



**CARRY**

W E A L T H HOLDINGS LIMITED

恒富控股有限公司

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

(Stock Code 股份代號: 643)

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年度報告  
Annual Report

*We Carry quality apparel with  
A Wealth of Human Resources*





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## **CARRY WEALTH HOLDINGS LIMITED**

manufactures and trades garment products for internationally renowned brand names and engages in securities investment. The Group has production facilities in Mainland China.

Headquartered in Hong Kong, Carry Wealth Holdings Limited has been listed on the Main Board of the Stock Exchange of Hong Kong Limited since 2000.

The Chinese name of the Company means “enduring prosperity”. The Group is committed to maximizing the return of its shareholders for their ongoing support.

**恒富控股有限公司**為多個國際知名品牌生產及買賣成衣產品並從事證券投資。本集團於中國大陸有生產設施。

恒富控股有限公司的總部設於香港，於二零零零年在香港聯合交易所有限公司主板上市。

本公司取名恒富，喻意「恒久富足」。本集團致力爭取最佳回報，回饋一直鼎力支持本集團的股東們。

## Corporate Information 公司資料

### Executive Directors

Mr. Li Haifeng (*Chairman and Chief Executive Officer*)  
Mr. Wang Ke (*Vice President*)<sup>^</sup>

### Non-Executive Director

Mr. Lee Sheng Kuang, James\*

### Independent Non-Executive Directors

Mr. Yau Wing Yiu  
Mr. Zhang Zhenyi  
Ms. Zheng Xianzhi

### Audit Committee

Mr. Yau Wing Yiu (*Committee Chairman*)  
Mr. Zhang Zhenyi  
Ms. Zheng Xianzhi

### Remuneration Committee

Mr. Yau Wing Yiu (*Committee Chairman*)  
Mr. Wang Ke<sup>^</sup>  
Mr. Zhang Zhenyi  
Ms. Zheng Xianzhi

### Nomination Committee

Mr. Li Haifeng (*Committee Chairman*)  
Mr. Yau Wing Yiu  
Mr. Zhang Zhenyi  
Ms. Zheng Xianzhi

### Investment Committee

Mr. Li Haifeng (*Committee Chairman*)  
Mr. Wang Ke<sup>^</sup>

### Company Secretary

Ms. Lau Yee Wa\*  
Mr. Chiu G Kiu Bernard<sup>#</sup>

### Auditor

PricewaterhouseCoopers  
22nd Floor, Prince's Building  
Central, Hong Kong

### 執行董事

李海楓先生 (*主席及行政總裁*)  
王科先生 (*副總裁*)<sup>^</sup>

### 非執行董事

李勝光先生\*

### 獨立非執行董事

邱永耀先生  
張振義先生  
鄭先智女士

### 審核委員會

邱永耀先生 (*委員會主席*)  
張振義先生  
鄭先智女士

### 薪酬委員會

邱永耀先生 (*委員會主席*)  
王科先生<sup>^</sup>  
張振義先生  
鄭先智女士

### 提名委員會

李海楓先生 (*委員會主席*)  
邱永耀先生  
張振義先生  
鄭先智女士

### 投資委員會

李海楓先生 (*委員會主席*)  
王科先生<sup>^</sup>

### 公司秘書

劉綺華女士\*  
趙之翹先生<sup>#</sup>

### 核數師

羅兵咸永道會計師事務所  
香港中環  
太子大廈22樓

<sup>^</sup> Appointed on 19 March 2018

\* Ceased appointment/Resigned on 1 April 2019

<sup>#</sup> Appointed on 1 April 2019

<sup>^</sup> 於二零一八年三月十九日獲委任

\* 於二零一九年四月一日終止委任/離任

<sup>#</sup> 於二零一九年四月一日獲委任

## Corporate Information 公司資料

### Principal Bankers

China CITIC Bank International Limited  
Standard Chartered Bank

### Principal Share Registrar and Transfer Agent

MUFG Fund Services (Bermuda) Limited  
The Belvedere Building  
69 Pitts Bay Road  
Pembroke HM08, Bermuda

### Branch Share Registrar and Transfer Agent in Hong Kong

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

### Registered Office

Clarendon House, 2 Church Street  
Hamilton HM 11, Bermuda

### Head Office and Principal Place of Business in Hong Kong

Suite 2001, 20/F  
Shui On Centre  
6-8 Harbour Road  
Wanchai, Hong Kong  
Tel: (852) 2310 8180  
Fax: (852) 2310 8797

### Website

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

### E-mail Address

[info@carrywealth.com](mailto:info@carrywealth.com)

### Stock Code

643

### Board Lot Size

10,000 shares

### 主要往來銀行

中信銀行(國際)有限公司  
渣打銀行

### 主要股份登記及過戶處

MUFG Fund Services (Bermuda) Limited  
The Belvedere Building  
69 Pitts Bay Road  
Pembroke HM08, Bermuda

### 香港股份登記及過戶分處

卓佳雅柏勤有限公司  
香港皇后大道東183號  
合和中心22樓

### 註冊辦事處

Clarendon House, 2 Church Street  
Hamilton HM 11, Bermuda

### 總辦事處及香港主要營業地點

香港灣仔  
港灣道6-8號  
瑞安中心  
20樓2001室  
電話：(852) 2310 8180  
傳真：(852) 2310 8797

### 網站

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

### 電子郵箱

[info@carrywealth.com](mailto:info@carrywealth.com)

### 股份代號

643

### 每手買賣單位

10,000股股份

## Information for Shareholders and Investors 股東及投資者資訊

### Results Announcement Date

#### *Interim results*

21 August 2018 (Tuesday)

#### *Annual results*

29 March 2019 (Friday)

### Financial Calendar

#### *Deadline for lodging share transfer documents for entitlement to attend and vote at Annual General Meeting*

8 May 2019 (Wednesday)

at 4:30 p.m.

#### *Closure of register of members*

9 May 2019 (Thursday) to

15 May 2019 (Wednesday)

#### *Annual General Meeting*

15 May 2019 (Wednesday)

at 10:00 a.m.

### Shareholder Enquiries

Any matters relating to your shareholding, such as transfer of shares, change of address, loss of share certificates, should be addressed to the Branch Share Registrar and Transfer Agent in Hong Kong, contact details of which are set out as follows:

Tricor Abacus Limited  
Level 22, Hopewell Centre  
183 Queen's Road East, Hong Kong  
Tel: (852) 2980 1333  
Fax: (852) 2890 9350

### 業績公布日期

#### *中期業績*

二零一八年八月二十一日(星期二)

#### *全年業績*

二零一九年三月二十九日(星期五)

### 財務日誌

#### *如欲有權出席股東週年大會並於會上投票，遞交股份過戶文件之限期*

二零一九年五月八日(星期三)

下午四時三十分

#### *暫停股份過戶登記*

二零一九年五月九日(星期四)至

二零一九年五月十五日(星期三)

#### *股東週年大會*

二零一九年五月十五日(星期三)

上午十時正

### 股東查詢

如有任何有關閣下持有股份之事宜，包括股份過戶、更改地址、遺失股票等，敬請聯絡香港股份登記及過戶分處，聯絡資料如下：

卓佳雅柏勤有限公司  
香港皇后大道東183號  
合和中心22樓  
電話：(852) 2980 1333  
傳真：(852) 2890 9350

# Financial Highlights 財務摘要

## FIVE YEAR FINANCIAL SUMMARY Results

## 五年財務摘要 業績

### Year ended 31 December 截至十二月三十一日止年度

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Revenue	收益	<b>328,513</b>	244,590	123,105	120,695	153,176
Loss attributable to equity holders of the Company	本公司權益持有人應佔虧損	<b>(50,615)</b>	(29,956)	(49,719)	(37,983)	(14,724)

## Assets and liabilities

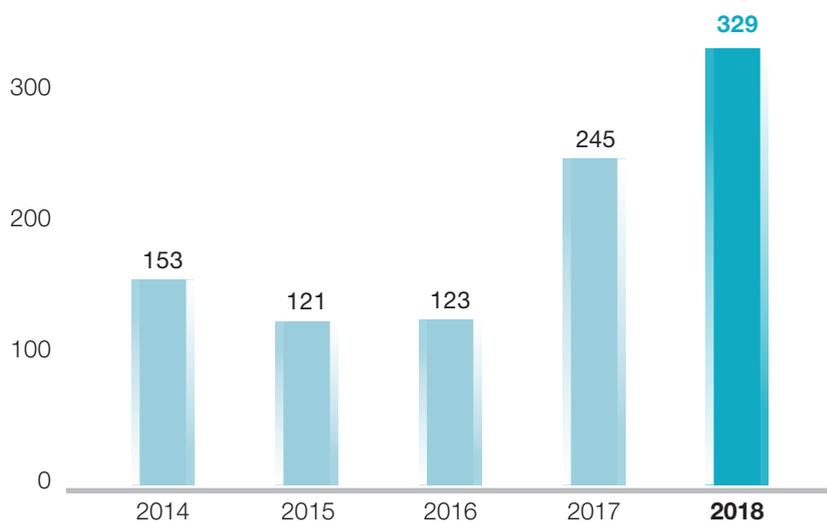
## 資產及負債

### As at 31 December 於十二月三十一日

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Total assets	總資產	<b>243,015</b>	276,553	268,305	315,102	357,103
Total liabilities	總負債	<b>(82,261)</b>	(74,109)	(40,112)	(34,474)	(43,007)
Total equity	總權益	<b>160,754</b>	202,444	228,193	280,628	314,096

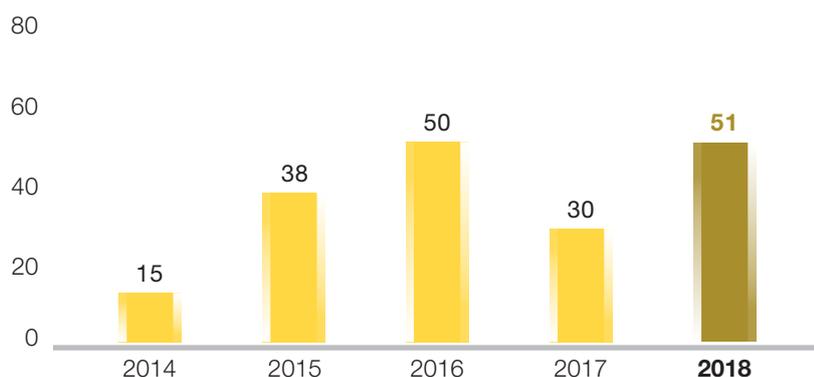
## REVENUE 收益

HK\$ million  
百萬港元



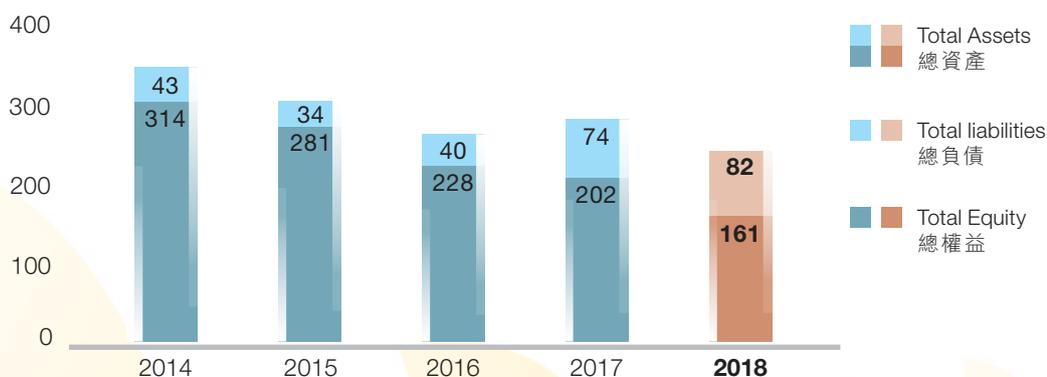
## LOSS ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY 本公司權益持有人應佔虧損

HK\$ million  
百萬港元



## TOTAL ASSETS, TOTAL LIABILITIES AND TOTAL EQUITY 總資產、總負債及總權益

HK\$ million  
百萬港元



## Financial Highlights 財務摘要

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	Changes 變化幅度
<b>Operating results</b>	<b>經營業績</b>			
Revenue	收益	<b>328,513</b>	244,590	34.3%
Gross profit	毛利	<b>39,649</b>	40,078	-1.1%
Loss attributable to equity holders of the Company	本公司權益持有人應佔虧損	<b>(50,615)</b>	(29,956)	69.0%
<b>Financial position at year end</b>	<b>於年終之財務狀況</b>			
Properties, plant and equipment	物業、廠房及設備	<b>65,697</b>	51,890	26.6%
Cash and cash equivalents	現金及現金等值項目	<b>71,084</b>	67,456	5.4%
Net current assets	流動資產淨值	<b>97,732</b>	107,521	-9.1%
Total assets	總資產	<b>243,015</b>	276,553	-12.1%
Borrowing	貸款	<b>5,682</b>	5,952	-4.5%
Total liabilities	總負債	<b>82,261</b>	74,109	11.0%
Capital and reserves attributable to the Company's equity holders	本公司權益持有人應佔之資本及儲備	<b>160,754</b>	202,444	-20.6%
<b>Per share information</b>	<b>每股資料</b>			
Basic and diluted loss per share (Hong Kong cents)	每股基本及攤薄虧損 (港仙)	<b>(6.19)</b>	(3.66)	69.1%
Capital and reserves attributable to the Company's equity holders per share (Hong Kong cents)	每股由本公司權益持有人應佔之資本及儲備 (港仙)	<b>19.7</b>	24.7	-20.2%
<b>Ratio analysis</b>	<b>比率分析</b>			
<b>Profitability</b>	<b>盈利水平</b>			
Gross profit margin	毛利率	<b>12.1%</b>	16.4%	-4.3%
Net loss margin	淨虧損率	<b>-15.4%</b>	-12.2%	-3.2%
Return on the Company's equity holders	本公司權益持有人資金回報	<b>-31.5%</b>	-14.8%	-16.7%
<b>Liquidity</b>	<b>流動狀況</b>			
Current ratio	流動比率	<b>2.4</b>	2.6	-7.7%
Gearing ratio	資本負債比率	<b>-40.7%</b>	-30.4%	-10.3%
<b>Operating efficiency</b>	<b>經營效益</b>			
Inventory turnover period (days)	存貨周轉 (日數)	<b>70</b>	67	4.5%
Trade receivable turnover (days)	貿易應收款項周轉 (日數)	<b>37</b>	52	-28.8%
Trade payable turnover (days)	貿易應付款項周轉 (日數)	<b>49</b>	49	0.0%

## Chairman's Statement 主席報告

On behalf of the Board of Directors (the "Board") of Carry Wealth Holdings Limited (the "Company", together with its subsidiaries, the "Group"), I hereby present the annual report of the Group for the year ended 31 December 2018.

Since early 2018, a combination of US tariffs imposed on various Chinese products and retaliatory trade actions by different countries has complicated global trade relations. Chinese and American delegations have subsequently been involved in numerous negotiations in Beijing and Washington to end the trade dispute. Meanwhile, US president Donald Trump has accused China of engaging in currency intervention to gain competitive advantages. An agreement has still not been reached on the fundamental issue of enforcement of a proposed currency deal that would ensure Beijing lives up to its promise to not depreciate the Renminbi. Growth momentum in the US remains strong, nonetheless, as fiscal stimulus continues to increase, but the forecast for 2019 has been revised down due to ongoing trade concerns. In addition, growth projections have been marked down for the euro area and the United Kingdom as well, following Brexit-related concerns that suppressed economic activity in early 2018. Among emerging markets and developing economies, the growth prospects for many energy exporters have been lifted by higher oil prices, but growth was revised down for Argentina, Brazil, Iran, and Turkey, among others, reflecting country-specific factors, tighter financial conditions, geopolitical tensions, and higher oil import bills. China and a number of Asian economies are also projected to experience somewhat weaker growth in 2019 due to trade-related headwinds.

本人謹代表恒富控股有限公司（「本公司」，連同其附屬公司，統稱為「本集團」）董事會（「董事會」）提呈本集團截至二零一八年十二月三十一日止年度之年度報告。

自二零一八年初以來，美國對中國各種產品採取關稅行動，加上不同國家的報復性貿易行動，使全球貿易關係複雜化。為結束貿易爭端，中美兩國代表團在北京和華盛頓參與了多次談判。同時，美國總統唐納德特朗普指責中國對其進行貨幣操控以獲得競爭優勢，但仍未就擬議貨幣協議中的根本執行機制達成共識，以確保北京履行其不貶值人民幣的承諾。由於財政刺激措施繼續增加，美國的增长勢頭仍然強勁，但持續的貿易問題已使二零一九年的預測被下調。此外，在二零一八年初英國脫歐相關的問題發生之後，歐元區和英國的經濟增長預測亦已被下調。在新興市場和發展中經濟體，許多能源出口國的增长前景被油價上漲而推動，但阿根廷、巴西、伊朗和土耳其等的其他國家卻被下調增長，反映了該等國家特定的因素、更緊張的金融狀況、地緣政治局勢緊張以及更高的石油進口價格。在近期貿易問題的影響下，預計二零一九年中國和一些其他亞洲經濟體的增长將減弱。

## Chairman's Statement 主席報告

In advanced economies, economic activity lost some momentum in the first half of 2018 after peaking in the second half of 2017. Outcomes fell short of projections in the euro area and the United Kingdom; growth in world trade and industrial production declined. Escalating trade tensions and the potential shift away from a multilateral, rules-based trading system are key threats to the global outlook. Since the “World Economic Outlook April 2018” was issued by the International Monetary Fund (IMF), protectionist rhetoric has increasingly turned into action, with the US imposing tariffs on a variety of imports, including on US\$200 billion worth of imports from China, while other countries will undertake or promise to take retaliatory and protective measures. An intensification of trade tensions, and the associated rise in policy uncertainty, could dent business and financial market sentiment, trigger financial market volatility, and slow investment and trade. Higher trade barriers would disrupt global supply chains and slow the spread of new technologies, ultimately lowering global productivity and welfare. More import restrictions would also make tradable consumer goods less affordable, harming low-income households disproportionately.

Despite the trade tensions and policy uncertainty, our sales team's tremendous and fruitful efforts have enabled the Group's garment manufacturing and trading segment to achieve an increase in revenue from the US market of 31.6% to HK\$183.8 million for the year, with total revenue amounting to HK\$329.5 million, representing an exceptional year-on-year increase of 43.7% from HK\$229.3 million in 2017. Segment profit totalled HK\$1.1 million versus a segment profit of HK\$0.6 million.

In respect of the securities investment segment, the resources that were collected last year will be used for our business diversifications, with the principal goal of generating sustainable long-term returns.

Our openness to explore opportunities has enabled us to diversify from our traditional business, and we are actively exploring and investing in new businesses that show good development potential.

在先進經濟體，經濟活動在二零一七年下半年達到頂峰後，在二零一八年上半年失去部分動力。結果未達到歐元區和英國的預測，世界貿易和工業生產增長下降。不斷升級的貿易緊張局勢以及潛在偏離過去的以規則為基礎的多邊貿易制度是威脅全球前景的主要因素。自二零一八年四月國際貨幣基金組織 (IMF) 發布「世界經濟展望」以來，保護主義言論日益轉變為行動，美國對各種進口產品徵收關稅，包括從中國進口的兩千億美元貨品，以及其他國家將採取或承諾採取報復性保護措施。貿易緊張局勢的加劇以及政策不確定性上升使營商氣氛及金融市場情緒轉弱，引發金融市場波動，以及投資和貿易放緩。較高的貿易壁壘將擾亂全球供應鏈並減少新技術的傳遞，最終降低全球生產力及福利。更多的進口限制亦會使可交易的消費品價格變得難以負擔，對低收入家庭造成不成比例的傷害。

儘管貿易緊張和政策的不確定性，於本年度，得益於我們銷售團隊之不懈努力，來自集團的成衣製造及貿易分部的美國市場收益增加31.6%至一億八千三百八十萬港元，總收益達三億二千九百五十萬港元，較二零一七年之二億二千九百三十萬港元同比大幅增長43.7%。該分部溢利合共為一百一十萬港元，而去年同期溢利為六十萬港元。

在證券投資分部方面，我們於去年變現大部分股票收益將用於本集團的業務多元化發展，旨在產生長期可持續回報。

對探索新機遇持開放性態度令我們得以在傳統業務之外實現多元化發展，積極開發及投資具良好發展潛力之新業務。

## GOING FORWARD

Global growth for 2018 to 2019 is projected to remain steady at a level similar to 2017, but the pace of growth will be less vigorous than projected in April 2018, as well as less balanced. Downside risks to global growth have risen in the past six months and the potential for upside surprises has receded. Global growth is projected at 3.7% for both 2018 and 2019, which is 0.2 percentage point lower than was forecasted in April 2018 for the two years. The Consumer Price Index (CPI) has maintained above-trend growth in recent months in the US, while industrial production has decelerated for other countries.

We will therefore continue to focus on tapping the US and European markets by leveraging our competitive advantages, as well as by bolstering our garment manufacturing business. At the same time, as health issues have become a hot topic in modern life, we will continue to actively explore opportunities in the medical sector, and seek opportunities for diversification into different regions. Regarding the securities investment segment, we will continue to monitor market conditions and replenish our portfolio when deemed appropriate. Given our strong financial health, dedicated staff and experienced management team, we trust that our pursuit of sustainable long-term development will be realised in the future.

## APPRECIATION

At this time, I would like to extend my sincerest appreciation to my fellow directors and the entire Carry Wealth workforce for their commitment, diligence and contributions to the Group during the past year. I wish to also express my gratitude to all of our customers, suppliers, business partners and shareholders for their unwavering support.

**Li Haifeng**  
Chairman  
29 March 2019

## 展望

預計二零一八年至二零一九年的全球增長將保持與二零一七年的相若水平，但其增長速度將不如二零一八年四月預測般強勁，而且已經變得不平衡。過去六個月全球經濟增長的下行風險有所上升，而意外上行的可能性或消退。預計二零一八年及二零一九年的全球增長率為3.7%，兩年均較二零一八年四月份的預測值低於0.2個百分點。美國最近數月的消費者物價指數保持高於趨勢的增長，而其他國家的工業生產已減慢。

因此，我們將憑藉競爭優勢繼續專注於開拓美國及歐洲市場，以及增強我們的成衣製造業務。與此同時，有見健康問題一直是現代生活的熱門話題，我們將繼續密切探索醫療領域的機遇，於各地區尋求多元化經營之良機。就證券投資分部而言，我們將繼續監察市況並適時補充投資組合。憑藉我們雄厚的財務實力、盡心盡力之員工及具豐富經驗之管理團隊，我們相信未來長期持續發展之目標將得以實現。

## 致謝

本人藉此機會衷心感謝董事全人及全體恒富員工在過去一年對本集團的不懈努力、盡忠職守及熱心貢獻。本人亦謹此感謝各客戶、供應商、業務夥伴及股東多年來始終如一的支持。

主席  
**李海楓**  
二零一九年三月二十九日

## RESULTS AND BUSINESS REVIEW

For the year ended 31 December 2018, the Group's revenue amounted to HK\$328.5 million (2017: HK\$244.6 million) and gross profit was HK\$39.6 million (2017: HK\$40.1 million). Loss attributable to equity holders was HK\$50.6 million (2017: HK\$30.0 million). The basic and diluted loss per share were both at 6.19 HK cents (2017: both 3.66 HK cents).

Despite domestic political uncertainty and a rapidly transforming global economic landscape, the US economy remained robust during the year under review. The unemployment rate continued to hover at a 50-year low and consumer confidence remained strong. In the Eurozone, the region's economy ended 2018 with a weaker purchasing managers' index. Weak demand was seen and employment growth fell to a two-year low. Despite these divergent market conditions, thanks to the efforts of our sale teams, the Group's revenue from the garment manufacturing and trading business increased by 43.7% to HK\$329.5 million (2017: HK\$229.3 million) while the gross profit margin of the business increased to 12.3% (2017: 10.8%), with gross profit amounting to HK\$40.6 million (2017: HK\$24.8 million).

The global stock market was highly volatile during the year under review. Investor sentiment was affected by a number of factors, including the unresolved Sino-US trade war, Brexit, political fragmentation in Germany, social instability in France and geopolitical tensions in the Middle East. As a result, the Hang Seng Index ("HSI") contracted by 13.6%, closing at 25,845 points in 2018 (2017: 29,919 points). For the year ended 31 December 2018, the Group's securities investment business recorded negative revenue and gross loss of HK\$1.0 million (2017: positive revenue and gross profit of HK\$15.3 million).

## 業績及業務回顧

截至二零一八年十二月三十一日止年度，本集團之收益為三億二千八百五十萬港元（二零一七年：二億四千四百六十萬港元），而毛利為三千九百六十萬港元（二零一七年：四千零一十萬港元）。權益持有人應佔虧損為五千零六十萬港元（二零一七年：三千萬港元），每股基本及攤薄虧損均為6.19港仙（二零一七年：均為3.66港仙）。

於回顧年度內，儘管國內政治不明朗及全球經濟格局快速調整，美國經濟仍保持穩健。失業率繼續徘徊在五十年來最低水平，消費者信心仍然高漲。在歐元區，該區經濟於二零一八年結束時遇上採購經理人指數減弱，需求疲軟且就業增長降至兩年來最低水平。儘管出現不同的市場境況，但得益於我們銷售團隊的努力，本集團來自成衣製造及貿易業務之收益增加43.7%至三億二千九百五十萬港元（二零一七年：二億二千九百三十萬港元），此業務之毛利率增至12.3%（二零一七年：10.8%），毛利為四千零六十萬港元（二零一七年：二千四百八十萬港元）。

全球股票市場於回顧年度內異常波動。投資者情緒受眾多因素影響，包括尚未解決之中美貿易戰、英國脫歐、德國政治分裂、法國社會不穩定以及中東地緣政治衝突。因此，恒生指數（「恒生指數」）於二零一八年下跌13.6%，收市報25,845點（二零一七年：29,919點）。截至二零一八年十二月三十一日止年度，本集團之證券投資業務錄得負收益及毛損一百萬港元（二零一七年：正收益及毛利一千五百三十萬港元）。

## Management Discussion and Analysis 管理層討論及分析

During the year under review, the ratio of selling expenses to revenue from garment manufacturing and trading was slightly dropped to 1.9% (2017: 2.0%) and administrative expenses amounted to HK\$52.3 million (2017: HK\$42.3 million). The Group shared an operating loss of HK\$26.1 million (2017: HK\$5.7 million) from its investment in an associate and its carrying value as at 31 December 2018 was HK\$nil (31 December 2017: HK\$26.1 million). The aforementioned associate engages in security and crisis management services. As announced on 1 November 2018, the subsidiary of the associate failed to secure a three-year tender service contract from a major customer whose turnover accounted for 69.2% of the associate's consolidated revenue for the year ended 31 December 2018. As at 31 December 2018, the management of the associate failed to identify additional income source to compensate for the revenue loss in the coming years and initiated redundancy plan. In view of the associate's incomplete books and record, negative net asset value of HK\$17.2 million as at 31 December 2018 (31 December 2017: positive net asset value of HK\$48.8 million), the expected financial difficulties owing to the loss of the major customer as well as the diminishing business prospects, an impairment loss of HK\$5.4 million was provided by the Group to write down the loans to the associate and related interest receivable as at 31 December 2018.

於回顧年度內，銷售開支佔成衣製造及貿易之收益比率輕微跌至1.9%（二零一七年：2.0%），行政開支為五千二百三十萬港元（二零一七年：四千二百三十萬港元）。本集團就其於一間聯營企業之投資分佔經營虧損二千六百一十萬港元（二零一七年：五百七十萬港元），而該投資於二零一八年十二月三十一日之帳面值為零港元（二零一七年十二月三十一日：二千六百一十萬港元）。上述聯營企業從事安保及危機管理服務。誠如二零一八年十一月一日所公布，聯營企業之附屬公司未能自一名主要客戶獲得三年期招標服務合約，該主要客戶之營業額於截至二零一八年十二月三十一日止年度佔該聯營企業綜合收益之69.2%。於二零一八年十二月三十一日，該聯營企業之管理層無法物色到額外收入來源以彌補未來數年收益之失去，並已啟動了裁員計劃。鑒於該聯營企業之帳簿及記錄不完整、於二零一八年十二月三十一日之負資產淨值一千七百二十萬港元（二零一七年十二月三十一日：正資產淨值四千八百八十萬港元）、預期因損失主要客戶而面臨財務困難以及業務前景暗淡，本集團已計提五百四十萬港元之減值虧損，以撇減於二零一八年十二月三十一日向聯營企業授出之貸款及相應之應收利息。

## Segmental Analysis

### a) *Garment manufacturing and trading segment*

During the year under review, the Group's factory in Heshan, Mainland China accounted for most of the garment production.

During the year under review, US economy performed extremely well, with GDP rising 3.4% year-on-year in the third quarter of 2018. Job growth continued at the 200,000 per month level, considerably higher than most estimates of the long-term growth potential of the labour force. Inflation was kept under control. Seizing the business opportunities arising from the strong US economy, revenue from US customers increased by 31.6% to HK\$183.8 million (2017: HK\$139.7 million), accounting for 55.8% (2017: 60.9%) of the segment revenue for the year ended 31 December 2018.

In the Eurozone, data reflected the regions' economic growth, which was the softest in four years. The growing concerns about Brexit negotiations and earnings momentum had impacted the markets. In view of these challenging market conditions, the Group had adjusted its strategies to cater for customers' needs and expectations. As a result, revenue from European customers increased by HK\$38.5 million to HK\$102.5 million (2017: HK\$64.0 million), thus accounting for 31.1% (2017: 27.9%) of the segmental revenue.

All in all, revenue from the garment manufacturing and trading segment increased by 43.7% to HK\$329.5 million (2017: HK\$229.3 million), and the segment profit amounted to HK\$1.1 million (2017: HK\$0.6 million).

## 分部分析

### a) *成衣製造及貿易分部*

於回顧年度內，本集團之大部分成衣生產由其位於中國大陸鶴山市之廠房負責。

於回顧年度內，美國經濟表現極佳，其二零一八年第三季度GDP同比增長達3.4%。就業機會繼續按每月20萬個的速度增長，顯著高於大多數有關勞動力長期增長潛力的估計。通脹處於控制範圍內。本集團把握美國經濟強勁帶來的商機，於截至二零一八年十二月三十一日止年度，來自美國客戶之收益增加31.6%至一億八千三百八十萬港元（二零一七年：一億三千九百七十萬港元），佔該分部收益的55.8%（二零一七年：60.9%）。

在歐元區，數據顯示該地區的經濟增長處於四年來最疲軟的水平。對英國脫歐談判及盈利勢頭的擔憂日益增加並已影響了市場。面對上述充滿挑戰的市況，本集團已調整其策略以滿足客戶的需求及預期。因此，來自歐洲客戶之收益增加三千八百五十萬港元至一億零二百五十萬港元（二零一七年：六千四百萬港元），佔該分部收益的31.1%（二零一七年：27.9%）。

總而言之，來自成衣製造及貿易分部之收益增長43.7%至三億二千九百五十萬港元（二零一七年：二億二千九百三十萬港元），分部溢利為一百一十萬港元（二零一七年：六十萬港元）。

### b) Securities investment segment

The HSI rose to a historical high in January 2018, but was followed by significant volatility. There were a number of factors that influenced the stock market valuations. The protectionist policies being pursued by US president Donald Trump had cast a shadow over global trade and affected the global economy and stock market performance. Moreover, investors' concerns about slowing economic growth and earnings momentum in Mainland China had also contributed to market volatility. As a result, HSI had fallen by 13.6% when compared with 2017, closing at 25,845 points in 2018 (2017: 29,919 points). Investor sentiment had also weakened and risk-off sentiment had kicked in. For the year ended 31 December 2018, the Group's securities investment business recorded a fair value loss of HK\$1.2 million (2017: gain of HK\$15.0 million) and a segment loss of HK\$8.0 million (2017: profit of HK\$6.8 million).

Owing to the uncertain and volatile stock market, and in the best interest of the Group, the Group had elected to adopt a more conservative strategy in conducting its securities investment business. As at 31 December 2018, the Group's financial assets at fair value through profit or loss amounted to HK\$2.3 million (31 December 2017: HK\$3.5 million), which comprised of one (31 December 2017: one) Hong Kong listed corporation that had been held since the last financial year.

## LIQUIDITY AND FINANCIAL RESOURCES

Adopting a conservative financial management approach, the Group continues to maintain a healthy financial position. As at 31 December 2018, the Group's cash and cash equivalents was HK\$71.1 million (31 December 2017: HK\$67.5 million). Working capital represented by net current assets amounted to HK\$97.7 million (31 December 2017: HK\$107.5 million) of which HK\$2.3 million (31 December 2017: HK\$3.5 million) were a Hong Kong listed equity stock. The Group's current ratio was 2.4 (31 December 2017: 2.6).

### b) 證券投資分部

恒生指數於二零一八年一月創歷史新高，但隨後出現大幅波動。股票市場估值受眾多因素影響。美國總統唐納德特朗普採取的保護主義政策給全球貿易投下陰影並影響全球經濟及股票市場表現。此外，投資者擔憂中國大陸經濟增長及盈利勢頭放緩，亦增加市場波動。因此，恒生指數於二零一八年較二零一七年下跌13.6%，收市報25,845點（二零一七年：29,919點）。投資者信心亦轉弱且避險情緒開始蔓延。於截至二零一八年十二月三十一日止年度，本集團證券投資業務錄得公允值虧損一百二十萬港元（二零一七年：收益一千五百萬港元）及分部虧損八百萬港元（二零一七年：溢利六百八十萬港元）。

鑑於股票市場不明朗且動蕩，為本集團之最佳利益著想，本集團已決定採取更為保守的策略從事證券投資業務。於二零一八年十二月三十一日，本集團按公允值計入損益帳之金融資產為二百三十萬港元（二零一七年十二月三十一日：三百五十萬港元），其包含自上一財政年度起持有的一間（二零一七年十二月三十一日：一間）香港上市企業。

## 流動資金及財務資源

本集團秉持審慎之財務管理方法，得以繼續保持健全之財務狀況。於二零一八年十二月三十一日，本集團之現金及現金等值項目為七千一百一十萬港元（二零一七年十二月三十一日：六千七百五十萬港元）。營運資金（即流動資產淨值）為九千七百七十萬港元（二零一七年十二月三十一日：一億零七百五十萬港元），其中二百三十萬港元（二零一七年十二月三十一日：三百五十萬港元）為香港上市股本證券。本集團之流動比率為2.4（二零一七年十二月三十一日：2.6）。

Bank borrowings comprised term loans of HK\$5.7 million (31 December 2017: HK\$6.0 million) which were repayable within one year. The bank loans were denominated in Renminbi. As at 31 December 2018, the gearing ratio of the Group, which is calculated as net debt (total borrowings less cash and cash equivalents) divided by capital and reserves attributable to the Company's equity holders, was -40.7% (31 December 2017: -30.4%).

### CAPITAL EXPENDITURE

For the year under review, the Group incurred a total capital expenditure of HK\$8.4 million (2017: HK\$0.6 million), which was mainly for additions to leasehold improvements, a motor vehicle and a vessel.

### FOREIGN EXCHANGE EXPOSURE

The Group's sales are principally transacted in US dollars. With a factory in Mainland China and offices in Hong Kong and Mainland China, operating expenses of the Group are primarily denominated in Hong Kong dollars and Renminbi with some expenses in US dollars. The Group is mainly exposed to US dollar exchange risk arising from sales transactions involving its garments. As the Hong Kong dollar is pegged to the US dollar, exposure of the Group to foreign exchange risk is minimal.

The Group will closely monitor fluctuation of US dollar exchange rates and, if necessary, will enter into forward exchange contracts to reduce currency exchange fluctuation risks.

### CREDIT POLICY

Consistent with prevailing industry practice, the Group's business was transacted on an open account basis with its long-standing customers during the year under review. The credit ratings of customers are constantly reviewed and their respective credit limits will be adjusted, as and when necessary.

銀行貸款包括定期貸款五百七十萬港元（二零一七年十二月三十一日：六百萬港元）並須於一年內償還。銀行貸款以人民幣計值。於二零一八年十二月三十一日，本集團之資本負債比率以債務淨額（總貸款減現金及現金等值項目）除以本公司權益持有人應佔之資本及儲備為-40.7%（二零一七年十二月三十一日：-30.4%）。

### 資本開支

於回顧年度內，本集團產生之資本開支總額為八百四十萬港元（二零一七年：六十萬港元），主要用作添置租賃裝修、一輛汽車及一艘船舶。

### 外匯風險

本集團之銷售主要以美元交易。本集團於中國大陸設有一間廠房，並於香港及中國大陸設有辦事處，其經營開支主要以港元及人民幣結算，部份開支亦以美元結算。本集團主要面對由涉及成衣銷售之交易所引致之美元匯率風險。由於港元與美元掛鈎，故本集團面對外匯風險較低。

本集團將會密切監察美元兌換率的波動情況，並於有需要時訂立遠期外匯合約以減低貨幣匯兌波動的風險。

### 信貸政策

與現時行業慣例相符，本集團於回顧年度內與已建立長遠穩定關係之客戶以記帳形式進行業務交易。本集團定期審閱客戶之信貸評級，並於有需要時調整彼等之個別信貸額。

## CHARGES ON ASSETS

As at 31 December 2018, the Group's land use rights of HK\$5.4 million (2017: HK\$5.8 million) and buildings of HK\$28.4 million (2017: HK\$23.4 million) in Heshan, Mainland China were pledged as security for the Group's bank borrowings.

## CONTINGENT LIABILITIES

As at 31 December 2018 and 2017, the Group had no contingent liabilities.

## HUMAN RESOURCES AND REMUNERATION POLICIES

The Group provides a harmonious and professional working environment to employees as their commitment and expertise are critical to the long-term success of its business. It also offers employees rewarding careers and provides them with a variety of training programmes aimed at enhancing their professionalism. The Group remunerates employees according to prevailing market practices, individual experience and performance. To attract and retain high-calibre employees, it also offers discretionary bonuses and share options based on the performance of the individual as well as the Group.

As at 31 December 2018, the Group has a total of 879 (31 December 2017: 881) full-time employees in Mainland China and Hong Kong.

## 資產抵押

於二零一八年十二月三十一日，本集團位於中國大陸鶴山市之土地使用權五百四十萬港元（二零一七年：五百八十萬港元）及樓宇二千八百四十萬港元（二零一七年：二千三百四十萬港元）已抵押作本集團銀行貸款之擔保。

## 或然負債

於二零一八年及二零一七年十二月三十一日，本集團並無或然負債。

## 人力資源及薪酬政策

本集團為僱員提供和諧及專業之工作環境，其業務之長期成功全賴僱員之竭誠投入工作及其專業技能。本集團給予僱員具價值之事業及提供旨在加強其專業技能之不同培訓課程。本集團僱員薪酬福利乃根據現行市場慣例及按其個人經驗與表現而釐定。為吸引及挽留高質素僱員，本集團亦按個別僱員之表現及本集團之業績授予酌情花紅及購股權。

於二零一八年十二月三十一日，本集團在中國大陸及香港共僱用879名（二零一七年十二月三十一日：881名）全職僱員。

## ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE

As a responsible corporation, the Group is committed to maintaining the highest environmental and social standards to ensure sustainable development of its business. The Board has overall responsibility for the Group's environmental, social and governance ("ESG") strategy. The Board is responsible for ensuring that there are appropriate and effective risk management and internal control systems in place to mitigate ESG-related risks and to meet stakeholders' needs and expectations. The Group's ESG management team is assigned key responsibilities, including monitoring the implementation of ESG strategic plans, alerting the Board of any potential ESG-related risks, reporting to the Board about the effectiveness of the ESG system and reviewing stakeholders' needs and expectations.

The Group operates two business segments: garment manufacturing and trading, and securities investment. The Group's factory in Heshan, Guangdong Province, Mainland China accounted for most of the garment manufacturing and trading business with 863 employees as at 31 December 2018. The Hong Kong office, which had 16 employees as at 31 December 2018, was mainly responsible for the securities investment business and for providing supporting services for the Group. The two business segments as well as the Hong Kong office had complied with all relevant laws and regulations in relation to environmental and social aspects of their business for the year ended 31 December 2018. The Group understands that a better future for society depends on everyone's participation and contribution. It encourages employees, customers, suppliers and stakeholders to participate in environmental protection and social activities that can benefit the community as a whole.

The Group maintains strong relations with its employees, and has continued to increase co-operation with suppliers. The Group provides high-quality products and services to customers, thereby helping ensure the sustainable development of its business.

## 環境、社會及企業管治

作為一間具社會責任的企業，本集團致力維持最高要求之環境及社會標準，以確保其業務可持續發展。董事會對本集團之環境、社會及管治（「環境、社會及管治」）策略承擔整體責任。董事會負責確保設立合適及有效之風險管理及內部監控系統，從而降低環境、社會及管治相關風險，以達致持份者之需求及預期。本集團之環境、社會及管治管理團隊肩負包括監察環境、社會及管治策略計劃之實施、警示董事會任何潛在環境、社會及管治相關風險，向董事會報告有關環境、社會及管治系統成效及審查持份者之需求及預期在內之主要職責。

本集團經營兩個業務分部：成衣製造及貿易以及證券投資。於二零一八年十二月三十一日，本集團位於中國大陸廣東省鶴山市之廠房負責大部份成衣製造及貿易業務，有863名僱員，而香港辦事處有16名僱員，其主要負責證券投資業務及為本集團提供支援服務。截至二零一八年十二月三十一日止年度，此兩個業務分部以及香港辦事處已遵守與其業務之環境層面及社會層面有關之所有相關法律及法規。本集團明白，有賴所有人的參與及貢獻才能改善社會成就美好將來，亦因此鼓勵僱員、客戶、供應商及持份者參與環境保護及社會活動，惠及整個社區。

本集團與其僱員維持緊密關係，並繼續增加與其供應商之間的合作。本集團並為其客戶提供優質產品及服務，從而有助於確保其業務之可持續發展。

Having taken into consideration stakeholders' major concerns and in view of the materiality of the garment manufacturing and trading business, the Group had decided to include the said business, which is conducted at its Heshan factory, in its ESG report for the year ended 31 December 2018. The factory is required to undergo a stringent environmental audit and is continuously monitored by local government departments. An annual inspection on the Heshan manufacturing plant is performed by Heshan Environmental Protection Bureau. In the reporting year, the Heshan manufacturing plant complied with all relevant environmental laws and regulations. All Heshan factory employees had been recruited under employment agreements with terms in compliance with relevant laws and regulations. Furthermore, the factory had complied with all relevant occupational health and safety laws and regulations imposed by Mainland China authorities. With a safe working environment and regular occupational safety training provided for all employees, there were no work-related fatalities at the production facilities for the year ended 31 December 2018. A full 2018 ESG report is being prepared with reference to Appendix 27 of the Environmental, Social and Governance Reporting Guide pertaining to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules"), and will be published on the Company's and the Stock Exchange's websites within three months after the publication of the 2018 annual report.

### OUTLOOK

Looking ahead, the operating environment will likely remain challenging in 2019. Greater divergence in global growth is anticipated due to the Sino-US trade war, geopolitical disruptions and normalisation of monetary policies by the US and Eurozone.

In the US, the Federal Reserve is likely to continue on its path of regular gradual rate hikes. Its impact on the US economy and stock market cannot be easily forecasted. With trade talks between the US and Mainland China commencing on January 2019, both parties are taking steps towards addressing trade tensions. However, US concerns span many areas beyond trade, and include intellectual property protection and national security. As discussions will take time, it is expected that the settlement agreement is unlikely to be reached in the near term.

經考慮持份者之關注重點及重要性，本集團決定將其鶴山工廠從事成衣製造及貿易業務載入其截至二零一八年十二月三十一日之環境、社會及管治報告。本集團之鶴山工廠須經地方政府部門進行嚴格環境審核及持續監察。鶴山環保局會對鶴山工廠進行年度審查。於報告年度，鶴山工廠已遵守所有相關環境法律及法規。於鶴山工廠工作之所有僱員已遵照相關法律及法規之條款訂立之僱傭協議而招聘。其已遵守中國大陸政府實施的所有相關職業健康及安全法律及法規。憑藉安全的工作環境及為全體僱員舉行定期職業安全培訓，截至二零一八年十二月三十一日止年度，生產場所並無發生與工作有關的死亡事故。完整之二零一八年環境、社會及管治報告乃參考香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄二十七環境、社會及管治報告指引而編製，並將於二零一八年度報告刊發後三個月內刊載於本公司及聯交所之網站。

### 前景

展望未來，營商環境於二零一九年很可能仍充滿挑戰。由於中美貿易戰、地緣政治分裂以及美國及歐元區貨幣政策的正常化，預計全球增長將出現更大分歧。

在美國，美聯儲很可能繼續定期逐步加息的步伐，其對美國之經濟和股票市場的影響難以預測。隨著美國與中國大陸於二零一九年一月展開貿易談判，雙方正採取措施解決貿易衝突。然而，美國的關注事項涉及貿易以外的多個領域，包括知識產權保護及國家安全。鑑於商討需時，預期短期內無法達成任何和解協議。

## Management Discussion and Analysis 管理層討論及分析

As for the Eurozone, the European Central Bank (“ECB”) has, since the end of 2018, begun winding down its quantitative easing programme. Economic growth and consumer sentiment may therefore be affected. In addition, there is still no sign of a confirmed successor to the existing ECB president who will conclude his term at the start of November 2019. Both issues will introduce uncertainty to the region and thus affect economic development in 2019.

With the garment manufacturing and trading business set to face uncertainty in these two major markets, the Group will continue to streamline operations while at the same time seek to quickly develop production sites in other countries, so as to insulate the Group from adversities should trade frictions persist.

As for the Hong Kong stock market, it is expected to continue experiencing volatility due to a number of uncertainties and risks. The Federal Reserve will continue with its rate hikes. The US dollar will continue strengthening, which may trigger further currency outflows from the Hong Kong bourse. Also, the outcome of Sino-US trade talks, strained Sino-Canadian relations resulting from the Huawei incident, and worries about Mainland China’s economic growth will all weigh on the stock market. In the face of such risks and certainties, the Group will take a cautious approach with regard to its securities investment business.

Despite the challenging expected in 2019, the Group will continue to maintain its niches in production and scale of operations, as well as explore opportunities to diversify so as to maximise returns for its shareholders.

就歐元區而言，歐洲中央銀行（「歐洲央行」）自二零一八年年底開始逐步縮減量化寬鬆計劃。因此，經濟增長和消費者信心可能會受到影響。此外，仍無任何跡象顯示當現任歐洲央行行長將於二零一九年十一月初結束其任期之明確繼任人。這兩個因素將給該地區帶來不確定性，因而影響二零一九年經濟發展。

由於成衣製造及貿易業務將面對這兩個主要市場的不確定因素，本集團將繼續精簡營運，同時尋求在其他國家快速發展生產基地，從而避免本集團在貿易摩擦持續的情況下受到不利影響。

由於存在若干不確定因素和風險，預期香港股票市場會繼續出現波動。美聯儲將繼續加息，美元將繼續走強，或會引發更多貨幣自香港市場流出。此外，中美貿易談判的結果、華為事件引發的中加關係緊張以及對中國大陸經濟增長的擔憂均將令股票市場受壓。面對該等風險及不確定因素，本集團將就其證券投資業務採取審慎態度。

儘管二零一九年預計將充滿挑戰，本集團仍將繼續保持其生產利基和經營規模，並探索多元化的機會以為其股東帶來最大回報。

# Corporate Governance Report 企業管治報告

The board of directors of the Company (the “Board”) is committed to maintaining high standards of corporate governance to safeguard the interests of all shareholders of the Company and to enhance corporate value. The Company continuously reviews and improves the corporate governance practices and standards of the Group to ensure that business activities and decision making processes are regulated in a proper manner.

## CORPORATE GOVERNANCE PRACTICES

The Board is of the view that the Company has complied with all the code provisions as set out in the Corporate Governance Code (the “CG Code”) contained in Appendix 14 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) throughout the year ended 31 December 2018, except for certain deviations as explained in this report.

## THE BOARD OF DIRECTORS

### Board Composition

The Board is led by the Chairman and currently comprises two executive directors, one non-executive director and three independent non-executive directors as follows:

#### *Executive Directors*

Mr. Li Haifeng (*Chairman and Chief Executive Officer*)  
Mr. Wang Ke (*Vice President*)  
(Appointed on 19 March 2018)

#### *Non-Executive Director*

Mr. Lee Sheng Kuang, James  
(Ceased appointment on 1 April 2019)

#### *Independent Non-Executive Directors*

Mr. Yau Wing Yiu  
Mr. Zhang Zhenyi  
Ms. Zheng Xianzhi

本公司董事會（「董事會」）致力維持高水平之企業管治，藉以保障本公司全體股東利益及提高企業價值。本公司持續檢討及改善本集團之企業管治常規及標準，藉以確保業務活動及決策過程受到適當規管。

## 企業管治常規

董事會認為於截至二零一八年十二月三十一日止年度內，本公司一直遵守香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄十四所載之企業管治守則（「企業管治守則」）之所有守則條文，除本報告所述的偏離外。

## 董事會

### 董事會之組成

董事會由主席領導，現由下列兩名執行董事、一名非執行董事及三名獨立非執行董事組成：

#### *執行董事*

李海楓先生（主席及行政總裁）  
王科先生（副總裁）  
(於二零一八年三月十九日獲委任)

#### *非執行董事*

李勝光先生  
(於二零一九年四月一日終止委任)

#### *獨立非執行董事*

邱永耀先生  
張振義先生  
鄭先智女士

The Board possesses a balance of skill and experience which is appropriate for the requirements of the business of the Group. A balanced composition of executive and non-executive directors also generates a strong independent element on the Board, which can exercise independent judgement effectively and make decision objectively for the best interests of the Company.

Save for those as disclosed in the section headed “Directors’ Biographical Details” as set out on pages 44 to 48 of this Annual Report, there is no relationship (including financial, business, family or other material or relevant relationship) among members of the Board.

During the year, four Board meetings were held to approve annual and interim results, review the business operations, risk management and internal control systems. The attendance records of directors are set out on page 32 of this Annual Report.

### Chairman and Chief Executive Officer

According to code provision A.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Li Haifeng has assumed both the roles of chairman and chief executive officer of the Company since 1 April 2017. The Board is of the view that the balance of power and authority is ensured by its operations which comprises experienced and high caliber individuals with a highly independent element. The Board believes that this structure is conducive to strong and consistent leadership, enabling the Company to execute business strategies and decisions efficiently.

### Independent Non-executive Directors

During the year, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive directors representing one-third of the Board with at least one of whom possessing appropriate professional qualifications or accounting or related financial management expertise. All Independent Non-executive Directors have confirmed their independence and the Company considers that they are independent in accordance with the independent guidelines set out in Rule 3.13 of the Listing Rules.

董事會具備適合本集團業務所需之技能及經驗。執行董事及非執行董事之均衡組成，亦使董事會具備強大之獨立元素，以便有效率地進行獨立判斷及客觀地作出決策，以符合本公司之最佳利益。

除於本年度報告第44至第48頁之「董事簡歷」一節內所披露者外，董事會各成員之間概無任何關係（包括財政、業務、家族或其他重大或相關關係）。

於年內，董事會曾舉行四次董事會會議，以審批全年及中期業績、檢討本集團之業務運作及風險管理與內部監控系統，董事之出席記錄載於本年度報告第32頁。

### 主席及行政總裁

根據企業管治守則第A.2.1條，主席及行政總裁之職務應予區分，並不應由同一人同時擔任。李海楓先生自二零一七年四月一日起兼任本公司之主席及行政總裁之職務，董事會認為董事會由擁有豐富經驗及才幹、兼具獨立元素之人士所組成，故其運作已足以確保權力與職權之平衡。董事會相信，此架構有利於穩健及貫徹領導，令本公司可有效地作出商業決策。

### 獨立非執行董事

於年內，董事會一直符合上市規則的規定，委任至少三名獨立非執行董事（人數佔董事會成員三分之一），當中至少一名具備合適的專業資格或會計或相關的財務管理專業知識。全體獨立非執行董事均已確認其獨立性，根據上市規則第3.13條所載列的獨立指引，本公司認為彼等均具有獨立性。

### Appointments and Re-election of Directors

The Board is empowered under the Company's By-laws to appoint any person as a director either to fill a casual vacancy on or as an additional member of the Board. The selection criteria are mainly based on the professional qualification and experience of the candidate and the recommendations of the Nomination Committee. All directors are engaged on service contracts for a term of three years except for Mr. Lee Sheng Kuang, James whose service contract is a term for two years. A newly appointed director must retire and be re-elected at the first general meeting after his/her appointment.

At each annual general meeting of the Company, one-third of the directors (including non-executive director and independent non-executive directors) for the time being (or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third) shall retire from office by rotation. Every director shall be subject to retirement by rotation at least once every three years. The directors to retire every year will be those who have been the longest in office since their last re-election or appointment. As such, no director has a term of appointment longer than three years. A retiring director shall be eligible for re-election. During the year, Mr. Wang Ke was appointed as an executive director of the Company.

### Board and Management

To enable all directors to make informed decisions in the Board meetings and to discharge their duties and responsibilities, appropriate, complete and reliable information prepared by the management are provided in a timely manner. All directors are kept informed on a timely basis of major changes that may affect the Group's business, including relevant rules and regulations. To reinforce independence, the Board and each director can have separate and independent access to the management of the Company if additional information is required. To further assist the directors to discharge their duties to the Company, the Board has also established a written procedure to enable directors to seek independent professional advice at the Company's expenses.

### 委任及重選董事

董事會獲本公司之章程細則授權委任任何人士為董事，以填補臨時空缺或成為董事會新成員。甄選因素主要以候選人之專業資格及經驗以及提名委員會之建議為基準。除李勝光先生之服務合約為期兩年外，全體董事均按服務合約委聘，為期三年。新委任董事須於彼獲委任後首個股東大會上退任及膺選連任。

本公司於每屆股東週年大會上，三分之一在任董事（包括非執行董事及獨立非執行董事），（或倘其數目並非三或三之倍數，則必須為最接近但不少於三分之一之人數）須輪值退任。每名董事須至少每三年輪值退任一次。每年退任董事為自上次重選或任職時間最長者。因此，概無董事之委任任期超過三年。退任董事將符合資格膺選連任。於年內，王科先生獲委任為本公司之執行董事。

### 董事會及管理層

管理層須適時提供由彼等編製之適合、完整及可靠資訊，以確保全體董事於董事會會議上作出知情決定及履行彼等之職務及職責。若有可能影響本集團業務的重大變動（包括相關法例及法規），本公司將會適時知會全體董事。為增強獨立性，董事會及各董事可於需要更多資訊時自行透過獨立途徑接觸本公司之管理層。為進一步協助董事對本公司履行彼等之職務，董事會亦已設立一套書面程序，使董事可尋求獨立專業意見，費用由本公司支付。

In order to have a clear principle in relation to the matters specifically reserved to the Board for decisions, functions between the Board and the management are formalized. The Board has established a written guideline determining which issues require a decision of the Board and those delegated to the management. Matters reserved to the Board for decision include the making of significant financial and legal commitments, mergers and acquisitions, material asset acquisitions or disposals, the change of share capital, the approval of financial reporting, budgeting, management succession and representation to shareholders. The management is responsible for the day-to-day running of the Group. The management is required to submit reports on the operations to the Board on a regular basis and make recommendations to the Board on the development of major projects or business proposals and their respective implementation. The Board is of the view that such division of responsibilities can enhance the corporate governance of the Company.

The Board considers that corporate governance should be the collective responsibility of Directors and delegated the corporate governance duties to the Audit Committee which include:

- to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;
- to review and monitor the training and continuous professional development of Directors and senior management of the Company;
- to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- to develop, review and monitor the code of conduct applicable to employees and Directors; and
- to review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

為就特別須董事會作決定之事項提供明確原則，董事會及管理層之職能已予界定。董事會已訂立一份書面指引，釐定須由董事會決定及授權予管理層之議題。須董事會作決定之事項包括重要財務及法律承擔、合併及收購、重大資產收購或出售、更改股本、審批財務報告、編訂預算、管理層繼任及向股東作出陳述等。管理層負責本集團之日常營運。管理層須定期向董事會呈交營運報告，並就發展主要項目或業務計劃書及彼等各自之落實情況向董事會提出建議。董事會認為，如此職責劃分可增強本公司之企業管治。

董事會認為企業管治應屬董事的共同責任，且彼等授予審核委員會的企業管治職能包括：

- 制定及檢討本公司的企業管治政策及常規，並向董事會提出建議；
- 檢討及監察董事及本公司高級管理層的培訓及持續專業發展；
- 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；
- 制定、檢討及監察適用於僱員及董事的行為守則；及
- 檢討本公司遵守企業管治守則的情況及企業管治報告的披露資料。

### Directors' Continuous Professional Development

To develop and refresh the knowledge and skills, all directors have participated in continuous professional development and provided the Company their training records for the year ended 31 December 2018 which are summarized as follows:

### 董事之持續專業發展

為發展並更新其知識及技能，全體董事已參與持續專業發展並向本公司提供彼等截至二零一八年十二月三十一日止年度培訓之記錄，概述如下：

**Read materials and/or attended seminars on responsibility of directors and other relevant topics**  
**閱讀有關董事職責及其他相關題目的資料出席相關及／或研討會**

Directors	董事	
<i>Executive Directors</i>	<i>執行董事</i>	
Mr. Li Haifeng	李海楓先生	✓
Mr. Wang Ke	王科先生	✓
<i>Non-Executive Director</i>	<i>非執行董事</i>	
Mr. Lee Sheng Kuang, James	李勝光先生	✓
<i>Independent Non-Executive Directors</i>	<i>獨立非執行董事</i>	
Mr. Yau Wing Yiu	邱永耀先生	✓
Mr. Zhang Zhenyi	張振義先生	✓
Ms. Zheng Xianzhi	鄭先智女士	✓

### Directors' Securities Transactions

The Company has adopted a code of conduct regarding directors' securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the "Model Code"). Having made specific enquiry of all directors of the Company, all directors have confirmed that they have complied with the required standard set out in the Model Code and the Company's code of conduct regarding directors' securities transactions during the year.

### 董事證券交易

本公司已採納一套有關董事進行證券交易之行為守則，其規定標準不低於上市規則附錄十所載之上市發行人董事進行證券交易的標準守則（「標準守則」）。經向本公司全體董事作出特定查詢後，全體董事均已確認，彼等於年內已符合標準守則及本公司有關董事進行證券交易之行為守則所載之規定標準。

Details of the directors' interests in the shares of the Company as at 31 December 2018 are set out on pages 50 to 51 of this Annual Report.

The Board has also established a written guideline on no less exacting terms than the Model Code for employees of the Company or director or employee of the Company's subsidiaries or holding company who are likely to possess inside information in relation to the Group or securities of the Company. No incident of non-compliance was noted by the Company in 2018.

### Directors' Liability Insurance

Appropriate insurance cover has been arranged by the Company in respect of legal action against its directors and officers of the Company.

## BOARD COMMITTEES

### Audit Committee

The Board set up the Audit Committee in 2000 with specific written terms of reference which deal clearly with its authority and duties. The terms of reference of Audit Committee are available on the websites of the Company and the Stock Exchange. The principal duties of the Audit Committee include reviewing the Group's financial reporting, the external auditor's independence, risk management, internal controls and corporate governance issues and making recommendations to the Board.

The Audit Committee currently comprises three members, namely Mr. Yau Wing Yiu (Committee Chairman), Mr. Zhang Zhenyi and Ms. Zheng Xianzhi, all Audit Committee members are independent non-executive directors.

有關董事於二零一八年十二月三十一日擁有本公司股份之權益之詳情已載於本年度報告第50頁及51頁。

董事會亦已就可能擁有關於本集團或本公司證券之內幕資料之本公司僱員或本公司之附屬公司或控股公司之董事或僱員訂立一套書面指引，其規定標準不低於標準守則。本公司於二零一八年並不知悉任何不遵守書面指引之事件。

### 董事責任保險

本公司已就針對董事及高級管理人員之法律訴訟安排適當保險。

## 董事委員會

### 審核委員會

董事會於二零零零年成立審核委員會，書面職權範圍已闡明其權力與職務。審核委員會職權範圍在本公司及聯交所網站可供查閱。審核委員會主要職責包括審閱本集團之財務報告、外聘核數師之獨立性、風險管理、內部監控及企業管治事宜，並向董事會提出建議。

審核委員會目前由三名成員組成，即邱永耀先生（委員會主席）、張振義先生及鄭先智女士，所有審核委員會成員均為獨立非執行董事。

During the year, the Audit Committee held four meetings and the attendance records of members are set out on page 32 of this Annual Report. The major work performed by the Audit Committee during the year included, amongst other things, the following:

- making recommendation to the Board on the appointment or reappointment of the external auditors and approved their terms of engagement;
  - reviewing the effectiveness of the audit process in accordance with the applicable standards;
  - reviewing the change in accounting standards and assessment of potential impacts on the Group's financial statements;
  - reviewing the interim and annual financial statements and the related results announcements;
  - discussing the risk management and internal control systems with management including the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting, internal audit and financial reporting functions;
  - overseeing and monitoring the operation of Risk Management and Steering Committee such as reviewing the quarterly and annual report or any ad hoc report;
  - reviewing the revised terms of reference of Risk Management and Steering Committee;
  - reviewing the revised terms of reference of the Audit Committee;
  - reviewing the Company's policies and practices on corporate governance and made recommendations to the Board;
  - reviewing the Company's compliance with the CG Code.
- 於年內，審核委員會曾舉行四次會議，成員之出席記錄載於本年度報告第32頁。於年內，審核委員會履行的主要工作（其中包括）如下：
- 就委任或續聘外聘核數師向董事會提出建議，並審批其聘用條款；
  - 按適用標準檢討審計過程之有效性；
  - 審閱會計準則之變動，以及評估對本集團財務報表之潛在影響；
  - 審閱中期及全年財務報表，以及相關業績公布；
  - 與管理層商討風險管理及內部監控系統，包括本集團在會計、內部審核及財務匯報職能方面之資源、員工資歷及經驗、以及員工培訓課程及有關預算是否足夠；
  - 監督及監察風險管理督導委員會之運作，包括審閱季度及年度報告或任何特別的報告；
  - 審閱風險管理督導委員會經修訂之職權範圍；
  - 審閱審核委員會經修訂之職權範圍；
  - 檢討本公司之企業管治政策及常規，並向董事會提出建議；
  - 檢討本公司遵守企業管治守則的情況。

## Remuneration Committee

The Board set up the Remuneration Committee in 2005 with specific written terms of reference which deal clearly with its authority and duties. The terms of reference of Remuneration Committee are available on the websites of the Company and the Stock Exchange. The principal duties of the Remuneration Committee include making recommendations to the Board on the remuneration policy and structure for directors and senior management, reviewing and making recommendations to the Board on the remuneration packages of all directors and senior management with reference to corporate goals and objectives resolved by the Board from time to time and ensuring that no Director or any of his/her associates is involved in deciding his/her own remuneration.

The Remuneration Committee currently comprises four members, namely Mr. Yau Wing Yiu (Committee Chairman), Mr. Wang Ke, Mr. Zhang Zhenyi and Ms. Zheng Xianzhi. Except for Mr. Wang Ke who is an executive director, all Remuneration Committee members are independent non-executive directors.

During the year, one meeting was held by the Remuneration Committee to review the revised terms of reference of the Remuneration Committee, it also considered and made recommendation to the board the remuneration package of Mr. Wang Ke. The attendance records of members are set out on page 32 of this Annual Report.

The remuneration of each of the directors was determined in accordance with the remuneration policy. The main principles of remuneration policy of the Company are:

- to retain and motivate executive directors and senior management by linking their compensation with performance as measured against corporate objectives;
- to align executive directors' and senior management's remuneration with shareholders' interests;
- to ensure that no director or senior management or any of his/her associate is involved in deciding his/her own remuneration.

## 薪酬委員會

董事會於二零零五年成立薪酬委員會，書面職權範圍已闡明其權力與職務。薪酬委員會權範圍在本公司及聯交所網站可供查閱。薪酬委員會主要職責包括檢討董事及高級管理人員之薪酬政策及架構並向董事會提出建議，參考董事會不時議決之企業目標及宗旨，檢討全體董事及高級管理人員之薪酬待遇並向董事會提出建議，以及確保任何董事或其任何聯繫人不得參與釐定其本人之薪酬。

薪酬委員會目前由四名成員組成，即邱永耀先生（委員會主席）、王科先生、張振義先生及鄭先智女士。除王科先生為執行董事外，薪酬委員會全體成員均為獨立非執行董事。

於年內，薪酬委員會曾舉行一次會議，以審閱薪酬委員會經修訂之職權範圍。薪酬委員會亦已考慮並向董事會推薦王科先生之薪酬待遇。成員之出席記錄載於本年度報告第32頁。

每位董事之薪酬根據薪酬政策而釐定。本公司薪酬政策之主要原則包括：

- 為挽留及激勵執行董事及高級管理人員，將彼等之薪酬與按企業目標之表現掛鉤；
- 將執行董事及高級管理人員之薪酬與股東利益達成一致；
- 確保並無董事或高級管理人員或其任何聯繫人士參與釐定其本人之薪酬。

When fixing the remuneration packages of executive directors, considerations have been given to the qualifications and experience of the executive directors, their duties and responsibilities with and contributions to the Group, the level of directors' remuneration of other comparable listed companies in Hong Kong, the Group's performance and the prevailing market condition. The principal elements of the remuneration packages of executive directors of the Company include salary, director's fee, double pay, discretionary bonus and share options.

Details of the remuneration of each director, on a named basis, are disclosed in Note 13 to the financial statements on pages 115 to 117 of this Annual Report. Reimbursement is provided for out-of-pocket expenses incurred (including traveling and hotel expenses) in connection with the performance of directors' duties.

### Nomination Committee

The Board set up the Nomination Committee in 2012 with specific written terms of reference which deal clearly with its authority and duties. The terms of reference of Nomination Committee are available on the websites of the Company and the Stock Exchange. The principal duties of the Nomination Committee include reviewing the structure, size, composition and diversity of the Board and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy, formulating, reviewing and implementing the nomination policy, selection criteria and nomination procedures for identification, selection and nomination for the director for the Board's approval and making recommendations to the Board on appointment or re-appointment of directors.

The Nomination Committee currently comprises four members, namely Mr. Li Haifeng (Committee Chairman), Mr. Yau Wing Yiu, Mr. Zhang Zhenyi and Ms. Zheng Xianzyi. Except for Mr. Li Haifeng who is an executive director, all Nomination Committee members are independent non-executive directors.

訂立執行董事之薪酬待遇時，已考慮該等執行董事之資歷及經驗、彼等之職務及職責和對本集團之貢獻、香港其他同類型上市公司之董事薪酬水平、本集團之業績及現行市場情況。本公司執行董事薪酬待遇之主要元素包括薪金、董事袍金、雙糧、酌情花紅及購股權。

有關以記名方式列明每名董事薪酬之詳情，於本年度報告第115頁至第117頁財務報表附註13內披露。彼等亦可獲償付一切於履行董事職務時所產生之實報實銷費用（包括差旅及酒店費用）。

### 提名委員會

董事會於二零一二年成立提名委員會，書面職權範圍已闡明其權力與職務。提名委員會職權範圍在本公司及聯交所網站可供查閱。提名委員會主要職責包括檢討董事會的架構、人數、組成及董事會成員多元化，並就任何為配合本公司策略而擬對董事會作出的變動向董事會提出建議，制定、檢討及實施有關物色、甄選及提名出任董事人選的提名政策、甄選準則及提名程序供董事會批准及就董事委任或續任向董事會提出建議。

提名委員會目前由四名成員組成，即李海楓先生（委員會主席）、邱永耀先生、張振義先生及鄭先智女士。除李海楓先生為執行董事外，提名委員會全體成員均為獨立非執行董事。

During the year, one meeting was held by the Nomination Committee to review the structure, size, composition and diversity of the Board and to review the revised terms of reference of the Nomination Committee and the revised Nomination Policy. Apart from that, the Nomination Committee also considered and made recommendations to the Board for the appointment of Mr. Wang Ke as an executive director, vice president and a member of each of the Remuneration Committee and Investment Committee of the Company. The attendance records of members are set out on page 32 of this Annual Report.

The Board has adopted a board diversity policy which sets out the approach to achieve diversity on the Board.

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

The Board has also adopted a nomination policy which sets out the selection criteria and nomination procedures to identify, select and recommend candidates for directors. When evaluating and selecting candidates for directorships, the Board will consider criteria include the board diversity policy, qualifications, character and integrity and such other perspectives appropriate to the Company's business.

於年內，提名委員會曾舉行一次會議，以檢討董事會架構、人數、組成及董事會成員多元化及審閱提名委員會經修訂之職權範圍及提名政策。除此之外，提名委員會向董事會推薦委任王科先生為本公司之執行董事、副總裁及薪酬委員會和投資委員會成員。成員之出席記錄載於本年度報告第32頁。

董事會已採納董事會成員多元化政策，列載為達致董事會成員多元化之方針。

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

董事會已採納提名政策，列出識別、甄選及推薦候選人擔任董事時的甄選準則及提名程序。在評估及甄選候選人擔任董事時，董事會將考慮準則包括董事會成員多元化政策、資格、品格與誠實以及適用於本公司業務的其他各項因素。

### Investment Committee

The Board set up the Investment Committee in 2014 with specific written terms of reference which deal clearly with its authority and duties. The primary role of the Investment Committee include reviewing and approving the investment policy and monitoring the securities investment business as it deems proper to meet the latest development of the Group or changes in the securities market.

The Investment Committee currently comprises of two executive directors of the Company, namely Mr. Li Haifeng (Committee Chairman) and Mr. Wang Ke.

During the year, one meeting was held by the Investment Committee and the attendance records of members are set out on page 32 of this Annual Report. The major work performed by the Investment Committee during the year included, amongst other things, the following;

- reviewing the investment policy including objectives and strategy that direct investment activities;
- overseeing investment activities of the Group and controlling the associated risk levels to assure adherence to the investment policy;
- monitoring the performance of the investment portfolio and considered the re-appointment of the external investment professionals;
- reviewing the revised terms of reference of Investment Committee.

### 投資委員會

董事會於二零一四年成立投資委員會，書面職權範圍已闡明其權力與職務。投資委員會之主要角色包括按其認為合適時審閱及批准投資政策及監察證券投資業務，以配合本集團之最新發展及證券市場之變化。

投資委員會目前由兩名本公司之執行董事組成，即李海楓先生（委員會主席）及王科先生。

於年內，投資委員會曾舉行一次會議而成員之出席紀錄載於本年度報告第32頁。於年內，投資委員會履行的主要工作（其中包括）如下：

- 批准及更新投資政策，包括指引投資活動之目的及策略；
- 監督本集團之投資活動及控制相關風險程度以確保遵循投資政策；
- 監察投資組合之表現及考慮重新委任外聘投資專材；
- 審閱投資委員會經修訂之職權範圍。

## ATTENDANCE RECORD OF DIRECTORS AND COMMITTEE MEMBERS

## 董事及委員會成員之出席記錄

The attendance of individual Board member in Board meetings, Board Committees meetings and general meeting for the year ended 31 December 2018 is set out in the table below:

截至二零一八年十二月三十一日止年度，個別董事會成員於董事會、董事委員會及股東大會之出席記錄載於下表：

	No. of meetings attended/No. of meetings held 出席／舉行會議次數					
	Board Meetings 董事會	Audit Committee Meetings 審核委員會	Remuneration Committee Meeting 薪酬委員會	Nomination Committee Meeting 提名委員會	Investment Committee Meeting 投資委員會	General Meeting 股東大會
<i>Executive Directors</i> 執行董事						
Mr. Li Haifeng 李海楓先生	4/4	N/A 不適用	N/A 不適用	1/1	1/1	1/1
Mr. Wang Ke (Appointed on 19 March 2018) 王科先生 (於二零一八年三月十九日獲委任)	4/4	N/A 不適用	1/1	N/A 不適用	1/1	1/1
<i>Non-Executive Director</i> 非執行董事						
Mr. Lee Sheng Kuang, James 李勝光先生	4/4	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	1/1
<i>Independent Non-Executive Directors</i> 獨立非執行董事						
Mr. Yau Wing Yiu 邱永耀先生	4/4	4/4	1/1	1/1	N/A 不適用	1/1
Mr. Zhang Zhenyi 張振義先生	4/4	4/4	1/1	1/1	N/A 不適用	1/1
Ms. Zheng Xianzhi 鄭先智女士	3/4	3/4	1/1	1/1	N/A 不適用	1/1

Apart from regular Board meetings, the Chairman also held meetings with non-executive directors without the presence of executive directors during the year.

除定期董事會會議外，在執行董事未列席的情況下，主席亦與非執行董事於年內舉行了一次會議。

## RESPONSIBILITY FOR PREPARATION AND REPORTING OF FINANCIAL STATEMENTS

The directors of the Company acknowledge their responsibility for preparing the financial statements of the Group in accordance with statutory requirements and applicable accounting standards. The directors will select suitable accounting policies and apply them consistently, make judgements and estimates that are prudent, fair and reasonable and prepare the financial statements on a going concern basis. The Board aims to present a balanced, clear and understandable assessment of the Group's position and prospects in presenting annual and interim reports, inside information announcements and other financial disclosures required under the Listing Rules as well as the information required to be disclosed pursuant to statutory requirements.

The statement of the auditor of the Company regarding their reporting responsibilities for the financial statements of the Group is set out on pages 57 to 63 of this Annual Report.

## RISK MANAGEMENT AND INTERNAL CONTROL

The Board is responsible for evaluating and determining the nature and extent of the risks that the Group is willing to take in achieving its strategic objectives, and has the ultimate responsibility to maintain a sound and effective risk management and internal control systems for the Group and review their effectiveness so as to safeguard the shareholders' investment and the Group's assets and ensure strict compliance with relevant laws, rules and regulations. The Audit Committee is also responsible for reviewing the effectiveness of the risk management and internal control systems, ensuring strict compliance with relevant rules and regulations as well and reporting to the Board.

## 編製及呈報財務報表之責任

本公司董事確認彼等編製本集團財務報表之責任，而該等財務報表乃根據法定要求及適用會計準則編製。董事將選用合適會計政策及貫徹運用，作出審慎、公平及合理之判斷及估計，並按持續經營為基準編製財務報表。於呈列年度報告及中期報告、內幕消息公布及根據上市規則規定須予披露之其他財務資料，以及根據法例規定須予披露的資料，董事會致力對本集團的情況及前景作出平衡、清晰及易於理解的評估。

本公司核數師就彼等有關本集團之財務報表之呈報責任所作之聲明載於本年度報告第57頁至第63頁內。

## 風險管理及內部監控

董事會有責任評估及確定就達致本集團策略目標而願意承擔風險的性質及程度，並負上維持本集團風險管理及內部監控的穩健制度及審閱其成效之最終責任，以保障股東之投資、本集團之資產及確保嚴格遵守有關法律、規則及條例。審核委員會亦有責任審閱風險管理及內部監控之效能，同時確保嚴格遵守相關規則及條例，並向董事會報告。

In line with last year, the Group's risk management and internal control systems are based on the Internal Control Integrated Framework issued by the Committee of Sponsoring Organizations of Treadway Commission in the US in 2013 ("2013 COSO Framework") and Internal Control and Risk Management – A Basic Framework issued by the Hong Kong Institute of Certified Public Accountants which 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. The Risk Management and Steering Committee (RMSC), with management from different business units, has assisted the Board and Audit Committee in discharging their duties in risk management and internal control functions by drafting an annual internal audit plan, ensuring a smooth audit checking on the Group business operations according to the audit plans designed and reporting to the Board and/or Audit Committee any potential risks facing the Group in a timely manner.

The Group understands that risk management and internal control systems are not merely about policies and manuals, but about people and the actions they take at every level of the Group. To support all employees in ever – changing markets, regular training is provided to strengthen their awareness of risk and capability to manage risks. During the year, the Board together with the Audit Committee, reviewed the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting, internal audit and financial reporting functions, and were satisfied with the results of the review.

All in all, the Board continues to enhance and oversee the Group's risk management and internal control systems with the support of the Audit Committee and RMSC. Below are the review process and results regarding the Group's risk management and internal control systems for the year ended 31 December 2018.

一如往年，本集團之風險管理及內部監控系統乃參考Committee of Sponsoring Organizations of Treadway Commission於二零一三年在美國發佈之《內部控制整體框架》（「二零一三年COSO框架」）及香港會計師公會發佈之《內部控制及風險管理－基本框架》而形成。該等系統旨在管理而非消除未能達成業務目標之風險而設，並只能就重大的失實陳述或損失作出合理而非絕對之保證。風險管理督導委員會（RMSC）由來自不同部門的管理層組成，通過起草年度內審計劃，協助董事會和審計委員會履行風險管理和內部控制職能，確保對業務營運的內審工作根據內審計劃順利進行，並及時向董事會和／或審計委員會報告本集團面臨的任何潛在風險。

本集團認為風險管理及內部監控系統不僅有關政策及手冊，亦關乎本集團各層級人士及其採取之行動。為支持所有僱員適應不斷變化之市場，本集團向其提供常規培訓以加強其風險意識及風險管理能力。於年內，董事會及審核委員會一同審閱在會計、內部審核及財務匯報職能方面之資源、員工資歷及經驗，以及員工培訓課程及有關預算是否足夠，並對本次審閱結果表示滿意。

總而言之，董事會在審核委員會及風險管理督導委員會之支持下繼續加強及監管本集團之風險管理及內部監控系統。以下為本集團截至二零一八年十二月三十一日止年度之風險管理及內部監控系統之審核過程及結果。

### Review of Risk Management and Internal Control Systems

RMSC designed, implemented and monitored the Group's risk management and internal control systems by considering the five integrated components of 2013 COSO Framework, namely, control environment, risk assessment, control activities, information and communication and monitoring activities.

During the risk assessment process, RMSC identified the significant risks facing the Group. A risk matrix report was prepared which prioritised risks according to the likelihood of their occurrence and the significance of their impact on the business of the Group.

Following the review and endorsement of the risk matrix report by the Audit Committee and the Board, RMSC developed an annual internal audit plan to evaluate the effectiveness of the Group's risk management and internal control systems. RMSC investigated and assessed what internal control procedures were to be executed to ensure the identified significant risks were managed within the acceptable level. These internal control procedures covered material controls designed to provide reasonable assurance as to the achievement of the Group's objectives including financial, operational and compliance controls. A monthly Independent internal audit was performed by RMSC members to test and evaluate whether the selected internal controls were effective. During the year, RMSC members had performed internal audit on the Group's business cycles including listing rules compliance, revenue, purchase, information management, human resources, payroll as well as cash payment.

In addition, each existing business segment was required to perform assessment on the effectiveness of its risk management and internal control systems on an annual basis. The assessment questionnaire sets out key factors in each of the five integrated components of 2013 COSO Framework.

### 風險管理及內部監控系統審核

經考慮二零一三年COSO框架下之五個互相關連之元素，即監控環境、風險評估、監控活動、信息的溝通與交流以及對活動之監察，風險管理督導委員會設計、執行並監察本集團之風險管理及內部監控系統。

於風險評估過程中，風險管理督導委員會確定本集團面臨之重大風險。風險管理督導委員會編製出一份風險矩陣報告，根據出現風險之可能性及其對本集團業務之影響重大程度列出優先級別。

於審核委員會及董事會審查及認可風險矩陣報告後，風險管理督導委員會制定出一份年度內部審核計劃，以評估本集團風險管理及內部監控系統之有效性。風險管理督導委員會調查及評估實施之內部監控程序，以確保在可予接受之範圍內管理已識別之重大風險。該等內部監控程序已涵蓋設計之重大監控，從而為實現本集團之目標提供合理保證，包括財務、運作及合規之監控。風險管理督導委員會成員每月進行獨立之內部審核，以測試及評估選擇之內部監控是否有效。於年內，風險管理督導委員會成員已對本集團之商業週期進行內部審核，包括上市規則合規、收益、採購、信息技術管理、人力資源、工資以及現金支付。

此外，各現有業務分部須每年評估其風險管理及內部監控系統之有效性。評估問卷列出二零一三年COSO框架之五個組成部分各部分之關鍵因素。

With the assessment questionnaires from each business segment, monthly, quarterly and annual reports from RMSC, the Audit Committee closely monitored the effectiveness of the Group's risk management and internal control systems and reported to the Board on an ongoing basis.

For the year ended 31 December 2018, both the Audit Committee and the Board were not aware of any material internal control defects and were satisfied that the risk management and internal control systems of the Group have been effective and adequate. Regarding the qualified opinion issued by the Company's Auditor for the investment in an associate, it revealed that there are internal control weaknesses in the associate's systems. The Company would like to supplement that the Company has no effective control over the associate. RMSC members had put their best endeavours to assist the management of the associate to improve its internal control systems and asking the board of the associate to engage professionals to conduct a review of the internal control systems and procedures and to make recommendations accordingly. Except the qualified opinion for the investment in an associate, there is no other significant areas of concerns that might affect shareholders were identified.

### **Procedures and Internal Controls for the Handling and Dissemination of Inside Information**

The Company formulated the inside information policy as a guideline to handle and disseminate inside information in order to ensure the Group is in compliance with the regulatory requirements. The inside information policy contains a strict prohibition on unauthorised use of inside information and sets out, inter alia, establishment of the inside information identification, reporting and disclosure protocol and procedures. For the year ended 31 December 2018, inside information was disseminated in accordance with the inside information policy and the applicable laws and regulations.

藉著各業務分部之評估問卷、風險管理督導委員會月度報告、季度報告及年度報告、審核委員會密切監察本集團風險管理及內部監控系統之有效性，並持續向董事會匯報。

截至二零一八年十二月三十一日止年度，審核委員會及董事會並不知悉任何重大內部監控缺陷，並信納本集團之風險管理及內部監控系統有效且足夠。有關本公司核數師就一間聯營企業之投資所發表的保留意見，其顯示該聯營企業之系統存在內部監控弱項。本公司謹此補充本公司對該聯營企業並無有效控制。風險管理督導委員會成員已盡力協助該聯營企業之管理層改進其內部監控系統，並要求該聯營企業之董事會聘請專業人士審查其內部監控系統及程序，並據此提出建議。除了對一間聯營企業之投資的保留意見外，並沒發現其他可能影響股東的重要關注事項。

### **處理及發布內幕消息之程序及內部監控**

本公司已制定內幕消息政策作為處理及發布內幕消息之指南，以確保本集團符合監管規定。內幕消息政策包括嚴格禁止未經授權使用內幕消息，以及載列（其中包括）設置內幕消息識別、報告及披露協議及程序。截至二零一八年十二月三十一日止年度，內幕消息乃根據內幕消息政策及適用法律及法規發布。

## AUDITOR'S REMUNERATION

PricewaterhouseCoopers is the external auditor of the Company. For the year ended 31 December 2018, the external auditor received the following remuneration for audit and non-audit services provided to the Group:

		HK\$'000 千港元
Audit services	審計服務	1,532
Non-audit services	非審計服務	
Agreed upon procedures on interim reporting	就中期報告之約定審閱程序	138
Taxation services	稅務服務	117
		1,787

The Audit Committee received written confirmation from the external auditor on its independence and objectivity as required by the Hong Kong Institute of Certified Public Accountants.

## COMPANY SECRETARY

The Company has appointed Ms. Lau Yee Wa ("Ms. Lau") of Tricor Services Limited, an external service provider, as the Company's company secretary since 5 January 2018. Her primary contact person at the Company is Mr. Chiu G Kiu Bernard ("Mr. Chiu"), Deputy Chief Financial Officer of the Company.

Ms. Lau has tendered her resignations as the Company's company secretary and Mr. Chiu has taken up the position with effect from 1 April 2019.

All Directors have access to the advice and services of the company secretary on corporate governance and board practices and matters.

According to CG Code's code provision F.1.2, the appointment of the company secretary should be dealt with by a physical board meeting rather than a written resolution. The appointment of Ms. Lau as the company secretary was dealt with by a written resolution in January 2018. The Board considers that, prior to the execution of the written resolution to appoint the current company secretary, all Directors were individually consulted on the matter without any dissenting opinion and there was no need to approve the matter by a physical board meeting instead of a written resolution.

## 核數師酬金

羅兵咸永道會計師事務所為本公司之外聘核數師。截至二零一八年十二月三十一日止年度，外聘核數師已就向本集團提供之審計及非審計服務收取下列酬金：

		HK\$'000 千港元
Audit services	審計服務	1,532
Non-audit services	非審計服務	
Agreed upon procedures on interim reporting	就中期報告之約定審閱程序	138
Taxation services	稅務服務	117
		1,787

審核委員會已接獲外聘核數師就其獨立性及客觀性發出之書面確認書，表示其已符合香港會計師公會之規定。

## 公司秘書

本公司於二零一八年一月五日起委任卓佳專業商務有限公司（對外服務提供者）之劉綺華女士（「劉女士」）為本公司之公司秘書。趙之翹先生（「趙先生」，本公司之副首席財務官），為彼於本公司之主要聯絡人。

劉女士已離任本公司之公司秘書，而趙先生已取代該職務，自二零一九年四月一日生效。

所有董事均可就企業管治、董事會常規及事宜，向公司秘書徵詢意見及尋求服務。

根據企業管治守則第F.1.2條，委任公司秘書應透過實質召開之董事會會議（而非以書面決議案方式）處理。委任劉女士為公司秘書乃於二零一八年一月透過書面決議案處理。董事會認為，於執行委任現任公司秘書之書面決議案之前，已就該事宜向全體董事進行獨立諮詢且並無任何異議，故並無必要實質召開董事會會議取代書面決議案以批准該事宜。

## COMMUNICATION WITH SHAREHOLDERS

In order to maintain an on-going dialogue with shareholders, shareholders are encouraged to attend annual general meeting of the Company at which the Chairman of the Board and the chairmen of the Board committees are pleased to answer questions related to the Group's business.

To promote effective communication, the Company has adopted a shareholders communication policy which aims at ensuring the shareholders of the Company are provided with ready, equal and timely access to balanced and understandable information about the Company, in order to enable shareholders to exercise their rights in an informed manner, and to allow shareholders to engage actively with the Company. The Company also maintains a corporate website at [www.carrywealth.com](http://www.carrywealth.com) in order to disseminate information on a timely basis and the published information will be maintained at the above website for at least five years.

To maintain a balance between meeting expectations of the shareholders of the Company and prudent capital management, the Company has also adopted a dividend policy which sets out the basic principles and considerations factors in determining the distribution of the dividends by the Board. Under the dividend policy, the Company may declare and distribute dividends to the shareholders, provided that the Group records a profit and that the declaration and distribution of dividend does not affect the Group's normal operations, the distribution and payment of dividend shall be subject to the requirements under the Bye-laws of the Company, the Companies Act 1981 of Bermuda (as amended) and all applicable laws and regulations. In proposing distribution of dividends, the Board will consider the factors include the actual and expected financial performance of the Group, general economic conditions and other internal or external factors that may have an impact on the business or financial performance and position of the Group and any other factors that the Board deem appropriate.

## 與股東溝通

為與股東保持持續對話，茲鼓勵股東出席本公司之股東週年大會，而董事會主席及各董事委員會主席均樂意解答與本集團業務有關之提問。

為促進有效的溝通，本公司已採納股東通訊政策，該政策旨在確保本公司股東可適時取得全面、相同及容易理解之本公司資料，一方面使股東可在知情情況下行使其權力，另一方面也讓股東與本公司積極溝通。本公司亦設有公司網站 [www.carrywealth.com](http://www.carrywealth.com)，以適時發放資料，而已公布之資料將於上述網站保留最少五年。

為維持滿足本公司股東的期望與審慎的資本管理之間的平衡，本公司亦採納了股息政策，列載董事會決定股息分派的基本原則及考慮因素。根據股息政策，倘本集團錄得溢利且宣派及派發股息不影響本集團的正常營運，本公司可向股東宣派及派發股息，則股息的分派及支付須遵守根據本公司之章程細則，百慕達1981年公司法（經修訂）及所有適用法律及法規的規定。在建議派發股息時，董事會將考慮的因素包括本集團的實際及預期財務表現，總體經濟狀況及可能對本集團的業務或財務表現及狀況產生影響的其他內部或外部因素及任何董事會認為合適的其他因素。

## SHAREHOLDERS' RIGHTS

### Shareholders to Convene a Special General Meeting and Putting Forward Proposals at General Meetings

According to the Bye-laws of the Company, 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, can by written requisition to the Board or the Company Secretary of the Company to convene a special general meeting 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. In compliance with the requirements of the Listing Rules, any annual general meeting, and general meeting at which the passing of a special resolution is to be considered shall be called by at least 20 clear business days' notice, whilst others may be called by at least 10 clear business days' notice.

To further enhance the minority shareholders' right, all resolutions at any general meeting are decided on poll and such practice has been adopted since 2005. The chairman of any general meetings ensures that the shareholders are informed of the detailed procedures for conducting a poll by way of making the explanation at the commencement of the general meetings. The chairman of general meetings also ensures full compliance with the requirements about voting by poll contained in the Listing Rules and the Bye-laws of the Company.

## 股東權利

### 股東召開股東特別大會及於股東大會上提出議案

根據本公司之章程細則，任何於發出要求當日持有有權於本公司股東大會上投票之本公司繳足股本不少於十分之一的股東，可向董事會或本公司公司秘書作出書面要求召開股東特別大會，以處理該等要求列明之任何事項，而有關大會須於發出有關要求後兩個月內舉行。為符合上市規則之規定，任何股東週年大會以及用以考慮通過特別決議案之股東大會須以至少足20個營業日之通知召開，而其他股東大會則須以至少足10個營業日之通知召開。

為進一步提高少數股東之權利，所有股東大會上之一切決議案均以投票方式表決，此常規自二零零五年起已採納。任何股東大會主席須確保已透過於股東大會開始時作出詳細闡釋之方式，使股東知悉以投票方式表決之程序。股東大會主席亦須確保全面符合上市規則及本公司之章程細則中有關以投票方式表決之規定。

### Shareholders to Propose a Person for Election as a Director

The procedures for a shareholder to propose a person for election as a Director can be found on the website of the Company. Shareholders representing not less than one-twentieth of the total voting rights of all shareholders having at the date of the requisition a right to vote at the general meeting or who are no less than 100 shareholders can submit a written requisition to the Board or the Company Secretary to propose a resolution relating to other matters at a general meeting. The written requisition must state the resolution, accompanied by a statement of not more than one thousand words with respect to the matter referred to in the proposed resolution or the business to be dealt with at the general meeting and contain the signatures of all the requisitionists (which may be contained in one document or in several documents in like form). Such requisition must be deposited at the Company's registered office at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda not less than six weeks before the general meeting in the case of a requisition requiring notice of a resolution and not less than one week before the general meeting in the case of any other requisition and be accompanied by a sum of money reasonably sufficient to meet the Company's expenses in serving the notice of the resolution and circulating the statement given by the requisitionists to all shareholders in accordance with the requirements under the applicable laws and rules.

### Shareholders' enquiries

Specific enquiries or suggestions by shareholders can be sent in writing to the Board at the Company's principal place of business in Hong Kong or by email to the Company (info@carrywealth.com). In addition, shareholders can contact Tricor Abacus Limited, the Hong Kong branch share registrar and transfer agent of the Company, if they have any enquiries about their shareholdings and entitlement to dividend. Relevant contact details are set out on page 5 of this Annual Report.

## CONSTITUTIONAL DOCUMENTS

There were no changes in the Company's constitutional documents during the year.

### 股東提名人選參選董事

股東提名人選參選董事之程序可於本公司網站上瀏覽。於發出要求當日，擁有於股東大會上投票權利之全體股東總投票權不少於二十分之一之股東或不少於一百名股東，可向董事會或公司秘書提呈書面要求以於股東大會上提呈有關其他事宜之決議案。書面要求須列明決議案，連同一份不多於一千字有關所提呈決議案提述之事宜或將於股東大會上處理之事務並由全體作出要求之人士簽署（可載於一份文件或多份相符格式之文件內）之陳述書。倘作出須發出決議案通知之要求，則有關要求須於股東大會不少於六個星期前送達本公司之註冊辦事處，地址為Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda；倘屬任何其他要求，則須於股東大會不少於一個星期前送達，並須連同一筆用於支付本公司根據適用法例及規則規定而向全體股東送達決議案通知及傳閱作出要求人士提交之陳述書所產生開支之合理且足夠款項。

### 股東查詢

倘股東有特別查詢或建議，可致函本公司之香港主要營業地點予董事會或電郵至本公司(info@carrywealth.com)。此外，股東如有任何有關其股份及股息之查詢，可以聯絡本公司的香港股份登記及過戶分處卓佳雅柏勤有限公司，有關聯絡詳情載於本年報第5頁。

## 憲章文件

於年內，本公司之憲章文件並無變動。

## Report of the Directors 董事會報告

The directors present their report together with the audited financial statements of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2018.

### PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The activities of its principal subsidiaries are set out in Note 30 to the financial statements. An analysis of the Group’s performance for the year by operating segment is set out in Note 5 to the financial statements.

### BUSINESS REVIEW

The business review of the Group for the year ended 31 December 2018 is set out on pages 12 to 20 under Management Discussion and Analysis of this Annual Report.

### RESULTS AND DIVIDENDS

The results of the Group for the year are set out in the consolidated income statement on page 64. The directors do not recommend the payment of a final dividend for the year ended 31 December 2018 (2017: Nil).

### FIVE YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 6 of this Annual Report.

### BANK BORROWING

Particulars of the Group’s borrowing and pledged assets are set out in Note 25 to the financial statements.

董事會提呈其報告，連同本公司及其附屬公司（「本集團」）截至二零一八年十二月三十一日止年度之經審核財務報表。

### 主要業務

本公司之主要業務為投資控股。主要附屬公司之業務載於財務報表附註30。本集團於本年度之業績按營運分部之分析載於財務報表附註5。

### 業務回顧

本集團截至二零一八年十二月三十一日止年度之業務回顧載於本年度報告第12頁至20頁「管理層討論和分析」一節。

### 業績及股息

本集團之本年度業績載於第64頁之綜合收入報表。董事不建議派付截至二零一八年十二月三十一日止年度之末期股息（二零一七年：無）。

### 五年財務摘要

本集團於過去五個財政年度之業績與資產及負債摘要載於本年度報告第6頁。

### 銀行貸款

本集團之貸款及抵押資產之詳細資料載於財務報表附註25。

## MAJOR SUPPLIERS AND CUSTOMERS

The percentages of purchases and sales for the year attributable to the Group's major suppliers and customers are as follows:

(i)	Purchases	採購	
	– the largest supplier	– 最大供應商	32.4%
	– five largest suppliers in aggregate	– 五大供應商合計	85.4%
(ii)	Sales	銷售	
	– the largest customer	– 最大客戶	97.0%
	– five largest customers in aggregate	– 五大客戶合計	100%

None of the directors, their close associates or any shareholder of the Company (which to the knowledge of the directors owns more than 5% of the issued shares of the Company) had an interest in the major suppliers or customers.

## SHARE CAPITAL

Details of movements in the Company's share capital during the year are set out in Note 26 to the financial statements.

## DISTRIBUTABLE RESERVES

As at 31 December 2018, the Company had no reserve (31 December 2017: Nil) available for distribution as computed in accordance with the Companies Act 1981 of Bermuda (as amended). However, the Company's share premium account in the amount of HK\$217,761,000 as at 31 December 2018 (31 December 2017: HK\$217,761,000) may be distributed in the form of fully paid bonus shares, subject to the shareholders' approval of the Company and compliance with provision of the Companies Act 1981 of Bermuda (as amended) and the Bye-laws of the Company.

Movements in the reserves of the Group and of the Company during the year are set out in Notes 27 and 32a to the financial statements.

## 主要供應商及客戶

本集團主要供應商及客戶於年內所佔之採購及銷售百分比如下：

本公司董事、彼等之緊密聯繫人士或任何股東（據董事所知於本公司已發行股份數目中擁有5%以上權益者）概無於主要供應商或客戶中擁有權益。

## 股本

於本年度內，本公司股本變動之詳情載列於財務報告附註26。

## 可供分派儲備

根據一九八一年百慕達公司法（經修訂）計算，本公司於二零一八年十二月三十一日並無儲備可供分派（二零一七年十二月三十一日：無）。然而，本公司股本溢價帳於二零一八年十二月三十一日錄得二億一千七百七十六萬一千港元（二零一七年十二月三十一日：二億一千七百七十六萬一千港元），在獲得本公司股東同意及符合一九八一年百慕達公司法（經修訂）條款及本公司之章程細則情況下，可以繳足紅股的形式進行分配。

於年內，本集團及本公司儲備之變動情況載於財務報表附註27及32a。

## DIRECTORS

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

Mr. Li Haifeng (*Chairman and Chief Executive Officer*)

Mr. Wang Ke (*Vice President*)

– appointed on 19 March 2018

Mr. Lee Sheng Kuang, James\*

– ceased appointed on 1 April 2018

Mr. Yau Wing Yiu#

Mr. Zhang Zhenyi#

Ms. Zheng Xianzhi#

\* Non-Executive Director

# Independent Non-Executive Director

In accordance with bye-law 87 of the Company's Bye-laws, Mr. Yau Wing Yiu and Mr. Zhang Zhenyi shall retire from office by rotation and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

Mr. Yau Wing Yiu, Mr. Zhang Zhenyi and Ms. Zheng Xianzhi are independent non-executive directors of the Company and all of them were appointed for a three-year term. The board of Directors of the Company has received annual confirmations of independence from each of the independent non-executive directors of the Company pursuant to Rules 3.13 of the Listing Rules and as at the date of this Annual Report still considers them to be independent.

## 董事

於年內及截至本報告之日期，本公司之董事如下：

李海楓先生（主席及行政總裁）

王科先生（副總裁）

– 於二零一八年三月十九日獲委任

李勝光先生\*

– 於二零一八年四月一日終止委任

邱永耀先生#

張振義先生#

鄭先智女士#

\* 非執行董事

# 獨立非執行董事

根據本公司之章程細則第87條，邱永耀先生及張振義先生須輪值退任，並符合資格亦願意於即將舉行之股東週年大會上膺選連任。

邱永耀先生、張振義先生及鄭先智女士均為本公司之獨立非執行董事，其委任期皆為三年。本公司董事會已經收到各獨立非執行董事根據上市規則第3.13條就其獨立性作出年度確認，並於本年度報告日期，彼等仍被視作具獨立性。

## DIRECTORS' BIOGRAPHICAL DETAILS

### Mr. Li Haifeng

*Chairman and Chief Executive Officer*

Mr. Li Haifeng, aged 48, was appointed as the Chairman and an executive director of the Company in June 2011 and is the Chairman of both the Nomination Committee and Investment Committee of the Company. He was also appointed as a Chief Executive Officer of the Company in April 2017. Mr. Li is the sole director of Dragon Peace Limited, a substantial shareholder of the Company. He is responsible for overall corporate and business development and strategic direction of the Group, and provides leadership for the board of directors of the Company. Mr. Li has extensive experience in information technology and waste water treatment industries. He is currently an executive director and a vice president of Beijing Enterprises Water Group Limited ("BEWG") (a company listed on the main board of the Stock Exchange; stock code: 371) and the chairman of the Supervisory Committee of BEWG Environmental Group Co., Ltd., a wholly owned subsidiary of BEWG, and is mainly responsible for both the PRC and overseas water markets. Mr. Li holds a Bachelor degree in Law from the Faculty of Law in Peking University in 1992.

## 董事簡歷

### 李海楓先生

*主席及行政總裁*

李海楓先生，48歲，於二零一一年六月獲委任為本公司之主席兼執行董事及現為本公司提名委員會及投資委員會之主席。彼亦於二零一七年四月獲委任為本公司之行政總裁。李先生亦為本公司主要股東Dragon Peace Limited之唯一董事。彼負責本集團之整體企業及業務發展以及策略方針，並領導本公司之董事會。李先生於資訊科技及污水處理行業擁有豐富經驗。彼現為北控水務集團有限公司（「北控水務」）（一家於聯交所主板上市之公司，股份代號：371）之執行董事兼副總裁，並為北控中科成環保集團有限公司（北控水務之全資附屬公司）之監事會主席，主要負責中國及海外水務市場。李先生於一九九二年獲得北京大學法律學系法學學士學位。

**Mr. Wang Ke**  
*Vice President*

Mr. Wang Ke, aged 34, has been appointed as an executive director and vice president of the Company since March 2018 and is a member of each of the Remuneration Committee and Investment Committee of the Company. He was appointed as a non-executive director of Kong Sun Holdings Limited (stock code: 295), a company listed on the main board of the Stock Exchange on 14 November 2017. Mr. Wang has over eight years of experience in the field of investment. From August 2010 to August 2011, he was an investment manager in China Kingho Energy Group Co., Ltd. Mr. Wang also held a position as an investment manager in China Gas Holdings Limited (stock code: 384), a company listed on the main board of the Stock Exchange during the period of January 2014 to August 2014. He was a senior vice president at Pohua JT Management Limited from 2014 to 2016. Mr. Wang has been a director of Magic Assets Limited, a company providing investment and finance consultancy services, since February 2015. He holds a Master of Arts in Global Business Management from the City University of Hong Kong.

**Mr. Lee Sheng Kuang, James**  
*Non-Executive Director*

Mr. Lee Sheng Kuang, James, aged 72, is a founder of the Group. He was the Managing Director and a member of the Investment Committee of the Company prior to his re-designation from an Executive Director to a Non-executive Director in April 2017, and was responsible for all day-to-day corporate management matters and planning and developing the Group's strategy. Mr. Lee has over thirty years of experience in the manufacture and distribution of apparel products.

**王科先生**  
*副總裁*

王科先生，34歲，由二零一八年三月起獲委任為本公司之執行董事及副總裁，並分別為本公司薪酬委員會及投資委員會之成員。彼於二零一七年十一月十四日獲委任為江山控股有限公司（股份代號：295），一間於聯交所主板上市公司之非執行董事。王先生於投資領域擁有逾八年之經驗。由二零一零年八月至二零一一年八月，彼於中國慶華能源集團有限公司擔任投資經理。王先生亦自二零一四年一月至二零一四年八月期間，於聯交所主板上市公司中國燃氣控股有限公司（股份代號：384）擔任投資經理。彼於二零一四年至二零一六年，為保華嘉泰管理有限公司之高級副總裁。由二零一五年二月起，王先生為Magic Assets Limited之董事，該公司提供投資及財務顧問服務。彼持有香港城市大學環球企業管理文學碩士學位。

**李勝光先生**  
*非執行董事*

李勝光先生，72歲，乃本集團之創辦人。彼於二零一七年四月由執行董事調任為非執行董事之前為本公司董事總經理及投資委員會成員並專責一切日常企業管理業務及計劃及發展本集團之策略。李先生在生產及分銷成衣產品方面積逾30年經驗。

**Mr. Yau Wing Yiu**

*Independent Non-Executive Director*

Mr. Yau Wing Yiu, aged 52, was appointed as an independent non-executive director of the Company in July 2011 and is the Chairman of both the Audit Committee and Remuneration Committee and a member of the Nomination Committee of the Company. He has extensive experience in financial management, corporate finance and investment. Mr. Yau was the partner and chief financial officer of AID Partners Capital Limited which is a private equity investment fund. Mr. Yau also worked for various listed companies in Hong Kong and overseas and a number of international investment banks. He was an executive director, independent non-executive director and chief financial officer of China Everbright Water Limited (formerly known as HanKore Environment Tech Group Limited), whose shares are listed on the Singapore Exchange Securities Trading Limited (stock code: U9E). Mr. Yau is a member of both American Institute of Certified Public Accountant and Hong Kong Institute of Certified Public Accountant. He holds a Master Degree of Business Administration in Finance from The Hong Kong University of Science and Technology, Graduate School of Business and a BA (Hons) in Business Studies from The City University of Hong Kong.

**邱永耀先生**

*獨立非執行董事*

邱永耀先生，52歲，於二零一一年七月獲委任為本公司之獨立非執行董事，並為本公司審核委員會及薪酬委員會之主席及提名委員會之成員。彼於財務管理、企業融資及投資方面擁有豐富經驗。邱先生曾為私人股本投資基金AID Partners Capital Limited之合夥人兼財務總監。邱先生亦曾於多間香港及海外上市公司及多間國際投資銀行任職。彼曾為中國光大水務有限公司（前稱為HanKore Environment Tech Group Limited，其股份於新加坡證券交易所有限公司上市；股份代號：U9E）之執行董事、獨立非執行董事及財務總監。邱先生均為美國註冊會計師協會及香港會計師公會之會員。彼持有香港科技大學商學院金融專業工商管理碩士學位，以及香港城市大學商業榮譽學士學位。

**Mr. Zhang Zhenyi**

*Independent Non-Executive Director*

Mr. Zhang Zhenyi, aged 38, was appointed as an independent non-executive director of the Company in March 2017 and is a member of each of the Audit Committee, Remuneration Committee and Nomination Committee of the Company. He has been appointed as an executive director, chief financial officer, authorized representative and authorized person of Wan Kei Group Holdings Limited (a company listed on the main board of the Stock Exchange; stock code: 1718) with effect from 5 January 2018, as well as an independent director of Jiangsu Protruly Vision Technology Group Co., Ltd (a company listed on the Shanghai Stock Exchange; stock code: 600074) with effect from July 2018. He has extensive experience in financial, risk and investment management. From 2012 to the end of 2016, Mr. Zhang was the chief financial officer of EACHWAY Fashion Group (Shenzhen) Limited and was responsible for supervising and managing the group's financial, internal control and investment management matters. Prior to that, he served as the finance in charge and project in charge of an automobile group in PRC and a consulting firm listed on the Stock Exchange. Mr. Zhang obtained a Master Degree of Business Management from University of Science and Technology Beijing in 2011, he holds qualifications as a Certified Public Accountant, Senior International Finance Manager and Senior Accountant in the PRC. Mr. Zhang is a fellow member of the Chartered Institute of Management Accountants and holds certificates of Chartered Global Management Accountant certificate and certificate of independent director of the Shanghai Stock Exchange.

**張振義先生**

*獨立非執行董事*

張振義先生，38歲，於二零一七年三月獲委任為本公司之獨立非執行董事，並分別為本公司審核委員會、薪酬委員會及提名委員會之成員。彼於二零一八年一月五日獲委任為宏基集團控股有限公司（一家於聯交所主版上市之公司；股份代號：1718）之執行董事、首席財務官、授權代表及授權人士，以及於二零一八年七月獲委任為江蘇保千里視像科技集團股份有限公司（一家於上海證券交易所上市之公司；股份代號：600074）之獨立董事。彼在財務、風險及投資管理方面擁有豐富經驗。自二零一二年至二零一六年年終，張先生於藝之卉時尚集團（深圳）有限公司擔任財務總監，負責監督及管理集團之財務、內部監控及投資管理之事宜。在此之時，彼曾於中國一個汽車集團及一間於聯交所上市之顧問公司擔任財務負責人及專案負責人。張先生於二零一一年於北京科技大學取得工商管理碩士學位，彼擁有中國註冊會計師、高級國際財務管理師及高級會計師資格。張先生為CIMA特許管理會計師公會資深會員，持有全球特許管理會計師證書及上海證券交易所獨立董事資格證書。

**Ms. Zheng Xianzhi**

*Independent Non-Executive Director*

Ms. Zheng Xianzhi, aged 35, was appointed as an independent non-executive director of the Company in June 2017 and is a member of each of the Audit Committee, Remuneration Committee and Nomination Committee of the Company. She has over ten years of experience in the legal field practicing both as an attorney in New York and a registered foreign lawyer in Hong Kong. Ms. Zheng worked in Commerce & Finance Law Offices in Beijing and was responsible for mergers and acquisitions and initial public offerings. She was also an International Legal Project Manager of Skadden, Arps, Slate, Meagher & Flom LLP and had been in charge of various legal and compliance works for listed companies including Chinese state-owned enterprises and investment banks. She is currently a registered foreign lawyer of an international law firm in Hong Kong and was admitted to The People's Republic of China Bar and New York State Bar Association. Ms. Zheng holds a Bachelor of Law from North China University of Technology in the PRC as well as a Master of Law from both University of International Business and Economics in the PRC and Duke University in the United States of America.

**CHANGE IN INFORMATION OF A DIRECTOR**

The change in the information of a director of the Company, which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules, is as follows:

**Name of Director  
董事姓名**

**Details of Change  
變動詳情**

Mr. Zhang Zhenyi

張振義先生

Appointed as an independent director of Jiangsu Protruly Vision Technology Group Co., Ltd. (a company listed on the Shanghai Stock Exchange; stock code: 600074) since July 2018.

及於二零一八年七月獲委任為江蘇保千里視像科技集團股份有限公司（一家於上海證券交易所上市之公司；股份代號：600074）之獨立董事。

Becoming a fellow member of the Chartered Institute of Management Accountants and holds certificates of Chartered Global Management Accountant certificate and certificate of independent director of the Shanghai Stock Exchange.

成為CIMA特許管理會計師公會資深會員，持有全球特許管理會計師證書及上海證券交易所獨立董事資格證書。

**鄭先智女士**

*獨立非執行董事*

鄭先智女士，35歲，於二零一七年六月獲委任為本公司之獨立非執行董事，並分別為本公司審核委員會、薪酬委員會及提名委員會之成員。彼在法律界具備逾十年之經驗，並於紐約為執業律師及於香港為註冊海外律師。鄭女士曾於北京通商律師事務所工作，負責處理合併、收購及首次公開招股事宜。彼亦曾為世達國際律師事務所之國際法律項目經理，負責處理上市公司法律及合規之工作，包括中國國營企業及投資銀行。彼現為香港一家國際律師事務所之註冊海外律師及獲得中華人民共和國律師公會及紐約律師公會之資格。鄭女士於中國之北方工業大學持有法律學士學位，並同時於中國之對外經濟貿易大學及美國之杜克大學取得法律碩士學位。

**董事資料之變動**

根據上市規則第13.51B(1)條規定，茲披露本公司董事資料之變動如下：

Save as disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

### **DIRECTORS' SERVICE CONTRACTS**

None of the directors who are 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.

### **PERMITTED INDEMNITY PROVISIONS**

Pursuant to the Company's Bye-laws, Directors shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty provided that this indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to the Directors. Such provisions were in force during the year ended 31 December 2018 and remained in force as of the date of this report.

除上文所披露者外，概無其他資料須根據上市規則第13.51B(1)條而須予披露。

### **董事之服務合約**

擬於即將舉行之股東週年大會上重選連任之董事，概無與本公司訂立任何本公司不能於一年內免付賠償（法定賠償除外）而予以終止之服務合約。

### **獲准許的彌償條文**

根據本公司的章程細則，董事因執行職務或受託之職責或據稱職責或因就此而作出、贊同作出或沒有作出之任何行動而將會或可能承擔或蒙受之所有訴訟、成本、押記、虧損、損害及開支獲得以本公司之資產及溢利作出之彌償保證及免受損害，惟本彌償保證不延伸至任何與董事之任何欺詐或不誠實行為有關之任何事項。該等條文於截至二零一八年十二月三十一日止年度期間生效，並於本報告日期繼續生效。

**DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY SPECIFIED UNDERTAKING OF THE COMPANY OR ANY OTHER ASSOCIATED CORPORATION**

As at 31 December 2018, the interests of the directors and chief executives of the Company in the shares of the Company as recorded in the register required to be kept by the Company under section 352 of Part XV of the Securities and Futures Ordinance (the "SFO") or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") were as follows:

**Long positions in the ordinary shares of HK\$0.10 each in the share capital of the Company**

**董事及最高行政人員於本公司或本公司的任何指明企業或任何其他相聯法團之股份、相關股份及債權證之權益及／或淡倉**

於二零一八年十二月三十一日，本公司董事及最高行政人員於本公司之股份，擁有須記入根據證券及期貨條例（「證券及期貨條例」）第XV部第352條本公司須予備存之登記冊，或根據上市發行人董事進行證券交易的標準守則（「標準守則」）須通知本公司及聯交所之權益如下：

**於本公司股本中每股面值0.10港元之普通股之好倉**

Name of director 董事姓名	Capacity 身份	Number of shares held 持有股份數目			Percentage of issued share capital 佔已發行股本百分比
		Personal interests 個人權益	Corporate interests 公司權益	Total interests 總權益	
Mr. Li Haifeng 李海楓先生	Interest of a controlled corporation 受控制法團之權益	-	404,944,690 (Note) (附註)	404,944,690	49.50
	Beneficial owner 實益擁有人	9,664,706	-	9,664,706	1.18
Mr. Lee Sheng Kuang, James 李勝光先生	Beneficial owner 實益擁有人	500,000	-	500,000	0.06
Mr. Yau Wing Yiu 邱永耀先生	Beneficial owner 實益擁有人	698,235	-	698,235	0.08

Note: The shares were held by Dragon Peace Limited, which was wholly owned by Mr. Li Haifeng.

附註：該等股份由Dragon Peace Limited持有，而該公司則由李海楓先生全資擁有。

Save as disclosed above, as at 31 December 2018, none of the directors and chief executives of the Company or their respective associates had any interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

### **DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES**

Apart from as disclosed in the sections headed "DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY SPECIFIED UNDERTAKING OF THE COMPANY OR ANY OTHER ASSOCIATED CORPORATION" and "SHARE OPTION SCHEME" herein, at no time during the year was the Company or any of its subsidiaries, its parent company or any subsidiary of its parent company a party to any arrangement to enable the Company's Directors or their respective spouses or children under 18 years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

### **DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS OF SIGNIFICANCE**

No transactions, arrangements and contracts of significance in relation to the Group's business to which the Company, any of its subsidiaries, its parent company or any subsidiary of its parent company was a party and in which a director of the Company or his/her connected entity had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

除上述所披露者外，於二零一八年十二月三十一日，概無本公司董事及最高行政人員於本公司或其相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份及債權證中，擁有須記入根據證券及期貨條例第352條須予備存的登記冊，或根據標準守則須通知本公司及聯交所的任何權益或淡倉。

### **董事購買股份或債權證之權利**

除本年度報告「董事及最高行政人員於本公司或本公司的任何指明企業或任何其他相聯法團之股份、相關股份及債權證之權益及／或淡倉」及「購股權計劃」兩節所披露者外，於本年度內任何時間，本公司或其任何附屬公司、其母公司或其母公司的任何附屬公司概無參與訂立任何安排，使本公司董事或彼等各自之配偶或未滿十八歲的子女可藉購買本公司或任何其他法人團體之股份或債權證而獲得利益。

### **董事於重要交易、安排及合約的權益**

本公司或其任何附屬公司、其母公司或其母公司的任何附屬公司於本年度結束或於本年度任何時間內，概無訂立任何與本集團業務有關之任何重要交易、安排及合約，導致本公司董事及其關連實體直接或間接擁有重大權益。

## DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year, none of the directors of the Company had any interest in a business (other than those businesses where the Directors of the Company were appointed as directors to represent the interests of the Company and/or any member of the Group) which is considered to compete or is likely to compete, either directly or indirectly, with the businesses of the Group.

## SUBSTANTIAL SHAREHOLDERS' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 December 2018, as recorded in the register kept by the Company under section 336 of the SFO, the Company had been notified of the following person (other than the directors and chief executive of the Company) who had interests in the shares and/or underlying shares of the Company which fell to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO:

### Long positions in the ordinary shares of HK\$0.10 each in the share capital of the Company

Name of shareholder 股東名稱	Capacity 身份	Number of ordinary shares 普通股 股份數目	Percentage of issued share capital 佔已發行 股本百分比
Dragon Peace Limited	Beneficial owner 實益擁有人	404,944,690 (Note) (附註)	49.50

Note: The shares were held by Dragon Peace Limited, which was wholly owned by Mr. Li Haifeng. These interests were duplicated with the interests of Mr. Li Haifeng as disclosed in the section headed "DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY SPECIFIED UNDERTAKING OF THE COMPANY OR ANY OTHER ASSOCIATED CORPORATION".

## 董事於競爭業務之權益

於年內，概無本公司董事於被視為與本集團業務構成直接或間接競爭或可能構成競爭的業務中持有任何權益（並不包括本公司董事獲委任為有關公司之董事以代表本公司及／或本集團任何成員公司權益之業務）。

## 主要股東在本公司股份及相關股份之權益及／或淡倉

於二零一八年十二月三十一日，記錄於本公司按證券及期貨條例第336條備存之名冊所載，本公司已獲以下人士（本公司董事或最高行政人員除外）通知其於本公司股份及／相關股份中持有權益，而須根據證券及期貨條例第XV部第2及第3分部向本公司披露：

### 於本公司股本中每股面值0.10港元之普通股之好倉

附註：該等股份由Dragon Peace Limited全資持有，而該公司則由李海楓先生全資擁有。此等權益與「董事及最高行政人員於本公司或本公司的任何指明企業或任何其他相聯法團之股份、相關股份及債權證之權益及／或淡倉」一節所披露李海楓先生之權益重複。

Save as disclosed above, as at 31 December 2018, the Company had not been notified of any other person (other than the directors and chief executive of the Company) who had an interest or short positions in the shares and/or underlying shares of the Company which fell to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO.

### SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the directors of the Company, there is a sufficiency of public float of the Company's securities as required under the Listing Rules as at the date of this Annual Report.

### SHARE OPTIONS SCHEME

On 22 May 2012, the shareholders of the Company approved the adoption of a share option scheme (the "Scheme"). A summary of the principal terms of the Scheme, as disclosed in accordance with the Listing Rules is as follows:

#### (i) Purpose

The purpose of the Scheme is to enable the Company to grant options to participants as incentives or rewards for their contribution or potential contribution to the Company and/or any of the subsidiaries.

#### (ii) Qualifying participants

Any person being an employee, director (including executive director, non-executive director or independent non-executive director), consultant, representative, professional adviser, customer, business partner, joint venture partner, strategic partner, landlord or tenant of, or any supplier or provider of goods or services to, the Company or any subsidiary, and any trustee(s) of a discretionary trust of which one or more beneficiaries belong to any of the abovementioned category(ies) of persons.

除上文所披露者外，於二零一八年十二月三十一日，本公司並無接獲任何其他人士（本公司董事或最高行政人員除外）通知，表示其於本公司股份及／相關股份中持有權益或淡倉，而須根據證券及期貨條例第XV部第2及第3分部向本公司披露，或須記錄於本公司按證券及期貨條例第336條備存之名冊。

### 足夠公眾持股量

據本公司可公開獲取之資料以及據本公司董事所知，於本年度報告日期，本公司之證券符合上市規則所規定之足夠公眾持股量規定。

### 購股權計劃

於二零一二年五月二十二日，本公司股東批准採納購股權計劃（「該計劃」）。按照上市規則須予披露之該計劃主要條款概要如下：

#### (i) 目的

該計劃之目的為使本公司可向參與者授出購股權，以鼓勵或回饋彼等對本公司及／或任何附屬公司作出或可能作出之貢獻。

#### (ii) 合資格參與人士

本公司或任何附屬公司之僱員、董事（包括執行董事、非執行董事或獨立非執行董事）、顧問、代表、專業顧問、客戶、業務夥伴、合營夥伴、策略性夥伴、業主或租客或向本公司或任何附屬公司提供貨品或服務之任何供應商或提供者及任何酌情信託之受託人（該信託之一位或多位受益人須隸屬上述任何一種類別之人士）之任何人士。

**(iii) Maximum number of shares**

The total number of shares available for issue under the Scheme is 80,470,023 which is 9.83% of the issued share capital of the Company as at the date of this Annual Report.

**(iv) Maximum entitlement of each qualifying participant**

No qualifying participant shall be granted any options which, if exercised in full, would result in such person's maximum entitlement exceeding 1% of the aggregate number of shares for the time being issued and issuable under the Scheme in the 12-month period up to and including the proposed grant date unless such grant is approved in advance by the shareholders in general meeting.

No qualifying participant who is a substantial shareholder or an independent non-executive director of the Company, or any of their respective associates shall be granted any options, which, if exercised in full, would result in the shares issued and issuable to such person under the Scheme in the 12-month period up to and including the proposed grant date for such options, unless such grant of options is approved in advance by the shareholders of the Company in general meeting:

- (a) representing in aggregate over 0.1% of the number of shares then in issue; and
- (b) having an aggregate value, based on the closing price of the shares as stated in the Stock Exchange's daily quotations sheets on each relevant date on which the grant of such options is made to such person under the relevant scheme, in excess of HK\$5 million.

**(v) Option period**

In respect of any particular option, such period commencing on the date of grant or such later date as the directors may decide and expiring on such date as the directors may determine, such period not to exceed 10 years from the date of grant.

**(iii) 最高股份數目**

根據該計劃可予發行之股份總數為80,470,023股股份，相當於本年度報告日期本公司已發行股本之9.83%。

**(iv) 每位合資格參與者可獲授權益上限**

倘若授予合資格參與者之購股權於截至建議授出日期（包括當日）止12個月期間獲全面行使，將導致該人士可獲授權益上限超逾當時根據該計劃已發行股份及可發行股份總數之1%，則該合資格參與者不獲授予購股權，惟獲股東於股東大會上預先批准者除外。

如合資格參與者為本公司之主要股東或獨立非執行董事或任何彼等各自之聯繫人士及符合以下情況，均不得獲授購股權（惟購股權授予已經本公司股東在股東大會上預先批准者除外）：根據該計劃，已經及將會授予該等人士之購股權獲全面行使後將導致已經及將予發行股份之數目於截至及包括預計授出日期止前12個月期間（包括授出日期）：

- (a) 合計超逾已發行股份數目0.1%；及
- (b) 根據相關購股權計劃，每次授出購股權予該人士之有關日期於聯交所之每日報價表所列之股份收市價計算，總值超逾五百萬港元。

**(v) 購股權有效期**

就任何特定之購股權而言，有效期由授出日期或董事決定之較後日期起計，及至董事決定之日期屆滿，惟該有效期由授出購股權日期起計不得超逾十年。

**(vi) Acceptance of offer**

An offer of the grant of an option shall remain open for acceptance for a period of 30 days from the date of the letter containing the grant. An offer of the grant of the option shall be regarded as having been accepted when the duplicate of the grant letter duly signed by the grantee together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the grant thereof is received by the Company.

**(vii) Subscription price**

The subscription price in respect of any particular option shall be such price as the board may determine at the date of grant of the relevant option but shall be at least the highest of:

- (a) The closing price of the Company's shares as stated in the daily quotations sheet of the Stock Exchange on the date of grant, which must be a business day;
- (b) The average closing price of the Company's shares as stated in the daily quotations sheets of the Stock Exchange for the five business days immediately preceding the date of grant; and
- (c) The nominal value of the Company's shares.

**(viii) The remaining life of the Scheme**

The directors shall be entitled at any time within 10 years commencing on 22 May 2012 to offer the grant of an option to any qualifying participants.

No share options were outstanding as at 1 January 2018 and 31 December 2018. No share options were granted, exercised, cancelled or lapsed during the year.

**EQUITY-LINKED AGREEMENT**

Save as disclosed in the section headed "SHARE OPTION SCHEME" in this Annual Report, no equity-linked agreements that will or may result in the Company issuing shares, or that require the Company to enter into any agreements that will or may result in the Company issuing shares, were entered into by the Company during the year or subsisted at the end of the year.

**(vi) 接納建議**

接納授出購股權建議之開放期，由發出載有授出購股權之函件之日期起計，為期三十日。本公司一經收到由獲授人正式簽署載有授出函件副本連同付予本公司1.00港元之款項作為授出購股權之代價後，授出購股權建議即被視作已獲接納。

**(vii) 認購價**

任何特定購股權之認購價為董事會於授出相關購股權日期時所釐定之價格，惟不可少於下列三項之最高者：

- (a) 於購股權授出當日（其須為營業日），本公司股份在聯交所每日報價表所列之收市價；
- (b) 本公司股份在緊接授出購股權日期前五個營業日在聯交所每日報價表所列之平均收市價；及
- (c) 本公司股份之面值。

**(viii) 該計劃尚餘有效期**

董事有權於二零一二年五月二十二日起計十年內隨時向任何合資格參與者建議授出購股權。

於二零一八年一月一日及二零一八年十二月三十一日，並無尚未行使之購股權。於年內，概無購股權獲授出、行使、註銷或失效。

**權益掛鈎協議**

除於本年度報告「購股權計劃」一節所披露者外，於年內或年度結束時，本公司概無訂立或存在任何股票掛鈎協議將會或可導致本公司發行股份，或規定本公司訂立任何協議將會或可導致本公司發行股份。

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

## PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-laws or the Laws of Bermuda.

## MANAGEMENT CONTRACTS

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

## CORPORATE GOVERNANCE

The Company's corporate governance practices are set out in the Corporate Governance Report on pages 21 to 40 of this Annual Report.

## ENVIRONMENTAL AND SOCIAL MATTERS

The Company's compliance with the relevant provisions set out in the Environmental, Social and Governance Reporting Guide in Appendix 27 of the Listing Rules for the financial year ended 31 December 2018 will be set out in a standalone Environmental, Social and Governance Report and published on the Group's and the Stock Exchange's websites within three months after the publication of the 2018 annual report.

## AUDITOR

The financial statements have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for re-appointment in the forthcoming Annual General Meeting.

On behalf of the Board

**Wang Ke**

*Executive Director*

Hong Kong, 29 March 2019

## 購買、出售或贖回本公司之上市證券

於年內，本公司及其任何附屬公司並無購買、出售或贖回本公司之任何上市證券。

## 優先認股權

本公司之章程細則或百慕達法例均無優先認股權之規定。

## 管理合約

年內並無訂立或存在有關本公司整體或任何重大部份業務之管理及行政合約。

## 企業管治

本公司之企業管治常規載於本年度報告第21頁至第40頁之企業管治報告。

## 環境及社會事宜

本公司於截至二零一八年十二月三十一日止財政年度遵守上市規則附錄二十七所載《環境、社會及管治報告指引》的相關條文將於二零一八年度報告刊發後三個月內於本公司及聯交所之網站刊載一份獨立環境、社會及管治報告。

## 核數師

本財務報表已經由羅兵咸永道會計師事務所審核，該核數師任滿退任，並表示願意於即將舉行之股東週年大會應聘連任。

代表董事會

**執行董事**

**王科**

香港，二零一九年三月二十九日



羅兵咸永道

## TO THE SHAREHOLDERS OF CARRY WEALTH HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

### QUALIFIED OPINION

#### What we have audited

The consolidated financial statements of Carry Wealth Holdings Limited (the "Company") and its subsidiaries (the "Group") set out on pages 64 to 144, which comprise:

- the consolidated balance sheet as at 31 December 2018;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated cash flow statement for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

#### Our qualified opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 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 ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

## 致恒富控股有限公司股東

(於百慕達註冊成立的有限公司)

### 保留意見

#### 我們已審計的內容

恒富控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第64至144頁的綜合財務報表,包括:

- 於2018年12月31日的綜合資產負債表、
- 截至該日止年度的綜合收入表、
- 截至該日止年度的綜合全面收入表、
- 截至該日止年度的綜合權益變動表、
- 截至該日止年度的綜合現金流轉表及
- 綜合財務報表附註,包括主要會計政策概要。

#### 我們的保留意見

我們認為,除了在本報告中「保留意見的基礎」部分所述事項的可能影響外,該等綜合財務報表已根據香港會計師公會頒布的《香港財務報告準則》真實而中肯地反映了貴集團於2018年12月31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,並已遵照香港《公司條例》的披露規定妥為擬備。

## BASIS FOR QUALIFIED OPINION

As set out in note 15 to the consolidated financial statements, the Group has a 41.45% equity interest in Exellar Limited (formerly known as United Security Solutions International Limited) and its subsidiaries (together referenced to as "Exellar") which was accounted for as an associate under the equity method. The Group has recorded a share of loss of HK\$26,065,000 for Exellar for the year ended 31 December 2018 in its consolidated income statement and the investment is carried at nil balance on the consolidated balance sheet as at 31 December 2018. Moreover, the Group has advanced three loans totalling US\$673,000 (equivalent to HK\$5,217,000) to Exellar during the year. Such loans together with the accumulated interest receivable were fully impaired and an impairment loss of HK\$5,445,000 was recognised in the consolidated income statement for the year ended 31 December 2018.

The Group's management relied on the financial information provided by management of Exellar to account for the result of Exellar shared by the Group and to assess the impairment of its investment in and loans to Exellar. However, current management of Exellar did not have access to, and therefore they were not able to provide to the Group and the component auditor of Exellar, a set of complete and accurate accounting records. In addition, the component auditor was unable to obtain representation from management of Exellar on the completeness and accuracy of the accounting records of Exellar. Accordingly, the component auditor did not express an opinion on the consolidated financial information of Exellar as at and for the year ended 31 December 2018 as they were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Given the above scope limitation, we were unable to obtain sufficient appropriate audit evidence with respect to the result of Exellar shared by the Group for the year ended 31 December 2018, the carrying value of the investment in associate as at 31 December 2018 as well as the carrying value and the impairment loss in respect of the loans to Exellar as at and for the year ended 31 December 2018. There were no other satisfactory audit procedures that we could perform to determine whether any adjustments were necessary in respect of the Group's share of loss of associate of HK\$26,065,000 and the impairment loss in respect of the loans to an associate of HK\$5,445,000 for the year ended 31 December 2018, together with the investment in an associate and loans to an associate which were both carried at nil balances as at 31 December 2018.

## 保留意見的基礎

誠如綜合財務報表附註15所載，貴集團擁有合毅國際風險諮詢有限公司（前稱絲路聯合國際風險管理有限公司）及其附屬公司（統稱「合毅國際」）之41.45%股權，並以按權益法為該聯營企業入帳。貴集團已就合毅國際於其綜合收益表內錄得截至二零一八年十二月三十一日止年度之分佔虧損26,065,000港元，且該項投資於二零一八年十二月三十一日綜合資產負債表之帳面值為零。此外，貴集團於本年度向合毅國際墊付三筆貸款合共673,000美元（相等於5,217,000港元）。該貸款連同其應收累計利息已全數減值，而減值虧損為5,445,000港元已於截至二零一八年十二月三十一日止年度之綜合收益表確認。

貴集團管理層依賴合毅國際管理層提供的財務資料將貴集團分佔合毅國際的業績入帳，並評估其於合毅國際之投資及提供予合毅國際之貸款的減值。然而，合毅國際目前的管理層並無一套完整及準確之會計帳簿，故無法向貴集團及組成核數師提供該等帳簿。此外，組成核數師無法獲得合毅國際管理層有關合毅國際會計帳簿完整性及準確性之聲明。因此，組成核數師並無就合毅國際於二零一八年十二月三十一日及截至該日止年度之綜合財務資料發表意見，原因為其無法獲得充足及適當的審計證據為審計意見提供基礎。

鑒於上述範圍的限制，我們無法獲得有關截至二零一八年十二月三十一日止年度貴集團分佔合毅國際之業績、於二零一八年十二月三十一日於聯營企業之投資之餘額以及於二零一八年十二月三十一日及截至該日止年度提供予合毅國際之貸款的帳面值及虧損之充足及適當的審計證據。並無可執行的替代審計程序可供我們執行，以釐定是否有必要就截至二零一八年十二月三十一日止年度貴集團應佔聯營企業之虧損26,065,000港元及提供予一間聯營企業貸款之減值虧損5,445,000港元以及於二零一八年十二月三十一日於一間聯營企業之投資及提供予一間聯營企業的貸款之帳面值為零作出任何調整。

## Independent Auditor's Report 獨立核數師報告

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSAAs”) 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

### Independence

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.

### 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. In addition to the matter described in the Basis for Qualified Opinion section, we have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter identified in our audit is related to impairment assessment of non-current assets.

#### Key Audit Matter 關鍵審計事項

##### Impairment assessment of non-current assets 非流動資產的減值評估

Refer to Notes 4, 14 and 17 to the consolidated financial statements  
請參閱綜合財務報表附註4、14及17

The carrying value of non-current assets attributable to Group amounted to HK\$74,842,000 as at 31 December 2018, comprised of buildings, land use rights and other fixed assets, amounting to HK\$53,864,000, HK\$9,145,000 and HK\$11,833,000, respectively.

於二零一八年十二月三十一日，貴集團應佔非流動資產的帳面值為七千四百八十四萬二千港元，其中五千三百八十六萬四千港元、九百一十四萬五千港元及一千一百八十三萬三千港元分別為樓宇、土地使用權及其他固定資產。

我們已根據香港會計師公會頒布的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。

我們相信，我們所獲得的審計證據能充足及適當地為我們的保留意見提供基礎。

### 獨立性

根據香港會計師公會頒布的《專業會計師道德守則》（以下簡稱「守則」），我們獨立於貴集團，並已履行守則中的其他專業道德責任。

### 關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。除了「保留意見的基礎」部分所述事項外，我們確定以下事項為需要在報告中溝通的關鍵審計事項。

我們在審計中識別的關鍵審計事項是關於非流動資產的減值評估。

#### How our audit addressed the Key Audit Matter 我們的審計如何處理關鍵審計事項

Our procedures in relation to management's impairment assessment of non-current assets included the following:  
我們評估管理層對非流動資產減值評估的程序包括：

- assessed the appropriateness of valuation methodology applied in the valuation report (“Report”) for land use rights prepared by the independent external valuation expert;
- 評估獨立外聘估值專家編製土地使用權估值報告（「報告」）時所應用估值方法的適當性；
- assessed the qualification, independence and reputation of the independent external valuation expert;
- 評估獨立外聘估值專家的資格、獨立性及聲譽；

## Key Audit Matter 關鍵審計事項

## How our audit addressed the Key Audit Matter 我們的審計如何處理關鍵審計事項

### Impairment assessment of non-current assets

(Continued)

#### 非流動資產的減值評估 (續)

For the year ended 31 December 2018, the Group's operating loss has increased to HK\$24,126,000 (2017: HK\$3,124,000). Management considers this as an indicator of impairment, triggering a need to perform an impairment assessment of the Group's non-current assets.

截至二零一八年十二月三十一日止年度，貴集團之經營虧損擴大至二千四百一十二萬六千港元（二零一七年：三百一十二萬四千港元）。管理層認為此乃減值迹象，引致需評估 貴集團非流動資產之減值。

Buildings are revalued annually and carried at fair value, hence management considered there to be no impairment. Management determined the recoverable amount of land use rights carried at amortised cost, with the assistance from an independent external valuation expert. For the remaining non-current assets, other than plant and equipment and leasehold improvements with individually immaterial carrying values, management determined the recoverable amount by benchmarking against the price quotation of comparable assets in the second hand market. Based on management's assessment, no impairment on the carrying value of the Group's non-current assets was necessary.

樓宇每年重估並按公允價值列帳，因此管理層認為不存在減值。管理層在獨立外聘估值專家的協助下確定以攤銷成本列帳的土地使用權之可收回金額。對於剩餘的非流動資產，除單獨非重大帳面價值之廠房和設備以及租賃裝修外，管理層通過與二手市場中可比資產的市場報價相比較來確定可收回金額。根據管理層的評估，本集團非流動資產的帳面值不需要減值。

This area was of most significance to our audit due to the significance of the non-current assets to the Group's consolidated balance sheet, and the fact that management's assessment of the recoverable amount of land use rights involved significant judgement based on observable market data.

上述方面對我們的審計而言最為重要，此乃由於非流動資產對 貴集團的綜合財務報表而言屬重大，且管理層對土地使用權可收回金額的評估涉及對可觀察市場數據作出重大判斷。

- compared the key observable market data used in the Report with independent source data; and
- 對比報告內所用關鍵可觀察市場數據與獨立來源的數據；及
- in relation to the recoverable values of other assets used by management, we checked, on a sample basis, the market price quotations for comparable assets identified by management to the relevant source. We also compared, on a sample basis, the key specifications, including the model, year of manufacture, equipment and modifications of the comparable properties, plant and equipment with those owned by the Group to assess the suitability of the comparison. We also performed our own internet search, on a sample basis, on the market values of similar property, plant and equipment.
- 就管理層使用的其他資產的可收回價值，我們以抽樣方式檢查管理層向相關來源確定的可比資產的市場報價。我們亦在抽樣的基礎上比較了主要規格，包括模型、製造年份、設備及可比較物業、廠房及設備的改裝，以及本集團擁有的物業，以評估比較的適用性。我們還在樣本的基礎上，對類似物業、廠房及設備的市場價值進行了自己的互聯網搜索。

Based on the procedures performed, we found management's impairment assessment of non-current assets to be supportable based on the available evidence.

根據所執行的程序，我們認為管理層對非流動資產的減值評估已獲現有證據的支持。

### OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises all of 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. As described in the Basis for Qualified Opinion section above, we were unable to obtain sufficient appropriate audit evidence about the Group's share of loss of associate and the impairment loss in respect of the loans to an associate for the year ended 31 December 2018, together with the carrying value of the investment in an associate and loans to an associate as at 31 December 2018. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

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

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

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

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

### 其他信息

貴公司董事須對其他信息負責。其他信息包括年報內的所有信息，但不包括綜合財務報表及我們的核數師報告。

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

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。如上文「保留意見的基礎」部分所述，我們無法對應佔聯營企業之虧損及提供予一間聯營企業貸款之減值虧損以及於二零一八年十二月三十一日於一間聯營企業之投資及提供予一間聯營企業的貸款之帳面值獲取充足和適當的審計證據。因此，我們無法就與此事項有關的其他信息是否存在重大錯誤陳述作出結論。

### 董事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布的《香港財務報告準則》及香港《公司條例》的披露規定擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

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

董事須負責監督 貴集團的財務報告過程。

### 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. We report our opinion solely to you, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda 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 scepticism throughout the audit. We also:

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

### 核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅按照百慕達一九八一年《公司法》第90條向閣下（作為整體）報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負責或承擔任何責任。合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

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

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計證據，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計證據，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計證據。然而，未來事項或情況可能導致貴集團不能持續經營。

## Independent Auditor's Report 獨立核數師報告

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

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Chan Hin Gay Gabriel.

**PricewaterhouseCoopers**  
*Certified Public Accountants*  
Hong Kong, 29 March 2019

- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就 貴集團內實體或業務活動的財務信息獲取充足、適當的審計證據，以便對綜合財務報表發表意見。我們負責 貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們與董事溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

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

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

出具本獨立核數師報告的審計項目合夥人是陳顯基先生。

**羅兵咸永道會計師事務所**  
*執業會計師*  
香港，2019年3月29日

# Consolidated Income Statement 綜合收入報表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

		Note 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	5	<b>328,513</b>	244,590
Cost of sales	銷售成本	7	<b>(288,864)</b>	(204,512)
Gross profit	毛利		<b>39,649</b>	40,078
Other gains – net	其他收益 – 淨額	6	<b>211</b>	3,687
Impairment loss on loans to an associate	就授予一間聯營企業之貸款減值虧損	15	<b>(5,445)</b>	–
Selling expenses	銷售開支	7	<b>(6,238)</b>	(4,550)
Administrative expenses	行政開支	7	<b>(52,303)</b>	(42,339)
Operating loss	經營虧損		<b>(24,126)</b>	(3,124)
Finance income	融資收入	8	<b>394</b>	44
Finance expense	融資開支	8	<b>(818)</b>	(175)
Finance expense – net	融資開支 – 淨額		<b>(424)</b>	(131)
Share of result of an associate	應佔一間聯營企業之業績	15	<b>(26,065)</b>	(5,723)
Share of result of a joint venture	應佔一間合營企業之業績	16	–	(5,331)
Impairment loss on investment in a joint venture	於一間合營企業之投資減值虧損	16	–	(15,647)
Loss before income tax	除所得稅前虧損		<b>(50,615)</b>	(29,956)
Income tax expenses	所得稅開支	9	–	–
Loss for the year attributable to equity holders of the Company	本公司權益持有人應佔年度虧損		<b>(50,615)</b>	(29,956)
Loss per share attributable to the equity holders of the Company for the year	年內由本公司權益持有人應佔之每股虧損			
– basic (HK cents)	– 基本 (港仙)	10	<b>(6.19)</b>	(3.66)
– diluted (HK cents)	– 攤薄 (港仙)	10	<b>(6.19)</b>	(3.66)

The above consolidated income statement should be read in conjunction with the accompanying notes.

上述綜合收入報表應與附註一併閱覽。

# Consolidated Statement of Comprehensive Income 綜合全面收入報表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

		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	年度虧損	<b>(50,615)</b>	(29,956)
Other comprehensive income:	其他全面收入：		
<i>Item that will not be reclassified subsequently to profit or loss</i>	<i>其後不可重新分類至損益帳之項目</i>		
Revaluation gain, net of tax:	重估收益，扣除稅項：		
– properties, plant and equipment	– 物業、廠房及設備	<b>10,505</b>	3,072
<i>Item that may be reclassified to profit or loss</i>	<i>可重新分類至損益帳之項目</i>		
<u>Currency translation differences</u>	<u>匯兌差額</u>	<b>(1,580)</b>	1,135
Other comprehensive income for the year, net of tax	年度其他全面收入，扣除稅項	<b>8,925</b>	4,207
Total comprehensive loss for the year attributable to equity holders of the Company	本公司權益持有人應佔年度全面虧損總額	<b>(41,690)</b>	(25,749)

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

上述綜合全面收入報表應與附註一併閱覽。

# Consolidated Balance Sheet 綜合資產負債表

As at 31 December 2018 於二零一八年十二月三十一日

		Note 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>ASSETS</b>	<b>資產</b>			
<b>Non-current assets</b>	<b>非流動資產</b>			
Properties, plant and equipment	物業、廠房及設備	14	65,697	51,890
Investment in an associate	於一間聯營企業之投資	15	–	26,065
Investment in a joint venture	於一間合營企業之投資	16	–	–
Land use rights	土地使用權	17	9,145	9,881
Deposits and other receivable	按金及其他應收款項	20	–	15,406
<b>Total non-current assets</b>	<b>總非流動資產</b>		<b>74,842</b>	103,242
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨	19	59,829	50,260
Trade and other receivables	貿易及其他應收款項	20	34,923	52,077
Financial assets at fair value through profit or loss	按公允值計入損益帳之金融資產	21	2,337	3,518
Cash and cash equivalents	現金及現金等值項目	22	71,084	67,456
<b>Total current assets</b>	<b>總流動資產</b>		<b>168,173</b>	173,311
<b>Total assets</b>	<b>總資產</b>		<b>243,015</b>	276,553
<b>EQUITY</b>	<b>權益</b>			
Share capital	股本	26	81,804	81,804
Other reserves	其他儲備	27	216,317	207,392
Accumulated losses	累計虧損		(137,367)	(86,752)
<b>Total equity</b>	<b>總權益</b>		<b>160,754</b>	202,444

## Consolidated Balance Sheet 綜合資產負債表

As at 31 December 2018 於二零一八年十二月三十一日

		Note 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>LIABILITIES</b>	<b>負債</b>			
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Deferred income tax liabilities	遞延所得稅負債	23	<b>11,820</b>	8,319
<b>Current liabilities</b>	<b>流動負債</b>			
Trade and other payables	貿易及其他應付款項	24	<b>64,759</b>	59,838
Borrowing	貸款	25	<b>5,682</b>	5,952
<b>Total current liabilities</b>	<b>總流動負債</b>		<b>70,441</b>	65,790
<b>Total liabilities</b>	<b>總負債</b>		<b>82,261</b>	74,109
<b>Total equity and liabilities</b>	<b>總權益及負債</b>		<b>243,015</b>	276,553

The consolidated financial statements on pages 64 to 144 were approved by the Board of Director on 29 March 2019 and were signed on its behalf.

第64頁至第144頁的綜合財務報表已由董事會於二零一九年三月二十九日批核，並代表董事會簽署。

**Li Haifeng**  
**李海楓**  
Chairman  
主席

**Wang Ke**  
**王科**  
Executive Director  
執行董事

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

上述綜合資產負債表應與附註一併閱覽。

# Consolidated Statement of Changes in Equity 綜合權益變動表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

		Attributable to equity holders of the Company 本公司權益持有人應佔			
		Share Capital 股本 HK\$'000 千港元	Other reserves (Note 27) 其他儲備 (附註27) HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Balance at 1 January 2017	於二零一七年一月一日 結餘	81,804	203,185	(56,796)	228,193
Comprehensive loss Loss for the year	全面虧損 年度虧損	-	-	(29,956)	(29,956)
Other comprehensive income Revaluation gain, net of tax: - properties, plant and equipment	其他全面收入 重估收益，扣除稅項： - 物業、廠房及設備	-	3,072	-	3,072
Currency translation differences	匯兌差額	-	1,135	-	1,135
Total other comprehensive income	其他全面收入總額	-	4,207	-	4,207
Total comprehensive income/(loss)	全面收入／(虧損)總額	-	4,207	(29,956)	(25,749)
Balance at 31 December 2017	於二零一七年 十二月三十一日結餘	81,804	207,392	(86,752)	202,444

## Consolidated Statement of Changes in Equity 綜合權益變動表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

		Attributable to equity holders of the Company 本公司權益持有人應佔			
		Share Capital	Other reserves (Note 27) 其他儲備 (附註27)	Accumulated losses	Total
		股本 HK\$'000 千港元	其他儲備 (附註27) HK\$'000 千港元	累計虧損 HK\$'000 千港元	總計 HK\$'000 千港元
Balance at 1 January 2018	於二零一八年一月一日 結餘	81,804	207,392	(86,752)	202,444
Comprehensive loss Loss for the year	全面虧損 年度虧損	-	-	(50,615)	(50,615)
Other comprehensive income Revaluation gain, net of tax: – properties, plant and equipment	其他全面收入 重估收益，扣除稅項： – 物業、廠房及設備	-	10,505	-	10,505
Currency translation differences	匯兌差額	-	(1,580)	-	(1,580)
Total other comprehensive income	其他全面收入總額	-	8,925	-	8,925
Total comprehensive income/(loss)	全面收入／(虧損)總額	-	8,925	(50,615)	(41,690)
Balance at 31 December 2018	於二零一八年 十二月三十一日結餘	81,804	216,317	(137,367)	160,754

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

上述綜合權益變動表應與附註一併閱覽。

# Consolidated Cash Flow Statement 綜合現金流轉表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

	Note 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Cash flows from operating activities 經營活動之現金流轉</b>			
Net cash generated from operations	28	3,253	81,650
Income tax paid		-	(3,368)
Interest paid		(818)	(175)
Net cash generated from operating activities		2,435	78,107
<b>Cash flows from investing activities 投資活動之現金流轉</b>			
Purchase of properties, plant and equipment		(5,077)	(615)
Proceeds from disposals of properties, plant and equipment		4	17
Proceed from disposal of land use right		-	7,069
Other loan repayment from/ (advanced to) a third party		11,423	(11,423)
Loans to an associate		(5,217)	-
Investment in an associate		(1,004)	(30,989)
Interest received		394	44
Net cash generated from/(used in) investing activities		523	(35,897)
<b>Cash flows from financing activities 融資活動之現金流轉</b>			
Proceeds from bank borrowings		17,857	5,952
Repayments of bank borrowings		(17,857)	-
Net cash generated from financing activities		-	5,952
<b>Net increase in cash and cash equivalents 現金及現金等值項目之淨增加</b>			
Cash and cash equivalents at beginning of the year		67,456	21,534
Exchange gains/(losses)		670	(2,240)
<b>Cash and cash equivalents at end of the year 年終現金及現金等值項目</b>		<b>71,084</b>	<b>67,456</b>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

上述綜合現金流轉表應與附註一併閱覽。

# Notes to the Financial Statements 財務報表附註

## 1 GENERAL INFORMATION

Carry Wealth Holdings Limited (the “Company”) and its subsidiaries (together, the “Group”) manufacture and trade garment products and engage in securities investment. The Group has production facilities in Mainland China.

The Company is a limited liability company incorporated in Bermuda and is listed on The Stock Exchange of Hong Kong Limited. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

These consolidated financial statements are presented in thousands of Hong Kong dollars (“HK\$’000”), unless otherwise stated.

Certain comparative figures have been reclassified to conform with the current year’s presentation of the financial statements.

## 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basis of preparation and the principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied for all the years presented, unless otherwise stated.

### 2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”), a collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretation issued by Hong Kong Institute of Certified Public Accountants (“HKICPA”), and the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622). These consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of buildings (Notes 2.7 and 14) and financial assets at fair value through profit or loss (Notes 2.10 and 21), which are carried at fair value.

The preparation of the consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

## 1 一般資料

恒富控股有限公司(「本公司」)及其附屬公司(統稱為「本集團」)生產及買賣成衣產品以及從事證券投資。本集團於中國大陸有生產設施。

本公司是一間於百慕達註冊成立的有限公司，並於香港聯合交易所有限公司上市。其註冊辦事處地址為Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda。

除另有說明外，此等綜合財務報表均以千港元為呈列單位。

若干比較數字已重新分類，以符合本年度綜合財務報表之列示。

## 2 編製基準及主要會計政策概要

編製此等綜合財務報表所採納之編製基準及主要會計政策載於下文。除另有說明外，此等政策已於所有呈報年度貫徹應用。

### 2.1 編製基準

本集團之綜合財務報表乃按照香港財務報告準則(「香港財務報告準則」)，此統稱包含香港會計師公會(「香港會計師公會」)頒布所有適用之個別香港財務報告準則、香港會計準則(「香港會計準則」)和詮釋及香港公司條例第622章之披露要求而編製。有關綜合財務報表乃根據歷史成本法而編製，並就重估之樓宇(附註2.7及14)及按公允值計入損益帳之金融資產(按公允值列帳)(附註2.10及21)而予以修訂。

編製符合香港財務報告準則之財務報表時須作出若干關鍵會計估算。同時，在應用本集團會計政策之過程中，需要管理層行使其判斷。涉及須作出更多判斷或更複雜之範疇，或對綜合財務報表而言屬重大之假設及估計之範疇於附註4中披露。

## 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.1 Basis of preparation (Continued)

#### (a) New and amended standards adopted by the Group

The following new and amendments to standards have been adopted by the Group for the first time for the financial year beginning on or after 1 January 2018:

Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts
HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers and the related amendments
Amendments to HKFRS 15	Clarification to HKFRS 15
Amendments to HKAS 40	Transfers of Investment Property
HK(IFRIC) – Interpretation 22	Foreign Currency Transactions and Advance Consideration
Annual improvements to HKFRSs 2014-2016 cycle	Amendments to HKFRS 1 and HKAS 28

The Group had to change its accounting policies following the adoption of HKFRS 9 and HKFRS 15. Most of the other amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

## 2 編製基準及主要會計政策概要 (續)

### 2.1 編製基準 (續)

#### (a) 本集團已採納之新訂及經修訂準則

本集團已於二零一八年一月一日或之後開始之財政年度首次採納以下新訂及準則之修訂：

香港財務報告準則第2號之修訂	分類及計量以股份為基礎的付款交易
香港財務報告準則第4號之修訂	與香港財務報告準則第4號保險合同一併應用香港財務報告準則第9號金融工具
香港財務報告準則第9號	金融工具
香港財務報告準則第15號	與客戶之間的合同產生之收益及相關修訂
香港財務報告準則第15號之修訂	香港財務報告準則第15號之釐清
香港會計準則第40號之修訂	投資物業之轉移
香港財務報告公告 – 詮釋第22號	外幣交易及預付代價
香港財務報告準則二零一四年至二零一六年之週期年度改進	香港財務報告準則第1號及香港會計準則第28號之修訂

本集團已於採納香港財務報告準則第9號及香港財務報告準則第15號後更改其會計政策。上文列示的其他大多數修訂並未對過往期間確認的金額產生任何影響，且預期不會對當期或未來期間產生任何重大影響。

## 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

## 2.1 Basis of preparation (Continued)

(b) *New and amended standards that have been issued, but are not effective for the financial year beginning 1 January 2018 and have not been early adopted*

HKFRS 16  
香港財務報告準則第16號  
HKFRS 17  
香港財務報告準則第17號  
Amendments to HKFRS 3  
香港財務報告準則第3號之修訂  
Amendments to HKFRS 9  
香港財務報告準則第9號之修訂  
Amendments to HKFRS 10 and  
HKAS 28  
香港財務報告準則第10號及  
香港會計準則第28號之修訂  
Amendments to HKAS 19  
香港會計準則第19號之修訂  
Amendments to HKAS 28  
香港會計準則第28號之修訂  
Annual improvement to  
HKFRSs 2015-2017 cycle  
香港財務報告準則二零一五年至  
二零一七年之週期年度改進  
HK (IFRIC) – Interpretation 23  
香港財務報告公告–詮釋第23號

*HKFRS 16, “Leases”*

HKFRS 16 was issued in January 2016. It will result in almost all leases being recognised on the consolidated balance sheet by lessees, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.

The standard will affect primarily the accounting for the Group’s operating leases.

As disclosed in note 29, as at 31 December 2018, the Group has non-cancellable operating lease commitments of HK\$952,000 and these commitments are relate to short-term leases which will be recognised on a straight-line basis as expense in profit or loss. Accordingly, no right-of-use assets and lease liabilities would be recognised as at 1 January 2019.

## 2 編製基準及主要會計政策概要 (續)

## 2.1 編製基準 (續)

(b) *已頒布但於二零一八年一月一日開始之財政年度尚未生效，且並無提早採納之新訂及經修訂準則*

**Effective for  
accounting  
periods beginning  
on or after  
於下列日期或之後  
開始的會計期間生效**

Leases 租賃	1 January 2019 二零一九年一月一日
Insurance Contracts 保險合同	1 January 2021 二零二一年一月一日
Definitions of Business 業務之定義	1 January 2020 二零二零年一月一日
Prepayment Features with Negative Compensation 具負補償的預付款項特徵	1 January 2019 二零一九年一月一日
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture 關於投資者與其聯營企業或 合營企業之資產出售或出資	To be determined 待定
Plan Amendment, Curtailment or Settlement 計劃修訂、縮減或結算	1 January 2019 二零一九年一月一日
Long-term Interests in Associates and Joint Ventures 於聯營和合營企業之長期權益	1 January 2019 二零一九年一月一日
Amendments to HKFRS 3, HKFRS 11, HKAS 12 and HKAS 23 香港財務報告準則第3號、香港財務報告準則第11號、 香港會計準則第12號及香港會計準則第23號之修訂	1 January 2019 二零一九年一月一日
Uncertainty over Income Tax Treatments 所得稅處理之不確定性	1 January 2019 二零一九年一月一日

*香港財務報告準則第16號「租賃」*

香港財務報告準則第16號於二零一六年一月刊發。由於經營與融資租賃的區分已刪除，香港財務報告準則第16號將導致幾乎所有租賃均由承租人於綜合資產負債表中確認。根據新訂準則，資產（使用租賃項目之權利）及支付租金的金融負債會被確認。唯一除外為短期及低價值之租賃。

該準則將主要影響本集團經營租賃之會計處理。

誠如附註29所披露，於二零一八年十二月三十一日，本集團擁有不可撤銷經營租賃承擔952,000港元，該等承擔與短期租賃有關，將按直線法於損益內確認為開支。因此，於二零一九年一月一日並無確認使用權利之資產及租賃負債。

## 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.1 Basis of preparation (Continued)

- (b) *New and amended standards that have been issued, but are not effective for the financial year beginning 1 January 2018 and have not been early adopted (Continued)*

*HKFRS 16, "Leases" (Continued)*

The Group will apply the standard from its mandatory adoption date of 1 January 2019. The Group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to the first adoption.

Other than the need to account for the above mentioned operating leases on the consolidated balance sheet, the directors do not anticipate that the application of other new and revised HKFRSs will have material impact in the consolidated balance sheet.

### 2.2 Changes in accounting policies

The impacts of adopting HKFRS 9 and HKFRS 15 are disclosed below:

- (i) *HKFRS 9, "Financial Instruments"*

HKFRS 9 addresses the classification, measurement and recognition of financial assets and financial liabilities. It replaces the guidance in HKAS 39 that relates to the classification and measurement of financial instruments. HKFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income and fair value through profit or loss.

The Group adopted HKFRS 9 on its effective date of 1 January 2018. In accordance with the transitional provisions in HKFRS 9, comparative figures have not been restated.

## 2 編製基準及主要會計政策概要 (續)

### 2.1 編製基準 (續)

- (b) *已頒布但於二零一八年一月一日開始之財政年度尚未生效，且並無提早採納之新訂及經修訂準則 (續)*

*香港財務報告準則第16號「租賃」 (續)*

本集團將自其二零一九年一月一日強制採納日期應用該準則。本集團擬應用簡化過渡法，並將不會重列於首次採納時之以前年度的比較金額。

除上述經營租賃須於綜合資產負債表內入帳外，董事預計應用其他新訂及經修訂香港財務報告準則將不會對綜合資產負債表產生重大影響。

### 2.2 會計政策之變動

採納香港財務報告準則第9號及香港財務報告準則第15號之影響披露如下：

- (i) *香港財務報告準則第9號「金融工具」*

香港財務報告準則第9號涉及金融資產及金融負債的分類、計量及確認。它取代香港會計準則第39號有關金融工具分類及計量的指引。香港財務報告準則第9號保留但簡化混合計量模型並確定金融資產的三個主要計量類別：攤銷成本、按公允值計入其他全面收入及按公允值計入損益帳。

本集團於二零一八年一月一日生效日期已採納香港財務報告準則第9號。根據香港財務報告準則第9號的過渡性條文，比較數字並無重列。

## 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 Changes in accounting policies (Continued)

#### (i) HKFRS 9, "Financial Instruments" (Continued)

##### *Classification and measurement*

Based on an analysis of the Group's financial instruments as at 1 January 2018, the adoption of HKFRS 9 has no material impact on the classification and measurement of the Group's financial assets and financial liabilities.

##### *Impairment of financial assets*

The Group has two types of financial assets that are subject to new expected credit loss ("ECL") model:

- trade receivables; and
- other financial assets at amortised cost

The Group was required to revise its impairment methodology under HKFRS 9 for each of these classes of assets. There was no impact of the change in impairment methodology on the Group's retained earnings and equity.

While cash and cash equivalents are also subject to the impairment requirements of HKFRS 9, the identified impairment loss was immaterial.

##### *Trade receivables*

The Group applies the HKFRS 9 simplified approach to measuring ECL which uses a lifetime expected loss allowance for all trade receivables.

To measure the ECL, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The Group applied different expected loss rates to different classes of trade receivables, according to their respective risk characteristics.

## 2 編製基準及主要會計政策概要 (續)

### 2.2 會計政策之變動 (續)

#### (i) 香港財務報告準則第9號「金融工具」(續)

##### *分類及計量*

根據二零一八年一月一日本集團金融工具分析，採納香港財務報告準則第9號對本集團金融資產及金融負債之分類及計量並無重大影響。

##### *金融資產減值*

本集團兩類金融資產受新預期信貸虧損（「預期信貸虧損」）模型影響：

- 貿易應收款項；及
- 按攤銷成本計量之其他金融資產

本集團須就該等類別資產修訂按香港財務報告準則第9號項下之減值方法。減值方法變動並無對本集團保留盈利及權益有影響。

儘管現金及現金等值項目亦受香港財務報告準則第9號之減值規定規限，可識別之減值虧損甚微。

##### *貿易應收款項*

本集團採用香港財務報告準則第9號簡化法計量預期信貸虧損，即就所有貿易應收款項計提全期預期虧損撥備。

為計量預期信貸虧損，貿易應收款項已按共同信貸風險特徵及逾期天數分組。本集團按各自的風險特徵對不同類別之貿易應收款項採用不同的預期虧損率。

## 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 Changes in accounting policies (Continued)

#### (i) HKFRS 9, "Financial Instruments" (Continued)

##### *Trade receivables (Continued)*

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group.

The Group has assessed the ECL model applied to the trade receivables as at 1 January 2018 and the change in impairment methodologies has no significant impact of the Group's consolidated financial statements and the opening loss allowance is not restated in this respect.

##### *Other financial assets at amortised cost*

Other financial assets at amortised cost include deposits and other receivables. The Group has assessed that the ECL model apply to the deposits and other receivables as at 1 January 2018 and the change in impairment methodologies has no material impact of the Group's consolidated financial statements and the opening loss allowance is not restated in this respect.

#### (ii) HKFRS 15, "Revenue from Contracts with Customers"

The Group has adopted HKFRS 15 from 1 January 2018 which resulted in changes in accounting policies and adjustments to the amounts recognised in the consolidated financial statements. In accordance with the transition provisions of HKFRS 15, the Group has adopted the modified retrospective application, under which the cumulative effect of the initial application is adjusted to the opening balance of retained profits on 1 January 2018 and no comparative figures are restated.

## 2 編製基準及主要會計政策概要 (續)

### 2.2 會計政策之變動 (續)

#### (i) 香港財務報告準則第9號「金融工具」(續)

##### *貿易應收款項 (續)*

貿易應收款項於並無合理收回期望時撇銷。並無合理收回期望指標包括(其中包括)債務人未能與本集團制定還款計劃。

於二零一八年一月一日,本集團已評估預期信貸虧損模型應用於貿易應收款項,而減值方法的變動對本集團的綜合財務報表並無重大影響,並且就此方面並無重列期初虧損撥備。

##### *按攤銷成本計量之其他金融資產*

按攤銷成本計量之其他金融資產包括按金及其他應收款項。於二零一八年一月一日,本集團已評估預期信貸虧損模型應用於按金及其他應收款項,而減值方法的變動對本集團的綜合財務報表並無重大影響,並且就此方面並無重列期初虧損撥備。

#### (ii) 香港財務報告準則第15號「與客戶之間的合同產生之收益」

本集團自二零一八年一月一日起採納香港財務報告準則第15號,導致會計政策變更及於綜合財務報表已確認金額之調整。根據香港財務報告準則第15號的過渡條文,本集團已採納經修訂追溯應用,根據該應用,首次應用之累計影響於二零一八年一月一日調整至保留盈利之期初結餘,而比較數字並無重列。

## 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 Changes in accounting policies (Continued)

#### (ii) HKFRS 15, "Revenue from Contracts with Customers" (Continued)

HKFRS 15 establishes a new framework for revenue recognition. This replaces HKAS 18 which covers contracts for goods and services and HKAS 11 which covers construction contracts. The new standard introduces a five-step model to determine when to recognise revenue and at what amount. Under the five-step model, revenue is recognised when control of goods or services is transferred to a customer and at the amount to which the entity expects to be entitled. Depending on the nature of the contracts, revenue is either recognised over time or at a point in time. The new standard also sets out new capitalisation criteria for contract acquisition costs which are incremental and the entity is expected to recover them.

The adoption of HKFRS 15 did not result in any significant impact on the Group's financial position and results of operations based on the current business model.

#### 2.2.1 Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group (refer to note 2.3).

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

## 2 編製基準及主要會計政策概要 (續)

### 2.2 會計政策之變動 (續)

#### (ii) 香港財務報告準則第15號「與客戶之間的合同產生之收益」(續)

香港財務報告準則第15號建立收益確認新框架。這取代香港會計準則第18號(涵蓋貨品及服務合約)及香港會計準則第11號(涵蓋建築合約)。新準則引入了一個五步模型,以確定何時確認收益和金額。根據五步模型,當貨品或服務的控制權轉移給客戶以及實體預期有權獲得該金額時確認收益。根據合同的性質,收益可以隨時間或在某個時間點確認。新準則還規定了合同購置成本的資本化新標準,即其為增量的且實體有望收回。

採納香港財務報告準則第15號並未對基於現時業務模式的本集團財務狀況及經營業績造成任何重大影響。

#### 2.2.1 附屬公司

附屬公司指本集團擁有控制權的所有實體(包括結構性實體)。當本集團自參與實體業務而承擔取得其可變回報的風險或享有可變回報的權利,並有能力透過其對實體活動的主導權影響該等回報時,則本集團控制該實體。附屬公司於控制權轉移至本集團當日起全面綜合入帳,並於終止控制權當日起不再綜合入帳。

本集團採用收購會計法將業務合併入帳(參見附註2.3)。

集團內公司間之交易、集團公司之結餘及交易未變現收益均會對銷。未變現虧損亦會對銷,除非該交易提供已轉讓資產減值的證據。附屬公司的會計政策已在需要時作出調整,以確保與本集團所採納會計政策一致。

## 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 Changes in accounting policies (Continued)

#### 2.2.2 Associate

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investment in an associate is accounted for using the equity method of accounting (Note 2.2.4), after initially being recognised at cost.

#### 2.2.3 Joint arrangement

Under HKFRS 11 “Joint Arrangements”, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

Investment in joint ventures are accounted for using the equity method (Note 2.2.4), after initially being recognised at cost in the consolidated balance sheet.

#### 2.2.4 Equity accounting

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group’s share of the post-acquisition profits or losses of the investee in profit or loss, and the Group’s share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from an associate and a joint venture are recognised as a reduction in the carrying amount of the investment.

When the Group’s share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

## 2 編製基準及主要會計政策概要 (續)

### 2.2 綜合帳目之原則及權益會計法

#### 2.2.2 聯營企業

聯營企業為本集團對其有重大影響但不擁有控制權或共同控制權的所有實體。於一般情況下，本集團擁有介乎20%至50%的投票權。於初步按成本確認後，於聯營企業的投資採用權益會計法（附註2.2.4）入帳。

#### 2.2.3 合營安排

根據香港財務報告準則第11號「合營安排」，在合營安排之投資歸類為合營經營或合營企業。該等分類視乎每名投資者之合約權利及責任而非合營安排之法律結構。

於初步按成本於綜合資產負債表確認後，於合營企業的投資採用權益法（附註2.2.4）入帳。

#### 2.2.4 權益會計法

根據權益會計法，投資初步按成本確認，其後進行調整以於損益確認本集團應佔被投資方收購後溢利或虧損並於其他全面收入確認本集團應佔被投資方其他全面收入的變動。已收或應收聯營企業及合營企業的股息確認為投資帳面值扣減。

倘本集團應佔以權益入帳投資的虧損等於或超過其於該實體的權益（包括任何其他無抵押長期應收款項），則本集團不會確認進一步虧損，除非已代表另一實體承擔責任或作出付款。

## 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 Changes in accounting policies (Continued)

#### 2.2.4 Equity accounting (Continued)

Unrealised gains on transactions between the Group and its associate and joint venture are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in note 2.9.

### 2.3 Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Group;
- fair value of any asset or liability resulting from a contingent consideration arrangement; and
- fair value of any pre-existing equity interest in the subsidiary

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

## 2 編製基準及主要會計政策概要 (續)

### 2.2 綜合帳目之原則及權益會計法 (續)

#### 2.2.4 權益會計法 (續)

本集團與其聯營企業及合營企業之間交易的未變現收益按本集團於該等實體的權益予以對銷。未變現虧損亦會予以對銷，除非該交易提供已轉讓資產減值的證據。以權益入帳之被投資方的會計政策已在需要時作出調整，以確保與本集團所採納會計政策一致。

權益入帳投資的帳面金額根據附註2.9所述政策進行減值測試。

### 2.3 業務合併

本集團採用收購會計法將所有業務合併入帳，不論是否已收購權益工具或其他資產。收購一間附屬公司轉讓的代價包括：

- 所轉讓資產的公允值；
- 被收購業務之前擁有人所產生負債；
- 本集團已發行股本權益；
- 或然代價安排產生之任何資產或負債之公允值；及
- 附屬公司任何先前存在的股本權益的公允值

在業務合併中所購買的可識別資產以及所承擔的負債及或有負債，首先以其於收購日期的公允值計量（少數例外情況除外）。本集團以逐項收購基準，按公允值或按非控制性權益所佔被收購實體可識別資產淨值的比例確認於被收購實體的任何非控股權益。

購買相關成本於產生時支銷。

## 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.3 Business combinations (Continued)

The excess of the consideration transferred, amount of any non-controlling interest in the acquired entity and acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

### 2.4 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Group on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

### 2.5 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified collectively as the board of directors that makes strategic decisions.

## 2 編製基準及主要會計政策概要 (續)

### 2.3 業務合併 (續)

所轉讓代價、被收購實體的任何非控制性權益金額，及於被收購實體先前的任何股本權益於收購日期的公允值超出所收購可識別資產淨值的公允值時，其差額以商譽列帳。倘該等款項低於所收購業務的可識別資產淨值的公允值，則差額將直接於損益中確認為議價購買。

倘業務合併分階段進行，則收購方先前持有的被收購方股本權益於收購日期的帳面值於收購日期重新按公允值計量。任何因該項重新計量產生的收益或虧損於損益中確認。

### 2.4 獨立財務報表

於附屬公司的投資按成本減減值列帳。成本包括直接應佔投資成本。附屬公司的業績由本集團根據已收及應收股息列帳。

當收取於附屬公司投資的股息時，如股息高於該附屬公司於宣派股息期間的全面收入總額，或如該等投資於獨立財務報表內的帳面值高於綜合財務報表內被投資方資產淨值（包括商譽）的帳面值，則須對該等投資進行減值測試。

### 2.5 分部報告

營運分部以與提供予主要營運決策者的內部報告相同的方式報告。董事會被識辨為主要營運決策者，負責分配營運分部的資源及評估分部表現，並作出策略性決定。

## 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.6 Foreign currency translation

#### (a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in HK\$, which is the Company's functional and the Group's presentation currency.

#### (b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated profit or loss.

All foreign exchange gains and losses are presented in the consolidated income statement within "administrative expenses".

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets are included in other comprehensive income.

## 2 編製基準及主要會計政策概要 (續)

### 2.6 外幣換算

#### (a) 功能及呈列貨幣

本集團各實體之財務報表所列之項目，乃按該實體經營所在地之主要經濟環境之貨幣（「功能貨幣」）計量。綜合財務報表以港元呈列，而港元亦為本公司之功能及本集團之呈列貨幣。

#### (b) 交易及結餘

外幣交易按交易或項目重新估值當日之匯率換算為功能貨幣。結算此等交易產生的匯兌盈虧以及將外幣計值的貨幣資產和負債以年終匯率換算產生的匯兌盈虧在綜合損益表確認。

所有匯兌盈虧乃於綜合收入報表之「行政開支」呈列。

非貨幣性金融資產及負債（例如按公允值計入損益帳之權益）之匯兌差額將於損益帳確認為公允值盈虧的一部份。非貨幣性金融資產的換算差額計入其他全面收入。

## 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.6 Foreign currency translation (Continued)

#### (c) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (iii) all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

## 2 編製基準及主要會計政策概要 (續)

### 2.6 外幣換算 (續)

#### (c) 集團公司

海外業務(當中並無持有高通脹經濟體系之貨幣)之功能貨幣倘有別於呈列貨幣,其業績及財務狀況須按如下方式兌換為呈列貨幣:

- (i) 每份呈報的資產負債表所列資產及負債按其結算日之收市匯率換算;
- (ii) 每份損益表及全面收入表內的收入及開支按平均匯率換算(除非該平均匯率並非在有關交易日期當日通行匯率累積影響之合理估計內,則在該情況下,收支於有關交易日期當日換算);及
- (iii) 所有由此而產生之匯兌差額均於其他全面收入確認。

在編製綜合帳目時,換算任何海外實體投資淨額以及換算被指定為此等投資的對沖項目的借款及其他金融工具而產生的匯兌差額,均於其他全面收入確認。當出售海外業務或償付構成投資淨額之一部分之任何借貸時,相關的匯兌差額於損益帳重新歸類為銷售的部分收益或虧損。

收購海外業務時產生之商譽及公允價值調整乃作為該海外業務之資產及負債處理,並按收市匯率換算。

## 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.7 Properties, plant and equipment

Buildings, comprising mainly factories and offices, are shown at fair value, as determined by directors based on valuations by external independent valuers which are performed on an annual basis, less subsequent depreciation for land and buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. All other plant and equipment are stated at historical cost less accumulated depreciation and impairment losses.

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

Increases in the carrying amount arising on revaluation of land and buildings are credited to the fixed asset revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against fixed asset revaluation reserve through other comprehensive income and all other decreases are expensed in the consolidated income statement.

## 2 編製基準及主要會計政策概要 (續)

### 2.7 物業、廠房及設備

樓宇主要包括工廠及辦公室，由董事根據外聘獨立估值師之年度估值以公允值列帳減土地及樓宇之其後折舊。於重估日期之任何累計折舊，與資產帳面總值對銷，而淨額則重列至資產的重估金額。所有其他廠房及設備，乃按歷史成本減累計折舊及減值虧損列帳。

歷史成本包括收購該項目直接產生之開支。其後成本只有在與該項目相關之未來經濟利益有可能流入本集團而該項目之成本能可靠計算時，才能包括在資產之帳面值或確認為獨立資產（如合適）。所有其他維修及保養費用，於其產生之財務年度於綜合收入報表扣除。

土地及樓宇重估之帳面值增值部份乃計入權益中之固定資產重估儲備。用以抵銷同一項資產以往增值之減值乃直接扣減其他全面收入中之固定資產重估儲備，所有其餘減值則於綜合收入報表支銷。

## 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.7 Properties, plant and equipment (Continued)

Properties, plant and equipment are depreciated at rates sufficient to write off their cost or valuation to their residual values over their estimated useful lives on a straight-line basis. The principal annual rates are as follow:

Buildings	Lower of 5% or estimated useful life
Leasehold improvements	Shorter of lease term or estimated useful life
Plant and machinery	10% to 40%
Furniture, office equipment, vessel and motor vehicles	10% to 40%

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within "other gains – net" in the consolidated income statement.

When revalued assets are sold, the amounts included in other reserves are transferred to retained earnings through other comprehensive income.

### 2.8 Land use rights

The up-front prepayments made for leasehold land interests recognised as operating leases and land use rights are expensed in the consolidated income statement on a straight-line basis over the periods of the lease or the land use right. When there is impairment, the impairment is expensed in the consolidated income statement.

## 2 編製基準及主要會計政策概要 (續)

### 2.7 物業、廠房及設備 (續)

物業、廠房及設備折舊率需足以按直線法根據該等資產之估計可使用年期撇銷其成本或估值至其餘值。主要年率如下：

樓宇	5%或估計可使用年期 (以較低者為準)
租賃裝修	租期或估計可使用年期 (以較短者為準)
廠房及機器	10%至40%
傢俬、辦公室設備、船舶及汽車	10%至40%

於每個報告期末，本集團會審閱資產餘值及可使用年期，並作出調整（如合適）。

若資產的帳面值大於其估計可收回價值，該資產的帳面值須即時撇減至其可收回價值。

出售盈虧乃透過將所得款項與帳面值比較而釐定，並在綜合收入報表之「其他收益－淨值」內確認。

倘若出售重估資產，計入其他儲備之金額將透過其他全面收入轉撥至保留盈利。

### 2.8 土地使用權

就確認為經營租賃之租賃土地權益及土地使用權支付之一次性預付款項於租賃或土地使用權期內以直線法在綜合收入報表內列作支出。倘出現減值，則減值於綜合收入報表內列作支出。

## 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.9 Impairment of investments in subsidiaries, an associate and a joint venture and other long-term non-financial assets

Assets that have an indefinite useful life, for example, goodwill – are not subject to amortisation and are tested annually for impairment. In addition, all assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffer an impairment are reviewed for possible reversal of the impairment at each subsequent reporting date.

### 2.10 Investments and other financial assets

#### 2.10.1 Classification

From 1 January 2018, the Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss, and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value (including equity investments held for trading), gains and losses will be recorded in profit or loss.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

## 2 編製基準及主要會計政策概要 (續)

### 2.9 於附屬公司、聯營企業、合營企業及其他長期非金融資產之投資減值

沒有確定可使用年期之資產如商譽無需作攤銷，但需進行年度減值測試。此外，所有資產在出現顯示可能不能收回帳面值之情況或變化時，須作減值檢討。倘資產之帳面值超出其可收回款額，超出之款項將作減值虧損確認。可收回款額為資產公允值減出售成本或使用價值之較高者。

就評估減值而言，資產按可分開識別現金流量之最低級別（現金產生單位）分組。倘商譽以外之非金融資產已減值，須於每個隨後的報告日期審查其可能出現之減值撥回。

### 2.10 投資及其他金融資產

#### 2.10.1 分類

由二零一八年一月一日起，本集團將其金融資產分類為以下計量類別：

- 隨後按公允值計量計入損益帳之金融資產，及
- 按攤銷成本計量之金融資產。

分類取決於實體管理金融資產的業務模式和現金流轉的合同條款。

對於按公允值計量的資產（包括持作交易的權益投資），收益及虧損將計入損益帳。

僅當本集團管理這些資產的業務模式發生變化時，本集團才會對債務投資進行重新分類。

## 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.10 Investments and other financial assets (Continued)

#### 2.10.2 Recognition

Regular way purchases and sales of financial assets are recognised on the trade-date – the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

#### 2.10.3 Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (“FVPL”), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

##### Debt instruments

Debt instruments are subsequently measured at amortised cost as they are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in “other gains – net” together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

##### Equity instruments

The Group subsequently measures all equity investments at fair value through profit or loss. Dividends from such investments continue to be recognised in profit or loss as revenue when the Group’s right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in “revenue” in the consolidated income statement.

Transaction costs of financial assets at FVPL are expensed in profit or loss.

## 2 編製基準及主要會計政策概要 (續)

### 2.10 投資及其他金融資產 (續)

#### 2.10.2 確認

常規買賣金融資產乃於交易日（即本集團承諾購買或出售資產的日期）確認。當從投資收取現金流轉之權利屆滿或轉移及本集團大致轉移其擁有權之一切風險及回報時，金融資產即終止確認。

#### 2.10.3 計量

於初始確認時，本集團按金融資產的公允值加上（倘為並非以公允值計入損益的金融資產（「FVPL」）直接歸屬於收購該金融資產的交易成本計量。按FVPL之金融資產之交易成本於損益內列支。

##### 債務工具

債務工具其後按攤銷成本計量，因為它們是為收取合約現金流轉而持有的，而這些現金流轉僅代表本金和利息的支付。這些金融資產的利息收入採用實際利率方法計入融資收入。終止確認產生的任何收益或虧損直接計入損益帳，並以「其他收益-淨額」連同匯兌收益及虧損列報。減值虧損於損益表中以獨立項目列示。

##### 權益工具

本集團隨後計量所有權益投資按公允值計入損益帳。於本集團收取股息之權利確立時，此等投資之股息繼續於損益帳中確認為收益。

按FVPL之金融資產之公允值變動，在綜合收入報表中確認為「收益」。

按FVPL之金融資產之交易成本於損益內列支。

## 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.10 Investments and other financial assets (Continued)

#### 2.10.4 Impairment

From 1 January 2018, the Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables, see note 3.1(b) for further details.

#### 2.10.5 Accounting policies applied until 31 December 2017

The Group has applied HKFRS 9 retrospectively, but has elected not to restate comparative information. As a result, the comparative information provided continues to be accounted for in accordance with the Group's previous accounting policy.

Until 31 December 2017, the Group classifies its financial assets in the following categories: at fair value through profit or loss and loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

#### (a) Recognition and measurement

Financial assets are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the consolidated income statement. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest rate method.

## 2 編製基準及主要會計政策概要 (續)

### 2.10 投資及其他金融資產 (續)

#### 2.10.4 減值

自二零一八年一月一日起，本集團按預期基準評估與按攤銷成本計量的債務工具相關的預期信貸虧損。所採用的減值方法取決於信貸風險是否顯著增加。

就貿易應收款項而言，本集團採用香港財務報告準則第9號所准許的簡化方法，該方法規定預期全期虧損將於初步確認應收款項時確認，詳情見附註3.1(b)。

#### 2.10.5 已採納會計政策至二零一七年十二月三十一日

本集團已追溯應用香港財務報告準則第9號，但已選擇不重列比較資料。因此，所提供的比較資料繼續根據本集團過往的會計政策入帳。

至二零一七年十二月三十一日，本集團將其金融資產分類為以下類別：按公允值計入損益帳以及貸款及應收款項。分類視乎購入金融資產之目的而定。管理層會於初步確認時釐定其金融資產分類。

#### (a) 確認及計量

對於並非按公允值計入損益帳之所有金融資產，金融資產初步按公允值加交易成本確認。按公允值計入損益帳之金融資產乃初步以公允值確認，而交易成本則於綜合收入報表列支。當從金融資產收取現金流轉之權利屆滿或被轉移及本集團大致轉移其擁有權之一切風險及回報時，金融資產即終止確認。按公允值計入損益帳之金融資產其後按公允值列帳。貸款及應收款項其後以實際利率方法按攤銷成本列帳。

## 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.10 Investments and other financial assets (Continued)

#### 2.10.5 Accounting policies applied until 31 December 2017 (Continued)

##### (a) Recognition and measurement (Continued)

Gains or losses arising from changes in the fair value of the “financial assets at fair value through profit or loss” category are presented in the consolidated income statement within “other gains – net” in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the consolidated income statement as part of “other gains – net” when the Group’s right to receive payments is established.

##### (b) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired or have been legally transferred and the Group has transferred substantially all the risks and rewards of the financial asset.

##### (c) Impairment

The Group assessed at the end of each reporting period whether there was objective evidence that a financial asset or group of financial assets was impaired. A financial asset or a group of financial assets was impaired and impairment losses were incurred only if there was objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a “loss event”) and that loss event (or events) had an impact on the estimated future cash flows of the financial asset or group of financial assets that could be reliably estimated.

## 2 編製基準及主要會計政策概要 (續)

### 2.10 投資及其他金融資產 (續)

#### 2.10.5 已採納會計政策至二零一七年十二月三十一日 (續)

##### (a) 確認及計量 (續)

因「按公允值計入損益帳之金融資產」類別之公允值變動而產生之收益或虧損，均於當期綜合收入報表之「其他收益-淨額」中列報。於本集團收取股息之權利確立時，來自按公允值計入損益帳之金融資產之股息收入於綜合收入報表確認為「其他收益-淨額」之一部份。

##### (b) 終止確認

當從金融資產收取現金流轉之權利屆滿或被合法轉移及本集團大致轉移其金融資產之一切風險及回報時，金融資產（或，如適用，金融資產之一部份或一組類似金融資產之一部份）即終止確認。

##### (c) 減值

本集團於每個報告期末評估金融資產或一組金融資產有否任何客觀證據顯示減值跡象。倘有客觀證據，證明因於首次確認資產後發生一項或多項事件（「損失事件」），而該項（或該等）損失事件對金融資產或一組金融資產之估計未來現金流轉產生能可靠估計之影響，則金融資產或一組金融資產方會減值及產生減值虧損。

## 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.10 Investments and other financial assets (Continued)

#### 2.10.5 Accounting policies applied until 31 December 2017 (Continued)

##### (c) Impairment (Continued)

Assets carried at amortised cost

For loans and receivables that were carried at amortised cost, the amount of the loss was measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that had not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset was reduced and the amount of the loss was recognised in the consolidated income statement. If a loan or held-to-maturity investment had a variable interest rate, the discount rate for measuring any impairment loss was the current effective interest rate determined under the contract. As a practical expedient, the Group could measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreased and the decrease could be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss was recognised in the consolidated income statement.

Impairment testing of trade and other receivables is described in Note 2.13.

### 2.11 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The Group has also entered into arrangements that do not meet the criteria for offsetting but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or the termination of a contract.

## 2 編製基準及主要會計政策概要 (續)

### 2.10 投資及其他金融資產 (續)

#### 2.10.5 已採納會計政策至二零一七年十二月三十一日 (續)

##### (c) 減值 (續)

按攤銷成本計量之資產

就按攤銷成本列帳的貸款及應收款項而言，虧損金額以該資產的帳面值與按金融資產原實際利率貼現的估計未來現金流量（不包括未產生的未來信貸虧損）的現值兩者的差額計量。資產帳面值予以削減，而虧損金額則在綜合收入報表確認。倘若貸款或持有至到期投資有浮動利率，計量任何減值虧損之貼現率為按合約釐定之當前實際利率。在實際應用中，本集團可利用可觀察市場價格，按工具之公允價值計量減值。

倘若減值虧損數額於往後期間減少，而此減少可客觀地涉及確認減值後發生之事件相關（例如債務人之信用評級改善），則之前已確認之減值虧損可在綜合收入報表撥回。

貿易及其他應收款項的減值測試於附註2.13中說明。

### 2.11 抵銷金融工具

當具有可合法強制執行之權利將已確認金額對銷，且有意按淨額基準結算或同時變現資產及結算負債時，金融資產及負債予以抵銷，並於資產負債表以淨值報告。本集團未訂立不符合抵銷標準但仍允許相關帳目於若干情況下（如破產或終止合約）抵銷之安排。

## 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.12 Inventories

Raw materials, work in progress and finished goods are stated at the lower of cost and net realisable value. Costs of purchased inventory are determined after deducting rebates and discounts. Cost is determined using the first-in, first-out (FIFO) method. The cost comprises materials, direct labour, and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

### 2.13 Trade and other receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are generally due for settlement within 30 days and therefore are all classified as current. If collection of other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less allowance for impairment. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest rate method. See Note 20 for further information about the Group's accounting for trade and other receivables and Note 3.1(b) for a description of the Group's impairment policies.

### 2.14 Cash and cash equivalents

For the purpose of presentation in the consolidated cash flow statement, cash and cash equivalents include cash on hand, deposits held at call with bank and other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## 2 編製基準及主要會計政策概要 (續)

### 2.12 存貨

原料、半製成品及製成品以成本值及可變現淨值兩者的較低者入帳。購入存貨之成本扣除回扣及折扣後釐定。成本乃按先入先出(「先入先出」)法釐定。成本包括原材料、直接勞工及適當比率的可變及固定間接費用開支，後者按正常營運能力分配。其不包括貸款成本。可變現淨值是在日常業務過程中的估計售價減估計完成成本及作出銷售的估計所需成本。

### 2.13 貿易及其他應收款項

貿易應收款項指就於日常業務過程中出售貨品或履行服務而應收客戶之款項。貿易應收款項通常應於三十日內結算，因此均分類為即期。預期於一年或以內(或於正常業務經營週期(如較長))收回之其他應收款項分類為流動資產，否則呈列為非流動資產。

貿易及其他應收款項初步按公允值確認，其後以實際利率方法按攤銷成本計算，並扣除減值撥備。本集團持有貿易應收款項之目的是收取合約現金流轉，因此其後以實際利率方法按攤銷成本計量。有關本集團貿易及其他應收款項的會計處理，詳情見附註20以及有關本集團減值政策的說明，詳情見附註3.1(b)。

### 2.14 現金及現金等值項目

就於綜合現金流轉表呈列而言，現金及現金等值項目包括手頭現金、活期存款以及其他期限短、流動性強且易於轉換為已知金額現金的投資，該等投資的原始投資期限不超過三個月且價值變動風險不顯著。

## 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.15 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### 2.16 Trade and other payables

Trade and other payables represented liabilities for goods or services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities unless payment is not due within 12 months after the reporting period.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

### 2.17 Borrowing

Borrowing is initially recognised at fair value, net of transaction costs incurred. Borrowing is subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest rate method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

### 2.18 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

## 2 編製基準及主要會計政策概要 (續)

### 2.15 股本

普通股被分類為權益。

直接歸屬於發行新股或購股權的新增成本在權益中列為所得款項的減少(扣除稅項)。

### 2.16 貿易及其他應付款項

貿易及其他應付款項指於財務年度末前就提供予本集團之貨品及服務應承擔但尚未償付之負債。除非彼等在報告期後十二個月內尚未到期，否則呈列為流動負債。

貿易及其他應付款項初步按公允值確認，其後以實際利率方法按攤銷成本計算。

### 2.17 借貸

借貸初步按公允值(扣除已產生的交易成本)確認，其後按攤銷成本列帳。扣除交易成本後之所得款項及贖回金額出現差額，則於貸款期內以實際利率方法在損益內確認。

除非本集團有無條件權利將負債結算日期遞延至報告期末後至少十二個月，否則貸款將被劃分為流動負債。

### 2.18 借貸成本

直接歸屬於收購、興建或生產合資格資產的一般及特定借貸成本，在完成及準備該資產以作其預定用途或銷售所必要的期間內予以資本化。合資格資產指必須經一段長時間準備以作其預定用途或銷售的資產。

就特定借貸，因有待合資格資產的支出而臨時投資賺取的投資收入，應自合資格資本化的借貸成本中扣除。

其他借貸成本在其產生期間支銷。

## 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.19 Current and deferred income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

#### (a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

#### (b) Deferred income tax

Deferred income tax is recognised in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

## 2 編製基準及主要會計政策概要 (續)

### 2.19 當期及遞延所得稅

期內所得稅開支或抵免指根據各司法權區的適用所得稅率按即期應課稅收入支付的稅項，而有關所得稅率經暫時差額及未使用稅務虧損所致的遞延稅項資產及負債變動調整。

#### (a) 當期所得稅

當期所得稅開支根據本集團之附屬公司營運及產生應課稅收入之國家於結算日已頒佈或實質頒佈之稅務法例計算。管理層就適用稅務法例詮釋所規限之情況定期評估報稅表之狀況，並在適用情況下根據預期須向稅務機關支付之稅款確定撥備。

#### (b) 遞延所得稅

遞延所得稅以負債法，就資產及負債之稅基與其於綜合財務報表內之帳面值所產生之暫時差額全部確認。然而，倘遞延所得稅負債來自對商譽的初步確認，則不予確認；若遞延所得稅來自在交易（不包括業務合併）中對資產或負債的初步確認，而在交易時不影響會計損益或應課稅損益，則不作記帳。遞延所得稅乃按結算日已頒佈或實質頒佈，及預期於相關遞延所得稅資產變現或遞延所得稅負債結清時適用之稅率（及法例）釐定。

遞延所得稅資產僅在未來應課稅金額將出現可利用該等暫時差額及虧損時予以確認。

倘本集團能控制撥回暫時差額的時間及該等差額很可能不會於可見將來撥回，則不會就海外業務投資帳面值與稅基之間的暫時差額確認遞延稅項負債及資產。

## 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.19 Current and deferred income tax (Continued)

#### (c) Offsetting

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to on a net basis or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

### 2.20 Employee benefits

#### (i) Employee leave entitlement and long service payment

Liabilities for employee entitlements to annual leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

## 2 編製基準及主要會計政策概要 (續)

### 2.19 當期及遞延所得稅 (續)

#### (c) 抵銷

倘若存在可依法強制執行的權利將即期稅項資產與即期稅項負債抵銷，及倘遞延所得稅資產及負債與同一稅務機構徵收之所得稅相關，則可將遞延所得稅資產與負債抵銷。倘實體有可依法強制執行抵銷權利且有意按淨值基準清償或同時變現資產及清償負債時，則即期稅項資產與稅項負債抵銷。

即期及遞延稅項於損益中確認，惟有關於其他全面收入或直接於權益確認的項目除外。於此情況下，稅項亦分別於其他全面收入或直接於權益確認。

### 2.20 僱員福利

#### (i) 僱員休假權益及長期服務金

僱員直至報告期末之服務獲確認享有年假（預期在僱員提供相關服務期間結束後12個月內悉數結算），並按結算有關負債之預期金額計量。負債於資產負債表內呈列為即期僱員福利責任。

僱員之病假及產假權益於休假時方予確認。

## 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.20 Employee benefits (Continued)

#### (ii) Pension obligations

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

#### (iii) Bonus plans

The Group recognises a liability and an expense for bonuses, based on performance and takes into consideration the segment profit. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

#### (iv) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of HKAS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

## 2 編製基準及主要會計政策概要 (續)

### 2.20 僱員福利 (續)

#### (ii) 退休金責任

定額供款計劃為本集團向一個獨立實體支付固定供款之一個退休金計劃。倘該基金並無持有足夠資產，向所有僱員就其在當期及以往期間之僱用服務支付福利，則本集團亦無法定或推定責任作出進一步供款。

就定額供款計劃而言，本集團可按照強制、合約或自願基準向公共或私人管理退休金計劃繳付供款。支付供款後，本集團再無進一步之支付責任。供款乃於到期時確認為僱員福利開支。預繳供款確認為資產，惟須以可獲現金退款或扣減日後供款為限。

#### (iii) 獎金計劃

本集團根據表現以及考慮分部溢利予以確認獎金的負債及開支。本集團就合約責任或有後期實施而建立之推定責任，確認撥備。

#### (iv) 離職福利

離職福利在本集團於正常退休日期前終止僱用或當僱員接受自願遣散以換取此等福利時應予支付。本集團於以下日期（以較早者為準）確認離職福利：(a)於本集團不能取消提供該等福利時；及(b)實體確認任何有關重組成本（在香港會計準則第37號之範圍內）並涉及支付離職福利款項時。在提出要約以鼓勵自願離職之情況下，離職福利乃根據預期接受受約之僱員人數計量。在報告期末後超過十二個月到期支付之福利應貼現為現值。

## 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.21 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for the future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

### 2.22 Revenue and other income

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue from the sales of goods is the fair value of the consideration received or receivable for the sales of goods in the ordinary course of the Group's activities. It is recognised when control of the products has transferred, which generally coincides with the time when shipment is made, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group.

Net gains/(losses) from security trading arise from the disposal and remeasurement of financial instruments at fair value through profit or loss and is included in "Revenue". All transactions related to securities trading are recorded in the consolidated financial statements based on trade dates. Accordingly, only those trade dates falling within the accounting year have been taken into account.

Dividend income is recognised when the rights to receive payment is established.

## 2 編製基準及主要會計政策概要 (續)

### 2.21 撥備

倘本集團需就過去事件承擔現有法律或推定責任而很可能導致資源流出以抵償責任，而有關金額能可靠地估計時，則確認有關撥備。不用就日後經營虧損確認撥備。

倘出現多項類似責任，解除責任需要資源流出的可能性乃經整體考慮債務類別後釐定。即使同類責任中任何一項需要資源流出的可能性甚低，仍須確認撥備。

撥備乃按於報告期末管理層對清償當前責任所需支出的最佳估計的現值計量。釐定現值使用之貼現率為反映市場當前對貨幣時間價值的評估及該責任特定風險的稅前利率。因時間流逝而增加的撥備確認為利息開支。

### 2.22 收益及其他收入

如下所述，本集團於收益金額能可靠計量、未來經濟利益可能將流入實體及本集團的各項活動符合特定標準時確認收益。本集團根據過往業績，並於計及客戶類別、交易類別及各項安排之特性後作出估計。

出售貨品之收益指本集團日常業務活動過程中就出售貨品之已收或應收代價之公允值。其於產品控制權轉移時確認，一般與付運時同時發生，以及沒有可能影響客戶對產品接受程度的未履行責任。收益於扣除增值稅、退貨、回佣及折扣並抵銷本集團內銷售額後列示。

證券買賣之收益／(虧損)淨值乃來自按公允值計入損益帳之金融工具出售及重新計量，並計入「收益」中。所有與證券買賣有關之交易按交易日期記錄於綜合財務報表。因此，僅於會計年度內之交易日計入該等交易。

股息收入乃於可收取股息之權利確認時入帳。

## 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.23 Interest income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

### 2.24 Leases (as the lessee)

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases, net of any incentives received from the lessor, are charged to the consolidated income statement on a straight-line basis over the lease period.

### 2.25 Related parties

A related party is a person or entity that is related to the Group.

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

## 2 編製基準及主要會計政策概要 (續)

### 2.23 利息收入

計算利息收入是以實際利率應用於金融資產之帳面總額，但期後變為信貸減值之金融資產除外。對於信貸減值之金融資產，實際利率適用於金融資產之帳面淨值（扣除虧損準備後）。

### 2.24 租賃（作為承租人）

擁有權之大部份風險及回報並無轉至本集團（作為承租人）之租賃，均歸類為經營租賃。根據經營租賃支付之款項在扣除出租人所給予之任何優惠後，於租賃期內以直線法在綜合收入報表中扣除。

### 2.25 關連方

關連方為與本集團有關連之個人或實體。

- (i) 倘屬以下人士，則該人士或該人士之近親與本集團有關連：
  - (1) 控制或共同控制本集團；
  - (2) 對本集團有重大影響力；或
  - (3) 為本公司或其母公司之主要管理層成員。

## 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.25 Related parties (Continued)

- (ii) An entity is related to the Group if any of the following conditions applies:
- (1) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - (2) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (3) Both entities are joint ventures of the same third party.
  - (4) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - (5) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
  - (6) The entity is controlled or jointly controlled by a person identified in (i).
  - (7) A person identified in (i)(1) has significant influence over the entity or is a member of the key management person.

### 2.26 Dividend distribution

Dividend distribution to the Company's equity holders is recognised as a liability in the Group's consolidated financial statements in the year in which the dividends are approved by the Company's shareholders.

### 2.27 Government grant

Grant from the government is recognised at their fair values where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

## 2 編製基準及主要會計政策概要 (續)

### 2.25 關連方 (續)

- (ii) 倘符合下列任何條件，則該實體與本集團有關連：
- (1) 該實體與本集團屬同一集團之成員公司（即各母公司、附屬公司及同系附屬公司彼此間有關連）。
  - (2) 一間實體為另一實體之聯營企業或合營企業（或另一實體為集團旗下成員公司之聯營企業或合營企業之成員公司）。
  - (3) 兩間實體均為同一第三方之合營企業。
  - (4) 一間實體為第三方實體之合營企業，而另一實體為該第三方實體之聯營公司。
  - (5) 實體為報告實體或與報告實體有關連之實體就僱員利益設立之離職福利計劃。倘報告實體本身屬有關計劃，提供資助之僱主亦與報告實體有關連。
  - (6) 實體受(i)內所識別人士控制或共同控制。
  - (7) (i)(1)內所識別人士對實體有重大影響力或屬該實體之主要管理層成員。

### 2.26 股息分派

分派予本公司權益持有人之股息於本公司股東批准之年度於本集團綜合財務報表中確認為負債。

### 2.27 政府補助

倘能夠合理確定將收到政府的補助及本集團將符合所有附帶條件，則政府補助將按其公允值確認。

### 3 FINANCIAL RISK MANAGEMENT

#### 3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

##### (a) Market risk

###### (i) Foreign exchange risk

The Group has factories and offices in Hong Kong and Mainland China. Operating expenses of the Group are primarily denominated in HK\$ and Chinese Renminbi ("RMB"), whereas the Group's revenue from sale of goods are principally denominated in United States dollar ("US\$"). Thus, the Group is exposed to foreign exchange risk arising from the translation to RMB and HK\$.

In the opinion of the directors, the HK\$ is reasonably stable against the US\$ under the Linked Exchange Rate System, and accordingly, no sensitivity analysis with respect to the US\$ is performed.

The Group has foreign operations, whose net assets expose the Group to foreign currency translation risks.

For the operations in Mainland China, majority of the transactions were denominated in RMB. The conversion of RMB into foreign currencies is subject to the rules and regulations of the foreign exchange controls promulgated by the Chinese government. The exchange rate of RMB has fluctuated over the years. No financial instrument was used for hedging purposes for the year. The Group is closely monitoring the currencies exchange risk of RMB and is looking for any opportunities to mitigate the currency exchange risk of RMB.

As at 31 December 2018, if HK\$ had strengthened/weakened by 5% (2017: 5%) against RMB with all other variables held constant, the Group's net assets at the year end and loss for the year would have been HK\$3,633,000 (2017: HK\$3,028,000) lower/higher, respectively, mainly as a result of foreign currency translation differences on translation of the foreign operations in Mainland China.

### 3 財務風險管理

#### 3.1 財務風險因素

本集團活動面臨各種財務風險：市場風險（包括外匯風險、價格風險及利率風險）、信貸風險及流動資金風險。本集團之整體風險管理計劃集中於金融市場不可預測之特性，並尋求盡量減低對本集團財務表現之潛在不利影響。

##### (a) 市場風險

###### (i) 外匯風險

本集團於香港及中國大陸均有工廠及辦事處。本集團之經營開支主要以港元及人民幣（「人民幣」）列值，而本集團之銷售貨品收益則主要以美元（「美元」）列值。因此，本集團面對人民幣兌港元所產生之外匯風險。

董事認為，根據聯繫匯率制度，港元兌美元相對穩定，因此並無就美元進行敏感度分析。

本集團擁有海外業務，該等業務之資產淨值承受外幣匯兌風險。

在中國大陸的業務，大部分交易以人民幣列值。人民幣兌換為外幣需遵守中國政府頒佈的外匯管制條例。人民幣匯率於一年下來有所波動。於本年度並無採用金融工具作對沖目的。本集團正密切監察人民幣的貨幣兌換風險，並尋求任何機會以減輕的人民幣貨幣兌換風險。

於二零一八年十二月三十一日，若港元兌人民幣升值／貶值5%（二零一七年：5%），而所有其他可變因素保持不變，則本集團於年終之資產淨值及年度虧損將分別減少／增加3,633,000港元（二零一七年：3,028,000港元），此乃主要由於換算中國大陸海外業務而產生之外匯差額所致。

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (a) Market risk (Continued)

###### (ii) Price risk

The Group is exposed to equity securities price risk arises from equity investments held by the Group and classified on the consolidated balance sheet as financial assets at fair value through profit or loss (Note 21). The Group is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio, in accordance with the limits set by the Group.

The Group's equity investments for trading purpose are publicly traded or quoted in Hong Kong.

As 31 December 2018, if the listed price, quoted price or fair value of each equity investment classified as financial assets at fair value through profit or loss has appreciated/depreciated by 10% (2017: 10%), with all other variables held constant, the Group's loss for the year would have been HK\$234,000 lower/higher (2017: HK\$352,000 lower/higher), mainly as a result of unrealised gains/losses on equity securities classified as financial assets at fair value through profit or loss.

###### (iii) Cash flow and fair value interest rate risk

As at 31 December 2018 and 2017, the Group does not has floating rate interest-bearing bank deposits and borrowings.

##### (b) Credit risk

Credit risk of the Group mainly arises from cash and cash equivalents and security investments with banks and financial institutions, as well as credit exposures to customers such as trade receivables and other counterparty. The carrying amount of these balances in the consolidated balance sheet represents the Group's maximum exposure to credit risk in relation to its financial assets.

### 3 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

##### (a) 市場風險 (續)

###### (ii) 價格風險

本集團面對因持有於綜合資產負債表分類為按公允值計入損益帳之金融資產(附註21)之股本投資而產生之股本證券價格風險。本集團並無商品價格風險。為管理自股本證券投資產生之價格風險,本集團根據本集團所設之限制分散其組合。

本集團作買賣用途之股本投資於香港作公開買賣或報價。

於二零一八年十二月三十一日,倘每隻被分類為按公允值計入損益帳之金融資產之股本投資之牌價、報價或公允值增值/貶值10%(二零一七年:10%),而所有其他變數保持不變,本集團之年度虧損將減少/增加234,000港元(二零一七年:減少/增加352,000港元),主要由於分類為按公允值計入損益帳之金融資產之股本證券之未變現收益/虧損。

###### (iii) 現金流轉及公允值利率風險

於二零一八年及二零一七年,本集團並無按浮動利率計息之銀行存款及貸款。

##### (b) 信貸風險

本集團之信貸風險主要來自現金及現金等值項目及金融機構之存款及證券投資以及向客戶提供之信貸,包括貿易應收款項及其他應收款項。此等於綜合資產負債表內之款項之帳面值乃本集團有關金融資產之最高信貸風險。

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (b) Credit risk (Continued)

The Group has two types of financial assets that are subject to the expected credit loss model:

- trade receivables; and
- other financial assets at amortised cost

The Group's bank deposits are placed with banks and financial institutions which are highly reputable with multinational presences. Investment transactions are executed with financial institutions with sound credit ratings and the Group do not expect any significant counterparty risk. Management does not expect any losses from non-performance by these banks and financial institutions as they have no default history in the past.

##### (i) Trade receivables

For trade receivables, the Group applies the HKFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of sales over a period of 12 to 36 months before 31 December 2018 or 1 January 2018 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Trade receivables are written off when there is no reasonable expectation of recovery. Impairment losses on trade receivables are presented as impairment losses within other operating expenses. Subsequent recoveries of amounts previously written off are credited against the same line item.

### 3 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

##### (b) 信貸風險 (續)

本集團兩類金融資產受預期信貸虧損模型影響：

- 貿易應收款項；及
- 按攤銷成本計量之其他金融資產

本集團之銀行存款存於知名跨國銀行及金融機構。證券交易乃由信貸評級良好之金融機構執行，本集團不預期有任何重大交易對手風險。管理層並不預期會因該等銀行及金融機構不能履行合約而產生任何虧損，此乃由於彼等於過往並無違約記錄。

##### (i) 貿易應收款項

就貿易應收款項而言，本集團採用香港財務報告準則第9號簡化法計量預期信貸虧損，即就所有貿易應收款項計提全期預期虧損撥備。為計量預期信貸虧損，貿易應收款項已按共享信貸風險特徵及逾期天數分組。

預期信貸虧損率是基於分別在2018年12月31日或2018年1月1日之前之12至36個月之銷售支付概況以及此期間相應的歷史信貸虧損釐定。為反映現時及前瞻性之宏觀經濟因素信息對客戶結清應收款項能力之影響，而對過往的虧損率進行調整。

貿易應收款項於並無合理收回期望時撇銷。貿易應收款項之減值虧損於其他經營開支內列作減值虧損。其後收回前期已撇銷之金額將記入同一項目。

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (b) Credit risk (Continued)

###### (i) Trade receivables (Continued)

The expected credit loss for trade receivables not yet due is close to zero and an expected credit loss rate of approximately 0.03% to 0.23% for trade receivables past due, the impact of the expected loss is assessed to be immaterial and no further loss allowance is needed under the expected credit loss model. Expected loss rate of trade receivables as at 1 January 2018 are also assessed to be insignificant.

In the prior year, the impairment of trade receivables was assessed based on the incurred loss model. Trade receivables are presented net of the provision for impairment. Credit risks and exposures are controlled and monitored on an ongoing basis by performing individual credit evaluations for all customers. These evaluations focus on the customer's past history of making payments when due and the current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. In addition, management reviews the recoverable amount of each individual trade debt regularly to ensure that adequate impairment losses are recognised for irrecoverable amounts.

###### (ii) Other financial assets at amortised costs

The Group applies a 12-month expected credit loss on other financial assets at amortised cost. Management considered among other factors, analysed historical pattern and concluded that the expected credit loss for other financial assets at amortised cost to be immaterial as the credit risk is assessed as low.

### 3 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

##### (b) 信貸風險 (續)

###### (i) 貿易應收款項 (續)

尚未到期之貿易應收款項之預期信貸虧損接近於零以及逾期貿易應收款項之預期信貸虧損率約為0.03%至0.23%。由於評估預期虧損並無重大影響，因此在預期信貸虧損模型下不需要進一步的虧損撥備。貿易應收款項之預期虧損率於二零一八年一月一日也被評估為微不足道。

在過往之年度，貿易應收款項之減值乃根據已發生虧損模型評估。貿易應收款項扣除減值撥備後呈列。透過對所有客戶進行個人信貸評估，並持續控制及監察信貸風險。這些評估側重於客戶過往的付款經驗及當前的支付能力，並且考慮有關客戶的特有信息如客戶經營處的經濟環境。此外，管理層定期檢討每項個別貿易債務的可收回金額，以確保就不可收回金額確認足夠的減值虧損。

###### (ii) 按攤銷成本計量之其他金融資產

本集團於按攤銷成本計量之其他金融資產應用12個月預期信貸虧損。管理層考慮了其他因素，分析了過往的模式並得出結論認為按攤銷成本計量之其他金融資產之預期信貸虧損並不重要，因為信貸風險評估為低。

**3 FINANCIAL RISK MANAGEMENT (Continued)****3.1 Financial risk factors (Continued)***(c) Liquidity risk*

The Group meets its day to day working capital requirements, capital expenditure and financial obligations through cash inflow from operating activities and issue of new shares.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

		<b>Within 1 year 一年內 HK\$'000 千港元</b>
<b>As at 31 December 2018</b>		
Trade and other payables	貿易及其他應付款項	<b>64,759</b>
Borrowing	借貸	<b>5,889</b>
		<b>70,648</b>
<b>As at 31 December 2017</b>		
Trade and other payables	貿易及其他應付款項	59,838
Borrowing	借貸	5,952
		<b>65,790</b>

**3.2 Capital management**

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to equity holders, return capital to equity holders, issue new shares or sell assets to reduce debt.

**3 財務風險管理 (續)****3.1 財務風險因素 (續)***(c) 流動資金風險*

本集團透過經營活動之現金流入額及發行新股應付日常營運資金所需、資本開支及財務責任。

下表分析本集團之金融負債，根據由結算日至合約到期日之剩餘期間按照相關之到期組別進行分析。下表披露之金額為合約未貼現現金流轉。由於貼現之影響不大，故此在十二個月內到期之結餘相等於其帳面值。

**3.2 資本管理**

本集團的資金管理政策，是保障本集團能繼續營運，以為股東提供回報和為其他權益持有人提供利益，同時維持最佳的資本結構以減低資金成本。

為了維持或調整資本結構，本集團可能會調整支付予股東之股息數額、向權益持有人分派的資本返還、發行新股或出售資產以減低債務。

**3 FINANCIAL RISK MANAGEMENT (Continued)****3.2 Capital management (Continued)**

The Group monitors its capital on the basis of the gearing ratio. The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as equity as shown in the consolidated balance sheet.

Cash and cash equivalents (Note 22)	現金及現金等值項目(附註22)
Less: borrowing (Note 25)	減: 借貸(附註25)
Net cash	現金淨值
Total capital	總權益
Gearing ratio	資本負債比率

The Group maintained a net cash position as at 31 December 2017 and 2018, hence the gearing ratio is not applicable. There was no changes in the Group's approach to capital management during the year.

**3.3 Fair value estimation**

The table below analyses the Group's financial instruments carried at fair value as at 31 December 2018 by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is unobservable inputs) (level 3).

**3 財務風險管理 (續)****3.2 資本管理 (續)**

本集團根據資本負債比率對資本進行監控。資本負債比率乃按債務淨額除以資本總額計算。債務淨額按借貸總額減現金及現金等值項目。資本總額是以綜合資產負債表所列權益計算。

	<b>2018</b> <b>二零一八年</b> <b>HK\$'000</b> <b>千港元</b>	2017 二零一七年 HK\$'000 千港元
Cash and cash equivalents (Note 22)	<b>71,084</b>	67,456
Less: borrowing (Note 25)	<b>(5,682)</b>	(5,952)
Net cash	<b>65,402</b>	61,504
Total capital	<b>160,754</b>	202,444
Gearing ratio	<b>-40.7%</b>	-30.4%

本集團於二零一八年及二零一七年十二月三十一日維持現金淨額狀況。年內，本集團之資本管理方法並無任何變動。

**3.3 公允值之估值**

下表載列按計量公允值所用估值技術輸入資料等級分析本集團於二零一八年十二月三十一日按公允值列帳之金融工具。所輸入資料按以下三個公允值等級分類：

- 相同資產或負債於交投活躍市場之報價(未經調整)(第一級)。
- 除第一級之報價外，可直接(即如價格)或間接(即由價格衍生)觀察的資產或負債的輸入值(第二級)。
- 資產或負債的輸入資料並非依據可觀察的市場數據(即不可觀察輸入資料)(第三級)。

**3 FINANCIAL RISK MANAGEMENT (Continued)****3.3 Fair value estimation (Continued)**

At 31 December, financial instruments at fair value through profit or loss held by the Group were as follows:

Assets	資產
Financial assets at fair value through profit or loss	按公允值計入損益帳之金融資產
- Trading securities	- 交易證券

*Financial instruments in level 1*

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

The carrying values of the Group's other financial assets, which are trade and other receivables and cash and cash equivalents and financial liabilities, which are trade and other payables, approximate to their fair values due to their short maturities.

*Financial instruments in level 2*

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

*Financial instruments in level 3*

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The Group's buildings classified under properties, plant and equipment are carried at fair value at reporting period end. Details of the fair value measurement of these land and buildings are disclosed in Note 14.

During the year ended 31 December 2018, there were no transfer of financial instruments between levels 1, 2 and 3 (2017: same).

**3 財務風險管理 (續)****3.3 公允值之估值 (續)**

於十二月三十一日，本集團所持有按公允值計入損益帳之金融工具如下：

<b>Level 1</b>	
<b>第一級</b>	
<b>2018</b>	<b>2017</b>
<b>二零一八年</b>	<b>二零一七年</b>
<b>HK\$'000</b>	<b>HK\$'000</b>
<b>千港元</b>	<b>千港元</b>

*於第一級之金融工具*

於交投活躍市場買賣之金融工具公允值乃根據結算日之市場報價列帳。當報價可即時和定期從證券交易所、交易商、經紀、業內人士、定價服務者或監管代理獲得，而該等報價代表按公平交易基準進行之實際和常規市場交易時，該市場被視為交投活躍。本集團持有金融資產之市場報價為當時之買盤價。此等工具包括在第一級。

由於在短期內到期，本集團之其他金融資產（即貿易及其他應收款項及現金及現金等值項目）及金融負債（即貿易及其他應付款項）之帳面值與其公允值相若。

*於第二級之金融工具*

沒有於交投活躍市場買賣之金融工具（如場外衍生工具）之公允值乃採用估值技術釐定。此等估值技術儘量利用可觀察市場數據（如有），儘量少依賴實體之特定估算。倘計算金融工具之公允值所需之所有重大輸入資料屬可觀察，則該金融工具列入第二級。

*於第三級之金融工具*

倘一項或多項重大輸入資料並非根據可觀察市場數據，則該金融工具列入第三級。

本集團分類為物業、廠房及設備之樓宇乃於報告期末按公允值列帳。該等土地及樓宇之公允值計量之詳情於附註14披露。

截至二零一八年十二月三十一日止年度第一級、第二級和第三級之間沒有金融工具的轉移（二零一七年：相同）。

#### 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

##### (a) Income taxes and deferred tax

The Group is subject to income taxes in Hong Kong and Mainland China. Significant judgement is required in determining the provision for income taxes. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

Deferred tax assets relating to certain temporary differences are recognised as the management of the Group considers it is probable that future taxable profits will be available against which temporary differences or tax losses can be utilised. Where the expectations are different from the original estimates, such differences will impact the recognition of deferred tax assets in the period in which such estimates have been changed.

##### (b) Useful lives, residual values and depreciation of properties, plant and equipment

The management of the Group determines the estimated useful lives, residual values and related depreciation charges for its property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. The management of the Group will increase the depreciation charge where useful lives are less than previously estimated lives, it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold. Actual economic lives may differ from estimated useful lives; actual residual values may differ from estimated residual values. Periodic review could result in a change in depreciable lives and residual values and therefore depreciation expense in the future period.

#### 4 關鍵會計估算及判斷

編製財務報表須使用會計估算，根據定義，該等估算很少等於實際結果。管理層亦需對本集團應用會計政策作出判斷。

估算及判斷會被持續評估，其乃以過往經驗及其他因素為基準，包括在目前情況下可能對實體產生財務影響且相信為合理之預期日後事件。

##### (a) 所得稅及遞延稅項

本集團須繳納香港及中國大陸之所得稅。釐定所得稅撥備時需要作出重大判斷。本集團按照會否出現額外到期稅項之估計確認預期稅項審計事宜所產生之負債。倘若該等事宜之最終稅項結果與初始記錄金額不同，則有關差額將會影響作出決定期間之當期及遞延所得稅資產及負債。

有關若干臨時差額之遞延稅項資產，乃於本集團管理層認為日後可能會出現應課稅溢利以用作抵銷臨時差額或稅項虧損時確認。倘若該等預期與原來估計有差異，該等差額將影響期間所確認之遞延稅項資產，因有關估計已更改。

##### (b) 物業、廠房及設備之可使用年期、剩餘價值及折舊

本集團管理層就其物業、廠房及設備決定估計可使用年期、剩餘價值及相關折舊開支。此項估計乃按照性質及用途相似之物業、廠房及設備之實際可使用年期之過往經驗而作出。本集團管理層將於可使用年期少於過往之估計年期時增加折舊開支，撤銷或撇減技術上陳舊或非策略性而已遭廢棄或出售的資產。實際經濟年期或會與估計可使用年期有所不同；實際剩餘價值亦可能會與估計剩餘價值有所不同。定期審閱可導致可予折舊年期及剩餘價值有所更改，從而導致未來期間之折舊開支有所更改。

#### 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

##### (c) Impairment of properties, plant and equipment and land use rights

The Group assesses annually whether properties, plant and equipment and land use rights exhibit any indications of impairment. The recoverable amounts, if required, are determined based on value-in-use calculations or market valuations. These calculations require the use of judgment and estimates.

Management judgement is required in the area of asset impairment particularly in assessing: (i) whether an event has occurred that may indicate that the related asset value may not be recoverable; (ii) whether the carrying value of an asset can be supported by the recoverable amount, being the higher of fair value less costs to dispose or net present value of future cash flows which are estimated based upon the continued use of the asset in the business; and (iii) the appropriate key assumptions to be applied in preparing cash flow projections including whether these cash flow projections are discounted using an appropriate rate. Changing the assumptions selected by management in assessing impairment, including the discount rates, could materially affect the net present value used in the impairment test and as a result affect the Group's financial position and results of operations. If there is a significant adverse change in the projected performance and resulting future cash flow projections, it may be necessary to take an impairment charge to the consolidated income statement.

##### (d) Buildings in properties, plant and equipment carried at valuation

Buildings in properties, plant and equipment, comprise mainly factories and offices, are shown at fair values determined by directors based on valuations performed by external independent valuers on an annual basis. In arriving at the valuations, significant judgement, assumptions and economic estimates have to be made. The key assumptions applied in the fair value measurement of the buildings are disclosed in Note 14.

##### (e) Impairment of trade receivables

The loss allowances for trade receivables are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past collection history of each customer, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in note 3.1(b).

#### 4 關鍵會計估算及判斷 (續)

##### (c) 物業、廠房及設備及土地使用權之減值

本集團每年評估物業、廠房及設備及土地使用權有否減值跡象。可收回金額(如有規定)乃根據使用價值計算方法或市場估值釐定。該等計算需要作出判斷及估計。

管理層釐定資產減值須運用判斷, 尤其為評定: (i)是否已出現可能顯示有關資產價值或無法收回之事件; (ii)可收回金額(即公允值減出售成本或估計繼續在業務中使用資產所帶來之未來現金流轉現值淨額二者之較高者)是否足以支持資產帳面值; 及(iii)編製現金流轉預測所用之主要假設是否恰當, 包括該等現金流轉預測是否以適當利率貼現。管理層於評估減值時選擇之假設(包括貼現率)若有所變化, 或會對減值測試所用之現值淨額帶來重大影響, 從而影響本集團之財務狀況及經營業績。倘預測表現及所得之未來現金流轉預測出現重大不利變動, 則可能須於綜合收入報表中計提減值開支。

##### (d) 物業、廠房及設備中按估值列帳之樓宇

物業、廠房及設備中之樓宇主要包括工廠及辦公室, 並由董事根據外聘獨立估值師之年度估值以公允值列帳。於釐定估值時, 須作出重大判斷、假設及經濟估計。應用於樓宇之公允值計量之主要假設於附註14中披露。

##### (e) 貿易應收款項之減值

貿易應收款項之虧損撥備乃基於有關違約風險及預期虧損率之假設。本集團使用判斷作出該等假設及選擇減值計算的輸入數據, 乃根據每個客戶過往之收款記錄, 現有市場狀況以及各報告期末的前瞻性估算。所使用的主要假設和輸入的詳情於附註3.1(b)中披露。

## 5 REVENUE AND SEGMENT INFORMATION

The Group is principally engaged in garment manufacturing and trading and securities investment.

Operating segments are reported in a manner consistent with the internal reporting provided to the board of directors.

The chief operating decision-maker has been identified as the board of directors of the Group. Management has determined the operating segments based on the reports reviewed by the chief operating decision-maker that are used to assess performance and allocate resources. The chief operating decision-maker considers the business principally from the operations nature, with two segments identified: garment manufacturing and trading segment and securities investment segment.

The board of directors assesses the performance of the operating segments based on a measure of adjusted operating results. This measurement basis represented operating loss excluding material gain or loss which is capital in nature or of non-recurring nature such as impairment.

The Group recognises all of its revenue at a point in time for the year ended 31 December 2018 and there is no contract assets nor contract liabilities as at 31 December 2018.

Revenue recognised 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
Garment manufacturing and trading:	成衣製造及貿易：		
Sale of garment products	銷售成衣產品	328,625	229,069
Sale of scrap materials	銷售廢棄物料	881	230
		<b>329,506</b>	229,299
Securities investment:	證券投資：		
Fair value (loss)/gain on financial assets at fair value through profit or loss	按公允值計入損益帳之金融資產公允值(虧損)/收益	(1,181)	15,044
Dividend income from listed equity securities	自上市股本證券之股息收入	188	247
		<b>(993)</b>	15,291
		<b>328,513</b>	244,590

## 5 收益及分部資料

本集團主要從事成衣製造及貿易以及證券投資。

營運分部按照與向董事會提供之內部報告一致之方式報告。

主要營運決策者被識辨為本集團董事會。管理層乃根據經主要營運決策者審閱之報告(用於評估表現及分配資源)釐定營運分部。主要營運決策者主要從營運性質考慮業務，並識辨兩個分部：成衣製造及貿易分部以及證券投資分部。

董事會根據經調整經營業績基準評估營運分部之表現。此評估基準代表經營虧損不包括屬資本性質或非經常性質之重大收益或虧損(如減值)。

本集團於截至二零一八年十二月三十一日止年度之時間點內確認其所有收益，並且於二零一八年十二月三十一日並無合約資產或合約負債。

於年內確認之收益如下：

## 5 REVENUE AND SEGMENT INFORMATION (Continued)

The segment information for the year ended and as at 31 December 2018 by business segment is as follows:

## 5 收益及分部資料 (續)

截至二零一八年十二月三十一日止年度及於二零一八年十二月三十一日，按業務分部劃分之分部資料如下：

		Garment manufacturing and trading segment 成衣製造及 貿易分部 HK\$'000 千港元	Securities investment segment 證券投資分部 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Revenue	收益	329,506	(993)	328,513
Reportable segment results	可報告分部業績	1,072	(8,020)	(6,948)
Other gains – net	其他收益 – 淨值			211
Corporate administrative expenses	企業行政開支			(11,944)
Impairment loss on loans to an associate	就授予一間聯營企業之貸款減值虧損			(5,445)
Operating loss	經營虧損			(24,126)
Finance income	融資收入			394
Finance expense	融資開支			(818)
Share of result of an associate	應佔一間聯營企業之業績			(26,065)
Loss before income tax	除所得稅前虧損			(50,615)
Income tax expenses	所得稅開支			–
Loss for the year	年度虧損			(50,615)
		Garment manufacturing and trading segment 成衣製造及 貿易分部 HK\$'000 千港元	Securities investment segment 證券投資分部 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Reportable segment assets	可報告分部資產	189,206	6,337	195,543
Unallocated corporate assets	不能分攤之企業資產			47,472
Total assets	總資產			243,015

## 5 REVENUE AND SEGMENT INFORMATION (Continued)

The segment information for the year ended and as at 31 December 2017 by business segment is as follows:

## 5 收益及分部資料(續)

截至二零一七年十二月三十一日止年度及於二零一七年十二月三十一日，按業務分部劃分之分部資料如下：

		Garment manufacturing and trading segment 成衣製造及 貿易分部 HK\$'000 千港元	Securities investment segment 證券投資分部 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Revenue	收益	229,299	15,291	244,590
Reportable segment results	可報告分部業績	599	6,826	7,425
Other gain – net Corporate administrative expenses	其他收益－淨值 企業行政開支			3,687 (14,236)
Operating loss	經營虧損			(3,124)
Finance income	融資收入			44
Finance expense	融資開支			(175)
Share of result of an associate	應佔一間聯營企業之業績			(5,723)
Share of result of a joint venture	應佔一間合營企業之業績			(5,331)
Impairment loss on investment in a joint venture	於一間合營企業之 投資減值虧損			(15,647)
Loss before income tax	除所得稅前虧損			(29,956)
Income tax expenses	所得稅開支			–
Loss for the year	年度虧損			(29,956)
		Garment manufacturing and trading segment 成衣製造及 貿易分部 HK\$'000 千港元	Securities investment segment 證券投資分部 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Reportable segment assets	可報告分部資產	172,543	8,196	180,739
Unallocated corporate assets	不能分攤之企業資產			95,814
Total assets	總資產			276,553

Segment liabilities are measured in the same way as in the consolidated financial statements. These liabilities are allocated based on the operations of the segment.

分部負債按與綜合財務報表相同的方式計量。此等負債根據分部經營而分配。

**5 REVENUE AND SEGMENT INFORMATION (Continued)**

One (2017: One) external garment manufacturing customer contributed more than 10% revenue of the Group.

Customer A

客戶A

**2018**  
**二零一八年**  
**HK\$'000**  
**千港元**

2017  
二零一七年  
HK\$'000  
千港元

**319,682**

219,664

The following table sets out information about the geographical location of the Group's revenue and non-current assets. In presenting the geographical information, segment revenue is based on the geographical location of external customers and segment non-current assets are based on the geographical location of the assets.

下表載列有關本集團收益及非流動資產之地理位置資料。呈列地域資料時，分部收益乃基於外部客戶之地理位置，而分部非流動資產則基於資產之地理位置。

		Revenue 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
United States of America	美國	183,775	139,688	-	-
Mainland China	中國大陸	-	-	67,989	61,013
Europe	歐洲	102,507	63,966	-	-
Hong Kong	香港	13,206	23,813	6,853	42,229
Rest of the World	世界其他地區	29,025	17,123	-	-
		<b>328,513</b>	244,590	<b>74,842</b>	103,242

**6 OTHER GAIN – NET****6 其他收益 – 淨值**

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Losses on disposal of properties, plant and equipment	出售物業、廠房及設備之虧損	(576)	(104)
Gain on disposal of a land use right	出售土地使用權之收益	-	3,685
Government subsidy	政府補助	-	111
Other	其他	787	(5)
		<b>211</b>	3,687

## 7 EXPENSES BY NATURE

Operating loss is stated after charging the following:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Raw materials used	已耗用之原材料	143,895	105,073
Changes in inventories of finished goods and work in progress	製成品及半製成品之存貨變動	13,601	15,483
Subcontracting and processing charges	分包及加工費用	50,736	20,261
Depreciation of properties, plant and equipment (Note 14)	物業、廠房及設備之折舊 (附註14)	5,986	4,815
Amortisation of land use rights (Note 17)	土地使用權之攤銷(附註17)	253	309
Employee benefit expense (excluding directors' emoluments) (Note 12)	僱員福利開支(不包括董事酬金) (附註12)	100,345	74,602
Directors' emoluments (Note 13)	董事酬金(附註13)	3,315	5,357
Operating lease rentals – land and buildings	經營租賃租金—土地及樓宇	2,326	3,046
Auditor's remuneration	核數師酬金		
– Audit services	— 審計服務	1,564	1,473
– Non-audit services	— 非審計服務	138	135
Securities management and performance fees	證券管理及表現費用	–	833
Securities brokerage and transaction fees	證券經紀及交易費用	1	539
Other	其他	25,245	19,475
		<b>347,405</b>	<b>251,401</b>
Total cost of sales, selling expenses and administrative expenses	銷售成本、銷售開支及 行政開支總額	<b>347,405</b>	<b>251,401</b>

## 8 FINANCE EXPENSE – NET

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Finance income:	融資收入:		
Interest income on short-term bank deposits	短期銀行存款之利息收入	127	44
Interest income on loan to an associate	貸款予一間聯營企業之利息收入	228	–
Interest income on other loans to a third party	授予一名第三方的其他貸款之 利息收入	39	–
		<b>394</b>	<b>44</b>
Finance expense:	融資開支:		
Interest expense on bank borrowings	銀行貸款之利息開支	(818)	(175)
Finance expense – net	融資開支—淨值	<b>(424)</b>	<b>(131)</b>

## 7 按性質分類之開支

經營虧損經已扣除下列各項呈列如下:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Raw materials used	已耗用之原材料	143,895	105,073
Changes in inventories of finished goods and work in progress	製成品及半製成品之存貨變動	13,601	15,483
Subcontracting and processing charges	分包及加工費用	50,736	20,261
Depreciation of properties, plant and equipment (Note 14)	物業、廠房及設備之折舊 (附註14)	5,986	4,815
Amortisation of land use rights (Note 17)	土地使用權之攤銷(附註17)	253	309
Employee benefit expense (excluding directors' emoluments) (Note 12)	僱員福利開支(不包括董事酬金) (附註12)	100,345	74,602
Directors' emoluments (Note 13)	董事酬金(附註13)	3,315	5,357
Operating lease rentals – land and buildings	經營租賃租金—土地及樓宇	2,326	3,046
Auditor's remuneration	核數師酬金		
– Audit services	— 審計服務	1,564	1,473
– Non-audit services	— 非審計服務	138	135
Securities management and performance fees	證券管理及表現費用	–	833
Securities brokerage and transaction fees	證券經紀及交易費用	1	539
Other	其他	25,245	19,475
		<b>347,405</b>	<b>251,401</b>
Total cost of sales, selling expenses and administrative expenses	銷售成本、銷售開支及 行政開支總額	<b>347,405</b>	<b>251,401</b>

## 8 融資開支—淨值

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Finance income:	融資收入:		
Interest income on short-term bank deposits	短期銀行存款之利息收入	127	44
Interest income on loan to an associate	貸款予一間聯營企業之利息收入	228	–
Interest income on other loans to a third party	授予一名第三方的其他貸款之 利息收入	39	–
		<b>394</b>	<b>44</b>
Finance expense:	融資開支:		
Interest expense on bank borrowings	銀行貸款之利息開支	(818)	(175)
Finance expense – net	融資開支—淨值	<b>(424)</b>	<b>(131)</b>

## 9 INCOME TAX EXPENSES

Hong Kong profits tax has been provided at the rate of 16.5% (2017: 16.5%) on the estimated assessable profit for the year. The operation in Mainland China is subject to Mainland China corporate income tax at the rate of 25% for the year ended 31 December 2018 (2017: 25%).

The tax on the Group's loss before income tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to losses of the consolidated entities:

## 9 所得稅開支

香港利得稅乃根據年內估計應課稅溢利，按稅率16.5%（二零一七年：16.5%）計提撥備。截至二零一八年十二月三十一日止年度，中國大陸業務須按25%稅率（二零一七年：25%）繳納中國企業所得稅。

本集團除所得稅前虧損之稅項有別於採用綜合實體虧損適用之加權平均稅率所產生之理論金額：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Loss before income tax	除所得稅前虧損	<b>(50,615)</b>	(29,956)
Tax calculated at domestic tax rates applicable to losses in the respective countries	就所在國家之虧損按當地適用稅率計算之稅項	<b>(8,693)</b>	(6,974)
Tax effects of:	稅項影響：		
Share of loss of an associate	分佔一間聯營企業虧損	<b>4,301</b>	944
Share of loss of a joint venture	分佔一間合營企業虧損	-	1,333
Income not subject to tax	無須課稅之收入	<b>(89)</b>	(962)
Expenses not deductible for tax	不可扣稅之開支	<b>1,951</b>	10,673
Unrecognised tax losses	未確認稅項虧損	<b>2,814</b>	-
Utilisation of previously unrecognised tax losses	利用以前未確認稅項虧損	<b>(284)</b>	(5,014)
		-	-

**9 INCOME TAX EXPENSES (Continued)**

The tax charge relating to components of other comprehensive income is as follows:

		2018 二零一八年			2017 二零一七年		
		Before Tax 除稅前 HK\$'000 千港元	Tax charge 稅項開支 HK\$'000 千港元	After tax 除稅後 HK\$'000 千港元	Before tax 除稅前 HK\$'000 千港元	Tax charge 稅項開支 HK\$'000 千港元	After tax 除稅後 HK\$'000 千港元
Fair value gains on properties, plant and equipment	物業、廠房及設備之 公允值收益	14,006	(3,501)	10,505	4,097	(1,025)	3,072
Other comprehensive income	其他全面收入	14,006	(3,501)	10,505	4,097	(1,025)	3,072
Deferred tax (Note 23)	遞延稅(附註23)		(3,501)			(1,025)	

**10 LOSS PER SHARE**

Basic loss per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year. Diluted loss per share is calculated by adjusting the weighted average number of shares outstanding to assume conversion of all dilutive potential shares. As there is no dilutive potential ordinary shares for the years ended 31 December 2018 and 2017, the diluted loss per share equals the basic loss per share.

**9 所得稅開支(續)**

與其他全面收入組成部份有關的稅務開支如下：

**10 每股虧損**

每股基本虧損乃根據本公司權益持有人應佔虧損除以年內已發行普通股股數之加權平均數計算。每股攤薄虧損在假設所有潛在攤薄性普通股已轉換的情況下，經調整普通股加權平均數計算。由於截至二零一八年十二月三十一日及截至二零一七年十二月三十一日止年度，本公司並無攤薄性普通股，故每股攤薄虧損等於每股基本虧損。

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Loss attributable to equity holders of the Company	本公司權益持有人應佔虧損	(50,615)	(29,956)
Weighted average number of ordinary shares in issue (thousands)	已發行普通股股數之加權平均數 (千股)	818,042	818,042
Basic and diluted loss per share (HK cents per share)	每股基本及攤薄虧損(每股港仙)	(6.19)	(3.66)

**11 DIVIDENDS**

The Company has not declared any dividends for the years ended 31 December 2018 and 2017.

**12 EMPLOYEE BENEFIT EXPENSE (EXCLUDING DIRECTORS' EMOLUMENTS)**

Wages and salaries	薪金及酬金
Bonus	獎金
Pension costs	退休金成本
– Hong Kong	– 香港
– People's Republic of China ("PRC")	– 中華人民共和國(「中國」)

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
85,318	69,753
9,434	–
244	300
5,349	4,549
<b>100,345</b>	<b>74,602</b>

No forfeited contributions to the mandatory provident fund scheme (the "MPF Scheme") were utilised during the year (2017: Nil).

There was no contribution payable in relation to the MPF Scheme at the year end (2017: Nil).

The Group operates/participates in the following pension and post retirement plans:

- (i) The MPF Scheme for employees in Hong Kong, under which the Group and its employee each make a monthly contribution to the scheme at 5% of the qualifying earnings of the employee, subject to a monthly cap of HK\$1,500.
- (ii) The Group's subsidiaries in Mainland China contribute approximately 10% of the basic salaries of their employees to retirement schemes operated by municipal governments. Other than the mandatory contributions, the Group has no further obligations for the actual pension payments or any post retirement benefits. The retirement schemes are responsible for the entire pension obligations payable to retired employees. In addition, according to the labor law in Mainland China, the employer is required to pay retirement benefits to the employees when employment is terminated by the employer before the normal retirement date.

**11 股息**

本公司不宣派截至二零一八年及二零一七年十二月三十一日止年度之股息。

**12 僱員福利開支(不包括董事酬金)**

年內並無動用已沒收強制性公積金計劃(「強積金計劃」)供款(二零一七年:無)。

於年底並無有關強積金計劃之應付供款(二零一七年:無)。

本集團實行/參與以下退休金及退休後計劃:

- (i) 為香港僱員而設之強積金計劃規定,本集團及其僱員各均須按僱員合資格入息之5%向計劃作每月供款,惟每月供款額上限為1,500港元。
- (ii) 本集團於中國大陸之附屬公司按僱員基本薪金約10%向市政府設立之退休計劃作出之供款。除強制性供款外,本集團並無其他實質退休金或退休後福利之承擔。該等退休計劃負責全部應付予退休僱員之退休金承擔。此外,按照中國大陸之勞動法,僱主若於僱員正常退休日期前終止聘用僱員,則須向僱員支付退休福利。

## 13 BENEFIT AND INTEREST OF THE DIRECTORS

## (a) Directors' and chief executive's emoluments

The remuneration of every director and the chief executive is set out below:

For the year ended 31 December 2018:

Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking:

Name of Director	董事姓名	Fees	Salary	Bonus	Housing allowance	Estimated money value of other benefits (Note i) 其他福利之估計貨幣價值 (附註 i)	Employer's contribution to the MPF Scheme 強積金計劃僱主供款	Total
		袍金 HK\$'000 千港元	薪酬 HK\$'000 千港元	獎金 HK\$'000 千港元	房屋津貼 HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	總計 HK\$'000 千港元
<i>Chairman</i>	<i>主席</i>							
Mr Li Haifeng	李海楓先生	120	1,830	-	-	-	18	1,968
<i>Executive director</i>	<i>執行董事</i>							
Mr Wang Ke (Appointed on 19 March 2018)	王科先生 (於二零一八年三月十九日獲委任)	204	408	-	-	-	15	627
<i>Non-executive director</i>	<i>非執行董事</i>							
Mr Lee Sheng Kuang, James	李勝光先生	240	-	-	-	-	-	240
<i>Independent non-executive directors</i>	<i>獨立非執行董事</i>							
Mr Yau Wing Yiu	邱永耀先生	240	-	-	-	-	-	240
Mr Zhang Zhenyi	張振義先生	120	-	-	-	-	-	120
Ms Zheng Xianzhi	鄭先智女士	120	-	-	-	-	-	120
		1,044	2,238	-	-	-	33	3,315

## 13 董事福利及權益

## (a) 董事及最高行政人員酬金

各董事及最高行政人員之酬金列載如下：

截至二零一八年十二月三十一日止年度：

就擔任本公司或其附屬公司董事職務之人士已付或應付之酬金：

Name of Director	董事姓名	Fees	Salary	Bonus	Housing allowance	Estimated money value of other benefits (Note i) 其他福利之估計貨幣價值 (附註 i)	Employer's contribution to the MPF Scheme 強積金計劃僱主供款	Total
		袍金 HK\$'000 千港元	薪酬 HK\$'000 千港元	獎金 HK\$'000 千港元	房屋津貼 HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	總計 HK\$'000 千港元
<i>Chairman</i>	<i>主席</i>							
Mr Li Haifeng	李海楓先生	120	1,830	-	-	-	18	1,968
<i>Executive director</i>	<i>執行董事</i>							
Mr Wang Ke (Appointed on 19 March 2018)	王科先生 (於二零一八年三月十九日獲委任)	204	408	-	-	-	15	627
<i>Non-executive director</i>	<i>非執行董事</i>							
Mr Lee Sheng Kuang, James	李勝光先生	240	-	-	-	-	-	240
<i>Independent non-executive directors</i>	<i>獨立非執行董事</i>							
Mr Yau Wing Yiu	邱永耀先生	240	-	-	-	-	-	240
Mr Zhang Zhenyi	張振義先生	120	-	-	-	-	-	120
Ms Zheng Xianzhi	鄭先智女士	120	-	-	-	-	-	120
		1,044	2,238	-	-	-	33	3,315

13 BENEFIT AND INTEREST OF THE DIRECTORS  
(Continued)

## (a) Directors' and chief executive's emoluments (Continued)

For the year ended 31 December 2017:

Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking:

Name of Director	董事姓名	Fees	Salary	Bonus	Housing allowance	Estimated money value of other benefits (Note i) 其他福利之估計貨幣價值 (附註 i)	Employer's contribution to the MPF Scheme 強積金計劃 僱主供款	Total
		袍金 HK\$'000 千港元	薪酬 HK\$'000 千港元	獎金 HK\$'000 千港元	房屋津貼 HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	總計 HK\$'000 千港元
<i>Chairman</i>	<i>主席</i>							
Mr Li Haifeng (Appointed as chief executive on 1 April 2017)	李海楓先生 (於二零一七年四月一日獲委任為最高行政人員)	120	1,620	-	-	-	18	1,758
<i>Executive directors</i>	<i>執行董事</i>							
Mr Lee Sheng Kuang, James (Re-designated to non-executive director on 1 April 2017)	李勝光先生 (於二零一七年四月一日調任為非執行董事)	28	707	-	540	29	-	1,304
Mr Tang Chak Lam, Charlie (Ceased appointment on 1 January 2018)	鄧澤霖先生 (於二零一八年一月一日終止委任)	120	1,444	-	-	53	18	1,635
<i>Non-executive director</i>	<i>非執行董事</i>							
Mr Lee Sheng Kuang, James (Re-designated on 1 April 2017)	李勝光先生 (於二零一七年四月一日調任)	180	-	-	-	-	-	180
<i>Independent non-executive directors</i>	<i>獨立非執行董事</i>							
Mr Liu Run (Resigned on 30 June 2017)	劉潤先生 (於二零一七年六月三十日辭任)	60	-	-	-	-	-	60
Ms Su Zhengyu (Resigned on 24 March 2017)	蘇征宇女士 (於二零一七年三月二十四日辭任)	27	-	-	-	-	-	27
Mr Yau Wing Yiu	邱永耀先生	240	-	-	-	-	-	240
Mr Zhang Zhenyi (Appointed on 24 March 2017)	張振義先生 (於二零一七年三月二十四日獲委任)	93	-	-	-	-	-	93
Ms Zheng Xianzhi (Appointed on 30 June 2017)	鄭先智女士 (於二零一七年六月三十日獲委任)	60	-	-	-	-	-	60
		928	3,771	-	540	82	36	5,357

## 13 董事福利及權益 (續)

## (a) 董事及最高行政人員酬金 (續)

截至二零一七年十二月三十一日止年度:

就擔任本公司或其附屬公司董事職務之人士已付或應付之酬金:

**13 BENEFIT AND INTEREST OF THE DIRECTORS (Continued)****(a) Directors' and chief executive's emoluments (Continued)**

- (i) Other benefits include leave pay and share option benefits and housing allowances.

During the year, no director has waived any emoluments (2017: Nil).

**(b) Directors' material interests in transactions, arrangements or contracts**

No significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

**(c) Five highest paid individuals**

The five individuals whose emoluments were the highest in the Group for the year include one (2017: three) director whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining four (2017: two) individuals during the year 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
Basic salaries, housing allowances, other allowances and benefits-in-kind	基本薪金、房屋津貼、 其他津貼及實物利益	5,596	1,681
Contributions to the MPF Scheme	強積金計劃供款	53	36
		<b>5,649</b>	<b>1,717</b>

The emoluments fell within the following bands:

Emolument bands	酬金範圍	Number of individuals 人數	
		2018 二零一八年	2017 二零一七年
HK\$500,000 – HK\$999,999	500,000港元–999,999港元	–	2
HK\$1,000,000 – HK\$1,499,999	1,000,000港元–1,499,999港元	2	–
HK\$1,500,000 – HK\$1,999,999	1,500,000港元–1,999,999港元	2	–

**13 董事福利及權益 (續)****(a) 董事及最高行政人員酬金 (續)**

- (i) 其他福利包括有薪假及購股權福利及房屋津貼。

於年內，概無董事放棄任何酬金 (二零一七年：無)。

**(b) 董事於交易、安排或合約之重大權益**

本公司董事概無於本公司或其任何附屬公司訂立而與本集團業務有重大關係，且於本年度結束或於年內任何時間仍然有效之交易、安排及合約中直接或間接擁有重大利益。

**(c) 五名最高薪酬人士**

年內，本集團之五名最高薪酬人士包括一名 (二零一七年：三名) 董事，彼等之酬金已於上述分析中反映。年內應付予餘下四名 (二零一七：兩名) 人士之酬金如下：

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Basic salaries, housing allowances, other allowances and benefits-in-kind	5,596	1,681
Contributions to the MPF Scheme	53	36
	<b>5,649</b>	<b>1,717</b>

酬金範圍如下：

Emolument bands	酬金範圍	Number of individuals 人數	
		2018 二零一八年	2017 二零一七年
HK\$500,000 – HK\$999,999	500,000港元–999,999港元	–	2
HK\$1,000,000 – HK\$1,499,999	1,000,000港元–1,499,999港元	2	–
HK\$1,500,000 – HK\$1,999,999	1,500,000港元–1,999,999港元	2	–

## 14 PROPERTIES, PLANT AND EQUIPMENT

## 14 物業、廠房及設備

		Buildings	Leasehold improvements	Plant and machinery	Furniture, office equipment, vessel and motor vehicles 傢俬、辦公室設備、船舶及汽車	Total
		樓宇 HK\$'000 千港元	租賃裝修 HK\$'000 千港元	廠房及機器 HK\$'000 千港元	及汽車 HK\$'000 千港元	總計 HK\$'000 千港元
At 1 January 2017	於二零一七年一月一日					
Cost or valuation	成本或估值	42,556	26,241	19,297	28,457	116,551
Accumulated depreciation and impairment	累計折舊及減值	-	(22,212)	(18,765)	(25,311)	(66,288)
Net book amount	帳面淨值	42,556	4,029	532	3,146	50,263
Year ended 31 December 2017	截至二零一七年十二月三十一日止年度					
Opening net book amount	期初帳面淨值	42,556	4,029	532	3,146	50,263
Additions	添置	-	26	278	311	615
Disposals	出售	-	(45)	-	(76)	(121)
Depreciation	折舊	(3,503)	(508)	(15)	(789)	(4,815)
Currency translation differences	匯兌差額	1,375	198	57	221	1,851
Revaluation surplus	重估盈餘	4,097	-	-	-	4,097
Closing net book amount	期末帳面淨值	44,525	3,700	852	2,813	51,890
At 31 December 2017	於二零一七年十二月三十一日					
Cost or valuation	成本或估值	44,525	27,640	20,973	29,883	123,021
Accumulated depreciation and impairment	累計折舊及減值	-	(23,940)	(20,121)	(27,070)	(71,131)
Net book amount	帳面淨值	44,525	3,700	852	2,813	51,890
Year ended 31 December 2018	截至二零一八年十二月三十一日止年度					
Opening net book amount	期初帳面淨值	44,525	3,700	852	2,813	51,890
Additions	添置	275	786	81	7,262	8,404
Disposals	出售	(155)	(422)	-	(3)	(580)
Depreciation	折舊	(3,918)	(485)	(26)	(1,557)	(5,986)
Currency translation differences	匯兌差額	(869)	(775)	(158)	(235)	(2,037)
Revaluation surplus	重估盈餘	14,006	-	-	-	14,006
Closing net book amount	期末帳面淨值	53,864	2,804	749	8,280	65,697
At 31 December 2018	於二零一八年十二月三十一日					
Cost or valuation	成本或估值	53,864	26,742	20,098	36,053	136,757
Accumulated depreciation and impairment	累計折舊及減值	-	(23,938)	(19,349)	(27,773)	(71,060)
Net book amount	帳面淨值	53,864	2,804	749	8,280	65,697

**14 PROPERTIES, PLANT AND EQUIPMENT (Continued)**

Depreciation of HK\$2,000 (2017: HK\$51,000) has been expensed to selling expenses and HK\$5,984,000 (2017: HK\$4,764,000) has been expensed to administrative expenses. No depreciation has been expensed to cost of goods sold (2017: same).

If buildings were stated on the historical cost basis, the amounts would be as follows:

		<b>2018</b>	2017
		<b>二零一八年</b>	二零一七年
		<b>HK\$'000</b>	HK\$'000
		<b>千港元</b>	千港元
Cost	成本	<b>36,816</b>	38,579
Accumulated depreciation	累計折舊	<b>(18,576)</b>	(17,949)
Net book amount	帳面淨值	<b>18,240</b>	20,630

The Group's properties were revalued at 31 December 2018 by Vigers Appraisal and Consulting Limited, an independent professionally qualified valuer who holds a recognised relevant professional qualification and has recent experience in the locations and segments of the properties valued. For all buildings, their current use equates to the highest and best use.

The Group's finance department includes a team that review the valuations performed by the independent valuer for financial reporting purposes. This team reports directly to the board of directors. Discussions of valuation processes and results are held between the valuation team and valuer annually.

The revaluation surplus net of applicable deferred income taxes was credited to fixed assets revaluation reserve in shareholders' equity.

Valuations were made with reference to depreciated replacement cost approach based on significant unobservable inputs.

**14 物業、廠房及設備 (續)**

折舊已分別於銷售開支支銷2,000港元(二零一七年:51,000港元)及於行政開支支銷5,984,000港元(二零一七年:4,764,000港元)。於銷貨成本並無支銷(二零一七年:相同)。

倘樓宇乃按歷史成本列帳,其金額如下:

	<b>2018</b>	2017
	<b>二零一八年</b>	二零一七年
	<b>HK\$'000</b>	HK\$'000
	<b>千港元</b>	千港元
Cost	<b>36,816</b>	38,579
Accumulated depreciation	<b>(18,576)</b>	(17,949)
Net book amount	<b>18,240</b>	20,630

本集團之物業已於二零一八年十二月三十一日由獨立專業合資格估值師威格斯資產評估顧問有限公司重新估值,該估值師持有獲認可之相關專業資格,且對所估值物業之地點及領域擁有近期經驗。對於所有樓宇而言,當前之使用等於其最高及最佳使用。

本集團財務部設有一個小組,專責就財務報告目的而對獨立估值師之估值進行檢討。此小組直接向董事會匯報。估值小組與估值師每年討論估值流程和相關結果。

重估盈餘扣除適用遞延所得稅乃計入股東權益中之固定資產重估儲備。

估值乃參考折舊代替成本法,其根據重大不可觀察之輸入資料而作出。

## 14 PROPERTIES, PLANT AND EQUIPMENT (Continued)

The following table analyses buildings carried at fair value, by valuation method.

		Quoted prices in active markets for identical assets (Level 1) 相同資產於 交投活躍市場之 報價 (第一級) HK\$'000 千港元	Significant other observable inputs (Level 2) 其他重大可觀察 之輸入資料 (第二級) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀察 之輸入資料 (第三級) HK\$'000 千港元
At 31 December 2018	於二零一八年十二月三十一日	-	-	53,864
At 31 December 2017	於二零一七年十二月三十一日	-	-	44,525

The recurring fair value measurements for buildings are included in level 3 of the fair value hierarchy. The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer. There were no transfers between levels 1, 2 and 3 during the year.

The movement of buildings stated at fair value using significant unobservable inputs (level 3) is as follows:

下表以估值法分析按公允值列帳之樓宇。

## 14 物業、廠房及設備 (續)

樓宇之經常性公允值計量被包括於公允值等級第三級之內。本集團政策為於導致轉撥之事件發生或情況變化當日，確認由公允值等級之轉入及轉出。年內第一級、第二級及第三級之間並無轉撥。

按使用重大不可觀察之輸入資料 (第三級) 計量之公允值呈列之樓宇變動如下：

		Buildings 樓宇	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At 1 January	於一月一日	44,525	42,556
Additions	添置	275	-
Disposals	出售	(155)	-
Depreciation	折舊	(3,918)	(3,503)
Net gains from fair value adjustment	公允值調整產生之淨收益	14,006	4,097
Currency translation differences	匯兌差額	(869)	1,375
At 31 December	於十二月三十一日	53,864	44,525

## Notes to the Financial Statements 財務報表附註

### 14 PROPERTIES, PLANT AND EQUIPMENT (Continued)

In other comprehensive income, fair value gain of properties, plant and equipment, net of tax comprise:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Net gains from fair value adjustment	公允值調整產生之淨收益	14,006	4,097
Deferred tax (Note 23)	遞延所得稅 (附註23)	(3,501)	(1,025)
Total fair value gains for the year included in other comprehensive income, net of tax	計入其他全面收入之年內公允值總收益·扣除稅項	10,505	3,072

The details of significant unobservable inputs are as follows:

於其他全面收入內·物業·廠房及設備之公允值收益·扣除稅項包括:

重大不可觀察之輸入資料詳列如下:

Unobservable inputs 不可觀察之輸入資料	Range of unobservable inputs 不可觀察之輸入資料之範圍	Relationship of unobservable inputs to fair value 不可觀察之輸入資料與公允值之關係
Construction costs per square meter – Based on the type of building structure (steel structure/reinforced concrete structure) and taking into account market data on current construction costs for similar properties located in nearby cities 每平方米建築成本 – 根據樓宇結構類型(鋼結構/鋼筋混凝土結構)並計及位於鄰近城市之類似物業目前建築成本之市場資料	RMB1,540 per square meter (2017: RMB1,170 per square meter) for steel structure and RMB1,705 per square meter (2017: RMB1,350 per square meter) for reinforced concrete structure 鋼結構為每平方米人民幣1,540元(二零一七年:每平方米人民幣1,170元)·鋼筋混凝土結構為每平方米人民幣1,705元(二零一七年:每平方米人民幣1,350元)	The higher the construction cost per square meter, the higher the fair value 每平方米建築成本越高·公允值越高
Economic life of buildings – Taking into account the estimated useful life of buildings depending on the building structure (steel structure/reinforced concrete structure) 樓宇之經濟壽命 – 計及根據樓宇結構類型(鋼結構/鋼筋混凝土結構)之樓宇估計可使用年期	40 years for steel structure and 50 years for reinforced concrete structure (2017: same) 鋼結構為40年·鋼筋混凝土結構為50年(二零一七年:相同)	The longer the useful life, the higher the fair value 可使用年期越長·公允值越高

There were no changes to the valuation techniques during the year.

年內估值技術概無變動。

Certain buildings with carrying amounts of HK\$28,359,000 (2017: HK\$23,441,000) were used to secure for the Group's bank borrowing as at 31 December 2018 (Note 25).

於二零一八年十二月三十一日·若干帳面值為28,359,000港元(二零一七年:23,441,000港元)的樓宇被用作本集團銀行貸款的抵押品(附註25)。

## 15 INVESTMENT IN AN ASSOCIATE

## (a) Investment in an associate

In July 2017, the Group completed the acquisition of 41.45% equity interest in Exellar Limited (formerly known as United Security Solutions International Limited) ("Exellar") for a consideration of US\$4,101,615 (approximately HK\$31,992,597). Goodwill of HK\$5,850,000 was included in investment in an associate at 31 December 2017.

Exellar and its subsidiaries ("Exellar Group") was principally engaged in the provision of global risk management solutions and security services. As a result of the significant deterioration of the performance of Exellar Group due to the loss of a major customer contract during the year ended 31 December 2018, the Group's share of result of this associate amounted to HK\$26,065,000 for the year ended 31 December 2018, effectively bringing the carrying value of the investment to zero as of 31 December 2018.

## 15 於一間聯營企業之投資

## (a) 於一間聯營企業之投資

於二零一七年七月，本集團完成收購合毅國際風險諮詢有限公司（前稱為絲路聯合國際風險管理有限公司）（「合毅」）之41.45%股權，其代價為4,101,615美元（約31,992,597港元）。於二零一七年十二月三十一日，於一間聯營企業之投資包括商譽為5,850,000港元。

合毅及其附屬公司（「合毅集團」）主要從事提供全球風險管理及安保服務。截至二零一八年十二月三十一日止年度，由於主要客戶合約的失去而導致合毅集團表現明顯變差。截至二零一八年十二月三十一日止年度，本集團分佔該聯營企業之業績為26,065,000港元。截至二零一八年十二月三十一日，有效地將投資的帳面值降至零。

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
As at 1 January	於一月一日	26,065	-
Acquisition	收購	-	31,993
Share of loss	分攤虧損	(26,065)	(5,723)
Currency translation difference	匯兌差額	-	(205)
As at 31 December	於十二月三十一日	-	26,065

The Group's management relied on the financial information provided by management of Exellar to account for the result of Exellar shared by the Group and to assess the impairment of its investment in and loans to Exellar. However, current management of Exellar did not have access to, and therefore they were not able to provide to the Group, a set of complete and accurate accounting records.

本集團管理層依賴合毅國際管理層提供的財務資料將本集團分佔合毅國際的業績入帳，並評估於合毅國際之投資及提供予合毅國際之貸款的減值。然而，合毅國際目前的管理層並無一套完整及準確之會計帳簿，故無法向本集團提供該等帳簿。

## 15 INVESTMENT IN AN ASSOCIATE (Continued)

## (a) Investment in an associate (Continued)

Details of the Group's investment in an associate as at 31 December 2018 are as follows:

*Summarised balance sheet*

Name of entity 企業名稱	Principal activities 主營業務	Country of incorporation 註冊成立地點	% of ownership interest 權益百分比	Measurement method 計量方法
<b>Shares held indirectly:</b> 間接持有之權益：				
Exellar Limited (formerly United Security Solutions International Limited)	Provision of global risk management solutions	Hong Kong	41.45%	Equity
合毅國際風險諮詢有限公司 (前稱為絲路聯合國際風險 管理有限公司)	提供全球風險管理服務	香港		權益法
USSGRP Singapore Pte. Limited	Provision of global risk management solutions 提供全球風險管理服務	Singapore 新加坡	41.45%	Equity 權益法
Unity Resources Group Pte. Limited	Provision of global risk management solutions 提供全球風險管理服務	Singapore 新加坡	33.16%	Equity 權益法

As the associate is a private entity, there is no quoted price available.

## 15 於一間聯營企業之投資 (續)

## (a) 於一間聯營企業之投資 (續)

本集團於二零一八年十二月三十一日於一間聯營企業之投資詳列如下：

*摘要資產負債表*

Name of entity 企業名稱	Principal activities 主營業務	Country of incorporation 註冊成立地點	% of ownership interest 權益百分比	Measurement method 計量方法
<b>Shares held indirectly:</b> 間接持有之權益：				
Exellar Limited (formerly United Security Solutions International Limited)	Provision of global risk management solutions	Hong Kong	41.45%	Equity
合毅國際風險諮詢有限公司 (前稱為絲路聯合國際風險 管理有限公司)	提供全球風險管理服務	香港		權益法
USSGRP Singapore Pte. Limited	Provision of global risk management solutions 提供全球風險管理服務	Singapore 新加坡	41.45%	Equity 權益法
Unity Resources Group Pte. Limited	Provision of global risk management solutions 提供全球風險管理服務	Singapore 新加坡	33.16%	Equity 權益法

由於該聯營企業為私營實體，因此並無任何可用的報價。

## 15 INVESTMENT IN AN ASSOCIATE (Continued)

## (a) Investment in an associate (Continued)

Set out below are the summarised financial information of an associate which is accounted for using equity method.

*Summarised balance sheet*

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Current</b>	<b>流動</b>		
Assets	資產	37,575	40,828
Current liabilities	負債	(47,461)	(42,910)
		<b>(9,886)</b>	(2,082)
<b>Non-current</b>	<b>非流動</b>		
Assets	資產	34	64,993
Liabilities	負債	(2,127)	(5,489)
		<b>(2,093)</b>	59,504
Total identifiable net (liabilities)/assets	可識別淨(負債)/資產總額	<b>(11,979)</b>	57,422
Non-controlling interests	非控制性權益	<b>(5,261)</b>	(8,652)
		<b>(17,240)</b>	48,770

## 15 於一間聯營企業之投資(續)

## (a) 於一間聯營企業之投資(續)

按權益法入帳之一間聯營企業之摘要財務資料如下：

*摘要資產負債表*

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Current</b>		
Assets	37,575	40,828
Current liabilities	(47,461)	(42,910)
	<b>(9,886)</b>	(2,082)
<b>Non-current</b>		
Assets	34	64,993
Liabilities	(2,127)	(5,489)
	<b>(2,093)</b>	59,504
Total identifiable net (liabilities)/assets	<b>(11,979)</b>	57,422
Non-controlling interests	<b>(5,261)</b>	(8,652)
	<b>(17,240)</b>	48,770

## 15 INVESTMENT IN AN ASSOCIATE (Continued)

## (a) Investment in an associate (Continued)

## Summarised statement of comprehensive income

		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	158,309	76,146
Depreciation	折舊	(3,537)	(5,471)
Expenses	開支	(226,673)	(84,481)
Loss for the year	期內虧損	(71,901)	(13,806)
Other comprehensive income	其他綜合收入	-	-
Total loss for the year	總期內虧損	(71,901)	(13,806)
Attributable to:	歸屬於：		
- the Group	- 本集團	(68,510)	(13,367)
- non-controlling interest	- 非控制性權益	(3,391)	(439)
Total loss for the year	總年度虧損	(71,901)	(13,806)

There were no commitment and contingent liabilities relating to the Group's interest in an associate as at 31 December 2018 and 2017.

## Reconciliation of summarised financial information

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Opening net assets as at 1 January/ acquisition date	於一月一日／收購日之期初淨資產	57,422	68,890
Non-controlling interest	非控制性權益	(8,652)	(9,091)
Opening net assets acquired as at 1 January/acquisition date	於一月一日／收購日之已收購期初淨 資產	48,770	59,799
Loss for the year/period attributable to the Group	歸屬於本集團之年度／期內虧損	(68,510)	(13,367)
Other comprehensive income	其他全面收入	2,500	2,338
Closing net assets	期末淨資產	(17,240)	48,770
Interest in an associate @ 41.45%	於一間聯營企業權益 @ 41.45%	(7,146)	20,215
Unrecognised share of loss of an associate	未確認應佔一間聯營企業之虧損	7,146	-
Goodwill	商譽	-	5,850
Carrying value	帳面值	-	26,065

## 15 於一間聯營企業之投資 (續)

## (a) 於一間聯營企業之投資 (續)

## 摘要綜合收入報表

		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	158,309	76,146
Depreciation	折舊	(3,537)	(5,471)
Expenses	開支	(226,673)	(84,481)
Loss for the year	期內虧損	(71,901)	(13,806)
Other comprehensive income	其他綜合收入	-	-
Total loss for the year	總期內虧損	(71,901)	(13,806)
Attributable to:	歸屬於：		
- the Group	- 本集團	(68,510)	(13,367)
- non-controlling interest	- 非控制性權益	(3,391)	(439)
Total loss for the year	總年度虧損	(71,901)	(13,806)

於二零一八年及二零一七年十二月三十一日，本集團於一間聯營企業之投資並無承擔及或然負債。

## 摘要財務資料之調節

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Opening net assets as at 1 January/ acquisition date	於一月一日／收購日之期初淨資產	57,422	68,890
Non-controlling interest	非控制性權益	(8,652)	(9,091)
Opening net assets acquired as at 1 January/acquisition date	於一月一日／收購日之已收購期初淨 資產	48,770	59,799
Loss for the year/period attributable to the Group	歸屬於本集團之年度／期內虧損	(68,510)	(13,367)
Other comprehensive income	其他全面收入	2,500	2,338
Closing net assets	期末淨資產	(17,240)	48,770
Interest in an associate @ 41.45%	於一間聯營企業權益 @ 41.45%	(7,146)	20,215
Unrecognised share of loss of an associate	未確認應佔一間聯營企業之虧損	7,146	-
Goodwill	商譽	-	5,850
Carrying value	帳面值	-	26,065

**15 INVESTMENT IN AN ASSOCIATE (Continued)****(b) Loans to an associate**

During the year ended 31 December 2018, the Group has advanced three loans totalling US\$673,000 (equivalent to HK\$5,217,000) to Exellar. These loans are unsecured, bear interest at 8% – 10% per annum and are repayable within one year. Considering that Exellar Group is at a net liability position as at 31 December 2018, the Group has made a full provision against these three loans together with accumulated interest, amounted to HK\$5,445,000 for the year ended 31 December 2018.

**16 INVESTMENT IN A JOINT VENTURE**

At 1 January  
Share of loss  
Impairment

於一月一日  
分攤虧損  
減值

**2018**  
**二零一八年**  
**HK\$'000**  
**千港元**

2017  
二零一七年  
HK\$'000  
千港元

At 31 December

於十二月三十一日

-

-

Details of the Group's joint venture as at 31 December 2018 are as follows:

於二零一八年十二月三十一日本集團之合營企業詳列如下：

<b>Name of entity</b> 企業名稱	<b>Place of business/ country of incorporation</b> 經營地點 / 註冊成立地點	<b>Principal activities</b> 主營業務	<b>% of ownership interest</b> 權益百分比	<b>Measurement method</b> 計量方法
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Shares held indirectly:  
間接持有之權益：

Phoenix Cloud (Beijing) Technologies Company Limited*	PRC, limited liability by share company	Sale and development of smart card application products in Mainland China	24.75%	Equity
鳳凰雲(北京)科技股份有限公司	中華人民共和國, 股份有限公司	於中國大陸從事銷售及開發智能卡應用產品		權益法

\* For identification purpose

\* 僅供識別

As the joint venture is a private entity, there is no quoted price available.

由於該合營企業為私營實體，因此沒有可用的報價。

**15 於一間聯營企業之投資 (續)****(b) 貸款予一間聯營企業**

截至二零一八年十二月三十一日止年度，本集團已向合毅提供三筆總額為673,000美元（相當於5,217,000港元）的貸款。此等貸款為無抵押，年利率為8%-10%，並在一年內償還。考慮到合毅集團於二零一八年十二月三十一日處於淨負債狀況，本集團已就該三筆貸款連同累計利息作出全額撥備，截至二零一八年十二月三十一日止年度金額為5,445,000港元。

**16 於一間合營企業之投資**

## 16 INVESTMENT IN A JOINT VENTURE (Continued)

Set out below are the summarised financial information of a joint venture which is accounted for using equity method.

## Summarised balance sheet

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Current</b>	<b>流動</b>		
Cash and cash equivalents	現金及現金等值項目	1,908	903
Current assets (excluding cash and cash equivalents)	流動資產 (不包括現金及現金等值項目)	828	9,280
Total current assets	總流動資產	2,736	10,183
Current liabilities	流動負債	(9,044)	(11,488)
<b>Non-current</b>	<b>非流動</b>		
Assets	資產	-	145
Net liabilities	淨負債	(6,308)	(1,160)

## Summarised statement of comprehensive income

		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	10,997	4,053
Depreciation	折舊	(93)	(126)
Expenses	開支	(16,354)	(25,465)
Loss for the year	年度虧損	(5,450)	(21,538)
Other comprehensive income/(loss)	其他綜合收入/(虧損)	302	(79)
Total loss for the year	總年度虧損	(5,148)	(21,617)

## 16 於一間合營企業之投資 (續)

按權益法入帳之一間合營企業之摘要財務資料如下：

## 摘要資產負債表

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>流動</b>		
現金及現金等值項目	1,908	903
流動資產 (不包括現金及現金等值項目)	828	9,280
總流動資產	2,736	10,183
流動負債	(9,044)	(11,488)
<b>非流動</b>		
資產	-	145
淨負債	(6,308)	(1,160)

## 摘要綜合收入報表

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
收益	10,997	4,053
折舊	(93)	(126)
開支	(16,354)	(25,465)
年度虧損	(5,450)	(21,538)
其他綜合收入/(虧損)	302	(79)
總年度虧損	(5,148)	(21,617)

## 16 INVESTMENT IN A JOINT VENTURE (Continued)

There were no commitment and contingent liabilities relating to the Group's interests in a joint venture as at 31 December 2018.

## Reconciliation of summarised financial information

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Opening net (liabilities)/assets as at 1 January	於一月一日之期初淨(虧損)/資產	(1,160)	20,457
Loss for the year	年度虧損	(5,450)	(21,538)
Other comprehensive income/(loss)	其他全面收入/(虧損)	302	(79)
Closing net liabilities	期末淨負債	(6,308)	(1,160)
Interest in a joint venture @ 24.75%	於一間合營企業權益 @ 24.75%	(1,561)	(287)
Goodwill	商譽	-	17,935
Currency translation difference	匯兌差額	-	(2,001)
Unrecognised share of loss of a joint venture	未確認應佔一間合營企業之虧損	1,561	-
Impairment	減值	-	(15,647)
Carrying value	帳面值	-	-

## 17 LAND USE RIGHTS

The Group's land use rights represent prepaid operating lease payments and their net book values are analysed as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Balance as at 1 January	於一月一日之結餘	9,881	12,849
Amortisation of prepaid operating lease payments	攤銷預付經營租賃款項	(253)	(309)
Disposal of a land use right	出售土地使用權	-	(3,384)
Currency translation differences	匯兌差額	(483)	725
Balance as at 31 December	於十二月三十一日之結餘	9,145	9,881

During the year ended 31 December 2017, the Group had disposed a land use right located in Mainland China with a carrying amount of HK\$3,384,000 to the Mainland China government with proceed of HK\$7,069,000, resulting in a gain on disposal of a land use right of HK\$3,685,000 (Note 6).

Certain land use right with carrying amount of HK\$5,367,000 (2017: HK\$5,799,000) was used to secure the Group's bank borrowing as at 31 December 2018 (Note 25).

## 16 於一間合營企業之投資(續)

於二零一八年十二月三十一日，本集團於一間合營企業之投資並無承擔及或然負債。

## 摘要財務資料之調節

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Opening net (liabilities)/assets as at 1 January	於一月一日之期初淨(虧損)/資產	(1,160)	20,457
Loss for the year	年度虧損	(5,450)	(21,538)
Other comprehensive income/(loss)	其他全面收入/(虧損)	302	(79)
Closing net liabilities	期末淨負債	(6,308)	(1,160)
Interest in a joint venture @ 24.75%	於一間合營企業權益 @ 24.75%	(1,561)	(287)
Goodwill	商譽	-	17,935
Currency translation difference	匯兌差額	-	(2,001)
Unrecognised share of loss of a joint venture	未確認應佔一間合營企業之虧損	1,561	-
Impairment	減值	-	(15,647)
Carrying value	帳面值	-	-

## 17 土地使用權

本集團之土地使用權代表預付經營租賃款項，其帳面淨值分析如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Balance as at 1 January	於一月一日之結餘	9,881	12,849
Amortisation of prepaid operating lease payments	攤銷預付經營租賃款項	(253)	(309)
Disposal of a land use right	出售土地使用權	-	(3,384)
Currency translation differences	匯兌差額	(483)	725
Balance as at 31 December	於十二月三十一日之結餘	9,145	9,881

截至二零一七年十二月三十一日止年度，本集團以7,069,000港元出售位於中國大陸帳面值為3,384,000港元的土地使用權給中國大陸政府，因而獲得3,685,000港元之出售土地使用權收益(附註6)。

於二零一八年十二月三十一日，部份帳面值為5,367,000港元(二零一七年：5,799,000港元)的土地使用權被用作本集團銀行貸款的抵押品(附註25)。

## 18 FINANCIAL INSTRUMENTS BY CATEGORY

The Group holds the following financial instruments:

## 18 按類別之金融工具

本集團持有以下金融工具：

		Financial assets at amortised cost 按攤銷成本列帳之金融資產 HK\$'000 千港元	Financial assets at fair value through profit or loss 按公允值計入損益帳之金融資產 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>Financial assets</b>	<b>金融資產</b>			
<b>31 December 2018</b>	<b>於二零一八年十二月三十一日</b>			
Trade and other receivables excluding prepayments	除預付款項之貿易及其他應收款項	32,507	-	32,507
Financial assets at fair value through profit or loss	按公允值計入損益帳之金融資產	-	2,337	2,337
Cash and cash equivalents	現金及現金等值項目	71,084	-	71,084
		<b>103,591</b>	<b>2,337</b>	<b>105,928</b>
31 December 2017	於二零一七年十二月三十一日			
Trade and other receivables excluding prepayments	除預付款項之貿易及其他應收款項	62,180	-	62,180
Financial assets at fair value through profit or loss	按公允值計入損益帳之金融資產	-	3,518	3,518
Cash and cash equivalents	現金及現金等值項目	67,456	-	67,456
		<b>129,636</b>	<b>3,518</b>	<b>133,154</b>

18 FINANCIAL INSTRUMENTS BY CATEGORY  
(Continued)

## 18 按類別之金融工具 (續)

		Financial liabilities at amortised cost 按攤銷成本列帳之金融負債 HK\$'000 千港元
<b>Financial liabilities</b>	<b>金融負債</b>	
<b>31 December 2018</b>	<b>於二零一八年十二月三十一日</b>	
Trade and other payables	貿易及其他應付款項	64,759
Borrowing	貸款	5,682
		<b>70,441</b>
31 December 2017	於二零一七年十二月三十一日	
Trade and other payables	貿易及其他應付款項	59,838
Borrowing	貸款	5,952
		<b>65,790</b>

## 19 INVENTORIES

## 19 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	8,575	12,607
Work in progress	半製成品	30,058	25,706
Finished goods	製成品	21,196	11,947
		<b>59,829</b>	<b>50,260</b>

The cost of inventories recognised as expenses and included in cost of goods sold amounted approximately HK\$157,496,000 (2017: HK\$120,556,000).

確認為開支及計入銷貨成本之存貨成本約為157,496,000港元(二零一七年: 120,556,000港元)。

## 20 TRADE AND OTHER RECEIVABLES

## 20 貿易及其他應收款項

		2018 二零一八年			2017 二零一七年		
		Current 流動 HK\$'000 千港元	Non-current 非流動 HK\$'000 千港元	Total 總計 HK\$'000 千港元	Current 流動 HK\$'000 千港元	Non-current 非流動 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Trade receivables	貿易應收款項	24,810	-	24,810	42,142	-	42,142
Other receivables	其他應收款項	6,999	-	6,999	7,839	-	7,839
Other loan	其他貸款	-	-	-	-	11,423	11,423
Deposits	按金	698	-	698	121	655	776
Financial assets at amortised cost	按攤銷成本列帳 之金融資產	7,697	-	7,697	7,960	12,078	20,038
Prepayments	預付款項	2,416	-	2,416	1,975	3,328	5,303
Total trade and other receivables	貿易及其他應收 款項總額	34,923	-	34,923	52,077	15,406	67,483

Due to the short-term nature of the current receivables, their carrying amounts is considered to be the same as their fair values. For the non-current deposits, the fair values are also not significantly different to their carrying amounts.

Majority of the Group's trade receivable are with credit terms ranging from 30 to 45 days. The ageing of trade receivables based on invoice date, is as follows:

流動應收款項因屬短期性質，故其帳面值與公允值相若。非流動按金之公允值與其帳面值之差異不大。

本集團大部份貿易應收款項之信貸期介乎30至45日。貿易應收款項按發票日期之帳齡分析如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within 30 days	30日內	16,699	28,284
31-60 days	31-60日	8,087	10,233
61-90 days	61-90日	-	2,848
Over 90 days	超過90日	24	777
		24,810	42,142

**20 TRADE AND OTHER RECEIVABLES (Continued)**

The ageing of trade receivables past due but not considered to be impaired is shown below. These past due receivables relate to a number of independent customers for whom there is no recent history of default.

Within 30 days	30日內
31-60 days	31-60日
61-90 days	61-90日
Over 90 days	超過90日

The maximum exposure to credit risk at the reporting date was the carrying amount of trade receivables mentioned above. The Group did not hold any collateral as security.

The other receivables generally arise from transactions outside the usual operating activities of the Group. Collateral is not obtained.

The carrying amounts of the trade and other receivables excluding prepayments were denominated in the following currencies:

HK\$	港幣
RMB	人民幣
US\$	美元

**20 貿易及其他應收款項 (續)**

已逾期但被視為無減值之貿易應收款項帳齡如下。此等已逾期應收款項涉及多個獨立客戶，其近期並無欠款記錄。

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
	<b>6,401</b>	10,048
	-	3,338
	<b>6</b>	34
	<b>18</b>	-
	<b>6,425</b>	13,420

於報告日期之最高信貸風險為上述貿易應收款項之帳面值。本集團並無持有任何抵押品作抵押。

其他應收款項一般來自本集團日常經營活動以外之交易。抵押品並未獲得。

除預付款項之貿易應收及其他應收款項之帳面值乃以下列貨幣列值：

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
	<b>1,698</b>	2,049
	<b>5,909</b>	6,445
	<b>24,900</b>	53,686
	<b>32,507</b>	62,180

**21 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**

Equity investments that are held for trading include the following:

Hong Kong listed equity securities 於香港上市之股本證券

Changes in fair values of financial assets at fair value through profit or loss are recorded in “revenue” in the consolidated income statement with losses of HK\$1,181,000 (2017: gains of HK\$15,044,000).

Financial assets at fair value through profit or loss was denominated in HK\$ (2017: same) and are presented within “operating activities” as part of changes in working capital in the consolidated cash flows statement (Note 28).

The fair values of all equity securities are based on their current bid prices in an active market and the Group are exposed to price risk (Note 3).

**22 CASH AND CASH EQUIVALENTS**

Cash at banks and in hand 銀行及手頭現金

The Group’s bank balances of HK\$5,304,000 (2017: HK\$3,598,000) were deposited with banks in the Mainland China. The remittance of these funds out of the Mainland China is subject to the exchange control restrictions imposed by the Mainland China government.

**21 按公允值計入損益帳之金融資產**

持作交易的權益投資包括以下：

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
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<b>2,337</b>	3,518
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按公允值計入損益帳之金融資產之公允值變動，並計入綜合收入報表之「收益」為1,181,000港元之虧損（二零一七年：15,044,000港元之收益）。

按公允值計入損益帳之金融資產以港幣列值（二零一七年：相同）及於「經營活動」內呈列，作為現金流轉表內營運資金變動之一部份（附註28）。

所有股本證券之公允值均以其現時交投活躍市場之競價為基準，本集團因而面對價格風險（附註3）。

**22 現金及現金等值項目**

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
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<b>71,084</b>	67,456
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本集團之銀行結餘5,304,000港元（二零一七年：3,598,000港元）已存入於中國大陸之銀行。將此等資金匯出中國大陸須受到中國大陸政府實施之外匯監控所限制。

**22 CASH AND CASH EQUIVALENTS (Continued)**

The carrying amount of the cash and cash equivalents were denominated in the following currencies:

HK\$	港元
RMB	人民幣
US\$	美元
Others	其他

**22 現金及現金等值項目 (續)**

現金及現金等值項目之帳面值乃以下列貨幣列值：

<b>2018</b>	2017
<b>二零一八年</b>	二零一七年
<b>HK\$'000</b>	HK\$'000
<b>千港元</b>	千港元

<b>17,814</b>	49,639
<b>5,366</b>	3,598
<b>47,852</b>	14,161
<b>52</b>	58

<b>71,084</b>	<b>67,456</b>
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**23 DEFERRED INCOME TAX**

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. As of 31 December 2018 and 2017, no deferred income tax assets and liabilities were offset.

**23 遞延所得稅**

當有法定可執行權利將當期稅項資產與當期稅項負債抵銷，且遞延所得稅涉及同一財政機關，則可將遞延所得稅資產及負債抵銷。於二零一八年及二零一七年十二月三十一日，並無抵銷遞延所得稅資產及負債。

<b>2018</b>	2017
<b>二零一八年</b>	二零一七年
<b>HK\$'000</b>	HK\$'000
<b>千港元</b>	千港元

Deferred income tax liabilities	遞延所得稅負債
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<b>11,820</b>	<b>8,319</b>
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**23 DEFERRED INCOME TAX (Continued)**

The movement in deferred income tax liabilities during the year is as follows:

		Fair value gains of buildings 樓宇之 公允值收益 HK\$'000 千港元
Balance as at 1 January 2017	於二零一七年一月一日之結餘	7,294
Debited to equity	於權益扣除	1,025
At 31 December 2017	於二零一七年十二月三十一日	8,319
Balance as at 1 January 2018	於二零一八年一月一日之結餘	<b>8,319</b>
Debited to equity	於權益扣除	<b>3,501</b>
At 31 December 2018	於二零一八年十二月三十一日	<b>11,820</b>

Deferred income tax assets are recognised for tax loss carry-forwards to the extent that realisation of the related tax benefit through the future taxable profits is probable. The Group did not recognise deferred income tax assets of HK\$28,222,000 (2017: HK\$26,778,000) in respect of losses amounting to HK\$141,257,000 (2017: HK\$131,371,000) that can be carried forward against future taxable income because their utilisation is not considered probable. Cumulative tax losses of HK\$83,443,000 (2017: HK\$71,348,000) can be carried forward indefinitely while tax losses of HK\$57,815,000 (2017: HK\$60,023,000) will expire as follows:

年內之遞延所得稅負債變動如下：

遞延所得稅資產僅會於有關之稅項利益有可能透過未來應課稅溢利變現時，就結轉稅項虧損確認。由於認為不可能動用遞延所得稅資產，本集團並無確認涉及141,257,000港元（二零一七年：131,371,000港元）之虧損之遞延所得稅資產28,222,000港元（二零一七年：26,778,000港元），其可供結轉用以抵銷日後應課稅收入。累計稅項虧損83,443,000港元（二零一七年：71,348,000港元）可無限期結轉，而稅項虧損57,815,000港元（二零一七年：60,023,000港元）將於以下年度內到期：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Expiring in	於以下年度內到期		
2018	二零一八年	-	7,612
2019	二零一九年	7,067	7,403
2020	二零二零年	22,402	23,469
2021	二零二一年	20,560	21,539
2022	二零二二年	-	-
2023	二零二三年	7,786	-
Total	總計	<b>57,815</b>	60,023

## 24 TRADE AND OTHER PAYABLES

Trade payables	貿易應付款項
Consideration payable for acquisition of an associate	應付收購一間聯營企業之代價
Accruals and other payables	應計費用及其他應付款項
Bonus payable (Note)	應付獎金(附註)

Note:

In January 2019, approximately HK\$4,717,000 of bonus payable are re-designated as employees' loan advances to the Company. These employees' loan advances shall be repayable by January 2020 and carry interest with reference to the Group's lending rate from a bank in the Mainland China.

Trade payables are unsecured and are usually paid within 30 days of recognition.

The ageing of the trade payables, based on invoice date, was as follows:

Within 30 days	30日內
31-60 days	31-60日
61-90 days	61-90日
Over 90 days	超過90日

Trade and other payables were denominated in the following currencies:

HK\$	港元
RMB	人民幣
US\$	美元

The carrying amounts of trade and other payables approximated their fair values due to their short term nature.

## 24 貿易及其他應付款項

<b>2018</b>	2017
<b>二零一八年</b>	二零一七年
<b>HK\$'000</b>	HK\$'000
<b>千港元</b>	千港元

<b>38,209</b>	39,550
<b>-</b>	1,004
<b>17,116</b>	19,284
<b>9,434</b>	-

<b>64,759</b>	59,838
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附註:

於二零一九年一月，約4,717,000港元之應付獎金重新指定為僱員向本公司提供的貸款。該等僱員的貸款須於二零二零年一月償還，並參照本集團來自一間中國大陸銀行的貸款利率計息。

貿易應付款項為無抵押，通常於確認後30日內支付。

貿易應付款項按發票日期之帳齡如下：

<b>2018</b>	2017
<b>二零一八年</b>	二零一七年
<b>HK\$'000</b>	HK\$'000
<b>千港元</b>	千港元

<b>15,960</b>	23,063
<b>17,151</b>	14,000
<b>4,030</b>	1,369
<b>1,068</b>	1,118

<b>38,209</b>	39,550
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貿易及其他應付款項乃以下列貨幣列值：

<b>2018</b>	2017
<b>二零一八年</b>	二零一七年
<b>HK\$'000</b>	HK\$'000
<b>千港元</b>	千港元

<b>15,237</b>	2,583
<b>49,083</b>	54,437
<b>439</b>	2,818

<b>64,759</b>	59,838
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貿易及其他應付款項因屬短期性質，故其帳面值與公允值相若。

## 25 BORROWING

Current	流動
Bank loan – secured	銀行貸款－有抵押

The bank loan was repayable within one year. The weighted average interest rate during the year ended 31 December 2018 was 7.2% (2017: 7.5%). As at 31 December 2018, the borrowing was secured by the certain buildings and land use right with carrying amounts of HK\$28,359,000 (2017: HK\$23,441,000) (Note 14) and HK\$5,367,000 (2017: HK\$5,799,000) (Note 17) respectively.

As at 31 December 2018, the Group has available unutilised banking facility of approximately HK\$5,682,000 (2017: HK\$5,952,000).

The carrying amount of the borrowing at 31 December 2018 was denominated in RMB and approximated to its fair value (2017: same).

## 25 貸款

<b>2018</b>	2017
<b>二零一八年</b>	二零一七年
<b>HK\$'000</b>	HK\$'000
<b>千港元</b>	千港元

<b>5,682</b>	<b>5,952</b>
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銀行貸款須於一年內償還。截至二零一八年十二月三十一日止年度，加權平均利率為7.2%（二零一七年：7.5%）。於二零一七年十二月三十一日，貸款分別以帳面值為28,359,000港元（二零一七年：23,441,000港元）（附註14）之部份樓宇及5,367,000港元（二零一七年：5,799,000港元）（附註17）之土地使用權作為抵押。

於二零一八年十二月三十一日，本集團尚有可用的銀行融資額約5,682,000港元（二零一七年：5,952,000港元）。

於二零一八年十二月三十一日，貸款之帳面值乃以人民幣列值及與其公允值相若（二零一七年：相同）。

## 26 SHARE CAPITAL

Ordinary shares	普通股
At 1 January and 31 December	於一月一日及十二月三十一日

<b>2018</b>	2017	<b>2018</b>	2017
<b>二零一八年</b>	二零一七年	<b>二零一八年</b>	二零一七年
<b>Number</b>	Number	<b>Share capital</b>	Share capital
<b>of shares</b>	of shares	<b>股本</b>	股本
<b>股份數目</b>	股份數目	<b>HK\$'000</b>	HK\$'000
<b>(Thousands)</b>	(Thousands)	<b>千港元</b>	千港元
<b>(千股)</b>	(千股)	<b>千港元</b>	千港元

<b>818,042</b>	818,042	<b>81,804</b>	81,804
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## 27 OTHER RESERVES

## 27 其他儲備

		Share premium	Exchange translation reserve	Fixed assets revaluation reserve	Merger reserve	Total
		股份溢價 HK\$'000 千港元	匯兌儲備 HK\$'000 千港元	固定資產 重估儲備 HK\$'000 千港元	合併儲備 HK\$'000 千港元	總計 HK\$'000 千港元
As at 1 January 2017	於二零一七年一月一日	217,761	(36,260)	21,884	(200)	203,185
Other comprehensive income	其他全面收入					
Revaluation gain, net of tax	重估收益·扣除稅項	-	-	3,072	-	3,072
Currency translation differences arising on the translation of the financial statements of overseas subsidiaries	換算海外附屬公司財務報表產生之匯兌差額	-	1,135	-	-	1,135
Total other comprehensive income	其他全面收入總額	-	1,135	3,072	-	4,207
At 31 December 2017	於二零一七年十二月三十一日	217,761	(35,125)	24,956	(200)	207,392
At 1 January 2018	於二零一八年一月一日	<b>217,761</b>	<b>(35,125)</b>	<b>24,956</b>	<b>(200)</b>	<b>207,392</b>
Other comprehensive income	其他全面收入					
Revaluation gain, net of tax	重估收益·扣除稅項	-	-	10,505	-	10,505
Currency translation differences arising on the translation of the financial statements of overseas subsidiaries	換算海外附屬公司財務報表產生之匯兌差額	-	(1,580)	-	-	(1,580)
Total other comprehensive income	其他全面收入總額	-	(1,580)	10,505	-	8,925
At 31 December 2018	於二零一八年十二月三十一日	<b>217,761</b>	<b>(36,705)</b>	<b>35,461</b>	<b>(200)</b>	<b>216,317</b>

## 28 NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

## 28 綜合現金流轉表附註

Reconciliation of loss before income tax to net cash generated from/ (used in) operations is as follows:

除所得稅前虧損與經營產生/(所用)之現金淨額之對帳如下:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Loss before income tax	除所得稅前虧損	(50,615)	(29,956)
Depreciation of properties, plant and equipment	物業、廠房及設備折舊	5,986	4,815
Losses on disposals of properties, plant and equipment	出售物業、廠房及設備之虧損	576	104
Gain on disposal of a land use right	出售土地使用權之收益	-	(3,685)
Amortisation of land use rights	土地使用權攤銷	253	309
Share of result of an associate	分佔一間聯營企業之虧損	26,065	5,723
Share of result of a joint venture	分佔一間合營企業之虧損	-	5,331
Impairment on investment in a joint venture	於一間合營企業之投資減值	-	15,647
Impairment on loans to an associate	就授予一間聯營企業之貸款減值	5,445	-
Finance income	融資收入	(394)	(44)
Finance expense	融資開支	818	175
		<b>(11,866)</b>	<b>(1,581)</b>
Changes in working capital:	營運資金變動:		
Inventories	存貨	(9,569)	(25,133)
Trade and other receivables	貿易及其他應收款項	17,582	(26,748)
Trade and other payables	貿易及其他應付款項	5,925	30,388
Financial assets at fair value through profit or loss	按公允值計入損益帳之金融資產	1,181	104,724
Net cash generated from operations	經營產生之現金淨額	<b>3,253</b>	<b>81,650</b>

In the consolidated cash flow statement, proceeds from sale of properties, plant and equipment comprise:

於綜合現金流轉表內，出售物業、廠房及設備包括：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Net book amount (Note 14)	帳面淨值(附註14)	580	121
Losses on disposal of properties, plant and equipment	出售物業、廠房及設備之虧損	(576)	(104)
Proceeds from disposal of properties, plant and equipment	出售物業、廠房及設備所得款項	4	17

**28 NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (Continued)**

In the consolidated cash flow statement, proceed from disposal of a land use right comprise:

		<b>2018</b> <b>二零一八年</b> <b>HK\$'000</b> <b>千港元</b>	2017 二零一七年 HK\$'000 千港元
Net book amount (Note 17)	帳面淨值(附註17)	-	3,384
Gain on disposal of a land use right	出售土地使用權之收益	-	3,685
Proceed from disposal of a land use right	出售土地使用權所得款項	-	7,069

**Net debt reconciliation:**

This section sets out the reconciliation of liability from financing activities for each of the years presented.

		<b>Borrowing</b> <b>貸款</b> <b>HK\$'000</b> <b>千港元</b>
As at 1 January 2017	於二零一七年一月一日	-
Proceed from bank borrowing	銀行貸款所得款項	5,952
As at 31 December 2017 and 1 January 2018	於二零一七年十二月三十一日及二零一八年一月一日	<b>5,952</b>
Proceeds from bank borrowings	銀行貸款所得款項	<b>17,857</b>
Repayments of bank borrowings	銀行貸款還款	<b>(17,857)</b>
Exchange difference	匯兌差額	<b>(270)</b>
As at 31 December 2018	於二零一八年十二月三十一日	<b>5,682</b>

**29 COMMITMENTS****Capital Commitments**

Capital commitments at the balance sheet date but not yet incurred as follows:

		<b>2018</b> <b>二零一八年</b> <b>HK\$'000</b> <b>千港元</b>	2017 二零一七年 HK\$'000 千港元
Properties, plant and equipment	物業、廠房及設備	-	3,491

**28 綜合現金流轉表附註(續)**

於綜合現金流轉表內，出售土地使用權所得款項包括：

		<b>2018</b> <b>二零一八年</b> <b>HK\$'000</b> <b>千港元</b>	2017 二零一七年 HK\$'000 千港元
Net book amount (Note 17)	帳面淨值(附註17)	-	3,384
Gain on disposal of a land use right	出售土地使用權之收益	-	3,685
Proceed from disposal of a land use right	出售土地使用權所得款項	-	7,069

**淨債務調節：**

本節列出所呈現的每年度融資活動產生之負債調節情況。

		<b>Borrowing</b> <b>貸款</b> <b>HK\$'000</b> <b>千港元</b>
As at 1 January 2017	於二零一七年一月一日	-
Proceed from bank borrowing	銀行貸款所得款項	5,952
As at 31 December 2017 and 1 January 2018	於二零一七年十二月三十一日及二零一八年一月一日	<b>5,952</b>
Proceeds from bank borrowings	銀行貸款所得款項	<b>17,857</b>
Repayments of bank borrowings	銀行貸款還款	<b>(17,857)</b>
Exchange difference	匯兌差額	<b>(270)</b>
As at 31 December 2018	於二零一八年十二月三十一日	<b>5,682</b>

**29 承擔****資本承擔**

於結算日但尚未產生之資本承擔如下：

		<b>2018</b> <b>二零一八年</b> <b>HK\$'000</b> <b>千港元</b>	2017 二零一七年 HK\$'000 千港元
Properties, plant and equipment	物業、廠房及設備	-	3,491

**29 COMMITMENTS (Continued)****Commitments under operating leases**

The Group had future aggregate minimum lease payments for buildings and motor vehicles under non-cancellable operating leases as follows:

		<b>2018</b> <b>二零一八年</b> <b>HK\$'000</b> <b>千港元</b>	2017 二零一七年 HK\$'000 千港元
Not later than one year	一年內	<b>952</b>	2,779
Later than one year and not later than five years	一年後但不遲於五年	-	740
		<b>952</b>	3,519

**30 SUBSIDIARIES**

The following is a list of the principal subsidiaries at 31 December 2018:

Name of entity 企業名稱	Place of incorporation and kind of legal entity 註冊成立地點及法律實體類型	Principal activities and place of operation 主要業務及經營地點	Particulars of issued share capital 已發行股本資料	Percentage of interest held % 所持權益百分比
<b>Shares held directly:</b> 直接持有股份：				
Topwell Group Development Ltd.	British Virgin Islands, limited liability company 英屬處女群島·有限公司	Investment holding in Hong Kong 於香港進行投資控股	1,000 ordinary shares of US\$1 each 1,000股每股面值1美元之普通股	100
<b>Shares held indirectly:</b> 間接持有股份				
Carry Wealth Limited	Hong Kong, limited liability company 香港·有限公司	Provision of management services and investment holding in Hong Kong 於香港提供管理服務及投資控股	4,000,000 ordinary shares 4,000,000股之普通股	100
Dragon Insight Investments Limited 穎揚投資有限公司	Hong Kong, limited liability company 香港·有限公司	Securities trading in Hong Kong 於香港進行證券交易	1 ordinary share 1股之普通股	100
Hillwealth International Limited 領溢國際有限公司	Hong Kong, limited liability company 香港·有限公司	Garment trading and marketing in Hong Kong 於香港進行成衣貿易及市場推廣	1 ordinary share 1股之普通股	100

**29 承擔 (續)****經營租賃承擔**

本集團根據不可撤銷經營租賃而須於未來就樓宇及汽車支付之最低租賃款項總額如下：

**30 附屬公司**

本公司於二零一八年十二月三十一日之主要附屬公司如下：

## 30 SUBSIDIARIES (Continued)

Name of entity 企業名稱	Place of incorporation and kind of legal entity 註冊成立地點及法律實體類型	Principal activities and place of operation 主要業務及經營地點	Particulars of issued share capital 已發行股本資料	Percentage of interest held % 所持權益百分比
Mass Wealth Investments Limited 尚豪投資有限公司	Hong Kong, limited liability company 香港·有限公司	Investment holding in Hong Kong 於香港進行投資控股	1 ordinary share 1股之普通股	100
Win Sonic Investments Limited 永聲投資有限公司	Hong Kong, limited liability company 香港·有限公司	Inactive 非活躍	1 ordinary share 1股之普通股	100
鶴山恒富製衣有限公司 (Heshan Carry Wealth Garment Limited)	PRC, limited liability company 中華人民共和國·有限公司	Manufacture of knit products in Mainland China 於中國大陸生產針織服裝	US\$14,700,000 14,700,000美元	100
恒豐(深圳)投資諮詢有限公司 (Heng Feng (Shenzhen) Investment Consulting Company Limited*)	PRC, limited liability company 中華人民共和國·有限公司	Provision of consultation service in Mainland China 於中國大陸提供顧問服務	RMB5,000,000 5,000,000人民幣	100

\* For identification purpose

\* 僅供識別

Cash and short-term deposits held in Asian countries (including Mainland China) are subject to local exchange control regulations. These regulations provide for restrictions on exporting capital from those countries, other than through normal dividends.

亞洲國家(包括中國大陸)持有之現金及短期存款受當地外匯管制規定所限制。這些規定限制了從那些國家輸出资本,而不是通過正常股息。

## 31 RELATED PARTY TRANSACTIONS

(a) As at 31 December 2018 and 2017, 404,944,690 shares (49.50%) of the Company were held by Dragon Peace Limited, which is ultimately owned by Mr. Li Haifeng, a director of the Company. The directors consider Dragon Peace Limited, a company incorporated in the British Virgin Islands, to be the Company's ultimate holding company.

(b) Key management compensation

Key management of the Group comprises the executive directors of the Group.

## 31 關連方交易

(a) 於二零一八年及二零一七年十二月三十一日,本公司404,944,690股股份(49.50%)由Dragon Peace Limited持有,本公司董事李海楓先生最終擁有該公司。董事認為,Dragon Peace Limited(於英屬處女群島註冊成立之有限公司)為本公司之最終控股公司。

(b) 主要管理人員酬金

本集團主要管理人員由本集團執行董事組成。

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Salaries and other short-term employee benefits	薪酬及其他短期僱員福利	2,562	4,661
Contributions to the MPF Scheme	強積金計劃供款	33	36
		<b>2,595</b>	<b>4,697</b>

## 32 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY

## 32 本公司資產負債表及儲備變動

	Note 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>ASSETS</b>			
<b>Non-current assets</b>			
Plant and equipment		44	99
Investment in a subsidiary		-	-
Amount due from a subsidiary		159,210	200,345
		<b>159,254</b>	200,444
<b>Current assets</b>			
Other receivables		1,338	1,614
Cash and cash equivalents		1,094	1,252
		<b>2,432</b>	2,866
<b>Total assets</b>		<b>161,686</b>	203,310
<b>EQUITY</b>			
<b>Capital and reserves attributable to the Company's equity holders</b>			
Share capital		81,804	81,804
Other reserves	a	365,455	365,455
Accumulated losses	a	(286,505)	(244,815)
<b>Total equity</b>		<b>160,754</b>	202,444
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Other payables and accruals		932	866
<b>Total liabilities</b>		<b>932</b>	866
<b>Total equity and liabilities</b>		<b>161,686</b>	203,310

Li Haifeng  
李海楓  
Chairman  
主席

Wang Ke  
王科  
Executive Director  
執行董事

**32 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY (Continued)****(a) Reserve movement of the Company**

		Share premium 股份溢價 HK\$'000 千港元	Contributed surplus (i) 繳入盈餘 (i) HK\$'000 千港元	Other reserves total 其他儲備總計 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元
Balance at 1 January 2017	於二零一七年一月一日結餘	217,761	147,694	365,455	(219,066)
Loss and total other comprehensive loss for the year	虧損及年度其他全面虧損總額	-	-	-	(25,749)
Balance at 31 December 2017	於二零一七年十二月三十一日結餘	217,761	147,694	365,455	(244,815)
Balance at 1 January 2018	於二零一八年一月一日結餘	<b>217,761</b>	<b>147,694</b>	<b>365,455</b>	<b>(244,815)</b>
Loss and total other comprehensive loss for the year	虧損及年度其他全面虧損總額	-	-	-	<b>(41,690)</b>
Balance at 31 December 2018	於二零一八年十二月三十一日結餘	<b>217,761</b>	<b>147,694</b>	<b>365,455</b>	<b>(286,505)</b>

Note:

(i) The contributed surplus of the Company represents the difference between the consolidated shareholders' funds of a subsidiary acquired and the nominal value of the Company's shares issued in exchange therefor.

附註：

(i) 本公司之繳入盈餘乃指所購入該附屬公司之綜合股東資金與本公司用作交換而發行股份之面值之差額。

**33 EVENTS AFTER THE END OF REPORTING PERIOD****(a) Loans to an associate**

During January 2019, the Group has approved two loans to Exellar amounting US\$161,000 (equivalent to HK\$1,246,000). These loans are unsecured, bear interest at 10% per annum and are repayable within one year.

**(b) Litigation case**

On 22 March 2019, a minority shareholder of Exellar filed a civil action in Hong Kong against Carry Wealth Limited ("CWL") for loss and claimed that CWL has misrepresented and delayed capital injection to Exellar, which caused loss and restricted Exellar's business development. The litigation is still in progress as at the report signing date.

**33 報告期結束後事件****(a) 向聯營企業提供貸款**

於二零一九年一月期間，本集團已向合毅批准兩筆貸款金額為161,000美元（相當於1,246,000港元）。此貸款為無擔保，年利率為10%，並在一年內償還。

**(b) 訴訟案件**

二零一九年三月二十二日，合毅之少數股東針對近旺有限公司（「近旺」）在香港提起民事訴訟，要求賠償因近旺提供虛假陳述及延遲向合毅注入資本而導致合毅的虧損並限制了其業務發展。截至報告簽署日，訴訟仍在進行中。

締造**恒**優品質

源於**豐**富人材



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