



明輝國際控股有限公司\*

Ming Fai International Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

(Stock Code 股份代號: 03828)

# ANNUAL REPORT

## 2018 年報



\* For identification purpose only 僅供識別



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## BOARD OF DIRECTORS

### Executive Directors:

Mr. CHING Chi Fai (*Chairman*)  
Mr. CHING Chi Keung  
Mr. LIU Zigang  
Mr. CHING Tsun Wah  
Mr. KEUNG Kwok Hung

### Non-Executive Director:

Ms. CHAN Yim Ching

### Independent Non-Executive Directors:

Mr. HUNG Kam Hung Allan  
Mr. MA Chun Fung Horace  
Mr. NG Bo Kwong  
Mr. SUN Yung Tson Eric

## AUDIT COMMITTEE

Mr. MA Chun Fung Horace (*Chairman*)  
Mr. HUNG Kam Hung Allan  
Mr. NG Bo Kwong  
Mr. SUN Yung Tson Eric

## NOMINATION COMMITTEE

Mr. CHING Chi Fai (*Chairman*)  
Mr. MA Chun Fung Horace  
Mr. SUN Yung Tson Eric

## REMUNERATION COMMITTEE

Mr. HUNG Kam Hung Allan (*Chairman*)  
Mr. CHING Chi Fai  
Mr. MA Chun Fung Horace  
Mr. NG Bo Kwong  
Mr. SUN Yung Tson Eric

## EXECUTIVE COMMITTEE

Mr. CHING Chi Fai (*Chairman*)  
Mr. CHING Chi Keung  
Mr. LIU Zigang  
Mr. CHING Tsun Wah  
Mr. KEUNG Kwok Hung

## INVESTMENT COMMITTEE

Mr. CHING Chi Fai (*Chairman*)  
Mr. MA Chun Fung Horace  
Mr. KEUNG Kwok Hung

## CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY

Mr. KEUNG Kwok Hung *CPA*

## PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited  
The Hongkong and Shanghai Banking  
Corporation Limited  
Hang Seng Bank Limited  
DBS Bank (Hong Kong) Limited

## 董事會

### 執行董事：

程志輝先生 (*主席*)  
程志強先生  
劉子剛先生  
程俊華先生  
姜國雄先生

### 非執行董事：

陳艷清女士

### 獨立非執行董事：

孔錦洪先生  
馬振峰先生  
吳保光先生  
孫榮聰先生

## 審核委員會

馬振峰先生 (*主席*)  
孔錦洪先生  
吳保光先生  
孫榮聰先生

## 提名委員會

程志輝先生 (*主席*)  
馬振峰先生  
孫榮聰先生

## 薪酬委員會

孔錦洪先生 (*主席*)  
程志輝先生  
馬振峰先生  
吳保光先生  
孫榮聰先生

## 執行委員會

程志輝先生 (*主席*)  
程志強先生  
劉子剛先生  
程俊華先生  
姜國雄先生

## 投資委員會

程志輝先生 (*主席*)  
馬振峰先生  
姜國雄先生

## 首席財務官兼公司秘書

姜國雄先生 *會計師*

## 主要往來銀行

中國銀行(香港)有限公司  
香港上海滙豐銀行有限公司  
恒生銀行有限公司  
星展銀行(香港)有限公司



## AUDITOR

PricewaterhouseCoopers  
22/F, Prince's Building  
Central  
Hong Kong

## PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

SMP Partners (Cayman) Limited  
Royal Bank House – 3rd Floor  
24 Shedden Road, P.O. Box 1586  
Grand Cayman KY1-1110  
Cayman Islands

## BRANCH SHARE REGISTRAR IN HONG KONG

Computershare Hong Kong Investor Services Limited  
*Investors' enquiries:*  
17M Floor  
Hopewell Centre  
183 Queen's Road East, Wanchai  
Hong Kong

### *Transfer of shares:*

Shops 1712–1716, 17th Floor  
Hopewell Centre  
183 Queen's Road East, Wanchai  
Hong Kong

## REGISTERED OFFICE

P.O. Box 309GT  
Ugland House  
South Church Street  
George Town, Grand Cayman  
Cayman Islands

## HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit D3, 8/F, TML Tower  
No. 3 Hoi Shing Road  
Tsuen Wan, New Territories  
Hong Kong

## PRINCIPAL PLACE OF BUSINESS IN THE PEOPLE'S REPUBLIC OF CHINA (THE "PRC")

Bainikeng, Pinghu, Longgang  
Shenzhen, the PRC

## WEBSITE

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

## STOCK CODE

03828

## 核數師

羅兵咸永道會計師事務所  
香港  
中環  
太子大廈二十二樓

## 開曼群島主要股份過戶登記處

SMP Partners (Cayman) Limited  
Royal Bank House – 3rd Floor  
24 Shedden Road, P.O. Box 1586  
Grand Cayman KY1-1110  
Cayman Islands

## 香港股份過戶登記分處

香港中央證券登記有限公司  
*投資者諮詢:*  
香港  
灣仔皇后大道東183號  
合和中心  
17M樓

### *股份過戶:*

香港  
灣仔皇后大道東183號  
合和中心  
17樓1712–1716號舖

## 註冊辦事處

P.O. Box 309GT  
Ugland House  
South Church Street  
George Town, Grand Cayman  
Cayman Islands

## 總辦事處及香港主要營業地點

香港  
新界荃灣  
海盛路3號  
TML廣場8樓D3室

## 中華人民共和國(「中國」) 主要營業地點

中國深圳市  
龍崗區平湖白坭坑

## 網址

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

## 股份代號

03828

## Highlights for the Year 2018 二零一八年摘要

- Revenue increased 10.1% to approximately HK\$2,052.7 million (2017: approximately HK\$1,863.6 million).
- 收入增加10.1%至約2,052.7百萬港元(二零一七年：約1,863.6百萬港元)。
- Gross profit increased 5.3% to approximately HK\$465.3 million (2017: approximately HK\$442.0 million).
- 毛利增加5.3%至約465.3百萬港元(二零一七年：約442.0百萬港元)。
- Gross profit margin decreased 1.0 percentage point to 22.7% (2017: 23.7%).
- 毛利率減少1.0個百分點至22.7%(二零一七年：23.7%)。
- Operating profit is approximately HK\$128.7 million (2017: approximately HK\$141.7 million) and the profit attributable to owners of the Company is approximately HK\$100.2 million (2017: approximately HK\$108.9 million).
- 經營溢利約128.7百萬港元(二零一七年：約141.7百萬港元)及本公司擁有人應佔溢利約100.2百萬港元(二零一七年：約108.9百萬港元)。
- A proposed final dividend in respect of the year ended 31 December 2018 of HK5.0 cents per share of the Company (the "Share") was recommended, together with the interim dividend of HK2.0 cents per Share, representing a total of HK7.0 cents per Share (2017: HK7.0 cents per Share) and the dividend payout ratio of 50.4% (2017: 46.4%).
- 截至二零一八年十二月三十一日止年度的建議末期股息為每股本公司股份(「股份」)5.0港仙，連同中期股息每股2.0港仙，總額為每股7.0港仙(二零一七年：每股7.0港仙)以及派息率為50.4%(二零一七年：46.4%)。

## CONSOLIDATED RESULTS

### 綜合業績

		Years ended 31 December 截至十二月三十一日止年度				
		2014 二零一四年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Revenue	收入	1,626,016	1,710,885	1,698,005	1,863,559	2,052,708
Profit/(loss) before income tax	未計所得稅前 溢利/(虧損)	78,216	(199,299)	191,439	143,248	130,931
Income tax expenses	所得稅開支	(19,483)	(26,839)	(42,355)	(34,408)	(34,850)
Profit/(loss) for the year	年度溢利/(虧損)	58,733	(226,138)	149,084	108,840	96,081

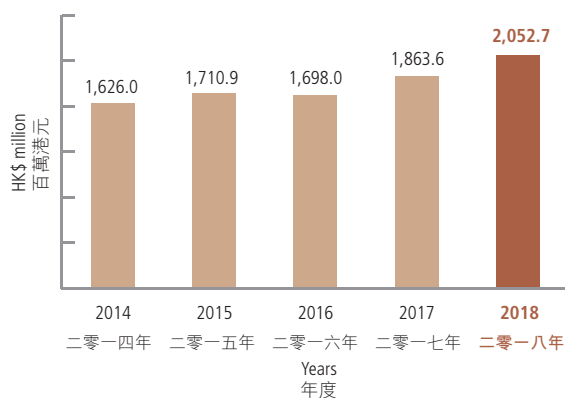
## CONSOLIDATED ASSETS, EQUITY AND LIABILITIES

### 綜合資產、權益及負債

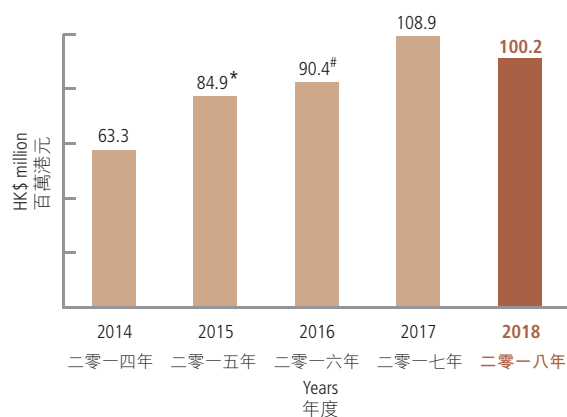
		As at 31 December 於十二月三十一日				
		2014 二零一四年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>ASSETS</b>	<b>資產</b>					
Non-current assets	非流動資產	828,410	546,604	331,064	380,180	467,444
Current assets	流動資產	1,094,901	1,075,041	1,322,931	1,269,650	1,237,607
Total assets	資產總額	1,923,311	1,621,645	1,653,995	1,649,830	1,705,051
<b>EQUITY AND LIABILITIES</b>	<b>權益及負債</b>					
Total equity	總權益	1,296,392	1,011,378	975,036	1,060,440	1,090,530
Non-current liabilities	非流動負債	31,526	22,179	2,612	2,792	10,339
Current liabilities	流動負債	595,393	588,088	676,347	586,598	604,182
Total liabilities	負債總額	626,919	610,267	678,959	589,390	614,521
Total equity and liabilities	總權益及負債	1,923,311	1,621,645	1,653,995	1,649,830	1,705,051

# Key Shareholder Value Indices 主要股東價值指標

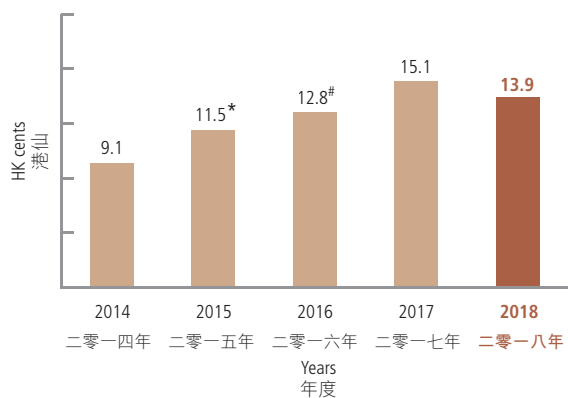
## Revenue 收入



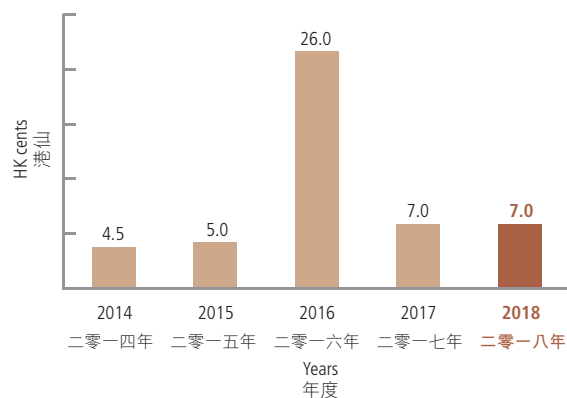
## Profit attributable to owners of the Company 本公司擁有人應佔溢利



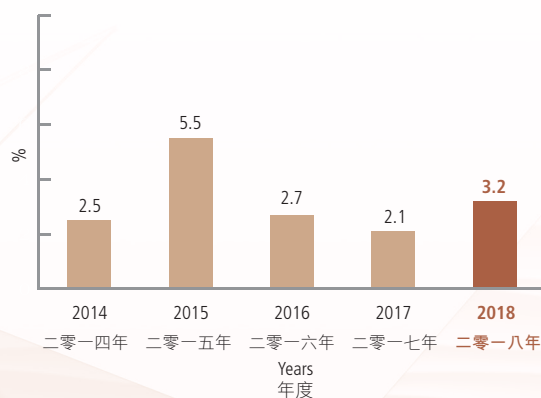
## Basic earnings per Share attributable to owners of the Company 本公司擁有人應佔每股基本盈利



## Dividend per Share 每股股息



## Gearing ratio 資產負債比率



\* Before recognition of significant non-recurring items  
確認重大非經常性項目前

# Excluding fair value gains  
不包括公平值收益

KEY SHAREHOLDER VALUE INDICES (CONTINUED)  
主要股東價值指標 (續)

		2014 二零一四年	2015 二零一五年	2016 二零一六年	2017 二零一七年	2018 二零一八年
Revenue (HK\$ million)	收入 (百萬港元)	1,626.0	1,710.9	1,698.0	1,863.6	<b>2,052.7</b>
% Change	%變動	(3.4)%	5.2%	(0.8)%	9.8%	<b>10.1%</b>
Profit attributable to owners of the Company (HK\$ million)	本公司擁有人應佔溢利 (百萬港元)	63.3	84.9*	90.4 <sup>#</sup>	108.9	<b>100.2</b>
% Change	%變動	58.1%	34.1%	6.5%	20.5%	<b>(8.0)%</b>
Basic earnings per Share attributable to owners of the Company (HK cents)	本公司擁有人應佔每股 基本盈利 (港仙)	9.1	11.5*	12.8 <sup>#</sup>	15.1	<b>13.9</b>
% Change	%變動	59.6%	26.4%	11.3%	18.0%	<b>(7.9)%</b>
Dividend per Share (HK cents)	每股股息 (港仙)	4.5	5.0	26.0	7.0	<b>7.0</b>
% Change	%變動	28.6%	11.1%	420.0%	(73.1)%	-
Gearing ratio (%)	資產負債比率(%)	2.5%	5.5%	2.7%	2.1%	<b>3.2%</b>

\* Before recognition of significant non-recurring items  
確認重大非經常性項目前

<sup>#</sup> Excluding fair value gains  
不包括公平值收益



# Chairman's Statement 主席報告

Dear Shareholders,

On behalf of Ming Fai International Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group"), I am pleased to present the audited annual results of the Group for the year ended 31 December 2018.

The Gross Domestic Product ("GDP") growth of China was 6.6% in 2018, however, according to the 2018 Tourism Economic Operation Summary Report by the China Tourism Academy, China's travel economy experienced a higher growth rate than its GDP and the domestic tourism market continued to maintain rapid growth throughout the year 2018, with steady development of both outbound and inbound travel. The Group was favoured by this strong momentum.

Due to the strong tourism momentum, the Group's hospitality supplies business recorded a satisfactory performance in 2018. As a result, the Group recorded an overall revenue of approximately HK\$2,052.7 million (2017: approximately HK\$1,863.6 million), a 10.1% year-on-year increase compared to 2017. Gross profit for the year was approximately HK\$465.3 million (2017: approximately HK\$442.0 million), representing 5.3% increase compared to 2017. However, the Group suffered from higher raw materials and labour costs which caused a dip in gross profit margin. Gross profit margin decreased by 1.0 percentage point to 22.7% (2017: 23.7%).

各位股東：

本人謹代表明輝國際控股有限公司（「本公司」）及其附屬公司（統稱「本集團」），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經審核年度業績。

二零一八年中國國內生產總值（「國內生產總值」）增長為6.6%，然而，根據中國旅遊研究院發出的《二零一八年旅遊經濟運行盤點系列報告》，中國旅遊經濟增長率高於其國內生產總值，於二零一八年全國旅遊市場繼續保持急速增長，入出境市場平穩發展。本集團在此強勁勢頭下受惠。

隨著旅遊業勢頭強勁，本集團之酒店供應品業務於二零一八年取得滿意成績。本集團錄得整體收入約2,052.7百萬港元（二零一七年：約1,863.6百萬港元），較二零一七年同期上升10.1%。本年度之毛利約465.3百萬港元（二零一七年：約442.0百萬港元），較二零一七年上升5.3%。然而，本集團之原材料及勞工成本上升導致毛利率下降。毛利率下跌1.0個百分點至22.7%（二零一七年：23.7%）。



The profit attributable to owners of the Company stood at approximately HK\$100.2 million (2017: approximately HK\$108.9 million), a decrease of 8.0% compared to 2017. Based on the Group's financial performance in 2018, the board of directors (the "Directors") of the Company (the "Board") suggests a final dividend of HK5.0 cents per Share with an interim dividend of HK2.0 cents per Share, for a total annual dividend of HK7.0 cents per Share (2017: HK7.0 cents per Share), with a dividend payout ratio of 50.4% (2017: 46.4%).

For the hospitality supplies business, we have noted that both retail and corporate customers care more on the environmental impact of today's products than those they have consumed in the past. Therefore, we seize the trend in eco-friendly products and businesses, and have committed to its direction to capture such demand and opportunities. We gradually eliminate non-eco-friendly products and increase investments in eco-friendly hospitality supplies products as well as related research and development. We believe that eco-friendly hospitality supplies products will open us with new market opportunities.

Moreover, our Operating Supplies and Equipment ("OS&E") business was one of the revenue contributors of the Group. Its revenue was mainly contributed by hotel customers. In the coming year, the Group will continue to explore new hotel customers and setting strategies to increase re-order rates among existing hotel customers.

本公司擁有人應佔溢利約100.2百萬港元(二零一七年：約108.9百萬港元)，較二零一七年減少8.0%。根據本集團於二零一八年的財務表現，本公司董事(「董事」)會(「董事會」)建議派發末期股息每股5.0港仙，連同中期股息每股2.0港仙，年度股息總額為每股7.0港仙(二零一七年：每股7.0港仙)，派息率為50.4%(二零一七年：46.4%)。

在酒店供應品業務方面，現今零售及企業客戶相對過往更注重產品對環境之影響。因此，我們把握環保產品及業務之潮流，致力朝著掌握此等需求及機遇之方向。我們已逐步減少非環保產品，並增加於環保酒店供應品類產品及相關研發之投資。我們相信，環保酒店供應品類產品將為我們帶來全新之市場機遇。

此外，營運用品及設備(「營運用品及設備」)業務為本集團其中一項收入來源。其主要收入乃來自酒店客戶。於來年，本集團將繼續發掘新酒店客戶，同時制訂策略提高現有酒店客戶之補貨比率。



## CHAIRMAN'S STATEMENT (CONTINUED)

### 主席報告(續)

The Group also put great efforts in exploring new markets and enhancing cost efficiencies. In 2017, we acquired a new production plant in the Kingdom of Cambodia ("Cambodia") to capture market opportunities. It not only increased the production capacity of the whole Group, but also helped us to extend our products to clientele worldwide, especially in the Southeast Asia markets. The production plant in Cambodia mainly supplied our customers in Europe and North America in 2018. It positions us well to cater our potential growth in existing customers and new markets. The new production lines in Cambodia specialising in manufacturing products for airline operators and hotels has commenced production since last year.

Looking ahead, although we face the risk of a continuing China-U.S. trade war, the Group intends to capitalise all the opportunities we find and aim at generating greater returns for the shareholders of the Company (the "Shareholders").

On behalf of the Board, I am sincerely grateful to all Shareholders, business partners and our dedicated, cautious, and conscientious employees and management for their continued loyalty, professionalism and contributions to the Group.

**CHING Chi Fai**

*Chairman*

Hong Kong, 27 March 2019

本集團亦致力探索新市場及提升成本效益。於二零一七年，本集團收購位於柬埔寨王國(「柬埔寨」)之新生產廠房藉以把握市場機遇。其不僅提高整個集團之生產力，同時更有助本集團將產品伸延至全球，尤其是東南亞市場之客戶。位於柬埔寨之廠房於二零一八年主要供應位於歐洲及北美之客戶。其有利於本集團滿足現有客戶及新市場之潛在增長。設於柬埔寨專為航空營運商及酒店生產各樣產品之新生產線已於去年開始投產。

展望未來，儘管我們面對持續之中美貿易戰風險，本集團有意體現所找尋之一切機遇，並致力為本公司股東(「股東」)締造更高回報。

本人謹此代表董事會，為全體股東、業務夥伴和敬業且認真謹慎的僱員及管理層一直以來對本集團的持續忠誠、專業精神及貢獻，致以誠摯的謝意。

*主席*

**程志輝**

香港，二零一九年三月二十七日



## FINANCIAL REVIEW

For the year ended 31 December 2018, the total revenue recorded an increase of 10.1% to approximately HK\$2,052.7 million compared with approximately HK\$1,863.6 million in 2017. The hospitality supplies business, the core business of the Group, displayed satisfactory performance with a revenue of approximately HK\$1,892.9 million for the year under review, which represented 92.2% of the Group's total revenue. The revenue of OS&E business stood at approximately HK\$154.3 million, comprising 7.5% of the Group's total revenue.

Profit attributable to owners of the Company for the year ended 31 December 2018 was approximately HK\$100.2 million (for the year ended 31 December 2017: approximately HK\$108.9 million).

## 財務回顧

截至二零一八年十二月三十一日止年度，總收入錄得增幅10.1%至約2,052.7百萬港元（二零一七年：約1,863.6百萬港元）。於回顧年度內，酒店供應品業務（為本集團的核心業務）取得滿意業績，收入約1,892.9百萬港元，佔本集團總收入之92.2%。營運用品及設備業務收入約154.3百萬港元，佔本集團總收入之7.5%。

截至二零一八年十二月三十一日止年度，本公司擁有人應佔溢利約100.2百萬港元（截至二零一七年十二月三十一日止年度：約108.9百萬港元）。



## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### 管理層討論及分析(續)

Basic earnings per Share attributable to owners of the Company for the year ended 31 December 2018 was HK13.9 cents (for the year ended 31 December 2017: HK15.1 cents).

截至二零一八年十二月三十一日止年度，本公司擁有人應佔每股基本盈利為13.9港仙(截至二零一七年十二月三十一日止年度：15.1港仙)。

Gross profit margin decreased 1.0 percentage point to 22.7% from 23.7% in the prior year due to the growing of manufacturing and labour costs, and increasing competition of the hospitality supplies business.

毛利率由去年23.7%減少1.0個百分點至22.7%，此乃歸因於生產及勞工成本上漲，以及酒店供應品行業之競爭日趨激烈。

The Board has resolved to propose a final dividend of HK5.0 cents per Share for the year ended 31 December 2018. A sum of the interim and final dividends is expected to be HK7.0 cents per Share (2017: HK7.0 cents per Share). The proposed final dividend is subject to approval at the annual general meeting of the Company to be held on 29 May 2019 ("AGM").

董事會已議決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每股5.0港仙。預期中期及末期股息將合計為每股7.0港仙(二零一七年：每股7.0港仙)。建議末期股息須待將於二零一九年五月二十九日舉行的本公司股東週年大會(「股東週年大會」)上批准後方可作實。





Set out below are the consolidated key financial highlights of the Group for the year ended 31 December 2018:

本集團截至二零一八年十二月三十一日止年度的綜合主要財務摘要載列如下：

		Year ended 31 December 截至十二月三十一日止年度		
		2018 二零一八年 HK\$ million 百萬港元	2017 二零一七年 HK\$ million 百萬港元	% Change 變動百分比
Revenue	收入	2,052.7	1,863.6	10.1%
Gross profit	毛利	465.3	442.0	5.3%
Profit attributable to owners of the Company	本公司擁有人 應佔溢利	100.2	108.9	(8.0)%
Net asset value	資產淨值	1,090.5	1,060.4	2.8%
Basic earnings per Share attributable to owners of the Company (HK cents)	本公司擁有人應佔每股 基本盈利(港仙)	13.9	15.1	(7.9)%
Diluted earnings per Share attributable to owners of the Company (HK cents)	本公司擁有人應佔每股 攤薄盈利(港仙)	13.8	14.9	(7.4)%

## BUSINESS REVIEW

The global economic growth remained robust at 3.1% in 2018. However, as the international trade tensions continued, the manufacturing industry was weakened, some large developing economies experienced pressure in the financial markets. Despite this fact, the Group was still able to demonstrate a relatively optimistic performance on its annual results through prudent planning and execution over the past few years. During the year ended 31 December 2018, the Group's core hospitality supplies business maintained a satisfactory performance, while its OS&E business demonstrated a stable growth.

According to the World Bank, the global economic growth in 2018 was lower than in 2017. Corporations became less confident over the economic outlook due to the influence of trade protectionism, however, the depreciation of the Renminbi ("RMB") and the strong momentum of China's travel industry enabled the Group to result in a relative optimistic performance. The Group's total revenue increased by 10.1% to approximately HK\$2,052.7 million for the year ended 31 December 2018, compared with approximately HK\$1,863.6 million for the year ended 31 December 2017. The Group's hospitality supplies business grew 9.4% as compared to prior year.

## 業務回顧

於二零一八年全球經濟仍錄得3.1%的強健增長。然而，因國際貿易局勢持續緊張、製造業疲弱，部份大型發展中經濟體的金融市場亦備受壓力。儘管如此，本集團憑藉過往幾年制訂與落實的審慎規劃，其全年業績表現仍相對不俗。截至二零一八年十二月三十一日止年度，本集團核心酒店供應品業務維持令人滿意之表現，而其營運用品及設備業務穩定增長。

根據世界銀行的數據，二零一八年的全球經濟增長低於二零一七年。在貿易保護主義影響下，企業對經濟前景的信心亦有所削弱，然而，受惠於人民幣(「人民幣」)貶值及中國旅遊業之強勁勢頭，本集團取得相對不俗的成績。截至二零一八年十二月三十一日止年度，本集團之總收入約2,052.7百萬港元，較截至二零一七年十二月三十一日止年度約1,863.6百萬港元增長約10.1%。本集團之酒店供應品業務較去年增長9.4%。

Due to the growing of manufacturing and labour costs, and increasing competition of the hospitality supplies business sector, the Group's gross profit margin decreased by 1.0 percentage point to 22.7%, compared with 23.7% for the year ended 31 December 2017. Gross profit increased by 5.3% to approximately HK\$465.3 million, compared with approximately HK\$442.0 million for the year ended 31 December 2017; however, due to a saturated hospitality supplies business market, profit attributable to owners of the Company was approximately HK\$100.2 million, compared with approximately HK\$108.9 million for the year ended 31 December 2017, with a decrease of 8.0%.

As at the date of this report, all the PRC retail chain outlets under retail business of the Group were closed down due to the termination of all franchise contracts.

### Hospitality Supplies Business

According to the recent UN World Tourism Organization ("UNWTO") statistics, the total international tourist arrivals grew 6% in 2018, followed by Europe and Asia Pacific regions, the international arrivals for these two regions grew 6% respectively over the previous year. Supported by the growth of international tourist arrivals in 2018, the Group's hospitality supplies business contributed heavily to the Group's revenue, bringing in approximately HK\$1,892.9 million, an increase of 9.4% compared to approximately HK\$1,730.3 million for the year ended 31 December 2017. Gross profit from the hospitality supplies business was approximately HK\$420.9 million, a 4.3% increase compared to approximately HK\$403.4 million for the year ended 31 December 2017. The segment's gross profit margin decreased 1.1 percentage point to 22.2%, compared with 23.3% for the year ended 31 December 2017. This was mainly due to fierce competition within the global hospitality supplies sector and rising production costs.

Despite China's GDP growth decreased to 6.6% as compared to the prior year, the number of China's domestic tourists rose to 5.5 billion, representing an increase of 10.8% as compared to the prior year according to the 2018 Tourism Economic Operation Summary Report by the China Tourism Academy. Benefiting from the travel industry's strong momentum, the revenue of hospitality supplies business from the PRC increased 19.2% to approximately HK\$630.3 million for the year ended 31 December 2018 (for the year ended 31 December 2017: approximately HK\$528.8 million), representing 33.3% (2017: 30.6%) of the hospitality supplies business segment revenue. However, the revenue from Hong Kong decreased 2.4% to approximately HK\$280.9 million (for the year ended 31 December 2017: approximately HK\$287.8 million), accounted for 14.8% (2017: 16.6%) of the hospitality supplies business segment revenue.

鑑於生產及勞工成本上漲，以及酒店供應品業務行業之競爭日趨激烈，本集團之毛利率為22.7%，較截至二零一七年十二月三十一日止年度之23.7%減少1.0個百分點。毛利由截至二零一七年十二月三十一日止年度約442.0百萬港元上升5.3%至約465.3百萬港元；然而，礙於酒店供應品業務市場飽和，本公司擁有人應佔溢利約100.2百萬港元，較截至二零一七年十二月三十一日止年度約108.9百萬港元下跌8.0%。

於本報告日期，本集團零售業務之所有中國零售連鎖店均由於特許經營合約終止而結束。

### 酒店供應品業務

根據聯合國世界旅遊組織(「聯合國世界旅遊組織」)的最新統計數據，二零一八年全球國際旅客人數增長6%，其次為歐洲及亞太地區，此兩個地區之國際旅客人數分別較去年上升6%。在二零一八年國際旅客人數增長之支持下，本集團酒店供應品業務為本集團帶來約1,892.9百萬港元之龐大收入，較截至二零一七年十二月三十一日止年度約1,730.3百萬港元增長約9.4%。酒店供應品業務之毛利約420.9百萬港元，較截至二零一七年十二月三十一日止年度約403.4百萬港元增長約4.3%。分類毛利率較截至二零一七年十二月三十一日止年度之23.3%下跌1.1個百分點至22.2%。此乃主要由於全球酒店供應品行業競爭熾熱以及生產成本上漲所致。

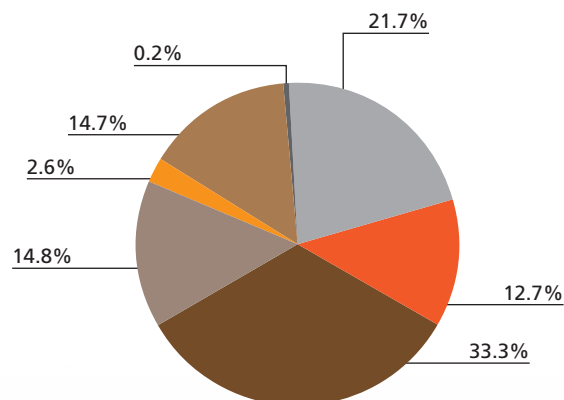
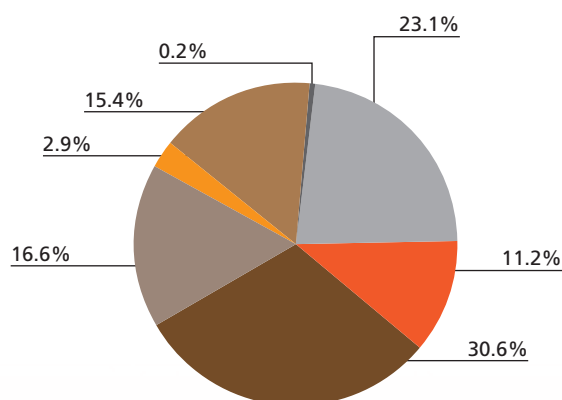
儘管中國國內生產總值增長較去年下降至6.6%，根據中國旅遊研究院發出的《二零一八年旅遊經濟運行盤點系列報告》，全國國內遊客上升至55億人次，較去年增長10.8%。受惠於旅遊業強勁勢頭，截至二零一八年十二月三十一日止年度，來自中國之酒店供應品業務收入上升19.2%至約630.3百萬港元(截至二零一七年十二月三十一日止年度：約528.8百萬港元)，佔酒店供應品業務分類收入之33.3%(二零一七年：30.6%)。然而，來自香港之收入下跌2.4%至約280.9百萬港元(截至二零一七年十二月三十一日止年度：約287.8百萬港元)，佔酒店供應品業務分類收入之14.8%(二零一七年：16.6%)。

For the year ended 31 December 2018, the North America market recorded a revenue of approximately HK\$411.3 million (for the year ended 31 December 2017: approximately HK\$399.7 million), accounted for 21.7% (2017: 23.1%) of the hospitality supplies business segment revenue. For the European market, it registered a revenue of approximately HK\$240.5 million (for the year ended 31 December 2017: approximately HK\$193.9 million) and 12.7% (2017: 11.2%) of the hospitality supplies business segment revenue. The other Asia Pacific regions recorded a revenue of approximately HK\$277.4 million (for the year ended 31 December 2017: approximately HK\$267.0 million), which comprises 14.7% (2017: 15.4%) of the hospitality supplies business segment revenue. For Australia market, the revenue was approximately HK\$48.6 million for the year under review, (for the year ended 31 December 2017: approximately HK\$49.9 million), representing 2.6% (2017: 2.9%) of the hospitality supplies business segment revenue.

截至二零一八年十二月三十一日止年度，北美市場錄得約411.3百萬港元(截至二零一七年十二月三十一日止年度：約399.7百萬港元)之收入，佔酒店供應品業務分類收入之21.7%(二零一七年：23.1%)。歐洲市場方面，其錄得約240.5百萬港元(截至二零一七年十二月三十一日止年度：約193.9百萬港元)之收入，佔酒店供應品業務分類收入之12.7%(二零一七年：11.2%)。至於其他亞太地區錄得約277.4百萬港元(截至二零一七年十二月三十一日止年度：約267.0百萬港元)之收入，佔酒店供應品業務分類收入之14.7%(二零一七年：15.4%)。澳洲市場方面，其於回顧年度錄得約48.6百萬港元(截至二零一七年十二月三十一日止年度：約49.9百萬港元)之收入，佔酒店供應品業務分類收入之2.6%(二零一七年：2.9%)。

### Hospitality supplies business segment revenue by geographical location

### 按地區劃分之酒店供應品業務分類收入



2017  
二零一七年

2018  
二零一八年

- The PRC 中國
- Hong Kong 香港
- North America 北美
- Europe 歐洲

- Australia 澳洲
- Other Asia Pacific regions 其他亞太地區
- Others 其他

In order to sustain the growth of its hospitality supplies business, the Group has gradually expanded its production scale in Cambodia since last year. The Group believes that the new production lines in Cambodia will reduce the production costs and is beneficial to the Group's plan in enlarging its market share in Cambodia and other Southeast Asian countries nearby, therefore, the Group will extend the production lines to its core hospitality supplies products in Cambodia. The production lines specialising in manufacturing of products for airline operators and hotels has commenced operation since last year. Leveraging opportunities brought to the Group's business under the China-U.S. trade war, the Group has escalated its production expansion in Cambodia.

### Operating Supplies and Equipment Business

Cultivated since the second half of 2014, the OS&E business achieved a growth of approximately HK\$37.0 million in revenue for the year ended 31 December 2018, representing an increase of 31.6% compared with approximately HK\$117.3 million in revenue for the year ended 31 December 2017, and comprising 7.5% (2017: 6.3%) to the Group's total revenue.

Supported by the rising number of new hotel projects in China, the gross profit from the OS&E business increased by 31.0% to approximately HK\$36.4 million for the year ended 31 December 2018, compared to approximately HK\$27.8 million for the year ended 31 December 2017. The segment's gross profit margin decreased 0.1 percentage point to 23.6% for the year ended 31 December 2018 (for the year ended 31 December 2017: 23.7%).

The OS&E business revenue from the PRC increased 42.0% to approximately HK\$104.5 million for the year ended 31 December 2018 (for the year ended 31 December 2017: approximately HK\$73.6 million), representing 67.8% (2017: 62.8%) of the OS&E business segment revenue.

為維持酒店供應品業務之增長，本集團自去年以來逐步擴充其於柬埔寨之生產規模。本集團相信，設於柬埔寨的新生產線有助降低生產成本及有利於本集團擴大其於柬埔寨及其他鄰近東南亞國家市場份額之計劃，因此，本集團將於柬埔寨擴充其核心酒店供應品類產品之生產線。專為航空營運商及酒店生產各樣產品而設之生產線已於去年開始投產。藉中美貿易戰帶來本集團之業務機會，本集團已加快其於柬埔寨之生產擴展。

### 營運用品及設備業務

營運用品及設備業務自二零一四年下半年以來持續增長，於截至二零一八年十二月三十一日止年度之收入增長約37.0百萬港元，較截至二零一七年十二月三十一日止年度收入約117.3百萬港元上升31.6%，佔本集團總收入之7.5%（二零一七年：6.3%）。

受惠於中國新酒店項目數目增加，營運用品及設備業務之毛利由截至二零一七年十二月三十一日止年度約27.8百萬港元增加約31.0%至截至二零一八年十二月三十一日止年度約36.4百萬港元。分類毛利率於截至二零一八年十二月三十一日止年度下跌0.1個百分點至23.6%（截至二零一七年十二月三十一日止年度：23.7%）。

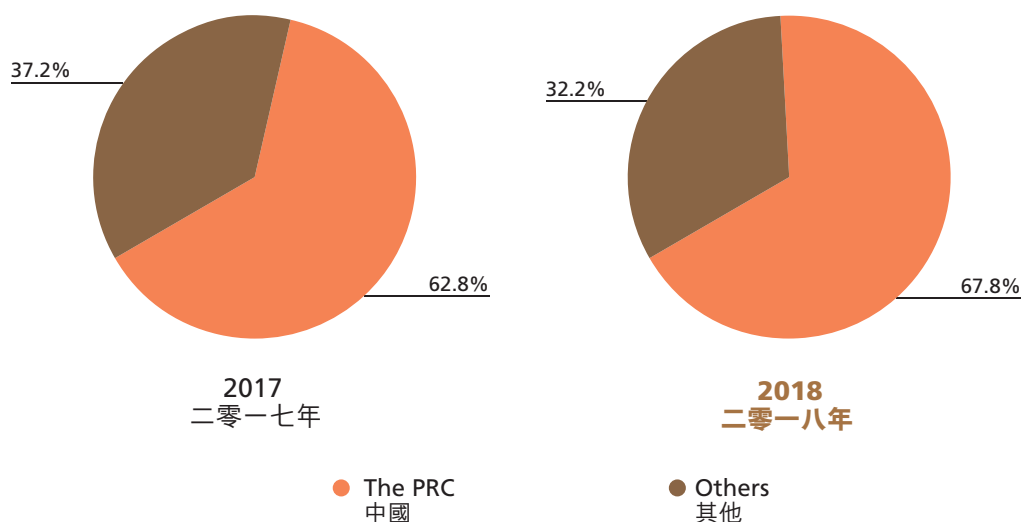
截至二零一八年十二月三十一日止年度，來自中國之營運用品及設備業務收入上升42.0%至約104.5百萬港元（截至二零一七年十二月三十一日止年度：約73.6百萬港元），佔營運用品及設備業務分類收入之67.8%（二零一七年：62.8%）。

For the year ended 31 December 2018, the other markets recorded a revenue of approximately HK\$49.8 million (for the year ended 31 December 2017: approximately HK\$43.6 million), accounted for 32.2% (2017: 37.2%) of the OS&E business segment revenue.

截至二零一八年十二月三十一日止年度，其他市場錄得約49.8百萬港元（截至二零一七年十二月三十一日止年度：約43.6百萬港元）之收入，佔營運用品及設備業務分類收入之32.2%（二零一七年：37.2%）。

### OS&E business segment revenue by geographical location

### 按地區劃分之營運用品及設備業務分類收入



Although OS&E business is still accounting for a relatively small proportion of the Group's total revenue, the Group believed that it will benefit to the Group's total revenue through continuously increasing its customer base among those newly established high and mid-level hotels in China.

儘管營運用品及設備業務佔本集團總收入之比重仍相對較小，本集團相信透過此業務於中國高檔及中檔酒店的客戶基礎持續擴展，將對本集團總收入帶來裨益。

Moreover, the Group realised that the frequency of re-order by customers is also essential to maintain the growth of OS&E business, therefore, the Group keeps on building a long-term cooperative relationship with its customers by providing them vertically-integrated services on hotel products purchasing.

此外，本集團注意到客戶補貨之頻率對維持營運用品及設備業務之增長亦為重要，因此，本集團藉著向客戶提供一站式酒店用品採購服務，不斷與客戶建立長遠的合作關係。



## PROSPECTS

According to a recent report from UNWTO, international arrivals are forecasted to increase by 5% to 6% in 2019. Stable fuel prices, better air connectivity, and strong outbound traffic from emerging markets, will all drive an increase in international tourism in 2019.

Looking forward, the Group will focus on its hospitality supplies and OS&E businesses in any potential markets. The Group will continue to put effort in developing the markets in Southeast Asian countries, including Cambodia, Thailand, Malaysia and Singapore.

The Group's cautious expansion of its production in Cambodia will bring enhancement of manufacturing efficiencies and the reduction of labour costs. The Group believes this will strengthen its competitiveness and bring growth to its gross profit. Most importantly, Cambodia will serve as the gateway for the Group's expansion plans, including but not limited to Southeast Asia markets.

With the increasing "eco-friendly" trend in today's society, the Group will pay more efforts and resources on "eco-friendly" hospitality supplies products as well as the related research and development, and capitalised on this growing demand through increasing its investment in eco-friendly products.

Finally, the Group will continue to capture more strategic opportunities, and to expand its market share in hospitality supplies and OS&E businesses. The Group will continue to explore different potential new business streams to increase its profit margin and profit attributable to the owners of the Company.

## DISCLOSEABLE TRANSACTION

On 21 October 2017, a wholly-owned subsidiary of the Company, Ming Fai Holdings Limited, entered into (i) a share sale and purchase agreement and (ii) a land and building sale and purchase agreement with independent third parties in relation to (i) the acquisition of the entire issued share capital in, and the shareholders' loan due by, the target company, which is registered under the laws of Cambodia (the "Share Acquisition"); and (ii) the acquisition of a land parcel and the properties on that land parcel located in Cambodia (the "Land Acquisition"), respectively. The consideration for the Share Acquisition and the Land Acquisition is US\$3,500,000 and US\$3,500,000 respectively.

Details of the Share Acquisition and the Land Acquisition are set out in the announcements of the Company dated 22 October 2017 and 19 January 2018. The Share Acquisition and the Land Acquisition were completed on 27 April 2018.

## 前景

根據聯合國世界旅遊組織近期之報告預測，二零一九年國際旅客人數將上升5%至6%。燃油價格穩定、航空交通改善，以及新興市場出境人次強勁，均帶動二零一九年國際旅遊之增長。

展望未來，本集團將專注於任何潛在市場之酒店供應品業務及營運用品及設備業務。本集團將繼續致力發展東南亞國家之市場，包括柬埔寨、泰國、馬來西亞及新加坡。

本集團審慎擴展其設於柬埔寨之生產將帶來生產效益提升及降低勞工成本。本集團相信此將加強其競爭力及帶來其毛利增長。更重要的是柬埔寨將為本集團擴展計劃(包括但不限於東南亞市場)之門戶。

隨著現今社會日益注重環保，本集團將致力投放資源於環保酒店供應品類產品以及相關之研發，並藉著增加其環保產品投資，從而於此增長需求中獲益。

最後，本集團將繼續掌握更多策略性機遇，並擴大其於酒店供應品業務及營運用品及設備業務之市場份額。本集團將繼續開拓不同潛在新業務以提升其利潤率及本公司擁有人應佔溢利。

## 須予披露交易

於二零一七年十月二十一日，本公司之全資附屬公司明輝控股有限公司與獨立第三方訂立(i)一份股份買賣協議及(ii)一份土地及樓宇買賣協議，分別有關(i)收購根據柬埔寨法律註冊的目標公司全部已發行股本及其應付的股東貸款(「股份收購事項」)；及(ii)收購一幅位於柬埔寨的地塊及位於該地塊的物業(「土地收購事項」)。股份收購事項及土地收購事項的代價分別為3,500,000美元及3,500,000美元。

股份收購事項及土地收購事項之詳情載於本公司日期為二零一七年十月二十二日及二零一八年一月十九日的公告。股份收購事項及土地收購事項已於二零一八年四月二十七日完成。

## LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2018, the Group's cash and cash equivalents amounted to approximately HK\$272.5 million (as at 31 December 2017: approximately HK\$367.8 million).

In September and October 2015, the Group obtained two Hong Kong dollars ("HK\$") denominated mortgage loans and certain banking facilities, which bore interest at the higher of 1.7% per annum over one-month Hong Kong Inter-Bank Offered Rate ("HIBOR") or the cost to the bank of funding the facilities, for acquiring certain properties in Hong Kong. As at 31 December 2018, the outstanding bank borrowings of these mortgage loans and banking facilities amounted to approximately HK\$14.6 million (as at 31 December 2017: approximately HK\$16.5 million). These properties were pledged against the mortgage loans and certain banking facilities and included in property, plant and equipment in the consolidated financial statements of the Group, with net carrying values of approximately HK\$50.1 million as at 31 December 2018 (as at 31 December 2017: approximately HK\$52.4 million).

In October 2015, the Group obtained a HK\$ denominated loan from a banking facility which bore interest at 1.7% per annum over one-month HIBOR for its working capital. In January 2018, the Group further drew down HK\$20 million from this banking facility for its working capital. As at 31 December 2018, the outstanding bank borrowings of this facility amounted to approximately HK\$20.0 million (as at 31 December 2017: approximately HK\$5.7 million). This banking facility was secured by property, plant and equipment in the consolidated financial statements of the Group, with net carrying values of approximately HK\$3.4 million as at 31 December 2018 (as at 31 December 2017: approximately HK\$3.6 million).

Details of the bank borrowings are set out in Note 21 to the consolidated financial statements.

The gearing ratio as at 31 December 2018, calculated on the basis of bank borrowings over total equity, was 3.2% as compared with 2.1% as at 31 December 2017.

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to RMB. The Group currently does not deploy a foreign currency hedging policy.

## 流動資金及財務資源

於二零一八年十二月三十一日，本集團的現金及現金等值項目約272.5百萬港元(於二零一七年十二月三十一日：約367.8百萬港元)。

於二零一五年九月及十月，本集團就收購香港若干物業取得兩項以港元(「港元」)計值之按揭貸款及若干銀行融資，按一個月香港銀行同業拆息率(「香港銀行同業拆息率」)加年利率1.7厘或銀行撥付融資成本之較高者計息。於二零一八年十二月三十一日，此等按揭貸款及銀行融資之未償還借貸約14.6百萬港元(於二零一七年十二月三十一日：約16.5百萬港元)。此等物業作為按揭貸款及若干銀行融資之抵押，並計入本集團綜合財務報表之物業、廠房及設備，於二零一八年十二月三十一日之賬面淨值約50.1百萬港元(於二零一七年十二月三十一日：約52.4百萬港元)。

於二零一五年十月，本集團就其營運資金從一項銀行融資取得以港元計值之貸款，按一個月香港銀行同業拆息率加年利率1.7厘計息。於二零一八年一月，本集團就其營運資金從此項銀行融資進一步提取20百萬港元貸款。於二零一八年十二月三十一日，此銀行融資之未償還借貸約20.0百萬港元(於二零一七年十二月三十一日：約5.7百萬港元)。此銀行融資以本集團之綜合財務報表之物業、廠房及設備作抵押，於二零一八年十二月三十一日之賬面淨值約3.4百萬港元(於二零一七年十二月三十一日：約3.6百萬港元)。

銀行借貸詳情載於綜合財務報表附註21。

於二零一八年十二月三十一日之資產負債比率為3.2%，計算基準為銀行借貸除總權益，而於二零一七年十二月三十一日之資產負債比率為2.1%。

本集團面對以人民幣為主的各種貨幣帶來之外匯風險。本集團目前並無制定外匯對沖政策。

The Group primarily sourced its raw materials in the PRC. The related currency exposure with respect to RMB is managed through increasing sales denominated in the same currency.

With the current level of cash and cash equivalents as well as available banking facilities, the Group's liquidity position remains strong and has sufficient financial resources to meet its current working capital requirement and future expansion.

## CHARGES ON GROUP ASSETS

As at 31 December 2018, certain subsidiaries of the Company pledged assets with aggregate carrying value of approximately HK\$53.6 million (as at 31 December 2017: approximately HK\$56.1 million) to secure drawn bank borrowings.

## CAPITAL COMMITMENTS, OPERATING LEASE COMMITMENTS AND CONTINGENT LIABILITIES

Details of the capital commitments and operating lease commitments are set out in Note 34 to the consolidated financial statements. The Group has no material contingent liabilities as at 31 December 2018.

## EMPLOYEES

As at 31 December 2018, the total number of employees of the Group was approximately 3,800 and the employee benefit expenses including Directors' emoluments were approximately HK\$437.9 million. The Group offers a comprehensive remuneration package which is reviewed by management on a regular basis. The Group also invests in continuing education and training programs for its management staff and other employees with a view to constantly upgrading their skills and knowledge.

The Group values employees as our most valuable assets and believes effective employee engagement is an integral part of business success. In this context, effective communication with employees at all levels is highly valued with the ultimate goal to enhance the efficiency in providing quality service to the customers. The Group also has "Commendation Annual Award Scheme" to motivate its employees and recognise their outstanding performance.

本集團主要於中國採購其原材料。有關人民幣之貨幣風險乃透過增加以相同貨幣計值之銷售額進行管理。

按照現有現金及現金等值項目以及可動用銀行融資的水平，本集團的流動資金狀況仍然保持強健，並具備充足財務資源應付其現時營運資金需求及未來擴充所需。

## 集團資產抵押

於二零一八年十二月三十一日，本公司若干附屬公司抵押總賬面值約53.6百萬港元(於二零一七年十二月三十一日：約56.1百萬港元)之資產，作為已提取銀行借貸之擔保。

## 資本承擔、營運租賃承擔及或然負債

資本承擔及營運租賃承擔之詳情載於綜合財務報表附註34。於二零一八年十二月三十一日，本集團概無重大或然負債。

## 僱員

於二零一八年十二月三十一日，本集團的僱員總數約為3,800名，僱員福利開支(包括董事酬金)約437.9百萬港元。本集團提供完善的薪酬待遇，並由管理層定期作出檢討。本集團亦撥資為其管理層人員及其他僱員提供持續教育和培訓課程，旨在不斷提升彼等的技能和知識水平。

本集團視僱員為最寶貴的資產，並深信提升僱員的歸屬感乃成功經營之核心。為此本集團十分重視與各級僱員保持有效溝通，務求最終能更有效地向客戶提供優質服務。本集團亦籌辦了「年度嘉勉狀計劃」以激勵員工士氣及表彰彼等突出的工作表現。

## EXECUTIVE DIRECTORS

**Mr. CHING Chi Fai**, aged 57, is an Executive Director and Chairman of the Company. He is the chairman of the Nomination Committee, the Executive Committee and the Investment Committee of the Company, a member of the Remuneration Committee of the Company and a director of certain subsidiaries of the Company. Mr. CHING Chi Fai is also a founder of the Group. He has been responsible for sales and marketing, production of our products and the formulation of the overall corporate direction and business strategies of our Group. Mr. CHING Chi Fai has over 20 years of experience in the hospitality supplies industry. Mr. CHING Chi Keung is a brother of Mr. CHING Chi Fai and Mr. CHING Tsun Wah is the son of Mr. CHING Chi Fai.

**Mr. CHING Chi Keung**, aged 54, is an Executive Director of the Company. He is a member of the Executive Committee of the Company and a director of certain subsidiaries of the Company. Mr. CHING Chi Keung is also a founder of the Group. He has been responsible for human resources and administrative matters. Mr. CHING Chi Keung has over 20 years of experience in the hospitality supplies industry. Mr. CHING Chi Fai is a brother of Mr. CHING Chi Keung and Mr. CHING Tsun Wah is a nephew of Mr. CHING Chi Keung.

**Mr. LIU Zigang**, aged 53, is an Executive Director of the Company. He is a member of the Executive Committee of the Company and a director of certain subsidiaries of the Company. Mr. LIU has been responsible for sales and marketing since he joined our Group in May 1995. He oversees direct sales in the Greater China Region as well as the Southeast Asia markets. Mr. LIU has over 20 years of experience in the hospitality supplies industry. He obtained a Master degree of Business Administration in Centenary College of New Jersey, USA in 2011. Mr. LIU also holds a diploma from Shenzhen University, the PRC and completed a course on International Business Management of Tsinghua University organised by Yangtze Delta Region Institute of Tsinghua University, the PRC.

**Mr. CHING Tsun Wah**, aged 37, is an Executive Director of the Company and a member of the Executive Committee of the Company. He is currently the business development director of the Group and a director of certain subsidiaries of the Company. He graduated in Seneca College Toronto of Canada in marketing administration in 2003. He joined the Group since 2006 to assist in production and has been actively involved in both the business and product development of the Group. Mr. CHING Tsun Wah has extensive experience in the hospitality supplies industry. Mr. CHING Tsun Wah is the son of Mr. CHING Chi Fai and a nephew of Mr. CHING Chi Keung.

## 執行董事

**程志輝先生**，57歲，為本公司之執行董事兼主席。彼為本公司提名委員會、執行委員會及投資委員會主席、本公司薪酬委員會成員及本公司若干附屬公司之董事。程志輝先生亦為本集團之始創人。彼負責銷售及市場推廣、產品生產以及制定企業整體方向及本集團業務策略。程志輝先生於酒店供應品行業擁有逾20年經驗。程志強先生為程志輝先生之胞弟及程俊華先生為程志輝先生之兒子。

**程志強先生**，54歲，為本公司之執行董事。彼為本公司執行委員會成員及本公司若干附屬公司之董事。程志強先生亦為本集團之始創人。彼負責人力資源及行政事務。程志強先生於酒店供應品行業擁有逾20年經驗。程志輝先生為程志強先生之胞兄及程俊華先生為程志強先生之侄子。

**劉子剛先生**，53歲，為本公司之執行董事。彼為本公司執行委員會成員及本公司若干附屬公司之董事。自彼於一九九五年五月加盟本集團以來，劉先生一直負責銷售及市場推廣工作。彼負責監督大中華區以及東南亞市場的直銷業務。劉先生於酒店供應品行業擁有逾20年經驗。彼於二零一一年取得美國Centenary College of New Jersey頒授之工商管理碩士學位。劉先生亦持有中國深圳大學的文憑及完成由中國清華長三角研究院舉辦的清華大學國際工商管理課程。

**程俊華先生**，37歲，為本公司之執行董事及本公司之執行委員會成員。彼現為本集團之業務發展部總監及本公司若干附屬公司之董事。彼於二零零三年畢業於加拿大多倫多聖力嘉學院之市場管理學系。彼於二零零六年加盟本集團以協助生產，並積極參與本集團的業務及產品開發。程俊華先生於酒店供應品行業擁有豐富經驗。程俊華先生為程志輝先生之兒子及程志強先生之侄子。



**Mr. KEUNG Kwok Hung**, aged 46, is an Executive Director of the Company, the Chief Financial Officer and the Company Secretary of the Company. He is also a member of the Executive Committee and the Investment Committee of the Company and a director of a subsidiary of the Company. Mr. KEUNG joined the Group in July 2010 and he is responsible for finance and accounting matters. He has over 20 years of experience in accounting and financial management. He holds a Bachelor degree in Accountancy from the Hong Kong Polytechnic University and is a fellow member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants. Mr. KEUNG is an independent non-executive director of Milestone Builder Holdings Limited, the shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited.

### NON-EXECUTIVE DIRECTOR

**Ms. CHAN Yim Ching**, aged 51, is a Non-Executive Director of the Company and a director of certain subsidiaries of the Company. Ms. CHAN was responsible for sales and marketing when she joined our Group in 1995 and she oversaw export sales to overseas markets when she acted as an Executive Director of the Company from 2007 to 2015. Ms. CHAN has over 20 years of experience in the hospitality supplies industry. Prior to joining our Group, she worked in several companies engaged in hospitality supplies business.

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. HUNG Kam Hung Allan**, aged 64, is an Independent Non-Executive Director of the Company since 2007. He is the chairman of the Remuneration Committee and a member of the Audit Committee of the Company. Mr. HUNG has over 20 years of senior management experience in managing hotel operations and hotel investments. In 1992, he was a deputy managing director of Top Glory International Holdings Limited ("Top Glory"), a former Hong Kong listed company which was privatised in August 2003 and acted as its executive director from July 1997 to January 2001. During the period with Top Glory, Mr. HUNG assisted Top Glory to develop and manage hotels/resorts. He resigned from such positions due to the restructuring of Top Glory (by its holding company). In 2005, Mr. HUNG started a hotel development consultancy service to work with various hotel developers and prestigious hotel chains on design and project management.

**姜國雄先生**，46歲，為本公司之執行董事、本公司之首席財務官及公司秘書。彼亦為本公司執行委員會及投資委員會成員及本公司一間附屬公司之董事。姜先生於二零一零年七月加盟本集團並負責財務及會計事務。彼擁有逾20年會計及財務管理經驗。彼持有香港理工大學授予之會計學學士學位，並為香港會計師公會及英國特許公認會計師公會之資深會員。姜先生為進階發展集團有限公司(其股份於香港聯合交易所有限公司主板上市)之獨立非執行董事。

### 非執行董事

**陳艷清女士**，51歲，為本公司之非執行董事及本公司若干附屬公司之董事。陳女士於一九九五年加盟本集團時負責銷售及市場推廣工作，且彼於二零零七年至二零一五年曾擔任本公司之執行董事，監督出口銷售至海外市場。陳女士於酒店供應品行業擁有逾20年經驗。在加盟本集團前，彼曾任職數間從事酒店供應品業務的公司。

### 獨立非執行董事

**孔錦洪先生**，64歲，自二零零七年為本公司之獨立非執行董事。彼為本公司薪酬委員會主席及審核委員會成員。孔先生於酒店營運及酒店投資方面擁有逾20年的資深管理經驗。彼於一九九二年為鵬利國際集團有限公司(「鵬利」)(前香港上市公司，其於二零零三年八月私有化)之副董事總經理，並於一九九七年七月至二零零一年一月為其執行董事。在鵬利任職期間，孔先生協助鵬利發展及管理酒店/度假村。彼因鵬利之控股公司重組而辭任上述職位。於二零零五年，孔先生開始酒店發展顧問服務，於設計及項目管理方面與多個酒店發展商及知名酒店連鎖集團合作。



**Mr. MA Chun Fung Horace**, aged 48, is an Independent Non-Executive Director of the Company since 2007. He is the chairman of the Audit Committee and a member of each of the Nomination Committee, the Remuneration Committee and the Investment Committee of the Company. Mr. MA is a seasoned accountant with extensive experience in risk and internal control. Mr. MA is a Certified Public Accountant (Practicing) registered with the Hong Kong Institute of Certified Public Accountants, a fellow member of the Association of Chartered Certified Accountants, a Certified Internal Auditor registered with the Institute of Internal Auditors and holder of Certification of Control Self-Assessment of the Institute of Internal Auditors. Mr. MA also holds various degrees including Master of Science and Bachelor of Business Administration conferred by The Chinese University of Hong Kong and Bachelor of Laws conferred by the University of London.

**Mr. NG Bo Kwong**, aged 62, is an Independent Non-Executive Director of the Company since 13 June 2013. He was a Non-Executive Director of the Company from 9 July 2007 to 31 December 2012. He is a member of the Audit Committee and the Remuneration Committee of the Company. Mr. NG has over 20 years of management experience in different industries (including the hospitality supplies industry). He is the chairman of the International Quality Service Management Promotion Association (國際優質服務管理促進會) and a full member of the Hong Kong Management Association (香港管理專業協會). He had assisted a number of medium to large sized enterprises in formulating company development strategies and establishing management systems in the areas of sales and marketing, human resources and production management. Mr. NG is also a guest lecturer of Master of Business Administration programs and senior executive development programs of several universities. He had been a director of a number of non-listed companies and is currently a director of Advance Management Consultants Limited and Guangzhou Advance Cultural Events Limited. He received a Master degree of Business Administration from the University of East Asia and a Doctor degree of Philosophy in Business Administration from Tarlac State University.

馬振峰先生，48歲，自二零零七年為本公司之獨立非執行董事。彼為本公司審核委員會主席，亦為本公司提名委員會、薪酬委員會及投資委員會成員。馬先生為一名經驗豐富之會計師並於風險及內部監控方面擁有豐富經驗。馬先生為香港會計師公會註冊會計師(執業)、英國特許公認會計師公會資深會員、內部核數師公會之註冊內部核數師及控制自我評價專業認證持有人。馬先生亦持有多个大學學位，包括香港中文大學所頒授的理學碩士學位及工商管理學士學位，以及倫敦大學所頒授的法律學士學位。

吳保光先生，62歲，自二零一三年六月十三日起為本公司之獨立非執行董事。彼自二零零七年七月九日至二零一二年十二月三十一日為本公司之非執行董事。彼為本公司審核委員會及薪酬委員會成員。吳先生於不同行業(包括酒店供應品行業)擁有逾20年管理經驗。彼為國際優質服務管理促進會之會長，並為香港管理專業協會的正式會員。彼協助多間中型至大型企業制定公司發展策略，並於銷售及市場推廣、人力資源及生產管理等領域建立管理制度。吳先生亦兼任數間大學工商管理碩士課程及高級管理人員培訓課程的客席講師。彼曾擔任多間非上市公司的董事，現為艾雲斯管理顧問有限公司及廣州艾雲斯文化活動策劃有限公司的董事。彼持有東亞大學工商管理碩士學位及太歷國立大學工商管理哲學博士學位。

**Mr. SUN Yung Tson Eric**, aged 42, is an Independent Non-Executive Director of the Company since 2016. He is also a member of the Audit Committee, the Nomination Committee and the Remuneration Committee of the Company. He graduated with Bachelor degree of Commerce in the University of New South Wales, Australia in July 2000. He has been the managing director of Kin Hip Metal & Plastic Factory, Limited and KINOX Trading Limited since 2006 whom succeeded the family business from his father Mr. SUN Kai Lit Cliff, a former Independent Non-Executive Director of the Company. "KINOX" is a famous international quality manufacturer of fashionable cookware, houseware, insulated beverage servers, grills and electrical appliances in household and catering industries, especially in European and American countries. Mr. SUN Yung Tson Eric has been involved in investing KINOX products and pioneering KINOX brand exposure in emerging markets. Mr. SUN Yung Tson Eric is the chairman of a brand joint venture named Hong Kong Quality Brands Alliance Limited (HKQBA) (香港名牌薈萃有限公司) where he devotes his utmost in joining force with the second and the third manufacturers' generations with the aims of enhancing local brand exposure. Mr. SUN Yung Tson Eric is the honorary and founding president of Youth Executive Council (青年委員會) of Federation of Hong Kong Industries (香港工業總會) ("FHKI") which aimed to facilitate communication platform for expertise exchange among young industrialists as well as the founding Vice Chairman and Secretary General of Hong Kong O2O E-Commerce Federation (香港O2O電子商務總會) stimulating digitalisation and O2O business development of Hong Kong Industries. His effort on social responsibility also dedicates to his positions of Vice Chairman of FHKI Hong Kong Q-Mark Council (香港優質標誌局) and committee member of FHKI Pearl River Delta Council (珠三角工業協會). Mr. SUN Yung Tson Eric is the Chairman of Hong Kong Plastics Manufacturers Association Limited (香港塑膠業廠商會有限公司) and the Vice Chairman of The Hong Kong Exporters' Association (香港出口商會). Mr. SUN Yung Tson Eric practices active roles in different public services in both Hong Kong and China.

## SENIOR MANAGEMENT

**Ms. CHAN Yick Ning**, aged 56, is our research and development director of the Group and a director of certain subsidiaries of the Company. Ms. CHAN is responsible for overseeing various aspects of our chemical production such as chemical production quality control, research and development of product formulations, the operations of the chemical and microbiological laboratory, the performance of the senior chemists and technicians, quality control and research and development. Ms. CHAN is also the vice chairman of Compliance Committee of the Group to provide the technical expertise in vary aspects to ensure the regulatory compliance and product safety. Ms. CHAN joined our Group in 2005 and has over 20 years of experience in cosmetics production and laboratory operation. Ms. CHAN was awarded a Master of Science degree from University of Warwick in 2013 and a Diploma in Management Studies jointly by The Hong Kong Polytechnic University and Hong Kong Management Association in 1992. Ms. CHAN is also a founder member and the President of Hong Kong Society of Cosmetic Chemists, which is in affiliate member of The International Federation of Societies of Cosmetic Chemists.

**孫榮聰先生**，42歲，自二零一六年為本公司之獨立非執行董事。彼亦為本公司審核委員會、提名委員會及薪酬委員會成員。彼於二零零零年七月於澳洲新南威爾斯大學畢業及獲頒商學學士學位。彼從其父親孫啟烈先生(本公司之前獨立非執行董事)繼承家族企業，自二零零六年起擔任建業五金塑膠廠有限公司及KINOX Trading Limited之董事總經理。「KINOX」涉足家居及餐飲行業，乃國際著名之優質時尚廚具、家居用品、保溫及保冷飲用壺、燒烤爐及電器製造商，尤其專注於歐洲及美洲國家。孫榮聰先生一直參與投資KINOX產品及提升KINOX品牌於新興市場之知名度。孫榮聰先生為品牌聯營企業香港名牌薈萃有限公司之主席，致力與第二及第三代製造商通力合作，旨在提高本土品牌之知名度。孫榮聰先生為香港工業總會(「香港工業總會」)青年委員會(旨在為年輕工業家提供技術交流平台)之榮譽及創會主席以及香港O2O電子商務總會(旨在推動香港工業的數碼化及O2O業務發展)之創會副主席兼秘書長。彼專注於社會責任，同時擔任香港工業總會香港優質標誌局副主席及香港工業總會珠三角工業協會執委。孫榮聰先生為香港塑膠業廠商會有限公司之主席及香港出口商會之副主席。孫榮聰先生積極參與香港及中國各項公共事務。

## 高級管理人員

**陳亦寧女士**，56歲，為本集團之研發部總監及本公司若干附屬公司之董事。陳女士主管本集團之各類化工生產事務，如化工生產之質量監控、配製產品之研究及開發、日化及微生物實驗室之運作、高級化學工程師及技術員之表現、質量監控及研究與開發。陳女士亦為本集團法規委員會之副主席，於不同範疇提供技術專業知識以確保遵守法規及產品的安全。陳女士於二零零五年加盟本集團及於化妝品生產及實驗室運作方面擁有逾20年經驗。陳女士於二零一三年獲得University of Warwick頒發理學碩士及於一九九二年獲香港理工大學與香港管理專業協會聯合頒發管理學文憑。陳女士亦為附屬國際化妝品化學家協會聯合會之香港化妝品化學師協會(Hong Kong Society of Cosmetic Chemists)之創會會員兼主席。

The Directors of Ming Fai International Holdings Limited are pleased to present their annual report together with the audited financial statements of the Group for the year ended 31 December 2018.

## PRINCIPAL ACTIVITIES

The Company is an investment holding company. Its subsidiaries are principally engaged in manufacturing and trading of hospitality supplies products and trading of operating supplies and equipment. Details of the principal activities of the principal subsidiaries of the Group are set out in Note 29 to the consolidated financial statements.

## RESULTS AND DIVIDENDS

The Group's results for the year ended 31 December 2018 are set out in the consolidated financial statements on pages 63 to 164 of this annual report.

### Dividend policy

The Board intend to strike a balance between maintaining sufficient capital to grow the business of the Group and rewarding the Shareholders. The declaration and payment of any dividends by the Company would be subject to the Board's decision and any final dividend for a financial year of the Company would be subject to the Shareholders' approval. The decision to declare or to pay any dividend, and the amount of any dividends, will depend on the Group's earnings, financial condition, cash requirements and availability, and any other factors the Board may consider relevant. These factors and the payment of dividends is at the discretion of the Board and the Board reserves the right to change its plan on any future payment of dividends. The payment of dividend is also subject to any restrictions under the laws of Hong Kong and the Cayman Islands and the Articles of Association of the Company.

### Dividend

An interim dividend of HK2.0 cents per Share for the six months ended 30 June 2018, amounting to a total dividend of approximately HK\$14,556,000 was paid on 5 October 2018, including dividend paid to Shares held for the share award scheme (the "Share Award Scheme").

The Directors recommend the payment of a final dividend of HK5.0 cents per Share for the year ended 31 December 2018. Subject to the approval by the Shareholders at the annual general meeting of the Company to be held on 29 May 2019, the final dividend will be paid on or around 17 June 2019 to the Shareholders whose names appear on the register of members of the Company on 6 June 2019.

明輝國際控股有限公司董事欣然提呈本集團截至二零一八年十二月三十一日止年度的年報及經審核財務報表。

## 主要業務

本公司為一間投資控股公司。其附屬公司主要從事製造及銷售酒店供應品類產品及銷售營運用品及設備。本集團主要附屬公司的主要業務詳情載於綜合財務報表附註29。

## 業績及股息

本集團截至二零一八年十二月三十一日止年度的業績載於本年報第63至164頁的綜合財務報表內。

### 股息政策

董事會有意於業務發展維持充足資本與股東回報之間取得平衡。本公司任何股息之宣派及派發均取決於董事會之決定，而本公司財政年度之任何末期股息將取決於股東之批准。宣派或派發任何股息以及任何股息之金額的決策將取決於本集團之盈利、財務狀況、現金需求及可動用現金，以及董事會可能認為有關的任何其他因素。此等因素及股息之派發乃由董事會酌情決定及董事會保留更改其任何未來股息派發計劃之權利。股息之派發亦受香港及開曼群島法例以及本公司之組織章程細則規定之任何限制。

### 股息

本公司已於二零一八年十月五日支付截至二零一八年六月三十日止六個月之中期股息每股2.0港仙，股息總額約14,556,000港元，包括就股份獎勵計劃（「股份獎勵計劃」）下持有股份獲派發之股息。

董事建議派發截至二零一八年十二月三十一日止年度的末期股息為每股5.0港仙。待股東在將於二零一九年五月二十九日舉行的本公司股東週年大會上批准後，末期股息將於二零一九年六月十七日或前後，向於二零一九年六月六日名列本公司股東名冊的股東派發。

## CLOSURE OF REGISTER OF MEMBERS

For ascertaining the eligibility of the Shareholders to attend and vote at the AGM, the register of members of the Company will be closed from Friday, 24 May 2019 to Wednesday, 29 May 2019 (both dates inclusive), during which period no transfer of Shares will be effected. In order to be eligible to attend and vote at the AGM, all documents in respect of transfers of Shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Thursday, 23 May 2019.

For ascertaining the entitlement of the Shareholders to the proposed final dividend, the register of members of the Company will be closed from Tuesday, 4 June 2019 to Thursday, 6 June 2019 (both dates inclusive), during which period no transfer of Shares will be effected. In order to qualify for the proposed final dividend, all documents in respect of transfers of Shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Monday, 3 June 2019.

## BUSINESS REVIEW

The business review of the Group for the year ended 31 December 2018 is set out in "Chairman's Statement" on pages 8 to 10 and "Management Discussion and Analysis" on pages 11 to 20 of this annual report.

### Analysis of financial key performance indicators

The financial key performance indicators and analysis of the Group's business are set out in "Five Years Financial Summary" on page 5 and "Management Discussion and Analysis" on pages 11 to 20 of this annual report.

### Principal risks and uncertainties facing the Group

#### *Risks pertaining to the reliance on direct sales customers and distributors for the sale of products*

Our hospitality supplies products are sold either by direct sales to our customers, mainly hotels and airline operators, or to distributors for supplying to other end-users. There is no assurance that such customers will continue to purchase or maintain their purchase volumes of our products in the future. In addition, there is no assurance that we will be able to maintain business relationship with our customers. In the event that any of our customers ceases to purchase from us or reduces the purchase volume of orders placed with us and we are unable to obtain replacement orders, our business and profitability may be adversely affected.

## 暫停辦理股份過戶登記手續

為釐定股東出席股東週年大會並於會上投票的資格，本公司之股份過戶登記手續將於二零一九年五月二十四日(星期五)至二零一九年五月二十九日(星期三)(包括首尾兩日)暫停辦理，期間將不會進行股份過戶。為符合出席股東週年大會並於會上投票的資格，所有有關股份過戶文件連同有關股票，須於二零一九年五月二十三日(星期四)下午四時三十分前送達本公司於香港之股份過戶登記分處香港中央證券登記有限公司(地址為香港灣仔皇后大道東183號合和中心17樓1712-16號舖)登記。

為釐定股東享有建議末期股息之資格，本公司之股份過戶登記手續將於二零一九年六月四日(星期二)至二零一九年六月六日(星期四)(包括首尾兩日)暫停辦理，期間將不會進行股份過戶。為符合獲派建議末期股息的資格，所有有關股份過戶文件連同有關股票，須於二零一九年六月三日(星期一)下午四時三十分前送達本公司於香港之股份過戶登記分處香港中央證券登記有限公司(地址為香港灣仔皇后大道東183號合和中心17樓1712-16號舖)登記。

## 業務回顧

本集團截至二零一八年十二月三十一日止年度之業務回顧載於本年報第8至10頁之「主席報告」及第11至20頁之「管理層討論及分析」。

### 財務關鍵表現指標分析

本集團業務之財務關鍵表現指標及分析載於本年報第5頁之「五年財務概要」及第11至20頁之「管理層討論及分析」。

### 本集團面對的主要風險及不明朗因素

#### *倚賴直銷客戶及分銷商進行產品銷售的相關風險*

我們的酒店供應品類產品透過直接銷售予客戶(主要為酒店及航空營運商)或供應其他最終用戶的分銷商進行銷售。我們無法保證該等客戶於未來將持續購買我們的產品或維持其購買量。此外，我們亦無法保證將能夠與客戶維持業務關係。倘任何我們的客戶終止向我們購買或減少購買訂單數量而我們亦無法獲得替代訂單，我們的業務及盈利能力或會受到不利影響。



### *Risks pertaining to price fluctuations of raw materials*

The principal raw materials used in our production may be subject to substantial price volatility and periodic shortages caused by external conditions, such as fluctuations in commodity prices and foreign exchange rates. There is no guarantee that the costs of raw materials will be stable in the future. To the extent that we are unable to cover any increased costs of raw materials by either reduction in other production costs or increase of our product prices, our profits will be adversely affected.

### *Operation risks*

The operation of the Group is subject to a number of risk factors distinctive to the respective markets. Default on the part of the Group's customers, distributors, suppliers and business partners, and inadequacies or failures of internal processes, people and systems or other external factors may have various levels of negative impact on the results of operations. Additionally, accidents may happen despite systems and policies set up for their prevention, which may lead to finance loss, litigation or damage in reputation.

### *Market risks*

The Group is also subject to market risks such as currency fluctuations, volatility of interest rates, credit risks and liquidity risks in the normal course of the Group's businesses. Particulars of financial risk management of the Group are set out in Note 3 to the consolidated financial statements.

### *Risks relating to compliance with laws and regulations*

We are required to comply with all relevant laws and regulations promulgated by the governments of the respective jurisdictions. There is no assurance that the existing laws and regulations will not be changed or additional or more stringent requirement will not be imposed, compliance with which may cause us to incur significant expenditure. Moreover, if we fail to comply with the present or future laws and regulations, we may be required to pay substantial fines, suspend production or cease operations. Consequently, our financial condition, business and reputation may be adversely affected.

## **Compliance with laws and regulations**

The Group strives to enhance governance, promote employee benefits and development, protect the environment and fulfill social responsibilities in order to achieve sustainable growth. The Group has complied with the relevant laws and regulations that have significant impact on the Group.

### *原材料價格波動的相關風險*

我們生產所用的主要原材料可能受商品價格及匯率波動等外在條件所引起的價格大幅波動及週期性短缺所影響。我們無法保證原材料成本將於未來維持穩定。倘我們未能透過降低其他生產成本或提高我們的產品價格以彌補任何上漲的原材料成本，我們的溢利將受到不利影響。

### *營運風險*

本集團的營運受各市場若干特有的風險因素所影響。本集團之客戶、分銷商、供應商及業務夥伴的違約、內部流程、人員及系統不足或故障或失職或其他外在因素或會對營運業績構成不同程度的負面影響。此外，儘管本集團已設立預防意外的系統及政策，意外仍有可能發生，從而可能引致財務損失、訴訟或聲譽受損。

### *市場風險*

本集團在其正常業務過程中亦面臨貨幣波動、利率波動、信貸風險及流動資金風險等市場風險。本集團財務風險管理之詳情載於綜合財務報表附註3。

### *遵守法律及規例的相關風險*

我們須遵守各司法權區政府頒佈的所有相關法律及規例。我們無法保證現有法律及規例將維持不變或不會施加額外或更嚴厲的規定，而遵守有關規定可能導致我們產生重大支出。此外，倘我們未能遵守現行或未來之法律及規例，我們或可能須支付重大罰款、停產或終止營運。因此，我們的財務狀況、業務及聲譽或可能受到不利影響。

## **遵守法律及規例**

本集團致力於提升管治、促進僱員福利及發展、保護環境及履行社會責任，從而實現可持續發展。本集團已遵守對本集團有重大影響的有關法律及規例。



## Environmental policies and performance

The Group is committed to the principle of sustainable development and fulfill corporate social responsibilities (“CSR”) by applying “commercial morality, the kindness towards people and protecting environment”. Being one of the world’s leading suppliers of hospitality supplies products, we comply with the laws and respect commercial morality. We manage our operation based on the legal, compliant and reasonable basics. We respect human rights, care for public welfare. We value integrity and achieve win-win situation by cooperation. We follow our philosophy of respecting morality and giving back to society. We value resources and promote environmental protection. Relying on scientific improvements to reduce impacts on the environment, while we are seeking for environmental technologies to maintain sustainable development.

The Group believes that CSR is not just about philanthropy, but also a responsibility towards the community and being able to provide a good platform to contribute in any way that is meaningful, fulfilling and sustainable. CSR will remain a prominent feature in the Group’s agenda, and environmental management is always an integral part of the Group’s business planning and daily operations.

Details of environmental policies and performance of the Group in 2018 are set out in the “Environmental, Social and Governance Report 2018”, which is being prepared in accordance with “Environmental, Social and Governance Reporting Guide” contained in Appendix 27 to the Listing Rules and will be published on the HKEXnews website of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and the Company’s website.

## Key relationships with employees, customers and suppliers

The Group recognises the accomplishment of the employees by providing comprehensive benefit package, career development opportunities and internal training appropriate to individual needs. The Group provides a healthy and safe workplace for all employees.

The Group maintains working relationships with suppliers to meet our customers’ needs in an effective and efficient manner. Our departments work closely to make sure the tendering and procurement process is conducted in an open, fair and just manner. The Group’s requirements and standards are also well-communicated to suppliers.

The Group values the views and opinions of all customers through various means and channels to understand customers’ trends and needs and regularly analyses on customers’ feedback. The Group also conducts comprehensive tests and checks to ensure that only quality products and services are offered to the customers.

## 環保政策及表現

本集團秉承可持續發展原則，努力遵循「行商有道、與人為善、崇尚自然」的企業社會責任（「企業社會責任」）。作為世界領先的酒店供應品類產品供應商之一，我們有法可依、有道可循。我們的經營基於合法、合規、合理基礎之上。我們尊重人權、公益為重，並以誠信至上、合作共贏。我們和德為先、回饋社會。我們珍惜資源、促進環保。我們依靠科技進步降低生態影響，尋求環保技術永葆可持續發展。

本集團深信企業社會責任不僅是慈善事業，亦為本集團對社區的責任及可為本集團提供良好平台，以有意義、可行及可持續的方式回饋社會。企業社會責任將繼續為本集團議程中之重要特點及環境管理乃本集團業務規劃及日常營運中的主要部分。

本集團於二零一八年度之環境政策及表現詳情載於根據上市規則附錄二十七《環境、社會及管治報告指引》而正在編製之「二零一八年環境、社會及管治報告」，其將於香港聯合交易所有限公司（「聯交所」）披露易網站及本公司網站刊載。

## 與僱員、客戶及供應商之重要關係

本集團為僱員提供全面福利待遇、事業發展機會及就個別需要提供適當的內部培訓，以肯定僱員的貢獻。本集團為所有僱員提供一個健康而安全的工作環境。

本集團與供應商維持合作關係，有效及高效地滿足我們客戶的需要。我們各部門緊密合作以確保招標及採購過程公開、公平及公正。本集團亦向供應商清楚說明規定及標準。

本集團重視所有客戶的觀點及意見，並透過各種方式及渠道了解客戶傾向及需要並定期分析客戶反饋。本集團亦進行全面測試及檢驗以確保向客戶僅提供優質產品及服務。

## THE GROUP'S FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five years is set out in "Five Years Financial Summary" on page 5 of this annual report.

## SHARES AND DEBENTURES ISSUED

During the year ended 31 December 2018, 1,656,000 Shares were issued with proceeds of approximately HK\$1,027,000 received by the Company, due to the exercise of share options of the Company.

The Group did not issue any debentures during the year ended 31 December 2018.

## RESERVES

Details of the movements in the reserves of the Group and the Company during the year ended 31 December 2018 are set out in the consolidated statement of changes in equity on page 67 and Note 18 and Note 37 to the consolidated financial statements.

As at 31 December 2018, distributable reserves of the Company amounted to approximately HK\$1,014,000,000.

## PRE-EMPTIVE RIGHTS

No pre-emptive rights exist under the Company's Articles of Association, or the laws of the Cayman Islands, in which the Company incorporated.

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

During the year ended 31 December 2018, neither the Company nor any of its subsidiaries purchased, sold or redeemed any listed securities of the Company, except that the trustee of the Share Award Scheme, pursuant to the terms of the scheme rules and trust deed of the Share Award Scheme, purchased on behalf of the Group on the Stock Exchange a total of 3,550,000 Shares at a total consideration of approximately HK\$4.0 million.

## 本集團的財務概要

本集團最近五年的業績及資產與負債概要載於本年報第5頁之「五年財務概要」。

## 已發行股份及債權證

截至二零一八年十二月三十一日止年度，因行使本公司購股權而發行1,656,000股股份，本公司收取約1,027,000港元之款項。

截至二零一八年十二月三十一日止年度，本集團概無發行任何債權證。

## 儲備

本集團及本公司截至二零一八年十二月三十一日止年度的儲備變動詳情載於第67頁之綜合權益變動表及綜合財務報表附註18及附註37。

於二零一八年十二月三十一日，本公司之可供分派儲備約1,014,000,000港元。

## 優先購買權

本公司組織章程細則或開曼群島(本公司之註冊地點)法律並無訂明優先購買權。

## 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，惟股份獎勵計劃的受託人根據股份獎勵計劃的計劃規則及信託契據的條款，代表本集團於聯交所總代價約4.0百萬港元購買合共3,550,000股股份除外。

## DIRECTORS

The Directors during the year ended 31 December 2018 and up to the date of this report were as follows:

### Executive Directors

Mr. CHING Chi Fai (*Chairman*)  
Mr. CHING Chi Keung  
Mr. LIU Zigang  
Mr. CHING Tsun Wah  
Mr. KEUNG Kwok Hung

### Non-Executive Director

Ms. CHAN Yim Ching

### Independent Non-Executive Directors

Mr. HUNG Kam Hung Allan  
Mr. MA Chun Fung Horace  
Mr. NG Bo Kwong  
Mr. SUN Yung Tson Eric

In accordance with article 130 of the Company's Articles of Association, Mr. CHING Chi Fai, Mr. CHING Chi Keung, Ms. CHAN Yim Ching and Mr. MA Chun Fung Horace shall retire at the AGM and being eligible, shall offer themselves for re-election.

### Confirmation of independence of Independent Non-Executive Directors

The Company has received from each Independent Non-Executive Director an annual confirmation of his independence pursuant to Rule 3.13 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). The Company considers that Messrs. HUNG Kam Hung Allan, MA Chun Fung Horace, NG Bo Kwong and SUN Yung Tson Eric are independent. Details are set out in the section headed "Board responsibilities and delegation" in the "Corporate Governance Report" on pages 43 to 44.

## DIRECTORS' SERVICE CONTRACTS

None of the Directors who are proposed for re-election at the forthcoming AGM has a service contract which is not determinable by the employer within one year without payment of compensation, other than statutory compensation.

## 董事

截至二零一八年十二月三十一日止年度及截至本報告日期之董事如下：

### 執行董事

程志輝先生(主席)  
程志強先生  
劉子剛先生  
程俊華先生  
姜國雄先生

### 非執行董事

陳艷清女士

### 獨立非執行董事

孔錦洪先生  
馬振峰先生  
吳保光先生  
孫榮聰先生

根據本公司的組織章程細則第130條，程志輝先生、程志強先生、陳艷清女士及馬振峰先生將於股東週年大會上退任，並合資格及願意膺選連任。

### 獨立非執行董事的獨立性確認

本公司已收到每位獨立非執行董事根據聯交所證券上市規則(「上市規則」)第3.13條就其獨立性作出的年度確認書。本公司認為孔錦洪先生、馬振峰先生、吳保光先生及孫榮聰先生均具獨立性。詳情載於第43至44頁之「企業管治報告」內「董事職責及授權」一節。

## 董事的服務合約

建議於應屆股東週年大會上重選的董事概無訂立僱主不可於一年內不付賠償(法定賠償除外)而終止的服務合約。

## DIRECTORS' INTERESTS IN COMPETING BUSINESS

For the year ended 31 December 2018, none of the Directors has any interest in any business apart from the Group's business, which competes or is likely to compete, either directly or indirectly, with the business of the Group.

## DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

No transactions, arrangements or contracts of significance in which a Director or an entity connected with a Director had a material interest, either directly or indirectly, subsisted at the end of the year or at any time during the year ended 31 December 2018.

## MANAGEMENT CONTRACTS

Other than Directors' service contracts and employment contracts with the Group's senior management in full-time employment, no contracts concerning the management and administration of the whole or any substantial part of the business of the Group were entered into or in existence during the year ended 31 December 2018.

## PERMITTED INDEMNITY PROVISION

A permitted indemnity provision was in force during the year ended 31 December 2018 and up to the date of this report.

Pursuant to the Company's Articles of Association, 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/her as a Director in defending any proceedings, whether civil or criminal, in which judgement is given in his/her favour, or in which he/she is acquitted. There is appropriate directors' and officers' liability insurance coverage for the directors and officers of the Group.

## CONNECTED TRANSACTIONS

The significant related party transactions entered into by the Group during the year ended 31 December 2018 are set out in Note 36 to the consolidated financial statements. None of them constituted discloseable non-exempted connected transactions or non-exempted continuing connected transactions under Chapter 14A of the Listing Rules.

## 董事於競爭業務之權益

截至二零一八年十二月三十一日止年度，概無董事於任何與本集團業務以外之業務(直接或間接構成競爭或可能構成競爭)中擁有任何權益。

## 董事於重要交易、安排或合約之權益

於年末或截至二零一八年十二月三十一日止年度內任何時間，概無存續與董事或與董事有關連之實體直接或間接擁有重大權益的重要交易、安排或合約。

## 管理合約

除董事的服務合約及本集團高級管理人員的全職僱傭合約外，截至二零一八年十二月三十一日止年度，概無訂立或存在與本集團業務全部或任何重大部分有關的管理及行政合約。

## 獲准許之彌償條文

截至二零一八年十二月三十一日止年度及截至本報告日期，獲准許之彌償條文已生效。

根據本公司之組織章程細則，每位董事將有權就其作為董事因抗辯任何判其勝訴或裁定無罪之民事或刑事法律訴訟而產生或蒙受之一切損失或責任從本公司資產中獲得彌償。本集團董事及高級職員已有適當的董事及高級職員責任保險作為保障。

## 關連交易

本集團於截至二零一八年十二月三十一日止年度訂立之重大關聯方交易載於綜合財務報表附註36。上述交易概無構成根據上市規則第14A章下之須予披露不獲豁免關連交易或不獲豁免持續關連交易。



## DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 31 December 2018, the interests and short positions of the Directors in shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of the Securities and Futures Ordinance ("SFO")) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the "Model Code for Securities Transactions by Directors of Listed Issuers" (the "Model Code") set out in Appendix 10 to the Listing Rules were as follows:

## 董事於本公司及其相聯法團股份、相關股份及債權證之權益及淡倉

於二零一八年十二月三十一日，董事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」））之股份、相關股份及債權證中，擁有記入根據證券及期貨條例第352條須予備存之登記冊中或已根據上市規則附錄十《上市發行人董事進行證券交易的標準守則》（「標準守則」）通知本公司及聯交所之權益及淡倉如下：

### Long positions in Shares and underlying Shares

### 於股份及相關股份之好倉

Name of Directors 董事姓名	Number of Shares held 持有股份數目			Personal Interests (beneficial owner) 個人權益 (實益擁有人)	Number of underlying Shares held under equity derivatives (Note 1) 以股本衍生工具持有之相關股份數目 (附註1)	Total 總計	Approximate percentage of issued Shares as at 31 December 2018 於二零一八年十二月三十一日已發行股份之概約百分比
	Personal Interests (beneficial owner) 個人權益 (實益擁有人)	Family Interests (interests of spouse) 家族權益 (配偶權益)	Corporate Interests (interests of controlled corporation) 法團權益 (受控法團權益)				
Mr. CHING Chi Fai 程志輝先生	16,444,000	-	197,666,200 (Note 2 & 3) (附註2及3)	-		214,110,200	29.40%
Mr. CHING Chi Keung 程志強先生	2,000,000	-	32,499,600 (Note 3) (附註3)	2,000,000		36,499,600	5.01%
Mr. LIU Zigang 劉子剛先生	2,000,000	-	20,057,200 (Note 4) (附註4)	2,000,000		24,057,200	3.30%
Mr. CHING Tsun Wah 程俊華先生	3,734,000	775,000 (Note 5) (附註5)	-	-		4,509,000	0.62%
Mr. KEUNG Kwok Hung 姜國雄先生	-	-	-	1,158,000		1,158,000	0.16%
Ms. CHAN Yim Ching 陳艷清女士	-	-	32,499,600 (Note 3) (附註3)	-		32,499,600	4.46%

Name of Directors 董事姓名	Number of Shares held 持有股份數目			Number of underlying Shares held under equity derivatives (Note 1) 以股本衍生工具持有之相關股份數目 (附註1)	Total	Approximate percentage of issued Shares as at 31 December 2018 於二零一八年十二月三十一日已發行股份之概約百分比
	Personal Interests (beneficial owner) 個人權益(實益擁有人)	Family Interests (interests of spouse) 家族權益(配偶權益)	Corporate Interests (interests of controlled corporation) 法團權益(受控法團權益)			
Mr. HUNG Kam Hung Allan 孔錦洪先生	600,000	-	-	-	600,000	0.08%
Mr. MA Chun Fung Horace 馬振峰先生	600,000	-	-	-	600,000	0.08%
Mr. NG Bo Kwong 吳保光先生	600,000	-	-	-	600,000	0.08%

Notes:

附註:

- |   |   |
|---|---|
| <p>1. These underlying Shares held under equity derivatives represented the share options granted by the Company (being regarded as unlisted physically settled equity derivatives). Details of the share options granted to the Directors are set out in the section headed "Share Option Scheme" of this report.</p> <p>2. 165,166,600 Shares were held by Prosper Well International Limited, which was wholly-owned by Mr. CHING Chi Fai.</p> <p>3. 32,499,600 Shares were held by Targetwise Trading Limited, which was owned as to 50%, 31.54% and 18.46% by Mr. CHING Chi Keung, Ms. CHAN Yim Ching and Mr. CHING Chi Fai respectively.</p> <p>4. 20,057,200 Shares were held by Favour Power Limited, which was wholly-owned by Mr. LIU Zigang.</p> <p>5. 775,000 Shares were held by Ms. SO Wai Yin Tracy, the spouse of Mr. CHING Tsun Wah.</p> | <p>1. 此等以股本衍生工具持有之相關股份乃本公司授出之購股權(被視為以實物結算之非上市股本衍生工具)。授予董事之購股權詳情載於本報告「購股權計劃」一節。</p> <p>2. 165,166,600股股份由Prosper Well International Limited持有，而該公司由程志輝先生全資擁有。</p> <p>3. 32,499,600股股份由Targetwise Trading Limited持有，而該公司由程志強先生、陳艷清女士及程志輝先生分別擁有50%、31.54%及18.46%權益。</p> <p>4. 20,057,200股股份由Favour Power Limited持有，而該公司由劉子剛先生全資擁有。</p> <p>5. 775,000股股份由程俊華先生之配偶蘇瑋賢女士持有。</p> |
|---|---|

Save as disclosed above, as at 31 December 2018, none of the Directors had any interest or short positions in shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

除上文所披露者外，於二零一八年十二月三十一日，概無董事於本公司或其任何相關法團(定義見證券及期貨條例)之股份、相關股份及債權證中擁有任何記入根據證券及期貨條例第352條規定須予備存之登記冊中或根據標準守則須通知本公司及聯交所之權益或淡倉。

## SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 December 2018, so far as it was known by or otherwise notified by any Director, the interests and short positions of the substantial shareholders and other persons (other than a Director), in Shares and underlying Shares as recorded in the register required to be kept under Section 336 of the SFO were as follows:

## 大股東及其他人士於本公司股份及相關股份之權益及淡倉

於二零一八年十二月三十一日，就任何董事所知悉或彼等以其他方式獲通知，大股東及其他人士(董事除外)於股份及相關股份中擁有記入根據證券及期貨條例第336條須予備存的登記冊中之權益及淡倉如下：

### Long positions in Shares

### 於股份之好倉

Name	Number of Shares held 持有股份數目					Total	Approximate percentage of issued Shares as at 31 December 2018 於二零一八年十二月三十一日已發行股份之概約百分比
	Personal Interests (beneficial owner)	Family Interests (interests of spouse)	Corporate Interests (beneficial owner)	Corporate Interests (investment manager)	Corporate Interests (interests of controlled corporation)		
名稱/姓名	個人權益 (實益擁有人)	家族權益 (配偶權益)	法團權益 (實益擁有人)	法團權益 (投資經理)	法團權益 (受控法團權益)	總計	
Prosper Well International Limited (Note 1) Prosper Well International Limited (附註1)	-	-	165,166,600	-	-	165,166,600	22.68%
Ms. LO Kit Ling (Note 1) 盧潔玲女士(附註1)	-	214,110,200	-	-	-	214,110,200	29.40%
Ms. PO Fung Kiu (Note 2) 布鳳嬌女士(附註2)	-	36,499,600	-	-	-	36,499,600	5.01%
Mr. David Michael WEBB (Note 3) David Michael WEBB先生(附註3)	33,495,504	-	-	-	61,057,496	94,553,000	12.98%
Preferable Situation Assets Limited (Note 3) Preferable Situation Assets Limited (附註3)	-	-	61,057,496	-	-	61,057,496	8.38%
Wykeham Capital Asia Value Fund (Note 4) Wykeham Capital Asia Value Fund (附註4)	-	-	44,570,000	-	-	44,570,000	6.12%
Wykeham Capital Limited (Note 4) Wykeham Capital Limited (附註4)	-	-	-	44,570,000	-	44,570,000	6.12%
Mr. Howel Gruffudd Rhys THOMAS (Note 4) Howel Gruffudd Rhys THOMAS先生(附註4)	-	-	-	-	44,570,000	44,570,000	6.12%

Notes:

1. 165,166,600 Shares were held by Prosper Well International Limited, which was wholly-owned by Mr. CHING Chi Fai (an Executive Director and the Chairman of the Company). 32,499,600 Shares were held by Targetwise Trading Limited, which was owned as to 18.46% by Mr. CHING Chi Fai. Mr. CHING Chi Fai also beneficially held 16,444,000 Shares. Ms. LO Kit Ling, being the spouse of Mr. CHING Chi Fai, was deemed to be interested in the 214,110,200 Shares in which Mr. CHING Chi Fai interested.
2. Ms. PO Fung Kiu, being the spouse of Mr. CHING Chi Keung (an Executive Director), was deemed to be interested in the 36,499,600 Shares in which Mr. CHING Chi Keung interested.
3. Based on the disclosure of interests notice of Preferable Situation Assets Limited with the date of relevant event on 10 July 2017 received by the Company, 58,035,665 Shares were held by Preferable Situation Assets Limited, which was wholly-owned by Mr. David Michael WEBB, representing 8.00% of the issued Shares as at that day. Based on the disclosure of interests notice of Mr. David Michael WEBB with the date of relevant event on 26 April 2018 received by the Company, 61,057,496 Shares were held by Preferable Situation Assets Limited, which was wholly-owned by Mr. David Michael WEBB, who also beneficially held 33,495,504 Shares. Save as disclosed above, no further respective disclosure of interests notices of Mr. David Michael WEBB and Preferable Situation Assets Limited with the date of relevant event on or before 31 December 2018 were received by the Company.
4. Based on the disclosure of interests notices with the date of relevant event on 17 May 2017 received by the Company, Mr. Howel Gruffudd Rhys THOMAS was deemed to be interested in the 44,570,000 Shares owned by Wykeham Capital Asia Value Fund by virtue of his 100% shareholding interest in Wykeham Capital Limited (which was the investment manager of Wykeham Capital Asia Value Fund). Save as disclosed above, no further respective disclosure of interests notices of Wykeham Capital Asia Value Fund, Wykeham Capital Limited and Mr. Howel Gruffudd Rhys THOMAS with the date of relevant event on or before 31 December 2018 were received by the Company.

Save as disclosed above and in the section headed "Directors' interests and short positions in shares, underlying shares and debentures of the Company and its associated corporations" of this report, as at 31 December 2018, so far as it was known by or otherwise notified by any Director, none of the substantial shareholders and other persons (other than a Director), had any interest or short positions in Shares and underlying Shares as recorded in the register required to be kept under Section 336 of the SFO.

附註：

1. 165,166,600股股份由Prosper Well International Limited持有，而該公司由執行董事兼本公司主席程志輝先生全資擁有。32,499,600股股份由Targetwise Trading Limited持有，而該公司由程志輝先生擁有18.46%權益。程志輝先生亦實益持有16,444,000股股份。盧潔玲女士為程志輝先生的配偶，被視為於程志輝先生擁有權益的214,110,200股股份中擁有權益。
2. 布鳳嬌女士為執行董事程志強先生的配偶，被視為於程志強先生擁有權益的36,499,600股股份中擁有權益。
3. 根據本公司收到Preferable Situation Assets Limited於有關事件日期為二零一七年七月十日之權益披露通知，Preferable Situation Assets Limited(由David Michael WEBB先生全資擁有)持有58,035,665股股份，佔當天已發行股份之8.00%。根據本公司收到David Michael WEBB先生於有關事件日期為二零一八年四月二十六日之權益披露通知，61,057,496股股份由Preferable Situation Assets Limited(由David Michael WEBB先生全資擁有)持有，而David Michael WEBB先生亦實益持有33,495,504股股份。除以上披露者外，本公司概無收到David Michael WEBB先生及Preferable Situation Assets Limited各自於有關事件日期為二零一八年十二月三十一日或以前之進一步權益披露通知。
4. 根據本公司收到有關事件日期為二零一七年五月十七日之權益披露通知，Howel Gruffudd Rhys THOMAS先生因持有Wykeham Capital Limited(為Wykeham Capital Asia Value Fund之投資經理)之100%股權，故其被視為於Wykeham Capital Asia Value Fund所持有的44,570,000股股份中擁有權益。除以上披露者外，本公司概無收到Wykeham Capital Asia Value Fund、Wykeham Capital Limited及Howel Gruffudd Rhys THOMAS先生各自於有關事件日期為二零一八年十二月三十一日或以前之進一步權益披露通知。

除上文及本報告「董事於本公司及其相聯法團股份、相關股份及債權證之權益及淡倉」一節所披露者外，於二零一八年十二月三十一日，就任何董事所知悉或彼等以其他方式獲通知，概無大股東及其他人士(董事除外)於股份及相關股份中擁有任何記入根據證券及期貨條例第336條須予備存的登記冊中之權益或淡倉。



## SHARE OPTION SCHEME

The Company has conditionally adopted a share option scheme (the "Share Option Scheme") on 5 October 2007. Particulars of movements in the share options during the year ended 31 December 2018 were as follows:

## 購股權計劃

本公司於二零零七年十月五日有條件採納購股權計劃(「購股權計劃」)。截至二零一八年十二月三十一日止年度，購股權之變動詳情如下：

Grantee	Date of grant	Exercise period	Exercise price	Number of share options					Outstanding as at 31 December 2018
				Outstanding as at 1 January 2018	Granted during the year	Exercised during the year	Cancelled during the year	Lapsed during the year	
承授人	授出日期	行使期	行使價 HK\$ 港元	於二零一八年一月一日尚未行使	年內授出	年內行使	年內註銷	年內失效	於二零一八年十二月三十一日尚未行使
<b>Directors</b>									
<b>董事</b>									
Mr. CHING Chi Keung 程志強先生	04-09-2012 二零一二年九月四日	23-06-2013 to 22-06-2019 二零一三年六月二十三日至 二零一九年六月二十二日	0.62	2,000,000	-	-	-	-	2,000,000
Mr. LIU Zigang 劉子剛先生	04-09-2012 二零一二年九月四日	23-06-2013 to 22-06-2019 二零一三年六月二十三日至 二零一九年六月二十二日	0.62	2,000,000	-	-	-	-	2,000,000
Mr. KEUNG Kwok Hung 姜國雄先生	04-09-2012 二零一二年九月四日	09-09-2012 to 08-09-2021 二零一二年九月九日至 二零二一年九月八日	0.62	579,000	-	-	-	-	579,000
	04-09-2012 二零一二年九月四日	09-09-2012 to 08-09-2021 二零一三年九月九日至 二零二一年九月八日	0.62	579,000	-	-	-	-	579,000
Mr. HUNG Kam Hung Allan 孔錦洪先生	04-09-2012 二零一二年九月四日	04-09-2012 to 22-06-2019 二零一二年九月四日至 二零一九年六月二十二日	0.62	300,000	-	(300,000)	-	-	-
	04-09-2012 二零一二年九月四日	23-06-2013 to 22-06-2019 二零一三年六月二十三日至 二零一九年六月二十二日	0.62	300,000	-	(300,000)	-	-	-
<b>Employees</b>									
<b>僱員</b>									
In aggregate 合計	04-09-2012 二零一二年九月四日	04-09-2012 to 22-06-2019 二零一二年九月四日至 二零一九年六月二十二日	0.62	1,437,000	-	(388,000)	-	-	1,049,000
	04-09-2012 二零一二年九月四日	23-06-2013 to 22-06-2019 二零一三年六月二十三日至 二零一九年六月二十二日	0.62	2,130,000	-	(456,000)	-	-	1,674,000
	04-09-2012 二零一二年九月四日	09-09-2012 to 08-09-2021 二零一二年九月九日至 二零二一年九月八日	0.62	944,000	-	(50,000)	-	-	894,000
	04-09-2012 二零一二年九月四日	09-09-2013 to 08-09-2021 二零一三年九月九日至 二零二一年九月八日	0.62	944,000	-	(50,000)	-	-	894,000
	04-09-2012 二零一二年九月四日	04-09-2013 to 03-09-2022 二零一三年九月四日至 二零二二年九月三日	0.62	404,500	-	(56,000)	-	(50,000)	298,500
	04-09-2012 二零一二年九月四日	04-09-2014 to 03-09-2022 二零一四年九月四日至 二零二二年九月三日	0.62	516,500	-	(56,000)	-	(50,000)	410,500
<b>Total</b> <b>總計</b>				<b>12,134,000</b>	<b>-</b>	<b>(1,656,000)</b>	<b>-</b>	<b>(100,000)</b>	<b>10,378,000</b>

The weighted average closing price of the Shares immediately before the dates on which the share options were exercised for the year ended 31 December 2018 was HK\$1.15 per Share (for the year ended 31 December 2017: HK\$1.20 per Share).

於截至二零一八年十二月三十一日止年度，股份在緊接購股權行使日期之前的加權平均收市價為每股1.15港元(截至二零一七年十二月三十一日止年度：每股1.20港元)。

The following is a summary of the principal terms of the rules of the Share Option Scheme:

### (1) Purpose of the Share Option Scheme

The purpose of the Share Option Scheme was to enable the Board to grant options to selected employees (whether full time or part time, including the Directors) of any member of the Group (the "Eligible Persons") as incentives or rewards for their contribution or potential contribution to the Group.

The terms of the Share Option Scheme provided that in granting options under the Share Option Scheme, the Board was entitled to determine whether there is any minimum holding period, and whether there is any performance target which must be achieved, before an option granted under the Share Option Scheme is exercised. The Board was also entitled to determine the option price per Share payable on the exercise of an option (the "Exercise Price") according to the terms of the Share Option Scheme. Such terms, together with the incentives that the option would bring about, the Board believed, would serve the purpose of the Share Option Scheme.

### (2) Period of the Share Option Scheme

The Share Option Scheme was effective during the period of ten years commencing on 2 November 2007 (the date on which the Share Option Scheme become unconditional) and the Share Option Scheme was expired on 1 November 2017. On expiry of the Share Option Scheme, no further option shall be granted but in all other respects the provisions of the Share Options Scheme shall remain in force. All options granted and accepted prior to such expiry shall continue to be valid and exercisable in accordance with their terms and terms of the Share Option Scheme.

### (3) Basis of eligibility

The Board at its absolute discretion and on such terms as it might think fit, granted options to any Eligible Person to subscribe at the Exercise Price for such number of Shares as determined in accordance with the terms of the Share Option Scheme.

The basis of eligibility of any of the Eligible Persons to the grant of options were determined by the Board on the basis of his contribution or potential contribution to the development and growth of the Group.

以下為購股權計劃規則之主要條款概要：

### (1) 購股權計劃的目的

購股權計劃旨在讓董事會向本集團任何成員公司之獲選僱員（不論是全職或兼職，包括董事在內）（「合資格人士」）授出購股權，作為彼等對本集團作出貢獻或潛在貢獻的獎勵或報酬。

購股權計劃條款規定，在根據購股權計劃授出購股權時，董事會有權決定就根據購股權計劃所授出之購股權於行使前，是否設定任何最少持有期限，及是否達到任何表現目標。董事會亦有權釐定根據購股權計劃條款行使購股權時應付的每股股份購股權價格（「行使價」）。該等條款加上購股權產生的獎勵，董事會相信可實現購股權計劃的目的。

### (2) 購股權計劃期限

購股權計劃於二零零七年十一月二日（購股權計劃變為無條件之日）起計的十年期間內有效，而購股權計劃已於二零一七年十一月一日到期。於購股權計劃屆滿時，概將不會進一步授出購股權，惟購股權計劃之條文於所有其他方面仍將維持有效。於該屆滿前已授出及接納之所有購股權將根據彼等之條款及購股權計劃之條款繼續有效及可予行使。

### (3) 合資格的準則

董事會可全權酌情及根據其可能認為適合的條款，向任何合資格人士授出購股權，以供彼等按行使價認購根據購股權計劃的條款所釐定數目的股份。

董事會決定任何合資格人士獲授購股權的合資格準則，並根據彼對本集團的發展及增長所作出的貢獻或潛在的貢獻釐定。

#### (4) Price for subscription of Shares

The Exercise Price was determined by the Board at the higher of:

- (a) the closing price of the Shares as stated in the daily quotations sheet issued by the Stock Exchange on the date of grant of the options which must be a business day; and
- (b) the average closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of grant,

provided that the Exercise Price shall in no event be less than the nominal amount of one Share.

#### (5) Acceptance of offers

The amount payable to the Company as acceptance of the offer for the grant of an option was HK\$1.

#### (6) Maximum number of Shares

The maximum number of Shares which might be issued upon the exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company (excluding, for this purpose, options which have lapsed in accordance with the terms of the Share Option Scheme or any other share option schemes of the Company) must not in aggregate exceed 10% of the Shares in issue on the listing date (i.e. 2 November 2007) (the "Scheme Limit").

The Scheme Limit could be refreshed at any time subject to Shareholders' approval provided that such limit as refreshed should not exceed 10% of the Shares in issue as at the date of approval of the renewed limit. Share options previously granted under the Share Option Scheme (including those outstanding, cancelled, lapsed or exercised) would not be counted for the purpose of calculating the Scheme Limit as refreshed. On 23 May 2013, the refreshment of the Scheme Limit was approved by the Shareholders at the annual general meeting. As at the date of this annual report, the number of Shares available for issue under the Share Option Scheme is 9,990,000 Shares which represents approximately 1.37% of the total number of issued Shares.

#### (7) Maximum entitlement of each Eligible Person

The maximum number of Shares issued and to be issued upon the exercise of options granted under the Share Option Scheme and any other share option schemes of the Company to any Eligible Person (including cancelled, exercised and outstanding options), in any 12-month period should not exceed 1% of the Shares in issue from time to time.

#### (4) 股份的認購價

行使價按以下之較高者由董事會釐定：

- (a) 聯交所日報表所載股份於授出購股權當日(須為營業日)的收市價；及
- (b) 聯交所日報表所載股份於緊接授出日期前五個營業日的平均收市價，

惟行使價無論如何不得低於一股股份的面值。

#### (5) 接納要約

就接納授出每份購股權的要約須向本公司支付的金額為1港元。

#### (6) 股份數目上限

因行使根據購股權計劃及本公司任何其他購股權計劃所授出之所有購股權(就此而言，並不包括根據購股權計劃或本公司任何其他購股權計劃的條款而已失效的購股權)而可發行的股份數目上限，合共不得超過於上市日期(即二零零七年十一月二日)已發行股份的10%(「計劃上限」)。

計劃上限可在股東批准的任何時間予以更新，惟更新後該上限不得超過批准更新上限當日已發行股份的10%。就計算更新計劃上限而言，過往根據購股權計劃授出之購股權(包括尚未行使、已註銷、已失效或已行使之購股權)將不會計算在內。於二零一三年五月二十三日，股東在股東週年大會上批准更新計劃上限。於本年報日期，根據購股權計劃可發行之股份數目為9,990,000股股份，相當於已發行股份總數約1.37%。

#### (7) 每位合資格人士的最高權益

在任何12個月期間內，任何合資格人士因行使根據購股權計劃及本公司任何其他購股權計劃而已授出的購股權(包括已註銷、已行使及尚未行使的購股權)而發行及將發行的股份數目上限，不得超過不時已發行股份的1%。

## SHARE AWARD SCHEME

On 23 September 2016, the Company adopted the Share Award Scheme in which the Group's employees, directors, consultants or advisers will be entitled to participate. During the year ended 31 December 2018, a sum of approximately HK\$4.0 million has been used to acquire 3,550,000 Shares from the market by the independent trustee (Bank of Communications Trustee Limited) which is independent and not connected with the Company. No Shares have been granted to eligible persons under the Share Award Scheme up to the date of this report.

The objectives of the Share Award Scheme are (i) to recognise the contributions by certain eligible persons; and (ii) to offer suitable incentives to attract and retain targeted talents and personnel for the continuance of operations and future development of the Group.

The Share Award Scheme shall be subject to the administration of the Board and the independent trustee in accordance with the scheme rules and the trust deed of the Share Award Scheme. Subject to any early termination as may be determined by the Board, the Share Award Scheme shall be valid and effective for a term of ten years commencing on its adoption date (i.e. 23 September 2016).

The Board shall not make any further award of awarded Shares which will result in the nominal value of the Shares awarded by the Board under the Share Award Scheme exceeding 5% of the issued share capital of the Company from time to time. The maximum number of Shares which may be awarded to a selected person under the Share Award Scheme shall not exceed 1% of the issued share capital of the Company from time to time.

Details of the Share Award Scheme were set out in the announcement of the Company dated 23 September 2016.

## ARRANGEMENTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the sections headed "Share Option Scheme" and "Share Award Scheme" of this report, neither the Company nor any of its subsidiaries, a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate at the end of the year or at any time during the year ended 31 December 2018.

## 股份獎勵計劃

於二零一六年九月二十三日，本公司採納股份獎勵計劃，而本集團的僱員、董事、諮詢人或顧問將有權參與其中。截至二零一八年十二月三十一日止年度，獨立受託人（交通銀行信託有限公司）乃獨立於本公司且與本公司概無關連，以合共約4.0百萬港元於市場上購買3,550,000股股份。截至本報告日期，概無向根據股份獎勵計劃下之合資格人士授出任何股份。

股份獎勵計劃之目標為(i)肯定某些合資格人士所作出的貢獻；及(ii)提供適當獎勵以吸引及挽留目標人才及人員以讓本集團持續經營及發展未來。

根據股份獎勵計劃的計劃規則及信託契據，股份獎勵計劃須受董事會及獨立受託人管理。股份獎勵計劃之有效期及生效期自其採納日期（即二零一六年九月二十三日）起計為期十年，惟董事會或可決定提前終止。

倘董事會授出獎勵股份後將導致董事會根據股份獎勵計劃下授出的股份面值超過本公司不時已發行股本之5%，董事會將不得進一步授出任何獎勵股份。獲選人士根據股份獎勵計劃可獲授的股份數目上限不得超過本公司不時已發行股本之1%。

股份獎勵計劃的詳情載於本公司日期為二零一六年九月二十三日的公告。

## 購入股份或債權證的安排

除本報告「購股權計劃」及「股份獎勵計劃」各節所披露者外，本公司或其任何附屬公司概無於年末或截至二零一八年十二月三十一日止年度內任何時間訂立任何安排，以使董事可藉購入本公司或任何其他法人團體的股份或債權證而獲益。



## CONTRACTS OF SIGNIFICANCE

Save as disclosed in Note 36 to the consolidated financial statements, no contract of significance between the Company or any of its subsidiaries and a controlling Shareholder or any of its subsidiaries were entered into or subsisted during the year ended 31 December 2018.

## EQUITY-LINKED AGREEMENTS

Save as disclosed in the sections headed "Share Option Scheme" and "Share Award Scheme" of this report, no equity-linked agreement was entered into or subsisted during the year ended 31 December 2018.

## REMUNERATION POLICY

Remuneration of our employees (including the Directors) are generally structured by reference to market terms and individual merits. Salaries are reviewed annually with reference to market conditions and the performance, qualifications and experience of individual employees. Discretionary bonuses are paid on an annual basis based on the results of the Group, individual performance and other relevant factors. The Company has also introduced the key performance indicators assessment scheme to boost performance and operational efficiency.

The Company has also adopted the Share Option Scheme and the Share Award Scheme to recognise and reward the eligible employees for their contributions to the business and development of the Group.

## MAJOR SUPPLIERS AND CUSTOMERS

The aggregate purchases attributable to the Group's five largest suppliers accounted for less than 30% of the Group's total purchases for the year ended 31 December 2018.

The aggregate revenue attributable to the Group's five largest customers accounted for less than 30% of the Group's total revenue for the year ended 31 December 2018.

## SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's total number of issued Shares was held by the public as at the date of this report.

## 重要合約

除綜合財務報表附註36所披露者外，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與控股股東或其任何附屬公司之間概無訂立或存續重要合約。

## 股票掛鈎協議

除本報告「購股權計劃」及「股份獎勵計劃」各節所披露者外，於截至二零一八年十二月三十一日止年度概無訂立或存續任何股票掛鈎協議。

## 薪酬政策

本集團僱員(包括董事)的薪酬一般乃參考市場條款及個人資歷而定。薪金乃參照市場情況及個別僱員的表現、資歷及經驗每年檢討。酌情花紅乃根據本集團業績、個人表現及其他相關因素按年發放。本公司亦引進關鍵績效指標評核計劃以提升表現及營運效率。

本公司亦採納購股權計劃及股份獎勵計劃以肯定及獎勵合資格僱員對本集團業務及發展的貢獻。

## 主要供應商及客戶

本集團於截至二零一八年十二月三十一日止年度向五大供應商之合計採購額，佔本集團總採購額少於30%。

本集團於截至二零一八年十二月三十一日止年度於五大客戶之合計收入，佔本集團總收入少於30%。

## 足夠公眾持股量

根據本公司從公眾所得資料及據董事所知，於本報告日期，本公司已發行股份總數最少25%由公眾人士持有。

## CHARITABLE DONATIONS

During the year ended 31 December 2018, the Group made charitable donations amounting to approximately HK\$15,000.

## AUDITOR

The Company's auditor, PricewaterhouseCoopers who shall retire and, being eligible, offer themselves for re-appointment at the AGM.

On behalf of the Board

**CHING Chi Fai**  
*Chairman*  
Hong Kong, 27 March 2019

## 慈善捐款

截至二零一八年十二月三十一日止年度，本集團的慈善捐款約15,000港元。

## 核數師

本公司核數師羅兵咸永道會計師事務所將於股東週年大會退任，符合資格並願意被重選續聘。

代表董事會

主席  
**程志輝**  
香港，二零一九年三月二十七日

The Company is dedicated to maintaining and ensuring high standards of corporate governance practices. The corporate governance principles of the Company emphasise accountability and transparency and are adopted in the best interest of the Company and the Shareholders. The Board reviews its corporate governance practices from time to time in order to meet the rising expectations of the Shareholders and to fulfill its commitment to excellence in corporate governance.

During the year ended 31 December 2018, the Board has reviewed its policies and practices on corporate governance, and policies and practices on compliance with legal and regulatory requirements.

## CORPORATE GOVERNANCE CODE

The Group has complied with all the code provisions set out in the "Corporate Governance Code" (the "CG Code") during the year ended 31 December 2018, as set out in Appendix 14 to the Listing Rules, except the deviation of code provision A.2.1 of the CG Code that the Board has not appointed an individual to the post of chief executive officer up to the date of this report and the role of the chief executive officer has been performed collectively by all the Executive Directors, including the Chairman of the Company. The Board considers that this arrangement allows contributions from all Executive Directors with different expertise and is beneficial to the continuity of the Company's policies and strategies.

## BOARD OF DIRECTORS

During the year and up to the date of this report, the Board comprises the following Directors:

### Executive Directors

Mr. CHING Chi Fai (*Chairman*)  
Mr. CHING Chi Keung  
Mr. LIU Zigang  
Mr. CHING Tsun Wah  
Mr. KEUNG Kwok Hung

### Non-Executive Director

Ms. CHAN Yim Ching

### Independent Non-Executive Directors

Mr. HUNG Kam Hung Allan  
Mr. MA Chun Fung Horace  
Mr. NG Bo Kwong  
Mr. SUN Yung Tson Eric

本公司致力維持及確保高標準的企業管治常規。本公司之企業管治原則強調問責性及透明度，符合本公司及股東之最佳利益而獲採納。董事會不時審閱其企業管治常規，以配合股東不斷提升之期望，同時履行其達致卓越企業管治之承諾。

截至二零一八年十二月三十一日止年度，董事會已檢討其企業管治之政策及常規，以及遵守法律及監管規定之政策及常規。

## 企業管治守則

截至二零一八年十二月三十一日止年度，本集團已遵守上市規則附錄十四所載之《企業管治守則》(「企管守則」)之所有守則條文，惟偏離企管守則之守則條文第A.2.1條規定：董事會於截至本報告日期尚未委任一名人士擔任行政總裁之職務及行政總裁之職責由全體執行董事(包括本公司主席)共同履行。董事會認為此安排有利於全體執行董事利用不同專長作出貢獻，並有利於保持本公司一貫政策及策略。

## 董事會

於年內及截至本報告日期，董事會包括下列董事：

### 執行董事

程志輝先生(主席)  
程志強先生  
劉子剛先生  
程俊華先生  
姜國雄先生

### 非執行董事

陳艷清女士

### 獨立非執行董事

孔錦洪先生  
馬振峰先生  
吳保光先生  
孫榮聰先生

## Board responsibilities and delegation

The Board collectively determines the overall strategies of the Company and monitors performance and risks in pursuit of the strategic objectives of the Company. Day-to-day management of the Company is delegated to the Executive Directors or the senior management in charge of each division. All Directors (including Non-Executive Director and Independent Non-Executive Directors) have been consulted on all major and material matters of the Group.

The Board has delegated some of its function to the Board committees, details of which are set out below. Matters specifically reserved for the Board, including convening Shareholders' meetings, implementing the Shareholders' resolutions, determining the Group's business plans and strategies, formulating the Group's annual budget and final accounts, formulating proposals for dividend and bonus distributions and for increase or reduction of share capital, determining the Group's corporate structure, formulating investment plans as well as exercising other powers, functions and duties as conferred by the Articles of Association of the Company.

The attendance of the Directors at Board meetings, committee meetings and annual general meeting of the Company during the year ended 31 December 2018 were as follows:

## 董事會職責及授權

董事會共同釐定本公司之整體策略及監察本公司尋求戰略目標之業績及風險。本公司日常管理下放予執行董事或領導各部門之高級管理人員。就本集團所有主要及重大事項均已徵詢全體董事(包括非執行董事及獨立非執行董事)。

董事會已將其部分職能下放予董事委員會，其詳情載於下文。特定保留給董事會之職務，包括召開股東會議、執行股東決議案、釐定本集團的業務計劃及策略、編製本集團的年度預算及全年賬目、制定派息、分紅和增加或削減股本的方案、釐定本集團的企業架構、制定投資計劃，以及行使本公司組織章程細則所賦予之其他權力、職能及職責。

截至二零一八年十二月三十一日止年度，於本公司董事會會議、委員會會議及股東週年大會的董事出席率如下：

		Number of meetings attended/held 會議出席/舉行次數						
		Board Meeting 董事會會議	Audit Committee Meeting 審核委員會會議	Nomination Committee Meeting 提名委員會會議	Remuneration Committee Meeting 薪酬委員會會議	Executive Committee Meeting 執行委員會會議	Investment Committee Meeting 投資委員會會議	Annual General Meeting 股東週年大會
<b>Executive Directors</b>	<b>執行董事</b>							
Mr. CHING Chi Fai	程志輝先生	4/4	-	1/1	2/2	4/4	1/1	1/1
Mr. CHING Chi Keung	程志強先生	4/4	-	-	-	4/4	-	1/1
Mr. LIU Zigang	劉子剛先生	4/4	-	-	-	4/4	-	1/1
Mr. CHING Tsun Wah	程俊華先生	4/4	-	-	-	4/4	-	1/1
Mr. KEUNG Kwok Hung	姜國雄先生	4/4	-	-	-	4/4	1/1	1/1
<b>Non-Executive Director</b>	<b>非執行董事</b>							
Ms. CHAN Yim Ching	陳艷清女士	4/4	-	-	-	-	-	1/1
<b>Independent Non-Executive Directors</b>	<b>獨立非執行董事</b>							
Mr. HUNG Kam Hung Allan	孔錦洪先生	4/4	2/2	-	2/2	-	-	1/1
Mr. MA Chun Fung Horace	馬振峰先生	4/4	2/2	1/1	2/2	-	1/1	1/1
Mr. NG Bo Kwong	吳保光先生	4/4	2/2	-	2/2	-	-	1/1
Mr. SUN Yung Tson Eric	孫榮聰先生	4/4	2/2	1/1	2/2	-	-	1/1



Each Executive Director has entered into a service contract with the Company for a term of three years while each Non-Executive Director and Independent Non-Executive Director has entered into a letter of appointment with the Company for a term of one year. All the aforesaid service contracts or letters of appointment may be terminated by either party giving written notice in accordance with the terms of service contracts or letters of appointment. All the Directors are subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles of Association of the Company.

The Company has appointed sufficient number of Independent Non-Executive Directors in accordance to the requirements of the Listing Rules and Mr. MA Chun Fung Horace has appropriate accounting professional qualifications. The Company has received from each Independent Non-Executive Director, namely Messrs. HUNG Kam Hung Allan, MA Chun Fung Horace, NG Bo Kwong and SUN Yung Tson Eric, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. Save that Mr. SUN Yung Tson Eric is the son of Mr. SUN Kai Lit Cliff, who was a former Independent Non-Executive Director, Mr. SUN Yung Tson Eric is not and was not connected with any of the Directors, the chief executive of the Company or a substantial Shareholder within two years immediately prior to the date of his appointment and up to the date of this report. The Directors are of the view that all Independent Non-Executive Directors meet the independence requirements as set out in Rule 3.13 of the Listing Rules.

Mr. CHING Chi Fai (the Chairman of the Company and an Executive Director) and Mr. CHING Chi Keung (Executive Director) are brothers. Mr. CHING Tsun Wah (Executive Director) is the son of Mr. CHING Chi Fai and a nephew of Mr. CHING Chi Keung.

During the year ended 31 December 2018, four Board meetings were held. Minutes of the Board meetings are being kept by the Company Secretary of the Company and are available for inspection by the Directors.

各執行董事均已與本公司簽訂為期三年之服務合約，而各非執行董事及獨立非執行董事已與本公司簽訂為期一年之委任函。根據服務合約或委任函之條款，所有上述服務合約及委任函均可由任何一方以書面通知終止。全體董事均須按本公司組織章程細則於本公司股東週年大會上輪值退任，並重選連任。

本公司已根據上市規則的規定委任足夠數目的獨立非執行董事及馬振峰先生具備適當的會計專業資格。本公司已收到每位獨立非執行董事(孔錦洪先生、馬振峰先生、吳保光先生及孫榮聰先生)根據上市規則第3.13條就其獨立性作出的年度確認書。除孫榮聰先生為孫啟烈先生(前獨立非執行董事)之兒子外，孫榮聰先生於緊接其委任日期前兩年內及直至本報告日期，與任何董事、本公司主要行政人員或大股東概無關連。董事認為，全體獨立非執行董事均符合上市規則第3.13條所載的獨立性規定。

程志輝先生(本公司主席兼執行董事)及程志強先(執行董事)乃兄弟之關係。程俊華先生(執行董事)為程志輝先生之兒子及程志強先生之侄子。

截至二零一八年十二月三十一日止年度，董事會已舉行四次會議。董事會的會議記錄由本公司之公司秘書存檔，並可供董事查閱。

## BOARD COMMITTEES

The Board has established the following committees:

- Audit Committee;
- Nomination Committee;
- Remuneration Committee;
- Executive Committee; and
- Investment Committee.

### Audit Committee

The Audit Committee comprises Mr. MA Chun Fung Horace (Chairman of the Audit Committee), who has appropriate accounting professional qualifications and relevant expertise, and Messrs. HUNG Kam Hung Allan, NG Bo Kwong and SUN Yung Tson Eric, all are Independent Non-Executive Directors. The Audit Committee held two meetings during the year ended 31 December 2018.

The Audit Committee is responsible for assisting the Board in fulfilling its audit duties through the review and supervision of the Group's financial reporting system, risk management system and internal control procedures, details of responsibilities are set out in the terms of reference of the Audit Committee, which are published on the HKEXnews website of the Stock Exchange and the website of the Company.

The work performed by the Audit Committee during the year ended 31 December 2018 are summarised below:

- reviewed the interim and annual results, the relevant statements and reports of the Group, the significant financial reporting judgements, in order to monitor the integrity and whether in accordance with the accounting principles and practices adopted by the Group and the applicable accounting standard;
- reviewed the external auditor's audit plan and terms of engagement;
- reviewed management letter and any materials queries raised by the external auditor to the management in relation to the accounting records, financial accounts or systems of control and management's responses;
- reviewed the key audit matters and discussed with external auditor and the management;

## 董事委員會

董事會已成立下列委員會：

- 審核委員會；
- 提名委員會；
- 薪酬委員會；
- 執行委員會；及
- 投資委員會。

### 審核委員會

審核委員會由馬振峰先生(審核委員會主席)(彼具備適當的會計專業資格及相關專長)、孔錦洪先生、吳保光先生及孫榮聰先生(全部均為獨立非執行董事)組成。截至二零一八年十二月三十一日止年度，審核委員會已舉行兩次會議。

審核委員會之職責為透過審閱及監管本集團之財務匯報系統、風險管理系統及內部監控程序協助董事會履行其審計職責，權責詳情載於審核委員會之職權範圍(刊載於聯交所披露易網站及本公司網站)。

審核委員會於截至二零一八年十二月三十一日止年度履行之工作概述如下：

- 審閱本集團的中期及全年業績、有關報表及報告以及重大財務報告判斷，藉以監察完整性及有否根據本集團採納的會計原則及慣例及適用會計準則；
- 檢討外聘核數師的審核計劃方案及委聘條款；
- 檢討外聘核數師給予管理層的審核情況說明函件及就會計記錄、財務賬目或監控系統提出之任何重大疑問以及管理層作出的回應；
- 檢討關鍵審計事項並與外聘核數師及管理層進行討論；

- reviewed the independency and objectivity of the external auditor, the effectiveness of audit process and the non-audit service fee payable to the external auditor;
- recommended to the Board the re-appointment of the external auditor and the audit fee payable to the external auditor for Shareholders' approval at the annual general meeting;
- reviewed the effectiveness of financial control, risk management and internal control systems of the Group involving financial, operational and compliance control;
- reviewed the internal audit report prepared by the internal auditor and the management's responses to the findings by the internal audit function;
- considered and reviewed the proposals of internal audit plan;
- reviewed the adequacy of resources, staff qualifications and experience, budget of the Group's financial reporting and internal audit functions; and
- reviewed the terms of reference of the Audit Committee and recommended for the Board's approval.
- 檢討外聘核數師之獨立性及客觀性、核數程序之有效性及應付予外聘核數師的非核數服務費用；
- 就外聘核數師之重新委任及應付予外聘核數師的核數服務費用向董事會提供推薦意見，以供股東於股東週年大會上批准；
- 檢討本集團之財務監控、風險管理及內部監控系統之有效性，包括財務、營運及合規監控；
- 審閱內部核數師編製的內部審核報告以及管理層對於內部審核職能調查結果所作出的回應；
- 考慮及檢討內部審核計劃方案；
- 檢討本集團在財務報告及內部審核職能方面的資源、員工資歷及經驗，以及有關預算是否充足；及
- 審閱審核委員會的職權範圍及推薦董事會批准。

### Auditor's remuneration

For the year ended 31 December 2018, the fees payable by the Company to the external auditor of the Company, PricewaterhouseCoopers are HK\$2,680,000 for audit services and HK\$381,000 for non-audit services.

### 核數師酬金

截至二零一八年十二月三十一日止年度，本公司應付外聘核數師羅兵咸永道會計師事務所之核數服務費用為2,680,000港元及非核數服務費用為381,000港元。

### Nomination Committee

The Nomination Committee comprises Mr. CHING Chi Fai (Chairman of the Nomination Committee), Executive Director and Messrs. MA Chun Fung Horace and SUN Yung Tson Eric, both are Independent Non-Executive Directors. The Nomination Committee held a meeting during the year ended 31 December 2018.

### 提名委員會

提名委員會由程志輝先生(提名委員會主席)(執行董事)、馬振峰先生及孫榮聰先生(兩位均為獨立非執行董事)組成。截至二零一八年十二月三十一日止年度，提名委員會已舉行一次會議。

The Nomination Committee is responsible for the identification and recommendation to the Board of possible appointees as Directors, making recommendations to the Board on matters relating to appointment or re-appointment of Directors, succession planning of Directors and assessing the independence of the Independent Non-Executive Directors, details of responsibilities are set out in the terms of reference of the Nomination Committee, which are published on the HKEXnews website of the Stock Exchange and the website of the Company.

提名委員會之職責乃為董事會物色及推薦董事人選，並就委任或重新委任董事、董事繼任計劃，以及評估獨立非執行董事的獨立性向董事會提出建議，權責詳情載於提名委員會之職權範圍(刊載於聯交所披露易網站及本公司網站)。

The work performed by the Nomination Committee during the year ended 31 December 2018 are summarised below:

- reviewed the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board;
- recommended to the Board regarding the re-election of directors for Shareholders' approval at the annual general meeting;
- assessed the independence of the Independent Non-Executive Directors; and
- reviewed the nomination policy and the Board diversity policy of the Company and terms of reference of the Nomination Committee and recommended for the Board's approval.

### *Nomination policy*

#### *Selection criteria*

The Nomination Committee would assess the suitability of a proposed candidate based on a number of factors, including but not limited to:

- character and integrity;
- professional qualifications, skills, knowledge and experience that are relevant to the Group's business and corporate strategy;
- potential time commitment to discharge duties as a Director and/or committee member and other directorships and significant commitments;
- Board diversity policy and any measurable objectives adopted for achieving the Board's diversity;
- relevant requirements as stipulated under the Listing Rules of the Stock Exchange, the Hong Kong Companies Ordinance, other applicable laws and regulations in Hong Kong and the Cayman Islands and the Memorandum and Articles of Association of the Company;
- independence requirements for the Independent Non-Executive Directors.

### *Nomination procedures*

#### *Appointment of Director(s)*

- The Nomination Committee shall upon receipt of the biographical details of the proposed candidate(s), evaluate the candidate(s) based on the selection criteria of the nomination policy to determine his/her qualification as a Director and make recommendation for the Board's consideration. The selected individual(s) will be subject to re-election by Shareholders at the next general meeting of the Company after his/her initial appointment as Director(s) in accordance with the Company's Articles of Association.

提名委員會於截至二零一八年十二月三十一日止年度履行之工作概述如下：

- 檢討董事會之架構、人數及組成(包括董事技能、知識、經驗及多元化)；
- 就於股東週年大會上提呈股東批准董事重選向董事會作出推薦建議；
- 評核獨立非執行董事之獨立性；及
- 審閱本公司之提名政策及董事會成員多元化政策以及提名委員會之職權範圍並推薦董事會審批。

### *提名政策*

#### *甄選準則*

提名委員會在評估建議候選人是否合適時，將參考多項因素，包括但不限於：

- 品格與誠實；
- 專業資格、技巧、知識及與本集團業務及策略相關的經驗；
- 履行董事及／或委員會成員職責之潛在投入時間及其他董事職位和重大承擔職責；
- 所採納之董事會成員多元化政策及任何以達致董事會成員多元化的可計量目標；
- 聯交所上市規則、香港公司條例、香港和開曼群島之其他適用法律及規例，以及本公司之組織章程大綱和細則之相關規定；
- 獨立非執行董事之獨立性規定。

### *提名程序*

#### *委任董事*

- 提名委員會在收到建議候選人的履歷詳情後，將根據提名政策所載之甄選準則評估候選人，以決定其是否合資格擔任董事，並推薦予董事會作出考慮。獲選人士將須根據本公司之組織章程細則，於其始獲委任後之下一次本公司股東大會上獲股東重選。



- For any person as nominated by a Shareholder for election as a Director at a general meeting of the Company, the qualification of the candidate(s) shall be evaluated first by the Nomination Committee and then by the Board based on the selection criteria of the nomination policy. The Board shall make recommendation to the Shareholders in respect of such proposed election as Director(s) at the general meeting of the Company.

#### *Re-election of Director(s)*

- The Nomination Committee shall review and determine whether the retiring Director(s) continue to meet the selection criteria of the nomination policy and make recommendation for the Board's consideration. The Board shall then make recommendation to the Shareholders in respect of the proposed re-election of Director(s) at the general meeting.

#### *Summary of the Board diversity policy*

The Board diversity policy of the Company setting out the approach to diversity on the Board. The Company continuously seeks to enhance its effectiveness and to maintain the highest standards of corporate governance and recognises diversity at Board level as an essential element in maintaining a competitive advantage, Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The Nomination Committee and the Board will also take into account factors based on the Group's business model and specific needs from time to time. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

#### **Remuneration Committee**

The Remuneration Committee comprises Mr. CHING Chi Fai, Executive Director, and Messrs. HUNG Kam Hung Allan (Chairman of the Remuneration Committee), MA Chun Fung Horace, NG Bo Kwong and SUN Yung Tson Eric, all are Independent Non-Executive Directors. The Remuneration Committee held two meetings during the year ended 31 December 2018.

The Remuneration Committee is responsible for making recommendations to the Board on the Group's remuneration policy and structure, the remuneration packages of the Executive Directors and senior management, and the remuneration of Non-Executive Director and Independent Non-Executive Directors, details of responsibilities are set out in the terms of reference of the Remuneration Committee, which are published on the HKEXnews website of the Stock Exchange and the website of the Company.

- 任何經由股東提名於本公司股東大會上選舉為董事之人士，將首先經提名委員會及再經董事會根據提名政策所載之甄選準則評估其資格。董事會將就於本公司股東大會上擬選舉董事之事宜向股東作出建議。

#### *重選董事*

- 提名委員會將檢討及決定退任董事是否仍符合提名政策所載之甄選準則，並推薦予董事會作出考慮。董事會將就於股東大會上擬重選董事之事宜向股東作出建議。

#### *董事會成員多元化政策概要*

本公司之董事會成員多元化政策載列為達致董事會成員多元化之方針。本公司一直務求提升其效率及維持最高水平之公司管治，以及認定在董事會層面的多元化為維持競爭優勢的重要元素，從多方面考慮董事會成員多元化，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期。提名委員會及董事會亦將根據本集團之業務模式及不時之特定需要去考慮各種因素。最終將按所選候選人之長處及可為董事會帶來之貢獻而作決定。

#### **薪酬委員會**

薪酬委員會由程志輝先生(執行董事)、孔錦洪先生(薪酬委員會主席)、馬振峰先生、吳保光先生及孫榮聰先生(四位均為獨立非執行董事)組成。截至二零一八年十二月三十一日止年度，薪酬委員會已舉行兩次會議。

薪酬委員會之職責為就本集團之薪酬政策及架構、執行董事及高級管理人員之薪酬待遇、非執行董事及獨立非執行董事之酬金向董事會提出建議，權責詳情載於薪酬委員會之職權範圍(刊載於聯交所披露易網站及本公司網站)。

The work performed by the Remuneration Committee during the year ended 31 December 2018 are summarised below:

- considered and reviewed the remuneration packages, including the discretionary bonus, and the performance, time commitment and responsibilities of each Executive Director and the senior management, with reference to the prevailing market conditions, and recommended for the Board's approval on the adjustments of remuneration of each Executive Director and the senior management;
- considered and reviewed the Group's remuneration policy; and
- reviewed the respective letter of appointment and director's fee of each Non-Executive Director and Independent Non-Executive Director and recommended for the Board's approval.

The remuneration of senior management by band for the year ended 31 December 2018 is as follows:

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工作概述如下：

- 按當時市場狀況考慮及檢討各執行董事及高級管理人員之薪酬待遇(包括酌情花紅)及表現、付出之時間及職責，並就各執行董事及高級管理人員之薪酬調整向董事會提出建議；
- 考慮及檢討本集團之薪酬政策；及
- 審閱及向董事會建議批准各非執行董事及獨立非執行董事之委任函及袍金。

截至二零一八年十二月三十一日止年度按範圍組別劃分的高級管理人員薪酬載列如下：

		Number of Individuals 人數 2018 二零一八年
Nil to HK\$1,000,000	零至1,000,000港元	-
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	1
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	-

## Executive Committee

The Executive Committee comprises Messrs. CHING Chi Fai (Chairman of the Executive Committee), CHING Chi Keung, LIU Zigang, CHING Tsun Wah and KEUNG Kwok Hung, all are Executive Directors. The Executive Committee held four meetings during the year ended 31 December 2018.

The Executive Committee has been delegated with the general powers to deal with the daily operations and management of the Company, including but not limited to, setting up new companies, opening bank accounts, arranging banking facilities, affixing the Common Seal, issue of Shares upon exercise of any subscription or conversion rights under any share option schemes of the Company, warrants or convertible notes.

## 執行委員會

執行委員會由程志輝先生(執行委員會主席)、程志強先生、劉子剛先生、程俊華先生及姜國雄先生(全部均為執行董事)組成。截至二零一八年十二月三十一日止年度，執行委員會已舉行四次會議。

執行委員會已獲授一般權力以處理本公司日常營運及管理工作，包括但不限於成立新公司、開立銀行賬戶、安排銀行融資、加蓋公司印鑑、於任何本公司購股權計劃、認股權證或可換股票據項下的任何認購權或兌換權獲行使時發行股份。

## Investment Committee

The Investment Committee comprises Messrs. CHING Chi Fai (Chairman of the Investment Committee) and KEUNG Kwok Hung, both are Executive Directors and Mr. MA Chun Fung Horace, Independent Non-Executive Director. The Investment Committee held a meeting during the year ended 31 December 2018.

The Investment Committee has been delegated by the Board to assess, consider and approve/recommend any potential investments and/or divestments of the Group, which are less than US\$20 million, or 5% of the total market capitalisation of the Company, in aggregate in each financial year, whichever is lower, and approve each investment/divestment reaching/exceeding HK\$3 million but not exceeding 10% of the aforesaid aggregate amount.

## CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the functions as set out in the code provision D.3.1 of the CG Code. During the year ended 31 December 2018, the Board reviewed the Company's corporate governance policies and practices, continuous professional development of the Directors and the senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of the Listing Rules and its updates, the compliance of the Model Code by the Directors and employees and the Company's compliance with the CG Code and disclosure in this Corporate Governance Report.

## 投資委員會

投資委員會由程志輝先生(投資委員會主席)、姜國雄先生(兩位均為執行董事)及馬振峰先生(獨立非執行董事)組成。截至二零一八年十二月三十一日止年度,投資委員會已舉行一次會議。

董事會授權投資委員會評估、考慮及批准/推薦任何本集團於每個財政年度涉及合共少於20百萬美元或佔本公司總市值5%(以較低者為準)之潛在投資及/或撤資項目,並批准每項達/超逾3百萬港元但不超逾上述累計金額10%之投資/撤資項目。

## 企業管治職能

董事會負責履行企管守則之守則條文第D.3.1條所載之職能。於截至二零一八年十二月三十一日止年度,董事會檢討本公司之企業管治政策及常規、董事及高級管理人員之持續專業發展、本公司在遵守法律及監管規定方面之政策及常規、遵守上市規則及其更新之情況、董事及僱員遵守標準守則之情況,以及本公司遵守企管守則之情況及於本企業管治報告內之披露。

## Directors' continuous professional development

Pursuant to code provision A.6.5 of the CG Code, all Directors should participate in continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant. All the Directors understand the importance of continuous professional development and are committed to participating any suitable training or reading relevant materials in order to develop and refresh their knowledge and skills. The Company has received from each Director his/her training record of participation in continuous professional development for the year ended 31 December 2018:

## 董事之持續專業發展

根據企管守則之守則條文第A.6.5條，全體董事應參與持續專業發展以發展並更新彼等之知識及技能，為確保彼等繼續在具備全面資訊及切合所需之情況下對董事會作出貢獻。全體董事知悉持續專業發展之重要性，並承諾參與任何適合的培訓或閱讀相關資料，以發展並更新彼等之知識及技能。本公司已接獲每位董事有關彼等於截至二零一八年十二月三十一日止年度參與持續專業發展之培訓記錄：

		Attending seminar(s) 參加研討會	Reading materials 閱讀資料
<b>Executive Directors</b>			
Mr. CHING Chi Fai	執行董事 程志輝先生	-	✓
Mr. CHING Chi Keung	程志強先生	-	✓
Mr. LIU Zigang	劉子剛先生	-	✓
Mr. CHING Tsun Wah	程俊華先生	-	✓
Mr. KEUNG Kwok Hung	姜國雄先生	✓	✓
<b>Non-Executive Director</b>			
Ms. CHAN Yim Ching	非執行董事 陳艷清女士	-	✓
<b>Independent Non-Executive Directors</b>			
Mr. HUNG Kam Hung Allan	獨立非執行董事 孔錦洪先生	-	✓
Mr. MA Chun Fung Horace	馬振峰先生	✓	✓
Mr. NG Bo Kwong	吳保光先生	-	✓
Mr. SUN Yung Tson Eric	孫榮聰先生	-	✓

## MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company adopted the Model Code set out in Appendix 10 to the Listing Rules as its own code of conduct regarding Directors' securities transactions on 5 October 2007. Having made specific enquiries to all Directors, all Directors confirmed that they have complied with the required standard set out in the Model Code for the year ended 31 December 2018.

## 董事進行證券交易的標準守則

於二零零七年十月五日，本公司採納上市規則附錄十所載的標準守則作為董事進行證券交易之操守準則。經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年度遵守標準守則所載之規定。



## DIRECTORS' AND AUDITOR'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibilities for overseeing the preparation of the financial statements for each financial period which give a true and fair view of the state of affairs of the Group, and of results and cash flow for the financial period. In preparing the financial statements for the year ended 31 December 2018, the Directors have selected suitable accounting policies and applied them consistently; adopted appropriate Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards; made prudent and reasonable judgements and estimates and have prepared the financial statements on a going concern basis. The Directors also warrant that the Group's financial statements will be published in a timely manner.

The statement of the reporting responsibilities on the financial statements of the Group of the auditor of the Company is set out in the "Independent Auditor's Report" on pages 56 to 62 of this annual report.

## INTERNAL CONTROL AND RISK MANAGEMENT

The Board has overall responsibility for maintaining a sound and effective risk management and internal control systems of the Group and reviewing their effectiveness annually. The Group's internal control system includes a well defined management structure with limits of authority which is designed for the achievement of business objectives, safeguarding assets against unauthorised use or disposition, ensuring proper maintenance of books and records for the provision of reliable financial information for internal use or publication, and ensuring compliance with relevant legislations and regulations. In addition, the Group has established risk management procedures to identify and prioritise risks for the business to be addressed by management. At least on an annual basis, management identifies risks that would adversely affect the achievement of the Group's objectives, and assesses and prioritises the identified risks according to a set of standard criteria. Risk mitigation plans and risk owners are then established for those risks considered to be significant.

The risk management and internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

During the year ended 31 December 2018, the Board appointed a professional consulting firm with the responsibility to conduct internal audit function and assess risks of the Company and perform the agreed-upon procedures in relation to the internal controls of the business of the Group. The Audit Committee and the management will follow up the suggestions from the aforesaid professional consulting firm to further improve the risk management and internal control systems. The Group is committed to the identification, monitoring and management of risks associated with its business activities.

## 董事及核數師對財務報表的責任

董事確認須負責監督各財政期間編製財務報表工作，以確保能真實及公正地反映本集團的財務狀況、財政期內業績與現金流量。在編製截至二零一八年十二月三十一日止年度的財務報表時，董事已選擇並貫徹應用合適的會計政策；採納合適的香港財務報告準則及香港會計準則；作出審慎而合理的判斷和估計，以及按持續營運基準編製財務報表。董事亦須保證本集團的財務報表將依時刊發。

本公司核數師就彼等對本集團財務報表的申報責任聲明已載於本年報第56至62頁的「獨立核數師報告」。

## 內部監控及風險管理

董事會的整體責任為維持本集團的穩健和有效的風險管理及內部監控系統，並每年監察其有效性。本集團的內部監控系統包括清晰明確且權限分明的管理架構，以助達致業務目標、保障資產以防止未經授權的使用或出售、確定妥善保存賬目及記錄以提供可靠的財務資料供內部使用或公佈，以及確保符合相關法律及法規。此外，本集團已建立風險管理程序以識別和排列須提請管理層注意的業務風險的優先次序。管理層至少每年識別對達致本集團目標造成不利影響的風險，並根據一套標準準則評估及排列所識別風險的優先次序，從而對被視為重大的風險制定風險緩解計劃及指定風險負責人。

設計風險管理及內部監控系統旨在管理而並非消除未能達致業務目標的風險，且僅可就重大失實陳述或損失提供合理但非絕對的保證。

於截至二零一八年十二月三十一日止年度內，董事會已委聘專業顧問公司負責履行內部審核職能及評估本公司的風險，並履行有關本集團業務的內部監控的商定程序。審核委員會及管理層將跟進前述專業顧問公司的建議，以進一步改善其風險管理及內部監控系統。本集團致力辨識、監測及管理有關其商業活動的風險。

The Board has conducted a review of the effectiveness of risk management and internal control systems of the Group for the year ended 31 December 2018 and satisfied with the scope and effectiveness of the systems. The review included but not limited to the Group's ability to cope with its business transformation and changing external environment; the scope and quality of management's review on risk management and internal control systems; result of internal audit work; the extent and frequency of communication with the Board in relation to result of risks and internal control review; significant failures or weaknesses identified and their related implications; and status of compliance with the Listing Rules. The Board considers the Group's risk management and internal control systems are effective and adequate.

### Procedures and internal controls for handling and dissemination of inside information

The Group complies with requirements of the SFO and the Listing Rules. The Group discloses inside information to the public as soon as reasonably practicable unless the information falls within any of the safe harbours as provided in the SFO. Before the information is fully disclosed to the public, the Group ensures the information is kept strictly confidential. If the Group believes that the necessary degree of confidentiality cannot be maintained or that confidentiality may have been breached, the Group will immediately disclose the information to the public. The Group is committed to ensuring that information contained in published documents are not false or misleading as to a material fact, or false or misleading through the omission of a material fact in view of presenting information in a clear and balanced way, which requires equal disclosure of both positive and negative facts.

## COMMUNICATION WITH SHAREHOLDERS

Communication with Shareholders is given high priority by the Group. A Shareholder communication policy has been adopted for the purpose of ensuring that the Shareholders are provided with ready, equal and timely access to the balanced and understandable information about the Group.

Extensive information about the Group's activities has been provided in the annual reports and the interim reports which are sent to the Shareholders and are available on the HKExnews website of the Stock Exchange and the Company's website. Shareholders may communicate with the Directors and senior management in the general meetings of the Company. External auditor is also invited to attend the AGM to answer questions about the conduct of the audit, the preparation and content of the independent auditor's report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and independence of the auditor in relation to the conduct of the audit.

截至二零一八年十二月三十一日止年度，董事會已檢討本集團風險管理及內部監控系統之有效性，並對系統的涵蓋範圍和有效性感到滿意。檢討包括但不限於本集團適應其業務轉型及不斷轉變的外在環境的能力；管理層檢討風險管理及內部監控系統的涵蓋範圍及素質；內部審計工作結果；就風險及內部監控檢討結果與董事會溝通的詳盡程度及次數；已識別的重大失誤或缺陷及其有關影響；以及上市規則的合規情況。董事會認為本集團風險管理及內部監控系統屬有效及足夠。

### 處理及發佈內幕消息的程序及內部監控

本集團遵守證券及期貨條例及上市規則的規定。本集團於合理切實可行情況下盡快向公眾披露內幕消息，除非有關消息屬證券及期貨條例下任何安全港範圍內。在向公眾全面披露有關消息前，本集團確保消息嚴格保密。倘本集團認為無法保持必要的保密度，或可能已違反保密措施，本集團將即時向公眾披露消息。本集團致力確保發佈文件中所載資料就重大事實而言並不屬虛假或具誤導性，或鑑於以清晰平衡的方式呈列消息(就正面及負面事實需要相等披露而言)並不因遺漏重大事實而屬虛假或具誤導性。

## 與股東的溝通

本集團高度重視與股東的溝通。本集團採納股東通訊政策，旨在確保股東可適時取得全面、相同及容易理解的本集團資料。

年報及中期報告均已提供大量有關本集團業務的資料，該等報告將寄發予股東及載於聯交所披露易網站及本公司網站。股東或可於本公司的股東大會上與董事及高級管理人員溝通。外聘核數師亦獲邀請出席股東週年大會，以回答有關核數工作、獨立核數師報告之編製及內容、本公司就編製財務報表所採納之會計政策及核數師就審核工作之獨立性之問題。

## SHAREHOLDERS' RIGHTS

### Convening an extraordinary general meeting by the Shareholders

The procedures of convening an extraordinary general meeting by the Shareholders are as follows:

Pursuant to article 79 of the Articles of Association of the Company, general meetings may be convened on the written requisition of any two or more members of the Company deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office, specifying the objects of the meeting and signed by the requisitionists, provided that such requisitionists held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company. General meetings may also be convened on the written requisition of any one member of the Company which is a recognised clearing house (or its nominee(s)) deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office, specifying the objects of the meeting and signed by the requisitionist, provided that such requisitionist held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company. If the Board does not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting to be held within a further 21 days, the requisitionist(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board, provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to them by the Company.

### Putting forward proposals at Shareholders' meetings

There are no provisions allowing Shareholders to move new resolution at general meetings under the Articles of Association of the Company. Shareholders who wish to move a resolution may request the Company to convene a general meeting following the procedures set out in the preceding paragraph.

### Making enquires to the Board

Shareholders may make enquires to the Board in writing to the principal place of business of the Company in Hong Kong at Unit D3, 8/F, TML Tower, No. 3 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong.

## 股東權利

### 股東召開股東特別大會

股東召開股東特別大會之程序如下：

根據本公司的組織章程細則第79條，股東大會可應本公司任何兩名或以上股東的書面要求而召開，有關要求須送達本公司於香港的主要辦事處（或倘本公司不再設置上述主要辦事處，則為註冊辦事處），當中列明大會的主要商議事項並由請求人簽署，惟該等請求人於送達要求之日須持有本公司附帶於本公司股東大會投票權不少於十分之一的繳足股本。股東大會亦可應本公司任何一名股東（為一間認可結算所（或其代名人）的書面要求而召開，有關要求須送達本公司於香港的主要辦事處（或倘本公司不再設置上述主要辦事處，則為註冊辦事處），當中列明大會的主要商議事項並由請求人簽署，惟該請求人於送達要求之日須持有本公司附帶於本公司股東大會投票權不少於十分之一的繳足股本。倘董事會於送達要求之日起計21日內並無按既定程序召開將予在其後的21日內舉行的大會，請求人自身或代表彼等所持全部投票權一半以上的任何請求人可按盡量接近董事會召開大會的相同方式召開股東大會，惟按上述方式召開的任何大會不得於送達要求之日起計三個月屆滿後召開，且本公司須向請求人償付因應董事會未有召開大會而致使彼等須召開大會所產生的所有合理開支。

### 於股東大會上提呈建議

本公司之組織章程細則並無列明股東可在股東大會上提呈任何新決議案。有意提呈決議案之股東可按上文所載程序要求本公司召開股東大會。

### 向董事會作出查詢

股東可向董事會作出書面查詢，該書面查詢可送至本公司香港主要營業地點，地址為香港新界荃灣海盛路3號TML廣場8樓D3室。

## CONSTITUTIONAL DOCUMENTS

There is no change in the Company's constitutional documents during the year ended 31 December 2018.

On behalf of the Board

**CHING Chi Fai**

*Chairman*

Hong Kong, 27 March 2019

## 組織章程文件

截至二零一八年十二月三十一日止年度，本公司組織章程文件概無變動。

代表董事會

主席

**程志輝**

香港，二零一九年三月二十七日



# INDEPENDENT AUDITOR'S REPORT 獨立核數師報告



**TO THE SHAREHOLDERS OF  
MING FAI INTERNATIONAL HOLDINGS LIMITED**  
*(incorporated in the Cayman Islands with limited liability)*

## OPINION

### What we have audited

The consolidated financial statements of Ming Fai International Holdings Limited (the "Company") and its subsidiaries (the "Group") set out on pages 63 to 164, which comprise:

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

致明輝國際控股有限公司股東

*(於開曼群島註冊成立的有限公司)*

## 意見

### 我們已審核之內容

明輝國際控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第63至164頁的綜合財務報表，包括：

- 於二零一八年十二月三十一日的綜合資產負債表；
- 截至該日止年度的綜合全面收益表；
- 截至該日止年度的綜合權益變動表；
- 截至該日止年度的綜合現金流量表；及
- 綜合財務報表附註，其中包括重大會計政策概要。

*PricewaterhouseCoopers*  
22/F Prince's Building, Central, Hong Kong  
T: +852 2289 8888, F: +852 2810 9888  
www.pwchk.com

羅兵咸永道會計師事務所  
香港中環太子大廈廿二樓  
總機：+852 2289 8888，傳真：+852 2810 9888  
www.pwchk.com

## Our opinion

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

## BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Independence

We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code.

## 我們的意見

我們認為，該等綜合財務報表已根據香港會計師公會頒佈的《香港財務報告準則》真實而中肯地反映了 貴集團於二零一八年十二月三十一日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

## 意見的基礎

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

我們相信，我們所獲得的審計憑證能充足和適當地為我們的審計意見提供基礎。

## 獨立性

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。

## KEY AUDIT MATTERS

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

## 關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

### Key Audit Matter

#### Provision for impairment of trade receivables

*Refer to Notes 3(a)(iv), 4 and 12 to the consolidated financial statements for the related disclosures.*

As at 31 December 2018, the provision for impairment of trade receivables amounted to HK\$23.0 million, of which HK\$22.1 million was attributable to customers located in the People's Republic of China (the "PRC"). Provision is made for lifetime expected credit losses on trade receivables.

Customers located in the PRC generally have a slower settlement pattern and may settle after the contractual credit period. Management applied judgement in assessing the expected credit losses. Receivables relating to customers with known financial difficulties or significant doubt on collection of receivables are assessed individually for provision for impairment allowance. Expected credit losses are also estimated by grouping the remaining receivables based on the shared credit risk characteristics and collectively assessed for the likelihood of recovery, taking into account the nature of the customer, its geographical location and its ageing category, and applying expected credit loss rates to the respective gross carrying amounts of the receivables. The expected credit loss rates are determined based on the historical credit losses experienced of up to past 3 years and are adjusted to reflect current and forward-looking information such as macroeconomic factors affecting the ability of the customers to settle the receivables.

We focused on this area due to the estimation and judgement involved in determining the expected credit losses allowance of the trade receivables.

### 關鍵審計事項

#### 應收貿易賬款減值撥備

*有關相關事項的披露，請參閱綜合財務報表附註3(a)(iv)、4及12。*

於二零一八年十二月三十一日，應收貿易賬款的減值撥備為23.0百萬港元，其中22.1百萬港元來自位於中華人民共和國（「中國」）的客戶。撥備乃就應收貿易賬款整個存續期之預期信貸虧損而作出。

位於中國的客戶清償速度一般較慢，其亦可能於合約信貸期後方清償款項。管理層評估預期信貸虧損時須運用判斷。會就已知出現財政困難或應收款項回收性存在重大疑問之客戶相關的應收款項作出減值撥備的個別評估。集團亦按共有之信貸風險特性將餘下應收款項組合以估計預期信貸虧損，並在考慮客戶性質、其所在地理位置及賬齡組別後，對各應收款項總賬面值應用預期信貸虧損比率，共同評估其可收回性。預期信貸虧損比率乃按過往最多三年的過往信貸虧損釐定，並作出調整以反映影響當前及前瞻資訊（例如有關影響客戶償還款項能力的宏觀經濟因素）。

我們集中於此範疇，乃由於釐定應收貿易賬款的預期信用虧損撥備時涉及估計及判斷。

### How our audit addressed the Key Audit Matter

We understood and validated the credit control procedures performed by management, including its procedures on periodic review on aged trade receivables and assessment on the expected credit losses allowance of trade receivables. We tested on a sample basis, the accuracy of ageing profile of trade receivables by checking to the underlying sales invoices. We tested on sample basis, the subsequent settlement of trade receivables against bank receipts. We obtained management's assessment on the expected credit losses allowance of receivables. We corroborated and validated management's assessment based on the historical settlement pattern of up to past 3 years, correspondence with the customers and market research regarding the relevant forward-looking information such as macroeconomic factors used in management's assessment.

Based upon the above, we found that the estimation and judgement made by management in respect of the expected credit losses allowance and the collectability of trade receivables were supportable by the available evidence.

### 我們的審計如何處理關鍵審計事項

我們了解和驗證管理層執行的信用監控程序，包括其對逾期應收貿易賬款的定期審查程序，以及應收貿易賬款預期信貸虧損撥備的評估。我們已藉著抽樣檢查相關銷售發票測試應收貿易賬款的賬齡組合的準確性。我們已根據銀行收據抽樣測試應收貿易賬款的期後償付情況。我們取得管理層對應收款項預期信貸虧損撥備作出的評估。我們證實和驗證管理層按過往最多三年的過往收款模式、客戶通訊及相關前瞻資訊(例如管理層評估所用的宏觀經濟因素)有關的市場研究作出的評估。

根據上文所述，我們發現管理層就應收貿易賬款的預期信貸虧損撥備及可收回性所作出的估計及判斷有可得的憑證支持。

## OTHER INFORMATION

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## 其他信息

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

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

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

基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

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

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

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

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

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

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

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

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

管理層須負責監督 貴集團的財務報告過程。

## 核數師就審計綜合財務報表承擔的責任

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



As part of an audit in accordance with HKSAAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
  - Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
  - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：
- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
  - 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對 貴集團內部控制的有效性發表意見。
  - 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
  - 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。
  - 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
  - 就 貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責 貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

INDEPENDENT AUDITOR'S REPORT (CONTINUED)  
獨立核數師報告(續)

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Chan Tak Wai, Daniel.

**PricewaterhouseCoopers**  
*Certified Public Accountants*

Hong Kong, 27 March 2019

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

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

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

出具本獨立核數師報告的審計項目合夥人是陳德威。

**羅兵咸永道會計師事務所**  
*執業會計師*

香港，二零一九年三月二十七日

# CONSOLIDATED BALANCE SHEET 綜合資產負債表

As at 31 December 於十二月三十一日

			2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
		Note 附註		
<b>ASSETS</b>	<b>資產</b>			
<b>Non-current assets</b>	<b>非流動資產</b>			
Goodwill	商譽	9(a)	5,413	-
Land use rights	土地使用權	6	67,716	39,888
Property, plant and equipment	物業、廠房及設備	7	351,093	269,492
Investment property	投資物業	8	14,005	14,289
Intangible assets	無形資產	9(b)	2,598	1,886
Deferred income tax assets	遞延所得稅資產	10	3,610	6,111
Other non-current assets	其他非流動資產	15	16,923	6,317
Investment in an associated company	於一間聯營公司的投資		5,408	3,602
Investments in joint ventures	於合營企業的投資		307	212
Other financial assets at amortised cost	按攤銷成本列賬之其他金融資產	14	371	38,383
<b>Total non-current assets</b>	<b>非流動資產總額</b>		<b>467,444</b>	380,180
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨	11	243,817	261,695
Other current assets	其他流動資產	15	35,030	26,348
Tax recoverable	可收回稅項		4,100	1,722
Other financial assets at amortised cost	按攤銷成本列賬之其他金融資產	14	11,863	23,278
Amounts due from joint ventures	應收合營企業款項		265	59
Amount due from an associated company	應收一間聯營公司款項	13	3,125	8,138
Trade and bills receivables	應收貿易賬款及票據	12	666,408	580,573
Short-term bank deposits	短期銀行存款	16	521	78
Cash and cash equivalents	現金及現金等值項目	17	272,478	367,759
<b>Total current assets</b>	<b>流動資產總額</b>		<b>1,237,607</b>	1,269,650
<b>Total assets</b>	<b>資產總額</b>		<b>1,705,051</b>	1,649,830
<b>EQUITY</b>	<b>權益</b>			
<b>Equity attributable to owners of the Company</b>	<b>本公司擁有人應佔權益</b>			
Share capital	股本	20	7,282	7,265
Reserves	儲備		1,078,847	1,045,149
Final dividend proposed	建議末期股息	32	36,428	36,350
Non-controlling interests	非控股權益		1,122,557 (32,027)	1,088,764 (28,324)
<b>Total equity</b>	<b>總權益</b>		<b>1,090,530</b>	1,060,440

CONSOLIDATED BALANCE SHEET (CONTINUED)

綜合資產負債表(續)

As at 31 December 於十二月三十一日

			2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>LIABILITIES</b>	<b>負債</b>			
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Deferred income tax liabilities	遞延所得稅負債	10	7,460	2,792
Other non-current payables	其他非流動應付款項	23	2,879	-
<b>Total non-current liabilities</b>	<b>非流動負債總額</b>		<b>10,339</b>	2,792
<b>Current liabilities</b>	<b>流動負債</b>			
Trade payables	應付貿易賬款	22	226,516	230,530
Accruals and other payables	應計費用及其他應付款項	23	299,246	289,969
Current income tax liabilities	即期所得稅負債		28,164	29,335
Bank borrowings	銀行借貸	21	34,588	22,170
Loans from non-controlling interests	來自非控股權益之貸款	24	15,492	14,492
Dividends payable	應付股息		176	102
<b>Total current liabilities</b>	<b>流動負債總額</b>		<b>604,182</b>	586,598
<b>Total liabilities</b>	<b>負債總額</b>		<b>614,521</b>	589,390
<b>Total equity and liabilities</b>	<b>總權益及負債</b>		<b>1,705,051</b>	1,649,830

The consolidated financial statements on page 63 to 164 were approved by the Board of Directors on 27 March 2019 and were signed on its behalf.

第63至164頁的綜合財務報表於二零一九年三月二十七日經董事會批准並由以下董事代表簽署。

CHING Chi Fai

程志輝

Director

董事

CHING Tsun Wah

程俊華

Director

董事

The notes on pages 69 to 164 are an integral part of these consolidated financial statements.

第69至164頁的附註為此等綜合財務報表的整體部份。

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

## 綜合全面收益表

For the year ended 31 December 截至十二月三十一日止年度

		Note 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Revenue	收入	5	2,052,708	1,863,559
Cost of sales	銷售成本	25	(1,587,373)	(1,421,565)
<b>Gross profit</b>	<b>毛利</b>		<b>465,335</b>	441,994
Distribution costs	分銷成本	25	(231,181)	(207,567)
Administrative expenses	行政開支	25	(122,817)	(97,434)
Net reversal of impairment losses on financial assets	金融資產減值虧損撥回淨額	25	11,351	214
Other income	其他收入	26	6,056	4,474
<b>Operating profit</b>	<b>經營溢利</b>		<b>128,744</b>	141,681
Finance income	財務收入	28	877	834
Finance costs	財務成本	28	(1,206)	(613)
Share of profit of an associated company	應佔一間聯營公司溢利		1,948	1,344
Share of profit of a joint venture	應佔一間合營企業溢利		95	2
Fair value gain on an investment property	一項投資物業之公平值收益	8	473	-
<b>Profit before income tax</b>	<b>未計所得稅前溢利</b>		<b>130,931</b>	143,248
Income tax expenses	所得稅開支	30	(34,850)	(34,408)
<b>Profit for the year</b>	<b>年度溢利</b>		<b>96,081</b>	108,840
<b>Other comprehensive (loss)/income</b>	<b>其他全面(虧損)/收益</b>			
<i>Item that may be subsequently reclassified to profit or loss</i>	<i>其後可能重新分類至損益之項目</i>			
Currency translation differences	貨幣換算差額		(12,358)	19,385
<b>Total comprehensive income for the year</b>	<b>年度全面收益總額</b>		<b>83,723</b>	128,225
<b>Profit/(loss) attributable to:</b>	<b>應佔溢利/(虧損):</b>			
Owners of the Company	本公司擁有人		100,249	108,923
Non-controlling interests	非控股權益		(4,168)	(83)
			<b>96,081</b>	108,840
<b>Total comprehensive income/(loss) attributable to:</b>	<b>應佔全面收益/(虧損)總額:</b>			
Owners of the Company	本公司擁有人		87,426	128,879
Non-controlling interests	非控股權益		(3,703)	(654)
			<b>83,723</b>	128,225
<b>Earnings per share attributable to owners of the Company (expressed in HK cents)</b>	<b>本公司擁有人應佔每股盈利(以港仙列示)</b>			
Basic	基本	31(a)	13.9	15.1
Diluted	攤薄	31(b)	13.8	14.9

The notes on pages 69 to 164 are an integral part of these consolidated financial statements.

第69至164頁的附註為此等綜合財務報表的整體部份。



# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

For the year ended 31 December 截至十二月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔						
		Shares held for the share award scheme (the "Scheme") 就股份獎勵 計劃(「計劃」)					Non- controlling interests	Total equity
		Share capital	Share premium	Other reserves	Sub-total			
		股本	持有之股份	股份溢價	其他儲備	小計	非控股權益	總權益
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
<b>Balance at 1 January 2017</b>	於二零一七年 一月一日之結餘	7,238	(1,038)	606,905	389,601	1,002,706	(27,670)	975,036
<b>Comprehensive income/(loss)</b>	全面收益/(虧損)							
Profit/(loss) for the year	本年度溢利/(虧損)	-	-	-	108,923	108,923	(83)	108,840
<b>Other comprehensive income/(loss)</b>	其他全面收益/ (虧損)							
Currency translation differences	貨幣換算差額	-	-	-	19,956	19,956	(571)	19,385
<b>Total comprehensive income/(loss)</b>	全面收益/(虧損) 總額	-	-	-	128,879	128,879	(654)	128,225
Exercise of share options (Notes 19(a))	行使購股權 (附註19(a))	27	-	1,633	-	1,660	-	1,660
Purchase of shares for the Scheme (Notes 19(b))	就計劃購入之股份 (附註19(b))	-	(1,051)	-	-	(1,051)	-	(1,051)
Final dividend relating to 2016	二零一六年度之 末期股息	-	-	-	(28,930)	(28,930)	-	(28,930)
Interim dividend relating to 2017	二零一七年度之 中期股息	-	-	-	(14,500)	(14,500)	-	(14,500)
<b>Balance at 31 December 2017</b>	於二零一七年十二月 三十一日之結餘	7,265	(2,089)	608,538	475,050	1,088,764	(28,324)	1,060,440

The notes on pages 69 to 164 are an integral part of these consolidated financial statements.

第69至164頁的附註為此等綜合財務報表的整體部份。

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

綜合權益變動表(續)

For the year ended 31 December 截至十二月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔						
		Shares held 本公司擁有人應佔				Sub-total	Non-controlling interests	Total equity
		Share capital	for the Scheme 就計劃	Share premium	Other reserves			
		股本	持有之股份	股份溢價	其他儲備	小計	非控股權益	總權益
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
<b>Balance at 1 January 2018</b>	於二零一八年一月一日之結餘	7,265	(2,089)	608,538	475,050	1,088,764	(28,324)	1,060,440
<b>Comprehensive income/(loss)</b>	全面收益/(虧損)							
Profit/(loss) for the year	本年度溢利/(虧損)	-	-	-	100,249	100,249	(4,168)	96,081
<b>Other comprehensive (loss)/income</b>	其他全面(虧損)/收益							
Currency translation differences	貨幣換算差額	-	-	-	(12,823)	(12,823)	465	(12,358)
<b>Total comprehensive income/(loss)</b>	全面收益/(虧損)總額	-	-	-	87,426	87,426	(3,703)	83,723
Exercise of share options (Note 19(a))	行使購股權(附註19(a))	17	-	1,010	-	1,027	-	1,027
Purchase of shares for the Scheme (Note 19(b))	就計劃購入之股份(附註19(b))	-	(3,962)	-	-	(3,962)	-	(3,962)
Final dividend relating to 2017 (Note 32)	二零一七年度之末期股息(附註32)	-	-	-	(36,206)	(36,206)	-	(36,206)
Interim dividend relating to 2018 (Note 32)	二零一八年度之中期股息(附註32)	-	-	-	(14,492)	(14,492)	-	(14,492)
<b>Balance at 31 December 2018</b>	於二零一八年十二月三十一日之結餘	7,282	(6,051)	609,548	511,778	1,122,557	(32,027)	1,090,530

The notes on pages 69 to 164 are an integral part of these consolidated financial statements.

第69至164頁的附註為此等綜合財務報表的整體部份。

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

For the year ended 31 December 截至十二月三十一日止年度

			2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
		Note 附註		
<b>Cash flows from operating activities</b>	<b>經營活動的現金流量</b>			
Cash generated from operations	經營業務所得的現金	33(a)	<b>109,718</b>	130,394
Interest paid	已付利息		<b>(1,206)</b>	(613)
Income tax paid	已繳所得稅		<b>(35,024)</b>	(23,595)
<b>Net cash generated from operating activities</b>	<b>經營活動所得現金淨額</b>		<b>73,488</b>	106,186
<b>Cash flows from investing activities</b>	<b>投資活動的現金流量</b>			
Purchase of property, plant and equipment	購入物業、廠房及設備		<b>(73,798)</b>	(26,987)
Purchase of land use rights	購入土地使用權		<b>(33,029)</b>	(105)
Purchase of intangible assets	購入無形資產		<b>(637)</b>	(1,566)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	33(b)	<b>468</b>	498
Payments for business combination, net of cash acquired	業務合併的付款，扣除已收購的現金	35	<b>(16,290)</b>	(38,252)
Interest received	已收利息		<b>877</b>	834
Short-term bank deposits with maturity over 3 months	到期日超過三個月的短期銀行存款		<b>(460)</b>	-
Dividend received from an associated company	已收一間聯營公司股息		<b>286</b>	180
<b>Net cash used in investing activities</b>	<b>投資活動所用現金淨額</b>		<b>(122,583)</b>	(65,398)
<b>Cash flows from financing activities</b>	<b>融資活動的現金流量</b>			
Purchase of shares for the Scheme	就計劃購入之股份		<b>(3,962)</b>	(1,051)
Proceeds from bank borrowings	銀行借貸所得款項	33(c)	<b>50,000</b>	30,000
Repayments of bank borrowings	償還銀行借貸	33(c)	<b>(37,582)</b>	(34,074)
Short-term bank deposit with maturity over 3 months	到期日超過三個月的短期銀行存款		-	(10)
Dividends paid to Company's shareholders	已付本公司股東股息		<b>(50,624)</b>	(188,003)
Proceeds from loans from non-controlling interests	來自非控股權益貸款的所得款項	33(c)	<b>1,000</b>	900
Proceeds from exercise of share options	行使購股權所得款項	19(a)	<b>1,027</b>	1,660
<b>Net cash used in financing activities</b>	<b>融資活動所用現金淨額</b>		<b>(40,141)</b>	(190,578)
<b>Net decrease in cash and cash equivalents</b>	<b>現金及現金等值項目減少淨額</b>		<b>(89,236)</b>	(149,790)
Cash and cash equivalents at the beginning of the year	年初的現金及現金等值項目		<b>367,759</b>	508,616
Exchange (loss)/gain on cash and cash equivalents	現金及現金等值項目的匯兌(虧損)/收益		<b>(6,045)</b>	8,933
<b>Cash and cash equivalents at the end of the year</b>	<b>年末的現金及現金等值項目</b>	17	<b>272,478</b>	367,759

The notes on pages 69 to 164 are an integral part of these consolidated financial statements.

第69至164頁的附註為此等綜合財務報表的整體部份。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 1 GENERAL INFORMATION

Ming Fai International Holdings Limited (the "Company") is an investment holding company. Its subsidiaries are principally engaged in manufacturing and trading of hospitality supplies products and trading of operating supplies and equipment.

The Company was incorporated in the Cayman Islands on 29 May 2007 as an exempted company with limited liability under the Companies Law (2007 Revision) of the Cayman Islands. Its registered address is at the offices of M&C Corporate Services Limited, P.O. Box 309GT, Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands.

The Company has its primary listing on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

These consolidated financial statements are presented in thousands of units of Hong Kong dollars ("HK\$'000"), unless otherwise stated. These consolidated financial statements have been approved for issue by the board of directors (the "Board") on 27 March 2019.

#### Significant events and transactions

##### *Acquisition of 100% equity interest in Teng Xun Limited and land and properties in Cambodia*

On 21 October 2017, the Group entered into agreements in relation to the acquisition of 100% equity interest in Teng Xun Limited, a private limited company registered under the law of Cambodia, and land and properties, at a consideration of approximately US dollars ("US\$") 7,017,000 (equivalent to approximately Hong Kong dollars ("HK\$") 54,977,000 at transaction date). Before acquisition, Teng Xun Limited was principally engaged in the manufacturing of handbags business on the acquired land and properties. This transaction was completed on 27 April 2018 (Note 35).

### 1 一般資料

明輝國際控股有限公司(「本公司」)為一間投資控股公司，其附屬公司主要從事製造及銷售酒店供應品類產品及銷售營運用品及設備。

本公司根據開曼群島公司法(二零零七年修訂版)於二零零七年五月二十九日在開曼群島註冊成立為獲豁免有限責任公司。其註冊地址為M&C Corporate Services Limited, P.O. Box 309GT, Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands的辦事處。

本公司於香港聯合交易所有限公司(「聯交所」)主板進行第一上市。

除另有所指外，此等綜合財務報表乃按千港元(「千港元」)列值。此等綜合財務報表已於二零一九年三月二十七日獲董事會(「董事會」)批准刊發。

#### 重大事件及交易

##### *收購Teng Xun Limited之100%股本權益及位於柬埔寨之土地及物業*

於二零一七年十月二十一日，本集團訂立有關收購Teng Xun Limited(一間根據柬埔寨法律註冊之私人有限公司)之100%股本權益及土地及物業之協議，代價約為7,017,000美元(「美元」)(於交易日相等於約54,977,000港元(「港元」))。於收購前，Teng Xun Limited主要於所收購之土地及物業從事製造手提包業務。此交易已於二零一八年四月二十七日完成(附註35)。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the Group consisting of the Company and its subsidiaries.

### (a) Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the disclosure requirements of the Hong Kong Companies Ordinance. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of an investment property, which is carried at fair value.

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

A number of new or amended standards became applicable for the current reporting period. Of these, the following are relevant to the Group’s consolidated financial statements.

- HKFRS 9 Financial instruments, and
- HKFRS 15 Revenue from contracts with customers

The other standards did not have material impact on the Group’s accounting policies and did not require any adjustments.

The below explains the impact of adoption of HKFRS 9 Financial instruments (“HKFRS 9”) and HKFRS 15 Revenue from contracts with customers (“HKFRS 15”) on the Group’s consolidated financial statements.

## 2 重大會計政策概要

本附註載列編製此等綜合財務報表所採用的主要會計政策清單。除另有所指外，此等政策已於所有呈報年度貫徹採用。財務報表為本集團(由本公司及其附屬公司組成)編製。

### (a) 編製基準

本集團的綜合財務報表乃按香港會計師公會(「香港會計師公會」)頒佈之所有適用香港財務報告準則(「香港財務報告準則」)以及香港《公司條例》的披露規定編製。綜合財務報表乃按歷史成本法編製，並經按公平值列賬之一項投資物業之重估予以修訂。

### (b) 本集團採納之新訂及經修訂準則

多項新訂或經修訂準則於本報告期間可予應用。當中，對本集團綜合財務報表相關者如下。

- 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15號來自客戶合同之收入

其他準則對本集團之會計政策並無重大影響及毋須作出任何調整。

下文解釋採納香港財務報告準則第9號金融工具(「香港財務報告準則第9號」)及香港財務報告準則第15號來自客戶合同之收入(「香港財務報告準則第15號」)對本集團綜合財務報表之影響。



## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (b) New and amended standards adopted by the Group (Continued)

The adoption of HKFRS 15 did not have any material impact on the Group's consolidated financial statements.

HKFRS 9 replaces the provisions of HKAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting.

The adoption of HKFRS 9 from 1 January 2018 resulted in changes in accounting policies as described below.

#### *Classification and measurement of financial instruments*

On 1 January 2018 (the date of initial application of HKFRS 9), the Group's management has assessed which business models apply to the financial assets held by the Group and has classified its financial instruments into the appropriate HKFRS 9 categories.

The financial assets held by the Group mainly represent debt instruments previously classified as loans and receivables and measured at amortised cost, meet the conditions for classification at amortised cost under HKFRS 9. Accordingly, there is no impact on the Group's accounting for financial assets.

There is no impact on the Group's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the Group does not have any such liabilities.

## 2 重大會計政策概要(續)

### (b) 本集團採納之新訂及經修訂準則(續)

採納香港財務報告準則第15號對本集團之綜合財務報表並無任何重大影響。

香港財務報告準則第9號取代香港會計準則第39號有關金融資產及金融負債之確認、分類及計量、終止確認金融工具、金融資產減值以及對沖會計處理之條文。

由二零一八年一月一日起採納香港財務報告準則第9號導致下文所述之會計政策變動。

#### *金融工具分類及計量*

於二零一八年一月一日(首次應用香港財務報告準則第9號之日期)，本集團管理層已評估何種業務模式適用於本集團持有之金融資產，並將其金融工具分類至適用之香港財務報告準則第9號類別。

本集團持有之金融資產主要為過往分類為貸款及應收款項並按攤銷成本計量之債務工具，其符合香港財務報告準則第9號項下分類為按攤銷成本計量之條件。因此，本集團對金融資產之會計處理不受影響。

由於新規定僅影響指定為按公平值計入損益之金融負債之入賬，而本集團並無任何該等負債，因此對本集團金融負債之入賬並無影響。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (b) New and amended standards adopted by the Group (Continued)

#### *Impairment of financial assets*

The Group has the following types of financial assets that are subject to HKFRS 9's new expected credit loss model:

- trade and bills receivables, amount due from an associated company and amounts due from joint ventures
- other financial assets carried at amortised cost

The Group was required to revise its impairment methodology under HKFRS 9 for each of these classes of assets.

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

(i) *Trade and bills receivables, amount due from an associated company and amounts due from joint ventures*

The Group applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9, which permits the use of the lifetime expected credit losses for all trade and bills receivables, amount due from an associated company and amounts due from joint ventures. To measure the expected credit losses, receivables relating to customers with known financial difficulties or significant doubt on collection of receivables are assessed individually for provision for impairment allowance.

Expected credit losses are also estimated by grouping the remaining receivables based on the shared credit risk characteristics and collectively assessed for the likelihood of recovery, taking into account the nature of the customer, its geographical location and its ageing category and applying expected credit loss rates to the respective gross carrying amounts of the receivables.

## 2 重大會計政策概要(續)

### (b) 本集團採納之新訂及經修訂準則(續)

#### *金融資產減值*

本集團須應用香港財務報告準則第9號之新預期信貸虧損模式的金融資產如下：

- 應收貿易賬款及票據、應收一間聯營公司款項及應收合營企業款項
- 按攤銷成本列賬之其他金融資產

根據香港財務報告準則第9號，本集團須修訂各類此等資產之減值方法。

香港財務報告準則第9號之減值規定亦適用於短期銀行存款以及現金及現金等值項目，惟已識別減值虧損並不重大。

(i) *應收貿易賬款及票據、應收一間聯營公司款項及應收合營企業款項*

本集團應用簡化方法就香港財務報告準則第9號訂明之預期信貸虧損作出撥備，該方法允許就所有應收貿易賬款及票據、應收一間聯營公司款項及應收合營企業款項採用整段存續期之預期信貸虧損。就計量預期信貸虧損，會就已知出現財政困難或應收款項回收性存在重大疑問之客戶相關的應收賬項作出就減值撥備個別評估。

本集團亦按共有之信貸風險特性將餘下應收款項組合以估計預期信貸虧損，並在考慮客戶性質、其所在地理位置及其賬齡組別後，對各應收款項總賬面值應用預期信貸虧損比率，共同評估其可收回性。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (b) New and amended standards adopted by the Group (Continued)

#### *Impairment of financial assets (Continued)*

- (i) *Trade and bills receivables, amount due from an associated company and amounts due from joint ventures (Continued)*

The expected credit loss rates are determined based on the historical credit losses experienced of up to past 3 years and are adjusted to reflect current and forward-looking information such as macroeconomic factors affecting the ability of the customers to settle the receivables.

Management has closely monitored the credit qualities and the collectability of the trade and bills receivables, amount due from an associated company and amounts due from joint ventures. The adoption of the simplified expected credit loss approach under HKFRS 9 has not resulted in any additional impairment loss for trade and bills receivables, amount due from an associated company and amounts due from joint ventures as at 1 January 2018.

- (ii) *Other financial assets carried at amortised cost*

For other financial assets carried at amortised cost, including deposits and other receivables in the consolidated balance sheet, the expected credit loss is based on the 12-month expected credit loss. It is the portion of lifetime expected credit loss that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime expected credit loss. Management has closely monitored the credit qualities and the collectability of the other financial assets at amortised cost and considers that the expected credit loss is immaterial.

## 2 重大會計政策概要(續)

### (b) 本集團採納之新訂及經修訂準則(續)

#### *金融資產減值(續)*

- (i) *應收貿易賬款及票據、應收一間聯營公司款項及應收合營企業款項(續)*

預期信貸虧損比率乃按過往最多三年的過往信用虧損釐定，並作出調整以反映影響當前及前瞻資訊(例如有關影響客戶償還應收款項能力的宏觀經濟因素)。

管理層密切監察應收貿易賬款及票據、應收一間聯營公司款項及應收合營企業款項之信用質素及可收回性。採納香港財務報告準則第9號之簡化預期信貸虧損方法並無導致於二零一八年一月一日之應收貿易賬款及票據、應收一間聯營公司款項及應收合營企業款項出現任何額外減值虧損。

- (ii) *按攤銷成本列賬之其他金融資產*

就按攤銷成本列賬之其他金融資產(包括綜合資產負債表內之按金及其他應收款項)，預期信貸虧損乃以12個月預期信貸虧損為基礎。此可能由於報告日期後12個月內發生之金融工具違約事件所產生，屬整個存續期預期信貸虧損的部份。然而，倘自開始後信貸風險顯著增加，將按整個存續期之預期信貸虧損計提撥備。管理層已密切監察按攤銷成本列賬之其他金融資產的信用質素及可收回性，認為預期信貸虧損並不重大。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (c) New standards and interpretations not yet adopted

#### *HKFRS 16, "Leases"*

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

The accounting for lessors will not significantly change.

The standard will affect primarily the accounting for Group's operating leases. As at the balance sheet date, the Group has non-cancellable operating lease commitments of approximately HK\$11,316,000, see Note 34(b). However, the Group has not yet determined to what extent these commitments will result in the recognition of an asset and a liability for future payments and how this will affect the Group's profit and classification of cash flows.

Some of the commitments may be covered by the exception for short-term and low-value leases and some commitments may relate to arrangements that will not qualify as leases under HKFRS 16.

The Group will apply the standard from its mandatory adoption date of 1 January 2019. The Group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption. Right-of-use assets for property leases will be measured on transition as if the new rules had always been applied. All other right-of-use assets will be measured at the amount of the lease liability on adoption (adjusted for any prepaid or accrued lease expenses).

There are no other standards and interpretations that are not yet effective that would be expected to have a material impact on the Group's consolidated financial statements.

## 2 重大會計政策概要(續)

### (c) 未採納之新訂準則及詮釋

#### *香港財務報告準則第16號 「租賃」*

香港財務報告準則第16號租賃(「香港財務報告準則第16號」)已於二零一六年一月頒佈。在營運及融資租賃之間的差異遭取消的情況下,該準則將導致近乎所有租賃均於承租人之綜合資產負債表中確認。根據新準則,以資產(租賃項目的使用權)及一項金融負債繳納租金均獲確認。唯一例外者為短期及低價值租賃。

出租人之會計處理將不會有重大變動。

此準則將主要影響本集團營運租賃的會計處理。於結算日,本集團不可撤銷之營運租賃承擔約11,316,000港元(見附註34(b))。然而,本集團尚未確定此等承擔中需要確認的資產以及未來付款的負債之範圍,及此將對本集團溢利及現金流分類的影響。

部分承擔可能由除外之短期及低價值租賃涵蓋,而部分承擔可能與不符合香港財務報告準則第16號下租賃之定義之安排有關。

本集團將由其強制採納日期二零一九年一月一日起應用此準則。本集團擬應用簡化過渡方式,並將不會重列首次採納之前年度的比較數字。物業租賃之使用權資產將作過渡計量,猶如已一直應用新規則。所有其他使用權資產將於採納時按租賃負債金額計量(就任何預付或應計租賃開支作出調整)。

概無其他尚未生效之準則及詮釋預期會對本集團之綜合財務報表構成重大影響。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (d) Principles of consolidation and equity accounting

#### (i) Subsidiaries

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

The acquisition method of accounting is used to account for business combinations by the Group (refer to Note 2(e)).

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

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated balance sheet respectively.

#### (ii) Associates

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

## 2 重大會計政策概要(續)

### (d) 合併及權益會計原則

#### (i) 附屬公司

附屬公司指本集團對其有控制權之所有實體(包括結構性實體)。本集團對實體有控制權,是指本集團因參與該實體之營運而承受風險或有權享有其可變回報,並能夠運用其對實體活動之直接權力影響上述回報。附屬公司的業績乃自控股權轉至本集團當日起全面綜合計算,並自該控股權終止當日起不再綜合計算。

本集團的業務合併使用收購會計法會計入賬(請參閱附註2(e))。

集團內公司間的交易、本集團成員公司之間的交易結餘及未變現收益會予以對銷。除非有證據顯示交易所轉移的資產出現減值,否則未變現虧損亦會對銷。附屬公司的會計政策已按需要作出改變,以確保與本集團所採納者一致。

非控股權益的業績及附屬公司的權益分別於綜合全面收益表、綜合權益變動表及綜合資產負債表中獨立呈列。

#### (ii) 聯營公司

聯營公司指本集團對其有重大影響力但不擁有控制權或共同控制權之所有實體。本集團通常持有其20%至50%的投票權。於初步按成本確認後,聯營公司的投資採用會計權益法列賬(見下文(iv))。



## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (d) Principles of consolidation and equity accounting (Continued)

#### (iii) Joint arrangements

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

#### Joint ventures

Investments in joint ventures are accounted for using the equity method (see (iv) below), after initially being recognised at cost in the consolidated balance sheet.

#### (iv) Equity accounting

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

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

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

## 2 重大會計政策概要(續)

### (d) 合併及權益會計原則(續)

#### (iii) 合營安排

根據香港財務報告準則第11號合營安排，於合營安排的投資分類為共同經營或合營企業。分類視乎各投資者的合約權益及責任(而非合營安排的法律架構)而定。本集團已於合營企業作出投資。

#### 合營企業

初步按成本於綜合資產負債表中確認後，於合營企業的投資使用權益法會計入賬(見下文(iv))。

#### (iv) 權益會計

根據權益會計法，投資初步按成本確認，並隨後於損益中作出調整以確認本集團收購後應佔被投資者溢利或虧損，於其他全面收益中作出調整以確認本集團應佔被投資者其他全面收益變動。自聯營公司及合營企業已收取或應收的股息確認為自投資賬面值扣除。

倘本集團應佔股權投資虧損等於或超過其於實體的權益(包括任何其他無抵押長期應收款項)，本集團不會確認進一步虧損，除非其代表其他實體承擔責任或支付款項。

本集團與其聯營公司及合營企業間所進行交易的未變現收益按本集團佔此等實體的權益予以抵銷。未變現虧損亦會抵銷，除非交易能提供證據表明所轉撥資產出現減值。被股權投資者的會計政策已於必要時作出變動，以確保與本集團採納之政策一致。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (d) Principles of consolidation and equity accounting (Continued)

#### (iv) Equity accounting (Continued)

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in Note 2(n).

#### (v) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Group.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

## 2 重大會計政策概要(續)

### (d) 合併及權益會計原則(續)

#### (iv) 權益會計(續)

股權投資賬面值已根據附註2(n)所述的政策作出減值測試。

#### (v) 擁有權權益變動

本集團將不會導致喪失控股權的非控股權益交易視為與本集團股權擁有人進行交易。倘擁有權權益出現變動，將於控股及非控股權益的賬面值作出調整，以反映其各自於附屬公司擁有的權益。於非控股權益作出調整的任何差額及任何已付或應收代價於本集團擁有人應佔權益中確認為獨立儲備。

倘本集團因喪失控制權、共同控制權或重大影響力而不再就投資綜合入賬或自權益中入賬，其於該實體的任何保留權益按其公平值重新計量，而賬面值變動則於損益內確認。就隨後入賬列作聯營公司、合營企業或金融資產的保留權益而言，公平值指初步賬面值。此外，先前於其他全面收入內確認與該實體有關的任何金額按猶如本集團已直接出售有關資產或負債的方式入賬。這可能意味著先前在其他全面收入內確認的金額重新劃分為溢利或虧損，或轉移至適用香港財務報告準則所指定/允許的另一類別權益。

倘於合營企業或聯營公司的擁有權權益減少，惟共同控制或重大影響力獲保留，則先前於其他全面收入內確認的金額僅有一定比例部分重新劃分為溢利或虧損(如適用)。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (e) Business combinations

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

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

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

Acquisition-related costs are expensed as incurred.

The excess of the

- consideration transferred;
- amount of any non-controlling interest in the acquired entity; and
- acquisition-date fair value of any previous equity interest in the acquired entity

## 2 重大會計政策概要(續)

### (e) 業務合併

所有業務合併均使用收購會計法會計入賬，而不論是否收購股本工具或其他資產。收購附屬公司的代價包括：

- 轉讓資產的公平值；
- 收購業務前擁有人所產生的負債；
- 本集團所發行的股權；
- 或然代價安排所產生的任何資產或負債公平值；及
- 該附屬公司的任何先前存在的股權公平值。

在業務合併中所收購的可識別資產、所承擔的負債及或然負債，(在有限的例外情況下)均於收購當日按其公平值作出初步計量。本集團以個別收購的公平值或非控股權益分佔收購實體淨可識別資產的部分為基準確認於收購實體的任何非控股權益。

收購相關成本在產生時支銷。

倘

- 所轉讓代價；
- 所收購實體之任何非控股權益金額；及
- 任何先前於所收購實體之股權於收購日期之公平值

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (e) Business combinations (Continued)

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently re-measured to fair value with changes in fair value recognised in profit or loss.

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

### (f) Separate financial statements

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

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

### (g) Segment reporting

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

## 2 重大會計政策概要(續)

### (e) 業務合併(續)

超逾所收購可識別淨資產公平值之差額，則入賬列作商譽。倘該等金額均低於所收購業務的淨可識別資產公平值，則差額直接於損益中確認為議價收購。

或然代價被分類為權益或金融負債。分類為金融負債的金額其後重新計量為公平值，而公平值的變動於損益中確認。

倘業務合併分階段進行，則收購方先前持有被收購方的股權的收購日賬面價值在收購日重新計量為公平值。有關重新計量所產生的任何收益或虧損均於損益中確認。

### (f) 獨立財務報表

於附屬公司之投資按成本減減值列賬。成本包括投資的直接應佔費用。附屬公司的業績由本公司按已收股息及應收股息基準入賬。

當收取有關投資之股息時，倘有關股息高於宣派股息期間該附屬公司之全面收入總額，或倘有關投資於獨立財務報表之賬面值高於綜合財務報表內被投資公司資產淨值(包括商譽)的賬面值，則須對於該等附屬公司之投資進行減值測試。

### (g) 分類報告

業務分類的呈報方式與向主要營運決策者提供的內部報告貫徹一致。主要營運決策者(負責分配資源及評估業務分類的表現)被確認為作出策略性決策的董事會。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (h) Foreign currency translation

#### (i) *Functional and presentation currency*

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

#### (ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of comprehensive income.

#### (iii) *Group companies*

The results and financial position of all the group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

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

## 2 重大會計政策概要(續)

### (h) 外幣換算

#### (i) *功能及呈列貨幣*

本集團內各實體的財務報表所載的項目以該實體經營所在的主要經濟環境的貨幣(「功能貨幣」)計量。綜合財務報表以本公司的功能及本集團的呈列貨幣港元呈列。

#### (ii) *交易及結餘*

外幣交易採用交易日期或項目重新計量時的估值日期所通用匯率換算為功能貨幣。

因結算該等交易及按年末匯率換算以外幣計值的貨幣資產及負債而產生的匯兌盈虧乃於綜合全面收益表中確認。

#### (iii) *集團公司*

功能貨幣有別於呈列貨幣的所有集團實體(其中並無任何實體持有通脹嚴重的經濟體系的貨幣)的業績及財務狀況,均按以下方式換算為呈列貨幣:

- 於各資產負債表呈列的資產及負債乃按有關結算日的收市匯率換算;
- 各全面收益表的收支乃按平均匯率換算(除非該平均值並非合理地貼近交易日通行匯率的累積影響,在該情況下,收支於有關交易日期當日換算);及
- 所有因而產生的貨幣匯兌差額於其他全面收益中確認。



## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (h) Foreign currency translation (Continued)

#### (iii) Group companies (Continued)

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Currency translation differences arising are recognised in other comprehensive income.

#### (iv) Disposal of foreign operation and partial disposal

On the disposal of a foreign operation (that is, 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, a disposal involving loss of joint control over a joint venture that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the currency translation differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In the case of a partial disposal that does not result in the Group losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated currency translation differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (that is, reductions in the Group's ownership interest in associates or joint ventures that do not result in the Group losing significant influence or joint control) the proportionate share of the accumulated exchange difference is reclassified to profit or loss.

## 2 重大會計政策概要(續)

### (h) 外幣換算(續)

#### (iii) 集團公司(續)

收購海外實體所產生的商譽及公平值調整視為海外實體的資產及負債處理，並按收市匯率換算。產生的貨幣換算差額於其他全面收益中確認。

#### (iv) 出售海外業務及出售部分權益

於出售海外業務(即出售本集團於一項海外業務的全部權益；或涉及失去包含海外業務的附屬公司控制權的出售；或涉及失去包含一項海外業務的一間合營企業共同控制權的出售；或涉及失去對包含海外業務的一間聯營公司重大影響力的出售)時，本公司擁有人應佔就有關業務於權益累計的所有貨幣換算差額重新分類至損益。

如出售部分權益不會導致本集團失去對包含海外業務的附屬公司控制權，按比例所分佔的累計貨幣換算差額重新撥歸非控股權益，且不會於損益確認。就所有其他部分權益出售(即本集團於聯營公司或合營企業的擁有權權益減少，而並無導致本集團失去重大影響力或共同控制)，按比例所分佔的累計匯兌差額重新分類至損益。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (i) Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the consolidated statement of comprehensive income during the financial year in which they are incurred.

Leasehold land classified as finance lease commences amortisation from the time when the land interest becomes available for its intended use and is amortised on a straight-line basis over the period of the lease.

Depreciation for buildings is calculated using the straight-line method to allocate cost over its estimated useful lives of 20 years.

Depreciation for other property, plant and equipment is calculated using the straight-line method to allocate their cost over their estimated useful lives, at the following rates per annum:

Leasehold improvements	Shorter of 10 years or lease period
Plant and machinery	10% – 33%
Motor vehicles	20%
Furniture and fixtures	33%
Computer equipment	33%

The assets' residual value and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

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

## 2 重大會計政策概要(續)

### (i) 物業、廠房及設備

物業、廠房及設備按歷史成本減累計折舊及累計減值虧損入賬。歷史成本包括收購項目直接產生的開支。

僅當與該項目有關之日後經濟利益可能流入本集團，且該項目成本能可靠計量時，其後成本方會計入資產的賬面值或確認為一項獨立資產(如適用)。單獨資產中任何組成部分的賬面價值在更換時終止確認。所有其他維修及保養於產生的財政年度在綜合全面收益表內列賬。

分類為融資租賃的租賃土地於土地權益可供原定用途使用時開始攤銷，並按直線基準於租期內攤銷。

樓宇的折舊是以直線法將成本按其估計可使用年期(20年)分攤而計算得出。

其他物業、廠房及設備的折舊概以直線法將其成本按其估計可使用年期分攤而計算得出，所採用之年率如下：

租賃物業裝修	10年或租賃期 兩者之較短者
廠房及機器	10% – 33%
汽車	20%
傢俬及裝置	33%
電腦設備	33%

資產之剩餘價值及可使用年期會在各結算日予以檢討並加以調整(如適用)。

倘資產的賬面值較其估計可收回金額為高，該資產之賬面值會立即撇減至其可收回金額。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (i) Property, plant and equipment (Continued)

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognised in the consolidated statement of comprehensive income.

Construction in progress represents property, plant and equipment under construction or pending installation, and is stated at cost less impairment losses. Cost comprises direct costs of construction including borrowing costs attributable to the construction during the period of construction. No provision for depreciation is made on construction in progress until such time as the relevant assets are completed and ready for intended use.

### (j) Land use rights

Land use rights are stated at cost less accumulated amortisation and impairment losses. Cost represents up-front prepayments made for the rights to use the land for periods varying from 20 to 50 years.

Amortisation of land use rights is expensed in the consolidated statement of comprehensive income on a straight-line basis over the period of the lease or when there is impairment, the impairment is expensed in the consolidated statement of comprehensive income.

### (k) Investment property

Property that is held for long-term rental yields or for capital appreciation or both and is not occupied by the Group, is classified as investment property.

Investment property is measured initially at its cost, including related transaction costs. After initial recognition, investment property is carried at fair value, representing open market value determined annually by external valuer. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods such as recent prices from less active markets or discounted cash flow projections. These valuations are reviewed annually by external valuer with changes in fair values recorded in the consolidated statement of comprehensive income.

## 2 重大會計政策概要(續)

### (i) 物業、廠房及設備(續)

出售的盈虧按所得款項與賬面值的差額釐定，並於綜合全面收益表確認。

在建工程指興建中或有待安裝之物業、廠房及設備，乃按成本減減值虧損列賬。成本包括直接工程成本(包括於工程進行期間來自工程的借貸成本)。於有關資產完工及可作擬定用途前，不會就在建工程作出折舊撥備。

### (j) 土地使用權

土地使用權乃按成本減累計攤銷及減值虧損列賬。成本指就使用土地之權利(為期20至50年不等)而支付之預付款項。

土地使用權之攤銷於租期內按直線法於綜合全面收益表支銷，或當出現減值時，減值亦會於綜合全面收益表支銷。

### (k) 投資物業

本集團為獲得長期租金收益或為資本升值或兩者兼備而持有但並無佔用之物業分類為投資物業。

投資物業初步按其成本計量，包括相關之交易成本。在初步確認後，投資物業按公平值列賬，為外聘估值師每年所釐定之公開市值。公平值以活躍市場價格為依據，並在有需要時就個別資產之性質、地點或狀況差異作出調整。倘無法取得此方面資料，本集團則另覓其他可行估值方法，如參考活躍程度稍遜之市場最近期之價格或貼現現金流量預測等。此等估值每年由外聘估值師加以檢討，而有關公平值變動則計入綜合全面收益表內。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (k) Investment property (Continued)

If an item of property, plant and equipment becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of this item at the date of transfer is recognised in equity as a revaluation of property, plant and equipment. However, if a fair value gain reverses a previous impairment loss, the gain is recognised in the consolidated statement of comprehensive income.

### (l) Goodwill

Goodwill is measured as described in Note 2(e). Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units ("CGUs") for the purpose of impairment testing. The allocation is made to those CGUs or groups of CGUs that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments (Note 5).

### (m) Intangible assets

#### (i) Trademarks, investment in club debentures and software licences

Separately acquired trademarks, investment in club debentures and software licences are shown at historical cost. These assets have a finite useful life and are carried at cost less accumulated amortisation and impairment losses.

Amortisation is calculated using the straight-line method to allocate the cost of trademarks, investment in club debentures and software licences over their estimated useful lives of 5 to 10 years.

## 2 重大會計政策概要(續)

### (k) 投資物業(續)

倘物業、廠房及設備項目因用途變更而成為投資物業，則該項目於轉撥當日的賬面值與公平值的任何差額於權益內確認為物業、廠房及設備的重估。然而，倘公平值收益將先前的減值虧損撥回，則該收益於綜合全面收益表內確認。

### (l) 商譽

商譽按附註2(e)所述者計量。商譽毋須攤銷，惟須每年或(倘有事件或變動顯示其可能已減值)更頻密地進行減值測試，並按成本減累計減值虧損列賬。出售實體的盈虧包括所出售實體相關商譽之賬面值。

就減值測試而言，商譽分配至現金產生單位(「現金產生單位」)。商譽分配至預期受惠於產生商譽之業務合併之一個或一組現金產生單位。一個或一組單位乃按就內部管理而言監察商譽之最低水平(即經營分部)予以識別(附註5)。

### (m) 無形資產

#### (i) 商標、會所債券投資及軟件特許權

單獨收購的商標、會所債券投資及軟件特許權按歷史成本列值。此等資產可使用年期有限，並按成本減累計攤銷及減值虧損列賬。

攤銷乃使用直線法計算，以於其估計可使用年期5至10年內分攤商標、會所債券投資及軟件特許權的成本。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (m) Intangible assets (Continued)

#### (ii) Brandname and operating licence

Brandname and operating licence acquired in a business combination are recognised at fair value at the acquisition date. These assets have a finite useful life and are carried at cost less accumulated amortisation and impairment losses.

Amortisation is calculated using the straight-line method over the expected life of the brand name and operating licence of 2 to 10 years.

### (n) Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (CGUs). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each balance sheet date.

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

## 2 重大會計政策概要(續)

### (m) 無形資產(續)

#### (ii) 品牌名稱及經營牌照

於業務合併時獲得的品牌名稱及經營牌照按於收購日期的公平值確認。該等資產的可使用年期有限及按成本減累計攤銷及減值虧損列賬。

於品牌名稱及經營牌照的攤銷預計年期2至10年內採用直線法計算。

### (n) 非金融資產的減值

無確定使用年期的資產毋須攤銷，惟須每年或(倘有事件或變動顯示其可能已減值)更頻密地進行減值測試。如出現任何事件或情況有變，顯示可能無法收回賬面值時，其他資產便會進行減值測試。當資產賬面值超過其可收回金額時則會就有關差額確認減值虧損。可收回金額乃資產公平值減出售成本與使用價值兩者之間的較高者。就評估減值而言，資產按獨立可識別的最小現金流入(現金產生單位)分類，而有關現金流入大致上獨立於其他資產或資產組別的現金流入。商譽以外的非金融資產如出現減值，則於各結算日檢討可否撥回減值。

倘投資附屬公司、聯營公司或合營企業收取的股息超過附屬公司、聯營公司或合營企業於股息宣派期間的全面收益總額或倘獨立財務報表中的投資的賬面值超過投資對象資產淨值(包括商譽)於綜合財務報表中的賬面值，則於從此等投資收到股息時須對附屬公司、聯營公司或合營企業的投資進行減值測試。



## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (o) Financial assets

#### (i) Classification

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

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

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

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

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

#### (ii) Recognition and derecognition

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

## 2 重大會計政策概要(續)

### (o) 金融資產

#### (i) 分類

自二零一八年一月一日起，本集團將其金融資產按以下計量類別分類：

- 隨後按公平值計量(不論計入其他全面收益或計入損益)；及
- 按攤銷成本計量。

分類乃取決於本集團管理金融資產之業務模式及現金流量之合約條款。

就按公平值計量之資產而言，收益及虧損將於損益或其他全面收益入賬。就並非持作買賣之股本工具投資而言，其入賬將取決於本集團於初步確認時有否不可撤回地選擇以按公平值計入其他全面收益(「按公平值計入其他全面收益」)之方式將股本投資入賬。

當及僅當本集團管理債務投資之業務模式變動時，本集團即將該等資產重新分類。

#### (ii) 確認及終止確認

定期收購及出售的金融資產於交易日確認，該日為本集團承諾收購或出售資產當日。當應收金融資產現金流量之權利已屆滿或轉讓而本集團已轉讓該項金融資產擁有權之絕大部分風險及回報時，有關金融資產會取消確認。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (o) Financial assets (Continued)

#### (iii) Measurement

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

#### *Debt instruments*

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

#### (1) Amortised cost

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

## 2 重大會計政策概要(續)

### (o) 金融資產(續)

#### (iii) 計量

於初步確認時，本集團按公平值加(就並非按公平值計入損益(「按公平值計入損益」)之金融資產而言)收購金融資產直接產生之交易成本計量金融資產。按公平值計入損益之金融資產交易成本於損益內支銷。

#### *債務工具*

債務工具之隨後計量乃取決於本集團管理資產之業務模式及資產之現金流量特性。債務工具之分類分為三個計量類別：

#### (1) 攤銷成本

為收取合約現金流量(而該等現金流量純粹為本金及利息付款)而持有之資產乃按攤銷成本計量。此等金融資產之利息收入使用實際利率法計入財務收入。終止確認產生之任何收益或虧損乃直接於損益確認。減值虧損於綜合全面收益表獨立呈列為一個項目。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (o) Financial assets (Continued)

#### (iii) Measurement (Continued)

##### Debt instruments (Continued)

#### (2) Fair value through other comprehensive income

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

#### (3) Fair value through profit or loss

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss in the period in which it arises.

## 2 重大會計政策概要(續)

### (o) 金融資產(續)

#### (iii) 計量(續)

##### 債務工具(續)

#### (2) 按公平值計入其他全面收益

為收取合約現金流量及出售金融資產(而該等資產之現金流量純粹為本金及利息付款)而持有之資產乃按公平值計入其他全面收益。賬面值變動於其他全面收益入賬,惟確認減值收益或虧損、利息收入以及外匯收益及虧損於損益確認。終止確認金融資產時,先前於其他全面收益確認之累計收益或虧損由權益重新分類至損益。此等金融資產之利息收入使用實際利率法計入財務收入。減值支出於綜合全面收益表獨立呈列為一個項目。

#### (3) 按公平值計入損益

並不符合攤銷成本或按公平值計入其他全面收益條件之資產按公平值計入損益。隨後按公平值計入損益之債務投資之收益或虧損於產生期間於損益確認。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (o) Financial assets (Continued)

#### (iv) Impairment

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

For trade and bills receivables, amount due from an associated company and amounts due from joint ventures, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

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

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

Until 31 December 2017, the Group's financial assets are loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification at initial recognition.

#### Subsequent measurement

The measurement at initial recognition did not change on adoption of HKFRS 9, see description above. Loans and receivables are initially recognised at fair values plus transaction costs and are subsequently carried at amortised cost using the effective interest method.

## 2 重大會計政策概要(續)

### (o) 金融資產(續)

#### (iv) 減值

自二零一八年一月一日起，本集團按前瞻基準評估其按攤銷成本列賬之債務工具相關之預期信用虧損。所應用之減值方法取決於信貸風險有否大幅增加。

就應收貿易賬款及票據、應收一間聯營公司款項及應收合營企業款項而言，本集團應用香港財務報告準則第9號允許之簡化方法，其規定自初步確認應收款項起確認整個存續期內之預期虧損。

#### (v) 直至二零一七年十二月三十一日為止應用之會計政策

本集團已追溯應用香港財務報告準則第9號，但選擇不重列比較資料。因此，所提供之比較資料繼續根據本集團過往會計政策入賬。

直至二零一七年十二月三十一日為止，本集團之金融資產為貸款及應收款項。分類視乎收購金融資產之目的而定。管理層於初步確認時決定分類。

#### 隨後計量

初步確認的計量並無因採納香港財務報告準則第9號而改變，見上文描述。貸款及應收款項初步按公平值加交易成本確認，並於其後採用實際利息法按攤銷成本列賬。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (o) Financial assets (Continued)

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

##### *Impairment*

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

##### *Assets carried at amortised cost*

For loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the consolidated statement of comprehensive income. When a receivable is uncollectible, it is written off against the allowance accounts for the receivables.

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 was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated statement of comprehensive income.

## 2 重大會計政策概要(續)

### (o) 金融資產(續)

#### (v) 直至二零一七年十二月三十一日為止應用之會計政策(續)

##### *減值*

本集團於各報告期末評估是否有客觀證據顯示金融資產或金融資產組別出現減值。倘初步確認資產後發生一項或多項事件(「減值事件」)，而該減值事件(或該等事件)對能可靠地估計金融資產或金融資產組別的估計未來現金流量造成影響，導致出現減值的客觀證據，金融資產及金融資產組別方會出現減值或減值虧損。

##### *按攤銷成本列賬的資產*

就貸款及應收款項而言，虧損金額乃根據資產賬面值與按金融資產原實際利率貼現的估計未來現金流量(不包括仍未產生的未來信用虧損)的現值兩者的差額計量。資產賬面值通過使用撥備賬予以削減，而虧損金額則於綜合全面收益表確認。當應收款項無法收回，則與應收款項撥備賬撇銷。

如減值虧損的數額在往後期間減少，而此減少可客觀地聯繫至減值確認後發生的事件(如債務人的信用評級有所改善)，則先前確認的減值虧損可於綜合全面收益表撥回。



## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (p) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

### (q) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is assigned to individual items of inventory on the basis of weighted average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling and distribution costs necessary to make the sale.

### (r) Trade, bills and other receivables

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

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method less provision for impairment.

## 2 重大會計政策概要(續)

### (p) 抵銷金融工具

當有法定可強制執行權利可抵銷已確認金額，並有意圖按淨額基準結算或同時變現資產和結算負債時，金融資產與負債可互相抵銷，並在綜合資產負債表報告其淨額。法定可強制執行權利必須不得依賴未來事件而定，而在一般業務過程中以及倘公司或對手方一旦出現違約、無償債能力或破產時，亦必須具有約束力。

### (q) 存貨

存貨乃按成本及可變現淨值兩者中之較低者列賬。成本乃按加權平均法分配至存貨的個別項目。製成品和在製品的成本包括原材料、直接人工、其他直接成本和按一般營運產能計算的相關生產費用。

可變現淨值指日常業務過程中之估計售價減適用可變銷售及銷售所必需的分銷成本。

### (r) 應收貿易賬款、票據及其他應收款項

應收貿易賬款為日常業務過程中就銷售商品或提供服務應收客戶的金額。若預期於一年或以內(或若更長，則在業務的正常經營週期內)能收回應收貿易賬款、票據及其他應收款項，則會獲分類為流動資產。否則，則獲呈列為非流動資產。

應收貿易賬款初步按無條件代價金額確認，除非其被視為包含重大融資成份則按公平值確認。本集團為收取合約現金流量而持有應收貿易賬款，因此隨後使用實際利息法按攤銷成本扣除減值撥備計量。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (r) Trade, bills and other receivables (Continued)

When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited in the consolidated statement of comprehensive income.

### (s) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks with original maturities of three months or less.

### (t) Trade and other payables

Trade payables represent liabilities for goods or services provided to the Group prior to the end of financial year which are unpaid. Trade and other payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

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

### (u) Borrowings

Borrowings are recognised initially at fair values, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated statement of comprehensive income over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

## 2 重大會計政策概要(續)

### (r) 應收貿易賬款、票據及其他應收款項(續)

當應收貿易賬款無法收回時，即對應收貿易賬款撥備賬撇銷。隨後收回先前已撇銷之款項會撥入綜合全面收益表。

### (s) 現金及現金等值項目

現金及現金等值項目包括原到期日為三個月或以內的現金及銀行通知存款。

### (t) 應付貿易及其他賬款

應付貿易賬款指於財政年末前向本集團提供商品或服務且尚未付款的負債。若應付款項在一年或以內(或若更長，則在業務的正常經營週期內)到期，則應付貿易及其他賬款獲分類為流動負債。否則，則獲呈列為非流動負債。

應付貿易及其他賬款並無抵押，初步按公平值確認，並於隨後使用實際利息法按攤銷成本計量。

### (u) 借貸

借貸初步按公平值扣除已產生的交易成本確認。借貸其後按攤銷成本列值，所得款項(扣除交易成本)與贖回價值間之任何差額於借貸期間使用實際利息法在綜合全面收益表確認。

在貸款融資將很有可能部分或全部被提取的情況下，就設立貸款融資支付的費用乃確認為貸款交易成本。在此情況下，該費用將遞延至提取發生為止。在並無跡象顯示該貸款將很有可能部分或全部提取的情況下，該費用撥充資本作為流動資金服務的預付款項，並於相關融資期間內予以攤銷。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (u) Borrowings (Continued)

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

### (v) Current and deferred income tax

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

#### *Current income tax*

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

## 2 重大會計政策概要(續)

### (u) 借貸(續)

當合約中規定的責任解除、取消或屆滿時，借貸從資產負債表中剔除。已消除或轉讓予另一方的金融負債的賬面值與已支付代價(包括已轉讓的非現金資產或所承擔的負債)之間的差額，在損益中確認為其他收入或財務成本。

借貸分類為流動負債，除非本集團具無條件權利遞延負債還款期至結算日起計最少十二個月後則作別論。

### (v) 即期及遞延所得稅

期內所得稅開支或抵免指本期間按各司法權區適用所得稅稅率計算應課稅收入，並由遞延稅項資產及負債變動應佔暫時性差異及尚未動用稅項虧損所調整得出的應付稅項。

#### *即期所得稅*

即期所得稅開支按於結算日本公司、其附屬公司、聯營公司及合營企業營運以及產生可課稅收入之國家已頒佈或實質頒佈之稅法基準計算。管理層就適用稅務規例受詮釋規限的情況定期對申報於報稅表中的狀況進行評估。管理層在適當情況下按預期將支付予稅務部門的款項計提撥備。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

#### *Deferred income tax*

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

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax liabilities are provided on temporary differences arising on investments in subsidiaries, an associated company and joint ventures, except for deferred tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

## 2 重大會計政策概要(續)

### (v) 即期及遞延所得稅(續)

#### *遞延所得稅*

遞延所得稅乃採用負債法就資產及負債之稅基與其於綜合財務報表內賬面值之暫時差額確認。然而，倘若遞延稅項負債乃於初步確認商譽時產生，該遞延稅項負債將不予確認。倘若於初步確認一項交易(業務合併除外)之資產或負債所產生之遞延所得稅於交易時不會對會計或應課稅溢利或虧損造成影響，則該等遞延所得稅亦不會列賬。遞延所得稅乃根據於結算日已頒佈或實質頒佈，且預期相關之遞延所得稅資產變現或遞延所得稅負債清償時適用之稅率(及法例)釐定。

遞延所得稅資產之確認以日後可能產生可動用暫時差額抵銷應課稅溢利之情況為限。

遞延所得稅負債按附屬公司、一間聯營公司及合營企業投資所產生之暫時差額作出撥備，惟遞延稅項負債於暫時差額撥回之時間由本集團控制及暫時差額於可見未來可能不會撥回時除外。

當有法定可強制執行權利將當期稅項資產與當期稅項負債抵銷，且遞延所得稅資產和負債與同一稅務機關就應課稅實體或不同應課稅實體(倘有意按淨額基準結付餘額)徵收的所得稅有關時，則可將遞延所得稅資產與負債互相抵銷。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

#### *Deferred income tax (Continued)*

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

### (w) Employee benefits

#### (i) *Employee leave entitlements*

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long-service leave as a result of services rendered by employees up to the balance sheet date.

#### (ii) *Bonus entitlements*

The expected cost of bonus payments is recognised as a liability when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made.

Liabilities for bonus are expected to be settled within twelve months and are measured at the amounts expected to be paid when they are settled.

## 2 重大會計政策概要(續)

### (v) 即期及遞延所得稅(續)

#### *遞延所得稅(續)*

即期及遞延稅項在損益中確認，惟與在其他全面收益內或直接在權益內確認的項目有關之稅項除外。於此情況下，稅項亦分別在其他全面收益內或直接在權益內確認。

### (w) 僱員福利

#### (i) *僱員應享假期*

僱員享有年假和長期服務休假之權利，並在僱員享有有關權利時確認。本集團為截至結算日止僱員已提供之服務而產生之年假和長期服務休假之估計負債作出撥備。

#### (ii) *應享花紅*

當本集團因僱員提供服務而即時產生法律或推定責任，而有關責任可以可靠地估計時，則支付花紅之預期成本確認為負債。

花紅負債預期於十二個月內支付，並按清償時預期支付之數額計算。



## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (w) Employee benefits (Continued)

#### (iii) Pension obligations

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

Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The Group companies in the PRC participate in defined contribution retirement benefit plans organised by relevant government authorities for its employees in the PRC and contribute to these plans based on certain percentage of the salaries of the employees on a monthly basis, up to a maximum fixed monetary amount, as stipulated by the relevant government authorities.

The government authorities undertake to assume the retirement benefit obligations payable to all existing and future retired employees under these plans.

The group companies in Hong Kong participate in a mandatory provident fund scheme ("MPF Scheme") for its employees in Hong Kong. MPF Scheme is a defined contribution scheme in accordance with the Mandatory Provident Fund Scheme Ordinance. Under the rules of MPF Scheme, the employer and its employees are required to contribute 5% of the employees' salaries, up to a maximum of HK\$1,500 per employee per month. The assets of MPF Scheme are held separately from those of the group companies in an independently administered fund.

## 2 重大會計政策概要(續)

### (w) 僱員福利(續)

#### (iii) 退休金責任

界定供款計劃為一項本集團向一個獨立實體支付固定供款之退休金計劃。倘該基金並無持有足夠資產，向所有僱員就其在當期及以往期間之僱用服務提供福利，則本集團亦無法定或推定責任作出進一步供款。界定福利計劃為退休金計劃並非界定供款計劃。

界定福利計劃一般會釐定僱員在退休時可收取的退休福利金額，通常視乎年齡、服務年期及薪酬補償等一個或多個因素而定。

本集團位於中國之公司為其中國僱員參與有關政府當局舉辦之界定供款退休福利計劃，並根據僱員月薪之若干百分比每月向此等計劃供款，但供款金額不會超過有關政府當局規定之最高固定金額。

根據此等計劃，政府當局承擔所有現有及未來退休僱員之應付退休福利責任。

本集團位於香港之公司為其香港僱員參與強制性公積金計劃(「強積金計劃」)。根據《強制性公積金計劃條例》，強積金計劃為界定供款計劃。根據強積金計劃規則，僱主及僱員須按僱員薪金的5%供款，惟每月就每名僱員作出的供款以1,500港元為上限。強積金計劃的資產與集團公司的資產分開並由獨立管理的基金持有。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (w) Employee benefits (Continued)

#### (iv) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to a termination when the entity has a detailed formal plan to terminate the employment of current employee without possibility of withdrawal. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after balance sheet date are discounted to their present value.

#### (v) Share-based compensation

The Group operates an equity-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (options) of the Company. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (for example, an entity's share price);
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save).

## 2 重大會計政策概要(續)

### (w) 僱員福利(續)

#### (iv) 離職福利

離職福利是指僱員在正常退休日前被本集團終止聘用或僱員接受自願離職以換取此等福利時支付之福利。本集團在能證明以下承諾時確認離職福利：根據一項詳細的正式計劃終止現有僱員的僱用而設有撤回的可能。在提出要約以鼓勵自願離職的情況下，離職福利乃根據預期接受要約的僱員人數計量。在結算日後超過12個月到期支付之福利應貼現為現值。

#### (v) 以股份支付的酬金

本集團設有以股權結算、以股份支付的酬金計劃，據此，有關實體接受僱員之服務作為本公司之授出股本工具(購股權)之代價。按僱員所提供服務以換取授出購股權之公平值乃確認為開支。將予支銷之總額乃參考所授出購股權之公平值釐定：

- 包括任何市場表現狀況(如一間實體的股價)；
- 不包括任何服務及非市場表現歸屬條件之影響(例如有關實體於特定期間之盈利能力、銷售增長目標及繼續為僱員)；及
- 包括任何非歸屬條件之影響(如挽留僱員之規定)。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (w) Employee benefits (Continued)

#### (v) Share-based compensation (Continued)

Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the entity revises its estimates of the number of options that are expected to vest based on the non-marketing vesting conditions. It recognises the impact of the revision to original estimates, if any, in the consolidated statement of comprehensive income, with a corresponding adjustment to equity.

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

When the options are cancelled during vesting periods, the Group recognises immediately the amount that otherwise would have been recognised for services received over the remainder of the vesting period.

When the options are modified, the Group will include the incremental fair value granted in the measurement of the amount recognised for services received as consideration for the equity instruments granted. The incremental fair value granted is the difference between the fair value of the modified equity instrument and that of the original equity instrument, both estimated as at the date of the modification. If the modification occurs during the vesting period, the incremental fair value granted is included in the measurement of the amount recognised for services received over the period from the modification date until the date when the modified equity instruments vest, in addition to the amount based on the grant date fair value of the original equity instruments, which is recognised over the remainder of the original vesting period. If the modification occurs after vesting date, the incremental fair value granted is recognised immediately.

## 2 重大會計政策概要(續)

### (w) 僱員福利(續)

#### (v) 以股份支付的酬金(續)

非市場歸屬條件包括在有關預期可予歸屬的購股權數目的假設中。總開支於歸屬期間確認，而所有特定歸屬條件於該期間內達成。於每個申報期末，實體修訂其對預期根據非市場歸屬條件可予歸屬購股權數目的估計。本公司在綜合全面收益表確認對原估計修訂(如有)的影響，並對權益作出相應調整。

本公司於購股權獲行使時發行新股份。當購股權獲行使時，所獲所得款項(扣除任何直接應佔交易成本)計入股本(面值)及股份溢價。

當購股權於歸屬期間內註銷時，本集團會即時確認就於餘下歸屬期間內接獲之服務原應確認之金額。

當購股權被修改時，本集團將計入於計量就作為已授出之股本工具之代價已收取服務之已確認金額時已授出之公平值增額。已授出公平值增額為已修改股本工具的公平值與原有股本工具公平值的差額，兩者均於修改日期作出估計。倘該修改於歸屬期間發生，則已授出公平值增額計入於修改日期直至已修改股本工具歸屬之日止之期間之就已收取服務確認之金額之計量，不包括根據授出日期原有股本工具的公平值金額，該公平值金額於餘下原有歸屬期間內確認。倘該修改於歸屬日期後發生，則已授出公平值增額將即時確認。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (w) Employee benefits (Continued)

#### (v) *Share-based compensation (Continued)*

The grant by the Company of options over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity in the parent entity accounts.

### (x) Provisions

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

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

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

## 2 重大會計政策概要(續)

### (w) 僱員福利(續)

#### (v) *以股份支付的酬金(續)*

本公司向為本集團工作之附屬公司僱員所授出其股本工具之購股權乃視為資本出資。所獲得僱員服務之公平值乃參考授出日期之公平值計量，於歸屬期內確認為增加對附屬公司業務之投資，並相應計入母公司實體賬目內之權益。

### (x) 撥備

撥備於本集團因過去的事件而產生現有之法律或推定責任；可能導致資源流出以清償該項責任；及有關金額能可靠估計時確認。日後經營虧損則不會確認撥備。

倘出現若干類似責任，償還有關責任所需之資源流出的可能性，乃經考慮責任總體類別後釐定。即使同一責任類別之任何一個項目導致資源流出的可能性不大，仍須確認撥備。

撥備按管理層於報告期末對履行現有責任所需的開支現值的最佳估計計量。用以釐定現值的折扣率為反映現時市場對貨幣時間價值的評估以及負債特定風險的稅前比率。隨時間流逝而產生之撥備增加確認為利息開支。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (y) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminated sales within the Group.

#### (i) Sales of goods

Sales are recognised when control of the products has transferred, being when the products are delivered to the customers, the customer has accepted the products, the collection of the related consideration is probable and there is no unfulfilled obligation that could affect the customer's acceptance of the products.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

A contract liability is recognised when a customer pays consideration, or is contractually required to pay consideration and the amount is already due, before the Group recognises the related revenue. The Group recognised its contract liabilities under accruals and other payables as receipt in advance from customers in the consolidated balance sheet.

#### (ii) Rental income

Rental income from investment properties is recognised in the consolidated statement of comprehensive income on a straight-line basis over the period of the lease term.

#### (iii) Interest income

Interest income is recognised on a time-proportion basis using the effective interest method.

## 2 重大會計政策概要(續)

### (y) 收入之確認

收入包括本集團日常業務過程中就銷售貨品及服務所收取或應收取代價之公平值。收入於扣除增值稅、回報、回扣及折扣以及對銷本集團內部銷售後呈列。

#### (i) 銷售貨品

銷售於產品的控制權轉移時(即產品交付予客戶、客戶接納產品、收取相關代價的可能性甚高,且概無足以影響客戶接納產品之未履行責任時)確認。

應收款項於貨品交付時確認,此乃由於此刻代價已為無條件,因為在付款到期前僅需等待一段時間。

合約負債於本集團確認相關收入前並客戶支付代價或受合約規定須支付代價且該款項已到期時確認。本集團於綜合資產負債表內將其合約負債確認為應計費用及其他應付款項下向客戶收取之預付款。

#### (ii) 租金收入

來自投資物業之租金收入在租賃期間按直線法基準於綜合全面收益表中確認。

#### (iii) 利息收入

利息收入採用實際利息法按時間比例基準確認。



## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (z) Government grant

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

Government grant relating to costs is deferred and recognised in the consolidated statement of comprehensive income over the period necessary to match it with the costs that it is intended to compensate.

Government grant relating to property, plant and equipment and service concession arrangement is included in accruals and other payables and is credited to the consolidated statement of comprehensive income on a straight-line basis over the expected lives of the related assets.

### (aa) Lease (as the lessee for operating leases)

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentive received from the lessor) are expensed in the consolidated statement of comprehensive income on a straight-line basis over the period of the lease.

### (ab) Share capital

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

Where the Company's shares are acquired from the market by the Scheme (Note 19(b)), the total consideration of shares acquired from the market (including any directly attributable incremental costs) is presented as shares held for the Scheme and deducted from total equity.

### (ac) Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's and the Company's financial statements in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

## 2 重大會計政策概要(續)

### (z) 政府補助

政府補助會於可合理保證將收到補助及本集團將符合所有附帶條件時按公平值確認。

與成本有關的政府補助將會遞延，並於將該等補助與其擬補償成本進行匹配所需期間內在綜合全面收益表確認。

與物業、廠房及設備以及服務特許權安排有關的政府補助列入應計費用及其他應付款項，並按直線法於相關資產的預期年期內計入綜合全面收益表。

### (aa) 租賃(作為營運租賃的承租人)

出租人保留擁有權之大部分風險及回報之租賃分類為營運租賃。營運租賃之租金(扣除收取出租人提供之任何優惠後)在租約年期內按直線法在綜合全面收益表內支銷。

### (ab) 股本

普通股分類為權益。發行新股份直接產生的增加成本在權益內列值作為所得款項的除稅後扣減。

倘根據計劃(附註19(b))於市場上收購公司的股份，於市場上所收購股份的總收代價(包括任何直接應佔增加成本)乃呈列為於計劃下持有之股份，並自總權益中扣除。

### (ac) 股息分派

向本公司股東分派之股息於股息獲本公司股東或董事(倘適用)批准期間在本集團及本公司之財務報表中確認為負債。

### 3 FINANCIAL RISK MANAGEMENT

#### (a) Financial risk factors

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

##### (i) Foreign exchange risk

The Group's foreign currency transactions are mainly denominated in Renminbi ("RMB"), HK\$ and US\$. The majority of assets and liabilities are denominated in RMB, HK\$ and US\$, and there are no significant assets and liabilities denominated in other currencies. The Group is subject to foreign exchange rate risk arising from future commercial transactions and recognised assets and liabilities which are denominated in a currency other than HK\$ or RMB, which are the functional currencies of the major operating companies within the Group.

As HK\$ is pegged to US\$, management believes that the exchange rate risk for translations between HK\$ and US\$ do not have a material impact to the Group. The exchange rate of RMB to HK\$ is subject to the rules and regulations of foreign exchange control promulgated by the PRC government.

This currency exposure is managed primarily through sourcing raw materials denominated in the same currency. The Group has not considered it appropriate to substantially hedge against currency risks through forward exchange contracts upon consideration of the currency risk involved and the cost of obtaining such cover.

### 3 財務風險管理

#### (a) 財務風險因素

本集團業務承受多種財務風險：市場風險(包括外匯風險、利率風險及價格風險)、信貸風險及流動資金風險。本集團之整體風險管理計劃專注於金融市場之不可預測性，務求盡量減低對本集團財務表現可能構成的不利影響。

##### (i) 外匯風險

本集團的外幣交易主要以人民幣(「人民幣」)、港元及美元計值。大部分資產及負債以人民幣、港元及美元計值，及概無重大資產及負債以其他貨幣計值。本集團因以港元或人民幣(本集團旗下主要營運公司的功能貨幣)以外貨幣計值的未來商業交易及已確認資產及負債而承受外匯匯率風險。

由於港元與美元掛鈎，管理層相信，港元及美元進行換算的匯率風險對本集團並無重大影響。人民幣兌港元的匯率須遵守中國政府頒佈的外匯管制規則及條例。

此貨幣風險主要透過採購以相同貨幣計值的原材料進行管理。經考慮所涉及貨幣風險代價及取得有關保障的成本後，本集團認為不適宜透過遠期外匯合約就貨幣風險進行大量對沖。

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### (a) Financial risk factors (Continued)

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

At 31 December 2018, if HK\$ had strengthened/weakened by 5% against the RMB, with all other variables held constant, post-tax profit for the year would have been approximately HK\$2,296,000, higher or lower (for the year ended 31 December 2017: post-tax profit for the year would have been approximately HK\$2,545,000, higher or lower), mainly as a result of foreign exchange differences on translation of RMB denominated net payables.

At 31 December 2018, if RMB had strengthened/weakened by 5% against the US\$, with all other variables held constant, post-tax profit for the year would have been approximately HK\$1,389,000, higher or lower (for the year ended 31 December 2017: post-tax profit for the year would have been approximately HK\$9,176,000, higher or lower), mainly as a result of foreign exchange differences on translation of US\$ denominated net payables.

##### (ii) Interest rate risk

The Group has cash balances placed with reputable banks and financial institutions, which generate interest income for the Group.

Bank borrowings at variable rates expose the Group to cash flow interest-rate risk. Bank borrowings at fixed rates expose the Group to fair value interest-rate risk. Details of the Group's bank borrowings have been disclosed in Note 21 to the consolidated financial statements.

The Group has not used any interest rate swaps to hedge its exposure to interest rate risk.

### 3 財務風險管理(續)

#### (a) 財務風險因素(續)

##### (i) 外匯風險(續)

於二零一八年十二月三十一日，倘港元兌人民幣匯率升/跌5%，而所有其他變數不變，本年度的除稅後溢利將增加或減少約2,296,000港元(截至二零一七年十二月三十一日止年度：年度除稅後溢利將增加或減少約2,545,000港元)，主要由於換算以人民幣計值的應付款項淨額而引致匯兌差額所致。

於二零一八年十二月三十一日，倘人民幣兌美元匯率升/跌5%，而所有其他變數不變，本年度的除稅後溢利將增加或減少約1,389,000港元(截至二零一七年十二月三十一日止年度：年度除稅後溢利將增加或減少約9,176,000港元)，主要由於換算以美元計值的應付款項淨額而引致匯兌差額所致。

##### (ii) 利率風險

本集團於多家信譽良好的銀行及金融機構存放的現金結餘為本集團帶來利息收入。

按可變利率計息之銀行借貸令本集團承受現金流量利率風險。按固定利率計息之銀行借貸則令本集團承受公平價值利率風險。本集團銀行借貸詳情已於綜合財務報表附註21中披露。

本集團並無使用任何利率掉期對沖其利率風險。

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### (a) Financial risk factors (Continued)

##### (ii) Interest rate risk (Continued)

The Group analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration of refinancing, renewal of existing positions, and alternative financing. Based on these scenarios, the Group calculates the impact on profit of a defined interest rate shift. For each simulation, the same interest rate shift is used. The scenarios are run only for assets and liabilities that represent the major interest-bearing positions.

Based on the simulations performed, the impact on post-tax profit of a 100 basis-point shift would be a maximum increase/decrease of approximately HK\$440,000 for the year ended 31 December 2018 (for the year ended 31 December 2017 approximately HK\$940,000) mainly as a result of change in interest rates on short-term bank deposits and bank borrowings.

##### (iii) Price risk

The Group is not exposed to equity securities price risk and commodity price risk.

##### (iv) Credit risk

Credit risk arises from cash and cash equivalents, short-term bank deposits, amount due from an associated company, amounts due from joint ventures, as well as credit exposures to trade and bills receivables and other financial assets at amortised cost.

##### (1) Risk management

Credit risk is managed on a group basis. Management has policies in place to monitor the exposures to these credit risks on an ongoing basis.

### 3 財務風險管理(續)

#### (a) 財務風險因素(續)

##### (ii) 利率風險(續)

本集團按動態基準分析其利率風險，並考慮再融資、更新現時持倉及其他融資之多個模擬情況。根據此等模擬情況，本集團計算界定利率調整之溢利之影響。就各模擬情況而言，均採用相同利率調整。模擬情況僅就反映主要計息持倉之資產及負債而作出。

根據所作出之模擬情況，截至二零一八年十二月三十一日止年度，100個基準點調整之除稅後溢利之影響將最多增加／減少約440,000港元(截至二零一七年十二月三十一日止年度：約940,000港元)，乃主要由於短期銀行存款及銀行借貸利率變動。

##### (iii) 價格風險

本集團並無承受股本證券價格風險及商品價格風險。

##### (iv) 信貸風險

信貸風險來自現金及現金等值項目、短期銀行存款、應收一間聯營公司款項、應收合營企業款項，以及應收貿易賬款及票據及其他按攤銷成本列賬之金融資產信貸風險。

##### (1) 風險管理

信貸風險乃按組合基準管理。管理層已制定政策，持續監察此等信貸風險的水平。

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### (a) Financial risk factors (Continued)

##### (iv) Credit risk (Continued)

##### (1) Risk management (Continued)

The Group has put in place policies to ensure that sales of products are made to customers with an appropriate credit history and the Group performs periodic credit evaluations of its customers based on their past repayment patterns, latest business developments and other factors. The Group's historical experience in collection of trade and bills receivables falls within the recorded allowances.

The table below shows the credit limit and balance of the five major debtors at 31 December 2018 and 31 December 2017.

### 3 財務風險管理(續)

#### (a) 財務風險因素(續)

##### (iv) 信貸風險(續)

##### (1) 風險管理(續)

本集團已制定政策確保產品銷售予信貸記錄良好之客戶，而本集團依據客戶過往的還款模式、最新業務發展及其他因素而對其客戶進行定期信用評估。本集團在收取應收貿易賬款及票據方面之過往經驗並無超出已記錄撥備之範圍。

下表載列五大債務人分別於二零一八年十二月三十一日及二零一七年十二月三十一日之信貸限額及結餘。

Counterparty 對應方	As at 31 December 於十二月三十一日			
	2018 二零一八年		2017 二零一七年	
	Credit limit 信貸限額	Utilised 已使用	Credit limit 信貸限額	Utilised 已使用
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
A	38,000	35,522	38,000	36,409
B	35,000	34,835	32,000	28,539
C	36,000	34,670	26,000	24,041
D	34,000	32,367	32,000	26,549
E	30,000	27,466	-	-
F	26,000	24,253	26,000	25,255



### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### (a) Financial risk factors (Continued)

##### (iv) Credit risk (Continued)

##### (2) Impairment of financial assets

Trade and bills receivables, amount due from an associated company and amounts due from joint ventures for sales of goods of the Group are subject to the expected credit loss model. While cash and cash equivalents, short-term bank deposits and other financial assets at amortised cost are also subject to the impairment requirements of HKFRS 9, the identified impairment loss was immaterial.

*Trade and bills receivables, amount due from an associated company and amounts due from joint ventures*

The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for trade and bills receivables, amount due from an associated company and amounts due from joint ventures. The Group measures the expected credit losses on a combination of both individual and collective basis.

*Measurement of expected credit loss on individual basis*

The receivables relating to customers with known financial difficulties or with significant doubt on collection of receivables are assessed individually for provision for impairment allowance. As at 31 December 2018, the balance of loss allowance in respect of individually assessed receivables was approximately HK\$22,274,000 (31 December 2017: approximately HK\$38,735,000).

### 3 財務風險管理(續)

#### (a) 財務風險因素(續)

##### (iv) 信貸風險(續)

##### (2) 金融資產減值

本集團銷售貨品之應收貿易賬款及票據、應收一間聯營公司款項及應收合營企業款項，須按預期信貸虧損模式計量。現金及現金等值項目、短期銀行存款以及按攤銷成本列賬之其他金融資產亦須遵從香港財務報告準則第9號之減值規定，惟已識別減值虧損輕微。

*應收貿易賬款及票據、應收一間聯營公司款項及應收合營企業款項*

本集團應用香港財務報告準則第9號計量預期信貸虧損之簡化方法，其就應收貿易賬款及票據、應收一間聯營公司款項及應收合營企業款項，採用整個存續期之預期虧損撥備。本集團按個別及集體基準一併計量預期信貸虧損。

*按個別基準計量預期信貸虧損*

與已知出現財政困難或收回應收款項成數存在重大疑問之客戶相關的應收款項，乃就減值撥備個別評估。於二零一八年十二月三十一日，該等個別評估應收款項有關之虧損撥備結餘約22,274,000港元(二零一七年十二月三十一日：約38,735,000港元)。

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### (a) Financial risk factors (Continued)

##### (iv) Credit risk (Continued)

##### (2) Impairment of financial assets (Continued)

##### Measurement of expected credit loss on individual basis (Continued)

The following table presents the gross carrying amount and the loss allowance in respect of the individually assessed receivables as at 31 December 2018 and 31 December 2017:

		As at 31 December 於十二月三十一日	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Gross carrying amount	賬面總值	22,274	38,735
Loss allowance	虧損撥備	(22,274)	(38,735)
Net carrying amount	賬面淨值	-	-

##### Measurement of expected credit loss on collective basis

Expected credit losses are also estimated by grouping the remaining receivables based on shared credit risk characteristics and collectively assessed for the likelihood of recovery, taking into account the nature of the customer, its geographical location and its ageing category, and applying expected credit loss rates to the respective gross carrying amounts of the receivables.

The expected credit loss rates are determined based on the historical credit losses experienced of up to past 3 years and are adjusted to reflect current and forward-looking information such as macroeconomic factors affecting the ability of the customers to settle the receivables.

### 3 財務風險管理(續)

#### (a) 財務風險因素(續)

##### (iv) 信貸風險(續)

##### (2) 金融資產減值(續)

##### 按個別基準計量預期信貸虧損(續)

下表呈列於二零一八年十二月三十一日及二零一七年十二月三十一日個別評估應收款項之賬面總值及虧損撥備：

As at 31 December  
於十二月三十一日

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
----------------------------------	----------------------------------

##### 按集體基準計量預期信貸虧損

本集團亦按共有之信貸風險特性將餘下應收款項組合以估計預期信貸虧損，並在考慮客戶性質、其所在地理位置及賬齡組別後，對各應收款項總賬面值應用預期信貸虧損比率，共同評估其可收回性。

預期信貸虧損比率乃按過往最多三年的過往信用虧損釐定，並作出調整以反映影響當前及前瞻資訊(例如有關影響客戶償還款項能力的宏觀經濟因素)。

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### (a) Financial risk factors (Continued)

##### (iv) Credit risk (Continued)

##### (2) Impairment of financial assets (Continued)

##### *Measurement of expected credit loss on collective basis (Continued)*

As at 31 December 2018, the balance of loss allowance in respect of these collectively assessed receivables was approximately HK\$721,000 based on expected credit loss rates up to 5.97% applied on different groupings.

Impairment and reversal of impairment losses on receivables are presented as “net reversal of impairment losses on financial assets” in the consolidated statement of comprehensive income. When a receivable is uncollectible, it is written off against the allowance account for receivables. Subsequent recoveries of amounts previously written off are credited in the consolidated statement of comprehensive income.

##### *Cash and cash equivalents, short-term bank deposits and other financial assets at amortised cost*

There is no loss allowance for cash and cash equivalents, short-term bank deposits and other financial assets at amortised cost as at 31 December 2018 (31 December 2017: same).

### 3 財務風險管理(續)

#### (a) 財務風險因素(續)

##### (iv) 信貸風險(續)

##### (2) 金融資產減值(續)

##### *按集體基準計量預期信用虧損(續)*

於二零一八年十二月三十一日，按適用於不同組別的預期信貸虧損比率最高5.97%計算，該等集體評估應收款項結餘之虧損撥備結餘約721,000港元。

應收款項減值及減值虧損撥回乃於綜合全面收益表呈列為「金融資產減值虧損淨額」。當應收款項無法收回時，即對應收款項撥備賬撇銷。隨後收回先前已撇銷之款項會撥入綜合全面收益表。

##### *現金及現金等值項目、短期銀行存款以及按攤銷成本列賬之其他金融資產*

於二零一八年十二月三十一日，現金及現金等值項目、短期銀行存款以及按攤銷成本列賬之其他金融資產並無虧損撥備(二零一七年十二月三十一日：相同)。

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### (a) Financial risk factors (Continued)

##### (iv) Credit risk (Continued)

##### (2) Impairment of financial assets (Continued)

*Previous accounting policy for impairment of trade and bills receivables, amount due from an associated company and amounts due from joint ventures*

In the prior year, the impairment of trade and bills receivables, amount due from an associated company and amounts due from joint ventures was assessed based on the incurred loss model. An allowance for impairment of trade and bills receivables, amount due from an associated company and amounts due from joint ventures is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments are considered indication that the receivable is impaired.

When a receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited in the consolidated statement of comprehensive income.

The impact of transition to HKFRS 9 on 1 January 2018 (date of adoption of HKFRS 9) as a result of applying the expected credit risk model was immaterial.

### 3 財務風險管理(續)

#### (a) 財務風險因素(續)

##### (iv) 信貸風險(續)

##### (2) 金融資產減值(續)

*有關應收貿易賬款及票據、應收一間聯營公司款項及應收合營企業款項減值之過往會計政策*

於上一年度，應收貿易賬款及票據、應收一間聯營公司款項及應收合營企業款項之減值乃根據已產生虧損模式評定。當有客觀證據顯示本集團將無法根據應收款項原有條款收回所有款項時，即確認應收貿易賬款及票據、應收一間聯營公司款項及應收合營企業款項之減值撥備。債務人出現重大財政困難、債務人可能破產或財務重組以及拖欠或延誤還款均被視為應收款項減值之指示。

當應收款項無法收回時，即對應收貿易賬款撥備賬撇銷。隨後收回先前已撇銷之款項會撥入綜合全面收益表。

於二零一八年一月一日(香港財務報告準則第9號之採納日期)過渡至香港財務報告準則第9號應用預期信貸風險模式之影響輕微。

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### (a) Financial risk factors (Continued)

##### (v) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities. The Group aims to maintain flexibility in funding by keeping sufficient cash.

As at 31 December 2018, the cash and cash equivalents of the Group approximated HK\$272,478,000 (31 December 2017: approximately HK\$367,759,000).

The following tables analyse the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the tables are the contractual undiscounted cash flows and the earliest date the Group can be required to pay. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

### 3 財務風險管理(續)

#### (a) 財務風險因素(續)

##### (v) 流動資金風險

審慎之流動資金風險管理包括維持充裕現金及透過足夠之承諾信貸融資提供所需資金。本集團旨在透過保留足夠現金維持資金之靈活性。

於二零一八年十二月三十一日，本集團的現金及現金等值項目約272,478,000港元(二零一七年十二月三十一日：約367,759,000港元)。

下表為將按相關到期組別將本集團的金融負債分類後作出的分析，分類方法基於結算日至合約到期日的剩餘期間。下表內披露的金額為合約未貼現現金流量及本集團可能被要求付款的最早日期。由於貼現的影響不大，於十二個月內到期的結餘與其賬面值相等。



### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### (a) Financial risk factors (Continued)

##### (v) Liquidity risk (Continued)

Specifically, as at 31 December 2018, for bank borrowings which contained repayment on demand clauses which could be exercised at the banks' sole discretion, the balances had been reclassified as current liabilities. The analysis shows the cash outflow based on earliest period in which the Group can be required to pay, that is if the lender were to invoke their unconditional rights to call the loans with immediate effect.

### 3 財務風險管理(續)

#### (a) 財務風險因素(續)

##### (v) 流動資金風險(續)

其中，於二零一八年十二月三十一日，就包含須按要求償還條款(可由銀行全權酌情決定行使)的銀行借貸而言，結餘已重新分類為流動負債。該分析按本集團可能被要求付款的最早期間(即放債人要即時援引其無條件權利以拆借)顯示現金流出。

		On Demand	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
		按要求償還	1年內	1至2年之間	2至5年之間	5年以上	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
<b>At 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>						
Bank borrowings	銀行借貸						
– principal portion	– 本金部分	34,588	-	-	-	-	34,588
Trade payables	應付貿易賬款	-	226,516	-	-	-	226,516
Accruals and other payables	應計費用及 其他應付款項	-	166,771	-	-	-	166,771
Loans from non-controlling interests	來自非控股權益 之貸款	15,492	-	-	-	-	15,492
Dividends payable	應付股息	-	176	-	-	-	176
<b>At 31 December 2017</b>	<b>於二零一七年十二月三十一日</b>						
Bank borrowings	銀行借貸						
– principal portion	– 本金部分	22,170	-	-	-	-	22,170
Trade payables	應付貿易賬款	-	230,530	-	-	-	230,530
Accruals and other payables	應計費用及 其他應付款項	-	157,300	-	-	-	157,300
Loans from non-controlling interests	來自非控股權益 之貸款	14,492	-	-	-	-	14,492
Dividends payable	應付股息	-	102	-	-	-	102

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### (a) Financial risk factors (Continued)

##### (v) Liquidity risk (Continued)

The table below analyses the bank borrowings of the Group into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date without taking into consideration the effect of repayment on demand clauses, while interest payments are computed using contractual rates.

		Within 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
		1年內	1至2年 之間	2至5年 之間	5年以上	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
<b>As at 31 December 2018</b>	<b>於二零一八年 十二月三十一日</b>					
Bank borrowings:	銀行借貸：					
– principal portion	– 本金部分	7,985	7,706	14,808	4,089	34,588
– interest portion	– 利息部分	1,036	754	967	107	2,864
		<b>9,021</b>	<b>8,460</b>	<b>15,775</b>	<b>4,196</b>	<b>37,452</b>
<b>As at 31 December 2017</b>	<b>於二零一七年 十二月三十一日</b>					
Bank borrowings:	銀行借貸：					
– principal portion	– 本金部分	3,921	3,976	10,168	4,105	22,170
– interest portion	– 利息部分	585	473	1,010	111	2,179
		<b>4,506</b>	<b>4,449</b>	<b>11,178</b>	<b>4,216</b>	<b>24,349</b>

#### (b) Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

### 3 財務風險管理(續)

#### (a) 財務風險因素(續)

##### (v) 流動資金風險(續)

下表按照於報告期末至合約到期日的餘下期間分析本集團分類至相關到期組別的銀行借貸，當中並無計及按要求償還條款的影響，而利息付款以合約利率計算。

#### (b) 資金管理風險

本集團的資金管理旨在保障本集團按持續經營基準繼續營運之能力，從而為股東帶來回報，同時兼顧其他權益持有人的利益，並維持最佳的資本結構以減低資金成本。

為維持或調整資本結構，本集團可能會調整支付予股東的股息金額、向股東發還資金、發行新股或出售資產以減低債務。

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### (b) Capital risk management (Continued)

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as bank borrowings divided by total equity. Management considers a gearing ratio of not more than 30% as reasonable.

		As at 31 December 於十二月三十一日	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Bank borrowings	銀行借貸	34,588	22,170
Total equity	總權益	1,090,530	1,060,440
Gearing ratio	資本負債比率	3.2%	2.1%

Surplus cash held by the operating entities over the requirement for working capital management are transferred to interest bearing current accounts and time deposits, with appropriate maturities to manage its overall liquidity position. As at 31 December 2018, the Group maintains cash and cash equivalents of approximately HK\$272,478,000 (31 December 2017: approximately HK\$367,759,000) that are expected to be readily available to meet the cash outflows of its financial liabilities.

#### (c) Fair value estimation

The carrying amounts of the Group's financial assets and liabilities including cash and cash equivalents, short-term bank deposits, trade and bills receivables, other financial assets at amortised cost, amount due from an associated company, amounts due from joint ventures, bank borrowings, trade payables, dividends payable, accruals and other payables and loans from non-controlling interests, approximate their fair values due to their short maturities.

### 3 財務風險管理(續)

#### (b) 資金管理風險(續)

本集團利用資本負債比率監察其資本。此比率按照銀行借貸除以總權益計算。管理層認為合理的資本負債比率應不高於30%。

As at 31 December  
於十二月三十一日

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
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Bank borrowings	銀行借貸	34,588	22,170
Total equity	總權益	1,090,530	1,060,440

Gearing ratio	資本負債比率	3.2%	2.1%
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經營實體所持超過營運資金管理所需的現金盈餘，乃轉撥入具合適到期日之計息往來賬戶及定期存款，以管理其總體流動資金狀況。於二零一八年十二月三十一日，本集團之現金及現金等值項目約272,478,000港元(二零一七年十二月三十一日：約367,759,000港元)，預期足以滿足其金融負債之現金流出。

#### (c) 公平值估計

本集團之金融資產及負債之賬面值包括現金及現金等值項目、短期銀行存款、應收貿易賬款及票據、按攤銷成本列賬之其他金融資產、應收一間聯營公司款項、應收合營企業款項、銀行借貸、應付貿易賬款、應付股息、應計費用及其他應付款項及來自非控股權益之貸款，由於到期日短促，故上述各項的賬面值與其公平值相若。

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### (c) Fair value estimation (Continued)

See Note 8 for disclosures of investment property that is measured at fair value at 31 December 2018.

### 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

#### Impairment of trade and bills receivables

The Group makes provision for impairment of trade and bills receivables based on assumption about risk of default and expected credit loss rate (Note 3(a)(iv)). The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculations based on the Group's past history, existing market conditions as well as forward-looking estimates at the balance sheet date.

### 5 SEGMENT INFORMATION

The chief operating decision-maker has been identified as the Board. The Board reviews the Group's internal reports in order to assess performance and allocate resources. The Board has determined the operating segments based on these reports.

The Group is principally engaged in manufacturing and trading of hospitality supplies products and trading of operating supplies and equipment. From a geographical perspective, the Board assesses the performance based on the Group's revenue by geographical location in which the customer is located.

### 3 財務風險管理(續)

#### (c) 公平值估計(續)

有關於二零一八年十二月三十一日按公平值計量之投資物業的披露詳情敬請參閱附註8。

### 4 重大會計估計及判斷

估計及判斷會不斷評估，並按過往經驗及其他因素(包括於有關情況下相信為合理之未來事件之預測)而作出。

本集團對未來作出估計及假設。根據定義，由此產生之會計估計於極少情況下會與其實際結果相同。極可能導致須對下個財政年度之資產及負債賬面值作出重大調整之估計及假設載列如下。

#### 應收貿易賬款及票據減值

本集團根據有關違約風險及預期信貸虧損比率的假設就應收貿易賬款及票據計提撥備(附註3(a)(iv))。本集團於作出該等假設及挑選計算減值的輸入數據時運用判斷，並以本集團過往經驗、現時市況及於結算日的前瞻估計為基礎。

### 5 分類資料

董事會為主要營運決策者。董事會檢討本集團的內部報告以評估業績及分配資源。董事會基於此等報告確定經營分類。

本集團主要從事製造及銷售酒店供應品類產品以及銷售營運用品及設備。從地理區域角度，董事會評估業績時會依據本集團的客戶所在地域之收入來釐定。

## 5 SEGMENT INFORMATION (Continued)

Due to continual development of the Group, management has reviewed its internal organisational structure to align more closely with the Group's strategic decision and market dynamics to better serve customers. Among others, Operating Supplies and Equipment ("OS&E") Business has been separately disclosed in the management reporting. The Group has adopted the new reporting format effective for the year ended 31 December 2018 which includes (i) Hospitality Supplies Business (formerly known as "Manufacturing and distribution business of amenity products"); (ii) OS&E Business; and (iii) Others. The comparative segment information has been restated to reflect the current organisational structure.

The Board assesses the performance of the operating segments based on a measure of profit before income tax, share of profit of an associated company, share of profit of a joint venture and fair value gain on an investment property.

Information provided to the Board is measured in a manner consistent with that of the consolidated financial statements.

Sales between segments are carried out at normal commercial terms. Depreciation and amortisation charges are apportioned with reference to respective segment revenue from external customers. Assets and liabilities of the Group are allocated by reference to the principal markets in which the Group operates.

## 5 分類資料(續)

因應本集團持續發展，管理層已審視其內部組織架構，藉以更配合本集團之決策及市場動態，力求為客戶提供更優質服務。具體而言，營運用品及設備（「營運用品及設備」）業務已於管理層報告中獨立披露。本集團於截至二零一八年十二月三十一日止年度已採用新的報告格式，其包括(i)酒店供應品業務（前稱「製造及分銷賓客用品業務」）；(ii)營運用品及設備業務；及(iii)其他。比較分類資料已經重列以反映現時的組織架構。

董事會以未計所得稅前溢利、應佔一間聯營公司溢利、應佔一間合營企業溢利及一項投資物業之公平值收益為衡量基準以評估經營分類的表現。

向董事會呈報的資料採用與綜合財務報表一致的方式計量。

分類間的銷售按一般商業條款進行。折舊及攤銷費用乃參考來自外部客戶的各分類收入予以分配。本集團的資產及負債乃參照本集團所經營業務的主要市場進行分配。



5 SEGMENT INFORMATION (Continued)

5 分類資料(續)

Geographical

地區

		Hospitality Supplies Business 酒店供應品業務							OS&E Business 營運用品及設備業務			Others 其他			
		North America		Europe	The PRC	Hong Kong	Australia	Other regions (Note i)	Others (Note ii)	Sub-total		The PRC	Others (Note iii)	Sub-total	Total
		北美	歐洲	中國	香港	澳洲	其他 亞太地區	其他 (附註ii)	小計	中國	其他 (附註iii)	小計	總計		
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元		
<b>Year ended</b>	<b>截至二零一八年</b>														
<b>31 December</b>	<b>十二月三十一日</b>														
<b>2018</b>	<b>止年度</b>														
Segment revenue	分類收入	411,280	240,488	633,828	280,898	48,614	277,368	3,947	1,896,423	104,547	49,763	154,310	5,908	2,056,641	
Inter-segment revenue	分類間收入	-	-	(3,494)	-	-	-	-	(3,494)	-	-	-	(439)	(3,933)	
Revenue from external customers	來自外部客戶的收入	411,280	240,488	630,334	280,898	48,614	277,368	3,947	1,892,929	104,547	49,763	154,310	5,469	2,052,708	
Earnings before interest, taxes, depreciation, amortisation and fair value gain on an investment property	未計利息、稅項、折舊、攤銷及一項投資物業之公平值收益前的盈利	39,860	19,824	50,391	22,139	1,998	23,984	727	158,923	5,447	3,350	8,797	5,561	173,281	
Depreciation	折舊	(8,859)	(5,180)	(13,577)	(6,052)	(1,047)	(5,975)	(85)	(40,775)	(24)	(11)	(35)	(122)	(40,932)	
Amortisation	攤銷	(747)	(437)	(1,143)	(509)	(88)	(504)	(7)	(3,435)	-	-	-	(170)	(3,605)	
Finance income	財務收入	-	-	388	472	-	13	1	874	-	-	-	3	877	
Finance costs	財務成本	-	-	(13)	(1,154)	-	(11)	-	(1,178)	-	-	-	(28)	(1,206)	
Segment profit before income tax	未計所得稅前分類溢利	30,254	14,207	36,046	14,896	863	17,507	636	114,409	5,423	3,339	8,762	5,244	128,415	
Share of profit of an associated company	應佔一間聯營公司溢利													1,948	
Share of profit of a joint venture	應佔一間合營企業溢利													95	
Fair value gain on an investment property (Note 8)	一項投資物業之公平值收益(附註8)													473	
Income tax expenses	所得稅開支													(34,850)	
Profit for the year	本年度溢利													96,081	

5 SEGMENT INFORMATION (Continued)

5 分類資料(續)

Geographical (Continued)

地區(續)

	Hospitality Supplies Business 酒店供應品業務						OS&E Business 營運用品及設備業務				Others 其他		Inter- segment elimination 分類間 抵銷	Total 總計
	The PRC	Hong		Other locations (Note iv) 其他地區		Sub-total	The PRC	Hong		Other		Sub-total		
		Kong	Australia	Cambodia	(Note iv)			Kong	Other					
	中國	香港	澳洲	柬埔寨	(附註iv)	小計	中國	香港	其他地區	小計	千港元	千港元		
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000		
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
<b>As at</b>	<b>於二零一八年</b>													
<b>31 December 2018</b>	<b>十二月三十一日</b>													
Total assets	資產總額	1,009,945	615,478	1,224	116,295	48,342	1,791,284	50,122	13,817	378	64,317	36,636	(187,186)	1,705,051
Include:	包括:													
Investment in an associated company	於一間聯營公司的投資	-	5,408	-	-	-	5,408	-	-	-	-	-	-	5,408
Investments in joint ventures	於合營企業的投資	-	307	-	-	-	307	-	-	-	-	-	-	307
Additions to non-current assets (other than deferred income tax assets)	非流動資產添置(遞延所得稅資產除外)	68,145	2,539	8	104,349	384	175,425	46	-	-	46	28	-	175,499
Total liabilities	負債總額	(421,194)	(141,258)	(18)	(12,639)	(43,721)	(618,830)	(12,547)	(2,327)	-	(14,874)	(168,003)	187,186	(614,521)

5 SEGMENT INFORMATION (Continued)

5 分類資料(續)

Geographical (Continued)

地區(續)

		Hospitality Supplies Business 酒店供應品業務							OS&E Business 營運用品及設備業務			Others 其他		
		North America		Europe	The PRC	Hong Kong	Australia	Other regions (Note i)	Others (Note ii)	Sub-total	The PRC	Others (Note iii)	Sub-total	Total
		北美	歐洲	中國	香港	澳洲	其他 亞太地區 (附註i)	其他 (附註ii)	小計	中國	其他 (附註iii)	小計	總計	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
Year ended	截至二零一七年													
31 December	十二月三十一日													
2017	止年度													
Segment revenue	分類收入	399,705	193,923	529,651	287,774	49,871	266,955	3,309	1,731,188	73,640	43,628	117,268	16,334	1,864,790
Inter-segment revenue	分類間收入	-	-	(863)	-	-	-	-	(863)	-	-	-	(368)	(1,231)
Revenue from external customers	來自外部客戶的收入	399,705	193,923	528,788	287,774	49,871	266,955	3,309	1,730,325	73,640	43,628	117,268	15,966	1,863,559
Earnings before interest, taxes, depreciation and amortisation	未計利息、稅項、折舊及攤銷前的盈利	47,323	21,139	35,346	26,537	4,080	37,411	191	172,027	1,584	5,037	6,621	2,393	181,041
Depreciation	折舊	(8,275)	(4,015)	(10,948)	(5,958)	(1,033)	(5,527)	(69)	(35,825)	(250)	(148)	(398)	(514)	(36,737)
Amortisation	攤銷	(528)	(256)	(699)	(380)	(66)	(353)	(4)	(2,286)	-	-	-	(337)	(2,623)
Finance income	財務收入	-	-	366	462	-	3	-	831	-	-	-	3	834
Finance cost	財務成本	-	-	(27)	(557)	-	(29)	-	(613)	-	-	-	-	(613)
Segment profit before income tax	未計所得稅前分類溢利	38,520	16,868	24,038	20,104	2,981	31,505	118	134,134	1,334	4,889	6,223	1,545	141,902
Share of profit of an associated company	應佔一間聯營公司溢利													1,344
Share of profit of a joint venture	應佔一間合營企業溢利													2
Income tax expenses	所得稅開支													(34,408)
Profit for the year	本年度溢利													108,840

## 5 SEGMENT INFORMATION (Continued)

### Geographical (Continued)

	Hospitality Supplies Business 酒店供應品業務					OS&E Business 營運用品及設備業務				Other 其他		Inter- segment elimination 分類間 抵銷	Total 總計
	The PRC	Hong Kong		Australia	Other locations (Note iv) 其他地區	Sub-total	The PRC	Hong Kong		Other locations	Sub-total		
		中國	香港	澳洲	(附註iv)			中國	香港	其他地區			
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000		
千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
As at 31 December 2017	於二零一七年十二月三十一日												
Total assets	965,229	680,234	1,484	99,311	1,746,258	43,999	11,115	77	55,191	56,136	(207,755)	1,649,830	
Include:	包括:												
Investment in an associated company	-	3,602	-	-	3,602	-	-	-	-	-	-	3,602	
Investments in joint ventures	-	212	-	-	212	-	-	-	-	-	-	212	
Additions to non-current assets (other than deferred income tax assets)	24,509	2,915	-	39,459	66,883	7	-	-	7	20	-	66,910	
Total liabilities	(395,348)	(139,639)	(160)	(51,814)	(586,961)	(9,311)	(2,195)	-	(11,506)	(198,678)	207,755	(589,390)	

#### Notes:

- Other Asia Pacific regions mainly include the Macau Special Administrative Region of the PRC, Japan, United Arab Emirates, Thailand, the Philippines, Malaysia, Singapore, Dubai and India.
- Others mainly include South Africa, Morocco and Algeria.
- Others mainly include the Hong Kong Special Administrative Region of the PRC, the Macau Special Administrative Region of the PRC and the United States of America.
- Other locations mainly include Singapore and India.

Additions to non-current assets comprise additions to goodwill, land use rights, property, plant and equipment, intangible assets, other non-current assets and other non-current financial assets at amortised cost including additions due to business combination (2017: additions to non-current assets comprise additions to land use rights, property, plant and equipment, intangible assets other non-current assets and other non-current financial assets at amortised cost).

## 5 分類資料(續)

### 地區(續)

#### 附註:

- 其他亞太地區主要包括中國澳門特別行政區、日本、阿拉伯聯合酋長國、泰國、菲律賓、馬來西亞、新加坡、迪拜及印度。
- 其他主要包括南非、摩洛哥及阿爾及利亞。
- 其他主要包括中國香港特別行政區、中國澳門特別行政區及美國。
- 其他地區主要包括新加坡及印度。

非流動資產添置包括添置商譽、土地使用權、物業、廠房及設備、無形資產、其他非流動資產及按攤銷成本列賬之其他非流動金融資產，包括因業務合併而添置(二零一七年：非流動資產添置包括添置土地使用權、物業、廠房及設備、無形資產、其他非流動資產及按攤銷成本列賬之其他非流動金融資產)。

## 6 LAND USE RIGHTS

The Group's interests in land use rights represent prepaid operating lease payments.

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At 1 January	於一月一日	39,888	38,006
Additions	添置	33,029	105
Amortisation (Note 25)	攤銷(附註25)	(1,970)	(1,059)
Exchange differences	匯兌差額	(3,231)	2,836
At 31 December	於十二月三十一日	67,716	39,888

Amortisation of the Group's land use rights has been charged to the consolidated statement of comprehensive income as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Cost of sales	銷售成本	236	230
Distribution costs	分銷成本	752	732
Administrative expenses	行政開支	982	97
		1,970	1,059

As at 31 December 2018, certain land use rights of aggregate net carrying value of approximately HK\$1,673,000 (31 December 2017: HK\$1,820,000) were pledged as securities for banking facility of the Group (Note 21).

## 6 土地使用權

本集團於土地使用權之權益指預付經營租賃付款。

本集團土地使用權之攤銷已於綜合全面收益表扣除，詳情如下：

於二零一八年十二月三十一日，總賬面淨值約1,673,000港元(二零一七年十二月三十一日：1,820,000港元)之若干土地使用權予以抵押，作為本集團銀行融資的擔保(附註21)。



7 PROPERTY, PLANT AND EQUIPMENT

7 物業、廠房及設備

		Land	Buildings	Leasehold improvements	Motor vehicles	Furniture and fixtures	Computer equipment	Plant and machinery	Total
		土地	樓宇	租賃物業裝修	汽車	傢俬及裝置	電腦設備	廠房及機器	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
<b>At 1 January 2017</b>	於二零一七年一月一日								
Cost	成本	35,208	181,900	90,732	24,177	17,475	17,748	182,706	549,946
Accumulated depreciation and impairment	累計折舊及減值	(2,118)	(66,592)	(62,490)	(15,664)	(14,543)	(16,469)	(106,906)	(284,782)
<b>Net book amount</b>	<b>賬面淨值</b>	<b>33,090</b>	<b>115,308</b>	<b>28,242</b>	<b>8,513</b>	<b>2,932</b>	<b>1,279</b>	<b>75,800</b>	<b>265,164</b>
<b>Year ended 31 December 2017</b>	截至二零一七年十二月三十一日止年度								
Opening net book amount	年初賬面淨值	33,090	115,308	28,242	8,513	2,932	1,279	75,800	265,164
Additions	添置	-	368	3,704	2,569	553	1,582	18,211	26,987
Disposals (Note 33(b))	出售(附註33(b))	-	-	-	(128)	(2)	(4)	(386)	(520)
Depreciation (Note 25)	折舊(附註25)	(1,085)	(9,477)	(6,443)	(3,063)	(1,064)	(1,025)	(14,580)	(36,737)
Exchange differences	匯兌差額	-	6,479	1,749	240	225	111	5,794	14,598
<b>Closing net book amount</b>	<b>年末賬面淨值</b>	<b>32,005</b>	<b>112,678</b>	<b>27,252</b>	<b>8,131</b>	<b>2,644</b>	<b>1,943</b>	<b>84,839</b>	<b>269,492</b>
<b>At 31 December 2017</b>	於二零一七年十二月三十一日								
Cost	成本	35,208	193,849	99,385	25,277	19,173	20,342	210,118	603,352
Accumulated depreciation and impairment	累計折舊及減值	(3,203)	(81,171)	(72,133)	(17,146)	(16,529)	(18,399)	(125,279)	(333,860)
<b>Net book amount</b>	<b>賬面淨值</b>	<b>32,005</b>	<b>112,678</b>	<b>27,252</b>	<b>8,131</b>	<b>2,644</b>	<b>1,943</b>	<b>84,839</b>	<b>269,492</b>

7 PROPERTY, PLANT AND EQUIPMENT (Continued) 7 物業、廠房及設備(續)

		Land	Buildings	Leasehold improvements	Motor vehicles	Furniture and fixtures	Computer equipment	Plant and machinery	Construction in progress	Total
		土地	樓宇	租賃物業裝修	汽車	傢俬及裝置	電腦設備	廠房及機器	在建工程	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
<b>Year ended</b>	<b>截至二零一八年</b>									
<b>31 December</b>	<b>十二月三十一日</b>									
<b>2018</b>	<b>止年度</b>									
Opening net book amount	年初賬面淨值	32,005	112,678	27,252	8,131	2,644	1,943	84,839	-	269,492
Additions	添置	7,345	4,477	8,016	2,237	860	512	26,051	27,276	76,774
Additions due to business combination (Note 35)	因業務合併而添置 (附註35)	10,422	34,890	-	322	745	-	11,540	-	57,919
Disposals (Note 33(b))	出售(附註33(b))	-	-	-	(14)	(2)	(3)	(981)	-	(1,000)
Depreciation (Note 25)	折舊(附註25)	(1,285)	(10,869)	(6,809)	(3,164)	(890)	(911)	(17,004)	-	(40,932)
Exchange differences	匯兌差額	(29)	(4,505)	(1,286)	(132)	(139)	(79)	(4,965)	(25)	(11,160)
<b>Closing net book amount</b>	<b>年末賬面淨值</b>	<b>48,458</b>	<b>136,671</b>	<b>27,173</b>	<b>7,380</b>	<b>3,218</b>	<b>1,462</b>	<b>99,480</b>	<b>27,251</b>	<b>351,093</b>
<b>At 31 December</b>	<b>於二零一八年</b>									
<b>2018</b>	<b>十二月三十一日</b>									
Cost	成本	52,946	224,441	101,945	25,044	19,687	19,855	230,530	27,251	701,699
Accumulated depreciation and impairment	累計折舊及減值	(4,488)	(87,770)	(74,772)	(17,664)	(16,469)	(18,393)	(131,050)	-	(350,606)
<b>Net book amount</b>	<b>賬面淨值</b>	<b>48,458</b>	<b>136,671</b>	<b>27,173</b>	<b>7,380</b>	<b>3,218</b>	<b>1,462</b>	<b>99,480</b>	<b>27,251</b>	<b>351,093</b>

Depreciation of the Group's property, plant and equipment has been charged to the consolidated statement of comprehensive income as follows:

本集團的物業、廠房及設備的折舊已於綜合全面收益表扣除，詳情如下：

		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
Cost of sales	銷售成本	26,005	22,585
Distribution costs	分銷成本	4,033	4,482
Administrative expenses	行政開支	10,894	9,670
		<b>40,932</b>	<b>36,737</b>

## 7 PROPERTY, PLANT AND EQUIPMENT (Continued)

As at 31 December 2018, certain property, plant and equipment with aggregate net carrying value of approximately HK\$62,111,000 (31 December 2017: HK\$67,154,000) were pledged as securities for banking facilities of the Group (Note 21).

## 7 物業、廠房及設備(續)

於二零一八年十二月三十一日，總賬面淨值約62,111,000港元(二零一七年十二月三十一日：67,154,000港元)之若干物業、廠房及設備予以抵押，作為本集團銀行融資之擔保(附註21)。

## 8 INVESTMENT PROPERTY

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At 1 January	於一月一日	14,289	13,285
Revaluation gain	重估收益	473	-
Exchange differences	匯兌差額	(757)	1,004
At 31 December	於十二月三十一日	14,005	14,289

The following amounts have been recognised in the consolidated statement of comprehensive income:

以下款項已於綜合全面收益表確認：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Rental income (Note 26)	租金收入(附註26)	310	278
Direct operating expenses arising from an investment property that generates rental income (Note 25)	來自產生租金收入之一項投資物業之直接營運開支(附註25)	50	48

(a) Independent valuation of the Group's investment property was performed by the valuer, Asset Appraisal Limited, to determine the fair value of the investment property as at 31 December 2018 and 2017. The following table analyses the investment property carried at fair value.

(a) 本集團投資物業已由估值師中誠達資產評估顧問有限公司進行獨立估值，以釐定投資物業於二零一八年及二零一七年十二月三十一日之公平值。下表乃對按公平值列賬之投資物業所作分析。

## 8 INVESTMENT PROPERTY (Continued)

(a) (Continued)

### Fair value hierarchy

Description 說明		Fair value measurements at 31 December 2018 using 於二零一八年十二月三十一日 公平值計量所使用		
		Quoted price in active markets for identical assets (Level 1) 相同資產在 活躍市場的報價 (第一級) HK\$'000 千港元	Significant other observable inputs (Level 2) 其他重要的 可觀察輸入數據 (第二級) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重要的不可 觀察輸入數據 (第三級) HK\$'000 千港元
Recurring fair value measurements: Investment property	經常性公平值 計量： 投資物業	-	14,005	-

Fair value measurements at  
31 December 2017 using  
於二零一七年十二月三十一日  
公平值計量所使用

Description 說明		Fair value measurements at 31 December 2017 using 於二零一七年十二月三十一日 公平值計量所使用		
		Quoted price in active markets for identical assets (Level 1) 相同資產在 活躍市場的報價 (第一級) HK\$'000 千港元	Significant other observable inputs (Level 2) 其他重要的 可觀察輸入數據 (第二級) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重要的不可 觀察輸入數據 (第三級) HK\$'000 千港元
Recurring fair value measurements: Investment property	經常性公平值 計量： 投資物業	-	14,289	-

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer. There were no transfers between Levels 1, 2 and 3 during the year.

本集團之政策是於導致轉移之事件或情況變化發生之日確認公平值層級之轉入及轉出。於年內，第一、二及三級之間概無轉移。

## 8 INVESTMENT PROPERTY (Continued)

(a) (Continued)

### Fair value hierarchy (Continued)

Level 2 fair values of completed investment properties have been generally derived using the sales comparison approach. Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot.

(b) Details of the investment property:

Address of investment property 投資物業地址	Existing use 目前用途	Tenure 租期
Room 101, Chuntian Garden, No. 6, Lane 999, Loushanguan Road, Changning District, Shanghai City, the PRC 中國上海市長寧區婁山關路999里 6號春天花園101室	31 December 2018: Rental (31 December 2017: Rental) 二零一八年十二月三十一日：租賃 (二零一七年十二月 三十一日：租賃)	The property is held under long term lease 物業乃根據長期租賃持有

(c) At 31 December 2018, the future aggregate minimum lease receipts under non-cancellable operating lease of the investment property not recognised in the consolidated financial statements, which are receivable by the Group as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within one year	一年內	314	168
Later than one year but no later than 5 years	遲於一年但不遲於五年	183	-
		497	168

## 8 投資物業(續)

(a) (續)

### 公平值層級(續)

已竣工投資物業之第二級公平值一般以銷售比較法得出。鄰近可資比較物業的銷售價格因應物業規模等主要因素的差異予以調整。此估值方法最重要的輸入數據為每平方尺的價格。

(b) 投資物業之詳情：

(c) 於二零一八年十二月三十一日，本集團根據不可註銷投資物業營運租賃之應收未來最低租賃收入總額(未於綜合財務報表確認)如下：



## 9 GOODWILL AND INTANGIBLE ASSETS

### (a) Goodwill

On 27 April 2018, the Group acquired 100% of the equity interest of Teng Xun Limited and land and properties in Cambodia (Note 35). As a result of this acquisition, goodwill of approximately HK\$5,371,000 was recognised in the consolidated financial statements during the year ended 31 December 2018.

		2018 二零一八年 HK\$'000 千港元
At 1 January	於一月一日	-
Addition due to business combination (Note 35)	因業務合併而添置(附註35)	5,371
Exchange differences	匯兌差額	42
At 31 December	於十二月三十一日	5,413

#### *Impairment test of goodwill*

The relevant goodwill is allocated to the respective groups of CGUs, which represent the lowest level within the Group at which the relevant goodwill is monitored for internal management purposes, and not larger than an operating segment.

As at 31 December 2018, the Group's goodwill of HK\$5,413,000 is attributable to the operation in Cambodia.

## 9 商譽及無形資產

### (a) 商譽

於二零一八年四月二十七日，本集團收購Teng Xun Limited之100%股本權益及位於柬埔寨之土地及物業(附註35)。此項收購帶來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中確認約5,371,000港元之商譽。

#### *商譽減值測試*

有關商譽分配至相關組別之現金產生單位，即本集團內就內部管理而言監察商譽之最低水平(不大於經營分部)。

於二零一八年十二月三十一日，本集團5,413,000港元之商譽乃來自於柬埔寨之業務運作。

## 9 GOODWILL AND INTANGIBLE ASSETS (Continued) 9 商譽及無形資產(續)

### (a) Goodwill (Continued)

#### *Impairment test of goodwill (Continued)*

The recoverable amount of a CGU is determined based on a value in use calculation. The calculation uses pre-tax cash flow projection based on financial budgets approved by management covering a five-year period. Thereafter, the cash flows are extrapolated using the terminal growth rate not exceeding the long-term average growth rate of the countries in which the CGU operates.

The key assumptions are as follow:

		2018 二零一八年
Pre-tax discount rate	除稅前折現率	20.2%
Compound annual growth rate	複合年增長率	15.6%
Terminal growth rate	最終增長率	3.0%

The recoverable amount calculated based on value in use exceeded carrying value as at 31 December 2018. A decrease in compound annual growth rate by 3.2% would remove the remaining headroom.

### (a) 商譽(續)

#### *商譽減值測試(續)*

現金產生單位之可收回金額乃按使用價值計算方法釐定。此計算方法使用稅前現金流預測基於管理層就涵蓋五年期的財政預算而計算。五年期後的現金流使用不超出現金產生單位經營所在國家長期平均增長率的最終增長率推算。

主要假設如下：

根據使用價值計算得出的可收回金額超出於二零一八年十二月三十一日之賬面值。將複合年增長率減少3.2%會消除超出部份。

9 GOODWILL AND INTANGIBLE ASSETS (Continued) 9 商譽及無形資產(續)

(b) Intangible assets

(b) 無形資產

		Trademarks 商標 HK\$'000 千港元	Investment in club debentures 會所債券投資 HK\$'000 千港元	Brandname 品牌名稱 HK\$'000 千港元	Software licences 軟件特許權 HK\$'000 千港元	Operating licence 經營牌照 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>At 1 January 2017</b>	於二零一七年一月一日						
Cost	成本	1,588	968	15,555	7,082	-	25,193
Accumulated amortisation and impairment	累計攤銷及減值	(962)	(968)	(15,555)	(5,856)	-	(23,341)
<b>Net book amount</b>	賬面淨值	626	-	-	1,226	-	1,852
<b>Year ended 31 December 2017</b>	截至二零一七年十二月三十一日止年度						
Opening net book amount	年初賬面淨值	626	-	-	1,226	-	1,852
Additions	添置	20	-	-	1,546	-	1,566
Amortisation (Note 25)	攤銷(附註25)	(179)	-	-	(1,385)	-	(1,564)
Exchange differences	匯兌差額	-	-	-	32	-	32
<b>Closing net book amount</b>	年末賬面淨值	467	-	-	1,419	-	1,886
<b>At 31 December 2017</b>	於二零一七年十二月三十一日						
Cost	成本	1,608	968	16,731	8,628	-	27,935
Accumulated amortisation and impairment	累計攤銷及減值	(1,141)	(968)	(16,731)	(7,209)	-	(26,049)
<b>Net book amount</b>	賬面淨值	467	-	-	1,419	-	1,886
<b>Year ended 31 December 2018</b>	截至二零一八年十二月三十一日止年度						
Opening net book amount	年初賬面淨值	467	-	-	1,419	-	1,886
Additions	添置	43	-	-	594	-	637
Addition due to business combination (Note 35)	因業務合併而添置(附註35)	-	-	-	-	1,728	1,728
Amortisation (Note 25)	攤銷(附註25)	(185)	-	-	(875)	(575)	(1,635)
Exchange differences	匯兌差額	-	-	-	(14)	(4)	(18)
<b>Closing net book amount</b>	年末賬面淨值	325	-	-	1,124	1,149	2,598
<b>At 31 December 2018</b>	於二零一八年十二月三十一日						
Cost	成本	1,651	968	-	9,222	1,728	13,569
Accumulated amortisation and impairment	累計攤銷及減值	(1,326)	(968)	-	(8,098)	(579)	(10,971)
<b>Net book amount</b>	賬面減值	325	-	-	1,124	1,149	2,598

## 9 GOODWILL AND INTANGIBLE ASSETS (Continued)

### (b) Intangible assets (Continued)

Amortisation of the Group's intangible assets have been charged to the consolidated statement of comprehensive income as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Cost of sales	銷售成本	575	-
Distribution costs	分銷成本	215	-
Administrative expenses	行政開支	845	1,564
		<b>1,635</b>	1,564

## 10 DEFERRED INCOME TAX

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes related to the same fiscal authority. The offsetting amounts are as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Deferred income tax assets	遞延所得稅資產	3,610	6,111
Deferred income tax liabilities	遞延所得稅負債	(7,460)	(2,792)
Deferred income tax (liabilities)/ assets, net	遞延所得稅(負債)/ 資產淨額	<b>(3,850)</b>	3,319

The net movement on the deferred income tax account is as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At 1 January	於一月一日	3,319	3,407
Additions due to business combination (Note 35)	因業務合併而添置 (附註35)	(4,871)	-
Recognised in the consolidated statement of comprehensive income (Note 30)	於綜合全面收益表內確認 (附註30)	(2,175)	(396)
Exchange differences	匯兌差額	(123)	308
At 31 December	於十二月三十一日	<b>(3,850)</b>	3,319

## 9 無形資產(續)

### (b) 無形資產(續)

本集團無形資產的攤銷已於綜合全面收益表扣除，詳情如下：

## 10 遞延所得稅

當有法定可強制執行權利將即期稅項資產與即期稅項負債抵銷，而遞延所得稅涉及同一財政機關時，可將遞延所得稅資產與負債互相抵銷。抵銷金額如下：

遞延所得稅賬戶之變動淨額如下：

## 10 DEFERRED INCOME TAX (Continued)

The movements in deferred income tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, are as follows:

### Deferred income tax liabilities

		Accelerated tax depreciation	Revaluation of an investment property	Additions due to business combination	Total
		加速稅項折舊 HK\$'000 千港元	一項投資 物業重估 HK\$'000 千港元	因業務 合併而添置 HK\$'000 千港元	總計 HK\$'000 千港元
<b>At 1 January 2017</b>	於二零一七年一月一日	(902)	(1,710)	-	(2,612)
Recognised in the consolidated statement of comprehensive income	於綜合全面收益表內確認	(51)	-	-	(51)
Exchange differences	匯兌差額	-	(129)	-	(129)
<b>At 31 December 2017</b>	於二零一七年十二月三十一日	<b>(953)</b>	<b>(1,839)</b>	-	<b>(2,792)</b>
Additions due to business combination (Note 35)	因業務合併而添置 (附註35)	-	-	<b>(4,871)</b>	<b>(4,871)</b>
Recognised in the consolidated statement of comprehensive income	於綜合全面收益表內確認	97	-	-	97
Exchange differences	匯兌差額	-	96	10	106
<b>At 31 December 2018</b>	於二零一八年十二月三十一日	<b>(856)</b>	<b>(1,743)</b>	<b>(4,861)</b>	<b>(7,460)</b>

## 10 遞延所得稅(續)

不考慮於同一稅務司法權區產生的餘額互相抵銷的情況，年內遞延所得稅資產及負債之變動如下：

### 遞延所得稅負債

### Deferred income tax assets

			Decelerated tax depreciation
			減速稅項折舊 HK\$'000 千港元
<b>At 1 January 2017</b>	於二零一七年一月一日		6,019
Recognised in the consolidated statement of comprehensive income	於綜合全面收益表內確認		(345)
Exchange differences	匯兌差額		437
<b>At 31 December 2017</b>	於二零一七年十二月三十一日		<b>6,111</b>
Recognised in the consolidated statement of comprehensive income	於綜合全面收益表內確認		<b>(2,272)</b>
Exchange differences	匯兌差額		<b>(229)</b>
<b>At 31 December 2018</b>	於二零一八年十二月三十一日		<b>3,610</b>



## 10 DEFERRED INCOME TAX (Continued)

Deferred income tax liabilities of approximately HK\$12,228,000 as at 31 December 2018 (31 December 2017: approximately HK\$10,529,000) have not been recognised for the withholding tax that would be payable on the remittance of earnings of PRC subsidiaries. The related unremitted earnings totaled approximately HK\$244,552,000 at 31 December 2018 (31 December 2017: approximately HK\$210,588,000), and the Group does not intend to remit these unremitted earnings from the relevant subsidiary to the Company in the foreseeable future.

## 10 遞延所得稅(續)

於二零一八年十二月三十一日，本集團並未就中國附屬公司的匯出盈利的應付預扣稅確認遞延所得稅負債約12,228,000港元(二零一七年十二月三十一日：約10,529,000港元)。於二零一八年十二月三十一日，相關未匯出盈利合共約244,552,000港元(二零一七年十二月三十一日：約210,588,000港元)，及本集團無意於可見未來將來自相關附屬公司的此等未匯出盈利匯出至本公司。

## 11 INVENTORIES

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Raw materials	原材料	100,184	107,518
Work in progress	在製品	11,017	10,895
Finished goods	製成品	150,167	160,715
		<b>261,368</b>	279,128
Less: Provision for obsolete inventories	減：陳舊存貨撥備	<b>(17,551)</b>	(17,433)
Inventories, net	存貨淨額	<b>243,817</b>	261,695

The cost of inventories included in cost of sales during the year amounted to approximately HK\$1,135,305,000 (for the year ended 31 December 2017: approximately HK\$1,044,838,000).

Direct written off of and provision made for obsolete inventories for the year ended 31 December 2018 amounted to approximately HK\$2,760,000 (2017: approximately HK\$2,979,000) and approximately HK\$7,484,000 (2017: approximately HK\$2,473,000) respectively. These were recognised as an expense and included in "cost of sales" in the consolidated statement of comprehensive income.

## 11 存貨

於年內計入銷售成本的存貨成本約1,135,305,000港元(截至二零一七年十二月三十一日止年度：約1,044,838,000港元)。

截至二零一八年十二月三十一日止年度，直接撇銷及就陳舊存貨計提的撥備分別約2,760,000港元(二零一七年：約2,979,000港元)及約7,484,000港元(二零一七年：約2,473,000港元)。此等確認為開支，並計入綜合全面收益表中的「銷售成本」。

## 12 TRADE AND BILLS RECEIVABLES

## 12 應收貿易賬款及票據

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Trade receivables	應收貿易賬款	<b>684,716</b>	616,689
Bills receivables	應收票據	<b>4,687</b>	2,619
		<b>689,403</b>	619,308
Less: provision for impairment of receivables	減：應收款項減值撥備	<b>(22,995)</b>	(38,735)
Trade and bills receivables, net	應收貿易賬款及票據淨額	<b>666,408</b>	580,573

The credit period granted by the Group ranges from 15 days to 120 days.

本集團所授予的信貸期介乎15日至120日。

Ageing analysis of trade and bills receivables by invoice date is as follows:

應收貿易賬款及票據按發票日期的賬齡分析如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
1–30 days	1至30日	<b>399,708</b>	322,842
31–60 days	31至60日	<b>121,691</b>	136,471
61–90 days	61至90日	<b>76,875</b>	50,667
91–180 days	91至180日	<b>67,633</b>	62,853
Over 180 days	180日以上	<b>23,496</b>	46,475
		<b>689,403</b>	619,308

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Denominated in:	按以下貨幣列值：		
– RMB	– 人民幣	<b>349,271</b>	319,358
– US\$	– 美元	<b>257,422</b>	226,290
– HK\$	– 港元	<b>58,799</b>	52,497
– Other currencies	– 其他貨幣	<b>23,911</b>	21,163
		<b>689,403</b>	619,308

## 12 TRADE AND BILLS RECEIVABLES (Continued)

The fair value of trade and bills receivables, net are as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Trade and bills receivables, net	應收貿易賬款及票據淨額	666,408	580,573

As at 31 December 2018, trade and bills receivables of approximately HK\$22,995,000 (31 December 2017: approximately HK\$38,735,000) are impaired and have been provided for. See Note 3(a)(iv) for information about how impairment losses are calculated. Net impairment losses on trade and bills receivables are presented as "net reversal of impairment losses on financial assets" in the consolidated statement of comprehensive income. Subsequent recoveries of amounts previously impaired and provided for are credited in the consolidated statement of comprehensive income. Receivables for which an impairment provision was recognised are written off against the provision when there is no expectation of recovering additional cash. As at 31 December 2018, the individually impaired receivables mainly represent receivables of approximately HK\$22,086,000 (31 December 2017: approximately HK\$38,015,000) from PRC customers which have remained long overdue and management considered the recoverability is remote.

As at 31 December 2018, trade and bills receivables of approximately HK\$236,680,000 (31 December 2017: approximately HK\$221,011,000) were past due but not impaired. These relate to a number of customers for whom there is no recent history of default. The ageing analysis of these trade receivables by due date is as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Up to 90 days	90日或以下	198,923	178,836
91 to 180 days	91至180日	27,340	28,999
Over 180 days	180日以上	10,417	13,176
		<b>236,680</b>	<b>221,011</b>

## 12 應收貿易賬款及票據(續)

應收貿易賬款及票據淨額的公平值如下：

於二零一八年十二月三十一日，應收貿易賬款及票據約22,995,000港元(二零一七年十二月三十一日：約38,735,000港元)已出現減值及作出撥備。有關計算減值虧損的資料請參閱附註3(a)(iv)。應收貿易賬款及票據之減值虧損淨額於綜合全面收益表呈列為「金融資產減值虧損撥回淨額」。隨後收回先前已減值並計提撥備的款項會撥入綜合全面收益表。倘預期無法收回額外現金，則已確認減值撥備的應收款項於撥備中撇銷。於二零一八年十二月三十一日，個別出現減值的應收款項主要指應收中國客戶逾期已久的款項約22,086,000港元(二零一七年十二月三十一日：約38,015,000港元)且管理層認為可收回性甚微。

於二零一八年十二月三十一日，已逾期但並無減值的應收貿易賬款及票據約236,680,000港元(二零一七年十二月三十一日：約221,011,000港元)。此等與最近並無違約紀錄的多名客戶有關。按到期日此等應收貿易賬款的賬齡分析如下：

## 12 TRADE AND BILLS RECEIVABLES (Continued)

Movements on the provision for impairment of trade and bills receivables are as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At 1 January	於一月一日	38,735	51,529
Net reversal of provision of trade and bills receivables recognised during the year	年內應收貿易賬款及票據的撥備撥回淨額	(11,351)	(214)
Write-off of provision for impairment of trade and bills receivables	撇銷應收貿易賬款及票據的減值撥備	(2,931)	(15,835)
Exchange differences	匯兌差額	(1,458)	3,255
At 31 December	於十二月三十一日	22,995	38,735

The creation and release of provision for impaired receivables have been included in net reversal of impairment losses on financial assets in the consolidated statement of comprehensive income. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

The maximum exposure to credit risk at the balance sheet date is the fair values of trade and bills receivables disclosed above.

## 13 AMOUNT DUE FROM AN ASSOCIATED COMPANY

The amount represents trade receivables from an associated company. The carrying value of the amount approximates its fair value. The amount is mainly denominated in HK\$. The credit period granted is 90 days. The ageing analysis of amount by invoice date is as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
1–30 days	1至30日	3,103	3,006
31–60 days	31至60日	22	2,107
61–90 days	61至90日	–	1,266
Over 90 days	90日以上	–	1,759
		3,125	8,138

## 12 應收貿易賬款及票據(續)

應收貿易賬款及票據的減值撥備的變動如下：

已減值應收款項撥備的計提及解除已計入綜合全面收益表內之金融資產減值虧損撥回淨額。計入撥備賬戶的款項一般於預期將不會收回額外現金時撇銷。

於結算日的最高信貸風險乃上文所披露的應收貿易賬款及票據的公平值。

## 13 應收一間聯營公司款項

該款項為應收一間聯營公司的貿易賬款。該款項之賬面值與其公平值相若。該款項主要以港元計值。授予的信貸期為90日。按發票日期之賬齡分析如下：

14 OTHER FINANCIAL ASSETS AT AMORTISED COST

14 按攤銷成本列賬之其他金融資產

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current:	流動：		
Deposits	按金	2,774	2,650
Other receivables	其他應收款項	9,089	20,628
		<b>11,863</b>	23,278
Non-current:	非流動：		
Long-term deposits	長期按金	371	38,383
		<b>12,234</b>	61,661

The carrying value of the amount approximates its fair value.

該款項之賬面值與其公平值相若。

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Denominated in:	按以下貨幣列值：		
- RMB	- 人民幣	9,765	7,968
- HK\$	- 港元	363	13,683
- Other currencies	- 其他貨幣	2,106	40,010
		<b>12,234</b>	61,661

## 15 OTHER ASSETS

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current:	流動：		
Prepayments	預付款項	27,480	16,879
Others	其他	7,550	9,469
		<b>35,030</b>	26,348
Non-current:	非流動：		
Prepayments (Note)	預付款項(附註)	16,923	6,317
		<b>51,953</b>	32,665

*Note:*

Included in non-current prepayments, an amount of approximately HK\$78,000 (31 December 2017: approximately HK\$94,000) represents prepayment to iBridge Technology (Shenzhen) Limited, a joint venture of the Group, arising from purchases of information technology services. Such balances are unsecured in nature, bear no interest and denominated in RMB.

## 15 其他資產

*附註：*

非流動預付款項包括金額約78,000港元(二零一七年十二月三十一日：約94,000港元)，為購買資訊科技服務而預付本集團合營企業恩博哲科技(深圳)有限公司之款項。該等結餘性質屬無抵押、不計息及以人民幣計值。

## 16 SHORT-TERM BANK DEPOSITS

As at 31 December 2018, short-term bank deposits of approximately HK\$521,000 (2017: approximately HK\$78,000) represented bank deposits of the Group with original maturity over three months which are denominated in Indian Rupee.

## 16 短期銀行存款

於二零一八年十二月三十一日，短期銀行存款約521,000港元(二零一七年：約78,000港元)為原到期日超過三個月以印度盧比計值之本集團銀行存款。

## 17 CASH AND CASH EQUIVALENTS

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Cash at banks and on hand	銀行結餘及現金	272,478	262,615
Short term bank deposits (original maturities of less than three months)	短期銀行存款(原到期日少於三個月)	-	105,144
		<b>272,478</b>	367,759
Denominated in:	按以下貨幣列值：		
- US\$	- 美元	89,007	56,463
- RMB	- 人民幣	71,447	105,388
- HK\$	- 港幣	73,765	153,266
- Other currencies	- 其他貨幣	38,259	52,642
		<b>272,478</b>	367,759

## 17 現金及現金等值項目



## 17 CASH AND CASH EQUIVALENTS (Continued)

The Group's cash and bank balances and short-term bank deposits as at 31 December 2018 amounted to approximately HK\$101,656,000 (31 December 2017: approximately HK\$108,237,000) and approximately HK\$1,113,000 (31 December 2017: approximately HK\$1,419,000) are deposited with banks in the PRC and India respectively, where the remittance of funds is subject to foreign exchange control.

## 17 現金及現金等值項目(續)

於二零一八年十二月三十一日，本集團之現金及銀行結餘以及短期銀行存款約101,656,000港元(二零一七年十二月三十一日：約108,237,000港元)及約1,113,000港元(二零一七年十二月三十一日：約1,419,000港元)分別存於中國及印度的銀行，資金匯款受外匯管制規限。

## 18 RESERVES

### Other reserves

		Merger reserve	Statutory reserve fund	Share-based compensation reserve	Other reserves	Exchange reserves	Retained earnings	Total
		法定 合併儲備	法定 儲備金	以股份支付的 酬金儲備	其他儲備	匯兌儲備	保留盈利	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
<b>Balance at 1 January 2017</b>	於二零一七年 一月一日的結餘	61,510	33,728	23,660	5,233	23,049	242,421	389,601
<b>Comprehensive income</b>	全面收益							
Profit for the year	本年度溢利	-	-	-	-	-	108,923	108,923
<b>Other comprehensive income</b>	其他全面收益							
Currency translation differences	貨幣折算差額	-	-	-	-	19,956	-	19,956
<b>Total comprehensive income</b>	全面收益 總額	-	-	-	-	19,956	108,923	128,879
Final dividend relating to 2016	二零一六年度之 末期股息	-	-	-	-	-	(28,930)	(28,930)
Interim dividend relating to 2017	二零一七年度之 中期股息	-	-	-	-	-	(14,500)	(14,500)
Exercise of share options	行使購股權	-	-	(1,396)	-	-	1,396	-
<b>Balance at 31 December 2017</b>	於二零一七年十二月 三十一日的結餘	61,510	33,728	22,264	5,233	43,005	309,310	475,050

## 18 RESERVES (Continued)

### Other reserves (Continued)

		Merger reserve	Statutory reserve fund	Share-based compensation reserve	Other reserves	Exchange reserves	Retained earnings	Total
		合併儲備	法定 儲備金	以股份支付的 酬金儲備	其他儲備	匯兌儲備	保留盈利	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
Balance at 1 January 2018	於二零一八年 一月一日的結餘	61,510	33,728	22,264	5,233	43,005	309,310	475,050
Comprehensive income	全面收益							
Profit for the year	本年度溢利	-	-	-	-	-	100,249	100,249
Other comprehensive loss	其他全面虧損							
Currency translation differences	貨幣折算差額	-	-	-	-	(12,823)	-	(12,823)
<b>Total comprehensive (loss)/income</b>	<b>全面(虧損)/收益 總額</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(12,823)</b>	<b>100,249</b>	<b>87,426</b>
Final dividend relating to 2017 (Note 32)	二零一七年度之 末期股息(附註32)	-	-	-	-	-	(36,206)	(36,206)
Interim dividend relating to 2018 (Note 32)	二零一八年度之 中期股息(附註32)	-	-	-	-	-	(14,492)	(14,492)
Exercise of share options	行使購股權	-	-	(820)	-	-	820	-
<b>Balance at 31 December 2018</b>	<b>於二零一八年十二月 三十一日的結餘</b>	<b>61,510</b>	<b>33,728</b>	<b>21,444</b>	<b>5,233</b>	<b>30,182</b>	<b>359,681</b>	<b>511,778</b>
Representing: Reserves	代表: 儲備							475,350
Final dividend proposed (Note 32)	建議末期股息 (附註32)							36,428
<b>Balance at 31 December 2018</b>	<b>於二零一八年十二月 三十一日的結餘</b>							<b>511,778</b>

### Nature and purpose

#### Merger reserve

Merger reserve of the Group represents the difference between the cost of investments in subsidiaries and nominal value of the share capital and share premium of the subsidiaries in 2007 arising from the application of merger accounting in consolidating the financial information of the affected entities.

### 性質及用途

#### 合併儲備

本集團的合併儲備指於附屬公司的投資成本及股本面值與附屬公司於二零零七年合併受影響實體財務資料時採用合併會計法所產生的股份溢價的差額。

## 18 RESERVES (Continued)

### Other reserves (Continued)

#### *Nature and purpose (Continued)*

##### *Statutory reserve fund*

Under the relevant PRC laws and regulations, PRC companies are required to allocate 10% of the companies' net profit to the fund until such fund reaches 50% of the companies' registered capital. The statutory reserve fund can be utilised, upon approval by the relevant authorities, to offset against accumulated losses or to increase registered capital of the companies, provided that such fund is maintained at a minimum of 25% of the companies' registered capital.

##### *Share-based compensation reserve*

The share-based compensation reserve is used to recognise the grant date fair value of options issued to employees but not exercised (Note 19).

## 19 SHARE-BASED PAYMENT COMPENSATION

### (a) Share options

As at 31 December 2018, 10,378,000 share options (31 December 2017: 12,134,000 share options) were outstanding and all of them are exercisable (as at 31 December 2017: same). Among the outstanding share options, 6,723,000 (31 December 2017: 8,167,000), 2,946,000 (31 December 2017: 3,046,000) and 709,000 (31 December 2017: 921,000) share options will lapse on 23 June 2019, 9 September 2021 and 4 September 2022, respectively.

During the year ended 31 December 2018, 1,656,000 share options (for the year ended 31 December 2017: 2,676,000 share options) were exercised at proceeds of approximately HK\$1,027,000 (for the year ended 31 December 2017: approximately HK\$1,660,000). Share options exercised during the year ended 31 December 2018 were issued at a weighted average exercise price of HK\$0.62 (2017: HK\$0.62) per share. The related weighted average closing price at the time of exercise for the year ended 31 December 2018 was HK\$1.15 (2017: HK\$1.19) per share.

## 18 儲備(續)

### 其他儲備(續)

#### *性質及用途(續)*

##### *法定儲備金*

根據有關中國法律及規例，中國公司必須將公司純利的10%分配至該儲備金，直至該儲備金達至公司註冊資本的50%為止。法定儲備金經有關當局批准後可用於抵銷累計虧損或增加公司的註冊資本，惟該儲備金至少須維持於公司註冊資本25%的水平。

##### *以股份支付的酬金儲備*

以股份支付的酬金儲備乃用於確認授予僱員但尚未行使的購股權於授出日的公平值(附註19)。

## 19 以股份支付的酬金

### (a) 購股權

於二零一八年十二月三十一日，10,378,000份購股權(二零一七年十二月三十一日：12,134,000份購股權)尚未行使，且全部均可予行使(於二零一七年十二月三十一日：相同)。在尚未行使購股權中，6,723,000份(二零一七年十二月三十一日：8,167,000份)、2,946,000份(二零一七年十二月三十一日：3,046,000份)及709,000份(二零一七年十二月三十一日：921,000份)購股權分別於二零一九年六月二十三日、二零二一年九月九日及二零二二年九月四日將告失效。

截至二零一八年十二月三十一日止年度，1,656,000份購股權(截至二零一七年十二月三十一日止年度：2,676,000份購股權)按所得款項約1,027,000港元(截至二零一七年十二月三十一日止年度：約1,660,000港元)已行使。於截至二零一八年十二月三十一日止年度所行使之購股權按加權平均行使價每股0.62港元(二零一七年：0.62港元)發行。截至二零一八年十二月三十一日止年度，行使時相關加權平均收市價為每股1.15港元(二零一七年：1.19港元)。

## 19 SHARE-BASED PAYMENT COMPENSATION (Continued)

### (a) Share options (Continued)

During the year ended 31 December 2018, 100,000 share options were forfeited (for the year ended 31 December 2017: Nil).

As all the share options were fully vested, no share-based payment expense was recognised during the year ended 31 December 2018 (for the year ended 31 December 2017: Nil).

Movements in the number of share options outstanding and their related exercise prices are as follows:

		2018 二零一八年		2017 二零一七年	
		Average exercise price in HK\$ per share 平均行使價 每股港元	Number of share options (thousands) 購股權數目 (千份)	Average exercise price in HK\$ per share 平均行使價 每股港元	Number of share options (thousands) 購股權數目 (千份)
<b>At 1 January</b>	於一月一日	<b>0.62</b>	<b>12,134</b>	0.62	14,810
Granted	授出	-	-	-	-
Forfeited	沒收	<b>0.62</b>	<b>(100)</b>	-	-
Exercised	行使	<b>0.62</b>	<b>(1,656)</b>	0.62	(2,676)
Expired	到期	-	-	-	-
Cancelled	註銷	-	-	-	-
<b>At 31 December</b>	於十二月三十一日	<b>0.62</b>	<b>10,378</b>	0.62	12,134

### (b) Shares award

On 23 September 2016, the Company has adopted the Scheme, to (i) recognise the contributions by employees, directors, consultants or advisers of or to the Group (the "Eligible Persons"); and (ii) offer suitable incentives to attract and retain targeted talents and personnel for the continuance of operations and future development of the Group. Subject to the rules as set under the Scheme, the Board may at its absolute discretion to elect any Eligible Persons to participate in the Scheme (the "Selected Persons") and to award the Company's shares (the "Awarded Shares") to these Selected Persons, subject to vesting conditions, if any. These Awarded Shares will be transferred to the Selected Persons upon their fulfillment of all relevant vesting conditions.

## 19 以股份支付的酬金(續)

### (a) 購股權(續)

截至二零一八年十二月三十一日止年度，100,000份購股權被沒收(截至二零一七年十二月三十一日止年度：無)。

由於所有購股權均獲悉數歸屬，故截至二零一八年十二月三十一日止年度並無確認以股份支付的開支(截至二零一七年十二月三十一日止年度：無)。

尚未行使購股權之數目及其相關行使價變動如下：

### (b) 股份獎勵

於二零一六年九月二十三日，本公司已採納計劃，以(i)肯定本集團的僱員、董事、諮詢人或顧問(「合資格人士」)所作出的貢獻；及(ii)提供適當獎勵以吸引及挽留目標人才及人員以讓本集團持續經營及發展未來。受限於計劃所載規則，董事會可全權酌情挑選任何合資格人士參與計劃(「獲選人士」)及向此等獲選人士授出本公司股份(「獎勵股份」)，惟須遵守歸屬條件(如有)。此等獎勵股份將於所有相關歸屬條件獲履行時轉讓至獲選人士。

## 19 SHARE-BASED PAYMENT COMPENSATION (Continued)

### (b) Shares award (Continued)

In connection with the implementation of the Scheme, the Group has signed a trust deed with an independent third party to act as the trustee (the "Trustee") to hold certain shares on behalf of the Group and the Selected Persons before these Awarded Shares are granted and/or vested. The Group may from time to time instruct the Trustee to purchase the Company's shares from the market on the Stock Exchange and to hold them in trust for the benefit of the Selected Persons.

During the year ended 31 December 2018, 3,550,000 shares (2017: 1,010,000 shares) were purchased on the Stock Exchange at a consideration of HK\$3,962,000 (2017: HK\$1,051,000) by the Trustee on behalf of the Group. No shares were granted to Eligible Persons under the Scheme during the year ended 31 December 2018 (2017: same).

## 19 以股份支付的酬金(續)

### (b) 股份獎勵(續)

就執行計劃而言，本集團已與獨立第三方(於若干獎勵股份獲授出及/或歸屬前，作為代表本集團及獲選人士持有此等股份的受託人(「受託人」)簽訂信託契據。本集團可不時指示受託人在聯交所市場購買本公司股份，並以獲選人士利益為依歸以信託持有有關股份。

截至二零一八年十二月三十一日止年度，3,550,000股(二零一七年：1,010,000股)股份已由受託人代表本集團按代價3,962,000港元(二零一七年：1,051,000港元)於聯交所購買。截至二零一八年十二月三十一日止年度，概無股份根據計劃向合資格人士授出(二零一七年：相同)。

## 20 SHARE CAPITAL

## 20 股本

		Number of shares 股份數目	HK\$'000 千港元
<b>Ordinary shares of HK\$0.01 each</b>	<b>每股0.01港元的普通股</b>		
Authorised:	法定：		
<b>At 1 January 2017, 31 December 2017, 1 January 2018 and 31 December 2018</b>	於二零一七年一月一日、 二零一七年十二月三十一日、 二零一八年一月一日及 二零一八年十二月三十一日	<b>10,000,000,000</b>	<b>100,000</b>
Issued and fully paid:	已發行及繳足：		
<b>At 1 January 2017</b>	於二零一七年一月一日	723,843,697	7,238
Exercise of share options	行使購股權	2,676,000	27
<b>At 31 December 2017</b>	於二零一七年十二月三十一日	726,519,697	7,265
Exercise of share options	行使購股權	1,656,000	17
<b>At 31 December 2018</b>	於二零一八年十二月三十一日	<b>728,175,697</b>	<b>7,282</b>

## 21 BANK BORROWINGS

## 21 銀行借貸

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Bank borrowings, secured</b>	<b>有抵押之銀行借貸</b>		
Current:	流動：		
With repayment on demand clauses	具有按要求償還條款	<b>34,588</b>	22,170

At 31 December 2018, the Group's bank borrowings are denominated in HK\$. The repayment terms of the bank borrowings without taking into account the effect of repayment on demand clauses are as follow:

於二零一八年十二月三十一日，本集團的銀行借貸乃以港元計值。在並無計及按要求償還條款的影響下，銀行借貸的還款期如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within 1 year	於1年內	<b>7,985</b>	3,921
Between 1 and 2 years	1至2年之間	<b>7,706</b>	3,976
Between 2 and 5 years	2至5年之間	<b>14,808</b>	10,168
Over 5 years	超過5年	<b>4,089</b>	4,105
		<b>34,588</b>	22,170

The weighted average effective interest rate per annum of the Group's bank borrowings at 31 December 2018 and 2017 are set out as follows:

於二零一八年及二零一七年十二月三十一日，本集團銀行借貸的加權平均實際年利率載列如下：

		2018 二零一八年	2017 二零一七年
HK\$ (Note)	港元(附註)	<b>2.95%</b>	2.19%

Note:

In September and October 2015, the Group obtained two HK\$ denominated mortgage loans and certain banking facilities, which bore interest at the higher of 1.7% per annum over one-month HIBOR or the cost to the bank of funding the facilities, for acquiring certain properties in Hong Kong. As at 31 December 2018, the outstanding bank borrowings of these mortgage loans and banking facilities amounted to approximately HK\$14,589,000 (31 December 2017: approximately HK\$16,504,000). These properties were pledged against the mortgage loans and certain banking facilities and included in property, plant and equipment in the consolidated financial statements of the Group, with net carrying values of approximately HK\$50,144,000 as at 31 December 2018 (31 December 2017: approximately HK\$52,438,000).

附註：

於二零一五年九月及十月，本集團就收購香港若干物業取得兩項以港元計值之按揭貸款及若干銀行融資，按一個月香港銀行同業拆息率加年利率1.7厘或銀行撥付融資成本之較高者計息。於二零一八年十二月三十一日，此等按揭貸款及銀行融資之未償還借貸約14,589,000港元(二零一七年十二月三十一日：約16,504,000港元)。此等物業作為按揭貸款及若干銀行融資之抵押，並計入本集團綜合財務報表之物業、廠房及設備，於二零一八年十二月三十一日之賬面淨值約50,144,000港元(二零一七年十二月三十一日：約52,438,000港元)。



## 21 BANK BORROWINGS (Continued)

Note: (Continued)

In October 2015, the Group obtained a HK\$ denominated loan from a banking facility which bore interest at 1.7% per annum over one-month HIBOR for its working capital. In January 2018, the Group further drew down HK\$20,000,000 from this banking facility for its working capital. As at 31 December 2018, the outstanding bank borrowings of this facility amounted to approximately HK\$19,999,000 (31 December 2017: approximately HK\$5,666,000). This banking facility was secured by property, plant and equipment in the consolidated financial statements of the Group, with net carrying values of approximately HK\$3,425,000 as at 31 December 2018 (31 December 2017: approximately HK\$3,630,000).

Save as disclosed above, other banking facilities of the Group were secured by land use rights and property, plant and equipment in the consolidated financial statements of the Group, with net carrying values of approximately HK\$1,673,000 (31 December 2017: approximately HK\$1,820,000) and approximately HK\$8,542,000 (31 December 2017: approximately HK\$11,086,000), respectively as at 31 December 2018.

The Group has complied with the financial covenants of its borrowing facilities during the year ended 31 December 2018 and 2017.

Interest expenses on bank borrowings for the year ended 31 December 2018 was approximately HK\$1,206,000 (for the year ended 31 December 2017: approximately HK\$613,000).

The carrying amounts of bank borrowings approximate their fair values as the impact of discounting is not significant.

At the balance sheet date, the following is the undrawn banking facilities of the Group:

## 21 銀行借貸(續)

附註：(續)

於二零一五年十月，本集團就其營運資金從一項銀行融資取得以港元計值之貸款，按一個月香港銀行同業拆息率加年利率1.7厘計息。於二零一八年一月，本集團就其營運資金從此項銀行融資進一步提取20,000,000港元貸款，於二零一八年十二月三十一日，此銀行融資之未償還借貸約19,999,000港元(二零一七年十二月三十一日：約5,666,000港元)。此銀行融資以本集團之綜合財務報表之物業、廠房及設備作抵押，於二零一八年十二月三十一日之賬面淨值約3,425,000港元(二零一七年十二月三十一日：約3,630,000港元)。

除以上披露者外，本集團其他銀行融資以本集團之綜合財務報表之土地使用權以及物業、廠房及設備作抵押，於二零一八年十二月三十一日之賬面淨值分別約1,673,000港元(二零一七年十二月三十一日：約1,820,000港元)及約8,542,000港元(二零一七年十二月三十一日：約11,086,000港元)。

截至二零一八年及二零一七年十二月三十一日止年度，本集團已遵守其借貸融資的財務契諾。

截至二零一八年十二月三十一日止年度的銀行借貸利息開支約1,206,000港元(截至二零一七年十二月三十一日止年度：約613,000港元)。

由於折現的影響並不重大，銀行借貸的賬面值與其公平值相若。

於結算日，本集團之尚未提取的銀行融資如下：

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Floating rate: Expiring within one year	358,947	242,660
浮動利率： 於一年內到期		

## 22 TRADE PAYABLES

The ageing analysis of trade payables by invoice date is as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
1–30 days	1至30日	192,197	218,017
31–60 days	31至60日	15,088	6,632
61–90 days	61至90日	15,778	4,251
Over 90 days	90日以上	3,453	1,630
		<b>226,516</b>	<b>230,530</b>

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Denominated in:	按以下貨幣列值：		
– RMB	– 人民幣	189,563	181,602
– HK\$	– 港元	12,158	12,076
– US\$	– 美元	21,684	35,016
– Other currencies	– 其他貨幣	3,111	1,836
		<b>226,516</b>	<b>230,530</b>

## 23 ACCRUALS AND OTHER PAYABLES

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current:	流動：		
Advance from customers (Note)	客戶預付款(附註)	16,465	16,578
Other payables	其他應付款項	124,715	136,461
Accruals	應計費用	158,066	136,930
		<b>299,246</b>	<b>289,969</b>
Non-current:	非流動：		
Other payables	其他應付款項	2,879	–
		<b>302,125</b>	<b>289,969</b>

The carrying values of these balances approximate their fair values.

Note:

Revenue recognised during the year ended 31 December 2018 that was included in the advance from customers balance at the beginning of the year amounted to approximately HK\$13,026,000 (2017: approximately HK\$14,118,000). The Group expects to deliver the goods to satisfy the remaining performance obligations of these contract liabilities within one year or less.

## 22 應付貿易賬款

應付貿易賬款按發票日期的賬齡分析如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
1–30 days	1至30日	192,197	218,017
31–60 days	31至60日	15,088	6,632
61–90 days	61至90日	15,778	4,251
Over 90 days	90日以上	3,453	1,630
		<b>226,516</b>	<b>230,530</b>

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Denominated in:	按以下貨幣列值：		
– RMB	– 人民幣	189,563	181,602
– HK\$	– 港元	12,158	12,076
– US\$	– 美元	21,684	35,016
– Other currencies	– 其他貨幣	3,111	1,836
		<b>226,516</b>	<b>230,530</b>

## 23 應計費用及其他應付款項

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current:	流動：		
Advance from customers (Note)	客戶預付款(附註)	16,465	16,578
Other payables	其他應付款項	124,715	136,461
Accruals	應計費用	158,066	136,930
		<b>299,246</b>	<b>289,969</b>
Non-current:	非流動：		
Other payables	其他應付款項	2,879	–
		<b>302,125</b>	<b>289,969</b>

此等結餘的賬面值與其公平值相若。

附註：

截至二零一八年十二月三十一日止年度，於年初計入客戶預付款結餘之已確認收入約13,026,000港元(二零一七年：約14,118,000港元)。本集團預期於一年或更短時間內交付貨品以履行此等合約負債之餘下履約責任。

## 24 LOANS FROM NON-CONTROLLING INTERESTS

Loans from non-controlling interests are unsecured, interest-free and repayable on demand. The carrying value of these liabilities approximate their fair values.

The balances are denominated in HK\$.

## 25 EXPENSES BY NATURE

The following expenses/(gains) are included in cost of sales, distribution costs, administrative expenses and net reversal of impairment losses on financial assets:

## 24 來自非控股權益之貸款

來自非控股權益之貸款為無抵押、免息及須按要求償還。此等負債的賬面值與其公平值相若。

結餘以港元計值。

## 25 按性質呈列之開支

計入銷售成本、分銷成本、行政開支及金融資產減值虧損撥回淨額內的開支／(收益)列述如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Changes in inventories (Note 11)	存貨變動(附註11)	1,135,305	1,044,838
Auditor's remuneration	核數師酬金		
– Audit services	– 核數服務	2,680	2,680
– Non-audit services	– 非核數服務	381	761
Amortisation of land use rights (Note 6)	土地使用權的攤銷(附註6)	1,970	1,059
Depreciation of property, plant and equipment (Note 7)	物業、廠房及設備的折舊(附註7)	40,932	36,737
Amortisation of intangible assets (Note 9(b))	無形資產的攤銷(附註9(b))	1,635	1,564
Operating lease rental in respect of buildings	樓宇的營運租賃租金	14,603	14,101
Provision for obsolete inventories (Note 11)	陳舊存貨的撥備(附註11)	7,484	2,473
Direct written off of obsolete inventories (Note 11)	直接撇銷陳舊存貨(附註11)	2,760	2,979
Net reversal of impairment losses on financial assets (Note 12)	金融資產減值虧損撥回淨額(附註12)	(11,351)	(214)
Employee benefit expenses (Note 27)	僱員福利開支(附註27)	437,939	378,633
Transportation expenses	運輸費用	79,544	70,985
Exchange loss/(gain), net	匯兌虧損／(收益)淨額	17,096	(18,594)
Advertising costs	廣告成本	14,857	11,885
Loss on disposal of property, plant and equipment (Note 33(b))	出售物業、廠房及設備的虧損(附註33(b))	532	22
Direct operating expenses arising from an investment property that generates rental income (Note 8)	來自產生租金收入之一項投資物業之直接營運開支(附註8)	50	48
Utilities expenses	公用開支	24,416	23,024

## 26 OTHER INCOME

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Rental income (Note 8)	租金收入(附註8)	310	278
Income from sales of scrap materials	銷售廢料收入	1,778	1,359
Government grant	政府補助	2,898	1,777
Others	其他	1,070	1,060
		<b>6,056</b>	<b>4,474</b>

## 26 其他收入

## 27 EMPLOYEE BENEFIT EXPENSES

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Salaries, wages and bonuses	薪金、工資及花紅	390,222	343,426
Pension costs – defined contribution plans	退休金成本 — 界定供款計劃	1,695	1,781
Welfare and other expenses	福利及其他開支	46,022	33,426
		<b>437,939</b>	<b>378,633</b>

## 27 僱員福利開支

### Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year ended 31 December 2018 include five directors (for the year ended 31 December 2017: five directors) whose emoluments are reflected in the analysis shown in Note 38.

No emoluments have been paid to the individual or the directors as an inducement to join or upon joining the Group or as compensation for loss of office for the year ended 31 December 2018 (for the year ended 31 December 2017: Nil).

### 五名最高薪酬人士

截至二零一八年十二月三十一日止年度，本集團五名最高薪酬人士包括五名董事（截至二零一七年十二月三十一日止年度：五名董事），其薪酬分析已反映於附註38。

截至二零一八年十二月三十一日止年度，本集團並無為促使個別人士或董事加盟本集團或在其加盟本集團時支付酬金或因其失去職位而支付離職補償（截至二零一七年十二月三十一日止年度：無）。

## 28 FINANCE INCOME AND FINANCE COSTS

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Finance costs on bank borrowings	銀行借貸之財務成本	(1,206)	(613)
Finance income	財務收入	877	834
Finance (costs)/income, net	財務(成本)/收入淨額	<b>(329)</b>	<b>221</b>

## 28 財務收入及財務成本

## 29 SUBSIDIARIES

As at 31 December 2018, the Company had direct and indirect interests in the following principal subsidiaries:

## 29 附屬公司

於二零一八年十二月三十一日，本公司於下列主要附屬公司擁有直接及間接權益：

Name of company 公司名稱	Place of incorporation and kind of legal entity 註冊成立地點及法律實體類型	Principal activities and place of operation 主要業務及經營所在地	Particulars of issued share capital/ registered capital 已發行股本／註冊資本之詳情	Proportion of ordinary shares held directly 所持普通股比例		Proportion of ordinary shares held by non-controlling interests 非控股權益所持普通股之比例
				by parent 由母公司直接持有	by the Group 由本集團直接持有	
Ming Fai Holdings Limited 明輝控股有限公司	British Virgin Islands, limited liability company 英屬處女群島，有限責任公司	Investment holding; Hong Kong 投資控股； 香港	US\$100 100美元	100%	-	-
Ming Fai Asia Pacific Company Limited 明輝亞太有限公司	Hong Kong, limited liability company 香港，有限責任公司	Trading of hospitality supplies products and operating supplies and equipment; Hong Kong 銷售酒店供應品類產品及營運用品及設備； 香港	HK\$10,000,000 10,000,000港元	-	100%	-
Ming Fai Enterprise International Company Limited 明輝實業國際有限公司	Hong Kong, limited liability company 香港，有限責任公司	Trading of hospitality supplies products and operating supplies and equipment; Hong Kong 銷售酒店供應品類產品及營運用品及設備； 香港	HK\$1,000,000 1,000,000港元	-	100%	-
Ming Fai Industrial (Shenzhen) Company Limited 明輝實業(深圳)有限公司	The PRC, limited liability company 中國，有限責任公司	Manufacturing and trading of hospitality supplies products and trading of operating supplies and equipment; the PRC 製造及銷售酒店供應品類產品及銷售營運用品及設備； 中國	HK\$50,000,000 50,000,000港元	-	100%	-

29 SUBSIDIARIES (Continued)

29 附屬公司(續)

Name of company 公司名稱	Place of incorporation and kind of legal entity 註冊成立地點及法律實體類型	Principal activities and place of operation 主要業務及經營所在地	Particulars of issued share capital/ registered capital 已發行股本/ 註冊資本之詳情	Proportion of ordinary shares held directly 所持普通股比例		Proportion of ordinary shares held by non-controlling interests 非控股權益所持普通股之比例
				by parent 由母公司直接持有	by the Group 由本集團直接持有	
Ming Fai Innovative Skin Care Lab Limited	Hong Kong, limited liability company	Manufacturing and trading of hospitality supplies products; Hong Kong	HK\$100,000	–	100%	–
明輝創新護膚研究所有限公司	香港， 有限責任公司	製造及銷售酒店供應品類產品； 香港	100,000港元	–	100%	–
Quality Amenities Supply Pte. Limited	Singapore, limited liability company	Trading of hospitality supplies products and operating supplies and equipment; Singapore	SG\$100,000	–	100%	–
Quality Amenities Supply Pte. Limited	新加坡， 有限責任公司	銷售酒店供應品類產品及營運用品及設備； 新加坡	100,000坡元	–	100%	–
Teng Xun Limited	Cambodia, limited liability company	Manufacturing and trading of hospitality supplies products and trading of operating supplies and equipment; Cambodia	US\$4,000,000	–	100%	–
Teng Xun Limited	柬埔寨， 有限責任公司	製造及銷售酒店供應品類產品及銷售營運用品及設備； 柬埔寨	4,000,000美元	–	100%	–
Oriental Lotus Hotel Supplies Private Limited	India, limited liability company	Manufacturing and trading of hospitality supplies products and trading of operating supplies and equipment; India	Indian Rupee ₹38,300,530	–	51%	49%
Oriental Lotus Hotel Supplies Private Limited	印度， 有限責任公司	製造及銷售酒店供應品類產品及銷售營運用品及設備； 印度	38,300,530 印度盧比	–	51%	49%



### 30 INCOME TAX EXPENSES

The amount of income tax charged/(credited) to the consolidated statement of comprehensive income represents:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current income tax:	即期所得稅：		
– Hong Kong profits tax	– 香港利得稅	18,588	17,551
– PRC enterprise income tax	– 中國企業所得稅	12,783	17,867
– Other overseas profits tax	– 其他海外利得稅	1,404	656
Adjustments in respect of prior year	過往年度調整	(100)	(2,062)
		<b>32,675</b>	34,012
Deferred income tax (Note 10)	遞延所得稅(附註10)	2,175	396
		<b>34,850</b>	34,408

Taxation has been provided at the appropriate rates prevailing in the countries in which the Group operates.

Hong Kong profits tax, PRC enterprise income tax, Singapore corporate income tax and Cambodia corporate income tax are calculated at 16.5% (2017: 16.5%), 25% (2017: 25%), 17% (2017: 17%) and 20% on the estimated assessable profits for the year ended 31 December 2018 respectively.

Taxes on other overseas profits have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

The difference between the actual income tax charged to the consolidated statement of comprehensive income and the amounts which would result from applying the enacted tax rates to profit before income tax can be reconciled as follows:

於綜合全面收益表扣除/(撥回)的所得稅金額為：

稅項乃按本集團經營所在國家通用的適用稅率計提撥備。

香港利得稅、中國企業所得稅、新加坡企業所得稅及柬埔寨企業所得稅乃按照截至二零一八年十二月三十一日止年度估計應課稅溢利分別以16.5% (二零一七年：16.5%)、25% (二零一七年：25%)、17% (二零一七年：17%)及20%計算。

其他海外溢利之稅項乃按本集團經營所在司法權區之當前稅率根據當地現行法例、詮釋及慣例計算。

綜合全面收益表中實際所得稅支出與按已生效稅率就未計所得稅前溢利計算所得金額之差額對賬如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Profit before income tax	未計所得稅前溢利	130,931	143,248
Tax calculated at domestic tax rates applicable to profits in the respective countries	按適用於各個國家的溢利的當地稅率計算的稅項	23,939	27,553
Income not subject to tax	毋須課稅的收入	(6,020)	(3,391)
Expenses not deductible for tax purposes	不可抵扣稅項的開支	7,724	7,882
Utilisation of prior year tax losses	動用過往年度之稅務虧損	(111)	(293)
Adjustments in respect of prior year	過往年度調整	(100)	(2,062)
Tax losses for which no deferred income tax asset was recognised	不涉確認遞延所得稅資產的稅項虧損	9,418	4,719
Tax charge	稅項支出	<b>34,850</b>	34,408

### 30 INCOME TAX EXPENSES (Continued)

The weighted average applicable tax rate was 18% per annum for the year ended 31 December 2018 (for the year ended 31 December 2017: 19% per annum). The change is caused by a change in the profitability of the Group's subsidiaries in respective countries.

Deferred income tax assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefit through the future taxation profits is probable. The Group has unrecognised tax losses of approximately HK\$188,823,000 (31 December 2017: approximately HK\$176,928,000) as at 31 December 2018 to offset against future taxable income. These tax losses expire in the following years:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
In the first to fifth years inclusive	第一年至第五年(包括首尾兩年)	117,524	127,966
No expiry date	無屆滿日期	71,299	48,962
		<b>188,823</b>	<b>176,928</b>

### 31 EARNINGS PER SHARE

#### (a) Basic

Basic earnings per share attributable to owners of the Company is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

		2018 二零一八年	2017 二零一七年
Profit attributable to owners of the Company (HK\$'000)	本公司擁有人應佔溢利 (千港元)	100,249	108,923
Weighted average number of ordinary shares in issue (thousands)	已發行普通股加權平均數 (千股)	723,477	723,696
<b>Basic earnings per share attributable to owners of the Company (HK cents)</b>	<b>本公司擁有人應佔 每股基本盈利 (港仙)</b>	<b>13.9</b>	<b>15.1</b>

### 30 所得稅開支(續)

於截至二零一八年十二月三十一日止年度的加權平均適用稅率為每年18% (截至二零一七年十二月三十一日止年度: 每年19%)。稅率改變乃因為本集團附屬公司在有關國家的盈利率改變。

遞延所得稅資產乃因應相關稅務利益可透過未來應課稅溢利變現而就所結轉之稅項虧損作確認。於二零一八年十二月三十一日, 本集團之未確認稅項虧損約188,823,000港元(二零一七年十二月三十一日: 約176,928,000港元), 可抵銷未來應課稅收入。此等稅項虧損將於下列年期屆滿:

### 31 每股盈利

#### (a) 基本

本公司擁有人應佔每股基本盈利以本公司擁有人應佔溢利除以年內已發行普通股之加權平均數計算。

### 31 EARNINGS PER SHARE (Continued)

#### (b) Diluted

Diluted earnings per share attributable to owners of the Company is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has share options as dilutive potential shares. A calculation was done to determine the number of shares that could have been acquired at fair value (determined as the average annual market price of the shares) based on the monetary value of the subscription rights attached to the outstanding share options. The number of shares calculated as above was compared with the number of shares that would have been issued assuming the exercise of the share options.

### 31 每股盈利(續)

#### (b) 攤薄

本公司擁有人應佔每股攤薄盈利以假設所有可攤薄的潛在普通股被兌換後，調整已發行普通股的加權平均數計算。本公司之購股權屬可攤薄的潛在股份。計算方法為根據尚未行使購股權所附的認購權的貨幣價值，釐定按公平值(釐定為股份的平均全年市場價格)可購入的股份數目。按以上方式計算的股份數目，與假設購股權獲行使而應發行的股份數目作出比較。

		2018 二零一八年	2017 二零一七年
Profit attributable to owners of the Company (HK\$'000)	本公司擁有人應佔溢利 (千港元)	100,249	108,923
Weighted average number of ordinary shares in issue (thousands)	已發行普通股的加權 平均數(千股)	723,477	723,696
Adjustment for: – Share options (thousands)	調整： – 購股權(千份)	4,886	5,984
Weighted average number of ordinary shares for diluted earnings per share (thousands)	每股攤薄盈利普通股 之加權平均數 (千股)	728,363	729,680
<b>Diluted earnings per share attributable to owners of the Company (HK cents)</b>	<b>本公司擁有人應佔 每股攤薄盈利 (港仙)</b>	<b>13.8</b>	<b>14.9</b>

## 32 DIVIDENDS

On 30 May 2018, a final dividend of HK5.0 cents per share for the year ended 31 December 2017 was approved by the Company's shareholders. Total dividend of approximately HK\$36,390,000 was paid out, including dividend paid to the shares held for the Scheme.

On 29 August 2018, the Board resolved to approve an interim dividend of HK2.0 cents per share for the six months ended 30 June 2018. Total dividend of approximately HK\$14,556,000 was paid out, including dividend paid to the shares held for the Scheme.

The final dividend in respect of the year ended 31 December 2018 of HK5.0 cents per share, amounting to a total dividend of approximately HK\$36,428,000 was resolved by the Board to propose on 27 March 2019, which is subject to approval at the annual general meeting of the Company to be held on 29 May 2019. This proposed dividend is not reflected as a dividend payable in the consolidated financial statements, but reflected as an appropriation of retained earnings for the year ended 31 December 2018.

## 32 股息

於二零一八年五月三十日，本公司股東已批准派發截至二零一七年十二月三十一日止年度的末期股息每股5.0港仙。約36,390,000港元之股息總額已獲派發，包括就計劃下持有之股份獲派發之股息。

於二零一八年八月二十九日，董事會議決批准截至二零一八年六月三十日止六個月之中期股息每股2.0港仙。約14,556,000港元之股息總額已獲派發，包括就計劃下持有之股份獲派發之股息。

於二零一九年三月二十七日，董事會議決建議派發截至二零一八年十二月三十一日止年度的末期股息為每股5.0港仙，股息總額約為36,428,000港元，惟須待將於二零一九年五月二十九日舉行的本公司股東週年大會上獲批准後，方可作實。此建議股息尚未於綜合財務報表反映為應付股息，但反映為截至二零一八年十二月三十一日止年度的分配保留盈利。

### 33 NOTE TO CONSOLIDATED STATEMENT OF CASH FLOWS

### 33 綜合現金流量表附註

#### (a) Reconciliation of profit before income tax to cash generated from operations

#### (a) 未計所得稅前溢利與經營業務所得現金的對賬

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Profit before income tax	未計所得稅前溢利	130,931	143,248
Adjustments for:	已作出下列調整：		
– Amortisation of land use rights (Note 6)	– 土地使用權攤銷 (附註6)	1,970	1,059
– Depreciation of property, plant and equipment (Note 7)	– 物業、廠房及設備折舊 (附註7)	40,932	36,737
– Amortisation of intangible assets (Note 9(b))	– 無形資產攤銷 (附註9(b))	1,635	1,564
– Loss on disposal of property, plant and equipment (Note 33(b))	– 出售物業、廠房及設備的虧損 (附註33(b))	532	22
– Finance income (Note 28)	– 財務收入 (附註28)	(877)	(834)
– Finance costs (Note 28)	– 財務成本 (附註28)	1,206	613
– Provision for obsolete inventories	– 陳舊存貨的撥備	7,484	2,473
– Direct written off for obsolete inventories (Note 11)	– 直接撇銷陳舊存貨 (附註11)	2,760	2,979
– Net reversal of impairment losses on financial assets (Note 12)	– 金融資產減值虧損撥回淨額 (附註12)	(11,351)	(214)
– Share of profit of an associated company	– 應佔一間聯營公司溢利	(1,948)	(1,344)
– Share of profit of a joint venture	– 應佔一間合營企業溢利	(95)	(2)
– Fair value gain on an investment property (Note 8)	– 一項投資物業之公平值收益 (附註8)	(473)	–
Changes in working capital:	營運資金變動：		
– Inventories	– 存貨	(3,421)	(16,488)
– Trade and bills receivables	– 應收貿易賬款及票據	(81,574)	(32,011)
– Other assets	– 其他資產	(18,814)	(14,101)
– Other financial assets at amortised cost	– 按攤銷成本列賬之其他金融資產	(1,001)	(6,089)
– Trade payables	– 應付貿易賬款	5,435	6,941
– Accruals and other payables	– 應計費用及其他應付款項	31,580	8,809
– Amount due from an associated company	– 應收一間聯營公司款項	5,013	(2,963)
– Amounts due from joint ventures	– 應收合營企業款項	(206)	(5)
Cash generated from operations	經營業務所得的現金	109,718	130,394

### 33 NOTE TO CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

#### (b) Proceeds from disposal of property, plant and equipment

In the consolidated statement of cash flows, proceeds from disposal of property, plant and equipment comprise:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Net book amount:	賬面淨值：	1,000	520
– Property, plant and equipment (Note 7)	– 物業、廠房及設備(附註7)		
Loss on disposal of property, plant and equipment (Note 25)	出售物業、廠房及設備之虧損(附註25)	(532)	(22)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	468	498

### 33 綜合現金流量表附註(續)

#### (b) 出售物業、廠房及設備所得款項

於綜合現金流量表中，出售物業、廠房及設備所得款項包括：

#### (c) Net debt reconciliation

#### (c) 淨負債之對賬

		Other assets 其他資產	Liabilities from financing activities 來自融資活動之負債			Total 總計 HK\$'000 千港元
			Cash and cash equivalents 現金及現金等值項目 HK\$'000 千港元	Bank borrowings due within 1 year 1年內到期的銀行借貸 HK\$'000 千港元	Bank borrowings due after 1 year 1年後到期的銀行借貸 HK\$'000 千港元	
Net debt as at 1 January 2017	於二零一七年一月一日之淨負債	508,616	(4,083)	(22,161)	(13,592)	468,780
Cash flows	現金流量	(149,790)	162	3,912	(900)	(146,616)
Foreign exchange adjustments	外匯調整	8,933	-	-	-	8,933
Net debt as at 31 December 2017	於二零一七年十二月三十一日之淨負債	367,759	(3,921)	(18,249)	(14,492)	331,097
Cash flows	現金流量	(89,236)	(4,064)	(8,354)	(1,000)	(102,654)
Foreign exchange adjustments	外匯調整	(6,045)	-	-	-	(6,045)
Net debt as at 31 December 2018	於二零一八年十二月三十一日之淨負債	272,478	(7,985)	(26,603)	(15,492)	222,398



### 34 COMMITMENTS

#### (a) Capital commitments

As at 31 December 2018, the capital commitments of the Group were approximately HK\$38,298,000 (31 December 2017: approximately HK\$24,810,000).

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Contracted but not provided for in the consolidated financial statements	38,298	24,810

#### (b) Operating lease commitments

The future aggregate minimum lease payments under non-cancellable operating leases of the Group are as follows:

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
No later than one year	7,797	11,392
Later than one year and no later than five years	3,519	7,186
	11,316	18,578

### 35 BUSINESS COMBINATION

On 27 April 2018, the Group acquired 100% equity interest in Teng Xun Limited and land and properties located in Cambodia at a total cash consideration of approximately US\$7,017,000 (equivalent to approximately HK\$54,977,000). Before acquisition, Teng Xun Limited was principally engaged in the manufacturing of handbags business on the acquired land and properties.

According to the sale and purchase agreements signed among the Group and the vendors, the acquisitions of Teng Xun Limited and the land and properties are inter-dependent on each other, and therefore, they are accounted for as one transaction under business combination.

### 34 承擔

#### (a) 資本承擔

於二零一八年十二月三十一日，本集團的資本承擔約38,298,000港元（二零一七年十二月三十一日：約24,810,000港元）。

#### (b) 營運租賃承擔

根據不可撤銷營運租賃，本集團於未來的最低租賃付款總額如下：

### 35 業務合併

於二零一八年四月二十七日，本集團以約7,017,000美元（相等於約54,977,000港元）之總現金代價收購Teng Xun Limited之100%股本權益及位於柬埔寨之土地及物業。於收購前，Teng Xun Limited主要於所收購之土地及物業從事製造手提包業務。

根據本集團與賣方簽署之買賣協議，收購Teng Xun Limited及土地及物業為互為條件，因此被視為業務合併下之一項交易。

### 35 BUSINESS COMBINATION (Continued)

The consideration paid and the provisional fair values of assets acquired and liabilities assumed at the acquisition date are summarised in the table below:

		HK\$'000 千港元
<b>Consideration</b>	<b>代價</b>	
Cash paid	已付現金	54,977
<b>Provisional fair value of recognised amounts of identifiable assets acquired and liabilities assumed</b>	<b>所收購可辨別資產及所承擔負債之已確認金額之暫定公平值</b>	
Cash and cash equivalents	現金及現金等值項目	435
Amounts due from fellow subsidiaries	應收同系附屬公司款項	167
Property, plant and equipment - Land (Note 7)	物業、廠房及設備－土地(附註7)	10,422
Property, plant and equipment - Buildings (Note 7)	物業、廠房及設備－樓宇(附註7)	34,890
Property, plant and equipment - Others (Note 7)	物業、廠房及設備－其他(附註7)	12,607
Intangible asset (Note 9(b))	無形資產(附註9(b))	1,728
Amount due to a fellow subsidiary	應付一間同系附屬公司款項	(3,629)
Trade payables	應付貿易賬款	(1,231)
Accruals and other payables	應計費用及其他應付款項	(912)
Deferred tax liabilities (Note 10)	遞延稅項負債(附註10)	(4,871)
<b>Total identifiable net assets</b>	<b>可辨別淨資產總值</b>	<b>49,606</b>
Goodwill (Note 9(a))	商譽(附註9(a))	5,371
		54,977
Cash consideration paid	已付現金代價	54,977
Deposit paid in prior year	於上一年度已付按金	(38,252)
Cash and cash equivalents acquired	所收購的現金及現金等值項目	(435)
<b>Net cash outflow on acquisition during the year</b>	<b>年內收購時的現金流出淨額</b>	<b>16,290</b>
Acquisition related costs included in administrative expenses in the consolidated statement of comprehensive income for the year	於年內計入綜合全面收益表行政開支的收購相關成本	1,447

The goodwill of approximately HK\$5,371,000 is attributable to a number of elements, which cannot individually be quantified. Most significant amongst these is the synergy attributable to the Group's business. None of the goodwill recognised is expected to be deductible for income tax purposes.

已付代價及所收購資產及所承擔負債於收購當日的暫定公平值於下表概列：

商譽約5,371,000港元乃歸因於多項無法個別量化之因素。其中最重要乃為給本集團業務所帶來之協同效益。概無已確認的商譽預期將於計算所得稅時予以扣除。

### 35 BUSINESS COMBINATION (Continued)

The gross contractual amount for amounts due from fellow subsidiaries is approximately HK\$167,000, of which none is expected to be uncollectible.

The revenue and loss included in the consolidated statement of comprehensive income since 27 April 2018 contributed by Teng Xun Limited were approximately HK\$2,000 and approximately HK\$28,185,000 respectively. Had Teng Xun Limited been consolidated from 1 January 2018, there are no material impact on the consolidated statement of comprehensive income of the Group.

The fair value of the acquired identifiable assets is provisional pending receipt of the final valuations for those relevant assets. Deferred income tax liabilities of approximately HK\$4,871,000 have been provided in relation to the fair value adjustments of property, plant and equipment and intangible asset arising from the acquisition.

### 36 RELATED PARTY TRANSACTIONS

Related parties are those parties that have the ability to control the other party or exercise significant influence in making financial and operating decisions. Parties are also considered to be related if they are subject to common control.

The ultimate controlling parties of the Group are Mr. CHING Chi Fai, Mr. CHING Chi Keung, Mr. LIU Zigang and Ms. CHAN Yim Ching.

#### (a) Significant related party transactions

The Group has carried out significant transactions with the following related parties:

Name of related party 關聯方姓名／名稱	Principal business activities 主要業務活動	Relationship with the Group 與本集團之關係
Ming Fai Plastic Industrial Company 明輝塑膠實業公司	Manufacturing of plastic products (Ceased manufacturing of plastic products since April 2003) 製造塑膠產品(自二零零三年四月起終止製造塑膠產品)	Partnership owned by Mr. CHING Chi Fai, Mr. YEUNG Tin Loi and Mr. CHING Chi Keung 由程志輝先生、楊天來先生及程志強先生所擁有的合夥企業
Quality Amenities Supply (M) Sdn. Bhd.	Trading of hospitality supplies products and operating supplies and equipment	Associated company of the Group
Quality Amenities Supply (M) Sdn. Bhd.	銷售酒店供應品類產品及營運用品及設備	本集團的聯營公司
iBridge Technology (Shenzhen) Limited ("Ibridge Technology") 恩博哲科技(深圳)有限公司 (「恩博哲科技」)	Provision of information technology services 提供資訊科技服務	Joint venture of the Group 本集團的合營企業

### 35 業務合併(續)

應收同系附屬公司款項之合約總額約167,000港元，預期當中概無不可收回之款項。

Teng Xun Limited自二零一八年四月二十七日起計入綜合全面收益表之收入及虧損分別約2,000港元及約28,185,000港元。倘Teng Xun Limited自二零一八年一月一日起已綜合入賬，對本集團綜合全面收益表概無重大影響。

所收購可辨別資產之公平值為暫定，待收到該等相關資產之最終估值。因收購而產生物業、廠房及設備與無形資產之有關公平值調整約4,871,000港元已計入遞延所得稅負債。

### 36 關聯方交易

倘任何一方能控制另一方，或於其財政及經營決策上行使重大影響力，即為關聯方。受到共同控制的有關方亦被視為關聯方。

本集團之最終控制方為程志輝先生、程志強先生、劉子剛先生及陳艷清女士。

#### (a) 重大關聯方交易

本集團曾與以下關聯方進行重大交易：

### 36 RELATED PARTY TRANSACTIONS (Continued)

#### (a) Significant related party transactions (Continued)

In addition to those disclosed elsewhere in the consolidated financial statements, the Group had the following significant transactions with related parties:

### 36 關聯方交易(續)

#### (a) 重大關聯方交易(續)

除於綜合財務報表其他部分所披露者外，本集團與關聯方進行的重大交易如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
(i) Sales of goods – to Quality Amenities Supply (M) Sdn. Bhd. – to iBridge Technology	(i) 銷售貨品 – 予Quality Amenities Supply (M) Sdn. Bhd. – 予恩博哲科技	16,094 201	19,817 123
(ii) Purchase of goods – from iBridge Technology	(ii) 購買貨品 – 自恩博哲科技	150	182
(iii) Rental charged – by Ming Fai Plastic Industrial Company	(iii) 下列各方收取的租金 – 明輝塑膠 實業公司	1,474	844
(iv) Purchase of services rendered from – information technology service charges from iBridge Technology	(iv) 購買下列提供的服務 – 恩博哲科技 提供之資訊 科技服務	3	111
(v) Purchase of intangible assets – software from iBridge Technology	(v) 購買無形資產 – 自恩博哲科技 的軟件	–	158

### 36 RELATED PARTY TRANSACTIONS (Continued)

#### (a) Significant related party transactions (Continued)

Sales of goods are transacted at prices mutually agreed between the parties.

Purchases of goods or services are transacted at prices mutually agreed between the parties.

Purchase of intangible assets are transacted at prices mutually agreed between the parties.

The Group leased certain properties from Ming Fai Plastic Industrial Company as one of its production bases in the PRC. The transaction is carried out at prices agreed between the parties.

#### (b) Key management compensation

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Basic salaries, housing allowances, other allowances and benefits-in-kind	底薪、住房津貼、其他津貼及非金錢利益	10,330	10,329
Contributions to pension plans	退休金計劃供款	114	115
		<b>10,444</b>	<b>10,444</b>

#### (c) Year end balances arising from sales and purchases of goods

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Prepayment to iBridge Technology (Note)	預付恩博哲科技款項(附註)	78	94
Amounts due from	應收以下各方款項		
– Quality Amenities Supply (M) Sdn. Bhd. (Note 13)	– Quality Amenities Supply (M) Sdn. Bhd. (附註13)	3,125	8,138
– iBridge Technology (Note)	– 恩博哲科技(附註)	168	59

Note: The balance represents prepayment to iBridge Technology of approximately HK\$78,000 (31 December 2017: approximately HK\$94,000) arising from purchases of information technology services and amount due from iBridge Technology of approximately HK\$168,000 (31 December 2017: approximately HK\$59,000). These balances are unsecured in nature, bear no interest and denominated in RMB.

### 36 關聯方交易(續)

#### (a) 重大關聯方交易(續)

銷售貨品乃按訂約方之間互相協定的價格進行交易。

購買貨品及服務乃按訂約方之間互相協定的價格進行交易。

購買無形資產乃按訂約方之間互相協定之價格進行交易。

本集團向明輝塑膠實業公司租用若干物業作為其於中國的其中一個生產基地。此交易乃按訂約方之間互相協定的價格進行。

#### (b) 主要管理人員酬金

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Basic salaries, housing allowances, other allowances and benefits-in-kind	底薪、住房津貼、其他津貼及非金錢利益	10,330	10,329
Contributions to pension plans	退休金計劃供款	114	115
		<b>10,444</b>	<b>10,444</b>

#### (c) 銷售及購買貨品的年終結餘

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Prepayment to iBridge Technology (Note)	預付恩博哲科技款項(附註)	78	94
Amounts due from	應收以下各方款項		
– Quality Amenities Supply (M) Sdn. Bhd. (Note 13)	– Quality Amenities Supply (M) Sdn. Bhd. (附註13)	3,125	8,138
– iBridge Technology (Note)	– 恩博哲科技(附註)	168	59

附註：結餘為購買資訊科技服務而預付恩博哲科技款項約78,000港元(二零一七年十二月三十一日：約94,000港元)及應收恩博哲科技款項約168,000港元(二零一七年十二月三十一日：約59,000港元)。此等結餘性質屬無抵押、不計息及以人民幣計值。

### 37 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY

Balance sheet of the Company as at 31 December 2018

### 37 本公司資產負債表及儲備變動

於二零一八年十二月三十一日  
之本公司資產負債表

	Note 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>ASSETS</b>			
<b>Non-current asset</b>			
Investment in a subsidiary		235,673	235,673
<b>Total non-current assets</b>		<b>235,673</b>	235,673
<b>Current assets</b>			
Other current assets		282	172
Other financial assets at amortised cost		50	59
Amounts due from subsidiaries		766,500	719,628
Amount due from a joint venture		38	12
Cash and cash equivalents		22,615	74,525
<b>Total current assets</b>		<b>789,485</b>	794,396
<b>Total assets</b>		<b>1,025,158</b>	1,030,069
<b>EQUITY</b>			
<b>Equity attributable to the owners of the Company</b>			
Share capital		7,282	7,265
Shares held under the Scheme		(6,051)	(2,089)
Share premium		609,548	608,538
Other reserves	A	404,452	405,941
<b>Total equity</b>		<b>1,015,231</b>	1,019,655
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accruals and other payables		501	1,047
Amounts due to subsidiaries		9,104	9,119
Tax payable		146	146
Dividends payable		176	102
<b>Total current liabilities</b>		<b>9,927</b>	10,414
<b>Total liabilities</b>		<b>9,927</b>	10,414
<b>Total equity and liabilities</b>		<b>1,025,158</b>	1,030,069

The balance sheet of the Company was approved by the Board of Directors on 27 March 2019 and was signed on its behalf.

本公司資產負債表於二零一九年三月二十七日經董事會批准並由以下董事代表簽署。

CHING Chi Fai  
程志輝  
Director  
董事

CHING Tsun Wah  
程俊華  
Director  
董事



**37 BALANCE SHEET AND RESERVE MOVEMENT  
OF THE COMPANY (Continued)**

**37 本公司資產負債表及儲備  
變動(續)**

**Note A: Reserve movement of the Company for  
the year ended 31 December 2018**

**附註A: 截至二零一八年十二月  
三十一日止年度本  
公司儲備變動**

		<b>Merger reserve (Note) 合併儲備 (附註) HK\$'000 千港元</b>	<b>Share-based compensation reserves 以股份支付的 酬金儲備 HK\$'000 千港元</b>	<b>Retained earnings 保留盈利 HK\$'000 千港元</b>	<b>Total 總計 HK\$'000 千港元</b>
<b>Balance at 1 January 2017</b>	於二零一七年 一月一日之結餘	224,147	33,728	17,767	275,642
<b>Comprehensive income Profit for the year</b>	全面收益 本年度溢利	-	-	173,729	173,729
<b>Total comprehensive income</b>	全面收益總額	-	-	173,729	173,729
Final dividend relating to 2016	二零一六年度之末期股息	-	-	(28,930)	(28,930)
Interim dividend relating to 2017	二零一七年度之中期股息	-	-	(14,500)	(14,500)
Exercise of share options	行使購股權	-	(1,396)	1,396	-
<b>Balance at 31 December 2017</b>	於二零一七年 十二月三十一日之結餘	224,147	32,332	149,462	405,941
<b>Balance at 1 January 2018</b>	於二零一八年一月一日 之結餘	<b>224,147</b>	<b>32,332</b>	<b>149,462</b>	<b>405,941</b>
<b>Comprehensive income Profit for the year</b>	全面收益 本年度溢利	-	-	<b>49,209</b>	<b>49,209</b>
<b>Total comprehensive income</b>	全面收益總額	-	-	<b>49,209</b>	<b>49,209</b>
Final dividend relating to 2017 (Note 32)	二零一七年度之末期股息 (附註32)	-	-	<b>(36,206)</b>	<b>(36,206)</b>
Interim dividend relating to 2018 (Note 32)	二零一八年度之中期股息 (附註32)	-	-	<b>(14,492)</b>	<b>(14,492)</b>
Exercise of share options	行使購股權	-	<b>(820)</b>	<b>820</b>	-
<b>Balance at 31 December 2018</b>	於二零一八年 十二月三十一日之結餘	<b>224,147</b>	<b>31,512</b>	<b>148,793</b>	<b>404,452</b>
Representing: Reserve	代表: 儲備				<b>368,024</b>
Final dividend proposed	建議末期股息				<b>36,428</b>
<b>Balance at 31 December 2018</b>	於二零一八年 十二月三十一日之結餘				<b>404,452</b>

### 37 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY (Continued)

#### Note A: Reserve movement of the Company for the year ended 31 December 2018 (Continued)

Note:

Merger reserve of the Group represents the difference between the cost of investment in subsidiaries and nominal value of the share capital and share premium of the subsidiaries in 2007 arising from the application of merger accounting in consolidating the financial information of the affected entities.

### 38 DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

The aggregate amounts of emoluments paid/payable to Directors of the Company by the Group are as follows:

### 37 本公司資產負債表及儲備變動(續)

#### 附註A：截至二零一八年十二月三十一日止年度本公司儲備變動(續)

附註：

本集團的合併儲備指於附屬公司的投資成本及股本面值與附屬公司於二零零七年合併受影響實體財務資料時採用合併會計法所產生的股份溢價的差額。

### 38 董事及主要行政人員之酬金

本集團已付／應付本公司董事的酬金總額如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Fees	袍金	1,350	1,320
Basic salaries, housing allowances, other allowances and benefits-in-kind	底薪、住房津貼、其他津貼及非金錢利益	9,730	9,969
Contributions to pension plans	退休金計劃供款	114	115
		<b>11,194</b>	11,404

### 38 DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (Continued)

The emoluments of each Director and chief executive of the Company for the year ended 31 December 2018 are as follows:

### 38 董事及主要行政人員之酬金(續)

截至二零一八年十二月三十一日止年度本公司各董事及主要行政人員的酬金如下：

Name of Directors	Fees	Salary	Discretionary bonuses	Share-based payment expense	Employer's contribution to a retirement benefit scheme	Total
董事姓名	袍金	薪金	酌情花紅	以股份支付的開支	僱主就退休福利計劃的供款	總額
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元
<b>Executive Directors (Note (i))</b>	<b>執行董事(附註(i))</b>					
Mr. CHING Chi Fai	120	1,263	1,200	-	18	2,601
Mr. CHING Chi Keung	120	764	717	-	18	1,619
Mr. LIU Zigang	120	919	963	-	42	2,044
Mr. CHING Tsun Wah	120	764	717	-	18	1,619
Mr. KEUNG Kwok Hung	120	1,367	1,056	-	18	2,561
<b>Independent Non-Executive Directors</b>	<b>獨立非執行董事</b>					
Mr. HUNG Kam Hung Allan	150	-	-	-	-	150
Mr. MA Chun Fung Horace	150	-	-	-	-	150
Mr. NG Bo Kwong	150	-	-	-	-	150
Mr. SUN Yung Tson Eric	150	-	-	-	-	150
<b>Non-Executive Director</b>	<b>非執行董事</b>					
Ms. CHAN Yim Ching	150	-	-	-	-	150
<b>Total</b>	<b>1,350</b>	<b>5,077</b>	<b>4,653</b>	<b>-</b>	<b>114</b>	<b>11,194</b>

### 38 DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (Continued)

The emoluments of each Director and chief executive of the Company for the year ended 31 December 2017 are as follows:

Name of Directors	Fees	Salary	Discretionary bonuses	Share-based payment expense	Employer's contribution to a retirement benefit scheme	Total
董事姓名	袍金	薪金	酌情花紅	以股份支付的開支	僱主就退休福利計劃的供款	總額
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元
<b>Executive Directors (Note (i))</b>	<b>執行董事(附註(i))</b>					
Mr. CHING Chi Fai	120	1,224	1,201	-	18	2,563
Mr. CHING Chi Keung	120	739	743	-	18	1,620
Mr. LIU Zigang	120	896	1,003	-	43	2,062
Mr. CHING Tsun Wah	120	739	753	-	18	1,630
Mr. KEUNG Kwok Hung	120	1,325	1,106	-	18	2,569
<b>Independent Non-Executive Directors</b>	<b>獨立非執行董事</b>					
Mr. HUNG Kam Hung Allan	150	-	-	-	-	150
Mr. MA Chun Fung Horace	150	-	-	-	-	150
Mr. NG Bo Kwong	150	-	-	-	-	150
Mr. SUN Yung Tson Eric	150	-	-	-	-	150
<b>Non-Executive Director</b>	<b>非執行董事</b>					
Ms. CHAN Yim Ching	120	240	-	-	-	360
<b>Total</b>	<b>總額</b>	<b>1,320</b>	<b>5,163</b>	<b>4,806</b>	<b>115</b>	<b>11,404</b>

Note:

- (i) The role of chief executive officer has been performed collectively by all the Executive Directors, including the Chairman of the Company.

附註:

- (i) 行政總裁之職責由全體執行董事(包括本公司主席)共同履行。



明輝國際控股有限公司\*

Ming Fai International Holdings Limited