

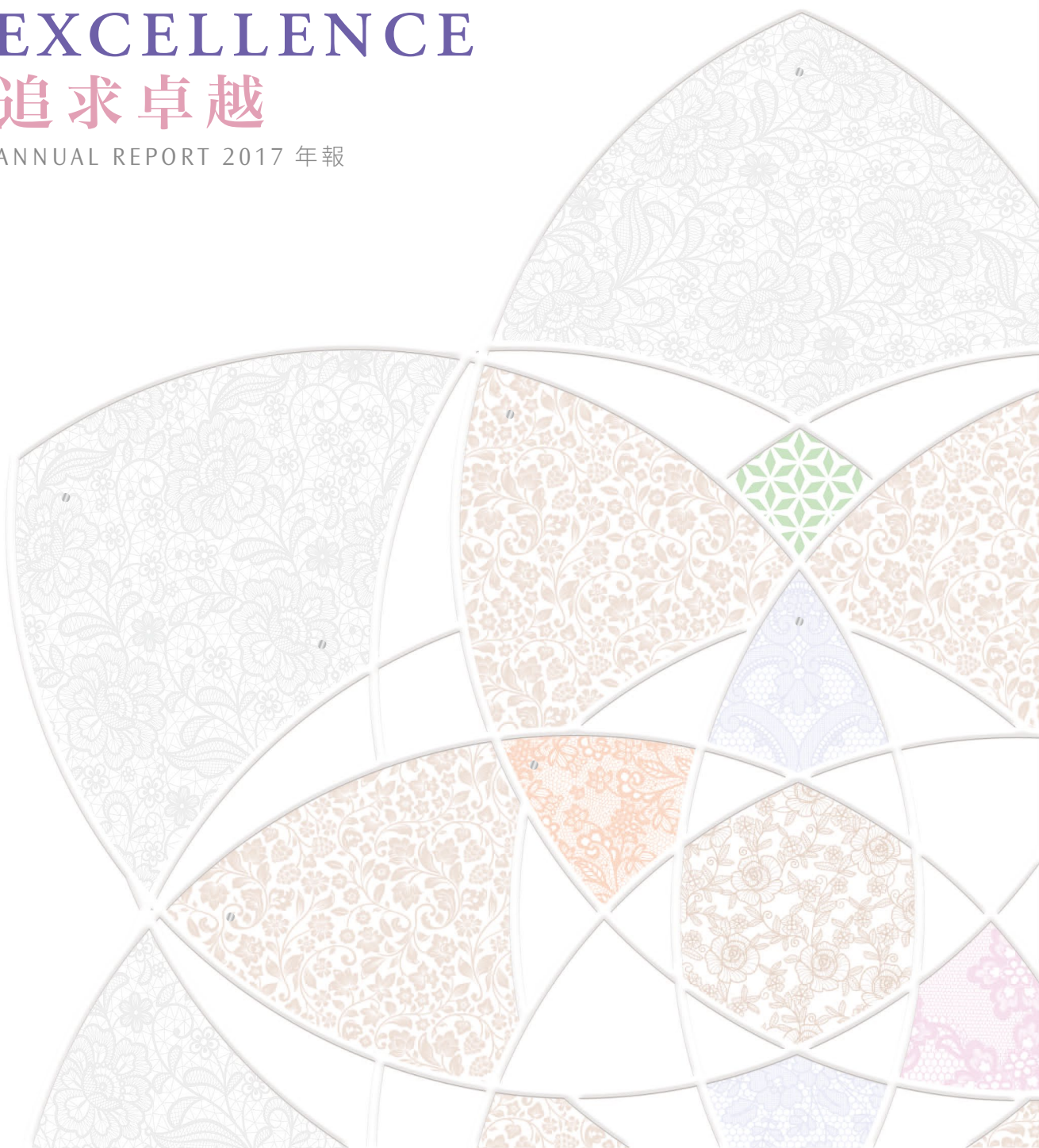


**EMBRY HOLDINGS LIMITED**  
**安莉芳控股有限公司**

Incorporated in the Cayman Islands with limited liability  
於開曼群島註冊成立之有限公司  
Stock Code 股份代號 : 1388

**STRIVING FOR  
EXCELLENCE**  
**追求卓越**

ANNUAL REPORT 2017 年報



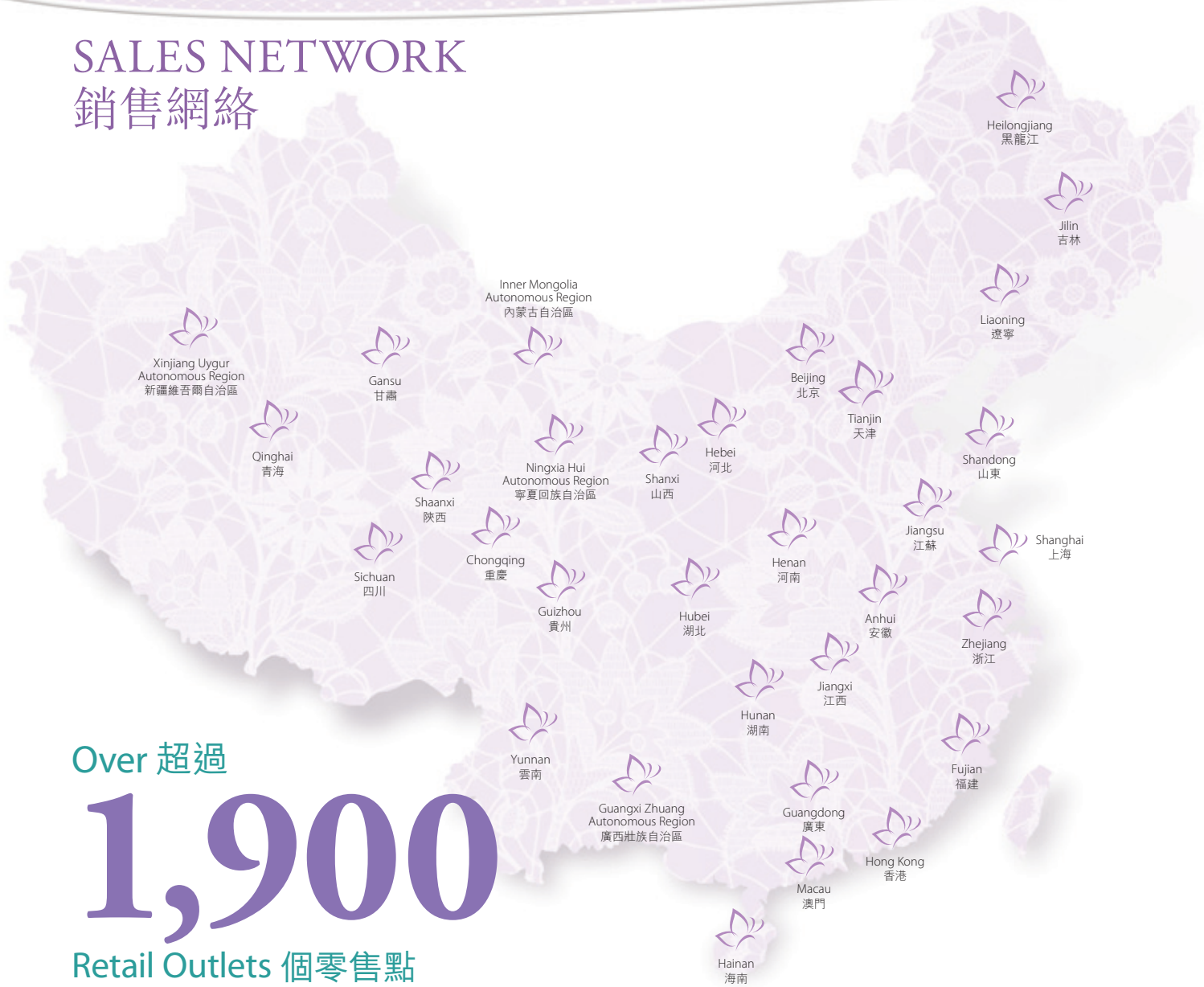
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# SALES NETWORK 銷售網絡



Over 超過  
**1,900**  
Retail Outlets 個零售點

## An Extensive Network Capturing Growing Opportunities in China

The Group's sales points span the whole nation, with footprints in all major cities such as Beijing, Shanghai, Chongqing, Tianjin, Guangzhou, Hong Kong and Macau. Such an extensive network enables the Group to efficiently respond to customer needs and deepen its market penetration in China.

As at 31 December 2017, the Group had a total of 1,925 retail outlets, comprising 1,705 concessionary counters and 220 retail shops in Mainland China, Hong Kong and Macau.

### 龐大網絡 中國市場潛力無限

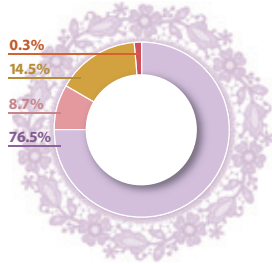
本集團的銷售點遍佈全國各地，覆蓋所有主要城市，如北京、上海、重慶、天津、廣州、香港及澳門。透過這個龐大的銷售網絡，本集團能迅速有效地回應消費者需要，進一步滲透中國市場。

截至二零一七年十二月三十一日止，本集團共有1,925個零售點，包括在中國大陸、香港及澳門1,705個百貨公司專櫃及220個零售商舖。

# FINANCIAL HIGHLIGHTS

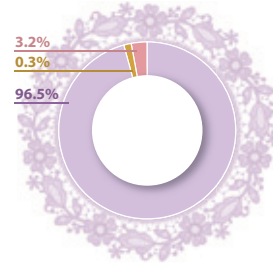
## 財務摘要

### By Business Activities 按業務活動



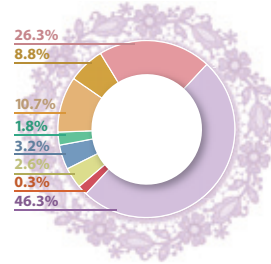
	2017	2016
Concessionary Counters (銷售專櫃)	76.5%	75.8%
Retail Stores (零售店舖)	8.7%	8.2%
Internet and Wholesale (網上銷售及批發)	14.5%	15.8%
Original Design Manufacturer ("ODM") (原設計製造商 ("ODM"))	0.3%	0.2%

### By Locations 按地區



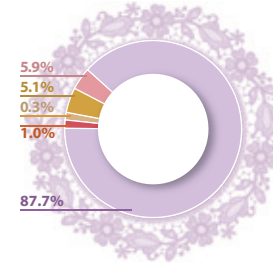
	2017	2016
Mainland China (中國大陸)	96.5%	96.1%
Hong Kong (香港)	3.2%	3.7%
Others (其他)	0.3%	0.2%

### By Brands 按品牌



	2017	2016
Embry Form (安莉芳)	46.3%	46.5%
Fandecie (芬狄詩)	26.3%	26.8%
Comfit	8.8%	8.7%
E-BRA	10.7%	10.4%
LIZA CHENG	1.8%	1.8%
IVU	3.2%	3.1%
ladore (安朵)	2.6%	2.5%
ODM Products and Others (ODM產品及其他)	0.3%	0.2%

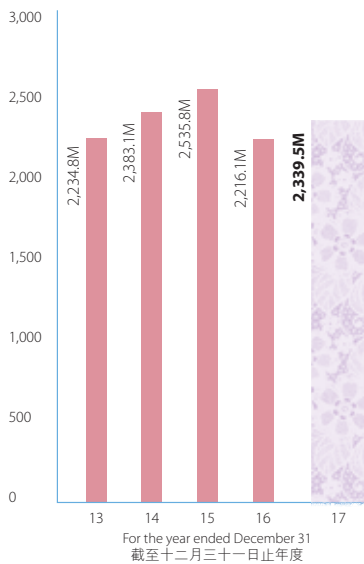
### By Products 按產品



	2017	2016
Lingerie (女性內衣)	87.7%	87.7%
Sleepwear (睡衣)	5.9%	5.8%
Swimwear (泳衣)	5.1%	5.8%
ODM Products (ODM產品)	0.3%	0.2%
Others Products (其他產品)	1.0%	0.5%

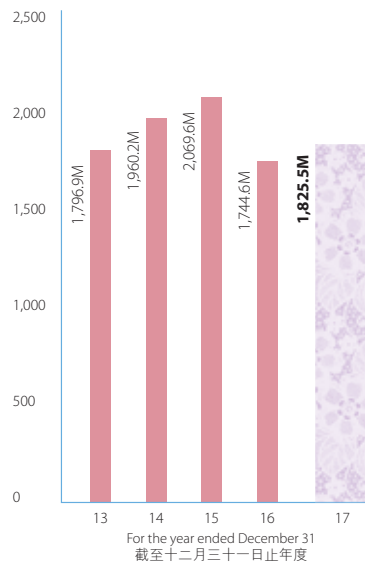
### Revenue 收益

**CAGR 1.2%**  
複合年增長率



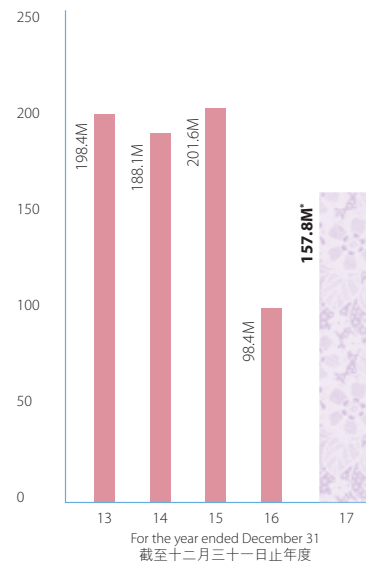
### Gross Profit 毛利

**CAGR 0.4%**  
複合年增長率



### Profit for the Year Attributable to Owners of the Company 本公司擁有人應佔年度溢利

**CAGR -5.6%**  
複合年增長率



\* excluding the gain from the Relocation Arrangement and the respective income tax expense

\* 撇除搬遷安排收益及相關所得稅開支

# CORPORATE INFORMATION

## 公司資料

### Directors and Board Committees

#### Directors

##### Executive Directors

NGOK Ming Chu (*Chairman*)  
CHENG Pik Ho Liza (*Chief Executive Officer*)  
CHENG Chuen Chuen  
LU Qun

##### Independent Non-Executive Directors

LAU Siu Ki (alias, Kevin Lau)  
LEE Kwan Hung  
LEE T. S. (alias, Lee Tien-sheng)

### Board Committees

#### Audit Committee

LAU Siu Ki (alias, Kevin Lau) (*Chairman*)  
LEE Kwan Hung  
LEE T. S. (alias, Lee Tien-sheng)

#### Remuneration Committee

LEE Kwan Hung (*Chairman*)  
CHENG Pik Ho Liza  
LAU Siu Ki (alias, Kevin Lau)  
LEE T. S. (alias, Lee Tien-sheng)

#### Nomination Committee

LEE T. S. (alias, Lee Tien-sheng) (*Chairman*)  
CHENG Pik Ho Liza  
LAU Siu Ki (alias, Kevin Lau)  
LEE Kwan Hung

### Compliance Officer

CHAN Hei

### Company Secretary

SO Ka Man

### Registered Office

Cricket Square  
Hutchins Drive  
P. O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

### Head Office and Principal Place of Business

7th Floor, Wylar Centre II  
200 Tai Lin Pai Road  
Kwai Chung, New Territories  
Hong Kong

### 董事及董事委員會

#### 董事

##### 執行董事

岳明珠 (*主席*)  
鄭碧浩 (*行政總裁*)  
鄭傳全  
鹿群

##### 獨立非執行董事

劉紹基  
李均雄  
李天生

### 董事委員會

#### 審核委員會

劉紹基 (*主席*)  
李均雄  
李天生

#### 薪酬委員會

李均雄 (*主席*)  
鄭碧浩  
劉紹基  
李天生

#### 提名委員會

李天生 (*主席*)  
鄭碧浩  
劉紹基  
李均雄

### 合規主任

陳曦

### 公司秘書

蘇嘉敏

### 註冊辦事處

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

### 總辦事處及主要營業地點

香港  
新界葵涌  
大連排道200號  
偉倫中心2期7樓

## Principal Bankers

Hang Seng Bank Limited  
 Hang Seng Bank (China) Limited  
 Nanyang Commercial Bank, Limited  
 The Hongkong and Shanghai Banking Corporation Limited  
 HSBC Bank (China) Company Limited  
 Bank of China Limited  
 China Construction Bank Corporation  
 China Merchants Bank Co., Ltd.

## Legal Advisers

### As to Hong Kong law:

Chiu & Partners

### As to PRC law:

GFE Law Office  
 Grandall Law Firm (Jinan)  
 Zhong Lun Law Firm

## Auditor

Ernst & Young  
 22nd Floor, CITIC Tower  
 1 Tim Mei Avenue, Central  
 Hong Kong

## Share Registrars

### 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 and Transfer Office in Hong Kong

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

## Investor Relations

iPR Ogilvy Limited

## Website

www.embrygroup.com

## Stock Code

1388

## 主要往來銀行

恒生銀行有限公司  
 恒生銀行(中國)有限公司  
 南洋商業銀行有限公司  
 香港上海滙豐銀行有限公司  
 滙豐銀行(中國)有限公司  
 中國銀行股份有限公司  
 中國建設銀行股份有限公司  
 招商銀行股份有限公司

## 法律顧問

### 香港法例：

趙不渝 馬國強律師事務所

### 中國法例：

廣東恒益律師事務所  
 國浩律師(濟南)事務所  
 中倫律師事務所

## 核數師

安永會計師事務所  
 香港  
 中環添美道1號  
 中信大廈22樓

## 股份過戶登記處

### 於開曼群島的主要股份 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

### 於香港的股份過戶 登記分處

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

## 投資者關係

iPR 奧美公關

## 網址

www.embrygroup.com

## 股份編號

1388









# EMBRY 安莉芳

Has been deeply aware of the importance of upholding high-quality standards and hence continued to devote resources to the design, research and development of new products, so as to launch products with outstanding quality for various markets to meet varying consumer needs

深明堅持優秀品質的重要性，因此持續投放資源於新產品設計及研發，針對不同市場推出品質卓越的產品，以滿足不同層面顧客的消費需求



## CHAIRMAN'S STATEMENT 主席報告書

# The Multi-Brand Strategy

and optimisation of Embry's nationwide sales network, that have been implemented for several years, brought positive impact to the Group's operations and enhanced its operating efficiency

### To All Shareholders,

It is my pleasure to present the audited annual results of Embry Holdings Limited for the year ended 31 December 2017 on behalf of the Board of Directors.

In 2017, the global economy maintained positive momentum while investor confidence in the financial and capital markets strengthened. Several financial institutions raised their forecasts for China's economic growth. China's consumption sentiment gradually improved as the continued increase in per capita income boosted consumer confidence in the country. As for the total retail sales of social consumer goods in 2017, the value of clothing sector increased by 7.8% year-on-year and the growth rate accelerated by 0.8 percentage point, reflecting the continued expansion in the clothing retailing market.

Despite the improvement in the overall economic and consumer sentiment, the competition in the retail industry increasingly intensified. Coupled with a higher intention of the consumers to purchase discounted products, promotional pressure prolonged in the overall underwear retailing industry. However, disposable income of residents in China sustained a relatively high growth rate and grew faster than the country's gross domestic product. The consumption upgrade driven by the rise in purchasing power will propel the development of the overall underwear retailing market in the long term.

安莉芳於數年前起實行的

## 多品牌策略

以及銷售網絡優化，對集團經營產生正面效果，經營效率得以提升

### 各位股東：

本人謹代表安莉芳控股有限公司董事會，欣然提呈截至二零一七年十二月三十一日止年度的經審核年度業績。

二零一七年，全球經濟景氣持續正向發展，金融市場及投資市場信心普遍增強。多個金融機構調高對中國經濟增長的預期，全國居民收入持續上升同時帶動國內消費者信心，整體消費氣氛逐漸回暖。二零一七年全國社會消費品零售總額服裝類別，同比增長達7.8%，增長速度上升0.8個百分點，反映服裝類零售市場仍然在逐步擴大。

縱然中國整體經濟及消費氣氛有所改善，零售行業的競爭日趨激烈，加上更多消費者傾向購買降價折扣商品，內衣零售行業整體促銷壓力持續。然而，全國居民可支配收入繼續保持較快增長，增速高於國內生產總值，購買力提升帶動消費升級，有助推動整體內衣市場的長遠發展。



**NGOK Ming Chu**  
**岳明珠**  
**Chairman of the Group**  
 本集團主席

In face of the constantly changing underwear market in China, Embry continued to closely monitor the market changes and adhered to the policy of flexible planning and prudent implementation in operation. The multi-brand strategy and optimisation of the Group's nationwide sales network, that have been implemented for several years, brought positive impact to the Group's operations and enhanced its operating efficiency.

Leveraging on the Group's business scale and its longstanding history in China, along with its nationwide sales network and the multi-brand strategy, the Group could effectively allocate its resources to cater to the changing market environment. It continued its efforts in developing its new brands while continuously optimising its sales network.

In 2017, rural households' consumption expenditures on clothing in China increased by 6.3% year-on-year, exceeding the 1.1% increase reported by its urban counterparts. The overall consumption upgrade in China coupled with the accelerated urbanisation, resulted in the expansion of customer base and market segmentation. To address the diversified needs of consumers, the Group devoted to enriching its brand mix and strengthening its overall brand penetration rate by expanding customer base. Under its multi-brand strategy, the Group currently operates seven brands — **EMBRY FORM, FANDECIE, IVU, COMFIT, IADORE, LIZA CHENG, and E-BRA**. For the middle-to-high-end consumption market, the Group focuses on **EMBRY FORM, COMFIT, and FANDECIE** to consolidate its market position and to increase its market share. For the extensive middle-to-low-end

面對中國內衣市場多變的狀況，安莉芳繼續密切留意市場轉變，維持靈活部署，審慎執行的經營態度。於數年前起實行的多品牌策略以及銷售網絡優化，對集團經營產生正面效果，經營效率得以提升。

憑藉本集團的規模和立足中國已久的背景，加上集團遍佈全國的零售網絡、以及多品牌策略，使集團有效靈活調配資源，以配合多變的市場環境，並在持續優化銷售網絡的同時持續推進新品牌的發展。

2017年全年，中國農村居民在衣著類別的人均消費支出同比增長6.3%，增幅超越城鎮居民的1.1%。中國整體消費升級加上城市化進程加速，消費客群擴展，使市場需求細分化。本集團針對消費者的多樣化需求，致力豐富品牌組合併透過擴展客戶群，加強品牌的整體滲透率。在多品牌策略下，本集團現時共經營七個品牌，分別為旗艦品牌**安莉芳、芬狄詩、IVU、COMFIT、安朵、LIZA CHENG**、以及**E-BRA**。在中高端消費市場，集團以**安莉芳、COMFIT、芬狄詩**等品牌為主，不斷鞏固市場地位，提升市場佔有率，對於廣大的中低端消費市場，集團積極調整策略，如**E-BRA**品牌作為網絡品牌，



## CHAIRMAN'S STATEMENT

### 主席報告書

consumption market, the Group has been actively adjusted its market strategy to reach an omni-channel coverage, such as positioning **E-BRA** as an e-commerce brand and **IADORE** as an offline wholesale brand.

Due to the change in consumption pattern of Chinese citizens, online shopping and mobile shopping have become more prevalent. According to the 2017 Total Retail survey by PricewaterhouseCoopers, the frequency of Chinese consumers shopping on mobile was higher than in retail stores. The ratio of Chinese consumers shopping frequently on mobile was higher than that of their global counterparts by 38 percentage points. However, according to the same survey, only 3% of the Chinese interviewees stopped shopping in physical stores. This ratio is lower than the world's average. The data showed that while e-commerce has become more popular, physical stores are still valued by consumers. To cater for this consumption pattern, the Group has continued to optimise its retail network so as to improve the sales efficiency and expense ratio. During the year under review, the number of the Group's retail outlets net decreased by 142 to 1,925 retail outlets by the end of December 2017. The Group's retail network covers more than 300 cities across China, and even reached third- and fourth-tier cities. Optimisation of the sales network achieved initial success. Meanwhile, the Group has also focused on strengthening the image and penetration of its brands on the Internet.

In the year under review, revenue of the Group amounted to HK\$2,339,524,000, an increase of 5.57% from the previous year. The improvement in the overall retail sentiment in China drove the sales during the year. Benefitting from the optimisation of the sales network, gross profit was approximately HK\$1,825,492,000, representing an increase of 4.64% from the previous year. Profit attributable to owners of the Company amounted to HK\$495,299,000, net profit margin was 21.17%.

To thank our shareholders for their long-term support, the Board recommends the payment of a final dividend of HK8.0 cents per share.

Looking ahead to 2018, China's economy is likely to stay on a steady upward trend. Positive drivers including the rise in household income will continue to benefit the traditional retail industry. However, in view of the rapid change in the consumption pattern, the retail industry should stay focused on the market dynamics and react prudently. The Group will be persistent in implementing the policy of flexible planning and prudent execution while giving top priority to the Group's long-term interest and sustainable development. The Group's development direction will not be altered easily by the temporary change in market sentiment. The Group believes the continuous upgrade in consumption structure and acceleration of urbanisation in China will largely expand the retail market in the long term and help sustain the growth of the industry.

安朵品牌作為線下批發品牌，做到全渠道的覆蓋。

隨著中國市民消費模式轉變，網上購物以及移動購物更趨普遍。根據普華永道2017年全零售調查，中國消費者移動購物的頻率比線下實體店購物的比例更高，而中國消費者頻繁使用移動裝置購物的比率更相較全球平均高出38個百分點。然而，同一調查之中，只有3%的中國消費者表示已不再於實體店購物，少於全球消費者的比例。數據反映在電子商貿越趨普及的同時，實體店仍有其價值。為配合此消費模式，集團持續優化零售點的網絡，以加強銷售效率及改善費用率。年內，本集團的零售點數目淨減少142個至二零一七年十二月底的1,925個。本集團店鋪網絡遍及全中國逾300個城市，分佈遠至中國的三、四線城市。網絡優化措施已初見成效。另一方面，集團亦著力於強化旗下各個品牌在網絡上的形象及滲透率。

於回顧年度，集團營業額為2,339,524,000港元，較上年度上升5.57%。由於中國整體零售消費氣氛改善，有效帶動全年銷售。得益於銷售點網絡優化的成效，毛利約1,825,492,000港元，較上年度上升約4.64%。本公司擁有人應佔溢利約495,299,000港元，純利率為21.17%。

為答謝股東長期的支持，董事會建議派發末期股息每股8.0港仙。

展望二零一八年，中國整體經濟穩中向好，居民收入提升等因素預料能繼續帶動傳統零售行業。然而，在消費模式的急速轉變下，零售行業仍需密切留意市場動態並審慎應對。集團將持續其靈活部署，謹慎執行的原則，以集團整體的長遠利益及可持續發展為首要目標，不會因一時的市場氣氛轉變而輕易改變整體發展方向。集團相信，中國消費結構持續升級以及城市化加速，長遠將大幅擴大零售市場，為行業帶來持續增長的動力。

In 2018, apart from the consistent implementation of multi-brand strategy to increase its market penetration rate, the Group will also closely monitor the overall market development in order to gauge the right time to launch new products of its brands. Moreover, the Group will continue to increase the penetration of **IVU** and **LIZA CHENG** in key and well-established department stores, and open points of sale in shopping centres. Meanwhile, the Group will continue to optimise its sales network and close stores with low efficiency to improve the overall effectiveness.

The trial run of the Group's automated supply chain logistics facility which comprises an intelligent warehouse at the production base in Jinan, Shandong province progressed smoothly over the previous year. Second phase of the intelligent warehouse has entered into the construction stage with a view of further enhancing the logistics efficiency. In terms of production planning, the Group has appointed contractor for the construction of phase two of the Group's factory premises and ancillary facilities at production base in Changzhou, Jiangsu province, to meet the expansion needs in the future. With enhancing the current efficiency as the key principle of the Group's production planning, the Group will prudently carry out the adjustment plan for production capacity, in order to maximise the existing efficiency in production, logistics, and sales systems. In terms of research and development, the Group will take into account the consumer needs in the segmented underwear market when developing products that meet diversified needs of consumers so as to strengthen the Group's competitiveness of its various brands.

I would like to take this opportunity to thank all of our employees for their efforts and contributions to overcome the challenging 2017. I would also like to express my heartfelt gratitude to our shareholders for their long-term support, and appreciation of the Group's aspirations and development strategy. To thank our shareholders for their trust, we will make our best efforts to create a long-term and sustainable future with our shareholders, business partners and customers.

**NGOK Ming Chu**

*Chairman*

Hong Kong, 22 March 2018

於二零一八年，集團除了繼續貫徹多品牌策略，加大市場滲透率，亦會觀察整體市場的發展情況，研判推出各品牌新產品的合適時機。另外，集團將繼續推動 **IVU**、**LIZA CHENG** 品牌進駐成熟重點百貨公司，並發展購物中心銷售點。同時，集團亦會繼續優化銷售網絡，關閉低效益門店，提升效益。

本集團位於山東省濟南市生產基地的智能立體倉庫自動化供應鏈物流設備，在過去一年的試運行順利，智能倉的第二期亦進入建設階段，希望可進一步提升物流效率。生產規劃方面，集團已為其在江蘇省常州市的生產基地，委任承建商建設第二期廠房物業及附屬設施，以配合未來擴充需要。集團仍然以提升現有效益為大原則，謹慎進行產能調整的規劃，達到現有生產、物流、銷售系統的效益最大化。研發方面，集團將考慮細分化內衣市場的消費者需求，開發滿足消費者多樣化需求的商品，從而加強集團在各個品牌的競爭力。

藉此機會，本人衷心感謝每位員工的付出和貢獻，繼續與本集團共渡充滿挑戰的一年，更感激各位股東對本集團的長期支持，以及對本集團未來發展的抱負和策略的認同。為答謝股東對我們的信任，安莉芳集團全人定必繼續全力以赴，與股東、業務夥伴及客戶攜手合作，共同向更長遠並可持續發展的未來。

**岳明珠**

*主席*

香港，二零一八年三月二十二日





The Group will be persistent in implementing the policy of flexible planning and prudent execution while giving top priority to the Group's

# long-term interest & sustainable development

本集團將持續其靈活部署，謹慎執行的原則，以集團整體的

## 長遠利益及 可持續發展

為首要目標





# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Business and Operations Review

Looking back on 2017, the global economy continued to recover while the U.S., China and emerging economies showed the trend of steady growth. The RMB exchange rate saw accumulated appreciation of over 6% against the U.S. dollars, bringing an end to the three consecutive years of depreciation and recording the largest appreciation in nine years. According to China's National Bureau of Statistics, the country's gross domestic product grew by 6.9% to RMB82,712.2 billion in 2017.

China's steady economic growth boosted consumer sentiment. Total retail sales of consumer goods in the country amounted to RMB36,626.2 billion, 10.2% higher than the previous year. With the increasing income levels and purchasing power of consumers, together with changing consumption attitudes and spending habits, the underwear market has been undergoing continuous transformation. The public's increasing focus on inner quality of life encouraged the segmentation of underwear products in China while industry competition intensified as consumers demonstrated increasing brand awareness. Frequent promotion events in the market resulted in pressure on gross profit margin. The Group has been making good use of its brand reputation and advantages established in the industry to pragmatically respond to changes in the market environment and promote sustainable business development.

### 業務及營運回顧

回顧二零一七年，全球經濟持續復甦，美國、中國及新興經濟體呈現穩中向好的勢態。人民幣兌美元匯率累計升幅逾6%，擺脫連續三年的跌勢，並創出九年來最大升幅。根據中國國家統計局的資料，二零一七年中國國內生產總值為人民幣827,122億元，同比增長6.9%。

中國整體經濟穩步增長帶動消費氣氛改善，國內消費品社會零售總額達人民幣366,262億元，較去年增長10.2%。隨著消費者收入水平及購買力提升、消費觀念和消費習慣的改變，整體內衣市場正處於持續變革的階段。大眾更注重內在生活品質，推動中國內衣產品細分化，而消費者的品牌意識日趨成熟，促使行業競爭加劇，市場日益頻繁的促銷活動令毛利率受壓。本集團一直善用在行業建立的品牌聲譽和優勢，務實地應對市場環境轉變，推動業務持續發展。





# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

For the year ended 31 December 2017 (the “Current Year”), the Group’s revenue increased by 5.57% over that of the year ended 31 December 2016 (the “Prior Year”) to HK\$2,339,524,000. Gross profit margin slightly decreased by 0.69 percentage points to 78.03%. Profit attributable to owners of the Company was HK\$495,299,000, net profit margin was 21.17%. Earnings per share was HK118.21 cents (2016: HK23.62 cents). Excluding the gain on the Relocation Arrangement and the respective income tax expense, earnings per share was HK37.66 cents (2016: HK23.62 cents).

The Board of Directors of the Company resolved to declare a final dividend of HK8.00 cents per share (2016: HK4.30 cents) for the Current Year which, together with the interim dividend of HK2.50 cents per share (2016: HK2.50 cents) distributed, will bring the total dividend for the Current Year to HK10.50 cents per share.

### Brand management

In 2017, the Group continued to make good use of its multi-brand strategy and allocated internal resources flexibly. In response to the enormous mid to high-end consumption market, the Group actively adjusted its strategies to constantly reinforce the brand images of **EMBRY FORM** and **FANDECIE** and focused on cultivating **IVU**, **E-BRA** and **COMFIT** as growth drivers of the Group. Through continuously consolidating the market position and increasing market share, coupled with positioning the brand **E-BRA** as the brand for online shopping and the brand **IADORE** as the offline wholesale brand, the Group were committed to implementing an omni-channel coverage.

The Group promoted and advertised its brands and products actively to enhance brand equity. During the Current Year, the Group participated in a series of activities in 2017 China (Shenzhen) International Brand Underwear Fair, Changsha Fashion Week and China International Knitting Trade Fair (Autumn/Winter) to showcase different styles of its brands and demonstrate its design capabilities, which laid a solid foundation for the long-term brand influence.

截至二零一七年十二月三十一日止年度(「本年度」)，本集團收益較二零一六年十二月三十一日止年度(「上年度」)增加5.57%至2,339,524,000港元，毛利率微跌0.69個百分點至78.03%。本公司擁有人應佔溢利為495,299,000港元，純利率為21.17%。每股盈利為118.21港仙(二零一六年：23.62港仙)。撇除搬遷安排而產生之收益及相關所得稅開支，每股盈利為37.66港仙(二零一六年：23.62港仙)。

本公司董事會議決就本年度派付末期股息每股8.00港仙(二零一六年：4.30港仙)。連同已派發中期股息每股2.50港仙(二零一六年：2.50港仙)，全年派息為每股10.50港仙。

### 品牌管理

二零一七年，本集團繼續善用多品牌策略的優勢，靈活地調配內部資源。針對廣大的中高端消費市場，本集團積極調整策略，一方面繼續強化**安莉芳**及**芬狄詩**的品牌形象，同時重點培養**IVU**、**E-BRA**及**Comfit**作為集團的增長動力。透過不斷鞏固市場地位，提升市場佔有率，同時以**E-BRA**品牌作為網絡品牌，**安朵**品牌作為線下批發品牌，致力實行全管道的覆蓋。

本集團積極推廣及宣傳其品牌和產品，藉以提升品牌價值。於本年度，本集團通過參與2017中國(深圳)國際品牌內衣展、長沙時裝週及中國國際針織(秋冬)博覽會的一系列活動，展示本集團旗下多品牌的不同風格，體現本集團的設計實力，為品牌的長遠影響力奠下堅實基礎。

In 2017, the Group concentrated more on brand marketing and promotion through a combination of online platform and offline public relations activities, and stepped up its investments in online platform. In particular, at the opening act of Shenzhen Underwear Fair, the Group additionally adopted the promotion method of live broadcast, as well as invited Internet celebrities to conduct live online broadcast of boutique exhibition booths and distribute e-coupons to promote sales in online shops of the Group. During the Changsha Fashion Week, the Group conducted a live online broadcast of **EMBRY FORM** Lingerie Show and received positive responses on the Internet. In addition, **EMBRY FORM** placed its products in a popular drama for the first time. With a break-in advertisement featuring the characters in the drama, the elegance and sexiness of **EMBRY FORM** products were brought to consumers in a unique and innovative way.

The Group continued to promote its products through spreading its brand culture on the Internet during the Current Year and strengthened consumer awareness of its brands to establish a solid foundation for its online shopping business. In light of the increasingly mature e-commerce platforms and changes in consumers' shopping habits, the Group will launch suitable products to meet customers' needs and grasp the market development opportunities.

本集團於二零一七年更加注重線上平台和線下公關活動相結合的方式進行品牌的推廣和宣傳，並加大於線上平台方面的投入。其中，本集團於深圳內衣展的開場秀，增加了現場直播的宣傳方式，同時邀請網路紅人前往精品展區展位進行直播，並於線上發放購物優惠券，推動網店銷售。在長沙時裝周，本集團為**安莉芳**內衣秀活動進行直播，成功在網絡上獲得正面迴響。此外，**安莉芳**首次將產品植入於熱播劇中，並由劇中人物拍攝一段插播廣告片，成功將**安莉芳**產品的優雅性感理念通過獨特創新的形式展現在消費者面前。

本集團於本年度繼續透過網絡傳播品牌文化推廣本集團的產品，加強消費者對旗下品牌的認知度，為網購業務建立穩固的基礎。隨著電商平台發展日漸成熟和顧客購物習慣的改變，集團將針對客戶的需求，推出合適的產品，把握市場的發展機遇。





# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Sales network

In order to enhance its operating efficiency, the Group continued to implement its network optimisation strategy during the Current Year. The Group appropriately adjusted its retail outlets by closing or relocating stores with lower efficiency so as to enhance the overall efficiency of its sales network. As at 31 December 2017, the Group had 1,925 retail outlets in total, including 1,705 concessionary counters and 220 stores. During the Current Year, there was a net decrease of 142 retail outlets of the Group. Meanwhile, the Group's products were also available for sale through different online platforms so as to reach out to more potential customers on the Internet.

### Product design, research and development

Under severe market competition in the underwear industry, the Group has been deeply aware of the importance of upholding high-quality standards and hence continued to devote resources to the design, research and development of new products. The Group launched products with outstanding quality for various markets through innovation and improvement in patented designs to meet varying consumer needs.

During the Current Year, the Group launched a variety of well-received new collections, including: **EMBRY FORM's** "Elegant Series" (「清雅系列」) and "Enjoyable Moments Series" (「輕享時光系列」); **FANDECIE's** "Dazzling Series" (「流光炫色系列」) and "Modern Crossover Series" (「摩登拼紋系列」); **COMFIT's** "Simple and Comfortable Series" (「簡約舒適系列」) and "Blessed Pregnancy Series" (「幸孕系列」); **E-BRA's** "Dreamy Orchids Series" (「夢影幽蘭系列」) and "Light and Fresh Series" (「輕新主張系列」); **IADORE's** "Floral Fresh Series" (「花意清舒系列」) and "Secret Whispers Series" (「秘密私語系列」); **LIZA CHENG's** "Starry Embroidery Series" (「星彩刺繡系列」) and "Aromatic Love Series" (「香戀系列」); **IVU's** "Fashionable Panties Series" (「時尚內褲系列」) and "Colour Sensation Series" (「色覺系列」).

In 2017, the Group obtained 7 new patents, including 3 utility model patents, 3 invention patents and 1 appearance design patent. As at 31 December 2017, the Group had 11 invention patents, 37 utility model patents and 3 appearance design patents.

### 銷售網絡

為提升營運效益，本集團於本年度繼續推行網絡優化策略，透過關閉或重置效益偏低的門店，適當地調整零售點的分布，以提升銷售網絡的整體效益。於二零一七年十二月三十一日，本集團經營合共1,925個零售點，其中銷售專櫃及專門店數目分別為1,705個及220個。於本年度，本集團零售點數目淨減少142個。集團的產品亦於不同網上平台銷售，以接觸更多網上潛在顧客。

### 產品設計及研發

在激烈的內衣市場競爭下，本集團深明堅持優秀品質的重要性，因此持續投放資源於新產品設計及研發。透過推陳出新以及改良專利設計，本集團針對不同市場推出品質卓越的產品，以滿足不同層面顧客的消費需求。

於本年度，本集團推出多款受顧客歡迎的新產品系列，其中包括：**安莉芳**的「清雅系列」及「輕享時光系列」；**芬狄詩**的「流光炫色系列」及「摩登拼紋系列」；**COMFIT**的「簡約舒適系列」及「幸孕系列」；**E-BRA**的「夢影幽蘭系列」及「輕新主張系列」；**安朵**的「花意清舒系列」及「秘密私語系列」；**LIZA CHENG**的「星彩刺繡系列」及「香戀系列」；**IVU**的「時尚內褲系列」及「色覺系列」等。

二零一七年，本集團獲得新專利7項，其中實用新型專利3項，發明專利3項，外觀設計專利1項。於二零一七年十二月三十一日，本集團共擁有11項發明專利、37項實用新型專利及3項外觀設計專利。

## Production capacity

Over the years, most of the products were manufactured by the Group. Through the flexible deployment of manpower and machine capacity, the Group quickly responded to market demand and rapid changes in consumer preferences. On 23 October 2017, pursuant to the requirements of Shenzhen's urban development plan, the Group entered into a relocation compensation agreement with the developer to implement redevelopment plan. The Group has entered into a lease contract for a property in Luohu District in Shenzhen and completed relocation within the year, with no significant impact on operation.

The Group's intelligent warehouse at the production base in Jinan, Shandong province was at its trial run stage in 2017 and it progressed as scheduled.

In addition, in order to meet the future expansion needs of the Group, on 27 December 2017, the Group engaged a contractor to construct the second phase of plant premises and ancillary facilities at the production base in Changzhou, Jiangsu province. It is expected to be completed in September 2018.

## Awards

During the Current Year, various brands of the Group, namely **EMBRY FORM**, **FANDECIE**, **COMFIT** and **E-BRA** were awarded "Annual Charity Award of China's Underwear Industry", "Annual Industry Responsibility Award of China's Underwear Industry", "Annual Industry Style Award of China's Underwear Industry", "Annual Innovation Award of China's Underwear Industry" and "Annual Brand Equity Award of China's Underwear Industry" respectively in China (Shenzhen) International Brand Underwear Fair.

During the Current Year, the Group was granted the awards of "National Excellent Enterprise with Foreign Investment — Excellent Tax Payment and Turnover", "National Excellent Enterprise with Foreign Investment — Quality Enhancement" and "National Excellent Enterprise with Foreign Investment — Harmonious Labour Relations Promotion" again by China Association of Enterprises with Foreign Investment and Shenzhen Association of Enterprises with Foreign Investment. **EMBRY FORM** was accredited by the Hong Kong Brand Development Council and the Chinese Manufacturers' Association of Hong Kong as the "Hong Kong Top Brand" for eleven consecutive years.

## 生產能力

本集團多年來自行生產大部分產品，透過靈活調配車間人手及機器產能，迅速回應市場需求及消費者品味的急促變化。於二零一七年十月二十三日，根據深圳市之城鎮發展規劃規定，本集團與發展商訂立搬遷補償協議，以實施重建計劃。本集團已就一深圳羅湖區之物業訂立租賃合同，並於年內完成搬遷，對營運無重大影響。

本集團位於山東省濟南市生產基地的智能立體倉庫於二零一七年處於調試階段，進度與預期相若。

此外，為配合本集團未來的擴充需要，於二零一七年十二月二十七日，本集團委聘承建商於江蘇省常州市的生產基地上承建第二期廠房物業及附屬設施，預期將於二零一八年九月竣工。

## 獎項

於本年度，本集團旗下品牌**安莉芳**、**芬狄詩**、**COMFIT**以及**E-BRA**於中國(深圳)國際品牌內衣展覽會上分別榮獲「中國內衣行業年度公益獎」、「中國內衣行業年度行業責任獎」、「中國內衣行業年度行業風尚獎」、「中國內衣行業年度創新獎」及「中國內衣行業年度品牌價值獎」。

年內，本集團再一次獲中國外商投資企業協會及深圳外商投資企業協會頒授「全國優秀外商投資企業 — 雙優企業」、「全國優秀外商投資企業 — 質量進步」和「全國優秀外商投資企業 — 和諧勞動關係促進」各獎項。同時，**安莉芳**品牌連續十一年獲香港品牌發展局及香港中華廠商聯合會評選為「香港名牌」。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Human resources

Implementation of the minimum wage policy and tight labour supply in China have resulted in continuous wage increase. The Group endeavoured to boost staff loyalty through measures such as organising training courses and improving employee benefits to enhance solidarity, thereby improving its overall operational efficiency. The number of employees of the Group decreased to approximately 7,862 (2016: approximately 8,780). Total staff costs (including wages and basic salaries, commissions, bonuses, contributions to the retirement benefits scheme and excluding directors' and chief executive's remunerations) for the Current Year was HK\$712,289,000 (2016: HK\$681,920,000).

### Financial Review

#### Revenue

##### By sales channel and region

Revenue for the Current Year was HK\$2,339,524,000, representing a 5.57% increase over the Prior Year.

During the Current Year, revenue from the retail sales was HK\$1,993,924,000, accounting for 85.23% of the Group's total revenue and representing an increase of 7.18% over the Prior Year. Revenue from the Internet and wholesale business decreased by 3.29% from HK\$350,649,000 to HK\$339,098,000, accounting for 14.49% of the total revenue.

The Mainland China market is the main source of income for the Group. During the Current Year, revenue from the Mainland China market was HK\$2,258,439,000, accounting for 96.53% of the total revenue of the Group.

##### By brand and product line

The Group currently operates seven brands, namely **EMBRY FORM**, **FANDECIE**, **COMFIT**, **E-BRA**, **IADORE**, **IVU** and **LIZA CHENG**, serving customers with different needs and varying degrees of purchasing power.

### 人力資源

中國最低工資的實行以及勞工供應緊張，導致工資上漲壓力持續。集團透過員工培訓、改善員工福利，提升員工的歸屬感，團結工作團隊，從而提升整體營運效益。集團僱員數目減至約7,862名(二零一六年：約8,780名)。本年度的員工成本總額(包括工資及基本薪金、佣金、獎金、退休福利計劃供款及不包括董事及行政總裁薪酬)達到712,289,000港元(二零一六年：681,920,000港元)。

### 財務狀況回顧

#### 收益

##### 按銷售渠道及地區劃分

本年度營業額為2,339,524,000港元，較上年度上升5.57%。

本年度來自零售的營業額為1,993,924,000港元，佔本集團總收益85.23%，較上年度增加7.18%。網上及批發業務的營業額由350,649,000港元下降3.29%至339,098,000港元，佔總收益14.49%。

中國大陸市場是本集團主要收入來源。本年度來自中國大陸市場的營業額為2,258,439,000港元，佔本集團總收益96.53%。

##### 按品牌及產品線劃分

目前，集團經營七個品牌—安莉芳、芬狄詩、COMFIT、E-BRA、安朵、IVU及LIZA CHENG，各針對不同需要及消費力的顧客。

**EMBRY FORM**, the signature brand, is the main source of income for the Group and its revenue amounted to HK\$1,082,048,000, with its contribution to the total revenue increasing to 46.25%, mainly due to the higher discount for **EMBRY FORM** products during the Current Year, attracting more consumers to buy this mid- to high-end signature brand. **FANDECIE**'s revenue increased by 3.65% from the Prior Year to HK\$615,487,000, accounting for 26.31% of the total revenue for the Current Year. **COMFIT**'s revenue increased by 6.49% from the Prior Year to HK\$205,825,000, accounting for 8.80% of the total revenue for the Current Year. **E-BRA**'s revenue increased by 8.81% from the Prior Year to HK\$249,664,000, accounting for 10.67% of the total revenue for the Current Year. **LIZA CHENG**'s revenue for the Current Year increased by 7.49% to HK\$41,861,000. **IADORE**'s revenue increased by 9.85% from the Prior Year to HK\$62,196,000, accounting for 2.66% of the total revenue for the Current Year. **IVU**'s revenue increased by 10.10% from the Prior Year to HK\$75,941,000, accounting for 3.25% of the total revenue for the Current Year. The brands' respective proportion in revenue mainly reflected the Group's alignment of its business focus to market development.

Lingerie has always been the Group's core product. During the Current Year, sales of lingerie increased by 5.54% over the Prior Year to HK\$2,050,945,000, representing 87.67% of the revenue of the Group. Sales of sleepwear increased by 6.53% to HK\$137,740,000, accounting for 5.89% of the total revenue of the Group, while sales of swimwear decreased by 6.34% to HK\$119,679,000, accounting for 5.12% of the total revenue of the Group.

### Gross Profit

During the Current Year, the Group recorded a gross profit of approximately HK\$1,825,492,000, representing an increase of 4.64% over the Prior Year. Gross profit margin was 78.03%, representing a slight decrease of 0.69 percentage points from the Prior Year. The decrease in gross profit margin was mainly due to the Group's enhanced effort in promotional activities in response to increasing market competition.

旗艦品牌**安莉芳**是本集團最主要收入來源，營業額1,082,048,000港元，佔整體收入佔比增加至46.25%，主要由於本年度**安莉芳**產品折扣率較高，吸引更多消費者購買此中高檔旗艦品牌。**芬狄詩**營業額為615,487,000港元，較上年度上升3.65%，佔本年度總收入26.31%。**COMFIT**營業額較上年度上升6.49%至205,825,000港元，佔本年度總收入8.80%。至於**E-BRA**營業額較上年度上升8.81%至249,664,000港元，佔本年度總收入10.67%。**LIZA CHENG**，於本年度營業額增加7.49%至41,861,000港元。**安朵**營業額較上年度上升9.85%至62,196,000港元，佔本年度總收入2.66%。**IVU**營業額較上年度上升10.10%至75,941,000港元，佔本年度總收入3.25%。各品牌收益佔比，主要反映本集團因應市場發展而調節各品牌發展重點的結果。

女性內衣一直是本集團的核心產品線。於本年度，內衣銷售為2,050,945,000港元，佔本集團收益87.67%，較上年度上升5.54%。睡衣銷售上升6.53%，營業額為137,740,000港元，佔本集團收益5.89%。泳衣銷售則下跌6.34%至119,679,000港元，佔本集團收益5.12%。

### 毛利

於本年度，本集團錄得毛利約1,825,492,000港元，較上年度上升4.64%。整體毛利率則為78.03%，較上年度輕微下跌0.69個百分點。毛利率下跌主要由於市場競爭加劇導致促銷活動增加。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Gain on the Relocation Arrangement

During the Current Year, the Group has entered into a relocation compensation agreement and supplemental agreement with a developer (the "Relocation Agreements"). Recognition of the gain on the Relocation Arrangement pursuant to the Relocation Agreements is HK\$449,980,000 in accordance with the applicable accounting standards adopted by the Group.

Details of the above are set out in note 19 to the financial statements.

### Other income and gains

Other income rose 69.44% to HK\$89,403,000 for the Current Year, which included the foreign exchange gain of approximately HK\$22,583,000 due to the appreciation of Renminbi.

### Operating expenses

During the Current Year, selling and distribution expenses increased by 3.09% to HK\$1,420,233,000 (2016: HK\$1,377,636,000), accounting for 60.71% (2016: 62.17%) of the Group's revenue.

The decrease in the proportion of selling and distribution expenses in overall sales mainly reflected the Group's endeavour to control costs under the current business environment. The high level of rents of the retail outlets and the increase in staff costs continued to exert pressure on operating costs. In 2017, to mitigate rising cost pressure, the Group closed retail outlets with lower profitability so as to enhance its efficiency. During the Current Year, contingent rents of the retail outlets decreased by 0.69% to HK\$541,284,000, accounting for 23.14% (2016: 24.60%) of the Group's revenue.

Administrative expenses increased by 2.18% over the Prior Year to HK\$251,056,000, accounting for 10.73% of the Group's revenue.

### Net profit

Profit attributable to owners of the Company was HK\$495,299,000 for the Current Year, representing an increase of 403.34% over the Prior Year. Net profit margin increased from 4.44% for the Prior Year to 21.17%. The increase in net profit was due to the gain on the Relocation Arrangement pursuant to the Relocation Agreements. Excluding the gain on the Relocation Arrangement and the respective income tax expense, profit attributable to owners of the Company was HK\$157,814,000, representing an increase of 60.38%, which was mainly attributable to the Group's endeavour to control costs and its effective multi-brand strategy. Net profit margin increased from 4.44% for the Prior Year to 6.75%.

### 搬遷安排收益

於本年度，本集團與發展商訂立搬遷補償協議及其補充協議（「搬遷協議」）。根據本集團所採納之適用會計準則確認按搬遷協議的搬遷安排而產生之收益為449,980,000港元。

以上詳情載於財務報表附註19。

### 其他收入及收益

本年度其他收入上升69.44%至89,403,000港元，其中包括來自人民幣升值而錄得的匯兌收益約22,583,000港元。

### 經營開支

於本年度，銷售及分銷開支增加3.09%至1,420,233,000港元（二零一六年：1,377,636,000港元），佔本集團收益60.71%（二零一六年：62.17%）。

銷售及分銷開支佔整體銷售的比率下跌，主要反映集團在現時的經營環境下，致力控制成本。不過，零售點的租金維持高企，以及員工成本持續上漲，亦對經營成本造成壓力。為舒緩成本上升的壓力，本集團在二零一七年關閉利潤偏低的零售點，以提升效益。於本年度，零售點的或然租金開支下跌0.69%至541,284,000港元，佔本集團收益23.14%（二零一六年：24.60%）。

行政開支為251,056,000港元，較上年度上升2.18%，佔本集團收益10.73%。

### 純利

於本年度，本公司擁有人應佔溢利495,299,000港元，較上年度上升403.34%。純利率由上年度的4.44%上升至21.17%。純利上升主要由於按搬遷協議的搬遷安排而產生之收益。撇除搬遷安排而產生之收益及相關所得稅開支，本公司擁有人應佔溢利達157,814,000港元，同比增加60.38%，主要由於集團致力控制成本及其多品牌策略行之有效。純利率由上年度的4.44%上升至6.75%。

### Liquidity and financial resources

The Group finances its operations mainly with internally generated cash flows. Financial position of the Group remained sound and healthy during the Current Year. As at 31 December 2017, the Group's cash and cash equivalents amounted to approximately HK\$234,711,000 (2016: HK\$190,187,000). As at 31 December 2017, the Group's interest-bearing bank borrowings amounted to HK\$326,056,000 (2016: HK\$354,833,000). As at 31 December 2017, the equity interest attributable to owners of the Company amounted to HK\$2,367,110,000 (2016: HK\$1,719,487,000). Accordingly, the gearing ratio of the Group was approximately 13.77% (2016: 20.64%).

### Capital expenditure

During the Current Year, the capital expenditure of the Group amounted to HK\$100,234,000 (2016: HK\$210,720,000), which was mainly used for the intelligent warehouse and the automated supply chain logistics facility of the Group. As at 31 December 2017, the capital commitments of the Group amounted to HK\$262,425,000 (2016: HK\$122,738,000), which were contracted but not provided for in the financial statements.

### Charge on the Group's assets

As at 31 December 2017, the Group did not pledge any assets.

### Capital structure

As at 31 December 2017, the total issued share capital of the Company was HK\$4,224,000 (2016: HK\$4,166,000), comprising 422,417,000 (2016: 416,661,000) ordinary shares of HK\$0.01 each. The increase in the number of issued shares resulted from the 2016 Scrip Dividend Scheme and the 2017 Interim Scrip Dividend Scheme.

Details of the above are set out in note 29 to the financial statements.

### Significant investment held, material acquisitions and disposals of subsidiaries and associated companies

During the Current Year, the Group was neither involved in any significant investment, nor any material acquisitions or disposals of any subsidiaries or associated companies.

### Foreign currency exposure

The Group carries out its transactions mainly in Hong Kong dollars and Renminbi. The Group does not use derivative financial instruments to protect against the volatility associated with foreign currency transactions and other financial assets and liabilities created in the ordinary course of the business.

### 流動資金及財務資源

本集團主要以內部產生之現金流作為其營運資金，於本年度維持良好及穩健的財務狀況。於二零一七年十二月三十一日，本集團的現金及現金等價物約為234,711,000港元(二零一六年：190,187,000港元)。截至二零一七年十二月三十一日止，本集團計息銀行借款為326,056,000港元(二零一六年：354,833,000港元)。於二零一七年十二月三十一日之本公司擁有人應佔權益為2,367,110,000港元(二零一六年：1,719,487,000港元)。故此，本集團的負債比率約為13.77%(二零一六年：20.64%)。

### 資本開支

本年度，本集團的資本開支為100,234,000港元(二零一六年：210,720,000港元)，主要用於本集團智能立體倉庫及自動化供應鏈物流項目。於二零一七年十二月三十一日，本集團的資本開支承擔為262,425,000港元(二零一六年：122,738,000港元)，有關金額在財務報表中列為已訂約但未撥備。

### 本集團的資產抵押

於二零一七年十二月三十一日，本集團並無任何資產抵押。

### 資本結構

於二零一七年十二月三十一日，本公司的已發行股本總額為4,224,000港元(二零一六年：4,166,000港元)，包括422,417,000股(二零一六年：416,661,000股)每股面值0.01港元的普通股。二零一六年以股代息計劃及二零一七年年中期以股代息計劃增加已發行股份。

以上詳情載於財務報表附註29。

### 所持重大投資、重大收購及出售附屬公司及關聯公司

本年度，本集團並無持有任何重大投資，亦概無重大收購或出售附屬公司及關聯公司。

### 外匯風險

本集團主要以港元及人民幣進行買賣交易。本集團並無採用衍生金融工具以保障本集團免受外匯交易及日常業務過程中產生的其他金融資產及負債出現波動所造成的影響。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Contingent liabilities

As at 31 December 2017, bank guarantees given in lieu of the Group's property rental deposits and utility deposits amounted to HK\$243,000 (2016: HK\$1,788,000). Save as disclosed above, the Group had no other significant contingent liabilities, nor any litigation or arbitration of material importance.

### Prospect

Looking ahead to 2018, despite the ongoing global political and economic uncertainty, the domestic economy is expected to maintain steady growth, supporting consumer confidence in the long-term. China continues to undergo economic restructuring and is committed to shifting from a capital-intensive exporting country to a consumption-oriented economy, which will favour the long-term healthy development of the economy and retail markets. However, rising trade protectionism and escalating geopolitical tensions could derail the nascent recovery in global economic growth, the retail industry should remain vigilant and be prepared for external economic uncertainties.

As a major brand operator in the lingerie industry in China, the Group closely monitors the market dynamics and adopts prudent and flexible development strategies to actively grasp the development opportunities and address the upcoming challenges in the market. With the development and improvement of Internet network and logistics infrastructure, the e-commerce market has been growing rapidly. In order to cater for market development and consumer demand, the Group will intensify its investment and development in e-commerce and continue to develop exclusive high-quality products.

### 或然負債

於二零一七年十二月三十一日，為代替本集團物業租賃按金及公共設施按金所提供的銀行擔保為243,000港元(二零一六年：1,788,000港元)。除上述披露外，本集團並無其他重大或然負債或任何重大訴訟或仲裁。

### 前景

展望二零一八年，儘管環球政治及經濟的不確定性持續，預期國內經濟將保持平穩增長，長遠有助支持消費者信心。中國持續進行經濟轉型，致力從資本密集型出口國轉為消費型經濟體，亦有利經濟及零售市場的長遠健康發展。然而，日益升溫的貿易保護主義及地緣政治風險或會打亂仍處於萌芽階段的全球經濟復甦，故零售行業須保持警覺，時刻為外圍經濟變數作好準備。

作為中國女性內衣行業的主要品牌經營者，本集團會時刻密切關注市場動態，採取謹慎而靈活的發展策略，積極把握市場的發展機遇及應對挑戰。隨著網絡及物流基礎設施的發展和完善，電商消費市場增長迅速。為迎合市場發展及客戶消費需求，本集團將加強電商的投入和開發，持續開發專屬高品質產品。



With the increase in domestic per capita income and consumption upgrade in recent years, consumers are increasingly pursuing the exquisite shopping experience. In order to meet the market demand for quality services and products, the Group will continue to carry out multi-brand strategy and launch diverse products for the consumers at different consumption levels in 2018 to enhance the Group's influence in the industry. Meanwhile, the Group will continue to optimise its sales network structure and close underperforming stores, thereby raising overall operating efficiency.

Moreover, the second phase of the automated supply chain logistics equipment is now being installed in the intelligent warehouse at the Group's production base in Jinan, Shandong province, which is expected to enhance efficiency of the supply chain, optimise productivity and operating performance, and increase the overall competitiveness of the Group. In response to the future needs of business development of the Group, the Group has started the construction of the second phase of plant premises and ancillary facilities at the production base in Changzhou, Jiangsu province.

With solid business foundation established over the years, multi-brand strategy, innovative product portfolio and uncompromising product quality, the Group is confident of capitalising on its own strengths in the ever-changing market. The Group will prudently implement and constantly review its business strategies to foster long-term, steady business growth and generate satisfactory returns to its shareholders.

在近年國內人均收入上升及消費升級的帶動下，消費者對購物體驗的追求愈趨極緻，為滿足市場對優質服務及產品的需求，本集團在二零一八年繼續執行多品牌策略，針對各個消費水平的消費者推出細分化產品，提升集團的行業影響力。同時，集團將繼續優化銷售網點結構，關閉低效益門店，從而提升整體營運效益。

此外，本集團位於山東濟南生產基地的智能立體倉庫現正在安裝第二期自動化供應鏈物流設備，可望提高供應鏈的效率、優化生產力及營運績效，並提升本集團的整體競爭力。為配合集團的未來業務發展需要，集團已在江蘇省常州市的生產基地，建設第二期廠房物業及附屬設施。

憑藉多年來建立的穩固業務基礎、多品牌的經營策略、不斷推陳出新的產品組合、以及毫不妥協的品質，本集團有信心在不斷變化的市場上繼續發揮自身的優勢。本集團將謹慎執行及不時檢討經營方針，務求推動業務的長遠穩定發展，為股東帶來理想的回報。



# AWARDS 獎項



- According to the national retail consumption survey results released by China General Chamber of Commerce and the China National Commercial Information Centre in 2017, **EMBRY FORM** ranked as the **top three enterprises in 2016 in terms of composite market share in similar products in the industry in China**, and **ranked first in terms of composite market share with respect to group sales**
- **Embry (China) Garments Ltd.** was awarded a certificate of **National Exemplary Enterprise of Integrity in Product Quality** by the China Association for Quality Inspection
- **Embry (China) Garments Ltd.** was granted the awards of **National Excellent Enterprise with Foreign Investment – Excellent Tax Payment and Turnover (2016)**, **Quality Enhancement (2016–2017)** and **Harmonious Labour Relations Promotion (2016–2017)** by the China Association of Enterprises with Foreign Investment and Shenzhen Association of Enterprises with Foreign Investment
- **Embry (Shanghai) Company Limited** was accredited as the **Top 100 Garment Enterprises in China (2016)** by the China National Garment Association
- **Embry (Shandong) Garments Limited** received the **Star Union Award** from the General Trade Union of Zhangqiu District and named by the Zhangqiu Federation of Trade Unions as an **Advanced Unit of Financial Work (Audit of Expenses) (2016)**
- **EMBRY FORM** was accredited as **Guangdong Top Brand** by the Guangdong Top Brand Promotion Committee
- **EMBRY FORM** received award for **Top 50 Quality Branded Chains (2017)** from the Organising Committee of the Conference on the Development of Branded Chains in China





- 根據中國商業聯合會及中華全國商業信息中心於2017年發佈之全國大型零售企業商品銷售調查統計結果，安莉芳品牌榮列**2016年度同類產品市場綜合佔有率前三位**，以及**集團銷售綜合佔有率第一位**
- 安莉芳(中國)服裝有限公司榮獲中國質量檢驗協會頒授**全國質量誠信標杆典型企業證書**
- 安莉芳(中國)服裝有限公司榮獲中國外商投資企業協會及深圳外商投資企業協會頒授**全國優秀外商投資企業一雙優企業獎(2016)**、**質量進步獎(2016-2017)**及**和諧勞動關係促進獎(2016-2017)**
- 安莉芳(上海)有限公司榮獲中國服裝協會頒授**2016年全國服裝行業百強企業稱號**
- 安莉芳(山東)服裝有限公司分別榮獲章丘區總工會及章丘市總工會頒發**明星工會**及**2016年度財務(經審)工作先進單位獎牌**
- 安莉芳品牌榮獲廣東省名牌產品推進委員會評定為**廣東省名牌產品**
- 安莉芳品牌榮獲中國品牌連鎖發展大會組委會頒發**2017中國連鎖品牌質量50強獎**

## AWARDS 獎項



- **EMBRY FORM** received the **Annual Charity Award** and **Annual Industry Responsibility Award of China's Underwear Industry (2016-2017)** at the 2017 China (Shenzhen) International Brand Underwear Fair
- **FANDECIE, COMFIT** and **E-BRA** were granted the **Annual Industry Style Award, Annual Innovation Award** and **Annual Brand Equity Award of China's Underwear Industry (2016-2017)** respectively at the 2017 China (Shenzhen) International Brand Underwear Fair
- **LIZA CHENG** was awarded a certificate of **National Quality Standard for Brassiere Products (2017)** by the China Knitting Industrial Association
- **EMBRY FORM** received the **Hong Kong Top Brand (2007-2017)** award from the Hong Kong Brand Development Council and The Chinese Manufacturers' Association of Hong Kong
- **EMBRY FORM** was awarded the **Quality Tourism Services Scheme Certification Mark** by the Hong Kong Tourism Board
- **Embry (China) Garments Ltd.** received the **Chinese Women and Children Charity Award** from the All-China Women's Federation
- **Embry (H.K.) Limited** was accredited by The Mandatory Provident Fund Schemes Authority as a **Good MPF Employer**





- 安莉芳品牌於2017中國(深圳)國際品牌內衣展榮獲SIUF2016-2017中國內衣行業年度公益獎及行業責任獎
- 芬狄詩品牌、COMFIT 品牌及E-BRA 品牌於2017中國(深圳)國際品牌內衣展分別榮獲SIUF 2016-2017中國內衣行業年度行業風尚獎、創新獎及品牌價值獎
- LIZA CHENG 品牌榮獲中國針織工業協會頒授2017年度全國文胸質量標杆證書
- 安莉芳品牌榮獲香港品牌發展局及香港中華廠商聯合會評定為香港名牌(2007-2017)
- 安莉芳品牌榮獲香港旅遊發展局核准使用優質旅遊服務計劃之證明商標
- 安莉芳(中國)服裝有限公司榮獲中華全國婦女聯合會頒發中國婦女兒童慈善獎
- 安莉芳(香港)有限公司榮獲強制性公積金計劃管理局嘉許為積金好僱主



# DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理層

### Executive Directors

**Madam Ngok Ming Chu**, aged 81, is the Chairman of the Group and an Executive Director of the Company. She is also a director of certain subsidiaries of the Company. Madam Ngok is in charge of the Group's corporate strategy and business planning. She joined the Group in 1980 and has over 37 years of experience in the lingerie industry. Madam Ngok graduated from and is currently an Honorary Professor of Beijing Agricultural Engineering University (now known as China Agricultural University). She is also a shareholder and director of Harmonious World Limited (a substantial shareholder of the Company), the spouse of Mr. Cheng Man Tai (a substantial shareholder of the Company), the mother of Ms. Cheng Pik Ho Liza (an Executive Director of the Company) and the step-mother of Mr. Cheng Chuen Chuen (an Executive Director of the Company).

**Ms. Cheng Pik Ho Liza**, aged 55, is the Chief Executive Officer of the Group, an Executive Director and a member of both the Remuneration Committee and Nomination Committee of the Company. She is also a director of certain subsidiaries of the Company. Ms. Cheng is responsible for the day-to-day management of the businesses of the Group. Ms. Cheng joined the Group in 1993 and has over 25 years of experience in the lingerie industry. She obtained a Bachelor's degree in Business Administration from the University of Southern California and a Master of Business Administration (Executive) degree from the City University of Hong Kong. Ms. Cheng was awarded the prize for Young Industrialist in Hong Kong in 1999 and was appointed as Vice Chairman of Shanghai Garment Trade Association in 2008. She obtained the World Outstanding Chinese Award and Honorary Doctorate of Business Administration from International American University in March 2009, and was awarded Fellowship and admitted as Visiting Professor by Canadian Chartered Institute of Business Administration and Lincoln University respectively in September 2009. Furthermore, Ms. Cheng was elected as the first President of Shenzhen Underwear Association in August 2012. She is currently a member of the Yangpu Committee of the Chinese People's Political Consultative Conference in Shanghai, a member of the China National Textile and Apparel Council, a Vice Chairman of China Knitting Industrial Association, a specially invited Vice President of the China Association for Quality Inspection and a Vice Chairman of the Hong Kong General Chamber of Textiles. Ms. Cheng is also a director of Harmonious World Limited (a substantial shareholder of the Company), the daughter of Mr. Cheng Man Tai (a substantial shareholder of the Company) and Madam Ngok Ming Chu (the Chairman of the Group), and the sister of Mr. Cheng Chuen Chuen (an Executive Director of the Company).

### 執行董事

**岳明珠女士**，81歲，為本集團之主席及本公司之執行董事。彼亦是本公司若干附屬公司的董事。岳女士負責本集團的企業策略及業務策劃。彼於一九八零年加盟本集團，並於女性內衣業擁有逾37年經驗。岳女士畢業於北京農業工程大學(現稱中國農業大學)，目前為該校的名譽教授。彼亦為本公司主要股東Harmonious World Limited之股東及董事，本公司主要股東鄭敏泰先生的配偶，本公司執行董事鄭碧浩女士的母親，以及本公司執行董事鄭傳全先生的繼母。

**鄭碧浩女士**，55歲，為本集團行政總裁兼本公司之執行董事，及本公司薪酬委員會與提名委員會之成員。彼亦是本公司若干附屬公司的董事。鄭女士負責管理本集團的日常事務。鄭女士於一九九三年加盟本集團，於女性內衣業擁有逾25年經驗。彼於南加州大學取得工商管理學士學位，並於香港城市大學取得行政人員工商管理碩士學位。鄭女士於一九九九年獲頒發香港青年工業家獎，並於二零零八年獲任上海服裝行業協會副會長。彼於二零零九年三月獲得世界傑出華人獎及獲美國加州國際大學頒發工商管理榮譽博士學位，並於二零零九年九月分別榮獲加拿大特許管理學院及林肯大學頒授院士及客座教授資格。此外，鄭女士於二零一二年八月當選深圳市內衣行業協會首屆會長。彼現任上海市楊浦區政協委員會委員，中國紡織工業聯合會理事，中國針織工業協會副會長，中國質量檢驗協會特邀副會長及香港紡織商會副會長。鄭女士亦是本公司主要股東Harmonious World Limited之董事，本公司主要股東鄭敏泰先生，本集團主席岳明珠女士的女兒，以及本公司執行董事鄭傳全先生的妹妹。

**Mr. Cheng Chuen Chuen**, aged 68, is an Executive Director of the Company and currently the Assistant General Manager (Research and Development) of Embry (China) Garments Ltd. He first joined the Group in May 2005 and has rejoined the Group since April 2017. He is also a director of Duosiwei Metal and Plastic Products (Shenzhen) Co., Ltd. and Changzhou Duosiwei Furniture Decoration Construction Co., Ltd. He is in charge of the research and development centre of the Group and is responsible for innovations of technologies, processes and equipment for the production of products. Mr. Cheng has over 21 years of experience in technological research and development in the manufacturing of display furniture, display dummies and also garment processing. Mr. Cheng is the son of Mr. Cheng Man Tai (a substantial shareholder of the Company), the step-son of Madam Ngok Ming Chu (the Chairman of the Group) and an elder brother of Ms. Cheng Pik Ho Liza (an Executive Director of the Company).

**Ms. Lu Qun**, aged 64, is an Executive Director of the Company and currently the Assistant General Manager (Strategic Management) of Embry (China) Garments Ltd. and the General Manager of Embry (Shandong) Garments Limited. She is also a director of certain subsidiaries of the Company. Ms. Lu is responsible for the functions of strategic management and project management in Mainland China. She joined the Group in April 2003 and has over 38 years of experience in management and administration. Ms. Lu obtained a Master's degree in Business Administration from Beihang University (previously known as Beijing University of Aeronautics and Astronautics), the People's Republic of China (the "PRC"), in 2001. She has also obtained an undergraduate diploma in international trade from the University of International Business and Economics, the PRC, in 1992. Ms. Lu completed a senior managers' human resources management training course held by Tsinghua University, the PRC, in 2006. She has obtained the International Project Management Professional Certification since 2002.

**鄭傳全先生**，68歲，為本公司之執行董事，現任本公司全資附屬公司安莉芳(中國)服裝有限公司之研發副總經理。彼於二零零五年五月首次加盟本集團，並自二零一七年四月起重新加入本集團。彼亦為多思維五金塑料製品(深圳)有限公司及常州多思維傢俱裝飾工程有限公司的董事。彼負責領導本集團之研發中心研究及開發有關生產及製造產品的技術、工藝與設備。鄭先生於研究及開發有關生產及製造陳列傢俬、展示用模型及成衣製造技術方面擁有逾21年經驗。鄭先生為本公司之主要股東鄭敏泰先生之兒子，本集團主席岳明珠女士之繼子，以及執行董事鄭碧浩女士之兄長。

**鹿群女士**，64歲，為本公司之執行董事，現任安莉芳(中國)服裝有限公司的戰略副總經理及安莉芳(山東)服裝有限公司之總經理。彼亦是本公司若干附屬公司的董事。鹿女士負責於中國內地的戰略管理及項目管理工作。彼自二零零三年四月加盟本集團，並於管理及行政方面擁有逾38年經驗。鹿女士於二零零一年取得中華人民共和國(「中國」)北京航空航天大學(前稱北京航空學院)工商管理碩士學位。彼亦於一九九二年取得中國對外經濟貿易大學國際貿易專業證書。鹿女士於二零零六年完成由中國清華大學舉辦之人力資源管理高級經理課程培訓。彼自二零零二年起取得國際項目管理專業資質認證。

# DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理層

### Independent Non-Executive Directors

**Mr. Lau Siu Ki, alias, Kevin Lau**, aged 59, is an Independent Non-Executive Director, the Chairman of the Audit Committee and a member of both the Remuneration Committee and Nomination Committee of the Company. Mr. Lau is currently running his own management consultancy firm, Hin Yan Consultants Limited. Mr. Lau has previously worked at an international accounting firm for over 15 years. He graduated from the Hong Kong Polytechnic (now known as the Hong Kong Polytechnic University) in 1981. Mr. Lau is a fellow member of both the Association of Chartered Certified Accountants (“ACCA”) and the Hong Kong Institute of Certified Public Accountants. He was a member of the worldwide Council of ACCA from May 2002 to September 2011. Mr. Lau is currently the company secretary of Yeebo (International Holdings) Limited, Hung Fook Tong Group Holdings Limited and Expert Systems Holdings Limited, and an independent non-executive director of Binhai Investment Company Limited, China Medical & HealthCare Group Limited, Comba Telecom Systems Holdings Limited, FIH Mobile Limited, Samson Holding Ltd. and TCL Multimedia Technology Holdings Limited, the shares of which are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). He had been an independent non-executive director of UKF (Holdings) Limited, the shares of which are listed on the Stock Exchange, until his resignation on 15 March 2016. He had also been an independent non-executive director of TCL Communication Technology Holdings Limited, the shares of which were delisted from the Stock Exchange from 30 September 2016. Mr. Lau also served as an independent supervisor of the sixth session of Beijing Capital International Airport Company Limited from June 2014 to June 2017. Mr. Lau joined the Company in November 2006.

**Mr. Lee Kwan Hung**, aged 52, is an Independent Non-Executive Director, the Chairman of the Remuneration Committee and a member of both the Audit Committee and Nomination Committee of the Company. Mr. Lee is a consultant of Howse Williams Bowers. He received his LL.B (Honours) degree and Postgraduate Certificate in Laws from the University of Hong Kong in 1988 and 1989 respectively. He was then admitted as a solicitor in Hong Kong in 1991 and in England and Wales in 1997. Mr. Lee is currently an independent non-executive director of NetDragon Websoft Holdings Limited, Asia Cassava Resources Holdings Limited, Newton Resources Ltd, Tenfu (Cayman) Holdings Company Limited, China BlueChemical Ltd., Landsea Green Properties Co., Ltd., Red Star Macalline Group Corporation Ltd., China Goldjoy Group Limited, FSE Engineering Holdings Limited and Ten Pao Group Holdings Limited, the shares of these companies are listed on the Stock Exchange. He had been an independent non-executive director of Walker Group Holdings Limited (now known as Vestate Group Holdings Limited) and Futong Technology Development Holdings Limited, the shares of which are listed on the Stock Exchange, until his resignation on 1 April 2016 and 18 November 2017. Mr. Lee joined the Company in November 2006.

### 獨立非執行董事

**劉紹基先生**，59歲，為本公司之獨立非執行董事，審核委員會主席及本公司薪酬委員會與提名委員會之成員。劉先生目前管理由其擁有的管理顧問公司顯仁顧問有限公司。劉先生曾於一家國際會計師行工作逾15年。彼於一九八一年畢業於香港理工學院（現稱香港理工大學）。劉先生為特許公認會計師公會（「ACCA」）及香港會計師公會的資深會員，彼於二零零二年五月至二零一一年九月為ACCA環球理事會的理事。劉先生目前為億都（國際控股）有限公司、鴻福堂集團控股有限公司及思博系統控股有限公司的公司秘書及濱海投資有限公司、中國醫療網絡有限公司、京信通信系統控股有限公司、富智康集團有限公司、順誠控股有限公司及TCL多媒體科技控股有限公司的獨立非執行董事，該等公司的股份於香港聯合交易所有限公司（「聯交所」）上市。彼曾任英裘（控股）有限公司（該公司的股份於聯交所上市）的獨立非執行董事，直至其於二零一六年三月十五日辭任該職位為止。彼亦曾任TCL通訊科技控股有限公司的獨立非執行董事（該公司的股份曾於聯交所上市，並已於二零一六年九月三十日除牌）。劉先生亦於二零一四年六月至二零一七年六月出任北京首都國際機場股份有限公司第六屆監事會之獨立監事。劉先生於二零零六年十一月加盟本公司。

**李均雄先生**，52歲，為本公司之獨立非執行董事，薪酬委員會主席及本公司審核委員會與提名委員會之成員。李先生為何韋鮑律師行之顧問律師。彼分別於一九八八年及一九八九年獲得香港大學的法學士（榮譽）學位及法律深造文憑，其後於一九九一年取得香港執業律師資格，並於一九九七年取得英格蘭及威爾士執業律師資格。李先生目前為網龍網絡控股有限公司、亞洲木薯資源控股有限公司、新礦資源有限公司、天福（開曼）控股有限公司、中海石油化學股份有限公司、朗詩綠色地產有限公司、紅星美凱龍家居集團股份有限公司、中國金洋集團有限公司、豐盛機電控股有限公司及天寶集團控股有限公司之獨立非執行董事，該等公司之股份於聯交所上市。彼曾任盈進集團控股有限公司（現稱國投集團控股有限公司）及富通科技發展控股有限公司（該等公司的股份於聯交所上市）的獨立非執行董事，直至其分別於二零一六年四月一日及二零一七年十一月十八日辭任該職位為止。李先生於二零零六年十一月加盟本公司。



**Prof. Lee T. S., alias, Lee Tien-sheng**, aged 69, is an Independent Non-Executive Director, the Chairman of the Nomination Committee and a member of both the Audit Committee and Remuneration Committee of the Company. Prof. Lee is currently a Chair Professor of Feng Chia University, Taiwan and the Professor Emeritus of the Department of Supply Chain and Information Management of Hang Seng Management College. He was the Dean of the Faculty of Business Administration of The Chinese University of Hong Kong from 2002 to 2008, Vice-President (Academic & Research) of Hang Seng Management College from 2009 to 2014 and the Head and Professor of the Department of Supply Chain and Information Management of Hang Seng Management College from 2009 to 2015. Prof. Lee obtained his PhD in Business Administration and Master's degree in Business Administration from the University of Missouri-Columbia, the United States in 1982 and 1978 respectively. He also holds a Master's degree in Management Science and a Bachelor's degree in Electronic Engineering from the National Chiao Tung University of Taiwan. Prof. Lee's research and teaching interests include supply chain management, quality management and business process reengineering. He has published his research in many academic journals. Prof. Lee is currently an independent non-executive director of GET Holdings Limited, the shares of which are listed on the Stock Exchange. Prof. Lee joined the Company in November 2006.

### Senior Management

**Ms. Fung Kam Lai Katie**, aged 51, is the Group's Chief Financial Officer. Ms. Fung is responsible for the supervision and management of the Group's overall financial matters and investor relations. She joined the Group in March 2007 as the Internal Audit Director and was appointed to the present position in July 2010. Ms. Fung obtained a Master's degree in Business Administration (Executive) from the City University of Hong Kong. She is a member of Hong Kong Institute of Certified Public Accountants and the American Institute of Certified Public Accountants. Ms. Fung has over 28 years of experience in auditing, financial accounting, corporate investment and financing, as well as management.

**李天生教授**，69歲，為本公司之獨立非執行董事，提名委員會主席及本公司審核委員會與薪酬委員會之成員。李教授現任台灣逢甲大學講座教授及香港恒生管理學院供應鏈及資訊管理學系榮休教授。由二零零二年至二零零八年，彼為香港中文大學工商管理學院院長，由二零零九年至二零一四年彼擔任恒生管理學院副校長(學術及研究)，及由二零零九年至二零一五年出任恒生管理學院供應鏈及資訊管理學系系主任及教授。李教授分別於一九八二年及一九七八年於美國密蘇里大學哥倫比亞校區取得其工商管理博士學位及工商管理碩士學位，彼亦持有台灣國立交通大學的管理科學碩士學位及電子工程學士學位。李教授的研究及教學興趣包括供應鏈管理、品質管理及業務程序重組，彼已於多份學術期刊發表其研究。李教授目前為智易控股有限公司之獨立非執行董事，該公司的股份於聯交所上市。李教授於二零零六年十一月加盟本公司。

### 高級管理層

**馮錦麗女士**，51歲，為本集團之首席財務總監。馮女士負責監察及管理本集團整體財務事宜及投資者關係。彼於二零零七年三月加入本集團為內部審計總監，並於二零一零年七月獲委任現時之職位。馮女士於香港城市大學取得行政人員工商管理碩士學位。彼為香港會計師公會及美國執業會計師公會會員。馮女士於核數、財務會計、企業投資及融資、與管理方面擁有逾28年經驗。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2017

## 環境、社會及管治報告 2017

### About this report

This report is prepared by Embry Holdings Limited in accordance with the Environmental, Social and Governance (“ESG”) Reporting Guide issued by the Hong Kong Stock Exchange Limited (“HKEx”).

The Group engaged our stakeholders throughout the report preparation process. Stakeholder engagement helps us to fulfill the four reporting principles, Materiality, Balance, Quantitative and Consistency, as outlined by the HKEx. The Group will continue to enhance how we collect ESG information internally, and improve how we perform and disclose.

The report discusses information on our policy, efforts and achievements in environmental, social and governance aspects from 1 January 2017 to 31 December 2017. Unless otherwise specified, the reporting boundary covers Embry Holdings Limited and all our subsidiaries.

### Naming

In this report, Embry Holdings Limited is referred as “the Group” or “we”.

### Source of information and assurance to reliability

Data and case studies mentioned in this report originate from our own statistical reports and internal documents. The Group confirms that this report does not contain false or misleading statements. The Group is responsible for the authenticity, accuracy and completeness of content of this report.

### Board approval

Upon review of the management, this report is approved by the Board on 22 March 2018.

### 報告編製說明

本集團參照了香港聯合交易所有限公司（「聯交所」）發佈的《環境、社會及管治報告指引》編製了本報告。

在報告撰寫過程中，安莉芳與相關方進行了充分的溝通，力求報告涵蓋的信息滿足聯交所對本報告重要性、量化、平衡、一致性的四大原則要求。集團將持續加強報告資訊收集工作，以提高我們在可持續發展事項上的表現和披露情況。

本報告概述了集團於2017年1月1日至2017年12月31日期間在環境、社會及管治方面的政策方針、努力和成果。除非特別說明，報告的組織範圍涵蓋本公司及所有附屬公司。

### 稱謂說明

為了方便表述和閱讀，本報告中的「安莉芳」、「公司」、「我們」均指「安莉芳控股有限公司」。

### 數據來源及可靠性保證

本報告的數據和案例主要來源於公司統計報告、相關文件。公司承諾本報告不存在任何虛假記載、誤導性陳述，並對其內容真實性、準確性和完整性負責。

### 確認及批准

本報告經管理層確認後，於2018年3月22日獲董事會通過。

## Foreword — Our business is beautiful because of love

As a lingerie company in China, the Group takes action to endow our business with a richer connotation and a broader meaning. The Group persists in promoting balance and inclusiveness as well as harmony in the development of the economy, environment and society. The Group believes that the greater good of the community shall be achieved by integrating benefits to individuals, society and nature as a whole. Under the leadership of our CEO Ms. Liza Cheng, the Group is living out our belief in every aspect of our business. To provide the safest and the most comfortable products to our customers, the Group strictly controls the quality and hazardous substance content of incoming raw materials. To minimise our environmental impact, the Group has been designing, building and running our manufacturing facilities based on ecological principles since 2006. As our success is inseparable from the contribution of our employees, the Group therefore strives to strengthen the sense of belonging of our team. The Group believes it is our mission to promote the health of Chinese women, and has supported a charitable initiative that promotes women's health for 11 consecutive years.

Looking into the future, the Group will continue our efforts to achieve excellence in promoting women's beauty and quality of life.

## Beautiful craftsmanship

It is our mission to provide our customer with comfortable, healthy and fashionable lingerie products. The Group is the first lingerie company in China to have acquired ISO certifications and the China Environmental Label. From the selection of raw materials to the processing of finished goods, the Group rigorously controls product quality at each phase of the production process. The Group also highlights training provided to our frontline sales ladies to promote listening attentively to customer opinions and offering the most satisfying customer service.

## 前言 — 美麗事業因愛而美

安莉芳集團作為中國的內衣企業，致力於以行動為內衣企業賦予更豐富的內涵及更廣闊的意義。我們的理念是堅持促進社會、經濟和環境平衡共融；行事要對個體有益，對社會有益，對自然有益，三者合一，方可成就大公益。在集團行政總裁鄭碧浩女士的帶領之下，我們在業務的各個環節均實踐了我們的理念。我們堅持為顧客提供最安全及舒適的產品，由原材料入手嚴控質量和有害物質含量；我們關注營運對環境帶來的影響，因此早在2006年已經開始以生態原則設計、建設和營運生產設施；我們的成功與員工的努力密不可分，因此我們致力於提升員工的歸屬感；我們亦相信促進中國女性健康是公司的重要使命，因此連續11年支持以女性健康為主題的公益活動。

展望未來，安莉芳將繼續努力，追求卓越，將讓女性形體美，生活更美的美麗事業不斷推向前進。

## 美麗匠心 品質保障

安莉芳的使命是為顧客提供舒適、健康又不失時尚的內衣產品。安莉芳是中國女性內衣行業首家獲得ISO管理認證和綠色生態紡織品「十環標誌」認證的企業。從原材料的挑選到對製成品的加工，我們在生產過程的各個環節均嚴格為大眾把關，確保所有物料質量得到嚴格控制，為廣大女性提供健康綠色的「第二肌膚」。安莉芳亦非常重視對前線導購人員的培訓，用心聆聽每一名客戶的意見，讓顧客得到最滿意的服務。



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### What is China Environmental Labelling?

China Environmental Labelling is issued by China Environmental United Certification Center (CEC). The product bearing the label has not only achieved the optimum quality standard, but its production, use and treatment processes have also met national environmental protection requirements. Compared with similar products, certified products contain less harmful substances and require less resources to make. This certification provides better information to customers on the environmental performance of products and supports green purchasing decisions. The certification body re-verifies the Group annually to confirm that our products' performance meets the standard. The third-party verification system of the China Environmental Labelling scheme follows global eco-labelling practices. China has signed mutual recognition agreements with Germany, South Korea, Japan, Australia and other countries and regions. This means that products certified with China Environmental Labelling are also recognised as eco-products in these countries.



### 什麼是「十環標誌」?

「十環標誌」是「中國環境標誌」的俗稱，此標誌由中環聯合(北京)認證中心有限公司頒發。它表明產品不僅質量合格，而且在生產、使用和處理處置過程中符合特定的環境保護要求，與同類產品相比，具有低毒少害、節約資源等環境優勢。標誌使得消費者易於了解哪些產品有益於環境，便於消費者進行綠色選購。認證機構會每年對安莉芳進行年檢，確保安莉芳的表現持續達到認證標準的要求。「十環標誌」的第三方認證制度與各國環境標誌做法相一致，目前已經與德國、韓國、日本以及澳洲等國家及地區簽訂了環境標誌互認合作協定，即獲得「十環標誌」的產品在這些國家及地區亦會被承認為合格的環保產品。

### Rigorous quality control

The Group has an effective and robust Quality Management System. The establishment of various procedures, standards and control measures has allowed the Group to keep up with the requirements of various standards on product quality, safety and environmental performance.

The Group signed the Declaration of Quality and Safety for Underwear Industry to announce our commitment to assuring product quality through checking incoming raw materials in accordance with national and industrial standards. Through signing the Declaration, the Group is also promising not to make false claims and intentionally mislead our consumers.

### 嚴控品質

安莉芳有一套高效、嚴謹的質量管理體系，各種程序、標準和控制措施的有效運行，使安莉芳在產品質量、產品安全、環保方面能持續符合各種標準的要求。

安莉芳簽署了《內衣行業質量安全承諾書》，承諾進貨時對原輔料進行檢驗，確保質量符合國家、行業標準。簽署《承諾書》亦代表安莉芳承諾不作虛假或誇大宣傳、誤導消費者等行為。

### Supplier management

Assurance of product safety and comfort begins with controlling the quality of incoming materials. The Group places high emphasis on the quality of incoming materials and the performance of suppliers on quality, environmental management and labour management.

Before the group decides to engage a new supplier, a team formed by the members of the Procurement Department, Quality Assurance Department, Design Department, Research and Development Department and Marketing Department (hereinafter the “supplier verification team”) conducts verification of the new suppliers’ product quality, operational risk, and environmental and social performance based on our internal procedures. Those suppliers who pass the verification are qualified to become our suppliers.

The Group requires all products from our suppliers fulfilling the certification requirements of international safety standards (e.g. Oeko-tex certification) or comparable quality and environmental certification. The sewage treatment capability of certain suppliers can impact the environment. It is a concern if suppliers are equipped with effective sewage treatment facilities. The Group terminates trade relationships with suppliers who cannot fulfil the aforementioned requirements. As at 31 December 2017, all suppliers had fulfilled the aforementioned requirements. The Group is aware of various labour issues in the garment industry. The Group takes into consideration that whether our suppliers complies with the labour standards of Worldwide Responsible Accredited Production.

### 供應商管理

確保內衣產品的安全和舒適由控制來料品質開始。安莉芳非常重視原材料的品質，以及供應商在來料質量、環保及勞工等事項上的表現。

在安莉芳決定和新的供應商合作之前，由採購部、質量保證部、設計中心、研發中心及品牌中心組成的團隊（下稱「審核團隊」）會按既定流程對新供應商進行來料質量、營運風險方面的審核，當中亦包括對環境及社會表現的審核。審核合格後才可以被列為可選用供應商。

我們要求所有的供應商向安莉芳所提供的生產原材料均必須取得國際安全標準認證（例如：Oeko-tex）或簽署同樣程度的品質及環保保證。基於其行業特性，部分供應商的污水處理表現好壞對環境有重大影響，因此安莉芳亦關注供應商須有合適的污水處理措施。對未能滿足上述要求的供應商，安莉芳會終止與其合作關係。截至2017年12月31日，安莉芳的供應商均達到以上條件。安莉芳明白製衣行業的僱員議題一向為社會人士所關注，因此會留意供應商是否符合社會責任等勞工規定認證。

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#### What is Oeko-tex Standard 100?

Oeko-tex Standard 100 is an eco-label for textile products, which is issued by the International Association for Research and Testing in the Field of Textile and Leather Ecology. The Standard certifies that the textiles for garment products have been tested for substances that can be harmful to human bodies, and the content of harmful substances is below a specific safety limit.

#### 什麼是 Oeko-tex 認證?

Oeko-tex Standard 100 為一生態紡織品標籤，由國際環保紡織協會制訂，用以證明紡織和成衣製品對人體健康構成不良影響的有害物質含量達到安全標準。

The Group irregularly visits the operational sites of more than 10 critical suppliers mainly for relationship building, but we also take the opportunity to review their environmental, social and governance performance as well. As the Group checks the quality of incoming raw materials, we may decide to re-verify the supplier if the quality of their products is continuously unsatisfactory. Based on the mutual-benefiting principle, the Group's policy is to support our suppliers to enhance their product quality.

對於十幾家現有主要的供應商，安莉芳的審核團隊會不定期走訪其廠房，加深合作，亦同時留意供應商的環境、社會及管治管理狀況。安莉芳會對供應商的來貨作嚴格檢測，如遇現有供應商的來貨質量持續出現異常，審核團隊會對該供應商進行再評估；基於互惠共贏的原則，安莉芳會協助供應商持續提升來料質量表現，保障供料質量。

The Group terminates trade relationships with suppliers who cannot fulfil the aforementioned requirements. The concerned suppliers' accounts will be frozen in our procurement system to prevent the Group from purchasing from them before they are re-qualified.

如經審核後發現該供應商未能符合安莉芳的要求，安莉芳會即時暫停與該等供應商的合作，並在採購系統上作凍結處理，以防止在供應商表現合格前與其繼續有業務來往。

#### Number of suppliers by geographical region

#### 按地區劃分，安莉芳的供應商數目

Geographical region	地區	Number of suppliers 供應商數目
China	中國	112
Asia except China	其他亞洲地區	27
Europe	歐洲	10
Total	總數	149



### Material testing

For any lingerie fabric to enter our production lines, the formaldehyde content and pH value must be rigorously controlled. The Group also requires lingerie parts such as lace, cotton cups, linings and shoulder straps to be light, soft, breathable, eco-friendly and has good functionality so as to protect women's health. Before any products are shipped for sale, they undergo 30 quality tests, which include environmental, safety, comfort, function and durability tests.



Testing lingerie by the technician.  
技術員對面料進行檢測。

### 檢驗檢測

優質內衣面料的甲醛含量、pH值等多項指標都必須得到嚴格控制。而從蕾絲花邊、棉杯、裡料到肩帶，都要求輕盈、柔軟、透氣、環保，具有良好的功能性，呵護女性健康。安莉芳內衣產品在出售之前，需要通過合共30多項嚴格的物料檢測。這些檢測包括環保性檢測、安全性檢測、舒適性檢測、功能性檢測及耐用性檢測等。

### Our commitment to customers

Apart from providing safe products with high quality, the Group makes a strong emphasis on providing attentive service and satisfying reasonable requests in response to our customers' support.

### Service quality

Our sales ladies serve our customers in 1,925 retail outlets across China. To ensure our sales ladies understand and reach our servicing quality standards, the Group offers a series of training sessions and assessments. New recruits must pass on-boarding training, sales counter supervision and the final probation assessment. Current sales ladies are required to pass monthly assessments and assessments of their product knowledge.

An effective complaint handling mechanism is also a big part of service quality assurance. The Group is committed to maintaining a customer feedback channel through which customers can reach our managers directly. If the Group receives a complaint, it is our policy to take swift corrective action and report back to the concerned customer. Should the Group receive a valid complaint relating to unsatisfactory service attitude, we will arrange for retraining to raise awareness of service quality.

### 給顧客的承諾

除了提供優質、安全的產品之外，我們在銷售環節亦非常強調為顧客提供貼心的服務，並滿足客戶的合理要求，以回報顧客對安莉芳的支持。

### 服務品質

安莉芳在全國總共有1,925個銷售點，由導購人員為顧客服務。為確保導購人員知悉並達到我們的服務標準，我們為導購人員提供一系列的培訓和考核：新入職人員需要通過崗前培訓、專櫃實習、轉正考核；在職導購需要通過每月培訓、產品知識考核等。

有效的投訴處理機制也是保障服務質量的重要工具。我們在確保暢通的意見反饋渠道外，亦會對收到的意見進行有效的處理，發現問題，及時溝通、解決或改善。例如，若證實客戶反饋的導購服務質量不達標的現象，安莉芳會及時採取適當行動，包括提供再培訓，提升其服務意識和質量。

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### Listening to our customers

Our customers can call our customer service hotline if they have any feedback on our product and service quality. It is our policy to replace any products for free if they are defective. If the Sales Department receives a complaint regarding our products, the case will be passed to our complaint investigator of the Quality Assurance (QA) Department. The investigator will analyse the defective product within 1 working day. The result of the analysis is then reported back to the customer.

Upon closure of a complaint case, the Group will call the customer to learn if they are satisfied with our response and investigation. With this opportunity, the Group also evaluates the customers' satisfaction with the sales ladies who served them through telephone survey. In 2017, more than 99% of these customers expressed satisfaction with our service.

To holistically realise our commitment to quality, the Group has formulated the "Quality Incident Handling Management Procedure". According to this Procedure, the Group conducts in-depth quality check of a concerned batch of specific models if there are repeated complaints made regarding their quality. The Group may also launch product recalls.

### 聆聽顧客聲音

如客戶希望就產品和服務質量提供反饋意見，可致電安莉芳的客戶服務熱線。安莉芳承諾如證實產品質量存在缺陷，將無條件提供退換貨服務。銷售部門受理顧客對於產品的投訴後，會將投訴品和投訴信息轉交質量部門的顧客投訴鑒定專員，1天內完成投訴樣品的分析和鑒定。顧客投訴受理人員將投訴處理及鑒定結果回饋至顧客。

個案處理後，我們會致電有關顧客，了解其對個案處理的滿意程度。同時，我們亦會了解顧客對當事導購人員的服務滿意度。2017年，安莉芳透過電話回訪機制訪問的顧客對個案處理的滿意度高於99%。

為全面貫徹安莉芳對質量的承諾，安莉芳還制定了《質量事故處理管理細則》，如安莉芳發現有同款產品上市後出現批量性質量問題的顧客投訴，便會對該批次的產品進行深度的檢查，甚至啟動產品回收流程。



### Protecting customers' private information

Our customers can register themselves as VIP members to enjoy special offers. As they register, the Group collects their personal information such as phone numbers. The Group handles this personal information with care for the sake of privacy protection. The terminals at the retail outlets do not store any VIP member information locally. All data is stored at the company's main server. Access rights of salesladies to VIP members' personal information at retail outlets are limited. The transmission of personal information between the server and the terminal at retail outlets is encrypted.

### Respecting intellectual property rights

The design, functionality and production techniques for lingerie products are ever-changing. Lingerie brands are well differentiated by the special features of their products. To a lingerie business, intellectual property is a critical asset and a competitive edge.

Respecting the intellectual property rights of other lingerie businesses promotes positive competition and innovation. The Group insists to create our own products and does not plagiarise other companies' designs. To avoid being accused for infringing on other companies' copyrights, the Group has devoted significant effort to researching new designs created by other lingerie companies to avoid introducing similar designs to the market. The Group also learns from our suppliers about the type of materials that our competitors select so as to avoid introducing similar products. The Group does not adopt open-source design patterns since we may risk using same patterns as others. On the technical side, our dedicated technicians research the relevant patents filed every quarter and analyse the technique, to make sure the Group does not copy patented techniques.

The Group highly values innovation. With the effort of our design and technical teams, the Group has drafted 30 industrial standards. The Group has now more than 50 proprietary technology patents (please refer to the Management Discussion and Analysis chapter). To protect our own intellectual property rights on proprietary style, materials and patterns, the Group requires our suppliers to sign non-disclosure agreements to prevent our products from being imitated.

### 保障客戶私隱

顧客可申請成為安莉芳VIP會員，以享用各種優惠。在登記過程中，安莉芳會取得顧客的電話號碼等個人信息。安莉芳對此等資料進行小心的處理，以保護客戶的私隱。銷售點的電腦不會保存任何VIP會員資料。銷售點及各地辦事處只有存取在當地開戶VIP會員資料的權限，限制了各銷售點對會員資料的存取。另外，總部與銷售點之間以加密方式傳輸數據。

### 尊重知識產權

內衣的設計、功能和生產工藝日新月異，不同的內衣品牌均有其品牌特色。對內衣企業而言，知識產權為重要資產，給予企業競爭優勢。

尊重其他同行企業的知識產權，可促進行業競爭和創新。安莉芳向來堅持自主創新獨立設計的開發原則，不抄襲、不模仿、不盲從。為了減低被指侵犯他人版權的可能性，安莉芳多作市場研究，了解市場動態，留意其他企業推出的產品的款式，避免設計雷同；從供應商處選料時會多向商家了解市場情況，確保不會出現同款競爭的情況。安莉芳亦不會直接使用從開放管道獲得的圖案，避免出現與其他企業共享同一款圖案的情況。工藝方面，安莉芳設置專業技術人員每季度查閱內衣行業的相關專利項目，對比其他內衣企業的專利技術，做出相關的工藝分析，避免侵犯他人的知識產權。

安莉芳崇尚創新，在設計、工藝團隊和其他成員的努力之下，安莉芳現為30個行業標準的起草單位，並擁有自主研發專利技術50多項（詳情可參閱年報內管理層討論及分析一章）。為保護我司使用自主參與設計開發的款式、物料、花型的權益，我們會與合作供應商簽訂保密條款，防止設計外泄。



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### Realising our green dream

To benefit nature, the Group pays attention to how our operation interacts with the environment, and how the Group can contribute to sustainability. Our environmental footprint comes from the operation of our production base and our production process. As early as 2006, the Group has planned for construction of green industrial parks. Our Shandong Industrial Park and Changzhou Industrial Park were built and operate in an eco-friendly manner. According to our "Resource and Energy Saving and Control Procedure" and "Resource and Energy Saving Management Regulations", the Group strives to minimise the wastage of raw materials during manufacturing, and reuses and recycles residual materials as much as possible.

### Green operational sites

The Group puts a strong emphasis on minimising the environmental impact of our production plants. Our recently-built major manufacturing production base, the Shandong Industrial Park and Changzhou Industrial Park, were planned, designed and built in an eco-friendly manner. They are considered 'beautiful projects' as they have achieved sustainability as industrial plants.

### 美麗工程 綠色經營

抱著「對自然有益」的理念，安莉芳一直以來都非常關注營運的不同環節與自然環境的關係，為自然環境的可持續發展出力。安莉芳的主要環境足印在於工業園的營運及生產流程，因此我們會對此兩項作集中討論。早在2006年，安莉芳已經開始規劃綠色工業園。現時安莉芳兩個主要的生產基地——山東工業園及常州工業園——均貫徹了低碳環保的理念。此外，在生產的過程中，按照安莉芳《資源能源節約控制程序》及《資源能源節約管理規定》，我們致力於減少原材料的浪費，並通過不同途徑盡量使餘料得以重複利用。

### 打造綠色運營地

安莉芳非常注重減少生產基地的環境影響。山東工業園及常州工業園為安莉芳現時主要及較近期落成的生產基地。這兩個工業園從規劃到設計再到落成，每一環節都非常注重節能減排的環保理念，重視實現工業與自然的可持續發展，堪稱「美麗工程」。

It is common for manufacturing plants to spend a tremendous amount of energy in warming and cooling. Our two industrial parks employ geothermal heat pumps for temperature control. The geothermal heat pumps allow energy-efficient temperature control by utilising earth as a heat source in winter and heat sink in summer. Air-conditioning powered by geothermal heat pumps saves 40% of energy as compared to other central air-conditioning systems, and is also less polluting. 1,760 MWh and 420 MWh of electricity has been saved by the Shandong and Changzhou Industrial Parks respectively.

To further reduce the demand of our factories for air-conditioning, the Group has installed spraying systems inside the production workshops of Shandong Industrial Park for cooling and air purification. Spraying nozzles are also installed in gardens. Fresh, cool air is directed to the workshops for cooling through underground pipes by ventilating machines. This system can achieve energy savings of 125 MWh per year. The Changzhou Industrial Park is equipped with motorised curtains for shading, thus preventing the introduction of solar radiation heat and loss of cool air in the summer. This could save 10%–15% of electricity consumption for cooling.

Material use for building facades also helps to significantly reduce energy consumption. Buildings in the Shandong Industrial Park employ a steel-concrete frame structure, and the facade and roof is made of materials such as aerated concrete blocks, concrete polystyrene board, aluminium-magnesium-manganese alloy plates and glass wool. The facade for the manufacturing block and dormitory of Changzhou Industrial Park uses aluminium insulation boards while the roof is built from foamed concrete. Windows and glass curtain walls are made of insulating broken bridge glass. 50% of energy used for air conditioning can be saved due to these features.

針對工業建築供熱空調系統常規能源消耗高的現狀，兩個工業園均採用大型中央空調地源熱泵系統，充分利用深層岩土冬暖夏涼的特點調節溫度，開闢了工業建築供熱空調節能減排新途徑。地源熱泵中央空調相比較其他形式中央空調系統節能約40%，並可減少大氣污染物及工業廢棄物的排放。山東及常州工業園一年內因此可以分別節省約1,760兆瓦時及420兆瓦時的用電量。

為進一步降低廠房內對空調的需求，山東廠房在夏天通過庭院新風噴霧系統對員工工作崗位對點送風，降低室內溫度及淨化空氣。內庭院裝有噴霧頭，使庭院的溫度降低，新鮮的冷空氣通過抽風機由地下管道進入車間進行降溫。該系統年節約用電約125兆瓦時。常州工業園夏季配備電動窗簾及外遮陽設施，可阻擋陽光，減少室內冷氣流失，節約能源約10%–15%。

廠房外牆的選料亦有助大幅降低能耗。山東工業園採用鋼混框架結構，牆體及屋面採用加氣混凝土砌塊、混凝土聚苯板、鋁鎂鎂板、保溫玻璃棉等物料。常州工業園廠房、宿舍外牆均採用鋁板保溫一體板、屋面採用多功能輕質泡沫混凝土、外窗、玻璃幕牆採用斷橋隔熱玻璃。節能可達到50%。

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The roofs of the industrial parks have anti-UV skylights. Natural light is well utilised all year round for annual energy savings of 790 MWh. Outdoor light fixtures are solar-powered or are LED models, contributing 140 MWh of annual energy savings. Infrared sensors are installed for controlling indoor lights in the Changzhou Industrial Park, contributing annual energy savings of 4.8 MWh.

The Group is also taking action to enhance water consumption efficiency. Water used for landscaping can be recycled. Upon treatment by our own biochemical wastewater treatment plant, domestic sewage can be reused for landscaping purposes. Sewage from the canteen passes through a grease trap before being directed to the municipal sewage network.

照明方面，工業園的廠房屋面設置了防紫外線的採光天窗，在春、夏、秋、冬四季均可充分利用自然光，一年可節省用電量約790兆瓦時。現時兩個工業園的室外照明主要為太陽能燈及LED燈，年節省電力約為140兆瓦時。常州工業園樓梯間和走廊照明採用紅外線感應開關控制，一年節省用電量約4.8兆瓦時。

我們亦推行多項措施以優化水資源使用效益，例如：工業園區綠化景觀用水可循環再用，日常廢水在經自建的生化污水處理站處理後亦可回用作景觀用水，既美化環境，又節約用水。園內食堂餐飲廢水經隔油池處理後與生活污水接入污水管網進入市政污水處理廠集中處理。



*Windows and glass curtain walls are made of insulating broken bridge glass, reduce the loss of cool air.*

屋面及牆體複合保溫技術，中空低輻射玻璃及節能型門窗(中空隔熱玻璃)，減少室內冷氣流失。



### Our beautiful green industrial parks 美麗的綠色工業園



Our industrial parks are extraordinary. Unlike many other manufacturing plants, they represent harmony between the natural vegetation, water bodies and buildings. They are the best reflections of our commitment to the natural environment. The industrial parks receive visitors such as business partners and customers so as to demonstrate our environmental vision. This helps enhance our brand value.

我們的兩個工業園並不是一般的生產基地：其在建築上結合了天然植被和河道，風光如畫，絕對是安莉芳對自然環境承擔的最佳體現。工業園不時會接待合作夥伴和客戶等訪客，使他們深入了解集團的環保理念；此舉有助提升我司的品牌價值。

Making use of natural soil and streams, the Group grows organic crops such as wheat and corn. The Group makes agricultural goods such as wheat flour for our internal use or as gifts for visitors. Ducks and geese are kept in the Industrial Park and manure is collected for feeding fish, and fish excrement is in turn used to fertilise our organic crops. As such, a natural nutrient chain is formed.

利用天然的土壤和河道，我們在工業園內種植了有機農作物如小麥、玉米等，並利用這些農作物製作如全麥粉等農產品供集團內部使用及提供予員工及訪客；我們亦放養了鴨鵝，以草料餵飼；水中糞便作為池塘養魚餌料，園內糞便作為有機肥料原料。如是者，在工業園內構成了生態鏈。

The Group grows fruits and vegetables in our Changzhou Industrial Park, which are harvested for visitors and employee catering.

我們在常州工業園內亦種植了果樹和蔬菜，產出物用於客人接待及員工膳食。

Visitors to our industrial parks have expressed their appreciation of our way of living out sustainability where the Group manufactures our products.

來廠參觀的賓客對安莉芳公司不僅注重經濟效益，同時注重社會及環境效益，將可持續發展理念落實到實處的做法表示欣賞。

Energy saving measures has also been implemented at the Shenzhen production base. Starting from 2016, all 2,948 light fixtures in the offices and workshops of our Shenzhen site have been replaced by LED lights, reducing the energy consumed for lighting by around 40%. Production equipment is now driven by energy-saving motors. The Group regularly maintains our machines so that they run at their best efficiencies. This reduces energy consumption for production equipment by around 10%–13%. As of 31 December 2017, the Shenzhen production base saved 1.7% power more than in 2016. Employees are arranged to work at the same areas and periods of time so that air-conditioning and lighting are only required at concentrated locations and time periods.

另外，安莉芳亦致力於降低深圳生產基地的環境影響。於2016年開始深圳的生產車間及辦公室2,948支照明燈已全部更換成LED燈，使生產車間照明用電比更換前節省約40%；設備現採用節能馬達，並定期進行維修保養工作，維持設備良好使用狀態，使生產車間設備用電節省約10–13%，截至2017年12月31日，深圳生產車間電量比2016年節省多1.7%。深圳廠房將員工盡量安排在同一地點工作，並控制加班安排，使空調及電燈可以在集中的區域和時段使用。

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The Hong Kong and Shanghai offices are equipped with LED lights. For the Hong Kong office, 11.5 MWh of electricity can be saved annually. The Group also reminds employees to turn off lights, computer monitors and air-conditioning if they are not in use. These save around 6%–10% of energy at offices. The 50W halogen lamps in the fitting rooms of our mainland retail shops have been replaced with LED lamps. Lamps can be switched off when not in use, saving 120 MWh in 2017. Our 16 retail shops in Hong Kong have installed with LED lights which saved approximately 174 MWh energy annually compare with using halogen lamps.

集團在香港及上海的辦公室均使用LED燈照明，單單是香港的辦公室便在年內節省約11.5兆瓦時耗電。我們要求員工在不使用照明、顯示屏、空調時要關掉，減少浪費。以上措施可節省耗電約6–10%。內地專賣店試衣間由50瓦石英燈改為LED燈，並設置開關，在無人使用時可以關燈，於2017年減少耗能120兆瓦時。香港16間專賣店已全線使用LED燈照明，比使用石英燈照明全年節省約174兆瓦時耗電。

**Annual energy consumption<sup>1</sup> of the Group in 2017 was 18,116 MWh.**

安莉芳 2017 年度的總耗能為 <sup>1</sup>18,116 兆瓦時。

**Annual water consumption<sup>2</sup> of the Group in 2017 was 204,313 m<sup>3</sup>.**

安莉芳 2017 年度的總耗水量為 <sup>2</sup>204,313 立方米。

**Annual carbon footprint<sup>3</sup> of the Group in 2017 was 17,012 tonnes CO<sub>2</sub>-e.**

安莉芳 2017 年度總碳排放量為 <sup>3</sup>17,012 噸二氧化碳當量。

#### Green manufacturing

Our production process includes moulding, cutting, sewing and packaging. No polluting process, such as dyeing and enzyme washing, is involved. Our main environmental footprint is therefore the generation of scrap materials such as cloth and foam. The Group has reduced our environmental impact by enhancing the utilisation rate of raw materials and recycling any scrap generated.

#### 推行綠色生產

安莉芳主要的生產流程為造模、原料裁切、縫製及包裝。生產過程並無牽涉漂染及洗水等產生大量污水的工序。我們識別出的主要環境影響為邊角料——如布料及海棉——的產生；此等環境影響可以透過優化設計方案、提升對原料的利用率，以及回用產生的邊角料兩方面去減少。

<sup>1</sup> The energy consumption figure does not cover our sales offices in mainland China. The energy consumption at sales offices was deemed insignificant as compared to the energy consumed by the Group. We therefore have not taken into account the energy consumption at sales offices.

<sup>1</sup> 耗能不包含安莉芳位於內地的銷售辦事處。相對於整個集團的總耗能量而言，銷售辦事處耗能並不重大，不予統計。

<sup>2</sup> The water consumption figure covers only our Shandong, Changzhou and Shenzhen production bases and offices. The Group does not consume water in significant quantities in other operational sites and we therefore have not reported that figure.

<sup>2</sup> 耗水量統計範圍為山東、常州及深圳生產基地及辦公室。安莉芳在其他地點的業務不涉及大量耗水，不予統計。

<sup>3</sup> Carbon footprint covers Scope 1 and Scope 2 only. Scope 1 carbon footprint refers to the carbon emissions associated with fuel consumption for company vehicles. Scope 2 carbon footprint refers to the carbon emissions associated with purchased electricity. Our boundary for the Scope 2 carbon footprint is as same as that for energy consumption.

<sup>3</sup> 碳排放包括範疇一及二的碳排放。範疇一碳排放包含集團使用車輛燃油所涉及之碳排放；範疇二為集團的電力使用量，統計範圍與「耗能」同。



In 2017, the Group introduced software to improve the material utilisation rate by 1–2%. This software has already applied at our three production bases.

The technical team is responsible for determining the material utilisation rate target for products. The Manufacturing Department strictly controls the quantity of material used according to the technical guidelines to minimise material wastage.

Waste generated from our manufacturing sites includes foam, cloth, and accessory and carton box scraps. Domestic waste is also generated from the dormitory in relatively small quantities. After compression, scrap materials are collected and treated by qualified recyclers. Packaging materials and domestic waste are segregated as recyclable and not recyclable before being collected and treated by municipal services.

安莉芳引進國際先進的自動軟件，優先選取原料利用率高的布料裁切方案，布料利用率較未引進軟件前提升了1–2%。並已在三個生產基地推廣應用。

工藝部門負責制訂產品的裁料利用率指標。生產過程中，生產部門會嚴格按照工藝部門制定的方案，嚴格控制物料的使用，減少物料浪費及餘料產生。

廠房所產生的餘料主要為海綿、布料、輔料的邊角料，以及廢舊紙箱；另外有少量廠房工作人員及公寓住宿人員所產生的生活垃圾。邊角料經過打包機壓縮後，全部交有資質的回收單位做無害化處理。包裝材料及生活垃圾按照可回收和不可回收進行分類，由市政環衛機構每日用環衛垃圾車運出園區做相應處理。

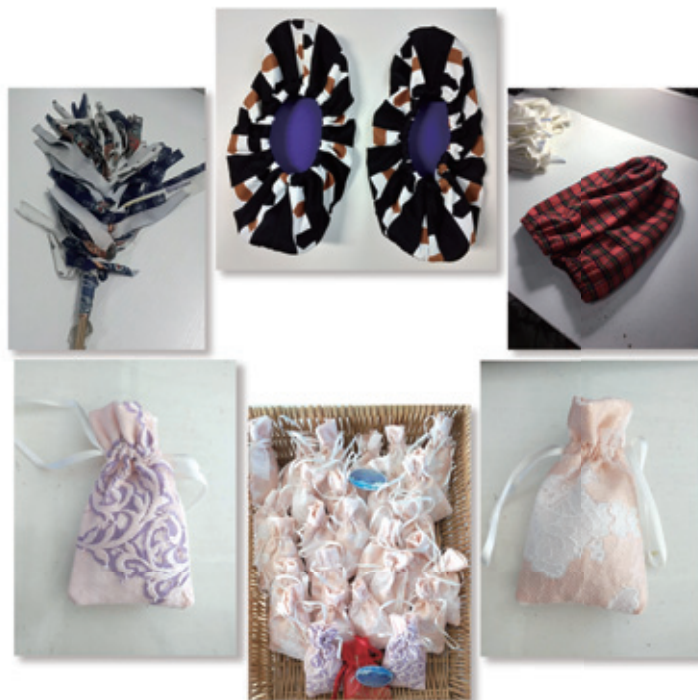


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### Upcycling at Changzhou 常州工業園的「升級再造」

Our team at Changzhou makes use of scrap materials to create arm sleeves, cleaning tools and sachet for internal use or employee lotteries.

常州工業園人員獨具匠心，盡量利用邊角餘料製作一些小物件，如袖套、清掃工具、香包等，用於內部福利或員工活動時的獎品等，提升餘料價值。



Starting from 2016, all our packaging plastic bags are made of degradable plastics. Such material decomposes under anaerobic conditions, such as when buried in landfills. The Group provides recyclable paper bags to customers at retail outlets instead of plastic bags.

2016年起，安莉芳產品所用的包裝膠袋為厭氧分解塑膠所製，在被填埋的情況下會開始被分解。另外，銷售點現向顧客提供之紙袋為不過膠紙袋，可以直接回收。

**In 2017, the Group's overall material utilisation rate was 81.52%.**  
2017年，安莉芳的整體裁料排廢利用率約為**81.52%**。

**The Group has recycled 105.22 tonnes of scrap materials and packaging materials<sup>4</sup>.**  
年內安莉芳回收了邊角料及包裝物料**105.22噸**<sup>4</sup>。

**The Group consumed 516.17 tonnes of cloth, 338 tonnes of foam, and 285.43 tonnes of degradable plastic bags.**  
年內安莉芳使用了布料**516.71噸**，海棉**338噸**，厭氧分解膠袋**285.43噸**。

<sup>4</sup> This figure covers only the Shandong and Changzhou Industrial Parks. We have not recorded the quantity of scrap material generated from our Shenzhen production base.

<sup>4</sup> 邊角料及包裝物料回收量為山東工業園及常州工業園之數字，深圳廠房所產生之餘料由承包商每天處理，未有統計數字。

## Our beautiful team

Competent human resources is the core driver of the Group. The Group relies on our team to maintain the quality of our products and services, live out our business vision and ensure the sustainability of our business. Through providing training, organising cultural activities and improving employee benefits, the Group has built sense of belonging for our employees, and has cultivated a beautiful team.

## 美麗團隊 貼心關愛

優秀的人力資源是集團的核心動力。集團依靠優秀的團隊，保障集團的產品和服務品質，實踐經營理念，確保業務的可持續發展。因此本集團透過舉辦培訓課程、文化活動及改善員工福利，提升員工的歸屬感，培養美麗團隊。



## Compliance with Labour Regulations

Our human resources management policy has fulfilled the requirements outlined in the Labor Contract Law of the People's Republic of China and the Employment Ordinance of the Hong Kong Special Administrative Region. The Group is committed to providing a pleasant working environment for all employees, including the workers in our industrial parks and sales ladies at our retail outlets.

The Group signs employment contracts with our employees in a voluntary, mutually respectful manner. For expiring employment contracts, the Group renews the contract on time. For employees whose job duty subject to change, the Group revises the contract terms before the employees start their new positions. According to the terms outlined in the employment contract, the Group selects and develops employees, issues wages, provides injury and sick benefits, and dismisses employees in accordance with the law.

## 遵循勞工法例

我們的人力資源管理政策符合中華人民共和國《勞動合同法》及香港特別行政區《僱傭條例》的要求。不論是製作內衣的工人、抑或服務客戶的導購員，安莉芳集團均致力為他們提供良好的工作環境。

公司遵循平等自願、協商一致的原則按國家規定簽訂勞動合同，對於勞動合同到期的員工及時續簽合同，對於崗位發生變化的員工及時變更合同內容。公司各項人力資源制度均參照勞動合同制定，包括對員工的選用及培養、工資發放、提供工傷、病假待遇、解除勞動關係情況等，均按勞動合同規定操作。

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The Group provides reasonable wages and benefits, which are above the minimum level as required by law. Manufacturing workers are remunerated based on the quantity of goods processed. If their wages do not reach the statutory level due to low work efficiency, the Group will pay the statutory wage. Overtime work is compensated monetarily or by annual leave in accordance with the law. Long service awards and performance bonuses are issued to outstanding individuals. In mainland China, on top of the statutory labour benefits, the Group offers benefits such as housing allowances, travel allowances, quarterly bonuses, paid annual leave, accident insurance, health checks, women's health checks, annual awards, annual dinner, birthday and festival gifts, and support to employees facing difficulties.

In mainland China, our manufacturing staff and office staff working hours are determined under the Standard Working Hour System. Paid annual, wedding, compassionate, maternity, nursing and paternity leave is offered in accordance with the national, provincial and municipality law. When overtime work is required, employees are paid as set out in the law. The working hours of sales ladies in mainland China are determined by our comprehensive working hour system, where our employees entitle to paid annual leave and overtime pay as set out in the law. Hong Kong back-end employees work 8.25 hours per day and 5 days per week. Sales ladies in Hong Kong work 9 hours per day (including 1 hour paid lunch) and 6 days per week.

The Group does not tolerate employment of child or forced labour. As the Group takes a people-oriented approach, so far there have not been cases of employing forced labour. Also, the Group is committed to providing an equal opportunity to everyone for employment, training and career development. The Group does not treat employees differently in appraisal and remuneration due to gender, race, ethnicity, religion, pregnancy, physical impairment, marriage status or family position. The Group provides a comprehensive career development ladder. The assessment criteria for promotion are only based on position requirements. The Group does not tolerate direct or indirect discrimination.

Employees can report violations of labour regulations either identifiably or anonymously to their supervisors, the Human Resources Department, the Internal Audit Department or the Union through email and comment boxes. The Group also solicits employee comments from the General Manager mail box, quarterly executive meeting and annual satisfaction survey.

In 2017, no reports regarding non-compliance with laws and regulations relating to labour standards were received.

我們為所有員工提供法定最低工資標準以上的合理薪金及各項福利。生產人員按件發薪，如因效率過低，薪金未滿本地最低工資標準，公司會按本地最低工資補足。如遇加班情況，公司按勞動法規定給付加班費或給予調休。公司根據件日薪員工工作年限，提供長期服務獎；根據月薪員工表現，提供績效獎金。在國內，除為員工提供五險一金法定福利以外，還提供住房補貼、出勤補貼、季度獎金、帶薪年休假、人身意外保險、員工體檢、女員工婦檢、年功獎、廠慶聯歡、郊遊、節日活動、生日慰問、困難職工慰問等福利。

工時方面，國內生產基地及辦公室員工執行標準工時制，每週工作不超過40小時；法定節假日、年休假、婚、喪、產、哺乳及陪產假等有償假期均嚴格按照國家及省市規定執行。倘需超時工作，員工將根據有關法例規定獲得報酬。國內銷售員工實行「綜合工時制」；員工享受有薪年休假；加班按國家規定核算加班費。香港辦事處員工工時為每天8.25小時，每週工作5天；香港銷售員工工時為每天9小時（包括1小時有薪午膳時間），每週工作6天。

公司在招聘及用人方面堅決杜絕使用童工；本著「以人為本，寬嚴相濟，和諧競爭，共享信息」的企業管理理念，從未有過強迫勞動的現象存在及發生。另外，安莉芳致力為所有人提供平等就業、培訓及事業發展機會；不因性別、民族、種族、宗教信仰、懷孕、殘疾、婚姻狀況或家庭崗位等不同而在表現評核及薪酬設計等方面對員工有差別待遇。公司通過制定全方位的人才發展通道，為所有員工提供平等的縱橫向發展通道；考核指標只針對崗位要求。公司不會容忍針對任何員工的直接或間接歧視行為。

如員工發現不符合勞動法的行為，他們可以以具名或匿名方式通過郵件、員工意見箱等渠道，向其主管、人力資源部門、審計中心或工會投訴。安莉芳其他收集員工意見的渠道包括總經理信箱、季度行政面談及年度滿意度調查。

於報告期間，我們並無獲悉任何嚴重不遵守有關勞工準則的個案。



### Building a beautiful team

The Group sees every employee as part of a big family. A variety of extra-curricular activities are organised to build our team and create a sense of belonging.

Our Shandong and Changzhou Industrial Parks are very refreshing and harmonious places to work and live. In these parks, the Group has created comfortable rest and exercise spaces. The Group organises birthday parties, cultural events, manual skill contests, networking events and dinners. The Group organises ping-pong and basketball tournaments, sports days and hiking, and provides gymnasiums, basketball courts and ping-pong rooms.

### 建設最美團隊

安莉芳視每一位員工為大家庭的一分子，並組織了不同的活動，豐富員工的業餘生活、凝聚團隊、建立歸屬感。

首先，集團位於山東及常州的工業園，環境均廣闊宜人，設有寬敞的休憩及康體設施，為員工創造了一個綠色、舒適、健康及和諧的工作生活環境。安莉芳會為員工舉辦各種文康活動，例如為員工慶祝生辰、舉辦文化活動、生產手藝競賽、單身員工聯誼活動、各種年會及聚餐等。各廠區亦舉行了乒乓球賽、籃球賽、趣味運動會、遠足等活動，亦設有健身場地、籃球場、乒乓球室等，支持員工進行身體鍛煉。

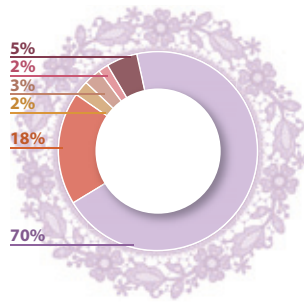


# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2017

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As a business which cares about women's health, the Group cares about the health of our employees. For example, the Group arranges health checks for married female employees in Shenzhen who are of childbearing age.

作為一間關注女性健康的企業，我們自然亦關注員工的身心健康。例如，安莉芳位於深圳的廠房為員工安排了已婚育齡婦女健康檢查。



		Male 男	Female 女	Overall 總數
Manufacturing Department	生產部門	2%	18%	20%
Sales Department	銷售部門	3%	70%	73%
Other Departments	其他部門	2%	5%	7%
<b>The Group</b>	<b>集團</b>	<b>7%</b>	<b>93%</b>	<b>100%</b>

The table above presents the distribution of employees by nature of position and gender as at 31 December 2017.  
按性別及部門劃分，安莉芳截至2017年12月31日為止的員工人數比率

### Occupational health and safety

As an apparel company, the Group pays attention to occupational health and safety (OHS) management, and has appointed the Safety Management Division to oversee OHS matters. The Group has a series of safety-related documents, such as the "Safe Production Management Regulations", "Working Environment Management Procedure", "Emergency Response Plan", etc. Our Safety Specialists conduct safety checks daily, and build a 'Safety Hazards Correction Record' to monitor corrective actions taken by operational units.

The Group has control measures for the three major safety hazards at our workshops. First, manufacturing equipment such as cutters must be operated with care. Operators are equipped with goggles and baffles to avoid eye injuries from needles, and with anti-cutting wire gloves to avoid cuts. The safety operating procedures at each position and machines are clearly displayed. Necessary warning signs are placed at locations that are safety hazard hotspots. Second, employees are equipped with dust masks to avoid disease due to inhalation of dust. Ventilation is a top priority of workshop design and indoor humidity is maintained at 40% to 70%. Third, operators are equipped with earplugs as machining noise may put their health at risk. The noises received by workers are controlled below the limit determined by national regulations.

### 工作健康及安全

作為一家服裝企業，公司十分注重員工職業健康及安全，並設安全管理部統籌職安健事宜。公司訂有一系列安全類文件，例如《安全生產管理規定》、《工作環境管理程序》、《緊急事件應急救援預案》等。安全專員日、周、月進行全面安全檢查，並建立《安全隱患整改記錄》，以此監督各個部門有效整改並檢查監督。

安莉芳針對生產車間的三項主要安全風險均有控制措施：一、生產設備如裁床具有一定危險性，我們會為操作生產設備的員工提供如防斷針飛濺傷眼的擋板和護目鏡，以及防止旋轉帶刀傷手的防割鋼絲手套，杜絕意外傷害發生。各作業崗位都制定了安全操作程序並在各工位清晰標識，員工可隨時查閱依循。車間易發生安全事件的區域及設備上亦有增加必要的警示。二、為防止員工受粉塵污染的影響，我們為員工配備防塵口罩，車間設計上亦講求通風，而室內空氣濕度儘量保持在40%-70%之間。三、機器噪音亦可能為車間的員工帶來影響，在嚴格遵循國家規定的噪音衛生限值，並為生產員工配備耳塞。

Safety awareness and skill training is crucial in maintain a safe workplace. Training provided to manufacturing employees includes the "Cutter Operating Safety Guidelines", "Production Equipment Maintenance Practice", etc. Manufacturing employees receive factory-level, workshop-level and team-level safety training to acquire knowledge of safe operation. They must prove that they can operate machines safely before they are allowed to operate them.

The Group regularly organises fire drills and talks on fire safety. Evacuation maps are displayed at key locations at our operation sites.

The Group notices that sales ladies may suffer from varicose veins if they stand for too long. Sales ladies may also suffer from ergonomic problems if their posture is not correct. The Group reminds sales ladies of correct posture, and requires them to move goods in smaller batches. In case of injury, the Group requires the respective departments to keep a complete injury case record, which includes the location and date of incident, and how the incident happened. As such, the Group can monitor the injury rate and evaluate how we have performed in OHS. The Group has realised that the main reason for incidents is limited safety awareness and has applied preventive actions. In the future, the Group plans to enhance our safety training, ensure our safety management practices and guidelines are implemented, and reducing the frequency and magnitude of work injuries.

安全意識及防範技能培訓亦是確保員工工作安全的重要一環，生產人員所接受的培訓包括《刀床操作安全細則》、《生產設備日常保養制度》、《裁制生產設備安全操作規程》、《自動裁床操作指南》、《刀床與電剪操作安全事項》等。員工入職後都經過廠級、車間級和班組級三級安全培訓，掌握相關安全知識、規章和安全工作須知。生產車間員工並須經過崗位培訓技能達標後方可上崗操作。

公司定期組織全員消防疏散演練、消防安全知識倡導，在業務地點主要通道口張貼《火災疏散示意圖表》，建立應急準備及響應措施，使員工能冷靜應對緊急情況。

安莉芳留意到前線導購員工在銷售店工作時或因站立太久而引致靜脈曲張，取貨搬貨姿勢不正確亦或會導致手臂及腰部勞損。我們會提示員工正確的取貨及搬貨姿勢，並規定取貨時每包存貨不能過大。一旦發生工傷事故，我們要求部門保留一份完整的工傷記錄，包括意外發生的地點、日期、受傷的員工數據、意外的經過等，讓我們能夠定期監測工傷率以及評估安莉芳在工作健康和安全的表現。公司發現導致工傷事故的主要原因為安全意識不足及防範措施不足。未來，我們會加強崗位安全培訓，提升員工的安全意識，確保集團的安全管理規定及作業指引能有效實施，致力預防意外發生，從而減低工傷事故發生的嚴重性及事發率。

		Male 男	Female 女
Manufacturing Department	生產部門	3	17
Sales Department	銷售部門	0	6
Other departments	其他部門	1	4

*Number of recordable incidents<sup>5</sup> in 2017 by gender and nature of position*  
按性別及部門劃分，安莉芳在2017年內的工傷<sup>5</sup>宗數

		Male 男	Female 女
Manufacturing Department	生產部門	1.53	0.85
Sales Department	銷售部門	0	0.09
Other departments	其他部門	0.46	0.99

*Number of recordable incident rates (per 200,000 employee-hours)<sup>6</sup> in 2017 by gender and nature of position*  
按性別及部門劃分，安莉芳在2017年的每20萬工時工傷率<sup>6</sup>

<sup>5</sup> Recordable incident refers to incidents of employee injury and occupational disease as a result of occupational activities or occupational-related activities. For such injuries, The Group will register cases with the Social Security Bureau, and considers them as recorded incidents for the Group. If the Social Security Bureau does not consider the case as an injury, The Group will be responsible for the medical expense.

<sup>5</sup> 工傷是指公司員工在從事職業活動或者與職業活動有關的活動時所遭受的不良因素傷害和職業病傷害。只要是從事職業活動或與職業活動有關的活動，公司均會向社保局申報工傷，社保局認為工傷的當成工傷處理，社保局未認為工傷的，發生的相關醫療費用由公司予以報銷。

<sup>6</sup> The incident rate is calculated by this formula: (Number of recordable incidents ÷ total working hours × 200,000).

<sup>6</sup> 工傷率之計算方式為(工傷宗數 ÷ 年度總工作時數 × 200,000)。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2017

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### Employee training

The Group is committed to providing the right training to employees to enhance their skills. Most training for back-end employees and sales ladies are conducted through the e-learning platform. The e-learning platform helps the company to monitor and facilitate employee training progress. Each employee needs to complete 6 learning credits for each quarter. There are three categories of training on the e-learning platform. The first category is on-boarding training, which include regulations, position-specific instructions, awareness training to environmental awareness, fire safety, 5S management approach, etc. The second category is position-specific skill-based training, such as "Brand Image, Service and Sales" for the Sales Department. The third category is training for promotion and switching positions, which are arranged for specific employees based on appraisal results. Such training can be related to knowledge, skills and attitude.

For manufacturing employees, the Group provides offline training, which includes fire safety, OHS, safety for special tasks, emergency response, quality and environmental management system, product knowledge, quality awareness, operation of intelligent equipment, etc.

### 員工培訓

公司重視為員工提供合適的培訓，提升工作技能。大部分為辦公室員工及導購人員的培訓依託網絡學院進行。此在線學習平台有助公司實踐現代化培訓管理體系，並實現對人員培訓進度的管理控制。安莉芳網絡學院採用學分制管理，學員每季度必須完成6學分，才算達標。網絡學院的培訓內容有三種：一為新職人員培訓，即規章制度、職位說明書、新員工入職指南、新職桌面應用指南、質量環境意識培訓、消防安全、安莉芳5S管理辦法等；二為對應專業崗位技能類知識培訓，例如銷售部門的《品牌商品形象、服務與銷售》；三為晉升、調動人員培訓，此為根據人才測評結果分析，安排其需要在知識、技能、態度等方面的課程培訓。

對於生產部門的員工，安莉芳會提供線下培訓，內容包括消防安全類、職業健康安全類、特殊工種安全類、應急救護類、質量環境體系類、崗位技能提升類、產品知識類、質量意識類、智能化設備操作類等。

Manufacturing Department	生產部門	7.2 hours 小時
Sales Department	銷售部門	28.6 hours 小時
Other departments	其他部門	29.3 hours 小時
Group average	集團平均	25.7 hours 小時

Annual average hours of training received by department.  
小時按部門劃分，安莉芳員工的每年平均受訓時數

### Beautiful actions we take

To benefit the community, the Group strives to promote an ethical business environment for the lingerie industry and partners with industrial organisations to promote the development of the Chinese lingerie industry. The Group hopes that the overall performance of the industry can be raised to provide more healthy, trendy and quality products for Chinese women. At the same time, the Group is engaged in charitable activities. For many years, we have partnered with the China Women's Development Foundation to help ethnic minority women in poverty. In Hong Kong, the Group donates products to non-profit organisations every year.

### 美麗行動 守護女性之美

安莉芳抱著「對社會有益」的理念，致力為內衣行業營造廉潔的風氣，聯同夥伴機構推動中國內衣行業的發展，期望行業的水平獲得整體提升，為中國的婦女提供更加優質、健康且時尚的產品。與此同時，安莉芳亦熱心公益，多年聯同中國婦女發展基金會，組織公益行動為少數民族地區的貧困婦女送上關愛。在香港，安莉芳於年內捐贈產品予非牟利機構，並積極響應香港的慈善公益活動。

In 2017, the Group donated lingerie products worth HK\$37,000 to Christian Action.  
於2017年，安莉芳向基督教勵行會捐贈了總值約港幣37,000的內衣產品。

### Operate ethically

The Group strives to promote an ethical business environment for the lingerie industry. The Group promises to act honestly and do not tolerate any acts of bribery. The “Commercial Anti-Corruption Agreement” outlines our zero-tolerance policy for bribery, and our procedure in any case of bribery. The Agreement is applicable to all our employees. Suppliers are required to sign the Agreement before the Group signs a formal procurement contract with them so that they endorse our anti-corruption policy. Our Internal Audit Department regularly checks that with all suppliers have signed the Agreement.

The Group has set up a “whistle-blowing” mailbox for any individuals to report bribery. According to our “Administrative Disciplinary Management Regulations”, an employee is immediately dismissed if proven to be involved in a bribery case. If the employee has broken the law, he or she will be prosecuted and charged by the judiciary.

In 2017, no reports regarding bribery and other unethical acts were received. There were also no legal cases regarding corrupt practices brought against the Group or our employees.

### Promoting the development of the Chinese lingerie industry

The Group is a member of various lingerie industry organisations. The Group has enhanced the overall quality of the industry and nurtured new talents through organising, supporting, and sponsoring different events. In 2017, the Group is members of industry associations such as the Shenzhen Underwear Association, China Knitting Industrial Association, Shenzhen Garment Industry Association, Shenzhen Textile Industry Association and Shanghai Garment Trade Association.

The Group is the chairing organisation of the Shenzhen Underwear Association. As the chairing organisation, the Group supports the Association to connect the industry, government and academia. In the last three years, the Association has introduced creative projects to incubate potential brands and facilitate the transformation and advancement of the industry. The establishment of the Shenzhen Shangyuan Underwear Maker Space and the Shenzhen Underwear Innovation Research and Development Centre are two examples.

### 廉潔營商

安莉芳致力為內衣行業營造廉潔的風氣。我們承諾恪守廉潔的營商原則，絕不容忍任何賄賂或受賄行為。集團的《反商業賄賂協議》列明集團對賄賂行為的零容忍政策，對收受賄賂的行為有明確處理規定。《協議》適用於安莉芳所有員工；供應商在與安莉芳簽訂正式的採購合同前，亦會被要求簽署此協議，以確保供應商知悉安莉芳的廉潔方針。審計中心會定時檢查供應商是否都已簽訂《協議》。

集團設有專用的舉報郵箱，供任何人士舉報行賄受賄行為。根據《行政處分管理規定》，如員工證實牽涉行賄受賄，將遭無條件解僱；情節嚴重構成犯罪的，將移交司法機關追究刑事責任。

2017年，集團並沒有收到懷疑賄賂及其他不當行為的舉報，亦沒有對安莉芳或其員工提出並已審結的貪污訴訟案件。

### 推動中國內衣行業發展

安莉芳為不同內衣行業協會的理事單位，一直透過主辦、協辦、贊助各種活動，提升行業水平，發掘行業新秀。2017年，安莉芳參加了包括深圳市內衣行業協會、中國針織工業協會、深圳市服裝行業協會、深圳紡織協會及上海服裝行業協會等。

其中，安莉芳作為深圳市內衣行業協會的會長單位，支持協會聯繫業界、政府部門、學界人士，在近三年共同推出各種創新項目，如創辦深圳市尚源內衣眾創空間和深圳市心衣內衣創新研發中心，培育潛力品牌，促進產業轉型升級為核心理念。

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### The Blue Ribbon Charity Campaign

The Group has organised the “Blue Ribbon Charity Campaign” jointly with China Women’s Development Foundation for 11 consecutive years. The Campaign is a flagship charitable project in which the Group develops a new and correct approach to healthy living and beauty for Chinese women. In the last 11 years, the Group has visited 18 provinces and autonomous regions all over the country and has donated a total of nearly RMB49.6 million in kind over the years. The Group has supported women in poverty of various ethnic minorities, such as the Zhuang, Yao, Manchu, Miao, Dong, Korean, Mongolian, Tibetan, Dai and Qiang minorities.

### 藍絲帶公益行動

「藍絲帶行動」是安莉芳集團與中國婦女發展基金會聯合發起的呵護女性、回饋社會的公益項目，是安莉芳集團創造美、傳遞美、幫助中國婦女實現美麗蛻變的美麗工程。從2006年至今，安莉芳藍絲帶慈善公益行動已經走過11年歷史，足跡遍佈國內18個省市自治區，先後為壯族、瑤族、滿族、苗族、侗族、朝鮮族、蒙古族、藏族、傣族、羌族等多個少數民族地區的貧困婦女捐贈了價值總額累計人民幣4,962.4萬元的愛心物資。

### China International Homewear Creation Design Competition 中國國際居家衣飾原創設計大賽

The Shenzhen Underwear Association has organised the China International Homewear Creation Design Competition for 5 consecutive years. The Group continued to be a title sponsor of the Competition. The objective of the Competition is to promote the idea of ‘enhancing quality of life with design’, and nurture more creative talents on homewear design, so as to promote the overall design standard of the homewear industry. After many years of development, this Competition has become a well-regarded contest inject vitality to homewear in China.

深圳市內衣行業協會連續第5年舉行中國國際居家衣飾原創設計大賽，並繼續獲安莉芳冠名贊助。大賽的目的為更好地倡導「設計提升生活品質」的居家生活理念，並培育更多的居家衣飾優秀創意設計人才，提升中國居家衣飾產業的設計水平。經歷多年發展，此項比賽已經成為國內具有較高知名度的權威性大賽，不僅為行業輸送了大量優秀的設計人才，也為家居服注入了新的強勁活力。





### The Blue Ribbon Charity Campaign

In 2017, The Group partnered with the China Women's Development Foundation to donate articles worth RMB7.26 million to women in need in Shenzhen, Shanghai, Shandong, Jiangsu, Hunan, Yunnan and Tianjin. As part of the Blue Ribbon Charity Campaign, we visited Shaoyang Country, Hunan and Yuxi City, Yunnan and made donations to the women. Blue Ribbon Volunteers, which include our employees, visited the homes of recipients to present them with the donations. Knowledge is the best charity, The Group also organized health seminar and promote the importance of health knowledge.

For 11 consecutive years, the flagship Blue Ribbon Charity Campaign has become a symbol of The Group's perseverance in giving back to society. Charity is a long-term commitment. As a renowned lingerie business, the Group will work with partners from different sectors to contribute to the cause.

### 一心一益，因愛而美

安莉芳與中國婦女發展基金會合作為深圳、上海、山東、江蘇、湖南、雲南及天津需要幫助的女性同胞送上總計價值人民幣725.9萬元的愛心物資。其中，「感恩·同行」藍絲帶行動先後走進湖南邵陽縣、雲南玉溪市，參與基層捐贈活動，包括安莉芳員工在內的藍絲帶行動義工，前往受捐人士家中探望，並送上捐贈物資。授人以魚不如授人以漁，安莉芳特別邀請健康專家向當地婦女傳遞女性健康保健知識。

連續11年的藍絲帶公益慈善活動，使得公益早已成為安莉芳義不容辭的社會責任和企業文化。愛心慈善是一項長期事業，作為國際著名內衣企業，安莉芳集團將會攜手社會各界，共同努力，為中國女性公益事業盡一份綿薄之力，讓愛心在中國各地連綿傳遞，讓愛傳承。



Health specialists accompanied our volunteers to promote health knowledge to minority women.

專家為苗族女性講解女性健康知識，傳授防護措施及就醫指導。

Our volunteer visited women in Yuxi City, Yunnan. 安莉芳藍絲帶義工們到玉溪贈送物資給當地少數民族貧困女性。



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### Stakeholder engagement and materiality analysis

We believe comments of our stakeholders will help us to evaluate our performance on environmental, social and governance aspects objectively and comprehensively. As part of our day-to-day operation, the Group engages our stakeholders through various channels to understand how we can do better on ESG aspects.

To prepare this ESG Report, the Group engaged an independent consultant to design and implement specific stakeholder engagement exercises and evaluate how we have impacted our stakeholders in 2016. The targeted stakeholders were employees, investors, customers, suppliers, shopping mall partners, community partners and industrial association representatives. They were engaged through online surveys, focus groups and individual interviews. Through an analysis of the stakeholder engagement findings, we summarise how our stakeholders understand and comment on our ESG performance, and their expectations for our future work.

Stakeholder engagement findings and discussion with senior management on the relevance of the ESG aspects to our business are two pillars of the materiality of the respective ESG aspects.

From the results of the evaluation, the following 13 aspects were identified as material aspects which will be the framework for future reports. The Group has already disclosed the management approach and performance in relation to these material aspects in the report.

### 相關方溝通及重要性分析說明

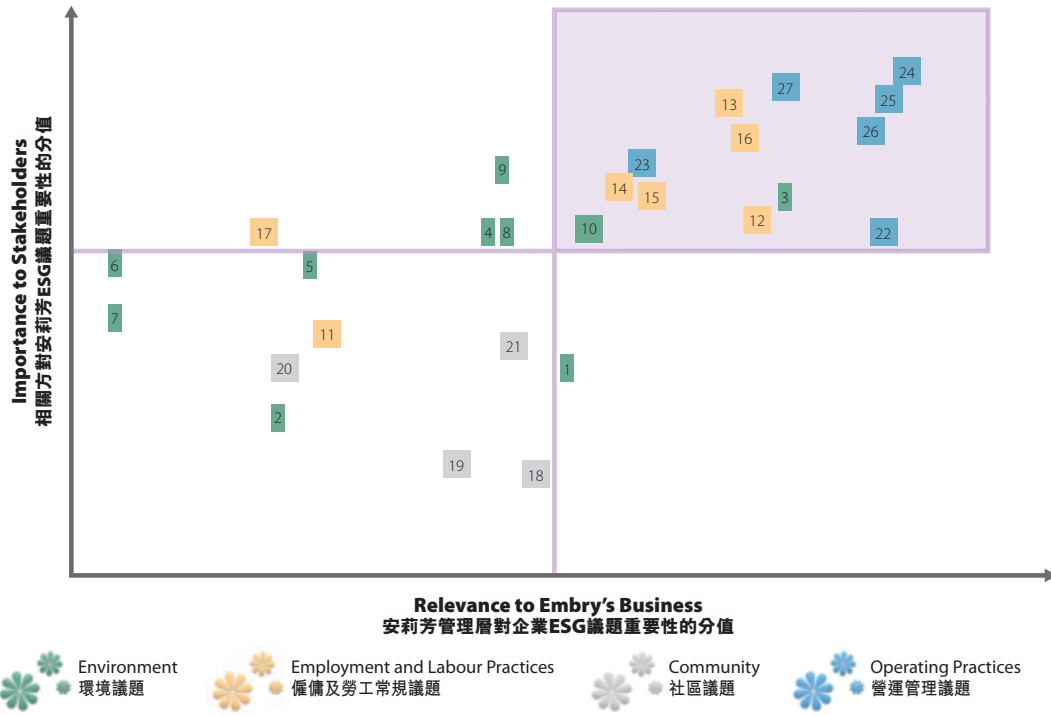
我們相信，認真聽取各相關方的意見有助於我們客觀、全面地評估集團的環境、社會及管治表現。因此，在日常運營中，我們會通過各種的溝通渠道，與不同的相關方就各個事項進行溝通。

為籌備本報告，公司於2016年特委託獨立顧問機構開展了針對各項環境、社會及管治議題的相關方溝通。溝通對象為安莉芳的主要相關方群體，包括員工、投資者、顧客、供應商、商場合作方、社區夥伴、行業協會等。溝通形式主要為問卷調查、小組研討會及單獨訪談。我們通過多元化的方式，結合定量與定性分析，深入了解相關方對安莉芳在環境、社會及管治方面表現的認知和評價，以及對未來工作及報告的期望。

我們通過重要性評估，對不同的環境、社會及管治議題進行了優先次序排列。重要性評估以相關方調查結果及管理層工作坊的討論結果為兩大主要依據，分別從兩個維度判定各個議題對安莉芳的重要性高低。

從重要性評估的結果，我們得出如下13項作為安莉芳在環境、社會及管治方面的重點事項，作為日後報告的框架。我們也已在本報告相應的章節中對該項工作的管理方法及表現作出相關披露。

**Environmental, Social and Governance Aspects Materiality Matrix for Embry**  
 安莉芳環境、社會及管治議題重要性分析矩陣圖



Number 序號	Category 分類	ESG aspects 環境、社會及管治議題
3	Environment 環境議題	Environmental impact of raw materials 原材料的使用情況及其對環境的影響
10		Enhance environmental performance of suppliers 與供應商協力提升在環境事項的表現
12	Employment and Labour Practices 僱傭及勞工常規議題	Employee morale 提高員工忠誠度
13		Occupational health and safety 保障員工的職業安全健康
14		Training and development 提供員工的培訓與教育
15		Child and forced labour 防止使用童工及強迫勞動
16		Compliance with labour regulations 符合勞工法例要求
22	Operating Practices 營運管理議題	Anti-corruption 反腐倡廉
23		Selecting suppliers with good ESG performance 優先選用環境和社會表現較佳的供應商
24		Product quality assurance 保障產品質量
25		Service quality assurance 保障服務質量
26		Respecting intellectual property rights 尊重知識產權
27		Protect personal information 保護消費者的隱私及個人信息

The results of this analysis are a key foundation of this report. Also, comments from stakeholders are valuable to our future strategies.

分析所得的結果是我們編製本報告的一個重要依據。同時，相關意見也為我們制定未來發展戰略提供有力支持。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2017

## 環境、社會及管治報告 2017

### HKEx ESG Reporting Guide Index

### 《環境、社會及管治報告指引》索引

Aspects, General Disclosures and KPIs 層面、一般披露及 關鍵績效指標	Descriptions 描述	Related chapters in this report 披露段落	Remarks 附註
Aspect A1: Emissions General Disclosure 層面 A1 : 排放物 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料	Realising our green dream (Page 40) 美麗工程綠色經營(第40頁)	
KPI A1.1 關鍵績效指標 A1.1	The types of emissions and respective emissions data. 排放物種類及相關排放數據。		Our operation does not involve significant emission to the environment. The Group is therefore not reporting on this figure. 安莉芳的業務不涉及對外大量排放空氣及水污染物，因此未有統計。
KPI A1.2 關鍵績效指標 A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility). 溫室氣體總排放量(以噸計算)及(如適用)密度	Green operational sites (Page 40) 打造綠色運營地(第40頁)	

Aspects, General Disclosures and KPIs 層面、一般披露及 關鍵績效指標	Descriptions 描述	Related chapters in this report 披露段落	Remarks 附註
KPI A1.3 關鍵績效指標 A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility). 所產生有害廢棄物總量(以噸計算)及(如適用)密度		Our operation does not involve generation of hazardous waste in significant quantities. The Group is therefore not reporting on this figure. 安莉芳的業務不涉及對外大量危險廢棄物，因此未有統計。
KPI A1.4 關鍵績效指標 A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility). 所產生無害廢棄物總量(以噸計算)及(如適用)密度	Green manufacturing (Page 44) 推行綠色生產(第44頁)	
KPI A1.5 關鍵績效指標 A1.5	Description of measures to mitigate emissions and results achieved. 描述減低排放量的措施及成果。	Green operational sites (Page 40) 打造綠色運營地(第40頁)	
KPI A1.6 關鍵績效指標 A1.6	Description of how hazardous and non-hazardous waste is handled, reduction initiatives and results achieved. 描述處理有害及無害廢棄物的方法、減低產生量的措施及所得成果。	Green manufacturing (Page 44) 推行綠色生產(第44頁)	

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Aspects, General Disclosures and KPIs 層面、一般披露及 關鍵績效指標	Descriptions 描述	Related chapters in this report 披露段落	Remarks 附註
Aspect A2: Use of Resources 層面 A2：資源使用 General Disclosure 一般披露	Policies on the efficient use of resources, including energy, water and other raw materials. 有效使用資源(包括能源、水及其他原材料)的政策	Realising our green dream (Page 40) 美麗工程綠色經營 (第 40 頁)	
KPI A2.1 關鍵績效指標 A2.1	Direct and/or indirect energy consumption by type (e.g., electricity, gas or oil) in total (kWh in '000s) and intensity (e.g., per unit of production volume, per facility). 按類型劃分的直接及／或間接能源總耗量及密度	Green operational sites (Page 40) 打造綠色運營地(第 40 頁)	
KPI A2.2 關鍵績效指標 A2.2	Water consumption in total and intensity (e.g., per unit of production volume, per facility). 總耗水量及密度	Green operational sites (Page 40) 打造綠色運營地(第 40 頁)	
KPI A2.3 關鍵績效指標 A2.3	Description of energy use efficiency initiatives and results achieved. 描述能源使用效益計劃及成果。	Green operational sites (Page 40) 打造綠色運營地(第 40 頁)	



Aspects, General Disclosures and KPIs	Descriptions	Related chapters in this report	Remarks
層面、一般披露及 關鍵績效指標	描述	披露段落	附註
KPI A2.4 關鍵績效指標 A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved. 描述於獲得水源上面對的問題，以及提升用水效益計劃及成果。		Our operation does not involve consumption of water in significant quantities. The Group does not have any issue in sourcing water. We do not have programs for enhancing water consumption efficiency, but we recycle landscaping water in our industrial parks. 安莉芳生產及其他業務不涉大量用水，而在獲得水源上未無特別問題，因此在生產層面未有提升用水效益計劃，但在工業園內會循環使用景觀用水。
KPI A2.5 關鍵績效指標 A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced. 製成品所用包裝材料的總量及(如適用)每生產單位估量。	Green manufacturing (Page 44) 推行綠色生產(第44頁)	
Aspect A3: The Environment and Natural Resources General Disclosure 一般披露	Policies on minimising the issuer's significant impact on the environment and natural resources. 減低所屬機構對環境及天然資源造成重大影響的政策	Green operational sites (Page 40) 打造綠色運營地(第40頁)	
KPI A3.1 關鍵績效指標 A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them. 描述業務活動對環境及天然資源的重大影響及已採取的行動。	Our beautiful green industrial parks (Page 43) Green manufacturing (Page 44) 美麗的綠色工業園(第43頁) 推行綠色生產(第44頁)	

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Aspects, General Disclosures and KPIs 層面、一般披露及 關鍵績效指標	Descriptions 描述	Related chapters in this report 披露段落	Remarks 附註
Aspect B1: Employment General Disclosure 一般披露	<p>層面 B1：僱傭</p> <p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.</p> <p>有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的：</p> <p>(a) 政策；及</p> <p>(b) 相關法律及規例的資料</p>	<p>Our beautiful team (Page 47)</p> <p>美麗團隊貼心關愛 (第 47 頁)</p>	
KPI B1.1 關鍵績效指標 B1.1	<p>Total workforce by gender, employment type, age group and geographical region.</p> <p>按性別、僱傭類型、年齡組別及地區劃分的僱員總數。</p>	<p>Building a beautiful team (Page 49)</p> <p>建設最美團隊(第 49 頁)</p>	<p>The Group considers a break down by gender and nature of position better reflects our demography.</p> <p>安莉芳認為按性別及部門劃分能更好地反映安莉芳的員工分佈狀況。</p>
KPI B1.2 關鍵績效指標 B1.2	<p>Employee turnover rate by gender, age group and geographical region.</p> <p>按性別、年齡組別及地區劃分的僱員流失比率。</p>		<p>Our turnover rates for male and female employees are 3.47% and 3.35% respectively.</p> <p>安莉芳 2017 年之男性員工流失率為 3.47%，女性為 3.35%。</p>

Aspects, General Disclosures and KPIs	Descriptions	Related chapters in this report	Remarks
層面、一般披露及 關鍵績效指標	描述	披露段落	附註
Aspect B2: Health and Safety General Disclosure 一般披露	層面 B2：健康與安全 Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards. 有關提供安全工作環境及保障員工避免受職業性危害的： (a) 政策；及 (b) 相關法律及規例的資料	Occupational health and safety (Page 50) 工作健康及安全 (第 50 頁)	
KPI B2.1 關鍵績效指標 B2.1	Number and rate of work-related fatalities. 因工而死亡的人數及比率。		There was no case of fatality in 2017. 2017 年，安莉芳並無員工因工作原因死亡。
KPI B2.2 關鍵績效指標 B2.2	Lost days due to work injury. 因工傷損失工作日數。		The Group considers injury rates are better performance indicator than number of lost days. 安莉芳未有計算因工傷損失工作日數。我們認為工傷率為較佳之績效指標。



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層面、一般披露及 關鍵績效指標	描述	披露段落	附註
KPI B2.3 關鍵績效指標 B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored. 描述所採納的職業健康與安全措施，以及相關執行及監察方法。	Occupational health and safety (Page 50) 工作健康及安全 (第 50 頁)	
Aspect B3: Development and Training General Disclosure 一般披露	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. 有關提升員工履行工作職責的知識及技能的政策，描述培訓活動。	Employee training (Page 52) 員工培訓 (第 52 頁)	
KPI B3.1 關鍵績效指標 B3.1	The percentage of employees trained by gender and employee category (e.g., senior management, middle management). 按性別及僱員類別劃分的受訓僱員百分比。		All employees have received training provided by the Group. 所有員工均有接受公司提供的培訓。
KPI B3.2 關鍵績效指標 B3.2	The average training hours completed per employee by gender and employee category. 按性別及僱員類別劃分，每名僱員完成受訓的平均時數	Employee training (Page 52) 員工培訓 (第 52 頁)	

Aspects, General Disclosures and KPIs 層面、一般披露及 關鍵績效指標	Descriptions 描述	Related chapters in this report 披露段落	Remarks 附註
Aspect B4: Labour Standards 層面 B4：勞工準則			
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour. 有關防止童工或強制勞工的： (a) 政策；及 (b) 相關法律及規例的資料	Compliance with Labour Regulations (Page 47) 遵循勞工法例(第 47 頁)	
KPI B4.1 關鍵績效指標 B4.1	Description of measures to review employment practices to avoid child and forced labour. 描述檢討招聘慣例的措施以杜絕童工及強制勞工的方法。	Compliance with Labour Regulations (Page 47) 遵循勞工法例(第 47 頁)	
KPI B4.2 關鍵績效指標 B4.2	Description of steps taken to eliminate such practices when discovered. 描述在發現違規情況時，所採取的行動。	Compliance with Labour Regulations (Page 47) 遵循勞工法例(第 47 頁)	
Aspect B5: Supply Chain Management 層面 B5：供應鏈管理			
General Disclosure 一般披露	Policies on managing environmental and social risks of the supply chain. 管理供應鏈的「環境及社會風險政策」	Rigorous quality control — Supplier management (Page 35) 嚴控品質 — 供應商管理(第 35 頁)	

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### Aspects,

### General Disclosures and KPIs

層面、一般披露及  
關鍵績效指標

### Descriptions

描述

### Related chapters in this report

披露段落

### Remarks

附註

KPI B5.1  
關鍵績效指標 B5.1

Number of suppliers by geographical region.  
按地區劃分的供應商數目。

Rigorous quality control  
— Supplier management  
(Page 35)  
嚴控品質 — 供應商管理  
(第 35 頁)

KPI B5.2  
關鍵績效指標 B5.2

Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.  
描述聘用供應商的慣例，向其執行有關慣例的供應商數目，以及有關慣例的執行及監察方法

Rigorous quality control  
— Supplier management  
(Page 35)  
嚴控品質 — 供應商管理  
(第 35 頁)

Aspect B6: Product Responsibility 層面 B6：產品責任

General Disclosure  
一般披露

Information on:

- (a) the policies; and
- (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.

有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的：

- (a) 政策；及
- (b) 相關法律及規例的資料

Beautiful craftsmanship  
(Page 33)  
美麗匠心品質保障  
(第 33 頁)



Aspects, General Disclosures and KPIs 層面、一般披露及 關鍵績效指標	Descriptions 描述	Related chapters in this report 披露段落	Remarks 附註
KPI B6.1 關鍵績效指標 B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons. 已售或已運送產品總數中，因安全與健康理由而須回收的百分比。		There was no case of product recall for safety and health reasons. The Group recalled around 13,000 goods of same batch due to quality reason in 2017 in accordance with our internal procedures. 2017年，安莉芳並無因安全與健康理由需要對產品作出召回；但曾因有一定數量顧客對某款產品的質量作出反饋，召回13,000餘件產品。
KPI B6.2 關鍵績效指標 B6.2	Number of product and service related complaints received and how they are dealt with. 接獲關於產品及服務的投訴數目以及應對方法。	Our commitment to customers — Listening to our customers (Page 38) 給顧客的承諾 — 聆聽顧客聲音 (第38頁)	The Group considers the complaint rate (the ratio of pieces of sold products associated to complaints made by customers and total number of products sold for the same period) a better indicator to number of complaints received. The complaint rate in 2017 was 0.0089%. 安莉芳認為「顧客投訴率」(即顧客投訴所涉產品件數與同期產品累計銷售件數之比率)相比投訴數目為更合適的績效指標。2017年顧客投訴率為0.0089%

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層面、一般披露及 關鍵績效指標	描述	披露段落	附註
KPI B6.3 關鍵績效指標 B6.3	Description of practices relating to observing and protecting intellectual property rights. 描述與維護及保障知識產權有關的慣例。	Respecting intellectual property rights (Page 39) 尊重知識產權 (第 39 頁)	
KPI B6.4 關鍵績效指標 B6.4	Description of quality assurance process and recall procedures. 描述質量檢定過程及產品回收程序。	Rigorous quality control — Material testing (Page 37) Our commitment to customers — Listening to our customers (Page 38) 嚴控品質 — 檢驗檢測 (第 37 頁) 給顧客的承諾 — 聽顧客聲音 (第 38 頁)	
KPI B6.5 關鍵績效指標 B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored. 描述消費者資料保障及私隱政策，以及相關執行及監察方法。	Our commitment to customers — Protecting customers' private information (Page 39) 給顧客的承諾 — 保障客戶私隱 (第 39 頁)	
Aspect B7: Anticorruption General Disclosure 一般披露	層面 B7：反貪污 Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. 有關防止賄賂、勒索、欺詐及洗黑錢的： (a) 政策；及 (b) 相關法律及規例的資料	Operate ethically (Page 53) 廉潔營商 (第 53 頁)	

Aspects, General Disclosures and KPIs 層面、一般披露及 關鍵績效指標	Descriptions 描述	Related chapters in this report 披露段落	Remarks 附註
KPI B7.1 關鍵績效指標 B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases. 於彙報期內對所屬機構及其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果。	Operate ethically (Page 53) 廉潔營商 (第 53 頁)	
KPI B7.2 關鍵績效指標 B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored. 描述防範措施及舉報程序，以及相關執行及監察方法。	Operate ethically (Page 53) 廉潔營商 (第 53 頁)	
Aspect B8: Community Investment General Disclosure 層面 B8：社區投資 一般披露	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests. 了解營運所在社區的需要，確保其業務活動會考慮社區利益的政策	Beautiful actions we take (Page 52) 美麗行動守護女性之美 (第 52 頁)	
KPI B8.1 關鍵績效指標 B8.1	Focus areas of contribution (e.g., education, environmental concerns, labour needs, health, culture, sport). 專注貢獻範疇 (如教育、環境事宜、勞工需求、健康、文化、體育)	Beautiful actions we take (Page 52) 美麗行動守護女性之美 (第 52 頁)	
KPI B8.2 關鍵績效指標 B8.2	Resources contributed (e.g., money or time) to the focus area. 在專注範疇所動用資源 (如金錢或時間)	Beautiful actions we take (Page 52) 美麗行動守護女性之美 (第 52 頁)	In 2017, our employees devoted 312 hours in total in volunteering. 2017 年內，安莉芳員工參與的義工活動總時數為 312 小時。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The Board and the management of the Company are committed to the maintenance of good corporate governance practices and procedures. The Company believes that good corporate governance provides a framework that is essential for effective management, a healthy corporate culture, sustainable business growth and enhancing shareholders' value.

The Company has adopted the Corporate Governance Code (the "CG Code") as contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules") as its own code of corporate governance practices.

In the opinion of the Directors, the Company had complied with all code provisions under the CG Code so far as they are applicable and a majority of the recommended best practices under the CG Code throughout the year ended 31 December 2017 (the "Review Period"), save for the following deviation:

The code provision E.1.2 stipulates that the chairman of the board of directors should attend the annual general meeting. Madam Ngok Ming Chu, the Chairman of the Board, was unable to attend the Company's annual general meeting held on 25 May 2017 due to other engagement. In view of her absence, Madam Ngok had arranged for other directors and management, who are well-versed in the Company's business and affairs, to attend the meeting and communicate with shareholders of the Company.

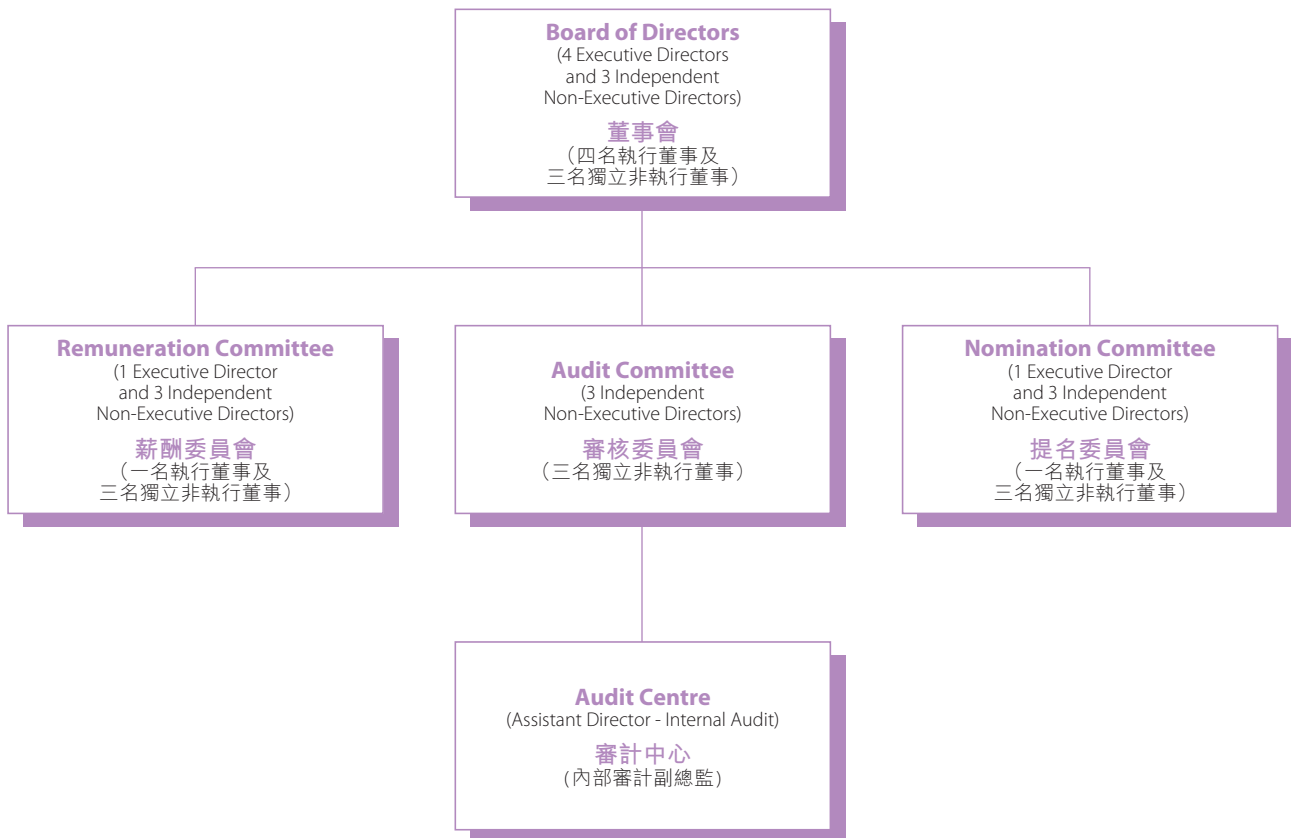
本公司董事會及管理層致力維持良好的企業管治常規及程序。本公司深信良好的企業管治能為有效的管理、健全的公司文化、可持續的業務發展及股東價值的提升確立框架。

本公司採納香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄十四所載的《企業管治守則》(「企業管治守則」)作為其企業管治常規的守則。

董事認為，本公司於截至二零一七年十二月三十一日止年度(「回顧期間」)內一直遵守所有企業管治守則的適用守則條文，以及大部份企業管治守則建議的最佳常規，惟以下偏離守則的情況除外：

守則條文第E.1.2條訂明，董事會主席應出席股東週年大會。董事會主席岳明珠女士因另有要務，故未能出席本公司於二零一七年五月二十五日舉行之股東週年大會。然而，由於岳女士未能出席，彼已安排其他熟悉本公司業務及情況之董事及管理層出席大會，並與本公司之股東溝通。

## GOVERNANCE STRUCTURE 管治架構



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Directors

#### Board Composition

The Directors place great emphasis on the fiduciary nature of the Board's responsibilities and strive to be accountable to the shareholders of the Company as a whole.

A board diversity policy has been formulated by the Board setting out the approach to maintaining a Board with a diversity of directors. The Company recognises the benefits of diversity at the Board level as an essential element in supporting its sustainable development. All Board appointments will continue to be based on meritocracy with due regard for the benefits of diversity on the Board. Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

The Board currently comprises four Executive Directors, namely Madam Ngok Ming Chu (Chairman), Ms. Cheng Pik Ho Liza (Chief Executive Officer), Mr. Cheng Chuen Chuen and Ms. Lu Qun; and three Independent Non-Executive Directors, namely Mr. Lau Siu Ki, Mr. Lee Kwan Hung and Prof. Lee T. S. The number of Independent Non-Executive Directors represents more than one-third of the Board. The biographical details of and relationships among the members of the Board are disclosed under the section headed "Directors and Senior Management" on pages 28 to 31 of this annual report.

The Directors believe that the composition of the Board reflects the necessary balance of skills and experience appropriate for the requirements of the business development of the Group and for effective leadership as all the Executive Directors possess extensive experience in management and the research and development, design, production and marketing of lingerie products while the three Independent Non-Executive Directors possess professional knowledge and broad experience in finance, law and management respectively. The Directors are of the opinion that the present structure of the Board can ensure the independence and objectivity of the Board and provide a system of checks and balances to safeguard the interests of the shareholders and the Company.

### 董事

#### 董事會組成

董事會非常注重董事會的受信責任，並竭力對本公司全體股東負責。

董事會已制定董事會成員多元化政策列載為維持一個成員多元化的董事會而採取的方針。本公司相信董事會層面多元化之好處，為維持其可持續發展的關鍵元素。董事會所有委任均繼續以用人唯才為原則，並充分顧及董事會成員多元化的裨益。甄選人選將按一系列多元化範疇為基準，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。最終將按人選的長處及可為董事會提供的貢獻而作決定。

董事會目前由四名執行董事岳明珠女士(主席)、鄭碧浩女士(行政總裁)、鄭傳全先生及鹿群女士及三名獨立非執行董事劉紹基先生、李均雄先生及李天生教授組成，獨立非執行董事的人數佔董事會人數的三分之一以上。董事會成員的簡歷詳情以及彼等之間的關係已於本年報第28至31頁「董事及高級管理層」資料一節內披露。

董事會相信，由於全體執行董事於管理及女性內衣產品的研發、設計、生產及推廣方面具備豐富經驗，而三位獨立非執行董事分別在財務、法律及管理方面具備專業知識和豐富經驗，因此董事會成員的組合反映本集團在業務發展及有效領導所需的必要技能與適當經驗兩者之間的平衡。董事會認為，董事會現時的架構可確保董事會的獨立性及客觀性，並能提供一個審查及平衡機制以保障股東及本公司的利益。



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

Article 108 (A) of the articles of association of the Company provides that one-third of the Directors for the time being, or, if their number is not three or multiple of three, then the number nearest to but not less than one-third shall retire from office by rotation provided that every Director shall be subject to retirement at least once every three years at the Company's annual general meeting and shall be eligible for re-election. Under Article 105, the office of a Director of the Company is liable to be vacated in certain circumstances and the Company may remove any Director of the Company by an ordinary resolution at a general meeting as prescribed in Article 114.

The appointment of new Directors and nomination of Directors for re-election at annual general meetings are first considered by the Nomination Committee. The recommendations of the Nomination Committee will then be put to the Board for decision. New Directors appointed by the Board are subject to re-election by shareholders at the next following annual general meeting pursuant to the articles of association of the Company. In considering the appointment of new Directors, the Nomination Committee will assess the candidate according to the criteria set out in Rules 3.08 and 3.09 of the Listing Rules. In the case of a candidate for an Independent Non-Executive Director, he/she should also meet the independence criteria set out in Rule 3.13 of the Listing Rules.

### Executive Directors

The Executive Directors, Madam Ngok Ming Chu, Ms. Cheng Pik Ho Liza, Mr. Cheng Chuen Chuen and Ms. Lu Qun, have each entered into a service agreement with the Company for a fixed term of two years. Each Executive Director is entitled to a discretionary management bonus provided that the aggregate amount of the bonuses payable to all the Executive Directors for any financial year of the Company shall not exceed 8% of the audited consolidated net profit of the Group (after taxation and non-controlling interests and payment of such bonuses) for that financial year of the Company. An Executive Director shall not vote on any resolution of the Directors regarding the amount of the management bonus payable to him/her.

### Independent Non-Executive Directors

Each of the Independent Non-Executive Directors was appointed for a term of two years with a formal letter of appointment setting out the key terms and conditions of his appointment.

Save for the directors' fees, none of the Independent Non-Executive Directors is expected to receive any other remuneration for holding his office as an Independent Non-Executive Director.

### 委任、重選及罷免董事

本公司組織章程細則第108(A)條規定，在每屆股東週年大會上，當時三分之一董事，或若人數並非三或三的倍數，則以最接近但不少於三分之一的人數將告退，惟每名董事須至少每三年輪值告退一次。退任董事有資格應選連任。根據細則第105條，本公司的董事職位可於若干情況下出現空缺，而本公司亦可按細則第114條的規定透過於股東大會上的普通決議案罷免本公司任何董事。

新董事的委任及在股東週年大會上連任董事的提名須先由提名委員會考慮，再由提名委員會向董事會提出建議，供董事會決定。由董事會新委任的董事須根據本公司章程細則在下屆股東週年大會上經股東重選。考慮新董事的委任時，提名委員會會根據上市規則第3.08及3.09條所載的準則對候選人進行評估。如考慮獨立非執行董事的候選人時，彼亦須符合上市規則第3.13條所列的獨立性準則。

### 執行董事

執行董事岳明珠女士、鄭碧浩女士、鄭傳全先生及鹿群女士已與本公司訂立服務協議，固定年期為期兩年。每名執行董事可收取酌情管理花紅，惟於本公司任何財政年度支付予全體執行董事的花紅總額不得超過本集團於該本公司財政年度的經審核綜合純利(扣除稅項及非控股權益以及該等花紅後)的8%。執行董事不得就任何有關向其支付的管理花紅金額的董事會決議案投票。

### 獨立非執行董事

每名獨立非執行董事之任期為兩年，正式委任函件載列其主要委任條款及條件。

除董事袍金外，並不預期獨立非執行董事將就擔任獨立非執行董事而收取任何其他酬金。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The Company annually assesses the independence of each Independent Non-Executive Director during his term of appointment. In January and February 2018, the Company received from each of the Independent Non-Executive Directors a written confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. Based on such confirmations, the Company considers all the Independent Non-Executive Directors are independent.

### Proceedings of Board Meetings and Board Committee Meetings

The Board considers that all meetings should be legally and properly convened. The Chairman of the Board takes the lead to ensure that Board meetings and Board committee meetings are convened in accordance with the requirements set out in the articles of association of the Company, the terms of reference of the respective Board committees and the Listing Rules.

In convening Board meetings, the Chairman is responsible for drawing up and approving the agenda for each meeting after consultation with all the Directors and the Company Secretary. Prior notice of each regular Board meeting is given to all the Directors at least 14 days in advance and the Directors are invited to include matters for discussion in the agenda. Agenda and accompanying Board papers are sent to all the Directors at least 3 days (or such other period as agreed) prior to meetings.

Board meetings are held at least four times a year. In addition, special Board meetings are held when necessary. Such Board meetings involve the active participation, either in person or through other electronic means of communication, of all the Directors.

Dates of regular Board meetings are scheduled in advance to provide sufficient notice to give all the Directors an opportunity to attend. For special Board meetings, reasonable notice is given.

The Directors have access to the advice and services of the Company Secretary to ensure that Board procedures and all applicable rules and regulations are followed.

The minutes of Board meetings record in sufficient detail the matters considered by the Board, including all concerns raised by the Directors and dissenting views expressed. The minutes of all Board meetings and Board committee meetings are available for inspection by any Director, auditor or any relevant eligible parties who can have access to such minutes.

本公司於各獨立非執行董事獲委任期間，每年評估其獨立身份。於二零一八年一月及二月，本公司已收到各獨立非執行董事根據上市規則第3.13條書面確認彼等的獨立身份。根據有關確認書，本公司認為全體獨立非執行董事均屬獨立人士。

### 董事會會議及董事委員會會議程序

董事會認為所有會議均應按合法及妥善的方式召開。董事會主席領導董事會以確保董事會會議及董事委員會會議均按載於本公司組織章程細則、各董事委員會的權責範圍及上市規則的要求召開。

於召開董事會會議時，主席負責在向全體董事及公司秘書作出諮詢後，草擬及批准每次會議的議程。每次召開定期董事會會議時，全體董事獲發出最少十四天的預先通知，董事並會獲邀於議程內加入商討事項。議程及隨附的董事會文件將於會議前最少三天(或協定的其他時間內)發送予全體董事。

董事會會議每年召開至少四次。此外，會在有需要時召開董事會特別會議。此等董事會會議均有全體董事親身出席，或透過其他電子通訊方法積極參與。

董事會定期會議的日期預先訂定，以讓所有董事皆有機會騰空出席。至於董事會特別會議，則發出合理通知召開。

所有董事都可獲得公司秘書的意見和服務，以確保董事會程序及所有適用規則及規例均獲得遵守。

董事會的會議記錄已充份記錄董事會所考慮事宜的詳情，其中包括由董事提出的所有關注事項及發表的反對意見。任何董事、核數師或任何合資格取得會議記錄的有關人士均可查閱所有董事會會議及董事委員會會議記錄。

### Directors' Attendance Records

The record of attendance of individual Directors at the Board meetings, Board committee meetings and annual general meeting held during 2017 is set out in the following table:

### 董事的出席記錄

下表載列各董事於二零一七年內舉行的董事會會議、董事委員會會議及股東週年大會的出席記錄：

Directors 董事	Board 董事會	Number of Meetings Attended/Held 會議出席次數/舉行次數			Annual General Meeting 股東週年大會
		Audit Committee 審核委員會	Nomination Committee 提名委員會	Remuneration Committee 薪酬委員會	
<b>Executive Directors</b> 執行董事					
Ngok Ming Chu ( <i>Chairman</i> ) 岳明珠(主席)	9/9	N/A 不適用	N/A 不適用	N/A 不適用	0/1
Cheng Pik Ho Liza ( <i>Chief Executive Officer</i> ) 鄭碧浩(行政總裁)	9/9	N/A 不適用	2/2	2/2	1/1
Cheng Chuen Chuen* 鄭傳全*	2/2	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
Lu Qun 鹿群	9/9	N/A 不適用	N/A 不適用	N/A 不適用	1/1
<b>Independent Non-Executive Directors</b> 獨立非執行董事					
Lau Siu Ki 劉紹基	9/9	3/3	2/2	2/2	1/1
Lee Kwan Hung 李均雄	9/9	3/3	2/2	2/2	1/1
Lee T. S. 李天生	9/9	3/3	2/2	2/2	1/1
<b>Average Attendance Rate</b> 平均出席率	100%	100%	100%	100%	83.3%

\* Mr. Cheng Chuen Chuen was appointed as an Executive Director of the Company on 22 September 2017. Subsequent to his appointment, two Board meetings were held during the year.

\* 鄭傳全先生於二零一七年九月二十二日獲委任為本公司之執行董事。於彼獲委任後，年內共舉行了兩次董事會會議。

In addition, the Chairman met once with the Independent Non-Executive Directors without the presence of the Executive Directors during the Review Period.

此外，主席於回顧期間內在執行董事不在場的情況下與獨立非執行董事舉行了一次會議。

### Directors' and Officers' Liability Insurance

The Company has subscribed an insurance policy with an aim to indemnify its Directors and senior executives from any losses, claims, damages, liabilities and expenses arising from, including but not limited to, any proceedings brought against them during the performance of their duties pursuant to their respective service agreements entered into with the Company.

### 董事及行政人員的責任保險

本公司已投購保險以彌償其董事及高級行政人員任何損失、索償、損害、責任及開支，包括但不限於因董事及行政人員根據各自與本公司訂立的服務協議履行其職責時而被提出的任何訴訟。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") (with certain modifications but on terms no less exacting than the required standard set out in the Model Code) as set out in Appendix 10 to the Listing Rules as its own code ("Securities Dealing Code") to regulate the securities dealings by all the Directors and relevant employees of the Group.

The Company made specific enquiry of all the Directors and members of the senior management who confirmed that they complied with the Securities Dealing Code during the Review Period.

### Continuous Professional Development

Pursuant to the CG Code, all directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution to the board remains informed and relevant.

During the Review Period, all Directors received regular briefings and updates on the Group's business, operations, internal controls and corporate governance matters. Relevant reading materials were provided to the Directors. They also attended courses and seminars organised by external professional bodies on topics relevant to the duties and responsibilities of a director during the Review Period. All Directors have provided the Company with their respective training records pursuant to the CG Code.

### Procedure for Seeking Independent Professional Advice by Directors

There is a written procedure agreed by the Board to enable Directors, upon reasonable request, to seek and be provided with independent professional advice in appropriate circumstances, at the Company's expense in order to assist them to discharge their duties to the Company.

### 董事進行證券交易

本公司採納上市規則附錄十所載的《上市發行人董事進行證券交易的標準守則》(「標準守則」)(經作出若干修訂，惟不低於標準守則所載之規定標準)作為其證券買賣守則(「證券買賣守則」)，以監管本集團所有董事及相關僱員進行的證券買賣。

本公司已向全體董事及高級管理人員作出特定查詢，而彼等確認，彼等於回顧期間內已遵守證券買賣守則。

### 持續專業發展

根據企業管治守則，所有董事應參與持續專業發展，發展並更新其知識及技能，以確保其繼續在具備全面資訊及切合所需的情況下對董事會作出貢獻。

於回顧期間，本公司全體董事均定期接收有關本集團業務、營運、內部監控及企業管治事宜的簡報及更新，彼等獲提供相關的閱讀材料，並參加了由外部專業團體主辦與董事的職能及責任相關的課程及研討會。所有董事已根據企業管治守則向本公司提供彼等各自之培訓紀錄。

### 董事尋求獨立專業意見的程序

董事會已書面制定程序，讓董事按合理要求，可在適當的情況下尋求及獲提供獨立專業意見，費用由本公司支付以協助董事履行其對本公司的責任。

## Functions of the Board Distinctive Roles of the Chairman and the Chief Executive Officer

To avoid concentration of power in any one individual, a clear division of responsibilities between the Chairman and the Chief Executive Officer is crucial to the effective running of the Board and the day-to-day management of the Group's businesses. The positions of the Chairman and the Chief Executive Officer of the Company are held by two different Executive Directors, namely Madam Ngok Ming Chu and Ms. Cheng Pik Ho Liza respectively. Their roles and duties are segregated, with a clear division of responsibilities. Madam Ngok Ming Chu, the Chairman, is to provide leadership for the Board and ensure that the Board works effectively while Ms. Cheng Pik Ho Liza, the Chief Executive Officer, is answerable to the Board for the operations of the Group. Madam Ngok is the mother of Ms. Cheng.

### Distinctive Roles of the Board and the Management

While at all times the Board retains full responsibility for guiding and monitoring the operations of the Group, in discharging its duties, certain responsibilities are delegated to:

- the standing Board committees of the Company namely: the Audit Committee, the Nomination Committee and the Remuneration Committee. Each committee's constitution, powers and duties are clearly defined by its terms of reference, and the committees are accountable to the Board. Ad hoc Board committees may also be established as required from time to time by the Board;
- the Chief Executive Officer, being delegated with the day-to-day management of the businesses of the Group, is accountable to the Board; and
- the senior management team of the Group, being delegated with the responsibilities to deal with daily operational functions, is answerable to the Executive Directors.

The Board believes that effective delegation of authority can ensure that the Board is provided with sufficient and timely information of the Group's businesses which is, in particular, relevant to the Group's performance, financial position and operating results, in order that the Board is able to make an informed assessment of matters put before the Board for approval. During the Review Period, each Executive Director had frequent meetings with operational managers in order to maintain an effective feedback system and enable the Company to react to changes or problems quickly and effectively.

## 董事會的職能 主席及行政總裁的角色區分

為避免權力集中於任何一名人士，主席與行政總裁之間的職責必須有清晰區分，以有效運作董事會及管理本集團的日常業務。本公司的主席及行政總裁職位分別由兩位不同的執行董事岳明珠女士及鄭碧浩女士擔任，彼等的角色及職責分開，具有明確的責任分工。主席岳明珠女士負責領導董事會及確保董事會有效運作，而行政總裁鄭碧浩女士則就本集團的營運向董事會負責。岳女士為鄭女士的母親。

### 董事會及管理層的角色區分

儘管董事會於任何時刻均承擔指導及監察本集團營運的全部責任，惟於董事會履行其職責時，亦將若干責任轉授予：

- 本公司的董事會常務委員會：審核委員會、提名委員會及薪酬委員會。各委員會的組織、權力及職責均以書面職權範圍清楚界定，而該等委員會須向董事會負責。董事會或不時於有需要時成立臨時董事委員會；
- 行政總裁獲授權管理本集團的日常業務，並須對董事會負責；及
- 本集團的高層管理隊伍獲授權處理日常營運工作的責任，並須對執行董事負責。

董事會相信，有效轉授權力可確保董事會獲提供充足和及時的集團業務資料，特別是有關本集團表現、財務狀況及經營業績的資料，以便董事會於批准有關事宜前可就該等事宜作出知情評估。於回顧期間，各執行董事與營運部門經理多次會面，以奉行有效的回饋制度，讓本公司可迅速及有效地就變化或問題作出回應。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The functions reserved to the Board are formalized in writing and include:

- any matters relating to the formulation of the Company's strategy and direction;
- any matters relating to financial controls, compliance and risk management;
- any changes in corporate structure such as the changes relating to the Company's capital structure, including share buy-back or issue of new securities;
- major appointments such as appointments to the Board, after taking into account the recommendations of the Nomination Committee; the appointment of the Chairman and the Chief Executive Officer; recommendations to the shareholders on the appointment or removal of external auditor after taking into consideration the recommendations of the Audit Committee; and the appointment or removal of the Chief Financial Officer and the Company Secretary;
- any matters determined by the Board to be material, including dividend policy, significant changes in accounting policies, material contracts, major financing arrangements and major investments; and
- the corporate governance functions set out in the code provision D.3.1 of the CG Code.

With respect to the corporate governance functions, the Board has reviewed and monitored the Company's corporate governance policies and practices, the training and continuous professional development of directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, and the Company's compliance with the CG Code and disclosure in this Corporate Governance Report.

The Board regularly reviews its arrangement for delegation of authority to ensure that such delegation is appropriate in view of the Company's prevailing circumstances and that appropriate reporting systems are in place.

由董事會負責的職能已以書面制定並包括：

- 任何有關制定本公司策略及方向的事宜；
- 任何有關財務監控、遵守法規及風險管理的事宜；
- 任何企業架構變動，例如有關本公司資本結構的變動，包括購回股份或發行新證券；
- 主要委任事項，例如經考慮提名委員會建議後委任董事會成員；委任主席及行政總裁；經考慮審核委員會建議後就委任或撤換外聘核數師而向股東作出建議；以及委任或撤換首席財務總監及公司秘書；
- 任何由董事會釐定的重大事宜，包括股息政策、會計政策的重大變化、重大合同、主要財務安排和主要投資；及
- 履行企業管治守則守則條文第D.3.1條列出之企業管治職能。

關於企業管治職能方面，董事會已檢討及監察本公司的企業管治政策及常規，董事及高級管理人員的培訓及持續專業發展，本公司在遵守法律及監管規定方面的政策及常規，及本公司遵守企業管治守則的情況及在按其規定在企業管治報告內的披露情形。

董事會定期檢討其指派權力的安排，以確保有關指派安排於本公司當時的情況下屬恰當，並已實行適當的匯報制度。



## Board Committees

A total of three Board committees, namely the Audit Committee, the Nomination Committee and the Remuneration Committee, have been formed, each of which is delegated with specific roles and responsibilities by the Board. All the Board committees follow the same principles and procedures as those of the Board. The Board receives the minutes of each committee meeting on a regular basis, including their decisions and recommendations.

### Audit Committee

At present, the Audit Committee consists of three Independent Non-Executive Directors, namely:

Mr. Lau Siu Ki (*Chairman*)  
Mr. Lee Kwan Hung  
Prof. Lee T. S.

Members of the Audit Committee are appointed by the Board among the Independent Non-Executive Directors and the committee consists of not less than three members. The Board considers that each Audit Committee member has broad commercial experience and together form a suitable mix of expertise in the legal and accounting fields and that the composition and members of the Audit Committee comply with the requirements under Rule 3.21 of the Listing Rules. The Board, after consultation with the chairman of the Audit Committee, provides sufficient resources to the Audit Committee to enable it to discharge its duties.

The Audit Committee has the responsibilities and powers set forth in its terms of reference. To maintain its independence, the Audit Committee is required to have at least one meeting with the external auditor without the presence of Executive Directors within a financial year. The function of the committee is to provide assistance to the Board in fulfilling its oversight responsibilities to shareholders, potential shareholders, the investment community and other stakeholders relating to:

- the integrity of accounts and financial reporting process of the Company;
- the assessment of the external auditor's qualifications and independence;
- the performance of the Company's internal audit function and the performance of the external auditor; and
- the effectiveness of the risk management and internal control systems of the Company.

### 董事委員會

董事會下共設審核委員會、提名委員會及薪酬委員會三個委員會，各由董事會授以特定的角色和職責。所有董事委員會須遵守的原則及程序均與董事會相同。董事會定期收到各委員會的會議紀錄，包括其決策及建議。

### 審核委員會

目前，審核委員會由三名獨立非執行董事組成，分別為：

劉紹基先生(主席)  
李均雄先生  
李天生教授

審核委員會成員由董事會從獨立非執行董事中委任，且由不少於三名成員組成。董事會認為各審核委員會成員均具備豐富商業經驗，並於法律及會計專業知識方面互相配合。審核委員會的組成及成員符合上市規則第3.21條的規定。董事會在與審核委員會主席作出商議後，向審核委員會提供充足資源，以協助它履行其職務。

審核委員會承擔及具有其職權範圍所載的責任及權力。為保持其獨立性，審核委員會須於每個財政年度內與外聘核數師最少舉行一次沒有執行董事出席的會議。委員會的職能為向董事會提供協助，以便其履行就以下事項而須對股東、潛在股東、投資人士及其他與業務有關人士承擔的監察責任：

- 本公司賬目及財務報告程序的真實性；
- 評估外聘核數師的資格及獨立身份；
- 本公司內部審計職能的表現及外聘核數師的表現；及
- 本公司的風險管理及內部監控系統的有效性。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The terms of reference of the Audit Committee are available on the Company's website and the Stock Exchange's website.

During the Review Period, the Audit Committee held three meetings including one meeting with the external auditor without the presence of the Executive Directors and the management. The record of attendance of individual Directors at the committee meetings is set out on page 75 of this annual report.

The following is a summary of the work performed by the Audit Committee during the Review Period:

- (i) review of the annual report and results announcement of the Company for the year ended 31 December 2016, with a recommendation to the Board for approval;
- (ii) review of the external auditor's independence and their report, with a recommendation to the Board for the re-appointment of the external auditor by the shareholders of the Company at its 2017 annual general meeting;
- (iii) review of continuing connected transactions;
- (iv) review of the interim report and results announcement of the Company for the six months ended 30 June 2017, with a recommendation to the Board for approval;
- (v) review of quarterly financial reports of the Company prepared by the Finance and Accounts Department;
- (vi) consideration of audit and non-audit services provided by the external auditor;
- (vii) review of the effectiveness of the risk management and internal control systems of the Company and its subsidiaries;
- (viii) review of periodic reports prepared by the Audit Centre;
- (ix) review of the adequacy of resources, qualifications and experience of staff of the Company's accounting, internal audit and financial reporting functions, and their training programmes and budget; and
- (x) review of the audit fees payable to the external auditor for the year ended 31 December 2017, with a recommendation to the Board for approval.

本公司股東可於本公司網站及聯交所網站查閱審核委員會的職權範圍。

審核委員會於回顧期間舉行了三次會議，包括與外聘核數師在執行董事及管理層不在場的情況下舉行了一次會議。個別董事出席委員會會議的記錄載於本年報第75頁的列表內。

以下為審核委員會於回顧期間所履行的工作概要：

- (i) 審閱本公司截至二零一六年十二月三十一日止年度的年報及業績公告，並建議董事會通過；
- (ii) 檢討外聘核數師的獨立性及其報告，並建議董事會向本公司股東建議於其二零一七年股東週年大會上重新委任外聘核數師；
- (iii) 審核持續關連交易；
- (iv) 審閱本公司截至二零一七年六月三十日止六個月的中期報告及中期業績公告，並建議董事會通過；
- (v) 審閱由財務會計部編制的本公司季度財務報告；
- (vi) 考慮外聘核數師提供的審核及非審核服務；
- (vii) 檢討本公司及其附屬公司的風險管理及內部監控系統的成效；
- (viii) 審閱審計中心提交的定期報告；
- (ix) 檢討本公司在會計、內部審核及財務匯報職能方面之資源、員工資歷及經驗是否足夠，以及員工所接受之培訓課程及有關預算又是否充足；及
- (x) 審閱截至二零一七年十二月三十一日止年度支付給外聘核數師的審計費用，並建議董事會批准。

### Auditor's Remuneration

The Audit Committee has reviewed the remuneration paid/payable to Ernst & Young, the external auditor of the Company, for the following services provided during the Review Period:

Services Rendered 所提供服務		Remuneration Paid/Payable 已付／應付酬金
Audit services	審核服務	HK\$2,980,000
Non-audit services	非審核服務	HK\$774,000
Total:	總計：	HK\$3,754,000

The Audit Committee has expressed its views to the Board that the level of fees paid/payable to the Company's external auditor is reasonable. There has been no major disagreement between the auditor and the management of the Company during the Review Period.

### Nomination Committee

At present, the Nomination Committee has four members comprising one Executive Director and three Independent Non-Executive Directors, namely:

Prof. Lee T. S. (Chairman)  
Ms. Cheng Pik Ho Liza  
Mr. Lau Siu Ki  
Mr. Lee Kwan Hung

The main functions of the Nomination Committee are to review the structure, size and composition of the Board, to identify individuals who are suitably qualified to become Directors, and to assess the independence of the Independent Non-Executive Directors. After considering the independence and qualifications of nominees, the Nomination Committee makes recommendations to the Board so as to ensure that all nominations are fair and transparent. The Nomination Committee is also responsible for reviewing the succession planning of Directors, in particular the Chairman and the Chief Executive Officer. The Board, after consultation with the chairman of the Nomination Committee, provides sufficient resources to the Nomination Committee to enable it to discharge its duties.

The Nomination Committee held two meetings in 2017. The record of attendance of individual Directors at the committee meeting is set out on page 75 of this annual report.

### 核數師酬金

審核委員會已審閱就本公司之外聘核數師安永會計師事務所於回顧期間內提供以下服務本公司已付或應付的酬金：

審核委員會已向董事會反映意見，表示已付／應付本公司外聘核數師的費用水平屬合理。外聘核數師與本公司管理層於回顧期間內並無任何主要意見分歧。

### 提名委員會

目前，提名委員會由四名成員組成，包括一名執行董事及三名獨立非執行董事：

李天生教授(主席)  
鄭碧浩女士  
劉紹基先生  
李均雄先生

提名委員會的主要職能為檢討董事會的架構、規模及組成，物色具備適合資格成為董事的人選及評估獨立非執行董事的獨立身份。於考慮獲提名人士的獨立身份及資格後，提名委員會向董事會作出建議，以確保所有提名均屬公平透明。提名委員會亦負責審閱董事的繼任計劃，特別是主席及行政總裁的繼任計劃。董事會在與提名委員會主席作出商議後，向提名委員會提供充足資源，以協助它履行其職務。

提名委員會於二零一七年召開了兩次會議。個別董事出席委員會會議的記錄載於本年報第75頁。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The following is a summary of the work performed by the Nomination Committee during the Review Period:

- (i) assessment of the independence of the Independent Non-Executive Directors;
- (ii) recommendation to the Board on the re-election of Directors;
- (iii) review of the existing structure, size and composition of the Board; and
- (iv) recommendation to the Board on the appointment of an Executive Director of the Company.

As a good corporate governance practice, Nomination Committee member (being also the Independent Non-Executive Director) abstained from assessing his own independence.

The terms of reference of the Nomination Committee are available on the Company's website and the Stock Exchange's website.

### Remuneration Committee

At present, the Remuneration Committee has four members comprising one Executive Director and three Independent Non-Executive Directors, namely:

Mr. Lee Kwan Hung (*Chairman*)  
 Ms. Cheng Pik Ho Liza  
 Mr. Lau Siu Ki  
 Prof. Lee T. S.

The main functions of the Remuneration Committee are to assist the Board in establishing a formal and transparent procedure for setting policy on Directors' and senior management's remuneration and to make recommendation to the Board on the packages (which include benefits in kind, pension rights and compensation payments) of individual Executive Directors and senior management (i.e. the model described in code provision B.1.2(c)(ii) of the CG Code was adopted) as well as on the remuneration of Non-Executive Directors. The Board, after consultation with the chairman of the Remuneration Committee, provides sufficient resources to the Remuneration Committee to enable it to discharge its duties.

以下為提名委員會於回顧期間所履行的工作概要：

- (i) 評估獨立非執行董事的獨立身份；
- (ii) 就重選董事向董事會提出建議；
- (iii) 檢討董事會的架構、規模及組成；及
- (iv) 就委任本公司執行董事事宜向董事會提出建議。

為奉行良好的企業管治常規，提名委員會成員（亦為獨立非執行董事）皆沒有參與有關其獨立性的評估。

本公司股東可於本公司網站及聯交所網站查閱提名委員會的職權範圍。

### 薪酬委員會

目前，薪酬委員會由四名成員組成，包括一名執行董事及三名獨立非執行董事，分別為：

李均雄先生 (*主席*)  
 鄭碧浩女士  
 劉紹基先生  
 李天生教授

薪酬委員會的主要職能為協助董事會訂立一套正式的並具透明度的程序，以制定董事及高級管理人員的薪酬政策，及向董事會建議個別執行董事及高級管理人員的薪酬待遇（包括非金錢利益、退休金權利及賠償金額（亦即採納了企業管治守則條文B.1.2(c)(ii)條所述的模式），並就非執行董事的薪酬向董事會提出建議。董事會在與薪酬委員會主席作出商議後，向薪酬委員會提供充足資源，以協助它履行其職務。

In recommending the remuneration of the Directors, the Remuneration Committee makes reference to companies of comparable business or scale, and the nature and volume of work in order to compensate the Directors reasonably for their time and efforts spent. The Remuneration Committee regularly reviews and makes recommendations to the Board on the remuneration of Directors and senior management.

The Remuneration Committee held two meetings in 2017. The record of attendance of individual Directors at the committee meetings is set out on page 75 of this annual report.

The following is a summary of the work performed by the Remuneration Committee during the Review Period:

- (i) review of the salary proposal for 2017 of Executive Directors and staff in Mainland China and Hong Kong, with a recommendation to the Board for approval;
- (ii) recommendation to the Board on the payment of bonuses to the senior management staff in Mainland China;
- (iii) recommendation to the Board on the payment of discretionary bonuses to the Executive Directors and staff in respect of the final results of the Company for the year ended 31 December 2016 and the interim results of the Company for the six months ended 30 June 2017;
- (iv) review of the remuneration package of the newly appointed Executive Director of the Company, with a recommendation to the Board for approval;
- (v) review of the new service agreement between the Company and the Chief Executive Officer of the Company, with a recommendation to the Board for approval;
- (vi) review of the new consultancy agreement between the Company and the former Chairman of the Company, with a recommendation to the Board for approval; and
- (vii) recommendation to the Board on the payment of director's fees to Independent Non-Executive Directors.

As a good corporate governance practice, Remuneration Committee member (being also the Independent Non-Executive Director) had not involved in reviewing his own director's fees.

The terms of reference of the Remuneration Committee are available on the Company's website and the Stock Exchange's website.

就董事薪酬作出建議時，薪酬委員會參考業務或規模類同的公司所支付的薪酬，以及其工作性質及工作量，以就董事所付出的時間及努力向彼等提供合理薪酬。薪酬委員會定期檢討董事及高級管理層的薪酬及就此向董事會提出建議。

薪酬委員會於二零一七年召開了兩次會議。個別董事出席委員會會議的記錄載於本年報第75頁。

以下為薪酬委員會於回顧期間所履行的工作概要：

- (i) 審閱執行董事及中國內地與香港員工的二零一七年薪酬方案，並建議董事會批准；
- (ii) 就支付獎金予中國內地的高層管理人員向董事會提出建議；
- (iii) 就本公司截至二零一六年十二月三十一日止之終期業績及二零一七年六月三十日止六個月之中期業績支付酌情花紅予執行董事及員工向董事會提出建議；
- (iv) 就任命新執行董事審閱其薪酬組合，並建議董事會批准；
- (v) 審閱本公司與本公司行政總裁訂立的新服務協議，並建議董事會通過；
- (vi) 審閱本公司與本公司前任主席訂立的新顧問協議，並建議董事會通過；及
- (vii) 就支付獨立非執行董事的董事袍金向董事會提出建議。

為奉行良好的企業管治常規，薪酬委員會成員（亦為獨立非執行董事）皆沒有參與檢討其個人董事袍金。

本公司股東可於本公司網站及聯交所網站查閱薪酬委員會的職權範圍。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

Pursuant to code provision B.1.5 of the CG Code, details of the annual remuneration of the members of the senior management by band for the year ended 31 December 2017 is as follows:

根據企業管治守則守則條文第B.1.5條，高級管理層成員於截至二零一七年十二月三十一日止年度之薪酬區間詳情如下：

		Number of employees* 僱員人數*
HK\$1,500,001 to HK\$2,000,000	1,500,001 港元至 2,000,000 港元	1
HK\$2,000,001 to HK\$2,500,000	2,000,001 港元至 2,500,000 港元	0
HK\$2,500,001 to HK\$3,000,000	2,500,001 港元至 3,000,000 港元	1
		2

\* One of the employees resigned after the Review Period.

\* 其中一名僱員於回顧期間後辭任。

Details of the remuneration of each director for the year ended 31 December 2017 are set out in note 10 to the financial statements.

於截至二零一七年十二月三十一日止年度有關各董事薪酬的詳情載於財務報表附註10。

### Financial Reporting

The Board acknowledges its responsibility for the preparation of the financial statements for each financial period, which shall give a true and fair view of the state of affairs of the Company. During the Review Period, the Board was not aware of any material uncertainties relating to events or conditions that might cast significant doubt upon the Company's ability to continue in business. Accordingly, the Board has prepared the financial statements of the Company on a going concern basis.

### 財務報告

董事會知悉其編製各財務期間財務報表的責任，該等財務報表應真實及公平地反映本公司的財務狀況。於回顧期間，董事會並不知悉任何重大不明確因素，與可能對本公司繼續經營能力構成重大疑問的事件或情況相關。因此，董事會已按持續經營基準編製本公司的財務報表。

All the Directors acknowledged their responsibility for preparing the financial statements of the Company for the year ended 31 December 2017.

全體董事知悉其編製本公司截至二零一七年十二月三十一日止年度財務報表的責任。

The statement of the external auditor of the Company about the auditor's reporting responsibilities on the financial statements of the Group is set out in the Independent Auditor's Report on pages 101 to 107 of this annual report.

本公司外聘核數師就本集團財務報表所作之申報責任列載於本年報第101至107頁之獨立核數師報告內。

The Company announces its interim and annual results as soon as reasonably practicable after the end of the relevant financial period and the financial year respectively pursuant to the requirements of the Listing Rules, disclosing all such information as would enable the Company's shareholders to assess the performance, financial position and prospects of the Company.

本公司按上市規則規定分別於有關財政期間及財政年度完結後在實際合理情況下儘快公佈其中期及年度業績，披露所有有關資料，以便本公司股東可評估本公司的表現、財務狀況及前景。



## Risk Management and Internal Control

The Board acknowledges that it is responsible for establishing and maintaining appropriate risk management and internal control systems of the Group and reviewing their effectiveness. 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. The Group has established comprehensive policies and procedures in areas of operational, financial and risk controls.

The Group has an internal audit function. The Audit Centre of the Group conducts reviews of the effectiveness of the Group's risk management and internal control systems. It carries out the financial, operational, project management and information security control reviews according to the yearly plan reviewed and endorsed by the Audit Committee. In addition to the agreed schedule of work, the Audit Centre conducts other reviews and work as and when required. The management, in coordination with the Audit Centre, assessed the likelihood of risk occurrence, provide treatment plans, and monitor the risk management progress. Findings and recommendations are reported regularly to members of the Audit Committee and the Board.

During the Review Period, the management has confirmed to the Board and the Audit Committee on the effectiveness of the risk management and internal control systems and the Board had conducted a review of its risk management and internal control systems of the Group under code provision C.2.1 and considered them effective and adequate without the occurrence of any significant failure.

The Audit Centre of the Group continued to provide independent assurance to the Board and management on the adequacy and effectiveness of the risk management and internal control systems for the Group during the Review Period. The Assistant Director of Audit Centre reports functionally to the Audit Committee and administratively to the Chief Executive Officer.

The Board undertakes to periodically review the risk management and internal control systems of the Group to ensure their effectiveness and efficiency.

The Board reviewed the adequacy of resources, qualifications and experience of staff of the Company's accounting, internal audit and financial reporting functions, and their training programmes and budget during the Review Period and considered that the Group had adequate staff resources with the competence, qualifications and experience necessary for the effective performance of its accounting, internal audit and financial reporting functions.

## 風險管理及內部監控

董事會負責設立及維持合適本集團的風險管理及內部監控系統並檢討其功效。風險管理及內部監控系統旨在管理而非消除未能達成業務目標的風險，而且只能就不會有重大的失實陳述或損失作出合理而非絕對的保證。本集團已制定完善的政策及程序，範圍包括營運監控、財務及風險監控。

本集團已設有內部審核功能。本集團的審計中心就本集團的風險管理及內部監控系統是否有效進行檢討。該中心根據經審核委員會審閱及認可的年度計劃執行財務、運作、項目管理上的控制及信息安全控制的審查工作。除執行既定的工作外，審計中心亦會按需要而執行其他的審查及工作。管理層與審計中心協同評估風險發生之可能性、提供處理方案及監測風險管理進展情況。審核委員會及董事會成員均定期收到有關發現及建議。

於回顧期間，管理層已向董事會及審核委員會確認風險管理及內部監控系統之有效性，董事會亦已遵照守則條文第C.2.1條檢討本集團風險管理及內部監控系統並認為該等系統有效及足夠，且並無任何重大失誤的情況出現。

本集團的審計中心於回顧期間繼續向董事會及管理層就本集團的風險管理及內部監控措施是否充足有效提供獨立的保證。內部審計副總監在職能上向審核委員會匯報，而行政上則向行政總裁匯報。

董事會承諾定期檢討本集團的風險管理及內部監控及制度，以確保其效能及效率。

董事會於回顧期間內亦已檢討了本公司在會計、內部審核及財務匯報職能方面的資源、員工資歷及經驗，以及員工所接受的培訓課程及有關預算，並認為本集團具備足夠的人力資源，而有關員工均具有適當的能力、專業資格及工作經驗，以有效履行其會計、內部審核和財務報告方面的功能。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

A whistleblowing policy has been formulated with a view to providing a mechanism for employees of the Group to raise concerns about the possible improprieties in financial reporting, internal control or other matters. Internal procedures are put in place whereby employees of the Group can report possible risks and inside information identified in daily operation to the Board. Furthermore, the Company has developed its disclosure policy which provides a general guide to the Company's Directors, officers, senior management and relevant employees in handling confidential information, monitoring information disclosure and responding to enquiries.

### Company Secretary

Ms. So Ka Man of Tricor Services Limited, external service provider, has been engaged by the Company as its Company Secretary. The primary contact person at the Company, whom Ms. So can contact, is Ms. Katie Fung, the Chief Financial Officer of the Company.

During the Review Period, Ms. So has taken no less than 15 hours of relevant professional training to update her skills and knowledge.

### Investor Relations and Communication with Shareholders

The Company has engaged a professional public relations consultancy company to organise various investor relations programs (including regular briefing meetings with the media and analysts) aiming at increasing the transparency of the Company, enhancing communication with shareholders and investors, increasing their understanding of and confidence in the Group's businesses and promoting market recognition of and support to the Company.

The Company recognises the importance of maintaining on-going communications with its shareholders and encourages them to attend shareholders' meetings to stay informed of the Group's businesses and convey any concerns they may have to the Directors and senior management.

本集團的僱員可以根據已制定之舉報管理規定就財務匯報、內部監控或其他方面可能發生的不正當行為提出關注，此外亦可按已制定的內部程序就日常業務運作出現的潛在風險及懷疑內幕消息向董事會匯報。此外，本公司已制定其披露政策，為本公司董事、高級職員、高級管理層及相關員工在處理機密信息、監控信息披露及回應查詢時提供指引。

### 公司秘書

本公司委聘外部服務供應商卓佳專業商務有限公司的蘇嘉敏女士為公司秘書。蘇女士於本公司的主要聯絡人為本公司之首席財務總監馮錦麗女士。

於回顧期間，蘇女士已接受不少於15個小時相關專業培訓以更新其技能及知識。

### 投資者關係及與股東的溝通

本公司一直委聘一間專業公關顧問公司籌辦多項投資者關係活動(包括定期與媒體及分析員舉行簡報會)，旨在提高本公司之透明度、加強與股東及投資者的溝通，以及加深他們對本集團業務的了解及信心，務求提升本公司的市場知名度及支持率。

本公司認同持續與其股東保持溝通的重要性，並鼓勵他們出席股東大會，以了解本集團的業務及向董事及管理層反映他們關注的事項。

## Shareholders' Rights

### Convening an Extraordinary General Meeting of the Company by Shareholders

In accordance with Article 64 of the articles of association of the Company, an extraordinary general meeting can be convened on the requisition of one or more shareholders holding, at the date of deposit of the requisition, not less than one tenth of the paid up capital of the Company having the right of voting at general meetings. Such requisition shall be made in writing to the Directors or the Company Secretary for the purpose of requiring an extraordinary general meeting to be called by the Directors for the transaction of any business specified in such requisition.

### Procedures for Sending Enquiries to the Board

Enquiries by shareholders to be put to the Board can be sent in writing to the Company's Company Secretarial Department at the principal place of business in Hong Kong.

For share registration related matters, such as share transfer and registration, change of name or address, loss of share certificates or dividend warrants, the Company's registered shareholders can contact the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited. For other enquires or requests, the Company's investors can contact iPR Ogilvy Limited, the Company's investor relations consultancy company. Detailed contact information is available on the Company's website at [www.embygroup.com](http://www.embygroup.com).

### Procedures for Making Proposals at Shareholders' Meetings

If a shareholder of the Company wishes to nominate a person to stand for election as a Director, the following documents must be validly sent to the Company's principal place of business in Hong Kong or the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, namely (i) his/her notice of intention to propose a resolution at the general meeting; and (ii) a notice executed by the nominated candidate of the candidate's willingness to be appointed. The period for lodgment of the notices of (i) and (ii) above will commence no earlier than the day after the despatch of the notice of the general meeting and end no later than seven days prior to the date of such meeting.

## 股東權利

### 股東召開本公司股東特別大會的方法

根據本公司組織章程細則第64條，股東特別大會可於一名或多名於遞呈要求當日持有不少於本公司有權於股東大會上投票的繳足股本十分之一的股東要求時召開。該項要求須以書面形式向董事或公司秘書提呈，以供董事會就該項要求所指定的任何業務交易要求召開股東特別大會。

### 向董事會發出查詢的程序

股東對董事會的查詢請以書面形式，寄送本公司位於香港的主要營業地點公司秘書部。

至於有關股份註冊事宜，例如股份過戶及登記、轉名或更改住址、遺失股票或股息單，本公司登記股東請聯絡本公司於香港的股份過戶登記分處卓佳證券登記有限公司。若有其他查詢或要求，本公司投資者可與本公司的投資者關係顧問公司iPR奧美公關聯絡。詳細的聯絡方法可於本公司網站[www.embygroup.com](http://www.embygroup.com)查閱。

### 於股東大會作出提案之程序

本公司股東若擬提名個別人士參選本公司董事，須向本公司在香港的主要營業地點或股份過戶登記分處有效送達下述文件：(i)該股東擬在股東大會上提出決議案的意向通知；及(ii)獲提名之候選人簽署表示願意接受委任的通知。提交上述第(i)及(ii)項通知的期間，由本公司就發送會議通知之後開始計算，而該期限不得遲於會議舉行日期之前七天結束。



## CORPORATE GOVERNANCE REPORT

### 企業管治報告

To put forward proposals other than the above at a general meeting, shareholders of the Company should submit a written notice of those proposals with their detailed contact information to the Company Secretary at the Company's principal place of business in Hong Kong. The notice period to be given to all the shareholders for consideration of the proposal raised by the shareholders concerned at general meetings varies according to the nature of the proposal.

During the Review Period, the Company has not made any changes to its articles of association. An up-to-date version of the articles of association of the Company is available on the websites of the Company and the Stock Exchange. Shareholders may refer to the articles of association for further details of the rights of shareholders.

擬在股東大會上提出上述以外的提案，本公司股東須以書面提交該等提案，連同詳細聯絡資料，送交本公司在香港之主要營業地點予公司秘書。就有關股東提出於股東大會考慮之提案而向全體股東發出通告之通知期因應提案之性質而有所不同。

於回顧期間，本公司並無對其組織章程作出任何變動。本公司組織章程的最新版本可在本公司及聯交所的網站查閱。股東亦可參考組織章程以取得有關股東權利的詳情。

# REPORT OF THE DIRECTORS

## 董事會報告

The directors present their report and the audited consolidated financial statements of the Company and its subsidiaries (the "Group") for the year ended 31 December 2017.

### Principal Activities

The principal activity of the Company is investment holding. Details of the principal activities of the subsidiaries are set out in note 39 to the financial statements. There were no significant changes in the nature of the Group's principal activities during the year.

### Results and Dividends

The Group's profit for the year ended 31 December 2017 and the Group's financial position at that date are set out in the financial statements on pages 108 to 196.

An interim dividend of HK2.5 cents per ordinary share was paid on 25 October 2017. The directors recommend a final dividend of HK8.0 cents per ordinary share in respect of the year, to shareholders on the register of members on 31 May 2018. Details of dividends are set out in note 14 to the financial statements.

### Summary Financial Information

A summary of the results and of the assets and liabilities of the Group for the last five financial years, as extracted from the published audited financial statements is set out below.

### Results

		<b>Year ended 31 December</b>				
		<b>截至十二月三十一日止年度</b>				
		<b>2017</b>	2016	2015	2014	2013
		<b>二零一七年</b>	二零一六年	二零一五年	二零一四年	二零一三年
		<b>HK\$'000</b>	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
REVENUE	收益	<b>2,339,524</b>	2,216,082	2,535,818	2,383,127	2,234,763
PROFIT BEFORE TAX	除稅前溢利	<b>675,459</b>	158,447	298,588	268,557	273,663
INCOME TAX EXPENSE	所得稅開支	<b>(180,160)</b>	(60,045)	(97,014)	(80,464)	(75,294)
PROFIT FOR THE YEAR	年度溢利	<b>495,299</b>	98,402	201,574	188,093	198,369
Attributable to:	以下人士應佔：					
Owners of the Company	本公司擁有人	<b>495,299</b>	98,402	201,574	188,093	198,369

董事提呈其報告及本公司及其附屬公司(統稱「本集團」)截至二零一七年十二月三十一日止年度的經審核綜合財務報表。

### 主要業務

本公司的主要業務為投資控股。附屬公司的主要業務詳情載於財務報表附註39。本集團的主要業務性質於本年內並無出現重大變動。

### 業績及股息

本集團於截至二零一七年十二月三十一日止年度的溢利及本集團於該日期的財務狀況載於第108頁至第196頁的財務報表內。

每股普通股2.5港仙的中期股息已於二零一七年十月二十五日派付。董事建議就本年度向於二零一八年五月三十一日在股東名冊內的股東派付每股普通股8.0港仙的末期股息。股息詳情載於財務報表附註14內。

### 財務資料概要

以下是本集團截至最近五個財政年度之業績及資產及負債概要，載列如下。

### 業績

# REPORT OF THE DIRECTORS

## 董事會報告

### Summary Financial Information (continued) Assets and Liabilities

### 財務資料概要(續) 資產及負債

		As at 31 December 於十二月三十一日				
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
TOTAL ASSETS	資產總值	<b>3,249,851</b>	2,495,379	2,508,835	2,409,264	2,151,480
TOTAL LIABILITIES	負債總值	<b>(882,741)</b>	(775,892)	(718,012)	(664,699)	(523,234)
		<b>2,367,110</b>	1,719,487	1,790,823	1,744,565	1,628,246

The above summary does not form part of the audited financial statements.

上述概要並不構成經審核財務報表的一部分。

### Share Capital

Details of movements in the Company's share capital during the year are set out in note 29 to the financial statements.

### 股本

本公司於本年度的股本變動詳情載於財務報表附註29。

### Pre-emptive Rights

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

### 優先購買權

根據本公司組織章程細則或開曼群島法例，概無有關優先購買權的條文規定本公司按比例向現有股東提呈新股份。

### Purchase, Redemption or Sale of Listed Securities of the Company

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

### 購買、贖回或出售本公司上市證券

本公司及其任何附屬公司於本年度概無購買、贖回或出售本公司的上市證券。

### Distributable Reserves

At 31 December 2017, the Company's reserves available for distribution, calculated in accordance with the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, amounted to HK\$841,433,000, of which HK\$33,793,000 has been proposed as final dividend for the year after the reporting period. The amount of HK\$841,433,000 includes the Company's share premium account and contributed surplus of HK\$767,760,000 in aggregate at 31 December 2017, which may be distributed provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as and when they fall due in the ordinary course of business.

### 可供分派儲備

於二零一七年十二月三十一日，本公司根據開曼群島公司法第22章(一九六一年法例三，經綜合及修訂)計算的可供分派儲備為841,433,000港元，其中33,793,000港元已於報告期間結算日後建議作為本年度的末期股息。為數841,433,000港元的金額包括本公司於二零一七年十二月三十一日的股份溢價賬及實繳盈餘合共767,760,000港元，倘緊隨建議分派股息當日後本公司有能力於日常業務過程中償付到期債務，則可能分派有關金額。



## Charitable Contributions

During the year, the Group made charitable contributions totalling HK\$8,536,000 (2016: HK\$7,274,000).

## Major Customers and Suppliers

In the year under review, sales to the Group's five largest customers and purchases from the Group's five largest suppliers accounted for less than 30% of the total sales and purchases for the year, respectively.

None of the directors of the Company or any of their associates or any shareholders (which, to the best knowledge of the directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest customers or suppliers.

## Directors

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

### Executive Directors

Madam Ngok Ming Chu (*Chairman*)  
 Ms. Cheng Pik Ho Liza (*Chief Executive Officer*)  
 Mr. Cheng Chuen Chuen (*appointed on 22 September 2017*)  
 Ms. Lu Qun

### Independent Non-Executive Directors

Mr. Lau Siu Ki  
 Mr. Lee Kwan Hung  
 Prof. Lee T. S.

In accordance with article 108 of the Company's articles of association, Madam Ngok Ming Chu and Ms. Lu Qun will retire by rotation and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting ("AGM").

In accordance with article 112 of the Company's articles of association, Mr. Cheng Chuen Chuen will retire at the AGM and, being eligible, will offer himself for re-election at the AGM.

The Company has received annual confirmations of independence from Mr. Lau Siu Ki, Mr. Lee Kwan Hung and Prof. Lee T. S. pursuant to Rule 3.13 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules"), and as at the date of this report, still considers them to be independent.

## 慈善捐款

於年內，本集團合共捐出8,536,000港元的善款（二零一六年：7,274,000港元）。

## 主要客戶及供應商

於回顧年度，本集團向五大客戶進行的銷售額及本集團向五大供應商進行的採購額分別佔少於年內總銷售額及採購額的30%。

本公司董事或彼等任何聯繫人士或任何股東（就董事所知擁有本公司已發行股本5%以上）概無擁有本集團五大客戶或供應商的任何實際權益。

## 董事

於年內及截至本報告日本公司董事如下：

### 執行董事

岳明珠女士（主席）  
 鄭碧浩女士（行政總裁）  
 鄭傳全先生（於二零一七年九月二十二日獲委任）  
 鹿群女士

### 獨立非執行董事

劉紹基先生  
 李均雄先生  
 李天生教授

根據本公司組織章程細則第108條，岳明珠女士及鹿群女士將於應屆股東週年大會（「股東週年大會」）上輪值告退，惟彼等符合資格應選連任。

根據本公司組織章程細則第112條，鄭傳全先生將於股東週年大會上告退，惟彼符合資格應選連任。

本公司已接獲劉紹基先生、李均雄先生及李天生教授根據香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）第3.13條發出的獨立身份年度確認書，並認為彼等於本報告日期仍屬獨立人士。

# REPORT OF THE DIRECTORS

## 董事會報告

### Directors' and Senior Management's Biographies

Biographical details of the directors of the Company and the senior management of the Group are set out on pages 28 to 31 of the annual report.

### Permitted Indemnity Provision

Pursuant to the Company's articles of association, subject to the applicable laws, every director of the Company shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which he/she may incur or sustain by reason of any act done, concurred in or omitted in or about the execution of his/her office. The Company has taken out insurance against the liability and costs associated with defending any proceedings which may be brought against directors of the Company.

### Directors' Service Contracts

Madam Ngok Ming Chu, Ms. Cheng Pik Ho Liza, Mr. Cheng Chuen Chuen and Ms. Lu Qun, have each entered into a service agreement with the Company for a term of two years commencing on 25 March 2016, 1 December 2017, 22 September 2017 and 2 February 2017, respectively.

Each of the independent non-executive directors has been appointed for a term of two years commencing on 25 November 2016.

Under the service agreement, after each complete year of service, the remuneration payable to each of the executive directors may, subject to the discretion of the Company's board of directors, be increased by not more than 10% and the executive directors are entitled to a discretionary management bonus provided that the total amount of bonuses payable to all the executive directors for that year shall not exceed 8% of the audited consolidated profit after tax of the Group.

Apart from the foregoing, no director proposed for re-election at the AGM has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

### 董事及高級管理層履歷

本公司董事及本集團高級管理層的履歷詳情載於本年報第28頁至第31頁。

### 允許彌償條文

根據本公司的組織章程細則，在符合適用之法律之規定下，每名董事均可從本公司之資產獲得彌償，就彼等執行其職務而作出、同意或忽略的任何行為或有關執行其職務而可能產生或蒙受之所有訴訟、費用、收費、損失、損害及開支，可獲確保免受任何損害。本公司已就本公司之董事可能面對任何訴訟時產生的責任和相關費用購買保險。

### 董事服務合約

岳明珠女士、鄭碧浩女士、鄭傳全先生及鹿群女士已分別與本公司訂立服務協議，分別由二零一六年三月二十五日、二零一七年十二月一日、二零一七年九月二十二日及二零一七年二月二日起計為期兩年。

各獨立非執行董事之任期由二零一六年十一月二十五日起計獲委任兩年。

根據服務協議，每次於服務滿完整一年後，支付各執行董事的薪酬可按本公司董事會酌情決定增加不多於10%，而執行董事亦可收取酌情管理花紅，惟於該年度支付全體執行董事的花紅總額不得多於本集團除稅後經審核綜合溢利的8%。

除上述各項外，建議於應屆股東週年大會上應選連任的董事概無與本公司訂立本公司於一年內終止而須作出賠償(法定賠償除外)的服務合約。

### Emolument Policy and Directors' Remuneration

The Group's emolument policy is formulated based on the performance of individual employees and is reviewed regularly. Subject to the Group's profitability, the Group may also provide discretionary bonuses to its employees as an incentive for their contribution to the Group. The primary goal of the emolument policy with regard to the remuneration packages of the Group's executive directors is to enable the Group to retain and motivate executive directors by linking their compensation with performance as measured against corporate objectives achieved.

The principal elements of the Group's remuneration packages include basic salaries, discretionary bonuses and housing benefits.

The directors' fees are subject to shareholders' approval at general meetings. Other emoluments are determined by the Company's board of directors with reference to directors' duties, responsibilities and performance and the results of the Group.

### Directors' Interests in Transactions, Arrangements or Contracts

Save for transactions as disclosed in note 13 to the financial statements, no director nor a connected entity of a director had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to the business of the Group to which the Company, its holding company or any of its subsidiaries was a party during the year.

### 酬金政策及董事酬金

本集團的酬金政策乃根據個別僱員的表現制定，並會定期進行檢討。視乎本集團的盈利能力而定，本集團亦可向其僱員提供酌情花紅，作為彼等對本集團作出貢獻的獎勵。本集團執行董事酬金組合的酬金政策主要旨在透過將執行董事的薪酬與其按所達到公司目標計量的表現掛鉤，讓本集團可挽留及激勵執行董事。

本集團酬金組合的主要部份包括基本薪金、酌情花紅及住屋福利。

董事袍金須於股東大會上獲得股東批准，其他酬金則由本公司董事會參照董事的職務、職責及表現以及本集團業績而釐定。

### 董事於交易、安排或合約的權益

除財務報表附註13所披露的交易外，董事或其關聯實體於年內概無於由本公司，其控股公司或其任何附屬公司訂立且對本集團業務而言屬重大的任何交易、安排或合約中直接或間接擁有重大權益。

# REPORT OF THE DIRECTORS

## 董事會報告

### Directors' and Chief Executive's Interests and Short Positions in Shares and Underlying Shares

At 31 December 2017, the interests and short positions of the directors and chief executive in the share capital and underlying shares of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to 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"), were as follows:

### 董事及行政總裁於股份及相關股份的權益及淡倉

於二零一七年十二月三十一日，董事及行政總裁於本公司或其相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)股本及相關股份中擁有須記入本公司根據證券及期貨條例第352條存置的登記冊內的權益及淡倉，或須根據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的權益及淡倉如下：

Long positions in ordinary shares of the Company:

於本公司普通股的好倉：

Name of director	Capacity and nature of interest	Number of shares held	Percentage of the Company's issued share capital 佔本公司已發行股本的百分比
董事姓名	身份及權益性質	所持股份數目	
Madam Ngok Ming Chu	Interest of controlled corporations	249,137,574 (Note 1)	58.98
岳明珠女士	受控制公司權益	(附註1)	
	Beneficial owner	2,334,369	0.55
	實益擁有人		
	Interest of spouse	2,983,688 (Note 2)	0.71
	配偶權益	(附註2)	
Ms. Cheng Pik Ho Liza	Beneficial owner	26,990,478	6.39
鄭碧浩女士	實益擁有人		
Mr. Cheng Chuen Chuen	Beneficial owner	513,793	0.12
鄭傳全先生	實益擁有人		
Ms. Lu Qun	Beneficial owner	1,024,057	0.24
鹿群女士	實益擁有人		
Mr. Lau Siu Ki	Beneficial owner	768,000	0.18
劉紹基先生	實益擁有人		
Mr. Lee Kwan Hung	Beneficial owner	532,000	0.13
李均雄先生	實益擁有人		
Prof. Lee T. S.	Beneficial owner	604,000	0.14
李天生教授	實益擁有人		



## Directors' and Chief Executive's Interests and Short Positions in Shares and Underlying Shares

(continued)

Notes:

- These shares are held as to 247,848,510 shares by Harmonious World Limited ("Harmonious World") and as to 1,289,064 shares by Fairmout Investments Limited ("Fairmout Investments"). Harmonious World is owned as to 40.91% by Madam Ngok Ming Chu and as to 59.09% by Mr. Cheng Man Tai. Fairmout Investments is owned as to 50% by Madam Ngok Ming Chu and as to 50% by Mr. Cheng Man Tai. Mr. Cheng Man Tai is the spouse of Madam Ngok Ming Chu.
- Madam Ngok Ming Chu is deemed to be interested in the shares personally held by her spouse, Mr. Cheng Man Tai, pursuant to Part XV of the SFO.

Long positions in ordinary shares of an associated corporation:

Name of director	Name of associated corporation	Relationship with the Company	Number of shares	Capacity and nature of interest	Percentage of the associated corporation's issued share capital
董事姓名	相聯法團名稱	與本公司的關係	股份數目	身份及權益性質	佔相聯法團已發行股本的百分比
Madam Ngok Ming Chu 岳明珠女士	Harmonious World	Ultimate holding company 最終控股公司	40.09 shares of US\$1 each 40.09 股每股面值 1 美元的股份	Beneficial owner 實益擁有人	40.91

Save as disclosed above, as at 31 December 2017, none of the directors and chief executive of the Company had registered an interest or short position in the shares, underlying shares of the Company or any of its associated corporations that was required to be recorded pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

## 董事及行政總裁於股份及相關股份的權益及淡倉(續)

附註：

- 該等股份分別由 Harmonious World Limited (「Harmonious World」) 及 Fairmout Investments Limited (「Fairmout Investments」) 持有其 247,848,510 股股份及 1,289,064 股股份。Harmonious World 分別由岳明珠女士及鄭敏泰先生擁有其 40.91% 及 59.09% 權益。Fairmout Investments 分別由岳明珠女士及鄭敏泰先生擁有其 50% 及 50% 權益。鄭敏泰先生為岳明珠女士之配偶。
- 根據證券及期貨條例第 XV 部，岳明珠女士被視為擁有其配偶鄭敏泰先生個人持有的股票之權益。

於相聯法團普通股的好倉：

除上文披露者外，於二零一七年十二月三十一日，概無本公司董事及行政總裁於本公司或其任何相聯法團的股份或相關股份中擁有根據證券及期貨條例第 352 條須記入登記冊內的權益及淡倉，或根據標準守則須通知本公司及聯交所的權益及淡倉。

# REPORT OF THE DIRECTORS

## 董事會報告

### Directors' Rights to Acquire Shares or Debentures

At no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any of the directors or their respective spouses or minor children, or were any such rights exercised by them; or was the Company, its holding company or any of its subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

### Substantial Shareholders' and Other Persons' Interests in Shares and Underlying Shares

At 31 December 2017, the following interests of 5% or more of the issued share capital of the Company (other than the interests of the directors of the Company as disclosed above) were recorded in the register of interests required to be kept by the Company pursuant to section 336 of the SFO:

Long positions in ordinary shares of the Company:

### 董事購買股份或債券的權利

任何董事或彼等各自的配偶或未滿十八歲的子女概無於年內任何時間獲授權利以透過購買本公司股份或債券而獲益，彼等亦無行使該等權利，本公司、其控股公司或其任何附屬公司亦無訂立任何安排致使董事可收購任何其他法人團體的該等權利。

### 主要股東及其他人士於股份及相關股份的權益

於二零一七年十二月三十一日，以下人士(上文所披露之本公司董事權益除外)於本公司已發行股本中擁有5%或以上須記入本公司根據證券及期貨條例第336條存置的登記冊內的權益：

於本公司普通股的好倉：

Name	Capacity and nature of interest	Number of shares held	Percentage of the Company's issued share capital 佔本公司已發行股本的百分比
姓名	身份及權益性質	所持股份數目	
Mr. Cheng Man Tai	Interest of controlled corporations	249,137,574 (Note 1)	58.98
鄭敏泰先生	受控制公司權益	(附註1)	
	Beneficial owner 實益擁有人	2,983,688	0.71
	Interest of spouse 配偶權益	2,334,369 (Note 2)	0.55
Harmonious World	Beneficial owner 實益擁有人	247,848,510 (Note 3)	58.67
FIL Limited	Investment manager 投資經理	37,520,000	8.88
Sinowide Investments Limited	Beneficial owner 實益擁有人	30,000,000	7.10
Fidelity Funds	Beneficial owner 實益擁有人	26,739,000	6.33

## Substantial Shareholders' and Other Persons' Interests in Shares and Underlying Shares (continued)

Notes:

1. These shares are held as to 247,848,510 shares by Harmonious World and as to 1,289,064 shares by Fairmout Investments. The relationships among Mr. Cheng Man Tai, Madam Ngok Ming Chu, Harmonious World and Fairmout Investments are disclosed under the section "Directors' and chief executive's interests and short positions in shares and underlying shares" above.
2. Mr. Cheng Man Tai is deemed to be interested in the shares personally held by his spouse, Madam Ngok Ming Chu, pursuant to Part XV of the SFO.
3. The relationship between Harmonious World, Mr. Cheng Man Tai and Madam Ngok Ming Chu is disclosed under the section "Directors' and chief executive's interests and short positions in shares and underlying shares" above.

Save as disclosed above, as at 31 December 2017, no person, other than the directors of the Company, whose interests are set out in the section "Directors' and chief executive's interests and short positions in shares and underlying shares" above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to section 336 of the SFO.

### Sufficiency of Public Float

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

## 主要股東及其他人士於股份及相關股份的權益 (續)

附註：

1. 該等股份分別由 Harmonious World 及 Fairmout Investments 持有其 247,848,510 股股份及 1,289,064 股股份。鄭敏泰先生、岳明珠女士、Harmonious World 及 Fairmout Investments 之間的關係披露於上文「董事及行政總裁於股份及相關股份的權益及淡倉」項下。
2. 根據證券及期貨條例第 XV 部，鄭敏泰先生被視為擁有其配偶岳明珠女士個人持有的股票之權益。
3. Harmonious World、鄭敏泰先生及岳明珠女士之間的關係披露於上文「董事及行政總裁於股份及相關股份的權益及淡倉」項下。

除上文披露者外，於二零一七年十二月三十一日，概無人士（權益載於上文「董事及行政總裁於股份及相關股份的權益及淡倉」一節的本公司董事除外）於本公司股份或相關股份中擁有根據證券及期貨條例第 336 條須記錄的權益或淡倉。

### 充足公眾持股量

根據本公司所獲得的公開資料，以及就董事所知，於本報告日期，本公司已發行股份總額中最少 25% 由公眾人士持有。

# REPORT OF THE DIRECTORS

## 董事會報告

### Continuing Connected Transactions

During the year, the Group had the following continuing connected transactions, details of which are disclosed in compliance with the requirements of Chapter 14A of the Listing Rules.

#### (1) Purchase of furniture and decoration services

On 22 December 2014, the services agreement which was entered into between the Company, certain subsidiaries of the Group and the related companies in relation to the purchase of furniture and services of decoration for counters and shops as well as different types of moulds on 21 December 2011 had been further renewed for another term of three years commencing on 1 January 2015 after the expiry of the second term. The related companies are controlled by a close family member of a substantial shareholder and two executive directors of the Company. Further details were disclosed in the Company's announcement dated 22 December 2014.

The said close family member was appointed as an executive director of the Company on 22 September 2017.

On 22 December 2017, the services agreement has been further renewed for another term of three years commencing on 1 January 2018. Further details were disclosed in the Company's announcement dated 22 December 2017.

The continuing connected transactions contemplated under the services agreement would only be subject to the reporting, annual review and announcement requirements and are exempt from the independent shareholders' approval requirement under the Listing Rules.

#### (2) Lease of industrial premises

A subsidiary of the Company entered into a tenancy agreement with a related company in relation to the lease of industrial premises in Changzhou for a term of one year commencing on 10 April 2016. The related company is controlled by an executive director of the Company and the close family members of a substantial shareholder and two executive directors of the Company.

The tenancy agreement was expired on 9 April 2017.

The continuing connected transaction under the tenancy agreement constitutes a de minimis transaction under the Listing Rules and is exempt from the reporting, annual review, announcement and independent shareholders' approval requirements under the Listing Rules.

### 持續關連交易

於年內，本集團進行了以下持續關連交易，該等交易的詳情根據上市規則第14A章的規定於此披露。

#### (1) 採購傢俬及裝修服務

於二零一四年十二月二十二日，本公司及本集團若干附屬公司與關連公司於二零一一年十二月二十一日訂立關於購買傢俬及裝修服務以及各類型模具的服務協議於第二期屆滿後已再度續期，自二零一五年一月一日起計為期三年。該關連公司目前由本公司一名主要股東及兩名執行董事之一名親屬所控制。進一步詳情於本公司日期為二零一四年十二月二十二日的公告中披露。

該名親屬於二零一七年九月二十二日獲委任為本公司之執行董事。

於二零一七年十二月二十二日，該服務協議已再度續期，自二零一八年一月一日起計為期三年。進一步詳情於本公司日期為二零一七年十二月二十二日之公告中披露。

根據此服務協議擬進行的持續關連交易，只需遵守上市規則下的申報、年度審核及公告的規定，並可獲豁免遵守獨立股東批准的規定。

#### (2) 租賃工業樓房

本公司一間附屬公司與關連公司訂立關於租用位於常州的工業樓房的租賃協議，自二零一六年四月十日起計為期一年。該關連公司目前由本公司一名執行董事及本公司一名主要股東與兩名執行董事之親屬所控制。

該租賃協議已於二零一七年四月九日到期。

根據租賃協議擬進行的持續關連交易構成上市規則下符合最低豁免水平的交易，可獲豁免遵守上市規則下的申報、年度審核、公告及獨立股東批准的規定。



## Continuing Connected Transactions (continued)

### (3) Lease of warehouse

A subsidiary of the Company has been leasing a warehouse in Hong Kong from an executive director of the Company. The continuing connected transaction under the tenancy agreement constitutes a de minimis transaction under the Listing Rules and is exempt from the reporting, annual review, announcement and independent shareholders' approval requirements under the Listing Rules.

### (4) Consultancy fee

A substantial shareholder who is the spouse of an executive director of the Company has been re-engaged as a consultant of the Company for a term of one year with effect from 25 March 2017. The continuing connected transaction under the consultancy agreement also constitutes a de minimis transaction under the Listing Rules, and is exempt from the reporting, annual review, announcement and independent shareholders' approval requirements under the Listing Rules.

Details of the above continuing connected transactions of the Group are set out in note 13(a) to the financial statements.

Pursuant to Rule 14A.55 of the Listing Rules, the independent non-executive directors have reviewed the continuing connected transactions disclosed in (1) above and confirmed that the continuing connected transactions have been entered into:

- (i) in the ordinary and usual course of business of the Group;
- (ii) on normal commercial terms or better; and
- (iii) according to the agreement governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The total amount in respect of the continuing connected transactions disclosed in (1) above during the year under review has not exceeded the annual cap for the transactions.

In respect of the continuing connected transactions disclosed above, the directors confirm that the Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules during the year under review.

## 持續關連交易 (續)

### (3) 租賃倉庫

本公司一間附屬公司已向本公司一名執行董事租賃位於香港的一個倉庫。根據租賃協議擬進行的持續關連交易構成上市規則下符合最低豁免水平的交易，可獲豁免遵守上市規則下的申報、年度審核、公告及獨立股東批准的規定。

### (4) 顧問費

本公司的主要股東(彼為本公司一名執行董事的配偶)獲續聘為本公司的顧問，由二零一七年三月二十五日起生效為期一年。根據顧問協議而進行的持續關連交易，同樣構成上市規則下符合最低豁免水平的交易，可獲豁免遵守上市規則下的申報、年度審核、公告及獨立股東批准的規定。

上述本集團持續關連交易的詳情載於財務報表附註 13(a)。

獨立非執行董事已根據上市規則第 14A.55 條審閱上文第 (1) 項披露的持續關連交易，並確認該等持續關連交易：

- (i) 於本集團日常過程及一般業務過程中訂立；
- (ii) 按一般商業條款或更佳的條款訂立；及
- (iii) 根據監管該等持續關連交易的協議按公平合理及合乎本公司整體股東利益的條款訂立。

上文第 (1) 項披露的持續關連交易於回顧年度的總金額並無超過有關交易的年度上限。

董事確認本公司於回顧年度已就上文披露的持續關連交易遵守上市規則第 14A 章所載的披露規定。

# REPORT OF THE DIRECTORS

## 董事會報告

### Continuing Connected Transactions (continued)

The Company has also received a letter from Ernst & Young, the Company's external auditor, to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and with reference to Practice Note 740 *Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules* issued by the Hong Kong Institute of Certified Public Accountants. Ernst & Young have issued the letter containing their findings and conclusions in respect of the continuing connected transactions disclosed in (1) above in accordance with Rule 14A.56 of the Listing Rules confirming that nothing has come to their attention that causes them to believe the continuing connected transactions:

- (i) have not been approved by the Company's board of directors;
- (ii) were not entered into, in all material respects, in accordance with the relevant agreements governing the transactions; and
- (iii) have exceeded the maximum aggregate annual cap disclosed in previous announcement of the Company.

### Business Review

The business review of the Group for the year ended 31 December 2017 is provided in the sections "Financial Highlights", "Chairman's Statement", "Management Discussion and Analysis" and "Environmental, Social and Governance Report" set out on page 3, pages 8 to 11, pages 13 to 23 and pages 32 to 69 respectively of this annual report. For environmental policies and performance, compliance with the relevant laws and regulations, and a description of relationships with key stakeholders, please refer to pages 32 to 69 of this annual report.

### Auditor

Ernst & Young retire and a resolution for the re-appointment as auditor of the Company will be proposed at the AGM.

On behalf of the Board

**Ngok Ming Chu**  
Chairman

Hong Kong, 22 March 2018

### 持續關連交易 (續)

本公司已接獲本公司外聘核數師安永會計師事務所的函件，遵照香港會計師公會發出的《香港審驗應聘服務準則3000》的「歷史財務資料審計或審閱以外的審驗應聘」並參照《實務說明》第740號「關於香港《上市規則》所述持續關連交易的核數師函件」而對本集團持續關連交易作出匯報。安永會計師事務所已根據上市規則第14A.56條就上文第(1)項披露的本集團持續關連交易發出載有其發現和結論的函件，確認未有注意到任何事情，可使彼等認為有關持續關連交易：

- (i) 未獲本公司董事會批准；
- (ii) 在各重大方面未有根據監管該等交易的有關協議訂立；及
- (iii) 超逾本公司以前公告所披露的最高年度上限總額。

### 業務回顧

本集團於截至二零一七年十二月三十一日止年度之業務回顧列載於本年報第3頁之「財務摘要」、第8至11頁之「主席報告書」、第13至23頁之「管理層討論及分析」及第32至69頁之「環境、社會及管治報告」內。關於環境政策及表現，相關法律法規之遵守情況，以及與重要利益相關者之關係說明，請參閱本年報之第32至69頁。

### 核數師

安永會計師事務所將於應屆股東週年大會上退任，會上將提呈決議案重新委任安永會計師事務所為本公司核數師。

代表董事會

**岳明珠**  
主席

香港，二零一八年三月二十二日

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告



**To the shareholders of Embry Holdings Limited**  
(Incorporated in the Cayman Islands with limited liability)

### Opinion

We have audited the consolidated financial statements of Embry Holdings Limited (the "Company") and its subsidiaries (the "Group") set out on pages 108 to 196, which comprise the consolidated statement of financial position as at 31 December 2017, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2017, 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 are independent of the Group in accordance with the HKICPA's *Code of Ethics for Professional Accountants* (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

致：安莉芳控股有限公司全體股東  
(於開曼群島註冊成立之有限公司)

### 意見

本核數師(以下簡稱「我們」)已審計列載於第108頁至第196頁的安莉芳控股有限公司(「貴公司」)及其附屬公司(「貴集團」)的綜合財務報表，此綜合財務報表包括於二零一七年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合收益表、綜合全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已根據香港會計師公會頒佈的《香港財務報告準則》真實而中肯地反映 貴集團於二零一七年十二月三十一日的綜合財務狀況及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」部分中作進一步闡述。根據香港會計師公會頒佈的《專業會計師道德守則》(「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。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

## INDEPENDENT AUDITOR'S REPORT (Continued)

### 獨立核數師報告(續)

#### Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

#### 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。就下列各事項而言，我們是在該背景下提供我們在審計中處理該事項的方式。

我們已經履行了本報告「核數師就審計綜合財務報表承擔的責任」部分所述的責任，包括與該等事項的責任。因此，我們的審計包括執行程序，以應對我們對綜合財務報表重大錯誤陳述風險的評估。我們的審計程序(包括處理以下事項而採取的程序)的結果，為我們對隨附的綜合財務報表所發表的審計意見提供基礎。

Key audit matter	How our audit addressed the key audit matter	關鍵審計事項	我們的審計如何處理關鍵審計事項
<p><b>Inventory provision</b></p> <p>As at 31 December 2017, the Group had net inventories of HK\$655,453,000, representing 61% and 20% of current assets and total assets, respectively. The estimation of the inventory provision requires significant management judgement, which includes the recoverability of the cost of inventories, the nature and condition of inventories, the marketability of finished goods and the future usage of raw materials.</p> <p>Related disclosures are included in notes 3, 9 and 20 to the financial statements.</p>	<p>We tested the ageing analysis of the Group's inventories. We recalculated the inventory provision under the Group's policy and assessed the assumptions being used in the inventory provision calculation by reviewing the basis, the rationale and the consistency of the inventory provision policy, considering the historical and current inventory ageing information and taking into account the historical sales pattern of aged inventories.</p>	<p><b>存貨撥備</b></p> <p>於二零一七年十二月三十一日，貴集團的淨存貨為655,453,000港元，分別相當於流動資產及總資產的61%及20%。庫存準備的估計需要管理層作出重大判斷，包括存貨成本的可收回性、存貨的性質和製成品的市場和原材料的未來使用情況。</p> <p>相關披露已載於財務報表附註3、9及20。</p>	<p>我們已測試貴集團存貨的年期分析。我們根據貴集團的政策重新計算存貨撥備，並通過審查存貨撥備政策的基礎、理由和一致性，評估存貨撥備計算中假設，考慮到歷史和當前存貨的年期資料，並計入陳舊存貨的歷史銷售模式。</p>



# INDEPENDENT AUDITOR'S REPORT (Continued)

## 獨立核數師報告(續)

### Key audit matters (continued)

### 關鍵審計事項(續)

Key audit matter	How our audit addressed the key audit matter	關鍵審計事項	我們的審計如何處理關鍵審計事項
<p><b>Fair value estimation of investment properties</b></p> <p>As at 31 December 2017, the Group had investment properties of HK\$367,954,000, representing 16% and 11% of the Group's net assets and total assets, respectively. The estimation of the fair value of investment properties requires significant management judgement. The management engages external valuers to support its determination of the individual fair value of the investment properties.</p> <p>Related disclosures are included in notes 3, 9 and 17 to the financial statements.</p>	<p>We considered the objectivity, independence and expertise of the external valuers engaged by management, and assessed the property related data, including estimates used by the external valuers. Such procedures included comparing the rent and term periods against the existing lease agreements, performing market research on key valuation parameters including the capitalisation rate and market rent of similar properties and performing a sensitivity analysis on the fair value estimation. We also involved our internal valuation specialists to assist us in reviewing the external valuation methodologies. We then assessed the disclosures relating to the assumptions used in determining the fair value.</p>	<p><b>投資物業公平值的估計</b></p> <p>於二零一七年十二月三十一日，貴集團的投資物業為367,954,000港元，分別相當於貴集團淨資產及總資產的16%及11%。投資物業公平值的估計需要管理層作出重大判斷。管理層聘用外部估值師支持其個別投資物業的公平值。</p> <p>相關披露已載於財務報表附註3、9及17。</p>	<p>我們已考慮管理層所聘用的外部估值師的客觀性、獨立性和專業性，並評估物業相關數據，包括外部估值師使用的估計。這些程序包括將租金和年期期間與現有租賃協議進行的比較，對關鍵評估參數(包括類似物業的資本化率和市場租金)進行市場研究，並對公平值估計進行敏感度分析。我們還聘請內部估值專家協助我們審查外部估值師使用的估值方法。然後，我們評估用於確定公平值的假設的相關披露。</p>

# INDEPENDENT AUDITOR'S REPORT (Continued)

## 獨立核數師報告(續)

### Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
<p><b>Fair value estimation of Other Asset arising from a relocation arrangement</b></p> <p>As at 31 December 2017, the Group had Other Asset (as defined in note 19) of HK\$431,807,000, representing 18% and 13% of the Group's net assets and total assets, respectively. The estimation of the fair value of Other Asset at its initial recognition required significant management judgement because it involved the use of valuation methodology and key assumptions, including gross unit rate per square meter. The management engages external valuers to support its determination of the fair value of the Other Asset.</p> <p>Related disclosures are included in notes 3 and 19 to the financial statements.</p>	<p>We evaluated the objectivity, independence and expertise of the external valuers engaged by management, and assessed the Other Asset related data, including key inputs and estimates used by the external valuers and verifying details of Other Asset with relevant agreements. We involved our internal valuation specialists to assist us in reviewing the external valuation methodologies and key valuation parameters. We also assessed the disclosures relating to the relocation arrangement in the consolidated financial statements.</p>

### Other information included in the Annual Report

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

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

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

### 關鍵審計事項(續)

關鍵審計事項	我們的審計如何處理關鍵審計事項
<p>搬遷安排產生的其他資產公平值估計</p>	<p>我們已評核管理層所聘用的外部估值師的客觀性、獨立性和專業性，並評估其他資產相關數據，包括外部估值師使用的主要輸入數據及估計，以及核實與相關協議的其他資產詳情。我們聘請內部估值專家協助我們審查外部估值師使用的估值方法及主要估值參數。我們亦評估綜合財務報表內搬遷安排的相關披露。</p>
<p>相關披露已載於財務報表附註3及19。</p>	

### 年報所載的其他信息

貴公司董事需對其他信息負責。其他信息包括年報內的信息，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。

# INDEPENDENT AUDITOR'S REPORT (Continued)

## 獨立核數師報告(續)

### Responsibilities of the directors for the consolidated financial statements

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

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

The directors of the Company are assisted by the Audit Committee in discharging their responsibilities 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. Our report is made 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，貴公司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，除非貴公司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。

貴公司董事在審計委員會協助下，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。我們的報告僅向全體股東編製，除此以外，本報告不可用作其他用途。我們概不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。

## INDEPENDENT AUDITOR'S REPORT (Continued)

### 獨立核數師報告(續)

#### Auditor's responsibilities for the audit of the consolidated financial statements (continued)

As part of an audit in accordance with HKSA's, we exercise professional judgement 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.

#### 核數師就審計綜合財務報表承擔的責任(續)

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，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)

#### Auditor's responsibilities for the audit of the consolidated financial statements (continued)

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Chan Kam Yee.

#### Ernst & Young

Certified Public Accountants  
22/F CITIC Tower  
1 Tim Mei Avenue  
Central, Hong Kong

22 March 2018

#### 核數師就審計綜合財務報表承擔的責任(續)

除其他事項外，我們與審計委員會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。

我們還向審計委員會提交聲明，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。

從與審計委員會溝通的事項中，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錦儀。

#### 安永會計師事務所

執業會計師  
香港  
中環添美道1號  
中信大廈22樓

二零一八年三月二十二日

# CONSOLIDATED INCOME STATEMENT

## 綜合收益表

Year ended 31 December 2017 截至二零一七年十二月三十一日止年度

		Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>REVENUE</b>	<b>收益</b>	5	<b>2,339,524</b>	2,216,082
Cost of sales	銷售成本		<b>(514,032)</b>	(471,531)
Gross profit	毛利		<b>1,825,492</b>	1,744,551
Gain on the Relocation Arrangement	搬遷安排收益	19	<b>449,980</b>	–
Other income and gains, net	其他收入及收益，淨額	6	<b>89,403</b>	52,763
Selling and distribution expenses	銷售及分銷開支		<b>(1,420,233)</b>	(1,377,636)
Administrative expenses	行政開支		<b>(251,056)</b>	(245,694)
Other expenses	其他開支	7	<b>(8,823)</b>	(7,274)
Finance costs	融資成本	8	<b>(9,304)</b>	(8,263)
<b>PROFIT BEFORE TAX</b>	<b>除稅前溢利</b>	9	<b>675,459</b>	158,447
Income tax expense	所得稅開支	12	<b>(180,160)</b>	(60,045)
<b>PROFIT FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	<b>本公司擁有人應佔 年度溢利</b>		<b>495,299</b>	98,402
<b>EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	<b>本公司擁有人應佔 每股盈利</b>			
— Basic (HK cents)	— 基本(港仙)	15	<b>118.21</b>	23.62
— Diluted (HK cents)	— 攤薄(港仙)		<b>118.21</b>	23.62

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

## 綜合全面收益表

Year ended 31 December 2017 截至二零一七年十二月三十一日止年度

		2017 二零一七年 <b>HK\$'000</b> 千港元	2016 二零一六年 HK\$'000 千港元
<b>PROFIT FOR THE YEAR</b>	年度溢利	<b>495,299</b>	98,402
<b>OTHER COMPREHENSIVE INCOME/ (EXPENSE)</b>	其他全面收入／(開支)		
Other comprehensive income/(expense) to be reclassified to the income statement in subsequent periods:	於其後期間可重新分類至損益的其他全面收入／(開支)：		
Exchange differences on translation of foreign operations	折算境外營運所產生之匯兌差額	<b>158,865</b>	(117,655)
Other comprehensive income/(expense) not to be reclassified to the income statement in subsequent periods:	於其後期間不可重新分類至損益的其他收入／(開支)：		
Revaluation surplus	重估盈餘	<b>6,636</b>	–
Deferred tax debited to asset revaluation reserve (note 28)	於資產重估儲備扣除之遞延稅項(附註28)	<b>(1,659)</b>	–
		<b>4,977</b>	–
<b>OTHER COMPREHENSIVE INCOME/ (EXPENSE), NET OF TAX</b>	其他全面收入／(開支)，扣除稅項	<b>163,842</b>	(117,655)
<b>TOTAL COMPREHENSIVE INCOME/(EXPENSE) FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	本公司擁有人應佔年度全面收入／(開支)總額	<b>659,141</b>	(19,253)

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

31 December 2017 二零一七年十二月三十一日

		Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>NON-CURRENT ASSETS</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	16	<b>1,162,378</b>	1,062,213
Investment properties	投資物業	17	<b>367,954</b>	307,158
Prepaid land lease payments	預付土地租賃款項	18	<b>40,564</b>	33,996
Other Asset	其他資產	19	<b>431,807</b>	–
Deferred tax assets	遞延稅項資產	28	<b>92,797</b>	84,810
Deposits and other receivables	按金及其他應收款項	22	<b>76,099</b>	14,139
Total non-current assets	非流動資產總值		<b>2,171,599</b>	1,502,316
<b>CURRENT ASSETS</b>	<b>流動資產</b>			
Inventories	存貨	20	<b>655,453</b>	659,347
Trade receivables	應收貿易賬款	21	<b>112,205</b>	85,220
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	22	<b>75,883</b>	58,309
Cash and cash equivalents	現金及現金等價物	23	<b>234,711</b>	190,187
Total current assets	流動資產總值		<b>1,078,252</b>	993,063
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>			
Trade payables	應付貿易賬款	24	<b>56,000</b>	87,678
Interest-bearing bank borrowings	計息銀行借款	25	<b>136,778</b>	133,278
Tax payable	應付稅項		<b>21,297</b>	20,536
Other payables and accruals	其他應付款項及應計款項	26	<b>322,564</b>	274,174
Total current liabilities	流動負債總值		<b>536,639</b>	515,666
<b>NET CURRENT ASSETS</b>	<b>流動資產淨值</b>		<b>541,613</b>	477,397
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>總資產減流動負債</b>		<b>2,713,212</b>	1,979,713
<b>NON-CURRENT LIABILITIES</b>	<b>非流動負債</b>			
Interest-bearing bank borrowings	計息銀行借款	25	<b>189,278</b>	221,555
Deferred liabilities	遞延負債	27	<b>189</b>	1,889
Deferred tax liabilities	遞延稅項負債	28	<b>156,635</b>	36,782
Total non-current liabilities	非流動負債總值		<b>346,102</b>	260,226
Net assets	資產淨值		<b>2,367,110</b>	1,719,487
<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	29	<b>4,224</b>	4,166
Reserves	儲備	31	<b>2,362,886</b>	1,715,321
Total equity	總權益		<b>2,367,110</b>	1,719,487

**Ngok Ming Chu**  
岳明珠  
Director  
董事

**Cheng Pik Ho Liza**  
鄭碧浩  
Director  
董事



# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

Year ended 31 December 2017 截至二零一七年十二月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔										
		Reserves 儲備										Total equity
		Share capital	Share premium account	Contributed surplus	Asset revaluation reserve	statutory reserve funds	Exchange fluctuation reserve	Goodwill reserve	Share option reserve	Retained profits	Total reserves	Total equity
		股本	溢價賬	實繳盈餘	資產重估儲備	企業發展及法定儲備金	匯兌波動儲備	商譽儲備	購股權儲備	保留溢利	總儲備	總權益
Notes		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
附註		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
					(note 31)			(note 31)			(note 31)	
					(附註 31)			(附註 31)			(附註 31)	
At 1 January 2017	於二零一七年一月一日	4,166	369,644	122,610	3,336	144,249	(82,045)	(3,168)	-	1,160,695	1,715,321	1,719,487
Profit for the year	年度溢利	-	-	-	-	-	-	-	-	495,299	495,299	495,299
Revaluation surplus	重估盈餘	-	-	-	6,636	-	-	-	-	-	6,636	6,636
Deferred tax debited to asset revaluation reserve	於資產重估儲備扣除之遞延稅項	28	-	-	(1,659)	-	-	-	-	-	(1,659)	(1,659)
Exchange differences related to foreign operations	折算境外營運所產生之匯兌差額	-	-	-	-	-	158,865	-	-	-	158,865	158,865
Total comprehensive income for the year	年內全面收入總額	-	-	-	4,977	-	158,865	-	-	495,299	659,141	659,141
2016 final dividend declared and paid	宣派及支付二零一六年末期股息	14	-	-	-	-	-	-	-	(17,916)	(17,916)	(17,916)
2017 interim dividend	二零一七年年中期股息	14	-	-	-	-	-	-	-	(10,528)	(10,528)	(10,528)
Shares issued in lieu of cash dividend	代替現金股息所發行之股份	29	58	16,868	-	-	-	-	-	-	16,868	16,926
Transfer from retained profits	轉自保留溢利	-	-	-	-	18,161	-	-	-	(18,161)	-	-
At 31 December 2017	於二零一七年十二月三十一日	4,224	386,512	122,610	8,313	162,410	76,820	(3,168)	-	1,609,389	2,362,886	2,367,110
At 1 January 2016	於二零一六年一月一日	4,166	369,644	122,610	3,336	124,849	35,610	(3,168)	27,923	1,105,853	1,786,657	1,790,823
Profit for the year	年度溢利	-	-	-	-	-	-	-	-	98,402	98,402	98,402
Exchange differences related to foreign operations	折算境外營運所產生之匯兌差額	-	-	-	-	-	(117,655)	-	-	-	(117,655)	(117,655)
Total comprehensive income/(expense) for the year	年內全面收入/(支出)總額	-	-	-	-	-	(117,655)	-	-	98,402	(19,253)	(19,253)
Share options lapsed	購股權失效	30	-	-	-	-	-	-	(27,923)	27,923	-	-
2015 final and special dividends declared and paid	宣派及支付二零一五年末期及特別股息	14	-	-	-	-	-	-	-	(41,666)	(41,666)	(41,666)
2016 interim dividend	二零一六年年中期股息	14	-	-	-	-	-	-	-	(10,417)	(10,417)	(10,417)
Transfer from retained profits	轉自保留溢利	-	-	-	-	19,400	-	-	-	(19,400)	-	-
At 31 December 2016	於二零一六年十二月三十一日	4,166	369,644	122,610	3,336	144,249	(82,045)	(3,168)	-	1,160,695	1,715,321	1,719,487

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

Year ended 31 December 2017 截至二零一七年十二月三十一日止年度

			2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
	Notes 附註			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		<b>經營業務之現金流量</b>		
Profit before tax		除稅前溢利	<b>675,459</b>	158,447
Adjustments for:		調整：		
Finance costs	8	融資成本	<b>9,304</b>	8,263
Bank interest income	6	銀行利息收入	<b>(2,256)</b>	(2,083)
Depreciation	9	折舊	<b>57,218</b>	53,476
Amortisation of prepaid land lease payments	9	預付土地租賃款項之攤銷	<b>988</b>	928
Gain on the Relocation Arrangement	19	搬遷安排收益	<b>(449,980)</b>	-
Loss/(gain) on disposal/write-off of items of property, plant and equipment, net	9	出售／撤銷物業、廠房及設備項目之虧損／(收益)·淨額	<b>287</b>	(278)
Provision/(write-back of provision) for obsolete inventories, net	9	陳舊存貨撥備／(撥備撥回)·淨額	<b>(6,253)</b>	37,366
Impairment of trade receivables	9	應收貿易賬款減值	<b>2,784</b>	359
Changes in fair value of investment properties	6	投資物業公平值變動	<b>(4,000)</b>	(13,000)
			<b>283,551</b>	243,478
Decrease in inventories		存貨減少	<b>10,147</b>	20,140
Decrease/(increase) in trade receivables		應收貿易賬款減少／(增加)	<b>(29,769)</b>	4,907
Increase in prepayments, deposits and other receivables		預付款項、按金及其他應收款項增加	<b>(27,244)</b>	(3,761)
Increase/(decrease) in trade payables		應付貿易賬款增加／(減少)	<b>(31,678)</b>	19,472
Increase in other payables and accruals		其他應付款項及應計款項增加	<b>34,247</b>	44,141
Decrease in deferred liabilities		遞延負債減少	<b>(1,700)</b>	(1,194)
Cash generated from operations		經營所得現金	<b>237,554</b>	327,183
Hong Kong profits tax paid		已付香港利得稅	<b>(813)</b>	(802)
Overseas taxes paid		已付海外稅項	<b>(68,237)</b>	(124,780)
Net cash flows from operating activities		經營業務之現金流入淨額	<b>168,504</b>	201,601

# CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

## 綜合現金流量表(續)

Year ended 31 December 2017 截至二零一七年十二月三十一日止年度

		Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>投資活動之現金流量</b>			
Interest received	已收利息		<b>2,256</b>	2,083
Additions to prepaid land lease payments	增加預付土地租賃款項	18	<b>(6,025)</b>	–
Purchases of items of property, plant and equipment	購置物業、廠房及設備項目	16	<b>(100,234)</b>	(210,720)
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及設備項目 之所得款項		<b>130</b>	318
Net cash flows used in investing activities	投資活動之現金流出淨額		<b>(103,873)</b>	(208,319)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>融資活動之現金流量</b>			
New bank borrowings	新增銀行借款		<b>102,169</b>	196,013
Repayment of bank borrowings	償還銀行借款		<b>(130,946)</b>	(149,391)
Dividends paid	已付股息	14	<b>(11,518)</b>	(52,083)
Interest paid	已付利息		<b>(9,304)</b>	(8,263)
Net cash flows used in financing activities	融資活動之現金流出淨額		<b>(49,599)</b>	(13,724)
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等價物之 增加/(減少)淨額</b>		<b>15,032</b>	(20,442)
Cash and cash equivalents at beginning of year	年初之現金及現金等價物		<b>190,187</b>	233,017
Effect of foreign exchange rate changes, net	匯率變動之影響，淨額		<b>29,492</b>	(22,388)
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>年末之現金及現金等價物</b>		<b>234,711</b>	190,187
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等價物結餘之分析</b>			
Cash and bank balances	現金及銀行結餘	23	<b>234,711</b>	101,298
Non-pledged time deposits with original maturity of less than three months when acquired	於購入時原到期日為少於三個月 之無抵押定期存款	23	–	88,889
Cash and cash equivalents	現金及現金等價物		<b>234,711</b>	190,187

# NOTES TO FINANCIAL STATEMENTS

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

### 1. Corporate Information

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 29 August 2006 under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The registered office address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, the Cayman Islands and the principal place of business of the Company is located at 7th Floor, Wyler Centre II, 200 Tai Lin Pai Road, Kwai Chung, New Territories, Hong Kong.

The principal activity of the Company is investment holding. Details of the principal activities of the subsidiaries are set out in note 39 to the financial statements. There were no significant changes in the nature of the Group's principal activities during the year.

The Company is a subsidiary of Harmonious World Limited, a company incorporated in the British Virgin Islands (the "BVI"), which is considered by the directors as the Company's ultimate holding company.

### 2.1 Basis of Preparation

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties which have been measured at fair value. These financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand (HK\$'000) except where otherwise indicated.

### 1. 公司資料

本公司於二零零六年八月二十九日根據開曼群島第22章公司法(一九六一年法例三·經綜合及修訂)於開曼群島註冊成立為獲豁免有限公司。本公司的註冊辦事處地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, the Cayman Islands, 而本公司的主要營業地點為香港新界葵涌大連排道200號偉倫中心二期7樓。

本公司的主要業務為投資控股。有關附屬公司的主要業務詳情載於財務報表附註39。年內本集團的主要業務性質並無重大變動。

本公司為Harmonious World Limited的附屬公司, Harmonious World Limited於英屬處女群島(「英屬處女群島」)註冊成立, 董事認為Harmonious World Limited為本公司的最終控股公司。

### 2.1 呈列基準

該等財務報表根據香港會計師公會頒佈的香港財務報告準則(「香港財務報告準則」)(包括所有香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋)、香港公認會計原則及香港公司條例披露規定。該等財務報表根據歷史成本法編製, 惟投資物業按其公平值計量。除另有指明外, 該等財務報表以港元呈列, 所有價值均調整至最接近千元(千港元)。



# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

### 2.1 Basis of Preparation (continued)

#### Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2017. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

### 2.1 呈列基準(續)

#### 綜合基準

綜合財務報表包括本公司及其附屬公司(統稱「本集團」)截至二零一七年十二月三十一日止年度的財務報表。附屬公司為本公司直接或間接控制的實體(包括結構性實體)。當本集團對參與投資對象業務的浮動回報承擔風險或享有權利以及能透過對投資對象的權力(如本集團獲賦予現有能以主導投資對象相關活動的既存權利)影響該等回報時,即取得控制權。

倘本公司直接或間接擁有少於投資對象大多數投票或類似權利的權利,則本集團於評估其是否擁有對投資對象的權力時會考慮一切相關事實及情況,包括:

- (a) 與投資對象其他投票持有人的合約安排;
- (b) 其他合約安排所產生的權利;及
- (c) 本集團的投票權及潛在投票權。

附屬公司於相同申報期間的財務報表採用與本公司一致的會計政策編製。附屬公司的業績自本集團取得控制權當日起綜合計算,直至該等控制權失效為止。

損益及其他全面收益的各組成部分歸屬於本集團母公司擁有人。所有集團內公司間資產及負債、權益、收入、支出以及與本集團成員公司之間交易有關的現金流量均於綜合賬目時悉數抵銷。

倘事實及情況反映上述三項控制權因素其中一項或多項有變,則本集團會重估是否仍然控制投資對象。附屬公司擁有權權益的變動(並無失去控制權),於入賬時列作權益交易。

# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

### 2.1 Basis of Preparation (continued)

#### Basis of consolidation (continued)

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in the consolidated income statement. The Group's share of components previously recognised in other comprehensive income is reclassified to the consolidated income statement or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

### 2.2 Changes in Accounting Policies and Disclosures

The Group has adopted the following revised HKFRSs for the first time for the current year's financial statements.

Amendments to HKAS 7	<i>Disclosure Initiative</i>
Amendments to HKAS 12	<i>Recognition of Deferred Tax Assets for Unrealised Losses</i>
Amendments to HKFRS 12 included in <i>Annual Improvements to HKFRSs 2014–2016 Cycle</i>	<i>Disclosure of Interests in Other Entities: Clarification of the Scope of HKFRS 12</i>

### 2.1 呈列基準(續)

#### 綜合基準(續)

倘本集團失去附屬公司的控制權，會於綜合收益表終止確認(i)附屬公司的資產(包括商譽)及負債、(ii)任何非控股權益的賬面值及(iii)計入權益的累計匯兌差額；並確認(i)收取代價的公平價值、(ii)任何保留投資的公平價值及(iii)任何由此產生的盈餘或虧損。本集團早前於其他綜合收入確認的應佔部份會視乎情況，按倘本集團直接出售相關資產或負債所要求的相同基準重新分類至綜合收益表或保留溢利。

### 2.2 會計政策變動及披露

本集團於本年度財務報表首次採納以下經修訂之香港財務報告準則。

香港會計準則第7號修訂	<i>披露計劃</i>
香港會計準則第12號修訂	<i>就未變現虧損確認遞延稅項資產</i>
香港財務報告準則第12號修訂本二零一四年至二零一六年週期之年度改進所載	<i>披露於其他實體之權益：香港財務報告準則第12號範疇的澄清</i>

## NOTES TO FINANCIAL STATEMENTS (Continued)

### 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

#### 2.2 Changes in Accounting Policies and Disclosures

(continued)

As explained below, the adoption of the above revised standards has had no significant financial effect on these financial statements.

The nature and the impact of the amendments are described below:

- (a) Amendments to HKAS 7 require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. Disclosure of the changes in liabilities arising from financing activities is provided in note 35 to the financial statements.
- (b) Amendments to HKAS 12 clarify that an entity, when assessing whether taxable profits will be available against which it can utilise a deductible temporary difference, needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount. The amendments have had no impact on the financial position or performance of the Group as the Group has no deductible temporary differences or assets that are in the scope of the amendments.
- (c) Amendments to HKFRS 12 clarify that the disclosure requirements in HKFRS 12, other than those disclosure requirements in paragraphs B10 to B16 of HKFRS 12, apply to an entity's interest in a subsidiary, a joint venture or an associate, or a portion of its interest in a joint venture or an associate that is classified as held for sale or included in a disposal group classified as held for sale. The amendments have had no impact on the Group's financial statements as the Group did not have subsidiaries classified as a disposal group held for sale as at 31 December 2017.

#### 2.2 會計政策變動及披露(續)

如下文說明，採用以上此等經修訂之準則對財務報表並無產生重大財務影響。

修訂之性質及影響之說明如下：

- (a) 香港會計準則第7號修訂要求實體作出披露，以使財務報表使用者可評估融資活動所產生的負債變動，包括現金流量及非現金流量產生的變動。披露融資活動產生的負債變動見財務報表附註35。
- (b) 香港會計準則第12號修訂清楚說明實體於評估是否有應課稅溢利可用作抵扣可扣減暫時性差異時，需要考慮稅務法例是否對於可扣減暫時性差異轉回時可用作抵扣的應課稅溢利的來源有所限制。此外，該等修訂就實體應如何釐定未來應課稅溢利提供指引，並解釋應課稅溢利可包括收回超過賬面值的部分資產的情況。由於本集團並無任何可扣減暫時差額或該等修訂範圍內的資產，故應用該等修訂對本集團的財務狀況及表現並無任何影響。
- (c) 香港財務報告準則第12號修訂本釐清香港財務報告準則第12號之披露規定(香港財務報告準則第12號第B10至B16段之披露規定除外)適用於實體於附屬公司、合營企業或聯營公司的權益，或其於分類為持作出售或列於分類為持作出售的出售組別的合營公司或聯營公司的權益。由於本集團於二零一七年十二月三十一日並無分類為持作出售的出售組別的附屬公司，因此，該等修訂對本集團的財務報表並無影響。

# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

### 2.3 Issued but Not Yet Effective Hong Kong Financial Reporting Standards

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

Amendments to HKFRS 2	<i>Classification and Measurement of Share-based Payment Transactions</i> <sup>1</sup>
Amendments to HKFRS 4	<i>Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts</i> <sup>1</sup>
HKFRS 9	<i>Financial Instruments</i> <sup>1</sup>
Amendments to HKFRS 9	<i>Prepayment Features with Negative Compensation</i> <sup>2</sup>
Amendments to HKFRS 10 and HKAS 28 (2011)	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> <sup>4</sup>
HKFRS 15	<i>Revenue from Contracts with Customers</i> <sup>1</sup>
Amendments to HKFRS 15	<i>Clarifications to HKFRS 15 Revenue from Contracts with Customers</i> <sup>1</sup>
HKFRS 16	<i>Leases</i> <sup>2</sup>
Amendments to HKAS 40	<i>Transfers of Investment Property</i> <sup>1</sup>
HK(IFRIC)-Int 22	<i>Foreign Currency Transactions and Advance Consideration</i> <sup>1</sup>
HK(IFRIC)-Int 23	<i>Uncertainty over Income Tax Treatments</i> <sup>2</sup>
<i>Annual Improvements 2014-2016 Cycle</i>	Amendments to HKFRS 1 and HKAS 28 <sup>1</sup>
HKFRS 17	<i>Insurance Contracts</i> <sup>3</sup>
Amendments to HKAS 28	<i>Long-term Interests in Associates and Joint Ventures</i> <sup>2</sup>
<i>Annual Improvements 2015-2017 Cycle</i>	Amendments to HKFRS 3, HKFRS 11, HKAS 12 and HKAS 23 <sup>2</sup>

- <sup>1</sup> Effective for annual periods beginning on or after 1 January 2018
- <sup>2</sup> Effective for annual periods beginning on or after 1 January 2019
- <sup>3</sup> Effective for annual periods beginning on or after 1 January 2021
- <sup>4</sup> No mandatory effective date yet determined but available for adoption

### 2.3 已頒佈但尚未生效的香港財務報告準則

本集團並未在財務報表應用下列已頒佈但尚未生效的新訂及經修訂香港財務報告準則。

香港財務報告準則第2號修訂	以股份為基礎付款交易的分類及計量 <sup>1</sup>
香港財務報告準則第4號修訂	與香港財務報告準則第4號保險合約一併應用的香港財務報告準則第9號金融工具 <sup>1</sup>
香港財務報告準則第9號	金融工具 <sup>1</sup>
香港財務報告準則第9號修訂	具有負補償之提前還款特點 <sup>2</sup>
香港財務報告準則第10號及香港會計準則第28號(2011)修訂	投資者與其聯營或合營公司之間的資產出售或注資 <sup>4</sup>
香港財務報告準則第15號	來自客戶合約的收益 <sup>1</sup>
香港財務報告準則第15號修訂	對香港財務報告準則第15號來自客戶合約的收益作出的澄清 <sup>1</sup>
香港財務報告準則第16號	租賃 <sup>2</sup>
香港會計準則第40號修訂	轉移投資物業 <sup>1</sup>
香港(國際財務報告詮釋委員會)一詮釋第22號	外幣交易及墊付代價 <sup>1</sup>
香港(國際財務報告詮釋委員會)一詮釋第23號	所得稅處理之不確定性 <sup>2</sup>
二零一四年至二零一六年週期的年度改進	香港財務報告準則第1號及香港會計準則第28號修訂 <sup>1</sup>
香港財務報告準則第17號	保險合約 <sup>3</sup>
香港會計準則第28號修訂	在聯營及合營公司中的長期利益 <sup>2</sup>
二零一五年至二零一七年週期的年度改進	香港財務報告準則第3號、香港財務報告準則第11號、香港會計準則第12號及香港會計準則第23號修訂 <sup>2</sup>

- <sup>1</sup> 於二零一八年一月一日或之後開始的年度期間生效
- <sup>2</sup> 於二零一九年一月一日或之後開始的年度期間生效
- <sup>3</sup> 於二零二一年一月一日或之後開始的年度期間生效
- <sup>4</sup> 並未訂定強制性生效日期，惟已可作採納



## NOTES TO FINANCIAL STATEMENTS (Continued)

### 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

#### 2.3 Issued but Not Yet Effective Hong Kong Financial Reporting Standards (continued)

Further information about those HKFRSs that are expected to be applicable to the Group is described below.

The HKICPA issued amendments to HKFRS 2 in August 2016 that address three main areas: the effects of vesting conditions on the measurement of a cash-settled share-based payment transaction; the classification of a share-based payment transaction with net settlement features for withholding a certain amount in order to meet an employee's tax obligation associated with the share-based payment; and accounting where a modification to the terms and conditions of a share-based payment transaction changes its classification from cash-settled to equity-settled. The amendments clarify that the approach used to account for vesting conditions when measuring equity-settled share-based payments also applies to cash-settled share-based payments. The amendments introduce an exception so that a share-based payment transaction with net share settlement features for withholding a certain amount in order to meet the employee's tax obligation is classified in its entirety as an equity-settled share-based payment transaction when certain conditions are met. Furthermore, the amendments clarify that if the terms and conditions of a cash-settled share-based payment transaction are modified, with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as an equity-settled transaction from the date of the modification. On adoption, entities are required to apply the amendments without restating prior periods, but retrospective application is permitted if they elect to adopt for all three amendments and other criteria are met. The Group will adopt the amendments from 1 January 2018. The amendments are not expected to have any significant impact on the Group's financial statements.

#### 2.3 已頒佈但尚未生效的香港財務報告準則(續)

預期將與本集團相關的該等香港財務報告準則的進一步資料如下：

香港會計師公會於二零一六年八月頒佈的香港財務報告準則第2號修訂闡述三大範疇：歸屬條件對計量以現金結算以股份為基礎付款交易的影響；為僱員履行與以股份為基礎付款的稅務責任而預扣若干金額的以股份為基礎付款交易(附有淨額結算特質)的分類；以及對以股份為基礎付款交易的條款及條件作出令其分類由現金結算變為權益結算的修訂時的會計處理方法。該等修訂明確說明計量以權益結算以股份為基礎付款時歸屬條件的入賬方法亦適用於以現金結算以股份為基礎付款。該等修訂引入一個例外情況，在符合若干條件時，為僱員履行與以股份為基礎付款的稅務責任而預扣若干金額的以股份為基礎付款交易(附有淨額結算特質)，將整項分類為以股本結算以股份為基礎付款交易。此外，該等修訂明確說明，倘以現金結算以股份為基礎付款交易的條款及條件有所修訂，令其成為以權益結算以股份為基礎付款交易，該交易自修訂日期起作為以權益結算的交易入賬。在採納時，實體需要在不重述前期的情況下應用修正案，但如果他們選擇通過所有三項修正案並符合其他標準，則可以追溯申請。本集團將自二零一八年一月一日起採納該等修訂。該等修訂預期不會對本集團財務報表產生任何重大影響。

## NOTES TO FINANCIAL STATEMENTS (Continued)

### 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

#### 2.3 Issued but Not Yet Effective Hong Kong Financial Reporting Standards (continued)

In September 2014, the HKICPA issued the final version of HKFRS 9, bringing together all phases of the financial instruments project to replace HKAS 39 and all previous versions of HKFRS 9. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. The Group will adopt HKFRS 9 from 1 January 2018. The Group will not restate comparative information and will recognise any transition adjustments against the opening balance of equity at 1 January 2018. The adoption of HKFRS 9 is not expected to have any significant impact on the Group's financial statements.

HKFRS 15, issued in July 2014, establishes a new five-step model to account for revenue arising from contracts with customers. Under HKFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in HKFRS 15 provide a more structured approach for measuring and recognising revenue. The standard also introduces extensive qualitative and quantitative disclosure requirements, including disaggregation of total revenue, information about performance obligations, changes in contract asset and liability account balances between periods and key judgements and estimates. The standard will supersede all current revenue recognition requirements under HKFRSs. Either a full retrospective application or a modified retrospective adoption is required on the initial application of the standard. In June 2016, the HKICPA issued amendments to HKFRS 15 to address the implementation issues on identifying performance obligations, application guidance on principal versus agent and licences of intellectual property, and transition. The amendments are also intended to help ensure a more consistent application when entities adopt HKFRS 15 and decrease the cost and complexity of applying the standard. The Group plans to adopt the transitional provisions in HKFRS 15 to recognise the cumulative effect of initial adoption as an adjustment to the opening balance of retained earnings at 1 January 2018. In addition, the Group plans to apply the new requirements only to contracts that are not completed before 1 January 2018. The Group expects that the transitional adjustment to be made on 1 January 2018 upon initial adoption of HKFRS 15 will not be material.

#### 2.3 已頒佈但尚未生效的香港財務報告準則(續)

二零一四年九月，香港會計師公會頒佈香港財務報告準則第9號的最終版本，將金融工具項目的所有階段集合以代替香港會計準則第39號以及香港財務報告準則第9號的全部過往版本。該準則引入分類及計量、耗蝕及對沖會計處理的新規定。本集團將於二零一八年一月一日起採納香港財務報告準則第9號。本集團將不會重新披露比較資料，並將於二零一八年一月一日就任何期初權益結餘確認任何轉換調整。採納香港財務報告準則第9號預期不會對本集團財務報表產生重大影響。

香港財務報告準則第15號建立一個新的五步模式，以確認客戶合約收益。根據香港財務報告準則第15號，收益按能反映實體預期就向客戶轉讓貨物或服務作交換而有權獲得的代價金額確認。香港財務報告準則第15號的原則為計量及確認收益提供更加結構化的方法。該準則亦引入廣泛的定性及定量披露規定，包括分拆收益總額，關於履行績效責任、不同期間的合約資產及負債賬目結餘的變動以及主要判斷及估計的資料。該準則將取代香港財務報告準則項下所有現時收益確認規定。標準的最初應用需要完整的追溯申請或修改後的追溯申請。二零一六年六月，香港會計師公會頒佈香港財務報告準則第15號修訂解釋採納該準則的不同實施問題，包括識別履約責任，主事人與代理人及知識產權許可有關的應用指引，以及準則採納的過渡。該等修訂亦擬協助確保實體於採納香港財務報告準則第15號時能更加一致地應用及降低應用有關準則的成本及複雜性。本集團計劃採納香港財務報告準則第15號的過渡性條文，以確認首次採納的累積影響為於二零一八年一月一日對未分配利潤期初餘額的調整。此外，本集團計劃僅將新規定用於並未於二零一八年一月一日前完成。本集團預期首次採納香港財務報告準則第15號後於二零一八年一月一日進行的過渡性調整將不重大。

## NOTES TO FINANCIAL STATEMENTS (Continued)

### 財務報表附註(續)

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#### 2.3 Issued but Not Yet Effective Hong Kong Financial Reporting Standards (continued)

The presentation and disclosure requirements in HKFRS 15 are more detailed than those under the current HKAS 18. The presentation requirements represent a significant change from current practice and will significantly increase the volume of disclosures required in the Group's financial statements. Many of the disclosure requirements in HKFRS 15 are new and the Group has assessed that the impact of some of these disclosure requirements will not be significant. In particular, the Group expects that the notes to the financial statements will be expanded because of the disclosure of significant judgements made on determining the transaction prices of those contracts that include variable consideration, how the transaction prices have been allocated to the performance obligations, and the assumptions made to estimate the stand-alone selling price of each performance obligation. In addition, as required by HKFRS 15, the Group will disaggregate revenue recognised from contracts with customers into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. It will also disclose information about the relationship between the disclosure of disaggregated revenue and revenue information disclosed for each reportable segment.

HKFRS 16, issued in May 2016, replaces HKAS 17 Leases, HK(IFRIC)-Int 4 *Determining whether an Arrangement contains a Lease*, HK(SIC)-Int 15 *Operating Leases — Incentives* and HK(SIC)-Int 27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise assets and liabilities for most leases. The standard includes two elective recognition exemptions for lessees — leases of low-value assets and short-term leases. At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). The right-of-use asset is subsequently measured at cost less accumulated depreciation and any impairment losses unless the right-of-use asset meets the definition of investment property in HKAS 40, or relates to a class of property, plant and equipment to which the revaluation model is applied. The lease liability is subsequently increased to reflect the interest on the lease liability and reduced for the lease payments. Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

#### 2.3 已頒佈但尚未生效的香港財務報告準則(續)

香港財務報告準則第15號的呈列及披露規定較現行香港會計準則第18號更為詳細。呈列規定與目前慣例相比發生重大變化，並將大幅增加本集團財務報表所需披露量。香港財務報告準則第15號許多披露規定為新訂，而本集團已評估其中部分披露規定的影響並不重大。特別是，本集團預期財務報表附註將擴大，原因是披露了有關釐定該等合約交易價格的重大判斷，包括可變對價，交易價格如何分配至履約責任，以及為估計每項履約義務的獨立售價而作出的假設。此外，根據香港財務報告準則第15號的規定，本集團將與客戶合約確認的收益分類為描述收入及現金流量的性質，金額，時間及不確定性如何受經濟因素影響的分類。它還將披露關於分類收入披露與每個可報告分部披露收入信息之間關係的信息。

於二零一六年五月頒佈的香港財務報告準則第16號取代香港會計準則第17號「租賃」、香港(國際財務報告詮釋委員會)－詮釋第4號「釐定安排是否包括租賃」、香港(準則詮釋委員會)－詮釋第15號「經營租賃－優惠」及香港(準則詮釋委員會)－詮釋第27號「評估涉及租賃法律形式交易的內容」。該準則載列確認、計量、呈列及披露租賃的原則，並要求承租人就大多數租賃確認資產及負債。該準則包括給予承租人兩項租賃確認豁免－低價值資產租賃及短期租賃。於租賃開始日期，承租人將確認於租賃期作出租賃付款為負債(即租賃負債)及代表可使用相關資產的權利為資產(即有使用權資產)，除非有使用權資產符合香港會計準則第40號投資物業的定義或與有關一類物業，廠房及設備有關重估模型被應用，否則有使用權資產其後按成本減累計折舊及任何耗蝕虧損計量。租賃負債其後會就反映租賃負債利息而增加及因

## NOTES TO FINANCIAL STATEMENTS (Continued)

### 財務報表附註(續)

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#### 2.3 Issued but Not Yet Effective Hong Kong Financial Reporting Standards (continued)

Lessees will also be required to remeasure the lease liability upon the occurrence of certain events, such as change in the lease term and change in future lease payments resulting from a change in an index or rate used to determine those payments. Lessees will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. Lessor accounting under HKFRS 16 is substantially unchanged from the accounting under HKAS 17. Lessors will continue to classify all leases using the same classification principle as in HKAS 17 and distinguish between operating leases and finance leases. HKFRS 16 requires lessees and lessors to make more extensive disclosures than under HKAS 17. Lessees can choose to apply the standard using either a full retrospective or a modified retrospective approach. The Group expects to adopt HKFRS 16 from 1 January 2019. The Group is currently assessing the impact of HKFRS 16 upon adoption and is considering whether it will choose to take advantage of the practical expedients available and which transition approach and reliefs will be adopted. As disclosed in note 32(b) to the financial statements, at 31 December 2017, the Group had future minimum lease payments under non-cancellable operating leases in aggregate of approximately HK\$208,071,000. Upon adoption of HKFRS 16, certain amounts included therein may need to be recognised as new right-of-use assets and lease liabilities. Further analysis, however, will be needed to determine the amount of new rights of use assets and lease liabilities to be recognised, including, but not limited to, any amounts relating to leases of low-value assets and short term leases, other practical expedients and reliefs chosen, and new leases entered into before the date of adoption.

#### 2.3 已頒佈但尚未生效的香港財務報告準則(續)

租賃付款而減少。承租人將須分別確認租賃負債的利息開支及有使用權資產的折舊開支，承租人將亦須於若干事件發生時重新計量租賃負債，例如由於租賃期變更或用於釐定該等付款的一項指數或比率變更而引致未來租賃付款變更。承租人一般將重新計量租賃負債的數額確認為有使用權資產的調整。香港財務報告準則第16號大致沿用香港會計準則第17號內出租人的會計處理方式。出租人將繼續使用與香港會計準則第17號相同的分類原則對所有租賃進行分類，並將之分為經營租賃及融資租賃。香港財務報告準則第16號要求承租人及出租人作出比香港會計準則第17號更廣泛的披露。承租人可選擇採用全面追溯或修訂追溯法應用該準則。本集團預期自二零一九年一月一日起採納香港財務報告準則第16號。本集團現正評估香港財務報告準則第16號於採納時的影響，並正考慮會否選擇利用現有的可行權宜方法及將採用何種過渡方式及緩和措施。誠如財務報表附註32(b)所披露，於二零一七年十二月三十一日，本集團根據不可撤銷經營租賃合共約有208,071,000港元的未來最低租賃付款。採納香港財務報告準則第16號後，其中若干金額可能需要確認為新的使用權資產及租賃負債。然而，需要進行進一步分析以確定新的使用權資產和租賃負債的確認數量，包括但不限於與低價值資產租賃和短期租賃相關的任何數額，其他可行權宜方法及緩和措施的選擇和在通過日期之前簽訂的新租約。



## NOTES TO FINANCIAL STATEMENTS (Continued)

### 財務報表附註(續)

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#### 2.3 Issued but Not Yet Effective Hong Kong Financial Reporting Standards (continued)

Amendments to HKAS 40, issued in April 2017, clarify when an entity should transfer property, including property under construction or development, into or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use. The amendments should be applied prospectively to the changes in use that occur on or after the beginning of the annual reporting period in which the entity first applies the amendments. An entity should reassess the classification of property held at the date that it first applies the amendments and, if applicable, reclassify property to reflect the conditions that exist at that date. Retrospective application is only permitted if it is possible without the use of hindsight. The Group expects to adopt the amendments prospectively from 1 January 2018. The amendments are not expected to have any significant impact on the Group's financial statements.

HK(IFRIC)-Int 22, issued in June 2017, provides guidance on how to determine the date of the transaction when applying HKAS 21 to the situation where an entity receives or pays advance consideration in a foreign currency and recognises a non-monetary asset or liability. The interpretation clarifies that the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) is the date on which an entity initially recognises the non-monetary asset (such as a prepayment) or non-monetary liability (such as deferred income) arising from the payment or receipt of the advance consideration. If there are multiple payments or receipts in advance of recognising the related item, the entity must determine the transaction date for each payment or receipt of the advance consideration. Entities may apply the interpretation on a full retrospective basis or on a prospective basis, either from the beginning of the reporting period in which the entity first applies the interpretation or the beginning of the prior reporting period presented as comparative information in the financial statements of the reporting period in which the entity first applies the interpretation. The Group expects to adopt the interpretation prospectively from 1 January 2018. The amendments are not expected to have any significant impact on the Group's financial statements.

#### 2.3 已頒佈但尚未生效的香港財務報告準則(續)

於二零一七年四月頒佈的香港會計準則第40號修訂，澄清實體應何時將物業(包括在建或開發中的物業)轉入或轉出投資物業。修訂內容指出，當物業符合或不再符合投資物業的定義，並且有證據表明使用變化時，就會發生變更。僅僅管理層改變使用財產的意圖並不能提供使用變化的證據。該等修訂應該適用於在實體首次採用修訂的年度報告期開始時或之後發生的使用變化。實體應重新評估首次應用修訂時所持有財產的分類，並在適用時重新分類財產以反映該日存在的條件。回顧性申請只有在不使用事後證明的情況下才有可能。本集團預期將於二零一八年一月一日起採用該等修訂。該等修訂預期不會對本集團財務報表產生重大影響。

於二零一七年六月頒佈香港(國際財務報告詮釋委員會)一詮釋第22號，就應用香港會計準則第21號就實體收取或支付預付外幣款項及確認非貨幣資產或負債的情況，就如何釐定交易日期提供指引或責任。該解釋澄清確定用於初始確認相關資產，費用或收益(或其一部分)時使用的匯率的交易日期為實體初步確認非貨幣性資產的日期(例如預付款項)或非貨幣負債(例如遞延收入)因支付或收取預付代價而產生。如果在確認相關項目之前有多筆付款或收據，則實體必須確定每筆付款或收到預付款項的交易日期。實體可在完整的追溯基礎上或以預期為基礎應用該解釋，或者從實體首次採用解釋的報告期開始時起，或在前一報告期開始時作為比較信息呈現在報告期實體首次應用解釋。本集團預期將於二零一八年一月一日起採用該解釋。該等修訂預期不會對本集團的財務報表構成重大影響。

## NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

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**2.3 Issued but Not Yet Effective Hong Kong Financial Reporting Standards** (continued)

HK(IFRIC)-Int 23, issued in July 2017, addresses the accounting for income taxes (current and deferred) when tax treatments involve uncertainty that affects the application of HKAS 12 (often referred to as “uncertain tax positions”). The interpretation does not apply to taxes or levies outside the scope of HKAS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The interpretation specifically addresses (i) whether an entity considers uncertain tax treatments separately; (ii) the assumptions an entity makes about the examination of tax treatments by taxation authorities; (iii) how an entity determines taxable profits or tax losses, tax bases, unused tax losses, unused tax credits and tax rates; and (iv) how an entity considers changes in facts and circumstances. The interpretation is to be applied retrospectively, either fully retrospectively without the use of hindsight or retrospectively with the cumulative effect of application as an adjustment to the opening equity at the date of initial application, without the restatement of comparative information. The Group expects to adopt the interpretation from 1 January 2019. The amendments are not expected to have any significant impact on the Group’s financial statements.

**2.4 Summary of Significant Accounting Policies Business combinations and goodwill**

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation at fair value or at the proportionate share of the acquiree’s identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree.

**2.3 已頒佈但尚未生效的香港財務報告準則(續)**

於二零一七年七月頒佈香港(國際財務報告詮釋委員會)詮釋第23號, 涉及稅務處理涉及影響香港會計準則第12號應用的不確定(通常稱為「不確定稅務狀況」)時的所得稅(即期及遞延)的會計處理。該解釋不適用於香港會計準則第12號範圍以外的稅項或徵費, 亦不具體包括與不確定稅務處理相關的利息及罰款規定。該解釋特別針對(i)某實體是否分開考慮不確定的稅務處理; (ii)實體就稅務機關審查稅務處理所作的假設; (iii)實體如何確定應稅利潤或稅收損失, 稅基, 未使用稅收損失, 未使用稅收抵免和稅率; (iv)實體如何考慮事實和情況的變化。該解釋將追溯應用, 不管是事後追溯還是追溯追溯方式, 並且在首次申請之日的申請的累計效力作為初始權益的調整, 而沒有重新披露比較信息。本集團預計自二零一九年一月一日起採納該解釋。該等修訂預期不會對本集團的財務報表構成重大影響。

**2.4 主要會計政策概要 業務合併及商譽**

業務合併乃以購買法入賬。轉讓之代價乃以收購日期的公平價值計算, 該公平價值為本集團轉讓的資產於收購日期的公平價值、本集團自被收購方之前度擁有人承擔的負債, 及本集團發行以換取被收購方控制權的股本權益的總和。於各業務合併中, 本集團選擇以公平價值或被收購方可識別資產淨值的應佔比例, 計算於被收購方屬現時擁有人權益的非控股權益, 並賦予擁有人權利, 於清盤時按比例分佔實體的淨資產。非控制權益之一切其他成分乃按公平價值計量。收購成本於產生時列為開支。

當本集團收購一項業務時, 會根據合約條款、於收購日期的經濟環境及相關條件, 評估將承接的金融資產及負債, 以作出適合的分類及標示, 其中包括將被收購方主合約中的嵌入式衍生工具進行分離。

# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

### 2.4 Summary of Significant Accounting Policies

(continued)

#### Business combinations and goodwill (continued)

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in the income statement.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or a liability is measured at fair value with changes in fair value recognised in the income statement. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in the income statement as a gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 December. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

### 2.4 主要會計政策概要(續)

#### 業務合併及商譽(續)

倘企業合併分階段進行，先前持有的股權按收購日期的公平價值重新計量，而任何收益或虧損於損益中確認。

由收購方將予轉讓的任何或然代價將於收購日期按公平價值確認。分類為一項資產或負債的或然代價根據公平價值的變動按公平價值計量，並確認於損益。分類為權益的或然代價並無重新計量，而其後結算於權益中入賬。

商譽起初按成本計量，即已轉讓總代價、已確認非控股權益及本集團先前由持有的被收購方股權的公平價值總額，超逾與所收購可識別資產淨值及所承擔負債的差額。如總代價及其他項目低於所收購資產淨值的公平價值，於評估後其差額將於收益表內確認為議價收購收益。

於初始確認後，商譽按成本減任何累計減值虧損計量。商譽須每年作減值測試，若有事件發生或情況改變顯示賬面值有可能減值時，則會更頻密地進行檢討。本集團於十二月三十一日進行商譽之年度減值測試。為進行減值測試，因業務合併而購入的商譽自購入之日被分配至預期可從合併產生的協同效益中獲益的本集團各個現金產生單位或現金產生單位組別，而無論本集團其他資產或負債是否已分配予該等單位或單位組別。

減值乃通過評估與商譽有關的現金產生單位(或現金產生單位組別)的可收回金額釐定。當現金產生單位(或現金產生單位組別)的可收回金額低於賬面金額時，減值虧損便予以確認。已就商譽確認的減值虧損不得於未來期間撥回。

## NOTES TO FINANCIAL STATEMENTS (Continued)

### 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

#### 2.4 Summary of Significant Accounting Policies

(continued)

##### Business combinations and goodwill (continued)

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

##### Fair value measurement

The Group measures its investment properties at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

#### 2.4 主要會計政策概要(續)

##### 業務合併及商譽(續)

倘商譽已分配予現金產生單位(或現金產生單位組別)的部份而該單位的部份業務已出售,則在釐定所出售業務的收益或虧損時,與所出售業務相關的商譽會計入該業務的賬面值。在該情況下出售的商譽,乃根據所出售業務的相對價值及現金產生單位的保留份額進行計量。

##### 公平價值計量

本集團於各報告期末按公平價值計量其投資物業。公平價值為市場參與者於計量日期在有序交易中出售資產所收取的價格或轉讓負債所支付的價格。公平價值計量乃根據假設出售資產或轉讓負債的交易於資產或負債主要市場或(在無主要市場情況下)最具優勢市場進行而作出。主要及最具優勢市場須為本集團可進入之市場。資產或負債的公平價值乃按假設市場參與者於資產或負債定價時會以最佳經濟利益行事計量。

非金融資產的公平價值計量須計及市場參與者能自最大限度使用該資產達致最佳用途,或將該資產出售予將最大限度使用該資產達致最佳用途的其他市場參與者,所產生的經濟效益。

本集團採納適用於不同情況且具備充分數據以供計量公平價值的估值方法,以儘量使用相關可觀察輸入數據及儘量減少使用不可觀察輸入數據。



# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註 (續)

31 December 2017 二零一七年十二月三十一日

### 2.4 Summary of Significant Accounting Policies

(continued)

#### Fair value measurement (continued)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
- Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

### 2.4 主要會計政策概要 (續)

#### 公平價值計量 (續)

所有載於本財務報表計量或披露的資產及負債乃基於對公平價值計量整體而言屬重大的最低層輸入數據按以下公平價值等級分類：

- 第一級：基於相同資產或負債於活躍市場的報價(未經調整)
- 第二級：基於對公平價值計量而言屬重大的可觀察(直接或間接)最低層輸入數據的估值方法
- 第三級：基於對公平價值計量而言屬重大的不可觀察最低層輸入數據的估值方法

就按經常性基準於本財務報表確認的資產及負債而言，本集團透過於各報告期末重新評估分類(基於對公平價值計量整體而言屬重大的最低層輸入數據)確定是否發生不同等級轉移。

## NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

## 2.4 Summary of Significant Accounting Policies

*(continued)***Related parties**

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

- (a) the party is a person or a close member of that person's family and that person
- (i) has control or joint control over the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the Group or of a parent of the Group;
- or
- (b) the party is an entity where any of the following conditions applies:
- (i) the entity and the Group are members of the same group;
- (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
- (iii) the entity and the Group are joint ventures of the same third party;
- (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
- (vi) the entity is controlled or jointly controlled by a person identified in (a);
- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

## 2.4 主要會計政策概要(續)

**關連人士**

在下列情況下，關連人士將被視為與本集團有關連：

- (a) 有關人士為該名人士家族的人士或直系親屬，而該名人士
- (i) 控制或共同控制本集團；
- (ii) 對本集團發揮重大影響力；或
- (iii) 為本集團或本集團母公司的主要管理層成員；
- 或
- (b) 倘符合下列任何條件，有關人士即屬實體：
- (i) 該實體與本集團屬同一集團之成員公司；
- (ii) 一間實體為另一實體的聯營公司或合營企業(或另一實體的母公司、附屬公司或同系附屬公司之旗下)；
- (iii) 該實體及本集團均為同一第三方的合營企業；
- (iv) 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司；
- (v) 該實體為本集團僱員或屬於本集團關連人士之實體之僱員福利而設之離職後福利計劃；
- (vi) 該實體由(a)項所述人士控制或共同控制；
- (vii) 於(a)(i)項所述人士對該實體有重大影響或屬該實體(或該實體的母公司)主要管理層成員；及
- (viii) 該實體或其任何集團成員公司提供主要管理人員服務予本集團或本集團之母公司。

## NOTES TO FINANCIAL STATEMENTS (Continued)

### 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

#### 2.4 Summary of Significant Accounting Policies

(continued)

##### Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, financial assets and investment properties), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the income statement in the period in which it arises, unless the asset is carried at a revalued amount, in which case the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the income statement in the period in which it arises, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

#### 2.4 主要會計政策概要(續)

##### 非金融資產減值

倘有跡象顯示資產出現減值，或須對資產進行年度減值測試(存貨、金融資產及投資物業除外)，則會估計該項資產之可收回金額。資產之可收回金額為資產或創現單位之使用價值或其公平值減處理成本之較高者，並就個別資產釐定，惟該項資產並無產生大部分獨立於其他資產或其他組別資產之現金流入則除外，在此情況，就該項資產所屬之創現單位釐定可收回金額。

減值虧損僅於資產賬面值超逾可收回金額時確認。於評估使用價值時，估計未來現金流量以反映當時市場對貨幣時間價值之估計及該項資產之特有風險之除稅前折現率折減至現值。減值虧損於產生期間自收益表扣除，惟倘該資產按重估金額列賬，則減值虧損會根據該重估資產之有關會計政策列賬。

於各報告期間結算日，均會評估是否有跡象顯示過往已確認之減值虧損不再存在或可能減少。倘出現該跡象，則會估計可收回金額。過往確認之資產減值虧損(商譽除外)僅於用於釐定該項資產之可收回金額所採用之估計出現變化時撥回，但有關金額不得超逾假設過往年度並無就該項資產確認減值虧損而應有之賬面值(已扣除任何折舊/攤銷)。撥回減值虧損於產生期間計入收益表，惟倘該資產按重估金額列賬，則減值虧損撥回會根據該重估資產之有關會計政策列賬。

## NOTES TO FINANCIAL STATEMENTS (Continued)

### 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

#### 2.4 Summary of Significant Accounting Policies

*(continued)*

##### Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the income statement in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Changes in the values of property, plant and equipment are dealt with as movements in the asset revaluation reserve. If the total of this reserve is insufficient to cover a deficit, on an individual asset basis, the excess of the deficit is charged to the income statement. Any subsequent revaluation surplus is credited to the income statement to the extent of the deficit previously charged. On disposal of a revalued asset, the relevant portion of the asset revaluation reserve realised in respect of previous valuations is transferred to retained profits as a movement in reserves.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Leasehold land and buildings	Over the lease terms
Leasehold improvements	4.5% to 20%
Plant and machinery	10% to 20%
Furniture, fixtures and office equipment	10% to 20%
Motor vehicles	20% to 25%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

#### 2.4 主要會計政策概要(續)

##### 物業、廠房及設備以及折舊

除在建工程外，物業、廠房及設備按成本減累計折舊及任何減值虧損入賬。一項物業、廠房及設備之成本包括購買價及任何將資產達致其運作狀況與地點作擬定用途之直接成本。

各項物業、廠房及設備投入運作後產生之開支(如維修及保養)一般於產生期間自收益表扣除。倘符合確認標準，一項主要視察之開支以替代方式於資產帳面值中資本化列賬。倘物業、廠房及設備之重要部分須不時替代，本集團確認該等部分為個別資產，具特別使用年限及折舊。

物業、廠房及設備之價值變動作為資產重估儲備之變動處理。倘若按每項資產為基準，儲備總額不足以彌補虧絀時，則多出之虧絀於收益表扣除。其後之重估盈餘乃計入收益表，惟以先前扣除之虧絀為限。出售重估資產時，資產重估儲備中就以往估值實現之部份乃轉入保留溢利，作為儲備之變動。

折舊按各項物業、廠房及設備之估計可使用年期以直線法計算，以撇銷成本至其剩餘價值。就此而言，所採用之主要年率如下：

租賃土地及樓宇	按租期
租賃物業裝修	4.5%–20%
廠房及機器	10%–20%
傢俬、裝置及辦公室設備	10%–20%
汽車	20%–25%

倘某項物業、廠房及設備項目各部分之使用年限各有不同，該項目之成本乃按合理基準在各部分之間進行分配，而每部分則各自計算折舊。剩餘價值、使用年限及折舊方法至少會於各財政年度年末進行檢討及調整(如適用)。



# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

### 2.4 Summary of Significant Accounting Policies

(continued)

#### Property, plant and equipment and depreciation (continued)

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the income statement in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress represents buildings and equipment under construction, which is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

#### Investment properties

Investment properties are interests in land and buildings held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the end of the reporting period.

Gains or losses arising from changes in the fair values of investment properties are included in the income statement in the year in which they arise.

Any gains or losses on the retirement or disposal of an investment property are recognised in the income statement in the year of the retirement or disposal.

#### Other asset

Other asset is the right to receive the new properties under a relocation arrangement, further details of which are given in note 19 to the financial statements. Such asset, being the consideration received upon disposal of the original properties under the relocation arrangement, is initially recognised at its fair value. Subsequent to the initial recognition, other asset is stated at cost less any impairment losses.

### 2.4 主要會計政策概要(續)

#### 物業、廠房及設備以及折舊(續)

初步確認之物業、廠房及設備項目包括任何重要部分於出售時或預期日後不會因使用或出售而帶來經濟利益時停止確認。在停止確認該項資產之同一年度於收益表確認之出售或報廢之任何盈虧，為有關資產出售所得款項淨額與其賬面值之差額。

在建工程指興建中之樓宇及設備，並以成本值減任何減值虧損列帳，且不予折舊。成本值包括建築期間之直接建築成本。在建工程於完成及投入服務時重新分類為合適類別之物業、廠房及設備。

#### 投資物業

投資物業乃土地及樓宇之權益。持有投資物業是為賺取租金收入及／或資本增值，而非用以生產或提供貨物或服務或作行政用途又或於日常業務中出售。投資物業首次按成本計量，當中包括交易成本。於首次確認後，投資物業乃按反映報告期末市場狀況的公平價值列賬。

投資物業公平值變更所帶來之溢利或虧損於產生年度計入收益表。

報廢或出售投資物業之任何溢利或虧損於報廢或出售之年度在收益表確認。

#### 其他資產

其他資產為接收搬遷安排項下新物業的權利，其進一步詳情載於財務報表附註19。有關資產(即出售搬遷安排項下原物業收取的代價)初步按其公平值確認。初步確認後，其他資產按成本減任何減值虧損列賬。

## NOTES TO FINANCIAL STATEMENTS (Continued)

### 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

#### 2.4 Summary of Significant Accounting Policies

(continued)

##### Investments and other financial assets

###### Initial recognition and measurement

Financial assets are classified, at initial recognition, as financial assets at fair value through profit or loss, loans and receivables and available-for-sale financial investments, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. When financial assets are recognised initially, they are measured at fair value plus transaction costs that are attributable to the acquisition of the financial assets, except in the case of financial assets recorded at fair value through profit or loss.

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

###### Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

###### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such assets are subsequently measured at amortised cost using the effective interest rate method less any allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and includes fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in other income and gains in the income statement. The loss arising from impairment is recognised in the income statement in finance costs for loans and in administrative expenses for receivables.

#### 2.4 主要會計政策概要(續)

##### 投資及其他金融資產

###### 初步確認及計量

金融資產，按初始確認時，金融資產分類為以公平值按損益列賬的金融資產、貸款及應收款項及可供出售金融投資，或分類為指定為有效對沖之對沖工具之衍生工具(視情況而定)。對於並非屬於以公平值按損益列賬的金融資產，在初始確認時以公平值加上收購金融資產產生的交易成本計量。

以正常方式購買及銷售金融資產均在交易日(即本集團承諾購買或出售資產當日)確認。以正常方式購買或銷售資產是指須按照市場規定或慣例通常訂立的期限內交付資產。

###### 後續計量

金融資產的後續計量取決於其分類，如下：

###### 貸款及應收款項

貸款及應收款項指具有固定或可釐定付款額且非於活躍市場報價之非衍生金融資產。於首次計量後，該等資產採用實際利息法按攤銷成本計量，並扣除任何減值撥備。計算攤銷成本時亦會計及收購所產生之任何折讓或溢價，並包括作為實際利率之不可或缺之費用或成本。實際利率攤銷包含於收益表之其他收入及收益。因減值而產生之虧損於收益表內確認為貸款之融資成本及應收賬款之行政開支。

# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註 (續)

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### 2.4 Summary of Significant Accounting Policies

(continued)

#### Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

### 2.4 主要會計政策概要 (續)

#### 解除確認金融資產

於下列情況時，金融資產(或(如適用)金融資產之一部分或一組類似金融資產之一部分)將主要地解除確認(從本集團綜合財務狀況表移除)：

- 自資產收取現金流量之權利已屆滿；或
- 本集團已轉讓自資產取得現金流量之權利或已根據「轉付」安排承擔於無重大延誤之情況下向第三方全額支付已收取現金流量之責任；且(a)本集團已轉讓該資產之大部分風險及回報，或(b)本集團並無轉讓或保留該等資產之大部分風險及回報，惟已轉讓該資產之控制權。

當本集團已轉讓自一項資產收取現金流量的權利或已訂立「轉付」安排，會評估其有否保留該項資產擁有權的風險及回報，以及其程度。當本集團並無轉讓或保留該資產之大部分風險及回報，亦無轉讓該資產之控制權，該資產在本集團持續參與該項資產的前提下予以確認入賬。於此情況下，本集團亦確認相關負債。已轉讓資產及相關負債按反應本集團已保留權利及責任之基準計量。

本集團倘以擔保形式持續參與轉讓資產時，則以該項資產的原賬面值及本集團或須償還的代價數額上限(以較低者為準)計算。

# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

### 2.4 Summary of Significant Accounting Policies

(continued)

#### Impairment of financial assets

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that occurred after the initial recognition of the asset have an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

#### Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

The amount of any impairment loss identified 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 yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition).

### 2.4 主要會計政策概要(續)

#### 金融資產之減值

本集團於各報告期間結算日評估金融資產或一組金融資產有否出現的任何客觀證據。倘於初步確認一項或一組金融資產後發生一件或多件事項導致存在客觀減值跡象，而該項(或多項)虧損事項已對金融資產或一組金融資產的估計未來現金流造成可合理估計之影響，則金融資產或一組金融資產被視為減值。減值跡象可包括一名或一組借款人正面臨重大經濟困難、違約或未能償還利息或本金、彼等有可能破產或進行其他財務重組，以及有可觀察得到的數據顯示估計未來現金流量出現可計量的減少，例如欠款數目變動或出現與違約相關的經濟狀況。

#### 按攤銷成本列賬之金融資產

就按攤銷成本列賬之金融資產而言，本集團首先對具個別重要性之金融資產進行評估，評估個別資產是否存在可觀減值證據，或對非具個別重要性之金融資產進行共同評估。倘本集團釐定經個別評估之金融資產(無論具有重要性與否)並無存在可觀減值證據，則會將該資產歸入一組具有類似信貸風險特性之金融資產內，然後共同評估減值。個別評估減值及為其確認或繼續確認減值虧損之資產，在共同評估減值時不會包括在內。

已確認減值虧損金額按資產賬面值與估計未來現金流量(不包括尚未產生之未來信貸虧損)現值之差額計量。估計未來現金流量之現值乃按金融資產之原實際利率貼現(即按初步確認計算之實際利率)。



# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註 (續)

31 December 2017 二零一七年十二月三十一日

### 2.4 Summary of Significant Accounting Policies

(continued)

#### Impairment of financial assets (continued)

##### Financial assets carried at amortised cost (continued)

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in the income statement. Interest income continues to be accrued on the reduced carrying amount using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group.

If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to administrative expenses in the income statement.

#### Financial liabilities

##### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

##### Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

### 2.4 主要會計政策概要 (續)

#### 金融資產之減值 (續)

##### 按攤銷成本列賬之金融資產 (續)

資產之賬面值通過採用撥備賬項減少，虧損金額在收益表中確認。利息收入按減少後賬面值持續產生，且採用計量減值虧損時用以貼現未來現金流量之利率累計。倘預期並無日後可收回金額，且所有抵押已變現或轉撥至本集團，則借貸及應收款項連同相關撥備予以撇銷。

以後期間，倘若由於減值確認後發生一個事件估計減值虧損之數額增加或減少，則先前確認之減值虧損透過調整撥備賬項予以增加或減少。倘攤銷隨後可收回，收回款項計入收益表之行政開支。

#### 金融負債

##### 初步確認及計量

金融負債，按初始確認時，按適用情況分類為透過損益賬以公平值列賬之金融負債、貸款及借貸，或分類為指定為有效對沖之對沖工具之衍生工具（按適用情況）。

所有財務負債初始時按公平值確認，惟貸款及借款則加上淨直接應佔交易成本確認。

##### 後續計量

財務負債的後續計量取決於其分類，如下：

## NOTES TO FINANCIAL STATEMENTS (Continued)

### 財務報表附註 (續)

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#### 2.4 Summary of Significant Accounting Policies

(continued)

##### Financial liabilities (continued)

###### Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the income statement.

###### Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. A financial guarantee contract is recognised initially as a liability at its fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount of the best estimate of the expenditure required to settle the present obligation at the end of the reporting period; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation.

###### Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the income statement.

#### 2.4 主要會計政策概要 (續)

##### 金融負債 (續)

###### 貸款及借款

於初始確認後，計息貸款及借款隨後以實際利率法按攤銷成本計量，倘折現的影響並不重大，則按成本列賬。當撤銷確認負債及在實際利率攤銷過程中，收益及虧損會於收益表確認。

攤銷成本計入於購買時產生的任何折現或溢價及作為構成有效利率整體部分的費用或成本。有效利率攤銷計入收益表中的融資成本。

###### 財務擔保合約

本集團開立的財務擔保合約是指須支付款項以償付持有人因指定債務人未能根據債務工具條款作出到期付款而產生的虧損的合約。財務擔保合約初步按其公平值確認為負債，並就開立該擔保的直接應佔交易成本進行調整。於初始確認後，本集團按以下兩者中的較高者計量財務擔保合約：(i) 於報告期末對履行現有責任所需開支的最佳估計金額；及(ii) 初始確認金額減(如適用)累計攤銷。

###### 撤銷確認金融負債

當負債項下之責任被解除或取消或屆滿，金融負債將被撤銷確認。

如現有金融負債由同一放債人明顯不同的條款大致上相異之負債所取代，或現有負債之條款作出重大修訂，此類交換或修訂將被視為取消確認原負債及確認新負債處理，有關賬面值之差額於收益表確認。

## NOTES TO FINANCIAL STATEMENTS (Continued)

### 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

#### 2.4 Summary of Significant Accounting Policies

(continued)

##### Inventories

Inventories are stated at the lower of cost and net realisable value after making due allowances for obsolete or slow-moving items. Cost is determined on the weighted average basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on the estimated selling prices less any estimated costs to be incurred to completion and disposal.

##### Leases

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing. Assets held under capitalised finance leases, including prepaid land lease payments under finance leases, are included in property, plant and equipment, and depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to the income statement so as to provide a constant periodic rate of charge over the lease terms.

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to the income statement on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under operating leases are charged to the income statement on the straight-line basis over the lease terms.

Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms. When the lease payments cannot be allocated reliably between the land and buildings elements, the entire lease payments are included in the cost of the land and buildings as a finance lease in property, plant and equipment.

#### 2.4 主要會計政策概要(續)

##### 存貨

存貨按成本與可變現淨值之較低者入賬，並就陳舊或滯銷項目作適當撥備。成本按加權平均法計算，如屬在製品及製成品，則包括直接物料、直接工資及適當比例之間接成本。可變現淨值按估計售價減任何估計完成及出售所需之成本計算。

##### 租賃

將資產擁有權(法定業權除外)之大部分報酬與風險轉讓至本集團之租賃均列為融資租賃。融資租賃生效時，租賃資產之原值均按最低租賃款項之現值撥作資本，並連同債務(不計利息)入賬，以反映購入及融資情況。資本化融資租賃持有之資產(包括融資租賃項下土地租賃款項預付)均列入物業、廠房及設備，並按資產租賃年期或估計可使用年期(以較短者為準)攤銷。該等租賃之融資成本乃於租賃年期內按固定比率於收益表內扣除。

由出租人承受資產擁有權之絕大部分回報與風險之租賃均列為經營租賃。倘本集團是出租人，則本集團根據經營租約出租之資產均計入非流動資產，而經營租約之應收租金則以直線法在租賃期內計入收益表。倘本集團是承租人，則經營租約之應付租金以直線法在租賃期內自收益表扣除。

經營租賃的預付土地租賃款項初步按成本列賬，其後在租賃期內以直線法確認。當租賃款項無法可靠地在土地和樓宇兩部份進行分配時，則整個租賃款項會計入土地和樓宇之成本中，列作物業、廠房及設備之融資租賃。

## NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

**2.4 Summary of Significant Accounting Policies***(continued)***Cash and cash equivalents**

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, and assets similar in nature to cash, which are not restricted as to use.

**Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

**Provisions**

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the income statement.

**2.4 主要會計政策概要(續)****現金及現金等價物**

為編製綜合現金流量表，現金及現金等價物包括手頭現金及活期存款，以及短期高流動性投資(須易於轉換能確定金額的現金、低價值變動風險及具較短期限(一般購入後不多於三個月))，減去按要求還款的銀行透支，並構成本集團的現金管理主要部分。

為編製綜合財務狀況表，現金及現金等價物包括手頭現金及銀行存款，包括用途不受限制的定期存款及與現金性質相似之資產。

**借款成本**

因收購、建設或生產合資格資產等(即需要一段頗長時間準備方可作其擬定用途或出售的資產)所直接產生的借貸成本，乃予以資本化作為該等資產成本之一部分。倘若該等資產已大致能夠用作擬定用途或出售，其借貸成本不再予以資本化。個別借貸因尚未用於合資格資產而用作暫時性投資，所賺取的投資收入應從已資本化的借貸成本中扣除。所有其他借貸成本於產生期內支銷。借貸成本包括實體在借入資金時所產生的利息及其他成本。

**撥備**

當由於過往事件導致現時須承擔法律或推定責任而未來可能須流失資源以履行責任，且能可靠估計責任之數額，則會確認撥備。

倘若貼現影響重大，則所確認之撥備數額為預計履行責任所需之未來開支在報告期間結算日之現值。隨時間流逝使貼現值增加之款項計入收益表之融資成本。



## NOTES TO FINANCIAL STATEMENTS (Continued)

### 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

#### 2.4 Summary of Significant Accounting Policies

(continued)

##### Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside the income statement is recognised either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

#### 2.4 主要會計政策概要(續)

##### 所得稅

所得稅包括即期及遞延稅項。與於損益表以外確認之項目有關之所得稅或確認為其他全面收益亦或直接確認為權益。

即期稅項資產及負債，按預期可從稅務機構收回或支付予稅務機構之金額、以報告期間結算日之前已實施或實質已實施之稅率(及稅法)、經考慮本集團業務所在國家現行之詮釋及慣例而計量。

遞延稅項於呈報期末按負債法就資產及負債的稅基與財務報告所示賬面值的所有暫時差額計提撥備。

遞延稅項負債就所有應課稅暫時差額確認，惟下列情況除外：

- 因業務合併以外之交易(交易當時並無因而影響會計溢利或應課稅溢利或虧損者)下初步確認資產或負債所產生之遞延稅項負債；及
- 對附屬公司之投資相關之應課稅暫時差額而言，如暫時差額之撥回時間可予控制，且暫時差額不大可能在可預見將來撥回。

遞延稅項資產乃於可能取得應課稅溢利而可動用可扣稅暫時差額，以及未動用稅項抵免及任何未動用稅項虧損。遞延稅項資產就所有可扣稅暫時差額、未動用稅項抵免及未動用稅項虧損結轉確認，惟下列情況除外：

- 遞延稅項資產涉及業務合併以外之交易(交易當時並無因而影響會計溢利或應課稅溢利或虧損者)下初步確認資產或負債所產生之可扣稅暫時差額；及

## NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

## 2.4 Summary of Significant Accounting Policies

*(continued)***Income tax** *(continued)*

- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred taxes assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Dividend income derived from the Company's subsidiaries in Mainland China is subject to a withholding tax under the prevailing tax rules and regulations of the People's Republic of China ("PRC").

## 2.4 主要會計政策概要(續)

**所得稅(續)**

- 對附屬公司之投資相關之可扣稅暫時差異，遞延稅項資產僅於暫時差異於可預見將來可能出現逆轉及有應課稅溢利以供暫時差額抵銷的情況下確認。

於各報告期間結算日會檢討遞延稅項資產之賬面值，倘不再可能取得足夠應課稅溢利以運用全部或部分遞延稅項資產扣稅，則會作出相應調減。尚未確認之遞延稅項資產，則會於各報告期間結算日重新評估，並於有可能取得足夠應課稅溢利以收回全部或部分遞延稅項資產扣稅時確認。

僅當本集團有可合法執行權利可將即期稅項資產與即期稅項負債抵銷，且遞延稅項資產與遞延稅項負債與同一稅務機關對同一應稅實體或於各未來期間預期有大額遞延稅項負債或資產需要結算或清償時，擬按淨額基準結算即期稅務負債及資產或同時變現資產及結算負債之不同稅務實體徵收之所得稅相關，則遞延稅項資產與遞延稅項負債可予抵銷。

根據中華人民共和國(「中國」)現行稅務規則及法規，來自本公司位於中國大陸之附屬公司之股息收益須繳納預扣稅。

## NOTES TO FINANCIAL STATEMENTS (Continued)

### 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

#### 2.4 Summary of Significant Accounting Policies

(continued)

##### Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- (a) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;
- (b) rental income, on a time proportion basis over the lease terms;
- (c) interest income, on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset; and
- (d) dividend income, when the shareholders' right to receive payment has been established.

##### Research and development costs

All research costs are charged to the income statement as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

#### 2.4 主要會計政策概要(續)

##### 收益確認

當經濟利益有可能流入本集團和當收入能可靠地計量時，收益會按下列基準確認：

- (a) 銷售貨品所得之收益，於所有權之重大風險和回報已轉移至買方時確認，惟本集團對所售貨品必須不再享有通常與所有權相關之管理權，亦不得再有實際控制權；
- (b) 租金收入在租賃期內按時間比例確認；
- (c) 利息收入以應計基準以實際利率法將金融工具的估計年期或較短期間(如適用)內的未來估計現金收入折現至金融資產的賬面淨值；及
- (d) 股息收入於確立股東收款權利時確認。

##### 研究及開發成本

所有研究成本均於產生時自收益表扣除。

開發新產品之項目開支將撥充資本，並僅於以下情況延遲入賬：本集團能表現出完成該無形資產之技術可行性，以供使用或銷售；表現其有意完成該項資產及其使用或出售該項資產之能力；顯示該項資產如何產生日後經濟利益；顯示其能夠提供完成有關項目之資源；及顯示其有能力於開發期間可靠計量開支。不符合上述標準之產品開發開支於產生時支銷。

## NOTES TO FINANCIAL STATEMENTS (Continued)

### 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

#### 2.4 Summary of Significant Accounting Policies

(continued)

##### Government grants

Government grants, including a subsidy for the expenditure incurred in the construction cost of infrastructure projects, are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed. Where the grant relates to an asset, the fair value is deducted from the carrying amount of the asset and released to the income statement by way of a reduced depreciation charge.

##### Share-based payments

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("Equity-settled Transactions").

The cost of Equity-settled Transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using a binomial model, further details of which are given in note 30 to the financial statements.

The cost of Equity-settled Transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for Equity-settled Transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the income statement for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

#### 2.4 主要會計政策概要(續)

##### 政府補助

政府補助(包括有關基建項目建築成本所招致開支之補助)於可合理地確定將會收取補助及將符合所有附帶條件時按公平值確認。倘補助涉及開支項目,則會於相關期間確認為收入,使該補助有系統地對應其擬補助之成本入賬。倘補助與資產有關,其公平值從資產之賬面值中扣減並透過扣減之折舊開支而轉撥至收益表。

##### 股份支付

本公司訂立購股權計劃,以向為本集團成功營運作出貢獻的合資格參與者提供激勵及獎勵。本集團僱員(包括董事)以股份支付的形式收取酬金,據此僱員提供服務作為權益工具的代價(「以股份支付的交易」)。

股份支付交易的成本乃參照該權益工具於授予日期的公平值計量。公平值由外聘估值師採用二項式模型釐定,有關詳情載於財務報表附註30。

以權益支付交易的成本於表現及/或服務條件履行期間於僱員福利開支確認,同時相應增加權益。在歸屬日期之前於各報告期間結算日於權益支付交易所確認的累計開支反映歸屬期屆滿的程度及本集團認為對最終歸屬的權益工具數量的最佳估計。於期內綜合收益表扣除或計入的金額指於期初及期終確認的累計開支變動。



# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

### 2.4 Summary of Significant Accounting Policies

(continued)

#### Share-based payments (continued)

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as an additional share dilution in the computation of earnings per share.

### 2.4 主要會計政策概要(續)

#### 股份支付(續)

釐定獎勵之授出日公平值並不考慮服務及非市場表現條件，惟能達成條件之可能性則被評定為將最終歸屬為本集團權益工具數目之最佳估計之一部份。市場表現條件將反映在授出日之公平值。附帶於獎勵中但並無相關聯服務要求之其他任何條件皆視為非歸屬條件。反映非歸屬條件之獎勵公平值若當中不包含服務及／或表現條件乃即時予以支銷。

因未能達至非市場表現及／或服務條件，而導致最終並無歸屬之獎勵並不會確認支銷，惟包括一項市場或非歸屬條件之獎勵，無論市場或非歸屬條件是否達成，其均會被視為已歸屬，前提是所有其他表現及／或服務條件須已達成。

於修訂權益支付回報的條款時，將會至少確認開支，猶如倘最初回報條款均得到滿足，有關條款並無作出修訂。此外，亦會就任何修訂確認開支增加股份付款安排交易的總公平值，或於修訂當日計算時對僱員有利。

倘若註銷權益支付的回報，則會視作已於註銷當日歸屬，而任何未就回報確認的開支將立即確認。該報酬包括當非歸屬條件在本集團或僱員的控制下未能得到滿足時的報酬。然而，倘以新回報取代所註銷的回報，並於授出當日列作取代回報，則所註銷及新授出的回報將視作原有回報的修訂，有關詳情載於上段。

尚未行使購股權的攤薄影響列作計算每股盈利的額外股份攤薄。

# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

### 2.4 Summary of Significant Accounting Policies

(continued)

#### Other employee benefits

##### Retirement benefit schemes

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for all of its employees in Hong Kong. Contributions are made based on a percentage of these employees' basic salaries and are charged to the income statement as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

The employees of the Group's subsidiaries which operate in Mainland China are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute certain percentages of their payroll costs to the central pension scheme. The contributions are charged to the income statement as they become payable in accordance with the rules of the central pension scheme.

##### Termination benefits

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises restructuring costs involving the payment of termination benefits.

##### Foreign currencies

These financial statements are presented in Hong Kong dollars, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the income statement.

### 2.4 主要會計政策概要(續)

#### 其他僱員福利

##### 退休福利計劃

本集團根據香港強制性公積金計劃條例為所有香港僱員設立定額供款強制性公積金退休福利計劃(「強積金計劃」)。供款乃按僱員基本薪金之某百分比計算，並根據強積金計劃之規則於應付時在收益表扣除。強積金計劃資產與本集團資產分開存放，由獨立管理之基金持有。本集團一經向強積金計劃供款，有關僱主供款即全數歸僱員所有。

本集團於中國大陸經營之附屬公司之僱員須參與地方市政府管理之中央退休金計劃。該等附屬公司須按其薪酬成本之若干百分比向中央退休金計劃供款。供款於根據中央退休金計劃之規則應付時於收益表扣除。

##### 離職福利

離職福利於本集團不再能取消提供該等福利時及本集團確認涉及支付離職福利的重組成本時(以較早者為準)確認。

##### 外幣

該等財務報表以港元(本公司之功能貨幣)呈列。本集團屬下各實體自行決定功能貨幣，而各實體財務報表內之項目均以該功能貨幣計算。外幣交易首先按交易日期本集團屬下各實體以其功能貨幣匯率入賬。於結算日以外幣為單位之貨幣資產與負債按報告期間結算日適用之功能貨幣匯率換算。因貨幣項目結算或匯兌產生的差額於收益表確認。

# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註 (續)

31 December 2017 二零一七年十二月三十一日

### 2.4 Summary of Significant Accounting Policies

(continued)

#### Foreign currencies (continued)

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or income statement is also recognised in other comprehensive income or income statement, respectively).

The functional currencies of certain overseas subsidiaries are currencies other than the Hong Kong dollar. As at the end of the reporting period, the assets and liabilities of these entities are translated into Hong Kong dollars at the exchange rates prevailing at the end of the reporting period and their income statements are translated into Hong Kong dollars at the weighted average exchange rates for the year. The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the income statement.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

### 2.4 主要會計政策概要 (續)

#### 外幣 (續)

根據外幣歷史成本計算之非貨幣項目按首次交易日期之匯率換算。根據外幣公平值計算之非貨幣項目按釐定公平值當日之匯率換算。換算非貨幣項目而產生的收益或虧損，按確認該項目公平價值變動的收益或虧損一致的方法處理（即其他全面收益或收益表已確認的項目公平價值收益或虧損，其換算差額亦分別於其他全面收益或收益表確認）。

若干海外附屬公司之功能貨幣並非港元。於報告期間結算日，該等實體之資產及負債均按報告期間結算日之匯率換算為港元，而該等公司之收益表按年內之加權平均匯率換算為港元。因此而產生之匯兌差額計入其他全面收入及於匯兌波動儲備累積。於出售境外營運時，就特定海外實體在其他全面收入的組成部分將於收益表確認。

就編製綜合現金流量表而言，海外附屬公司之現金流量按現金流量日期現行之匯率換算為港元。海外附屬公司在年內產生之經常性現金流量會按該年度之加權平均匯率換算為港元。

## NOTES TO FINANCIAL STATEMENTS (Continued)

### 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

### 3. Significant Accounting Judgements and Estimates

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

#### Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

#### Operating lease commitments — Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of these properties which are leased out on operating leases.

#### Classification between investment properties and owner-occupied properties

The Group determines whether a property qualifies as an investment property, and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independently of the other assets held by the Group. Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately or leased out separately under a finance lease, the Group accounts for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

### 3. 主要會計判斷及估計

於編製本集團之財務報表時，管理層需對收入、支出、資產及負債之申報數額及其附帶披露、以及或然負債之披露事項作出判斷、估計及假設。該等假設及估計之不明朗因素可能導致需就日後受影響資產或負債之賬面值作出重大調整。

#### 判斷

管理層於應用本集團之會計政策時已作出以下判斷(不包括涉及估計者)，對財務報表內確認之款項構成最重要影響者如下：

#### 經營租約承擔 — 本集團作為出租人

本集團已就旗下之投資物業組合訂立商業物業租約。本集團已根據各安排之條款及條件之評估確定其保留經營租約出租之物業之擁有權的所有重大風險及回報。

#### 投資物業與業主佔用物業分類

本集團釐定一項物業是否符合為投資物業，並已制訂標準以作出有關判斷。投資物業乃為賺取租金或／及資本增值而持有之物業。故此，本集團考慮物業是否明顯地獨立於本集團持有的其他資產而產生現金流量。某些物業包括一部分為賺取租金或資本增值而持有，而另一部分則為生產或供應貨物或服務或行政用途而持有。倘有關部分可根據融資租賃單獨出售或出租，本集團則單獨計入該部分。倘有關部份不能單獨出售，物業只會用於生產或供應貨物或服務或行政用途所佔比例極少的情況下計入投資物業。本集團基於物業的個別情況而作出判斷，以確定配套服務是否非常重要，致使該物業不符合為投資物業。



# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

### 3. Significant Accounting Judgements and Estimates *(continued)* Judgements *(continued)*

#### Income tax

Deferred tax is provided using the liability method, on all temporary differences as at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

As explained in note 28 to the financial statements, withholding tax is levied on dividends to be distributed by subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008. Deferred tax is provided, at the applicable withholding tax rate, on the undistributed earnings of the Group's PRC subsidiaries that would be distributed to their respective holding companies outside Mainland China in the foreseeable future.

The Group's investment properties at fair value in Mainland China are all held to earn rental income and/or for capital appreciation and they are considered to be held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. Accordingly, deferred tax on the Group's investment properties at fair value is measured to reflect the tax consequences of recovering the carrying amounts of the investment properties through use.

#### Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

#### Fair value estimation of investment properties

In the absence of current prices in an active market for similar properties, the Group considers information from a variety of sources, including:

- (a) by reference to independent valuations;
- (b) current prices in an active market for properties of a different nature, condition or location (or subject to different leases or other contracts), adjusted to reflect those differences;

### 3. 主要會計判斷及估計(續)

#### 判斷(續)

#### 所得稅

使用負債法就報告期末資產與負債稅基與彼等就財務申報的賬面值之間的所有暫時差額計提遞延稅項。

如財務報表附註28所說明，於中國大陸成立的附屬公司將就二零零八年一月一日起所產生的盈利而分派的股息須繳納預扣稅。按適用預扣稅率就本集團位於中國的附屬公司將於可見將來分派予彼等各自位於中國大陸境外的控股公司的未分派盈利計提遞延稅項。

本集團位於中國大陸按公平值列賬的投資物業均持有以賺取租金收入及／或資本增值，彼等視作按其目標為隨著時間的推移消耗投資物業所包含絕大部分經濟利益而不是通過銷售的業務模式持有。因此，計量本集團按公平值列賬投資物業的遞延稅項以反映透過使用收回投資物業賬面值的稅務後果。

#### 估計之不明朗因素

涉及日後之主要假設及於報告期末估計不明朗因素之其他主要來源(其均會導致下個財政年度之資產及負債之賬面值出現大幅調整之重大風險)載於下文：

#### 投資物業公平值的估計

倘缺乏類似物業於活躍市場的當前價格，本集團將考慮不同來源的資料，包括：

- (a) 參考獨立估值；
- (b) 不同性質、狀況或地點(或不同租賃或其他合同)的物業於活躍市場的當前價格(須就反映該等差異作出調整)；

## NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

**3. Significant Accounting Judgements and Estimates** (continued)**Estimation uncertainty** (continued)**Fair value estimation of investment properties** (continued)

- (c) recent prices of similar properties on less active markets, with adjustments to reflect any changes in economic conditions since the dates of the transactions that occurred at those prices; and
- (d) discounted cash flow projections, based on reliable estimates of future cash flows, derived from the terms of any existing lease and other contracts, and (where possible) from external evidence such as current market rates for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of cash flows.

Further details, including the key assumptions used for fair value measurement and a sensitivity analysis, are given in note 17 to the financial statements.

**Properties applying for building ownership certificates**

As of 31 December 2017, the Group had not obtained the building ownership certificates for certain properties located in Mainland China and was still in the progress of completing the application of these certificates. After (i) having discussions with the relevant government officials, (ii) obtaining correspondence from the relevant regulatory bodies; and (iii) taking advice from the Group's legal counsel, the Group believes that it is highly likely for the Group to obtain these certificates. Thus, no impairment of the aforesaid properties was considered necessary as of 31 December 2017. This is the best estimation by the management based on current information. Further details are given in note 16 to the financial statements.

**3. 主要會計判斷及估計** (續)**估計之不明朗因素** (續)**投資物業公平值的估計** (續)

- (c) 類似物業於活躍程度稍遜市場的近期價格，經調整以反映自按該等價格進行交易當日起之任何經濟情況變動；及
- (d) 根據未來現金流量之可靠估計而作出之折現現金流量預測，該預測乃根據任何現有租約及其他合約之條款，以及(如有可能)外在因素(如相同地點及狀況之類似物業之現行市場租金等)而作出，並採用可反映當時市場對不確定之現金流量金額及時間之評估之折現率計算。

包括用於公平值計量的主要假設及敏感度分析的進一步詳情載於財務報表附註17。

**申請房屋所有權證的物業**

截至二零一七年十二月三十一日，本集團尚未取得部份位於中國大陸的物業的房屋所有權證，目前仍在辦理該等物業的房屋所有權證之申請。在(i)與相關政府官員討論後、(ii)從相關監管機構獲取文件往來；及(iii)取得本集團法律顧問之意見後，本集團認為，極有可能取得該等物業的房屋所有權證。因此，截至二零一七年十二月三十一日，我們認為上述物業並無減值必要。此乃管理層基於目前之資料之最佳估計。進一步詳情載於財務報表附註16。

# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

### 3. Significant Accounting Judgements and Estimates *(continued)*

#### Estimation uncertainty *(continued)*

##### Inventory provision

The Group manufactures and sells goods and is subject to changing consumer demands and fashion trends. As a result, it is necessary to consider the recoverability of the cost of inventories and the associated provision required. When calculating the inventory provision, management considers the nature and condition of inventories, as well as applying assumptions around anticipated marketability of finished goods and the future usage of raw materials.

##### Estimation of the fair value of the Other Asset (as defined in note 19) at its initial recognition and impairment assessment of the Other Asset at the end of the reporting period

As disclosed in note 19, the carrying amount of the Other Asset at 31 December 2017 is HK\$431,807,000. The Other Asset, being the consideration received upon disposal of the Original Properties under the Relocation Arrangement, is initially recognised at its fair value and subsequently carries at cost less impairment. The fair value of the Other Asset, at its initial recognition at HK\$416,744,000 has been arrived at on the basis of the valuation performed by independent professionally qualified valuers. In determining the fair value, the valuer has based on a method of valuation which involves certain assumptions, including gross unit rate per square meter. The assumptions used in the valuation have involved significant management judgement.

When there is objective evidence that the Other Asset may be impaired, the Group estimated the recoverable amount of the Other Asset. The amount of impairment loss is measured as the difference between the Other Asset's carrying amount and its recoverable amount. Where the recoverable amount of the Other Asset is less than the carrying amount, impairment loss may arise.

### 3. 主要會計判斷及估計(續)

#### 估計之不明朗因素(續)

##### 存貨撥備

本集團製造及銷售商品，並受到消費者需求及時裝潮流不斷變化的影響。因此，有需要考慮存貨成本的可收回性以及所需的相關撥備。在計算存貨撥備時，管理層會考慮存貨的性質及狀況，並應用關於製成品預計適銷性及日後原材料用量的假設。

##### 於報告期末初始確認之其他資產的估計公平值(定義見附註19)及減值評估

如附註19披露，其他資產於二零一七年十二月三十一日的賬面值為431,807,000港元。其他資產(根據搬遷安排出售原物業的已收代價)初步按其公平值確認，其後按成本減減值入賬。初始確認的其他資產公平值416,744,000港元乃基於獨立專業合資格估值師進行的估值計算得出。釐定公平值時，估值師基於涉及若干假設(包括每平方米的總單位價)的估值法。估值所用假設涉及重大管理層判斷。

當其他資產可能有減值之客觀證據，本集團預計其他資產的可收回金額。減值虧損金額以其他資產的賬面值與可收回金額的差額計量。其他資產的可收回金額低於賬面價值時，可能會發生減值虧損。

## NOTES TO FINANCIAL STATEMENTS (Continued)

### 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

#### 4. Segment Information

The Group's primary operating segment is the manufacture and sale of ladies' brassieres, panties, swimwear and sleepwear.

Since this is the only operating segment of the Group, no further analysis thereof is presented. In determining the Group's geographical information, the revenue information is based on the locations of the customers, and the total non-current assets information, other than deferred tax assets, is based on the locations of the assets.

#### 4. 分部資料

本集團之主要經營分部是女士胸圍、內褲、泳衣及睡衣之製造及銷售。由於此為本集團之唯一經營分部，故並無呈列進一步之分析。決定本集團之地區資料時，收益資料乃按客戶所在地為基礎，總非流動資產(遞延稅項資產除外)資料按資產所在地為基礎。

	Mainland China 中國大陸		Hong Kong 香港		Others 其他		Total 總計	
	2017 二零一七年 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	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Revenue from external customers 外界客戶之收益	2,258,439	2,129,821	74,583	81,177	6,502	5,084	2,339,524	2,216,082
Non-current assets 非流動資產	1,987,426	1,329,130	91,376	88,376	-	-	2,078,802	1,417,506
Capital expenditure incurred during the year 年內資本開支	99,459	209,470	775	1,250	-	-	100,234	210,720

For the years ended 31 December 2017 and 2016, as no revenue from sales to any customer of the Group has individually accounted for over 10% of the Group's total revenue, no information about major customers is presented under HKFRS 8.

截至二零一六年及二零一七年十二月三十一日止年度，由於本集團並無任何客戶之銷售收益個別佔本集團總收益10%以上，故並未根據香港財務報告準則第8號呈報主要客戶的資料。

#### 5. Revenue

Revenue represents the net invoiced value of goods sold, after allowances for returns and trade discounts.

#### 5. 收益

收益指扣除退貨及交易折扣款額後售出貨品之發票淨值。



# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

### 6. Other Income and Gains, Net

### 6. 其他收入及收益，淨額

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>Other income</b>	<b>其他收入</b>		
Subsidy income*	補貼收入*	41,139	39,477
Gross rental income	租金收入總額	16,361	14,534
Contingent rents receivable in respective of operating leases	經營租賃的應收或然租金	725	784
Bank interest income	銀行利息收入	2,256	2,083
Royalty income	專利權收入	159	278
Others	其他	2,180	4,460
		<b>62,820</b>	61,616
<b>Gains, net</b>	<b>收益，淨額</b>		
Foreign exchange differences, net	匯兌差異，淨額	22,583	(22,131)
Changes in fair value of investment properties (note 17)	投資物業公平值變動(附註17)	4,000	13,000
Gain on disposal/write-off of items of property, plant and equipment, net	出售／撇銷物業、廠房及設備項目之收益，淨額	-	278
		<b>26,583</b>	(8,853)
		<b>89,403</b>	52,763

\* There are no unfulfilled conditions or contingencies relating to this income.

\* 此收入並無涉及任何未達成之條件或或然事項。

### 7. Other Expenses

### 7. 其他開支

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Charitable donation	慈善捐款	8,536	7,274
Loss on disposal/write-off of items of property, plant and equipment, net	出售／撇銷物業、廠房及設備項目之虧損，淨額	287	-
		<b>8,823</b>	7,274

### 8. Finance Costs

### 8. 融資成本

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Total interest on bank loans	總銀行借款利息	9,304	8,263

# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

### 9. Profit Before Tax

The Group's profit before tax is arrived at after charging/  
(crediting):

### 9. 除稅前溢利

本集團之除稅前溢利已扣除／(計入)：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Cost of inventories sold*	已售存貨成本*	514,032	471,531
Depreciation	折舊	57,218	53,476
Amortisation of prepaid land lease payments	預付土地租賃款項之攤銷	988	928
Minimum lease payments under operating leases in respect of:	有關以下各項經營租約之最低租賃款項：		
Land and buildings	土地及樓宇	82,039	79,097
Contingent rents of retail outlets in department stores	百貨公司內零售點的或然租金	541,284	545,052
Employee benefit expenses (excluding directors' and chief executive's remuneration — note 10):	僱員福利開支(不包括董事及行政總裁薪酬 — 附註 10)：		
Wages and salaries	工資及薪金	649,172	618,736
Write-back of provision for long service payments	長期服務金撥備撥回	(1,700)	(697)
Retirement benefit scheme contributions	退休福利計劃供款	64,817	63,881
		<b>712,289</b>	681,920
Auditor's remuneration	核數師酬金	2,980	2,980
Advertising and counter decoration expenses	廣告及櫃位裝飾開支	121,369	122,088
Provision/(write-back of provision) for obsolete inventories, net	陳舊存貨撥備／(撥備撥回)，淨額	(6,253)	37,366
Impairment of trade receivables**	應收貿易賬款減值**	2,784	359
Research and development expenditure	研究及開發開支	2,800	3,574
Loss/(gain) on disposal/write-off of items of property, plant and equipment, net	出售／撇銷物業、廠房及設備項目之虧損／(收益)，淨額	287	(278)
Foreign exchange differences, net	匯兌差異，淨額	(22,583)	22,131
Gross and net rental income	租金收入總額及淨額	(17,086)	(15,318)
Changes in fair value of investment properties	投資物業公平值變動	(4,000)	(13,000)
Bank interest income	銀行利息收入	(2,256)	(2,083)

\* The cost of inventories sold for the year included HK\$128,050,000 (2016: HK\$175,828,000), relating to staff costs, depreciation of manufacturing facilities, minimum lease payments under operating leases in respect of land and buildings and the net provision/(write-back of provision) for obsolete inventories, which are also included in the respective total amounts disclosed above for each type of expenses.

\*\* The impairment of trade receivables is included in "Administrative expenses" on the face of the consolidated income statement.

\* 已售存貨成本包括員工成本、製造設備折舊、土地及樓宇經營租約之最低租賃款項及陳舊存貨撥備／(撥備撥回)淨額為128,050,000港元(二零一六年：175,828,000港元)。有關總額亦已記入以上披露之各類相關開支中。

\*\* 應收貿易賬款減值，已計入綜合收益表的「行政開支」內。

# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

### 10. Directors' and Chief Executive's Remuneration

Directors' and chief executive's remuneration for the year, disclosed pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules"), section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Fees	袍金	<b>1,026</b>	993
Other emoluments:	其他酬金：		
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	<b>7,887</b>	9,032
Bonuses*	花紅*	<b>5,752</b>	4,031
Retirement benefit scheme contributions	退休福利計劃供款	<b>36</b>	36
		<b>14,701</b>	14,092

\* Executive directors of the Company are entitled to bonus payments which are determined as a percentage of the profit after tax of the Group.

### 10. 董事及行政總裁薪酬

根據香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」、香港公司條例第383(1)(a), (b), (c)及(f)條、以及公司(披露董事利益資料)規例第2部披露如下：

\* 本公司執行董事有權獲派發花紅，而花紅金額則按本集團除稅後溢利的一定百分比釐定。

# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

### 10. Directors' and Chief Executive's Remuneration (continued)

2017

### 10. 董事及行政總裁薪酬(續)

二零一七年

		Salaries, allowances and benefits			Retirement benefit scheme contributions	Total remuneration
		Fees	in kind	Bonuses		
		袍金	薪金、津貼及實物利益	花紅	退休福利計劃供款	總薪酬
		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
<i>Executive directors:</i>		<i>執行董事：</i>				
Madam Ngok Ming Chu	岳明珠女士	-	3,873	2,397	18	6,288
Ms. Cheng Pik Ho Liza <sup>#</sup>	鄭碧浩女士 <sup>#</sup>	-	2,822	2,348	18	5,188
Mr. Cheng Chuen Chuen <sup>#</sup>	鄭傳全先生 <sup>#</sup>	-	128	92	-	220
Ms. Lu Qun	鹿群女士	-	1,064	915	-	1,979
		-	7,887	5,752	36	13,675
<i>Independent non-executive directors:</i>		<i>獨立非執行董事：</i>				
Mr. Lau Siu Ki	劉紹基先生	342	-	-	-	342
Mr. Lee Kwan Hung	李均雄先生	342	-	-	-	342
Prof. Lee T. S.	李天生教授	342	-	-	-	342
		1,026	-	-	-	1,026
		1,026	7,887	5,752	36	14,701



# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

### 10. Directors' and Chief Executive's Remuneration (continued)

2016

		二零一六年				
		Fees	Salaries, allowances and benefits in kind	Bonuses	Retirement benefit scheme contributions	Total remuneration
		袍金	薪金、津貼及實物利益	花紅	退休福利計劃供款	總薪酬
		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
<i>Executive directors:</i>	<i>執行董事：</i>					
Madam Ngok Ming Chu	岳明珠女士	–	5,087	1,647	18	6,752
Ms. Cheng Pik Ho Liza <sup>#</sup>	鄭碧浩女士 <sup>#</sup>	–	2,868	1,621	18	4,507
Ms. Lu Qun	鹿群女士	–	1,077	763	–	1,840
		–	9,032	4,031	36	13,099
<i>Independent non-executive directors:</i>	<i>獨立非執行董事：</i>					
Mr. Lau Siu Ki	劉紹基先生	331	–	–	–	331
Mr. Lee Kwan Hung	李均雄先生	331	–	–	–	331
Prof. Lee T. S.	李天生教授	331	–	–	–	331
		993	–	–	–	993
		993	9,032	4,031	36	14,092

<sup>#</sup> Ms. Cheng Pik Ho Liza, a director of the Company, is also the chief executive officer of the Company.

<sup>\*\*</sup> Mr. Cheng Chuen Chuen was appointed as an executive director of the Company on 22 September 2017.

There were no arrangements under which a director or the chief executive waived or agreed to waive any remuneration during the year.

### 10. 董事及行政總裁薪酬(續)

二零一六年

		Fees	Salaries, allowances and benefits in kind	Bonuses	Retirement benefit scheme contributions	Total remuneration
		袍金	薪金、津貼及實物利益	花紅	退休福利計劃供款	總薪酬
		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
<i>Executive directors:</i>	<i>執行董事：</i>					
Madam Ngok Ming Chu	岳明珠女士	–	5,087	1,647	18	6,752
Ms. Cheng Pik Ho Liza <sup>#</sup>	鄭碧浩女士 <sup>#</sup>	–	2,868	1,621	18	4,507
Ms. Lu Qun	鹿群女士	–	1,077	763	–	1,840
		–	9,032	4,031	36	13,099
<i>Independent non-executive directors:</i>	<i>獨立非執行董事：</i>					
Mr. Lau Siu Ki	劉紹基先生	331	–	–	–	331
Mr. Lee Kwan Hung	李均雄先生	331	–	–	–	331
Prof. Lee T. S.	李天生教授	331	–	–	–	331
		993	–	–	–	993
		993	9,032	4,031	36	14,092

<sup>#</sup> 本公司董事鄭碧浩女士亦擔任本公司之行政總裁。

<sup>\*\*</sup> 鄭傳全先生於二零一七年九月二十二日獲委任為本公司執行董事。

有關期間內並無董事或行政總裁免收或同意免收任何薪酬之安排。

## NOTES TO FINANCIAL STATEMENTS (Continued)

### 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

#### 11. Five Highest Paid Individuals

The five highest paid employees during the year included three (2016: three) directors, details of whose remuneration are set out in note 10 to the financial statements above. Details of the remuneration for the year of the remaining two (2016: two) highest paid employees who are neither directors nor chief executive of the Company are as follows:

		<b>2017</b> 二零一七年 <b>HK\$'000</b> 千港元	2016 二零一六年 <i>HK\$'000</i> 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	<b>2,851</b>	2,854
Bonuses	花紅	<b>1,831</b>	1,393
Retirement benefit scheme contributions	退休福利計劃供款	<b>81</b>	61
		<b>4,763</b>	4,308

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands is as follows:

		<b>Number of employees</b> 僱員人數	
		<b>2017</b> 二零一七年	2016 二零一六年
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	<b>1</b>	-
HK\$2,000,001 to HK\$2,500,000	2,000,001 港元至 2,500,000 港元	-	-
HK\$2,500,001 to HK\$3,000,000	2,500,001 港元至 3,000,000 港元	<b>1</b>	1
		<b>2</b>	2

#### 11. 五名最高薪人士

年內五名最高薪人士包括三名董事(二零一六年：三名)，其薪酬詳情已於上文財務報表附註10載述。年內其餘兩名(二零一六年：兩名)非本公司董事或行政總裁之最高薪僱員之薪酬詳情如下：

薪酬屬於以下組別之非董事及非行政總裁最高薪僱員人數如下：

# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

### 12. Income Tax

Hong Kong profits tax has been provided at the rate of 16.5% (2016: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the regions in which the Group operates.

### 12. 所得稅

香港利得稅乃根據年內估計在香港產生之應課稅溢利，按16.5%（二零一六年：16.5%）之稅率作出撥備。其他地方應課稅溢利之稅項已按本集團經營業務地區之目前稅率計算。

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Current — Hong Kong	即期稅項—香港		
Charge for the year	年內稅項	2,986	811
Overprovision in prior years	過往年度之超額撥備	(20)	(20)
Current — Mainland China	即期稅項—中國大陸		
Charge for the year	年內稅項	63,276	72,844
Deferred (note 28)	遞延(附註28)	113,918	(13,590)
Total tax charge for the year	年度之總稅項支出	<b>180,160</b>	60,045

A reconciliation of the tax expense applicable to profit before tax at the statutory rates for the regions in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rates is as follows:

以本公司及其大部份附屬公司註冊地區之法定稅率及除稅前溢利計算之稅項開支，與使用實際稅率計算之稅項開支的對賬如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Profit before tax	除稅前溢利	675,459	158,447
Tax at the applicable rates	適用稅率計算之稅項	169,458	42,977
Adjustments in respect of current tax of previous periods	調整過往期間之即期稅項	(20)	(20)
Income not subject to tax	毋須課稅之收入	(2,690)	(495)
Expenses not deductible for tax	不可扣稅之開支	3,955	8,499
Tax losses not recognised	未確認稅項虧損	7,605	7,725
Others	其他	1,852	1,359
Tax charge at the Group's effective rate	按本集團之實際稅率計算之稅項支出	<b>180,160</b>	60,045

# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

### 13. Related Party Transactions

- (a) In addition to the transactions detailed elsewhere in these financial statements, the Group had the following material transactions with related parties during the year:

### 13. 有關連人士交易

- (a) 除該等財務報表其他部份所述之交易外，本集團於年內與有關連人士進行之重大交易如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<i>Continuing transactions</i>	<i>持續交易</i>		
Purchases of furniture and decoration services for counters and shops as well as different types of moulds from related companies	向關連公司購買櫃位及店舖之傢俬及裝修服務以及各類型模具	15,007	16,622
Rental expenses and utilities expenses for a property charged by a related company	關連公司收取物業之租金及公共設施開支	91	272
Rental expenses for a warehouse charged by a director of the Company	本公司董事收取倉庫之租金開支	167	167
Consultancy fee to a controlling shareholder of the Company	向本公司控股股東支付之顧問費	1,287	1,321

Notes:

- (i) The purchases of furniture and decoration services for counters and shops as well as different types of moulds from 多思維五金塑料製品(深圳)有限公司(Duosiwei Metal & Plastic Products (Shenzhen) Co., Ltd.) and 常州多思維傢俱裝飾工程有限公司(Changzhou Duosiwei Furniture Decoration Construction Co., Ltd.), related companies controlled by a close family member of Mr. Cheng Man Tai, a controlling shareholder of the Company, Madam Ngok Ming Chu and Ms. Cheng Pik Ho Liza, two executive directors of the Company, were made according to the terms similar to those offered by the Group's independent suppliers. The said close family member, Mr. Cheng Chuen Chuen, was appointed as an executive director of the Company on 22 September 2017. The balances owed to related companies as at 31 December 2017 amounted to HK\$3,716,000 (2016: HK\$7,540,000) and were unsecured, interest-free and repayable in accordance with normal trading terms. The amounts have been included in other payables and accruals as at the end of the year.
- (ii) The rental expenses and utilities expenses charged by 常州安莉芳發展有限公司(Changzhou Embry Development Limited), a related company, which was controlled by Ms. Cheng Pik Ho Liza, an executive director of the Company, and close family members of Mr. Cheng Man Tai, a controlling shareholder of the Company, Madam Ngok Ming Chu and Ms. Cheng Pik Ho Liza, two executive directors of the Company, were determined with reference to the then prevailing market conditions. The Group entered into a new tenancy agreement with the related company effective from 10 April 2016 subsequent to the termination of the previous tenancy agreement on 31 May 2015. The tenancy agreement was expired on 9 April 2017.

附註：

- (i) 向本公司一名控股股東鄭敏泰先生及兩位執行董事岳明珠女士及鄭碧浩女士的一名親屬所控制之關連公司多思維五金塑料製品(深圳)有限公司及常州多思維傢俱裝飾工程有限公司購買櫃位及店舖之傢俬及裝修服務以及各類型模具條款與本集團獨立供應商所提供之條款相若。該親屬鄭傳全先生於二零一七年九月二十二日獲委任為本公司執行董事。於二零一七年十二月三十一日欠付關連公司之結餘為3,716,000港元(二零一六年：7,540,000港元)乃無抵押、免息及需按一般買賣條款償還。該等款額已於年末結算日列作其他應付款項及應計款項。
- (ii) 由本公司執行董事鄭碧浩女士及本公司控股股東鄭敏泰先生與兩位執行董事岳明珠女士和鄭碧浩女士之親屬所控制之關連公司常州安莉芳發展有限公司收取之租金及公共設施開支乃參考當時之市況釐定。舊有租賃協議於二零一五年五月三十一日終止後，本集團與關聯公司簽訂新租賃協議，該協議由二零一六年四月十日起生效。該租賃協議已於二零一七年四月九日到期。



# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註 (續)

31 December 2017 二零一七年十二月三十一日

### 13. Related Party Transactions (continued)

#### (a) (continued)

Notes: (continued)

- (iii) The rental expenses were charged by Madam Ngok Ming Chu, an executive director of the Company, and determined with reference to the then prevailing market conditions.
- (iv) Mr. Cheng Man Tai, a controlling shareholder of the Company, has been serving as a consultant of the Company since 25 March 2014. He has been engaged for the fourth term of one year effective from 25 March 2017. The terms of consultancy fee were based on consultancy agreements entered into between the Group and Mr. Cheng Man Tai.

The above transactions constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules and their details are disclosed in the report of the directors.

The directors are of the opinion that the above transactions were conducted in the ordinary course of business of the Group.

#### (b) Compensation of key management personnel of the Group

Short term employee benefits	短期僱員福利
Post-employment benefits	離職後福利
Total compensation paid to key management personnel	支付予主要管理人員之總薪酬

Further details of directors' and chief executive's remuneration are included in note 10 to the financial statements.

### 13. 有關連人士交易 (續)

#### (a) (續)

附註：(續)

- (iii) 租金開支乃由本公司執行董事岳明珠女士收取並參考當時之市況釐定。
- (iv) 本公司控股股東鄭敏泰先生自二零一四年三月二十五日起擔任本公司顧問。他自二零一七年三月二十五日獲第四屆委聘為期一年。顧問費的條款是根據本集團及本公司控股股東鄭敏泰先生之間的協議釐定。

根據上市規則第14A章，以上交易構成持續關連交易，有關詳情已於董事會報告內披露。

董事認為上述交易是於本集團日常業務過程中進行。

#### (b) 本集團主要管理人員之薪酬

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Short term employee benefits	19,966	19,510
Post-employment benefits	240	270
Total compensation paid to key management personnel	20,206	19,780

董事及行政總裁薪酬的詳情載於財務報表附註10。

# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

### 14. Dividends

### 14. 股息

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>Dividends paid during the year</b>	<b>年內已付股息</b>		
Final in respect of the financial year ended 31 December 2016 — HK4.3 cents per ordinary share* (2016: Final and special in respective of the financial year ended 31 December 2015 — HK9.0 cents and HK1.0 cent, respectively, per ordinary share)	截至二零一六年十二月三十一日止財政年度末期股息 — 每股普通股4.3港仙* (二零一六年：截至二零一五年十二月三十一日止財政年度末期及特別股息，分別為每股普通股9.0港仙及1.0港仙)	<b>17,916</b>	41,666
Interim — HK2.5 cents <sup>^</sup> (2016: HK2.5 cents) per ordinary share	中期股息—每股普通股2.5港仙 <sup>^</sup> (二零一六年：2.5港仙)	<b>10,528</b>	10,417
		<b>28,444</b>	52,083
<b>Proposed final dividend</b>	<b>擬派末期股息</b>		
Final — HK8.0 cents per ordinary share (2016: Final — HK4.3 cents per ordinary share)	末期股息—為每股普通股8.0港仙(二零一六年：末期股息—為每股普通股4.3港仙)	<b>33,793</b>	17,916

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting. These financial statements do not reflect the final dividend payable.

年內擬派末期股息須待本公司股東於應屆股東週年大會上批准。該等財務報表並未反映應付末期股息。

\* On 25 May 2017, the Company's shareholders approved at the annual general meeting a final dividend of HK4.3 cents per share payable in cash with a scrip dividend alternative (the "2016 Scrip Dividend Scheme") for the year ended 31 December 2016 (the "2016 Final Dividend"). During the year ended 31 December 2017, 4,461,797 new shares were issued by the Company at the average closing price of HK\$3.058 per share, credited as fully paid, to shareholders of the Company who had elected to receive scrip shares in lieu of cash under the 2016 Scrip Dividend Scheme to settle HK\$13,645,000 of the 2016 Final Dividend. The remainder of the 2016 Final Dividend of HK\$4,271,000 was satisfied by cash. Further details of the 2016 Scrip Dividend Scheme are set out in the Company's circular dated 13 June 2017.

\* 於二零一七年五月二十五日，本公司的股東於股東週年大會上通過截至二零一六年十二月三十一日止年度現金支付的末期股息每股4.3港仙，可選擇以股代息（「二零一六年以股代息計劃」）（「二零一六年末期股息」）。截至二零一七年十二月三十一日止年度，本公司已按平均收市價格每股3.058港元發行4,461,797股入賬列為繳足的新股份予本公司按二零一六年以股代息計劃選擇收取以代息股份代替現金的股東，以償付二零一六年末期股息13,645,000港元。二零一六年末期股息餘額4,271,000港元已透過現金結清。有關二零一六年以股代息計劃的進一步詳情載列於本公司日期為二零一七年六月十三日的通函。

<sup>^</sup> On 23 August 2017, the Company's board of directors declared an interim dividend of HK2.5 cents per share payable in cash with a scrip dividend alternative (the "2017 Interim Scrip Dividend Scheme") for the six months ended 30 June 2017 (the "2017 Interim Dividend"). During the year ended 31 December 2017, 1,293,841 new shares were issued by the Company at the average closing price of HK\$2.536 per share, credited as fully paid, to shareholders of the Company who had elected to receive scrip shares in lieu of cash under the 2017 Interim Scrip Dividend Scheme to settle HK\$3,281,000 of the 2017 Interim Dividend. The remainder of the 2017 Interim Dividend of HK\$7,247,000 was satisfied by cash. Further details of the 2017 Interim Scrip Dividend Scheme are set out in the Company's circular dated 21 September 2017.

<sup>^</sup> 於二零一七年八月二十三日，本公司董事會宣佈截至二零一七年六月三十日止六個月期間現金支付的中期股息每股2.5港仙，可選擇以股代息（「二零一七年中期以股代息計劃」）（「二零一七年年中期股息」）。截至二零一七年十二月三十一日止年度，本公司已按平均收市價格每股2.536港元發行1,293,841股入賬列為繳足的新股份予本公司按二零一七年中期以股代息計劃選擇收取以代息股份代替現金的股東，以償付二零一七年年中期股息3,281,000港元。二零一七年年中期股息餘額7,247,000港元已透過現金結清。有關二零一七年年中期以股代息計劃的進一步詳情載列於本公司日期為二零一七年九月二十一日的通函。

# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

### 15. Earnings Per Share Attributable to Owners of the Company

#### (a) Basic

The calculation of basic earnings per share is based on:

		<b>2017</b> 二零一七年 <b>HK\$'000</b> 千港元	2016 二零一六年 <b>HK\$'000</b> 千港元
<b>Earnings</b>	<b>盈利</b>		
Profit attributable to owners of the Company, used in the basic earnings per share calculation	用於計算每股基本盈利之本公司擁有人應佔溢利	<b>495,299</b>	98,402
		<b>Number of shares</b> 股份數目	
		<b>2017</b> 二零一七年	2016 二零一六年
<b>Shares</b>	<b>股份</b>		
Weighted average number of ordinary shares of the Company in issue, used in the basic earnings per share calculation	計算本公司每股基本盈利所採用之年內已發行普通股加權平均數	<b>419,016,814</b>	416,661,000
Basic earnings per share (HK cents)	每股基本盈利(港仙)	<b>118.21</b>	23.62

#### (b) Diluted

The Group had no potentially dilutive ordinary shares in issue during the years ended 31 December 2017 and 2016.

### 15. 本公司擁有人應佔每股盈利

#### (a) 基本

每股基本盈利乃按以下數據計算：

		<b>2017</b> 二零一七年 <b>HK\$'000</b> 千港元	2016 二零一六年 <b>HK\$'000</b> 千港元
<b>Earnings</b>	<b>盈利</b>		
Profit attributable to owners of the Company, used in the basic earnings per share calculation	用於計算每股基本盈利之本公司擁有人應佔溢利	<b>495,299</b>	98,402
		<b>Number of shares</b> 股份數目	
		<b>2017</b> 二零一七年	2016 二零一六年
<b>Shares</b>	<b>股份</b>		
Weighted average number of ordinary shares of the Company in issue, used in the basic earnings per share calculation	計算本公司每股基本盈利所採用之年內已發行普通股加權平均數	<b>419,016,814</b>	416,661,000
Basic earnings per share (HK cents)	每股基本盈利(港仙)	<b>118.21</b>	23.62

#### (b) 攤薄

截至二零一六年及二零一七年十二月三十一日止年度，本集團並無發行具潛在攤薄影響之普通股。

## NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

## 15. Earnings Per Share Attributable to Owners of the Company (continued)

## (c) Adjusted

As further disclosed in note 19 to the financial statements, during the year, the Group recognised a gain on the Relocation Arrangement of HK\$449,980,000 (2016: Nil) and the respective income tax expense of HK\$112,495,000 (2016: Nil). Management is of the view that the gain is non-recurring and, in order to enable an investor to better understand the Group's result, it is meaningful to present a reconciliation of adjusted basic earnings per share based on profits attributable to owners of the Company excluding the gain on the Relocation Arrangement and the respective income tax expense.

The calculation of adjusted basic earnings per share is based on:

## 15. 本公司擁有人應佔每股盈利(續)

## (c) 經調整

誠如財務報表附註19所披露，於年內，本集團確認搬遷安排收益449,980,000港元(二零一六年：無)及相關所得稅開支112,495,000港元(二零一六年：無)。管理層認為該收益為非經常性收益，為使投資者能夠更好地理解本集團的業績，故每股經調整基本盈利按撇除搬遷安排收益及相關所得稅開支的本公司擁有人應佔溢利作出調整。

每股經調整基本盈利乃按以下數據計算：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>Earnings</b>	<b>盈利</b>		
Profit attributable to owners of the Company	本公司擁有人應佔溢利	<b>495,299</b>	98,402
<b>Adjustments for:</b>	<b>調整：</b>		
Gain on the Relocation Arrangement	搬遷安排收益	<b>(449,980)</b>	-
Income tax expense on the Relocation Arrangement	搬遷安排所得稅開支	<b>112,495</b>	-
<b>Adjusted earnings</b>	<b>經調整盈利</b>		
Profit attributable to owners of the Company excluding the gain on the Relocation Arrangement and the respective income tax expense	撇除搬遷安排收益及相關所得稅開支的本公司擁有人應佔溢利	<b>157,814</b>	98,402
Adjusted basic earnings per share excluding the gain on the Relocation Arrangement and the respective income tax expense (HK cents)	撇除搬遷安排收益及相關所得稅開支每股經調整基本盈利(港仙)	<b>37.66</b>	23.62



# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

### 16. Property, Plant and Equipment

### 16. 物業、廠房及設備

		Leasehold land and buildings	Leasehold improvements	Plant and machinery	Furniture, fixtures and office equipment 傢俬、裝置 及辦公室 設備	Motor vehicles	Construction in progress	Total
		租賃土地 及樓宇 HK\$'000 千港元	租賃物業 裝修 HK\$'000 千港元	廠房及 機器 HK\$'000 千港元	及辦公室 設備 HK\$'000 千港元	汽車 HK\$'000 千港元	在建工程 HK\$'000 千港元	總計 HK\$'000 千港元
<b>31 December 2017</b>	<b>二零一七年十二月三十一日</b>							
Cost:	成本:							
At 1 January 2017	於二零一七年一月一日	848,635	3,690	103,250	222,848	15,065	191,313	1,384,801
Additions	添置	-	-	238	26,151	603	73,242	100,234
Disposals/write-off	出售/撇銷	(14,280)	-	(8,237)	(15,982)	(1,689)	-	(40,188)
Transfers	轉撥	-	-	-	5,010	-	(5,010)	-
Transfer to investment properties (note)	轉撥至投資物業(註)	(32,930)	-	-	-	-	-	(32,930)
Exchange realignment	匯兌調整	67,382	-	8,431	17,849	909	18,601	113,172
At 31 December 2017	於二零一七年十二月三十一日	868,807	3,690	103,682	255,876	14,888	278,146	1,525,089
Accumulated depreciation:	累計折舊:							
At 1 January 2017	於二零一七年一月一日	106,867	3,690	56,982	144,727	10,322	-	322,588
Provided during the year	年內撥備	18,008	-	7,502	30,004	1,704	-	57,218
Disposals/write-off	出售/撇銷	(12,689)	-	(7,954)	(15,500)	(1,655)	-	(37,798)
Transfer to investment properties (note)	轉撥至投資物業(註)	(4,217)	-	-	-	-	-	(4,217)
Exchange realignment	匯兌調整	8,118	-	4,812	11,300	690	-	24,920
At 31 December 2017	於二零一七年十二月三十一日	116,087	3,690	61,342	170,531	11,061	-	362,711
Net book value:	賬面淨值:							
At 31 December 2017	於二零一七年十二月三十一日	752,720	-	42,340	85,345	3,827	278,146	1,162,378

# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

### 16. Property, Plant and Equipment (continued)

### 16. 物業、廠房及設備(續)

		Leasehold land and buildings	Leasehold improvements	Plant and machinery	Furniture, fixtures and office equipment 傢俬、裝置 及辦公室 設備	Motor vehicles	Construction in progress	Total
		租賃土地 及樓宇	租賃物業 裝修	廠房及 機器	及辦公室 設備	汽車	在建工程	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>31 December 2016</b>	<b>二零一六年十二月三十一日</b>							
Cost:	成本:							
At 1 January 2016	於二零一六年一月一日	906,124	3,690	106,558	206,827	16,949	38,969	1,279,117
Additions	添置	196	-	2,530	38,193	1,492	168,309	210,720
Disposals/write-off	出售/撇銷	-	-	(6)	(9,716)	(2,572)	-	(12,294)
Transfers	轉撥	817	-	1,508	1,928	-	(4,253)	-
Exchange realignment	匯兌調整	(58,502)	-	(7,340)	(14,384)	(804)	(11,712)	(92,742)
At 31 December 2016	於二零一六年十二月三十一日	848,635	3,690	103,250	222,848	15,065	191,313	1,384,801
Accumulated depreciation:	累計折舊:							
At 1 January 2016	於二零一六年一月一日	94,752	3,690	53,427	137,952	11,831	-	301,652
Provided during the year	年內撥備	18,759	-	7,563	25,512	1,642	-	53,476
Disposals/write-off	出售/撇銷	-	-	(6)	(9,691)	(2,557)	-	(12,254)
Exchange realignment	匯兌調整	(6,644)	-	(4,002)	(9,046)	(594)	-	(20,286)
At 31 December 2016	於二零一六年十二月三十一日	106,867	3,690	56,982	144,727	10,322	-	322,588
Net book value:	賬面淨值:							
At 31 December 2016	於二零一六年十二月三十一日	741,768	-	46,268	78,121	4,743	191,313	1,062,213

At 31 December 2017, the Group was still in the progress of obtaining the building ownership certificates for certain buildings in Mainland China with a net book value of approximately HK\$171,267,000 (2016: HK\$161,835,000). In the opinion of the directors of the Company, there is no major barrier for the Group to obtain these building ownership certificates. Subsequent to year end, in January 2018, the Group has obtained the building ownership certificates for certain buildings in Mainland China with a net book value of approximately HK\$151,473,000.

**Note:** During the year ended 31 December 2017, the Group rented out one of its occupied properties to an independent third party for rental income. At the date of change in use, this property became investment property. Upon the transfer from property, plant and equipment to investment properties, this property was revalued at HK\$35,349,000 with a revaluation surplus of HK\$6,636,000 credited to the asset revaluation reserve.

於二零一七年十二月三十一日，本集團仍在辦理其位於中國大陸中的數座物業的房屋所有權證之手續，該等物業的賬面淨值約171,267,000港元(二零一六年：161,835,000港元)。本公司董事認為，本集團就取得該等物業的房屋所有權證並無重大障礙。於報告期結束後，二零一八年一月，本集團已取得中國大陸若干物業的房屋所有權證，賬面淨值約為151,473,000港元。

**附註：**截至二零一七年十二月三十一日止年度，本集團向獨立第三方出租其若干物業以收取租金收入。於使用狀況變更當日，該等物業成為投資物業。自物業、廠房及設備轉撥至投資物業時，該等物業獲重估為35,349,000港元，而重估盈餘6,636,000港元計入資產重估儲備。

# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

### 17. Investment Properties

### 17. 投資物業

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Carrying amount at 1 January	於一月一日之賬面值	<b>307,158</b>	311,121
Changes in fair value (notes 6 and 9)	公平值變動(附註6及9)	<b>4,000</b>	13,000
Transfer from owner-occupied properties (note 16)	轉撥自業主佔用物業 (附註16)	<b>35,349</b>	-
Exchange realignment	匯兌調整	<b>21,447</b>	(16,963)
Carrying amount at 31 December	於十二月三十一日之賬面值	<b>367,954</b>	307,158

The Group's investment properties are situated at 6th Floor, Wyler Centre II, 200 Tai Lin Pai Road, Kwai Chung, New Territories, Hong Kong and certain floors of the building located at No. 508, Kunming Road, Yangpu District, Shanghai City, the PRC, and are held under medium term leases.

本集團之投資物業分別位於香港新界葵涌大連排道200號偉倫中心2期6樓及中國上海市楊浦區昆明路508號該大廈若干樓層。本集團之投資物業乃根據中期租約持有。

The Group's investment properties situated in Hong Kong and Mainland China were revalued on 31 December 2017 based on valuations performed by Cushman & Wakefield Limited, independent professionally qualified valuers.

本集團之投資物業分別位於香港及中國大陸由獨立專業合資格估值師行戴德梁行有限公司重估。

Each year, the Group appoints an external valuer to be responsible for the external valuations of the Group's properties. Selection criteria of an external valuer include market knowledge, reputation, independence and whether professional standards are maintained. The management discusses with the valuer on the valuation assumptions and valuation results when the valuation is performed for financial reporting.

每年，本集團委聘外聘估值師負責對本集團之物業進行外部估值。外聘估值師的甄選準則包括市場知識、聲譽、獨立性及是否可保持專業標準。管理層每年於財務報告期間進行估值時與估值師對估值假設及估值結果進行討論。

There has been no change from the valuation technique used in prior years. In estimating the fair value of the properties, the highest and best use of the properties is their current use.

往年使用之估值方法並無變動。於估計物業之公平價值時，有關物業之最高及最佳用途為其當前用途。

The investment properties are leased to third parties under operating leases, further summary details of which are included in note 32(a) to the financial statements.

投資物業以經營租賃租予第三方，其詳情載於財務報表附註32(a)。

## NOTES TO FINANCIAL STATEMENTS (Continued)

### 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

#### 17. Investment Properties (continued)

##### Fair value hierarchy

The fair values of the Group's investment properties as at 31 December 2017 and 31 December 2016 were estimated by using significant unobservable inputs and the fair value measurements were categorised under Level 3.

Reconciliation of fair value measurement categorised within Level 3 of the fair value hierarchy:

Carrying amount at 1 January 2016	於二零一六年一月一日之賬面值	65,000	246,121
Changes in fair value recognised in the income statement	於收益表內確認之公平價值變動	3,000	10,000
Exchange realignment	匯兌調整	-	(16,963)
Carrying amount at 31 December 2016 and at 1 January 2017	於二零一六年十二月三十一日及二零一七年一月一日之賬面值	<b>68,000</b>	<b>239,158</b>
Changes in fair value recognised in the income statement	於收益表內確認之公平價值變動	<b>4,000</b>	-
Transfer from owner-occupied properties (note 16)	轉撥自業主佔用物業(附註16)	-	<b>35,349</b>
Exchange realignment	匯兌調整	-	<b>21,447</b>
Carrying amount at 31 December 2017	於二零一七年十二月三十一日之賬面值	<b>72,000</b>	<b>295,954</b>

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 (2016: Nil).

#### 17. 投資物業(續)

##### 公平價值等級

於二零一七年十二月三十一日及二零一六年十二月三十一日，本集團以重大不可觀察輸入數據估計之投資物業之公平價值及公平價值計量分類於第三級項下。

於公平價值等級第三級內分類之公平價值計量對賬：

	Hong Kong 香港 HK\$'000 千港元	Mainland China 中國大陸 HK\$'000 千港元
Carrying amount at 1 January 2016	65,000	246,121
Changes in fair value recognised in the income statement	3,000	10,000
Exchange realignment	-	(16,963)
Carrying amount at 31 December 2016 and at 1 January 2017	<b>68,000</b>	<b>239,158</b>
Changes in fair value recognised in the income statement	<b>4,000</b>	-
Transfer from owner-occupied properties (note 16)	-	<b>35,349</b>
Exchange realignment	-	<b>21,447</b>
Carrying amount at 31 December 2017	<b>72,000</b>	<b>295,954</b>

年內，第一級與第二級之間概無轉換公平價值計量，亦無轉入第三級或自第三級轉出(二零一六年：無)。



# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

### 17. Investment Properties (continued)

#### Fair value hierarchy (continued)

Below is a summary of the valuation techniques used and the key inputs to the valuation of investment properties:

### 17. 投資物業(續)

#### 公平價值等級(續)

以下為投資物業估值使用估值方法及主要輸入數據之概要：

Class of property 物業類別	Valuation techniques 估值方法	Significant unobservable inputs 重大不可觀察輸入數據	Range of unobservable inputs 不可觀察輸入數據範圍	
			2017 二零一七年	2016 二零一六年
Hong Kong — Commercial properties — Level 3	Market comparable method	Gross unit rate per square feet (note i)	<b>HK\$2,700– HK\$2,800</b>	HK\$2,600– HK\$2,700
香港 — 商用物業 — 第三級	市場比較法	每平方呎總單位價值 (附註 i)	<b>2,700 港元– 2,800 港元</b>	2,600 港元– 2,700 港元
Mainland China — Commercial properties — Level 3	Income capitalisation approach	Capitalisation rate per annum (note ii)	<b>4%–5%</b>	4%–5%
中國大陸 — 商用物業 — 第三級	收入資本化法	每年資本化率(附註 ii)	<b>4%–5%</b>	4%–5%

Notes:

- i. The higher the gross unit rate per square feet, the higher the fair value.
- ii. The higher the capitalisation rate per annum, the lower the fair value.

附註：

- i. 每平方呎總單位價值越高，公平值越高。
- ii. 每年資本化率越高，公平值越低。

# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

### 18. Prepaid Land Lease Payments

### 18. 預付土地租賃款項

		2017 二零一七年 <b>HK\$'000</b> 千港元	2016 二零一六年 HK\$'000 千港元
Cost:	成本：		
At 1 January	於一月一日	<b>40,013</b>	42,871
Additions	添置	<b>6,025</b>	-
Disposals	出售	<b>(1,680)</b>	-
Exchange realignment	匯兌調整	<b>3,531</b>	(2,858)
At 31 December	於十二月三十一日	<b>47,889</b>	40,013
Amortisation:	攤銷：		
At 1 January	於一月一日	<b>5,140</b>	4,569
Recognised during the year	年內確認	<b>988</b>	928
Disposals	出售	<b>(252)</b>	-
Exchange realignment	匯兌調整	<b>460</b>	(357)
At 31 December	於十二月三十一日	<b>6,336</b>	5,140
Carrying amount at 31 December	於十二月三十一日之賬面值	<b>41,553</b>	34,873
Current portion included in prepayments, deposits and other receivables (note 22)	計入預付款項、按金及其他應收款項之即期部份(附註22)	<b>(989)</b>	(877)
Non-current portion	非即期部份	<b>40,564</b>	33,996

## NOTES TO FINANCIAL STATEMENTS (Continued)

### 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

#### 19. Other Asset

In accordance with the requirements of the Shenzhen City's urban development plan issued by Shenzhen City Luohu District Town Re-development Bureau (深圳市羅湖區城市更新局), on 23 October 2017, Embry (China) Garments Ltd. ("Embry SZ"), a wholly-owned subsidiary of the Company, entered into a relocation compensation agreement and a supplemental relocation compensation agreement (collectively known as the "Relocation Compensation Agreement") with Shenzhen Huiren Jewelry City Investment Limited (深圳市惠仁珠寶城投資有限公司), a company established in the PRC and an independent third party developer (the "Developer") in order to implement a renewal plan by demolishing and rebuilding in the Buxin Industrial Area, Shenzhen, the PRC. The details of the Relocation Compensation Agreement are set out in the Company's announcement dated 25 October 2017. According to the Relocation Compensation Agreement, Embry SZ shall surrender its land use right and its properties situated in the Buxin Industrial Area (the "Original Properties"). The Developer, in return, agreed to (i) compensate Embry SZ new properties in a form of new industrial research and development buildings (新型產業研發辦公樓及配套商業) on a piece of industrial purposed land with an area similar to that of the Original Properties, to be developed and built by the Developer (the "New Properties"); (ii) compensate Embry SZ the cost of land use right of the Original Properties, rental cost for Embry SZ to lease properties during the move out period and other costs related to the Relocation Arrangement ("Cash Compensation"), which are repayable from the Developer within 5 years; and (iii) sell extra properties at a new building to be constructed in the Buxin Industrial Area, Shenzhen, the PRC ("New Building") to Embry SZ, whereby the price and area of such properties at the New Building shall be subject to further negotiation between Embry SZ and the Developer (collectively known as the "Relocation Arrangement").

Embry SZ has moved out from the Original Properties during the year and signed the properties transfer confirmation (房屋移交確認書) with the Developer on 30 November 2017.

#### 19. 其他資產

根據深圳市羅湖區城市更新局頒佈的深圳市城市發展規劃的規定，於二零一七年十月二十三日，安莉芳(中國)服裝有限公司(「安莉芳深圳」，本公司的全資附屬公司)與深圳市惠仁珠寶城投資有限公司(一間於中國成立的公司及獨立第三方發展商(「發展商」))訂立搬遷補償協議及補充搬遷補償協議(統稱「搬遷補償協議」)，以透過於中國深圳布心工業區拆除及重建以實施重建計劃。搬遷補償協議詳情載於本公司日期為二零一七年十月二十五日的公佈。根據搬遷補償協議，安莉芳深圳需交出其位於布心工業區的物業(「原物業」)產權及土地使用權。發展商就此同意(i)補償安莉芳深圳於類似原物業所在的工業用地上將由發展商發展及建造的新型產業研發辦公樓及配套商業新物業(「新物業」)；(ii)補償安莉芳深圳原物業土地使用權成本、安莉芳深圳於遷離期間租賃物業的租賃成本及有關搬遷協議的其他成本(「現金補償」)，這些費用於五年內由發展商償還；及(iii)向安莉芳深圳出售中國深圳布心工業區新樓宇(「新樓宇」)的額外物業，據此，新樓宇之該等物業之價格及面積須待安莉芳深圳與發展商進一步磋商後方可釐定(「搬遷安排」)。

安莉芳深圳已於年內遷離原物業，並於二零一七年十一月三十日與發展商簽訂房屋移交確認書。

## NOTES TO FINANCIAL STATEMENTS (Continued)

### 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

#### 19. Other Asset (continued)

To the best of the knowledge, information and belief of the Company's directors, having made all reasonable enquiry, the Group does not expect any obstacles to receive the New Properties and the Cash Compensation from the Developer. During the year ended 31 December 2017, the Group derecognised the property, plant and equipment and prepaid lease payments with carrying amounts of HK\$1,973,000 and HK\$1,428,000, respectively. According to the terms of the Relocation Compensation Agreement and the properties transfer confirmation, the Group recognised the fair value of the right to receive the New Properties (the "Other Asset") of HK\$416,744,000, based on the valuation report issued by Cushman & Wakefield Limited, independent professionally qualified valuers, as an "Other Asset" and the Cash Compensation of HK\$50,780,000 net off with respective relocation expenses of HK\$14,143,000. Accordingly, a gain in relation to the Relocation Arrangement of HK\$449,980,000 and the respective income tax expense of HK\$112,495,000 were recognised in the consolidated income statement during the year ended 31 December 2017. The valuation is dependent on certain significant inputs that involve judgements, including gross unit rate per square meter. The Other Asset, being the consideration received upon disposal of the Original Properties under the Relocation Arrangement, is initially recognised at its fair value and subsequently carries at cost less impairment.

At 31 December 2017, the carrying amounts of Other Asset and receivables in relation to Cash Compensation under the Relocation Arrangement are approximately HK\$431,807,000 and HK\$47,921,000 (note 22), respectively.

#### 20. Inventories

Raw materials	原材料
Work in progress	在製品
Finished goods	製成品

#### 19. 其他資產(續)

據本公司董事作出一切合理查詢後所深知、全悉及確信，本集團預期從發展商收取新物業及現金補償不會出現任何障礙。截至二零一七年十二月三十一日止年度，本集團終止確認物業、廠房及設備及預付租賃付款賬面值分別1,973,000港元及1,428,000港元。根據搬遷補償協議及房屋移交確認書條款，基於戴德梁行有限公司(獨立專業合資格估值師)刊發的估值報告，本集團確認收取新物業的權利(「其他資產」)的公平值416,744,000港元，及現金補償50,780,000港元及相關搬遷開支14,143,000港元。因此，有關搬遷安排的收益449,980,000港元及相關所得稅開支112,495,000港元於截至二零一七年十二月三十一日止年度綜合收益表內確認。估值取決於涉及判斷的若干重大輸入數據，包括每平方米價格。其他資產(即根據搬遷安排出售原物業時收取的代價)初步按其公平值確認，其後按成本減減值入賬。

於二零一七年十二月三十一日，其他資產及有關搬遷安排的現金補償應收款項賬面值分別約431,807,000港元及47,921,000港元(附註22)。

#### 20. 存貨

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Raw materials	原材料	91,953	60,309
Work in progress	在製品	51,812	39,633
Finished goods	製成品	511,688	559,405
		<b>655,453</b>	659,347



# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

### 21. Trade Receivables

The Group's trading terms with its customers are mainly on credit, except for wholesalers, where payment in advance is normally required. The credit period is generally for a period of one month, extending up to three months for major customers. The Group seeks to maintain strict control over its outstanding receivables by the sales department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An ageing analysis of the Group's trade receivables as at the end of the reporting period, based on the invoice date, is as follows:

Within 90 days	90日內
91 to 180 days	91至180日
181 to 360 days	181至360日
Over 360 days	360日以上
Less: Impairment allowance	減：減值撥備

At 31 December 2017, trade receivables of HK\$4,818,000 (2016: HK\$2,034,000) were individually determined to be impaired. The individually impaired trade receivables relate to customers that were in financial difficulties and only a portion of the receivables is expected to be recovered.

### 21. 應收貿易賬款

本集團主要以信貸期形式與客戶進行買賣，惟一般會要求批發商預先付款。信貸期一般為一個月，主要客戶之信貸期則可延至三個月。本集團之銷售部嚴控未收之應收款項，以減低信貸風險。逾期結餘由高級管理層定期檢討。鑑於上文所述及本集團之應收貿易賬款涉及多元化之客戶群且客戶人數眾多，故並無信貸過度集中之風險。本集團並無就其應收貿易賬款結餘持有任何抵押品或其他信貸加強措施。應收貿易賬款並不計息。

本集團於報告期間結算日之應收貿易賬款根據發票日期之賬齡分析如下：

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
106,096	79,516
6,109	5,704
3,259	977
1,559	1,057
<b>117,023</b>	87,254
<b>(4,818)</b>	(2,034)
<b>112,205</b>	85,220

於二零一七年十二月三十一日，本集團個別釐定應予以減值的應收貿易賬款為4,818,000港元(二零一六年：2,034,000港元)。個別減值應收貿易賬款與出現財務困難的客戶有關，預期只可收回部份應收賬款。

## NOTES TO FINANCIAL STATEMENTS (Continued)

### 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

#### 21. Trade Receivables (continued)

Movements in provision for impairment of trade receivables are as follows:

At 1 January	於一月一日
Impairment losses recognised (note 9)	減值虧損確(附註9)
At 31 December	於十二月三十一日

An ageing analysis of the trade receivables that are not considered to be impaired is as follows:

Neither past due nor impaired	未逾期亦未減值
1 to 3 months past due	已逾期1個月至3個月

Trade receivables that were neither past due nor impaired relate to a large number of diversified customers for whom there was no recent history of default.

Trade receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

#### 21. 應收貿易賬款(續)

應收貿易賬款之減值撥備變動如下：

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
2,034	1,675
2,784	359
<b>4,818</b>	2,034

視作為未減值之應收貿易賬款賬齡分析如下：

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
106,096	79,516
6,109	5,704
<b>112,205</b>	85,220

未逾期亦未減值之應收貿易賬款乃與大量近期並無違約記錄之多名客戶有關。

已逾期但未減值之應收貿易賬款乃與多名與本集團維持良好往績記錄之獨立客戶有關。根據以往經驗，由於信貸質素並無出現重大變動，且有關結餘仍被視為可全數收回，本公司董事認為毋須就該等結餘作出減值撥備。

## NOTES TO FINANCIAL STATEMENTS (Continued)

### 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

#### 22. Prepayments, Deposits and Other Receivables

#### 22. 預付款項、按金及其他應收款項

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Prepaid land lease payments (note 18)	預付土地租賃款項(附註18)	989	877
Deposit paid and related direct cost for the land use right in Shandong	收購山東土地使用權已付按金及相關直接費用	12,361	2,340
Deposits for acquisition of items of property, plant and equipment	收購物業、廠房及設備項目已付按金	23,663	11,799
Prepayments	預付款項	29,969	16,059
Receivables in relation to Cash Compensation under the Relocation Arrangement (note 19)	有關搬遷安排的現金補償應收款項(附註19)	47,921	-
Deposits and other receivables	按金及其他應收款項	37,079	41,373
		<b>151,982</b>	72,448
Current portion included in prepayments, deposits and other receivables	計入預付款項、按金及其他應收款項之即期部份	<b>(75,883)</b>	(58,309)
Non-current portion	非即期部份	<b>76,099</b>	14,139

None of the financial assets included in the above balances is either past due or impaired. The financial assets included in the above balances relate to receivables for which there was no recent history of default.

上述結餘的金融資產概無逾期或減值。計入上述結餘的金融資產為最近未有拖欠的應收款項。

#### 23. Cash and Cash Equivalents

#### 23. 現金及現金等價物

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Cash and bank balances	現金及銀行結餘	234,711	101,298
Non-pledged time deposits with original maturity of less than three months when acquired	於購入時原到期日為少於三個月之無抵押定期存款	-	88,889
Cash and cash equivalents	現金及現金等價物	<b>234,711</b>	190,187

## NOTES TO FINANCIAL STATEMENTS (Continued)

### 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

#### 23. Cash and Cash Equivalents (continued)

At the end of the reporting period, the cash and bank balances of the Group denominated in Renminbi ("RMB") amounted to HK\$184,922,000 (2016: HK\$179,009,000). RMB is not freely convertible into other currencies; however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are normally made for varying periods of between approximately one day and three months on average depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

#### 24. Trade Payables

An ageing analysis of the Group's trade payables as at the end of the reporting period, based on the invoice date, is as follows:

Within 90 days	90日內
91 to 180 days	91至180日
181 to 360 days	181至360日
Over 360 days	360日以上

The trade payables are non-interest-bearing and are normally settled on 30 to 90 days terms.

#### 23. 現金及現金等價物(續)

本集團於報告期間結算日以人民幣計值之現金及銀行結餘為184,922,000港元(二零一六年: 179,009,000港元)。人民幣是不可自由兌換為其他貨幣，惟根據中國大陸之外匯管理條例，以及結匯、售匯及付匯管理規定，本集團獲准透過獲授權進行外匯交易業務之銀行將人民幣兌換為其他貨幣。

銀行存款根據每日銀行存款利率釐定之浮動利率計息。短期定期存款通常平均為期約一日至三個月不等，視乎本集團當時之現金需求而定，並按有關之短期定期存款利率計息。銀行結餘存放於近期並無違約記錄之信譽良好銀行。

#### 24. 應付貿易賬款

本集團於報告期間結算日之應付貿易賬款根據發票日期之賬齡分析如下：

		<b>2017</b>	2016
		<b>二零一七年</b>	二零一六年
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Within 90 days	90日內	<b>48,881</b>	80,240
91 to 180 days	91至180日	<b>4,377</b>	3,051
181 to 360 days	181至360日	<b>765</b>	2,018
Over 360 days	360日以上	<b>1,977</b>	2,369
		<b>56,000</b>	87,678

應付貿易賬款並不計息，一般於30至90日內結清。



# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

### 25. Interest-bearing Bank Borrowings

### 25. 計息銀行借款

		2017 二零一七年			2016 二零一六年		
		Effective interest rate 實際利率 (%)	Maturity 到期日	HK\$'000 千港元	Effective interest rate 實際利率 (%)	Maturity 到期日	HK\$'000 千港元
<b>Current</b>	<b>即期</b>	香港銀行同業拆息			香港銀行		
		+1.85至香港銀行			同業拆息+1.75至		
Bank loans	銀行貸款	同業拆息+2.00			香港銀行		
		Hong Kong Interbank			同業拆息+2.25		
— unsecured	— 無抵押	Offered Rate ("HIBOR")	2018		HIBOR+1.75 to	2017	
		+1.85 to HIBOR+2.00	二零一八年	<b>136,778</b>	HIBOR+2.25	二零一七年	<b>133,278</b>
<b>Non-current</b>	<b>非即期</b>	香港銀行同業拆息			香港銀行		
		+1.85至香港銀行			同業拆息+1.85至		
Bank loans	銀行貸款	同業拆息+1.95	2019-2021		香港銀行		
		HIBOR+1.85 to	二零一九年至		同業拆息+1.95	2018-2021	
— unsecured	— 無抵押	HIBOR+1.95	二零二一年	<b>189,278</b>	HIBOR+1.85 to	二零一八年至	
					HIBOR+1.95	二零二一年	<b>221,555</b>

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Analysed into:	分析：		
Bank loans repayable:	於下列期間償還之銀行貸款：		
Within one year	一年內	<b>136,778</b>	133,278
In the second year	第二年	<b>81,278</b>	57,278
In the third to fifth years, inclusive	第三至第五年(包括首尾年度)	<b>108,000</b>	164,277
		<b>326,056</b>	354,833
Less: Amount repayable within one year and classified as current portion	減：於一年內償還並列為 即期部分的金額	<b>(136,778)</b>	(133,278)
Amount classified as non-current portion	列為非即期部分的金額	<b>189,278</b>	221,555

The above bank loans are denominated in Hong Kong dollars and bear interest at rates ranging from 1.85% to 2.00% above the HIBOR per annum (2016: 1.75% to 2.25% above the HIBOR per annum).

上述銀行貸款以港元計值並按香港銀行同業拆息年利率加1.85厘至2.00厘計算(二零一六年：按香港銀行同業拆息年利率加1.75厘至2.25厘計算)。

## NOTES TO FINANCIAL STATEMENTS (Continued)

### 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

#### 26. Other Payables and Accruals

Other payables	其他應付款項
Accruals	應計款項

The amounts of HK\$3,716,000 (2016: HK\$7,540,000) included in other payables of the Group were due to related companies as at 31 December 2017. These balances were unsecured, interest-free and repayable in accordance with normal trading terms (note 13(a)(i)).

Other payables are non-interest-bearing.

#### 27. Deferred Liabilities

Deferred liabilities represent the estimated provision in respect of long service payments which may become payable in the future under the Hong Kong Employment Ordinance to employees in proportion to their periods of services with the Group up to the end of the reporting period.

At 1 January	於一月一日
Write-back of provision for the year (note 9)	年度之撥備撥回(附註9)
Payments during the year	年度之付款
At 31 December	於十二月三十一日

#### 26. 其他應付款項及應計款項

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
110,605	107,367
211,959	166,807
<b>322,564</b>	274,174

本集團於其他應付款項所包括的3,716,000港元(二零一六年:7,540,000港元)為於二零一七年十二月三十一日應付關連公司之款項。該等結餘為無抵押、免息及需按一般買賣條款償還(附註13(a)(i))。

其他應付款項為不計息。

#### 27. 遞延負債

遞延負債指截至報告期間結算日有關長期服務金之估計撥備。長期服務金可能須根據香港僱傭條例按僱員於本集團之年資而向僱員支付。

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
1,889	3,083
(1,700)	(697)
-	(497)
<b>189</b>	1,889

# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

### 28. Deferred Tax

The movements in deferred tax liabilities and assets during the year are as follows:

### 28. 遞延稅項

年內遞延稅項負債及資產變動如下：

		Revaluation of properties	Temporary difference arising from Relocation Arrangement	Unrealised profit of inventories	Withholding taxes on undistributed profits on PRC subsidiaries 中國附屬公司 未分派溢利 之預扣稅	Temporary difference of provisions and accruals 撥備及 應計款項 之暫時差額	Withholding taxes on interest income 利息收入 之預扣稅	Deferred subsidy income 遞延 補貼收入	Others 其他	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2016	於二零一六年 一月一日	1,785	-	(39,568)	32,828	(27,366)	363	(6,161)	1,011	(37,108)
Deferred tax charged/ (credited) to the income statement during the year (note 12)	年內在收益表扣除/ (抵免)之遞延稅項 (附註12)	2,500	-	(2,898)	-	(14,767)	656	142	777	(13,590)
Payments during the year Exchange realignment	年內支付 匯兌調整	-	-	-	-	-	(677)	-	-	(677)
		(258)	-	2,799	(2,188)	2,606	(23)	403	8	3,347
At 31 December 2016 and 1 January 2017	於二零一六年 十二月三十一日 及二零一七年 一月一日	<b>4,027</b>	<b>-</b>	<b>(39,667)</b>	<b>30,640</b>	<b>(39,527)</b>	<b>319</b>	<b>(5,616)</b>	<b>1,796</b>	<b>(48,028)</b>
Deferred tax debited to equity during the year	年內在權益扣除之 遞延稅項	<b>1,659</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,659</b>
Deferred tax charged/ (credited) to the income statement during the year (note 12)	年內在收益表扣除/ (抵免)之遞延稅項 (附註12)	-	<b>115,809</b>	<b>5,339</b>	-	<b>(6,233)</b>	<b>659</b>	<b>140</b>	<b>(1,796)</b>	<b>113,918</b>
Payments during the year Exchange realignment	年內支付 匯兌調整	-	-	-	<b>(2,907)</b>	-	<b>(662)</b>	-	-	<b>(3,569)</b>
		<b>400</b>	<b>4,186</b>	<b>(3,152)</b>	<b>2,478</b>	<b>(3,612)</b>	<b>27</b>	<b>(469)</b>	-	<b>(142)</b>
At 31 December 2017	於二零一七年 十二月三十一日	<b>6,086</b>	<b>119,995</b>	<b>(37,480)</b>	<b>30,211</b>	<b>(49,372)</b>	<b>343</b>	<b>(5,945)</b>	<b>-</b>	<b>63,838</b>

## NOTES TO FINANCIAL STATEMENTS (Continued)

### 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

#### 28. Deferred Tax (continued)

The following is an analysis of the deferred tax balances of the Group for financial reporting purposes:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Deferred tax assets recognised in the consolidated statement of financial position	於綜合財務狀況表確認之遞延稅項資產	<b>(92,797)</b>	(84,810)
Deferred tax liabilities recognised in the consolidated statement of financial position	於綜合財務狀況表確認之遞延稅項負債	<b>156,635</b>	36,782
		<b>63,838</b>	(48,028)

The Group has tax losses arising in Hong Kong of approximately HK\$265,973,000 (2016: HK\$219,939,000) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. The Group also has tax losses arising in Macau of HK\$8,712,000 (2016: HK\$14,083,000) that will expire in three years for offsetting against future taxable profits. Deferred tax assets have not been recognised in respect of these losses as they have arisen in the Company and subsidiaries that have been loss-making for some time and it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. For the Group, the applicable rates are 5% and 10%. In estimating the withholding taxes on dividends expected to be distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008, the directors have made assessment based on the factors which included dividend policy and the level of capital and working capital required for the Group's operation in the foreseeable future.

At 31 December 2017, the aggregate withholding tax amount arising from the temporary differences associated with these subsidiaries in Mainland China for which deferred tax liabilities have not been recognised totalled approximately HK\$46,479,000 (2016: HK\$18,351,000).

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

#### 28. 遞延稅項(續)

以下為本集團就財務申報而言之遞延稅項結餘分析：

本集團於香港產生之稅項虧損約265,973,000港元(二零一六年：219,939,000港元)可無限期供抵銷產生虧損公司之未來應課稅溢利。本集團亦在澳門產生稅項虧損8,712,000港元(二零一六年：14,083,000港元)，將於三年內屆滿，可抵銷產生虧損公司未來應課稅溢利。由於該等虧損乃來自已持續虧損一段時間之本公司及附屬公司且被認為可能不會有應課稅溢利可供動用稅項虧損，故並無就該等虧損確認遞延稅項資產。

根據中國企業所得稅法，於中國大陸成立之外資企業向外國投資者宣派之股息須繳納10%之預扣稅。有關規定於二零零八年一月一日起生效，且適用於二零零七年十二月三十一日後之盈利。倘中國大陸與外國投資者所屬司法權區訂有稅務條約，則適用之預扣稅稅率可能較低。就本集團而言，適用稅率為5%及10%。估計該等於中國大陸成立的附屬公司預期將就二零零八年一月一日起所產生的盈利而分派股息的預扣稅時，董事已根據包括股息政策及本集團於可見將來經營所需的資本及營運資金水平等因素作出評估。

於二零一七年十二月三十一日，與該等位於中國大陸的附屬公司相關而未確認遞延稅項負債的暫時預扣稅總差額合共約為46,479,000港元(二零一六年：18,351,000港元)。

本公司向其股東派付股息概無附帶任何所得稅稅務後果。



# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

### 29. Share Capital

### 29. 股本

		<b>2017</b> 二零一七年 <b>HK\$'000</b> 千港元	2016 二零一六年 <i>HK\$'000</i> 千港元
Authorised:	法定：		
1,000,000,000 ordinary shares of HK\$0.01 each	1,000,000,000 股 每股面值0.01港元的普通股	<b>10,000</b>	10,000
Issued and fully paid:	已發行及繳足：		
422,416,638 (2016: 416,661,000) ordinary shares of HK\$0.01 each	422,416,638 股(二零一六年： 416,661,000 股)每股面值 0.01港元的普通股	<b>4,224</b>	4,166

The movements in authorised and issued share capital of the Company during the year were as follows:

本公司於年內的法定及已發行股本變動如下：

		Number of authorised shares 法定股份數量	Number of issued shares 已發行 股份數量	Issued capital 股本 <i>HK\$'000</i> 千港元	Share premium account 股份溢價賬 <i>HK\$'000</i> 千港元	Total 總計 <i>HK\$'000</i> 千港元
As at 1 January 2016, 31 December 2016 and 1 January 2017	於二零一六年一月一日、 二零一六年十二月 三十一日及二零一七年 一月一日	1,000,000,000	416,661,000	4,166	369,644	373,810
Shares issued in lieu of cash dividend (note 14)	代替現金股息所發行之 股份(附註14)	-	5,755,638	58	16,868	16,926
At 31 December 2017	於二零一七年 十二月三十一日	<b>1,000,000,000</b>	<b>422,416,638</b>	<b>4,224</b>	<b>386,512</b>	<b>390,736</b>

## NOTES TO FINANCIAL STATEMENTS (Continued)

### 財務報表附註 (續)

31 December 2017 二零一七年十二月三十一日

#### 30. Share Option Scheme

The Company has adopted a share option scheme on 18 December 2006 (the "Share Option Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group.

##### Share Option Scheme

Eligible participants of the Share Option Scheme include, (i) any employee (whether full time or part time, including directors but excluding any non-executive director) of the Company, its subsidiaries or invested entity; (ii) any non-executive directors (including independent non-executive directors) of the Company, its subsidiaries or invested entity; (iii) any supplier or customer of the Group or any invested entity; (iv) any person or entity that provides research, development or other technological support to the Group or any invested entity; (v) any shareholder of any member of the Group or any invested entity or any holder of any securities issued by any member of the Group or any invested entity; (vi) any advisor (professional or otherwise) or consultant to any area of business or business development of the Group or any invested entity; (vii) any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement to the development and growth of the Group; and (viii) any company wholly-owned by one or more eligible participants as referred in to (i) to (vii) above. The Share Option Scheme became effective on 18 December 2006 and, unless otherwise cancelled or amended, will remain in force for a period of ten years to 17 December 2016.

The maximum number of shares to be issued upon the exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme of the Group must not in aggregate exceed 30% of the shares of the Company in issue at any time. The maximum number of shares issuable under share options to each eligible participant in the Share Option Scheme within any 12-month period, is limited to 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting. Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors of the Company.

#### 30. 購股權計劃

本公司於二零零六年十二月十八日採納購股權計劃(「購股權計劃」)，為對本集團的成功作出貢獻的合資格參與者提供鼓勵及獎賞。

##### 購股權計劃

購股權計劃的合資格參與者包括(i)本公司、其附屬公司或所投資公司的任何全職或兼職僱員(包括董事，但不包括任何非執行董事)；(ii)本公司、其附屬公司或所投資公司的任何非執行董事(包括獨立非執行董事)；(iii)本集團任何成員公司或所投資公司的任何供應商或客戶；(iv)任何為本集團或任何所投資公司提供研究、開發或其他技術支援的個人或公司；(v)本集團任何成員公司或所投資公司的任何股東或本集團任何成員公司或所投資公司所發行任何證券的持有人；(vi)本集團或任何所投資公司在任何業務範疇或業務發展的專業或其他諮詢人或顧問；(vii)曾經或可能藉合資經營、業務聯盟或其他業務安排而對本集團的發展及增長作出貢獻的任何其他類別參與者；及(viii)由上述第(i)至(vii)項所述的一名或多名合資格參與者全資擁有的任何公司。購股權計劃由二零零六年十二月十八日起生效，除非被註銷或修正，否則有效期將維持十年至二零一六年十二月十七日。

因行使根據購股權計劃及本集團任何其他購股權計劃已授出但尚未行使的購股權而發行的股份總數，不得超過當時本公司已發行股本的30%。因行使向每名購股權計劃合資格參與者授出購股權可發行的股份總數於任何十二個月期間不得超過本公司任何時間已發行股份的1%。凡超過此限制而授出購股權，必須獲股東於股東大會上批准後方可作實。向本公司董事、行政總裁或主要股東或任何彼等聯繫人士授予購股權，必須獲本公司獨立非執行董事事先批准後，方可作實。

## NOTES TO FINANCIAL STATEMENTS (Continued)

### 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

#### 30. Share Option Scheme (continued)

##### Share Option Scheme (continued)

In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time and with an aggregate value (based on the closing price of the Company's shares at the date of the grant) in excess of HK\$5,000,000, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

The offer of a grant of share options may be accepted within 21 days from the date of offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors, which period may commence from the date of the offer of the share options, and ends on a date which is not later than ten years from the date of the offer of the share options or the expiry date of the Share Option Scheme, if earlier.

The exercise price of the share options is determinable by the directors, but shall not be less than the highest of (i) the closing price of the Company's shares as quoted on the Stock Exchange's daily quotations sheet on the date of the offer of the share options; (ii) the average closing prices of the Company's shares as quoted on the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of offer; and (iii) the nominal value of the Company's shares.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

#### 30. 購股權計劃(續)

##### 購股權計劃(續)

此外，倘任何十二個月期間內，向本公司主要股東或獨立非執行董事或任何彼等之聯繫人士授出任何購股權，超過本公司任何時間已發行股份0.1%或(根據本公司股份於授出日期的收市價計算的)總值超過5,000,000港元，則須獲股東於股東大會上作出事先批准，方可作實。

承授人可於建議授出購股權日期起計21日內支付象徵式代價1港元以接納有關購股權。購股權行使期由董事釐定，該期間或自購股權建議授出日期起計直至購股權建議授出當日起計十年止或購股權計劃屆滿之日止(以較早者為準)。

購股權行使價由董事釐定，惟不得低於下列最高者：(i)本公司股份於建議授出購股權當日在聯交所的每日報價表所報的收市價；(ii)本公司股份於截至建議授出當日止前五個營業日聯交所每日報價表所報的平均收市價；或(iii)本公司股份的面值。

購股權並無賦予持有人權利收取股息或於股東大會上投票。

# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

### 30. Share Option Scheme (continued)

#### Share Option Scheme (continued)

Set out below are the outstanding share options under the Share Option Scheme as at 31 December 2016:

Name or category of participant	Number of share options 購股權數目					Date of grant of share options	Exercise period of share options	Exercise price of share options HK\$ per share 購股權 行使價 每股港元
	At 1 January 2016	Granted during the year	Lapsed during the year	Exercised during the year	At 31 December 2016			
參與者姓名或類別	於二零一六年一月一日	年內授出	年內失效	年內已行使	於二零一六年十二月三十一日	購股權授出日期	購股權行使期	
<b>Executive directors</b>								
<b>執行董事</b>								
Madam Ngok Ming Chu	60,000	-	(60,000)	-	-	18 May 2011	18 May 2012 to 17 May 2016*	5.24
岳明珠女士						二零一一年五月十八日	二零一二年五月十八日至二零一六年五月十七日*	
Ms. Cheng Pik Ho Liza	1,460,000	-	(1,460,000)	-	-	18 May 2011	18 May 2012 to 17 May 2016*	5.24
鄭碧浩女士						二零一一年五月十八日	二零一二年五月十八日至二零一六年五月十七日*	
Ms. Lu Qun	540,000	-	(540,000)	-	-	18 May 2011	18 May 2012 to 17 May 2016*	5.24
鹿群女士						二零一一年五月十八日	二零一二年五月十八日至二零一六年五月十七日*	
<b>Independent non-executive directors</b>								
<b>獨立非執行董事</b>								
Mr. Lau Siu Ki	100,000	-	(100,000)	-	-	18 May 2011	18 May 2012 to 17 May 2016*	5.24
劉紹基先生						二零一一年五月十八日	二零一二年五月十八日至二零一六年五月十七日*	
Mr. Lee Kwan Hung	100,000	-	(100,000)	-	-	18 May 2011	18 May 2012 to 17 May 2016*	5.24
李均雄先生						二零一一年五月十八日	二零一二年五月十八日至二零一六年五月十七日*	
Prof. Lee T. S.	100,000	-	(100,000)	-	-	18 May 2011	18 May 2012 to 17 May 2016*	5.24
李天生教授						二零一一年五月十八日	二零一二年五月十八日至二零一六年五月十七日*	
<b>Other employees</b>								
<b>其他僱員</b>								
In aggregate	11,120,000	-	(11,120,000)	-	-	18 May 2011	18 May 2012 to 17 May 2016*	5.24
總計						二零一一年五月十八日	二零一二年五月十八日至二零一六年五月十七日*	
<b>Others</b>	35,000	-	(35,000)	-	-	18 May 2011	18 May 2012 to 17 May 2016*	5.24
其他						二零一一年五月十八日	二零一二年五月十八日至二零一六年五月十七日*	
	13,515,000	-	(13,515,000)	-	-			

### 30. 購股權計劃(續)

#### 購股權計劃(續)

以下載列於二零一六年十二月三十一日購股權計劃下尚未行使購股權：



# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

### 30. Share Option Scheme (continued)

#### Share Option Scheme (continued)

Notes to the reconciliation of share options under the Share Option Scheme outstanding during the year:

- \* The share options were vested to the grantees in the following manner:
- 30% of such options were vested on 18 May 2012 with an exercise period from 18 May 2012 to 17 May 2016;
  - 30% of such options were vested on 18 May 2013 with an exercise period from 18 May 2013 to 17 May 2016; and
  - the remaining 40% of such options were vested on 18 May 2014 with an exercise period from 18 May 2014 to 17 May 2016.

The following share options were outstanding under the Share Option Scheme during the year:

		2016 二零一六年	
		Weighted average exercise price HK\$ per share 加權平均 行使價 每股港元	Number of share options 購股權數目
At 1 January	於一月一日	5.24	13,515,000
Lapsed during the year	年內失效	5.24	(13,515,000)
At 31 December	於十二月三十一日		-

No share options were granted and exercised during the years ended 31 December 2017 and 2016.

All the outstanding options lapsed upon expiry on 17 May 2016. The respective share option reserve of HK\$27,923,000 had been transferred to retained profits during the year ended 31 December 2016.

### 30. 購股權計劃(續)

#### 購股權計劃(續)

年內購股權計劃下尚未行使的購股權對賬附註：

- \* 購股權按以下方式歸屬予承授人：
- 該等購股權的30%已於二零一二年五月十八日歸屬，行使期為二零一二年五月十八日至二零一六年五月十七日；
  - 該等購股權的30%已於二零一三年五月十八日歸屬，行使期為二零一三年五月十八日至二零一六年五月十七日；及
  - 該等購股權的餘下40%已於二零一四年五月十八日歸屬，行使期為二零一四年五月十八日至二零一六年五月十七日。

以下為於年內購股權計劃項下尚未行使的購股權：

截至二零一六年及二零一七年十二月三十一日止年度，沒有授出及行使購股權。

所有尚未行使購股權於二零一六年五月十七日屆滿後失效。截至二零一六年十二月三十一日止，有關購股權儲備27,923,000港元已轉至保留溢利。

## NOTES TO FINANCIAL STATEMENTS (Continued)

### 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

#### 31. Reserves

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity of the financial statements.

The contributed surplus of the Group represents (i) the excess of the nominal value of the shares of the subsidiaries acquired pursuant to the reorganisation of certain members of the Group which took place on 31 December 1992, over the nominal value of issued shares of Embry Group Limited ("EGL") in exchange therefor; (ii) the premium arising from the shares issued by EGL for settlement of the amount due to the ultimate holding company of HK\$15,841,000; (iii) the premium arising from the acquisition of Embry (H.K.) Limited ("Embry HK") from the non-controlling interests of HK\$5,000,000; and (iv) the excess of the nominal value of the share capital of the subsidiaries acquired pursuant to the group reorganisation, over the nominal value of the share capital of the Company issued in exchange therefor and the then existing 10,000,000 shares of HK\$0.01 each credited as fully paid at par.

In accordance with the relevant regulations applicable in the PRC, subsidiaries of the Company established in the PRC are required to transfer a certain percentage of their profits after tax, if any, to the enterprise expansion and statutory reserve funds, which are non-distributable, before profit distributions to shareholders. The amounts of the transfers are subject to the approval of the board of directors of these subsidiaries.

The Group applied the transitional provision of HKFRS 3 which permits goodwill in respect of acquisitions which occurred prior to 1 January 2001, to remain eliminated against the consolidated reserves. The amount of goodwill remaining in consolidated reserves, arising from the acquisition of subsidiaries prior to 1 January 2001, was stated at cost, which amounted to HK\$3,168,000 (2016: HK\$3,168,000) as at 31 December 2017.

#### 31. 儲備

現時及過往年度本集團儲備金額以及其變動已呈列於財務報表內綜合權益變動表內。

本集團實繳盈餘指(i)根據重組於一九九二年十二月三十一日收購本集團若干成員公司，該等成員公司股份的面值超出就此作為交換所發行Embry Group Limited (「EGL」) 股份的面值差額；(ii) EGL就償還欠付最終控股公司款項15,841,000港元而進行發行股份產生的溢價；(iii) 向非控股權益收購安莉芳(香港)有限公司(「安莉芳香港」)所產生溢價5,000,000港元；及(iv)根據集團重組收購附屬公司的股本的面值超出本公司當時發行以作為交換的股本面值的部份以及按面值入賬列作繳足的10,000,000股每股面值0.01港元的當時現有股份。

根據中國適用的相關規例，本公司於中國成立的附屬公司須將其若干百分比的除稅後溢利(如有)在向股東作出溢利分派前轉撥至企業擴展及法定儲備基金(均為不可分派)。轉撥的金額須待該等附屬公司的董事會批准方可作實。

本集團已採用香港財務報告準則第3號的過渡性條文，容許二零零一年一月一日前進行收購所產生的商譽維持與綜合儲備的對銷。保留於綜合儲備內因二零零一年一月一日前收購附屬公司產生的商譽金額按成本列值，於二零一七年十二月三十一日為3,168,000港元(二零一六年：3,168,000港元)。

# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

### 32. Operating Lease Arrangements

#### (a) As lessor

The Group leases its investment properties (note 17) under operating lease arrangements, with leases negotiated for terms ranging from one to six years.

At the end of the reporting period, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year	一年內	17,843	12,693
In the second to fifth years, inclusive	第二至第五年(包括首尾兩年)	17,591	18,314
		<b>35,434</b>	31,007

In addition, the operating lease rentals for the use of certain floor areas of the Group's building located in Shanghai are contingent based on sales of the shops pursuant to the terms and conditions as set out in the respective agreements. As the future sales of these shops could not be accurately determined, the relevant contingent rent has not been included above.

#### (b) As lessee

The Group leases certain of its shops, counters, warehouses and office properties under operating lease arrangements with leases negotiated for terms mainly ranging from one to ten years.

### 32. 經營租約安排

#### (a) 作為出租人

本集團根據經營租約安排出租投資物業(附註17)，租約以介乎一至六年年期進行磋商。

於報告期間結束時，根據本集團與租戶訂立之不可撤銷經營租約，本集團於以下日期之未來最低應收租金總額如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year	一年內	17,843	12,693
In the second to fifth years, inclusive	第二至第五年(包括首尾兩年)	17,591	18,314
		<b>35,434</b>	31,007

此外，使用本集團位於上海之樓宇之若干樓面面積而應收之部份經營租約租金為或然租金，乃根據有關協議所載之條款及條件按店舖之銷售額釐定。由於該等店舖之未來銷售額未能準確地釐定，故有關或然租金並未包括在上表。

#### (b) 作為承租人

本集團根據經營租約安排租用若干店舖、櫃位、倉庫及辦公室物業，租約主要以一至十年年期進行磋商。

## NOTES TO FINANCIAL STATEMENTS (Continued)

### 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

#### 32. Operating Lease Arrangements (continued)

##### (b) As lessee (continued)

At the end of the reporting period, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

Within one year	一年內
In the second to fifth years, inclusive	第二至第五年(包括首尾兩年)
After five years	五年後

In addition, the Group has entered into agreements with department stores to enable the Group to set up its retail outlets therein. The operating lease rentals for the use of their floor areas in department stores are based on the higher of a fixed rental or contingent rent based on sales of the retail outlets pursuant to the terms and conditions as set out in the respective agreements. As the future sales of these retail outlets could not be accurately determined, the relevant contingent rent has not been included above and only the minimum lease commitments have been included in the above table.

#### 33. Commitments

At the end of the reporting period, the Group had the following commitments:

Contracted for commitments in respect of the acquisition of property, plant and equipment	購買物業、廠房及設備之已訂約承擔
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#### 32. 經營租約安排(續)

##### (b) 作為承租人(續)

於報告期間結束時，根據本集團之不可撤銷經營租約，本集團於以下日期之未來最低應付租金總額如下：

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
114,446	107,155
89,289	58,674
4,336	5,416
<b>208,071</b>	171,245

此外，本集團與百貨公司訂立協議，以便本集團在百貨公司內開設零售點。使用百貨公司之樓面面積而應付之經營租約租金乃根據固定租金與或然租金兩者中之較高者釐定。或然租金乃根據有關協議所載之條款及條件按零售點之銷售額釐定。由於該等零售點之未來銷售額未能準確地釐定，故有關或然租金並未包括在上表。上表僅載列最低租賃承擔。

#### 33. 承擔

於報告期間結算日，本集團之承擔如下：

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
262,425	122,738

# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

### 34. Contingent Liabilities

At the end of the reporting period, contingent liabilities not provided for in the financial statements were as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Bank guarantees given in lieu of property rental deposits and utility deposits	為代替物業租賃按金及公共設施按金所提供之銀行擔保	243	1,788

### 35. Note to the Consolidated Statement of Cash Flows

Changes in liabilities arising from financing activities

### 35. 綜合現金流量表附註

融資活動產生的負債變化

		Interest-bearing bank borrowings 計息銀行借款 HK\$'000 千港元
At 1 January 2017	於二零一七年一月一日	354,833
Changes from financing cash flows	融資現金流變動	(38,081)
Interest expense	利息開支	9,304
At 31 December 2017	於二零一七年十二月三十一日	326,056

### 36. Financial Instruments by Category

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

#### Financial assets

#### Loans and receivables

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Trade receivables	應收貿易賬款	112,205	85,220
Financial assets included in prepayments, deposits and other receivables	列為預付款項、按金及其他應收款項之金融資產	53,031	5,029
Cash and cash equivalents	現金及現金等價物	234,711	190,187
		<b>399,947</b>	280,436

### 36. 按類別分析之金融工具

於報告期間結算日各類金融工具的賬面值如下：

#### 金融資產

#### 貸款及應收款項



## NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

## 36. Financial Instruments by Category (continued)

## Financial liabilities

## Financial liabilities at amortised cost

Interest-bearing bank borrowings	計息銀行借款
Trade payables	應付貿易賬款
Financial liabilities included in other payables and accruals	已包括於其他應付款項及應計款項之金融負債

## 36. 按類別分析之金融工具(續)

## 金融負債

## 按攤銷成本計量之金融負債

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
326,056	354,833
56,000	87,678
196,175	184,618
578,231	627,129

## 37. Financial Risk Management Objectives and Policies

The Group's principal financial instruments, comprise cash, short term deposits and interest-bearing bank borrowings. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The directors review and agree policies for managing each of these risks and they are summarised below.

## Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to both fair value and cash flow interest rate risks. The Group's exposure to market risk for changes in interest rates relates primarily to the Group's bank borrowings with floating interest rates.

At present, the Group does not intend to hedge its exposure to interest rate fluctuations. However, the Group will constantly review the economic situation and its interest rate risk profile, and will consider appropriate hedging measures in future as may be necessary.

At 31 December 2017, the profit before tax of the Group would have been decreased/increased by approximately HK\$1,630,000 (2016: HK\$1,774,000) if the interest rate has been increased/decreased by 50 basis points with all other variables held constant.

## 37. 財務風險管理目標及政策

本集團之主要金融工具包括現金、短期存款及計息銀行借款。此等金融工具主要目的是為本集團經營業務融資。本集團有其他不同金融資產及負債，如應收貿易賬款及應付貿易賬款，乃直接透過經營業務產生。

本集團金融工具之主要風險為利率風險、外匯風險、信貸風險及流動資金風險。董事審閱並協定管控以上各種風險之政策，有關資料概述如下。

## 利率風險

現金流量利率風險為金融工具未來現金流量因市場利率變化而波動的風險。本集團同時承受公平值及現金流量利率風險。本集團所承受利率變化的市場風險，主要與本集團浮動利率計算的銀行借款有關。

目前，本集團無意對沖所須承受的利率波動。然而，本集團將定期檢討經濟狀況及其利率風險狀況，並會考慮日後是否需要實施適當的對沖措施。

倘利率上升/下跌50基點，而所有其他因素保持不變，於二零一七年十二月三十一日，本集團稅前溢利應減少/增加約1,630,000港元(二零一六年：1,774,000港元)。

# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

### 37. Financial Risk Management Objectives and Policies (continued)

#### Foreign currency risk

The Group carries on its sales and purchases transactions mainly in Hong Kong dollars and RMB. The Group does not use derivative financial instruments to protect against the volatility associated with foreign currency transactions and other financial assets and liabilities created in the ordinary course of the business. However, as the Group's net profit is reported in Hong Kong dollars, there will be a translation gain as a result of the RMB appreciation, and vice versa. The majority of the Group's operating assets are located in Mainland China and are denominated in RMB.

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the RMB exchange rate, with all other variables held constant, of the Group's profit before tax (due to changes in the fair value of monetary assets and liabilities).

### 37. 財務風險管理目標及政策(續)

#### 外匯風險

本集團主要以港元及人民幣進行買賣交易。本集團並無以衍生金融工具來對沖日常業務過程之外匯交易及其他金融資產及負債所附帶之波動。然而，由於本集團之純利以港元呈列，故人民幣升值可帶來匯兌收益，反之亦然。本集團大部份經營資產均位於中國大陸，並以人民幣列示。

下表列示於報告期間結算日，在所有其他可變因素維持不變的情況下，本集團的稅前溢利對人民幣匯率可能出現合理變動之敏感度(由於貨幣資產及負債的公平值變動)。

		Increase/ (decrease) in RMB rate 人民幣 匯率上調/ (下調) %	Increase/ (decrease) in profit before tax 稅前溢利 增加/(減少) HK\$'000 千港元
<b>2017</b>	<b>二零一七年</b>		
If Hong Kong dollar weakens against RMB	倘港元兌人民幣貶值	<b>5</b>	<b>2,263</b>
If Hong Kong dollar strengthens against RMB	倘港元兌人民幣升值	<b>(5)</b>	<b>(2,263)</b>
<b>2016</b>	<b>二零一六年</b>		
If Hong Kong dollar weakens against RMB	倘港元兌人民幣貶值	5	6,008
If Hong Kong dollar strengthens against RMB	倘港元兌人民幣升值	(5)	(6,008)

## NOTES TO FINANCIAL STATEMENTS (Continued)

### 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

#### 37. Financial Risk Management Objectives and Policies *(continued)*

##### Credit risk

The Group trades only with recognised and creditworthy customers. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and on an individual basis. Each of the customers has been attached with a trading limit and any excess of the limit must be approved by the general manager of the operation unit. Under the tight control of the credit term and detailed assessment of the creditworthiness of individual customers, the Group's exposure to bad debts is maintained as minimal.

The credit risk of the Group's other financial assets, which comprise cash and cash equivalents and other receivables, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

Further quantitative data in respect of the Group's exposure to credit risk arising from trade receivables are disclosed in note 21 to the financial statements.

##### Liquidity risk

Liquidity risk is the risk of non-availability of funds to meet all contractual financial commitments as they fall due. The Group's objectives are to maintain a prudent financial policy, to monitor liquidity ratios against risk limits and to maintain a contingency plan for funding to ensure that the Group maintains sufficient cash to meet its liquidity requirement.

The Group continued to enjoy adequate cash position with cash and cash equivalents amounting to HK\$234,711,000 (2016: HK\$190,187,000) as at 31 December 2017.

#### 37. 財務風險管理目標及政策(續)

##### 信貸風險

本集團僅與知名及信譽良好的客戶進行交易。根據本集團的政策，任何有意以信貸形式進行交易的客戶均須經過信貸核實程序。此外，本集團亦持續監察各項應收款項結餘。本集團對各名客戶設立貿易限額，超出限額之數必須得到營運單位之總經理批准。由於本集團嚴控信貸期，並且對個別客戶之信譽作詳盡評估，故本集團之壞賬風險極低。

本集團其他金融資產的信貸風險包括現金及現金等價物及其他應收款項，因對方違約產生的信貸風險，上限相等於該等工具之賬面值。

有關本集團因貿易應收賬款產生之信貸風險之進一步定量數據於財務報表附註21中披露。

##### 流動資金風險

流動資金風險指未能取得資金以應付所有到期之合約財務承擔。本集團之目標是保持穩健之金融政策，藉著風險限額來監察流動資金比率，並設有應急資金計劃，確保本集團具備足夠現金以應付其流動資金需求。

於二零一七年十二月三十一日，本集團繼續擁有充足現金之財務狀況，其現金及現金等價物為234,711,000港元(二零一六年：190,187,000港元)。

# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

### 37. Financial Risk Management Objectives and Policies (continued)

#### Liquidity risk (continued)

The Group financed its operations and investment activities by internally generated cash flows and bank borrowings.

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, was as follows:

2017	二零一七年
Interest-bearing bank borrowings	計息銀行借款
Trade payables	應付貿易賬款
Other payables and accruals	其他應付款項及應計款項
2016	二零一六年
Interest-bearing bank borrowings	計息銀行借款
Trade payables	應付貿易賬款
Other payables and accruals	其他應付款項及應計款項

The Group is also exposed to liquidity risk through the granting of financial guarantees, further details of which are disclosed in note 34 to the financial statements.

#### Capital management

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximising the return to the owners through the optimisation of the debt and equity balance where appropriate. No change was made in the objectives, policies or processes for managing capital during the years ended 31 December 2017 and 2016.

The capital structure of the Group consists of net debt which includes bank borrowings and equity attributable to owners of the Company. Equity attributable to owners of the Company comprises issued share capital and reserves as disclosed in the consolidated statement of changes in equity.

### 37. 財務風險管理目標及政策(續)

#### 流動資金風險(續)

本集團透過內部產生之現金流及銀行借款，為其業務及投資活動提供資金。

於報告期間結算日，本集團根據合約未貼現付款計算之金融負債到期日如下：

Within			
1 year	1 to 5 years	Total	
一年內	一至五年	總計	
HK\$'000	HK\$'000	HK\$'000	
千港元	千港元	千港元	
<b>146,087</b>	<b>196,594</b>	<b>342,681</b>	
<b>56,000</b>	-	<b>56,000</b>	
<b>196,175</b>	-	<b>196,175</b>	
<b>398,262</b>	<b>196,594</b>	<b>594,856</b>	
141,869	231,718	373,587	
87,678	-	87,678	
184,618	-	184,618	
414,165	231,718	645,883	

透過授出財務擔保，本集團亦面臨流動資金風險，其進一步詳情披露於財務報表附註34。

#### 資本管理

本集團管理其資本以確保本集團能持續營運，同時在適當時透過優化債務及權益結餘(如適用)將擁有人的回報增至最大。於截至二零一七年及二零一六年十二月三十一日止年度，管理資本之目標、政策或程序並無變動。

本集團資本結構包括債務淨額其中包括銀行借款及本公司擁有人應佔股權。本公司擁有人應佔股權包括綜合權益變動表所披露的已發行股本及儲備。

## NOTES TO FINANCIAL STATEMENTS (Continued)

### 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

#### 37. Financial Risk Management Objectives and Policies (continued)

##### Capital management (continued)

The Company monitors capital using a gearing ratio, which is total bank borrowings divided by the equity attributable to owners of the Company. The gearing ratios as at the end of the reporting periods were as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Interest-bearing bank borrowings	計息銀行借款	326,056	354,833
Equity attributable to owners of the Company	本公司擁有人應佔權益	2,367,110	1,719,487
Gearing ratio	資產負債比率	13.8%	20.6%

#### 38. Statement of Financial Position of the Company

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>NON-CURRENT ASSETS</b>	<b>非流動資產</b>		
Investments in subsidiaries	於附屬公司之權益	852,812	864,658
<b>CURRENT ASSETS</b>	<b>流動資產</b>		
Prepayments	預付款項	44	46
Cash and cash equivalents	現金及現金等價物	68	153
Total current assets	流動資產總值	112	199
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>		
Other payables and accruals	其他應付款項及應計款項	7,267	4,984
<b>NET CURRENT LIABILITIES</b>	<b>流動負債淨值</b>	(7,155)	(4,785)
Net assets	資產淨值	845,657	859,873
<b>EQUITY</b>	<b>權益</b>		
Share capital	股本	4,224	4,166
Reserves (Note)	儲備(附註)	841,433	855,707
Total equity	總權益	845,657	859,873

#### 37. 財務風險管理目標及政策(續)

##### 資本管理(續)

本公司透過資產負債比率架構(即銀行借款總額除以本公司擁有人應佔股權)監控資本。於報告期末資產負債比率如下：

#### 38. 本公司財務狀況表

本公司報告期末財務狀況表如下：



# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

### 38. Statement of Financial Position of the Company (continued)

Note:

A summary of the Company's reserves is as follows:

### 38. 本公司財務狀況表(續)

附註：

本公司儲備概要如下：

		Share premium account	Contributed surplus	Share option reserve	Retained profits	Total
	Notes	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	附註	千港元	千港元	千港元	千港元	千港元
At 1 January 2016	於二零一六年一月一日	369,644	381,248	27,923	125,898	904,713
Profit for the year and total comprehensive income for the year	年度溢利及年內全面收入總額	-	-	-	3,077	3,077
Share options lapsed	購股權失效	30	-	(27,923)	27,923	-
2015 final and special dividends declared and paid	宣派及已支付二零一五年末期及特別股息	14	-	-	(41,666)	(41,666)
2016 interim dividend	二零一六年中期股息	14	-	-	(10,417)	(10,417)
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日及二零一七年一月一日	<b>369,644</b>	<b>381,248</b>	-	<b>104,815</b>	<b>855,707</b>
Loss for the year and total comprehensive expense for the year	年度虧損及年內全面開支總額	-	-	-	(2,698)	(2,698)
2016 final dividend declared and paid	宣派及已支付二零一六年末期股息	14	-	-	(17,916)	(17,916)
2017 interim dividend	二零一七年中期股息	14	-	-	(10,528)	(10,528)
Share issued in lieu of cash dividend	代替現金股息所發行之股份	29	<b>16,868</b>	-	-	<b>16,868</b>
At 31 December 2017	於二零一七年十二月三十一日	<b>386,512</b>	<b>381,248</b>	-	<b>73,673</b>	<b>841,433</b>

The contributed surplus of the Company represents the excess of the then net assets of the subsidiaries acquired by the Company pursuant to the group reorganisation, over the nominal value of the share capital of the Company issued in exchange therefor and the then existing 10,000,000 shares of HK\$0.01 each credited as fully paid at par. Under the Companies Law of the Cayman Islands, the share premium and contributed surplus may be distributed to the shareholders of the Company, provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as and when they fall due in the ordinary course of business.

The share option reserve comprises the fair value of share options granted which are yet to be exercised, as further explained in the accounting policy for share-based payments in note 2.4 to the financial statements. The amount will either be transferred to the share premium account when the related options are exercised, or be transferred to retained profits should the related options expire, be forfeited or lapse.

本公司的實繳盈餘乃本公司根據集團重組收購附屬公司的當時資產淨值超出本公司就此發行作為交換的股本面值以及按面值入賬列作繳足的10,000,000股每股面值0.01港元的當時現有股份。根據開曼群島公司法，股份溢價賬及實繳盈餘可分派予本公司股東，惟於緊隨建議派付股息日期後，本公司必須能償還其日常業務中到期債項。

購股權儲備指已授出但尚未行使的購股權的公平值，於財務報表附註2.4就以股份為基礎交易的會計政策中有所詳述。金額將於有關購股權獲行使時轉撥至股份溢價賬，或於有關購股權屆滿、被沒收或失效時轉撥至保留盈利。

# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

### 39. Particulars of Principal Subsidiaries

Particulars of the Company's principal subsidiaries are as follows:

### 39. 主要附屬公司資料

本公司主要附屬公司的詳情如下：

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及經營地點	Issued and fully paid share/ registered capital 已發行及繳足 股份/註冊資本	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務
			2017 二零一七年	2016 二零一六年	
Embry Asia Limited 安莉芳亞洲有限公司	Hong Kong 香港	HK\$100 100港元	100	100	Investment holding 投資控股
Embry (Changzhou) Garments Ltd. ("Embry CZ")** 安莉芳(常州)服裝有限公司 ("安莉芳常州")**	PRC/ Mainland China 中國/中國大陸	RMB153,030,000 (note) 人民幣153,030,000元 (附註)	100	100	Manufacture and trading of ladies' brassieres, panties, swimwear and sleepwear 製造及買賣女性胸圍、 內褲、泳衣及睡衣
Embry SZ** 安莉芳深圳**	PRC/ Mainland China 中國/中國大陸	HK\$11,000,000 11,000,000港元	100	100	Manufacture and trading of ladies' brassieres, panties, swimwear and sleepwear 製造及買賣女性胸圍、 內褲、泳衣及睡衣
Embry HK 安莉芳香港	Hong Kong 香港	Ordinary HK\$45,000 *Non-voting deferred HK\$4,500,000 普通股45,000港元 *無投票權遞延股 4,500,000港元	100	100	Trading of ladies' brassieres, panties, swimwear and sleepwear 買賣女性胸圍、內褲、 泳衣及睡衣
Embry (Macau) Fashion Company Limited (Embry (Macau) Pronto A Vestir, Limitada) 安莉芳(澳門)時裝有限公司	Macau 澳門	MOP100,000 100,000澳門幣	100	100	Trading of ladies' brassieres, panties, swimwear and sleepwear 買賣女性胸圍、內褲、 泳衣及睡衣
Embry (Shandong) Garments Limited ("Embry SD")** 安莉芳(山東)服裝有限公司 ("安莉芳山東")**	PRC/ Mainland China 中國/中國大陸	US\$18,000,000 18,000,000美元	100	100	Manufacture and trading of ladies' brassieres, panties, swimwear and sleepwear 製造及買賣女性胸圍、 內褲、泳衣及睡衣
Embry (Shanghai) Company Limited ("Embry SH")** 安莉芳(上海)有限公司 ("安莉芳上海")**	PRC/ Mainland China 中國/中國大陸	HK\$238,000,000 238,000,000港元	100	100	Design, research and development and trading of ladies' brassieres, panties, swimwear and sleepwear 設計、研究、開發及買賣女性 胸圍、內褲、泳衣及睡衣
Embry Garments Limited	BVI 英屬處女群島	US\$1 1美元	100	100	Investment holding 投資控股
EGL	BVI 英屬處女群島	US\$472 472美元	100	100	Investment holding 投資控股

# NOTES TO FINANCIAL STATEMENTS (Continued)

## 財務報表附註 (續)

31 December 2017 二零一七年十二月三十一日

### 39. Particulars of Principal Subsidiaries (continued)

Particulars of the Company's principal subsidiaries are as follows: (continued)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及經營地點	Issued and fully paid share/ registered capital 已發行及繳足 股份/註冊資本	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務
			2017 二零一七年	2016 二零一六年	
Embry International Limited 安莉芳國際有限公司	BVI 英屬處女群島	US\$1 1美元	100	100	Investment holding 投資控股
Gallin Investments Limited 吉年投資有限公司	Hong Kong 香港	HK\$2 2港元	100	100	Investment holding 投資控股
Prime Force Advertising Limited	Hong Kong 香港	HK\$20 20港元	100	100	Property investment 物業投資
Whistleblower Limited	BVI 英屬處女群島	US\$1 1美元	100	100	Holding of trademarks 持有商標

\* The non-voting deferred shares carry no rights to dividends (other than for any financial year during which the net profit of Embry HK available for dividend exceeds HK\$1,000,000,000,000), no rights to vote at general meetings and no rights to receive any surplus in return of capital in a winding-up in respect of the first HK\$500,000,000,000,000.

\*\* Embry CZ, Embry SZ, Embry SD and Embry SH are registered as wholly-foreign-owned enterprises under the PRC law.

\* 無投票權遞延股並無附帶權利收取股息(於安莉芳香港可供派息的純利超過1,000,000,000,000港元的任何財政年度除外)、於股東大會上投票及於清盤時收取首500,000,000,000,000港元退回資本的任何盈餘。

\*\* 安莉芳常州、安莉芳深圳、安莉芳山東及安莉芳上海均根據中國法例註冊為全外資企業。

Except for EGL, all of the above subsidiaries are indirectly held by the Company.

除EGL外，上述所有附屬公司均由本公司間接持有。

Note: The registered capital of Embry CZ amounted to RMB176,200,000, of which RMB153,030,000 (2016: RMB136,200,000) was paid up as at 31 December 2017. The Group had the remaining unpaid capital contribution of RMB23,170,000 (2016: Nil) (equivalent to approximately HK\$27,916,000 (2016: Nil)) at 31 December 2017.

附註：安莉芳常州的註冊資本為人民幣176,200,000元，其中於二零一七年十二月三十一日已支付人民幣153,030,000元(二零一六年：人民幣136,200,000元)。於二零一七年十二月三十一日本集團尚有未支付注資額為人民幣23,170,000元(二零一六年：無)(相等於約27,916,000港元(二零一六年：無))。

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

上表所列本公司附屬公司乃董事認為對本年度業績有重要影響或構成本集團資產淨值重大比重之附屬公司。董事認為倘將其他附屬公司之詳情一併列出，則會令資料過於冗長。

## NOTES TO FINANCIAL STATEMENTS (Continued)

### 財務報表附註(續)

31 December 2017 二零一七年十二月三十一日

#### 40. Approval of the Financial Statements

The financial statements were approved and authorised for issue by the board of directors on 22 March 2018.

#### 40. 批准財務報表

財務報表於二零一八年三月二十二日獲董事會批准及授權刊發。

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**EMBRY HOLDINGS LIMITED**  
**安莉芳控股有限公司**