 換算海外業務產生之匯兌差額 | | 9,476 | (662) |
| Exchange differences arising from the translation of interest in a foreign associate | 換算於一間海外聯營公司之權益產生之匯兌差額 | 14 | 12,749 | 2,926 |
| Share of other comprehensive income of an associate | 應佔一間聯營公司的其他全面收益 | 14 | (432) | 131 |
| Other comprehensive income for the year, net of tax | 年內其他全面收益，扣除稅項 | | 21,793 | 2,604 |
| Total comprehensive income for the year | 年內全面收益總額 | | 90,767 | 6,090 |
| Total comprehensive income for the year attributable to: | 應佔年內全面收益總額： | | | |
| Owners of the Company | 本公司擁有人 | | 91,014 | 6,090 |
| Non-controlling interests | 非控股權益 | | (247) | - |
| | | | 90,767 | 6,090 |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 December 2017
於二零一七年十二月三十一日

| | | Notes 附註 | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|--|-----------------|-------------|----------------------------------|----------------------------------|
| NON-CURRENT ASSETS | 非流動資產 | | | |
| Property, plant and equipment | 物業、廠房及設備 | 13 | 9,442 | 4,232 |
| Interest in an associate | 於一間聯營公司之權益 | 14 | 221,648 | 155,317 |
| Available-for-sale financial assets | 可供出售金融資產 | 15 | 25,010 | – |
| Deferred tax assets | 遞延稅項資產 | 26 | 9,269 | – |
| Land appreciation tax recoverables | 可收回土地增值稅 | | 2,782 | – |
| Prepayments, deposits and other receivables | 預付款項、按金及其他應收款項 | 21 | 65,857 | – |
| Intangible assets | 無形資產 | 16 | 117,111 | – |
| | | | 451,119 | 159,549 |
| CURRENT ASSETS | 流動資產 | | | |
| Inventories | 存貨 | 18 | 24,917 | 24,608 |
| Properties under development held for sale | 持作出售之開發中物業 | 19 | 498,854 | – |
| Trade receivables | 應收貿易賬款 | 20 | 51,961 | 30,067 |
| Prepayments, deposits and other receivables | 預付款項、按金及其他應收款項 | 21 | 63,764 | 5,923 |
| Loans receivables | 應收貸款 | 22 | 58,803 | – |
| Cash and bank balances | 現金及銀行結餘 | | 108,131 | 313,616 |
| | | | 806,430 | 374,214 |
| CURRENT LIABILITIES | 流動負債 | | | |
| Trade and other payables | 應付貿易賬款及其他應付款項 | 23 | 152,856 | 53,362 |
| Deferred revenues | 遞延收益 | | 1,660 | – |
| Amount due to a shareholder | 應付一名股東款項 | 24 | 9,500 | – |
| Amount due to non-controlling interests | 應付非控股權益款項 | 24 | 1,801 | – |
| Interest-bearing bank borrowings | 計息銀行借款 | 25 | 3,021 | 641 |
| Tax payable | 應付稅項 | | 11,539 | 8,010 |
| | | | 180,377 | 62,013 |
| NET CURRENT ASSETS | 流動資產淨值 | | 626,053 | 312,201 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | 總資產減流動負債 | | 1,077,172 | 471,750 |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 December 2017
於二零一七年十二月三十一日

| | | Notes 附註 | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|---|-------------------|-------------|----------------------------------|----------------------------------|
| NON-CURRENT LIABILITIES | 非流動負債 | | | |
| Other payables | 其他應付款項 | 23 | 117,693 | – |
| Deferred tax liabilities | 遞延稅項負債 | 26 | 28,133 | 1,704 |
| | | | 145,826 | 1,704 |
| NET ASSETS | 資產淨值 | | 931,346 | 470,046 |
| CAPITAL AND RESERVES | 股本及儲備 | | | |
| Share capital | 股本 | 27 | 203,257 | 131,828 |
| Reserves | 儲備 | 28 | 717,967 | 338,218 |
| EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY | 本公司擁有人應佔權益 | | 921,224 | 470,046 |
| Non-controlling interests | 非控股權益 | 29 | 10,122 | – |
| TOTAL EQUITY | 權益總額 | | 931,346 | 470,046 |

The consolidated financial statements on pages 74 to 172 were approved and authorised for issue by the board of Directors on 28 March 2018 and are signed on its behalf by:

載於第74至172頁的綜合財務報表已於二零一八年三月二十八日經董事會批准並授權刊發，且由以下人士代表簽署：

YEUNG SO LAI

楊素麗

DIRECTOR

董事

LEE CHI SHING CAESAR

李志成

DIRECTOR

董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

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

| | | Share capital | Share premium* | Treasury share reserve* | Other reserve* | Capital redemption reserve* | Capital reserve* | Translation reserve* | Investment revaluation reserve* | Retained profits* | Total |
|--|------------------------------|----------------|----------------|-------------------------|----------------|-----------------------------|------------------|----------------------|---------------------------------|-------------------|----------------|
| | | 股本 | 股份溢價* | 庫存股份儲備* | 其他儲備* | 資本贖回儲備* | 資本儲備* | 換算儲備* | 重估儲備* | 保留溢利* | 總計 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| At 1 January 2016 | 於二零一六年一月一日 | 133,171 | 191,879 | (4,968) | 40 | 1,442 | 19,870 | (7,442) | (209) | 130,173 | 463,956 |
| Cancellation of treasury shares | 註銷庫存股份 | (1,343) | (3,625) | 4,968 | - | - | - | - | - | - | - |
| Transaction with owners | 與擁有人之交易 | (1,343) | (3,625) | 4,968 | - | - | - | - | - | - | - |
| Profit for the year | 年內溢利 | - | - | - | - | - | - | - | - | 3,486 | 3,486 |
| Other comprehensive income: | 其他全面收益: | | | | | | | | | | |
| Exchange differences arising from the translation of foreign operations | 換算海外業務產生之匯兌差額 | - | - | - | - | - | - | (662) | - | - | (662) |
| Exchange differences arising from the translation of interest in a foreign associate (note 14) | 換算於一間海外聯營公司之權益產生之匯兌差額 (附註14) | - | - | - | - | - | - | 2,926 | - | - | 2,926 |
| Investment revaluation reserve written off | 已撇銷投資重估儲備 | - | - | - | - | - | - | - | 209 | - | 209 |
| Share of other comprehensive income of an associate (note 14) | 應佔一間聯營公司的其他全面收益 (附註14) | - | - | - | - | - | - | - | 131 | - | 131 |
| Total comprehensive income for the year | 年內全面收益總額 | - | - | - | - | - | - | 2,264 | 340 | 3,486 | 6,090 |
| At 31 December 2016 | 於二零一六年十二月三十一日 | 131,828 | 188,254 | - | 40 | 1,442 | 19,870 | (5,178) | 131 | 133,659 | 470,046 |

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

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

| | | Share capital | Share premium* | Other reserve* | Capital redemption reserve* | Capital reserve* | Translation reserve* | Investment revaluation reserve* | Retained profits* | Total | Non controlling interests | Total equity |
|--|-----------------------------|---------------|----------------|----------------|-----------------------------|------------------|----------------------|---------------------------------|-------------------|----------------|---------------------------|----------------|
| | | 股本 | 股份溢價* | 其他儲備* | 資本贖回儲備* | 資本儲備* | 換算儲備* | 投資重估儲備* | 保留溢利* | 總計 | 非控股權益 | 權益總額 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| At 1 January 2017 | 於二零一七年一月一日 | 131,828 | 188,254 | 40 | 1,442 | 19,870 | (5,178) | 131 | 133,659 | 470,046 | - | 470,046 |
| Issue of shares under open offer | 根據公開發售發行股份 | 67,752 | 271,009 | - | - | - | - | - | - | 338,761 | - | 338,761 |
| Transaction costs attributable to open offer | 公開發售應佔交易成本 | - | (2,386) | - | - | - | - | - | - | (2,386) | - | (2,386) |
| Issue of shares upon acquisition of a subsidiary | 於收購一間附屬公司時發行股份 | 3,677 | 20,112 | - | - | - | - | - | - | 23,789 | - | 23,789 |
| Acquisition of a subsidiary (note 30) | 收購一間附屬公司(附註30) | - | - | - | - | - | - | - | - | - | 10,369 | 10,369 |
| Transactions with owners | 與擁有人之交易 | 71,429 | 288,735 | - | - | - | - | - | - | 360,164 | 10,369 | 370,533 |
| Profit for the year | 年內溢利 | - | - | - | - | - | - | - | 69,324 | 69,324 | (350) | 68,974 |
| Other comprehensive income: | 其他全面收益: | | | | | | | | | | | |
| Exchange differences arising from the translation of foreign operations | 換算海外業務產生之匯兌差額 | - | - | - | - | - | 9,373 | - | - | 9,373 | 103 | 9,476 |
| Exchange differences arising from the translation of interest in a foreign associate (note 14) | 換算於一間海外聯營公司之權益產生之匯兌差額(附註14) | - | - | - | - | - | 12,749 | - | - | 12,749 | - | 12,749 |
| Share of other comprehensive income of an associate (note 14) | 應佔一間聯營公司的其他全面收益(附註14) | - | - | - | - | - | - | (432) | - | (432) | - | (432) |
| Total comprehensive income for the year | 年內全面收益總額 | - | - | - | - | - | 22,122 | (432) | 69,324 | 91,014 | (247) | 90,767 |
| At 31 December 2017 | 於二零一七年十二月三十一日 | 203,257 | 476,989 | 40 | 1,442 | 19,870 | 16,944 | (301) | 202,983 | 921,224 | 10,122 | 931,346 |

* The total reserves at 31 December 2017 is HK\$717,967,000 (2016: HK\$338,218,000).

* 於二零一七年十二月三十一日之儲備總計為717,967,000港元(二零一六年:338,218,000港元)。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

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

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|--|-----------------------|----------------------------------|----------------------------------|
| Cash flows from operating activities: | 經營活動產生之現金流量： | | |
| Profit before tax | 除稅前溢利 | 79,048 | 7,763 |
| Adjustment for: | 下列項目之調整： | | |
| Interest income | 利息收入 | (760) | (1,844) |
| Interest on interest-bearing bank borrowings and overdrafts and other borrowings | 計息銀行借款及透支以及其他借貸之利息 | 223 | 9 |
| Share of results of an associate | 應佔一間聯營公司之業績 | (54,122) | (16,333) |
| Depreciation of property, plant and equipment | 物業、廠房及設備之折舊 | 2,037 | 1,327 |
| Loss/(gain) on disposal of property, plant and equipment | 出售物業、廠房及設備之虧損／(收益) | 34 | (76) |
| Loss on disposal of subsidiaries | 出售附屬公司之虧損 | 1,110 | - |
| Gain on bargain purchase of subsidiaries | 議價收購附屬公司之收益 | (60,190) | - |
| (Reversal of impairment loss)/ impairment loss on trade receivables | 應收貿易賬款之(減值虧損撥回)／減值虧損 | (159) | 174 |
| Impairment loss/(reversal of impairment loss) on inventories | 存貨之減值虧損(減值虧損撥回) | 992 | (1,778) |
| Written off of available-for-sale financial assets | 撇銷可供出售金融資產 | - | 286 |
| Operating cash flows before movements in working capital | 營運資金變動前之經營現金流量 | (31,787) | (10,472) |
| Increase in inventories | 存貨增加 | (1,301) | (10,231) |
| Increase in properties under development held for sale | 持作出售之開發中物業增加 | (2,135) | - |
| Increase in loans receivables | 應收貸款增加 | (58,803) | - |
| Increase in trade and other receivables | 應收貿易賬款及其他應收款項增加 | (29,615) | (1,432) |
| (Decrease)/increase in trade and other payables | 應付貿易賬款及其他應付款項(減少)／增加 | (27,543) | 16,356 |
| Decrease in deferred revenue | 遞延收益減少 | (632) | - |
| Net cash used in operations | 業務營運已動用之現金淨額 | (151,816) | (5,779) |
| Income tax paid | 已付所得稅 | (1,467) | (3,865) |
| Net cash used in operating activities | 經營活動已動用之現金淨額 | (153,283) | (9,644) |

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

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

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|---|--------------------------|----------------------------------|----------------------------------|
| Cash flows from investing activities: | 投資活動產生之現金流量： | | |
| Purchase of property, plant and equipment | 購買物業、廠房及設備 | (190,185) | (1,829) |
| Proceeds from disposal of property, plant and equipment | 出售物業、廠房及設備所得款項 | - | 25 |
| Dividend received from an associate | 已收一間聯營公司股息 | - | 16,488 |
| Interest received | 已收利息 | 760 | 1,844 |
| Purchase of available-for-sale investments | 購買可供銷售投資 | (25,010) | - |
| Acquisition of subsidiaries (note 30) | 收購附屬公司(附註30) | (44,674) | - |
| Deposit paid for acquisition of properties | 收購物業之已付按金 | (59,267) | - |
| Proceed from disposal of subsidiaries (note 31) | 出售附屬公司所得款項(附註31) | 185,000 | - |
| Deposit paid for possible acquisition | 可能收購事項之已付按金 | (23,886) | - |
| Net cash (used in)/generated from investing activities | 投資活動(已動用)/產生之現金淨額 | (157,262) | 16,528 |
| Cash flows from financing activities: | 融資活動產生之現金流量： | | |
| Repayments of bank borrowings | 償還銀行借款 | (237,757) | (655) |
| Interest paid on interest-bearing bank borrowings and bank overdrafts | 計息銀行借款及銀行透支之已付利息 | (16) | (7) |
| Advance from a shareholder | 一名股東之墊款 | 9,500 | - |
| Proceeds from open offer | 公開發售所得款項 | 336,375 | - |
| Proceeds from bank borrowings | 銀行借款所得款項 | 4,901 | 1,296 |
| Net cash generated from financing activities | 融資活動產生之現金淨額 | 113,003 | 634 |
| Net (decrease)/increase in cash and cash equivalents | 現金及現金等值(減少)/增加淨額 | (197,542) | 7,518 |
| Effect of foreign exchange rates | 外匯匯率影響 | (7,943) | (571) |
| Cash and cash equivalents at the beginning of the year | 年初之現金及現金等值 | 313,616 | 306,669 |
| Cash and cash equivalents at the end of the year | 年末之現金及現金等值 | 108,131 | 313,616 |
| Analysis of balances of cash and cash equivalents: | 現金及現金等值結餘分析： | | |
| Cash and bank balances | 現金及銀行結餘 | 108,131 | 313,616 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

1. GENERAL INFORMATION

The Company was incorporated in Bermuda as an exempted company with limited liability. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. The principal place of its business is Room 1206, China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Sheung Wan, Hong Kong.

The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). In the opinion of the Directors, at 31 December 2017, Super Fame Holdings Limited ("Super Fame"), a company incorporated in British Virgin Islands, is the immediate holding company and Ms. Yeung So Lai and Mr. Lee Chi Shing Caesar are the ultimate controlling parties of the Company.

In order to symbolise a new start and reflect the Group's direction of future development, on 6 June 2017, the shareholders of the Company at the 2017 annual general meeting approved the change of the Company's name from "United Pacific Industries Limited" to "Superactive Group Company Limited" and to adopt and register the Chinese name of "先機企業集團有限公司" as the secondary name of the Company. The new name and new Chinese name of the Company are effective commencing from 9 June 2017.

The functional currency and the presentation currency of the Company is Hong Kong dollars ("HK\$"). Each entity in the Group maintains its books and records in its own functional currency.

1. 一般資料

本公司在百慕達註冊成立為受豁免有限公司。本公司註冊辦事處之地址為Clarendon House, 2 Church Street, Hamilton HM11, Bermuda，且主要營業地點為香港上環香港上環干諾道中168-200號信德中心招商局大廈1206室。

本公司股份於香港聯合交易所有限公司（「聯交所」）主板上市。董事認為，於二零一七年十二月三十一日，超名控股有限公司（「超名」）（一間於英屬處女群島註冊成立之公司）為直接控股公司及楊素麗女士與李志成先生為本公司之最終控制方。

為象徵新開始及反映本集團之未來發展方向，於二零一七年六月六日，本公司股東於二零一七年股東週年大會上批准將本公司名稱由「United Pacific Industries Limited」改為「Superactive Group Company Limited」，並採納及登記中文名稱「先機企業集團有限公司」作為本公司之第二名稱。本公司之新名稱及新中文名稱自二零一七年六月九日起生效。

本公司的功能貨幣及呈列貨幣為港元（「港元」）。本集團內各實體按其本身的功能貨幣記賬及記錄。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

1. GENERAL INFORMATION (Continued)

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) which collectively include all applicable HKFRSs, Hong Kong Accounting Standards (“HKASs”) and Interpretations and the applicable disclosure requirements of the Hong Kong Companies Ordinance which concern the preparation of financial statements. The consolidated financial statements also include the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange.

The consolidated financial statements have been prepared under the historical cost basis, except for certain financial instruments, which are stated at their fair value. The measurement bases are fully described in accounting policies set out below.

2. ADOPTION OF HKFRSs

(a) Adoption of new/revised HKFRSs – effective 1 January 2017

| | |
|--|--|
| Amendments to HKAS 7 | Disclosure Initiative |
| Amendments to HKAS 12 | Recognition of Deferred Tax Assets for Unrealised Losses |
| Annual improvement to HKFRSs 2014-2016 Cycle | Amendments to HKFRS12, Disclosure of Interests in Other Entities |

Amendments to HKAS 7 – Disclosure Initiative

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

The adoption of the amendments has led to the additional disclosure presented in note 32 to the consolidated statement of cash flows.

1. 一般資料 (續)

此等綜合財務報表乃根據香港財務報告準則（「香港財務報告準則」）（其中包括所有適用香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋及就編製財務報表而言適用之香港公司條例之披露規定而編製。綜合財務報表亦包括適用之聯交所證券上市規則之披露規定。

綜合財務報表按歷史成本法編製，惟若干以公允值入賬之金融工具除外。有關計量基準於下文會計政策詳述。

2. 採納香港財務報告準則

(a) 採納新訂／經修訂之香港財務報告準則－於二零一七年一月一日起生效

| | |
|----------------------------|---------------------------|
| 香港會計準則第7號之修訂 | 主動披露 |
| 香港會計準則第12號之修訂 | 就未變現虧損確認遞延稅項資產 |
| 香港財務報告準則二零一四年至二零一六年週期之年度改進 | 香港財務報告準則第12號之修訂，披露其他實體的權益 |

香港會計準則第7號之修訂－主動披露

該等修訂引入一項讓財務報表的使用者能評估融資活動帶來的負債變動的額外披露。

採納該等修訂導致於綜合現金流量表附註32中呈列其他披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

2. ADOPTION OF HKFRSs (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2017 (Continued)

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

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

The adoption of the amendments has no impact on the consolidated financial statements as the clarified treatment is consistent with the manner in which the Group has previously recognised deferred tax assets.

Annual Improvements to HKFRSs 2014-2016 Cycle – Amendments to HKFRS 12, Disclosure of Interests in Other Entities

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKFRS 12, Disclosure of Interests in Other Entities, to clarify that the disclosure requirements of HKFRS 12, other than the requirements to disclose summarised financial information, also apply to an entity's interests in other entities classified as held for sale or discontinued operations in accordance with HKFRS 5, Non-Current Assets Held for Sale and Discontinued Operations.

The adoption of the amendments to HKFRS 12 has no impact on the consolidated financial statements as the clarified treatment is consistent with the manner in which the Group has previously dealt with disclosures relating to its interests in other entities classified as held for sale or discontinued operations in accordance with HKFRS 5.

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

2. 採納香港財務報告準則 (續)

(a) 採納新訂／經修訂之香港財務報告準則 – 於二零一七年一月一日起生效 (續)

香港會計準則第12號之修訂 – 就未變現虧損確認遞延稅項資產。該等修訂與確認遞延稅項資產有關及澄清若干必需之考量，包括與按公允值計量的債務工具相關的遞延稅項資產該如何入賬。

採納該等修訂對綜合財務報表並無影響，原因是澄清後的處理方式與本集團先前確認遞延稅項資產的方式一致。

香港財務報告準則二零一四年至二零一六年週期之年度改進 – 香港財務報告準則第12號之修訂，披露其他實體的權益

根據年度改進過程頒佈的該等修訂對現時並不明確的多項準則作出微細且並不急切的修改。其中包括對香港財務報告準則第12號披露其他實體的權益的修訂，以釐清香港財務報告準則第12號的披露規定（披露財務資料概要的規定除外）亦適用於實體於根據香港財務報告準則第5號持作出售的非流動資產及已終止經營業務分類為持作出售的其他實體或已終止經營業務的權益。

採納香港財務報告準則第12號之修訂對綜合財務報表並無影響，原因是澄清後的處理方式與本集團先前處理有關其於根據香港財務報告準則第5號分類為持作出售的其他實體或已終止經營業務的權益的披露方式一致。

採納該等修訂對綜合財務報表並無影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

2. ADOPTION OF HKFRSs (Continued)

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

The following new/revised HKFRSs, potentially relevant to the Group's consolidated financial statements, have been issued, but are not yet effective and have not been early adopted by the Group. The Group's current intention is to apply these changes on the date they become effective.

| | |
|------------------------------------|--|
| HKFRS 9 | Financial Instruments ¹ |
| HKFRS 15 | Revenue from Contracts with Customers ¹ |
| HKFRS 16 | Leases ² |
| Amendments to HKFRS 15 | Revenue from Contracts with Customers (Clarifications to HKFRS 15) ¹ |
| HK(IFRIC)-Int 22 | Foreign Currency Transactions and Advance Consideration ¹ |
| HK(IFRIC)-Int 23 | Uncertainty over Income Tax Treatments ² |
| Amendments to HKFRS 10 and HKAS 28 | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³ |

- ¹ Effective for annual periods beginning on or after 1 January 2018
- ² Effective for annual periods beginning on or after 1 January 2019
- ³ The amendments were originally intended to be effective for periods beginning on or after 1 January 2016. The effective date has now been deferred/removed. Early application of the amendments continue to be permitted.

2. 採納香港財務報告準則 (續)

(b) 已頒佈惟尚未生效的新訂／經修訂香港財務報告準則

以下可能與本集團綜合財務報表有關的新訂／經修訂香港財務報告準則經已頒佈，惟尚未生效，並未獲本集團提早採納。本集團目前擬於其生效日期應用有關變動。

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|----------------------------|--|
| 香港財務報告準則第9號 | 金融工具 ¹ |
| 香港財務報告準則第15號 | 來自客戶合約之收益 ¹ |
| 香港財務報告準則第16號 | 租賃 ² |
| 香港財務報告準則第15號之修訂 | 來自客戶合約之收益 (澄清香港財務報告準則15號) ¹ |
| 香港(國際財務報告詮釋委員會)－詮釋第22號 | 外幣交易及墊支代價 ¹ |
| 香港(國際財務報告詮釋委員會)－詮釋第23號 | 所得稅處理的不確定性 ² |
| 香港財務報告準則第10號及香港會計準則第28號之修訂 | 投資者與其聯營公司或合營公司之間的資產出售或注資 ³ |

- ¹ 於二零一八年一月一日或之後開始的年度期間生效
- ² 於二零一九年一月一日或之後開始的年度期間生效
- ³ 該等修訂原擬於二零一六年一月一日或之後開始的期間生效。生效日期現已延後／取消。修訂本仍可予提早應用。

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截至二零一七年十二月三十一日止年度

2. ADOPTION OF HKFRSs (Continued)

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

HKFRS 9 – Financial Instruments

HKFRS 9 introduces new requirements for the classification and measurement of financial assets. Debt instruments that are held within a business model whose objective is to hold assets in order to collect contractual cash flows (the business model test) and that have contractual terms that give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding (the contractual cash flow characteristics test) are generally measured at amortised cost. Debt instruments that meet the contractual cash flow characteristics test are measured at fair value through other comprehensive income (“FVTOCI”) if the objective of the entity’s business model is both to hold and collect the contractual cash flows and to sell the financial assets. Entities may make an irrevocable election at initial recognition to measure equity instruments that are not held for trading at FVTOCI. All other debt and equity instruments are measured at fair value through profit or loss (“FVTPL”).

HKFRS 9 includes a new expected loss impairment model for all financial assets not measured at FVTPL replacing the incurred loss model in HKAS 39 and new general hedge accounting requirements to allow entities to better reflect their risk management activities in financial statements.

HKFRS 9 carries forward the recognition, classification and measurement requirements for financial liabilities from HKAS 39, except for financial liabilities designated at FVTPL, where the amount of change in fair value attributable to change in credit risk of the liability is recognised in other comprehensive income unless that would create or enlarge an accounting mismatch. In addition, HKFRS 9 retains the requirements in HKAS 39 for derecognition of financial assets and financial liabilities.

2. 採納香港財務報告準則 (續)

(b) 已頒佈惟尚未生效的新訂／經修訂香港財務報告準則 (續)

香港財務報告準則第9號 – 金融工具

香港財務報告準則第9號引入金融資產分類及計量之新規定。按其目的為收取合約現金流之業務模式持有之債務工具（業務模式測試）以及具產生現金流之合約條款且僅為支付本金及未償還本金利息之債務工具（合約現金流特徵測試），一般按攤銷後成本計量。倘該實體業務模式之目的為持有及收取合約現金流以及出售金融資產，則符合合約現金流特徵測試之債務工具乃按公允值計入其他全面收益（「按公允值計入其他全面收益」）計量。實體可於初步確認時作出不可撤回之選擇，按公允值計入其他全面收益計量並非持作買賣之股本工具。所有其他債務及股本工具乃按公允值計入損益（「按公允值計入損益」）計量。

香港財務報告準則第9號就並非按公允值計入損益之所有金融工具納入新的預期虧損減值模式（取代香港會計準則第39號之已產生虧損模式）以及新的一般對沖會計規定，以讓實體於財務報表內更好地反映其風險管理活動。

香港財務報告準則第9號貫徹香港會計準則第39號有關金融負債確認、分類及計量之規定，惟按公允值計入損益之金融負債除外，除非會導致或擴大會計錯配，該負債之信貸風險變動引起之公允值變動金額於其他全面收入確認。此外，香港財務報告準則第9號保留香港會計準則第39號終止確認金融資產及金融負債之規定。

2. ADOPTION OF HKFRSs (Continued)

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

HKFRS 9 – Financial Instruments (Continued)

Classification and measurement

Private fund classified as available-for-sale investments carried at cost less impairment as disclosed in note 15: these private fund qualified for designation as measured at FVTOCI under HKFRS 9 and the Group will measure these private fund at fair value at the end of subsequent reporting periods with fair value gains or losses to be recognised as other comprehensive income and accumulated in the investments revaluation reserve. Upon initial recognition of HKFRS 9, the difference between the previous carrying amount and the fair value relating to these private fund would be adjusted to investments revaluation reserve as at 1 January 2018. All other financial assets and financial liabilities will continue to be measured on the same bases as are currently measured under HKAS 39.

Impairment

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

Based on the assessment by the Directors, they anticipate that the application of the HKFRS 9 will have no material impacts on the results and the financial position of the Group.

2. 採納香港財務報告準則 (續)

(b) 已頒佈惟尚未生效的新訂／經修訂香港財務報告準則 (續)

香港財務報告準則第9號－金融工具 (續)

分類及計量

分類為可供銷售投資之私募基金按成本減去減值列賬，如附註15所披露：根據香港財務報告準則第9號，該等私募基金合資格指定為按公允值計入其他全面收益計量，而本集團將於其後報告期末按公允值計量該等私募基金，並將公允值收益或虧損確認為其他全面收益及於投資重估儲備累計。於首次確認香港財務報告準則第9號後，有關該等私募基金的過往賬面值與公允值之間的差額將於二零一八年一月一日調整至投資重估儲備。其他財務資產及財務負債將繼續與香港會計準則第39號現行計量相同的基準進行計量。

減值

一般而言，董事預期應用香港財務報告準則第9號的預期信貸虧損模式將導致本集團於應用香港財務報告準則第9號後，就本集團按攤銷成本計量之金融資產以及其他須作出減值撥備的項目之尚未產生的信貸虧損提前撥備。

根據董事的評估，預期應用香港財務報告準則第9號不會對本集團的業績及財務狀況帶來任何重大影響。

2. ADOPTION OF HKFRSs (Continued)

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

HKFRS 15 – Revenue from Contracts with customers

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

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

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

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

The Directors anticipate that the application of HKFRS 15 in the future will not have a material impact on the amounts reported in the consolidated financial statements of the Group in the future based on the existing business model of the Group as at 31 December 2017.

2. 採納香港財務報告準則 (續)

(b) 已頒佈惟尚未生效的新訂／經修訂香港財務報告準則 (續)

香港財務報告準則第15號 – 來自客戶合約之收益

有關新訂準則設立單一收益確認框架。框架之主要原則為實體應確認收益，以說明實體按反映交換商品及服務預期所得代價之金額向客戶轉讓所承諾商品或服務。香港財務報告準則第15號取代現有收益確認指引，包括香港會計準則第18號「收益」、香港會計準則第11號「建築合約」及相關詮釋。

香港財務報告準則第15號規定確認收益所應用之5個步驟：

- 第1步：識別與客戶所訂立之合約
- 第2步：識別合約之履約責任
- 第3步：釐定交易價格
- 第4步：分配交易價格至各履約責任
- 第5步：於履行各履約責任時確認收益

香港財務報告準則第15號包括對與可能改變目前根據香港財務報告準則之做法之特定收益相關事宜之特定指引。有關準則亦顯著加強有關收益之定性及定量披露。

根據本集團於二零一七年十二月三十一之現有業務模式，董事預計日後應用香港財務報告準則第15號將不會對本集團未來綜合財務報表所呈報金額產生重大影響。

2. ADOPTION OF HKFRSs (Continued)

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

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

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

HKFRS 16 – Leases

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

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

2. 採納香港財務報告準則 (續)

(b) 已頒佈惟尚未生效的新訂／經修訂香港財務報告準則 (續)

香港財務報告準則第15號之修訂—來自客戶合約之收益 (澄清香港財務報告準則15號)

香港財務報告準則第15號之修訂包括對識別履約義務、應用主體或代理人、知識產權牌照及過渡規定的澄清。

香港財務報告準則第16號—租賃

香港財務報告準則第16號於生效日期後將取代香港會計準則第17號租賃及相關詮釋，並將引入單一承租人的會計模式以確認所有年期超過12個月的租賃的資產及負債，除非相關資產屬低價值。具體而言，根據香港財務報告準則第16號，承租人須確認代表其使用相關租賃資產的權利的使用權資產，以及代表其繳付租金的租賃負債。因此，承租人應確認使用權資產的折舊及租賃負債的利息，並將租賃負債的現金還款分類為本金部份及利息部份，以及呈列於現金流量表。此外，使用權資產及租賃負債初步以現值計量。有關計量包括不可撤銷租金，倘承租人合理地肯定其將行使延長租賃的選擇權或行使終止租賃的選擇權，則亦包括可供選擇期內所支付款項。此會計處理與根據前身準則香港會計準則第17號分類為經營租賃的租賃的承租人會計處理截然不同。

就出租人會計而言，香港財務報告準則第16號主要延續香港會計準則第17號的出租人會計規定。因此，出租人繼續將其租賃分類為經營租賃或融資租賃，並將這兩種租賃分別入賬。

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2. ADOPTION OF HKFRSs (Continued)

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

HKFRS 16 – Leases (Continued)

Furthermore, extensive disclosures are required by HKFRS 16.

As at 31 December 2017, the Group as lessee has non-cancellable operating lease commitments of HK\$5,867,000 as disclosed in note 34 to the consolidated financial statements. A preliminary assessment indicates that these arrangements will meet the definition of a lease. Upon application of HKFRS 16, the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases.

In addition, the Group currently considers refundable rental deposits paid of HK\$3,972,000 as rights and obligations under leases to which HKAS 17 applies. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right to use the underlying assets, accordingly, the carrying amounts of such deposits may be adjusted to amortised cost and such adjustments are considered as additional lease payments. Adjustments to refundable rental deposits paid would be included in the carrying amount of right-of-use assets.

Furthermore, the application of new requirements may result in changes in measurement, presentation and disclosure as indicated above.

2. 採納香港財務報告準則 (續)

(b) 已頒佈惟尚未生效的新訂／經修訂香港財務報告準則 (續)

香港財務報告準則第16號－租賃 (續)

此外，香港財務報告準則第16號亦要求較廣泛的披露。

於二零一七年十二月三十一日，本集團（作為承租人）擁有不可撤銷經營租賃承諾5,867,000港元，如綜合財務報表附註34所披露。初步評估顯示，該等安排將符合租賃之定義。於應用香港財務報告準則第16號後，本集團將就所有該等租賃確認為使用權資產及相應負債，除非其符合低價值或短期租賃。

此外，本集團現時認為已付之可退回租賃按金3,972,000港元為適用香港會計準則第17號之租賃項下之權利及責任。根據香港財務報告準則第16號項下租賃付款之定義，該等按金並非為與使用相關資產權利有關的付款。因此，該等按金之賬面值或會調整為攤銷成本且相關調整被視為額外租賃付款。已付可退回租賃按金之調整將計入使用權資產之賬面值。

此外，應用新規定或會導致計量、呈列及披露如上所述變化。

2. ADOPTION OF HKFRSs (Continued)

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

HK(IFRIC)-Int 22 – Foreign Currency Transactions and Advance Consideration

The interpretation provides guidance on determining the date of the transaction for determining an exchange rate to use for transactions that involve advance consideration paid or received in a foreign currency and the recognition of a non-monetary asset or non-monetary liability. The interpretation specifies that the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part thereof) is the date on which the entity initially recognises the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.

HK(IFRIC)-Int 23 – Uncertainty over Income Tax Treatments

The interpretation supports the requirements of HKAS 12, Income Taxes, by providing guidance over how to reflect the effects of uncertainty in accounting for income taxes. Under the interpretation, the entity shall determine whether to consider each uncertain tax treatment separately or together based on which approach better predicts the resolution of the uncertainty. The entity shall also assume the tax authority will examine amounts that it has a right to examine and have full knowledge of all related information when making those examinations. If the entity determines it is probable that the tax authority will accept an uncertain tax treatment, then the entity should measure current and deferred tax in line with its tax filings. If the entity determines it is not probable, then the uncertainty in the determination of tax is reflected using either the “most likely amount” or the “expected value” approach, whichever better predicts the resolution of the uncertainty.

2. 採納香港財務報告準則 (續)

(b) 已頒佈惟尚未生效的新訂／經修訂香港財務報告準則 (續)

香港 (國際財務報告詮釋委員會) – 詮釋第22號 – 外幣交易及墊支代價

該詮釋就以下事項提供指引，即如何為釐定用於涉及以外幣支付或收取墊支代價的交易的匯率而釐定交易日期，以及如何確認非貨幣資產或非貨幣負債。該詮釋指出，釐定首次確認相關資產、開支或收益 (或當中部份) 所使用之匯率之交易日期為實體首次確認支付或收取墊支代價產生的非貨幣資產或非貨幣負債之日。

香港 (國際財務報告詮釋委員會) – 詮釋第23號 – 所得稅處理的不確定性

該詮釋透過就如何反映所得稅會計處理涉及的不確定性因素的影響提供指引，為香港會計準則第12號「所得稅」的規定提供支持。根據該詮釋，實體須釐定分別或集中考慮各項不確定稅項處理，以更好預測不確定性因素的解決方式。實體亦須假設稅務機關將會查驗其有權查驗的金額，並在作出上述查驗時完全知悉所有相關資料。如實體釐定稅務機關可能會接受一項不確定稅項處理，則實體應按與其稅務申報相同的方式計量即期及遞延稅項。否則，釐定稅項涉及的不確定性因素採用「最可能金額」或「預期值」法兩者中能更好預測不確定性因素解決方式的方法來反映。

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2. ADOPTION OF HKFRSs (Continued)

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

HK(IFRIC)-Int 23 – Uncertainty over Income Tax Treatments (Continued)

The Group is not yet in a position to state whether these new pronouncements will result in substantial changes to the Group's accounting policies and consolidated financial statements.

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

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

The Group is not yet in a position to state whether these amendments will result in substantial changes to the Group's accounting policies and consolidated financial statements.

2. 採納香港財務報告準則 (續)

(b) 已頒佈惟尚未生效的新訂／經修訂香港財務報告準則 (續)

香港 (國際財務報告詮釋委員會) – 詮釋第23號 – 所得稅處理的不確定性 (續)

本集團尚未確定該等新頒佈項目會否對本集團會計政策及綜合財務報表造成重大變動。

香港財務報告準則第10號及香港會計準則第28號之修訂 – 投資者與其聯營公司或合營公司之間的資產出售或注資

該等修訂澄清實體向其聯營公司或合營企業出售或注入資產時，將予確認的收益或虧損程度。當交易涉及一項業務，則須確認全數收益或虧損；反之，當交易涉及的資產不構成一項業務時，則僅須就不相關投資者於合營企業或聯營公司的權益確認收益或虧損。

本集團尚未確定該等修訂會否對本集團會計政策及綜合財務報表造成重大變動。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Business combination and basis of consolidation

The consolidated financial statements incorporate the financial statements of the Group made up to 31 December each year. Inter-company transactions and balances between group companies together with unrealised profits are eliminated in full in preparing the consolidated financial statements. Unrealised losses are also eliminated unless the transaction provides evidence of impairment on the asset transferred, in which case the loss is recognised in profit or loss.

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

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

3. 主要會計政策概要

業務合併及綜合基準

綜合財務報表包括本集團直至每年十二月三十一日編製的財務報表。編製綜合財務報表時，公司間交易及集團公司之間的結餘連同未變現盈利將全數對銷。倘已於損益內確認虧損，除非交易能提供已轉讓資產減值的證據，否則未變現虧損亦將對銷。

收購附屬公司或業務乃以收購法入賬。收購事項的成本乃按已轉讓資產於收購日期的公允值、所產生負債及本集團（作為收購人）所發行的權益的總和計量。已收購的可識別資產及所承擔負債主要按收購日期公允值計量。本集團先前所持有於被收購人的權益將按收購日期公允值重新計量，而最終的盈虧則於損益內確認。本集團可能按個別交易的情況選擇按公允值或被收購人可識別資產淨值的按比例份額計量代表目前於附屬公司的擁有權利益的非控股權益。除非香港財務報告準則規定其他計量準則，所有其他非控股權益應以公允值計量。除非與收購事項相關的成本乃因發行股本工具而產生且成本已自股本扣除，否則所產生成本已獲支銷。

收購方將予轉讓之任何或然代價按收購日之公允值確認。其後對代價之調整僅於調整源自於計量期間（最長為自收購日期起12個月）獲得有關收購日之公允值之新資料時才會與商譽確認。其後對或然代價分類為資產或負債之所有其他調整均於損益中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combination and basis of consolidation (Continued)

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

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

Subsidiaries

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

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit or loss from the effective date of acquisition or up to the effective date of disposal, as appropriate.

3. 主要會計政策概要 (續)

業務合併及綜合基準 (續)

當本集團失去附屬公司控制權時，出售之損益為以下兩者之差額：(i)已收代價公允值與任何保留權益公允值之總額及(ii)附屬公司之資產（包括商譽）及負債與任何非控股權益之過往賬面值。以往於其他全面收益確認與附屬公司有關之金額按在相關資產或負債已經出售情況下須採取之方式入賬。

收購後，非控股權益賬面值（即現時於附屬公司擁有權益）為該等權益於初步確認時之金額加有關非控股權益應佔其後權益變動金額。即使全面收入總額撥歸該等非控股權益後造成虧絀，全面收入總額仍須撥歸相關非控股權益。

附屬公司

附屬公司為本公司可行使控制權的被投資人。倘下列三項元素全部存在，則本公司已控制該被投資人：對被投資人的權力、就收取被投資人可變動回報面臨的風險或權利，以及運用其權力影響有關可變動回報的能力。倘出現任何該等控制權元素可能有變的事實或情況，控制權將獲重新評估。

年內所收購或出售的附屬公司的業績已載於自收購事項生效日期起或直至出售事項生效日期（按適用者）的綜合損益表內。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsidiaries (Continued)

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

In the Company's statement of financial position, investments in subsidiaries are carried at cost less any impairment loss. The results of the subsidiaries are accounted for by the Company on the basis of dividends received and receivable at the end of the reporting period.

Interest in an associate

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

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

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

3. 主要會計政策概要 (續)

附屬公司 (續)

如有需要，可於附屬公司的財務報表作出調整，致令其會計政策與本集團其他成員公司所用者一致。

所有集團內公司間交易、結餘、收入及開支已於綜合入賬時對銷。

在本公司財務狀況表內，於附屬公司之投資經扣除任何減值虧損後按成本列賬。本公司將附屬公司的業績以於報告期末所收及應收股息的基準入賬。

於一間聯營公司之權益

聯營公司指本集團能夠對其發揮重大影響力之公司，附屬公司或於合資企業之權益除外。重大影響力是有權參與被投資公司之財務及經營政策決定，但並非控制或共同控制該等政策。

所確認的本集團及其聯營公司的交易所產生的損益僅限於聯營公司內互不相關的投資者的權益。投資者因此等交易於聯營公司的損益中分佔的部份於聯營公司的賬面值中對銷。倘未變現虧損能證明所轉讓資產的減值，則其即時於損益中獲確認。

就聯營公司所支付高於本集團分佔的已收購可識別資產、負債及或然負債公允值的任何溢價已撥充資本，並計算在聯營公司的賬面值之內。倘客觀證據證明於聯營公司的投資獲減值，該投資的賬面值須按與其他非金融資產相同的方式進行減值測試。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interest in an associate (Continued)

In the Company's statement of financial position, investments in associates are carried at cost less impairment losses, if any. The results of associates are accounted for by the Company on the basis of dividends received and receivable during the year.

Goodwill

Where the fair value of identifiable assets and liabilities exceed the aggregate of the fair value of consideration paid, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of the acquirer's previously held equity interest in the acquiree, the excess is recognised in profit or loss on the acquisition date, after re-assessment.

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

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

3. 主要會計政策概要 (續)

於一間聯營公司之權益 (續)

在本公司財務狀況表內，於聯營公司的投資扣除任何減值虧損（如有）後按成本列賬。本公司將聯營公司的業績以年內所收及應收股息的基準入賬。

商譽

倘可識別資產及負債之公允值高於所付代價之公允值、於被收購方任何非控股權益之金額與收購方先前所持被收購方股本權益之收購日公允值的總額，則超出部份於重估後於收購日期在損益確認。

商譽按成本減去減值虧損計量。就減值測試而言，收購產生之商譽分配予預期會受惠於收購協同效益之各相關現金產生單位。現金產生單位為產生現金流入且該現金流入基本上獨立於其他資產或資產組別現金流入的最小可識別資產組合。獲分配商譽之現金產生單位每年透過將賬面值與其可收回金額作比較而進行減值測試，亦於有跡象顯示該單位可能減值時進行減值測試。

就財政年度內進行收購所產生之商譽而言，獲分配商譽之現金產生單位於該財政年度結束前進行減值測試。當現金產生單位之可收回金額少於該單位賬面值時，減值虧損會首先分配至撇減該單位獲分配之任何商譽之賬面值，然後基於該單位內各資產之賬面值按比例分配至該單位之其他資產。然而，分配至各項資產之虧損將不會令個別資產之賬面值減少至低於其公允值減出售成本（如可計量）或其使用價值（如可釐定）（以較高者為準）。商譽之減值虧損於損益確認，不會於後續期間撥回。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition

Revenue is measured at fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and sales related taxes. Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue and costs, if applicable, can be measured reliably, on the following bases:

- (a) Sales of goods are recognised when goods are delivered and title has been passed. This is usually taken as the time when the goods are delivered and the customer has accepted the goods;
- (b) Rental income, including rentals invoiced in advance from freehold land and building under operating leases, is recognised on a straight-line basis over the term of the lease;
- (c) Tuition fee income is recognised when the tuition services are rendered;
- (d) Interest income from a financial asset is recognised as it accrues using the effective interest method; and
- (e) Professional fee income is recognised when professional services are rendered.

3. 主要會計政策概要 (續)

收益確認

收益乃按已收或應收代價之公允值計算，相當於在正常業務過程中就所提供貨品及服務經扣除折扣及銷售相關稅項後之應收金額。當經濟利益很可能流入本集團，且收益及成本（視情況而定）能可靠計量時，會按以下方式確認收益：

- (a) 銷售貨品於貨品付運及業權移交後確認，一般為貨品已經交付且客戶已接受貨品時；
- (b) 租金收入（包括來自永久業權土地及經營租賃項下樓宇預先開具發票之租金）於租賃年期內以直線法確認；
- (c) 學費收入於提供教育服務時確認；
- (d) 金融資產之利息收入按實際利率法累計確認；及
- (e) 專業費用收入於提供專業服務時確認。

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截至二零一七年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss.

Depreciation is provided to write off the cost of property, plant and equipment net of expected residual value over their estimated useful lives, using the straight-line method. The useful lives, residual value and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period.

Property, plant and equipment are depreciated on a straight-line basis at the following rates per annum:

| | |
|-----------------------------------|--|
| Leasehold improvements | Over the remaining unexpired term of the lease or five years, whichever is shorter |
| Furniture, fixtures and equipment | 10% - 25% |
| Motor vehicles | 20% - 25% |
| Plant and machinery | 10% - 33 $\frac{1}{3}$ % |

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit or loss.

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

3. 主要會計政策概要 (續)

物業、廠房及設備

物業、廠房及設備乃按成本減累計折舊及累計減值虧損列賬。

物業、廠房及設備按其估計可使用年期，以直線法撇銷扣除預期剩餘價值後之成本以計算折舊。可使用年期、剩餘價值及折舊方法均於各報告期末審閱，並在適當情況下作出調整。

物業、廠房及設備項目以直線法按下列年率折舊：

| | |
|----------|--------------------------|
| 租賃裝修 | 於租賃尚餘年期內或五年（以較短者為準） |
| 傢俬、裝置及設備 | 10% - 25% |
| 汽車 | 20% - 25% |
| 廠房及機器 | 10% - 33 $\frac{1}{3}$ % |

根據融資租賃持有之資產，與自置資產相同，均就其估計可使用年期或相關租賃之租期（以較短者為準）計提折舊。

因出售或停用物業、廠房及設備項目引致之收益或虧損乃按銷售所得款項及資產賬面值兩者之差額計算，並於損益表內確認。

僅當與項目有關之未來經濟利益很可能流入本集團，且該項目之成本能夠可靠計量時，其後成本方會按該資產之賬面值入賬或確認為獨立資產（視情況而定）。所有其他成本（如維修及保養費）於其產生之財政年度在損益表內扣除。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Properties under development held for sale

Properties under development developed for future sale in the ordinary course of business are included in current assets at the lower of cost and net realisable value. It comprises the consideration for development expenditure (which includes cost of land use rights, construction costs and capitalised interest) directly contributable to the development of the properties.

Financial instruments

Financial assets and financial liabilities are recognised on the consolidated statement of financial position when a Group entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the profit or loss.

Financial assets

The Group's financial assets are classified into loans and receivables and available-for-sale financial assets. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets under a contract whose terms require delivery of assets within the time frame established by regulation or convention in the marketplace. The accounting policies adopted in respect of each category of financial assets are set out below.

3. 主要會計政策概要 (續)

持作出售之開發中物業

為日常業務過程中將於未來出售而開發之開發中物業乃按成本或可變現淨值兩者間之較低者計入流動資產。其包括物業開發所直接應佔之發展開支之代價(包括土地使用權成本、建築成本及資本化利息)。

金融工具

倘集團實體成為工具合約條文之訂約方，則於綜合財務狀況表中確認金融資產及金融負債。金融資產及金融負債初步按公允值計量。因收購或發行金融資產及金融負債(按公允值計入損益之金融資產及金融負債除外)而直接產生之交易成本，於初步確認時加入金融資產或金融負債(如適用)之公允值或自金融資產或金融負債(如適用)之公允值扣除。因收購按公允值計入損益之金融資產及金融負債而直接產生之交易成本即時於損益表確認。

金融資產

本集團之金融資產乃分類為貸款及應收款項及可供出售金融資產。所有金融資產之日常買賣於交易日確認及終止確認。日常買賣指有關合約條款訂明須根據市場規則或慣例訂定之時限內交付資產之金融資產買賣。就各類金融資產所採納之會計政策載列如下。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

The Group assesses, at the end of each reporting period, whether there is any objective evidence that the financial asset is impaired. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset that can be reliably estimated. Evidence of impairment may include, but not be limited to: significant financial difficulty of the debtor; a breach of contract, such as a default or delinquency in interest or principal payments; the granting of a concession to a debtor due to financial difficulties; and it becoming probable that the debtor will enter bankruptcy or any other financial reorganisation.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At each reporting date subsequent to initial recognition, loans and receivables (including trade and other receivables and bank balances) are carried at amortised cost using the effective interest method, less any identified impairment loss.

An impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. The carrying amount of financial asset is reduced through the use of an allowance account. When any part of financial asset is determined as uncollectible, it is written off against the allowance account for the relevant financial asset.

3. 主要會計政策概要 (續)

金融工具 (續)

金融資產 (續)

本集團於各個報告期末評估是否存在客觀跡象顯示金融資產出現減值。倘於初步確認資產後發生一項或多項事件導致存在客觀減值跡象，而該項事件對金融資產之估計未來現金流量造成之影響能夠可靠地估計，則有關金融資產出現減值。減值跡象包括但不僅限於以下各項：債務人出現重大財政困難；違反合約，如逾期交付或拖欠支付利息或本金；由於財政困難而給予債務人優惠條件；及債務人有可能破產或進行其他財務重組。

貸款及應收款項

貸款及應收款項為附帶固定或可釐定付款之非衍生金融資產，且並無活躍市場報價。於初步確認後之各報告日期，貸款及應收款項（包括應收貿易賬款及其他應收款項以及銀行結餘）乃採用實際利息法按攤銷成本，減任何已識別減值虧損列賬。

倘客觀證據顯示資產出現減值，則減值虧損會於損益表確認，並會按資產賬面值與按原實際利率貼現估計未來現金流量之現值兩者之差額計算減值虧損。金融資產通過使用撥備賬戶抵減其賬面金額。如果金融資產的任何部份被視為不可收回，則應就有關金融資產與撥備賬戶進行撇銷。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Loans and receivables (Continued)

Impairment loss is reversed in subsequent periods when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investments. At each reporting date subsequent to initial recognition, available-for-sale financial assets are measured at fair value. Changes in fair value are recognised in other comprehensive income, except for impairment losses and foreign exchange gains and losses on monetary instruments, which are recognised in profit or loss.

When the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously recognised in other comprehensive income is recognised in the profit or loss.

For available-for-sale financial assets that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments, they are measured at cost less any identified impairment loss at the end of each reporting period subsequent to initial recognition. The amount of the impairment loss is measured as the difference between the carrying amount of the asset and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss is not reversed.

3. 主要會計政策概要 (續)

金融工具 (續)

金融資產 (續)

貸款及應收款項 (續)

倘資產可收回金額之增幅能客觀地指出涉及確認減值後所發生之事件，則減值虧損會於其後期間撥回，惟減值撥回當日之資產賬面值不得超逾如無確認減值時原應攤銷之成本。

可供出售金融資產

可供出售金融資產為非衍生項目，不論是否劃分為按公允值計入損益之金融資產、貸款及應收款項或持有至到期之投資。於初步確認後各報告日期，可供出售金融資產按公允值計算。公允值之變動於其他全面收益予以確認，惟貨幣工具之減值虧損及匯兌損益於損益中確認除外。

當該金融資產被出售或確定出現減值，過往於其他全面收益中確認之累計收益或虧損會於損益表予以確認。

在活躍市場並無市場報價及無法可靠地計量公允值之可供出售金融資產，以及與該有關無報價股本工具掛鈎及必須以交付無報價股本工具方式償付之衍生工具，於初步確認後按成本扣除各個報告期末之任何已識別減值虧損計量。減值虧損金額按資產賬面值與按類似金融資產之現行市場回報率折現估計未來現金流量之現值間之差額計算。有關減值虧損不會撥回。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Available-for-sale financial assets (Continued)

For available-for-sale equity investments, any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income. If, in a subsequent period, the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in the profit or loss, the impairment loss shall be reversed, with the amount of the reversal recognised in the profit or loss.

For financial assets other than financial assets at fair value through profit or loss and trade receivables that are stated at amortised cost, impairment loss is written off against the corresponding assets directly. Where the recovery of trade receivables is considered doubtful but not remote, the impairment loss for doubtful receivables is recorded using an allowance account. When the Group is satisfied that recovery of the trade receivables is remote, the amount considered irrecoverable is written off against trade receivables directly and any amounts held in the allowance in respect of that receivable 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 the profit or loss.

Financial liabilities and equity

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

3. 主要會計政策概要 (續)

金融工具 (續)

金融資產 (續)

可供出售金融資產 (續)

就可供出售股本投資而言，任何於減值虧損後上升的公允值於其他全面收入內確認。倘於後續期間，分類為可供出售的債務工具的公允值上升，而有關上升客觀地與減值虧損於損益內確認後發生的事件有關連，則減值虧損應予撥回，而撥回金額將於損益內確認。

金融資產（透過損益表按公允值計量之金融資產除外）及應收貿易賬款（按攤銷成本列賬）之減值虧損直接於相關資產撇銷。倘應收貿易賬款被視為可疑而並非微乎其微，則應以撥備賬記錄應收款項呆賬之減值虧損。當本集團信納回收應收貿易賬款之機會微乎其微，視為不可收回金額則直接於應收貿易賬款中撇銷，而撥備內有關應收款項之任何金額則予回撥。其後收回先前計入撥備賬之金額則於撥備賬撥回。撥備賬內其他變動及其後回撥早前直接撇銷金額於損益表中確認。

金融負債及股本權益

由集團實體發行之金融負債及股本權益工具按所訂立之合約安排性質，以及金融負債及股本權益工具之定義而分類。股本權益工具為證明集團資產剩餘權益（經扣除其所有負債）之任何合約。就金融負債及股本權益工具而採納之會計政策載列如下。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Bank borrowings

Interest-bearing bank loans and overdrafts are initially recognised at fair value, and are subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs.

Other financial liabilities

Other financial liabilities including trade and other payables are initially recognised at fair value and are subsequently measured at amortised cost, using the effective interest method.

Equity instruments

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

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised directly in equity is recognised in the profit or loss.

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

3. 主要會計政策概要 (續)

金融工具 (續)

金融負債及股本權益 (續)

銀行借款

計息銀行借款及透支初步按公允價值確認，其後以實際利息法按攤銷成本計算。所得款項（經扣除交易成本）與償還或贖回借款之間的差額於借款年期根據本集團有關借款成本之會計政策確認。

其他金融負債

其他金融負債包括應付貿易賬款及其他應付款項，初步按公允價值確認，其後以實際利息法按攤銷成本計算。

股本權益工具

本公司發行之股本權益工具乃按已收所得款項扣除直接發行成本予以記錄。

取消確認

當收取資產現金流量之權利屆滿或金融資產被轉讓及本集團已將金融資產之所有權之絕大部份風險及回報轉讓，則金融資產將被取消確認。於取消確認金融資產時，資產賬面值與已收取代價及直接於股本中確認之累計收益或虧損總和間之差額於損益表中確認。

當有關合約中訂明之責任已解除、註銷或屆滿時，則金融負債將被取消確認。取消確認之金融負債之賬面值與已付及應付代價間之差額於損益表中確認。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Borrowing costs

Borrowing costs attributable directly to the acquisition, construction or production of assets which require a substantial period of time to be ready for their intended use or sale, are capitalised as part of the cost of those assets. Income earned on temporary investments of specific borrowings pending their expenditure on those assets is deducted from borrowing costs capitalised. All other borrowing costs are recognised in the profit or loss in the period in which they are incurred.

Inventories

Inventories are initially recognised at cost, and subsequently at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the first-in, first-out method. Net realisable value represents 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.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash in hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle that obligation and a reliable estimate of the amount of the obligation can be made. Provisions are measured at the Director's best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.

3. 主要會計政策概要 (續)

借貸成本

直接因收購、建築或生產須一段時間方能用作其擬定用途或出售之資產借貸成本，乃資本化為該等資產之一部份成本。將待用於該等資產之特定借貸作短期投資所賺取之收入，會於資本化借貸成本中扣除。所有其他借貸成本於彼等產生期間在損益表確認。

存貨

存貨初步按成本確認，其後按成本或可變現淨值兩者之較低者入賬。成本包括直接原料及（如適用）直接成本及使存貨達至目前地點及狀況所需之間接成本。成本乃採用先進先出法計算。可變現淨值指於日常業務過程中之估計售價，減完成產品之估計成本及促銷售所需估計成本。

現金及現金等值

就綜合現金流量表而言，現金及現金等值包括手頭現金及活期存款，以及可隨時轉換為已知數額現金、承受價值變動風險甚微以及一般於購入時三個月內到期之短期高流通性投資，該等金額扣除須應要求償還之銀行透支及作為本集團現金管理之一個完整部份。

撥備及或然負債

當本集團因過往事件而擁有現有責任（法定或推定），而履行該責任將需要付出經濟效益且責任的金額能夠可靠估計，則會就付款時間或金額不定之負債確認撥備。撥備乃按董事對於報告日期就履行責任所需開支所作之最佳估計計量，倘屬影響重大者，則貼現至現值。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Provisions and contingent liabilities (Continued)

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, the existence of which 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.

Impairment of assets

At the end of each reporting period, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount unless the relevant asset is carried at a revalued amount under the Group's accounting policy. The recoverable amount is the higher of fair value, reflecting market conditions less costs to 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 assessment of time value of money and the risk specific to the asset. An impairment loss is recognised as an expense immediately.

For the purposes of assessing impairment, where an asset does not generate cash inflows largely independent from those from other assets, the recoverable amount is determined for the smallest group of assets that generate cash inflows independently (i.e. a cash-generating unit). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

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

3. 主要會計政策概要 (續)

撥備及或然負債 (續)

如果經濟利益外流的可能性較低，或無法對有關數額作出可靠的估計，便會披露為或有負債，但經濟利益外流的可能性極低者則除外。當潛在責任之存在僅能以一宗或數宗未來事項發生或不發生來證實，除非付出經濟利益之可能性極小，否則亦披露為或然負債。

資產減值

於各個報告期間結束時，本集團審核其資產之賬面值，以決定是否有顯示該等資產出現減值虧損。倘一項資產之可收回金額估計少於其賬面值，則該資產之賬面值將調低至其可收回金額，除非相關資產乃根據本集團之會計政策按重估金額列賬。可收回金額為公允值（反映市況減銷售成本）與使用價值兩者之較高者。評估使用價值時，估計未來現金流量使用反映現時市場估計貨幣時間價值之稅前折現率及資產特定風險折現為現值。減值虧損即時確認為支出。

就評估減值而言，倘一項資產並未產生主要獨立於其他資產所產生者之現金流入，則就獨立產生現金流入之最小資產組合（即現金產生單位）釐定可收回金額。因此，若干資產單獨進行減值測試，而若干資產則按現金產生單位水平進行減值測試。

倘其後將減值虧損撥回，該資產之賬面值須增至其可收回金額之經修訂估計值，使已增加之賬面值不會超過倘若過往期間並無確認有關資產之減值虧損而應釐定之賬面值。減值虧損撥回即時確認為收入。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

Income taxes for the year comprise current tax and deferred tax.

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

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

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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

3. 主要會計政策概要 (續)

所得稅

年內所得稅包括即期稅項及遞延稅項。

即期稅項乃根據日常活動損益，並就所得稅屬不可評稅或不可扣稅的項目作出調整而定，以及按報告期末已頒佈或實際上頒佈的稅率計算。

遞延稅項乃就以財務報告為目的之資產及負債賬面值與以稅務為目的之相應金額之間的暫時差異獲確認。除不會影響會計或應課稅利潤的商譽以及已確認資產及負債外，遞延稅項負債將就所有應課稅暫時差異獲確認。倘於能動用應課稅利潤抵銷可扣除暫時差異，遞延稅項將獲確認。遞延稅項乃按適用於資產或負債的賬面值獲變現或清償的預期方式，且報告期末已頒佈或實際上頒佈的稅率計量。

除本集團可控制撥回暫時差異以及暫時差異於可見將來不會撥回之外，遞延稅項負債乃為投資於附屬公司及聯營公司所產生的應課稅暫時差異而確認。

除非所得稅與已於其他全面收益內確認的項目有關，而稅項亦已於其他全面收益內確認，或所得稅與直接於權益內確認的項目有關，而稅項亦已直接於權益內確認，否則所得稅乃於損益內確認。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies

In preparing the financial statements of each individual Group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in the profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income, in which case, the exchange differences are also recognised in other comprehensive income.

3. 主要會計政策概要 (續)

外幣

於編製各獨立集團實體之財務報表時，以該實體之功能貨幣以外之貨幣（外幣）進行之交易乃按各自之功能貨幣（即實體主要經營之經濟環境之貨幣）以交易當日之現行匯率記錄。於各報告期末，以外幣列值之貨幣項目以報告日期之現行匯率重新換算。按公允值入賬且以外幣列值之非貨幣項目乃按釐定公允值當日之現行匯率重新換算。按以外幣歷史成本計量之非貨幣項目不予重新換算。

結算貨幣項目及換算貨幣項目時所產生之匯兌差額會於其產生期間在損益確認。因重新換算以公允值列賬之非貨幣項目所產生之匯兌差額則計入期內損益，除非因重新換算非貨幣項目所產生之差額的損益已於其他全面收益內確認，在該情況下，匯兌差額亦於其他全面收益內確認。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies (Continued)

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) at the rate of exchange prevailing at that date, and their income and expenses are translated at the average monthly exchange rates for the period, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised as a separate component of other comprehensive income (the translation reserve). Such exchange differences are recognised in the profit or loss in the period in which the foreign operation is disposed of.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation on or after 1 January 2005 have been treated as assets and liabilities of the foreign operation and translated in Hong Kong dollars at the end of reporting period. Exchange differences arising are recognised in the translation reserve.

Leases

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

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

3. 主要會計政策概要 (續)

外幣 (續)

就呈報綜合財務報表而言，本集團海外業務之資產及負債均按當日之現行匯率換算為本集團之呈報貨幣（即港元），而其收支則按期內月度平均匯率換算，除非匯率於該段期間內大幅波動則作別論，在該情況下，則採用交易當日之現行匯率，而所產生之匯率差額（如有）會確認為其他全面收益中之獨立部份（匯兌儲備）。該等匯兌差額於出售海外業務之期間在損益表確認。

因於二零零五年一月一日或之後收購境外業務而產生之商譽及公允值調整已作為境外業務之資產及負債處理，並已於報告期結束時換算為港元。所產生匯兌差額於換算儲備中確認。

租賃

倘本集團認定某項安排具有在協定期限內通過支付一筆或一系列款項而使用某一特定資產或多項資產之權利，則該安排（由一宗交易或一系列交易組成）屬於租賃或包括租賃。該釐定乃根據安排之內容評估而作出，而不論安排是否具備租賃之法律形式。

凡租賃條款規定將擁有權之絕大部份風險及回報轉讓予承租人之租約，均分類為融資租賃。而所有其他租賃則分類為經營租賃。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (Continued)

Prepaid land lease payments under operating leases

Leasehold interests in land are up-front payments to acquire the land use rights. The payments are stated at cost less accumulated amortisation and any impairment loss. Amortisation is calculated on the straight-line basis to write off the up-front payments over the lease terms.

The Group as lessee

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight-line basis.

Assets held under finance leases are recognised as assets of the Group at fair values at inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Subsequent accounting for assets held under finance lease agreements corresponds to those applied to comparable acquired assets. Finance charges are charged directly to the profit or loss.

3. 主要會計政策概要 (續)

租賃 (續)

經營租賃項下之預付土地租賃款項有關土地之土地租賃權益指收購土地使用權之預付款項。有關款項按成本減累計攤銷及任何減值虧損列賬。攤銷於租賃期內以直線法計算以撇銷預付款項。

本集團作為承租人

經營租賃之應付租金按直線法於有關租賃期內在損益扣除。為吸引訂立經營租賃而收取及應收之利益，按直線法於租期內確認為租金開支之扣減項目。

根據融資租賃持有之資產乃於租約開始時按公允值或最低租賃款項之現值（以較低者為準）確認為本集團資產。出租人之相應負債以融資租賃承擔計入綜合財務狀況表。租賃款項乃於融資費用與減少租賃承擔之間作出分配，致使負債之餘額維持穩定之利率。根據融資租賃協議持有之資產之其後會計處理與可資比較自購資產所採用之會計處理相同。融資費用乃直接於損益表扣除。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Intangible assets (other than goodwill)

License acquired separately are initially recognised at cost. The cost of license acquired in a business combination is its fair value at the date of acquisition. Subsequently, intangible assets with indefinite useful lives are carried at cost less any accumulated impairment losses.

Impairment

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

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount.

An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as revaluation decrease to the extent of its revaluation surplus.

3. 主要會計政策概要 (續)

無形資產 (商譽除外)

獨立收購之牌照初步按成本確認。於業務合併中購入之牌照成本為於收購日期之公允值。其後，無限可使用年期之無形資產按成本減任何累計減值虧損列賬。

減值

當有跡象顯示一項資產可能出現減值，則會對有限年期的無形資產進行減值測試。無限可使用年期之無形資產及尚未可供使用之無形資產每年進行減值測試，而不論該等無形資產是否已出現任何減值跡象。無形資產乃透過比較其賬面值與可收回金額進行減值測試。

倘估計資產之可收回金額少於其賬面值，則該項資產之賬面值將減少至其可收回金額。

減值虧損即時確認為開支，除非相關資產按重估金額列賬，在此情況下，減值虧損會視作重估調減處理，以其重估盈餘為限。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Retirement benefits costs

Payments to the defined contribution retirement plans are charged as expenses when employees have rendered services entitling them to contributions.

The Group operates a defined contribution retirement benefits scheme under the Mandatory Provident Fund Schemes Ordinance (the "MPF Scheme"), for employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to the profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme, except for the Group's employer voluntary contributions, which are refunded to the Group when the employee leaves employment prior to the contributions vesting fully, in accordance with the rules of the MPF Scheme.

The employees of the Company's subsidiary which operates in Mainland China are required to participate in a central pension scheme operated by the local municipal government. The subsidiary is required to contribute a certain percentage of its payroll costs to the central pension scheme. The contributions are charged to the profit or loss as they become payable in accordance with the rules of the central pension scheme.

Related parties

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

3. 主要會計政策概要 (續)

退休福利成本

定額供款退休計劃之付款於當僱員提供服務使其有權取得供款時支銷。

本集團根據強制性公積金計劃條例，為合資格參與強積金計劃（「強積金計劃」）之僱員推行定額供款退休福利計劃。按照強積金計劃之規定，供款額須按僱員基本薪金之百分比計算，並於應付時在損益表扣除。強積金計劃之資產由獨立管理基金與本集團資產分開持有。本集團僱主之供款於向強積金計劃作出供款時全面歸屬予僱員，惟本集團僱主之自願性供款除外。按照強積金計劃之規定，當僱員於自願性供款全面歸屬前離職，該筆供款將退還予本集團。

本公司在中國大陸經營之附屬公司所聘僱員，須參與由地方市政府籌辦之中央退休金計劃。附屬公司須將其薪金成本之若干百分比撥出作為中央退休金計劃之供款。根據中央退休金計劃之規定，供款將於應付時在損益表扣除。

關聯方

- (a) 倘任何個人符合以下條件，則該名個人或該名個人近親家屬成員為本集團之關聯方：
- (i) 控制或共同控制本集團；
 - (ii) 對本集團擁有重大影響力；或
 - (iii) 為本集團或本公司之母公司中主要管理人員成員。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Related parties (Continued)

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

3. 主要會計政策概要 (續)

關聯方 (續)

- (b) 倘下列任何條件對其適用，則該實體為本集團之關聯方：
- (i) 該實體與本集團屬同一集團（指一方之母公司、附屬公司及同系附屬公司與另一方存在關聯）成員公司。
 - (ii) 一家實體為另一實體之聯營公司或合營企業（或另一實體其中成員公司之集團成員公司之聯營公司或合營企業）。
 - (iii) 兩家實體均為同一第三方之合營企業。
 - (iv) 一家實體為第三方實體之合營企業而另一實體為該第三方實體之聯營公司。
 - (v) 該實體乃為本集團或與本集團有關聯之實體之僱員福利設立之退休福利計劃。
 - (vi) 該實體由(a)所界定人士控制或共同控制。
 - (vii) (a) (i)所界定人士對該實體具有重大影響力或為該實體（或該實體之母公司）之主要管理人員成員。
 - (viii) 實體、或一間集團之任何成員公司（為集團之一部份）向本集團或本集團之母公司提供主要管理服務。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Related parties (Continued)

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

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

Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Group's executive Director.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the Group's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results differ from these estimates.

3. 主要會計政策概要 (續)

關聯方 (續)

個人之近親家屬成員指於其與實體進行交易時，預期可影響該人士或受該人士影響之家屬成員，包括：

- (i) 該人士之子女及配偶或家庭伴侶；
- (ii) 該人士配偶或家庭伴侶之子女；及
- (iii) 該人士或該人士配偶或家庭伴侶之受養人。

分類呈報

經營分類按與呈交主要經營決策人的內部報告一致的方式呈報。主要經營決策人已獲確認為本集團的執行董事，彼負責分配經營分類的資源及評估經營分類的表現。

4. 重大會計估計及判斷

於應用本集團的會計政策時，董事須就尚未見於其他來源的資產及負債的賬面值作出判斷、估計及假設。估計及相關假設乃基於過往經驗及其他被視為相關的因素。實際結果與該等假設有所不同。

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4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

The estimates and underlying assumptions are reviewed on an ongoing basis. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Inventories

Inventories are measured at the lower of cost and net realisable value. The management of the Group reviews the carrying amount of the inventories at the end of each reporting period, and makes allowance for any inventory items identified to be carried at a recoverable value that is lower than cost through estimation of the expected selling prices under current market conditions.

Impairment of properties under development held for sale

Management assessed the recoverability of the amount based on an estimation of the net realisable value of the underlying properties which involves, inter-alia, considerable analysis of current market price of properties of a comparable standard and location, construction costs to be incurred to complete the development based on existing asset structure and a forecast of future sales based on zero growth rate of property price. If the actual net realisable values of the underlying properties are more or less than expected as a result of change in market condition and/or significant variation in the budgeted development costs, material reversal of or provision for impairment losses may result.

4. 重大會計估計及判斷 (續)

估計及相關假設按持續基準檢討。下文詳述具有引致資產及負債賬面值於下個財政年度大幅調整的重大風險的估計及假設。

存貨

存貨按成本或可變現淨值兩者中之較低者計量。本集團管理層於各個報告期末審閱存貨之賬面值，並根據目前市況估計預期售價，就確認為賬面值低於成本之可收回價值之存貨項目計提撥備。

持作出售之開發中物業減值

管理層根據對相關物業之可變現淨值之估計，對金額之可收回程度進行評估，當中涉及（其中包括）對相約標準及地點之物業現行市價、基於現有資產結構完成發展之建築成本以及根據物業價格零增長率之未來銷售預測進行大量分析。倘由於市場狀況之變化及／或預算開發成本之重大變化，導致相關物業之實際可變現淨值大於或小於預期，則可能導致減值虧損之重大撥回或撥備產生。

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

Impairment of assets

Management periodically reviews each asset for possible impairment or reversal of previously recognised impairment. The recoverable amount of an asset is the higher of its fair value less costs to sell and value in use. If such assets are considered by management to be impaired or impairment recognised is no longer required, the impairment required or reversal of impairment previously recognised is measured by the amount by which the carrying amount of the assets exceeds or exceeded by the estimated recoverable amount of the assets respectively. In determining the recoverable amount, the Group seeks professional advice or makes use of independent professional valuations as appropriate which are based on various assumptions and estimates.

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill at 31 December 2017 was HK\$38,611,000 (2016: Nil). Further details are given in note 17 to the consolidated financial statements.

Impairment of trade and loans receivables

Management assesses the recoverability of the trade and loans receivables based on the estimate on the debtor's financial status and their ability to repay their obligations when they fall due. Judgment is required in assessing the ultimate realisation of these receivables, and the financial conditions of the debtors may undergo adverse changes since the last management evaluation. If the financial conditions of the debtors were to deteriorate, resulting in an impairment of their ability to make payments, additional provision may be required in future accounting periods.

4. 重大會計估計及判斷 (續)

資產減值

管理層須定期檢討各項資產有否出現減值或以往確認之減值是否需要撥回。資產之可收回金額為公允值(減銷售成本)與使用價值兩者之較高者。倘該項資產被管理層評定為已減值或不再存在減值,則所需減值或先前已確認減值撥回乃分別按資產賬面值超出資產之估計可收回金額或資產估計可收回金額超出資產賬面值金額計量。於釐定可收回金額時,本集團尋求專業建議或使用多項假設及估計之適當獨立專業估值。

商譽減值

本集團至少按年度基準釐定商譽是否出現減值。該過程需要估計獲分配商譽之現金產生單位之使用價值。本集團須於估計使用價值時對現金產生單位之預期未來現金流量作出估計,亦須選用合適之貼現率以計算該等現金流量之現值。於二零一七年十二月三十一日,商譽之賬面值為38,611,000港元(二零一六年:無)。進一步詳情載於綜合財務報表附註17。

應收貿易賬款及貸款減值

管理層根據對債務人財務狀況以及其償還到期債務之能力之估計評估應收貿易賬款及貸款之可收回性。評估此等應收賬款之最終變現須作出判斷,而債務人之財政狀況可能自管理層上一次評估以來出現不利變動。倘債務人之財政狀況轉壞而引致其付款能力受損,則可能須於未來會計期間作出額外撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2017
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5. REVENUE AND SEGMENT INFORMATION

The Group's segment information is based on regular internal financial information reported to the Company's executive directors and management for their decisions about resources allocation to the Group's business components and their review of these components' performance. During the year, the Group has acquired nursery education business, money lending business, property development business and regulated financial services business which have been identified as reportable segments.

The Group currently has five reportable segments. These segments are managed separately as each business offers different products and services and requires different business strategies as follows: (i) manufacture of consumer electronics products; (ii) provision of nursery education service; (iii) money lending business; (iv) property development business; and (v) regulated financial services business.

5. 收益及分類資料

本集團之分類資料乃根據呈報予本公司執行董事及管理層以供其決定本集團業務組成部份之資源分配及評估該等組成部份之表現之定期內部財務資料編製。本年度，本集團收購幼兒教育業務、放債業務、物業發展業務及受監管金融服務業務，以上業務均被識別為可報告分類。

本集團目前有五個可報告分類。獨立管理分類，原因是各業務提供不同產品及服務，並需要不同業務策略如下：(i)消費電子產品製造；(ii)提供幼兒教育服務；(iii)放債業務；(iv)物業發展業務；及(v)受監管金融服務業務。

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綜合財務報表附註

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

5. REVENUE AND SEGMENT INFORMATION

(Continued)

Revenue represents the total invoiced value of goods supplied less discounts and returns; tuition fees received and receivable for tuition services rendered; interest income from financial assets and professional fee received and receivable for regulated financial services provided. The totals presented for the Group's operating segments reconcile to the Group's key financial figures as presented in the financial statements as follows:

5. 收益及分類資料 (續)

收益指所供應貨物之發票總值減去折扣及退貨；已收學費及就所提供教育服務之應收款項；金融資產之利息收入及就所提供受監管金融服務已收及應收之專業費用。本集團經營分類所呈報總額與本集團於財務報表內呈報之主要財務數據對賬詳情如下：

| | | Consumer electronics products | Nursery education | Money lending | Property development | Regulated financial services | Total |
|--|--------------|-------------------------------------|----------------------|------------------|-------------------------|------------------------------------|----------|
| | | 消費電子產品 | 幼兒教育 | 放債 | 物業發展 | 受監管 金融服務 | 總計 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| 2017 | 二零一七年 | | | | | | |
| Segment revenue | 分類收益 | 200,404 | 5,188 | 934 | - | - | 206,526 |
| Inter-segment revenue | 分類間收益 | - | - | - | - | 1,100 | 1,100 |
| Reportable segment revenue | 可報告分類收益 | 200,404 | 5,188 | 934 | - | 1,100 | 207,626 |
| Segment profit/(loss) | 分類溢利/(虧損) | 834 | (2,389) | (226) | (3,065) | 30 | (4,816) |
| Other information: | 其他資料: | | | | | | |
| Additions to segment non-current assets | 添置之分類非流動資產 | 878 | 2,172 | - | 749 | - | 3,799 |
| Net finance credit | 融資抵免淨額 | (48) | (2) | - | (101) | - | (151) |
| Depreciation of property, plant and equipment | 物業、廠房及設備之折舊 | 1,311 | 287 | - | 48 | 1 | 1,647 |
| Income tax expense/(credit) | 所得稅開支/(抵免) | 472 | - | - | (1,222) | - | (750) |
| Reversal of impairment loss on trade receivables | 應收貿易賬款減值虧損撥回 | (159) | - | - | - | - | (159) |
| Impairment loss on inventories | 存貨減值虧損 | 992 | - | - | - | - | 992 |
| 2016 | 二零一六年 | | | | | | |
| Segment revenue | 分類收益 | 141,267 | - | - | - | - | 141,267 |
| Segment profit | 分類溢利 | 5,545 | - | - | - | - | 5,545 |
| Additions to segment non-current assets | 添置之分類非流動資產 | 1,813 | - | - | - | - | 1,813 |
| Net finance credit | 融資抵免淨額 | (393) | - | - | - | - | (393) |
| Depreciation of property, plant and equipment | 物業、廠房及設備之折舊 | 1,035 | - | - | - | - | 1,035 |
| Income tax expense | 所得稅開支 | 1,010 | - | - | - | - | 1,010 |
| Impairment loss on trade receivables | 應收貿易賬款減值虧損 | 174 | - | - | - | - | 174 |
| Reversal of impairment loss on inventories | 存貨減值虧損撥回 | (1,778) | - | - | - | - | (1,778) |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

5. REVENUE AND SEGMENT INFORMATION

(Continued)

5. 收益及分類資料 (續)

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|---|--------------|----------------------------------|----------------------------------|
| Reportable segment (loss)/profit | 可報告分類(虧損)/溢利 | (4,816) | 5,545 |
| Share of results of an associate | 應佔一間聯營公司之業績 | 54,122 | 16,333 |
| Other net gains | 其他收益淨額 | 58,210 | 172 |
| Unallocated corporate costs (note) | 未分配企業成本(附註) | (28,854) | (15,729) |
| Unallocated corporate net finance credit | 未分配企業融資抵免淨額 | 386 | 1,442 |
| Profit before tax | 除稅前溢利 | 79,048 | 7,763 |

Note:

The unallocated corporate costs mainly comprise staff cost (including Directors' remuneration), legal and professional fee, exchange differences and office rental.

附註：

未分配企業成本主要包括員工成本(包括董事酬金)、法律及專業費用、匯兌差額及辦公室租金。

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|--|----------------|----------------------------------|----------------------------------|
| Segment assets | 分類資產 | | |
| Consumer electronics products | 消費電子產品 | 114,998 | 101,773 |
| Nursery education | 幼兒教育 | 131,731 | - |
| Money lending | 放債 | 59,413 | - |
| Property development | 物業發展 | 600,633 | - |
| Regulated financial services | 受監管金融服務 | 14,125 | - |
| Total reportable segment assets | 可報告分類資產總額 | 920,900 | 101,773 |
| Interest in an associate | 於一間聯營公司之權益 | 221,648 | 155,317 |
| Available-for-sale financial assets | 可供出售金融資產 | 25,010 | - |
| Prepayments, deposits and other receivables | 預付款項、按金及其他應收款項 | 87,139 | 5,923 |
| Elimination of inter-segment receivables | 對銷分類間應收款項 | (150) | - |
| Unallocated corporate assets (note) | 未分配企業資產(附註) | 3,002 | 270,750 |
| Total assets | 資產總值 | 1,257,549 | 533,763 |

Note:

The unallocated corporate assets mainly represents cash and bank balances retained at corporate level.

附註：

未分配企業資產主要為保留於企業層面的現金及銀行結餘。

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5. REVENUE AND SEGMENT INFORMATION

(Continued)

5. 收益及分類資料 (續)

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|--|----------------------|----------------------------------|----------------------------------|
| Segment liabilities | 分類負債 | | |
| Consumer electronics products | 消費電子產品 | 58,214 | 48,533 |
| Nursery education | 幼兒教育 | 23,593 | – |
| Money lending | 放債 | 259 | – |
| Property development | 物業發展 | 90,729 | – |
| Regulated financial services | 受監管金融服務 | 1,594 | – |
| | | | |
| Total reportable segment liabilities | 可報告分類負債總額 | 174,389 | 48,533 |
| Deferred tax liabilities | 遞延稅項負債 | 9,289 | 1,704 |
| Elimination of inter-segment payables | 對銷分類間應付款項 | (150) | – |
| Other payables-non-current (note 23) | 其他應付款項—非流動 (附註23) | 117,693 | – |
| Unallocated corporate liabilities (note) | 未分配企業負債(附註) | 24,982 | 13,480 |
| | | | |
| Total liabilities | 負債總額 | 326,203 | 63,717 |

Note:

The unallocated corporate liabilities mainly represents amount due to a shareholder and accrued corporate expenses.

附註:

未分配企業負債主要為應付股東款項及應計企業開支。

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5. REVENUE AND SEGMENT INFORMATION

(Continued)

Geographical information

The following provides an analysis of the Group's revenue from external customers by geographical market, irrespective of the origin of the goods:

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|--|--|----------------------------------|----------------------------------|
| The People's Republic of China ("PRC") 中華人民共和國(「中國」) | | | |
| Mainland China 中國大陸 | | 6,525 | 700 |
| Hong Kong (place of domicile) 香港(註冊地點) | | 2,191 | 151 |
| | | 8,716 | 851 |
| United States of America ("US") 美利堅合眾國(「美國」) | | 156,206 | 104,447 |
| United Kingdom 英國 | | 19,768 | 16,586 |
| Europe 歐洲 | | 12,778 | 13,055 |
| Others 其他 | | 9,058 | 6,328 |
| | | 206,526 | 141,267 |

Information about major customers

For the year ended 31 December 2017, revenue from two customers (2016: three customers) of the manufacture of customer electronics products segment with whom transactions have exceeded 10% of the Group's revenue for the year as detailed below:

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|----------------|--|----------------------------------|----------------------------------|
| Customer A 客戶A | | 80,058 | 54,641 |
| Customer B 客戶B | | 52,642 | 50,006 |
| Customer C 客戶C | | N/A 不適用 | 23,202 |
| | | 132,700 | 127,849 |

5. 收益及分類資料 (續)

地區資料

下表提供本集團按地區市場劃分(不論貨物之來源)的來自外部客戶之收益分析:

有關主要客戶的資料

截至二零一七年十二月三十一日止年度,來自消費電子產品製造分類兩名客戶(二零一六年:三名客戶)的交易收益超過本集團年內收益的10%,詳情如下:

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

6. OTHER NET GAINS

6. 其他收益淨額

| | | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|---|---------------|------------|----------------------------------|----------------------------------|
| | | Note 附註 | | |
| Interest on bank deposit and balances | 銀行存款及結餘之利息 | | 760 | 1,844 |
| Gain on disposal of property, plant and equipment | 出售物業、廠房及設備之收益 | | - | 76 |
| Loss on disposal of subsidiaries | 出售附屬公司之虧損 | 31 | (1,110) | - |
| Gain on bargain purchase of subsidiaries | 議價收購附屬公司之收益 | 30 | 60,190 | - |
| Others | 其他 | | 3,528 | 1,389 |
| | | | 63,368 | 3,309 |

7. FINANCE COSTS

7. 財務成本

| | | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|--|--------------------|--|----------------------------------|----------------------------------|
| Interest on bank borrowings and bank overdrafts and other borrowings | 銀行借款及銀行透支以及其他借款之利息 | | 223 | 9 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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截至二零一七年十二月三十一日止年度

8. PROFIT BEFORE TAX

Profit before tax has been arrived at after charging/(crediting):

8. 除稅前溢利

除稅前溢利乃於扣除／（計入）以下各項後達致：

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|---|---------------------|----------------------------------|----------------------------------|
| Staff costs including Directors' emoluments: | 員工成本（包括董事酬金）： | | |
| Directors' emoluments (note 9) | 董事酬金（附註9） | 11,645 | 3,060 |
| Staff salaries, allowance and welfare | 員工薪酬、津貼及福利 | 31,933 | 24,152 |
| Retirement benefit scheme contributions | 退休福利計劃供款 | 2,706 | 2,049 |
| Total employee costs | 僱員成本總額 | 46,284 | 29,261 |
| Auditors' remuneration | 核數師酬金 | 1,230 | 922 |
| Cost of inventories recognised as expenses | 確認為支出之存貨成本 | 156,556 | 122,268 |
| Depreciation of property, plant and equipment | 物業、廠房及設備之折舊 | 2,037 | 1,327 |
| Exchange (gain)/losses | 匯兌（收益）／虧損 | (91) | 2,037 |
| Minimum lease payment in respect of rented premises | 租賃物業之最低租賃款項 | 6,856 | 2,666 |
| (Reversal of impairment loss)/ impairment loss on trade receivables | 應收貿易賬款（減值虧損撥回）／減值虧損 | (159) | 174 |
| Impairment loss/(reversal of impairment loss) on inventories | 存貨減值虧損／（減值虧損撥回） | 992 | (1,778) |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

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

9. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

The emoluments paid or payable to each of the Directors are as follows:

For the year ended 31 December 2017

9. 董事及僱員酬金

已付或應付各董事之酬金如下：

截至二零一七年十二月三十一日止年度

| | | Fees | Basic salaries and allowances 基本薪金 袍金 及津貼 | Bonuses 紅利 | Benefits in kind 實物福利 | Retirement benefit scheme contributions 退休福利計劃供款 | Total 總計 |
|--|-------------------------------------|-----------------|---|-----------------|--------------------------|---|-----------------|
| | | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 |
| Executive Directors: | | 執行董事： | | | | | |
| Ms. Yeung So Lai (appointed on 25 January 2017) | 楊素麗女士 (於二零一七年一月二十五日獲委任) | 224 | 5,532 | 275 | - | 26 | 6,057 |
| Mr. Lee Chi Shing Caesar (appointed on 25 January 2017) | 李志成先生 (於二零一七年一月二十五日獲委任) | 224 | 3,473 | 225 | 779 | 26 | 4,727 |
| Ms. Kelly Lee (resigned on 8 February 2017) | Kelly Lee女士 (於二零一七年二月八日辭任) | - | 141 | - | 64 | 3 | 208 |
| Non-executive Directors: | | 非執行董事： | | | | | |
| Dato' Choo Chuo Siong (resigned on 8 February 2017) | 拿督Choo Chuo Siong (於二零一七年二月八日辭任) | 27 | - | - | - | - | 27 |
| Mr. Sun Jih-Hui (resigned on 8 February 2017) | 孫日輝先生 (於二零一七年二月八日辭任) | - | - | - | - | - | - |
| Independent non-executive Directors: | | 獨立非執行董事： | | | | | |
| Ms. Hu Gin Ing | 胡競英女士 | 250 | - | - | - | - | 250 |
| Mr. Chiu Sze Wai Wilfred (appointed on 8 February 2017) | 趙思璋先生 (於二零一七年二月八日獲委任) | 161 | - | - | - | - | 161 |
| Mr. Chow Wai Leung William (appointed on 8 February 2017) | 周偉良先生 (於二零一七年二月八日獲委任) | 161 | - | - | - | - | 161 |
| Dr. Wong Ho Ching (resigned on 8 February 2017) | 黃河清博士 (於二零一七年二月八日辭任) | 27 | - | - | - | - | 27 |
| Mr. Lan Yen-Po (resigned on 8 February 2017) | 藍彥博先生 (於二零一七年二月八日辭任) | 27 | - | - | - | - | 27 |
| | | 1,101 | 9,146 | 500 | 843 | 55 | 11,645 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

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

9. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (Continued)

For the year ended 31 December 2016

9. 董事及僱員酬金 (續)

截至二零一六年十二月三十一日止年度

| | | Fees | Basic salaries and allowances 基本薪金 袍金及津貼 | Bonuses 紅利 | Benefits in kind 實物福利 | Retirement benefit scheme contributions 退休福利計劃供款 | Total 總計 |
|--------------------------------------|-------------------|-----------------|--|-----------------|--------------------------|---|-----------------|
| | | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 |
| Executive Director: | 執行董事: | | | | | | |
| Ms. Kelly Lee | Kelly Lee女士 | - | 1,236 | 206 | 600 | 18 | 2,060 |
| Non-executive Directors: | 非執行董事: | | | | | | |
| Dato' Choo Chuo Siong | 拿督Choo Chuo Siong | 250 | - | - | - | - | 250 |
| Mr. Sun Jih-Hui | 孫日輝先生 | - | - | - | - | - | - |
| Independent non-executive Directors: | 獨立非執行董事: | | | | | | |
| Dr. Wong Ho Ching | 黃河清博士 | 250 | - | - | - | - | 250 |
| Mr. Lan Yen-Po | 藍彥博先生 | 250 | - | - | - | - | 250 |
| Ms. Hu Gin Ing | 胡競英女士 | 250 | - | - | - | - | 250 |
| | | 1,000 | 1,236 | 206 | 600 | 18 | 3,060 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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For the year ended 31 December 2017
 截至二零一七年十二月三十一日止年度

9. DIRECTORS' AND EMPLOYEES' EMOLUMENTS *(Continued)*

During the year ended 31 December 2017, Mr. Sun Jih-Hui waived his emoluments in the amount of HK\$27,000. Save as aforesaid, no Director has waived or agreed to waive any emoluments during the years ended 31 December 2017 and 2016.

No remuneration was paid by the Group to the Directors as an inducement to join or upon joining the Group or as compensation for loss of office during the year ended 31 December 2017 (2016: Nil).

The five highest paid individuals of the Group included two Directors (2016: one), details of whose emoluments are set out above. The emoluments of the remaining three (2016: four) individuals are as follows:

9. 董事及僱員酬金 (續)

截至二零一七年十二月三十一日止年度，孫日輝先生放棄為數27,000港元的酬金。除上述者外，截至二零一七年及二零一六年十二月三十一日止年度，概無董事放棄或同意放棄任何酬金。

截至二零一七年十二月三十一日止年度，本集團並無向董事支付薪酬作為將加入或當加入本集團時的獎勵或離職補償（二零一六年：無）。

本集團的五名最高薪酬人士包括兩名（二零一六年：一名）董事，有關酬金詳情載於上文。剩餘三名（二零一六年：四名）人士之酬金載列如下：

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|---|----------|----------------------------------|----------------------------------|
| Salaries and other benefits | 薪金及其他福利 | 3,260 | 4,325 |
| Contributions to retirement benefit schemes | 退休福利計劃供款 | 43 | 72 |
| | | 3,303 | 4,397 |

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9. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (Continued)

Their emoluments were within the following bands:

| | | Number of individuals 人數 | |
|-------------------------------|-------------------------|-----------------------------|---------------|
| | | 2017 二零一七年 | 2016 二零一六年 |
| Nil – HK\$1,000,000 | 零至1,000,000港元 | 2 | 2 |
| HK\$1,000,001 – HK\$1,500,000 | 1,000,001港元至1,500,000港元 | – | 1 |
| HK\$1,500,001 – HK\$2,000,000 | 1,500,001港元至2,000,000港元 | 1 | 1 |
| HK\$2,000,001 – HK\$2,500,000 | 2,000,001港元至2,500,000港元 | – | – |
| | | 3 | 4 |

The emoluments paid or payable to members of senior management were within the following bands:

| | | Number of individuals 人數 | |
|-------------------------------|-------------------------|-----------------------------|---------------|
| | | 2017 二零一七年 | 2016 二零一六年 |
| Nil – HK\$1,000,000 | 零至1,000,000港元 | 8 | 5 |
| HK\$2,000,001 – HK\$2,500,000 | 2,000,001港元至2,500,000港元 | – | 1 |
| HK\$4,500,001 – HK\$5,000,000 | 4,500,001港元至5,000,000港元 | 1 | – |
| HK\$6,000,001 – HK\$6,500,000 | 6,000,001港元至6,500,000港元 | 1 | – |
| | | 10 | 6 |

9. 董事及僱員酬金 (續)

彼等之酬金分為下列級別：

已付或應付高級管理層成員之酬金分為下列級別：

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10. INCOME TAX EXPENSE

The income tax expense for the year comprises:

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|--|--------------------|----------------------------------|----------------------------------|
| Current income tax – PRC | 本期所得稅—中國 | | |
| Provision for the year | 年內撥備 | 1,587 | 1,010 |
| Under provision in prior years | 過往年度撥備不足 | 42 | – |
| | | 1,629 | 1,010 |
| Withholding tax on dividend income from an associate in Taiwan | 來自一間台灣聯營公司的股息收入預扣稅 | 3,132 | 3,298 |
| Deferred tax (note 26) | 遞延稅項(附註26) | 5,313 | (31) |
| | | 10,074 | 4,277 |

No Hong Kong Profits Tax has been provided for the year ended 31 December 2017 as the Group had no estimated assessable profits arising in or derived from Hong Kong (2016: nil).

PRC Enterprise Income Tax has been provided on estimated assessable profits of the subsidiaries' operations in the PRC at 25% (2016: 25%).

Taiwan withholding tax is levied on profit distribution upon declaration of the undistributed earnings of an associate for the year ended 31 December 2017 at the rate of 20% (2016: 20%).

10. 所得稅開支

本年度所得稅開支包括：

由於本集團並無在香港產生或獲得估計應課稅溢利，故截至二零一七年十二月三十一日止年度未有就香港利得稅作出撥備(二零一六年：無)。

已就中國營運之附屬公司之估計應課稅溢利按稅率25%(二零一六年：25%)計提撥備中國企業所得稅。

台灣預扣稅乃就一間聯營公司於截至二零一七年十二月三十一日止年度宣派未分配盈利內之溢利分派按稅率20%(二零一六年：20%)徵收。

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10. INCOME TAX EXPENSE (Continued)

The income tax expense for the year can be reconciled to the profit before tax in the consolidated statement of profit or loss as follows:

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|--|-------------------------|----------------------------------|----------------------------------|
| Profit before tax | 除稅前溢利 | 79,048 | 7,763 |
| Tax thereon at domestic rates applicable to profits or losses in the jurisdictions concerned | 於有關司法權區按適用於損益之當地稅率計算之稅項 | (12,723) | (1,329) |
| Tax effect of expenses not deductible for tax purposes | 不可扣稅開支之稅務影響 | (5,947) | (1,209) |
| Tax effect of income not taxable for tax purposes | 毋須課稅收入之稅務影響 | 19,204 | 3,042 |
| Tax effect of tax losses not recognised | 未確認稅項虧損之稅務影響 | (74) | (2,341) |
| Tax effect of share of results of an associate | 應佔一間聯營公司之業績之稅務影響 | (10,825) | (3,267) |
| Utilisation of tax losses previously not recognised | 動用以往未確認之稅項虧損 | 333 | 827 |
| Under provision in respect of prior years | 過往年度撥備不足 | (42) | - |
| Tax charge for the year | 年內稅項開支 | (10,074) | (4,277) |

11. DIVIDEND

The board (the "Board") of Directors does not recommend the payment of a final dividend for the year ended 31 December 2017 (2016: nil).

10. 所得稅開支 (續)

本年度所得稅開支與綜合損益表之除稅前溢利對賬如下：

11. 股息

董事會(「董事會」)不建議派付截至二零一七年十二月三十一日止年度之末期股息(二零一六年：無)。

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12. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share is based on the profit attributable to owners of the Company of HK\$69,324,000 (2016: profit of HK\$3,486,000) and the weighted average number of 1,463,758,150 (2016: 1,318,279,590) ordinary shares.

The calculation of weighted average number of ordinary shares is as follows:

| | | 2017 二零一七年 | 2016 二零一六年 |
|--|--------------------------|----------------------|---------------|
| Issued ordinary shares at 1 January | 於一月一日已發行之普通股 | 1,318,279,590 | 1,331,707,590 |
| Issue of shares upon acquisition of a subsidiary (note (i)) | 因收購一間附屬公司所發行之股份 (附註(i)) | 22,967,408 | — |
| Effect of open offer shares issued (note (ii)) | 所發行公開發售股份的影響 (附註(ii)) | 122,511,152 | — |
| Treasury shares | 庫存股份 | — | (9,942,590) |
| Cancellation of treasury shares | 註銷庫存股份 | — | (3,485,410) |
| Weighted average number of ordinary shares at 31 December | 於十二月三十一日普通股加權平均數 | 1,463,758,150 | 1,318,279,590 |
| Basic and diluted earnings per share (HK cents) (note (iii)) | 每股基本及攤薄盈利 (港仙) (附註(iii)) | 4.74 | 0.26 |

Notes:

- (i) Pursuant to the sale and purchase agreement dated 18 May 2017 in relation to the acquisition of the entire issued share capital of Speed Fame Enterprises Limited ("Speed Fame"), the Company had issued 36,768,000 new shares at issue price of HK\$0.647 at the date of issuance for partial settlement of consideration.
- (ii) On 29 August 2017, the Company proposed to raise approximately HK\$338.8 million before expenses by issuing 677,523,795 offer shares at the subscription price of HK\$0.5 per offer share on the basis of one (1) offer share for every two (2) existing shares held on the record date (i.e. 14 September 2017). The open offer was completed and share certificates for the offer shares dispatched on 27 October 2017.
- (iii) The basic and diluted earnings per share are the same for the years ended 31 December 2017 and 2016 as there were no potential dilutive shares outstanding.

12. 每股盈利

每股基本及攤薄盈利乃根據本公司擁有人應佔溢利69,324,000港元(二零一六年:溢利3,486,000港元)以及普通股加權平均數1,463,758,150股(二零一六年:1,318,279,590股)計算。

普通股加權平均數之計算如下:

| | | 2017 二零一七年 | 2016 二零一六年 |
|--|--------------------------|----------------------|---------------|
| Issued ordinary shares at 1 January | 於一月一日已發行之普通股 | 1,318,279,590 | 1,331,707,590 |
| Issue of shares upon acquisition of a subsidiary (note (i)) | 因收購一間附屬公司所發行之股份 (附註(i)) | 22,967,408 | — |
| Effect of open offer shares issued (note (ii)) | 所發行公開發售股份的影響 (附註(ii)) | 122,511,152 | — |
| Treasury shares | 庫存股份 | — | (9,942,590) |
| Cancellation of treasury shares | 註銷庫存股份 | — | (3,485,410) |
| Weighted average number of ordinary shares at 31 December | 於十二月三十一日普通股加權平均數 | 1,463,758,150 | 1,318,279,590 |
| Basic and diluted earnings per share (HK cents) (note (iii)) | 每股基本及攤薄盈利 (港仙) (附註(iii)) | 4.74 | 0.26 |

附註:

- (i) 根據日期為二零一七年五月十八日有關收購迅譽企業有限公司(「迅譽」)全部已發行股本之買賣協議,本公司於發行日期按發行價0.647港元發行36,768,000股新股份,以償付部份代價。
- (ii) 於二零一七年八月二十九日,本公司擬透過按認購價每股發售股份0.5港元按於記錄日期(即二零一七年九月十四日)每持有兩(2)股現有股份獲發一(1)股發售股份之基準發行677,523,795股發售股份,以籌集約338,800,000港元(扣除開支前)。於二零一七年十月二十七日,公開發售已完成,並已就發售股份寄發股票。
- (iii) 截至二零一七年及二零一六年十二月三十一日止年度並無具攤薄潛力之發行在外股份,故每股基本及攤薄盈利為相同。

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13. PROPERTY, PLANT AND EQUIPMENT

13. 物業、廠房及設備

| | | Land and building | Leasehold improvements | Furniture, fixtures and equipment 傢俬、裝置 及設備 | Motor vehicles | Plant and machinery | Total |
|---|-----------------------------|--------------------------|---------------------------|---|-----------------------|--------------------------|-----------------------|
| | | 土地及樓宇 HK\$'000 千港元 | 租賃裝修 HK\$'000 千港元 | 及設備 HK\$'000 千港元 | 汽車 HK\$'000 千港元 | 廠房及機器 HK\$'000 千港元 | 總計 HK\$'000 千港元 |
| Cost | 成本 | | | | | | |
| At 1 January 2016 | 於二零一六年一月一日 | - | 474 | 12,033 | 1,078 | 3,215 | 16,800 |
| Additions | 添置 | - | - | 1,829 | - | - | 1,829 |
| Disposals | 出售 | - | - | (306) | - | - | (306) |
| Currency realignment | 匯率調整 | - | - | (404) | (15) | - | (419) |
| 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 | - | 474 | 13,152 | 1,063 | 3,215 | 17,904 |
| Additions | 添置 | 186,110 | 2,712 | 1,447 | - | - | 190,269 |
| Acquisition of subsidiaries | 收購附屬公司 | - | 2,889 | 665 | 897 | - | 4,451 |
| Disposals | 出售 | - | - | (44) | (55) | - | (99) |
| Disposal of subsidiaries | 出售附屬公司 | (186,110) | - | - | - | - | (186,110) |
| Currency realignment | 匯率調整 | - | 249 | 620 | 57 | - | 926 |
| At 31 December 2017 | 於二零一七年十二月三十一日 | - | 6,324 | 15,840 | 1,962 | 3,215 | 27,341 |
| Accumulated depreciation | 累計折舊 | | | | | | |
| At 1 January 2016 | 於二零一六年一月一日 | - | 142 | 9,063 | 423 | 3,215 | 12,843 |
| Depreciation | 折舊 | - | 95 | 1,036 | 196 | - | 1,327 |
| Disposals | 出售 | - | - | (207) | - | - | (207) |
| Currency realignment | 匯率調整 | - | - | (279) | (12) | - | (291) |
| 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 | - | 237 | 9,613 | 607 | 3,215 | 13,672 |
| Depreciation | 折舊 | - | 455 | 1,368 | 214 | - | 2,037 |
| Acquisition of subsidiaries | 收購附屬公司 | - | 504 | 396 | 830 | - | 1,730 |
| Disposals | 出售 | - | - | (13) | (52) | - | (65) |
| Currency realignment | 匯率調整 | - | 38 | 431 | 56 | - | 525 |
| At 31 December 2017 | 於二零一七年十二月三十一日 | - | 1,234 | 11,795 | 1,655 | 3,215 | 17,899 |
| Net book value | 賬面淨值 | | | | | | |
| At 31 December 2017 | 於二零一七年十二月三十一日 | - | 5,090 | 4,045 | 307 | - | 9,442 |
| At 31 December 2016 | 於二零一六年十二月三十一日 | - | 237 | 3,539 | 456 | - | 4,232 |

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14. INTEREST IN AN ASSOCIATE

14. 於一間聯營公司之權益

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|---|--------------------|----------------------------------|----------------------------------|
| Movements of interest in an associate are as follows: | 於一間聯營公司之權益變動如下： | | |
| At 1 January | 於一月一日 | 155,317 | 152,383 |
| Share of profits and total comprehensive income of an associate | 應佔一間聯營公司之溢利及全面收益總額 | 53,582 | 16,496 |
| Dividend declared/received (note) | 已宣派／已收股息（附註） | - | (16,488) |
| Currency realignment | 匯兌調整 | 12,749 | 2,926 |
| At 31 December | 於十二月三十一日 | 221,648 | 155,317 |

Note:

Pursuant to the resolution of Yuji Development Corporation ("Yuji") passed on 9 May 2017, board of directors of Yuji resolved to recommend a final dividend of New Taiwan Dollars ("NTD") 1.184128 per share for the year ended 31 December 2016. The final dividend was issued in form of new and fully paid ordinary shares of NTD1.184128 each in the share capital of Yuji.

As at 31 December 2017, the Group had an interest in the following associate:

附註：

根據宇錡建設股份有限公司（「宇錡」）於二零一七年五月九日通過之決議案，宇錡董事會議決擬派付截至二零一六年十二月三十一日止年度之末期股息每股1.184128新台幣（「新台幣」）。末期股息將以宇錡股本中每股面值1.184128新台幣之新及繳足普通股之形式派發。

於二零一七年十二月三十一日，本集團於以下聯營公司擁有權益：

| Name of entity | Form of business structure | Place of incorporation | Principal place of operation | Nominal value of share capital | Proportion of nominal value of share capital held by the Group | Principal activities |
|----------------|----------------------------|------------------------|------------------------------|--------------------------------|--|---------------------------------------|
| 實體名稱 | 業務架構形式 | 註冊成立地點 | 主要營業地點 | 股本面值 NTD 新台幣 | 本集團所持 股本面值比例 | 主要業務 |
| Yuji | Limited by shares | Taiwan | Taiwan | 2,034,732,040 | 27.9% | Provision of funeral related services |
| 宇錡 | 股份有限公司 | 台灣 | 台灣 | | | 提供殯葬相關服務 |

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14. INTEREST IN AN ASSOCIATE (Continued)

The summarised financial information in respect of the Group's associate is set out below:

14. 於一間聯營公司之權益 (續)

有關本集團聯營公司之財務資料概述如下：

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|--|------------------------|----------------------------------|----------------------------------|
| Current assets | 流動資產 | 867,518 | 635,855 |
| Non-current assets | 非流動資產 | 66,690 | 63,203 |
| Total assets | 總資產 | 934,208 | 699,058 |
| Current liabilities | 流動負債 | (120,294) | (123,778) |
| Non-current liabilities | 非流動負債 | (2,695) | (2,836) |
| Total liabilities | 總負債 | (122,989) | (126,614) |
| Non-controlling interests | 非控股權益 | (16,782) | (15,751) |
| Net assets attributable to owners of Yuji | 宇錡擁有人應佔資產淨值 | 794,437 | 556,693 |
| Share of an associate's net assets | 應佔一間聯營公司之資產淨值 | 221,648 | 155,317 |
| Revenue | 收益 | 335,809 | 105,441 |
| Profit for the year | 年內溢利 | 193,808 | 58,442 |
| Other comprehensive income | 其他全面收益： | 42,361 | 11,077 |
| Total comprehensive income | 全面收益總額 | 236,169 | 69,519 |
| Share of total comprehensive income of an associate (net of tax) | 應佔一間聯營公司之全面收益總額 (扣除稅項) | 53,690 | 16,464 |

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15. AVAILABLE-FOR-SALE FINANCIAL ASSETS

15. 可供出售金融資產

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|--|-----------------------|----------------------------------|----------------------------------|
| Available-for-sale financial assets | 可供出售金融資產 | | |
| – Unlisted private fund, at cost (note) | – 非上市私募基金，按成本 (附註) | 25,010 | – |

Note: The unlisted private fund consists of 33.33% of the interest in the trust established ultimately to purchase and manage the commercial property in Australia.

附註：非上市私募基金包括於最終成立以購買及管理於澳洲之商業物業之信託之33.33%權益。

16. INTANGIBLE ASSETS

16. 無形資產

| | | Note 附註 | License 牌照 HK\$'000 千港元 | Goodwill 商譽 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|--|----------------------|------------|----------------------------------|-----------------------------------|--------------------------------|
| At 1 January 2017 | 於二零一七年一月一日 | | – | – | – |
| Acquisition of subsidiaries: | 收購附屬公司： | | | | |
| – Nursery education service | – 幼兒教育服務 | 30(a)(i) | 69,314 | 34,720 | 104,034 |
| – Money lending business | – 放債業務 | 30(a)(ii) | – | 409 | 409 |
| – Regulated financial services business | – 受監管金融服務業務 | 30(a)(iv) | 9,186 | 3,482 | 12,668 |
| At 31 December 2017 | 於二零一七年十二月三十一日 | | 78,500 | 38,611 | 117,111 |

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16. INTANGIBLE ASSETS (Continued)

The intangible assets represent the nursery education license and Type 4, Type 5, Type 6 and Type 9 regulated activities licenses as defined under Securities and Futures Ordinance purchased as part of business combinations during the year. These licenses were considered to have indefinite useful lives and will be tested for impairment annually and wherever there is an indication that it may be impaired.

The directors assessed the impairment of licenses under the cash generating units ("CGU") of nursery education services and regulated financial services business segments at the CGU level. Based on the results of the assessments, the directors are of the opinion that there were no impairment on the related licenses as at 31 December 2017.

17. IMPAIRMENT TESTING ON GOODWILL

For the purpose of impairment testing, goodwill is allocated to the CGU of nursery education services, money lending business and regulated financial services business as set out in note 16 to the consolidated financial statements.

Nursery education services

The recoverable amount of the CGU has been determined from value in use calculations based on cash flow projections from formally approved budgets covering a five-year period of 2018 - 2022. Cash flows beyond the five-year period are extrapolated using an estimated weighted average growth rate of 3%, which does not exceed the long-term growth rate for the nursery education industry in the PRC.

| | |
|---------------------------------|--------------------------------------|
| Discount rate | 16.53% |
| Monthly tuition fee per student | Renminbi ("RMB") 6,000 – RMB6,400 |
| Growth rate within 2018 - 2022 | 3% to 434% |

The discount rate used is pre-tax and reflects specific risks relating to the relevant CGU.

The tuition fees within the five-year period were determined based on past experience.

16. 無形資產 (續)

無形資產指於本年度收購作為業務合併之幼兒教育牌照以及《證券及期貨條例》項下所界定之第4類、第5類、第6類及第9類受規管活動牌照。該等牌照被視為無限可使用年期，其將每年及當有跡象顯示可能出現減值時進行減值測試。

董事按現金產生單位（「現金產生單位」）層面評估幼兒教育服務及受監管金融服務業務分類現金產生單位項下之牌照減值。根據評估之結果，董事認為相關牌照於二零一七年十二月三十一日並無出現減值。

17. 商譽之減值測試

就減值測試而言，商譽被分配至誠如綜合財務報表附註16所載之幼兒教育服務、放債業務及受監管金融服務業務之現金產生單位。

幼兒教育服務

現金產生單位之可回收金額乃根據正式批准預算之二零一八年至二零二二年現金流量預測（涵蓋五年期間）採用使用價值計算而釐定。超過五年期間之現金流量乃採用估值加權平均增長率3%推算，有關增長率不得超過中國幼兒教育行業長期增長率。

| | |
|-----------------|------------------------------------|
| 貼現率 | 16.53% |
| 每名學生每月學費 | 人民幣（「人民幣」） 6,000元－人民幣 6,400元 |
| 二零一八年至二零二二年之增長率 | 3%至434% |

所採用之貼現率乃除稅前並反映相關現金產生單位之具體風險。

五年期間內之學費乃基於過往經驗釐定。

17. IMPAIRMENT TESTING ON GOODWILL

(Continued)

Nursery education services (Continued)

The recoverable amount of the CGU was estimated using unobservable market data from the projection of the future cash flows of the business from its economic useful life and is classified within level 3 of the fair value hierarchy. Fair value was determined by discounting its present value by the weighted average cost of capital determined from market data.

As the recoverable amount of the CGU of the nursery education services exceeded the combined value of the assets under this CGU, the directors are of the opinion that there was no impairment on license and goodwill as at 31 December 2017. However, if the tuition fee falls below RMB5,400, or the growth rate falls below 400% during 2018 - 2022, the carrying value of the nursery education business would exceed its recoverable amount as at 31 December 2017.

Regulated financial services business

The recoverable amount of the CGU has been determined from value in use calculations based on cash flow projections from formally approved budgets covering a five-year period of 2018 - 2022. Cash flows beyond the five-year period are extrapolated using an estimated weighted average growth rate of 3%, which does not exceed the long-term growth rate for the financial advisory industry in Hong Kong.

| | |
|----------------------------|----------|
| Discount rate | 16.46% |
| Management fee growth rate | 0% - 50% |
| Advisory fee growth rate | 5% |
| Costs growth rate | 4% |

The discount rate used is pre-tax and reflects specific risks relating to the relevant CGU.

17. 商譽之減值測試 (續)

幼兒教育服務 (續)

現金產生單位之可收回金額乃使用來自該業務經濟可使用年期之未來現金流量預測之不可觀察市場數據作出估計，並分類為公允值層級第3級。公允值乃按市場數據釐定之加權平均資本成本折現其現值而釐定。

由於幼兒教育服務現金產生單位之可收回金額超出此現金產生單位項下資產之總價值，故董事認為牌照及商譽於二零一七年十二月三十一日並無出現減值。然而，倘學費低於人民幣5,400元，或增長率於二零一八年至二零二二年低於400%，則幼兒教育業務於二零一七年十二月三十一日之賬面值將超過其可收回金額。

受監管金融服務業務

現金產生單位之可回收金額乃根據正式批准預算之二零一八年至二零二二年現金流量預測（涵蓋五年期間）採用使用價值計算而釐定。超過五年期間之現金流量乃採用估值加權平均增長率3%推算，有關增長率不超過香港財務諮詢行業長期增長率。

| | |
|--------|--------|
| 貼現率 | 16.46% |
| 管理費增長率 | 0%-50% |
| 諮詢費增長率 | 5% |
| 成本增長率 | 4% |

所採用之貼現率乃除稅前並反映相關現金產生單位之具體風險。

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17. IMPAIRMENT TESTING ON GOODWILL

(Continued)

Regulated financial services business (Continued)

The recoverable amount of the CGU was estimated using unobservable market data from the projection of the future cash flows of the business from its economic useful life and is classified within level 3 of the fair value hierarchy. Fair value was determined by discounting its present value by the weighted average cost of capital determined from market data.

As the recoverable amount of the CGU of the regulated financial services exceeded the combined value of the assets under this CGU, the directors are of the opinion that there was no impairment on license and goodwill as at 31 December 2017.

18. INVENTORIES

17. 商譽之減值測試 (續)

受監管金融服務業務 (續)

現金產生單位之可收回金額乃使用來自該業務經濟可使用年期之未來現金流量預測之不可觀察市場數據作出估計，並分類為公允值層級第3級。公允值乃按市場數據釐定之加權平均資本成本折現其現值而釐定。

由於受監管金融服務現金產生單位之可收回金額超出此現金產生單位項下資產之總價值，故董事認為牌照及商譽於二零一七年十二月三十一日並無出現減值。

18. 存貨

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|------------------|-----|----------------------------------|----------------------------------|
| Raw materials | 原料 | 14,720 | 13,678 |
| Work in progress | 半製品 | 5,376 | 4,963 |
| Finished goods | 製成品 | 4,821 | 5,967 |
| | | 24,917 | 24,608 |

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19. PROPERTIES UNDER DEVELOPMENT HELD FOR SALE

19. 持作出售之開發中物業

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|---------------------------|---------|----------------------------------|----------------------------------|
| Land use rights costs | 土地使用權成本 | 8,747 | – |
| Other development costs | 其他發展成本 | 441,271 | – |
| Capitalised finance costs | 資本化融資成本 | 48,836 | – |
| | | 498,854 | – |

The properties under development held for sale are all located in the PRC. Properties under development held for sale which are expected to be recovered more than twelve months after the end of the reporting period are classified as current assets as it is expected to be realised in the normal operating cycle of the Group.

持作出售之開發中物業均位於中國。持作出售之開發中物業預期將於報告期末後十二個月以後收回，由於其預期在本集團正常運營週期內變現，故其分類作為流動資產。

20. TRADE RECEIVABLES

20. 應收貿易賬款

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|----------------------------|-------------|----------------------------------|----------------------------------|
| Trade receivables | 應收貿易賬款 | 52,857 | 31,122 |
| Less: Impairment provision | 減：減值撥備 | (896) | (1,055) |
| Trade receivables – net | 應收貿易賬款 – 淨額 | 51,961 | 30,067 |

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20. TRADE RECEIVABLES (Continued)

At the reporting date, the ageing analysis of trade receivables, based on invoice date, is as follows:

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|-----------------------|---------|----------------------------------|----------------------------------|
| 0 - 60 days | 零至60日 | 36,279 | 18,952 |
| 61 - 90 days | 61至90日 | 3,622 | 3,502 |
| 91 - 120 days | 91至120日 | 11,308 | 6,337 |
| Greater than 120 days | 120日以上 | 1,648 | 2,331 |
| | | 52,857 | 31,122 |

The Group allows credit periods ranging from 30 to 120 days (31 December 2016: 30 to 120 days) to its trade customers depending on their credit status and geographical location. The Directors consider that the carrying amounts of trade and other receivables approximate to their fair values.

Movements in the provision for impairment of trade receivables are as follows:

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|------------------------------|-----------------|----------------------------------|----------------------------------|
| At 1 January | 於一月一日 | 1,055 | 881 |
| Impairment losses recognised | 已確認減值虧損 | 231 | 456 |
| Impairment losses reversed | 已撥回減值虧損 | (390) | (282) |
| At 31 December | 於十二月三十一日 | 896 | 1,055 |

The Group has provided in full against those receivables where evidence suggests that the amounts outstanding are not recoverable.

20. 應收貿易賬款 (續)

按發票日期計，應收貿易賬款於報告日期之賬齡分析如下：

本集團視乎其貿易客戶之信貸狀況及地理位置而給予彼等介乎30至120日(二零一六年十二月三十一日：30至120日)之信貸期。董事認為，應收貿易賬款及其他應收款項賬面值與其公允值相若。

應收貿易賬款減值撥備之變動如下：

本集團已就有證據顯示不可收回之未償還應收款項作出全數撥備。

20. TRADE RECEIVABLES (Continued)

The ageing of trade receivables which are past due but not impaired is as follows:

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|-------------------------------|-----------|----------------------------------|----------------------------------|
| Neither past due nor impaired | 既未逾期亦未減值 | 30,198 | 13,979 |
| 1 - 60 days past due | 逾期1-60日 | 21,632 | 15,929 |
| 61 - 90 days past due | 逾期61-90日 | 32 | 133 |
| 91 - 120 days past due | 逾期91-120日 | 99 | 26 |
| | | 51,961 | 30,067 |

Trade receivables that are neither past due nor impaired related to a number of customers for whom there has been no recent history of default.

Trade receivables that were past due but not impaired related to a large number of diversified customers that had a good track record with the Group. Based on past experience, the management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group did not hold any collateral in respect of trade receivables that are past due but not impaired.

20. 應收貿易賬款 (續)

已逾期但未減值之應收貿易賬款之賬齡分析如下：

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|-------------------------------|-----------|----------------------------------|----------------------------------|
| Neither past due nor impaired | 既未逾期亦未減值 | 30,198 | 13,979 |
| 1 - 60 days past due | 逾期1-60日 | 21,632 | 15,929 |
| 61 - 90 days past due | 逾期61-90日 | 32 | 133 |
| 91 - 120 days past due | 逾期91-120日 | 99 | 26 |
| | | 51,961 | 30,067 |

既未逾期亦未減值應收貿易賬款乃與近期無違約記錄之若干客戶有關。

已逾期但未減值之應收貿易賬款與本集團擁有良好付款往績記錄之多名不同客戶有關。根據過往經驗，管理層相信，由於客戶之有關信貸質素並無重大改變及該等結餘仍被視為可悉數收回，故毋須就有關結餘計提減值撥備。本集團並無就已逾期但未減值之應收貿易賬款持有任何抵押品。

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21. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

21. 預付款項、按金及其他應收款項

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|---|----------------|----------------------------------|----------------------------------|
| Prepayments, deposits and other receivables | 預付款項、按金及其他應收款項 | 63,764 | 5,923 |
| Other tax recoverable | 其他可收回稅項 | 6,590 | – |
| Deposits for acquisition of properties (note) | 收購物業按金(附註) | 59,267 | – |
| | | 129,621 | 5,923 |
| Less: Non-current portion | 減：非流動部份 | | |
| Other tax recoverable | 其他可收回稅項 | 6,590 | – |
| Deposits for acquisition of properties | 收購物業按金 | 59,267 | – |
| | | 65,857 | – |
| | | 63,764 | 5,923 |

Note:

On 20 November 2017, the Group entered into formal agreements to acquire the properties located at units 1501, 1502, 1510, 1511, 1512A and 1512B on 15/F of West Tower, Shun Tak Centre, Nos. 168-200 Connaught Road Central, Hong Kong. The acquisitions of the properties have been completed on 9 February 2018. Details please refer to the announcements of the Company dated 7 November 2017 and 21 November 2017 and the circular of the Company dated 22 December 2017.

附註：

於二零一七年十一月二十日，本集團訂立正式協議以收購位於香港干諾道中168-200號信德中心西翼15樓1501室、1502室、1510室、1511室、1512A室及1512B室之物業。有關物業之收購已於二零一八年二月九日完成。詳情請參閱本公司日期為二零一七年十一月七日及二零一七年十一月二十一日之公佈以及本公司日期為二零一七年十二月二十二日之通函。

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22. LOANS RECEIVABLES

As at 31 December 2017, loans receivables with aggregate gross principal amount of HK\$57,869,000 and gross interest receivables of HK\$934,000 (2016: Nil) were due from three (2016: Nil) independent third parties. The interest rates of the loans receivables range from 10% to 14% per annum. All loans receivables are secured by share charges of the borrowers and one of the loans receivables is guaranteed by independent third parties. All loans receivables which were repayable within twelve months from the end of the reporting period were classified as current assets at the reporting date.

As at reporting date, the ageing analysis of loans receivables, based on loans' drawdown date, is as follows:

22. 應收貸款

於二零一七年十二月三十一日，本金總額合計57,869,000港元之應收貸款及應收利息總額934,000港元（二零一六年：無）乃收取自三名（二零一六年：無）獨立第三方。應收貸款之利率介乎於每年10%至14%之間。所有應收貸款由借方股份作質押及其中一項應收貸款由獨立第三方作擔保。於報告日期，所有自報告期末起須於十二個月內償還之應收貸款均分類為流動資產。

按提取日期計，應收貸款於報告日期之賬齡分析如下：

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|---------------|---------|----------------------------------|----------------------------------|
| 0 – 60 days | 零至60日 | 50,581 | – |
| 61 – 90 days | 61至90日 | – | – |
| 91 – 120 days | 91至120日 | – | – |
| Over 120 days | 120日以上 | 8,222 | – |
| | | 58,803 | – |

All loan receivables are neither past due nor impaired.

所有應收貸款既無逾期亦無減值。

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23. TRADE AND OTHER PAYABLES

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|-----------------------------|-------------|----------------------------------|----------------------------------|
| Trade payables | 應付貿易賬款 | 122,454 | 27,422 |
| Accruals and other payables | 應計款項及其他應付款項 | 148,095 | 25,940 |
| | | 270,549 | 53,362 |
| Less: Non-current portion | 減：非流動部份 | | |
| Other payables (note) | 其他應付款項(附註) | 117,693 | – |
| | | 152,856 | 53,362 |

Note: The amount represented the purchase consideration of the acquisition of Shenzhen City Qianhai Wanke Financial Services Company Limited ("Qianhai Wanke") and its subsidiaries amounted to RMB100,000,000 (equivalent to HK\$117,693,000) which will be payable on the date falling two years from 5 June 2017.

At the reporting date, the ageing analysis of trade payables, based on invoice date, is as follows:

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|----------------------|--------|----------------------------------|----------------------------------|
| 0 - 60 days | 零至60日 | 31,933 | 21,826 |
| 61 - 90 days | 61至90日 | 6,259 | 3,425 |
| Greater than 90 days | 90日以上 | 84,262 | 2,171 |
| | | 122,454 | 27,422 |

The Directors consider that the carrying amounts of trade and other payables approximate to their fair values.

23. 應付貿易賬款及其他應付款項

附註：該金額指收購深圳市前海萬客金融服務有限公司(「前海萬客」)及其附屬公司之收購代價為人民幣100,000,000元(等值117,693,000港元)，將於二零一七年六月五日後滿兩年之日支付。

按發票日期計，應付貿易賬款於報告日期之賬齡分析如下：

董事認為應付貿易賬款及其他應付款項之賬面值與其公允值相若。

24. AMOUNTS DUE TO A SHAREHOLDER/ NON-CONTROLLING INTERESTS

The amounts due to a shareholder/non-controlling interests are unsecured, interest-free and repayable on demand.

25. INTEREST-BEARING BANK BORROWINGS

24. 應付股東／非控股權益款項

應付股東／非控股權益款項為無抵押、免息及須於要求時償還。

25. 計息銀行借款

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|---|------------------|----------------------------------|----------------------------------|
| Secured bank borrowings due within one year comprise: | 一年內到期之有抵押銀行借款包括： | | |
| Export invoices | 出口發票 | 3,021 | 641 |

At 31 December 2017, the bank borrowings were denominated in US dollars ("USD").

於二零一七年十二月三十一日，銀行借款以美元（「美元」）計值。

The effective interest rates on the Group's floating rate borrowings range from 4.0% to 4.25% per annum.

本集團浮息借款之實際年利率介乎4.0厘至4.25厘。

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26. DEFERRED TAX

The deferred tax liabilities recognised and movements thereon during the current year and prior years:

26. 遞延稅項

本年度及過往年度確認之遞延稅項負債及有關變動：

| | | Tax loss | Undistributed earnings of an associate | Intangible asset | Total |
|---|------------------------|--------------|--|------------------|-----------------|
| | | 稅項虧損 | 聯營公司未分配盈利 | 無形資產 | 總計 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 |
| At 1 January 2017 | 於二零一七年一月一日 | - | (1,704) | - | (1,704) |
| Acquisition of Speed Fame | 收購迅譽 | - | - | (17,329) | (17,329) |
| Acquisition of Shining International Holdings Limited ("Shining") | 收購舜麗國際控股有限公司 ("舜麗") | - | - | (1,515) | (1,515) |
| Acquisition of Qianhai Wanke | 收購前海萬客 | 6,701 | - | - | 6,701 |
| Credited/(charged) to profit or loss for the year (note 10) | 年內計入損益/(自損益扣除) (附註10) | 2,380 | (7,693) | - | (5,313) |
| Credited to other comprehensive income for the year | 計入年內其他全面收益 | - | 108 | - | 108 |
| Currency realignment | 貨幣調整 | 188 | - | - | 188 |
| At 31 December 2017 | 於二零一七年十二月三十一日 | 9,269 | (9,289) | (18,844) | (18,864) |
| At 1 January 2016 | 於二零一六年一月一日 | - | (1,703) | - | (1,703) |
| Credited to profit or loss for the year | 年內計入損益 | - | 31 | - | 31 |
| Charged to other comprehensive income for the year | 自年內其他全面收益扣除 | - | (32) | - | (32) |
| At 31 December 2016 | 於二零一六年十二月三十一日 | - | (1,704) | - | (1,704) |

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26. DEFERRED TAX (Continued)

Deferred tax assets have not been recognised for the following:

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|-------------------|---------|----------------------------------|----------------------------------|
| Unused tax losses | 未動用稅項虧損 | 117,163 | 135,097 |

The Group records deferred tax assets in respect of tax losses only where there is a reasonable expectation that these tax losses will be utilised in the foreseeable future. Based on forecast income streams and having considered potential future earnings volatility, the Group does not anticipate the utilisation of any significant portion of these unrecognised tax losses in the foreseeable future.

Pursuant to the PRC Enterprise Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from foreign investment enterprises established in the PRC. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between the PRC and the jurisdiction of the foreign investors. The Group is therefore liable to 10% withholding taxes on dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008.

As at 31 December 2017 and 31 December 2016, no deferred tax has been recognised for withholding taxes that would be payable on the unremitted earnings of the Group's subsidiary established in the PRC. In the opinion of Directors, it is not probable that these subsidiaries will distribute their earnings accrued after 1 January 2008 in the foreseeable future. As at 31 December 2017, the unrecognised deferred tax liability that would be payable on the unremitted earnings of the Group's subsidiary amounted to approximately HK\$1,731,000 (2016: HK\$900,000).

26. 遞延稅項 (續)

未確認遞延稅項資產如下：

本集團僅於可合理預期稅項虧損將於可見將來獲動用之情況下記錄有關遞延稅項資產。根據預測收入流及經考慮潛在未來盈利之波動性後，本集團預期於可見將來並不會動用該等未確認稅項虧損之任何重大部份。

根據中國企業所得稅法，於中國成立之外資企業向外商投資者宣派之股息須繳納10%預扣稅。該規定自二零零八年一月一日起生效，並適用於二零零七年十二月三十一日後之盈利。倘中國與外商投資者所在司法權區訂立稅項條約，則可調低預扣稅稅率。因此，本集團須就該等於中國內地成立之附屬公司於二零零八年一月一日起賺取之盈利所宣派之股息繳納10%預扣稅。

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，並無就本集團於中國成立之附屬公司應付之未匯出盈利所產生之預扣稅確認遞延稅項。董事認為，該等附屬公司於可見將來應不會分派彼等於二零零八年一月一日後賺取之盈利。於二零一七年十二月三十一日，將以本集團附屬公司的未匯出盈利支付的未確認遞延稅項負債約為1,731,000港元（二零一六年：900,000港元）。

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27. SHARE CAPITAL

27. 股本

| | Note 附註 | 2017 二零一七年 | | 2016 二零一六年 | | |
|---|---|-----------------------------|------------------------|-----------------------------|------------------------|-------------|
| | | Number of shares 股份數目 | Nominal value 面值 | Number of shares 股份數目 | Nominal value 面值 | |
| Authorised: Ordinary shares of HK\$0.10 (2016: HK\$0.10) each | 法定： 每股面值0.10港元 (二零一六年：0.10港元) 的普通股 | (i) | 15,000,000,000 | 1,500,000,000 | 1,500,000,000 | 150,000,000 |
| Issued and fully paid: At 1 January | 已發行及繳足： 於一月一日 | | 1,318,279,590 | 131,827,959 | 1,331,707,590 | 133,170,759 |
| Cancellation of treasury shares | 註銷庫存股份 | | - | - | (13,428,000) | (1,342,800) |
| Issue of shares upon acquisition of a subsidiary | 於收購附屬公司時 發行股份 | (ii) | 36,768,000 | 3,676,800 | - | - |
| Issue of shares under open offer | 根據公開發售發行股份 | (iii) | 677,523,795 | 67,752,380 | - | - |
| At 31 December | 於十二月三十一日 | | 2,032,571,385 | 203,257,139 | 1,318,279,590 | 131,827,959 |

Notes:

- (i) Pursuant to ordinary resolution passed on 6 June 2017, the authorised share capital of the Company was increased from HK\$150,000,000 divided into 1,500,000,000 shares of HK0.10 each to HK\$1,500,000,000 divided into 15,000,000,000 shares of HK0.10 each.
- (ii) Pursuant to the sale and purchase agreement dated 18 May 2017 in relation to the acquisition of the entire issued share capital of Speed Fame, the Company had issued 36,768,000 new shares at issue price of HK\$0.647 at the date of issuance for partial settlement of consideration. The fair value of issued shares of HK\$20,122,000 over the nominal value of HK\$3,677,000 was credited to the share premium account. Further details are set out in the announcement of the Company dated 18 May 2017.
- (iii) On 29 August 2017, the Company proposed to raise approximately HK\$338.8 million before expenses by issuing 677,523,795 offer shares at the subscription price of HK\$0.5 per offer share on the basis of one (1) offer share for every two (2) existing shares held on the record date (i.e. 14 September 2017) and payable in full upon application. The open offer was completed and share certificates for the offer shares dispatched on 27 October 2017. The fair value of issued shares of HK\$271,009,000 over the nominal value of HK\$67,752,000 was credited to the share premium account.

附註：

- (i) 根據於二零一七年六月六日通過之普通決議案，本公司之法定股本由150,000,000港元，分為1,500,000,000股每股0.10港元之股份增至1,500,000,000港元，分為15,000,000,000股每股0.10港元之股份。
- (ii) 根據日期為二零一七年五月十八日有關收購迅譽全部已發行股本之買賣協議，本公司於發行日期按發行價0.647港元發行36,768,000股新股份，以償付部份代價。已發行股份公允值20,122,000港元超出面值3,677,000港元之差額計入股份溢價賬。其他詳情載於本公司日期為二零一七年五月十八日之公佈。
- (iii) 於二零一七年八月二十九日，本公司擬透過按認購價每股發售股份0.5港元按於記錄日期（即二零一七年九月十四日）每持有兩(2)股現有股份獲發一(1)股發售股份之基準發行677,523,795股發售股份，以籌集約338,800,000港元（扣除開支前），股款須於申請時繳足。於二零一七年十月二十七日，公開發售已完成，並已就發售股份寄發股票。已發行股份公允值271,009,000港元超出面值67,752,000港元之差額計入股份溢價賬。

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28. RESERVES

The amounts of the Group's reserves and the movements therein for both the current year and prior years are presented in the consolidated statement of changes in equity on pages 78 and 79 of the consolidated financial statements.

Share Premium

The movement in the share premium account is as follows:

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|---|-----------------------|----------------------------------|----------------------------------|
| At 1 January | 於一月一日 | 188,254 | 191,879 |
| Issue of shares upon acquisition of a subsidiary (note (i)) | 於收購附屬公司時發行股份 (附註(i)) | 20,112 | - |
| Effects from open offer shares issued (note (ii)) | 已發行公開發售股份之影響 (附註(ii)) | 271,009 | - |
| Transaction costs attributable to open offer | 公開發售應佔交易成本 | (2,386) | - |
| Cancellation of treasury shares (note (iii)) | 註銷庫存股份 (附註(iii)) | - | (3,625) |
| At 31 December | 於十二月三十一日 | 476,989 | 188,254 |

Notes:

- (i) Pursuant to the sale and purchase agreement dated 18 May 2017 in relation to the acquisition of the entire issued share capital of Speed Fame, the Company had issued 36,768,000 new shares at issue price of HK\$0.647 at the date of issuance for partial settlement of consideration. The fair value of issued shares of HK\$20,122,000 over the nominal value of HK\$3,677,000 was credited to the share premium account. Further details are set out in the announcement of the Company dated 18 May 2017.
- (ii) On 29 August 2017, the Company proposed to raise approximately HK\$338.8 million before expenses by issuing 677,523,795 offer shares at the subscription price of HK\$0.5 per offer share on the basis of one (1) offer share for every two (2) existing shares held on the record date (i.e. 14 September 2017) and payable in full upon application. The open offer was completed and share certificates for the offer shares dispatched on 27 October 2017. The fair value of issued shares of HK\$271,009,000 over the nominal value of HK\$67,752,000 was credited to the share premium account.
- (iii) There was no cash consideration received or receivable on cancellation of treasury shares.

28. 儲備

本集團儲備金額及其於本年度及過往年度之變動呈列於綜合財務報表第78及79頁之綜合權益變動表。

股份溢價

股份溢價賬變動如下：

附註：

- (i) 根據日期為二零一七年五月十八日有關收購迅譽全部已發行股本之買賣協議，本公司於發行日期按發行價0.647港元發行36,768,000股新股份，以償付部份代價。已發行股份公允值20,122,000港元超出面值3,677,000港元之差額計入股份溢價賬。其他詳情載於本公司日期為二零一七年五月十八日之公佈。
- (ii) 於二零一七年八月二十九日，本公司擬透過按認購價每股發售股份0.5港元按於記錄日期（即二零一七年九月十四日）每持有兩(2)股現有股份獲發一(1)股發售股份之基準發行677,523,795股發售股份，以籌集約338,800,000港元（扣除開支前），股款須於申請時繳足。於二零一七年十月二十七日，公開發售已完成，並已就發售股份寄發股票。已發行股份公允值271,009,000港元超出面值67,752,000港元之差額計入股份溢價賬。
- (iii) 概無來自註銷庫存股份的已收或應收現金代價。

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28. RESERVES (Continued)

Treasury Share Reserve

During the year ended 30 September 2010, the Group obtained at nil cost 14,500,000 of its own shares of HK\$0.10 with a value of HK\$5,365,000. The relevant shares are available for resale and have been included in the treasury share reserve, shown as a component of capital and reserves.

All treasury shares have been cancelled by the Group during the year ended 31 December 2016.

Other Reserve

The other reserve represents the net gain on the disposal of the treasury shares.

Capital Reserve

The capital reserve represents the capital reserve arising on the Group reorganisation carried out in 1994.

Translation Reserve

The translation reserve comprises the exchange differences arising on the translation of the financial statements of foreign operations.

Investment Revaluation Reserve

The investment revaluation reserve comprises the change in fair value of the Group's available-for-sale financial assets.

28. 儲備 (續)

庫存股份儲備

截至二零一零年九月三十日止年度，本集團按零成本取得其自身之每股面值0.10港元之14,500,000股股份，該等股份之價值為5,365,000港元。相關股份可重新出售，並已計入庫存股份儲備，顯示為資本及儲備之組成部份。

本集團已於截至二零一六年十二月三十一日止年度內註銷所有庫存股份。

其他儲備

其他儲備指出售庫存股份之收益淨額。

資本儲備

資本儲備指本集團於一九九四年進行之重組產生之資本儲備。

換算儲備

換算儲備包括換算外地業務之財務報表產生之匯兌差額。

投資重估儲備

投資重估儲備包括本集團可供出售金融資產之公允值變動。

29. NON-CONTROLLING INTERESTS

123 China Education Development Limited, an 80% owned subsidiary of the Company, has material non-controlling interests. Summarised financial information in relation to the non-controlling interests of 123 China Education Development Limited and its subsidiaries before intra-group eliminations is presented below:

29. 非控股權益

本公司擁有80%權益之附屬公司123中國教育發展有限公司擁有重大非控股權益。有關123中國教育發展有限公司及其附屬公司於集團內對銷前的非控股權益財務資料概要呈列如下：

| | | 2017 二零一七年 HK\$'000 千港元 |
|--|---------------|----------------------------------|
| Current assets | 流動資產 | 22,983 |
| Non-current assets | 非流動資產 | 4,715 |
| Current liabilities | 流動負債 | (47,635) |
| Non-controlling interests | 非控股權益 | 10,122 |
| Revenue | 收益 | 6,999 |
| Loss for the year | 年內虧損 | (579) |
| Total comprehensive income for the year | 年內全面收益總額 | 682 |
| Loss attributable to the non-controlling interests | 非控股權益應佔虧損 | (350) |
| Other comprehensive income attributable to the non-controlling interests | 非控股權益應佔其他全面收益 | 103 |
| Total comprehensive income attributable to the non-controlling interests | 非控股權益應佔全面收益總額 | (247) |
| Dividends paid to non-controlling interests | 應付非控股權益股息 | - |
| Net cash outflow from operating activities | 經營活動產生之現金流出淨額 | (40,202) |
| Net cash inflow from financing activities | 融資活動產生之現金流入淨額 | 41,130 |
| Net cash inflow | 現金流入淨額 | 928 |

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30. BUSINESS COMBINATIONS

(a) Acquisition of subsidiaries

The acquisition of subsidiaries accounted for as business combination are as follows:

(i) Acquisition of entire issued share capital of Speed Fame

On 18 May 2017, the Group acquired entire issued share capital of Speed Fame, a company incorporated in British Virgin Islands with limited liability, for consideration of HK\$58,119,000. Speed Fame and its subsidiaries are principally engaged in the provision of nursery education service in Chengdu, the PRC.

The fair values of the identifiable assets and liabilities acquired during the year are as follows:

30. 業務合併

(a) 收購附屬公司

收購附屬公司以業務合併入賬如下：

- (i) 收購迅譽全部已發行股本於二零一七年五月十八日，本集團按代價58,119,000港元收購迅譽（於英屬處女群島註冊成立之有限公司）全部已發行股本。迅譽及其附屬公司主要於中國成都提供幼兒教育服務。

本年度收購之可識別資產及負債之公允值如下：

| | | Notes 附註 | Fair value recognised on acquisition 於收購時 確認之公允值 HK\$'000 千港元 |
|---|-------------------|-------------|---|
| Cash and bank balances | 現金及銀行結餘 | | 1,252 |
| Intangible assets | 無形資產 | 16 | 69,314 |
| Property, plant and equipment | 物業、廠房及設備 | | 2,618 |
| Trade receivables | 應收貿易賬款 | | 600 |
| Prepayments and other receivables | 預付款項及其他應收款項 | | 14,578 |
| Trade payables | 應付貿易賬款 | | (117) |
| Accruals and other payables | 應計費用及其他應付款項 | | (33,160) |
| Deferred revenues | 遞延收益 | | (2,292) |
| Deferred tax liabilities | 遞延稅項負債 | | (17,329) |
| Amount due to non-controlling interests | 應付非控股權益款項 | | (1,696) |
| Total identifiable net assets at fair value | 按公允值之可識別 淨資產總額 | | 33,768 |
| Non-controlling interests | 非控股權益 | | (10,369) |
| | | | 23,399 |
| Goodwill | 商譽 | 16 | 34,720 |
| | | | 58,119 |
| | | | HK\$'000 千港元 |
| Satisfied by: | 支付方式： | | |
| Issue of shares | 發行股份 | | 23,789 |
| Cash consideration paid | 已付現金代價 | | 34,330 |
| | | | 58,119 |

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30. BUSINESS COMBINATIONS (Continued)

(a) Acquisition of subsidiaries (Continued)

(i) Acquisition of entire issued share capital of Speed Fame (Continued)

An analysis of the cash flows in respect of the acquisition of Speed Fame is as follows:

| | | HK\$'000 千港元 |
|---|--------------------------|-----------------|
| Consideration settled by cash | 以現金支付代價 | (34,330) |
| Cash and cash equivalents acquired | 所收購現金及現金等值 | 1,252 |
| Net outflow of cash and cash equivalents included in cash flows from investing activities | 計入投資活動所得現金流量之現金及現金等值流出淨額 | (33,078) |

The transaction cost of the acquisition is immaterial.

Speed Fame's acquisition contributed HK\$5,188,000 to the Group's revenue and loss of HK\$2,389,000 to the consolidated profit for the year ended 31 December 2017 upon the completion of the acquisition.

Had the combination taken place at the beginning of the year, the Group's revenue and consolidated profit would have been HK\$210,440,000 and HK\$68,816,000 respectively. This pro forma information is for illustration purpose only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2017, nor is it intended to be a projection of future performance.

The fair value of the trade and other receivables as at the date of acquisition amounted to approximately HK\$15,178,000. The gross contractual amount of trade and other receivables were approximately HK\$15,178,000, of which no balance was expected to be uncollectible.

30. 業務合併 (續)

(a) 收購附屬公司 (續)

(i) 收購迅譽全部已發行股本 (續)

就收購迅譽之現金流量之分析如下：

| | | HK\$'000 千港元 |
|---|--------------------------|-----------------|
| Consideration settled by cash | 以現金支付代價 | (34,330) |
| Cash and cash equivalents acquired | 所收購現金及現金等值 | 1,252 |
| Net outflow of cash and cash equivalents included in cash flows from investing activities | 計入投資活動所得現金流量之現金及現金等值流出淨額 | (33,078) |

收購事項之交易成本並不重大。

於收購完成後，迅譽收購於截至二零一七年十二月三十一日止年度為本集團帶來收益5,188,000港元及為綜合溢利帶來虧損2,389,000港元。

倘合併於年初進行，本集團之收益及綜合溢利應分別為210,440,000港元及68,816,000港元。此備考資料僅供參考，未必一定反映倘收購於二零一七年一月一日完成本集團實際應達致之收益及經營業績，亦非擬作未來表現之預測。

應收貿易賬款及其他應收款項於收購日期之公允值約為15,178,000港元。應收貿易賬款及其他應收款項之合約總金額約為15,178,000港元，預期並無結餘將不可收回。

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30. BUSINESS COMBINATION (Continued)

(a) Acquisition of subsidiaries (Continued)

(i) Acquisition of entire issued share capital of Speed Fame (Continued)

The non-controlling interests were recognised at their proportionate share of the recognised amounts of Speed Fame's identifiable net assets.

The goodwill arose in the above acquisition because the consideration included benefit of revenue growth and future market development. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

None of the goodwill recognised is expected to be deductible for income tax purposes.

(ii) Acquisition of entire issued share capital of Superactive Finance

On 25 May 2017, the Group acquired entire issued share capital of Superactive Finance, a company incorporated in Hong Kong with limited liability, and holds a money lender's license under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) at the consideration of HK\$420,000. Superactive Finance is principally engaged in money lending business in Hong Kong.

The fair values of the identifiable assets and liabilities acquired during the year are as follows:

| | | Notes 附註 | Fair value recognised on acquisition 於收購時 確認之公允值 HK\$'000 千港元 |
|---|-------------------|-------------|---|
| Cash and bank balances | 現金及銀行結餘 | | 26 |
| Accruals and other payables | 應計費用及其他應付款項 | | (15) |
| Total identifiable net assets at fair value | 按公允值之可識別淨資產 總額 | | 11 |
| Goodwill | 商譽 | 16 | 409 |
| Cash consideration | 現金代價 | | 420 |
| | | | HK\$'000 千港元 |
| Satisfied by: | 支付方式: | | |
| Cash consideration paid | 已付現金代價 | | 420 |

30. 業務合併 (續)

(a) 收購附屬公司 (續)

(i) 收購迅譽全部已發行股本 (續)

非控股權益乃按彼等應佔迅譽可識別資產淨值之已確認金額之比例進行確認。

上述收購產生商譽乃由於代價包括收益增長及未來市場發展之利益。該等利益不會與商譽分開確認，因為其並不符合可識別無形資產之確認標準。

預期已確認商譽就所得稅而言不可扣減。

(ii) 收購先機財務全部已發行股本

於二零一七年五月二十五日，本集團按代價420,000港元收購先機財務（於香港註冊成立之有限公司，持有香港法例第163章《放債人條例》的放債人牌照）全部已發行股本。先機財務主要於香港從事放債業務。

本年度收購之可識別資產及負債之公允值如下：

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30. BUSINESS COMBINATION (Continued)

(a) Acquisition of subsidiaries (Continued)

(ii) Acquisition of entire issued share capital of Superactive Finance (Continued)

An analysis of the cash flows in respect of the acquisition of Superactive Finance is as follows:

| | | HK\$'000 千港元 |
|---|--------------------------|-----------------|
| Consideration settled by cash | 以現金支付代價 | (420) |
| Cash and cash equivalents acquired | 所收購現金及現金等值 | 26 |
| Net outflow of cash and cash equivalents included in cash flows from investing activities | 計入投資活動所得現金流量之現金及現金等值流出淨額 | (394) |

The transaction cost of the acquisition is immaterial.

The acquisition contributed HK\$934,000 to the Group's revenue and contributed loss of HK\$226,000 to the consolidated profit for the year ended 31 December 2017.

Had the combination taken place at the beginning of the year, the Group's revenue and consolidated profit would have been HK\$206,526,000 and HK\$68,912,000 respectively. This pro forma information is for illustration purpose only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2017, nor is it intended to be a projection of future performance.

The goodwill arose in the above acquisition because the consideration included benefit of future market development. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

None of the goodwill recognised is expected to be deductible for income tax purposes.

30. 業務合併 (續)

(a) 收購附屬公司 (續)

(ii) 收購先機財務全部已發行股本 (續)

就收購先機財務之現金流量之分析如下：

| | | HK\$'000 千港元 |
|---|--------------------------|-----------------|
| Consideration settled by cash | 以現金支付代價 | (420) |
| Cash and cash equivalents acquired | 所收購現金及現金等值 | 26 |
| Net outflow of cash and cash equivalents included in cash flows from investing activities | 計入投資活動所得現金流量之現金及現金等值流出淨額 | (394) |

收購事項之交易成本並不重大。

收購於截至二零一七年十二月三十一日止年度為本集團帶來收益934,000港元及為綜合溢利帶來虧損226,000港元。

倘合併於年初進行，本集團之收益及綜合溢利應分別為206,526,000港元及68,912,000港元。此備考資料僅供參考，未必一定反映倘收購於二零一七年一月一日完成本集團實際應達致之收益及經營業績，亦非擬作未來表現之預測。

上述收購產生商譽乃由於代價包括未來市場發展之利益。該等利益不會與商譽分開確認，因為其並不符合可識別無形資產之確認標準。

預期已確認商譽就所得稅而言不可扣減。

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30. BUSINESS COMBINATION (Continued)

(a) Acquisition of subsidiaries (Continued)

(iii) Acquisition of the entire equity interest of Qianhai Wanke

On 29 August 2017, the Group acquired the entire equity interest of Qianhai Wanke, a company established in the PRC at the consideration of RMB98,017,000 (approximately to HK\$115,285,000). Qianhai Wanke and its subsidiary are principally engaged in property development in the PRC.

The fair values of the identifiable assets and liabilities acquired during the year as follows:

30. 業務合併 (續)

(a) 收購附屬公司 (續)

(iii) 收購前海萬客之全部股權

於二零一七年八月二十九日，本集團按代價人民幣98,017,000元（約115,285,000港元）收購前海萬客（於中國成立之公司）全部股權。前海萬客及其附屬公司主要於中國從事物業發展。

本年度收購之可識別資產及負債之公允值如下：

| | | Fair value recognised on acquisition 於收購時 確認之公允值 |
|---|-------------------|--|
| | Note 附註 | HK\$'000 千港元 |
| Cash and bank balances | 現金及銀行結餘 | 935 |
| Property, plant and equipment | 物業、廠房及設備 | 92 |
| Deferred tax assets | 遞延稅項資產 | 6,701 |
| Land appreciation tax recoverables | 可收回土地增值稅 | 2,725 |
| Amount due from related company | 應收關連公司款項 | 3,529 |
| Properties under development held for sale | 持作出售之開發中物業 | 477,198 |
| Prepayments and other receivables | 預付款項及其他應收款項 | 12,955 |
| Trade payables | 應付貿易賬款 | (79,326) |
| Accruals and other payables | 應計款項及其他應付款項 | (14,098) |
| Bank borrowings | 銀行借款 | (235,236) |
| Total identifiable net assets at fair value | 按公允值之可識別 淨資產總額 | 175,475 |
| Less: Purchase consideration | 減：收購代價 | 115,285 |
| Gain on bargain purchase | 議價收購收益 | 60,190 |

30. BUSINESS COMBINATION (Continued)

(a) Acquisition of subsidiaries (Continued)

(iii) Acquisition of entire issued share capital of Qianhai Wanke (Continued)

| | | HK\$'000 千港元 |
|--|--------------------------|-----------------|
| An analysis of the cash flows in respect of the acquisition of subsidiaries is as follows: | 就收購附屬公司之現金流量分析如下： | |
| Cash and cash equivalents acquired | 所收購現金及現金等值 | 935 |
| Net inflow of cash and cash equivalents included in cash flows from investing activities | 計入投資活動所得現金流量之現金及現金等值流入淨額 | 935 |

Transaction costs of approximately HK\$1,255,000 have been expensed and are included in administrative costs in consolidated statement of profit or loss.

交易成本約1,255,000港元已支銷，並於綜合損益表中入賬列為行政成本。

The acquisition did not contribute any revenue to the Group and contributed loss of HK\$3,065,000 to consolidated profit for the year ended 31 December 2017.

收購於截至二零一七年十二月三十一日止年度並無為本集團帶來任何收益，而為綜合溢利帶來虧損3,065,000港元。

Had the combination taken place at the beginning of the year, the Group's revenue and the consolidated profit would have been HK\$206,526,000 and HK\$51,710,000, respectively. This pro forma information is for illustration purpose only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2017, nor is it intended to be a projection of future performance.

倘合併於年初進行，本集團之收益及綜合溢利應分別為206,526,000港元及51,710,000港元。此備考資料僅供參考，未必一定反映倘收購於二零一七年一月一日完成本集團實際應達致之收益及經營業績，亦非擬作未來表現之預測。

The fair value of the other receivables and amount due from related company as at the date of acquisition amounted to approximately HK\$16,484,000. The gross contractual amounts of other receivables and amount due from related company were approximately HK\$16,484,000, of which no balance was expected to be uncollectable.

其他應收款項及應收關連公司款項於收購日期之公允值約為16,484,000港元。其他應收款項及應收關連公司款項之合約總金額約為16,484,000港元，預期並無結餘將不可收回。

The acquisition resulted in gain on bargain purchase of HK\$60,190,000 as the completion of the property development project in PRC required significant capital expenditure and the financing of the Group.

由於於中國完成物業開發項目涉及重大資本開支，及本集團須就此進行融資，故收購事項產生議價收購收益60,190,000港元。

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30. BUSINESS COMBINATION (Continued)

(a) Acquisition of subsidiaries (Continued)

(iv) Acquisition of entire issued share capital of Shining

On 18 October 2017, the Group acquired entire issued share capital of Shining, a company incorporated in Hong Kong at the consideration of HK\$12,500,000. Shining is principally engaged in provision of regulated financial service activities.

The fair values of the identifiable assets and liabilities acquired during the year are as follows:

| | | Fair value recognised on acquisition 於收購時 確認之公允值 |
|--|----------------------|--|
| | Note 附註 | HK\$'000 千港元 |
| Cash and bank balances | 現金及銀行結餘 | 363 |
| Intangible assets | 無形資產 | 9,186 |
| Property, plant and equipment | 物業、廠房及設備 | 11 |
| Trade and other receivables | 應收貿易賬款及其他應收款項 | 1,003 |
| Accruals and other payables | 應計款項及其他應付款項 | (19) |
| Deferred tax liabilities | 遞延稅項負債 | (1,515) |
| Amount due to a director | 應付董事款項 | (11) |
| Total identifiable net assets at fair value | 按公允值之可識別淨資產總額 | 9,018 |
| Goodwill | 商譽 | 3,482 |
| Cash consideration | 現金代價 | 12,500 |
| | | HK\$'000 千港元 |
| Satisfied by: | 支付方式: | |
| Cash consideration paid | 已付現金代價 | 12,500 |

30. 業務合併 (續)

(a) 收購附屬公司 (續)

(iv) 收購舜麗之全部已發行股本

於二零一七年十月十八日，本集團按代價12,500,000港元收購舜麗（於香港註冊成立之公司）全部已發行股本。舜麗主要從事提供受監管金融服務活動。

本年度收購之可識別資產及負債之公允值如下：

30. BUSINESS COMBINATION (Continued)**(a) Acquisition of subsidiaries** (Continued)**(iv) Acquisition of entire issued share capital of Shining** (Continued)

| | | HK\$'000 千港元 |
|---|--------------------------|-----------------|
| An analysis of the cash flows in respect of the acquisition of subsidiary is as follows: | 就收購附屬公司之現金流量分析如下： | |
| Consideration settled by cash | 以現金結算之代價 | (12,500) |
| Cash and cash equivalents acquired | 所收購現金及現金等值 | 363 |
| Net outflow of cash and cash equivalents included in cash flows from investing activities | 計入投資活動所得現金流量之現金及現金等值流出淨額 | (12,137) |

The transaction cost of the acquisition is immaterial.

The acquisition did not contribute any revenue to the Group and contributed loss of HK\$1,070,000 to the consolidated profit for the year ended 31 December 2017.

Had the combination taken place at the beginning of the year, the Group's revenue and consolidated profit would have been HK\$207,850,000 and HK\$66,901,000, respectively. This pro forma information is for illustration purpose only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2017, nor is it intended to be a projection of future performance.

The fair value of the trade and other receivables as at the date of acquisition amounted to approximately HK\$1,003,000. The gross contractual amount of trade and other receivables were approximately HK\$1,003,000, of which no balance was expected to be uncollectible.

The goodwill arose in the above acquisition because the consideration included benefit of synergies and future market development. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

None of the goodwill recognised is expected to be deductible for income tax purposes.

30. 業務合併 (續)**(a) 收購附屬公司** (續)**(iv) 收購舜麗之全部已發行股本** (續)

收購事項之交易成本並不重大。

收購於截至二零一七年十二月三十一日止年度並無為本集團帶來任何收益，而為綜合溢利帶來虧損1,070,000港元。

倘合併於年初進行，本集團之收益及綜合溢利應分別為207,850,000港元及66,901,000港元。此備考資料僅供參考，未必一定反映倘收購於二零一七年一月一日完成本集團實際應達致之收益及經營業績，亦非擬作未來表現之預測。

應收貿易賬款及其他應收款項於收購日期之公允值約為1,003,000港元。應收貿易賬款及其他應收款項之合約總金額約為1,003,000港元，預期並無結餘將不可收回。

上述收購產生商譽乃由於代價包括協同效應及未來市場發展之利益。該等利益不會與商譽分開確認，因為其並不符合可識別無形資產之確認標準。

預期已確認商譽就所得稅而言不可扣減。

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31. DISPOSAL OF SUBSIDIARIES

On 29 May 2017, Hinda Enterprises Limited (“Hinda”), a direct wholly owned subsidiary of the Group, entered into a sale and purchase agreement to acquire the entire issued share capital and the shareholder’s loan in Wealth Long Limited at a consideration of HK\$185,000,000. The vendor also granted the Group the put option, which require the vendor to purchase from the Group the option shares (representing the entire issued share capital of Wealth Long Limited) and the shareholder’s loan at a consideration of HK\$185,000,000 within 90 days from 29 May 2017. Wealth Long Limited holds a property in Hong Kong and has no other business operation. Therefore, the acquisition is accounted for as an acquisition of assets.

On 8 August 2017, the Group served the notice to exercise the put option to request the vendor to purchase the entire issued share capital of Wealth Long Limited at the option price of HK\$185,000,000. After negotiation with the vendor, entire share capital of Hinda was transferred to the vendor, and the transaction was completed on 10 November 2017. The net assets of Hinda and its subsidiary at the date of disposal were as follows:

31. 出售附屬公司

於二零一七年五月二十九日，本集團之直接全資附屬公司亨達企業有限公司（「亨達」）訂立一份買賣協議，以收購財順有限公司之全部已發行股本及股東貸款，代價為185,000,000港元。賣方亦授予本集團認沽期權，其要求賣方於自二零一七年五月二十九日起計九十日內按代價185,000,000港元向本集團購回購股權股份（相當於財順有限公司之全部已發行股本）及股東貸款。財順有限公司於香港持有一項物業，且並無其他業務營運。因此，該項收購入賬列為一項資產收購。

於二零一七年八月八日，本集團發出行使認沽期權之通知，要求賣方按期權價185,000,000港元購回財順有限公司之全部已發行股本。經與賣方協商後，亨達之全部股本已轉讓予賣方，及交易已於二零一七年十一月十日完成。亨達及其附屬公司於出售日期之資產淨值如下：

| | | 10 November 2017 二零一七年 十一月十日 |
|---|----------------------|---|
| | | HK\$’000 千港元 |
| Property, plant and equipment | 物業、廠房及設備 | 186,110 |
| Net asset disposed of | 已出售資產淨值 | 186,110 |
| Loss on disposal of subsidiaries included in profit for the year | 計入年內溢利之 出售附屬公司虧損 | 6 (1,110) |
| Total consideration | 代價總額 | 185,000 |
| Satisfied by and net cash outflow in respect of the disposal: | 支付方式及就出售之 現金流出淨額： | |
| Cash consideration | 現金代價 | 185,000 |

32. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

Reconciliation of liabilities arising from financing activities:

32. 綜合現金流量表附註

融資活動產生之負債對賬：

| | | Amount due to a shareholder | Interest payables included in other payables | Interest- bearing bank borrowings |
|---|----------------------|--|---|--|
| | | 應付一名股東 款項 (Note 24) (附註24) HK\$'000 千港元 | 計入其他 應付款項之 應付利息 HK\$'000 千港元 | 計息銀行借款 (Note 25) (附註25) HK\$'000 千港元 |
| At 1 January 2017 | 於二零一七年一月一日 | – | 2 | 641 |
| Changes from cash flows: | 現金流量變動： | | | |
| Proceeds from bank borrowings | 銀行借款所得款項 | – | – | 4,901 |
| Repayments of bank borrowings | 償還銀行借款 | – | – | (237,757) |
| Cash advance from shareholder | 股東之現金墊款 | 9,500 | – | – |
| Interest paid | 已付利息 | – | (16) | – |
| Total changes from financing cash flows: | 融資活動現金流量變動總額： | 9,500 | (16) | (232,856) |
| Other changes: | 其他變動： | | | |
| Interest expense | 利息開支 | – | 221 | – |
| Acquisition of subsidiaries | 收購附屬公司 | – | – | 235,236 |
| At 31 December 2017 | 於二零一七年十二月三十一日 | 9,500 | 207 | 3,021 |

33. CONTINGENT LIABILITIES

As at 31 December 2017 and 31 December 2016, the Group did not have any significant contingent liabilities.

33. 或然負債

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，本集團並無任何重大或然負債。

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34. COMMITMENTS

Operating commitments

As Lessee

At the reporting date, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of rented premises which fall due as follows:

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|--|----------------|----------------------------------|----------------------------------|
| Operating leases which expire: | 於下列期間屆滿之經營租賃： | | |
| Within one year | 一年內 | 5,867 | 2,606 |
| In the second to fifth years inclusive | 第二至第五年（包括首尾兩年） | - | 517 |
| | | 5,867 | 3,123 |

Operating lease payments represent rentals payable by the Group for certain of its office properties and factories. The leases run for an initial period of 1 to 20 years (2016: 1 to 3 years), with an option to renew the leases and renegotiate the terms at the expiry date or dates as mutually agreed between the Group and the respective landlords. None of the leases contain contingent rentals.

34. 承擔

經營承擔

作為承租人

於報告日期，本集團根據不可撤銷經營租賃就租賃物業之未來最低租賃款項之承擔到期情況如下：

經營租賃款項乃指本集團就其若干辦公室物業及廠房租約應付之租金。租約之初步年期為1至20年（二零一六年：1至3年），附帶選擇權可於屆滿日期或本集團與各業主相互協定之日期續訂租約及重新協定條款。概無租約含有或然租金。

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34. COMMITMENTS (Continued)

Capital commitments

At the reporting date, the Group had capital commitments in respect of property development as follows:

| | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|---|----------------------------------|----------------------------------|
| Contracted but not provided for 已訂約惟未撥備 | 36,853 | - |

35. RELATED PARTY TRANSACTIONS

The remuneration of the key management during the year is as follows:

| | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|---|----------------------------------|----------------------------------|
| Basic salaries and allowances, bonuses and benefits in kind 基本薪金及津貼、花紅及實物利益 | 11,590 | 3,042 |
| Mandatory provident fund contributions 強制性公積金供款 | 55 | 18 |
| | 11,645 | 3,060 |

Other than the disclosures above, the Group has not entered into any other related party transactions.

34. 承擔 (續)

資本承擔

於報告日期，本集團就物業發展之資本承擔如下：

35. 關連人士交易

本年度主要管理層之酬金如下：

除以上披露者外，本集團未有訂立任何其他關連人士交易。

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36. CAPITAL MANAGEMENT POLICIES AND RISK

The Group's objectives are: to provide returns for shareholders; to safeguard the Group's ability to continue as a going concern so that it continues to provide returns and benefits for its stakeholders; to support the Group's stability and growth; and to provide capital for the purpose of strengthening the Group's risk management capability.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend paid to shareholders, return capital to shareholders and issue new shares to reduce its debt level.

Consistent with other industries, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total interest-bearing bank borrowings and obligations under finance leases less cash and cash equivalents. Total capital represents total equity, as shown in the consolidated statement of financial position.

The gearing ratio at the end of reporting period was as follows:

36. 資本管理政策及風險

本集團之目標為：向股東提供回報；保證本集團之持續經營能力，以繼續為持份者提供回報及利益；支持本集團之穩定性及增長；及提供資金以增強本集團風險管理能力。

為維持或調整資本架構，本集團或會調整支付予股東之股息金額、歸還資本予股東及發行新股以降低其債務水平。

與其他行業一致，本集團基於資本負債比率監控資本。該比率按債務淨額除以資本總額計算。債務淨額按計息銀行借款總額及融資租賃承擔減現金及現金等值計算。誠如綜合財務狀況表所列示，資本總值指權益總值。

於報告期末之資本負債比率如下：

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|----------------|--------|----------------------------------|----------------------------------|
| Total net debt | 淨債務總額 | - | - |
| Total capital | 資本總值 | 931,346 | 470,046 |
| Gearing ratio | 資本負債比率 | N/A不適用 | N/A不適用 |

37. FINANCIAL RISK MANAGEMENT AND POLICIES

The Group is exposed to a variety of financial risks: including foreign currency risk, interest rate risk, credit risk and liquidity risk. The Group's overall risk management focuses on unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out by key management under the policies approved by the Board. The Group does not have written risk management policies. However, the Board meets regularly and co-operates closely with key management to identify and evaluate risks and to formulate strategies to manage financial risks.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities.

The Group's financial assets are primarily denominated in HK\$, RMB, USD and Australian dollars ("AUD"). The currencies to which the Group had significant exposure on its monetary financial assets and liabilities included RMB, USD and AUD. At 31 December 2017 and 2016, in view of the fact that the HK\$ is pegged to the USD, the Company's exposure to USD is considered to be minimal. The net exposure expressed in HK\$ is as follows:

| | | Assets 資產 | |
|-----|-----|----------------------------------|----------------------------------|
| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
| RMB | 人民幣 | 279 | 10,565 |
| AUD | 澳元 | 25,010 | 2,329 |

37. 財務風險管理及政策

本集團須承受不同種類之財務風險，包括外幣風險、利率風險、信貸風險及流動資金風險。本集團之整體風險管理集中於金融市場之未能預計因素，並尋求盡量減低對本集團財務表現之潛在不利影響。風險管理由主要管理層根據董事會批准之政策執行。本集團並無書面風險管理政策。然而，董事會與主要管理層定期會面並緊密合作以確定及評估風險，並制定管理財務風險之策略。

外幣風險

外幣風險為金融工具之公允值或未來現金流量因外幣匯價變動而波動之風險。本集團所承擔外幣匯價變動之風險主要關乎本集團之經營活動。

本集團之金融資產主要以港元、人民幣、美元及澳洲元（「澳元」）計值。本集團涉及貨幣性金融資產及負債的重大風險之有關貨幣包括人民幣、美元及澳元。於二零一七年及二零一六年十二月三十一日，有見於港元與美元掛鈎，本公司承擔的美元風險被視為微不足道。以港元表示之外幣淨風險如下：

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37. FINANCIAL RISK MANAGEMENT AND POLICIES (Continued)

Foreign currency risk (Continued)

The following table indicates the approximate change in the Group's profit for the year ended 31 December 2017 and 2016 in response to reasonably possible change in foreign exchange rates to which the Group has significant exposure at the end of reporting period. The sensitivity analysis includes outstanding foreign currency denominated monetary items, and adjusts their translation at the year end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit where the relevant currencies strengthen 5% against the HK\$. For a 5% weakening of the relevant currencies against the HK\$, there would be an equal and opposite impact on the profit and the balances below would be negative.

| | | 2017 二零一七年 | | 2016 二零一六年 | |
|-----|-----|---------------------------------|-------------------------------------|---------------------------------|-------------------------------------|
| | | Increase in exchange rate | Effect on profit for the year | Increase in exchange rate | Effect on profit for the year |
| | | 匯率增加 % | 對年內溢利 的影響 HK\$'000 千港元 | 匯率增加 % | 對年內溢利 的影響 HK\$'000 千港元 |
| RMB | 人民幣 | 5 | 14 | 5 | 528 |
| AUD | 澳元 | 5 | 1,250 | 5 | 116 |

Interest rate risk

As the Group has no significant interest-bearing assets and liabilities, the Group's income and operating cash flows are substantially independent of changes in market interest rate.

37. 財務風險管理及政策 (續)

外幣風險 (續)

下表顯示本集團因應本集團於報告期末承受重大風險之外幣匯率合理可能變動而作出之截至二零一七年及二零一六年十二月三十一日止年度溢利之概約變動。敏感度分析包括尚未處理之外幣計值貨幣項目，並會按匯率之5%變動對其於年末之換算作出調整。下表中之正數顯示倘相關貨幣兌港元升值5%時溢利之增加數額。倘相關貨幣兌港元貶值5%，溢利將會出現相反方向之等額變動，而下列之結餘將為負數。

利率風險

由於本集團並無重大計息資產及負債，故本集團之收入及營運現金流大部份不受市場利率變動影響。

37. FINANCIAL RISK MANAGEMENT AND POLICIES (Continued)**Credit risk**

The Group's credit risk is primarily attributable to trade receivables and loans receivables. The Group has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

The Group is exposed to concentration risk as a significant portion of its business is derived from its largest customers. As at 31 December 2017, trade receivables of HK\$51,689,000 (31 December 2016: HK\$29,125,000) were contributed by the top five customers. In order to minimise any credit risk, the management of the Group has delegated a team to be responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt on a regular basis to ensure that adequate impairment loss are made for irrecoverable amounts. Management does not expect any significant losses of trade receivables that have not been provided for by way of an allowance.

In respect of loans receivables, all borrowers who obtain loans from the Group are subject to management review. The Group also demands certain borrowers to place collateral at the time the agreement is entered into as securities of loans.

The credit risk on liquid funds is limited because the counterparts are banks with high credit ratings assigned by international credit rating agencies.

Liquidity risk

The Group's objective is to ensure that adequate funds are available to meet commitments associated with its financial liabilities.

The Group manages its liquidity needs by carefully monitoring short term and long term cash outflows on a regular basis. The Group mainly utilises cash to meet its liquidity requirements for periods up to 30 days. Funding for long term liquidity needs will be considered when liquidity requirements in the long term are identified.

The table below analyses the Group's financial liabilities that will be settled on a net basis into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The contractual maturity analysis below is based on the undiscounted cash flows of the financial liabilities.

37. 財務風險管理及政策 (續)**信貸風險**

本集團之信貸風險主要歸因於應收貿易賬款及應收貸款。本集團已制定信貸政策，且信貸風險持續受到監控。

本集團存在過度集中風險，乃因其業務之主要部份來自其最大客戶所致。於二零一七年十二月三十一日，來自五大客戶之應收貿易賬款為51,689,000港元（二零一六年十二月三十一日：29,125,000港元）。為盡量減低任何信貸風險，本集團管理層已委派團隊負責釐定信貸限額、信貸審批及其他監控程序以確保採取跟進行動收回過期債務。此外，本集團定期審閱各項應收貿易債務之可收回金額，以確保就不可收回金額作出足額減值虧損。管理層並不預期應收貿易賬款中有任何重大虧損而仍未有作出撥備。

就應收貸款而言，所有向本集團取得貸款之借方均需經管理層審閱。本集團亦要求若干借方於訂立協議時提供抵押品，以作為貸款之擔保。

流動資金之信貸風險有限，乃因交易對手為國際信貸評級機構賦予高信貸評級之銀行。

流動資金風險

本集團之目標為確保有足夠資金可供動用以償付與其金融負債有關之承擔。

本集團透過定期嚴密監控短期及長期現金流出以管理其流動資金需求。本集團主要利用現金滿足其於最多30日期間內之流動資金所需。當確定長期流動資金所需時，長期流動資金所需資金將予以考慮。

下表為本集團按淨額基準結算相關到期組別在報告日期直至合約到期日為止之剩餘期限之金融負債之分析。以下為根據金融負債之未貼現現金流量作出之合約到期日分析。

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37. FINANCIAL RISK MANAGEMENT AND POLICIES (Continued)

Liquidity risk (Continued)

2017

| | | Within one year or on demand 一年內或 按要求時 HK\$'000 千港元 | More than one year but less than two years 超過一年 但少於兩年 HK\$'000 千港元 | Total undiscounted amount 未貼現總金額 HK\$'000 千港元 | Carrying amount 賬面值 HK\$'000 千港元 |
|--|-------------------|---|---|--|--|
| Non-derivative financial liabilities: | 非衍生金融負債： | | | | |
| Trade and other payables | 應付貿易賬款及 其他應付款項 | 152,856 | 117,693 | 270,549 | 270,549 |
| Amount due to a shareholder | 應付一名股東款項 | 9,500 | - | 9,500 | 9,500 |
| Amount due to non-controlling interests | 應付非控股權益款項 | 1,801 | - | 1,801 | 1,801 |
| Interest-bearing bank borrowings | 計息銀行借款 | 3,021 | - | 3,021 | 3,021 |
| | | 167,178 | 117,693 | 284,871 | 284,871 |

2016

| | | Within one year or on demand 一年內或 按要求時 HK\$'000 千港元 | Total undiscounted amount 未貼現總金額 HK\$'000 千港元 | Carrying amount 賬面值 HK\$'000 千港元 |
|---------------------------------------|-------------------|---|--|--|
| Non-derivative financial liabilities: | 非衍生金融負債： | | | |
| Trade and other payables | 應付貿易賬款及 其他應付款項 | 53,362 | 53,362 | 53,362 |
| Interest-bearing bank borrowings | 計息銀行借款 | 641 | 641 | 641 |
| | | 54,003 | 54,003 | 54,003 |

37. 財務風險管理及政策 (續)

流動資金風險 (續)

二零一七年

二零一六年

37. FINANCIAL RISK MANAGEMENT AND POLICIES (Continued)**Summary of financial assets and liabilities by category**

The carrying amounts of financial assets and liabilities presented in the consolidated statement of financial position relates to the following categories:

Financial assets:

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|-------------------------------------|-----------|----------------------------------|----------------------------------|
| Loan and receivables: | 貸款及應收款項： | | |
| Cash and cash equivalents | 現金及現金等值 | 108,131 | 313,616 |
| Trade receivables | 應收貿易賬款 | 51,961 | 30,067 |
| Loans receivables | 應收貸款 | 58,803 | - |
| Deposits and other receivables | 按金及其他應收款項 | 62,187 | 4,986 |
| Available-for-sale financial assets | 可供出售金融資產 | 25,010 | - |
| | | 306,092 | 348,669 |

Financial liabilities:

| | | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|---|---------------|----------------------------------|----------------------------------|
| Financial liabilities measured at amortised cost: | 按攤銷成本計算之金融負債： | | |
| Trade and other payables | 應付貿易賬款及其他應付款項 | 270,549 | 53,362 |
| Interest-bearing bank borrowings | 計息銀行借款 | 3,021 | 641 |
| | | 273,570 | 54,003 |

37. 財務風險管理及政策 (續)**金融資產及負債分類概要**

於綜合財務狀況表中呈列之金融資產及負債賬面值與以下類別有關：

金融資產：

金融負債：

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38. EVENTS AFTER THE END OF THE REPORTING PERIOD

- (i) On 7 November 2017, the Group entered into the provisional agreements in relation to the acquisition of office units in Shun Tak Centre, located in Hong Kong, for an aggregate consideration of HK\$320,352,000. The transaction was completed on 9 February 2018. Details please refer to the Company's announcement dated 7 November 2017 and the circular dated 22 December 2017.
- (ii) The Group had entered into a memorandum of understanding for acquiring 60% equity interest in Shenzhen Dowis Electronic Co., Ltd, a company with limited liability established in the PRC. Shenzhen Dowis Electronic Co., Ltd is principally engaged in supply, manufacture and export of electronic devices in the PRC. Details please refer to the Company's announcement dated 28 December 2017.
- (iii) On 29 December 2017, the Company issued bonds to an independent third party for a principal amount of HK\$300 million. The bonds are interest-bearing at 8% per annum at issuance and interest is payable quarterly in arrears and will mature on 28 December 2019. The proceeds of the Company's bonds were received on 2 January 2018.

The share equity of (i) Chengdu One Two Three Aozhong Education Investment Company Limited, the operating company of the nursery education in PRC; (ii) Shining, the operating company of the regulated financial services; and (iii) Rise Up International Limited, a company which held the equity shares of the associate were pledged to secure the Company's bonds issued on 29 December 2017.

38. 報告期末後事項

- (i) 於二零一七年十一月七日，本集團訂立臨時協議，內容有關收購位於香港之信德中心的辦公室單位，總代價為320,352,000港元。該交易已於二零一八年二月九日完成。有關詳情請參閱本公司日期為二零一七年十一月七日之公佈及日期為二零一七年十二月二十二日之通函。
- (ii) 本集團已就收購深圳市德維斯電子有限公司（一間於中國成立的有限公司）之60%股權訂立諒解備忘錄。深圳市德維斯電子有限公司主要於中國從事供應、製造及出口電子設備。有關詳情請參閱本公司日期為二零一七年十二月二十八日之公佈。
- (iii) 於二零一七年十二月二十九日，本公司向一名獨立第三方發行本金額為300,000,000港元之債券。該等債券於發行時按年利率8%計息，利息須於每季度支付及將於二零一九年十二月二十八日到期。有關本公司債券之所得款項已於二零一八年一月二日收取。

(i) 成都壹貳叁澳中教育投資有限公司（一間於中國經營幼兒教育的公司）；(ii) 舜麗（一間經營受監管金融服務的公司）；及 (iii) Rise Up International Limited（一間持有聯營公司權益股份的公司）的股權已被質押以為本公司於二零一七年十二月二十九日發行的債券作擔保。

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39. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY

39. 本公司財務狀況表及儲備變動

| | | Notes 附註 | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|---|----------------|-------------|----------------------------------|----------------------------------|
| NON-CURRENT ASSETS | 非流動資產 | | | |
| Property, plant and equipment | 物業、廠房及設備 | | 421 | 683 |
| Investments in subsidiaries | 於附屬公司之投資 | | 21,496 | 21,440 |
| | | | 21,917 | 22,123 |
| CURRENT ASSETS | 流動資產 | | | |
| Prepayments, deposits and other receivables | 預付款項、按金及其他應收款項 | | 800 | 1,052 |
| Amounts due from subsidiaries | 應收附屬公司款項 | | 697,101 | 330,405 |
| Cash and bank balances | 現金及銀行結餘 | | 1,800 | 17,144 |
| | | | 699,701 | 348,601 |
| CURRENT LIABILITIES | 流動負債 | | | |
| Accruals and other payables | 應計款項及其他應付款項 | | 8,972 | 13,473 |
| Amount due to a shareholder | 應付一名股東款項 | | 9,500 | - |
| | | | 18,472 | 13,473 |
| NET CURRENT ASSETS | 流動資產淨值 | | 681,229 | 335,128 |
| NET ASSETS | 資產淨值 | | 703,146 | 357,251 |
| CAPITAL AND RESERVES | 股本及儲備 | | | |
| Share capital | 股本 | 27 | 203,257 | 131,828 |
| Reserves | 儲備 | | 499,889 | 225,423 |
| TOTAL EQUITY | 權益總額 | | 703,146 | 357,251 |

The statement of financial position of the Company was approved and authorised for issue by the Board of Directors on 28 March 2018 and are signed on its behalf by:

本公司的財務狀況表已於二零一八年三月二十八日獲董事會批准及授權刊發，並由以下人士代表簽署：

YEUNG SO LAI
楊素麗
DIRECTOR
董事

LEE CHI SHING CAESAR
李志成
DIRECTOR
董事

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39. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY

(Continued)

39. 本公司財務狀況表及儲備變動 (續)

| | | Share premium | Treasury share reserve | Other reserve | Capital redemption reserve | Investment revaluation reserve | Contributed surplus | Accumulated losses | Total |
|---|--------------------|----------------|------------------------|---------------|----------------------------|--------------------------------|---------------------|--------------------|-----------------|
| | | 股份溢價 | 庫存股份儲備 | 其他儲備 | 贖回儲備 | 投資重估儲備 | 繳入盈餘 | 累計虧損 | 總計 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| | | | | | | | (note) | | |
| | | | | | | | (附註) | | |
| At 31 December 2015 | 於二零一五年十二月三十一日 | 191,879 | - | 725 | 1,442 | (209) | 70,911 | (20,834) | 243,914 |
| Repurchase of treasury shares | 購回庫存股份 | - | (4,968) | (671) | - | - | - | - | (5,639) |
| Cancellation of treasury shares | 註銷庫存股份 | (3,625) | 4,968 | - | - | - | - | - | 1,343 |
| Transactions with owners | 與擁有人之交易 | (3,625) | - | (671) | - | - | - | - | (4,296) |
| Loss for the year | 年內虧損 | - | - | - | - | - | - | (14,404) | (14,404) |
| Other comprehensive income: | 其他全面收益: | | | | | | | | |
| Investment revaluation reserve written off | 已撇銷投資重估儲備 | - | - | - | - | 209 | - | - | 209 |
| Total comprehensive income for the year | 年內全面收益總額 | - | - | - | - | 209 | - | (14,404) | (14,195) |
| At 31 December 2016 | 於二零一六年十二月三十一日 | 188,254 | - | 54 | 1,442 | - | 70,911 | (35,238) | 225,423 |
| Issue of shares under open offer | 根據公開發售發行股份 | 271,009 | - | - | - | - | - | - | 271,009 |
| Transaction costs attributable to open offer | 公開發售應佔交易成本 | (2,386) | - | - | - | - | - | - | (2,386) |
| Issue of shares upon acquisition of a subsidiary | 於收購一間附屬公司時發行股份 | 20,112 | - | - | - | - | - | - | 20,112 |
| Transactions with owners | 與擁有人之交易 | 288,735 | - | - | - | - | - | - | 288,735 |
| Loss and total comprehensive income for the year | 年內虧損及全面收益總額 | - | - | - | - | - | - | (14,269) | (14,269) |
| At 31 December 2017 | 於二零一七年十二月三十一日 | 476,989 | - | 54 | 1,442 | - | 70,911 | (49,507) | 499,889 |

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39. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY

(Continued)

Note:

The contributed surplus represents the difference between the book values of the underlying assets of the Company's former subsidiaries, Pantronics Holdings Limited and its subsidiaries, at the date on which the shares of these companies were acquired, and the nominal amount of the share capital issued by the Company under a Group reorganisation in 1994.

In addition to retained profits, under the Companies Act 1981 of Bermuda, the contributed surplus account of a company is also available for distribution. However, the Company cannot pay or declare a dividend, or make a distribution out of contributed surplus if: it is, or would after the payment be, unable to pay its liabilities as they become due; or the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.

39. 本公司財務狀況表及儲備變動 (續)

附註：

繳入盈餘指本公司前附屬公司Pantronics Holdings Limited及其附屬公司之相關資產於該等公司之股份獲收購之日之賬面值與本公司根據本集團於一九九四年進行重組時發行之股本面值之差額。

除未分配溢利外，根據百慕達一九八一年公司法，一家公司之繳入盈餘賬亦可供分派。然而，倘本公司無法或於付款後無法償還其到期負債，或其資產之可變現價值因此將低於其負債與已發行股本及股份溢價賬之總和，則本公司不可派付或宣派股息或自繳入盈餘作出分派。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

40. PRINCIPAL SUBSIDIARIES

Particulars of the principal subsidiaries are as follows:

| Name of company 公司名稱 | Place of incorporation or registration/operation 註冊成立或註冊/經營地點 | Issued and fully paid share capital/registered capital 已發行及繳足股本/註冊資本 | Proportion of ownership interest held by the Company 本公司所持 擁有權益之百分比 | | Principal activities 主要業務 |
|---|--|---|---|------------------|--|
| | | | Directly 直接 | Indirectly 間接 | |
| Alford Industries Limited 雅富實業有限公司 | Hong Kong/Hong Kong 香港/香港 | Ordinary HK\$2,000,000 普通股2,000,000港元 | - | 100% | Design and distribution of consumer electronic products 設計及分銷消費電子產品 |
| Foshan Shunde Alford Electronics Co. Ltd 佛山市順德區雅富電子有限公司 | PRC*/PRC 中國*/中國 | Registered capital HK\$22,074,000 註冊資本22,074,000港元 | - | 100% | Manufacture and design of consumer electronic products 製造及設計消費電子產品 |
| Rise Up International Limited | British Virgin Islands/Hong Kong 英屬處女群島/香港 | Ordinary US\$1 普通股1美元 | 100% | - | Investment holding 投資控股 |
| Shining International Holdings Limited 舜麗國際控股有限公司 | Hong Kong/Hong Kong 香港/香港 | Ordinary HK\$5,700,000 普通股5,700,000港元 | - | 100% | Provision of regulated financial services activities 提供受監管金融服務活動 |
| Lijiang Hua Ou Real Estate Company Limited 麗江華歐房地產置業有限公司 | PRC*/PRC 中國/中國 | Registered capital RMB5,000,000 註冊資本人民幣5,000,000元 | - | 100% | Property development 物業發展 |
| Superactive Finance Company Limited 先機財務有限公司 | Hong Kong/Hong Kong 香港/香港 | Ordinary HK\$15,000 普通股15,000港元 | - | 100% | Money lending 放債 |
| Chengdu Tianfu New Area One Two Three Nursery School 成都市天府新區壹貳叁澳中幼兒園 | PRC*/PRC 中國/中國 | Registered capital RMB1,000,000 註冊資本人民幣1,000,000元 | - | 64% | Nursery education 幼兒教育 |

* Established in the PRC as a wholly-owned foreign enterprise.

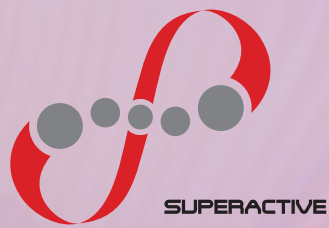
* 於中國成立之外商獨資企業。

The above list includes the subsidiaries of the Company which, in the opinion of the Directors, principally affected the results for the year or formed a substantial portion of the assets and liabilities of the Group. To give details of all the other subsidiaries would, in the opinion of the Directors, result in particulars of excessive length.

None of the subsidiaries had any debt securities subsisting at 31 December 2017 or at any time during the year (year ended 31 December 2016: nil).

根據董事之意見，上述所列本公司之附屬公司均為主要影響本集團於本年度之業績或佔本集團大部份資產及負債。根據董事之意見，提供所有其他附屬公司之詳情可能導致篇幅過於冗長。

於二零一七年十二月三十一日或本年度任何時間，概無附屬公司擁有任何債務證券（截至二零一六年十二月三十一日止年度：無）。



Superactive Group Company Limited
先機企業集團有限公司