



CHINA JICHENG HOLDINGS LIMITED  
中國集成控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock Code 股份代號: 1027



Annual Report  
2018 年報

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# CORPORATE INFORMATION

## 公司資料

### BOARD OF DIRECTORS

#### EXECUTIVE DIRECTORS

Mr. Huang Wenji (*Chairman*)  
Mr. Yang Guang  
Mr. Lin Zhenshuang  
Mr. Chung Kin Hung, Kenneth

#### INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Tso Sze Wai  
Mr. Yang Xuetai  
Ms. Lee Kit Ying, Winnie

### BOARD COMMITTEES

#### AUDIT COMMITTEE

Mr. Tso Sze Wai (*Chairman*)  
Mr. Yang Xuetai  
Ms. Lee Kit Ying, Winnie

#### REMUNERATION COMMITTEE

Ms. Lee Kit Ying, Winnie (*Chairperson*)  
Mr. Tso Sze Wai  
Mr. Yang Xuetai

#### NOMINATION COMMITTEE

Mr. Yang Xuetai (*Chairman*)  
Mr. Tso Sze Wai  
Ms. Lee Kit Ying, Winnie

### COMPANY SECRETARY

Mr. Chiu Kung Wai (appointed on 2 October 2018)  
Mr. Cheung Ka Shing (resigned on 2 October 2018)

### AUTHORISED REPRESENTATIVES

Mr. Huang Wenji  
Mr. Chiu Kung Wai (appointed on 2 October 2018)  
Mr. Cheung Ka Shing (resigned on 2 October 2018)

### REGISTERED OFFICE

Clifton House  
75 Fort Street  
Grand Cayman KY1-1108  
Cayman Islands

### 董事會

#### 執行董事

黃文集先生 (*主席*)  
楊光先生  
林貞雙先生  
鍾健雄先生

#### 獨立非執行董事

曹思維先生  
楊學太先生  
李結英女士

### 董事委員會

#### 審核委員會

曹思維先生 (*主席*)  
楊學太先生  
李結英女士

#### 薪酬委員會

李結英女士 (*主席*)  
曹思維先生  
楊學太先生

#### 提名委員會

楊學太先生 (*主席*)  
曹思維先生  
李結英女士

### 公司秘書

趙公維先生 (於二零一八年十月二日獲委任)  
張嘉誠先生 (於二零一八年十月二日辭任)

### 授權代表

黃文集先生  
趙公維先生 (於二零一八年十月二日獲委任)  
張嘉誠先生 (於二零一八年十月二日辭任)

### 註冊辦事處

Clifton House  
75 Fort Street  
Grand Cayman KY1-1108  
Cayman Islands

**COMPANY WEBSITE**

www.china-jicheng.cn

**HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN THE PRC**

Yonghe Industrial Section  
Yonghe Town  
Jinjiang City  
Fujian Province  
PRC

**PRINCIPAL PLACE OF BUSINESS IN HONG KONG**

Room 904  
Loon Kee Building  
275 Des Voeux Road Central  
Hong Kong

**STOCK CODE**

01027

**CAYMAN ISLANDS SHARE REGISTRAR AND TRANSFER OFFICE**

Estera Trust (Cayman) Ltd.  
Clifton House  
75 Fort Street  
Grand Cayman KY1-1108  
Cayman Islands

**HONG KONG SHARE REGISTRAR**

Tricor Investor Services Limited  
Level 22  
Hopewell Centre  
183 Queen's Road East  
Hong Kong

**AUDITORS**

Elite Partners CPA Limited

**PRINCIPAL BANKERS**

Bank of China Limited Jinjiang Branch  
China Construction Bank Corporation Jinjiang Branch

**網址**

www.china-jicheng.cn

**中國總辦事處及主要營業地點**

中國  
福建省  
晉江市  
永和鎮  
永和工業園

**香港主要營業地點**

香港  
德輔道中275號  
龍記大廈  
904室

**股份代號**

01027

**開曼群島股份過戶登記處**

Estera Trust (Cayman) Ltd.  
Clifton House  
75 Fort Street  
Grand Cayman KY1-1108  
Cayman Islands

**香港股份過戶登記處**

卓佳證券登記有限公司  
香港  
皇后大道東183號  
合和中心  
22樓

**核數師**

開元信德會計師事務所有限公司

**主要往來銀行**

中國銀行股份有限公司晉江支行  
中國建設銀行股份有限公司晉江分行

# CHAIRMAN'S STATEMENT

## 主席報告

Dear Shareholders,

On behalf of the board (the "Board") of directors (the "Directors") of China Jicheng Holdings Limited (the "Company"), I am pleased to present our annual report of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2018.

The Group is principally engaged in the manufacturing and sale of POE umbrellas, nylon umbrellas and umbrella parts such as plastic cloth and shaft. During the year ended 31 December 2018, the Group's revenue decreased to approximately RMB521 million, representing a decrease of approximately 3.2% in comparison to that of 2017, while profit attributable to owner of the Company increased to approximately RMB19 million, representing an increase of approximately 429.7% as compared to that of 2017. The Directors do not recommend the payment of final dividend for the year ended 31 December 2018.

The revenue of the Group's POE umbrellas products decreased by approximately RMB99 million, or 35.7%, from approximately RMB276 million for the year ended 31 December 2017 to approximately RMB177 million for the year ended 31 December 2018.

The revenue of the Group's nylon umbrellas products increased by approximately RMB14 million, or 7.9%, from approximately RMB171 million for the year ended 31 December 2017 to approximately RMB185 million for the year ended 31 December 2018.

The revenue of the Group's umbrella parts products increased by approximately RMB68 million, or 74.2%, from approximately RMB91 million for the year ended 31 December 2017 to approximately RMB159 million for the year ended 31 December 2018.

致列位股東：

本人謹代表中國集成控股有限公司（「本公司」）董事（「董事」）會（「董事會」）欣然提呈本公司及其附屬公司（統稱「本集團」）截至二零一八年十二月三十一日止年度之年度報告。

本集團主要從事製造及銷售POE雨傘、尼龍雨傘及雨傘零部件，如塑料布及中棒。截至二零一八年十二月三十一日止年度，本集團之收益減少至約人民幣521百萬元，較二零一七年減少約3.2%，而本公司擁有人應佔溢利增加至約人民幣19百萬元，較二零一七年增加約429.7%。董事會不建議派發截至二零一八年十二月三十一日止年度之末期股息。

本集團POE雨傘產品之收益由截至二零一七年十二月三十一日止年度之約人民幣276百萬元減少約人民幣99百萬元或35.7%至截至二零一八年十二月三十一日止年度之約人民幣177百萬元。

本集團尼龍雨傘產品之收益由截至二零一七年十二月三十一日止年度之約人民幣171百萬元增加約人民幣14百萬元或7.9%至截至二零一八年十二月三十一日止年度之約人民幣185百萬元。

本集團雨傘零部件產品之收益由截至二零一七年十二月三十一日止年度之約人民幣91百萬元增加約人民幣68百萬元或74.2%至截至二零一八年十二月三十一日止年度之約人民幣159百萬元。

## CHAIRMAN'S STATEMENT 主席報告

Our principal objectives are to maintain and strengthen our position as a leading umbrella manufacturer focused in Japan market and on our own branded umbrella products in the People's Republic of China ("PRC") market, and increase our market share in existing markets such as Hong Kong, Cambodia and South Korea.

Looking ahead, the Group will shift business focus from developing upstream manufacturing to downstream distribution network and brand building so as to facilitate promotion of the Group's branded umbrellas which command higher margins and create higher values as well as bringing better return to our shareholders. To diversify its business and explore potential business opportunities, the Group is exploring and developing business opportunities and projects.

On behalf of the Board of Directors, I would like to thank all the colleagues for their diligence, dedication, loyalty and integrity. I would also like to thank all the shareholders, customers, bankers and other business associates for their trust and support.

**Huang Wenji**  
*Chairman*

Fujian Province, the PRC, 29 March 2019

本集團之主要目標旨在維持及鞏固本集團作為日本市場雨傘製造商及中華人民共和國（「中國」）市場自有品牌雨傘製造商之領先地位以及擴大本集團於香港、柬埔寨及韓國等現有市場之市場份額。

展望未來，本集團將業務重心自發展上游製造轉移至下游分銷網絡及品牌建設以促進推廣利潤率較高之本集團品牌雨傘以及創造更多價值，以及為本集團的股東帶來更豐厚回報。為多元化發展業務，並物色潛在商機，本集團正在物色及開發商業機會及項目。

本人謹代表董事會感謝全體同寅的勤勉工作、盡忠職守、忠誠效力及誠信操守。本人亦感謝各位股東、客戶、往來銀行及其他商界友好的信任及支持。

主席  
**黃文集**

中國，福建省，二零一九年三月二十九日

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

### BUSINESS REVIEW

The Group is principally engaged in the manufacturing and sale of POE umbrellas, nylon umbrellas and umbrella parts such as plastic cloth and shaft. The Group manufactures products at the production site located in Dongshi Town and Yonghe Town of Jinjiang City in Fujian Province of the PRC.

The Group principally sell POE umbrellas, nylon umbrellas and umbrella parts on export basis to the Group's overseas customers which accounted for approximately 74% of the Group's total revenue for the year ended 31 December 2018. The Group exported its POE umbrellas, nylon umbrellas and umbrella parts to markets such as Japan, Hong Kong, South Korea, Taiwan, Spain and Cambodia. The Group's overseas customers would usually provide the Group with their design and specification. The Group's sales personnel would closely communicate with the Group's customers. Depending on the specific needs of these overseas customers, the Group's sales personnel would put forward the Group's suggestions for modifications to design and specification from its research and development staff to the Group's customers for their consideration. When customers decide on the final design and specification, the Group would make samples and provide to the Group's customers for approval.

For domestic market, the Group sold its POE umbrellas, nylon umbrellas and umbrella parts to the Group's customers in the PRC which accounted for approximately 26% of the Group's total revenue for the year ended 31 December 2018. The Group's domestic customers would usually place orders with the Group from selection of its existing POE umbrellas and nylon umbrellas products which are all designed by its research and development team. The Group also sell some of its POE umbrellas and nylon umbrellas under the Group's Jicheng (集成) brand through sales to our non-trading customers such as supermarkets.

The Group also manufactured umbrella parts as an ancillary products mainly for the Group's existing customers, both overseas and domestic customers, some of which also purchased POE umbrellas and nylon umbrellas from the Group.

The Group's new business strategy is to shift business focus from developing upstream manufacturing to downstream distribution network and brand building so as to facilitate promotion of the Group's branded umbrellas which command higher margins.

To diversify its business and explore potential business opportunities, the Group is exploring and developing business opportunities and projects.

### 業務回顧

本集團主要從事製造及銷售POE雨傘、尼龍雨傘及雨傘零部件，如塑料布及中棒。本集團於位於中國福建省晉江市東石鎮及永和鎮的生產地生產產品。

本集團主要以出口形式向本集團之海外客戶銷售POE雨傘、尼龍雨傘及雨傘零部件，其於截至二零一八年十二月三十一日止年度佔本集團總收益之約74%。本集團向日本、香港、韓國、台灣、西班牙及柬埔寨等市場出口POE雨傘、尼龍雨傘及雨傘零部件。本集團之海外客戶通常向本集團提供彼等之設計及規格。本集團之銷售人員與本集團之客戶進行緊密溝通。根據該等海外客戶之特殊需求，本集團之銷售人員將向本集團之客戶提供本集團研發團隊對設計及規格之修改建議，以供其考慮。當客戶決定最終設計及規格後，本集團將製作樣本並提供予本集團之客戶，以待其批准。

就國內市場而言，本集團向本集團之中國客戶銷售POE雨傘、尼龍雨傘及雨傘零部件，其於截至二零一八年十二月三十一日止年度佔本集團總收益之約26%。本集團之國內客戶通常自全部由本集團之研發團隊設計之現有POE雨傘及尼龍雨傘產品中進行甄選並下單。本集團亦透過向我們的非貿易客戶（如超市）銷售本集團之集成品牌下之若干POE雨傘及尼龍雨傘。

本集團亦主要為本集團之現有客戶（海外及國內客戶）製造作為輔助產品之雨傘零部件，其中若干客戶亦自本集團採購POE雨傘及尼龍雨傘。

本集團的新業務策略是將業務重心自發展上游製造轉移至下游分銷網絡及品牌建設以促進推廣利潤率較高之本集團品牌雨傘。

為多元化發展業務，並物色潛在商機，本集團正在物色及開發商業機會及項目。

### FINANCIAL REVIEW

#### REVENUE

The revenue decreased from approximately RMB538 million for the year ended 31 December 2017 to approximately RMB521 million for the year ended 31 December 2018, representing a decrease of approximately 3.2%. The decrease in revenue from the PRC was primarily due to decreased demand for the POE umbrellas compared to the previous year. The decrease in revenue was primarily due to the decrease in sales volume affected by poor market situation in both PRC and export markets.

#### COST OF SALES

The cost of sales decreased from approximately RMB457 million for the year ended 31 December 2017 to approximately RMB442 million for the year ended 31 December 2018, representing a decrease of approximately 3.4%. The decrease was mainly attributable to the corresponding decrease in direct materials costs and direct labour costs to cope with the Group's decrease in revenue for the same period.

#### GROSS PROFIT AND GROSS MARGIN

As a result of the foregoing, the gross profit decreased by approximately RMB2 million, or 1.9%, from approximately RMB81 million for the year ended 31 December 2017 to approximately RMB79 million for the year ended 31 December 2018. The gross profit margin increased from approximately 15.0% for the year ended 31 December 2017 to approximately 15.2% for the year ended 31 December 2018.

#### OTHER INCOME AND GAINS

The other income and gains increased by approximately RMB9 million, or 188.8%, from approximately RMB5 million for the year ended 31 December 2017 to approximately RMB14 million for the year ended 31 December 2018. The increase was mainly due to the effect of net exchange gain of approximately 9 million recorded during the year ended 31 December 2018 resulting from the depreciation of Renminbi against US dollars (2017: Nil).

#### SELLING AND DISTRIBUTION EXPENSES

Selling and distribution expenses decreased by at approximately RMB2 million or 10.9% from approximately RMB13 million for the year ended 31 December 2017 to approximately RMB11 million for the year ended 31 December 2018.

### 財務回顧

#### 收益

本集團收益由截至二零一七年十二月三十一日止年度約人民幣538百萬元減少至截至二零一八年十二月三十一日止年度之約人民幣521百萬元，下降約3.2%。來自中國之收益減少主要由於POE雨傘之需求較上一年下降所致。收益減少乃主要由於銷售量受中國及出口市場低迷市況影響而下降。

#### 銷售成本

本集團之銷售成本由截至二零一七年十二月三十一日止年度之約人民幣457百萬元減少至截至二零一八年十二月三十一日止年度之約人民幣442百萬元，減幅約3.4%。該減少乃主要由於為應對期間內本集團之收益減少而相應減少直接材料成本及直接勞工成本所致。

#### 毛利及毛利潤率

由於上述者，毛利由截至二零一七年十二月三十一日止年度之約人民幣81百萬元減少約人民幣2百萬元或1.9%至截至二零一八年十二月三十一日止年度之約人民幣79百萬元。毛利潤率由截至二零一七年十二月三十一日止年度之約15.0%上升至截至二零一八年十二月三十一日止年度之約15.2%。

#### 其他收入及收益

其他收入及收益由截至二零一七年十二月三十一日止年度之約人民幣5百萬元增加約人民幣9百萬元或188.8%至截至二零一八年十二月三十一日止年度之約人民幣14百萬元。該增加主要由於人民幣兌美元貶值，令截至二零一八年十二月三十一日止年度錄得匯兌收益淨額約人民幣9百萬元（二零一七年：無）。

#### 銷售及分銷開支

銷售及分銷開支由截至二零一七年十二月三十一日止年度之約人民幣13百萬元減少約人民幣2百萬元或10.9%至截至二零一八年十二月三十一日止年度之約人民幣11百萬元。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

### ADMINISTRATIVE EXPENSES

Administrative expenses decreased by approximately RMB11 million, or 19.7%, from approximately RMB57 million for the year ended 31 December 2017 to approximately RMB46 million for the year ended 31 December 2018. The decrease in administrative expenses was mainly due to there were no net exchange loss (2017: approximately RMB8 million) and equity-settled share-based payment (2017: approximately RMB6 million).

### FINANCE COSTS

Finance costs increased by approximately RMB1 million, or 11.2%, from approximately RMB9 million for the year ended 31 December 2017 to approximately RMB10 million for the year ended 31 December 2018. The increase in finance cost was mainly due to the higher average borrowing level for the period.

### INCOME TAX EXPENSES

Income tax expense increased by approximately RMB3 million, or 106.6%, from approximately RMB3 million for the year ended 31 December 2017 to approximately RMB6 million for the year ended 31 December 2018, which was primarily due to increase in the Group's profit before tax.

The effective tax rate decreased from approximately 47.4% for the year ended 31 December 2017 to approximately 26.0% for the year ended 31 December 2018.

### PROFIT FOR THE YEAR

As a result for the foregoing factors, profit for the year increased by approximately RMB15 million, or 429.7%, from approximately RMB4 million for the year ended 31 December 2017 to approximately RMB19 million for the year ended 31 December 2018.

### LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2018, the Group's bank balances and cash including restricted bank deposits of approximately RMB7 million (2017: approximately RMB23 million) amounted to approximately RMB75 million (2017: approximately RMB90 million), and short-term bank borrowings amounted to RMB197 million (2017: approximately RMB163 million). The annual interest rates of loans ranged from 4.31% to 5.65%.

### 行政開支

行政開支由截至二零一七年十二月三十一日止年度之約人民幣57百萬元減少約人民幣11百萬元或19.7%至截至二零一八年十二月三十一日止年度之約人民幣46百萬元。行政開支減少乃主要由於並無匯兌虧損(二零一七年:約人民幣8百萬元)及以權益結算以股份為基礎之付款(二零一七年:約人民幣6百萬元)。

### 財務成本

財務成本由截至二零一七年十二月三十一日止年度之約人民幣9百萬元增加約人民幣1百萬元或11.2%至截至二零一八年十二月三十一日止年度之約人民幣10百萬元。財務成本增加主要由於期內平均借款水平上升所致。

### 所得稅開支

所得稅開支由截至二零一七年十二月三十一日止年度之約人民幣3百萬元增加約人民幣3百萬元或106.6%至截至二零一八年十二月三十一日止年度之約人民幣6百萬元,主要由於本集團除稅前溢利增加所致。

實際稅率由截至二零一七年十二月三十一日止年度之約47.4%降低至截至二零一八年十二月三十一日止年度之約26.0%。

### 年內溢利

由於上述因素,年內溢利由截至二零一七年十二月三十一日止年度之約人民幣4百萬元增加約人民幣15百萬元或429.7%至截至二零一八年十二月三十一日止年度之約人民幣19百萬元。

### 流動資金及財務資源

於二零一八年十二月三十一日,本集團之銀行結餘及現金(包括受限制銀行存款約人民幣7百萬元(二零一七年:約人民幣23百萬元))約為人民幣75百萬元(二零一七年:約人民幣90百萬元),而短期銀行借款達人民幣197百萬元(二零一七年:約人民幣163百萬元)。貸款年利率介乎4.31%至5.65%。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論與分析

The Group's current ratio increased from approximately 2.3 times as at 31 December 2017 to approximately 2.4 times as at 31 December 2018, which was calculated based on the total current assets divided by the total current liabilities. As at 31 December 2018, the gearing ratio was approximately 50% (2017: approximately 50%), which was calculated based on the interest-bearing liabilities as a percentage of the total equity.

#### INVENTORIES

As at 31 December 2018, the inventories was approximately RMB161 million (2017: approximately RMB205 million). The inventory turnover days were decreased from approximately 154 days in 2017 to approximately 151 days in 2018, which was calculated based on the average of the beginning and ending balance of inventories for the year divided by cost of sales for the year, and multiplied by 365 days. This was mainly due to decrease in purchasing activities towards the end of the reporting period.

#### TRADE RECEIVABLES

As at 31 December 2018, the trade receivables were approximately RMB234 million (2017: approximately RMB154 million). The Group generally allows an average credit period of 30 to 150 days to its trade customers. The average trade receivables turnover day was increased from approximately 88 days in 2017 to approximately 136 days in 2018, which was calculated based on the average of the beginning and ending trade receivable balances for the year divided by revenue for the year and multiplied by 365 days. This was mainly due to we have extended credit period for those long term business relationships and good settlement history customers suffering intense market competitions.

#### TRADE AND BILLS PAYABLES

As at 31 December 2018, the trade and bills payables were approximately RMB35 million (2017: approximately RMB69 million). The Group's suppliers typically grant us a credit terms ranging from 30 days to 120 days. The average trade and bills payables turnover days were decreased from approximately 67 days in 2017 to approximately 43 days in 2018, which was calculated based on the average of the beginning and ending of trade and bills payable balance of the year divided by cost of sales of the year and multiplied by 365 days. This is mainly due to a decrease in purchase of raw materials at the end of 2018.

本集團之流動比率從二零一七年十二月三十一日之約2.3倍上升至二零一八年十二月三十一日之約2.4倍，乃根據流動資產總值除以流動負債總額計算得出。於二零一八年十二月三十一日，資產負債比率約為50%（二零一七年：約50%），乃根據計息負債佔權益總額之百分比計算得出。

#### 存貨

於二零一八年十二月三十一日，存貨為約人民幣161百萬元（二零一七年：約人民幣205百萬元）。存貨週轉日數為由二零一七年之約154日減少至二零一八年之約151日，其按本年度年初及年末存貨結餘之平均值除本年度銷售成本再乘以365日計算。這主要由於臨近報告期末採購活動減少所致。

#### 貿易應收款項

於二零一八年十二月三十一日，貿易應收款項為約人民幣234百萬元（二零一七年：約人民幣154百萬元）。本集團一般授予其貿易客戶30至150日之平均信貸期。平均貿易應收款項週轉日數由二零一七年之約88日增加至二零一八年之約136日，其按本年度年初及年末貿易應收款項結餘之平均值除本年度收益再乘以365日計算。這主要由於我們對已建立長期業務關係，還款記錄良好且可承受激烈市場競爭的客戶延長信貸期所致。

#### 貿易應付款項及應付票據

於二零一八年十二月三十一日，貿易應付款項及應付票據為約人民幣35百萬元（二零一七年：約人民幣69百萬元）。本集團供應商一般授予本集團介乎30日至120日之信貸期。平均貿易應付款項及應付票據週轉日數由二零一七年之約67日減少至二零一八年之約43日，其按本年度年初及年末貿易應付款項及應付票據結餘之平均值除本年度銷售成本再乘以365日計算。這主要由於二零一八年年末原材料採購減少。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

### PRINCIPAL RISKS AND UNCERTAINTIES

The business of the Group is subject to numerous risks and uncertainties. The following is a summary of some of the principal risks and uncertainties affecting the Group's business:

- The Group's business, financial condition and results of operations may be affected by the loss of key customers.

It is important for the Group to maintain close and mutually beneficial relationships with the Group's key overseas and domestic customers. The Group's revenue is also subject to the Group's customers' business, product quality, sales strategy, industry conditions and the overall economic market environments. Any significant reduction of sales to or loss of any of the Group's key customers could materially and adversely affect our business, financial condition and results of operations.

- The Group may be subject to certain risks, such as political and economic instability and fluctuations in currency rates of foreign currencies, associated with selling our umbrella products to Japan, the PRC and other overseas customers.

Any change in market demand levels for the Group's umbrella products in Japan, the PRC and in the Group's other export destinations may have a significant effect on the Group's business, financial condition and results of operations. In particular, the Group is affected by changes in the economic condition of Japan, a major destination of our products, and the PRC.

As the Group's sales are primarily made in US dollar, RMB and Japanese Yen whereas the Group's purchases of materials and payment of wages and salaries to the PRC workers are in RMB and US dollar, the Group is exposed to exchange rate risk. In addition, the Group is exposed to the risks associated with the currency conversion and exchange rate system in the PRC.

### 主要風險及不確定因素

本集團業務面臨多項風險及不確定因素。影響本集團業務之部分主要風險及不確定因素概述如下：

- 失去主要客戶可能對本集團之業務、財務狀況及經營業績造成影響。

與本集團主要海外及國內客戶維持密切及互惠互利之關係對本集團而言相當重要。本集團之收益亦受限於其客戶之業務、產品質素、銷售策略、行業狀況及整體經濟市場環境。銷售大幅減少或失去任何本集團主要客戶均可能對本集團之業務、財務狀況及經營業績造成重大不利影響。

- 本集團可能面臨若干與向日本、中國及其他海外客戶銷售本集團雨傘產品相關的風險，例如政治及經濟不穩定以及外幣匯率波動。

日本、中國及本集團其他出口目的地市場對本集團雨傘產品之需求水平如有任何變動，可能對本集團之業務、財務狀況及經營業績產生重大影響。尤其是，本集團可能受日本（本集團產品主要市場）以及中國之經濟狀況變動影響。

由於本集團主要以美元、人民幣及日元進行銷售，而本集團以人民幣及美元購買原材料及向中國工人支付工資及薪水，故本集團面臨匯兌風險。此外，本集團亦面臨中國之貨幣兌換及匯兌制度之相關風險。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論與分析

- Fluctuations in prices of raw materials or unstable supply of raw materials could negatively impact our operations and may adversely affect our profitability.

The prices of most of the Group's raw materials generally follow the price trends of, and vary with, market conditions. Supplies of these raw materials may also be subject to a variety of factors that are beyond our control, including but not limited to market shortages, suppliers' business interruptions, government control, weather conditions and overall economic conditions, all of which may have an impact on their respective market prices from time to time.

- The Group may experience a shortage of labour or our labour costs may continue to increase.

#### CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

As at 31 December 2018, the Group had no material capital commitment (2017: Nil). As at 31 December 2018, the Group did not have any significant contingent liabilities (2017: Nil).

#### PLEDGE OF ASSETS

As at 31 December 2018, the Group's leasehold land and buildings with a carrying amounts of approximately RMB94 million (2017: approximately RMB97 million) and bank deposits with a carrying amounts of approximately RMB7 million (2017: approximately RMB23 million) were pledged to banks for bank borrowings.

#### EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2018, the Group employed a total of 1,592 employees (2017: 1,822 employees). The emolument policy of the employees of the Group was set up by the Board based on their experience, qualifications and competence. Other employees' benefits include contributions to statutory mandatory provident funds, and social insurance together with housing provident funds to its employees in Hong Kong and the PRC respectively.

- 原材料價格波動或原材料供應不穩定可能對本集團之業務營運造成負面影響，或會對本集團之盈利能力造成不利影響。

本集團大部分原材料之價格一般跟隨市況之價格趨勢並隨市況變化。該等原材料之供應亦可能取決於多項並非我們所能控制之因素，包括但不限於市場短缺、供應商業務中斷、政府控制、天氣狀況及整體經濟狀況，該等因素均不時影響原材料各自之市價。

- 本集團可能面臨勞工短缺或勞工成本繼續攀升的風險。

#### 資本承擔及或然負債

於二零一八年十二月三十一日，本集團並無重大資本承擔（二零一七年：無）。於二零一八年十二月三十一日，本集團並無任何重大或然負債（二零一七年：無）。

#### 抵押資產

於二零一八年十二月三十一日，本集團之租賃土地及樓宇（賬面值約人民幣94百萬元（二零一七年：約人民幣97百萬元））及銀行存款（賬面值約人民幣7百萬元（二零一七年：約人民幣23百萬元））已抵押予銀行以獲取銀行借款。

#### 僱員及薪酬政策

於二零一八年十二月三十一日，本集團僱用合共1,592名僱員（二零一七年：1,822名僱員）。本集團僱員之薪酬政策乃由董事會根據僱員經驗、資質及能力設立。其他僱員福利包括分別為其香港及中國僱員作出之法定強制性公積金、社會保險以及住房公積金供款。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

### USE OF PROCEEDS FROM THE GLOBAL OFFERING

The shares of the Company were listed on the Main Board of the Stock Exchange on the Listing Date with net proceeds received by the Company from the global offering in the amount of approximately HK\$134.2 million (equivalent to approximately RMB106.0 million) after deducting underwriting commissions and all related expenses. As disclosed in the announcement of the Company published on 30 December 2016, the Board has resolved to reallocate the unutilised amount of approximately RMB61.4 million to the following two areas:

- 1) approximately RMB36.9 million out of the unutilised net proceeds for buying new brand-names and/or licensing rights of umbrella products from Southeast Asian countries to increase its market shares in those countries as well as investing in a trading company comprising umbrella and other products.
- 2) to increase the allocation for approximately RMB24.5 million for brand awareness promotions and advertising expenses both in domestic and overseas markets.

The Board is of the view that such re-allocation of unutilised net proceeds is in line with the Group's new business strategy to shift business focus from developing upstream manufacturing to downstream distribution network and brand building to facilitate promotion of the Group's branded umbrellas which command higher margins.

### 全球發售之所得款項用途

本公司股份於上市日期在聯交所主板上市，而本公司自全球發售收取之所得款項淨額為約134.2百萬港元（相當於約人民幣106.0百萬元）（經扣除包銷佣金及所有相關開支）。誠如本公司於二零一六年十二月三十日刊發之公告所披露，董事會已議決重新分配尚未動用金額約人民幣61.4百萬元用於以下兩個方面：

- 1) 尚未動用所得款項淨額之約人民幣36.9百萬元用於自東南亞國家購買雨傘產品之新品牌名稱及／或許可權，以增加本集團於該等國家之市場份額以及投資買賣雨傘及其他產品之公司。
- 2) 增加分配約人民幣24.5百萬元用於提升國內外市場品牌知名度及支付廣告費用。

董事會認為，該重新分配尚未動用所得款項淨額符合本集團將業務重心自發展上游製造轉移至下游分銷網絡及品牌建設以促進推廣利潤率較高之本集團品牌雨傘之新業務策略。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論與分析

As at 31 December 2018, the net proceeds had been utilised as follows:

於二零一八年十二月三十一日，所得款項淨額已用作以下用途：

Use of Net Proceeds	所得款項淨額用途	Revised allocation	Utilised amount up to 31 December 2018 截至二零一八年 十二月三十一日已 動用金額	Unutilised amount up to 31 December 2018 截至二零一八年 十二月三十一日未 動用金額
		經修訂分配 RMB (million) 人民幣百萬元	RMB (million) 人民幣百萬元 (Approximately) (概約)	RMB (million) 人民幣百萬元
Increasing our production capacity by constructing a factory	透過建造工廠以提高本集團產能	24.5	24.5	-
Paying the outstanding of the consideration in relation to the construction and completion of the new 10-storey office building	支付有關建設及完成新10層高辦公樓宇之代價之未支付款項	3.1	3.1	-
Strengthen our technical expertise and know-how to ensure continuous improvement of our products	增強本集團之技術專長及知識以確保持續改善本集團產品	3.7	3.7	-
Additional working capital and other general corporate purposes	額外營運資金及其他一般公司用途	10.6	10.6	-
Further expansion of our branded umbrellas by intensifying our marketing activities to promote our brand awareness both in the domestic and overseas	加強營銷活動以於國內及海外市場提高本集團品牌知名度而進一步推廣本集團品牌雨傘	27.2	3.8	23.4
Buying new brand-names and investing in a trading company	購買新品牌名稱及投資一間貿易公司	36.9	-	36.9
<b>Total</b>	<b>總計</b>	<b>106.0</b>	<b>45.7</b>	<b>60.3</b>

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

### FUTURE PROSPECTS

The Group principal objectives are to maintain and strengthen its position as a leading umbrella manufacturer focused in Japan market and its own branded umbrella products in the PRC market, and increase its market share in the existing markets such as Hong Kong, Cambodia and South Korea.

Looking ahead, the Group will shift business focus from developing upstream manufacturing to downstream distribution network and brand building so as to facilitate promotion of the Group's branded umbrellas which command higher margins and create higher values as well as bringing better return to our shareholders. To diversify its business and explore potential business opportunities, the Group is exploring and developing business opportunities and projects.

### 未來展望

本集團之主要目標為維持及鞏固本集團作為日本市場雨傘製造商及中國市場自有品牌雨傘製造商之領先地位以及擴大本集團於香港、柬埔寨及韓國等現有市場之市場份額。

展望未來，本集團將業務重心自發展上游製造轉移至下游分銷網絡及品牌建設以促進推廣利潤率較高之本集團品牌雨傘以及創造更多價值，以及為本集團的股東帶來更豐厚回報。為多元化發展其業務，並物色潛在商機，本集團正在物色及開發商業機會及項目。

### CODE ON CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining high standard of corporate governance and has steered its development and protected the interests of its shareholders in an enlightened and open manner. The Board comprises four executive Directors and three independent non-executive Directors. The Company has adopted and complied with the Corporate Governance Code (the “CG Code”) as set out in Appendix 14 to the Listing Rules since the Listing Date with the following deviations:

Under paragraph A.2.1 of Appendix 14 to the Listing Rules, the roles of chairman and chief executive officer of an issuer should be separated and should not be performed by the same person. Mr. Huang is currently the Chairman of the Board and the chief executive officer who is primarily responsible for the day-to-day management of the Group’s business. The Directors consider that vesting the roles of the Chairman of the Board and chief executive officer in the same person facilitates the execution of the Group’s business strategies and decision making, and maximizes the effectiveness of the Group’s operation. The Directors also believe that the presence of three independent non-executive Directors provides added independence to our Board. The Directors will review the structure from time to time and consider an adjustment should it become appropriate.

Code provision A.6.7 stipulates that independent non-executive directors should attend general meeting of the Company. Mr. Tso Sze Wai, Mr. Yang Xuetai and Ms. Lee Kit Ying, Winnie, being the independent non-executive Directors, did not attend the Company’s annual general meeting held on 30 May 2018 due to their other business engagements.

### 企業管治常規守則

本公司一直致力保持高水平企業管治，以開明和開放的理念維護其發展及保障其股東權益。董事會由四名執行董事及三名獨立非執行董事組成。本公司於上市日期起已採納並遵守上市規則附錄14所載之企業管治守則（「企管守則」），惟除以下偏離者外：

根據上市規則附錄14第A.2.1段，發行人主席及行政總裁之角色應有區分，而不應由同一人擔任。目前，黃先生為董事會主席兼行政總裁，主要負責本集團業務之日常管理。董事認為董事會主席及行政總裁角色由同一人擔任可促進本集團業務策略之執行及決策制定以及最大化地提高本集團之運營效率。董事亦認為，三名獨立非執行董事之存在可增加本集團董事會之獨立性。董事將不時審閱該架構，並考慮於適當時進行調整。

守則條文第A.6.7條規定獨立非執行董事應出席本公司之股東大會。由於有其他公務，獨立非執行董事曹思維先生、楊學太先生及李結英女士並未出席本公司於二零一八年五月三十日舉行之股東週年大會。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### MODEL CODE FOR SECURITIES TRANSACTIONS BY THE DIRECTORS

The Directors have adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Listing Rules as the code of conduct for Directors in dealing in the Company’s securities. Specific enquiries have been made to all Directors and all Directors have confirmed that they have fully complied with the required standard of dealings as set out in the Model Code during the year.

### BOARD OF THE DIRECTORS

The Board is committed to providing effective and responsible leadership for the Company. The Directors, individually and collectively, must act in good faith in the best interests of the Company and its shareholders. The Board has established three Board committees, being the Audit Committee, the Remuneration Committee and the Nomination Committee (each a “Board Committee” and collectively the “Board Committees”), to oversee different areas of the Company’s affairs.

The Board currently comprises four executive Directors, namely Mr. Huang Wenji, Mr. Yang Guang, Mr. Lin Zhengshuang and Mr. Chung Kin Hung, Kenneth and three independent non-executive Directors, namely, Mr. Tso Sze Wai, Mr. Yang Xuetai and Ms. Lee Kit Ying, Winnie.

### 董事進行證券交易之標準守則

董事已採納上市規則附錄10所載上市發行人董事進行證券交易之標準守則（「標準守則」），作為董事買賣本公司證券之操守守則。向全體董事進行具體查詢後，全體董事已確認彼等年內全面遵守標準守則所載之規定交易準則。

### 董事會

董事會致力為本公司提供有效及負責任之領導。董事須個別及共同地為本公司及其股東之最佳利益真誠行事。董事會已設立三個董事委員會（即審核委員會、薪酬委員會及提名委員會（各自稱為「董事委員會」及統稱為「董事委員會」），以監督本公司不同範疇之事務。

董事會現時由四名執行董事（即黃文集先生、楊光先生、林貞雙先生及鍾健雄先生）及三名獨立非執行董事（即曹思維先生、楊學太先生及李結英女士）組成。

There is no financial, business, family or other material/relevant relationship amongst Directors. Their biographical details and (where applicable) their family relationships are set out in the section headed “Biographical Details of Directors and Senior Management” on pages 40 to 41 in the annual report. A list of the Directors identifying their role and functions and whether they are independent non-executive Directors are available on the Company’s website.

The Board sets the Group’s overall objectives and strategies, monitors and evaluates its operating and financial performance and reviews the corporate governance standard of the Group. It also decides on matters such as annual and interim results, major transactions, director appointments or re-appointments, investment policy, dividend and accounting policies. The Board has delegated the authority and responsibility for implementing its business strategies and managing the daily operations of the Group’s businesses to the executive Directors and members of senior management. The functions and power that are so delegated are reviewed periodically to ensure that they remain appropriate.

The Board is also responsible for developing, reviewing and monitoring the policies and practices on corporate governance and legal and regulatory compliance of the Group, and the training and continuous professional development of Directors and senior management. The Board also reviews the disclosures in the Corporate Governance Report to ensure compliance.

All Board members have separate and independent access to the Group’s senior management to fulfill their duties. Independent professional advice can be sought to assist the relevant Directors to discharge their duties at the Group’s expense upon their request.

All Directors are required to declare to the Board upon their first appointment, the directorships or other positions they are concurrently holding at other companies or organisation. These interests are updated on an annual basis and when necessary.

各董事間並不存在任何財務、業務、家族或其他重大／相關關係。彼等之履歷詳情及（如適用）彼等之家屬關係載於年報第40頁至41頁「董事及高級管理人員履歷詳情」一節。列明董事角色及職能以及獨立非執行董事身份之董事名單可於本公司網站查閱。

董事會制定本集團之整體目標及策略、監察及評估其營運及財務表現並審閱本集團之企業管治準則。其亦就年度及中期業績、主要交易、董事委任或續聘、投資政策、股息及會計政策等事宜作出決定。董事會已指派及授權執行董事及高級管理層成員負責執行其業務策略及管理本集團業務之日常營運。董事會定期檢討所委派職能及權力以確保有關指派仍屬合適。

董事會亦負責制定、檢討及監察本集團之企業管治政策及慣例與遵守法律及法規情況，以及董事及高級管理層之培訓及持續專業發展。董事會亦審閱企業管治報告內之披露資料以確保符合要求。

各董事會成員可分別獨立接觸本集團之高級管理層，以履行彼等之職責。相關董事亦可自身要求徵詢獨立專業意見，協助彼等履行職責，費用由本集團承擔。

全體董事須於首次獲委任時向董事會申報彼等同時在其他公司或機構擔任之董事或其他職務，有關利益申報每年及於需要時更新。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### ATTENDANCE OF DIRECTORS AT MEETINGS

The attendance of the Directors at the general meetings of the Company, meetings of the Board, the Audit Committee, the Remuneration Committee and the Nomination Committee during the year ended 31 December 2018 are set out below:

### 董事出席會議情況

截至二零一八年十二月三十一日止年度，董事出席本公司股東大會、董事會會議、審核委員會、薪酬委員會及提名委員會會議情況載列如下：

	Annual general meeting	Board meetings	Audit committee meetings	Remuneration committee meetings	Nomination committee meetings
	股東週年大會	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

(number of meetings attended/number of meetings held during respective director's tenure)  
(各董事任職期間出席會議次數/舉行會議次數)

Executive Directors	執行董事					
Mr. Huang Wenji	黃文集先生	1/1	6/6	N/A 不適用	N/A 不適用	N/A 不適用
Mr. Yang Guang	楊光先生	0/1	6/6	N/A 不適用	N/A 不適用	N/A 不適用
Mr. Lin Zhenshuang	林貞雙先生	0/1	6/6	N/A 不適用	N/A 不適用	N/A 不適用
Mr. Chung Kin Hung, Kenneth	鍾健雄先生	0/1	6/6	N/A 不適用	N/A 不適用	N/A 不適用
Independent Non-executive Directors	獨立非執行董事					
Mr. Tso Sze Wai	曹思維先生	0/1	6/6	2/2	1/1	1/1
Mr. Yang Xuetai	楊學太先生	0/1	6/6	2/2	1/1	1/1
Ms. Lee Kit Ying, Winnie	李結英女士	0/1	6/6	2/2	1/1	1/1

### DIRECTORS' AND OFFICERS' INSURANCE

Appropriate insurance coverage has been arranged in respect of potential legal actions against the Directors and officers of the Company.

### 董事及高級人員投保

本公司已就董事及高級人員可能面對之潛在法律行動作出適當的投保安排。

### CONTINUOUS PROFESSIONAL DEVELOPMENT

Pursuant to Code provision A.6.5, all Directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution to the Board remains informed and relevant. All the Directors also understand the importance of continuous professional development and are committed to participating in any suitable training or relevant materials reading in order to develop and refresh their knowledge and skills. The Company has received from each Director a confirmation of their participation in continuous professional development by attending training course or reading relevant materials on the topics related to corporate governance and regulations.

### INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The role of the independent non-executive Directors is to provide independent and objective opinions to the Board, giving adequate control and balances for the Group to protect the overall interests of the shareholders and the Group. They serve actively on the Board and its committees to provide their independent and objective views.

In compliance with Rules 3.10(1) and 3.10A of the Listing Rules, the Company has appointed three independent non-executive Directors, representing more than one-third of the Board. One of the independent non-executive Directors has the appropriate professional qualifications in accounting or related financial management expertise as required by Rule 3.10(2) of the Listing Rules.

Each independent non-executive Director has submitted confirmation of his/her independence to the Company pursuant to Rule 3.13 of the Listing Rules. Based on the contents of such confirmations, the Company considers that all of the independent non-executive Directors are independent.

### BOARD COMMITTEES

The Board is supported by three committees, namely the Audit Committee, Nomination Committee and Remuneration Committee. Each Board Committee has its defined and written terms of reference approved by the Board covering its duties, powers and functions. Their terms of reference are available on the Company's website.

### 持續專業發展

根據守則條文第A.6.5條，全體董事均須參與持續專業發展，以發展及更新彼等的知識及技能。有關規定旨在確保各董事在知情情況下向董事會作出切合需要的貢獻。全體董事亦知悉持續專業發展的重要性，並承諾參與任何適合的培訓課程或閱讀相關資料，以發展及更新彼等的知識及技能。本公司已接獲各董事的確認書，確認彼等已出席培訓課程或閱讀有關企業管治及規例的資料，藉以參與持續專業發展。

### 獨立非執行董事之獨立身份

獨立非執行董事的角色乃向董事會提供獨立及客觀的意見，為本集團提供足夠的制約及平衡，以保障股東及本集團整體利益。彼等於董事會及其委員會上積極提供獨立及客觀的意見。

為遵守上市規則第3.10(1)條及3.10A條，本公司已委任三名獨立非執行董事，超過董事會人數三分之一。按上市規則第3.10(2)條的規定，其中一名獨立非執行董事具備合適會計專業資格或相關財務管理專業知識。

各獨立非執行董事已按上市規則第3.13條規定，向本公司提交其獨立身份確認書。根據該等確認書的內容，本公司認為全體獨立非執行董事均屬獨立。

### 董事委員會

董事會獲得三個委員會（即審核委員會、提名委員會及薪酬委員會）支援。各董事委員會均設經董事會批准的明確書面職權範圍，涵蓋其職責、權力及職能。彼等的職權範圍於本公司網站可供查閱。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

All Board Committees are provided with sufficient resources to discharge their duties, including access to management or professional advice if considered necessary.

### (I) AUDIT COMMITTEE

The Company established an Audit Committee on 23 January 2015 with specific written terms of reference in compliance with the Code. The primary duties of the Audit Committee are to assist the Board by providing an independent view on the effectiveness of the financial reporting process, internal control and risk management systems of the Group, overseeing the audit process and performing other duties and responsibilities as assigned by the Board.

As at the date of this annual report, the Audit Committee comprises three independent non-executive Directors, namely Mr. Tso Sze Wai (Chairman of the Audit Committee), Ms. Lee Kit Ying, Winnie and Mr. Yang Xuetai.

During the year ended 31 December 2018, the Audit Committee held two meetings to review the annual and interim results of the Group and make recommendations to the Board and the management in respect of the Group's financial reporting and internal control procedures. During the year ended 31 December 2018, the Audit Committee has also reviewed, with the management and the Company's auditors, the Group's significant internal controls and financial matters in accordance with the Audit Committee's written terms of reference and made relevant recommendations to the Board. The Audit Committee's review covered the audit scope and findings, external auditors' independence and performance, the Group's accounting principles and practices, the Listing Rules and statutory compliance, connected transactions, internal controls, risk management, financial reporting matters (including the interim and annual financial reports for the Board's approval) and the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function as well as their training programmes and budget. It also reviewed this Corporate Governance Report and an internal control review report on the Company prepared by an independent advisor.

所有董事委員會均獲提供足夠資源以履行其職責，包括於需要時取得管理層或專業意見。

### (I) 審核委員會

本公司於二零一五年一月二十三日成立審核委員會，並制定特定書面職權範圍以遵守守則。審核委員會的主要職責乃就本集團的財務申報過程、內部監控及風險管理系統是否有效提供獨立意見、監督審核過程及履行董事會委派的其他職責和責任，藉以協助董事會。

於本年報刊發日期，審核委員會包括三名獨立非執行董事，即曹思維先生（審核委員會主席）、李結英女士及楊學太先生。

截至二零一八年十二月三十一日止年度，審核委員會曾舉行兩次會議，以審閱本集團的年度及中期業績以及就本集團的財務申報及內部監控程序向董事會及管理層作出建議。截至二零一八年十二月三十一日止年度，審核委員會亦已根據審核委員會的書面職權範圍與管理層及本公司核數師共同審閱本集團的重大內部監控及財務事宜及向董事會作出相關建議。審核委員會的審閱涵蓋審核範圍及結果、外聘核數師的獨立性及表現、本集團的會計原則及慣例、上市規則及法定合規情況、關連交易、內部監控、風險管理、財務申報事宜（包括中期及年度財務報告供董事會批准）及本公司會計及財務申報職能方面的資源充足性、員工的資質及經驗以及彼等的培訓計劃及預算。審核委員會亦已審閱本企業管治報告及由獨立顧問編製之本公司內部監控審閱報告。

**(II) REMUNERATION COMMITTEE**

The Company established a Remuneration Committee on 23 January 2015 with written terms of reference in compliance with the Code. The primary duties of the remuneration committee include making recommendations to the Board on the policy and structure for all Directors and senior management, reviewing the terms of remuneration packages, determining the award of bonuses and considering the grant of options under the share option scheme of the Company. As at the date of this annual report, the remuneration committee comprises three independent non-executive Directors, namely Ms. Lee Kit Ying, Winnie (Chairperson of the Remuneration Committee), Mr. Tso Sze Wai and Mr. Yang Xuetai.

During the year ended 31 December 2018, the Remuneration Committee held one meeting to review the remuneration policy, remuneration packages of the Directors and the senior management in accordance with the Remuneration Committee's written terms of reference.

Particulars regarding Directors' remuneration and the five highest paid employees as required to be disclosed pursuant to Appendix 16 to the Listing Rules are set out in note 13 to the financial statements.

**(III) NOMINATION COMMITTEE**

The Company established a Nomination Committee on 23 January 2015 with written terms of reference in compliance with the Code. The nomination committee comprises three independent non-executive Directors, namely Mr. Yang Xuetai (Chairman of the Nomination Committee), Mr. Tso Sze Wai and Ms. Lee Kit Ying, Winnie. The principal responsibilities of the Nomination Committee are to review the composition of the Board, including its structure, size and diversity at least annually to ensure that it has a balance of expertise, skills and experience appropriate to the requirements of the business of the Group. It is also responsible to consider and recommend to the Board suitably qualified persons to become a member of the Board, monitor the succession planning of Directors and assess the independence of independent non-executive Directors. The Nomination Committee will also give consideration to the Board Diversity Policy (as defined below) when identifying suitably qualified candidates to become members of the Board, and the Board will review the Board Diversity Policy (as defined below), so as to develop and review measurable objectives for the implementing the Board Diversity Policy (as defined below) and to monitor the progress on achieving these objectives.

**(II) 薪酬委員會**

本公司於二零一五年一月二十三日成立薪酬委員會，並制定書面職權範圍以遵守守則。薪酬委員會的主要職責包括就全體董事及高級管理層的政策及架構向董事會作出建議，審閱薪酬組合條款，釐定花紅獎勵及考慮根據本公司的購股權計劃授出購股權。於本年報刊發日期，薪酬委員會包括三名獨立非執行董事，即李結英女士（薪酬委員會主席）、曹思維先生及楊學太先生。

截至二零一八年十二月三十一日止年度，薪酬委員會曾舉行一次會議，以根據薪酬委員會的書面職權範圍審閱董事及高級管理層的薪酬政策及薪酬組合。

根據上市規則附錄16須予披露的董事酬金及五名最高薪酬僱員的詳情載於財務報表附註13。

**(III) 提名委員會**

本公司於二零一五年一月二十三日成立提名委員會，並制定書面職權範圍以遵守守則。提名委員會包括三名獨立非執行董事，即楊學太先生（提名委員會主席）、曹思維先生及李結英女士。提名委員會的主要職責為最少每年檢討董事會的組成，內容包括其架構、規模及多元化，以確保董事會具備適合本集團業務所需的均衡專業知識、技能及經驗。提名委員會亦負責考慮及向董事會推薦適當合資格人士加入董事會，並監察董事繼任安排以及評估獨立非執行董事的獨立身份。提名委員會於物色適當合資格人選成為董事會成員時，亦考慮董事會多元化政策（定義見下文），而董事會將檢討董事會多元化政策（定義見下文）以為執行董事會多元化政策（定義見下文）訂立及檢討可計量目標，並監察達成該等目標的進度。

## CORPORATE GOVERNANCE REPORT

### 企業管治報告

During the year ended 31 December 2018, one meetings was held by the Nomination Committee to, among other things, review the structure, size and composition of the board, assess the independence of each of the independent non-executive Directors, formulate the board diversity policy and recommend to the board for approval. The Nomination Committee reviewed the board diversity policy to ensure its effectiveness and considered the Group achieved the policy since its adoption.

When identifying suitable candidates for directorship, the Nomination Committee will carry out the selection process by making reference to the skills, experience, education background, professional knowledge, personal integrity and time commitments of the proposed candidates, and also the Company's needs and other relevant statutory requirements and regulations required for the positions. All candidates must be able to meet the standards as set forth in Rules 3.08 and 3.09 of the Listing Rules. A candidate who is to be appointed as an independent non-executive Director should also meet the independence criteria set out in Rule 3.13 of the Listing Rules. Qualified candidates will then be recommended to the Board for approval.

The Nomination Committee met once to review the structure, size and composition of the Board and the independence of the Independent Non-executive Directors and to consider the qualifications of the retiring directors standing for election at the Annual General Meeting. The Nomination Committee considered an appropriate balance of diversity perspectives of the Board is maintained.

截至二零一八年十二月三十一日止年度，提名委員會曾舉行一次會議，以（其中包括）審閱董事會的架構、規模及組成、評估各獨立非執行董事的獨立身份、制定董事會多元化政策及建議董事會批准該政策。提名委員會已審閱董事會多元化政策以確保其成效，並認為本集團自採納該政策以來行之有效。

於物色合適董事候選人時，提名委員會將參考建議候選人的技能、經驗、教育背景、專業知識、個人誠信及時間投入，以及本公司需求及其他相關法規要求以及有關職位的規定而進行篩選程序。所有候選人須符合上市規則第3.08及3.09條所載標準。將獲委任為獨立非執行董事的候選人亦須符合上市規則第3.13條所載獨立性標準。合資格候選人屆時將獲推薦以供董事會批准。

提名委員會曾會面一次，以檢討董事會架構、人數及成員組成及獨立非執行董事的獨立性，並考慮擬於股東週年大會上重選的退任董事的資格。提名委員會認為，董事會於多元化方面維持適當平衡。

### CORPORATE GOVERNANCE FUNCTION

The Company's corporate governance function is carried out by the Board pursuant to a set of written terms of reference adopted by the Board on 23 January 2015 in compliance with provision D.3.1 of the CG Code, which include (a) to develop and review the Company's policies and practices on corporate governance; (b) to review and monitor the training and continuous professional development of the Directors and senior management of the Group; (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements; (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees of the Group and the Directors; and (e) to review the Company's compliance with the CG Code and relevant disclosure in the corporate governance report of the annual report of the Company.

### BOARD PROCEEDINGS

Regular board meetings are held at quarterly intervals with additional meetings convened as and when necessary to discuss the overall strategic directions, the Group's operations, financial performance, and to approve interim and annual results and other significant matters. For regular meetings, Board members are given at least 14 days prior notice and agenda with supporting papers are sent to Directors not less than 3 days before the relevant meeting is held. Directors may propose to the Chairman or the Company Secretary to include matters in the agenda for regular board meetings.

Directors are requested to declare their direct or indirect interests, if any, in any proposals or transactions to be considered by the Board at board meetings and abstain from voting in favour of the related board resolutions as appropriate.

Minutes of meetings of the Board and Board Committees are kept by the Company Secretary in sufficient details of the matters considered and decisions reached, including dissenting views expressed, and are open for inspection on reasonable notice by any Director. Draft and final versions of minutes are sent to all Directors for their comments and records respectively within a reasonable time after the board meeting is held.

All Directors have access to the advice and services of the Company Secretary with a view to ensuring the Board procedures are followed.

### 企業管治職能

本公司之企業管治職能由董事會根據其遵照企管守則之條文第D.3.1條於二零一五年一月二十三日採納之一套書面職權範圍而履行，其中包括(a)制定及審閱本公司的企業管治政策及常規；(b)審閱及監察本集團董事及高級管理人員的培訓及持續專業發展；(c)審閱及監察本公司在遵守法律及監管規定方面的政策及常規；(d)制定、檢討及監察適用於本集團僱員及董事的操守準則及合規手冊（如有）；及(e)審閱本公司遵守企管守則的情況及在本公司年報企業管治報告內的相關披露。

### 董事會程序

董事會定期每季度舉行會議，並於有需要時召開額外會議，以商討整體策略方針、本集團的營運、財務表現及批准中期及年度業績及其他重大事宜。就定期會議而言，董事會成員於相關會議舉行前最少14天接獲通知，而議程（連同開會文件）於相關會議舉行前最少3天送呈各董事。董事可向主席或公司秘書建議於定期董事會會議議程內增加事項。

董事會在董事會會議考慮任何動議或交易時，董事須申報其直接或間接利益（如有），並在適當情況下就相關董事會決議案放棄投贊成票。

董事會及董事委員會的會議記錄由公司秘書負責保存，其中包括會議所考慮事項及所作出決定的足夠詳情，包括所表達反對意見，而有關記錄可公開由任何董事於合理通知下查閱。於董事會會議召開後合理時間內，全體董事均獲發會議記錄的初稿和定稿，以供彼等提供意見和記錄存檔。

為確保遵守董事會程序，全體董事皆可向公司秘書尋求建議及服務。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### APPOINTMENT AND RE-ELECTION OF DIRECTORS

In accordance with the Company's articles of association, a person may be appointed as a Director either by the shareholders in general meeting or by the Board. Any Directors appointed by the Board as additional Directors or to fill casual vacancies shall hold office until the next following general meeting, and are eligible for re-election by the shareholders. In addition, all Directors are required to retire by rotation at least once every three years at the annual general meeting, and are eligible for re-election by the shareholders.

Mr. Yang Xuetai, being independent non-executive Director has entered into an appointment letter with the Company for an initial term of three years commencing from the Listing Date. Each of Mr. Tso Sze Wai and Ms. Lee Kit Ying, Winnie have entered into an appointment letter with the Company for a term of one year.

Each of Mr. Huang Wenji and Mr. Yang Guang, being executive Directors and Mr. Tso Sze Wai, being an independent non-executive Director will be subject to retirement and re-election at annual general meeting of the Company in accordance with the Company's articles of association.

### BOARD DIVERSITY POLICY

Pursuant to the CG Code, the Board adopted a board diversity policy (the "Board Diversity Policy") on 23 January 2015. The Company recognises and embraces the benefits of diversity of Board members. While all Board appointments will continue to be made on a merit basis, the Company will ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the needs of the Company's business. Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, experience (professional or otherwise), skills and knowledge.

### 委任及重選董事

根據本公司的組織章程細則，任何人士均可由股東於股東大會上或由董事會委任為董事。任何獲董事會委任為新增董事或委任以填補臨時空缺的董事的任期直至下屆股東大會為止，惟彼等符合資格由股東重選。此外，全體董事均須最少每隔三年於股東週年大會上輪值告退一次，並符合資格由股東重選。

獨立非執行董事楊學太先生已與本公司訂立委任函，初步任期為自上市日期起計三年。曹思維先生及李結英女士已各自與本公司訂立委任函，任期均為一年。

執行董事黃文集先生及楊光先生以及獨立非執行董事曹思維先生各自須根據本公司的組織章程細則於本公司股東週年大會退任及重選。

### 董事會多元化政策

根據企管守則，董事會於二零一五年一月二十三日採納董事會多元化政策（「董事會多元化政策」）。本公司肯定及接受董事會成員多元化的益處。在董事會所有任命將繼續奉行任人唯才的原則的同時，本公司將確保董事會在切合本公司業務所需的技能、經驗及多元化角度方面取得平衡。挑選候選人將基於多種不同方面，包括但不限於性別、年齡、文化及教育背景、經驗（專業或其他經驗）、技術及知識。

### COMPANY SECRETARY

The Company has appointed Mr. Chiu Kung Wai, a member of the Hong Kong Institute of Certified Public Accountant, who is an employee of the Company as the Company Secretary. The Company Secretary reported to the Board from time to time. All Directors have access to the advice and services of the Company Secretary to ensure that Board procedures, and all applicable laws, rules and regulations are followed.

During the year under review, Mr. Chiu Kung Wai has taken not less than 15 hours of relevant professional training and has fulfilled the requirement pursuant to Rule 3.29 of the Listing Rules.

### RISK MANAGEMENT AND INTERNAL CONTROLS

The Board is overall responsible for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Group's strategic objectives, and ensuring that the Group established and maintained appropriate and effective risk management and internal control systems.

The Audit Committee reviews the risk management and internal controls that are significant to the Group on an on-going basis. The Audit Committee would consider the adequacy of resource, qualifications and experience and training of staff and external advisor of the Group's accounting, internal audit and financial reporting function.

The management of the Group is responsible for designing, maintaining, implementing and monitoring of the risk management and internal control system to ensure adequate control in place to safeguard the Group's assets and stakeholder's interest.

The Group has established risk management procedures to address and handle the all significant risks associate with the business of the Group. The Board would perform annual review on any significant change of the business environment and establish procedures to response the risks result from significant change of business environment. The risk management and internal control systems are designed to mitigate the potential losses of the business.

### 公司秘書

本公司已委任趙公維先生為公司秘書，彼為香港會計師公會的會員及本公司僱員。公司秘書須不時向董事會報告。全體董事可尋求公司秘書的建議及服務，以確保遵守董事會程序及所有適用法律、條例及法規。

於回顧年度，趙公維先生已接受不少於15個小時的相關專業培訓及已達成上市規則第3.29條的規定。

### 風險管理及內部監控

董事會總體負責評估及釐定在達致本集團策略目標過程中其願意承擔的風險的性質及程度，並確保本集團已建立及具備適當且有效的風險管理及內部監控系統。

審核委員會審閱對本集團持續經營屬重大的風險管理及內部監控。審核委員會將考慮本集團會計、內部審核及財務報告職能方面的資源、員工及外聘顧問的資格、經驗及培訓之充足性。

本集團管理層負責設計、維持、實施及監察風險管理及內部監控系統以確保具備充足監控以保障本集團資產及利益相關者之權益。

本集團已制定風險管理程序以解決及處理有關本集團業務的所有重大風險。董事會將對業務環境的任何重大變動進行年度審閱並制定程序以應對業務環境重大變動所產生的風險。風險管理及內部監控系統旨在減輕業務的潛在虧損。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The management would identify the risks associate with the business of the Group by considering both internal and external factors and events which include political, economic, technology, environmental, social and staff. Each of risks has been assessed and prioritised based on their relevant impact and occurrence opportunity. The relevant risk management strategy would be applied to each type of risks according to the assessment results, type of risk management strategy has been listed as follow:

- Risk retention and reduction: accept the impact of risk or undertake actions by the Group to reduce the impact of the risks;
- Risk avoidance: change business process or objective so as to avoid the risk;
- Risk sharing and diversification: diversify the effect of the risk or allocate to different location or product or market;
- Risk transfer: transfer ownership and liability to a third party.

The internal control systems are designed and implemented to reduce the risks associated with the business accepted by the Group and minimise the adverse impact results from the risks. The risk management and internal control system are design to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

For the year ended 31 December 2018, the Group has engaged an external advisory firm to undertake the internal audit function to ensure the effectiveness and efficiency of the risk management and internal control system of the Group. There is no significant deficiency and weakness on the internal control system has been identified by the external advisory firm for the year ended 31 December 2018.

The Board considered that, for the year ended 31 December 2018, the risk management and internal control system and procedures of the Group, covering all material controls including financial, operational and compliance controls and risk management functions were reasonably effective and adequate.

管理層將透過考慮內部及外部因素及事件（包括政治、經濟、技術、環境、社會及員工）識別有關本集團業務的風險。各風險已根據其相關影響及發生的可能性進行評估並確定優先次序。相關風險管理策略將根據評估結果而應用於各類風險，風險管理策略的類別載列如下：

- 風險自留及降低：承擔風險的影響或本集團採取行動降低風險的影響；
- 風險規避：改變業務程序或目標以規避風險；
- 風險分擔及分散：分散風險的影響或將風險分配至不同的區域、產品或市場；
- 風險轉移：將所有權及負債轉移至第三方。

設計及實施內部監控系統乃為減輕本集團所承受的業務相關風險並最大程度降低該等風險所造成的不利影響。風險管理及內部監控系統旨在管理而非消除未能達致業務目標的風險，且僅能合理保證而非絕對保證不出現重大錯誤陳述或損失。

截至二零一八年十二月三十一日止年度，本集團已委聘一間外部顧問公司承擔內部審核職能以確保本集團風險管理及內部監控系統的有效性及效率。截至二零一八年十二月三十一日止年度，該外聘顧問公司並無發現內部監控系統存在任何重大缺陷及不足。

董事會認為截至二零一八年十二月三十一日止年度，本集團涵蓋財務、營運及合規監控等所有重大監控以及風險管理職能的風險管理及內部監控系統及程序屬合理有效且充足。

**FINANCIAL REPORTING AND AUDIT**

**FINANCIAL REPORTING**

The Board acknowledges its responsibility to prepare the Company's financial statements which give a true and fair view of the Group's state of affairs, results and cash flows for the year and in accordance with the Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants, and the disclosure requirements of the Hong Kong Companies Ordinance. The Company has selected appropriate accounting policies and has applied them consistently based on prudent and reasonable judgments and estimates. The Board considers that the Group has adequate resources to continue in business for the foreseeable future and not aware of any material uncertainties relating to events or conditions that may affect the business of the Company or cast doubts on its ability to continue as going concern. The responsibilities of Elite Partners CPA Limited, the Company's external auditor, with respect to financial reporting are set out in the section headed "Independent Auditor's Report" in this annual report.

**REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT**

Particulars of the Directors' remuneration for the year ended 31 December 2018 are set out in Note 13 to the consolidated financial statements.

Pursuant to code provision B.1.5 of the CG Code, the remuneration of the members of the senior management (other than the Directors) whose particulars are contained in the section headed "Biographical Details of Directors and Senior Management" in this annual report for the year ended 31 December 2018 by band is set out below:

Remuneration Bands 薪酬範圍	Number of Senior Management 高級管理人員人數
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Nil to RMB1,000,000

零至人民幣1,000,000元

1

**AUDITORS' REMUNERATION**

During the year, the Group engaged external auditors to perform audit and non-audit services amounted to approximately RMB606,000 and RMB165,000 respectively. The non-audit services included primarily ESG reporting advisory, internal control consultancy and reviewing certain financial information.

**財務報告及審核**

**財務報告**

董事會明白本身有責任根據香港會計師公會頒佈的香港財務報告準則及香港公司條例之披露規定編製本公司財務報表，真實公平反映本集團於本年度的事務狀況、業績及現金流量。本公司已根據審慎及合理判斷及估計選擇合適的會計政策並貫徹採用。董事會認為本集團備有充足資源於可見未來繼續經營業務，且並不知悉有關可能影響本公司業務或致令本公司持續經營能力成疑的事件或狀況出現之任何重大不確定因素。本公司外聘核數師開元信德會計師事務所有限公司就財務申報承擔的責任載於本年報「獨立核數師報告」一節。

**董事及高級管理人員薪酬**

董事截至二零一八年十二月三十一日止年度之薪酬詳情載於綜合財務報表附註13。

根據企管守則之守則條文第B.1.5條，按薪酬等級披露高級管理人員（不包括董事，彼等之詳情載於本年報「董事及高級管理人員履歷詳情」一節）截至二零一八年十二月三十一日止年度之薪酬如下：

**核數師薪酬**

年內，本集團委聘外聘核數師進行審核及非審核服務，相關薪酬金額分別約為人民幣606,000元及人民幣165,000元。非審核服務主要包括環境、社會及管治報告諮詢、內部監控諮詢及審閱若干財務資料。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### HANDLING AND DISSEMINATION OF INSIDE INFORMATION

The Company has in place a policy on handling and dissemination of inside information (“Policy”) which sets out the procedures and internal controls for handling and dissemination of inside information in a timely manner in such a way so as not to place any person in a privileged dealing position and to allow time for the market to price the listed securities of the Company with the latest available information. This Policy also provides guidelines to staff of the Company to ensure proper safeguards exist to prevent the Company from breaching the statutory disclosure requirements. It also includes appropriate internal control and reporting systems to identify and assess potential inside information. Dissemination of inside information of the Company shall be conducted by publishing the relevant information on the websites of the Stock Exchange and the Company, according to the requirements of the Listing Rules.

### COMMUNICATION WITH SHAREHOLDERS AND SHAREHOLDERS’ RIGHTS

The Company aims to, via its corporate governance structure, enable all its shareholders an equal opportunity to exercise their rights in an informed manner and allow all shareholders to engage actively with the Company. Under the Company’s articles of association, the shareholder communication policy and other relevant internal procedures of the Company, the shareholders of the Company enjoy, among others, the following rights:

#### (I) PARTICIPATION AT GENERAL MEETINGS

The general meetings of the Company provide an opportunity for direct communication between the Board and the shareholders. The Company encourages the participation of the shareholders through annual general meetings and other general meetings where the shareholders meet and exchange views with the Board, and to exercise their right to vote at meetings. The Company shall arrange notices of meetings and circulars containing details on proposed resolutions to be sent to the shareholders no less than 20 business days before the meeting. At general meetings, separate resolutions are proposed on each substantial issue, including the election of individual Directors.

### 處理及發佈內幕消息

本公司已制定一項處理及發佈內幕消息的政策（「政策」），當中列載及時處理及發佈內幕消息的程序及內部監控措施，不得使任何人士在交易中處於有利地位並使市場有時間依據最新可得之資料對本公司的上市證券進行定價。此政策亦為本公司員工提供指引以確保有妥善的防範措施，防止本公司違反法定披露規定。其中亦包含適當的內部監控及報告系統以識別及評估潛在內幕消息。本公司內幕消息的發佈須透過根據上市規則的規定在聯交所及本公司網站刊發相關資料而進行。

### 與股東溝通及股東權利

本公司旨在透過其企業管治架構，讓全體股東有平等機會在知情情況下行使其權利，並讓全體股東積極參與本公司業務。根據本公司的組織章程細則、股東溝通政策及本公司其他相關內部程序，本公司股東可享（其中包括）以下權利：

#### (I) 參加股東大會

本公司的股東大會提供機會讓董事會與股東直接溝通。本公司鼓勵股東透過出席股東週年大會及其他股東大會參與本公司事務，會上股東可與董事會會面及交流意見，及行使其投票權利。本公司將安排於舉行大會前不少於20個營業日向股東發出大會通告及載有提呈決議案詳情的通函。於股東大會上，將就各重大事項（包括選舉個別董事）提呈獨立決議案。

**(II) ENQUIRIES AND PROPOSALS TO THE BOARD**

The Company encourages shareholders to attend shareholders' meetings and make proposals by either directly raising questions on both operational and governance matters to the Board and Board Committees at the general meetings or providing written notice of such proposals for the attention of the Company Secretary at the principal place of business of the Company in Hong Kong currently situated at Room 904, Loon Kee Building, 275 Des Voeux Road Central, Hong Kong or via email to enquiry@jcumbrella.com.

**(III) CONVENING EXTRAORDINARY GENERAL MEETINGS**

The Directors may, whenever they think fit, convene an extraordinary general meeting. Extraordinary general meetings shall also be convened on the requisition of one or more shareholders holding, at the date of deposit of the requisition, not less than one tenth of the paid up capital of the Company having the right of voting at general meetings. Such requisition shall be made in writing to the Directors or the Company Secretary and deposited at the principal place of business of the Company in Hong Kong currently situated at Room 904, Loon Kee Building, 275 Des Voeux Road Central, Hong Kong, for the purpose of requiring an extraordinary general meeting to be called by the Directors for the transaction of any business specified in such requisition. Such meeting shall be held within two months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Directors fail to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Directors shall be reimbursed to the requisitionist(s) by the Company.

There are no provisions under the Company's articles of association or the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands regarding procedures for shareholders to put forward proposals at general meetings other than a proposal of a person for election as director. Shareholders may follow the procedures set out above to convene an extraordinary general meeting for any business specified in such written requisition.

**(II) 向董事會查詢及提出建議**

本公司鼓勵股東出席股東大會，並透過於股東大會向董事會及董事委員會就有關營運及管治事宜直接提問作出建議，或將有關建議的書面通知送交本公司的香港主要營業地點，現時地址為香港德輔道中275號龍記大廈904室，或電郵至 enquiry@jcumbrella.com 以呈交公司秘書。

**(III) 召開股東特別大會**

董事可酌情隨時召開股東特別大會。於提呈有關要求當日持有附帶權利於股東大會投票的本公司繳入股本不少於十分之一的一名或多名股東亦可要求召開股東特別大會。有關要求應以書面方式向董事或公司秘書提出，並送交本公司的香港主要營業地點，現時地址為香港德輔道中275號龍記大廈904室，以要求董事就處理有關要求所指任何事務召開股東特別大會。有關大會須於提出要求後兩個月內召開。倘於提出有關要求後二十一(21)日內董事仍未召開有關大會，則提出要求的人士可以相同形式自行召開大會，而提出要求人士因董事未有召開大會而產生的所有合理開支將由本公司向其償付。

本公司組織章程細則或開曼群島第22章公司法（一九六一年第3號法案，綜合及經修訂）概無有關股東在股東大會提出建議的程序的規定（提名候選董事的建議除外）。股東可根據上述程序召開股東特別大會以處理有關書面要求提出的任何事務。

## CORPORATE GOVERNANCE REPORT

### 企業管治報告

The notice of annual general meeting together with the accompanying circular setting out the relevant information as required under the Listing Rules are sent to shareholders at least 20 clear business days prior to the meeting. Poll voting has been adopted for decision-making at shareholders' meetings to ensure that each share is entitled to one vote. Details of the poll voting procedures are set out in the circular sent to shareholders prior to the meeting and explained at the commencement of the meeting. Voting results are posted on the Company's website on the day of the annual general meeting.

#### (IV) PROCEDURES FOR PROPOSING A PERSON FOR ELECTION AS A DIRECTOR

Pursuant to the Article 113 of the articles of association of the Company, no person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been lodged at the head office or at the registration office of the Company. The period for lodgement of the notices required will commence no earlier than the day after the dispatch of the notice of the general meeting appointed for such election and end no later than seven days prior to the date of such general meeting and the minimum length of the period during which such notices to the Company may be given will be at least seven days.

#### CONSTITUTIONAL DOCUMENTS

During the year ended 31 December 2018, there was no change in the memorandum and articles of association of the Company.

股東週年大會通告連同上市規則規定須列明相關資料的隨附通函於大會前至少20個完整營業日向股東發出。於股東大會上的決定乃採納按股數投票表決方式，以確保每股股份均有一票投票權。按股數投票表決程序的詳情載於在大會前寄發予股東的通函，並於大會開始時加以解釋。投票表決結果於股東週年大會當日在本公司網站公佈。

#### (IV) 提名人士參選董事的程序

根據本公司組織章程細則第113條，除退任董事外，概無任何人士（於會上退任的董事除外）有資格於任何股東大會上膺選董事，除非獲董事推薦膺選，且已發出書面通知表明建議提名相關人士膺選董事，亦附上獲提名人士簽署的書面通知表明願意膺選，交予本公司總辦事處或過戶登記處。發出所規定通知的限期，為不早於寄發有關推選董事之股東大會通告翌日起至不遲於該股東大會舉行日期前七日，惟可向本公司發出通知的最短期限不得少於七日。

#### 章程文件

截至二零一八年十二月三十一日止年度，本公司的組織章程大綱及細則概無變動。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### ENVIRONMENTS

#### EMISSIONS

The Group's umbrella manufacturing business closely relates to environmental protection – one of the core values of the Group. As a leader of Asia's umbrella industry, the Group follows closely the relevant laws and regulations implemented and specific actions taken by different countries on the reduction of greenhouse gas emission.

Violating the environmental regulations may result in temporary suspension of production. During the year ended 31 December 2018, the Group did not aware of any non-compliance with these environmental regulations.

#### *Emissions management*

The Group repeatedly implemented energy saving projects and replacement of high carbon emissions as measures in order to establish emission reduction and energy saving. The Group's factories during the production are completely based on ISO 14001 standard, the environmental management system.

It is the view of the Group that POE and nylon used for the productions of their umbrella business are the most critical environmental concerns of the Group and its stakeholders. Further, the machineries used for their production are powered by electricity, which will result in a certain amount of carbon footprint. Therefore, the Group has established policies to limit emissions from the production by ensuring the efficient use of frequent facilities checking.

#### *Air emissions*

There is also some indirect emission, the Group used paper, vehicle and flight during the year ended 31 December 2018 for supporting the business operation. During the year ended 31 December 2018, the use of 17,038 liter of unleaded petrol lead to an air emission of nitrogen oxides ("NOx"), sulphur oxides ("SOx") and respiratory suspended particles ("RSP", also known as Particulate Matter ("PM")) were about 164.7 kg, 0.25 kg and 1.3 kg respectively, which were mainly produced from the company vehicles.

### 環境

#### 排放

本集團的雨傘製造業務與環境保護密切相關，而環保正是本集團的核心價值之一。作為亞洲雨傘業龍頭企業，本集團嚴格遵循各國就減少溫室氣體排放實施的相關法律及法規以及所採取的具體行動。

違反該等環境法規可導致暫時停產。截至二零一八年十二月三十一日止年度，本集團並無發現任何違反該等環境法規的事宜。

#### *排放管理*

本集團已多次實施節能項目，替換高碳排放的設備，以實現節能減排。本集團工廠在生產過程中完全依照ISO 14001環境管理體系標準。

本集團認為，雨傘業務生產所用的POE及尼龍是本集團及其利益相關者最主要的環境關切點。此外，生產POE及尼龍的機器由電力驅動，會釋放一定量的二氧化碳。因此，本集團已制定政策，透過確保有效頻密的設備檢查，限制生產過程中的碳排放。

#### *氣體排放*

截至二零一八年十二月三十一日止年度，本集團為支持業務營運，使用了紙張、汽車及航班，亦造成部分間接排放。截至二零一八年十二月三十一日止年度，使用17,038公升無鉛汽油導致二氧化氮（「NOx」）、二氧化硫（「SOx」）及可吸入懸浮粒子（「RSP」，亦稱為顆粒物質（「PM」））的氣體排放量分別為約164.7千克、0.25千克及1.3千克，主要源於使用公司汽車。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Greenhouse gas (GHG) emissions

The Group has constantly updated with the local legislation and standards for environmental protection and assessed whether these legislations and standards are related to the business of the Group and the Group's compliance status. During the year ended 31 December 2018, the Group has complied with environmental laws and regulations applicable to the Group's business. The Group will continue looking for ways to reduce CO<sub>2</sub> emissions and land contamination.

### 溫室氣體排放

本集團根據本地環保法例及標準不斷更新，並評估該等法例及標準是否與本集團之業務有關以及本集團合規情況。截至二零一八年十二月三十一日止年度，本集團已遵守適用於本集團業務之環境法律及法規。本集團將繼續尋求減少二氧化碳排放及土地污染之方法。

Greenhouse gas (GHG) emissions 溫室氣體排放		2018 二零一八年
Scope 1 – direct emissions from the use of motor vehicles	範圍1 – 使用機動車輛的直接排放	44.4 tons 噸
Scope 2 – indirect emissions from acquired electricity	範圍2 – 購電的間接排放	5,747.0 tons 噸
Scope 3 – indirect emissions from paper waste disposed at landfills and business travel by air flight or train	範圍3 – 於填埋場處置廢紙及搭乘飛機或火車的差旅的間接排放	29.1 tons 噸
<b>Total GHG emissions</b>	<b>溫室氣體總排放量</b>	<b>5,820.5 tons 噸</b>
<b>Intensity of GHG emissions per unit of production</b>	<b>每生產單位的溫室氣體排放密度</b>	<b>0.25 kg 千克</b>

### Waste productions

The non-hazardous waste discharged by the Group belongs to basic household garbage and 337 tons of non-hazardous waste were generated during the year ended 31 December 2018, which was recycled by a garden construction company.

### 廢棄物

本集團排放的無害廢棄物屬於基本生活垃圾。截至二零一八年十二月三十一日止年度，本集團產生337噸無害廢棄物，由一間園林建築公司回收處理。

Waste production was mainly attributed to the domestic wastes of office. Throughout the Group, the following actions have been taken to reduce waste productions:

廢棄物的產生主要來源於辦公室的生活垃圾。本集團上下已採取以下措施減少廢棄物：

- communicate through e-mails to reduce the use of papers;
  - double-sided printings; and
  - reuse single-sided printed papers.
- 使用電郵溝通，減少紙張使用；
  - 雙面打印；及
  - 重複使用單面打印的紙張。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### USE OF RESOURCES

#### *Energy consumption*

The Group is committed to consume efficiently the resources during production. For the year ended 31 December 2018, the Group aims to reduce consumption through more targeted efforts by participating in an energy conservation programme.

The Group engaged in production has taken to restrict control of discharging waste into the air, land and water. It is the Group's policies to maintain the manufacture process in an efficient and effective manner. The Group strived to mitigate the environmental impact of its umbrella producing activities. Also, the Group ensured waste water is properly connected to municipal sewage system and all land waste is send to municipal solid waste management plant during production.

For the year ended 31 December 2018, the Group minimizes the materials used in the manufacturing process so as to maximize the resource efficiency of our operations. The Group makes a record of the amount of material used to reduce unnecessary waste of materials. The Group uses appropriate tools to further avoid excessive use of components and materials in the manufacturing process.

In 2018, the Group constantly pursued the efficient use of resources. The Group also rationalized planning equipment layout and operational processes to reduce the waste of energy and resources generated during the production process. The Group produced over 12.5 million (2017: 17.4 million) POE umbrellas, 11 million (2017: 8.2 million) nylon umbrellas and other umbrella parts. It is the Group's policy to maintain the manufacture process in an efficient and effective manner to reduce accordingly the energy waste in the production.

### 資源利用

#### *能源消耗*

本集團致力於在生產過程中高效利用各類資源。截至二零一八年十二月三十一日止年度，本集團透過參與一項節能計劃更有針對性地減少消耗。

本集團嚴格控制生產中向大氣、土壤及水排放廢棄物，並已制定相關政策以維持高效及有效的生產流程。本集團致力減輕其雨傘生產活動對環境的影響。此外，本集團確保生產過程中的污水恰當接入市政污水系統並將所有固體廢棄物送往市政固體廢棄物處理廠。

截至二零一八年十二月三十一日止年度，本集團盡量減少生產流程中所用的材料，以最大化業務的資源效率。本集團對所用材料量進行記錄以減少材料的非必要浪費，並在生產流程中使用適當工具，進一步避免濫用部件及材料。

於二零一八年，本集團持續推行有效使用資源。本集團亦合理化調整規劃設備佈局及運作程序，以減少生產過程中產生的能源及資源浪費。本集團生產超過12.5百萬把（二零一七年：17.4百萬把）POE雨傘、11百萬把（二零一七年：8.2百萬把）尼龍雨傘及其他雨傘零部件。本集團實行維持高效及有效的生產流程以相應減少生產中的能源浪費的政策。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

The details of the consumption of natural resources used in production is summarised as below: 生產所消耗的自然資源詳情概述如下：

Consumption of resources	資源消耗	2018 二零一八年	2017 二零一七年
Water	水	<b>130,935 m<sup>3</sup></b> 平方米	145,151 m <sup>3</sup> 平方米
Water intensity (per unit of production)	用水密度 (每生產單位)	<b>0.056 m<sup>3</sup></b> 平方米	0.057 m <sup>3</sup> 平方米
Electricity	電力	<b>7,142,702 kWh</b> 千瓦時	7,473,707 kWh 千瓦時
Electricity intensity (per unit of production)	用電單耗 (每生產單位)	<b>3.03 kWh</b> 千瓦時	3.42 kWh 千瓦時
Paper	紙張	<b>416 kg</b> 千克	493 kg 千克
Paper usage intensity (per office staff)	用紙密度 (每名辦公室僱員)	<b>1.15 kg</b> 千克	1.32 kg 千克

The water intensity and the electricity intensity drop 1.8% and 11.4% respectively. This is the key for the Group to attribute to the environmental friendly strategies. The Group is committed to perform regular assessment in analysing data in aims for better management in the use of resources.

### Packaging materials

The packaging materials used by the Group are primarily plastic wrapping films and carton boxes, of which the sizes are determined according to the requirements of different customers. Despite the use of packaging materials to the products, the Group makes every effort to minimise the wastage of resource. During the year ended 31 December 2018, the Group consumed about 0.53 million carton boxes, 0.96 million plastic bags and 139 tonnes of plastic wrapping film.

### THE ENVIRONMENT AND NATURAL RESOURCES

The Group has been promoting the sustainable use of natural resources. For example, Polyvinyl Chloride ("PVC") is relatively cheap, easy to assemble and is durable. However, PVC degrades very slowly, and can release toxic when being burn. The Group has therefore been using POE to manufacture its products. POE is an environmental friendly fabric for an umbrella's canopy, which is free of Azo and heavy metal Chromium. POE is also biodegradable and recyclable and is an environmentally friendly substitute for PVC. Also, the Group has policies for daily inspection and maintenance in order to maintain the facilities' efficiency.

用紙密度及用電單耗分別下降1.8%及11.4%。此為本集團踐行環保策略的關鍵。本集團承諾定期評估相關分析數據以更好地管理資源的利用。

### 包裝材料

本集團使用的包裝材料主要為塑膠包裝薄膜及硬紙盒，尺寸根據不同客戶的要求釐定。儘管使用產品包裝材料，本集團盡力減少資源浪費。截至二零一八年十二月三十一日止年度，本集團消耗約0.53百萬個硬紙盒、0.96百萬個塑料袋及139噸塑膠包裝薄膜。

### 環境及自然資源

本集團持續推動自然資源的可持續利用。例如，聚氯乙烯（「PVC」）價格低廉、易於組裝且牢固耐用。然而，PVC降解非常緩慢，在燃燒時會釋放有毒氣體。因此，本集團一直使用POE材料生產產品。POE是一類可用於雨傘遮篷的環保織物，不含偶氮及重金屬鉻，亦可生物降解及回收，是PVC的環保替代品。此外，本集團已制定日常檢查及維護政策，以保持設施的工作效率。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

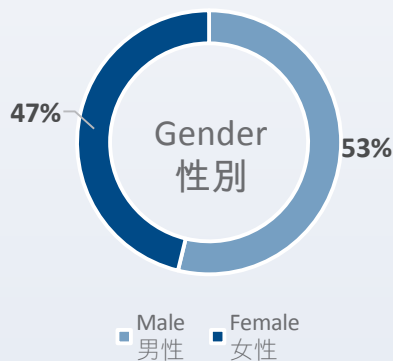
### EMPLOYMENT AND LABOUR PRACTICES

#### EMPLOYMENT

As a labour-intensive industry, the Group's success would greatly rely on the effort contributed by employees of the Group. For the year ended 31 December 2018, the total number of the employees of the Group in China was 1,592, including 10 executives, 14 managers, 346 officers and 1,223 workers. The gender ratio between male and female as of 31 December 2018 was at 1:0.86.

The Group has adopted practices and policies of Labour Law of the People's Republic of China 《中華人民共和國勞動法》, Labour Contract Law of People's Republic of China 《中華人民共和國勞動合同法》 and other relevant laws. The Group had in place human resources management system that contain specific terms to address compensation and dismissal, working hours, rest periods and other benefits and welfare for our staff. The Group's employee handbook distributed to employees also highlight important information of policies on compensation, employee benefits, rights on termination, business conduct and leave benefits.

Staff details are categorised by gender and age group are as follow:



During the reporting period, the Group did not aware of any material non-compliance relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, discriminations.

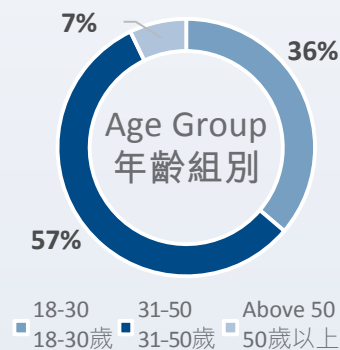
#### 僱傭及勞工慣例

##### 僱傭

身處勞動密集型行業，本集團的成功很大程度上依賴本集團員工所作的努力。截至二零一八年十二月三十一日止年度，本集團於中國共擁有1,592名僱員，其中包括10名行政人員、14名經理、346名高級職員及1,223名工人。截至二零一八年十二月三十一日，男女的性別比例為1:0.86。

本集團已採納《中華人民共和國勞動法》、《中華人民共和國勞動合同法》及其他相關法律規定的多項慣例及政策。本集團設有人力資源管理系統，當中載有對員工的補償及解僱、工作時長、休息時間以及其他利益及福利的具體條款。本集團向員工發放的員工手冊中亦強調了有關補償、員工福利、解約權利、業務操守及假期福利的政策的重要資料。

按性別及年齡組劃分的僱員詳情如下：



報告期間，本集團並無發現有關補償及解僱、招聘及晉升、工作時長、休息時間、均等機會、多元化、歧視的重大不合規情況。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### HEALTH AND SAFETY

In order to minimise workplace incidents and put the health and safety of the staffs as the priority of productions, the Group has established a set of staff handbooks, which included aspects such as safety policies. Every worker was required to follow safety instructions. During that year, the Group has no reported incidents of non-compliance with regulations concerning workplace health and safety.

Workplaces are equipped with fire and safety facilities to prevent and control outbreak of fire accidents. Also, the functionality of the fire facilities has been regularly checked, for example, fire exits were always constantly kept clear. Staff had been trained and possess basic knowledge in using fire extinguishing equipment. Fire drills have also been regularly conducted. There are strict requirements for staff in clothing, access of non-operational staff, and knowledge of workplace hazards to ensure the safety of our employees.

The Group no reported work injuries and work-related fatalities during the year ended 2018. The Group will continue to improve the safety management system in order to protect employees' health and safety in workplace.

### DEVELOPMENT AND TRAINING

The Group encourages its employees to advance and improve themselves pursuing further development. Therefore, the Group has held various internal and external training programs to further develop its workforce. Regularly, staffs would be assigned to attend training courses such as management certificate studies, first aids training, and top-up courses for specialized skills.

During the year ended 31 December 2018, there are over 3,569 participants in total for every month's training course. The male to female ratio of participants is 1:0.8. Subjects included orientation, pre-job training, on-the-job training, fire safety, professional skill and so on. Then, Company would gather back feedback and recommendations from staffs to further improve the quality and effectiveness of training.

### 健康與安全

為最大程度減少工作場所事故並將員工的健康與安全置於生產過程中的重要位置，本集團制定了一套員工手冊，當中包括安全政策等多個方面。各員工均須遵守相關安全指引。年內，本集團並無報告任何有關工作場所健康與安全的不合規事件。

工作場所配有消防設施，以預防及控制火災事故的發生。另外，本集團會定期檢查消防設施的有效性（如消防通道保持持續暢通），對員工進行培訓以保證其具備使用滅火設備的基本知識，並定期進行消防演練。我們對員工著裝、非操作人員的進入權限、瞭解工作場所危險性方面作出了嚴格的規定以確保僱員的安全。

截至二零一八年止年度，本集團並無呈報任何工傷及工作相關的死亡事故。本集團將繼續完善安全管理制度，保護僱員於工作場所的健康及安全。

### 發展及培訓

本集團鼓勵其僱員進修以提升自我，追求更大發展。因此，本集團為員工的進一步發展開設多項內部及外部培訓課程，定期派員工參加培訓課程，如管理證書學習、急救培訓及專業技能進修課程等。

截至二零一八年十二月三十一日止年度，共有超過3,569人參加每月的培訓課程，參加者中的男女比例為1:0.8。課程主題包括新員工培訓、職前培訓、在職培訓、消防安全及專業技能等。其後，本公司會向員工收集反饋及建議以進一步提升培訓的質素及有效性。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境·社會及管治報告

### LABOUR STANDARDS

The Group strictly complied with Labour Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》). According to the Law of the PRC on the Protection of Minors and as stipulated by the Labour Law of the PRC in terms of employment management, there is neither child nor forced labour in our Group's operation. For the year ended 31 December 2018, no employees of the Group aged under 16. Further, there had not been any no dispute between the Group and its teams of staff.

### OPERATING PRACTICES

#### SUPPLY CHAIN MANAGEMENT

In order to maintain long term relationship with its suppliers for ensuring stable supply, the Group establishes a comprehensive vertical supply chain management system through supplier screening and management and resource integration. The Group has 789 suppliers while about 97% of supplier located in the Mainland China and other suppliers are mainly from other Asian countries. Raw materials suppliers are the major suppliers of the Group. Thus, the Group would evaluate the performance of the major vendors of the Group, on whether the quality of raw materials have passed the Group's requirement and standards. Raw material that does not qualify will be returned to supplier.

The quality and safety of sanitary ware is top priorities of the Group. The Group are committed to ensure its supply chain is operating as efficiently as possible to ensure its products are safe and standardised. Greater emphasis is placed on the communication and relationship with the suppliers towards sustainable development.

#### PRODUCT RESPONSIBILITY

The Group has put the product quality as its first priority as the performance of the product can directly affect the relationship with customers as well as the reputation of the business. Therefore, the Group has already been focusing on meeting customer expectations and delivering customer satisfaction by introducing ISO 9001.

### 勞動準則

本集團嚴格遵守《中華人民共和國勞動合同法》。根據《中華人民共和國未成年人保護法》及《中華人民共和國勞動法》有關僱傭管理的規定，本集團在營運中並無使用童工或強迫勞工情況。截至二零一八年十二月三十一日止年度，本集團並無16歲以下的僱員，且本集團與其員工隊伍間並無任何糾紛。

### 經營條例

#### 供應鏈管理

為與其供應商保持長期合作關係以保證穩定的供應，本集團建立了涵蓋供應商篩選及管理以及資源整合的全面垂直供應鏈管理體系。本集團有789名供應商，約97%的供應商位於中國內地，而其他供應商則主要來自其他亞洲國家。原材料供應商是本集團的主要供應商。因此，本集團會根據原材料的質素是否符合本集團的要求及標準來評估本集團主要供應商的表現。質素不合格的原材料將退回至供應商。

衛生設施的質素及安全是本集團的重中之重。本集團努力確保其供應鏈能夠盡最大效率運作以保證其產品的安全性及標準化，並會更多注重與供應商的溝通及關係以達致可持續發展。

#### 產品責任

由於產品的性能能夠直接影響我們與客戶的關係以及公司的聲譽，本集團將產品質素置於首位，並因此一直以來注重滿足客戶的期望及通過引入ISO 9001標準，使客戶滿意。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

To improve the product quality management of the Group, the Group strive to identify product quality problems earlier and address the problems promptly. This promote the protection of the company's credibility and enhance the Company's market share. As a testament of this, the Company uses "Plastic umbrella product standards and test methods" 《塑膠傘產品標準及檢驗方法》 and "Nylon umbrella product standards and test methods" 《尼龍傘產品標準及檢驗方法》 to control the quality. Quality control covers raw materials quality control, manufacturing process quality control and finished product quality control.

The products of the Group are subjected to the Product Quality Law of the People's Republic of China 《中華人民共和國產品質量法》 which ensure the company's responsibility to compensate for damages done to persons or property in case of defected products. For the year ended 31 December 2018, the Group did not have any products returned due to safety or health problems or any complaint received from our customers. In order to protect consumer data and privacy, client information is kept confidentially and destroyed on a timely basis.

### ANTI-CORRUPTION

The Group sees integrity as the key for sustainable development of the Group. The Group strives to maintain high standards of business integrity in its operation, the Group has no tolerance towards any corruption, fraud, money laundering, bribery, and extortion. During this financial year, the Group did not have any violation of laws and regulations relevant to the activity of the Group, such as Criminal law of the People's Republic of China 《中華人民共和國刑法》 and the Anti-Unfair Competition Law of the People's Republic 《中華人民共和國反不正當競爭法》.

The Group also sees that a management system with good moral integrity and anti-corruption mechanisms is the cornerstone for sustainable and healthy development of the Group. The Group has in place procedures to comply with guidelines on anti-money laundering and counter-terrorist financing. Any suspicious transactions would be notified and reported to the relevant governing body by a responsible officer.

During the year ended 31 December 2018, the Group did not aware of any non-compliances of anti-corruption.

為提升本集團的產品質素管理，本集團爭取提前發現產品質素問題和及時解決問題，不僅促進了對本公司可信度的保護，亦提升了本公司的市場份額。本公司使用《塑膠傘產品標準及檢驗方法》及《尼龍傘產品標準及檢驗方法》控制產品質素即可證明此點。質素控制涵蓋原材料質素控制、生產流程質素控制及成品質素控制。

本集團產品受《中華人民共和國產品質量法》規限，當中規定公司須就因產品缺陷造成的人身財產損失承擔賠償責任。截至二零一八年十二月三十一日止年度，本集團並無任何產品因安全或健康問題而遭退回，亦未接到任何客戶投訴。為保護客戶數據及隱私，客戶資料乃保密存放並會及時銷毀。

### 反腐敗

本集團視信譽為其實現可持續發展的關鍵，並致力於經營過程中維持高標準的商業信譽，絕不容忍任何腐敗、欺詐、洗錢、賄賂及敲詐行為。於本財政年度，本集團並無違反任何與本集團活動有關的法律及法規，如《中華人民共和國刑法》及《中華人民共和國反不正當競爭法》。

本集團亦認為具備良好道德準則及反腐機制的管理制度是本集團可持續健康發展的基石。本集團已制定程序以遵守有關反洗錢及反恐怖主義融資的指引。倘有任何可疑交易，即會由相關負責人通知及報告予有關主管機關。

截至二零一八年十二月三十一日止年度，本集團並無發現任何不遵守反腐敗的事宜。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### COMMUNITY INVESTMENT

In order to be a good business leader, it is the Group's believe that it is fundamental to be a good community leader: The Group see this as a responsibility of being a successful company. As such, the Group believes in giving back to the society. The Group makes effect in evaluating community programmes that prompts the same ideology of the Group and the Group makes substantial monetary contributions. This year, the Group has donated RMB 70,000 to various recognised charity organisations, including Yongchun Charity Federation (“永春慈善總會”). The Group will continue to support a wide range of area of contributions, including education, medicals, women's rights by supporting these and other similar organisations.

### 社區投入

本集團認為，要成為卓越的業界領袖，最基本的一點是要成為優秀的社區領頭人，而這也正是成功公司的責任所在。因此，本集團篤信回饋社會的重要性。對於倡導本集團同一理念的社區項目，本集團於評估方面付諸努力，並作出重金捐款。年內，本集團向永春慈善總會等多個獲認可的慈善機構捐款人民幣70,000元。本集團透過支持該等機構及其他類似組織繼續向教育、醫療、女權等領域作出捐款。



# BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理人員履歷詳情

### DIRECTORS

#### EXECUTIVE DIRECTORS

**Mr. Huang Wenji** (黃文集), aged 50, is the Chairman of the Board. Mr. Huang was appointed as a Director on 12 June 2014 and re-designated as an executive Director on 25 September 2014. He founded our Group in May 1996 and is responsible for the overall management, strategic development and major decision-making of our Group. Mr. Huang is a Controlling Shareholder. Mr. Huang completed his secondary education in the PRC in July 1987.

**Mr. Yang Guang** (楊光), aged 50, was appointed as an executive Director on 25 September 2014. He joined our Group in November 2007 as financial controller as well as secretary to the board of directors of Fujian Jicheng Umbrella Co., Ltd. (福建集成傘業有限公司) ("Fujian Jicheng"). Mr. Yang has been the deputy general manager of Fujian Jicheng since November 2010, and is responsible for supervising our Group's production. He worked for 大冶特殊鋼股份有限公司 (Daye Special Steel Co., Ltd.) as finance officer from November 1999, and was promoted to finance manager in August 2001. He then worked for 福建潯興集團有限公司 (Fujian Xunxing Group Company Limited) as finance manager from May 2002 to October 2007. Mr. Yang graduated from Zhongnan University of Economics with finance major in July 1994.

**Mr. Lin Zhenshuang** (林貞雙), aged 40, was appointed as an executive Director on 25 September 2014. He joined our Group in August 2001 and is the manager of the international business department of Jinjiang Jicheng Industry Co., Ltd. (晉江集成輕工有限公司) ("Jinjiang Jicheng"). He is responsible for supervising our Group's sales and marketing operations. Mr. Lin graduated from Huaqiao University with a diploma in Japanese Language in June 2000.

**Mr. Chung Kin Hung, Kenneth** (鍾健雄), aged 52, was appointed an executive Director of the Company on 13 April 2015. He has more than 10 years' experience in project management and business strategic planning. Mr. Chung worked as a production manager in the field of consumer electronics products for over 5 years and his responsibilities mainly focused on overseeing the production process. Mr. Chung is responsible for the strategic planning and finance of the Group.

### 董事

#### 執行董事

**黃文集先生**，50歲，為董事會主席。黃先生於二零一四年六月十二日獲委任為董事並於二零一四年九月二十五日調任為執行董事。彼於一九九六年五月創建本集團，負責本集團之整體管理、策略發展及主要決策。黃先生為控股股東。黃先生於一九八七年七月在中國完成中學教育。

**楊光先生**，50歲，於二零一四年九月二十五日獲委任為執行董事。彼於二零零七年十一月加盟本集團，擔任財務總監以及福建集成傘業有限公司（「福建集成」）董事會秘書。自二零一零年十一月起，楊先生一直為福建集成之副總經理，並負責監管本集團之生產。彼自一九九九年十一月起任大冶特殊鋼股份有限公司之財務人員，並於二零零一年八月晉升為財務經理。之後，彼於二零零二年五月至二零零七年十月任福建潯興集團有限公司之財務經理。楊先生於一九九四年七月畢業於中南財經大學財政專業。

**林貞雙先生**，40歲，於二零一四年九月二十五日獲委任為執行董事。彼於二零零一年八月加盟本集團，擔任晉江集成輕工有限公司（「晉江集成」）國際業務部經理，負責監管本集團之銷售及市場推廣活動。林先生於二零零零年六月畢業於華僑大學，獲日語文憑。

**鍾健雄先生**，52歲，於二零一五年四月十三日獲委任為本公司之執行董事。彼於項目管理及業務策劃方面擁有逾10年經驗。鍾先生在消費電子產品領域擔任生產經理逾五年之久，主要負責專注監視生產過程。鍾先生負責本集團之策略規劃及財務。

# BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理人員履歷詳情

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. Tso Sze Wai** (曹思維), aged 48, was appointed as an independent non-executive Director on 7 October 2016. Mr. Tso holds a Bachelor degree in Commerce awarded by University of New South Wales, Australia and a postgraduate diploma in Computing in the University of Western Sydney, Australia. He is a member of the Hong Kong Institute of Certified Accountants. He has over 20 years of experience in accounting, corporate finance and corporate secretarial matters. He is currently the financial controller and company secretary of Green Energy Group Limited, a company listed on the Main Board of the Stock Exchange (Stock Code: 979). Prior to that, he had held senior management positions in a number of listed companies in Hong Kong and Singapore.

**Mr. Yang Xuetai** (楊學太), aged 45, was appointed as an independent non-executive Director on 23 January 2015. Mr. Yang graduated from China Academy of Art with a bachelor degree in industrial design in July 1998 and a master degree in art in January 2010. He has been working for the art faculty of The Huaqiao University as assistant professor since 2010. He had also been a visiting scholar of Tunghai University in Taiwan for five months in 2012.

**Ms. Lee Kit Ying, Winnie** (李結英), aged 45, was appointed as an independent non-executive Director on 21 August 2015. Ms. Lee holds a Postgraduate certificate in Business Administration from The Open University of Hong Kong and Diploma in Accounting from The University of Hong Kong, School of Professional and Continuing Education. Ms. Lee has over 20 years of experience in finance and administration. She has worked for various foreign and multi-national organisation.

### SENIOR MANAGEMENT

**Mr. Liu Liangping** (劉良平), aged 50, is the manager of the Group's research and development department. He joined our Group in 2000 as manager of the production department of Jinjiang Jicheng. He has later become the manager of the Group's research and development department and is responsible for supervising our Group's product design, and research and development operations. Mr. Liu completed his secondary education in the PRC in June 1986.

### 獨立非執行董事

曹思維先生，48歲，於二零一六年十月七日獲委任為獨立非執行董事。曹先生持有澳洲新南威爾士大學商學士學位及澳洲西悉尼大學電腦學研究生文憑。彼為香港會計師公會會員，於會計、企業財務及企業秘書事宜方面積逾20年經驗。目前，彼擔任聯交所主板上市公司綠色能源科技集團有限公司（股份代號：979）之財務總監兼公司秘書。在此之前，彼曾於香港及新加坡多間上市公司出任高級管理層職位。

楊學太先生，45歲，於二零一五年一月二十三日獲委任為獨立非執行董事。楊先生於一九九八年七月畢業於中國美術學院，取得工業設計學士學位，並於二零一零年一月取得藝術碩士學位。彼自二零一零年起一直於華僑大學美術系任副教授。彼亦於二零一二年於台灣東海大學擔任五個月之訪問學者。

李結英女士，45歲，於二零一五年八月二十一日獲委任為獨立非執行董事。李女士持有香港公開大學頒授的工商管理深造證書及香港大學專業進修學院頒授的會計學文憑。李女士於財務及行政方面擁有逾20年經驗。彼曾於多家外資及跨國機構工作。

### 高級管理層

劉良平先生，50歲，為本集團研發部經理。彼於二零零零年加盟本集團，擔任晉江集成生產部經理。之後，彼成為本集團之研發部經理，負責監管本集團之產品設計以及研發事務。劉先生於一九八六年六月在中國完成中學教育。

# REPORT OF THE DIRECTORS

## 董事會報告

The Directors are pleased to present the annual report together with the audited consolidated financial statements of the Group for the year ended 31 December 2018.

### PRINCIPAL PLACE OF BUSINESS

The Company was incorporated in the Cayman Islands. The Group's principal place of business is in the PRC.

### PRINCIPAL ACTIVITIES

The principal activities of the Group are manufacture and sale of umbrella. The principal activities and other particulars of the subsidiaries are set out in note 31 to the financial statements.

### BUSINESS REVIEW

A business review in respect of the Group's performance for the year ended 31 December 2018 and the material factors underlying its results and financial position, principal risks and uncertainties facing the Group, as well as the Group's environmental policies, are set out in the section headed "Management Discussion and Analysis" on pages 6 to 14 of this report.

### ENVIRONMENTAL POLICIES AND COMPLIANCE WITH LAWS AND REGULATIONS

The Group is committed to the long term sustainability of the environment and communities in which it operates. The Group is committed adopt effective measures to achieve efficient use of resources, energy saving and waste reduction. We strive to minimize our environmental impact by energy saving, recycling of used papers, office supplies and other materials. For details, please refer to the section headed "Environmental, Social and Governance (ESG) Report" on pages 31 to 39 of this report.

During the year, the Group was not aware of any incidence of non-compliance with the relevant laws and regulations that have a significant impact on the Group's business and operations.

董事欣然提呈年報連同本集團截至二零一八年十二月三十一日止年度經審核綜合財務報表。

### 主要業務地點

本公司在開曼群島註冊成立。本集團的主要業務地點位於中國。

### 主要業務

本集團的主要業務為製造及銷售雨傘。主要業務及附屬公司的其他詳情載於財務報表附註31。

### 業務回顧

有關本集團截至二零一八年十二月三十一日止年度之表現及與其業績以及財務狀況相關的重要因素、本集團面臨的主要風險及不確定因素以及本集團的環境政策之業務回顧載於本報告第6頁至14頁「管理層討論與分析」一節。

### 環境政策與遵守法律及法規

本集團致力於維持其運營所在環境及社區的長期可持續性，努力採取有效措施以實現資源的高效利用、節能及減污目標。我們透過節約能源、回收廢棄紙張、辦公用品及其他材料盡最大努力減輕對環境的影響。有關詳情，請參閱本報告第31頁至39頁的「環境、社會及管治」一節。

年內，本集團並不知悉對本集團的業務及營運有重大影響的任何違反相關法律及法規之事項。

### RELATIONS WITH KEY STAKEHOLDERS

The Board recognises that our employees are one of the greatest assets contributing to the Group's future success. The Group strives to motivate its employees with competitive remuneration package and opportunities for advancement and improvement of their skills to attract and retain our employees. The Board reviews the remuneration package of our employees annually and makes necessary adjustments to conform to the prevailing market practices. The Group also adopted share options scheme to reward the contribution of the employees as an incentive.

The Board also strives to develop long-standing and good relationships with our customers and suppliers in order to achieve the Group's long-term goals.

During the year, there was no significant dispute between the Group and our business partners.

### MAJOR CUSTOMERS AND SUPPLIERS

During the year ended 31 December 2018, aggregate sales to the Group's largest and top five customers accounted for approximately 25.1% (2017: approximately 23.9%) and approximately 73.8% (2017: approximately 69.4%), respectively, of the Group's total Revenue for the year.

During the year ended 31 December 2018, aggregate purchases from the Group's largest and top five suppliers of raw materials accounted for approximately 12.6% (2017: approximately 19.6%) and approximately 40.9% (2017: approximately 30.9%), respectively, of the Group's total purchases for the year.

At no time during the year have the Directors, their associates or any Shareholder of the Company (who or which to the knowledge of the Directors owns more than 5% of the Company's issued share capital) had any interest in the Group's top five customers and suppliers.

### 與主要利益相關方之關係

董事會認為僱員是能夠為本集團未來成功作出貢獻的最寶貴的資產之一。本集團努力以具競爭力的薪酬待遇及為僱員提供晉升及提升技能的機會以吸引並挽留其僱員。董事會每年審閱本集團僱員的薪酬待遇並作出必要調整以適應當前市場實際狀況。本集團亦已採納購股權計劃作為獎勵僱員所作貢獻的一項激勵措施。

董事會亦致力於發展與本集團客戶及供應商的長期良好關係，以實現本集團的長期目標。

年內，本集團與其業務夥伴之間並無任何重大糾紛。

### 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，本集團最大及五大客戶的總銷售量分別佔本集團於本年度的總收益的約25.1%（二零一七年：約23.9%）及約73.8%（二零一七年：約69.4%）。

截至二零一八年十二月三十一日止年度，本集團最大及五大原材料供應商的總採購量分別佔本集團於本年度的總採購量的約12.6%（二零一七年：約19.6%）及約40.9%（二零一七年：約30.9%）。

年內概無任何董事、彼等的聯繫人或任何本公司股東（據董事所知擁有本公司已發行股本5%以上）擁有本集團五大客戶及供應商的任何權益。

# REPORT OF THE DIRECTORS

## 董事會報告

### FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the latest five financial years is set out on page 136 of the annual report. This summary does not form part of the audited consolidated financial statements.

### FINANCIAL STATEMENTS

The profit of the Group for the year ended 31 December 2018 and the state of the Company's and the Group's affairs as at that date are set out in the financial statements on pages 61 to 135 of the annual report.

### PROPERTY, PLANT AND EQUIPMENT

Details of movements in property, plant and equipment of the Group during the year ended 31 December 2018 are set out in note 15 to the financial statements.

### RESERVES

Details of reserves of the Company and the Group are set out in note 27 to the financial statements and in the consolidated statement of changes in equity, respectively.

### DISTRIBUTABLE RESERVES

There was no reserve available for distribution to the shareholders of the Company as at 31 December 2018.

### DIVIDEND

The Directors do not recommend the payment of a final dividend for the year ended 31 December 2018.

### 五年財務概要

本集團於最近五個財政年度的業績及資產以及負債概要載於年報第136頁。此概要並無構成經審核綜合財務報表之部分。

### 財務報表

本集團截至二零一八年十二月三十一日止年度的溢利，以及本公司與本集團於該日的事務狀況載於年報第61頁至135頁的財務報表內。

### 物業、廠房及設備

本集團於截至二零一八年十二月三十一日止年度的物業、廠房及設備的變動詳情載於財務報表附註15。

### 儲備

本公司及本集團之儲備詳情分別載於財務報表附註27及綜合權益變動表。

### 可分派儲備

本公司股東於二零一八年十二月三十一日並無可作分派的儲備。

### 股息

董事於截至二零一八年十二月三十一日止年度並無建議派付末期股息。

### DIVIDEND POLICY

The Board regularly reviews and manages its capital structure to ensure an optimal capital structure and shareholder returns when its dividend policy considers:

- the Group's actual and expected financial performance;
- retained earnings and distributable reserves of the Group;
- return on equity and other corresponding restrictions of the Group;
- the Group's capital requirement and surplus;
- the Group's liquidity position;
- general economic conditions, business cycle of the Group's business and internal or external factors that may have an impact on the business, financial results and position of the Company; and
- other factors that the Board deems relevant.

The Board will continue to review the Group's dividend policy from time to time and there can be no assurance that dividends will be paid in any particular amount for any given period. The payment of dividend is also subject to any restrictions under the applicable laws and the Company's Articles of Association.

### CHARITABLE DONATIONS

During the year, the Group donated approximately RMB71,000 (2017: approximately RMB1 million).

### SHARE CAPITAL

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

### 股息政策

董事會定期審閱及管理其資本架構以在其股息政策考慮以下各項時確保最理想的資本架構及股東回報：

- 本集團的實際及預期財務表現；
- 本集團的保留盈利及可分派儲備；
- 本集團的股本回報及其他相應限制；
- 本集團的資本需求及盈餘；
- 本集團的流動資金狀況；
- 整體經濟狀況、本集團業務的業務週期以及可能對本公司的業務、財務業績及狀況有影響之內外部因素；及
- 董事會視為相關的其他因素。

董事會將繼續不時審閱本集團的股息政策，但可能無法保證將就任何特定期間派付任何特定金額的股息。股息的派付亦受到適用法律及本公司組織章程細則項下任何限制的影響。

### 捐贈

年內，本集團捐贈約人民幣71,000元（二零一七年：約人民幣1百萬元）。

### 股本

本公司於年內的股本變動詳情載於財務報表附註26。

# REPORT OF THE DIRECTORS

## 董事會報告

### SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors of the Company as at the latest practicable date prior to issue of this report, the Company has maintained the prescribed public float under the Listing Rules.

### PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association or the laws of the Cayman Islands where the Company was incorporated.

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

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.

### DIRECTORS

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

#### EXECUTIVE DIRECTORS

Mr. Huang Wenji  
Mr. Yang Guang  
Mr. Lin Zhenshuang  
Mr. Chung Kin Hung, Kenneth

#### INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Tso Sze Wai  
Mr. Yang Xuetai  
Ms. Lee Kit Ying, Winnie

Pursuant to Article 108 and Article 112 of the Company's articles of association, Mr. Huang Wenji and Mr. Yang Guang being executive Directors, and Mr. Tso Sze Wai, being an independent non-executive Director shall retire at the forthcoming annual general meeting. All the retiring Directors are eligible for re-elections.

During the year and up to the date of this Directors' Report, Mr. Huang Wenji, Mr. Yang Guang, Mr. Lin Zhenshuang and Mr. Chung Kin Hung, Kenneth are also directors of certain subsidiaries of the Company. Other director of the Company's subsidiaries include Mr. Chen Ruixin.

### 足夠的公眾持股量

根據本公司公開取得的資料，以及就本公司董事所知，於本報告刊發前的最後實際可行日期，本公司維持上市規則所規定的公眾持股量。

### 優先購買權

根據本公司的組織章程細則或本公司註冊成立的開曼群島法例，並無優先購買權條款。

### 購買、出售或贖回本公司的上市證券

本公司或其任何附屬公司於截至二零一八年十二月三十一日止年度概無購買、贖回或出售本公司任何上市證券。

### 董事

於財政年度內及截至本報告日期之董事為：

#### 執行董事

黃文集先生  
楊光先生  
林貞雙先生  
鍾健雄先生

#### 獨立非執行董事

曹思維先生  
楊學太先生  
李結英女士

根據本公司的組織章程細則第108條及第112條，執行董事黃文集先生及楊光先生以及獨立非執行董事曹思維先生將於應屆股東週年大會退任。全體退任董事均符合資格膺選連任。

於年內及直至本董事會報告日期，黃文集先生、楊光先生、林貞雙先生及鍾健雄先生亦為本公司若干附屬公司之董事。本公司附屬公司的其他董事包括陳瑞鑫先生。

### DIRECTORS' SERVICE CONTRACTS

None of the Directors, including those proposed for re-election at the forthcoming annual general meeting, has a service agreement which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

### MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Group were entered into or in existence during the year ended 31 December 2018.

### CONFIRMATION OF INDEPENDENCE

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

### DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SECURITIES

As at 31 December 2018, the interests or short positions of the Directors and the chief executive in the Company's shares, underlying shares or debentures of the associated corporations of the Company, within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO") which will have 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 is taken or deemed to have under such provisions of the SFO) or which will be required to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

#### LONG POSITIONS IN THE COMPANY

Name of Director 董事姓名	Nature of interests 權益性質	Capacity 身份	Number of Shares 股份數目	Approximate percentage of shareholding 概約持股百分比
Mr. Huang Wenji (Note)	Long position	Interest in a controlled corporation	2,462,818,000	65.05%
黃文集先生(附註)	好倉	於受控制法團的權益		

Note:

Jicheng Investment Limited is wholly and beneficially owned by Mr. Huang Wenji. Accordingly, Mr. Huang Wenji is deemed to be interested in the shares held by Jicheng Investment Limited under the SFO.

### 董事服務合約

概無董事(包括建議於應屆股東週年大會上重選之董事)訂有不可由本公司於一年內免付補償(法定補償除外)而予以終止的服務協議。

### 管理合約

截至二零一八年十二月三十一日止年度,概無就本集團整體或任何業務重大部分的管理及行政工作訂立或存續任何合約。

### 獨立身份確認

本公司已接獲各獨立非執行董事根據上市規則第3.13條發出的年度獨立身份確認書,並認為全體獨立非執行董事均為獨立人士。

### 董事及主要行政人員於證券的權益

於二零一八年十二月三十一日,董事及主要行政人員於本公司股份、本公司相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)的相關股份或債權證中擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益或淡倉(包括根據證券及期貨條例的有關條文被當作或視為擁有的權益及淡倉),或根據標準守則須知會本公司及聯交所的權益或淡倉如下:

#### 於本公司的好倉

附註:

Jicheng Investment Limited由黃文集先生全資及實益擁有。因此,根據證券及期貨條例,黃文集先生被視作於Jicheng Investment Limited所持股份中擁有權益。



# REPORT OF THE DIRECTORS

## 董事會報告

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

### INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS

As at 31 December 2018, the persons or corporations who had an interest or short position in the shares or underlying shares of the Company which were required to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register to be kept under section 336 of the SFO were as follows:

除上文披露者外，於本報告日期，按照本公司根據證券及期貨條例第352條須存置的登記冊所載，或根據標準守則已知會本公司及聯交所者，概無董事及本公司主要行政人員及彼等各自的聯繫人於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份或債權證中擁有任何權益及淡倉。

### 主要股東的權益及淡倉

於二零一八年十二月三十一日，以下人士或法團於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司披露或記錄於按證券及期貨條例第336條規定所存置登記冊的權益或淡倉：

Name 姓名／名稱	Nature of interests 權益性質	Capacity 身份	Number of Shares 股份數目	Approximate percentage of shareholding 概約持股百分比
Jicheng Investment Limited	Long position 好倉	Beneficial owner 實益擁有人	2,462,818,000	65.05%
Mr. Huang Wenji (Note 1) 黃文集先生（附註1）	Long position 好倉	Interest in a controlled corporation 於受控制法團的權益	2,462,818,000	65.05%
Ms. Chen Jieyou (Note 2) 陳解優女士（附註2）	Long position 好倉	Interest of spouse 配偶權益	2,462,818,000	65.05%

Notes:

- Jicheng Investment Limited is wholly and beneficially owned by Mr. Huang Wenji. Accordingly, Mr. Huang Wenji is deemed to be interested in the shares held by Jicheng Investment Limited under the SFO.
- Ms. Chen Jieyou is the spouse of Mr. Huang Wenji and accordingly is deemed to be interested in the shares in which Mr. Huang Wenji has interest under the SFO.

附註：

- Jicheng Investment Limited 由黃文集先生全資及實益擁有。因此，根據證券及期貨條例，黃文集先生被視作於 Jicheng Investment Limited 所持股份中擁有權益。
- 陳解優女士為黃文集先生之配偶，因此根據證券及期貨條例，被視作於黃文集先生擁有權益之股份中擁有權益。

Save as disclosed above, as at the date of this report, the Directors were not aware of any other persons or corporation having an interest or short position in shares or underlying shares of the Company which were required to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO.

### CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

During the year ended 31 December 2018, except for those disclosed in note 29 to the financial statements, the Group had no material connected transactions and continuing connected transactions between the Group and its connected persons (as defined under the Listing Rules) which are subject to the reporting, announcement and the independent shareholders' approval requirement under the Listing Rules.

### DIRECTORS' INTEREST IN CONTRACTS

No contract of significance to which the Company, or any of its holding company, subsidiaries or fellow subsidiaries 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.

### EQUITY-LINKED AGREEMENTS

Save for the share option scheme of the Company as disclosed in the section headed "Share Option Scheme" below, no equity-linked agreements were entered into by the Group, or existed during the year.

### PERMITTED INDEMNITY PROVISION

Under the Articles of Association, every Director or other officers of the Company acting in relation to any of the affairs of the Company shall be entitled to be indemnified against of the Company shall be entitled to be indemnified against all actions, costs, charges, losses, damages and expenses which he/she may incur or sustain in or about the execution of his/her duties in his/her office. The Company has arranged appropriate insurance cover in respect of legal action against its Directors and officers.

除上文披露者外，於本報告日期，董事並不知悉有任何其他人士或法團於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司披露或記錄於按證券及期貨條例第336條規定所存置登記冊的權益或淡倉。

### 關連交易及持續關連交易

截至二零一八年十二月三十一日止年度，除財務報表附註29所披露者外，本集團與其關連人士（定義見上市規則）並無進行須遵守上市規則項下的申報、公佈及獨立股東批准規定的重大關連交易及持續關連交易。

### 董事於合約的權益

概無本公司董事於本公司或其任何控股公司、附屬公司或同系附屬公司於年終結算日或年內任何時間所訂立的重大合約中擁有重大權益。

### 股權掛鈎協議

除下文「購股權計劃」一節披露之本公司購股權計劃外，年內，本集團概無訂立任何股權掛鈎協議，亦無任何該等協議存續。

### 獲准許之彌償條文

根據組織章程細則，就本公司任何事務而行使的本公司各董事或其他高級職員有權就其因履行職責而可能產生或蒙受的所有訴訟、成本、費用、損失、損害及開支獲得彌償。本公司已就針對其董事及高級職員的法律訴訟安排適當之保險。

# REPORT OF THE DIRECTORS

## 董事會報告

### NON-COMPETITION UNDERTAKING BY CONTROLLING SHAREHOLDERS

The independent non-executive Directors have also reviewed the confirmation given by Mr. Huang Wenji and Jicheng Investment Limited, being controlling shareholders (the “Controlling Shareholders”) of the Company, to ensure their compliance with the non-competition undertakings as disclosed in the prospectus (the “Prospectus”) of the Company dated 3 February 2015.

### OTHER UNDERTAKINGS BY CONTROLLING SHAREHOLDERS

As disclosed in the Prospectus, the Controlling Shareholders have also undertaken to indemnify the Group against all actions, claims, demands, proceedings, costs and expenses, losses and liabilities whatsoever made, suffered or incurred by the Group arising from (i) the restructuring and reorganisation undergone by the Group on or before the date on which the global offering becomes unconditional; or (ii) the Group’s non-compliance with the PRC laws, rules and regulations as disclosed under the paragraph headed “Business – Non-compliance” of the Prospectus. No provision has been made for the above during the year ended 31 December 2018.

### CONTRACTS WITH CONTROLLING SHAREHOLDERS

There had been no contract of significance between the Company or any of its subsidiaries and controlling shareholders (as defined in the Listing Rules) of the Company or any of its subsidiaries during the year.

### COMPETING BUSINESS

None of the Directors or any of their respective associates, has engaged in any business that competes or may compete with the business of the Group, or has any other conflict of interest with the Group.

### 控股股東的不競爭承諾

獨立非執行董事亦已審閱本公司控股股東（「控股股東」）黃文集先生及Jicheng Investment Limited的確認書，以確保彼等各自遵守不競爭承諾（詳情披露於本公司日期為二零一五年二月三日之招股章程（「招股章程」））。

### 控股股東之其他承諾

誠如招股章程所披露，控股股東亦已承諾就本集團因(i)本集團於全球發售成為無條件之日或之前進行重建或重組；或(ii)招股章程「業務－不合規」一段所披露本集團違反中國法律、制度及法規之事件所引起而採取、遭受或產生的所有行動、訴訟、要求、法律程序、成本及開支、損失及責任而對本集團作出彌償保證。本公司於截至二零一八年十二月三十一日止年度概無就上述費用計提撥備。

### 與控股股東的合約

本公司或其任何附屬公司與本公司或其任何附屬公司的控股股東（定義見上市規則）於年內並無訂立重大合約。

### 競爭業務

概無董事或彼等各自的任何聯繫人從事任何與本集團業務構成或可能構成競爭的業務，或與本集團有任何其他利益衝突。

### SHARE OPTION SCHEME

The Company adopted the Share Option Scheme on 23 January 2015 for the purpose of rewarding certain eligible persons for their past contributions and attracting and retaining, or otherwise maintaining on-going relationships with, such eligible persons who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Group. Subject to the earlier termination of the Share Option Scheme in accordance with the rule thereof, the Share Option Scheme shall remain in force for a period of ten years commencing on the Listing Date.

Eligible participants of the Scheme include any proposed, full-time or part-time employees, executive or officers of the Company or any of its subsidiaries; any directors or proposed director (including non-executive director and independent non-executive directors) of the Company or any of its subsidiaries; any direct or indirect shareholder of the Company or any of its subsidiaries; and any advisers, consultants, suppliers, customers and agents to the Company or any of its subsidiaries.

The maximum number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other schemes of the Group shall not in aggregate exceed 10% of the shares in issue as at the date of the shareholders' approval in general meeting, i.e. 378,600,000 shares of the Company. Subject to the issue of a circular by the Company and the approval of the shareholders in general meeting and/or such other requirements prescribed under the Listing Rules from time to time, the Board may:

- (i) renew this limit at any time to 10% of the shares in issue as at the date of the approval by the shareholders in general meeting; and/or
- (ii) grant options beyond the 10% limit to eligible participants specifically identified by the Board.

### 購股權計劃

本公司於二零一五年一月二十三日採納購股權計劃，旨在獎勵若干合資格人士過往的貢獻，吸引及留聘對本集團的表現、增長或成功屬重要及／或其貢獻現時或將會對本集團的表現、增長或成功有利的合資格人士或以其他方式維持與彼等的持續關係。除根據購股權計劃的規則將其提前終止外，購股權計劃將自上市日期起計十年期間維持有效。

計劃的合資格參與人包括本公司或其任何附屬公司的任何建議、全職或兼職僱員、行政人員或高級職員；本公司或其任何附屬公司的任何董事或建議董事（包括非執行董事及獨立非執行董事）；本公司或其任何附屬公司的任何直接或間接股東；及本公司或其任何附屬公司的任何諮詢人、顧問、供應商、客戶及代理。

因行使根據購股權計劃及本集團任何其他計劃授出的所有購股權而可能發行的最高股份數目，合共不得超過股東於股東大會批准日期本公司已發行股份的10%（即378,600,000股）。在本公司刊發通函及股東於股東大會批准及／或上市規則不時規定的有關其他要求規限下，董事會可：

- (i) 隨時更新有關限額至獲股東在股東大會批准當日已發行股份的10%；及／或
- (ii) 向董事會指定的合資格參與人授出超過10%限額的購股權。

## REPORT OF THE DIRECTORS

### 董事會報告

Notwithstanding the foregoing, the maximum number of shares to be issued upon the exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme of the Group must not in aggregate exceed 30% of the shares of the Company in issue from time to time.

The maximum number of shares issuable upon the exercise of options granted under the Share Option Scheme and any other share option scheme adopted by the Group (including both exercised or outstanding options) to each grantee within any 12-months period, is limited to 1% of the shares of the Company in issue at any time. Any further grant of options in excess of 1% limit shall be subject to: (i) the issue of a circular by the Company; and (ii) the approval of the shareholders in general meeting and/or other requirements prescribed under the Listing Rules from time to time.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive Directors of the Company. In addition, any share options granted to a substantial shareholder or an independent non-executive Director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time and with an aggregate value (based on the closing price of the Company's shares at the date of the grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in advance in general meeting.

The exercise period of the share options granted is determinable by the directors, which period may commence from the date of the offer of the share options, and ends on a date which is not later than ten years from the date of grant of the share options subject to the provisions for early termination thereof. There is no minimum period for which an option must be held before it can be exercised. Participants of the Share Option Scheme are required to pay the Company HK1.0 upon acceptance of the grant on or before 21 days after the offer date.

儘管上文有所規定，根據購股權計劃及本集團任何其他購股權計劃已授出但尚未行使的所有購股權獲行使而將予發行的股份數目合共最多不得超過本公司不時已發行股份的30%。

因行使根據購股權計劃及本集團採納的任何其他購股權計劃向每名獲授人授出的購股權（包括已行使或尚未行使購股權）可發行的股份的最大數目，於任何十二個月期間內不得超過本公司任何時間已發行股份的1%。凡進一步授出的購股權超過1%限額，須受以下事項所限：(i) 本公司刊發通函；及(ii) 獲股東於股東大會上批准及／或符合上市規則項下不時規定的其他要求。

向本公司董事、主要行政人員或主要股東或任何彼等聯繫人授予購股權，必須獲本公司獨立非執行董事事先批准，方可作實。此外，倘於任何十二個月期間內，向本公司主要股東或獨立非執行董事或任何彼等的聯繫人授出任何購股權，超過本公司任何時間已發行股份的0.1%及根據本公司股份於授出日期的收市價計算總值超過5,000,000港元，則須獲股東於股東大會事先批准，方可作實。

授出的購股權行使期由董事釐定，該期間可自購股權建議授出日期開始，至購股權授出日起計不超過十年止，並受限於有關提早終止條文。行使購股權前毋須先行持有有關購股權一段最短期限。購股權計劃參與人須就接納授予於提呈日期後21日或之前向本公司支付1.0港元。

## REPORT OF THE DIRECTORS 董事會報告

The exercise price of the share options is determinable by the directors, but shall not be less than the highest of (i) the closing price of the Company's shares as quoted on the Stock Exchange's daily quotations sheet for trade in one or more board lots of the shares on the date of the offer for the grant, which must be a business day; (ii) the average closing price of the Company's shares as quoted on the Stock Exchange's daily quotations sheet for the five business days immediately preceding the date of offer; and (iii) the nominal value of a share.

The following table disclosed movements in the Company's share options during the year:

Grantee	Date of grant	Exercise period	Exercise price	Outstanding at 1.1.2018	Exercised during the year	Lapsed during the year	Outstanding at 31.12.2018
承授人	授出日期	行使期	行使價	於二零一八年一月一日尚未行使	年內已行使	年內已失效	於二零一八年十二月三十一日尚未行使
Employees 僱員	3.11.2017 二零一七年十一月三日	3.11.2017 to 2.11.2018 二零一七年十一月三日至 二零一八年十一月二日	0.097	252,000,000	(36,000,000)	(216,000,000)	-
Consultants 顧問	3.11.2017 二零一七年十一月三日	3.11.2017 to 2.11.2018 二零一七年十一月三日至 二零一八年十一月二日	0.097	108,000,000	-	(108,000,000)	-

購股權行使價由董事釐定，惟不得低於下列最高者：(i) 本公司股份於建議授出購股權當日（必須為營業日）在聯交所的每日報價表就買賣一手或以上股份所報收市價；(ii) 本公司股份於緊接建議授出日期前五個營業日在聯交所每日報價表所報平均收市價；及(iii) 股份面值。

下表披露本公司購股權於本年度之變動：

### ARRANGEMENT FOR DIRECTORS TO PURCHASE SHARES OR DEBENTURES

At no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director of the Company or their respective spouses or minor children, or were such rights exercised by them, or was the Company, its holding company or any of its subsidiaries a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debt securities (including debentures) of the Company or any other body corporate.

### RETIREMENT SCHEMES

The Group participates in defined contribution retirement benefit schemes organized by the PRC municipal and provincial government authorities for the Group's eligible employees in the PRC, and operates a Mandatory Provident Fund scheme for the employees in Hong Kong.

### 董事購買股份或債權證的安排

於年內任何時間，概無向任何本公司董事或彼等各自之配偶或未成年子女授出透過收購本公司股份或債權證而獲益的權利，或由彼等行使該等權利，或本公司、其控股公司或其任何附屬公司並無於年內任何時間為讓本公司董事可透過收購本公司或任何其他法團的股份或債務證券（包括債權證）獲利的任何安排的訂約方。

### 退休計劃

本集團就其合資格的中國僱員參與由中國省及市政府機關組織的定額供款退休福利計劃，並為香港僱員安排參與強制性公積金計劃。

# REPORT OF THE DIRECTORS

## 董事會報告

### CORPORATE GOVERNANCE

The Company is committed to adopt corporate governance practice. The Company's corporate governance practices are set out in the Corporate Governance Report on pages 15 to 30.

### AUDITORS

A resolution to re-appoint the retiring Auditor, Elite Partners CPA Limited will be proposed at the forthcoming annual general meeting.

By order of the Board

**Huang Wenji**

*Chairman and Executive Director*

Fujian Province, the PRC, 29 March 2019

### 企業管治

本公司致力於採納企業管治常規。本公司的企業管治常規載於第15頁至30頁的企業管治報告。

### 核數師

續聘退任核數師開元信德會計師事務所有限公司之決議案將於應屆股東週年大會上提呈。

承董事會命

**主席兼執行董事**

**黃文集**

中國·福建省·二零一九年三月二十九日



**TO THE MEMBERS OF CHINA JICHENG HOLDINGS LIMITED**  
(Incorporated in the Cayman Islands with limited liability)

**REPORT ON THE AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS**

**OPINION**

We have audited the consolidated financial statements of China Jicheng Holdings Limited and its subsidiaries (“the Group”) set out on pages 61 to 135, which comprise the consolidated statement of financial position as at 31 December 2018, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

**BASIS FOR OPINION**

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSAs”) 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.

致中國集成控股有限公司股東  
(於開曼群島註冊成立之有限公司)

**審核綜合財務報表之報告**

**意見**

我們已審核載列於第61頁至135頁之中國集成控股有限公司及其附屬公司(「貴集團」)之綜合財務報表,包括於二零一八年十二月三十一日之綜合財務狀況表、截至該日止年度之綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表及綜合財務報表附註(包括主要會計政策概要)。

我們認為,該等綜合財務報表根據香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」)真實公平地反映 貴集團於二零一八年十二月三十一日之綜合財務狀況及其於截至該日止年度之綜合財務表現及綜合現金流量並已遵照香港公司條例的披露規定妥為編製。

**意見之基礎**

我們已根據香港會計師公會頒佈之香港審計準則(「香港審計準則」)進行審核工作。我們於該等準則項下之責任於本報告「核數師就審核綜合財務報表之責任」一節進一步詳述。根據香港會計師公會的「職業會計師道德守則」(「守則」),我們獨立於 貴集團,並已履行守則項下其他道德責任。我們認為我們已獲得充足和適當之審核憑證,以作為我們意見之基礎。



# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended 31 December 2018. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Key audit matter 關鍵審核事項

##### *Assessment of the recoverability of the trade receivables* 貿易應收款項可收回性評估

As at 31 December 2018, the Group has trade receivables amounting to RMB234,075,000, impairment allowance amounting to RMB651,000.

於二零一八年十二月三十一日，貴集團擁有貿易應收款項人民幣234,075,000元，減值撥備人民幣651,000元。

Management judgment is required in assessing and determining the recoverability of trade receivables and adequacy of allowance made using the expected credit losses (“ECL”) model under HKFRS 9 “Financial Instruments”.

根據香港財務報告準則第9號（「金融工具」）使用預期信貸虧損（「預期信貸虧損」）評估及釐定貿易應收款項能否收回及作出的撥備是否充分時需要管理層作出判斷。

We had identified impairment assessment of trade receivables as a key audit matter because the assessment of the recoverability of accounts receivables and recognition of loss allowance are inherently subjective and requires significant management judgement, which increases the risk of error or potential management bias.

吾等將貿易應收款項減值評估識別為一項關鍵審核事項，是因為評估應收賬款的可收回性及確認虧損撥備固有的主觀性質，需要管理層作出重大判斷，令錯誤或潛在管理層偏見風險增加。

### 關鍵審核事項

關鍵審核事項是根據我們的職業判斷，對於我們對截至二零一八年十二月三十一日止年度之綜合財務報表的審計最為重要的事項。該等事項乃於我們審計整體綜合財務報表及出具相關意見時進行處理，且我們不會對該等事項提供單獨的意見。

#### How the matter was addressed in our audit 我們的審核處理關鍵審核事項之方式

Our major audit procedures relating to the impairment assessment of trade receivables included the following:

我們有關對貿易應收款項的減值評估的主要審核程序包括如下：

- We tested the design and implementation of the relevant key controls over the assessment and monitoring of credit risks, and determination of allowance for expected credit losses.
- 我們通過評估及檢測信貸風險，測試相關主要控制的設計及執行，並釐定預期信貸虧損撥備。
- We discussed with management and evaluated the ECL model used in determining the allowance for expected credit losses. We challenged and evaluated management's assessment on both the quantitative and qualitative information considered by them that is reasonable and supportable, including historical experience and forward looking information such as credit ratings, accounts receivables ageing analysis, collections subsequent to the end of the reporting period, local economic conditions, past collection history and trend analysis and knowledge of the businesses.
- 我們與管理層討論並評估用於釐定預期信貸虧損撥備的預期信貸虧損模式。我們質疑並評估管理層認為合理且有理據的定量及定性資料，包括過往經驗及前瞻性資料，例如信貸評級、應收賬款賬齡分析、報告期末後的收款情況、地方經濟狀況、過往收款記錄及業務的趨勢分析及知識。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### Key audit matter 關鍵審核事項

#### *Assessment of the recoverability of the trade receivables (continued)* 貿易應收款項可收回性評估(續)

### How the matter was addressed in our audit 我們的審核處理關鍵審核事項之方式

- We tested subsequent settlement of trade receivables balances on a sample basis.
- 我們抽樣測試貿易應收款項結餘的後續結算情況。
- We assessed whether the time value of money was considered in the expected credit loss impairment model and checked the mathematical accuracy of the calculations.
- 我們評估預期信貸虧損減值模式所考慮的貨幣時間值及核查計算的算術準確度。
- We assessed the adequacy of the Group's disclosures in relation to trade receivables included in the consolidated financial statements.
- 我們評估本集團披露於綜合財務報表的貿易應收款項的充足性。

### OTHER INFORMATION IN THIS ANNUAL REPORT

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

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

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

### 本年報中的其他資料

貴公司董事負責編製其他資料。其他資料包括列入年報之資料，惟不包括綜合財務報表及我們就此出具的核數師報告。

我們就綜合財務報表之意見不涵蓋其他資料且我們不就此作出任何形式之鑒證結論。

就我們審核綜合財務報表而言，我們的責任為閱讀其他資料並在此過程中考慮其他資料是否與綜合財務報表或我們在審核中所了解者存在重大不一致，或似乎存在重大錯誤陳述。倘基於我們已經進行的工作，我們認為此其他資料存在重大錯誤陳述，我們須報告該事實。而就此我們並無任何報告。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

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

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

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

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

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

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

### 董事及治理層就綜合財務報表之責任

貴公司董事負責根據香港會計師公會頒佈之香港財務報告準則及香港公司條例的披露規定編製真實公平之綜合財務報表，並對其認為能夠使綜合財務報表之編製不存在由於欺詐或錯誤而導致的重大錯誤陳述所必需的內部監控負責。

於編製綜合財務報表時，貴公司董事負責評估貴集團持續經營之能力、披露（如適用）有關持續經營之事宜及使用持續經營之會計基礎，惟董事擬將貴集團清盤或停止營業或除此之外別無其他可行替代方案則除外。

治理層負責監督貴集團之財務報告程序。

### 核數師就審核綜合財務報表之責任

我們的目標，是對整體綜合財務報表是否存在由於欺詐或錯誤而導致的任何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。我們根據我們所協定的委聘條款僅向閣下（作為整體）報告，除此之外別無其他目的。我們不會就本報告的內容向任何其他人士負責或承擔任何責任。合理保證是高水平的保證，但不能保證按香港審計準則進行的審計在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們個別或匯總起來可能影響該等綜合財務報表使用者所作出的經濟決定，則有關的錯誤陳述可被視作重大。

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

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

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

### 核數師就審核綜合財務報表之責任 (續)

在根據香港審計準則進行審計的過程中，我們運用了職業判斷並在整個審計過程中保持了職業懷疑態度。我們亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對該等風險，以及取得充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險較因錯誤而導致的重大錯誤陳述的風險為高。
- 了解與審計相關的內部監控，以設計於相關環境下屬適當的審計程序，但目的並非對 貴集團內部監控的有效性發表意見。
- 評價 貴公司董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所得的審計憑證，決定是否存在與事件或情況有關的重大不確定性，而可能對 貴集團持續經營的能力構成重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請對綜合財務報表中的相關披露資料的關注，倘有關的披露資料不足，則須修訂我們的意見。我們的結論是基於截至核數師報告日期止所取得的審計憑證。然而，未來事件或情況可能導致 貴集團不能繼續持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露資料，以及綜合財務報表是否公允呈列相關交易及事項。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Siu Edmund with Practising Certificate number P05333.

**Elite Partners CPA Limited**  
*Certified Public Accountants*

10/F, 8 Observatory Road,  
Tsim Sha Tsui, Kowloon,  
Hong Kong  
29 March 2019

### 核數師就審核綜合財務報表之責任 (續)

- 就 貴集團中實體或業務活動的財務資料獲取充分、適當的審計憑證，以對綜合財務報表發表意見。我們負責指導、監督和執行集團審計。我們僅對我們的審計意見承擔負責。

我們與治理層就（其中包括）審計的計劃範圍及時間以及重大審計發現（包括我們於審計中識別的內部監控的任何重大缺陷）進行溝通。

我們亦向治理層提交聲明，說明我們已符合有關獨立性的相關職業道德要求，並與他們溝通所有合理地被認為會影響我們獨立性的關係和其他事項，以及在適用的情況下，相關的防範措施。

從與治理層溝通的事項中，我們釐定對本期間綜合財務報表的審計最為重要的事項，進而釐定關鍵審核事項。我們會在核數師報告中描述該等事項，除非法律法規不允許對某件事項作出公開披露，或在極端罕見的情況下，若有合理預期在我們報告中溝通某事項而造成的負面後果將會超過其產生的公眾利益，我們將不會在此等情況下在報告中溝通該事項。

本獨立核數師報告的審計項目合夥人是蕭俊文（執業證書編號：P05333）。

**開元信德會計師事務所有限公司**  
*執業會計師*

香港  
九龍尖沙咀  
天文臺道8號10樓  
二零一九年三月二十九日

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## 綜合損益及其他全面收益表

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

		Notes	2018	2017
		附註	二零一八年	二零一七年
			RMB'000	RMB'000
			人民幣千元	人民幣千元
Revenue	收益	7	<b>521,186</b>	538,264
Cost of sales	銷售成本		<b>(441,793)</b>	(457,326)
Gross profit	毛利		<b>79,393</b>	80,938
Other income and gains	其他收入及收益	7	<b>14,117</b>	4,889
Impairment allowance of financial assets	金融資產減值撥備	7	<b>(651)</b>	-
Selling and distribution expenses	銷售及分銷開支		<b>(11,430)</b>	(12,833)
Administrative expenses	行政開支		<b>(45,658)</b>	(56,835)
Finance costs	財務成本	9	<b>(10,511)</b>	(9,454)
Profit before taxation	除稅前溢利		<b>25,260</b>	6,705
Income tax expense	所得稅開支	10	<b>(6,560)</b>	(3,175)
Profit for the year	年內溢利	11	<b>18,700</b>	3,530
Other comprehensive income for the year that may be subsequently reclassified to profit or loss:	隨後可能重新分類至損益之年內其他全面收益：			
Exchange differences on translation of financial statements of foreign operation	換算海外業務財務報表產生之匯兌差額		<b>2</b>	457
Total comprehensive income for the year	年內全面收益總額		<b>18,702</b>	3,987
Profit for the year attributable to: Owner of the Company	以下各項應佔年內溢利：本公司擁有人		<b>18,700</b>	3,530
Total comprehensive income for the year attributable to: Owner of the Company	以下各項應佔年內全面收益總額：本公司擁有人		<b>18,702</b>	3,987
Earnings per share:	每股盈利：			
Basic (RMB)	基本（人民幣）	12	<b>0.50 cents</b> 分	0.09 cents 分
Diluted (RMB)	攤薄（人民幣）		<b>0.50 cents</b> 分	0.09 cents 分

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

At 31 December 2018 於二零一八年十二月三十一日

		Notes 附註	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	15	98,432	103,552
Prepaid lease payments	預付租賃款項	16	34,467	35,403
			<b>132,899</b>	138,955
Current assets	流動資產			
Inventories	存貨	18	161,098	204,832
Trade receivables	貿易應收款項	19	234,075	154,350
Prepayments and other receivables	預付款項及其他應收款項	20	97,616	59,028
Prepaid lease payments	預付租賃款項	16	936	936
Tax recoverable	可收回稅項		–	1,630
Promissory note receivables	承兌票據應收款項	17	–	31,616
Pledged deposits	已抵押存款	21	7,450	23,101
Bank balances and cash	銀行結餘及現金	21	67,352	66,753
			<b>568,527</b>	542,246
Current liabilities	流動負債			
Trade and bills payables	貿易應付款項及應付票據	22	35,204	68,549
Accrued expenses and other payables	應計費用及其他應付款項	23	6,886	8,586
Bank borrowings	銀行借款	25	196,930	163,480
Tax payable	應付稅項		1,202	–
			<b>240,222</b>	240,615
Net current assets	流動資產淨值		<b>328,305</b>	301,631
Net assets	資產淨值		<b>461,204</b>	440,586
Capital and reserves attributable to owner of the Company	本公司擁有人應佔資本及儲備			
Share capital	股本	26	4,782	4,731
Reserves	儲備	27	456,422	435,855
Total equity	權益總額		<b>461,204</b>	440,586

The consolidated financial statements on pages 61 to 135 were approved and authorised for issue by the board of directors on 29 March 2019 and are signed on its behalf by:

第61至135頁之綜合財務報表已由董事會於二零一九年三月二十九日批准並授權刊發，並由以下代表簽署：

**Huang Wenji**  
黃文集  
Director  
董事

**Yang Guang**  
楊光  
Director  
董事

# 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

		Share capital	Share premium	Translation reserve	Statutory reserve	Share option reserve	Merger reserve	Retained profits	Total equity
	Notes	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	附註	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
				匯兌儲備	法定儲備	購股權儲備	合併儲備	保留溢利	權益總額
					(Note 27)		(Note 27)		
					(附註27)		(附註27)		
At 1 January 2017	於二零一七年一月一日	4,731	116,740	1,965	36,503	-	81,521	189,523	430,983
Profit for the year	年內溢利	-	-	-	-	-	-	3,530	3,530
Exchange differences on translation of financial statements of foreign operations	換算海外業務財務報表產生之匯兌差額	-	-	457	-	-	-	-	457
Total comprehensive income for the year	年內全面收益總額	-	-	457	-	-	-	3,530	3,987
Transfer to statutory reserve	轉撥至法定儲備	-	-	-	1,177	-	-	(1,177)	-
Equity-settled share-based transactions	以權益結算以股份為基礎之交易	28	-	-	-	5,616	-	-	5,616
At 31 December 2017	於二零一七年十二月三十一日	4,731	116,740	2,422	37,680	5,616	81,521	191,876	440,586
Effect on initial application of HKFRS 9	首次應用香港財務報告準則第9號的影響	-	-	-	-	-	-	(986)	(986)
Adjusted balance at 1 January 2018	於二零一八年一月一日的經調整結餘	4,731	116,740	2,422	37,680	5,616	81,521	190,890	439,600
Profit for the year	年內溢利	-	-	-	-	-	-	18,700	18,700
Exchange differences on translation of financial statements of foreign operations	換算海外業務財務報表產生之匯兌差額	-	-	2	-	-	-	-	2
Total comprehensive income for the year	年內全面收益總額	-	-	2	-	-	-	18,700	18,702
Transfer to statutory reserve	轉至法定儲備	-	-	-	1,969	-	-	(1,969)	-
Issue of share upon exercise of share options	行使購股權時發行股份	26	3,421	-	-	(570)	-	-	2,902
Lapsed of share options	購股權失效	28	-	-	-	(5,046)	-	5,046	-
At 31 December 2018	於二零一八年十二月三十一日	4,782	120,161	2,424	39,649	-	81,521	212,667	461,204



# 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 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
OPERATING ACTIVITIES	經營活動		
Profit before taxation	除稅前溢利	25,260	6,705
Adjustments for:	調整：		
Amortisation of prepaid lease payments	預付租賃款項攤銷	936	936
Finance costs	財務成本	10,511	9,454
Bank interest income	銀行利息收入	(592)	(491)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	6,172	6,671
Government grants	政府補助	(1,224)	(851)
Impairment of financial assets	金融資產減值	651	-
Imputed interest of promissory notes	承兌票據推算利息	(3,131)	(2,908)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	35	203
Equity-settled share base payment expense	以權益結算以股份為基礎的付款	-	5,616
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	38,618	25,335
Decrease/(increase) in inventories	存貨減少／(增加)	43,734	(24,756)
Increase in trade receivables	貿易應收款項增加	(81,362)	(48,671)
(Increase)/decrease in prepayments and other receivables	預付款項及其他應收款項(增加)／減少	(38,588)	22,801
Decrease in trade and bills payables	貿易應付款項及應付票據減少	(33,345)	(32,003)
Decrease in accrued expenses and other payables	應計費用及其他應付款項減少	(1,700)	(637)
Cash used in operations	經營活動所用現金	(72,643)	(57,931)
PRC Enterprise Income Tax paid	已付中國企業所得稅	(3,728)	(2,556)
NET CASH USED IN OPERATING ACTIVITIES	經營活動所用現金淨額	(76,371)	(60,487)
INVESTING ACTIVITIES	投資活動		
Acquisition of property, plant and equipment	收購物業、廠房及設備	(1,141)	(1,840)
Withdrawal of pledged deposits	提取已抵押存款	15,651	8,173
Bank interest income received	已收銀行利息收入	592	491
Promissory note received	已收承兌票據	34,747	-
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得款項	54	256
NET CASH GENERATED FROM INVESTING ACTIVITIES	投資活動所得現金淨額	49,903	7,080

# 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	2017
		二零一八年	二零一七年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
FINANCING ACTIVITIES	融資活動		
Repayments of bank borrowings	償還銀行借款	<b>(190,130)</b>	(172,611)
New bank borrowings raised	新造銀行借款	<b>223,580</b>	163,640
Interest paid	已付利息	<b>(10,511)</b>	(9,454)
Government grants received	已收政府補助	<b>1,224</b>	851
Exercise of share options	已行使購股權	<b>2,902</b>	–
NET CASH GENERATED FROM/(USED IN) FINANCING ACTIVITIES	融資活動所得/(所用)現金淨額	<b>27,065</b>	(17,574)
NET INCREASES/(DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等價物增加/(減少)淨額	<b>597</b>	(70,981)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	外匯匯率變動影響	<b>2</b>	430
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	年初之現金及現金等價物	<b>66,753</b>	137,304
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR, represented by bank balances and cash	年末之現金及現金等價物，指銀行結餘及現金	<b>67,352</b>	66,753

# 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 INFORMATION OF THE GROUP

The Company was incorporated in the Cayman Islands on 12 June 2014 as an exempted company with limited liability under the Companies Law of the Cayman Islands.

The address of the registered office is Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands. The address of the principal place of business of the Company in Hong Kong is Room 904, Loon Kee Building, 275 Des Voeux Road Central, Hong Kong. The Company is engaged in investment holding while the principal subsidiaries are principally engaged in manufacture and sale of umbrellas.

The functional currency of the Company is Hong Kong dollars. The consolidated financial statements are presented in Renminbi (“RMB”) since most of the subsidiaries are operating in RMB environment and the functional currency of most of the subsidiaries is RMB.

### 2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

The Group has applied the following new and amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time in the current year:

HKFRS 9	Financial instruments
Amendments to HKFRS 2	Classification and measurement of share-based payment transactions
Amendments to HKFRS 4	Applying HKFRS 9 “Financial instruments” with HKFRS 4 “Insurance contracts”
HKFRS 15	Revenue from contracts with customers and the related amendments
Amendments to HKAS 40	Transfers of investment property
HK(IFRIC)-Int 22	Foreign currency transactions and advance consideration
Annual improvements 2014-2016 cycle	Amendments to HKFRS 1 and HKAS 28

Except as described below, the application of the new and revised standards has had no material impact on the consolidated financial statements.

### 1. 本集團基本信息

本公司於二零一四年六月十二日根據開曼群島公司法在開曼群島註冊成立為獲豁免有限公司。

註冊辦事處地址為 Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands。本公司於香港之主要營業地點位於香港德輔道中275號龍記大廈904室。本公司從事投資控股，而主要附屬公司主要從事製造及銷售雨傘。

本公司之功能貨幣為港元。由於大部分附屬公司於人民幣（「人民幣」）環境經營及大部分附屬公司之功能貨幣為人民幣，故綜合財務報表以人民幣呈列。

### 2. 應用香港財務報告準則（「香港財務報告準則」）

本集團已於本年度首次採納香港會計師公會（「香港會計師公會」）頒佈之下列新訂及經修訂香港財務報告準則：

香港財務報告準則第9號	金融工具
香港財務報告準則第2號（修訂本）	股份支付交易的分類及計量
香港財務報告準則第4號（修訂本）	與香港財務報告準則第4號「保險合約」一併應用香港財務報告準則第9號「金融工具」
香港財務報告準則第15號	客戶合約收入及相關修訂
香港會計準則第40號（修訂本）	轉讓投資物業
香港（國際財務報告詮釋委員會）—詮釋第22號	外幣交易及預付（收）代價
二零一四年至二零一六年週期的年度改進	香港財務報告準則第1號及香港會計準則第28號之修訂本

除下文所述者外，應用新訂及經修訂準則對綜合財務報表並無任何重大影響。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSS”) (continued)

#### APPLICATION OF HKFRS 9

HKFRS 9 and the amendments to HKFRS 9 have replaced HKAS 39 Financial Instruments: Recognition and Measurement. HKFRS 9 sets out the requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. In accordance with the specific transitional provisions set out in HKFRS 9, the Group has applied the classification and measurement requirements (including requirements relating to impairment) to items that existed as of the date of initial application (i.e. 1 January 2018) on a retrospective basis based on the facts and circumstances and business models that existed as at 1 January 2018. However, the Group has decided not to restate the comparative figures. Accordingly, the comparative information continues to be presented based on the requirements of HKAS 39 and hence may not be comparable with the current year information. The cumulative effect of initial application of HKFRS 9 has been recognised as adjustments to the opening equity as of January 2018.

#### (i) Classification and measurement of financial assets

In general, HKFRS 9 categories financial assets into the following three classification categories:

- amortised cost;
- fair value through other comprehensive income (FVTOCI); and
- fair value through profit or loss (FVTPL).

These classification categories are different from those set out in HKAS 39 which included held to-maturity investments, loans and receivables, available-for-sale financial assets and financial assets measured at FVTPL. The classification of financial assets under HKFRS 9 is based on the business model under which the financial asset is managed and its contractual cash flow characteristics.

### 2. 應用香港財務報告準則（「香港財務報告準則」）（續）

#### 採用香港財務報告準則第9號

香港財務報告準則第9號及其修訂取代香港會計準則第39號金融工具：確認及計量。香港財務報告準則第9號就確認及計量金融資產、金融負債及買賣非金融項目的部分合約作出規定。根據香港財務報告準則第9號所載特定過渡條文，本集團已對於首次採用日期（即二零一八年一月一日）已存在的項目追溯應用分類及計量規定（包括有關減值的規定），並按二零一八年一月一日已然存在之事實及狀況及業務模式進行。然而，本集團決定不重列比較數字。因此，比較資料將繼續按香港會計準則第39號的規定呈列，因此未必可與本年之資料作比較。首次採用香港財務報告準則第9號之累計影響確認為於二零一八年一月的期初權益之調整。

#### (i) 金融資產的分類及計量

一般而言，香港財務報告準則第9號將金融資產分為以下三類：

- 按攤銷成本；
- 按公平值計入其他全面收入（「按公平值計入其他全面收入」）；及
- 按公平值計入損益（「按公平值計入損益」）。

該等分類不同於香港會計準則第39號的類別，其包括持有至到期投資、貸款及應收款項、可供出售金融資產及按公平值計入損益的金融資產。香港財務報告準則第9號的金融資產分類乃基於管理金融資產的業務模式及其合約現金流量特徵。

# 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

### 2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSS”) (continued)

#### APPLICATION OF HKFRS 9 (continued)

##### (i) Classification and measurement of financial assets (continued)

Details about the Group’s accounting policies for its financial assets and financial liabilities to the consolidated financial statements. The Group did not designate or de-designate any financial asset at FVTPL at 1 January 2018.

The following table shows a reconciliation from how the Group’s financial assets existed as of 1 January 2018 were classified and measured under HKAS 39 to how they are classified and measured under HKFRS 9:

	Old classification under HKAS 39	New classification under HKFRS 9	Carrying amount under HKAS 39	Remeasurement	Carrying amount under HKFRS 9
	按香港會計準則第39號 舊有分類	按香港財務報告 準則第9號新分類	按香港會計準則 第39號的賬面值 RMB’000 人民幣千元	重新計量 RMB’000 人民幣千元	按香港財務報告 準則第9號的 賬面值 RMB’000 人民幣千元
Promissory note receivable 應收承兌票據	Loan and receivables 貸款及應收款項	Amortised cost 攤銷成本	31,616	-	31,616
Account receivables 應收款項	Loan and receivables 貸款及應收款項	Amortised cost 攤銷成本	154,350	(986)	153,364

Notes:

The amount represented additional impairment loss based on the new expected credit loss model under HKFRS 9. Please also see details disclosed in (c) (ii) below.

##### (ii) Impairment

HKFRS 9 has introduced the “expected credit loss model” to replace the “incurred loss” model under HKAS 39. The “expected credit loss model” requires an ongoing measurement of credit risk associated with a financial asset. The Group has applied the “expected credit loss model” to the following types of financial assets:

- financial assets that are subsequently measured at amortised cost (including cash and cash equivalents, account receivables and loans receivables);
- contract assets as defined in HKFRS 15; and

### 2. 應用香港財務報告準則（「香港財務報告準則」）（續）

#### 採用香港財務報告準則第9號（續）

##### (i) 金融資產的分類及計量（續）

有關本集團金融資產及金融負債會計政策的詳情於綜合財務報表披露。本集團並無於二零一八年一月一日指定或終止指定按公平值計入損益的任何金融資產。

下表載列本集團於二零一八年一月一日已存在之金融資產根據香港會計準則第39號及香港財務報告準則第9號進行分類及計量的對賬：

附註：

金額表示按照香港財務報告準則第9號根據新預期信貸虧損模式計量之額外減值虧損。另請參閱下文(c)(ii)中披露的詳細資料。

##### (ii) 減值

香港財務報告準則第9號以「預期信貸虧損模式」取代香港會計準則第39號的「已發生虧損」模式。「預期信貸虧損模式」要求對與金融資產相關的信貸風險進行持續的計量。本集團於以下金融資產類別應用「預期信貸虧損模式」：

- 隨後按攤銷成本計量之金融資產，包括現金及現金等價物、應收款項及應收貸款；及
- 於香港財務報告準則第15號界定的合約資產；及

# 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

### 2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSS”) (continued)

#### APPLICATION OF HKFRS 9 (continued)

##### (ii) Impairment (continued)

The Group’s accounting policies relating to impairment.

The following table is a reconciliation that shows how the closing loss allowance as at 31 December 2017 determined in accordance with HKAS 39 can be reconciled to the opening loss allowance as at 1 January 2018 determined in accordance with HKFRS 9.

		RMB\$’000 人民幣千元
Additional loss allowance as a result of the application of “expected credit loss model” under HKFRS 9	因採用香港財務報告準則第9號「預期信貸虧損模式」導致之額外虧損撥備	
–Trade receivables	–貿易應收款項	986
Loss allowance recognised as at 1 January 2018		
	於二零一八年一月一日 確認之虧損撥備	986

##### (iii) Effect on the Group’s retained earnings and other reserves as of 1 January 2018

The following table shows the impact of the application of HKFRS 9 on the Group’s retained earnings and other equity components as of 1 January 2018:

		Decrease in the Group’s retained profit 本集團 保留溢利降幅 RMB\$’000 人民幣千元
Recognition of additional expected credit loss recognised	確認與下列項目有關之 額外預期信貸虧損	
–Trade receivables	–貿易應收款項	986

### 2. 應用香港財務報告準則（「香港財務報告準則」）（續）

#### 採用香港財務報告準則第9號（續）

##### (ii) 減值（續）

本集團有關減值的會計政策。

下表載列按照香港會計準則第39號釐定之二零一七年十二月三十一日期末虧損撥備與按照香港財務報告準則第9號釐定之二零一八年一月一日期初虧損撥備之對賬情況：

##### (iii) 對本集團於二零一八年一月一日保留溢利及其他儲備之影響

下表載列採用香港財務報告準則第9號對本集團於二零一八年一月一日保留溢利及其他權益部分之影響：

# 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

### 2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSS”) (continued)

#### APPLICATION OF HKFRS 15

HKFRS 15 has replaced HKAS 11 Construction Contracts, HKAS 18 Revenue and other revenue-related interpretations. Under HKAS 11 and HKAS 18, revenue arising from construction contracts and provision of services was recognised over time whereas revenue from sale of goods was generally recognised at a point in time when the risks and rewards of ownership of the goods had passed to the customers. Under HKFRS 15, revenue is recognised when the customer obtains control of the promised good or service in the contract. This may be at a single point in time or over time. HKFRS 15 has introduced additional qualitative and quantitative disclosure requirements which aim to enable users of the financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

Considering the nature of the Group’s principal activities, the adoption of HKFRS 15 does not impact the Group’s revenue recognition. Accordingly, HKFRS 15 had no impact on amounts and/or disclosures reported in the consolidated financial statements.

#### APPLICATION OF HK(IFRIC) 22

HK(IFRIC) 22 provides guidance on determining “the date of the transaction” for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) arising from a transaction in which an entity receives or pays advance consideration in a foreign currency. The interpretation clarifies that “the date of the transaction” is the date on initial recognition of the non-monetary asset or liability arising from the payment or receipt of advance consideration. If there are multiple payments or receipts in advance of recognising the related item, the date of the transaction for each payment or receipt should be determined in this way. The application of HK(IFRIC) 22 has not had any material impact on the consolidated financial position and the consolidated financial result.

### 2. 應用香港財務報告準則（「香港財務報告準則」）（續）

#### 採用香港財務報告準則第15號

香港財務報告準則第15號取代香港會計準則第11號建築合約、香港會計準則第18號收益及其他收益相關詮釋。根據香港會計準則第11號及香港會計準則第18號，產生自建築合約及提供服務之收益會隨時間確認，而產生自銷售貨品的收益則一般會於風險及貨品所有權回報轉移至客戶一刻確認。根據香港財務報告準則第15號，收益於客戶取得合約約定貨品或服務控制權時確認，而確認時間可能於某一刻或隨時間進行。香港財務報告準則第15號引入額外定量及定性披露要求，該要求旨在讓財務報表使用者了解客戶合約產生的收益及現金流的性質、金額、時機及未知數。

考慮到本集團的主要業務性質，採用香港財務報告準則第15號並不影響本集團的收益確認。因此，香港財務報告準則第15號對綜合財務報表呈報的金額及／或披露並無影響。

#### 採用香港（國際財務報告詮釋委員會）詮釋第22號

採用香港（國際財務報告詮釋委員會）詮釋第22號為確定「交易日期」提供了指引，其目的為確定實體以外幣收取或支付預付代價的交易中初始確認相關資產、支出或收入（或其部分）時使用的匯率。該詮釋澄清「交易日期」為初步確認因支付或收取預付代價而產生的非貨幣性資產或負債之日。倘確認有關項目目前存在多筆付款或收款，每筆付款或收款的交易日期應按該方式釐定。採用香港（國際財務報告詮釋委員會）詮釋第22號對綜合財務狀況及綜合財務業績並無任何重大影響。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRS”) (continued)

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

HKFRS 16	Leases <sup>1</sup>
HKFRS 17	Insurance Contracts <sup>2</sup>
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments <sup>1</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>3</sup>
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement <sup>1</sup>
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures <sup>1</sup>
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015-2017 Cycle <sup>1</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2019.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2021.

<sup>3</sup> Effective for annual periods beginning on or after a date to be determined.

The directors of the Company anticipate that the application of all other new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

### 2. 應用香港財務報告準則（「香港財務報告準則」）（續）

本集團並無應用下列任何已頒佈但尚未強制生效的新訂及經修訂香港財務報告準則：

香港財務報告準則第16號	租賃 <sup>1</sup>
香港財務報告準則第17號	保險合約 <sup>2</sup>
香港（國際財務報告詮釋委員會）—詮釋第23號	所得稅處理的不確定性 <sup>1</sup>
香港財務報告準則第10號及香港會計準則第28號的修訂本	投資者與其聯營公司或合營企業之間的資產出售或注資 <sup>3</sup>
香港會計準則第19號的修訂本	計劃修訂、縮減或結算 <sup>1</sup>
香港會計準則第28號的修訂本	於聯營公司及合營企業的長期權益 <sup>1</sup>
香港財務報告準則的修訂本	香港財務報告準則二零一五年至二零一七年週期的年度改進 <sup>1</sup>

<sup>1</sup> 於二零一九年一月一日或之後開始的年度期間生效。

<sup>2</sup> 於二零二一年一月一日或之後開始的年度期間生效。

<sup>3</sup> 於將予釐定的日期或之後開始的年度期間生效。

本公司董事預期，應用所有其他新訂及經修訂香港財務報告準則於可見將來不會對綜合財務報表造成重大影響。



# 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

### 3. SIGNIFICANT ACCOUNTING POLICIES

#### BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements also include applicable disclosure required by the Rules Governing the Listing of Securities of the Stock Exchange of Hong Kong Limited (“Listing Rules”) and by the disclosure requirements of the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2, leasing transactions that are within the scope of HKAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 or value in use in HKAS 36.

### 3. 主要會計政策

#### 編製基礎

綜合財務報表乃按照香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表亦包括香港聯合交易所有限公司證券上市規則（「上市規則」）及香港公司條例的披露規定所規定的適用披露。

綜合財務報表已根據歷史成本基準編製。歷史成本一般以為換取貨物及服務所給予代價之公平值為準。

公平值為在市場參與者之間於計量日按有序交易出售一項資產所收取或轉讓一項負債所支付之價格（不論該價格是否可直接觀察或採用另一估值方法估計）。在估計某項資產或負債之公平值時，本集團考慮該資產或負債之特性（倘市場參與者在釐定該資產或負債於計量日之價格時會考慮該等特性）。就計量及／或在該等綜合財務報表披露目的而釐定之公平值乃按此一基準釐定，惟屬於香港財務報告準則第2號範圍內之股份付款交易、屬於香港會計準則第17號範圍內之租賃交易，以及與公平值類似但並非公平值之計量（如香港會計準則第2號之可變現淨值或香港會計準則第36號之使用價值）除外。

# 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

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (i.e. its subsidiaries). Control is achieved where 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 Company 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 Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year/period are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owner of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owner 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.

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

### 3. 主要會計政策 (續)

#### 綜合基準

綜合財務報表包括本公司及由本公司控制之實體(即其附屬公司)之財務報表。本公司在下列情況下取得控制權:

- 對投資對象享有權力;
- 可從參與投資對象之活動承擔或享有浮動回報; 及
- 有能力運用權力影響回報。

倘事實及情況顯示上述控制權之三項元素其中一項或以上有所轉變, 本公司須重新評估是否對投資對象擁有控制權。

在本公司取得附屬公司之控制權時附屬公司開始綜合入賬, 而在本公司失去對附屬公司之控制權時則不再綜合入賬。具體而言, 年內/期內購入或出售之附屬公司之收支項目自本公司取得控制權之日起直至本公司不再控制附屬公司之日止列入綜合損益及其他全面收益表。

損益及各項其他全面收益項目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歸屬於本公司擁有人及非控股權益, 即使此舉導致非控股權益出現虧絀結餘。

附屬公司之財務報表於必要時會作出調整, 以使其會計政策與本集團之會計政策一致。

所有集團內公司間資產及負債、權益、收入、開支及與本集團成員公司之間之交易有關的現金流量於合併賬目時全數對銷。

# 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

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 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.

#### MERGER ACCOUNTING FOR BUSINESS COMBINATION INVOLVING ENTITIES UNDER COMMON CONTROL

The consolidated financial statements include the financial statements items of the combining entities or businesses in which the common control combination occurs as if the combination had occurred from the date when the combining entities or businesses first came under the control of the controlling party.

The net assets of the combining entities or businesses are consolidated using the existing book values from the controlling party's perspective. No amount is recognised as consideration for goodwill or excess of acquirer's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost at the time of common control combination, to the extent of the continuation of the controlling party's interest.

The consolidated statement of profit or loss and other comprehensive income includes the results of each of the combining entities or businesses from the earliest date presented or since the date when the combining entities or businesses first came under the common control, where this is a shorter period, regardless of the date of the common control combination.

### 3. 主要會計政策 (續)

#### 本集團於現有附屬公司擁有權權益之變動

倘本集團於現有附屬公司之擁有權權益出現變動，但並無導致本集團失去對該等附屬公司的控制權，以權益交易入賬。本集團之權益與非控股權益之賬面金額予以調整，以反映彼等於附屬公司之相關權益之變動。非控股權益所調整之款額與所付或所收代價之公平值兩者之間的差額，均直接於權益中確認並歸屬於本公司擁有人。

#### 涉及共同控制實體業務合併之合併會計法

綜合財務報表載列發生共同控制合併之合併實體或業務之財務報表項目，猶如合併實體或業務首次受控股方控制當日起已合併。

合併實體或業務之資產淨值以控股方之現有賬面值綜合入賬。在控股方權益持續之情況下，不會確認共同控制合併時產生之商譽或收購方所佔被收購方可識別資產、負債及或然負債公平淨值超逾成本之差額為代價。

綜合損益及其他全面收益表載列各合併實體或業務自最早呈列日期或自合併實體或業務首次受共同控制日期（以較短期間為準，而不論何日為共同控制合併日期）之業績。

# 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

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### MERGER ACCOUNTING FOR BUSINESS COMBINATION INVOLVING ENTITIES UNDER COMMON CONTROL (continued)

The comparative amounts in the consolidated financial statements are presented as if the entities or businesses had been consolidated at the end of the previous reporting period unless the combining entities or businesses first came under common control at a later date.

Equity interest in subsidiaries held by parties other than the Controlling Shareholder, and changes therein, prior to the reorganisation are presented as non-controlling interests in equity applying the principles of merger accounting.

#### REVENUE RECOGNITION

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for any discounts given, sales returns and sales related taxes.

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

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

### 3. 主要會計政策 (續)

#### 涉及共同控制實體業務合併之合併會計法 (續)

綜合財務報表之比較數據，已假設實體或業務於上一個報告期末已綜合入賬而呈列，惟合併實體或業務於較後日期首次受共同控制則作別論。

於重組前控股股東以外人士持有之附屬公司之股權及其變動使用合併會計處理原則於權益內列作非控股權益。

#### 收益確認

收益以已收或應收代價之公平值計量。收益乃按給予之任何折扣、銷售退貨及銷售相關稅項而減少。

銷售貨品之收益於付運貨物及其擁有權已轉移後予以確認，其時所有以下條件均已達成：

- 本集團已將貨品擁有權之重大風險及回報轉移予買方；
- 本集團並無就已銷售貨品保留一般與擁有權或實際控制有關之持續管理權；
- 收益金額能夠可靠地計量；
- 與交易相關之經濟利益很可能流入本集團；及
- 有關交易已產生或將產生之成本能夠可靠地計量。

# 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

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### REVENUE RECOGNITION (continued)

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

#### PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment including buildings held for use in the production or supply of goods or services or for administrative purposes other than construction in progress as described below are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Properties in the course of construction for production, supply of goods or services or for administrative purposes are carried at cost, less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets other than construction in progress, less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

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

### 3. 主要會計政策 (續)

#### 收益確認 (續)

金融資產所得之利息收入於經濟利益將有可能流入本集團且收入金額能可靠地計量時確認。金融資產所得之利息收入按時間基準並參考未償還本金及按適用實際利率累計。有關利率為於金融資產預期年限內將估計未來所收現金準確貼現至資產於首次確認時之賬面淨值之利率。

#### 物業、廠房及設備

物業、廠房及設備(包括持作生產或供應貨品或服務或作行政用途之樓宇(除下文所述之在建物業外))按成本減其後累計折舊及其後累計減值虧損(如有)於綜合財務狀況表中列賬。

用於生產、供應貨品或服務或行政用途之在建物業以成本減任何已確認減值虧損列賬。成本包括專業費用及(就合資格資產而言)根據本集團會計政策資本化之借款成本。該物業完工後並可供用於擬定用途時分類為物業、廠房及設備之合適類別。與其他物業資產之基準相同,該等資產達致擬定用途時開始折舊。

折舊乃經扣減資產(在建物業除外)之剩餘價值,於其估計可使用年期以直線法撇銷成本。估計可使用年期、剩餘價值及折舊法於各報告期末檢討,而任何估計變動之影響按預期基準入賬。

物業、廠房及設備項目於出售或當預期持續使用該資產不再帶來未來經濟利益時終止確認。出售或廢棄廠房及設備項目產生之任何收益或虧損按出售所得款項與資產賬面值間之差額計算,並於損益內確認。

# 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

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### LEASING

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

#### *The Group as lessee*

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

#### *Leasehold land and building*

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments, including any lump-sum upfront payments, are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as “prepaid lease payments” in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease and accounted for as property, plant and equipment.

### 3. 主要會計政策 (續)

#### 租賃

倘租約條款將擁有權之絕大部分風險及回報轉歸承租人所有時，有關租賃將列作融資租賃。所有其他租賃列作經營租賃。

#### *本集團作為承租人*

除另有系統性基準更能代表消耗所租賃資產經濟效益之時間性模式外，經營租賃款項按租賃年期以直線法確認為一項開支。經營租賃項下產生之或然租金於產生期間確認為開支。

#### *租賃土地及樓宇*

倘租賃包括土地及樓宇部分，則本集團根據對各部分之擁有權所附帶之絕大部分風險及回報是否已轉讓予本集團之評估，獨立將各部分分類為融資或經營租賃，除非兩部分明顯為經營租賃，在該情況下，則整項租賃列作經營租賃。具體而言，最低租賃款項（包括任何一次過預付款項）乃按租賃土地部分及樓宇部分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分之間分配。

倘能可靠分配租賃款項，作為經營租賃入賬之租賃土地權益於綜合財務狀況表內呈列為「預付租賃款項」並按直線法於租期內攤銷。當租賃款項未能於土地及樓宇部分之間可靠分配時，整份租約一般分類為融資租賃並作為物業、廠房及設備入賬。

# 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

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### FOREIGN CURRENCIES

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

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the year in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. RMB) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the year/period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve.

#### BORROWING COSTS

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

#### RESEARCH AND DEVELOPMENT EXPENDITURE

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally-generated intangible asset arising from development activities (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;

### 3. 主要會計政策 (續)

#### 外幣

於編製各個別集團實體之財務報表時，以該實體之功能貨幣以外貨幣（外幣）進行之交易乃按交易日期之適用匯率折算為個別功能貨幣（即該實體經營所在主要經濟環境所使用之貨幣）入賬。於報告期末，以外幣列值之貨幣項目按於當日之適用匯率重新換算。以外幣按歷史成本計算之非貨幣項目不進行重新換算。

貨幣項目之結算及貨幣項目重新換算產生之匯兌差額於該等差額產生年內在損益內確認。

就綜合財務報表呈列而言，本集團海外業務之資產及負債乃按於各報告期末之適用匯率換算為本集團之呈列貨幣（即人民幣），而收支項目按年內／期內之平均匯率換算。產生之匯兌差額（如有）乃於其他全面收益確認並累計入權益中之匯兌儲備。

#### 借款成本

所有借款成本於產生期間在損益內確認。

#### 研發開支

研究活動之開支於產生期間確認為開支。倘及僅倘以下所有事項均獲證實，則會確認開發活動（或自內部項目開發階段）所產生之內部產生無形資產：

- 完成該無形資產以使其能夠使用或出售在技術上具有可行性；
- 具有完成該無形資產並使用或出售之意圖；

# 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

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### RESEARCH AND DEVELOPMENT EXPENDITURE (continued)

- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is charged to profit or loss in the period in which it is incurred. Subsequent to initial recognition, internally-generated intangible asset is reported at cost less accumulated amortisation and accumulated impairment losses (if any).

#### GOVERNMENT GRANTS

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

### 3. 主要會計政策 (續)

#### 研發開支 (續)

- 有能力使用或出售該無形資產；
- 該無形資產將如何產生潛在未來經濟利益；
- 有足夠的技術、財務和其他資源支持，以完成該無形資產的開發，並使用或出售該無形資產；及
- 能夠可靠計量歸屬該無形資產開發階段之支出。

就內部產生無形資產初步確認之金額為自無形資產首次符合上述所列確認條件當日起產生之開支總和。倘並無內部產生無形資產可予確認，則開發成本乃於產生期間於損益表扣除。於初步確認後，內部產生無形資產按成本減累計攤銷及累計減值虧損（如有）呈報。

#### 政府補助

政府補助直至可合理確保本集團將遵守所附帶之條件及收取補助時方予以確認。

作為對已產生之開支或損失之補償，或是為本集團提供直接財務支持，而未來並無任何相關成本之應收政府補助在其為應收款項之期間於損益中確認。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### TAXATION

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before taxation' as reported in the consolidated statement of profit or loss and other comprehensive income because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investment in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

### 3. 主要會計政策 (續)

#### 稅項

所得稅開支指現時應付稅項及遞延稅項之總額。

現時應付稅項乃按本年度應課稅溢利計算。應課稅溢利與綜合損益及其他全面收益表中所報「除稅前溢利」不同，乃由於存在其他年度應課稅或可抵扣之收入或開支以及毋須課稅或不可抵扣之項目。本集團之即期稅項乃根據報告期末之前已頒佈或已實質頒佈之稅率計算。

遞延稅項按綜合財務報表中資產及負債賬面值與計算應課稅溢利所用相應稅基兩者間之臨時差額確認。遞延稅項負債通常會就所有應課稅臨時差額確認。遞延稅項資產通常於存在可使用可扣減臨時差額抵銷的應課稅溢利時按所有該等可扣減臨時差額確認。若於一項交易中，因首次確認（於業務合併中除外）資產及負債而引致之臨時差額既不影響應課稅溢利、亦不影響會計溢利，則不會確認該等遞延稅項資產及負債。

遞延稅項負債就涉及於附屬公司之投資之應課稅臨時差額確認，惟若本集團可控制臨時差額之撥回及該臨時差額於可見將來可能將不會撥回之情況除外。因該等有關投資所產生之可扣減之臨時差額而形成之遞延稅項資產，將有足夠之應課稅溢利可能出現，並利用該臨時差額之利益且預期在可見未來將可被撥回時才可確認。

# 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

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### TAXATION (continued)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on the tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax is recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

#### RETIREMENT BENEFITS COSTS AND TERMINATION BENEFITS

Payments to state-managed retirement benefit schemes and the Mandatory Provident Fund Scheme are recognised as an expense when employees have rendered service entitling them to the contributions.

### 3. 主要會計政策 (續)

#### 稅項 (續)

遞延稅項資產之賬面值於各報告期末作檢討，並在不再可能會有足夠應課稅溢利恢復全部或部分資產價值時作調減。

遞延稅項資產及負債乃根據預期於負債償還或資產變現期間之適用稅率（按報告期末已頒佈或已實質頒佈之稅率（及稅法））計量。

遞延稅項負債及資產計量反映本集團於報告期末所預期對收回或清償其資產及負債之賬面值方式所產生之稅務結果。

即期及遞延稅項於損益確認，惟當其與於其他全面收益確認或直接於權益確認之項目相關（於該情況下，即期及遞延稅項亦分別於其他全面收益確認或直接於權益確認）時除外。倘對業務合併進行初始會計處理而產生即期或遞延稅項，則稅務影響計入業務合併之會計處理內。

#### 退休福利成本及離職福利

國家管理之退休福利計劃及強制性公積金計劃之供款乃於僱員提供服務而符合資格領取供款時確認為開支。

# 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

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### SHORT-TERM EMPLOYEE BENEFITS

- (i) A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

- (ii) Share options granted to employees of the Group is recognised as an employee cost with a corresponding increase in share option reserve within equity. The fair value is measured at the grant date, taking into account the terms and conditions upon which the options were granted.

The equity amount is recognised in share option reserve until either the option is exercised (when it is transferred to the share premium account) or the option expires (when it is released directly to retained profits).

#### SHARE OPTIONS GRANTED TO CONSULTANTS

Share options issued in exchange for services are measured at the fair values of the services received, unless that fair value cannot be reliably measured, in which case the goods or services received are measured by reference to the fair value of the share options granted. The fair values of the goods or services received are recognised as expenses, with a corresponding increase in equity (share option reserve), when the Group obtains the goods or when the counterparties render services, unless the goods or services qualify for recognition as assets.

#### INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

### 3. 主要會計政策 (續)

#### 短期僱員福利

- (i) 與工資、薪金、年假和病假相關之僱員福利於提供服務之有關期間按預期交換有關服務需支付之福利之未折現金額確認為負債。

有關短期僱員福利確認之負債乃按預期交換有關服務需支付之福利之未折現金額計算。

- (ii) 向本集團僱員授出的購股權乃確認為僱員成本，而權益內的購股權儲備則相應增加。公平值於授出日期計量，並計及購股權的授出條款和條件。

權益金額於購股權儲備內確認，直至購股權獲行使（當其轉撥至股份溢價賬）或購股權屆滿（當其直接解除至保留溢利）。

#### 向顧問授出購股權

就換取服務而發行之購股權按所獲提供服務之公平值計量，除非有關公平值無法可靠地計量，在此情況下，所獲提供貨品或服務參考授出之購股權公平值計量。當本集團獲得貨品或對手方提供服務時，除非貨品或服務合資格確認為資產，否則該等貨品或服務之公平值確認為開支，而權益（購股權儲備）亦會相應增加。

#### 存貨

存貨按成本與可變現淨值兩者中之較低者列賬。存貨成本以加權平均法釐定。可變現淨值指存貨之估計售價減所有估計完工成本及銷售所需成本。

# 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

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### FINANCIAL INSTRUMENTS

##### Accounting policies applied from 1 January 2018

##### (i) Financial assets

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, for an item not at fair value through profit or loss (“FVTPL”), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the market place.

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. Financial assets at amortised cost are subsequently measured using the effective interest rate method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain on derecognition is recognised in profit or loss.

### 3. 主要會計政策 (續)

#### 金融工具

##### 自二零一八年一月一日起應用的會計政策

##### (i) 金融資產

按公平值計入損益(「按公平值計入損益」)的金融資產(並無重大融資部分的貿易應收款項除外)初步按公平值加上與其收購或發行直接相關的交易成本計量。並無重大融資部分的貿易應收款項初步按交易價格計量。

所有常規買賣之金融資產於交易日(即本集團承諾購買或出售該資產之日期)確認。常規買賣是指於市場規定或慣例一般規定之期間內交付資產之金融資產買賣。

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。按攤銷成本計量的金融資產其後採用實際利率法計量。利息收入、外匯盈虧及減值於損益中確認。終止確認的任何收益於損益確認。

# 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

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### FINANCIAL INSTRUMENTS (continued)

##### Accounting policies applied from 1 January 2018 (continued)

(i) *Financial assets (continued)*

*Debt instruments (continued)*

Fair value through other comprehensive income (“FVOCI”): 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 fair value through OCI. Debt investments at fair value through other comprehensive income are subsequently measured at fair value. Interest income calculated using the effective interest rate method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

Fair value through profit or loss (“FVTPL”): Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through other comprehensive income, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 自二零一八年一月一日起應用的會計政策 (續)

(i) *金融資產 (續)*

*債務工具 (續)*

按公平值計入其他全面收入(「按公平值計入其他全面收入」);及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,則該等資產按公平值計入其他全面收入計量。按公平值計入其他全面收益的債務投資其後按公平值計量。按實際利率法計算的利息收入、外匯損益及減值於損益中確認。其他收益及虧損淨額於其他全面收益確認。終止確認時,其他綜合收益中累計的收益和虧損將重新分類至損益。

按公平值計入損益(「按公平值計入損益」)。按公平值計入損益的金融資產包括持作買賣的金融資產、初始確認時指定為按公平值計入損益的金融資產,或強制要求按公平值計量的金融資產。倘收購金融資產的目的為作短期出售或購回用途,則該等金融資產分類為持作買賣的金融資產。除非衍生工具(包括已作獨立確認的隱含衍生工具)被指定為實際對沖工具,否則亦會分類為持作買賣金融資產。現金流量不僅是本金及利息付款的金融資產,分類及計量為按公平值計入損益(不論其業務模式如何)。儘管債務工具的標準為按攤餘成本或公平值計入其他全面收入,如上所述,債務工具可在初始確認時指定為按公平值計入損益(倘此舉可消除或大幅減少會計錯配)。

# 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

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### FINANCIAL INSTRUMENTS (continued)

##### Accounting policies applied from 1 January 2018 (continued)

#### (i) Financial assets (continued)

##### Equity instruments

On initial recognition of an equity investment that is not held for trading, the Group could irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. Equity investments at fair value through other comprehensive income are measured at fair value. Dividend income are recognised in profit or loss unless the dividend income clearly represents a recovery of part of the cost of the investments. Other net gains and losses are recognised in other comprehensive income and are not reclassified to profit or loss. All other equity instruments are classified as FVTPL, whereby changes in fair value, dividends and interest income are recognised in profit or loss.

#### (ii) Impairment loss on financial assets

The Group recognises loss allowances for expected credit loss ("ECL") on trade receivables, contract assets, financial assets measured at amortised cost and debt investments measured at FVOCI. The ECLs are measured on either of the following bases: (1) 12 months ECLs: these are the ECLs that result from possible default events within the 12 months after the reporting date; and (2) lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 自二零一八年一月一日起應用的會計政策 (續)

#### (i) 金融資產 (續)

##### 權益工具

初步確認並非持作買賣的權益投資時，本集團可不可撤銷地選擇於其他綜合收益中呈列該投資的公平值後續變動。該選擇是按投資逐項作出。按公平值計入其他全面收益的權益投資按公平值計量。股息收入於損益中確認，除非股息收入明確表示部分投資成本的回收。其他收益及虧損淨額於其他全面收益確認，並不會重新分類至損益。所有其他權益工具分類為按公平值計入損益，其中公平值、股息及利息收入的變動於損益中確認。

#### (ii) 金融資產減值虧損

本集團就貿易應收款項、合約資產、按攤銷成本計量的金融資產及按公平值計入損益計量的債務投資確認預期信貸虧損（「預期信貸虧損」）的虧損撥備。預期信貸虧損將採用以下基準計量：(1) 12個月預期信貸虧損：指呈報日期後12個月內可能發生的違約事件而導致的預期信貸虧損；及(2) 全期預期信貸虧損：金融工具於預計存續期內所有可能發生的違約事件而導致的預期信貸虧損。估計預期信貸虧損時所考慮的最長期間為本集團面對信貸風險的最長合約期間。

# 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

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### FINANCIAL INSTRUMENTS (continued)

##### Accounting policies applied from 1 January 2018 (continued)

##### (ii) Impairment loss on financial assets (continued)

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the assets' original effective interest rate.

The Group has elected to measure loss allowances for trade receivables and contract assets using HKFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other debt financial assets, the ECLs are based on the 12-months ECLs. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 自二零一八年一月一日起應用的會計政策 (續)

##### (ii) 金融資產減值虧損 (續)

預期信貸虧損為信貸虧損的概率加權估計。信貸虧損乃按本集團根據合約應付的所有合約現金流量與本集團預期收取的所有現金流量之間的差額計量。該差額其後按資產原有實際利率相近的差額貼現。

本集團已選擇使用香港財務報告準則第9號簡化法計量貿易應收款項及合約資產的虧損撥備，並根據全期預期信貸虧損計算預期信貸虧損。本集團已設立根據本集團過往信貸虧損經驗計算之撥備矩陣，並按債務人特定之前瞻性因素及經濟環境作出調整。

對於其他債務金融資產，預期信貸虧損乃基於12個月預期信貸虧損。然而，倘產生以來信貸風險顯著增加，則撥備將基於全期預期信貸虧損。

當釐定金融資產之信貸風險是否自初步確認後大幅增加，並於估計預期信貸虧損時，本集團考慮到相關及毋須付出過多成本或努力後即可獲得之合理及可靠資料。此包括根據本集團之過往經驗及已知信貸評估得出定量及定性之資料及分析，包括前瞻性資料。

# 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

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### FINANCIAL INSTRUMENTS (continued)

##### Accounting policies applied from 1 January 2018 (continued)

#### (ii) Impairment loss on financial assets (continued)

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be credit-impaired when: (1) 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 (2) the financial asset is more than 90 days past due.

Interest income on credit-impaired financial assets is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset. For non credit-impaired financial assets interest income is calculated based on the gross carrying amount.

#### (iii) Financial liabilities

The Group classifies its financial liabilities, depending on the purpose for which the liabilities were incurred. Financial liabilities at fair value through profit or loss are initially measured at fair value and financial liabilities at amortised costs are initially measured at fair value, net of directly attributable costs incurred.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in profit or loss.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 自二零一八年一月一日起應用的會計政策 (續)

#### (ii) 金融資產減值虧損 (續)

倘金融資產逾期30日以上，本集團假設金融資產的信貸風險顯著增加。

在下列情況下，本集團認為金融資產存在信貸減值：(1) 借款人大可能在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(2) 金融資產逾期90日以上。

信貸減值金融資產的利息收入乃根據金融資產的攤銷成本（即賬面總值減虧損撥備）計算。對於非信貸減值金融資產，利息收入根據賬面總額計算。

#### (iii) 金融負債

本集團視乎負債產生的目的將其金融負債分類。以按公平值計入損益的金融負債初步按公平值計量，而按攤銷成本列賬的金融負債初步按公平值減所產生的直接應佔成本計量。

按公平值計入損益的金融負債

按公平值計入損益的金融負債包括持作買賣的金融負債及於首次確認時指定為按公平值透過損益列賬的金融負債。

倘為於近期出售收購金融負債，則該等金融負債分類為持作買賣。除非衍生工具（包括已作獨立確認的隱含衍生工具）被指定為實際對沖工具，否則亦會分類為持作買賣金融資產。持作買賣負債的收益或虧損於損益內確認。



# 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

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### FINANCIAL INSTRUMENTS (continued)

##### Accounting policies applied from 1 January 2018 (continued)

##### (iii) Financial liabilities (continued)

Financial liabilities at fair value through profit or loss (continued)

Where a contract contains one or more embedded derivatives, the entire hybrid contract may be designated as a financial liability at fair value through profit or loss, except where the embedded derivative does not significantly modify the cash flows or it is clear that separation of the embedded derivative is prohibited.

Financial liabilities may be designated upon initial recognition as at fair value through profit or loss if the following criteria are met: (i) the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the liabilities or recognising gains or losses on them on a different basis; (ii) the liabilities are part of a group of financial liabilities which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management strategy; or (iii) the financial liability contains an embedded derivative that would need to be separately recorded.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value, with changes in fair value recognised in profit or loss in the period in which they arise.

##### Financial liabilities at amortised cost

Financial liabilities at amortised cost including trade and other payables, borrowings, certain preference shares and the debt element of convertible loan note issued by the Group are subsequently measured at amortised cost, using the effective interest method. The related interest expense is recognised in profit or loss.

Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 自二零一八年一月一日起應用的會計政策 (續)

##### (iii) 金融負債 (續)

按公平值計入損益的金融負債 (續)

倘一份合約包含一項或以上嵌入式衍生工具，則整份混合合約可能被指定為以按公平值計入損益的金融負債，除非嵌入式衍生工具並無重大修改現金流量或嵌入式衍生工具獨立列賬遭明確禁止。

倘金融負債符合以下條件，則可於初步確認時指定為以按公平值計入損益處理：(i) 有關指定消除或大幅減少按不同基準計量負債或確認其收益或虧損所導致的不一致入賬方法；(ii) 該負債為根據既定管理策略按公平值基準管理及評估表現的一組金融負債的一部分；或 (iii) 金融負債包括須獨立列賬的嵌入式衍生工具。

於初步確認後，以按公平值計入損益之金融負債按公平值計量，公平值變動於其產生期間於損益內確認。

##### 按攤銷成本計量的金融負債

按攤銷成本計量之金融負債（包括應付貿易賬款及其他應付款項、借貸、本集團發行之若干優先股及可換股貸款票據之債務部分）其後採用實際利率法按攤銷成本計量。相關利息開支於損益中確認。

收益或虧損於終止確認負債時及透過攤銷過程於損益中確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### FINANCIAL INSTRUMENTS (continued)

##### Accounting policies applied from 1 January 2018 (continued)

#### (iv) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

#### (v) Equity instruments

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

#### (vi) Derecognition

The Group derecognises a financial asset when the contractual rights to the future cash flows in relation to the financial asset expire or when the financial asset has been transferred and the transfer meets the criteria for derecognition in accordance with HKFRS 9.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires.

Where the Group issues its own equity instruments to a creditor to settle a financial liability in whole or in part as a result of renegotiating the terms of that liability, the equity instruments issued are the consideration paid and are recognised initially and measured at their fair value on the date the financial liability or part thereof is extinguished. If the fair value of the equity instruments issued cannot be reliably measured, the equity instruments are measured to reflect the fair value of the financial liability extinguished. The difference between the carrying amount of the financial liability or part thereof extinguished and the consideration paid is recognised in profit or loss for the year.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 自二零一八年一月一日起應用的會計政策 (續)

#### (iv) 實際利率法

實際利率法為計算金融資產或金融負債攤銷成本及於有關期間內分配利息收入或利息支出的方法。實際利率為金融資產或負債於預計年期或於較短時間(如適用)內準確貼現估計未來現金收入或付款的利率。

#### (v) 權益工具

本公司發行的權益工具乃按已收所得款項減直接發行成本後入賬。

#### (vi) 終止確認

當有關金融資產之未來現金流量之合約權利屆滿，或當金融資產經已轉讓且轉讓符合香港財務報告準則第9號規定的終止確認準則，則本集團終止確認該金融資產。

倘有關合約規定之責任獲解除、取消或到期，則金融負債將被終止確認。

倘由於重新磋商負債之條款，本集團向債權人發行其自身股本工具以支付全部或部分之金融負債，則已發行之股本工具為已付代價並於抵銷金融負債或其部分日期按彼等之公平值初步確認及計量。倘已發行股本工具之公平值不能可靠計量，則股本工具將計量以反映所抵銷金融負債之公平值。所抵銷金融負債或其部分之賬面值與已付代價之差額於本年度損益中確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### FINANCIAL INSTRUMENTS (continued)

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

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

#### (i) Financial assets

The Group classifies its financial assets at initial recognition, depending on the purpose for which the asset was acquired. Financial assets at fair value through profit or loss are initially measured at fair value and all other financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition of the financial assets. Regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned.

Financial assets at fair value through profit or loss

These assets include financial assets held for trading. Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments or financial guarantee contracts.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value, with changes in fair value recognised in profit or loss in the period in which they arise.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 於二零一七年十二月三十一日前應用的會計政策

本集團已追溯應用香港財務報告準則第9號，但選擇不重列比較資料。因此，所提供的比較財務資料繼續根據本集團之前的會計政策入賬。

#### (i) 金融資產

本集團於初步確認時根據收購資產目的對其金融資產進行分類。按公平值計入損益的金融資產初始按公平值計量，所有其他金融資產初始按公平值加上直接歸屬於收購該金融資產應佔的交易成本計量。常規金融資產買賣於交易日確認或終止確認。常規買賣指其條款規定須於一般按有關市場的規例或慣例訂立的時限內交付資產的合約項下的金融資產買賣。

按公平值計入損益的金融資產

該等資產包括持作交易的金融資產。倘為於近期出售收購金融資產，則該等金融資產分類為持作買賣。除非衍生工具（包括已作獨立確認的隱含衍生工具）被指定為實際對沖工具或金融擔保合約，否則亦會分類為持作買賣金融資產。

於初步確認後，按公平值計入損益之金融資產按公平值計量，公平值變動於其產生期間於損益內確認。

# 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

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### FINANCIAL INSTRUMENTS (continued)

##### Accounting policies applied until 31 December 2017 (continued)

##### (i) Financial assets (continued)

###### Loans and receivables

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (trade debtors), and also incorporate other types of contractual monetary asset. Subsequent to initial recognition, they are carried at amortised cost using the effective interest method, less any identified impairment losses.

###### Held-to-maturity investments

These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity. Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest method, less any identified impairment losses.

###### Available-for-sale financial assets

These assets are non-derivative financial assets that are designated as available-for-sale or are not included in other categories of financial assets. Subsequent to initial recognition, these assets are carried at fair value with changes in fair value recognised in other comprehensive income, except for impairment losses and foreign exchange gains and losses on monetary instruments, which are recognised in profit or loss.

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments, they are measured at cost less any identified impairment losses.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 於二零一七年十二月三十一日前應用的會計政策 (續)

##### (i) 金融資產 (續)

###### 貸款及應收款項

該等資產為並非於活躍市場報價而具有固定或可釐定付款之非衍生金融資產。該等資產主要透過向客戶(應收款項債務人)提供貨品及服務時產生,亦包括其他種類之合約性貨幣資產。於初步確認後,該等資產乃採用實際利息法按攤銷成本減任何已識別減值虧損列賬。

###### 持有至到期的投資

該等資產為具有固定或可確定付款額及固定到期日的非衍生金融資產,本集團管理層有明確意圖及能夠持有至到期。於初步確認後,該等持有至到期的投資乃採用實際利息法按攤銷成本減任何已識別減值虧損列賬。

###### 可供出售金融資產

該等資產乃指定為可供出售或並無歸入其他金融資產類別的非衍生金融資產。初始確認後,該等資產按公平值列賬,公平值變動計入其他綜合收益,但減值虧損及貨幣工具的匯兌損益除外,其在損益中確認。

當可供出售權益投資並無於活躍市場上報價及其公平值不能可靠地計量,及當衍生工具與無報價股本工具掛鉤並必須透過交付該等無報價股本工具結算時,則有關可供出售權益投資按成本減任何已識別減值虧損計量。

# 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

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### FINANCIAL INSTRUMENTS (continued)

##### Accounting policies applied until 31 December 2017 (continued)

##### (ii) Impairment loss on financial assets

The Group assesses, at the end of each reporting period, whether there is any objective evidence that financial asset is impaired. Financial asset is impaired if there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset that can be reliably estimated. Evidence of impairment may include:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- granting concession to a debtor because of debtor's financial difficulty;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation.

For Loans and receivables or Held-to-maturity investments

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

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 於二零一七年十二月三十一日前應用的會計政策 (續)

##### (ii) 金融資產減值虧損

本集團於報告期末評估是否有客觀證據表明金融資產出現減值。倘有客觀減值證據顯示金融資產因資產初步確認後發生之一項或多項事件而出現減值，且該事件對能夠可靠估計之金融資產之估計未來現金流量產生影響，則金融資產屬已減值。減值證據可能包括：

- 債務人有重大財務困難；
- 違反合約，如拖欠或逾期償還利息或本金；
- 因債務人出現財務困難而向其授予優待；
- 債務人很可能宣佈破產或進行其他財務重組。

就貸款及應收款項或持有至到期日投資而言

當有客觀證據顯示資產已減值時，於損益中確認減值虧損，並且按照資產賬面值與按原有實際利率貼現之估計未來現金流量之現值間的差額計量減值虧損。金融資產之賬面值透過使用撥備賬減少。若已釐定金融資產任何部分不能收回，則於有關金融資產之撥備賬撇銷。

# 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

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### FINANCIAL INSTRUMENTS (continued)

##### Accounting policies applied until 31 December 2017 (continued)

#### (ii) Impairment loss on financial assets (continued)

For Available-for-sale financial assets

Where a decline in the fair value constitutes objective evidence of impairment, the amount of the loss is removed from equity and recognised in profit or loss.

Any impairment losses on available-for-sale debt investments are subsequently reversed in profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

For available-for-sale equity investment, any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income.

For available-for-sale equity investment that is carried at cost, the amount of impairment loss is measured as the difference between the carrying amount of the asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss is not reversed.

#### (iii) Financial liabilities

The Group classifies its financial liabilities, depending on the purpose for which the liabilities were incurred. Financial liabilities at fair value through profit or loss are initially measured at fair value and financial liabilities at amortised costs are initially measured at fair value, net of directly attributable costs incurred.

Financial liabilities at amortised cost

Financial liabilities at amortised cost including trade and other payables, borrowings, certain preference shares and the debt element of convertible loan note issued by the Group are subsequently measured at amortised cost, using the effective interest method. The related interest expense is recognised in profit or loss.

Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 於二零一七年十二月三十一日前應用的會計政策 (續)

#### (ii) 金融資產減值虧損 (續)

就可供出售金融資產而言

倘公平值下跌構成客觀減值證據，則虧損金額將從權益中扣除並於損益中確認。

就可供出售債務投資的任何減值虧損而言，倘該投資的公平值增幅能夠與確認減值虧損後發生的事件有客觀關連，則減值虧損其後於損益中撥回。

就可供出售權益投資而言，減值虧損後公平值增加均於其他綜合收益中確認。

就按成本法列賬的可供出售權益投資而言，減值虧損的金額乃按該資產之賬面值與資產之現行市場回報率折現之估計未來現金流量現值間之差額計量。該等減值虧損不會撥回。

#### (iii) 金融負債

本集團視乎負債產生的目的將其金融負債分類。以按公平值計入損益的金融負債初步按公平值計量，而按攤銷成本列賬的金融負債初步按公平值減所產生的直接應佔成本計量。

按攤銷成本計量的金融負債

金融負債按攤銷成本列賬，其包括貿易及其他應付款項，其後採用實際利息法按攤銷成本計量。相關利息開支於損益中確認。

當負債終止確認或進行攤銷時，收益或虧損於損益中確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### FINANCIAL INSTRUMENTS (continued)

##### Accounting policies applied until 31 December 2017 (continued)

#### (iv) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

#### (v) Equity instruments

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

#### (vi) Derecognition

The Group derecognises a financial asset when the contractual rights to the future cash flows in relation to the financial asset expire or when the financial asset has been transferred and the transfer meets the criteria for derecognition in accordance with HKAS 39.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires.

Where the Group issues its own equity instruments to a creditor to settle a financial liability in whole or in part as a result of renegotiating the terms of that liability, the equity instruments issued are the consideration paid and are recognised initially and measured at their fair value on the date the financial liability or part thereof is extinguished. If the fair value of the equity instruments issued cannot be reliably measured, the equity instruments are measured to reflect the fair value of the financial liability extinguished. The difference between the carrying amount of the financial liability or part thereof extinguished and the consideration paid is recognised in profit or loss for the year.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 於二零一七年十二月三十一日前應用的會計政策 (續)

#### (iv) 實際利率法

實際利率法乃計算金融資產或金融負債之攤銷成本及按有關期間攤分利息收入或利息開支之方法。實際利率指透過金融資產或負債之預計年期或(如適用)較短期間準確貼現估計未來現金收入或付款之利率。

#### (v) 權益工具

本公司發行的權益工具乃按已收所得款項減直接發行成本後入賬。

#### (vi) 終止確認

當有關金融資產之未來現金流量之合約權利屆滿，或當金融資產經已轉讓且轉讓符合香港會計準則第39號規定的終止確認準則，則本集團終止確認該金融資產。

倘有關合約規定之責任獲解除、取消或到期，則金融負債將被終止確認。

倘由於重新磋商負債之條款，本集團向債權人發行其自身股本工具以支付全部或部分之金融負債，則已發行之股本工具為已付代價並於抵銷金融負債或其部分日期按彼等之公平值初步確認及計量。倘已發行股本工具之公平值不能可靠計量，則股本工具將計量以反映所抵銷金融負債之公平值。所抵銷金融負債或其部分之賬面值與已付代價之差額於本年度損益中確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### CASH AND CASH EQUIVALENTS

Bank balances and cash in the consolidated statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of bank balances and cash as defined above.

#### IMPAIRMENT LOSSES ON TANGIBLE ASSETS

At the end of the reporting period, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generation units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

### 3. 主要會計政策 (續)

#### 現金及現金等價物

綜合財務狀況表內之銀行結餘及現金包括銀行及手頭現金以及三個月內到期之短期存款。就綜合現金流量表而言，現金及現金等價物包括上文界定之銀行結餘及現金。

#### 有形資產減值虧損

本集團於報告期末審閱其有形資產之賬面值，以釐定該等資產有否出現減值虧損之任何跡象。倘存在任何該等跡象，將估計資產之可收回金額，以釐定減值虧損（如有）之程度。倘無法估計個別資產之可收回金額時，本集團估計該資產所屬現金產生單位之可收回金額。倘可確定分配之合理及持續基準時，公司資產亦分配予個別現金產生單位，或以其他方式分配予能確定合理且一致之分配基準之最小類別現金產生單位。

可收回金額為公平值減出售成本及使用價值之較高者。於評估使用價值時，估計未來現金流量採用反映當前市場對貨幣時間價值及與估計未來現金流量尚未經調整之資產特定風險評估之除稅前折現率折現至其現值。



# 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

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### IMPAIRMENT LOSSES ON TANGIBLE ASSETS (continued)

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately in profit or loss.

#### RELATED PARTIES

A party is considered to be related to the Company if:

- (a) the party is a person or a close member of that person's family and that person:
  - (i) has control or joint control of the Company;
  - (ii) has significant influence over the Company; or
  - (iii) is a member of the key management personnel of the Company or of a parent of the Company; or
- (b) the party is an entity where any of the following conditions applies:
  - (i) the entity and the Company are members of the same group;
  - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
  - (iii) the entity and the Company are joint ventures of the same third party;
  - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

### 3. 主要會計政策 (續)

#### 有形資產減值虧損 (續)

倘一項資產 (或現金產生單位) 之可收回金額估計低於其賬面值, 該項資產 (或現金產生單位) 之賬面值將減至其可收回金額。減值虧損隨即於損益中確認。

當減值虧損隨後撥回, 有關資產 (或現金產生單位) 之賬面值將增至其可收回金額之修訂估計, 惟經增加之賬面值不得超逾該資產 (或現金產生單位) 於過往年度在未被確認任何減值虧損時原應釐定之賬面值。減值虧損撥回將隨即於損益中確認為收入。

#### 關連人士

任何一方如屬以下情況, 即被視為本公司之關連人士:

- (a) 倘屬以下人士, 即該人士或該人士之近親與本公司有關連:
  - (i) 控制或共同控制本公司;
  - (ii) 對本公司有重大影響力; 或
  - (iii) 為本公司或本公司母公司之主要管理層成員; 或
- (b) 倘符合下列任何條件, 即該實體與本公司有關連:
  - (i) 該實體與本公司屬同一集團之成員公司;
  - (ii) 一實體為另一實體 (或其他實體之母公司、附屬公司或同系附屬公司) 之聯營公司或合營企業;
  - (iii) 該實體與本公司為同一第三方之合營企業;
  - (iv) 一實體為第三方實體之合營企業, 而另一實體為第三方實體之聯營公司;

# 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

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### RELATED PARTIES (continued)

- (b) the party is an entity where any of the following conditions applies: (continued)
  - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company;
  - (vi) the entity is controlled or jointly controlled by a person identified in (a);
  - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
  - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

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

- (a) that person's children and spouse or domestic partner;
- (b) children of that person's spouse or domestic partner; and
- (c) dependants of that person or that person's spouse or domestic partner.

### 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results 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.

### 3. 主要會計政策 (續)

#### 關連人士 (續)

- (b) 倘符合下列任何條件，即該實體與本公司有關連：(續)
  - (v) 該實體為本公司或與本公司有關連之實體就僱員利益設立之離職後福利計劃；
  - (vi) 該實體受(a)所識別人士控制或共同控制；
  - (vii) 於(a)(i)所識別人士對該實體有重大影響力或屬該實體(或該實體之母公司)主要管理層成員；及
  - (viii) 該實體或其所屬集團的任何成員公司為本集團或本集團母公司提供主要管理層成員服務。

該名人士之近親為可能被預期於與實體進行交易時影響該名人士或受該名人士影響之該等家族成員並包括：

- (a) 該名人士之子女及配偶或家庭夥伴；
- (b) 該名人士之配偶或家庭夥伴之子女；及
- (c) 該名人士或該名人士之配偶或家庭夥伴之受養人。

### 4. 重大會計判斷及估計不確定性之主要來源

於應用本集團之會計政策(於附註3描述)時，本公司董事需就未能於其他來源取得之資產及負債之賬面值作出判斷、估算及假設。估算及相關假設乃根據過往經驗及其他被認為屬相關之因素作出。實際結果可能與該等估算有異。

估算及相關假設會持續進行檢討。倘會計估算之修訂僅會對作出修訂之期間構成影響，則有關估算將於作出修訂之期間確認，或倘修訂對本期及未來期間均會構成影響，則會於作出修訂之期間及未來期間確認。

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### 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

#### CRITICAL JUDGEMENTS IN APPLYING THE ENTITY'S ACCOUNTING POLICIES

The following are the critical judgements, apart from those involving estimations (see below), that the directors of the Company have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

#### KEY SOURCES OF ESTIMATION UNCERTAINTY

The followings are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

##### *Impairment assessment of the trade and other receivables*

The Group's trade and other receivables are assessed for impairment based on the expected loss model required by HKFRS 9. The assessment made by management has taken into account relevant historical information adjusted for forward looking information available to management at the date of assessment (to the extent that such information is reasonable and supportable without undue cost or effort). Additional impairment losses have been recognised as at 1 January 2018 on the Group's trade and other receivables to reflect the adoption of the expected loss model (see Note 19). Impairment losses are also recognised for the current year (please see Notes 19). Management has exercised judgment in estimating the amount of expected credit loss. If the actual outcome is different from management's estimate, an additional impairment loss or reversal of impairment loss may arise.

##### *Depreciation of property, plant and equipment*

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives, after taking into account their estimated residual values. These estimates are based on the historical experience of the actual residual value and useful lives of property, plant and equipment of similar nature and functions. The Group assesses annually the residual value and the useful life of the property, plant and equipment and if the expectation differs from the original estimate, such a difference may impact the depreciation for the year and the estimate will be changed in the future period.

### 4. 重大會計判斷及估計不確定性之主要來源 (續)

#### 應用實體之會計政策時之關鍵判斷

除本公司董事於應用本集團會計政策之過程中涉及估計之關鍵判斷(見下文)以外,以下為對在綜合財務報表確認之金額有最重大影響之關鍵判斷。

#### 估計不確定性之主要來源

以下為有關未來之主要假設及於報告期末之估計不確定因素之其他主要來源,彼等可能有重大風險導致下個財政年度內之資產及負債之賬面值作出重大調整。

##### *貿易及其他應收款項之減值評估*

本集團貿易及其他應收款項基於香港財務報告準則第9號規定的預期虧損模式進行減值評估。管理層作出的評估已計及相關過往資料,已經調整管理層於評估之日可獲取的前瞻性資料(惟以毋須耗費過多成本或精力即可合理及有理據的資料為限)。已於二零一八年一月一日就本集團貿易及其他應收款項確認額外減值虧損,以反映採納預期虧損模式(請見附註19)。亦已就本年度確認減值虧損(見附註19)。管理層已行使判斷,估計預期信貸虧損金額。倘實際結果與管理層的估計不同,則或會產生額外減值虧損或撥回減值虧損。

##### *物業、廠房及設備折舊*

物業、廠房及設備經考慮到估計剩餘價值後以直線方法按估計可使用年期折舊。該等估計乃根據相若性質及功能之物業、廠房及設備之實際剩餘價值及可使用年期之過往經驗計算。本集團每年評估物業、廠房及設備之剩餘價值和可使用年期,及倘期望不同於原先估計,這種差異可能影響年內之折舊並在日後期間改變估計。

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## 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

#### 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

##### KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

###### *Estimated impairment of property, plant and equipment*

The Group reviews the carrying amounts of the property, plant and equipment when there is any indication that those assets have suffered an impairment loss. The impairment loss for property, plant and equipment are recognised for the amounts by which the carrying amounts exceed their recoverable amounts, in accordance with the Group's accounting policy. The recoverable amounts of property, plant and equipment have been determined based on value-in-use calculations. These calculations require the use of judgements and estimates such as future revenue and discount rates.

###### *Estimated allowance for inventories*

The management of the Group reviews an aging analysis at the end of each reporting period and makes allowance for obsolete and slow-moving items identified that are no longer suitable for sale or use. The Group makes allowance for inventories based on the assessment of the net realisable value. The management estimates the net realisable value for inventories based primarily on the latest invoice prices and current market conditions.

#### 5. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from last year.

The capital structure of the Group consists of net debt, which includes bank borrowings, net of bank balances and cash, and equity attributable to the owner of the Company, which comprises issued share capital and reserves.

The directors of the Company review the capital structure regularly. As part of this review, the directors of the Company consider the cost of capital and the risks associated with each class of capital. Based on the recommendations of the directors of the Company, the Group will balance its overall capital structure through the payment of dividends, issuance of new shares as well as the issue of new debts or the redemption of borrowings.

#### 4. 重大會計判斷及估計不確定性之主要來源 (續)

##### 估計不確定性之主要來源 (續)

###### *物業、廠房及設備估計減值*

本集團於有任何跡象顯示物業、廠房及設備蒙受減值虧損時檢討該等資產之賬面值。物業、廠房及設備之減值虧損乃根據本集團之會計政策就賬面值超出其可收回金額之差額予以確認。物業、廠房及設備之可收回金額根據使用價值計算釐定。該等計算須使用判斷及估計，例如日後收益及折現率。

###### *存貨之估計撥備*

本集團管理層於各報告期末審閱賬齡分析，並就識別為不再適合出售或使用之過時及滯銷項目作出撥備。本集團根據對可變現淨值之評估就存貨作出撥備。管理層主要根據最近之發票價格及當前市況估計存貨之可變現淨值。

#### 5. 資本風險管理

本集團管理旗下資本以確保本集團之實體能夠持續經營，並透過優化債務及權益結餘為股東帶來最大回報。本集團之整體策略與去年相同。

本集團之資本結構包括債務淨額（包括銀行借款），扣除銀行結餘及現金以及本公司擁有人應佔權益（當中包括已發行股本及儲備）。

本公司董事定期檢討資本結構。作為此檢討之一部分，本公司董事考慮資本成本以及與各類資本有關之風險。根據本公司董事之推薦建議，本集團將透過派付股息、發行新股份以及發行新債務或贖回借款平衡整體資本結構。

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### 6. FINANCIAL INSTRUMENTS

#### (A) CATEGORIES OF FINANCIAL INSTRUMENTS

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
<b>Financial assets</b>	<b>金融資產</b>		
Promissory note receivables	承兌票據應收款項	-	31,616
Amortised cost	攤銷成本	356,928	-
Loans and receivables (including bank balances and cash)	貸款及應收款項(包括銀行結餘及現金)	-	245,052
<b>Financial liabilities</b>	<b>金融負債</b>		
Amortised cost	攤銷成本	239,020	240,122

#### (B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's major financial instruments include promissory note receivables, trade receivables, other receivables, pledged deposits, bank balances and cash, trade and bills payables, accrued expenses, and other payables and bank borrowings. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

##### **Market risk**

##### *Currency risk*

The Group has foreign currency sales and purchases denominated in United States dollars ("USD"), Japanese Yen ("JPY") and Hong Kong dollars ("HKD"), which are different from the functional currencies of the group entities carrying out the transactions.

### 6. 金融工具

#### (A) 金融工具之類別

#### (B) 財務風險管理目標及政策

本集團之主要金融工具包括承兌票據應收款項、貿易應收款項、其他應收款項、已抵押存款、銀行結餘及現金、貿易應付款項及應付票據、應計費用及其他應付款項及銀行借款。此等金融工具之詳情已於各自附註中披露。此等金融工具所附帶之風險包括市場風險(貨幣風險及利率風險)、信貸風險及流動資金風險。如何減低該等風險之政策載列如下。管理層管理及監控此等風險，確保適時並有效地推行適當措施。

##### **市場風險**

##### *貨幣風險*

本集團有以美元(「美元」)、日元(「日元」)及港元(「港元」)計值之外匯買賣，該等貨幣不同於本集團實體進行交易之功能貨幣。

# 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

### 6. FINANCIAL INSTRUMENTS (continued)

#### (B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

##### Market risk (continued)

##### Currency risk (continued)

Also, certain trade receivables, pledged deposits, bank balances and cash, trade and bills payables, accrued expenses and bank borrowings are denominated in USD, JPY and HKD which are currencies other than the functional currency of the relevant group entities. The carrying amounts of the foreign currency denominated monetary assets and monetary liabilities of the Group at the end of the reporting period are as follows:

		Assets 資產		Liabilities 負債	
		2018 二零一八年	2017 二零一七年	2018 二零一八年	2017 二零一七年
		'000 千元	'000 千元	'000 千元	'000 千元
USD	美元	22,002	16,998	61	15
JPY	日元	612,643	492,638	-	180
HKD	港元	919	998	1,447	1,542

The Group currently does not have a foreign currency hedging policy. However, the directors of the Company continuously monitor the related foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

### 6. 金融工具 (續)

#### (B) 財務風險管理目標及政策 (續)

##### 市場風險 (續)

##### 貨幣風險 (續)

此外，若干貿易應收款項、已抵押存款、銀行結餘及現金、貿易應付款項及應付票據、應計費用及銀行借款均以美元、日元及港元計值，美元、日元及港元並非相關集團實體之功能貨幣。本集團於報告期末以外幣計值之貨幣資產及貨幣負債之賬面值如下：

本集團現時並無外匯對沖政策。然而，本公司董事持續監控相關外匯風險，並於需要時將考慮對沖重大外匯風險。

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## 綜合財務報表附註

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### 6. FINANCIAL INSTRUMENTS (continued)

#### (B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

##### Market risk (continued)

##### Currency risk (continued)

##### Sensitivity analysis

The Group is mainly exposed to currency risk of USD, JPY and HKD.

The following table details the Group's sensitivity to a 5% for all periods increase or decrease in USD, JPY and HKD against the functional currency. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of each reporting period for a 5% change in foreign currency rates. A positive number below indicates an increase in post-tax profit where USD, JPY and HKD strengthen 5% against the functional currency. For a 5% weakens of USD, JPY and HKD against the functional currency, there would be an equal or opposite impact on the profit and other equity and the balances below would be negative.

### 6. 金融工具 (續)

#### (B) 財務風險管理目標及政策 (續)

##### 市場風險 (續)

##### 貨幣風險 (續)

##### 敏感度分析

本集團主要面臨美元、日元及港元之貨幣風險。

下表載列於所有期間本集團對美元、日元及港元兌功能貨幣升值或貶值5%之敏感度詳情。5%乃向主要管理人員內部呈報外幣風險採用之敏感度比率，並代表管理層對外幣匯率合理可能變動之評估。敏感度分析僅包括以外幣計值之尚未支付貨幣項目，並於各報告期末就外幣匯率5%之變動調整匯兌。下列之正數表示美元、日元及港元兌功能貨幣升值5%時，除稅後溢利增加。美元、日元及港元兌功能貨幣貶值5%時，將對溢利及其他權益有等額且相反之影響，而以下結餘將為負數。

Impact on profit for the year ended	對年內溢利之影響	2018	2017
		二零一八年	二零一七年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
USD	美元	7,546	5,527
JPY	日元	1,915	1,423
HKD	港元	(23)	(23)

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### 6. FINANCIAL INSTRUMENTS (continued)

#### (B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

##### **Market risk** (continued)

##### *Currency risk* (continued)

##### *Sensitivity analysis* (continued)

The Group's currency risk is mainly attributable to the exposure on trade receivables, pledged deposits, bank balances and cash, trade and bills payables, accrued expenses and bank borrowings denominated in USD, JPY and HKD at the end of the reporting period respectively.

##### **Interest rate risk**

The Group's fair value interest rate risk relates primarily to fixed rate pledged deposit and fixed rate bank borrowings (see notes 21 and 25 for details respectively). The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider other necessary action when significant interest rate exposure is anticipated.

The Group's cash flow interest rate risk relates primarily to variable-rate bank balances (see note 21 for details of these balances). The exposure to the interest rate risk for variable rate bank balances is insignificant as the bank balances have a short maturity period.

##### **Credit risk**

The Group's credit risk is primarily attributable to trade and other receivables and bank deposits included in the consolidated statement of financial position which represent the Group's maximum exposure to credit risk in relation to its financial assets. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

### 6. 金融工具 (續)

#### (B) 財務風險管理目標及政策 (續)

##### **市場風險** (續)

##### *貨幣風險* (續)

##### *敏感度分析* (續)

本集團之貨幣風險主要來自於報告期末分別以美元、日元及港元計值之貿易應收款項、已抵押存款、銀行結餘及現金、貿易應付款項及應付票據、應計費用及銀行借款面臨之風險。

##### **利率風險**

本集團之公平值利率風險主要與定息已抵押存款及定息銀行借款(詳情請分別參閱附註21及25)有關。本集團現時並無利率對沖政策。然而,管理層監控利率風險,倘預料有重大利率風險,將考慮其他必要之行動。

本集團之現金流量利率風險主要與浮息銀行結餘(有關該等結餘之詳情請參閱附註21)有關。由於浮息銀行結餘於短期內到期,故該等銀行結餘之利率風險甚微。

##### **信貸風險**

本集團的信貸風險主要歸因於綜合財務狀況表內所載的貿易及其他應收款項以及銀行存款,即本集團就其金融資產面臨的最大信貸風險。管理層已制定信貸政策,持續監控該等信貸風險。



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### 6. FINANCIAL INSTRUMENTS (continued)

#### (B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

##### *Credit risk (continued)*

To manage the risk arising from bank deposits, which include cash and cash equivalents, pledged bank deposits and fixed deposits, the Group only transacts with reputable banks which are high-credit-quality financial institutions. There has no recent history of default in relation to these financial institutions. The ECL on all bank deposits is close to zero.

For other receivables, management makes periodic collective assessments as well as individual assessment on the recoverability of other receivables based on historical settlement records and past experience. The management believes that there is no material credit risk inherent in the Group's outstanding balances of other receivables and the ECL is close to zero.

For trade receivables, the Group has credit policy to monitor the credit risk. In general, the credit record and credit period for each customer are regularly assessed, based on the customer's financial condition, historical payment record and other factors such as current market condition.

The Group categories trade or other receivables for write off when a customer or debtor fails to make contractual payments. Where trade or other receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

The Group applies the simplified approach to providing for ECLs prescribed by HKFRS 9, which permits the use of the lifetime ECL provision for all trade receivables from third parties and related parties.

### 6. 金融工具 (續)

#### (B) 財務風險管理目標及政策 (續)

##### *信貸風險 (續)*

為管理銀行存款(包括現金及現金等價物、有抵押銀行存款及固定存款)產生的風險,本集團僅與具備高信貸質素的知名金融機構交易。該等金融機構近期概無拖欠記錄。所有銀行存款的預期信貸虧損接近零。

就其他應收款項而言,管理層基於過往結算記錄及過往經驗對其他應收款項的可收回性進行定期集體評估及個別評估。管理層認為本集團其他應收款項的未結清結餘本質上信貸風險並不重大,故預期信貸虧損接近零。

就貿易應收款項而言,本集團擁有信貸政策監控信貸風險。一般而言會基於客戶的財務狀況、過往付款記錄及當前市況等其他因素經常評估各客戶的信貸記錄及信貸期。

本集團於客戶或債務人未能作出合約付款時將貿易或其他應收款項進行分類以作撇銷。倘撇銷貿易或其他應收款項,本集團會持續進行可執行活動,力圖收回到期應收款項。倘收回,則於損益確認。

本集團使用簡化法以撥備香港財務報告準則第9號所述的預期信貸虧損,其允許就來自第三方及關聯方的所有貿易應收款項使用全期預期信貸虧損撥備。

# 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

### 6. FINANCIAL INSTRUMENTS (continued)

#### (B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

##### Credit risk (continued)

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables as at 31 December 2018:

		Expected loss 預期虧損 %	Trade receivable 貿易應收款項 Gross carrying amount 賬目總值 RMB'000 人民幣千元	Loss allowance 虧損撥備 RMB'000 人民幣千元
		百分比		
Current (not past due)	即期 (未逾期)	–	129,711	–
1-90 days	1至90天	1.54	106,001	1,637
			235,712	1,637

Expected loss rates are based on actual loss experience over the past two years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

There was no material impact on trade and other receivables for the initial application of the new impairment requirements under HKFRS 9 compared with under HKAS 39.

The Group has no significant concentration of credit risk in respect of the trade and other receivables, with exposures spread over a number of debtors and customers.

### 6. 金融工具 (續)

#### (B) 財務風險管理目標及政策 (續)

##### 信貸風險 (續)

下表提供有關本集團於二零一八年十二月三十一日就貿易應收款項所面臨之信貸風險及預期信貸風險資料：

預期虧損率基於過往兩年的實際虧損經歷。該等比率已經調整以反映期內經濟狀況與所收集的過往數據之間的差額，現有狀況及本集團對應收款項預計年期內的經濟狀況的見解。

相比根據香港會計準則第39號，根據香港財務報告準則第9號初步應用新減值規定對貿易及其他應收款項並無重大影響。

本集團並無有關貿易及其他應收款項的重大集中信貸風險，是因為債務人及客戶眾多。

# 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

### 6. FINANCIAL INSTRUMENTS (continued)

#### (B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

##### Liquidity risk

In management of liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. Management monitors the utilisation of bank borrowings and ensures compliance with loan covenants.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities based on the agreed repayment terms. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

### 6. 金融工具 (續)

#### (B) 財務風險管理目標及政策 (續)

##### 流動資金風險

為管理流動資金風險，本集團監察及維持現金及現金等價物於管理層視為足以撥付本集團營運之水平，減低現金流量波動之影響。管理層監察銀行借款之動用情況並確保符合貸款契諾。

下表根據議定償還期限詳列本集團非衍生金融負債之餘下合約到期情況。該表乃根據本集團須付款之最早日期按金融負債之未折現現金流量而編製。該表包括利息及本金現金流量。

		As at 31 December 2018 於二零一八年十二月三十一日		
		On demand or within 1 year 按要求或 於1年內 RMB'000 人民幣千元	Total undiscounted cash flows 未折現現金 流量總額 RMB'000 人民幣千元	Carrying amount 賬面值 RMB'000 人民幣千元
Trade and bills payables	貿易應付款項 及應付票據	35,204	35,204	35,204
Accrued expenses and other payables	應計費用及其他 應付款項	6,583	6,583	6,583
Bank borrowings	銀行借款	196,930	196,930	196,930
		<b>238,717</b>	<b>238,717</b>	<b>238,717</b>

# 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

### 6. FINANCIAL INSTRUMENTS (continued)

#### (B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

##### Liquidity risk (continued)

### 6. 金融工具 (續)

#### (B) 財務風險管理目標及政策 (續)

##### 流動資金風險 (續)

		As at 31 December 2017 於二零一七年十二月三十一日		
		On demand or within 1 year 按要求或 於1年內 RMB'000 人民幣千元	Total undiscounted cash flows 未折現現金 流量總額 RMB'000 人民幣千元	Carrying amount 賬面值 RMB'000 人民幣千元
Trade and bills payables	貿易應付款項 及應付票據	68,549	68,549	68,549
Accrued expenses and other payables	應計費用及其他 應付款項	8,397	8,397	8,397
Bank borrowings	銀行借款	171,623	171,623	163,480
		248,569	248,569	240,426

#### (C) FAIR VALUE

The directors of the Company consider that the carrying amounts of current financial assets and current financial liabilities recorded at amortised cost using the effective interest rate method in the consolidated financial statements approximate to their fair values due to their immediate or short-term maturities.

#### (C) 公平值

本公司董事認為，由於在綜合財務報表內以實際利率法按攤銷成本入賬之流動金融資產及流動金融負債即將到期或期限較短，故其賬面值與其公平值相若。

## 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

#### 6. FINANCIAL INSTRUMENTS (continued)

##### (C) FAIR VALUE (continued)

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the consolidated statement of financial position approximate their respective fair value.

#### 6. 金融工具 (續)

##### (C) 公平值 (續)

此外，就財務申報而言，公平值計量按用於計量公平值之輸入數據之可觀察程度及輸入數據對公平值計量整體之意義分為第一、二或三級，詳情如下：

- 第一級輸入數據為實體可於計量日取得相同資產或負債在活躍市場中之報價（未調整）；
- 第二級輸入數據指除第一級所包括之報價外，資產或負債可直接或間接觀察得到之輸入數據；及
- 第三級輸入數據乃資產或負債不可觀察之輸入數據。

於綜合財務狀況表呈列之本集團金融資產及金融負債的賬面值與其各自的公平值相若。

# 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

### 7. REVENUE AND OTHER INCOME AND GAINS/ IMPAIRMENT OF FINANCIAL ASSETS

Revenue represents the amounts received and receivable for goods sold and service provided in the normal course of business, net of discounts, sales returns and sales related taxes. Analysis of the Group's revenue for the year is as follows:

### 7. 收益及其他收入及收益／金融資產減值

收益指於一般業務過程中就出售貨品及提供服務之已收及應收金額（已扣除折扣、銷售返點及銷售相關稅項）。年內本集團之收益之分析如下：

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
<b>(i) Revenue</b>	<b>(i) 收益</b>		
Sale of goods	銷售貨品	521,186	538,264
<b>(ii) Other income and gains</b>	<b>(ii) 其他收入及收益</b>		
Bank interest income	銀行利息收入	592	491
Government grants (Note a)	政府補助（附註a）	1,224	851
Exchange gain, net	匯兌收益淨額	8,887	-
Imputed interest on promissory notes receivables	應收承兌票據推算利息	3,131	2,908
Others (Note b)	其他（附註b）	283	639
		<b>14,117</b>	4,889
<b>(iii) Impairment allowance of financial assets</b>	<b>(iii) 金融資產減值撥備</b>		
Impairment allowance of trade receivables	貿易應收款項減值撥備	<b>(651)</b>	-

Notes:

- (a) During the year, government grants of approximately RMB1,224,000 (2017: RMB851,000) were received, where the Group had fulfilled the relevant criteria, in respect of certain research and development projects. The amounts were therefore immediately recognised as other income.
- (b) The amount represents compensation received from insurance company and sales of obsolete inventories during the year.

附註：

- (a) 年內，已收取之政府補助約為人民幣1,224,000元（二零一七年：人民幣851,000元），其中，本集團已符合若干研發項目之相關標準。因此，該等金額即時確認為其他收入。
- (b) 該等金額指於年內從保險公司收取的賠款及過時存貨的銷售額。

# 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

### 8. SEGMENT INFORMATION

The Group is engaged in a single operating segment, the manufacture and sales of umbrellas. Operating segment is reported in a manner consistent with the internal reporting provided to the chief operating decision maker (the “CODM”). The CODM is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board of directors as they collectively make strategic decision in allocating the Group’s resources and assessing performance. No segment assets, liabilities and other segment information in the measure of Group’s segment result and segment assets are presented as the information is not reported to the CODM for the purposes of resource allocation and performance assessment.

#### PRODUCT INFORMATION

The Group has been engaged in manufacturing and sales of POE umbrella, nylon umbrella and umbrella parts. An analysis of the Group’s revenue by product category is as follows:

### 8. 分部資料

本集團經營單一分部，即製造及銷售雨傘。經營分部乃按與提供予主要營運決策者（「主要經營決策者」）之內部報告一致之方式呈報。由於董事會就分配本集團資源及評估表現共同作出策略性決定，故負責分配資源及評估經營分部表現之主要營運決策者被視為董事會。計量本集團之分部業績及分部資產時並無呈列分部資產、負債及其他分部資料，此乃由於並無就資源分配及表現評估向主要營運決策者報告有關資料。

#### 產品資料

本集團從事製造及銷售POE雨傘、尼龍雨傘及雨傘零部件。本集團按產品類別劃分之收益分析如下：

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
POE umbrella	POE雨傘	177,148	275,679
Nylon umbrella	尼龍雨傘	184,676	171,097
Umbrella parts	雨傘零部件	159,362	91,488
		<b>521,186</b>	538,264

# 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

### 8. SEGMENT INFORMATION (continued)

#### GEOGRAPHICAL INFORMATION

The Group's operations are located in the PRC, accordingly, no geographical information about the Group's assets and liabilities has been presented. The Group's customers are mainly located in Japan and the PRC. An analysis of the Group's revenue from external customers presented by geographical location is detailed below:

Revenue from external customers	來自外部客戶之收益	2018	2017
		二零一八年	二零一七年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Japan	日本	259,965	337,436
PRC	中國	133,796	110,787
Other	其他	127,425	90,041
		<b>521,186</b>	538,264

#### INFORMATION ABOUT MAJOR CUSTOMERS

Details of the customers individually representing 10% or more of the Group's revenue are as follows:

		2018	2017
		二零一八年	二零一七年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Customer A*	客戶A*	–	70,761
Customer B*	客戶B*	–	80,419
Customer C	客戶C	130,690	128,589
Customer D*	客戶D*	–	63,536
Customer E*	客戶E*	127,425	–
Customer F*	客戶F*	70,354	–

\* The corresponding revenue does not contribute over 10% of the total revenue of the Group in the respective year.

### 8. 分部資料 (續)

#### 地區資料

本集團之營運位於中國，因此並無呈列有關本集團資產及負債的地區資料。本集團之客戶主要位於日本及中國。按地理位置對本集團來自外部客戶之收益作出之分析詳述如下：

#### 有關主要客戶之資料

個別佔本集團收益10%或以上之客戶之詳情如下：

\* 相應收益並無佔有關年度本集團總收益之10%以上。



## 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

#### 9. FINANCE COSTS

#### 9. 財務成本

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Interest expenses on:	下列各項之利息開支：		
– bank borrowings wholly repayable within five years	– 須於五年內全數償還之 銀行借款	10,511	9,454

#### 10. INCOME TAX EXPENSE

#### 10. 所得稅開支

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Current income tax	即期所得稅		
– PRC Enterprise Income Tax	– 中國企業所得稅	7,426	3,870
Over-provision in respect of prior year	過往年度超額撥備	(866)	(695)
		6,560	3,175

- i) Pursuant to the rules and regulations of the Cayman Islands and BVI, the Group is not subject to any income tax in the Cayman Islands and BVI.
- ii) No provision for Hong Kong profits tax has been made for subsidiary established in Hong Kong as this subsidiary did not have any assessable profits subject to Hong Kong profits tax during the years ended 31 December 2018 and 2017.
- iii) Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC companies is 25% for the years ended 31 December 2018 and 2017.

- i) 根據開曼群島及英屬處女群島之規則及法規，本集團毋須繳付任何開曼群島及英屬處女群島之所得稅。
- ii) 於截至二零一八年及二零一七年十二月三十一日止年度，由於於香港成立之附屬公司並無任何須繳納香港利得稅之應課稅溢利，故並無就該附屬公司計提香港利得稅撥備。
- iii) 根據中國企業所得稅法（「企業所得稅法」）及企業所得稅法實施條例，中國公司截至二零一八年及二零一七年十二月三十一日止年度之稅率為25%。

# 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

### 10. INCOME TAX EXPENSE (continued)

- iv) According to the Corporate Income Tax law and its implementation rules, dividends receivable by non-PRC corporate residents from PRC enterprises are subject to withholding tax at a rate of 10%, unless reduced by tax treaties or arrangements, for profits earned since 1 January 2008.

The income tax expense for the year can be reconciled to the profit before taxation per the consolidated statement of profit or loss and other comprehensive income as follows:

### 10. 所得稅開支 (續)

- iv) 根據企業所得稅法及其實施守則，非中國居民企業獲中國企業派發源自二零零八年一月一日後賺取的溢利的股息時，除非按稅務條約或安排減免，否則其應收股息將須按10%稅率繳納預扣稅。

年內所得稅開支與綜合損益及其他全面收益表之除稅前溢利對賬如下：

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Profit before taxation	除稅前溢利	25,260	6,705
Tax at domestic income tax rate of 25%	按國內所得稅率25%計算之稅項	6,315	1,676
PRC dividend withholding tax	中國股息預扣稅	-	335
Tax effect of non deductible expenses	不可扣稅開支之稅務影響	2,329	2,586
Tax effect of non-taxable income	非課稅收入之稅務影響	(1,218)	(727)
Over-provision in respect of prior year	過往年度超額撥備	(866)	(695)
Income tax expense for the year	年內所得稅開支	6,560	3,175

# 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

### 11. PROFIT FOR THE YEAR

### 11. 年內溢利

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Profit for the year has been arrived at after charging:	年內溢利經扣除下列各項後得出：		
Salaries and allowances (excluding directors' emoluments)	薪金及津貼（不包括董事酬金）	64,376	79,934
Retirement benefit scheme contributions (excluding directors)	退休福利計劃供款（不包括董事）	14,541	16,186
Equity-settled share-based payment	以權益結算以股份為基礎之付款	-	3,986
<b>Total staff costs</b>	<b>員工成本總額</b>	<b>78,917</b>	100,106
Cost of inventories recognised as an expense	確認為開支之存貨成本	441,792	457,326
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	35	203
Depreciation of property, plant and equipment	物業、廠房及設備折舊	6,172	6,671
Amortisation of prepaid lease payments	預付租賃款項攤銷	936	936
Research and development expenses (Note a)	研發開支（附註a）	16,997	10,714
Net foreign exchange loss	匯兌虧損淨額	-	8,088
Auditor's remuneration	核數師酬金	606	588
Equity-settled share-based payment	以權益結算以股份為基礎之付款		
Employees other than Directors	僱員（董事除外）	-	3,986
Consultants	顧問	-	1,630
<b>Total equity-settled share-based payment</b>	<b>以權益結算以股份為基礎之付款總額</b>	<b>-</b>	5,616

Notes:

- (a) During the year ended 31 December 2018, included in the research and development expenses was approximately RMB1,625,000 (2017: approximately RMB1,558,000) related to staff cost.

附註：

- (a) 於截至二零一八年十二月三十一日止年度，計入研發開支之員工成本約為人民幣1,625,000元（二零一七年：約人民幣1,558,000元）。

# 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

### 12. EARNINGS PER SHARE

The weighted average number of ordinary shares for the purpose of basic and diluted earnings per share for years ended 31 December 2018 and 2017 respectively were adjusted for the share consolidation on 10 October 2017.

For the year ended 31 December 2018 and 2017, the computation of diluted earnings per share for the year assume the exercise of outstanding share options of the Company since the average market price was higher than the exercise price of the share options during 2017.

### 12. 每股盈利

就分別計算截至二零一八年及二零一七年十二月三十一日止年度之每股基本及攤薄盈利之普通股加權平均數，已就於二零一七年十月十日進行之股份合併予以調整。

截至二零一八年及二零一七年十二月三十一日止年度，計算該年度之每股攤薄盈利假設本公司尚未行使之購股權獲行使，原因為二零一七年之平均市價高於購股權行使價。

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
<b>Earnings</b>	<b>盈利</b>		
Earnings for the purpose of basic and diluted earnings per share	就每股基本及攤薄盈利而言的盈利	<b>18,700</b>	3,530
		2018 二零一八年 000 千股	2017 二零一七年 000 千股
Weighted average number of ordinary shares for the purpose of calculating earnings per shares:	就計算每股盈利而言的普通股加權平均數：		
Basic	基本	<b>3,784,421</b>	3,750,000
Diluted	攤薄	<b>3,784,634</b>	3,808,192

## 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

#### 13. DIRECTORS', CHIEF EXECUTIVE OFFICER'S AND EMPLOYEES' EMOLUMENTS

##### (A) DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S EMOLUMENTS

Details of emoluments paid and payable to the directors of the Company, which include the Chief Executive Officer ("CEO") for the year are as follows:

#### 13. 董事、行政總裁及僱員酬金

##### (A) 董事及行政總裁酬金

年內向本公司董事（包括行政總裁（「行政總裁」））已付及應付之酬金詳情如下：

		Year ended 31 December 2018			
		截至二零一八年十二月三十一日止年度			
		Salaries and other allowances	Retirement benefit scheme contributions	Total	
		Fees			
		袍金	薪金及其他津貼	退休福利計劃供款	總計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Executive directors:	執行董事：				
Huang Wenji (CEO)	黃文集 (行政總裁)	-	500	4	504
Yang Guang	楊光	-	200	4	204
Lin Zhenshuang	林貞雙	-	300	4	304
Chung Kin Hung, Kenneth	鍾健雄	152	-	-	152
Independent non-executive directors:	獨立非執行董事：				
Lee Kit Ying, Winnie	李結英	152	-	-	152
Yang Xuetai	楊學太	61	-	-	61
Tso Sze Wai	曹思維	152	-	-	152
		517	1,000	12	1,529

# 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

### 13. DIRECTORS', CHIEF EXECUTIVE OFFICER'S AND EMPLOYEES' EMOLUMENTS (continued)

### 13. 董事、行政總裁及僱員酬金 (續)

#### (A) DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S EMOLUMENTS (continued)

#### (A) 董事及行政總裁酬金 (續)

		Year ended 31 December 2017 截至二零一七年十二月三十一日止年度			
		Fees	Salaries and other allowances	Retirement benefit scheme contributions	Total
		袍金	薪金及其他津貼	退休福利計劃供款	總計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Executive directors:	執行董事：				
Huang Wenji (CEO)	黃文集 (行政總裁)	-	517	4	521
Yang Guang	楊光	-	200	4	204
Lin Zhenshuang	林貞雙	-	190	4	194
Chung Kin Hung, Kenneth	鍾健雄	155	-	-	155
Independent non-executive directors:	獨立非執行董事：				
Lee Kit Ying, Winnie	李結英	155	-	-	155
Yang Xuetai	楊學太	62	-	-	62
Tso Sze Wai	曹思維	155	-	-	155
		527	907	12	1,446

No directors or CEO waived or agreed to waive any emoluments paid by the Group during the years ended 31 December 2018 and 2017. No emoluments were paid by the Group to any of the directors or CEO as an incentive payment to join or upon joining the Group or as compensation for loss of office during the years ended 31 December 2018 and 2017.

Salaries, allowance and benefits in kind paid to or for the executive directors are generally emoluments paid or receivable in respect of those persons' other services in connection with the management of the affairs of the Company and its subsidiaries.

截至二零一八年及二零一七年十二月三十一日止年度，概無董事或行政總裁放棄或同意放棄本集團支付之任何酬金。截至二零一八年及二零一七年十二月三十一日止年度，本集團並無支付薪酬予任何董事或行政總裁，作為彼等加入本集團或於加入本集團後之獎勵，或作為離職之補償。

向執行董事支付或為彼等支付之薪金、津貼及實物福利通常為就彼等與管理本公司及其附屬公司事務有關的其他服務向彼等支付或彼等應收之酬金。

## 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

#### 13. DIRECTORS', CHIEF EXECUTIVE OFFICER'S AND EMPLOYEES' EMOLUMENTS (continued)

##### (B) EMPLOYEE'S EMOLUMENT

All of the five individuals with the highest emoluments were employees of the Group. The emoluments of the five individual were as follow:

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Salaries and other allowances	薪金及其他津貼	473	708
Retirement benefit scheme contributions	退休福利計劃供款	10	16
Equity-settled share-based payment	以權益結算以股份為基礎之付款	-	2,277
		483	3,001

The emolument was within the following bands:

		2018 二零一八年	2017 二零一七年
HKD1,000,000 or below	1,000,000港元或以下	5	5

During the year ended 31 December 2018, no emoluments were paid or payable by the Group to the directors, CEO or the five highest paid individuals as inducements to join or upon joining the Group or as a compensation for loss of office.

五名最高薪人士均為本集團僱員。  
五名最高薪人士之酬金如下：

酬金介於以下範圍：

截至二零一八年十二月三十一日止年度，本集團並無已付或應付董事、行政總裁或五名最高薪酬人士酬金，作為彼等加入本集團或加入本集團後之獎勵或作為離職補償。

#### 14. DIVIDEND

The Directors do not recommend the payment of a final dividend for the year ended 31 December 2018.

#### 14. 股息

董事不建議派發截至二零一八年十二月三十一日止年度之末期股息。

# 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

### 15. PROPERTY, PLANT AND EQUIPMENT

### 15. 物業、廠房及設備

		Buildings 樓宇 RMB'000 人民幣千元	Machinery and equipment 機器及設備 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Office equipment 辦公室設備 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>COST</b>		<b>成本</b>				
At 1 January 2017	於二零一七年一月一日	122,479	29,795	5,350	4,584	162,208
Additions	添置	325	1,231	234	50	1,840
Disposals	出售	-	-	(1,702)	-	(1,702)
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>122,804</b>	<b>31,026</b>	<b>3,882</b>	<b>4,634</b>	<b>162,346</b>
Additions	添置	-	895	226	20	1,141
Disposals	出售	-	(282)	(350)	(3)	(635)
At 31 December 2018	於二零一八年 十二月三十一日	<b>122,804</b>	<b>31,639</b>	<b>3,758</b>	<b>4,651</b>	<b>162,852</b>
<b>ACCUMULATED DEPRECIATION</b>		<b>累計折舊</b>				
At 1 January 2017	於二零一七年一月一日	26,953	20,749	1,694	3,970	53,366
Provided for the year	年內撥備	4,406	1,811	396	58	6,671
Eliminated on disposals	出售時對銷	-	-	(1,243)	-	(1,243)
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>31,359</b>	<b>22,560</b>	<b>847</b>	<b>4,028</b>	<b>58,794</b>
Provided for the year	年內撥備	4,415	1,202	362	193	6,172
Eliminated on disposals	出售時對銷	-	(254)	(289)	(3)	(546)
At 31 December 2018	於二零一八年 十二月三十一日	<b>35,774</b>	<b>23,508</b>	<b>920</b>	<b>4,218</b>	<b>64,420</b>
<b>CARRYING AMOUNTS</b>		<b>賬面值</b>				
At 31 December 2018	於二零一八年 十二月三十一日	<b>87,030</b>	<b>8,131</b>	<b>2,838</b>	<b>433</b>	<b>98,432</b>
At 31 December 2017	於二零一七年 十二月三十一日	91,445	8,466	3,035	606	103,552



## 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

#### 15. PROPERTY, PLANT AND EQUIPMENT (continued)

- i) The above items of property, plant and equipment are depreciated on a straight-line basis at the following rates per annum:

Machinery and equipment	10% – 25%
Motor vehicles	10% – 33%
Office equipment	10% – 20%
Buildings	Over the shorter of term of the lease or 2.5%

- ii) As at 31 December 2018, buildings with carrying amounts of approximately RMB63,182,000 (2017: RMB65,351,000) have been pledged to secure banking facilities granted to the Group.

#### 15. 物業、廠房及設備 (續)

- i) 上述物業、廠房及設備項目按直線法以下列年率計算折舊：

機器及設備	10% – 25%
汽車	10% – 33%
辦公室設備	10% – 20%
樓宇	租期或2.5%· 以較短者為準

- ii) 於二零一八年十二月三十一日，賬面值約為人民幣63,182,000元（二零一七年：人民幣65,351,000元）之樓宇已抵押作為本集團獲授銀行融資之擔保。

#### 16. PREPAID LEASE PAYMENTS

Prepaid lease payments comprises of leasehold land held in the PRC under medium-term lease and are analysed for reporting purposes as follows:

#### 16. 預付租賃款項

預付租賃款項包括於中國根據中期租賃持有之租賃土地，並就報告目的分析如下：

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Prepaid lease payments comprises of leasehold land held in the PRC under medium-term lease and are analysed for reporting purposes as follows:	預付租賃款項包括於中國根據中期租賃持有之租賃土地並就報告目的分析如下：		
Non-current asset	非流動資產	34,467	35,403
Current asset	流動資產	936	936
		<b>35,403</b>	36,339

# 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

### 16. PREPAID LEASE PAYMENTS (continued)

As at 31 December 2018, leasehold land with carrying amounts of approximately RMB30,652,000 (2017: RMB31,463,000) have been pledged to secure banking facilities granted to the Group.

### 17. PROMISSORY NOTE RECEIVABLES

The principal amount of the promissory note was RMB34,800,000 and the fair value of the promissory note at initial recognition was approximately RMB28,700,000. The maturity date is 2 years from the issue date of promissory note. The promissory note was measured at amortised cost with an effective interest rate of 10.13%. As at 31 December 2018, the carrying amount of the promissory note was approximately RMBNil (2017: RMB31,616,000).

### 18. INVENTORIES

### 16. 預付租賃款項 (續)

於二零一八年十二月三十一日，賬面值約為人民幣30,652,000元（二零一七年：人民幣31,463,000元）之租賃土地已抵押作為本集團獲授銀行融資之擔保。

### 17. 承兌票據應收款項

承兌票據的本金額為人民幣34,800,000元，承兌票據於初始確認時的公平值約為人民幣28,700,000元。到期日為自承兌票據發行日期起2年。承兌票據按攤銷成本計量，實際利率為10.13%。於二零一八年十二月三十一日，承兌票據的賬面值約為人民幣零元（二零一七年：人民幣31,616,000元）。

### 18. 存貨

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Raw materials	原材料	119,800	147,286
Work-in-progress	在製品	12,059	23,302
Finished goods	製成品	29,239	34,244
		<b>161,098</b>	204,832

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### 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

#### 19. TRADE RECEIVABLES

#### 19. 貿易應收款項

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Trade receivables	貿易應收款項	235,712	154,350
Less: Allowance for bad and doubtful debts	減：呆壞賬撥備	(1,637)	-
		<b>234,075</b>	154,350

The Group generally allows a credit period of 30 – 150 days to its trade customers. The Group does not hold any collateral over these balances.

本集團向其貿易客戶授出之信貸期一般為30至150日。本集團並無就該等結餘持有任何抵押品。

The following is an aged analysis of trade receivables presented based on the invoice date at the end of the reporting period, which approximated the respective revenue recognition dates.

下列為於報告期末（與有關收益確認日期接近）按發票日期呈列之貿易應收款項之賬齡分析。

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
0 to 90 days	0至90日	129,711	103,116
91 to 180 days	91至180日	78,617	51,234
Over 180 days	180日以上	25,747	-
		<b>234,075</b>	154,350

The Group has individually assessed all receivables. No impairment losses were recognised during the years ended 31 December 2018 and 2017.

本集團已個別評估全部應收款項。截至二零一八年及二零一七年十二月三十一日止年度，概無確認減值虧損。

The aged analysis of trade receivables that was past due (i.e. over the credit period) but not impaired are as follows:

已逾期（即超過信貸期）但未減值之貿易應收款項之賬齡分析如下：

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Over the credit period	超過信貸期		
1 to 90 days	1至90日	104,364	51,234

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## 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

### 19. TRADE RECEIVABLES (continued)

Movement in the allowance for bad and doubtful debts:

		2018 二零一八年	2017 二零一七年
Balance at beginning of the year	年初結餘	-	-
Adoption of HKFRS 9	採納香港財務報告準則 第9號	(986)	-
Expected credit loss	預期信貸虧損	(651)	-
Balance at end of the year	年終結餘	(1,637)	-

The Group recognised impairment loss on individual assessment based on the accounting policy stated in Note 3. No impairment loss has been provided for the year ended 31 December 2017.

In determining the recoverability of trade receivables, the Group considers any change in credit quality of the trade receivables from the date credit was initially granted up to the reporting date. In view of the good settlement history from those receivables of the Group which are past due but not impaired, the directors of the Company consider that no provision for impairment is necessary in respect of these balances.

The Group's trade receivables that are denominated in currency other than the functional currency of the relevant Group entities are as follows:

		2018 二零一八年	2017 二零一七年
		'000 千元	'000 千元
USD	美元	22,002	16,998
JPY	日元	612,643	492,638

### 19. 貿易應收款項 (續)

呆壞賬撥備的變動：

本集團根據附註3所述的會計政策確認個別評估的減值虧損。截至二零一七年十二月三十一日止年度並無計提減值虧損撥備。

在釐定貿易應收款項之可收回性時，本集團會考慮由初步授出信貸之日期起至報告日期為止貿易應收款項之信貸質素之任何變化。鑒於本集團該等已逾期但未減值之應收款項過往清償記錄良好，故本公司董事認為無需就該等結餘作出減值撥備。

本集團以相關集團實體非功能貨幣計值之貿易應收款項如下：

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### 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

#### 20. PREPAYMENTS AND OTHER RECEIVABLES

#### 20. 預付款項及其他應收款項

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Other receivables	其他應收款項	16,680	848
Value-added tax receivables	應收增值稅	31,418	33,866
Prepayments	預付款項	49,518	24,314
		<b>97,616</b>	59,028

The Group does not hold any collateral over these balances.

本集團並無就該等結餘持有任何抵押品。

#### 21. PLEDGED DEPOSITS AND BANK BALANCES AND CASH

#### 21. 已抵押存款及銀行結餘及現金

The bank balances and cash comprise of cash held by the Group. The bank balances for the year ended 31 December 2018 carried interest at the prevailing market rate 0.30% (2017: 0.30%) per annum. The pledged deposits carried fixed interest rate of 1.30% (2017: 1.35%) per annum during the year ended 31 December 2018.

銀行結餘及現金包括本集團持有之現金。截至二零一八年十二月三十一日止年度，銀行結餘按現行市場年利率0.30%（二零一七年：0.30%）計息。截至二零一八年十二月三十一日止年度，已抵押存款按固定年利率1.30%（二零一七年：1.35%）計息。

The Group's pledged deposits and bank balances and cash denominated in RMB amounted to approximately RMB74,802,000 (2017: RMB89,017,000) as at 31 December 2018. Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sales and Payment of Foreign Exchange Regulations.

於二零一八年十二月三十一日，本集團以人民幣計值之已抵押存款及銀行結餘及現金約為人民幣74,802,000元（二零一七年：人民幣89,017,000元）。人民幣兌換為外幣須受中國《外匯管理條例》以及《結匯、售匯及付匯管理規定》所監管。

The Group's pledged deposits, short-term bank deposits and bank balances and cash that are denominated in currency other than the functional currency of the relevant Group entities are as follows:

本集團以相關集團實體非功能貨幣計值之已抵押存款、短期銀行存款及銀行結餘及現金如下：

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
USD	美元	1	—
JPY	日元	—	—
HKD	港元	1,506	998

## 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

#### 22. TRADE AND BILLS PAYABLES

#### 22. 貿易應付款項及應付票據

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Trade payables	貿易應付款項	2,339	11,169
Bills payables	應付票據	32,865	57,380
		<b>35,204</b>	68,549

An aged analysis of trade and bills payables presented based on the invoice date at the end of the reporting period is as follows:

於報告期末按發票日期呈列之貿易應付款項及應付票據之賬齡分析如下：

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
0 to 90 days	0至90日	18,564	33,485
91 to 180 days	91至180日	14,910	33,824
181 to 365 days	181至365日	1,730	1,240
		<b>35,204</b>	68,549

The credit period on purchase of goods ranged from 30 days to 120 days. The Group has financial risk management policies or plans for its payables with respect to the credit timeframe.

購買貨品之信貸期介乎30日至120日。本集團就其應付款項之信貸期限制定財務風險管理政策或計劃。

# 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

### 23. ACCRUED EXPENSES AND OTHER PAYABLES

		2018	2017
		二零一八年	二零一七年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Receipt in advance (Note)	預收款(附註)	303	189
Other payables	其他應付款項	2,065	2,666
Accrued expenses	應計開支	4,518	5,731
		<b>6,886</b>	<b>8,586</b>

Note:

Receipt in advance represented advance payments relating to sale of goods received from customers pursuant to the respective sales contracts.

### 24. PROVISION FOR LITIGATION

On 11 January 2017, deposit of approximately RMB1,039,000 was set aside as a guarantee deposit by Fujian Province Zhangzhou Zhangpu People's Court ("Deposit").

On 13 March 2017, with the effort of Fujian Province Zhangzhou Zhangpu People's Court, both parties agreed to reconcile on Litigation. Jinjiang Jicheng agreed to make one-off payment with an amount approximately RMB950,000 to Mr.Yao as damage with condition that Mr.Yao will not pursue further actions regarding the Litigation for remaining balances.

The case was fully settled in March 2017 by the Deposit according to rulings for enforcement issued by Fujian Province Zhangzhou Zhangpu People's Court.

### 23. 應計費用及其他應付款項

		2018	2017
		二零一八年	二零一七年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Receipt in advance (Note)	預收款(附註)	303	189
Other payables	其他應付款項	2,065	2,666
Accrued expenses	應計開支	4,518	5,731
		<b>6,886</b>	<b>8,586</b>

附註：

預收款指根據有關銷售合約向客戶收取之有關銷售貨品之預收款項。

### 24. 訴訟撥備

於二零一七年一月十一日，約人民幣1,039,000元的按金被福建省漳州市漳浦縣人民法院扣押作為保證金(「保證金」)。

經福建省漳州市漳浦縣人民法院調解，雙方在二零一七年三月十三日達成和解協議。晉江集成同意向姚先生一次性支付損害賠償約人民幣950,000元，而作為條件，姚先生將放棄就剩餘款項提起進一步訴訟的權利。

根據福建省漳州市漳浦縣人民法院頒發之裁決執行令，案件透過已繳保證金於二零一七年三月全面解決。

# 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

### 25. BANK BORROWINGS

### 25. 銀行借款

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Secured, repayable within one year from the end of the reporting period	有抵押·須於自報告期末起 一年內償還	<b>196,930</b>	163,480

The reconciliation of liabilities arising from financing activities is as follows:

融資活動所產生負債之對賬如下：

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
As of 1 January	於一月一日	<b>163,480</b>	172,451
Repayment of bank loans	償還銀行貸款	<b>(189,130)</b>	(172,611)
New bank loans	新銀行貸款	<b>222,580</b>	163,640
As of 31 December	於十二月三十一日	<b>196,930</b>	163,480

Notes:

附註：

- i) As at 31 December 2018, all bank borrowings carried fixed rates of interest from 4.35% to 5.85% per annum (2017: 4.62% to 5.75% per annum) and were due within 1 year.
- ii) The Group's bank borrowings at the end of each reporting period were secured by the followings:
  - a) All bank borrowings were secured by the Group's follow assets:

- i) 於二零一八年十二月三十一日·全部銀行借款按介乎4.35%至5.85% (二零一七年: 4.62%至5.75%)之固定年利率計息並於一年內到期。
- ii) 本集團於各報告期末之銀行借款由以下各項抵押：
  - a) 全部銀行借款由本集團以下資產擔保：

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Leasehold land and building	租賃土地及樓宇	<b>93,834</b>	96,814
Bank deposits	銀行存款	<b>7,450</b>	23,101
Total	合計	<b>101,284</b>	119,915



# 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

### 26. SHARE CAPITAL

### 26. 股本

		Number of shares 股份數目	Nominal value of ordinary shares 普通股之面值	
			HK\$'000 千港元	RMB'000 人民幣千元
Authorised:	法定：			
At 1 January 2017, ordinary shares of HK\$0.00008 each	於二零一七年一月一日，每股面值0.00008港元之普通股	125,000,000,000	10,000	
Effect of share consolidation to HK\$0.0016 each (Note a)	股份合併對每股面值0.0016港元之影響（附註a）	(118,750,000,000)	-	
At 31 December 2017, 1 January 2018 and 31 December 2018 ordinary shares of HK\$0.0016 each	於二零一七年十二月三十一日、二零一八年一月一日及二零一八年十二月三十一日每股面值0.0016港元之普通股	6,250,000,000	10,000	
Issued and fully paid:	已發行及繳足：			
At 1 January 2017	於二零一七年一月一日	75,000,000,000	6,000	4,731
Effect of share consolidation (Note a)	股份合併之影響（附註a）	(71,250,000,000)	-	-
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	3,750,000,000	6,000	4,731
Issue of share upon exercise of share options (Note b)	行使購股權時發行股份（附註b）	36,000,000	58	51
At 31 December 2018	於二零一八年十二月三十一日	3,786,000,000	6,058	4,782

# 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

### 26. SHARE CAPITAL (continued)

Notes:

- (a) Pursuant to an ordinary resolution passed by the shareholders of the Company at the extraordinary general meeting of the Company held on 9 October 2017, a share consolidation was approved with effect from 10 October 2017 in which every twenty (20) share issued and unissued ordinary share of HK\$0.00008 each in the share capital of the Company was consolidated into one (1) consolidated share having a par value of HK\$0.0016 per consolidated share ("Share Consolidation"). Immediately after the Share Consolidation, the number of the authorised share capital of the Company was consolidated into 6,250,000,000 consolidated shares, of which 3,750,000,000 consolidated shares were issued and fully paid. Details of the Share Consolidation are disclosed in the circular of the Company dated 14 September 2017.
- (b) During the year ended 31 December 2018, 36,000,000 share options had been exercised by a holder at exercise price of HK\$0.097 per option to subscribe for 36,000,000 ordinary shares of the Company at a total consideration of approximately HK\$3,492,000 (RMB3,067,000). The total consideration and transfer of share options reserve of approximately HK\$659,000 (RMB570,000) were credited to share capital of approximately HK\$58,000 (RMB48,000) and share premium of approximately HK\$3,434,000 (RMB3,421,000). Details of the share options are set out in Note 28.

All shares issued during the years ended 31 December 2018 and 2017 rank pari passu with existing shares in all respects.

### 26. 股本 (續)

附註：

- (a) 根據本公司股東於二零一七年十月九日舉行之本公司股東特別大會上通過之普通決議案，股份合併獲批准，自二零一七年十月十日起生效，據此，本公司股本中每二十(20)股面值0.00008港元之已發行及未發行普通股合併為一(1)股每股面值0.0016港元之合併股份(「股份合併」)。緊隨股份合併後，本公司之法定股本合併為6,250,000,000股合併股份，其中3,750,000,000股合併股份經已發行及繳足股本。有關股份合併之詳情於本公司日期為二零一七年九月十四日之通函內披露。
- (b) 截至二零一八年十二月三十一日止年度，持有人按行使價每份期權0.097港元行使36,000,000份購股權，以認購本公司36,000,000股普通股，總代價約為3,492,000港元(人民幣3,067,000元)。轉讓購股權儲備的總代價約659,000港元(人民幣570,000元)已計入股本約58,000港元(人民幣48,000元)及股份溢價約3,434,000港元(人民幣3,421,000元)。購股權的詳情載於附註28。

於截至二零一八年及二零一七年十二月三十一日止年度之所有已發行股份於各方面與現有股份之權利相同。

# 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

### 27. RESERVES

#### STATUTORY RESERVE

The statutory reserve fund is non-distributable and the transfer to this reserve is determined by the board of directors in accordance with the relevant laws and regulations of the PRC. This reserve can be used to offset accumulated losses and increase capital upon approval from the relevant government authorities.

#### MERGER RESERVE

As at 1 January 2013, merger reserve represented the difference between share capital of the new holding Company and the aggregate of the share capital of the then holding company of the Group and the companies comprising the Group.

During the year ended 31 December 2014, Fujian Jicheng acquired 17.96% of equity interests in Jinjiang Jicheng from a related entity at total consideration of RMB3,700,000. The amount of RMB2,590,000 was paid to the Controlling Shareholder and the amount of RMB1,110,000 was paid to the non-controlling shareholders. As a result, the acquisition was considered as acquisition of 5.388% of indirect equity interest in Jinjiang Jicheng from non-controlling shareholders and acquisition of 12.572% indirect equity interests in Jinjiang Jicheng from the Controlling Shareholder for business combination under common control. For business under common control purpose, the 12.572% indirect equity interests in Jinjiang Jicheng held by the Controlling Shareholder had been consolidated from the earliest date presented when Jinjiang Jicheng first came under the common control of the Controlling Shareholder before the acquisition.

As part of the Reorganisation, Jicheng HK agreed to acquire 100% and 82.04% of then resulting the registered capital of Fujian Jicheng and Jinjiang Jicheng respectively and gained control of them. RMB80,396,000 was recognised in merger reserve representing the reserve arising pursuant to the Reorganisation.

### 27. 儲備

#### 法定儲備

法定儲備金不得分派，而將款項撥入該項儲備須由董事會根據中國相關法律及法規決定。獲得有關政府當局批准後，該項儲備可用作抵銷累計虧損及增加資本。

#### 合併儲備

於二零一三年一月一日，合併儲備指新控股公司之股本與本集團當時之控股公司及本集團旗下公司之股本總值之間的差額。

截至二零一四年十二月三十一日止年度，福建集成向關連實體收購晉江集成17.96%之股權，總代價為人民幣3,700,000元。人民幣2,590,000元支付予控股股東及人民幣1,110,000元支付予非控股股東。因此，就受共同控制之業務合併而言，收購事項被視為向非控股股東收購晉江集成5.388%之間接股權及向控股股東收購晉江集成12.572%之間接股權。就受共同控制之業務而言，控股股東所持晉江集成12.572%之間接股權在晉江集成於收購前首次受控股股東共同控制時由呈列之最早日期綜合入賬。

作為重組之一部分，集成香港同意分別收購福建集成及晉江集成當時之註冊股本之100%及82.04%，並取得彼等之控制權。人民幣80,396,000元已於合併儲備（指根據重組所產生之儲備）中確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 28. EQUITY SETTLED SHARE-BASED TRANSACTION

On 3 November 2017, 360,000,000 share options were granted to the Company's employees and consultants at a consideration of HK\$1 per each grantee under the Company's share option scheme (no share options were granted during the year ended 31 December 2018). Each option gives the holder the right to subscribe for one ordinary share of the Company. These share options are exercisable since the date of grant and the exercise period will expire within one year from the date of acceptance (i.e. 3 November 2017). The exercise price is HK\$0.097. 36,000,000 share options were exercised during the year ended 31 December 2018 (2017: Nil), the weighted average share price at the dates of exercise is HK\$0.11 and the weighted average share price at the dates immediately before the exercise is HK\$0.097 (2017: Nil). The remaining 324,000,000 share options were lapsed during the year ended 31 December 2018 (2017: Nil).

Details of the Company's share option scheme are set out in Director's Report on pages 51 to 53.

The options outstanding at 31 December 2017 had an exercise price HK\$0.097 and a weighted average remaining contractual life of 0.8 years (2018: Nil).

The fair value per share option granted during the year 2017 estimated at the date of grant using The Black-Scholes pricing model was HK\$0.0183. The assumptions used are as follows:

Fair value at measurement date	HK\$0.0183
Share price	HK\$0.097
Exercise price	HK\$0.097
Expected volatility	298%
Option life	1 year
Dividend yield	0%
Risk-free interest rate	0.88%

The expected volatility was based on statistical analysis of daily share average prices of group of listed companies in the similar industry over the one year immediately preceding the grant date, adjusted for any expected changes to future volatility based on publicly available information. Dividend yield was estimated based on the dividend policy of the Group. Changes in the subjective input assumptions could materially affect the fair value estimate. There were no market conditions associated with the share option grants.

### 28. 以權益結算以股份為基礎之交易

於二零一七年十一月三日，本公司根據其購股權計劃按每名承授人1港元之代價向其僱員及顧問授出360,000,000份購股權（於截至二零一八年十二月三十一日止年度概無授出購股權）。每份購股權賦予持有人權利認購本公司一股普通股。該等購股權自授出日期起可予行使，而行使期將於自接納日期（即二零一七年十一月三日）起一年內屆滿。行使價為0.097港元。截至二零一八年十二月三十一日止年度，已行使36,000,000份購股權（二零一七年：無），於行使日期的加權平均股份價格為0.11港元及於緊隨行使前的加權平均股份價格為0.097港元（二零一七年：無）。餘下324,000,000份購股權於截至二零一八年十二月三十一日止年度已失效（二零一七年：無）。

本公司購股權計劃詳情載於董事會報告第51頁至53頁。

於二零一七年十二月三十一日尚未行使之購股權之行使價為0.097港元及加權平均餘下合約年期為0.8年（二零一八年：無）。

於二零一七年授出之每份購股權之公平值於授出日期採用Black-Scholes定價模式估計為0.0183港元。所採用之假設如下：

於計量日之公平值	0.0183港元
股價	0.097港元
行使價	0.097港元
預期波幅	298%
購股權年期	1年
股息收益率	0%
無風險利率	0.88%

預期波幅基於對緊接授出日期前一年內一組類似行業上市公司日均股價之統計分析，按公開資料就未來波幅之預期變動作出調整。股息收益率基於本集團股息政策估算。主觀參數假設之變化可能會對公平值之估算有重大影響。市況與授出購股權並無關連。

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### 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

#### 28. EQUITY SETTLED SHARE-BASED TRANSACTION

*(continued)*

The equity-settled share-based payments charged to the profit or loss was RMB5,616,000 for the year ended 31 December 2017.

During the year ended 31 December 2017, no share option was exercised.

#### 29. RELATED PARTY TRANSACTIONS

##### COMPENSATION OF KEY MANAGEMENT PERSONNEL

Other than the remuneration paid to the directors and employees of the Group as set out in note 13, who are considered as the key management personnel of the Group, the Group did not have any other significant compensations to key management personnel.

The remuneration of the directors and key management personnel is determined by the board of directors of the Company having regards to the performance of individuals and market trends.

#### 28. 以權益結算以股份為基礎之交易

*(續)*

截至二零一七年十二月三十一日止年度，自損益扣除之以權益結算以股份為基礎之付款為人民幣5,616,000元。

於截至二零一七年十二月三十一日止年度，並無任何購股權獲行使。

#### 29. 關連人士交易

##### 主要管理人員補償

除如附註13所述向被視為本集團主要管理人員之本集團董事及僱員支付之酬金外，本集團並無向主要管理人員支付任何其他重大補償。

董事及主要管理人員之酬金由本公司董事會經考慮個人表現及市場趨勢後釐定。

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## 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

### 30. STATEMENT OF FINANCIAL POSITION FOR THE COMPANY

### 30. 本公司之財務狀況表

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Non-current assets	非流動資產		
Investments in subsidiaries	於附屬公司之投資	255,952	243,618
Current assets	流動資產		
Prepayments and other receivables	預付款項及其他應收款項	443	425
Amount due from a subsidiary	應收一間附屬公司款項	123,174	117,240
Bank balance and cash	銀行結餘及現金	144	138
		123,761	117,803
Current liabilities	流動負債		
Accrued expenses and other payables	應計費用及其他應付款項	1,267	1,289
Amounts due to subsidiaries	應付附屬公司款項	17,213	16,561
		18,480	17,850
Net current assets	流動資產淨值	105,281	99,953
Net assets	資產淨值	361,233	343,571
Capital and reserves	資本及儲備		
Share capital	股本	4,782	4,731
Reserves	儲備	356,451	338,840
Total equity	權益總額	361,233	343,571

The Company's statement of financial position was approved and authorised for issue by the board of directors on 29 March 2019 and are signed on its behalf by:

本公司財務狀況表已由董事會於二零一九年三月二十九日批准並授權刊發，由以下代表簽署：

**Huang Wenji**  
黃文集  
Director  
董事

**Yang Guang**  
楊光  
Director  
董事

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## 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

### 30. STATEMENT OF FINANCIAL POSITION FOR THE COMPANY (continued)

### 30. 本公司之財務狀況表 (續)

#### MOVEMENT IN COMPANY'S RESERVES

#### 本公司儲備變動

		Share capital	Share premium	Translation reserve	Share option reserve	Merger reserve	Accumulated losses	Total
		股本	股份溢價	匯兌儲備	購股權儲備	合併儲備	累計虧損	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2017	於二零一七年一月一日	4,731	116,740	44,695	-	229,897	(24,103)	371,960
Loss for the year	年內虧損	-	-	-	-	-	(9,764)	(9,764)
Exchange differences on translation of financial statement to presentation currency	換算財務報表至呈列貨幣產生之匯兌差額	-	-	(24,241)	-	-	-	(24,241)
Recognition of equity-settles share based payment	確認以權益結算以股份為基礎之付款	-	-	-	5,616	-	-	5,616
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	4,731	116,740	20,454	5,616	229,897	(33,867)	343,571
Loss for the year	年內虧損	-	-	-	-	-	(2,690)	(2,690)
Exchange differences on translation of financial statement to presentation currency	換算財務報表至呈列貨幣產生之匯兌差額	-	-	17,450	-	-	-	17,450
Issue of share upon exercise of share option	行使購股權而發行股份	51	3,421	-	(570)	-	-	2,902
Lapsed of share options	購股權失效	-	-	-	(5,046)	-	5,046	-
		4,782	120,161	37,904	-	229,897	(31,511)	361,233

Note: Merger reserve represents the difference between the nominal value of the shares issued for acquisition of its subsidiaries and the net asset value of its subsidiaries at the date of acquisition.

附註：合併儲備指就收購其附屬公司已發行股份之面值與其附屬公司於收購日期之資產淨值之差額。

# 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

### 31. PARTICULARS OF SUBSIDIARIES OF THE COMPANY

The details of the subsidiaries as at 31 December 2018 are set out as follows:

Name of subsidiaries 附屬公司名稱	Place and date of incorporation/establishment 註冊成立/ 成立地點及日期	Issued and fully paid share capital/registered capital 已發行及繳足 股本/註冊資本	Percentage of equity interest/voting power attributable to the Company 本公司應佔股權/投票權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Jicheng Umbrella Holding Limited ("Jicheng BVI")	British Virgins Islands 13 June 2014	Ordinary shares USD1	100%	-	Investment holding
Jicheng Umbrella Holding Limited ([Jicheng BVI])	英屬處女群島 二零一四年六月十三日	普通股 1美元	100%	-	投資控股
Jicheng Umbrella Hong Kong Company Limited ("Jicheng HK")	Hong Kong 30 June 2014	Ordinary shares HKD1	-	100%	Investment holding
集成傘業香港有限公司 ([集成香港])	香港 二零一四年六月三十日	普通股 1港元	-	100%	投資控股
HK Baohui Industry Limited	Hong Kong 9 May 2017	Ordinary shares HKD20,000	-	100%	Dormant
香港寶輝實業有限公司	香港 二零一七年五月九日	普通股 20,000港元	-	100%	暫無營業
Zenith Century Limited	British Virgins Islands 13 February 2015	Ordinary shares USD100	100%	-	Dormant
Zenith Century Limited	英屬處女群島 二零一五年二月十三日	普通股 100美元	100%	-	暫無營業
Fujian Jicheng Umbrella Co., Ltd. (福建集成傘業有限公司) (Notes (a) and (b))	The PRC 24 December 2004	Paid-in capital HKD180,000,000	-	100%	Manufacturing and sales of umbrella
福建集成傘業有限公司 (附註(a)及(b))	中國 二零零四年十二月二十四日	實收資本 180,000,000港元	-	100%	製造及銷售雨傘
Jinjiang Jicheng Industry Co., Ltd. (晉江集成輕工有限公司) (Notes (a) and (b))	The PRC 13 May 1996	Paid-in capital RMB20,595,500	-	100%	Manufacturing and sales of umbrella
晉江集成輕工有限公司 (附註(a)及(b))	中國 一九九六年五月十三日	實收資本 人民幣20,595,500元	-	100%	製造及銷售雨傘

None of the subsidiaries had issued any debt securities during and at the end of 2018 and 2017.

All of the above subsidiaries operate principally in their respective place of incorporation/establishment.

Notes:

- (a) The entity is wholly foreign owned enterprise established in the PRC.
- (b) The English translation of the company names is for reference only. The official names of these companies are in Chinese.

### 31. 本公司附屬公司之詳情

於二零一八年十二月三十一日，附屬公司之詳情載列如下：

於二零一八年及二零一七年期間及於二零一八年及二零一七年年末，概無附屬公司發行任何債務證券。

所有上述附屬公司主要於彼等各自註冊成立/成立地點經營。

附註：

- (a) 該實體為於中國成立之外商獨資企業。
- (b) 公司名稱的英文譯名僅供參考。該等公司的正式名稱為中文名稱。



# FINANCIAL SUMMARY

## 財務概要

A summary of the results and of the assets and liabilities of our Group for the five financial years, as extracted from the published audited financial statements, is set out below.

以下載列本集團於五個財政年度的業績以及資產及負債概要，乃摘錄自己刊發的經審核財務報表。

		For the year ended 31 December 截至十二月三十一日止年度				
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
<b>Results</b>	<b>業績</b>					
Revenue	收益	<b>521,186</b>	538,264	603,985	657,667	602,516
Gross Profit	毛利	<b>79,393</b>	80,938	73,812	147,203	161,043
Profit before taxation	除稅前溢利	<b>25,260</b>	6,705	13,514	50,033	102,498
Profit for the year	年內溢利	<b>18,700</b>	3,530	6,124	25,229	74,159
Profit for the year attributable to:	以下各項應佔年內溢利：					
Owner of the Company	本公司擁有人	<b>18,700</b>	3,530	6,124	25,229	73,168
Non-controlling interests	非控股權益	—	—	—	—	991

		At 31 December 於十二月三十一日				
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
<b>Assets and liabilities</b>	<b>資產及負債</b>					
Non-current assets	非流動資產	<b>132,899</b>	138,955	173,889	154,141	125,014
Current assets	流動資產	<b>568,527</b>	542,246	539,403	483,255	351,445
Current liabilities	流動負債	<b>240,222</b>	240,615	282,309	212,236	236,219
Net current assets	流動資產淨值	<b>328,305</b>	301,631	257,094	271,019	115,226
Net assets	資產淨值	<b>461,204</b>	440,586	430,983	425,160	240,240



CHINA JICHENG HOLDINGS LIMITED  
中國集成控股有限公司