



(Incorporated in Bermuda with limited liability)  
(於百慕達註冊成立之有限公司)  
(Stock code 股份代號: 167)



**Embracing innovations**  
that enhance the quality of life  
**創新** 點亮生活



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## Corporate Information 公司資料

### BOARD

#### Executive directors:

Xu Chiming (appointed on October 18, 2018)

Zhu Yongning (appointed on October 18, 2018)

Foo Piau Phang (resigned on October 18, 2018)

Yan Keya (re-designated from Non-Executive Director to Executive Director on August 1, 2018, resigned on October 22, 2018)

Qi Miao (resigned on August 1, 2018)

Ouyang Jiejiao (appointed on August 25, 2018, resigned on October 18, 2018)

#### Non-Executive directors:

Song Rongrong

Wu Gang (appointed on March 2, 2018, resigned on August 25, 2018)

Han Hongtu (appointed on March 2, 2018, resigned on August 25, 2018)

Xin Kexia (resigned on March 2, 2018)

Jing Tian (resigned on March 2, 2018)

Shi Changyun (resigned on March 2, 2018)

#### Independent Non-Executive directors:

Zhou Meilin (appointed on October 18, 2018)

Zhou Rui (appointed on October 18, 2018)

Xu Jinwen (appointed on August 25, 2018)

Yang Xiongsheng (resigned on October 18, 2018)

Duh Jia-Bin (resigned on October 18, 2018)

Zhao Yuhong (resigned on August 25, 2018)

Li Quan (resigned on August 25, 2018)

### 董事會

#### 執行董事：

徐志明(於二零一八年十月十八日獲任主席)

朱永寧(於二零一八年十月十八日獲委任)

符標榜(於二零一八年十月十八日辭任)

鄢克亞(於二零一八年八月一日由

非執行董事調任為執行董事，

於二零一八年十月二十二日辭任)

祁焱(於二零一八年八月一日辭任)

歐陽戒驕(於二零一八年八月二十五日獲委任，

於二零一八年十月十八日辭任)

#### 非執行董事：

宋榮榮

吳剛(於二零一八年三月二日獲委任，

於二零一八年八月二十五日辭任)

韓宏圖(於二零一八年三月二日獲委任，

於二零一八年八月二十五日辭任)

辛克俠(於二零一八年三月二日辭任)

荊天(於二零一八年三月二日辭任)

施長雲(於二零一八年三月二日辭任)

#### 獨立非執行董事：

周美林(於二零一八年十月十八日獲委任)

周銳(於二零一八年十月十八日獲委任)

徐錦文(於二零一八年八月二十五日獲委任)

楊雄勝(於二零一八年十月十八日辭任)

杜家濱(於二零一八年十月十八日辭任)

趙宇紅(於二零一八年八月二十五日辭任)

李權(於二零一八年八月二十五日辭任)

## Corporate Information 公司資料

### EXECUTIVE COMMITTEE

Xu Chiming (appointed on October 18, 2018)  
Zhu Yongning (appointed on October 18, 2018)  
Foo Piau Phang (resigned on October 18, 2018)  
Yan Keya (appointed on August 1, 2018, resigned on October 22, 2018)

Qi Miao (resigned on August 1, 2018)  
Ouyang Jiejiao (appointed on August 25, 2018, resigned on October 18, 2018)

### AUDIT COMMITTEE

Zhou Meilin (appointed as chairman on October 18, 2018)  
Xu Jinwen (appointed on August 25, 2018)  
Zhou Rui (appointed on October 18, 2018)  
Duh Jia-Bin (appointed on August 25, 2018 and resigned on October 18, 2018)

Zhao Yuhong (resigned on August 25, 2018)  
Li Quan (resigned on August 25, 2018)

### NOMINATION AND CORPORATE GOVERNANCE COMMITTEE

Xu Chiming (appointed as chairman on October 18, 2018)  
Zhou Meilin (appointed on October 18, 2018)  
Xu Jinwen (appointed on August 25, 2018)  
Foo Piau Phang (resigned on October 18, 2018)  
Duh Jia-Bin (resigned on October 18, 2018)  
Li Quan (resigned on August 25, 2018)

### REMUNERATION COMMITTEE

Zhou Rui (appointed as chairman on October 18, 2018)  
Song Rongrong  
Xu Jinwen (appointed on August 25, 2018)  
Duh Jia-Bin (appointed as chairman on August 25, 2018, resigned on October 18, 2018)  
Zhao Yuhong (resigned on August 25, 2018)

### 執行委員會

徐志明(於二零一八年十月十八日獲委任為主席)  
朱永寧(於二零一八年十月十八日獲委任)  
符標榜(於二零一八年十月十八日辭任)  
鄒克亞(於二零一八年八月一日獲委任，  
於二零一八年十月二十二日辭任)  
祁淼(於二零一八年八月一日辭任)  
歐陽戒驕(於二零一八年八月二十五日獲委任，  
於二零一八年十月十八日辭任)

### 審核委員會

周美林(於二零一八年十月十八日獲委任主席)  
徐錦文(於二零一八年八月二十五日獲委任)  
周銳(於二零一八年十月十八日獲委任)  
杜家濱(於二零一八年八月二十五日獲委任，  
並於二零一八年十月十八日辭任)  
趙宇紅(於二零一八年八月二十五日辭任)  
李權(於二零一八年八月二十五日辭任)

### 提名及管治委員會

徐志明(於二零一八年十月十八日獲委任為主席)  
周美林(於二零一八年十月十八日獲委任)  
徐錦文(於二零一八年八月二十五日獲委任)  
符標榜(於二零一八年十月十八日辭任)  
杜家濱(於二零一八年十月十八日辭任)  
李權(於二零一八年八月二十五日辭任)

### 薪酬委員會

周銳(於二零一八年十月十八日獲委任為主席)  
宋榮榮  
徐錦文(於二零一八年八月二十五日獲委任)  
杜家濱(於二零一八年八月二十五日獲委任  
為主席，於二零一八年十月十八日辭任)  
趙宇紅(於二零一八年八月二十五日辭任)

## Corporate Information 公司資料

### AUTHORISED REPRESENTATIVES

Xu Chiming (appointed on October 18, 2018)  
Zhou Chen (appointed on February 28, 2019)  
Foo Piau Phang (resigned on October 18, 2018)  
Gao Keying (resigned on February 28, 2019)

### PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited  
Hang Seng Bank Limited

### AUDITOR

Deloitte Touche Tohmatsu

### SOLICITOR

#### Bermuda:

Conyers Dill & Pearman

### SHARE REGISTRARS

#### Bermuda:

Conyers Corporate Services (Bermuda) Limited  
Clarendon House  
2 Church Street  
Hamilton, HM 11 Bermuda

#### Hong Kong:

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

### 授權代表

徐志明(於二零一八年十月十八日獲委任)  
周晨(於二零一九年二月二十八日獲委任)  
符標榜(於二零一八年十月十八日辭任)  
高克穎(於二零一九年二月二十八日辭任)

### 主要往來銀行

香港上海滙豐銀行有限公司  
恒生銀行有限公司

### 核數師

德勤 • 關黃陳方會計師行

### 律師

#### 百慕達：

Conyers Dill & Pearman

### 股份過戶登記處

#### 百慕達：

Conyers Corporate Services (Bermuda) Limited  
Clarendon House  
2 Church Street  
Hamilton, HM 11 Bermuda

#### 香港：

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

## Corporate Information 公司資料

### BERMUDA REGISTERED OFFICE

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Block C, 9th Floor, Kaiser Estate  
41 Man Yue Street  
Hung Hom  
Kowloon  
Hong Kong

### STOCK CODE

167

### WEBSITES

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

### 百慕達註冊辦事處

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

### 香港主要營業地點

香港  
九龍  
紅磡  
民裕街41號  
凱旋工商中心9樓C座

### 股份代號

167

### 網址

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



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Chairman's Statement  
主席報告書

# Chairman's Statement

## 主席報告書

### DEAR SHAREHOLDERS,

On behalf of the Board of Directors, I am pleased to present the Group's annual results for the year ended December 31, 2018.

#### FINANCIAL RESULTS

The Group's total revenue for the year ended December 31, 2018 was amounted to HK\$433.2 million (FY2017: HK\$516.6 million), which was due to unclear global trade prospects and the weak performance of the global economy.

### 致各股東：

本人謹代表董事會欣然提呈本集團截至二零一八年十二月三十一日止年度之年度業績。

#### 財務業績

截至二零一八年十二月三十一日止年度，本集團錄得總收益為港幣433.2百萬元(二零一七年年末：港幣516.6百萬元)。這是由於全球貿易經濟不明朗以及全球經濟表現疲弱。

## Chairman's Statement 主席報告書

Gross profit totalled HK\$28.9 million (FY2017: HK\$103.5 million). Gross profit margin decreased to 6.67% in the year ended December 31, 2018, the reasons are (i) under the impact of challenging global economic environment due to unclear global trade prospects and the weak performance of the global economy, the revenue of the Group declined while the unit cost of goods increased that lead the gross profit margin decreased significantly compare with FY2017; and (ii) the provision of write-down of inventories included in cost of goods sold amounted HK\$34.6 million (FY2017: reversal of write-down of inventories amounted HK\$3.3 millions).

The Group continued to execute stringent cost controls and streamline organisational structure and operational procedures. Total operating expenses of the Group, including research costs, distribution and selling expenses and general administrative expenses, amounted to HK\$179.1 million (FY2017 (restated): HK\$181.0 million). The decrement was mainly due to the staffs cost decreased HK\$2 million included in distribution and selling expenses and general administration expenses compared with FY2017.

Other gains and losses during the year were recorded as losses of HK\$11.5 million (FY2017: loss of HK\$3.9 million), the increment was mainly due to the loss on disposal of property, plant and equipment amounting HK\$5.0 million (FY2017 (restated): HK\$0.4 million).

Impairment of goodwill was HK\$ 33.8 million (FY2017: Nil). Impairment loss on financial assets, net of reversal was recorded as HK\$ 10.3 million (FY2017: HK\$ 9.2 million) due to credit loss of trade receivables.

Tax expenses of HK\$12.3 million was recorded due to underprovision of overseas tax expenses in prior year (FY2017: Nil) (details refer to note 12 of this report).

Loss for the year ended December 31, 2018 was HK\$215.6 million (FY2017: loss of HK\$85.7 million).

毛利總額為港幣28.9百萬元(二零一七年年  
度：港幣103.5百萬元)。截至二零一八年十二  
月三十一日止年度毛利率下降至6.67%乃由於  
是(i)全球貿易前景不明朗以及全球經濟表現  
疲弱，全球經濟環境受到挑戰，本集團收入下  
降，而單位成本增加導致毛利率與二零一七  
年度相比大幅下降；(ii)計入在銷售成本存貨撇  
減撥備為港幣34.6百萬元(二零一七年年  
度：存貨撇減撥回港幣3.3百萬元)。

本集團繼續實施嚴格的成本控制、精簡組織架  
構和運營程序。本集團總營運開支為港幣179.1  
百萬元(二零一七年年(經重列)：港幣181.0  
百萬元)。該等開支包括研究費用、分銷及銷售  
開支及一般行政開支。該減少主要是由於二零  
一八年年較二零一七年年包括在分銷及銷售  
開支及一般行政開支內的員工成本減少了港  
幣2百萬元。

本年度的其他所得及虧損錄得虧損港幣11.5百  
萬元(二零一七年年：虧損港幣3.9百萬元)，  
增加主要是由於物業、廠房及設備出售虧損港  
幣5.0百萬元(二零一七年年(經重列)：港幣0.4  
百萬元)。

商譽減值為港幣33.8百萬元(二零一七年年  
度：無)。金融資產減值虧損，扣除撥回為港幣10.3  
百萬元(二零一七年年：港幣9.2百萬元)，乃  
由於貿易應收賬款的信貸虧損所致。

由於海外稅項開支撥備不足，上一年度錄得稅  
項開支港幣12.3百萬元(二零一七年年：無)  
(詳情請參閱本年報附註12)。

截至二零一八年十二月三十一日止年度之虧損  
為港幣215.6百萬元(二零一七年年：虧損港  
幣85.7百萬元)。

## Chairman's Statement 主席報告書

### OUTLOOK

Despite the uncertain global economy and the trade war between the China and United States of America will continue to have a considerable impact on the growth of the Group, nonetheless there are still opportunities and the Group remains confident in its strategy in 2019.

The group continues to develop China market maximizing customer coverage from offline and online channels, with customized product development focus on Sports Fitness Health and Smart Learning products. The group will form strategic partnerships with the leading institutes in China in the children learning and healthcare areas to develop the customized products and promotion through the joint effort.

### OREGON SCIENTIFIC (“OS”)

A series of new SLIT products will be launched and this category will continue to be the main product category of the OS business. The upcoming products will also come with even stronger and interactive AR technology to enhance the learning experience. Strategic partnership will be formed with Intellectual Property Publishing House which is under the National Intellectual Property Administration; PRC with focus on promoting the smart learning products into the targeted channels includes school with joint promotion effort.

Regarding the smart home category, we will continue to streamline the number of SKU and concentrated on the key ranges with good offerings. An experienced product marketing team has also been established to strengthen the launch of new products, increase existing customer participation, and explore more opportunities in existing markets and new markets.

In terms of geographic expansion, China is the key focus while we will aim at steady growth in the overseas business. We project steady growth as overall and remarkable growth in China. OS will plan to launch the healthcare products in China partnering with the health institutes.

### 前景

雖然全球經濟局勢不明朗以及中美貿易戰對本集團發展產生巨大影響，但機會仍然存在，本集團於二零一九年仍對自身策略充滿信心。

本集團繼續大力開拓中國市場，最大限度地從線下以及在線渠道提升客戶覆蓋範圍，定制產品開發重點為運動、體健及健康以及智能教學產品。本集團將與中國領先的兒童教育及保健領域的機構建立戰略夥伴關係，共同努力開發定制產品並進行聯合推廣。

### OREGON SCIENTIFIC (「OS」)

本公司將推出一系列新的智能教育與學習產品，並將繼續為OS業務的主要產品類別。即將推出的產品亦將配備更強大的互動AR技術，以增強教學體驗。本公司將與中國國家知識產權局下屬的知識產權出版社建立戰略夥伴關係，重點以聯合推廣的方式在目標渠道推廣智能教學產品。

對於智能家居產品，我們將繼續縮減SKU數量，並通過優質產品集中於關鍵領域。我們亦成立了一支經驗豐富的產品營銷團隊，以加強新產品的推出，增加現有客戶的參與度，並在現有市場及新市場中尋求更多機會。

就地域擴張而言，中國是重點，同時將關注海外業務的穩定增長。隨著中國經濟整體顯著增長，我們預計將實現穩定增長。OS計劃在中國與健康機構合作推出保健產品。

## Chairman's Statement 主席報告書

From the perspective of channel development, as we have engaged several strong distribution partners in Europe in 2018, we will start to get the result in 2019 in terms of point of sales expansion in the retail network. At the same time, e-commerce will stay as the channel gets most resources and attention to increase business of B2C.

### VALUE MANUFACTURING SERVICES (“VMS”)

Based on accumulative experiences and advantages through year's development, we are entering into the era of smart health. Sports, Fitness and health continue to be the key product category of the VMS business and the portion will be getting even bigger than in 2018.

Our VMS business and customers both focus on digital health products, including activity tracking, blood glucose monitoring, heart rate monitoring, blood pressure monitoring etc. All these products are related to the big data concept. As such, our customer and strategy partners will work with us to analyze and utilize these data to develop products which could suit better the consumers' need.

While we swiftly enter the digital health and smart lifestyle markets, we continue to optimize and improve the existing products. We will outsource some of our low-value products and the principle of no low margin or negative margin projects remains unchanged. We would focus on the strategic VMS customers who can contribute good scale and reasonable margin.

Besides working the existing customers and developing new ones, our focus includes continuously improving the efficiency of product developments and manufacturing operation. We continue to innovate with our VMS customers and achieve the largest results at the lowest cost. As such, our customers would gain more resources to be invested into new products and make us more competitive and grow together.

從渠道開發的角度來看，由於我們在二零一八年已與歐洲幾個強大分銷合作夥伴進行合作，我們於二零一九年將在零售網絡的銷售點擴張方面取得成效。同時，電子商務作為可獲得大部分資源和關注的渠道之一，將繼續存在以增加B2C業務。

### 價值製造服務(「VMS」)

基於過往多年發展所積累的經驗及優勢，我們將進入智能健康的時代。運動、健體及健康仍是VMS業務的主要產品類別，其佔比甚將超過二零一八年。

我們的VMS業務會和我們的客戶一起把重點放在數字化健康產品上，包括活動監控、血糖計量、心率監測、血壓監測等。這些產品均與大數據概念有關。這樣我們就可以和我們客戶以及戰略夥伴一起分析和利用這些數據來開發更能迎合消費者需求的產品。

在迅速進入數字化健康和智能生活領域的同時，我們在不斷優化和提升現有產品。我們將部分低價值產品外包，維持無低利潤或負利潤項目的原則不變。我們將專注於能夠帶來豐厚、合理利潤的戰略性VMS客戶。

除了維持現有客戶及吸納新客戶，我們的工作重點包括持續不斷努力提高產品開發及製造業務效能。本集團將繼續加強與VMS客戶的創新，儘量以非常少的成本取得較大的成就，從而使客戶有更多的資源進行新產品投資，增強我們的競爭力，共同成長。

## Chairman's Statement 主席報告書

### APPRECIATION

On behalf of the Board of Directors, I wish to express my gratitude to all shareholders and business associates for the continuous support. Our deep appreciation also goes to the management team and staff members for their hard work and dedication in the past financial period.

**Xu Chiming**

*Chairman*

March 29, 2019

Hong Kong

### 致謝

本人謹代表董事會感謝各股東及業務夥伴一直對本集團之支持，亦感謝管理團隊及全體員工於上個財政期間內的辛勤工作及盡心服務。

*主席*

**徐志明**

二零一九年三月二十九日

香港

## Directors and Senior Management of the Group 本集團董事及高級管理層

### EXECUTIVE DIRECTORS

#### Xu Chiming

Chairman and Executive Director, the Chairman of Nomination and Corporate Governance Committee, aged 59. Mr. Xu is an independent non-executive director of Christine International Holdings Limited whose share are listed on main board in Hong Kong with stock code 01210 since 31 August 2018. He then was re-designated as an executive director of Christine International on 17 December 2018. Mr. Xu served as the chief representative of China region of the Hong Kong Parkview Group Limited\* (香港僑福建設企業機構) from March 2004 to December 2017. He has also held the position of a director (理事) of Jiangsu International Cultural Exchange Center\* (江蘇國際文化交流中心) since August 2004. From June 1989 to September 2002, he had participated in the establishment of the Shenzhen Foreign Investments Enterprise Association (深圳外商投資企業協會), which is an organization in China to provide comprehensive services for foreign, Hong Kong, Macau and Taiwan enterprises in the Shenzhen Special Economic Zone. From March 1995 to October 2000, he had served as a deputy secretary general of China B-share Listed Company Directors' Secretaries Association\* (中國B股上市公司董秘聯繫會). Mr. Xu obtained a Master of Business Administration from the Hong Kong Baptist University in November 2007.

#### Zhu Yongning

Executive Director and Chief Executive Officer, aged 50. Mr. Zhu graduated from Fudan University of Shanghai with a master degree in international finance, and is a senior economist. He has over 25 years of working experience in the financial sector. Mr. Zhu is an executive director of Christine International Holding Limited whose share are listed on main board in Hong Kong with stock code 01210 since 1 November 2018. He then was appointed as the chairman of the Board on 17 December, 2018. From 2015, Mr. Zhu served as the chairman of Jiangsu Nandasoft Technology Company Limited, whose shares are listed on the GEM board of Hong Kong with stock code 08045. Mr. Zhu has also served as the chairman of Guotai Junan Asset Management Co., Ltd. (國泰君安資產管理股份有限公司) from 2006 up to present. Since 1990, Mr. Zhu served successively as principal staff member of the international business department of China Construction Bank in Jiangsu province, president of a sub-branch of China Investment Bank under its Jiangsu branch, president of Hanzhong Road sub-branch of China Everbright Bank, Nanjing and investment advisor of Huaxia Securities Venture Capital Co., Ltd. (華夏證券創業投資有限公司).

### 執行董事

#### 徐志明

主席兼執行董事，提名及企業管治委員會主席，59歲，自二零一八年八月三十一日起獲委任為克莉絲汀國際控股有限公司(香港主板上市公司，股份代碼01210)獨立非執行董事。其後，於二零一八年十二月十七日調任為執行董事。自二零零四年三月至二零一七年十二月擔任香港僑福建設企業機構中國區首席代表。自二零零四年八月起，彼擔任江蘇國際文化交流中心理事。自一九八九年六月至二零零二年九月，彼參與創立深圳外商投資企業協會，該組織於中國為深圳經濟特區的外國及港澳台企業提供綜合性服務。自一九九五年三月至二零零零年十月，彼擔任中國B股上市公司董秘聯繫會副秘書長。徐先生於二零零七年十一月獲得香港浸會大學工商管理碩士學位。

#### 朱永寧

行政總裁兼執行董事，五十歲。朱先生畢業於上海復旦大學國際金融專業，取得碩士學位，為高級經濟師，彼有超過25年金融專業工作經驗。自二零一八年十一月一日起，彼擔任克莉絲汀國際控股有限公司(香港主板上市公司，股份代碼01210)執行董事。其後，於二零一八年十二月十七日獲委任為董事會主席。自二零一五年至今擔任江蘇南大蘇富特科技股份有限公司董事長(香港創業板上市公司，股份代碼：08045)。自二零零六年至今，彼擔任國泰君安資產管理股份有限公司董事長。自一九九零年起，朱先生歷任江蘇省中國建設銀行國際業務部主任科員、中國投資銀行江蘇省分行支行行長，南京光大銀行漢中路支行行長，及華夏證券創業投資有限公司投資顧問。

## Directors and Senior Management of the Group 本集團董事及高級管理層

### NON-EXECUTIVE DIRECTOR

#### Song Rongrong

Non-Executive Director, aged 41, Mr. Song is the Chief Financial Officer of Jiangsu Hongtu and the Vice President of HISAP. Formerly, Mr. Song served as the regional general ledger accountant and regional chief financial officer of HISAP. Mr. Song received a Bachelor degree in accounting from the China University of Mining and Technology and Technology and master degree in Business Administration from Nanjing University.

### INDEPENDENT NON-EXECUTIVE DIRECTORS

#### Zhou Meilin

Independent Non-Executive Director, the chairman of the Audit Committee, a member of nomination and corporate governance committee and Remuneration Committee, aged 52. Mr. Zhou is a Chinese practicing lawyer, Chinese certified public accountant (Non-practicing), tax agent, and part-time teacher of Nanjing University of finance and economics.

Mr. Zhou is an independent non-executive director of Christine international holdings limited whose share are listed on main board in Hong Kong with stock code 01210 since 17 December 2018. From January 2016, Mr. Zhou joined Jiangsu Deqing law firm as lawyer. Before that, Mr. Zhou worked for Nanjing Xuanwu Tax Bureau from July 1985 to December 2015, took the different positions including tax administration, tax collection and management, financial management, tax audit (From 1995 to 1996, Mr. Zhou worked for Nanjing Shicheng Accounting (Tax) firm.). During the period in the tax bureau, Mr. Zhou was employed as a part-time teacher in tax system, participated in the compilation of provincial and municipal tax system risk platforms and inspection guidelines for many times, and participated in dozens of enterprise bankruptcy, restructuring, restructuring and merger and acquisition work. By virtue of his profound business skills, Mr. Zhou has won the title of tax system business expert for many times.

Mr. Zhou has extensive experience in accounting, internal control, financial statement analysis, tax planning and related laws; he is good at enterprise initial public offerings, reorganization, merger and acquisition, bankruptcy, tax dispute's settlement, tax risk's prevention and tax planning. Mr. Zhou holds a bachelor's degree from Nanjing Normal University.

### 非執行董事

#### 宋榮榮

非執行董事，41歲。宋先生為江蘇宏圖之財務總監及宏圖三胞之副總裁。宋先生先前曾擔任宏圖三胞之區域總會計及區域財務總監。宋先生持有中國礦業大學之會計學士學位及南京大學工商管理碩士學位。

### 獨立非執行董事

#### 周美林

獨立非執行董事，審核委員會主席以及提名及管治委員會和薪酬委員會成員，52歲。周先生是中國執業律師、中國註冊會計師(非執業)、稅務師，南京財經大學兼職教師。

自二零一八年十二月十七日起，周先生獲委任為克莉絲汀國際控股有限公司(香港主板上市公司，股份代碼01210)獨立非執行董事。自二零一六年一月至今，彼加入江蘇德擎律師事務所任律師。在此之前，周先生於一九八五年七月至二零一五年十二月期間在江蘇省南京玄武稅務局工作，從事過稅政、徵管、財務管理、稽查等崗位(其中一九九五年至一九九六年，周先生就職於南京石城會計(稅務)師事務所)。在稅務局期間，周先生被聘為稅務系統兼職教師，多次參加省市稅務系統風險平台和稽查指南的編寫，參加過數十起企業破產、改制、重組、併購工作，憑藉其深厚的業務功力多次獲得稅務系統業務能手的稱號。

周先生在會計、企業內部控制、財務報表分析、稅務籌劃及相關法律等方面有豐富的經驗，擅長企業上市、重組、併購、破產等特殊業務的法律、稅收及財務運作，稅收爭議的解決、稅務法律風險防範和稅務籌劃。周先生擁有南京師範大學本科學歷。

## Directors and Senior Management of the Group 本集團董事及高級管理層

### Zhou Rui

Independent Non-Executive Director, the chairman of the Remuneration Committee and a member of the Audit Committee, aged 33. Mr. Zhou Rui is the vice president of China Galaxy Securities from 2015 up to present, mainly responsible for business development and providing investment, fund-raising consultant service to public and private company. During August 2012 to February 2014, Mr. Zhou Rui worked in Beijing Hony Future Investment Advisor Ltd as a senior manager, responsible for finding right investment project, executing due diligence and investment and after investment management. During August 2009 to August 2012, Mr. Zhou Rui served as supervisor of China International Capital Corporation Limited, responsible for securities trading system's design and testing. Mr. Zhou Rui holds master degree in Mathematics from Nanjing University.

### Xu Jinwen

Independent Non-Executive Director and a member of the Remuneration Committee and the Nomination and Corporate Governance Committee and the Audit Committee, aged 53. Mr. Xu is the chairman, chief executive officer and executive Director of Changjiang Securities International Financial Group Limited, and independent non-executive Director of Shenzhen Zhongheng Hwafa Co., Ltd, the shares of which are listed on the Shenzhen Stock Exchange (SZSE: 000020 and 200020). Mr. Xu served as the deputy general manager of China Construction Bank Hubei Provincial Trust and Investment Corporation (中國建設銀行湖北省信託投資公司) from December 1990 to October 1995. He worked in Guotai Securities Limited Hubei Branch\* (國泰證券有限公司湖北分公司) as the deputy general manager, and Guotai Junan Securities Limited Jiangxi Branch\* (國泰君安證券股份有限公司江西分公司) as the general manager from October 1995 to November 2002. Mr. Xu worked as president in Golden Sun Securities Limited\* (國盛證券有限公司) from November 2002 to April 2006. Mr. Xu served as chairman in Changjiang BNP Paribas Peregrine Securities Co., Ltd. from April 2006 to May 2007. Mr. Xu was the executive vice president and the secretary of the board of Changjiang Securities Company Limited from May 2007 to March 2016. Mr. Xu has over 30 years of experience working in the financial industry, and he particularly worked in the area of securities for more than 20 years. He is very familiar with China and oversea financial markets and products, with extensive experience in the management of financial institution and investment. Mr. Xu holds a doctorate degree in Management Science and Engineering from Huazhong University of Science and Technology.

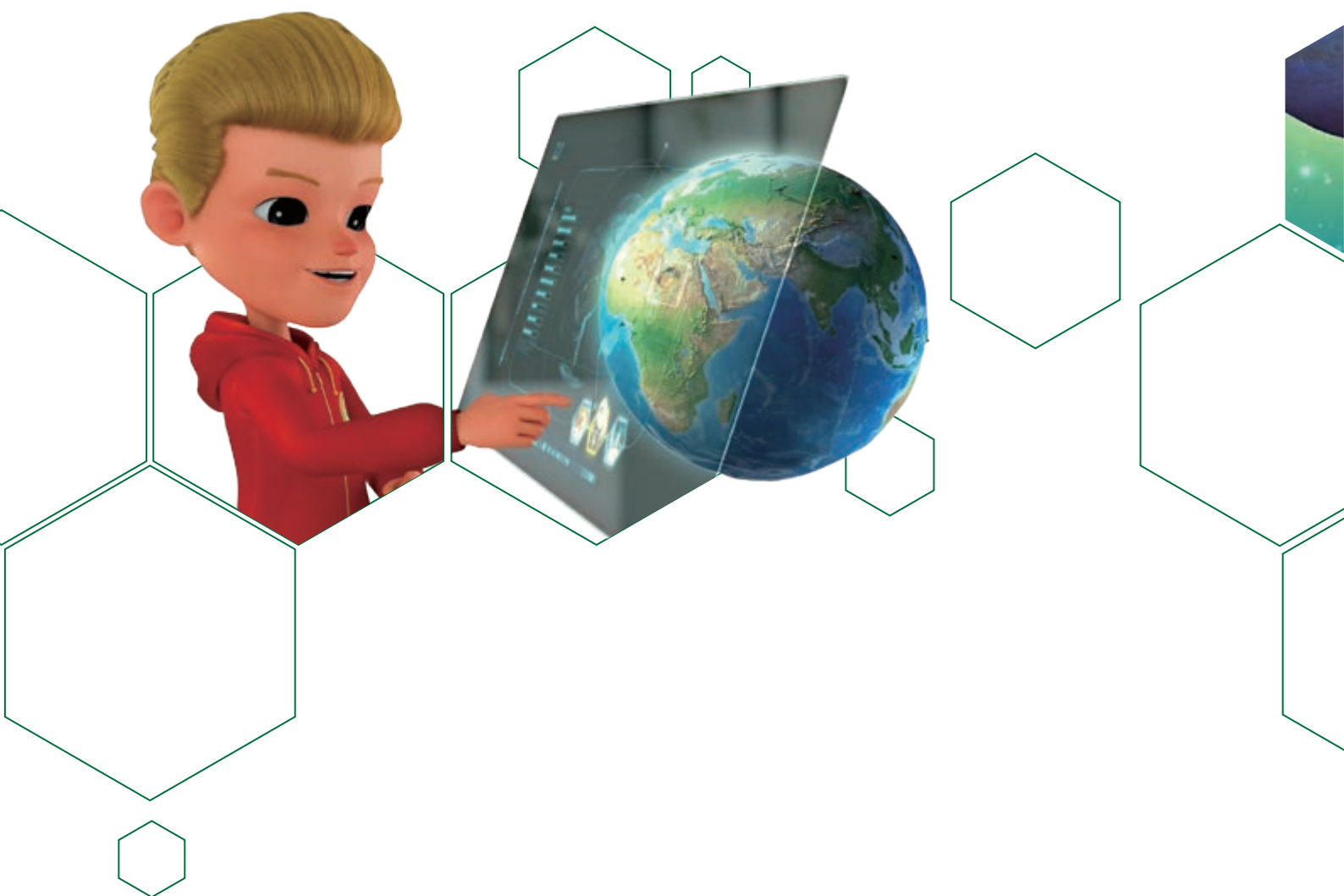
### 周銳

獨立非執行董事、薪酬委員會主席兼審核委員會成員，33歲。自二零一五年至今，周銳先生任職中國銀河證券股份有限公司副總裁，負責帶領團隊開拓業務及為公司提供投融資顧問服務。此前，他於二零一二年八月至二零一五年二月擔任北京弘毅遠方投資顧問有限公司高級經理職務，負責投資項目挖掘、調研、投資和投後管理等；於二零零九年八月至二零一二年八月他擔任中國國際金融有限公司主管，負責證券交易系統的產品設計和測試工作。周銳先生持有南京大學數學碩士學位。

### 徐錦文

獨立非執行董事兼薪酬委員會、提名及企業管治委員會以及審核委員會成員，53歲。徐先生現任長江證券國際金融集團有限公司董事會主席兼行政總裁，並為執行董事，及擔任A股上市公司深圳中恒華髮股份有限公司(股票代碼：000020及200020)獨立非執行董事一職。1990年12月至1995年10月，徐先生任中國建設銀行湖北省信託投資公司副總經理；1995年10月至2002年11月先後擔任國泰證券有限公司湖北分公司常務副總、國泰君安證券股份有限公司江西總部總經理；2002年11月至2006年4月任國盛證券有限公司總裁；2006年4月至2007年5月任長江巴黎百富勤證券有限責任公司董事長；2007年5月至2016年3月任長江證券股份有限公司執行副總裁兼董秘。徐先生從事金融行業三十餘年，證券行業二十餘年，熟知境內外金融市場和產品，擁有豐富的金融機構管理和投資經驗。徐先生擁有華中科技大學管理科學與工程博士學位。





# Smart Learning & Immersive Technology

## 智能教育

Connecting Exploration with Fun

與學習樂於探索



# Management Discussion and Analysis

管理層討論及分析



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

### BUSINESS REVIEW

In 2018, the overall weak global economy and the trade war affected consumers' and trade buyers' purchase momentum particularly in the consumer electronic business. The company implemented a series of streamlining measures with aim to enhance operation efficiency and lower business administration cost in the long term, there were several one-off provisions which were made to achieve that, but impacted the performance in 2018. Overall the company recorded decline in the sales revenue and increased net loss.

During the year, the management has put effort on cost control by lean manufacturing, streamlining manpower and implementing business model change in overseas operations. There were subsidiaries of the Company continued to suffer losses, the Group has restructured the distribution operation model by distributors instead of operating by self-own subsidiaries to expand retail point of sales network and accelerate cash inflow. The Group also gave up the projects with lower margin or negative margin.

Even though 2018 was a challenging year, the company continued to put focus on establishing the China business, which as result recorded 86.1 % growth in sales revenue compared to that of 2017. We secured new distribution partners, opened e-commerce platform and expanded retail point of sales network in the target channels by launching customized products.

### OREGON SCIENTIFIC (“OS”)

In 2018, sales revenue of OS business totaled HK\$161.5 million (FY2017: HK\$211.8 million), 23.7% decrease compared to last year, accounting for 37.3% of the Group's total sales revenue. Connected Home (CoH) and Smart Learning & Immersive Technology (SLIT) were the main product categories, accounting over 50.0% of OS sales.

In CoH, the Group's strategy was to continue bring in new products with new application such as the stylish contemporary design of time and weather instruments and a series of upgraded version on existing products with more affordable pricing, while to streamline the number of SKU for more effective inventory management.

### 業務回顧

於二零一八年，全球經濟整體疲弱，貿易戰突起，影響消費者及交易買方的購買意欲，尤以電子消費品業務為甚。本公司實施一系列精簡措施，旨在從長遠角度提升經營效益，降低業務管理成本。為達致此目標，我們計提若干一次性撥備，惟影響二零一八年的表現。整體而言，本公司的銷售收入減少，淨虧損有所增加。

年內，管理層加大成本控制的力度，積極推進精益生產、精簡人員並改變海外業務的業務模式。鑒於本公司附屬公司繼續產生虧損，本集團重組分銷業務模式透過取得與當地聲譽良好的分銷商的合作而非由附屬公司經營，維持零售業務，從而擴大零售網絡及加快現金流入的速度。本集團亦捨棄毛利率低或產生虧損的項目。

儘管二零一八年充滿挑戰，本公司仍繼續著重建立中國業務，因而導致中國區域的銷售收入較二零一七年增長86.1%。透過推出定制產品，我們與新的分銷合作夥伴合作、開設電子商務平台並擴大了目標渠道內銷售網絡的零售網點。

### OREGON SCIENTIFIC(「OS」)

於二零一八年，OS業務的銷售收入總計為港幣161.5百萬元(二零一七年年末：港幣211.8百萬元)，較去年減少23.7%，佔本集團總銷售收入的37.3%。智能家居及智能教育與學習產品為主要產品類別，佔OS銷售額逾50.0%。

智能家居方面，本集團的策略為繼續引進攜帶新應用(如設計時尚的時間及天氣應用)的新產品及一系列價格更加實惠的現有產品升級版，同時精簡SKU數量，以提高存貨管理的效率。

## Management Discussion and Analysis

### 管理層討論及分析

In SLIT, the technology enablement of AR functions in this category continued to impress the customers. The World First Open interactive smart globe became the iconic product in most of the point of sales. The continuous content upgrade has been the unique key selling benefits that appreciated by the market.

In terms of regional distribution, as we allocated more resources and formed several strategic distribution partnerships in the key targeted channels in China, we achieved 86.1% increase of the sales revenue compared to that of in 2017. Europe was still the largest market, accounting for 50.8% of total OS revenue, whilst the America increased to 21.1% and the Asia Pacific decreased to 28.1%.

We implemented the business model change in Italy and Germany and secured strong partnership with reputable distributors in the local market. This change enabled us to leverage distribution partners' point of sales network to enhance the reach to the market at lower cost with faster cash inflow.

#### Value Manufacturing Services (“VMS”)

In 2018, the Group continued to strengthen its service to VMS customers and made progress in customer retention, and some old customers increased the number of orders and opened several new customers in the new market for VMS business such as China and Israel. Still, due to the trendily weak performance of the global consumer electronics industry and the higher tariff as a result of trade war did impact the purchase from the customers in the 2nd half of the year.

The sales revenue of the Company's VMS business in 2018 was HK\$271.7 million (FY2017: HK\$304.8 million), which accounted for 62.7% of the Group's total revenue. In terms of product categories, Sports, Health & Fitness is still the key, accounting for 53.8% of the VMS sales revenue and followed by the Connected Home (22.0% of the VMS sales revenue) and Makers' projects (24.2% of the VMS sales revenue).

智能教育與學習方面，對AR功能的技術支持繼續打動客戶。互動智能地球儀World First Open成為大部分銷售點的標誌性產品。其內容不斷更新成為一大銷售利好，備受市場青睞。

在區域分佈方面，由於我們在中國的重要目標渠道分配更多的資源及達成若干戰略分銷合作關係，我們在中國地區的銷售收入較二零一七年增長86.1%。歐洲仍是最大的市場，佔OS總收入的50.8%，而美國地區上升至21.1%及亞太區下降至28.1%。

我們改變意大利及德國的業務模式，並與當地市場聲譽良好的分銷商達成穩定的合作。該變動讓我們得以依靠分銷合夥人的銷售網絡網點，以較低的價格及較快的現金流入，提高市場覆蓋率。

#### 價值製造服務（「VMS」）

於二零一八年，本集團繼續加強VMS客戶服務，在客戶維繫方面取得進展，部分老客戶加大了訂單數量，並在中國及以色列等新市場獲得了VMS業務的若干新客戶。依然不變的是，全球消費電子大勢疲弱及貿易戰導致的較高關稅並不影響客戶於下半年的訂單。

於二零一八年，公司VMS業務的銷售收入為港幣271.7百萬元(二零一七年度：港幣304.8百萬元)，佔本集團收益總額的62.7%。產品類別方面，運動、健康及健體依然是主要類別，佔VMS銷售收入的53.8%，緊隨其後的是智能家居(佔VMS銷售收入的22.0%)及創客項目(佔VMS銷售收入的24.2%)。

## Management Discussion and Analysis

### 管理層討論及分析

Due to the steady growth of the smart health product and intelligent home control products in global markets, the Company has gotten the new purchase orders from the important brands. To maintain the leading role in technology and market competitiveness, the VMS research & development team continuously establishes strategic partnership with global innovative technology partner. Our Sports, Fitness & Health team has already launched the co-operation with various strategic partners such as the co-developed solution of E-ink watch, PWTT Smart blood pressure monitor, heart rate variability measurement.

#### WORKING CAPITAL

The inventory balance at December 31, 2018 was HK\$74.8 million, decreased by 42.6% compared to the HK\$130.4 million at December 31, 2017. The inventory turnover days decreased to 91 days (FY 2017: 104 days).

Trade receivables balances at December 31, 2018 was HK\$36.6 million, decreased by 68.7% compared to the HK\$117.1 million shown at December 31, 2017. Trade debtor's turnover days decreased to 64 days (FY2017: 80 days).

#### LIQUIDITY AND TREASURY MANAGEMENT

At December 31, 2018, bank balances and cash of the Group, including short term bank deposits, were HK\$22.3 million (December 31, 2017: HK\$37.2 million).

During the year, the Group generated its funds mainly from operating activities. The net cash position (bank balances and cash) at December 31, 2018 amounted to HK\$22.3 million (December 31, 2017: HK\$37.2 million).

由於全球智能運動健康類產品、智能家居類產品市場穩步增長，本公司獲取來自重要品牌公司的新訂單。為了保持技術領先性和市場競爭力，VMS研發團隊不斷和全球新技術創新合作夥伴建立戰略合作夥伴關係。我們的運動、健體及健康團隊已與多個戰略夥伴合作，如共同開發E-ink墨水屏手錶、PWTT智能血壓測量及心率動態測量解決方案。

#### 營運資金

於二零一八年十二月三十一日，存貨結餘為港幣74.8百萬元，較於二零一七年十二月三十一日之港幣130.4百萬元下降42.6%。存貨周轉日數增加至91日(二零一七年年末：104日)。

於二零一八年十二月三十一日，應收賬款結餘為港幣36.6百萬元，較二零一七年十二月三十一日之港幣117.1百萬元下降68.7%。應收賬款周轉日數下降至64日(二零一七年年末：80日)。

#### 流動資金及財務管理

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短期銀行存款為港幣22.3百萬元(二零一七年十二月三十一日：港幣37.2百萬元)。

於本年度，本集團之資金主要來源經營活動。於二零一八年十二月三十一日，現金淨額(銀行結餘及現金)為港幣22.3百萬元(二零一七年十二月三十一日：港幣37.2百萬元)。

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

### CHARGES ON GROUP ASSETS

At December 31, 2018, there were no finance charges on the Group's assets.

### CAPITAL EXPENDITURE

Capital expenditure on property, plant and equipment for the year ended December 31, 2018 amounted to HK\$14.5 million (FY2017: HK\$24.8 million) which was all used for business operations and product development. Source of funds were financed by internal resources and borrowings.

There were no material acquisitions or disposals of subsidiaries and associated Companies in the course of the year ended December 31, 2018.

### DIVIDEND

The Directors of the Company do not recommend any dividend for the year ended December 31, 2018 (FY2017: Nil).

### CONTINGENT LIABILITIES

An indirect wholly-owned subsidiary of the Company, Oregon Scientific Brasil Ltda, was involved in a tax dispute with the State of Sao Paulo, the Federative Republic of Brazil, which may cause a maximum tax payment including penalty and interest of approximately Brazilian Real 3.6 million (equivalent to approximately HK\$7.3 million). After seeking the independent legal advice, the directors of the Company consider that the outcome and the amount of final payment, if any, are uncertain, and no provision has been made in the consolidated financial statements.

### 本集團資產抵押

於二零一八年十二月三十一日，本集團概無任何用作財務抵押之資產。

### 資本開支

截至二零一八年十二月三十一日止年度，物業、機器及設備之資本開支為港幣14.5百萬元（二零一七年年末：港幣24.8百萬元），主要用於業務運作及產品發展。資金來源主要是內部資源撥付及借貸。

截至二零一八年十二月三十一日止年度，本集團並無進行有關附屬公司及聯營公司之重大收購或出售。

### 股息

本公司董事不建議派付截至二零一八年十二月三十一日止年度之任何股息（二零一七年年末：無）。

### 或然負債

本公司的間接全資附屬公司Oregon Scientific Brasil Ltda與巴西聯邦共和國聖保羅州發生稅務糾紛，可能導致繳納最高稅款（包括罰金及利息）約為3.6百萬巴西雷亞爾（相當於約港幣7.3百萬元）。在徵詢獨立法律意見後，本公司董事認為結果及最終付款金額（如有）並不確定，且並無於綜合財務報表作出撥備。

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

### HUMAN RESOURCES AND REMUNERATION POLICY

As at December 31, 2018, the Group had 744 employees. The Group fully recognizes the importance of its employees who contribute significantly to its success and continues to maintain and upgrade the capabilities of its workforce by providing them with adequate and regular training.

The Group's remuneration policy is to provide compensation packages at market rates which reward individual's performance and attract, retain and motivate high quality employees. The compensation packages offered by the Group are comparable with other organizations of similar size and business nature and are reviewed annually. The components of employee's remuneration package consist of base salary, double pay, fringe benefits including pension scheme, medical insurance, life and personal accident insurance, employee compensation and business travel insurance as well as incentives like discretionary cash bonus.

In Xixiang, Shenzhen, China where the Xixiang facilities are located, staff welfare rates are set with reference to the prevailing labour laws in China. Accommodation and leisure facilities are also provided to local staff at Xixiang facilities.

The Group's remuneration philosophy for senior executives is based upon creating a strong link between performance and reward in accordance with the following principles:

1. Fixed salaries and benefits are set at median-market level against comparator groups of companies selected on the basis of similar size and business nature and benchmarked with the prevailing market conditions; and
2. Performance-related bonus is linked to the achievement of pre-defined performance targets including financial targets, performance index and pre-agreed management objectives.

### 人力資源及薪酬政策

於二零一八年十二月三十一日，本集團合共聘有744名僱員。本集團深明僱員對本集團取得今日成就實在功不可沒，並為員工提供充足及定期培訓，藉以保持及不斷提升員工之工作表現。

本集團之薪酬政策旨在提供符合市場水平的薪津組合，以回報僱員之個人表現，並且吸引、挽留並激勵能幹員工。本集團之薪津組合可與其他規模和業務性質相若之機構提供薪津組合媲美，而本集團亦會每年對此進行檢討。僱員之薪津組合包括基本薪金、雙糧、額外福利(包括退休保障計劃、醫療保險、人壽及個人意外保險、僱員補償及公幹保險)，以及酌情現金花紅等獎勵。

於西鄉設施之所在地，中國深圳西鄉，員工福利水平乃參考中國現行之勞工法而制定。駐西鄉設施之本地員工均獲提供住宿及消閒設施。

本集團釐定高級行政人員之理念為使其表現與回報緊密掛鉤，個中所根據之原則如下：

1. 本集團先選出一系列規模及業務性質相若之公司作比較指標，使固定薪金及福利定於市場水平的中位數，並以現行市況作基準；及
2. 績效花紅與能否達到既定表現目標(包括財務目標、表現指數及預先協議之管理目標)掛鉤。



## Management Discussion and Analysis

### 管理層討論及分析

The emolument of the directors is recommended by the remuneration committee with reference to companies of comparable business type or scale, and the nature and quantity of work at both Board and Board Committee levels (including frequency of meetings and nature of agenda items) in order to compensate directors reasonably for their time and efforts spent. The directors' emolument is approved by the Board pursuant to the mandate granted by the shareholders at annual general meetings. Remuneration are paid to a director for appointment as a member of a particular committee. Non-executive directors receive no base pay, benefits, bonus or pension except reimbursement for expenses incurred in connection with their directorship of the Company. No individual director is allowed to participate in the procedures for deciding his/her individual remuneration package. Full details of the remuneration of and fees paid to the directors for the year ended December 31, 2018 are set out in note 10 to the consolidated financial statements from page 155 to page 158.

董事酬金由薪酬委員會參考業務種類或規模相若之公司，以及董事會與董事委員會之工作性質和工作量(包括會議次數及議題性質)後提出建議，務求董事可就所付出之時間及貢獻得到合理報酬。董事酬金由董事會根據股東於股東周年大會上授予之授權而批准。如董事獲委任為個別委員會之成員，其將獲發袍金。除出任本公司董事而獲得之可報銷開支外，非執行董事並不獲發基本薪金、福利、花紅或退休保障。各董事不得參與釐定本身薪酬福利之程序。截至二零一八年十二月三十一日止年度支予董事之薪酬及袍金的詳情載於第155頁至第158頁之綜合財務報表附註第10項。

## Corporate Governance Report 企業管治報告書

The Group is committed to achieving a up to stipulated standard of corporate governance to safeguard the interests of all shareholders and to enhance corporate value and accountability. Throughout the year ended December 31, 2018 under review, the Company has applied the principles and complied with all code provisions and where applicable, the recommended best practices prescribed in the Corporate Governance Code ("CG Code") in Appendix I4 to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). This report describes its corporate governance practices, explains the applications of the principles of the CG Code and deviations during the year ended December 31, 2018 under review.

### BOARD OF DIRECTORS

#### Board

During the period between January 1, 2018 and August 25, 2018, the Board comprised ten directors of whom two are executive directors and four are non-executive directors and four are independent non-executive directors. For the period between August 25, 2018 and October 22, 2018, the Board comprised of seven directors of whom three is executive director, one are non-executive directors and three are independent non-executive directors. For the period between October 22, 2018 and December 31, 2018, the Board comprised six directors of whom two are executive directors and one are non-executive Directors and three are independent non-executive directors.

Brief biographical details of the directors appear in the Directors and Senior Management of the Group section on pages 13 to 15. An updated list of directors of the Company and their respective roles and functions are posted on the Stock Exchange's website and the Company's website.

為保障全體股東權益及提升企業價值和問責性，本集團一向承諾恪守奉行乎合規定水平之企業管治。回顧截至二零一八年十二月三十一日止年度，本公司已應用並遵守香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄十四所載之企業管治守則（「企業管治守則」）的所有原則及守則條文，以及建議最佳常規（如適用）。本報告書詳述本集團於回顧截至二零一八年十二月三十一日止年度之企業管治常規，並闡釋企業管治守則之原則應用及偏離行為。

#### 董事會

#### 董事會

於二零一八年一月一日至二零一八年八月二十五日期間，董事會由十名董事組成，其中兩名為執行董事、四名為非執行董事及四名為獨立非執行董事。於二零一八年八月二十五日至二零一八年十月二十二日期間，董事會由七名董事組成，其中三名為執行董事、一名為非執行董事及三名為獨立非執行董事。於二零一八年十月二十二日至二零一八年十二月三十一日期間，董事會由六名董事組成，其中兩名為執行董事、一名為非執行董事及三名為獨立非執行董事。

董事之履歷簡表載列於第13至15頁之本集團董事及高級管理層部分。本公司董事最新的名單及各董事之職責及職能載於聯交所網站及本公司網站。

## Corporate Governance Report 企業管治報告書

### Appointment, Re-election and Retirement of Directors

The Nomination and Corporate Governance Committee (“NCGC”) reviews the profiles of the candidates and makes recommendations to the Board on the appointment, reelection and retirement of directors.

The Company recognises the importance of having the appropriate board composition. In deciding the board composition, the attributes, skills and expertise among the directors are considered appropriate to effectively lead and control the Group, taking into account the scope and nature of its operations. The directors have a mix of core competencies in areas such as accounting and finance, business and management, industry knowledge and marketing strategies. The size of the Board is conducive to effective discussion and decision-making and has an appropriate balance of independent directors to exercise independent judgment.

In accordance with the Company’s Bye-Laws, at each annual general meeting, one-third of the directors shall retire from office. The directors to retire in every year shall be those who have been longest in office since their last election or re-election. Further, any director appointed by the Board as an additional Board member or fill in a casual vacancy shall hold office until the following annual general meeting (“AGM”) and shall then be eligible for re-election at the AGM immediately following their appointments. The new directors shall not be taken into account in determining the number of directors who are to retire by rotation at that annual general meeting. Election and re-election of directors will be done by separate resolution.

The names and biographical details of the directors who will offer themselves for reelection at the forthcoming AGM are set out in the circular accompanying the notice of AGM.

### 董事之委任、重選及告退

提名及企業管治委員會(「提名及企業管治委員會」)負責考慮審閱候選人之履歷及就董事委任、重選及退任之事宜向董事會作出建議。

本公司深明具備恰當的董事會組合之重要。在考慮董事會組合的事宜上，就本集團之業務範疇及性質而言，董事所具備之特質、技能及專業知識足以令彼等能有效地引領及監控本集團。董事具有各方面如會計及財務、商業及管理、業界知識及市場策略等專才。董事會之規模能促使有效之討論及決策；同時，董事會亦包含獨立董事作為恰當的平衡，以使其能作出獨立判斷。

根據本公司章程細則，於每屆股東周年大會上，三分之一董事必須退任。每年之退任董事須為彼等自上次獲選或重選以來任期為最長者。再者，獲董事會委任作為新增董事會成員或填補董事空缺之新董事將一直留任，直至本公司下屆股東周年大會(「股東周年大會」)為止，並須於緊隨彼等獲委任後之股東周年大會上膺選連任。於釐定股東周年大會上須輪值告退之董事人數時，毋須計及該新任董事。選舉及重選董事將以獨立決議案來完成。

將於應屆股東周年大會上膺選連任董事之姓名及履歷載於致股東之通函隨附股東周年大會通告內。

## Corporate Governance Report 企業管治報告書

### BOARD DIVERSITY POLICY

The Board adopted a Board diversity policy setting out the approach to achieve diversity on the Board. The Company recognises and embraces the benefits of having a diverse Board to enhance the quality of its performance. Board diversity will be considered by the Company from a number of aspects, including but not limited to cultural and educational background, experience, skills, knowledge, length of service, age and gender. The Board composition is reviewed, considered and discussed by the NCGC on an annual basis and it will make recommendations to the Board after the review. The Company's business needs will also be taken into account in determining the optimum composition of the Board. In reviewing and assessing the composition of the Board as well as selecting candidate(s), the NCGC will consider all diversity elements according to the Policy and also devised guidelines for ideal board size, optimum number of executive and non-executive directors and board membership criteria. The Policy and those guidelines shall be reviewed and revised periodically to meet business needs of the Group.

### Induction and Continuous Professional Development

Newly appointed directors of the Company will receive induction and reference materials to enable him/her to familiarise himself/herself with the Group's history, mission, business operations and board and company policies. Each director is briefed and updated from time to time to ensure that he/she has a proper understanding of the operations and business of the Group and that he/she is fully aware of his/her responsibilities under statute and common law, the Listing Rules, applicable legal and other regulatory requirements and the governance policies of the Company and Latest Listing Rules and Legislation.

Directors are encouraged to participate in continuous professional development so as to refresh their knowledge and skills for discharging their duties and responsibilities. For the year ended December 31, 2018, relevant reading materials including regulatory update, seminar handouts and Latest regulatory case selection etc. have been provided to the Directors for their reference and studying.

### 董事會成員多元化政策

董事會已採納董事會成員多元化政策，其中載有實現董事會成員多元化之方式。本公司明白並深信擁有多元化董事會成員能提高董事會表現質素之裨益。本公司會從多個方面衡量董事會之多元化，包括但不限於文化及教育背景、經驗、專長、知識、服務年期、年齡及性別。董事會之組成每年由提名及企業管治委員會作出檢討、考慮及商討，其於檢討後會向董事會作出建議。本公司之業務需要亦會被考慮在內，以釐定董事會之最佳組合。在考慮及評估董事會組合及挑選候任董事時，提名及企業管治委員會將考慮該政策以及就董事會之適當成員數目、適當之執行董事及非執行董事人數，以及擔任董事會成員之先決條件制定之指引，該政策及該等指引將會定期予以檢討及修訂以合乎本集團的業務需要。

### 入職及持續專業發展

本公司新委任董事將獲發指引及參考資料，以便其熟識本集團業務運作、董事會及公司政策、上市規則等。各董事不時獲簡要提示最新資料，確保其妥為了解本集團運作及業務，並知悉其根據普通法、上市規則、適用法例及其他監管規定與本公司管治政策須承擔之各項責任、最新上市規則及法例。

本集團鼓勵董事參與持續專業發展，以更新彼等之知識及技能，以便履行其作為本公司董事的職責。於截至二零一八年十二月三十一日止年度，董事已獲提供相關閱讀數據(包括上市規則修訂、更新的董事指引、最新監管案例選等)，以供彼等參考及學習。

## Corporate Governance Report

### 企業管治報告書

A summary of training taken by the Directors since January 1, 2018 up to December 31, 2018 is set out as follows:

以下列表概述自二零一八年一月一日至二零一八年十二月三十一日董事所接受之培訓：

Directors	Training activities including in-house activities/briefings, seminars/talks held by professional organisations and/or reading materials on relevant topics	
董事	培訓活動（包括公司內部活動／會議、專業組織舉辦之研討會／講座及／閱讀相關課題之材料）	
<b>Executive Directors:</b>	<b>執行董事：</b>	
Xu Chiming (appointed on October 18, 2018)	徐志明（於二零一八年十月十八日獲委任）	√
Zhu Yongning (appointed on October 18, 2018)	朱永寧（於二零一八年十月十八日獲委任）	√
Foo Piau Phang (resigned on October 18, 2018)	符標榜（於二零一八年十月十八日辭任）	√
Yan Keya (re-designated from Non-Executive Director to Executive Director on August 1, 2018, resigned on October 22, 2018)	鄢克亞（於二零一八年八月一日由非執行董事調任為執行董事，於二零一八年十月二十二日辭任）	√
Qi Miao (resigned on August 1, 2018)	祁淼（於二零一八年八月一日辭任）	√
<b>Non-Executive Directors:</b>	<b>非執行董事</b>	
Song Rongrong	宋榮榮	√
Ouyang Jiejiao (appointed on August 25, 2018 resigned on October 18, 2018)	歐陽戒驕（於二零一八年八月二十五日獲委任，於二零一八年十月十八日辭任）	√
Wu Gang (appointed on March 2, 2018 resigned on August 25, 2018)	吳剛（於二零一八年三月二日獲委任，於二零一八年八月二十五日辭任）	√
Han Hongtu (appointed on March 2, 2018 resigned on August 25, 2018)	韓宏圖（於二零一八年三月二日獲委任，於二零一八年八月二十五日辭任）	√
Xin Kexia (resigned on March 2, 2018)	辛克俠（於二零一八年三月二日辭任）	√
Jing Tian (resigned on March 2, 2018)	荊天（於二零一八年三月二日辭任）	√
Shi Changyun (resigned on March 2, 2018)	施長雲（於二零一八年三月二日辭任）	√
<b>Independent Non-Executive Directors:</b>	<b>獨立非執行董事：</b>	
Zhou Meilin (appointed on October 18, 2018)	周美林（於二零一八年十月十八日獲委任）	√
Zhou Rui (appointed on October 18, 2018)	周銳（於二零一八年十月十八日獲委任）	√
Xu Jinwen (appointed on August 25, 2018)	徐錦文（於二零一八年八月二十五日獲委任）	√
Yang Xiongsheng (resigned on October 18, 2018)	楊雄勝（於二零一八年十月十八日辭任）	√
Duh Jia-Bin (resigned on October 18, 2018)	杜家濱（於二零一八年十月十八日辭任）	√
Zhao Yuhong (resigned on August 25, 2018)	趙宇紅（於二零一八年八月二十五日辭任）	√
Li Quan (resigned on August 25, 2018)	李權（於二零一八年八月二十五日辭任）	√

## Corporate Governance Report 企業管治報告書

### CHAIRMAN AND CHIEF EXECUTIVE OFFICER

During the period between January 1, 2018 to December 31, 2018, the roles of chairman and chief executive officer of the Company were held by different personnel.

### Responsibilities of the Board and delegations to management

The Board is responsible to the shareholders for leadership and control of the Company and is collectively responsible for promoting the success of the Company and its businesses by directing and supervising the Company's affairs.

The Board focuses on overall strategies and policies with particular attention paid to the growth and financial performance of the Group. The principal functions of the Board are to:

- establish the strategic direction and development of the Group;
- determine the broad policies, strategic plans and performance objectives of the Group;
- monitor management performance;
- approve financial plans and annual budgets, major funding proposals, key funding and investment proposals;
- oversee the processes for evaluating the adequacy of internal controls, risk management, financial reporting and compliance;
- approve the nominations of directors and appointment of key personnel; and
- assume responsibility for corporate governance.

The Board delegates daily operations of the Group to executive directors and senior executives, while reserving certain key matters for its approval. Decisions of the Board are communicated to the management through executive directors who have attended at Board meetings and circulation of minutes of Board meetings to the management.

### 主席及行政總裁

於二零一八年一月一日至二零一八年十二月三十一日期內，本公司董事會主席及行政總裁崗位分別由不同的人員擔任。

### 董事會職責及管理層指派

董事會就領導及監控本公司向股東負責，並且透過帶領及監管本公司之事務，共同負責促進本公司及其業務之成功。

董事會專注於整體策略及政策，尤其關注本集團之增長及財務表現。董事會之主要功能如下：

- 制訂本集團之策略性方向及發展；
- 決定本集團主要政策、策略計劃及績效目標；
- 監察管理層之表現；
- 批准財政計劃及年度預算、重大撥款建議、主要融資及投資建議；
- 監察內部監控是否足夠的評估過程、風險管理、財務匯報及守規之程序；
- 批准提名董事及委任主要人員；及
- 就企業管治承擔責任。

董事會委派執行董事及高級行政人員處理日常營運事宜，惟保留批准若干重要事項之權利。董事會之決定透過出席董事會會議之執行董事，及給予管理層傳閱董事會會議之會議記錄而下達至管理層。

## Corporate Governance Report

### 企業管治報告書

The Board has adopted a set of guidelines to clearly divide the responsibilities of the Board and the management. Matters reserved for decision and consideration of the Board include, among others, all matters of strategic importance, corporate governance practices, legal and regulatory compliance, internal control and risk management, corporate strategy, operating and capital budgets, statutory financial reports, changes in Board members, major transactions and investment commitments and remuneration policy of directors and senior management, financial authorization and approval limits for operating and capital expenditure, the procurement of goods and services, and the acquisition and disposal of investments.

#### INDEPENDENT NON-EXECUTIVE DIRECTORS

Coming from diverse business and professional backgrounds, the independent non-executive directors of the Company have shared their valuable experience with the Board in the interests of promoting the best interests of the Company and its shareholders. The independent non-executive directors of the Company have made significant contribution of their skills and expertise to the Board committees. All independent non-executive directors are appointed for a fixed term of three years and are subject to retirement by rotation and re-election by shareholders at the annual general meetings of the Company in accordance with the Company's Bye-Laws.

All independent non-executive directors are expressly identified in all corporate communications that disclose the names of the directors of the Company. The functions of independent non-executive directors include, but not limited to:

- participating in Board meetings to bring in independent judgment to bear on issues of corporate strategy, corporate performance, accountability, resources, key appointments and standard of conducts;
- taking the lead where potential conflicts of interests arise;
- serving on board committees, if invited; and
- scrutinising the Group's performance in achieving agreed corporate goals and objectives, and monitoring the reporting of performance.

董事會對須獲其批准之事宜採納一系列指引，以明確界定董事會及管理層之職責。須獲董事會決定及考慮之事宜其中包括所有重大策略性事宜、企業管治常規、法例及規管的遵守、內部監控、風險管理、企業策略、營運及資金預算、法定財務報告、董事會成員變動、主要交易及投資承諾以及董事及高級管理人員之薪酬政策，營運及資本開支、貨物與服務之採用及投資項目之收購與出售之財務授權與批准限額。

#### 獨立非執行董事

為了提高本公司及股東之最佳利益，本公司來自不同業務及專業背景的獨立非執行董事均向董事會分享其寶貴經驗。本公司獨立非執行董事以其專業及技能向董事委員會作出重要的貢獻。獨立非執行董事以三年固定任期委任，並須根據本公司章程細則於本公司股東周年大會上輪值告退並由股東重選連任。

所有獨立非執行董事均在披露本公司董事姓名之所有企業通訊中明確識別。獨立非執行董事之職能包括，但不限於：

- 參加董事會會議，就公司策略、公司績效、問責性、資源、委任要員及操守准則作出獨立判斷；
- 在出現潛在利益衝突時引領董事會；
- 應邀出任董事會屬下委員會職務（如獲邀請）；及
- 詳查集團績效是否達到既定的企業目標和目的，並監察公司匯報表情況。

## Corporate Governance Report 企業管治報告書

During the year ended December 31, 2018, the Company has complied with Rules 3.10(1) and 3.10(2) of the Listing Rules regarding the appointment of at least three independent non-executive directors including at least one independent non-executive director with appropriate professional qualifications or accounting or relating financial management expertise. In assessing the independence of the directors, the Board has examined the different relationships identified under the Listing Rules that might impair the directors' independence and objectivity. The Board considers that all of the independent non-executive directors are independent and are satisfied with the directors' ability to act with independent judgment. Furthermore, each of the independent non-executive directors has provided to the Company an annual confirmation of independence required by Rule 3.13 of the Listing Rules. The Company considers all its independent non-executive directors to be independent. Each director is subject to retirement by rotation at least once every three years. Any further re-appointment of an independent non-executive director, who has served the Board for more than nine years, will be subject to separate resolution to be approved by the shareholders of the Company.

The Company has also complied with Rule 3.10A of the Listing Rules that the independent non-executive directors are representing at least one-third of the Board.

### RELATIONSHIP

There is no financial, business, family and other material relationship among other members of the Board.

There has been an effective and balanced Board collectively responsible for the Company's activities and affairs. The Board members are free to discuss issues properly put to the Board meetings and express their views and concerns. No individual or small group can dominate the Board's decision-making process.

If a substantial shareholder or a director has a conflict of interest in a matter to be considered by the Board which the Board has determined to be material, the matter will be dealt with by a physical Board meeting rather than a written resolution of the Board. The Board will take into account the exceptions to the general voting prohibition, as set out in the Listing Rules when considering whether a director shall vote on any board resolution approving any matters in which he has material interests or shall he be counted in the quorum present at the meeting.

截至二零一八年十二月三十一日止年度，本公司遵守上市規則第3.10(1)及3.10(2)條有關委任最少三名獨立非執行董事，其中包括最少一名獨立非執行董事必須具有恰宜之專業資格或會計或有關財務管理專業知識之規定。於評估董事之獨立性時，董事會已檢查訂明於上市規則內有可能損害董事獨立性及客觀性不同的關係。董事會認為所有獨立非執行董事皆為獨立並滿意彼等之能力可作出獨立之判斷。再者，每位獨立非執行董事均按上市規則第3.13條之規定向本公司提供年度獨立確認書。本公司視所有獨立非執行董事皆具獨立性。每位董事皆需最少每三年依章告退。如再委任任何已服務本公司逾九年之獨立非執行董事，將須根據本公司股東以獨立議案予以批准。

本公司亦遵守上市規則第3.10A條有關董事會須有至少三分之一成員為獨立非執行董事之規定。

### 關係

董事會其他成員之間概無任何財務、業務、家族及其他重要關係。

董事會維持高效率及平衡之架構，並集體負責本公司業務及事務。董事會成員可自由討論於董事會會議上適當提出之事宜，並表達其意見及關注。概無個別人士或小組可主導董事會之決策過程。

倘董事會認為主要股東或董事在董事會將予考慮的事項中存有董事會認為屬重大的利益衝突，該事項將以舉行一次董事會會議而非以董事會書面決議進行議決。董事會在考慮該董事應否放棄於董事會上表決有關批准其擁用重大利益等事宜時或應否計入出席會議之法定人數內時，將會考慮上市規則所載一般禁止表決例外情況。



## Corporate Governance Report

### 企業管治報告書

#### MEETINGS

The Board meets regularly at least 4 times a year and holds additional meetings as and when the Board thinks appropriate. Board committees also hold regular scheduled meetings to discharge their duties. Meetings via telephone or video-conference are permitted under the Bye-Laws of the Company. Attendance record of the Board and Board Committees meetings during the year ended December 31, 2018 is set out on page 34, 37, 38 and 42.

All Directors have access to the company secretary who is responsible for ensuring that Board/Board committees meeting procedures are observed and advising the Board/Board committees on compliance matters.

In an attempt to accommodate the competing time commitments of directors who sit on multiple boards, Board/Board committees meetings dates are scheduled well in advance at the beginning of every calendar year. The Company has given at least 14 days' notice for regular Board and Board Committees meetings. For all other Board/Board committees meetings, reasonable notices are given. Draft agendas for Board and Board Committee meetings are prepared by the company secretary and are circulated to all directors for comment before the meetings. The directors were given the opportunities to include matters to be discussed in the agenda for all Board and Board Committees meetings. The company secretary is delegated with the responsibility to prepare these agendas and, where appropriate, take into account any matters proposed by each director/committee member for inclusion in the agenda.

The agenda accompanied by detailed board papers (prepared in such form and manner as will enable the Board to make an informed decision on matters placed before it, including but not limited to, background or explanatory information relating to matters to be brought before the Board and internal financial information such as quarterly management accounts, forecasts and budgets with material variance between projections and actual results explained) are circulated to all directors in a timely manner and at least three days before the date of scheduled meeting.

#### 會議

董事會每年定期舉行最少四次會議及按情況需要召開額外會議。董事委員會亦定期舉行會議以履行其職務。本公司章程細則批准透過電話或視像方式舉行會議。於截至二零一八年十二月三十一日止年度，董事出席董事會及委員會會議次數之紀錄載列於第34、37、38及42頁。

全體董事均可聯絡公司秘書；公司秘書負責確保遵守董事會／董事委員會會議程序並向董事會／董事委員會就守規事宜作出建議。

為確保身兼多個董事會職務之董事能抽空出席會議，董事會／董事委員會會議日期於每年年初先行擬定。定期董事會及董事委員會會議通告最少於會議日期前十四天發出。所有其他董事會及董事委員會會議均給予合理之通知時間。公司秘書會草擬董事會及董事委員會會議議程並於會議舉行前給各董事審議。全體董事均有機會提出將予商討事項，以供列入董事會及董事委員會會議之議程內。公司秘書有責任編製會議議程，並(如適合)考慮將各董事／委員會成員建議之任何事項，加載議程內。

董事會議程連同隨附之文件(編製之形式及方式須能致使董事會就提呈事項作出知情決定，包括但不限於有關向董事會提呈之事項背景或說明數據以及內部財務數據，例如管理帳目、預測及預算(包括預期與實際業績分歧闡釋)將適時傳遞予全體董事傳閱，期限為擬舉行會議日期前最少三日。

## Corporate Governance Report 企業管治報告書

Minutes of Board/Board committees meetings are recorded in detail regarding the matters considered and decisions reached, including concerns raised by directors or dissenting views expressed. Draft minutes are circulated to relevant directors/committee members within a reasonable time after the meetings for comments and will then be approved by the Board/Board committees at the following meeting. Minutes of Board and Board Committees meetings are kept by the company secretary and are open for inspection at any reasonable time on reasonable notice by any director.

Directors are provided in a timely manner with complete, adequate explanation and information about the Company and its subsidiaries, its activities, performances and its projects particularly including any significant variances from a planned course of actions to enable them to make an informed decision or assessment of the Group's performance, position and prospects and to discharge their duties and responsibilities. In case when the directors have queries, they are provided with the names and contact details of the Group's senior executives for separate and independent access to them and they are able to obtain more information than is volunteered by the management. Senior executives are from time to time brought into formal and informal contact with the Board at Board meetings and other events.

The Board and Board committees are provided with sufficient resources to properly discharge their duties including access to independent professional advisers under agreed procedures, upon reasonable request, at the expense of the Company.

董事會／董事委員會會議之會議記錄均詳盡記錄會議所考慮之事項及達成之決定，包括董事所關注之事宜或發表之反對意見。會議記錄草稿於會議後一段合理時間內傳遞予有關董事／委員會成員審閱並於下一次董事／董事委員會會議予以批准。該等記錄由公司秘書存置，並於任何董事發出合理通知後於任何合理時間內供查閱。

董事適時獲提供有關本公司及其附屬公司、其業務、績效及其項目(尤其包括與一系列已計劃之行動有重大差異者)之完整且足夠的闡釋及資料，以便彼等就本集團績效、狀況及前景作出知情決定或評估，並履行彼等之職務及責任。倘董事有任何疑問，彼等可獲取本集團高級行政人員之姓名及聯絡資料，以分別獨立聯絡有關人士，並可要求管理層提供(主動提供以外)其他額外數據。高級管理人員不時與董事會於董事會會議及其他活動作正式及非正式的接觸。

董事會及董事委員會獲得足夠之資源以妥善履行彼等之職責，其中包括於既定的程序下，在合理要求，諮詢獨立專業顧問，有關費用由本公司支付。

## Corporate Governance Report

### 企業管治報告書

The Board held a full board meeting each quarter.

董事會每季均會舉行全體成員列席會議。

Details of the attendance of the meetings of the members of the Board during the year under review are as follows:

董事會成員在回顧年內出席董事會會議之記錄詳情如下：

Directors	董事	2018 BOARD	
		MEETING 二零一八年 董事會會議	2018 AGM 二零一八年 股東周年大會
<b>Executive Directors:</b>	<b>執行董事：</b>		
Xu Chiming (appointed on October 18, 2018)	徐志明(於二零一八年十月十八日獲委任)	1/10	0/1
Zhu Yongning (appointed on October 18, 2018)	朱永寧(於二零一八年十月十八日獲委任)	1/10	0/1
Foo Piau Phang (resigned on October 18, 2018)	符標榜(於二零一八年十月十八日辭任)	8/10	0/1
Yan Keya (re-designed from Non-executive Director to Executive Director on August 1, 2018 resigned on October 22, 2018)	鄢克亞(於二零一八年八月一日由非執行董事調任為執行董事，於二零一八年十月二十二日辭任)	6/10	0/1
Qi Miao (resigned on August 1, 2018)	祁淼(於二零一八年八月一日辭任)	7/10	1/1
<b>Non-Executive Directors:</b>	<b>非執行董事：</b>		
Song Rongrong	宋榮榮	10/10	0/1
Ouyang Jiejiao (appointed on August 25, 2018, resigned on October 18, 2018)	歐陽戒驕(於二零一八年八月二十五日獲委任，於二零一八年十月十八日辭任)	1/10	0/1
Wu Gang (appointed on March 2, 2018, resigned on August 25, 2018)	吳剛(於二零一八年三月二日獲委任，於二零一八年八月二十五日辭任)	5/10	0/1
Han Hongtu (appointed on March 2, 2018, resigned on August 25, 2018)	韓宏圖(於二零一八年三月二日獲委任，於二零一八年八月二十五日辭任)	4/10	0/1
Xin Kexia (resigned on March 2, 2018)	辛克俠(於二零一八年三月二日辭任)	3/10	0/1
Jing Tian (resigned on March 2, 2018)	荊天(於二零一八年三月二日辭任)	3/10	0/1
Shi Changyun (resigned on March 2, 2018)	施長雲(於二零一八年三月二日辭任)	3/10	0/1
<b>Independent Non-Executive Directors:</b>	<b>獨立非執行董事：</b>		
Zhou Meilin (appointed on October 18, 2018)	周美林(於二零一八年十月十八日獲委任)	1/10	0/1
Zhou Rui (appointed on October 18, 2018)	周銳(於二零一八年十月十八日獲委任)	1/10	0/1
Xu Jinwen (appointed on August 25, 2018)	徐錦文(於二零一八年八月二十五日獲委任)	1/10	0/1
Yang Xiongsheng (resigned on October 18, 2018)	楊雄勝(於二零一八年十月十八日辭任)	7/10	0/1
Duh Jia-Bin (resigned on October 18, 2018)	杜家濱(於二零一八年十月十八日辭任)	9/10	0/1
Zhao Yuhong (resigned on August 25, 2018)	趙宇紅(於二零一八年八月二十五日辭任)	5/10	0/1
Li Quan (resigned on August 25, 2018)	李權(於二零一八年八月二十五日辭任)	8/10	1/1

## Corporate Governance Report 企業管治報告書

In addition to the above regular board meetings during the year, the members of the Board of Directors followed the principles of good corporate governance and the best practices of the relevant code provisions and recommendations of the Corporate Governance Code as set out in Appendix 14 of the Listing Rules and maintained a continuous dialogue with shareholders, especially It is through the annual general meeting or other plenary meetings to communicate with the shareholders. During the year under review, the chairman of the board of directors attended the annual general meeting and invited the chairman of the relevant committee to attend. If the chairman of the relevant committee fails to attend the meeting, the chairman of the board invites another member or the chairman of the committee concerned to properly appoint another member to attend.

### BOARD COMMITTEES

To maximise the effectiveness of the Board and to encourage active participation and contribution from Board members, the Board has established four Board committees, namely the executive committee, audit committee, nomination and corporate governance committee and remuneration committee with specific written terms of reference that clearly deal with their authority and duties, to oversee particular aspects of the Company's affairs, assist in the execution of the Board's responsibilities enable the Board committees to perform their functions properly. Board committees report to the Board on their work and findings. They adopt as far as practicable, the principles, procedures and arrangements of the Board in relation to scheduling and conduct of meetings, notice of meetings and inclusion of agenda items, recording and availability of minutes. The written terms of reference of the audit committee, nomination and corporate governance committee and remuneration committee, which are in line with the CG Code, are available on the website of the Company and the Stock Exchange and will be reviewed from time to time. The quorum necessary for transaction of business of each Board committee is two.

#### Executive Committee ("EC")

During the year ended December 31, 2018, the EC comprised of all executive directors.

The EC meets as and when required to oversee the day- to-day management of the Group and has all the general powers of the Board except those matters specifically reserved for the Board.

除上述年內定期董事會會議外，董事會成員遵循《上市規則》附錄十四的《企業管治守則》關於良好企業管治的原則與有關守則條文及建議最佳常規，與股東保持持續對話，尤其是藉股東周年大會或其他全體會議與股東溝通。於回顧年內，董事會主席出席股東周年大會，並邀請有關委員會的主席出席。若有關委員會主席未能出席，董事會主席另行邀請另一名委員，或由有關委員會主席適當委任另一名委員代表出席。

### 董事委員會

為提高董事會效能以及鼓勵董事會成員積極參與及作出貢獻，董事會已成立四個董事委員會分別為執行委員會、審核委員會、提名及企業管治委員會及薪酬委員會，並列明特定職權範圍以協助各委員會執行職務。該職權範圍清晰列明該等委員會之職權及職責，以監督本公司特定方面之事務，並協助執行董事會之職責。董事委員會向董事會報告其工作及調查結果。彼等按實際可行情況採納董事會有關擬定會議時間表及會議進行方式、會議通告及加載議程項目、保存及提供會議記錄等之原則、程序及安排。審核委員會、提名及企業管治委員會及薪酬委員會包含列明符合企業管治守則之職權範圍，均上載於本公司網頁及聯交所網站；並不時作出檢討。每個董事委員會處理事務之法定人數為兩人。

#### 執行委員會(「執行委員會」)

截至二零一八年十二月三十一日止年度，執行委員會由全體執行董事組成。

執行委員會於需要時舉行會議以便監察本集團日常管理事務，除需要董事會作出決定之特別事宜外。

## Corporate Governance Report 企業管治報告書

The principal duties of EC include:

- managing the business and investments by overseeing the Group's operations, projects, assets and liabilities, budgets, compliance obligations and financial performance in accordance with the policies and directives of the Board;
- making recommendations to the Board as to the Group's overall policies, strategies and financial objectives in the development of its business and ensuring their implementation and execution; and
- providing leadership to staff and management and nominating key personnel and ensuring appropriate levels of authority are delegated to them.

### Nomination and Corporate Governance Committee ("NCGC")

During the period between January 1, 2018 and August 25, 2018, the NCGC is chaired by Mr. Foo Piau Phang (the Chairman of the Board) and comprised two independent non-executive directors, namely, Dr. Li Quan and Mr. Duh Jia-Bin. During the period between August 25, 2018 and October 18, 2018, the NCGC is chaired by Mr. Foo Piau Phang (the chairman of the Board) and comprised two independent non-executive directors, namely, Mr. Duh Jia-Bin and Mr. Xu Jinwen. During the period between October 18, 2018 and December 31, 2018, the NCGC is chaired by Mr. Xu Chiming (the Chairman of the Board) and comprised two independent non-executive directors, namely, Mr. Xu Jinwen and Mr. Zhou Meilin. The NCGC meets at least once a year. All NCGC members, except the Chairman of the NCGC, are independent non-executive directors.

The principal functions of the NCGC include:

- making recommendations to the Board on all new appointments or reappointments of directors, the establishment of a succession plan for directors, in particular the chairman and chief executive officer and the composition of the Board;
- identifying and nominating qualified individuals, subject to the approval of the Board, to be additional directors or to fill vacancy in the Board as and when they arise;

執行委員會之主要職責包括：

- 透過監察本集團之營運、項目、資產與負債、預算、守規責任及財務表現，依照董事會之政策及指示以管理業務及投資；
- 就本集團業務發展而制定之整體政策、策略及財務目標向董事會作出建議，以及確保該等建議得以實施及執行；及
- 領導員工及管理層、提名要員及確保授予彼等適當之權力。

### 提名及企業管治委員會(「提名及企業管治委員會」)

於二零一八年一月一日至二零一八年八月二十五日，提名及企業管治委員會由符標榜先生(董事會主席)擔任主席，且包括兩位獨立非執行董事：李權博士及杜家濱先生。於二零一八年八月二十五日至二零一八年十月十八日提名及企業管治委員會由符標榜先生(董事會主席)，且包括兩名獨立非執行董事杜家濱先生及徐錦文先生。於二零一八年十月十八日至二零一八年十二月三十一日，提名及企業管治委員會由徐志明先生(董事會主席)擔任主席，且包括兩位獨立非執行董事成員：徐錦文先生和周美林先生。該委員會每年最少舉行一次會議，除委員會主席外，其餘提名及企業管治委員會成員均為獨立非執行董事。

提名及企業管治委員會之主要職責包括：

- 就新委任或續聘董事、制定董事繼任計劃(尤其是主席及行政總裁)及董事會組合向董事會作出建議；
- 物色及提名合資格之人選(須待董事會批准)為新增董事或於董事會出現空缺時填補人選；

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- reviewing on an annual basis the Board structure, size and composition and the independent element of the Board;
  - developing the criteria for selection of directors;
  - assessing the independence of independent non- executive directors;
  - developing and reviewing the Company's policies and practices on corporate governance and make recommendations to the Board;
  - reviewing and monitoring the training and continuous professional development of directors and senior management;
  - reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements;
  - developing, reviewing and monitoring the code of conduct and compliance manual (if any) applicable to employees and directors; and
  - reviewing the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.
- 每年審閱董事會架構、規模及組合以及董事會之獨立元素；
  - 制定挑選董事之標準；
  - 評估獨立非執行董事之獨立性；
  - 擬定及檢討本公司的企業管治政策及實務守則，並向董事會作出建議；
  - 檢討及監察董事及高級管理層的培訓及持續專業發展；
  - 檢討及監察本公司的政策及實務守則，確保符合法律及監管規定；
  - 制定、檢討及監察僱員及董事的操守準則及合規手冊(如有)；及
  - 檢討本公司是否遵守企業管治守則及企業管治報告披露的資料。

The chairman of the NCGC will report to the Board on its proceedings and recommendations after each meeting.

提名及企業管治委員會之主席須於每次會議後向董事會匯報會議進程及向其作出建議。

During the year under review, four meetings were held by the Nomination and Corporate Governance Committee. Details of the attendance of the nomination committee meeting are as follows:

於回顧年內，提名及企業管治委員會共舉行四次會議。董事出席提名委員會會議之記錄詳情如下：

Directors 董事		Attendance 出席次數
Xu Chiming (appointed as Chairman on October 18, 2018)	徐志明(於二零一八年十月十八日獲委任為主席)	0/4
Foo Piau Phang (resigned as Chairman on October 18, 2018)	符標榜(於二零一八年十月十八日辭任主席)	4/4
Li Quan (resigned on August 25, 2018)	李權(於二零一八年八月二十五日辭任)	3/4
Duh Jia-Bin (resigned on October 18, 2018)	杜家濱(於二零一八年十月十八日辭任)	4/4
Xu Jinwen (appointed on August 25, 2018)	徐錦文(於二零一八年八月二十五日獲委任)	0/4
Zhou Meilin (appointed on October 18, 2018)	周美林(於二零一八年十月十八日獲委任)	0/4

The main works performed by NCGC during the year ended December 31, 2018 included reviewing the structure and composition of the Board; assessing independence of existing independent non-executive directors and putting forward recommendations to the Board on re-election of retiring directors as well as reviewing the updated Board Diversity Policy and recommending the same to the Board for approval.

提名及企業管治委員會於截至二零一八年十二月三十一日止年度履行之主要工作包括檢討董事會的結構和組成；評估現任獨立非執行董事的獨立性及向董事會建議重選退任董事與檢討及向董事會建議批准更新的董事會多元化政策。

## Corporate Governance Report

### 企業管治報告書

#### Remuneration Committee (“RC”)

During the period between January 1, 2018 and August 25, 2018, the RC is chaired by Ms. Zhao Yuhong (an independent non-executive director) and comprised two members, namely, Mr. Song Rongrong and Mr. Duh Jia- Bin. During the period between August 25, 2018 and October 18, 2018, the RC is chaired by Mr. Duh Jia- Bin (an independent non-executive director) and comprised two members, namely, Mr. Song Rongrong and Mr. Xu Jinwen. During the period between October 18, 2018 and December 31, 2018, the RC is chaired by Mr. Zhou Rui (an independent non-executive director) and comprised two members, namely, Mr. Song Rongrong and Mr. Xu Jinwen. All RC members, except Mr. Song Rongrong, the remaining members of the RC are independent non-executive directors.

The RC consults the chairman and chief executive officer about its proposals relating to the remuneration of other executive directors and has access to professional advice if considered necessary. The principal functions of the RC include:

- recommending to the Board on the Company’s policies and structure for the remuneration of the directors and senior management of the Group;
- recommending to the Board the remuneration packages of all executive directors and senior management; and
- reviewing and approving the management’s remuneration proposals with reference to the Board’s corporate goals and objectives.

The chairman of the RC will report to the Board on its proceedings and recommendations, where appropriate, for the Board’s consideration and/or approval.

During the year under review, four meetings were held by the remuneration committee. Details of the attendance of the remuneration committee meeting are as follows:

Directors 董事		Attendance 出席次數
Zhou Rui (appointed as Chairman on October 18, 2018)	周銳(於二零一八年十月十八日獲委任為主席)	0/4
Zhao Yuhong (resigned on August 25, 2018)	趙宇紅(於二零一八年八月二十五日辭任)	3/4
Song Rongrong	宋榮榮	4/4
Duh Jia-Bin (appointed as Chairman on August 25, 2018, resigned on October 18, 2018)	杜家濱(於二零一八年八月二十五日獲委任為主席，於二零一八年十月十八日辭任)	4/4
Xu Jinwen (appointed on August 25, 2018)	徐錦文(於二零一八年八月二十五日獲委任)	0/4

#### 薪酬委員會(「薪酬委員會」)

於二零一八年一月一日至二零一八年八月二十五日期間，薪酬委員會由趙宇紅女士(獨立非執行董事)擔任主席，並包括兩位成員：宋榮榮先生及杜家濱先生。於二零一八年八月二十五日至二零一八年十月十八日期間，薪酬委員會由杜家濱先生(獨立非執行董事)擔任主席，並包括兩位成員：宋榮榮先生及徐錦文先生。於二零一八年十月十八日至二零一八年十二月三十一日期間，薪酬委員會由周銳先生(獨立非執行董事)擔任主席，並包括兩位成員：宋榮榮先生及徐錦文先生。除宋榮榮先生外，其餘薪酬委員會成員均為獨立非執行董事。

薪酬委員會就其建議其他執行董事之薪酬事宜徵詢主席及行政總裁之意見，並可於有需要時諮詢專業意見。其主要職能包括：

- 就本集團董事及高級管理層薪酬之本公司政策及架構向董事會作出建議；
- 就所有執行董事及高級管理層之薪酬計劃向董事會作出建議；及
- 根據董事會的企業目的和目標檢討及批准管理層的薪酬建議。

薪酬委員會之主席須向董事會匯報會議進程及，如適當，向董事會要求對其建議作出考慮及/或接納。

於回顧年內，薪酬委員會共舉行四次會議。董事出席薪酬委員會會議之記錄詳情如下：

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The main works performed by RC during the year ended December 31, 2018 included reviewing the annual remuneration of directors and senior management and recommending the remuneration of newly appointed directors to the Board of Directors.

A general description of the Group's emolument policy and long-term incentive schemes as well as the basis of determining the emolument payable to each directors for the year ended December 31, 2018 are disclosed on pages 23 to 24 of this annual report.

### Audit Committee ("AC")

During the period between January 1, 2018 and August 25, 2018, the AC consisted of three independent non-executive directors, namely, Mr. Yang Xiongsheng (chairman), Ms. Zhao Yuhong and Dr. Li Quan. During the period between August 25, 2018 and October 18, 2018, the AC consisted of three independent non-executive directors, namely, Mr. Yang Xiongsheng (chairman), Ms. Duh Jia-Bin and Mr. Xu Jinwen. During the period between October 18, 2018 and December 31, 2018, the AC consisted of three independent non-executive directors, namely, Mr. Zhou Meilin (chairman), Mr. Zhou Rui and Mr. Xu Jinwen. The Board is of the opinion that the majority of the members of the AC possess accounting and financial management expertise or experience required to discharge their duties.

The major duties of AC include:

- considering and recommending the appointment, re-appointment and removal of external auditor;
- approving the remuneration and terms of engagement of external auditor, any questions of resignation or dismissal of that auditor;
- reviewing and monitoring external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards;
- discussing with external auditor the nature and scope of the audit and reporting obligations before the audit commences;

薪酬委員會於截至二零一八年十二月三十一日止年度履行之主要工作包括檢討董事及高管年度薪酬狀況，向董事會建議新任命董事的薪酬。

有關本集團之薪酬政策及長期獎勵計劃以及釐訂各董事於截至二零一八年十二月三十一日止年度應收薪酬標準的概括說明載於本年報第23至24頁內。

### 審核委員會(「審核委員會」)

於二零一八年一月一日至二零一八年八月二十五日期間，審核委員會由三位獨立非執行董事組成：楊雄勝先生(主席)、趙宇紅女士及李權博士。於二零一八年八月二十五日至二零一八年十月十八日期內，審核委員會由三位獨立非執行董事組成：楊雄勝先生(主席)、杜家濱先生及徐錦文先生。於二零一八年十月十八日至二零一八年十二月三十一日期內，審核委員會由三位獨立非執行董事組成：周美林先生(主席)、周銳先生及徐錦文先生。董事會認為，大部份審核委員會成員均擁有會計及財務管理專業知識或經驗，以履行彼等之職務。

審核委員會主要職責包括：

- 考慮及建議委任、續聘及罷免外聘核數師；
- 批准外聘核數師之薪酬、聘用條款及該核數師辭任或辭退之任何問題；
- 根據適用標準審閱及監察外聘核數師之獨立性及客觀性，以及核數程序之有效性；
- 於開始進行核數前與外聘核數師討論有關核數之性質及範疇和申報責任；



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- developing and implementing policy on the engagement of an external auditor to supply non-audit services and making recommendation of any measures for improvements to be taken;
- monitoring integrity of financial statements, annual and interim reports and reviewing significant financial reporting judgment contained in them. In this regard, in reviewing the quarterly, interim and annual financial statements and the annual and the interim reports before submission to the Board, focusing particularly on:
  - (i) any changes in accounting policies and practices;
  - (ii) major judgmental areas;
  - (iii) significant adjustments resulting from audit;
  - (iv) the going concern assumptions and any qualifications;
  - (v) compliance with accounting standards;
  - (vi) compliance with the Listing Rules and other legal requirements in relation to financial reporting; and
  - (vii) any matters that have been raised by the Company's staff responsible for the accounting and financial reporting function or auditors;
- reviewing the Group's financial controls, internal control and risk management systems;
- discussing with the management the system of internal control and ensuring that the management has discharged its duty to have an effective internal control system including the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and their training programmes and budget;
- considering major investigations of findings on internal control matters as delegated by the Board or on its own initiative and management's response to these findings;
- 就聘用外聘核數師提供非審核服務制定及落實政策，並就需要改善之事宜提出建議措施；
- 監察財務報表、年度及中期報告的完整性，並審閱其所載有關財務申報之重大判斷。因此，於遞交董事會前先行審閱季度、中期及年度財務報表與年度及中期報告時，尤其集中於以下各項：
  - (i) 任何會計政策及慣例變動；
  - (ii) 涉及重要判斷的地方；
  - (iii) 因核數所產生之重大調整；
  - (iv) 企業持續經營假設及任何保留意見；
  - (v) 是否遵守會計準則；
  - (vi) 是否遵照上市規則及其他有關財務申報之法例規定；及
  - (vii) 由本公司負責會計及財務申報工作之員工或核數師所提出之任何事宜；
- 檢討本集團之財務監控、內部監控及風險管理制度；
- 與管理層討論內部監控系統，並確保管理層履行其職責，以維持有效之內部監控制度，包括提供足夠資源、聘請具備足夠資歷之員工負責本公司之會計及財申報工作以及確保有足夠預算用作該等員工之培訓計劃；
- 主動或應董事會的委派，就有關內部監控事宜的重要調查結果及管理層對調查結果的響應進行研究；

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- reviewing the internal audit programme, ensuring co- ordination between the internal and external auditors, and ensuring that the internal audit function is adequately resourced and has appropriate standing within the Company and reviewing and monitoring the effectiveness of the internal audit function;
- reviewing the external auditor's management letter, any material queries raised by the auditor to management in respect of the accounting records, financial accounts or systems of control and management's response and ensuring that the Board will provide a timely response to the issues raised;
- reviewing the Group's financial and accounting policies and practices;
- reviewing the arrangements the Group's employees can use, in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters. The Committee should ensure that proper arrangements are in place for fair and independent investigation of these matters and for appropriate follow-up action; and
- reporting to the Board on matters set out above and to consider other topics, as defined by the Board.
- 檢討內部審核規劃，確保內部審計部及外聘核數師通力合作，並確保內部審計功能有足夠資源運作，且於本公司內有適當的地位，以及檢討及監控內部審計職能之有效性；
- 檢討外聘核數師呈交予管理層的《審核情況說明函件》，以及核數師就會計記錄、財務帳目或監控系統向管理層提出任何重大疑問及管理層之響應，以確保董事會對提出之事宜及時作出響應；
- 檢討本集團之財務及會計政策與慣例；
- 檢討為本集團僱員所設的保密安排，讓他們表達關乎財務匯報、內部管控或其他事宜的關注疑慮。委員會應確保現有的安排公平並有獨立調查上述事宜的機制，以及採取適當的跟進行動；及
- 就上述各項所載的事宜向董事會匯報，及研究其他由董事會界定的課題。

The AC has explicit authority to investigate any matter under the scope of its duties and the authority to obtain independent professional advice. It is given full access to and cooperation of the management. It has been provided with reasonable resources to discharge its duties properly. In the course of reviewing the Group's financial information, the AC members liaise closely with the Board and the chief financial officer to gather relevant information.

審核委員會具有明確權力，按其職責範圍調查任何事宜及有權獲取獨立專業意見，並獲管理層提供全面的支持及通力合作。審核委員會並獲提供合理的資源，以妥為履行其職務。在審閱本集團之財務資料的過程中，審核委員會與董事會及財務總監緊密聯繫以取得有關資料。

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### 企業管治報告書

During the year under review, 2 meetings were held by the audit committee. Details of the attendance of the audit committee meetings are as follows:

審核委員會於回顧年內舉行兩次會議。審核委員會會議之出席記錄詳情如下：

Directors 董事	Attendance 出席次數
Zhou Meilin (appointed as Chairman on October 18, 2018)	0/2
Yang Xiongsheng (resigned on October 18, 2018)	2/2
Duh Jia-Bin (appointed on August 25, 2018, resigned on October 18, 2018)	2/2
Zhao Yuhong (resigned on August 25, 2018)	1/2
Li Quan (resigned on August 25, 2018)	2/2
Xu Jinwen (appointed on August 25, 2018)	0/2
Zhou Rui (appointed on October 18, 2018)	0/2

The major works performed by the AC during the year ended December 31, 2018 included the review and consideration of the announcements relating to the Group's interim and annual results; interim and annual reports; significant accounting and audit issues arising from annual audit of the Group's financial statements; budget, periodic reports from internal audit department; internal audit plan, external auditor's audit and non-audit fees as well as the assessment and recommendation of re-appointment of auditor for the coming year.

於截至二零一八年十二月三十一日止年度，審核委員會履行之主要工作包括審閱及考慮有關本集團中期及全年業績之公佈；中期及年度報告；每年審核本集團財務報表所產生之重大會計及審核事宜；提並預算；內部審計部之定期報告；內部審核計劃及外部核數師之審核及非審核費用；以及評估及建議續聘來年公司核數師。

Full minutes of the AC are kept by the company secretary of the Company. Draft and finalised minutes of the AC meetings are circulated to all members of the AC for their comment and records respectively, in both cases within reasonable time after the conclusion of the meetings.

審核委員會之詳盡會議記錄由本公司公司秘書存置，審核委員會會議記錄之草稿及最終稿，於會議結束後一段合理時間內傳遞予全體審核委員會成員，以供彼等提出意見及存檔。

#### Securities Transactions by Directors and Officers

The Company has adopted a code of conduct by Directors and Officers of the Group on terms no less favorable than the standards set out by the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") contained in Appendix 10 to the Listing Rules.

#### 董事及高級職員進行證券交易

本公司已採納本集團董事及高級職員進行證券交易的守則，其條款並不較上市規則附錄10所載上市公司董事進行證券交易的標準守則（「標準守則」）之條款寬鬆。

Having made specific enquiries to all Directors, save as disclosed above, all Directors confirmed that they had complied with the required standards set out in the Model Code and the Code of Conduct for Securities Transactions throughout the year ended December 31, 2018.

向全體董事作出特定查詢後，除上文所披露者外，全體董事確認彼等已於截至二零一八年十二月三十一日止整個年度遵守標準守則及證券交易之行為守則所載之標準。

## Corporate Governance Report 企業管治報告書

The Board members have been reminded of their obligation to comply with the Model Code.

Directors and Officers as defined in the Code who are in possession of unpublished inside information in relation to the Company or its shares are prohibited from dealing in shares of the Company and are also prohibited from dealing in shares during the black-out period.

### INSURANCE

The Group has appropriate insurance cover in place in respect of any legal actions against its directors and officers.

### ACCOUNTABILITY AND AUDIT

#### Financial reporting

The directors acknowledge their responsibility for preparing the financial statements which give a true and fair view of the state of affairs and results of the Company and of the Group. Their responsibilities have also been stated in the section headed "Independent Auditor's Report" on pages 87 to 89 of this annual report. In preparing the financial statements for the year ended December 31, 2018, the directors have selected suitable accounting policies and applied them consistently and made accounting judgments and estimates that are prudent and reasonable in the circumstances. With the assistance of the Finance Department, the directors ensure that the financial statements of the Group are prepared in accordance with statutory requirements and appropriate financial reporting standards.

Management recognises the importance of providing the Board with appropriate and relevant information on an accurate and timely basis. Quarterly business review and financial reports comparing the Group's actual performance with budget and highlighting major relevant issues are provided to the Board to enable it to make an informed assessment on the Group's performance, position and prospects. Under the CG Code, monthly updates are required to be provided to all directors.

董事會成員獲提醒其有義務遵守標準守則。

被視為知悉有關本公司或其股份未經公佈內幕消息數據之董事及高級職員(定義見守則)禁止於限制期間及禁售期間買賣本公司股份。

### 保險

本集團已為董事及高級職員因法律訴訟引起之責任購買恰當之保險。

### 問責及審核

#### 財務匯報

董事會知悉其責任乃編製反映本公司及本集團真實公平事務狀況及業績之財務報表。彼等之責任於本年報第87至89頁之「獨立核數師報告」一節內提及。於編製截至二零一八年十二月三十一日止年度之財務報表時，董事已挑選適合之會計政策及貫徹應用，並作出審慎合理之判斷及估計。在財務部協助下，董事確保本集團之財務報表乃根據法例規定及適當財務報告準則而編製。

管理層認同在準確與及時的基準上向董事會提供適當及相關之數據的重要性。董事會獲提供季度業務回顧及財務報告(載有本集團實際表現與預算案之比較及主要相關事項摘要)，使其對本集團之績效、情況及前景能作出知情評估。根據企業管治守則，每月需向所有董事提供更新數據。

## Corporate Governance Report 企業管治報告書

The Board endeavours to ensure a balanced, clear and understandable assessment of the Group's position and prospects to extend to the Group's financial reporting including annual and interim reports, other price-sensitive announcements and other financial disclosures required under the Listing Rules, and reports to regulators as well as information required to be disclosed pursuant to statutory requirements.

The Company publishes its interim and annual financial results and reports in accordance with the requirements under the Listing Rules.

### External Auditor and Auditor's Remuneration

The external auditor of the Company is Deloitte Touche Tohmatsu. The Audit Committee is responsible for considering the selection, appointment, resignation or dismissal of external auditors. The Board has no disagreement with the Audit Committee's view on the re- appointment of external auditor.

The statement of Deloitte Touch Tohmatsu, the independent auditor of the Company, regarding their reporting responsibility on the financial statements of the Group for the year ended December 31, 2018 is set out in the section headed "Independent Auditor's Report" on pages 87 to 89 of this annual report. Representatives from Deloitte Touche Tohmatsu met up with the Audit Committee meeting to answer questions.

During the year ended December 31, 2018, the fees paid to Deloitte Touche Tohmatsu, the Company's external auditor, for audit services of the Company and its subsidiaries amounted to HK\$2.6 million (For the year ended 2017: HK\$2.3 million). The fee paid for non-audit related services, representing mainly taxation services, amounted to HK\$0.55 million for the year ended December 31, 2018 (2017: 0.1)

### Risk Management and Internal Controls

The Board is responsible for maintaining a sound and effective risk management and internal control systems of the Group, and for reviewing their design, operational adequacy and effectiveness.

董事會致力確保對本集團之狀況及前景作出客觀、明確及可理解之評估，並將範圍擴大至本集團之年度及中期報告財務申報、其他涉及股價敏感資料的公佈、其他根據上市規則須予披露之財務資料、致監管機構之報告書以及法定須予披露之其他數據。

本公司遵照上市規則之規定刊發中期及全年財務業績及報告。

### 外聘核數師及核數師酬金

本公司之外聘核數師為德勤•關黃陳方會計師行。審核委員會負責考慮甄選、委任、離任及罷免外聘核數師等事宜。董事會於續聘外聘核數師一事並無與審核委員會持不同意見。

本公司獨立核數師德勤•關黃陳方會計師行，對其就本集團截至二零一八年十二月三十一日止年度財務報表承擔之報告責任所作聲明載於本年報第87至89頁之「獨立核數師報告」一節內。德勤•關黃陳方會計師行之代表與審核委員會成員會面以回答問題。

於截至二零一八年十二月三十一日止年度，支付予本公司外聘核數師德勤•關黃陳方會計師行為本公司及其附屬公司提供核數服務之金額為港幣2.6百萬元(截至二零一七年年末：港幣2.3百萬元)。於截至二零一八年十二月三十一日止年度，就非核數相關服務(主要為稅務服務)支付的費用為港幣0.55百萬元(二零一七年：0.1)。

### 風險管理及內部監控

董事會負責維護本集團健全及有效的風險管理及內部監控制度，並審查有關設計、操作的充分性和有效性。

## Corporate Governance Report 企業管治報告書

The Group's risk management and internal control systems encompass their policies, processes, tasks, and other aspects of the Group that taken together:

- facilitate their effective and efficient operation by allowing it to respond appropriately to significant business, operational, financial, compliance and other risks with a view to achieving business objectives. This includes the safeguarding of assets from inappropriate use or from loss and fraud and ensuring that liabilities are identified and managed;
- help ensure maintenance of proper accounting records for the provision of reliable financial information for internal or external reporting; and
- help ensure compliance with relevant legislation and regulations, and also with internal policies with respect to the conduct of business.

The risk management and internal control systems are designed to provide reasonable, but not absolute, assurance of no material misstatement or loss and to manage rather than eliminate risks of failure in operational systems and achievement of the Group's objectives.

The key procedures that the Board established to provide effective risk management and internal controls are as follows:

- A distinct organisation structure exists with defined lines of authority and responsibilities. Division/department heads are involved in preparing the strategic plan which lays down the corporate strategies to be pursued in the coming year for achieving the annual operating plan and the annual operational and financial targets. Both the strategic plan and the annual operating plan lay down the foundation for the preparation of the annual budget by which resources are allocated in accordance with identified and prioritised business opportunities. The annual operating plan is submitted for approval by the Executive Committee subject to regular review. The strategic plan is presented to the Board by management subject to regular review and the annual budget is approved by the Board yearly;

本集團之風險管理及內部監控系統包含其政策、程序、工作連同本集團其他範疇，旨在：

- 容許其適當地於重大業務、營運上、財務上、合規上及其他風險上作出意見，促進營運之效率及成效以達到業務目標。此包括保障投資，免受不適當的使用損失及詐騙，並且保證責任得以確定及處理；
- 確保保存妥當的會計記錄以提供可靠之財務數據供內部使用或對外匯報；及
- 確保遵守相關法例及規定，以及有關工作方式遵守內部政策。

風險管理及內部監控制度乃為合理但非絕對地確保防範重大錯誤陳述或損失，以及旨在管理而非消除營運制度失當之風險，以達致本集團之目標。

董事會為提供有效風險管理及內部監控而制定之主要程序如下：

- 訂定一個權力範圍與責任界定清楚的企業架構。分部／部門主管參予準備策略性計劃，當中列出來年須跟隨之企業策略以達成年度營運計劃及年度營運與財務目標。策略性計劃及年度營運計劃均為準備年度預算案之基礎，並按既定及優先的商業契機分配資源。該年度營運計劃已經由執行委員會批准並須定期進行檢討。策略性計劃已經由管理層向董事會匯報並須定期進行檢討；而年度預算案則由董事會每年批准；

## Corporate Governance Report

### 企業管治報告書

- A comprehensive monthly management reporting system is in place providing financial and operational performance indicators to the management, and the relevant financial information for reporting and disclosure purposes. Variances against budgets are analysed, and explained, and appropriate actions are taken, if necessary, to rectify deficiencies noted; and
- System and procedures are in place to identify, measure, manage and control risks including legal, credit, market, operational, environmental, behavioral and system risks that may have an impact on the Group.

The Group's Internal Audit Department ("IA") performs audit reviews of the risks and key controls of the Group. IA plays an important role in monitoring the Group's internal governance, evaluating the quality of the risk management and internal control systems and informing the Board whether sound risk management and internal control systems are maintained and operated by the management in compliance with agreed processes and standards. To preserve the independence of the internal audit function, the Head of IA reports directly to the AC on audit matters and to the chief executive officer on administrative matters.

Using a risk management-based approach audit, IA plans its internal audit projects annually in consultation with, but independent of, management. The audit methodology and process adopted by IA include understanding and analysing the business, determining risk areas within key processes; analysing and evaluating the process control effectiveness and communicating results and follow up. Independent reviews of different financial, business and functional operations and activities will be conducted with audit resources being focused on higher risk areas. Ad-hoc reviews will also be conducted on areas of concern identified by the AC and the management.

The Company has established written policies and procedures on daily operations, covering process flow, methodology adopted, reviewing process and reporting system. Division/Department Heads will be notified of the control deficiencies noted for rectification, and IA will follow up with the implementation of audit recommendations. Significant internal control weaknesses are brought to the attention of the AC and if necessary to the Board, and to the senior management for remedial actions.

- 訂立每月詳細的管理匯報制度，以向管理層提供財務及營運表現指標，並提供財務資料，供有關匯報及披露用途。對預算差異作出分析及闡釋，並於有需要時採取適當之行動以彌補所知之不足；及
- 訂立制度及程序以識別、衡量、管理及監控可能影響本集團之法律、信貸、市場、營運、環境、行為及制度等風險。

本集團內部審計部（「內部審計部」）就本集團之風險及主要監控進行審核檢討。內部審計部於監察本集團內部管治上、評估風險管理及內部監控系統質素及向董事會匯報管理層是否已遵照協議之程序及標準以及實施妥善之風險管理及內部監控制度上擔當重要角色。為保留內部審計功能之獨立性，內部審計部主管直接向審核委員會匯報有關審核事宜及向行政總裁匯報行政事宜。

內部審計部採用風險管理為本之審核方法，規劃其年度內部審核規劃（會諮詢但獨立於管理層）。內部審計部所採納之一般方法及程序包括理解及分析業務、在主要程序上決定風險範圍、分析及評估程序監控之有效性及傳達結果與跟進。不同之財政、業務、功能運作及活動之獨立檢討將配合審核資源進行，並集中於高風險之範圍。倘審核委員會及管理層識別出值得關注之事宜，亦會以專責方式進行檢討。

本公司已為日常經營、流程、採用方法、評核流程及上報制度制定列明的政策及程序。分部／部門主管將獲通知監控不足之處以進行修正，而內部審計部將跟進落實審核建議之事宜。重要之內部監控不足將提呈審核委員會請予注意（及如有需要提呈予董事會），及高級管理層以作出補救行動。

## Corporate Governance Report 企業管治報告書

During the period under review, the Board, through the AC, has conducted reviews on a regular basis, of the effectiveness of the Group's risk management and internal control systems covering all material controls, including financial, operational and compliance controls, and risk management functions and gave due deliberation/consideration to the adequacy of resources, staff qualifications and experience of the accounting and financial reporting function.

Furthermore, the whistleblowing policy has been adopted by the Board for the Group's employees, customers and suppliers to raise concerns, in confidence, about possible improprieties in any matters related to the Group.

### COMMUNICATION WITH SHAREHOLDERS AND SHAREHOLDERS' RIGHT

#### Shareholders Communication

The Company strives to convey to shareholders pertinent information in a clear, detailed, timely manner and on a regular basis and to take into consideration their views and inputs, and address shareholders' concerns. Their views are communicated to the Board as a whole.

The Company communicates with its shareholders through the publication of annual and interim reports, results announcements, other announcements and documents required to be published pursuant to the Listing Rules, and press releases. All shareholders' communications are also available on the Stock Exchange's website at [www.hkex.com.hk](http://www.hkex.com.hk) or the Company's website at [www.idthk.com](http://www.idthk.com).

The annual general meeting of the Company provides a useful forum for shareholders to exchange views with the Board. The chairman of the Board as well as chairmen of AC, NCGC and/or RC, or in their absence, members of the Board committees are generally available to answer shareholders' questions.

Separate resolutions are proposed at general meetings on each substantially separate issue, including the election of individual directors. Votes cast on each resolution at the general meetings are properly counted and recorded.

回顧期間，董事會已通過審核委員會定期對本集團風險管理及內部監控系統的有效性(涵蓋所有重大監控、包括財務、營運及合規監控，以及風險管理程序)進行檢討；並對資源、員工在會計及財務匯報的經驗及合適性作謹慎考慮。

再者，董事會採納了舉報政策以讓本集團之員工、顧客及供貨商對本集團任何可能處理不當之事宜提出保密舉報。

### 與股東之溝通及股東權益

#### 股東溝通

本公司致力向股東傳達明確、詳盡、適時及定期之相關數據，並考慮彼等之意見及建議以及處理股東關注之事宜。彼等之意見會整體向董事會傳達。

本公司透過刊發年報、中期報告、業績公佈、根據上市規則須刊發的公佈及文件，及新聞稿與股東溝通。所有與股東之通訊亦載於聯交所網站 [www.hkex.com.hk](http://www.hkex.com.hk) 或本公司網站 [www.idthk.com](http://www.idthk.com)。

本公司股東周年大會為股東與董事會交換意見之有用論壇。董事會主席以及審核委員會、提名及企業管治委員會及／或薪酬委員會之主席(如彼等缺席，則委員會成員)通常將出席回答股東之問題。

每一個實質上無關連之個別事項(包括選舉個別董事)，以獨立決議案提呈於股東大會上。所有股東大會上對每項決議案的票數均獲適當地點算及記錄在案。



## Corporate Governance Report 企業管治報告書

At each general meeting, the shareholders will be informed the detailed procedures for conducting a poll and answers will be provided if there are any questions from the shareholders. The poll results are posted on the Stock Exchange's website and the Company's website.

### PROCEDURES FOR SHAREHOLDERS TO CONVENE A SPECIAL GENERAL MEETING ("SGM")

The directors of the Company, notwithstanding anything in its Bye-Laws shall, on the requisition of shareholders of the Company holding at the date of the deposit of the requisition not less than one-tenth of such of the paid-up capital of the Company as at the date of the deposit carries the right of voting at general meetings of the Company, forthwith proceed duly to convene a SGM of the Company.

The requisition must state the purposes of the meeting, and must be signed by the requisitionists and addressed to the company secretary and deposited at the Company's principal place of business in Hong Kong.

The request will be verified with the Company's share registrars and upon their confirmation that the request is proper and in order, the company secretary will ask the Board to include the resolution in the agenda for the SGM.

If the directors do not within twenty-one days from the date of the deposit of the requisition proceed duly to convene a meeting, the requisitionists, or any of them representing more than one half of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of three months from the said date.

### Procedures for shareholders to put forward proposals at general meetings

Shareholders who want to put forward proposals at an AGM or SGM should submit a written notice of those proposals with their detailed contact information to the company secretary at the Company's principal place of business in Hong Kong. The request will be verified with the Company's share registrars and upon their confirmation that the request is proper and in order, the company secretary will ask the Board to include the resolution in the agenda for the general meeting.

在每一個股東大會，若決議案以投票方式進行表決，股東將獲通知有關投票表決之詳細程序。股東如有任何提問亦將獲得解答。以投票方式表決之結果於聯交所網站及本公司網站公佈。

### 股東召開股東特別大會(「股東特別大會」)之程序

即使本公司章程細則另有任何規定，本公司董事須於收到本公司股東(該等股東於送達要求日期之日持有本公司截至該日附帶本公司股東大會投票權的實繳股本不少於十分之一)要求時，立即著手正式召開本公司之股東特別大會。

該要求須述明有關會議之目的，並須由要求人簽署及送達本公司之香港主要營業地點交予公司秘書。

本公司會向本公司之股份過戶登記處核實該要求，於獲得股份過戶登記處確認該要求為恰當及適當後，公司秘書將要求董事會在股東特別大會的議程內加入有關決議案。

倘董事於上述要求之送達日期二十一日內並無正式召開會議，要求人(或代表要求人總投票權超過一半以上之任何要求人)可自行召開會議，惟所召開之任何會議不得於上述日期起計三個月屆滿後舉行。

### 股東於股東大會作出提案之程序

股東若要在股東周年大會或股東特別大會上提出提案，股東須書面提交該等提案，並連同詳細聯絡資料，送達本公司之香港主要營業地點交予公司秘書。本公司會向本公司之股份過戶登記處核實該要求，於獲得股份過戶登記處確認該要求為恰當及適當後，公司秘書將要求董事會在股東大會的議程內加入有關決議案。

## Corporate Governance Report 企業管治報告書

### Procedures for Shareholders to Send Enquiries to the Board

Shareholders' enquiries must be in writing setting out their contact information and addressed to the company secretary and deposited at the Company's principal place of business in Hong Kong at Block C, 9th Floor, Kaiser Estate, 41 Man Yue Street, Hungghom, Kowloon, Hong Kong.

### COMPANY SECRETARY

The company secretary is responsible to the Board for ensuring that the Board procedures and policies are followed and also responsible for ensuring that the Board is fully apprised of the relevant regulatory and corporate governance developments relating to the Group and facilitating the induction and professional development of directors. Ms. Gao Keying, the company secretary of the Company during the year ended December 31, 2018, had attended relevant professional seminars to update his knowledge and skills. She had complied with the Listing Rules and taken no less than 15 hours of relevant professional training.

### INVESTOR RELATIONS

The Board recognised that effective communication to investors is the key to establish investor confidence and attracting new investors.

#### Measures taken by the Group include:

- Annual and interim reports are prepared and issued to all shareholders within the prescribed period stipulated by the Stock Exchange. All results announcements and reports are posted on the Stock Exchange's website and the Company's website.
- The Group regularly releases corporate information such as awards received, product launches and the latest news of the Group's developments on the Company's website. The public are welcome to give their comments and make their enquiries through the Company's website and the management will provide their prompt response.
- The constitutional documents of the Company can be found on the websites of the Company and the Stock Exchange and there is no change in the Company's constitutional documents during the period.

### 股東向董事會查詢之程序

有關查詢，股東須以書面方式連同查詢人之聯絡數據送達本公司之香港主要營業地點交予公司秘書，地址為香港九龍紅磡民裕街41號凱旋工商中心9樓C座。

### 公司秘書

公司秘書向董事會負責，旨在確保董事會程序及政策獲得遵循。彼亦負責確保董事會就有關本集團在規管及企業管治發展等方面獲得全面報告，並支持及協助董事的培訓及專業發展。於截至二零一八年十二月三十一日止年度，本公司之公司秘書高克穎女士已出席多個相關的專業講座，以更新其知識及技能，她已遵守上市規則之規定及接受了不少於15小時的相關專業培訓。

### 投資者關係

董事會深知與投資者之有效溝通，乃建立投資者信心及吸引新投資者之關鍵。

#### 有關舉措包括：

- 本集團於聯交所規定期間內編製年度及中期報告，並刊發予全體股東。所有業績公佈及報告均載於聯交所網站及本公司網站。
- 本集團定期於本公司網站公佈公司資料，例如其所獲得獎項、產品推出情況及本集團發展之最新消息等。本集團歡迎公眾人士透過本公司網站提出意見及查詢，管理層將會迅速跟進。
- 本公司之章程文件可於本公司及聯交所網站查閱，期內，該文件並無任何變動。



**Health & Wellness**

**健康及保健**

The Path to a Healthier You

你的健康之道

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## Environmental, Social and Governance Report 環境、社會及管治報告

The Group complies with the requirements of the Rules Governing the Listing of Securities (the “Listing Rules”) of The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”). During the year under review, it is committed to rising the environmental, social and governance of the Group (“Environmental Social and Governance”) up to a higher level, and hereby to present its Environmental, Social and Governance Report for the year ended 31 December 2017 which is prepared in accordance with the “Environmental, Social and Governance Reporting Guide” contained in Appendix 27 to the Listing Rules on the Stock Exchange.

### I. SCOPE

This report focusingly reports on the performance of the Group in promoting corporate social responsibility (“**Corporate Social Responsibility**”) during the period from January 1, 2018 to December 31, 2018, mainly including the disclosure of the policies and regulations as well as the key performance indicators which are important and closely related to the stakeholders, covering the Brands Sales and OEM/ODM Sales business segments owned by the company and its subsidiaries (the “**Group**”), and the daily operations of the Group’s Hong Kong office and Shenzhen factory.

本集團遵守香港聯合交易所有限公司(「香港聯交所」)證券上市規則(「上市規則」)之要求，於回顧年度內，致力於將本集團的環境、社會及管治(「環境、社會及管治」)提升至更高水平，並按照遵照上市規則附錄二十七《環境、社會及管治報告指引》刊發本集團截至二零一八年十二月三十一日止年度之環境、社會及管治報告。

### I. 範圍

本報告重點匯報本集團於二零一八年一月一日至二零一八年十二月三十一日期間在推行企業社會責任(「企業社會責任」)方面之表現，主要囊括與主要權益人重要相關的環境與社會範疇之政策常規及關鍵績效指標披露，其中涵蓋本公司及其附屬公司(「本集團」)所擁有的品牌銷售與原設備製造／原設計製造銷售之業務分部，與本集團旗下香港辦公室及深圳工廠之日常營運。

## Environmental, Social and Governance Report

### 環境、社會及管治報告

#### 2. COMMUNICATION WITH STAKEHOLDERS

The Group has established a variety of channels to allow related institutions and individuals in the society (the “stakeholders”), including investors, employees, customers, government, suppliers and contractors, community and the public, to participate in the Group’s operations so as to understand and oversee the Group’s operating performance. The group is committed to forgo a harmonious community with various coexisting interests, promote the harmony and co-prosperity of the Group and its stakeholders, and maximize the comprehensive benefits of the society, including maximizing corporate profits. Stakeholders can participate in the operation of the Company through the following means:

#### 2. 權益人的參與

本集團為投資者、員工、客戶、政府、供貨商、承包商、社區及公眾等在內的社會攸關組織和個體(簡稱「權益人」)開放多種管道參與到公司運營中，了解和監督公司的運營狀況，意在營造一個和諧共榮的利益共同體，促進本集團與權益人的和諧共榮，實現包括企業收益最大化在內的社會綜合效益最大化。權益人可從以下途徑參與本公司的運營：

Stakeholders 權益人	Key targets and interests 主要目標及關注點	Channels and means of communication and participation 溝通參與方式和管道	Company measures 公司措施
Shareholders and investors	Protection of shareholders’ interest, truthfulness, accuracy and timeliness of information disclosure.	Shareholders’ meetings, investors’ conferences and site visits, disclosure of information (including financial statement) and contact information of the Company.	Publication of notifications and resolutions of the shareholders’ meetings and disclosure of information of the Company in accordance with rules; organization of various investor activities; publication of the Company’s contact information on the Company’s website and reports, and assuring all communication channels are smooth and unobstructed.
股東及投資者	穩健運營，收益回報，股東權益保護，信息披露真實、準確、及時。	股東大會，投資者諮詢和考察，信息披露(含財務報表)，公司聯繫方式	按規定發佈股東大會通知和議案，披露公司信息。開展多種形式的投資者活動，提高投資者的認可度。在網站和報告中公開公司聯繫方式，並確保各種溝通管道暢通。
Employees	Protection of basic rights, compensation and benefits, work environment, development and promotion and occupational health and safety.	Workers union, communication channels between employees and management, opinion boxes, staff activities, training and education.	Establishment of workers union to provide workers with a platform to communicate; payment of salaries and benefits in full and on time; payment of social security insurance in accordance with law; provision of a healthy and safe work environment; establishment of a fair promotion mechanism; cared about our employees, organization of employee activities, trainings and learning activities.
員工	基本權益保障，福利薪酬待遇，工作環境，發展空間，職業健康與安全，自我價值實現。	工會，員工與管理層溝通管道，意見箱，員工活動，培訓與學習。	成立工會組織，提供員工交流平台；及時足額發放薪酬福利，依法繳納社會保險；提供健康、安全的工作環境；建立公平的晉升機制；關愛員工，說明困難職工，組織員工活動，培訓與學習。

## Environmental, Social and Governance Report

### 環境、社會及管治報告

Stakeholders 權益人	Key targets and interests 主要目標及關注點	Channels and means of communication and participation 溝通參與方式和管道	Company measures 公司措施
Customers 客戶	Guarantee of the product quality and delivery, long-term stable co-operation. 產品質量和供貨保證，長期穩定合作。	Regular visits and maintain regular communication. Strengthening of quality control, assurance of steady production and smooth logistic process; provision of adequate products; entering into long term sales agreements with customers. 定期拜訪，保持日常溝通。加強質量管理，保證生產穩定和運輸通暢，提供足量產品，簽訂長期戰略合作協議。	All of the Group's locations have put in use Red-Mine, a central email system, to improve email communication and follow-up efficiency; moreover, customer service email system is planned with automatic reply function for service enhancement while this technology is currently under study. 集團各地已統一使用中央電郵系統 RedMine 以提升電郵溝通及跟進效率，並正進行在顧客電郵信箱加入自動回復之智慧服務方面的技術研究。
Government 政府	Lawful operations, payment of tax in accordance with the law, production safety, fulfillment of social responsibility. 合法經營，依法納稅，安全生產，履行社會責任。	Site visits, inspections, work conference and discussion, work reports, submissions and approvals. 現場視察、檢查，工作會議研討，工作報告、報送、審批。	Conduction of operation in accordance with the law; compliance management, payment of tax in accordance with the law; strengthening of the Company's safety management; acceptance of government supervision, inspection and examination in accordance with regulations, active assumption of social responsibilities. 合法經營，合規管理、依法納稅，加強公司安全管理；按規定接受政府監督、檢查及現場考察，積極承擔社會責任。

## Environmental, Social and Governance Report

### 環境、社會及管治報告

Stakeholders 權益人	Key targets and interests 主要目標及關注點	Channels and means of communication and participation 溝通參與方式和管道	Company measures 公司措施
Suppliers and contractors	Fair bidding, long-term stable cooperation and timely payment.	Public bidding meetings and business meetings, regular communications.	Fair bidding, select by merit, performance of contractual obligations, strengthening of regular communications, maintenance of longterm cooperation with quality suppliers and contractors.
供貨商、承包商	公平招標，長期穩定合作，按時付款。	招投標會議，洽談會，日常溝通	公平招標，擇優選擇，按約履行合同，加強日常交流，與優質供貨商和承包商長期合作。
Community and the public	Job opportunities, community development, ecological environment, compensation and assistance.	Co-hosting of community activities, charity, volunteer service and coconstruction of the community.	Promotion of community building and development, provision of volunteer service, establishment of communication channels for the community and the community members; hosting of community activities, promotion of the building of harmonious community.
社區與公眾	就業機會，社區發展，生態環境，補償與援助。	共辦社區活動，慈善援助，志願者服務，社區共建活動。	促進社區建設和發展，提供志願者服務，開放與社區和社區成員的溝通管道；共辦社區活動，促進建設和諧社區。



## Environmental, Social and Governance Report 環境、社會及管治報告

### 3. ENVIRONMENTAL, SOCIAL AND GOVERNANCE PERFORMANCE

#### 3.1 Environment

##### 3.1.1 Emissions

The Group is actively responding to the global trend of emission reduction and is committed to minimising release of greenhouse gases, wastewater, solid wastes and other pollutants in its daily operations. Therefore, a series of environmental policies have been developed to strengthen the control of emissions, including:

##### *Waste reduction*

Most of the electronic wastes generated in the manufacturing process, including the scrapped circuit boards, scrapped parts and malfunctioned components, are returned or handled directly by recycling companies. At the same time, the Group continues to seek and improve the manufacturing process and technology in order to increase productivity and reduce scrapped electronic products and parts during the production process.

For reduction of the waste generated, factory operation increases the application of re-use boxes to avoid wastes generated from logistics tools made of materials easily damaged such as paper, plastic.

The Group categorizes different kinds of wastes for proper disposal, identifies recyclable wastes, and establishes classified bins. The Group also arranged waste classification trainings to encourage employees to actively participate in waste recycling.

Electronic products involve application of batteries and the Group understands the far-reaching impact of batteries on the environment, therefore has designated disposed battery collection locations for promoting the appropriate handling and recycling of disposed batteries.

### 3. 環境、社會及管治表現

#### 3.1 環境

##### 3.1.1 排放物

集團積極響應全球關注的減排趨勢，在日常營運中致力避免產生溫室氣體、廢水、固體廢物等污染物，故制定了一系列的環保政策加強控制，其中包括：

##### *減少廢棄物*

集團在製造業務上產生的電子廢品，包括報廢的電路板，零部件，壞掉的部件，大部分都會安排退貨或者直接由回收商回收，同時不斷尋求完善製造過程及技術，以提高生產效益，減少在生產過程中報廢的電子產品及部件。

為了減少在工廠物流中所產生的廢棄物，增加周轉箱的應用，減少因採用紙質或塑料等容易損毀的搬運工具而產生的廢棄物。

集團會對不同的廢棄物分類作合適的處理，確認可回收的廢物，並設立分類垃圾桶，舉辦垃圾分類培訓活動以鼓勵員工積極參與回收廢棄物。

電子產品涉及不少電池的應用，集團了解電池對環境的深遠影響，因此設立廢舊電池回收處，且倡導廢舊電池回收處理。

## Environmental, Social and Governance Report

### 環境、社會及管治報告

In addition to disposed batteries, the Group also focuses on carton wastes. Therefore, recycling bins have been set up to collect waste papers and arrange recycling companies to handle.

The Group regularly evaluates the production process to find out the sources of hazardous wastes, and defines action plans to reduce these wastes. The Group also put labels to differentiate hazardous and nonhazardous wastes to facilitate hazardous wastes being handled properly by the qualified service providers.

Currently, the hazardous wastes produced by the Group include disposed batteries, sewage sludge, oil rags and contaminated gloves; whereas nonhazardous wastes mainly include disposed capsules and carton wastes.

The Group has demonstrated the following results in the reporting period through the implementation of the aforesaid policies and measures for waste reduction:

除了廢電池，集團亦關注紙箱的廢棄，故增設回收箱收集廢紙，並安排回收商前來處理。

集團定期評估生產流程，找出有害廢棄物產生的源頭，制定減少有害廢棄物的行動計劃；並且將有害廢棄物及無害廢棄物作不同標識，以便安排有害廢棄物交由合資格的服務商適當地處置。

目前集團業務所產生的有害廢棄物包括廢電池、廢水處理後的污泥、油抹布、用後受污染的手套等，而一般的無害廢棄物主要為廢膠囊、廢棄包裝箱等。

透過落實以上政策及措施，集團於報告期間在廢物排放的表現如下：

Types of Wastes	廢棄物種類	Total Annual	Intensity per
		Weight (tons)	production unit (gram/piece) 每生產單位 的排放密度
		全年總量(噸)	(克/件)
Hazardous waste	有害廢棄物	4.24	3.53
Non-hazardous waste	無害廢棄物	9.50	7.92

## Environmental, Social and Governance Report 環境、社會及管治報告

### *Reduction of wastewater discharge*

The Group's factory in Shenzhen discharges both industrial and domestic wastewater. The factory has installed sewage treatment facilities to reduce the pollutants in the wastewater, and has additional facility for re-use of the treated wastewater. This approach not only reduces wastewater discharge but also helps the Group to use less fresh water.

### *Reduction of greenhouse gas (GHG) emission*

The Group seeks to adopt renewable or other clean energy in replacement of coal combustion facilities in order to reduce the generation and emission of sulphur and nitrogen oxides. In addition, the Group actively implements other administrative means to reduce GHG emissions, including:

#### – Reduction of business trips

The Group has a thorough understanding that business trips increase energy consumption and lead to an increase in GHG emissions; therefore, the Group actively decreases the number of business trips to reduce GHG emissions, and switches to other effective communication methods, including avoidance of long-distance personal meetings, replacement with telephone and/or video conferences, as well as adoption of bundled courier to reduce GHG emissions from additional traffics caused by separate own delivery.

#### – Sourcing from local suppliers

Sourcing with non-local suppliers requires additional transportation; the situation is similar to business trips which increases energy consumption and GHG emissions. As long as the Group's requirements are fulfilled, preferences are given to local suppliers. In each procurement process, the Group will firstly consider and invite local suppliers to make quotations and provide product information, then leverage the factors such as raw material quality, cost and environmental protection. Non-local procurement will be considered only when the local suppliers fail to meet the relevant conditions.

### *減少廢水排放*

集團在深圳的工廠業務會產生工業廢水及生活廢水，工廠已建設污水處理設備以減少廢水內的污染物，還增加設備把經處理後的廢水再循環使用，在減少廢水排放的同時為集團節省用水量。

### *減少溫室氣體*

集團尋求採用可再生或其他潔淨能源，代替燃煤設備，減少硫化物、氮氧化物的產生和排放。此外，更積極以其他行政手段減少溫室氣體的排放，包括：

#### – 減少商務出差

集團深切理解商務出差會增加能源消耗，導致溫室氣體排放的增加，故積極減少公幹次數，降低因公幹而導致的溫室氣體排放，改用其他有效的溝通方法，包括避免舉行長途的親身見面會議，以電話及／或視像會議取代，並且以速遞集團寄送物料以取代自行送貨，致力減少由額外交通造成的溫室氣體排放。

#### – 支持本地供貨商採購

採用非本地供貨商須要額外的運輸過程，情況如同商務出差，對應增加能源消耗及溫室氣體的排放，故在符合集團要求的條件下，優先選用本地供貨商。在每次的採購過程，集團會先考慮及邀請本地供應商作報價及提供產品數據，集團會平衡地考慮原材料質量、成本、環境保護等因素，只有在本地供貨商供貨不符合相關條件時，才考慮非本地採購。

## Environmental, Social and Governance Report

### 環境、社會及管治報告

#### – Environmental education

The Group understands the long-term impact of the electronics industry on the environment, therefore plays an active role in the supply chain to promote the importance of emission reduction and establishes environmental management measures for suppliers to follow, including: for all vehicles that enter the Group's premises, they must be kept idle, the engines are not allowed to be running and emitting exhaust within the factory's premises; the exhaust emissions need to comply with the environmental requirements; all persons within the factory's premises shall abide by the requirements such as waste classification, no littering and no smoking. In addition, the Group requires chemical suppliers and transporters to ensure that chemicals are protected against leakage before arrival and the packaging, containers and labels of chemicals must comply with the relevant regulatory requirements; and the supply of materials, semi-finished products and finished products shall not contain any intentional or unintentional addition of flammable and explosive substances.

The Group also incorporates the concept of environmental protection into employee's annual training program to enhance their environmental awareness. Environmental training topics include RoHS, ISO14001 environmental awareness, waste classification, chemical safety and so on. For key positions such as manufacturing and cleaning, trainings are provided to new employees of each month to ensure that they can classify and identify hazardous and non-hazardous wastes as well as arrange the qualified recycling companies for handling.

#### – 環保教育

集團明白電子產業對環境的長遠影響，故在供應鏈中擔當積極的角色，致力推廣減排的重要性，制定了環境管理措施要求供貨商遵守，包括：凡進入集團內的車輛，停車後必須熄匙，不得保持引擎轉動並在廠區內排放廢氣；尾氣的排放量須符合環保要求；進入廠區所有人員必須遵守垃圾不落地、垃圾分類及禁止吸煙等要求。此外，集團要求化學品供應及運輸商確保化學品在運抵前做好防洩漏措施，而化學品的包裝、容器及標識等必須符合相關法例要求；及供應的物料、半成品和成品亦不得包含任何有意或非故意添加的易燃易爆物質。

集團亦將環境保護概念納入員工的年度培訓計劃中，提升他們的環保意識。環保培訓課題包括RoHS、ISO14001環保意識、廢棄物分類、化學品安全等。針對製造及清潔等關鍵崗位，更為每月新入職的員工提供培訓，確保他們能分類及標識有害廢棄物與無害廢棄物，並安排合資格的回收商處理。

## Environmental, Social and Governance Report

### 環境、社會及管治報告

During the reporting period, the Group did not have any violation of environmental legislations. The sources and emission volumes of GHG are as follows:

在報告期間，集團沒有任何違反環境法例的個案發生，而報告期內所產生的溫室氣體的源頭及排放量如下：

GHG Emission Sources	溫室氣體的排放源	GHG Emission	
		Total consumption volumes	Volumes (kg carbon dioxide equivalent) 溫室氣體排放量 (公斤二氧化碳含量)
		總耗量	
Diesel oil consumption from stationary sources (litres)	固定源的柴油耗量(公升)	0	0
Diesel oil consumption from mobile sources (litres)	流動源的柴油耗量	330	881
Gasoline consumption from mobile sources (litres)	流動源的汽油耗量	19,723	44,837
Natural gas consumption (cubic meters)	天然氣耗量(立方米)	91,880	201,409
Power consumption of facilities (kWh)	設施耗電量(千瓦時)	3,470,093	2,928,165
Total GHG emissions	溫室氣體的排放總量	—	3,175,292
Production volume (piece)	生產量(件)	—	1,199,942
GHG Emission Intensity	溫室氣體排放密度	—	2.65
			(kg carbon dioxide equivalent/piece) (公斤二氧化碳含量/件)

## Environmental, Social and Governance Report

### 環境、社會及管治報告

#### 3.1.2 Use of Resources

The Group understands that the resources on the planet are limited, therefore appropriate measures are implemented to enhance the efficiency of resources used, including:

##### *Energy saving*

In order to reduce energy consumption, the Group uses energy-efficient products and equipment as much as possible, and actively plans to replace equipment with high energy consumption, such as gradually replacing the factory's traditional electric lights with LED lights in 2018. The air conditioning system uses a central control to effectively manage the temperature of each department and automatic shutdown is scheduled at a specified time to reduce additional energy consumption caused by uncontrolled temperature adjustments. In addition, employee's code of conduct for energy saving was established and requires employees to turn off electrical devices in office and production when off work, in order to ensure all machinery are shut down when out of working hours. It aims to develop employee a habit of shutting down machinery when leaving workplace.

##### *Water conservation*

In addition to re-use of the treated wastewater, the Group has adopted multiple administrative measures to enhance water consumption efficiency. In the daily operation, wastewater is collected and used for non-production purposes, such as toilet flushing or floor cleaning. Water equipment in the production workshops and offices are inspected and repaired timely for any leakage to avoid water wastage. Also, water conservation slogans are posted on bulletin boards to enhance employees' awareness of water conservation, and remind employees and visitors of water saving. During meetings, bottled water is replaced by reusable water containers to change the unfavourable employees' habit of using bottled water at meetings.

#### 3.1.2 資源使用

集團明白地球上的資源有限，故推行適當措施以提升資源使用的效率，包括：

##### *節約能源*

為了減少能源的消耗，集團儘量使用能源效益較高的產品及設備，積極計劃更換高能耗的設備，如於二零一八年度將工廠內所有的傳統電燈更換成LED燈。空調系統採用中央控制，有效管理各部門的溫度，並設定在指定時間後自動關閉中央空調，以減少非受控的溫度調整而導致額外的能源消耗。此外，制定員工節約用電守則，要求員工每天下班離開工作位置時必須關閉辦公及生產用電設備，確保所有機器在下班時都關掉，目標是養成員工「人走關機」的習慣。

##### *節約用水*

除了循環使用經處理後的廢水，集團亦採用多重的行政手段以提升用水效益。在日常營運中會收集廢棄水，用作一般非生產的用途，如沖廁或沖洗地板等。對在生產車間及辦公室的用水設備，進行檢查並及時改善設備滴漏的狀況，防止滴漏浪費水資源。此外，在宣傳欄張貼節約用水標語，加強員工節約用水的意識，提醒員工及訪客節約用水。在舉辦會議時，以可重用的盛水器皿取代瓶裝水，改變員工在會議時使用瓶裝水的壞習慣。

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The Group's production site in Shenzhen has demonstrated the following achievements in the reporting period through the implementation of the aforesaid policies and measures for water conservation:

透過落實以上節約用水措施，集團的深圳生產基地在報告期間已取得以下成效：

#### Sources/types of water used

##### 用水種類／源頭

Re-use of treated production wastewater

循環使用處理後的生產廢水

Wastewater used for flushing toilets and cleaning floors

廢棄水用作沖廁或沖洗地板

Bottled water replaced by reusable water container in meeting

可重用的盛水器皿取代瓶裝水

#### Volume of water saved

##### 節省用水量

20 cubic meters per month

20 立方米／月

3-5 cubic meters per month

3-5 立方米／月

10 bottles per meeting

10 瓶水／會議

#### Saving of office resources

Electronic documentation is promoted in the daily operation; hardcopies are replaced by electronic files in computer and whenever possible paperless office operation is implemented to reduce the use of paper consumables. The Group set targets on amounts of paper to be used as well as expectations to all departments on paper saving. Employees are required to print on both sides of the paper. When copying or printing files, paper with only one side used should be collected for re-use for saving of new papers. The amount of paper used in 2018 decreased by 22.7% compared to 2017..

#### 節約辦公室資源

在日常營運中提倡加強文件電子化的要求，使用計算機存盤代替紙質文件，儘量實行無紙化辦公，以減少紙質辦公用品的使用；並設定紙用量的目標指針，對集團各部門定下節約用紙的期望；要求員工紙張採用雙面打印。在複印或打印文件時，將單面用過的紙張回收再利用，節約用紙。二零一八年的用紙量較二零一七年減少 22.7%。

During the reporting period, the main resources consumed by the Group during operation are summarized as follows:

在報告期內，集團在運作期間所消耗的各種主要資源概列如下：

Resources	資源	Annual consumption (tons)		Intensity per production unit	
		全年總量(噸)		每生產單位的排放密度	
		Hong Kong	Shenzhen	Hong Kong	Shenzhen
		香港	深圳	香港	深圳
Electricity (KWh)	電力(千瓦時)	251,793	3,218,300	0.210	2.682
Water (cubic meters)	水(立方米)	18	147,095	0	0.123
Packaging materials	包裝物料(紙材)	N/A		N/A	
(paper) (piece)	(以個計算)	不適用	11,603,965	不適用	9.670
Packaging materials	包裝物料(膠材)	N/A		N/A	
(plastic) (piece)	(以個計算)	不適用	3,495,462	不適用	2.913

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#### 3.1.3 The Environment and Natural Resources

The Group understands the environmental concerns from both community and customers, and promote policy on green manufacturing and green procurement policy:

##### *Green procurement policy*

When compliance with the Group's operating and pricing requirements, preference is given to suppliers who are competent to provide environmentally friendly products and/or services, including environmentally certified materials or services (such as RoHS and REACH compliant materials), use of products made of natural materials, products free of toxic and hazardous substances, and other products/devices compliant with the relevant environmental regulations. The Group is actively promoting the proportion of environmental suppliers (the proportion of suppliers providing environmentally friendly materials to the total suppliers), with the goal that the materials provided by suppliers are 100% RoHS compliant.

##### *Green manufacturing policy*

Since the Group's business is the manufacturing of electronic products, the main environmental impacts are electronic waste generation and resource consumption during the production process. Therefore, the green manufacturing policy is implemented along with the green procurement policy to provide customers with environmental compliant products, including compliance with the local environmental laws in the importing countries, such as RoHS, REACH.

The Group is committed to the use of energy-efficient and water-efficient equipment in the manufacturing process. Resource recycling process is established to collect the reusable packaging materials for proper handling, in order to reduce waste generation and wastage of various production resources. A sewage treatment plant was set up to process wastewater for compliance with the environmental standards, and then the treated wastewater is recycled to be used for production or other purposes. This not only reduces wastewater discharge but also decreases the total water consumption.

#### 3.1.3 環境及自然資源

集團了解社會及客戶對環保議題的關注，公司提倡綠色製造及綠色採購政策：

##### *綠色採購政策*

在符合集團營運要求及價格因素的情況下，優先選擇能提供環保產品及／或服務的供應商，覆蓋有環保認證的物料或服務(如RoHS、REACH的合規物料)，採用天然材料製造的產品，不含有毒、有害物質的產品及其他符合環境相關法例要求的產品／設備等。集團積極提升環保供應商的比重(提供環保物料的供應商佔全部供應商的比列)，目標是供應商提供的物料皆為100%符合RoHS的產品。

##### *綠色製造政策*

因應集團業務為電子產品的製造，主要的環境影響在電子廢物的產生及生產過程中的資源耗用，故奉行綠色製造政策，配合綠色採購，向客戶提供符合環保要求的產品，包括符合入口國當地的環保法例如RoHS、REACH等。

在製造的過程上，致力採用節能節水的設備。設立資源回收過程，對可回收的包材進行回收處理，降低各種生產資源的浪費，減少產生廢棄物，並設有污水處理池，將生產廢水處理並當達到環保標準後，再循環使用作生產或其他用途，減少廢水排放的同時又可節省總用水量。



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The Group has defined day-to-day management measures to reduce and control the emissions of hazardous wastes. Annual environmental trainings are provided to employees to enhance their environmental awareness and to implement environmental management measures.

In addition, the Group regularly monitors the significant environmental impacts to ensure compliance with local regulations of where the Group's businesses locate. Regular environmental audits are conducted to identify nonconformities timely, and implement the appropriate corrective and preventive actions.

### 3.2 Society

#### 3.2.1 Employment

In addition to complying with local employment regulations, the Group has also formulated a series of employment policies to ensure that employees are treated in a fair and reasonable manner.

##### *Recruitment and promotion*

The Group recruits employees through the company's website, email, advertisements, etc., and gives equal opportunity to every job applicant. The Group shall not reject any applicant because of gender, age, race, and other physical conditions. Employment decisions are solely based on fulfilment of the job requirements, and shall not discriminate against physically disabled applicants. Besides local applicants, applicants of other ethnicities and nationalities are also considered at the time of recruitment, including ethnic minorities and expatriates.

Regarding the mechanism for employee's promotion, the Group only refers to the employee's performance, experience and competence, and does not consider other irrelevant attributes such as marital status, physical condition and gender, etc.

集團制定日常管理措施以減少及控制有害廢棄物的排放。每年提供環保培訓予員工，提升他們的環保意識及落實環保管理措施。

此外，集團定期對重大環境影響的因素進行監測，確保遵守業務當地的法例要求。定期進行環境審核，及時發現不符合事項並且採取糾正與預防措施。

### 3.2 社會

#### 3.2.1 僱傭

集團除了遵守業務當地的僱傭條例要求，亦制定了一系列的僱傭政策，保障僱員獲得公平合理的對待。

##### *招聘及晉升*

集團通過公司網站、電郵、廣告等招聘員工，對每位工作應徵者都給予平等的權利，絕不會因性別、年齡、種族及其他身體狀況拒絕應徵者。聘請的決定都是從符合工作要求的角度去考慮，不會歧視身體有障礙的應徵者。在招聘時，除了本地人的申請，還會考慮其他種族及國家的人，包括少數族裔和外籍人士。

對於員工的晉升機制，集團只會參考員工的工作表現、經驗及個人能力，不會考慮其他無關係的因素如婚姻、身體狀況及性別等。

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#### Wages and Benefits

The Group signs a contract of employment with its employees in accordance with local laws to ensure employees' legal rights in the employment relationship, including the payment of legal minimum wage, and employees' entitlement to paid holidays, vacation, sick leave and leave for work-related injury. In addition to the purchase of social insurance for employees according to local employment regulations, the Group also purchases commercial insurance beyond the local regulations in order to reduce employee's cost of seeking for medical services. In case of work-related injuries and accidents, the Group will arrange reasonable compensation for its employees and their families in accordance with laws.

During the reporting period, the Group did not discover or receive any violations or complaints regarding discrimination or recruitment. As of 31 December, 2018, the total number and distribution of employees within the Group are as follows:

#### 薪酬與福利

集團按業務當地的法例與員工簽定僱傭合約，保障員工在僱傭關係上的法定權益，包括確保最低工資的支付，員工依法享有帶薪節日假期，病假和工傷假等。除了按當地的僱傭條例為員工購買社會保險，更為員工購買法例要求以外的商業保險，降低員工使用醫療服務的成本。遇到工傷事故及意外時，集團會依法對員工及其家屬安排合理賠償。

在報告期內，集團沒有發現或收到有關於歧視或招聘的違規事件或投訴個案。

截至2018年12月31日，集團內的員工總數及分佈概述如下：

Gender	性別	Number of Employees	
		Hong Kong	Shenzhen
		香港	深圳
Male	男性	12	195
Female	女性	8	436

Job type	工作類別	Number of Employees	
		Hong Kong	Shenzhen
		香港	深圳
Full-time	全職	20	631
Part-time	兼職	0	0

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Age	員工年齡	Number of Employees 員工人數	
		Hong Kong	Shenzhen
		香港	深圳
18 - 30	18 - 30	1	118
31 - 45	31 - 45	10	414
46 - 60	46 - 60	9	99
> 60	> 60	0	0
Total	總數	20	631

Gender	工作性別	Average Monthly Employee Turnover Rate (%) 每月僱員流失率 (%)	
		Hong Kong	Shenzhen
		香港	深圳
Male	男性	16.0	8.1
Female	女性	21.9	5.5

Age	員工年齡	Average Monthly Employee Turnover Rate (%) 每月僱員流失率 (%)	
		Hong Kong	Shenzhen
		香港	深圳
18 - 30	18 - 30	50.00	12.99
31 - 45	31 - 45	20.00	5.07
46 - 60	46 - 60	12.96	3.37
> 60	> 60	0	0
Total	總平均數	18.33	6.29

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#### 3.2.2 Health and Safety

The Group is committed to achieving the goal of zero work accidents through different measures to prevent the occurrence of occupational diseases and work-related injuries and fatalities.

##### *Workplace Safety Management*

The Group conducts annual safety monitoring to identify potential safety hazards, and implement corrective and preventive actions in a timely manner. The Group installed protective devices for the production equipment and machinery in the workplace to ensure that employees are not exposed to dangerous parts. The compliance of the workplace is monitored, including the provision of adequate fire equipment and regular safety inspection. In addition, suppliers are requested to follow safety practice within the Group's premises. All vehicles within the premises must be limited to the speed of 10 km/hour with no honking is allowed. Their driving routes shall follow the instructions from the security team.

##### *Employee Safety Training*

The Group provides personal protective equipment to employees where necessary, and arranges appropriate occupational health and safety trainings, including the proper usage of protective equipment, awareness of safety risks in the work place, content in the material safety data sheet (MSDS) and the use, storage and emergency response to leakage of chemicals. The Group also arranges fire and emergency drills regularly to train employees on the evacuation routes at dangerous situations.

##### *Work and Life Balance*

The Group shall not force employees to work overtime, and regularly organizes recreational activities, psychological counselling and trainings to help employees relax from the working pressure, including psychological health seminars, family days, tug-of-wars, seaside walk, watching movies, hand-made, and explores various sport activities amongst employees.

#### 3.2.2 健康與安全

集團致力達致零工作意外的目標，以不同方面的措施防範員工職業病與工業傷亡的發生。

##### *工作場所之安全管理*

集團進行年度安全監測工作，找出安全隱患，及時執行糾正及預防措施。對工作場所的生產設備及機器，安裝防護裝置，確保員工接觸不到危險的部份。監控工作場所的合規狀況，包括配備足夠的消防器材，並定期進行安全檢查。此外，要求供貨商在集團範圍內進行安全操作，凡進入公司的車輛一律限速每小時10公里以內，嚴禁鳴按喇叭，行駛路線須按值班保安調度。

##### *員工安全培訓*

集團提供個人防護裝備給相關員工，並安排適當的職業健康及安全培訓，包括正確使用防護裝備的方法，認識工作處所中的安全風險，物質安全數據表(MSDS)的內容，化學品安全使用、儲存、洩漏應急等方面的培訓。集團亦安排員工定期進行消防及應急演習，培訓員工在危急時的逃生路線。

##### *工作與生活的平衡*

集團絕不會強迫員工超時工作，並會定期舉辦娛樂活動、心理轉導、培訓等幫助員工減壓，包括曾提供心理健康講座、舉辦家庭親子日、拔河比賽、海濱徒步、觀影、手工制作等員工娛樂活動、開展各式各樣的員工業餘體育活動。

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In addition, the Group is very concerned about how employees view the company, therefore employee communication channels and suggestion boxes have been set up. The suggestions collected from the employees are followed up on a regular basis. Employee representatives are selected from each department with the Group and they shall meet regularly for discussion and sharing.

During the reporting period, the Group did not discover any violations against the local occupational health and safety regulations. Within the reporting period, no work-related fatality and lost day due to work-related injury was found.

#### 3.2.3 Development and Training

The Group established a comprehensive training system. Apart from the general classroom trainings, the Group emphasises on-the-job exercises and a mentor is assigned to every new employee. Through this apprenticeship programme, the mentor gives the hands-on guidance and supervises the new employee in accomplishing his/her work, this approach enhances the training efficiency and the new employee's performance. Adjustments could be made to the apprenticeship program according to the new employee's competence and experience. At the same time, based on the Group's strategies for product and business development, career development plan is formulated for employees to support the sustainable development of the Group's business.

During the reporting period, the monthly average proportions of employees who have received training within the Group and the monthly average number of trained hours received by each employee are as follows:

Gender	性別	Monthly Average Proportion of trained employees (%) 接受培訓的僱員的 每月平均百分比		Monthly Average Number of Trained Hours per employee 每名僱員的 每月平均培訓時數	
		Hong Kong 香港	Shenzhen 深圳	Hong Kong 香港	Shenzhen 深圳
Male	男性	0	68.46	0	0.77
Female	女性	0	60.86	0	0.67

除此之外，集團非常關注員工對公司的意見，故制定員工溝通管道，設立員工意見收集箱，定期對收集的員工意見跟進。在集團各部門選出員工代表，定期組織員工代表開會、討論與交流。

在報告期間，集團沒有發現違反業務當地職業健康及安全相關的條例。在報告期內，沒有發現僱員因工作關係而死亡。

#### 3.2.3 發展及培訓

集團建立完善的培訓體系，除了一般的課堂培訓外，集團強調工作實踐，故安排指導工給每位新員工，以「師帶徒」的方式親身指導及監督新員工完成工作，提升培訓效益及新員工的績效。「師帶徒」培訓可以按新員工的不同能力及經驗水平作出彈性調整，同時因應產品開發與業務拓展策略，對員工制定職業發展計劃，及推動集團業務的持續發展。

在報告期間，集團內部接受培訓僱員的百分比及每名僱員的平均培訓時數如下：

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Employee level	僱員級別	Monthly Average Proportion of trained employees (%)		Monthly Average Number of Trained Hours per employee	
		Hong Kong	Shenzhen	Hong Kong	Shenzhen
		香港	深圳	香港	深圳
Senior management	高級管理層	0	58.33	0	2.33
Middle management	中級管理層	0	57.16	0	1.04
Junior employee	初級員工	0	63.82	0	0.67

#### 3.2.4 Labour Standards

The Group strictly prohibits the employment of child labour and will only employ employees aged 18 or above. The Group follows the principle of voluntary overtime to ensure that employees are willing to work and employee's personal freedom is protected. The Group is committed not to force employees to work overtime nor to work in any form of forced labour, including not using any bonded labours such as prison workers.

For effective prevention of child labour, the applicant's identity document shall be carefully examined at the time of recruitment to confirm the age of the applicant, and the application from an applicant less than 18 years of age shall be excluded. In addition, the Group's personnel management system set up an alert function to signal any applicant under the age of 18. With this double gate-keeping mechanism, the risk of misusing child labour could be avoided. Under the daily management, child labour will be terminated immediately when he/she is discovered within the Group.

The Group has also set up measures to prevent forced labour. Employees are required to submit working hours to their immediate supervisors. HR shall review employees' working hours, investigate immediately and stop the relevant work assignment in case of involuntarily overtime identified.

During the reporting period, the Group did not discover any employment of child labour nor any violation against the laws and regulations related to forced labour.

#### 3.2.4 勞工準則

集團嚴格禁止聘用童工，只會聘請年滿18歲或以上的員工，及奉行自願加班原則，確保員工自願工作，保障員工人身自由，承諾不強迫員工超時工作及不以任何形式強迫僱員工作，包括不使用強迫勞動工如囚工等。

為了有效的防止童工，在招聘時會仔細查看應徵者的身份證明文件以確認應徵者的年齡，會剔除未滿18歲應徵者的申請。此外，集團的人事管理系統設置了年齡未滿18歲的提醒功能，在此雙重查核的機制下避免誤聘童工的風險。在日常管理下如發現童工在集團內工作，將會立刻停止僱用。

集團亦制定防止強制勞工的措施，員工需每天呈交工作時數予其直屬上司，人力資源部查看員工的工時記錄，當發現不自願超時情況，會立刻調查，並制止不自願的超時工作。

在報告期間，集團未有發現聘用童工及違反強制性勞動相關的法例。

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#### 3.2.5 Supply Chain Management

The Group has developed supplier management policy for communication to the suppliers the expectations of the Group and the requirements that they need to abide by. The policy covers quality, environmental management, health and safety, social responsibility, and anti-terrorism management, etc. and these aspects are also the criteria for supplier selection. The Group has established a supplier selection and evaluation procedure, which conducted an initial review of new suppliers and an annual evaluation of key suppliers in the form of on-site audits or questionnaires. The contents of the evaluation include product quality, delivery time, environment, use of environmental friendly materials, and management of hazardous substances. After the evaluation, results shall be recorded as the monitoring evidence for the subsequent long-term partnership.

Based on the aforesaid evaluation scope, procurement preference will be given to local suppliers over their non-local counterparts who demonstrated the same performance level from evaluation. Non-local suppliers shall be considered only when no qualified local supplier available, currently local suppliers account for about 96%. As of 31 December 2018, the geographical distribution of the Group's suppliers is as follows:

Geographical locations	地理區域	Number of suppliers 供應商數量
China	中國	97
Hong Kong	香港	66
USA	美國	4
Korea	韓國	1
Other	其他	1

#### 3.2.5 供應鏈管理

集團制定供貨商管理政策，向供應商溝通集團的期望並要求他們及其人員遵守的事項。這些管理政策覆蓋的範圍包括質量、環境管理、健康安全、社會責任、反恐管理等多方面，而這些方面亦是挑選供貨商的準則。集團建立了供貨商選擇及評審程序，對新供貨商進行首次評審及對關鍵供貨商進行年度評審，形式以現場審核或調查表執行。評審內容包括產品質量、交貨期、環境、環保物質使用、有害物質管理，評審後將結果形成記錄作為日後長期合作夥伴的監控依據。

在考慮上述評審範圍的同時，會優先考慮有相同條件的本地供貨商，在沒有合適的本地供貨商時才會向外採購。目前本地供貨商佔大約96%，截至二零一八年十二月三十一日止，集團供貨商的地理分佈如下：

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#### 3.2.6 Product Responsibility

All products of the Group are subject to strict quality inspection/testing before shipping out of the factory, including the sampling and monitoring of hazardous substances in incoming materials such as 2011/65/EU the management procedure for the Restriction of the Use of Hazardous Substances in Electrical and Electronic Products, in-process quality control, and safety verification of the final products.

For product promotion and selling, the Group shall ensure the product information provided to the customer is true and accurate to avoid any misleading at the time of purchase. The Group also has designated customer service personnel responsible for responding customer inquiries and initiating product recall when necessary.

The Group has formulated a complaint handling mechanism to analyse with Quality Department on the complaint received from customer, and shall report the results of analysis and follow-up actions to the customer within the specified time frame.

During the reporting period, the Group did not discover any customer complaint or violation against regulations related to product responsibility; and no item among all products sold was recalled due to product safety and health reasons.

##### *Quality Assurance Process*

The Group starts the quality control of products at the source. Material from supplier is verified for the quality acceptable before production, alternatively the supplier is requested to provide an acceptable verification report for raw materials. At the manufacturing process, production lines are inspected and semi-finished products are sampled for verification to assure the process meets the specified technical requirements. Final verification shall be executed by Quality Department at the end of production; only finished products which pass the verification could be delivered and sold.

#### 3.2.6 產品責任

集團所有產品在出廠前均須接受嚴格的質量檢測，包括來料抽樣監測有害物質如2011/65/EU電器電子產品有害物質限制使用管理辦法，過程中的質檢控制，及最終產品須接受的安全驗證。

所有產品在銷售時，集團確保提供給客戶的產品信息必須是真實及準確，避免客戶在購買時被誤導。集團亦設有售後客戶服務專員，負責跟進客戶的查詢及必要時啟動產品回收程序。

集團制定了投訴處理機制，在收到客戶投訴後會與質量部一同分析個案，在指定期限內把分析結果及跟進工作向客戶反映。

在報告期間，集團未有發現違反產品責任相關的法例或顧客投訴；並且在已售產品總數中未有發現有產品因安全與健康理由而需要回收。

##### *質量檢定過程*

集團對產品的質量控制由源頭開始。供貨商提供的物料在使用前會驗收其質量，或要求供貨商提供原材料的合格驗收報告。在製造過程中，巡查生產線和抽檢半成品以確認過程符合相關的技術要求。製造完成後由質量部進行成品檢驗，只有檢驗合格後方可出售貨品。



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Upon identification of abnormal products through either external or internal findings, the Group shall discuss amongst the relevant departments about the need for identification, segregation and recall of the abnormal products when necessary. Whenever product recall is necessary, the Group shall collect the relevant batches of products from the customer, and implement the procedure of nonconforming products for analysis and disposal.

### *Product Recall/Return Procedure*

The Group has established product recall/return channel that allow customers to report the product defects through phone or email. Internal staff in the Group shall then evaluate the decision on product return upon receipt of customer's report. Whenever product return is deemed necessary, the Marketing Department shall inform the customer to return the relevant product. Warehouse shall record and track the returned products, and notify the Quality Department to conduct cause analysis in order to identify the solutions and the subsequent preventive measures.

### *Intellectual Property Protection*

All products sold by the Group are newly designed by own brand. For assurance of own brand's intellectual property, product design is sampled and checked regularly for the ownership of the brand. Products will be arranged to put off the shelf immediately upon any infringement of property right is found.

The Group shall only adopt the product output from its own design centre, and the design centre shall not plagiarize the design of other institutions. In the employment contracts for employees in design centre, plagiarism is not allowed and they committed that all their designs belong to company's assets and they shall be held responsible for the confidentiality of their own design products.

Up to now the Group has 4 product patents registered in the United States, and 9 product patents registered in PRC. For management of information security, the Group established KMS system through which information of the Group's own design and product specifications from customer is encrypted to prevent data leakage.

不管通過外部或內部的發現，當集團確認異常產品，會與相關部門討論對異常產品的標識、隔離及回收的必要性。如有回收的必要性，集團將會向客戶回收相關批次的產品，並按不良品的程序分析及處理。

### *產品回收/顧客退貨程序*

集團制定了回收/退貨渠道，可讓顧客致電或電郵闡述產品問題，集團內部相關人員在收到意見後會評估產品退回的決定。若須退貨，市場部會通知顧客以退回確認的相關產品。貨倉部會將所有退回的產品進行記錄跟蹤，並通知質量部對產品進行原因分析，尋找解決方案及日後的預防措施。

### *知識產權的維護*

集團出售的產品都是全新自家設計。為了確知識產權，會定期抽查產品的設計是否由自家公司擁有。當發現有違權的設計，會立刻安排產品下架。

集團只會採用由自家設計中心的產物，設計中心不會抄襲其他機構的設計。在僱傭合約中，亦要求設計部員工不容許有任何抄襲行為，承諾所有設計產物都屬公司資產及須對自己設計的產物承擔保密責任。

到目前為止，集團有4個產品專利在美國註冊，有9個在中國註冊。在信息安全管理方面，集團建立KMS系統，自家設計與客戶提供的產品規格等信息均透過此系統加密保護以防數據外泄。

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The Group promises not to purchase any pirated office software, and such software shall only be purchased from suppliers who have the appropriate copyright; In addition, the IT Department shall conduct internal audits to monitor any download of pirated software by employees. When employees discovered using pirated software, he/she shall be instructed to delete the pirated software immediately and be issued a warning letter for prevention of recurrence.

#### *Privacy Protection of Consumer Information*

The Group has developed a policy for protection of consumer information and privacy. Consumer information will not be used for publicity or promotion without consumer's permission. At the operation stage where consumer information is processed by the Group's subcontractor, the Group shall enter into a confidentiality agreement with the subcontractor and request the subcontractor to have a robust information security management system for preventing leakage and theft of customer information.

### 3.2.7 Anti-Corruption

The Group has established corporate governance policies in accordance with the Code of Corporate Governance from the Hong Kong Stock Exchange. Also, the Group has formulated a policy of anti-corruption and prohibited company directors, managers, employees and other representatives from giving or accepting bribes.

#### *Internal Audit of Corporate Governance*

The Group has established an Audit Committee which is responsible to develop internal audit control procedures and annual audit plans for the Group. This Committee conducts audits in an ongoing and systematic manner in accordance with the annual audit plan and the additional task announcement from the top management. Audit report is regularly communicated with the management and disclosed to the Audit Committee. Corrective actions and subsequent follow-ups shall be implemented in accordance with the time frame specified in the audit report.

在辦公室應用的軟件，集團承諾不會購買任何盜版軟件，只從持有版權的供貨商採購；另外，信息科技部會進行內審，監察員工有否下載盜版軟件的狀況。如發現員工使用盜版軟件，會立即通知員工移除，並向其發出警告信防止再犯。

#### *消費者數據的私隱保障*

集團制定了消費者資料的私隱及保障政策，未經客戶允許一概不會將客戶數據用於公開宣傳。如在業務的運營上有需要將消費者資料交由承包商處理，集團會與相關的承包商簽定保密協議，並要求承包商有完善的信息安全管理系統，以防客戶數據外泄及被盜。

### 3.2.7 反貪污

集團按照香港聯交所企業管理守則，制定企業管治政策；並制定防止貪污政策，禁止公司董事、經理、員工及其他代表贈送或收授賄賂。

#### *企業管治內部審核*

集團設有審計委員會，制定內部審計管制程序及企業內部審計年度計劃，根據年度審計計劃及領導層額外公佈的工作任務，持續有序開展審計項目。審計報告定期與管理層進行溝通並向審計委員會披露，根據審計報告規定的時間整改及進行後續跟進。

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Moreover, the Group hired an independent third party to conduct audit on the Group's financial accounts. It aims to assure the company's accounts are clear and accurate for enhancement of internal financial control and supervision so that the interests of shareholders are protected.

#### *Anti-Corruption Awareness Training*

The Group announces its internal code of integrity at least once a year with an emphasis on the awareness of corporate integrity; this includes the principle that the Group never owes compensation, benefits and bonuses to its employees and never owes payments to its suppliers. Also, additional effort is paid to strengthen the awareness of anti-corruption to key departments and positions. The Group communicates anti-corruption and integrity through hotline, website and posters, and establishes investigation channel for employees to report suspected fraud or corruption and other illegal incidents such as extortion and money laundering.

#### *Whistle-blowing Procedure*

The Group has a whistle-blowing mechanism and communication channel for employees, customers and suppliers to freely report any on fraud, corruption and other illegal incidents. The reporting person is allowed to send a written message to the mailbox of Internal Audit Department in confidential and anonymous manner. Upon receipt, the Internal Audit Department shall conduct investigation with other relevant departments such as human resources, legal, logistics and career development, and then return the investigation results to the reporting person.

#### *Anti-Corruption Measures*

In addition, the Group has established anti-corruption measures for various aspects, including the declaration of personal interests by new employee when report duty; also, directors are required to declare according to the law their own interests including those in the competition business; regarding procurement, evaluation from at least three suppliers is required to obtain fair and reliable quotes for making procurement decision; for approval of service contracts, different levels of personnel are authorized corresponding to different levels of contract amount in order to ensure adequate review.

During the reporting period, the Group did not discover any legal cases or complaints related to corruption.

此外，集團聘用獨立第三方機構核算集團的財務帳目，確保公司的帳目分明準確，加強內部財務控制制度與監督，以保障股東的權益。

#### *反貪意識培訓*

集團每年至少一次宣佈企業內部誠信準則，強調企業誠信意識，包括從不拖欠員工薪酬、福利、獎金；不拖欠供貨商貨款，並特別對關鍵部門與崗位加強反貪意識。在集團內通過熱線、網站、海報等溝通企業反貪誠信，並設置調查渠道供員工舉報疑似舞弊、貪污或其他違法事件如勒索、洗黑錢等。

#### *舉報程序*

集團設有告密機制及溝通渠道，供員工、客戶及供貨商自由舉報關於舞弊、貪污或其他違法事件，舉報人士可以保密及匿名的書面方式發送至內審部郵箱，收到後內審部與其他相關部門如人力、法務、物流、事業發展部門進行調查，把調查結果反饋給舉報人士。

#### *反貪措施*

除此以外，集團制定不同範疇的反貪措施；包括新員工在入職時需申報個人利益。另外，董事也按法律規定申報其董事權益及在競爭業務中擁有的權益。對於採購管控，要求收集三家供貨商或以上的評估資料才作出採購決定，確保公平公正的採購報價。對於服務合約的審批，針對不同的合約金額授權不同級別的審批人，以確保足夠的查核。

在報告期間，集團未有發現與貪污相關的違例案件或投訴。

## Directors' Report 董事會報告書

The directors (the “**Directors**”) of IDT International Limited (the “**Company**”) are pleased to present to the shareholders their annual report and audited financial statements of the Company and its subsidiaries (the “**Group**”) during the year ended December 31, 2018.

### PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. Its principal subsidiaries are engaged in investment holdings, design, development, manufacturing, marketing and distribution of lifestyle electronic products. Details of the principal activities of the Group are set out in note 1 to the Consolidated Financial Statements.

### REVENUE AND SEGMENT INFORMATION

Details of revenue and segment information are set out in note 6 to the Consolidated Financial Statements.

### RESULTS

The results of the Group for the year ended December 31, 2018 are set out in the consolidated statement of profit or loss and other comprehensive income on page 90 and further analysis is given in the accompanying notes to the financial statements.

### DIVIDENDS

No interim dividend was paid for the year ended December 31, 2018 (2017: nil).

The Directors do not recommend the distribution of a final dividend for the year ended December 31, 2018 (2017: nil).

### GROUP FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 199 to 200.

### SHARE CAPITAL

Details of movements in the share capital of the Company during the year ended December 31, 2018 are set out in note 24 to the Consolidated Financial Statements.

萬威國際有限公司(「本公司」)董事會(「董事會」)欣然向各股東呈覽本公司及其附屬公司(「本集團」)截至二零一八年十二月三十一日止年度之報告書及經審核財務報表。

### 主要業務

本公司乃一間投資控股公司。各主要附屬公司從事投資控股、設計、開發、製造、市場推廣及分銷時尚生活電子產品。本集團主要業務之詳情載於綜合財務報表附註第1項。

### 收益及分部資料

收益分部資料詳情載於綜合財務報表附註第6項。

### 業績

本集團截至二零一八年十二月三十一日止年度之業績載於第90頁之綜合損益及其他全面收益表，進一步分析則載於隨附之財務報表附註。

### 股息

本公司並無於截至二零一八年十二月三十一日止年度派付中期股息(二零一七年度：無)。

董事會不建議就截至二零一八年十二月三十一日止年度派發末期股息(二零一七年度：無)。

### 集團財務概要

本集團過去五個財政年度之業績及資產與負債概要載於第199頁至第200頁。

### 股本

本公司於截至二零一八年十二月三十一日止年度股本之變動詳情載於綜合財務報表附註第24項。

## Directors' Report 董事會報告書

### RESERVES

Details of movements in reserves of the Group and of the Company during the year are set out in the consolidated statement of changes in equity on page 93, and the financial information of the Company on page 198, respectively.

### DISTRIBUTABLE RESERVES

At December 31, 2018, the Company did not have reserves available for distribution as calculated in accordance with the provisions of the laws of Bermuda.

### PROPERTY, PLANT AND EQUIPMENT

During the year ended December 31, 2018, the Group spent an aggregate amount of approximately HK\$14.5 million (for the year ended December 31, 2017: HK\$24.8 million) on the acquisition of property, plant and equipment for the purpose of business expansion.

Details of movements in property, plant and equipment of the Group during the year are set out in note 14 to the Consolidated Financial Statements.

### MAJOR CUSTOMERS AND SUPPLIERS

During the year ended December 31, 2018, the aggregate percentage of purchases attributable to the Group's five largest suppliers in the year accounted for approximately 31.9% of the Group's purchases and the purchases attributable to the largest supplier accounted for approximately 8.9% of the Group's purchases.

During the year ended December 31, 2018, the aggregate percentage of turnover attributable to the Group's five largest customers was approximately 46.0% of the Group's turnover and the percentage of turnover attributable to the Group's largest customer was approximately 27.1% of the Group's turnover.

None of the directors, their associates or shareholders, who to the knowledge of the Directors own more than 5% of the Company's share capital, had any interest in any of the five largest customers.

### 儲備

本集團及本公司於本年度內儲備之變動詳情分別載於第93頁之綜合權益變動表及第198頁之本公司的財務資料內。

### 可供分派儲備

於二零一八年十二月三十一日，根據百慕大法律條文計算本公司並無可供分派儲備。

### 物業、機器及設備

本集團於截至二零一八年十二月三十一日止年度就業務擴充購置物業、機器及設備之支出合共約港幣14.5百萬元(截至二零一七年十二月三十一日止年度：港幣24.8百萬元)。

本集團於本年度內物業、機器及設備之變動詳情載於綜合財務報表附註第14項。

### 主要客戶及供貨商

於截至二零一八年十二月三十一日止年度，向本集團五大供貨商之採購額合共佔本集團之採購額約31.9%，而向最大供貨商之採購額則佔本集團之採購額約8.9%。

於截至二零一八年十二月三十一日止年度，本集團五大客戶之營業額合共佔本集團之營業額約46.0%，而來自本集團最大客戶之營業額則佔本集團之營業額約27.1%。

各董事、彼等之聯繫人士或據董事所知擁有本公司5%以上股本之股東，概無在任何五大客戶中擁有任何權益。

## Directors' Report 董事會報告書

### DIRECTORS

The Directors who held office during the year ended December 31, 2018 are:

#### Executive directors:

Xu Chiming (appointed on October 18, 2018)  
Zhu Yongning (appointed on October 18, 2018  
and appointed as CEO on October 22, 2018)

Foo Piau Phang (resigned on October 18, 2018)  
Yan Keya (re-designated from Non-Executive Director to Executive Director on  
August 1, 2018, resigned on October 22, 2018)

Qi Miao (resigned on August 1, 2018)  
Ouyang Jiejiao (appointed on August 25, 2018, resigned on October 18, 2018)

#### Non-Executive directors:

Song Rongrong  
Wu Gang (appointed on March 2, 2018, resigned on August 25, 2018)  
Han Hongtu (appointed on March 2, 2018, resigned on August 25, 2018)

Xin Kexia (resigned on March 2, 2018)  
Jing Tian (resigned on March 2, 2018)  
Shi Changyun (resigned on March 2, 2018)

#### Independent Non-Executive directors:

Zhou Meilin (Appointed on October 18, 2018)  
Zhou Rui (Appointed on October 18, 2018)  
Xu Jinwen (Appointed on August 25, 2018)  
Yang Xiongsheng (resigned on October 18, 2018)  
Duh Jia-Bin (resigned on October 18, 2018)  
Zhao Yuhong (resigned on August 25, 2018)  
Li Quan (resigned on August 25, 2018)

### 董事

截至二零一八年十二月三十一日止年度之本公司在任董事如下：

#### 執行董事：

徐志明(於二零一八年十月十八日獲委任)  
朱永寧(於二零一八年十月十八日獲委任為  
執行董事，並於二零一八年十月二十二日  
獲委任行政總裁)  
符標榜(於二零一八年十月十八日辭任)  
鄒克亞(於二零一八年八月一日從非執行董事  
調任為執行董事，於二零一八年  
十月二十二日辭任)  
祁淼(於二零一八年八月一日辭任)  
歐陽戒驕(於二零一八年八月二十五日獲委任，  
於二零一八年十月十八日辭任)

#### 非執行董事：

宋榮榮  
吳剛(於二零一八年三月二日獲委任  
於二零一八年八月二十五日辭任)  
韓宏圖(於二零一八年三月二日獲委任  
於二零一八年八月二十五日辭任)  
辛克俠(於二零一八年三月二日辭任)  
荊天(於二零一八年三月二日辭任)  
施長雲(於二零一八年三月二日辭任)

#### 獨立非執行董事：

周美林(於二零一八年十月十八日獲委任)  
周銳(於二零一八年十月十八日獲委任)  
徐錦文(於二零一八年八月二十五日獲委任)  
楊雄勝(於二零一八年十月十八日辭任)  
杜家濱(於二零一八年十月十八日辭任)  
趙宇紅(於二零一八年八月二十五日辭任)  
李權(於二零一八年八月二十五日辭任)

## Directors' Report

### 董事會報告書

In accordance with Bye-Law 89 of the Company's Bye-Laws, any Director appointed as an additional Director or to fill a casual vacancy shall hold office only until the next following annual general meeting of the Company and shall be eligible for re-election but shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at such meeting. On August 25, 2018, Mr. Xu Jinwen were appointed as Independent non-executive Directors. On October 18, 2018, Mr. Xu Chiming and Mr. Zhu Yongning were appointed as executive Directors; and Mr. Zhou Meilin and Mr. Zhou Rui were appointed as Independent non-executive Directors. They are eligible and, will offer themselves for re-election at the next annual general meeting of the Company.

The Company has received an annual confirmation of independence from each of the independent non-executive Directors pursuant to Rule 3.13 of the Rules Governing the Listing of Securities ("Listing Rules") on The Stock Exchange of Hong Kong Limited ("Stock Exchange"). The Company considers all the independent non-executive Directors as independent.

#### DIRECTORS BIOGRAPHY

Biographical details of the existing Directors are set out on pages 13 to 15 of this Annual Report.

#### DIRECTORS' SERVICE CONTRACTS

Each of the independent non-executive Directors has entered into a service contract with the Company for a term of three years which can be terminated by either party giving a three month's written notice to the other party. Under such service contract, each of the independent non-executive directors is subject to retirement by rotation at the annual general meeting of the Company in accordance with the Company's ByeLaws, and is entitled to a fee subject to such adjustments as the Board of the Company considers appropriate and the approval of the shareholders at annual general meeting of the Company. Remuneration shall be paid to a director for appointment as a member of a particular committee.

None of the Directors has a service contract which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

#### DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

There were no contracts of significance to which the Company or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, which subsisted at the end of the year or at any time during the year ended December 31, 2018.

根據本公司章程細則第89條，額外獲委任加入董事會或填補臨時空缺之任何董事將僅任期直至本公司下屆股東周年大會，屆時將合資格在會上獲重選連任，惟於釐定應於該股東大會輪值告退的董事人選或董事數目時不應被計入在內。於二零一八年八月二十五日，徐錦文先生獲委任為獨立非執行董事；於二零一八年十月十八日，徐志明先生及朱永寧先生獲委任為執行董事，周美林先生及周銳先生獲委任為獨立非執行董事。他們符合資格並將於本公司下屆股東周年大會上尋求重選連任。

本公司已接獲各獨立非執行董事根據香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)第3.13條之規定每年作出之獨立確認書。本公司視所有獨立非執行董事屬獨立。

#### 董事之履歷

現任董事之履歷詳情載於本年報第13至15頁。

#### 董事服務合約

各獨立非執行董事亦已與本公司訂立服務合約，任期三年，可由其中一方向另一方發出三個月之書面通知予以終止。根據該服務合約，各獨立非執行董事須遵照本公司章程細則於本公司股東周年大會上輪值告退。各獨立非執行董事有權收取所約定的董事袍金，此袍金可由本公司董事會認為適當時予以調整，惟調整需於本公司股東周年大會上經股東批准。如董事獲委任為個別委員會之成員，其將獲發袍金。

董事概無訂立任何於一年內若無賠償(法定賠償除外)則不可由本集團終止之服務合約。

#### 董事於重要合約之權益

本公司或其任何附屬公司在年終或於截至二零一八年十二月三十一日止年度任何時間概無訂立任何董事於其中直接或間接擁有重大權益之重要合約。

## Directors' Report 董事會報告書

### MANAGEMENT CONTRACTS

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

### DIRECTORS' INTERESTS IN SECURITIES

The directors or chief executives of the Company or any of their associates had, as at December 31, 2018, any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under the provisions of the SFO) or which were recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers.

### 管理合約

於截至二零一八年十二月三十一日止年度概無簽訂或存在任何有關本公司全部或重要部份業務之管理及行政合約。

### 董事之證券權益

於二零一八年十二月三十一日，本公司董事及行政總裁以及彼等之任何聯繫人士，於本公司或其任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債權證中，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香港聯合交易所有限公司(「聯交所」)(包括根據該等證券及期貨條例條文被當作或視作擁有之權益或淡倉)或本公司根據證券及期貨條例第352條須予備存之登記冊所記錄或根據上市發行人董事進行證券交易的標準守則須知會本公司及聯交所之任何權益及淡倉。

Name 姓名	Nature of Interests 權益性質	No. of shares held 所持股份數目	% of the issued shared capital 佔已發行股本百分比
Zhu Yongning (Note 1) 朱永寧(附註1)	The interests of the controlled corporation 所控制的法團的權利	753,997,995 (L)	29%

Note:

- (1) Zhu Yongning holds 100% of the equity interests of China Huaneng Foundation Construction Investment Ltd ("Huaneng"). Therefore, it is deemed to be interested in the interest in the shares of the Company held by Huaneng through its subsidiary.

附註：

- (1) 朱永寧持有中國華能基礎建設投資有限公司(「華能」)100%股本權益，因而被視為通過其全資控股公司擁有華能所持有本公司股份的權益。

The letter "L" denotes the shareholder's long position in the shares.

[L]代表董事在此等股份中所持之好倉。

### SHARE OPTION SCHEME

The effective share option scheme (the "2012 Share Option Scheme") was adopted by the Company on August 29, 2012. During the period under review, no share was granted, exercised, lapsed or cancelled under the 2012 Share Option Scheme. As at December 31, 2018, there was no outstanding share option of the Company.

### 購股權計劃

本公司現時有效的購股權(「二零一二年購股權計劃」)於二零一二年八月二十九日採納。於回顧期內，根據二零一二年購股權計劃，概無任何購股權被授予，獲行使，失效或被取消。於二零一八年十二月三十一日，本公司並無已經授出但尚未行使的購股權。



## Directors' Report

### 董事會報告書

#### DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

No share options were granted to or exercised by the Directors during year ended December 31, 2018 and there is no outstanding balance at December 31, 2018.

Save as disclosed above, at no time during the year ended December 31, 2018 was the Company or any of its subsidiaries a party to any arrangements to enable the Directors or their respective spouse or children under the age of 18 to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

#### SUBSTANTIAL SHAREHOLDERS

As at December 31, 2018, the following persons (other than the Directors or the chief executives of the Company) had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO or as otherwise notified to the Company:

#### 董事購買股份或債權證之權利

於截至二零一八年十二月三十一日止年度董事並無獲授或行使購股權及於二零一八年十二月三十一日並無尚未行使之購股權。

除上文所披露者外，於截至二零一八年十二月三十一日止年度，本公司或其任何附屬公司概無參與任何安排，使董事或其個別之配偶或十八歲以下之子女可藉購買本公司或任何其他法人團體之股份或債權證而獲得利益。

#### 主要股東

於二零一八年十二月三十一日，除本公司董事或行政總裁外，下列人士於本公司之股份及相關股份中，擁有本公司根據證券及期貨條例第336條須予備存之登記冊所記錄或須知會本公司之權益或淡倉：

Name	名稱	No. of shares held 所持股份數目	% of the issued shared capital 佔已發行股本百分比
China Huaneng Foundation Construction Investment Ltd	中國華能基礎建設投資有限公司	753,997,995(L)	29%
Zhu Yongning (note 1)	朱永寧(附註1)	753,997,995(L)	29%
Jiangsu Hongtu High Technology Co., Ltd (note 2)	江蘇宏圖高科技股份有限公司(附註2)	556,898,770(L)	21.42%
Jiangsu Hongtu High Technology (Hong Kong) Co. Limited (note 3)	江蘇宏圖高科技(香港)股份有限公司(附註3)	556,898,770(L)	21.42%
Hongtu High Technology Int'l Inc.	Hongtu High Technology Int'l Inc.	556,898,770(L)	21.42%
Chan Pau Shiu Yeng Shirley (note 4)	陳鮑雪瑩(附註4)	130,412,067 (L)	5.02%
Raymond Chan (note 4)	陳煒文(附註4)	130,412,067 (L)	5.02%

Notes:

(1) Zhu Yongning holds 100% of the equity interests of China Huaneng Foundation Construction Investment Ltd ("Huaneng"). Therefore, it is deemed to be interested in the interest in the shares of the Company held by Huaneng through its subsidiary.

附註：

(1) 朱永寧持有中國華能基礎建設投資有限公司（「華能」）100%股本權益，因而被視為通過其全資控股公司擁有華能所持有本公司股份的權益。

(2) 江蘇宏圖高科技股份有限公司持有江蘇宏圖

## Directors' Report 董事會報告書

- (2) Jiangsu Hongtu High Technology Co., Ltd. holds 100% of the equity interests of Jiangsu Hongtu High Technology (Hong Kong) Co. Limited ("Hongtu (HK)"). Therefore, it is deemed to be interested in the interest in the shares of the Company held by Hongtu (HK) through its subsidiary (see note 3 below).
- (3) Hongtu (HK) holds 100% of the issued share of Hongtu High Technology Int'l Inc. ("Hongtu (Seychelles)"). Therefore, Hongtu (HK) is deemed to be interested in the 556,898,770 shares of the Company beneficially owned by Hongtu (Seychelles) by virtue of its shareholding of Hongtu (Seychelles).
- (4) Mrs. Chan Pau Shiu Yeng, Shirley ("Mrs. Chan") is the wife of Dr. Raymond Chan ("Dr. Chan"). She is therefore deemed to be interested in the 130,412,067 shares of the Company held by Dr. Chan. The letter "L" denotes the shareholder's long position in the shares.
- 高科技(香港)股份有限公司(「江蘇宏圖香港」)100%股本權益,因而被視為通過其附屬公司(見下文附註3)擁有江蘇宏圖香港所持本公司股份的權益。
- (3) 江蘇宏圖香港持有Hongtu High Technology Int'l Inc. (「Hongtu (Seychelles)」)之已發行股份100%。因此,江蘇宏圖香港因持有Hongtu (Seychelles)之股權而被視為擁有Hongtu (Seychelles)實益擁有的本公司556,898,770股股份之權益。
- (4) 陳鮑雪瑩女士(「陳女士」)為陳煒文博士(「陳博士」)之妻子,因此其被視為擁有陳博士持有的本公司130,412,067股股份的權益。

The letter "L" denotes the shareholder's long position in the shares.

Save as disclosed above, the Company had not been notified by any person (other than the Directors or chief executives of the Company) who had interests or short positions in the shares and underlying shares of the Company as at December 31, 2018 which were required to be disclosed to the Company under Part XV of the SFO or which were recorded in the register required to be kept by the Company under section 336 of the SFO.

### CONTINUING CONNECTED TRANSACTIONS

#### (A) Consignment Agreements

On June 9, 2017, 歐西亞貿易(上海)有限公司(Oregon Scientific Enterprise (Shanghai) Limited\*) ("Oregon Shanghai"), an indirect wholly-owned subsidiary of the Company, as the consignor entered into:

- (i) the product consignment agreement and the related supplemental agreement with 北京樂語通訊連鎖沅陽採購中心有限公司(Beijing Funtalk Communication Chain Shuyang Procurement Centre Ltd.\*) ("Funtalk"), a company established in the PRC and controlled by 三胞集團有限公司(Sanpower Group Co., Ltd.\*) ("Sanpower Group"), a conglomerate established in the PRC, as consignee in respect of the consignment of the products of Oregon Shanghai, such as consumer electronic products developed and manufactured by Oregon Shanghai ("Products") through the sales and marketing network of Funtalk in the PRC during the period from 9 June 2017 to 31 December 2019;

[L]代表股東在此等股份中所持之好倉。

除上文所披露者外,於二零一八年十二月三十一日,本公司並無接獲任何人士(本公司董事或行政總裁除外)知會,彼於本公司之股份及相關股份中,擁有根據證券及期貨條例第XV部須向本公司披露或本公司根據證券及期貨條例第336條須予備存之登記冊所記錄之權益或淡倉。

### 持續關聯交易

#### (一) 代銷協議

於二零一七年六月九日,本公司間接全資附屬公司歐西亞貿易(上海)有限公司(「歐西亞(上海)」)(作為寄銷人):

- (i) 與北京樂語通訊連鎖沅陽採購中心有限公司(「樂語」,一間於中國成立及由三胞集團有限公司(「三胞集團」,在中國成立之集團)控制之公司)(作為承銷人),就於二零一七年六月九日至二零一九年十二月三十一日期間透過樂語於中國之銷售及營銷網絡代銷歐西亞(上海)之產品(如歐西亞(上海)所開發及生產之電子消費產品)(「該等產品」)而訂立之產品代銷協議及相關補充協議;

## Directors' Report 董事會報告書

- (ii) the supplemental agreement of the product procurement agreement and the product procurement (consignment) agreement dated 20 April 2017 with 宏圖三胞高科技有限公司 (High Tech Sanpower Co. Ltd.\*) ("HISAP"), a company established in the PRC and controlled by Sanpower Group, as consignee in respect of the consignment of the Products through the sales and marketing network of HISAP in the PRC during the period from 20 April 2017 to 31 December 2019; and
- (iii) the supplemental agreement of the non-exclusive marketplace services agreement dated 20 April 2017 with 上海美昔貿易有限公司 (Shanghai Meici Trading Limited\*) ("Meici"), a company established in the PRC and controlled by Sanpower Group, as consignee in respect of the consignment of the Products through the sales and marketing network of Meici in the PRC during the period from 20 April 2017 to 31 December 2019.

As at the date of the consignment agreements (as supplemented and amended by the supplemental agreements) ("Consignment Agreements"), as 江蘇宏圖高科技股份有限公司 (Jiangsu Hongtu High Technology Co., Ltd.\*), a controlling shareholder of the Company, is accounted for and consolidated in the audited consolidated accounts of Sanpower Group, Sanpower Group is a connected person of the Company for the purpose of the Listing Rules. Each of HISAP, Meici and Funtalk is controlled by Sanpower Group, and thus each of HISAP, Meici and Funtalk is a connected person of the Company. Accordingly, the transactions contemplated under the Consignment Agreements constitute continuing connected transactions of the Company under the Listing Rules.

Details of the terms and conditions of the Consignment Agreements can be referred to the Company's announcement issued and published on the website of the Stock Exchange of Hong Kong Limited on June 9, 2017.

During the year ended December 31, 2018, the aggregate commission amount paid to consignee amounted to approximately HK\$0.5million.

- (ii) 與宏圖三胞高科技有限公司(「宏圖三胞」，一間於中國成立及由三胞集團控制之公司)(作為承銷人)就於二零一七年四月二十日至二零一九年十二月三十一日期間透過宏圖三胞於中國之銷售及營銷網絡代銷該等產品而於二零一七年四月二十日訂立之產品採購協議及產品採購(代銷)協議之補充協議；及
- (iii) 與上海美昔貿易有限公司(「美昔」，一間於中國成立及由三胞集團控制之公司)(作為承銷人)就於二零一七年四月二十日至二零一九年十二月三十一日期間透過美昔於中國之銷售及營銷網絡代銷該等產品而於二零一七年四月二十日訂立之非獨家市場服務協議之補充協議。

於代銷協議(經補充協議所補充及修訂)(「代銷協議」)訂立日期，由於本公司之控股股東江蘇宏圖高科技股份有限公司綜合計入宏圖三胞集團之經審核綜合帳目內，因此，根據上市規則，三胞集團為本公司之關連人士。宏圖三胞、美昔及樂語各自自由三胞集團控制，故此宏圖三胞、美昔及樂語各自為本公司之關連人士。因此，根據上市規則，代銷協議項下擬進行之交易構成本公司之關連交易。

有關代銷協議之條款及條件之詳情，請參閱本公司日期為二零一七年六月九日刊憲於香港聯合交易所有限公司網頁之公告。

截至二零一八十二月三十一日止年度，向承銷人合計支付的佣金金額約為港幣0.5百萬元。

## Directors' Report 董事會報告書

### (B) Procurement Agreement

On June 8, 2017, 萬威電子科技(深圳)有限公司 (IDT Electronic Technology (Shenzhen) Company Limited\*) ("IDT Shenzhen"), an indirectly whollyowned subsidiary of the Company, as buyer, entered into the framework product procurement agreement ("Procurement Agreement") with 湖南宏圖三胞科技發展有限公司 (Hunan Hongtu-Sanpower Science & Technology Development Co., Ltd.\*) ("Hunan Sanpower") as seller in respect of the sale and purchase of PC products and related accessories ("PC Products"). Pursuant to the Procurement Agreement, IDT Shenzhen will procure the PC Products from Hunan Sanpower from time to time.

During the year ended December 31, 2018, the aggregate procurement amount from Hunan Sanpower amounted to approximately HK\$63,936.

### CONVERTIBLE SECURITIES, OPTIONS, WARRANTS OR SIMILAR RIGHTS

The Company had no outstanding convertible securities, options, warrants or similar rights at December 31, 2018.

There was no issue or exercise of any convertible securities, options, warrants or similar rights of the Company during the year ended December 31, 2018.

### REMUNERATION POLICY

Details of the Group's remuneration policy are set out in the section of "Management Discussion and Analysis" from pages 23 to 24 of this annual report.

### MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted its own Code of Conduct for Securities Transactions by Directors (the "Code of Conduct for Securities Transactions"). This is on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules, and has been updated from time to time.

Having made specific enquiries to all Directors, all Directors confirmed that they had complied with the required standards set out in the Model Code and the Code of Conduct for Securities Transactions throughout the year ended December 31, 2018.

### (二) 採購協議

於二零一七年六月八日，本公司間接全資附屬公司，萬威電子科技(深圳)有限公司(「萬威深圳」)，作為買方就計算機用品及相關附件採購事宜(「計算機用品」)，與湖南宏圖三胞科技發展有限公司(「湖南三胞」)(作為賣方)簽署商品購銷框架協議(「採購協議」)。據此，萬威深圳將不時向湖南三胞採購計算機用品。

於二零一八年公司向湖南三胞的採購金額約為港幣63,936元。

### 可轉換證券、購股權、認股權證或類似權利

本公司於二零一八年十二月三十一日概無任何尚未行使之可轉換證券、購股權、認股權證或類似權利。

截至二零一八年十二月三十一日止年度，本公司並無任何可轉換證券、購股權、認股權證或類似權利獲發行或行使。

### 薪酬政策

本集團之薪酬政策詳情載於本年報第23至24頁之「管理層討論及分析」一節。

### 證券交易之標準守則

本公司已採納一項董事證券交易之行為守則(「證券交易之行為守則」)，其條款與上市規則附錄十所載之上市發行人董事進行證券交易之標準守則(「標準守則」)所規定之交易標準同樣嚴謹。

向全體董事作出特定查詢後，全體董事確認彼等已於截至二零一八年十二月三十一日止整個年度遵守標準守則及證券交易之行為守則所載之標準。

## Directors' Report 董事會報告書

The board members have been reminded of their obligation to comply with the Model Code.

### CORPORATE GOVERNANCE

The Group's corporate governance principles and practices are set out in the Corporate Governance Report on pages 25 to 49 of this annual report.

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

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

### PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-Laws or the laws of Bermuda which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

### SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the date of this report, the Company has maintained sufficient public float throughout the year ended December 31, 2018 as required under the Listing Rules.

### REVIEW OF FINANCIAL STATEMENTS

The Company has established an audit committee for the purposes of reviewing and providing supervision over the financial reporting process and internal controls of the Group. As at the date of this report, the audit committee comprises all three independent non-executive directors of the Company.

The audited financial results of the Group for the year ended December 31, 2018 have been reviewed by the Audit Committee.

### DIRECTORS' VIEW ON THE INDEPENDENT AUDITOR'S OPINION

The independent auditor of the Company has issued a disclaimer of opinion on the consolidated financial statements of the Group for the year ended December 31, 2018. Details of the disclaimer of opinion are disclosed in extract from Independent Auditor's Report on this report pages 87 and 89.

董事會成員獲提醒其有義務遵守標準守則。

### 企業管治

有關本集團所採納之企業管治原則及常規已列載於本年報第25頁至第49頁之企業管治報告書內。

### 購買、出售或贖回本公司之上市證券

截至二零一八年十二月三十一日止年度，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

### 優先購買權

本公司章程細則或百慕大法律並無有關本公司須按比例向現有股東發售新股份之優先購買權之規定。

### 足夠公眾持股量

於本報告書之日期，根據本公司獲得之公開資料及就董事所知悉，本公司於截至二零一八年十二月三十一日止年度內已維持上市規則所規定之公眾持股量。

### 審閱財務報表

本公司已成立審核委員會，以審閱及監察本集團之財務申報程序及內部監控。於報告期日，審核委員會由本公司全體三名獨立非執行董事組成。

本集團於截至二零一八年十二月三十一日止年度的經審核財務業績已經審核委員會審閱。

### 董事對獨立核數師意見之意見

本公司獨立核數師已就本集團截至二零一八年十二月三十一日止年度之綜合財務報表發出不發表意見，不發表意見之詳情於本年報第87及89頁之獨立核數師報告摘要內披露。

## Directors' Report 董事會報告書

### THE BOARD'S RESPONSE TO THE AUDITOR'S OPINION

In regard to the matters described in the section headed "Disclaimer of Opinion" and "Basis for Disclaimer of Opinion" in the Independent Auditor's Report, the Board would like to take this opportunity to provide the Boards' preliminary response, as well as measures taken or to be taken by the management of the Company.

### THE BOARD RESPONSE TO "DISCLAIMER OF OPINION — GOING CONCERN"

As the Group had net current liabilities of HK\$47.3 million and net liabilities of HK\$43.0 million for the year ended December 31, 2018, the Board will appoint a team, which will be led by the chief financial officer, to monitor the daily cashflow so as to ensure the Group has the sufficient financial resources to settle the Group's financial obligation when fall due.

In addition, in order to improve the Group's financial position, to provide liquidity with cash flows and to sustain the Group as a going concern, the Group has been implementing a number of measures, including but not limited to:

- (i) The Group obtained a loan amounted of HK\$32.5 million from China Huaneng Foundation Construction Investment Limited ("Huaneng"), the largest shareholder of the Company, with the term of interest rate at 5% per annum and the maturity term of 3 years, which was recorded as non-current liability in the consolidated financial statements for the year ended December 31, 2018;
- (ii) Huaneng has also committed to provide continuous financial support to the Group as is necessary to enable the Group to meet its financial obligations as they fall due;
- (iii) The management will continue to reduce all non-essential costs;
- (iv) The management will look for the potential investor to raise further capital as well as to improve its gearing ratio by repaying loans and debts of the Group.

The Company and the audit committee shared the same view that the above solutions will help raise capital to improve the liquidity and financial position of the Group.

### 董事會對核數師意見之回復

就獨立核數師報告中「不發表意見」及「不發表意見之基礎」各節所述之事項而言，董事會謹藉此機會提供董事會之初步回復，以及本公司管理層已或將採取之措施。

### 董事會對「不發表意見－持續經營」之回復

由於本集團於二零一八年十二月三十一日止年度擁有流動負債淨值港幣 47.3 百萬元及負債淨值港幣 43.0 百萬元，故董事會將會成立小組，由首席財務官領導，監察日常現金流量，以確保本集團有充足財務資源解決本集團之到期財務責任。

此外，為改善本集團之財務狀況、以現金流量提供流動資金及保持本集團持續經營，本集團已實施多項措施，包括但不限於：

- (i) 本集團取得本公司最大股東中國華能基礎建設投資有限公司（「華能」）金額為港幣 32.5 百萬元之貸款，年息為 5 厘，到期日為 3 年，於截至二零一八年十二月三十一日止年度之綜合財務報表內入帳列作非流動負債；
- (ii) 華能亦已承諾於需要時為本集團提供持續財務支持以確保本集團能夠履行到期的財務責任；
- (iii) 管理層將繼續減少所有不必要成本；
- (iv) 管理層將尋求潛在投資者進一步籌集資金，以及透過償還本集團貸款及債務之方式改善其資產負債比率。

本公司及審核委員會一致認為，上述解決方案將改善本集團之流動資金及財務狀況。

## Directors' Report 董事會報告書

### AUDITOR

The financial statements have been audited by Messrs. Deloitte Touche Tohmatsu, who retire and, being eligible, offer themselves for re-appointment. A resolution will be proposed at the forthcoming annual general meeting of the Company to re-appoint Messrs. Deloitte Touche Tohmatsu as auditor.

### PERMITTED INDEMNITY PROVISION

Pursuant to the Company's Bye-laws, every Director shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities incurred or sustained by him as a Director.

The Company has arranged appropriate Directors' and officers' liability insurance coverage for the Directors and officers of the Group throughout the year.

On behalf of the Board

**Xu Chiming**

*Executive Director (Chairman)*

**Zhu Yongning**

*Executive Director (Chief Executive Officer)*

March 29, 2019

Hong Kong

### 核數師

本公司之財務報表經由德勤•關黃陳方會計師行審核，彼將退任，惟符合資格且願重獲委聘。一項有關續聘德勤•關黃陳方會計師行為核數師之決議案將於本公司應屆股東周年大會上予以提呈。

### 獲批准的補償條文

根據本公司的細則，全體董事均有權因其作為董事而就其產生或蒙受的一切虧損或負債自本公司資產中獲得補償。

本公司已於整個年度為本集團董事及高級管理人員安排適當保險保障。

代表董事會

**徐志明**

*執行董事(主席)*

**朱永寧**

*執行董事(行政總裁)*

二零一九年三月二十九日

香港

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

# Deloitte.

# 德勤

TO THE MEMBERS OF IDT INTERNATIONAL LIMITED

萬威國際有限公司

(incorporated in Bermuda with limited liability)

致：萬威國際有限公司全體股東

萬威國際有限公司

(於百慕大註冊成立之有限公司)

### DISCLAIMER OF OPINION

We were engaged to audit the consolidated financial statements of IDT International Limited 萬威國際有限公司 (the "Company") and its subsidiaries (collectively referred to as "the Group") set out on pages 90 to 198, which comprise the consolidated statement of financial position as at December 31, 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.

We do not express an opinion on the consolidated financial statements of the Group. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements. In all other respects, in our opinion the consolidated financial statements have been properly prepared in compliance with the Hong Kong Companies Ordinance.

### BASIS FOR DISCLAIMER OF OPINION

As described in note 2 to the consolidated financial statements, the Group reported a net loss attributable to the owners of the Company of HK\$215.6 million during the year ended December 31, 2018. As at the same date, the Group had net current liabilities of HK\$47.3 million and net liabilities of HK\$43.0 million, as compared to its unrestricted cash and cash equivalents which amounted to HK\$22.3 million only. The Group's ability to continue as a going concern is dependent on the ongoing availability of financing to the Group, including the financial support from the shareholder.

### 不發表意見

本核數師(以下簡稱「我們」)已審計列載於第90至198頁的萬威國際有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表，此財務報表包括於二零一八年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益表及其他全面收益表、綜合權益變動表和綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

吾等不對貴集團綜合財務報表發表意見。由於本報告「不發表意見之基礎」一節所述之事項關係重大，吾等未能取得足夠適當之審核憑證，以為該等綜合財務報表提供審核意見基礎。就所有其他方面而言，吾等認為綜合財務報表已根據香港公司條例妥為編製。

### 不發表意見之基礎

誠如綜合財務報表附註2所述，貴集團於截至二零一八年十二月三十一日止年度錄得貴公司擁有人所佔淨虧損港幣215.6百萬元。同日，貴集團之流動負債淨值為港幣47.3百萬元及負債淨值為港幣43.0百萬元，而受限制現金及等同現金項目僅達港幣22.3百萬元。貴集團的持續經營能力取決於貴集團能否持續獲得融資，包括來自股東的財務支持。



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

As further described in note 2 to the consolidated financial statements, the largest shareholder of the Company has committed in writing to provide financial support to the Group as necessary to enable the Group to meet its financial obligations as and when they fall due for the foreseeable future. However, we have not been provided with sufficient appropriate documentary evidence to enable us to assess the financial ability of the shareholder of the Company to provide such financial support to the Group. If the financing were not available, the Group would be unable to meet its financial obligations as and when they fall due.

In view of the extent of the limitation of audit evidence relating to the ongoing availability of finance to the Group, and the significance of the Group's ongoing reliance on this financing, we disclaim our opinion in respect of the year ended December 31, 2018.

### 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 Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

誠如綜合財務報表附註2進一步所述，貴公司之最大股東已書面承諾於需要時向貴集團提供財務支持，以確保貴集團於可見將來履行到期的財務責任。然而，吾等並未獲提供充分適當之檔憑證，以確保吾等評估貴公司股東向貴集團提供有關財務支持之財務能力。倘未能獲得融資，則貴集團無法履行到期的財務責任。

鑒於有關貴集團持續獲得融資之審核憑證有限，以及貴集團持續依賴該融資之重要程度，故吾等不就截至二零一八年十二月三十一日止年度之報表發表意見。

### 董事及治理層就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的《香港財務報告準則》及香港《公司條例》的披露要求擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

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

治理層須負責監督貴集團的財務報告過程。

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

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

Our responsibility is to conduct an audit of the Group's consolidated financial statements in accordance with Hong Kong Standards on Auditing ("HKSA's") issued by the HKICPA and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

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.

The engagement partner on the audit resulting in this independent auditor's report is Wong Shun Yu.

Deloitte Touche Tohmatsu  
Certified Public Accountants  
Hong Kong

March 29, 2019

### 核數師就審計綜合財務報表承擔的責任

我們的責任為根據香港會計師公會頒佈的《香港審計準則》(「香港審計準則」)對 貴集團的綜合財務報表進行審計，並根據《百慕達公司法》第90條僅向閣下出具載有我們意見的核數師報告。除此之外，本報告別無其他目的。我們並不會就本報告之內容對任何其他人士負責或承擔任何責任。然而，核數師報告「不發表意見之基礎」一節所述的事宜，我們未能取得足夠適當之審核憑證，以為該等綜合財務報表提供審核意見基礎。

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

出具本獨立核數師報告的審計合夥人為王惇瑀。

德勤•關黃陳方會計師行  
執業會計師  
香港

二零一八年三月二十九日

## 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 December 31, 2018

截至二零一八年十二月三十一日止年度

		NOTES 附註	2018 二零一八年 HK\$ million 港幣百萬元	2017 二零一七年 HK\$ million 港幣百萬元 (Restated) (經重列)
Revenue	收益	6	433.2	516.6
Cost of goods sold	銷售成本		(404.3)	(413.1)
Gross profit	毛利		28.9	103.5
Other income	其他收入	7	5.7	5.1
Other gains and losses	其他所得及虧損	7	(11.5)	(3.9)
Impairment losses on financial assets, net of reversal	金融資產減值虧損，扣除撥備	8	(10.3)	(9.2)
Impairment of goodwill	商譽減值	16	(33.8)	—
Research expenses	研究費用		(39.2)	(41.6)
Distribution and selling expenses	分銷及銷售開支		(84.4)	(71.9)
General administrative expenses	一般行政開支		(55.5)	(67.5)
Finance costs	融資成本		(3.2)	(0.2)
Loss before taxation	除稅前虧損	9	(203.3)	(85.7)
Taxation	稅項	12	(12.3)	—
Loss for the year	本年度虧損		(215.6)	(85.7)
Other comprehensive expenses:	其他全面開支：			
<i>Item that may be reclassified subsequently to profit or loss:</i>	<i>其後可能會重新分類至損益賬的項目：</i>			
Exchange differences arising on translation of foreign operations	換算海外業務產生的匯兌差額		(5.9)	(4.0)
Total comprehensive expenses for the year	本年度全面開支總額		(221.5)	(89.7)
Loss and total comprehensive expenses for the year attributable to:	以下各項應佔本年度虧損及全面開支總額：			
– Owners of the Company	– 本公司擁有人		(221.5)	(89.7)
– Non-controlling interests	– 非控股權益		—	—
			(221.5)	(89.7)
Loss per share	每股虧損			
– Basic (HK cents)	– 基本(港幣仙)	13	(8.29)	(3.30)

## Consolidated Statement of Financial Position

### 綜合財務狀況表

At December 31, 2018

於二零一八年十二月三十一日

		NOTES	2018	2017
		附註	二零一八年	二零一七年
			HK\$ million	HK\$ million
			港幣百萬元	港幣百萬元
				(Restated)
				(經重列)
Non-current assets	非流動資產			
Property, plant and equipment	物業、機器及設備	14	27.6	32.5
Intangible assets	無形資產	15	2.6	3.3
Goodwill	商譽	16	—	33.8
Rental deposits	租金按金		6.5	6.7
Prepaid rental	預付租金		0.1	1.6
			<b>36.8</b>	77.9
Current assets	流動資產			
Inventories	存貨	17	74.8	130.4
Trade and other receivables	應收賬款及其他應收款項	18	81.3	162.5
Tax recoverable	可收回稅項		—	0.1
Bank balances and cash	銀行結餘及現金	19	22.3	37.2
			<b>178.4</b>	330.2
Current liabilities	流動負債			
Trade and other payables	應付賬款及其他應付款項	20	117.8	192.9
Tax payable	應付稅款		12.3	—
Borrowing	借款	21	37.4	35.5
Contract liabilities	合同負債	22	58.2	—
			<b>225.7</b>	228.4
Net current (liabilities) assets	流動(負債)資產淨值		<b>(47.3)</b>	101.8
Non-current liability	非流動負債			
Loan from a shareholder	股東貸款	23	32.5	—
Net (liabilities) assets	(負債)資產淨值		<b>(43.0)</b>	179.7

## Consolidated Statement of Financial Position

### 綜合財務狀況表

At December 31, 2018

於二零一八年十二月三十一日

		NOTES	2018	2017
		附註	二零一八年	二零一七年
			HK\$ million	HK\$ million
			港幣百萬元	港幣百萬元
				(Restated)
				(經重列)
Capital and reserves	股本及儲備			
Share capital	股本	24	260.0	260.0
Reserves	儲備		(303.1)	(80.4)
Equity attributable to owners of the Company	本公司擁有人應佔權益		(43.1)	179.6
Non-controlling interests	非控股權益		0.1	0.1
(Net deficit) total equity	(淨虧損)權益總額		(43.0)	179.7

The consolidated financial statements on pages 90 to 198 were approved and authorised for issue by the board of directors on March 29, 2019 and are signed on its behalf by:

第90頁至第198頁之綜合財務報表已於二零一八年三月二十九日獲董事會批准及授權發行，並由下列人士代表簽署：

XU CHI MING  
CHAIRMAN

ZHU YONG NING  
DIRECTOR

徐志明  
主席

朱永寧  
董事

# Consolidated Statement of Changes in Equity

## 綜合權益變動表

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

		Attributable to owners of the Company 本公司擁有人所佔							Non-	
		Share capital	Share premium	Other reserve	Translation reserve	Accumulated losses	Sub- total	controlling interests	Total	
		股本	股份溢價	其他儲備	儲備	累計虧損	小計	非控股 權益	總計	
		HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	
		(Note)								
		(附註)								
At January 1, 2017	於二零一七年一月一日	260.0	165.0	32.5	(92.9)	(95.3)	269.3	0.1	269.4	
Exchange differences arising on translation of foreign operations	換算海外業務產生之匯兌差額	—	—	—	(4.0)	—	(4.0)	—	(4.0)	
Loss for the year	本年度虧損	—	—	—	—	(85.7)	(85.7)	—	(85.7)	
Total comprehensive expenses for the year	本年度全面開支總額	—	—	—	(4.0)	(85.7)	(89.7)	—	(89.7)	
At December 31, 2017	於二零一七年十二月三十一日	260.0	165.0	32.5	(96.9)	(181.0)	179.6	0.1	179.7	
Adjustment (note 3)	經調整 (附註3)	—	—	—	—	(1.2)	(1.2)	—	(1.2)	
At 1 January 2018 (restated)	於二零一八年一月一日 (經重列)	260.0	165.0	32.5	(96.9)	(182.2)	178.4	0.1	178.5	
Exchange differences arising on translation of foreign operations	換算海外業務產生之匯兌差額	—	—	—	(5.9)	—	(5.9)	—	(5.9)	
Loss for the year	本年度虧損	—	—	—	—	(215.6)	(215.6)	—	(215.6)	
Total comprehensive expenses for the year	本年度全面開支總額	—	—	—	(5.9)	(215.6)	(221.5)	—	(221.5)	
At December 31, 2018	於二零一八年十二月三十一日	260.0	165.0	32.5	(102.8)	(397.8)	(43.1)	0.1	(43.0)	

Note:

In 2012, the Group acquired the additional interests of its subsidiary and the amount represented the difference between the amount by which the non-controlling interests were adjusted and the fair value of the consideration paid.

附註：

於二零一二年，本集團收購其附屬公司的額外權益，該款項指非控股權益調整金額與已付代價公平值之間的差額。

## Consolidated Statement of Cash Flows

### 綜合現金流量表

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

		2018 二零一八年 HK\$'M 港幣百萬元	2017 二零一七年 HK\$'M 港幣百萬元
Cash flows from operating activities	經營活動產生之現金流量		
Loss before taxation	除稅前之虧損	(203.3)	(85.7)
Adjustments for:	調整：		
Interest income	利息收入	(0.2)	(0.4)
Finance costs	融資成本	3.2	0.2
Depreciation of property, plant and equipment	物業、機器及設備之折舊	14.5	12.7
Impairment loss on goodwill	商譽減值損失	33.8	—
Impairment loss on trade receivables	應收賬款減值損失	10.3	9.2
Amortisation of intangible assets	無形資產之攤銷	0.7	0.7
Amortisation of prepaid rental	預付租金之攤銷	1.5	1.1
Impairment of available-for-sale investment	可供出售投資之減值	—	0.9
Losses on disposals of property, plant and equipment	出售物業、機器及設備之虧損	5.0	0.4
Write-down (reversal) of inventories	存貨撇減(撥回)	34.6	(3.3)
Exchange losses	匯兌虧損	(6.0)	(4.1)
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	(105.9)	(68.3)
Decrease (increase) in rental deposits	租金按金減少(增加)	0.2	(1.1)
Decrease (increase) in inventories	存貨減少(增加)	21.0	(24.9)
Decrease (increase) in trade and other receivables	應收賬款及其他應收款項減少(增加)	69.8	(8.2)
(Decrease) increase in trade and other payables	應付賬款及其他應付款項增加(減少)	(34.2)	47.8
Increase in contract liabilities	合約負債增加	15.6	—
Cash used in operations	經營活動所用現金	(33.5)	(54.7)
Tax refund	退稅	0.1	0.4
Net cash used in operating activities	經營活動所用現金淨額	(33.4)	(54.3)

## Consolidated Statement of Cash Flows

### 綜合現金流量表

For the year ended December 31, 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
		HK\$'M	HK\$'M
		港幣百萬元	港幣百萬元
Investing activities	投資活動		
Proceeds from disposals of property, plant and equipment	出售物業、機器及設備所得款項	—	0.1
Interest received	已收利息	0.2	0.4
Purchase of property, plant and equipment	購置物業、機器及設備	(14.5)	(24.8)
Payment for patents and trademarks	專利及商標之付款	—	(0.3)
Net cash used in investing activities	投資活動所用現金淨額	(14.3)	(24.6)
Financing activities	融資活動		
Proceeds from borrowing	借款所得款項	—	35.5
Proceed of loan from a shareholder	股東貸款所得款項	32.5	—
Interest paid	已付利息	(0.1)	(0.2)
Net cash from financing activities	融資活動所用現金淨額	32.4	35.3
Net decrease in cash and cash equivalents	現金及等同現金項目之減少淨額	(15.3)	(43.6)
Cash and cash equivalents at beginning of the year	年初之現金及等同現金項目	37.2	80.7
Effects of foreign exchange rate changes	外匯匯率變動影響	0.4	0.1
Cash and cash equivalents at end of the year, representing bank balances and cash	年終之現金及等同現金項目， 為現金及銀行結餘	22.3	37.2



## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended December 31, 2018

截至二零一八年十二月三十一日止年度

### 1. GENERAL

IDT International Limited 萬威國際有限公司 (the “Company”) is incorporated in Bermuda as an exempted company with limited liability. The shares of the Company are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The addresses of the registered office and principal place of business of the Company are disclosed in the Corporate Information section to the annual report.

The Company acts as an investment holding company while its subsidiaries are engaged in the design, development, manufacture, sales and marketing of various consumer electronic products.

The consolidated financial statements are presented in Hong Kong dollars which is the same as the functional currency of the Company.

### 2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

In preparing the consolidated financial statements, the directors of the Company have given careful consideration to the future liquidity of the Company and its subsidiaries (collectively referred to as the “Group”) in light of the fact that the Group’s current liabilities exceeded its current assets by HK\$47.3 million as at December 31, 2018, the Group’s total liabilities exceeded its total assets by HK\$43.0 million as of that date, and that the Group incurred a loss of HK\$215.6 million for the year then ended.

### 1. 一般事項

萬威國際有限公司(「本公司」)乃於百慕大註冊成立之獲豁免有限公司，其股份在香港聯合交易所有限公司(「聯交所」)上市。本公司註冊辦事處及主要營業地點之地址於年報之公司數據內披露。

本公司乃一間投資控股公司。各附屬公司之主要業務為設計、開發、製造、銷售及推廣多種電子消費產品。

綜合財務報表以本公司之功能貨幣港幣呈列。

### 2. 綜合財務報表之編製基準

鑒於於二零一八年十二月三十一日，本集團的流動負債超出其流動資產港幣47.3百萬元、截至該日本集團的總負債超出總資產港幣43.0百萬元及本集團截至該日止年度產生虧損港幣215.6百萬元，故在擬備綜合財務報表時，本公司董事已仔細考慮本公司及其附屬公司(統稱「本集團」)的未來資金流動。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

The directors are of the opinion that the Group will have sufficient working capital to finance its operations and to meet its financial obligations for at least the next twelve months from the date of approval of these consolidated financial statements given that (1) China Huaneng Foundation Construction Investment Limited (“Huaneng”), the largest shareholder of the Company, has committed to provide continuous financial support to the Group as is necessary to enable the Group to meet its financial obligations as they fall due and (2) the management of Group will continue to reduce all non-essential costs.

However, should the above measures not be able to implement successfully, the Group may not have sufficient funds to operate as a going concern, in which case adjustments might have to be made to the carrying values of the Company's assets to their recoverable amounts, to reclassify the non-current assets and non-current liabilities as current assets and current liabilities, respectively and to provide for any further liabilities which might arise.

### 2. 綜合財務報表之編製基準(續)

鑒於(1)本公司最大股東中國華能基礎建設投資有限公司(「華能」)已承諾於需要時為本集團提供持續財務支持以確保本集團能夠履行到期的財務責任；及(2)本集團管理層將繼續減少所有不必要成本，故董事認為，本集團將擁有足夠的營運資金為其運營撥付資金及滿足其自批准該等綜合財務報表日期起未來至少12個月的財務責任。

然而，倘上述措施無法成功實施，則本集團可能沒有足夠的資金進行持續運營，在該情況下，可能須將本公司資產之賬面值調整至可收回金額，將非流動資產及非流動負債分別重新分類為流動資產及流動負債以及就可能產生之任何進一步負債作出撥備。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended December 31, 2018

截至二零一八年十二月三十一日止年度

#### 3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

New and amendments to HKFRSs that are mandatorily effective for the current year

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	<i>Financial Instruments</i>
HKFRS 15	<i>Revenue from Contracts with Customers and the related Amendments</i>
HK(IFRIC)-Int 22	<i>Foreign Currency Transactions and Advance Consideration</i>
Amendments to HKFRS 2	<i>Classification and Measurement of Share-based Payment Transactions</i>
Amendments to HKFRS 4	<i>Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts</i>
Amendments to HKAS 28	<i>As part of the Annual Improvements to HKFRSs 2014-2016 Cycle</i>
Amendments to HKAS 40	<i>Transfers of Investment Property</i>

#### 3. 新訂及經修訂香港財務報告準則(「香港財務報告準則」)之應用

本年度強制生效之新訂及經修訂香港財務報告準則

於本年度，本集團首次採用由香港會計師公會(「香港會計師公會」)頒佈的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15號	客戶合約收益及相關修訂
香港(國際財務報告詮釋委員會)詮釋22	外幣交易及墊付代價
香港財務報告準則第2號之修訂	以股份為基礎的付款交易的分類及計量
香港財務報告準則第4號之修訂	應用香港財務報告準則第9號「金融工具」及香港財務報告準則第4號「保險合同」
香港會計準則第28號之修訂	作為香港財務報告準則二零一四年至二零一六年周期之年度改進之一部分
香港會計準則第40號之修訂	轉讓投資物業

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

#### New and amendments to HKFRSs that are mandatorily effective for the current year (continued)

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

#### *HKFRS 15 Revenue from Contracts with Customers*

The Group has applied HKFRS 15 for the first time in the current year. HKFRS 15 superseded HKAS 18 Revenue, HKAS 11 Construction Contracts and the related interpretations.

The Group has applied HKFRS 15 retrospectively with the cumulative effect of initially applying this standard recognised at the date of initial application, January 1, 2018. Any difference at the date of initial application is recognised in the opening accumulated losses (or other components of equity, as appropriate) and comparative information has not been restated. Furthermore, in accordance with the transition provisions in HKFRS 15, the Group has elected to apply the standard retrospectively only to contracts that are not completed at January 1, 2018. Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 18 Revenue and the related interpretations.

### 3. 新訂及經修訂香港財務報告準則(「香港財務報告準則」)之應用(續)

#### 本年度強制生效之新訂及經修訂香港財務報告準則(續)

除下文所述者外，於本年度應用香港財務報告準則之修訂對本集團於本年度及過往年度的財務表現及狀況及／或該等綜合財務報表所載的披露並無重大影響。

#### *香港財務報告準則第15號客戶合約收益*

本集團已於本年度首次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18號收益、香港會計準則第11號建築合約及相關詮釋。

本集團已追溯應用香港財務報告準則第15號，而首次應用該準則的累計影響於首次應用日期二零一八年一月一日確認。於首次應用日期的任何差額於期初累計虧損(或其他權益部分(如適用))中確認，且並無重列比較數據。此外，根據香港財務報告準則第15號的過渡條文，本集團已選擇僅將該準則追溯至於二零一八年一月一日尚未完成的合約。因此，若干比較資料未必可與根據香港會計準則第18號收益之相關詮釋編製的比較數據進行比較。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

New and amendments to HKFRSs that are mandatorily effective for the current year (continued)

##### HKFRS 15 Revenue from Contracts with Customers (continued)

The Group recognises revenue from manufacturing and sales of various consumer electronic products which arise from contracts with customers.

Information about the Group’s performance obligations and the accounting policies resulting from application of HKFRS 15 are disclosed in note 6 and note 4 respectively.

##### Summary of effects arising from initial application of HKFRS 15

The following adjustments were made to the amounts recognised in the consolidated statement of financial position at January 1, 2018. Line items that were not affected by the changes have not been included.

			December 31, 2017 (Audited) 二零一七年 十二月三十一日 (經審核)	Reclassification	Remeasurement	January 1, 2018 (After adjustment) 二零一八年 一月一日 (調整後)
		Note	HK\$ million 港幣百萬元	重新分類 HK\$ million 港幣百萬元	重新計量 HK\$ million 港幣百萬元	HK\$ million 港幣百萬元
CURRENT LIABILITIES	流動負債					
Trade and other payables	應付賬款及 其他應付款項	(a)	192.9	(42.6)	—	150.3
Contract liabilities	合約負債	(a)	—	42.6	—	42.6

Note (a) As at January 1, 2018, advances from customers of HK\$42.6 million previously included in trade and other payables were reclassified to contract liabilities.

#### 3. 新訂及經修訂香港財務報告準則(「香港財務報告準則」)之應用(續)

本年度強制生效之新訂及經修訂香港財務報告準則(續)

##### 香港財務報告準則第15號客戶合約收益(續)

本集團確認製造及銷售來自客戶合約多種電子消費產品的收益。

有關本集團應用香港財務報告準則第15號引致之履約責任的數據於附註6和附註4披露。

##### 初步應用香港財務報告準則第15號產生的影響概要

於二零一八年一月一日的綜合財務狀況表確認的金額已作出以下調整。概無包括不受影響細列項目。

附註：(a) 於二零一八年一月一日，先前計入應付賬款及其他應付款項的客戶墊款港幣42.6百萬元重新分類為合約負債。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

New and amendments to HKFRSs that are mandatorily effective for the current year (continued)

##### HKFRS 15 Revenue from Contracts with Customers (continued)

The following table summarises the impacts of applying HKFRS 15 on the Group's consolidated statement of financial position as at December 31, 2018 and its consolidated statement of cash flows for the current year for each of the line items affected. Line items that were not affected by the changes have not been included.

Impact on the consolidated statement of financial position

#### 3. 新訂及經修訂香港財務報告準則(「香港財務報告準則」)之應用(續)

本年度強制生效之新訂及經修訂香港財務報告準則(續)

##### 香港財務報告準則第15號客戶合約收益(續)

下表概述應用香港財務報告準則第15號對本集團於二零一八年十二月三十一日綜合財務狀況表及本年度各受影響項目的綜合現金流量表的影響。概無包括不受影響細列項目。

對綜合財務狀況表的影響

		As reported	Adjustment	Amounts without application of HKFRS 15 並無應用香港財務報告準則第15號的金額
		HK\$ million 港幣百萬元	HK\$ million 港幣百萬元	HK\$ million 港幣百萬元
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>			
Trade and other payables	應付賬款及其他應付款項	117.8	58.2	179.1
Contract liabilities	合約負債	58.2	(58.2)	—

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

New and amendments to HKFRSs that are mandatorily effective for the current year (continued)

##### HKFRS 15 Revenue from Contracts with Customers (continued)

Impact on the consolidated statement of cash flows for amounts without application of HKFRS 15

#### 3. 新訂及經修訂香港財務報告準則(「香港財務報告準則」)之應用(續)

本年度強制生效之新訂及經修訂香港財務報告準則(續)

##### 香港財務報告準則第15號客戶合約收益(續)

並無應用香港財務報告準則第15號的金額，對綜合現金流量表的影響

		As reported	Adjustment	Amounts without application of HKFRS 15
		誠如所呈報	調整	並無應用香港財務報告準則第15號的金額
		HK\$ million	HK\$ million	HK\$ million
		港幣百萬元	港幣百萬元	港幣百萬元
Operating activities	經營活動			
Decrease in trade and other payables	貿易應付賬款及 其他應付款項減少	(34.2)	15.6	(18.6)
Increase in contract liabilities	合約負債增加	15.6	(15.6)	—

##### HKFRS 9 Financial Instruments

In the current year, the Group has applied HKFRS 9 Financial Instruments and the related consequential amendments to other HKFRSs. HKFRS 9 introduces new requirements for 1) the classification and measurement of financial assets and financial liabilities, 2) expected credit losses (“ECL”) for financial assets and 3) general hedge accounting.

##### 香港財務報告準則第9號金融工具

於本年度，本集團已採用香港財務報告準則第9號金融工具及其他香港財務報告準則相關後續修訂。香港財務報告準則第9號引進有關1)金融資產及金融負債的分類及計量；2)金融資產的預期信貸虧損(「預期信貸虧損」)；及3)一般對沖會計的新規定。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

New and amendments to HKFRSs that are mandatorily effective for the current year (continued)

#### HKFRS 9 Financial Instruments (continued)

The Group has applied HKFRS 9 in accordance with the transition provisions set out in HKFRS 9, i.e. applied the classification and measurement requirements (including impairment under ECL model) retrospectively to instruments that have not been derecognised as at January 1, 2018 (date of initial application) and has not applied the requirements to instruments that have already been derecognised as at January 1, 2018. The difference between carrying amounts as at December 31, 2017 and the carrying amounts as at January 1, 2018 are recognised in the opening accumulated losses and other components of equity, without restating comparative information.

Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 39 Financial Instruments: Recognition and Measurement.

Accounting policies resulting from application of HKFRS 9 are disclosed in note 4.

#### Summary of effects arising from initial application of HKFRS 9

The table below illustrates the classification and measurement of financial assets and financial liabilities and other items subject to ECL under HKFRS 9 and HKAS 39 at the date of initial application, January 1, 2018.

### 3. 新訂及經修訂香港財務報告準則(「香港財務報告準則」)之應用(續)

本年度強制生效之新訂及經修訂香港財務報告準則(續)

#### 香港財務報告準則第9號金融工具(續)

本集團已按香港財務報告準則第9號所載的過渡條文應用香港財務報告準則第9號，即對並無於二零一八年一月一日(初次應用日期)終止確認的工具追溯應用分類及計量規定(包括預期信貸虧損模式下的減值)，而並無對已於二零一八年一月一日終止確認的工具應用有關規定。於二零一七年十二月三十一日的賬面值與於二零一八年一月一日的賬面值之間的差額，於期初累積虧損及權益的其他部分確認，毋須重列比較數據。

由於比較數據乃按照香港會計準則第39號金融工具：確認及計量編製，因此，若干比較數據可能無法用作比較。

應用香港財務報告準則第9號產生的會計政策於附註4披露。

#### 初步應用香港財務報告準則第9號產生的影響概要

下表顯示金融資產及金融負債以及其他項目於初步採用日期(二零一八年一月一日)根據香港財務報告準則第9號及香港會計準則第39號按預期信貸虧損進行的分類及計量。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended December 31, 2018

截至二零一八年十二月三十一日止年度

#### 3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

New and amendments to HKFRSs that are mandatorily effective for the current year (continued)

*HKFRS 9 Financial Instruments (continued)*

*Summary of effects arising from initial application of HKFRS 9 (continued)*

#### 3. 新訂及經修訂香港財務報告準則(「香港財務報告準則」)之應用(續)

本年度強制生效之新訂及經修訂香港財務報告準則(續)

*香港財務報告準則第9號金融工具(續)*

*初步應用香港財務報告準則第9號產生的影響概要(續)*

	Notes	Financial assets previously classified as loans and receivables	Financial assets at amortised costs	Accumulated losses
	附註	先前分類為貸款及應收款項的金融資產	按攤銷成本計量的金融資產	累計虧損
		HK\$ million	HK\$ million	HK\$ million
		港幣百萬元	港幣百萬元	港幣百萬元
Closing balance at December 31, 2017 - HKAS 39		159.7	—	(181.0)
Effect arising from initial application of HKFRS 9:				
<b>Reclassification</b>				
– From loans and receivables	(a)	(159.7)	159.7	—
<b>Remeasurement</b>				
Impairment under ECL model	(b)	—	1.2	(1.2)
<b>Opening balance at January 1, 2018</b>		—	158.5	(182.2)

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

New and amendments to HKFRSs that are mandatorily effective for the current year (continued)

*HKFRS 9 Financial Instruments (continued)*

*Summary of effects arising from initial application of HKFRS 9 (continued)*

(a) Loans and receivables

From loans and receivables to financial assets at amortised cost

The loans and receivables were reclassified as financial assets at amortised cost since the Group's business model is to hold these financial assets for collection of contractual cash flows, and the cash flows represent solely payments of principal and interest on the principal amount outstanding.

The Group applies the HKFRS 9 simplified approach to measure ECL which uses a lifetime ECL for all trade receivables arising from transactions within the scope of HKFRS 15. To measure the ECL, receivables have been grouped based on shared credit risk characteristics.

### 3. 新訂及經修訂香港財務報告準則(「香港財務報告準則」)之應用(續)

本年度強制生效之新訂及經修訂香港財務報告準則(續)

*香港財務報告準則第9號金融工具(續)*

*初步應用香港財務報告準則第9號產生的影響概要(續)*

(a) 貸款及應收款項

由貸款及應收款項至按攤銷成本計量的金融資產

貸款及應收款項重新分類為按攤銷成本計量的金融資產，因為本集團持有該等金融資產的經營模式為收取合約現金流量，而該等現金流量僅用作償還本金及本金結欠所產生的利息。

本集團應用香港財務報告準則9號之簡化方法以計量預期信貸虧損，其就所有於香港財務報告準則第15號範圍內交易產生的其他全面收益的貿易應收賬款採用全期預期信貸虧損。為計量預期信貸虧損，應收款項已按共同信貸風險特徵歸類。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

New and amendments to HKFRSs that are mandatorily effective for the current year (continued)

*HKFRS 9 Financial Instruments (continued)*

*Summary of effects arising from initial application of HKFRS 9 (continued)*

(a) Loans and receivables (continued)

ECL for other financial assets at amortised cost, including other receivables and bank balances, are assessed on 12-month ECL basis as there had been no significant increase in credit risks since initial recognition.

As at January 1, 2018, additional credit loss allowance of HK\$1.2 million has been recognised against accumulated losses. The additional loss allowance is charged against the respective asset.

### 3. 新訂及經修訂香港財務報告準則(「香港財務報告準則」)之應用(續)

本年度強制生效之新訂及經修訂香港財務報告準則(續)

*香港財務報告準則第9號金融工具(續)*

*初步應用香港財務報告準則第9號產生的影響概要(續)*

(a) 貸款及應收款項(續)

按攤銷成本計量的其他金融資產的預期信貸虧損(包括其他應收款項及銀行結餘)按12個月預期信貸虧損基準評估，此乃由於信貸風險未於初始確認後有顯著增加。

於二零一八年一月一日，就累計溢利已確認額外信貸虧損撥備港幣1.2百萬元。額外虧損撥備自各資產中扣除。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

New and amendments to HKFRSs that are mandatorily effective for the current year (continued)

*HKFRS 9 Financial Instruments (continued)*

*Summary of effects arising from initial application of HKFRS 9 (continued)*

(b) Impairment under ECL model

All loss allowance for trade receivables and other receivables as at December 31, 2017 reconciled to the opening loss allowances as at January 1, 2018 are as follows:

		Amount 金額 HK\$ million 港幣百萬元
At December 31, 2017	於二零一七年十二月三十一日	
– HKAS 39	– 香港會計準則第39號	23.1
Amounts remeasured through opening accumulated losses	透過期初累計虧損重新計量的金額	1.2
At January 1, 2018	於二零一八年一月一日	24.3

#### 3. 新訂及經修訂香港財務報告準則(「香港財務報告準則」)之應用(續)

本年度強制生效之新訂及經修訂香港財務報告準則(續)

*香港財務報告準則第9號金融工具(續)*

*初步應用香港財務報告準則第9號產生的影響概要(續)*

(b) 預期信貸虧損模式下的減值

於二零一七年十二月三十一日貿易應收賬款及其他應收款項的所有虧損撥備與於二零一八年一月一日的期初虧損撥備對賬如下：

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended December 31, 2018

截至二零一八年十二月三十一日止年度

#### 3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

New and amendments to HKFRSs that are mandatorily effective for the current year (continued)

*Impacts on opening consolidated statement of financial position arising from the application of all new standards*

As a result of the changes in the Group's accounting policies above, the opening consolidated statement of financial position had to be restated. The following table shows the adjustments recognised for each of the line items affected. Line items that were not affected by the changes have not been included.

		December 31, 2017 (Audited) 二零一七年 十二月三十一日 (經審核) HK\$ million 港幣百萬元	HKFRS 15 香港財務報告 準則第15號 HK\$ million 港幣百萬元	HKFRS 9 香港財務報告 準則第9號 HK\$ million 港幣百萬元	January 1, 2018 (Restated) 二零一八年 一月一日 (經重列) HK\$ million 港幣百萬元
<b>CURRENT ASSETS</b>	<b>流動資產</b>				
Trade and other receivables	應收賬款及其他應收款項	162.5	—	(1.2)	161.3
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>				
Trade and other payables	應付賬款及其他應付款項	192.9	(42.6)	—	150.3
Contract liabilities	合約負債	—	42.6	—	42.6
<b>Capital and reserves</b>	<b>股本及儲備</b>				
Reserves	儲備	(80.4)	—	(1.2)	(81.6)

Note: For the purposes of reporting cash flows from operating activities under indirect method for the year ended December 31, 2018, movements in working capital have been computed based on opening statement of financial position as at January 1, 2018 as disclosed above.

#### 3. 新訂及經修訂香港財務報告準則(「香港財務報告準則」)之應用(續)

本年度強制生效之新訂及經修訂香港財務報告準則(續)

*應用所有新訂準則對期初綜合財務狀況表的影響*

由於上述本集團會計政策變動，期初綜合財務狀況表已經重列。下表列示就各受影響項目確認之調整。概無包括不受影響細列項目。

附註：就截至二零一八年十二月三十一日止年度根據間接法報告之經營活動產生之現金流量而言，營運資金變動已根據以上披露之二零一八年一月一日期初財務狀況表計算。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

### 3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

#### New and amendments to HKFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to 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 3	Definition of a Business <sup>4</sup>
Amendments to HKFRS 9	Prepayment Features with Negative Compensation <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>

### 3. 新訂及經修訂香港財務報告準則(「香港財務報告準則」)之應用(續)

#### 已頒佈但尚未生效之新訂及經修訂香港財務報告準則

本集團並無提早採納下列已頒佈但尚未生效之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	保險合同 <sup>2</sup>
香港(國際財務報告詮釋委員會)詮釋23	所得稅處理之不確定性
香港財務報告準則第3號之修訂	業務之定義 <sup>4</sup>
香港財務報告準則第9號之修訂	具有負補償之提前還款特性 <sup>1</sup>
香港財務報告準則第10號及香港會計準則第28號之修訂	投資者與其聯營公司或合營企業之間的資產出售或注資 <sup>3</sup>

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended December 31, 2018

截至二零一八年十二月三十一日止年度

### 3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

#### New and amendments to HKFRSs in issue but not yet effective (continued)

Amendments to HKAS 1 and HKAS 8	Definition of Material <sup>5</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 January 1, 2019

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

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

<sup>4</sup> Effective for business combinations and asset acquisitions which the acquisition date is on or after the beginning of the first annual period beginning on or after January 1, 2020

<sup>5</sup> Effective for annual periods beginning on or after January 1, 2020

Except for the new HKFRS mentioned below, 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.

### 3. 新訂及經修訂香港財務報告準則(「香港財務報告準則」)之應用(續) 已頒佈但尚未生效之新訂及經修訂香港財務報告準則(續)

香港會計準則第1號	重大之定義 <sup>5</sup>
及香港會計準則	
第8號之修訂	計劃修訂、縮減
香港會計準則	或結清 <sup>1</sup>
第19號之修訂	
香港會計準則	於聯營公司及
第28號之修訂	合營企業之
	長期權益 <sup>1</sup>
香港財務報告	香港財務報告
準則之修訂	準則二零一五年
	至二零一七年
	週期之年度改進 <sup>1</sup>

<sup>1</sup> 於二零一九年一月一日或之後開始之年度期間生效。

<sup>2</sup> 於二零二一年一月一日或之後開始之年度期間生效。

<sup>3</sup> 於待釐定日期或之後開始之年度期間生效。

<sup>4</sup> 就收購日期為二零二零年一月一日或之後開始的首個年度期間時或之後開始的業務合併和資產收購生效。

<sup>5</sup> 於二零二零年一月一日或之後開始之年度期間生效。

除下文所述新訂及經修訂香港財務報告準則外，本公司董事預計應用所有其他新訂及經修訂香港財務報告準則於可見未來將不會對綜合財務報表產生重大影響。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

New and amendments to HKFRSs in issue but not yet effective (continued)

#### HKFRS 16 Leases

HKFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. HKFRS 16 will supersede HKAS 17 Leases and the related interpretations when it becomes effective.

HKFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. In addition, HKFRS 16 requires sales and leaseback transactions to be determined based on the requirements of HKFRS 15 as to whether the transfer of the relevant asset should be accounted for as a sale. HKFRS 16 also includes requirements relating to subleases and lease modifications.

Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

### 3. 新訂及經修訂香港財務報告準則(「香港財務報告準則」)之應用(續)

已頒佈但尚未生效之新訂及經修訂香港財務報告準則(續)

#### 香港財務報告準則第16號租賃

香港財務報告準則第16號為識別出租人及承租人的租賃安排及會計處理引入一個綜合模式。當香港財務報告準則第16號生效時，將取代香港會計準則第17號租賃及相關的詮釋。

香港財務報告準則第16號根據所識別資產是否由客戶控制來區分租賃及服務合約。此外，香港財務報告準則第16號規定售後租回交易根據香港財務報告準則第15號有關轉讓相關資產是否應作為銷售入帳的規定而釐定。香港財務報告準則第16號亦包括有關分租及租賃修改的規定。

除短期租賃及低值資產租賃外，經營及融資租賃的差異自承租人會計處理中移除，並由承租人須就所有租賃確認使用權資產及相應負債的模式替代。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

New and amendments to HKFRSs in issue but not yet effective (continued)

#### HKFRS 16 Leases (continued)

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. For the classification of cash flows, operating lease payments are currently presented as operating cash flows. Under the HKFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing cash flows by the Group, while upfront prepaid lease payments will continue to be presented as investing or operating cash flows in accordance to the nature, as appropriate.

Other than certain requirements which are also applicable to lessor, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

Furthermore, extensive disclosures are required by HKFRS 16.

### 3. 新訂及經修訂香港財務報告準則(「香港財務報告準則」)之應用(續) 已頒佈但尚未生效之新訂及經修訂香港財務報告準則(續)

#### 香港財務報告準則第16號租賃(續)

使用權資產初步按成本計量，隨後以成本(惟若干例外情況除外)減累計折舊及減值虧損計量，並就租賃負債的任何重新計量而作出調整。租賃負債初步按租賃款項(非當日支付)之現值計量。隨後，租賃負債會就(其中包括)利息及租賃款項以及租賃修訂的影響作出調整。就現金流量分類而言，經營租賃付款現時呈列為經營現金流量。根據香港財務報告準則第16號，有關租賃負債的租賃款項將分配至本金及利息部分，並由本集團以融資現金流量呈列，而預付租賃付款將根據其性質(視情況而定)繼續作為投資或運營現金流列報。

除亦適用於出租人的若干規定外，香港財務報告準則第16號大致保留香港會計準則第17號內出租人的會計要求，並繼續規定出租人將租賃分類為經營租賃或融資租賃。

此外，香港財務報告準則第16號需要更廣泛的披露。

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### 3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

New and amendments to HKFRSs in issue but not yet effective (continued)

#### HKFRS 16 Leases (continued)

As at December 31, 2018, the Group has non-cancellable operating lease commitments of HK\$28.9 million as disclosed in note 29. A preliminary assessment indicates that these arrangements will meet the definition of a lease. Upon application of HKFRS 16, the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases.

In addition, the Group currently considers refundable rental deposits paid of HK\$6.5 million and refundable rental deposits received of HK\$0.7 million as rights and obligations under leases to which HKAS 17 applies. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right to use the underlying assets, accordingly, the carrying amounts of such deposits may be adjusted to amortised cost and such adjustments are considered as additional lease payments. Adjustments to refundable rental deposits paid would be considered as additional lease payments and included in the carrying amount of right-of-use assets. Adjustments to refundable rental deposits received would be considered as advance lease payments.

### 3. 新訂及經修訂香港財務報告準則(「香港財務報告準則」)之應用(續)

已頒佈但尚未生效之新訂及經修訂香港財務報告準則(續)

#### 香港財務報告準則第16號租賃(續)

本集團於二零一八年十二月三十一日擁有不可撤銷經營租賃承擔港幣28.9百萬元(於附註29披露)。初步評估顯示，此等安排將符合租賃的定義。於應用香港財務報告準則第16號時，本集團將確認使用權資產，以及與所有此等租賃有關的相應負債，除非有關項目符合低值或短期租賃的資格。

此外，本集團目前將已支付的可退還租金按金港幣6.5百萬元及已收取的可退還租金按金港幣0.7百萬元，視為香港會計準則第17號適用的租賃下的權利及責任。根據香港財務報告準則第16號下租賃款項的定義，有關按金並非與相關資產使用權有關的款項，因此，該等按金的賬面值可能會調整為攤銷成本，有關調整被視為額外租賃款項。對已支付的可退還租金按金作出的調整將被視為額外租賃款項並計入使用權資產的賬面值中。對已收取的可退還租金按金作出的調整將被視為預付租賃款項。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended December 31, 2018

截至二零一八年十二月三十一日止年度

#### 3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

New and amendments to HKFRSs in issue but not yet effective (continued)

##### *HKFRS 16 Leases (continued)*

The application of new requirements may result in changes in measurement, presentation and disclosure as indicated above. The Group elected the practical expedient to apply HKFRS 16 to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 Determining whether an Arrangement contains a Lease and not apply this standard to contracts that were not previously identified as containing a lease applying HKAS 17 and HK(IFRIC)-Int 4. Therefore, the Group will not reassess whether the contracts are, or contain a lease which already existed prior to the date of initial application. Furthermore, the Group elected the modified retrospective approach for the application of HKFRS 16 as lessee and recognised the cumulative effect of initial application to opening accumulated losses without restating comparative information.

#### 3. 新訂及經修訂香港財務報告準則(「香港財務報告準則」)之應用(續)

已頒佈但尚未生效之新訂及經修訂香港財務報告準則(續)

##### *香港財務報告準則第16號租賃(續)*

應用新規定可能導致計量、呈列及披露會出現上述變動。本集團擬選擇可行權宜方法，就先前應用香港會計準則第17號及香港(國際財務報告詮釋委員會)－詮釋4「釐定安排是否包括租賃」識別為租賃的合約應用香港財務報告準則第16號，而並無對先前應用香港會計準則第17號及香港(國際財務報告詮釋委員會)－詮釋4並未識別為包括租賃的合約應用該準則。因此，本集團將不會重新評估合約是否為或包括於首次應用日期前已存在的租賃。此外，本集團(作為承租人)選擇經修訂追溯法應用香港財務報告準則第16號，並將確認首次應用對期初累積虧損的累計影響，而並無重列比較資料。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 4. SIGNIFICANT ACCOUNTING POLICIES

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

The consolidated financial statements have been prepared on the historical cost basis at the end of each reporting period, as explained in the accounting policies set out below.

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

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 Share-based Payment, leasing transactions that are within the scope of HKAS 17 Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 Inventories or value in use in HKAS 36 Impairment of assets.

#### 4. 主要會計政策

本綜合財務報表乃根據香港會計師公會所頒佈的香港財務報告準則編製。此外，綜合財務報表載列香港聯合交易所有限公司證券上市規則及香港公司條例規定適用之披露。

本綜合財務報表乃根據歷史成本方法於各報告期末編製，詳見下文所載的會計政策。

歷史成本一般按貨品交換的代價公平值計算。

公平值為市場參與者於計量日期在有序交易中出售資產可收取或轉讓負債須支付之價格，不論該價格是否直接觀察可得或使用另一種估值方法估計。估計資產或負債之公平值時，本集團考慮市場參與者於計量日期為該資產或負債進行定價時將會考慮的有關特徵。在綜合財務報表中計量及／或披露的公平值均在此基礎上予以確定，惟香港財務報告準則第2號以股份為基礎的付款範圍內以股份為基礎支付的交易、香港會計準則第17號租賃範圍內之租賃交易，以及與公平值類似但並非公平值的計量（例如，香港會計準則第2號「存貨」中的可變現淨值或香港會計準則第36號「資產減值」中的使用價值）除外。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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截至二零一八年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (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 principal accounting policies are set out below.

### 4. 主要會計政策(續)

此外，就財務報告而言，公平值計量根據公平值計量之輸入數據可觀察程度及輸入數據對公平值計量之整體重要性分類為第一級、第二級或第三級，並載述如下：

- 第一級輸入數據是實體於計量日期可以取得的相同資產或負債於活躍市場之報價(未經調整)；
- 第二級輸入數據是就資產或負債可直接或間接地觀察之輸入數據(第一級內計入的報價除外)；及
- 第三級輸入數據是資產或負債的不可觀察輸入數據。

主要會計政策列載如下：

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended December 31, 2018  
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#### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

##### Basis of consolidation

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

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

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

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

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

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

#### 4. 主要會計政策(續)

##### 綜合基準

本綜合財務報表包括本公司及本公司所控制的實體及其附屬公司的財務報表。當本公司具有以下能力，即具有控制權：

- 對被投資者行使權力；
- 從參與被投資者活動而面對或有權享有不同形式的回報；及
- 能夠運用其權力影響投資者回報。

倘事實及情況反映上文所列三項控制因素其中一項或多項改變，則本集團會重估其是否對被投資者擁有控制權。

當本集團取得附屬公司之控制權時，開始將該附屬公司綜合入帳；當本集團失去附屬公司之控制權時，則停止將該附屬公司綜合入帳。具體而言，於本期間購入或出售的附屬公司的收支已計入綜合損益及其他全面收益表。本集團取得控制權，直至本集團對該附屬公司之控制權終止當日為止。

損益及各其他全面收入項目歸屬予本公司擁有人及非控股權益。附屬公司全面收入總額歸屬予本公司擁有人及非控股權益，即使其導致非控股權益出現虧絀。

本集團於需要時會對附屬公司的財務報表作出調整，使其會計政策與本集團會計政策相符。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended December 31, 2018

截至二零一八年十二月三十一日止年度

#### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

##### Basis of consolidation (continued)

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

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

##### Goodwill

Goodwill arising on an acquisition of a business is carried at cost less any accumulated impairment losses, if any, and is presented separately in the consolidated statement of financial position.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

A cash-generating unit (or groups of cash-generating units) to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit (or groups of cash-generating units) to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to that unit and then to the other assets of the unit on a pro-rata basis based on the carrying amount of each asset in the unit (or groups of cash-generating units).

#### 4. 主要會計政策(續)

##### 綜合基準(續)

本集團內公司間一切交易、有關本集團成員間交易的結餘、收入及支出已於綜合帳目時悉數對銷。

於附屬公司的非控股權益與本集團於其中所佔的股權分開呈列，後者指於清盤時持有人可按比例獲得的相關附屬公司淨資產份額的現時所有權權益。

##### 商譽

因收購業務產生之商譽按成本減除任何累積減值虧損(如有)，並於綜合財務狀況表中另行列賬。

為了減值測試的目的，商譽乃被分配到預期可受惠於收購協同效應之各有關本集團的創現單位或創現單位之組別(即監察商譽作內部管理目的之最低水平且不大於經營分部)。

已獲分配商譽之創現單位或創現單位之組別會每年或凡有跡象顯示單位可能出現減值時會更頻繁地進行減值測試。就於報告期間內收購產生之商譽而言，所獲分配商譽之創現單位於報告期間結束前進行減值測試。當創現單位的可收回金額少於其賬面值，減值虧損會首先分配以削減任何分配至該單位的商譽的賬面值，然後按該單位(或創現單位之組別)內其他資產賬面值比例削減該單位其他資產的賬面值。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended December 31, 2018  
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### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Revenue from contracts with customers (upon application of HKFRS 15 in accordance with transitions in note 3)

Under HKFRS 15, the Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates and enhances an asset that the customer controls as the Group performs; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

The Group recognised revenue at a point in time when the control of the goods is transferred.

### 4. 主要會計政策(續)

#### 客戶合約收益(根據附註3之過渡條款應用香港財務報告準則第15號後)

根據香港財務報告準則第15號，當(或於)本集團於完成履約責任時(即於特定履約責任相關的貨品或服務之「控制權」已轉移至客戶時)確認收益。

履約責任指一項明確貨品或服務(或一組貨品或服務)或一系列大致相同的明確貨品或服務。

倘符合下列其中一項標準，而控制權隨時間轉移，收益會參考相關履約責任的已完成進度隨時間確認：

- 客戶於本集團履約時同時收取及消耗本集團履約所提供的利益；
- 本集團履約產生及提升於本集團履約時由客戶控制的資產；或
- 本集團履約並無產生對本集團有替代用途的資產，且本集團有強制執行權收取至今已履約的部分款項。

否則，收益於客戶獲得明確的貨品或服務的控制權時確認。

本集團於貨品的控制權獲轉讓時確認收益



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended December 31, 2018

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#### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

##### Revenue from contracts with customers (upon application of HKFRS 15 in accordance with transitions in note 3) (continued)

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

##### Revenue recognition (prior to January 1, 2018)

Revenue is measured at fair value of the consideration received or receivable and represents amounts receivable for goods sold in the normal course of business and sales related taxes.

Revenue is recognised when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the Group and when specific criteria have been met for each of the Group's activities, as described below.

Revenues from the sale of goods are 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.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

#### 4. 主要會計政策(續)

##### 客戶合約收益(根據附註3之過渡條款應用香港財務報告準則第15號後)(續)

合約負債指本集團因已自客戶收取代價(或到期收取的代價金額)，而須向客戶轉讓貨品或服務的責任。

##### 收入確認(二零一八年一月一日前)

收入以日常業務過程中銷售貨品之已收或應收代價之公平值，扣除折扣及銷售相關的稅項計算。

收入在收入金額能夠可靠計量；未來經濟利益很可能流入本集團，而本集團每項活動均符合下文所述之指定條件時予以確認。

來自銷售貨品的收入在交付貨品及轉移所有權時(即達成所有下列條件時)確認：

- 本集團已向買方轉移貨品所有權之重大風險及回報；
- 本集團並無對所售貨品保留一般與擁有權及實際控制權相關程度之持續管理；
- 能可靠計量收入金額；
- 交易可為本集團帶來經濟利益；及
- 能可靠計量交易產生或將產生之成本。

利息收入按時間基準，參照未償還本金金額及適用之實際利率計算。實際利率乃金融資產於預期可用年期內估計可取得之日後現金收益，貼現至該資產初始確認的賬面淨值之利率。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

##### 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 are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

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

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

#### 4. 主要會計政策(續)

##### 物業、機器及設備

物業、機器及設備包括持有以用作貨品生產或供應或服務或行政用途的樓宇乃按成本值減除其後累積折舊以及累積減值虧損(如有)於綜合財務狀況表列賬。

物業、機器及設備均以直線法，按估計可用年期減去剩餘值計提折舊撥備，以攤銷成本。估計可使用年期、剩餘值及折舊方法乃於各報告期末予以檢討，而任何估計變動的影響均以前瞻性為基礎入帳。

物業、機器及設備之項目於出售時或當預期持續使用該資產不再帶來未來經濟利益時取消確認。因物業、機器及設備出售或報廢而產生之任何收益或虧損(按出售所得款項淨額與資產賬面值之差額計算)乃列入損益。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended December 31, 2018

截至二零一八年十二月三十一日止年度

#### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

##### Leases

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

##### *The Group as lessor*

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset.

##### *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.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

##### Borrowing costs

All borrowing costs not directly attributable to the acquisition, construction or production of qualifying assets are recognised in profit or loss in the year in which they are incurred.

#### 4. 主要會計政策(續)

##### 租賃

租賃條款列明將所有權之絕大部分風險及回報轉移予承租人之租約，均列為融資租約。而所有其他租賃則被分類為經營租約。

##### *本集團作為出租人*

經營租賃的租金收入以直線法按租賃年期於損益內確認。在協商及安排經營租賃所產生初步直接成本加於租賃資產之賬面值。

##### *本集團作為承租人*

經營租約付款(包括收購根據經營租約持有之土地成本)以直線法按租賃年期確認為開支，惟如另有系統性基準更能反映租賃資產之經濟利益被消耗之時間模式，則另作別論。

倘訂立經營租約可以獲得租賃優惠，該等優惠確認為負債。優惠整體利益以直線法確認為租金開支沖減。惟如另有系統性基準更能反映租賃資產之經濟利益被消耗之時間模式，則另作別論。

##### 借貸成本

並非直接源自收購、建造或生產合資格資產的所有借貸成本於產生年度確認為損益中。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended December 31, 2018  
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#### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

##### Research expenditure

Expenditure on research activities is recognised as an expense in the year in which it is incurred.

##### Patents and trademarks

Patents and trademarks are stated at cost less subsequent accumulated amortisation and any accumulated impairment loss. Amortisation is calculated on a straight-line basis over the estimated useful economic life of the relevant patents and trademarks.

##### Impairment losses on tangible and intangible assets other than goodwill (see the accounting policy in respect of goodwill above)

At the end of the reporting period, the Group reviews the carrying amounts of its tangible and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any).

The recoverable amount of tangible and intangible assets are estimated individually, or when it is not possible to estimate the recoverable amount of an asset individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating 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 (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

#### 4. 主要會計政策(續)

##### 研究開支

研究活動的支出乃於產生年度確認為開支。

##### 專利及商標

專利及商標乃按成本值減其後累積攤銷及任何累積減值虧損列值。攤銷乃按相關專利及商標估計可使用經濟年期以直線法計算。

##### 有形及無形資產之減值，不包括商譽(見上述商譽之會計政策)

於報告期末，本集團審閱其擁有有限使用年期的有形及無形資產之賬面值，以確定是否有任可跡象顯示該等資產蒙受減值虧損。如出現任何有關跡象，則會估計相關資產之可收回金額，以決定減值虧損(如有)之程度。

有形及無形資產的可收回金額個別估計。倘若不大可能個別估計資產的可收回金額，則本集團估計資產所屬創現單位的可收回金額。如分配的合理及一致基準可予識別，則公司資產亦被分配至個別創現單位，或於其他情況下彼等被分配至創現單位的最小組合，而該創現單位的合理及一致分配基準可予識別。

可收回金額為公平值減去銷售所需成本及可使用價值之較高者。於評估可使用價值時，將日後現金流之估值以一個能反映現時市場評估金錢時間價值及該資產(或創現單位)之特有風險(而該風險並未日後現金流之估值中作調整)的稅前折扣率折現至其現值。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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#### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

##### Impairment losses on tangible and intangible assets other than goodwill (see the accounting policy in respect of goodwill above) (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. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit. 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 immediately in profit or loss.

##### Inventories

Inventories are stated at the lower of cost and net realisable value. Cost 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.

##### Retirement benefit costs

Payments to defined contribution retirement benefit plans, Mandatory Provident Fund Scheme and state-managed retirement benefits scheme are recognised as expenses when employees have rendered service entitling them to the contributions.

#### 4. 主要會計政策(續)

##### 有形及無形資產之減值，不包括商譽(見上述商譽之會計政策)(續)

倘一項資產(或一創現單位)之可收回金額估計少於其賬面值，則該項資產(或一創現單位)之賬面值將撇減至其可收回金額。於分配減值虧損時，減值虧損將首先分配至削減任何商譽(如有)之賬面值，其後以該單位各項資產之賬面值為基準按比例分配到其他資產。資產賬面值不會降至低於其公平值減去出售成本(倘可計算)、其使用價值(倘可確定)及零之最高者。分配至資產的減值虧損數額則按單位的其他資產比例分配。減值虧損會實時於損益確認。

倘某項減值虧損其後撥回，則該項資產(或創現單位)之賬面值須增至其可收回金額經修訂後的估值，惟增加後之賬面值不得超過假設該項資產(或一創現單位)於過往年度未有出現減值虧損所釐定的賬面值。減值虧損撥回實時確認在損益中。

##### 存貨

存貨乃根據成本值或可變現淨值兩者之較低者入帳。存貨成本值按加權平均法計算。可變現淨值即存貨的估計售價減去所有估計完工成本及銷售所需成本。

##### 退休福利費用

向界定供款退休金計劃、強制性公積金計劃及國家管理退休福利計劃之供款乃當僱員提供相關可獲得該供款之服務時確認為支出。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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#### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

##### Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

##### 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 loss 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 liability for 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 bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences 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. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

#### 4. 主要會計政策(續)

##### 短期僱員福利

短期僱員福利乃按僱員提供服務時預期將予支付之未貼現福利金額確認。所有短期僱員福利均確認為開支，除非香港財務報告準則要求或允許將福利計入資產的成本。

僱員之應計福利(例如工資及薪金、年假及病假)乃於扣減任何已付金額後確認負債。

##### 稅項

入息稅開支指現行應繳稅項及遞延稅項之總和。

現行應繳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的除稅前虧損不同，乃由於前者不包括其他年度之應課稅或可扣稅的收入或開支，並且不包括毋須課稅或不能扣稅之項目。本集團之即期稅項負債乃採用於報告期末已實施或實質上已實施之稅率計算。

遞延稅項乃按綜合財務報表內資產及負債賬面值與計算應課稅溢利所用相應稅基之差額而確認。遞延稅項負債一般會就所有應課稅暫時差額確認，而遞延稅項資產一般會就所有可扣稅暫時差額在很大機會出現應課稅溢利而可用以抵銷可扣減暫時差額時確認。倘暫時差額自不影響應課稅溢利或會計溢利之交易的資產及負債之初步確認(業務合併除外)而產生，則不會確認該等遞延稅項資產及負債。此外，若暫時差額是源自商譽之首次確認，則不確認遞延稅項負債。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended December 31, 2018

截至二零一八年十二月三十一日止年度

#### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

##### Taxation (continued)

Deferred tax liabilities are recognised for taxable temporary difference associated with investments 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.

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

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

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

Current and deferred tax are 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.

#### 4. 主要會計政策(續)

##### 稅項(續)

遞延稅項負債就附屬公司的投資所產生之應課稅暫時差額確認入賬，惟本集團可控制暫時差額之撥回而暫時差額不大可能於可預見將來撥回則除外。與該等投資相關之可扣稅暫時差額所產生之遞延稅項資產僅於很大機會有足夠應課稅溢利可以使用暫時差額之利益且預計於可見將來可予撥回時確認。

遞延稅項資產之賬面值於報告期末檢討，並於不大可能再有足夠應課稅溢利去扣減該項資產之全部或部分之情況作出調減。

遞延稅項資產及負債按預期於償還負債或資產變現期間適用之稅率計算，而有關稅率之基準為於報告期末已實施或實質上已實施之稅率(及稅法)。

遞延稅項負債及資產之計量反映本集團預期於報告期末收回或償還資產及負債賬面值所產生之稅務後果。

本期間及遞延稅項需於損益確認，惟當與於其他全面收益或直接於權益確認之項目有關之情況下，當期及遞延稅項則同樣分別於其他全面收益或直接於權益中確認。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended December 31, 2018  
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#### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

##### Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instruments. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15 since January 1, 2018. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

#### 4. 主要會計政策(續)

##### 金融工具

倘集團實體成為該工具合約條文之訂約方，應確認金融資產及金融負債。所有以常規方式購入或出售財務資產乃按交易日期基準確認及停止確認。以常規方式購入或出售指須於市場規定或慣例所訂時限內交付資產的財務資產購入或出售。

金融資產及金融負債初步按公平值計量，惟自二零一八年一月一日起，源於客戶合約的貿易應收賬款按香港財務報告準則第15號初步計量。收購或發行金融資產及金融負債(除公平值計入損益的金融資產或金融負債)直接應佔之交易成本乃於初步確認時加入金融資產或金融負債之公平值或自其中扣除(如適用)。收購按公平值計入損益的金融資產或金融負債直接應佔的交易成本即時於損益確認。

實際利率法是計算金融資產或金融負債之攤銷成本，以及在攤分有關期間利息收入及利息支出的方法。該實際利率為將金融資產或金融負債於預計年期或較短期間內(如適用)的預計未來現金收入及付款(包括構成實際利率之所有已付或已收取之費用或點數、交易成本及其他溢價或折扣)準確折現至於初次確認時之賬面淨值之利率。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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#### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

##### Financial instruments (continued)

##### Financial assets

*Classification and subsequent measurement of financial assets (upon application of HKFRS 9 in accordance with transitions in note 3)*

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (the "FVIOCI"):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value through profit and loss (the "FVTPL"), except that at the date of initial application/initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income (the "OCI") if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 Business Combinations applies.

#### 4. 主要會計政策(續)

##### 金融工具(續)

##### 金融資產

*金融資產之分類及其後計量(根據附註3之過渡條款應用香港財務報告準則第9號後)*

符合以下條件的金融資產於其後按攤銷成本計量：

- 該金融資產以收取合約現金流量為目的之商業模式下持有；及
- 合約條款令特定日期產生之現金流量謹為支付本金及未償還本金之利息。

符合下列條件的金融資產其後按公平值計入其他全面收益計量：

- 金融資產按目的為收取合約現金流量及出售實現的業務模式內持有；及
- 合約條款令於特定日期產生之現金流量謹為支付本金及未償還本金之利息。

所有其他金融資產其後按公平值計入損益計量，惟於首次應用／首次確認金融資產當日，倘該等股本投資並非持作買賣，亦非收購方於香港財務報告準則第3號業務合併所應用之業務合併中確認之或然代價，本集團可不可撤銷地選擇於其他全面收益呈列股本投資公平值之其後變動。

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### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial instruments (continued)

#### Financial assets (continued)

Classification and subsequent measurement of financial assets (upon application of HKFRS 9 in accordance with transitions in note 3) (continued)

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

### 4. 主要會計政策(續)

#### 金融工具(續)

#### 金融資產(續)

金融資產之分類及其後計量(根據附註3之過渡條款應用香港財務報告準則第9號後)(續)

應當劃分為交易性金融資產：

- 取得金融資產的目的主要是為了近期內出售；或
- 初始確認時，屬本集團一併管理的已識別金融工具組合的一部分，並且具有近期實際短期套利模式；或
- 其為不指定及有效作為對沖工具之衍生工具。

此外，本集團可不可撤回地指定一項須按攤銷成本或透過按公平值計入其他全面收益計量的金融資產按公平值計入損益計量，前提為有關指定可消除或大幅減少會計錯配。

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### 綜合財務報表附註

For the year ended December 31, 2018  
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#### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

##### Financial instruments (continued)

##### Financial assets (continued)

*Classification and subsequent measurement of financial assets (upon application of HKFRS 9 in accordance with transitions in note 3) (continued)*

##### Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost and debt instruments/receivables subsequently measured at FVTOCI. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired.

#### 4. 主要會計政策(續)

##### 金融工具(續)

##### 金融資產(續)

*金融資產之分類及其後計量(根據附註3之過渡條款應用香港財務報告準則第9號後)(續)*

##### 攤銷成本及利息收入

利息收入就其後按攤銷成本計量的金融資產及其後按公平值計入其他全面收益計量的債務工具／應收款項以實際利率法確認。利息收入透過將實際利率應用於金融資產賬面總值計算，惟其後已變為信貸減值的金融資產則除外(見下文)。就其後已變為信貸減值的金融資產而言，利息收入透過將實際利率應用於自下個報告期起計的金融資產攤銷成本確認。倘信貸減值金融工具的信貸風險升高，以使金融資產不再維持信貸減值，則利息收入在釐定資產不再維持信貸減值後，透過將實際利率應用於自報告期開始時起計的金融資產賬面總值確認。

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### 綜合財務報表附註

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#### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

##### Financial instruments (continued)

##### Financial assets (continued)

*Impairment of financial assets (upon application HKFRS 9 with transitions in accordance with note 3)*

The Group recognises a loss allowance for ECL on financial assets which are subject to impairment under HKFRS 9 (including trade and other receivables and bank balances). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade receivables without significant financing component. The ECL on these assets are assessed collectively using a provision matrix with appropriate groupings.

#### 4. 主要會計政策(續)

##### 金融工具(續)

##### 金融資產(續)

*金融資產之減值(根據附註3之過渡條款應用香港財務報告準則第9號後)*

本集團就根據香港財務報告準則第9號須予減值的金融資產(包括應收賬款及其他應收款項、銀行結餘)的預期信貸虧損確認虧損撥備。預期信貸虧損金額於各報告日期更新，以反映自初步確認以來信貸風險的變化。

全期預期信貸虧損指相關工具的預計年期內所有可能的違約事件將產生的預期信貸虧損。相反，12個月預期信貸虧損(「12個月預期信貸虧損」)指預期於報告日期後12個月內可能發生的違約事件導致的部分全期預期信貸虧損。評估乃根據本集團過往信貸虧損經驗進行，並就債務人特有的因素、一般經濟狀況以及對報告日期的當前狀況及未來狀況預測的評估作出調整。

本集團始終就沒有重大融資成分的貿易應收款項確認全期預期信貸虧損。該等資產的預期信貸虧損乃採用具合適組別的撥備矩陣進行集體評估。

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### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial instruments (continued)

##### Financial assets (continued)

*Impairment of financial assets (upon application HKFRS 9 with transitions in accordance with note 3) (continued)*

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

### 4. 主要會計政策(續)

#### 金融工具(續)

##### 金融資產(續)

*金融資產之減值(根據附註3之過渡條款應用香港財務報告準則第9號後)(續)*

對於所有其他工具，本集團計量等於12個月預期信貸虧損的虧損撥備，除非自初步確認以來信貸風險大幅增加，則本集團確認全期預期信貸虧損。評估是否應確認全期預期信貸虧損乃基於自初步確認以來發生違約的可能性或風險是否大幅增加。

(i) 信譽風險大幅增加

於評估自初步確認以來信貸風險是否大幅增加時，本集團將金融工具於報告日期發生的違約風險與該金融工具於初步確認日期發生的違約風險進行比較。進行此評估時，本集團會考慮合理且有理據的定量及定性數據，包括過往經驗及無需付出不必要的成本或努力而可獲得的前瞻性資料。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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#### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

##### Financial instruments (continued)

##### Financial assets (continued)

Impairment of financial assets (upon application HKFRS 9 with transitions in accordance with note 3) (continued)

##### (i) Significant increase in credit risk (continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

#### 4. 主要會計政策(續)

##### 金融工具(續)

##### 金融資產(續)

金融資產之減值(根據附註3之過渡條款應用香港財務報告準則第9號後)(續)

##### (i) 信譽風險大幅增加(續)

特別是，在評估信貸風險是否大幅增加時會考慮以下數據：

- 金融工具的外部(如有)或內部信貸評級的實際或預期顯著惡化；
- 信貸風險的外界市場指標的重大惡化，例如債務人的信貸息差、信貸違約掉期價大幅增加；
- 預計將導致債務人償還其債務責任的能力大幅下降的業務、財務或經濟狀況的現有或預測的不利變化；
- 債務人經營業績的實際或預期顯著惡化；
- 導致債務人償還其債務責任的能力大幅下降的債務人監管、經濟或技術環境的實際或預期的重大不利變化。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial instruments (continued)

##### Financial assets (continued)

*Impairment of financial assets (upon application HKFRS 9 with transitions in accordance with note 3) (continued)*

(i) Significant increase in credit risk (continued)

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

### 4. 主要會計政策(續)

#### 金融工具(續)

##### 金融資產(續)

*金融資產之減值(根據附註3之過渡條款應用香港財務報告準則第9號後)(續)*

(i) 信譽風險大幅增加(續)

不論上述評估的結果如何，本集團認為，倘合約付款逾期超過30天，則自初步確認以來信貸風險已大幅增加，除非本集團有合理且有理據的資料可予證明。

本集團定期監控用以識別信貸風險有否大幅增加的標準之有效性，並修訂有關標準(如適用)以確保其能夠在金額逾期前識別信貸風險大幅增加。

(ii) 違約定義

就內部信貸風險管理而言，本集團認為，違約事件在內部制訂或得自外界來源的數據顯示債務人不大可能悉數向債權人(包括本集團)還款(未計及本集團所持任何抵押品)時發生。

無論上述情形如何，本集團認為，倘金融資產逾期超過90天，則已發生違約事件，除非本集團有合理且有理據的數據顯示更寬鬆的違約標準更為合適。

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#### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

##### Financial instruments (continued)

##### Financial assets (continued)

Impairment of financial assets (upon application HKFRS 9 with transitions in accordance with note 3) (continued)

##### (iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

#### 4. 主要會計政策(續)

##### 金融工具(續)

##### 金融資產(續)

金融資產之減值(根據附註3之過渡條款應用香港財務報告準則第9號後)(續)

##### (iii) 信貸減值金融資產

倘發生一項或多項對金融資產估計未來現金流量有不利影響的違約事件，金融資產出現信貸減值。金融資產信貸減值的證據包括有關下列事件的可觀察數據：

- 發行人或借款人出現嚴重財務困難；
- 違反合約，如違約或逾期事件；
- 借款人的放款人因與借款人出現財務困難有關的經濟或合約理由而給予借款人在一般情況下放款人不予考慮的優惠條件；
- 借款人可能破產或進行其他財務重組；或
- 該金融資產的活躍市場因財務困難而消失。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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#### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

##### Financial instruments (continued)

##### Financial assets (continued)

*Impairment of financial assets (upon application HKFRS 9 with transitions in accordance with note 3) (continued)*

##### (iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over three years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

##### (v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

#### 4. 主要會計政策(續)

##### 金融工具(續)

##### 金融資產(續)

*金融資產之減值(根據附註3之過渡條款應用香港財務報告準則第9號後)(續)*

##### (iv) 撇銷政策

倘有數據顯示交易對手處於嚴重財務困難時，且並無實際收回可能（例如交易對手已被清盤或已進入破產程序），或就貿易應收款項而言，有關金額逾期超過三年（以較早發生者為準），本集團會撇銷金融資產。在考慮法律意見（如適當）後，已撇銷的金融資產仍可根據本集團的收回程序實施強制執行。撇銷構成停止確認事件。其後收回的任何資產會於損益內確認。

##### (v) 預期信貸虧損之計量及確認

預期信貸虧損之計量為違約概率、違約損失率（即倘發生違約的損失程度）及違約風險之函數。違約概率及違約損失率之評估乃基於經前瞻性數據調整之歷史數據作出。預期信貸虧損的估計乃無偏概率加權平均金額，以各自發生違約的風險為權重釐定。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial instruments (continued)

#### Financial assets (continued)

Impairment of financial assets (upon application HKFRS 9 with transitions in accordance with note 3) (continued)

#### (v) Measurement and recognition of ECL (continued)

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Where ECL is measured on a collective basis or cater for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments (i.e. the Group's trade and other receivables are each assessed as a separate group);
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

### 4. 主要會計政策(續)

#### 金融工具(續)

#### 金融資產(續)

金融資產之減值(根據附註3之過渡條款應用香港財務報告準則第9號後)(續)

#### (v) 預期信貸虧損之計量及確認(續)

一般而言，預期信貸虧損乃根據合約應付本集團之所有合約現金流量與本集團預期收取之現金流量之間的差額，並按初步確認時釐定之實際利率貼現。

倘預期信貸虧損按集體基準計量或迎合個別工具水平證據未必存在的情況，則金融工具按以下基準歸類：

- 金融工具性質(即本集團貿易及其他應收款項各自評為獨立組別)；
- 逾期狀況；
- 債務人的性質、規模及行業；及
- 外部信貸評級(倘有)。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial instruments (continued)

##### Financial assets (continued)

Impairment of financial assets (upon application HKFRS 9 with transitions in accordance with note 3) (continued)

(v) Measurement and recognition of ECL (continued)

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables and other receivables where the corresponding adjustment is recognised through a loss allowance account.

### 4. 主要會計政策(續)

#### 金融工具(續)

##### 金融資產(續)

金融資產之減值(根據附註3之過渡條款應用香港財務報告準則第9號後)(續)

(v) 預期信貸虧損之計量及確認(續)

歸類工作經管理層定期檢討，以確保各組別成份繼續分擔類似信貸風險特性。

利息收入按金融資產的賬面總值計算，除非該金融資產信貸減值，於該情況下，利息收入按金融資產的攤銷成本計算。

本集團透過調整賬面值於損益確認所有金融工具的減值收益或虧損，惟貿易應收款項及其他應收款項除外，其相關調整乃透過虧損撥備賬予以確認。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial instruments (continued)

#### Financial assets (continued)

Classification and subsequent measurement of financial assets (before application of HKFRS 9 on January 1, 2018)

Financial assets are classified into the following specified categories: available-for-sale financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

#### (i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in active market. Subsequent to initial recognition, loans and receivables (including trade and other receivables and bank balances and cash) are measured at amortised cost using the effective interest method, less any impairment.

Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

### 4. 主要會計政策(續)

#### 金融工具(續)

#### 金融資產(續)

金融資產之分類及其後計量(於二零一八年一月一日應用香港財務報告準則第9號前)

金融資產分為以下指定類別：可供出售金融資產及貸款及應收款項。分類取決於金融資產的性質及用途，並於初步確認的時候確定。所有日常購買或銷售之金融資產，按交易日之基準確認及停止確認。定期購買或出售為購買或出售金融資產，並要求在市場規則或慣例所設定的時間框架內付運資產。

#### (i) 貸款及應收款項

貸款及應收款項乃具備固定或可釐定付款，並無活躍市場報價之非衍生金融資產。於初步確認後，貸款及應收款項(包括貿易及其他應收款項及銀行結餘及現金)乃使用實際利率法按攤銷成本減任何減值列賬。

利息收入透過應用實際利率確認，惟確認利息影響不大的短期應收賬款除外。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial instruments (continued)

##### Financial assets (continued)

*Classification and subsequent measurement of financial assets (before application of HKFRS 9 on January 1, 2018) (continued)*

(ii) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated as available-for-sale or are not classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investments.

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 are measured at cost less any identified impairment losses at the end of each reporting period.

*Impairment of financial assets (before application of HKFRS 9 on January 1, 2018)*

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the financial assets have been affected.

### 4. 主要會計政策(續)

#### 金融工具(續)

##### 金融資產(續)

*金融資產之分類及其後計量(於二零一八年一月一日應用香港財務報告準則第9號前)(續)*

(ii) 可供出售金融資產

可供出售金融資產為非衍生工具，其須指定可供出售或非分類為按公平值計入損益之金融資產、貸款及應收款項或持至到期投資。

在活躍市場上並無報價而其公平值未能可靠計量之可供出售股本投資，則按成本減任何已識別減值虧損於各報告期末計算。

*金融資產之減值(於二零一八年一月一日應用香港財務報告準則第9號前)*

金融資產會於每個報告期末評定是否有減值跡象。經初步確認後，當有客觀證據顯示金融資產之預期未來現金流將受一項或多項事件影響時，其減值即被立即確認。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial instruments (continued)

#### Financial assets (continued)

Impairment of financial assets (before application of HKFRS 9 on January 1, 2018)  
(continued)

For all financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as a default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial asset, such as trade and other receivables, assets are assessed for impairment on a collective basis even if they were assessed not to be impaired individually. Objective evidence of impairment for a portfolio of trade and other receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the credit period granted, observable changes in national or local economic conditions that correlate with default on trade receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate.

### 4. 主要會計政策(續)

#### 金融工具(續)

#### 金融資產(續)

金融資產之分類及其後計量(於二零一八年一月一日應用香港財務報告準則第9號前)(續)

就所有金融資產而言，減值之客觀證據包括：

- 發行人或交易對手出現重大財政困難；或
- 違反合約，如逾期或拖欠利息或本金付款；或
- 借款人很大機會面臨破產或財務重組。

對於若干金融資產類別，例如應收賬款及其他應收款項，即使個別評估為不用減值的資產，仍需再以彙集方式評估需否減值。應收賬款組合之客觀減值證據可包括本集團之過往收款經驗、組合內延遲還款至超逾平均信貸期之次數增加，以及與應收賬款逾期有關之全國或地方經濟狀況明顯改變。

就攤銷後成本計量的金融資產，其減值虧損乃按資產賬面值現金流並按初始實際利率折讓之現值之差額確認。

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#### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

##### Financial instruments (continued)

##### Financial assets (continued)

##### Impairment of financial assets (before application of HKFRS 9 on January 1, 2018) - continued (continued)

For financial assets that are carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When trade receivables are considered uncollectible, they are written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment losses was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

#### 4. 主要會計政策(續)

##### 金融工具(續)

##### 金融資產(續)

##### 金融資產之分類及其後計量(於二零一八年一月一日應用香港財務報告準則第9號前)(續)

就按成本列賬之金融資產而言，減值虧損金額乃按資產賬面值與按類似金融資產之現時市場回報率折現之估計未來現金流量之現值間之差額計量。有關減值虧損將不可於其後期間撥回。

與所有金融資產有關的減值虧損會直接於金融資產的賬面值中作出扣減，惟貿易應收賬款除外，其賬面值會透過撥備賬作出扣減。撥備賬內的賬面值變動會於損益中確認。當應收賬款及其他應收款項被視為不可收回時，其將於撥備賬內撤銷。倘其後收回之前已撤賬的款項，將計入損益。

就以攤銷後成本計算的金融資產而言，倘於隨後期間減值虧損的數額減少，而此項減少可客觀地與確認減值虧損後的某一事件聯繫，則先前確認的減值虧損於損益中予以撥回，惟於撥回減值當日的投資賬面值不得超逾假設未確認減值時的攤銷後成本。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended December 31, 2018  
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#### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

##### Financial instruments (continued)

##### *Financial liabilities and equity instruments*

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

##### *Equity instruments*

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the group entities are recognised at the proceeds received, net of direct issue costs.

##### *Financial liabilities*

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

##### *Financial liabilities at amortised cost*

Financial liabilities including trade and other payables, borrowing and loan from a shareholder are subsequently measured at amortised cost, using the effective interest method.

#### 4. 主要會計政策(續)

##### 金融工具(續)

##### *金融負債及股本工具*

集團實體發行之債務及股本工具乃根據合同安排的內容，以及金融負債及股本工具之定義分類為金融負債或股本工具。

##### *股本工具*

股本工具乃代表本集團於扣減所有負債後之資產中擁有剩餘權益的任何合同。集團實體發行之股本工具乃按已收所得款項扣除直接發行成本記帳。

##### *金融負債*

所有金融負債乃隨後採用實際利率法按攤銷後成本計量。

##### *按攤銷成本計算的金融負債*

金融負債(包括應付賬款及其他應付款項、借款以及股東貸款)乃隨後採用實際利率法按攤銷後成本計量。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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截至二零一八年十二月三十一日止年度

#### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

##### Financial instruments (continued)

##### Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and any cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

##### 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 recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing 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.

#### 4. 主要會計政策(續)

##### 金融工具(續)

##### 停止確認

本集團僅當從資產收取現金流量之合約權利已到期或把金融資產轉讓，並實質上將其於資產擁有權之絕大部份風險及回報轉至另一實體時，才終止確認金融資產。

於停止確認金融資產時，該項資產賬面值，與已收及應收代價及已於其他全面收益確認及累積於權益中之累計收益及虧損之總數間的差額會直接於損益確認。

本集團僅會在訂明責任解除、注銷或屆滿時，停止確認金融負債。停止確認之金融負債的賬面值與已付或應付代價之間的差額於損益確認。

##### 外幣

於編製各個別集團實體之財務報表時，以該實體功能貨幣以外之貨幣(外幣)進行的交易均按交易日期所適用匯率換算為功能貨幣記帳。於各報告期末，以外幣定值之貨幣項目均按報告期末所適用匯率重新換算。按外幣過往成本計量之非貨幣項目毋須重新換算。

結算貨幣項目及重新換算貨幣項目所產生的匯兌差額均於產生年度在損益確認。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

##### Foreign currencies (continued)

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) using exchange rate prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve (attributable to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

#### 5. KEY SOURCES OF ESTIMATION UNCERTAINTIES

In the application of the Group's accounting policies, which are described in note 4, the management of the Company are required to make various 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 experiences, 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.

The following are the key assumptions concerning the future, and key sources of estimation uncertainties 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.

#### 4. 主要會計政策(續)

##### 外幣(續)

就呈列綜合財務報表而言，本集團海外經營業務之資產及負債乃按各報告期末所適用匯率換算為本公司之列賬貨幣(即港幣)，其收支項目乃按該期間之平均匯率換算，惟在該期間的匯率大幅波動的情形下，則按交易當日的現行匯率換算。所產生之匯兌差額(如有)乃確認為其他全面收益及累計至貨幣換算儲備(屬於非控股權益(如適用))標題下之權益。

出售境外業務時(即出售本集團於境外業務之全部權益、或出售涉及失去包括境外業務之附屬公司之控制權、或出售包括境外業務之合營安排或聯營公司之部份權益(其保留權益成為一項財務資產))，所有就有關本公司擁有人應佔業務於權益累計之匯兌差額重新分類至損益賬。

#### 5. 估計涉及不確定性的主要來源

在應用附註4所述本集團會計政策時，本公司管理層須就不容易從其他來源中明顯辨別出的資產及負債的賬面值作出多項估計及假設。多項估計及相關假設乃基於歷史經驗及其他相關因素而作出。實際結果可能與該等估計不同。

估計及相關假設乃按持續基準作檢討。倘會計估計的修訂僅影響估計作出修訂的期間，則修訂於該期間內確認，或倘修訂影響本期間或未來期間，則修訂於作出修訂期間及未來期間內確認。

以下是有關將來的主要假設與其他於報告期末不確定性的估計的主要來源，可能導致下一個財政年度有重大風險需就資產及負債賬面值作出重大調整。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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#### 5. KEY SOURCES OF ESTIMATION UNCERTAINTIES (continued)

##### Allowance for inventories

The management of the Group reviews the aging and conditions of the inventories at the end of the reporting period and assess the adequacy of the impairment provision for those inventories obsolete or/and slow-moving identified as no longer suitable for use in production nor saleable in the market as a result of change in the market conditions and technology. Estimation of net realisable value of inventory involves judgment on the conditions and usefulness of items of inventories. Where the expectation on the net realisable value is lower than the cost for certain items, a write-off or write-down of inventories may arise. As at December 31, 2018, the carrying amounts of inventories are HK\$74.8 million (net of allowance of HK\$32.6 million) as at December 31, 2017: HK\$130.4 million (net of allowance of HK\$31.3 million).

##### Provision of ECL for trade receivables

The Group recognises lifetime ECL for trade receivables, using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date. The amount of the impairment loss based on ECL model is 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, discounted at the effective interest rate determined at initial recognition. Where the future flows are less than expected, or being revised downward due to changes in facts and circumstances, a material impairment loss may arise. In addition, trade receivables with credit impaired are assessed for ECL individually. As at December 31, 2018, the carrying amount of trade receivables is HK\$36.6 million (net of allowance for credit losses of HK\$24.2 million).

#### 5. 估計涉及不確定性的主要來源(續)

##### 存貨撥備

本集團管理層於報告期末檢討存貨的賬齡及狀況，並評估因市場狀況及技術改變而不再適合生產或在市場上銷售的存貨的減值準備是否充足。存貨可變現值的估算涉及對存貨項目的狀況及有用情況的判斷。倘可變現淨值預計低於若干項目的成本時，可能會產生存貨撇銷或撇減。截至二零一八年十二月三十一日，存貨的賬面值為港幣74.8百萬元（經扣除撥備港幣32.6百萬元），於二零一七十二月三十一日：港幣130.4百萬元（經扣除撥備港幣31.3百萬元）。

##### 貿易應收賬款的預期信貸虧損撥備

本集團使用基於本集團過往信貸虧損經驗的撥備矩陣確認貿易應收賬款之終身預期信貸虧損，並就應收賬款特有之因素、總體經濟狀況及對報告日期狀況之當前及預測方向之評估作出調整。基於預期信貸虧損模式之減值虧損之金額乃作為根據合約應付本集團之所有合約現金流量與本集團預期收取並按初步確認時釐定之實際利率折現之所有現金流量之間之差額計量。倘未來流量低於預期，或因事實及情況變動而被調低，則可能產生重大減值虧損。此外，出現信貸減值之貿易應收賬款乃個別作出預期信貸虧損評估。於二零一八年十二月三十一日，貿易應收賬款之賬面值為港幣36.6百萬元（扣除呆帳撥備港幣24.2百萬元）。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 6. REVENUE AND SEGMENT INFORMATION

Revenue represents the amounts received and receivable for goods sold by the Group to outside corporate customers, net of sales related taxes. Revenue represents mainly Oregon Scientific branded sales (“Branded Sales”) and original equipment manufacturer and original design manufacturer sales (“OEM/ODM Sales”). The revenue for the year ended December 31, 2018 is disaggregated below.

#### 6. 收益及分部資料

收入代表本集團向外部客戶出售產品而已收及應收之款項，乃相關銷售稅。收入主要代表Oregon Scientific品牌銷售（「品牌銷售」）及原設備製造及原設計製造銷售（「原設備製造／原設計製造銷售」）。截至二零一八年十二月三十一日止年度收益載列如下。

	Smart learning, and immersive technology 智能教育 與學習 HK\$ million 港幣百萬元	Connected home and communications 智能家居 HK\$ million 港幣百萬元	Health and wellness 健康及保健 HK\$ million 港幣百萬元	Others 其他 HK\$ million 港幣百萬元	Total 總額 HK\$ million 港幣百萬元
Timing of revenue recognition	收益確認的時間				
One point in time	同一時間點				
	55.4	140.4	166.1	71.3	433.2

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended December 31, 2018

截至二零一八年十二月三十一日止年度

#### 6. REVENUE AND SEGMENT INFORMATION (continued)

##### Performance obligations for contracts with customers

##### *Sales of goods (revenue recognised at one point in time)*

The Group sells various consumer electronic products to corporate customers. Revenue is recognised when control of the goods has transferred, being when the goods have been shipped to the customer's specific location (delivery). Following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility when on selling the goods and bears the risks of obsolescence and loss in relation to the goods. The normal credit term for customers is normally 90 days upon delivery.

During the year ended December 31, 2018, all performance obligations for sales of goods are for periods of one year or less. As permitted under HKFRS 15, the transaction price allocated to unsatisfied performance obligations as at the end of the reporting period is not disclosed.

HKFRS 8 Operating Segments requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the executive directors and chief executive officer, being the chief operating decision maker (the "CODM"), in order to allocate resources to the segments and to assess their performance. The Group operates in four operating and reportable segments, namely smart learning and immersive technology, connected home and communications, health and wellness as well as others.

#### 6. 收益及分部資料 (續)

##### 就客戶簽訂合約之履約責任

##### *商品銷售(在同一時間點確認的收益)*

本集團向企業客戶銷售各種電子消費產品。收益在貨物控制權轉移時確認，即貨物已裝運至客戶的特定地點(交付)。交付後，客戶可以完全自行決定銷售商品的分銷方式和價格，在銷售商品時承擔主要責任，並承擔與貨物相關的折舊和虧損的風險。客戶的正常信用期通常為90天。

截至二零一八年十二月三十一日止年度，所有銷售商品的履約責任期為一年或不足一年。根據香港財務報告準則第15號的准許，於各報告期末分配至未履行履約責任的過渡價格並未披露。

香港財務報告準則第8號「經營分部」規定以本集團之執行董事及行政總裁，即主要營運決策人(「主要營運決策人」)在對分部作資源分配及評估其表現上所定期審閱的有關本集團不同部門之內部報告作為確定經營分部之基準。本集團經營四個經營及可報告分部，即智能教育與學習、智慧家居、智能運動健康及保健以及其他電子產品。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 6. REVENUE AND SEGMENT INFORMATION (continued)

##### Segment revenue and results

The following is an analysis of the Group's revenue and results by operating and reportable segments:

#### 6. 收益及分部資料 (續)

##### 分部收益及業績

本集團按營運分部之收益及業績分析如下：

		Smart learning, and immersive technology 智能教育 與學習 HK\$ million 港幣百萬元	Connected home and communications 智能家居 HK\$ million 港幣百萬元	Health and wellness 健康及保健 HK\$ million 港幣百萬元	Others 其他 HK\$ million 港幣百萬元	Total 總額 HK\$ million 港幣百萬元
Year ended December 31, 2018	截至二零一八年 十二月三十一日止年度					
Segment revenue	分部收益					
Branded sales	品牌銷售	55.4	80.8	19.8	5.5	161.5
OEM/ODM sales	原設備製造/原設計 製造銷售	—	59.6	146.3	65.8	271.7
Total segment revenue	分部收益總額	55.4	140.4	166.1	71.3	433.2
Segment loss	分部虧損	(5.1)	(53.1)	(74.3)	(48.7)	(181.2)
Unallocated income	未經分配之收入					1.1
Unallocated expense	未經分配之開支					(20.0)
Finance costs	融資成本					(3.2)
Loss before taxation	除稅前虧損					(203.3)

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended December 31, 2018  
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#### 6. REVENUE AND SEGMENT INFORMATION (continued)

##### Segment revenue and results (continued)

		Smart learning, and immersive technology 智能教育 與學習 HK\$ million 港幣百萬元	Connected home and communications 智能家居 HK\$ million 港幣百萬元	Health and wellness 健康及保健 HK\$ million 港幣百萬元	Others 其他 HK\$ million 港幣百萬元	Total 總額 HK\$ million 港幣百萬元
Year ended December 31, 2017	截至二零一七年 十二月三十一日止年度					
Segment revenue	分部收益					
Branded sales	品牌銷售	82.0	106.3	14.4	9.1	211.8
OEM/ODM sales	原設備製造/原設計 製造銷售	—	120.8	63.7	120.3	304.8
Total segment revenue	分部收益總額	82.0	227.1	78.1	129.4	516.6
Segment loss	分部虧損	(1.5)	(23.6)	(7.6)	(15.9)	(48.6)
Unallocated income	未經分配之收入					1.9
Unallocated expense	未經分配之開支					(38.8)
Finance costs	融資成本					(0.2)
Loss before taxation	除稅前虧損					(85.7)

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales for both years.

Segment loss represents the loss earned by each segment without allocation of interest income, rental income, other miscellaneous income, unallocated expense such as central administrative cost, and finance costs. This is the measure reported to the Group's CODM, for the purposes of resource allocation and performance assessment.

No segment assets and segment liabilities are presented as such amounts are not reviewed by the Group's CODM for the purpose of resource allocation and performance assessment or otherwise regularly provided to the Group's CODM.

#### 6. 收益及分部資料 (續)

##### 分部收益及業績

上文所呈告之分部收益代表向外部客戶銷售的收益。兩個年度均無分部間之銷售。

分部虧損指各分部所賺取之虧損，不包括利息收入、租金收入、其他雜項收入、未經分配之開支，如總部行政成本及融資成本作出的分配。此為向本集團主要營運決策人就資源分配及表現評估作報告之計量方式。

由於本集團之分部資產及分部負債並未由本集團之主要營運決策人審閱以分配資源及評估表現或以其他方式定期呈交本集團之主要營運決策人，故並無呈列該等資料。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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#### 6. REVENUE AND SEGMENT INFORMATION (continued)

##### Other segment information

		Smart learning, and immersive technology 智能教育 與學習 HK\$ million 港幣百萬元	Connected home and communications 智能家居 HK\$ million 港幣百萬元	Health and wellness 健康及保健 HK\$ million 港幣百萬元	Others 其他 HK\$ million 港幣百萬元	Total 總額 HK\$ million 港幣百萬元
Year ended December 31, 2018	截至二零一八年 十二月三十一日止年度					
Amounts included in the measure of segment profit or loss:	分部溢利或虧損計入 下列款額：					
Depreciation and amortisation	折舊及攤銷					
– property, plant and equipment	– 物業、機器及設備	6.4	5.1	1.2	1.8	14.5
– intangible assets	– 無形資產	—	—	—	0.7	0.7
Provision of write-down of inventories	存貨撇減撥回	14.1	20.2	—	0.3	34.6
Loss on disposals of property, plant and equipment	出售物業、機器及設備 之虧損	5.0	—	—	—	5.0
Year ended December 31, 2017	截至二零一七年 十二月三十一日止年度					
Amounts included in the measure of segment profit or loss:	分部溢利或虧損計入 下列款額：					
Depreciation and amortisation	折舊及攤銷					
– property, plant and equipment	– 物業、機器及設備	5.7	4.5	1.0	1.5	12.7
– intangible assets	– 無形資產	—	—	—	0.7	0.7
Reversal of write-down of inventories	存貨撇減撥回	(2.1)	(1.2)	—	—	(3.3)
Loss on disposals of property, plant and equipment	出售物業、機器及設備之 虧損	0.4	—	—	—	0.4

#### 6. 收益及分部資料 (續)

##### 其他分部資料



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended December 31, 2018

截至二零一八年十二月三十一日止年度

#### 6. REVENUE AND SEGMENT INFORMATION (continued)

##### Geographical information

The Group's operations are located in Asia Pacific, Europe and Americas (representing the United States of America and Latin America). The Group carries out its manufacturing and trading operations in Hong Kong and other parts of the People's Republic of China (the "PRC"). The Group also operates marketing offices in Europe, Americas and other Asia Pacific countries.

Information about the Group's revenue from external customers is presented based on the location of customers are detailed below:

		2018 二零一八年 HK\$ million 港幣百萬元	2017 二零一七年 HK\$ million 港幣百萬元
PRC (country of domicile)	中國 (居住國)	14.7	7.9
Asia Pacific (excluding PRC)	亞太區 (不包括中國)	71.9	138.0
Americas	美國	82.9	108.8
Europe	歐洲	263.7	261.9
		<b>433.2</b>	<b>516.6</b>

Over 95% non-current assets of the Group are substantially located in the PRC.

##### Information about major customers

Revenue from a customer contributing over 10% of the total sales of the Group is as follows:

		2018 二零一八年	2017 二零一七年
Customer "A" (note)	客戶A (附註)	29%	17%

Note: Revenue generated from OEM/ODM sales in two segments: (i) connected home and communications segment, (ii) health and wellness segment.

#### 6. 收益及分部資料 (續)

##### 地區資料

本集團之業務位於亞太區、歐洲及美洲 (指美國及拉丁美洲)。本集團於香港及中華人民共和國(「中國」)其他地區進行製造及進行貿易業務。本集團亦在歐洲、美國、拉丁美洲及其他亞太區國家設有市場推廣辦事處。

本集團來自外界客戶之收益乃根據客戶所在地劃分，詳情如下：

	2018 二零一八年 HK\$ million 港幣百萬元	2017 二零一七年 HK\$ million 港幣百萬元
PRC (country of domicile)	14.7	7.9
Asia Pacific (excluding PRC)	71.9	138.0
Americas	82.9	108.8
Europe	263.7	261.9
	<b>433.2</b>	<b>516.6</b>

本集團之逾95%非流動資產及金融工具主要位於中國。

##### 主要客戶資料

於相應年度為本集團貢獻逾10%總銷售額之客戶之收益如下：

	2018 二零一八年	2017 二零一七年
Customer "A" (note)	29%	17%

附註：來自原設備製造／原設計製造銷售的收益分為兩個部分：(i) 智能家居；(ii) 健康及保健。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 7. OTHER INCOME, OTHER GAINS AND LOSSES

#### 7. 其他收入、其他所得及虧損

		2018	2017
		二零一八年	二零一七年
		HK\$ million	HK\$ million
		港幣百萬元	港幣百萬元
Other income	其他收入		
Interest income	利息收入	0.2	0.4
Rental income	租金收入	0.8	0.9
Sales of scraps	廢料銷售	4.6	3.2
Others	其他	0.1	0.6
		5.7	5.1
Other gains and losses	其他所得及虧損		
Loss on disposals of property, plant and equipment	出售物業、機器及設備虧損	(5.0)	(0.4)
Net exchange loss	匯兌虧損淨額	(7.0)	(2.6)
Impairment of available-for-sale investments	可供出售投資之減值	—	(0.9)
Others	其他	0.5	—
		(11.5)	(3.9)

#### 8. IMPAIRMENT LOSSES

#### 8. 減值虧損

		2018	2017
		二零一八年	二零一七年
		HK\$ million	HK\$ million
		港幣百萬元	港幣百萬元
Impairment losses recognised on	減值虧損確認		
- Trade receivables	- 應收賬款	10.3	9.2

Details of trade receivables impairment assessment for the year ended December 31, 2018 are set out in note 27.

截至二零一八年十二月三十一日止年度  
應收賬款減值評估詳情載於附註27。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended December 31, 2018

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#### 9. LOSS BEFORE TAXATION

#### 9. 除稅前虧損

		2018	2017
		二零一八年	二零一七年
		HK\$ million	HK\$ million
		港幣百萬元	港幣百萬元
Loss before taxation has been arrived at after charging (crediting):	除稅前虧損已扣除(計入)下列各項：		
Directors' emolument (note 10)	董事酬金(附註10)	1.3	1.1
Retirement benefits scheme contributions for other staff	其他員工退休保障計劃供款	18.3	12.0
Salaries and other benefits for other staff	其他員工之工資及其他福利	126.0	172.6
Other staff costs	其他員工成本	144.3	184.6
Total staff costs	員工成本總額	145.6	185.8
Less: Amount capitalised to inventories	減：資本化於存貨中的金額	(37.1)	(61.1)
		108.5	124.7
Amortisation of intangible assets	無形資產攤銷	0.7	0.7
Auditors' remuneration	核數師酬金	2.6	2.3
Cost of inventories recognised as expense	已確認為開支之存貨成本	369.7	409.5
Provision (reversal) of write-down of inventories	存貨撇減撥備(撥回)	34.6	(3.3)
Depreciation of property, plant and equipment	物業、機器及設備之折舊	14.5	12.7
Less: Amount capitalised to inventories	減：資本化於存貨中的金額	(8.7)	(0.8)
		5.8	6.5
Operating lease rentals in respect of	經營租約租金		
- office equipment and motor vehicles	- 辦公室設備及汽車	0.2	0.1
- rented premises	- 租賃物業	20.3	22.8

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### 綜合財務報表附註

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#### 10. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

The emoluments paid or payable to directors and the chief executive officer of the Company were as follows:

#### 10. 董事及主要行政人員酬金

已付或應付予董事及主要行政人員各人之酬金如下：

		Salaries and Fees	Retirement benefits scheme contributions	Total
		袍金	薪金及津貼	退休福利
		HK\$ million	HK\$ million	HK\$ million
		港幣百萬元	港幣百萬元	港幣百萬元
Year ended December 31, 2018	截至二零一八年 十二月三十一日止年度			
<i>Executive directors:</i>	<i>執行董事：</i>			
Mr. Foo Piau Phang (note 1)	符標榜先生 (附註1)	—	—	—
Mr. Xu Chiming (note 5)	徐志明先生 (附註5)	—	—	—
Mr. Zhu Yongning (note 6)	朱永寧先生 (附註6)	—	—	—
Mr. Yan Keya (note 7)	鄒克亞先生 (附註7)	—	—	—
Ms. Ouyang Jiejiao (note 8)	歐陽戒驕女士 (附註8)	—	0.3	0.4
Mr. Qi Miao (note 2)	祁淼先生 (附註2)	—	—	—
<i>Non-executive directors:</i>	<i>非執行董事：</i>			
Mr. Xin Kexia (note 4)	辛克俠先生 (附註4)	—	—	—
Mr. Song Rongrong	宋榮榮先生	—	—	—
Mr. Shi Changyun (note 4)	施長雲先生 (附註4)	—	—	—
Mr. Jing Tian (note 4)	荆天先生 (附註4)	—	—	—
Mr. Han Hongtu (note 9)	韓宏圖先生 (附註9)	—	—	—
Mr. Wu Gang (note 9)	吳剛先生 (附註9)	—	—	—
<i>Independent non-executive directors:</i>	<i>獨立非執行董事：</i>			
Mr. Yang Xiongsheng (note 10)	楊雄勝先生 (附註10)	0.2	—	0.2
Ms. Zhao Yuhong (note 11)	趙宇紅女士 (附註11)	0.2	—	0.2
Dr. Li Quan (note 11)	李權博士 (附註11)	0.2	—	0.2
Mr. Duh Jia-Bin (note 12)	杜家濱先生 (附註12)	0.2	—	0.2
Mr. Xu Jinwen (note 13)	徐錦文先生 (附註13)	0.1	—	0.1
Mr. Zhou Meilin (note 14)	周美林先生 (附註14)	—	—	—
Mr. Zhou Rui (note 14)	周銳先生 (附註14)	—	—	—
		0.9	0.3	1.3

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended December 31, 2018  
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#### 10. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (continued)

#### 10. 董事及主要行政人員酬金(續)

		Salaries and allowances	Retirement benefits scheme contributions	Total
	Fees		退休福利 計劃供款	
	袍金	薪金及津貼	計劃供款	總額
	HK\$ million	HK\$ million	HK\$ million	HK\$ million
	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
Year ended December 31, 2017	截至二零一七年 十二月三十一日止年度			
<i>Executive directors:</i>	<i>執行董事：</i>			
Mr. Foo Piau Phang (note 1)	符標榜先生 (附註1)	—	—	—
Mr. Qi Miao (note 2)	祁淼先生 (附註2)	—	—	—
Mr. Hou Kaai Wern (note 3)	侯凱文先生 (附註3)	—	—	—
<i>Non-executive directors:</i>	<i>非執行董事：</i>			
Mr. Xin Kexia (note 4)	辛克俠先生 (附註4)	—	—	—
Mr. Song Rongrong	宋榮榮先生	—	—	—
Mr. Shi Changyun (note 4)	施長雲先生 (附註4)	—	—	—
Mr. Jing Tian (note 4)	荆天先生 (附註4)	—	—	—
<i>Independent non-executive directors:</i>	<i>獨立非執行董事：</i>			
Mr. Yang Xiongsheng (note 10)	楊雄勝先生 (附註10)	0.3	—	0.3
Ms. Zhao Yuhong (note 11)	趙宇紅女士 (附註11)	0.3	—	0.3
Dr. Li Quan (note 11)	李權博士 (附註11)	0.3	—	0.3
Mr. Duh Jia-Bin (note 12)	杜家濱先生 (附註12)	0.2	—	0.2
		1.1	—	1.1

Note 1: Mr. Foo Piau Phang resigned as the chief executive officer ("CEO") and the executive director of the Company on September 11, 2017 and October 18, 2018, respectively.

附註1：符標榜先生分別於二零一七年九月十一日和二零一八年十月十八日辭任本公司行政總裁及執行董事。

Note 2: Mr. Qi Miao was re-designated from non-executive director to executive director of the Company and was appointed as the CEO of the Company on September 11, 2017. He resigned as the executive director and the CEO of the Company on August 1, 2018.

附註2：祁淼先生於二零一七年九月十一日由本公司的非執行董事調任執行董事，並獲委任為本公司行政總裁。祁先生於二零一八年八月一日辭任本公司行政總裁及執行董事。

Note 3: Mr. Hou Kaai Wern resigned as the executive director of the Company on March 1, 2017.

附註3：侯凱文先生於二零一七年三月一日辭任本公司董事。

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### 10. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (continued)

Note 4: Mr. Jing Tian, Mr. Xin Kexia and Mr. Shi Changyun resigned as the non-executive director of the Company on March 2, 2018.

Note 5: Mr. Xu Chiming was appointed as the executive director of the Company on October 18, 2018.

Note 6: Mr. Zhu Yongning was appointed as the executive director and the CEO of the Company on October 18, 2018 and October 22, 2018, respectively.

Note 7: Mr. Yan Keya was appointed as the non-executive director of the Company on March 2, 2018 and was re-designated as executive director and was appointed as the CEO of the Company on August 1, 2018. He resigned as the executive director and the CEO of the Company on October 22, 2018.

Note 8: Ms. Ouyang Jiejiao was appointed as the executive director of the Company on August 25, 2018 and resigned as the executive director of the Company on October 18, 2018.

Note 9: Mr. Wu Gang and Mr. Han Hongtu were appointed as the non-executive director of the Company on March 2, 2018 and resigned as the non-executive director of the Company on August 25, 2018.

Note 10: Mr. Yang Xiongsheng resigned as the independent non-executive director of the Company on October 18, 2018.

Note 11: Dr. Li Quan and Ms. Zhao Yuhong resigned as the independent non-executive director of the Company on August 25, 2018.

Note 12: Mr. Duh Jiabin resigned as the independent non-executive director of the Company on October 18, 2018.

Note 13: Mr. Xu Jinwen was appointed as the independent non-executive director of the Company on August 25, 2018.

Note 14: Mr. Zhou Meilin and Mr. Zhou Rui were appointed as the independent non-executive director of the Company on October 18, 2018.

### 10. 董事及主要行政人員酬金(續)

附註4：荆天先生、辛克俠先生及施長雲先生於二零一八年三月二日辭任本公司非執行董事。

附註5：徐志明先生於二零一八年十月十八日獲委任為本公司執行董事。

附註6：朱永寧先生分別於二零一八年十月十八日和二零一八年十月二十二日分別獲委任為本公司執行董事及行政總裁。

附註7：鄒克亞先生於二零一八年三月二日獲委任為本公司非執行董事，並於二零一八年八月一日調任為本公司執行董事及行政總裁。他於二零一八年十月二十二日辭任本公司執行董事及行政總裁。

附註8：歐陽戒驕女士於二零一八年八月二十五日獲委任為本公司執行董事，並於二零一八年十月十八日辭任本公司執行董事。

附註9：吳剛先生及韓宏圖先生於二零一八年三月二日獲委任為本公司非執行董事，並於二零一八年八月二十五日辭任本公司非執行董事。

附註10：楊雄勝先生於二零一八年十月十八日辭任本公司獨立非執行董事。

附註11：李權博士及趙宇紅女士於二零一八年八月二十五日辭任本公司獨立非執行董事。

附註12：杜家濱先生於二零一八年十月十八日辭任本公司獨立非執行董事。

附註13：徐錦文先生於二零一八年八月二十五日獲委任本公司獨立非執行董事。

附註14：周美林先生及周銳先生於二零一八年十月十八日獲委任為本公司獨立非執行董事。

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#### 10. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (continued)

The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group.

The emoluments of the non-executive directors and independent non-executive directors shown above were for their services as directors of the Company.

There was no arrangement under which a director or the chief executive officer waived or agreed to waive any remuneration during both years.

#### 11. FIVE HIGHEST PAID EMPLOYEES

In 2018, the aggregate emoluments of the five highest paid individual included one director of the Company. In 2017, no director is included in the aggregate emoluments of the five highest paid individuals.

The emoluments of the four (2017: five) highest paid non-director individuals are as follows:

		2018 二零一八年 HK\$'M 港幣百萬元	2017 二零一七年 HK\$'M 港幣百萬元
Salaries and allowances	薪金及津貼	5.3	7.0
Retirement benefits schemes contributions	退休福利計劃供款	0.1	0.4
		5.4	7.4

#### 10. 董事及主要行政人員酬金(續)

上文所示執行董事的酬金主要就彼等有關管理本公司及本集團事務的服務而言。

非執行董事及獨立非執行董事之薪酬主要包括彼等作為本公司董事提供服務的酬金。

於上述兩個年度，並無董事或執行總裁放棄或同意放棄任何酬金。

#### 11. 五名最高薪酬僱員

於二零一八年，五名最高薪酬僱員酬金總額包括一名本公司董事。於二零一七年，概無董事計入五名最高薪酬僱員酬金總額。

其餘四名(二零一七年：五名)非董事最高薪酬人士之酬金介乎以下幅度：

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### II. FIVE HIGHEST PAID EMPLOYEES (continued)

The emoluments of the four (2017: five) highest paid non-director individuals are within the following bands:

		Number of employees 僱員數目	
		2018 二零一八年	2017 二零一七年
HK\$1,000,001 to HK\$1,500,000	港幣 1,000,001 元至港幣 1,500,000 元	3	3
HK\$1,500,001 to HK\$2,000,000	港幣 1,500,001 元至港幣 2,000,000 元	1	2

During the year, no emoluments were paid by the Group to the five highest paid individuals and directors as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors and chief executive has waived any emoluments during the year.

### II. 五名最高薪酬僱員(續)

其餘四名(二零一七年：五名)非董事最高薪酬人士之酬金介乎以下幅度：

在年內，本集團概無支付酬金予五名最高薪酬個人及董事作為彼等加入本集團或加入後之酬金或離職補償金。概無董事及最高行政人員於年內放棄任何酬金。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended December 31, 2018  
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#### 12. TAXATION

#### 12. 稅項

	2018 二零一八年 HK\$ million 港幣百萬元	2017 二零一七年 HK\$ million 港幣百萬元
Current tax		
即期稅項		
- Underprovision in prior year (Note)	12.3	—
— 過往年度撥備不足(附註)		

Note: An indirect wholly-owned subsidiary of the Company, Oregon Scientific Italy Limited ("OS Italy"), was involved in a tax dispute with the Italian Tax Authorities. As disclosed in the announcement of the Company dated on November 6, 2018, there was a tax dispute between OS Italy and the Italian Tax Authorities (the "Tax Dispute"), and the tax charge judgement in relation to the Tax Dispute from the Supreme Court of Cassation of Italy was received. After seeking the legal advice, the directors of the Company considered no further legal actions are possible for OS Italy in relation to the Tax Dispute. Based on tax notice received from the Italian Tax Authorities in January 2019, the Group provided a tax provision of approximately Euro ("EUR")1.4 million (equivalent to approximately HK\$12.3 million) in the consolidated statement of profit or loss and other comprehensive income for the year ended December 31, 2108.

附註：本公司之間接全資附屬公司Oregon Scientific Italy Limited（「OS Italy」）牽涉一項與意大利稅務局(Italian Tax Authorities)之稅務糾紛。如本公司日期為二零一八年十一月六日之公告，OS Italy與意大利稅務局之間存在稅務糾紛（「稅務糾紛」），並接獲意大利最高上訴法院就稅務糾紛作出的稅收判決。經尋求法律意見後，本公司董事認為，OS Italy無任何其它途徑可以就稅務糾紛進一步申訴。根據於二零一九年一月接獲的意大利稅務局發出的稅收通知，本集團於截至二零一八年十二月三十一日止年度之綜合損益及其他全面收益表內計提稅項撥備約1.4百萬歐元（相當於約港幣12.3百萬元）。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended December 31, 2018  
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#### 12. TAXATION (continued)

The tax charge for the year is reconciled to the loss before taxation as follows:

		2018	2017
		二零一八年	二零一七年
		HK\$ million	HK\$ million
		港幣百萬元	港幣百萬元
Loss before taxation	除稅前虧損	(203.3)	(85.7)
Tax credit at the domestic income tax rate of 16.5%	按本地所得稅率16.5%計算的稅項抵免	(33.5)	(14.1)
Tax effect of expenses not deductible for tax purpose	不可扣稅開支之稅項影響	0.1	—
Tax effect of income not taxable for tax purpose	毋須課稅收入之稅項影響	(0.3)	(0.2)
Tax effect of tax losses not recognised	未獲確認稅項虧損之稅項影響	28.6	26.6
Effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區經營附屬公司所採用稅率不同之影響	(7.8)	(5.9)
Underprovision in prior year	過往年度撥備不足	12.3	—
Tax effect of deductible temporary difference not recognised	未獲確認可扣稅暫時差額之稅項影響	13.1	—
Utilisation of tax losses previously not recognised	動用早前未獲確認之稅項虧損	(0.2)	(6.4)
Tax charge for the year	本年度稅項支出	12.3	—

On March 21, 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "Bill") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on March 28, 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

#### 12. 稅項(續)

本年度稅項支出與除稅前之虧損對賬如下：

於二零一八年三月二十一日，香港立法會通過《2017年稅務(修訂)(第7號)條例草案》(「條例草案」)，引入利得稅兩級制。該條例草案於二零一八年三月二十八日經簽署生效，並於翌日刊憲。根據利得稅兩級制，合資格法團首港幣2百萬元溢利的利得稅率將為8.25%，其後港幣2百萬元以上的溢利則按16.5%徵稅。不符合利得稅兩級制資格的法團的溢利將持續劃一按16.5%稅率計算。

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### 12. TAXATION (continued)

Under the Law of the PRC on Enterprise Income Tax ("EIT Law") and Implementation Regulation of the EIT Law, the tax rate for the PRC subsidiaries is 25%.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

At the end of the reporting period, the Group has unutilised tax losses of HK\$1,403.0 million (2017: HK\$1,230.3 million) available for offset against future profits. No deferred tax asset has been recognised in respect of such losses due to the unpredictability of future profit streams in 2017 and 2018. Included in the unrecognised tax losses were losses of HK\$89.1 million (2017: HK\$58.7 million that would expire in the years of 2018 to 2022) that will expire in the years of 2019 to 2023. Other losses may be carried forward indefinitely.

The Group also has certain deductible temporary differences mainly related to impairment losses and provision of write-down of inventories amount to HK\$78.7 million and available for offset against future profits as at December 31, 2018 (December 31, 2017: Nil). No deferred tax asset has been recognised in relation to such deductible temporary differences as it is not probable that taxable profit will be available against which the deductible temporary differences can be utilised.

### 12. 稅項(續)

按照《中華人民共和國企業所得稅法》(「企業所得稅法」)及實施條例，適用於本公司的中國附屬公司之企業所得稅稅率為25%。

其他司法權區之稅項乃按照有關司法權區現行之稅率計算。

於報告期末，本集團有尚未動用稅項虧損港幣1,403.0百萬元(二零一七年：港幣1,230.3百萬元)可供抵銷日後溢利。由於二零一七年及二零一八年難以預測未來溢利流，故並無就該等虧損確認遞延稅項資產。未確認稅項虧損包括將於二零一九至二零二三年期間到期之虧損港幣89.1百萬元(二零一七年：港幣58.7百萬元將於二零一八至二零二二年期間到期)。其他虧損可無限期結轉。

本集團亦已擁有若干可扣減暫時差額，主要與於二零一八年十二月三十一日金額為78.7百萬港元(二零一七年十二月三十一日：無)並可用於抵銷日後溢利之存貨減值虧損及存貨撇減撥備有關。由於不大可能有應課稅溢利可用以抵銷可扣減暫時差額，故概無就有關可扣減暫時差額確認遞延稅項資產。

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### 綜合財務報表附註

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#### 13. LOSS PER SHARE

The calculation of the basic loss per share attributable to the owners of the Company for the year is based on the following data:

		2018 二零一八年 HK\$ million 港幣百萬元	2017 二零一七年 HK\$ million 港幣百萬元
Loss:	虧損：		
Loss for the year attributable to owners of the Company and loss for the purposes of basic loss per share	用以計算每股基本虧損之本公司擁有人應佔之本年度虧損	(215.6)	(85.7)

		2018 二零一八年	2017 二零一七年
Number of ordinary shares:	普通股份數目：		
Weighted average number of ordinary shares for the purposes of basic loss per share	用於計算每股基本虧損之普通股加權平均數	2,599,993,088	2,599,993,088

No diluted earnings per share is presented for the years ended December 31, 2018 and 2017 as there was no potential ordinary share in issue for both years.

#### 13. 每股虧損

本年度本公司擁有人所佔每股基本虧損乃按下列數據計算：

	2018 二零一八年 HK\$ million 港幣百萬元	2017 二零一七年 HK\$ million 港幣百萬元
Loss:		
Loss for the year attributable to owners of the Company and loss for the purposes of basic loss per share	(215.6)	(85.7)

	2018 二零一八年	2017 二零一七年
Number of ordinary shares:		
Weighted average number of ordinary shares for the purposes of basic loss per share	2,599,993,088	2,599,993,088

截至二零一八年及二零一七年十二月三十一日止年度，概無呈列每股攤薄盈利，因為兩個年度並無已發行潛在普通股。

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#### 14. PROPERTY, PLANT AND EQUIPMENT

#### 14. 物業、機器及設備

		Furniture, fixtures and equipment 傢俬、裝置 及設備 HK\$ million 港幣百萬元	Motor vehicles 汽車 HK\$ million 港幣百萬元	Plant and machinery 廠房設備 及機器 HK\$ million 港幣百萬元	Total 總額 HK\$ million 港幣百萬元
<b>COST</b>	<b>成本值</b>				
At January 1, 2017	於二零一七年一月一日	270.6	1.9	281.1	553.6
Currency realignment	匯兌調整	2.3	—	—	2.3
Additions	添置	4.6	0.2	20.0	24.8
Write-off	勾銷	(10.9)	—	(15.6)	(26.5)
	於二零一七年				
At December 31, 2017	十二月三十一日	266.6	2.1	285.5	554.2
Currency realignment	匯兌調整	0.1	—	—	0.1
Additions	添置	5.0	—	9.5	14.5
Write-off	勾銷	(8.5)	—	(36.5)	(45.0)
	於二零一八年				
At December 31, 2018	十二月三十一日	263.2	2.1	258.5	523.8

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### 綜合財務報表附註

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#### 14. PROPERTY, PLANT AND EQUIPMENT (continued)

#### 14. 物業、機器及設備(續)

		Furniture, fixtures and equipment 傢俬、裝置 及設備 港幣百萬元	Motor vehicles 汽車 港幣百萬元	Plant and machinery 廠房設備 及機器 港幣百萬元	Total 總額 港幣百萬元
<b>DEPRECIATION</b>	<b>折舊</b>				
At January 1, 2017	於二零一七年一月一日	263.4	1.6	267.7	532.7
Currency realignment	匯兌調整	2.3	—	—	2.3
Provided for the year	本年度計提	3.2	0.1	9.4	12.7
Eliminated on write-off	撇銷抵銷	(10.8)	—	(15.2)	(26.0)
At December 31, 2017	於二零一七年 十二月三十一日	258.1	1.7	261.9	521.7
Currency realignment	匯兌調整	—	—	—	—
Provided for the year	本年度計提	3.0	0.3	11.2	14.5
Eliminated on write-off	撇銷抵銷	(8.5)	—	(31.5)	(40.0)
At December 31, 2018	於二零一八年 十二月三十一日	252.6	2.0	241.6	496.2
<b>CARRYING VALUES</b>	<b>賬面值</b>				
At December 31, 2018	於二零一八年 十二月三十一日	10.6	0.1	16.9	27.6
At December 31, 2017	於二零一七年 十二月三十一日	8.5	0.4	23.6	32.5

Depreciation is provided to write off the cost of property, plant and equipment, less their residual values over their estimated useful lives, using the straight-line method, at the following rates per annum:

物業、機器及設備均以直線法，按估計可用年期減其剩餘價值計提折舊，以撇銷成本，每年之折舊率如下：

Furniture, fixtures and equipment	10% - 25%	傢俬、裝置及設備	10% - 25%
Motor vehicles	10% - 20%	汽車	10% - 20%
Plant and machinery	10% - 20%	廠房設備及機器	10% - 20%

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended December 31, 2018  
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#### 15. INTANGIBLE ASSETS

#### 15. 無形資產

		Patents and trademarks 專利及商標 HK\$ million 港幣百萬元
<hr/>		
COST	成本值	
At January 1, 2017	於二零一七年一月一日	19.9
Additions	添置	0.3
<hr/>		
At December 31, 2017 and 2018	於二零一八年及二零一七十二月三十一日	20.2
AMORTISATION AND IMPAIRMENT	攤銷及減值	
At January 1, 2017	於二零一七年一月一日	16.2
Amortised for the year	本年度攤銷	0.7
<hr/>		
At December 31, 2017	於二零一七年十二月三十一日	16.9
Amortised for the year	本年度攤銷	0.7
<hr/>		
At December 31, 2018	於二零一八年十二月三十一日	17.6
<hr/>		
CARRYING VALUES	賬面值	
At December 31, 2018	於二零一八年十二月三十一日	2.6
<hr/>		
At December 31, 2017	於二零一七年十二月三十一日	3.3
<hr/>		

Patents and trademarks, which have finite useful lives, are amortised on a straight-line basis over 5 - 10 years.

專利及商標可用年期有限，乃按5-10年直線法攤銷。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended December 31, 2018  
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#### 16. GOODWILL

#### 16. 商譽

		2018 二零一八年 HK\$ million 港幣百萬元	2017 二零一七年 HK\$ million 港幣百萬元
COST	成本值		
At January 1, at originally stated	於一月一日，按原先呈列	33.8	33.8
At December 31,	於十二月三十一日	33.8	33.8
IMPAIRMENT	減值		
At January 1,	於一月一日	—	—
Impairment loss recognised in the year	年內已確認減值虧損	33.8	—
At December 31,	於十二月三十一日	33.8	—
CARRYING AMOUNT	賬面值		
At December 31,	於十二月三十一日	—	33.8



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### 綜合財務報表附註

For the year ended December 31, 2018  
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#### 16. GOODWILL (continued)

For the purposes of impairment testing, goodwill has been allocated to two individual cash generating units (CGUs), comprising the health and wellness segment and the connected home and communications segment. The carrying amounts of goodwill (net of accumulated impairment losses) allocated to these units are as follows:

		2018 二零一八年 HK\$ million 港幣百萬元	2017 二零一七年 HK\$ million 港幣百萬元
Time and weather consumer electronic products unit in health and wellness segment ("CGU A")	智能運動健康及保健分部內時間及天氣電子消費產品單位 (「創現單位A」)	—	17.5
Telecommunications consumer electronic products unit in connected home and communications segment ("CGU B")	智能家居分部內電訊電子消費產品單位 (「創現單位B」)	—	16.3
		—	33.8

The basis of the recoverable amounts of the above CGUs and their major underlying assumptions are summarised below:

#### 16. 商譽(續)

為了減值測試目的，商譽已被分配至兩個個別創現單位，包括智能運動健康及保健分部以及智能家居分部。分配至該等單位之商譽賬面值(扣除累計減值虧損)如下：

上述創現單位之可收回款項之基準及其主要相關假設概述如下：

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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### 16. GOODWILL (continued)

The recoverable amounts of the CGU A and CGU B have been determined based on a value in use calculation. The calculation used cash flow projections based on financial budgets approved by management for the next year. Cash flows beyond the next year are extrapolated using zero growth rate. Management estimated discount rate of 12% (2017: 12%) for both CGU A and CGU B using a risk-free rate, the market return and CGU specific risk factors. The key assumptions are annual growth rates and expected gross profit margin which were estimated based on past experience and expectations of future changes in the market.

During the year, having considered that as some products have been loss-making and the relevant operations were either terminated during the year or planned to be terminated in the foreseeable future, so the directors have consequently performed an impairment review for these CGUs and the recoverable amounts were determined from a value in use calculation. As at December 31, 2017, before impairment testing, goodwill of HK\$17.5 million and HK\$16.3 million was respectively allocated to CGU A and CGU B. As a result of the impairment tests, full impairment losses of HK\$17.5 million and HK\$16.3 million in relation to goodwill of CGU A and CGU B was recognised for the year ended December 31, 2018. This impairment losses have been included in other gains and losses in the consolidated statement of profit or loss and other comprehensive income.

### 16. 商譽(續)

創現單位A與創現單位B之可收回金額已根據使用價值計算法而釐定。該計算法使用根據管理層批核之來年財務預算編製的現金流量預測。來年後之現金流量則以零增長推算。管理層以無風險利率、市場回報及創現單位之具體風險因素來估計創現單位A及創現單位B之合適之折現率為12%(二零一七年：12%)。主要假設乃年增長率及預期毛利率，此乃根據過往經驗及預計市場上的未來變動估算的。

年內，經考慮若干產品已產生虧損及相關業務會與年內終止或計劃於可見將來終止，董事其後對該等創現單位進行減值檢討，而可收回金額從計算使用價值的角度釐定。於二零一七年十二月三十一日，於進行減值測試前，港幣17.5百萬元及港幣16.3百萬元之商譽已分別分配予創現單位A及創現單位B。由於減值測試，有關創現單位A及創現單位B之商譽之全部減值虧損港幣17.5百萬元及港幣16.3百萬元乃於截至二零一八年十二月三十一日止年度確認。該減值虧損乃計入綜合損益及其他全面收益表內的其他所得及虧損

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### 綜合財務報表附註

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#### 17. INVENTORIES

#### 17. 存貨

		2018	2017
		二零一八年	二零一七年
		HK\$ million	HK\$ million
		港幣百萬元	港幣百萬元
Raw materials	原料	43.0	51.3
Work in progress	在製品	6.3	10.3
Finished goods	製成品	25.5	68.8
		<b>74.8</b>	<b>130.4</b>

During the year ended December 31, 2018, there was a decrease in the net realisable value of certain finished goods due to inventories obsolete and no longer suitable in the market as a result of change in the market condition and technology. Therefore, a write-down of HK\$34.6 million has been recognised.

During the year ended December 31, 2017, there was an increase in the net realisable value of certain finished goods due to rise in market price. As a result, a reversal of write-down of HK\$3.3 million has been recognised and included in cost of goods sold.

截至二零一八年十二月三十一日止年度，由於市況及技術變動導致存貨陳舊及不再適合於市場出售，若干製成品之可變現淨值有所減少。因此，本集團已確認撇減34.6百萬港元。

截至二零一七年十二月三十一日止年度，由於市價上漲，若干製成品之可變現淨值有所增加。因此，撇減撥回港幣3.3百萬元已確認及計入所出售貨品成本。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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#### 18. TRADE AND OTHER RECEIVABLES

#### 18. 應收賬款及其他應收款項

		2018 二零一八年 HK\$ million 港幣百萬元	2017 二零一七年 HK\$ million 港幣百萬元
Trade receivables	應收賬款	60.8	140.2
Less: Allowance for credit losses	減：信貸虧損撥備	(24.2)	(23.1)
		36.6	117.1
Other receivables	其他應收款項	44.7	45.4
Total trade and other receivables	應收賬款及其他應收款項總額	81.3	162.5

The following is an aged analysis of trade receivables (net of allowance for credit losses) presented based on the invoice date which approximate the respective revenue recognition date at the reporting date.

於報告日期，應收賬款扣除呆賬撥備後，按發票日期(該日期與相關收益確認日期相若)呈列之賬齡分析如下：

		2018 二零一八年 HK\$ million 港幣百萬元	2017 二零一七年 HK\$ million 港幣百萬元
0 to 30 days	0至30日	22.9	48.8
31 to 90 days	31日至90日	12.5	64.2
Over 90 days	90日以上	1.2	4.1
Trade receivables	應收賬款	36.6	117.1

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended December 31, 2018

截至二零一八年十二月三十一日止年度

#### 18. TRADE AND OTHER RECEIVABLES (continued)

The Group normally allows credit period of 30 to 90 days to its customers. Before accepting any new customers, the management of the Group will base on the credit quality of the potential customers to define credit limits. Credit limits to customers are reviewed annually. In determining the recoverability of the trade receivables, the Group considers any change in the credit quality of the trade receivables from the date credit was initially granted up to the reporting date.

As at December 31, 2018, included in the Group's trade receivable balances are debtors with aggregate carrying amount of HK\$1.2 million (2017: HK\$4.1 million) which are past due at the end of the reporting period. The Group does not hold any collateral over these balances.

As at December 31, 2017, the trade receivable balances of HK\$113.0 million were neither past due nor impaired at the end of the reporting period for which the Group had not provided for impairment loss since they had no default history and of good credit quality.

Aging of trade receivables which are past due but not impaired:

		2017 二零一七年 HK\$ million 港幣百萬元
Overdue less than 90 days	逾期不到90日	2.2
Overdue 91 to 360 days	逾期91至360日	1.9
		4.1

#### 18. 應收賬款及其他應收款項(續)

本集團一般給予客戶30日至90日的信貸期。接納任何新客戶之前，本集團管理層將根據潛在客戶的信貸質素界定信貸限額。向客戶授出的信貸限額會每年進行檢討。於釐定貿易應收賬款是否可予收回時，本集團會考慮自信貸首次獲授當日起至報告日期止貿易應收賬款之信貸質素。

於二零一八年十二月三十一日，本集團之貿易應收賬款結餘包括總帳面值為港幣1.2百萬元(二零一七年：港幣4.1百萬元)且於報告期末逾期之應收賬款。本集團並無就該等結餘持有任何抵押品。

於二零一七年十二月三十一日，貿易應收賬款結餘港幣113.0百萬元於報告期末既未逾期亦未減值，而由於彼等並無違約記錄及有良好信貸質素，故本集團並無就減值虧損計提減值虧損撥備。

已逾期但未減值之貿易應收賬款賬齡：

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### 綜合財務報表附註

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#### 18. TRADE AND OTHER RECEIVABLES (continued)

Movement in the allowance for doubtful debts on trade receivables:

		2017 二零一七年 HK\$ million 港幣百萬元
Balance at beginning of the year	年初結餘	13.6
Currency realignment	匯兌調整	0.3
Impairment loss for the year	年內減值虧損	9.2
Balance at end of the year	年終結餘	23.1

As at December 31, 2017, included in the allowance for doubtful debts were individually impaired trade receivables with an aggregate balance of HK\$23.1 million which have either been placed under liquidation or in financial difficulties.

#### 18. 應收賬款及其他應收款項(續)

貿易應收賬款呆帳撥備之變動：

於二零一七年十二月三十一日，呆帳撥備為正進行清算或處於財務困難之總餘額為港幣 23.1 百萬元之個別減值貿易應收賬款。

#### Other receivables

		2018 二零一八年 HK\$ million 港幣百萬元	2017 二零一七年 HK\$ million 港幣百萬元
Advances to suppliers	向供貨商墊款	37.1	32.8
Other taxes recoverable	其他可收回稅款	5.1	7.2
Others	其他	2.5	5.4
		44.7	45.4

#### 其他應收款項

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### 綜合財務報表附註

For the year ended December 31, 2018

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#### 18. TRADE AND OTHER RECEIVABLES (continued)

##### Other receivables (continued)

Included in trade and other receivables are the following amounts denominated in currency other than the functional currency of the group entities to which they relate:

		2018	2017
		二零一八年	二零一七年
		HK\$ million	HK\$ million
		港幣百萬元	港幣百萬元
Renminbi ("RMB")	人民幣	13.7	2.3

Details of impairment assessment of trade and other receivables for the year ended December 31, 2018 are set out in note 27.

#### 19. BANK BALANCES AND CASH

Bank balances and cash comprised cash held by the Group and bank deposits with an original maturity of three months or less are at prevailing market interest rates in the range of 0.35% to 1.10% (2017: 0.50% to 1.75%) per annum.

Included in bank balances and cash are the following amounts denominated in currency other than the functional currency of the group entities to which they relate:

		2018	2017
		二零一八年	二零一七年
		HK\$ million	HK\$ million
		港幣百萬元	港幣百萬元
EUR	歐元	4.2	—
RMB	人民幣	8.1	8.0
USD	美元	4.9	8.2

#### 18. 應收賬款及其他應收款項(續)

##### 其他應收款項(續)

應收賬款及其他應收款項包括下列以相關集團實體之功能貨幣以外之貨幣定值之款項：

	2018	2017
	二零一八年	二零一七年
	HK\$ million	HK\$ million
	港幣百萬元	港幣百萬元
Renminbi ("RMB")	13.7	2.3

截至二零一八年十二月三十一日止年度之應收賬款及其他應收款項減值評估詳情載於附註27。

#### 19. 銀行結餘及現金

銀行結餘及現金包括本集團持有之現金及銀行存款，有關存款之原到期日為三個月或以下，按通行市場利率計息，年利率介乎0.35厘至1.10厘(二零一七年：0.50厘至1.75厘)。

銀行結餘及現金包括下列以相關集團實體之功能貨幣以外之貨幣計值之款項：

	2018	2017
	二零一八年	二零一七年
	HK\$ million	HK\$ million
	港幣百萬元	港幣百萬元
EUR	4.2	—
RMB	8.1	8.0
USD	4.9	8.2

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended December 31, 2018  
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#### 20. TRADE AND OTHER PAYABLES

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period:

		2018	2017
		二零一八年	二零一七年
		HK\$ million	HK\$ million
		港幣百萬元	港幣百萬元
0 to 30 days	0至30日	35.1	25.2
31 to 90 days	31日至90日	17.7	47.7
Over 90 days	90日以上	45.7	37.6
Trade payables	應付賬款	98.5	110.5
Other payables	其他應付款項	19.3	82.4
Trade and other payables	應付賬款及其他應付款項	117.8	192.9

#### 20. 應付賬款及其他應付款項

於報告期末，應付賬款按發票日期呈列之賬齡分析如下：

#### Other payables

#### 其他應付款項

		2018	2017
		二零一八年	二零一七年
		HK\$ million	HK\$ million
		港幣百萬元	港幣百萬元
Advance from customers	預付客戶款項	—	42.6
Payable for staff costs	應付員工成本	13.7	29.0
Payable for audit service	審計服務應付款項	2.4	2.7
Other tax payables	其他應付稅項	2.3	2.8
Others	其他	0.9	5.3
Total other payables	其他應付款項總額	19.3	82.4



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### 綜合財務報表附註

For the year ended December 31, 2018

截至二零一八年十二月三十一日止年度

#### 20. TRADE AND OTHER PAYABLES (continued)

Included in trade and other payables are the following amounts denominated in currency other than the functional currency of the group entities to which they relate:

		2018 二零一八年 HK\$ million 港幣百萬元	2017 二零一七年 HK\$ million 港幣百萬元
RMB	人民幣	44.2	32.0

#### 21. BORROWING

Unsecured, repayable within 1 year and shown under current liability	無有抵押，於一年內償還及於流動負債項下顯示	34.3	35.5
Interest payable	應付利息	3.1	—
		<b>37.4</b>	<b>35.5</b>

On December 8, 2017, a subsidiary of the Group, 萬威電子(深圳)有限公司, entered into a loan agreement with a financial institution to borrow RMB30.0 million (equivalent to HK\$35.5 million) at a fixed interest rate of 8% per annum. The borrowing was overdue as at December 31, 2018.

Up to the date of approval of issuance of the consolidated financial statements, the Group is still in the process of negotiating with the financial institution to obtain extension of the borrowing and agreements has not been reached yet.

#### 20. 應付賬款及其他應付款項(續)

應付及其他應付款項包括下列以相關集團實體之功能貨幣以外之貨幣計值之款項：

		2018 二零一八年 HK\$ million 港幣百萬元	2017 二零一七年 HK\$ million 港幣百萬元
RMB	人民幣	44.2	32.0

#### 21. 借款

		2018 二零一八年 HK\$ million 港幣百萬元	2017 二零一七年 HK\$ million 港幣百萬元
Unsecured, repayable within 1 year and shown under current liability	無有抵押，於一年內償還及於流動負債項下顯示	34.3	35.5
Interest payable	應付利息	3.1	—
		<b>37.4</b>	<b>35.5</b>

於二零一七年十二月八日，本集團的附屬公司萬威電子(深圳)有限公司與一家金融機構訂立貸款協議，以按固定利率每年8厘借款人民幣30.0百萬元(相當於港幣35.5百萬元)。該借款於二零一八年十二月三十一日已逾期。

截至批准發佈符合財務報表之日，本集團仍在與金融機構協商爭取延長借款期限，協議尚未達成。

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#### 22. CONTRACT LIABILITIES

		December 31, 2018 二零一八年 十二月三十一日 HK\$ million 港幣百萬元	January 1, 2018* 二零一八年 一月一日 HK\$ million 港幣百萬元
Sale of goods	銷售商品	58.2	42.6

\* The amounts in this column are after the adjustments from the application of HKFRS 15.

The contract liabilities as at January 1, 2018, amount of HK\$42.6 million were recognised as revenue during the year ended December 31, 2018.

#### 23. LOAN FROM A SHAREHOLDER

On November 6, 2018, the Company has entered a loan agreement with a shareholder, Huaneng, to borrow an aggregate of USD 4.1 million (approximately HK\$ 32.5 million) for working capital purpose. The loan was unsecured, carried a fixed interest rate of 5% and had a maturity of 3 years.

#### 22. 合約負債

		December 31, 2018 二零一八年 十二月三十一日 HK\$ million 港幣百萬元	January 1, 2018* 二零一八年 一月一日 HK\$ million 港幣百萬元
Sale of goods	銷售商品	58.2	42.6

\* 本欄中的金額為根據應用香港財務報告準則第15號後作出的調整。

於二零一八年一月一日合約負債金額為港幣42.6百萬元，確認作為截至二零一八年十二月三十一日止年度收入。

#### 23. 股東貸款

於二零一八年十一月六日，本公司與股東華能簽訂貸款協議，借款總額4.1百萬美元(約港幣32.5百萬元)用作營運資本。該貸款無擔保，固定利率為5%，期限為3年。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended December 31, 2018  
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#### 24. SHARE CAPITAL

#### 24. 股本

		Number of shares	Amount HK\$ million 金額 港幣百萬元
		股份數目	港幣百萬元
<b>Authorised:</b>	<b>法定股本：</b>		
Ordinary shares of HK\$0.10 each	每股面值港幣0.10元的普通股份		
At January 1, 2017	於二零一七年一月一日	3,500,000,000	350.0
Increase in authorised share capital	法定股本增加	16,500,000,000	1,650.0
At December 31, 2017 and 2018	於二零一八年及二零一七年 十二月三十一日	20,000,000,000	2,000.0
Ordinary shares of US\$0.10 each	每股面值0.10美元的普通股份		
At January 1, 2017 and December 31, 2017 and 2018	於二零一七年一月一日以及 二零一七年十二月三十一日 及二零一八年十二月三十一日	10,000	—
<b>Issued and fully paid:</b>	<b>已發行及繳足：</b>		
Ordinary shares of HK\$0.10 each	每股面值港幣0.10元的普通股份		
At January 1, 2017 and December 31, 2017 and 2018	於二零一七年一月一日以及 二零一七年十二月三十一日 及二零一八年十二月三十一日	2,599,993,088	260.0

Pursuant to the Company's announcement dated on March 15, 2017, the authorised share capital of the Company was increased from HK\$350,000,000 and US\$1,000 divided into 3,500,000,000 ordinary shares of HK\$0.10 each and 10,000 ordinary shares of US\$0.10 each respectively to HK\$2,000,000,000 and US\$1,000 divided into 20,000,000,000 ordinary shares of HK\$0.10 each and 10,000 ordinary shares of US\$0.10 each respectively by creation of 16,500,000,000 additional ordinary shares of HK\$0.10 each, which is rank pari passu in all respects with the existing shares of the Company in issue.

根據本公司日期為二零一七年三月十五日的公告，透過增設16,500,000,000股每股面值港幣0.10元的普通股，將本公司的法定股本由港幣350,000,000元及1,000美元(分為3,500,000,000股每股面值港幣0.10元的普通股及10,000股每股面值0.10美元的普通股)，增加至港幣2,000,000,000元及1,000美元(分為20,000,000,000股每股面值港幣0.10元普通股及10,000股每股面值0.10美元普通股)，該等股份將與本公司所有現有已發行股份於各方面享有同等權益。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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### 25. DIVIDEND

No dividend was paid or proposed for the year ended December 31, 2018 and 2017, nor has any dividend been proposed since the end of the reporting periods.

### 26. 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 stakeholders through the optimisation of debts and equity balance. In order to maintain or adjust the capital structure, the Group may raise loan from shareholders and issue new shares to reduce debts.

The capital structure of the Group consists of equity attributable to owners of the Company, comprising issued share capital, reserves and loan from a shareholder.

The management of the Group reviews the capital structure on a regular basis. As part of this review, the management of the Group considers the cost of capital and the risks associates with the capital, and takes appropriate actions through raising debts to adjust the Group's capital structure.

### 25. 股息

截至二零一八年及二零一七年十二月三十一日止年度，概無派付或建議派付股息，及自報告期末起並無建議派付股息。

### 26. 資本風險管理

本集團之資本管理旨在確保本集團內之所有實體均可持續經營，同時透過優化債務及股本結構為股東謀求最大回報。為維持或調整資本結構，本集團可能向股東籌集貸款及發行新股以減少債務。

本集團之資本架構包括本公司擁有人應佔權益(包含已發行股本、儲備及股東貸款)。

本集團管理層定期審核資本結構。作為該審核之一部分，本集團管理層考慮資本之成本及資本之風險，並會獲得債務採取適當措施調整本集團之資本架構。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended December 31, 2018  
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#### 27. FINANCIAL INSTRUMENTS

##### Categories of financial instruments

		2018	2017
		二零一八年	二零一七年
		HK\$ million	HK\$ million
		港幣百萬元	港幣百萬元
Financial assets	金融資產		
Financial assets at amortised cost	按攤銷成本列賬之金融資產	61.4	—
Loans and receivables (including cash and cash equivalents)	貸款及應收款項 (包括現金及等同現金項目)	—	159.7
		61.4	159.7
Financial liabilities	金融負債		
Amortised cost	攤銷後成本	171.7	154.0

##### Financial risk management objectives and policies

The Group's major financial instruments include trade and other receivables, bank balances and cash, trade and other payables, borrowing and loan from a shareholder. 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 of the Company manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

#### 27. 金融工具

##### 金融工具類別

		2018	2017
		二零一八年	二零一七年
		HK\$ million	HK\$ million
		港幣百萬元	港幣百萬元
Financial assets	金融資產		
Financial assets at amortised cost	按攤銷成本列賬之金融資產	61.4	—
Loans and receivables (including cash and cash equivalents)	貸款及應收款項 (包括現金及等同現金項目)	—	159.7
		61.4	159.7
Financial liabilities	金融負債		
Amortised cost	攤銷後成本	171.7	154.0

##### 財務風險管理目標及政策

本集團之主要金融工具包括應收賬款及其他應收款項、銀行結餘及現金、應付賬款及其他應付款項、借款及股東貸款。該等金融工具詳情於各有關附註披露。與該等金融工具有關之風險包括市場風險(貨幣風險和利率風險)、信貸風險及流動資金風險。有關如何降低該等風險的政策載列如下。本公司管理層管理及監察該等風險，以確保及時和有效地採取適當的措施。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended December 31, 2018  
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#### 27. FINANCIAL INSTRUMENTS (continued)

##### Financial risk management objectives and policies (continued)

###### Market risk

###### Currency risk

Certain of the Group's bank balances and cash, trade and other receivables, trade and other payables, borrowing and loan from a shareholder are denominated in RMB, USD and EUR which are exposed to foreign risk arising from various currency exposures, primarily with respect to HK\$.

The Group currently has not entered into any contracts to hedge its foreign currency risk exposure. The management monitors foreign exchange risk exposure and will consider hedging significant foreign currency exposure should the need arises.

The carrying amounts of the Group's foreign currencies denominated monetary assets and liabilities at the reporting date are as follows:

		Liabilities		Assets	
		2018	2017	2018	2017
		二零一八年	二零一七年	二零一八年	二零一七年
		HK\$ million	HK\$ million	HK\$ million	HK\$ million
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
USD	美元	32.5	—	4.9	8.2
RMB	人民幣	78.5	67.5	21.8	10.3
EUR	歐元	—	—	4.2	—

#### 27. 金融工具(續)

##### 財務風險管理目標及政策(續)

###### 市場風險

###### 貨幣風險

本集團若干銀行結餘及現金、應收賬款及其他應收款項、應付賬款及其他應付款項、借款、股東及股東貸款以人民幣、美元及歐元計值，以致本集團面臨各種貨幣風險(主要是港幣)引起的外國風險。

本集團目前並無訂立任何合約以對沖外幣風險。管理層會監察外幣風險及在需要時考慮對沖重大外幣風險。

本集團以外幣定值之貨幣資產及負債於報告日期之賬面值如下：

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended December 31, 2018  
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#### 27. FINANCIAL INSTRUMENTS (continued)

##### Financial risk management objectives and policies (continued)

##### Market risk (continued)

##### Sensitivity analysis

The following table details the Group's sensitivity to a 5% (2017: 5%) increase and decrease in the functional currency of the respective group entities against the relevant foreign currencies. 5% (2017: 5%) sensitivity rate represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currencies denominated monetary items and adjusts their translation at the year-end for a 5% (2017: 5%) change in foreign currency rates. The analysis has excluded USD denominated monetary items as HK\$, the functional currency of the group entity holding these monetary items, is pegged to USD. The directors consider that the currency risk in this regard is minimal. A positive number below indicates an increase in post-tax loss for the year where functional currency strengthens 5% against the relevant foreign currencies. For a 5% weakening of functional currency of the respective group entities against the relevant foreign currencies, there would be an equal and opposite impact on the post-tax loss and the balances below would be negative.

		Effect on post-tax result for the year	
		對本年度除稅後業績之影響	
		2018	2017
		二零一八年	二零一七年
		HK\$ million	HK\$ million
		港幣百萬元	港幣百萬元
RMB	人民幣	2.4	2.4
EUR	歐元	(0.2)	—

In management's opinion, the analysis is used for reference purpose and is unrepresentative of the inherent currency risk as the year end exposure does not reflect the exposure during the year.

#### 27. 金融工具(續)

##### 財務風險管理目標及政策(續)

##### 市場風險(續)

##### 敏感度分析

下表詳列因應本集團對各有關集團實體之功能貨幣兌有關外幣升值及減值5% (二零一七年：5%)之敏感度。5%(二零一七年：5%)的敏感度代表管理層對外幣匯率合理可能變動之評估。敏感度分析僅包括現有以外匯定值的貨幣性項目，並於年末按5%(二零一七年：5%)的外匯變動調整彼等的換算率。該分析並不包括美元定值之貨幣項目，原因是持有此等貨幣性項目之集團實體之功能貨幣港元乃與美元掛鈎。董事認為與此有關之貨幣風險屬微不足道。下列正數表示倘功能貨幣兌有關外幣升值5%導致該年度出現除稅後虧損的增加。倘各有關集團實體之功能貨幣兌有關外幣貶值5%，將會對除稅後虧損造成相等及相反之影響，而下列結餘將為負數。

		Effect on post-tax result for the year	
		對本年度除稅後業績之影響	
		2018	2017
		二零一八年	二零一七年
		HK\$ million	HK\$ million
		港幣百萬元	港幣百萬元
RMB	人民幣	2.4	2.4
EUR	歐元	(0.2)	—

管理層認為此分析只用作參考用途，由於年終之風險並不反映年內之風險，因此敏感度分析對本身之貨幣風險並無代表性。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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### 27. FINANCIAL INSTRUMENTS (continued)

#### Financial risk management objectives and policies (continued)

##### Market risk (continued)

##### Interest rate risk

The Group is exposed to cash flow interest rate risk through the impact of rate changes on bank balances. The Group cash flow interest rate risk is mainly concentrated on the fluctuation of Benchmark Borrowing Rate of the People's Bank of China.

The Group will continue to monitor the exposure on cash flow interest rate risk and will consider hedging the interest rate should the need arise. In the management's opinion, the Group does not have material interest rate risk exposure and hence no sensitivity analysis is presented.

##### Credit risk and impairment assessment

The Group's maximum exposure to credit risk which will cause a financial loss to the Group is arising from the amount of each class of financial assets as disclosed in the consolidated statement of financial position. The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

##### Trade receivables arising from contracts with customers

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits and credit approvals. Before accepting any new customer, the Group uses an internal credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed twice a year. Other monitoring procedures are in place to ensure that follow-up action is taken to recover overdue debts. In addition, the Group performs impairment assessment under ECL model upon application of HKFRS 9 (2017: incurred loss model) on trade balances based on provision matrix. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

### 27. 金融工具(續)

#### 財務風險管理目標及政策(續)

##### 市場風險(續)

##### 利率風險

本集團因銀行結存利率變動之影響而承擔現金流量利率風險。本集團的現金流量利率風險主要集中在中國人民銀行的基準利率。

本集團將繼續監督現金流量利率風險的風險承擔並將考慮於有必要時進行利率對沖。管理層認為，本集團並無重大利率風險承擔，故並無呈列敏感度分析。

##### 信貸風險及減值評估

本集團將導致其產生財務虧損之最大信貸風險承擔乃來自各類金融資產(如綜合財務狀況報表所披露)。本集團並無持有任何抵押品或其他信貸提升措施，以應對其於金融資產相關之信貸風險。

##### 產生自客戶合約收益之貿易應收賬款

為減低信貸風險，本集團管理層已指定團隊負責釐定信貸限額及信貸審批。於接納任何新客戶前，本集團使用內部信貸評分制度評估潛在客戶的信貸質素，並界定客戶的信貸限額。對客戶的限額及評分每年檢討兩次。本集團制定其他監督程序，以確保採取跟進措施收回逾期債務。此外，於應用香港財務報告準則第9號後，本集團基於撥備矩陣根據預期信貸虧損模式(二零一七年：已產生虧損模式)對貿易結餘進行減值評估。就此而言，本公司董事認為，本集團之信貸風險已大幅減低。



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### 綜合財務報表附註

For the year ended December 31, 2018  
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#### 27. FINANCIAL INSTRUMENTS (continued)

##### Financial risk management objectives and policies (continued)

##### Credit risk and impairment assessment (continued)

The Group's internal credit risk grading assessment comprises the following categories:

##### Internal

credit rating 內部信貸評級	Description 說明	Trade receivables 貿易應收賬款	Other financial assets 其他金融資產
Low risk 低風險	The counterparty has a low risk of default and does not have any past-due amounts 對手方有低違約風險，但並無任何逾期款項	Lifetime ECL – not credit-impaired 終身預期信貸虧損 – 並無產生信貸減值	12m ECL 十二個月預期信貸虧損
Watch list 觀察清單	Debtor frequently repays after due dates but usually settle after due date 債務人於逾期日後頻繁還款，但通常於到期日後清償	Lifetime ECL – not credit-impaired 終身預期信貸虧損 – 並無產生信貸減值	12m ECL 十二個月預期信貸虧損
Doubtful 可疑	There have been significant increases in credit risk since initial recognition through information developed internally or external resources 自初步確認以來透過內部開發之數據或外部資源，信貸風險自初步確認以來並無重大增加	Lifetime ECL – not credit-impaired 終身預期信貸虧損 – 並無產生信貸減值	Lifetime ECL – not credit-impaired 終身預期信貸虧損 – 並無產生信貸減值
Loss 虧損	There is evidence indicating the asset is credit-impaired 有證據表明資產產生信貸減值	Lifetime ECL – credit-impaired 終身預期信貸虧損 – 產生信貸減值	Lifetime ECL – credit-impaired 終身預期信貸虧損 – 無產生信貸減值
Write-off 撇銷	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery 有證據表明債務人陷入嚴重財務困難，且本集團並無收回的確實可能。	Amount is written off 金額撇銷	Amount is written off 金額撇銷

#### 27. 金融工具(續)

##### 財務風險管理目標及政策(續)

##### 信貸風險及減值評估(續)

本集團之內部信貸風險等級評估包括以下類別：

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### 綜合財務報表附註

For the year ended December 31, 2018  
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#### 27. FINANCIAL INSTRUMENTS (continued)

##### Financial risk management objectives and policies (continued)

##### Credit risk and impairment assessment (continued)

The tables below detail the credit risk exposures of the Group's financial assets, which are subject to ECL assessment:

#### 27. 金融工具(續)

##### 財務風險管理目標及政策(續)

##### 信貸風險及減值評估(續)

下表詳述本集團金融資產(須進行預期信貸虧損評估)之信貸風險承擔：

2018	Note	External	Internal	12m of	Gross carrying amount	
		credit rating	credit rating	Lifetime ECL	HK\$ million	HK\$ million
二零一八年	附註	外部信貸評級	內部信貸評級	終身預期信貸虧損	港幣百萬元	港幣百萬元
Financial assets at amortised cost						
按攤銷成本列賬之金融資產						
Bank balances		N/A	(Note 1)	12m ECL		
銀行結額	19	不適用	(附註1)	十二個月預期信貸虧損	22.3	22.3
Other receivables		N/A	(Note 2)	12m ECL		
其他應收款項	18	不適用	(附註2)	十二個月預期信貸虧損	2.5	2.5
Trade receivables		N/A	(Note 3)	Lifetime ECL		
貿易應收賬款	18	不適用	(附註3)	(provision matrix) 終身預期信貸虧損 (撥備矩陣)	45.8	
			(Note 3)	Credit impaired		
			(附註3)	產生信貸減值	15.0	60.8

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended December 31, 2018  
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### 27. FINANCIAL INSTRUMENTS (continued)

#### Financial risk management objectives and policies (continued)

##### Credit risk and impairment assessment (continued)

Notes:

1. For bank balances, the management considered the credit risk has not increased significantly since the initial recognition. According to the historical observed default rates of bank balances, the average loss rate is immaterial.
2. For other receivables, the management individually assessed whether the credit risk increased significantly since the initial recognition. Based on the assessment, the Group considered the credit risk has not increased significantly since the initial recognition.
3. For trade receivables, the Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL. Except for debtors with credit-impaired, the Group determines the expected credit losses on these items by using a provision matrix, grouped by internal credit rating.

### 27. 金融工具(續)

#### 財務風險管理目標及政策(續)

##### 信貸風險及減值評估(續)

附註：

1. 就銀行結餘而言，管理層認為信貸風險自初步確認以來並無大幅增加。根據銀行結餘之過往已觀察違約率，平均虧損率並不重大。
2. 就其他應收款項而言，管理層單獨評估信貸風險自初步確認以來是否大幅增加。根據評估，本集團認為信貸風險自初步確認以來並無大幅增加。
3. 就應收賬款而言，本集團已應用香港財務報告準則第9號內的簡化法計量終身預期信貸虧損的虧損撥備。除尚未償還之信貸減值外，本集團使用撥備矩陣釐定該等項目之預期信貸虧損，並按內部信貸評級進行分組。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended December 31, 2018  
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#### 27. FINANCIAL INSTRUMENTS (continued)

##### Financial risk management objectives and policies (continued)

##### Credit risk and impairment assessment (continued)

As part of the Group's credit risk management, the Group applies internal credit rating for its customers. The following table provides information about the exposure to credit risk and loss allowance for trade receivables which are assessed collectively based on provision matrix as at December 31, 2018 within lifetime ECL (not credit impaired). As at December 31, 2018, the credit-impaired debtors with gross carrying amounts of HK\$15.0 million were assessed individually.

Internal credit rating 內部信貸評級		Average loss rate 平均虧損率	Gross	
			carrying amount 總賬面值 HK\$ million 港幣百萬元	Impairment loss allowance 減值虧損撥備 HK\$ million 港幣百萬元
Low risk	低風險	*	12.8	—
Watch list	觀察清單	15.9%	19.7	3.1
Doubtful	可疑	45.8%	13.3	6.1
			45.8	9.2

\* According to the historical observed default rates of the expected life of the low risk debtors, the average loss rate is immaterial.

#### 27. 金融工具(續)

##### 財務風險管理目標及政策(續)

##### 信貸風險及減值評估(續)

作為本集團信貸風險管理之一部份，本集團對其客戶進行內部信貸評級。下表提供有關信貸風險承擔及貿易應收賬款虧損撥備之資料，有關虧損撥備乃根據終身預期信貸虧損內於二零一八年十二月三十一日之撥備矩陣共同進行評估(並無產生信貸減值)。於二零一八年十二月三十一日，總賬面值為港幣15.0百萬元之產生信貸減值之應收賬款乃個別進行評估。

\* 根據低風險應收賬款預期年期之過往已觀察違約率，平均虧損率並不重大。

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### 綜合財務報表附註

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#### 27. FINANCIAL INSTRUMENTS (continued)

##### Financial risk management objectives and policies (continued)

##### Credit risk and impairment assessment (continued)

The estimated loss rates are estimated based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information that is available without undue cost or effort. The grouping is regularly reviewed by management to ensure relevant information about specific debtors is updated.

During the year ended December 31, 2018, the Group provided HK\$8.7 million impairment allowance for trade receivables, based on the provision matrix. Impairment allowance of HK\$15.0 million were made on credit impaired debtors, which have either been paced under liquidation or in financial difficulties.

The following table shows the movement in lifetime ECL that has been recognised for trade receivables under the simplified approach.

		Lifetime ECL (not credit- impaired) 終身預期 信貸虧損 (並無產生 信貸減值) HK\$ million 港幣百萬元	Lifetime ECL (credit- impaired) 終身 預期信貸 虧損(產生 信貸減值) HK\$ million 港幣百萬元	Total 總額 HK\$ million 港幣百萬元
As at January 1, 2018 - As restated	於二零一八年一月一日 一經重列	1.2	23.1	24.3
Changes due to financial instruments recognized as at January 1, 2018:	於二零一八年一月一日確認 之金融工具產生之變動：			
– Transfer to credit-impaired	– 轉撥至產生信貸減值	(0.7)	0.7	—
– Write-offs	– 撇銷	—	(10.4)	(10.4)
New financial assets originated during the year	於年內發生之新金融資產	8.7	1.6	10.3
As at December 31, 2018	於二零一八年十二月三十一日	9.2	15.0	24.2

#### 27. 金融工具(續)

##### 財務風險管理目標及政策(續)

##### 信貸風險及減值評估(續)

估計虧損率乃基於債務人預期年期期間歷史觀察可得違約率估計，並就毋須耗費不當成本或精力即可得之前瞻性資料進行調整。管理層定期審閱分類以確保有關特定債務人之相關資料得以更新。

截至二零一八年十二月三十一日止年度，本集團已根據撥備矩陣就貿易應收賬款計提減值撥備港幣8.7百萬元。已就產生信貸減值之債務人(其遭清盤或面對嚴重財務困難)作出減值撥備港幣15.0百萬元。

下表顯示根據簡化方式已就貿易應收賬款確認之終身預期信貸虧損變動：

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 27. FINANCIAL INSTRUMENTS (continued)

##### Financial risk management objectives and policies (continued)

##### Credit risk and impairment assessment (continued)

Changes in the loss allowance for trade receivables are mainly due to:

#### 27. 金融工具(續)

##### 財務風險管理目標及政策(續)

##### 信貸風險及減值評估(續)

貿易應收賬款虧損撥備變動乃主要由於：

		December 31, 2018 二零一八年十二月三十一日	
		Increase/(decrease) in lifetime ECL 預期信貸虧損增加/(減少)	
		Not	
		credit-impaired 並無產生信貸減值	Credit-impaired 產生信貸減值
		HK\$ million 港幣百萬元	HK\$ million 港幣百萬元
Three trade debtors with a gross carrying amount of HK\$ 0.7 million defaulted and transferred to credit-impaired as at December 31, 2018	於二零一八年十二月三十一日賬面值總額為港幣0.7百萬元之三筆貿易應收賬款已違約並轉撥至產生信貸減值	(0.7)	0.7

##### Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of borrowings and ensures compliance with loan covenants.

The following table details the Group's remaining contractual maturity for its financial liabilities based on the agreed repayment terms. For non-derivative financial liabilities, 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 maturity dates for other non-derivative financial liabilities are based on agreed repayment dates. The table includes both interest and principal cash flows.

##### 流動資金風險

於管理流動資金風險方面，管理層認為本集團已監控及維持足夠之現金及等同現金項目水平，以提供本集團經營業務所需之資金及減低現金流量波動之影響。管理層監控借貸之運用情況及確保遵從貸款契約。

下表詳列按照同意的還款條款，本集團金融負債之餘下合約到期日。就非衍生金融負債而言，該表乃根據按本集團可償還之最早日期計算之金融負債之未貼現現金流量編製。其他非衍生金融負債之到期日則為其同意之還款日。該表包括利率及本金的現金流量。

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### 綜合財務報表附註

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#### 27. FINANCIAL INSTRUMENTS (continued)

##### Financial risk management objectives and policies (continued)

##### Liquidity risk (continued)

##### Liquidity and interest risk tables

#### 27. 金融工具(續)

##### 財務風險管理目標及政策(續)

##### 流動資金風險(續)

##### 流動資金及利率風險表

		Weighted average effective interest rate 加權平均 實際利率 %	On demand or within 3 months 應要求或 三個月內 HK\$ million 港幣百萬元	3 months to 1 year 三個月 至一年 HK\$ million 港幣百萬元	Over 1 year 一年以上 HK\$ million 港幣百萬元	Total undiscounted cash flows 未貼現現金 流量總額 HK\$ million 港幣百萬元	Carrying amount at year end 年末賬面值 HK\$ million 港幣百萬元
2018	二零一八年						
Non-derivative financial liabilities	非衍生金融負債						
Trade and other payables	應付賬款及其他應付款項	—	104.9	—	—	104.9	104.9
Borrowing	借款	8.0	—	39.7	—	39.7	34.3
Loan from a shareholder	股東貸款	—	—	—	37.4	37.4	32.5
			104.9	39.7	37.4	182.0	171.7
2017	二零一七年						
Non-derivative financial liabilities	非衍生金融負債						
Trade and other payables	應付賬款及其他應付款項	—	118.5	—	—	118.5	118.5
Borrowing	借款	8.0	—	36.9	—	36.9	35.5
			118.5	36.9	—	155.4	154.0

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended December 31, 2018  
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#### 27. FINANCIAL INSTRUMENTS (continued)

##### Fair value

The fair values of financial assets and financial liabilities at amortised cost are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The directors consider that the carrying amount of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximates to their fair values.

#### 28. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities is that for which cash flow was, or future cash flow will be, classified in the Group's consolidated statement of cash flow as cash flow from financing activities.

#### 27. 金融工具(續)

##### 公平值

按攤銷成本計算之金融資產及金融負債之公平值乃根據以貼現現金流量分析為基礎的公認定價模型釐定。

董事認為於綜合財務報表中以攤銷成本記錄之金融資產及金融負債之賬面值與其公平值相若。

#### 28. 融資活動所產生負債對賬

下表載列本集團自融資活動所產生負債之變動(包括現金及非現金變動)詳情。自融資活動所產生的負債為本集團於綜合現金流量表分類為融資活動所得現金流量的現金流量或未來現金流量。

		Loan from a shareholder 股東貸款 HK\$ million 港幣百萬元	Borrowing 借款 HK\$ million 港幣百萬元	Total 總額 HK\$ million 港幣百萬元
At 1 January 2017	於二零一七年一月一日	—	—	—
Financing cash flow	融資現金流量	—	35.3	35.3
Finance cost	融資成本	—	0.2	0.2
At 31 December 2017	於二零一七年十二月三十一日	—	35.5	35.5
Financing cash flow	融資現金流量	32.5	(0.1)	32.4
Foreign exchange loss	外匯兌換虧損	—	(1.2)	(1.2)
Finance cost	融資成本	—	3.2	3.2
At December 31, 2018	於二零一八年十二月三十一日	32.5	37.4	69.9



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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#### 29. OPERATING LEASE COMMITMENTS

##### The Group as lessee

At the end of the reporting period, the Group was committed to make the following future minimum lease payments under non-cancellable operating leases, the terms of which is three to five years, fall due as follows:

		2018 二零一八年 HK\$ million 港幣百萬元	2017 二零一七年 HK\$ million 港幣百萬元
Rented premises	租賃物業		
Within one year	一年內	23.4	19.3
In the second to fifth year inclusive	二至五年內(包括首尾兩年)	5.5	23.0
		<b>28.9</b>	<b>42.3</b>

##### The Group as lessor

At the end of the reporting period, the Group had contracted with tenants, which are negotiated for terms of three to five years, for the following future minimum lease payments in respect of factory premises:

		2018 二零一八年 HK\$ million 港幣百萬元	2017 二零一七年 HK\$ million 港幣百萬元
Rented premises	租賃物業		
Within one year	一年內	14.9	7.9
In the second to fifth year inclusive	二至五年內(包括首尾兩年)	3.5	16.8
		<b>18.4</b>	<b>24.7</b>

#### 29. 經營租賃承擔／安排

##### 本集團作為承租人

於報告期末，本集團根據不可撤銷之經營租約(其租期為三至五年到期)的未來最低租約付款承擔如下：

		2018 二零一八年 HK\$ million 港幣百萬元	2017 二零一七年 HK\$ million 港幣百萬元
Rented premises	租賃物業		
Within one year	一年內	23.4	19.3
In the second to fifth year inclusive	二至五年內(包括首尾兩年)	5.5	23.0
		<b>28.9</b>	<b>42.3</b>

##### 本集團作為出租人

於報告期末，本集團與租戶就廠房物業訂約，租期按三至五年協商，未來最低租約付款如下：

		2018 二零一八年 HK\$ million 港幣百萬元	2017 二零一七年 HK\$ million 港幣百萬元
Rented premises	租賃物業		
Within one year	一年內	14.9	7.9
In the second to fifth year inclusive	二至五年內(包括首尾兩年)	3.5	16.8
		<b>18.4</b>	<b>24.7</b>

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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#### 30. RELATED PARTY TRANSACTIONS

Apart from the transactions and the balances with related parties disclosed elsewhere in these consolidated financial statements, the Group also entered into the following significant transaction with related parties during the year:

	2018 二零一八年 HK\$ million 港幣百萬元	2017 二零一七年 HK\$ million 港幣百萬元
Consignment commission fee to certain related parties (Note)	0.5	0.6

Note: These related parties are the fellow subsidiaries of one shareholder, Jiangsu Hongtu High Technology Co., Ltd.

附註：該等關聯方為同一股東方—江蘇宏圖高科技有限公司

The remuneration of directors and other members of key management during the year was as follows:

董事及其他主要管理層成員年內的薪酬如下：

	2018 二零一八年 HK\$ million 港幣百萬元	2017 二零一七年 HK\$ million 港幣百萬元
- Salaries, allowances and other benefits	11.5	18.1
- Retirement benefits scheme contributions	0.7	0.7
	12.2	18.8

The remuneration of directors and other members of key management is determined by the remuneration committee having regard to the performance of individuals and market trends.

董事及其他主要管理人員之酬金由薪酬委員會按個別人士之表現及市場薪酬水平釐定。

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### 綜合財務報表附註

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#### 31. PRINCIPAL SUBSIDIARIES

As at December 31, 2018 and 2017, the Company's principal subsidiaries, are all indirectly wholly owned by the Company except Huger Electronics GmbH which is 99.83% indirectly owned by the Company. Details of the Company's principal subsidiaries at December 31, 2018 and 2017 are as follows:

Name of subsidiary	Place of incorporation/ establishment	Nominal value of issued ordinary share/ registered capital 已發行普通 股份面值／註冊資本	Principal activities
附屬公司名稱	註冊成立／成立地點		主要業務
Cheer Win Electronics (Shenzhen) Co., Ltd. 展科電子(深圳)有限公司 (Note) 展科電子(深圳)有限公司 (附註)	the PRC 中國	US\$4,440,000 4,440,000美元	Manufacture and sales of consumer electronic products 製造及銷售電子消費產品
IDT Technology Limited 萬威科研有限公司	Hong Kong 香港	HK\$2 港幣2元	Trading of consumer electronic products 經銷電子消費產品
萬威電子(深圳)有限公司 (Note) 萬威電子(深圳)有限公司 (附註)	the PRC 中國	HK\$35,000,000 港幣35,000,000元	Manufacture of consumer electronic products and plastic parts and provision of surface mount technology assembly services 製造電子消費產品及塑膠部件及 提供表面接合技術
Oregon Scientific France S.A.R.L. Oregon Scientific France S.A.R.L.	France 法國	EUR1,000,000 1,000,000歐元	Marketing and distribution of consumer electronic products 推廣及分銷電子消費產品

#### 31. 主要附屬公司

於二零一八年及二零一七年十二月三十一日本公司各主要附屬公司均為本公司間接全資擁有，惟Huger Electronics GmbH(本公司間接擁有99.83%)除外。本公司主要附屬公司於二零一八年及二零一七年十二月三十一日之詳情如下：

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### 綜合財務報表附註

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#### 31. PRINCIPAL SUBSIDIARIES (continued)

#### 31. 主要附屬公司(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立／成立地點	Nominal value of issued ordinary share/ registered capital 已發行普通 股份面值／註冊資本	Principal activities 主要業務
Oregon Scientific Global Distribution Limited 歐西亞環球有限公司	Hong Kong 香港	HK\$2 港幣2元	Marketing and distribution of consumer electronic products 推廣及分銷電子消費產品
Oregon Scientific Hong Kong Limited 歐西亞香港有限公司	Hong Kong 香港	HK\$500,000 港幣500,000元	Marketing and distribution of consumer electronic products 推廣及分銷電子消費產品
Oregon Scientific Italia S.p.A Oregon Scientific Italia S.p.A	Italy 意大利	EUR2,156,000 2,156,000歐羅	Marketing and distribution of consumer electronic products 推廣及分銷電子消費產品
Oregon Scientific Smartliving Limited 歐西亞智慧生活有限公司	Hong Kong 香港	HK\$2 港幣2元	Marketing and distribution of consumer electronic products 推廣及分銷電子消費產品

Note: These are wholly foreign owned enterprises established in the PRC.

附註：於中國成立之全外資企業。

All of the above subsidiaries operate principally in their respective place of incorporation/establishment.

上述各主要附屬公司均主要在其註冊成立／成立地點經營。

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affect the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

上表只列出董事認為對本集團業績或資產值有重要影響之附屬公司。董事認為詳細列明其他附屬公司之資料將過於冗長。

None of the subsidiaries had issued any debt securities outstanding at the end of the year.

於本年度末，各附屬公司均無任何尚未償還之債務證券。

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### 綜合財務報表附註

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#### 31. PRINCIPAL SUBSIDIARIES (continued)

At the end of the reporting period, the Company has other subsidiaries that are not material to the Group. Details of these subsidiaries are summarised as follows:

Principal activities 主要活動	Principal place of business 業務的主要地點	Number of subsidiaries 附屬公司數目	
		2018 二零一八年	2017 二零一七年
Marketing and distribution of consumer electronic products: 推廣及分銷電子消費產品：	Germany 德國	2	2
	Brazil 巴西	1	1
	Spain 西班牙	1	1
	United Kingdom 英國	1	1
	United States of America 美國	1	1
	PRC 中國	3	3
	Hong Kong 香港	1	1
Marketing and distribution of wellness and beauty products: 推廣及分銷健康及美容產品	Hong Kong 香港	1	1

#### 31. 主要附屬公司(續)

於報告期末，本公司擁有其他對本集團並不重大的附屬公司。該等附屬公司的詳情概述如下：

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### 綜合財務報表附註

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#### 31. PRINCIPAL SUBSIDIARIES (continued)

Principal activities 主要活動	Principal place of business 業務的主要地點	Number of subsidiaries 附屬公司數目	
		2018	2017
		二零一八年	二零一七年
Trading of consumer electronic products: 買賣電子消費產品	Hong Kong 香港	1	1
	Japan 日本	1	1
Trading of telecommunication products: 買賣通訊產品：	Hong Kong 香港	1	1
Investment holding: 投資控股：	Singapore 新加坡	1	1
Provision of group administrative services: 提供集團行政服務：	Hong Kong 香港	1	1

#### 32. CONTINGENT LIABILITIES

An indirect wholly-owned subsidiary of the Company, Oregon Scientific Brasil Ltd., was involved in a tax dispute with the State of Sao Paulo, the Federative Republic of Brazil, which may cause a maximum tax payment including penalty and interest of approximately Brazilian Real 3.6 million (equivalent to approximately HK\$7.3 million). After seeking the independent legal advice, the directors of the Company consider that the outcome and the amount of final payment, if any, are uncertain, and no provision has been made in the consolidated financial statements.

#### 32. 或然負債

本公司的間接全資附屬公司Oregon Scientific Brasil Ltda與巴西聯邦共和國聖保羅州發生稅務糾紛，可能導致繳納最高稅款(包括罰金及利息約為3.6百萬巴西雷亞爾)(相當於約港幣7.3百萬元)。在徵詢獨立法律意見後，本公司董事認為結果及最終付款金額(如有)並不確定，且並無於綜合財務報表作出撥備。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended December 31, 2018

截至二零一八年十二月三十一日止年度

#### 33. FINANCIAL INFORMATION OF THE COMPANY

Financial information of the Company at the end of the reporting period includes:

		2018 二零一八年 HK\$ million 港幣百萬元	2017 二零一七年 HK\$ million 港幣百萬元
Non-current asset	非流動資產		
Interests in subsidiaries	於附屬公司的權益	—	174.4
Current assets	流動資產		
Other receivables	其他應收款項	0.5	0.5
Bank balances and cash	銀行結餘及現金	—	0.2
		0.5	0.7
Current liabilities	流動負債		
Other payables	其他應付款項	1.1	3.4
Amounts due to subsidiaries	應付附屬公司金額	5.0	—
Net (liabilities) assets	(負債)資產淨值	(5.6)	171.7
Capital and reserves	股本及儲備		
Share capital	股本	260.0	260.0
Reserves	儲備	(265.6)	(88.3)
		(5.6)	171.7

#### 33. 本公司的財務資料

於報告期末，本公司的財務資料包括：

#### Reserves of the Company

#### 本公司儲備

		Share premium 股份溢價 HK\$ million 港幣百萬元	Accumulated losses 累計虧損 HK\$ million 港幣百萬元	Total 總額 HK\$ million 港幣百萬元
At January 1, 2017	於二零一七年一月一日	165.0	(141.3)	23.7
Loss and total comprehensive expenses for the year	本年度虧損及全面開支總額	—	(112.0)	(112.0)
At December 31, 2017	於二零一七年十二月三十一日	165.0	(253.3)	(88.3)
Loss and total comprehensive expenses for the year	本年度虧損及全面開支總額	—	(177.3)	(177.3)
At December 31, 2018	於二零一八年十二月三十一日	165.0	(430.6)	(265.6)

## Group Financial Summary

### 集團財務概要

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

		Year ended December 31, 十二月三十一日止年度			Nine-month period ended December 31, 2015 截至二零一五年 十二月三十一 止九個月	Year ended March 31, 截至 三月三十一日 2015 二零一五年
		2018 二零一八年 HK\$'M 港幣百萬元	2017 二零一七年 HK\$'M 港幣百萬元	2016 二零一六年 HK\$'M 港幣百萬元	2015 二零一五年 HK\$'M 港幣百萬元	2015 二零一五年 HK\$'M 港幣百萬元
<b>RESULTS</b>	<b>業績</b>					
Revenue	營業額	433.2	516.6	565.0	536.6	1,100.4
Loss before taxation	除稅前虧損	(203.3)	(85.7)	(62.0)	(86.1)	(57.2)
Taxation	稅項	(12.3)	—	(2.0)	(0.1)	(9.8)
Loss for the year/period	本年度/期間虧損	(215.6)	(85.7)	(64.0)	(86.2)	(67.0)
Attributable to :	以下人士應佔 :					
Owners of the Company	本公司擁有人	(215.6)	(85.7)	(64.0)	(86.2)	(67.0)
Non-controlling interests	非控股權益	—	—	—	—	—
		(215.6)	(85.7)	(64.0)	(86.2)	(67.0)
Loss per share	每股虧損					
— Basic	— 基本	(8.29) HK cents 港幣仙	(3.30) HK cents 港幣仙	(2.46) HK cents 港幣仙	(3.32) HK cents 港幣仙	(2.59) HK cents 港幣仙



## Group Financial Summary

### 集團財務概要

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

		As at December 31, 於十二月三十一日			As at March 31, 於三月三十一日	
		2018	2017	2016	2015	2015
		二零一八年	二零一七年	二零一六年	二零一五年	二零一五年
		HK\$'M	HK\$'M	HK\$'M	HK\$'M	HK\$'M
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
<b>ASSETS AND LIABILITIES</b>	<b>資產及負債</b>					
Total assets	總資產	215.2	408.1	414.5	519.5	655.7
Total liabilities	總負債	(258.2)	(228.4)	(145.1)	(188.0)	(245.7)
		(43.0)	179.7	269.4	331.5	410.0
Equity attributable to owners of the Company	本公司擁有人 應佔權益	(43.1)	179.6	269.3	331.4	409.9
Non-controlling interests	非控股權益	0.1	0.1	0.1	0.1	0.1
		(43.0)	179.7	269.4	331.5	410.0



IDT INTERNATIONAL LIMITED 萬威國際有限公司