



Ta Yang Group Holdings Limited 大洋集團控股有限公司

(incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

(Stock Code 股份代號 : 1991)

Moving Forward To A **BRIGHTER FUTURE**

Annual Report 年報 2018

TaYang

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Corporate Information 公司資料

DIRECTORS

Executive Directors

Ms. Shi Qi (*Chairlady and Chief Executive Officer*)
Mr. Qiu Yonghao
Mr. Zhao Ang

Non-Executive Directors

Mr. Gao Feng
Mr. Han Lei
Mr. Sze Wai Lun

Independent Non-Executive Directors

Ms. Zhang Lijuan
Mr. Wu Tak Kong

COMMITTEES

Executive Committee

Ms. Shi Qi*
Mr. Qiu Yonghao
Mr. Zhao Ang

Audit Committee

Mr. Wu Tak Kong*
Ms. Zhang Lijuan

董事

執行董事

施琦女士(主席兼行政總裁)
邱泳漢先生
趙昂先生

非執行董事

高峰先生
韓磊先生
施偉倫先生

獨立非執行董事

張力涓女士
胡德光先生

委員會

執行委員會

施琦女士*
邱泳漢先生
趙昂先生

審核委員會

胡德光先生*
張力涓女士

Remuneration Committee

Ms. Zhang Lijuan*
Mr. Wu Tak Kong

Nomination Committee

Mr. Wu Tak Kong*
Ms. Zhang Lijuan

* Committee Chairman/Chairlady

AUTHORISED REPRESENTATIVES

Ms. Shi Qi
Mr. Lo Chu Wing

COMPANY SECRETARY

Mr. Lo Chu Wing

BOARD SECRETARY

Mr. Liu Tao

薪酬委員會

張力涓女士*
胡德光先生

提名委員會

胡德光先生*
張力涓女士

* 委員會主席

授權代表

施琦女士
羅柱榮先生

公司秘書

羅柱榮先生

董事會秘書

劉濤先生

Corporate Information 公司資料

AUDITORS

SHINEWING (HK) CPA Limited

RISK MANAGEMENT AND INTERNAL CONTROL REVIEW ADVISOR

SHINEWING Risk Services Limited

REGISTERED OFFICE

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

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit A01, 35th Floor
United Centre
95 Queensway, Admiralty
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Union Registrars Limited
Suites 3301-04, 33/F.,
Two Chinachem Exchange Square,
338 King's Road, North Point
Hong Kong

PRINCIPAL BANKERS

Hang Seng Bank Limited

核數師

信永中和(香港)會計師事務所有限公司

風險管理及內部監控審閱顧問

信永方略風險管理有限公司

註冊辦事處

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

香港主要營業地點

香港
金鐘金鐘道95號
統一中心
35樓A01室

股份過戶及登記總處

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

香港股份過戶及登記分處

聯合證券登記有限公司
香港
北角英皇道338號
華懋交易廣場2期
33樓3301-04室

主要往來銀行

恒生銀行有限公司

COMPANY WEBSITE

<http://www.tayang.com>

FINANCIAL YEAR END

31 July

SHARE INFORMATION

Listing Date: 8 June 2007
Stock Name: Ta Yang Group
Stock Code: 1991
Nominal Value: HK\$0.10
Board Lot: 2,000 shares

INVESTOR RELATIONS

Email: tayang@wsfg.hk
Tel No.: (852) 852-2851 1038

公司網站

<http://www.tayang.com>

財政年度年結日

七月三十一日

股份資料

上市日期： 二零零七年六月八日
股份名稱： 大洋集團
股份代號： 1991
面值： 0.10 港元
每手買賣單位： 2,000 股

投資者關係

電郵： tayang@wsfg.hk
電話號碼： (852) 852-2851 1038

Directors' Profile 董事簡介

SHI QI

Chairlady, Chief Executive Officer and Executive Director

Ms. Shi Qi, aged 39, appointed as Chairlady, Chief Executive Officer and an executive Director in April 2016, has obtained a Master degree of Business Administration from Centenary College, New Jersey, majoring in Finance in May 2009. Ms. Shi has more than 10 years of experiences in corporate reorganization, corporate and project financing, investments in real estate, securities and non-securities assets and risk management. In 2009, she founded Seven Ocean Investments Limited ("Seven Ocean"), and under the leadership of Ms. Shi, Seven Ocean has developed from a small scale financing company to a company that principally engages in providing financing and corporate solutions and consultancy services, and large scale medical and healthcare development projects. In 2015, Ms. Shi invested in the development of Central Maine Healthcare Institute, which delivers quality healthcare services in Auburn, Maine (USA). Ms. Shi will also be responsible for the on-going management and daily operation of the Central Maine Healthcare Institute. Ms. Shi has also invested in the construction of the Central Leisure Park* (中央休閒公園) in Tongzhou Xincheng* (通州新城), Beijing, a public infrastructure covering an area of approximately 42.62 hectares and providing sports, entertainment, medical and healthcare related services. Ms. Shi was responsible for financing, devising the conceptual design and the implementation plan and monitoring and managing the progress of the construction. Ms. Shi will also be responsible for the project's subsequent operation and maintenance for 30 years. Ms. Shi, the sole director and the ultimate beneficial owner of the controlling shareholder of the Company, is deemed to be interested in 436,540,400 Shares (representing approximately 50.11% of the issued share capital of the Company as at the date of this annual report) held by the controlling shareholder.

施琦

主席、行政總裁兼執行董事

施琦女士，39歲，於二零一六年四月獲委任為主席、行政總裁兼執行董事，於二零零九年五月修畢紐澤西世紀學院工商管理碩士學位，主修金融。施女士在企業重組、企業及項目融資、房地產投資、證券及非證券資產及風險管理方面擁有逾10年經驗。於二零零九年，彼創辦Seven Ocean Investments Limited (「Seven Ocean」)，在施女士的帶領下，Seven Ocean由一間小型融資公司發展為一間主要從事提供融資及企業解決方案與諮詢服務，以及大型醫療及保健發展項目的公司。於二零一五年，施女士投資開發中緬因州醫養中心，該中心於美國緬因州奧本市提供優質保健服務。施女士亦將負責中緬因州醫養中心的持續管理及日常營運。施女士亦投資參與北京通州新城中央休閒公園的建設，公園佔地約42.62公頃，提供運動、娛樂、醫療保健相關服務。施女士負責該項目的融資、概念性方案設計及項目實施性方案設計，以及監察及管理建設進度。施女士亦將負責該項目其後30年的營運及維護工作。施女士為本公司控股股東的唯一董事及最終實益擁有人，彼被視為於控股股東持有的436,540,400股股份（相當於本年報日期本公司已發行股本約50.11%）中擁有權益。

* for translation purpose only

QIU YONGHAO

Executive Director

Mr. Qiu Yonghao, aged 38, appointed as an executive Director in April 2016, completed an Executive Development Program for Master in Business Administration for Chinese entrepreneurs (中國企業經營者項目 — 工商管理碩士課程研修班) from Guanghua School of Management of Peking University (北京大學光華管理學院) in September 2013. He has more than 10 years of experience in corporate management and has been a general manager, director or chairman of companies that engage in real estate investments and securities investments. Mr. Qiu is a director of Beijing Qihai Investment Limited* (北京七海投資有限公司) ("Beijing Qihai"), a company in which Ms. Shi Qi is also one of the senior management. Beijing Qihai engages in equity investment, financing, financial advisory and other professional services. It operates in a range of industries including real estate, healthcare, energy and resources. Mr. Qiu is mainly responsible for evaluating investment opportunities for Beijing Qihai.

ZHAO ANG

Executive Director

Mr. Zhao Ang, aged 31, appointed as an executive Director in July 2018, graduated from University of Windsor in Canada with a bachelor degree of international relations and development studies in 2007. From May 2013 to May 2018, Mr. Zhao served as an executive director of Beijing Ping An Fu Bio-Engineering Technology Co., Ltd. and was principally responsible for the company's comprehensive operation and external cooperation. He also participated in the implementation of several key domestic environmental protection projects, and took the lead in building the strategic cooperation between the company and Heilongjiang Farms & Land Reclamation Administration, Heilongjiang Cold Zone Black Glebe Group (黑龍江寒地黑土集團), Sinochem Group, Long Ping High-tech Agrochemical Branch (隆平高科農化分公司), Taiji Pharmaceutical Group (太極藥業集團) and www.dangjian.cn under the Central Propaganda Department. From March 2012 to March 2013, Mr. Zhao served as an inspector of the supervision department of Huaxia Film Distribution Co., Ltd.* (華夏電影發行有限責任公司) and was responsible for inspection of all cinema lines nationwide and implementation of administrative measures imposed on related industries by the Film Bureau under the State Administration of Radio, Film and Television. From December 2009 to December 2011, Mr. Zhao was the propaganda officer of a department of the Chinese People's Liberation Army, and participated in a number of propaganda work projects in respect of national defense science & technology construction and development as well as published various articles in a newspaper of the People's Liberation Army. From June 2008 to June 2009, Mr. Zhao served as the deputy director of the External Liaison Department of Beijing Zhongqiaolian Cultural Exchange Center (北京中僑聯文化交流中心). He participated in the organisation of a number of domestic and overseas cultural exchange activities.

* for translation purpose only

邱泳淇

執行董事

邱泳淇先生，38歲，於二零一六年四月獲委任為執行董事，於二零一三年九月修畢北京大學光華管理學院的中國企業經營者項目 — 工商管理碩士課程研修班。彼於企業管理方面擁有逾10年經驗，並曾出任多間房地產投資及證券投資公司的總經理、董事或主席。邱先生為北京七海投資有限公司(「北京七海」)的董事(施琦女士亦為該公司高級管理層之一)。北京七海從事股票投資、融資、財務顧問及其他專業服務。該公司業務涉及多個行業，包括房地產、保健、能源及資源等。邱先生主要負責評估北京七海的投資機會。

趙昂

執行董事

趙昂先生，31歲，於二零一八年七月獲委任為執行董事，二零零七年畢業於加拿大溫莎大學，獲國際關係發展學學士學位。由二零一三年五月至二零一八年五月，趙先生任北京平安福生物工程技術股份有限公司的執行董事，主要負責公司全面運營及對外合作。參與實施了多個國內重點環保項目。主導搭建了公司與黑龍江省農墾總局、黑龍江寒地黑土集團、中化集團、隆平高科農化分公司、太極藥業集團、中宣部黨建網等單位的戰略合作。由二零一二年三月至二零一三年三月，趙先生任華夏電影發行有限責任公司的監察部巡視員，負責全國所有電影院線的巡查工作，主要落實國家廣電總局電影局對相關行業的管理辦法。由二零零九年十二月至二零一一年十二月，趙先生任中國人民解放軍某部的宣傳處幹事，參與了若干國防科技建設發展等方向的宣傳工作，在解放軍某報發表過各類文章。由二零零八年六月至二零零九年六月，趙先生任北京中僑聯文化交流中心的外聯部副主任，參與主辦了多次海內外文化交流活動。

Directors' Profile 董事簡介

GAO FENG

Non-executive Director

Mr. Gao Feng, aged 38, appointed as a non-executive Director in April 2016, has around 9 years of experience in corporate management. He has been the general manager of Beijing Zhongmei Zhengchen Construction Limited Company* (北京中煤正辰建設有限公司), which mainly engages in real estate and construction since 2012. He was the general manager of Beijing Kaiyun Zhifeng Trades Limited Company* (北京凱運之峰工貿有限公司) from 2009 to 2012.

HAN LEI

Non-executive Director

Mr. Han Lei, aged 49, appointed as a non-executive Director in April 2016, has more than 20 years of entertainment and performing experience in the music industry and had received numerous awards in the industry. Mr. Han has participated in CCTV Spring Festival Evening Galas, charity performances, cultural and tourism promotion performances, etc. Other than his entertainment career, he also actively participates in various political associations and social campaigns. He was a member of the tenth session of All-China Youth Federation (中華全國青年聯合會). He was appointed as the "Celebrity of Health"* (健康名人) by the preceding Kang Yi Wang* (康易網) and the image ambassador in "Yao Yang" public pension project* (曜陽養老公益項目) conducted by Red Cross Society of China.

SZE WAI LUN

Non-executive Director

Mr. Sze Wai Lun, aged 32, appointed as a non-executive Director in December 2017, graduated from Lancaster University in the United Kingdom with a Bachelor of Finance (Honours) degree in 2009. Mr. Sze worked at the Hong Kong branch of Bank of Communications Co., Ltd. (the shares of which are listed on the Stock Exchange (stock code: 3328)) from October 2009 to January 2012. Mr. Sze worked at private equity division and principal investment management division of BOCOM International Asset Management Limited (a wholly-owned subsidiary of BOCOM International Holdings Company Limited (the shares of which are listed on the Stock Exchange (stock code: 3329)) from February 2012 to February 2015. Mr. Sze later served as the vice president at the leverage & acquisition finance department of Haitong International Securities Company Limited, a wholly-owned subsidiary of Haitong International Securities Group Limited (the shares of which are listed on the Stock Exchange (stock code: 665)), from March 2015 to August 2017, mainly responsible for offshore acquisition and structure finance projects. Mr. Sze is currently the senior vice president at the leveraged and acquisition finance department of Mason Securities Limited, a wholly-owned subsidiary of Mason Group Holdings Limited (the shares of which are listed on the Stock Exchange (stock code: 0273)), and mainly responsible for acquisition finance and cross-border finance business. Mr. Sze has extensive experience in the area of merger and acquisition, financing and listed company corporate actions. Mr. Sze has participated in a number of deals relating to such areas.

高峰

非執行董事

高峰先生，38歲，於二零一六年四月獲委任為非執行董事，於企業管理方面有約9年經驗。彼自二零一二年起出任北京中煤正辰建設有限公司總經理，而該公司主要從事房地產及建築業務，彼自二零零九年至二零一二年曾擔任北京凱運之峰工貿有限公司總經理。

韓磊

非執行董事

韓磊先生，49歲，於二零一六年四月獲委任為非執行董事，於音樂行業擁有超過20年的娛樂及表演經驗，曾獲業內多個獎項。韓先生曾參與中央電視台春節聯歡晚會、慈善表演、文化及旅遊推廣等多項表演。除娛樂事業外，彼亦積極參與多個政治組織及社會運動。彼為中華全國青年聯合會第十屆委員會委員。彼亦為前康易網的「健康名人」及中國紅十字會舉辦的「曜陽」養老公益項目的形象大使。

施偉倫

非執行董事

施偉倫先生，32歲，於二零一七年十二月獲委任為非執行董事。於二零零九年畢業於英國蘭開斯特大學，獲得管理學院榮譽學士學位，主修金融。於二零零九年十月至二零一二年一月，施先生於交通銀行股份有限公司(其股份於聯交所上市(股份代號：3328))香港分行任職。於二零一二年二月至二零一五年二月，施先生於交銀國際資產管理有限公司(交銀國際控股有限公司(其股份於聯交所上市(股份代號：3329))之全資附屬公司)直投部及投融資部任職。隨後，於二零一五年三月至二零一七年八月，施先生為海通國際證券有限公司(海通國際證券集團有限公司(其股份於聯交所上市(股份代號：665))之全資附屬公司)之併購部副總裁，主要負責境外收購及結構融資項目。施先生現為茂宸證券有限公司(茂宸集團控股有限公司(其股份於聯交所上市(股份代號：0273))之全資附屬公司)併購融資部高級副總裁，主要負責收購融資及跨境融資業務。施先生於併購、融資及上市公司企業行為領域擁有豐富經驗，參與過多項有關該等領域之項目。

* for translation purpose only

ZHANG LIJUAN

Independent Non-executive Director

Ms. Zhang Lijuan, aged 65, appointed as an independent non-executive Director in April 2016, is the executive vice president and the secretary general of Chinese Association of Geriatric Research* (中國老年保健醫學研究會). She has over 10 years of experience in the healthcare and medical industry. She was the vice president and the executive vice secretary general of China National Health Association* (中國民族衛生協會) from August 2005 to May 2010.

WU TAK KONG

Independence Non-executive Director

Mr. Wu Tak Kong, aged 53, appointed as an independence non-executive Director in November 2017, holds a master degree of Business Administration from The Hong Kong Polytechnic University. He is an ordinary member of Hong Kong Securities & Investment Institute, a practising member and an associate member of Hong Kong Institute of Certified Public Accountant, and a fellow member of Association of Chartered Certified Accountants. He has extensive experience in audit assurance and compliance for more than 20 years. Mr. Wu is currently a chief executive officer of a corporate consultant firm since September 2011, a company director of a certified public accountants limited company since June 2017 and a non-executive director of Kong Sun Holdings Limited, a company listed on the main board of the Stock Exchange (stock code: 295) since November 2017.

張力涓

獨立非執行董事

張力涓女士，65歲，於二零一六年四月獲委任為獨立非執行董事，為中國老年保健醫學研究會常務副會長兼秘書長，於保健醫療行業擁有逾10年經驗。彼自二零零五年八月至二零一零年五月期間，曾任中國民族衛生協會副會長及常務副秘書長。

胡德光

獨立非執行董事

胡德光先生，53歲，於二零一七年十一月獲委任為獨立非執行董事。持有香港理工大學工商管理碩士學位。彼為香港證券及投資學會普通會員、香港會計師公會執業會員及公會會員以及英國特許公認會計師公會資深會員。彼於審計核證及合規方面擁有逾20年的豐富經驗。目前，胡先生自二零一一年九月起一直為一間企業顧問公司的行政總裁、自二零一七年六月起一直為一間註冊會計師事務所有限公司的公司董事及自二零一七年十一月起一直為聯交所主板上市公司江山控股有限公司(股份代號：295)之非執行董事。

Chairlady's Statement

主席報告

Dear Shareholders,

On behalf of the Board of Directors of Ta Yang Group Holdings Limited, I herewith present all Shareholders the annual report of the Group for the year ended 31 July 2018.

The trade war will increase the uncertainty in global economic growth during the financial year, in particular the emerging economies' export trending to slow down at an accelerated rate and the economic sentiment being under significant pressure. With the background of US dollar interest rate hike, the increased instability in global financial markets affects global economic performance.

As for China, its current economy is performing stably, progressing with stability and trending positively with stability, yet uncertainty remains. Generally speaking, despite its structure adjustment, transformation and upgrade have made significant achievements, it is still in the tough period of overcoming difficulties. From an external perspective, unilateralism and trade protectionism prevail and global trade shows considerable uncertainty, which hampers China's economic growth severely. However, the comprehensive strength of national economy accumulated from forty years' implementation of reform and opening-up policy has told us that even faced with severe external environmental interference, the giant vessel of the Chinese economy still possesses tremendous internal strength which pushes it forward, the traditional manufacturing industry which is driven by new ideas and innovative technologies will enable intelligent manufacturing to drive this giant vessel of economy to another peak.

In order to improve our competitiveness, faced with the complex situations and increasingly competitive landscape in domestic and foreign markets, the Group has persisted in promoting reform and innovation, optimized product results greatly, controlled administrative costs reasonably, and sold non-core business as part of streamlining efforts, thereby improving the Group's financial performance. The Group has been seeking diversified development to enhance its competitiveness and future development potential while conducting product innovation and increasing research and development efforts.

各位股東：

本人謹代表大洋集團控股有限公司董事會向全體股東提呈本集團截至二零一八年七月三十一日止年度的年報。

本財政年度貿易戰增加全球經濟增長的不確定性，尤其是新興經濟體出口趨於加速下滑、景氣度顯著承壓。在美元加息大背景下，全球金融市場不穩定性增加，影響全球經濟表現。

中國方面，當前經濟運行總體平穩、穩中有進、穩中向好，但同時也有「變」數。從整體來看，雖然目前結構調整、轉型升級取得了很大成效，但是仍然處於爬坡過坎的攻堅期；從外部來看，環境也發生了明顯變化，單邊主義、貿易保護主義盛行，國際貿易出現了較大不確定性，對中國經濟發展產生了嚴重干擾。但改革開放40年積累下來的國民經濟綜合實力告訴我們，即使面臨嚴重的外部環境干擾，中國經濟巨輪仍然具有砥礪前行的強大內力，以新思路、創新科技推動傳統的製造業，讓智能製造將這個經濟巨輪推向另一個高峰。

為提升競爭力，在國內外市場的複雜形勢和日益激烈的競爭格局下，本集團堅持推進改革創新，對產品結果進行大幅度優化，合理控制行政開支，並出售非核心業務以精簡架構，從而改善本集團財務表現。在產品創新，加大研發的同時謀求多元化發展以提高集團的競爭力和未來的發展潛能。

FINANCIAL RESULTS

By the end of the financial year, the Group's revenue decreased by 5.8% to HK\$377.2 million. The Group's loss for the year was HK\$4.3 million, while loss per share for the year was HK\$0.43 cents.

BUSINESS REVIEW

Silicone rubber business is still the Group's core business. During the financial year, Ta Yang Group has successfully transformed from a keypad producer to a silicone rubber producer, the Group's management team and employees have spent much efforts in improving this business segment's financial performance. On one hand, they work hard to improve its internal strength, which includes increasing its R&D efforts on products constantly, improving products' quality and developing raw material's applications; on the other hand, they leverage external force tactically, which includes being dedicated to maintaining closer relationship with customers. During the year, thanks to all staff's unremitting efforts and their full support for the new management team, our silicone rubber product mix continues to optimize, our products' passed yield continues to improve, and our customers give us their full trust and affirmation. Therefore, despite the increasingly competitive external environment, we improve our output efficiency per capita through reducing redundant staff while maintaining the Group's capacity to get ready for tomorrow's bountiful harvest.

Meanwhile, the Group sold a part of its high-end healthcare holiday resort project in Hainan to regain capital quickly during the financial year, this measure has brought lucrative return for the Group.

OUTLOOK

Throughout China's manufacturing industry's development history, since the implementation of reform and opening-up policy, the export-oriented manufacturing industry system based on "processing and compensation trades" has been established in the Pearl River Delta area and the labor-intensive and resource-intensive manufacturing system has been established in the Yangtze River Delta area. With the continuous decline of demographic dividend and the constant increase of labor cost and land cost in recent years, China's manufacturing companies have been caught in a dilemma whether they should push forward or step back. On one hand, the long-term heavy reliance of China's manufacturing industry on low-cost labor, low-cost resources and low-cost land has led to the low added value on technology and industry, always at the bottom of the "smiling curve". On the other hand, it is just such reliance that leads to the extremely low profits of China's manufacturing companies, even an oblivious sign of disturbance will put many companies in trouble. With the advent of the industrial internet age, the prospective manufacturing industry must be a personalized and customized industry, and the manufacturing industry is evolving from traditional B2C to C2B.

財務業績

截至本財政年度結日，本集團的收益減少5.8%至377.2百萬港元。本集團本年度虧損為4.3百萬港元，而本年度每股虧損為0.43港仙。

業務回顧

矽膠業務仍然是本集團的核心業務。在本財政年度，大洋集團已經成功由按鍵生產商轉型成為矽膠生產廠商，集團管理團隊與員工為提升本業務板塊的業績也付出了巨大努力，一方面是苦練內功：不斷加大產品研發力度、提升產品品質、開發原材料的應用面，另一方面是巧借外力：致力於與客戶建立更緊密的聯繫。年內，得益於全體同仁的不懈努力以及對新管理團隊的全力支持，我們的矽膠產品組合持續優化，良品率不斷提升，客戶也對我們給予了充分的信任與肯定，因此雖然外部競爭環境不斷加劇，我們通過精簡冗餘人員提高人均產出效率，仍然保存集團的實力，迎接豐收的明天。

同時於本財政年度，本集團出售了部分位於海南省的高端醫療養生度假村項目以迅速回籠資金，該舉措已為集團帶來了良好的收益。

展望

縱觀中國製造業產業的發展歷程，從改革開放以來，在珠三角地區形成了三來一補的出口導向性製造業體系，在長三角地區形成了勞動力、資源密集型生產製造業體系。最近幾年隨著人口紅利的不斷衰退，人力成本、土地成本的不斷提升，中國製造業企業已經陷入了一個進退維谷的境地，一方面，由於中國製造業的長期以來對低成本勞動力、低成本資源、低成本土地的嚴重依賴，導致了技術附加值和產業附加值相當低，一直處於微笑曲線的底端，另一方面，正式因為這種依賴，導致了中國製造業企業的利潤極為微薄，任何一個小小的風吹草動就有可能讓企業陷入困境。隨著工業互聯網時代的到來，未來製造業一定是個性化、定制化的製造業，製造業正在由傳統的B2C向C2B轉變。

Chairlady's Statement 主席報告

The silicone rubber industry where Ta Yang Group operates is a capital-intensive and high-tech industry, which has a more promising development prospect compared to labor-intensive industry. Throughout the market size development within these two years, silicone rubber industry is in the process of rapid development, the domestic silicone rubber product application technology has infiltrated into various industries, including electronic devices and appliances, medical facilities, baby products and household products, and many rubber products will be replaced by silicone rubber products gradually. However, current silicone rubber products are facing the issue of products innovation difficulty, so the prospective market must be oriented by innovative products. Ta Yang Group has rock-solid silicone rubber materials technology itself, in order to seize high-end market as soon as possible, we need to increase our R&D efforts on proprietary products, optimize internal products structure. Oriented by the market and guided by innovation, we will be able to take the first train of silicone rubber industry's innovation.

Meanwhile, Ta Yang Group will expand from healthcare and hotel services to residential real estate industry, and transform from previous heavy assets operation model of self-owned property to service-focused and operation-focused light assets operation model.

In addition, to seek diversified development, the Group will continue to be committed to looking for new business opportunities such as participating in infrastructure investment construction, developing intelligent manufacturing, etc. and will integrate above mentioned businesses organically within the Group's internal system to enrich resources of income and create more lucrative returns for shareholders.

The Group believes that under the current economic situation, the strategic expansion is imperative. The state-owned fund established by Shenzhen City and Haidian District of Beijing has begun to provide financial support for listed companies that have difficulties in production and operation due to current turbulent stock market. This shows that under the current situation, private listed companies have a certain probability of liquidity risk, the Board of the Group has started considering the risks and looking for solutions as early as two years. Actively seeking cooperation with state-owned capital, on one hand, can guarantee the operability of the Group in financing, on the other hand, it can make the Group's business bigger, wider and stronger with the help of state-owned capital. The Group will continue to seek and grasp new business opportunities, broaden the source of income, and bring more substantial benefits to all Shareholders.

大洋集團所處的矽膠行業是一個資本密集型而且科技含量較高的行業，相比於勞動密集型行業將會有更好的發展勢頭。而從這兩年市場規模發展來看，矽膠製品行業正處於快速發展之中，國內矽膠製品應用技術已經滲透到各行各業，如電子電器、醫療器械、嬰兒用品、生活用品等各大行業，而且很多以前用橡膠的產品將逐步被矽膠替代。但目前矽膠製品還存在產品創新難的問題，所以未來一定是一個創新產品為導向的市場。而大洋本身擁有過硬的矽膠材料技術，為了儘快搶佔高端市場，我們需要加大自主產品的研發，優化內部產品結構，以市場為導向，以創新為抓手，趕上矽膠產業革新的頭班車。

同時，大洋集團將拓展醫療保健及酒店服務業務至旅居地產行業，並由之前的自持物業的重資產運行模式轉變為以服務和運營為主的輕資產運行模式。

此外，為謀求多元化發展，本集團將持續致力於物色新的商機，如參與基礎設施投資建設、發展智慧製造等，並將上述業務在集團體系內進行有機結合，以豐富收入來源，並為股東創造更豐厚收益。

本集團認為，就當前經濟形勢下，戰略拓展勢在必行。由深圳市及北京市海澱區成立的國有基金已經開始為當前股市動盪而產生生產經營問題的上市公司提供資金支持，這說明當前形勢下，民營上市公司一定概率會出現流動性風險，本集團董事會早於兩年開始考慮相關之風險，並尋求解決方案。積極尋求與國有資本之合作，一方面可保證集團在融資方面的可操作性，另一方面可藉助國有資本將集團業務做大、做寬、做強。本集團將不斷尋求和把握新的商業機會，拓寬收入來源，並為全體股東帶來更豐厚的收益。

APPRECIATION

I would like to take this opportunity to express my sincere gratitude to the management team for their contributions to the Group as well as our workforce for their tireless efforts in ensuring the ongoing development. At last but not least, I must extend my appreciation to all of our business partners, customers and Shareholders for their unwavering trust and tremendous support.

Shi Qi

Chairlady and Chief Executive Officer

致謝

本人僅藉此機會對管理層團隊為本集團做出的貢獻及全體員工的不懈努力使得本集團不斷發展表示衷心感謝。最後，本人要對本集團所有業務夥伴、客戶及股東的堅定信任及鼎力支持致以誠摯謝意。

主席兼行政總裁

施琦

Management Discussion and Analysis

管理層討論與分析

MARKET REVIEW

The trade war will increase the uncertainty in global economic growth during the financial year, in particular the emerging economies' export trending to slow down at an accelerated rate and the economic sentiment being under significant pressure. With the background of US dollar interest rate hike, the increased instability in global financial markets affects global economic performance.

As for China, its current economy is performing stably, progressing with stability and trending positively with stability, yet uncertainty remains. Generally speaking, despite its structure adjustment, transformation and upgrade have made significant achievements, it is still in the tough period of overcoming difficulties. From an external perspective, unilateralism and trade protectionism prevail and global trade shows considerable uncertainty, which hampers China's economic growth severely. However, the comprehensive strength of national economy accumulated from forty years' implementation of reform and opening-up policy has told us that even faced with severe external environmental interference, the giant vessel of the Chinese economy still possesses tremendous internal strength which pushes it forward, the traditional manufacturing industry which is driven by new ideas and innovative technologies will enable intelligent manufacturing to drive this giant vessel of economy to another peak.

BUSINESS REVIEW

Company's Overall Performance

The revenue for the financial year ended 31 July 2018, decreased by 5.8% as compared to last year. Silicone rubber business is still the Group's core business, the primary source of income of the Group still derived from sales of consumer electronic devices peripheral products and keypads for computers and notebooks, and its percentage to total revenue were 54.5% and 12.5% respectively.

Ta Yang Group is still focusing on the manufacturing and sale of silicone rubber as its core business. During the financial year, the Group has established silicone rubber production age, instead of hovering over keypad production model; besides, with all the staff of the Group being united and integrated, we have strengthened product R & D capabilities, improved products quality and passed yield, increased raw materials' applications, optimized products mix, consolidated our real-time communication and mutual trust with customers and taken various measures to increase income and reduce cost, which enable us to maintain the Group's capability to expand business and perform well.

Meanwhile, during the financial year, the Group sold a part of high-end healthcare holiday resort project and brings revenue for the Group.

市場回顧

本財政年度貿易戰增加全球經濟增長的不確定性，尤其是新興經濟體出口趨於加速下滑、景氣度顯著承壓。在美元加息大背景下，全球金融市場不穩定性增加，影響全球經濟表現。

中國方面，當前經濟運行總體平穩、穩中有進、穩中向好，但同時也有「變」數。從整體來看，雖然目前結構調整、轉型升級取得了很大成效，但是仍然處於爬坡過坎的攻堅期；從外部來看，環境也發生了明顯變化，單邊主義、貿易保護主義盛行，國際貿易出現了較大不確定性，對中國經濟發展產生了嚴重干擾。但改革開放40年積累下來的國民經濟綜合實力告訴我們，即使面臨嚴重的外部環境干擾，中國經濟巨輪仍然具有砥礪前行的強大內力，以新思路、創新科技推動傳統的製造業，讓智能製造將這個經濟巨輪推向另一個高峰。

業務回顧

本公司的整體表現

截至二零一八年七月三十一日止財政年度的收益較去年減少5.8%。矽膠業務仍然是本集團的核心業務，主要收入來源為消費電子裝置周邊產品和電腦及筆記型電腦按鍵的銷售，兩者在收益總額中所佔比重分別為54.5%及12.5%。

大洋集團仍以矽膠製造及銷售為核心業務。在本財政年度，本集團已成功開啟矽膠生產時代，不再徘徊於按鍵生產模式；並且，在全體全仁的團結一致、一呼百諾下，我們增強了產品研發力、提升了產品質量及良品率、增加了原材料應用層面、優化了產品組合、加固了與客戶間的實時溝通和互信等環節，加上各樣的開源節流的措施，使我們在競爭激烈的環境下，仍然能維持集團實力擴展業務，實現佳績。

同時於本財政年度，本集團出售了部分高端醫療養生度假村項目，為集團帶來了收益。

FINANCIAL REVIEW

Revenue

Revenue represents gross revenue generated from the sales of our products and service provided, net of sales tax and other similar taxes.

The consolidated revenue for the year ended 31 July 2018 was decreased by 5.8% to HK\$377.2 million (2017: HK\$400.5 million) while our loss attributable to equity Shareholders was HK\$4.3 million (2017: HK\$74.1 million loss).

Basic loss per share of the Company was HK0.43 cents (2017: HK8.43 cents loss) per share based on the weighted average number of 871,178,000 (2017: 865,257,000) shares in issue during the year.

SALES BY PRODUCT

Silicone Rubber and Related Products

Consumer electronic devices peripheral products

Revenue for the consumer electronic devices peripheral products decreased by approximately 6.6% to HK\$205.7 million in 2018 from HK\$220.3 million in 2017.

During the year, consumer sentiment on the conventional electronic products was still weak, especially for those with video and photography devices, the sales orders from those products continued to shrink. To maintain the products' competitiveness, the sales price per unit had been adjusted which resulted in decreased total revenue. The Group has put more efforts to explore the market of portable products and allocate resources to research and develop innovative products such as sporty wristbands to obtain new orders. Although the competition in the saturated market is fierce, the Group will continue to provide high quality products with tempting prices to enlarge customer base.

Mobile phone peripheral products

Revenue for the sales of mobile phone peripheral products increased by approximately 10.7% to HK\$15.5 million in 2018 from HK\$14.0 million in 2017. One major customer of the Group has innovated a new mobile phone which brings the Group a lot of new orders. Besides, the non-keypad products mobile phone market which had been successfully established by the Group also increases this segment's revenue stably.

Keypads for computers and notebooks

Revenue for the sales of keypads for computers and notebooks decreased by approximately 4.9% to HK\$47.1 million in 2018 from HK\$49.5 million in 2017. With the mounting tension amid trade war between China and the U.S, the consumer market's environment is instable and the PC market has not recovered yet. Overseas PC shipments continued to decline. Therefore, the sales in this segment had been negatively impacted by the persistent shrinkage of the market.

財務回顧

收益

收益指源自銷售產品及提供服務的收益總額減銷售稅及其他類似稅項。

截至二零一八年七月三十一日止年度的綜合收益減少5.8%至377,200,000港元(二零一七年: 400,500,000港元), 而權益股東應佔虧損為4,300,000港元(二零一七年: 虧損74,100,000港元)。

根據年內871,178,000(二零一七年: 865,257,000)股已發行股份的加權平均數計算, 本公司的每股基本虧損為0.43港仙(二零一七年: 虧損8.43港仙)。

按產品分類的銷售

矽膠及相關產品

消費電子裝置周邊產品

消費電子裝置周邊產品的收益由二零一七年的220,300,000港元減少約6.6%至二零一八年的205,700,000港元。

年內, 傳統電子產品的消費氛圍, 尤其是有影音及攝影類依然疲軟, 市場競爭激烈, 該等產品的銷售訂單繼續減少。為保持產品競爭力, 銷售單價作出調整, 收益總額因而下降。本集團已加大力度開拓可攜式產品市場及投入資源研發創新產品(如運動腕帶)取得新訂單。儘管市場飽和競爭激烈, 本集團將繼續透過提供優質的產品及具吸引力價格, 擴大客戶基礎。

手機周邊產品

銷售手機周邊產品的收益由二零一七年的14,000,000港元增加約10.7%至二零一八年的15,500,000港元。集團其中一個主要客戶出了新型號手機, 為集團帶來了大量新定單。而且本集團過去成功開拓的非按鍵產品手機市場, 亦令本分部的收益穩定上升。

電腦及筆記型電腦按鍵

銷售電腦及筆記型電腦按鍵的收益由二零一七年的49,500,000港元減少約4.9%至二零一八年的47,100,000港元。隨著中美貿易戰不斷升溫, 消費市場環境不穩定, 個人電腦市場未有復甦。海外個人電腦出貨量依然在減少。因此, 本分部的銷售已受到市場繼續萎縮的不利影響。

Management Discussion and Analysis

管理層討論與分析

Automotive peripheral products

Revenue for the sales of automotive peripheral products decreased by approximately 20.4% to HK\$26 million in 2018 from HK\$32.7 million in 2017. As the global economy was still sluggish which caused the consumer sentiment on the automotive market to be weak. This led the sales orders and sales price per unit of automotive peripheral products continue to decline. The Group will focus on researching and developing high quality products to enlarge customer base and increase gross profit margin on sales.

Lifestyle products

Revenue for sales of lifestyle products decreased by 17.8% to HK\$24.1 million in 2018 from HK\$29.3 million in 2017. Competition is still fierce in lifestyle products market. The Group decline some customers' orders due to their low gross profit margin in order to maintain its capacity to fill those orders with high gross profit margin. The Group will continue to put more efforts to explore the market and work with our customers to develop more unique products to protect and elevate their positions in the market.

Chemical products

Revenue for sales of chemical products decreased by 44.8% to HK\$8.3 million in 2018 from HK\$15.0 million in 2017 due to stagnant customers population over the past 2 years and very high development cost. The Group will focus on other products that have high gross profit margin and potential customers.

Healthcare and Hotel Services

Revenue from provision of healthcare and hotel services increased by 117.6% to HK\$14.7 million in 2018 from HK\$6.7 million in 2017. During the year, the Group disposed 82 rooms and planned to sell another 11 rooms, after disposal, the property management continues to operate the remaining 101 hotel rooms/service apartments for rental and healthcare-related business. The business has succeeded in gaining more and more customers' support. To sustain its growth, the Group will continue to put more efforts to explore the market to capture the immense awareness of importance of healthcare in the PRC.

Cost of Sales

Cost structure

The overall cost of sales increased by approximately 1.3% from HK\$290.4 million in 2017 to HK\$294.3 million in 2018. The operating environment is still very tough for all PRC based manufacturers. Due to the increase of raw materials cost and government regulations such as environmental protection rules, the manufacturing cost rises. For the healthcare and hotel service segment, the increase of sales cost is predominantly from the increased numbers of hotel employees and the depreciation of medical facilities.

汽車周邊產品

銷售汽車周邊產品的收益由二零一七年的32,700,000港元減少約20.4%至二零一八年的26,000,000港元。全球經濟依然低迷，令汽車市場的消費意欲疲弱，導致汽車周邊產品的銷售訂單與銷售單價持續下跌，集團將會專注研發高質量產品以擴闊客戶基礎及提升銷售毛利率。

生活產品

銷售生活產品的收益由二零一七年的29,300,000港元減少17.8%至二零一八年的24,100,000港元。生活產品市場的競爭依舊激烈，部份客戶訂單因為毛利率太低，集團沒有承接以保留生產力去接毛利率較高的訂單。本集團將繼續加大力度開拓市場，並與客戶合作開發更多獨特的產品，藉以保障及提升彼等於市場的地位。

化學產品

銷售化學產品的收益由二零一七年的15,000,000港元減少44.8%至二零一八年的8,300,000港元。由於客戶數量過去兩年沒有增加，而且開發成本很高。本集團將專注於其他具有較高毛利率及潛在客戶的產品。

醫療保健及酒店服務

提供醫療保健及酒店服務的收益由二零一七年的6,700,000港元增加117.6%至二零一八年的14,700,000港元。年內，本集團出售了82個房間，計劃出售另外11個房間，經處置後，物業繼續經營其餘101間酒店客房／服務式公寓，用於出租和醫療相關業務。該業務已成功獲得越來越多客戶的支持。為維持增長，本集團將繼續加大力度開拓市場，以捕捉中國醫療保健重要性的廣泛認知。

銷售成本

成本結構

整體銷售成本由二零一七年的290,400,000港元增加約1.3%至二零一八年的294,300,000港元。所有以中國為基地的生產商依然面臨嚴峻的經營環境。由於原材料成本和政府監管如環境保護的條例增加，生產成本上升。對於醫療保健和酒店服務部門而言，銷售成本的增加主要來自酒店員工人數的增加和醫療機械的折舊。

Management Discussion and Analysis

管理層討論與分析

Gross Profit

The gross profit of the Group for the year decreased approximately 24.8% from HK\$110.1 million in 2017 to HK\$82.9 million in 2018. It was primarily due to decreased gross profit margin. Due to difficult business environment for organic silicone business, in order to attract customers, sales price per unit had to be lowered. On the other hand, due to the limited supply and the increased cost in raw materials, the Group's gross profit decreased.

Other Operating Income

Other operating income increased by approximately 374.0% to HK\$111.4 million in 2018 from HK\$23.5 million in 2017. The increase was primarily due to gain on disposal of a part of high-end healthcare holiday resort project in Hainan.

Selling and Distribution Expenses

Selling and distribution expenses decreased by approximately 24.8% to HK\$26.7 million in 2018 from HK\$35.5 million in 2017. When counted as a percentage of revenue, the total amount was 7.1% (2017: 8.9%). The decrease was due to the reduction of promotion and marketing cost related to multi-purpose medical healthcare project in Hainan and silicone segment's marketing staff's cost.

Administrative Expenses

Administrative expenses decreased by approximately 16.3% to HK\$122.5 million in 2018 from HK\$146.3 million in 2017. The Group continues to implement cost control measures and improve operation efficiency, administrative staff's salary cost decreases significantly, resulting in a significant reduction in administrative expenses.

Loss attributable to Shareholders

Loss attributable to Shareholders for the year ended 31 July 2018 was HK\$4.3 million (2017: HK\$74.1 million). The net loss margin of the Group decreased from 18.5% for the year ended 31 July 2017 to 1.1% for the year ended 31 July 2018.

DIVIDEND POLICY

Our Directors expect that dividends will be paid as interim and/or final dividends. We currently intend to pay annual cash dividends of not less than 30% of our Group's audited consolidated profits after taxation to our Shareholders for the applicable year. However, the determination to pay such dividends will be made at the discretion of our Board and will be based upon our operating results, cash flows, financial positions, capital requirements and other relevant circumstances that the Board deems relevant. The payment of dividends may be limited by legal restrictions and by agreements that we may enter into in the future. Our Directors are of the views that our dividend policy will not affect the sufficiency of our working capital in the coming years.

毛利

年內本集團的毛利由二零一七年的110,100,000港元減少約24.8%至二零一八年的82,900,000港元。主要是由於毛利率下降。由於有機矽業務的環境很艱難，為了吸引顧客，銷售單價必須降低，另一方面，由於供應有限，原材料成本增加。它降低了集團的毛利潤。

其他經營收入

其他經營收入由二零一七年的23,500,000港元增加約374.0%至二零一八年的111,400,000港元。增加主要由於出售部分位於海南省的高端醫療養生度假村項目所得收益所致。

銷售及分銷開支

銷售及分銷開支由二零一七年的35,500,000港元減少約24.8%至二零一八年的26,700,000港元。以佔收益百分比計算，總額為7.1%（二零一七年：8.9%）。減少的原因是海南多用途醫療保健項目的促銷和營銷成本下降以及矽膠部門營銷人員成本下降。

行政開支

行政開支由二零一七年的146,300,000港元減少約16.3%至二零一八年的122,500,000港元。集團持續實施成本控制措施和改善營運效率，行政人員工資支出大幅減少，從而令行政開支顯著減少。

股東應佔虧損

截至二零一八年七月三十一日止年度的股東應佔虧損為4,300,000港元（二零一七年：74,100,000港元）。本集團的淨虧損率由截至二零一七年七月三十一日止年度的18.5%下降至截至二零一八年七月三十一日止年度的1.1%。

股息政策

董事預期股息將作為中期及／或末期股息派付。本集團目前計劃向股東派付不少於本集團適用年度的經審核綜合除稅後溢利30%的年度現金股息。然而，派付該等股息將由董事會酌情決定，並根據本集團經營業績、現金流量、財務狀況、資本需求及董事會視為相關的其他有關情況釐定。派付股息或受法律限制及本集團日後可能訂立的協議所規限。董事認為，本集團的股息政策將不會影響本集團於日後年度的營運資金充裕程度。

Management Discussion and Analysis

管理層討論與分析

FINANCIAL MANAGEMENT AND TREASURY POLICY

The Group adopts a conservative approach for cash management and investment on uncommitted funds.

During the year, the Group's receipts were mainly denominated in US dollars, Hong Kong dollars and RMB. Payments were mainly made in US dollars and RMB.

In respect of the US dollar, the management regards that the foreign exchange risk for Hong Kong dollar to US dollar is not material because (i) Hong Kong dollar remains pegged to the US dollar and (ii) most of the Group's purchases are denominated in US dollars, which are to be settled by sales receipts in US dollars.

In respect of the RMB, as the Group's production plants are located in the PRC, most of our labour costs, manufacturing overheads, selling and administrative expenses were denominated in RMB. Therefore, the appreciation of RMB will adversely affect the Group's profitability.

LIQUIDITY AND FINANCIAL RESOURCES

During the year, the Group's source of fund was from cash generated from operating activities.

財務管理及庫務政策

本集團對無指定用途的資金採取保守的現金管理及投資策略。

年內，本集團所得款項主要以美元、港元及人民幣列值，付款則主要以美元及人民幣支付。

就美元而言，管理層認為港元兌美元的外匯風險並不重大，因為(i)港元仍與美元掛鈎及(ii)本集團大部分採購均以美元列值，且以美元銷售收益結算。

就人民幣而言，由於本集團的生產廠房均位於中國，故大部分勞工成本、生產間接成本、銷售及行政開支均以人民幣列值。因此，人民幣升值將對本集團的盈利能力帶來不利影響。

現金流量及財務資源

年內，本集團的資金來源為經營活動產生的現金。

	As at 31 July 2018 於 二零一八年 七月三十一日 HK\$'000 千港元	As at 31 July 2017 於 二零一七年 七月三十一日 HK\$'000 千港元	
Cash and cash equivalents	現金及現金等價物	192,888	105,985
Net cash (outflow) inflow	現金(流出)流入淨額	90,110	(45,780)
Current ratio	流動比率	1.1	1.6
Quick ratio	速動比率	1.0	1.4
Gearing ratio	負債比率	0.72	0.69

With our strong financial background upon Listing on the Stock Exchange, we expect we will have sufficient cash to cover future capital expenditure requirements.

憑藉本集團在聯交所上市後的雄厚財務實力，預期本集團將擁有充裕現金，足以應付日後的資本開支所需。

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATES

On 11 October 2017, Elegant Giant Holdings Limited, an indirect wholly owned subsidiary of the Company (the "Seller") and Ta Yang UDE Limited, an independent third party to the Company and its connected person (the "Purchaser") entered into the sale and purchase agreement (the "Sale and Purchase Agreement"), pursuant to which the Seller conditionally agreed to sell and the Purchaser conditionally agreed to purchase the entire issued share capital of Dongguan Tai Yang Rubber Plastic Industrial Company Limited, an indirect wholly-owned subsidiary of the Company (the "Target Company"), for the total consideration of HK\$55,783,623. As one or more of the applicable percentage ratios in respect of the transaction as calculated under Rule 14.07 of the Listing Rules exceed(s) 25% but is/are less than 75%, the transaction constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting, announcement and Shareholders' approval requirements.

As one or more of the conditions could not be fulfilled, the Seller and the Purchaser, after arm's length negotiations, have agreed not to proceed with the transaction. On 5 March 2018, the Seller and the Purchaser entered into a termination agreement (the "Termination Agreement") to terminate the Sale and Purchase Agreement. Pursuant to the Termination Agreement, the Sale and Purchase Agreement shall terminate and no party to the Sale and Purchase Agreement shall have any claim against the other, including without limitation any claim for liquidated damages pursuant to the Sale and Purchase Agreement. Subject to and without prejudice to the aforesaid, the Seller has undertaken to refund to the Purchaser all amounts received by the Seller or the Target Company from the Purchaser pursuant to the Sale and Purchase Agreement within 3 business days from the date of the Termination Agreement.

Please refer to the announcements dated 11 October 2017 and 5 March 2018.

Saved as disclosed above, the Group had no material acquisition or disposal of any subsidiaries and associated companies for the year ended 31 July 2018.

重大收購及出售附屬公司及聯營公司

於二零一七年十月十一日，本公司的間接全資附屬公司鉅麗控股有限公司（「賣方」）與本公司及其關連人士之獨立第三方大洋湧德有限公司（「買方」）訂立買賣協議（「買賣協議」），據此，賣方有條件同意出售而買方有條件同意購買本公司的間接全資附屬公司東莞大洋橡膠製品有限公司（「目標公司」）全部已發行股本，總代價為55,783,623港元。由於交易按上市規則第14.07條計算的一項或多項適用百分比率超過25%但低於75%，故根據上市規則第14章，交易構成本公司一項主要交易，須遵守申報、公告及股東批准規定。

由於一項或多項條件未能達成，賣方與買方經公平磋商後同意不再進行交易。於二零一八年三月五日，賣方與買方訂立終止協議（「終止協議」）以終止買賣協議。根據終止協議，買賣協議應告終止，而買賣協議的訂約方概無根據買賣協議向對方提出任何索償，包括但不限於任何違約賠償索償。根據及不影響上文所述的情況下，賣方已承諾，於終止協議日期起三個營業日內，向買方退還賣方或目標公司根據買賣協議向買方收取的所有款項。

請參閱二零一七年十月十一日及二零一八年三月五日的公告。

除上文披露者外，本集團於截至二零一八年七月三十一日止年度並無重大收購或出售任何附屬公司及聯營公司。

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管理層討論與分析

DISPOSAL OF PROPERTIES

On 27 March 2018, 大洋(海南)健康產業發展有限公司, an indirect wholly-owned subsidiary of the Company, (the “Vendor”) and 海南泛海頤和房產經紀有限公司, an independent third party to the Company and its connected persons (the “Buyer”) entered into a property underwriting agreement pursuant to which the Buyer has conditionally agreed to underwrite the purchase of an aggregate of 86 rooms with total gross floor area of approximately 7,494.74 sq. m. from building one and building three on Longxi Road, Yalong Bay, Sanya City, Hainan Province, PRC, for the consideration of approximately RMB239.8 million (equivalent to approximately HK\$292.6 million) from the Vendor. As one of the applicable percentage ratios in respect of the transaction as calculated under Rule 14.07 of the Listing Rules exceeds 25% and all applicable ratios are less than 75%, the transaction constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting, announcement and Shareholders’ approval requirements. The Company obtained a written approval from Lyton Maison Limited, the controlling Shareholder holding 436,540,400 Shares with voting rights (representing approximately 50.11% of the 871,178,000 Shares with voting rights in issue as at the date of this report), in respect of the transaction. Pursuant to Rule 14.44 of the Listing Rules, such written approval from Lyton Maison Limited can be accepted in lieu of holding a general meeting for the purpose of approving the transaction.

Please refer to the announcement dated 27 March 2018.

SECURED BANK BORROWING FROM CHINA CONSTRUCTION BANK

On 26 August 2016, the Company obtained a secured bank borrowing from China Construction Bank (Xiuying District Branch, Haikou) (“CCB”) in the principal amount of RMB238 million (the “Loan”) to finance the acquisition of four buildings. As security for the Loan, the Company pledged altogether 194 rooms with a total gross floor area of approximately 16,627.23 sq. m. located at Sanya Yalong Bay National Resort District, Sanya City, Hainan Province, the PRC (the “Pledged Properties”) to CCB.

On 27 March 2018, the Company entered into a property underwriting agreement (the “Underwriting Agreement”) with 海南泛海頤和房產經紀有限公司 (the “Purchaser”), pursuant to which, the Purchaser conditional agreed to underwrite the purchase of 86 rooms of the 194 rooms from the Group and the Purchaser shall have the exclusive rights to sell and distribute the 86 rooms. This transaction constituted major transaction under Chapter 14 of the Listing Rules and was announced on 27 March 2018.

出售物業

於二零一八年三月二十七日，本公司之間接全資附屬公司大洋(海南)健康產業發展有限公司(「出讓方」)與本公司及其關連人士之獨立第三方海南泛海頤和房產經紀有限公司(「受讓方」)訂立物業包銷協議，據此，受讓方有條件同意向出讓方包銷購買位於中國海南省三亞市亞龍灣龍溪路第一幢及第三幢建築之合共86間客房，總建築面積為約7,494.74平方米，代價為約人民幣239,800,000元(相當於約292,600,000港元)。由於交易按上市規則第14.07條計算的一項適用百分比率超過25%及所有適用比率均低於75%，故根據上市規則第14章，交易構成本公司一項主要交易，須遵守申報、公告及股東批准規定。本公司就交易取得Lyton Maison Limited(持有436,540,400股擁有投票權的股份(相當於本報告日期已發行871,178,000股擁有投票權的股份約50.11%)的控股股東)的書面批准。根據上市規則第14.44條，可接納Lyton Maison Limited的有關書面批准，代替就批准交易舉行股東大會。

請參閱二零一八年三月二十七日的公告。

中國建設銀行抵押銀行借款

於二零一六年八月二十六日，本公司自中國建設銀行(海口秀英區支行)(「中國建行」)取得本金額為人民幣238百萬元的有抵押銀行借款(「貸款」)，以為收購四幢樓宇提供資金。作為貸款的抵押，本公司將位於中國海南省三亞市三亞亞龍灣國家旅游度假区總建築樓面面積約16,627.23平方米的合共194間客房(「抵押物業」)抵押予中國建行。

於二零一八年三月二十七日，本公司與海南泛海頤和房產經紀有限公司(「買方」)訂立一份物業包銷代理合同(「包銷代理合同」)，據此，買方有條件同意自本集團包銷購買194間客房中的86間，且買方將擁有出售及分銷該等86間客房的獨家權利。根據上市規則第14章，此項交易構成主要交易，並已於二零一八年三月二十七日作出公布。

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As disclosed in the circular dated 4 May 2018 (“Circular”), as part of the arrangement, the Group also entered into a letter of authorisation (“LOA”) with the Purchaser pursuant to which the Group has authorised the Purchaser as its agent to enter into property sales contracts with the Purchaser’s end customers. The property sales contracts will clearly define the relevant entity of the Group as holder of the Properties’ legal titles and state that the transfer of the legal titles will be done by the Group directly with the end customers by a certain date. After the end customers of the Properties make full payment to the Purchaser, the Group, who has undertaken to assist with the transfer of the legal titles of the sold units of the Properties to the end customers, will enter into agreements with the end customers to effect the transfer of the legal titles of the Properties. As part of the arrangement (“Arrangement”), the Group will arrange for partial repayment of the Loan and liaise with CCB in respect of the release of the legal charge over the corresponding apartment.

Since 27 March 2018, the Company has been in discussions with CCB relating to the repayment and the formality to partially release the legal charge. Based on the result of the discussions, on 23 August 2018 the Group submitted the application to CCB (Xiuying Branch) for the partial repayment of RMB40 million and the partial release of the legal charge. On 10 September 2018, the Group repaid RMB40 million of the Loan, which constitutes part of the repayment as stated in the Circular. The application for release of the legal charge is still in progress.

The Company has arranged an interview on 29 October 2018 with CCB (Xiuying Branch) and CCB confirmed verbally to the Company that CCB would not demand for early repayment of the Loan from the Company provided that the Company has met its repayment schedule of the principal amount and interests under the Loan and simultaneously process the application for release of the legal charge over the relevant properties.

Based on the above, given that CCB acknowledge the Arrangement and will not request for early repayment of the Loan, and the assessment of the Group’s future liquidity and cash flow (having taken into consideration the repayment amount of RMB40 million on 10 September 2018), the Company do not consider that this incident would have an adverse impact on the working capital of the Company in the next twelve months.

誠如日期為二零一八年五月四日的通函(「通函」)所披露，作為有關安排的一部分，本集團亦與買方訂立授權書(「授權書」)，據此，本集團授權買方(作為其代理)與買方的終端客戶訂立物業銷售合同。物業銷售合同將清楚界定本集團的相關實體作為該等物業法定業權的持有人，並列明本集團將於某個日期前直接向終端客戶轉讓法定業權。於該等物業的終端客戶向買方作出全額付款後，本集團(其已承諾協助將該等物業所售單位的法定業權轉讓予終端客戶)將與終端客戶訂立協議以轉讓該等物業的法定業權。作為安排(「該安排」)的一部分，本集團將安排償還部分貸款，並與中國建行聯絡解除對相關公寓的法定押記。

自二零一八年三月二十七日以來，本公司一直就還款及解除部分法定押記手續。根據磋商結果，於二零一八年八月二十三日，本集團向中國建行(秀英支行)申請償還部分貸款人民幣40百萬元及解除部分法定押記。在二零一八年九月十日，本集團償還貸款人民幣40百萬元，該筆款項構成通函所述還款的一部分。有關解除法定押記的申請尚在受理中。

本公司已在二零一八年十月二十九日安排與中國建行(秀英支行)進行會談，且中國建行口頭向本公司確認，只要本公司按還款計劃償付貸款本金及其項下利息，同時申請解除對相關物業的法定押記。

基於上文所述，即本公司現時並無面臨被要求提前償還貸款的風險，本公司董事已對本集團的未來流動資金及現金流量進行評估，並經考慮於二零一八年九月十日的還款金額人民幣40百萬元。因此，本公司其認為該事件不會對本公司未來十二個月的營運資金情況造成不利影響。

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管理層討論與分析

CAPITAL COMMITMENTS, CONTINGENCIES AND CHARGES ON ASSETS

Capital commitments contracted by the Group but not yet provided for in the financial statements as at 31 July 2018 were approximately HK\$5.6 million (2017: HK\$11.0 million), which was mainly related to the acquisition of land use right in Indonesia and expansion of production capacity in the PRC. Such capital commitments will be financed by the net proceeds from the international offering.

As at 31 July 2018, the Group had no material contingent liabilities.

As at 31 July 2018, certain properties of the Group of HK\$211.9 million (2017: HK\$398.9 million) were pledged to secure banking facilities or bank borrowings granted to the Group.

HUMAN RESOURCES AND REMUNERATION POLICIES

As the Group is committed to expand our production capacity and develop high value-added products, such as mobile phone keypads, experienced workers, engineers and professionals are the most important assets to the Group. We offer on-the-job training and encourage staff to attend continuous professional training in order to update their skills and knowledge.

We offer competitive remuneration package, including quality staff quarters, trainings, medical, insurance coverage and retirement benefits, to all employees in Hong Kong and in the PRC. As at 31 July 2018, the Group has 1,263 permanent and temporary employees (2017: 1,448). The total salaries and related costs for the year ended 31 July 2018 amounted to approximately HK\$137.5 million (2017: HK\$170.0 million).

EVENT AFTER REPORTING PERIOD

Proposed Adoption of Share Option Scheme

On 13 September 2018, the Board proposed the adoption of a share option scheme (the "Share Option Scheme") for the approval by the Shareholders.

The purposes of the Share Option Scheme are to recognise and acknowledge the contributions to those who had made, may have made or will make contributions to the Group. The Share Option Scheme will provide those who are eligible opportunities to have a personal stake in the Company with the view to achieving the following objectives: (i) motivate them to optimize their performance efficiency for the benefit of the Group; and (ii) attract and retain or otherwise maintain an ongoing business relationship with those whose contributions are or will be beneficial to the long-term growth of the Group.

Please refer to the announcement dated 13 September 2018.

資本承擔、或有事項及資產抵押

於二零一八年七月三十一日，本集團已訂約但未於財務報表撥備的資本承擔約為5,600,000港元(二零一七年：11,000,000港元)，主要與收購印尼土地使用權及於中國擴充產能有關。有關資本承擔將以國際發售所得款項淨額撥付。

於二零一八年七月三十一日，本集團並無重大或然負債。

於二零一八年七月三十一日，本集團價值211,900,000港元(二零一七年：398,900,000港元)的若干物業已予抵押，作為本集團所獲銀行融資或銀行借款的擔保。

人力資源及薪酬政策

由於本集團致力於擴充產能及開發手機按鍵等高增值產品，故經驗豐富的工人、工程師及專業人士乃本集團最重要的資產。我們提供在職培訓，並鼓勵員工參加持續專業培訓，以增進彼等的技能及知識。

我們向香港及中國所有僱員提供具競爭力的薪酬方案，包括優質的員工宿舍、培訓、醫療、保險及退休福利。於二零一八年七月三十一日，本集團聘用全職及臨時僱員1,263名(二零一七年：1,448名)。於截至二零一八年七月三十一日止年度，薪酬及有關成本總額約為137,500,000港元(二零一七年：170,000,000港元)。

報告期後事項

建議採納購股權計劃

於二零一八年九月十三日，董事會建議採納購股權計劃(「購股權計劃」)以供股東批准。

購股權計劃乃為認可及表彰對本集團已作出、可能已作出或將作出貢獻之人士。購股權計劃將向合資格人士提供於本公司擁有個人權益之機會，以達致下列目標：(i)激勵合資格人士為本集團之利益提升工作效率；及(ii)吸引及挽留其貢獻已對或將對本集團長期增長有利之人士，或以其他方式與其保持持續之業務關係。

請參閱二零一八年九月十三日的公告。

Entering into of Cooperation Agreement

On 8 October 2018 (after trading hours), Tayang Tongchuang (Chengdu) New Energy Co., Ltd.* (大洋同創(成都)新能源有限公司), a company established under the PRC law and an indirect wholly-owned subsidiary of the Company ("Tayang Tongchuang"), Yunnan Investment Construction Co., Ltd.* (雲南雲投建設有限公司) ("Yunnan Investment Construction"), a company established under the PRC law, and China Technology Emerging City Construction Development Co., Ltd.* (中科新興城市建設發展有限公司) ("China Technology Emerging"), a company established under the PRC law entered into a cooperation agreement in relation to funds contribution to establish a joint venture, a limited liability company. Tayang Tongchuang shall contribute RMB52.5 million, representing 35% of the registered capital of the joint venture. The operation period of the Joint venture shall be ten years, which may be extended or shortened by resolution of the general meeting of the Joint venture. In the event that the accumulative return on net assets of the Joint venture fails to reach 24% for three consecutive years, Yunnan Investment Construction shall be entitled to choose to exit the investment while China Technology Emerging and Tayang Tongchuang shall be obliged to take up the equity interests transferred by Yunnan Investment Construction at a price no less than the valuation of the equity interests held by Yunnan Investment Construction (the valuation reference date shall be determined based on the point of exit) and the paid-in capital contribution by Yunnan Investment Construction $\times (1+8\%)$ (the number of days that Yunnan Investment Construction fully paid the capital contribution/365). As stated in the above, while failing to meet the condition thereunder, the Company shall be obliged to take up the equity interests transferred by Yunnan Investment Construction. It constitutes an option to acquire assets as defined in Rules 14.04(1)(b) and 14.72 of the Listing Rules while the Company has no discretion in the asset acquisition option. Therefore, the total consideration must comprise capital contribution amount of Tayang Tongchuang and the consideration of the asset acquisition option. As a result, as one of the applicable percentage ratios in respect of the entering into of the Cooperation Agreement as calculated under Rule 14.07 of the Listing Rules exceeds 25% and all applicable ratios are less than 100%, the entering into of the Cooperation Agreement constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting, announcement and shareholders' approval requirements. To the best of the Directors' knowledge and information, and having made all reasonable enquiries, no Shareholder has any material interest in the entering into of the Cooperation Agreement. As such, no Shareholder is required to abstain from voting if a general meeting of the Company were convened to approve the entering into of the Cooperation Agreement. The Company intends to obtain a written approval from Lyton Maison Limited, the controlling Shareholder holding 436,540,400 Shares with voting rights (representing approximately 50.11% of the 871,178,000 Shares with voting rights in issue as at the date of this report), in respect of the entering into of the Cooperation Agreement. Pursuant to Rule 14.44 of the Listing Rules, such written approval from Lyton Maison Limited can be accepted in lieu of holding a general meeting for the purpose of approving the entering into of the Cooperation Agreement.

Please refer to the announcements dated 8 October 2018 and 19 October 2018.

* For identification purpose only

簽訂合作協議

於二零一八年十月八日(交易時段後)，大洋同創(成都)新能源有限公司(一間根據中國法律成立的公司，為本公司的間接全資附屬公司)(「大洋同創」)、雲南雲投建設有限公司(「雲投建設」)(一間根據中國法律成立的公司)及中科新興城市建設發展有限公司(「中科新興」)(一間根據中國法律成立的公司)簽署合作協議，出資設立一間有限責任公司的合資公司。大洋同創出資人民幣5,250萬元，佔合資公司註冊資本的35%。合資公司的經營期限為十年，經合資公司股東大會決議後經營期限可以延長或縮短。如合資公司經營業績連續3年淨資產收益率累計達不到24%，雲投建設有權選擇退出投資，中科新興和大洋同創有義務受讓雲投建設所轉讓的股份，受讓價格不低於雲投建設所持股權評估價值(評估基準日依據退出時點確定)以及雲投建設實繳資本金額 $\times (1+8\%)$ (雲投建設實繳出資天數/365)。就上述所述，於符合不到其條件下，本公司有義務受讓雲投建設所轉讓的股份，構成一個上市規則第14.04(1)(b)條及第14.72條界定之一項購入資產選擇權，而本公司對此購入資產選擇權沒有酌情權，因此總代價須以大洋同創出資額加入此購入資產選擇權之代價，結果簽訂合作協議按上市規則第14.07條計算的一項適用百分比率超過25%及所有適用比率均低於100%，故根據上市規則第14章，簽訂合作協議構成本公司一項主要交易，須遵守申報、公告及股東批准規定。經作出一切合理查詢後，據董事所深知及盡悉，概無股東於簽訂合作協議擁有任何重大權益。因此，概無股東須於本公司就批准簽訂合作協議召開的股東大會上放棄投票。本公司擬就簽訂合作協議取得Lyton Maison Limited(持有436,540,400股擁有投票權的股份(相當於本報告日期已發行871,178,000股擁有投票權的股份約50.11%)的控股股東)的書面批准。根據上市規則第14.44條，可接納Lyton Maison Limited的有關書面批准，代替就批准簽訂合作協議舉行股東大會。

請參閱二零一八年十月八日及二零一八年十月十九日的公告。

Management Discussion and Analysis

管理層討論與分析

OUTLOOK

The Group has rock-solid silicone rubber materials technology, with the rapid development trend of silicone rubber products industry in recent years, silicone rubber products application technology has infiltrated into various industries, we plan to increase our R&D efforts on proprietary products and optimize internal products structure. Oriented by the market and guided by innovation, we will be able to take the first train of silicone rubber industry's innovation, seizing a considerable share in the silicone rubber products' high-end market. In addition, the Group will continuously expand from healthcare and hotel service industries to residential real estate industry, and transform from previous heavy assets operation model of self-owned property to service-focused and operation-focused light assets operation model. Meanwhile, the Group will continue to be committed to looking for new business opportunities such as participating in infrastructure investment construction, developing intelligent manufacturing, etc. and will integrate above mentioned businesses organically within the Group's internal system to enrich resources of income and create more lucrative returns for shareholders.

展望

本集團擁有過硬的矽膠材料技術，隨著近年矽膠製品行業正處於快速發展的勢頭，矽膠製品應用技術已經滲透到各行各業，我們計劃加大自主產品的研發，優化內部產品結構，以市場為導向，以創新為抓手，趕上矽膠產業革新的頭班車，在矽膠製品高端市場佔有相當的份額。此外，本集團繼續拓展醫療保健及酒店服務業務至住宅地產行業，並從過往自有業務的重資產運行模式轉變為以服務和運營為主的輕資產運行模式。同時，本集團將持續致力於物色新的商機，如參與基礎設施投資建設、發展智慧製造等，並將上述業務在集團體系內進行有機結合，以豐富收入來源，並為股東創造更豐厚收益。

CORPORATE GOVERNANCE STRUCTURE

企業管治架構



CORPORATE GOVERNANCE PRACTICES

The Company strives to attain and maintain high standards of corporate governance best suited to the needs and interests of the Group as it believes that effective corporate governance practices is a fundamental to enhancing Shareholder value and safeguarding interests of Shareholders and other stakeholders. The Board sets appropriate policies and implements corporate governance practices appropriate to the conduct and growth of the Group's business.

企業管治常規

本公司致力達到及維持最能迎合本集團需要及利益的高度企業管治水平，因其相信有效的企業管治常規是提升股東價值與保障股東及其他持份者權益的基本要素。董事會制定適當政策及實施適合本集團業務開展及增長的企業管治常規。

Corporate Governance Report

企業管治報告

Compliance With Corporate Governance Code

The Company has complied with the applicable code provisions set out in the Corporate Governance Code (“CG Code”) contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) throughout the year ended 31 July 2018 except:

- (i) the code provision A.1.1, which requires that regular board meetings will normally involve the active participation, either in person or through electronic means of communication, of a majority of directors entitled to be present, and the code provision A.6.7 which requires that independent non-executive directors and other non-executive directors, as equal board members, should give the board and any committees on which they serve the benefit of their skills, expertise and varied backgrounds and qualifications through regular attendance and active participation. Some Directors cannot attend regular board meetings because they are busy on their own tight schedules. We will communicate better with the Directors and try our best to arrange so that they can attend regular board meetings.
- (ii) the code provision A.2.1, which requires the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. However, Ms. Shi Qi is acting as both the chairlady of the Board (the “Chairlady”) and the Chief Executive Officer (the “CEO”).

The Board believes that vesting the roles of both the Chairlady and the CEO in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board further believes that the balance of power and authority for the present arrangement will not be impaired since the responsibilities of the Chairlady and the CEO have been clearly established and set out in writing. It is also adequately ensured by the current Board which comprises experienced and high caliber individuals with sufficient number thereof being independent non-executive Directors.

- (iii) the code provision A.2.7, which requires the chairman should at least annually hold meetings with the non-executive directors (including independent non-executive directors) without the executive directors present. During the year ended 31 July 2017, a formal meeting could not be arranged between the Chairlady and the non-executive Directors (including independent non-executive Directors) without the executive Directors present due to their tight schedules. Although such meeting was not held during the year, the Chairlady could be contacted by email or phone to discuss any potential concerns and/or questions that the non-executive Director and the independent non-executive Directors might have and would arrange to set up follow-up meetings, whenever necessary.

遵守企業管治守則

本公司於截至二零一八年七月三十一日止年度一直遵守聯交所證券上市規則(「上市規則」)附錄十四所載的企業管治守則(「企管守則」)載列的適用守則條文，惟：

- (i) 守則條文 A.1.1 條除外，其規定每次召開董事會定期會議皆有大部分有權出席會議的董事親身出席，或透過電子通訊方法積極參與；及守則條文 A.6.7 條除外，其規定獨立非執行董事及其他非執行董事作為與其他董事擁有同等地位的董事會成員，應定期出席董事會及其同時出任委員會成員的委員會的會議並積極參與會務，以其技能、專業知識及不同的背景及資格作出貢獻。由於公務繁忙，部份董事未能安排出席董事會定期會議。我們將與董事進行更好的溝通，並盡力安排以便他們可以參加董事會定期會議。
- (ii) 守則條文 A.2.1 條除外，其規定主席與行政總裁之角色應予區分且不應由同一人士擔任。然而，施琦女士擔任董事會主席(「主席」)及行政總裁(「行政總裁」)之角色。

董事會相信，由同一名人士同時擔任主席及行政總裁兩個職位可確保本集團貫徹的領導，更有效及有效率地計劃本集團之整體策略。另外，董事會相信現時之安排不會損害職能及權力兩者之間的平衡，原因為主席及行政總裁之職責均已書面清楚界定及載列。現時之董事會由經驗豐富的人才(其中有充足之人數擔任獨立非執行董事)組成，故足以確保有關職能及權力兩者間之平衡。

- (iii) 守則條文 A.2.7 條除外，其要求主席應至少每年於執行董事避席之情況下與非執行董事(包括獨立非執行董事)舉行會議。於截至二零一七年七月三十一日止年度，由於公務繁忙，主席與非執行董事(包括獨立非執行董事)未能安排並無執行董事出席之正式會議。儘管有關會議未能於年內舉行，非執行董事及獨立非執行董事可透過電郵或電話聯絡主席討論任何潛在關注事項及/或問題，並在有需要時安排舉行跟進會議。

- (iv) the code provision C.1.2, which requires the management of the Company to provide all members of the Board with monthly updates giving a balanced and understandable assessment of the Company's performance, position and prospects in sufficient detail to enable the Board as a whole and each Director to discharge their duties.

During the year, the management of the Company did not provide monthly updates to all members of the Board as required by the code provision C.1.2, as all the executive Directors were involved in the daily operation of the Group and were fully aware of the performance, position and prospects of the Company, and the management has provided to all Directors (including non-executive Directors and independent non-executive Directors) quarterly updates giving a balanced and understandable assessment of the Company's performance, position and prospects in sufficient detail prior to the regular board meetings of the Company.

In addition, the management of the Company has provided all members of the Board, in a timely manner, updates on any material changes to the performance, position and prospects of the Company and sufficient background or explanatory information for matters brought before the Board.

- (v) the code provision E.1.2, which requires that the chairman of the board should attend the annual general meeting. He should also invite the chairmen of the audit, remuneration, nomination and any other committees (as appropriate) to attend. The Chairlady and some Committee Chairmen could not attend the annual general meeting held during the year because they are busy on their own tight schedules. We will communicate better with the Chairlady and Committee Chairmen and try our best to arrange so that they can attend the annual general meeting.
- (vi) In compliance with Rule 3.10(1) of the Listing Rules, there are three independent non-executive Directors. Among the three independent non-executive Directors, one of them have appropriate professional qualifications in accounting or related financial management expertise as required by Rule 3.10(2) of the Listing Rules. Independent non-executive Directors represent at least one-third of the board as required by Rule 3.10A of the Listing Rules.

- (iv) 守則條文C.1.2條除外，其要求本公司管理層向董事會所有成員提供每月更新資料，列載有關本公司表現、狀況及前景的公正及易於理解的詳細評估，讓董事會全體及各董事可履行相關職務。

年內，本公司管理層並無按照守則條文C.1.2條的要求向董事會所有成員提供每月更新資料，因為所有執行董事均有參與本集團的日常運作，並完全了解本公司的表現、狀況及前景，且管理層亦有在本公司的常規董事會會議前，向所有董事（包括非執行董事及獨立非執行董事）提供關於本公司的最新季度資料，當中列載有關本公司表現、狀況及前景作出的公正及易於理解的詳細評估。

此外，本公司管理層已向董事會全體成員及時提供有關本公司表現、狀況及前景的任何重大變動的更新資料，以及董事會商議項目的詳細背景或說明資料。

- (v) 守則條文E.1.2條除外，其規定董事會主席應出席股東週年大會，並邀請審核委員會、薪酬委員會、提名委員會及任何其他委員會（如適當）的主席出席。由於公務繁忙，主席及部份委員會主席未能安排出席年內股東週年大會。我們將與主席及委員會主席進行更好的溝通，並盡力安排以便他們可以參加股東週年大會。
- (vi) 遵照上市規則第3.10(1)條，有三名獨立非執行董事。根據上市規則第3.10(2)條所規定，三名獨立非執行董事中，其中一名須具備合適的會計專業資格或相關財務管理專門知識。根據上市規則第3.10A條所規定，獨立非執行董事必須佔董事會成員人數至少三分之一。

Corporate Governance Report

企業管治報告

However, following the resignation of Mr. Yeung Chi Tat as independent non-executive Director on 10 September 2017, the number of independent non-executive Directors fell below the requirement of Rule 3.10A of the Listing Rules. Following the resignation of Ms. Lian Yi as independent non-executive Director on 10 November 2017, the number of independent non-executive Directors fell below the requirement of Rules 3.10(1) and 3.10A of the Listing Rules, and the number of member of Audit Committee has fallen below the requirement of Rule 3.21 of the Listing Rules.

Following the appointments of Mr. Wu Tak Kong as an independent non-executive Director and the member of the Audit Committee on 15 November 2017, the number of independent non-executive Directors and the number of members of the Audit Committee meet with the requirements under Rules 3.10(1) and 3.21 of the Listing Rules respectively. However, the number of independent non-executive Directors still fell below the requirement of Rule 3.10A of the Listing Rules.

Subsequent to the resignation of Mr. Huang Te-Wei as an executive Director on 30 November 2017, the composition of the Board comprises three executive Directors, three non-executive Directors and three independent non-executive Directors. In this regard, the number of independent non-executive Directors represents one-third of the members of the Board and the Company meets the requirement set out in Rule 3.10A of the Listing Rules.

Mr. Pak Wai Keung, Martin has tendered his resignation as an independent non-executive Director of the Company, the chairman of the audit committee and a member of each of the nomination committee and the remuneration committee of the Company with effect from 29 October 2018. Upon the resignation of Mr. Pak, the Company only has two independent non-executive Directors and two members of the Audit Committee which falls below the minimum number required under Rule 3.10(1), 3.10A and 3.21 of the Listing Rules. The Company is actively identifying suitable candidate for appointment as independent non-executive Director so as to fulfill the requirements under Rules 3.10(1), 3.10A and 3.21 of the Listing Rules within three months from 29 October 2018.

然而，楊志達先生於二零一七年九月十日辭任獨立非執行董事，獨立非執行董事人數低於上市規則第3.10A條之規定。連軼女士於二零一七年十一月十日辭任獨立非執行董事，獨立非執行董事人數低於上市規則第3.10(1)及3.10A條之規定，而審核委員會成員人數亦低於上市規則第3.21條之規定。

胡德光先生於二零一七年十一月十五日獲委任為獨立非執行董事及審核委員會成員後，獨立非執行董事人數及審核委員會成員人數分別符合上市規則第3.10(1)及3.21條之規定。然而，獨立非執行董事人數仍低於上市規則第3.10A條之規定。

黃德威先生於二零一七年十一月三十日辭任執行董事後，董事會成員由三名執行董事、三名非執行董事及三名獨立非執行董事組成。就此而言，獨立非執行董事人數為董事會成員人數的三分之一，且本公司符合上市規則第3.10A條所載之規定。

白偉強先生辭任本公司之獨立非執行董事、本公司審核委員會主席、提名委員會及薪酬委員會各自成員，自二零一八年十月二十九日起生效。於白先生辭任後，本公司僅有兩名獨立非執行董事及兩名審核委員會成員，低於上市規則第3.10(1)條、第3.10A條及第3.21條規定的最少人數。自二零一八年十月二十九日起三個月內，本公司將積極物色合適人選以委任為獨立非執行董事，以符合上市規則第3.10(1)條、第3.10A條及第3.21條的規定。

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted its "Code of Ethics and Securities Transaction" to regulate the Directors and relevant employees of the Group in dealing securities of the Company on terms no less exacting than those set out in the Model Code. The Model Code also provides guidelines and procedures on handling conflict of interest of Directors.

In response to the specific enquiry by the Company, all the Directors confirmed that they have complied with the required standard as set out in the Model Code and its Code of Ethics and Securities Transaction throughout the year.

BOARD OF DIRECTORS

Composition of the Board of Directors

The board of Directors (the "Board") of the Company currently comprises three executive Directors, three non-executive Directors and three independent non-executive Directors. The function of the Board is to guide the management to ensure the interests of the Shareholders of the Company are safeguarded.

The Company recognises and embraces the benefits of having a diverse board to enhance the quality of its performance. In compliance with the requirement set out in code provision A.5.6 of the CG Code, the Company adopted a board diversity policy (the "Board Diversity Policy") on 30 August 2013 which aims to set out the approach to achieving diversity for the Board.

The policy statement of the Board Diversity Policy is that the Company recognises the benefits of the Board that possesses a balance of skills, experience, expertise and diversity of perspectives appropriate to the requirements of the businesses of the Company.

The Company maintains that Board appointment should be based on merit that complements and expands the skills, experience and expertise of the Board as a whole, taking into account gender, age, professional experience and qualifications, cultural and educational background, and any other factors that the Board might consider relevant and applicable from time to time towards achieving a diverse Board.

The Nomination Committee of the Company is responsible for reviewing the structure, size and composition of the Board and making recommendations to the Board on the appointment of new directors of the Company from time to time to ensure that it has a balanced composition of skills, experience and expertise appropriate to the requirements of the businesses of the Company, with due regard to the benefits of diversity on the Board. The Board as a whole is also responsible for reviewing the succession plan for the directors of the Company, in particular, the Chairman/the Chairlady and the CEO.

董事的證券交易

本公司已採納「操守及證券交易守則」以規管董事及本集團有關僱員買賣本公司證券，其條款不比標準守則寬鬆。標準守則亦提供有關處理董事利益衝突的指引及程序。

各董事在回應本公司的具體查詢時，全部均確認其於年內一直遵從標準守則所規定的標準及其操守及證券交易守則。

董事會

董事會的組成

本公司董事會（「董事會」）目前由三名執行董事、三名非執行董事及三名獨立非執行董事組成。董事會的職責為引導管理層確保本公司股東的權益受到保障。

本公司深明及相信擁有全面的董事會能提升表現質素的益處。為符合企管守則的守則條文A.5.6條的規定，本公司於二零一三年八月三十日採納董事會多元化政策（「董事會多元化政策」），旨在載列讓董事會達致多元化的方法。

董事會多元化政策聲明表示，本公司明白一個具備平衡且切合本公司各業務方面需要的技能、經驗、專業知識及多元化的董事會的好處。

本公司認為董事會的委任應以用人唯才為原則，以收到輔助及擴大董事會整體技術、經驗及專業知識之效，當中會考慮性別、年齡、專業經驗及資格、文化及教育背景，以及任何其他董事會不時認為屬相關及適用的其他因素，以達致一個多元化的董事會。

本公司的提名委員會負責不時審閱董事會的架構、規模及組成，以及就本公司新董事的任命向董事會作出建議，以確保董事會的組合在切合本公司業務需要的技能、經驗及專業知識方面取得平衡，並適當考慮董事會多元化所帶來的好處。董事會全體成員亦負責審閱本公司董事的繼任計劃，尤其是主席及行政總裁的繼任計劃。

Corporate Governance Report

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The Company seeks to achieve board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The Company will also take into account factors based on its own business model and specific needs from time to time.

The size and composition of the Board are reviewed from time to time, taking into account the scope and nature of operations of the Company, to ensure that the size of the Board is adequate to provide a diversity of views and facilitate effective decision making. The Directors come from diverse background with varied expertise in finance, legal industry and business fields. The biographical details of the Directors and the relationships among them are set out in the "Directors' Profile" on pages 6 to 9 of this annual report and the Company's website. The Company has maintained on the Company's website and on the website of the Stock Exchange an updated list of its Directors identifying their roles and functions and whether they are independent non-executive Directors. Independent non-executive Directors are identified as such in all corporate communications that disclose the names of Directors.

Save as disclosed in the section of "Directors' Profile", none of the Directors has any financial, business, family or other material or relevant relationships among members of the Board.

Directors' Appointment, Re-election, Resignation and Removal

The position, appointment date and re-election date of the current Board members are as follows:

本公司透過考慮多個因素，包括(但不限於)性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期，務求達至董事會多元化。本公司亦將不時根據自身業務模式及特別需要，考慮其他因素。

本集團會不時檢討董事會的規模及組成，當中會考慮本公司的業務範疇及性質，以確保董事會的規模足以提供不同的觀點及作出有效決策。董事擁有不同背景，具備金融、法律及商業領域的專業知識。所有董事的履歷詳情及彼等之間的關係載於本年報第6至第9頁的「董事簡介」及本公司網站。本公司已於本公司網站及聯交所網站刊登最新的董事名單，當中列明彼等的職責及職能及彼等是否為獨立非執行董事。所有披露董事姓名的公司通訊中，亦會清楚列明獨立非執行董事的身份。

除「董事簡介」一節所披露者外，概無董事與董事會成員間有任何財務、商業、家族或其他重大或相關關係。

董事的委任、重選、辭任及罷免

現任董事會成員的職位、委任日期及重選日期如下：

Name of Director 董事姓名	Position 職位	Date of first appointment to the Board 首次獲委任為董事會成員的日期	Date of last re-election as Director 最近一次膺選連任為董事的日期
Shi Qi 施琦	Chairlady/Chief Executive Officer/Executive Director 主席/行政總裁/執行董事	06/04/2016	14/12/2017
Qiu Yonghao 邱泳昊	Executive Director 執行董事	06/04/2016	14/12/2017
Zhao Ang 趙昂	Executive Director 執行董事	30/07/2018	-
Gao Feng 高峰	Non-Executive Director 非執行董事	06/04/2016	15/12/2016
Han Lei 韓磊	Non-Executive Director 非執行董事	06/04/2016	15/12/2016
Sze Wai Lun 施偉倫	Non-Executive Director 非執行董事	19/12/2017	-
Zhang Lijuan 張力涓	Independent Non-Executive Director 獨立非執行董事	27/04/2016	15/12/2016
Wu Tak Kong 胡德光	Independent Non-Executive Director 獨立非執行董事	15/11/2017	14/12/2017

In accordance with the Company's articles of association, all Directors (including executive Directors, non-executive Directors and independent non-executive Directors) are subject to retirement by rotation at least once every three years. Accordingly, at the annual general meeting to be held on 13 December 2018, Mr. Han Lei, Mr. Gao Feng and Ms. Zhang Lijuan shall retire from offices by rotation and offer themselves for re-election.

Mr. Sze Wai Lun, and Mr. Zhao Ang, being the newly appointed Directors, will hold office until the forthcoming annual general meeting and be subject to re-election at such meeting in accordance with the Company's articles of association.

Furthermore, all Directors (including non-executive Directors) were appointed for a specific term. Formal letters of appointment or service contracts sets out the key terms and conditions of their appointment were in place.

Ms. Shi Qi and Mr. Qiu Yonghao were appointed as executive Directors in 2016. They have entered into service contracts with the Company on 6 April 2016 for a period of three years commencing from 6 April 2016 and subject to a termination by giving not less than three months' prior written notice.

Mr. Zhao Ang was appointed as an executive Director in 2018. He has entered into service contracts with the Company on 30 July 2018 for a period of three years commencing from 30 July 2018 and subject to a termination by giving not less than three months' prior written notice.

Mr. Gao Feng and Mr. Han Lei were appointed as non-executive Directors in 2016. They have entered into formal appointment letters on 6 April 2016 for a period of three years commencing from 6 April 2016 and subject to a termination by giving not less than one month's prior written notice.

Mr. Sze Wai Lun was appointed as non-executive Director in 2017. He has entered into a formal appointment letter on 19 December 2017 for a period of one year commencing on 19 December 2017 and subject to a termination by giving not less than one month's prior written notice.

Ms. Zhang Lijuan has entered into formal appointment letter for appointing her as independent non-executive Director on 27 April 2016 for a term of three years commencing from 27 April 2016 which was subject to a termination by giving not less than one month's prior written notice.

Mr. Wu Tak Kong has entered into formal appointment letter for appointing him as an independent non-executive Director on 15 November 2017 for a term of one year commencing from 15 November 2017 which is subject to a termination by giving not less than one month's prior written notice.

根據本公司的組織章程細則，所有董事（包括執行董事、非執行董事及獨立非執行董事）均須最少每三年輪值退任一次。據此，於即將於二零一八年十二月十三日舉行之股東週年大會上，韓磊先生、高峰先生及張力涓女士將輪席告退並願意膺選連任。

根據本公司的組織章程細則，施偉倫先生及趙昂先生（新委任之董事）將任職至應屆股東週年大會並須於該大會上膺選連任。

此外，所有董事（包括非執行董事）均有指定任期。彼等獲委任之主要條款及條件已載於正式委任書或服務合約。

施琦女士及邱泳湜先生於二零一六年獲委任為執行董事。彼等已於二零一六年四月六日與本公司訂立服務合約，自二零一六年四月六日起計為期三年，並且可發出不少於三個月的事先書面通知而終止。

趙昂先生於二零一八年獲委任為執行董事，彼已於二零一八年七月三十日與本公司訂立服務合約，自二零一八年七月三十日起計為期三年，並且可發出不少於三個月的事先書面通知而終止。

高峰先生及韓磊先生於二零一六年獲委任為非執行董事。彼等已於二零一六年四月六日訂立正式委任書，自二零一六年四月六日起計為期三年，並且可發出不少於一個月的事先書面通知而終止。

施偉倫先生於二零一七年獲委任為非執行董事。彼已於二零一七年十二月十九日訂立正式委任書，自二零一七年十二月十九日起計為期一年，並且可發出不少於一個月的事先書面通知而終止。

張力涓女士已於二零一六年四月二十七日訂立正式委任書，委任彼為獨立非執行董事，自二零一六年四月二十七日起計為期三年，並且可發出不少於一個月的事先書面通知而終止。

胡德光先生已於二零一七年十一月十五日訂立正式委任書，委任彼為獨立非執行董事，自二零一七年十一月十五日起計為期一年，並且可發出不少於一個月的事先書面通知而終止。

Corporate Governance Report

企業管治報告

The Board

The composition of the Board is well balanced with each Director having sound industry knowledge, extensive corporate and strategic planning experience and/or expertise relevant to the business of the Group. All executive Directors, non-executive Directors and independent non-executive Directors bring a variety of experience and expertise to the Company.

All independent non-executive Directors have fulfilled all the criteria for independence as stated in Rule 3.13 of the Listing Rules.

Board Meetings and Board Practices

The Board holds at least four regular meetings a year which are normally scheduled in the fourth quarter of the preceding year. The Board will also meet on other occasions when a board-level decision on a particular matter is required. During the financial year ended 31 July 2018, the Board held fourteen meetings. The attendance records of the Directors to these regular board meetings are set out below:

董事會

董事會的成員各有所長，而每名董事均具備與本集團所從事業務相關的深厚行業知識、豐富的企業及策略規劃經驗及／或專門知識。所有執行董事、非執行董事及獨立非執行董事均能為本公司帶來各種經驗及專門知識。

所有獨立非執行董事已符合上市規則第3.13條所列之所有獨立性條件。

董事會會議及董事會常規

董事會每年最少舉行四次定期會議，一般會於前一年第四季預定會議時間。董事會亦會於某事項需要作出董事會決議時召開會議。截至二零一八年七月三十一日止財政年度，董事會舉行十四次會議。下表顯示董事於該等定期董事會會議的出席記錄：

		Number of meetings attended/ Number of regular board meetings held during the year 出席會議次數／ 年內舉行定期董事會會議次數
Executive Directors		
Shi Qi	執行董事 施琦	5/14
Xu Chendi (resigned on 19 December 2017)	許晨迪(於二零一七年十二月十九日辭任)	8/8
Qiu Yonghao	邱泳昊	1/14
Huang Te-Wei (resigned on 30 November 2017)	黃德威(於二零一七年十一月三十日辭任)	1/13
Zhao Ang (appointed on 30 July 2018)	趙昂(於二零一八年七月三十日獲委任)	0/0
Non-executive Directors		
Gao Feng	非執行董事 高峰	0/14
Han Lei	韓磊	0/14
Wang Yayuan (resigned on 19 December 2017)	王雅媛(於二零一七年十二月十九日辭任)	4/8
Sze Wai Lun (appointed on 19 December 2017)	施偉倫(於二零一七年十二月十九日獲委任)	3/6
Independent Non-executive Directors		
Zhang Lijuan	獨立非執行董事 張力涓	1/14
Pak Wai Keung, Martin (resigned on 29 October 2018)	白偉強(於二零一八年十月二十九日辭任)	11/14
Lian Yi (resigned on 10 November 2017)	連軼(於二零一七年十一月十日辭任)	0/6
Yeung Chi Tat (resigned on 10 September 2017)	楊志達(於二零一七年九月十日辭任)	2/2
Wu Tak Kong (appointed on 15 November 2017)	胡德光(於二零一七年十一月十五日獲委任)	6/8
Number of board meetings held during the year	年內舉行董事會會議次數	14

All minutes of the meetings, record in sufficient detail the matters considered and decisions reached, are kept by the Company and are opened for inspection by Directors at any time.

The meetings are structured to allow open discussion. All Directors participate in discussing the strategy, operational and financial performance and internal controls of the Group.

The Company Secretary assists the Chairman/the Chairlady to prepare the agenda of the meeting and each Director may request to include any matters in the agenda. At least 14 days' notice is given to the Directors for the regular meetings by the Company. All substantive agenda items have comprehensive briefing papers which are distributed by the Company Secretary to Directors at least 3 days before the Board meetings so as to ensure that the Directors may receive accurate, timely and clear information to make informed decisions regarding the matters discussed in the meetings.

All Directors may access to the advice and services of the Company Secretary who regularly updates the Board on governance and regulatory matters. The Company Secretary is also responsible for ensuring the procedures of the Board meetings are observed and providing the Board opinions on matters in relation to the compliance with the procedures of the Board meetings.

If a substantial Shareholder or a Director has a conflict of interest in a matter to be considered by the Board, the Company will not deal with the matter by way of written resolution or by a Board committee (except if that Board committee was specifically established for such purpose) but by a physical board meeting. The independent non-executive Directors with no material interest in the matter will attend the meeting to deal with the matter as appropriate subject to the Listing Rules and/or the Company's articles of association, as appropriate. Any Director who or whose associates have any material interest in any proposed Board resolutions shall not vote (nor be counted in the quorum) on the relevant Board resolutions.

Functions of the Board of Directors

The Board is responsible for the oversight of the management of the Company's business and affairs with the goal of maximizing long term shareholder's value, while balancing broader stakeholder interests. The Board has the following main duties:

- determine all the corporate matters;
- be responsible for the management, direction and supervision of the businesses of the Group; and
- be responsible to ensure the effectiveness on Group's financial reporting and compliance.

載有所考慮事項及所達致決定的充分詳情的會議記錄由本公司保存，且可供董事於任何時間查閱。

會議的形式有利於進行坦誠討論。所有董事均會參與討論本集團的策略、營運及財務表現以及內部監控。

公司秘書協助主席編製會議議程，而每名董事均可要求將任何事項列入議程。本公司須就定期會議向董事發出最少十四天的通知。所有主要議程項目須具備全面簡介文件，由公司秘書於董事會會議前至少三天向董事分發，確保董事可獲得準確、及時及清晰的資料就於會議上討論的事項作出知情決定。

所有董事可獲得公司秘書的建議及服務，而公司秘書會就管治及監管事項定期向董事會提供最新資料。公司秘書亦負責確保董事會會議依程序進行，並就有關遵守董事會會議程序的事項向董事會提供意見。

倘主要股東或董事在董事會將予考慮的事項中存在利益衝突，本公司應以實際董事會會議，而不得以書面決議案或經由董事委員會（為此目的而特別組成的董事委員會除外）處理該事項。如適合，於該事項中無重大利益的獨立非執行董事將出席處理該事項的會議，惟須遵守適用的上市規則及／或本公司的組織章程細則，在所提呈的任何董事會決議案中擁有任何重大利益的董事或其聯繫人，均不得就有關董事會決議案投票（或計入有關董事會會議的法定人數內）。

董事會的職責

董事會負責監督本公司業務及事務的管理，目標為盡量提升長期股東價值，同時在更廣泛的層面上平衡持份者的權益。董事會的主要職責如下：

- 決定所有企業事宜；
- 負責本集團業務管理、方向及監督；及
- 負責確保本集團的財務申報及合規的有效性。

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企業管治報告

The Board has matters reserved for its decisions and these include:

- the Group's long-term strategy and business plan;
- major capital projects, acquisitions or divestments;
- funding decision of the Group;
- internal controls, risk management and compliance; and
- annual and interim financial results and shareholder communications.

The Board delegates the authority and responsibility for implementing day-to-day operations, business strategies and management of the Group's businesses to the executive Directors, senior management and certain specific responsibilities to the Board committees.

When the Board delegates aspects of its management and administration functions to the management, it has given clear directions as to the powers of management, in particular, with respect to the circumstances. While allowing management substantial autonomy to run and develop the business, the Board plays a key role in structuring and monitoring the reporting systems and internal controls. The composition, functions of each Board committee and their major role and function are described below. The final decision still rests with the Board unless otherwise provide for in the terms of reference of relevant committees.

Independent Non-executive Directors

The independent non-executive Directors bring a wide range of skills and business experience to the Group. They also bring independent judgment on the issues of strategy, performance and risk through their contribution to the Board meetings and to the Board's committee meetings.

The Company has received from each of its independent non-executive Directors the written confirmation of his/her independence pursuant to Rule 3.13 of the Listing Rules. The Company, based on such confirmations, considers, Ms. Zhang Lijuan and Mr. Wu Tak Kong to be independent.

The independence of each Director is reviewed annually by the Nomination Committee based on the definition of independence defined in the Listing Rules. The Nomination Committee is satisfied as to the independence of Ms. Zhang Lijuan and Mr. Wu Tak Kong, all of whom have fulfilled all the criteria for independence as stated in Rule 3.13 of the Listing Rules.

須由董事會決定的事宜包括：

- 本集團的長遠策略及業務計劃；
- 主要資本項目、收購或分拆出售；
- 本集團的融資決策；
- 內部監控、風險管理及合規；及
- 全年及中期財務業績及股東通訊。

董事會將實行日常營運、業務策略及本集團業務管理的權力及責任委派給執行董事及高級管理層，並將若干特定責任指派予董事委員會。

董事會將管理及行政功能方面的權力指派予管理層時，已就有關管理層的權力給予清晰的指引，特別是可施行權力的情況。雖然允許管理層在充分自主的前提下經營及發展業務，惟董事會在架構及監察申報制度與內部監控方面仍扮演關鍵角色。每個董事委員會的組成、職責、主要角色及功能於下文概述。除非相關委員會的職權範圍另有規定，否則董事會仍保留最終決策權。

獨立非執行董事

獨立非執行董事為本集團帶來各方面的技能及業務經驗。彼等亦通過參與董事會會議及董事委員會會議，對策略、表現及風險方面的事宜作出獨立判斷。

根據上市規則第3.13條，本公司已收到每名獨立非執行董事就本身獨立性作出的書面確認。基於該等確認，本公司認為張力涓女士及胡德光先生為獨立人士。

提名委員會每年均會根據上市規則就獨立性所界定的定義審查每名董事的獨立性。提名委員會信納張力涓女士及胡德光先生均為獨立人士，彼等均符合上市規則第3.13條所列之所有獨立性條件。

Supply of and Access to Information

The management supplied the Board with appropriate and sufficient explanation and information through financial reports, business and operational reports and budget statements, in a timely manner, to enable them to make informed decisions.

The management also provided the Board with quarterly updates giving a balanced and understandable assessment of the Company's performance, position and prospects in sufficient details to enable the Board as a whole and each Director to discharge their duties under Rule 3.08 and Chapter 13 of the Listing Rules.

The Directors are also provided with names and contact details of the Company's senior management and the Company Secretary to facilitate Director access to senior management and the Company Secretary.

Continuing Professional Development

The Directors keep abreast of responsibilities as a director of the Company and of the conduct, business activities and development of the Company. The Company Secretary from time to time updates and provides written training materials to the Directors on the latest development of the Listing Rules, applicable laws, rules and regulations relating to Directors' duties and responsibilities. The Directors may request the Company, pursuant to the policy for Directors to seek independent professional advice, to provide independent professional advice at the expense of the Company to discharge their duties to the Company.

During the year ended 31 July 2018, the Company has organised one training session on the following topics for the Directors and the management of the Company to attend:

1. Directors' duty of listed company
2. Notifiable transactions and connected transactions
3. Dealing of inside information
4. Dealing of securities of listed company and disclosure of interests of directors

提供及取閱資料

管理層透過財務報告、業務及營運報告以及預算報表，適時向董事會提供適當及充分的說明及資料，從而讓彼等作出知情決定。

管理層亦按照上市規則第3.08條及第十三章向董事會提供每季更新資料，列載有關本公司表現、狀況及前景的公正及易於理解的詳細評估，讓董事會全體及各董事可履行相關職務。

董事亦獲提供本公司高級管理層及公司秘書的姓名及聯絡詳情，以便董事聯絡高級管理層及公司秘書。

持續專業發展

董事不斷留意作為本公司董事的責任及操守，以及有關本公司業務活動及發展的事宜。公司秘書不時就與董事的職務及職責有關的上市規則、適用法律、法規及規章的最新發展為董事更新及提供書面培訓材料。董事可根據董事尋求獨立專業意見的政策要求本公司提供獨立專業意見，以履行彼等對本公司的職責，有關開支概由本公司承擔。

截至二零一八年七月三十一日止年度，本公司已就以下題目為董事及本公司管理層舉辦一次培訓課程供其出席：

1. 上市公司董事責任
2. 須予公佈的交易及關連交易
3. 內幕消息的處理
4. 董事買賣上市公司證券及披露權益

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The Company maintains records of training attended by the Directors. The training attended by the Directors during the year ended 31 July 2018 are as follows:

本公司保留董事出席培訓的記錄。董事於截至二零一八年七月三十一日止年度出席的培訓如下：

Directors 董事		Training Matters 培訓事項
Executive Directors	執行董事	
Shi Qi	施琦	Regulatory 監管
Qiu Yonghao	邱泳滙	Regulatory 監管
Zhao Ang	趙昂	Regulatory 監管
Non-Executive Directors	非執行董事	
Gao Feng	高峰	Regulatory 監管
Han Lei	韓磊	Regulatory 監管
Sze Wai Lun	施偉倫	Regulatory 監管
Independent Non-Executive Directors	獨立非執行董事	
Zhang Lijuan	張力涓	Regulatory 監管
Wu Tak Kong	胡德光	Regulatory 監管

Directors' and Officers' Liability Insurance

The Company has renewed directors' and officers' liabilities insurance for all the Directors and the senior management of the Company for the year 2018/2019. The insurance covers them against costs, charges, expenses and liabilities incurred arising out of the corporate activities.

董事及高級職員的責任保險

於二零一八／二零一九年年度，本公司已為本公司所有董事及高級管理層重續董事及高級職員責任保險。該等保險為企業活動所產生的成本、費用、開支及責任提供保障。

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

According to the code provision A.2.1 of the CG Code, the roles of the chairman of the board and the chief executive officer should be segregated in order to reinforce their independence and accountability. Up to the date of this report, the roles of the Chairlady and the CEO were not separate and Ms. Shi Qi currently performs these two roles.

主席及行政總裁

根據企管守則的守則條文A.2.1條，董事會主席與行政總裁之職責應予區分，藉以加強彼等之獨立性及問責性。直至本報告日期，主席與行政總裁之職責並無區分，而施琦女士目前履行該等兩個角色。

The Board believes that vesting the roles of both the Chairlady and the CEO in the same individual has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board further believes that the balance of power and authority for the present arrangement will not be impaired and is adequately ensured by the current Board which comprises experienced and high calibre individuals with sufficient number thereof being independent non-executive Directors.

董事會相信，由同一名人士同時擔任主席及行政總裁兩個職位可確保本集團貫徹的領導，更有效及有效率地計劃本集團之整體策略。另外，董事會相信現時之安排不會損害職能及權力兩者之間的平衡，而現時之董事會由經驗豐富及高素質的人才（其中有充足之人數擔任獨立非執行董事）組成，故可確保有關職能及權力兩者間之平衡。

Moreover, there are clear demarcations of responsibility and authority between the Chairman/Chairlady and the CEO which also ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making.

此外，主席及行政總裁的職責及權限有明確區分，亦可確保適當權力均衡、加強問責性，以及提高董事會作出獨立決策的能力。

The responsibilities of the Chairman/Chairlady include:

1. ensuring all Directors are properly briefed on matters to be discussed at Board meetings;
2. ensuring all Directors receive adequate, accurate, clear, complete and reliable information in a timely manner;
3. providing leadership for the Board;
4. ensuring that the Board works effectively, performs its responsibilities and discusses all key issues in a timely manner;
5. ensuring that, with the assistance of the Company Secretary, settles and approves the agenda for Board meetings taking into account any matters proposed by the other Directors for inclusion in the agenda;
6. taking primary responsibility for ensuring that good corporate governance practices and procedures are in place. Assisted by the Company Secretary, the Chairman/Chairlady oversees the implementation of the practices and procedures on corporate governance;
7. giving each Director an opportunity to express his/her different views at Board meetings and to voice their concerns; encouraging all Directors to fully contribute to the Board's affairs and ensuring that the Board acts in the best interests of the Company; allowing sufficient time for discussion of issues and ensuring that Board decisions fairly reflect Board consensus;
8. at least annually holding meetings with the non-executive Directors without the executive Directors present;
9. ensuring that appropriate steps are taken to provide effective communication with Shareholders and that their views are communicated to the Board as a whole; and
10. promoting a culture of openness and debate by facilitating the effective contribution of non-executive Directors in particular and ensuring constructive relations between executive and non-executive Directors.

主席的職責包括：

1. 確保全體董事就即將於董事會會議擬商議的事項獲得合適簡報；
2. 確保全體董事及時收到足夠、準確、清晰、完整及可靠的資料；
3. 領導董事會；
4. 確保董事會有效運作、履行職責，並及時討論一切主要事項；
5. 在公司秘書協助下，確保落實並通過董事會會議的議程，並考慮其他董事提議納入議程的任何事項；
6. 以確保公司備有良好的企業管治常規及程序為首要責任。在公司秘書協助下，主席監督企業管治常規及程序的實施；
7. 給予每名董事在董事會會議上發表不同意見及反映所關注的問題的機會；鼓勵全體董事全力投入董事會事務，並確保董事會以符合本公司最佳利益之方式行事；容許充足時間商討事宜，並且確保董事會決策公平反映董事會的共識；
8. 至少每年在執行董事不會出席的情況下與非執行董事舉行會議；
9. 確保採取適當步驟保持與股東有效聯繫，以及確保股東意見可傳達至整個董事會；及
10. 促進董事（特別是非執行董事）對董事會作出有效貢獻，並確保執行董事與非執行董事之間維持建設性的關係，藉此提倡公開、積極討論的文化。

Corporate Governance Report

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The responsibilities of the CEO include:

1. providing leadership for the management;
2. implementing and reporting to the Board on the Company's strategy;
3. overseeing the realization by the Company of the objectives set by the Board;
4. providing all such information to the Board as is necessary to enable the Board to monitor the performance of management;
5. leading the management of the Company's relationships with its stakeholders;
6. putting in place programs for management development and succession;
7. with the financial controller of the Company, establishing and maintaining proper internal controls and risk management systems as well as disclosure controls and procedures; and
8. discharging such duties and authority as may be delegated in writing to her by the Board.

行政總裁的職責包括：

1. 領導管理層；
2. 執行並向董事會匯報本公司策略；
3. 監察本公司實踐董事會訂立的目標；
4. 為董事會提供監察管理層表現所需的一切資料；
5. 領導本公司管理與持份者的關係；
6. 落實管理層培育及繼任計劃；
7. 與本公司財務總監共同制訂及維持適當的內部監控及風險管理制度，以及披露監控及程序；及
8. 按照董事會的書面授權履行職責及行使權力。

BOARD COMMITTEES

To assist the Board in the execution of its duties, the Board has currently delegated specific functions to five Board committees. They are the Audit Committee ("AC"), Remuneration Committee ("RC"), Nomination Committee ("NC") and Executive Committee ("EC"). The Board is responsible for the functions of risk management and corporate governance functions. As at the date of this annual report, the composition of each committee are as follows:

董事委員會

董事會目前向五個董事委員會委派指定職責，以協助董事會執行職務。董事委員會包括審核委員會（「審核委員會」）、薪酬委員會（「薪酬委員會」）、提名委員會（「提名委員會」）及執行委員會（「執行委員會」）。董事會負責風險管理職能及企業管治職能。於本年報日期，各個委員會組成如下：

Name 姓名	Committee membership 委員會成員			
	Audit Committee 審核委員會	Nomination Committee 提名委員會	Remuneration Committee 薪酬委員會	Executive Committee 執行委員會
Shi Qi 施琦				C
Qiu Yonghao 邱泳昊				M
Zhao Ang 趙昂				M
Zhang Lijuan 張力涓	M	M	C	
Wu Tak Kong 胡德光	C	C	M	

Notes:

C chairman/chairlady of the relevant Board committees ("Committee Chairman/Chairlady")
M member of the relevant Board committees

附註：

C 相關董事委員會主席（「委員會主席」）
M 相關董事委員會成員

The written terms of reference of AC, NC and RC are available on the Company's website and the Stock Exchange's website.

審核委員會、提名委員會及薪酬委員會的書面職權範圍載於本公司網站及聯交所網站。

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企業管治報告

Audit Committee

AC was established on 16 May 2007 and currently comprises two members. All are independent non-executive Directors, namely Mr. Wu Tak Kong (Committee Chairman) and Ms. Zhang Lijuan. The external auditor and the financial controller of the Company also attended meetings of AC by invitation.

The committee's responsibilities include the following:

- reports to the Board and holds regular meetings to assist the Board in discharging its responsibilities for effective financial reporting controls, internal controls and risk management.
- monitors the integrity of the Company's financial statements, annual report and accounts and half-year report and reviews significant financial reporting judgements contained in them.
- reviews, makes recommendations and reports to the Board on findings relating to the financial statements, reports and accounts, systems of internal controls and compliance issues.
- oversees the Company's relationship with the external auditor, reviews auditor's letter of engagement and makes recommendations to the Board on the appointment and re-appointment of external auditor.
- reviews and monitors the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards.
- reviews external auditor's management letter and any material queries raised by the auditor to the management and the management's response.

Further details on the work of the committee for the year 2017/2018 could be found under "Audit Committee Report" of this annual report.

審核委員會

審核委員會於二零零七年五月十六日成立，目前由二名成員組成。全部成員均為獨立非執行董事，彼等為胡德光先生(委員會主席)及張力涓女士。外聘核數師及本公司財務總監亦獲邀出席審核委員會會議。

委員會的職責包括以下各項：

- 向董事會匯報並定期舉行會議，以協助董事會履行於實行有效財務報告監控、內部監控及風險管理方面的責任。
- 監察本公司財務報表、年度報告及賬目以及半年度報告的完整性，並審閱其中所載的重大財務報告判斷。
- 審閱財務報表、報告及賬目、內部監控系統，以及合規事宜，並就審閱發現的事宜向董事會作出建議及匯報。
- 監察本公司與外聘核數師的關係、審閱核數師的委聘書，並就委聘及續聘外聘核數師向董事會作出建議。
- 根據適用準則審閱及監察外聘核數師的獨立性以及審核程序是否客觀及有效。
- 審閱外聘核數師致管理層的函件及核數師向管理層提出的任何重大疑問，以及管理層作出的回應。

委員會於二零一七／二零一八年度工作的進一步詳情可於本年報之「審核委員會報告」一節查閱。

Remuneration Committee

Currently, the members of RC are Ms. Zhang Lijuan (Committee Chairlady), and Mr. Wu Tak Kong. All of whom are independent non-executive Directors.

The committee met twice during the year. The attendance records are set out below:

薪酬委員會

目前，薪酬委員會成員為張力涓女士（委員會主席）及胡德光先生，均為獨立非執行董事。

委員會年內舉行二次會議，成員出席記錄載列如下：

Name 姓名	No. of meeting attended/ No. of meeting held during appointment period 出席會議次數／委任期內 舉行會議次數
Zhang Lijuan (Committee Chairlady) 張力涓 (委員會主席)	2/2
Pak Wai Keung, Martin (resigned on 29 October 2018) 白偉強 (於二零一八年十月二十九日辭任)	2/2
Yeung Chi Tat (resigned on 10 September 2017) 楊志達 (於二零一七年九月十日辭任)	0/0
Lian Yi (resigned on 10 November 2017) 連軼 (於二零一七年十一月十日辭任)	0/1
Wu Tak Kong (appointed on 15 November 2017) 胡德光 (於二零一七年十一月十五日獲委任)	1/1
Number of meeting held during the year 年內舉行會議次數	2

The responsibilities of the committee include the following:

- recommend to the Board the Group's remuneration policy for the executive Directors and the senior management of the Company;
- consider and advise on the terms of any contract to be offered to Directors; and
- monitor the remuneration package of the executive Directors and senior management and make recommendations thereto.

委員會的職責包括以下各項：

- 就本集團有關執行董事及本公司高級管理層的薪酬政策向董事會作出建議；
- 考慮向董事提供的任何合約條款及就此提供意見；及
- 監察執行董事及高級管理層的薪酬組合及就此作出建議。

Further information of the committee's activities is contained in "Remuneration Committee Report" of this annual report.

委員會的活動的進一步資料載於本年報之「薪酬委員會報告」。

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Nomination Committee

Currently, the members of NC are Mr. Wu Tak Kong (Committee Chairman) and Ms. Zhang Lijuan. All of whom are independent non-executive Directors.

The key objective of the committee is to ensure the Board comprises individuals with a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business so as to enhance Board effectiveness.

The committee met four times during the year, the attendance of the committee members are shown in the following table:

提名委員會

目前，提名委員會成員為胡德光先生(委員會主席)及張力涓女士，均為獨立非執行董事。

委員會之主要職責為確保董事會的組成在技能、經驗及符合本公司業務需要之多元化角度方面取得平衡，以提升董事會效能。

委員會年內舉行四次會議，下表顯示委員會成員的出席記錄：

Name 姓名		Number of meetings attended/ Number of meetings held during appointment period 出席會議次數／委任期內舉行會議次數
Wu Tak Kong (Committee Chairman) (appointed on 15 November 2017)	胡德光(委員會主席) (於二零一七年十一月十五日獲委任)	2/2
Yeung Chi Tat (ex-Committee Chairman) (resigned on 10 September 2017)	楊志達(前委員會主席) (於二零一七年九月十日辭任)	0/0
Zhang Lijuan	張力涓	2/4
Pak Wai Keung, Martin (resigned on 29 October 2018)	白偉強(於二零一八年十月二十九日辭任)	4/4
Lian Yi (resigned on 10 November 2017)	連軼(於二零一七年十一月十日辭任)	0/1
Xu Chendi (resigned on 19 December 2017)	許晨迪(於二零一七年十二月十九日辭任)	2/2
Number of meetings held during the year	年內舉行會議次數	4

The criteria for appointment of a new director are set out below:

- possess core competencies that meet the needs of the Company;
- be able to commit time and carry out duties and responsibilities; and
- the independence in case of an independent non-executive Director.

委任新董事的準則載列如下：

- 擁有本公司所需的核心技能；
- 能夠投放時間履行職務及職責；及
- 獨立性(倘為獨立非執行董事)。

The committee leads the process and makes recommendation of the appointment of new Director to the Board as follows:

- evaluate the balance of skills, knowledge, experience and diversity of perspective on the Board and determine the role and desirable competencies for a particular appointment in consultation with the management;
- review the portfolio of the potential candidate to assess suitability; and
- made recommendation to the Board.

Significant matters discussed by the committee are summarised as follows:

- To consider the re-election of the retiring Directors at the forthcoming annual general meeting having regard to his/her contribution and performance;
- To assess the independence of independent non-executive Directors;
- To review the structure, size and composition of the Board;
- Consider the appointment of Mr. Zhao Ang as an executive Director;
- Consider the appointment of Mr. Wu Tak Kong as an independent non-executive Director; and
- Consider the appointment of Mr. Sze Wai Lun as a non-executive Director.

Executive Committee

EC was established on 3 September 2007 with specific written terms of reference. The committee currently comprises three members, all of them are executive Directors, namely Ms. Shi Qi (Committee Chairlady), Mr. Qiu Yonghao and Mr. Zhao Ang.

The committee is responsible for the day-to-day management of the Group's businesses, the overall financial performance of the Group in fulfillment of strategy, plans and budgets and the Group capital expenditures as defined in the terms of reference.

The committee reports these topics to the Board their conclusions and recommendations.

委員會引領及建議董事會委任新董事的程序，工作如下：

- 評核董事會於技能、知識、經驗及多元化角度等方面是否均衡，並在諮詢管理層後釐定該特定委任的職務及所需能力；
- 審閱潛在候選人的個人履歷以評估其適合程度；及
- 向董事會提出建議。

委員會討論的重大事項簡述如下：

- 根據退任董事的貢獻及表現，考慮於應屆股東週年大會重選退任董事；
- 評核獨立非執行董事的獨立性；
- 檢討董事會的結構、規模及組成；
- 考慮委任趙昂先生為執行董事；
- 考慮委任胡德光先生為獨立非執行董事；及
- 考慮委任施偉倫先生為非執行董事。

執行委員會

執行委員會於二零零七年九月三日成立，並有具體書面職權範圍。委員會目前由三名成員組成，全部皆為執行董事，彼等為施琦女士（委員會主席）、邱泳漢先生及趙昂先生。

委員會負責本集團日常的業務管理，以及確保本集團的整體財務表現可滿足其策略、計劃及預算以及本集團資本開支所需，詳情於職權範圍內闡述。

委員會就該等議題向董事會匯報其結論及建議。

Corporate Governance Report

企業管治報告

ACCOUNTABILITY AND AUDIT

Directors' and Auditor's acknowledgement

The Audit Committee and the Board have reviewed the Company's consolidated financial statements for the year ended 31 July 2018. The Directors acknowledge their responsibilities for preparing the accounts and presenting a balanced, clear and comprehensive assessment for the Company's performance, position and prospects. The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

SHINEWING (HK) CPA Limited ("SHINEWING") acknowledged their reporting responsibilities in the auditor's report on the consolidated financial statements for the year ended 31 July 2018 as set out in pages 77 to 86 of this annual report.

Auditor's Remuneration

During the year ended 31 July 2018, SHINEWING was appointed as the Group's auditor until the conclusion of the forthcoming annual general meeting. The remuneration paid/payable to SHINEWING and its affiliates in respect of their audit and non-audit services were as follows:

		2018 二零一八年 HK\$'000 千港元
Audit services	審計服務	1,290
Non-audit services	非審計服務	
Other advisory services	其他顧問服務	486
Total	總計	1,776

The consolidated financial statements for the year ended 31 July 2018 were audited by SHINEWING. The Audit Committee has recommended to the Board that SHINEWING be nominated for re-appointment as the auditor of the Company at the forthcoming annual general meeting.

問責性及審計

董事及核數師的確認

審核委員會及董事會已審閱本公司截至二零一八年七月三十一日止年度的綜合財務報表。董事確認彼等有責任編製賬目及就本公司的表現、狀況及前景提呈平衡、清晰及全面的評估。董事並不知悉任何可能令本公司持續經營能力備受嚴重質疑的事件或情況所涉及的重大不明朗因素。

信永中和(香港)會計師事務所有限公司(「信永中和」)確認其於本年報第77至86頁所載截至二零一八年七月三十一日止年度綜合財務報表的核數師報告中所述的申報責任。

核數師薪酬

截至二零一八年七月三十一日止年度，信永中和獲委任為本集團的核數師，任期至應屆股東週年大會結束為止。就審計及非審計服務已付／應付信永中和及其聯屬公司的薪酬如下：

截至二零一八年七月三十一日止年度的綜合財務報表由信永中和審核。審核委員會已向董事會建議於應屆股東週年大會提名重新委聘信永中和為本公司的核數師。

COMPANY SECRETARY

The Company Secretary, Mr. Lo Chu Wing, reports directly to the Board. All the Directors have easy access to the Company Secretary and responsibility of the Company Secretary is to ensure the board meetings are properly held and are in compliance with the relevant laws and regulations. The Company Secretary is also responsible for giving advices with respect to the Directors' obligations on securities interest disclosure, disclosure requirements of discloseable transactions, connected transactions and inside information. The Company Secretary shall provide advices to the Board with respect to strict compliance with the laws, requirements and the Company's articles of association at appropriate times. As the Company's principal channel of communication with the Stock Exchange, the Company Secretary assists the Board in implementing and strengthening the Company's corporate governance code so as to bring the best long term value to shareholders. In addition, the Company Secretary also provides relevant information updates and continuous professional development to the Directors with respect to legal, supervisory and other continuous obligations for being a director of a listed company at appropriate times.

Mr. Lo Chu Wing is an employee of CS Legend Corporate Services Limited, an external service provider. The primary contact person of Mr. Lo at the Company is Mr. Liu Tao, the board secretary of the Company.

The Board is fully involved in selection, appointment and dismissal of the Company Secretary.

During the year ended 31 July 2018, the Company Secretary has undertaken over 15 hours of relevant professional training in compliance with Rule 3.29 of the Listing Rules.

BOARD SECRETARY

Board secretary of the Company, Mr. Liu Tao, plays an important role in supporting the Board by ensuring good information flow within the Board and that board policy and procedures.

The board secretary of the Company has day-to-day knowledge of the Company's affairs. He reports to the Board through the Chairman/the Chairlady and the CEO. All Directors may access to the advice and services of the board secretary of the Company. He regularly updates the Board on governance and regulatory matters. He also facilitates induction and professional development of Directors.

公司秘書

公司秘書羅柱榮先生直接向董事會匯報。所有董事均可方便獲得公司秘書的服務，公司秘書的職責是確保董事會會議遵循相關法例法規妥為舉行。公司秘書亦負責就董事擁有證券權益的披露責任、須予披露交易、關連交易及內幕消息的披露規定向董事提供意見。公司秘書應就嚴格遵守法律、規定以及本公司組織章程細則適時向董事會提供意見。作為本公司與聯交所溝通的主要渠道，公司秘書應協助董事會加強落實本公司企業管治守則，確保股東的長期利益最大化。此外，公司秘書亦負責就法律、監管及就上市公司董事的其他持續職責適時為董事提供相關資料的更新以及持續專業發展。

羅柱榮先生現為外聘服務公司領駿企業服務有限公司的員工。羅先生於本公司之主要聯絡人為本公司董事會秘書劉濤先生。

董事會全面參與公司秘書的挑選、委任及罷免程序。

截至二零一八年七月三十一日止年度，公司秘書已遵照上市規則第3.29條進行超過15小時相關專業培訓。

董事會秘書

本公司董事會秘書劉濤先生在支援董事會方面擔當重要角色，以確保董事會成員之間保持良好資訊交流，且董事會之政策及議事程序得到遵守。

本公司董事會秘書須熟悉本公司的日常事務。其透過主席及行政總裁向董事會匯報。所有董事可獲得本公司董事會秘書的建議及服務。其會定期向董事會提供有關管治及監管事項的最新資料。其亦安排董事的入職培訓及專業發展。

Corporate Governance Report

企業管治報告

SHAREHOLDERS' RIGHT

Convene of General Meetings

The Board strives to maintain an on-going dialogue with the Shareholders of the Company. The Company uses annual general meeting as one of the principal channels for communicating with the Shareholders. The Company ensures that Shareholders' views are communicated to the Board. Shareholders are encouraged to participate in general meetings or to appoint proxies to attend and vote at meetings for and on their behalf if they are unable to attend the meetings. The process of the Company's general meeting are monitored and reviewed on a regular basis, and, if necessary, changes will be made to ensure that Shareholders' needs are best served.

At the general meeting, each substantially separate issue has been considered by a separate resolution, including the election of individual Directors. The Chairman/Chairlady, chairmen of the respective board committees and the external auditor usually attend annual general meetings to inter-face with and answer questions from the Shareholders.

The last annual general meeting of the Company was held on 14 December 2017 ("2017 AGM") at Rooms 1 and 2, United Conference Centre, 10/F., United Centre, 95 Queensway, Admiralty, Hong Kong. The Directors, including the Chairlady, the Chairmen of the Audit, Remuneration and Nomination Committees, and representative of the external auditor of the Company, SHINEWING, attended, in person or via telephone, the 2017 AGM. The attendance records of the Directors to the 2017 AGM are set out below:

股東的權利

召開股東大會

董事會致力與本公司股東保持溝通。本公司以股東週年大會作為與股東溝通的其中一項主要渠道。本公司確保股東的意見能向董事會反映。董事會鼓勵股東參與股東大會，或倘其無法出席大會，則鼓勵彼等委任代表代其出席大會及於會上表決。本公司會監察並定期檢討股東大會程序，並於需要時作出改動，以確保其切合股東需要。

於股東大會上，每項大致上屬獨立的事宜以一項獨立的決議案考慮，當中包括個別董事的選任。主席、各董事委員會之主席及外聘核數師一般皆會親自出席股東週年大會，以便與股東接觸並回答其提問。

本公司上屆股東週年大會於二零一七年十二月十四日（「二零一七年股東週年大會」）假座香港金鐘金鐘道95號統一中心10樓統一會議中心會議室1號及2號舉行。董事（包括主席）、審核、薪酬與提名委員會主席，以及本公司外聘核數師信永中和之代表均已親自或透過電話出席二零一七年股東週年大會。董事出席二零一七年股東週年大會的記錄列載如下：

Directors 董事	Number of meeting attended/ Number of meeting held during appointment period 出席會議次數／委任期內舉行會議次數
Executive Directors 執行董事	
Shi Qi	0/1
Xu Chendi (resigned on 19 December 2017)	1/1
Qiu Yonghao	0/1
Huang Te-Wei (resigned on 30 November 2017)	0/0
Zhao Ang (appointed on 30 July 2018)	0/0
Non-Executive Directors 非執行董事	
Gao Feng	0/1
Han Lei	0/1
Wang Yayuan (resigned on 19 December 2017)	0/1
Sze Wai Lun (appointed on 19 December 2017)	0/0
Independent Non-Executive Directors 獨立非執行董事	
Zhang Lijuan	0/1
Pak Wai Keung, Martin (resigned on 29 October 2018)	1/1
Yeung Chi Tat (resigned on 10 September 2017)	0/0
Lian Yi (resigned on 10 November 2017)	0/0
Wu Tak Kong (appointed on 15 November 2017)	1/1
Number of meeting held during the year 年內舉行會議次數	1

Notice to Shareholders for the 2017 AGM was sent to Shareholders more than 20 clear business days prior to the 2017 AGM. The chairman of the meeting exercised her power under the Company's articles of association to put each proposed resolution to vote by way of a poll. The Company adopted poll voting for all resolutions put to vote at the meeting. The procedures for voting by poll at the 2017 AGM were contained in the circular of the Company to the Shareholders, which was dispatched together with the 2017 annual report, and were further explained at the 2017 AGM prior to the polls being taken. Separate resolutions were proposed at the 2017 AGM on each substantive issue and the percentage of votes cast in favor of such resolutions as disclosed in the announcement of the Company dated 14 December 2017 are set out below:

二零一七年股東週年大會之股東通告已於二零一七年股東週年大會舉行前超過二十個完整營業日寄予各股東。大會主席行使本公司組織章程細則所賦予的權力，就各項提呈的決議案以投票方式表決。本公司就提呈大會表決的所有決議案採用投票方式進行表決。有關二零一七年股東週年大會上以投票方式表決的程序，已列載於本公司致股東的通函內，有關通函已與二零一七年年報一併寄予股東，而有關程序亦在二零一七年股東週年大會進行投票前加以解釋。於二零一七年股東週年大會上，各重大事宜均以單獨決議案提呈，而贊成有關決議案的票數所佔的百分比（於本公司日期為二零一七年十二月十四日的公告中披露）列載如下：

Resolutions proposed at the 2017 AGM 於二零一七年股東週年大會提呈的決議案	Percentage of Votes cast in favor 贊成的票數 所佔的百分比
1. To receive and consider the audited consolidated financial statements and the reports of the directors and the auditors of the Company for the year ended 31 July 2017. 省覽及考慮本公司截至二零一七年七月三十一日止年度的經審核綜合財務報表及董事會報告與核數師報告。	100%
2. (i) To re-elect Ms. Wang Yayuan as a director of the Company. 重選王雅媛女士為本公司董事。	100%
(ii) To re-elect Mr. Wu Tak Kong as a director of the Company. 重選胡德光先生為本公司董事。	100%
(iii) To re-elect Ms. Shi Qi as a director of the Company. 重選施琦女士為本公司董事。	100%
(iv) To re-elect Ms. Xu Chendi as a director of the Company. 重選許晨迪女士為本公司董事。	100%
(v) To re-elect Mr. Qiu Yonghao as a director of the Company. 重選邱泳溟先生為本公司董事。	100%
3. To authorize the board of directors of the Company to fix the remuneration of the directors of the Company. 授權本公司董事會釐定本公司董事的酬金。	100%
4. To re-appoint auditor and authorize the board of directors of the Company to fix their remuneration. 重新委聘核數師並授權本公司董事會釐定其酬金。	100%
5. To approve granting the general mandate to the directors of the Company to allot, issue and deal with the Company's shares. 批准授予本公司董事一般授權以配發、發行及處理本公司股份。	99.9995%
6. To approve granting the general mandate to the directors of the Company to repurchase the Company's shares. 批准授予本公司董事一般授權以購回本公司股份。	99.9995%
7. To authorize the directors of the Company to extend the general mandate to issue new shares by adding the number of shares repurchased. 授權本公司董事藉加入所購回的股份數目擴大發行新股份的一般授權。	99.9995%

Corporate Governance Report

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All resolutions put to Shareholders at the 2017 AGM were passed. The Company's Branch Share Registrars were appointed as scrutineers to monitor and count the poll votes cast at that meeting. The results of the voting by poll were published on the websites of the Company and the Stock Exchange.

Procedures by which enquiries may put to the Board

Shareholders may put forward enquiries to the Board through investor relations department who will direct the enquiries to the Board for handling. The contact details of the investor relations department are as follows:

Ta Yang Group Holdings Limited
Unit A01, 35th Floor
United Centre
95 Queensway, Admiralty
Hong Kong
Email: tayang@wsfg.hk
Tel No.: (852) 852-2851 1038

How Shareholders can convene an extraordinary general meeting/procedures for putting forward proposals at a Shareholders' meeting

The Board may whenever it thinks fit call extraordinary general meetings. Any one or more Shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Company Secretary sent to the aforesaid address, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two months after the deposit of such requisition. If within twenty-one days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

Furthermore, Shareholders may propose a person for election as a Director of the Company. The procedures of which are available at the Company's website.

INVESTOR RELATIONS

Significant changes in articles of association

During the year, there is no significant change to the Company's articles of association.

所有於二零一七年股東週年大會上向股東提呈的決議案已獲得通過。本公司的股份過戶登記分處獲委任為該大會的監票人，以監察投票表決過程及點算票數。以投票方式表決的結果已於本公司及聯交所網站刊登。

向董事會作出查詢的程序

股東可透過投資者關係部門向董事會作出查詢，而投資者關係部門會轉交有關查詢予董事會處理。投資者關係部門的聯絡詳情如下：

香港
金鐘金鐘道95號
統一中心
35樓A01室
大洋集團控股有限公司
電郵：tayang@wsfg.hk
電話號碼：(852) 852-2851 1038

股東召開股東特別大會之方法及於股東大會上提出建議的程序

董事會可於其認為適當時召開股東特別大會。任何一位或以上於遞呈要求日期持有不少於本公司實繳股本(附有本公司股東大會上投票權)十分之一的股東於任何時候有權透過向董事會或公司秘書發出書面要求(寄送至上述地址)，要求董事會召開股東特別大會，以處理有關要求中指明的任何事項；且該大會應於遞呈該要求後兩個月內舉行。倘遞呈後二十一日內，董事會未有召開該大會，則遞呈要求人士可自行以同樣方式召開大會，而遞呈要求人士因董事會未有召開大會而合理產生的所有開支應由本公司向要求人作出償付。

此外，股東可提名人士參選本公司董事，有關程序可參閱本公司網站。

投資者關係

組織章程細則的重大變動

年內，本公司的組織章程細則並無任何重大變動。

Corporate Governance Report

企業管治報告

Shareholdings information

As at 31 July 2018

Authorised Capital : HK\$2,000,000,000 divided into 20,000,000,000 Shares of HK\$0.1 each

Issued and fully-paid : HK\$87,117,800 divided into 871,178,000 Shares of HK\$0.1 each

The following table summarised the existing shareholding structure of the Company as at 31 July 2018:

持股資料

於二零一八年七月三十一日

法定股本 : 2,000,000,000 港元，分為 20,000,000,000 股每股面值 0.1 港元的股份

已發行及繳足 : 87,117,800 港元，分為 871,178,000 股每股面值 0.1 港元的股份

下表概列本公司於二零一八年七月三十一日的現有持股架構：

Category		No. of Shares	% of issued Shares of the Company
類別		股份數目	佔本公司已發行股份的百分比 (Note) (附註)
Controlling Shareholders & Directors	控股股東及董事	436,540,400	50.11%
Public	公眾	434,637,600	49.89%
Total	總計	871,178,000	100.00%

Note: The number of issued Shares of the Company as at 31 July 2018 is 871,178,000 Shares.

附註：本公司於二零一八年七月三十一日的已發行股份數目為 871,178,000 股股份。

Other corporate information is set out in the "Corporate Information" section set out on pages 2 to 5 of this annual report.

其他公司資料載於本年報中第 2 至 5 頁的「公司資料」一節。

Corporate Governance Report

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL

During the year, the Group has complied with code provision C.2 of the CG Code by establishing appropriate and effective risk management and internal control systems. Management is responsible for the design, implementation and monitoring of such systems, while the Board oversees management in performing its duties on an ongoing basis. Main features of the risk management and internal control systems are described in the sections below:

Risk Management System

The Group adopts a risk management system which manages the risk associated with its business and operations. The system comprises the following phases:

- **Identification:** Identify ownership of risks, business objectives and risks that could affect the achievement of objectives.
- **Evaluation:** Analyze the likelihood and impact of risks and evaluate the risk portfolio accordingly.
- **Management:** Consider the risk responses, ensure effective communication to the Board and on-going monitor the residual risks.

Based on the risk assessments conducted in 2018, no significant risk was identified.

Internal Control System

The Company has in place an internal control system which is compatible with the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") 2013 framework. The framework enables the Group to achieve objectives regarding effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations. The components of the framework are shown as follow:

- **Control Environment:** A set of standards, processes and structures that provide the basis for carrying out internal controls across the Group.
- **Risk Assessment:** A dynamic and iterative process for identifying and analyzing risks to achieve the Group's objectives, forming a basis for determining how risks should be managed.
- **Control Activities:** Action established by policies and procedures to help ensure that management directives to mitigate risks to the achievement of objectives are carried out.

風險管理及內部監控

年內，本集團已遵守企管守則的守則條文C.2條，建立適當及有效之風險管理及內部監控系統。管理層負責該等系統之設計、實施及監控，而董事會負責持續監督管理層執行其職責。風險管理及內部監控系統的主要特徵載於以下章節：

風險管理系統

本集團採納一套風險管理系統，管理與其業務及營運有關的風險。該系統包括以下階段：

- **識別：**識別風險歸屬、業務目標及可能影響目標實現的風險。
- **評估：**分析風險的可能性及影響，並據此評估風險組合。
- **管理：**考慮風險回應措施，確保與董事會有效溝通並持續監控剩餘風險。

根據於二零一八年進行的風險評估，並無發現任何重大風險。

內部監控系統

本公司設有與Committee of Sponsoring Organizations of the Treadway Commission (「COSO」) 二零一三年框架相符的內部監控系統。該框架使本集團能夠實現有關運營有效性及效率、財務報告可靠性以及遵守適用法律及法規的目標。該框架的組成部分列示如下：

- **監控環境：**為於本集團進行內部監控提供基礎的一套準則、程序及架構。
- **風險評估：**識別及分析風險以實現本集團目標，以及為釐定如何管理風險提供基礎的不斷轉變而反復的過程。
- **監控活動：**根據政策及程序確立的行動，有助確保執行管理層為減低風險以達成目標所作出的指示。

- **Information and Communication:** Internal and external communication to provide the Group with the information needed to carry out day-to-day controls.
- **Monitoring:** Ongoing and separate evaluations to ascertain whether each components of internal controls is present and functioning.

In order to enhance the Group's system of handling inside information, and to ensure the truthfulness, accuracy, completeness and timeliness of its public disclosures, the Group also adopts and implements an inside information policy and procedures. Certain reasonable measures have been taken from time to time to ensure that proper safeguards exist to prevent a breach of a disclosure requirement in relation to the Group, which include:

- The access of information is restricted to a limited number of employees on a need-to-know basis. Employees who are in possession of inside information are fully conversant with their obligations to preserve confidentiality.
- Confidentiality agreements are in place when the Group enters into significant negotiations.
- The Executive Directors are designated persons who speak on behalf of the Company when communicating with external parties such as the media, analysts or investors.

Based on the internal control reviews conducted in 2018, no significant control deficiency was identified.

Internal Auditors

The Group has an Internal Audit ("IA") function, which is consisted of professional staff with relevant expertise (such as Certified Public Accountant). The IA function is independent of the Group's daily operation and carries out appraisal of the risk management and internal control systems by conducting interviews, walkthroughs and tests of operating effectiveness.

An IA plan has been approved by the Board. According to the established plan, review of the risk management and internal control systems is conducted annually and the results are reported to the Board via Audit Committee afterwards.

- **資訊及溝通:** 為本集團提供進行日常監控所需資訊的內部及外部溝通。

- **監控:** 持續及獨立評估以確定內部監控的各組成部分是否存在及運作正常。

為加強本集團處理內幕消息的制度，確保公開披露資料的真實性、準確性、完整性與及時性，本集團亦採納及執行內幕消息政策及程序。本集團已不時採取若干合理措施，確保存有防止違反披露規定的合適保障措施，其中包括：

- 只有需要了解之有限數目的僱員可獲取消息。擁有內幕消息的僱員完全了解其保守機密的責任。
- 本集團訂立重大協商時簽訂保密協議。
- 與外界(如媒體、分析師或投資者)溝通時，執行董事為代表本公司發言的指定人士。

根據於二零一八年進行的內部監控檢討，並無發現任何重大控制缺陷。

內部核數師

本集團設有內部審計(「內部審計」)部門，其由具有相關專業知識的專業人士(如執業會計師)組成。內部審計部門獨立於本集團的日常運作，透過面談、巡查及運營有效性測試對風險管理及內部監控系統進行評估。

內部審計計劃已獲得董事會批准。根據既定計劃，每年對風險管理及內部監控系統進行審閱，結果隨後將通過審核委員會向董事會報告。

Corporate Governance Report

企業管治報告

Effectiveness of the Risk Management and Internal Control Systems

The Board is responsible for the risk management and internal control systems of the Group and ensuring review of the effectiveness of these systems has been conducted annually. Several areas have been considered during the Board's review, which include but not limited to (i) the changes in the nature and extent of significant risks since the last annual review, and the Group's ability to respond to changes in its business and the external environment; and (ii) the scope and quality of management's ongoing monitoring of risks and of the internal control systems.

The Board, through its review and the review made by IA function and Audit Committee, concluded that the risk management and internal control systems were effective and adequate. Such systems, however, are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss. It is also considered that the resources, staff qualifications and experience of relevant staff were adequate and the training programs and budget provided were sufficient.

INVESTOR AND SHAREHOLDER RELATIONS

Communication with Investors and Shareholders

The Board recognises the importance of maintaining clear, timely and effective communication with Shareholders and investors. The Board also recognises that effective communication with investors is the key to establish investor confidence and to attract new investors. Therefore, the Group is committed to maintaining high degree of transparency to ensure the investors and the Shareholders are receiving accurate, clear, comprehensive and timely information of the Group via the publication of annual reports, interim reports, press announcements ("Corporate Communications"), and also the Company's website at www.tayang.com.

Corporate Communications issued by the Company are available on the websites of the Company and the Stock Exchange have been provided to the Shareholders in both English and Chinese versions to facilitate their understanding. A section entitled "Investor Relations" is available on the Company's website which provides contact details to allow Shareholders to contact the Company easily.

風險管理及內部監控系統之有效性

董事會負責本集團的風險管理及內部監控系統，並確保每年審閱該等系統的有效性。董事會審閱時已考慮若干領域，其中包括但不限於(i)自上次年度審閱以來重大風險性質及程度的變動，以及本集團對其業務及外部環境變動作出反應的能力；及(ii)管理層持續監控風險及內部監控系統的範圍及質素。

董事會透過其審閱以及內部審計部門及審核委員會作出的審閱得出結論，認為風險管理及內部監控系統為有效及足夠。然而，該等系統旨在管理而非消除未能達成業務目標的風險，且只能針對重大失實陳述或損失作出合理而非絕對的保證。其亦認為資源、員工資歷及相關員工的經驗為足夠，提供的培訓計劃及預算為足夠。

投資者及股東關係

與投資者及股東溝通

董事會認同與股東及投資者維持清晰、及時及有效溝通的重要性。董事會亦認同與投資者的有效溝通乃建立投資者信心及吸引新投資者的關鍵。因此，本集團致力維持高透明度，以確保投資者及股東可透過本集團刊發的年報、中期報告、新聞公告(「公司通訊」)及本公司的網站www.tayang.com獲取準確、清晰、全面與及時的資料。

本公司刊發的公司通訊可於本公司及聯交所網站取得，並備有中英文版供股東選擇，以方便股東了解通訊內容。本公司網站設有「投資者關係」一欄，當中提供聯絡資料方便股東聯絡本公司。

Enquiries from institutional investors and analysts on the Group's strategy, operations, management and plans are welcome.

Our investor relations activities include:

- attend telephone enquiries from analysts and fund managers;
- update of the Company's website regularly;
- hold annual general meeting;
- disclose information on a timely basis via the Company's and Stock Exchange's websites.

MANAGEMENT FUNCTIONS

In general, the daily management and administration functions of the Group have been delegated to the management except for certain matters specifically reserved to the Board for decision. Those matters include the setting of the overall strategic direction and long term objectives of the Company, approval of annual business plan, material acquisitions and disposals of assets, investments, connected transactions and capital projects, key human resources issue, preliminary interim and final results announcements, determination of interim and final dividends, appointment of Directors and annual assessment of internal control system.

Hong Kong, 30 October 2018

本集團歡迎機構投資者及分析師對本集團策略、經營、管理及計劃作出查詢。

本集團的投資者關係活動包括：

- 回應分析師和基金經理的電話查詢；
- 定期更新本公司網站；
- 舉行股東週年大會；
- 適時透過本公司及聯交所網站披露資料。

管理層職能

一般而言，本集團的日常管理及行政職能交由管理層負責，惟若干指明留待董事會決定的事項除外。該等事項包括制訂本公司的整體策略方向及長遠目標、批准全年業務計劃、重大資產收購及出售、投資、關連交易及資本項目、重要人力資源事項、初步中期及末期業績公告、釐定中期及末期股息、委任董事及內部監控系統的年度評估。

香港，二零一八年十月三十日

Remuneration Committee Report

薪酬委員會報告

This report provides the details of work undertaken by the Remuneration Committee during the year.

MEMBERSHIP OF THE REMUNERATION COMMITTEE

During the year, the Directors who served on RC were Ms. Zhang Lijuan (Committee Chairlady), Mr. Yeung Chi Tat (resigned on 10 September 2017), Mr. Pak Wai Keung, Martin (resigned on 29 October 2018), Ms. Lian Yi (resigned on 10 November 2017) and Mr. Wu Tak Kong (appointed on 15 November 2017). All of them are independent non-executive Directors.

ACTIVITIES OF THE REMUNERATION COMMITTEE

During the year, RC met twice and the major business of the meeting included the following activities:

- conduct the annual review of 2017/2018 salary for all Directors and Senior Management and making appropriate recommendations to the Board; and
- consider the service agreement of Mr. Zhao Ang being appointed as an executive Director.

REMUNERATION POLICY

The remuneration for the executive Directors comprises basic salary, bonus, share options and pensions. Salary adjustments are made where RC takes into account performance of the individual, contribution, responsibilities, and reference to comparable listed companies in Hong Kong.

The remuneration of non-executive Directors are reviewed annually with reference to the salary research survey, comparable companies and market condition.

Apart from basic salary, executive Directors and employees are eligible to receive a discretionary bonus taking into account factors such as market conditions as well as corporate and individual's performance during the year.

本報告提供有關薪酬委員會於年內所進行工作的詳情。

薪酬委員會成員

年內，出任薪酬委員會成員的董事為張力涓女士（委員會主席）、楊志達先生（於二零一七年九月十日辭任）、白偉強先生（於二零一八年十月二十九日辭任）、連軼女士（於二零一七年十一月十日辭任）及胡德光先生（於二零一七年十一月十五日獲委任）。全部均為獨立非執行董事。

薪酬委員會活動

年內，薪酬委員會舉行二次會議，而會上商討的主要事宜包括以下各項：

- 對所有董事及高級管理層於二零一七／二零一八年的薪金進行年度檢討及向董事會作出適當推薦意見；及
- 考慮趙昂先生獲委任為執行董事的服務協議。

薪酬政策

執行董事的薪酬包括基本薪金、花紅、購股權及退休金。薪酬委員會在作出薪金調整時，會考慮個別人士的工作表現、貢獻及職責，並會參考可資比較的香港上市公司。

非執行董事的薪酬每年均會參考薪金研究調查、可資比較公司及市場狀況作檢討。

除基本薪金外，執行董事及僱員均合資格獲取酌情花紅，惟須根據年內的市場狀況、企業及個人表現等因素而定。

Remuneration Committee Report

薪酬委員會報告

The following table illustrates the elements of remuneration of Executive Directors and senior management. 下表說明執行董事及高級管理層薪酬包含的元素。

Remuneration 薪酬	Purpose 目的	Reward 獎勵	Policy details 政策詳情
Basic Salary 基本薪金	To reflect the market value of each individual 反映每名人士的市場價值	<ul style="list-style-type: none"> Cash payment 現金付款 Monthly 每月 	<ul style="list-style-type: none"> Reviewed annually 每年檢討 Compare against selected comparable companies 與選定的可資比較公司比較 Market trend 市場趨向
Discretionary Bonus 酌情花紅	To motivate employees to deliver the high levels of performance of the Company and individual performance goals 鼓勵僱員為本公司取得高水平的表現及達成個人表現目標	<ul style="list-style-type: none"> Cash Payment 現金付款 Annual 每年 	<ul style="list-style-type: none"> Individual performance 個人表現 Market condition 市場狀況 The Group performance relative to corporate targets 本集團相對於企業目標的表現
Pension 退休金	To provide appropriate and competitive post retirement benefits 提供適當及具競爭力的退休後福利	<ul style="list-style-type: none"> Cash contribution 現金供款 Monthly 每月 	<ul style="list-style-type: none"> MPF scheme 強積金計劃

Remuneration Committee Report

薪酬委員會報告

Details of the amount of Directors' and senior managements' remuneration during the year ended 31 July 2018 are set out in Note 18 to the consolidated financial statements.

截至二零一八年七月三十一日止年度的董事及高級管理層酬金詳情載列於綜合財務報表附註18。

Members of the Remuneration Committee

Zhang Lijuan (*Committee Chairlady*)

Wu Tak Kong

薪酬委員會成員

張力涓 (*委員會主席*)

胡德光

Hong Kong, 30 October 2018

香港，二零一八年十月三十日

Audit Committee Report

審核委員會報告

This report provides details of the role of the Audit Committee and the work it has undertaken by them during the year.

本報告提供有關審核委員會職責及年內所進行工作的詳情。

MEMBERSHIP OF AUDIT COMMITTEE

During the year, the Directors who served on AC were Mr. Wu Tak Kong (appointed on 15 November 2017 and appointed as Committee Chairman on 30 October 2018), Mr. Pak Wai Keung, Martin (resigned on 29 October 2018), Mr. Yeung Chi Tat (resigned on 10 September 2017), Ms. Zhang Lijuan and Ms. Lian Yi (resigned on 10 November 2017). All of them are independent non-executive Directors.

審核委員會成員

年內，出任審核委員會成員的董事為胡德光先生（於二零一七年十一月十五日獲委任及於二零一八年十月三十日獲委任為委員會主席）、白偉強先生（於二零一八年十月二十九日辭任）、楊志達先生（於二零一七年九月十日辭任）、張力涓女士及連軼女士（於二零一七年十一月十日辭任）。全部為獨立非執行董事。

MEETINGS AND ATTENDANCE

During the year, AC met two times in October 2017 and March 2018. The financial controller of the Company and the external auditor attended the meetings by invitation. The attendance records are set out below:

會議及出席記錄

年內，審核委員會於二零一七年十月及二零一八年三月舉行兩次會議。本公司財務總監及外聘核數師獲邀出席會議。出席記錄如下：

Name		Number of meetings attended/ Number of meetings held during appointment period 出席會議次數/ 委任期內舉行會議次數
姓名		
Pak Wai Keung, Martin (resigned on 29 October 2018)	白偉強 (於二零一八年十月二十九日辭任)	2/2
Zhang Lijuan	張力涓	1/2
Yeung Chi Tat (resigned on 10 September 2017)	楊志達 (於二零一七年九月十日辭任)	0/0
Lian Yi (resigned on 10 November 2017)	連軼 (於二零一七年十一月十日辭任)	0/1
Wu Tak Kong (appointed on 15 November 2017)	胡德光 (於二零一七年十一月十五日獲委任)	1/1
Number of meetings held during the year	年內舉行會議次數	2

SUMMARY OF MAJOR WORKS DONE DURING THE YEAR

During the year, the major works done by AC were summarised as follows:

- reviewed with the management and the external auditors on the interim results and annual results and related announcement including the related disclosures, integrity of financial reporting and the accounting policies adopted by the Group prior to the submission to the Board's approval;
- discussed with management on significant judgments affecting Group's consolidated financial statements;
- considered and pre-approved the re-appointment of auditors and their audit fee accordingly;

年內完成的主要工作概要

年內，審核委員會完成的主要工作概述如下：

- 在提交董事會批准前，與管理層及外聘核數師審閱中期業績、全年業績以及有關公告，包括有關披露事宜、本集團採納的財務報告及會計政策的完整性；
- 與管理層討論影響本集團綜合財務報表的重大判斷；
- 考慮及預先審批續聘核數師及其審核費用；

Audit Committee Report

審核委員會報告

- reviewed and discussed the risk management and internal control report including the status of implementing recommendations on previous report;
 - reviewed, assessed the adequacy and effectiveness of the Company's risk management and internal controls;
 - reviewed and monitored the external auditor's independence and objectivity and the effectiveness during the audit process; and
 - reviewed and discussed the audit plan for 2017/2018.
- 審閱及討論風險管理及內部監控報告，包括在上份報告中所提出的建議的實施情況；
 - 審閱及評估本公司的風險管理及內部監控是否足夠及有效；
 - 審閱及監察外聘核數師的獨立性及客觀性以及審核程序的有效性；及
 - 檢討及討論二零一七／二零一八年審核計劃。

FINANCIAL REPORTING

AC has reviewed with the management the accounting principles and practices adopted by the Group and the financial reporting matters including a review of the audited consolidated financial statements for the year ended 31 July 2018.

RISK MANAGEMENT AND INTERNAL CONTROL

During the year, AC engaged Shinewing Risk Services Limited ("SHINEWING Risk") to conduct the risk management and internal control review of the Group's operation and made recommendation to Board accordingly. Based on the report issued by SHINEWING Risk, AC considered that the key areas of the Company's risk management and internal control systems are reasonably implemented and the Company has complied with the requirements of the CG code as set out in the Listing Rules in respect of risk management and internal controls. The matters concerns to be brought to the attention to the Board are listed on the Corporate Governance Report of this annual report.

EXTERNAL AUDITOR

AC reviewed the independence of SHINEWING and recommended their re-appointment as auditor of the Group for the financial year 2017/2018 in the forthcoming AGM.

Members of Audit Committee
Wu Tak Kong (Committee Chairman)
Zhang Lijuan

Hong Kong, 30 October 2018

財務報告

審核委員會與管理層審閱本集團採納的會計準則與常規及財務報告事宜，包括審閱截至二零一八年七月三十一日止年度的經審核綜合財務報表。

風險管理及內部監控

年內，審核委員會聘任信永方略風險管理有限公司（「信永方略」）對本集團的營運進行風險管理及內部監控檢討，並向董事會作出相應建議。根據信永方略發出的報告，審核委員會認為本公司風險管理及內部監控系統的主要方面已合理地實行，且本公司已遵守上市規則所載有關風險管理及內部監控的企管守則規定。需要提請董事會垂注之事宜載於本年報企業管治報告。

外聘核數師

審核委員會已審閱信永中和的獨立性，並建議在應屆股東週年大會續聘其出任本集團於二零一七／二零一八財政年度的核數師。

審核委員會成員
胡德光 (委員會主席)
張力涓

香港，二零一八年十月三十日

The Directors have pleasure in presenting their annual report and the audited consolidated financial statements for the year ended 31 July 2018.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the Company's principal subsidiaries are design and manufacture of silicone rubber input devices which are mainly used in lifestyle products and 4Cs (i) Consumer (consumer electronic devices), (ii) Computers (keypads for computers and notebooks), (iii) Communications (mobile phone peripheral products), and (iv) Cars (automotive peripheral products). In addition, the Group has penetrated into healthcare and hotel services. Particulars of the Company's principal subsidiaries are set out in Note 48 to the consolidated financial statements. The nature of the principal activities of the Group has not changed during the year.

RESULTS AND APPROPRIATIONS

The results of the Group and appropriations of the Company are set out in the consolidated statement of profit or loss on page 77 of this annual report and in the accompanying notes to the consolidated financial statements.

The Board has not recommended the distribution of a final dividend for the year ended 31 July 2018 (31 July 2017: nil). Details are set out in Note 15 to the consolidated financial statements.

BUSINESS REVIEW

A fair review of the Group's business during the year, a discussion on the Group's future business development, an analysis of the Group's performance during the year and the material factors underlying its results and financial position are included in the "Management Discussion and Analysis" section on pages 14 to 24 of this annual report. Description of possible risks and uncertainties that the Group may be facing can be found throughout this annual report, such as "Risk Management and Internal Control" section on pages 50 to 52 of the Corporate Governance Report.

Particulars of important events affecting the Company that have occurred since the end of the financial year 2018 can also be found in the "Management Discussion and Analysis" section on pages 22 to 23 of this annual report and Note 49 to the consolidated financial statements.

An analysis of the Group's performance during the year is provided in the "Financial Review" section on pages 15 to 17 and "Five Years Financial Summary" on page 182 of this annual report.

In addition, discussions on the Group's environmental and social policies and an account of the Group's key relationships with its stakeholders are contained in "Environmental, Social and Governance Report" to be published.

董事欣然提呈其年度報告及截至二零一八年七月三十一日止年度的經審核綜合財務報表。

主要業務

本公司的主要業務為投資控股。本公司主要附屬公司的主要業務為設計及製造矽膠輸入裝置，而該等裝置主要用於生活產品及4Cs：(i) 消費品（消費電子裝置）；(ii) 電腦（電腦與筆記型電腦按鍵）；(iii) 通訊設備（手機周邊產品）；及(iv) 汽車（汽車周邊產品）。此外，本集團已進軍醫療保健及酒店服務。有關本公司主要附屬公司的詳情載於綜合財務報表附註48。年內，本集團主要業務的性質並無變動。

業績及分派

本集團的業績及本公司的分派分別載於本年報第77頁的綜合損益表及綜合財務報表的隨附附註。

董事會不建議派發截至二零一八年七月三十一日止年度的末期股息（二零一七年七月三十一日：無）。詳情載於綜合財務報表附註15。

業務回顧

有關本集團年內業務之中肯審閱、本集團未來業務發展之討論、本集團年內表現之分析及與其業績及財務狀況相關之重大因素載於本年報第14至24頁「管理層討論與分析」一節。本集團面臨之可能風險及不確定性之描述貫穿於本年報，如企業管治報告第50至52頁「風險管理及內部監控」一節。

自二零一八財政年度末起已發生影響本公司之重要事項之詳情亦載於本年報第22至23頁「管理層討論與分析」一節及綜合財務報表附註49。

就本集團年內表現進行之分析載於本年報第15至17頁「財務回顧」一節及第182頁「五年財務概要」。

此外，就本集團之環境及社會政策及本集團與其利益相關人士之主要關係論述之討論載於將刊發之「環境、社會及管治報告」。

Report of the Directors

董事會報告

COMPLIANCE WITH LAWS AND REGULATIONS WHICH HAVE A SIGNIFICANT IMPACT ON THE COMPANY

The Company strictly complies with domestic and overseas laws and regulations and industry standards such as the Listing Rules, SFO and PRC Company Law. Please refer to the “Environmental, Social and Governance Report” to be published.

SHARE CAPITAL

Details of movements of the share capital of the Company during the year are set out in Note 37 to the consolidated financial statements.

TAX RELIEF

The Company is not aware of any relief from taxation available to Shareholders of the Company by reason of their holding of the Company share.

ULTIMATE HOLDING COMPANY

Lyton Maison Limited is the controlling Shareholder of the Company as at the year ended 31 July 2018 and also the ultimate holding company of the Company. The ultimate controlling party of the Group is Ms. Shi Qi, the Chairlady of the Board, the Chief Executive Officer and an executive Director of the Company. She is the sole director and the ultimate beneficial owner of Lyton Maison Limited.

As at 31 July 2018, Lyton Maison Limited directly held 50.11% of the then issued share capital of the Company.

PROPERTY, PLANT AND EQUIPMENT

During the year, the Group spent approximately HK\$28,899,000 on additions to property, plant and equipment mainly for the expansion and enhancement of its production capability.

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

SUMMARY FINANCIAL INFORMATION

A summary of the published results and assets and liabilities of the Group for the last five financial years is set out on page 182 of this annual report. This summary does not form part of the audited consolidated financial statements.

遵守對本公司有重大影響的法律及規例情況

本公司嚴格遵守上市規則、證券及期貨條例及中國公司法等境內境外法律法規及行業規則。請參閱將刊發之「環境、社會及管治報告」。

股本

年內，本公司股本變動的詳情載於綜合財務報表附註37。

稅項減免

本公司並不知悉，本公司股東因持有本公司股份而獲減免任何稅項。

最終控股公司

Lyton Maison Limited為本公司於截至二零一八年七月三十一日止年度之控股股東兼本公司之最終控股公司。本集團之最終控股方為董事會主席、行政總裁及本公司執行董事施琦女士。彼為Lyton Maison Limited之唯一董事及最終實益擁有人。

於二零一八年七月三十一日，Lyton Maison Limited直接持有本公司當時已發行股本的50.11%。

物業、廠房及設備

年內，本集團動用約28,899,000港元添置物業、廠房及設備，主要用以擴充及提升生產產能。

年內，本集團物業、廠房及設備變動的詳情載於綜合財務報表附註19。

財務資料概要

本集團最近五個財政年度公佈的業績、資產與負債概要載於本年報第182頁。該概要並不構成經審核綜合財務報表的一部分。

DISTRIBUTABLE RESERVES AND RESERVES

As at 31 July 2018, the Company's reserve available for distribution amounted to HK\$77,979,000 (2017: HK\$103,545,000).

Movements in reserves of the Company during the year and the distributable reserves of the Company as at 31 July 2018 are set out in Note 47 to the consolidated financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the five largest customers of the Group accounted for approximately 37% of the total revenue of the Group and the largest customer accounted for approximately 12% of the total revenue.

The aggregate purchases attributable to the Group's largest supplier and five largest suppliers taken together accounted for approximately 7.1% and 27.8% of the Group's total purchase for the year.

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

DIRECTORS

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

Executive Directors

Ms. Shi Qi (*Chairlady and Chief Executive Officer*)
Ms. Xu Chendi (resigned on 19 December 2017)
Mr. Qiu Yonghao
Mr. Huang Te-Wei (resigned on 30 November 2017)
Mr. Zhao Ang (appointed on 30 July 2018)

Non-Executive Directors

Mr. Gao Feng
Mr. Han Lei
Ms. Wang Yayuan (resigned on 19 December 2017)
Mr. Sze Wai Lun (appointed on 19 December 2017)

Independent Non-Executive Directors

Ms. Zhang Lijuan
Mr. Pak Wai Keung, Martin (resigned on 29 October 2018)
Ms. Lian Yi (resigned on 10 November 2017)
Mr. Yeung Chi Tat (resigned on 10 September 2017)
Mr. Wu Tak Kong (appointed on 15 November 2017)

可供分派儲備及儲備

於二零一八年七月三十一日，本公司可供分派的儲備為77,979,000港元（二零一七年：103,545,000港元）。

本公司於年內的儲備變動及本公司於二零一八年七月三十一日的可供分派儲備載於綜合財務報表附註47。

主要客戶及供應商

於年內，本集團五大客戶佔本集團總收益約37%，而最大客戶則佔總收益約12%。

本集團最大供應商及五大供應商應佔的總採購額分別合共佔本集團年內總採購額約7.1%及27.8%。

各董事、彼等的聯繫人或任何股東（就董事所知，擁有本公司已發行股本5%以上）概無在本集團五大供應商及客戶中擁有任何權益。

董事

年內及截至本報告日期，本公司董事為：

執行董事

施琦女士（*主席兼行政總裁*）
許晨迪女士（於二零一七年十二月十九日辭任）
邱泳溟先生
黃德威先生（於二零一七年十一月三十日辭任）
趙昂先生（於二零一八年七月三十日獲委任）

非執行董事

高峰先生
韓磊先生
王雅媛女士（於二零一七年十二月十九日辭任）
施偉倫先生（於二零一七年十二月十九日獲委任）

獨立非執行董事

張力涓女士
白偉強先生（於二零一八年十月二十九日辭任）
連軼女士（於二零一七年十一月十日辭任）
楊志達先生（於二零一七年九月十日辭任）
胡德光先生（於二零一七年十一月十五日獲委任）

Report of the Directors

董事會報告

Pursuant to Article 86(3) of the Company's articles of association, Mr. Zhao Ang and Mr. Sze Wai Lun, being the newly appointed Directors, will hold their office until the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

Pursuant to Article 87(1) of the Company's articles of association, Mr. Han Lei, Mr. Gao Feng and Ms. Zhang Lijuan, will retire by rotation at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

INDEPENDENT NON-EXECUTIVE DIRECTORS' CONFIRMATION

The Company has received from each of the independent non-executive Directors an annual confirmation of his/her independence to Rule 3.13 of the Listing Rules and as at the date of this report still considers that all of the independent non-executive Directors to be independent.

DIRECTORS' SERVICE CONTRACTS

As at 31 July 2018, none of the Directors proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

EMOLUMENT POLICY

The emoluments of the Directors of the Company are recommended by the Remuneration Committee, and decided by the Board, as authorised by Shareholders in the annual general meeting, having regard to the Company's operating results, individual performance, experience, responsibility, workload and comparable market securities. No Director is involved in deciding their own remuneration.

Details of the remuneration policy for the Directors and senior management of the Group are set out in Remuneration Report under the heading "Remuneration Policy" on pages 54 to 56 of this annual report.

EMOLUMENTS OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

Details of the emoluments of the Directors of the Company and the five highest paid individuals of the Group during the year under review are set out in Note 18 to the consolidated financial statements.

根據本公司的組織章程細則第86(3)條，趙昂先生及施偉倫先生(新委任的董事)將任職至應屆股東週年大會，且符合資格並願意膺選連任。

根據本公司的組織章程細則第87(1)條，韓磊先生、高峰先生及張力涓女士將於應屆股東週年大會上輪值退任，且符合資格並願意膺選連任。

獨立非執行董事的確認書

本公司已收到獨立非執行董事各自按照上市規則第3.13條就其獨立性發出的年度確認書，於本報告日期，本公司仍認為全體獨立非執行董事具備獨立性。

董事服務合約

於二零一八年七月三十一日，概無擬於應屆股東週年大會上膺選連任的董事與本公司訂有任何本公司不可於一年內免付賠償(法定賠償除外)而終止的服務合約。

酬金政策

本公司董事的酬金乃由薪酬委員會建議，並遵照股東於股東週年大會上的授權，由董事會按本公司的經營業績、個人表現、經驗、責任、工作量及可供比較市場證券而釐定。董事概無參與決定本身酬金的過程。

有關董事及本集團高級管理層的薪酬政策詳情載於本年報第54頁至第56頁的薪酬報告「薪酬政策」一節。

董事及五名最高薪酬人士的酬金

於回顧年度，有關本公司董事及本集團五名最高薪酬人士的酬金詳情載於綜合財務報表附註18。

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS

Directors' Interests

As at 31 July 2018, the interests and short positions of the Directors and the Chief Executive of the Company in the Shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO as recorded in the register required to be kept by the Company under section 352 of the SFO or otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

Long Positions in Shares and Underlying Shares in the Company

Name of Director 董事姓名	Capacity in which interests are held 持有權益的身份	Number of Shares/underlying shares held in the Company 於本公司持有的股份/相關股份數目			Total interests 權益總額	Approximate percentage of Shares in issue of the Company (Note 1) 佔本公司已發行股份的概約百分比 (附註1)	Note 附註
		Interests in Shares 股份權益	Equity derivatives (share options) 股本衍生工具 (購股權)				
Shi Qi 施琦	Interest of a controlled corporation 受控制法團權益	436,540,400	-	436,540,400	50.11%	2	

Notes:

- Based on 871,178,000 Shares in issue as at 31 July 2018.
- Lytton Maison Limited, a limited company incorporated in the British Virgin Islands, issued share of which is one share solely owned by Ms. Shi Qi, is interested in 436,540,400 Shares.

Save as disclosed above, as at 31 July 2018, none of the Directors and the Chief Executive of the Company had any interest or short position in the Shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) notified to the Company and the Stock Exchange pursuant to the Model Code.

董事及主要行政人員的權益

董事權益

於二零一八年七月三十一日，各董事及本公司主要行政人員於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份及債券中擁有登記於本公司根據證券及期貨條例第352條規定須存置的登記冊內的權益及淡倉，或根據標準守則須知會本公司及聯交所的權益及淡倉如下：

於本公司股份及相關股份的好倉

附註：

- 根據於二零一八年七月三十一日已發行871,178,000股股份計算。
- Lytton Maison Limited 為於英屬處女群島註冊成立的有限公司，其已發行股份為一股由施琦女士獨資擁有，於436,540,400股股份中擁有權益。

除上文所披露者外，於二零一八年七月三十一日，董事及本公司主要行政人員概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份及債券中擁有：(a)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的任何權益或淡倉(包括根據上述證券及期貨條例條文被視為或當作擁有的權益或淡倉)；或(b)根據證券及期貨條例第352條須登記於該條所述登記冊的任何權益或淡倉；或(c)根據標準守則須知會本公司及聯交所的任何權益或淡倉。

Report of the Directors

董事會報告

INTERESTS OF THE SUBSTANTIAL SHAREHOLDERS

As at 31 July 2018, so far as is known to the Directors, the following person (other than Directors and Chief Executive of the Company) has interest or short position in the Shares or underlying shares of the Company which would fall to be disclosed to the Company under the provision of Divisions 2 and 3 of Part XV of the SFO and are recorded in the register kept by the Company under section 336 of the SFO:

Long positions in the Shares and Underlying Shares

Name of shareholder 股東名稱	Capacity in which interests are held 持有權益的身份	Number of Shares held in the Company 持有本公司股份數目	Approximate percentage of Shares in issue of the Company ¹ 佔本公司已發行股份的概約百分比 ¹	Note(s) 附註
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Lytton Maison Limited	Beneficial Owner 實益擁有人	436,540,400	50.11%	2
Mason Resources Finance Limited 茂宸資源財務有限公司	Person having a security interest in Shares 於股份中擁有抵押權益之人士	445,342,400	51.12%	3
Mason Group Holdings Limited 茂宸集團控股有限公司	Interest of controlled corporation 受控制法團權益	445,342,400	51.12%	3

Notes:

- (1) Based on 871,178,000 Shares in issue as at 31 July 2018.
- (2) Lytton Maison Limited, a limited company incorporated in the British Virgin Islands, solely owned by Ms. Shi Qi, is interested in 436,540,400 Shares.
- (3) Mason Resources Finance Limited, having a security interest in 436,540,400 Shares held by Lytton Maison Limited and 8,802,000 Shares held by other party(ies), is indirectly wholly-owned by Mason Group Holdings Limited.

Save as disclosed above, as at 31 July 2018, the Company was not notified by any person (other than Directors and Chief Executive of the Company) who has an interest or short position in the Shares, or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of SFO.

主要股東的權益

於二零一八年七月三十一日，就董事所知，以下人士（除本公司董事及主要行政人員外）於本公司股份或相關股份擁有根據證券及期貨條例第XV部第2及3分部規定須向本公司披露及記錄於本公司根據證券及期貨條例第336條存置的登記冊中的權益或淡倉：

於股份及相關股份的好倉

附註：

- (1) 根據於二零一八年七月三十一日已發行871,178,000股股份計算。
- (2) Lytton Maison Limited 為於英屬處女群島註冊成立的有限公司，由施琦女士獨資擁有，於436,540,400股股份中擁有權益。
- (3) 茂宸資源財務有限公司（於Lytton Maison Limited持有之436,540,400股股份及其他人士持有之8,802,000股股份中擁有抵押權益）由茂宸集團控股有限公司間接全資擁有。

除上文所披露者外，於二零一八年七月三十一日，概無任何人士（除本公司董事及主要行政人員外）曾知會本公司其於本公司股份或相關股份持有權益或淡倉而須根據證券及期貨條例第XV部第2及3分部規定向本公司及聯交所披露或記錄於本公司按證券及期貨條例第336條規定存置之登記冊內。

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year was the Company, any of its holding companies, subsidiaries or fellow subsidiaries a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of Shares in, or debentures of, the Company or any other body corporate.

INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS

There was no transaction, arrangement or contract of significance, to which the Company, any of its holding companies, subsidiaries or fellow subsidiaries is a party and in which a Director or an entity connected with a Director had material interest, whether directly or indirectly, subsisted at the end of or at any time during the year, nor had there been any contract of significance entered into between the Group and a controlling shareholder of the Company or any of its subsidiaries during the year ended 31 July 2018.

PERMITTED INDEMNITY PROVISION

Pursuant to the Company's articles of association, every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he/she may incur or sustain in or about the execution of the duties in his/her office or otherwise in relation thereto. The Company has arranged appropriate directors' and officers' liability insurance coverage for the Directors and officers of the Group during the year.

MANAGEMENT CONTRACT

During the Reporting Period, the Company did not enter into any management and administration contracts relating to all or any substantial part of the business of the Company.

EQUITY-LINKED AGREEMENTS

No equity-linked agreements that have, will or may result in the Company issuing shares or that require the Company to enter into any agreements that have, will or may result in the Company issuing shares were entered into by the Company during the year or subsisted at 31 July 2018.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the year ended 31 July 2018, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

董事收購股份或債券的權利

於年內任何時間，本公司或其任何控股公司、附屬公司或同系附屬公司概無參與任何安排，使本公司董事能透過收購本公司或任何其他法團的股份或債券而獲益。

於交易、安排及合約的權益

本公司、其任何控股公司、附屬公司或同系附屬公司於年結時或年內任何時間，概無訂立任何董事或其關連實體直接或間接擁有重大權益的重要交易、安排或合約，且截至二零一八年七月三十一日止年度，本集團與本公司控股股東或其附屬公司並無訂立任何重要合約。

獲准許彌償條文

根據本公司之組織章程細則，本公司各董事或其他高級職員均有權就於或有關執行其職責或其他與此有關而蒙受或招致之所有損失或責任獲得以本公司之資產作出之賠償。本公司已投保適當之董事及高級職員責任保險，以於年內向本集團董事及高級職員提供保障。

管理合約

報告期內，本公司概無訂立有關本公司全部或任何重大部份業務的任何管理及行政合約。

股本掛鈎協議

本公司於年內概無訂立或於二零一八年七月三十一日概無存續任何股本掛鈎協議，將會或可能導致本公司發行股份或規定本公司訂立將會或可能導致本公司發行股份之任何協議。

購買、出售或贖回本公司上市證券

於截至二零一八年七月三十一日止年度，本公司及其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

Report of the Directors

董事會報告

COMPETING INTERESTS

As at 31 July 2018, in so far as the Directors were aware, none of the Directors or their respective associates had any interest in a business that competed or was likely to compete with the business of the Group.

PRE-EMPTIVE RIGHTS

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

PUBLIC FLOAT

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

AUDIT COMMITTEE

The Company has established an audit committee (the "Audit Committee") with written terms of reference in compliance with the Listing Rules. The primary duties of the Audit Committee are to review and supervise the financial reporting process, to discuss the risk management and internal control systems of the Group with management, to review the Company's annual reports and interim reports, and to provide advice and comments thereon to the Board. Currently, the Audit Committee comprises of Mr. Wu Tak Kong (Chairman) and Ms. Zhang Lijuan, all of whom are independent non-executive Directors of the Company.

The Audit Committee has reviewed the Group's annual results for the year ended 31 July 2018.

CORPORATE GOVERNANCE

The Company has complied with the code provisions set out in the Stock Exchange's Corporate Governance Code and Corporate Governance Report (the "CG Code"), Appendix 14 of the Listing Rules during the year and up to the date of this annual report, except Code Provision A.2.1, A.2.7 and C.1.2. Details are set out in the Corporate Governance Report on pages 25 to 53 of this annual report.

RELATED PARTY TRANSACTIONS AND CONNECTED TRANSACTIONS

During the year ended 31 July 2018, the Group entered into transactions with related parties, details of which are set out in Note 44 to the consolidated financial statements. None of these related party transactions constitutes a connected transaction or a continuing connected transaction of the Group as defined in and required to be disclosed under Chapter 14A of the Listing Rules.

競爭性權益

於二零一八年七月三十一日，就董事所知，董事或彼等各自的聯繫人概無於與本集團業務構成競爭或可能構成競爭的業務中擁有任何權益。

優先購股權

根據本公司的組織章程細則或開曼群島法律，並無有關優先購股權的規定要求本公司須按比例向現有股東發售新股份。

公眾持股量

根據本公司以公開途徑取得的資料及據董事所知，於本報告日期，公眾持股量足以維持在上市規則所規定不少於本公司已發行股份25%的水平。

審核委員會

本公司已遵照上市規則成立審核委員會（「審核委員會」），並以書面訂明職權範圍。審核委員會的主要職責為審閱及監督本集團的財務申報過程、與管理層討論風險管理及內部控制系統、審閱本公司年報及中報及就此向董事會提出建議及意見。目前，審核委員會由胡德光先生（主席）及張力涓女士組成，各人均為本公司獨立非執行董事。

審核委員會已審閱本集團截至二零一八年七月三十一日止年度的全年業績。

企業管治

本公司年內及直至本年報日期已遵守上市規則附錄十四聯交所發出的《企業管治守則》及《企業管治報告》（「企管守則」）所載的守則條文，惟守則條文第A.2.1、A.2.7及C.1.2條除外。企業管治報告的詳情載於本年報第25至第53頁。

關連方交易及關連交易

截至二零一八年七月三十一日止年度，本集團與關連方訂立交易，詳情載於綜合財務報表附註44。該等關連方交易概無構成上市規則第14A章所定義及須予披露之本集團關連交易或持續關連交易。

CLOSURE OF REGISTER OF MEMBERS

In order to determine members who are entitled to attend the annual general meeting of the Company to be held on 13 December 2018, the register of members of the Company will be closed from Tuesday, 11 December 2018 to Thursday, 13 December 2018, both days inclusive, during which period no transfer of shares can be registered. All transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Branch Share Registrar, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, not later than 4:30 p.m. on Monday, 10 December 2018.

AUDITORS

The accounts for the year ended 31 July 2018 have been audited by SHINEWING, who will retire and, being eligible, will offer themselves for re-appointment at the 2018 AGM. A resolution will be proposed at the 2018 AGM of the Company for the re-appointment of SHINEWING as auditor of the Company.

On behalf of the Board

Shi Qi

CHAIRLADY AND CHIEF EXECUTIVE OFFICER
Hong Kong

30 October 2018

暫停辦理股份過戶登記手續

為釐定有權出席本公司將於二零一八年十二月十三日舉行的股東週年大會的股東，本公司將於二零一八年十二月十一日(星期二)至二零一八年十二月十三日(星期四)(包括首尾兩天)暫停辦理股東登記，於該段期間不會登記任何股份的轉讓。所有過戶文件連同有關股票最遲須於二零一八年十二月十日(星期一)下午四時三十分前送達本公司的香港股份過戶登記分處聯合證券登記有限公司，地址為香港北角英皇道338號華懋交易廣場2期33樓3301-04室。

核數師

截至二零一八年七月三十一日止年度的賬目已經由信永中和審核，該公司即將退任，惟符合資格且願意於二零一八年股東週年大會上膺選續聘。在本公司二零一八年股東週年大會上，將提呈決議案以續聘信永中和出任本公司的核數師。

代表董事會

施琦

主席兼行政總裁
香港

二零一八年十月三十日

Independent Auditor's Report

獨立核數師報告



SHINEWING (HK) CPA Limited
43/F., Lee Garden One
33 Hysan Avenue
Causeway Bay, Hong Kong

信永中和(香港)會計師事務所有限公司
香港銅鑼灣
希慎道33號
利園一期43樓

TO THE MEMBERS OF TA YANG GROUP HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

致大洋集團控股有限公司各股東

(於開曼群島註冊成立的有限公司)

OPINION

We have audited the consolidated financial statements of Ta Yang Group Holdings Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") set out on pages 77 to 181, which comprise the consolidated statement of financial position as at 31 July 2018, and the consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 July 2018, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("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.

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to note 1 to the consolidated financial statements which indicates the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

意見

我們已審核列載於第77頁至第181頁大洋集團控股有限公司(「貴公司」)及其附屬公司(以下統稱為「貴集團」)的綜合財務報表，當中包括於二零一八年七月三十一日的綜合財務狀況表、截至該日止年度的綜合損益表、綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表以及綜合財務報表附註，包括主要會計政策概要。

我們認為，綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實而公平地反映貴集團於二零一八年七月三十一日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並遵照香港公司條例的披露規定妥為編製。

意見基準

我們根據香港會計師公會頒佈的香港核數準則(「香港核數準則」)進行審核。我們於該等準則項下的責任乃於我們的報告核數師就審核綜合財務報表須承擔的責任一節進一步闡述。我們根據香港會計師公會制定的專業會計師職業道德守則(「守則」)獨立於貴集團，我們亦已根據守則達致我們的其他道德責任。我們認為，我們所獲得的審核憑證屬充足及適當以為我們的意見提供基準。

有關持續經營的重大不確定因素

我們提請注意綜合財務報表附註1，此乃表明存在可導致對貴集團繼續持續經營能力產生重大疑慮之重大不確定因素。我們不會就此事項修訂意見。

KEY AUDIT MATTERS

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

Key audit matters identified in our audit are summarised as follows:

- Valuation of investment properties
- Valuation of inventories
- Impairment assessment of trade and other receivables
- Impairment assessment of deposits for acquisition of land use rights

Valuation of investment properties

Refer to note 22 to the consolidated financial statements and the accounting policies on page 109.

關鍵審核事項

關鍵審核事項為就我們的專業判斷而言，對我們審核本期間的綜合財務報表最為重要的事項。該等事項是在我們審核整體綜合財務報表及就此出具意見時進行處理的，且我們不會對該等事項提供單獨意見。

於我們審核中識別的關鍵審核事項概述如下：

- 投資物業估值
- 存貨估值
- 應收貿易賬款及其他應收款項的減值評估
- 收購土地使用權的按金的減值評估

投資物業估值

參閱綜合財務報表附註22及第109頁的會計政策。

The key audit matter 關鍵審核事項

Management has estimated the fair value of the Group's investment properties to be HK\$102,442,000 as at 31 July 2018 with a revaluation gain of approximately HK\$252,000 for the year ended 31 July 2018 recorded in the consolidated statement of profit or loss. Independent external valuations were obtained in respect of the properties in order to support management's estimates.

管理層估計 貴集團投資物業於二零一八年七月三十一日的公平值為102,442,000港元並於綜合損益表錄得截至二零一八年七月三十一日止年度的重估收益約252,000港元。已獲得物業的獨立外部估值以證明管理層的估計。

We have identified the valuation of investment properties as a key audit matter because of its significance to the consolidated financial statements and the valuations are dependent on certain key assumptions that require significant management judgement including market unit rates of land, current construction costs for building and depreciation rates.

我們將投資物業估值識別為關鍵審核事項，原因是其對綜合財務報表的重要性且估值取決於若干需要管理層作出重大判斷的關鍵假設(包括土地的市場單價、樓宇的當前建築成本及折舊率)。

How the matter was addressed in our audit 我們的審核如何解決該事項

Our audit procedures in relation to management's valuation of investment properties included assessing the valuation methodology used and the appropriateness of the key assumptions based on the public available facts and circumstances of the property market in the People's Republic of China. We have also checked, on a sample basis, the accuracy and relevance of the input data used.

我們有關管理層對投資物業估值的審核程序包括根據中華人民共和國物業市場的公開可得事實及情況評估所用估值方法及關鍵假設是否適當。我們亦以抽樣形式查核所用輸入數據是否準確及相關。

Independent Auditor's Report

獨立核數師報告

Valuation of inventories

Refer to note 27 to the consolidated financial statements and the accounting policies on page 111.

存貨估值

參閱綜合財務報表附註27及第111頁的會計政策。

The key audit matter 關鍵審核事項

As at 31 July 2018, the Group maintained inventories of approximately HK\$46,404,000 net of allowance for inventories of approximately HK\$373,000.

於二零一八年七月三十一日，貴集團的存貨維持在約46,404,000港元（扣除存貨撥備約373,000港元）。

We have identified the valuation of inventories as a key audit matter because of their significance to the consolidated financial statements and the involvement of a significant management judgement or estimation. 我們將存貨估值識別為關鍵審核事項，原因是其對綜合財務報表的重要性，並涉及重大管理層判斷或估計。

How the matter was addressed in our audit 我們的審核如何解決該事項

Our audit procedures were designed to challenge the assumptions and critical judgements of the Group's impairment assessment on inventories and the management estimations or judgements on the net realisable value of inventories based on the latest invoice prices and current market conditions.

我們的審核程序旨在根據最近期的發票價格及當時市況，質疑貴集團就存貨減值評估的假設及關鍵判斷以及管理層就存貨可變現淨值的估計或判斷。

We have checked with the net realisable value and subsequent utilisation for inventories subsequent to the end of the reporting period and discussed with the management in respect of the adequacy of the allowance made by the management based on ageing analysis. We have challenged the assumptions and critical judgements used by the management by assessing the reliability of the management's past estimates and taking into account the ageing at year end and subsequent usage status after year end. 於報告期末後，我們已審查存貨的可變現淨值及後續運用，並就管理層根據賬齡分析所作出的撥備是否充足與管理層進行討論。我們透過評估管理層過往估計的可靠性並計及年末賬齡及年末後的後續使用狀況，對管理層所用假設及關鍵判斷提出質疑。

Independent Auditor's Report

獨立核數師報告

Impairment assessment of trade and other receivables

Refer to note 28 to the consolidated financial statements and the accounting policies on pages from 112 to 118.

應收貿易賬款及其他應收款項的減值評估

參閱綜合財務報表附註28及第112頁至第118頁的會計政策。

The key audit matter 關鍵審核事項

As at 31 July 2018, trade and bills receivables and consideration receivable from disposal of properties of the Group amounted to approximately HK\$97,580,000 and HK\$103,571,000, respectively.

於二零一八年七月三十一日，貴集團的應收貿易賬款及應收票據以及出售物業應收代價分別約為97,580,000港元及103,571,000港元。

We have identified impairment assessment of trade and bills receivables and consideration receivable from disposal of properties as a key audit matter because of their significance to the consolidated financial statements and the assessment of allowance for impairment loss required significant management estimations and judgement.

我們將應收貿易賬款及應收票據以及出售物業應收代價的減值評估識別為關鍵審核事項，原因是其對綜合財務報表的重要性及評估減值虧損撥備須管理層作出重大估計及判斷。

How the matter was addressed in our audit 我們的審核如何解決該事項

Our audit procedures were designed to challenge the assumptions and critical judgements of the Group's impairment assessment on trade and bills receivables and consideration receivable from disposal of properties and the management estimations.

我們的審核程序旨在質疑貴集團就應收貿易賬款及應收票據以及出售物業應收代價的減值評估的假設及關鍵判斷以及管理層估計。

We have discussed the indicators of possible impairment with the management and, where such indicators were identified, assessed the management's impairment testing. We have discussed with the management in respect of the adequacy of the provision of impairment made by the management. We have challenged the assumptions and critical judgements used by the management by assessing the reliability of the management's past estimates and taking into account the ageing at year end and cash received after year end, as well as the recent creditworthiness of each debtor.

我們已經與管理層討論可能出現的減值跡象，及倘已識別出該等跡象，則評估管理層進行的減值測試。我們已就管理層所作減值撥備是否充足與其進行討論。我們透過評估管理層過往估計的可靠性並計及年末賬齡及年末後已收現金以及每名債務人的近期信譽度，對管理層所用假設及關鍵判斷提出質疑。

Independent Auditor's Report

獨立核數師報告

Impairment assessment of deposits for acquisition of land use rights

收購土地使用權的按金的減值評估

Refer to note 26 to the consolidated financial statements and the accounting policies on page 119. 參閱綜合財務報表附註26及第119頁的會計政策。

The key audit matter

關鍵審核事項

As at 31 July 2018, deposits for acquisition of land use rights of the Group amounted approximately HK\$14,065,000. The management has concluded that there is no impairment required in respect of the deposits.

於二零一八年七月三十一日，貴集團收購土地使用權的按金為約14,065,000港元。管理層得出的結論為無需就按金作出減值。

We have identified impairment assessment of deposits for acquisition of land use rights as a key audit matter because the assessment of allowance for impairment loss required significant management estimations and judgment. In addition, the seller took long time to transfer the legal title of land use rights to the Group and failed to meet the timeline as stated in the original agreement.

我們將收購土地使用權的按金的減值評估識別為關鍵審核事項，原因是評估減值虧損撥備須管理層作出重大估計及判斷。此外，賣方花費較長時間將土地使用權的法定業權轉讓予貴集團，故未能滿足原有協議所述時限。

How the matter was addressed in our audit

我們的審核如何解決該事項

Our audit procedures were designed to challenge the assumptions and critical judgments of the Group's impairment assessment on deposits for acquisition of land use rights and the management estimations.

我們的審核程序旨在質疑貴集團就收購土地使用權的按金減值評估的假設及關鍵判斷以及管理層估計。

We have discussed the indicators of possible impairment with the management and, where such indicators were identified, assessed the management's impairment policy. We have challenged the assumptions and critical judgments used by the management of the Company taking into account the legal opinion issued by independent lawyers and the fair value calculation of the land use rights made by an independent valuer.

我們已經與管理層討論可能出現的減值跡象，及倘已識別出該等跡象，則評估管理層的減值政策。我們透過計及獨立律師給出的法律意見及獨立估值師作出的土地使用權公平值計算，對貴公司管理層所用假設及關鍵判斷提出質疑。

Independent Auditor's Report

獨立核數師報告

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

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

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

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

RESPONSIBILITIES OF THE DIRECTORS OF THE COMPANY AND AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

Audit Committee is responsible for overseeing the Group's financial reporting process.

資料(綜合財務報表及就此之核數師報告除外)

貴公司董事負責編製其他資料。其他資料包括年報所載資料，惟不包括綜合財務報表及我們就此之核數師報告。

我們有關綜合財務報表的意見並不涵蓋其他資料，我們亦並不就此發表任何形式的核證結論。

就我們對綜合財務報表的審核而言，我們的責任是閱讀其他資料，從而考慮其他資料是否與綜合財務報表或我們在審核過程中獲悉的資料存在重大不符，或存在重大錯誤陳述。倘若我們基於已進行的工作認為其他資料出現重大錯誤陳述，我們須報告該事實。我們就此並無報告任何事項。

貴公司董事及審核委員會就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定編製真實而公允的綜合財務報表，並負責 貴公司董事認為就為使綜合財務報表的編製不存在由於欺詐或錯誤而導致的重大錯誤陳述所必需的有關內部監控。

在編製綜合財務報表時， 貴公司董事須負責評估 貴集團繼續持續經營的能力，並披露與持續經營有關的事項(如適用)。除非 貴公司董事有意將 貴集團清盤，或停止營運，或除此之外並無其他實際可行的辦法，否則須採用以持續經營為基礎的會計法。

審核委員會須負責監督 貴集團的財務報告流程。

Independent Auditor's Report

獨立核數師報告

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion, solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

核數師就審核綜合財務報表須承擔的責任

我們的目標是對整體綜合財務報表是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並根據我們協定的委聘條款僅向閣下(作為整體)出具包括我們意見的核數師報告，除此以外，我們的報告概不作其他用途。我們不就此報告的內容對任何其他人士負責或承擔任何責任。合理保證是高水平的保證，但不能保證按照香港核數準則進行的審核在某一重大錯誤陳述存在時總能被發現。錯誤陳述可以由欺詐或錯誤引起，倘合理預期彼等個別或匯總起來可能影響該等綜合財務報表使用者所作出的經濟決策，則有關錯誤陳述可被視作重大。

我們根據香港核數準則進行審核的工作之一，是運用專業判斷，在整個審核過程中保持職業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審核程序以應對該等風險，以及取得充足及適當的審核憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部監控之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於因錯誤而導致的重大錯誤陳述的風險。
- 了解與審核相關的內部監控，以設計適當的審核程序，但目的並非對貴集團內部監控的效用發表意見。
- 評價貴公司董事所用會計政策的恰當性及所作出會計估計及相關披露資料的合理性。

Independent Auditor's Report 獨立核數師報告

- Conclude on the appropriateness of the Company's directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 對 貴公司董事採用持續經營會計基礎的恰當性作出結論。根據所得審核憑證，決定是否存在與事件或情況有關的重大不確定性，而可能對 貴集團繼續持續經營的能力構成重大疑慮。倘我們認為存在重大不確定性，則有必要在核數師報告中提請使用者垂注綜合財務報表中的相關披露資料，或倘有關披露資料不足，則修訂我們的意見。我們的結論乃基於截至核數師報告日期止所取得的審核憑證。然而，未來事件或情況可能導致 貴集團不能繼續持續經營。
- 評價綜合財務報表(包括披露資料)的整體列報方式、結構及內容，以及綜合財務報表是否公允反映有關交易及事項。
- 就 貴集團中實體或業務活動的財務資料獲取充分及適當的審核證據，以對綜合財務報表發表意見。我們負責指導、監督及執行集團審核。我們僅對我們的審核意見承擔責任。

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

我們與審核委員會溝通了(其中包括)計劃的審核範圍、時間安排、重大審核發現等事項，包括我們在審核期間識別出內部監控的任何重大缺陷。

我們亦向審核委員會提交聲明，說明我們已符合有關獨立性的相關道德要求，並與彼等溝通所有可能合理地被認為會影響我們獨立性的關係及其他事項，以及相關防範措施(倘適用)。

Independent Auditor's Report 獨立核數師報告

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

The engagement partner on the audit resulting in this independent auditor's report is Wong Hon Kei, Anthony.

SHINEWING (HK) CPA Limited

Certified Public Accountants

Wong Hon Kei, Anthony

Practising Certificate Number: P05591

Hong Kong
30 October 2018

從與審核委員會溝通的事項中，我們決定對本期間綜合財務報表的審核最為重要的事項，因而構成關鍵審核事項。我們會在核數師報告中描述該等事項，惟法律法規不允許對某件事項作出公開披露，或在極端罕見的情況下，若有合理預期在我們的報告中溝通某事項造成的負面後果將會超過其產生的公眾利益，則我們將不會在此等情況下在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人為黃漢基。

信永中和(香港)會計師事務所有限公司

執業會計師

黃漢基

執業證書號碼：P05591

香港
二零一八年十月三十日

Consolidated Statement of Profit or Loss

綜合損益表

FOR THE YEAR ENDED 31 JULY 2018 截至二零一八年七月三十一日止年度

		Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Revenue	收益	9	377,160	400,500
Cost of sales	銷售成本		(294,303)	(290,362)
Gross profit	毛利		82,857	110,138
Other operating income	其他經營收入	9	111,372	23,538
Selling and distribution expenses	銷售及分銷開支		(26,726)	(35,531)
Administrative expenses	行政開支		(122,455)	(146,319)
Other expenses	其他開支	11	(5,738)	(3,047)
Share of results of associates	應佔聯營公司的業績		(77)	(1,625)
Finance costs	融資成本	12	(23,746)	(21,254)
Profit (loss) before tax	除稅前溢利(虧損)		15,487	(74,100)
Income tax (expense) credit	所得稅(開支)抵免	13	(19,797)	40
Loss for the year	年內虧損	14	(4,310)	(74,060)
Loss for the year attributable to:	以下人士應佔年內虧損：			
Owners of the Company	本公司擁有人		(3,756)	(72,943)
Non-controlling interests	非控股權益		(554)	(1,117)
			(4,310)	(74,060)
Loss per share	每股虧損	16		
Basic (HK cents)	基本(港仙)		(0.43)	(8.43)
Diluted (HK cents)	攤薄(港仙)		(0.43)	(8.43)

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

FOR THE YEAR ENDED 31 JULY 2018 截至二零一八年七月三十一日止年度

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Loss for the year	年內虧損	(4,310)	(74,060)
Other comprehensive income	其他全面收入		
Items that will not be reclassified subsequently to profit or loss:	不會於其後重新分類至損益的項目：		
Gain on revaluation of properties, net of tax	物業重估收益(扣除稅項後)	2,078	1,414
Gain on revaluation of prepaid lease payments, net of tax	預付租賃款項重估收益(扣除稅項後)	2,110	729
		4,188	2,143
Items that may be reclassified subsequently to profit or loss:	可於其後重新分類至損益的項目：		
Release of exchange reserve upon deregistration of subsidiaries	取消註冊附屬公司時撥回匯兌儲備	(4,787)	-
Release of exchange reserve upon disposal of associates	出售聯營公司時撥回匯兌儲備	118	-
Exchange differences arising on translating foreign operations	換算海外業務產生的匯兌差額	(539)	(3,942)
		(5,208)	(3,942)
Available-for-sale financial assets	可供出售金融資產		
Net gain arising on revaluation of available-for-sale financial assets for the year	年內重估可供出售金融資產產生的收益淨額	3,807	837
Release of revaluation of available-for-sale financial assets upon disposal	出售時撥回可供出售金融資產重估	(1,159)	(4,473)
Reclassification adjustments for impairment loss included in the consolidated statement of profit or loss	計入綜合損益表的減值虧損的重新分類調整	-	160
		2,648	(3,476)
Share of other comprehensive income (expenses) of associates	應佔聯營公司的其他全面收入(開支)		
Share of exchange difference of associates	應佔聯營公司的匯兌差額	19	(42)
Other comprehensive income (expenses) for the year	年內其他全面收入(開支)	1,647	(5,317)
Total comprehensive expenses for the year, net of income tax	年內全面開支總額(扣除所得稅後)	(2,663)	(79,377)
Total comprehensive expenses for the year, net of income tax, attributable to Owners of the Company	以下人士應佔年內全面開支總額(扣除所得稅後) 本公司擁有人	(2,109)	(78,246)
Non-controlling interests	非控股權益	(554)	(1,131)
		(2,663)	(79,377)

Consolidated Statement of Financial Position

綜合財務狀況表

AS AT 31 JULY 2018 於二零一八年七月三十一日

		Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	19	171,954	249,971
Intangible assets	無形資產	20	383	383
Prepaid lease payments	預付租賃款項	21	120,406	229,061
Investment properties	投資物業	22	102,442	92,575
Available-for-sale financial assets	可供出售金融資產	23	9,219	8,981
Interests in associates	於聯營公司的權益	25	-	2,816
Deposits for acquisition of land use rights	收購土地使用權的按金	26	14,065	13,037
			418,469	596,824
Current assets	流動資產			
Inventories	存貨	27	46,404	35,540
Trade and other receivables	應收貿易賬款及其他 應收款項	28	229,859	164,816
Prepaid lease payments	預付租賃款項	21	4,824	4,820
Amount due from an associate	應收一間聯營公司款項	30	-	65
Income tax recoverable	可收回所得稅		-	12
Held-to-maturity investments	持有至到期投資	24	-	34,739
Held-for-trading investments	持作買賣投資	31	582	680
Bank balances and cash	銀行結餘及現金	32	192,888	105,985
			474,557	346,657
Non-current assets classified as held for sale	分類為持作出售的非流動資產	29	21,214	11,022
			495,771	357,679
Current liabilities	流動負債			
Trade and other payables	應付貿易賬款及其他 應付款項	33	89,897	136,063
Amount due to a director	應付一名董事款項	30	-	2,143
Amount due to an associate	應付一間聯營公司款項	30	-	1,324
Loans from a related party	一名關連方貸款	34	-	5,000
Loans from third parties	第三方貸款	35	-	26,197
Income tax payable	應付所得稅		40,458	20,601
Secured bank borrowings	有抵押銀行借款	36	322,605	32,542
			452,960	223,870
Net current assets	流動資產淨值		42,811	133,809
Total assets less current liabilities	資產總值減流動負債		461,280	730,633

Consolidated Statement of Financial Position

綜合財務狀況表

AS AT 31 JULY 2018 於二零一八年七月三十一日

		Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Capital and reserves	資本及儲備			
Share capital	股本	37	87,118	87,118
Reserves	儲備		355,055	357,164
Equity attributable to owners of the Company	本公司擁有人應佔權益		442,173	444,282
Non-controlling interests	非控股權益		4,211	(396)
Total equity	權益總值		446,384	443,886
Non-current liabilities	非流動負債			
Secured bank borrowings	有抵押銀行借款	36	-	273,700
Deferred income	遞延收入	38	3,453	3,614
Deferred tax liabilities	遞延稅項負債	39	11,443	9,433
			14,896	286,747
			461,280	730,633

The consolidated financial statements on pages 77 to 181 were approved and authorised for issue by the board of directors on 30 October 2018 and are signed on its behalf by:

第77頁至第181頁的綜合財務報表乃經董事會於二零一八年十月三十日批准及授權刊發，並由下列董事代表簽署：

Shi Qi
施琦
Director
董事

Zhao Ang
趙昂
Director
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

FOR THE YEAR ENDED 31 JULY 2018 截至二零一八年七月三十一日止年度

		Attributable to the owners of the Company 本公司擁有人應佔											Non-controlling interests	
		Share capital	Share premium	Other reserve	Accumulated losses	Exchange reserve	Investments revaluation reserve	Properties revaluation reserve	Capital redemption reserve	Statutory surplus reserve	Legal reserve	Total		Total
		股本	股份溢價	其他儲備	累計虧損	匯兌儲備	投資重估儲備	物業重估儲備	資本贖回儲備	公積金	法定儲備	總計	非控股權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
				(Note a) (附註a)					(Note b) (附註b)	(Note c) (附註c)	(Note d) (附註d)			
At 1 August 2016	於二零一六年八月一日	78,473	641,454	(3,380)	(501,874)	126,709	6,383	26,864	2,420	33,411	49	410,509	653	411,162
Loss for the year	年內虧損	-	-	-	(72,943)	-	-	-	-	-	-	(72,943)	(1,117)	(74,060)
Other comprehensive (expenses) income for the year:	年內其他全面(開支)收入:													
Exchange differences arising on translating foreign operations	換算海外業務產生的匯兌差額	-	-	-	-	(3,928)	-	-	-	-	-	(3,928)	(14)	(3,942)
Gain from revaluation of properties and prepaid lease payments	物業及預付租賃款項重估收益	-	-	-	-	-	-	2,143	-	-	-	2,143	-	2,143
Net gain arising on revaluation of available-for-sale financial assets for the year	年內重估可供出售金融資產產生的收益淨額	-	-	-	-	-	837	-	-	-	-	837	-	837
Release of revaluation of available-for-sale financial assets upon disposal	出售時撥回可供出售金融資產重估	-	-	-	-	-	(4,473)	-	-	-	-	(4,473)	-	(4,473)
Reclassification adjustments for impairment loss included in the consolidated statement of profit or loss	計入綜合損益表的減值虧損的重新分類調整	-	-	-	-	-	160	-	-	-	-	160	-	160
Share of exchange difference of associates	應佔聯營公司的匯兌差額	-	-	-	-	(42)	-	-	-	-	-	(42)	-	(42)
Total comprehensive (expenses) income for the year	年內全面(開支)收入總額	-	-	-	(72,943)	(3,970)	(3,476)	2,143	-	-	-	(78,246)	(1,131)	(79,377)
Disposal of interest in a subsidiary without change of control (Note 41)	在不改變控制權的情況下出售一間附屬公司的權益(附註41)	-	-	118	-	-	-	-	-	-	-	118	82	200
Issue of shares upon placing (Note 37)	配售後發行股份(附註37)	8,645	104,604	-	-	-	-	-	-	-	-	113,249	-	113,249
Direct expenses of placing	配售的直接開支	-	(1,348)	-	-	-	-	-	-	-	-	(1,348)	-	(1,348)
At 31 July 2017	於二零一七年七月三十一日	87,118	744,710	(3,262)	(574,817)	122,739	2,907	29,007	2,420	33,411	49	444,282	(396)	443,886

Consolidated Statement of Changes in Equity

綜合權益變動表

FOR THE YEAR ENDED 31 JULY 2018 截至二零一八年七月三十一日止年度

		Attributable to the owners of the Company 本公司擁有人應佔											Non-controlling interests	
		Share capital	Share premium	Other reserve	Accumulated losses	Exchange reserve	Investments revaluation reserve	Properties revaluation reserve	Capital redemption reserve	Statutory surplus reserve	Legal reserve	Total		Total
		股本	股份溢價	其他儲備	累計虧損	匯兌儲備	投資重估儲備	物業重估儲備	資本贖回儲備	法定盈餘	法定儲備	總計	非控股權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
									(Note b) (附註 b)	(Note c) (附註 c)	(Note d) (附註 d)			
At 1 August 2017	於二零一七年八月一日	87,118	744,710	(3,262)	(574,817)	122,739	2,907	29,007	2,420	33,411	49	444,282	(396)	443,886
Loss for the year	年內虧損	-	-	-	(3,756)	-	-	-	-	-	-	(3,756)	(554)	(4,310)
Other comprehensive income (expenses) for the year:	年內其他全面收入(開支):													
Exchange differences arising on translating foreign operations	換算海外業務產生的匯兌差額	-	-	-	-	(539)	-	-	-	-	-	(539)	-	(539)
Release of exchange reserve upon deregistration of subsidiaries	取消註冊附屬公司時撥回匯兌儲備	-	-	-	-	(4,787)	-	-	-	-	-	(4,787)	-	(4,787)
Release of exchange reserve upon disposal of associates	出售聯營公司時撥回匯兌儲備	-	-	-	-	118	-	-	-	-	-	118	-	118
Gain from revaluation of properties and prepaid lease payments	物業及預付租賃款項重估收益	-	-	-	-	-	-	4,188	-	-	-	4,188	-	4,188
Net gain arising on revaluation of available-for-sale financial assets for the year	年內重估可供出售金融資產產生的收益淨額	-	-	-	-	-	3,807	-	-	-	-	3,807	-	3,807
Release of revaluation of available-for-sale financial assets upon disposal	出售時撥回可供出售金融資產重估	-	-	-	-	-	(1,159)	-	-	-	-	(1,159)	-	(1,159)
Share of exchange difference of associates	應佔聯營公司的匯兌差額	-	-	-	-	19	-	-	-	-	-	19	-	19
Total comprehensive income (expenses) for the year	年內全面(開支)收入總額	-	-	-	(3,756)	(5,189)	2,648	4,188	-	-	-	(2,109)	(554)	(2,663)
Release of statutory reserve upon deregistration of subsidiaries	取消註冊附屬公司時撥回法定儲備	-	-	-	2,586	-	-	-	-	(2,586)	-	-	-	-
Capital contribution from non-controlling interest subsidiaries	附屬公司的非控股權益注資	-	-	-	-	-	-	-	-	-	-	-	5,161	5,161
At 31 July 2018	於二零一八年七月三十一日	87,118	744,710	(3,262)	(575,987)	117,550	5,555	33,195	2,420	30,825	49	442,173	4,211	446,384

Consolidated Statement of Changes in Equity

綜合權益變動表

FOR THE YEAR ENDED 31 JULY 2018 截至二零一八年七月三十一日止年度

Notes:

a. Other reserve

Other reserve represents the difference between the capital contribution received from (paid to) a non-controlling interest of a subsidiary and the increase (decrease) in its shares of net asset value of that subsidiary.

b. Capital redemption reserve

Capital redemption reserve represents the nominal value of the shares repurchased which has been paid out of the distributable reserves of the Company.

c. Statutory surplus reserve

As stipulated by regulations in the People's Republic of China (the "PRC"), the Company's subsidiaries established and operated in the PRC are required to appropriate 10% of their after-tax-profit (after offsetting prior year losses) as determined in accordance with the PRC accounting rules and regulations, to statutory surplus reserve until the reserve balance reaches 50% of the registered capital. The transfer to this reserve must be made before distribution of a dividend to equity owners.

d. Legal reserve

In accordance with Macau Commercial Code, the Company's subsidiary incorporated in Macau is required to appropriate 25% of its net profit to a legal reserve until the balance of the reserve reaches 50% of the subsidiary's registered capital. Legal reserve is not distributable to shareholders.

附註：

a. 其他儲備

其他儲備指向一間附屬公司非控股權益收取(支付)的注資與所分佔該附屬公司資產淨值增加(減少)數額間的差額。

b. 資本贖回儲備

資本贖回儲備指已購回股份的面值，有關金額以本公司的可供分派儲備支付。

c. 法定盈餘公積金

根據中華人民共和國(「中國」)法規規定，本公司在中國成立及經營的附屬公司須將其根據中國會計規則及法規釐定的除稅後溢利(對銷過往年度虧損後)的10%轉撥至法定盈餘公積金，直至該公積金的結餘達至註冊資本的50%為止，且須於向權益擁有人分派股息前轉撥至該公積金。

d. 法定儲備

根據澳門商業法，本公司於澳門註冊成立的附屬公司須撥出其純利的25%至法定儲備，直至該儲備的結餘達至附屬公司註冊資本的50%為止。法定儲備不得分派予股東。

Consolidated Statement of Cash Flows

綜合現金流量表

FOR THE YEAR ENDED 31 JULY 2018 截至二零一八年七月三十一日止年度

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
OPERATING ACTIVITIES	經營活動		
Profit (Loss) before tax	除稅前溢利(虧損)	15,487	(74,100)
Adjustments for:	就以下各項作出調整：		
Allowance for inventories	存貨撥備	252	-
Amortisation of deferred income	遞延收入攤銷	(168)	(23)
Amortisation of prepaid lease payments	預付租賃款項攤銷	4,892	2,912
Depreciation of property, plant and equipment	物業、廠房及設備折舊	23,695	17,745
Dividend income	股息收入	(306)	(1,742)
Fair value gain on investment properties	投資物業的公平值收益	(252)	(250)
Fair value loss on held-for-trading investments	持作買賣投資的公平值虧損	98	184
Finance costs	融資成本	23,746	21,254
Gain on deregistration of subsidiaries	取消註冊附屬公司的收益	(4,787)	-
Gain on disposal of available-for-sale financial assets	出售可供出售金融資產的收益	(1,223)	(8,186)
Gain on disposal of held-for-trading investments	出售持作買賣投資的收益	-	(418)
Gain on disposal of property, plant and equipment	出售物業、廠房及設備的收益	(41,100)	(81)
Gain on disposal of prepaid lease payment	出售預付租賃款項的收益	(42,019)	-
Gain on disposal of non-current asset classified as held for sale	出售分類為持作出售的非流動資產的收益	(7,604)	-
Loss on disposal of associates	出售聯營公司的虧損	630	-
Government grants	政府補助金	(451)	(33)
Impairment loss recognised in respect of available-for-sale financial assets	就可供出售金融資產確認的減值虧損	-	160
Impairment loss recognised in respect of property, plant and equipment	就物業、廠房及設備確認的減值虧損	5,010	-
Impairment loss recognised in respect of trade receivables	就應收貿易賬款確認的減值虧損	251	1,402
Interest income	利息收入	(708)	(2,202)
Investment loss from derivative financial instruments	衍生金融工具的投資虧損	-	2,469
Reversal of allowance for inventories	撥回存貨撥備	-	(4,376)
Reversal of impairment loss recognised in respect of other receivables	撥回就其他應收款項確認的減值虧損	-	(2,049)
Share of results of associates	應佔聯營公司的業績	77	1,625
Waiver of other payables	豁免其他應付款項	(704)	(538)
Write-off of inventories	存貨撇銷	-	744

Consolidated Statement of Cash Flows

綜合現金流量表

FOR THE YEAR ENDED 31 JULY 2018 截至二零一八年七月三十一日止年度

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Operating cash flows before movements in working capital	營運資金變動前的經營現金流量	(25,184)	(45,503)
Increase in inventories	存貨增加	(11,582)	(2,338)
Decrease (increase) in trade and other receivables	應收貿易賬款及其他應收款項減少(增加)	34,545	(50,467)
(Decrease) increase in trade and other payables	應付貿易賬款及其他應付款項(減少)增加	(43,103)	49,385
Cash used in operations	用於經營活動的現金	(45,324)	(48,923)
Hong Kong Profits Tax paid	已付香港利得稅	-	(10)
PRC Enterprise Income Tax refunded	退回中國企業所得稅	-	7
NET CASH USED IN OPERATING ACTIVITIES	用於經營活動的現金淨額	(45,324)	(48,926)
INVESTING ACTIVITIES	投資活動		
Proceeds from disposal of property, plant and equipment and prepaid lease payment	出售物業、廠房及設備及預付租賃款項的所得款項	145,396	10,637
Redemption from held-to-maturity investments	贖回持有至到期投資	34,739	31,073
Proceeds from disposal of non-current asset classified as held-for-sale	出售分類為持作出售的非流動資產的所得款項	16,528	-
Proceeds from disposal of available-for-sale financial assets	出售可供出售金融資產的所得款項	3,710	20,567
Proceeds from disposal of associates	出售聯營公司所得款項	2,246	-
Interest received	已收利息	813	1,938
Dividends received from available-for-sale financial assets	自可供出售金融資產收取的股息	214	1,233
Repayment from an associate	一間聯營公司還款	65	-
Dividends received from held-for-trading investments	自持作買賣投資收取的股息	15	50
Purchase of property, plant and equipment	購置物業、廠房及設備	(28,899)	(169,308)
Deposits paid for acquisition of land use rights	收購土地使用權的已付按金	(1,028)	(971)
Purchase of prepaid lease payments	購買預付租賃款項	-	(233,588)
Purchase of held-to-maturity investments	購買持有至到期投資	-	(65,882)
Investment paid for derivative financial instruments	已付衍生金融工具的投資	-	(14,222)
Investment in an associate	於一間聯營公司的投資	-	(1,567)
Withdrawal upon maturity of structure bank deposits	於結構性銀行存款到期時提取	-	16,934
Withdrawal upon maturity of short-term bank deposits	於短期銀行存款到期時提取	-	4,552
Proceeds from disposal of held-for-trading investments	出售持作買賣投資的所得款項	-	3,222
Purchase of intangible assets	購買無形資產	-	(379)
NET CASH FROM (USED IN) INVESTING ACTIVITIES	來自(用於)投資活動的現金淨額	173,799	(395,711)

Consolidated Statement of Cash Flows

綜合現金流量表

FOR THE YEAR ENDED 31 JULY 2018 截至二零一八年七月三十一日止年度

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
FINANCING ACTIVITIES	融資活動		
Repayment of loans from third parties	第三方貸款還款	(26,197)	(3,243)
Interest paid	已付利息	(25,313)	(17,230)
(Repayment of) raised loans from a related party	(一名關連方貸款還款)來自 一名關連方的籌集貸款	(5,000)	5,000
(Repayment to) advance from a director	(向一名董事還款)來自 一名董事的墊款	(2,143)	2,143
(Repayment to) advance from an associate	(向一間聯營公司還款)來自 一間聯營公司的墊款	(1,324)	782
New bank borrowings raised	新籌集銀行借款	16,000	277,844
Capital injection from non-controlling interest of a subsidiary	一間附屬公司非控股權益的 注資	5,161	-
Cash received from government grants	已收政府補助現金	451	33
Proceeds from placing shares of the Company	配售本公司股份的所得款項	-	113,249
Direct expenses of placing	配售的直接開支	-	(1,348)
Raised loans from third parties	來自第三方的籌集貸款	-	29,167
Proceeds from disposal of interest in a subsidiary without change of control	在不改變控制權的情況下 出售一間附屬公司權益的 所得款項	-	200
Repayment of secured bank borrowings	有抵押銀行借款還款	-	(7,740)
NET CASH (USED IN) FROM FINANCING ACTIVITIES	(用於)來自融資活動的現金淨額	(38,365)	398,857
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等價物增加 (減少)淨額	90,110	(45,780)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	年初的現金及現金等價物	105,985	154,094
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	匯率變動影響	(3,207)	(2,329)
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR, represented by bank balances and cash	年終的現金及現金等價物， 以銀行結餘及現金呈列	192,888	105,985

Notes to the Consolidated Financial Statements

綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2018 截至二零一八年七月三十一日止年度

1. GENERAL AND BASIS OF PREPARATION

Ta Yang Group Holdings Limited (the “Company”) is incorporated in the Cayman Islands with limited liability and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The addresses of the registered office and principal place of business of the Company are disclosed in the “Corporate Information” section of the Annual Report. The Company and its subsidiaries (hereafter collectively referred to as the “Group”) are principally engaged in manufacturing and sale of silicone rubber and related products and provision of healthcare and hotel services.

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”). Other than those subsidiaries established in the People’s Republic of China (the “PRC”), Macau and Indonesia whose functional currencies are Renminbi (“RMB”), Macau Pataca (“MOP”) and Indonesian Rupiah (“IDR”) respectively, the functional currency of the Company and its other subsidiaries is HK\$.

At 31 July 2018, the directors of the Company consider the ultimate holding company of the Company to be Lyton Maison Limited which is incorporated in the British Virgin Islands (“BVI”).

Going concern basis

During the year ended 31 July 2018, the Group incurred a net loss of approximately HK\$4,310,000 and net cash operating outflow of approximately HK\$45,324,000.

In preparing the consolidated financial statements, the directors of the Company have given careful consideration to the future liquidity of the Group in light of the fact that the Group has breached the covenant requirement of a secured bank borrowing of approximately HK\$273,700,000 as at 31 July 2018, which may cause such amount to become immediately repayable. Details of which are set out in note 36. As at 31 July 2018, the full amount of secured bank borrowing was classified as current liability.

1. 一般資料及編製基準

大洋集團控股有限公司(「本公司」)為在開曼群島註冊成立的有限公司，其股份於香港聯合交易所有限公司(「聯交所」)主板上市。本公司註冊辦事處及主要營業地點的地址於年報「公司資料」一節中披露。本公司及其附屬公司(下文統稱為「本集團」)主要從事矽膠及相關產品的製造及銷售以及提供醫療保健及酒店服務。

綜合財務報表乃以港元(「港元」)呈列。除於中華人民共和國(「中國」)、澳門及印尼成立的附屬公司分別以人民幣(「人民幣」)、澳門幣(「澳門幣」)及印尼盾(「印尼盾」)作為功能貨幣外，本公司及其其他附屬公司的功能貨幣均為港元。

於二零一八年七月三十一日，本公司董事認為本公司的最終控股公司為Lyton Maison Limited(於英屬處女群島(「英屬處女群島」)註冊成立)。

持續經營基準

於截至二零一八年七月三十一日止年度，本集團產生淨虧損約4,310,000港元及經營現金流出淨額約45,324,000港元。

於編製綜合財務報表時，鑒於本集團於二零一八年七月三十一日已違反有抵押銀行借款約273,700,000港元的契約規定，可導致有關款項變成須立即償還，本公司董事已審慎考慮本集團的未來流動資金，詳情載於附註36。於二零一八年七月三十一日，有抵押銀行借款悉數歸類為流動負債。

Notes to the Consolidated Financial Statements

綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2018 截至二零一八年七月三十一日止年度

1. GENERAL AND BASIS OF PREPARATION (Continued)

Going concern basis (Continued)

The directors of the Company have performed an assessment of the Group's future liquidity and cash flows, taking into account that the Group is negotiating with the relevant bank (i) on restructuring the respective borrowing based on the secured sold and unsold properties; and (ii) no action will be taken by the relevant bank to demand immediate repayment of the portion of bank borrowing relating to the secured unsold properties. However, written agreement of waiver for the breach of loan covenant has not been obtained as at the date of approval of these consolidated financial statements.

The directors of the Company consider that it is highly probable to obtain waiver from the relevant bank such that the bank will not demand immediate repayment of the borrowing in relation to those secured unsold properties. Accordingly, the Group will have sufficient working capital to satisfy its present requirements for at least the next twelve months from the date of approval of these consolidated financial statements. The directors of the Company are satisfied that it is appropriate to prepare the consolidated financial statements on a going concern basis.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRS(s)")

In the current year, the Group has applied the following new and revised HKFRSs, which include HKFRSs, Hong Kong Accounting Standards ("HKAS(s)"), amendments and interpretations ("Int(s)"), issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

Amendments to HKAS 7	Disclosure Initiative
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses
Amendments to HKFRSs	Annual Improvements to HKFRSs 2014–2016 Cycle: Amendments to HKFRS 12

Except as described below, the application of other new and revised HKFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

1. 一般資料及編製基準(續)

持續經營基準(續)

本公司董事已對本集團的未來流動資金及現金流量進行評估，當中計及本集團正與相關銀行就(i)基於已抵押已售及未售物業重組有關借款；及(ii)相關銀行將不會採取任何行動要求立即償還已抵押未售物業的銀行借款部分進行磋商。然而，於批准該等綜合財務報表日期，尚未取得豁免違反貸款契約的書面協議。

本公司董事認為，極有可能取得相關銀行的豁免以致該銀行將不會要求立即償還該等已抵押未售物業的借款。因此，本集團將擁有充足營運資金滿足其自批准該等綜合財務報表日期起計至少未來十二個月的現時需求。本公司董事信納，按持續經營基準編製綜合財務報表乃屬適當。

2. 應用新訂及經修訂的香港財務報告準則(「香港財務報告準則」)

於本年度，本集團已應用下列由香港會計師公會(「香港會計師公會」)頒佈的新訂及經修訂香港財務報告準則，包括香港財務報告準則、香港會計準則(「香港會計準則」)、修訂及詮釋(「詮釋」)。

香港會計準則第7號的修訂	披露計劃
香港會計準則第12號的修訂	就未變現虧損確認遞延稅項資產
香港財務報告準則的修訂	香港財務報告準則二零一四年至二零一六年週期的年度改進：香港財務報告準則第12號的修訂

除下述情況外，本年度應用其他新訂及經修訂香港財務報告準則對本年度及過往年度之本集團財務表現及狀況及／或載於該等綜合財務報表之披露並無任何重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2018 截至二零一八年七月三十一日止年度

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

Amendment to HKAS 7 Disclosure Initiative

The amendments require entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The amendments do not prescribe a specific method to fulfill the new disclosure requirements. However, the amendments indicate that one way is to provide a reconciliation between the opening and closing balances for liabilities arising from financing activities.

The application of amendments to HKAS 7 has resulted in additional disclosures on the Group’s financing activities, especially a reconciliation between the opening and closing balances in the consolidated statement of financial position for liabilities arising from financing activities is provided in note 42. On initial application of the amendments, the Group is not required to provide comparative information for preceding periods. Apart from the additional disclosure in note 42, the directors of the Company considered that these amendments have had no impact on the Group’s consolidated financial statements.

2. 應用新訂及經修訂的香港財務報告準則（「香港財務報告準則」）(續)

香港會計準則第7號「披露計劃」的修訂

該等修訂要求實體提供使財務報表使用者能夠評估融資活動所產生的負債變動的披露資料，包括現金流量產生的變動及非現金變動。該等修訂並無限定達成新披露規定的指定方法。然而，該等修訂指出其中一個方法為提供融資活動產生的負債的期初與期末結餘的對賬。

應用香港會計準則第7號的修訂已導致須就本集團融資活動作出額外披露，尤其是於附註42提供就融資活動產生的負債於綜合財務狀況表期初與期末結餘的對賬。於首次應用該等修訂時，本集團毋須提供過往期間的比較資料。除附註42的額外披露外，本公司董事認為該等修訂對本集團的綜合財務報表並無任何影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

New and revised HKFRSs issued but not yet effective

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

HKFRS 9 (2014)	Financial Instruments ¹
HKFRS 15	Revenue from Contracts with Customers ¹
HKFRS 16	Leases ²
HKFRS 17	Insurance Contracts ³
Amendments to HKFRSs	Annual Improvements to HKFRSs 2014–2016 Cycle ¹
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015–2017 Cycle ²
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions ¹
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts ¹
Amendments to HKFRS 9	Prepayment Features with Negative Compensation ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴
Amendments to HKAS 19	Employee Benefits ²
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures ²
Amendments to HKAS 40	Transfers of Investment Property ¹
HK (IFRIC)–Int 22	Foreign Currency Transactions and Advance Consideration ¹
HK (IFRIC)–Int 23	Uncertainty over Income Tax Treatments ²

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 Effective for annual periods beginning on or after 1 January 2021.

⁴ Effective date not yet been determined.

The directors of the Company anticipate that, except as described below, the application of other new and revised HKFRSs will have no material impact on the results and the financial position of the Group.

2. 應用新訂及經修訂的香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效的新訂及經修訂香港財務報告準則

本集團並未提早應用下列已頒佈但尚未生效的新訂及經修訂香港財務報告準則。

香港財務報告準則第9號(二零一四年)	金融工具 ¹
香港財務報告準則第15號	來自客戶合約的收益 ¹
香港財務報告準則第16號	租賃 ²
香港財務報告準則第17號	保險合約 ³
香港財務報告準則的修訂	香港財務報告準則二零一四年至二零一六年週期的年度改進 ¹
香港財務報告準則的修訂	香港財務報告準則二零一五年至二零一七年週期的年度改進 ²
香港財務報告準則第2號的修訂	以股份為基礎支付的交易的分類及計量 ¹
香港財務報告準則第4號的修訂	應用香港財務報告準則第4號保險合約時一併應用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9號的修訂	具有負補償的預付款項特性 ²
香港財務報告準則第10號及香港會計準則第28號的修訂	投資者與其聯營公司或合營企業之間的資產出售或注資 ⁴
香港會計準則第19號的修訂	僱員福利 ²
香港會計準則第28號的修訂	聯營公司及合營企業的長期權益 ²
香港會計準則第40號的修訂	投資物業轉撥 ¹
香港(國際財務報告詮釋委員會)–詮釋第22號	外幣交易及預付代價 ¹
香港(國際財務報告詮釋委員會)–詮釋第23號	所得稅處理之不確定性 ²

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 於二零二一年一月一日或之後開始的年度期間生效。

⁴ 生效日期尚未釐定。

本公司董事預期，除下述情況外，應用其他新訂及經修訂香港財務報告準則將對本集團的業績及財務狀況並無重大影響。

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綜合財務報表附註

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

New and revised HKFRSs issued but not yet effective
(Continued)

HKFRS 9 (2014) Financial Instruments

HKFRS 9 issued in 2009 introduced new requirements for the classification and measurement of financial assets. HKFRS 9 was amended in 2010 and includes the requirements for the classification and measurement of financial liabilities and for derecognition. In 2013, HKFRS 9 was further amended to bring into effect a substantial overhaul of hedge accounting that will allow entities to better reflect their risk management activities in the financial statements. A finalised version of HKFRS 9 was issued in 2014 to incorporate all the requirements of HKFRS 9 that were issued in previous years with limited amendments to the classification and measurement by introducing a “fair value through other comprehensive income” (“FVTOCI”) measurement category for certain financial assets. The finalised version of HKFRS 9 also introduces an “expected credit loss” model for impairment assessments.

Key requirements of HKFRS 9 (2014) are described as follows:

- All recognised financial assets that are within the scope of HKFRS 9 (2014) to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at FVTOCI. All other debt investments and equity investments are measured at their fair values at the end of subsequent reporting periods. In addition, under HKFRS 9 (2014), entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

2. 應用新訂及經修訂的香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效的新訂及經修訂香港財務報告準則(續)

香港財務報告準則第9號(二零一四年)「金融工具」

於二零零九年頒佈的香港財務報告準則第9號引入金融資產分類及計量的新規定。香港財務報告準則第9號於二零一零年作出修訂，加入有關金融負債分類及計量及有關終止確認的規定。於二零一三年，香港財務報告準則第9號作出進一步修訂，據此就對沖會計處理作出重大修訂，其將使實體可更有效地於財務報表中反映其風險管理活動。香港財務報告準則第9號的最終版本於二零一四年頒佈，其納入過往多年來就香港財務報告準則第9號所頒佈的所有規定，並藉為若干金融資產引入「按公平值列賬並於其他全面收益內處理」(「按公平值列賬並於其他全面收益內處理」)計量類別，對分類及計量作出有限修訂。香港財務報告準則第9號的最終版本亦就減值評估引入「預期信貸虧損」模式。

香港財務報告準則第9號(二零一四年)的主要規定載述如下：

- 香港財務報告準則第9號(二零一四年)範圍內所有已確認的金融資產其後將按攤銷成本或公平值計量。具體而言，於目的為收回合約現金流量的業務模式所持有的債務投資，以及合約現金流量純為支付本金及未償還本金的利息的債務投資，一般按其後會計期結算日的攤銷成本計量。於目的為同時透過收回合約現金流量及出售金融資產達致的業務模式中持有的債務工具，以及金融資產的合約條款令於特定日期產生的現金流量純為支付本金及未償還本金的利息的債務工具，按公平值列賬並於其他全面收益內處理的方式計量。所有其他債務投資及股權投資則以其後報告期間結算日的公平值計量。此外，根據香港財務報告準則第9號(二零一四年)，實體可以不可撤回地選擇於其他全面收益內呈列股權投資(並非持作買賣者)其後的公平值變動，而在一般情況下，僅有股息收入會於損益中確認。

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

New and revised HKFRSs issued but not yet effective
(Continued)

HKFRS 9 (2014) Financial Instruments (Continued)

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 (2014) requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities' credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.
- In the aspect of impairment assessments, the impairment requirements relating to the accounting for an entity's expected credit losses on its financial assets and commitments to extend credit were added. Those requirements eliminate the threshold that was in HKAS 39 for the recognition of credit losses. Under the impairment approach in HKFRS 9 (2014), it is no longer necessary for a credit event to have occurred before credit losses are recognised. Instead, expected credit losses and changes in those expected credit losses should always be accounted for. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition and, consequently, more timely information is provided about expected credit losses.

2. 應用新訂及經修訂的香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效的新訂及經修訂香港財務報告準則(續)

香港財務報告準則第9號(二零一四年)「金融工具」(續)

- 就計量指定按公平值列賬並在損益內處理的金融負債而言，香港財務報告準則第9號(二零一四年)規定，該金融負債因其信貸風險變動而引致的公平值變動數額於其他全面收益中呈列，除非於其他全面收益中確認該項負債的信貸風險變動影響會產生或擴大損益的會計錯配則作別論。金融負債因其信貸風險變動而引致的公平值變動其後不會重新分類至損益。根據香港會計準則第39號，指定為按公平值列賬並在損益內處理的金融負債的公平值變動全部數額均於損益中呈列。
- 就減值評估而言，有關修訂加入有關一間實體對其金融資產及提供信貸承擔的預期信貸虧損的會計處理方式的減值規定。該等規定消除香港會計準則第39號有關確認信貸虧損的門檻。根據香港財務報告準則第9號(二零一四年)的減值方法，毋須再待信貸事件發生後方可確認信貸虧損。取而代之，須一直將預期信貸虧損以及該等預期信貸虧損的變動入賬。預期信貸虧損金額於各報告日期更新，以反映自初步確認以來的信貸風險變動，從而更適時地提供有關預期信貸虧損的資料。

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

New and revised HKFRSs issued but not yet effective
(Continued)

HKFRS 9 (2014) Financial Instruments (Continued)

- HKFRS 9 (2014) introduces a new model which is more closely aligns hedge accounting with risk management activities undertaken by companies when hedging their financial and non-financial risk exposures. As a principle-based approach, HKFRS 9 (2014) looks at whether a risk component can be identified and measured and does not distinguish between financial items and non-financial items. The new model also enables an entity to use information produced internally for risk management purposes as a basis for hedge accounting. Under HKAS 39, it is necessary to exhibit eligibility and compliance with the requirements in HKAS 39 using metrics that are designed solely for accounting purposes. The new model also includes eligibility criteria but these are based on an economic assessment of the strength of the hedging relationship. This can be determined using risk management data. This should reduce the costs of implementation compared with those for HKAS 39 hedge accounting because it reduces the amount of analysis that is required to be undertaken only for accounting purposes.

HKFRS 9 (2014) will become effective for annual periods beginning on or after 1 January 2018 with early application permitted.

The directors of the Company have performed a preliminary analysis of the Group's financial instruments as at 31 July 2018 based on the fact and circumstances existing at that date. The directors of the Company have assessed the impact of adoption of HKFRS 9 (2014) on the Group's results and financial position, including the classification categories and the measurement of financial assets, and disclosures, as follows:

2. 應用新訂及經修訂的香港財務報告準則（「香港財務報告準則」）(續)

已頒佈但尚未生效的新訂及經修訂香港財務報告準則 (續)

香港財務報告準則第9號（二零一四年）「金融工具」(續)

- 香港財務報告準則第9號（二零一四年）引入新模式，該模式使對沖會計處理方式更貼近公司在對沖彼等的金融及非金融風險時所進行的風險管理活動。作為一種原則性方法，香港財務報告準則第9號（二零一四年）著眼風險部份是否可予識別及計量，但並無將金融項目和非金融項目作出區分。新模式亦允許實體利用內部就風險管理所編製的資料作為對沖會計處理的基礎。根據香港會計準則第39號，有必要使用僅用作會計目的計量基準顯示其符合香港會計準則第39號的資格及規定。新模式亦包括資格準則，但該等準則乃基於就對沖關係強度進行的經濟評估。此可利用風險管理數據釐定。與香港會計準則第39號的對沖會計處理相比較，由於有關準則減少了僅需就會計目的而進行的分析數量，故實行成本應可降低。

香港財務報告準則第9號（二零一四年）將於二零一八年一月一日或之後開始的年度期間生效，且可提前應用。

本公司董事已根據於二零一八年七月三十一日存在的事實及情況，對本集團於該日的金融工具進行初步分析。本公司董事已評估採納香港財務報告準則第9號（二零一四年）對本集團業績及財務狀況產生的影響，包括金融資產的分類及計量以及披露如下：

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

New and revised HKFRSs issued but not yet effective
(Continued)

HKFRS 9 (2014) Financial Instruments (Continued)

(a) Classification and measurement

The Group's available-for-sale investments, including those currently stated at cost less impairment, will either be measured as fair value through profit or loss or be designated with irrevocable election to present in other comprehensive income the changes in fair value. For the available-for-sale equity investments that are not held for trading and are currently stated at cost less impairment, the Group has made an irrevocable election to present in other comprehensive income the changes in fair value.

(b) Impairment

The directors of the Company expect to apply the simplified approach and record lifetime expected credit losses that are estimated based on the present value of all cash shortfalls over the remaining life of all of its trade receivables. The application of the expected credit loss model may result in earlier recognition of credit loss for trade and other receivables and increase the amount of impairment allowance recognised for these items.

The directors of the Company will perform a more detailed analysis which considers all reasonable and supportable information for the estimation of the effect of adoption of HKFRS 9 (2014). Based on the preliminary assessment, the directors of the Company expect that the adoption of HKFRS 9 (2014) will not have other material impact on amounts reported in the Group's consolidated financial statements.

2. 應用新訂及經修訂的香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效的新訂及經修訂香港財務報告準則(續)

香港財務報告準則第9號(二零一四年)「金融工具」(續)

(a) 分類及計量

本集團的可供出售投資(包括目前按成本減減值列示的投資)將計量為按公平值列賬並在損益內處理或指定以不可撤回選擇的方式於其他全面收益內呈列公平值變動。就並非持作買賣且目前按成本減減值列示的可供出售股權投資而言,本集團已不可撤回地選擇於其他全面收益內呈列公平值變動。

(b) 減值

本公司董事預期將應用簡化方法,並將根據其所有應收貿易賬款餘下年期的全數現金不足數額的現值估計得出的全期預期信貸虧損入賬。應用預期信貸虧損模式或會導致提前確認應收貿易賬款及其他應收款項的信貸虧損並增加就該等項目確認的減值撥備金額。

本公司董事將進行更加詳盡的分析,當中考慮所有合理及可支持的資料而估計採納香港財務報告準則第9號(二零一四年)的影響。根據初步評估,本公司董事預期採納香港財務報告準則第9號(二零一四年)將不會對本集團綜合財務報表內呈報的金額產生其他重大影響。

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

New and revised HKFRSs issued but not yet effective
(Continued)

HKFRS 15 Revenue from Contracts with Customers

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Thus, HKFRS 15 introduces a model that applies to contracts with customers, featuring a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognised. The five steps are as follows:

- (i) Identify the contract with the customer;
- (ii) Identify the performance obligations in the contract;
- (iii) Determine the transaction price;
- (iv) Allocate the transaction price to the performance obligations; and
- (v) Recognise revenue when (or as) the entity satisfies a performance obligation.

HKFRS 15 also introduces extensive qualitative and quantitative disclosure requirements which aim to enable users of the financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 Revenue, HKAS 11 Construction Contracts and the related interpretations when it becomes effective.

HKFRS 15 will become effective for annual periods beginning on or after 1 January 2018 with early application permitted.

The major sources of revenue of the Group are sales of goods and provision of services. Under HKFRS 15, revenue is recognised for each of the performance obligations when control over a good or service is transferred to a customer. The directors of the Company have preliminarily assessed each type of the performance obligations and consider that performance obligations are similar to the current identification of separate revenue components under HKAS 18 Revenue.

2. 應用新訂及經修訂的香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效的新訂及經修訂香港財務報告準則(續)

香港財務報告準則第15號「來自客戶合約的收益」

香港財務報告準則第15號的核心原則為實體就描述向客戶轉讓承諾貨品或服務所確認的收益金額，應能反映該實體預期就交換該等貨品或服務有權獲得的代價。因此，香港財務報告準則第15號引入一個適用於與客戶訂立的合約的模式，其重點為以合約為基礎的五步交易分析，以此釐定是否確認及應確認的收益金額及時間。該五個步驟如下：

- (i) 識別與客戶訂立的合約；
- (ii) 識別合約中的履約責任；
- (iii) 釐定交易價；
- (iv) 將交易價分配至履約責任；及
- (v) 於(或當)實體完成履約責任時確認收益。

香港財務報告準則第15號亦引入大量定性及定量披露規定，目的為讓財務報表使用者了解與客戶訂立的合約所產生的收益及現金流量的性質、金額、時間及不明朗因素。

於香港財務報告準則第15號生效後，其將取代現時的收益確認指引，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號將於二零一八年一月一日或之後開始的年度期間生效，並可提前應用。

本集團的主要收益來源為銷售貨品及提供服務。根據香港財務報告準則第15號，當對貨品或服務的控制權轉移至客戶時，收益按各項履約責任確認。本公司董事已初步評估各類履約責任，並認為履約責任與香港會計準則第18號「收益」項下目前確定的獨立收益組成部分相若。

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

New and revised HKFRSs issued but not yet effective
(Continued)

HKFRS 15 Revenue from Contracts with Customers (Continued)

Furthermore, HKFRS 15 requires the transaction price be allocated to each performance obligation on a relative stand-alone selling price basis, which may affect the timing and amounts of revenue recognition, and results in more disclosures in the consolidated financial statements.

However, the directors of the Company expect that the adoption of HKFRS 15 will not have a material impact on the timing and amounts of revenue recognised based on the existing business model of the Group as at 31 July 2018.

HKFRS 16 Leases

HKFRS 16 provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessors and lessees.

In respect of the lessee accounting, the standard introduces a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases with the lease term of more than 12 months, unless the underlying asset has a low value.

At the commencement date of the lease, the lessee is required to recognise a right-of-use asset at cost, which consists of the amount of the initial measurement of the lease liability, plus any lease payments made to the lessor at or before the commencement date less any lease incentives received, the initial estimate of restoration costs and any initial direct costs incurred by the lessee. A lease liability is initially recognised at the present value of the lease payments that are not paid at that date.

Subsequently, the right-of-use asset is measured at cost less any accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of the lease liability. Lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payment made, and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. Depreciation and impairment expenses, if any, on the right-of-use asset will be charged to profit or loss following the requirements of HKAS 16 Property, Plant and Equipment, while interest accrual on lease liability will be charged to profit or loss.

2. 應用新訂及經修訂的香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效的新訂及經修訂香港財務報告準則(續)

香港財務報告準則第15號「來自客戶合約的收益」(續)

此外，香港財務報告準則第15號要求將交易價格按相對獨立售價基準分配至各項履約責任，其或會影響收益確認的時間及金額，並導致綜合財務報表出現更多披露。

然而，本公司董事預期於二零一八年七月三十一日採納香港財務報告準則第15號將不會對根據本集團的現有業務模式確認的收益時間及金額產生重大影響。

香港財務報告準則第16號「租賃」

香港財務報告準則第16號為租賃安排之識別以及其於出租人及承租人財務報表之處理方式提供一個綜合模型。

就承租人會計處理而言，該準則引入單一承租人會計處理模式，規定承租人就租賃期超過十二個月的所有租賃確認資產及負債，惟相關資產價值較低則除外。

於租賃開始日期，承租人須按成本確認使用權資產，包括租賃負債之初始計量金額，加上於開始日期或之前向出租人作出之任何租賃付款，扣除任何已收取之租賃優惠、初始估計修復成本及承租人所產生之任何初始直接成本。租賃負債初步按於租賃付款尚未支付當日之現值確認。

其後，使用權資產按成本減任何累計折舊及任何累計減值虧損計量，並就任何重新計量之租賃負債作出調整。租賃負債之其後計量方式為透過增加賬面值以反映租賃負債之利息，透過削減賬面值以反映所作出之租賃付款，以及透過重新計量賬面值以反映任何重新評估或租賃修訂或反映經修訂之實質固定租賃付款。使用權資產之折舊及減值費用(如有)將按照香港會計準則第16號「物業、廠房及設備」之規定計入損益，而租賃負債之應計利息將於損益內扣除。

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

New and revised HKFRSs issued but not yet effective (Continued)

HKFRS 16 Leases (Continued)

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

HKFRS 16 will supersede the current lease standards including HKAS 17 Leases and the related Interpretations when it becomes effective.

HKFRS 16 will be effective for annual periods beginning on or after 1 January 2019 with early application permitted provided that the entity has applied HKFRS 15 Revenue from Contracts with Customers at or before the date of initial application of HKFRS 16.

As at 31 July 2018, the Group has non-cancellable operating lease commitments of approximately HK\$8,786,000 as disclosed in note 46. A preliminary assessment indicates that these arrangements will meet the definition of a lease under HKFRS 16, and hence the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases upon the application of HKFRS 16. In addition, the application of new requirements may result changes in the measurement, presentation and disclosure as indicated above. The directors of the Company are in the process to determine the amounts of right-of-use assets and lease liabilities to be recognised in the consolidated statement of financial position, after taking into account all practical expedients and recognition exemption under HKFRS 16. The directors of the Company expect that the adoption of HKFRS 16 will not have material impact on the Group's result but certain portion of these lease commitments will be required to be recognised in the consolidated statement of financial position as right-of-use assets and lease liabilities.

2. 應用新訂及經修訂的香港財務報告準則（「香港財務報告準則」）(續)

已頒佈但尚未生效的新訂及經修訂香港財務報告準則(續)

香港財務報告準則第16號「租賃」(續)

就出租人會計處理而言，香港財務報告準則第16號實質上沿用香港會計準則第17號「租賃」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，並以不同方式將此兩類租賃入賬。

香港財務報告準則第16號生效後，將取代現有租賃準則，包括香港會計準則第17號「租賃」及相關詮釋。

香港財務報告準則第16號將於二零一九年一月一日或之後開始的年度期間生效，並可提早應用，前提是有關實體於首次應用香港財務報告準則第16號當日或之前已應用香港財務報告準則第15號「來自客戶合約的收益」。

於二零一八年七月三十一日，本集團有誠如附註46披露之為數約8,786,000港元之不可撤銷經營租賃承擔。初步評估顯示該等安排將符合香港財務報告準則第16號有關租賃之定義，故本集團將於應用香港財務報告準則第16號時就所有該等租賃確認使用權資產及相應負債，除非價值偏低或屬短期租賃。此外，應用新規定可能導致上文所示之計量、呈列及披露有所改變。經考慮所有可行權宜方法及香港財務報告準則第16號項下的確認豁免後，本公司董事正在釐定將於綜合財務狀況表確認的使用權資產及租賃負債金額。本公司董事預期採納香港財務報告準則第16號將不會對本集團的業績產生重大影響，惟該等租賃承擔的若干部分將需於綜合財務狀況表內確認為使用權資產及租賃負債。

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綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2018 截至二零一八年七月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain investment properties and financial instruments that are measured at fair values.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. Details of fair value measurement are explained in the accounting policies set out below.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Specifically, the Group categorised the fair value measurements into three levels, based on the characteristics of inputs, as follows:

Level 1 — Quoted (unadjusted) market price in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

At the end of the reporting period, the Group determines whether transfer occur between levels of the fair value hierarchy for assets and liabilities which are measured at fair value on recurring basis by reviewing their respective fair value measurement.

3. 主要會計政策

綜合財務報表乃根據香港會計師公會所頒佈的香港財務報告準則編撰。此外，綜合財務報表包括香港聯合交易所有限公司證券上市規則及香港公司條例所規定之適用披露。

綜合財務報表乃以歷史成本基準編撰，惟若干投資物業及金融工具按公平值計量除外。

歷史成本一般以作為交換貨品及服務的代價的公平值為依據。

公平值是於計量日期市場參與者間在主要市場(或最有利之市場)根據現行市況於有序交易中出售資產所收取或轉讓負債須支付的價格(即撤出價)，而不論該價格是為可直接觀察取得或使用其他估值方法估計所得。公平值計量詳情於下文所載之會計政策闡述。

本集團採用適用於有關情況並有足夠數據可計量公平值的估值技術並盡量使用相關可觀察輸入數據及減少使用不可觀察的輸入數據。具體而言，本集團根據輸入數據特點將公平值計量分為以下三類：

第一層 — 相同資產或負債於活躍市場的市場報價(未經調整)。

第二層 — 估值技術，其所採用對公平值計量而言屬重大的最低級別輸入數據為可直接或間接觀察。

第三層 — 估值技術，其所採用對公平值計量而言屬重大的最低級別輸入數據為不可觀察。

於報告期末，本集團通過審閱資產及負債各自的公平值計量，釐定按經常性基準以公平值計量的資產及負債的公平值層級之間是否有任何轉撥。

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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

The principal accounting policies are set out below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (i.e. its subsidiaries). If a subsidiary prepares its financial statements using accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that subsidiary's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

Control is achieved where the Group has: (i) the power over the investee; (ii) exposure, or rights, to variable returns from its involvement with the investee; and (iii) the ability to use its power over the investee to affect the amount of the Group's returns.

The Company reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of these elements of control stated above.

Consolidation of a subsidiary begins when the Group obtains control of the subsidiary and ceases when the Group loses control of the subsidiary.

Income and expenses of subsidiaries are included in the consolidated statement of profit or loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

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

3. 主要會計政策 (續)

主要會計政策載列如下。

綜合基準

綜合財務報表包括本公司及本公司控制的實體(如其附屬公司)的財務報表。倘附屬公司並非採用與綜合財務報表就於類似情況下之類似交易及事件所採用之會計政策編製其財務報表，則會於編製綜合財務報表時對附屬公司的財務報表進行適當調整，以確保其符合本集團的會計政策。

在以下情況下，本集團獲得控制權：(i) 可對投資對象行使權力；(ii) 承受及享有其所參與投資對象的浮動回報的風險或權利；及(iii) 有能力運用其對投資對象的權力影響本集團可取得之回報金額。

若事實及情況表明上文所述控制權的該等元素中其中一個或以上元素出現變動，本公司會重估其是否控制投資對象。

附屬公司於本集團取得該附屬公司的控制權時開始綜合入賬，並於本集團失去該附屬公司的控制權時不再綜合入賬。

附屬公司的收入及開支，自本集團取得控制權之日起至本集團不再控制該附屬公司之日止列入綜合損益表。

附屬公司的損益及其他全面收入的各組成部份歸屬於本公司擁有人及非控股權益。附屬公司的全面收入總額歸屬於本公司擁有人及非控股權益，即使此會導致非控股權益出現虧絀結餘。

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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of consolidation (Continued)

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interests in existing subsidiaries

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

Investments in subsidiaries

Investments in subsidiaries are stated on the statement of financial position of the Company at cost less accumulated impairment loss.

Investments in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies.

The Group's investments in associates, are accounted for in the consolidated financial statements using the equity method. Under the equity method, investments in associates are initially recognised at cost. The Group's share of the profit or loss and changes in the other comprehensive income of the associates are recognised in profit or loss and other comprehensive income respectively after the date of acquisition. If the Group's share of losses of an associate equals or exceeds its interest in the associate, which determined using the equity method together with any long-term interests that, in substance, form part of the Group's net investment in the associate, the Group discontinues recognising its share of further losses. Additional losses are provided for, and a liability is recognised, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

If an associate uses accounting policies other than those of the Group for like transactions and events in similar circumstances, adjustments are made to make the associate's accounting policies conform to those of the Group when the associate's financial statements are used by the Group in applying the equity method.

3. 主要會計政策 (續)

綜合基準 (續)

本集團實體之間的所有集團內部資產及負債、權益、收入、支出及交易有關的現金流量均於綜合入賬時全數對銷。

本集團於現有附屬公司所有權權益的變動

本集團於現有附屬公司所有權權益的變動如不會導致本集團失去對該附屬公司的控制權，則會作為權益交易入賬。本集團權益及非控股權益的賬面值已作出調整，以反映彼等於該附屬公司相關權益的變動。非控股權益的調整金額與已付或已收代價公平值之間的差額直接於權益中確認，並屬本公司擁有人所有。

於附屬公司的投資

於附屬公司的投資乃以成本值減去累計減值虧損列於本公司的財務狀況表。

於聯營公司的投資

聯營公司是本集團具有重大影響力的實體。重大影響力乃有權參與投資對象的財務及經營政策決定而非控制或共同控制該等政策。

本集團於聯營公司之投資使用權益法計入綜合財務報表。根據權益法，於聯營公司之投資初步按成本確認。本集團應佔之聯營公司損益及其他全面收益變動，分別於收購日期後在損益及其他全面收益中確認。倘本集團應佔一間聯營公司之虧損相當於或超出本集團於該聯營公司之權益（以使用權益法釐定，並包括實際上構成本集團對該聯營公司之淨投資之任何長期權益），本集團終止確認日後應佔之虧損。本集團僅會在產生法定或推定責任或代該聯營公司付款時，方會就額外虧損作出撥備及確認一項負債。

倘一間聯營公司就於類似情況下之類似交易及事件所採用之會計政策有別於本集團所採用者，則需於本集團應用權益法使用該聯營公司之財務報表時，對該聯營公司之會計政策作出調整，使其與本集團之會計政策一致。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in associates (Continued)

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment, any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets and liabilities of the associate is recognised as goodwill and is included in the carrying amount of the investment.

Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition, after reassessment, is recognised in profit or loss in the period in which the investment is acquired.

After application of the equity method, including recognising the associate's losses (if any), the Group determines whether it is necessary to recognise any additional impairment loss with respect to its investment in the associate. Goodwill that forms part of the carrying amount of an investment in an associate is not separately recognised. The entire carrying amount of the investment (including goodwill) is tested for impairment as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment in the associate. Any reversal of that impairment loss is recognised to the extent that the recoverable amount of the investment subsequently increases.

When the investment ceases to be an associate upon the Group losing significant influence over the associate, the Group discontinues to apply equity method and any retained interest is measured at fair value on that date which is regarded as its fair value on initial recognition as a financial asset in accordance with HKAS 39. Any difference between the fair value of any retained interest and any proceeds from disposing of a part interest in the associate and the carrying amount of the investment at the date the equity method was discontinued is recognised in profit or loss. Any amount previously recognised in other comprehensive income in relation to that investment is reclassified to profit or loss or retained earnings on the same basis as it would have been required if the investee had directly disposed of the related assets or liabilities.

3. 主要會計政策 (續)

於聯營公司的投資 (續)

於聯營公司的投資自投資對象成為聯營公司當日起採用權益法入賬。收購投資時，收購成本超出本集團應佔聯營公司可識別資產及負債公平淨值的任何部分確認為商譽，並計入投資賬面值內。

本集團應佔可識別資產及負債公平淨值超出收購成本的任何部分，經重新評估後於收購投資期間在損益內確認。

於應用權益法(包括確認聯營公司之虧損(如有))後，本集團釐定其是否需要就其於聯營公司之投資確認任何額外減值虧損。組成於聯營公司投資賬面值一部份之商譽不會分開確認。投資(包括商譽)之全部賬面值按單一資產進行減值測試，方法為將其可收回金額(以使用價值與公平值減出售成本之較高者為準)與其賬面值作比較。已確認的任何減值虧損屬於聯營公司投資賬面值之一部分。減值虧損之回撥確認以該投資其後增加之可收回金額為限。

當投資於本集團失去對聯營公司之重大影響力而不再為聯營公司當日，本集團終止採用權益法，而任何保留權益則按該日之公平值計量，而該公平值被視為根據香港會計準則第39號初步確認一項金融資產時之公平值。於聯營公司之任何保留權益之公平值與所出售之聯營公司部份權益之任何所得款項之間的差額，以及與投資於終止採用權益法當日之賬面值之間的差額，會於損益中確認。所有過往於其他全面收益中就該項投資確認之金額，會按假設投資對象直接出售相關資產或負債所需之相同方式重新分類至損益或保留盈利。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in associates (Continued)

When the Group's ownership interest in an associate is reduced, but the Group continues to apply the equity method, the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest is reclassified to profit or loss if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

Gains and losses resulting from transactions between the Group and its associate are recognised in consolidated financial statements only to the extent of unrelated investors' interests in the associate. The Group's share in the associate's gains or losses resulting from these transactions is eliminated.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for goods sold and services rendered in the normal course of business, net of discounts and sales related taxes.

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Service income is recognised when services are provided.

3. 主要會計政策 (續)

於聯營公司的投資 (續)

當本集團於一間聯營公司之所有權益減少，但本集團繼續使用權益法時，倘以往於其他全面收益中就所削減所有權權益確認之收益或虧損部分須於出售相關資產或負債時重新分類至損益，則有關收益或虧損部分會重新分類至損益。

本集團與其聯營公司間進行交易所產生之收益及虧損僅以無關連投資者於聯營公司之權益為限於綜合財務報表中確認。本集團應佔聯營公司於該等交易所產生之收益或虧損會予以對銷。

收益確認

收益按在日常業務過程中就銷售貨品及提供服務已收或應收的代價的公平值，減去折扣及銷售相關稅項後計量。

當貨品送遞及業權轉讓時，貨品銷售的收益於貨品符合以下全部條件時確認：

- 本集團已將貨品所有權之絕大部分風險及回報轉移予買方；
- 本集團並無就已售貨品保留一般與擁有權有關之持續管理權或實際控制權；
- 收益金額可以可靠地計量；
- 本集團極可能獲得與交易相關之經濟利益；及
- 就交易已經或將會產生之成本可以可靠地計量。

服務收入於提供服務時確認。

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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably).

Leasing

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.

The Group as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease.

The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

Leasehold land and buildings

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

3. 主要會計政策 (續)

收益確認 (續)

金融資產的利息收入於經濟利益極可能流入本集團且收入金額能夠可靠地計量時確認。利息收入乃參照尚未償還本金及按適用實際利率(即於初步確認時按金融資產的預計年期準確貼現估計未來現金收入至該資產賬面淨值之利率)以時間基準累計。

投資所得的股息收入於股東收取款項的權利確立時確認(惟經濟利益可能流入本集團,而收益金額能夠可靠計量)。

租賃

倘租賃條款將所有權絕大部分風險及回報轉讓予承租人,租賃被分類為融資租賃。所有其他租賃均分類為經營租賃。

本集團作為出租人

經營租賃的租金收入以直線法按有關租賃年期在損益中確認。

本集團作為承租人

經營租賃款項以直線法按租期確認為開支。

租賃土地及樓宇

倘租約包括土地及樓宇部份,則本集團會根據其對各部份擁有權所附帶之絕大部分風險及回報是否已轉移至本集團作出之評估,將各部份獨立分類為融資或經營租賃,除非兩個部份明顯屬於經營租賃,於該情況下,整份租賃分類為經營租賃。具體而言,最低租賃付款(包括任何一次性預付款)會按租賃開始時租賃土地部分與樓宇部分租賃權益的相關公平值比例,於土地及樓宇部分之間分配。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leasehold land and buildings (Continued)

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as prepaid lease payments in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis except for those that are classified and accounted for as investment properties under the fair value model. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease and accounted for as property, plant and equipment.

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 at the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at 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 retranslation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period.

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. HK\$) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the year. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of exchange reserve (attributed to non-controlling interests as appropriate).

3. 主要會計政策 (續)

租賃土地及樓宇 (續)

倘租賃付款能夠可靠分配，則作為經營租賃入賬之租賃土地權益於綜合財務狀況表呈列為「預付租賃款項」，並按直線基準於租期內攤銷，根據公平值模式分類及入賬列作投資物業除外。當租賃付款不能可靠地於土地及樓宇部分之間作出分配時，則整項租賃一般分類為融資租賃，並作為物業、廠房及設備入賬。

外幣

於編製各個別集團實體的財務報表時，以該實體功能貨幣以外的貨幣(外幣)進行的交易，乃按於交易日期的通行匯率換算成相關的功能貨幣(即該實體經營所在的主要經濟環境的貨幣)記錄。於報告期末，以外幣定值的貨幣項目乃按於該日的通行匯率重新換算。按公平值列賬並以外幣定值的非貨幣項目乃按其公平值釐定當日的通行匯率重新換算。按外幣歷史成本計量的非貨幣項目毋須重新換算。

於結算及重新換算貨幣項目時產生的匯兌差額，乃於產生的期間在損益內確認。重新換算按公平值入賬的非貨幣項目產生的匯兌差額計入期間的損益。

就呈列綜合財務報表而言，本集團境外業務的資產及負債乃按各報告期末的當時匯率換算為本集團的呈列貨幣(即港元)。收入及支出項目乃按該年度的平均匯率換算，所產生的匯兌差額(如有)乃於其他全面收益中確認並於匯兌儲備項下的權益中累計(如適用，則累計入非控股權益)。

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綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2018 截至二零一八年七月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies (Continued)

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

Borrowing costs

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

3. 主要會計政策 (續)

外幣 (續)

於出售一項海外業務(即出售本集團於一項海外業務的全部權益或涉及失去對一間包含海外業務的聯營公司的重大影響力的出售)時,於權益中就本公司擁有人應佔該業務所累計的全部匯兌差額重新分類至損益。

借款成本

所有其他借款成本於產生有關成本期間在損益中確認。

政府補助金

政府補助金在可合理保證本集團將遵守補助金所附帶的條件且將接獲補助金時,方予確認。

政府補助金乃於本集團將補助金擬補償的有關成本確認為開支的期間有系統地於損益中確認。具體而言,主要條件為本集團須購買、建設或以其他方式收購非流動資產的政府補助金會於綜合財務狀況表內確認為遞延收入,並有系統及合理地按有關資產的使用年期轉撥至損益。

作為已產生開支或虧損的補償的應收款項或為本集團提供即時財政支持(不涉及未來相關成本)的政府補助金於成為應收款項的期間於損益中確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Retirement benefit costs

Payments to defined contribution plans/state-managed retirement benefit schemes/the Mandatory Provident Fund Scheme are recognised as an expense when employees have rendered service entitling them to the contributions.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before taxation as reported in the consolidated statement of profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

3. 主要會計政策(續)

退休福利成本

向定額供款計劃／國家管理的退休福利計劃／強制性公積金計劃支付的款項於僱員提供服務而使其享有供款時作為開支確認。

短期及其他長期僱員福利

與工資及薪金、年假及病假相關之僱員福利於提供服務之有關期間按預期交換有關服務須支付之福利之未折現金額確認為負債。

有關短期僱員福利確認之負債乃按預期交換有關服務須支付之福利之未折現金額計算。

有關其他長期僱員福利確認之負債乃按本集團就僱員截至報告日期所提供之服務預期作出之估計未來現金流出之現值計算。

稅項

所得稅開支指現時應付稅項及遞延稅項總額。

現時應付稅項乃按年內應課稅溢利計算。應課稅溢利不包括其他年度的應課稅或應扣減收入或開支項目，亦不包括毋須課稅或不作扣稅的項目，故與綜合損益表所列的除稅前溢利不同。本集團的即期稅項責任乃按照報告期末訂立或實際上訂立的稅率計算。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with 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. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3. 主要會計政策 (續)

稅項 (續)

遞延稅項乃按綜合財務報表中資產及負債的賬面值與計算應課稅溢利所用相應稅基之間的暫時差額確認。遞延稅項負債一般就所有應課稅暫時差額確認。遞延稅項資產通常就所有可扣稅暫時差額確認，並以極有可能利用可扣稅暫時差額扣稅的應課稅溢利為限。倘暫時差額因商譽或初步確認一項(不包括於業務合併中確認者)不影響應課稅溢利及會計溢利的交易的其他資產及負債而產生，則不會確認有關遞延稅項資產及負債。

本集團會就與於附屬公司及聯營公司的投資有關的應課稅暫時差額確認遞延稅項負債，惟倘本集團能夠控制暫時差額的撥回及暫時差額不大可能於可見將來撥回則除外。可扣稅暫時差額產生的遞延稅項資產(與該等投資及權益有關者)可予確認，惟僅以極可能有足夠應課稅溢利可動用暫時差額的利益，且預期於可預見將來撥回者為限。

遞延稅項資產的賬面值在各報告期末進行檢討，並扣減至再無足夠應課稅溢利可用以收回所有或部份資產。

遞延稅項資產及負債根據於報告期末前已頒佈或實質已頒佈的稅率(及稅法)，按預期適用於負債清償或資產變現期間的稅率計量。

遞延稅項負債及資產的計量反映在報告期末本集團預期將收回或清償其資產及負債賬面值的方式所引致的稅務影響。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

For the purposes of measuring deferred tax liabilities or deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. If the presumption is rebutted, deferred tax liabilities and deferred tax assets for such investment properties are measured in accordance with the general principles set out in HKAS 12 (i.e. based on the expected manner as to how the property will be recovered).

Current and deferred tax is recognised in profit or loss except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Property, plant and equipment

Property, plant and equipment including leasehold land and buildings held for use in the production or supply of goods or services or for administrative purposes are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Depreciation is recognised so as to allocate the cost of items of property, plant and equipment less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

3. 主要會計政策 (續)

稅項 (續)

於計算使用公平值模式計量的投資物業的遞延稅項負債或遞延稅項資產時，會假定有關物業的賬面值將通過出售全數收回，惟有關假定被推翻除外。倘投資物業可予折舊，且為透過目標是隨時間消耗投資物業中的絕大部分經濟利益（而非透過出售）的業務模式持有，則有關假定被推翻。倘假定被推翻，有關投資物業的遞延稅項負債及遞延稅項資產根據香港會計準則第12號所載的一般原則計量（即根據預期收回物業的方式計量）。

即期及遞延稅項於損益確認，惟倘即期及遞延稅項關乎於其他全面收益或直接於權益確認的項目，則即期及遞延稅項亦分別於其他全面收益或直接於權益確認。

物業、廠房及設備

物業、廠房及設備（包括持作生產或供應品或服務或行政用途的租賃土地及樓宇）於綜合財務狀況表中按成本值減其後累計折舊及其後累計減值虧損（如有）列賬。

物業、廠房及設備項目乃於其估計可使用年期以直線法確認折舊，以分配其成本減剩餘價值。估計可使用年期、剩餘價值及折舊方法於各報告期末進行檢討，任何估計變動的影響按未來適用法入賬。

作生產、供應或行政用途的施工中物業乃按成本減任何已確認的減值虧損列賬。成本包括專業費用，及（就合資格資產而言）根據本集團會計政策資本化的借貸成本。該等物業會於完成及可作擬定用途時歸類至物業、廠房及設備的適當類別。於可作擬定用途時，該等資產會按與其他物業資產相同的基準開始計算折舊。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment (Continued)

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

If an item of property, plant and equipment becomes an investment property when there is a change in use, as evidenced by end of owner-occupation, any difference between the carrying amount and the fair value of that item at the date of transfer is recognised in other comprehensive income and accumulated in properties revaluation reserve. The properties revaluation reserve in respect of that item will be transferred directly to retained earnings when it is derecognised.

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at their fair values. Gains or losses arising from changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the period in which the property is derecognised.

3. 主要會計政策 (續)

物業、廠房及設備 (續)

物業、廠房及設備的項目於出售時或於預計不會從持續使用該項資產中獲得未來經濟利益時終止確認。任何因出售或廢置物業、廠房及設備的項目而產生的收益或虧損釐定為該項資產的銷售所得款項與賬面值之間的差額，並於損益中確認。

倘物業、廠房及設備之項目於其不再作自用而令其用途有變時成為一項投資物業，該項目賬面值與於轉撥當日公平值間之任何差額於其他全面收益中確認，並於物業重估儲備中累計。有關該項目之物業重估儲備將於其終止確認時直接轉撥至保留盈利。

投資物業

投資物業乃持作賺取租金及／或資本增值的物業。

投資物業初步按成本計量，包括任何直接應佔支出。於初步確認後，投資物業按公平值計量。投資物業之公平值變動所產生之收益或虧損計入產生期間之損益。

投資物業於出售時或投資物業永久停用及預期不能透過出售取得未來經濟利益時終止確認。終止確認物業所產生的任何收益或虧損（按出售所得款項淨額與有關資產賬面值的差額計量）於終止確認該項物業之期間計入損益中。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Such classification requires the asset must be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs of disposal.

Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets with indefinite useful lives that are acquired separately are carried at cost less any subsequent accumulated impairment losses (see the accounting policy in respect of impairment losses on tangible and intangible assets below).

3. 主要會計政策 (續)

持作出售之非流動資產

倘非流動資產之賬面值將主要透過出售交易而非持續使用而收回，該資產將分類為持作出售。該分類要求資產須可按現狀即時出售，並僅受出售資產之一般及慣常條款及達成出售的機會極高所規限。管理層必須對出售作出承擔，而出售預期應可於分類日期起計一年內符合確認為已完成出售之資格。

分類為持作出售之非流動資產乃按其過往之賬面值及公平值減出售成本兩者之較低者計量。

無形資產

單獨購入的無形資產

單獨購入且使用年期有限的無形資產以成本減累計攤銷及任何累計減值虧損計值。使用年期有限的無形資產的攤銷於其估計可使用年期以直線法確認。估計可使用年期及攤銷方法於各報告期末進行檢討，任何估計變動的影響按未來適用法入賬。

單獨購入之具無限可使用年期之無形資產按成本減任何其後累計減值虧損列賬（見下文有關有形資產及無形資產的減值虧損之會計政策）。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Research and development expenditure

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

Land use rights

Payment for obtaining land use rights is considered as operating lease payment. Land use rights are stated at cost less accumulated amortisation and accumulated impairment losses, amortisation is charged to consolidated statement of profit or loss over the period of the rights using the straight-line method.

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are calculated using weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Cash and cash equivalents

Bank balances and cash in the consolidated statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

Financial instruments

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

3. 主要會計政策 (續)

研究及開發開支

研究活動的開支於其產生的期間確認為開支。

土地使用權

為取得土地使用權而支付的款項被視為經營租賃付款。土地使用權乃按成本減累計攤銷及累計減值虧損列賬，攤銷於土地使用權的有效期內以直線法自綜合損益表扣除。

存貨

存貨按成本值與可變現淨值之間的較低者列賬。存貨成本乃使用加權平均法計算釐定。可變現淨值指存貨的估計售價減所有估計完成成本及進行銷售所必須的成本。

現金及現金等價物

綜合財務狀況表內的銀行結餘及現金包括銀行及手頭現金及到期日為三個月或以下的短期存款。

就綜合現金流量表而言，現金及現金等價物包括現金及如上文界定的短期存款。

金融工具

金融資產及金融負債乃於某集團實體成為工具合約條文的訂約方時在綜合財務狀況表中確認。

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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

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 or 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 profit or loss.

Financial assets

The Group's financial assets are classified into one of the four categories, including financial assets at fair value through profit or loss ("FVTPL"), loans and receivables, held-to-maturity investments and available-for-sale financial assets ("AFS"). The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL, of which interest income is included in net gains or losses.

3. 主要會計政策 (續)

金融工具 (續)

金融資產及金融負債初步按公平值計量。收購或發行金融資產及金融負債(按公平值列賬並在損益內處理的金融資產或金融負債除外)直接應佔的交易成本乃於初步確認時加入金融資產或金融負債的公平值或自金融資產或金融負債的公平值扣除(如適用)。收購按公平值列賬並在損益內處理的金融資產或金融負債直接應佔的交易成本即時於損益內確認。

金融資產

本集團的金融資產分為四類(包括按公平值列賬並在損益內處理(「按公平值列賬並在損益內處理」)的金融資產、貸款及應收款項、持有至到期投資及可供出售(「可供出售」)金融資產)之一。分類視乎金融資產的性質及用途，於初步確認時釐定。所有定期購買或出售金融資產乃按交易日基準確認及終止確認。

定期購買或出售乃購買或銷售金融資產，並要求於市場規則或慣例設定的時間框架內交付資產。

實際利率法

實際利率法乃計算債務工具的已攤銷成本及分配相關期間利息收入的方法。實際利率乃於初步確認時按債務工具的預計年期或適用的較短期間，準確貼現估計未來現金收入(包括所有構成整體實際利率的已付或已收費用及利率差價、交易成本及其他溢價或折讓)至賬面淨值的利率。

債務工具的利息收入乃按實際利率基準確認，惟該等分類為按公平值列賬並在損益內處理的金融資產則除外，其利息收入計入損益淨額。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Financial assets at FVTPL

Financial assets at FVTPL has two subcategories, including financial assets held for trading and those designated as at FVTPL on initial recognition.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

Financial assets at FVTPL are measured at fair value, with changes in fair value arising from remeasurement recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial assets and is included in the other operating income. Fair value is determined in the manner described in Note 8.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

按公平值列賬並在損益內處理的金融資產
按公平值列賬並在損益內處理的金融資產分為兩類，包括持作買賣的金融資產及於初步確認時指定為按公平值列賬並在損益內處理的金融資產。

倘屬下列情況，金融資產會分類為持作買賣：

- 收購金融資產的主要目的為於短期作出售用途；或
- 金融資產於初步確認時構成本集團合併管理的已識別金融工具組合的一部分，並具有最近實際短期獲利模式；或
- 金融資產為未被指定的衍生工具及可有效作為對沖工具。

按公平值列賬並在損益內處理的金融資產按公平值計量，而因重新計量引致的公平值變動將在其產生期間直接在損益中確認。於損益確認的收益或虧損淨額不包括就金融資產賺取的任何股息或利息，並計入其他經營收入。公平值按附註8所述方式釐定。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade and other receivables, amount due from an associate and bank balances and cash) are measured at amortised cost using the effective interest method, less any identified impairment loss (see accounting policy on impairment loss on financial assets below).

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity dates that the Group's management has the positive intention and ability to hold to maturity. Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest method, less any identified impairment loss (see accounting policy on impairment loss on financial assets below).

AFS financial assets

AFS financial assets are non-derivatives that are either designated as AFS or are not classified as financial assets at FVTPL, loans and receivables or held-to-maturity investments.

Equity securities held by the Group that are classified as AFS financial assets and are traded in an active market are measured at fair value at the end of each reporting period. Other changes in the carrying amount of AFS financial assets are recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. When the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss (see the accounting policy in respect of impairment loss on financial assets below).

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

貸款及應收款項

貸款及應收款項指並非於活躍市場報價而具備固定或可確定付款金額的非衍生金融資產。於初步確認後，貸款及應收款項(包括應收貿易賬款及其他應收款項、應收一間聯營公司的款項以及銀行結餘及現金)均按採用實際利率法計算的已攤銷成本減任何已識別減值虧損入賬(見下文有關金融資產的減值虧損的會計政策)。

持有至到期投資

持有至到期投資乃本集團管理層有肯定意向及能力持有至期滿的固定或可確定付款金額及有固定到期日的非衍生金融資產。於初步確認後，持有至到期投資按採用實際利率法計算的已攤銷成本減任何已識別減值虧損計量(見下文有關金融資產的減值虧損的會計政策)。

可供出售金融資產

可供出售金融資產為指定為可供出售或非分類為按公平值列賬並在損益內處理的金融資產；貸款及應收款項；或持有至到期投資之非衍生工具。

本集團所持有分類為可供出售金融資產且於活躍市場買賣的股票證券按於各報告期末的公平值計量。可供出售金融資產賬面值的其他變動於其他全面收益確認，並於投資重估儲備累計。於投資出售或確定出現減值時，先前於投資重估儲備累計的累計收益或虧損會重新分類至損益(見下文有關金融資產的減值虧損的會計政策)。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

AFS financial assets (Continued)

Dividends on AFS equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established.

AFS equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost less any identified impairment losses at the end of each reporting period (see the accounting policy in respect of impairment loss on financial assets below).

Impairment loss on financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

For an AFS equity investment, a significant or prolonged decline in the fair value of that investment below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest and principal payments; or
- it becoming probable that the borrower will enter into bankruptcy or financial re-organisation; or
- disappearance of an active market for that financial asset because of financial difficulties.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

可供出售金融資產 (續)

可供出售權益工具的股息於本集團確立收取股息的權利時於損益中確認。

在任何活躍市場並無市場報價及無法可靠地計量公平值的可供出售權益投資於各報告期末按成本減任何已識別減值虧損計量 (見下文有關金融資產的減值虧損的會計政策)。

金融資產的減值虧損

金融資產 (按公平值列賬並在損益內處理的金融資產除外) 於各報告期末評定有否減值跡象。倘有客觀證據顯示，金融資產的估計未來現金流量因一項或多項於初步確認金融資產後發生的事件而受到影響，則金融資產視作出現減值。

就一項可供出售權益投資而言，該投資的客觀減值證據為其公平值大幅或持續下跌至低於其成本。

就所有其他金融資產而言，客觀的減值證據包括：

- 發行人或交易對手出現重大財政困難；或
- 違反合約，例如未能繳付或延遲償還利息及本金；或
- 借款人極可能面臨破產或財務重組；或
- 因財務困難而導致該金融資產失去活躍市場。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment loss on financial assets (Continued)

For certain categories of financial assets, such as trade and other receivables that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the credit period, observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When trade receivables are considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period in which the impairment takes place.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產的減值虧損 (續)

應收貿易賬款及其他應收款項等被評估為非個別減值的若干金融資產類別，另外按整體基準進行減值評估。應收款項組合的客觀減值證據可包括本集團的過往收款經驗、組合內延遲還款至超逾信貸期的宗數增加，以及與應收款項逾期有關的全國或地方經濟狀況明顯改變。

就按已攤銷成本列賬的金融資產而言，減值虧損金額按資產的賬面值與按金融資產初始實際利率貼現的估計未來現金流量現值間的差額確認。

就按成本列賬的金融資產而言，減值虧損金額按資產的賬面值與按同類金融資產當前市場回報率貼現的估計未來現金流量現值間的差額計量。有關減值虧損將不會於往後的期間撥回。

除應收貿易賬款的賬面值會透過撥備賬作出扣減外，所有金融資產的減值虧損會直接於金融資產的賬面值中扣減。撥備賬的賬面值變動於損益內確認。倘應收貿易賬款被視為無法收回，則於撥備賬撇銷。如其後收回過往撇銷的款項，則計入損益內。

倘可供出售金融資產視作減值，先前於其他全面收益內確認的累計損益於發生減值的期間重新分類至損益。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment loss on financial assets (Continued)

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Impairment losses on AFS equity investments will not be reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised directly in other comprehensive income and accumulated in investments revaluation reserve.

Financial liabilities and equity instruments

Debts and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities

Financial liabilities including trade and other payables, amounts due to an associate and a director, loans from third parties and a related party and secured bank borrowings are subsequently measured at amortised cost, using the effective interest method.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form as integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產的減值虧損 (續)

就按已攤銷成本計量的金融資產而言，倘減值虧損金額於往後期間有所減少，而有關減少在客觀上與確認減值虧損後發生的事件有關，則先前已確認的減值虧損將透過損益撥回，惟該項資產於減值被撥回當日的賬面值不得超過未確認減值時的已攤銷成本。

有關可供出售權益投資的減值虧損不會透過損益撥回。於減值虧損出現後的任何公平值增加，將直接於其他全面收益中確認，並於投資重估儲備中累計。

金融負債及權益工具

集團實體發行的債務及權益工具乃根據所訂立的合約安排的內容以及金融負債及權益工具的定義而分類為金融負債或權益。

金融負債

金融負債包括應付貿易賬款及其他應付款項、應付一間聯營公司及一名董事款項、第三方及一名關連方貸款以及有抵押銀行借款，乃隨後按採用實際利率法計算的已攤銷成本計量。

實際利率法

實際利率法乃計算金融負債的已攤銷成本及分配相關期間利息開支的方法。實際利率乃按金融負債的預計年期或適用的較短期間，準確貼現估計未來現金付款（包括所有構成整體實際利率的已付或已收費用及利率差價、交易成本及其他溢價或折扣）至初始確認時的賬面淨值的利率。

利息開支乃按實際利率基準確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Derecognition

A financial asset is derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in investment revaluation reserve is recognised in profit or loss.

A financial liability is derecognised when, and only when, the Group's obligations are discharged, cancelled or expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3. 主要會計政策 (續)

金融工具 (續)

金融負債及權益工具 (續)

權益工具

權益工具為證明於一間實體經扣除其所有負債後的資產中所剩餘權益的任何合約。本公司發行的權益工具按已收所得款項扣除直接發行成本確認。

終止確認

只有在資產收取現金流量的合約權利屆滿，或本集團已將金融資產及當中擁有權的絕大部份風險及回報轉讓予另一實體時，本集團方會終止確認金融資產。倘本集團並無轉讓亦無保留擁有權的絕大部份風險及回報，並繼續控制已轉讓資產，則本集團會按其可能須支付的金額確認其於資產中的保留權益及相關負債。倘本集團保留已轉讓金融資產擁有權的絕大部份風險及回報，則本集團將繼續確認金融資產，並就已收取的所得款項確認已抵押借款。

於完全終止確認金融資產時，該項資產賬面值與已收及應收代價以及已於其他全面收益確認及於投資重估儲備權益累計的累計收益或虧損的總和間的差額，則於損益內確認。

本集團僅會於責任獲解除、註銷或屆滿時，終止確認金融負債。被終止確認的金融負債的賬面值與已付及應付代價間的差額於損益內確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment losses on tangible and intangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its tangible and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating unit, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives are tested for impairment at least annually, and whenever there is an indication that they may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or the cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

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

3. 主要會計政策 (續)

有形資產及無形資產的減值虧損

本集團會於各報告期末檢討其使用年期有限的有形資產及無形資產的賬面值，以確定該等資產有否出現減值虧損跡象。倘出現任何有關跡象，會估計資產的可收回金額，以釐定減值虧損(如有)的幅度。倘不可估計個別資產的可收回金額，則本集團會估計該項資產所屬現金產生單位的可收回金額。倘能夠識別一個合理且一致的分配基礎，公司資產亦會分配至個別現金產生單位，若不能分配至個別現金產生單位，則應將公司資產分配至能識別合理且一致基礎的最小現金產生單位組別。

具無限可使用年期之無形資產至少每年及於出現可能減值的跡象時進行減值測試。

可收回金額指公平值減出售成本和使用價值兩者中的較高者。在評估使用價值時，估計未來現金流量會採用稅前貼現率貼現至現值，該稅前貼現率應反映當前市場對貨幣時間價值的評估及該資產特有的風險(估計未來現金流量並未就其作出調整)。

倘若估計資產(或現金產生單位)的可收回金額低於其賬面值，則資產(或現金產生單位)的賬面值將調低至其可收回金額。減值虧損乃即時於損益確認。

倘其後撥回減值虧損，則有關資產(或現金產生單位)的賬面值將增至重訂的估計可收回金額，惟增加後的賬面值不得超過假設該資產(或現金產生單位)於過往年度並無確認減值虧損時釐定的賬面值。減值虧損撥回即時確認為收入。

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4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3, the directors of the Company are required to make judgements, estimates and assumptions about the amounts of assets, liabilities, revenue and expenses reported and disclosures made in the consolidated financial statements. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies

The followings are the critical judgements, apart from those involving estimations (see below), that the directors of the Company have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised and disclosures made in the consolidated financial statements.

Going concern and liquidity

The assessment of the going concern assumptions involves making judgement by the directors of the Company, at a particular point of time, about the future outcome of events or conditions which are inherently uncertain. The directors of the Company consider that the Group has ability to continue as going concern and the major events or conditions, which may give rise to business risks, that individually or collectively may cast significant doubt about the going concern assumptions are set out in note 1.

Deferred taxation on investment properties

For the purposes of measuring deferred tax liabilities arising from investment properties that are measured using the fair value model, the directors of the Company have reviewed the Group's investment property portfolios and concluded that the Group's investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. Therefore, in measuring the Group's deferred taxation on investment properties, the directors of the Company have determined that the presumption that the carrying amounts of investment properties measured using the fair value model are recovered entirely through sale is rebutted.

4. 重要會計判斷及估計不明朗因素的主要來源

於應用附註3所述本集團的會計政策時，本公司董事須對於綜合財務報表呈報及披露的資產、負債、收益及開支金額作出判斷、估計及假設。該等估計及相關假設乃根據過往的經驗及其他被認為有關的因素作出。實際結果可能有別於此等估計。

該等估計及相關假設會持續檢討。如修訂會計估計只影響修訂期間，則該等會計估計在該期間確認，如有關修訂影響現時及未來期間，則在作出修訂的期間及未來期間確認。

應用會計政策的重要判斷

以下為本公司董事於應用本集團會計政策過程中所作並對在綜合財務報表中確認及披露的金額具有重大影響的重要判斷(涉及估計者(見下文)除外)。

持續經營及流動資金

對持續經營假設的評估涉及本公司董事於特定時間就本質上不確定的事件或狀況的未來結果作出判斷。本公司董事認為，本集團有能力持續經營，而可能導致或會個別或共同對持續經營假設構成重大疑慮的業務風險之重大事件或狀況載於附註1。

投資物業的遞延稅項

為計算使用公平值模式計量的投資物業的遞延稅項負債，本公司董事已審閱本集團的投資物業組合，並認為本集團的投資物業乃透過目標是隨時間而非透過銷售消耗投資物業中的絕大部分經濟利益的業務模式持有。因此，於計算本集團投資物業的遞延稅項時，本公司董事已釐定使用公平值模式計量的投資物業的賬面值將全數透過出售收回的假設被推翻。

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4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

(Continued)

Key sources of estimation uncertainty

The followings are the key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Depreciation of property, plant and equipment

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives, after taking into account their estimated residual values. The determination of the useful lives and residual values involves management's estimation based on the historical experience of the actual useful lives of the relevant assets of similar nature and function. The Group assesses annually the residual value and the useful life of the property, plant and equipment and if the expectation differs from the original estimate, such a difference may impact the depreciation in the year and the estimate will be changed in the future period.

Impairment of property, plant and equipment and prepaid lease payments

The impairment loss for property, plant and equipment and prepaid lease payments was recognised for the amounts by which the carrying amounts exceed their recoverable amounts, in accordance with the Group's accounting policy when impairment indicator is identified on those assets. The recoverable amounts have been determined based on value-in-use calculations and fair value less cost to sell. The value-in-use calculations require the use of estimates such as the cash flows projections and pre-tax discount rates. In determining the fair values, an independent professional valuer assesses the significant unobservable input by reference to market data and takes into consider certain estimates of market conditions.

As at 31 July 2018, the carrying amounts of property, plant and equipment and prepaid lease payments are approximately HK\$171,954,000 and HK\$125,230,000 respectively net of accumulated impairment losses recognised of approximately HK\$103,262,000 and HK\$2,010,000 respectively.

As at 31 July 2017, the carrying amounts of property, plant and equipment and prepaid lease payments are approximately HK\$249,971,000 and HK\$233,881,000 respectively net of accumulated impairment losses recognised of approximately HK\$112,884,000 and HK\$2,010,000 respectively.

4. 重要會計判斷及估計不明朗因素的主要來源 (續)

估計不明朗因素的主要來源

以下為有關未來的主要假設及於報告期末估計不明朗因素的其他主要來源，可能導致對下一財政年度資產和負債賬面值作出重大調整。

物業、廠房及設備的折舊

物業、廠房及設備均按其估計可使用年期並經計及其估計剩餘價值，採用直線法進行折舊。釐定可使用年期及剩餘價值涉及管理層的估計，該估計乃根據類似性質及功能的相關資產的實際可使用年期的過往經驗作出。本集團每年估計物業、廠房及設備的剩餘價值及可使用年期，倘預期與原先估計有分別，則該差異可能對年內的折舊造成影響，而估計亦將會於未來期間改變。

物業、廠房及設備以及預付租賃款項減值

物業、廠房及設備以及預付租賃付款之減值虧損在該等資產發現減值跡象時根據本集團會計政策就賬面值超出其可收回金額之數額確認。可收回金額根據使用價值計算及公平值減出售成本釐定。使用價值計算需要利用現金流量預測及稅前貼現率等估計。於釐定公平值時，獨立專業估值師參考市場數據及計及若干市況估計評估重大不可觀察輸入數據。

於二零一八年七月三十一日，物業、廠房及設備以及預付租賃款項的賬面值分別約為171,954,000港元及125,230,000港元(已分別扣除已確認的累計減值虧損約103,262,000港元及2,010,000港元)。

於二零一七年七月三十一日，物業、廠房及設備以及預付租賃款項的賬面值分別約為249,971,000港元及233,881,000港元(已分別扣除已確認的累計減值虧損約112,884,000港元及2,010,000港元)。

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4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

(Continued)

Key sources of estimation uncertainty (Continued)

Fair value of investment properties

Investment properties are carried in the consolidated statement of financial position as at 31 July 2018 at their fair values of approximately HK\$102,442,000 (2017: HK\$92,575,000). In determining the fair values, an independent professional valuer assesses the significant unobservable input by reference to market data and takes into consideration certain estimates of market conditions. Favourable or unfavourable changes to these assumptions would result in changes in the fair value of the Group's investment properties and corresponding adjustments to the amount of loss reported in the consolidated statement of profit or loss.

Allowance for inventories

The Group makes the allowance for inventories based on assessments of the net realisable value of inventories. An allowance is applied to inventories where events or changes in circumstances indicate that the net realisable value is lower than the costs of inventories. The identification of obsolete inventories requires the use of judgement and estimates on the conditions and usefulness of the inventories. Where the actual outcome in future is different from the original estimate, such difference will impact the carrying value of inventories and allowance write-back in the period in which such estimate has been changed. As at 31 July 2018, the carrying value of inventories is approximately HK\$46,404,000 (net of accumulated allowance of approximately HK\$373,000) (2017: HK\$35,540,000 (net of accumulated allowance of approximately HK\$116,000)).

Impairment loss recognised in respect of trade and other receivables

The Group makes impairment based on assessment of the recoverability of trade and other receivables. The Group makes its estimates based on the aging of its trade and other receivables balances, debtors' creditworthiness and historical write-off experience. If the financial condition of its debtors was deteriorated and resulted in an impairment of their ability to make payments, impairment loss may be required. As at 31 July 2018, the carrying amount of trade receivables is approximately HK\$97,580,000 (net of allowance for doubtful debts of approximately HK\$976,000) (2017: HK\$113,338,000 (net of allowance for doubtful debts of approximately HK\$1,430,000)). During the year ended 31 July 2018, impairment loss on trade receivables amounting to approximately HK\$251,000 (2017: HK\$1,402,000) has been recognised.

As at 31 July 2018, the carrying amount of consideration receivables from disposal of properties is approximately HK\$103,571,000 (2017: nil). During the year ended 31 July 2018, no impairment loss on consideration receivables from disposal of properties has been recognised.

4. 重要會計判斷及估計不明朗因素的主要來源(續)

估計不明朗因素的主要來源(續)

投資物業的公平值

投資物業乃按其公平值約102,442,000港元(二零一七年: 92,575,000港元)於二零一八年七月三十一日的綜合財務狀況表列賬。釐定公平值時,獨立專業估值師經參考市場數據及考慮若干估計市場狀況後對重大不可觀察數據作出評估。該等假設的有利或不利變更將導致本集團投資物業的公平值出現變動,而就虧損額作出的相應調整則於綜合損益表呈報。

存貨撥備

本集團須根據存貨的可變現淨值之評估為存貨計提撥備。倘出現事件或情況變動顯示可變現淨值低於該等存貨的成本,則會對存貨作出撥備。識別滯銷存貨需對存貨的狀況及有用性作出判斷及估計。當未來實際結果與原先估計不同時,有關差額將影響有關估計出現變動期間的存貨賬面值及撥回撥備。於二零一八年七月三十一日,存貨的賬面值約為46,404,000港元(已扣除累計撥備約373,000港元)(二零一七年: 35,540,000港元(已扣除累計撥備約116,000港元))。

就應收貿易賬款及其他應收款項確認的減值虧損

本集團基於對應收貿易賬款及其他應收款項可收回性的評估作出減值。本集團基於其應收貿易賬款及其他應收款項結餘的賬齡、債務人的信譽度及過往撇銷記錄進行估計。倘其債務人的財務狀況惡化,削弱其付款能力,則可能須作出減值虧損。於二零一八年七月三十一日,應收貿易賬款的賬面值約為97,580,000港元(已扣除呆賬撥備約976,000港元)(二零一七年: 113,338,000港元(已扣除呆賬撥備約1,430,000港元))。截至二零一八年七月三十一日止年度,就應收貿易賬款確認的減值虧損約為251,000港元(二零一七年: 1,402,000港元)。

於二零一八年七月三十一日,出售物業應收代價的賬面值約為103,571,000港元(二零一七年: 無)。截至二零一八年七月三十一日止年度,並無就出售物業應收代價確認減值虧損。

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4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

(Continued)

Key sources of estimation uncertainty (Continued)

Impairment of deposits for acquisition of land use rights

The Group's management assesses whether deposits for acquisition of land use rights have any indication of impairment, in accordance with relevant accounting policy stated in Note 3. As at 31 July 2018, the Group's management considered that there is no impairment indication after taking into account the legal opinion issued by independent lawyers and the fair value calculation of the land use rights valued by an independent professional valuer, the carrying amount of deposits for acquisition of land use rights is approximately HK\$14,065,000 (2017: HK\$13,037,000).

Income taxes

The Group is subject to income taxes in several jurisdictions. Significant estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

5. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of bank balances and cash, secured bank borrowings, loans from a related party and third parties and equity attributable to owners of the Company, comprising issued share capital and reserves. The directors of the Company review the capital structure on a regular basis. As a part of this review, the directors of the Company consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors of the Company, the Group will balance its overall capital structure through the payment of dividends, new share issue and the issue of new debts.

4. 重要會計判斷及估計不明朗因素的主要來源 (續)

估計不明朗因素的主要來源 (續)

收購土地使用權的按金減值

本集團管理層根據附註3所載有關會計政策就收購土地使用權的按金有否出現任何減值跡象進行評估。於二零一八年七月三十一日，經計及獨立律師出具的法律意見及獨立專業估值師對土地使用權的公平值計算的評估，本集團管理層認為並無出現減值跡象，收購土地使用權的按金賬面值約為14,065,000港元(二零一七年：13,037,000港元)。

所得稅

本集團須繳納若干司法權區的所得稅。在釐定所得稅的撥備時須作出重大估計。在日常業務過程中，有許多交易及計算均難以明確釐定最終的稅項。倘該等事宜的最終稅項結果與最初入賬的金額不同，該等差額將影響稅項釐定期間的所得稅及遞延稅項撥備。

5. 資本風險管理

本集團的資本管理旨在透過在債務與權益間作出最佳平衡，確保本集團的實體可持續經營，並為股東締造最大回報。本集團的整體策略與去年維持不變。

本集團的資本架構包括銀行結餘及現金、有抵押銀行借款、一名關連方及第三方貸款以及本公司擁有人應佔權益(包括已發行股本及儲備)。本公司董事定期檢討資本架構。作為檢討一部分，本公司董事考慮資本成本及與各類資本相關的風險。根據本公司董事建議，本集團將透過派付股息、發行新股及發行新債平衡其整體資本架構。

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6. FINANCIAL INSTRUMENTS

Categories of financial instruments

6. 金融工具

金融工具的類別

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Financial Assets	金融資產		
Fair value through profit or loss	按公平值列賬並在損益內處理		
Held-for-trading investments	持作買賣投資	582	680
Held-to-maturity investments	持有至到期投資	-	34,739
Loans and receivables (including bank balances and cash)	貸款及應收款項 (包括銀行結餘及現金)	406,958	236,237
AFS financial assets	可供出售金融資產	9,219	8,981
Financial Liabilities	金融負債		
At amortised cost	按攤銷成本	392,606	441,823

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's major financial instruments include held-to-maturity investments, amount due from associate, AFS financial assets, trade and other receivables, held-for-trading investments, bank balances and cash, secured bank borrowings, loans from third parties and a related party and trade and other payables (including trade and bills payables, accrued expenses and other payables). Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Currency risk

The Group has transactional currency exposures. Such exposures arise from sales or purchases by several subsidiaries of the Company in currencies other than those subsidiaries' functional currencies. In addition, certain portion of the AFS financial assets, held-to-maturity investments, held-for-trading investments, trade and other receivables, bank balances and cash, trade and other payables and secured bank borrowings are denominated in currencies other than the functional currencies of the entities to which they relate.

The carrying amounts of the Group's foreign currency denominated assets and liabilities at the reporting date are as follows:

7. 財務風險管理目標及政策

本集團的主要金融工具包括持有至到期投資、應收聯營公司款項、可供出售金融資產、應收貿易賬款及其他應收款項、持作買賣投資、銀行結餘及現金、有抵押銀行借款、第三方及一名關連方貸款以及應付貿易賬款及其他應付款項(包括應付貿易賬款及應付票據、應計開支及其他應付款項)。該等金融工具的詳情於各相關附註披露。下文載列與該等金融工具有關的風險及如何降低該等風險的政策。管理層管理及監控該等風險，以確保可及時和有效地採取適當措施。

貨幣風險

本集團面對交易貨幣風險。有關風險源自本公司多間附屬公司以各自的功能貨幣以外的貨幣進行的銷售或採購。此外，可供出售金融資產、持有至到期投資、持作買賣投資、應收貿易賬款及其他應收款項、銀行結餘及現金、應付貿易賬款及其他應付款項以及有抵押銀行借款中有若干部分乃以相關實體功能貨幣以外的貨幣計值。

本集團以外幣計值的資產及負債於報告日期的賬面值如下：

		Assets 資產		Liabilities 負債	
		2018 二零一八年	2017 二零一七年	2018 二零一八年	2017 二零一七年
		'000 千元	'000 千元	'000 千元	'000 千元
United States Dollars ("US\$")	美元(「美元」)	12,721	15,205	3,635	4,035
Euro ("EUR")	歐元(「歐元」)	5	502	-	-
Japanese Yen ("JPY")	日圓(「日圓」)	228	529	-	320
New Taiwan Dollars ("NTD")	新台幣(「新台幣」)	38,438	74,342	133	150
RMB	人民幣	13,241	13,272	-	50

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Currency risk (Continued)

The Group currently does not have a foreign currency hedging policy. However, the directors of the Company continuously monitor the related foreign currency exposure and will consider hedging significant foreign currency exposure should the need arise.

Sensitivity analysis

The Group is mainly exposed to the effects of fluctuation in US\$, EUR, JPY, NTD and RMB.

The following table details the Group's sensitivity to a 5% (2017: 5%) increase and decrease in functional currency of the relevant group entity (i.e. mainly HK\$ and RMB) against the relevant foreign currencies. 5% (2017: 5%) is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated items and adjusts their translation at the year end for a 5% (2017: 5%) change in foreign currency rates. A positive number below indicates an increase in loss where respective functional currency strengthens 5% (2017: 5%) against the relevant currency. For a 5% (2017: 5%) weakening of respective functional currency against the relevant currency, there would be an equal and opposite impact on the loss for the year and other equity, and the balances below would be negative.

		US\$ 美元 HK\$'000 千港元	EUR 歐元 HK\$'000 千港元	JPY 日圓 HK\$'000 千港元	NTD 新台幣 HK\$'000 千港元	RMB 人民幣 HK\$'000 千港元
Loss after tax	除稅後虧損					
— 2018	— 二零一八年	15	2	1	504	761
— 2017	— 二零一七年	188	226	1	976	760

In view of the pegged rate between HK\$ and US\$, the directors of the Company do not expect there is a material effect by any changes in movement in value of US\$ against HK\$.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

7. 財務風險管理目標及政策 (續)

貨幣風險 (續)

本集團目前並無外幣對沖政策。然而，本公司董事持續監察相關外幣風險，並將於需要時考慮就重大外幣風險進行對沖。

敏感度分析

本集團主要承受美元、歐元、日圓、新台幣及人民幣的波動的影響。

下表詳列本集團對相關集團實體的功能貨幣(即主要為港元及人民幣)兌相關外幣的匯率升或跌5%(二零一七年:5%)的敏感度。5%(二零一七年:5%)為於向主要管理人員作出內部外幣風險匯報時所用的敏感度比率，並為管理層對匯率合理可能變動的評估。敏感度分析僅包括以外幣定值的未償還項目，並就匯率的5%(二零一七年:5%)變動調整彼等於年終換算的金額。下表的正數顯示虧損於相關功能貨幣兌相關貨幣升值5%(二零一七年:5%)時的增加金額。倘相關功能貨幣兌相關貨幣貶值5%(二零一七年:5%)，則對年度虧損及其他權益構成相同但相反的影響，而下文的結餘則為負數。

由於港元與美元的聯繫匯率，本公司董事認為美元兌港元的價值變動將不會產生任何重大影響。

管理層認為，由於年終風險並不反映年內風險，故敏感度分析未能代表固有外匯風險。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to its variable-rate deposits with banks and certain secured bank borrowings and is also exposed to fair value interest rate risk in relation to its fixed-rate short-term bank deposits, loans from a related party and third parties and certain bank borrowings. To mitigate the impact of interest rate fluctuations, the Group continually assesses and monitors the exposure to interest rate risk.

The Group's exposure to interest rates on financial liabilities is detailed in the liquidity risk management section of this note.

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period. The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. A 50 basis point (2017: 50 basis points) increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates have been 50 basis points (2017: 50 basis points) higher/lower and all other variables were held constant, the Group's loss for the year would increase/decrease by approximately HK\$87,000 (2017: HK\$112,000).

7. 財務風險管理目標及政策(續)

利率風險

本集團就其浮息銀行存款及若干有抵押銀行借款承受現金流量利率風險，亦就定息短期銀行存款、一名關連方及第三方貸款及若干銀行借款承受公平值利率風險。為減低利率波動的影響，本集團持續評估及監察所承受的利率風險。

本集團的金融負債利率風險於本附註流動資金風險管理一節詳述。

敏感度分析

下文的敏感度分析乃根據非衍生工具於報告期末的利率風險釐定。編製分析時假設於報告期末的未償還金融工具於整個年度均未償還。50個基點(二零一七年：50個基點)增加或減少為於向主要管理人員作出內部利率風險匯報時所採用，並為管理層對利率合理可能變動的評估。

倘利率上調/下滑50個基點(二零一七年：50個基點)，而所有其他變數維持不變，則本集團年內虧損將會增加/減少約87,000港元(二零一七年：112,000港元)。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Other price risk

The Group is exposed to equity price risk through its investments in listed AFS financial assets and held-for-trading investments. The management manages this exposure by maintaining a portfolio of investments with different risks. In addition, the Group has appointed a special team to monitor the price risk and will consider hedging the risk exposure should the need arise.

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to equity price risks at the end of the reporting period.

If the prices of the respective equity securities have been 5% (2017: 5%) higher/lower:

- loss for the year ended 31 July 2018 would decrease/increase by approximately HK\$29,000 (2017: HK\$34,000) as a result of the changes in fair values of held-for-trading investments; and
- investments revaluation reserve would increase/decrease by approximately HK\$461,000 (2017: HK\$449,000) as a result of the changes in fair value of listed AFS financial assets.

Credit risk

As at 31 July 2017, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amounts of the respective recognised financial assets as stated in the consolidated statement of financial position. The Group does not provide any guarantees that would expose the Group to credit risk.

7. 財務風險管理目標及政策 (續)

其他價格風險

本集團因投資於已上市可供出售金融資產及持作買賣投資而承受股票價格風險。管理層透過持有風險程度不同的投資組合管理此風險。此外，本集團已委任特別團隊監察價格風險，並將於有需要時考慮對沖所承受的風險。

敏感度分析

以下的敏感度分析乃根據報告期末所承受的股票價格風險而釐定。

倘有關股本證券的價格上升/下跌5% (二零一七年：5%)：

- 截至二零一八年七月三十一日止年度的虧損將因持作買賣投資的公平值變動而減少/增加約29,000港元(二零一七年：34,000港元)；及
- 投資重估儲備將因已上市可供出售金融資產的公平值變動而增加/減少約461,000港元(二零一七年：449,000港元)。

信貸風險

於二零一七年七月三十一日，本集團因對手不履行責任而令本集團蒙受財務虧損的最高信貸風險，來自綜合財務狀況表所列相關已確認財務資產的賬面值。本集團並無提供任何導致本集團承受信貸風險的擔保。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Credit risk (Continued)

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The Group's concentration of credit risk by geographical locations is mainly in the PRC, which accounted for 33% (2017: 28%) of the total trade and bills receivables as at 31 July 2018.

The Group has concentration of credit risk as 12% (2017: 23%) and 27% (2017: 48%) of the total trade and bills receivables are due from the Group's largest customer and the five largest customers respectively.

The credit risk on short-term bank deposits, bank balances and held-to-maturity investments is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank borrowings and ensures compliance with loan covenants. During the year ended 31 July 2018, the loan covenants were breached. Details are set out in note 36. The following table details the Group's remaining contractual maturity for its financial liabilities. The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curve at the end of the reporting period.

7. 財務風險管理目標及政策(續)

信貸風險(續)

為盡量降低信貸風險，本集團管理層已指定團隊負責決定信貸額度、信貸批核及其他監察程序，確保採取跟進措施以收回逾期債項。此外，本集團於各報告期末審閱各個別貿易債項的可收回金額，確保為不可收回金額作出足夠的減值虧損。就此而言，本公司董事認為本集團的信貸風險已大幅降低。

本集團按地理位置計算的信貸風險主要集中於中國，佔二零一八年七月三十一日的應收貿易賬款及應收票據總額33%（二零一七年：28%）。

本集團有信貸集中的風險，原因是應收貿易賬款及應收票據總額的12%（二零一七年：23%）及27%（二零一七年：48%）為分別應收本集團最大客戶及五大客戶的款項。

由於對手均為獲國際信貸評級機構授予高信貸評級的銀行，故此短期銀行存款、銀行結餘及持有至到期投資的信貸風險有限。

流動資金風險

就管理流動資金風險而言，本集團監察現金及現金等價物，並將其維持於管理層認為足夠的水平，為本集團業務提供資金，並減低現金流量波動的影響。管理層監察銀行借款的運用，以確保符合貸款契約。截至二零一八年七月三十一日止年度，貸款契約被違反。詳情載於附註36。下表詳列本集團金融負債的餘下合約到期情況。下表包括利息及本金現金流量。倘利息流按浮動利率計算，則未折現金額按報告期末的利率曲線計算。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Liquidity risk (Continued)

流動資金風險(續)

		Within one year or on demand 一年內或按 要求 HK\$'000 千港元	More than one year but not exceeding two years 一年以上 但不超過兩年 HK\$'000 千港元	More than two years but not more than five years 兩年以上 但不超過五年 HK\$'000 千港元	More than 5 years 五年以上 HK\$'000 千港元	Total undiscounted cash flows 未貼現現金 流量總額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
At 31 July 2018	於二零一八年七月三十一日						
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	70,001	-	-	-	70,001	70,001
Secured bank borrowings	有抵押銀行借款	322,744	-	-	-	322,744	322,605
		392,745	-	-	-	392,745	392,606

		Within one year or on demand 一年內或按 要求 HK\$'000 千港元	More than one year but not exceeding two years 一年以上 但不超過兩年 HK\$'000 千港元	More than two years but not more than five years 兩年以上 但不超過五年 HK\$'000 千港元	More than 5 years 五年以上 HK\$'000 千港元	Total undiscounted cash flows 未貼現現金 流量總額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
At 31 July 2017	於二零一七年七月三十一日						
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	100,917	-	-	-	100,917	100,917
Amount due to an associate	應付一間聯營公司款項	1,324	-	-	-	1,324	1,324
Amount due to a director	應付一名董事款項	2,143	-	-	-	2,143	2,143
Loans from a related party	一名關連方貸款	5,030	-	-	-	5,030	5,000
Loans from third parties	第三方貸款	26,375	-	-	-	26,375	26,197
Secured bank borrowings	有抵押銀行借款	53,972	53,445	170,040	111,698	389,155	306,242
		189,761	53,445	170,040	111,698	524,944	441,823

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Liquidity risk (Continued)

Secured bank borrowings with a repayment on demand clause are included in the “within one year or on demand” time band in the above maturity analysis. At 31 July 2018, the carrying amounts of these bank borrowings amounted to approximately HK\$322,605,000 (2017: HK\$32,542,000). The directors of the Company believe that such bank borrowings will be repaid in accordance with the scheduled repayment dates set out in note 36. The aggregate principal and interest cash outflows with amount to approximately HK\$384,227,000 (2017: HK\$32,622,000).

8. FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of held-for-trading investments and listed securities classified as AFS financial assets is calculated using quoted prices.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values due to their immediate or short-term maturities.

The following table provides an analysis of financial assets that are measured at fair value at the end of each reporting period for recurring measurement, grouped into level 1 to 3 based on the degree to which the fair value is observable in accordance to the Group’s accounting policy.

Financial assets	Fair value as at 31 July 2018 二零一八年七月三十一日的公平值	Fair value as at 31 July 2017 二零一七年七月三十一日的公平值	Fair value hierarchy 公平值層級	Valuation technique(s) and key inputs 估值方法及主要輸入數據
Listed equity securities classified as AFS financial assets in the consolidated statement of financial position 於綜合財務狀況表分類為可供出售金融資產的上市股本證券	HK\$9,219,000 9,219,000 港元	HK\$8,981,000 8,981,000 港元	Level 1 第一層	Quoted bid prices in active markets 活躍市場所報買入價
Listed equity securities classified as held-for-trading investments in the consolidated statement of financial position 於綜合財務狀況表分類為持作買賣投資的上市股本證券	HK\$582,000 582,000 港元	HK\$680,000 680,000 港元	Level 1 第一層	Quoted bid prices in active markets 活躍市場所報買入價

There were no transfers between levels of fair value hierarchy during the years ended 31 July 2018 and 2017.

7. 財務風險管理目標及政策 (續)

流動資金風險 (續)

設有按要求償還條款的有抵押銀行借款於上述到期日分析中計入「一年內或按要求」的時間欄位下。於二零一八年七月三十一日，該等銀行借款的賬面值約為322,605,000港元(二零一七年：32,542,000港元)。本公司董事相信，有關銀行借款將根據附註36所載的計劃還款日期償還。本金額及利息現金流出總額約為384,227,000港元(二零一七年：32,622,000港元)。

8. 金融工具的公平值

持作買賣投資及分類為可供出售金融資產的上市證券的公平值按報價計算。

本公司董事認為，由於綜合財務報表按攤銷成本入賬的金融資產及金融負債即時或於短期內到期，故該等金融資產及金融負債的賬面值與其公平值相若。

下表提供於各報告期末就反覆計量按公平值計量的金融資產分析，乃根據本集團的會計政策按公平值可觀察程度分為第一至三層。

於截至二零一八年及二零一七年七月三十一日止年度，公平值層級之間並無任何轉撥。

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9. REVENUE AND OTHER OPERATING INCOME

Revenue represents fair value of the consideration received or receivable and for goods sold and healthcare and hotel services rendered in the normal course of business to customers, net of discounts and sales related taxes.

Revenue and other operating income recognised for the year are as follows:

9. 收益及其他經營收入

收益指已收或應收代價及在日常業務過程中向客戶出售貨品以及提供醫療保健及酒店服務的代價的公平值，扣除折扣及銷售相關稅項。

本年度確認的收益及其他經營收入如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Revenue	收益		
Sales of goods	銷售貨品	362,494	393,761
Healthcare and hotel services	醫療保健及酒店服務	14,666	6,739
		377,160	400,500
Other operating income	其他經營收入		
Interest income	利息收入		
— Bank deposits	— 銀行存款	603	1,665
— Held-to-maturity investments	— 持有至到期投資	105	405
— Structured deposits with banks	— 銀行結構性存款	-	132
Total interest income	利息收入總額	708	2,202
Dividend income	股息收入	306	1,742
Net exchange gain	匯兌收益淨額	32	-
Fair value gain on investment properties (Note 22)	投資物業的公平值收益(附註22)	252	250
Gain on deregistration of subsidiaries	取消註冊附屬公司的收益	4,787	-
Gain on disposal of held-for-trading investments	出售持作買賣投資的收益	-	418
Net gain on disposal of non-current assets classified as held for sale (Note a)	出售分類為持作出售的非流動資產的收益淨額(附註a)	7,604	-
Net gain on disposal of property, plant and equipment (Note a)	出售物業、廠房及設備的收益淨額(附註a)	41,100	81
Net gain on disposal of prepaid lease payments (Note a)	出售預付租賃款項的收益淨額(附註a)	42,019	-
Gain on disposal of AFS financial assets	出售可供出售金融資產的收益	1,223	8,186
Government grants	政府補助金		
— Amortisation of deferred income for the year (Note 38)	— 一年內遞延收入攤銷(附註38)	168	23
— Government grants (Note b)	— 政府補助金(附註b)	451	33
Net rental income (Note c)	租金收入淨額(附註c)	7,470	7,503
Waiver of other payables	豁免其他應付款項	704	538
Sundry income	雜項收入	4,548	2,562
		111,372	23,538

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9. REVENUE AND OTHER OPERATING INCOME

(Continued)

Notes:

- (a) The amount represented the disposal of certain properties held by the Group located in Hong Kong, Macau and the PRC. The net gain on the disposal of non-current assets classified as held for sale, properties and prepaid lease payments included the expenses incurred in relation to the disposal. The outgoings included commission and other taxes incurred for the disposal of properties.
- (b) For the years ended 31 July 2018 and 2017, the amounts represent unconditional grants from government for subsidising the operations of the subsidiaries in the PRC.
- (c) An analysis of the Group's net rental income is as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Gross rental income	租金收入總額	8,041	8,057
Less: Outgoings incurred for investment properties that generated rental income during the year	減：於年內產生租金收入的投資物業所涉及的開支	(571)	(554)
Net rental income	租金收入淨額	7,470	7,503

10. SEGMENT INFORMATION

The Group's reportable and operating segments, based on information reported to the chief operating decision maker ("CODM"), being the chief executive officer of the Company, for the purpose of resource allocation and performance assessment focuses on type of goods or services delivered or provided are as follows:

- (a) Silicone rubber and related products — manufacturing and sale of silicone rubber and related products; and
- (b) Healthcare and hotel services — providing healthcare and hotel services.

No operating segment identified by the CODM has been aggregated in arriving at the reportable segment of the Group.

9. 收益及其他經營收入 (續)

附註：

- (a) 有關款項來自出售本集團於香港、澳門及中國持有的若干物業。出售分類為持作出售的非流動資產、物業及預付租賃款項的收益淨額包括有關出售產生的開支。開支包括出售物業產生的佣金及其他稅項。
- (b) 截至二零一八年及二零一七年七月三十一日止年度，有關款項為政府用作資助中國附屬公司營運的無條件補助金。
- (c) 本集團租金收入淨額的分析如下：

10. 分部資料

根據呈報予主要營運決策者（「主要營運決策者」）（即本公司之行政總裁）以進行資源分配及表現評估的資料（專注於所交付貨物或提供服務的類型），本集團的可報告及經營分部載列如下：

- (a) 矽膠及相關產品 — 製造及銷售矽膠及相關產品；及
- (b) 醫療保健及酒店服務 — 提供醫療保健及酒店服務。

於達致本集團的可報告分部時，並無集合主要營運決策者識別的經營分部。

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10. SEGMENT INFORMATION (Continued)

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable and operating segment.

For the year ended 31 July 2018

		Silicone rubber and related products 矽膠及 相關產品 HK\$'000 千港元	Healthcare and hotel services 醫療保健及 酒店服務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
REVENUE	收益			
External sales	對外銷售	362,494	14,666	377,160
Segment results (including share of results of associates)	分部業績(包括應佔聯營 公司的業績)	34,551	18,828	53,379
Unallocated income	未分配收入			1,531
Unallocated expenses	未分配開支			(39,423)
Profit before tax	除稅前溢利			15,487

For the year ended 31 July 2017

		Silicone rubber and related products 矽膠及 相關產品 HK\$'000 千港元	Healthcare and hotel services 醫療保健及 酒店服務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
REVENUE	收益			
External sales	對外銷售	393,761	6,739	400,500
Segment results (including share of results of associates)	分部業績(包括應佔聯營 公司的業績)	14,495	(52,676)	(38,181)
Unallocated income	未分配收入			8,604
Unallocated expenses	未分配開支			(44,523)
Loss before tax	除稅前虧損			(74,100)

10. 分部資料(續)

分部收益及業績

以下為本集團按可報告及經營分部劃分的收益及業績分析。

截至二零一八年七月三十一日止年度

截至二零一七年七月三十一日止年度

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10. SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

The accounting policies of the operating segments are the same as the Group's accounting policies described in Note 3. Share of results of associates is included under silicone rubber and related products segment as CODM considers that their performance assessment is same as subsidiaries in this segment. Segment results represent profit earned by (loss from) each segment without allocation of certain other income, directors' emoluments and central administrative costs. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales during the years ended 31 July 2018 and 2017.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segment:

Segment assets

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Silicone rubber and related products	矽膠及相關產品	415,358	472,896
Healthcare and hotel services	醫療保健及酒店服務	473,963	462,022
Total segment assets	分部資產總值	889,321	934,918
Unallocated corporate assets	未分配公司資產	24,919	19,585
Consolidated total assets	綜合資產總值	914,240	954,503

10. 分部資料 (續)

分部收益及業績 (續)

附註3所述的經營分部的會計政策與本集團會計政策相同。由於主要營運決策者認為，其表現評估與該分部之附屬公司相同，故應佔聯營公司的業績計入矽膠及相關產品分部。分部業績指在並無分配若干其他收入、董事酬金及中央行政成本的情況下，各分部賺取的溢利(產生的虧損)。此乃呈報予主要營運決策者以進行資源分配及表現評估的計量。

上文呈報的分部收益指外部客戶產生的收益。於截至二零一八年及二零一七年七月三十一日止年度並無分部間銷售。

分部資產及負債

以下為本集團按可報告及經營分部劃分的資產及負債分析：

分部資產

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10. SEGMENT INFORMATION (Continued)

Segment assets and liabilities (Continued)

Segment liabilities

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Silicone rubber and related products	矽膠及相關產品	150,575	163,524
Healthcare and hotel services	醫療保健及酒店服務	313,334	341,752
Total segment liabilities	分部負債總額	463,909	505,276
Unallocated corporate liabilities	未分配公司負債	3,947	5,341
Consolidated total liabilities	綜合負債總額	467,856	510,617

As at 31 July 2018 and 2017, segment assets and liabilities of the silicone rubber and related products include interests in associates, amount due from an associate and amount due to an associate.

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to operating segments other than assets for corporate use including AFS financial assets, held-for-trading investments, certain furniture, fixtures and equipment, deposits and other receivables and bank balances and cash; and
- all liabilities are allocated to operating segments other than corporate liabilities including certain accrued expenses and other payables.

10. 分部資料(續)

分部資產及負債(續)

分部負債

於二零一八年及二零一七年七月三十一日，矽膠及相關產品的分部資產及負債包括於聯營公司的權益、應收一間聯營公司款項及應付一間聯營公司款項。

就監察分部表現及於分部之間分配資源而言：

- 除作公司用途的資產(包括可供出售金融資產、持作買賣投資、若干傢俬、裝置及設備、按金及其他應收款項以及銀行結餘及現金)外，所有資產均分配至經營分部；及
- 除公司負債(包括若干應計開支及其他應付款項)外，所有負債均分配至經營分部。

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10. SEGMENT INFORMATION (Continued)

Other segment information

For the year ended 31 July 2018

10. 分部資料 (續)

其他分部資料

截至二零一八年七月三十一日止年度

	Unallocated 未分配 HK\$'000 千港元	Silicone rubber and related products 矽膠及 相關產品 HK\$'000 千港元	Healthcare and hotel services 醫療保健及 酒店服務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Amounts included in the measure of segment results or segment assets: 計入分部業績或分部資產計量的金額：				
Allowance for inventories 存貨撥備	-	185	67	252
Additions of non-current assets 添置非流動資產	28	19,721	10,182	29,931
Amortisation of prepaid lease payments 預付租賃款項攤銷	-	237	4,655	4,892
Depreciation of property, plant and equipment 物業、廠房及設備折舊	49	14,108	9,538	23,695
Fair value gain on investment properties 投資物業的公平值收益	-	(252)	-	(252)
Gain on disposal of property, plant and equipment 出售物業、廠房及設備的收益	-	(10,913)	(30,187)	(41,100)
Gain on disposal of prepaid lease payment 出售預付租賃款項的收益	-	-	(42,019)	(42,019)
Gain on disposal of non-current asset classified as held for sale 出售分類為持作出售的非流動資產的收益	-	-	(7,604)	(7,604)
Impairment loss recognised in respect of:				
— trade receivables 一應收貿易賬款	-	251	-	251
— property, plant and equipment 一物業、廠房及設備	-	-	5,010	5,010
Interest expenses 利息開支	-	1,485	22,261	23,746
Interest income 利息收入	(2)	(585)	(121)	(708)
Share of results of associates 應佔聯營公司的業績	-	77	-	77
Amounts regularly provided to the CODM but not included in the measure of segment profit or loss or segment assets: 定期提供予主要營運決策者但不計入分部損益或分部資產計量的金額：				
Fair value loss on held-for-trading investments 持作買賣投資的公平值虧損	98	-	-	98
Gain on disposal of AFS financial assets 出售可供出售金融資產的收益	(1,223)	-	-	(1,223)

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10. SEGMENT INFORMATION (Continued)

Other segment information (Continued)

For the year ended 31 July 2017

10. 分部資料(續)

其他分部資料(續)

截至二零一七年七月三十一日止年度

	Unallocated	Silicone rubber and related products	Healthcare and hotel services	Total
	未分配	矽膠及相關產品	醫療保健及酒店服務	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元

Amounts included in the measure of segment results or segment assets: 計入分部業績或分部資產計量的金額：

Additions of non-current assets	添置非流動資產	56	28,084	421,054	449,194
Amortisation of prepaid lease payments	預付租賃款項攤銷	-	228	2,684	2,912
Depreciation of property, plant and equipment	物業、廠房及設備折舊	60	14,126	3,559	17,745
Fair value gain on investment properties	投資物業的公平值收益	-	(250)	-	(250)
(Gain) loss on disposal of property, plant and equipment	出售物業、廠房及設備的(收益)虧損	35	(249)	133	(81)
Impairment loss recognised in respect of trade receivables	就應收貿易賬款確認的減值虧損	-	1,402	-	1,402
Interest expenses	利息開支	-	844	20,410	21,254
Interest income	利息收入	-	(2,164)	(38)	(2,202)
Investment loss from derivative financial instruments	衍生金融工具的投資虧損	-	2,469	-	2,469
Reversal of allowance for inventories	撥回存貨撥備	-	(4,376)	-	(4,376)
Reversal of impairment loss in respect of other receivables	撥回有關其他應收款項的減值虧損	-	(2,049)	-	(2,049)
Share of results of associates	應佔聯營公司的業績	-	1,625	-	1,625

Amounts regularly provided to the CODM but not included in the measure of segment profit or loss or segment assets: 定期提供予主要營運決策者但不計入分部損益或分部資產計量的金額：

Fair value loss on held-for-trading investments	持作買賣投資的公平值虧損	184	-	-	184
Gain on disposal of AFS financial assets	出售可供出售金融資產的收益	(8,186)	-	-	(8,186)
Gain on disposal of held-for-trading investments	出售持作買賣投資的收益	(418)	-	-	(418)

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10. SEGMENT INFORMATION (Continued)

Revenue from major products and services

The following is an analysis of the Group's revenue from sales of its major products and provision of services to external customers:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Consumer electronic devices peripheral products	消費電子裝置周邊產品	205,707	220,314
Keypads for computers and notebooks	電腦及筆記型電腦按鍵	47,056	49,504
Lifestyle products	生活產品	24,093	29,300
Mobile phone peripheral products	手機周邊產品	15,502	14,002
Automotive peripheral products	汽車周邊產品	26,004	32,650
Chemical products	化學產品	8,265	14,980
Other products	其他產品	35,867	33,011
Provision of healthcare and hotel services	提供醫療保健及酒店服務	14,666	6,739
		377,160	400,500

Geographical information

The Group's operations are principally located in the PRC and Hong Kong.

Information about the Group's revenue from external customers based on the location of the customers and information about its non-current assets by geographical location of the assets are detailed below:

		Revenue from external customers 來自外部客戶的收益		Non-current assets 非流動資產	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
The PRC (excluding Hong Kong)	中國(香港除外)	166,984	205,348	387,759	565,464
Hong Kong	香港	87,498	69,143	7,420	9,333
Other Asian countries	其他亞洲國家	14,938	25,622	14,071	13,046
America	美洲	87,907	75,807	-	-
Europe	歐洲	19,833	24,580	-	-
		377,160	400,500	409,250	587,843

Non-current assets exclude AFS financial assets.

10. 分部資料(續)

主要產品及服務收益

本集團向外部客戶銷售其主要產品及提供服務所帶來的收益分析如下：

地區資料

本集團的營運主要位於中國及香港。

本集團按客戶所在地劃分之來自外部客戶的收益資料及按資產所在地劃分之非流動資產資料詳列如下：

非流動資產並不包括可供出售金融資產。

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10. SEGMENT INFORMATION (Continued)

Information about major customers

Revenue from customers contributing over 10% of the total sales of the Group in both years are as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Customer A	客戶甲	N/A 不適用 ²	54,938 ¹
Customer B	客戶乙	46,645 ¹	N/A 不適用 ²
Customer C	客戶丙	46,245 ¹	N/A 不適用 ²

¹ Sales are derived from the sale of consumer electronic devices peripheral products and automotive peripheral products.

² The corresponding revenue did not contribute over 10% of the total revenue of the Group.

10. 分部資料(續)

主要客戶資料

於兩個年度，來自佔本集團銷售總額逾10%的客戶的收益載列如下：

¹ 銷售額乃源自銷售消費電子裝置周邊產品及汽車周邊產品。

² 相關收益貢獻並無超過本集團收益總額的10%。

11. OTHER EXPENSES

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Exchange losses	匯兌虧損	-	234
Fair value loss on held-for-trading investments	持作買賣投資的公平值虧損	98	184
Impairment losses recognised in respect of:	就以下各項確認的減值虧損：		
— AFS financial assets	— 可供出售金融資產	-	160
— property, plant and equipment (Note 19)	— 物業、廠房及設備(附註19)	5,010	-
Investment loss from derivative financial instruments	衍生金融工具的投資虧損	-	2,469
Loss on disposal of associates (Note 25)	出售聯營公司的虧損(附註25)	630	-
		5,738	3,047

11. 其他開支

12. FINANCE COSTS

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Interests on:	以下各項的利息：		
Secured bank borrowings	有抵押銀行借款	23,725	19,713
Loans from a related party	一名關連方貸款	-	174
Loans from third parties	第三方貸款	21	1,367
		23,746	21,254

12. 融資成本

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13. INCOME TAX EXPENSE (CREDIT)

13. 所得稅開支(抵免)

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
PRC Land Appreciation Tax	中國土地增值稅	20,536	-
(Over) under provision in prior years	過往年度撥備(超額)不足		
Hong Kong Profits Tax	香港利得稅	-	1
PRC Enterprise Income Tax	中國企業所得稅	(708)	(7)
		19,828	(6)
Deferred taxation (Note 39)	遞延稅項(附註39)		
Current year	本年度	(31)	(34)
		19,797	(40)

Hong Kong Profits Tax has not been provided for in the consolidated financial statements for the years ended 31 July 2018 and 2017 as the Group did not derive any assessable profits in Hong Kong.

由於本集團截至二零一八年及二零一七年七月三十一日止年度並無於香港產生任何應課稅溢利，故並無於綜合財務報表作出香港利得稅撥備。

Pursuant to the rules and regulations of the Cayman Islands and BVI, the Group is not subject to any income tax in the Cayman Islands and BVI.

根據開曼群島及英屬處女群島的規則及法規，本集團毋須繳納開曼群島及英屬處女群島的任何所得稅。

No provision for Indonesia Income Tax for the years ended 31 July 2018 and 2017 has been made as the subsidiary operating in Indonesia did not generate any assessable profits in Indonesia.

由於在印尼營運的附屬公司並無在印尼產生任何應課稅溢利，因此並無就截至二零一八年及二零一七年七月三十一日止年度作出印尼所得稅撥備。

Ta Yang Group (Macao Commercial Offshore) Limited is incorporated as a commercial offshore entity in Macau and is exempted from Macau Complementary Income Tax.

大洋集團(澳門離岸商業服務)有限公司在澳門註冊成立為離岸商業服務機構，獲豁免繳納澳門所得補充稅。

No provision for Taiwan Profit-Seeking Enterprise Income Tax for the years ended 31 July 2018 and 2017 has been made as the Group did not generate any assessable profits in Taiwan.

由於本集團截至二零一八年及二零一七年七月三十一日止年度並無於台灣產生任何應課稅溢利，因此並無計提台灣營利事業所得稅撥備。

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards. Accordingly, provision for PRC Enterprise Income Tax for the PRC subsidiaries is calculated at 25% of estimated assessable profits for both years.

根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，中國附屬公司於二零零八年一月一日起的稅率為25%。因此，中國附屬公司的中國企業所得稅撥備按該兩個年度的估計應課稅溢利的25%計算。

Land appreciation tax of the PRC is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures.

中國土地增值稅乃就土地價值升幅(即出售物業所得款項減可扣減開支)按介乎30%至60%的累進稅率徵收。

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13. INCOME TAX EXPENSE (CREDIT) (Continued)

The income tax expense (credit) for the year can be reconciled to the profit (loss) before tax per the consolidated statement of profit or loss as follows:

13. 所得稅開支(抵免)(續)

年內所得稅開支(抵免)與綜合損益表所載的除稅前溢利(虧損)對賬如下:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Profit (loss) before tax	除稅前溢利(虧損)	15,487	(74,100)
Tax credit at rates applicable to profit (loss) in the jurisdictions concerned	按適用於有關司法管轄區溢利(虧損)的稅率計算的稅務抵免	5,151	(11,987)
Tax effect of income not taxable for tax purposes	毋須課稅收入的稅務影響	(1,978)	(3,785)
Tax effect of expenses not deductible for tax purposes	不可扣稅開支的稅務影響	3,385	2,249
Tax effect of share of results of associates	分佔聯營公司業績的稅務影響	13	268
Land appreciation tax	土地增值稅	20,536	-
Utilisation of tax losses previously not recognised	動用過往並無確認的稅務虧損	(13,423)	(773)
Over provision in prior years, net	過往年度撥備超額淨值	(708)	(6)
Tax effect of tax losses not recognised	未確認稅務虧損的稅務影響	6,821	13,994
Income tax expense (credit) for the year	年內所得稅開支(抵免)	19,797	(40)

Details of deferred taxation are shown in Note 39.

遞延稅項詳情載於附註39。

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14. LOSS FOR THE YEAR

14. 年內虧損

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Loss for the year has been arrived at after charging (crediting):	年內虧損乃經扣除(計入)以下各項:		
Auditor's remuneration	核數師酬金	1,290	1,270
Allowance for inventories (included in cost of sales)	存貨撥備(計入銷售成本)	252	-
Amortisation of prepaid lease payments	預付租賃款項攤銷	4,892	2,912
Costs of inventories sold (Note)	已售存貨成本(附註)	277,784	288,659
Depreciation of property, plant and equipment (Note 19)	物業、廠房及設備折舊(附註19)	23,695	17,745
Directors' emoluments (Note 18)	董事酬金(附註18)	8,275	6,031
Impairment loss recognised in respect of trade receivables (Note 28)	就應收貿易賬款確認的減值虧損(附註28)	251	1,402
Payments under operating leases in respect of land and buildings	有關土地及樓宇的經營租賃項下的付款	9,197	7,953
Research and development costs	研發成本	5,265	4,110
Reversal of allowance for inventories (included in cost of sales)	撥回存貨撥備(計入銷售成本)	-	(4,376)
Reversal of impairment loss in respect of other receivables (Note 28)	撥回有關其他應收款項的減值虧損(附註28)	-	(2,049)
Staff costs (excluding directors' emoluments) (Note 17)	員工成本(不包括董事酬金)(附註17)	137,502	170,010
Write-off of inventories (included in cost of sales)	存貨撇銷(計入銷售成本)	-	744

Note:

Cost of inventories sold includes approximately HK\$96,442,000 (2017: HK\$98,336,000) relating to staff costs, depreciation expenses and operating lease charges which amounts are also included in the respective total amounts disclosed separately above.

附註:

已售存貨成本包括與員工成本、折舊開支及經營租賃費用有關的金額約96,442,000港元(二零一七年: 98,336,000港元), 有關金額亦已計入於上文獨立披露的有關總額內。

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15. DIVIDENDS

No dividend was paid or proposed during the year ended 31 July 2018 and 2017, nor has any dividend been proposed since the end of the reporting period.

16. LOSS PER SHARE

Basic loss per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during both years.

		2018 二零一八年	2017 二零一七年
Loss for the year attributable to owners of the Company (HK\$'000)	本公司擁有人應佔年度虧損 (千港元)	(3,756)	(72,943)
Weighted average number of ordinary shares in issue ('000)	已發行普通股的加權平均數 (千股)	871,178	865,257

During the years ended 31 July 2018 and 2017, the basic loss per share and the diluted loss per share are the same because there are no potential dilutive shares outstanding.

17. STAFF COSTS (EXCLUDING DIRECTORS' EMOLUMENTS)

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Salaries, allowances and other benefits	薪金、津貼及其他福利	125,153	152,605
Severance payment	遣散費	435	6,025
Retirement benefit schemes contributions	退休福利計劃供款	11,914	11,380
		137,502	170,010

15. 股息

於截至二零一八年及二零一七年七月三十一日止年度並無支付或建議派發任何股息，自報告期末以來亦無建議派發任何股息。

16. 每股虧損

每股基本虧損乃按兩個年度本公司擁有人應佔虧損除以已發行普通股的加權平均數計算。

於截至二零一八年及二零一七年七月三十一日止年度，每股基本虧損與每股攤薄虧損相同，原因是並無發行在外的潛在攤薄股份。

17. 員工成本(不包括董事酬金)

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17. STAFF COSTS (EXCLUDING DIRECTORS' EMOLUMENTS) (Continued)

The subsidiaries in Hong Kong operate defined contribution schemes under the Hong Kong Mandatory Provident Fund Schemes Ordinance which are available to qualified employees. The assets of the schemes are held separately from those of the subsidiaries in independently administered funds. Monthly contributions made by the subsidiaries are calculated based on certain percentages of the applicable payroll costs or fixed sums as stipulated under the relevant requirements, with maximum relevant income level for contributions of HK\$30,000 monthly.

Pursuant to the regulations of the relevant authorities in the PRC, the subsidiaries of the Group participate in respective government retirement benefit schemes (the "Schemes") whereby the subsidiaries are required to contribute to the Schemes to fund the retirement benefits of the eligible employees. Contributions made to the Schemes are calculated based on certain percentages of the applicable payroll costs as stipulated under the requirements in the PRC. The relevant authorities of the PRC are responsible for the entire pension obligations payable to the retired employees. The only obligation of the Group with respect to the Schemes is to pay the ongoing required contributions under the Schemes.

Employees employed by the Group's operations in Macau Special Administrative Region ("MSAR") are members of government-managed retirement benefits scheme operated by the MSAR government. The MSAR operations are required to pay a monthly fixed contribution to the retirement benefits schemes to fund the benefits. The only obligation of the Group with respect to the retirement benefits schemes operated by the MSAR government is to make the required contributions under the scheme.

The retirement benefit schemes contributions represent contributions by the Group to the Schemes operated by the relevant authorities of the PRC, the retirement scheme operated by the MSAR government and the defined contribution schemes operated in Hong Kong.

17. 員工成本(不包括董事酬金)(續)

香港的附屬公司根據香港強制性公積金計劃條例為合資格僱員設立定額供款計劃。該等計劃的資產由獨立管理基金持有，與附屬公司的資產分開。附屬公司每月按適用薪酬成本的若干百分比或按相關規定訂明的固定款額作出供款。供款的有關收入水平上限為每月30,000港元。

根據中國有關當局的規例，本集團的附屬公司參與相關政府的退休福利計劃（「該等計劃」），附屬公司須就此向該等計劃作出供款，為合資格僱員的退休福利提供資金。向該等計劃作出的供款乃按中國規例訂明的適用薪酬成本的若干百分比計算。中國有關當局負責向退休僱員支付整筆退休金。本集團就該等計劃的唯一責任是持續支付該等計劃所規定的供款。

本集團於澳門特別行政區（「澳門特區」）的業務所僱用的僱員為澳門特區政府所營辦政府管理退休福利計劃的成員。於澳門特區經營的業務須向該退休福利計劃每月作出定額供款，為有關福利提供資金。就此項澳門特區政府所運作的退休福利計劃而言，本集團的唯一責任是作出該計劃所規定的供款。

退休福利計劃供款指本集團向中國有關當局設立的該等計劃、澳門特區政府設立的退休計劃及於香港設立的定額供款計劃作出的供款。

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18. DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S EMOLUMENTS

(a) Directors' and chief executive officer's emoluments

The emoluments paid or payable to each of the fourteen (2017: eleven) directors including the chief executive officer (the "CEO") are as follows:

For the year ended 31 July 2018

18. 董事及行政總裁酬金

(a) 董事及行政總裁酬金

已付或應付十四名(二零一七年: 十一名)董事(包括行政總裁(「行政總裁」))各自的酬金載列如下:

截至二零一八年七月三十一日止年度

		Fees	Salaries, allowances and other benefits	Discretionary bonus	Retirement benefit schemes contributions	Total
		袍金	薪金、津貼及其他福利	酌情花紅	退休福利計劃供款	總計
		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
Executive directors	執行董事					
Shi Qi	施琦	-	4,692	2,054	24	6,770
Xu Chendi (Note v)	許晨迪(附註v)	-	833	69	8	910
Qiu Yonghao	邱泳昊	-	-	-	-	-
Huang Te-Wei (Note iv)	黃德威(附註iv)	-	280	23	6	309
Zhao Ang (Note vii)	趙昂(附註vii)	-	6	1	1	8
Non-executive directors	非執行董事					
Han Lei	韓磊	-	-	-	-	-
Gao Feng	高峰	-	-	-	-	-
Wang Yayuan (Note viii)	王雅媛(附註viii)	-	-	-	-	-
Sze Wai Lun (Note vi)	施偉倫(附註vi)	-	-	-	-	-
Independent non-executive directors	獨立非執行董事					
Zhang Lijuan	張力涓	-	-	-	-	-
Pak Wai Keung (Note ix)	白偉強(附註ix)	180	-	-	-	180
Yeung Chi Tat (Note ii)	楊志達(附註ii)	13	-	-	-	13
Lian Yi (Note i)	連軼(附註i)	-	-	-	-	-
Wu Tak Kong (Note iii)	胡德光(附註iii)	85	-	-	-	85
		278	5,811	2,147	39	8,275

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18. DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S EMOLUMENTS (Continued)

18. 董事及行政總裁酬金(續)

(a) Directors' and chief executive officer's emoluments (Continued)

(a) 董事及行政總裁酬金(續)

For the year ended 31 July 2017

截至二零一七年七月三十一日止年度

	Fees	Salaries, allowances and other benefits	Discretionary bonus	Retirement benefit schemes contributions	Total
	袍金	薪金、津貼及其他福利	酌情花紅	退休福利計劃供款	總計
	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
Executive directors					
Shi Qi	-	2,400	200	18	2,618
Xu Chendi	-	2,000	167	18	2,185
Qiu Yonghao	-	-	-	-	-
Huang Te-Wei	-	840	70	18	928
Non-executive directors					
Han Lei	-	-	-	-	-
Gao Feng	-	-	-	-	-
Wang Yayuan (Note viii)	-	-	-	-	-
Independent non-executive directors					
Zhang Lijuan	-	-	-	-	-
Pak Wai Keung	180	-	-	-	180
Yeung Chi Tat (Note ii)	120	-	-	-	120
Lian Yi (Note i)	-	-	-	-	-
	300	5,240	437	54	6,031

Notes:

附註：

- (i) Appointed on 19 December 2016 and resigned on 10 November 2017.
- (ii) Resigned on 10 September 2017.
- (iii) Appointed on 15 November 2017.
- (iv) Resigned on 30 November 2017.
- (v) Resigned on 19 December 2017.
- (vi) Appointed on 19 December 2017.
- (vii) Appointed on 30 July 2018.
- (viii) Appointed on 19 December 2016 and resigned on 19 December 2017.
- (ix) Resigned on 29 October 2018.

- (i) 於二零一六年十二月十九日獲委任及於二零一七年十一月十日辭任。
- (ii) 於二零一七年九月十日辭任。
- (iii) 於二零一七年十一月十五日獲委任。
- (iv) 於二零一七年十一月三十日辭任。
- (v) 於二零一七年十二月十九日辭任。
- (vi) 於二零一七年十二月十九日獲委任。
- (vii) 於二零一八年七月三十日獲委任。
- (viii) 於二零一六年十二月十九日獲委任及於二零一七年十二月十九日辭任。
- (ix) 於二零一八年十月二十九日辭任。

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18. DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S EMOLUMENTS (Continued)

(a) Directors' and chief executive officer's emoluments (Continued)

Shi Qi is appointed as the CEO of the Company. Their emoluments disclosed above include those for services rendered by them as the chief executive officer.

No directors and the chief executive officer waived or agreed to waive any emoluments during both years.

The bonus for both years represents one month salary at discretionary of the remuneration committees, taking into account of the directors' performance and market trend.

(b) Senior management's emoluments

Of the five individuals with the highest emoluments in the Group, two (2017: two) were directors including chief executive officer of the Company whose emoluments are set out above. The emoluments of the remaining three (2017: three) individuals are as follows:

18. 董事及行政總裁酬金(續)

(a) 董事及行政總裁酬金(續)

施琦獲委任為本公司行政總裁。上文所披露的酬金包括彼等作為行政總裁提供服務的酬金。

於兩個年度，概無董事及行政總裁放棄或同意放棄任何酬金。

兩個年度的花紅指薪酬委員會計及董事表現及市場趨勢後，酌情給予的一個月薪金。

(b) 高級管理層酬金

本集團五名最高薪人士中，兩名(二零一七年：兩名)為本公司董事(包括行政總裁)，彼等的酬金載於上文。餘下三名(二零一七年：三名)的酬金如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Salaries, allowances and other benefits	薪金、津貼及其他福利	5,483	6,980
Retirement benefit schemes contributions	退休福利計劃供款	45	33
		5,528	7,013

The emolument is within the following bands:

酬金介乎以下範圍：

		No. of individuals 人數	
		2018 二零一八年	2017 二零一七年
Nil to HK\$1,000,000	零至 1,000,000 港元	-	-
HK\$1,500,001 to HK\$2,000,000	1,500,001 港元至 2,000,000 港元	2	1
HK\$2,000,001 to HK\$2,500,000	2,000,001 港元至 2,500,000 港元	1	1
HK\$3,000,001 to HK\$3,500,000	3,000,001 港元至 3,500,000 港元	-	1

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19. PROPERTY, PLANT AND EQUIPMENT

19. 物業、廠房及設備

		Properties held for own use 持作自用物業 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Plant and machinery 廠房及機器 HK\$'000 千港元	Furniture, fixtures and equipment 傢俬、裝置及設備 HK\$'000 千港元	Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Total 總計 HK\$'000 千港元
COST		成本值						
At 1 August 2016	於二零一六年八月一日	51,470	5,300	215,917	50,303	85,410	-	408,400
Exchange realignment	匯兌調整	1,418	(21)	(2,047)	(299)	(1,354)	-	(2,303)
Additions	添置	12,310	1,717	12,336	15,286	7,291	-	48,940
Additions through acquisition of assets	透過收購資產添置	163,749	-	-	-	-	-	163,749
Reclassified to assets held for sale	重新分類至持作出售的資產	(4,612)	-	-	-	-	-	(4,612)
Revaluation for items transferred to investment properties	重估轉撥至投資物業的項目	1,885	-	-	-	-	-	1,885
Transfer to investment properties	轉撥至投資物業	(3,940)	-	-	-	-	-	(3,940)
Disposals/write-off	出售/撇銷	(4,218)	(1,619)	(37,001)	(4,745)	(67,065)	-	(114,648)
At 31 July 2017	於二零一七年七月三十一日	218,062	5,377	189,205	60,545	24,282	-	497,471
Exchange realignment	匯兌調整	3,515	25	(340)	(402)	(334)	(14)	2,450
Additions	添置	-	300	9,805	10,062	8,364	372	28,903
Reclassified to assets held for sale	重新分類至持作出售的資產	(9,585)	-	-	-	-	-	(9,585)
Transfer to investment properties	轉撥至投資物業	(13,108)	-	-	-	-	-	(13,108)
Revaluation for items transferred to investment properties	重估轉撥至投資物業的項目	5,711	-	-	-	-	-	5,711
Disposals/write-off	出售/撇銷	(75,063)	(869)	(1,285)	(335)	(747)	-	(78,299)
At 31 July 2018	於二零一八年七月三十一日	129,532	4,833	197,385	69,870	31,565	358	433,543
ACCUMULATED DEPRECIATION AND IMPAIRMENT		累計折舊及減值						
At 1 August 2016	於二零一六年八月一日	39,445	3,852	180,469	43,636	72,071	-	339,473
Exchange realignment	匯兌調整	(319)	(19)	(1,801)	(364)	(1,200)	-	(3,703)
Provided for the year (Note 14)	年內撥備(附註14)	2,999	588	6,232	2,640	5,286	-	17,745
Reclassified to assets held for sale (Note 29)	重新分類至持作出售的資產(附註29)	(31)	-	-	-	-	-	(31)
Transfer to investment properties (Note 22)	轉撥至投資物業(附註22)	(1,892)	-	-	-	-	-	(1,892)
Eliminated on disposals	出售時對銷	(2,913)	(751)	(34,594)	(4,292)	(61,542)	-	(104,092)
At 31 July 2017	於二零一七年七月三十一日	37,289	3,670	150,306	41,620	14,615	-	247,500
Exchange realignment	匯兌調整	228	22	(197)	(425)	(276)	-	(648)
Provided for the year (Note 14)	年內撥備(附註14)	4,402	500	6,029	5,862	6,902	-	23,695
Impairment loss recognised in profit or loss	於損益確認的減值虧損	-	-	-	5,010	-	-	5,010
Reclassified to assets held for sale (Note 29)	重新分類至持作出售的資產(附註29)	(304)	-	-	-	-	-	(304)
Transfer to investment properties (Note 22)	轉撥至投資物業(附註22)	(6,590)	-	-	-	-	-	(6,590)
Eliminated on disposals/write-off	出售/撇銷時對銷	(4,396)	(794)	(1,059)	(294)	(531)	-	(7,074)
At 31 July 2018	於二零一八年七月三十一日	30,629	3,398	155,079	51,773	20,710	-	261,589
CARRYING VALUES		賬面值						
At 31 July 2018	於二零一八年七月三十一日	98,903	1,435	42,306	18,097	10,855	358	171,954
At 31 July 2017	於二零一七年七月三十一日	180,773	1,707	38,899	18,925	9,667	-	249,971

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19. PROPERTY, PLANT AND EQUIPMENT (Continued)

The above items of property, plant and equipment, except for construction in process, are depreciated on a straight-line basis over the estimated useful lives less residual values as follows:

Properties held for own use situated on leasehold land are depreciated over the shorter of the unexpired term of lease and their estimated useful lives, being no more than 50 years after the date of initial recognition.

	Estimated useful life 估計可使用年期	Residual value 剩餘價值
Motor vehicles 汽車	5 years 5年	10%
Plant and machinery 廠房及機器	10 years 10年	10%
Furniture, fixtures and equipment 傢俬、裝置及設備	3 to 10 years 3至10年	10%
Leasehold improvements 租賃物業裝修	Shorter of the lease term and 5 to 10 years 租期及5至10年，以較短者為準	—

In view of the operating losses of subsidiaries included in healthcare and hotel service segment during the year ended 31 July 2018, the directors of the Company have performed impairment assessment on the property, plant and equipment of those subsidiaries as at 31 July 2018. The recoverable amounts of these property, plant and equipment have been determined based on value-in-use using cashflow projection provided by the management of the Company. The pre-tax discount rates applied in measuring the amounts of value-in-use is 8%. There has been no change from the valuation technique used in prior year. Accordingly, impairment loss of approximately HK\$5,015,000 had been recognised in respect of these properties, plant and equipment during the year ended 31 July 2018 (2017: nil).

19. 物業、廠房及設備 (續)

除在建工程外，以上物業、廠房及設備項目以直線法按以下估計可使用年期減剩餘價值計算折舊：

租賃土地上的持作自用物業按未屆滿的租期及其估計可使用年期（於初步確認日期後50年內）的較短者折舊。

鑒於截至二零一八年七月三十一日止年度計入醫療保健和酒店服務部門的附屬公司經營虧損，本公司董事已於二零一八年七月三十一日就於該等附屬公司的物業、廠房及設備進行減值評估。該等物業、廠房及設備的可收回金額乃使用本公司管理層提供的現金流量預測根據使用價值釐定。計量使用價值金額所採用的稅前貼現率為8%。所使用的估值方法與去年相同。因此，截至二零一八年七月三十一日止年度，已就該等物業、廠房及設備確認減值虧損約5,015,000港元（二零一七年：零）。

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19. PROPERTY, PLANT AND EQUIPMENT (Continued)

The carrying value of properties held for own use shown above comprises of:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Medium-term leases	中期租賃		
— in Hong Kong	— 位於香港	6,411	7,640
— outside Hong Kong	— 香港境外	92,492	173,133
		98,903	180,773

As at 31 July 2018, properties located in Hong Kong under medium-term leases with carrying value of approximately HK\$6,411,000 (2017: HK\$7,640,000) have been pledged to secure banking facilities granted to the Group.

As at 31 July 2018, properties located in the PRC under medium-term leases with carrying value of approximately HK\$86,310,000 (2017: HK\$163,340,000) have been pledged to secure bank borrowings.

Certain properties located in the PRC are disposed of during the year ended 31 July 2018 but the Group is in the process of releasing the pledge of those properties up to the date of the approval of the consolidated financial statement. Details are set out in Note 36 of this consolidated financial statement.

19. 物業、廠房及設備 (續)

上述持作自用物業的賬面值包括：

於二零一八年七月三十一日，賬面值約 6,411,000 港元 (二零一七年：7,640,000 港元) 位於香港根據中期租賃持有的物業已予抵押，作為本集團所獲授銀行信貸的擔保。

於二零一八年七月三十一日，賬面值約 86,310,000 港元 (二零一七年：163,340,000 港元) 位於中國根據中期租賃持有的物業已予抵押，作為銀行借款的擔保。

位於中國的若干物業已於截至二零一八年七月三十一日止年度出售，惟截至批准綜合財務報表日期，本集團正在解除該等物業的抵押。詳情載於本綜合財務報表附註 36。

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20. INTANGIBLE ASSETS

20. 無形資產

		Patent 專利 HK\$'000 千港元	Golf club membership 高爾夫球 會所會籍 HK\$'000 千港元	Total 總計 HK\$'000 千港元
COST		成本		
At 1 August 2016	於二零一六年八月一日	6,960	–	6,960
Exchange realignment	匯兌調整	(60)	4	(56)
Additions	添置	–	379	379
At 31 July 2017 and 2018	於二零一七年及二零一八年 七月三十一日	6,900	383	7,283
ACCUMULATED AMORTISATION AND IMPAIRMENT		累計攤銷及減值		
At 1 August 2016	於二零一六年八月一日	6,960	–	6,960
Exchange realignment	匯兌調整	(60)	–	(60)
At 31 July 2017 and 2018	於二零一七年及二零一八年 七月三十一日	6,900	–	6,900
CARRYING AMOUNTS		賬面值		
At 31 July 2018	於二零一八年七月三十一日	–	383	383
At 31 July 2017	於二零一七年七月三十一日	–	383	383

The Group's golf club membership at 31 July 2018 and 2017 is assessed as having indefinite useful life because there is no time limit that the Group can enjoy the services provided by that golf club.

本集團於二零一八年及二零一七年七月三十一日高爾夫球會所會籍乃評定為具無限可使用年期，原因是本集團享用有關高爾夫球會所提供的服務並無時間限制。

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21. PREPAID LEASE PAYMENTS

Analysed for reporting purposes as:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current asset	流動資產	4,824	4,820
Non-current asset	非流動資產	120,406	229,061
		125,230	233,881

The prepaid lease payments consist of cost of land use rights in respect of land located in the PRC held under medium-term leases, on which the Group's factory plants, staff quarters, hotel and healthcare center are built or acquired. During the year ended 31 July 2018 and 2017, certain lands were transferred to investment properties. The remaining period of the land use rights of the Group ranges from 33 to 45 years (2017: 34 to 46 years).

As at 31 July 2018, prepaid lease payments with carrying amount of approximately HK\$119,191,000 (2017: HK\$226,945,000) has been pledged to secure bank borrowings amounting RMB238,000,000 (equivalent to approximately HK\$273,700,000) granted to the Group.

21. 預付租賃款項

就報告作出的分析：

預付租賃款項包括有關位於中國按中期租賃持有的土地(本集團在該幅土地上建有或購有廠房、員工宿舍、酒店及醫療保健中心)的土地使用權成本值。截至二零一八年及二零一七年七月三十一日止年度，若干土地已轉撥至投資物業。本集團土地使用權的剩餘期限介乎33至45年(二零一七年：34至46年)不等。

於二零一八年七月三十一日，賬面值約119,191,000港元(二零一七年：226,945,000港元)的預付租賃款項已予抵押，作為本集團所獲授銀行借款人民幣238,000,000元(相當於約273,700,000港元)的擔保。

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22. INVESTMENT PROPERTIES

22. 投資物業

HK\$'000
千港元

FAIR VALUE	公平值	
At 1 August 2016	於二零一六年八月一日	89,935
Transfer from property, plant and equipment (Note 19)	自物業、廠房及設備轉撥(附註19)	2,048
Transfer from prepaid lease payments (Note 21)	自預付租賃款項轉撥(附註21)	1,081
Change in fair value recognised in profit or loss (Note 9)	於損益確認的公平值變動(附註9)	250
Exchange realignment	匯兌調整	(739)
At 31 July 2017 and 1 August 2017	於二零一七年七月三十一日 及二零一七年八月一日	92,575
Transfer from property, plant and equipment (Note 19)	自物業、廠房及設備轉撥(附註19)	6,518
Transfer from prepaid lease payments (Note 21)	自預付租賃款項轉撥(附註21)	3,510
Change in fair value recognised in profit or loss (Note 9)	於損益確認的公平值變動(附註9)	252
Exchange realignment	匯兌調整	(413)
At 31 July 2018	於二零一八年七月三十一日	102,442

Notes:

附註：

- | | |
|--|--|
| <p>(a) All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.</p> | <p>(a) 本集團按經營租賃持有用於賺取租金或資本增值的所有物業權益均以公平值模式計量，並分類及入賬列作投資物業。</p> |
| <p>(b) The investment properties shown above are situated in the PRC and held under medium-term leases.</p> | <p>(b) 以上所示為根據中期租賃持有位於中國的投資物業。</p> |
| <p>(c) The properties with their respective prepaid lease payments held for own use locating at Huzhou in the PRC were reclassified as investment properties during the year. At the date of transfer, these properties and prepaid lease payments were revalued by BMI, an independent valuer, resulting in revaluation gains of approximately HK\$5,711,000 (2017: approximately HK\$1,885,000) from properties (Note 19) and approximately HK\$2,813,000 (2017: approximately HK\$972,000) from prepaid lease payments (Note 21). The revaluation gains have been recognised in properties revaluation reserve for the year ended 31 July 2018.</p> | <p>(c) 年內，位於中國湖州持作自用的物業及其各自的預付租賃款項重新歸類為投資物業。於轉讓日期，該等物業及預付租賃款項由獨立估值師中和邦盟重新估值，物業及預付租賃款項分別產生重估收益約5,711,000港元(二零一七年：約1,885,000港元)(附註19)及約2,813,000港元(二零一七年：約972,000港元)(附註21)。有關重估收益已於截至二零一八年七月三十一日止年度的物業重估儲備中確認。</p> |
| <p>(d) As at 31 July 2018, the fair value of the investment properties amounted to RMB89,080,000 (equivalent to approximately HK\$102,442,000) (2017: RMB80,500,000 (equivalent to approximately HK\$92,575,000)) was valued by BMI. The valuation approach takes into account of the aggregate amount of the value of the land for the existing use or a notional replacement site in the same locality and the new replacement cost of the buildings from which appropriate deductions may then be made to allow for the age, condition, economic or functional obsolescence and environment factors.</p> | <p>(d) 於二零一八年七月三十一日，投資物業的公平值為人民幣89,080,000元(相當於約102,442,000元)(二零一七年：人民幣80,500,000元(相當於約92,575,000港元))，乃由中和邦盟評估。該項估值法計及土地作現有用途的價值或相同地區內名義重置地盤的價值與新重置有關樓宇的成本的總和，當中可能會就樓齡、狀況、經濟或功能老化及環境因素等作出適當扣減。</p> |

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22. INVESTMENT PROPERTIES (Continued)

Notes: (Continued)

- (e) There has been no change from the valuation technique used in prior year. In estimating the fair value of the properties, the highest and best use of the properties is its current use.
- (f) Details of the Group's investment properties and information about the fair value hierarchy as at 31 July 2018 and 2017 are as follows:

22. 投資物業 (續)

附註：(續)

- (e) 過往年度所用的估值方法並無改變。在估計該等物業的公平值時，該等物業的最高及最佳用途乃其目前用途。
- (f) 於二零一八年及二零一七年七月三十一日，本集團的投資物業詳情及有關公平值層級的資料如下：

		Fair value 公平值	
		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
		(Level 3)	(Level 3)
		(第三層)	(第三層)
Investment properties	投資物業	102,442	92,575

There was no transfer into or out of Level 3 for both years.

於兩個年度內並未轉撥至或轉撥自第三層。

Information about Level 3 fair value measurements of investment properties as at 31 July 2018 and 2017 is as follows:

於二零一八年及二零一七年七月三十一日，有關投資物業第三層公平值計量的資料如下：

Asset 資產	Valuation technique 估值方法	Significant unobservable input 重大不可觀察輸入數據	Relationship of unobservable input to fair value 不可觀察輸入數據與公平值的關係
Investment properties	Depreciated Replacement Cost Approach	Market unit rates of land (per square meter ("sq.m.)) are in a range from RMB322 to RMB405 (2017: a range from RMB269 to RMB420)	A slight increase in market unit rate of land will significantly increase the fair value.
投資物業	折舊重置成本法	土地的市場單位價格(每平方米) 介乎人民幣322元至人民幣405元 (二零一七年：介乎人民幣269元 至人民幣420元)	土地的市場單位價格輕微上升， 將會令公平值大幅上升。
		Current construction costs for building (per sq.m.) are in a range from RMB1,220 to RMB1,670 (2017: a range from RMB1,150 to RMB1,582)	A slight increase in construction cost will significantly increase the fair value.
		樓宇的目前建築成本(每平方米) 介乎人民幣1,220元至人民幣1,670元 (二零一七年：介乎人民幣1,150元 至人民幣1,582元)	建築成本輕微上升，將會令公平值 大幅上升。
		Accumulated depreciation rates are in a range from 5% to 29% (2017: a range from 3% to 26%)	A slight increase in depreciation rate will significantly decrease the fair value.
		累計折舊率介乎5%至29% (二零一七年：介乎3%至26%)	折舊率輕微上升，將會令公平值 大幅下降。

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23. AVAILABLE-FOR-SALE FINANCIAL ASSETS

23. 可供出售金融資產

		Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Listed equity securities:	上市股本證券：			
— Listed outside Hong Kong, at fair value	— 於香港境外上市， 按公平值	(a)	9,219	8,981
Unlisted equity securities:	非上市股本證券：			
— At cost	— 按成本值	(b)	11,610	11,610
— Less: provision for impairment loss	— 減：減值虧損撥備		(11,610)	(11,610)
			—	—
		(c)	9,219	8,981

Notes:

- (a) The fair value of the above listed equity securities is determined based on the quoted market bid prices available on the relevant stock exchange. During the year ended 31 July 2017, significant decline in the fair value of the securities below its cost is noted and an impairment loss of approximately HK\$160,000 (2018: nil) was recognised in the consolidated statement of profit or loss.
- (b) The unlisted equity securities are issued by a private entity incorporated in Taiwan. They are measured at cost less impairment at the end of each reporting period because the range of reasonable fair value estimate is so significant that the directors of the Company are of the opinion that their fair values cannot be measured reliably. The directors of the Company had reviewed the carrying amounts of the unlisted equity securities, accumulated impairment losses of approximately HK\$11,610,000 (2017: approximately HK\$11,610,000) had been recognised in prior years in light of the operating loss of investee and the market conditions.
- (c) Included in AFS financial assets are the following amounts denominated in a currency other than functional currency of the relevant group entity to which they relate.

附註：

- (a) 上述上市股本證券的公平值乃按於相關交易所可得的市場買入報價釐定。於截至二零一七年七月三十一日止年度，證券的公平值大幅下跌至低於其成本值，因此於綜合損益表確認減值虧損約160,000港元（二零一八年：零）。
- (b) 非上市股本證券由在台灣註冊成立的私人實體發行。該等證券於每個報告期末按成本減值計量，此乃由於該等證券的合理公平值估計範圍極大，本公司董事認為其公平值無法可靠地計量。本公司董事已審閱非上市股本證券的賬面值，並鑑於投資對象產生營運虧損及市場狀況，於過往年度確認累計減值虧損約11,610,000港元（二零一七年：約11,610,000港元）。
- (c) 可供出售金融資產包括下列以相關集團實體的功能貨幣以外的貨幣列值的金額。

		2018 二零一八年 '000 千元	2017 二零一七年 '000 千元
NTD	新台幣	35,456	34,149

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24. HELD-TO-MATURITY INVESTMENTS

Held-to-maturity investments comprise:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Unlisted debt securities	非上市債務證券		
— Fixed-rate	— 固定利率	-	34,739

Notes:

- (a) The fixed-rate unlisted debt securities carried interest rates ranged from 1.2% to 3.47% per annum and were matured during the year ended 31 July 2018.
- (b) Included in held-to-maturity investments were the following amounts denominated in currencies other than the functional currency of the relevant group entity to which they related.

附註：

- (a) 固定利率非上市債務證券按介乎1.2厘至3.47厘的年利率計息，有關證券已於截至二零一八年七月三十一日止年度到期。
- (b) 持有至到期投資包括下列以相關集團實體的功能貨幣以外的貨幣列值的金額。

		2018 二零一八年 '000 千元	2017 二零一七年 '000 千元
US\$	美元	-	3,001
RMB	人民幣	-	10,012

25. INTERESTS IN ASSOCIATES

25. 於聯營公司的權益

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份，按成本值	1,225	6,310
Share of post-acquisition results and exchange reserves	分佔收購後業績及匯兌儲備	(645)	(2,914)
Impairment loss recognised	已確認減值虧損	(580)	(580)
		-	2,816

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25. INTERESTS IN ASSOCIATES (Continued)

Details of the associates at 31 July 2018 and 2017 are as follows:

Name of company 公司名稱	Form of business structure 業務架構形式	Place of incorporation/ operation 註冊成立/ 經營地點	Registered/ paid up capital 註冊/繳 足股本	Proportion of ownership interest and voting rights held by the Group 本集團持有的擁有權權益 及投票權比例		Principal activities 主要業務
				2018 二零一八年	2017 二零一七年	
BiOcean Holdings Limited BiOcean Holdings Limited	Incorporated 註冊成立	Hong Kong 香港	HK\$2,500,000 2,500,000 港元	49%	49%	Investment holding 投資控股
Biomar Industries Sdn Bhd Biomar Industries Sdn Bhd	Incorporated 註冊成立	Malaysia 馬來西亞	MYR400,000 400,000 令吉	49%	49%	Trading of chemistry oil 化學油貿易
Ta Yang UDE Limited ("UDE") (Note) 大洋湧德有限公司(「湧德」)(附註)	Incorporated 註冊成立	Samoa 薩摩亞	US\$1,460,000 1,460,000 美元	-	45%	Investment holding 投資控股
東莞德洋精密橡膠有限公司 ("東莞德洋")(Note)(附註)	Established 成立	The PRC 中國	US\$1,000,000 1,000,000 美元	-	45%	Manufacture of silicone rubber 生產矽膠

Note: During the year ended 31 July 2018, the Group has disposed of the Group's entire equity interest in UDE and its subsidiary, 東莞德洋, to an independent third party, at a cash consideration of US\$290,155 (equivalent to approximately HK\$2,246,000). Loss on disposal of approximately HK\$630,000 was recognised in consolidated statement of profit or loss.

25. 於聯營公司的權益 (續)

於二零一八年及二零一七年七月三十一日的聯營公司詳情如下：

附註：截至二零一八年七月三十一日止年度，本集團已以現金代價290,155美元（相當於約2,246,000港元）出售本集團於湧德及其附屬公司東莞德洋的全部股權予一名獨立第三方。出售產生的虧損約630,000港元已於綜合損益表確認。

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25. INTERESTS IN ASSOCIATES (Continued)

The financial information and carrying amount, in aggregate, of the Group's interests in associates, that are not individually material and are accounted for using the equity method are set out below:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
The Group's share of loss	本集團分佔虧損	77	1,625
The Group's share of other comprehensive (income) expenses	本集團分佔其他全面(收益)開支	(19)	42
The Group's share of total comprehensive expenses	本集團分佔全面開支總額	58	1,667
Aggregate carrying amount of the Group's interests in immaterial associates	本集團於非重大聯營公司權益的總賬面值	-	2,816

The directors of the Company reviewed the carrying amount in the equity interest of the associates as at 31 July 2017. In view of the recurring operating losses of associates, the directors of the Company are of the opinion that the recoverable amount is less than its respective carrying amount, accordingly accumulated impairment losses of HK\$580,000 (2017: HK\$580,000) was recognised in prior years.

26. DEPOSITS FOR ACQUISITION OF LAND USE RIGHTS

The deposits of approximately IDR25,572,000,000 (equivalent to approximately HK\$14,065,000) (2017: IDR23,703,000,000 (equivalent to approximately HK\$13,037,000)) were paid by the Group to an independent third party for acquisition of pieces of land located in Indonesia. The acquisition was originally expected to be completed in July 2016. In 2016, a supplementary agreement has been entered into between the vendor and the Group. Pursuant to the supplementary agreement, the acquisition is expected to be completed by October 2020. Up to the date of approval of the consolidated financial statements, the Group is in the process to obtain the land use rights. The deposits are interest-free, unsecured and guaranteed by an individual third party.

25. 於聯營公司的權益(續)

本集團於個別而言並不重大且採用權益法入賬的聯營公司的權益的匯總財務資料及賬面值載列如下：

本公司董事於二零一七年七月三十一日審閱於聯營公司的股本權益的賬面值。由於聯營公司錄得持續經營虧損，本公司董事認為可收回金額低於其各自的賬面值，因而已於過往年度確認累計減值虧損580,000港元(二零一七年：580,000港元)。

26. 收購土地使用權的按金

約25,572,000,000印尼盾(相當於約14,065,000港元)(二零一七年：23,703,000,000印尼盾(相當於約13,037,000港元))的按金為本集團向一名獨立第三方支付用作收購多幅位於印尼的土地。原本預期收購會於二零一六年七月完成。於二零一六年，賣方已與本集團訂立補充協議。根據補充協議，預期收購將於二零二零年十月前完成。截至綜合財務報表獲批准日期，本集團正申請取得土地使用權。該等按金為免息、無抵押及由一名獨立第三方擔保。

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27. INVENTORIES

27. 存貨

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Raw materials	原材料	21,203	14,138
Work-in-progress	在製品	5,118	10,789
Finished goods	製成品	20,083	10,613
		46,404	35,540

28. TRADE AND OTHER RECEIVABLES

28. 應收貿易賬款及其他應收款項

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Trade and bills receivables	應收貿易賬款及應收票據		
— from third parties	— 應收第三方	98,556	114,768
Less: Allowance for doubtful debts	減：就應收第三方的應收貿易		
recognised in respect of trade and	賬款及應收票據確認的		
bills receivables from third parties	呆賬撥備	(976)	(1,430)
		97,580	113,338
Deposits and prepayments	按金及預付款項	14,772	13,518
Consideration receivable from disposal of	出售物業應收代價(附註a)		
properties (Note a)		103,571	—
Value-added tax receivables	應收增值稅	4,527	27,455
Other receivables (Note b)	其他應收款項(附註b)	9,409	10,505
		229,859	164,816

Notes:

- (a) During the year ended 31 July 2018, certain buildings and prepaid lease payments located in Hainan, the PRC, have been disposed at cash consideration of HK\$257,837,000 (excluding outgoing expenses) (Note 29). As at 31 July 2018, the consideration receivables of approximately HK\$103,571,000 was non-interest bearing and repayable within one year.
- (b) As at 31 July 2017, the carrying amount of other receivables has been netted off with accumulated impairment losses of approximately HK\$175,000 (2018: nil). During the year ended 31 July 2017, the Group recognised a reversal of impairment loss of approximately HK\$2,049,000 (2018: nil) relates to the recovery of other receivables.

附註：

- (a) 截至二零一八年七月三十一日止年度，位於中國海南的若干樓宇及預付租賃款項已按現金代價257,837,000港元(不包括外開支)予以出售(附註29)。於二零一八年七月三十一日，應收代價約103,571,000港元不計息並須於一年內償還。
- (b) 於二零一七年七月三十一日，其他應收款項的賬面值已扣除累計減值虧損約175,000港元(二零一八年：零)。於截至二零一七年七月三十一日止年度，本集團確認撥回有關收回其他應收款項的減值虧損約2,049,000港元(二零一八年：零)。

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28. TRADE AND OTHER RECEIVABLES (Continued)

The Group did not hold any collateral over these balances.

The Group normally grants to its customers credit periods ranging from 30 to 135 days which are subject to periodic review by the management.

The following is an aged analysis of trade and bills receivables, net of allowance for doubtful debts presented based on the invoice date at the end of the reporting period, which approximated the respective revenue recognition date.

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
0-90 days	0至90日	91,207	101,362
91 days to 1 year	91日至一年	6,373	11,938
Over 1 year	一年以上	-	38
		97,580	113,338

The movement in the allowance for doubtful debts of trade receivables is as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At 1 August	於八月一日	1,430	1,748
Exchange realignment	匯兌調整	(198)	(16)
Impairment loss recognised (Note 14)	已確認減值虧損(附註14)	251	1,402
Release upon deregistration of subsidiaries	附屬公司撤銷註冊時撥回	(507)	-
Amounts written off as uncollectible	因不可收回而撇銷的金額	-	(1,704)
At 31 July	於七月三十一日	976	1,430

Included in the allowance for doubtful debts recognised are individually impaired trade receivables with an aggregate balance of approximately HK\$976,000 (2017: HK\$1,430,000). The individually impaired receivables mainly relate to customers that are in financial difficulty or of poor credit history. During the year ended 31 July 2018, no direct write-off of trade receivables was recognised (2017: nil).

28. 應收貿易賬款及其他應收款項(續)

本集團並未就該等結餘持有任何抵押品。

本集團一般給予其客戶介乎30日至135日的信貸期，而管理層會定期檢討有關信貸期。

於報告期末，扣除呆賬撥備後的應收貿易賬款及應收票據按發票日期(接近各自的收益確認日期)的賬齡分析呈列如下。

應收貿易賬款的呆賬撥備變動如下：

已確認呆賬撥備包括結餘總額約976,000港元(二零一七年：1,430,000港元)的個別已減值應收貿易賬款。個別已減值應收款項主要與面對財政困難或信貸記錄不良的客戶有關。截至二零一八年七月三十一日止年度，概無確認應收貿易賬款直接撇銷(二零一七年：無)。

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28. TRADE AND OTHER RECEIVABLES (Continued)

At 31 July 2018 and 2017, the analysis of trade and bills receivables that are past due but not impaired are as follows:

		Total 總計 HK\$'000 千港元	Neither past due nor impaired 並無逾期亦無減值 HK\$'000 千港元	Past due but not impaired 已逾期但並無減值	
				Less than 90 days 少於90日 HK\$'000 千港元	Over 90 days but less than 1 year 90日以上但少於一年 HK\$'000 千港元
31 July 2018	二零一八年七月三十一日	97,580	82,467	13,622	1,491
31 July 2017	二零一七年七月三十一日	113,338	105,534	7,127	677

Trade and bills receivables that are neither past due nor impaired relate to a wide range of customers for whom there is no recent history of default.

Trade and bills receivables that are past due but not impaired relate to a number of independent customers that have a good track payment record with the Group. Based on past experience, management believes that no allowance for doubtful debts 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.

Included in trade and other receivables are the following amounts in currencies other than the functional currency of the relevant group entity to which they relate:

		2018 二零一八年 '000 千元	2017 二零一七年 '000 千元
US\$	美元	7,708	9,424
EUR	歐元	-	380
NTD	新台幣	915	33,811
RMB	人民幣	-	290

28. 應收貿易賬款及其他應收款項(續)

於二零一八年及二零一七年七月三十一日，已逾期但並無減值的應收貿易賬款及應收票據的分析如下：

並無逾期亦無減值的應收貿易賬款及應收票據與近期並無拖欠記錄的多名客戶有關。

已逾期但並無減值的應收貿易賬款及應收票據與本集團多名有良好付款記錄的獨立客戶有關。根據過去經驗，由於信貸質素並無重大變動及結餘仍被視為可悉數收回，故管理層相信毋須就該等結餘作出呆賬撥備。

應收貿易賬款及其他應收款項包括下列以相關集團實體的功能貨幣以外的貨幣列值的金額：

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29. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

During the year ended 31 July 2017, the Group has entered into sale and purchase agreements (the "Agreements") with independent third parties (collectively "Purchasers of the Properties"). Pursuant to the Agreements, the Group will sell certain units of a building in Hainan (the "Properties") to the Purchasers of the Properties at a total consideration of approximately RMB20,499,000 (equivalent to approximately HK\$23,574,000) upon the terms and conditions contained therein. As at 31 July 2017, total deposits of approximately RMB10,446,000 (equivalent to approximately HK\$12,013,000) have been received and recognised under trade and other payables. The Properties with carrying amount of approximately HK\$11,022,000 has been presented as non-current assets classified as held for sale as at 31 July 2017. The sales of the Properties are completed during the year ended 31 July 2018.

Further in 2018, the Group has entered into an agency agreement with an independent third party, 海南泛海頤和房產經紀有限公司 ("海南泛海"), to which 海南泛海 has agreed to underwrite the purchase of the properties from the Group at a total cash consideration of approximately HK\$292,600,000. During the year ended 31 July 2018, certain properties are disposed (note 28(a)). As at 31 July 2018, certain units are remain unsold and expected to be sold within one year. The carrying amount of such unsold units of approximately HK\$21,214,000 has been presented as non-current assets classified as held for sale as at 31 July 2018.

At the end of the reporting period, the major classes of non-current assets classified as held for sale are as follows:

29. 分類為持作出售的非流動資產

截至二零一七年七月三十一日止年度，本集團與獨立第三方(統稱「該等物業的買方」)訂立買賣協議(「該等協議」)。根據該等協議，本集團將按當中所載條款及條件向該等物業的買方出售海南的若干樓宇單位(「該等物業」)，總代價約為人民幣20,499,000元(相當於約23,574,000港元)。於二零一七年七月三十一日，已收取及確認為應付貿易賬款及其他應付款項項下的按金總額約人民幣10,446,000元(相當於約12,013,000港元)。於二零一七年七月三十一日，賬面值約為11,022,000港元的該等物業於分類為持作出售的非流動資產中呈列。出售該等物業已於截至二零一八年七月三十一日止年度完成。

此外，於二零一八年，本集團已與獨立第三方海南泛海頤和房產經紀有限公司(「海南泛海」)訂立代理協議，據此，海南泛海已同意包銷自本集團購買的物業，總現金代價為約292,600,000港元。截至二零一八年七月三十一日止年度，若干物業已予出售(附註28(a))。於二零一八年七月三十一日，若干單位仍未出售及預期將於一年內出售。於二零一八年七月三十一日，有關未售單位的賬面值約21,214,000港元已作為分類為持作待售的非流動資產呈列。

於報告期末，分類為持作出售的非流動資產的主要類別如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At 1 August	於八月一日	11,022	-
Disposal	出售	(11,022)	-
Transfer from property, plant and equipment (Note 19)	轉撥自物業、廠房及設備(附註19)	9,281	4,581
Transfer from prepaid lease payments (Note 21)	轉撥自預付租賃款項(附註21)	12,862	6,326
Exchange realignment	匯兌調整	(929)	115
At 31 July	於七月三十一日	21,214	11,022

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30. AMOUNTS DUE FROM (TO) AN ASSOCIATE/A DIRECTOR

The amounts due from (to) an associate and a director were unsecured, interest-free and fully settled during the year ended 31 July 2018.

30. 應收(應付)一間聯營公司/一名董事款項

應收(應付)一間聯營公司及一名董事款項為無抵押、免息及於截至二零一八年七月三十一日止年度已全數結算。

31. HELD-FOR-TRADING INVESTMENTS

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Equity securities at quoted market prices	股本證券(按市場報價)		
— listed in Hong Kong	— 於香港上市	104	123
— listed outside Hong Kong	— 於香港境外上市	478	557
		582	680

Included in held-for-trading investments are the following amounts in a currency other than the functional currency of the relevant group entity to which they relate:

持作買賣投資包括下列以相關集團實體的功能貨幣以外的貨幣列值的金額：

		2018 二零一八年 '000 千元	2017 二零一七年 '000 千元
NTD	新台幣	1,840	2,118

32. BANK BALANCES AND CASH

At 31 July 2018 and 2017, bank balances and cash held by the Group at prevailing market rates. The maturities of bank balances and bank deposits are within three months.

Bank balances and bank deposits carry interest at average market rates of 0.53% (2017: 0.86%) per annum.

At 31 July 2018, conversion of the Group's bank balances and cash denominated in RMB amounted to approximately RMB102,651,000 (equivalent to approximately HK\$118,049,000) (2017: RMB61,095,000 (equivalent to approximately HK\$70,260,000)) into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations.

32. 銀行結餘及現金

於二零一八年及二零一七年七月三十一日，銀行結餘及本集團持有按當前市場利率計息的現金。銀行結餘及銀行存款於三個月內到期。

銀行結餘及銀行存款按0.53厘(二零一七年：0.86厘)的平均市場年利率計息。

於二零一八年七月三十一日，將本集團以人民幣計值的銀行結餘及現金約人民幣102,651,000元(相當於約118,049,000港元)(二零一七年：人民幣61,095,000元(相當於約70,260,000港元))兌換為外幣須受中國外匯管理條例及結匯、售匯及付匯管理規定所限。

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32. BANK BALANCES AND CASH (Continued)

Included in bank balances and cash are the following amounts in currencies other than the functional currency of the relevant group entity to which they relate:

		2018 二零一八年 '000 千元	2017 二零一七年 '000 千元
US\$	美元	5,013	2,780
EUR	歐元	5	122
JPY	日圓	228	529
NTD	新台幣	227	4,264
RMB	人民幣	13,241	2,970

32. 銀行結餘及現金(續)

銀行結餘及現金包括下列以相關集團實體的功能貨幣以外的貨幣列值的金額：

33. TRADE AND OTHER PAYABLES

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Trade and bills payables	應付貿易賬款及應付票據	33,308	31,799
Accrued expenses	應計開支	28,314	55,696
Other payables	其他應付款項	9,689	12,289
Other tax payables	其他應付稅項	10,059	7,503
Deposits received	已收按金	8,527	28,776
		56,589	104,264
		89,897	136,063

33. 應付貿易賬款及其他應付款項

As at 31 July 2018, included in other payables, there is directors' payables of approximately HK\$254,000 (2017: HK\$175,000).

於二零一八年七月三十一日，其他應付款項包括董事應付款項約254,000港元(二零一七年：175,000港元)。

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33. TRADE AND OTHER PAYABLES (Continued)

An aged analysis of trade and bills payables based on the invoice date at the end of the reporting period is as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within 1 month or on demand	一個月內或按要求償還	15,951	16,820
More than 1 month but less than 3 months	一個月以上但少於三個月	15,325	12,635
More than 3 months but less than 12 months	三個月以上但少於十二個月	403	1,482
More than 12 months	十二個月以上	1,629	862
		33,308	31,799

The average credit period on purchases of goods is ranging from 30 to 90 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

Included in trade and other payables are the following amounts denominated in currencies other than the functional currency of the relevant group entity to which they relate:

		2018 二零一八年 '000 千元	2017 二零一七年 '000 千元
US\$	美元	335	735
JPY	日圓	-	320
NTD	新台幣	133	150
RMB	人民幣	-	50

34. LOANS FROM A RELATED COMPANY

As at 31 July 2017, the Group borrowed unsecured loans from a related party in total principal amount of HK\$5,000,000. The loans carried fixed interest rate at 7% per annum and were repayable on demand. The amount was fully settled in August 2017.

35. LOANS FROM THIRD PARTIES

As at 31 July 2017, the Group borrowed unsecured loans from third parties in the principal amount of RMB22,780,000 (equivalent to approximately HK\$26,197,000). The loans carried fixed interest rate at 8% per annum and were repayable on demand. The amounts were fully settled in August 2017.

33. 應付貿易賬款及其他應付款項(續)

於報告期末，應付貿易賬款及應付票據按發票日期的賬齡分析呈列如下：

購買貨品的平均信貸期介乎30日至90日。本集團設有財務風險管理政策，以確保所有應付款項均於信貸期內支付。

應付貿易賬款及其他應付款項包括下列以相關集團實體的功能貨幣以外的貨幣列值的金額：

34. 一間關連公司貸款

於二零一七年七月三十一日，本集團向一名關連方借入本金總額為5,000,000港元的無抵押貸款。該等貸款按固定年利率7厘計息並按要求償還。該款項於二零一七年八月全數結算。

35. 第三方貸款

於二零一七年七月三十一日，本集團向第三方借入本金總額為人民幣22,780,000元(相當於約26,197,000港元)的無抵押貸款。該等貸款按固定年利率8厘計息並按要求償還。該款項於二零一七年八月全數結算。

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36. SECURED BANK BORROWINGS

36. 有抵押銀行借款

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Carrying amount of bank borrowings that are not repayable on demand or within one year from the end of the reporting period but:	毋須按要求或於報告期末起一年內償還的銀行借款賬面值，惟：		
— repayable on demand due to breach of loan covenants (note)	— 因違反貸款契約而須按要求償還(附註)	273,700	—
— contain a repayment on demand clause	— 含有按要求償還條款	48,905	32,542
Amounts classified as current liabilities	分類為流動負債的款項	322,605	32,542
Amount as non-current liabilities	非流動負債款項	—	273,700
		322,605	306,242
Carrying amounts repayable (based on scheduled repayment dates set out in the loan agreements):	應償還的賬面值 (基於貸款協議所載的計劃還款日期)：		
Within one year	一年內	83,405	32,542
More than one year but not exceeding two years	一年以上但不超過兩年	34,500	34,500
More than two years but not exceeding five years	兩年以上但不超過五年	155,250	132,250
More than five years	五年以上	49,450	106,950
		322,605	306,242

Note: As at 31 July 2018, a bank borrowing of approximately HK\$273,700,000 were secured with certain properties (note 19 and 21), which were disposed during the year. The Group has breached the bank covenant. Reference to the respective bank borrowing and pledge asset agreements entered into between the Group and the bank, the bank has the right to demand for immediate payment. The bank borrowing has been therefore classified as a current liability as at 31 July 2018. Subsequent to the end of reporting period and up to the date of the approval of the consolidated financial statement, the Group is negotiating with the relevant bank (i) on restructuring the respective borrowing based on the secured sold and unsold properties; and (ii) no action will be taken by the relevant bank to demand immediate repayment of the portion of bank borrowing relating to the secured unsold properties.

Up to the date of the issuance of the consolidated financial statements, the management of the Group considered that the aforementioned bank borrowing will not be demanded for immediate payment based on the negotiation with the bank.

附註：於二零一八年七月三十一日，銀行借款約273,700,000港元乃以若干物業作擔保(附註19及21)，而有關物業已於年內出售。本集團已違反銀行契約。茲提述本集團與銀行訂立的有關銀行借款及資產抵押協議，該銀行有權要求立即付款。因此，於二零一八年七月三十一日，銀行借款已分類為流動負債。於報告期末後及直至批准綜合財務報表日期，本集團正與相關銀行就(i)基於已抵押已售及未售物業重組有關借款；及(ii)相關銀行將不會採取任何行動要求立即償還已抵押未售物業的銀行借款部分進行磋商。

截至刊發綜合財務報表日期，本集團管理層認為，基於與銀行的磋商，上述銀行借款將不會被要求立即支付。

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36. SECURED BANK BORROWINGS (Continued)

During the year, the Group obtained new loans in amount of approximately HK\$16,000,000 and will be repayable within one year. (2017: approximately to HK\$281,440,000 and will be repayable range from 2019 to 2023).

The effective interest rates on the Group's bank borrowings ranged from 3.03% to 7.80% (2017: 2.21% to 7.80%) per annum.

As at 31 July 2018, land and buildings located in Hong Kong under medium-term leases with carrying value of approximately HK\$6,411,000 (2017: HK\$7,640,000) have been pledged to secure banking facilities granted to the Group.

As at 31 July 2018, land and buildings and prepaid lease payments located in Hainan, the PRC under medium-term leases with carrying value of approximately HK\$86,310,000 (2017: HK\$164,340,000) and HK\$119,191,000 (2017: HK\$226,945,000) respectively, have been pledged to secure bank borrowings granted to the Group.

Included in secured bank borrowings are the following amounts denominated in a currency other than the functional currency of the relevant group entity to which they relate:

	2018 二零一八年 '000 千元	2017 二零一七年 '000 千元
US\$	3,300	3,300

36. 有抵押銀行借款(續)

年內，本集團獲得新貸款約16,000,000港元及將須於一年內償還(二零一七年：約281,440,000港元及將須於二零一九年至二零二三年償還)。

本集團銀行借款的實際年利率介乎3.03厘至7.80厘(二零一七年：2.21厘至7.80厘)。

於二零一八年七月三十一日，賬面值約6,411,000港元(二零一七年：7,640,000港元)位於香港根據中期租賃持有的土地及樓宇已予抵押，作為本集團所獲授銀行信貸的擔保。

於二零一八年七月三十一日，賬面值分別約86,310,000港元(二零一七年：164,340,000港元)及119,191,000港元(二零一七年：226,945,000港元)的位於中國海南根據中期租賃持有的土地及樓宇以及預付租賃款項已予抵押，作為本集團所獲授銀行借款的擔保。

有抵押銀行借款包括下列以相關集團實體的功能貨幣以外的貨幣列值的金額：

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37. SHARE CAPITAL

Authorised and issued share capital

		Number of shares		Share capital	
		股份數目		股本	
		2018	2017	2018	2017
		二零一八年	二零一七年	二零一八年	二零一七年
		'000	'000	HK\$'000	HK\$'000
		千股	千股	千港元	千港元
Ordinary shares of HK\$0.1 each	每股面值0.1港元的普通股				
Authorised:	法定：				
At beginning and end of the year	於年初及年末	20,000,000	20,000,000	2,000,000	2,000,000
Issued and fully paid:	已發行及已繳足：				
At 1 August	於八月一日	871,178	784,728	87,118	78,473
Issue of shares upon placing	配售後發行股份	-	86,450	-	8,645
At 31 July	於七月三十一日	871,178	871,178	87,118	87,118

Note: On 25 August 2016, 86,450,000 ordinary shares of HK\$0.1 each were placed at a price of HK\$1.31 per share, raising a total of net proceeds of approximately HK\$111,901,000, after deducting direct expenses of approximately HK\$1,348,000.

附註：於二零一六年八月二十五日，本公司按每股1.31港元的價格配發86,450,000股每股面值0.1港元的普通股，籌得總所得款項淨額約111,901,000港元（扣除直接開支約1,348,000港元）。

38. DEFERRED INCOME

		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
At 1 August	於八月一日	3,614	3,668
Exchange realignment	匯兌調整	7	(31)
Credited to profit or loss (Note 9)	計入損益(附註9)	(168)	(23)
At 31 July	於七月三十一日	3,453	3,614

In 2009, the Group received a government grant ("Grant A") of approximately HK\$1,049,000 from 浙江湖州經濟開發區管理委員會 for the acquisition of prepaid lease payments. The amount is recognised as other operating income over the unexpired lease term of prepaid lease payments. During the year ended 31 July 2018, deferred income of approximately HK\$24,000 (2017: HK\$23,000) has been recognised for Grant A in the consolidated statement of profit or loss.

於二零零九年，本集團就購入預付租賃款項收到浙江湖州經濟開發區管理委員會給予的政府補助金（「補助金甲」）約1,049,000港元。該金額於預付租賃款項的未屆滿租期內確認為其他經營收入。截至二零一八年七月三十一日止年度，已於綜合損益表內就補助金甲確認遞延收入約24,000港元（二零一七年：23,000港元）。

In 2013, the Group received a government grant ("Grant B") of approximately HK\$2,962,000 from 東莞市科學技術局 for the development of high resolution flexible circuit board technology. During the year, the patents registration of such technology was completed. During the year ended 31 July 2018, deferred income of approximately HK\$144,000 (2017: N/A) has been recognised for Grant B in the consolidated statement of profit or loss.

於二零一三年，本集團就發展高分辨率柔性電路板技術收到東莞市科學技術局給予約2,962,000港元的政府補貼金（「補助金乙」）。年內，該項技術的專利登記已完成。截至二零一八年七月三十一日止年度，遞延收入約144,000港元（二零一七年：不適用）已就補助金乙於綜合損益表確認。

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39. DEFERRED TAX LIABILITIES

The followings are the major deferred tax (assets) liabilities recognised and movements thereof during the current and prior years:

39. 遞延稅項負債

本年度及過往年度已確認的主要遞延稅項(資產)負債及其變動如下：

		Unrealised (profits) loss on inventories	Accelerated tax depreciation	Estimated tax losses	Change in fair value of properties	Deferred income arising from government grants 產生的 遞延收入	Total
		存貨的未變現 (溢利)虧損 HK\$'000 千港元	加速稅項 折舊 HK\$'000 千港元	估計稅項 虧損 HK\$'000 千港元	物業的 公平值變動 HK\$'000 千港元	政府補助 產生的 遞延收入 HK\$'000 千港元	總計 HK\$'000 千港元
At 1 August 2016	於二零一六年八月一日	261	266	(266)	9,472	(917)	8,816
Exchange realignment	匯兌調整	2	-	-	(72)	7	(63)
(Credited) charged to profit or loss (Note 13)	於損益(計入)扣除 (附註13)	(102)	-	-	62	6	(34)
Charged to other comprehensive income	於其他全面收益中扣除	-	-	-	714	-	714
At 31 July 2017	於二零一七年七月三十一日	161	266	(266)	10,176	(904)	9,433
Exchange realignment	匯兌調整	2	-	-	(91)	(1)	(90)
(Credited) charged to profit or loss	於損益(計入)扣除	(138)	-	-	800	42	704
Charged to other comprehensive income	於其他全面收益中 扣除	-	-	-	1,396	-	1,396
At 31 July 2018	於二零一八年七月三十一日	25	266	(266)	12,281	(863)	11,443

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39. DEFERRED TAX LIABILITIES (Continued)

Under the EIT Law, withholding tax is imposed on dividends declared in respect of profits earned by the PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has not been provided for in the consolidated financial statements in respect of temporary differences attributable to the profits of the PRC subsidiaries amounting to approximately HK\$2,824,000 (2017: HK\$4,333,000) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

At the end of the reporting period, the Group has unused tax losses of approximately HK\$392,147,000 (2017: HK\$454,379,000) available for offset against future profits. A deferred tax asset has been recognised in respect of approximately HK\$1,615,000 (2017: HK\$1,615,000) of such loss. No deferred tax asset has been recognised in respect of the remaining losses of approximately HK\$390,532,000 (2017: HK\$452,764,000) due to the unpredictability of future profit streams. At 31 July 2018, approximately HK\$76,078,000, HK\$69,778,000, HK\$18,355,000, HK\$20,675,000 and HK\$54,561,000 (2017: HK\$41,101,000, HK\$76,378,000, HK\$70,956,000, HK\$19,454,000 and HK\$14,140,000) included in the above unused tax losses will expire after the year of assessment of 2018, 2019, 2020, 2021 and 2022 respectively. Other estimated tax losses may be carried forward indefinitely.

As at 31 July 2017 and 2018, no deferred tax asset has been recognised in relation to deductible temporary differences of HK\$687,000 (2017: HK\$877,000) derived from property, plant and equipment and trade and other receivables as it is not probable that taxable profits will be available against which the deductible temporary differences can be utilised.

39. 遞延稅項負債 (續)

根據企業所得稅法，中國附屬公司由二零零八年一月一日起須就所賺溢利宣派的股息繳納預扣稅。本集團並無於綜合財務報表中就中國附屬公司溢利所產生的暫時性差額約2,824,000港元(二零一七年：4,333,000港元)計提遞延稅項撥備，原因為本集團能夠控制撥回暫時性差額的時間，且該等暫時性差額不大可能於可見將來撥回。

於報告期末，本集團有尚未動用稅項虧損約392,147,000港元(二零一七年：454,379,000港元)，可供對銷未來溢利。已就有關虧損約1,615,000港元(二零一七年：1,615,000港元)確認遞延稅項資產。由於未能預計未來溢利流量，概無就餘下虧損約390,532,000港元(二零一七年：452,764,000港元)確認遞延稅項資產。於二零一八年七月三十一日，上述尚未動用稅項虧損其中約76,078,000港元、69,778,000港元、18,355,000港元、20,675,000港元及54,561,000港元(二零一七年：41,101,000港元、76,378,000港元、70,956,000港元、19,454,000港元及14,140,000港元)分別將於二零一八年、二零一九年、二零二零年、二零二一年及二零二二年評稅年度後到期。其他估計稅項虧損可無限期結轉。

於二零一七年及二零一八年七月三十一日，由於不大可能有應課稅溢利可動用與可扣減暫時性差額687,000港元(二零一七年：877,000港元)抵銷，因此並無就物業、廠房及設備以及應收貿易賬款及其他應收款項產生的可扣減暫時性差額確認遞延稅項資產。

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40. ASSETS ACQUISITION

During the year ended 31 July 2017, the Company acquired four hotel buildings at Sanya Yalong Bay, the PRC. The total cash consideration for the acquisition was RMB342,600,000 (equivalent to approximately HK\$389,879,000), of which RMB35,749,000 (equivalent to approximately HK\$42,935,000) was paid in July 2016. The title of the four hotel buildings has been obtained and the transaction was completed during the year ended 31 July 2017. The assets acquired are as follows:

		HK\$'000 千港元
Property, plant and equipment (Note 19)	物業、廠房及設備(附註19)	163,749
Prepaid lease payments (Note 21)	預付租賃款項(附註21)	226,130
Total consideration		389,879

41. DISPOSAL OF INTEREST IN A SUBSIDIARY WITHOUT CHANGE OF CONTROL

On 8 August 2016, a wholly-owned subsidiary of the Group entered into a share transfer agreement with a non-controlling interest to dispose 5% equity interest in InnoLIMS Global Limited ("InnoLIMS Global"), a non-wholly owned subsidiary of the Group, at a cash consideration of HK\$200,000. The disposal of equity interest in InnoLIMS Global has been completed on 8 August 2016. The ownership interest in InnoLIMS Global of the Group decreased from 60% to 55%.

The difference between the fair value of consideration received by the Group and share of net assets of InnoLIMS Global by the non-controlling interest in the transaction amounting to approximately HK\$118,000 was recognised by the Group as other reserve.

40. 資產收購

截至二零一七年七月三十一日止年度，本公司收購中國三亞亞龍灣的四座酒店樓宇。收購的總現金代價為人民幣342,600,000元（相當於約389,879,000港元），其中人民幣35,749,000元（相當於約42,935,000港元）已於二零一六年七月支付。於截至二零一七年七月三十一日止年度，已獲得四座酒店樓宇的業權及交易已完成。所收購資產如下：

41. 在不改變控制權的情況下出售一間附屬公司的權益

於二零一六年八月八日，本集團一間全資附屬公司與非控股權益就出售於宏洋環球有限公司（「宏洋環球」，為本集團的非全資附屬公司）5%股權訂立股份轉讓協議，現金代價為200,000港元。出售於宏洋環球的股權已於二零一六年八月八日完成。本集團於宏洋環球的擁有權權益由60%下降至55%。

本集團已收代價的公平值與非控股權益在交易中分佔宏洋環球的資產淨值之間的差額約118,000港元由本集團確認為其他儲備。

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42. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the consolidated statement of cash flows as cash flows from financing activities.

42. 融資活動產生的負債對賬

下表詳細說明本集團融資活動產生負債的變動，包括現金及非現金變動。融資活動產生的負債為現金流量已經或未來現金流量將會於綜合現金流量表分類為融資活動產生現金流量的負債。

	1 August 2017	Financing cash flow	Exchange adjustment	Non-cash changes Finance costs incurred	31 July 2018
	二零一七年 八月一日	融資現金流量	匯兌調整	非現金變動 已產生的 融資成本	二零一八年 七月三十一日
	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
Amount due to a director (Note 30)	應付一名董事款項 (附註30)	2,143	(2,143)	-	-
Amount due to an associate (Note 30)	應付一間聯營公司款項 (附註30)	1,324	(1,324)	-	-
Loans from a related party (Note 34)	來自一名關連方貸款 (附註34)	5,000	(5,000)	-	-
Loans from third parties (Note 35)	來自第三方貸款(附註35)	26,197	(26,197)	-	-
Bank borrowings (Note 36)	銀行借款(附註36)	306,242	16,000	363	322,605
Interest payables (included in trade and other payables)	應付利息(計入貿易及 其他應付款項)	4,024	(25,313)	-	23,746
		344,930	(43,977)	363	23,746
					325,062

43. MAJOR NON-CASH TRANSACTION

During the year ended 31 July 2018, one of AFS financial assets declared and distributed a final dividend in form of the scrip dividend to the Group. The Group obtained 16,447 shares (2017: 70,620 shares) with a fair value of approximately HK\$77,000 (2017: HK\$459,000).

43. 主要非現金交易

截至二零一八年七月三十一日止年度，一項可供出售金融資產按以股代息形式向本集團宣派及分派末期股息。本集團獲得公平值約77,000港元(二零一七年：459,000港元)的16,447股股份(二零一七年：70,620股股份)。

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44. RELATED PARTY TRANSACTIONS

- (a) Other than disclosed elsewhere in the consolidated financial statements, the Group entered into the following transactions with related parties during the year:

Name of company 公司名稱	Nature of transaction 交易性質	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
東莞德洋 (Note i) 東莞德洋 (附註 i)	Sales of rubber keypads 銷售矽膠按鍵	180	2,515
	Purchase of rubber keypads 購買矽膠按鍵	1,139	7,773
	Sales of property, plant and equipment 銷售物業、廠房及設備	–	334
中國北京城市副中心有限公司 (Note ii) 中國北京城市副中心有限公司 (附註 ii)	Interest expense 利息開支	–	174
Ms. Shi Qi 施琦女士	Rental expense 租金開支	329	–

Notes:

- (i) 東莞德洋 is an associate of the Group which is disposed in August 2017.
- (ii) 中國北京城市副中心有限公司 is wholly owned by Ms. Shi Qi, the CEO of the Company.
- (iii) These transactions were carried out at terms determined and agreed by the Group and the respective related party.

44. 關連方交易

- (a) 除於綜合財務報表另行披露者外，於年內，本集團與關連方訂立以下交易：

附註：

- (i) 東莞德洋是本集團的一間聯營公司，於二零一七年八月出售。
- (ii) 中國北京城市副中心有限公司由本公司行政總裁施琦女士全資擁有。
- (iii) 該等交易乃按由本集團與各關連方釐定及協定的條款進行。

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44. RELATED PARTY TRANSACTIONS (Continued)

(b) Compensation of key management personnel

The remuneration of directors of the Company and other members of key management during the year is as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Short-term benefits	短期福利	10,790	7,426
Post-employment benefits	離職後福利	60	69
		10,850	7,495

The remuneration of directors of the Company and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

44. 關連方交易(續)

(b) 主要管理人員報酬

於年內，本公司董事及其他主要管理層成員的薪酬如下：

本公司董事及主要行政人員的薪酬乃由薪酬委員會經考慮個別人士的表現及市場趨勢而釐定。

45. CAPITAL COMMITMENTS

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Capital expenditure contracted for but not provided for in the consolidated financial statements in respect of:	下列各項的已訂約但尚未於綜合財務報表撥備的資本開支：		
— Acquisition of property, plant and equipment	— 收購物業、廠房及設備	2,782	7,180
— Acquisition of land use rights	— 收購土地使用權	2,856	3,820
		5,638	11,000

45. 資本承擔

Notes to the Consolidated Financial Statements

綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2018 截至二零一八年七月三十一日止年度

46. COMMITMENTS UNDER OPERATING LEASES

The Group as lessor

Property rental income earned during the year is approximately HK\$8,041,000 (2017: HK\$8,057,000). The investment properties are expected to generate rental yield of 7.8% (2017: 8.7%) on an ongoing basis. The investment properties held have committed tenants for the next year.

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within one year	一年內	1,183	2,019
In the second to fifth year inclusive	第二至第五年(首尾兩年包括在內)	438	93
After five years	五年以上	236	259
		1,857	2,371

The Group as lessee

The Group leases a number of properties under operating leases for its factories, offices and staff quarters. The leases were negotiated for terms ranging from one to five years, with the options to renew the leases when all terms are renegotiated. None of the leases includes contingent rentals.

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Land and buildings:	土地及樓宇：		
Within one year	一年內	6,243	2,319
In the second to fifth year inclusive	第二至第五年(首尾兩年包括在內)	2,543	150
		8,786	2,469

46. 經營租賃承擔

本集團作為出租人

年內賺取的物業租金收入約為8,041,000港元(二零一七年：8,057,000港元)。預期投資物業將持續帶來7.8%(二零一七年：8.7%)的租金回報率。所持投資物業於來年已有租戶承租。

於報告期末，本集團已就下列未來最低租賃款項與租戶訂約：

本集團作為承租人

本集團根據經營租賃租賃若干物業用作廠房、辦公室及員工宿舍。該等租賃的經協商租期介乎一至五年，並且有權選擇續租，屆時所有條款均可重新商定。該等租賃概無包括或然租金。

於報告期末，本集團根據不可撤銷經營租賃須於下列期間到期支付的未來最低租賃款項承擔如下：

Notes to the Consolidated Financial Statements

綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2018 截至二零一八年七月三十一日止年度

47. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

47. 本公司的財務狀況表

		Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Non-current assets	非流動資產			
Plant and equipment	廠房及設備		139	188
Investment in a subsidiary	於一間附屬公司的投資		124,149	124,149
			124,288	124,337
Current assets	流動資產			
Other receivables	其他應收款項		967	531
Amounts due from subsidiaries	應收附屬公司款項	(a)	79,878	81,218
Bank balances and cash	銀行結餘及現金		1,701	195
			82,546	81,944
Current liabilities	流動負債			
Other payables	其他應付款項		2,573	5,341
Amounts due to subsidiaries	應付附屬公司款項	(a)	36,744	7,857
			39,317	13,198
Net current assets	流動資產淨值		43,229	68,746
Total assets less current liabilities	資產總值減流動負債		167,517	193,083
Capital and reserves	資本及儲備			
Share capital	股本		87,118	87,118
Reserves	儲備	(b)	80,399	105,965
Total equity	權益總額		167,517	193,083

Notes to the Consolidated Financial Statements

綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2018 截至二零一八年七月三十一日止年度

47. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

(a) Amounts due from (to) subsidiaries

The amounts are unsecured, non-interest bearing and repayable on demand.

(b) Reserves

47. 本公司的財務狀況表(續)

(a) 應收(應付)附屬公司款項

有關款項為無抵押、免息及按要求償還。

(b) 儲備

		Share premium 股份溢價 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Capital redemption reserve 資本贖回儲備 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 August 2016	於二零一六年八月一日	641,454	(600,498)	2,420	43,376
Total comprehensive expenses for the year	年內全面開支總額	-	(40,667)	-	(40,667)
Issue of shares upon placing, net of expenses	於配售時發行股份，扣除開支	103,256	-	-	103,256
At 31 July 2017 and 1 August 2017	於二零一七年七月三十一日及二零一七年八月一日	744,710	(641,165)	2,420	105,965
Total comprehensive expenses for the year	年內全面開支總額	-	(25,566)	-	(25,566)
At 31 July 2018	於二零一八年七月三十一日	744,710	(666,731)	2,420	80,399

Notes to the Consolidated Financial Statements

綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2018 截至二零一八年七月三十一日止年度

48. PRINCIPAL SUBSIDIARIES

Details of the principal subsidiaries held by the Company at the end of the reporting periods are as follows:

48. 主要附屬公司

於報告期末，本公司持有的主要附屬公司詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/成立地點	Class of shares held 所持股份類別	Issued share capital/registered capital 已發行股本/註冊資本		Attributable equity interest of the Group 本集團應佔股本權益		Principal activities 主要業務
			2018	2017	2018	2017	
			二零一八年	二零一七年	二零一八年	二零一七年	
Ta Yang Silicone Rubber Industrial Company Limited 大洋矽橡膠工業有限公司	Hong Kong 香港	Ordinary shares 普通股	HK\$1,000,000 1,000,000 港元	HK\$1,000,000 1,000,000 港元	100%	100%	Trading of silicone rubber 買賣矽膠
Chief Ocean Limited 致洋有限公司	Hong Kong 香港	Ordinary shares 普通股	HK\$1 1 港元	HK\$1 1 港元	100%	100%	Provision of management services 提供管理服務
InnoLIMS Global 宏洋環球	Hong Kong 香港	Ordinary shares 普通股	HK\$4,000,000 4,000,000 港元	HK\$4,000,000 4,000,000 港元	55%	55%	Investments holding 投資控股
Ta Yang Medical Investment Limited ("Ta Yang Medical") 大洋醫療投資有限公司 ("大洋醫療")	Hong Kong 香港	Ordinary shares 普通股	HK\$20,000,000 20,000,000 港元	HK\$20,000,000 20,000,000 港元	100%	100%	Investments holding 投資控股
Ta Yang Group Limited 大洋集團有限公司	BVI 英屬處女群島	Ordinary shares 普通股	11,930,811 shares of US\$1 each 11,930,811 股每股面值 1 美元的股份	11,930,811 shares of US\$1 each 11,930,811 股每股面值 1 美元的股份	100%	100%	Investments holding 投資控股
Top View Investment Holdings Limited 遠思投資控股有限公司	BVI 英屬處女群島	Ordinary shares 普通股	1 share of US\$1 each 1 股面值 1 美元的股份	1 share of US\$1 each 1 股面值 1 美元的股份	100%	100%	Investments holding 投資控股
Ta Yang Group (Macao Commercial Offshore) Limited 大洋集團(澳門離岸商業服務)有限公司	MSAR 澳門特區	Ordinary shares 普通股	1 share of MOP 100,000 each 1 股面值 100,000 澳門幣的股份	1 share of MOP 100,000 each 1 股面值 100,000 澳門幣的股份	100%	100%	Trading of silicone rubber 買賣矽膠
Dongguan Ta Yang Silicone Rubber Industrial Company Limited 東莞大洋矽橡膠製品有限公司	The PRC (note iii)(附註iii) 中國	Contributed capital 繳入資本	HK\$86,000,000 86,000,000 港元	HK\$86,000,000 86,000,000 港元	100%	100%	Manufacturing of silicone rubber 製造矽膠
Huzhou Ta Yang Electronic Technology Company Limited 湖州大洋電子科技有限公司	The PRC (note iii)(附註iii) 中國	Contributed capital 繳入資本	US\$38,000,000 38,000,000 美元	US\$38,000,000 38,000,000 美元	100%	100%	Manufacturing of silicone rubber 製造矽膠
Dongguan Tay Yang Rubber Plastic Industrial Company Limited 東莞泰洋橡膠製品有限公司	The PRC (note iii)(附註iii) 中國	Contributed capital 繳入資本	N/A (note ii) 不適用(附註ii)	HK\$8,000,000 8,000,000 港元	100%	100%	De-registered 暫無營業
Dongguan Tai Yang Rubber Plastic Industrial Company Limited ("Dongguan Tai Yang") 東莞太洋橡膠製品有限公司 ("東莞太洋")	The PRC (note iii)(附註iii) 中國	Contributed capital 繳入資本	HK\$70,000,000 70,000,000 港元	HK\$70,000,000 70,000,000 港元	100%	100%	Manufacturing of silicone rubber 製造矽膠

Notes to the Consolidated Financial Statements

綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2018 截至二零一八年七月三十一日止年度

48. PRINCIPAL SUBSIDIARIES (Continued)

48. 主要附屬公司(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/成立地點	Class of shares held 所持股份類別	Issued share capital/registered capital 已發行股本/註冊資本		Attributable equity interest of the Group 本集團應佔股本權益		Principal activities 主要業務
			2018	2017	2018	2017	
			二零一八年	二零一七年	二零一八年	二零一七年	
Bei Liu Jin Gu Electronic Technology Company Limited 北流金谷電子科技有限公司	The PRC (note iii)(附註iii) 中國	Contributed capital 繳入資本	HK\$23,000,000 23,000,000 港元	HK\$23,000,000 23,000,000 港元	100% 100%	100% 100%	Manufacturing of silicone rubber 製造矽膠
Harbin Ta Yang Development Trading Company Limited 哈爾濱大洋發展貿易有限公司	The PRC (note iii)(附註iii) 中國	Contributed capital 繳入資本	N/A (note ii) 不適用(附註ii)	RMB30,000,000 人民幣30,000,000元	- -	100% 100%	De-registered 暫無營業
東莞宏華電子科技有限公司 東莞宏華電子科技有限公司	The PRC (note iii)(附註iii) 中國	Contributed capital 繳入資本	RMB5,600,000 人民幣5,600,000元	RMB5,600,000 人民幣5,600,000元	55% 55%	55% 55%	Manufacturing of silicone rubber 製造矽膠
大洋(海南)健康產業發展有限公司 大洋(海南)健康產業發展有限公司	The PRC (note iii)(附註iii) 中國	Contributed capital 繳入資本	RMB150,000,000 人民幣150,000,000元	RMB150,000,000 人民幣150,000,000元	100% 100%	100% 100%	Healthcare service 醫療保健服務
洋亞(海南)實業有限公司 洋亞(海南)實業有限公司	The PRC (note iii)(附註iii) 中國	Contributed capital 繳入資本	RMB50,000,000 人民幣50,000,000元	RMB50,000,000 人民幣50,000,000元	100% 100%	100% 100%	Hotel service 酒店服務

Notes:

- (i) The above table lists the subsidiaries of the Group which, in the opinion of the directors of the Company, principally affect the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors of the Company, result in particulars of excessive length.
- (ii) The subsidiaries have been deregistered during the year.
- (iii) The subsidiaries are wholly-owned foreign enterprise.

附註：

- (i) 上表列示本公司董事認為主要影響本集團業績或資產的本集團附屬公司。本公司董事認為詳列其他附屬公司資料會導致篇幅過於冗長。
- (ii) 年內，該等附屬公司已取消註冊。
- (iii) 該等附屬公司為外商獨資企業。

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綜合財務報表附註

FOR THE YEAR ENDED 31 JULY 2018 截至二零一八年七月三十一日止年度

48. PRINCIPAL SUBSIDIARIES (Continued)

At the end of the reporting period, the Company has other subsidiaries that are not material to the Group. A majority of these subsidiaries are inactive or engage in investments holding. A summary of these subsidiaries are set out as follows:

Principal activities 主要業務	Principal place of business 主要營業地點	Number of subsidiaries 附屬公司數目	
		2018 二零一八年	2017 二零一七年
Inactive 暫無營業	BVI 英屬處女群島	4	1
	Indonesia 印尼	1	1
	The PRC 中國	11	1
	Hong Kong 香港	-	1
Investments holding 投資控股	BVI 英屬處女群島	1	1
	Hong Kong 香港	2	1
Research and development 研發	BVI 英屬處女群島	1	1

None of the subsidiaries had any debt securities outstanding at the end of both reporting periods or at any time during both years.

No subsidiary has non-controlling interest material to the Group.

49. EVENT AFTER THE REPORTING PERIOD

Subsequent to the end of the reporting period, the Group has entered into a cooperation agreement with two independent parties, Yunnan Investment Construction Co., Ltd and China Technology Emerging City Construction Development Co., Ltd to establish a jointly owned entity, a limited liability company. The Group is committed to contribute approximately RMB52.5 million (equivalent to approximately HK\$60.4 million) which representing 35% of the registered capital of this entity.

48. 主要附屬公司 (續)

於報告期末，本公司其他附屬公司對本集團影響並不重大。該等附屬公司大部分暫無營業或從事投資控股。該等附屬公司概要載列如下：

於兩個報告期末或兩個年度內任何時間，概無附屬公司擁有任何已發行的債務證券。

概無附屬公司擁有對於本集團而言屬重大的非控股權益。

49. 報告期後事項

於報告期末後，本集團已與兩名獨立方雲南雲投建設有限公司及中科新興城市建設發展有限公司訂立合作協議，以成立一間共同擁有實體（一間有限責任公司）。本集團致力注資約人民幣52,500,000元（相當於約60,400,000港元），佔該實體註冊資本的35%。

Five Years Financial Summary

五年財務概要

CONSOLIDATED RESULTS

綜合業績

		Year ended 31 July 截至七月三十一日止年度				2018
		2014 二零一四年	2015 二零一五年	2016 二零一六年	2017 二零一七年	二零一八年
		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
Revenue	收益	467,264	426,242	386,516	400,500	377,160
Loss for the year	年內虧損	(220,358)	(159,382)	(72,250)	(74,060)	(4,310)
Loss for the year attributable to:	以下人士應佔年內虧損：					
Owners of the Company	本公司擁有人	(216,563)	(156,335)	(71,304)	(72,943)	(3,756)
Non-controlling interests	非控股權益	(3,795)	(3,047)	(946)	(1,117)	(554)
		(220,358)	(159,382)	(72,250)	(74,060)	(4,310)

CONSOLIDATED ASSETS AND LIABILITIES

綜合資產及負債

		As at 31 July 於七月三十一日				2018
		2014 二零一四年	2015 二零一五年	2016 二零一六年	2017 二零一七年	二零一八年
		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	815,823	654,170	567,746	954,503	914,240
Total liabilities	負債總額	(185,397)	(178,509)	(156,584)	(510,617)	(467,856)
Total equity	權益總額	630,426	475,661	411,162	443,886	446,384
Equity attributable to:	以下人士應佔權益：					
Owners of the Company	本公司擁有人	628,907	475,661	410,509	444,282	442,173
Non-controlling interests	非控股權益	1,519	-	653	(396)	4,211
Total equity	權益總額	630,426	475,661	411,162	443,886	446,384

“Board” 「董事會」	指	the board of Directors of the Company 本公司董事會
“Company” 「本公司」	指	Ta Yang Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability, whose Shares are listed on the Main Board of the Stock Exchange 大洋集團控股有限公司，一間於開曼群島註冊成立的有限公司，其股份於聯交所主板上市
“connected person(s); “percentage ratio(s)” and “subsidiary(ies)” 「關連人士」「百分比率」及 「附屬公司」	指	each has the meaning ascribed to it under the Listing Rules 各自具有上市規則賦予之涵義
“Directors” 「董事」	指	the directors of the Company 本公司董事
“Group” 「本集團」	指	the Company and its subsidiaries 本公司及其附屬公司
“HK\$” 「港元」	指	Hong Kong dollars, the lawful currency of Hong Kong 港元，香港法定貨幣
“Hong Kong” 「香港」	指	Hong Kong Special Administrative Region of the PRC 中國香港特別行政區
“Latest Practicable Date” 「最後實際可行日期」	指	7 November 2018, being the latest practicable date prior to the dispatch of this report for the purpose of ascertaining certain information contained herein 二零一八年十一月七日，即本報告寄發前為確定其中所載若干資料的最後實際可行日期
“Listing Rules” 「上市規則」	指	the Rules Governing the Listing of Securities on the Stock Exchange 聯交所證券上市規則
“PRC” 「中國」	指	the People’s Republic of China (for the purpose of this report, excluding Hong Kong, Macau Special Administrative Region and Taiwan) 中華人民共和國，就本報告而言，不包括香港、澳門特別行政區及台灣
“RMB”, “Renminbi” 「人民幣」	指	Renminbi, the lawful currency of the PRC 中國法定貨幣人民幣
“SFO” 「證券及期貨條例」	指	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended or supplemented from time to time 香港法例第571章證券及期貨條例（經不時修訂或補充）
“Shareholder(s)” 「股東」	指	holder(s) of the Shares 股份持有人
“Shares” 「股份」	指	ordinary shares of HK\$0.10 each in the share capital of the Company 本公司股本中每股面值0.10港元的普通股

Definitions 釋義

“Stock Exchange” 「聯交所」	The Stock Exchange of Hong Kong Limited 指 香港聯合交易所有限公司
“the year” 「年內」	the year ended 31 July 2018 指 截至二零一八年七月三十一日止年度
“%” 「%」	per cent. 指 百分比
「Chief Executive Officer, CEO」 「行政總裁」	chief executive officer of the Company 指 本公司行政總裁
「Chairman, Chairlady」 「主席」	chairman, chairlady of the Board 指 董事會主席
「Committee Chairman/Chairlady」 「委員會主席」	chairman / chairlady of the relevant Board committees 指 相關董事委員會主席
「Model Code」 「標準守則」	the Model Code for Securities Transactions by Directors of Listed Issuers stated in Appendix 10 of the Listing Rules 指 上市規則附錄十所載《上市發行人董事進行證券交易的標準守則》

大洋集團控股有限公司
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