



大同機械企業有限公司  
**COSMOS MACHINERY ENTERPRISES LIMITED**

Stock Code 股份代號: 118

**2018**  
**ANNUAL**  
**REPORT**  
**年報**



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# CORPORATE INFORMATION

## 公司資料

### BOARD OF DIRECTORS

#### Executive Directors

Tang To (*Chairman*)  
Wong Yiu Ming (*Executive Vice Chairman*)  
Tang Yu, Freeman (*Chief Executive Officer*)  
Mei Zheqi (*appointed on 28 August 2018*)

#### Non-Executive Directors

Kan Wai Wah  
Qu Jinping

#### Independent Non-Executive Directors

Yeung Shuk Fan  
Cheng Tak Yin  
Ho Wei Sem  
Huang Zhi Wei

#### Audit Committee

Yeung Shuk Fan (*Chairman*)  
Cheng Tak Yin  
Ho Wei Sem

#### Remuneration Committee

Cheng Tak Yin (*Chairman*)  
Ho Wei Sem  
Tang To  
Yeung Shuk Fan

#### Nomination Committee

Tang To (*Chairman*)  
Cheng Tak Yin  
Ho Wei Sem  
Tang Yu, Freeman  
Yeung Shuk Fan

#### Committee of Executive Directors

Tang To (*Chairman*)  
Wong Yiu Ming  
Tang Yu, Freeman  
Mei Zheqi (*appointed on 28 August 2018*)

### AUTHORISED REPRESENTATIVES

Tang To  
Tang Yu, Freeman

### 董事會

#### 執行董事

鄧 燾 (*主席*)  
黃耀明 (*執行副主席*)  
鄧 愚 (*行政總裁*)  
梅哲騏 (*於二零一八年八月二十八日獲委任*)

#### 非執行董事

簡衛華  
瞿金平

#### 獨立非執行董事

楊淑芬  
鄭達賢  
何偉森  
黃志煒

#### 審核委員會

楊淑芬 (*主席*)  
鄭達賢  
何偉森

#### 薪酬委員會

鄭達賢 (*主席*)  
何偉森  
鄧 燾  
楊淑芬

#### 提名委員會

鄧 燾 (*主席*)  
鄭達賢  
何偉森  
鄧 愚  
楊淑芬

#### 執行董事委員會

鄧 燾 (*主席*)  
黃耀明  
鄧 愚  
梅哲騏 (*於二零一八年八月二十八日獲委任*)

#### 授權代表

鄧 燾  
鄧 愚

**JOINT COMPANY SECRETARIES**

Yeung Yuk Lun  
Man Wing Yan (*appointed on 1 September 2018*)

**AUDITOR**

Ting Ho Kwan & Chan

**PRINCIPAL BANKERS**

Bank of China (Hong Kong) Limited  
BNP Paribas Hong Kong Branch  
Nanyang Commercial Bank, Limited  
The Hongkong & Shanghai Banking Corporation Limited

**REGISTERED OFFICE**

10/F., Billion Plaza 2  
No. 10 Cheung Yue Street  
Cheung Sha Wan  
Kowloon, Hong Kong

**SHARE REGISTRAR**

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

**COMPANY'S WEBSITE**

<http://www.cosmel.com>

**INVESTORS RELATIONS CONTACT**

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Fax: (852) 2375 9626

**STOCK CODE**

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**聯席公司秘書**

楊毓麟  
文穎茵 (於二零一八年九月一日獲委任)

**核數師**

丁何關陳會計師行

**主要往來銀行**

中國銀行(香港)有限公司  
法國巴黎銀行香港分行  
南洋商業銀行有限公司  
香港上海滙豐銀行有限公司

**註冊辦事處**

香港九龍  
長沙灣長裕街10號  
億京廣場2期10樓

**股份過戶登記處**

卓佳秘書商務有限公司  
香港灣仔皇后大道東183號  
合和中心22樓

**公司網址**

<http://www.cosmel.com>

**投資者關係聯絡**

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傳真: (852) 2375 9626

**股份代號**

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# CHAIRMAN'S STATEMENT

## 主席報告

Dear Shareholders,

On behalf of the Board, I am pleased to present the final results of the Group for the year ended 31 December 2018. During the year, the Group recorded a profit of approximately HK\$88,752,000. After deducting non-operating items, the overall operating performance of the Group increased slightly as compared to that of last year.

2018 was a year full of challenges to the Group. In April 2018, the 25% import tax imposed by the United States on products exported to the United States from the PRC, such as the machinery, electrical appliance and equipment etc., amounting to approximately US\$50 billion pursuant to section 301 of the Trade Act of 1974 of the United States unveiled Sino-US trade frictions. As the sales volume of the Group's products accounted for an insignificant proportion in the US market, the impact of import tax imposed by the United States to the Group was limited. However, the United States subsequently imposed 10% import tax on other Chinese products amounting to US\$200 billion, the operating businesses of relevant customers were forthwith severely hammered, which brought far-reaching impact on the business environment.

Under economic downturn in Mainland, although the PRC government promulgated a range of measures to support the real economy, especially to reduce operating costs of small and medium-sized enterprises, the outcome was still to be observed. Numerous enterprises were directly or indirectly affected by Sino-US trade frictions, at the same time faced loan financing challenges in Mainland and the increase of operating costs as a result of the capital spent on additional environmental equipment to align with the stringent environmental regulations under "Pollution Prevention" plan, one of the "Three Tough Battles" of the PRC.

致各股東：

本人謹代表董事會，欣然提呈本集團截至二零一八年十二月三十一日止年度之末期業績。本集團於本年度錄得溢利約為88,752,000港元，扣除非經營項目後，本集團整體經營業績與去年相比，錄得輕微上升。

二零一八年是本集團充滿挑戰的一年。二零一八年四月美國根據其《1974年貿易法》第301條向中國出口至美國約值500億美元的機械、電器、儀器等產品加徵25%進口稅，揭開了中美貿易磨擦的序幕，本集團的產品在美國市場銷量佔比不多，因此美國加徵進口關稅對本集團的影響有限。然而，美國隨後對價值2,000億美元的其他中國產品加徵10%進口稅，令相關客戶之經營業務備受重大打擊，對營商環境帶來深遠的影響。

內地經濟下行，儘管中國政府推出多項措施扶持實體經濟，尤其是降減中小企業之營運成本，惟效果尚有待觀察。不少企業直接或間接受到中美貿易磨擦的影響，同時面對內地融資困難及為配合國家三大攻堅戰之一的「污染防治」計劃推出嚴苛的環保規例而投放資金添置環保設備，導致營運成本增加。

Confronted with the tough operating environment, the Group continues to streamline its organizational structure, enhance the effective usage of capital in the supply chain, exert stringent control over production cost, implement the "Industry 4.0" operational plan and focus on the development of higher-margin products and the associated customer groups. During the year under review, all member companies launched new products and services to the market, which expanded new drivers for profit growth of the Group. The Group acquired additional capital through allotment and issue of new Shares during the year, which allowed the Group to invest more resources for developing business further, increasing its investments in product research and development, developing new products and enhancing the quality, function and efficiency of the existing products.

At the end of December 2018 the Central Economic Work Conference advocated two of the missions for the year to be "Promoting High-quality Development in the Manufacturing Industry" and "Fostering a Strong Domestic Market". The PRC has recently promulgated the "Outline Development Plan for the Guangdong-Hong Kong-Macau Greater Bay Area" specifying the "Promotion of the Transformation and Upgrade of Traditional Industries". The outline laid out the development objectives and strategic positioning of the Guangdong-Hong Kong-Macau Greater Bay Area. The Greater Bay Area will become one of the most competitive markets in the world. With certain production plants of the Group are located in the Greater Bay Area, we will definitely seize the development opportunities arisen and strive for all opportunities for business expansion.

面對艱辛的經營環境，本集團繼續精簡其組織架構、加強供應鏈資金的有效運用、嚴格控制生產成本、開展「工業4.0」營運計劃，並專注發展較高利潤之產品和相關客戶群。於回顧年度內，各成員公司皆有新產品和服務推出市場，開拓了集團的新利潤增長點。本集團在本年度配發及發行新股份而增添額外資金，使集團投放更多資源以進一步發展業務，並增加產品研發的投資、開發新產品及提升現有產品質量、性能和效率。

於二零一八年十二月底的中央經濟工作會議所指引本年重點工作任務的其中兩項為「推動製造業高質量發展」及「促進形成強大國內市場」。國家最近頒布之《粵港澳大灣區發展規劃綱要》明確了「推動傳統產業轉型升級」，此綱要勾劃出粵港澳大灣區的發展目標和戰略定位，大灣區將成為全球最具競爭力的市場之一，本集團部分生產基地位於大灣區，我們定當抓緊當中之發展機遇，爭取任何潛在業務擴展的機會。

## CHAIRMAN'S STATEMENT (CONTINUED)

### 主席報告 (續)

2019 will still be a tough and challenging year. As the deadline for reaching an important trade agreement between the PRC and the United States approaches, it is possible that the two sides may reach a temporary truce. The Group shall also pay close attention and remain full alert to the extension effect of "Brexit" by the United Kingdom from the European Union and spread of populism across the countries in Europe and the United States in recent years. The Group will adhere to the prudent financial management, keep the debt ratio at a low level and reserve sufficient cash flow in order to face the severe challenges in 2019 in a prudent and optimistic manner. Meanwhile, the Group utilizes its existing financial resources, continues to invest in research and development and innovation, and constantly launches superb products with outstanding functions and quality services in respond to market demands in order to deliver increasing value for Shareholders.

The Board, the management and all staff members of the Group continue to devote best effort and face challenges ahead with indomitable determination to strive for outstanding results for the Group. I would like to express my greatest appreciation to all Directors, Shareholders, customers and cooperation partners for the continuous trust and support given to us.

**Tang To**

*Chairman*

Hong Kong, 28 March 2019

二零一九年將仍是艱辛和極富挑戰的一年。隨着中美兩國達成重要貿易協議的最後期限臨近，中美兩國可能暫時休戰。本集團亦須密切關注與高度警惕英國脫離歐盟以及民粹主義近年在歐美多國興起的引伸效應，本集團將秉持穩健之財務管理、維持借貸比率於低水平及儲備足夠現金流，審慎樂觀應對二零一九年嚴峻的挑戰。同時，本集團運用現有之財政資源，對研發創新持續投資，不斷推出卓越性能的優異產品與優質服務以應對市場的需求，為股東創造持續增長之價值。

董事會、本集團管理層及全體同事將繼續盡心盡力，以不屈不撓之精神，應對來年的挑戰，為本集團爭創佳績。本人對各位董事、全體股東、客戶與合作夥伴的持續信任和支持，致以衷心感謝。

主席

**鄧燾**

香港，二零一九年三月二十八日

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層論述及分析

### RESULTS SUMMARY

- Revenue increased by 9.6% to approximately HK\$2,682,452,000 (2017: HK\$2,446,848,000)
- Gross profit margin decreased to 16.3% (2017: 16.7%)
- Operating profit increased to approximately HK\$76,987,000 (2017: HK\$63,349,000)
- Profit for the year was approximately HK\$88,752,000 (2017: HK\$43,850,000), including a non-recurring gain on disposal of entire issued share capital of an indirect wholly-owned subsidiary, of approximately HK\$44,588,000
- Net debt to equity ratio decreased to 3.8% at as 31 December 2018 (31 December 2017: 7.4%)

### FINANCIAL RESULTS

The sales revenue of the Group increased by 9.6% to HK\$2,682,452,000. It was mainly attributable to the improvement of performance in the machinery manufacturing business, plastic products and processing business and the trading business during the year.

Gross profit for the year amounted to approximately HK\$437,158,000, with gross profit margin of 16.3% as compared to 16.7% in 2017. The Group strives to improve the gross profit margin by increasing the production capacities in certain manufacturing plants and strengthening control over the production costs including the labor cost. The Group also continues the sales strategy by focusing on high-margin products and also associated customer sectors in various businesses.

### 業績摘要

- 收入增長9.6%至約2,682,452,000港元 (二零一七年: 2,446,848,000港元)
- 毛利率下降至16.3% (二零一七年: 16.7%)
- 經營溢利增長至約76,987,000港元 (二零一七年: 63,349,000港元)
- 本年度溢利約為88,752,000港元 (二零一七年: 43,850,000港元), 包括出售一間間接全資附屬公司之全部已發行股本之非經常性收益約44,588,000港元
- 於二零一八年十二月三十一日之借貸淨額對權益百分比下降至3.8% (二零一七年十二月三十一日: 7.4%)

### 財務業績

本集團的銷售收入上升9.6%至2,682,452,000港元, 此乃主要由於本年度機械製造業務、注塑製品及加工業務和貿易業務表現有所改善所致。

本年度毛利約為437,158,000港元, 毛利率為16.3%, 二零一七年則為16.7%。本集團致力提升若干廠房的產能, 並加強對生產成本(包括勞動成本)的監控, 從而改善毛利率。本集團亦貫徹銷售策略, 聚焦於不同業務的高利潤產品以及相關客戶行業。



## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### 管理層論述及分析(續)

During the year, the Group recorded a non-recurring gain on disposal of entire issued share capital of MS Plasticorp, an indirect wholly-owned subsidiary of the Company prior to the completion of the disposal and incorporated in Cook Islands with limited liability, of approximately HK\$44,588,000, after deducting related statutory cost and expenses. For more details of the disposal, please refer to the heading "Material Acquisition and Disposal" below.

As stated in the announcement of the Company dated 23 December 2016, the Group planned to restructure its plastic products and processing business and machinery manufacturing business, including the cessation of operation of certain manufacturing businesses and optimization of the production capacities in plants located at Dongguan and Wuxi. The restructuring projects including assets relocation, organizational restructuring and production efficiency enhancement was progressing and on-going.

The Group reported a net profit of approximately HK\$88,752,000 for the year, including a non-recurring gain of approximately HK\$44,588,000 from the disposal of subsidiary mentioned above. This was mainly resulted from the increase in sales revenue and gross profit, and tight control over the operating overheads during the year.

The net debt to equity ratio decreased to 3.8% as at 31 December 2018. The overall cash flow position and debt maturity profile of the Group maintained at a healthy level.

The Board has resolved to recommend the payment of a final dividend of HK\$0.02 per Share for the year ended 31 December 2018 (2017: Nil).

於本年度，本集團就出售群力實業有限公司（於完成出售前為本公司間接全資附屬公司及於科克群島註冊成立的有限公司）的全部已發行股本而錄得非經常性收益約44,588,000港元（已扣除相關法定成本及開支）。有關出售的更多詳情，請參閱下文「重大收購及出售」標題。

誠如本公司於二零一六年十二月二十三日的公告所述，本集團已計劃重組注塑製品及加工業務以及機械製造業務，包括終止若干製造業務，以及優化設立於東莞及無錫廠房的產能，包括資產重新配置、架構重組及提升生產效率在內的重組項目仍持續進行中。

本集團於本年度錄得溢利淨額約88,752,000港元，包括上述出售附屬公司所得的非經常性收益約44,588,000港元，此乃主要由於本年度銷售收入及毛利增加，以及嚴格控制經營開支所致。

於二零一八年十二月三十一日，借貸淨額對權益百分比下降至3.8%。本集團整體的現金流及債務到期狀況仍維持於健康水平。

董事會議決建議就截至二零一八年十二月三十一日止年度派付末期股息每股0.02港元（二零一七年：無）。

## BUSINESS REVIEW

### Machinery Manufacturing Business

The machinery manufacturing business recorded sales growth in the Mainland market during the year, mainly arising from sales orders received from the industries of automotive components, household appliances and infrastructure construction in the second half of 2017. Starting from the second half of 2018, the market and investment sentiment in Mainland showed signs of uncertainties and expected to continue in the future. A slowdown of sales orders of injection moulding machines was also starting from third quarter during the year. Accordingly, the operating result of the business in the coming year may be slightly decreased, as compared to that of this year. The Group is prudently cautious to the business performance in 2019 and continues to deploy strict cost control and measures, in particular by credit control, inventory and cashflow management to mitigate overall operating risks.

In addition, the restructuring plan of this business (mainly streamline the organization structure and elevate the existing production capacities) started at the end of 2016 was processing and on-going. This business was re-allocated its existing resources, realigned its business direction, particularly re-alignment of the export sales team, and adjusted products in the two main production plants of injection moulding machines. The production capacities and efficiency were then enhanced during the year.

### 業務回顧

#### 機械製造業務

於本年度，機械製造業務在內地市場錄得銷售增長，主要增長源於二零一七年下半年汽車零部件、日用品及基建行業的銷售訂單。自二零一八年下半年起，內地市場及投資氣氛出現不明朗跡象並預期將來持續，而自本年第三季度開始，注塑機的銷售訂單亦有所回落。因此，來年該業務的經營業績與本年度相比可能有輕微下降。本集團對此業務於二零一九年的表現持審慎態度，繼續實施嚴格的成本控制及措施，尤其是透過信貸監控、存貨及現金流管理，以降低整體營運風險。

此外，此業務於二零一六年底展開的重組計劃（主要為精簡組織架構及提升現有產能）仍在持續進行中。此業務已重新分配現有資源、調整業務方針（特別是重整出口銷售團隊）及調整於兩個主要注塑機生產廠房的產品。本年度的產能及效率已得到提升。

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### 管理層論述及分析(續)

The launch of the latest 3<sup>rd</sup> generation of servo-driven injection moulding machines and optimization of design of two-platen series of injection moulding machines' functions were well received by customers. These mechanical series aligned with our industry-specific mechanical solutions with on-going sales and development efforts, will help drive growth in our target markets in the future. On the other hand, after years of development and implementation for the "iSee 4.0" system which is a digital platform applying the "Industry 4.0" technologies, gained a substantial rise in customers connected with the platform. This platform enables users to monitor their machineries and accessory equipment in real time and to utilize a wide range of manufacturing management functions leveraging on the use of smart data and traceability functionality to help manufacturers raise work efficiencies and make agile decisions. The Group considers this system and platform as a key strategic area for machinery manufacturing business for the future.

For the extrusion machines and rubber plastic machinery manufacturing business, it continues to develop and improve its functionalities and designs. This business put in substantial efforts in supply chain management, quality improvements, internal procedures and management optimizations. In addition, to meet the requirements of higher vehicle emission standards and new energy vehicles in Mainland, the development of multi-layer nylon composite fuel pipes particularly made for those vehicles will be the main focus of this business in the coming years.

已推出的最新第三代伺服驅動注塑機及優化設計的兩板機系列注塑機的功能提升皆廣受客戶歡迎。這些機械系列配合我們因應特定行業而設計的機械解決方案，加上持續努力銷售及發展，將有助推動在未來目標市場的增長。另一方面，經過多年的開發及實施的數碼平台應用「工業4.0」技術的「iSee 4.0」系統，其連接我們平台的客戶在本年度大幅增加。使用該平台的用戶能夠實時監控其機器及附屬設備，利用廣泛的製造管理功能，以應用智能數據及可追蹤功能，提高工作使用效率並作出靈活決策。本集團認為，此系統及平台是機器製造業務的未來重要策略性領域。

就擠出機和橡塑機械製造業務而言，本集團持續發展及改善其功能及設計。此業務投入大量精力於供應鏈管理、質素改善、內部程序及管理優化。此外，為了符合內地較高的汽車排放標準及新能源汽車的要求，此業務未來數年的主要焦點將會是開發針對該等汽車所用的多層尼龍複合油管。

### Plastic Products and Processing Business

In 2018, performance of the plastic products and processing business was satisfactory, mainly attributable to our production plant located in Zhuhai as it reported a turnaround result for the year. This plant repaired promptly from the serious damage caused by the typhoon in the second half of 2017 and quickly resumed its production after few months with upgraded manufacturing workshops and factory infrastructures, further improvement in the hygiene condition and production environment. The overall production efficiency and output are enhanced after purchasing of new machines and equipment with high specifications. In the coming years, it will continue to develop and diversify its high-margin customer portfolio, in particular for the folding cap seals with scoop for dairy products. This plant will also increase the applications of advanced digital smart factory management technology and deploy a wider range of automation solutions to further improve efficiencies and product quality.

Our plastic processing plant located in Hefei is facing various challenges, including squeeze of operating margin by major customers, increasing costs of manufacturing overheads, additional overheads in installation of environmental machines and equipment to comply with the stringent environmental regulations in the Mainland. All these factors had posed high pressure to the operating results to this plant in the coming years. In response, the Group exerted additional resources to automate production processes and enhanced its production capacities to maintain competitiveness in the market.

### 注塑製品及加工業務

注塑製品及加工業務於二零一八年表現理想，主要是由於珠海的生產廠房於本年度扭虧為盈。此廠房從二零一七年下半年遭受颱風嚴重破壞後迅速修葺完畢，數月後恢復生產，其生產車間和廠房基礎設施均從而提升，生產環境及衛生狀況亦進一步改善。購入具備高規格的新機械及設備後，整體生產的效率及產出均有提升。在未來數年，本集團將繼續開拓及多元化其高利潤客戶群，特別是用於奶類產品之折疊式密封蓋與勺。該廠房亦會增加先進數碼智能工廠管理技術的應用，並使用更廣泛的自動化解決方案以進一步提升效率及產品質素。

位於合肥之塑料製品加工廠房正面臨多項挑戰，包括來自主要客戶之經營利潤率下降、製造開支成本上升，以及為遵守內地之嚴苛環保法規而安裝之環保機械及設備的額外開支。所有該等因素於未來數年將對此廠房之經營業績造成沉重壓力。就此，本集團已投放額外資源，將生產過程自動化及提升其產能，以保持市場競爭力。

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### 管理層論述及分析(續)

The Group continues to closely monitor non-profit-making businesses and may execute the need of restructuring, in addition to its investments in the production of plastic products with advanced technologies. The multi-color injection moulding business is expected to scale up its order intakes after business developments initiated in past couple years. The mannequin blow-molding business, although its profit contribution is limited for the meantime, their products and quality are well received by global fashion brands. On-going business development and manufacturing process refinement, will hopefully develop into a growing business, once global brands embrace eco-friendly blow moulded products versus traditional fibre-glass products. The overall performance of this business is expected to improve gradually through crystallization of these pioneering investments.

#### Printed Circuit Board (“PCB”) Processing and Trading Business

The operating results of the PCB processing and trading business improved, which was mainly resulted from the enhancement of gross profit margin during the year. Sales revenue also increased in 2018 as additional sales derived from various major customers. The business continues facing several risks, including fluctuation in the price of raw materials, additional investment in new products and intense competition within the industry. Nevertheless, this PCB processing business responded by shifting its product mix to higher-margin products while maintaining stringent control on development costs in order to maintain its market competitiveness. On business development, more major customers in the PRC were developed in this year, thus reducing its reliance on export markets and customers. Moreover, it continues its direction to automate production processes and enhancement of production capacities, in order to enhance the product quality with lower scrap rate arising from development of the new products.

除了投資先進科技於生產注塑製品外，本集團持續密切監察未有帶來溢利的業務可能執行重組的需要。於過去數年進行業務發展後，多色注塑業務預計將收取更多訂單。儘管目前溢利貢獻有限，人體模特兒吹塑業務之產品及質素深受全球時裝品牌歡迎，一旦全球品牌接納環保的吹塑製品以取代傳統纖維玻璃製品，持續發展業務及改進製造過程將有望帶來業務增長。此業務之整體表現預期將透過實現該等開創投資的成果而逐步改善。

#### 印刷線路板加工及貿易業務

印刷線路板加工及貿易業務之經營業績有所改善，此乃主要由於本年度毛利率增加所致。二零一八年銷售收益亦由於來自多個主要客戶之銷售增加而有所提升。該業務繼續面臨多個風險，包括原材料價格波動、新產品投資增加及行業內競爭激烈。儘管如此，此印刷線路板加工業務透過調整其產品組合至具有更高利潤率的產品，同時對開發成本維持更嚴謹的監控，從而保持其市場競爭力。於業務發展方面，本年度已開發更多中國主要客戶，從而降低對出口市場及客戶的依賴。此外，本集團以維持生產過程自動化及提升產能為方針，藉以提高產品質素及降低開發新產品所產生之報廢率。

Regarding the PCB trading business, its contribution was stabilized through execution of adjustment of sales strategy to expand sales network in Thailand and Japan, and shift their marketing strategy on trade fair promotions. It will continue to strengthen its professional technical support and after-sales services through the collaboration between sales teams across different geographical locations and the PCB processing business team. In addition, it also invested in circuit board quality inspection equipment to enhance its sales revenue by providing a wide range professional testing and value-added services to associated customers.

#### Industrial Consumables Trading Business

The overall performance of the trading business improved slightly in 2018 as a result of increased sales from some target market sectors. The sales performance of new products for the electric vehicle industry, robot arm application and controller systems were improved in the past year. The business had critically strengthen its inventory management and internal control mechanism during the year, with aim to achieve its inventory control at a healthy operating level. The team has also realigned its sales strategy to focus on the development of "Industry 4.0" system-integration business in order to capture potential business opportunities arising from factory automation and production processes enhancement in Greater China. In addition, it continues the development of high-margin fast-growing industrial customers such as auto components and robotic automation.

This trading business expects the operating environment to be challenging in coming years. However, the business works to expand market share in major industries of telecommunication equipment, electric vehicle, escalators, plastic injection moulding machines, robotics, electronics, and system integration projects. It strives to maintain profitability and monitor different risks amid economic uncertainties.

就印刷線路板貿易業務而言，其貢獻已透過進行調整銷售策略，以擴大泰國及日本的銷售網絡，並將市場推廣策略轉移至貿易展覽會推廣而趨於穩定。本集團將持續透過與不同地區之銷售團隊及印刷線路板加工業務團隊合作，加強其專業技術支援及售後服務。此外，亦已投資線路板品質檢測設備，通過為相關客戶提供廣泛的專業檢測及增值服務，從而增強其銷售收入。

#### 工業消耗品貿易業務

貿易業務之整體表現於二零一八年有輕微改善，此乃由於來自若干目標市場行業之銷售增加所致。電動車行業、機械臂應用及監控系統之新產品銷售表現於去年有所改善。該業務於本年度顯著加強其存貨管理及內部監控機制，旨在達致存貨監控至健康營運水平。團隊亦已重整其銷售策略，專注於「工業4.0」系統集成業務的開發，以抓緊來自大中華地區工廠自動化和生產流程提升的潛在商機。此外，本集團持續發展高利潤且快速增長的工業客戶群，如汽車零部件和機械臂。

此貿易業務的經營環境預計將於未來數年充滿挑戰。然而，該業務會努力擴大於電訊設備、電動車、電梯、注塑機、機械、電子及系統集成項目等主要行業之市場份額。面對經濟不確定因素，此業務致力保持盈利能力，並監察不同風險。

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### 管理層論述及分析 (續)

#### LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2018, the Group's total outstanding bank borrowings amounted to approximately HK\$377,163,000 (31 December 2017: HK\$425,723,000) which comprised mainly bank loans and trade finance facilities. The bank borrowings repayable within one year and in the second to the fifth year amounted to approximately HK\$357,052,000 and approximately HK\$20,111,000 respectively (31 December 2017: HK\$380,598,000 and HK\$45,125,000 respectively).

After including obligations under finance lease of approximately HK\$7,075,000 (31 December 2017: HK\$ 2,696,000) and deducting cash and bank balances of approximately HK\$339,702,000 (31 December 2017: HK\$348,746,000), the Group's net borrowings amounted to approximately HK\$44,536,000 (31 December 2017: HK\$79,673,000). Shareholders' equity as at 31 December 2018 was HK\$1,183,569,000 (31 December 2017: HK\$1,080,494,000). Accordingly, the Group's net gearing ratio was 3.8% (31 December 2017: 7.4%).

The Group's financial statements are presented in Hong Kong dollars. The Group carried out its business transactions mainly in Hong Kong dollars, Renminbi, United States dollars and Japanese Yen. As the Hong Kong dollars remained pegged to the United States dollars, there was no material exchange risk in this respect. The Group continues to monitor its foreign exchange exposure in Japanese Yen and Renminbi and enter into forward contracts when necessary. The Group's long-term bank loan facilities were denominated mainly in Hong Kong dollars and carried interest at floating rates. Credit risk was hedged mainly through credit insurance.

#### 流動資金及財務資源

於二零一八年十二月三十一日，本集團之未償還銀行借款總額約為377,163,000港元（二零一七年十二月三十一日：425,723,000港元），主要包括銀行貸款及貿易融資信貸。將於一年內到期以及於第二至第五年到期償還之銀行借款金額分別約為357,052,000港元及約為20,111,000港元（二零一七年十二月三十一日：分別為380,598,000港元及45,125,000港元）。

連同融資租賃借款約為7,075,000港元（二零一七年十二月三十一日：2,696,000港元）並扣除現金及銀行結餘約為339,702,000港元（二零一七年十二月三十一日：348,746,000港元）後，本集團之借貸淨額約為44,536,000港元（二零一七年十二月三十一日：79,673,000港元）。於二零一八年十二月三十一日之股東權益約為1,183,569,000港元（二零一七年十二月三十一日：1,080,494,000港元）。

本集團之財務報表以港元呈列。本集團主要以港元、人民幣、美元及日圓進行業務交易。由於港元與美元掛鈎，故此方面並無重大外匯風險。本集團繼續監察來自日圓及人民幣之外匯風險，並於需要時透過訂立遠期合約加以調控。本集團之長期銀行貸款融資均主要以港元計值及以浮動利率計息。信貸風險主要透過信用保險對沖。

## CAPITAL STRUCTURE

### Subscription of New Shares

On 30 April 2018, the Company entered into a subscription agreement with Cosmos Holdings and Saniwell, pursuant to which the Company has allotted and issued, and Cosmos Holdings and Saniwell subscribed for 108,750,000 Shares and 36,250,000 Shares respectively at a subscription price of HK\$0.55 per subscription share (the “**Subscription**”). All conditions precedent in respect of the subscription agreement have been fulfilled and the Subscription took place on 27 June 2018. Upon completion, an aggregate of 145,000,000 new Shares have been duly allotted and issued to Cosmos Holdings and Saniwell. Accordingly, immediately after completion, the Company had 861,930,692 Shares in issue.

### Use of Net Proceeds from Subscription of New Shares

The total gross proceeds from the Subscription amounted to HK\$79,750,000. Pursuant to Company’s announcement dated 30 April 2018 and Company’s circular dated 19 May 2018, the net proceeds raised from the Subscription was approximately HK\$76,800,000 after deducting related professional fees and related expenses and the net subscription price was appropriately HK\$0.52 per subscription share. However, the amount of related professional fees and related expenses increased by approximately HK\$676,000 thereafter, the actual net proceeds raised from the Subscription was approximately HK\$76,124,000 and the net subscription price was appropriately HK\$0.52 per subscription share.

## 資本結構

### 認購新股份

於二零一八年四月三十日，本公司與大同控股及Saniwell訂立認購協議，據此，本公司配發及發行，而大同控股及Saniwell按每股認購股份0.55港元之認購價分別認購108,750,000股股份及36,250,000股股份（「**認購事項**」）。認購協議所載的全部先決條件已獲達成，而認購事項已於二零一八年六月二十七日完成。於完成後，合共145,000,000新股份已妥為配發及發行予大同控股及Saniwell。因此，緊接完成後，本公司已發行股份為861,930,692股。

### 新股份認購所得款項淨額用途

認購事項之所得款項總額為79,750,000港元。根據本公司日期為二零一八年四月三十日之公告及本公司日期為二零一八年五月十九日之通函，扣除相關專業費用及相關開支後，認購事項之所得款項淨額約為76,800,000港元及每股認購股份之淨認購價約為0.52港元。但相關專業費用及相關開支其後增加約676,000港元，因此實際認購事項之所得款項淨額約為76,124,000港元及每股認購股份之淨認購價約為0.52港元。



**MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)**  
**管理層論述及分析 (續)**

The Company used the net proceeds as set out in the heading “Reasons for the Subscription and Use of Proceeds” of the Company’s Circular dated 19 May 2018. An analysis of the utilisation of the net proceeds from the date of completion, 27 June 2018 to 31 December 2018 is set out below:

本公司按本公司日期為二零一八年五月十九日之通函之「進行認購事項之理由及所得款項用途」標題所述使用所得款項淨額。由完成日期為二零一八年六月二十七日至二零一八年十二月三十一日所得款項淨額之用途分析如下：

	<b>Planned use of net proceeds from the date of the completion to 31 December 2018</b>	<b>Actual use of net proceeds from the date of the completion to 31 December 2018</b>
	自完成日期至二零一八年十二月三十一日 所得款項淨額 計劃用途 HK\$'000 千港元	自完成日期至二零一八年十二月三十一日 所得款項淨額 實際用途 HK\$'000 千港元
(i) Funding and working capital in machinery manufacturing business, plastic products and processing business and industrial supplies trading business 用作機械製造業務、注塑製品及加工業務以及工業消耗品貿易業務之資本及流動資金	22,800	5,500
(ii) Research and development in machinery manufacturing business 機械製造業務之研發工作	15,200	1,950
(iii) Investment in plants and machineries in machinery manufacturing business, plastic products and processing business and industrial supplies trading business 投資於機械製造業務、注塑製品及加工業務以及工業消耗品貿易業務之廠房及機械	19,000	2,250
(iv) Restructuring in machinery manufacturing business 機械製造業務的重組	7,600	1,300
(v) Repayment of bank loans 償還銀行貸款	11,400	4,200
	<b>76,000</b>	<b>15,200</b>

## MATERIAL ACQUISITION AND DISPOSAL

### Disposal of Entire Issued Share Capital of a Subsidiary

On 1 September 2017, Sunford Enterprises Limited, an indirect wholly-owned subsidiary of the Company, as vendor entered into a sale and purchase agreement with Giant Express Investment Limited, as purchaser, to sell entire issued share capital of MS Plasticorp, an indirect wholly-owned subsidiary of the Company prior to the completion of disposal and a company incorporated in Cook Islands, at an aggregate consideration of RMB82,000,000. The disposal was completed on 20 March 2018. Following the completion of the disposal, MS Plasticorp ceased to be a subsidiary of the Company.

For details, please refer to the Company's announcements dated 1 September 2017, 11 October 2017, 22 December 2017 and 20 March 2018, and the Company's circular dated 20 September 2017.

Save as disclosed above, there was no material acquisition and disposal by the Group during the year.

## EMPLOYEES, REMUNERATION POLICY AND TRAINING SCHEME

As at 31 December 2018, the Group had approximately 3,320 employees located in Hong Kong and Mainland (31 December 2017: approximately 3,460). The remuneration policy regarding the employees of the Group is based on qualifications, competence and the performance of the employees as well as the prevailing market condition of the industry. Employees' benefits include retirement benefits and medical insurance coverage.

The Group had also provided training programmes or courses for the mainland staff at all levels from different departments, and also for Directors and employees of the Company so as to further enhance their technical skills in production operation and management, professional skills and knowledge, respectively.

The emoluments of the Directors are decided by the remuneration committee of the Company, having regard to individual performance, the Group's performance and profitability, remuneration benchmark in the industry and prevailing market condition.

## 重大收購及出售

### 出售一間附屬公司之全部已發行股本

於二零一七年九月一日，Sunford Enterprises Limited（為本公司間接全資附屬公司）作為賣方，與鉅遠投資有限公司作為買方，訂立買賣協議，以總代價金額為人民幣82,000,000元出售群力實業有限公司（於完成出售前為本公司間接全資附屬公司及於科克群島註冊成立的有限公司）之全部已發行股本。出售事項已於二零一八年三月二十日完成。完成出售后，群力實業有限公司不再是本公司之附屬公司。

有關詳情，請參閱本公司日期為二零一七年九月一日、二零一七年十月十一日、二零一七年十二月二十二日及二零一八年三月二十日之公告，以及本公司日期為二零一七年九月二十日之通函。

除上述披露外，於本年度本集團並無任何重大收購及出售。

## 僱員、薪酬政策及培訓計劃

於二零一八年十二月三十一日，本集團於香港及內地共約3,320名僱員（二零一七年十二月三十一日：共約3,460名）。本集團僱員的薪酬政策乃按僱員的資歷、能力及表現，亦以業界當時市場環境而釐定。僱員福利包括退休福利及醫療保險。

本集團亦分別向國內各部門各級員工及亦向董事及本公司僱員提供培訓計劃或課程，用以提升他們在生產營運上的技術和管理，專業技巧和知識。

董事之酬金由本公司薪酬委員會按照個人表現、本集團之業績及盈利狀況，亦以業界指標及當時市場環境而釐訂。

## **OUTLOOK AND PROSPECTS**

The macro economic environment is expected to become more challenging in the coming years. The recent China-US trade dispute and conflicts, the “Brexit” by the United Kingdom from the European Union and political uncertainties in Europe pose increasing instability to the global business environment and hence the volatility of capital market and currency fluctuations. The Group is keen on closely monitoring respective severe challenges ahead, including increase in production costs, fluctuation of raw materials costs, low visibility of sales orders from customers, abrupt shifts of governmental policies etc. At the same time, our management teams of each business will take agile actions in reaction to such unstable and complex market demands. The Group’s performance has improved from the implementation of restructuring measures of the machinery manufacturing business and the plastic product and processing business since 2017. Confronting a new round of downward pressure on the economy in Mainland, the market and manufacturing industry are still in view of uncertainties in the coming years. However, the Group is confident that certain member companies have the capabilities to strive forward and capture growth in various industries for further growth.

Last but not least, the Group continues to align its strategy of providing innovative, high-technology and best quality products and services to our customers through our management team works, our bolstering research and development capabilities, our close collaboration across different businesses and also our prudent financial risk management capabilities. It is the Group’s long-term goal to enhance shareholders’ value by leveraging the existing resources, well-organized business platform and effective use of capital.

## **展望及前景**

宏觀經濟環境預計未來數年更具挑戰性。近期中美貿易爭端和衝突、英國脫離歐盟以及歐洲近期政治不明朗令全球商業環境的不穩定性日益加劇，導致資本市場不穩及匯率波動。本集團密切監察以應對面前的各個嚴峻挑戰，包括生產成本上升、原材料成本波動、客戶銷售訂單不明朗、政府政策突然變動等。同時，我們各業務之管理團隊會採取應變措施，以應對該等不穩定及複雜市場的需求。自二零一七年起，本集團對機械製造業務和注塑製品及加工業務實施重組措施，令其業績表現有所改善。面對新一輪內地經濟下行壓力，市場和製造業於未來數年仍不明朗，進一步恢復速度極不穩定。然而，本集團有信心，若干成員公司有能力和具進一步增長行業中勇往直前並獲得增長。

最後，本集團持續調整其策略，透過管理團隊的努力、不斷提升研發能力、橫跨不同業務之緊密合作以及審慎的風險管理能力，致力向客戶提供創新、高科技及最優質產品和服務。本集團之長期目標為透過利用現有資源、完善的商業平台及資金有效運用，以提升股東價值。

# DIRECTORS AND SENIOR MANAGEMENT'S BIOGRAPHIES

## 董事及高級管理人員簡歷

### EXECUTIVE DIRECTOR

**Mr. Tang To**, aged 70, was appointed as the chairman of the Board (the "Chairman") and executive Director on 18 September 1997. Mr. Tang also acts as a director of certain subsidiaries of the Company. He is the chairman of each of the nomination committee and committee of executive Directors of the Company. On 28 May 2010, he was appointed as the director of Suzhou Sanguang Science and Technology Co., Ltd., a company listed on the National Equities Exchange and Quotations and is an associated company of the Company. Mr. Tang has over 40 years of experience in manufacturing and trading businesses. Mr. Tang is the father of Mr. Tang Yu, Freeman. As at the date of this annual report, Mr. Tang is a director of certain substantial shareholders of the Company within the meaning of Part XV of the SFO.

**Mr. Wong Yiu Ming**, aged 65, joined the Group in 1978 and was appointed as the general manager of the Company on 1 February 1999. He was subsequently appointed as an executive Director on 23 June 1997 and acted as the chief executive officer of the Company from 12 September 2005 to 30 June 2013, and was appointed as the executive vice chairman of the Company on 15 January 2015. He is a member of committee of executive Directors of the Company. Mr. Wong also acts as a director of certain subsidiaries of the Company. He is currently a general manager of various subsidiaries of the Company which are engaged in the manufacturing of machinery. He holds a Bachelor of Science degree in Engineering and a Master degree in Business Administration. Mr. Wong has over 40 years of experience in sales, marketing and corporate management. On 16 November 2007, he was appointed as the director of Suzhou Sanguang Science and Technology Co., Ltd., a company listed on the National Equities Exchange and Quotations and is an associated company of the Company.

### 執行董事

**鄧燾先生**，年70歲，於一九九七年九月十八日獲委任為董事會主席（「主席」）兼執行董事。鄧先生亦出任本公司若干附屬公司之董事職位。彼為本公司提名委員會及執行董事委員會之主席。彼於二零一零年五月二十八日獲委任為蘇州三光科技股份有限公司之董事，一間於全國中小企業股份轉讓系統上市之公司及其為本公司之聯營公司。鄧先生擁有逾四十年製造及貿易業務之經驗。鄧先生是鄧愚先生的父親。於本年報日期，鄧先生為若干按《證券及期貨條例》第XV部所述屬本公司主要股東之董事。

**黃耀明先生**，年65歲，於一九七八年加入本集團及於一九九九年二月一日獲委任為本公司總經理，彼隨後於一九九七年六月二十三日獲委任為執行董事及由二零零五年九月十二日至二零一三年六月三十日出任為本公司行政總裁，以及於二零一五年一月十五日獲委任為本公司執行副主席。彼為本公司執行董事委員會之成員。黃先生亦出任本公司若干附屬公司之董事職位。彼現為本公司從事機械製造業務的附屬公司之總經理。彼持有工程學理學士學位及工商管理碩士學位。黃先生擁有逾四十年之銷售、市場推廣及企業行政管理之經驗。彼於二零零七年十一月十六日獲委任為蘇州三光科技股份有限公司之董事，一間於全國中小企業股份轉讓系統上市之公司及其為本公司之聯營公司。

## DIRECTORS AND SENIOR MANAGEMENT'S BIOGRAPHIES (CONTINUED)

### 董事及高級管理人員簡歷 (續)

**Mr. Tang Yu, Freeman**, aged 41, joined the Group in 2006 and was appointed as an executive Director and chief executive officer of the Company (the “**Chief Executive Officer**”) on 18 March 2011 and 1 July 2013 respectively. Mr. Tang is a member of each of nomination committee and committee of executive Directors of the Company. He also acts as a director of certain subsidiaries of the Company. Prior to joining the Group, he had worked in various commercial banks. Mr. Tang graduated from The University of Western Ontario in Canada and holds a Bachelor of Arts degree in Economics and a Diploma in Financial Planning. He is the son of Mr. Tang To. As at the date of this annual report, Mr. Tang is a director of certain substantial shareholders of the Company within the meaning of Part XV of the SFO.

**Mr. Mei Zheqi**, aged 41, joined the Group in 2000 and was appointed as an executive Director on 28 August 2018. He is a member of the committee of executive Directors of the Company. Mr. Mei graduated from the School of Accounting of Zhongnan University of Economics and Law with a Master degree in Management. He is a non-practising member of The Chinese Institute of Certified Public Accountants and a member of The Association of Chartered Certified Accountants. He is currently a general manager of two subsidiaries of the Company, which are engaged in the leasing and factoring businesses respectively, and a supervisor of a subsidiary of the Company, which is engaged in the plastic products and processing business.

### NON-EXECUTIVE DIRECTOR

**Mr. Kan Wai Wah**, aged 61, was appointed as a non-executive Director on 22 May 1998. He holds a High Diploma in Accountancy. He has over 30 years of experience in corporate strategy and corporate management. Mr. Kan is the son of Ms. Law Kit Fong, a substantial Shareholder. As at the date of this annual report, Mr. Kan is a director of certain substantial shareholders of the Company within the meaning of Part XV of the SFO.

**鄧愚先生**，年41歲，於二零零六年加入本集團，分別於二零一一年三月十八日及二零一三年七月一日獲委任為執行董事及本公司行政總裁（「**行政總裁**」）。鄧先生為本公司提名委員會及執行董事委員會之成員。彼亦出任本公司若干附屬公司之董事職位。加入本集團前，彼曾任職於數間商業銀行。鄧先生畢業於加拿大西安大略大學，持有經濟學士學位及財務策劃文憑。彼為鄧熹先生的兒子。於本年報日期，鄧先生為若干按《證券及期貨條例》第XV部所述屬本公司主要股東之董事。

**梅哲騏先生**，年41歲，於二零零零年加入本集團及於二零一八年八月二十八日獲委任為執行董事。彼為本公司執行董事委員會之成員。梅先生於中南財經政法大學會計學院畢業，取得管理學碩士學位。彼為中國註冊會計師協會非執業會員及英國特許公認會計師公會會員。彼現為兩間本公司分別從事租賃和保理業務的附屬公司之總經理及一間本公司從事注塑製品及加工業務的附屬公司之監事。

### 非執行董事

**簡衛華先生**，年61歲，於一九九八年五月二十二日獲委任為非執行董事。簡先生持有高級會計文憑。彼擁有逾三十年企業策劃及企業管理之經驗。簡先生為羅潔芳女士（本公司主要股東之一）之兒子。於本年報日期，簡先生為若干按《證券及期貨條例》第XV部所述屬本公司主要股東之董事。

## DIRECTORS AND SENIOR MANAGEMENT'S BIOGRAPHIES (CONTINUED)

### 董事及高級管理人員簡歷(續)

**Mr. Qu Jinping**, aged 61, was appointed as a non-executive Director on 8 September 2006. He is currently the professor and doctoral supervisor in the School of Mechanical and Automotive Engineering of The South China University of Technology. Mr. Qu holds a Bachelor degree and a Master degree in Engineering from The South China University of Technology in 1982 and 1987 respectively, and a Doctorate degree in Engineering from The Sichuan University in 1999. He has been engaged in scientific research and teaching in polymer dynamic plasticizing processing technology and equipment for over 30 years and achieved a number of world-first scientific and technology achievements.

#### INDEPENDENT NON-EXECUTIVE DIRECTOR

**Ms. Yeung Shuk Fan**, aged 53, was appointed as an independent non-executive Director on 18 June 2004. She is the chairman of audit committee of the Company and a member of each of nomination committee and remuneration committee of the Company. Ms. Yeung holds a Master degree in Business Administration. She is a member of the American Institute of Certified Public Accountants (AICPA), and an associate member of each of The Institute of Chartered Secretaries and Administrators (ICSA) and The Hong Kong Institute of Chartered Secretaries (HKICS). Ms. Yeung held senior financial positions in several companies. She has over 20 years of experience in the finance sector.

**Mr. Cheng Tak Yin**, aged 80, was appointed as an independent non-executive Director on 30 January 2007. He is the chairman of the remuneration committee of the Company and a member of each of audit committee and nomination committee of the Company. Currently, he is the life honorary chairman, deputy secretary general and standing committee member of Hong Kong and Kowloon Machinery and Instrument Merchants Association Limited. Mr. Cheng has over 40 years of experience in business management.

**瞿金平先生**，年61歲，於二零零六年九月八日獲委任為非執行董事。彼現為華南理工大學機械與汽車工程學院教授及博士生導師。瞿先生分別於一九八二年及於一九八七年持有華南理工大學工學學士及碩士學位，隨後於一九九九年持有四川大學工學博士學位。彼從事高分子材料加工成型技術及裝備的科學研究與教學超過三十年，取得了多項世界首創的科技成果。

#### 獨立非執行董事

**楊淑芬女士**，年53歲，於二零零四年六月十八日獲委任為獨立非執行董事。彼為本公司審核委員會之主席以及本公司提名委員會和薪酬委員會之成員。楊女士持有工商管理碩士學位。彼為美國註冊會計師協會(AICPA)之會員，以及英國特許秘書及行政人員公會(ICSA)及香港特許秘書公會(HKICS)之會士。楊女士曾於數家公司擔任高級財務職位。彼擁有逾二十年於財務範疇之經驗。

**鄭達賢先生**，年80歲，於二零零七年一月三十日獲委任為獨立非執行董事。彼為本公司薪酬委員會之主席以及本公司審核委員會和提名委員會之成員。彼現為港九機械電器儀器業商會有限公司永遠榮譽會長、副秘書長及常務會董。鄭先生擁有逾四十年業務管理之經驗。

## DIRECTORS AND SENIOR MANAGEMENT'S BIOGRAPHIES (CONTINUED)

### 董事及高級管理人員簡歷 (續)

**Mr. Ho Wei Sem**, aged 71, was appointed as an independent non-executive Director on 21 December 2010. He is a member of each of nomination committee, remuneration committee and audit committee of the Company. Mr. Ho had been working in various government authorities in Dongguan for over 40 years. He was the director general of Dongguan City Municipal and Public Utilities Management Bureau and Dongguan City Urban Integrated Management Bureau from 2000 to 2007. From 1996 to 2000, he was the officer of Dongguan City Management Committee. From 1990 to 1996, he was the deputy director general of The Urban and Rural Planning Bureau of Dongguan Municipal, and was the deputy supervisor of the Preparation Committee of Dongguan City Government from 1988 to 1990. He has extensive experience in management.

**Mr. Huang Zhi Wei**, aged 80, was appointed as an independent non-executive Director on 2 November 2012. Mr. Huang graduated from The Huazhong University of Science & Technology, majoring in electrical engineering. He is currently the executive vice president of Guangdong General Chamber of Commerce. Mr. Huang worked in the PRC government authorities for over 10 years. He served as the deputy director general of Guangdong Commission of Foreign Trade & Economic Cooperation and the director of General of Guangdong Board of Investment from 1993 to 2000. From 1984 to 1992, he served as the executive officer of Foshan Economic Committee. Mr. Huang worked as the engineer at power plant in Foshan for almost 10 years. From 1981 to 1984, he served as the chief engineer and deputy general manager of a household electrical appliances corporation in Foshan. Mr. Huang was an independent director of Keda Clean Energy Co. Ltd., a company listed on The Shanghai Stock Exchange from 21 August 2009 to 19 August 2015.

**何偉森先生**，年71歲，於二零一零年十二月二十一日獲委任為獨立非執行董事。彼為本公司提名委員會、薪酬委員會及審核委員會之成員。何先生曾在東莞市多個政府機關任職超過四十年。由二零零零年至二零零七年期間，彼出任東莞市市政公用事業管理局及東莞市城市綜合管理局之局長；由一九九六年至二零零零年期間，彼出任東莞市城市管理委員會辦公室主任；由一九九零年至一九九六年期間，彼出任東莞市城鄉建設規劃局副局長，以及由一九八八年至一九九零年期間，彼出任東莞市城區政府籌備組副組長。何先生擁有豐富的管理經驗。

**黃志煒先生**，年80歲，於二零一二年十一月二日獲委任為獨立非執行董事。黃先生畢業於華中科技大學，主修電機工程系。彼現為廣東省商業聯合會常務副會長。黃先生曾在中國政府機關任職超過十年，由一九九三年至二零零零年期間，彼出任廣東省外經貿委副主任及廣東省外商投資局局長；由一九八四年至一九九二年期間，彼擔任佛山市經濟委員會主任。黃先生曾於中國廣東省佛山市發電廠任職工程師近十年。由一九八一年至一九八四年期間，彼出任佛山市家電公司總工程師兼副總經理。黃先生於二零零九年八月二十一日至二零一五年八月十九日為廣東科達潔能股份有限公司之獨立非執行董事，一間於上海證券所上市的公司。

## SENIOR MANAGEMENT

**Mr. Man Chi Fai, Bruno**, aged 57, joined the Group in 2013. He holds a Bachelor of Science (Engineering) in The University of London and a Master Science in Engineering (Industrial Management and Manufacturing) in The University of Hong Kong. Mr. Man is a member of each of The Hong Kong Institution of Engineers (HKIE) and The Institution of Electrical Engineers in the United Kingdom (IEE). He had worked in various sizeable corporations. Mr. Man is currently the general manager of various subsidiaries of the Company which are engaged in the manufacturing of plastic food packaging and cutlery. He also holds directorship in certain subsidiaries of the Company. Mr. Man has over 20 years of experience in plastic injection molding, metals manufacturing, molds design and manufacturing, manufacturing assembly process management and project management.

**Mr. Man Wai Hong, Bernard**, aged 56, joined the Group in 2000. He has over 30 years of experience in manufacturing, marketing and management. Mr. Man holds a Master degree in Business Administration, a Diploma in Computer Programming and a Diploma in Management Studies. He graduated from The Hong Kong Polytechnic University in Electrical Engineering. Mr. Man is currently a general manager of various subsidiaries of the Company which are engaged in the trading of industrial consumables. He also holds directorship in certain subsidiaries of the Company.

## 高級管理人員

**萬志輝先生**，年57歲，於二零一三年加入本集團。彼持有英國倫敦大學機械工程學士學位及香港大學工程學(工業管理與製造)碩士學位。萬先生為香港工程師學會(HKIE)及英國特許工程師學會(IEE)之會員。彼曾任職多間大型企業。萬先生現為本公司從事製造塑膠食品包裝和餐具業務的附屬公司之總經理。彼亦擔任本公司若干附屬公司之董事職位。萬先生在塑膠注塑、五金製造、模具設計與製造、流水線生產製程管理及項目管理有逾二十年經驗。

**萬偉康先生**，年56歲，於二零零零年加入本集團。彼擁有逾三十年製造、市場營運及管理之經驗。萬先生持有工商管理碩士學位、電腦編程文憑及管理學文憑。彼畢業於香港理工大學電機工程系。萬先生現為本公司從事工業消耗品貿易業務的附屬公司之總經理。彼亦擔任本公司若干附屬公司之董事職位。



## DIRECTORS AND SENIOR MANAGEMENT'S BIOGRAPHIES (CONTINUED)

### 董事及高級管理人員簡歷 (續)

**Mr. Yeung Yuk Lun**, aged 47, joined the Group in 2016. He is the chief financial officer and the company secretary of the Company. Prior to joining the Group, Mr. Yeung held senior management positions in several listed companies in Hong Kong. He has extensive experience in auditing, financial and treasury management, information technology, executive management as well as business development. He holds a Bachelor degree in Business Administration (Professional Accountancy) and a Master degree in Business Administration from The Chinese University of Hong Kong. He is an associate member of each of The Hong Kong Institute of Certified Public Accountants (HKICPA) and The Taxation Institute of Hong Kong (TIHK). Mr. Yeung also holds directorship in certain subsidiaries of the Company. He was an executive director of Man Yue Technology Holdings Limited from 1 March 2013 to 12 April 2016.

**Mr. Ye Yueran**, aged 45, joined the Group in 2002. He has over 10 years of experience in manufacturing of machinery. Mr. Yip is currently the general manager of various subsidiaries of the Company which are engaged in the manufacturing of rubber injection machines, extrusion lines and hydraulic presses. He also holds directorship in certain subsidiaries of the Company.

**Mr. Yip Kar Shun**, aged 71, joined the Group in 1994. He has over 30 years of experience in electronic production and management. Mr. Yip is the managing director of various subsidiaries of the Company which are engaged in the processing and trading of PCB. He also holds directorship in certain subsidiaries of the Company.

**楊毓麟先生**，年47歲，於二零一六年加入本集團。彼為本公司首席財務總監及公司秘書。在加入本集團之前，楊先生曾於數間於香港上市的公司擔任高級管理職務。彼擁有豐富之審計、財務與財資管理、資訊科技、行政管理及業務拓展之經驗。彼持有香港中文大學工商管理（專業會計）學士學位及工商管理碩士學位。彼為香港會計師公會(HKICPA)及香港稅務學會(TIHK)之會員。楊先生亦擔任本公司若干附屬公司之董事職位。彼於二零一三年三月一日至二零一六年四月十二日為萬裕科技集團有限公司之執行董事。

**葉月然先生**，年45歲，於二零零二年加入本集團。彼擁有逾十年機械製造之經驗。葉先生現為本公司從事橡膠注射成型機、擠出生產線及油壓機製造業務的附屬公司之總經理。彼亦擔任本公司若干附屬公司之董事職位。

**葉嘉信先生**，年71歲，於一九九四年加入本集團。彼擁有逾三十年電子生產及管理之經驗。葉先生現為本公司從事印刷線路板加工及貿易業務的附屬公司之董事總經理。彼亦擔任本公司若干附屬公司之董事職位。

# REPORT OF THE DIRECTORS

## 董事會報告書

The Board has pleasure in submitting their report together with the audited consolidated financial statements for the year ended 31 December 2018.

### PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. Further details of the principal activities of the principal subsidiaries are set out in note 45 to the consolidated financial statements. There were no significant changes in the nature of the Group's principal activities during the year.

### RESULTS

The results of the Group for the year ended 31 December 2018 and the state of affairs of the Group at that date are set out in the audited consolidated financial statements on pages 89 to 273 of this annual report.

### FINAL DIVIDEND

The Board has resolved to recommend the payment of a final dividend of HK0.02 per share for the year ended 31 December 2018 (2017: Nil). The final dividend is subject to the approval of the Shareholders at the forthcoming annual general meeting of the Company to be held on 13 June 2019, the final dividend will be payable on or before 31 July 2019 to the Shareholders whose names appear on the register of members of the Company on 21 June 2019.

### CLOSURE OF REGISTER OF MEMBERS

#### (a) 2019 Annual General Meeting

The register of members of the Company will be closed from Thursday, 6 June 2019 to Thursday, 13 June 2019, both days inclusive, during which period no transfer of shares will be registered. In order to be entitled to attend and vote at the annual general meeting, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on Wednesday, 5 June 2019 for registration.

董事會欣然提呈其報告連同截至二零一八年十二月三十一日止年度之經審核綜合財務報表。

### 主要業務

本公司之主要業務為投資控股。旗下主要附屬公司之主要業務的進一步詳情載列於綜合財務報表附註45。本集團主要業務的性質於本年度內並無重大改變。

### 業績

本集團截至二零一八年十二月三十一日止年度之業績及本集團於該日之財務狀況載列於本年報第89頁至第273頁之經審核綜合財務報表。

### 末期股息

董事會議決建議就截至二零一八年十二月三十一日止年度派付末期股息每股0.02港元（二零一七年：無）。末期股息須待股東於本公司即將於二零一九年六月十三日舉行的股東周年大會批准，方告作實，而末期股息將於二零一九年七月三十一日或之前派發予於二零一九年六月二十一日名列本公司股東名冊的股東。

### 暫停辦理股份過戶登記

#### (a) 二零一九年股東周年大會

本公司將於二零一九年六月六日（星期四）至二零一九年六月十三日（星期四）（包括首尾兩日）暫停辦理股份過戶登記，期間不會辦理任何股份轉讓。為取得出席股東周年大會並於會上投票的資格，所有填妥的股份過戶表格連同相關股票必須不遲於二零一九年六月五日（星期三）下午四時三十分前送達本公司之股份過戶登記處卓佳秘書商務有限公司，地址為香港皇后大道東183號合和中心22樓，辦理登記手續。

**(b) Proposed distribution of final dividend**

The register of members of the Company will be closed from Wednesday, 19 June 2019 to Friday, 21 June 2019, both days inclusive, during which period no transfer of shares will be registered. To qualify for the proposed final dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on Tuesday, 18 June 2019 for registration.

**BUSINESS REVIEW**

The business review of the Group for the year ended 31 December 2018 is set out in the sections "Chairman's Statement" and "Management Discussion and Analysis" on pages 4 to 6 and pages 7 to 18 of this annual report respectively.

Further discussion and analysis of the Group's businesses as required by Schedule 5 to the Companies Ordinance, including a discussion of the principal risks and uncertainties facing the Group, particulars of important events affecting the Group that have occurred since the end of the financial year and an indication of likely future developments in the Group's businesses, are set out in the sections "Chairman's Statement" on pages 4 to 6 and "Management Discussion and Analysis" on pages 7 to 18 of this annual report, and pages 25 to 39 of this report.

**(b) 建議末期股息派付**

本公司將於二零一九年六月十九日(星期三)至二零一九年六月二十一日(星期五)(包括首尾兩日)暫停辦理股份過戶登記,期間將不會辦理任何股份轉讓。為符合建議派付末期股息的資格,所有填妥的股份過戶表格連同相關股票必須不遲於二零一九年六月十八日(星期二)下午四時三十分前送達本公司之股份過戶登記處卓佳秘書商務有限公司,地址為香港皇后大道東183號合和中心22樓,辦理登記手續。

**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分別載於本年報第4至第6頁之「主席報告」及第7至第18頁之「管理層論述及分析」章節內。

按照《公司條例》附表5所規定有關本集團之業務之進一步討論及分析,包括本集團所面臨之主要風險及不明朗因素、自財政年度結算日起所發生對本集團造成影響之重要事件詳情,以及本集團業務未來之發展,載於本年報第4至第6頁之「主席報告」及第7至第18頁之「管理層論述及分析」章節內,以及本報告第25至第39頁。

## ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group complies with the applicable environmental laws, rules and regulations on the prevention and control of wastage, waste gases emissions and sewage discharges in Hong Kong and the PRC during the production process. Various measures have been implemented within the Group, such as measures on effective energy conservation to reduce the use of energy and water, measures on managing the reduction of waste and reduction of greenhouse gas emissions. Detailed discussion on the environmental policies and performance of the Group is set out in the section "Environmental, Social and Governance Report".

## COMPLIANCE WITH LAWS AND REGULATIONS

During the year under review, there was no material breach of or non-compliance with the laws and regulations applicable to the Group. Apart from complying with Hong Kong laws such as the Companies Ordinance, Listing Rules, SFO and Employment Ordinance, we have also complied with laws of the PRC, including the Company Law of the PRC (《中國公司法》), Labour Law of the PRC (《中國勞動法》), Labour Contract Law of the PRC (《中國勞動合同法》), relevant laws, rules and regulations in relation to child and forced labour including the Provisions on the Prohibition of Using Child Labour (《禁止使用童工規定》) and the laws of the PRC on the Protection of Minors (《中國未成年人保護法》), as well as other environmental laws, relevant rules, ordinances and regulations on the prevention and control of wastage, waste gases and sewage emission. These laws, ordinances and regulations include but not limited to the Environmental Protection Law of the PRC (《中國環境保護法》), the Environmental Protection Tax Law of the PRC (《中國環境保護稅法》), the Prevention and Control of Atmospheric Pollution of the PRC (《中國大氣污染防治法》), the Water Pollution Prevention and Control Law of the PRC (《中國水污染防治法》), the Waste Disposal Ordinance and Solid Wastes of Prevention and Control Law of the PRC (《中國固體廢物污染環境防治法》) etc.

## FIVE YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the past five financial years is set out on page 274 of this annual report.

## 環境政策及表現

本集團遵守香港及中國於生產過程中防止及控制產生的廢物、廢氣排出和廢水排出的適用環保法律、規則及規定。本集團已實施多項措施，例如：實行有效的節能措施以減少能源和水，以及實行減廢管理及減少溫室氣體排放的措施。有關本集團環境政策及表現的詳細討論已載列於「環境、社會及管治報告」章節內。

## 遵守法律及規定

於回顧年度內，本集團並無重大違反或不遵守適用於本集團的法律及規定。除了遵守香港法例，如《公司條例》、《上市規則》、《證券及期貨條例》、《僱傭條例》，我們亦遵守中國的法例，包括《中國公司法》、《中國勞動法》、《中國勞動合同法》、有關童工和強制勞工的法律、規則及規定，包括《禁止使用童工規定》及《中國未成年人保護法》，以及其他與廢物、廢氣和廢水排放有關的防治及控制的法例及規定和其他環保法律及相關規則。該等法例及規定包括但不限於：《中國環境保護法》、《中國環境保護稅法》、《中國大氣污染防治法》、《中國水污染防治法》、《廢物處置條例》、《中國固體廢物污染環境防治法》等。

## 五年財務摘要

本集團過去五個財政年度之業績及資產與負債摘要載列於本年報第274頁。

## REPORT OF THE DIRECTORS (CONTINUED)

### 董事會報告書(續)

#### PROPERTY, PLANT AND EQUIPMENT

Details of the movements in the property, plant and equipment of the Group during the year are set out in note 15 to the consolidated financial statements.

#### SHARE CAPITAL

The Company issued and allotted 145,000,000 new Shares for the year ended 31 December 2018, details of which are set out in the heading "Connected Transactions" below.

Details of movements in the Company's share capital during the year are set out in note 32 to the consolidated financial statements.

#### RESERVES

Details of movements in the reserves of the Group and the Company during the year are set out in the "Consolidated Statement of Changes in Equity" on page 94 of this annual report and in note 33 to the consolidated financial statements.

#### DISTRIBUTABLE RESERVES

As at 31 December 2018, the Company's reserves available for distribution, as calculated in accordance with the sections 291, 297 and 299 of the Companies Ordinance, amounted to HK\$508,663,000.

#### DONATIONS

During the year, the Group made around HK\$30,000 of donation.

#### MAJOR CUSTOMERS AND SUPPLIERS

During the year ended 31 December 2018, the respective percentage of purchases attributable to the Group's five largest suppliers and the sales attributable to the Group's five largest customers, on a combined basis, was less than 30% of the total value of the Group's purchases and sales.

None of the Directors, their associates or any Shareholder (which to the knowledge of the Directors owns more than 5% of the total number of issued shares of the Company) had an interest in the major suppliers or customers noted above.

#### 物業、廠房及設備

本集團之物業、廠房及設備於本年度之變動詳情分別載列於綜合財務報表附註15。

#### 股本

截至二零一八年十二月三十一日止年度，本公司配發及發行145,000,000股新股份，有關詳情載於下文「關連交易」標題內。

本年度內，本公司股本變動之詳情載列於綜合財務報表附註32。

#### 儲備

本集團及本公司之儲備於本年度之變動詳情載列於本年報第94頁之「綜合權益變動表」及綜合財務報表附註33。

#### 可供分派儲備

於二零一八年十二月三十一日，按《公司條例》第291、297及299條之規定計算，本公司可供分派之儲備為508,663,000港元。

#### 捐款

於本年度，本集團已作出約30,000港元捐款。

#### 主要客戶及供應商

截至二零一八年十二月三十一日止年度，本集團之五個最大供應商合計所佔之購貨額百分比及五個最大客戶合計所佔之銷售額百分比乃佔本集團之購貨額及銷售額總值少於30%。

董事、其聯繫人或任何股東（就董事所知持有本公司已發行股份總數目5%以上者）概無擁有上述主要供應商或客戶之任何權益。

## BIOGRAPHICAL DETAILS OF DIRECTORS

The biographical details of the Directors are set out in the section "Directors and Senior Management's Biographies" on pages 19 to 24 of this annual report.

## DIRECTORS' EMOLUMENTS

Details of the Directors' emoluments are set out in note 10 to the consolidated financial statements.

## DIRECTORS

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

### Executive Directors

Tang To (*Chairman*)  
Wong Yiu Ming (*Executive Vice Chairman*)  
Tang Yu, Freeman (*Chief Executive Officer*)  
Mei Zheqi (*appointed on 28 August 2018*)

### Non-executive Directors

Kan Wai Wah  
Qu Jinping

### Independent Non-executive Directors

Yeung Shuk Fan  
Cheng Tak Yin  
Ho Wei Sem  
Huang Zhi Wei

The Directors are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with article 102 of the Articles. Messrs. Mei Zheqi, Kan Wai Wah, Qu Jinping and Huang Zhi Wei will retire from office by rotation and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

## 董事簡歷

董事簡歷載於本年報第19至24頁之「董事及高級管理人員簡歷」內。

## 董事酬金

董事酬金之詳情載於綜合財務報表附註10。

## 董事

於本年度內及截至本年報日期之董事如下：

### 執行董事

鄧燾 (*主席*)  
黃耀明 (*執行副主席*)  
鄧愚 (*行政總裁*)  
梅哲騏 (*於二零一八年八月二十八日獲委任*)

### 非執行董事

簡衛華  
瞿金平

### 獨立非執行董事

楊淑芬  
鄭達賢  
何偉森  
黃志煒

根據章程細則第102條之規定，董事須於本公司股東周年大會上輪值卸任，惟可膺選連任。梅哲騏先生、簡衛華先生、瞿金平先生及黃志煒先生均將在即將舉行之股東周年大會上輪值告退及願膺選連任。

## REPORT OF THE DIRECTORS (CONTINUED) 董事會報告書(續)

### DIRECTORS OF SUBSIDIARIES

During the year ended 31 December 2018 and up to the date of this report, the persons who served as directors of the subsidiaries of the Company include Mr. Cao Xiaowei, Mr. Chen Leiming, Ms. Ching Shuk Kwan, Mr. Diao Junde, Mr. Du Jiang, Mr. Fang Xirong, Mr. Ho Kwong Sang, Mr. Hu Ping, Mr. Hui Wai Kee, Mr. Jiang Nan\*, Mr. Jiang Shufeng, Mr. Law Moon Wah, Mr. Lu Hank, Mr. Man Wai Hong, Bernard, Mr. Miao Hongliang, Mr. Tang To, Mr. Tang Yu, Freeman, Mr. Tsutsumi Keiji, Mr. Xie Jie, Ms. Wan Ming, Mr. Wang Xianyou\*, Mr. Wong Yiu Ming, Mr. Yatsugi Atsushi, Ms. Yan Dong, Mr. Ye Qingzhong, Mr. Ye Yueran, Mr. Yeung Yuk Lun, Mr. Yip Kar Shun, Mr. Yip Kin Keung, Mr. Zhang Xiaochen, Mr. Zhao Weirong and Mr. Zhu Wenguang.

*The persons marked with an asterisk\* are no longer to be the directors of the subsidiaries of the Company as at the date of this report.*

### DIRECTORS' SERVICE CONTRACTS

No Director 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).

### CONFIRMATION OF INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

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

### DIRECTORS' INDEMNITIES AND INSURANCE

As permitted by the Articles, every Director or officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto.

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

### 附屬公司董事

於截至二零一八年十二月三十一日止年度及截至本報告日期擔任本公司附屬公司董事的人士包括曹小偉先生、陳雷銘先生、程淑群女士、刁俊德先生、杜江先生、方熙榮先生、何廣生先生、胡平先生、許韋奇先生、姜南先生\*、姜樹峰先生、羅滿華先生、盧熯先生、萬偉康先生、繆虹亮先生、鄧燾先生、鄧愚先生、堤惠司先生、謝杰先生、溫明女士、王賢有先生\*、黃耀明先生、八木篤先生、嚴冬女士、葉慶忠先生、葉月然先生、楊毓麟先生、葉嘉信先生、葉建強先生、張笑塵先生、趙偉榮先生及朱文光先生。

*註有\*的人士於本報告日期已不再為本公司附屬公司之董事。*

### 董事之服務合約

在即將舉行之股東周年大會上候選連任之董事概無與本公司訂立不可由本公司於一年內終止而毋須支付賠償(法定賠償除外)之服務合約。

### 獨立非執行董事獨立性之確認

按照上市規則第3.13條規定，本公司已收到每名獨立非執行董事確認其獨立性的年度確認書。本公司認為所有獨立非執行董事確屬有其獨立性。

### 獲准許彌償條文

章程細則允許各董事或高級職員有權就履行其職責或其他與此有關方面而蒙受或產生的所有損失或債務，均有權從本公司的資產中獲得彌償保證。

本公司已為董事及本公司的高級職員購買適當的董事及高級職員責任保險作為保障。

## DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, DEBENTURES OR UNDERLYING SHARES

As at 31 December 2018, save for the interests of the Directors in the Shares of the Company set out as below, none of the Directors had any interests and short positions in the Shares, debentures or underlying Shares or any of its associated corporations (within the meaning of Part XV of the SFO) which had to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she was taken or deemed to have under such provisions of the SFO) or which were required pursuant to section 352 of the SFO, to be entered in the register referred therein or which were required to be disclosed herein pursuant to the Model Code.

## 董事於股份、債權證或相關股份之權益及淡倉

於二零一八年十二月三十一日，除董事所持有股份之權益(有關詳情載於下文)外，各董事於本公司或其任何相聯法團(按《證券及期貨條例》第XV部之涵義)之股份、債權證或相關股份中，概無擁有須《證券及期貨條例》第XV部第7及8分部知會本公司及聯交所之任何權益及淡倉(包括根據《證券及期貨條例》規定被視作或當作擁有之權益及淡倉)，亦無擁有須根據《證券及期貨條例》第352條登記於根據該條例存置或根據標準守則須於本文披露之任何權益及淡倉。

### Long position in shares or underlying shares:

於股份或相關股份之權益好倉:

Name of Directors 董事姓名	Number of Shares Held 持有股份數目				Total number of Shares held 持有股份總數目	Approximate % of the total number of issued Shares 約佔已發行股份 總數目之 概約百分比
	Personal Interests 個人權益	Family Interests 家族權益	Corporate Interests 企業權益	Other Interests 其他權益		
Tang To 鄧熾	4,970,000	2,000 <sup>(1)</sup>	445,617,458 <sup>(2)</sup>	224,000 <sup>(3)</sup>	450,813,458	52.30
Wong Yiu Ming 黃耀明	9,468,000	-	-	-	9,468,000	1.10
Tang Yu, Freeman 鄧愚	-	-	442,157,052 <sup>(4)</sup>	-	442,157,052	51.30
Kan Wai Wah 簡衛華	136,400	-	-	-	136,400	0.02
Cheng Tak Yin 鄭達賢	1,406,000	-	-	-	1,406,000	0.16



## REPORT OF THE DIRECTORS (CONTINUED)

### 董事會報告書(續)

#### Notes:

- (1) These 2,000 Shares were held by the spouse of Mr. Tang To.
- (2) 3,460,406 Shares of those 445,617,458 Shares were held by Ginta Company Limited which is wholly-owned by a company which in turn is owned as to 50% by Mr. Tang To and 50% by his spouse. Mr. Tang To was deemed to be interested in the 405,907,052 Shares of those 445,617,458 Shares under the SFO through his deemed interests in Codo Development Limited (“**Codo**”).

Codo through its wholly-owned subsidiaries, Cosmos Holdings and Tai Shing Agencies Limited (“**Tai Shing**”), was also deemed to be interested in 405,907,052 Shares. Codo is incorporated in Hong Kong and is owned as to (i) 25.06% by Keepsound Investments Limited (“**Keepsound**”), a limited company incorporated in Hong Kong controlled by Saniwell, a trustee of The Saniwell Trust, (ii) 8.37% by Elegant Power Enterprises Limited (“**Elegant Power**”); (iii) 30.25% by Friendchain Investments Limited (“**Friendchain**”), a limited company incorporated in Hong Kong, controlled as to 40% by Elegant Power, as to 57.42% by Saniwell and as to 2.58% by Fullwin Limited (“**Fullwin**”); (iv) 16.09% by Yik Wan Company Limited (“**Yik Wan**”); and (v) 20.23% by five individuals and two limited companies.

Moreover, 108,750,000 Shares and 36,250,000 Shares of these 445,617,458 Shares were allotted and issued to Cosmos Holdings and Saniwell on 27 June 2018 respectively. Mr. Tang To was deemed to be interested in the 108,750,000 Shares held by Cosmos Holdings and the 36,250,000 Shares held by Saniwell under the SFO.

- (3) These 224,000 Shares were jointly held by Mr. Tang To and his spouse.
- (4) Saniwell is owned as to approximately 42.86% by Mr. Tang Yu, Freeman. Accordingly, Mr. Tang Yu, Freeman was deemed to be interested in the 442,157,052 Shares held by Saniwell under the SFO. 108,750,000 Shares and 36,250,000 Shares of these 442,157,052 Shares were allotted and issued to Cosmos Holdings and Saniwell on 27 June 2018 respectively.

#### 附註:

- (1) 該2,000股股份由鄧熹先生之配偶持有。
- (2) 在該445,617,458股股份中，3,460,406股乃由堅達有限公司持有，而其為一間由鄧熹先生及其配偶各擁有50%權益之公司全資擁有。根據《證券及期貨條例》，鄧熹先生（基於其在高度發展有限公司（「**高度**」）被視作持有之權益）亦被視為擁有該445,617,458股股份中的405,907,052股之權益。

高度透過其全資附屬公司大同控股及Tai Shing Agencies Limited（「**Tai Shing**」）被視為擁有合共405,907,052股股份之權益。高度乃在香港註冊成立，由(i)協生投資有限公司（「**協生**」）（一間由Saniwell（為The Saniwell Trust之受託人）控制之於香港註冊成立之有限公司）擁有25.06%權益；(ii)豪力企業有限公司（「**豪力**」）擁有8.37%權益；(iii)友昌投資有限公司（「**友昌**」）（為一間於香港註冊成立之有限公司，並由豪力擁有40%、Saniwell擁有57.42%及Fullwin Limited（「**Fullwin**」）擁有2.58%之股權）擁有30.25%權益；(iv)翼雲有限公司（「**翼雲**」）擁有16.09%權益；及(v)五名個別人士及兩間有限公司擁有20.23%權益。

再者，該445,617,458股股份中的108,750,000股股份及36,250,000股股份分別於二零一八年六月二十七日配發及發行予大同控股及Saniwell。根據《證券及期貨條例》，鄧熹先生被視為擁有由大同控股持有之108,750,000股股份及由Saniwell持有之36,250,000股股份之權益。

- (3) 該224,000股股份由鄧熹先生及其配偶持有。
- (4) Saniwell由鄧愚先生擁有約42.86%權益。因此，根據《證券及期貨條例》，鄧愚先生被視為擁有由Saniwell持有之442,157,052股股份之權益。該442,157,052股股份中的108,750,000股股份及36,250,000股股份分別於二零一八年六月二十七日配發及發行予大同控股及Saniwell。

## SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS

As at 31 December 2018, so far as was known to the Directors, the following parties had an interest or long position or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were required pursuant to section 336 of the SFO, to be entered in the register referred therein:

### Long position in shares or underlying shares:

於股份或相關股份之權益好倉：

## 主要股東之權益及淡倉

於二零一八年十二月三十一日，就董事所知，下列人士於本公司股份或相關股份中，擁有須根據證券及期貨條例第XV部第2及3分部規定予以披露之權益或好倉或淡倉，或擁有須根據證券及期貨條例第336條登記於根據該條例存置之權益或好倉或淡倉：

Name of Substantial Shareholder 主要股東名稱	Capacity in which interests are held 持有權益之身份	Number of Shares Held 持有股份數目			Approximate % of the total number of issued Shares 約佔已發行股份總數目之概約百分比
		Direct Interests 直接權益	Deemed Interests 被當作持有之權益	Total number of shares held 持有股份總數目	
Saniwell	Beneficial owner and interest of controlled corporations 實益擁有人及受控法團之權益	36,250,000 <sup>(1)</sup>	405,907,052 <sup>(2)</sup>	442,157,052	51.30
Codo 高度	Interest of controlled corporations 受控法團之權益	-	405,907,052 <sup>(3)</sup>	405,907,052	47.09
Cosmos Holdings 大同控股	Beneficial owner and interest of controlled corporations 實益擁有人及受控法團之權益	235,802,600 <sup>(4)</sup>	170,104,452 <sup>(5)</sup>	405,907,052	47.09
Law Kit Fong 羅潔芳	Interest of controlled corporations 受控制法團之權益	-	405,907,052 <sup>(6)</sup>	405,907,052	47.09
Tai Shing	Beneficial owner 實益擁有人	170,104,452	-	170,104,452	19.73
China Resources (Holdings) Company Limited 華潤(集團)有限公司	Beneficial owner 實益擁有人	169,649,046 <sup>(7)</sup>	-	169,649,046	19.68
CRC Bluesky Limited	Interest of controlled corporations 受控法團之權益	-	169,649,046 <sup>(8)</sup>	169,649,046	19.68
China Resources Co., Limited 華潤股份有限公司	Interest of controlled corporations 受控法團之權益	-	169,649,046 <sup>(9)</sup>	169,649,046	19.68

## REPORT OF THE DIRECTORS (CONTINUED)

### 董事會報告書(續)

#### Notes:

- (1) These 36,250,000 Shares were allotted and issued to Saniwell on 27 June 2018.
- (2) Saniwell was deemed to be interested in 405,907,052 Shares under the SFO through its deemed interests in Codo. Codo is owned as to (i) 25.06% by Keepsound, a limited company incorporated in Hong Kong, controlled by Saniwell, a trustee of The Saniwell Trust; (ii) 8.37% by Elegant Power; (iii) 30.25% by Friendchain which is owned as to 40% by Elegant Power, as to 57.42% by Saniwell and as to 2.58% by Fullwin; (iv) 16.09% by Yik Wan; and (v) 20.23% by five individuals and two limited companies.
- (3) Codo is interested in 405,907,052 Shares through its wholly-owned subsidiaries, Cosmos Holdings and Tai Shing. Codo is owned as to (i) 25.06% by Keepsound, a limited company incorporated in Hong Kong controlled by Saniwell, a trustee of The Saniwell Trust; (ii) 8.37% by Elegant Power, which is wholly-owned by Ms. Law Kit Fong; (iii) 30.25% by Friendchain, which is owned as to 40% by Elegant Power, as to 57.42% by Saniwell and as to 2.58% by Fullwin; (iv) 16.09% by Yik Wan; and (v) 20.23% by five individuals and two limited companies.
- (4) Cosmos Holdings is beneficially interested in 235,802,600 Shares, in which 108,750,000 Shares were allotted and issued to Cosmos Holdings on 27 June 2018.
- (5) By virtue of the SFO, Cosmos Holdings was deemed to be interested in 170,104,452 Shares through its subsidiary, Tai Shing.
- (6) Ms. Law Kit Fong is deemed to be interested in 405,907,052 Shares through her direct and indirect interests in Elegant Power and Codo. Codo through its wholly-owned subsidiaries, Cosmos Holdings and Tai Shing, was deemed to be interested in 405,907,052 Shares. Codo is owned as to 30.25% by Friendchain (which is owned as to 40% by Elegant Power) and 8.37% by Elegant Power (which is wholly-owned by Ms. Law Kit Fong).
- (7) China Resources (Holdings) Company Limited is beneficially interested in 169,649,046 Shares.

#### 附註:

- (1) 於二零一八年六月二十七日配發及發行36,250,000股股份予Saniwell。
- (2) 根據《證券及期貨條例》，Saniwell因擁有高度之權益而被當作擁有其405,907,052股股份之權益。高度分別由(i)協生(一間由Saniwell(為The Saniwell Trust之受託人)控制並於香港註冊成立之有限公司)擁有25.06%權益；(ii)豪力擁有8.37%權益；(iii)友昌(分別由豪力擁有40%、Saniwell擁有57.42%及Fullwin擁有2.58%之股權)擁有30.25%權益；(iv)翼雲擁有16.09%權益；及(v)五名個別人士及兩間有限公司擁有20.23%權益。
- (3) 高度透過大同控股及Tai Shing(均為其全資附屬公司)被當作擁有合共405,907,052股股份之權益。高度之股權分別由(i)協生(一間由Saniwell(為The Saniwell Trust之受託人)控制並於香港註冊成立之有限公司)擁有25.06%權益；(ii)豪力(由羅潔芳女士全資擁有)擁有8.37%權益；(iii)友昌(分別由豪力擁有40%、Saniwell擁有57.42%及Fullwin擁有2.58%之股權)擁有30.25%權益；(iv)翼雲擁有16.09%權益；及(v)五名個別人士及兩間有限公司擁有20.23%權益。
- (4) 大同控股實益擁有235,802,600股股份，當中108,750,000股股份於二零一八年六月二十七日配發及發行予大同控股。
- (5) 根據《證券及期貨條例》，大同控股透過其附屬公司Tai Shing被當作擁有170,104,452股股份之權益。
- (6) 羅潔芳女士因分別持有豪力及高度之直接及間接權益而被當作擁有405,907,052股股份之權益。高度透過大同控股及Tai Shing(均為其全資附屬公司)被當作擁有合共405,907,052股股份之權益。高度之股權分別由友昌(其40%權益由豪力控制)擁有30.25%權益及由豪力(由羅潔芳女士全資擁有)擁有8.37%權益。
- (7) 華潤(集團)有限公司實益擁有169,649,046股股份。

- (8) By virtue of the SFO, CRC Bluesky Limited is deemed to be interested in 169,649,046 Shares held by China Resources (Holdings) Company Limited, which is a wholly owned subsidiary of CRC Bluesky Limited.
- (9) By virtue of the SFO, China Resources Co., Limited is deemed to be interested in 169,649,046 Shares held by CRC Bluesky Limited, which is a wholly owned subsidiary of China Resources Co., Limited.

- (8) 由於華潤(集團)有限公司為CRC Bluesky Limited之全資附屬公司,故根據《證券及期貨條例》,CRC Bluesky Limited被視為於華潤(集團)有限公司所持有之169,649,046股股份中擁有權益。
- (9) 由於CRC Bluesky Limited為華潤股份有限公司之全資附屬公司,故根據《證券及期貨條例》,華潤股份有限公司被視為於華潤(集團)有限公司所持有169,649,046股股份中擁有權益。

Save as disclosed above, as at 31 December 2018, the Directors are not aware of any other persons who have interests or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which would be required to be disclosed to the Company and the Stock Exchange pursuant to Part XV of the SFO.

除上述披露外,於二零一八年十二月三十一日,就各董事知悉,概無任何其他人士於本公司或其相聯法團(定義見《證券及期貨條例》第XV部)之股份、相關股份或債權證中擁有根據《證券及期貨條例》第XV部須向本公司及聯交所披露之權益或淡倉。

### DIRECTORS' RIGHTS TO ACQUIRE SHARES AND DEBENTURES

Save as disclosed in the headings "Directors' Interests and Short Positions in Shares, Debentures or Underlying Shares" and "Related Party Transactions" of this report, at no time during the year or at the end of the year has been/was the Company, its holding company, or any of its subsidiaries a party to any arrangement to enable the Directors or their respective spouse 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.

### 董事購買股份及債券權益

除於本報告「董事於股份、債權證或相關股份之權益及淡倉」及「關連交易」標題披露者外,於本年度任何時間內或年終時,本公司、其控股公司或其任何附屬公司未曾/概無參與任何安排,致使董事或彼等各自之配偶或十八歲以下子女可藉購買本公司或任何其他法人團體的股份或債券而獲得利益。

### DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENT OR CONTRACTS

Saved as the related party transactions as disclosed in note 44 to the consolidated financial statements and in the heading "Related Party Transactions" below, no Director and his/her entity connected had a material interest, directly or indirectly, in a transaction, arrangement or contract or a proposed transaction, arrangement or contract that is significant in relation to the Group's businesses to which the Company or any of its subsidiaries was a party during the year.

### 董事在交易、安排或合約中之權益

除於綜合財務報表附註44及以下「關連交易」標題內一節披露的關聯交易外,於本年度內各董事及其關連的實體於本公司或其任何附屬公司所訂立的任何對本集團業務可屬重大之交易、安排或合約中,不論直接或間接,概無擁有重大權益。

## RELATED PARTY TRANSACTIONS

The Group entered into certain transactions with parties regarded as “Related Parties” under applicable accounting standard. These transactions mainly relate to contracts entered into by the Group in the ordinary and usual course of business which were negotiated on normal commercial terms and on an arm’s length basis. Further details are set out in note 44 to the consolidated financial statements. The Group has entered into a connected transaction during the year, details are illustrated below:

### Connected Transaction in relation to Subscription of New Shares by Connected Persons

On 30 April 2018, the Company entered into a subscription agreement with Cosmos Holdings and Saniwell. Cosmos Holdings and Saniwell subscribed for 108,750,000 Shares and 36,250,000 Shares at the subscription Price of HK\$0.55 per subscription share respectively. The total gross proceeds from the subscription were HK\$79,750,000 (based on the subscription price of HK\$0.55 per Share). The net proceeds of the subscription (after deducting related professional fees and related expenses) were approximately HK\$76,124,000 and the net subscription price per subscription share was approximately HK\$0.52. The details of use of net proceeds from subscription of new shares are set out in the heading “Use of Net Proceeds from Subscription of New Shares” in the “Management Discussion and Analysis” of this annual report.

Cosmos Holdings is a controlling Shareholder. Prior to the Subscription, it directly held 127,052,600 Shares and indirectly held 170,104,452 Shares. Therefore, Cosmos Holdings was a connected person of the Company pursuant to the Listing Rules; while Saniwell did not hold any Shares prior to the Subscription. Saniwell was owned as to approximately 57.14% by Mr. Tang To and approximately 42.86% by Mr. Tang Yu, Freeman, both executive Directors. Saniwell, through its intermediate holding companies, indirectly controlled Cosmos Holdings. As such, Saniwell was a connected person of the Company pursuant to the Listing Rules.

## 關連交易

本集團與根據適用會計準則被視為「關連人士」訂立若干交易。此等交易主要涉及本集團於一般及日常業務過程中按一般商務條款經公平原則磋商而訂立之合約。進一步詳情載列於綜合財務報表附註44。本集團於本年度已進行關連交易詳細展述如下：

### 由關連人士認購新股份之關連交易

於二零一八年四月三十日，本公司與大同控股及Saniwell訂立認購協議。大同控股及Saniwell按每股認購股份0.55港元之認購價分別認購108,750,000股股份及36,250,000股股份。認購事項之所得款項總額為79,750,000港元（基於認購價每股股份0.55港元）。認購事項之所得款項淨額（扣除相關專業費用及相關開支後）約為76,124,000港元，而每股認購股份之淨認購價約為0.52港元。新股份認購所得款項淨額用途詳情，請參閱本年報「管理層論述及分析」中「新股份認購所得款項淨額用途」標題中描述。

大同控股為本公司之控股股東。於認購事項前，其直接持有127,052,600股股份及間接持有170,104,452股股份。因此，根據上市規則，大同控股為本公司之關連人士。而Saniwell於認購事項前並無直接持有任何股份。Saniwell由鄧燾先生及鄧愚先生（均為執行董事）分別擁有約57.14%及約42.86%權益，Saniwell透過其中介控股公司間接控制大同控股。因此，根據上市規則，Saniwell為本公司之關連人士。

Accordingly, the subscription agreement and the transactions contemplated thereunder constitute non-exempt connected transactions of the Company under Chapter 14A of the Listing Rules and are subject to the announcement, reporting and independent Shareholders' approval requirements.

An extraordinary general meeting and an adjourned extraordinary general meeting were convened for the independent Shareholders to consider and approve the subscription agreement, the transactions contemplated thereunder (including the specific mandate) and the whitewash waiver on 7 June 2018 and 20 June 2018 respectively.

The subscription was completed on 27 June 2018 and an aggregate of 145,000,000 new Shares were allotted and issued on 27 June 2018.

For details, please refer to the Company's announcements dated 30 April 2018, 19 May 2018, 1 June 2018, 7 June 2018, 20 June 2018 and 27 June 2018, the Company's circular dated 19 May 2018 and the Company's supplemental circular dated 2 June 2018.

### **SUBSEQUENT EVENTS**

There are no major subsequent events occurring from the reporting period to the date of this annual report.

### **MANAGEMENT CONTRACTS**

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

因此，認購協議及其項下擬進行之交易構成上市規則第十四A章項下之本公司非豁免關連交易，並須遵守公告、申報及獨立股東批准規定。

本公司分別於二零一八年六月七日及二零一八年六月二十日舉行股東特別大會及股東特別大會續會，以供獨立股東考慮及酌情批准認購協議、其項下擬進行之交易（包括特定授權）及清洗豁免。

認購事項已於二零一八年六月二十七日完成及合共145,000,000股新股份已於二零一八年六月二十七日配發及發行。

有關詳情可參閱本公司日期為二零一八年四月三十日、二零一八年五月十九日、二零一八年六月一日、二零一八年六月七日、二零一八年六月二十日及二零一八年六月二十七日之公告、日期為二零一八年五月十九日之通函及日期為二零一八年六月二日之補充通函。

### **結算日後事項**

由申報期後至本年報日期止，概無發生任何重大結算日後事項。

### **管理合約**

除僱員合約外，本年度內概無訂立或存有與本公司全部或任何重大部分業務管理及行政的合約。

### **Equity-linked Agreements**

Saved as the connected transaction in relation to subscription of new shares by connected persons disclosed in the heading "Related Party Transactions" above, no equity-linked agreement that will or may result in the Company issuing shares or that requires the Company to enter into any agreements that will or may result in the Company issuing shares was entered into by the Company during the year or subsisted at the end of the year.

### **DIRECTORS' INTERESTS IN COMPETING BUSINESSES**

During the year, none of the Directors is considered to have interests in the businesses which are considered to compete or likely to compete, either directly or indirectly, with businesses of the Group pursuant to rule 8.10 of the Listing Rules.

### **CORPORATE GOVERNANCE**

The Group's corporate governance practices and procedures are set out in the section "Corporate Governance Report" on pages 40 to 55 of this annual report.

### **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES**

Saved as the connected transaction in relation to subscription of new shares by connected persons disclosed in the heading "Related Party Transactions" above, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year ended 31 December 2018.

### **SUFFICIENCY OF PUBLIC FLOAT**

Based on information publicly available to the Company and within the knowledge of the Directors as at the date of the annual report, the Company has maintained the prescribed public float under the Listing Rules.

### **股票掛鈎協議**

除於上文「關連交易」標題內一節披露有關由關連人士認購新股份之關連交易外，於年內或年終時，本公司概無訂立或存在將會或可導致本公司發行股份的股票掛鈎協議，或要求本公司訂立任何協議將會或可導致本公司發行股份的股票掛鈎協議。

### **董事於競爭業務之權益**

於本年度內，根據上市規則第8.10條，無董事被視為與本集團業務構成競爭或可能構成競爭。

### **企業管治**

本集團的企業管治守則常規和程序，列載於本年報第40頁至55頁「企業管治報告」章節內。

### **購買、售出或贖回本公司上市證券**

除於上文「關連交易」標題內一節披露有關由關連人士認購新股份之關連交易外，本公司或其任何附屬公司概無於截至二零一八年十二月三十一日止年度內購買、贖回或售出本公司任何上市證券。

### **充足公眾持股量**

根據本公司可取得之公開參考資料及就董事所悉，截至本年報日期，本公司已維持上市規則項下規定之公眾持股量。

### **REVIEW BY AUDIT COMMITTEE**

This annual report has been reviewed by the audit committee of the Company. Information on the main works of audit committee of the Company and its composition are set out in the section “Corporate Governance Report” on pages 40 to 55 of this annual report.

### **AUDITOR**

The Group’s financial statements for the year ended 31 December 2018 have been audited by the auditor, Messrs. Ting Ho Kwan & Chan, who retire and offer themselves for re-appointment as auditor of the Company at the forthcoming annual general meeting.

By order of the Board  
**TANG To**  
*Chairman*

Hong Kong, 28 March 2019

### **審核委員會的審閱**

本年報經已由本公司審核委員會審閱。有關本公司審核委員會主要工作及組成之資料詳列於本年報第40至55頁之「企業管治報告」章節內。

### **核數師**

本集團截至二零一八年十二月三十一日止年度之財務報表經由核數師丁何關陳會計師行審核。該核數師現依章在即將舉行之股東周年大會上任滿告退，在其會上提呈續聘其連任本公司核數師。

承董事會命  
主席  
**鄧燾**

香港，二零一九年三月二十八日



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### CORPORATE GOVERNANCE CODE

The Board is committed to practicing and maintaining a high standard of corporate governance for the enhancement of Shareholders' value and safeguarding interests of Shareholders and other stakeholders, and reviews corporate governance practices and procedures of the Group on a regular basis.

### CORPORATE GOVERNANCE PRACTICES

The Company has made detailed disclosures in relation to the accounting period covered in this report in compliance with the requirements of the Corporate Governance Report as set out in the CG Code. During the year ended 31 December 2018, the Company has complied with all the principles and code provisions of the CG Code, except for the following deviation from code provision A.6.7 of the CG Code:

Code provision A.6.7 of the CG Code stipulates that independent non-executive directors and non-executive directors should attend general meetings to gain and develop a balanced understanding of the views of shareholders. During the year under review, Mr. Qu Jinping, non-executive Director and Mr. Ho Wei Sem and Mr. Huang Zhi Wei, both independent non-executive Directors were unable to attend the annual general meeting and extraordinary general meeting of the Company held on 7 June 2018, and adjourned extraordinary general meeting of the Company held on 20 June 2018 due to other business engagements. The Company considered that the presence of the chairman of each of nomination committee, remuneration committee and audit committee, and other non-executive Director and independence non-executive Directors at the said meetings were sufficient for addressing the queries from Shareholders.

### 遵守企業管治守則

董事會致力實行及維持高水準之企業管治，以提升股東價值及維護股東和其他持份者的權益，以及定期檢討本集團企業管治守則常規和程序。

### 企業管治常規

本公司已按照《企業管治守則》之企業管治報告的要求，所涵蓋會計期間應披露的資料已詳細列載於本報告內。截至二零一八年十二月三十一日止年度，除偏離以下《企業管治守則》守則條文第A.6.7條外，本公司已遵守企業管治守則中所有原則和守則條文：

按照《企業管治守則》之守則條文第A.6.7條規定，獨立非執行董事及非執行董事應出席股東大會，以對股東之意見有全面、公正的了解。於回顧年度內，非執行董事瞿金平先生及兩位獨立非執行董事何偉森先生和黃志偉先生，因彼等有其他公務未能出席本公司於二零一八年六月七日舉行之股東周年大會和股東特別大會，以及於二零一八年六月二十日舉行之股東特別大會續會。本公司認為提名委員會主席、薪酬委員會主席和審核委員會主席，以及其他非執行董事和獨立非執行董事已出席該等會議，足以回答股東的提問。

## DIRECTORS' SECURITIES TRANSACTIONS

The Board has adopted a CMEL Code on terms no less exacting than the required standard of the Model Code as the Company's code of conduct and rules governing dealing by all Directors and relevant employees in the securities of the Company.

All Directors have confirmed, following specific enquiry by the Company, they have complied with the required standard set out in the Model Code and CMEL Code for the year ended 31 December 2018.

## THE BOARD

### Composition

The Board currently consists of ten members, including four executive Directors (namely Messrs. Tang To, Wong Yiu Ming, Tang Yu, Freeman and Mei Zheqi), two non-executive Directors (namely Messrs. Qu Jinping and Kan Wai Wah) and four independent non-executive Directors (namely Messrs. Yeung Shuk Fan, Cheng Tak Yin, Ho Wei Sem and Huang Zhi Wei). The Directors' biographical details and the relationships among the Board members, if any, are set out on pages 19 to 24 under the section "Directors and Senior Management's Biographies" of this annual report.

Save as disclosed in such biographies, there is no financial, business, family or other material/relevant relationship among the Directors.

## 董事證券交易

本公司已採納一套大同企業守則，作為本公司監管全體董事及相關僱員買賣本公司證券的操守準則和規則，而大同企業守則不比標準守則所訂明的要求寬鬆。

經本公司特定查詢後，董事已確認彼等於截至二零一八年十二月三十一日年度內，一直遵守標準守則及大同企業守則所載之規定標準。

## 董事會

### 組成

董事會現由十名成員組成，包括四名執行董事（即鄧燾先生、黃耀明先生、鄧愚先生及梅哲騏先生）、兩名非執行董事（即瞿金平先生及簡衛華先生）及四名獨立非執行董事（即楊淑芬女士、鄭達賢先生、何偉森先生及黃志煒先生）。董事之簡歷及董事會成員之間的關係（如有）詳情載於本年報第19至24頁之「董事及高級管理人員簡歷」之章節內。

除了該等簡歷內所披露外，董事之間並無財務、業務、家族或其他重大／相關關係。

**CORPORATE GOVERNANCE REPORT (CONTINUED)**  
**企業管治報告 (續)**

**Attendance Record of Directors at Meeting held during the Year**

The details of Directors' attendance at the meetings (including the board meetings, audit committee meetings, remuneration committee meetings, nomination committee meetings, annual general meeting and extraordinary general meetings) held during the year are set out in the following table:

**董事於本年度出席會議之紀錄**

下表列示董事於本年度舉行的會議（包括董事會會議、審核委員會會議、薪酬委員會會議、提名委員會會議、股東周年大會及股東特別大會）之出席情況：

**Number of meetings attended and held**  
**出席及舉行會議次數**

	Board Meetings 董事會會議	Audit Committee Meetings 審核委員會會議	Remuneration Committee Meetings 薪酬委員會會議	Nomination Committee Meetings 提名委員會會議	Annual General Meeting 股東周年大會	Extraordinary General Meetings 股東特別大會
Tang To 鄧燾	4/4	N/A 不適用	2/2	2/2	1/1	2/2
Wong Yiu Ming 黃耀明	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1	2/2
Tang Yu, Freeman 鄧愚	4/4	N/A 不適用	N/A 不適用	2/2	1/1	2/2
Mei Zheqi* 梅哲騏*	1/1	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
Kan Wai Wah 簡衛華	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1	2/2
Qu Jinping 瞿金平	4/4	N/A 不適用	N/A 不適用	N/A 不適用	0/1	0/2
Yeung Shuk Fan 楊淑芬	4/4	3/3	2/2	2/2	1/1	2/2
Cheng Tak Yin 鄭達賢	4/4	3/3	2/2	2/2	1/1	2/2
Ho Wei Sem 何偉森	4/4	3/3	2/2	2/2	0/1	0/2
Huang Zhi Wei 黃志偉	4/4	N/A 不適用	N/A 不適用	N/A 不適用	0/1	0/2

\* Mr. Mei Zheqi was appointed as executive Director on 28 August 2018.

\* 梅哲騏先生於二零一八年八月二十八日獲委任為執行董事。

## DIRECTORS' CONTINUOUS TRAINING AND DEVELOPMENT

Every newly appointed Director (if any) receives a comprehensive, formal and tailored induction package to ensure that he/she is sufficiently aware of his/her duties, responsibilities and obligations as a Director under the Companies Ordinance, Listing Rules and other regulatory requirement and ensure he/she has a proper understanding of the company's operations and business.

The Company provide with all Directors relevant reading materials from time to time on the latest changes and development in the industry, legal, regulatory in which the Group operates its business to ensure the contribution of all Directors to the Board remains relevant. In addition, all Directors are encouraged to attend external seminar or training on relevant topics for their continuous professional development. Certain Directors have attended external trainings and seminars during the year.

## CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The roles of Chairman and Chief Executive Officer are separate and performed by different individuals to reinforce their independence and accountability. During the year, Mr. Tang To was the Chairman and Mr. Tang Yu, Freeman served as the Chief Executive Officer. Mr. Tang To was responsible for providing leadership to and overseeing the functioning of the Board to ensure that it acts in the best interest of the Group; while Mr. Tang Yu, Freeman, who is the chief operating decision maker, was responsible for managing the business of the Group, attending to the formulation and implementation of the Group policies and strategic operating plans, and assuming full accountability to the Board for the Group's operations.

## 董事持續專業發展

每名新任命的董事(如有)均會接受全面、正式及為其而設的入職培訓,以確保他/她充分知悉《公司條例》、上市規則及其他法規規定下的董事職責、責任及義務,並確保他/她對公司的營運和業務均有適當的了解。

本公司不時向全體董事提供相關閱讀文件,讓彼等知悉本集團經營的業務在行業、法律及監管之最新變動及發展,以確保所有董事能為董事會作出恰當貢獻。此外,全體董事獲鼓勵出席由外界舉辦與持續專業發展課題相關之研究會或培訓,而部份董事於本年度有出席外部研討會及培訓。

## 主席及行政總裁

為加強主席與行政總裁的獨立性及問責性,主席與行政總裁之角色已區分,並由不同人士擔任。於本年度,鄧燾先生擔任主席,而鄧愚先生肩負行政總裁之職務。鄧燾先生負責領導董事會的運作,確保董事會以符合本集團最佳的利益方式行事,而鄧愚先生是主要營運決策者,負責管理本集團的業務,以及制訂和實施本集團的政策及策略性營運計劃,並就本集團整體營運向董事會負全責。

### **NON-EXECUTIVE DIRECTORS**

Each of the non-executive Directors (including independent non-executive Directors) has entered into a letter of appointment setting out the key terms and conditions of his/her appointment as Director with the Company for a term of three years. They are all subject to retirement by rotation and re-election at least every three years at annual general meeting in accordance with the Articles.

### **INDEPENDENT NON-EXECUTIVE DIRECTORS**

The Company has received from each of the independent non-executive Directors an annual confirmation of his/her independence pursuant to rule 3.13 of the Listing Rules. Although two of the independent non executive Directors, Messrs. Yeung Shuk Fan and Cheng Tak Yin have been serving the Board for more than nine years, they have not engaged in any executive management of the Group. Their familiarity and extensive experience with the Group's businesses place them in a better position to contribute independent views to the Company. Taking into consideration of their independent scope of works when performing duties as independent non-executive directors over the past years, there is no evidence that length of tenure is having an adverse impact on their independence. Therefore, the Company considers all the independent non-executive Directors are independent throughout the year under review.

### **非執行董事**

每位非執行董事(包括獨立非執行董事)已與本公司訂立委任書,訂明有關其委任為董事的主要條款及條件,任期為三年。所有董事均須根據章程細則規定至少每三年一次在股東周年大會上輪席告退及膺選連任。

### **獨立非執行董事**

根據上市規則第3.13條規定,本公司已收到每名獨立非執行董事有關其獨立性之年度確認書。雖然其中兩位獨立非執行董事楊淑芬女士及鄭達賢先生服務董事會至今已超過九年,但彼等概無參與本集團任何行政管理工作,而對本集團業務之熟悉及資深經驗有助其向本公司提供較佳之獨立意見。考慮到彼等過往年度工作之獨立範疇及彼等履行獨立非執行董事職責,並無任何證據顯示服務年資對彼等獨立性產生負面影響。因此,本公司認為所有獨立非執行董事於回顧年度內為獨立人士。

## BOARD COMMITTEES

The Board has established various board committees, namely committee of executive Directors, nomination committee, remuneration committee and audit committee to manage particular aspects of the Company's affairs and aid in sharing the responsibilities of the Board. Except the committee of executive Directors, all committees have their specific written terms of reference in accordance with the requirements of the CG Code. All resolutions passed by the committees will be reported to the Board at the next Board meeting.

No corporate governance committee has been established but respective board committees (as disclosed below) are responsible for performing corporate governance functions set out in the terms of reference in code provision D.3.1 of the CG Code.

### Committee of Executive Directors

A committee of executive Directors of the Company was established on 15 August 1997 which comprises all executive Directors. They meet frequently and are responsible for the management of day-to-day business operation of the Group.

### Nomination Committee

A nomination committee of the Company (the "Nomination Committee") has been established on 29 March 2012 and consists of five members with a majority of independent non-executive Directors. They are:

Mr. Tang To (*Chairman*)  
Tang Yu, Freeman  
Cheng Tak Yin (*independent non-executive Director*)  
Ho Wei Sem (*independent non-executive Director*)  
Yeung Shuk Fan (*independent non-executive Director*)

The terms of reference of the Nomination Committee is posted on the websites of the Stock Exchange and the Company respectively.

## 董事會轄下委員會

董事會已成立多個董事委員會，分別為執行董事委員會、提名委員會、薪酬委員會及審核委員會，藉以處理本公司特定範疇的事務及協助分擔董事會之職責。除執行董事委員會外，所有委員會已根據《企業管治守則》之規定設有其特定職權範圍。委員會通過的所有決議案均須於下次董事會議上向董事會匯報。

本公司並沒有成立企業管治委員會，但個別董事委員會（如下文所述）已負責履行根據《企業管治守則》之守則條文D.3.1條所列載的企業管治職能的職權範圍。

### 執行董事委員會

執行董事委員會於一九九七年八月十五日成立，由全體執行董事組成，彼等經常會面，負責管理本集團的日常業務運作。

### 提名委員會

本公司提名委員會（「提名委員會」）於二零一二年三月二十九日成立，並由五名成員組成，而其中大部分為獨立非執行董事，彼等為：

鄧燾先生 (*主席*)  
鄧愚先生  
鄭達賢先生 (*獨立非執行董事*)  
何偉森先生 (*獨立非執行董事*)  
楊淑芬女士 (*獨立非執行董事*)

提名委員會之職權範圍已分別登載於聯交所及本公司網站。

## CORPORATE GOVERNANCE REPORT (CONTINUED)

### 企業管治報告(續)

During the year, the Nomination Committee performed the duties and responsibilities under the terms of reference and other duties as required under the CG Code.

During the year under review, two Nomination Committee meetings were held and the main works performed by the Nomination Committee during the year included (i) review of current structure, size and diversity of the Board; (ii) review of the independence of independent non-executive Directors; (iii) review of the Board diversity policy and nomination policy; (iv) review of revised terms of reference of the Nomination Committee which reflect the changes in the CG Code and Listing Rules in relation to Board diversity policy and nomination policy; and (v) proposed the nomination of Mr. Mei Zheqi as executive Director.

The Company has adopted a Board diversity policy in compliance with the rule 13.52 of the Listing Rules. The Company maintains that Board appointment will take into account gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service, and any other factors that the Board might consider relevant and applicable from time to time towards achieving a diverse Board. The Board will review and monitor from time to time to ensure its effectiveness that diversity of the Board is maintained.

A nomination policy of the Company (the “**Nomination Policy**”) has been adopted on 28 November 2018 in compliance with the revised Listing Rules effective on 1 January 2019. The Nomination Policy sets out procedures, process and criteria for identifying and recommending candidates for election to the Board.

The attendance record of the Nomination Committee members is set out in the heading “Attendance Record of Directors at Meetings held during the Year” on page 42 of this report.

於本年度，提名委員會已執行職權範圍內的職務及責任，以及《企業管治守則》內所規定的其他職務。

於回顧年度內，本公司曾舉行兩次提名委員會會議，提名委員會之本年度主要工作包括(i)檢討現時董事會的結構、人數及多元化；(ii)評核獨立非執行董事的獨立性；(iii)審閱董事會多元化政策和提名政策；(iv)審閱經修訂之提名委員會職責範圍以反映《企業管治守則》及上市規則有關董事會多元化政策及提名政策要求的變更；及(v)建議提名梅哲騏先生為執行董事。

本公司已採納一套董事會成員多元化政策，以符合上市規則第13.52條。本公司委任董事時，會考慮有關人選的性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期，以及董事會不時認為相關及適用於達致董事會成員多元化之任何其他因素。董事會將不時檢討及監察以確保維持多元化董事會之有效性。

本公司於二零一八年十一月二十八日已採納提名政策（「**提名政策**」），以符合自二零一九年一月一日起生效之經修訂後的上市規則。提名政策載明識別及推薦候選人入選董事會的程序、流程及標準。

有關提名委員會成員之出席會議紀錄已列載於本報告第42頁內之「董事於本年度出席會議之紀錄」標題內。

### Remuneration Committee

A remuneration committee of the Company (the “**Remuneration Committee**”) has been established on 27 June 2005 and consists of four members with a majority of independent non-executive Directors. They are:

Mr. Cheng Tak Yin (*Chairman*)  
Mr. Tang To  
Ms. Yeung Shuk Fan (*independent non-executive Director*)  
Mr. Ho Wei Sum (*independent non-executive Director*)

The terms of reference of the Remuneration Committee is posted on the websites of the Stock Exchange and the Company respectively.

During the year, the Remuneration Committee performed the duties and responsibilities under the terms of reference and other duties as required under the CG Code.

During the year under review, two Remuneration Committee meetings were held and the main works performed by the Remuneration Committee during the year included: (i) review of the remuneration package of executive Directors and directors’ fees of non-executive Directors (including independent non-executive Directors); (ii) review of revised terms of reference of Remuneration Committee; and (iii) consideration and approval of the remuneration package of Mr. Mei Zheqi as executive Director and the terms of letter of appointment.

The emoluments of the Directors are decided by the Remuneration Committee, having regard to individual performance, the Group’s performance and profitability, remuneration benchmark in the industry and prevailing market condition. The Directors do not participate in the determination of their own remuneration.

### 薪酬委員會

本公司薪酬委員會(「**薪酬委員會**」)於二零零五年六月二十七日成立，並由四名成員組成，而其中大部分為獨立非執行董事，彼等為：

鄭達賢先生(主席)  
鄧燾先生  
楊淑芬女士(獨立非執行董事)  
何偉森先生(獨立非執行董事)

薪酬委員會職權範圍已分別登載於聯交所及本公司網站。

於本年度，薪酬委員會已執行職權範圍內的職務及責任，以及企業管治守則內所規定的其他職務。

於回顧年度內，本公司曾舉行兩次薪酬委員會會議，薪酬委員會之本年度主要工作包括(i)考慮執行董事之薪酬待遇年度表現花紅以及非執行董事包括獨立非執行董事的董事袍金；及(ii)審閱經修訂之薪酬委員會職權範圍；及(iii)考慮及批准梅哲騏先生之酬金待遇及其委任書之條款。

董事之酬金乃由薪酬委員會參照董事之個人表現、本集團之業績表現及盈利狀況，以及業界指標及當時市場狀況而定。董事並不參與釐定其本身的薪酬。



## CORPORATE GOVERNANCE REPORT (CONTINUED)

### 企業管治報告(續)

Details of Directors' emoluments for the year ended 31 December 2018 are set out in note 10 to the consolidated financial statements.

The attendance record of the Remuneration Committee members is set out in the heading "Attendance Record of Directors at Meetings held during the Year" on page 42 of this report.

#### Audit Committee

An Audit Committee of the Company (the "Audit Committee") has been established on 30 October 1998 and consists of three members, and all of them are independent non-executive Directors. They are:

Ms. Yeung Shuk Fan (*Chairman*)

Mr. Cheng Tak Yin (*independent non-executive Director*)

Mr. Ho Wei Sem (*independent non-executive Director*)

The terms of reference of the Audit Committee is posted on the websites of the Stock Exchange and the Company respectively.

During the year, the Audit Committee performed the duties and responsibilities under the terms of reference and other duties as required under the CG Code.

During the year under review, two Audit Committee meetings were held and the main works performed by the Audit Committee during the year included (i) review of the final results of the Group for the year ended 31 December 2017; (ii) review of the interim results of the Group for the six months ended 30 June 2018; (iii) review of the Company's risk management and internal control system as well as internal audit function; (iv) discussion of matters in relation to the compliance of legal and regulatory, and accounting policies and practice adopted by the Group; (v) review of the annual audit plan prepared by the auditor; (vi) review of revised terms of reference of Audit Committee; and (vii) review of auditor's independence and performance.

截至二零一八年十二月三十一日止年度的董事酬金詳情列載於綜合財務報表附註10。

有關薪酬委員會成員之出席會議紀錄已列載於本報告第42頁內之「董事於本年度出席會議之紀錄」標題內。

#### 審核委員會

本公司審核委員會(「審核委員會」)於一九九八年十月三十日成立,並由三名成員組成,全體均為獨立非執行董事,彼等為:

楊淑芬女士(主席)

鄭達賢先生(獨立非執行董事)

何偉森先生(獨立非執行董事)

審核委員會職權範圍分別登載於聯交所及本公司網站。

於本年度,審核委員會已執行職權範圍內的職務及責任,以及《企業管治守則》內所規定的其他職務。

於回顧年度內,本公司曾舉行兩次審核委員會會議,審核委員會之本年度主要工作包括(i)審閱本集團截至二零一七年十二月三十一日止年度的末期業績;(ii)審閱本集團截至二零一八年六月三十日止六個月的中期業績;(iii)檢討本公司之風險管理及內部監控系統,以及內部審核職能;(iv)討論法例和規例的遵守,以及本集團採納的會計政策和實務的事項;(v)審閱由核數師編制的年度審核計劃;(vi)審閱經修訂之審核委員會職責範圍;及(vii)審閱核數師的獨立性及表現。

The Board and Audit Committee were satisfied with the auditor's work, its independence and objectivity, and therefore recommended the re-appointment of Ting Ho Kwan & Chan (which has indicated its willingness to continue in office) as the Group's auditor for the financial year of 2019 for Shareholders' approval at the forthcoming annual general meeting.

The attendance record of the Audit Committee members is set out in the heading "Attendance Record of Directors at Meetings held during the Year" on page 42 of this report.

A whistleblowing policy of the Company has been adopted on 28 March 2019 for employees and those who deal with the Company (e.g. customers and suppliers) to raise concerns, in confidence, with the Audit Committee about possible improprieties in any matter related to the Company.

#### Auditor's Remuneration

During the year ended 31 December 2018, the fee paid/payable to the auditor in respect of audit and non-audit services provided by the auditor to the Group were as follows:

董事會及審核委員會對核數師的工作、獨立性及客觀性表示滿意，因此建議於在即將舉行之股東周年大會上向股東建議續聘丁何關陳會計師行作為本集團二零一九年財政年度的核數師及請求批准，而丁何關陳會計師行已表明其連任之意願。

有關審核委員會成員之出席會議紀錄已列載於本報告第42頁內之「董事於本年度出席會議之紀錄」標題內。

本公司已於二零一九年三月二十八日採納舉報政策，讓僱員及其他與本公司有往來者（如客戶及供應商）可暗中向審核委員會提出其對任何可能關於本公司的不當事宜的關注。

#### 核數師酬金

於截至二零一八年十二月三十一日止年度，有關給予／應給予核數師為本集團提供核數及非核數服務之酬金如下：

		<b>Fee paid/payable</b>
		已付／應付費用
		HK\$
		港元
Services rendered	所提供服務	
Audit services	核數服務	2,480,000
Non-audit services	非核數服務	51,000
		<hr/>
		2,531,000
		<hr/>

## **RISK MANAGEMENT AND INTERNAL CONTROL**

The Board acknowledges its responsibility for overseeing the Group's risk management and internal control systems on an ongoing basis and reviewed their effectiveness by the Audit Committee at least annually. The Group's risk management and internal control systems, are systems of process performed by the Board and management to provide reasonable and not absolute assurance on the effectiveness and efficiency of operations in achieving the established corporate objectives, safeguarding assets of the Group, providing reliable financial reporting, and complying with applicable laws and regulations. However, these systems are designed to manage rather than eliminate risk of failure in operational system, and can only provide reasonable but not absolute assurance against material misstatement or loss.

### **Internal Audit**

The Company has an internal audit team, which plays an important role in monitoring the corporate governance of the Group and providing objective assurance to the Board that a sound risk management and internal control systems are maintained and operated by the management. The internal audit team is carried out the analysis and independent appraisal of the adequacy and effectiveness of such systems in respect of all material controls on financial, operational and compliance aspects and alerted the management on the audit review findings or irregularities and advise them on the implementation of necessary steps and actions to enhance the internal controls of the Group.

### **Process to identify, evaluate and manage significant risks**

Two meetings were held during the year, at approximately half year intervals. The heads of the business units/departments of the Company and/or its subsidiaries assessed the risk level based on potential impact and likelihood of risks in different aspects including business risk, financial risk, compliance risk and operational and other risk that may be exposed to. The executive Directors together with the management of the business units/departments of the Company and/or its subsidiaries participated in the meetings. The meetings aimed to identify the material risks and to discuss the measures to manage risks.

## **風險管理及內部監控**

董事會確認其有責任持續監督本集團風險管理及內部監控系統，而審核委員會至少每年一次檢討其成效。本集團風險管理及內部監控系統由董事會及管理層負責執行，藉以合理而非絕對的保證營運效率及有效達致企業目標、保護本集團資產、提供可靠的財務報告，以及遵守適用的法例及規則。然而，該等系統旨在管理而非消除未能維持營運制度之風險，並僅可就重大錯誤陳述或損失提供合理而非絕對保證。

### **內部審核**

本公司的獨立內部審計隊伍擔當著重要的角色，監控本集團的企業管治及向董事會客觀證明管理層具備及運作一套完善的風險管理及內部監控。內部審計隊伍對該等系統在財務、營運及合規等所有重大監控方面之充足性及有效性進行分析及獨立評估，並向管理層報告審核檢討結果或不規範行為及就實施必要步驟及行動，以提高本集團內部監控。

### **用於識別、評估和管理重大風險的程序**

於年內曾舉行兩次會議，大約每半年一次。本公司及／或其附屬公司業務單位部門主管根據面對不同風險潛在的影響及可能性評估風險，包括業務風險、財務風險、合規風險和營運及其他風險。執行董事及本公司及／或其附屬公司業務單位／部門管理層已參與該等會議。該等會議的目的是分別出重大的風險，並討論減輕風險的措施。

### Review of Risk Management and Internal Control, and Corporate Governance Compliance

The Board, through the Audit Committee, has concluded a review of the effectiveness of the Group's risk management and internal control systems for the year ended 31 December 2018, covering all material financial, operational, compliance controls and risk management functions, and therefore considered that such systems were effective and adequate. In addition, it also reviewed the adequacy of resources, staff qualifications and experience of staff and the training programs and budget of the Company's accounting and financial reporting function.

### Procedures for handling and dissemination of inside information

With a view to identifying, handling and disseminating inside information in compliance with the Listing Rules, SFO and other regulatory requirements, the Company has adopted a policy on disclosure of inside information to regulate procedures and internal controls in handling of inside information. The Directors and senior management of the Company oblige to take all reasonable measures stipulated in the said policy to ensure that proper safeguards exist to prevent the Company from breaching the statutory disclosure requirement.

### RESPONSIBILITY FOR PREPARATION AND REPORTING OF FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the consolidated financial statements of the Group in accordance with statutory requirements and applicable accounting and financial reporting standards to enable the presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error. The Directors will subject to statutory requirements and applicable accounting standards, select suitable accounting policies and apply them consistently, make prudent, fair and reasonable judgements and estimates and prepare the financial statements on a going concern basis.

### 檢討風險管理及內部監控以及遵守企業管治

董事會已透過審核委員會檢討截至二零一八年十二月三十一日止年度本集團風險管理及內部監控成效，包括所有重大財務、營運、合規監控、風險管理職能，並確認該等系統有效及足夠。此外，審核委員會對本集團在會計及財務匯報職能方面是否有充足的資源、員工資歷及經驗，以及員工所接受充足的培訓課程及有關預算亦已作出檢討。

### 處理及披露內幕消息的程序

為遵守上市規則、《證券及期貨條例》及其他有關處理及披露內幕消息的監管規定而識別、處理及發佈內幕消息，本公司已採納一套內幕消息披露政策，以規管程序及內部監控處理內幕消息。董事及本公司高級管理人員有責任按該政策採取一切合理措施，以確保有妥善的預防措施，防止違反法定披露之規定。

### 編制及呈報財務報告之責任

董事知悉彼等有責任根據法定要求及適用會計及財務報告準則編制本集團綜合財務報告，以確保綜合財務報表不會因欺詐或錯誤而出現重大錯誤陳述。董事將受制於法定要求及適用之會計準則之基準下，選擇並貫徹運用合適的會計政策、作出審慎、公平及合理之判斷及估算，並按持續經營為基準編制財務報表。

### **COMPANY SECRETARY**

Ms. Mak Po Man, Cherie resigned as company secretary of the Company on 21 March 2018 and Ms. Man Wing Yan (“**Ms. Man**”) was appointed as a company secretary of the Company on 1 September 2018. Following to Ms. Man’s appointment, Mr. Yeung Yuk Lun, the chief financial officer of the Company and Ms. Man are the joint company secretaries of the Company. They are full time employees of the Group and reports to the chairman of the Board and/or Chief Executive Officer. During the year, the joint company secretaries of the Company have duly complied with the relevant professional training requirement under rule 3.29 of the Listing Rules.

### **SHAREHOLDERS’ RIGHTS**

The Company has opportunities to directly communicate with Shareholders at various annual general meetings and other general meetings where Shareholders are encouraged to actively attend. In addition, the chairman of the Board and the chairman of each of Nomination Committee, Remuneration Committee and Audit Committee were present to answer any Shareholder’s questions at the annual general meeting. The auditor had also attended the annual general meeting to answer questions about the conduct of the audit, the preparation and content of the auditor’s report, the accounting policies and auditor’s independence.

Furthermore, the Company provides information in its annual and interim reports, and announcements. All shareholders’ communications are also available on the Company’s website at <http://www.cosmel.com>.

### **公司秘書**

麥寶文女士於二零一八年三月二十一日辭任本公司公司秘書及文穎茵女士(「**文女士**」)於二零一八年九月一日獲委任為本公司公司秘書。文女士獲委任後，本公司首席財務總監楊毓麟先生及文女士為本公司聯席公司秘書。他們均為本集團之全職員工及需向董事會主席及／或向行政總裁匯報。於本年度，本公司聯席公司秘書均已遵守上市規則第3.29條有關專業培訓之規定。

### **股東權益**

本公司透過股東周年大會及其他股東大會有機會與股東直接溝通，並鼓勵他們積極參與。另外，於股東周年大會上，董事會主席、提名委員會主席、薪酬委員會主席及審核委員會主席，均有出席解答任何股東之提問。而核數師亦有出席股東周年大會以回答有關審計工作、編制核數師報告及其內容、會計政策，以及核數師的獨立性等問題。

此外，本公司在其年報和中期報告，以及公告中提供資料。所有股東的通訊途徑亦會載列於本公司網站<http://www.cosmel.com>。

### Convene a general meeting

Pursuant to section 566 of the Companies Ordinance, Shareholder(s) representing at least 5% of the total voting rights of all Shareholders having a right to vote at general meetings can request the directors to call a general meeting. The request must state the general nature of the business to be dealt with at the general meeting and may include the text of a resolution that may properly be moved and is intended to be moved at the meeting. Such request must be authenticated by the person(s) making it and sent to the Company at its registered office in hard copy form or in electronic form to [ir@cosmos.com](mailto:ir@cosmos.com) for the attention of the Company Secretary.

### Shareholders' Power to Request Circulation of Statement

Pursuant to section 580 of the Companies Ordinance, Shareholder(s) representing at least 2.5% of the total voting rights of all Shareholders or at least 50 Shareholders who have a relevant right to vote at a general meeting, may request the Company to circulate to the Shareholders entitled to receive notice of a general meeting, a statement of not more than 1,000 words with respect to a matter mentioned in a proposed resolution or other business to be dealt with at that meeting. The request (i) must identify the statement to be circulated; (ii) must be authenticated by the person(s) making it; and (iii) may be sent to the Company at its registered office in hard copy form or in electronic form to [ir@cosmos.com](mailto:ir@cosmos.com) for the attention of the Company Secretary at least 7 days before the meeting to which it relates.

### 舉行股東大會

根據《公司條例》第566條，佔全體有權在股東大會上表決的股東總表決權的最少5%的股東，可要求董事召開股東大會。該要求須說明有待在有關股東大會上處理的事務的一般性質及可包含可在該股東大會上恰當地動議並擬在股東大會上動議的決議的文本。該要求須經提出要求的人士認證及以印本形式送交本公司註冊辦事處，或以電子形式發送至 [ir@cosmel.com](mailto:ir@cosmel.com)，註明公司秘書收啟。

### 股東有權力傳閱陳述書

根據《公司條例》第580條，佔全體在股東大會上表決的股東總表決權的最少2.5%的股東或最少50名在股東大會上有相關表決權利的股東，可要求本公司向股東傳閱有待在該股東大會上處理的、某被提出的決議所述的事宜；或其他有待在該股東大會上處理的事務，而字數不多於1,000字的陳述書。該要求(i)須指出將予傳閱的陳述書；(ii)須經所有提出該要求的人認證；及(iii)須在該要求所關乎的股東大會前最少七日以印本形式送交本公司註冊辦事處，或以電子形式發送至 [ir@cosmel.com](mailto:ir@cosmel.com) 註明公司秘書收啟。

## CORPORATE GOVERNANCE REPORT (CONTINUED)

### 企業管治報告(續)

#### Procedures for Shareholders to put forward proposals at an AGM

Pursuant to section 615 of the Companies Ordinance, Shareholder(s) representing at least 2.5% of the total voting rights of all Shareholders of the total voting rights of all Shareholders who have a right to vote on the resolution at annual general meeting or at least 50 shareholders who have a right to vote on the resolution at an annual general meeting to which the request relate, may request the Company to give to the Shareholders notice of a resolution that may properly be moved and is intended to be moved at that meeting. The request (i) must identify the resolution of which notice is to be given; (ii) must be authenticated by the person(s) making it; and (iii) may be sent to the registered office of the Company in hard copy form or in electronic form to [ir@cosmel.com](mailto:ir@cosmel.com) for the attention of the Company Secretary no later than 6 weeks before the annual general meeting; or if later, the time at which notice of the meeting is given.

#### Procedure for Shareholders and other stakeholders to send enquiries and concerns to the Board

Shareholders and other stakeholders are invited to access the Company's website at <http://www.cosmel.com/> for up-to-date information of the Company. They are advised to send enquires and concerns to the Board:

- (i) by post at the registered office of the Company situated at 10/F., Billion Plaza 2, No. 10 Cheung Yue Street, Cheung Sha Wan, Kowloon, Hong Kong for the attention of the Company Secretary; or
- (ii) by email to [ir@cosmos.com](mailto:ir@cosmos.com) for the attention of the Company Secretary.

The Board has adopted a revised shareholders' communication policy of the Company on 28 March 2019 which is posted on the Company's website. Shareholders and other stakeholders can read the said policy at the Company's website for details.

#### 股東在股東周年大會提呈動議的程序

根據《公司條例》第615條，佔全體有權在該求所關乎的股東周年大會上表決的股東總表決權的最少2.5%的股東，或最少50名有權在該股東周年大會就決議表決的股東可要求本公司向股東發出關於可在股東周年大會上恰當地動議並在該大會上動議的決議的通知。該要求(i)須指出有待發出通知所關乎的決議；(ii)須經所有提出該要求的人認證；及(iii)須在提呈該要求所關乎的股東周年大會舉行前六個星期之前（如在前述時間之後送抵本公司的話）或有關會議通知發出之時以印本形式送交本公司註冊辦事處，或以電子形式發送至 [ir@cosmel.com](mailto:ir@cosmel.com)，註明公司秘書收啟。

#### 股東及其他持份者向董事會提出查詢與關注的程序

誠邀股東和其他持份者瀏覽本公司網站 <http://www.cosmel.com/>，獲取有關本公司的最新資料。建議股東和其他持份者可將有關對董事會的查詢與關注：

- (i) 郵寄至本公司註冊辦事處，地址為香港九龍長沙灣長裕街10號億京廣場2期10樓，註明公司秘書收啟；或
- (ii) 電郵至 [ir@cosmel.com](mailto:ir@cosmel.com) 並註明公司秘書收啟。

董事會已於二零一九年三月二十八日採納經修訂的本公司之股東通訊政策，並已在本公司網站上發佈。股東及其他持份者可在本公司網站上查閱該政策了解詳情。

### DIVIDEND POLICY

A dividend policy of the Company (the “**Dividend Policy**”) has been adopted on 28 November 2018 in compliance with the revised Listing Rules effective from 1 January 2019. The Dividend Policy sets out the factors in determination of dividend payment of the Company, the frequency and form of dividend payments, and shall be reviewed periodically and submitted to the Board for approval if amendments are required.

### CONSTITUTIONAL DOCUMENTS

During the year, there is no significant change in the Company’s constitutional documents.

### 股息政策

本公司已於二零一八年十一月二十八日採納股息政策(「**股息政策**」)，以符合自二零一九年一月一日起生效之經修訂後的上市規則。股息政策載明釐定本公司派付股息的因素、股息支付的次數及形式，以及會定期檢討及提交至董事會審閱及批准是否需要修改。

### 組織章程文件

本公司的組織章程文件於年內並無重大變動。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### SCOPE OF THIS REPORT

This report includes sustainability-related information and data covering the Group's headquarters in Hong Kong, Dong Hua Machinery Ltd. in Dongguan ("Dong Hua"), and Gainbase Printed Circuit Board Co. Ltd. in Shenzhen ("Gainbase") gathered during the financial year of 2018. Subject to data availability and the development of our subsidiaries, the Group reviews the scope of reporting annually to ensure that we address the environmental and social issues that are most significant to our stakeholders. This report was written in accordance with the Environmental, Social and Governance Reporting Guide (the "ESG Guide") as set out in Appendix 27 to the Listing Rules.

### Stakeholder Engagement

The Group understands that stakeholder engagement is crucial to driving sustainability within our organization. We have put a great deal of effort in communicating with our stakeholders, both internal and external, to ensure that our business is responsive and inclusive and that we continue to build a trust-based relationship with them.

Our stakeholders are defined as any individuals or entities who have a significant interest in the principal activities of the Group. These stakeholders are recognised as shareholders, employees, customers, suppliers, media, the wider community and general public, the government and regulators. The following "Stakeholder Influence – Dependency Matrix" illustrates respective stakeholders' importance to and influence on the Group, organised by category:

### 報告範圍

本報告載述本集團香港總部、位於東莞的東華機械有限公司（「東華」）及位於深圳的深圳邦基線路板有限公司（「邦基」）於二零一八年財政年度的可持續發展相關資料及數據。本集團會因應所有子公司的業務發展和可提供的資料，每年檢討報告的匯報範圍，務求涵蓋持份者認為最重大的環境及社會議題。本報告乃按照上市規則附錄二十七所載之《環境、社會及管治報告指引》（《ESG指引》）擬備。

### 持份者參與

我們深明持份者之參與，是本集團推動可持續發展的動力。我們致力與持份者（內部和外界）溝通，聆聽他們的意見，確保業務可靈活回應和兼容變化，與此同時與持份者建立互信關係。

我們的持份者涵蓋任何擁有本集團主要業務重大利益的個人或團體。這些持份者包括股東、僱員、客戶、供應商、媒體、社區與公眾、政府及監管機構。以下的「持份者影響－依賴關係矩陣圖」剖析個別持份者組別對本集團的重要性及影響：

Stakeholder Influence – Dependency Matrix

持份者影響－依賴關係矩陣

		Stakeholders' influence on Company (or project, objective or business line) 持份者對公司(或計劃、目標或業務)的影響			
		No influence 無影響力	Low influence 低度影響力	Some influence 部分影響力	High Influence 高度影響力
Stakeholder dependence on the Group (or a Group-related project, objective or business line) 持份者對本集團(或計劃、目標或業務)的依賴程度	High dependence 高度依賴				Shareholders 股東 Employees 僱員 Customers 客戶 Suppliers 供應商
	No direct impacts 無直接影響		Media 媒體  Community & General Public 社區及公眾		Government & Regulators 政府及監管機構  Banks & Financial Institutions 銀行及金融機構

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

### 環境、社會及管治報告(續)

The six main stakeholder categories of the Group are: shareholders, employees, customers, suppliers, government and regulators, and banks and financial institutions. Our communication channels with these stakeholders are categorised as follows:

本集團六個主要持份者組別為股東、僱員、客戶、供應商、政府和監管機構，以及銀行及金融機構。我們與各持份者的溝通渠道如下：

Stakeholders 持份者	Communication Channels 溝通渠道
Shareholders 股東	Emails, telephone calls, postal correspondence 電郵、電話及郵件 The Company's website 本公司網站 Annual general meetings and general meetings 股東周年大會及股東大會 Annual and interim reports 年報及中期報告 Circulars, announcements, notices and publications 通函、公告、通告及公佈 Investor relations enquiries 投資者關係查詢
Employees 僱員	Employee satisfaction surveys 僱員滿意度調查 Annual appraisals 年度評核 Team building activities 團隊合作活動 Company internal notices and communications 公司內部通告及通訊 The Company's annual dinner 公司周年晚會
Customers 客戶	Face-to-face meetings and visits 會面及探訪 Day-to-day communications via frontline staff 通過前線僱員的日常溝通
Suppliers 供應商	Face-to-face meetings and visits 會面及探訪 On-going direct engagements 持續直接參與
Government and regulators 政府及監管機構	Face-to-face meetings and visits 會面及探訪 Reports and submissions made according to regulatory requirements 按照監管規定發表報告及提交資料
Banks and financial institutions 銀行及金融機構	Face-to-face meetings and visits 會面及探訪

### Materiality Assessment

Over the past several years, the Group has conducted a series of engagement programmes with our major stakeholders through the Hong Kong Productivity Council (HKPC). These programmes gather input from selected stakeholder groups to identify sustainability topics that are significant to both our business and our stakeholders. We shall explore the possibility in extending our engagement activities to all stakeholder groups identified to be of high influence and dependence on the Group in future to gather their views and concerns on the environmental and social development of the Group. In this report, our performance is highlighted against a list of material issues by providing reference indices to the corresponding general disclosure aspects and key performance indicators (KPIs) stipulated in the ESG Guide.

### 重要性評估

過去數年，本集團委託香港生產力促進局（「生產力局」）推行一系列持份者參與計劃，以蒐集主要持份者的意見，識別與本集團業務及與主要持份者有重大關係的可持續發展議題。我們正研究推廣持份者參與計劃至所有對本集團具高度依賴和高度影響力的持份者，了解並蒐集他們對本集團在環保和社會工作的意見。本報告重點披露了本集團在相關重要議題的績效，並以《ESG指引》中相應的一般披露及關鍵績效指標(KPIs)作參考索引。

**Table 1. Material issues disclosed in this report cross-referenced with ESG Guide aspects**

**表1：本報告披露的重要議題及相應的《ESG指引》參考層面**

Subject Area 主要範疇	Aspects Disclosed 本報告披露的重要議題	Corresponding Aspects in ESG Guide 相應的《ESG指引》層面
<b>Environmental 環境</b>	<ul style="list-style-type: none"> <li>Air Emissions 空氣排放</li> <li>Resource Management 資源管理</li> <li>Initiatives to Mitigate Environmental Impacts 紓減環境影響</li> </ul>	A1 A2 A3
<b>Social 社會</b>	<ul style="list-style-type: none"> <li>Staff Remuneration and Benefits 員工薪酬及福利</li> <li>Occupational Health and Safety 職業健康與安全</li> <li>Staff Development and Training 員工發展及培訓</li> <li>Compliance with Labour Standards and Regulations 遵守勞工標準及規例</li> <li>Supply Chain Management 供應鏈管理</li> <li>Product Responsibility 產品責任</li> <li>Anti-Corruption 反貪污</li> <li>Community Care 關懷社區</li> </ul>	B1 B2 B3 B4 B5 B6 B7 B8

## **ENVIRONMENTAL ASPECTS**

### **General Disclosure**

The Group fully understands our environmental responsibilities and continues to explore methods to minimise our carbon footprint through the efficient use of natural resources, enhancing the energy efficiency of our products, implementing waste recovery and recycling measures and installing emissions control devices. In 2018, there were no incidents of non-compliance with local environmental laws and regulations.

Going beyond local environmental legal compliance, we frequently refer to relevant international, national and industry standards and have designed guidelines that are both applicable to and appropriate for our businesses. For example, Gainbase's environmental management system has had ISO 14001 certification since 2003. In 2016, Gainbase established a comprehensive energy management system with reference to GB/T 23331 and ISO 50001. Internal policies and targets have also been introduced to enhance efficiency and reduce energy consumption.

Moreover, in order to identify and address environmental risks more effectively, production plant of Dong Hua has been producing a risk analysis report on potential environmental emergencies that may occur during the production process since 2017. Corresponding emergency protocols and action plans have also been developed to mitigate any negative environmental impacts related to such emergencies. Meanwhile, prior to commencing major construction or expansion projects, comprehensive environmental impact assessments are carried out in advance to ensure minimal all impacts to the environment.

### **Air Emissions Control**

In terms of emissions control measures, Dong Hua has installed active carbon filters, central exhaust systems, water spray devices and UV light purifiers in the production machines to filter out airborne pollutants and ensure that it meet local emissions standards before they are discharged to the atmosphere.

### **環境範疇**

#### **一般披露**

本集團清晰了解我們必須對環境肩負責任，並不斷尋求方法，透過善用天然資源、優化產品的能源效益、推行廢物回收再造措施和安裝控制污染排放的裝置，務求盡量減低碳足印。於二零一八年並無任何不符合當地環保法律及法規的事件。

除了遵守當地環保法規的要求外，我們亦常常參照相關的國際、國家及業界標準，並已制訂與本集團業務相對應的適當指引，例如：邦基的環境管理系統自二零零三年起取得ISO 14001認證，並於二零一六年參照GB/T 23331及ISO 50001標準制訂詳盡的能源管理系統，同時實施內部政策和目標，致力提高能源效益和節約能源。

為界定和有效地應對環境風險，東華的生產廠房自二零一七年開始，就生產過程中可能發生的環境緊急事故擬備風險分析報告，並制訂緊急事故應對規程及行動方案，如一旦發生緊急事故亦可盡量減低對環境損害。此外，我們展開任何大型建造或擴建工程之前先進全面環境影響評估，確保對環境影響減至最低。

#### **空氣排放控制**

排放控制措施方面，東華已在生產機器安裝可過濾空氣污染物的活性碳過濾器、中央排氣系統、灑水裝置及紅外線淨化器，在排放前確保廢氣達到當地的排污標準。

### Waste management

The Group understands that industrial waste generated by our production plants often contain a host of useful materials; hence we employ every possible approach to not only minimise our waste generation but to ensure that these useful materials are reused or recycled. First, the Group actively records the type and amount of waste produced and then analyses this data by category to get a complete picture of our waste generated. This process allows us to design and implement waste programmes for reduction at source and recycling. Then, qualified contractors are engaged to handle hazardous waste and wastewater, while recyclable content such as scrap metal, plastics, paper, waste oil and oil-based paint containers are separated at source for recycling by waste management contractors.

To ensure compliance with new legal requirements of the Water Pollution Prevention and Control Law of the PRC, Dong Hua began storing wastewater and periodically collected by qualified wastewater contractors in April 2018. Meanwhile, Gainbase strictly follows the GB21900-2008 standard, which restricts wastewater from having any harmful content before it is discharged.

Apart from managing waste generated during the production process, the Group has also designed programmes which encourage our staff to reduce waste as part of our “green lifestyle” initiatives. Posters and reminders in staff canteens remind staff to order suitable portions of food and minimise food waste.

### 廢物管理

本集團明白到生產廠房的工業廢料當中包含不少有用物資，我們竭力透過重用和回收，減少廢物產生。首先，我們完善記錄廢物數量並按類別分析相關數據，藉此掌握我們的廢物產量，繼而構思和實行廢物管理計劃，促進源頭減廢及回收再造。另外，我們聘請合資格承辦商處理有害廢物和污水，並在源頭分類可回收物料，包括廢金屬、塑膠、紙、廢油及油漆容器等，然後安排廢物管理承辦商回收。

為確保達到《中國水污染防治法》的最新規定，東華於二零一八年四月開始收集和儲存污水，並定期安排合資格的污水承辦商回收。另一方面，邦基亦嚴格遵從GB21900-2008之標準，在排放污水前盡量消滅有害物質。

除了妥善管理生產過程產生的廢物，我們亦落實多項計劃，鼓勵員工養成環保的生活習慣，例如：在員工食堂張貼溫馨提示及海報，提醒員工點選適當份量的食品，盡量避免浪費食物。

### **Energy consumption and efficiency measures**

The Group's energy-efficient machines have capabilities with enhanced levels of productivity and cost efficiencies. More importantly, they greatly reduce our customers' energy consumption. These machine models include the 393SEc servo energy-saving thin-wall high special injection moulding machine, the 450JSell small-and medium-size servo-driven two-platen injection moulding machine, and the Ge electric-plus. During the year, the Group extensively promoted our digital platform and system called "iSee 4.0", which has been widely welcomed by our customers. "iSee 4.0" provides real-time monitoring of machines, giving users a simple overview of the efficiency of their machines, production data, stock numbers and related data and information, allowing them to maximise production efficiency.

### **Water consumption and reuse**

To reduce the consumption of water, Gainbase has invested over HKD10 million in a wastewater treatment and reuse system, which allows around 47% of wastewater generated to be reused in the production line. Developed in partnership with the HKPC, Gainbase's wastewater treatment facility features European environmental technology which uses the decomposition of organic substances to lower the chemical oxygen content of discharged wastewater to around 50-60 mg/L (the regulatory limit is 90 mg/L). Compared to 2017, Gainbase reduced its overall water consumption by around 8%. A water recycling system was also installed in Dong Hua plant to lower its overall water consumption; this resulted in an approximately 2% reduction when compared to that in 2017.

### **Green Office**

Office operations are another focus of the Group's efforts to implement green concepts and raise environmental awareness. At our Hong Kong headquarters, we began introducing green office guidelines in 2017 to increase the environmental awareness of our staff.

### **能源消耗及能源效益措施**

我們的高能源效益機器有助提升生產力和成本效益，為客戶節省大量能源消耗，當中包括393SEc伺服節能薄壁高速專用注塑機、450JSell中小型兩板機注塑機及Ge全電機。於本年度，本集團廣泛推廣我們的數碼平台及系統「iSee 4.0」，客戶反應理想。「iSee 4.0」設有實時監察功能、讓用戶檢測機器運作效率、生產數據、存貨編數等相關數據及資料，從以提高生產效率。

### **耗水量及重用**

為節約用水，邦基投資超過1,000萬港元建設廢水處理及回收再用系統。現時工廠產生的廢水約47%可供生產線循環再用。邦基與生產力局合作引入的廢水處理設施，採用了歐洲環保技術，透過分解污水中有機物，將廠房排放廢水的化學需氧量降至約50-60毫克／公升（政府監管規定上限為90毫克／公升），整體耗水量比二零一七年減少約8%。東華廠房亦已安裝循環用水系統，全面節約用水，整體耗水量比二零一七年下降約2%。

### **綠色辦公室**

辦公室是我們實踐綠色概念和推廣環保意識的另一重點。香港總部於二零一七年制訂了綠色辦公室指引，旨在加強員工的環保意識。

**ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)**  
環境、社會及管治報告(續)

To keep the environmentally-friendly momentum going and help our offices “go green”, our staff were encouraged to implement the following green measures: 我們在辦公室持續推廣環保信息，鼓勵員工採取下列環保措施：

<p>Lighting 電燈</p>	<ul style="list-style-type: none"> <li>• During lunch time and after office hours on business days, lighting is only maintained in areas that are essential to safety and security or needed for other specific purposes. 在工作日的午膳時間及非辦公時間，只在基於安全、保安和其他特別用途而必須照明的範圍亮燈。</li> <li>• If only a few staff are working in the office, all non-essential lighting should be switched off. 當只有少數員工在辦公室工作，須關掉非必要的電燈。</li> <li>• Staff are requested to turn off all lighting, air conditioning and electrical appliances before leaving the office. 員工下班前需關掉所有電燈、冷氣及電器。</li> </ul>
<p>Water 水</p>	<ul style="list-style-type: none"> <li>• Staff are reminded to shut off water taps in the pantry after use. 提醒員工使用後關上茶水間的水龍頭。</li> </ul>
<p>Office Equipment 辦公室設備</p>	<ul style="list-style-type: none"> <li>• “Save Energy” stickers are affixed near all main switches as a reminder to our staff. 在所有主要電掣旁貼上「節約能源」溫馨提示。</li> <li>• To reduce power consumption, staff are requested to switch off computers, monitors and individual printers after office hours or when leaving the workplace. 於非辦公時間或離開工作間時，員工需關掉電腦、顯示器及獨立打印機，以節約用電。</li> <li>• Staff are encouraged to purchase environmentally-friendly stationery and office equipment as a priority and encouraged to stop purchasing or using stationery and office equipment which may have a negative impact to the environment. 鼓勵員工優先採購環保文具及辦公室設備，並不再採購和使用可能損害環境的文具及辦公室設備。</li> <li>• Staff are encouraged to reuse office stationary like envelopes and folders whenever possible. 鼓勵員工循環再用辦公室文具（如信封及文件夾）。</li> <li>• Computers are put into auto energy-saving mode to reduce power consumption. 將電腦設定為自動節能模式，節約用電。</li> </ul>
<p>Others 其他</p>	<ul style="list-style-type: none"> <li>• Staff are encouraged to adjust the margins and font size of their documents, use double-sided copying, and reduce colour printing and copying to optimise the use of paper. 鼓勵員工調校文件邊界和字型大小、採用雙面打印及減少彩色打印和影印，以優化用紙效率。</li> <li>• Environmentally-friendly (wood-free) paper is used to print the Group’s annual report. 採用環保紙品（無木紙品）印製本集團年報。</li> </ul>





## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

### 環境、社會及管治報告(續)

During the year, we joined “Green Office Green Month” campaign organised by Friends of the Earth (Hong Kong), introduced various office-related green practices to reduce unnecessary electricity consumption, and set up the “Cosmos e-Library” to encourage our staff to develop a habit of reading documents on screens instead of on paper as far as practicable.

Furthermore, we arranged staff to participate in a number of green activities to further encourage them to adopt an environmentally-responsible lifestyle. These included the Red Pocket Recycling programme by Greeners Action, World Wildlife Fund’s (WWF) Earth Hour campaign, The Chinese YMCA of Hong Kong’s “No Plastic Bottle Day”, and “No Air Con Day” by Green Sense etc. These activities gave our staff experience with different approaches to the green lifestyle and encouraged them to share what they have learned with their friends and family members.

於本年度，我們參與由香港地球之友舉辦的「知慳惜電」運動，並在辦公室推行多項環保措施，減少不必要的耗電，同時設立「大同網上圖書館」，鼓勵員工養成在電腦屏幕閱覽文件的習慣，盡量避免用紙打印。

再者，我們安排多項綠色活動，倡導員工培養愛護環境的生活方式。有關活動包括綠領行動的「利是封回收重用大行動」、世界自然基金會的「地球一小時」、香港中華基督教青年會的「無膠樽日」和環保觸覺的「無冷氣夜」等。同事們從活動中得到體驗，認識到不同的環保生活方式，還樂於與親友分享他們的新知識。



Konica Minolta Green Concert “Extreme Power Generating Challenge” joined by Hong Kong Headquarter  
香港總部參與「柯尼卡美能達綠色音樂會」暨「格蘭披治單車賽」

### Green Manufacturing

The Group continuously strives to develop and implement new technologies and upgrade production hardware to enhance the environmental performance of production plants. We have implemented various environmental measures in these plants to minimise our environmental impacts related to energy, water, waste management and air emissions. For instance, Dong Hua has installed harmonic filter, inverter air compressors and LED lamps, creating significant reductions in energy consumption in the production process since 2017.

### Environmental Data Summary

The Group strives to collect environmental data as far as practical, the resource consumption, emissions and waste collection data are displayed as below. We shall continuously explore better reporting methods to demonstrate our environmental footprint, intensity calculations and results achieved from our environmental initiatives.

### Resource Consumption Data Summary in 2018

Description	類別	Units 單位	Amount 數量
Diesel for stationary combustion	固定燃燒用柴油	Litres 公升	45,580
Diesel for vehicles	車用柴油	Litres 公升	80,725
Petrol for vehicles	車用汽油	Litres 公升	15,739
Electricity	電	kWh 千瓦時	47,852,867
Water	水	m <sup>3</sup> 立方米	481,592
Packaging (plastics)	包裝物(塑膠)	Tonnes 公噸	9

### 環保生產

我們不斷研發和應用新技術及升級改良生產硬件，務求提升旗下生產廠房的環境績效。本集團各工廠已落實多項環保措施，盡量紓減與能源、水、廢物管理和減少空氣排放相關的环境影響，例如：東華已安裝省電機及變頻空氣壓縮機，並改用高效節能LED燈，故自二零一七年迄今生產流程的能源耗用量大幅下降。

### 環境數據摘要

本集團盡可能收集環境數據，下表顯示有關資源耗用量、污染排放及廢物收集的數據。我們持續提升匯報方法，更完善地展現我們的環保足跡、密度計算及環保措施之成效。

### 二零一八年資源耗用量數據摘要

**ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)**  
 環境、社會及管治報告(續)

**Emissions Data Summary in 2018**

**二零一八年污染排放數據摘要**

Item 項目	Type of emissions 排放類型	Units 單位	Amount 數量
Air emissions 空氣污染物	SOx 硫氧化物	kg 公斤	2
	NOx <sup>1</sup> 氮氧化物 <sup>1</sup>	kg 公斤	6
	PM 顆粒物	g 克	55
Greenhouse gas (GHG) emissions <sup>2</sup> 溫室氣體排放 <sup>2</sup>	Scope 1 (Direct emissions) 範圍一(直接排放)	Tonnes CO <sub>2</sub> e 公噸二氧化碳當量	380
	Scope 2 (Energy indirect emissions) 範圍二(能源使用的間接排放)	Tonnes CO <sub>2</sub> e 公噸二氧化碳當量	24,405
	Scope 3 <sup>3</sup> (Other indirect emissions) 範圍三 <sup>3</sup> (其他間接排放)	Tonnes CO <sub>2</sub> e 公噸二氧化碳當量	35
	Wastewater discharge 污水排放	Wastewater <sup>4</sup> 污水 <sup>4</sup>	m <sup>3</sup> 立方米

**Waste Collection Data Summary in 2018<sup>5</sup>**

**二零一八年廢物收集數據摘要<sup>5</sup>**

Description 類別		Units 單位	Amount 數量
Hazardous Waste 有害廢物	Waste oil 廢油	Tonne 公噸	16
	Oil containers <sup>6</sup> 油容器 <sup>6</sup>	Tonne 公噸	7
	Oil paint containers <sup>6</sup> 油漆容器 <sup>6</sup>	Tonne 公噸	3
Non-Hazardous Waste 非有害廢物	Metals (e.g. steel, iron, welding slag) 金屬(如鋼、鐵、焊渣等)	Tonne 公噸	562
	Plastics 塑膠	Tonne 公噸	11
	Paper (e.g. cardboard) 紙張(如紙板等)	Tonne 公噸	44
	Others (e.g. scrap, wiring) 其他(如邊角料、電線等)	Tonne 公噸	145
	Paper recycled <sup>7</sup> 回收紙品 <sup>7</sup>	Tonne 公噸	4

*Notes:*

*註:*

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|--|--|
| <p>1. NOx data are only available for Dong Hua, as mileage information was not available for Hong Kong headquarter and Gainbase.</p> <p>2. Scope 2 GHG emissions were calculated with reference to emissions factor found in the "CLP 2017 Sustainability Report".</p> <p>3. Scope 3 GHG emissions come from business travel by air and were calculated with reference to ICAO emission factors.</p> <p>4. Wastewater discharge is applicable to Gainbase and Dong Hua only, and the Dong Hua data only includes measurements from May to December 2018.</p> <p>5. Waste data is mainly applicable to Dong Hua unless stated otherwise.</p> <p>6. Oil containers and oil paint containers may contain hazardous contents.</p> <p>7. The amount of recycled paper included data from both Hong Kong headquarter and Dong Hua.</p> | <p>1. 由於香港總部及邦基並無提供行車里數，氮氧化物數據只限於東華。</p> <p>2. 範圍二溫室氣體排放量乃參照《中電二零一七可持續發展報告》列載的排放系數計算。</p> <p>3. 範圍三溫室氣體排放量為公幹航空旅程及參照國際民航組織的排放系數計算。</p> <p>4. 廢水排放只適用於邦基及東華，東華的數據僅包括二零一八年五月至十二月的數據。</p> <p>5. 除另行說明，否則廢物數據主要來自東華。</p> <p>6. 油容器及油漆容器或含有害物質。</p> <p>7. 回收紙品數量涵蓋香港總部及東華的數據。</p> |
|--|--|

## SOCIAL ASPECTS

### General Disclosure

Our staff are crucial to the Group's growth and success. Through our philosophy of being "people-orientated, pragmatic and continuously learning", we emphasise that talent attraction, occupational health and safety and staff development are an integral part of the Group's long-term development. At the same time, we continuously explore ways to contribute to society and fulfil our social responsibilities. In recognition of our unceasing efforts to care for our staff and society, the Group has been awarded the Caring Company Logo by The Hong Kong Council of Social Service since 2007.

The Group respects human rights and complies with all local labour, workplace and social laws and standards. We are firmly committed to safeguarding the well-being and integrity of our staff and have established a code of conduct for all our employees. We ensure equal opportunities for all qualified applicants and staff and refrain from any type of discrimination. The Group does not tolerate any form of corruption, forced labour, child labour or sexual harassment anywhere in our operations.

To facilitate communication between our staff and the Group's management, we have put in place a diverse set of communication channels and grievance mechanisms, with measures also in place to ensure the confidentiality of personal data. We strictly abide by the local labour laws of the countries in which we operate. During the reporting period, no legal cases were registered regarding our labour practices or market operations or regarding any issues related to product responsibility.

### 社會主要範疇

#### 一般披露

員工是我們賴以成功的要素，支持本集團的業務持續發展。秉承「以人為本，務實進取，持續學習」的企業價值觀，我們深信吸納人才、職業健康與安全和員工發展是本集團長遠發展不可或缺的環節。我們持續積極履行企業社會責任，不斷開拓機遇回饋社會。本集團自二零零七年起獲香港社會服務聯會授予「商界展關懷標誌」，在員工和社會謀福祉的努力上得到肯定。

本集團尊重人權和遵守當地有關勞工、工作場所及社會的法律和標準。我們堅決保障員工的福祉及維護誠信，特此制訂全體員工均須遵守的行為守則。我們恪守平等機會的原則，對所有符合資格的應徵者和員工一視同仁，杜絕任何形式的歧視。本集團堅決反對出現任何形式的貪污舞弊、強迫勞工、童工或性騷擾。

為促進員工與本集團管理層之間的溝通，我們設有多種溝通渠道和申訴機制，並設立措施完善保障個人資料私隱。我們嚴格遵守業務所在國家的勞工法律。於匯報期內，並無任何有關勞工待遇、市場營運或產品責任等相關事宜的訴訟。



由香港社會服務聯會授予商界展關懷標誌

The Caring Company Logo awarded by The Hong Kong Council of Social Service

### Employment and Welfare

To retain high-calibre staff, the Group offers competitive remuneration and benefits. We operate a performance-based appraisal process which assesses the capabilities and leadership abilities of our staff at different levels on a regular basis. This process allows us to adjust remuneration and bonuses accordingly and inspire both career and personal growth. On top of medical insurance, provident fund and pension contributions, we offer our staff various leave entitlements including annual leave, marriage leave, maternity and paternity leave, bereavement leave, examination leave and injury leave.

The Group places a strong emphasis on promoting a healthy work-life balance. During the year, we planned a variety of social activities to promote staff well-being, including monthly birthday parties, Father's Day and Mother's Day celebrations and other festive celebrations. Dong Hua arranged a special "thank you trip" for our staff to celebrate Women's Day on 8 March 2018, with a total of 80 staff and their family members enjoying a day out at the Longfeng Villa Video Resort.

### 僱傭及福利

我們提供具競爭力的薪酬及福利挽留優秀人才。我們設有以表現為本的評估制度，定期評核不同職級員工的職能和領導能力，以此作依據，相應地調整薪酬及獎金，激勵員工追求事業及個人發展。本集團的員工除享有醫療保險、公積金及退休金外，亦可享有多種休假，包括年假、婚假、產假或侍產假、喪假、考試休假及工傷假。

我們致力提倡作息平衡的健康生活。於本年度我們舉辦各式各樣的聯誼活動，促進同事們的身心健康，包括每月生日會、父親節和母親節及其他節慶活動。在二零一八年三月八日，東華安排了一次外遊感謝員工辛勤工作，八十位員工及其家人暢遊龍鳳山莊影視度假村，度過愉快的一天。



2017 Annual Dinner and Awards Ceremony  
二零一七周年晚宴暨頒獎典禮



Dong Hua Women's Day "Thank You" Trip  
東華在三八婦女節舉辦旅遊活動答謝員工

Every year, the Group celebrates its achievements and presents awards to outstanding colleagues and those with long service records at our annual dinner, in recognition of their performance, loyalty and commitment.

我們每年均在周年晚宴與員工共慶業務成果，以及頒發獎項予表現傑出和長期服務的同事，表揚他們忠誠為本集團服務。

We also arrange a variety of leisure events to help staff maintain a healthy work-life balance, with sports activities being a particular highlight which include football, running and sports fair events. In 2018, ten Dong Hua representatives participated in the 2018 Worker Sports Fair and Charity Walk in Dongguan, winning the Second Runner Up award for overall performance.

除此之外，我們也經常舉辦消閒活動讓員工工作息平衡，其中康體活動是一大重點，例如：足球、跑步及運動日等。二零一八年，東華派出十位代表參加東莞「職工趣味運動會暨慈善行」，奪得總體表現季軍殊榮。



10 Representatives from Dong Hua at the Third Session Worker Sports Fair and Charity Walk  
十名東華代表參與第三屆職工趣味運動會暨慈善行

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

環境、社會及管治報告(續)

### Workplace Health and Safety

The Group places great importance on building a robust culture of health and safety for all our staff. Our manufacturing facilities have established policies and guidelines regarding safety equipment, occupational hygiene and the prevention of occupational diseases, setting out clear roles and responsibilities for health and safety at all levels. A Safety Production Committee made up of safety officers has been put in charge of monitoring and managing safety initiatives and preventing workplace accidents. Health and safety courses and refresher training sessions are regularly conducted, covering topics such as first aid, handling hazardous chemicals and production safety. In addition, large-scale emergency fire drills and site inspections are conducted on a regular basis.

In 2018, Dong Hua revised their Prevention of Occupational Diseases Policy, appointing safety officers to conduct daily safety monitoring and issuing weekly follow-up reports on any safety issues identified and any corrective measures taken. Safety at every level was emphasised in 2018, resulting in a significant reduction in the number of work-related injuries and lost days.

In August 2018, the Group arranged a complimentary annual health screening for different levels of staff in Dongguan to ensure the health and well-being of our workers, a practice which is now standard across the Group. We strive to serve as a leading light for the industry by consistently enhancing our training programmes and keeping abreast of the latest laws and regulations concerning production safety.

### 工作間健康與安全

本集團矢志倡導全體員工培育職安健文化。我們的工廠已制訂安全設備、職業衛生及預防職業病的相關政策和指引，清晰界定各職級人員在職安健的角色及責任，另亦設立由安全管理人員組成的安全生產委員會，專責監察和管理安全措施及防範工傷意外。我們定期舉辦健康與安全課程及進修培訓，涵蓋包括急救、處理有害化學物質及生產安全等課題。此外，亦按時進行大型緊急火警演習和工地巡查。

二零一八年，東華修訂了職業疾病防範政策，指派安全主任每日進行安全監察，並且每周編製跟進報告，列述巡查發現的安全問題和相關糾正措施。由於厲行安全措施，二零一八年的工傷宗數及損失工作日大幅減少。

一如以往，本集團於二零一八年八月免費為東莞各職級的員工提供年度身體檢查，保障員工的身心健康。我們致力在業界樹立領先典範，不斷優化培訓計劃，並緊貼生產安全法規的最新要求和規定。

### Staff Development

In terms of developing our staff, the Group arranges both internal and external training programmes and encourages our staff to enhance their professional skills and knowledge and pursue their career development. In 2018, Dong Hua took in around 10 university graduates, who underwent tailor-made orientation training programmes to facilitate their understanding and adaptation to the company.

Through the assistance and guidance of the Dongguan Occupational Skill Testing Authority and the Dongguan Human Bureau of Resource, Dongcheng Branch, Dong Hua developed a series of certification examinations for technicians in this year. Technicians who obtain a passing grade will be awarded with a nationally-recognised professional qualifications certificate, providing the staff member with recognition and raising the Group's manufacturing standard at the same time. Approximately 80% of our technicians passed the inaugural examination, and we anticipate being able to attract and train more skilled technicians in the future.

### 員工發展

我們安排員工參加公司內部及外界組織的培訓，藉此提升員工的專業技能和知識，協助他們在事業上的發展。二零一八年，東華成功招聘約十位大學畢業生，並提供度身設計的入職培訓，促進新員工認識本集團和適應工作環境。

於本年度，東華在東莞職業技能鑒定局及東莞市人力資源局東城分局的協助和指導下，為技術人員設計了一系列認證考核，通過考核的技術人員會獲發全國認可的專業資格證書。考核制度一方面肯定員工的資歷，另一方面也提升了本集團整體的製造水平。第一批接受考核的技術人員約80%通過考核，我們預期日後可藉此培訓和招聘更多高技能的技術人員。



Certification of Competency for Technicians  
企業技能人才評價理論考核



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

### 環境、社會及管治報告(續)

#### Product Quality

It is a key priority of the Group to improve product quality along the entire value chain, from sourcing right through to manufacturing. Environmental and social considerations are taken into account from the start, beginning with the sourcing of raw materials. Our manufacturing units ensure that both raw materials and finished products meet international standards such as the "Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment" (RoHS) and halogen-free requirements defined by the International Electrochemical Commission (IEC). We have a Quality Department in place to conduct quality checks and monitoring and product recalls when necessary.

In addition, our production plants and equipment have consistently demonstrated a firm commitment to providing high-quality products through our adherence to recognised quality control management systems including ISO 9001, ISO/TS 16949, UL Standards and ISO 14001.

#### 產品品質

審視整個價值鏈從採購到製造，本集團視產品的品質為優先要項。我們採購原材料時充分考慮對於環境和社會的影響，所有製造單位均會盡力確保原材料及產品達到嚴格的國際標準，例如：歐盟有關「限制電器及電子設備使用有害物質指令」(RoHS指令)和國際電工化學委員會(IEC)的不含鹵素規定。我們設有品質部，專責執行產品質審查和監察，如有需要並會處理回收產品事宜。

此外，本集團的生產廠房及設施亦已實施符合國際標準(包括ISO 9001、ISO/TS 16949、UL及ISO 14001)的品質管理體系，充分體現了我們對優質產品的不懈堅持。

#### Number of Suppliers by Geographical Region in 2018

#### 二零一八年按地區劃分的供應商數目

Location 地點	Quantity 數量
Hong Kong 香港	44
Mainland 內地	241

### Supply Chain Management

The Group has been progressively including sustainability as a core element in our supply chain decision-making processes, which is changing how we engage with and assess our suppliers. We constantly review our supply chain management policies and green procurement guidelines, and the performance of our suppliers is regularly assessed. Any breaches made in these supplier arrangements may lead to legal actions in accordance with our corporate policies.

Through regular engagement with our customers and suppliers, the Group seeks to understand the environmental and social impacts generated throughout the life-cycle of our products. Together, we ensure compliance with local laws and regulations concerning product safety, product declaration and labelling, human rights, customer privacy protection, anti-corruption and intellectual property rights.

### Caring for the Community

The Group actively promotes and participates in community initiatives in order to contribute to the sustainable development of both our business and society. An established staff volunteer team takes part in charitable events regularly and gathers donations and supplies for various people in need. In 2018, our Hong Kong employees volunteered a total of 44 hours and the Company and our Hong Kong employees donated around HKD36,000 to support local charitable services. On top of these, we also sponsored three boxes of kitchenware products in support of the “Walk•In Inclusive Green Bazaar cum Charity Walkathon” organised by Fu Hong Society.

### 供應鏈管理

本集團正逐步將可持續發展作為核心元素令其融入供應鏈決策過程中，並相應地調整供應商的聘用及評估方針。我們不斷檢討供應鏈管理政策和環保採購指引，同時定期評估供應商的表現，如發現任何違反供應商規範的事件，則會按照本集團的政策考慮採取法律行動。

為了解產品整個生命周期對環境和社會造成的影響，我們與客戶及供應商定期溝通，共同確保嚴守關於產品安全、產品申報與標籤、人權、保障客戶私隱、反貪污及知識產權的本地法律和規例。

### 關懷社區

我們熱心推廣及參與社區計劃，推動本集團業務和社會的可持續發展。我們的員工組成義工隊積極參與各類慈善活動，並為有需要的人士籌募善款和物資。二零一八年，香港員工合共提供了44小時義工服務，並本公司與香港員工捐獻約36,000港元支持多間本地慈善機構，亦熱心響應扶康會主辦的「樂建共融 Walk • In 綠色市集暨步行籌款」活動，贊助三箱廚具產品。



Flag selling day at our Hong Kong Headquarter in support of Fu Hong Society  
香港總部舉行賣旗日支持扶康會

**ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)**  
 環境、社會及管治報告(續)

**Social Data Summary**

**Total Staff Head Count and Staff Turnover as of 31 December 2018**

社會數據摘要

截至二零一八年十二月三十一日止員工總人數及員工流失人數

Category 類別	Description 說明	Staff Headcount 員工人數	Staff Turnover 員工流失人數
Gender 性別	Female 女性	507	435
	Male 男性	1,129	610
Rank 職級	Senior Level 高級人員	19	2
	Middle Level 中級人員	113	17
	General Staff 一般職級人員	1,504	1,026
Age 年齡	Under 30 30歲以下	511	603
	30-50 30-50歲	1,043	435
	Over 50 50歲以上	82	7
Geographic Region 地區	Hong Kong 香港	32	5
	Mainland 內地	1,604	1,040

**Workplace Health and Safety Performance Summary in 2018** 二零一八年工作間健康與安全績效摘要

	Unit 單位	2018
Number of work-related fatalities 與工作有關的致命意外宗數	No. of incidents 次數	0
Number of work-related injuries 與工作有關的工傷宗數	No. of incidents 次數	5
Days lost due to injury 因工傷損失工作日數	Days 日數	107

**Total and Average Training Hours Per Staff Member by Rank in 2018** 二零一八年按職級劃分的總培訓時數及人均培訓時數

	Total Training Hours 總培訓時數	Average Training Hours Per Staff 人均培訓時數
Senior Level 高級人員	198	10
Middle Level 中級人員	508	4
General Staff 一般職級員工	10,946	7

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)  
環境、社會及管治報告(續)

HKEX ESG REPORTING GUIDE CONTENT INDEX  
TABLE

聯交所《環境、社會及管治報告指引》報告內容索引表

General Disclosures and KPIs 一般披露及 關鍵績效指標	Description 描述	Page No. 頁	Remarks 附註
Aspect A1: Emissions 層面1: A1排放物			
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	60-65	
KPI A1.1	The types of emissions and respective emissions data. 排放物種類及相關排放數據。	66	
KPI A1.2	Greenhouse gas emissions in total and intensity. 溫室氣體總排放量及密度。	66	Restatement of 2017 Scope 2 GHG emissions to 26,100 tonnes of CO <sub>2</sub> e. 重新列述2017年範圍二的溫室氣體總排放量至26,100公噸二氧化碳當量。
KPI A1.3	Total hazardous waste produced and intensity. 所產生有害廢棄物總量及密度。	66	
KPI A1.4	Total non-hazardous waste produced and intensity. 所產生無害廢棄物總量及密度。	66	
KPI A1.5	Description of measures to mitigate emissions and results achieved. 描述減低排放量的措施及所得成果。	61	
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved. 描述處理有害及無害廢棄物的方法、減低產生量的措施及所得成果。	61	

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)  
環境、社會及管治報告(續)

General Disclosures and KPIs 一般披露及關鍵績效指標			
	Description 描述	Page No. 頁	Remarks 附註
<b>Aspect A2: Use of Resources</b> 層面A2：資源使用			
General Disclosure 一般披露	Policies on the efficient use of resources, including energy, water and other raw materials. 有效使用資源(包括能源、水及其他原材料)的政策。	60-65	
KPI A2.1 關鍵績效指標A2.1	Direct and/or indirect energy consumption by type in total and intensity. 按類型劃分的直接及／或間接能源總耗量及密度。	65	Restatement of 2017 electricity consumption of Hong Kong Headquarter to 174,901 kWh. 重新列述二零一七年香港總部用電量為174,901千瓦時。
KPI A2.2	Water consumption in total and intensity. 總耗水量及密度。	65	
KPI A2.3	Description of energy use efficiency initiatives and results achieved. 描述能源使用效益計劃及所得成果。	62-65	
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved. 描述求取適用水源上可有任何問題，以及提升用水效益計劃及所得成果。	62	
KPI A2.5	Total packaging material used for finished products and with reference to per unit produced. 製成品所用包裝材料的總數量及每生產單位佔量。	65	
<b>Aspect A3: The Environment and Natural Resources</b> 層面A3：環境及天然資源			
General Disclosure 一般披露	Policies on minimising the issuer's significant impact on the environment and natural resources. 減低發行人對環境及天然資源造成重大影響的政策。	60, 62-65	
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them. 描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。	60, 62-65	

**ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)**  
 環境、社會及管治報告(續)

General Disclosures and KPIs			
一般披露及 關鍵績效指標	Description 描述	Page No. 頁	Remarks 附註
<b>Aspect B1: Employment</b> 層面B1：僱傭			
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. 有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	67-69	
KPI B1.1	Total workforce by gender, employment type, age group and geographical region. 按性別、僱傭類型、年齡組別及地區劃分的僱員總數。	74	
KPI B1.2	Employee turnover rate by gender, age group and geographical region. 按性別、年齡組別及地區劃分的僱員流失比率。	74	
<b>Aspect B2: Health and Safety</b> 層面B2：健康與安全			
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards. 有關提供安全工作環境及保障僱員避免職業性危害的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	67 & 70	
KPI B2.1	Number and rate of work-related fatalities. 因工作關係而死亡的人數及比率。	75	
KPI B2.2	Lost days due to work injury. 因工傷損失工作日數。	75	
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored. 描述所採納的職業健康與安全措施，以及相關執行及監察方法。	70	

General Disclosures and KPIs			
一般披露及關鍵績效指標	Description 描述	Page No. 頁	Remarks 附註
<b>Aspect B3: Development and Training</b> 層面B3：發展及培訓			
General Disclosure 一般披露	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. 有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。	67 & 71	
KPI A3.1	The percentage of employees trained by gender and employee category. 按性別及僱員類別劃分的受訓僱員百分比。	75	
KPI A3.2	The average training hours completed per employee by gender and employee category. 按性別及僱員類別劃分，每名僱員完成受訓的平均時數。	75	Only training hours by employee category was disclosed in this report. 本報告只匯報了按僱員類別劃分的平均受訓時數。
<b>Aspect B4: Labour Standards</b> 層面B4：勞工準則			
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour. 有關防止童工或強制勞工的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	67	
KPI A4.1	Description of measures to review employment practices to avoid child and forced labour. 描述檢討招聘慣例的措施以避免童工及強制勞工。	67	
KPI A4.2	Description of steps taken to eliminate such practices when discovered. 描述在發現違規情況時消除有關情況所採取的步驟。	67	
<b>Aspect B5: Supply Chain Management</b> 層面B5：供應鏈管理			
General Disclosure 一般披露	Policies on managing environmental and social risks of the supply chain. 管理供應鏈的環境及社會風險政策。	73	
KPI A5.1	Number of suppliers by geographical region. 按地區劃分的供應商數目。	72	
KPI A5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored. 描述有關聘用供應商的慣例，向其執行有關慣例的供應商數目、以及有關慣例的執行及監察方法。	73	



**ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)**  
 環境、社會及管治報告(續)

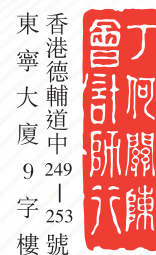
<b>General Disclosures and KPIs</b>			
一般披露及 關鍵績效指標	Description 描述	Page No. 頁	Remarks 附註
<b>Aspect B6: Product Responsibility</b> 層面B6：產品責任			
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.  有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	67 & 72	
<b>Aspect B7: Anti-corruption</b> 層面B7：反貪污			
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.  有關防止賄賂、勒索、欺詐及洗黑錢的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	67 & 73	
<b>Aspect B8: Community Investment</b> 層面B8：社區投資			
General Disclosure 一般披露	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.  有關以社區參與來了解營運所在社區需要和確保其業務活動會考慮社區利益的政策。	67 & 73	
KPI A8.1 關鍵績效指標A8.1	Focus areas of contribution. 專注貢獻範疇。	73	
KPI A8.2 關鍵績效指標A8.2	Resources contributed to the focus area. 在專注範疇所動用資源。	73	

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### TING HO KWAN & CHAN CERTIFIED PUBLIC ACCOUNTANTS (PRACTISING)

9th Floor, Tung Ning Building  
249-253 Des Voeux Road Central  
Hong Kong



### TO THE MEMBERS OF COSMOS MACHINERY ENTERPRISES LIMITED (incorporated in Hong Kong with limited liability)

致大同機械企業有限公司股東  
(於香港註冊成立之有限公司)

#### OPINION

We have audited the consolidated financial statements of Cosmos Machinery Enterprises Limited (the "Company") and its subsidiaries (collectively referred to as "the Group") set out on pages 89 to 273, which comprise the consolidated statement of financial position as at 31 December 2018, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 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 Hong Kong Companies Ordinance.

#### BASIS FOR OPINION

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

#### 意見

本核數師(以下簡稱「我們」)已審計列載於第89至273頁大同機械企業有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表,此財務報表包括於二零一八年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合收益表、綜合全面收益表、綜合權益變動表及綜合現金流量表,以及綜合財務報表附註(包括主要會計政策概要)。

我們認為,該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的《香港財務報告準則》(「《香港財務報告準則》」)真實而公平地反映貴集團於二零一八年十二月三十一日的綜合財務狀況及截至該日止年度貴集團的綜合財務表現及其綜合現金流量,並已遵照香港《公司條例》妥為編製。

#### 意見基礎

我們已根據香港會計師公會頒佈的《香港審計準則》(「《香港審計準則》」)進行審核。我們在該等準則下承擔的責任已在本報告「核數師就審核綜合財務報表的責任」部分中作進一步闡述。根據香港會計師公會的《專業會計師道德守則》(「守則」),我們獨立於貴集團,並已遵循守則履行其他道德責任。我們相信,我們所獲得的審核憑證足夠及能適當地為我們的意見提供基礎。

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### 獨立核數師報告(續)

#### KEY AUDIT MATTERS

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

#### 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。該等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。我們不會對該等事項提供單獨的意見。

#### Key Audit Matter 關鍵審計事項

#### How our audit addressed the key audit matters 我們的審核如何處理關鍵審核事項

##### Impairment of goodwill

Refer to note 18 to the Group consolidated financial statements.  
請參閱貴集團綜合財務報表附註18。

The Group has goodwill of HK\$53,483,000 relating to the acquisition of KFE Hong Kong Co., Limited in 2013 which is engaged in trading of printed circuit board. 貴集團就於二零一三年收購協榮二葉科技香港有限公司(其從事線路板貿易)，產生商譽金額為53,483,000港元。

Management has concluded that there is no impairment in respect of the goodwill. This conclusion was based on an estimation of the value in use of the cash-generating units ("CGU") to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the CGU and to determine a suitable discount rate in order to calculate its present value. Key assumptions for the value in use calculation are future cash flow forecast, growth rate and discount rate, where small changes of them can result in a significant change in the value in use.

管理層認為並無有關商譽的減值。該結論乃根據對獲分配商譽的現金產生單位(「現金產生單位」)使用價值的估計而作出。計算使用價值時，貴集團須估計預期自現金產生單位產生的未來現金流及釐定合適的貼現率以計算現值。計算使用價值的主要假設為未來現金流預測、增長率及貼現率，若該等項目出現小變動，可對使用價值構成重大變動。

The impairment assessment involves significant judgements made by management and therefore is identified as a key audit matter.

減值評估涉及管理層作出的重大判斷，因此被識別為關鍵審計事項。

##### 商譽減值

Our procedures in relation to management's impairment assessment included:  
我們就管理層之減值評估之程序包括：

- Obtaining the cash flow forecast prepared by management, reviewed and discussed with management on the major assumptions adopted in the cash flow forecast for each CGU and checked arithmetic accuracy of the forecast calculation.  
取得管理層編製的現金流預測，與管理層審閱及討論有關現金流預測就各個現金產生單位採用的主要假設，並檢查計算預測的運算是否準確。
- Comparing the growth rate, budgeted sales and gross margin to historical results to determine the reasonableness of the assumptions.  
將增長率、預算銷售及毛利率與過往業績作比較，以確定假設是否合理。
- Assessing the discount rate used by management in the cash flow forecast by benchmarking against the required rate of return adjusted for industrial specific factors.  
以行業特定因素調整的所需回報率為基準，對管理層於現金流預測中所用的貼現率作出評估。
- Reviewing the sensitivity analysis prepared by management on the significant assumptions including the growth rate and the discount rate to evaluate the extent of impact of these assumptions on the cash flow forecast.  
審閱管理層就重大假設(包括增長率及貼現率)編製的敏感度分析，以評估該等假設對現金流預測的影響程度。

**Key Audit Matter**  
**關鍵審計事項**

**How our audit addressed the key audit matters**  
**我們的審核如何處理關鍵審計事項**

**Accounting for restructuring provisions**

Refer to note 29 to the Group consolidated financial statements.

請參閱貴集團綜合財務報表附註29。

The recognition and valuation of the provision in respect of restructuring is highly judgemental and assumptions based.

確認及評估重組撥備高度依賴判斷及基於假設。

The determination of whether or not a present obligation exists is a judgemental process. The actual future expenses to complete the restructuring require significant estimates. As disclosed in the note 29 to the consolidated financial statements, the reversal of restructuring provision of HK\$19,612,000 is recognised in consolidated income statement.

釐定當前責任是否存在需要運用判斷。完成重組所需的未來實際開支需要大量估計。誠如綜合財務報表附註29所披露19,612,000港元之重組撥備回撥已於綜合收益表中確認。

The restructuring provision assessment involves significant judgements made by management and therefore is identified as a key audit matter.

重組撥備評估涉及管理層所作出的重大判斷，因此被識別為關鍵審計事項。

**重組撥備的會計處理**

Our procedures in relation to management's assessment on restructuring provision included:

我們就管理層之重組撥備評估之程序包括：

- We have inspected the minutes of board of directors meetings where the progress of the restructuring was deliberated on during the meetings and we have tested and concurred with management's judgement in respect of the existence of a constructive obligation concerning the planned restructure exercise. We tested the decision making process, the existence of sufficiently detailed plans of the Group and the communications in this respect.

我們已查閱董事會會議紀錄內有關審議重組進展情況及我們已測試，並贊同管理層對經計劃的重組工作存在推定責任的判斷。我們已就此對決策過程、有否具備充分詳細的貴集團計劃及對這些方面的溝通進行測試。

- The provision for severance payments included using the assumptions on estimating the number of employees that will ultimately be affected under the production capacity optimisation process. We have assessed and challenged these assumptions made by management based on the relevant rules and regulations in place and the past experience of the Group in handling similar exercise and also assessed the assumptions made on the relocation expenses. We found no material exceptions in our testing.

遣散費撥備包括估計對最終將受產能優化過程影響的員工數目的假設。我們已根據相關法規及規例以及貴集團處理類似事件的過往經驗，評估及質詢該等由管理層作出的假設，並對就搬遷費作出的假設進行評估。我們於測試中並無發現任何重大例外情況。

- We also considered whether separate disclosure of the restructuring charge is appropriate and discussed this with management and the audit committee. We concurred with their conclusion that separate disclosure and presentation are helpful in understanding financial performance.

我們亦已考慮獨立披露重組費用是否適當，並就此與管理層及審核委員會進行討論。我們同意彼等的結論，獨立披露及呈列有助於理解財務表現。

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### 獨立核數師報告(續)

#### Key Audit Matter 關鍵審計事項

##### Valuation of inventories

Refer to note 24 to the Group consolidated financial statements.

請參閱貴集團綜合財務報表附註24。

The Group has inventories with carrying amount of HK\$491,937,000 which is subject to a risk that changes in customer demand could result in some products becoming slow-moving or obsolete, such that they could not be sold or could only be sold with selling prices that are less than the current carrying value. This means there is inherent subjectivity and estimation is needed in determining the level of inventory provision required.

貴集團賬面值491,937,000港元之存貨存在因客戶需求變化導致部分產品滯銷或過時，使其無法出售或僅可以低於現時賬面值的售價出售的風險。換言之，在確定所需存貨撥備水平時存在主觀性和估計的需要。

The Group has made an inventory provision of HK\$13,201,000 in 2018. Significant judgements on the percentage of general provision and the amount of specific provision made are required by management in determining the adequacy of the inventory provision.

貴集團於二零一八年作出13,201,000港元之存貨撥備。確定存貨撥備是否充分時，需要管理層就一般撥備的百分比及特定撥備的金額作出重大判斷。

We identified the valuation of inventories as a key audit matter due to the significance of the balance to the Group consolidated financial statements as a whole, together with the judgement associated with determining the adequacy of the inventory provision.

基於存貨結餘對綜合財務報表整體上的重要性，加上確定存貨撥備是否充分時涉及判斷，因此存貨估值被識別為關鍵審計事項。

#### How our audit addressed the key audit matters 我們的審核如何處理關鍵審計事項

##### 存貨估值

Our procedures in relation to management's assessment on inventory provision included:

我們就管理層之存貨撥備評估之程序包括：

- Inquiring and understanding from management the inventory provision policy of the Group.  
向管理層查詢及了解貴集團的存貨撥備政策。
- Assessing the reasonableness of the inventory provision made by the Group by obtaining the aging analysis and slow-moving inventory lists from management and discussing with management on the basis of inventory provision made.  
向管理層取得庫存賬齡分析及慢流存貨清單，並與管理層討論存貨撥備的基準，從而評估貴集團所作出的存貨撥備是否合理。
- Performing testing on the inventory ageing to assess the accuracy of the basic data used to determine the provision and re-performing the provision calculation to check arithmetic accuracy.  
就存貨的庫存期進行測試，以評估用作判斷撥備的基本數據是否準確，並重新計算撥備以核實運算的準確性。
- Understanding from management the rationale for the specific adjustments and assessing the assumptions made where there are specific adjustments on the inventory provision.  
向管理層了解特定調整的理據，評估就存貨撥備作出特定調整時所作出的假設。
- Reviewing subsequent sales on the inventory samples selected to assess whether the inventories were able to be sold at prices above their carrying values.  
審閱經選取的存貨樣本之後續銷售狀況，評估存貨是否可按高於其賬面值的價格售出。

## OTHER INFORMATION IN THE ANNUAL REPORT

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

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

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

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

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the 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.

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

## 載於年報的其他資料

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

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

審核綜合財務報表時，我們的責任為閱讀其他資料，於此過程中，考慮其他資料是否與綜合財務報表或我們於審計過程中所瞭解的情況有重大抵觸，或者似乎有重大錯誤陳述。基於我們已執行的工作，倘我們認為其他資料有重大錯誤陳述，我們須報告該事實。於此方面，我們沒有任何報告。

## 董事及審核委員會就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及《公司條例》編製綜合財務報表，以令綜合財務報表作出真實而公平的反映，及落實其認為編製綜合財務報表所必要的內部控制，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

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

審核委員會負責監督貴集團財務報告過程。

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### 獨立核數師報告(續)

#### 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. Our report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, 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 judgement and maintain professional skepticism throughout the audit. We also:

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

#### 核數師就審計綜合財務報表的責任

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。我們是按照香港《公司條例》第405條的規定，僅向整體成員報告。除此以外，我們的報告不可用作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔法律責任。合理保證是高水平的保證，但不能保證按照《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。

根據香港審計準則進行審核時，我們運用專業判斷，於整個審核過程中保持專業懷疑態度。我們亦：

- 識別及評估綜合財務報表由於欺詐或錯誤而導致的重大錯誤陳述風險，因應此等風險設計及執行審核程序，獲得充足及適當審核憑證為我們的意見提供基礎。由於欺詐涉及合謀串通、偽造、故意遺漏、誤導性陳述或凌駕內部控制，因此未能發現由此造成的重大錯誤陳述風險較未能發現由於錯誤而導致的重大錯誤陳述風險更高；
- 瞭解與審核有關的內部控制，以設計恰當的審核程序，但並非旨在對貴集團內部控制的有效程度發表意見；
- 評估所用會計政策是否恰當，以及董事所作會計估算及相關披露是否合理；

- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- 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.
- 總結董事採用以持續經營為基礎的會計法是否恰當，並根據已獲取的審核憑證，總結是否有對貴集團持續經營的能力構成重大疑問的事件或情況等重大不確定因素。倘我們總結認為存在重大不確定因素，我們需於核數師報告中提請注意綜合財務報表內的相關資料披露，或如果相關披露不足，則修訂我們的意見。我們的結論以截至核數師報告日期所獲得的審核憑證為基礎，惟未來事件或情況可能導致貴集團不再具有持續經營的能力；
- 評估綜合財務報表（包括資料披露）的整體列報、架構及內容，以及綜合財務報表是否已公允反映及列報相關交易及事項；及
- 就貴集團屬下實體或經營活動的財務資料取得足夠而恰當的審計憑證，以於綜合財務報表內發表意見。我們對集團審計的指引、監察及落實負責。我們為審計意見承擔全部責任。

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

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

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

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



## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

獨立核數師報告(續)

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

The engagement partner on the audit resulting in the independent auditor's report is Mr. Chan Shu Kin.

### TING HO KWAN & CHAN

*Certified Public Accountants (practising)*

Hong Kong, 28 March 2019

我們從與審核委員會溝通的事項中，決定那些事項對本期綜合財務報表的審核工作最為重要，因而構成關鍵審計事項。除非法律或法規不容許公開披露此等事項，或於極罕有的情況下，我們認為披露此等事項可合理預期的不良後果將超越公眾知悉此等事項的利益而不應於報告中披露，否則我們會於核數師報告中描述此等事項。

出具本獨立核數師報告的審計項目合夥人是陳樹堅先生。

丁何關陳會計師行

執業會計師

香港，二零一九年三月二十八日

# CONSOLIDATED INCOME STATEMENT

## 綜合收益表

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

		Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Revenue</b>	收入	5	<b>2,682,452</b>	2,446,848
Cost of sales	銷售成本	24(b)	<b>(2,245,294)</b>	(2,037,409)
<b>Gross profit</b>	毛利		<b>437,158</b>	409,439
Other income and gains, net	其他收入及收益淨額	6	<b>45,202</b>	43,840
Selling and distribution costs	分銷費用		<b>(153,780)</b>	(145,043)
Administrative expenses	行政費用		<b>(251,593)</b>	(244,887)
<b>Operating profit</b>	經營溢利		<b>76,987</b>	63,349
Finance costs	財務費用	7	<b>(21,856)</b>	(20,483)
Investment income	投資收入	8	<b>4,938</b>	3,736
Share of results of associates	應佔聯營公司業績		<b>1,658</b>	3,324
Gain on disposal of a subsidiary	出售一間附屬公司之盈利	37	<b>44,588</b>	–
Gain on deregistration of a subsidiary	註銷一間附屬公司之盈利		<b>1,904</b>	–
<b>Profit before tax</b>	除稅前溢利	9	<b>108,219</b>	49,926
Taxation	稅項	11	<b>(19,467)</b>	(6,076)
<b>Profit for the year</b>	本年溢利		<b>88,752</b>	43,850
<b>Profit attributable to:</b>	應佔溢利：			
– Equity shareholders of the Company	– 本公司股權持有人		<b>74,052</b>	27,284
– Non-controlling interests	– 非控股權益		<b>14,700</b>	16,566
			<b>88,752</b>	43,850
Earnings per share for profit attributable to the equity shareholders of the Company during the year	年內本公司股權持有人應佔每股盈利			
– Basic	– 基本	12	<b>9.36 HK cents</b> 港仙	3.80 HK cents港仙

The notes on pages 99 to 273 are an integral part of these consolidated financial statements.

第99頁至273頁之附註屬本綜合財務報表之一部份。

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

## 綜合全面收益表

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

		Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Profit for the year</b>	<b>本年溢利</b>		<b>88,752</b>	43,850
Other comprehensive (expense)/ income for the year, net of tax:	本年扣除稅項後之 其他全面(支出)/收益:	13		
Items that have been reclassified or may be reclassified subsequently to profit or loss:	已重新分類或其後可重新 分類至損益之項目:			
Exchange differences arising from translation of financial statements of foreign operations	換算海外業務報表時 產生之滙兌差額		<b>(56,348)</b>	74,040
Changes in fair value of available-for-sale financial asset	可供出售金融資產 之公平價值變動		–	(129)
Share of reserves of associates	應佔聯營公司儲備		<b>(1,031)</b>	1,956
Reclassification adjustments:	分類調整:			
Release of translation reserve upon disposal of a subsidiary	出售一間附屬公司時 從滙兌儲備撥出		<b>547</b>	–
Release of translation reserve upon deregistration of a subsidiary	註銷一間附屬公司時 從滙兌儲備撥出		<b>(1,904)</b>	–
Release of fair value reserve upon disposal of available-for-sale financial asset	出售可供出售金融資產時 從公平價值儲備撥出		–	(930)
			<b>(58,736)</b>	74,937
Items that will not be reclassified to profit or loss:	不會重新分類至 損益之項目:			
Surplus on revaluation of properties held for own use	自用物業重估盈餘		<b>11,485</b>	21,240
			<b>(47,251)</b>	96,177
<b>Total comprehensive income for the year</b>	<b>本年全面收益總額</b>		<b>41,501</b>	140,027
<b>Total comprehensive income attributable to:</b>	<b>應佔全面收益總額:</b>			
– Equity shareholders of the Company	– 本公司股權持有人		<b>32,900</b>	113,900
– Non-controlling interests	– 非控股權益		<b>8,601</b>	26,127
<b>Total comprehensive income for the year</b>	<b>本年全面收益總額</b>		<b>41,501</b>	140,027

The notes on pages 99 to 273 are an integral part of these consolidated financial statements.

第99頁至273頁之附註屬本綜合財務報表之一部份。

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

At 31 December 2018 二零一八年十二月三十一日

		Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Non-current Assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	15	618,271	644,876
Leasehold land and land use rights	租賃土地及土地使用權	17	40,271	43,320
Goodwill	商譽	18	53,483	53,483
Intangible assets	無形資產	19	6,454	7,838
Interests in associates	聯營公司權益	20	31,139	32,369
Available-for-sale financial assets	可供出售金融資產	21	–	–
Financial assets at fair value through other comprehensive income	公平價值計入其他全面收益之金融資產	21	–	–
Finance lease receivables	應收融資租賃款項	22	44,451	16,472
Deferred tax assets	遞延稅項資產	23	26,419	29,518
			<b>820,488</b>	827,876
<b>Current Assets</b>	<b>流動資產</b>			
Inventories	存貨	24	491,937	524,571
Finance lease receivables	應收融資租賃款項	22	109,249	100,965
Trade and other receivables	貿易及其他應收款項	25	934,171	923,611
Other financial assets	其他金融資產	26	33,930	20,277
Current tax recoverable	本期可收回稅項		2,216	1,473
Cash and bank balances	現金及銀行結餘	27	339,702	348,746
			<b>1,911,205</b>	1,919,643
Assets of disposal group classified as held for sale	分類為持作出售之出售組別資產	36	–	23,140
			<b>1,911,205</b>	1,942,783

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
 綜合財務狀況表(續)

At 31 December 2018 二零一八年十二月三十一日

		Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Current Liabilities</b>	<b>流動負債</b>			
Trade and other payables	貿易及其他應付款項	28	792,545	928,635
Contract liabilities	合約負債	28	66,323	-
Provision for restructuring	重組撥備	29	30,238	52,956
Provision for indemnity	賠償撥備	37	25,780	-
Amount due to an associate	結欠一間聯營公司款項		704	865
Bank borrowings	銀行借款	30	357,052	380,598
Obligations under finance leases	融資租賃借款	31	2,547	2,696
Deferred consideration payable	遞延應付代價		-	8,148
Current tax payable	本期應付稅項		5,732	7,622
			<b>1,280,921</b>	1,381,520
Liabilities directly associated with the assets classified as held for sale	分類為持作出售之出售組別資產有直接相關之負債	36	-	26,723
			<b>1,280,921</b>	1,408,243
<b>Net Current Assets</b>	<b>淨流動資產</b>		<b>630,284</b>	534,540
<b>Total Assets less Current Liabilities</b>	<b>總資產減流動負債</b>		<b>1,450,772</b>	1,362,416
<b>Non-current Liabilities</b>	<b>非流動負債</b>			
Bank borrowings	銀行借款	30	20,111	45,125
Obligations under finance leases	融資租賃借款	31	4,528	-
Deferred tax liabilities	遞延稅項負債	23	25,848	25,152
			<b>50,487</b>	70,277
<b>Net Assets</b>	<b>淨資產</b>		<b>1,400,285</b>	1,292,139

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
綜合財務狀況表(續)

At 31 December 2018 二零一八年十二月三十一日

		Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Equity</b>	<b>權益</b>			
Capital and reserves attributable to equity shareholders of the Company:	本公司股權持有人應佔資本及儲備：			
Share capital	股本	32	609,027	532,903
Reserves	儲備		557,303	547,591
Proposed final dividend	建議末期股息	14	17,239	-
			<b>1,183,569</b>	1,080,494
<b>Non-controlling Interests</b>	<b>非控股權益</b>		<b>216,716</b>	211,645
<b>Total Equity</b>	<b>權益總值</b>		<b>1,400,285</b>	1,292,139

The consolidated financial statements on pages 89 to 273 were approved and authorised for issue by the Board of Directors on 28 March 2019 and were signed on its behalf by:

第89頁至273頁之綜合財務報表於二零一九年三月二十八日獲董事會批准並授權刊發，並由下列董事代表簽署：

**TANG TO**  
鄧燾  
DIRECTOR  
董事

**TANG YU, FREEMAN**  
鄧愚  
DIRECTOR  
董事

The notes on pages 99 to 273 are an integral part of these consolidated financial statements.

第99頁至273頁之附註屬本綜合財務報表之一部份。

# 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 shareholders of the Company 本公司股權持有人應佔				Non-	Total
		Share capital 股本	Other reserves 其他儲備 (Note 33) (附註33)	Retained profits 保留溢利	Total 總額	controlling interests 非控股權益	equity 權益總值
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Balance at 1 January 2017	於二零一七年一月一日結餘	532,903	66,752	366,939	966,594	190,318	1,156,912
Profit for the year	本年溢利	-	-	27,284	27,284	16,566	43,850
Other comprehensive income/(expense) for the year:	本年其他全面收益/(支出):						
Fair value loss:	公平價值虧損:						
- Available-for-sale financial asset	- 可供出售金融資產	-	(129)	-	(129)	-	(129)
Share of reserves of associates	應佔聯營公司儲備	-	1,956	-	1,956	-	1,956
Surplus on revaluation of properties held for own use	自用物業重估盈餘	-	23,075	-	23,075	2,266	25,341
Deferred taxation adjustment	遞延稅項調整	-	(3,750)	-	(3,750)	(351)	(4,101)
Exchange differences arising from translation of financial statements of foreign operations	換算海外業務報表時產生之 滙兌差額	-	66,394	-	66,394	7,646	74,040
Reclassification adjustment: Release of fair value reserve upon disposal of available-for-sale financial asset	分類調整: 出售可供出售金融資產時 從公平價值儲備撥出	-	(930)	-	(930)	-	(930)
Total other comprehensive income for the year	本年其他全面收入總額	-	86,616	-	86,616	9,561	96,177
Total comprehensive income for the year	本年全面收入總額	-	86,616	27,284	113,900	26,127	140,027
Dividend to the non-controlling shareholders	給非控股股東之股息	-	-	-	-	(4,800)	(4,800)
Balance at 31 December 2017	於二零一七年十二月三十一日結餘	532,903	153,368	394,223	1,080,494	211,645	1,292,139

Details of other reserves of the Group during the year are set out in Note 33 to the consolidated financial statements.

本集團於本年度之其他儲備變動詳情載於綜合財務報表附註33內。

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)**  
綜合權益變動表(續)

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 shareholders of the Company 本公司股權持有人應佔					Non- controlling interests	Total equity
		Share capital	Other reserves	Proposed final dividend 建議	Retained profits	Total		
		股本	其他儲備 (Note 33)	末期股息	保留溢利	總額	非控股權益	權益總值
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Balance at 1 January 2018, as previously reported	於二零一八年一月一日年初 結餘，按先前報告	532,903	153,368	-	394,223	1,080,494	211,645	1,292,139
Changes in accounting policies (Note 3)	會計政策變動(附註3)	-	-	-	(5,949)	(5,949)	(563)	(6,512)
Balance at 1 January 2018, restated	於二零一八年一月一日， 重列結餘	532,903	153,368	-	388,274	1,074,545	211,082	1,285,627
Profit for the year	本年溢利	-	-	-	74,052	74,052	14,700	88,752
Other comprehensive income/(expense) for the year:	本年其他全面收益/ (支出):							
Release of translation reserve upon disposal of a subsidiary	出售一間附屬公司時 從滙兌儲備撥出	-	547	-	-	547	-	547
Share of reserves of associates	應佔聯營公司儲備	-	(1,031)	-	-	(1,031)	-	(1,031)
Surplus on revaluation of properties held for own use	自用物業重估盈餘	-	13,200	-	-	13,200	1,102	14,302
Deferred taxation adjustment	遞延稅項調整	-	(2,650)	-	-	(2,650)	(167)	(2,817)
Exchange differences arising from translation of financial statements of foreign operations	換算海外業務報表時產生之 滙兌差額	-	(49,314)	-	-	(49,314)	(7,034)	(56,348)
Release of translation reserve upon deregistration of a subsidiary	註銷一間附屬公司時 從滙兌儲備撥出	-	(1,904)	-	-	(1,904)	-	(1,904)
Total other comprehensive expense for the year	本年其他全面支出總額	-	(41,152)	-	-	(41,152)	(6,099)	(47,251)
Total comprehensive income/(expense) for the year	本年全面收入/ (支出)總額	-	(41,152)	-	74,052	32,900	8,601	41,501
Release of revaluation reserve upon disposal of a subsidiary	出售一間附屬公司時 從重估儲備撥出	-	(9,028)	-	9,028	-	-	-
Transaction with owners:	與擁有着之交易:							
Issue of ordinary shares	發行普通股	76,124	-	-	-	76,124	-	76,124
Dividend to the non-controlling shareholders	給非控股股東之股息	-	-	-	-	-	(2,967)	(2,967)
Proposed final dividend (note 14)	建議末期股息(附註14)	-	-	17,239	(17,239)	-	-	-
Balance at 31 December 2018	於二零一八年十二月三十一日 結餘	609,027	103,188	17,239	454,115	1,183,569	216,716	1,400,285

Details of other reserves of the Group during the year are set out in Note 33 to the consolidated financial statements.

本集團於本年度之其他儲備變動詳情載於綜合財務報表附註33內。

The notes on pages 99 to 273 are an integral part of these consolidated financial statements.

第99頁至273頁之附註屬本綜合財務報表之一部份。



# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

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
<b>OPERATING ACTIVITIES</b>	<b>經營活動</b>			
Profit before tax	除稅前溢利		<b>108,219</b>	49,926
Adjustments for:	經下列各項調整：			
Interest income	利息收入	8	<b>(3,603)</b>	(3,519)
Finance costs	財務費用	7	<b>21,856</b>	20,483
Realised and unrealised gain on other financial assets	其他金融資產之已變現及未變現盈利	8	<b>(1,335)</b>	(217)
Gain on disposal of a subsidiary	出售一間附屬公司之盈利	37	<b>(44,588)</b>	-
Gain on deregistration of a subsidiary	註銷一間附屬公司之盈利		<b>(1,904)</b>	-
Gain on disposal of available-for-sale financial assets	出售可供出售金融資產之盈利	6	-	(3,389)
Share of results of associates	應佔聯營公司業績		<b>(1,658)</b>	(3,324)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	9	<b>69,396</b>	63,702
Amortisation of leasehold land and land use rights	租賃土地及土地使用權攤銷	9	<b>1,350</b>	1,379
Amortisation of intangible assets	無形資產攤銷	9	<b>1,384</b>	1,383
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之盈利	6	<b>(446)</b>	(57)
Surplus on revaluation of properties held for own use	自用物業重估盈餘	9	<b>(915)</b>	(179)
Unused provision for restructuring reversed	回撥未動用重組撥備	6	<b>(19,612)</b>	(31,101)
Loss and damage from typhoon	風災損失			
– Property, plant and equipment written off	– 物業、廠房及設備撇賬		-	1,469
– Inventories written off	– 存貨撇賬		-	3,927
(Reversal of allowance)/ allowance for impairment of bad and doubtful debts	呆壞賬減值(回撥)/撥備	9	<b>(9,638)</b>	6,075
Write-down of inventories, net	存貨減值撥備淨額	24(b)	<b>13,201</b>	2,400

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

綜合現金流量表(續)

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

		Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Operating cash flows before changes in working capital</b>	<b>營運資金變動前之經營現金流</b>		<b>131,707</b>	108,958
Increase in inventories	存貨增加		(3,950)	(102,005)
Increase in finance lease receivables	應收融資租賃款項增加		(33,126)	(4,221)
Increase in trade and other receivables	貿易及其他應收款項增加		(60,188)	(95,585)
(Decrease)/increase in trade and other payables and contract liabilities	貿易及其他應付款項及合約負債(減少)/增加		(30,568)	144,828
Cash generated from operations	經營活動產生之現金		<b>3,875</b>	51,975
Restructuring costs paid	已付重組費用	29	(1,632)	(8,606)
Hong Kong profits tax paid	已付香港利得稅		(693)	(1,561)
Overseas tax paid	已付海外稅款		(20,186)	(12,493)
<b>NET CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES</b>	<b>經營活動(使用)/產生之現金淨額</b>		<b>(18,636)</b>	29,315
<b>INVESTING ACTIVITIES</b>	<b>投資活動</b>			
(Increase)/decrease in pledged bank deposits	已抵押銀行存款(增加)/減少		(23,062)	8,054
Purchase of property, plant and equipment	購買物業、廠房及設備		(44,222)	(58,372)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之款項		2,603	3,444
Interest received	已收利息		3,603	3,519
Net payment for other financial assets	支付其他金融資產淨額		(13,760)	(16,983)
Dividend received from associates	收取聯營公司股息		1,498	1,467
Repayments of deferred consideration payable	償還遞延應付代價		(1,000)	–
Repayments from associates	聯營公司還款		1,485	1,474
Proceeds from disposal of a subsidiary	出售一間附屬公司權益之款項	37	65,434	–
Proceeds from disposal of available-for-sale financial assets	出售可供出售金融資產之款項		–	3,719
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>投資活動使用之現金淨額</b>		<b>(7,421)</b>	(53,678)

**CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)**  
 綜合現金流量表(續)

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

		Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>FINANCING ACTIVITIES</b>	<b>融資活動</b>			
Repayment of bank loans	償還銀行貸款	35	(290,256)	(259,987)
Interest paid	已付利息	35	(21,650)	(20,301)
Repayment of obligations under finance leases	償還融資租賃借款	35	(3,559)	(5,439)
Bank loans raised	新增銀行貸款	35	245,338	352,878
Advance (to)/from an associate	(墊付)收取一間聯營公司之 款項	35	(161)	300
Dividend paid to the non-controlling shareholders	已付非控股股東股息	35	(2,967)	–
Repayment to the non-controlling shareholders	償還結欠非控股股東款項	35	(745)	–
Issue of new shares	發行新股	32	76,124	–
Finance charge paid	已付融資租賃利息	35	(206)	(182)
<b>NET CASH GENERATED FROM FINANCING ACTIVITIES</b>	<b>融資活動產生之現金淨額</b>		<b>1,918</b>	67,269
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等值(減少)/增加 淨額</b>		<b>(24,139)</b>	42,906
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	<b>年初現金及現金等值</b>		<b>315,922</b>	264,829
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>	<b>匯率改變影響</b>		<b>(9,105)</b>	8,187
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	<b>年終現金及現金等值</b>	27	<b>282,678</b>	315,922

The notes on pages 99 to 273 are an integral part of these consolidated financial statements.

第99頁至273頁之附註屬本綜合財務報表之一部份。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 1. GENERAL

Cosmos Machinery Enterprises Limited (the “Company”) is a public limited company domiciled and incorporated in Hong Kong and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The Company is an investment holding company. The address of its registered office is 10/F., Billion Plaza 2, No. 10 Cheung Yue Street, Cheung Sha Wan, Kowloon, Hong Kong. The principal activities of its principal subsidiaries are set out in note 45.

After the completion of subscription of new shares took place on 27 June 2018, Saniwell Holding Inc. (“Saniwell”) (a company incorporated in Cook Islands) is the ultimate holding company of the Company.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

#### (1) Basis of preparation

The consolidated financial statements of the Company and its subsidiaries (collectively referred to as “the Group”) have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”), which also include Hong Kong Accounting Standards (“HKAS”) and Interpretations (“Int”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”). A summary of the significant accounting policies adopted by the Group is set out below. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of properties held for own use and certain financial assets, which are carried at fair value.

### 1. 簡介

大同機械企業有限公司(「本公司」)乃於香港註冊成立之公眾有限公司，而其股份於香港聯合交易所有限公司(「聯交所」)上市。

本公司為一間投資控股公司。註冊地址為香港九龍長沙灣長裕街10號億京廣場2期10樓。其主要附屬公司之主要業務列載於附註45。

二零一八年六月二十七日完成新股份認購後，Saniwell Holding Inc. (“Saniwell”) (於科克群島註冊成立的有限公司)為本公司最終控股公司。

### 2. 主要會計政策摘要

編製本綜合財務報表採用之主要會計政策載於下文。除另有說明外，此等政策在所呈報的所有年度內貫徹應用。

#### (1) 編製基準

本公司及其附屬公司(以下統稱「本集團」)的綜合財務報表是按香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「財務準則」)(包括《香港會計準則》及《詮釋》)、香港公認會計原則及《公司條例》的規定編製。本綜合財務報表同時符合聯合交易所證券上市規則的適用披露條文。本集團採用之主要會計政策載於下文。綜合財務報表已按照歷史成本法編製，並就自用物業及部份金融資產的重估按公平價值列賬而作出修訂。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

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

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (1) Basis of preparation (Continued)

The preparation of consolidated financial statements in conformity with HKFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of HKFRS that have significant effect on the consolidated financial statements and major sources of estimation uncertainty are discussed in note 4.

The HKICPA has issued certain new and amended HKFRS that are first effective for the current accounting period of the Group and the Company. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these consolidated financial statements.

### 2. 主要會計政策摘要(續)

#### (1) 編製基準(續)

根據香港財務報告準則編製綜合財務報表要求管理層作出判斷、估計和假設，這些判斷、估計和假設會影響會計政策的應用以及資產、負債、收入及支出的呈報金額。這些估計和有關假設乃依據歷史經驗及其他在有關情況下屬合理的因素所作出，並作為確定無法從其他途徑直接獲取資產和負債的賬面價值的判斷基礎。實際情況可能與這些估計不同。

這些估計及相關假設會持續予以檢討。如會計估計的修訂僅對修訂期間產生影響，則其影響只會在當期確認；如會計估計的修訂對修訂期間及未來期間均產生影響，相關影響則在當期和未來期間進行確認。

管理層判斷在應用香港財務報告準則是否對本綜合財務報表有重要影響及估算不確定性之主要因素將在附註4中討論。

香港會計師公會已頒佈若干新訂及已修訂之香港財務報告準則，乃於本集團本會計期間首次生效。附註3就首次採納該等準則而導致之會計政策任何變動提供有關資料，而有關變化乃與此等綜合財務報表所反映本集團之本期間及過往會計期間有關。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(2) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated income statement from the date the Group gains control until the date when the Group ceases to control the subsidiary.

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

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

2. 主要會計政策摘要(續)

(2) 綜合原則

綜合財務報表包括本公司及其附屬公司所控制實體的財務報表。當本公司符合以下各項時，即取得控制權：

- 對被投資方擁有控制權；
- 於來自參與被投資方業務的可變回報上承受風險或擁有權利；及
- 擁有使用其權力影響回報的能力。

倘事實及情況表明上述控制之三個要素的其中一項或多項出現變動，則本集團重新評估其是否控制被投資方。

對一間附屬公司之綜合入賬於本集團獲得對該附屬公司之控制權之時開始，並於本集團失去對該附屬公司之控制權之時終止。具體而言，自本集團取得控制權當日起直至本集團不再控制附屬公司當日止，於年內收購或出售的附屬公司收入及開支均計入綜合收益表。

損益及其他全面收入之各項目乃歸屬於本公司擁有人及非控股權益。附屬公司之全面收益總額乃歸屬於本公司擁有人及非控股權益，即使此舉會引致非控股權益出現虧絀結餘。

倘有需要，將對附屬公司的財務報表作出調整，以使其會計政策與本集團的會計政策一致。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

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

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (2) Basis of consolidation (Continued)

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

#### *Changes in the Group's ownership interests in existing subsidiaries*

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

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKFRS 9 (note 2(9)), when applicable, the cost on initial recognition of an investment in an associate or a joint venture (note 2(3)).

### 2. 主要會計政策摘要(續)

#### (2) 綜合原則(續)

本集團各成員公司間與交易有關之所有集團內公司間資產、負債、權益、收入、開支及現金流量乃於綜合賬目時悉數撇銷。

#### *本集團於現有附屬公司之擁有權權益的變動*

本集團於附屬公司之擁有權權益的變動如並無導致本集團對其失去控制權，將作為股權交易入賬。本集團的權益與非控股權益的賬面值經調整以反映附屬公司之相關權益變動。所調整非控股權益金額與已付或已收代價的公平價值之間的任何差額直接於股本權益確認並歸屬於本公司擁有人。

當本集團失去對附屬公司的控制權時，盈虧於損益表確認並以(i)已收代價公平價值及任何保留權益公平價值的總額與(ii)附屬公司資產(包括商譽)及負債以及任何非控股權益的原賬面值之間的差額計算。過往於其他全面收益確認與該附屬公司有關的所有金額，採用如同本集團已直接出售該附屬公司之相關資產或負債的方法入賬(即按適用香港財務報告準則之規定/許可條文重新分類至損益表或轉撥至另一類權益)。在前附屬公司保留的任何投資公平價值在失去控制權之時於其後的會計處理中被視為按照香港財務報告準則第9號(附註2(9))進行初始確認的公平價值，或(如適用)於聯營公司或合營企業(附註2(3))之投資初始確認的成本。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(2) Basis of consolidation (Continued)

**Business combinations**

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 “Income taxes” and HKAS 19 “Employee benefits” respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 “Share-based payment” at the acquisition date (see the accounting policy below); and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 “Non-current assets held for sale and discontinued operations” are measured in accordance with that standard.

2. 主要會計政策摘要(續)

(2) 綜合原則(續)

**業務合併**

業務收購乃採用收購法入賬。業務合併中轉讓的代價以公平價值計量，而計算為本集團轉讓之資產，本集團產生之負債及本集團於交換被收購公司之控制權所發行之股權於收購日期之公平價值總和。與收購有關的成本一般會於發生時在損益表確認。

於收購日期，被收購的可識別資產及負債應按其在收購日期的公平價值予以確認，惟下列項目除外：

- 遞延稅項資產或負債及僱員福利安排的相關資產或負債應分別根據香港會計準則第12號所得稅及香港會計準則第19號僱員福利予以確認和計量；
- 與被收購方的以股份支付之支出安排或本集團所訂立以取代被收購方的以股份支付之支出安排有關之負債或股本工具乃於收購日期(參照以下會計政策)根據香港財務報告準則第2號以股份支付之支出予以計量；以及
- 根據香港財務報告準則第5號持作出售之非流動資產及已終止經營業務劃分為持作出售之資產(或出售組合)乃根據該準則予以計量。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

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

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (2) Basis of consolidation (Continued)

##### **Business combinations (Continued)**

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value or, when applicable, on the basis specified in another HKFRS.

### 2. 主要會計政策摘要(續)

#### (2) 綜合原則(續)

##### **業務合併(續)**

商譽按所轉讓之代價、與被收購方的任何非控股權益及收購公司之前持有被收購方(如有)之股權的公平價值總和超出所收購之可識別資產及承擔負債於收購日的淨額計量。倘(評估過後)所收購可識別資產及所承擔負債之收購日淨額超出所轉讓的代價、於被購買方的任何非控股權益金額以及購買方先前在被收購方持有的權益(如有)的公平價值之總額,超出的部份即時於損益表中確認為折價購買收益。

屬現時擁有之權益且於清盤時讓持有人有權按比例分佔實體淨資產之非控股權益,可初步按公平價值或非控股權益應佔被收購方可識別資產淨值之已確認金額比例計量。計量基準視乎每項交易而作出選擇。其他種類之非控股權益乃按其公平價值或(倘若適用)按其他香港財務報告準則所規定之基準計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(2) Basis of consolidation (Continued)

**Business combinations (Continued)**

Where the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments made against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the "measurement period" (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depend on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with HKFRS 9, or HKAS 37 Provisions, Contingent Liabilities and Contingent Assets, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

2. 主要會計政策摘要(續)

(2) 綜合原則(續)

**業務合併(續)**

倘本集團於業務合併中轉讓之代價包括或然代價安排產生之資產或負債，或然代價按其收購日期公平價值計量，並視為於業務合併中所轉讓之代價一部份。或然代價之公平價值變動(證實為計量期間調整)可回顧調整，而就商譽作出相應調整。計量期間調整乃於「計量期間」(其不可超過自收購日期起計一年)內所獲得有關於收購日期存在之事實及情況的額外資料所產生之調整。

或然代價之公平價值變動之隨後入賬並無確認為計量期間調整，而取決於或然代價如何劃分。劃分為權益之或然代價並無於隨後申報日期重新計量，而其隨後結算於權益內入賬。劃分為資產或負債之或然代價根據香港財務報告準則第9號或香港會計準則第37號撥備、或然負債及或然資產(如適用)於隨後申報日期重新計量，而相應之盈虧於損益表中確認。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(2) Basis of consolidation (Continued)**

**Business combinations (Continued)**

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), and additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

**(3) Associates and joint ventures**

An associate is an entity in which the Group or Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

A joint venture is an arrangement whereby the Group or Company and other parties contractually agree to share control of the arrangement, and have rights to the net assets of the arrangement.

**2. 主要會計政策摘要(續)**

**(2) 綜合原則(續)**

**業務合併(續)**

倘業務合併之最初入賬於合併發生之報告結算日尚未完成，則本集團將報告未完成列賬項目之臨時金額。該等臨時金額乃於計量期間內作出調整(見上文)，而新增資產或負債則獲確認以反映關於在收購日期已存在之事實及情況(倘已知)將對於該日期確認的金額所產生之影響的新資訊。

**(3) 聯營公司及合營企業**

聯營公司指本集團或本公司對其管理層有重大影響力(而非控制或共同控制)，包括參與財務及經營決策之實體。

合營企業為一項安排，據此，本集團或本公司與其他方訂約協定分佔此安排的控制權，並有權擁有此安排的資產淨值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(3) Associates and joint ventures (Continued)

An investment in an associate or a joint venture is accounted for in the consolidated financial statements under the equity method, unless it is classified as held for sale (or included in a disposal group that is classified as held for sale) (see note 2(7)). Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment. Any acquisition-date excess over cost, the Group's share of the post-acquisition, post-tax results of the investees and any impairment losses for the year are recognised in the consolidated income statement, whereas the Group's share of the post-acquisition post-tax items of the investees' other comprehensive income is recognised in the consolidated statement of comprehensive income.

When the Group's share of losses exceeds its interest in the associates or the joint ventures, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the Group's interest is the carrying amount of the investment under the equity method together with the Group's long-term interests that in substance form part of the Group's net investment in the associates or the joint ventures.

2. 主要會計政策摘要(續)

(3) 聯營公司及合營企業(續)

於一間聯營公司或合營企業之投資按權益法於綜合財務報表入賬，除非該投資分類為持作出售（或計入分類為持作出售之出售組別）（見附註2(7)）。根據權益法，投資初步按成本記賬，並按本集團應佔被投資公司於收購日期可識別淨資產之公平值超出投資成本之差額（如有）作出調整。其後，投資乃就本集團應佔被投資公司收購後之淨資產變動及與投資有關之任何減值虧損作出調整。收購日期超出成本之任何差額、本集團應佔被投資公司於收購後及除稅後業績以及年內任何減值虧損以及本集團應佔被投資公司於收購後及除稅後其他全面收益項目乃於綜合收益表及其他全面收益表內確認。

當本集團應佔聯營公司或合營企業之虧損超出其權益時，本集團之權益將減至零，除非本集團已承擔法律或推定責任，或代表被投資公司作出付款，否則將不再確認進一步虧損。就此而言，本集團之權益為根據權益法計算之投資賬面值，連同實質上構成本集團於聯營公司或合營企業之淨投資一部分之本集團長期權益。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

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

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (3) Associates and joint ventures (Continued)

Unrealised profits and losses resulting from transactions between the Group and its associates and the joint ventures are eliminated to the extent of the Group's interests in the investee, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

If an investment in an associate becomes an investment in a joint venture or vice versa, retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method.

In all other cases, when the Group ceases to have significant influence over an associate or joint control over a joint venture, it is accounted for as a disposal of the entire interest in that investee, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former investee at the date when significant influence is lost, is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (note 2(9)).

In the Company's statement of financial position, investments in associates and joint ventures are stated at cost less impairment losses, unless classified as held for sale (or included in a disposal group that is classified as held for sale) (see note 2(7)).

## 2. 主要會計政策摘要(續)

### (3) 聯營公司及合營企業(續)

本集團與其聯營公司及合營企業間之交易所產生之未變現損益，乃以本集團於被投資公司之權益為限予以對銷，除非未變現虧損提供已轉讓資產之減值證據，在此情況下，則該等未變現虧損即時於損益中確認。

倘於聯營公司之投資變成於合營公司之投資，或是於合營公司之投資變成於聯營公司之投資，保留權益將不予重新計量。反之，該投資繼續根據權益法入賬。

在所有其他情況下，倘本集團不再對一間聯營公司有重大影響力或不再對一間合營企業擁有共同控制權時，其乃被視作出售於該被投資公司之全部權益，而其導致的收益或虧損將於損益中確認。任何在喪失重大影響力日期仍保留在該前度被投資公司之權益將按公平值確認，而此金額被視為初始確認金融資產之公平值(附註2(9))。

於本公司之財務狀況表內，於聯營公司及合營企業之投資乃按成本扣除減值虧損列賬，除非該投資被分類為持作出售(或計入分類為持作出售之出售組別)(見附註2(7))，則作別論。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(4) Property, plant and equipment

Properties held for own use are stated at their revalued amounts, being their fair value at the date of revaluation less any subsequent accumulated depreciation. 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 items of property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses (see note 2(10)(ii)).

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 expensed in profit or loss during the financial period in which they are incurred.

Revaluations on properties held for own use are performed with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from which would be determined using fair values at the end of the reporting period.

2. 主要會計政策摘要(續)

(4) 物業、廠房及設備

自用物業乃按其重估價值列賬，即重估當日之公平價值減去其後的累計折舊。在估值日的任何累計折舊與資產的賬面值總額對銷，而淨額則重列至資產的重估金額。其他物業、廠房及設備乃按其成本減去累計折舊及累計減值虧損(見附註2(10)(ii))列賬。

其後成本只有在與該項目有關的未來經濟利益有可能流入本集團，而該項目的成本能可靠計量時，才包括在資產的賬面值或確認為獨立資產(如適用)。所有其他維修及保養在產生的財政期間內於損益表中支銷。

自用物業之重估為定期進行，以確保其賬面值與報告結算日所釐定之公平價值沒有重大差距。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
 綜合財務報表附註(續)

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

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(4) Property, plant and equipment (Continued)**

Changes arising on the revaluation of properties held for own use are generally dealt with in other comprehensive income and are accumulated separately in equity in the property revaluation reserve. The only exceptions are as follows:

- when a deficit arises on revaluation, it will be charged to profit or loss to the extent that it exceeds the amount held in the reserve in respect of that same asset immediately prior to the revaluation; and
- when a surplus arises on revaluation, it will be credited to profit or loss to the extent that a deficit on revaluation in respect of that same asset had previously been charged to profit or loss.

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate cost or revalued amounts to their residual values (if any) over their estimated useful lives, as follows:

Leasehold land held for own use under finance leases	Unexpired term of the leases
Buildings held for own use	40 years or unexpired term of the leases, if shorter
Furniture, fixtures and equipment	3 – 10 years
Plant and machinery	5 – 10 years
Motor vehicles	3 – 10 years

**2. 主要會計政策摘要(續)**

**(4) 物業、廠房及設備(續)**

因重估自用物業產生之變動一般在其他全面收入內處理並在物業重估儲備之權益中單獨累計。僅有例外情況如下：

- 倘產生重估虧絀，超出緊接重估前就有關資產於儲備內持有之金額的虧絀將在損益表內扣除；及
- 倘產生重估盈餘，盈餘將計入損益表，但以就同一項資產先前已於損益表內支銷之重估虧絀為限。

物業、廠房及設備的折舊採用估計可使用年期將成本或重估值按直線法分攤至剩餘價值(如有)如下：

根據融資租賃持有之自用租賃土地	剩餘租賃年期
自用樓宇	40年或短於此之剩餘租賃年期
傢俬、裝置及設備	3至10年
廠房及機器	5至10年
汽車	3至10年

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(4) Property, plant and equipment (Continued)

The assets' residual values (if any) and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Assets under construction represent buildings, structures, plant and machinery and other fixed assets under construction or installation and are stated at cost less any accumulated impairment losses, and are not depreciated. Cost comprises direct costs of construction, installation and testing as well as capitalised borrowing costs on related borrowed funds during the period of construction or installation. Assets under construction are reclassified to the appropriate category of property, plant and equipment or investment properties when completed and ready for use.

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal. Any related revaluation surplus is transferred from the revaluation reserve to retained profits and is not reclassified to profit or loss.

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 (note 2(10)(ii)).

2. 主要會計政策摘要(續)

(4) 物業、廠房及設備(續)

資產的剩餘價值(如有)及可使用年期在每個結算日進行檢討,及在適當時調整。物業、廠房及設備項目乃於出售後或當預期持續使用該資產將不會產生未來經濟利益時不再確認。

在建工程乃指興建及裝設之樓宇、結構、廠房及機器以及其他固定資產,以成本值扣除減值虧損而不予折舊入賬。成本值包括興建、裝設及測試之直接成本,及於興建及裝設期間有關借入資金之資本化借貸成本。在建工程於完成及可供啟用時重新分類為物業、廠房及機器適當類別。

報廢或出售物業、廠房及設備所產生的盈虧以出售所得淨額(如有)與項目的賬面金額之間的差額釐定,並於報廢或出售當日在損益表確認。任何相關的重估盈餘會由重估儲備轉入保留溢利及不會重新分類至損益表。

若資產的賬面值高於其估計可收回價值,其賬面值即時撇減至可收回金額(附註2(10)(ii))。



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(5) Leasehold land and land use rights**

Leasehold land and land use rights are lump sum upfront payments to acquire long-term interest in certain lessee-occupied properties.

Leasehold land and land use rights relating to certain buildings of the Group are stated at cost and are amortised over the period of the lease on the straight-line basis to profit or loss.

**(6) Goodwill**

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

**2. 主要會計政策摘要(續)**

**(5) 租賃土地及土地使用權**

租賃土地及土地使用權指於購入由承租人佔用之部份物業的長期權益時須先付的數額。

集團部份物業中的租賃土地及土地使用權均以成本列賬及於租契期內按直線法攤銷並列入損益表中。

**(6) 商譽**

就收購業務產生的商譽(如有)以收購業務當日所確立的成本減去累計減值虧損入賬。

就減值檢測而言,商譽會分配至預期可自合併的協同效益獲益的本集團旗下各個現金產生單位(或組)。

獲分配商譽的現金產生單位會每年進行減值測試,或於單位出現減值跡象時增加測試次數。倘現金產生單位的可收回金額低於其賬面值,則減值虧損會先用作減低任何分配至該單位的商譽的賬面值,其後則按該單位內各項資產賬面值的比例分配至該單位的其他資產。商譽的減值虧損直接於損益表確認,就商譽確認的減值虧損不可於往後期間撥回。

出售有關現金產生單位時,在釐定出售溢利或虧損時會計入商譽應佔金額。

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (7) Non-current assets and disposal groups held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the assets or disposal group are available for immediate sale in their present condition. The Group must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups (other than financial assets) classified as held for sale are measured at the lower of their carrying amounts and fair values less costs to sell. Property, plant and equipment classified as held for sale are not depreciated or amortised.

### (8) Intangible assets (Other than goodwill)

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation (where the estimated useful life is finite) and accumulated impairment losses (see note 2(10)(ii)), on the same basis as intangible assets that are acquired separately.

Amortisation of intangible assets with finite useful lives is charged to profit or loss on a straight-line basis over the assets' estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

## 2. 主要會計政策摘要(續)

### (7) 持作出售之非流動資產及出售組合

倘非流動資產及出售組合的賬面值主要透過銷售交易而非持續使用收回，則歸類為持作出售。在此情況下，資產（或出售組合）須可按現狀即時出售，惟須符合出售該等資產或出售組合的慣常條款及有很大機會能出售。本集團必須承諾出售有關資產，而出售事項理應於分類日期起計一年內合資格確認為一項已完成的出售。

分類持作出售之非流動資產及出售組合按有關其賬面值或公平值減除出售成本兩者之較低者計量。持作出售之物業、廠房及設備將不作折舊或攤銷。

### (8) 無形資產(商譽除外)

業務合併所收購及與商譽分開確認之無形資產初步按收購日期之公平價值（視為彼等的成本）確認。

於初始確認後，業務合併中所收購之無形資產乃按成本值減累計攤銷（當估計可用年期為有限）及累計減值虧損（見附註2(10)(ii)），按個別收購之無形資產之相同基準予以呈報。

具有有限使用年期之無形資產之攤銷乃於彼等之估計使用年期按直線法攤銷。估計使用年期及攤銷方法乃於各報告結算日結束時檢討，估計變動之影響按前瞻基準入賬。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(8) Intangible assets (Other than goodwill) (Continued)**

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

**(9) Financial assets**

**(i) Classification**

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

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortised cost.

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

**2. 主要會計政策摘要(續)**

**(8) 無形資產(商譽除外)(續)**

無形資產乃於出售時或當預期不會從使用或出售中獲得未來經濟利益時終止確認。終止確認無形資產所產生之盈虧(按出售所得款項淨額與資產賬面值間之差額計量)乃於資產終止確認時在損益表中確認。

**(9) 金融資產**

**(i) 分類**

自2018年1月1日起,本集團將其金融資產分為以下計量類別:

- 隨後將按公平價值計量(其變動計入其他全面收益或計入損益)的金融資產;及
- 將按攤銷成本計量的金融資產。

該分類取決於本集團管理金融資產的業務模式及現金流量的合約條款。

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (9) Financial assets (Continued)

#### (i) Classification (Continued)

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

See Note 43(a) for details of each type of financial asset.

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

#### (ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on 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 financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

## 2. 主要會計政策摘要(續)

### (9) 金融資產(續)

#### (i) 分類(續)

就按公平價值計量之資產而言，收益及虧損將計入損益或其他全面收益。就債務工具投資而言，收益及虧損的入賬將取決於持有該投資之業務模式。就非持作交易的權益工具投資而言，收益及虧損的入賬將取決於本集團是否已於初始確認時行使不可撤銷選擇權，將權益投資入賬列為以公平價值計量且其變動計入其他全面收益。

有關各類金融資產的詳情，請參閱附註43(a)。

本集團只會在管理該等資產之業務模式變動時才重新分類債務投資。

#### (ii) 確認及終止確認

常規購入及出售之金融資產在交易日予以確認，交易日指本集團承諾購入或出售該資產之日。當收取金融資產所得現金流量之權利已經到期或已經轉讓，而本集團已將擁有權之絕大部份風險及回報轉讓時，即終止確認金融資產。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(9) Financial assets (Continued)**

**(iii) 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, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are recorded in profit or loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

**Debt instruments**

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

**Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated income statement. Interest income from these financial assets is included in finance income or other income using the effective interest method.

**2. 主要會計政策摘要(續)**

**(9) 金融資產(續)**

**(iii) 計量**

初始確認時，本集團按其公平價值加（倘屬並非以公平價值計量且其變動計入損益的金融資產）直接歸屬於購買金融資產的交易成本計入金融資產。以公平價值計量且其變動計入損益的金融資產的交易成本在損益中入賬。確定具有嵌入衍生工具的金融資產的現金流量是否僅為支付本金和利息時，應整體考慮金融資產。

**債務工具**

債務工具的後續計量視乎本集團管理該資產之業務模式及該資產之現金流量特徵而定。本集團將其債務工具分類為三個計量類別：

**攤銷成本：**倘為收回合約現金流量而持有之資產的現金流量僅為支付本金及利息，則該等資產按攤銷成本計量。終止確認產生的任何收益或虧損直接於損益確認，並於其他收益／（虧損）中與滙兌收益及虧損一併列示。減值虧損於綜合收益表中作為單獨項目列示。該等金融資產的利息收入按實際利息法計入財務收入或其他收益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(9) Financial assets (Continued)

(iii) Measurement (Continued)

Debt instruments (Continued)

Fair value through other comprehensive income ("FVTOCI"): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised in other gains/(losses) – net. Interest income from these financial assets is included in finance income or other income using the effective interest method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the consolidated income statement.

2. 主要會計政策摘要(續)

(9) 金融資產(續)

(iii) 計量(續)

債務工具(續)

以公平價值計量且其變動計入其他全面收益(「以公平價值計量且其變動計入其他全面收益」):倘為收回合約現金流量及出售金融資產而持有之資產的現金流量僅為支付本金及利息,則該等資產以公平價值計量且其變動計入其他全面收益。賬面值變動計入其他全面收益,惟於損益確認之減值收益或虧損、利息收入及滙兌收益及虧損之確認除外。終止確認金融資產時,先前於其他全面收益確認之累計收益或虧損由權益重新分類至損益並確認為其他收益/(虧損)一淨額。該等金融資產的利息收入按實際利息法計入財務收入或其他收益。滙兌收益及虧損計入其他收益/(虧損)及減值費用於綜合收益表中作為單獨項目列示。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

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

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (9) Financial assets (Continued)

##### (iii) Measurement (Continued)

##### Debt instruments (Continued)

Fair value through profit or loss ("FVTPL"): Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL and is not part of a hedging relationship is recognised in profit or loss and presented net in the consolidated income statement within other losses/gains, net in the period in which it arises.

##### Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established. Changes in the fair value of financial assets at FVTPL are recognised in other gains/(losses) – net in the consolidated income statement. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

### 2. 主要會計政策摘要(續)

#### (9) 金融資產(續)

##### (iii) 計量(續)

##### 債務工具(續)

以公平價值計量且其變動計入損益(「以公平價值計量且其變動計入損益」):未達按攤銷成本或以公平價值計量且其變動計入其他全面收益標準的資產以公平價值計量且其變動計入損益。後續以公平價值計量且其變動計入損益且並非對沖關係一部分之債務投資的收益或虧損於損益確認,並於產生期間在綜合收益表的其他虧損/收益淨額列報淨額。

##### 權益工具

本集團後續按公平價值計量所有權益投資。倘本集團管理層選擇於其他全面收益中呈列權益投資的公平價值收益及虧損,則於終止確認投資後,公平價值的收益及虧損後續並無重新分類至損益。當本集團確立收取付款的權利時,該等投資的股息繼續於損益確認為其他收入。以公平價值計量且其變動計入損益的金融資產公平價值變動於綜合收益表其他收益/(虧損) – 淨額確認。以公平價值計量且其變動計入其他全面收益之股權投資的減值虧損(及減值虧損撥回)並無與其他公平價值變動分開呈報。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(9) Financial assets (Continued)

(iv) Accounting policies applied until 31 December 2017

The Group has applied HKFRS 9, 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.

Classification

The Group classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables and available-for-sale financial assets. 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) Financial assets at fair value through profit or loss

The Group classifies financial assets at fair value through profit or loss if they are acquired principally for the purpose of selling in the short term, i.e. are held for trading. They are presented as current assets if they are expected to be sold within 12 months after the end of the reporting period; otherwise they are presented as non-current assets. The Group has elected to designate the derivative financial instruments as financial assets at fair value through profit or loss.

2. 主要會計政策摘要(續)

(9) 金融資產(續)

(iv) 截至2017年12月31日應用的會計政策

本集團已應用香港財務報告準則第9號，但選擇未重列比較資料。因此，比較資料依舊按照與本集團以往相一致的會計政策入賬。

分類

本集團將其金融資產分為以下類別：以公平價值計量且其變動計入損益的金融資產、貸款及應收款項及可供出售金融資產。分類取決於收購金融資產的目的。管理層於初始確認時釐定其金融資產的分類。

(a) 以公平價值計量且其變動計入損益的金融資產

倘收購金融資產的目的主要為於短期內出售(如持作買賣)，則本集團將其歸為以公平價值計量且其變動計入損益的金融資產。倘金融資產預計於報告期末後的12個月內出售，則彼等呈列為流動資產；否則彼等呈列為非流動資產。本集團已選擇將衍生金融工具指派為以公平價值計量且其變動計入損益的金融資產。



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(9) Financial assets (Continued)**

**(iv) Accounting policies applied until 31 December 2017 (Continued)**

**Classification (Continued)**

**(b) Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. If collection of the amounts is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets. The Group's loans and receivables comprise "trade and other receivables", "cash and bank balances", "finance lease receivables and "amounts due from associates" in the consolidated statement of financial position.

**(c) Available-for-sale financial assets**

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period. The Group's available-for-sale financial assets included unlisted equity securities.

**2. 主要會計政策摘要(續)**

**(9) 金融資產(續)**

**(iv) 截至2017年12月31日應用的會計政策(續)**

**分類(續)**

**(b) 貸款及應收款項**

貸款及應收款項為固定或可確定付款金額及在活躍市場並無報價的非衍生金融資產。倘預計在一年或以內收回該等金額，彼等分類為流動資產。倘未收回，彼等呈列為非流動資產。本集團的貸款及應收款項包括於綜合財務狀況表內的「貿易及其他應收款項」、「現金及銀行結餘」、「應收融資租賃款項」及「應收關連方之款項」。

**(c) 可供出售金融資產**

可供出售金融資產乃被指定為此類別或並無分類為任何其他類別之非衍生工具。除非投資到期或管理層有意在報告期末後12個月內出售有關資產，否則該等資產列入非流動資產。本集團可供出售金融資產包括非上市權益證券。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(9) Financial assets (Continued)

(iv) Accounting policies applied until 31 December 2017 (Continued)

Recognition and measurement

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. Investments 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 investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and 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 method.

2. 主要會計政策摘要(續)

(9) 金融資產(續)

(iv) 截至2017年12月31日應用的會計政策(續)

確認及計量

常規購入及出售之金融資產在交易日予以確認，交易日指本集團承諾購入或出售該資產之日。對於所有並非以公平價值計量且其變動計入損益的金融資產，投資初步按公平價值加交易成本確認。以公平價值計量且其變動計入損益的金融資產初步按公平價值予以確認，且交易成本於綜合收益表支銷。當收取投資所得現金流量之權利已經到期或已經轉讓，而本集團已將擁有權之絕大部份風險和回報轉讓時，即終止確認金融資產。可供出售金融資產及以公平價值計量且其變動計入損益的金融資產其後按公平價值列賬。其後貸款及應收款項採用實際利息法按攤銷成本列賬。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(9) Financial assets (Continued)**

**(iv) Accounting policies applied until 31 December 2017 (Continued)**

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/(losses) – net' in the period in which they arise. Investment income from financial assets at fair value through profit or loss and available for sale is recognised in the consolidated income statement as part of other income when the Group's right to receive payments is established. Changes in the fair value of monetary and non-monetary securities classified as available for sale are recognised in other comprehensive income.

When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments recognised in equity are reclassified through other comprehensive income to the consolidated income statement.

Interest on available-for-sale financial assets calculated using the effective interest method is recognised in the consolidated income statement as part of other income.

**2. 主要會計政策摘要(續)**

**(9) 金融資產(續)**

**(iv) 截至2017年12月31日應用的會計政策(續)**

確認及計量(續)

因「以公平價值計量且其變動計入損益的金融資產」之公平價值變動而產生的損益均於產生期間在綜合收益表之「其他收益／(虧損)－淨額」中呈列。本集團收取款項的權利確立後，來自以公平價值計量且其變動計入損益的金融資產及可供出售金融資產的投資收入作為其他收入的一部份於綜合收益表確認。分類為可供出售之貨幣及非貨幣性證券的公平價值變動於其他全面收益中確認。

倘分類為可供出售的證券已出售或減值，則於權益中確認的累計公平價值調整透過其他全面收益重新分類至綜合收益表。

採用實際利息法計算的可供出售金融的利息於綜合收益表確認為其他收入的一部份。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(10) Credit losses and impairment of assets

(i) Credit losses from financial instruments

(A) Accounting policy applicable from 1 January 2018

The Group recognises a loss allowance for expected credit losses ("ECLs") on the following items:

- financial assets measured at amortised cost (including cash and bank balances, trade and other receivables); and
- finance lease receivables

Financial assets measured at fair value including other financial assets are not subject to the ECL assessment.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

2. 主要會計政策摘要(續)

(10) 信貸虧損及資產減值

(i) 金融工具產生之信貸虧損

(A) 自二零一八年一月一日起應用之政策

本集團就以下項目的預期信貸虧損(預期信貸虧損)確認虧損撥備:

- 按攤銷成本計量之金融資產(包括現金及銀行結餘及貿易及其他應收款項);及
- 應收融資租賃款項

按公平價值計量之金融資產(包括其他金融資產)毋須進行預期信貸虧損評估。

預期信貸虧損的計量

預期信貸虧損是信貸虧損的概率加權估計。信貸虧損以所有預期現金流缺口的現值計量(即本集團根據合約應收的現金流量與本集團預期收到的現金流量之間的差額)。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(10) Credit losses and impairment of assets (Continued)**

**(i) Credit losses from financial instruments (Continued)**

(A) Accounting policy applicable from 1 January 2018 (Continued)

Measurement of ECLs (Continued)

The expected cash shortfalls are discounted using the following discount rates where the effect of discounting is material:

- fixed-rate financial assets and trade and other receivables: effective interest rate determined at initial recognition or an approximation thereof;
- variable-rate financial assets: current effective interest rate;
- finance lease receivables: discount rate used in the measurement of the finance lease receivable;

**2. 主要會計政策摘要(續)**

**(10) 信貸虧損及資產減值(續)**

**(i) 金融工具產生之信貸虧損(續)**

(A) 自二零一八年一月一日起應用之政策(續)

預期信貸虧損的計量(續)

倘貼現影響重大，則預期現金缺口將採用以下貼現率貼現：

- 定息金融資產及貿易及其他應收款項：於初始確認時釐定的實際利率或其近似值；
- 浮息金融資產：即期實際利率；
- 應收融資租賃款項：以貼現率計量應收融資租賃款項；

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(10) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments (Continued)

- (A) Accounting policy applicable from 1 January 2018 (Continued)  
Measurement of ECLs (Continued)

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

In measuring ECLs, the Group takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

2. 主要會計政策摘要 (續)

(10) 信貸虧損及資產減值 (續)

(i) 金融工具產生之信貸虧損 (續)

- (A) 自二零一八年一月一日起應用之政策 (續)  
預期信貸虧損的計量 (續)

估計預期信貸虧損時所考慮的最長期間為本集團承受信貸風險的最長合約期間。

於計量預期信貸虧損時，本集團會考慮無須花費不必要成本或精力即可獲取的合理且有依據的資料，包括關於過去事件、當前狀況及未來經濟狀況預測的資料。

預期信貸虧損按以下方式之一計量：

- 十二個月預期信貸虧損：預計報告日期後十二個月內可能發生的違約事件而導致的虧損；及
- 全期預期信貸虧損：預計應用預期信貸虧損模式的項目在整個期間所有可能發生的違約事件而導致的虧損。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(10) Credit losses and impairment of assets (Continued)**

**(i) Credit losses from financial instruments (Continued)**

(A) Accounting policy applicable from 1 January 2018 (Continued)

Measurement of ECLs (Continued)

Loss allowances for trade receivables and finance lease receivables are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

For all other financial instruments, the Group recognises a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

**2. 主要會計政策摘要(續)**

**(10) 信貸虧損及資產減值(續)**

**(i) 金融工具產生之信貸虧損(續)**

(A) 自二零一八年一月一日起應用之政策(續)

預期信貸虧損的計量

(續)

貿易應收款項及應收融資租賃款項之虧損撥備一直按等同於全期預期信貸虧損的金額計量。於報告日期，該等金融資產之預期信貸虧損乃根據本集團的過往信貸虧損經驗利用撥備矩陣進行估計，並根據債務人的特定因素及對當前及預計一般經濟狀況的評估進行調整。

就所有其他金融工具而言，本集團確認之虧損撥備相等於十二個月預期信貸虧損，除非自初始確認以來金融工具之信貸風險大幅增加，於此情況下，虧損撥備乃按相等於全期預期信貸虧損之金額計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(10) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments (Continued)

- (A) Accounting policy applicable from 1 January 2018 (Continued)

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this reassessment, the Group considers that a default event occurs when (i) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (ii) the financial asset is 90 days past due. The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

2. 主要會計政策摘要(續)

(10) 信貸虧損及資產減值(續)

(i) 金融工具產生之信貸虧損(續)

- (A) 自二零一八年一月一日起應用之政策(續)

信貸風險大幅上升

於評估金融工具的信貸風險自初始確認以來有否大幅上升時，本集團會比較於報告日期及於初始確認日期評估的金融工具發生違約的風險。作出重新評估時，本集團認為，倘(i)借款人不大可能在本集團無追索權採取變現抵押(如持有)等行動的情況下向本集團悉數支付其信貸債務；或(ii)金融資產已逾期90日，則構成違約事件。本集團會考慮合理可靠的定量及定性資料，包括過往經驗及無需付出過多成本或努力下即可獲得的前瞻性資料。



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(10) Credit losses and impairment of assets (Continued)**

**(i) Credit losses from financial instruments (Continued)**

(A) Accounting policy applicable from 1 January 2018 (Continued)

Significant increases in credit risk (Continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- failure to make payments of principal or interest on their contractually due dates;
- an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

**2. 主要會計政策摘要(續)**

**(10) 信貸虧損及資產減值(續)**

**(i) 金融工具產生之信貸虧損(續)**

(A) 自二零一八年一月一日起應用之政策(續)

信貸風險大幅上升(續)

具體而言，於評估信貸風險自初始確認以來有否大幅上升時會考慮以下資料：

- 未能按合約到期日期支付本金或利息；
- 金融工具外部或內部信貸評級的實際或預期顯著惡化(倘適用)；
- 債務人經營業績的實際或預期顯著惡化；及
- 科技、市場、經濟或法律環境的目前或預期變動對債務人履行其對本集團責任的能力有重大不利影響。

取決於金融工具的性质，信貸風險大幅上升的評估乃按個別基準或共同基準進行。倘評估為按共同基準進行，金融工具則按共同的信貸風險特徵(如逾期狀況及信貸風險評級)進行分組。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(10) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments (Continued)

- (A) Accounting policy applicable from 1 January 2018 (Continued)
- Significant increases in credit risk (Continued)
- ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt securities that are measured at "FVTOCI" (recycling), for which the loss allowance is recognised in other comprehensive income and accumulated in the fair value reserve (recycling).

Basis of calculation of interest income

Interest income recognised in accordance with note 2(23) is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset.

2. 主要會計政策摘要(續)

(10) 信貸虧損及資產減值(續)

(i) 金融工具產生之信貸虧損(續)

- (A) 自二零一八年一月一日起應用之政策(續)
- 信貸風險大幅上升(續)
- 預期信貸虧損於各報告日期進行重新計量以反映金融工具自初始確認以來的信貸風險變動。預期信貸虧損金額的任何變動均於損益中確認為減值收益或虧損。本集團就所有金融工具確認減值收益或虧損，並透過虧損撥備賬對彼等之賬面值作出相應調整，惟於按公平價值計入其他全面收益(可劃轉)計量的債券證券之投資除外，就此，虧損撥備乃於其他全面收益確認並於公平價值儲備(可劃轉)累計。

利息收入計息基準

根據附註2(23)確認之利息收入按金融資產的總賬面值計算，除非該金融資產出現信貸減值，則利息收入按金融資產的攤銷成本(即總賬面值減虧損撥備)計算。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(10) Credit losses and impairment of assets (Continued)**

**(i) Credit losses from financial instruments (Continued)**

(A) Accounting policy applicable from 1 January 2018 (Continued)

Basis of calculation of interest income (Continued)

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable events:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the borrower will enter into bankruptcy or other financial reorganization;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

**2. 主要會計政策摘要(續)**

**(10) 信貸虧損及資產減值(續)**

**(i) 金融工具產生之信貸虧損(續)**

(A) 自二零一八年一月一日起應用之政策(續)  
利息收入計息基準(續)

於各報告日期，本集團評估金融資產是否出現信貸減值。當發生一項或多項對金融資產之估計未來現金流量帶有害影響之事件時，金融資產即出現信貸減值。

金融資產信貸減值的證據包括以下可觀察事件：

- 債務人出現嚴重財務困難；
- 違反合約，如欠繳或拖欠利息或本金付款；
- 借款人很有可能將告破產或進行其他財務重組；
- 科技、市場、經濟或法律環境出現重大變動，對債務人有不利影響；或
- 由於發行人出現財務困難，證券活躍市場消失。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(10) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments (Continued)

(A) Accounting policy applicable from 1 January 2018 (Continued)

Write-off policy

The gross carrying amount of a financial asset or finance lease receivable is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(B) Accounting policy applicable prior to 1 January 2018  
Prior to 1 January 2018, an “incurred loss” model was used to measure impairment losses on financial assets not classified as at “FVTPL” (e.g. trade and other receivables, available-for-sale financial assets and held-to-maturity debt securities). Under the “incurred loss” model, an impairment loss was recognised only when there was objective evidence of impairment.

2. 主要會計政策摘要(續)

(10) 信貸虧損及資產減值(續)

(i) 金融工具產生之信貸虧損(續)

(A) 自二零一八年一月一日起應用之政策(續)

撇銷政策

若日後實際上不可收回款項，本集團則會撇銷(部分或全部)金融資產或應收融資租賃款項的總賬面值。該情況通常出現在本集團確定債務人沒有資產或可產生足夠現金流量的收入來源來償還應撇銷的金額。

隨後收回先前撇銷之資產於收回期間在損益內確認為減值撥回。

(B) 二零一八年一月一日前適用的會計政策  
於二零一八年一月一日前，「已產生虧損」模型用於計量未歸類為透過損益按公平值計量的金融資產(即貿易及其他應收款項及可供出售投資)之減值虧損。根據「已產生虧損」模式，減值虧損僅於客觀減值證據存在時確認。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(10) Credit losses and impairment of assets (Continued)**

**(i) Credit losses from financial instruments (Continued)**

(B) Accounting policy applicable prior to 1 January 2018 (Continued)

Objective evidence of impairment included:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; and
- a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

**2. 主要會計政策摘要(續)**

**(10) 信貸虧損及資產減值(續)**

**(i) 金融工具產生之信貸虧損(續)**

(B) 二零一八年一月一日前適用的會計政策(續)

客觀減值證據包括：

- 債務人有重大財務困難；
- 違約，例如拖欠或延遲支付利息或本金；
- 債務人可能破產或進行其他財務重組；
- 科技、市場、經濟或法律環境出現對債務人造成不利影響的重大變化；及
- 於股本工具之投資公平值大幅或長期下跌至低於其成本。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(10) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments (Continued)

(B) Accounting policy applicable prior to 1 January 2018 (Continued)  
If any such evidence existed, an impairment loss was determined and recognised as follows:

- For trade and other receivables and other financial assets carried at amortised cost, impairment loss was measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate, where the effect of discounting was material. This assessment was made collectively where these financial assets shared similar risk characteristics, such as similar past due status, and had not been individually assessed as impaired. Future cash flows for financial assets which were assessed for impairment collectively were based on historical loss experience for assets with credit risk characteristics similar to the collective group.

If in a subsequent period the amount of an impairment loss decreased and the decrease could be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss was reversed through profit or loss. A reversal of an impairment loss was only recognised to the extent that it did not result in the assets in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

2. 主要會計政策摘要(續)

(10) 信貸虧損及資產減值(續)

(i) 金融工具產生之信貸虧損(續)

(B) 二零一八年一月一日前適用的會計政策(續)  
如有任何相關證據存在，則減值虧損釐定及確認如下：

- 就貿易及其他應收款項及其他按攤銷成本列賬之金融資產而言，則減值虧損獲計量為資產賬面值與估計未來現金流量現值間之差額，其按金融資產的原來實際利率折讓，當中的折讓效應嚴重。此評估在此等金融資產攤分類似風險特性(如類似逾期狀況)及尚未遭個別評為減值時共同作出。就減值而評定的金融資產未來現金流量，籠統上基於具信貸風險特性(與集體組別類似)資產的過往虧損經驗。

倘若減值虧損的金額於隨後期間減少，而減幅可與確認減值虧損後發生的事件客觀聯繫，則減值虧損將通過損益予以撥回。撥回減值虧損不僅在不得導致資產的賬面值超出其在過往年度在沒有確認減值虧損情況下而釐定的數額確認。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(10) Credit losses and impairment of assets (Continued)**

**(i) Credit losses from financial instruments (Continued)**

(B) Accounting policy applicable prior to 1 January 2018 (Continued)

When the recovery of a trade debtor or other financial assets carried at amortised cost was considered doubtful but not remote, associated impairment losses were recorded using an allowance account. When the Group was satisfied that recovery was remote, the amount considered irrecoverable was written off against the gross carrying amount of those assets directly. Subsequent recoveries of amounts previously charged to the allowance account were reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly were recognised in profit or loss.

**2. 主要會計政策摘要(續)**

**(10) 信貸虧損及資產減值(續)**

**(i) 金融工具產生之信貸虧損(續)**

(B) 二零一八年一月一日前適用的會計政策(續)

倘攤銷成本列賬的貿易應收賬款或其他金融資產的回收性被視為可疑而並非微乎其微，應以撥備賬記錄減值虧損。倘本集團確認能收回應收賬款的機會微乎其微，則視為不可數回金額會從該等資產的總賬面值中直接撤銷。之前計入撥備賬款項在其後收回，則相關的撥備會被撥回。撥備賬的其他變動及之前直接撤銷而其後收回的款項，均在損益中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(10) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments (Continued)

- (B) Accounting policy applicable prior to 1 January 2018 (Continued)
- For available-for-sale financial assets, the cumulative loss that had been recognised in the fair value reserve (recycling) was reclassified to profit or loss. The amount of the cumulative loss that was recognised in profit or loss was the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss on that asset previously recognised in profit or loss.

Impairment losses recognised in profit or loss in respect of available-for-sale equity securities were not reversed through profit or loss. Any subsequent increase in the fair value of such assets was recognised in other comprehensive income.

2. 主要會計政策摘要(續)

(10) 信貸虧損及資產減值(續)

(i) 金融工具產生之信貸虧損(續)

- (B) 二零一八年一月一日前適用的會計政策(續)
- 就可供出售投資而言，已於公平值儲備(重新歸入)確認的累計虧損重新分類至損益。於損益中確認的累計虧損金額為收購成本(扣除任何本金還款及攤銷)與現時公平值的差額，減去該資產先前於損益中確認的任何減值虧損。

就可供出售股本證券而於損益中確認的減值虧損並未透過損益撥回。該等資產的公平值的任何後續增加均於其他全面收益中確認。



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(10) Credit losses and impairment of assets (Continued)**

**(ii) Impairment of other non-current assets**

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment (other than leasehold land held for own use under finance leases and properties carried at revalued amounts);
- land and land use rights classified as being held under an operating lease;
- investments in subsidiaries and associates (except for those classified as held for sale or included in a disposal group that is classified as held for sale) in the Company's statement of financial position;
- goodwill; and
- intangible assets.

**2. 主要會計政策摘要(續)**

**(10) 信貸虧損及資產減值(續)**

**(ii) 其他非流動資產減值**

本集團於每個報告期末均對內部及外間資料來源進行評估，以識別有否跡象顯示下列資產是否已出現減值，或(除商譽外)先前已確認之減值虧損已不存在或可能已減少：

- 物業、廠房及設備(除融資租賃持有之自用租賃土地及按重估值累計之物業之外)；
- 分類為根據經營租賃持作租賃土地；
- 在本集團財務狀況表中的附屬公司及聯營公司權益(除分類為持作出售或包含在持作出售組別之外)；
- 商譽；及
- 無形資產。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(10) Credit losses and impairment of assets (Continued)

(ii) Impairment of other non-current assets (Continued)

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill, intangible assets that are not yet available for use and intangible assets that have indefinite useful lives, the recoverable amount is estimated annually whether or not there is any indication of impairment.

— Calculation of recoverable amount

The recoverable amount of an asset is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

2. 主要會計政策摘要(續)

(10) 信貸虧損及資產減值(續)

(ii) 其他非流動資產減值(續)

若出現任何此等跡象，本集團將估計資產之可收回金額。此外，就商譽而言，此無形資產並不可供使用及不定可用年期，每年按有否跡象需減值來估計其可收回金額。

— 計算可收回金額

資產之可收回金額為其公平值減銷售成本與使用價值兩者之較高者。於評估使用價值時，採用反映當時市場對金錢時間值及有關資產特有風險之評估之稅前貼現率貼現估計未來現金流量至其現值。倘資產產生之現金流入大致上不能獨立於其他資產，可收回金額則按可獨立產生現金流入之最小資產組合(即現金產生單位)釐定。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(10) Credit losses and impairment of assets (Continued)**

**(ii) Impairment of other non-current assets (Continued)**

– Recognition of impairment losses

An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable), or value in use (if determinable).

– Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

**2. 主要會計政策摘要(續)**

**(10) 信貸虧損及資產減值(續)**

**(ii) 其他非流動資產減值(續)**

– 確認減值虧損

倘某項資產或其所屬之現金產生單位之賬面值超過其可收回金額，則於損益內確認減值虧損。就現金產生單位確認之減值虧損，按比例分配以減少單位(或單位組別)內其他資產之賬面值，惟資產之賬面值不得減少至低於其個別公平值減銷售成本(如可計量)或使用價值(如可釐定)。

– 撥回減值虧損

就商譽之外之資產而言，倘用於釐定可收回金額之估計出現有利改變，則撥回減值虧損。商譽之減值虧損則不會撥回。

撥回之減值虧損僅限於倘於過往年度未確認減值虧損而釐定之資產賬面值。減值虧損之撥回在確認撥回之年度計入損益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(11) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e. assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. Other borrowing costs are expensed in the period in which they are incurred. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised.

(12) Government grants

Government grants are recognised in the consolidated statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as revenue in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are deducted from the carrying amount of the asset and consequently are effectively recognised in profit or loss over the useful life of the asset by way of reduced depreciation expense.

2. 主要會計政策摘要(續)

(11) 借貸成本

直接因收購、建設或產生一項必須經歷一段頗長時間才可用作擬定用途或出售的資產而產生的借貸成本，均撥充資產成本的一部分，其他借貸成本將在產生當期支銷。資本化的借貸成本將在資產大致上可準備投入作擬定用途或出售時隨之中止。個別借貸於等待使用於有關合資格的資產時用作短暫投資所得的投資收入於撥充資本的借貸成本中扣除。

(12) 政府補貼

倘可合理確定能夠收取政府補貼，而本集團將符合政府補貼所附帶的條件，則政府補貼在綜合財務狀況表中初始確認。補償集團所產生開支的補貼於產生開支的同一期間有系統地於損益表中確認為收入。補償集團資產成本的補貼在相關資產賬面值中扣除，其後於該項資產的可用年期以減少折舊開支方式於損益表中實際確認。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(13) Financial guarantees issued, provisions and contingent liabilities**

**(i) Financial guarantees issued**

Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make specified payments to reimburse the beneficiary of the guarantee (the "holder") for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Where the Group issues a financial guarantee, the fair value of the guarantee (being the transaction price, unless the fair value can otherwise be reliably estimated) is initially recognised as deferred income within trade and other payables. The fair value of financial guarantees issued at the time of issuance is determined by reference to fees charged in an arm's length transactions for similar services, when such information is obtainable, is otherwise estimated by reference to interest rate differentials, by comparing the actual rates charged by lenders when the guarantee is made available with the estimated rates that lenders would have charged, had the guarantees not been available, where reliable estimates of such information can be made. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Group's policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised in profit or loss on initial recognition of any deferred income.

**2. 主要會計政策摘要(續)**

**(13) 發出財務擔保、撥備及或然負債**

**(i) 所發出財務擔保**

財務擔保乃要求發行人(即擔保人)就擔保受益人(「持有人」)因特定債務人未能根據債項工具的條款於到期時付款而蒙受的損失而向持有人支付特定款項的合約。

倘本集團發出財務擔保，該擔保的公平價值(即交易價格，除非該公平價值能確實地估計)初始確認為貿易應付賬款及其他應付賬款內的遞延收入。已發出財務擔保於發出時之公平價值於可獲得有關資料時，乃參考就涉及類似服務之公平交易所收取費用釐定，或(倘無有關資料)參考透過將貸方於提供擔保時所收取實際利率與在不獲提供擔保時原應收取之估計利率作出比較下得出的利率差距加以估計(指可就有關資產指示出可靠估計之情況下)。倘在發行該擔保時收取或可收取代價，該代價則根據適用於該類資產之本集團政策而予確認。倘有關代價尚未收取或應予收取，於初始確認任何遞延收入時，即時開支於損益表內確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(13) Financial guarantees issued, provisions and contingent liabilities (Continued)

(i) Financial guarantees issued (Continued)

The amount of the guarantee initially recognised as deferred income is amortised in profit or loss over the term of the guarantee as income from financial guarantees issued. In addition, provisions are recognised in accordance with note 2(13)(iii) if and when (i) it becomes probable that the holder of the guarantee will call upon the Group under the guarantee, and (ii) the amount of that claim on the Group is expected to exceed the amount currently carried in trade and other payables in respect of that guarantee i.e. the amount initially recognised, less accumulated amortisation.

(ii) Contingent liabilities acquired in business combinations

Contingent liabilities assumed in a business combination which are present obligations at the date of acquisition are initially recognised at fair value, provided the fair value can be reliably measured. After their initial recognition at fair value, such contingent liabilities are recognised at the higher of the amount initially recognised, less accumulated amortisation where appropriate, and the amount that would be determined in accordance with note 2(13)(iii). Contingent liabilities assumed in a business combination that cannot be reliably fair valued or where not present obligations at the date of acquisition are disclosed in accordance with note 2(13)(iii).

2. 主要會計政策摘要(續)

(13) 發出財務擔保、撥備及或然負債(續)

(i) 所發出財務擔保(續)

初始確認為遞延收入的擔保款額，按擔保年期於損益表內攤銷為所發出的財務擔保收入。此外，倘(i)擔保持有人有可能根據本集團已作出的財務擔保向集團提出索償通知時；及(ii)本集團的申索款額預期超過現時列於該擔保的應付賬款及其他應付款項(即初始確認的金額)減累計攤銷，便根據附註2(13)(iii)確認並作出撥備。

(ii) 業務合併取得的或然負債

因業務合併而承擔或然負債於收購日屬即期責任，則最初按公平價值確認，惟公平價值能可靠計量。按公平價值確認後，該等或然負債按初始確認數額扣除累計攤銷(如適用)後的數額，與根據本附註2(13)(iii)所釐定的數額兩者的較高者確認。倘不能於收購日可靠地計量公平價值或並非為即期責任，因業務合併而承擔的或然負債則按本附註2(13)(iii)所述披露。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(13) Financial guarantees issued, provisions and contingent liabilities (Continued)**

**(iii) Other provisions and contingent liabilities**

Provisions are recognised for other liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

**2. 主要會計政策摘要(續)**

**(13) 發出財務擔保、撥備及或然負債(續)**

**(iii) 其他撥備及或然負債**

如果本集團或本公司須就已發生之事件承擔法律或推定義務，而會導致經濟利益外流及在可以作出可靠之估計時，則就該時間或數額不定之其他負債計提撥備。如果貨幣時間值重大，則按履行義務預計所需支出之現值計提撥備。

如果流出經濟利益之可能性較低，或無法對有關數額作出可靠之估計，則會將該義務披露為或然負債，但經濟利益外流之可能性極低則除外。如果有關義務須視乎某宗或多宗未來事件是否發生才能確定是否存在，則會披露為或然負債，除非經濟利益外流可能性極低。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(14) Inventories and other contract costs

(i) Inventories

Inventories are assets which are held for sale in the ordinary course of business, in the process of production for such sale or in the form of materials or supplies to be consumed in the production process or in the rendering of services.

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business less applicable variable selling expenses.

The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

2. 主要會計政策摘要(續)

(14) 存貨及其他合約成本

(i) 存貨

存貨是指日常業務過程中持有以作銷售、處在為該等銷售的生產過程中，或在生產過程或提供勞務過程中耗用的材料或物料形式持有的資產。

存貨按成本或可變現淨值兩者中的較低者列賬。成本按加權平均法計算。製成品及在製品的成本包括原材料、直接工資、其他直接成本及相關生產開支(根據正常經營能力)，惟不包括貸款成本。可變現淨值乃按正常業務過程中的估計售價，減去適用的變動銷售開支計算。

將存貨撇減至可變現淨值的金額及存貨的所有虧損，乃於撇減或虧損產生的期間確認為開支。撥回任何存貨撇減的金額乃確認為減少該存貨於期間確認為開支的金額。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

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

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (14) Inventories and other contract costs (Continued)

##### (ii) Other contract costs

Other contract costs are either the incremental costs of obtaining a contract with a customer or the costs to fulfil a contract with a customer which are not capitalised as inventory (see note 2(14)(i)), property, plant and equipment (see note 2(4)) or intangible assets (see note 2(8)).

Incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained e.g. an incremental sales commission. Incremental costs of obtaining a contract are capitalised when incurred if the costs relate to revenue which will be recognised in a future reporting period and the costs are expected to be recovered. Other costs of obtaining a contract are expensed when incurred.

Costs to fulfil a contract are capitalised if the costs relate directly to an existing contract or to a specifically identifiable anticipated contract; generate or enhance resources that will be used to provide goods or services in the future; and are expected to be recovered. Costs that relate directly to an existing contract or to a specifically identifiable anticipated contract may include direct labour, direct materials, allocations of costs, costs that are explicitly chargeable to the customer and other costs that are incurred only because the Group entered into the contract (for example, payments to sub-contractors). Other costs of fulfilling a contract, which are not capitalised as inventory, property, plant and equipment or intangible assets, are expensed as incurred.

### 2. 主要會計政策摘要(續)

#### (14) 存貨及其他合約成本(續)

##### (ii) 其他合約成本

其他合約成本是取得客戶合約的增量成本或履行客戶合約的成本，其並無撥充資本為存貨(見附註2(14)(i))，物業、廠房及設備(見附註2(4))或無形資產(見附註2(8))。

取得合約的增量成本為本集團就取得客戶合約而產生，倘未能取得合約則不會產生的成本(例如增量銷售佣金)。倘有關收益的成本將在未來報告期內確認，而成本預期可收回，取得合約的增量成本於產生時會撥充資本。取得合約的其他成本在產生時支出。

倘履行合約的成本與現有合約或可識別的預期合約直接有關；產生或提升將於未來用於提供產品或服務的資源；並預期可收回，則會撥充資本。與現有合約或可識別的預期合約直接有關的成本可能包括直接勞工、直接材料、成本分配、明確向客人收取的成本及僅由於本集團訂立合約而產生的其他成本(例如向分包商支付款項)。其他履行客戶合約的成本(其並無撥充資本為存貨、物業、廠房及設備或無形資產)在產生時支銷。

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

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (14) Inventories and other contract costs (Continued)

#### (ii) Other contract costs (Continued)

Capitalised contract costs are stated at cost less accumulated amortisation and impairment losses. Impairment losses are recognised to the extent that the carrying amount of the contract cost asset exceeds the net of (i) remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the asset relates, less (ii) any costs that relate directly to providing those goods or services that have not yet been recognised as expenses.

Amortisation of capitalised contract costs is charged to profit or loss when the revenue to which the asset relates is recognised. The accounting policy for revenue recognition is set out in note 2(23).

## 2. 主要會計政策摘要(續)

### (14) 存貨及其他合約成本(續)

#### (ii) 其他合約成本(續)

撥充資本的合約成本按成本減累計攤銷及減值虧損列賬。倘合約成本資產賬面值超過(i)本集團預期收取以交換有關該資產的產品或服務的餘下代價金額，減(ii)任何直接有關提供該等產品或服務，而未確認為開支的成本的淨額，則會確認減值虧損。

當與資產有關的收益獲確認時，撥充資本的合約成本攤銷將自損益扣除。收益確認的會計政策載於附錄2(23)。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(15) Contract assets and contract liabilities**

A contract asset is recognised when the Group recognises revenue (see note 2(23)) before being unconditionally entitled to the consideration under the payment terms set out in the contract. Contract assets are assessed for ECLs in accordance with the policy set out in note 2(10)(i) and are reclassified to receivables when the right to the consideration has become unconditional (see note 2(16)).

A contract liability is recognised when the customer pays consideration before the Group recognises the related revenue (see note 2(23)). A contract liability would also be recognised if the Group has an unconditional right to receive consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised (see note 2(16)).

For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

**2. 主要會計政策摘要(續)**

**(15) 合約資產及合約負債**

倘本集團於根據合約所載之付款條款符合資格無條件收取代價之前確認收入(見附註2(23))，則確認合約資產。合約資產根據載於附註2(10)(i)之政策評估預期信貸虧損，並於收取代價之權利成為無條件時被重新分類至應收款項(見附註2(16))。

倘客戶於本集團確認相關收入之前支付代價，則確認合約負債(見附註2(23))。倘本集團擁有無條件權利可於本集團確認相關收入之前收取代價，亦將確認合約負債。在該等情況下，亦將確認相應的應收款項(見附註2(16))。

就與客戶訂立的單一合約而言，以合約資產淨值或合約負債淨值呈列。就多種合約而言，不相關合約的合約資產及合約負債不以淨值基準呈列。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(16) Trade and other receivables

A receivable is recognised when the group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the group has an unconditional right to receive consideration, the amount is presented as a contract asset (note 2(15)).

Receivables are stated at amortised cost using the effective interest method less allowance for credit losses.

(17) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows. Cash and cash equivalents are assessed for ECLs in accordance with the policy set out in note 2(10)(i).

Pledged bank deposits are not included in cash and cash equivalents.

2. 主要會計政策摘要(續)

(16) 貿易及其他應收款項

本集團具有無條件權利收取代價時確認應收款項。在該代價到期支付前，收取代價的權利僅需經過一段時間方為無條件。如收益在本集團有無條件權利收取代價前已經確認，則金額呈列為合約資產(見附註2(15))。

應收款項利用實際利率法按攤銷成本減信貸虧損撥備列賬。

(17) 現金及現金等值

現金及現金等值包括銀行存款及現金、在銀行及其他金融機構的活期存款以及流動性極高的短期投資。這些投資可以在未經通知下即時轉換為已知數額的現金，而在價值變動方面的風險並不巨大，且獲取時的到期日在三個月之內。就編製綜合現金流量表而言，須應要求償還並構成本集團現金管理之一部份的銀行透支亦列入現金及現金等值的組成部份。現金及現金等值按附註2(10)(i)所示評估預計信貸虧損。

抵押存款不包括於現金及現金等值內。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(18) 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.

Where any group company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity shareholders until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity shareholders.

**(19) Trade and other payables**

Trade and other payables are initially recognised at fair value. Except for financial guarantee liabilities (if any) measured in accordance with note 2(13)(i), trade and other payables are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

**2. 主要會計政策摘要(續)**

**(18) 股本**

普通股歸類為權益。

發行新股份或購股權直接應佔之新增成本乃於股本權益中列為所得款項(扣除稅項)之扣減。

倘任何集團公司購買本公司之權益股本(庫存股份)，所支付之代價(包括任何增加之直接應佔成本(扣除所得稅))從本公司股權持有人應佔之權益中扣除，直至股份被註銷、重新發行或出售為止。倘有關股份其後被售出或重新發行，則任何所收取之代價(扣除任何增加之直接應佔交易成本及有關所得稅影響)計入本公司股權持有人應佔之權益。

**(19) 貿易及其他應付款項**

貿易及其他應付款項初步按公平價值確認。除了按照附註2(13)(i)計算之財務擔保負債外，貿易及其他應付款項其後按攤銷成本入賬，惟倘貼現影響並不重大，則按成本入賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(20) Bank and other borrowings

Bank and other borrowings are initially recognised at fair value, net of transaction costs incurred. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability, including fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Bank and other borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Bank and other 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.

(21) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

2. 主要會計政策摘要(續)

(20) 銀行及其他借款

銀行及其他借款最初按公平價值扣除交易成本後的淨額確認。交易成本為直接關於收購、發行或出售金融資產或財務負債的新增成本，包括支付代理、顧問、經紀及交易商的費用及佣金、監管機構及證券交易所的徵費，以及轉讓的稅項及印花稅。銀行及其他借款其後按攤銷成本列賬；所得款項（扣除交易成本）與贖回價值之間的差額在借款期限內以實際利息法計入當期收入報表中確認。

除非本集團有權無條件將債項結算期限延長至報告結算日後最少十二個月，否則借款乃分類為流動負債。

(21) 所得稅

本年度所得稅包括本期稅項及遞延稅項資產及負債的變動。本期稅項及遞延稅項資產及負債的變動在損益表確認，除非與屬於其他全面收入確認或直接計入權益的項目有關者，則有關稅項金額分別於其他全面收入確認或直接計入權益。

本期稅項乃根據已執行或於報告結算日已實質執行之稅率，按本年度應課稅收入以及過往年度應付稅項之任何調整而計算預期應付稅項。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

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

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (21) Income tax (Continued)

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

### 2. 主要會計政策摘要(續)

#### (21) 所得稅(續)

遞延稅項資產及負債乃因作財務報告用途之資產及負債賬面值與作稅基用途之資產及負債賬面值兩者之可予扣減及應課稅之暫時差異所產生。遞延稅項資產亦可由未經使用之稅務虧損及未經使用之稅項優惠所產生。

除了若干有限之例外情況外，所有遞延稅項負債，以及所有遞延稅項資產（僅限於將來很可能取得應課稅盈利而令該項資產得以運用之部份）均予確認。容許確認由可予扣減暫時差異所產生之遞延稅項資產之未來應課稅盈利包括其將由目前之應課稅暫時性差異撥回之部份，惟此等應課稅暫時差異應由同一稅務當局向同一應課稅單位徵收，並預期在可予扣減暫時差異預期撥回之同一期間內撥回或在由遞延稅項資產產生之稅務虧損能轉回或轉入之期間內撥回。在評定目前之應課稅暫時差異是否容許確認由未經使用之稅務虧損及優惠所產生之遞延稅項資產時，亦會採用上述相同之標準，即該等暫時差異由同一稅務當局向同一應課稅單位徵收，並預期在稅務虧損或優惠能應用之期間內撥回方計算在內。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(21) Income tax (Continued)

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

2. 主要會計政策摘要(續)

(21) 所得稅(續)

確認遞延稅項資產及負債之有限例外情況包括由商譽引起並不可在稅務方面獲得扣減之暫時差異、初始確認但並不影響會計盈利及應課稅盈利之資產或負債(惟其不可為業務合併之部份)、以及有關於附屬公司投資所引致之暫時差異。如為應課稅差異,只限於本集團可以控制撥回時間,且在可預見將來不太可能撥回之暫時差異;或如為可予扣減差異,則只限於可能在未來撥回之差異。遞延稅項資產及負債均不作貼現計算。

本集團會在每個報告期末評估遞延稅項資產之賬面值。如果不再可能取得足夠之應課稅盈利以運用有關之稅務利益,便會調低賬面金額。在日後可能取得足夠之應課稅盈利時,則會撥回已扣減金額。

來自分派股息的額外所得稅,確認支付有關股息的責任時確認。



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(21) Income tax (Continued)**

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
  - the same taxable entity; or
  - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

**2. 主要會計政策摘要(續)**

**(21) 所得稅(續)**

本期稅項結餘及遞延稅項結餘及其變動，乃各自分開列示及不會相互抵銷。若本公司或本集團在法律上擁有抵銷本期稅項資產及本期稅項負債之行使權利，並能符合下列額外條件，則本期稅項資產可抵銷本期稅項負債，以及遞延稅項資產可抵銷遞延稅項負債：

- 若為本期稅項資產及負債：本集團計劃以淨額清償，或計劃同時變現資產及清償負債；或
- 若為遞延稅項資產及負債：如其與同一稅務當局向下述者徵收之所得稅有關：
  - 同一應課稅單位；或
  - 如為不同之應課稅單位，預期在未來每一個週期將清償或追償顯著數目之遞延稅項負債或資產及計劃變現本期稅項資產及以淨額基準清償本期稅項負債或計劃同時變現本期稅項資產及清償本期稅項負債。

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

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (22) Employee benefits

#### (i) Retirement benefit costs

Payments to defined contribution plans under the mandatory provident fund scheme, the ORSO scheme and state-managed retirement benefits scheme are charged as expenses as they fall due.

#### (ii) Profit-sharing and bonus plans

The Group recognises a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

#### (iii) Share-based compensation

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in share option reserve within equity. The fair value is measured at grant date using the Hull White Trinomial Model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the share options, the total estimated fair value of the share options is spread over the vesting period, taking into account the probability that the options will vest.

## 2. 主要會計政策摘要(續)

### (22) 僱員福利

#### (i) 退休福利計劃

對強制性公積金計劃、職業退休計劃及其他國有退休福利計劃作出之供款乃於其到期時列作開支予以扣除。

#### (ii) 分享溢利及花紅計劃

本集團根據一條公式，按本公司股東應佔溢利作若干調整，計算並確認花紅及分享溢利為負債及開支。本集團按合約規定或過往慣例責任產生時確認撥備。

#### (iii) 股份為本之補償

賦予員工的購股權之公平價值被確認為員工成本，並在股東權益內的購股權儲備作相應的增加。公平價值乃採用霍爾－懷特三元模型，按購股權授予日計算，並顧及授予購股權的條款。當僱員須符合歸屬期條件才可無條件享有該等購股權，預計公平價值總額在歸屬期內攤分入賬，並已考慮購股權歸屬的或然率。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

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

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (22) Employee benefits (Continued)

#### (iii) Share-based compensation (Continued)

During the vesting period, the number of share options that is expected to vest is reviewed. Any adjustment to the cumulative fair value recognised in prior years is charged or credited to the income statement for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the share option reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the share option reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognised in the share option reserve until either the option is exercised (when it is transferred to the share capital) or the option expires (when it is released directly to retained profits).

#### (iv) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever 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 termination 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 their present value.

## 2. 主要會計政策摘要(續)

### (22) 僱員福利(續)

#### (iii) 股份為本之補償(續)

估計可歸屬購股權的數目須在歸屬期內作出檢討。除非原本支出符合資產確認之要求，任何已在往年確認的累積公平價值之調整須在檢討期內的收入報表支銷或回撥，並在購股權儲備作相應調整。在歸屬日，除非因未能符合歸屬條件引致權利喪失純粹與本公司股份的市價有關，確認為支出之金額按歸屬購股權的實際數目作調整（並在購股權儲備作相應調整）。屬股東權益的金額在購股權儲備確認，直到當購股權被行使時（轉入股本），或當購股權之有效期屆滿時（轉入保留溢利）。

#### (iv) 辭退福利

如果本集團在正常退休日期前終止僱用，或員工接受自願離職以換取這些福利，則應支付辭退福利。本集團於下列日期較早時確認辭退福利：(a)本集團不能撤回該等福利的提議；及(b)當該實體確認重組的成本在香港會計準則第37號範圍內，並涉及支付辭退福利。在提出鼓勵自願離職的提議的情況下，辭退福利是根據預期接受報價的僱員人數計算的。在報告結算日結束後超過12個月到期的福利，按貼現現值折現。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(23) Revenue recognition and other income

(i) Revenue recognition

Accounting policies applied from 1 January 2018

Revenue is measured at the fair value of the consideration received and receivable, and represents amounts receivable for goods supplied or service performed, stated net of rebates and returns. The Group recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Group's activities, as described below. The Group bases its estimates of returns on historical results, taking into consideration the type of customers, the nature of transactions and the specifics of each arrangement.

Sales of products

Revenue from the sale of good directly to the customers is recognised at the point that the control of the inventory have passed to the customers, which is primarily upon the acceptance of the products by the customers. The customers have full discretion over the products, and there is no unfulfilled obligation that could affect the customers' acceptance of the products. The Group collects cash or bank acceptance notes from the customers before or upon deliveries of products through banks. Cash or bank acceptance notes collected from the customers before product delivery is recognised as contract liabilities (Note 2(15)).

Installation services income

Installation services income is recognised when the relevant services are provided.

The Group's obligation to repair or replace faulty products under the standard warranty terms, which cannot be purchased separately and serve as an assurance that the products sold comply with agreed-upon specifications at the time of sale.

2. 主要會計政策摘要(續)

(23) 收益確認及其他收入

(i) 收益確認

自2018年1月1日應用的會計政策

收入按已收及應收代價的公平價值計算，為就所供應商品或所履行的服務扣除折扣及退貨應收款項。當收入金額能夠可靠計量；未來經濟利益有可能流入實體；及本集團各項活動符合具體條件時（如下文所述），本集團會確認收入。本集團根據其過往業績並考慮客戶類別、交易性質及每項安排的特點作出回報估計。

產品銷售

直接向客戶銷售商品所得收入於存貨的控制權已轉移予客戶時（主要於客戶接受產品後）確認。客戶對產品有充分酌情權且並無未履行責任可影響客戶對該等產品的接納。本集團在產品交付之前或之後透過銀行向客戶收取現金或銀行承兌票據。在產品交付前自客戶收取的現金或銀行承兌票據確認為合約負債（附註2(15)）。

安裝服務收入

安裝服務收入乃按已提供有關服務後確認。

本集團有責任根據標準質保條款修理或更換缺陷產品（該等質保條款不可單獨購買且用作所出售產品在銷售時符合協定規格的保證）。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(23) Revenue recognition and other income (Continued)**

**(i) Revenue recognition (Continued)**

Accounting policies applied from 1 January 2018  
(Continued)

Finance lease income

Interest income from the finance lease is recognised on a basis that reflect a constant periodic rate of return on the net investment in the finance lease.

Accounting policies applied until 31 December 2017

The Group has applied HKFRS 15, 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.

Revenue is measured at the fair value of the consideration received and receivable.

Amounts disclosed as revenue are net of rebates and returns. The Group recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for the Group's activity as described below. The Group bases its estimates of return on historical results, taking into consideration the type of customers, the nature of transactions and the specifics of each arrangement.

Sales of products

Revenue from the sales of products is recognised when significant risks and rewards of ownership of the products are transferred to the customer, the customer has accepted the products and collectability of the related receivables is reasonably assumed.

**2. 主要會計政策摘要(續)**

**(23) 收益確認及其他收入(續)**

**(i) 收益確認(續)**

自2018年1月1日應用的會計政策(續)

融資租賃收入

融資租賃利息收入的基礎是反映融資租賃的淨投資回報之恆常週期性回報率。

截至2017年12月31日應用的會計政策

本集團已應用香港財務報告準則第15號，但已決定比較資料不予重列。因此，所提供的比較資料繼續根據本集團之前的會計政策入賬。

收入按已收及應收代價的公平價值計量。

披露為收入的款項為扣除折扣及退貨。當收入金額能夠可靠計量；未來經濟利益有可能流入實體；及本集團活動符合具體條件時(如下文所述)，本集團會確認收入。本集團根據其過往業績並考慮客戶類別、交易性質及每項安排的特點作出回報估計。

產品銷售

來自銷售產品的收入於產品所有權的重大風險及回報轉移至客戶及客戶已接受產品，而相關應收款項的可收回性獲合理假設時獲確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(23) Revenue recognition and other income (Continued)

(i) Revenue recognition (Continued)

Accounting policies applied until 31 December 2017 (Continued)

Finance lease income

Interest income from the finance lease is recognised on a basis that reflect a constant periodic rate of return on the net investment in the finance lease.

(ii) Other income

- (a) Rental income, including rentals invoiced in advance from properties under operating leases, is recognised on a straight-line basis over the period of the leases.
- (b) Handling and services income are recognised when services are provided.
- (c) Interest income is recognised as it accrues using the effective interest method. For financial assets measured at amortised cost or FVTOCI (recycling) that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset. For credit-impaired financial assets, the effective interest rate is applied to the amortised cost (i.e. gross carrying amount net of loss allowance) of the asset (see note 2(10)(i)).
- (d) Dividend income is recognised when the shareholder's right to receive payment is established prior to the end of the reporting period.

2. 主要會計政策摘要(續)

(23) 收益確認及其他收入(續)

(i) 收益確認(續)

截至2017年12月31日應用的會計政策(續)

融資租賃收入

融資租賃利息收入的基礎是反映融資租賃的淨投資回報之恆常週期性回報率。

(ii) 其他收入

- (a) 根據營運租約出租物業之所得租金收入包括預先發出發票之租金，按租期以直線基準為收入確認。
- (b) 加工及服務收入乃按已提供服務後確認。
- (c) 利息收入乃採用實際利息法確認。對於以攤銷成本計量的金融資產或以公平價值計量且其變動計入其他全面收益(重新歸入)並無信貸減值，實際利率乃應用於資產的總帳面值。對於以信用減值的金融資產，實際利率乃應用於攤銷成本(即總帳面值扣除虧損撥備)計量的資產(見附註2(10)(i))。
- (d) 由投資所取得之股息收入之確認為當股東早於報告結算日已確立收取股息之權利。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

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

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (24) Leases

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

Leases of assets are classified as finance leases when the leases transfer substantially all risks and rewards incidental to ownership of the assets to the Group. All other leases are classified as operating leases.

#### (i) Leases of land and buildings

Whenever necessary, in order to classify and account for a lease of land and buildings, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

The land element is classified as an operating lease unless title is expected to pass to the lessee by the end of the lease term. The building element is classified as a finance or operating lease in the same way as leases of other assets. The payments made on acquiring land held under an operating lease are recognised in the statement of financial position as leasehold land and land use rights which are stated at cost and are amortised on a straight-line basis over the period of the lease term.

## 2. 主要會計政策摘要(續)

### (24) 租約

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

當資產租約隨資產擁有權轉撥絕大部份風險及利益至本集團時，分類為融資租約。所有其他租約均分類為經營租約。

#### (i) 土地及樓宇租約

每當於有需要將土地及樓宇租約分類及列賬時，最低租賃付款(包括任何一次過預付款項)乃按租約土地部份及樓宇部份於租約開始時之租賃權益相對公平價值比例於土地及樓宇部份之間分配。

土地部份乃分類為經營租約，除非預期所有權益會於租約期結束時轉移予承租人，則作別論，樓宇部份以與其他資產租約之相同方式分類為融資或經營租約。收購根據經營租約持有之土地而支付之款項乃於財務狀況表內確認為土地之租賃費用，有關租賃土地及土地使用權按成本列賬，並於租賃期內按直線法攤銷。

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

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (24) Leases (Continued)

#### (i) Leases of land and buildings (Continued)

If the lease payments on a lease of land and buildings cannot be allocated reliably between the land and building elements at the inception of the lease or the relevant lease transfers the significant risks and rewards of ownership of the land in accordance with the criteria set out in HKAS 17, the entire lease is classified as a finance lease, unless it is clear that both elements are operating leases, in which case the entire lease is classified as an operating lease.

#### (ii) Finance leases

Lessee

Assets held under finance leases are recognised in the statement of financial position at amounts equal to the fair value of the leased assets, or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liabilities, net of finance charges, on the finance leases are recorded as obligations under finance leases. All assets held under finance leases are classified as property, plant and equipment, except for those properties held to earn rental income which are classified as investment property, in the statement of financial position.

Depreciation and impairment losses are calculated and recognised in the same manner as the depreciation and impairment losses on property, plant and equipment as set out in note 2(4), except for the estimated useful lives cannot exceed the relevant lease terms, if shorter.

## 2. 主要會計政策摘要 (續)

### (24) 租約 (續)

#### (i) 土地及樓宇租約 (續)

倘土地及樓宇租約之租約付款無法於租約開始時在土地及樓宇部份之間可靠地分配或該租約已根據香港會計準則第17號列明租約轉移了土地所有權的重大風險及回報，則整份租約會分類為融資租約，除非明顯地兩個部份均為經營租約，則作別論，在此情況下，整份租約會分類為經營租約。

#### (ii) 融資租約

承租人

根據融資租約持有之資產按相當於在租約訂立時釐定之租賃資產公平價值之數額，或(倘為較低者)最低租約付款之現值於財務狀況表確認入賬，融資租約之相應債項經扣除融資費用後，乃列作融資租約承擔。按融資租約持有之所有資產乃於財務狀況表內列作物業、廠房及設備，惟持有以賺取租金收入之物業則於財務狀況表內列作投資物業。

折舊及減值虧損按與物業、廠房及設備之折舊及減值虧損相同之方式(載於附註2(4))計算及確認，惟估計可使用年期不得超過相關租約期(倘較短)。



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(24) Leases (Continued)**

**(ii) Finance leases (Continued)**

**Lessee (Continued)**

Minimum lease payments are apportioned between finance charge and the reduction of the outstanding liabilities. The finance charge is recognised in profit or loss over the period of the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

**Lessor**

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

**(iii) Operating leases**

Where the Group is the lessee, lease payments under an operating lease are recognised as an expense on a straight-line basis over the period of the lease term. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets and rentals receivable under the operating leases are credited to the income statement on a straight-line basis over the lease period. Contingent rentals are charged as an expense in the periods in which they are incurred.

**2. 主要會計政策摘要(續)**

**(24) 租約(續)**

**(ii) 融資租約(續)**

**承租人(續)**

最低租約付款於融資費用及未償還債項減少之間分配。融資費用按租約期期間確認於損益表，並藉此制定負債餘額之固定利率。

**出租人**

應收融資租賃承租人金額在集團的租賃投資金額中確認為應收項目。融資租賃收入被分配到會計期間，以反映本集團就租賃投資回報的固定定期利率。

**(iii) 經營租約**

倘本集團為承租人，則經營租約項下之租約付款以直線法於租約期內確認為開支。倘本公司為出租人，則本集團經營租賃項下之租賃資產包括於非流動資產中，而應收經營租賃項下之租金收入則於租賃期內按直線法計入收入報表內。或然租金於彼等所產生之期間內列作開支。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(25) Dividend distribution

Final dividends proposed by the directors are classified as a separate allocation of retained profits within the equity section of the statement of financial position, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

(26) Segment reporting

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial information provided regularly to the Group's top management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria. A discontinued segment is separately presented from continuing segments.

2. 主要會計政策摘要(續)

(25) 股息分派

由董事局建議派發的末期股息在財務狀況表股東權益內作為對保留溢利的分配單獨列示，直至股東於股東大會上批准派發。這些股息被股東批准和宣派後，確認為負債。

由於本公司之公司組織章程大綱及細則授予董事權力以宣派中期股息，故中期股息會同時建議及宣派。因此，當建議及宣派中期股息時，中期股息直接被確認為負債。

(26) 分部報告

營運分部及本財務報表所呈報之各分部項目之款項，於定期向本集團高級管理層提供之綜合財務報告中識別，管理層依據該等報告分配資源予本集團不同業務及地域以及評估該等業務及地域之表現。

就財務報告而言，個別重大營運分部不會累積計算，惟分部間有類似經濟特點及在產品及服務性質、生產過程性質、客戶種類或類別、用作分銷產品或提供服務之方法以及監管環境性質方面相類似則除外，倘並非個別重大之經營分部符合大部份此等準則，則該等營運分部可能會被累積計算。終止營運分部與持續營運分部會分別呈列。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

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

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (27) Foreign currency translation

##### (i) 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 dollars, which is the Company's functional and the Group's presentation currency. All values are rounded to the nearest thousand except when otherwise indicated.

##### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. 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 profit or loss, except those arising from qualifying cash flow hedges or qualifying net investment hedges which are recognised in other comprehensive income.

Translation differences on non-monetary financial assets and liabilities, such as equity instruments 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, such as equities classified as available-for-sale financial assets, are recognised in other comprehensive income and accumulated separately in equity in the fair value reserve.

### 2. 主要會計政策摘要(續)

#### (27) 外幣換算

##### (i) 功能及呈報貨幣

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。綜合財務報表乃以本公司之功能及呈報貨幣港元呈列。除非另有說明，所有數值都會四捨五入到最接近的千位數。

##### (ii) 交易及結餘

外幣交易均按交易當日之匯率換算為功能貨幣。因結算該等交易及因按年結日匯率換算以外幣為貨幣單位之貨幣資產及負債而產生之外匯損益，乃於損益表中確認，惟由現金流量對沖或投資淨額對沖所產生的，則於其他全面收入中確認。

非貨幣金融資產及負債如按公平價值持有並於損益表中處理之股本工具之換算差額，均於損益表內確認為公平價值盈虧之一部分。非貨幣金融資產如分類為可供出售金融資產之換算差額，均於其他全面收入確認並獨立累計於權益中的公平價值儲備內。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(27) Foreign currency translation (Continued)

(iii) Group companies

The results and financial position of all the group entities (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 statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- (ii) income and expenses for each income statement are translated at average exchange rates (unless this average 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 and accumulated separately in equity in the translation reserve.

2. 主要會計政策摘要(續)

(27) 外幣換算(續)

(iii) 集團公司

集團旗下所有公司(全部均非採用高通脹經濟體系之貨幣)之功能貨幣倘有別於呈報貨幣,其業績及財務狀況須按如下方式換算為呈報貨幣:

- (i) 各財務狀況表所列資產及負債按其結算日之收市匯率換算;
- (ii) 各收入報表所列收入及開支按平均匯率換算(除非此平均匯率不足以合理地概括反映於交易日期適用匯率之累計影響,則在此情況下,收入及開支則按交易日期之匯率換算);及
- (iii) 一切因此而產生之滙兌差額均於其他全面收入確認並獨立累計於權益中的滙兌儲備內。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(27) Foreign currency translation (Continued)**

**(iii) Group companies (Continued)**

On consolidation, exchange differences arising from the translation of the net investment in foreign entities, and of borrowings and other currency instruments designated as hedges of such investments, are recognised in other comprehensive income and accumulated separately in equity in the translation reserve. When a foreign operation is sold, such exchange differences are reclassified from equity to profit or loss when gain or loss on disposal is recognised.

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

**(28) Related parties**

- (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 Group or the Group's parent.

**2. 主要會計政策摘要(續)**

**(27) 外幣換算(續)**

**(iii) 集團公司(續)**

在編製綜合賬時，換算海外公司投資淨額和換算被指定為此等投資之對沖工具的借貸及其他貨幣工具而產生的滙兌差異，均於其他全面收入確認並獨立累計於權益中的滙兌儲備內。當出售海外業務時，此等滙兌差異將於確認於出售時由權益重新分類至損益表。

因收購海外公司而產生之商譽及公平價值調整，均視作為該海外公司之資產及負債處理，並按結算日的收市滙率換算。

**(28) 關連方**

- (i) 倘屬以下人士，即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；或
  - (3) 為本集團或本集團母公司的主要管理層成員。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(28) 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 Group or an entity related to the Group.
- (6) The entity is controlled or jointly controlled by a person identified in note 2(28)(i).
- (7) A person identified in note 2(28)(i)(1) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (8) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

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

2. 主要會計政策摘要(續)

(28) 關連方(續)

(ii) 倘符合下列任何條件，即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的聯營公司或合營企業(或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業)。
- (3) 兩間實體均為同一第三方的合營企業。
- (4) 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司。
- (5) 實體為本集團或與本集團有關連之實體就僱員利益設立的離職福利計劃。
- (6) 實體受附註2(28)(i)所識別人士控制或受共同控制。
- (7) 於附註2(28)(i)(1)所識別人士對實體有重大影響力或屬該實體(或該實體的母公司)主要管理層成員。
- (8) 該實體或屬該實體其中一部份的集團旗下任何成員公司為向本集團或本集團母公司提供主要管理人員服務。

任何人士之近親為與該實體交易時預期可影響該人士或受該人士影響的家庭成員。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(29) Research and development**

Research expenditure is recognised as an expense as incurred. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when the following criteria are fulfilled:

- (i) it is technically feasible to complete the intangible asset so that it will be available for use or sale;
- (ii) management intends to complete the intangible asset and use or sell it;
- (iii) there is an ability to use or sell the intangible asset;
- (iv) it can be demonstrated how the intangible asset will generate probable future economic benefits;
- (v) adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available; and
- (vi) the expenditure attributable to the intangible asset during its development can be reliably measured.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use on a straight-line basis over its useful life.

**2. 主要會計政策摘要(續)**

**(29) 研究及開發**

研究支出在產生時確認為費用。開發項目(涉及新產品或改良產品的設計及測試)產生的成本若符合下列條件,則確認為無形資產:

- (i) 技術上可完成該無形資產,以供未來使用或出售;
- (ii) 管理層有意完成該無形資產以供使用或出售;
- (iii) 有能力可使用或出售該無形資產;
- (iv) 能展示該無形資產如何帶來未來經濟利益;
- (v) 具有足夠的技術、財力及其他資源完成該項開發並使用或出售該無形資產;及
- (vi) 能可靠計量該無形資產於其開發時產生的支出。

不符合以上條件的其他開發支出於產生時確認為費用。先前已確認為費用的開發成本不會在往後期間確認為資產。資本化的開發成本列為無形資產,並由有關資產達到可使用狀態起在其預計可使用年內以直線法攤銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

### 3. CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued a number of new HKFRSs and amendments to HKFRSs that are first effective for the current accounting period of the Group. Of these, the following developments are relevant to the Group's financial statements:

- (i) HKFRS 9, *Financial instruments*
- (ii) HKFRS 15, *Revenue from contracts with customers*

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period (see note 46).

The following disclose the new accounting policies that have been applied from 1 January 2018, where they are different to those applied in prior years, and also explain the impact of the adoption of HKFRS 9 Financial Instruments and HKFRS 15 Revenue from Contracts with Customers on the Group's financial statements.

The Group had to change its accounting policies and make certain adjustments following the adoption of HKFRS 9 and HKFRS 15.

HKFRS 9 was generally adopted without restating comparative information with the exception of certain aspects of hedge accounting. The Group used modified retrospective approach while adopting HKFRS 9. The reclassification and adjustments arising from the new impairment rules are therefore not reflected in the consolidated statement of financial position as at 31 December 2017, but are recognised in the opening balances on 1 January 2018.

The Group adopted HKFRS 15 using the modified retrospective approach which means that the cumulative impact of the adoption (if any) will be recognised in retained profits as of 1 January 2018 and that comparatives will not be restated.

The adjustments are explained in more details below.

### 3. 會計政策變動

香港會計師公會已頒佈多項新訂及修訂香港財務報告準則乃於本集團本財政年度間首次生效。而以下有關變化乃與本集團財務報表有關。

- (i) 《香港財務報告準則》第9號，金融工具
- (ii) 《香港財務報告準則》第15號，來自客戶合約之收益

本集團並未提早採納本財務年度內尚未生效之新訂準則及詮釋（見附註46）。

以下披露從二零一八年一月一日起實施的新訂會計政策之應用，及與上財政年度不同，並解釋了採納香港財務報告準則第9號「金融工具」和香港財務報告準則第15號「來自客戶合約之收益」對集團的財務報表之影響。

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，本集團須相應地變更其會計政策及作出若干調整。

採納香港財務報告準則第9號時通常無須重列比較資料，惟對沖會計法的若干方面則除外。本集團採納香港財務報告準則第9號時採用修正追溯法。因此，因新減值規則引起的重新分類及調整並無於二零一七年十二月三十一日的綜合財務狀況表反映，惟於二零一八年一月一日的期初結餘確認。

本集團採納香港財務報告準則第15號時採用修正追溯法，意味著採納的累積影響（如有）將於截至二零一八年一月一日的保留盈利中確認，而比較資料將不予重列。

本集團更為詳盡地闡釋有關調整如下。



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
 綜合財務報表附註(續)

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

**3. CHANGES IN ACCOUNTING POLICIES**  
 (Continued)

The following table reconciles the closing loss allowance determined in accordance with HKAS 39 as at 31 December 2017 with the opening loss allowance determined in accordance with HKFRS 9 as at 1 January 2018.

**3. 會計政策變動(續)**

下表列出於二零一七年十二月三十一日按照香港會計準則第39號釐定的期末虧損撥備及於二零一八年一月一日按照香港財務報告準則第9號釐定的期初虧損撥備。

		HK\$000 千港元
Loss allowance as at 31 December 2017 under HKAS 39	於二零一七年十二月三十一日按照香港會計準則第39號之虧損撥備	159,372
Additional credit losses recognised as at 1 January 2018 on:	於二零一八年一月一日確認增加之信貸虧損:	
– Trade receivables	– 貿易應收款項	2,073
– Other receivables	– 其他應收款項	2,119
– Finance lease receivables	– 應收融資租賃款項	2,257
Loss allowance as at 1 January 2018 under HKFRS 9	於二零一八年一月一日按照香港財務報告準則第9號之虧損撥備	165,821

The following table summarises the impact of transition to HKFRS 9 on retained profits and related tax impact as at 1 January 2018.

下表概括了於二零一八年一月一日過渡至香港財務報告準則第9號對保留溢利及有關稅項之影響。

		HK\$000 千港元
<b>Retained profits</b>	<b>保留溢利</b>	
Recognition of additional expected credit losses on:	已確認增加之預期信貸虧損:	
– Trade receivables	– 貿易應收款項	(2,073)
– Other receivables	– 其他應收款項	(2,119)
– Finance lease receivables	– 應收融資租賃款項	(2,257)
Related tax	相關稅項	745
Non-controlling interests	非控股權益	515
Net decrease in retained profits as at 1 January 2018	於二零一八年一月一日減少之淨保留溢利	(5,189)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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

**3. CHANGES IN ACCOUNTING POLICIES**  
*(Continued)*

The following table summarises the impact of transition to HKFRS 15 on retained profits as at 1 January 2018:

**3. 會計政策變動 (續)**

下表概括了於二零一八年一月一日過渡至香港財務報告準則第15號對保留溢利之影響。

		<i>HK\$000</i>
		<i>千港元</i>
<b>Retained profits</b>	<b>保留溢利</b>	
Deferred revenue and profit recognition for installation services not yet completed as at 31 December 2017	於二零一七年十二月三十一日 確認尚未完成安裝服務的 遞延收入及溢利	(808)
Non-controlling interests	非控股權益	48
<hr/>		
Net decrease in retained profits as at 1 January 2018	於二零一八年一月一日減少之 淨保留溢利	(760)
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
 綜合財務報表附註(續)

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

**3. CHANGES IN ACCOUNTING POLICIES**

(Continued)

The following table illustrates the impact to each line items affected in current year by the adoption of HKFRS 9 and HKFRS 15.

**3. 會計政策變動(續)**

以下圖表說明每個財務報表項目的金額在本年度受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。

		31 December 2017 as previously reported 二零一七年 十二月 三十一日 按先前報告 HK\$'000 千港元	Effect of adoption of HKFRS 9 採納香港財務 報告準則 第9號之影響 HK\$'000 千港元	Effect of adoption of HKFRS 15 採納香港財務 報告準則 第15號之影響 HK\$'000 千港元	1 January 2018 as restated 二零一八年 一月一日 重列 HK\$'000 千港元
<b>Consolidated statement of financial position (extract)</b>	<b>綜合財務狀況表 (摘錄)</b>				
<b>Assets</b>	<b>資產</b>				
Trade and other receivables	貿易及其他應收款項	923,611	(4,192)	(808)	918,611
Deferred tax assets	遞延稅項資產	29,518	745	–	30,263
Finance lease receivables	應收融資租賃款項	117,437	(2,257)	–	115,180
<b>Equity</b>	<b>權益</b>				
Retained profits	保留溢利	(394,223)	5,189	760	(388,274)
Non-controlling interests	非控股權益	(211,645)	515	48	(211,082)
<b>Liabilities</b>	<b>負債</b>				
Trade and other payables	貿易及其他應付款項	(928,635)	–	68,840	(859,795)
Contract liabilities	合約負債	–	–	(68,840)	(68,840)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

**3. CHANGES IN ACCOUNTING POLICIES**

(Continued)

**(a) HKFRS 9 Financial Instruments**

HKFRS 9 Financial Instruments replaces the provisions of HKAS 39 Financial Instruments: Recognition and Measurement, that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting.

There is no impact on the Group's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the Group does not have any such liabilities which are subject to HKFRS 9.

The adoption of HKFRS 9 from 1 January 2018 resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. In accordance with the transitional provisions in HKFRS 9, comparative figures have not been restated as the Group does not have any hedge instrument.

As a result, the adjustments arising from the new impairment rules are not reflected in the consolidated statement of financial position as at 31 December 2017, but are recognised in the opening balance of consolidated statement of financial position as at 1 January 2018.

**3. 會計政策變動(續)**

**(a) 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」取代香港會計準則第39號「金融工具：確認及計量」的規定，涉及金融資產和金融負債之確認、分類和計量，以及終止確認金融工具、金融資產和對沖之減值會計處理。

準則對本集團金融負債沒有任何影響，因為新準則要求只影響按公平價值計入損益的金融負債之計量，本集團沒有任何此類債務受香港財務報告準則第9號的規限。

從二零一八年一月一日起採納的香港財務報告準則第9號所導致的會計政策變化及調整金額於財務報表中確認。根據香港財務報告準則第9號中的過渡性規定：比較資料沒有被重列的需要，因為本集團沒有任何對沖工具。

因此，因新減值規則引起的調整並無於二零一七年十二月三十一日的綜合財務狀況表反映，惟於二零一八年一月一日的綜合財務狀況表期初結餘確認。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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

**3. CHANGES IN ACCOUNTING POLICIES**

*(Continued)*

**(a) HKFRS 9 Financial Instruments** *(Continued)*

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

The Group has trade receivables for sales of products and finance lease receivables that are subject to the new expected credit loss model, and the Group was required to revise its impairment methodology under HKFRS 9 for these receivables.

The Group applies the simplified approach under HKFRS 9 to measure the expected credit losses which uses a lifetime expected loss allowance for all trade receivables and finance lease receivables from initial recognition. To measure the expected credit losses, trade receivables and finance lease receivables have been grouped based on shared credit risk characteristics and the aging days. This resulted in an increase of the loss allowance on 1 January 2018 by HK\$4,192,000 for trade receivables and HK\$2,257,000 for finance lease receivables.

Cash and cash equivalents are also subject to the impairment requirement of HKFRS 9, no impairment loss was identified.

**3. 會計政策變動(續)**

**(a) 香港財務報告準則第9號「金融工具」(續)**

從二零一八年一月一日起，本集團根據前瞻性評估其金融資產相關之預期信貸虧損。採用的減值方法取決於信貸風險是否顯著增加。

本集團已採納香港財務報告準則第9號中，新的預期信貸虧損模式以計算產品銷售所產生的貿易應收款項和應收融資租賃款項，並修改本集團在新準則下對這些應收款項的減值方法。

本集團採用香港財務報告準則第9號的簡化辦法來量化預期的信貸虧損，當所有貿易應收款及應收融資租賃款項在初始確認後信用風險顯著增加，則需要針對應收款項的整體年期以確認預期信用虧損。此外，貿易應收款項及應收融資租賃款項按共同信貸風險特徵和帳齡計算其預期信用虧損。此導致二零一八年一月一日虧損撥備於貿易應收款增加4,192,000港元及於應收融資租賃款值增加2,257,000港元。

現金和現金等值也受香港財務報告準則第9號規範，但沒有減值需要。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

3. CHANGES IN ACCOUNTING POLICIES

(Continued)

(a) HKFRS 9 Financial Instruments (Continued)

**Classification and measurement**

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

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

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

3. 會計政策變動(續)

(a) 香港財務報告準則第9號「金融工具」(續)

**分類及計量**

從二零一八年一月一日起，本集團將其金融資產歸類為以下計量類別：

- 其後按公平價值計入其他全面收益或計入損益；和
- 以攤銷成本計量的。

分類取決於集團管理金融資產的營業模式，以及現金流的合同條款。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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

**3. CHANGES IN ACCOUNTING POLICIES**

(Continued)

**(a) HKFRS 9 Financial Instruments (Continued)**

**Classification and measurement (Continued)**

On 1 January 2018 (the date of initial application of HKFRS 9), the Group's management has assessed which business models apply to the financial assets held by the Group and has classified its financial instruments into the appropriate HKFRS 9 categories.

**3. 會計政策變動(續)**

**(a) 香港財務報告準則第9號「金融工具」(續)**

**分類及計量(續)**

於二零一八年一月一日(香港財務報告準則第9號之初始應用日期)，本集團管理層已評估本集團所持金融資產所應用之業務模式，並已將其金融工具分類為合適的香港財務報告準則第9號類別。

		31 December 2017 as previously reported 二零一七年 十二月三十一日 按先前報告 HK\$'000 千港元	Reclassification (Note A) 重新分類 (附註A) HK\$'000 千港元	1 January 2018 as restated 二零一八年 一月一日 重列 HK\$'000 千港元
<b>Available-for-sale financial assets</b>	<b>可供出售金融資產</b>			
- Unlisted equity investment*	- 未上市權益投資*	-	-	-
<b>Financial assets at fair value through other comprehensive income</b>	<b>按公平價值計入其他全面收益之金融資產</b>			
- Unlisted equity investments#	- 未上市權益投資#	-	-	-

\* Fully impaired as at 31 December 2017

# Fair value of the unlisted equity investments approximates to their carrying value which is a nil balance as at 1 January 2018.

Note:

(A) Reclassification of available-for-sale financial assets to financial assets at fair value through other comprehensive income – unlisted equity investments.

The Group elected to present change in the fair value of its equity investments (previously classified as available-for-sale financial assets) in other comprehensive income as they are long-term and strategic investments that are not expected to be sold in the short to medium term.

\* 於二零一七年十二月三十一日已全數減值

# 於二零一八年一月一日，未上市權益投資之公平價值跟其賬面金額相約，並無餘額。

附註：

(A) 將可供出售金融資產重新分類至按公平價值計入其他全面收益之金融資產—未上市權益投資。

本集團選擇按公平價值之變動於其他全面收益呈列其權益投資(過往分類為可供出售金融資產)，因為此乃長期及策略性投資，預期於中短期內不會出售。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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

**3. CHANGES IN ACCOUNTING POLICIES**

(Continued)

**(b) HKFRS 15 Revenue from Contracts with Customers**

The Group has adopted HKFRS 15 from 1 January 2018, which resulted in changes in accounting policies. In accordance with the transitional provisions in HKFRS 15, the Group has adopted the modified retrospective approach for transition to the new standard. Under this approach, (i) comparative information for prior years is not restated; (ii) the date of the initial application of HKFRS 15 is the first day of the annual reporting period in which the Group first applies the requirement of HKFRS 15, i.e. 1 January 2018; (iii) the Group recognises the cumulative effect of initial application of HKFRS 15 as an adjustment to the opening balance of retained profits in the year of adoption, i.e. as at 1 January 2018; and (iv) the Group elects to apply for the new standard only to sales contracts that are not completed as at 1 January 2018.

Following adjustments were made to the amounts recognised in the consolidated statement of financial position at the date of initial application:

**3. 會計政策變動(續)**

**(b) 香港財務報告準則第15號「來自客戶合約之收益」**

本集團於二零一八年一月一日採納香港財務報告準則第15號，導致會計政策有變動。根據香港財務報告準則第15號的過渡性規定，本集團採用了修正追溯法，作為新準則的過渡。在這追溯方法下，(i)豁免重列比較資料；(ii)首次應用香港財務報告準則第15號的日期是本集團首次適用香港財務報告準則第15號要求之年度報告期的第一天，即二零一八年一月一日；(iii)本集團確認首次應用香港財務報告準則第15號作為調整在二零一八年一月一日之累計影響保留溢利之期初餘額；及(iv)本集團選擇新準則只應用於二零一八年一月一日尚未完成之銷售合約。

本公司已於首次應用日之綜合財務狀況表內已確認的金額作出以下調整：

	<b>HKAS 18</b>		<b>HKFRS 15</b>
	<b>carrying amount</b>		<b>carrying amount</b>
	<b>香港會計準則</b>		<b>香港財務報告準則</b>
	<b>第18號之</b>		<b>第15號之</b>
	<b>賬面值金額</b>		<b>賬面值金額</b>
	<b>31 December</b>		<b>1 January</b>
	<b>2017</b>	<b>Reclassification</b>	<b>2018</b>
	<b>二零一七年</b>	<b>重新分類</b>	<b>二零一八年</b>
	<b>十二月三十一日</b>	<b>HK\$'000</b>	<b>一月一日</b>
	<b>HK\$'000</b>	<b>千港元</b>	<b>HK\$'000</b>
	<b>千港元</b>	<b>千港元</b>	<b>千港元</b>
Trade and other payables	928,635	(68,840)	859,795
Contract liabilities	-	68,840	68,840



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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

**3. CHANGES IN ACCOUNTING POLICIES**

(Continued)

**(b) HKFRS 15 Revenue from Contracts with Customers**  
(Continued)

Disclosure of the estimated impact on the amounts reported in respect of the year ended 31 December 2018 as a result of the adoption of HKFRS 15 on 1 January 2018.

The following tables summarise the estimated impact of adoption of HKFRS 15 on the Group's consolidated financial statements for the year ended 31 December 2018, by comparing the amounts reported under HKFRS 15 in these consolidated financial statements with estimates of the hypothetical amounts that would have been recognised under HKAS 18 if those superseded standards had continued to apply to 2018 instead of HKFRS15. These tables show only those line items impacted by the adoption of HKFRS 15:

**3. 會計政策變動(續)**

**(b) 香港財務報告準則第15號「來自客戶合約之收益」(續)**

於二零一八年一月一日採納香港財務報告準則第15號對截至二零一八年十二月三十一日止年度列報金額的預期影響披露。

下表通過對比綜合財務報表中按照香港財務報告準則第15號報告的金額與以香港會計準則第18號確認的預計假設金額(假設這兩條會計準則將於二零一八年繼續使用,而非香港財務報告準則第15號),匯總了香港財務報告準則第15號的採納對本集團截至二零一八年十二月三十一日止年度綜合財務報表的估計影響。這些表格僅列示因採納香港財務報告準則第15號受影響的項目:

Line items in the consolidated income statement for the year ended 31 December 2018 impacted by the adoption of HKFRS 15:	Amounts reported in accordance with HKFRS 15	Hypothetical amounts under HKAS 18	Difference:
			Estimated impact of adoption of HKFRS 15 on 2018 於2018年估計採用香港財務報告準則第15號差異之影響 (A) - (B)
	按照香港財務報告準則第15號規定之金額 (A)	假設根據香港會計準則第18號規定之金額 (B)	採用香港財務報告準則第15號差異之影響 (A) - (B)
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Revenue	2,682,452	2,683,705	(1,253)
Gross profit	437,158	438,411	(1,253)
Operating profit	76,987	78,240	(1,253)
Profit before tax	108,219	109,472	(1,253)
Taxation	(19,467)	(19,605)	138
Profit for the year	88,752	89,867	(1,115)
Profit attributable to equity shareholders of the Company			
Earnings per share			
- Basic (cents)	9.36	9.49	(0.13)

截至二零一八年十二月三十一日止年度採用香港財務報告準則第15號對綜合收益表有影響之項目:

收入  
毛利  
經營溢利  
除稅前溢利  
稅項  
本年溢利  
本公司股權持有人應佔溢利  
每股盈利  
- 基本 (港仙)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

3. CHANGES IN ACCOUNTING POLICIES

(Continued)

(b) HKFRS 15 Revenue from Contracts with Customers

(Continued)

3. 會計政策變動(續)

(b) 香港財務報告準則第15號「來自客戶合約之收益」(續)

		Amounts reported in accordance with HKFRS 15	Hypothetical amounts under HKAS 18	Difference: Estimated impact of adoption of HKFRS 15 on 2018 於2018年估計 採用香港財務 報告準則第15號 差異之影響 (A) – (B) HK\$'000 千港元
		按照香港財務 報告準則第15號 規定之金額 (A) HK\$'000 千港元	假設根據香港 會計準則第18號 規定之金額 (B) HK\$'000 千港元	(A) – (B) HK\$'000 千港元
Line items in the consolidated statement of comprehensive income for the year ended 31 December 2018 impacted by the adoption of HKFRS 15:	截至二零一八年十二月三十一日止年度採用香港財務報告準則第15號對綜合全面收益表有影響之項目：			
Total comprehensive income for the year	本年全面收益總額	41,501	42,578	(1,077)
Total comprehensive income attributable to the equity shareholders of the Company	本公司股權持有人應佔全面收益總額	32,900	33,956	(1,056)
Line items in the consolidated statement of financial position as at 31 December 2018 impacted by the adoption of HKFRS 15:	於二零一八年十二月三十一日採用香港財務報告準則第15號對綜合財務狀況表有影響之項目：			
Deferred tax assets	遞延稅項資產	26,419	26,285	134
Total non-current assets	總非流動資產	820,488	820,354	134
Trade and other receivables	貿易及其他應收款項	934,171	935,382	(1,211)
Total current assets	總流動資產	1,911,205	1,912,416	(1,211)
Trade and other payables	貿易及其他應付款項	(792,545)	(858,868)	66,323
Contract liabilities	合約負債	(66,323)	-	(66,323)
Total current liabilities	總流動負債	(1,280,921)	(1,280,921)	-
Net assets	淨資產	1,400,285	1,401,362	(1,077)
Reserves	儲備	(557,303)	(558,380)	1,077
Total equity attributable to equity shareholders of the Company	本公司股權持有人應佔權益總值	(1,183,569)	(1,184,625)	1,056
Total equity	權益總值	(1,400,285)	(1,401,362)	1,077

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
 綜合財務報表附註(續)

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

**3. CHANGES IN ACCOUNTING POLICIES**

(Continued)

**(b) HKFRS 15 Revenue from Contracts with Customers**

(Continued)

**3. 會計政策變動(續)**

**(b) 香港財務報告準則第15號「來自客戶合約之收益」(續)**

		Amounts reported in accordance with HKFRS 15	Hypothetical amounts under HKAS 18	Difference: Estimated impact of adoption of HKFRS 15 on 2018
		按照香港財務 報告準則第15號 規定之金額 (A)	假設根據香港 會計準則第18號 規定之金額 (B)	於2018年估計 採用香港財務 報告準則第15號 差異之影響 (A) - (B)
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Line items in the reconciliation of profit before taxation to cash generated from operations for the year ended 31 December 2018 impacted by the adoption of HKFRS 15:	截至二零一八年十二月三十一日採用香港財務報告準則第15號對除稅前溢利由經營活動產生之現金有影響之項目:			
Profit before taxation	除稅前溢利	108,219	109,472	(1,253)
Increase in trade and other receivables	貿易其他應收款項增加	(60,188)	(58,935)	1,253

The significant differences arise as a result of the changes in accounting policies described above.

上述是因會計政策的變化所產生之重大差異。

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

### 3. CHANGES IN ACCOUNTING POLICIES

(Continued)

#### (b) HKFRS 15 Revenue from Contracts with Customers (Continued)

Contract liabilities are recognised when the payment is made or the payment is due (whichever is earlier), if customers pay consideration, or have a right to an amount of consideration that is unconditional, before the Group transfers goods or service to the customer.

As the date of initial application, installation service component not yet provided in the contracts of sales of machinery had been recognised with corresponding adjustment of approximately HK\$760,000 and HK\$48,000 on opening retained profits and non-controlling interests respectively.

As a result, other than certain reclassifications of contract liabilities, the adoption of HKFRS 15 did not result in any material impact to the financial statements as the timing of revenue recognition on sales of products is not changed.

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The assumptions, estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### (i) Estimated impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in note 2(10). The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates and assumptions. Where the expectation is different from the original estimate, such difference will impact the carrying amount of goodwill and the impairment (if any) in the period in which such estimate has been changed.

### 3. 會計政策變動 (續)

#### (b) 香港財務報告準則第15號「來自客戶合約之收益」(續)

倘客戶支付代價或擁有一項無條件權利收取代價，則於本集團向客戶轉讓商品或服務之前，在支付款項或款項到期(以較早者為準)時確認合約負債。

於首次應用日，機械銷售合同內並未列出其安調項目，應確認相關調整分別為760,000港元於期初保留溢利及48,000港元於非控股權益之內。

因此，除對合約負債的若干新分類外，因對產品銷售確認收益的時間不變，故採用香港財務報告準則第15號並無對財務報表產生任何重大影響。

### 4. 重要會計估計及判斷

假設、估計及判斷會不斷按照歷史經驗及其他因素進行評估，包括在各情況下相信是合理之未來事件預測。

#### (i) 商譽減值估計

本集團每年按照附註2(10)所述之會計政策測試商譽是否有任何減值。現金產生單位之可收回金額按使用價值計算而釐定，該等計算須採用若干計量及假設。倘預期金額與原定估計有差異時，則該差額將會影響該估計出現變動期間內之商譽及減值撥備(如有)之賬面值。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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

**4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)**

**(ii) Allowance for impairment of trade receivables and finance lease receivables**

For trade receivables and finance lease receivables, the Group applies the simplified approach to provide for expected credit losses as prescribed by HKFRS 9, which requires the use of the lifetime expected loss allowance for all trade receivables and finance lease receivables. The loss allowances for financial assets 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 history, existing market conditions as well as forward looking estimates at the end of each reporting period. A considerable level of judgement is exercised by the directors when assessing the financial condition and credit worthiness of each customer.

**(iii) Income taxes**

The Group is subject to income taxes mainly in Hong Kong and the Mainland. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. 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 income tax and deferred tax provisions in the period in which such determination is made.

Recognition of deferred tax assets, which principally relate to allowance for doubtful debts and tax losses, depends on the management's expectation of future taxable profits that will be available against which the tax losses can be utilised. The outcome of their actual utilisation may be different.

**4. 重要會計估計及判斷(續)**

**(ii) 貿易應收款項及融資租賃應收款項減值撥備**

就貿易應收款項及應收融資租賃款項而言，本集團應用香港財務報告準則第9號規定的簡化方法就預期信貸虧損計提撥備，該準則允許採用所有貿易應收款項及應收融資租賃款項存續期的預期虧損撥備。金融資產虧損撥備乃基於有關違約風險及預期虧損率之假設作出。於各報告期末，本集團根據其過往歷史、現時市況及前瞻性估計，通過判斷作出該等假設及選擇減值計算之輸入數據。董事於評估各獨立客戶的財務狀況及信譽時需作出一定程度的判斷。

**(iii) 所得稅**

本集團須繳納香港及中國內地之所得稅。釐定所得稅之撥備須作出審慎判斷。於日常業務過程中，本集團用作釐定最終稅項之多項交易及計算方法並不確定。本集團根據預期稅務審查所引致的附加稅務確認為負債。倘該最終稅項結果與初步錄得之款額不同，則有關差額將影響釐定期間之所得稅及遞延稅項撥備。

遞延稅項資產的確認主要涉及呆壞賬撥備及稅項虧損，並取決定於管理層對可用於抵銷可動用稅項虧損之日後須課稅溢利之預期。該等實際利用之結果或有不同。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

**4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)**

**(iv) Provision for inventories**

The Group reviews the carrying amounts of inventories at the end of each reporting period to determine whether the inventories are carried at lower of cost and net realisable value in accordance with the accounting policy set out in note 2(14). The directors estimate the net realisable value based on the current market situation and historical experience on similar inventories. Any change in the assumptions would increase or decrease the amount of inventories write-down or the related reversals of write-down and affect the Group's net asset value.

**(v) Provision for restructuring costs**

The Group made the provision for restructuring costs amounting to HK\$52,956,000 based on assessment of restructuring plan of the Group for the year ended 31 December 2017. The restructuring plan aims at reducing cost and enhancing operational efficiency. The balance of the respective provision was HK\$30,238,000 as at 31 December 2018 in accordance with HKAS 37, based on the estimation and judgement made by management on the restructuring provision assessment.

**4. 重要會計估計及判斷(續)**

**(iv) 存貨撥備**

本集團在每一結算日均評估存貨之賬面值，以確定有關存貨是否按照附註2(14)所述會計政策以成本及可變現值兩者中較低數額入賬。董事們根據類似存貨之現行市況及過往經驗估計可變現價值淨額。任何假設之改增變將增加或減少存貨撇減值或撇減之相應回撥，並因此影響本集團之資產價值淨額。

**(v) 重組費用撥備**

本集團根據本集團重組計劃評估於截至2017年12月31日止年度撥備重組費用52,956,000港元。重組計劃旨在降低成本和提高運營效率。根據香港會計準則第37號，於二零一八年十二月三十一日，基於管理層為重組撥備作出估計及判斷，有關重組費用撥備結餘為30,238,000港元。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
 綜合財務報表附註(續)

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

**5. REVENUE AND SEGMENT REPORTING**

**(a) Revenue**

Revenue, which is also the Group's turnover, represents the amounts received and receivable for goods sold to customers, less returns and discounts and interest income from finance lease receivables during the year. An analysis of revenue is as follows:

<b>Revenue</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>
Sales of goods	收入 產品銷售	<b>2,645,710</b>	2,420,204
Installation services for machinery	機械安裝服務	<b>4,594</b>	–
Revenue from contracts with customers	來自客戶合約之收益	<b>2,650,304</b>	2,420,204
Finance lease income	融資租賃收入	<b>32,148</b>	26,644
Total revenue	總收入	<b>2,682,452</b>	2,446,848

**Disaggregation of revenue**

Disaggregation of revenue from contracts with customers by major products is as follows:

		<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>
Trading of industrial consumables	工業消耗品貿易	<b>380,108</b>	346,582
Sales of plastic processing products	注塑製品及加工銷售	<b>509,479</b>	388,857
Sales of machinery	機械銷售	<b>897,297</b>	896,153
Sales of printed circuit boards	印刷線路板銷售	<b>858,826</b>	788,612
Installation services for machinery	機械安裝服務	<b>4,594</b>	–
		<b>2,650,304</b>	2,420,204

The timing of revenue recognition of all revenue from contracts with customers is at a point in time.

**5. 收入及分部報告**

**(a) 收入**

收入，亦即本集團之銷售額，指年內本集團向集團以外客戶銷售貨品減退貨及折扣後之已收及應收款項及應收融資租賃款項產生之利息收入。本集團之收入分析如下：

**收入分類**

主要收入來自客戶合約之收益分類如下：

所有來自客戶合約之收益的收入確認時間在某一時時間點。

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

## 5. REVENUE AND SEGMENT REPORTING

(Continued)

### (b) Segment Reporting

The Group manages its business by a mixture of both business lines and geographical location. In a manner consistent with the way in which information is reported internally to the Group's top management for the purposes of assessing segment performance and allocating resources between segments, the Group has identified, on a product basis, the following four reportable segments.

- (1) trading of industrial consumables;
- (2) manufacturing of plastic processing products;
- (3) manufacturing of machinery; and
- (4) processing and trading of printed circuit boards.

#### **Segment results, assets and liabilities**

For the purposes of assessing segment performance and allocating resources between segments, the Group's top executive management monitors the results, assets and liabilities attributable to each reportable segment on the following basis:

Segment revenue, expenses, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment. For example, segment assets may include inventories, trade receivables and property, plant and equipment. Segment revenue, expenses, assets, and liabilities are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between group entities within a single segment. Inter-segment pricing is based on similar terms as those available to other external parties.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one period.

Unallocated items mainly comprise financial and corporate assets and corporate expenses.

## 5. 收入及分部報告 (續)

### (b) 分部報告

本集團按其業務及地理位置來管理業務。為使分部資料之呈報方式與提供予集團高級管理層供其評估分部之表現及分配資源內部報告更一致，本集團根據產品基準，已識別以下四項呈報分類。

- (1) 工業消耗品貿易；
- (2) 注塑製品及加工；
- (3) 機械製造；及
- (4) 印刷線路板加工及貿易。

#### **分部業績、資產及負債**

在評估分部表現及分配部間資源時，集團的高級行政管理層根據以下基準監控可歸屬每一可匯報分部之業績、資產及負債：

分部收入、支出、業績、資產及負債包括一個分部直接應佔之項目，以及可按合理基準向有關分部分配之項目。例如，分部資產可包括存貨、應收貿易賬款及物業、廠房及設備。分部收益、支出、資產及負債在集團內公司間結餘及集團內公司間交易互相對銷（此乃綜合賬目過程之一部份）前釐定，惟倘此等集團內公司間結餘及交易乃在本集團間某單一分部內產生者，則作別論。分部間之定價乃以類似其他外界人士提供之條款為基礎。

分部資本開支乃購入且預期可使用一個期間以上之分部資產所產生之總成本。

未分配項目主要包括金融及企業資產及企業費用。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

5. REVENUE AND SEGMENT REPORTING

(Continued)

(b) Segment Reporting (Continued)

Segment results, assets and liabilities (Continued)

The segment results for the year ended 31 December 2018 are as follows:

		Industrial consumables	Plastic processing products	Machinery	Printed circuit boards	Other operations	Eliminations	Consolidated
		工業消耗品	注塑製品及加工	機械	印刷線路板	其他營運	撇銷	綜合
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
<b>REVENUE</b>	<b>收入</b>							
External sales	對外銷售	380,108	509,479	901,891	858,826	32,148	-	2,682,452
Inter-segment sales (Note)	分部間銷售(附註)	19,174	214	3,257	-	-	(22,645)	-
Total revenue	總收入	399,282	509,693	905,148	858,826	32,148	(22,645)	2,682,452
<b>Segment results</b>	<b>分部業績</b>	<b>2,988</b>	<b>33,173</b>	<b>30,142</b>	<b>28,493</b>	<b>20,307</b>	<b>-</b>	<b>115,103</b>
Unallocated corporate expenses	未可分配之企業費用							(38,116)
Operating profit	經營溢利							76,987
Finance costs	財務費用							(21,856)
Investment income	投資收入							4,938
Share of results of associates	應佔聯營公司業績							1,658
Gain on disposal of a subsidiary	出售一間附屬公司之盈利							44,588
Gain on deregistration of a subsidiary	註銷一間附屬公司之盈利							1,904
Profit before tax	除稅前溢利							108,219
Taxation	稅項							(19,467)
Profit for the year	本年溢利							88,752

Note:

Inter-segment sales are determined at prevailing market rates.

5. 收入及分部報告(續)

(b) 分部報告(續)

分部業績、資產及負債(續)

截至二零一八年十二月三十一日止年度之分部業績如下:

附註:

分部間銷售按現行市場價格釐定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

5. REVENUE AND SEGMENT REPORTING

(Continued)

(b) Segment Reporting (Continued)

Segment results, assets and liabilities (Continued)

The segment assets and liabilities as at 31 December 2018 are as follows:

5. 收入及分部報告 (續)

(b) 分部報告 (續)

分部業績·資產及負債 (續)

於二零一八年十二月三十一日之分  
部資產及負債如下:

		Industrial consumables 工業消耗品 HK\$'000 千港元	Plastic processing products 注塑製品及加工 HK\$'000 千港元	Machinery 機械 HK\$'000 千港元	Printed circuit boards 印刷線路板 HK\$'000 千港元	Other operations 其他營運 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
<b>ASSETS</b>	<b>資產</b>						
Segment assets	分部資產	243,994	380,061	1,004,837	561,376	402,910	2,593,178
Interests in associates	聯營公司權益						31,139
Unallocated corporate assets	未可分配之企業資產						107,376
Consolidated total assets	綜合資產總值						2,731,693
<b>LIABILITIES</b>	<b>負債</b>						
Segment liabilities	分部負債	55,695	156,608	463,458	200,024	36,725	912,510
Current tax payable	本期應付稅項						5,732
Borrowings	借款						384,238
Unallocated corporate liabilities	未可分配之企業負債						28,928
Consolidated total liabilities	綜合負債總值						1,331,408
<b>OTHER INFORMATION</b>	<b>其他資料</b>						
Capital additions	資本增加	1,742	29,973	11,381	7,937	1,193	52,226
Depreciation and amortisation	折舊及攤銷	2,069	15,629	22,699	26,194	5,539	72,130
(Reversal of allowance)/allowance for impairment of bad and doubtful debts	呆壞賬減值(回撥)/撥備	(10)	194	(2,691)	(2,146)	(4,985)	(9,638)
Other non-cash expenses	其他非現金費用	7,869	46	5,286	-	-	13,201
Restructuring provision reversed	重組撥備回撥	-	-	(19,612)	-	-	(19,612)
Share of results of associates	應佔聯營公司業績	-	-	2,348	-	(690)	1,658
Interest income	利息收入	171	857	1,113	75	1,387	3,603
Finance costs	財務費用	373	5,077	10,461	986	4,959	21,856
Taxation	稅項	5,127	5,006	2,039	3,350	3,945	19,467

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
 綜合財務報表附註(續)

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

**5. REVENUE AND SEGMENT REPORTING**

(Continued)

**(b) Segment Reporting (Continued)**

**Segment results, assets and liabilities (Continued)**

The segment results for the year ended 31 December 2017 are as follows:

		Industrial consumables	Plastic processing products 注塑製品 及加工	Machinery	Printed circuit boards	Other operations	Eliminations	Consolidated
		工業消耗品 HK\$'000 千港元	HK\$'000 千港元	機械 HK\$'000 千港元	印刷線路板 HK\$'000 千港元	其他營運 HK\$'000 千港元	撇銷 HK\$'000 千港元	綜合 HK\$'000 千港元
<b>REVENUE</b>	<b>收入</b>							
External sales	對外銷售	346,582	388,857	896,153	788,612	26,644	-	2,446,848
Inter-segment sales (Note)	分部間銷售(附註)	22,310	934	6,724	-	-	(29,968)	-
<b>Total revenue</b>	<b>總收入</b>	<b>368,892</b>	<b>389,791</b>	<b>902,877</b>	<b>788,612</b>	<b>26,644</b>	<b>(29,968)</b>	<b>2,446,848</b>
<b>Segment results</b>	<b>分部業績</b>	<b>16,154</b>	<b>(14,495)</b>	<b>52,423</b>	<b>17,866</b>	<b>7,776</b>	<b>-</b>	<b>79,724</b>
Unallocated corporate expenses	未可分配之企業費用							(16,375)
Operating profit	經營溢利							63,349
Finance costs	財務費用							(20,483)
Investment income	投資收入							3,736
Share of results of associates	應佔聯營公司業績							3,324
Profit before tax	除稅前溢利							49,926
Taxation	稅項							(6,076)
Profit for the year	本年溢利							43,850

Note:

Inter-segment sales are determined at prevailing market rates.

**5. 收入及分部報告(續)**

**(b) 分部報告(續)**

**分部業績·資產及負債(續)**

截至二零一七年十二月三十一日止年度之分部業績如下:

附註:

分部間銷售按現行市場價格釐定。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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

**5. REVENUE AND SEGMENT REPORTING**

(Continued)

**(b) Segment Reporting (Continued)**

**Segment results, assets and liabilities (Continued)**

The segment assets and liabilities as at 31 December 2017 are as follows:

		Industrial consumables 工業消耗品 HK\$'000 千港元	Plastic processing products 及加工 HK\$'000 千港元	Machinery 機械 HK\$'000 千港元	Printed circuit boards 印刷線路板 HK\$'000 千港元	Other operations 其他營運 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
<b>ASSETS</b>	<b>資產</b>						
Segment assets	分部資產	259,191	342,910	1,074,152	566,900	429,976	2,673,129
Interests in associates	聯營公司權益						32,369
Unallocated corporate assets	未可分配之企業資產						65,161
Consolidated total assets	綜合資產總值						2,770,659
<b>LIABILITIES</b>	<b>負債</b>						
Segment liabilities	分部負債	58,056	150,392	531,290	224,493	23,964	988,195
Current tax payable	本期應付稅項						7,622
Borrowings	借款						428,419
Unallocated corporate liabilities	未可分配之企業負債						54,284
Consolidated total liabilities	綜合負債總值						1,478,520
<b>OTHER INFORMATION</b>	<b>其他資料</b>						
Capital additions	資本增加	840	12,968	7,964	34,131	2,469	58,372
Depreciation and amortisation	折舊及攤銷	1,841	11,216	21,899	26,724	4,784	66,464
Allowance for impairment of bad and doubtful debts	呆壞賬減值撥備	(820)	(1,359)	1,228	799	6,227	6,075
Other non-cash expenses	其他非現金費用	509	(1,619)	3,510	-	-	2,400
Restructuring provision reversed	重組撥備回撥	-	-	(31,101)	-	-	(31,101)
Share of results of associates	應佔聯營公司業績	-	-	2,425	-	899	3,324
Interest income	利息收入	826	1,065	642	216	770	3,519
Finance costs	財務費用	983	6,303	8,467	586	4,144	20,483
Taxation	稅項	3,887	(260)	(6,725)	5,144	4,030	6,076

**5. 收入及分部報告 (續)**

**(b) 分部報告 (續)**

**分部業績·資產及負債 (續)**

於二零一七年十二月三十一日之分部資產及負債如下:

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
 綜合財務報表附註(續)

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

**5. REVENUE AND SEGMENT REPORTING**

(Continued)

**(b) Segment Reporting (Continued)**

**Geographical information**

The Group's operations are located in Hong Kong, other regions in Mainland, other Asia-Pacific countries, North America and Europe. The Group's trading of industrial consumables division is located in Hong Kong and Mainland. The manufacturing of plastic processing products, machinery and printed circuit boards divisions are located in Mainland.

The following table provides an analysis of the Group's sales by geographical market:

Hong Kong	香港
Mainland	內地
Other Asia-Pacific countries	其他亞太國家
North America	北美洲
Europe	歐洲

**5. 收入及分部報告(續)**

**(b) 分部報告(續)**

**地區資料**

本集團的業務位於香港、內地、其他亞太國家、北美洲及歐洲。本集團之工業消耗品貿易類別位於香港及中國內地。注塑製品及加工、機械及印刷線路板等製造業類別均位於內地。

下列載列本集團銷售收入按地區市場之分析：

**Sales revenue by geographical market**  
 按地區市場劃分之銷售收入

<b>2018</b>	2017
二零一八年	二零一七年
<b>HK\$'000</b>	HK\$'000
千港元	千港元
<b>605,023</b>	586,964
<b>1,795,177</b>	1,639,852
<b>201,449</b>	155,700
<b>10,066</b>	14,526
<b>70,737</b>	49,806
<b>2,682,452</b>	2,446,848

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

5. REVENUE AND SEGMENT REPORTING

(Continued)

(b) Segment Reporting (Continued)

**Geographical information (Continued)**

The following is an analysis of the Group's fixed assets, goodwill and intangible assets ("specified non-current assets"), and additions to property, plant and equipment, analysed by the geographical area in which the assets are located:

		Specified Non-current assets 指定非流動資產		Additions to property, plant and equipment 物業、廠房及設備之增添	
		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
Hong Kong	香港	196,967	200,873	2,508	494
Mainland	內地	521,512	548,644	49,718	57,878
		<b>718,479</b>	749,517	<b>52,226</b>	58,372

**Information about major customers**

No customer of the Group has individually accounted for over 10% of the Group's total revenue during the year (2017: Nil) and no information about major customers is presented accordingly.

**主要客戶的資料**

本集團概無個別客戶佔本集團年內收入總額10%(二零一七年:無),故並無呈列主要客戶資料。

5. 收入及分部報告 (續)

(b) 分部報告 (續)

**地區資料 (續)**

本集團的固定資產、商譽及無形資產(指定非流動資產)及物業、廠房及設備之增添按地區之分析如下:

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
 綜合財務報表附註(續)

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

**6. OTHER INCOME AND GAINS, NET**

**6. 其他收入及收益淨額**

		Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Other income</b>	<b>其他收入</b>			
Unused provision for restructuring reversed	回撥未動用的重組撥備	29	19,612	31,101
Gross rental income from properties and equipment	物業及設備之租金收益		2,566	1,319
Handling, tooling and sales of scrapped materials	處理、工裝及廢料銷售		4,429	5,533
Government grants	政府補貼		11,230	7,154
Sundry income	其他收入		8,118	12,136
			<b>45,955</b>	57,243
<b>Gains/(loss), net</b>	<b>收益/(虧損)淨額</b>			
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之盈利		446	57
Exchange (loss)/gain, net	滙兌(虧損)/盈利淨額		(1,199)	713
Gain on disposal of available-for-sale financial assets	出售可供出售金融資產之盈利		-	3,389
Loss and damage from typhoon, net of insurance recovery*	風災損失·扣除保險賠償*		-	(17,562)
			<b>(753)</b>	(13,403)
			<b>45,202</b>	43,840

\* This amount represented the loss incurred for the fixed assets scrapped, inventories damaged, other operating overheads for major relevant repairs, etc. net of insurance claims as a result of the typhoon damage to the production plant in Zhuhai in 2017.

\* 此金額代表於二零一七年度內因颱風對珠海廠房造成之破壞損失，其中包括固定資產損耗，存貨損壞以及有關重大維修之其他開支等，減去保險賠償之淨額。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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

**7. FINANCE COSTS**

**7. 財務費用**

		<b>2018</b> 二零一八年 <i>HK\$'000</i> 千港元	2017 二零一七年 <i>HK\$'000</i> 千港元
Interest on:	由下列借貸產生的利息:		
Bank borrowings wholly repayable within 5 years	須於五年內償還之 銀行借款	<b>21,650</b>	20,301
Finance leases	融資租賃	<b>206</b>	182
<hr/>			
Total interest expense on financial liabilities not at fair value through profit or loss	並非按公平價值計量通過 損益之金融負債之 總利息支出	<b>21,856</b>	20,483

**8. INVESTMENT INCOME**

**8. 投資收入**

		<b>2018</b> 二零一八年 <i>HK\$'000</i> 千港元	2017 二零一七年 <i>HK\$'000</i> 千港元
Bank interest income	銀行利息收入	<b>3,603</b>	3,519
<hr/>			
Total interest income on financial assets not at fair value through profit or loss	並非按公平價值計量通過 損益之金融資產之 總利息收入	<b>3,603</b>	3,519
Realised gain on other financial assets	其他金融資產之已變現盈利	<b>1,294</b>	217
Unrealised gain on other financial assets	其他金融資產之未變現盈利	<b>41</b>	-
<hr/>			
		<b>4,938</b>	3,736



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
 綜合財務報表附註(續)

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

**9. PROFIT BEFORE TAX**

Profit before tax has been arrived at after charging/  
 (crediting) the following:

**9. 除稅前溢利**

除稅前溢利已扣除／(計入)下列各項：

		<b>2018</b> 二零一八年 <b>HK\$'000</b> 千港元	2017 二零一七年 <b>HK\$'000</b> 千港元
Staff costs (including directors' emoluments)	員工成本(包括董事酬金)		
– Salaries and other benefits	– 薪金及其他福利	<b>401,547</b>	360,756
– Retirement benefits scheme contributions	– 退休福利計劃供款	<b>40,365</b>	35,482
<b>Total staff costs</b>	<b>總員工成本</b>	<b>441,912</b>	396,238
(Reversal of allowance)/allowances for impairment of bad and doubtful debts	呆壞賬減值(回撥)／撥備	<b>(9,638)</b>	6,075
Auditors' remuneration	核數師酬金		
– Group auditor	– 集團核數師	<b>2,480</b>	2,380
Surplus on revaluation of properties held for own use	自用物業重估盈餘	<b>(915)</b>	(179)
Depreciation and amortisation on:	折舊及攤銷:		
– Owned assets	– 自置資產	<b>65,440</b>	60,878
– Assets held under finance leases	– 融資租賃資產	<b>976</b>	410
– Leasehold land held for own use under finance leases	– 根據融資租賃持有之租賃土地	<b>2,980</b>	2,414
– Leasehold land and land use rights	– 租賃土地及土地使用權	<b>1,350</b>	1,379
– Intangible assets	– 無形資產	<b>1,384</b>	1,383
Research and development expenditure	研發費用	<b>17,018</b>	12,225
Exchange loss/(gain), net	滙兌虧損／(盈利)淨額	<b>1,199</b>	(713)
Operating lease payments	經營租賃付款—土地及樓宇		
– Land and buildings		<b>21,854</b>	21,890

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

10. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

(a) Directors' emoluments

Directors' emoluments disclosed pursuant to the Listing Rules and section 383(1) of the Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

10. 董事及僱員酬金

(a) 董事酬金

根據聯交所上市規則及《公司條例》第383(1)條，和第二分部之公司（關於董事利益的資料披露）規例，董事酬金披露如下：

Name of Directors 董事姓名		2018 二零一八年			Total 總計
		Directors' fees 董事袍金 HK\$'000 千港元	Salaries and allowances 薪金及津貼 HK\$'000 千港元	Retirement benefits scheme contributions 退休計劃供款 HK\$'000 千港元	
<b>Executive Directors 執行董事</b>					
Mr. Tang To	鄧燾先生	195	2,538	109	2,842
Mr. Wong Yiu Ming	黃耀明先生	260	9,583	311	10,154
Mr. Tang Yu, Freeman	鄧愚先生	–	4,427	18	4,445
Mr. Mei Zheqi (note)	梅哲騏先生(註)	–	551	5	556
<b>Non-Executive Directors 非執行董事</b>					
Mr. Kan Wai Wah	簡衛華先生	60	–	–	60
Mr. Ho Wei Sem	何偉森先生	–	–	–	–
<b>Independent non-executive Directors 獨立非執行董事</b>					
Ms. Yeung Shuk Fan	楊淑芬女士	168	–	–	168
Mr. Cheng Tak Yin	鄭達賢先生	60	–	–	60
Mr. Qu Jinping	瞿金平先生	–	–	–	–
Mr. Huang Zhi Wei	黃志煒先生	–	–	–	–
Total	總計	743	17,099	443	18,285

Note

Mr. Mei Zheqi has been appointed as an executive director with effect from 28 August 2018.

註

梅哲騏先生獲委任為執行董事，自二零一八年八月二十八日生效。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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

**10. DIRECTORS' AND EMPLOYEES' EMOLUMENTS**

*(Continued)*

**(a) Directors' emoluments** *(Continued)*

During the year, Mr. Ho Wei Sem, Mr. Qu Jinping and Mr. Huang Zhi Wei declined to receive emoluments voluntarily.

The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Group (including the Company). The non-executive directors' emoluments shown above were for their services as directors of the Company or its subsidiaries. The independent non-executive directors' emoluments shown above were mainly for their services as directors of the Company.

During the year, no emolument was paid by the Group to any of the directors of the Company as inducement to join or upon joining the Group or as compensation for loss of office.

**10. 董事及僱員酬金 (續)**

**(a) 董事酬金 (續)**

何偉森先生、瞿金平先生及黃志偉先生於年內自願放棄收取其酬金。

上述執行董事酬金就彼等提供與管理本公司及本集團事務相關之服務而支付。上述非執行董事酬金就彼等作為本公司或其附屬公司之董事提供服務而支付。上述獨立非執行董事酬金主要就彼等作為本公司董事提供服務而支付。

於本年度，本集團概無向任何本公司董事支付酬金，以作為吸引彼等加入或於加入本集團時之獎金或作為離職補償。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

10. DIRECTORS' AND EMPLOYEES' EMOLUMENTS 10. 董事及僱員酬金(續)

(Continued)

(a) Directors' emoluments (Continued)

(a) 董事酬金(續)

Name of Directors 董事姓名	Directors' fees 董事袍金 HK\$'000 千港元	2017 二零一七年			Total 總計 HK\$'000 千港元
		Salaries and allowances 薪金及津貼 HK\$'000 千港元	Retirement benefits contributions 退休計劃供款 HK\$'000 千港元	Retirement benefits scheme	
<b>Executive Directors 執行董事</b>					
Mr. Tang To 鄧燾先生	725	1,124	108		1,957
Mr. Wong Yiu Ming 黃耀明先生	1,372	3,399	274		5,045
Mr. Tang Yu, Freeman 鄧愚先生	579	1,625	18		2,222
<b>Non-Executive Directors 非執行董事</b>					
Mr. Kan Wai Wah 簡衛華先生	60	–	–		60
Mr. Ho Wei Sem 何偉森先生	–	–	–		–
<b>Independent non-executive Directors 獨立非執行董事</b>					
Ms. Yeung Shuk Fan 楊淑芬女士	168	–	–		168
Mr. Cheng Tak Yin 鄭達賢先生	60	–	–		60
Mr. Qu Jinping 瞿金平先生	–	–	–		–
Mr. Huang Zhi Wei 黃志煒先生	–	–	–		–
<b>Total 總計</b>	<b>2,964</b>	<b>6,148</b>	<b>400</b>		<b>9,512</b>

There was no arrangement under which a director waived or agreed to waive any emoluments during the year.

本年內並無董事放棄或同意放棄任何酬金之安排。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
 綜合財務報表附註(續)

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

**10. DIRECTORS' AND EMPLOYEES' EMOLUMENTS**

(Continued)

**(b) Employees' emoluments**

Of the five individuals with the highest emoluments in the Group, three are currently directors of the Company. The emoluments of the remaining two individuals, who are also senior management of the Group, 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
Salaries and other benefits	薪金及其他福利	7,267	4,103
Retirement benefits scheme contributions	退休福利計劃供款	146	106
		<b>7,413</b>	<b>4,209</b>

The emoluments of the two individuals for the entire year were within the following bands:

		Number of employees 員工數目	
		2018 二零一八年	2017 二零一七年
HK\$1,000,001 to HK\$2,000,000	1,000,001港元至2,000,000港元	-	1
HK\$2,000,001 to HK\$3,000,000	2,000,001港元至3,000,000港元	1	1
HK\$4,000,001 to HK\$5,000,000	4,000,001港元至5,000,000港元	1	-
		<b>2</b>	<b>2</b>

No emoluments were paid by the Group to any of the Directors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office during the years ended 31 December 2018 and 2017.

**10. 董事及僱員酬金 (續)**

**(b) 僱員酬金**

本集團五名最高酬金個別人士，其中三名現為本公司董事，餘下兩名人士（亦為本集團高級管理層）的酬金如下：

兩名人士全年總薪酬範圍如下：

截至二零一八年十二月三十一日及二零一七年十二月三十一日止年度，本集團並無向任何董事或五名最高薪酬人士支付任何酬金，以作為彼等於年內加入或加入本集團後之獎勵或離職補償。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

## 11. TAXATION

In March 2018, the Hong Kong Government introduced a two-tiered profits tax rate regime by enacting the Inland Revenue (Amendment) (No.3) Ordinance 2018 (the "Ordinance"). Under the two-tiered profits tax rate regime, the first HK\$2 million of assessable profits of qualifying corporations is taxed at 8.25% and the remaining assessable profits at 16.5%. The Ordinance is effective from the year of assessment 2018-2019.

Accordingly, the provision for Hong Kong Profits Tax for the year ended 31 December 2018 is calculated in accordance with the two-tiered profits tax regime (2017: a single tax rate of 16.5% was applied). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

## 11. 稅項

二零一八年三月，香港政府通過「2018年稅務(修訂)(第3號)條例」(「修訂條例」)，引入利得稅兩級制。根據利得稅兩級制，合資格公司的首二百萬港元應評稅利潤的稅率為8.25%，而餘下的應評稅利潤則為16.5%。該修訂條例自二零一八至二零一九課稅年度起生效。

因此，截至二零一八年十二月三十一日止年度的香港利得稅撥備乃根據利得稅兩級制計算(二零一七年：應用單一稅率16.5%)。其他地區應課稅溢利之稅項乃根據本集團經營所在司法權區之現行法例、詮釋及慣例計算稅率。

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Current tax</b>	<b>本期稅項</b>		
Hong Kong profits tax	香港利得稅		
Current year	本年度	1,601	1,381
Over-provision in prior years	往年度多提	(105)	(59)
		<b>1,496</b>	1,322
<b>Overseas tax</b>	<b>海外稅項</b>		
Current year	本年度	20,203	10,996
(Over-provision)/under-provision in prior years	往年度(多提)/少提	(3,442)	1,390
		<b>16,761</b>	12,386
<b>Deferred tax</b>	<b>遞延稅項</b>		
Deferred taxation relating to the origination and (reversal) of temporary differences (note 23)	因暫時差異產生及(逆轉)之 遞延稅項(附註23)	1,210	(7,632)
		<b>19,467</b>	6,076

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
 綜合財務報表附註(續)

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

**11. TAXATION (Continued)**

The taxation on the Group's profit before taxation differs from the theoretical amount that would arise using the domestic taxation rates applicable to profits of the consolidated companies as follows:

**11. 稅項 (續)**

本集團除稅前溢利與以適用於綜合公司溢利之本地稅率所產生之理論性金額差異如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Profit before tax	除稅前溢利	108,219	49,926
Tax calculated at the domestic income tax rate of 16.5% (2017: 16.5%)	以本地所得稅率16.5% (二零一七年: 16.5%) 計算	17,856	8,238
Tax effect of share of results of associates	應佔聯營公司業績對稅項之影響	(273)	(548)
Tax effect of expenses that are not deductible in determining taxable profit	評定應課稅溢利時不可扣減的開支對稅項之影響	8,040	6,146
Tax effect of income that is not taxable in determining taxable profit	評定應課稅溢利時無須繳稅的收入對稅項之影響	(4,756)	(2,345)
Under-provision/(Over-provision) of current tax in current year, net	本年度本期稅項撥備少提/(多提)淨額	67	(105)
(Over-provision)/Under-provision of current tax in prior years, net	過往年度本期稅項撥備(多提)/少提淨額	(3,547)	1,331
Tax effect of utilisation of deductible temporary differences not previously recognised	使用過往未確認之可扣減暫時性差異稅項之影響	(1,599)	(4,540)
Tax effect of temporary differences/tax losses not recognised	未確認之暫時性差異/稅項虧損對稅務之影響	5,143	2,526
Tax effect of utilisation of tax losses not previously recognised	使用過往未確認之稅項虧損之影響	(4,041)	(6,121)
Effect of different tax rates of subsidiaries operating in other jurisdictions	在其他司法權區經營之附屬公司稅率差異之影響	2,577	1,494
		<b>19,467</b>	<b>6,076</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

## 12. EARNINGS PER SHARE

The calculation of basic earnings per ordinary share is based on the Group's profit attributable to equity shareholders of the Company divided by the weighted average number of ordinary shares in issue during the year.

## 12. 每股盈利

本年度每股普通股基本盈利乃按本年度本公司股權持有人應佔集團溢利及年度內已發行普通股股份加權平均數計算。

		2018 二零一八年	2017 二零一七年
Weighted average number of ordinary shares in issue during the year	以加權平均數計算之 本年度已發行普通股股份	<b>791,218,363</b>	716,930,692
		<b>HK\$'000</b> 千港元	HK\$'000 千港元
Profit attributable to the equity shareholders of the Company	本公司股權持有人之 應佔溢利	<b>74,052</b>	27,284
		<b>HK cents</b> 港仙	HK cents 港仙
Basic earnings per share	每股基本盈利	<b>9.36</b>	3.80

No diluted earnings per share is presented as there were no potential ordinary shares in issue for both years.

由於兩個年度內並無潛在需發行之普通股，因此並無呈列每股攤薄後之盈利。



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
 綜合財務報表附註(續)

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

**13. OTHER COMPREHENSIVE (EXPENSE)/INCOME FOR THE YEAR, NET OF TAX**

Tax effects relating to each component of other comprehensive (expense)/income are as follows:

**13. 本年扣除稅項後之其他全面(支出)/收益**

有關其他全面(支出)/收益各組成部份之稅務影響如下:

	2018 二零一八年			2017 二零一七年		
	Before tax amount 除稅前金額 HK\$'000 千港元	Tax expenses 稅項費用 HK\$'000 千港元	Net-of-tax amount 扣除稅項金額 HK\$'000 千港元	Before tax amount 除稅前金額 HK\$'000 千港元	Tax expenses 稅項費用 HK\$'000 千港元	Net-of-tax amount 扣除稅項金額 HK\$'000 千港元
Change in fair value of available-for-sale financial asset 可供出售金融資產之公平價值變動	-	-	-	(129)	-	(129)
Share of other comprehensive (expense)/income of associates 應佔聯營公司其他全面(支出)/收益	(1,031)	-	(1,031)	1,956	-	1,956
Surplus on revaluation of properties held for own use 自用物業重估盈餘	14,302	(2,817)	11,485	25,341	(4,101)	21,240
Exchange differences arising from translation of financial statements of foreign operations 換算海外業務報表時產生之滙兌差額	(56,348)	-	(56,348)	74,040	-	74,040
Reclassification adjustments: 出售一間附屬公司時從滙兌儲備撥出	547	-	547	-	-	-
Release of translation reserve upon deregistration of a subsidiary 註銷一間附屬公司時從滙兌儲備撥出	(1,904)	-	(1,904)	-	-	-
Release of fair value reserve upon disposal of available-for-sale financial asset 出售可供出售金融資產時從公平價值儲備撥出	-	-	-	(930)	-	(930)
	<b>(44,434)</b>	<b>(2,817)</b>	<b>(47,251)</b>	100,278	(4,101)	96,177

**14. DIVIDEND**

**14. 股息**

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Proposed final dividend of HK\$0.02 per share (2017: Nil) 建議末期股息每股2港仙 (二零一七年:無)	<b>17,239</b>	-

The proposed final dividend for the year ended 31 December 2018 is subject to the approval of the Company's shareholders at the forthcoming annual general meeting and has not been recognised as a liability at the end of the reporting period.

截至二零一八年十二月三十一日止年度建議末期股息需待即將舉行的股東周年大會上批准後方告作實及並無於結算日確認為負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

15. PROPERTY, PLANT AND EQUIPMENT

15. 物業、廠房及設備

		Leasehold land held for own use under finance leases 按融資租賃 持有之自用 租賃土地 HK\$'000 千港元	Buildings held for own use 自用樓宇 HK\$'000 千港元	Furniture, fixtures and equipment 傢俬、裝置 及設備 HK\$'000 千港元	Plant and machinery 廠房及機器 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Assets under construction 在建工程 HK\$'000 千港元	Total 總值 HK\$'000 千港元
<b>COST OR VALUATION</b>	<b>成本或估值</b>							
At 1 January 2017	於二零一七年一月一日	75,650	331,167	186,402	617,232	32,535	-	1,242,986
Exchange realignment	滙兌調整	-	19,578	9,562	33,437	1,564	-	64,141
Additions	添置	-	378	10,150	45,250	2,243	351	58,372
Transfer to assets of disposal group classified as held for sale (note 36)	轉至分類為持作出售之 出售組別資產(附註36)	-	(20,218)	-	-	-	-	(20,218)
Disposals	出售	-	-	(3,460)	(30,018)	(3,561)	-	(37,039)
Adjustment on revaluation	重估調整	16,420	(5,504)	-	-	-	-	10,916
<b>At 31 December 2017 and 1 January 2018</b>	<b>於二零一七年十二月三十一日 及二零一八年一月一日</b>	<b>92,070</b>	<b>325,401</b>	<b>202,654</b>	<b>665,901</b>	<b>32,781</b>	<b>351</b>	<b>1,319,158</b>
Exchange realignment	滙兌調整	-	(13,928)	(7,313)	(22,955)	(1,075)	(268)	(45,539)
Additions	添置	-	8,009	7,249	25,080	6,437	5,451	52,226
Disposals	出售	-	(36)	(5,331)	(14,553)	(5,000)	-	(24,920)
Adjustment on revaluation	重估調整	-	1,384	-	-	-	-	1,384
<b>At 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>	<b>92,070</b>	<b>320,830</b>	<b>197,259</b>	<b>653,473</b>	<b>33,143</b>	<b>5,534</b>	<b>1,302,309</b>
Analysis of cost or valuation:	成本或估值之分析:							
At 31 December 2018	於二零一八年十二月三十一日							
At cost	按成本價	-	-	197,259	653,473	33,143	5,534	889,409
At valuation	按估值價	92,070	320,830	-	-	-	-	412,900
		<b>92,070</b>	<b>320,830</b>	<b>197,259</b>	<b>653,473</b>	<b>33,143</b>	<b>5,534</b>	<b>1,302,309</b>
At 31 December 2017	於二零一七年十二月三十一日							
At cost	按成本價	-	-	202,654	665,901	32,781	351	901,687
At valuation	按估值價	92,070	325,401	-	-	-	-	417,471
		<b>92,070</b>	<b>325,401</b>	<b>202,654</b>	<b>665,901</b>	<b>32,781</b>	<b>351</b>	<b>1,319,158</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

15. PROPERTY, PLANT AND EQUIPMENT  
(Continued)

15. 物業、廠房及設備(續)

		Leasehold land held for own use under finance leases 按融資租賃 持有之自用 租賃土地 HK\$'000 千港元	Buildings held for own use 自用樓宇 HK\$'000 千港元	Furniture, fixtures and equipment 傢俬、裝置 及設備 HK\$'000 千港元	Plant and machinery 廠房及機器 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Assets under construction 在建工程 HK\$'000 千港元	Total 總值 HK\$'000 千港元
<b>ACCUMULATED DEPRECIATION, AMORTISATION AND IMPAIRMENT</b>	<b>累計折舊、攤銷及減值</b>							
At 1 January 2017	於二零一七年一月一日	-	-	158,238	439,076	27,300	-	624,614
Exchange realignment	滙兌調整	-	746	8,158	22,536	1,313	-	32,753
Depreciation provided for the year	本年折舊撥備	2,414	11,444	10,475	37,611	1,758	-	63,702
Written back on disposals	出售後撥回	-	-	(2,971)	(25,879)	(3,333)	-	(32,183)
Eliminated on revaluation	重估撇銷	(2,414)	(12,190)	-	-	-	-	(14,604)
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	-	-	173,900	473,344	27,038	-	674,282
Exchange realignment	滙兌調整	-	(714)	(6,204)	(15,344)	(782)	-	(23,044)
Depreciation provided for the year	本年折舊撥備	2,980	11,579	10,526	42,098	2,213	-	69,396
Written back on disposals	出售後撥回	-	(12)	(4,278)	(13,624)	(4,849)	-	(22,763)
Eliminated on revaluation	重估撇銷	(2,980)	(10,853)	-	-	-	-	(13,833)
<b>At 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>	<b>-</b>	<b>-</b>	<b>173,944</b>	<b>486,474</b>	<b>23,620</b>	<b>-</b>	<b>684,038</b>
<b>NET BOOK VALUES</b>	<b>賬面淨值</b>							
At 31 December 2018	於二零一八年十二月三十一日	92,070	320,830	23,315	166,999	9,523	5,534	618,271
At 31 December 2017	於二零一七年十二月三十一日	92,070	325,401	28,754	192,557	5,743	351	644,876

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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

**15. PROPERTY, PLANT AND EQUIPMENT**  
(Continued)

The net book value of leasehold land held for own use under finance leases held by the Group:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
In Hong Kong:	於香港:		
– under medium-term leases	– 中期租約	<b>92,070</b>	92,070

The leasehold land and buildings of the Group were revalued as at 31 December 2018 on the open market existing use basis by Cushman & Wakefield Limited, independent firms of professional valuers. The surplus arising on revaluation attributable to the Group has been credited to the other comprehensive income for the year and is accumulated separately in equity in property revaluation reserve.

Depreciation expense of approximately HK\$53,482,000 (2017: HK\$45,697,000) has been expensed in cost of sales, HK\$900,000 (2017: HK\$807,000) in selling and distribution costs and HK\$15,014,000 (2017: HK\$17,198,000) in administrative expenses.

Had leasehold land and buildings been carried at cost less accumulated depreciation and amortisation, the carrying value of leasehold land and buildings would have been approximately HK\$316,547,000 (2017: HK\$327,746,000).

The net book value of the Group's plant and machinery includes an amount of approximately HK\$7,364,000 (2017: HK\$1,449,000) in respect of assets held under finance leases (note 42).

**15. 物業、廠房及設備 (續)**

本集團按融資租賃持有之自用租賃土地賬面淨值如下：

戴德梁行有限公司(獨立之專業估值師)於二零一八年十二月三十一日,以現行公開市場之基準,為本集團租賃土地及樓宇進行重估。因重估而產生之盈餘已轉入本年度其他全面收入及獨立累計於物業重估儲備內。

折舊費用約為53,482,000港元(二零一七年:45,697,000港元)已被計入於銷售成本,900,000港元(二零一七年:807,000港元)於分銷費用及15,014,000港元(二零一七年:17,198,000港元)於行政費用。

假設租賃土地及樓宇以成本減除累計折舊及攤銷,租賃土地及樓宇之現行賬面值約為316,547,000港元(二零一七年:327,746,000港元)。

本集團廠房及機器之賬面淨值包括按融資租賃安排之固定資產約為7,364,000港元(二零一七年:1,449,000港元)(附註42)。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

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

#### 15. PROPERTY, PLANT AND EQUIPMENT

(Continued)

##### Major non-cash transactions

During the year, the Group acquired property, plant and equipment with an aggregate cost of HK\$52,226,000 (2017: HK\$58,372,000) of which HK\$8,004,000 (2017: Nil) was acquired by means of finance leases. Cash payments of HK\$44,222,000 (2017: HK\$58,372,000) were made to purchase property, plant and equipment.

At 31 December 2018, certain of the Group's leasehold land held for own use under finance leases and buildings with an aggregate carrying value of HK\$83,100,000 (2017: HK\$83,100,000) and HK\$69,114,000 (2017: HK\$70,638,000) respectively were pledged to secure certain bank borrowings granted to the Group (note 42).

#### 16. FAIR VALUE MEASUREMENT OF PROPERTIES

##### (i) Fair value hierarchy

The following table presents the fair value of the Group's properties measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.

Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.

Level 3 valuations: Fair value measured using significant unobservable inputs.

#### 15. 物業、廠房及設備(續)

##### 主要非現金交易

本年度本集團購買物業、廠房及設備總額52,226,000港元(二零一七年: 58,372,000港元)中有8,004,000港元(二零一七年: 無)是以訂立融資租賃模式支付。而以現金購買物業、廠房及設備為44,222,000港元(二零一七年: 58,372,000港元)。

於二零一八年十二月三十一日,本集團已抵押部份按融資租賃持有之自用租賃土地及樓宇,其賬面值分別為83,100,000港元(二零一七年: 83,100,000港元)及69,114,000港元(二零一七年: 70,638,000港元),作為授予本集團有關銀行借款之擔保(附註42)。

#### 16. 物業公平價值計量

##### (i) 公平價值架構

下表呈列於報告結算日所計算本集團的物業之公平價值,並按香港財務報告準則第13號,公平價值計量所界定之公平價值三層架構中持續性基礎計算。將公平價值計量分類之等級乃經參考如下估值方法所用數據之可觀察性及重要性後釐定:

第一層次估值:僅使用第一層次輸入數據(即於計量日同類資產或負債於活躍市場之未經調整報價)計量之公平價值。

第二層次估值:使用第二層次輸入數據(即未能達到第一層次之可觀察輸入數據,且並未使用重大不可觀察輸入數據)計量之公平價值。不可觀察輸入數據為無市場數據之輸入數據。

第三層次估值:採用重大不可觀察數據計量之公平價值。



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
 綜合財務報表附註(續)

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

**16. FAIR VALUE MEASUREMENT OF PROPERTIES**

(Continued)

**(i) Fair value hierarchy (Continued)**

During the years ended 31 December 2017 and 2018, there were no transfers into or out of level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

All of the Group's leasehold land held for own use under finance lease and buildings held for own use were revalued as at 31 December 2018. The valuations were carried out by independent firm of professional valuers, Cushman & Wakefield Limited, which is a world-wide commercial real estate services firm with recent experience in the location and category of property being valued. The Group's property manager and the chief financial officer have discussion with the valuers on the valuation assumptions and valuation results when the valuations are performed at the annual reporting date.

**(ii) Information about Level 3 fair value measurement**

**16. 物業公平價值計量 (續)**

**(i) 公平價值架構 (續)**

於二零一七年及二零一八年十二月三十一日年度內並沒有轉撥到第三層次或從第三層次轉出。當有公平價值架構層間之轉撥發生，會按照本集團之政策，於報告結算日確認。

所有本集團按融資租賃持有之自用租賃土地及自用樓宇於二零一八年十二月三十一日進行重估。該重估工作由獨立之專業估值師－戴德梁行有限公司(全球性的商業房地產服務公司並擁有對當地及物業種類的近期重估經驗)完成。於年度報告日，本集團之物業經理及首席財務總監曾就年度重估之假設及評估結果與估值師討論。

**(ii) 第三層次公平價值計量資料**

	Valuation techniques 估值技術	Unobservable input 不可觀察數據	Range 範圍
Leasehold land held for own use under finance leases and buildings held for own use	(a) Direct comparison approach 直接比較計算法	(Discount)/premium on quality of building 樓宇質量的(折扣)/溢價	-10% to 10% -10%至10%
按融資租賃持有之自用租賃土地及自用樓宇	(b) Income approach 收入計算法	Capitalisation rate 資本化率	4% to 8.25% 4%至8.25%

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

## 16. FAIR VALUE MEASUREMENT OF PROPERTIES

(Continued)

### (ii) Information about Level 3 fair value measurement

(Continued)

- (a) The fair value of properties located in Hong Kong is determined using direct comparison approach by reference to recent sales price of comparable properties on a price per square foot basis, adjusted for a premium or a discount specific to the quality of the Group's properties compared to the recent sales. The valuations take into account the characteristic of the properties which included the location, size, view, floor level, year of completion and other factors collectively. Higher premium for higher quality properties will result in a higher fair value measurement.
- (b) The fair value of properties in the PRC is determined using income approach by the capitalisation of the net rental income derived from the existing leases and/or achievable in existing market with reversionary income potential by adopting appropriate capitalisation rates. Capitalisation is estimated by the valuer based on the risk profile of the properties being valued. The higher the rates, the lower the fair value. Prevailing market rents are estimated based on recent lettings within the subject properties and other comparable properties. The lower the rents, the lower the fair value.

## 16. 物業公平價值計量 (續)

### (ii) 第三層次公平價值計量資料 (續)

- (a) 位於香港的物業之公平價值是按直接比較計算法釐定，當中已參考可比較物業近期銷售之每平方英尺售價，並按本集團物業質量作出調整。估值方法會顧及物業之特性，包括物業之地點、面積、景觀、樓層、落成年份及其他因素等，一併加以考慮。由於高質量物業可享較高溢價，所以會得出較高之公平價值計量數值。
- (b) 在中國的物業之公平值採用收入計算法按適當資本化率將現有租約及／或當前市況假設的未來租約的淨租金收入資本化。資本化由估值師按投資物業的風險因素評估。利率越高，公平價值越低。現行市場租金按該物業及類似物業的當前市場租值估計。租金越低，公平價值越低。



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
 綜合財務報表附註(續)

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

**16. FAIR VALUE MEASUREMENT OF PROPERTIES**

(Continued)

**(ii) Information about Level 3 fair value measurement**

(Continued)

(b) (Continued)

The movements during the year in the balance of these Level 3 fair value measurements are as follows:

		<b>2018</b>	2017
		二零一八年	二零一七年
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Leasehold land held for own use under finance leases:	按融資租賃持有之自用租賃土地:		
At 1 January	於一月一日	<b>92,070</b>	75,650
Depreciation provided for the year	本年度折舊撥備	<b>(2,980)</b>	(2,414)
Surplus on revaluation	重估盈餘	<b>2,980</b>	18,834
At 31 December	於十二月三十一日	<b>92,070</b>	92,070
Buildings held for own use:	自用樓宇:		
At 1 January	於一月一日	<b>325,401</b>	331,167
Additions	添置	<b>8,009</b>	378
Exchange realignment	滙兌調整	<b>(13,214)</b>	18,832
Transfer to assets of disposal group classified as held for sale (note 36)	轉至分類為持作出售之出售組別之資產 (附註36)	-	(20,218)
Depreciation provided for the year	本年度折舊撥備	<b>(11,579)</b>	(11,444)
Disposals	出售	<b>(24)</b>	-
Surplus on revaluation	重估盈餘	<b>12,237</b>	6,686
At 31 December	於十二月三十一日	<b>320,830</b>	325,401

Surplus on revaluation and currency adjustment of leasehold land held for own use under finance leases and buildings held for own use is recognised in other comprehensive income in "property revaluation reserve" and "translation reserve" respectively.

按融資租賃持有之自用租賃土地及自用樓宇的重估盈餘及貨幣調整已分別確認於其他全面收入中的「物業重估儲備」和「滙兌儲備」。

**16. 物業公平價值計量 (續)**

**(ii) 第三層次公平價值計量資料 (續)**

(b) (續)

第三層次公平價值計量的結算於本年度內之變動如下:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

17. LEASEHOLD LAND AND LAND USE RIGHTS

17. 租賃土地及土地使用權

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>COST</b>	<b>成本</b>		
At 1 January	於一月一日	57,703	57,207
Exchange realignment	滙兌調整	(2,272)	3,105
Transfer to assets of disposal group classified as held for sale (note 36)	轉至分類為持作出售之 出售組別資產(附註36)	-	(2,609)
At 31 December	於十二月三十一日	55,431	57,703
<b>ACCUMULATED AMORTISATION</b>	<b>累計攤銷</b>		
At 1 January	於一月一日	14,383	13,411
Exchange realignment	滙兌調整	(573)	728
Transfer to assets of disposal group classified as held for sale (note 36)	轉至分類為持作出售之 出售組別資產(附註36)	-	(1,135)
Amortisation for the year	本年度攤銷	1,350	1,379
At 31 December	於十二月三十一日	15,160	14,383
<b>NET BOOK VALUE</b>	<b>賬面淨值</b>		
At 31 December	於十二月三十一日	40,271	43,320
At 1 January	於一月一日	43,320	43,796

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
 綜合財務報表附註(續)

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

**17. LEASEHOLD LAND AND LAND USE RIGHTS**  
 (Continued)

The Group's interests in leasehold land and land use rights represent prepaid operating lease payments and their net book values are analysed as follows:

Outside Hong Kong held on: 在香港以外地區持有:  
 Medium-term leases 中期租約

At 31 December 2018, certain of the Group's leasehold land and land use rights with an aggregate carrying value of approximately HK\$3,644,000 (2017: HK\$4,041,000) were pledged to secure certain bank borrowings granted to the Group (note 42).

**17. 租賃土地及土地使用權 (續)**

本集團於租賃土地及土地使用權的權益乃指預付經營租賃付款及其賬面淨值，其分析如下：

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>40,271</b>	43,320

於二零一八年十二月三十一日，本集團賬面值總額約3,644,000港元(二零一七年：4,041,000港元)的部份租賃土地及土地使用權已作抵押，作為授予本集團有關銀行借款之擔保(附註42)。

**18. GOODWILL**

**COST**

At 1 January 2017, 31 December 2017  
 and 31 December 2018

**成本**

於二零一七年一月一日，  
 二零一七年十二月三十一日及  
 二零一八年十二月三十一日

HK\$'000  
 千港元

53,483

**ACCUMULATED IMPAIRMENT**

At 1 January 2017, 31 December 2017  
 and 31 December 2018

**累計減值**

於二零一七年一月一日，  
 二零一七年十二月三十一日及  
 二零一八年十二月三十一日

-

**CARRYING AMOUNT**

At 31 December 2018

**賬面值**

於二零一八年十二月三十一日

**53,483**

At 31 December 2017

於二零一七年十二月三十一日

53,483

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

**18. GOODWILL (Continued)**

The amount represents goodwill arising from the acquisition of 100% equity interest in KFE Hong Kong Co., Limited ("KFE") in 2013. For the purpose of impairment testing, goodwill has been allocated to an individual cash generating unit ("CGU"), representing KFE, a subsidiary in the processing and trading of printed circuit boards segment.

The recoverable amount of this CGU is determined based on a value in use calculation which uses cash flow projections based on financial budgets approved by management covering a five-year period and a pre-tax discount rate of 19.5% (2017: 18.7%) per annum. The cash flows beyond that five-year period have been extrapolated using a steady 3% (2017: 3%) per annum growth rate. This growth rate is based on the printed circuit boards industry growth forecasts and does not exceed the average long-term growth rate for the printed circuit boards industry. Other key assumptions for the value in use calculation relate to the estimation of cash inflows/outflows which include budgeted sales and gross margin. Such estimations are based on KFE's past performance and management's expectations for the market development. The directors believe that any reasonably possible change in any of these assumptions would not cause the carrying amount of KFE to exceed the aggregate recoverable amount of KFE.

The directors reviewed the carrying value of the goodwill, taking into account an independent valuation report prepared by a professional valuer, Cushman & Wakefield Limited. Based on the assessment and the valuation report, the directors are of the opinion that no impairment loss is necessary as at 31 December 2018.

**18. 商譽(續)**

此商譽為於二零一三年因收購協榮二葉科技香港有限公司(「KFE」)其100%股本權益而產生。減值測試是以商譽已分配至個別現金產生單位(「現金產生單位」)，即印刷線路板加工及貿易分部的附屬公司KFE。

該可收回金額乃按現金產生單位的使用價值，其採用基於管理層批准的五年期財務預算，年利率為19.5%（二零一七年：18.7%）的稅前貼現率。之後的每年現金流每年增長速度採用3%（二零一七年：3%）的平穩五年期推算。該增長率是基於印刷線路板加工行業增長預測，並不超過印刷線路板加工行業的平均長期增長率。其他計算使用的價值主要與現金流入／流出的假設有關係其中包括預算銷售及毛利率的估算。此估計是基於KFE之過往表現及管理層對市場發展的預期。董事相信，在任何合理的可變動情況下，任何該等假設不會造成KFE的賬面價值超過KFE之可收回金額。

董事已審閱商譽的賬面價值，同時考慮到由專業估值師－戴德梁行有限公司之獨立估值報告。根據評估及估值報告，於二零一八年十二月三十一日，董事認為其無減值虧損需要。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
 綜合財務報表附註(續)

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

**19. INTANGIBLE ASSETS**

**19. 無形資產**

		<b>Customer relationship</b> 客戶關係 HK\$'000 千港元
<b>COST</b>	<b>成本</b>	
At 1 January 2017, 31 December 2017 and 31 December 2018	於二零一七年一月一日, 二零一七年十二月三十一日及 二零一八年十二月三十一日	13,831
<b>ACCUMULATED AMORTISATION</b>	<b>累計攤銷</b>	
At 1 January 2017	於二零一七年一月一日	4,610
Amortisation for the year	本年度攤銷	1,383
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>5,993</b>
Amortisation for the year	本年度攤銷	<b>1,384</b>
At 31 December 2018	於二零一八年十二月三十一日	<b>7,377</b>
<b>CARRYING AMOUNT</b>	<b>賬面值</b>	
At 31 December 2018	於二零一八年十二月三十一日	<b>6,454</b>
At 31 December 2017	於二零一七年十二月三十一日	7,838

Customer relationship is amortised on a straight-line basis over its useful life of 10 years.

客戶關係採用直線法按10年使用年期攤銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

20. INTERESTS IN ASSOCIATES

20. 聯營公司權益

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份·成本值	7,747	7,747
Share of post-acquisition profits and reserves, net of dividends received	分佔收購後之溢利及儲備 (扣除已收股息)	21,208	22,079
		<b>28,955</b>	29,826
Amounts due from associates	應收聯營公司款項	8,852	10,337
Less: allowance for impairment of doubtful debts	減: 呆壞賬減值撥備	(6,668)	(7,794)
		<b>2,184</b>	2,543
		<b>31,139</b>	32,369

(a) Amounts due from associates are unsecured, interest free and have no fixed terms of repayment. In the opinion of the directors, the amounts will not be repayable within 12 months of the end of the reporting period and are accordingly classified as non-current. The individually impaired receivable of approximately HK\$6,668,000 (2017: HK\$7,794,000) is mainly a debt due from an associate which is of age over three years. The other amounts due from associates do not contain impaired assets.

(b) Interests in associates at the end of the reporting period include goodwill of approximately HK\$313,000 (2017: HK\$313,000).

(a) 應收聯營公司之款項並沒有抵押，不計算利息及沒有固定償還條款。董事認為，此款項並不會於報告結算日十二個月內償還，故列作非流動資產。該個別應收聯營公司款項減值約6,668,000港元(二零一七年: 7,794,000港元)，主要由於該聯營公司欠款賬齡已超過三年期以上。其他應收聯營公司款項並不包含已減值資產。

(b) 於報告結算日，聯營公司權益已包括商譽約313,000港元(二零一七年: 313,000港元)。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
 綜合財務報表附註(續)

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

**20. INTERESTS IN ASSOCIATES (Continued)**

Details of the principal associates of the Group at 31 December 2018 are as follows:

**20. 聯營公司權益(續)**

於二零一八年十二月三十一日主要聯營公司詳情如下:

Name of associate	Place of incorporation/ registration and operation 成立/ 註冊及營業 所在地方	Proportion of nominal value of registered capital attributable to the Group 本集團應佔 註冊資本 面值之比例 %	Principal activities
聯營公司名稱			主要業務
Suzhou Sanguang Science & Technology Co., Ltd.	The PRC	21.1	Manufacturing of industrial machinery, equipment and supplies
蘇州三光科技股份有限公司	中國		工業機械、設備及工業用品製造
廣州市普同實驗分析儀器有限公司	The PRC	22.5	Manufacturing and trading of the experimental analysis instrument
廣州市普同實驗分析儀器有限公司	中國		實驗分析儀製造及貿易
Cosmos i-Tech Solutions Limited	Hong Kong	30.0	Providing information technology consultancy service
大同信息科技有限公司	香港		提供資訊科技諮詢服務

The above table lists out the associates of the Group which, in the opinion of the directors, principally affect the results of the Group for the year or form a substantial portion of the net assets of the Group at the end of the year.

以上聯營公司乃基於董事認為其對本年度業績或本集團年末淨資產有重要影響性而表列。

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綜合財務報表附註(續)

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

**20. INTERESTS IN ASSOCIATES (Continued)**

In the opinion of the directors, the associates of the Group are all individually not material. Aggregate financial information in respect of the Group's associates is set out below:

**20. 聯營公司權益 (續)**

董事認為本集團之聯營公司全部為個別非重大。本集團之聯營公司綜合財務資料表列如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Aggregate carrying amount of individually immaterial associates in the consolidated financial statements	於綜合財務報表中個別非重大聯營公司綜合賬面值	<b>28,955</b>	29,826
Aggregate amounts of the Group's share of those associates	本集團應佔聯營公司綜合價值		
Profit from continuing operations	持續經營之盈利	<b>1,658</b>	3,324
Other comprehensive (expense)/income	其他全面(支出)/收益	<b>(1,031)</b>	1,956
Total comprehensive income	總全面收益	<b>627</b>	5,280



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
 綜合財務報表附註(續)

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

**21. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME/AVAILABLE-FOR-SALE FINANCIAL ASSETS**

**(a) Financial assets at fair value through other comprehensive income**

As at 31 December 2018, the Group's financial assets at fair value through other comprehensive income represent investments in unlisted equity securities which are not held for trading, and the Group has irrevocably elected at initial recognition in this category. These are strategic investments and the Group considers this classification more relevant.

**21. 公平價值計入其他全面收益之金融資產／可供出售金融資產**

**(a) 公平價值計入其他全面收益之金融資產**

於二零一八年十二月三十一日，本集團計入其他全面收益之金融資產為未上市權益證券，並不作出出售，以及本集團於初始確認時選擇確認為此類別並不可撤回。此乃策略性投資，本集團認為此分類更有關聯性。

HK\$'000  
千港元

Balance at 31 December 2017, as originally presented	二零一七年十二月三十一日結餘，按原先呈報	-
Change in accounting policy (note 3)	會計政策變動(附註3)	
- Reclassified from available-for-sale financial assets to fair value through other comprehensive income	- 由可供出售金融資產重新分類到按公平價值計入其他全面收益之金融資產	-
		<hr/>
Balance at 1 January 2018, as restated and balance at 31 December 2018	於二零一八年一月一日重列結餘及於二零一八年十二月三十一日結餘	-
		<hr/>

**(b) Available-for-sale financial assets**

As at 31 December 2017, the Group's available-for-sale financial assets represented investments in unlisted equity securities as follows:

**(b) 可供出售金融資產**

於二零一七年十二月三十一日，本集團的可供出售金融資產為未上市權益證券如下：

HK\$'000  
千港元

Unlisted equity securities, at cost	未上市權益證券，按成本價	420
Impairment losses	減值虧損	(420)
		<hr/>
Balance at 31 December 2017	於二零一七年十二月三十一日	-
		<hr/>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

22. FINANCE LEASE RECEIVABLES

22. 應收融資租賃款項

		Minimum lease receipts 最低租賃收入		Present value of Minimum lease receipts 最低租賃收入之現值	
		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
Amounts receivable under finance leases:	應收融資租賃款項 金額：				
Not later than one year	一年內	121,443	109,224	107,037	99,012
Later than one year and not later than five years	第二至五年	49,632	17,309	45,378	16,472
		<b>171,075</b>	126,533	<b>152,415</b>	115,484
Less: Unearned finance income	減：未實現財務收入	<b>(18,660)</b>	(11,049)	<b>N/A 不適用</b>	N/A 不適用
		<b>152,415</b>	115,484	<b>152,415</b>	115,484
Overdue finance lease receivables	逾期應收融資租賃 款項	<b>7,483</b>	16,770	<b>7,483</b>	16,770
Present value of minimum lease receipts	最低租賃收入之 現有價值	<b>159,898</b>	132,254	<b>159,898</b>	132,254
Less: Allowance for impairment of doubtful debts	減：呆壞賬減值撥備	<b>(6,198)</b>	(14,817)	<b>(6,198)</b>	(14,817)
		<b>153,700</b>	117,437	<b>153,700</b>	117,437
Less: Current finance lease receivables under current assets	減：列入流動資產之 應收融資租賃 款項			<b>(109,249)</b>	(100,965)
Non-current finance lease receivables	非流動應收融資租賃 款項			<b>44,451</b>	16,472

The Group has entered into finance lease arrangements with their customers. The terms of finance leases entered into for periods ranged from one to four years.

集團有安排融資租賃給客戶。融資租賃租約簽訂期限為一年到四年。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
 綜合財務報表附註(續)

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

**22. FINANCE LEASE RECEIVABLES (Continued)**

The movements on the allowance for impairment of doubtful debts are as follows:

		<b>2018</b> 二零一八年 <i>HK\$'000</i> 千港元	2017 二零一七年 <i>HK\$'000</i> 千港元
Balance at 31 December under HKAS 39	根據香港會計準則第39號於十二月三十一日結餘	<b>14,817</b>	7,490
Impact on initial application of HKFRS 9 (note 3)	首次採納香港財務報告準則第9號之影響(附註3)	<b>2,257</b>	-
Adjusted balance at 1 January	於一月一日調整結餘	<b>17,074</b>	7,490
Exchange realignment	滙兌調整	<b>(57)</b>	1,100
Unused amount reversed	回撥未動用數額	<b>(14,164)</b>	-
Impairment loss recognised	確認之減值虧損	<b>3,345</b>	6,227
Balance at 31 December	於十二月三十一日結餘	<b>6,198</b>	14,817

At 31 December 2018, the allowance for credit loss represents lifetime expected credit loss recognised for finance lease receivables under simplified approach. Details of impairment assessment of finance lease receivables for the year ended 31 December 2018 are set out in note 43(b)(iv).

All leases are on a fixed repayment basis and there were no unguaranteed residual values in connection with finance lease arrangements or contingent lease arrangements of the Group that need to be recorded as at 31 December 2018 (2017: Nil).

Finance lease receivable balances are secured over the plant and equipment leased. The Group is not permitted to sell or re-pledge the collateral in the absence of default by the lessee.

The interest rate inherent in the leases is fixed at the contract date for the entire lease term. The effective interest rates are ranging from 7.4% to 19.0% per annum (2017: from 9.3% to 13.4% per annum).

**22. 應收融資租賃款項(續)**

呆壞賬減值撥備變動情況如下:

	<b>2018</b> 二零一八年 <i>HK\$'000</i> 千港元	2017 二零一七年 <i>HK\$'000</i> 千港元
Balance at 31 December under HKAS 39	<b>14,817</b>	7,490
Impact on initial application of HKFRS 9 (note 3)	<b>2,257</b>	-
Adjusted balance at 1 January	<b>17,074</b>	7,490
Exchange realignment	<b>(57)</b>	1,100
Unused amount reversed	<b>(14,164)</b>	-
Impairment loss recognised	<b>3,345</b>	6,227
Balance at 31 December	<b>6,198</b>	14,817

於二零一八年十二月三十一日，信貸虧損撥備代表根據簡化法就應收融資租賃款項確認的使用年期預期信貸虧損。截至二零一八年十二月三十一日止年度有關應收融資租賃款項之減值評估詳載於附註43(b)(iv)。

所有租約都依據一個固定的還款基準，於二零一八年十二月三十一日本集團並無需要被記錄與安排融資租賃或然租賃安排的任何未擔保餘值(二零一七年：無)。

應收融資租賃款項餘額獲得租賃之機械及設備作抵押。若承租人沒有違約，本集團不得出售或重新抵押該等抵押品。

內含租賃利率於合同日釐定，並適用於整個租賃期合同期內。實際年利率從7.4%至19.0%(二零一七年：年利率9.3%至13.4%)。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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**23. DEFERRED TAX ASSETS/LIABILITIES**

Deferred taxation is calculated in full on temporary differences under the liability method using a principal taxation rate of 16.5% (2017: 16.5%).

The following are the major components of deferred tax assets/(liabilities) recognised by the Group and movements thereon during the current and prior years:

**23. 遞延稅項資產／負債**

遞延稅項乃根據暫時差額按負債法及主要稅率16.5% (二零一七年: 16.5%) 全數計算。

以下為本集團已確認的主要遞延稅項資產／(負債)於本年度及上年度之變動:

		Intangible assets arising from business combination 業務合併 產生之 無形資產 HK\$'000 千港元	(Accelerated)/ decelerated tax depreciation (加速)/ 減速 折舊免稅額 HK\$'000 千港元	Revaluation of land and building 土地及 樓宇重估 HK\$'000 千港元	Tax losses 稅務虧損 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1 January 2017	於二零一七年一月一日	(1,522)	(587)	(6,949)	1,286	(9,923)	(17,695)
Exchange realignment	滙兌調整	-	-	(209)	-	477	268
Transfer to liabilities directly associated with the assets classified as held for sale (note 36)	轉撥至與分類為持作出售 之出售組別資產有直接 相關之負債(附註36)	-	-	-	-	18,262	18,262
Charged to equity	於權益扣除	-	-	(4,101)	-	-	(4,101)
Credited to income statement (note 11)	於收益表列入(附註11)	228	1,088	-	64	6,252	7,632
At 31 December 2017	於二零一七年十二月三十一日	(1,294)	501	(11,259)	1,350	15,068	4,366
Impact of initial application of HKFRS 9 (note 3)	首次採納香港財務報告準則 第9號之影響(附註3)	-	-	-	-	745	745
At 1 January 2018	於二零一八年一月一日	(1,294)	501	(11,259)	1,350	15,813	5,111
Exchange realignment	滙兌調整	-	-	135	(14)	(634)	(513)
Charged to equity	於權益扣除	-	-	(2,817)	-	-	(2,817)
Credited/(Charged) to income statement (note 11)	於收益表列入/(扣除) (附註11)	228	57	-	55	(1,550)	(1,210)
At 31 December 2018	於二零一八年十二月三十一日	(1,066)	558	(13,941)	1,391	13,629	571

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
 綜合財務報表附註(續)

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

**23. DEFERRED TAX ASSETS/LIABILITIES**

(Continued)

For the purposes of consolidated statement of financial position presentation, certain deferred tax assets/(liabilities) have been offset in accordance with the conditions set out in HKAS 12. The following is the analysis of the deferred tax balances shown in the consolidated statement of financial position:

Deferred tax assets 遞延稅項資產  
 Deferred tax liabilities 遞延稅項負債

**23. 遞延稅項資產／負債(續)**

於綜合財務狀況表之陳述，乃根據香港會計準則第12號之條件有相當程度的遞延稅項資產／(負債)經已抵銷，下列是已呈列於綜合財務狀況表內的遞延稅項餘額分析：

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Deferred tax assets 遞延稅項資產	26,419	29,518
Deferred tax liabilities 遞延稅項負債	(25,848)	(25,152)
	<b>571</b>	4,366

Deferred tax assets are recognised for tax losses carried forward to the extent that the realisation of the related tax benefit through the future taxable profits is probable. At 31 December 2018, the Group has unrecognised tax losses of approximately HK\$570,184,000 (2017: HK\$562,959,000) available for offset against future profits. Included in unrecognised tax losses are losses of approximately HK\$212,660,000 (2017: HK\$236,007,000) that will expire in five years and the remaining balance does not expire under the current tax legislation.

Temporary differences arising in connection with interests in associates are insignificant.

有關承前稅項虧損的遞延稅項資產，只會在相關稅項收益有可能透過未來應課稅溢利變現時才會確認。於二零一八年十二月三十一日，本集團有未動用稅務虧損約570,184,000港元(二零一七年：562,959,000港元)用作抵銷未來溢利。於未動用稅務虧損中，包括虧損約212,660,000港元(二零一七年：236,007,000港元)將於五年後到期，而根據現行稅例餘下結餘將不會有期限。

於聯營公司權益相關的暫時性差異並不重大。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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

**24. INVENTORIES**

- (a) Inventories in the consolidated statement of financial position comprise:

		<b>2018</b> 二零一八年 <i>HK\$'000</i> 千港元	2017 二零一七年 <i>HK\$'000</i> 千港元
Trading inventories and finished goods	貿易存貨及製成品	<b>219,038</b>	192,741
Work in progress	在製品	<b>111,271</b>	147,321
Raw materials	原材料	<b>161,628</b>	184,509
		<b>491,937</b>	524,571

At 31 December 2018, the carrying amount of inventories that were stated at fair value less costs to sell is approximately HK\$14,693,000 (2017: HK\$74,566,000).

- (b) The analysis of the amount of inventories recognised as an expense and included in profit or loss is as follows:

		<b>2018</b> 二零一八年 <i>HK\$'000</i> 千港元	2017 二零一七年 <i>HK\$'000</i> 千港元
Carrying amount of inventories sold	已出售商品的賬面值	<b>2,232,093</b>	2,035,009
Write-down of inventories	存貨撇賬	<b>30,063</b>	23,932
Reversal of write-down of inventories	存貨撇減回撥	<b>(16,862)</b>	(21,532)
		<b>2,245,294</b>	2,037,409

**24. 存貨**

- (a) 綜合財務狀況表中的存貨包括：

		<b>2018</b> 二零一八年 <i>HK\$'000</i> 千港元	2017 二零一七年 <i>HK\$'000</i> 千港元
Trading inventories and finished goods	貿易存貨及製成品	<b>219,038</b>	192,741
Work in progress	在製品	<b>111,271</b>	147,321
Raw materials	原材料	<b>161,628</b>	184,509
		<b>491,937</b>	524,571

於二零一八年十二月三十一日，存貨之賬面值乃按公平價值減銷售成本淨值約為14,693,000港元(二零一七年：74,566,000港元)列賬。

- (b) 確認為開支並計入損益的存貨金額分析如下：

		<b>2018</b> 二零一八年 <i>HK\$'000</i> 千港元	2017 二零一七年 <i>HK\$'000</i> 千港元
Carrying amount of inventories sold	已出售商品的賬面值	<b>2,232,093</b>	2,035,009
Write-down of inventories	存貨撇賬	<b>30,063</b>	23,932
Reversal of write-down of inventories	存貨撇減回撥	<b>(16,862)</b>	(21,532)
		<b>2,245,294</b>	2,037,409

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
 綜合財務報表附註(續)

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

**25. TRADE AND OTHER RECEIVABLES**

**25. 貿易及其他應收款項**

		<b>2018</b>	2017
		二零一八年	二零一七年
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Trade and bills receivables	貿易及應收票據款項	<b>876,879</b>	924,630
Less: allowance for impairment of bad and doubtful debts	減：呆壞賬減值撥備	<b>(106,864)</b>	(111,959)
		<b>770,015</b>	812,671
Other receivables	其他應收款項	<b>150,333</b>	106,878
Less: allowance for impairment of bad and doubtful debts	減：呆壞賬減值撥備	<b>(22,160)</b>	(24,802)
		<b>128,173</b>	82,076
Prepayments	預付款	<b>35,398</b>	28,814
Amounts due from related parties	應收關連方之款項	<b>585</b>	50
		<b>934,171</b>	923,611

The directors consider that the carrying amounts of trade and other receivables approximate to their fair values. All trade and other receivables are expected to be recovered or recognised as expense within one year.

董事們認為貿易與其他應收款之賬面值與其公平價值相近，所有貿易及其他應收款項預期將於一年內收回或確認為開支。

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25. TRADE AND OTHER RECEIVABLES (Continued)

The Group grants an average credit period of 90 days to 120 days for customers. Further details on the Group's credit policy and credit risk arising from trade debtors and bills receivable are set out in note 43(b)(iv). An aging analysis of the trade and bills receivables at the end of the reporting period based on the invoice date and net of allowance for impairment of bad and doubtful debts, 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
0 to 3 months	零至三個月	525,742	559,202
4 to 6 months	四至六個月	120,390	155,047
7 to 9 months	七至九個月	55,787	51,402
Over 9 months	超過九個月	68,096	47,020
		<b>770,015</b>	812,671

The movements on the allowance for impairment of bad and doubtful debts of the Group are as follows:

呆壞賬減值撥備之變動載列如下：

		Trade receivables 貿易應收款項	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Balance at 31 December under HKAS 39	根據香港會計準則第39號於十二月三十一日結餘	111,959	108,588
Impact on initial application of HKFRS 9 (note 3)	首次採納香港財務報告準則第9號之影響(附註3)	2,073	—
Adjusted balance at 1 January	於一月一日調整結餘	114,032	108,588
Exchange realignment	滙兌調整	(4,789)	6,759
Impairment loss recognised	確認之減值虧損	7,267	4,903
Unused amounts reversed	回撥未動用數額	(6,147)	(7,535)
Uncollectible amounts written off	撤銷不可收回的款項	(3,499)	(756)
Balance at 31 December	於十二月三十一日結餘	<b>106,864</b>	111,959



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**25. TRADE AND OTHER RECEIVABLES (Continued) 25. 貿易及其他應收款項(續)**

		<b>Other receivables</b>	
		其他應收款項	
		<b>2018</b>	2017
		二零一八年	二零一七年
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Balance at 31 December under HKAS 39	根據香港會計準則第39號於十二月三十一日結餘	<b>24,802</b>	19,963
Impact on initial application of HKFRS 9 (note 3)	首次採納香港財務報告準則第9號之影響(附註3)	<b>2,119</b>	-
Adjusted balance at 1 January	於一月一日調整結餘	<b>26,921</b>	19,963
Exchange realignment	滙兌調整	<b>(1,218)</b>	1,508
Impairment loss recognised	確認之減值虧損	<b>6,561</b>	6,364
Unused amounts reversed	回撥未動用數額	<b>(5,374)</b>	(3,033)
Uncollectible amounts written off	撇銷不可收回的款項	<b>(4,730)</b>	-
At 31 December	於十二月三十一日	<b>22,160</b>	24,802

The above allowance for impairment of bad and doubtful debts is a provision for individually impaired trade receivables and impaired other receivables. The individually impaired trade receivables mainly represent sales made to the PRC customers which have remained long overdue. The impaired other receivables relate to debtors that have been long outstanding without settlement or having any business relationship with the Group. The Group does not hold any collateral or other credit enhancements over these balances.

Included in trade and other receivables are the following amounts denominated in the following currencies:

上述呆壞賬減值撥備為個別已減值應收款項及已減值其他應收款項撥備。個別已減值應收款項撥備主要為銷售予中國客戶之逾期欠款額。已減值的其他應收款項欠款已長期逾期及與本集團沒有任何業務關係。本集團對上述應收款項沒有獲得任何抵押或增強之信用安排。

貿易及其他應收款項原屬貨幣如下：

		<b>2018</b>	2017
		二零一八年	二零一七年
United States Dollars	美元	<b>28,319,000</b>	21,010,000
Renminbi	人民幣	<b>598,489,000</b>	586,688,000
Japanese Yen	日元	<b>88,171,000</b>	154,180,000

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26. OTHER FINANCIAL ASSETS

26. 其他金融資產

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Measured at fair value through profit or loss	按公平價值計入損益		
Unlisted unit trust funds	非上市單位信託基金	219	59
Principal guaranteed investment funds	保本投資基金	-	20,218
Wealth management products	理財產品	33,711	-
		<b>33,930</b>	20,277

The fair values of the unlisted unit trust funds, the principal guaranteed investment funds and the wealth management products are based on net assets value of the investment funds at the end of the reporting period provided by the financial institutions.

The principal guaranteed investment funds represented unlisted investments (the "Investments") placed with banks in the Mainland. The Investments were unlisted investment funds mainly invested in unlisted treasury bonds, bank debentures, central bank bills and other investments in the Mainland with high credit rating. The Investments were principal guaranteed and bore interest at floating rate with expected return 2.2% to 3.2% per annum.

The wealth management products represent unlisted investments placed with reputable banks in the Mainland, mainly invested in unlisted treasury bonds, bank debentures, central bank bills and asset-based stocks. There are no fixed or determinable returns of these bank wealth management products and the returns of principals are not guaranteed.

非上市單位信託基金、保本投資基金及理財產品的公平價值是基於金融機構提供在報告結算日當天投資基金的淨資產價值。

保本投資基金乃存於中國內地銀行之非上市的投資(該「投資」)。該投資為非上市投資基金，主要投資於國債、金融債、央行票據及其他在中國內地有較高信用等級的投資。該投資屬保本性質，其回報為浮息，預期回報率為每年2.2%至3.2%。

理財產品乃存於中國內地銀行之非上市的投資，主要投資於國債、金融債券、央行票據及以資產支持之證券。該等銀行理財產品並無固定或可釐定之回報及本金回報不受保障。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
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**27. CASH AND BANK BALANCES**

**27. 現金及銀行結餘**

		<b>2018</b>	2017
		二零一八年	二零一七年
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Pledged bank deposits	已抵押之銀行存款		
(Note (a)) (Note 42)	(附註(a)) (附註42)	<b>52,159</b>	31,104
Cash and cash equivalents (Note (b))	現金及現金等值(附註(b))	<b>287,543</b>	317,642
		<b>339,702</b>	348,746

**(a) Pledged bank deposits**

Included in pledged bank deposits in the consolidated statement of financial position are the following amounts denominated in the following currency:

**(a) 已抵押之銀行存款**

於綜合財務狀況表中已抵押之銀行存款之原屬貨幣如下：

		<b>2018</b>	2017
		二零一八年	二零一七年
Renminbi	人民幣	<b>45,702,000</b>	26,000,000

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綜合財務報表附註(續)

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**27. CASH AND BANK BALANCES (Continued)**

**(b) Cash and cash equivalents**

		<b>2018</b> 二零一八年 <b>HK\$'000</b> 千港元	2017 二零一七年 <b>HK\$'000</b> 千港元
Bank balances and cash	銀行結餘及現金	<b>287,543</b>	317,642

Cash and cash equivalents include the following for the purpose of the consolidated statement of cash flows:

		<b>2018</b> 二零一八年 <b>HK\$'000</b> 千港元	2017 二零一七年 <b>HK\$'000</b> 千港元
Bank balances and cash per above	銀行結餘及現金，如上	<b>287,543</b>	317,642
Bank balances and cash included in assets classified as held for sale (note 36)	包括於待售資產內之銀行結餘及現金(附註36)	-	1,448
Less: Bank overdrafts (note 30)	減：銀行透支(附註30)	<b>(4,865)</b>	(3,168)
		<b>282,678</b>	315,922

Included in bank balances and cash in the consolidated statement of financial position are the following amounts denominated in the following currencies:

		<b>2018</b> 二零一八年	2017 二零一七年
United States Dollars	美元	<b>6,941,000</b>	11,281,000
Renminbi	人民幣	<b>134,983,000</b>	159,904,000
Japanese Yen	日元	<b>25,145,000</b>	34,928,000
Euro Dollars	歐元	<b>51,000</b>	210,000

**27. 現金及銀行結餘(續)**

**(b) 現金及現金等值**

		<b>2018</b> 二零一八年 <b>HK\$'000</b> 千港元	2017 二零一七年 <b>HK\$'000</b> 千港元
Bank balances and cash	銀行結餘及現金	<b>287,543</b>	317,642

現金及現金等值包括下列各項作綜合現金流量表的用途：

		<b>2018</b> 二零一八年 <b>HK\$'000</b> 千港元	2017 二零一七年 <b>HK\$'000</b> 千港元
Bank balances and cash per above	銀行結餘及現金，如上	<b>287,543</b>	317,642
Bank balances and cash included in assets classified as held for sale (note 36)	包括於待售資產內之銀行結餘及現金(附註36)	-	1,448
Less: Bank overdrafts (note 30)	減：銀行透支(附註30)	<b>(4,865)</b>	(3,168)
		<b>282,678</b>	315,922

於綜合財務狀況表中銀行結餘及現金之原屬貨幣如下：

		<b>2018</b> 二零一八年	2017 二零一七年
United States Dollars	美元	<b>6,941,000</b>	11,281,000
Renminbi	人民幣	<b>134,983,000</b>	159,904,000
Japanese Yen	日元	<b>25,145,000</b>	34,928,000
Euro Dollars	歐元	<b>51,000</b>	210,000

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28. TRADE AND OTHER PAYABLES/CONTRACT LIABILITIES

(i) Trade and other payables

		31 December 2018 二零一八年 HK\$'000 千港元	1 January 2018 二零一八年 HK\$'000 千港元	31 December 2017 二零一七年 HK\$'000 千港元
Trade and bills payables	貿易及應付票據款項	611,433	590,258	590,258
Accruals and other payables	應付未付及其他應付款項	171,512	259,192	328,032
Amounts due to non-controlling interests	結欠非控股權益之款項	9,600	10,345	10,345
		<b>792,545</b>	859,795	928,635

The directors consider that the carrying amount of trade and other payables approximates to their fair values. All trade and other payables are expected to be settled or recognised as income within one year or are repayable on demand.

The aging analysis of the Group's trade and bills payables at the end of the reporting period is as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
0 to 3 months	零至三個月	449,779	437,757
4 to 6 months	四至六個月	99,822	108,352
7 to 9 months	七至九個月	38,042	25,920
Over 9 months	超過九個月	23,790	18,229
		<b>611,433</b>	590,258

28. 貿易及其他應付款項／合約負債

(i) 貿易及其他應付款項

董事們認為貿易及其他應付款項之賬面值與其公平價值相近。所有貿易及其他應付款項預期將於一年內支付或確認為收益或按要求支付。

於報告結算日，本集團貿易及應付票據款項之賬齡分析如下：

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28. TRADE AND OTHER PAYABLES/CONTRACT LIABILITIES (Continued)

(i) Trade and other payables (Continued)

Included in trade and other payables are the following amounts denominated in the following currencies:

		2018 二零一八年	2017 二零一七年
United States Dollars	美元	7,648,000	9,446,000
Renminbi	人民幣	572,040,000	693,679,000
Japanese Yen	日元	172,900,000	111,925,000
Euro Dollars	歐元	90,000	175,000

(ii) Contract liabilities

		31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元	1 January 2018 二零一八年 一月一日 HK\$'000 千港元	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元
Billings in advance of performance (Note)	預收款項(附註)	66,323	68,840	-

Note: Upon the adoption of HKFRS 15, amounts previously included as accruals and other payables under trade and other payables were reclassified to contract liabilities (see note 2(15)).

When the Group receives a deposit before the production activity commences this will give rise to contract liabilities at the start of a contract, until the revenue is recognised. The Group receives deposits on acceptance of orders on a case by case basis with customers before work commences.

The balance of contract liabilities at 1 January 2018 was all recognised as revenue during the year of 2018. The amount of billings in advance of performance received is expected to be recognised as income within one year.

28. 貿易及其他應付款項／合約負債(續)

(i) 貿易及其他應付款項(續)

貿易及其他應付款項原屬貨幣如下:

(ii) 合約負債

附註: 經採納香港財務報告準則第15號, 以往包含在貿易及其他應付款項中的應付未付及其他應付款金額將重新分類到合約負債(見附註2(15))。

當本集團在生產活動開始前收取訂金, 合約負債將在合約開始時產生, 直至收入確認為止。本集團在接受訂單在生產前收取訂金是按情況而定的。

於二零一八年一月一日的合約負債結餘已全數於二零一八年度內確認為收入。預收款項之金額預期在一年內會確認為收入。

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**29. PROVISION FOR RESTRUCTURING**

The Group recorded its restructuring costs provision when it has a present legal or constructive obligation as a result of restructuring actions.

Restructuring costs provision mainly comprises provision for employees compensation and relocation expenses, arising from a series of restructuring actions to reduce costs and enhance operational efficiency. Most of the restructuring cost was paid up for employee compensation in January 2019 and the restructuring is expected to be completed by or before the end of 2019.

The following are restructuring provision of the Group and movements thereon during the current and prior years:

**29. 重組撥備**

本集團因重組方案而產生現行法律或推定之責任時，將重組費用撥備入賬。

重組費用撥備主要包括由一系列重組方案以降低成本及提高營運效率而產生的僱員補償及搬遷開支方面的撥備。於二零一九年一月，集團已支付大部份重組費用作為僱員補償，而預期重組將於二零一九年底或之前結束。

以下為本集團的重組撥備於以往年度及本年度內之變動：

		<b>2018</b> 二零一八年 <i>HK\$'000</i> 千港元	2017 二零一七年 <i>HK\$'000</i> 千港元
At 1 January	於一月一日	<b>52,956</b>	91,727
Exchange realignment	滙兌調整	<b>(1,474)</b>	936
Restructuring costs paid	已付重組費用	<b>(1,632)</b>	(8,606)
Unused provision for restructuring reversed	回撥未動用重組撥備	<b>(19,612)</b>	(31,101)
<b>At 31 December</b>	<b>於十二月三十一日</b>	<b>30,238</b>	52,956

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30. BANK BORROWINGS

30. 銀行借款

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Non-current</b>	<b>非流動</b>		
Bank loans	銀行貸款		
– secured	– 有抵押	4,000	45,125
– unsecured	– 無抵押	16,111	–
		<b>20,111</b>	45,125
<b>Current</b>	<b>流動</b>		
Bank loans	銀行貸款		
– secured	– 有抵押	103,512	98,598
– unsecured	– 無抵押	248,675	278,832
Bank overdrafts (note 27)	銀行透支(附註27)		
– unsecured	– 無抵押	4,865	3,168
		<b>357,052</b>	380,598
Total borrowings	總借款	<b>377,163</b>	425,723

The aggregate carrying amount of the Group's bank loans as at 31 December 2018 (that are repayable more than one year after the end of the reporting period but contain a repayment on demand clause) that have been reclassified as current liabilities is approximately HK\$17,223,000 (2017: HK\$46,677,000).

These loans are callable by the lenders, but the management does not expect the lenders to exercise their rights to demand repayment in normal circumstances.

於二零一八年十二月三十一日，本集團總賬面值約17,223,000港元(二零一七年：46,677,000港元)之銀行貸款(須於報告結算日後的一年後償還，但載有按要求還款條款)已從非流動負債分類為流動負債。

放款人可按要求償還貸款，但管理層預期放款人在一般情況下不會行使有關權利要求償還貸款。



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
 綜合財務報表附註(續)

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**30. BANK BORROWINGS (Continued)**

The maturity of the bank borrowings based on the scheduled repayment date set out in the loan agreements ignoring the effect of any repayment on demand clause are as follows:

		<b>2018</b> 二零一八年 <i>HK\$'000</i> 千港元	2017 二零一七年 <i>HK\$'000</i> 千港元
Within 1 year	一年內	<b>339,829</b>	333,921
Between 1 and 2 years	一至二年	<b>32,334</b>	87,802
Between 2 and 5 years	二至五年	<b>5,000</b>	4,000
		<b>377,163</b>	425,723

The non-current bank borrowings are stated at amortised cost.

The effective interest rate as at 31 December 2018 for bank borrowings and overdrafts is 4.42% per annum (2017: 3.64% per annum).

**30. 銀行借款(續)**

根據貸款協議無視按要求還款條款影響，按還款計劃日程之應償還金額如下：

非流動銀行借款以攤分成本入賬。

銀行借款及透支於二零一八年十二月三十一日之有效年息率為4.42厘(二零一七年：年息率為3.64厘)。

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**30. BANK BORROWINGS (Continued)**

The carrying amounts of borrowings are denominated in the following currencies:

		<b>2018</b> 二零一八年 <b>HK\$'000</b> 千港元	2017 二零一七年 HK\$'000 千港元
Hong Kong Dollars	港元	<b>279,633</b>	309,676
Renminbi	人民幣	<b>97,530</b>	116,047
		<b>377,163</b>	425,723

The Group has the following undrawn borrowing facilities:

		<b>2018</b> 二零一八年 <b>HK\$'000</b> 千港元	2017 二零一七年 HK\$'000 千港元
Floating rate	浮息		
– expiring within one year	– 於一年內到期	<b>348,186</b>	368,626

The facilities expiring within one year are annual facilities subject to review at various dates during 2018.

Bank borrowings are secured by certain buildings and leasehold land and land use rights of the Group (notes 15 and 17).

**30. 銀行借款 (續)**

借款的賬面值以原貨幣列值如下：

		<b>2018</b> 二零一八年 <b>HK\$'000</b> 千港元	2017 二零一七年 HK\$'000 千港元
Hong Kong Dollars	港元	<b>279,633</b>	309,676
Renminbi	人民幣	<b>97,530</b>	116,047
		<b>377,163</b>	425,723

集團未動用之借貸額度如下：

		<b>2018</b> 二零一八年 <b>HK\$'000</b> 千港元	2017 二零一七年 HK\$'000 千港元
Floating rate	浮息		
– expiring within one year	– 於一年內到期	<b>348,186</b>	368,626

一年內到期融資額度乃年度額度，須於二零一八年期內不同日期進行檢討。

銀行借款以本集團部份樓宇、租賃土地及土地使用權作抵押（附註15及17）。

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31. OBLIGATIONS UNDER FINANCE LEASES

31. 融資租賃借款

		Minimum lease payments 最低租賃支出		Present value of minimum lease payments 最低租賃支出之現值	
		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
Amounts payable under finance leases:	應付融資租賃金額：				
Not later than one year	一年內	2,880	2,750	2,547	2,696
Later than one year and not later than five years	第二至五年	4,760	-	4,528	-
		7,640	2,750	7,075	2,696
Less: Future finance charges	減：未來之財務費用	(565)	(54)	N/A 不適用	N/A 不適用
Present value of minimum lease payments	最低租賃支出之現有價值	7,075	2,696	7,075	2,696
Less: Amount due for settlement within 1 year under current liabilities	減：列入流動負債而須 一年內償還之款項			(2,547)	(2,696)
Amount due for settlement after 1 year	一年後到期償還之款項			4,528	-

It is the Group's policy to lease certain of its plant and machinery under finance leases. The lease terms are expiring from three to four years. For the year ended 31 December 2018, the average effective borrowing rate was 5.86% per annum (2017: 3.97% per annum). Interest is charged at three month HIBOR plus 3% to 7% per annum (2017: one month HIBOR plus 3.25% per annum) on the outstanding loan balances. All leases are on a fixed repayment basis and no arrangement has been entered into for contingent rental payments.

The Group's obligations under finance leases are secured by the lessors' charges over the leased assets.

本集團的政策乃使用部份廠房及機器作融資租賃，租賃年期為3至4年。截至二零一八年十二月三十一日止年度，平均實際借款年利率為5.86厘（二零一七年：年利率為3.97厘）。年利率以貸款結餘按三個月香港銀行同業拆息+3厘至7厘（二零一七年：年利率以一個月香港銀行同業拆息+3.25厘）收取。所有租賃均有固定還款期及沒有作出任何或然租賃支出協議。

本集團之融資租賃借款是以融資租賃資產抵押予出租人。

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綜合財務報表附註(續)

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

32. SHARE CAPITAL

32. 股本

		2018 二零一八年		2017 二零一七年	
		Number of ordinary shares 普通股股數	Amount 總額 HK\$'000 千港元	Number of ordinary shares 普通股股數	Amount 總額 HK\$'000 千港元
Ordinary shares, issued and fully paid:	已發行及繳足普通股：				
At 1 January	於一月一日	716,930,692	532,903	716,930,692	532,903
Shares issued upon subscription	認購而發行之股份	145,000,000	76,124	-	-
At 31 December	於十二月三十一日	861,930,692	609,027	716,930,692	532,903

Upon the completion of the subscription on 27 June 2018, new shares were subscribed by Cosmos Machinery (Holdings) Limited and Saniwell at the subscription price of HK\$0.55 per share, resulting in the issue of 145,000,000 additional shares. The Company received total net proceeds of approximately HK\$76,124,000. The related transaction costs of approximately HK\$3,626,000 had been netted off with the gross proceeds of HK\$79,750,000.

All new shares issued during the year rank pari passu in all respects with the existing shares.

認購股份事項於二零一八年六月二十七日完成後，大同控股及Saniwell按每股0.55港元認購價認購新股份，致使新增發行股份145,000,000股，而本公司自認購事項收取的所得款項淨額約為76,124,000港元。相關交易成本約為3,626,000港元已於所得款項總額79,750,000港元扣減。

於本年度內發行的所有新股份與本公司現有股份於各方面享有同等地位。

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 綜合財務報表附註(續)

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

**33. OTHER RESERVES**

**33. 其他儲備**

		Property revaluation reserve 物業重估儲備 HK\$'000 千港元	Translation reserve 匯兌儲備 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Balance at 1 January 2017	於二零一七年一月一日結餘	42,283	22,731	1,738	66,752
Fair value loss:	公平價值虧損:				
– Available-for-sale financial asset	– 可供出售金融資產	–	–	(129)	(129)
Share of reserves of associates	應佔聯營公司儲備	–	1,956	–	1,956
Surplus on revaluation of properties held for own use	自用物業重估盈餘	23,075	–	–	23,075
Deferred taxation adjustment	遞延稅項調整	(3,750)	–	–	(3,750)
Exchange differences arising from translation of financial statements of foreign operations	換算海外業務報表時產生之匯兌差額	–	66,394	–	66,394
Reclassification adjustment:	分類調整:				
Release of fair value reserve upon disposal of available-for-sale financial asset	出售可供出售金融資產時從公平價值儲備撥出	–	–	(930)	(930)
<b>Balance at 31 December 2017 and 1 January 2018</b>	<b>於二零一七年十二月三十一日及二零一八年一月一日結餘</b>	<b>61,608</b>	<b>91,081</b>	<b>679</b>	<b>153,368</b>
Share of reserves of associates	應佔聯營公司儲備	–	(1,031)	–	(1,031)
Surplus on revaluation of properties held for own use	自用物業重估盈餘	13,200	–	–	13,200
Deferred taxation adjustment	遞延稅項調整	(2,650)	–	–	(2,650)
Exchange differences arising from translation of financial statements of foreign operations	換算海外業務報表時產生之匯兌差額	–	(49,314)	–	(49,314)
Release of translation reserve upon disposal of a subsidiary	出售一間附屬公司時從匯兌儲備撥出	–	547	–	547
Release of translation reserve upon deregistration of a subsidiary	註銷一間附屬公司時從匯兌儲備撥出	–	(1,904)	–	(1,904)
Release of revaluation reserve upon disposal of a subsidiary	出售一間附屬公司時從重估儲備撥出	(9,028)	–	–	(9,028)
<b>Balance at 31 December 2018</b>	<b>於二零一八年十二月三十一日結餘</b>	<b>63,130</b>	<b>39,379</b>	<b>679</b>	<b>103,188</b>

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綜合財務報表附註(續)

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

34. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

(a) Company-level statement of financial position

34. 本公司財務狀況表

(a) 本公司財務狀況表

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Non-current Assets</b>	<b>非流動資產</b>		
Property, plant and equipment	物業、廠房及設備	776	1,423
Interests in subsidiaries	附屬公司權益	1,243,399	1,223,656
		<b>1,244,175</b>	1,225,079
<b>Current Assets</b>	<b>流動資產</b>		
Other receivables	其他應收款項	1,263	1,688
Amount due from an associate	應收一間聯營公司款項	983	904
Cash and bank balances	現金及銀行結餘	76,956	30,489
		<b>79,202</b>	33,081
<b>Current Liabilities</b>	<b>流動負債</b>		
Other payables	其他應付款項	12,425	1,188
Amounts due to subsidiaries	結欠附屬公司款項	180,262	178,876
Bank borrowings	銀行借款	13,000	21,000
		<b>205,687</b>	201,064
<b>Net Current Liabilities</b>	<b>淨流動負債</b>	<b>(126,485)</b>	(167,983)
<b>Net Assets</b>	<b>淨資產</b>	<b>1,117,690</b>	1,057,096
<b>Capital and Reserves (note 34(b))</b>	<b>資本及儲備 (附註34(b))</b>		
Share capital	股本	609,027	532,903
Proposed final dividend	建議末期股息	17,239	-
Retained profits	保留溢利	491,424	524,193
<b>Total Equity</b>	<b>權益總值</b>	<b>1,117,690</b>	1,057,096

The statement of financial position of the Company was approved and authorised for issue by the Board of Directors on 28 March 2019 and is signed on its behalf by:

**TANG TO**  
鄧燾  
DIRECTOR  
董事

本公司財務狀況表於二零一九年三月二十八日獲董事會批准並授權刊發，並由下列董事代表簽署：

**TANG YU, FREEMAN**  
鄧愚  
DIRECTOR  
董事

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
 綜合財務報表附註(續)

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

**34. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)**

**(b) Movement in components of equity of the Company**

		Share capital 股本 HK\$'000 千港元	Proposed final dividend 建議末期股息 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Balance at 1 January 2018	於二零一七年一月一日 結餘	532,903	-	537,725	1,070,628
Loss for the year	本年度虧損	-	-	(13,532)	(13,532)
Balance 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 結餘	532,903	-	524,193	1,057,096
Loss for the year	本年度虧損	-	-	(15,530)	(15,530)
Issue of ordinary shares	發行普通股	76,124	-	-	76,124
Proposed final dividend	建議末期股息	-	17,239	(17,239)	-
<b>Balance at 31 December 2018</b>	<b>於二零一八年十二月三十一日結餘</b>	<b>609,027</b>	<b>17,239</b>	<b>491,424</b>	<b>1,117,690</b>

**(c) Distributability of reserves**

At 31 December 2018, the aggregate amount of reserves available for distribution to equity shareholders of the Company, as calculated under the provisions of Part 6 of Hong Kong Companies Ordinance, was approximately HK\$508,663,000 (2017:HK\$524,193,000). After the end of the reporting period, the directors proposed a final dividend of HK\$0.02 (2017: Nil) per share, amounting to approximately HK\$17,239,000 (2017: Nil). This dividend has not been recognised as a liability at the end of the reporting period.

**34. 本公司財務狀況表(續)**

**(b) 本公司權益變動**

**(c) 儲備分派**

於二零一八年十二月三十一日，根據《公司條例》第六部分的條文計算，本公司可供分派予股權持有人的儲備約為508,663,000港元(二零一七年：524,193,000港元)。於結算日後，董事建議派發末期息每股2港仙(二零一七年：無)，金額約為17,239,000港元(二零一七年：無)。此股息並無於結算日確認為負債。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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

**35. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES**

The table below details changes in the Group's liabilities from financing activities, including both cash and noncash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

**35. 來自融資活動的負債及相關資產的對賬**

下表詳列集團的負債及來自融資活動的相關資產的變動，包括現金及非現金的變動。來自融資活動的負債是指其現金流量或未來的現金流量會於集團的綜合現金流量表中被分類為來自融資活動的現金流量。

		Bank loans	Finance lease	Amount due to an associate 結欠一間 聯營公司 款項	Amounts due to non- controlling interests 結欠 非控股 權益之款項	Share capital 股本	Total 合計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2017	於二零一七年一月一日	324,035	8,135	565	4,800	532,903	870,438
<b>Changes from financing cash flows:</b>	<b>來自融資活動現金流之變動</b>						
Bank loans raised	新增銀行貸款	352,878	-	-	-	-	352,878
Repayment of bank loans	償還銀行貸款	(259,987)	-	-	-	-	(259,987)
Bank loans interest paid	已付銀行貸款利息	(20,301)	-	-	-	-	(20,301)
Capital element on obligation under finance lease paid	已付融資租賃借款本金	-	(5,439)	-	-	-	(5,439)
Finance charges on obligations under finance leases paid	已付融資租賃借款利息	-	(182)	-	-	-	(182)
Advances from an associate	收取一間聯營公司之款項	-	-	300	-	-	300
<b>Total changes from financing cash flows</b>	<b>來自融資活動現金流之變動總額</b>	<b>72,590</b>	<b>(5,621)</b>	<b>300</b>	<b>-</b>	<b>-</b>	<b>67,269</b>
<b>Exchange adjustments</b>	<b>滙兌調整</b>	<b>5,629</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,629</b>
<b>Other changes</b>	<b>其他變動</b>						
Bank loans interest (note 7)	銀行貸款利息(附註7)	20,301	-	-	-	-	20,301
Finance charges on obligations under finance leases (note 7)	融資租賃借款利息(附註7)	-	182	-	-	-	182
Advance from a related party	關連方貸款	-	-	-	745	-	745
Dividend to the non-controlling shareholders	給非控股股東股息	-	-	-	4,800	-	4,800
<b>Total other changes</b>	<b>其他變動總額</b>	<b>20,301</b>	<b>182</b>	<b>-</b>	<b>5,545</b>	<b>-</b>	<b>26,028</b>
<b>At 31 December 2017</b>	<b>於二零一七年十二月三十一日</b>	<b>422,555</b>	<b>2,696</b>	<b>865</b>	<b>10,345</b>	<b>532,903</b>	<b>969,364</b>



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
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**35. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES (Continued)**

**35. 來自融資活動的負債及相關資產的對賬(續)**

		Bank loans	Finance lease	Amount due to an associate	Amounts due to non-controlling interests	Share capital	Total
		銀行貸款	融資租賃借款	結欠一間聯營公司款項	結欠非控股權益之款項	股本	合計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2018	於二零一八年一月一日	422,555	2,696	865	10,345	532,903	969,364
<b>Changes from financing cash flow:</b>	<b>來自融資活動現金流之變動</b>						
Bank loans raised	新增銀行貸款	245,338	-	-	-	-	245,338
Repayment of bank loans	償還銀行貸款	(290,256)	-	-	-	-	(290,256)
Bank loans interest paid	已付銀行貸款利息	(21,650)	-	-	-	-	(21,650)
Issue of new shares	發行新股	-	-	-	-	76,124	76,124
Dividend paid to the non-controlling shareholders	已付非控股股東股息	-	-	-	(2,967)	-	(2,967)
Capital element on obligation under finance lease paid	已付融資租賃借款本金	-	(3,559)	-	-	-	(3,559)
Finance charges on obligations under finance leases paid	已付融資租賃借款利息	-	(206)	-	-	-	(206)
Advance to an associate	墊付一間聯營公司之款項	-	-	(161)	-	-	(161)
Repayment to the non-controlling shareholders	償還結欠非控股股東款項	-	-	-	(745)	-	(745)
<b>Total changes from financing cash flows</b>	<b>來自融資活動現金流之變動總額</b>	<b>(66,568)</b>	<b>(3,765)</b>	<b>(161)</b>	<b>(3,712)</b>	<b>76,124</b>	<b>1,918</b>
Exchange adjustments	滙兌調整	(5,339)	(66)	-	-	-	(5,405)
<b>Other changes</b>	<b>其他變動</b>						
Inception of finance leases	新增融資租賃借款	-	8,004	-	-	-	8,004
Bank loans interest (note 7)	銀行貸款利息(附註7)	21,650	-	-	-	-	21,650
Dividend to the non-controlling shareholders	給非控股股東股息	-	-	-	2,967	-	2,967
Finance charges on obligations under finance leases (note 7)	融資租賃借款利息(附註7)	-	206	-	-	-	206
<b>Total other changes</b>	<b>其他變動總額</b>	<b>21,650</b>	<b>8,210</b>	<b>-</b>	<b>2,967</b>	<b>-</b>	<b>32,827</b>
<b>At 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>	<b>372,298</b>	<b>7,075</b>	<b>704</b>	<b>9,600</b>	<b>609,027</b>	<b>998,704</b>

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**36. ASSETS OF DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE AND LIABILITIES DIRECTLY ASSOCIATED WITH THE ASSETS CLASSIFIED AS HELD FOR SALE**

On 1 September 2017, the Group entered into a sale and purchase agreement with an independent third party, pursuant to which the Group conditionally agreed to dispose of its entire equity interest in its wholly-owned subsidiary, MS Plasticorp, which was included in the plastic processing products segment for a consideration of RMB82,000,000 (equivalent to approximately HK\$94,860,000). Details were set out in the announcements of the Company dated 20 September 2017 and 22 December 2017.

The directors did not foresee any significant obstacle to satisfy the remaining conditions precedent to complete the transaction and the disposal was expected to be completed in 2018.

The major classes of assets and liabilities of MS Plasticorp classified as held for sale as at 31 December 2017 were as follows:

**36. 分類為持作出售之出售集團資產及分類為持作出售之與資產直接相關之負債**

於二零一七年九月一日，本集團與獨立第三方訂立買賣協議，據此，本集團有條件同意出售於注塑製品及加工業務的全資附屬公司—群力實業有限公司之全部已發行股本，代價金額為人民幣82,000,000元（折合約94,860,000港元），詳情載於二零一七年九月二十日及二零一七年十二月二十二日的集團通告。

董事不認為對於完成該協議的餘下條件會有重大障礙，而該出售事項應於二零一八年內完成。

於二零一七年十二月三十一日，下列是分類為持作出售集團之群力實業有限公司的主要資產和負債：

		Notes 附註	HK\$'000 千港元
<b>Assets</b>	<b>資產</b>		
Property, plant and equipment	物業、廠房及設備	15	20,218
Leasehold land and land use rights	租賃土地及土地使用權	17	1,474
Bank balances and cash	現金及銀行結餘	27	1,448
<b>Assets classified as held for sale</b>	<b>分類為持作出售組別之資產</b>		<b>23,140</b>
<b>Liabilities</b>	<b>負債</b>		
Deferred tax liabilities	遞延稅項負債	23	18,262
Current tax payable	本期應付稅項		7,790
Other payables	其他應付款項		671
<b>Liabilities directly associated with the assets classified as held for sale</b>	<b>與分類為持作出售之出售組別資產有直接相關之負債</b>		<b>26,723</b>
<b>Net liabilities directly associated with the disposal group</b>	<b>與出售集團直接相關之負債淨值</b>		<b>(3,583)</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

**37. DISPOSAL OF INTERESTS IN A SUBSIDIARY**

On 20 March 2018, the Group completed the disposal of 100% equity interest in MS Plasticorp (incorporated in Cook Islands with limited liability) and since then MS Plasticorp is no longer a subsidiary of the Group.

Net assets of MS Plasticorp at the date of disposal were as follows:

**37. 出售一間附屬公司權益**

於二零一八年三月二十日，本集團完成出售群力實業有限公司(於科克群島註冊成立之有限公司)的100%股權權益。出售後，群力實業有限公司不再是本集團之附屬公司。

於出售群力實業有限公司權益之日期，其資產淨值如下：

		HK\$'000 千港元
Property, plant and equipment (Note 15)	物業、廠房及設備(附註15)	20,218
Leasehold land and land use right (Note 17)	租賃土地及土地使用權(附註17)	1,474
Cash and bank balances	現金及銀行結餘	12,794
Other payables	其他應付款項	(1,110)
Deferred tax liabilities	遞延稅項負債	(18,273)
Tax payables	應付稅項	(7,790)
		7,313
Gain on disposal of the subsidiary	出售附屬公司之收益	44,588
Release of translation reserve upon disposal	出售時從滙兌儲備撥出	547
Expenses directly attributable to the disposal	出售時直接產生之費用	20,472
Provision for indemnity pursuant to sale and purchase agreement (Note i)	按買賣合約條款之賠償撥備(附註i)	25,780
<b>Total consideration</b>	<b>總代價</b>	<b>98,700</b>
Satisfied by:	實現方式：	
Cash	現金	98,700
Net cash inflow arising on disposal:	有關出售之現金流入淨額：	
Cash consideration received	已收現金代價	98,700
Cash and bank balances disposed of	出售之現金及銀行結餘	(12,794)
Expenses directly attributable to the disposal	出售時直接產生之費用	(20,472)
<b>Net proceeds from disposal of a subsidiary</b>	<b>出售一間附屬公司所得之款項淨額</b>	<b>65,434</b>

Note i: The tax clearance process has not yet been completed by the year end. The provision for indemnity has been made pursuant to the sale and purchase agreement.

附註i: 稅務結清程序於本年底時尚未完成。已按買賣合約條款進行賠償撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
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### 38. OPERATING LEASE COMMITMENTS

#### The Group as lessee

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

		<b>2018</b> 二零一八年 <b>HK\$'000</b> 千港元	2017 二零一七年 HK\$'000 千港元
Not later than one year	一年內	<b>17,833</b>	18,923
Later than one year and not later than five years	第二至五年	<b>45,940</b>	53,471
Later than five years	超過五年	<b>20,668</b>	32,497
		<b>84,441</b>	104,891

Operating lease payments represent rentals payable by the Group for certain of its office properties, factories and plant and machinery. Leases are negotiated mostly for terms ranging from 1 to 10 years and rentals are almost fixed for the said term.

#### The Group as lessor

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease receipts under non-cancellable operating leases:

		<b>2018</b> 二零一八年 <b>HK\$'000</b> 千港元	2017 二零一七年 HK\$'000 千港元
Not later than one year	一年內	<b>310</b>	1,349
Later than one year and not later than five years	第二至五年	<b>176</b>	5,663
		<b>486</b>	7,012

### 38. 經營租賃承擔

#### 本集團為承租人

於報告結算日，本集團尚有不可撤銷之經營租賃中未來最少應付租金如下：

經營租賃之付款乃指本集團為若干寫字樓物業、廠房及機器之應付租金。租約年期乃以1至10年進行商討，而租金通常於租約年期中固定。

#### 本集團為出租人

於報告結算日，本集團尚有不可撤銷之租賃合同下的未來最少租賃收入如下：

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 綜合財務報表附註(續)

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**39. CAPITAL COMMITMENTS**

Capital expenditure: 資本支出:  
 Contracted but not provided for 已簽約但未作出撥備

	<b>2018</b> 二零一八年 <b>HK\$'000</b> 千港元	2017 二零一七年 <b>HK\$'000</b> 千港元
	<b>5,307</b>	4,167
	<b>5,307</b>	4,167

**39. 資本承擔**

**40. CONTINGENT LIABILITIES**

In previous years, a dispute claim for outstanding payment of USD1,050,000 (approximately HK\$8,123,000) was brought by the vendor of KFE Hong Kong Co., Limited ("KFE") to a subsidiary of the Group in relating to an alleged breach of payment obligations for the consideration as agreed pursuant to the sale and purchase agreement for the acquisition of the entire issued share capital of KFE in 2013 (the "Acquisition"). Payment of tax of approximately HK\$7,000,000 has been made by the Group in respect of the understatement of Hong Kong profits tax payable by KFE for the various years of assessment before the Acquisition and has been offset against the consideration payable to the vendor of HK\$8,123,000. During the year, the Group has settled the dispute with an amount at approximately HK\$1,000,000, and all litigations were then completed.

The Group does not have any other litigations or claims of material importance and, so far as the directors are aware, no litigation or claims of material importance are pending or threatened by or against any companies of the Group.

**40. 或然負債**

在過往年度，協榮二葉科技香港有限公司(「KFE」)的賣方向本集團一附屬公司就涉嫌違反二零一三年收購KFE所簽訂收購KFE全部股權合同中支付代價條款而提出1,050,000美元(約8,123,000港元)的欠款申索。本集團已為KFE支付收購前少交之香港利得稅約7,000,000港元，亦已於應付賣方的代價8,123,000港元中相互抵銷。本年度，本集團就此糾紛已支付約1,000,000港元，而所有訴訟亦已完結。

本集團並無涉及其他訴訟或重要申索。而據董事所知，並無待審或對集團內公司構成威脅的訴訟或重要申索。

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#### 41. RETIREMENT BENEFITS SCHEMES

The Group participates in both a defined contribution scheme which is registered under the Occupational Retirement Schemes Ordinance (the "ORSO Scheme") and a Mandatory Provident Fund Scheme (the "MPF Scheme") established under the Mandatory Provident Fund Schemes Ordinance in December 2000. The assets of the schemes are held separately from those of the Group in funds under the control of trustees. Employees who were members of the ORSO Scheme prior to the establishment of the MPF Scheme were offered a choice of staying within the ORSO Scheme or switching to the MPF Scheme, whereas all new employees joining the Group on or after 1 December 2000 are required to join the MPF Scheme.

For members of the MPF Scheme, the Group contributes 5.0% of relevant payroll costs to the Scheme, which contribution is matched by the employee.

The ORSO Scheme is funded by monthly contributions from both employees and the Group at rates ranging from 5.0% to 7.5% of the employee's basic salary, depending on the length of service with the Group.

Employees who are employed by subsidiaries in the PRC are members of the state-managed pension scheme operated by the PRC government. These subsidiaries are required to contribute 16% – 20% of payroll costs to the pension scheme to fund the benefits. The only obligation of the Group with respect to the pension scheme is to make the required contributions under the scheme.

The total cost charged to the consolidated income statement of approximately HK\$40,365,000 (2017: HK\$35,482,000) represents contributions payable to these schemes by the Group in respect of the current accounting period. As at 31 December 2018, contributions of approximately HK\$184,000 (2017: HK\$392,000) due in respect of the reporting period had not been paid over to the schemes.

#### 41. 退休福利計劃

本集團同時參與根據職業退休計劃條例下註冊的定額供款計劃(職業退休計劃)及於二零零零年十二月根據強制性公積金計劃條例成立的強制性供款計劃(強積金計劃)。此兩項計劃的資產與本集團之資產分開,及由信託人管理。於強積金計劃成立之前的職業退休計劃成員之僱員,可給予選擇保留於職業退休計劃或轉移到強積金計劃。但於二零零零年十二月一日或之後加入本集團的僱員,必須加入強積金計劃。

強積金計劃之成員,本集團以相關工資成本的百分之五向計劃供款,僱員亦按同一比率供款。

職業退休計劃則每月由僱員及集團,按僱員的基本工資供款比例由百分之五至七點五,按服務年資而定。

本集團在中國之附屬公司的僱員為中國政府管理之國家資助公積金計劃之會員。此等附屬公司須以其工資成本的百分之十六至二十向公積金計劃供款。本集團之唯一承擔乃按此公積金計劃提供所需供款。

已列支於綜合收益表內之總供款約為40,365,000港元(二零一七年:35,482,000港元),代表集團於本會計期間應向這些計劃的供款。於二零一八年十二月三十一日,約184,000港元(二零一七年:392,000港元)的供款於呈報期間已到期仍未向這些計劃付款。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
 綜合財務報表附註(續)

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

**42. PLEDGE OF ASSETS**

At the end of the reporting period, assets with the following carrying amounts were pledged by the Group to secure general banking facilities:

**42. 資產抵押**

於報告結算日，本集團已將下列以賬面值計算的資產作抵押，以取得給予本集團之一般銀行信貸額：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Buildings	樓宇	69,114	70,638
Leasehold land held for own use under finance leases	按融資租賃持有的 自用租賃土地	83,100	83,100
Leasehold land and land use rights	租賃土地及土地使用權	3,644	4,041
Plant and machinery	廠房及機器	7,364	1,449
Bank deposits	銀行存款	52,159	31,104
		<b>215,381</b>	190,332

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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

**43. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS**

**(a) Financial instruments by categories**

Upon the adoption of HKFRS 9, the accounting policies for financial instruments have been applied to the line items below:

**43. 財務風險管理及金融工具之公平價值**

**(a) 按類別劃分之金融工具**

經採納香港財務報告準則第9號，金融工具會計政策已應用於下列項目：

Assets as per consolidated financial statements	於綜合財務報表中之資產	Financial assets at amortised cost	Financial assets at fair value through profit or loss	Total
31 December 2018	二零一八年十二月三十一日	按攤銷成本計量的金融資產	以公平價值計入損益的金融資產	總額
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Other financial assets	其他金融資產	-	33,930	33,930
Amounts due from associates	應收聯營公司款項	2,184	-	2,184
Finance lease receivables	應收融資租賃款項	153,700	-	153,700
Trade and other receivables	貿易及其他應收款項	898,773	-	898,773
Pledged bank deposits	已抵押銀行存款	52,159	-	52,159
Cash and cash equivalents	現金及現金等值	287,543	-	287,543
		<b>1,394,359</b>	<b>33,930</b>	<b>1,428,289</b>



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
 綜合財務報表附註(續)

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

**43. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS**

(Continued)

(a) Financial instruments by categories (Continued)

**43. 財務風險管理及金融工具之公平價值(續)**

(a) 按類別劃分之金融工具(續)

Assets as per consolidated financial statements	於綜合財務報表中之資產	Loans and Receivables	Financial assets at fair value through profit or loss	Total
31 December 2017	二零一七年十二月三十一日	貸款及應收款項 HK\$'000 千港元	計入損益的金融資產 HK\$'000 千港元	總額 HK\$'000 千港元
Other financial assets	其他金融資產	-	20,277	20,277
Amounts due from associates	應收聯營公司款項	2,543	-	2,543
Finance lease receivables	應收融資租賃款項	117,437	-	117,437
Trade and other receivables	貿易及其他應收款項	891,273	-	891,273
Pledged bank deposits	已抵押銀行存款	31,104	-	31,104
Cash and cash equivalents	現金及現金等值	317,642	-	317,642
		1,359,999	20,277	1,380,276

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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43. FINANCIAL RISK MANAGEMENT AND  
FAIR VALUE OF FINANCIAL INSTRUMENTS

(Continued)

(a) Financial instruments by categories (Continued)

43. 財務風險管理及金融工具之公平  
價值(續)

(a) 按類別劃分之金融工具(續)

		Financial liabilities at amortised cost 按攤銷成本 計量之金融負債 HK\$'000 千港元
<b>Liabilities as per consolidated financial statements</b>	<b>於綜合財務報表中之負債</b>	
<b>31 December 2018</b>	<b>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	783,417
Amount due to an associate	結欠一間聯營公司款項	704
Bank borrowings	銀行借款	377,163
Obligations under finance leases	融資租賃借款	7,075
		1,168,359
31 December 2017	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	773,872
Amount due to an associate	結欠一間聯營公司款項	865
Bank borrowings	銀行借款	425,723
Obligations under finance leases	融資租賃借款	2,696
Deferred consideration payable	遞延應付代價	8,148
		1,211,304

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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43. FINANCIAL RISK MANAGEMENT AND  
FAIR VALUE OF FINANCIAL INSTRUMENTS

(Continued)

(b) Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, interest rate risk and price risk), credit risk and liquidity risk arising in the normal course of its business and financial instruments. The Group's risk management objectives and policies mainly focus on minimising the potential adverse effects of these risks on the Group by closely monitoring the individual exposure as summarised below.

(i) Foreign currency risk

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to Renminbi ("RMB"), Hong Kong dollars ("HK\$"), United States Dollars ("US\$") and Japanese Yen ("YEN"). Such exposures arise from sales or purchases by subsidiaries other than the subsidiaries' functional currencies. This currency exposure is managed primarily through sourcing raw materials denominated in the same currency. In addition, certain recognised assets and liabilities are denominated in currencies other than the functional currencies of the entities to which they relate. The Group currently does not have a foreign currency hedging policy.

Certain assets and liabilities of the Group are principally denominated in US\$. HK\$ is pegged to US\$, and thus foreign exchange exposure is considered as minimal.

At 31 December 2018, if HK\$ had strengthened/weakened by 10% against the RMB, with all other variables held constant, post-tax profit for the year would have been approximately HK\$3,097,000 lower or higher (2017: post-tax profit for the year would have been HK\$2,624,000 lower or higher). There will be no impact on other components of equity.

43. 財務風險管理及金融工具之公平  
價值(續)

(b) 財務風險因素

本集團的業務承受各種財務風險：市場風險（包括外匯風險、利率風險及價格風險）、信貸風險及一般業務過程及金融工具導致之流動資金風險。本集團的風險管理目標及政策主要透過密切監察如下個別風險，專注於盡量減少本集團之財務表現所受的潛在負面影響。

(i) 外匯風險

本集團承受外匯交易風險，主要為人民幣（人民幣）、港元（港元）、美元（美元）及日元（日元）。該等風險乃因為附屬公司以附屬公司之功能貨幣以外之貨幣進行買賣而產生。此貨幣風險乃主要透過採購以相同貨幣列值之原材料管理。另外，部份已確認之資產及負債包括並非以相關實體功能貨幣為計量單位。本集團目前並無外匯對沖政策。

本集團之若干資產及負債主要以美元為計量單位。港元與美元掛鈎，因此外匯風險可視作甚微。

於二零一八年十二月三十一日，倘港元兌人民幣匯率增強／減弱10%，而所有其他變數不變，該年度之除稅後溢利將分別較現時約低／高3,097,000港元（二零一七年：除稅後溢利低／高2,624,000港元）。其他權益部份沒有任何影響。

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#### 43. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS

(Continued)

##### (b) Financial risk factors (Continued)

###### (i) Foreign currency risk (Continued)

At 31 December 2018, if HK\$ had strengthened/weakened by 10% against the YEN, with all other variables held constant, post-tax profit for the year would have been approximately HK\$641,000 higher or lower (2017: post-tax profit for the year would have been HK\$203,000 lower or higher). There will be no impact on other components of equity.

The sensitivity analysis has been determined assuming that the change in foreign exchange rates had occurred at the end of the reporting period and had been applied to each of the Group entities' exposure to currency risk for financial instruments in existence at that date, and that all other variables, in particular interest rates, remain constant.

The stated changes represent management's assessment of reasonably possible changes in foreign exchange rates over the period until the next annual reporting date. In this respect, it is assumed that the pegged rate between the HK\$ and the US\$ would be materially unaffected by any changes in movement in value of the US\$ against other currencies. Results of the analysis as presented in above represent an aggregation of the effects on each of the Group entities' profit after tax and equity measured in the respective functional currencies, translated into HK\$ at the exchange rate ruling at the end of the reporting period for presentation purposes. The analysis is performed on the same basis for 2017.

#### 43. 財務風險管理及金融工具之公平價值(續)

##### (b) 財務風險因素(續)

###### (i) 外匯風險(續)

於二零一八年十二月三十一日，倘港元兌日元匯率增強／減弱10%，而所有其他變數不變，該年度之除稅後溢利將分別較現時高／低約641,000港元(二零一七年：除稅後溢利低／高203,000港元)，但不會對權益的其他部分有影響。

敏感性分析乃基於假設外匯匯率變化已於報告結算日發生，並已於該日運用於其時存在之各集團實體所受金融工具的匯率風險，同時假定其他變量(尤其是利率)維持不變。

上述變動代表管理層評估外匯匯率在截至下一個報告周年結算日期間之合理變動，並假設港元兌美元之聯繫匯率並未因美元兌其他貨幣之任何變動而有重大影響。上述之分析結果乃各集團實體之除稅後溢利及權益所受影響(按其相關之功能貨幣計算，並以報告結算日之匯率匯兌為港幣作呈列之用)之總額。二零一七年亦以同一基準作分析。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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**43. FINANCIAL RISK MANAGEMENT AND  
FAIR VALUE OF FINANCIAL INSTRUMENTS**

(Continued)

**(b) Financial risk factors (Continued)**

**(ii) Interest rate risk**

Except for pledged bank deposits, short-term bank deposits and cash and cash equivalents (note 27), the Group has no other significant interest-bearing assets. The Group's income and operating cash flows are substantially independent of changes in market interest rates. Management does not anticipate significant impact on interest-bearing assets resulted from the changes in interest rates because the interest rates of bank deposits are not expected to change significantly.

The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of Prime or HIBOR arising from the Group's borrowings denominated in HK\$ and RMB.

Borrowings at variable rates expose the Group to cash flow interest-rate risk. Borrowings at fixed rates and finance lease receivables expose the Group to fair value interest-rate risk. Details of the Group's borrowings and finance lease receivables have been disclosed in notes 30 and 22 respectively.

The Group has not used any interest rate swaps to hedge its exposure to interest rate risk. In order to manage the cash flow interest rate risk, the Group will repay the corresponding borrowings when it has surplus funds.

**43. 財務風險管理及金融工具之公平  
價值(續)**

**(b) 財務風險因素(續)**

**(ii) 利率風險**

除抵押存款、短期銀行抵押存款及現金及現金等值(附註27)外,本集團並無任何重大的計息資產。本集團的收入及經營現金流量基本上不受市場利率變動所影響。管理層並不預期利率轉變會對計息資產產生重大影響,因預期銀行存款利率變動不大。

本集團面對的現金流量利率風險主要是來自本集團港元及人民幣借款的最優惠利率及香港銀行同業拆息之波動。

浮息借款使本集團面對現金流量利率風險。定息借款及應收融資租賃款項使本集團面對公平價值利率風險。有關本集團借款及應收融資租賃款項之詳情,已分別於附註30及22披露。

本集團並無訂立任何利率掉期以對沖所承擔之利率風險。為控制現金流量利率風險,本集團將在有盈餘資金的情況下償還相應借款。

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#### 43. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS

(Continued)

(b) Financial risk factors (Continued)

(ii) Interest rate risk (Continued)

The sensitivity analysis below have been determined based on the exposure to interest rates for the variable-rate bank borrowings at the end of the reporting period. For variable-rate bank borrowings, the analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for the whole year.

At 31 December 2018, if interest rates on HK\$-denominated borrowings had been 50 basis points higher/lower with all other variables held constant, post-tax profit for the year would have been approximately HK\$1,343,000 lower/higher (2017: post-tax profit for the year would have been HK\$1,456,000 lower/higher), mainly as a result of higher/lower interest expense on floating rate borrowings.

At 31 December 2018, if interest rates on RMB-denominated borrowings had been 50 basis points higher/lower with all other variables held constant, post-tax profit for the year would have been approximately HK\$462,000 lower/higher (2017: post-tax profit for the year would have been HK\$554,000 lower/higher), mainly as a result of higher/lower interest expense on floating rate borrowings.

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to the exposure to interest rate risk for financial instruments in existence at that date. The above changes in interest rates represent management's assessment of a reasonably possible change in interest rates over the period until the next annual reporting date. The analysis is performed on the same basis for 2017.

#### 43. 財務風險管理及金融工具之公平價值(續)

(b) 財務風險因素(續)

(ii) 利率風險(續)

以下敏感度分析乃根據報告結算日浮息銀行借款之利率風險釐定。對於浮息銀行借款而言，此分析乃假設於報告結算日之未償還負債於整個年度均未償還而釐定。

於二零一八年十二月三十一日，如果港元借款利率提高／降低50點子而其他因素保持不變，則年度除稅後溢利將低／高約1,343,000港元(二零一七年：除稅後溢利低／高1,456,000港元)，主要是由於浮息借款的利息支出的增加／減少。

於二零一八年十二月三十一日，如果人民幣借款利率提高／降低50點子而其他因素保持不變，則年度除稅後溢利將低／高約462,000港元(二零一七年：除稅後溢利低／高554,000港元)，主要是由於浮息借款的利息支出的增加／減少。

以上敏感度分析之釐定乃假設利率變動於報告結算日發生，並已將該變動套用於當日就金融工具所產生之利率風險而釐定。以上之利率變動代表管理層對直至下一個周年報告結算日期間的潛在利率變動所進行的評估。二零一七年敏感度分析按照相同基準進行。

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綜合財務報表附註(續)

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**43. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS**

(Continued)

**(b) Financial risk factors (Continued)**

**(iii) Price risk**

The Group is exposed to equity securities price risk in its available-for-sale financial assets. As the Group's policy is only to invest on such investments by its surplus funds, the exposure may not have significant impact on the Group's financial position. The Group is not exposed to commodity price risk.

**(iv) Credit risk**

The Group is exposed to credit risk in relation to its trade and other receivables, finance lease receivable and cash and bank balances. The carrying amounts of trade and other receivables, finance lease receivable and cash and bank balances represent the Group's maximum exposure to credit risk in relation to financial assets.

The Group expects that there is no significant credit risk associated with cash and bank balances since they are substantially deposited at state-owned banks and other medium or large-sized listed banks. Management does not expect that there will be any significant losses from non-performance by these counterparties.

The Group has large number of customers and there was no concentration of credit risk. The Group has monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverability of these receivables at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts.

**43. 財務風險管理及金融工具之公平價值(續)**

**(b) 財務風險因素(續)**

**(iii) 價格風險**

本集團的可供出售金融資產面臨權益證券價格風險。由於本集團之政策為僅以其盈餘資金投資於有關投資，有關風險可能不會對本集團之財務狀況產生重大影響。本集團不會面對商品價格風險。

**(iv) 信貸風險**

本集團面臨與其貿易及其他應收款項、應收融資租賃款項及現金及銀行結餘有關之信貸風險。貿易及其他應收款項、應收融資租賃款項及現金及銀行結餘的賬面值乃本集團面臨的金融資產的最高信貸風險。

本集團預期並無與現金及銀行結餘相關的重大信貸風險，因為該等存款基本上存入國有銀行以及其他大中型上市銀行。管理層預期不會有該等對手方未履約所產生的任何重大虧損。

本集團有大量客戶，並無集中的信貸風險。本集團訂有監控程序，以確保採取跟進措施收回逾期債務。此外，於各報告期末，本集團檢討該等應收款項的可收回性，以確保就不可收回金額作出充分減值虧損。

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#### 43. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS

(Continued)

(b) Financial risk factors (Continued)

(iv) Credit risk (Continued)

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- internal credit rating;
- external credit rating;
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the customer's ability to meet its obligations;
- actual or expected significant changes in the operating results of the debtor/ customer;
- significant changes in the expected performance and behaviour of the customer, including changes in the payment status of customer in the Group and changes in the operating results of the customer.

#### 43. 財務風險管理及金融工具之公平價值(續)

(b) 財務風險因素(續)

(iv) 信貸風險(續)

本集團在資產的初始確認時考慮壞賬的可能性，也在整個報告期間持續評估信貸風險是否顯著增加。在評估信貸風險是否顯著增加時本集團將報告日時點資產發生壞賬的可能性與初始確認時點發生壞賬的可能性進行比較，同時也考慮公開且合理可靠的前瞻信息。以下指標需要重點考慮：

- 內部信貸評級；
- 外部信貸評級；
- 預期導致客戶履行責任能力出現重大變動的業務、財務或經濟狀況的實際或預期重大不利變動；
- 債務人／客戶經營業績的實際或預期重大變動；
- 客戶預期表現及行為的重大變動，包括本集團內客戶的付款狀況變動及客戶經營業績的變動。



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
 綜合財務報表附註(續)

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**43. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS**

(Continued)

(b) Financial risk factors (Continued)

(iv) Credit risk (Continued)

(a) Trade receivables

The Group applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables.

As at 31 December 2018, the loss allowance for trade receivables was determined as follows. The expected credit losses below also incorporated forward looking information.

		Expected loss rate 預期虧損率 %	Gross carrying amount 賬面總額 HK\$'000 千港元	Loss allowance 虧損撥備 HK\$'000 千港元
0 to 3 months	零至三個月	0.7%	529,539	(3,797)
4 to 6 months	四至六個月	0.7%	121,155	(765)
7 to 9 months	七至九個月	2.4%	57,159	(1,372)
10 to 12 months	十至十二個月	2.8%	28,015	(781)
1 to 2 years	一至二年	9.7%	40,949	(3,953)
2 to 3 years	二至三年	74%	4,864	(3,597)
Over 3 years	超過三年	97.3%	95,198	(92,599)
			876,879	(106,864)

In prior years, for trade receivables, the Group performs ongoing credit evaluations of its debtors' financial condition and does not require collateral from the debtors on the outstanding balances. Based on the expected recoverability and timing for collection of the outstanding balances, the Group maintains a provision for doubtful accounts and actual losses incurred have been within management's expectations.

**43. 財務風險管理及金融工具之公平價值(續)**

(b) 財務風險因素(續)

(iv) 信貸風險(續)

(a) 貿易應收款項

本集團應用簡化的方法就香港財務報告準則第9號規定的預期信貸虧損計提撥備，該準則允許採用所有貿易應收款項存續期的預期虧損撥備。

於2018年12月31日，貿易應收款項的虧損撥備釐定如下。下文的預期信貸虧損亦包含前瞻性資料。

	Expected loss rate 預期虧損率 %	Gross carrying amount 賬面總額 HK\$'000 千港元	Loss allowance 虧損撥備 HK\$'000 千港元
0 to 3 months	0.7%	529,539	(3,797)
4 to 6 months	0.7%	121,155	(765)
7 to 9 months	2.4%	57,159	(1,372)
10 to 12 months	2.8%	28,015	(781)
1 to 2 years	9.7%	40,949	(3,953)
2 to 3 years	74%	4,864	(3,597)
Over 3 years	97.3%	95,198	(92,599)
		876,879	(106,864)

於過往年度，就貿易應收款項而言，本集團對其債務人的財務狀況進行持續的信貸評估，惟不會要求債務人就未償還結餘提供抵押品。基於未償還結餘的預期可回收性及收款時間，本集團計提呆賬撥備，且實際發生的虧損均在管理層的預期範圍內。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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43. FINANCIAL RISK MANAGEMENT AND  
FAIR VALUE OF FINANCIAL INSTRUMENTS

(Continued)

(b) Financial risk factors (Continued)

(iv) Credit risk (Continued)

(b) Finance lease receivables

The Group applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9, which permits the use of the lifetime expected loss provision for all finance lease receivables.

As at 31 December 2018, the loss allowance for finance lease receivables was determined as follows. The expected credit losses below also incorporated forward looking information.

		Not overdue 未逾期	Overdue 逾期		Total 合計
			Within one year 一年內	Over 1 year 超過一年	
31 December 2018	二零一八年 十二月三十一日				
Expected loss rate	預期虧損率	2.4%	28.2%	100%	
Gross carrying amount (HK\$'000)	賬面總額 (千港元)	152,415	6,838	645	159,898
Loss allowance (HK\$'000)	虧損撥備(千港元)	(3,628)	(1,925)	(645)	(6,198)

(v) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the short term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to approval by the parent company's board when the borrowings exceed certain predetermined levels of authority. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

43. 財務風險管理及金融工具之公平  
價值(續)

(b) 財務風險因素(續)

(iv) 信貸風險(續)

(b) 應收融資租賃款項

本集團應用簡化的方法就香港財務報告準則第9號規定的預期信貸虧損計提撥備，該準則允許採用所有應收融資租賃款項存續期的預期虧損撥備。

於2018年12月31日，應收融資租賃款項的虧損撥備釐定如下。下文的預期信貸虧損亦包含前瞻性資料。

(v) 流動資金風險

本集團旗下個別營運中的實體，須各自負責現金管理，包括現金盈餘的短期投資和籌借貸款以應付預期中的現金需求，惟倘借款超逾當局預定的若干水平，則須經母公司董事會批准方可作實。本集團的政策是定期監控即期及預期中的流動資金需求，及其有否遵守借貸契諾，以確保旗下實體本身備有足夠的現金及向主要財務機構取得的足夠的承諾融資金額，藉以應付本身的長短期流動資金需求。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
 綜合財務報表附註(續)

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**43. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS**

(Continued)

(b) Financial risk factors (Continued)

(v) Liquidity risk (Continued)

The tables below categorised the Group's financial liabilities into relevant maturity groupings based on the remaining period from the end of the reporting period to the contractual maturity date. The tabulated amounts are the contractual undiscounted cash flow payments of the Group.

**43. 財務風險管理及金融工具之公平價值(續)**

(b) 財務風險因素(續)

(v) 流動資金風險(續)

下表根據報告結算日至合約到期日之餘下期間，將本集團之金融負債按相關到期組別進行分類。列表中的金額乃本集團之合約非貼現現金流量。

		Less than 1 year 少於1年 HK\$'000 千港元	Between 1 and 2 years 1至2年 HK\$'000 千港元	Between 2 and 5 years 2至5年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>At 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	783,417	-	-	783,417
Amount due to an associate	結欠一間聯營公司款項	704	-	-	704
Obligations under finance leases	融資租賃借款	2,880	2,887	1,873	7,640
Bank borrowings	銀行借款	362,979	15,670	5,121	383,770
		<b>1,149,980</b>	<b>18,557</b>	<b>6,994</b>	<b>1,175,531</b>
<b>At 31 December 2017</b>	<b>於二零一七年 十二月三十一日</b>				
Trade and other payables	貿易及其他應付款項	773,872	-	-	773,872
Amount due to an associate	結欠一間聯營公司款項	865	-	-	865
Deferred consideration payable	遞延應付代價	8,148	-	-	8,148
Obligations under finance leases	融資租賃借款	2,750	-	-	2,750
Bank borrowings	銀行借款	387,139	41,991	4,025	433,155
		<b>1,172,774</b>	<b>41,991</b>	<b>4,025</b>	<b>1,218,790</b>

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

#### 43. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS

(Continued)

##### (c) Fair value measurement

##### (i) Financial assets measured at fair value through profit or loss

Fair value hierarchy

The following table presents the carrying value of the Group's financial instruments measured at fair value at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

#### 43. 財務風險管理及金融工具之公平價值(續)

##### (c) 公平價值計量

##### (i) 公平價值計入損益之金融資產

公平價值架構

下表呈列於報告結算日所計算按持續性基礎之公平價值計量之本集團之金融工具之賬面價值在香港財務報告準則第13號·公平價值計量所界定之公平價值三層架構中。將公平價值計量分類之等級乃經參考如下估值方法所用數據之可觀察性及重要性後釐定：

- 第一層次估值：僅使用第一層次輸入數據（即於計量日同類資產或負債於活躍市場之未經調整報價）計量之公平價值。
- 第二層次估值：使用第二層次輸入數據（即未能達到第一層次之可觀察輸入數據，且並未使用重大不可觀察輸入數據）計量之公平價值。不可觀察輸入數據為無市場數據之輸入數據。
- 第三層次估值：採用重大不可觀察數據計量之公平價值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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43. FINANCIAL RISK MANAGEMENT AND  
FAIR VALUE OF FINANCIAL INSTRUMENTS

(Continued)

(c) Fair value measurement (Continued)

(i) Financial assets measured at fair value  
through profit or loss (Continued)

Fair value hierarchy (Continued)

43. 財務風險管理及金融工具之公平  
價值(續)

(c) 公平價值計量(續)

(i) 公平價值計入損益之金融資產  
(續)

公平價值架構(續)

		Fair value measurement as at 31 December 2018 categorised into 於二零一八年十二月三十一日 公平價值計量作以下分類			
		Fair value 公平價值 HK\$'000 千港元	Level 1 第一層次 HK\$'000 千港元	Level 2 第二層次 HK\$'000 千港元	Level 3 第三層次 HK\$'000 千港元
Other financial assets	其他金融資產				
- Unlisted unit trust funds	- 非上市單位 信託基金	219	-	219	-
- Wealth management products	- 理財產品	33,711	-	33,711	-

		Fair value measurement as at 31 December 2017 categorised into 於二零一七年十二月三十一日 公平價值計量作以下分類			
		Fair value 公平價值 HK\$'000 千港元	Level 1 第一層次 HK\$'000 千港元	Level 2 第二層次 HK\$'000 千港元	Level 3 第三層次 HK\$'000 千港元
Other financial assets	其他金融資產				
- Unlisted unit trust funds	- 非上市單位 信託基金	59	-	59	-
- Principal guaranteed investment funds	- 保本投資基金	20,218	-	20,218	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

43. FINANCIAL RISK MANAGEMENT AND  
FAIR VALUE OF FINANCIAL INSTRUMENTS

(Continued)

(c) Fair value measurement (Continued)

(i) **Financial assets measured at fair value  
through profit or loss (Continued)**

Fair value hierarchy (Continued)

The fair values of unlisted unit trust funds, principal guaranteed and non-guaranteed investment funds in level 2 are based on net assets value of the investment funds at the end of the reporting period provided by the financial institution.

During the year ended 31 December 2017 and 2018, there were no transfers between Level 1 and Level 2, or transfer into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

(ii) **Fair value of financial assets and liabilities  
carried at other than fair value**

The carrying amounts of the Group's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 31 December 2017 and 2018.

43. 財務風險管理及金融工具之公平  
價值(續)

(c) 公平價值計量(續)

(i) **公平價值計入損益之金融資產  
(續)**

公平價值架構(續)

非上市單位信託基金、保本及非保本投資基金之公平價值在第二層次是基於金融機構提供在報告結算日當天投資基金的淨資產價值。

截至二零一七年十二月三十一日及二零一八年十二月三十一日止年度內，第一層次與第二層次之間並無轉撥或轉撥到第三層次或從第三層次轉出。當公平價值架構層之間有轉撥發生時，本集團會按照政策於報告結算日確認。

(ii) **金融資產及負債的公平價值與  
其賬面值**

於二零一七年十二月三十一日及二零一八年十二月三十一日，本集團的金融工具之成本或攤銷成本賬面值與其公平價值並無重大分別。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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

**43. FINANCIAL RISK MANAGEMENT AND  
FAIR VALUE OF FINANCIAL INSTRUMENTS**

*(Continued)*

**(d) Capital risk 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 shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the total debts ratio. This ratio is calculated as total borrowings divided by total capital. Total borrowings include current liabilities and non-current liabilities. Total capital includes total borrowings and total equity as shown in the consolidated statement of financial position.

**43. 財務風險管理及金融工具之公平  
價值(續)**

**(d) 資金風險管理**

集團的資金管理政策，是保障集團按持續經營基準繼續營運之能力，以為股東帶來回報，同時兼顧其他權益持有人的利益，並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，集團可能會調整支付予股東的股息金額、向股東發還資金、發行新股或出售資產以減低債務。

集團利用總負債比率監察其資本。此比率按照總借款除以資本總值計算。總借款包括非流動負債及流動負債。資本總值包括綜合財務狀況表內之總借款及權益總值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

43. FINANCIAL RISK MANAGEMENT AND  
FAIR VALUE OF FINANCIAL INSTRUMENTS

(Continued)

(d) Capital risk management (Continued)

The total debts ratios at 31 December 2018 and 2017 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
Current liabilities	流動負債	1,280,921	1,408,243
Non-current liabilities	非流動負債	50,487	70,277
Total borrowings	借款總額	1,331,408	1,478,520
Total equity	權益總額	1,400,285	1,292,139
Total capital	資本總額	2,731,693	2,770,659
Total debts ratio	總負債比率	49%	53%

Neither the Company nor any of its subsidiaries are subject to externally or internally imposed capital requirements.

43. 財務風險管理及金融工具之公平  
價值(續)

(d) 資金風險管理(續)

於二零一八年十二月三十一日及二零一七年十二月三十一日之總負債比率為：

本公司或其任何附屬公司概無受外界及內部施加的資本規定所規限。



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
 綜合財務報表附註(續)

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

**44. TRANSACTIONS AND BALANCES WITH RELATED PARTIES**

During the year, the Group had significant transactions with the following related parties, together with balances with them as at the end of the reporting period, details of which are as follows:

**44. 與關連方進行之交易及結餘**

本年度內，本集團與下列關連方進行之重大交易，連同於報告結算日之結餘詳情如下：

		Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Company controlled by certain directors' relatives:	由若干董事及其親屬控制之公司：			
Management fee paid (note i)	管理費支出 (附註i)		996	996
Non-controlling interests:	非控股權益：			
Balances due from the Group (note ii)	本集團結欠之結餘 (附註ii)	28	9,600	10,345
Rental income	租金收入		2,198	813
Service fee income	服務費收入		-	289
Consultancy fee paid	顧問費支出		1,016	1,178
Sales	銷售		196	-
Associates:	聯營公司：			
Balances due from the Group (note ii)	本集團結欠之結餘 (附註ii)		704	865
Balance due to the Group (note ii)	結欠本集團之結餘 (附註ii)	20	2,184	2,543
EDP charges paid	電腦系統維護服務支出		4,356	5,566
Rental income	租金收入		-	104
Purchases	購貨		87	143
Purchase of fixed assets	採購固定資產		164	53
Remuneration of key management personnel of the Group (note iii):	集團主要管理人員酬金 (附註iii)：			
Salaries and other short-term employee benefits	薪金及其他短期僱員福利		29,117	15,210

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

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

**44. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)**

Further details of directors' and the chief executive's emoluments are included in note 10 to the consolidated financial statements.

Notes:

- (i) The prices of the transactions were determined by the directors with reference to prices for similar transactions with unrelated third parties.
- (ii) The balances are unsecured, interest free and have no fixed terms of repayment.
- (iii) Key management personnel whose profiles are included in Directors and Senior Management's Biographies section of this report.
- (iv) Save as disclosed above, no other transactions, arrangements or contracts of significance to which the Company was a party, and in which a director of the company had a material interest, subsisted at the end of the year or at any time during the year.

Save as disclosed above, there were no other significant transactions with related parties during the year or significant balances with them at the end of the reporting period.

**44. 與關連方進行之交易及結餘 (續)**

董事及行政總裁酬金的進一步詳情列在綜合財務報表附註10。

附註：

- (i) 該等交易的價格經董事參考與非關連第三方進行類似交易的價格後釐定。
- (ii) 該等結餘為無抵押、免息及無固定還款期。
- (iii) 集團主要管理人員已呈列在本報告之董事及高級管理人員履歷部份。
- (iv) 除上述披露外，於年末或年度內任何時間，本公司概無與本公司董事擁有重大權益之交易、安排或訂立之其他重大合約。

除上述披露外，本年度與關連方並無其他重大交易，或在報告結算日與彼等並無任何重大結餘。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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

**45. PARTICULARS OF PRINCIPAL SUBSIDIARIES**

Details of the Company's principal subsidiaries at 31 December 2018 are as follows:

**45. 主要附屬公司詳情**

於二零一八年十二月三十一日主要附屬公司詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration 成立/ 註冊地方	Place of operation 經營地方	Issued and fully paid ordinary share capital 已發行及已繳足普通股股本	Proportion of nominal value of issued share capital/registered capital 已繳足普通股股本面值/註冊股本比率		Principal activities 主要業務
				held by the Company*/ subsidiaries 由本公司*/附屬公司持有 %	attributable to the Group 本集團應佔 %	
Cosmos Machinery Limited 大同機械有限公司	Hong Kong 香港	Hong Kong 香港	HK\$10,000,000 10,000,000港元	100.00	100.00	Investment holding 投資控股
Cosmos Machinery International Limited 大同機械國際有限公司	Hong Kong 香港	Hong Kong 香港	HK\$32,000,000 32,000,000港元	100.00*	100.00	Investment holding 投資控股
Cosmos Machinery (Dongguan) Trading Co., Ltd. (note a) 大同機械(東莞)銷售有限公司(附註a)	The PRC 中國	The PRC 中國	HK\$5,000,000 5,000,000港元	100.00	100.00	Trading of machinery 機械貿易
Cosmos Machinery (Wuxi) Trading Co., Ltd. (note a) 大同機械(無錫)銷售有限公司(附註a)	The PRC 中國	The PRC 中國	HK\$5,000,000 5,000,000港元	100.00	100.00	Trading of machinery 機械貿易
Dekuma Rubber and Plastic Technology (Dongguan) Limited (note a) 德科摩橡塑科技(東莞)有限公司(附註a)	The PRC 中國	The PRC 中國	HK\$24,000,000 24,000,000港元	100.00	100.00	Manufacturing and trading of machinery 機械製造及貿易
Dong Hua Machinery Ltd. (note b) 東華機械有限公司(附註b)	The PRC 中國	The PRC 中國	RMB146,199,955 146,199,955人民幣	75.56	75.56	Manufacturing and trading of machinery 機械製造及貿易
Gainbase Industrial Limited 邦基實業有限公司	Hong Kong 香港	Hong Kong 香港	HK\$10,000 10,000港元	100.00	52.00	Trading of printed circuit boards 印刷線路板貿易
Grand Technology Products Limited 格蘭科技產品有限公司	Hong Kong 香港	Hong Kong 香港	HK\$9,500,000 9,500,000港元	100.00	100.00	Investment holding 投資控股
Jackson Equities Incorporated Jackson Equities Incorporated	British Virgin Islands 英屬維爾京群島	Hong Kong 香港	US\$2 2美元	100.00*	100.00	Investment holding 投資控股
Karmay Industrial Limited 嘉美實業有限公司	Hong Kong 香港	Hong Kong 香港	HK\$55,000,000 55,000,000港元	100.00	100.00	Investment holding and trading 投資控股及貿易
Karmay Plastic Products (Zhuhai) Co., Ltd. (note a) 嘉美塑料製品(珠海)有限公司(附註a)	The PRC 中國	The PRC 中國	HK\$16,800,000 16,800,000港元	100.00	100.00	Manufacturing of plastic products 生產塑料製品

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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

**45. PARTICULARS OF PRINCIPAL SUBSIDIARIES**  
(Continued)

**45. 主要附屬公司詳情 (續)**

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration 成立/ 註冊地方	Place of operation 經營地方	Issued and fully paid ordinary share capital 已發行及已繳足普通股股本	Proportion of nominal value of issued share capital/registered capital 已繳足普通股 股本面值/註冊股本比率		Principal activities 主要業務
				held by the Company*/ subsidiaries 由本公司*/附屬公司持有 %	attributable to the Group 本集團應佔 %	
Melco Industrial Supplies Company Limited 美高工業器材有限公司	Hong Kong 香港	Hong Kong 香港	HK\$1,500,000 1,500,000港元	100.00	100.00	Trading of industrial consumables 工業消耗品貿易
美高工業器材(上海)有限公司 (note a) 美高工業器材(上海)有限公司 (附註a)	The PRC 中國	The PRC 中國	US\$600,000 600,000美元	100.00	100.00	Trading of industrial consumables 工業消耗品貿易
Guangzhou Melco Industrial Supplies Co., Ltd. (note a) 廣州市美高工業器材有限公司 (附註a)	The PRC 中國	The PRC 中國	US\$400,000 400,000美元	100.00	100.00	Trading of industrial consumables 工業消耗品貿易
Shenzhen Gainbase Printed Circuit Board Co., Ltd. (note a) 深圳邦基線路板有限公司 (附註a)	The PRC 中國	The PRC 中國	HK\$140,000,000 140,000,000港元	100.00	52.00	Processing of printed circuit boards 印刷線路板加工
Welltec Machinery Limited 華大機械有限公司	Hong Kong 香港	Hong Kong 香港	HK\$10,000,000 10,000,000港元	100.00	100.00	Trading of machinery 機械貿易
KFE Hong Kong Co., Limited 協榮二葉科技香港有限公司	Hong Kong 香港	Hong Kong 香港	US\$7,800,000 7,800,000美元	100.00	52.00	Trading of printed circuit board 印刷線路板貿易
Wuxi Grand Tech Machinery Group Ltd. (note a) 無錫格蘭機械集團有限公司 (附註a)	The PRC 中國	The PRC 中國	US\$9,586,000 9,586,000美元	100.00	100.00	Manufacturing and trading of machinery 機械製造及貿易
Wuxi Grand Plastic Machine Manufacture Co., Ltd. (note a) 無錫格蘭塑機製造有限公司 (附註a)	The PRC 中國	The PRC 中國	US\$2,850,000 2,850,000美元	100.00	100.00	Manufacturing and trading of machinery 機械製造及貿易
Cosmos Grand Plastic Co., Ltd. (note a) 合肥大同格蘭塑業有限公司 (附註a)	The PRC 中國	The PRC 中國	HK\$56,000,000 56,000,000港元	100.00	100.00	Manufacturing of plastic products 生產塑料製品
Dongguan Hua Qi Plastic Works Co., Ltd (note a) 東莞華奇塑膠製品有限公司 (附註a)	The PRC 中國	The PRC 中國	USD1,000,000 1,000,000美元	100.00	51.00	Manufacturing of plastic products 生產塑料製品

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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

**45. PARTICULARS OF PRINCIPAL SUBSIDIARIES**  
(Continued)

Notes:

- (a) The companies are registered in the form of wholly-owned foreign investment enterprises.
- (b) The companies are registered in the form of sino-foreign cooperative enterprises.

The above table lists out the subsidiaries of the Group which, in the opinion of the directors, principally affect the results of the Group for the year or form a substantial portion of the net assets of the Group at the end of the year. To give details of other subsidiaries would, result in particulars of excessive length.

None of the subsidiaries had any debt capital in issue at the end of the year or at any time during the year.

**45. 主要附屬公司詳情 (續)**

附註:

- (a) 公司登記註冊成立為外商獨資企業。
- (b) 公司登記註冊成立為中外合資企業。

以上附屬公司乃基於董事認為其對本年度業績有重要性影響或於年末佔本集團資產淨值之重大部份而列表。並列其他附屬公司詳情會引致篇幅冗長。

於年末或本年度任何時間內，各附屬公司並無發行任何債務股本。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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

**45. PARTICULARS OF PRINCIPAL SUBSIDIARIES**

(Continued)

The following table lists out the information relating to all subsidiaries of Major Success Company Limited, which has material non-controlling interest (NCI). The summarised financial information presented below represents the amounts before any inter-company elimination.

**45. 主要附屬公司詳情 (續)**

下表列出了有關致騰有限公司所有子公司中具有重大的非控股權益的資料。以下表述的概括財務資料均為未抵消任何公司間交易之金額。

		<b>2018</b> 二零一八年 <b>HK\$'000</b> 千港元	2017 二零一七年 HK\$'000 千港元
NCI percentage	非控股權益百分比	<b>48%</b>	48%
Current assets	流動資產	<b>405,090</b>	390,813
Non-current assets	非流動資產	<b>155,665</b>	176,577
Current liabilities	流動負債	<b>(223,013)</b>	(252,910)
Non-current liabilities	非流動負債	<b>(13,522)</b>	(2,089)
Equity	權益	<b>324,220</b>	312,391
Carrying amount of NCI	非控股權益賬面值	<b>155,626</b>	149,947
Revenue	收入	<b>858,826</b>	788,612
Profit for the year	本年度經營溢利	<b>24,262</b>	12,383
Total comprehensive income	全面收入總額	<b>16,209</b>	19,552
Profit allocated to NCI	分配至非控股權益之溢利	<b>11,646</b>	5,944
Cash generated from operating activities	經營活動產生之現金	<b>2,988</b>	36,101
Cash used in investing activities	投資活動使用之現金	<b>(8,861)</b>	(33,715)
Cash generated from financing activities	融資活動產生之現金	<b>661</b>	8,659

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
**綜合財務報表附註(續)**

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

**46. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2018**

Up to the date of issue of these consolidated financial statements, the HKICPA has issued a number of amendments, new standards and interpretations which are not yet effective for the year ended 31 December 2018 and which have not been early adopted in these consolidated financial statements. These include the following which may be relevant to the Group:

**46. 截至二零一八年十二月三十一日止年度已頒佈但尚未生效之準則修訂、新訂準則及詮釋的潛在影響**

直至該等綜合財務報表刊發日期止，香港會計師公會已頒佈多項於截至二零一八年十二月三十一日止年度仍未生效且於該等綜合財務報表內並未提早採納之準則修訂、新訂準則及詮釋。該等或與本集團有關之準則包括以下各項。

		<b>Effective for accounting periods beginning on or after 於下列日期或其後 開始之會計期間生效</b>
HKFRS 16 《香港財務報告準則》第16號	Leases 租賃	1 January 2019 二零一九年一月一日
HKFRS 17 《香港財務報告準則》第17號	Insurance contracts 保險合約	1 January 2021 二零二一年一月一日
HK(IFRIC) – Int 23 香港(國際財務報告詮釋委員會)詮釋第23號	Uncertainty over income tax treatments 稅項處理不確定性	1 January 2019 二零一九年一月一日
Amendments to HKAS 1 and HKAS 8 香港會計準則第1號及第8號之修訂	Definition of material 重大之定義	1 January 2020 二零二零年一月一日
Amendments to HKAS 19 香港會計準則第19號之修訂	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
Amendments to HKAS 28 香港會計準則第28號之修訂	Long-term interests in associates and joint ventures 於聯營公司及合營企業之長期權益	1 January 2019 二零一九年一月一日
Amendments to HKFRSs 香港財務報告準則之修訂	Annual improvements to HKFRSs 2015–2017 cycle 香港財務報告準則二零一五年至二零一七年週期之年度改進	1 January 2019 二零一九年一月一日
Amendments to HKFRS 3 香港財務報告準則第3號之修訂	Definition of a business 業務的定義	1 January 2020 二零二零年一月一日
Amendments to HKFRS 9 香港財務報告準則第9號之修訂	Prepayment features with negative compensation 提早還款特性及負補償	1 January 2019 二零一九年一月一日
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	Sale or contribution of assets between an investor and its associate or joint venture 投資者與其聯營公司或合營企業之間的資產銷售或注資	To be determined 將予釐定

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

**46. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2018 (Continued)**

The Group is in the process of making an assessment of what the impact of these amendments, new standards and interpretations is expected to be in the period of initial application. So far the Group has identified some aspects of HKFRS 16 which may have an impact on the consolidated financial statements. Further details of the expected impacts are discussed below. While the assessment has been substantially completed for HKFRS 16, the actual impact upon the initial adoption of this standard may differ as the assessment completed to date is based on the information currently available to the Group, and further impacts may be identified before the standard is initially applied in the Group's interim financial report for the six months ended 30 June 2019. The Group may also change its accounting policy elections, including the transition options, until the standard is initially applied in that financial report.

**HKFRS 16, Leases**

As disclosed in note 2(24), currently the Group classifies leases into finance leases and operating leases and accounts for the lease arrangements differently, depending on the classification of the lease. The Group mainly enters into some leases as the lessee.

**46. 截至二零一八年十二月三十一日止年度已頒佈但尚未生效之準則修訂、新訂準則及詮釋的潛在影響(續)**

本集團正評估該等修訂、新訂準則及詮釋在首個應用期間產生之預期影響。本集團已識別香港財務報告準則第16號的若干方面可能對合併財務報表造成影響。有關預期影響的進一步詳情於下文論述。儘管有關香港財務報告準則第16號之評估已大致完成，惟首次採納該準則時產生之實際影響可能有所不同，因為至今完成之評估乃根據本集團現時可得資料作出，而於本集團截至二零一九年六月三十日止六個月之中期財務報告中首次應用該準則前可能會識別其他影響。本集團亦可能變更其會計政策選擇(包括過渡選擇)，直至首次於財務報告中應用該準則。

**香港財務報告準則第16號，租賃**

誠如附註2(24)所披露，本集團現將租賃分類為融資租賃及經營租賃，並根據租賃分類按租賃安排作不同入賬。本集團主要作為承租人訂立部分租賃。



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
綜合財務報表附註(續)

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

**46. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2018 (Continued)**

**HKFRS 16, Leases (Continued)**

HKFRS 16 is not expected to impact significantly on the way that lessors account for their rights and obligations under a lease. However, once HKFRS 16 is adopted, lessees will no longer distinguish between finance leases and operating leases. Instead, subject to practical expedients, lessees will account for all leases in a similar way to current finance lease accounting, i.e. at the commencement date of the lease, the lessee will recognise and measure a lease liability at the present value of the minimum future lease payments and will recognise a corresponding "right-of-use" asset. After initial recognition of this asset and liability, the lessee will recognise interest expense accrued on the outstanding balance of the lease liability, and the depreciation of the right-of-use asset, instead of the current policy of recognising rental expenses incurred under operating leases on a systematic basis over the lease term. As a practical expedient, the lessee can elect not to apply this accounting model to short-term leases (i.e. where the lease term is 12 months or less) and to leases of low-value assets, in which case the rental expenses would continue to be recognised on a systematic basis over the lease term.

HKFRS 16 will primarily affect the Group's accounting as a lessee of leases for properties, plant and equipment which are currently classified as operating leases. The application of the new accounting model is expected to lead to an increase in both assets and liabilities and to impact on the timing of the expense recognition in the consolidated income statement over the period of the lease.

**46. 截至二零一八年十二月三十一日止年度已頒佈但尚未生效之準則修訂、新訂準則及詮釋的潛在影響(續)**

**香港財務報告準則第16號，租賃(續)**

預期香港財務報告準則第16號不會對出租人於租賃下權利及責任入賬方式有重大影響。然而，香港財務報告準則第16號一經採納，承租人將不再區分融資租賃及經營租賃。取而代之，受可行權宜方法所規限，承租人將所有租賃以類似現有融資租賃會計處理的方法入賬，即承租人於租賃開始日期按最低未來租賃款項現值確認及計量租賃負債，及確認相應的「使用權」資產。於初始確認該資產及負債後，承租人將確認租賃負債尚未償還的結餘所產生的利息開支及使用權資產折舊，而非根據現有政策於租賃期內按系統基準確認根據經營租賃所產生的租賃開支。作為一項可行權宜方法，承租人可選擇不將此會計模式應用於短期租賃(即租期為12個月或以下)及低價值資產的租賃，於該等情況下，租金開支將繼續於租期內按系統基準確認。

香港財務報告準則第16號主要影響本集團於物業、廠房及設備的租賃(現分類為經營租賃)作為承租人的會計處理。採用新會計模式預期會增加資產及負債，以及影響於租賃期內於綜合收益表確認開支的時間。

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

**46. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2018 (Continued)**

**HKFRS 16, Leases (Continued)**

HKFRS 16 is effective for annual periods beginning on or after 1 January 2019. As allowed by HKFRS 16, the Group plans to use the practical expedient to grandfather the previous assessment of which existing arrangements are, or contain, leases. The Group will therefore apply the new definition of a lease in HKFRS 16 only to contracts that are entered into on or after the date of initial application. In addition, the Group plans to elect the practical expedient for not applying the new accounting model to short-term leases and leases of low-value assets.

The Group plans to elect to use the modified retrospective approach for the adoption of HKFRS 16 and will recognise the cumulative effect of initial application as an adjustment to the opening balance of equity at 1 January 2019 and will not restate the comparative information. As disclosed in Note 38 to the consolidated financial statements, the Group's future minimum lease payments under non-cancellable operating leases for its rented premises amounted to approximately HK\$84,441,000 as at 31 December 2018. These leases are expected to be recognised as lease liabilities, with corresponding right-of-use assets, once HKFRS 16 is adopted. The amounts will be adjusted for the effects of discounting and the transition reliefs available to the Group.

Other than the recognition of lease liabilities and right-of-use assets, the Group expects that the transition adjustments to be made upon the initial adoption of HKFRS 16 will not be material. However, the expected changes in accounting policies as described above could have a material impact on the Group's financial statements from 2019 onwards.

**46. 截至二零一八年十二月三十一日止年度已頒佈但尚未生效之準則修訂、新訂準則及詮釋的潛在影響(續)**

**香港財務報告準則第16號，租賃(續)**

香港財務報告準則第16號於二零一九年一月一日或之後開始之年度期間生效。在香港財務報告準則第16號許可範圍內，本集團計劃運用實際權宜手段豁免現有安排所屬的過往評估並訂定租賃。本集團會因而將香港財務報告準則第16號中的新租賃定義，僅用於在首次應用日期或之後訂立的合約。此外，本集團計劃選取實際權宜手段，以免將新會計模式用於短期租賃及低價值資產租賃。

本集團計劃就採納香港財務報告準則第16號而選用經修訂追溯法，並會於二零一九年一月一日將首次應用的累計影響確認為權益年初結餘調整，並不會重列比較資料。如附註38所披露，於二零一八年十二月三十一日，就物業而言，本集團的不可取消經營租賃下的未來最低租賃款項約為84,441,000港元。一旦採納香港財務報告準則第16號，租賃之確認預期為租賃負債以及相應的資產使用權。本集團會調整貼現之影響及有過渡性寬免。

除確認租賃負債及使用權資產外，本集團預期，首次採納香港財務報告準則第16號後將予作出的過渡調整將不屬重大。然而，上述會計政策之預期變動或會對本集團自二零一九年起之財務報表造成重大影響。

# FIVE YEAR FINANCIAL SUMMARY

## 五年財務摘要

### INCOME STATEMENT

#### 收益表

		For the year ended 31 December, 截至十二月三十一日止年度				2018
		2014	2015	2016	2017	2018
		二零一四年	二零一五年	二零一六年	二零一七年	二零一八年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Revenue	收入	2,492,729	2,395,166	2,192,287	2,446,848	<b>2,682,452</b>
Profit/(loss) before tax	除稅前溢利／(虧損)	(351)	(26,662)	(279,260)	49,926	<b>108,219</b>
Taxation	稅項	(7,583)	(12,156)	(54,625)	(6,076)	<b>(19,467)</b>
Profit/(loss) for the year	本年溢利／(虧損)	(7,934)	(38,818)	(333,885)	43,850	<b>88,752</b>
Non-controlling interests	非控股權益	25,367	10,783	(30,725)	16,566	<b>14,700</b>
Profit/(loss) attributable to equity shareholders of the Company	本公司股權持有人應佔溢利／(虧損)	(33,301)	(49,601)	(303,160)	27,284	<b>74,052</b>

### STATEMENT OF FINANCIAL POSITION

#### 財務狀況表

		At 31 December, 於十二月三十一日				2018
		2014	2015	2016	2017	2018
		二零一四年	二零一五年	二零一六年	二零一七年	二零一八年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Total assets	總資產	3,113,549	2,946,221	2,419,803	2,770,659	<b>2,731,693</b>
Total liabilities	總負債	(1,435,927)	(1,378,401)	(1,262,891)	(1,478,520)	<b>(1,331,408)</b>
Total equity	權益總計	1,677,622	1,567,820	1,156,912	1,292,139	<b>1,400,285</b>
Non-controlling interests	非控股權益	234,822	232,507	190,318	211,645	<b>216,716</b>

In this report, unless the context otherwise stated, the following terms shall have the following meanings set out below:

於本報告內，除另有註明外，下列詞彙具有以下涵義：

“Articles” 「章程」	the articles of association of the Company 本公司之組織章程細則
“Board” 「董事會」	the board of Directors of the Company 本公司董事會
“CG Code” 「企業守則」	the Corporate Governance Code as set out in Appendix 14 to the Listing Rules 上市規則附錄十四所載之《企業管治守則》
“Company/Cosmos Machinery” 「本公司／大同機械」	Cosmos Machinery Enterprises Limited, a company incorporated in Hong Kong with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 118) 大同機械企業有限公司，一間於香港註冊成立之有限公司，其股份在聯交所主板上市（股份代號：118）
“Cosmos Holdings” 「大同控股」	Cosmos Machinery (Holdings) Limited, a company incorporated in Hong Kong with limited liability and a substantial shareholder of the Company (as defined under the SFO) 大同機械控股有限公司，一間於香港註冊成立之有限公司及本公司之主要股東（根據《證券及期貨條例》定義）
“Companies Ordinance” 「《公司條例》」	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) 香港法例第622章《公司條例》
“CMEL Code” 「大同企業守則」	Code for Securities Transactions by Directors and Relevant Employees of Cosmos Machinery Enterprises Limited, revised from time to time thereafter 大同機械企業有限公司董事及有關僱員進行證券交易守則（隨後不時修訂）
“Director(s)” 「董事」	the director(s) of the Company 本公司董事
“ESG Guide” 「環境、社會及管治指引」	the Environmental, Social and Governance Reporting Guide as set out in Appendix 27 to the Listing Rules 上市規則附錄二十七所載之《環境、社會及管治報告指引》

## GLOSSARY (CONTINUED)

詞彙(續)

“Group” 「本集團」	the Company and its subsidiaries 本公司及其附屬公司
“Hong Kong” 「香港」	the Hong Kong Special Administrative Region of the PRC 中國香港特別行政區
“Listing Rules” 「上市規則」	the Rules Governing the Listing of Securities on the Stock Exchange 聯交所證券上市規則
“Model Code” 「標準守則」	Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules 上市規則附錄十所載之上市公司董事進行證券交易的標準守則
“Mainland” or “PRC” 「內地」或「中國」	the People’s Republic of China, excluding Hong Kong, Macau and Taiwan 中華人民共和國(不包括香港、澳門及台灣)
“Saniwell” 「Saniwell」	Saniwell Holding Inc., a company incorporated in Cook Islands with limited liability, a substantial shareholder of the Company (as defined under the SFO) Saniwell Holding Inc. · 一間於庫克群島註冊成立之有限公司，為本公司之主要股東(根據《證券及期貨條例》定義)
“SFO” 「《證券及期貨條例》」	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) 香港法例第571章證券及期貨條例
“Share(s)” 「股份」	ordinary share(s) of the Company 本公司之普通股
“Shareholder(s)” 「股東」	the holder(s) of the Share(s) 本公司股份持有人
“Stock Exchange” 「聯交所」	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司
“US” or “United States”	the United States of America 美利堅合眾國
“%” 「%」	per cent 百分比

