



比速科技集團國際有限公司

Bisu Technology Group International Limited

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock Code 股份代號：1372

Annual Report  
年報 **2017**



1372

Corporate Information	2	公司資料
CEO Statement	4	行政總裁報告
Summary of Significant Contracts on Hand	9	重大手頭合約概要
Management Discussion and Analysis	11	管理層討論及分析
Biographical Details of Directors and Senior Management	24	董事及高級管理層履歷
Corporate Governance Report	30	企業管治報告
Report of the Directors	46	董事會報告
Environmental, Social and Governance Report	60	環境、社會及管治報告
Independent Auditor's Report	80	獨立核數師報告
Consolidated Statement of Profit or Loss and Other Comprehensive Income	90	綜合損益及其他全面收入表
Consolidated Statement of Financial Position	92	綜合財務狀況表
Consolidated Statement of Changes In Equity	94	綜合權益變動表
Consolidated Statement of Cash Flows	95	綜合現金流量表
Notes to Financial Statements	97	財務報表附註
Five-Year Financial Summary	204	五年財務概要

# Corporate Information

## 公司資料

### REGISTERED OFFICE

Cricket Square, Hutchins  
Drive PO Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

21st Floor, 1 Duddell Street  
Central, Hong Kong

### EXECUTIVE DIRECTORS

Mr. Lo Kin Ching Joseph (*Chairman*)  
Mr. Wong Hin Shek (*Chief Executive Officer*)  
Mr. Xing Bin

### INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Chu Yin Yin Georgiana  
Mr. Yip Tai Him  
Mr. Chan Kai Wing

### AUDIT COMMITTEE

Mr. Chan Kai Wing (*Chairman*)  
Ms. Chu Yin Yin Georgiana  
Mr. Yip Tai Him

### REMUNERATION COMMITTEE

Mr. Yip Tai Him (*Chairman*)  
Ms. Chu Yin Yin Georgiana  
Mr. Chan Kai Wing

### NOMINATION COMMITTEE

Mr. Lo Kin Ching Joseph (*Chairman*)  
Mr. Wong Hin Shek  
Ms. Chu Yin Yin Georgiana  
Mr. Yip Tai Him  
Mr. Chan Kai Wing

### 註冊辦事處

Cricket Square, Hutchins  
Drive PO Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

### 總辦事處兼主要營業地點

香港中環  
都爹利街1號21樓

### 執行董事

勞建青先生(*主席*)  
王顯碩先生(*行政總裁*)  
邢濱先生

### 獨立非執行董事

朱燕燕女士  
葉棣謙先生  
陳繼榮先生

### 審核委員會

陳繼榮先生(*主席*)  
朱燕燕女士  
葉棣謙先生

### 薪酬委員會

葉棣謙先生(*主席*)  
朱燕燕女士  
陳繼榮先生

### 提名委員會

勞建青先生(*主席*)  
王顯碩先生  
朱燕燕女士  
葉棣謙先生  
陳繼榮先生

### COMPANY SECRETARY

Ms. Wong Po Ling, Pauline

### 公司秘書

王寶玲女士

### CAYMAN ISLANDS SHARE REGISTRAR

Conyers Trust Company (Cayman) Limited  
Cricket Square, Hutchins Drive  
PO Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

### 開曼群島股份過戶登記處

Conyers Trust Company (Cayman) Limited  
Cricket Square, Hutchins Drive  
PO Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

### 香港股份過戶登記分處

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

### AUDITOR

Ernst & Young  
*Certified Public Accountants*  
22/F., CITIC Tower  
1 Tim Mei Avenue  
Central, Hong Kong

### 核數師

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

### SHARE INFORMATION

#### *Ordinary share listing*

Place of listing	Main Board of The Stock Exchange of Hong Kong Limited
Stock code	1372
Board lot size	2,000 shares

### 股份資料

#### *普通股上市*

上市地點	香港聯合交易所有限公司主板
股份代號	1372
每手買賣單位	2,000股

### WEBSITE OF THE COMPANY

[www.bisu-tech.com](http://www.bisu-tech.com)

### 公司網址

[www.bisu-tech.com](http://www.bisu-tech.com)

# CEO Statement

## 行政總裁報告

### FINANCIAL HIGHLIGHTS

### 財務摘要

		Year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度	For the nine months ended 31 December 2016 截至 二零一六年 十二月三十一日 止九個月
<b>Financial Performance (HK\$'000)</b>	<b>財務表現(千港元)</b>		
Revenue	收入	2,026,599	2,145,926
Gross profit	毛利	188,950	217,463
Gross profit margin	毛利率	9.3%	10.1%
EBITDA (Note 1)	稅息折舊及攤銷前利潤(附註1)	204,520	261,023
Profit attributable to owners of the parent	母公司擁有人應佔 溢利	37,713	90,152
		31 December 2017 二零一七年 十二月三十一日	31 December 2016 二零一六年 十二月三十一日
<b>Financial Position (HK\$'000)</b>	<b>財務狀況(千港元)</b>		
Cash and cash equivalents	現金及現金等值物	68,623	24,899
Goodwill (Note 2)	商譽(附註2)	498,343	463,257
Intangible assets (Note 2)	無形資產(附註2)	556,230	569,171
Profit guarantee (Note 2)	溢利保證(附註2)	—	2,911
Total assets	總資產	2,509,552	2,594,815
Liability component of convertible bonds (Note 2)	可換股債券之負債部分 (附註2)	387,665	359,818
Promissory notes (Note 2)	承兌票據(附註2)	473,918	453,938
Total liabilities	總負債	1,806,938	2,043,443
Net assets	資產淨值	702,614	551,372
Current ratio (Note 3)	流動比率(附註3)	1.1	1.3
Gearing ratio (Note 4)	槓桿比率(附註4)	119.5%	146.7%
Return on equity (Note 5)	股本回報率(附註5)	5.4%	16.4%

## Notes:

1. Profit before income tax, depreciation and amortisation, interest income, finance costs.
2. Goodwill, intangible assets and profit guarantee were derived from the automotive engines business while the liability portion of convertible bonds and promissory notes were issued in prior years.
3. Current ratio is calculated by dividing current assets by current liabilities as at the end of the reporting period.
4. Gearing ratio is calculated by dividing the total of interest-bearing borrowings, liability component of convertible bonds and promissory notes less cash and cash equivalent by the total equity as at the end of the reporting period and multiplied by 100%.
5. The calculation of return on equity is based on the profit attributable to owners of the parent during the period divided by the ending equity attributable to owners of the parent as at the end of the reporting period and multiplied by 100%.

## 附註：

1. 除所得稅、折舊及攤銷、利息收入、財務費用前溢利。
2. 商譽、無形資產及溢利保證乃來自汽車發動機業務，而可換股債券及承兌票據之負債部分乃於以前年度發行。
3. 流動比率乃按報告期末的流動資產除以流動負債計算得出。
4. 槓桿比率乃按報告期末的計息借款總額、可換股債券及承兌票據之負債部分減現金及現金等值物除以總權益再乘以100%計算得出。
5. 股本回報率乃按期內母公司擁有人應佔溢利除以報告期末的母公司擁有人應佔權益再乘以100%計算得出。

# CEO Statement

## 行政總裁報告

Dear Shareholders,

On behalf of the board (the "Board") of directors (the "Directors") of Bisu Technology Group International Limited (the "Company"), I am pleased to present the annual results of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2017.

### BUSINESS OVERVIEW

For the year ended 31 December 2017, the Group recorded a consolidated revenue of approximately HK\$2,026.6 million (nine months ended 31 December 2016: approximately HK\$2,145.9 million). Profit for the year attributable to shareholders and EBITDA was approximately HK\$37.7 million and HK\$204.5 million respectively (nine months ended 31 December 2016: profit of approximately HK\$90.2 million and HK\$261.0 million). The decrease in business performance was mainly due to the changes in the preferential vehicle tax policies and market competition, the revenue and gains of the Group's automobiles business decreased.

### AUTOMOTIVE ENGINES BUSINESS

The automobile industry showed a moderate overall growth in 2017. Except for SUV which has showed continued growth, the performance of all other types of passenger vehicles recorded a decline. According to the China Association of Automobile Manufacturers, the reduction in purchase tax cut of small engine vehicles in 2017 lead to more early bird purchases in 2016, resulting in a bigger production and sale base in 2016. In addition, the adjustment of new energy vehicle policy also delayed some potential purchases in 2017. The demand for certain types of vehicles produced by the Group's customers decreased during the year, and this in turn affected the sales of some of the traditional engines of the Group. During the year ended 31 December 2017, the revenue of the Automotive Engines Business was approximately HK\$1,478.3 million, representing a decrease of approximately 16.5% as compared to the nine months ended 31 December 2016.

The segment results of the Automotive Engines Business reached approximately HK\$200.4 million (excluding the amortization of intangible assets and deferred tax credit amounting to approximately HK\$61.8 million and approximately HK\$9.3 million), representing a decrease of approximately 27.2% as compared to the nine months ended 31 December 2016.

各位股東：

本人謹代表比速科技集團國際有限公司（「本公司」）董事（「董事」）會（「董事會」），欣然提呈本公司及其附屬公司（統稱「本集團」）截至二零一七年十二月三十一日止年度的全年業績。

### 業務回顧

截至二零一七年十二月三十一日止年度，本集團錄得綜合收入約2,026,600,000港元（截至二零一六年十二月三十一日止九個月：約2,145,900,000港元）。股東應佔年度溢利及稅息折舊及攤銷前利潤分別約為37,700,000港元及204,500,000港元（截至二零一六年十二月三十一日止九個月：溢利約90,200,000港元及261,000,000港元）。業務表現下滑乃主要由於汽車購置稅優惠政策變動及市場競爭影響，導致本集團的汽車業務收入及收益有所下降。

### 汽車發動機業務

於二零一七年，汽車行業整體上溫和增長。除運動型多用途車表現繼續向好外，所有其他乘用車類別的表現均見回落。根據中國汽車工業協會資料，二零一七年小型發動機汽車購置稅寬免減少，刺激大量買家於二零一六年及早購買車輛，令二零一六年的產銷基數飆升。此外，二零一七年新能源汽車政策調整亦使部分有意買家延遲購買。在本集團客戶生產的汽車中，若干類別的需求於年內有所下降，繼而影響本集團部分傳統發動機的銷情。截至二零一七年十二月三十一日止年度，汽車發動機業務的收入約為1,478,300,000港元，較截至二零一六年十二月三十一日止九個月減少約16.5%。

汽車發動機業務的分部業績約為200,400,000港元（不包括無形資產攤銷及遞延稅款抵免分別約61,800,000港元及約9,300,000港元），較截至二零一六年十二月三十一日止九個月減少約27.2%。

## CIVIL ENGINEERING AND CONSTRUCTION BUSINESS

As of 31 December 2017, the Group had 18 significant projects in progress. Two of them were building construction and maintenance projects while the remaining were civil engineering construction projects. During the year ended 31 December 2017, the revenue of Group's civil engineering works and building construction and maintenance works were approximately HK\$548.3 million, representing an increase of 45.8% as compared to the nine months ended 31 December 2016. The overall gross profit margin of this segment was 3.1% for the year ended 31 December 2017, representing an increase of approximately 206%.

## OUTLOOK

Looking forward, we expect the business environment of our Automotive Engines Business remains challenging in the year 2018 due to keen competition. In order to maintain our competitiveness, the Group will continuously focus on research and development to develop automotive engines with high quality and advanced features to enhance market penetration and brand recognition.

The Group will continue to explore cooperation opportunities with the existing customers and other business partners in the future to cope with the ever-changing automobile industry trend. In particular, the Group will continue to actively identify potential merger and acquisition opportunities and assess possibilities of forming joint ventures with other potential partners to expand its product portfolio and strengthen its core competitiveness.

In recent years, the construction industry is confronted with fierce market competition due to the challenges such as rising costs and shortage of manpower. As stated in the Financial Budget for the fiscal year from 2018 to 2019, the Hong Kong Special Administrative Region government will continue to devote resources to infrastructure projects. Despite the challenges, the Group remains cautiously optimistic about the construction industry in Hong Kong. Looking forward, the Group will adopt a prudent approach when bidding new construction projects. At the same time, the Group will also continue to control the overall construction costs to maintain its competitiveness.

## 土木工程及建造業務

截至二零一七年十二月三十一日，本集團有18個重大在建項目，其中兩個為樓宇建造和保養項目，其餘為土木工程建造項目。截至二零一七年十二月三十一日止年度，本集團來自土木工程及樓宇建造和保養工程的收入約為548,300,000港元，較截至二零一六年十二月三十一日止九個月增加45.8%。該分部於截至二零一七年十二月三十一日止年度的整體毛利率為3.1%，升幅約206%。

## 展望

展望未來，鑒於市場競爭激烈，我們預計二零一八年汽車發動機業務面臨的營商環境仍充滿挑戰。為保持競爭力，本集團將繼續著力研發優質、性能先進的汽車發動機，以提高市場滲透率及品牌知名度。

本集團未來將繼續與現有客戶及其他業務夥伴開拓更多合作機會，以應對汽車行業日新月異的趨勢。尤其是，本集團將繼續積極物色潛在併購機會，評估與其他潛在夥伴成立合營企業的可能性，藉此擴大產品組合，加強核心競爭力。

近年來，由於成本不斷上漲及人力短缺等問題，建造業面臨激烈的市場競爭。在二零一八至二零一九財政年度的財政預算案中，香港特別行政區政府表示將繼續投放資源以開展基建項目。儘管存在眾多挑戰，本集團對香港建造業仍持審慎樂觀態度。展望未來，本集團在投標新建築項目時將採取審慎的方針。同時，本集團將繼續控制整體施工成本，以維持競爭力。



# CEO Statement

## 行政總裁報告

### APPRECIATION

Finally, on behalf of the Board, I would like to take this opportunity to express my sincere gratitude and appreciation to our management team and staff for their dedication commitment, as well as all of our customers, suppliers, shareholders, business partners and associates for their support and encouragement to the Group.

Wong Hin Shek  
*Chief Executive Officer*  
Hong Kong, 21 March 2018

### 鳴謝

最後，本人謹藉此機會代表董事會向管理層團隊及全體員工表達由衷感激及衷心謝意，感激彼等的熱誠投入，亦感謝我們所有客戶、供應商、股東、業務夥伴及合作夥伴對本集團的鼎力支持及鼓勵。

行政總裁  
王顯碩  
香港，二零一八年三月二十一日

# Summary of Significant Contracts on Hand

## 重大手頭合約概要

The following table summarises our significant contracts on hand for the civil engineering and construction business as at 31 December 2017: 下表概述我們於二零一七年十二月三十一日有關土木工程及建造業務的重大手頭合約：

Particulars of the contract 合約詳情		Contract sum 合約金額 HK\$ million 百萬港元
<b>Waterworks</b>		
<b>水務工程</b>		
Replacement and rehabilitation of water mains stage 4 phase 1 — Mains in West Kowloon, Kwai Tsing and Tsuen Wan (13/WSD/10)	更換及修復水管計劃第4階段第1期 — 西九龍、葵青及荃灣水管工程(13/WSD/10)	635
Replacement and rehabilitation of water mains stage 4 phase 1 — Major mains in Eastern New Territories (10/WSD/11)	更換及修復水管計劃第4階段第1期 — 新界東主要水管工程(10/WSD/11)	358
Replacement and rehabilitation of water mains stage 4 phase 1 — Remaining mains on Hong Kong Island (3/WSD/12)	更換及修復水管計劃第4階段第1期 — 港島區餘下主要水管工程合約(3/WSD/12)	467
<b>Roads and drainage works</b>		
<b>道路及渠務工程</b>		
Provision of external cable construction works and outside telecommunications plant maintenance services	提供戶外電纜建設及電訊站維修保養	— (Note 1) (附註1)
Advance Civil Engineering Works for Public Housing Development Projects Batch 5 (2015 – 2017)	第5批公共房屋計劃(二零一五年至二零一七年)前期土木工程	50
Advance Civil Engineering Works for Public Housing Development Projects Batch 6 (2016 – 2018)	第6批公共房屋計劃(二零一六年至二零一八年)前期土木工程	38
Provision of Barrier-free Access Facilities for Highway Structures — Phase 3 Contract 8	為道路構築物提供無障礙通道設施 — 第三期第八份合約	203
Provision of Barrier-free Access Facilities for Highway Structures — Phase 3 Contract 9	為道路構築物提供無障礙通道設施 — 第三期第九份合約	173 (Note 2) (附註2)
Foundation, Site Formation, Road and Drainage for Public Rental Housing Development at Queen's Hill Site 1, Fanling, Phases 1, 2 and 5	粉嶺皇后山一號地盤(第一、第二及第五期)公屋發展計劃的地基、地盤平整、道路及渠務工程	48
<b>Landslip preventive and remedial works to slopes</b>		
<b>防止山泥傾瀉以及斜坡修補工程</b>		
Upgrading/Improvement works to Lands Department slopes in the Northern Regions	地政總署北部地區斜坡鞏固／改善工程	158

## Summary of Significant Contracts on Hand

### 重大手頭合約概要

Particulars of the contract 合約詳情		Contract sum 合約金額 HK\$ million 百萬港元
<b>Utilities civil engineering works</b>		
<b>公用設施土木工程</b>		
Term contract for provision of civil engineering works for the telecommunication networks and associated facilities	提供電訊網絡及相關設施之土木工程定期合約	— (Note 1) (附註1)
Provision of integrated field works for field services in NTC region	提供NTC區域綜合網絡敷設服務	— (Note 1) (附註1)
Provision of Integrated Field Works for Field Services in KLA & KLB regions	於KLA & KLB區提供綜合網絡敷設服務	— (Note 1) (附註1)
Provision of civil works for cable circuit improvement for certain areas of the Central and Western District of the Hong Kong Island	提供港島中西部地區若干區域電纜線路改善土木工程	42
Construction and Maintenance of Trenching/Cable Laying and Contractual Works in the Areas of Hong Kong, Ap Lei Chau, Lamma Island and any Outlying Island	香港、鴨脷洲、南丫島及任何離島的線坑／電纜鋪設的建造及保養及合約工程	— (Note 1) (附註1)
Rehabilitation of Underground Fire Hydrant Pipes at Gas Turbine and Stage 3 Areas	燃氣發電機組及第3階段區域地下消防栓管修復工程	20
<b>Building construction and maintenance works</b>		
<b>樓宇建造和保養工程</b>		
New Entrances and Associated Modification Works in Tsuen Wan West	荃灣西站翻新及新建入口工程	80
District Term Contract for Maintenance, Improvement and Vacant Flat Refurbishment for Tai Po, North, Shatin and Sai Kung Region (4) 2017/2019	大埔區、北區、沙田區及西貢區保養、改善及空置單位翻新工程的分區定期合約(4) 二零一七／二零一九年度	— (Note 1) (附註1)
Note 1: No contract sum provided in the contracts due to the nature of the relevant contracts.	附註1: 鑑於相關合約性質，有關的合約並無規定合約金額。	
Note 2: Project with a contract sum of HK\$340 million being undertaken by EXCEL-LANON Joint Venture, an unincorporated company in which 51% interest is attributable to the Group.	附註2: 合約金額為340,000,000港元之項目由並非法團的公司怡益—亮雅合營企業承包，其51%權益由本集團擁有。	

# Management Discussion and Analysis

## 管理層討論及分析

### BUSINESS REVIEW AND FINANCIAL REVIEW

During the year under review, the Group has engaged in two business segments, which are (i) development production and sale of automotive engines (the “Automotive Engines Business”); and (ii) Civil engineering works and building construction and maintenance works (the “Civil Engineering and Construction Business”).

The Group has record a decline both in terms of revenue and profit in 2017. For the year ended 31 December 2017, the Group recorded a consolidated revenue of approximately HK\$2,026.6 million (nine months ended 31 December 2016: approximately HK\$2,145.9 million). Profit for the year attributable to shareholders was approximately HK\$37.7 million (nine months ended 31 December 2016: profit of approximately HK\$90.2 million). The decrease in business performance was mainly due to the changes in the preferential vehicle tax policies and market competition.

Gross profit decreased to approximately HK\$189.0 million (nine months ended 31 December 2016: approximately HK\$217.5 million) with the gross profit ratio at approximately 9.3%. The decrease in gross profit ratio derived from the Automotive Engines Business was the result of decline in sales orders which affected the economy of scale.

Basic and diluted earnings per share for the year ended 31 December 2017 were approximately HK\$18.9 cents and HK\$16.6 cents respectively (nine months ended 31 December 2016: basic and diluted profit per share of approximately HK\$45.1 cents and HK\$27.8 cents).

#### Automotive Engines Business

In 2017, the national economic growth rate remained within a reasonable range, with strong signs showing continued stability and progress in the economy as reflected in steady growth, increased income, and optimized structure. The stability, coordination and sustainability in economic development have been improved. According to the data released by the National Bureau of Statistics, in the first three quarters of 2017, the growth rate of GDP in China rose slightly by 0.2% as compared with that of the same period in 2016, up by 6.9% year-on-year which was better than the full-year economic growth target of 6.5% set in the Report on the Work of the Government. China has been constantly adjusting and optimizing its economic structure, the driver of economic development has been in progressive transformation, and consumption has become the main driving force of economic growth and further supported the economic growth.

### 業務回顧及財務回顧

於回顧年度內，本集團從事兩個業務分部，即(i)發展生產及銷售汽車發動機(「汽車發動機」)；及(ii)土木工程及樓宇建造和保養工程(「土木工程及建造業務」)。

於二零一七年，本集團就收入及溢利而言錄得下降。截至二零一七年十二月三十一日止年度，本集團錄得綜合收入約為2,026,600,000港元(截至二零一六年十二月三十一日止九個月：約2,145,900,000港元)。股東應佔期間溢利約為37,700,000港元(截至二零一六年十二月三十一日止九個月：溢利約為90,200,000港元)。業務成績下滑的主要原因是受購置稅優惠政策變動及市場競爭影響。

毛利減少至約189,000,000港元(截至二零一六年十二月三十一日止九個月：約217,500,000港元)，毛利率約為9.3%。汽車發動機業務之毛利率減少乃受銷售訂單減少而影響銷售經濟所致。

截至二零一七年十二月三十一日止年度，每股基本及攤薄盈利分別約為18.9港仙及16.6港仙(截至二零一六年十二月三十一日止九個月：每股基本及攤薄盈利約為45.1港仙及27.8港仙)。

#### 汽車發動機業務

二零一七年，國民經濟增長率保持在合理區間，穩中向好的態勢趨於明顯，呈現增長平穩、收入增加、結構優化的良好格局；經濟發展的穩定性、協調性和可持續性增強。根據國家統計局公佈的數據顯示，二零一七年前三季度中國GDP同比增長6.9%，比二零一六年同期加快0.2個百分點，優於政府工作報告6.5%的全年經濟增長目標。中國經濟結構正在不斷調整優化，發展動能正有序轉換，消費已成為經濟增長主要推動力，對經濟增長的支撐作用進一步增強。

# Management Discussion and Analysis

## 管理層討論及分析

### BUSINESS REVIEW AND FINANCIAL REVIEW (Continued)

#### Automotive Engines Business (Continued)

Under the influence of the decline in the preferential taxation policy on purchase for cars with displacement of 1.6L or lower, which raised the tax rate from 5% to 7.5% and to 10% in 2018, certain car sales that might have concluded in the first half of 2017 had been brought forward in 2016, leading to a slowdown in the overall sales volume in the first half of 2017. In the second half of the year, although the sale volume of automobiles increased, the overall sales volume of the whole year recorded a certain decline.

The Group aims to produce and distribute high quality products at a competitive price point through extensive research and development to identify innovative solutions to increase cost efficiency and product quality. Through a selective procurement process, the Group sources materials from renowned suppliers who can consistently deliver top notch materials in an efficient and cost-effective manner. As consumers continue to demand higher capacity engines in motor vehicles, the Group is well-positioned to take advantage of a robust growth through both the regular and turbo engines.

During the year ended 31 December 2017, the revenue of the Automotive Engines Business was approximately HK\$1,478.3 million (nine months ended 31 December 2016: approximately HK\$1,770.0 million), represented approximately 72.9% of the total revenue of the Group. Average monthly production decreased approximately 52.8% from 16,177 units per month for the nine months ended 31 December 2016 to 7,636 units per month for the year ended 31 December 2017. Notwithstanding the sale quantities was significantly decreased by approximately 52.8%, the revenue merely decreased by approximately 16.5%, which were mainly attributable to: i) the policy such as the cancellation of the preferential vehicle tax policies; and ii) the change in product mix (i.e. higher proportion of higher-priced models and thus higher average selling price).

Excluding the amortisation of intangible assets amounting to approximately HK\$61.8 million (nine months ended 31 December 2016: approximately HK\$83.6 million), the gross profit margin of the Automotive Engines Business decreased from approximately 16.8% for the nine months ended 31 December 2016 to approximately 15.8% for the year ended 31 December 2017.

### 業務回顧及財務回顧(續)

#### 汽車發動機業務(續)

汽車行業因受1.6L及以下小排量車購置稅優惠幅度減少的影響，從5%提高至7.5%及在2018年調整至10%，2016年汽車行業提前透支部分2017年上半年汽車銷量，導致2017年上半年總體銷量增速出現放緩。下半年汽車量雖有所提升，但全年整體銷量還是錄得一定程度的下降。

本集團致力按具競爭力的價格生產及分銷高質素的產品，透過加大研發力度尋求創新的解決方案，以提高成本效率及產品質量。透過有選擇性的採購程序，本集團從知名供應商採購原材料，該等供應商能夠以高效且具成本效益的方式始終如一地交付高品質的原材料。由於消費者持續需要更大功率的發動機，本集團能夠充分地利用普通發動機及渦輪發動機的強勁增長。

截至二零一七年十二月三十一日止年度，汽車發動機業務的收入約為1,478,300,000港元(截至二零一六年十二月三十一日止九個月：約1,770,000,000港元)，佔本集團總收入的約72.9%。月平均產量乃由截至二零一六年十二月三十一日止九個月的每月16,177台減少約52.8%至截至二零一七年十二月三十一日止年度的每月7,636台。儘管銷售數量大幅減少約52.8%，而收益僅減少約16.5%，其主要由於：i) 乘用車購置稅優惠政策取消；及ii) 產品組合變動(即高價位車型佔比較高，因此平均銷售價格上升)所致。

除無形資產攤銷約61,800,000港元(截至二零一六年十二月三十一日止九個月：約83,600,000港元)外，汽車發動機業務的毛利率乃由截至二零一六年十二月三十一日止九個月的約16.8%減少截至二零一七年十二月三十一日止年度的約15.8%。

# Management Discussion and Analysis

## 管理層討論及分析

### BUSINESS REVIEW AND FINANCIAL REVIEW (Continued)

#### Automotive Engines Business (Continued)

The segment results of the Automotive Engines Business reached approximately HK\$200.4 million (nine months ended 31 December 2016: approximately HK\$275.4 million) excluding the amortisation of intangible assets and deferred tax credit amounting to approximately HK\$61.8 million (nine months ended 31 December 2016: approximately HK\$83.6 million) and approximately HK\$9.3 million (nine months ended 31 December 2016: approximately HK\$12.5 million) respectively, which merely represented an accounting treatment on the acquisition but no cash flow effect to the Group.

Pursuant to the sale and purchase agreement (the “Engines SPA”) dated 12 October 2015, 20 November 2015, 15 January 2016 and 31 December 2017 in relation to the acquisition of the Automotive Engines Business, the vendor has irrevocably warranted and guaranteed to the Company that the audited profit after tax of the Automotive Engines Business shall not be less than the aggregate sum of HK\$170.0 million (the “1st Guaranteed Profit”) and HK\$230.0 million (the “2nd Guaranteed Profit” collectively, the “Total Guaranteed Profit”) for the two years ended 28 February 2017 (the “1st Profit Guaranteed Period”) and 2018 (the “2nd Profit Guaranteed Period”) respectively. During the year ended 31 December 2017, the aggregate sum of the Total Guaranteed Profit were already achieved. Although under the influence of the change of preferential taxation on purchase for cars, driven by the progressively increasing demand and consumer spending on automotive and positive results during the reporting period, the Board is confident of good prospects with healthy and sustainable growth in the Automotive Engines Business and expect the revenue stream of the Group would be further recovered next year.

### 業務回顧及財務回顧(續)

#### 汽車發動機業務(續)

汽車發動機業務的分部業績達約200,400,000港元(截至二零一六年十二月三十一日止九個月:約275,400,000港元),不包括無形資產攤銷及遞延稅款抵免分別約61,800,000港元(截至二零一六年十二月三十一日止九個月:約83,600,000港元)及約9,300,000港元(截至二零一六年十二月三十一日止九個月:約12,500,000港元),此僅代表收購時的會計處理,而未對本集團帶來現金流影響。

根據日期為二零一五年十月十二日、二零一五年十一月二十日、二零一六年一月十五日及二零一七年十二月三十一日有關收購汽車發動機業務之買賣協議(「發動機買賣協議」),賣方已向本公司不可撤回地擔保及保證,於截至二零一七年及二零一八年二月二十八日止兩個年度(分別為「第一期溢利保證期間」及「第二期溢利保證期間」),汽車發動機業務之經審核除稅後溢利總和將分別不少於170,000,000港元(即「第一項保證溢利」)及230,000,000港元(即「第二項保證溢利」)之總和(統稱為「總保證溢利」)。截至二零一七年十二月三十一日止年度,總保證溢利之總和已經實現。雖受購置稅優惠政策變動影響,但在汽車需求逐步上升及消費者支出增加及報告期間正業績的推動下,董事會相信汽車發動機業務將具健康、可持續增長的良好前景,並預期明年本集團的收入來源將回穩。

# Management Discussion and Analysis

## 管理層討論及分析

### BUSINESS REVIEW AND FINANCIAL REVIEW (Continued)

#### Civil Engineering and Construction Business

All of the Group's contracts undertaken for both civil and building construction business were for customers which are independent third parties including certain departments of the Government of Hong Kong, public utilities companies and private organizations in Hong Kong.

During the year ended 31 December 2017, the revenue of Group's civil engineering works and building construction and maintenance works were approximately HK\$548.3 million (nine months ended 31 December 2016: approximately HK\$376.0 million). For the year under review, included in the turnover was: (i) revenue from civil engineering works of approximately HK\$455.8 million (nine months ended 31 December 2016: HK\$357.4 million); and (ii) revenue from building construction and maintenance works of approximately HK\$92.5 million (nine months ended 31 December 2016: approximately HK\$18.6 million).

The overall gross profit margin of this segment was 3.1% for the year ended 31 December 2017 (nine months ended 31 December 2016: 1.0%). As of 31 December 2017, the Group had 18 significant projects in progress. Two of them were building construction and maintenance projects while the remaining were civil engineering construction projects.

As of 31 December 2017, the total contract sum and the total outstanding values of the Group's substantial projects in progress were approximately HK\$2,272.0 million and HK\$491.0 million respectively.

### 業務回顧及財務回顧(續)

#### 土木工程及建造業務

本集團承辦的所有土木工程及樓宇建造業務合約均來自獨立第三方客戶，包括香港政府的若干部門、香港公用事業公司以及私營組織。

截至二零一七年十二月三十一日止年度，本集團來自土木工程及樓宇建造和保養工程的收入約為548,300,000港元(截至二零一六年十二月三十一日止九個月：約376,000,000港元)。於回顧年度內，計入營業額包括：(i)來自土木工程收入約為455,800,000港元(截至二零一六年十二月三十一日止九個月：357,400,000港元)；及(ii)來自樓宇建造和保養工程的收入約為92,500,000港元(截至二零一六年十二月三十一日止九個月：約18,600,000港元)。

該分部於截至二零一七年十二月三十一日止年度的整體毛利率為3.1%(截至二零一六年十二月三十一日止九個月：1.0%)。截至二零一七年十二月三十一日，本集團有18個重大在建項目，其中兩個為樓宇建造和保養項目，其餘為土木工程建造項目。

截至二零一七年十二月三十一日，本集團重大在建項目的合約總金額及未完成工程總價值分別約為2,272,000,000港元及491,000,000港元。

# Management Discussion and Analysis

## 管理層討論及分析

### BUSINESS REVIEW AND FINANCIAL REVIEW (Continued)

#### Civil Engineering and Construction Business (Continued)

During the year ended 31 December 2017, the Group was awarded with the following new substantial contracts:

- Provision of Barrier-free Access Facilities for Highway Structures — Phase 3 Contract 8
- Provision of Barrier-free Access Facilities for Highway Structures — Phase 3 Contract 9
- Term Contract for Provision of Civil Engineering Works for the Telecommunication Networks and Associated Facilities
- Provision of Integrated Field Works for Field Services in NTC region
- Foundation, Site Formation, Road & Drainage for Public Rental Housing Development at Queen's Hill Site 1, Fanling, Phases 1, 2 and 5

### PROSPECT

The first half of 2017 witnessed the slowdown of the growth of China's auto markets. With the dampened influence of the 1.6L policy for passenger vehicles, the market demand was on the gradual rise in the second half of 2017. It is predicted that the rise will follow the trend of going low at first and then high later and maintain the growth rate of 3–5% in the next year. As for commercial vehicles, we hold the optimistic view for the whole year as the governance on the vehicle carrying capacity and size continues to be favourable to market demand.

The Automotive Engines Business became a principal activities of the Group for the year ended 31 December 2017. Although the influence of the policy such as the cancellation of the preferential vehicle tax policies, the sales of automotive engines of the Group experienced decrease to a certain extent during the year. With strong support from the Chinese government, this industry is expected to experience steady and substantial growth over the next five years. The key drivers for future growth include China's substantial domestic demand, particularly in rural regions, government support, and the development of more foreign markets. The Group remains optimistic on the demand of automotive engines and thus stimulating the Automotive Engines Business.

### 業務回顧及財務回顧(續)

#### 土木工程及建造業務(續)

於截至二零一七年十二月三十一日止年度，本集團獲授以下新的重大合約：

- 為道路構築物提供無障礙通道設施 — 第三期第八份合約
- 為道路構築物提供無障礙通道設施 — 第三期第九份合約
- 提供電訊網絡及相關設施之土木工程定期合約
- 提供NTC區域綜合網絡敷設服務
- 粉嶺皇后山一號地盤(第一、第二及第五期)公屋發展計劃的地基、地盤平整、道路及渠務工程

### 前景

二零一七年上半年，中國汽車市場增速放緩。二零一七年下半年，隨著乘用車市場1.6L政策影響的減弱，市場需求將逐步回升，預計明年增幅將出現前低後高的態勢，維持3–5%的增速。商用車方面，由於限超治理持續利好市場需求，我們對全年保持樂觀判斷。

截至二零一七年十二月三十一日止年度，汽車發動機業務近年來已成為本集團的主要業務。過去一年，雖然受到乘用車購置稅優惠政策取消影響，集團汽車發動機銷量出現一定程度的下降。但在中國政府的大力支持下，該產業於未來五年有望實現穩步及顯著增長。未來增長之主要推動因素包括中國的大量國內需求，特別是農村地區、政府支持及國外市場的推動。本集團對汽車發動機的需求增加進而刺激汽車發動機業務保持樂觀態度。



# Management Discussion and Analysis

## 管理層討論及分析

### PROSPECT (Continued)

In the meantime, the Group will continuously focus on research and development to develop automotive engines with high quality and advanced features to enhance market penetration and brand recognition. Also, expanding distribution channels and sourcing other suppliers to provide materials with stable quality and with lower cost are the future goals to enhance competitiveness from the automotive engines market. The Group strives to develop the Automotive Engines Business.

On the other hand, although the operating environment of the construction business is expected to remain tough in the coming years such as continuously rising wages and cost of construction materials and shortage of skilled labour, the Board is confident that the Group would be capable of securing promising business opportunities given its vast experience in handling a wide variety of construction works. The Group will continue to adopt a prudent approach when submitting new tenders. In addition, the Group will make use of its competitive strengths by continuing to improve its quality of service and competitiveness to capitalise on the trend of increasing civil engineering construction works projects in Hong Kong in the coming years to further strengthen the Group's business growth.

Looking ahead, the Group remains optimistic on the business outlook for the years ahead. Through diversification into the automotive industry with the acquisition of the Automotive Engines Business, the Group believes that the additional streams of revenue will strengthen the financial position of the Group. Despite the current competitive market, the Group will continue to deliver quality products at a competitive price point to achieve sustainable long term growth.

### OUTLOOK

In recent years, the construction industry is confronted with fierce market competition due to the challenges such as rising costs and shortage of manpower. As stated in the Financial Budget for the fiscal year from 2018 to 2019, the Hong Kong Special Administrative Region government will continue to devote resources to infrastructure projects. Despite the challenges, the Group remains cautiously optimistic about the construction industry in Hong Kong. Looking forward, the Group will adopt a prudent approach when bidding new construction projects. At the same time, the Group will also continue to control the overall construction costs to maintain its competitiveness.

### 前景(續)

同時，本集團將繼續專注研發，開發優質、性能先進的汽車發動機，以提高市場滲透率及品牌知名度。另外，未來目標之一是拓展分銷渠道及物色其他供應商提供質量可靠且成本較低的材料，以提高在汽車發動機市場中的競爭力。本集團致力發展汽車發動機業務。

另一方面，雖然建造業務不利的經營環境預期將會持續數年，如工資和建造物料成本不斷上升及技術勞工短缺，但鑒於本集團於處理各類建造工程方面擁有豐富經驗，董事會深信本集團能把握蓬勃的商機。本集團於提交新的招標書時會繼續採取審慎策略。此外，本集團會繼續改善其服務質素及競爭力，利用其競爭優勢，以把握於未來數年香港土木工程建造項目上升之趨勢，從而進一步鞏固本集團的業務增長。

展望未來，本集團仍對未來幾年的業務前景保持樂觀態度。透過收購汽車發動機業務於汽車行業的多樣化，本集團相信，額外收入來源將增強本集團的財務狀況。儘管當前市場競爭激烈，本集團將繼續以具競爭力的價格提供優質產品，從而實現可持續長期增長。

### 展望

近年來，由於成本不斷上漲及人力短缺等問題，建造業面臨激烈的市場競爭。在二零一八至二零一九財政年度的財政預算案中，香港特別行政區政府表示將繼續投放資源發展基建工程。儘管存在眾多挑戰，本集團對香港建造業仍持審慎樂觀態度。展望未來，本集團在投標新建築項目時將採取審慎的方針。同時，本集團將繼續控制整體施工成本，以維持競爭力。

# Management Discussion and Analysis

## 管理層討論及分析

### OUTLOOK (Continued)

Looking ahead, the Group remains optimistic on the business outlook for the years ahead. Through diversification into the automotive industry with the acquisition of the Automotive Engines Business, the Group believes that the additional streams of revenue will strengthen the financial position of the Group. Despite the current competitive market, the Group will continue to deliver quality products at a competitive price point to achieve sustainable long term growth.

### DIVIDEND

The Board does not recommend payment of any final dividend for the year ended 31 December 2017 (nine months ended 31 December 2016: Nil).

### CAPITAL STRUCTURE, FINANCIAL RESOURCES, LIQUIDITY AND GEARING

As at 31 December 2017, the Group had cash and cash equivalents of approximately HK\$68.6 million, representing an increase of approximately 175.5% from approximately HK\$24.9 million as at 31 December 2016. The increase was mainly attributable to the combined effect of (i) net cash flows generated from financing activities in respect of the Group's interest-bearing bank and other borrowings; and (ii) net cash inflow from operating activities in respect of the Group's business. The Group had not pledged any bank deposits for the bank loans.

The Group's cash and cash equivalents were denominated in HK\$ and RMB.

As at 31 December 2017, the total assets were approximately HK\$2,509.6 million, representing a decrease of approximately 3.3% from approximately HK\$2,594.8 million as at 31 December 2016. The slight decrease was mainly due to the decrease in accounts and bills receivable which decrease represented at HK\$199.5 million. It is because the revenue of Automotive Engines Business was decreased.

As at 31 December 2017, the total liabilities were approximately HK\$1,806.9 million, representing an decrease of approximately 11.6% from approximately HK\$2,043.4 million as at 31 December 2016. Given the acquisition of the Automotive Engines Business, the Company issued convertible bonds and promissory notes at principal amount of HK\$390.0 million and HK\$410.0 million respectively, as the consideration.

### 展望(續)

展望未來，本集團仍對未來幾年的業務前景保持樂觀態度。透過收購汽車發動機業務於汽車行業的多樣化，本集團相信，額外收入來源將增強本集團的財務狀況。儘管當前市場競爭激烈，本集團將繼續以具競爭力的價格提供優質產品，從而實現長期增長。

### 股息

董事會並不建議支付截至二零一七年十二月三十一日止年度之任何末期股息(截至二零一六年十二月三十一日止九個月：無)。

### 資本結構、財務資源、流動資金及槓桿比率

於二零一七年十二月三十一日，本集團的現金及現金等值物約為68,600,000港元，較於二零一六年十二月三十一日的約24,900,000港元增加約175.5%。增加主要由於(i)有關本集團計息銀行及其他借貸之融資業務產生之現金流量淨額；及(ii)本集團業務的經營活動產生現金流量淨額。本集團並未就銀行貸款抵押任何銀行存款。

本集團之現金及現金等值物以港元及人民幣計值。

於二零一七年十二月三十一日，總資產約為2,509,600,000港元，較於二零一六年十二月三十一日的約2,594,800,000港元減少約3.3%。減少主要由於應收賬款及應收票據減少199,500,000港元所致。有關下降主要歸因於汽車發動機業務的收入有所下降。

於二零一七年十二月三十一日，總負債約為1,806,900,000港元，較於二零一六年十二月三十一日的約2,043,400,000港元減少約11.6%。鑒於收購汽車發動機業務，本公司發行本金額分別為390,000,000港元及410,000,000港元之可換股債券及承兌票據作為代價。

# Management Discussion and Analysis

## 管理層討論及分析

### CAPITAL STRUCTURE, FINANCIAL RESOURCES, LIQUIDITY AND GEARING (Continued)

On 31 December 2017, Future Marvel Limited (the “Purchaser”), Power Expert Global Limited (“Power Expert”, or the “Vendor”) and Ms. Weng Guangmin (the “Guarantor”) entered into a third supplemental agreement (the “3rd Supplemental Agreement”) to make certain amendments to the Engines SPA as set out below:

- i) the maturity date of the convertible bonds and promissory notes shall be extended for 2 years from 4 February 2018 to 4 February 2020;
- ii) the interest rate of the promissory notes shall be adjusted downward from 10% to 8% per annum for the extension period from 5 February 2018 to 4 February 2020 and all accrued and outstanding interest under the promissory notes shall be repaid on the extended maturity date of 4 February 2020; and
- iii) compensation for the 2nd Profit Guarantee Period will be amended (the “2nd PG Amendment”) to the effect that if the aggregate sum of the actual audited consolidated profit after tax of the Automotive Engines Group for the 1st Profit Guarantee Period and the actual audited consolidated profit after tax of the Automotive Engines Group for the 2nd Profit Guarantee Period (collectively the “Total Actual Profit”) is less than the aggregate sum of the 1st Guaranteed Profit and the 2nd Guaranteed Profit (i.e. HK\$400.0 million), the vendor shall compensate (the “2nd Period Compensation”) the Purchaser by 3 times of the amount of shortfall, as calculated according to the following formula: 2nd Period Compensation = (Total Guaranteed Profit — Total Actual Profit) x 3. If the Total Actual Profit is equal to or more than the Total Guaranteed Profit, the vendor and the Purchaser shall procure the escrow agent engaged by the Purchaser to release to the vendor the promissory notes in the principal amount of approximately HK\$235.8 million and the convertible bonds in the principal amount of approximately HK\$224.3 million within 10 business days after the issue of the 2nd auditors’ certificate (or such other day as the vendor and the Purchaser may agree).

### 資本結構、財務資源、流動資金及槓桿比率(續)

於二零一七年十二月三十一日，Future Marvel Limited (「買方」)、巧能環球有限公司(「賣方」或「巧能環球」)及翁光敏女士(「擔保人」)訂立第三份補充買賣協議(「第三份補充協議」)，以對發動機買賣協議作出如下若干修訂：

- i) 可換股債券及承兌票據之到期日由二零一八年二月四日延長兩年至二零二零年二月四日；
- ii) 於延期期間(即二零一八年二月五日至二零二零年二月四日)，承兌票據之利率將由每年10%下調至8%，及承兌票據之所有累計的未還利息將於經延期後的到期日(即二零二零年二月四日)償還；及
- iii) 倘汽車發動機集團於第一期溢利保證期間之除稅後實際經審核綜合溢利及汽車發動機集團於第二期溢利保證期間之實際經審核綜合除稅後溢利之和(合稱為「總實際溢利」)低於第一期保證溢利與第二期保證溢利之和(即400,000,000港元)，第二個溢利保證期間的賠償金額將予以修訂(「第二期溢利保證修訂」)，屆時賣方將向買方賠償差額之三倍數額(「第二期賠償金額」)，該金額乃根據以下公式計算得出：第二期賠償金額 = (總保證溢利 — 總實際溢利) x 3。倘總實際溢利相等於或高於總保證溢利，賣方及買方須促使買方所聘請之託管代理於發出第二份核數師證書後10個營業日內(或賣方與買方可能協定之其他日期)向賣方發放本金額約為235,800,000港元之承兌票據及本金額約為224,300,000港元之可換股債券。

# Management Discussion and Analysis

## 管理層討論及分析

### CAPITAL STRUCTURE, FINANCIAL RESOURCES, LIQUIDITY AND GEARING (Continued)

Further details of which are set out in the Company's announcement dated 31 December 2017 and the Company's circular dated 20 March 2018.

As certain condition precedent in the 3rd Supplemental Agreement have not yet been fulfilled as at 31 December 2017, the convertible bonds were due in 4 February 2018 with non-interest bearing and its carrying amount as at 31 December 2017 was approximately HK\$778.4 million (31 December 2016: approximately HK\$750.5 million) in which approximately HK\$390.7 million was recognised as equity as at 31 December 2016 and HK\$387.7 million was recognised as current liabilities as at 31 December 2017. The promissory notes are interest-bearing of 10.0% per annum the interest rate of the promissory notes shall be 8.0% per annum for the extension period from 5 February 2018 to 4 February 2020 and all accrued and outstanding interest under the promissory notes shall be repaid on the extended maturity date of 4 February 2020; and its carrying amount as at 31 December 2017 was approximately HK\$473.9 million (31 December 2016: approximately HK\$453.9 million). Interest-bearing bank and other borrowings of the Group comprised (1) other loans from independent third parties of HK\$42.5 million (31 December 2016: HK\$20.0 million) with the contractual interest of 5.0% to 12.0% per annum; and (2) bank loans of HK\$3.9 million (31 December 2016: HK\$ Nil) with an interest rate of the Hong Kong Inter-Bank Offered Rate ("HIBOR") plus 2.5% per annum; of which a corporate guarantee was given by the Company on the bank loans. They are repayable within 1 year.

As at 31 December 2017, the Group had banking facilities of HK\$34.0 million (31 December 2016: HK\$30.0 million) which HK\$7.1 million was not utilised and was secured by corporate guarantees.

As at 31 December 2017, the net current assets were approximately HK\$171.3 million, representing a decrease of approximately 55.1% from approximately HK\$381.4 million as at 31 December 2016. The significant decrease in net current assets was attributable to the convertible bonds due in February 2018. And the net assets were approximately HK\$702.6 million, representing an increase of approximately 27.4% from approximately HK\$551.4 million as at 31 December 2016.

### 資本結構、財務資源、流動資金及槓桿比率(續)

有關進一步詳情載於本公司日期為二零一七年十二月三十一日的公告及本公司日期為二零一八年三月二十日的通函。

於二零一七年十二月三十一日，第三份補充協議之若干先決條件尚未達成，可換股債券於二零一八年二月四日到期及不計息，其於二零一七年十二月三十一日之賬面值約為778,400,000港元(二零一六年十二月三十一日：約750,500,000港元)，其中於二零一六年十二月三十一日約390,700,000港元確認為權益及於二零一七年十二月三十一日387,700,000港元確認為流動負債。承兌票據於延期前按年利率10.0%計息，於延期期間(即二零一八年二月五日至二零二零年二月四日)則按利率8.0%計息，及承兌票據之所有累計的未還利息將於經延期後的到期日(即二零二零年二月四日)償還；而其於二零一七年十二月三十一日之賬面值約為473,900,000港元(二零一六年十二月三十一日：約453,900,000港元)。本集團計息銀行及其他借款包括(1)來自獨立第三方之其他貸款42,500,000港元(二零一六年十二月三十一日：20,000,000港元)，合約年利率介乎5.0%至12.0%；以及(2)銀行貸款3,900,000港元(二零一六年十二月三十一日：零港元)，每年按香港銀行同業拆息(「HIBOR」)加2.5%計算利息，本公司就該銀行貸款提供企業擔保。該等借款須於一年內償還。

於二零一七年十二月三十一日，本集團有銀行融資34,000,000港元(二零一六年十二月三十一日：30,000,000港元)，該筆款項中7,100,000港元尚未動用並由企業擔保作出抵押。

於二零一七年十二月三十一日，流動資產淨值約為171,300,000港元，較二零一六年十二月三十一日的約381,400,000港元下降約55.1%。流動資產淨值大幅下降乃由於可換股債券於二零一八年二月到期。資產淨值約為702,600,000港元，較二零一六年十二月三十一日的約551,400,000港元增長約27.4%。

# Management Discussion and Analysis

## 管理層討論及分析

### CAPITAL STRUCTURE, FINANCIAL RESOURCES, LIQUIDITY AND GEARING (Continued)

Current ratio of the Group was maintained at a healthy level at approximately 1.1 as at 31 December 2017 (31 December 2016: approximately 1.3). Current ratio is calculated by dividing current assets by current liabilities.

Gearing ratio is calculated based on the amount of net cash and bank balances (interest-bearing borrowings, liability component of the convertible bonds and promissory notes less cash and cash equivalent) divided by the total equity. As at 31 December 2017, the Group's gearing ratio was therefore approximately 119.5% (31 December 2016: approximately 146.7%).

### CONVERTIBLE BONDS

On 4 February 2016, the Company issued zero coupon convertible bonds with an aggregate principal amount of HK\$390.0 million to Power Expert as part of the consideration for the acquisition of 100% equity interest in Automotive Engines Group in October 2015. The maturity date of the convertible bonds is on the second anniversary of the date of issuance (i.e. 4 February 2018). Pursuant to the 3rd Engines SPA dated 31 December 2017, the maturity date of the convertible bond was extended for 2 years from 4 February 2018 to 4 February 2020. The convertible bonds bear no interest on the principal amount. No security or guarantee is granted in respect of the convertible bonds. The convertible bonds can be converted into 195,000,000 ordinary shares in the Company at the initial conversion price of HK\$2.00 per conversion share (subject to adjustment pursuant to the terms of the convertible bonds). The Company may at any time before the maturity date by written notice redeem the convertible bonds at 100% of the principal amount. Any amount of the convertible bonds which is redeemed by the Company will forthwith be cancelled. At 31 December 2017 and 31 December 2016, no convertible bonds were converted and the outstanding principal amount of the convertible bonds was HK\$390.0 million.

### 資本結構、財務資源、流動資金及槓桿比率(續)

本集團的流動比率於二零一七年十二月三十一日保持健康水平約為1.1(二零一六年三月三十一日：約1.3)。流動比率按流動資產除以流動負債計算。

資產負債比率乃基於現金及銀行結餘淨額(計息借款、可換股債券負債部分及承兌票據減現金及現金等值物)除以權益總額計算。於二零一七年十二月三十一日，本集團的資產負債比率約為119.5%(二零一六年十二月三十一日：約146.7%)。

### 可換股債券

於二零一六年二月四日，本公司向巧能環球發行本金總額為390,000,000港元的零息可換股債券，以作為於二零一五年十月收購汽車發動機集團的100%股權的部分代價。可換股債券的到期日為發行日期的第二個週年(即二零一八年二月四日)。根據日期為二零一七年十二月三十一日之第三份發動機買賣協議，該可換股債券已修訂到期日由二零一八年二月四日延長兩年至二零二零年二月四日。可換股債券的本金額並不計息。概無就可換股債券授出抵押或擔保。可換股債券可按初步換股價每股換股股份2.00港元(有待根據可換股債券的條款調整)兌換為本公司的195,000,000股普通股。本公司可於到期日前隨時透過書面通知按本金額的100%贖回可換股債券。本公司所贖回的任何金額可換股債券將立即被註銷。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，概無可換股債券被兌換，而可換股債券的未償還本金額為390,000,000港元。

# Management Discussion and Analysis

## 管理層討論及分析

### CONVERTIBLE BONDS (Continued)

As at 31 December 2017, the convertible bonds with an aggregate principal amount of HK\$390.0 million were deposited with an escrow agent in favour of the Company as security for the 1st Guaranteed Profit (i.e. HK\$170.0 million for the year ending 28 February 2017) and the 2nd Guaranteed Profit (i.e. HK\$230.0 million for the year ending 28 February 2018). The convertible bonds in the principal amounts of HK\$165,750,000 and HK\$224,250,000 shall be released to Power Expert if the audited consolidated profits after tax of the Automotive Engines Group for the two years ending 28 February 2017 and 2018 are equal to or more than the 1st Guaranteed Profit and the 2nd Guaranteed Profit, respectively, after the issue of the auditors' certificate for each period.

### CONTINGENT LIABILITIES

Detail of the Group's contingent liabilities are set out in note 33 to the financial statements.

### FOREIGN CURRENCY RISK

Most of the Group's assets and liabilities are denominated in HK\$ and RMB, which are the functional currencies of respective group companies. The Group has not entered into any instruments on the foreign exchange exposure. The Group will closely monitor exchange rate movement and will take appropriate activities to reduce the exchange risk.

### EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2017, the Group had approximately 896 employees (31 December 2016: 793) in Hong Kong and the PRC. The Group's remuneration policy is reviewed periodically and determined by reference to market terms, company performance, and individual qualifications and performance. Other staff benefits include bonuses awarded on discretionary basis, mandatory provident fund scheme for Hong Kong employees, state-sponsored retirement plans for PRC employees.

### 可換股債券(續)

於二零一七年十二月三十一日，本金總額達390,000,000港元之可換股債券獲以本公司為受益人存入託管代理，以作為第一項保證溢利(即截至二零一七年二月二十八日止年度為170,000,000港元)及第二項保證溢利(即截至二零一八年二月二十八日止年度為230,000,000港元)之抵押。倘汽車發動機集團於截至二零一七年及二零一八年二月二十八日止兩個年度之經審核綜合除稅後溢利分別相等於或超過第一項保證溢利及第二項保證溢利，則於就各期間發出核數師證明後，本金額達165,750,000港元及224,250,000港元之可換股債券將會發放予巧能環球。

### 或然負債

本集團之或然負債之詳情載於財務報表附註33。

### 外幣風險

本集團大部分的資產及負債以港元及人民幣計算，該等貨幣為相關集團公司的功能貨幣。本集團並無就外匯風險訂立任何工具。本集團將密切監察匯率變化，並將採取適當行動減低匯率風險。

### 僱員及薪酬政策

於二零一七年十二月三十一日，本集團於香港及中國擁有約896名(二零一六年十二月三十一日：793名)員工。本集團定期檢討薪酬政策及參考市場條款、公司表現及個人資歷及表現釐定。其他員工福利包括按酌情基準發放的花紅、強制性公積金計劃(對香港僱員而言)及國家資助退休計劃(對中國僱員而言)。

# Management Discussion and Analysis

## 管理層討論及分析

### GRANT OF SHARE OPTIONS

The purpose of the share option scheme of the Company (the “Share Option Scheme”) is to enable the Company to grant options to selected eligible participants as incentives or rewards for their contribution or potential contribution to the Company. As part of the remuneration package relating to the appointment of Ms. Liu Yan (the “Grantee”) as an executive Director and the chief executive officer of the Company, options were granted to the Grantee on 22 December 2016 to subscribe up to 2,000,000 shares of the Company (the “Options”) at a subscription price of HK\$8.12 per share of the Company with a validity period of 3 years. During the option period, the Options may be exercised by the Grantee at any time or times. Ms. Liu has resigned as the chief executive officer of the Company and an executive Director with effect from 1 March 2017 due to other business engagement which requires more of her attention and dedication. According to the Share Option Scheme, the Options automatically lapsed on the date of Ms. Liu ceased to be an eligible participant by reason of voluntary resignation of her directorship.

### CHANGE OF COMPANY NAME

Subsequent to the passing of a special resolution in relation to the change of company name by the shareholders of the Company (the “Shareholders”) at the extraordinary general meeting of the Company held on 16 January 2017, the Certificate of Incorporation on Change of Name of the Company was issued by the Registrar of Companies in the Cayman Islands regarding the change of the English and Chinese names of the Company to “Bisu Technology Group International Limited” and “比速科技集團國際有限公司” respectively, with effect from 16 January 2017. The Certificate of Registration of Alteration of Name of Registered Non-Hong Kong Company was issued by the Registrar of Companies in Hong Kong on 2 February 2017 confirming the registration of the new English and Chinese names of the Company in Hong Kong under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the “Completion of Change of Company Name”). Further details of the Completion of Change of Company Name are set out in the Company’s announcements dated 16 January 2017 and 6 February 2017.

### 授出購股權

本公司購股權計劃(「購股權計劃」)之目的為讓本公司向獲選合資格參與者授出購股權，以作為就彼等對本公司所作出之貢獻或潛在貢獻之激勵或獎勵。作為委任劉妍女士(「授讓方」)為本公司執行董事兼行政總裁之薪酬待遇之一部分，於二零一六年十二月二十二日授予授讓方可以認購價每股8.12港元認購本公司最多2,000,000股股份的購股權(「購股權」)，有效期為三年。於購股權期間，授讓方可隨時行使購股權。劉女士由於有其他公務須投入更多時間及精力，已辭任本公司行政總裁及執行董事職務，自二零一七年三月一日起生效。根據購股權計劃，購股權已於劉女士因自願辭任董事職務而不再為合資格參與者當日自動失效。

### 更換公司名稱

本公司股東(「股東」)於本公司於二零一七年一月十六日舉行之股東特別大會上通過有關更改公司名稱之特別決議案後，開曼群島公司註冊處處長已就本公司自二零一七年一月十六日起將其中文名稱及英文名稱分別更改為「Bisu Technology Group International Limited」及「比速科技集團國際有限公司」發出更改公司名稱註冊證書。香港公司註冊處處長已於二零一七年二月二日發出註冊非香港公司變更名稱註冊證明書，確認本公司之新中英文名稱已根據香港法例第622章公司條例第16部於香港註冊(「完成更換公司名稱」)。有關完成更換公司名稱之進一步詳情載於本公司日期為二零一七年一月十六日及二零一七年二月六日之公告。

# Management Discussion and Analysis

## 管理層討論及分析

### CHANGE OF FINANCIAL YEAR END DATE

Pursuant to the resolution of the Board dated 30 December 2016, the Group's financial year end date has been changed from 31 March to 31 December. The change is to align the financial year end date of the Company with those of the principal subsidiaries in the Automotive Engines Business in order to facilitate the preparation of the consolidated financial statements of the Group and for the benefit of the overall development of the Group in the long run.

### CHANGE OF DIRECTORS AND COMMITTEE MEMBER

With effect from 1 March 2017, Mr. Lo Kin Ching Joseph has been appointed as the chairman of the Board (the "Chairman") and an executive Director and the chairman of the nomination committee of the Company (the "Nomination Committee") (the "Appointment"). Ms. Liu Yan has resigned as the chief executive officer of the Company and an executive Director with effect from 1 March 2017 due to other business engagement which requires more of her attention and dedication (the "Resignation"). Mr. Wong Hin Shek has ceased to be the Chairman and the chairman of the Nomination Committee, but has been appointed as the chief executive officer of the Company and remains to be an executive Director and a member of the Nomination Committee all with effect from 1 March 2017 (the "Re-designation"). Further details of the Appointment, the Resignation and the Redesignation are set out in the Company's announcement dated 1 March 2017.

### NO MATERIAL CHANGE

There has been no material change in the Group's financial position or business since the publication of the latest annual report of the Company for the nine months ended 31 December 2016.

### 更改財政年度結算日

根據本公司日期為二零一六年十二月三十日的董事會決議案，本集團的財政年度結算日由三月三十一日更改為十二月三十一日。有關更改為使本公司之財政年度結算日與汽車引擎業務主要附屬公司的財政年度結算日一致，以便於促進本集團對綜合財務報表的編製，將有利於本集團整體的長遠發展。

### 董事及委員會成員變更

於二零一七年三月一日，勞建青先生已獲委任為本公司董事會主席（「主席」）及執行董事兼提名委員會（「提名委員會」）主席（「委任」）；劉妍女士由於需要投入更多時間及精力於其他公務，已辭任本公司行政總裁及執行董事職務，自二零一七年三月一日起生效（「辭任」）；王顯碩先生已停止擔任主席及提名委員會主席，但獲委任為本公司行政總裁且仍為執行董事及提名委員會委員，均自二零一七年三月一日起生效（「調任」）。有關委任、辭任及調任的進一步詳情載於本公司日期為二零一七年三月一日的公告。

### 無重大變化

自刊發本公司截至二零一六年十二月三十一日止九個月最新年度報告以來，本集團財務狀況或業務概無重大變動。



# Biographical Details of Directors and Senior Management

## 董事及高級管理層履歷

### DIRECTORS

#### Executive Directors

**Mr. Lo Kin Ching Joseph**, aged 61, was appointed as an executive Director and the chairman of the Board on 1 March 2017. Mr. Lo is also the chairman of the nomination committee of the Company. Mr. Lo is a chartered certified accountant, fellow of the Association of Chartered Certified Accountants, UK, a certified public accountant, fellow member of the Hong Kong Institute of Certified Public Accountants. He is a fellow of the Hong Kong Polytechnic University.

Mr. Lo had worked with Deloitte for 36 years of which as a Partner for 28 years. He was the Chairman of Deloitte China and Hong Kong. He has 40 years of professional experience in providing auditing, financial advisory, restructuring, insolvency, mergers & acquisitions and initial public offering services.

Mr. Lo has a number of public appointments. He is member of the Court of the Hong Kong Polytechnic University, member of the Standing Commission on Civil Service Salaries and Conditions of Service, Hong Kong; member of the Hospital Governing Committee of Queen Mary Hospital and Tsan Yuk Hospital, Hong Kong; member of the Committee of Overseers of Wu Yee Sun College, the Chinese University of Hong Kong; member of the Board of Governors of Chu Hai College of Higher Education, Hong Kong; committee member of the Hong Kong Arts Development Council Fund; Director of Hong Kong Design Centre Ltd., member of 10th and 11th of Hebei Provincial Committee of the Chinese People's Political Consultative Conference (CPPCC).

### 董事

#### 執行董事

**勞建青先生**，61歲，於二零一七年三月一日獲任命為執行董事及董事會主席。勞先生亦為本公司提名委員會主席。勞先生為一名特許公認會計師(英國特許公認會計師公會資深會員)及執業會計師(香港會計師公會資深會員)。彼為香港理工大學之院士。

勞先生於德勤服務36年，其中28年為合夥人。彼曾擔任中國及香港德勤的主席。彼於提供審計、財務諮詢、重組、破產、併購及首次公開發售服務擁有40年專業經驗。

勞先生身兼多項公職。彼為香港理工大學顧問委員會委員、香港公務員薪俸及服務條件常務委員會委員、香港瑪麗醫院及贊育醫院管治委員會成員、香港中文大學伍宜孫書院院監會委員、香港珠海學院校董、香港藝術發展局基金委員、香港設計中心有限公司董事、第十屆及第十一屆中國人民政治協商會議(政協)河北省委員。

# Biographical Details of Directors and Senior Management

## 董事及高級管理層履歷

### DIRECTORS (Continued)

#### Executive Directors (Continued)

**Mr. Wong Hin Shek**, aged 48, was appointed as an executive Director and the chief executive officer of the Company on 20 July 2015 and 1 March 2017 respectively. Mr. Wong is also a member of the nomination committee of the Company. He obtained a Bachelor of Commerce degree from the University of Toronto in Canada and a Master of Science degree in Financial Management from University of London in the United Kingdom. Mr. Wong has over 23 years of experience in the investment banking industry. He has been involved in the management, business development and strategic investment of Hong Kong listed companies, which engage in the businesses of environmental protection, hotel, manufacturing industries and software. Mr. Wong is the responsible officer of Veda Capital Limited, a licensed corporation which carries out Type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance (the "SFO"). He is currently the chairman and an executive director of DeTai New Energy Group Limited (stock code: 559) and a non-executive director of Sino Golf Holdings Limited (stock code: 361). The shares of these companies are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Mr. Wong is also currently an executive director of GET Holdings Limited (stock code: 8100), whose shares are listed on the GEM of the Stock Exchange. He was an executive director of Dongwu Cement International Limited (stock code: 695) from November 2016 to August 2017. The shares of this company is listed on the Main Board of the Stock Exchange.

**Mr. Xing Bin**, aged 29, was appointed as an executive Director on 11 September 2015. Mr. Xing holds a Bachelor's Degree of Business Administration in Accounting from Peking University. Mr. Xing has over 6 years of solid experiences in the field of finance from his past work experiences.

### 董事(續)

#### 執行董事(續)

**王顯碩先生**，48歲，於二零一五年七月二十日及二零一七年三月一日分別獲任命為本公司執行董事及行政總裁。王先生亦為本公司提名委員會會員。彼持有加拿大多倫多大學頒授之商業學士學位及英國倫敦大學頒授之財務管理理學碩士學位。王先生於投資銀行業擁有逾23年經驗。彼參與營運環保、酒店、製造行業及軟件業務之香港上市公司之管理、業務發展及策略性投資工作。王先生為智略資本有限公司之負責人員，該公司為根據《證券及期貨條例》（「證券及期貨條例」）從事第6類（就機構融資提供意見）受規管活動之持牌法團。彼現時為德泰新能源集團有限公司（股份代號：559）之主席兼執行董事及順龍控股有限公司（股份代號：361）之非執行董事。該等公司之股份均於香港聯合交易所有限公司（「聯交所」）主板上市。王先生現時亦為智易控股有限公司（股份代號：8100）之執行董事，該公司之股份於聯交所GEM上市。彼曾於二零一六年十一月至二零一七年八月擔任東吳水泥國際有限公司（股份代號：695）之執行董事。該公司之股份於聯交所主板上市。

**邢濱先生**，29歲，於二零一五年九月十一日獲任命為執行董事。邢先生持有北京大學會計學工商管理學士學位。邢先生過去於金融領域累積逾六年的扎實經驗。

# Biographical Details of Directors and Senior Management

## 董事及高級管理層履歷

### DIRECTORS (Continued)

#### Independent Non-executive Directors

**Ms. Chu Yin Yin, Georgiana**, aged 47, was appointed as an independent non-executive Director on 20 July 2015. Ms. Chu is also a member of each of the audit committee, the remuneration committee and the nomination committee of the Company. She obtained a Bachelor of Business Administration Degree in Accountancy from The University of Hong Kong and a Master of Corporate Governance Degree from The Hong Kong Polytechnic University. Ms. Chu is a fellow member of the Hong Kong Institute of Certified Public Accountants, the Association of the Chartered Certified Accountants and the Institute of Chartered Accountants in England and Wales. Ms. Chu is also a fellow member of both the Institute of Chartered Secretaries and Administrators and the Hong Kong Institute of Company Secretaries. Prior to joining the Company, she has over 16 years' extensive experience by working in an international audit firm and other listed companies. Ms. Chu is currently an executive director of China Water Industry Group Limited (stock code: 1129) and an independent non-executive director of Sino Golf Holdings Limited (stock code: 361). The shares of these companies are listed on the Main Board of the Stock Exchange.

**Mr. Yip Tai Him**, aged 47, was appointed as an independent non-executive Director on 20 July 2015. Mr. Yip is also the chairman of the remuneration committee of the Company, a member of each of the audit committee and the nomination committee of the Company. He has been a practising accountant in Hong Kong since 1999. Mr. Yip is a fellow member of the Association of Chartered Certified Accountants in the United Kingdom and the Institute of Chartered Accountants in England and Wales. He has over 20 years of experience in accounting, auditing and financial management. Mr. Yip is currently an independent non-executive director of each of Shentong Robot Education Group Company Limited (stock code: 8206), GCL-Poly Energy Holdings Limited (stock code: 3800), Redco Properties Group Limited (stock code: 1622), Sino Golf Holdings Limited (stock code: 361) and Epicurean and Company, Limited (stock code: 8213). The shares of these companies are listed on the Main Board or the Growth Enterprise Market (the "GEM") of the Stock Exchange. Mr. Yip was an independent non-executive director of each of Vinco Financial Group Limited (stock code: 8340) from May 2008 to August 2016, Lajin Entertainment Network Group Limited (previously known as China Media and Films Holdings Limited) (stock code: 8172) from December 2008 to April 2015. The shares of these companies are listed on the GEM of the Stock Exchange.

### 董事(續)

#### 獨立非執行董事

**朱燕燕女士**，47歲，於二零一五年七月二十日獲任命為獨立非執行董事。朱女士亦為本公司之審核委員會、薪酬委員會及提名委員會各自之成員。彼持有香港大學會計學工商管理學士學位及香港理工大學企業管治碩士學位。朱女士為香港會計師公會、英國特許公認會計師公會及英格蘭及威爾士特許會計師之資深會員。朱女士亦為英國特許秘書及行政人員公會以及香港特許秘書公會之資深會員。加入本公司前，彼曾於一家國際執業會計師行及其他上市公司工作，累積逾16年豐富工作經驗。朱女士目前為中國水業集團有限公司(股份代號：1129)之執行董事及順龍控股有限公司(股份代號：361)之獨立非執行董事。該等公司股份於聯交所主板上市。

**葉棟謙先生**，47歲，於二零一五年七月二十日獲任命為獨立非執行董事。葉先生亦為本公司薪酬委員會主席、以及本公司審核委員會及提名委員會各自之成員。自一九九九年彼為香港執業會計師。葉先生為英國特許會計師公會以及英格蘭及威爾士特許會計師公會資深會員。彼在會計、核數及財務管理方面擁有逾20年經驗。葉先生現為神通機器人教育集團有限公司(股份代號：8206)、保利協鑫能源控股有限公司(股份代號：3800)、力高地產集團有限公司(股份代號：1622)、順龍控股有限公司(股份代號：361)及惟膳有限公司(股份代號：8213)各自的獨立非執行董事。該等公司的股份均在聯交所主板或GEM(「GEM」)上市。葉先生自二零零八年五月至二零一六年八月擔任域高金融集團有限公司(股份代號：8340)獨立非執行董事、自二零零八年十二月至二零一五年四月擔任拉近網娛集團有限公司(前稱中國傳媒影視控股有限公司)(股份代號：8172)獨立非執行董事。該等公司股份均於聯交所GEM上市。

# Biographical Details of Directors and Senior Management

## 董事及高級管理層履歷

### DIRECTORS (Continued)

#### Independent Non-executive Directors (Continued)

**Mr. Chan Kai Wing**, aged 57, was appointed as an independent non-executive Director on 20 July 2015. Mr. Chan is also the chairman of the audit committee of the Company, a member of each of the remuneration committee and the nomination committee of the Company. He obtained a Bachelor's Degree in Economics from Macquarie University in Sydney, Australia in April 1986. Mr. Chan is a fellow member of CPA Australia. Mr. Chan is currently the managing director and founder of Mandarin Capital Enterprise Limited, a company specialised in the provision of financial advisory services in the area of accounting, merger and acquisition and corporate restructuring for both listed and private companies in Hong Kong and the People's Republic of China, whose clients include companies in the real estate development industry and dairy industry etc. He is currently an independent non-executive director of each of China Conch Venture Holdings Limited (stock code: 586), China Assurance Finance Group Limited (stock code: 8090), Sino Golf Holdings Limited (stock code: 361) and Nanfang Communication Holdings Limited (stock code: 1617). The shares of these companies are listed on the Main Board or GEM of the Stock Exchange. Mr. Chan worked in the audit department of Ernst & Young in Hong Kong from 1988 to 1991. He was also a director and the financial controller of Shenzhen China Bicycle Company (Holdings) Limited, a listed company in the People's Republic of China from 1991 to 1999.

### 董事(續)

#### 獨立非執行董事(續)

**陳繼榮先生**，57歲，於二零一五年七月二十日獲任命為獨立非執行董事。陳先生亦為本公司審核委員會主席、以及本公司薪酬委員會及提名委員會各自之成員。彼於一九八六年四月於澳洲悉尼麥覺理大學獲得經濟學學士學位。陳先生為澳洲會計師公會之資深會員。陳先生現為文華資本企業有限公司之董事總經理及始創人，該公司專門從事為香港及中華人民共和國之上市及私營公司提供會計、併購及企業重組方面之財務顧問服務，其客戶包括房地產行業及乳製品行業之公司。彼目前為中國海螺創業控股有限公司(股份代號：586)、中國融保金融集團有限公司(股份代號：8090)、順龍控股有限公司(股份代號：361)及南方通信控股有限公司(股份代號：1617)各自之獨立非執行董事，該等公司股份均於聯交所主板或GEM上市。陳先生曾於一九八八年至一九九一年任職於香港安永會計師事務所審計部。彼亦曾於一九九一年至一九九九年於深圳中華自行車(集團)股份有限公司(一間於中華人民共和國上市之公司)擔任董事及財務總監。

# Biographical Details of Directors and Senior Management

## 董事及高級管理層履歷

### SENIOR MANAGEMENT

**Ms. Wong Po Ling, Pauline**, aged 40, was appointed as the Company Secretary on 10 August 2015. She obtained a bachelor's degree in accountancy and a master degree in corporate governance from The Hong Kong Polytechnic University. She is a fellow member of the Hong Kong Institute of Certified Public Accountants and an associate member the Institute of Chartered Accountants in England and Wales. She is also a member of the Institute of Chartered Secretaries and Administrator, the Hong Kong Institute of Chartered Secretaries and the Taxation Institute of Hong Kong. Ms. Wong has over 15 years of experience in financial management, mergers and acquisitions and corporate governance matters.

**Mr. Lee Yan Fai**, aged 33, was appointed as Financial Controller on 20 August 2015. He obtained a bachelor degree in accounting. He is a practicing member of Hong Kong Institute of Certified Public Accountants and a member of Hong Kong Securities and Investment Institute. Mr. Lee has 10 years of solid experiences in the area of accounting, merger and acquisition and initial public offering for both listed and private companies in Hong Kong and the PRC by working in international audit firms and other listed company prior to joining the Company.

**Mr. Lai Kon Ting**, aged 38, is the Contracts Manager of our Group, responsible for implementation of works and the overall management of contracts. Mr. Lai obtained a Bachelor Degree in Civil and Structural Engineering in November 2001 from the Hong Kong University of Science and Technology and Degree of Master of Science in Engineering (Infrastructure Project Management) from The University of Hong Kong in November 2014. He is a Chartered Engineer of Engineering Council, United Kingdom and a corporate member of the Institution of Civil Engineers and the HKIE as well as a Registered Professional Engineer (Civil). He has over 10 years of experience in the construction of roads and utilities works, landslip prevention, waterworks and building works. He is also a Tutor for Excel in the HKIE Engineering Graduate Training (Scheme A) for graduate engineers.

### 高級管理層

**王寶玲女士**，40歲，於二零一五年八月十日獲委任為公司秘書。彼獲頒香港理工大學會計學學士學位及企業管治碩士學位。彼為香港會計師公會之資深會員及英格蘭及威爾士特許會計師公會之會員。彼亦為特許秘書及行政人員公會、香港特許秘書公會及香港稅務學會會員。王女士在財務管理、併購及企業管治事宜方面積累逾15年經驗。

**李恩輝先生**，33歲，於二零一五年八月二十日獲委任為財務總監。彼獲頒會計學學士學位。彼為香港會計師公會執業會計師及香港證券及投資學會會員。李先生於加盟本公司前曾任職於國際會計師行及其他上市公司，在香港及中國上市公司及私營公司之會計、併購及首次公開發售領域積累10年扎實經驗。

**黎幹廷先生**，38歲，為本集團的合約經理，負責工程實施及合約的整體管理。黎先生於二零零一年十一月取得香港科技大學土木及結構工程學士學位，並於二零一四年十一月取得香港大學工學碩士(基建項目管理)學位。彼為英國工程理事會特許工程師、土木工程師學會及香港工程師學會正式會員，亦為註冊專業工程師(土木)。彼於建造業，包括道路及公用設施工程、滑坡防治、水務工程及樓宇建造工程等領域積累逾10年經驗。彼亦為怡益的香港工程師學會為栽培見習工程師而推出的工程畢業生訓練計劃(A類)的導師。

# Biographical Details of Directors and Senior Management

## 董事及高級管理層履歷

### SENIOR MANAGEMENT (Continued)

**Mr. Wong Kin Sang**, aged 38, is the Project Manager of our Group, responsible for all activities on site to ensure the efficient running of a project and effective use of resources. Mr. Wong obtained a Bachelor Degree in Civil and Structural Engineering in November 2002 from the Hong Kong University of Science and Technology. He is a corporate member of the HKIE. He has over 10 years of experience in the construction of waterworks, roads and utilities works, landslip prevention and building works. He is also a Tutor for Excel in the HKIE Engineering Graduate Training (Scheme A) for graduate engineers.

**Mr. Wong Kin Yan**, aged 48, is the Environmental and Quality Manager of our Group, responsible for the implementation and maintenance of our Group's environmental and quality management systems. Mr. Wong obtained a Bachelor Degree in Applied Science in December 1994 from Hong Kong Baptist University. He is a Chartered Environmentalist and a corporate member of the Society of Environmental Engineers. He has over 15 years of experience in the environmental and quality management in the construction field. He is the Management Representative of Excel's ISO 9001 Quality Management System and ISO 14001 Environmental Management System.

### 高級管理層(續)

**黃健生先生**，38歲，為本集團的項目經理，負責工地的所有活動，以確保項目的有效運行及資源的有效利用。黃先生於二零零二年十一月取得香港科技大學土木及結構工程學士學位。彼為香港工程師學會正式會員。彼於建造業，包括水務工程、道路及公用設施工程、滑坡防治及樓宇建造工程等領域積累逾10年經驗。彼亦為怡益的香港工程師學會為栽培見習工程師而推出的工程畢業生訓練計劃(A類)的導師。

**王建殷先生**，48歲，為本集團的環境和質量經理，負責實施及維繫本集團的環境及品質管理體系。王先生於一九九四年十二月取得香港浸會大學應用科學系學士學位。彼為英國特許環境師及英國環境工程師學會正式會員。彼於建築業的環境及品質管理領域擁有逾15年經驗。彼為怡益的ISO 9001品質管理系統及ISO 14001環境管理系統的管理層代表。

# Corporate Governance Report

## 企業管治報告

### CORPORATE GOVERNANCE PRACTICES

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of Shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the “CG Code”) contained in Appendix 14 to the Rules Governing the Listing of Securities (the “Listing Rules”) on the Stock Exchange since 11 December 2013, the date on which dealings in its shares (the “Shares”) first commence on the Stock Exchange.

For the year ended 31 December 2017, the Company has complied with the code provisions set out in the CG Code with the following exception:

Code provision A.4.1 of the CG Code requires that non-executive directors should be appointed for a specific term, subject to re-election. The independent non-executive Directors have not been appointed for any specific terms as they are subject to retirement by rotation and re-election at the Company’s annual general meeting in accordance with the Company’s articles of association.

The Company regularly reviews its corporate governance practices to ensure they comply with the CG Code and align with the latest developments.

### THE BOARD

#### Responsibilities of the Board

The Board is responsible for the overall leadership of the Group, oversees the strategic decisions and monitors business and performance of the Group. The Board has delegated the authority and responsibility for day-to-day management and operation of the Group to the senior management of the Group. Approval has to be obtained from the Board prior to any significant transactions entered into by the management. To oversee particular aspects of the Company’s affairs, the Board has established three Board committees including the audit committee (the “Audit Committee”), the remuneration committee (the “Remuneration Committee”) and the nomination committee (the “Nomination Committee”) (together, the “Board Committees”). The Board has delegated to the Board Committees responsibilities as set out in their respective terms of reference.

### 企業管治常規

本集團致力維持高水平的企業管治，以保障股東權益及提升企業價值及問責性。本公司自二零一三年十二月十一日(其股份(「股份」)首次開始於聯交所買賣日期)起已採納聯交所證券上市規則(「上市規則」)附錄14所載企業管治守則(「企業管治守則」)。

於截至二零一七年十二月三十一日止年度，本公司已遵守企業管治守則所載守則條文，惟以下除外：

企業管治守則守則條文第A.4.1條規定非執行董事應有特定任期並應接受重選。獨立非執行董事均並無特定任期，由於彼等須根據本公司組織章程細則在本公司股東週年大會上輪值告退及膺選連任。

本公司定期審議其企業管治常規，以確保已遵守企業管治守則及緊貼企業管治最新發展。

### 董事會

#### 董事會的責任

董事會負責本集團的整體領導，並監察本集團的策略性決定以及監察業務及表現。董事會已向本集團的高級管理層授出本集團日常管理及營運的權力及責任。管理層訂立任何重大交易前須取得董事會批准。為監察本公司事務的特定範疇，董事會已成立三個董事委員會，包括審核委員會(「審核委員會」)、薪酬委員會(「薪酬委員會」)及提名委員會(「提名委員會」)(統稱「董事委員會」)。董事會已向該等董事委員會授出各職權範圍所載的責任。

All Directors shall ensure that they carry out duties in good faith, in compliance with applicable laws and regulations, and in the interests of the Company and the Shareholders at all times.

### Board Composition

As at 31 December 2017, the Board is composed of six Directors, including three executive Directors and three independent non-executive Directors. The biographical details of the Directors are set out in the section headed “Biographical Details of Directors and Senior Management” on pages 24 to 29 of this annual report.

For the year ended 31 December 2017, the Board at all times met the requirements of the Rules 3.10(1) and 3.10(2) of the Listing Rules relating to the appointment of at least three independent non-executive Directors with at least one independent non-executive Director possessing appropriate professional qualifications or accounting or related financial management expertise.

The Company has also complied with Rule 3.10A of the Listing Rules relating to the appointment of independent non-executive Directors representing at least one-third of the Board.

The Board has assessed the independence of all the independent non-executive Directors. Having considered the guidelines as set out in Rule 3.13 of the Listing Rules, the Board considers all of them to be independent having regard to (i) their annual confirmation on independence as required under the Listing Rules; (ii) the absence of involvement in the daily management of the Company; (iii) the absence of any relationships or circumstances which would interfere with the exercise of their independent judgment; and (iv) the absence of remuneration from the Company other than the directors’ fee.

All Directors, including independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning. All Directors have separate and independent access to the advices and services of the senior management and the company secretary with a view to ensuring that board procedures, and all applicable rules and regulations, are followed. When needed and upon making request to the Board, the independent non-executive Directors may obtain independent professional advice at the Company’s expense in carrying out their duties.

全體董事須確保彼等本著真誠、遵守適用法律及法規，及於所有時間符合本公司及股東利益的方式履行職責。

### 董事會組成

於二零一七年十二月三十一日，董事會由六名董事組成，包括三名執行董事及三名獨立非執行董事。董事之履歷詳情載列於本年報第24至29頁「董事及高級管理層履歷」一節。

截至二零一七年十二月三十一日止年度，董事會在任何時間均遵守上市規則第3.10(1)及3.10(2)條有關委任至少三名獨立非執行董事（其中至少一名獨立非執行董事須擁有適當的專業資格或會計或相關財務管理專業知識）的規定。

本公司亦已遵守上市規則第3.10A條有關委任相當於至少董事會成員三分之一的獨立非執行董事的規定。

董事會已評估所有獨立非執行董事之獨立性。經考慮上市規則第3.13條所載的指引，鑒於彼等(i)根據上市規則要求遞交的獨立性的年度確認書；(ii)並無參與本公司日常管理；(iii)無任何關係或情況對其行使獨立判斷構成干預；及(iv)除董事袍金外本公司並無支付其他酬金，董事會認為本公司所有獨立非執行董事均屬獨立。

全體董事（包括獨立非執行董事）均為董事會帶來各種不同的寶貴營商經驗、知識及專業，使其可具效率及有效履行董事會的職能。為確保董事會程序及所有適用規則及規例均獲得遵守，所有董事皆有自行及獨立接觸高級管理層及公司秘書的途徑，以獲得彼等的意見和服務。在履行職責時，獨立非執行董事可按需要向董事會提出要求，以取得獨立專業意見，相關費用由本公司承擔。



# Corporate Governance Report

## 企業管治報告

Saved as disclosed in the “Biographical Details of Directors and Senior Management” section of this annual report, there are no relationships (including financial, business, family or other material or relevant relationships) among members of the Board.

### Chairman and Chief Executive Officer

Mr. Wong Hin Shek started to act as the Chairman from 10 August 2015. Since then, the Company did not have any officer with the title of Chief Executive Officer up to 22 December 2016. The overall responsibility of supervising and ensuring that the Group functions in line with the order of the Board in terms of day-to-day operations and execution is vested in the Board itself. Ms. Liu Yan (“Ms. Liu”) was appointed as the Chief Executive Officer as well as an executive Director on 22 December 2016. Subsequently, Ms. Liu has resigned as the Chief Executive Officer and an executive Director with effect from 1 March 2017 due to other business engagement which requires more of her attention and dedication. Mr. Wong Hin Shek has been appointed as the Chief Executive Officer and Mr. Lo Kin Ching Joseph has been appointed as the Chairman both with effect from 1 March 2017. The roles and division of responsibilities between the Chairman and the Chief Executive Officer have been clearly established.

During the year ended 31 December 2017, the Chairman has met with the independent non-executive Directors without the executive Directors present.

### Directors’ Training and Continuous Professional Development

Every Director keeps abreast of responsibilities as a director of the Company and of the conduct, business activities and development of the Company. The Company continuously updates the Directors on the Group’s businesses and the latest developments regarding the Listing Rules and other applicable regulatory requirements, to ensure compliance and enhance their awareness of good corporate governance practices.

According to the Code Provision A.6.5 of the CG Code, all Directors should participate in continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the board remains informed and relevant.

除本年報「董事及高級管理層履歷」一節所披露者外，董事會成員之間並無關係(包括財務、業務、家族或其他重要或相關關係)。

### 主席與行政總裁

王顯碩先生自二零一五年八月十日起開始擔任主席，自此，本公司並無任何高級職員具有行政總裁職銜直至二零一六年十二月二十二日。就日常營運及執行而言，監督及確保本集團職能與董事會指令貫徹一致的整體職責歸屬於董事會本身。劉妍女士(「劉女士」)於二零一六年十二月二十二日獲委任為行政總裁兼執行董事。隨後，劉女士由於有其他公務須投入更多時間及精力，已辭任行政總裁及執行董事職務，自二零一七年三月一日起生效。王顯碩先生已獲委任為行政總裁及勞建青先生獲委任為主席，自二零一七年三月一日起生效。主席及行政總裁之間的角色及職責分工已清晰界定。

於截至二零一七年十二月三十一日止年度，主席曾於執行董事不在場情況下與獨立非執行董事會面。

### 董事培訓及持續專業發展

每位董事均會時常更新有關本公司董事責任，以及本公司的經營、業務活動及動向的資料。本公司持續向董事提供有關本集團業務及就上市規則及其他適用監管規定之最新發展之資料，以確保董事遵守妥善之企業管治常規及提升彼等對該方面之意識。

企業管治守則之守則條文第A.6.5條，規定全體董事須參與持續專業發展，以拓展及更新其知識和技能，從而確保其知情並對董事會作出相應的貢獻。

# Corporate Governance Report

## 企業管治報告

The Company has requested from each director and maintained their records of training received during the year ended 31 December 2017.

本公司已要求各董事提供並已保存彼等於截至二零一七年十二月三十一日止年度進行培訓之記錄。

During the year ended 31 December 2017, all Directors pursued continuous professional development and relevant details are set out below:

於截至二零一七年十二月三十一日止年度，所有董事皆有參與持續專業發展，茲將相關資料列述如下：

Name of Director 董事姓名		Types of training 培訓類別
<b>Executive Directors</b>		
Mr. Lo Kin Ching Joseph ( <i>Chairman of the Board</i> )	<b>執行董事</b> 勞建青先生(董事會主席)	A, B
Mr. Wong Hin Shek ( <i>Chief Executive Officer</i> )	王顯碩先生(行政總裁)	A, B
Mr. Xing Bin	邢濱先生	B
<b>Independent Non-executive Directors</b>		
Ms. Chu Yin Yin Georgiana	<b>獨立非執行董事</b> 朱燕燕女士	A, B
Mr. Yip Tai Him	葉棣謙先生	B
Mr. Chan Kai Wing	陳繼榮先生	A, B

Remarks:

註解：

A — Attending seminars/conferences/forums

A — 出席研討會／會議／論壇

B — Reading journals/updates/articles/materials

B — 閱讀期刊／最新資訊／文章／資料

# Corporate Governance Report

## 企業管治報告

### Appointment and Re-election of Directors

Each of the Directors has signed a letter of appointment with the Company, which does not specify any fixed term of service and may be terminated by either party giving to the other not less than one-month prior notice in writing. They are also subject to retirement and re-election at annual general meeting of the Company in accordance with the Articles of Association of the Company (the "Articles").

According to the Articles, the Board has the power at any time to appoint any person as a Director either to fill a casual vacancy or as an additional Director. Any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of the Company after his appointment and be subject to re-election at such meeting. Any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. Besides, at every annual general meeting, one-third of the Directors for the time being, or if their number is not a multiple of three, 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 an annual general meeting at least once every three years.

The procedures and process of appointment, re-election and removal of Directors are set out in the Articles. The Nomination Committee is responsible for reviewing the Board composition, monitoring the appointment, re-election and succession planning of Directors.

### 董事的委任及重選連任

各董事均已與本公司訂立委任函，其並無訂明任何固定服務年期且可由任何一方向另一方發出不少於一個月之事先書面通知予以終止。彼等亦須根據本公司組織章程細則（「細則」）於本公司股東週年大會上退任及重選連任。

根據細則，董事會有權於任何時候委任任何人士為董事，以填補臨時空缺或作為新增董事。獲董事會委任以填補臨時空缺的任何董事，其任期將直至其獲委任後本公司的首次股東大會為止，並須於該大會上重選連任。獲董事會委任作為現有董事會新增董事的任何董事，其任期將直至本公司的下一屆股東週年大會為止，而屆時將合資格重選連任。此外，於每屆股東週年大會上，當時董事人數的三分之一（或當人數並非三的倍數時，則最接近但不少於三分之一的人數）須輪值退任，前提為每名董事須最少每三年輪值退任一次。

董事的委任、重選連任及罷免程序及過程載於細則。提名委員會負責檢討董事會的組成方式、監察董事的委任、重選連任及接任計劃。

### Meetings

Code Provision A.1.1 prescribes that at least four regular board meetings should be held in each year at approximately quarterly intervals with active participation of majority of Directors, either in person or through electronic means of communication.

The Company convened and held nine Board meetings during the year ended 31 December 2017.

Additional Board meetings will be convened, as and when required, to deal with ad hoc issues. Any Director who is not able to present physically may participate at any Board meeting through electronic means of communication, such as conference telephone or other similar communication equipment, in accordance with the Articles.

Notice convening each regular Board meeting is sent at least 14 days in advance, and reasonable notice is given for other Board meetings and committee meetings. The Company Secretary assists the Chairman to prepare the meeting notice and agenda. Each Director may include any item in the agenda. The agenda, accompanied by meeting papers with sufficient and reliable information, are sent to each Director at least 3 days before each Board meeting or committee meeting to enable the Directors to make informed decisions on the matters to be discussed, except where a Board meeting or committee meeting is convened on a very urgent basis to consider any urgent ad hoc matter.

The Company Secretary is responsible for taking and keeping minutes of all Board meetings and committee meetings. Draft minutes will normally be circulated to Directors for comment within a reasonable time after each meeting and the final version is open for Directors' inspection.

### 會議

守則條文第A.1.1條規定，每年至少召開四次定期董事會會議，大約每季一次，且大多數董事須積極參與會議（無論親身或通過電子通訊方式）。

本公司於截至二零一七年十二月三十一日止年度已召開及舉行九次董事會會議。

董事會於有需要時會另行召開會議，以處理突發事項。根據細則，任何無法親身出席之董事均可透過電子通訊設備，例如會議電話或其他類似通訊設備，參與任何董事會會議。

召開每次董事會定期會議之通告會於最少14天前發出，而就其他董事會會議及委員會會議之通告則會於合理時間內發出。公司秘書協助主席擬定會議通告及議程。每位董事均可於議程內加入任何議題。除非董事會會議及委員會會議於緊急情況下召開以考慮任何緊急突發事項，議程連同載有充足且可靠資料之會議文件將不少於董事會會議及委員會會議舉行日期前3天發送給每位董事，使董事能就須討論之事項作出知情決定。

公司秘書負責所有董事會會議及委員會會議記錄，並保存有關記錄。每次會議後一般於合理時間內交予董事傳閱記錄草稿並發表意見，其定稿可供董事隨時查閱。

# Corporate Governance Report

## 企業管治報告

During the year ended 31 December 2017, nine Board meetings, three Audit Committee meetings, two Remuneration Committee meetings, two Nomination Committee meetings and two general meetings were held. Details of individual Directors' attendance at these meetings are set out in the following table:

於截至二零一七年十二月三十一日止年度，共舉行九次董事會會議、三次審核委員會會議、兩次薪酬委員會會議、兩次提名委員會會議及兩次股東大會。有關個別董事出席該等會議的詳情載列於下表：

Directors		Attended/Eligible to attend				
		Board Meeting	Audit Committee Meeting	Remuneration Committee Meeting	Nomination Committee Meeting	General Meeting
董事		已出席次數／可出席次數	審核	薪酬	提名	股東大會
董事		董事會會議	委員會會議	委員會會議	委員會會議	股東大會
<b>Executive Directors</b>	<b>執行董事</b>					
Mr. Lo Kin Ching Joseph (Chairman of the Board) (appointed on 1 March 2017)	勞建青先生(董事會主席) (於二零一七年三月一日獲委任)	5/8	N/A	N/A	0/1	1/1
Mr. Wong Hin Shek (Chief Executive Officer)	王顯碩先生(行政總裁)	9/9	N/A	N/A	2/2	2/2
Mr. Xing Bin	邢濱先生	8/9	N/A	N/A	N/A	2/2
Ms. Liu Yan (resigned on 1 March 2017)	劉妍女士(於二零一七年三月一日辭任)	0/2	N/A	N/A	N/A	0/1
<b>Independent Non-executive Directors</b>	<b>獨立非執行董事</b>					
Ms. Chu Yin Yin Georgiana	朱燕燕女士	8/9	3/3	2/2	2/2	2/2
Mr. Yip Tai Him	葉棣謙先生	8/9	2/3	2/2	2/2	2/2
Mr. Chan Kai Wing	陳繼榮先生	8/9	3/3	2/2	2/2	2/2

N/A: Not applicable

N/A: 不適用

### Model Code for Securities Transactions by Directors of the Company

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) set out in Appendix 10 to the Listing Rules. Specific enquiries have been made to all the Directors and the Directors have confirmed that they have complied with the Model Code for the year ended 31 December 2017.

### Remuneration of Directors and Senior Management

The Company has established a formal and transparent procedure for formulating policies on remuneration of Directors and senior management of the Group. Details of the remuneration of each of the Directors for the year ended 31 December 2017 are set out in note 8 to the financial statements.

The biographies of the senior management are disclosed in the section headed “Biographical Details of Directors and Senior Management” in this annual report. Remuneration paid to the senior management (excluding the Directors) for the year ended 31 December 2017 are included in note 9 to the financial statements.

### Directors’ Liability Insurance

The Company purchases annually the Directors’ and officers’ liability insurance for members of the Board. The insurance cover is reviewed annually to ensure that the Directors and officers are adequately protected against potential liabilities.

### 本公司董事進行證券交易之標準守則

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則(「標準守則」)。本公司已向所有董事作出特別查詢，而董事已確認彼等於截至二零一七年十二月三十一日止年度一直遵守標準守則。

### 董事及高級管理層的薪酬

本公司已就制定本集團董事及高級管理層薪酬的政策設立正式及具透明度的程序。截至二零一七年十二月三十一日止年度，各董事的薪酬詳情載於財務報表附註8。

高級管理層的履歷披露於本年報「董事及高級管理層履歷」一節。截至二零一七年十二月三十一日止年度，已付予高級管理層(不包括董事)的薪酬載於財務報表附註9。

### 董事責任保險

本公司每年為董事會成員購買董事及高級職員責任保險。每年會檢討保額，以確保董事及高級職員受充份保障，以防承受潛在負債。

# Corporate Governance Report

## 企業管治報告

### BOARD COMMITTEES

The Board has set up three Board Committees, namely, the Audit Committee, the Remuneration Committee and the Nomination Committee, to oversee particular aspects of the Company's affairs.

#### Audit Committee

The Audit Committee was established in compliance with Rules 3.21 and 3.22 of the Listing Rules and Code Provision C.3.3 of the CG Code.

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

As at 31 December 2017, the Audit Committee was made up of three independent non-executive Directors, namely Mr. Chan Kai Wing, Ms. Chu Yin Yin Georgiana and Mr. Yip Tai Him. Mr. Chan Kai Wing is the Chairman of the Audit Committee. Mr. Chan Kai Wing is a certified public accountant and possesses the appropriate accounting qualifications and experiences in financial matters.

The Audit Committee meets at least twice annually and also meets with the Company's external auditor at least twice annually to discuss the audit plan and to review the Company's annual report and accounts. During the year ended 31 December 2017, the Audit Committee held three meetings.

The primary duties of the Audit Committee include, but not limited to:

- make recommendation to the Board on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and any questions of the resignation or the dismissal of that auditor;
- review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process and reporting obligations in accordance with applicable standards;

#### 董事委員會

董事會已成立三個委員會，即審核委員會、薪酬委員會及提名委員會，以監督本公司特定方面的事務。

#### 審核委員會

審核委員會根據上市規則第3.21及3.22條以及企業管治守則的守則條文第C.3.3條成立。

有關審核委員會的職權範圍全文可於聯交所網站及本公司網站查閱。

於二零一七年十二月三十一日，審核委員會由三名獨立非執行董事組成，即陳繼榮先生、朱燕燕女士及葉棣謙先生。陳繼榮先生現為審核委員會主席。陳繼榮先生為執業會計師，並具有合適的會計資格及財務事宜的經驗。

審核委員會每年舉行最少兩次會議，亦會與本公司外聘核數師每年舉行最少兩次會議，以商討有關審計計劃及審閱本公司的年報及賬目。於截至二零一七年十二月三十一日止年度，審核委員會舉行了三次會議。

審核委員會之主要職責包括但不限於：

- 就外聘核數師的委任、重新委任及罷免向董事會提供建議、批准外聘核數師的薪酬及聘用條款，及處理任何有關該核數師辭職或辭退該核數師的問題；
- 按適用的標準檢討及監察外聘核數師是否獨立客觀及核數程序及申報責任是否有效；

# Corporate Governance Report

## 企業管治報告

- discuss with the auditor the nature and scope of the audit and reporting obligations before the audit commences;
  - develop and implement policy on engaging an external auditor to supply non-audit services;
  - act as the key representative body for overseeing the Company's relations with the external auditor;
  - monitor the integrity of financial statements of the Company and the Company's annual report and accounts, half-year report and, if prepared for publication, quarterly reports, and to review significant financial reporting judgements contained in them;
  - review arrangements employees of the Company can use, in confidence to raise concerns about possible improprieties in financial reporting, internal control or other matters;
  - review the Company's financial controls, internal control and risk management systems;
  - discuss the internal control system with management to ensure that management has performed its duties to have an effective internal control system;
  - review the Group's financial and accounting policies and practices; and
  - review the external auditor's management letter, any material queries raised by the auditor to management about accounting records, financial accounts or systems of control and management's response.
- 於核數工作開始前與核數師討論核數性質及範疇及有關申報責任；
  - 就外聘核數師提供非核數服務制定政策，並予以執行；
  - 擔任主要代表，負責監督本公司與外聘核數師的關係；
  - 監察本公司的財務報表及本公司年報及賬目、半年度報告及季度報告(若擬刊發)的完整性，並審閱報表及報告所載有關財務申報的重大意見；
  - 檢討本公司設定的以下安排：本公司僱員可暗中就財務匯報、內部監控或其他方面可能發生的不正當行為提出關注；
  - 檢討本公司的財務監控、內部監控及風險管理系統；
  - 與管理層討論內部監控系統，確保管理層已履行職責建立有效的內部監控系統；
  - 檢討本集團的財務及會計政策及實務；及
  - 檢查外聘核數師給予管理層的《審核情況說明函件》、核數師就會計記錄、財務賬目或監控系統向管理層提出的任何重大疑問及管理層作出的回應。

Audit Committee also reviewed final results of the Company and its subsidiaries for the year ended 31 December 2017 as well as the audit report prepared by the external auditor relating to accounting issues and major findings in course of audit.

審核委員會亦審閱本公司及其附屬公司截至二零一七年十二月三十一日止年度的末期業績，以及由外聘核數師就會計事宜及核數過程中的重大發現所編製的核數報告。



# Corporate Governance Report

## 企業管治報告

### Remuneration Committee

The Remuneration Committee was established in compliance with Rules 3.25 and 3.26 of the Listing Rules and Code Provision B.1.2 of the CG Code.

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

As at 31 December 2017, the Remuneration Committee was made up of three independent non-executive Directors, namely Mr. Yip Tai Him, Ms. Chu Yin Yin Georgiana and Mr. Chan Kai Wing. Mr. Yip Tai Him is the Chairman of the Remuneration Committee.

The Remuneration Committee meets at least once a year to review the remuneration of Directors and make recommendations to the Board. During the year ended 31 December 2017, two meetings of the Remuneration Committee were held.

The primary duties of the Remuneration Committee include, but not limited to:

- make recommendations to the Board on the Company's policy and structure for the remuneration packages of Directors and senior management;
- determine with delegated responsibility the remuneration packages of individual Directors and senior management;
- review and approve compensation payable to executive Directors and senior management for any loss or termination of office; and
- review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct.

### 薪酬委員會

薪酬委員會根據上市規則第3.25及3.26條及企業管治守則的守則條文第B.1.2條成立。

有關薪酬委員會的職權範圍全文可於聯交所網站及本公司網站查閱。

於二零一七年十二月三十一日，薪酬委員會由三名獨立非執行董事，即葉棣謙先生、朱燕燕女士及陳繼榮先生組成。葉棣謙先生現為薪酬委員會主席。

薪酬委員會每年舉行最少一次會議，以審閱董事的酬金，並向董事會提出建議。於截至二零一七年十二月三十一日止年度，薪酬委員會舉行了兩次會議。

薪酬委員會之主要職責包括但不限於：

- 就本公司董事及高級管理層的薪酬待遇及架構向董事會提出建議；
- 獲董事會授權釐訂個別董事及高級管理層的薪酬待遇；
- 檢討及批准向執行董事及高級管理層支付任何喪失或終止職務有關的賠償；及
- 檢討及批准因董事行為失當而解僱或罷免有關董事所涉及的賠償安排。

### Nomination Committee

The Nomination Committee was established in compliance with Code Provision A.5.1 and A.5.2 of the CG Code.

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

As at 31 December 2017, the Nomination Committee was made up of three independent non-executive Directors, namely Ms. Chu Yin Yin Georgiana, Mr. Yip Tai Him and Mr. Chan Kai Wing and two executive Directors, namely Mr. Lo Kin Ching Joseph and Mr. Wong Hin Shek. Mr. Lo Kin Ching Joseph is the Chairman of the Nomination Committee.

The Nomination Committee meets at least once a year. During the year ended 31 December 2017, two meetings of the Nomination Committee were held.

The primary duties of the Nomination Committee include, but not limited to:

- review the structure, size, composition and diversity (including the skills, knowledge and experience) of the Board at least annually and make recommendations to the Board in order to maintain an appropriate range and balance of skills, knowledge and experience of the Board;
- identify individuals suitably qualified to become Directors and select or make recommendations to the Board on the selection of, individuals nominated for directorships. In identifying suitable candidates, a range of diversity perspectives with reference to the Company's business model and specific needs will be considered, including but not limited to gender, age, culture, race, educational background, professional experience, knowledge and skills;
- assess the independence of independent non-executive Directors;

### 提名委員會

提名委員會根據企業管治守則的守則條文第A.5.1及A.5.2條成立。

有關提名委員會的職權範圍全文可於聯交所網站及本公司網站查閱。

於二零一七年十二月三十一日，提名委員會由三名獨立非執行董事，即朱燕燕女士、葉棣謙先生及陳繼榮先生，以及兩名執行董事，即勞建青先生及王顯碩先生所組成。勞建青先生為提名委員會主席。

提名委員會將每年最少一次會面。於截至二零一七年十二月三十一日止年度，提名委員會舉行了兩次會議。

提名委員會之主要職責包括但不限於：

- 為使董事會的技能、知識和經驗達致一定水平及平衡，至少每年檢討董事會的架構、人數、組成及多樣性（包括技能、知識及經驗方面），並向董事會提出建議；
- 物色具備合適資格可擔任董事的人士，並挑選提名有關人士出任董事或就此向董事會提供意見。在物色合適人選時，會考慮一系列多元化範疇，並參考本公司的業務模式和特定需求，包括但不限於性別、年齡、文化、種族、教育背景、專業經驗、知識及技能；
- 評核獨立非執行董事的獨立性；

# Corporate Governance Report

## 企業管治報告

- make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors; and
  - conform to any requirement, direction, and regulation that may from time to time be prescribed by the Board or contained in the constitution of the Company or imposed by the Listing Rules or applicable law.
- 就董事委任或重新委任以及董事繼任計劃的有關事宜向董事會提出建議；及
  - 遵守董事會不時發出的要求，指引及規則或本公司章程或上市規則或任何適用的法律。

### CORPORATE GOVERNANCE FUNCTION

The Board is responsible for, amongst other things, the development and review of the policies and practices on corporate governance of the Group and monitoring the compliance with legal and regulatory requirements, reviewing and monitoring the training and continuous professional development of Directors and senior management, and reviewing the corporate governance compliance with the Code Provisions and disclosure in the annual report.

### DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING IN RESPECT OF FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the financial statements of the Company and of the Group for the year ended 31 December 2017, which give a true and fair view of the state of affairs of the Company and of the Group on a going concern basis. The Board is provided with explanations and information by the senior management of the Company, so that the Directors have an informed assessment of the financial and other information of the Group putting forward to the Board for discussion and approval.

To the best of the Directors' knowledge, there is no uncertainty relating to events or conditions that may cast significant doubt upon the Group's ability to continue as a going concern.

The external auditor of the Company acknowledge his reporting responsibilities in the Independent Auditor's Report on the financial statements for the year ended 31 December 2017 as set out in the Independent Auditor's Report on pages 80 to 89 of the annual report.

### 企業管治職能

董事會負責(其中包括)制訂及檢討本集團之企業管治政策及常規，以及監察遵守法律及監管規定之情況、檢討及監察董事及高級管理層之培訓及持續專業發展，以及檢討企業管治是否符合守則條文及於年報作出披露。

### 董事有關財務報表的財務申報責任

董事明白彼等有責任以持續營運之基準編製本公司及本集團截至二零一七年十二月三十一日止年度之財務報表，以真實且公平地反映本公司及本集團之財務狀況。董事會將獲本公司高級管理層提供說明及資料，以便董事就提呈董事會討論及批准的本集團財務及其他資料作出知情的評估。

就董事所深知，概無任何不明朗事件或情況可能會嚴重影響本集團持續營運之能力。

本公司之外聘核數師在本年報第80至89頁的獨立核數師報告中，載有彼等有關截至二零一七年十二月三十一日止年度財務報表的獨立核數師報告的申報責任。

### AUDITOR'S REMUNERATION

In respect of the year ended 31 December 2017, the remuneration paid and payable to the Company's external auditor, Ernst & Young, is set out below:

### 核數師酬金

截至二零一七年十二月三十一日止年度，本公司已付及應付外聘核數師安永會計師事務所的酬金如下：

		HK\$'000 千港元
Audit service	審核服務	2,080
Non-audit services:	非審核服務：	
Taxation and other services	稅務及其他服務	1,373

### RISK MANAGEMENT AND INTERNAL CONTROL

The Board is responsible for maintaining a sound risk management and internal control systems to ensure that a review of the effectiveness of the risk management and internal control systems of the Group has been conducted at least annually, covering all material controls, including financial, operational and compliance controls, and ensuring adequacy of resources, staff qualifications and experience, training programmes and budget of the accounting, internal audit and financial reporting functions.

The Board has also considered the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and their training programs.

The Company conducted review of the risk management and internal control systems of the Group for the year ended 31 December 2017, in order to ensure and enhance (i) proper process used to identify, evaluate and manage significant risks; (ii) main features of the risk management and internal control systems were identified; (iii) the systems were designed to manage the risks to achieve business objectives and provide reasonable assurance against material misstatement or loss; (iv) appropriate process to resolve material internal control defects; and (v) effective procedures and internal controls for inside information management.

The Company has conducted a review of the internal audit function of the Group. The Board has reviewed the effectiveness of the risk management and internal control systems of the Group annually and considered that the systems were effective and adequate.

### 風險管理及內部監控

董事會負責維持健全之風險管理及內部監控制度，以確保最少每年就本集團之風險管理及內部監控系統之有效性進行一次審查，涉及所有重大監控事項，包括財務、營運及合規監控，並確保會計、內部審核及財務報告職能方面之資源、員工資歷及經驗、培訓計劃及預算是否足夠。

董事會亦已考慮本公司會計及財務匯報職能之資源、員工專業資格及經驗，以及培訓課程是否足夠。

本公司對本集團截至二零一七年十二月三十一日止年度之風險管理及內部監控制度開展審查，以確保及改善(i)識別、評估及管理重大風險所用之正確程序；(ii)已識別風險管理及內部監控制度之主要特徵；(iii)制度旨在管理風險，以達到業務目的，並合理保證並無重大失實陳述或損失；(iv)設有適當程序解決重大內部監控缺陷；及(v)內幕資料管理之有效程序及內部監控。

本公司已就本集團內部審核職能進行檢討。董事會每年就本集團之風險管理及內部監控系統之有效性進行審查，並認為該等制度屬有效及足夠。

# Corporate Governance Report

## 企業管治報告

### COMPANY SECRETARY

On 10 August 2015, Ms. Wong Po Ling, Pauline (“Ms. Wong”) was appointed as the company secretary of the Company from an external service provider. The primary corporate contact person at the Company is Mr. Lee Yan Fai, the Financial Controller.

During the year ended 31 December 2017, Ms. Wong has complied with Rule 3.29 of the Listing Rules by taking relevant professional training.

### COMMUNICATIONS WITH SHAREHOLDERS AND INVESTOR RELATIONS

The Company considers that effective communication with Shareholders is essential for enhancing investor relations and understanding of the Group’s business, performance and strategies. The Company also recognises the importance of timely disclosure of information, which will enable Shareholders and investors to make the informed investment decisions. The various channels via which the Company communicates with its Shareholders include interim and annual reports, information on the websites of the Stock Exchange and the Company, annual general meeting and other general meeting that may be convened.

The annual general meeting of the Company provides opportunity for Shareholders to communicate directly with the Directors. The Chairman of the Board and the Chairman of the Board Committees will attend the annual general meeting to answer Shareholders’ questions. The external auditor of the Company will also attend the annual general meeting to answer questions about the conduct of the audit, the preparation and contents of the auditor’s report, the accounting policies and auditor independence.

### SHAREHOLDERS’ RIGHTS

To safeguard Shareholders’ interests and rights, a separate resolution will be proposed for each substantial issue at general meetings, including the election of individual Directors.

All resolutions put forward at general meetings will be voted on by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Stock Exchange and the Company after each general meeting.

### 公司秘書

於二零一五年八月十日，王寶玲女士（「王女士」）由外部服務供應商獲委任為本公司之公司秘書。本公司主要企業聯絡人士為財務總監李恩輝先生。

於截至二零一七年十二月三十一日止年度，王女士已遵守上市規則第3.29條之規定進行相關專業培訓。

### 與股東溝通及投資者關係

本公司認為，與股東的有效溝通對加強投資者關係及使投資者了解本集團的業務、表現及策略非常重要。本公司亦深信及時地披露本公司資料以供股東及投資者作出知情投資決策的重要性。本公司與其股東溝通的渠道包括中期及年度報告、載於聯交所及本公司網站的資料、股東週年大會以及其他可能召開的股東大會。

本公司股東週年大會提供股東與董事直接溝通的機會。董事會主席及各董事委員會主席將出席股東週年大會解答股東提問。本公司的外聘核數師亦將出席股東週年大會，以解答有關審計行事、核數師報告的編製及內容、會計政策及核數師獨立性的提問。

### 股東權利

為保障股東的利益及權利，本公司會於股東大會上就各實際事項（包括選舉個別董事）提呈獨立決議案。

於股東大會上提呈的所有決議案將根據上市規則以投票方式進行表決，投票結果將於各股東大會舉行後於聯交所及本公司網站刊登。

Shareholders should direct their enquiries about their shareholdings to the Company's Hong Kong branch share registrar and transfer office, namely, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong. Shareholders who wish to put enquiries to the Board can send their enquiries to the Company Secretary of the Company who will ensure these enquiries to be properly directed to the Board. Shareholders may at any time make a request for the Company's information to the extent such information is publicly available.

### Convening of Extraordinary General Meetings and Putting Forward Proposals

In accordance with the Articles, an extraordinary general meeting shall 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 carrying the right of voting at general meetings of the Company.

Such requisition shall be made in writing to the Board or the Company Secretary of the Company for the purpose of requiring an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within 2 months after the deposit of such requisition.

If within twenty-one days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

As regards proposing a person for election as a Director, the procedures are available on the website of the Company.

### CONSTITUTIONAL DOCUMENTS

There was no amendment made to the memorandum and articles of association of the Company during the year ended 31 December 2017. The latest version of the constitutional documents of the Company is available on the websites of the Stock Exchange and the Company.

股東應就其股權作出之查詢送交本公司之香港股份過戶登記分處卓佳證券登記有限公司，地址為香港皇后大道東183號合和中心22樓。股東如欲向董事會提交查詢，可將有關查詢送交本公司之公司秘書，其將確保將有關查詢妥善送達董事會。股東可隨時要求提供本公司可供公眾查閱之資料。

### 召開股東特別大會及提呈建議

根據細則，一位或以上於提呈要求當日持有不少於本公司繳足股本(賦有於本公司股東大會上投票權)十分之一的股東，可要求召開股東特別大會。

有關要求可向董事會或本公司之公司秘書書面提出，要求董事會召開股東特別大會，以處理有關要求所指明的任何事項。有關大會須於提出該要求後兩個月內舉行。

若遞呈後二十一日內，董事會未有開展召開該大會之程序，則遞呈要求人士可自發以同樣方式作出此舉，而遞呈要求人士因董事會之缺失而合理產生的所有開支將由本公司向遞呈要求人士作出償付。

關於建議某人參選董事的事宜，可於本公司網站參閱有關程序。

### 章程文件

於截至二零一七年十二月三十一日止年度，概無對本公司組織章程大綱及細則進行任何修訂。本公司的章程文件的最新版本可於聯交所網站及本公司網站查閱。

# Report of the Directors

## 董事會報告

The Directors are pleased to present their report together with the audited financial statements of the Group for the year ended 31 December 2017.

### PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding. During the year ended 31 December 2017, the Company's principal subsidiaries were engaged in the business of (i) development, production and sale of automotive engines; and (ii) civil engineering works and building construction and maintenance.

### RESULTS

The results of the Group for the year ended 31 December 2017 are set out in the consolidated statement of profit or loss and other comprehensive income on pages 90 to 91 of the annual report.

### BUSINESS REVIEW

A fair review of the Group's business, particulars of important events affecting the Group that have occurred during the year ended 31 December 2017, and an indication of likely future development in the Group's business, are set out in the "CEO Statement" and "Management Discussion and Analysis" of this annual report. A description of principal risks and uncertainties facing the Group is set out in the note 39 to the financial statements.

### ENVIRONMENTAL POLICY

Our commitment to protecting the environment is well reflected by our continuous efforts in promoting green measures and awareness in our daily business operations. Our Group encourages environmental protection and promote awareness towards environmental protection to the employees. Our Group also implements green office practices such as promoting the use of recycled papers and reducing energy consumption by switching off idle lighting and electrical appliances.

Our Group will review its environmental practices from time to time and will consider implementing further eco-friendly measures and practices in the operation of our Group's businesses and enhance environmental sustainability.

董事欣然提呈其報告連同截至二零一七年十二月三十一日止年度本集團的經審核財務報表。

### 主要業務

本公司之主要業務為投資控股。於截至二零一七年十二月三十一日止年度，本公司的主要附屬公司從事(i)開發、生產及銷售汽車發動機之業務；及(ii)土木工程項目以及樓宇建造及保養業務。

### 業績

本集團截至二零一七年十二月三十一日止年度的業績載於本年報第90至91頁的綜合損益及其他全面收入表。

### 業務回顧

對本集團業務的中肯審視、截至二零一七年十二月三十一日止年度發生之影響本集團之重大事件詳情及本集團業務之可能未來發展的揭示，載於本年報「行政總裁報告」及「管理層討論及分析」。本集團面臨的主要風險及不確定性之說明載於財務報表附註39。

### 環境政策

本集團在日常業務營運中不斷推廣環保措施和意識，以履行其保護環境的承諾。本集團鼓勵環保並推動僱員提升環保意識。本集團亦實施各項綠色辦公措施，例如提倡使用環保紙並透過關閉閒置的電燈及電器以減少能源消耗。

本集團將不時審閱其環保常規，並將考慮於本集團之業務營運中實施更多環保措施及常規，加強環境可持續性。

## COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

During the current financial year, as far as the Company is aware, there was no material breach of or non-compliance with applicable laws and regulations by our Group that has a significant impact on the business and operations of our Group.

## RELATIONSHIPS WITH STAKEHOLDERS

The Company recognises that employees are our valuable assets. Thus our Group provides competitive remuneration package to attract and motivate the employees. Our Group regularly reviews the remuneration package of employees and makes necessary adjustments to conform to the market standard.

Our Group also understands that it is important to maintain good relationship with business partners to achieve its long-term goals. Accordingly, our senior management have kept good communication, promptly exchanged ideas and shared business update with them when appropriate. During the current financial year, there was no material and significant dispute between our Group and its business partners.

## FINAL DIVIDEND

The Board does not recommend the payment of final dividend for the year ended 31 December 2017 (nine months ended 31 December 2016: Nil).

## SUMMARY FINANCIAL INFORMATION

A summary of the published results and assets and liabilities of the Group for the last five period/years, as extracted from the audited financial statements, is set out on page 204 in this report. This summary does not form part of the audited financial statements.

## PERMITTED INDEMNITY PROVISION

Pursuant to the Articles, every Director shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he/she may sustain or incur in or about the execution of the duties of his/her office or otherwise in relation thereto. There is appropriate directors' and officers' liability insurance coverage for the directors and officers of the Group.

## 遵守相關法律及法規

本財政年度內，就本公司所知，本集團並無嚴重違反或不遵守對本集團之業務及營運有重大影響之適用法律及法規。

## 與利益相關者之關係

本公司認同，僱員乃其實貴資產。因此，本集團提供具競爭力之薪酬待遇，以吸引並激勵僱員。本集團定期檢討僱員之薪酬待遇，並會因應市場標準而作出必要調整。

本集團亦明白，與商業夥伴保持良好關係對達成其長遠目標而言屬至關重要。因此，高級管理層會在適當情況下與彼等進行良好溝通、適時交流想法及共享最新業務資料。於本財政年度內，本集團與其商業夥伴並無重大及嚴重的糾紛。

## 末期股息

董事會並不建議就截至二零一七年十二月三十一日止年度派付末期股息(截至二零一六年十二月三十一日止九個月：無)。

## 財務資料概要

本集團過往五個期間／年度的已刊發業績及資產及負債的概要(摘取自經審核財務報表)載於本報告第204頁。該概要並不構成經審核財務報表之一部分。

## 獲准許之彌償條文

根據細則，各董事有權就履行其職務或在履行其職務方面或與此有關的可能蒙受或招致之所有損失或責任從本公司之資產中獲取彌償。本集團董事及高級職員已獲妥當之董事及高級職員責任保險保障。



# Report of the Directors

## 董事會報告

### SHARE CAPITAL, SHARE OPTION, CONVERTIBLE BONDS AND PROMISSORY NOTES

Details of movements in the Company's share capital, share options, convertible bonds and the promissory notes during the year are set out in notes 28, 29, 25 and 26 to the financial statements.

### EQUITY-LINKED AGREEMENTS

Save for the share option scheme as disclosed in the below section headed "Share Option Scheme" and the section headed "Convertible Bonds" of "Management Discussion and Analysis", no equity-linked agreements were entered into by the Group, or existed during the current financial year.

### MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Group were entered into or existed during the current financial year.

### MAJOR CUSTOMERS AND SUPPLIERS

#### Major Customers

During the year ended 31 December 2017, the largest customer accounted for approximately 36.2% (nine months ended 31 December 2016: approximately 45.0%) of the Group's total revenues. The five largest customers accounted for approximately 84.8% (nine months ended 31 December 2016: approximately 95.3%) of the Group's total revenues for the year ended 31 December 2017.

For the Automotive Engines Business, the customer base is relatively concentrated to certain private companies in China. The largest customer was engaged in this segment.

For the Civil Engineering and Construction Business, the customer base is relatively concentrated to certain departments of the Government, public utilities companies and private organisations in Hong Kong.

None of our Directors or their respective associates or any Shareholder (to the knowledge of our Directors) holding more than 5% of the Company's issued share capital had any interest in the five largest customers.

### 股本、購股權、可換股債券及承兌票據

本公司之股本、購股權、可換股債券及承兌票據於年內之變動詳情載於財務報表附註28、29、25及26。

### 股票掛鈎協議

除下文「購股權計劃」一節所披露之購股權計劃及「管理層討論及分析」之「可換股債券」一節外，本集團於本財政年度內概無訂立或存在股票掛鈎協議。

### 管理合約

本財政年度內，並無訂立或存在與本集團整體或任何重要部分業務有關之管理及行政合約。

### 主要客戶及供應商

#### 主要客戶

於截至二零一七年十二月三十一日止年度，最大客戶佔本集團的總收入約為36.2%（截至二零一六年十二月三十一日止九個月：約為45.0%）。截至二零一七年十二月三十一日止年度，五大客戶佔本集團的總收入約為84.8%（截至二零一六年十二月三十一日止九個月：約為95.3%）。

於汽車發動機業務方面，客戶基礎相對集中於中國的若干私營公司。最大客戶亦屬於此分部。

於土木工程及建造業務方面，客戶基礎相對集中於香港若干政府部門、公用事業公司及私人機構。

概無董事或彼等各自的聯繫人或據董事所知擁有本公司已發行股本5%以上的任何股東於任何五大客戶中擁有任何權益。

### MAJOR CUSTOMERS AND SUPPLIERS (Continued)

#### Major Suppliers

The Group five largest suppliers being its suppliers for Automotive Engines Business and sub-contractors for Civil Engineering and Construction segment together accounted for approximately 9.5% (nine months ended 31 December 2016: approximately 27.5%) of the Group's total cost of sales charged to the Group for the year ended 31 December 2017. The largest supplier accounted for approximately 2.8% (nine months ended 31 December 2016: approximately 8.4%) of the total cost of sales charged to the Group for the year ended 31 December 2017.

Other than as set out in the paragraph above, none of our Directors or their associates or any Shareholders (to the knowledge of our Directors) holding more than 5% of the Company's issued share capital had any interests in the five largest sub-contractors.

### PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the current financial year are set out in note 13 to the financial statements.

### RESERVES

Details of movements in the reserves of the Group during the current financial year are set out in the consolidated statement of changes in equity.

### DISTRIBUTABLE RESERVES

The Company had no reserve available for distribution to Shareholders as at 31 December 2017 (31 December 2016: Nil).

### PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles or the laws of Cayman Islands where the Company is incorporated, which would oblige the Company to offer new shares to existing Shareholders on a pro-rata basis.

### CHARITABLE CONTRIBUTIONS

During the year, the Group made charitable contributions totalling HK\$2,000 (nine months ended 31 December 2016: Nil).

### 主要客戶及供應商(續)

#### 主要供應商

截至二零一七年十二月三十一日止年度，本集團五大供應商(即汽車發動機業務供應商及土木工程及建造分部分包商)合共佔本集團支付的銷售成本總額約為9.5%(截至二零一六年十二月三十一日止九個月：約為27.5%)。截至二零一七年十二月三十一日止年度，最大供應商佔本集團支付的銷售成本總額約為2.8%(截至二零一六年十二月三十一日止九個月：約為8.4%)。

除上段所載列者外，概無董事或彼等各自的聯繫人或據董事所知擁有本公司已發行股本5%以上的任何股東於任何五大分包商中擁有任何權益。

### 物業、機器及設備

本集團於本財政年度內的物業、機器及設備變動詳情載於財務報表附註13。

### 儲備

本集團於本財政年度內的儲備變動詳情載於綜合權益變動表。

### 可供分派儲備

於二零一七年十二月三十一日，本公司並無任何可供分派予股東的儲備(二零一六年十二月三十一日：無)。

### 優先購買權

細則或本公司註冊成立所在的開曼群島法例均不設優先購買權條文規定本公司有責任按比例向現有股東提呈發售新股份。

### 慈善捐款

年內，本集團作出慈善捐款共2,000港元(截至二零一六年十二月三十一日止九個月)。

# Report of the Directors

## 董事會報告

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities for the year ended 31 December 2017.

### SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is available to the Company and within the knowledge of the Company's directors as at the date of this report, the Company has maintained the prescribed minimum public float under the Listing Rules.

### DIRECTORS

The Directors who held office during the current financial year and up to the date of this annual report were:

#### Executive Directors

Mr. Lo Kin Ching Joseph (*Chairman*)  
(*appointed on 1 March 2017*)

Mr. Wong Hin Shek (*Chief Executive Officer*)

Mr. Xing Bin

Ms. Liu Yan (*resigned on 1 March 2017*)

#### Independent Non-executive Directors

Ms. Chu Yin Yin Georgiana

Mr. Yip Tai Him

Mr. Chan Kai Wing

Ms. Liu Yan resigned as Director with effect from 1 March 2017. She has confirmed that she has no disagreement with the Board and that there is no matter in respect of her resignation which needs to be brought to the attention of the Shareholders and the Stock Exchange.

In accordance with the Articles, one-third of the Directors for the time being (or if their number is not a multiple of three, the number nearest to but not less than one-third) will retire from office by rotation and will be eligible for re-election and re-appointment at every annual general meeting, provided that every Director shall be subject to retirement by rotation at an annual general meeting at least once every three years.

### 買賣或贖回本公司上市證券

本公司或其任何附屬公司概無於截至二零一七年十二月三十一日止年度買賣或贖回本公司任何上市證券。

### 足夠公眾持股量

根據可供本公司查閱的資料及據本公司董事於本報告日期所知，本公司已維持上市規則規定的最低公眾持股量。

### 董事

於本財政年度及直至本年報日期，在任董事為：

#### 執行董事

勞建青先生(主席)

(於二零一七年三月一日獲委任)

王顯碩先生(行政總裁)

邢濱先生

劉妍女士(於二零一七年三月一日辭任)

#### 獨立非執行董事

朱燕燕女士

葉棣謙先生

陳繼榮先生

劉妍女士於二零一七年三月一日辭任董事。彼確認，其與董事會並無意見分歧，亦無有關其辭任之事宜須敦請股東及聯交所垂注。

根據細則，現時三分之一董事(倘若其數目並非為三的倍數，則取最接近而不少於三分之一之數目)將輪值告退，並有資格在每次股東週年大會膺選連任及重新委任，惟各董事須最少每三年於股東週年大會上輪值告退一次。

### DIRECTORS (Continued)

Circular containing details of the Directors to be re-elected at the forthcoming annual general meeting of the Company will be despatched to the Shareholders in due course.

### BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Biographical details of the Directors and senior management of the Group are set out on pages 24 to 29 of this annual report.

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

Each of the independent non-executive Directors has confirmed their independence pursuant to Rule 3.13 of the Listing Rules. The Board considered all of the independent non-executive Directors to be independent in accordance with Rule 3.13 of the Listing Rules.

### DIRECTORS' SERVICE CONTRACTS

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

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

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, or any of the Company's subsidiaries or fellow subsidiaries was a party during the year.

### DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the current financial year, no Director was interested in any business apart from the Company's business, which competes or is likely to compete, either directly or indirectly, with the Company's business which is required to be disclosed pursuant to the Listing Rules.

### 董事(續)

載有本公司應屆股東週年大會上膺選連任的董事詳情的通函將適時向股東寄發。

### 董事會及高級管理層

本集團董事及高級管理層的履歷詳情載於本年報第24至29頁。

### 獨立非執行董事的獨立性確認

根據上市規則第3.13條，各獨立非執行董事均已確認彼等的獨立性。根據上市規則第3.13條，董事會認為全體獨立非執行董事均為獨立人士。

### 董事服務合約

概無董事訂立本集團不可於一年內毋須支付賠償(法定賠償除外)而終止的服務合約。

### 董事於交易、安排或合約之權益

年內，概無董事或董事之關連實體於本公司、本公司任何附屬公司或同系附屬公司為訂約一方的對本集團業務而言屬重要之交易、安排或合約中直接或間接擁有重大權益。

### 董事於競爭業務的權益

於本財政年度內，除本公司業務外，概無董事於須根據上市規則披露並與本公司業務直接或間接構成競爭或可能構成競爭的業務中擁有任何權益。

# Report of the Directors

## 董事會報告

### REMUNERATION OF DIRECTORS AND FIVE INDIVIDUALS WITH HIGHEST EMOLUMENTS

Details of the emoluments of the Directors and the five highest paid individuals are set out in notes 8 and 9 to the financial statements in this annual report.

### CHANGES TO INFORMATION IN RESPECT OF DIRECTORS

Upon specific enquiry by the Company and following confirmations from the Directors, save as disclosed in the section headed “Biographical Details of Directors and Senior Management” in this annual report, there was no change in the information of the Directors required to be disclosed pursuant to paragraphs (a) to (e) and (g) of Rule 13.51(2) of the Listing Rules for the year ended 31 December 2017.

### DIRECTORS’ AND CHIEF EXECUTIVE’S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2017, none of the Directors or chief executive of the Company had registered an interest or a short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

### 董事及五位最高薪酬人士的薪酬

董事及五位最高薪酬人士的薪酬詳情載於本年報財務報表附註8及9。

### 董事資料的變動

經本公司具體查詢及董事確認後，除本年報「董事及高級管理層履歷」一節所披露者外，截至二零一七年十二月三十一日止年度，任何須根據上市規則第13.51(2)條第(a)至(e)段及第(g)段予以披露的董事資料概無任何變動。

### 董事及最高行政人員之股份、相關股份及債權證之權益及淡倉

於二零一七年十二月三十一日，本公司董事或最高行政人員概無於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份或債權證中，擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益或淡倉（包括根據證券及期貨條例有關條文被當作或視為擁有的權益及淡倉），或根據證券及期貨條例第352條須載入該條文所述登記冊的權益或淡倉，或根據標準守則須知會本公司及聯交所的權益或淡倉。

### SHARE OPTION SCHEME

At the extraordinary general meeting of the Company held on 24 March 2016, the shareholders of the Company approved the adoption of the share option scheme of the Company (the "Scheme"). The relevant listing approval was granted by the Stock Exchange on 29 March 2016. A summary of the principal terms of the Scheme are as follows:

#### Purpose

The purpose of the Scheme is to enable the Company to grant options to selected eligible participants as incentives or rewards for their contribution or potential contribution to the Company.

#### Participants

The eligible participant(s) of the Scheme is/are full time or part time employees of the Group (including any directors, whether executive or non-executive and whether independent or not, of the Group); and any business or joint venture partners, contractors, agents or representatives, consultants, advisers, suppliers, producers or licensors, customers, licensees (including any sub-licensee) or distributors, landlords or tenants (including any sub-tenants) of the Group or any person who, in the sole discretion of the Board, has contributed or may contribute to the Group.

#### Maximum number of shares

The maximum number of Shares which may be issued upon exercise of all options which may be granted at any time under this Scheme together with options which may be granted under any other share option schemes for the time being of the Company shall not exceed such number of Shares as equals 10 per cent of the issued share capital of the Company as at the date of approval of the Scheme.

#### Maximum entitlement of each participant

Unless approved by the shareholders of the Company, the total number of Shares issued and to be issued upon exercise of the options granted to each eligible participants (including both exercised and outstanding options) in any 12-month period must not exceed 1 per cent of the Shares in issue.

### 購股權計劃

於二零一六年三月二十四日舉行的本公司股東特別大會上，本公司股東批准採納本公司之購股權計劃（「計劃」）。聯交所已於二零一六年三月二十九日授予相關上市批准。計劃的主要條款概要如下：

#### 目的

計劃之目的為讓本公司向獲選合資格參與者授出購股權，以作為就彼等對本公司所作出之貢獻或潛在貢獻之激勵或獎勵。

#### 參與者

計劃的合資格參與者為本集團全職或兼職員工（包括本集團任何董事，不論是執行或非執行董事及是否獨立董事）；及本集團任何業務或合營夥伴、承包商、代理或代表、專家顧問、顧問、供應商、生產商或特許發出人、客戶、特許持有人（包括任何再授特許持有人）或分銷商、業主或租戶（包括任何分租戶）或董事會全權酌情認為對本集團作出貢獻或可能對本集團作出貢獻之任何人士。

#### 股份最高數目

於悉數行使根據本計劃可能於任何時間授出的所有購股權以及根據本公司當時的任何其他購股權計劃可能授出的購股權而可予發行之股份最高數目不應超過相等於本公司於計劃批准當日的已發行股本之10%的股份數目。

#### 每名參與者之最高權益

除非得到本公司股東批准，否則於任何12個月期間於行使授予各合資格參與者的購股權（包括已行使及尚未行使的購股權）而已發行及將予發行的股份總數不得超過已發行股份的1%。

# Report of the Directors

## 董事會報告

### SHARE OPTION SCHEME (Continued)

#### Option period

The option period of the Scheme, in respect of any particular option, the period to be determined and notified by the Directors to the grantee thereof at the time of making an offer provided that such period shall not exceed the period of ten (10) years from the date of the grant of the particular option but subject to the provisions for early termination thereof contained herein.

#### Acceptance of offer

Any offer of the option of the Company may be accepted by an eligible participant in the duplicate letter of option grant letter comprising acceptance of the offer duly signed by such eligible participant and received by the Company together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the grant thereof within twenty-one (21) days from the offer date.

#### Exercise price

The exercise price shall be determined at the discretion of the Board at its absolute discretion, provided that it shall be not less than the highest of: (a) the closing price of the Shares on the Stock Exchange as shown in the daily quotations sheet of the Stock Exchange on the offer date, which must be a Business Day; (b) the average of the closing prices of the Shares as shown in the daily quotations sheets of the Stock Exchange for the five (5) Business Days immediately preceding the offer date; (c) the nominal value of the Share on the offer date.

#### Remaining life of the Scheme

The Directors shall be entitled at any time within 10 years commencing on 29 March 2016 to offer the grant of an option to any eligible participant. The Scheme will expire on 28 March 2026.

### 購股權計劃(續)

#### 購股權期間

有關任何特定購股權的計劃購股權期間將由董事於作出要約時釐定及通知其承授人，前提是有關期間不得超過自授出特定購股權當日起計十(10)年，惟須符合計劃所載有關其提早終止的條文。

#### 接受要約

合資格參與者可於要約日期起計二十一(21)日內透過一式兩份購股權授予函件(包括有關合資格參與者正式簽署接受要約及由本公司收妥)，連同向本公司支付獲授購股權之代價1.00港元接受本公司有關購股權之任何要約。

#### 行使價

行使價將由董事會全權酌情釐定，惟不得低於以下各項之最高者：(a)股份於要約日期(必須為營業日)在聯交所每日報價表所示在聯交所的收市價；(b)股份於緊接要約日期前五(5)個營業日在聯交所每日報價表所示的平均收市價；(c)股份於要約當日的面值。

#### 計劃之剩餘年期

董事將有權於二零一六年三月二十九日起計10年內隨時向任何合資格參與者授出購股權。計劃將於二零二六年三月二十八日屆滿。

### SHARE OPTION SCHEME (Continued)

#### Remaining life of the Scheme (Continued)

Details of the share options granted under the Share Option Scheme and remain outstanding as at 31 December 2017 are as follows:

### 購股權計劃(續)

#### 計劃之剩餘年期(續)

根據購股權計劃授出且於二零一七年十二月三十一日仍未行使之購股權詳情如下：

Name or category of participant	As at 1 January 2017	Movements of share options during the year			As at 31 December 2017	Date of grant	Exercise price	Exercise period
		Granted	Exercised	Lapsed/Cancelled/Forfeited				
參與者姓名或類別	於二零一七年一月一日	已授出	已行使	已失效/已註銷/已沒收	於二零一七年十二月三十一日	授出日期	行使價 HK\$ 港元	行使期
<b>Director</b>								
<b>董事</b>								
— Ms. Liu (Note)	2,000,000	—	—	2,000,000	—	22 December 2016	8.120	22 December 2016 to 21 December 2018
— 劉女士(附註)	2,000,000	—	—	2,000,000	—	二零一六年十二月二十二日	8.120	二零一六年十二月二十二日至二零一八年十二月三十一日

Note: Ms. Liu has resigned as the chief executive officer of the Company and an executive Director with effect from 1 March 2017 due to other business engagement which requires more of her attention and dedication. According to the Share Option Scheme, the Options automatically lapsed on the date of Ms. Liu ceased to be an eligible participant by reason of voluntary resignation of her directorship.

附註：劉女士由於有其他公務須投入更多時間及精力，已辭任本公司行政總裁及執行董事職務，自二零一七年三月一日起生效。根據購股權計劃，購股權已於劉女士因自願辭任董事職務而不再為合資格參與者當日自動失效。



# Report of the Directors

## 董事會報告

### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2017, to the best of the Directors' knowledge, the interests and short positions of the person (other than the Directors or chief executive of the Company) in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register of substantial shareholders required to be kept under section 336 of the SFO were as follows:

#### Long positions in the issued shares/underlying shares of the Company

### 主要股東於股份及相關股份中的權益及淡倉

於二零一七年十二月三十一日，就董事所深知，除本公司董事及最高行政人員外，依照本公司根據證券及期貨條例第336條規定備存的主要股東登記冊所載，以下人士於本公司的股份及相關股份中擁有以下根據證券及期貨條例第XV部第2及3分部條文須向本公司披露的權益及淡倉：

#### 於本公司已發行股份／相關股份的好倉

Name of shareholders	Notes	Nature of interest	Number of ordinary shares/underlying shares held	Approximate percentage of issued share capital of the Company
股東姓名／名稱	附註	權益性質	所持有普通股／相關股份數目	佔本公司已發行股本概約百分比
Mr. Jiang Jianhui ("Mr. Jiang") 姜建輝先生(「姜先生」)	(a)	Interest in a controlled corporation 受控法團權益	150,000,000	75.0%
Ms. Wu Pei-Tzu ("Ms. Wu") 吳佩慈女士(「吳女士」)	(a)	Interest in a controlled corporation 受控法團權益	150,000,000	75.0%
Youth Force	(a)	Beneficial owner 實益擁有人	150,000,000	75.0%
Ms. Weng Guangmin ("Ms. Weng") 翁光敏女士(「翁女士」)	(b)	Interest in a controlled corporation 受控法團權益	195,000,000	97.5%
Power Expert 巧能環球	(b)	Beneficial owner 實益擁有人	195,000,000	97.5%

## SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (Continued)

Long positions in the issued shares/underlying shares of the Company (Continued)

Notes:

- (a) Youth Force was legally and beneficially owned as to 71% by Mr. Jiang and 28% by Ms. Wu. As such, Mr. Jiang and Ms. Wu are deemed to be interested in the 150,000,000 Shares owned by Youth Force by virtue of the SFO.
- (b) Power Expert Global Limited is wholly-owned by Ms. Weng. As such, Ms. Weng is deemed to be interested in the 195,000,000 underlying Shares through its interests in the convertible bonds, in the principal amount of HK\$390,000,000 issued by the Company, owned by Power Expert by virtue of the SFO.

Save as disclosed above, as at 31 December 2017, no person, other than the Directors and chief executive of the Company whose interests are set out in the section headed "Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures" above, had notified the Company of an interest or short position in the shares or underlying shares of the Company that was required to be recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

## DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the section headed "Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures" above, at no time during the year ended 31 December 2017 were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or his/her spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company, or any of its subsidiaries, holding companies or fellow subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

## 主要股東於股份及相關股份中的權益及淡倉(續)

於本公司已發行股份／相關股份的好倉(續)

附註：

- (a) Youth Force由姜先生及吳女士分別法定及實益擁有71%及28%的權益。因此，姜先生及吳女士根據證券及期貨條例被視為於Youth Force擁有的150,000,000股股份中擁有權益。
- (b) 巧能環球有限公司由翁女士全資擁有。因此，根據證券及期貨條例，翁女士被視為透過其於本公司發行本金額為390,000,000港元之可換股債券之權益於巧能環球擁有之195,000,000股相關股份中擁有權益。

除上文所披露者外，於二零一七年十二月三十一日，除本公司董事及最高行政人員(有關權益已載於上文「董事及最高行政人員之股份、相關股份及債權證之權益及淡倉」一節)外，概無任何人士知會本公司其擁有根據證券及期貨條例第336條規定須記錄於本公司須存置的登記冊中的本公司股份或相關股份中的權益或淡倉。

## 董事購入股份或債權證之權利

除上文「董事及最高行政人員之股份、相關股份及債權證之權益及淡倉」一節所披露者外，於截至二零一七年十二月三十一日止年度之任何時間並無授出權利予任何董事或其各自之配偶或未滿十八歲之子女，以購入本公司股份或債權證而獲取利益，而彼等亦無行使該等權利；本公司或其任何附屬公司、控股公司或同系附屬公司亦無參與任何安排，以令董事能於任何其他法人團體獲得該等權利。

# Report of the Directors

## 董事會報告

### RELATED PARTY TRANSACTIONS

Details of the significant related party transactions undertaken in the usual course of business are set out in note 36 to the financial statements.

### CONNECTED TRANSACTION

For the year ended 31 December 2017, the Company did not have any connected transactions which were subject to the reporting requirements under Chapter 14A of the Listing Rules.

### DIRECTORS' INTERESTS IN A COMPETING BUSINESS

During the year and up to the date of this report, none of the Directors are considered to have interests in a business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group.

### CORPORATE GOVERNANCE

The Company has applied the principles and Code Provisions as set out in the CG Code contained in Appendix 14 of the Listing Rules. During the year ended 31 December 2017, save as disclosed in the section headed "Corporate Governance Report", the Company has complied with the Code Provisions in the CG Code.

### EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this report, there was no other significant event after the reporting period and up to the date of this report.

### AUDIT COMMITTEE

The Audit Committee has reviewed together with the management the accounting principles and policies adopted by the Group, discussed risk management, internal controls and financial reporting matters and the consolidated results of the Group for the year ended 31 December 2017. The Audit Committee comprises three members including Mr. Chan Kai Wing (Chairman), Ms. Chu Yin Yin Georgiana and Mr. Yip Tai Him, all being independent non-executive Directors.

### 關聯方交易

有關於日常業務過程中所進行的重大關聯方交易詳情載於財務報表附註36。

### 關連交易

截至二零一七年十二月三十一日止年度，本公司並無進行任何須遵守上市規則第14A章項下申報規定之關連交易。

### 董事於競爭業務的權益

年內及直至本報告日期，概無董事被視為與本集團業務競爭或可能競爭（直接或間接）之業務中擁有權益。

### 企業管治

本公司已應用上市規則附錄14所載企業管治守則中載列的原則及守則條文。於截至二零一七年十二月三十一日止年度，除「企業管治報告」一節披露者外，本公司一直遵守企業管治守則的守則條文。

### 報告期後事項

除本報告所披露外，報告期後直至本報告日期概無其他重大報告期後事項。

### 審核委員會

審核委員會已與管理層審閱本集團採納的會計原則及政策，並討論有關風險管理、內部監控及財務匯報事宜以及本集團截至二零一七年十二月三十一日止年度的綜合業績。審核委員會由三名成員組成，包括陳繼榮先生（主席）、朱燕燕女士及葉棣謙先生，彼等均為獨立非執行董事。

# Report of the Directors 董事會報告

## AUDITOR

The consolidated financial statements for the year ended 31 December 2017 have been audited by Ernst & Young.

Ernst & Young shall retire in the forthcoming annual general meeting and, being eligible, will offer themselves for re-appointment. A resolution for the re-appointment of Ernst & Young as auditor of the Company will be proposed at the forthcoming annual general meeting.

On behalf of the Board  
Bisu Technology Group International Limited

Wong Hin Shek  
*Chief Executive Officer and Executive Director*

Hong Kong, 21 March 2018

## 核數師

安永會計師事務所已審核截至二零一七年十二月三十一日止年度的綜合財務報表。

安永會計師事務所須於即將舉行的股東週年大會上退任，並符合資格及願意膺選連任。有關續聘安永會計師事務所為本公司核數師的決議案將於即將舉行的股東週年大會上獲提呈。

代表董事會  
比速科技集團國際有限公司

行政總裁及執行董事  
王顯碩

香港，二零一八年三月二十一日

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### INTRODUCTION

Bisu Technology Group International Limited (“Bisu” or the “Company”) was incorporated in the Cayman Islands as a limited liability company. The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (Stock Code: 1372). The Company with its subsidiaries (collectively referred to as the “Group” or “we”) were engaged in the business of (i) civil engineering works and building construction and maintenance; and (ii) development, production and sale of automotive engines.

### PURPOSE OF THIS REPORT

This is the third “Environmental, Social and Governance Report” prepared by the Group. This report mainly outlines the commitments and strategies and report the Company’s performance regarding environmental protection, social responsibility and governance issues.

### SCOPE OF COVERAGE

This report outlines the environmental and social performance of the Group’s most material business segment operations. During the current year ended, total revenue generated from the automotive engine business was approximately HK\$1,478 million (nine months ended 31 December 2016: approximately HK\$1,770 million), representing approximately 72.9% (nine months ended 31 December 2016: approximately 82.5%) of the Group’s total revenue. Considering the automotive engine business contributed a significant impact to the Group in the current year ended, our third report with particular focus on impacts arising from the following operation locations of the Group:

- Group’s headquarter office in Hong Kong; and
- Chongqing automotive production base.

### 緒言

比速科技集團國際有限公司(「比速」或「本公司」)為一間於開曼群島註冊成立的有限責任公司。本公司股份於香港聯合交易所有限公司(「聯交所」)主板上市(股份代號：1372)。本公司及其附屬公司(統稱「本集團」或「我們」)從事(i)土木工程及樓宇建造和保養工程；及(ii)發展、生產及銷售汽車發動機業務。

### 本報告目的

本報告為本集團編製的第三份「環境、社會及管治報告」。本報告主要概述及呈報本公司在環境保護、社會責任及管治議題方面的承諾與策略以及表現。

### 涵蓋範圍

本報告概述本集團最重大業務分部營運的環境及社會表現。於本年度，汽車發動機業務產生的總收益約為1,478百萬港元(截至二零一六年十二月三十一日止九個月：約1,770百萬港元)，佔本集團總收益約72.9%(截至二零一六年十二月三十一日止九個月：約82.5%)。鑒於汽車發動機業務於本年度對本集團帶來的影響重大，我們的第三份報告特別關注本集團下列營運地點產生的影響：

- 本集團在香港的總辦事處；及
- 重慶汽車生產基地。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### BASIS OF PREPARATION

Relevant disclosures of this report are prepared in accordance with the Environmental, Social and Governance Reporting Guide (the “Guide”) under Appendix 27 of the Rules Governing the Listing of Securities issued by the Stock Exchange. The content of this report includes two main subject areas, being Area A — Environmental and Area B — Social as required by the Guide.

### TIME RANGE

This report is an annual report for the year from 1 January 2017 to 31 December 2017.

### STAKEHOLDER ENGAGEMENT

The Group places high value on communication with stakeholders. Through several channels, the Group maintains active and open attitudes towards expectations and demands of stakeholders. The preparation of this report, which was supported by stakeholders of the Company, enabled the Company to have a clear understanding on the Company’s current environmental and social development. The information we gathered and analyzed was not only the summary of the environmental and social works carried out by the Group during 2017, but also the basis for the Group to make strategies for sustainable development. The following table summaries stakeholders’ participation channels and their expectations and demands.

### 編製基準

本報告的相關披露乃根據聯交所頒佈的證券上市規則附錄二十七「環境、社會及管治報告指引」(「指引」)編製。本報告的內容包括兩個主要範疇，即指引所規定的範疇A — 環境及範疇B — 社會。

### 時間範圍

本報告為二零一七年一月一日至二零一七年十二月三十一日的年度報告。

### 權益人參與

本集團重視與權益人的溝通。本集團通過不同渠道與權益人溝通，對權益人的期望及要求保持積極及開放的態度。本報告編製過程中得到本公司權益人的支持，使本公司對公司當前的環境與社會發展有清晰的認識。我們收集和分析的資料不僅是對本集團於二零一七年開展的環境及社會工作的總結，亦為本集團制定可持續發展策略提供了基礎。下表概述權益人的參與渠道及其期望和要求。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Stakeholders 權益人	Participation Channels 參與渠道	Topics concerned 關注話題
Shareholders/Investors 股東／投資者	<ul style="list-style-type: none"> <li>• General meetings</li> <li>• Interim reports/Annual reports</li> <li>• Direct communications</li> <li>• Group website</li> <li>• 股東大會</li> <li>• 中期報告／年度報告</li> <li>• 直接溝通</li> <li>• 集團網站</li> </ul>	<ul style="list-style-type: none"> <li>• Financial results</li> <li>• Sustainability business development</li> <li>• Environmental responsibility</li> <li>• Company transparency</li> <li>• 財務業績</li> <li>• 業務可持續發展</li> <li>• 環境責任</li> <li>• 公司透明度</li> </ul>
Clients 客戶	<ul style="list-style-type: none"> <li>• Customer service</li> <li>• Daily communication</li> <li>• 客戶服務</li> <li>• 日常交流</li> </ul>	<ul style="list-style-type: none"> <li>• Product quality</li> <li>• Protection and management on customer information</li> <li>• Environmental responsibility</li> <li>• Integrity and business behaviors</li> <li>• 產品質量</li> <li>• 客戶資料保護及管理</li> <li>• 環境責任</li> <li>• 誠信及商業行為</li> </ul>
Employees 僱員	<ul style="list-style-type: none"> <li>• Regular performance appraisals</li> <li>• Frequent meetings</li> <li>• Training programs</li> <li>• 定期表現評核</li> <li>• 密切會議溝通</li> <li>• 培訓課程</li> </ul>	<ul style="list-style-type: none"> <li>• Career development</li> <li>• Health and safety</li> <li>• Remuneration and benefits</li> <li>• Sustainability development</li> <li>• 職業發展</li> <li>• 健康與安全</li> <li>• 薪酬與福利</li> <li>• 可持續發展</li> </ul>
Suppliers 供應商	<ul style="list-style-type: none"> <li>• Close communication</li> <li>• Order/contract execution</li> <li>• 密切溝通</li> <li>• 訂單／合約執行</li> </ul>	<ul style="list-style-type: none"> <li>• Corporate contribution</li> <li>• Product quality</li> <li>• Environmental responsibility</li> <li>• 對企業的貢獻</li> <li>• 產品質量</li> <li>• 環境責任</li> </ul>

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### ESG MATERIAL AREAS AND ASPECTS, AND KEY PERFORMANCE INDICATOR (“KPI”)

#### (A) Environmental responsibility

We believe that the Group has a large part to play in protecting the environment. We are committed to protecting the environment and supporting sustainable development by conducting our business in an environmentally responsible manner. We believe that a successful environment management is important for us to meet customers’ demand in environment protection and to ensure healthy growth and sustainable development of our business. Thus, we set and review environmental objectives from time to time with a target to minimise our environmental footprints, and seek for continuous improvement. All of our environmental management policies were developed based on local requirements and environmental standards.

##### A1. Emissions

The Group manufactures automotive engines to its customers with its production plant in Chongqing. During the current financial year, our Chongqing production site contributed over 70% of the Group’s total revenue. Thus, the environmental impact on the Chongqing production plant is always our first concern. All necessary pollution emission permits for our production facilities have been obtained from the People’s Republic of China Government department. During the current financial year ended, all air emissions are required to operate within the prescribed limits set by the local government.

### 環境、社會及管治主要範疇、層面及關鍵績效指標(「KPI」)

#### (A) 環境責任

我們相信，本集團在保護環境中起著重要作用。我們致力於以對環境負責的方式開展業務，保護環境及推動可持續發展。我們認為，成功的環境管理對我們滿足客戶的環保要求及確保業務穩健增長及可持續發展而言至關重要。因此，我們不時制定及檢討環保目標，旨在盡量減少我們的環保足跡及尋求不斷改善。所有環境管理政策乃根據當地規定及環境標準制定。

##### A1. 排放

本集團通過其位於重慶的生產廠房為客戶生產汽車發動機。於本財政年度，我們的重慶生產地為本集團的總收益貢獻逾70%。因此，重慶生產廠房的環境影響一直為我們的首要關注點。我們的生產設施已取得中華人民共和國政府部門的所有必要的污染排放許可。截至本財政年度內，所有氣體排放均須按當地政府設定的規定限額內進行。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Air and Greenhouse Gas Emissions Emitted (Chongqing production plant)

### 氣體及溫室氣體排放量 (重慶生產廠房)

Type	Year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 (Tons) (噸)	Period ended 31 December 2016 截至 二零一六年 十二月三十一日 止期間 (Tons) (噸)
種類		
<b>Air Emissions</b>		
<b>氣體排放</b>		
NOx 氮氧化物	3.22	0.36
NMHC 非甲烷碳氫化合物	0.087	0.01
CO 一氧化碳	0.48	0.71
<b>Wastewater</b>		
<b>廢水</b>		
Chemical Oxygen Demand 化學耗氧量	0.2	0.11
Ammonia Nitrogen 氨態氮	0.027	0.01
Suspended Solid 懸浮物	0.067	0.04

#### Waste management

With respect to the Group's automotive engine production business, the Group strives to avoid overstocking of materials through proper inventory and production planning management. General industrial wastes produced from our Chongqing production site are mainly scrap steel, waste solder and waste packaging materials. Generally, if waste and used materials can be recycled, such as scrap steel and waste packaging materials, then they are sorted and recycled. At all time, the Group is committed to improving the recycling and reusing initiatives.

#### 廢料管理

就本集團之汽車發動機生產業務而言，本集團致力於通過妥善的存貨及生產規劃管理，避免積壓物料。我們的重慶生產地產生的一般工業廢料主要為廢鋼、廢棄焊料及廢棄包裝材料。我們通常會將可回收的廢料及廢舊物料（如廢鋼及廢棄包裝材料）進行分類並回收利用。本集團始終如一地致力於改善回收及重複使用措施。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Among the key emissions produced by our Chongqing production site, Nitrogen Oxides (NO<sub>x</sub>), Non-methane Hydrocarbons (NMHC) and Carbon monoxide (CO) were hazardous wastes. The Group has implemented policies to mitigate the negative effect that hazardous waste bring to the environment. Most of our facilities have initiated hazardous waste recycling program. Our production facilities enclosed hazardous waste collection system whenever possible and during the current financial period, most of the hazardous wastes were effectively sorted and stored and recycles by designated professional recyclers. We ensure all employees are aware of what hazardous materials are on-site and the handling and disposal methods.

重慶生產地製造的主要排放物中，氮氧化物(NO<sub>x</sub>)、非甲烷碳化合物(NMHC)及一氧化碳(CO)為有害廢料。本集團已實施政策以減輕有害廢料對環境帶來的負面影響。我們的大部分設施已啟用有害廢料回收計劃。我們的生產設施已盡可能安裝有害廢料收集系統，於本財政期間，大部分有害廢料已有效分類及儲藏及由指定專業回收人員回收。我們確保所有僱員了解工作場所的有害材料及處理處置方法。

### A2. Use of resources

The Company is committed to reducing negative impact to our environment by conducting our operation in an environmentally responsible manner. In order to reduce our environmental footprints in the workplace, we always look for opportunities to reduce unnecessary energy consumption and waste generation.

### A2. 資源利用

本公司致力於以對環境負責的方式開展業務，減少對環境帶來的不利影響。為降低我們於工作場地的環境足跡，我們一直尋求機會減少非必要的能源消耗及廢物排放。

Electricity is the main source of energy used by our offices in our daily operations. Other resources such as fresh water and paper and printing ink are also consumed. The Company has implemented various measures to achieve low-carbon and green office, including:

電力乃我們日常運營中辦公室所用的主要能源。其他資源如飲用水及紙張及刷印油墨亦被消耗。本公司已推行各項措施以實現低碳綠色辦公室，包括：

Electricity consumption optimization:

- Electric appliances are required to turn-off when unattended
- Maintain temperature of air conditioners to the standard of 25.5 degrees in general conditions
- Replace regular incandescent light bulbs with LED bulbs
- Encourage the use of natural light whenever possible
- Arrange lighting zoning to ensure that only required lighting is switched on

減少電力消耗：

- 無人時須關閉電器
- 一般條件下，保持空調溫度為標準25.5度
- 用LED燈代替普通白熾燈泡
- 鼓勵盡可能使用自然光
- 安排照明區，確保只有需要照明的地方開燈

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Reducing use of water

- Install automatic faucet to avoid waste of water
- Educate employees to save water by use of posters
- Carry out regular leakage tests on piping and check for overflowing tanks, worn tap washers and other defects of the system
- Use manufacturing equipment which ensure economy in water whenever possible

### 減少用水

- 安裝自動水龍頭，避免浪費水
- 使用海報教育員工節約用水
- 定期進行管道洩漏測試，檢查滿溢的水箱，破舊的水龍頭墊圈及系統的其他缺陷
- 盡可能使用經濟用水的生產設備

### Business travel reduction

- Reduce number of business trips by using other effective means of communication whenever possible
- Initiated preliminary review of air and land travel patterns

### 減少差旅

- 盡可能採用其他有效的溝通方式，減少差旅次數
- 啟用對空中及陸地出行模式的初步審核

### Emissions and use of resources (Hong Kong headquarter office) 排放物及資源使用 (香港總辦公室)

2017

二零一七年

### Resources consumption 資源消耗

Paper used (kg)  
用紙量(千克)

1.84

### Greenhouse gas emissions ("GHG Emissions") 溫室氣體排放(「溫室氣體排放」)

Scope 2 GHG Emissions<sup>1</sup> (kg of CO<sub>2</sub>)<sup>2</sup>

範圍2溫室氣體排放<sup>1</sup>(千克二氧化碳)<sup>2</sup>

5,904.1

Scope 3 GHG Emissions<sup>3</sup> (kg of CO<sub>2</sub>)

範圍3溫室氣體排放<sup>3</sup>(千克二氧化碳)

4,484.2

1. According to the Carbon Audit Guidelines, Scope 2 Emissions refer to energy indirect emissions. The disclosed figures are resulted from electricity purchased from power companies.
2. The power company-specific emission factor of Hong Kong Electric Company is adopted for the calculation.
3. According to the Carbon Audit Guidelines, Scope 3 Emissions refer to other indirect emissions (optional for reporting purposes). The disclosed figures are resulted from business air travel by employees.

1. 根據碳審計指引，範圍2溫室氣體排放指能源間接排放。披露數字源於從電力公司購買之電力。
2. 此計算採用香港電燈有限公司之特定排放系數。
3. 根據碳審計指引，範圍3溫室氣體排放指其他間接排放(可選擇申報)。披露數字源於僱員商務航空旅遊。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### A3. *Environment and natural resources*

The Group is well aware that the earth's natural resources are limited. Thus, apart from implementing measures for managing resources consumption and reducing waste generated, various other policies have been implemented to manage the impact of our operations on the environment and natural resources. Natural resources that the Group consumed in normal course of operations involve paper. To reduce environmental impacts and raise the efficiency on printing and minimize paper consumption, the Group focuses on developing recycling measures and requires all employees to:

- Default office printing as duplex in offices;
- Use of recycle paper whenever possible;
- Set wider page margins so that more text would be filled in each page;
- Use e-mails as much as possible and reduce paper usage on fax;
- Reuse paper printed on one side for manuscript paper or printing paper.

Besides, considering the negative impact that our Chongqing operation site brings to the environment during normal courses of production was unavoidable, the Group will alternatively find ways to mitigate its effect brings to the environment, such as planting trees in its Chongqing production site in order to reduce Co2.

Throughout the current financial year ended, the Group is not aware of any material non-compliance with laws and regulations relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste that have a significant impact on the Group.

### A3. 環境及自然資源

本集團深知地球的自然資源有限。因此，我們不僅推行各種措施管理資源消耗及減少廢物排放，亦已實施其他不同政策以管理我們的業務營運對環境及自然資源產生的影響。本集團於日常業務過程中消耗的自然資源包括紙張。為減輕環境影響並提高印刷效率及盡量減少紙張消耗，本集團專注於制定回收措施並要求全體員工：

- 辦公室的打印默認為雙面打印；
- 盡可能使用回收紙張；
- 設置更寬的頁邊距，令每個頁面可容納更多內容；
- 盡可能使用電郵，減少傳真用紙；
- 重複使用單面打印的紙張作草稿紙或打印紙。

除此之外，鑒於我們的重慶營運基地在正常生產過程中無可避免對環境帶來不利影響，本集團將另覓途徑減輕其對環境產生的影響，例如在其重慶生產地植樹以減少二氧化碳。

截至本財政年度止，本集團並無獲悉任何嚴重違反有關氣體及溫室氣體排放、向水及土地的排污以及產生有害或無害的廢棄物之法律法規，而對本集團造成重大影響。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### (B) Social responsibility

#### B1. *Employment and labour practices*

Our team of 896 employees (31 December 2016: 793) are the most important asset of the Group. The Company is devoted to shape a non-discriminating, diverse, fair and harmonious workplace disregard of the number of employees. The Company comply straightly with all applicable rules and regulations of the “Labour Law of the People’s Republic of China” and “Employment Ordinances of Hong Kong Administrative Region”.

The Group seeks and welcomes people with talent and passion. We are committed to establishing an inclusive, diverse and discrimination-free culture in our Group. On employment of employees, all job positions are open to all with equal opportunities, decided with no discrimination on sex, race, religion, gender, age and disability basis, and selected on skill and competency basis. We identify potential new hires using appropriate assessment tools and regularly review our recruitment mechanism to ensure criteria for recruitment aligns with our up-to-date requirements. The Group also consider internal promotion and job rotation to ensure equal opportunities are given to existing employees. At all time, we comply stringently with all applicable local rules and regulations in anti-discrimination. There were no reported cases on discrimination for the year 2017 (2016: nil).

### (B) 社會責任

#### B1. *僱傭及勞工常規*

我們的團隊有896名(二零一六年十二月三十一日:793名)僱員，是本集團最重要的資產。無論僱員人數多寡，本公司致力營造一個無歧視、多元化、公平及和諧的工作環境。本公司嚴格遵守《中華人民共和國勞動法》及香港特別行政區《僱傭條例》的所有適用規則及規例。

本集團尋求及歡迎富有才能及熱誠的人才。我們致力在本集團建立包容、多元及無歧視的文化。在僱員聘用方面，所有工作崗位均對所有人提供開放及一視同仁的平等機會，根據技能及能力甄選人才，而不會基於性別、種族、宗教、性別、年齡及殘疾等因素而有區別對待。我們使用適當的評核手段甄選潛在新員工，並定期檢討我們的招聘機制，以確保招聘標準切合我們的最新要求。本集團亦會考慮內部晉升及輪崗，以確保為現有僱員提供平等的機會。我們一直嚴格遵守所有適用的當地反歧視規則及規例。於二零一七年，並無獲呈報出現歧視的情況(二零一六年：無)。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

All employments are entered into proper and standardized written contract between the employee and the Group. Regional Human Resources Department is set up in order to ensure that statutory obligations of the Group are fulfilled and complied with in a timely manner. In accordance with the requirements of the laws of the People's Republic of China and the Hong Kong Special Administrative Region, where appropriate, the Group provides and maintains statutory benefits to all qualified staff, including but not limited to mandatory provident fund, social security insurance, medical insurance, work injury insurance and compensation and statutory holidays.

Employees' remunerations are determined with reference to the market level as well as their competency, qualifications and experience. The Group has established a comprehensive performance review mechanism in order to evaluate performance of employees openly and fairly. The Group offers competitive remuneration and benefit package to employees to express our great gratitude towards their effort.

僱員與本集團之間的所有僱傭關係均簽訂適當及標準化的書面合約。本集團已成立區域人力資源部，確保切實履行和及時遵守本集團的法定義務。本集團根據中華人民共和國及香港特別行政區的法律規定（按適用者而定），向所有合資格員工提供並維持法定福利，包括但不限於強制性公積金、社會保險、醫療保險、工傷保險和賠償以及法定假期。

員工薪酬是參照市場水平以及員工的能力、資歷及經驗而釐定。本集團已建立全面的績效評審機制，以公開公平地評核員工的績效。本集團向僱員提供具競爭力的薪酬福利待遇，以回報員工的努力付出。

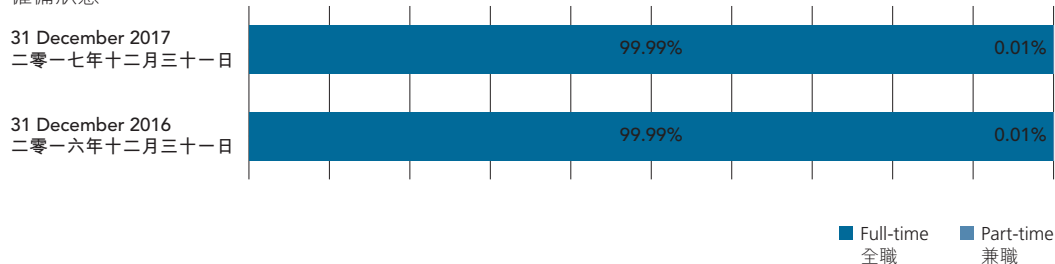
# Environmental, Social and Governance Report

## 環境、社會及管治報告

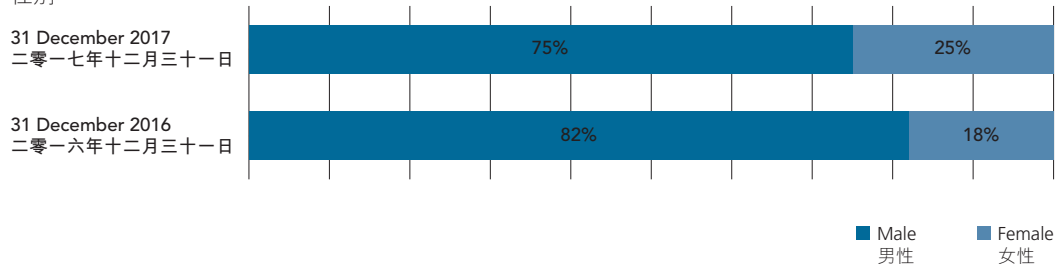
As at 31 December 2017, the Group had 896 employees (31 December 2016: 793), with details as follows:

於二零一七年十二月三十一日，本集團有896名(二零一六年十二月三十一日：793名)僱員，詳情如下：

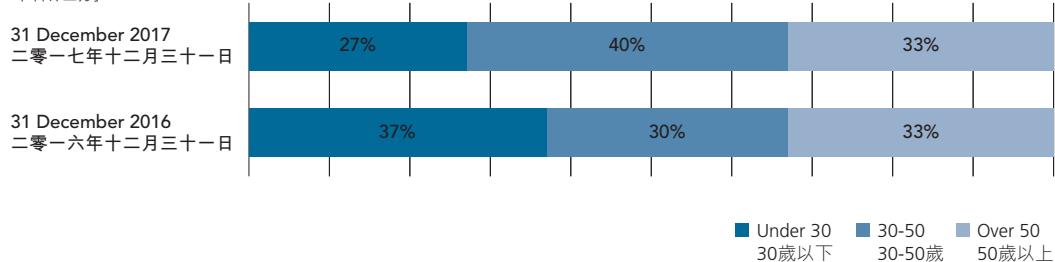
### Employment status 僱傭狀態



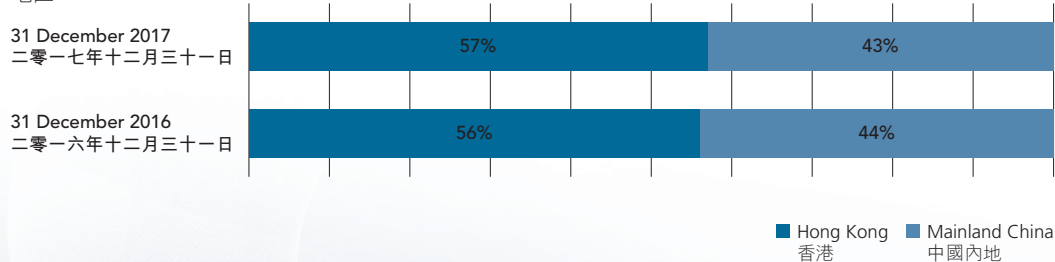
### Gender 性別



### Age Group 年齡組別



### Region 地區



# Environmental, Social and Governance Report

## 環境、社會及管治報告

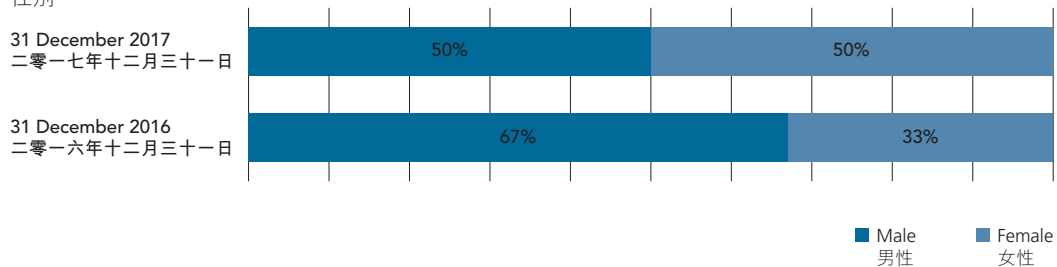
In addition to our employees, we also believe board diversity plays an important role in enhancing the Group's sustainable development. Nomination Committee was established not only to recognise the terms of relevant Code Provisions of the Stock Exchange Code, but also to review the structure, size, composition and diversity of the Board from time to time. In designing the Board's optimal composition, a range of diversity perspectives with reference to the Group's business model and specific needs will be considered, including but not limited to gender, age, culture, race, educational background, professional experience, knowledge and skills. During the current year ended, the Company appointed Mr. Lo Kin Ching, Joseph as Executive Director, which has further enhanced the Board's independence, diversity, perspective and experience.

除僱員層面外，我們亦相信董事會成員多元化對加強本集團的可持續發展起著重要作用。成立提名委員會不僅是為遵守聯交所相關守則條文的條款，亦是為不時檢討董事會的架構、人數、組成及多元化。在設定董事會成員的最佳組合時，會參考本集團業務模式和特定需求，從一系列多元化範疇進行考慮，包括但不限於性別、年齡、文化、種族、教育背景、專業經驗、知識及技能。於本年度，本公司委任勞建青先生為執行董事，進一步提升了董事會的獨立性、多元性、前瞻性及經驗。

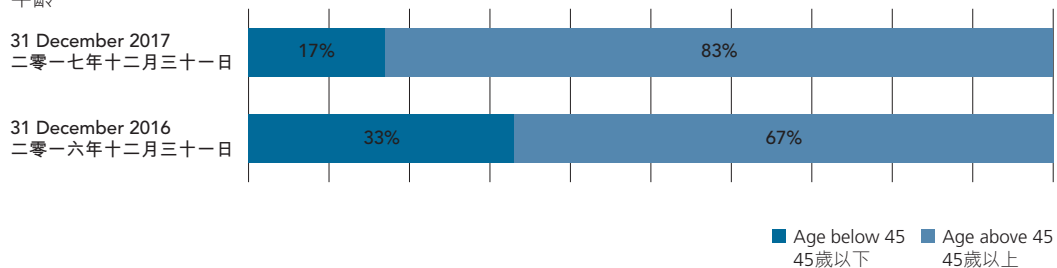
As at 31 December 2017 and 2016, details of our Board as follows:

於二零一七年及二零一六年十二月三十一日，董事會的詳情如下：

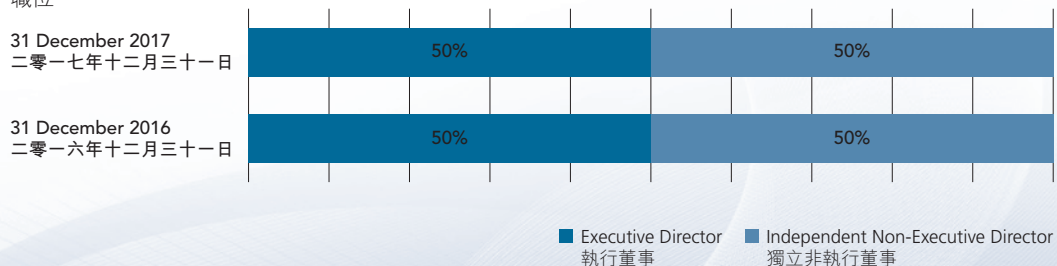
### Gender 性別



### Age 年齡



### Designation 職位





# Environmental, Social and Governance Report

## 環境、社會及管治報告

### B2. Health and safety

Safety is the top priority in everything we do. In order to achieve our goal of zero injuries, we pay special attention to providing a healthy and safe working environment for all of our employees. To meet our goal of zero injuries, we strive to integrating health and safety considerations into all aspects of our business activities. Relevant policies as follows, including but not limited to:

- complying fully with all applicable laws and regulations;
- providing trainings, such as safety use of equipment, emergency management and rescue, etc., regularly to enhance staffs' awareness of relevant health and safety issues;
- posting occupational safety signs in every operation sites to alert workers the importance of occupational safety;
- reviewing and revising safety guidelines from time to time;
- performing regular check on machines and equipments to ensure they are properly functioning; and
- carrying out emergency drills periodically to enhance the ability of emergency preparedness and response of workers.

### B2. 健康與安全

安全是我們一切工作的重中之重。我們特別重視為全體僱員提供健康與安全的工作環境，致力實現零受傷目標。為達致零受傷目標，我們致力將健康與安全考慮融入我們業務活動的各個方面。採取的相關政策包括但不限於：

- 全面遵守所有適用法律及法規；
- 定期提供安全使用設備、突發事件管理及急救等培訓，加強員工有關健康與安全問題的意識；
- 在每個營運點張貼職業安全標誌，提醒工人重視職業安全；
- 不時檢討及修訂安全指引；
- 定期檢查機器及設備，確保其正常運作；及
- 定期開展應急演練，提高工人應急準備能力及應對能力。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### PERFORMANCE HIGHLIGHTS

In both the current financial year and the prior financial period, our Chongqing production plant achieved the Group's goal of zero fatalities.

### 表現摘要

於本財政年度及上一財政期間，我們於重慶生產廠房均達成本集團零死亡目標。

### Safety performance of our Chongqing production base

### 重慶生產基地的安全表現

		Year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度	Period ended 31 December 2016 截至 二零一六年 十二月三十一日 止期間
Fatalities	死亡宗數	0	0
Number of lost time injuries	損失工時工傷宗數	1	1
Number of days lost	損失天數	43	90
Number of occupational disease	職業病宗數	0	0

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### B3. *Development and training*

Our Group considers that the capabilities of our employees are the key requirements to maintain the Group's sustainability and to increase the revenue for the Group. The Group offers different types of training programs regularly and on needed basis for employees to improve their skills and satisfy position needs. Meanwhile, the Group encourages employees to actively participate in position-related trainings organized by external institutions in order to enhance individual professional quality and efficiency, the costs of which would be paid by the Group on application and by discretion of the senior management.

### B4. *Labor standards*

The Company has a comprehensive human resources policy in place regarding recruitment, dismissal, leaves, holidays and benefits to support our works on manpower resources. The Company stringently complies with the People's Republic of China and the Hong Kong Special Administrative Region labor laws and employment regulations, and has totally forbidden recruitment of child labor and forced labor. In both 2016 and 2017, there were zero reported cases of discrimination and unethical labor practices.

### B3. *發展及培訓*

本集團認為，我們僱員的能力是維持本集團可持續發展及擴增收益的關鍵。本集團定期及按需求為僱員提供不同類型培訓項目，以提升其技能及滿足崗位需求。同時，本集團鼓勵僱員積極參與對外部機構舉辦的崗位相關培訓，以提升個人專業質素及效率，有關費用可在申請後根據高級管理層酌情決定由本集團支付。

### B4. *勞工準則*

本公司在招聘、解僱、離職、休假及福利方面制定了全面的人力資源政策，以支持人力資源工作。本集團嚴格遵守中華人民共和國及香港特別行政區的勞動法及僱傭規例，並全面禁止僱用童工及強制勞工。於二零一六年及二零一七年兩個年度，並無接獲有關歧視及不道德勞工行為的報告。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Operation practices

As the Group regards supply chain competitiveness as one of the core corporate competitiveness, we have maintained supply chain management strategy of balancing between quality and efficiency. At all time, the Group adheres to the principle of integrity first and conducts business according to the operation practices which are compliance with the local rules and regulations.

#### B5. Supply chain management

Our supply chains mainly cover two general categories: (i) office supply chains; and (ii) raw materials of automotive engine supply chains. At the office level, supply chains cover procurement for headquarter office and are mainly focused on routine office items such as stationery, toner and paper. At the automotive engine segment, most items are procured for the production of automotive engine.

The Group recognises the supply chains play in an important role in the overall sustainability performance. Stringent guidelines were adopted to guide the assessment of suppliers. Suppliers are assessed for their capability to fulfil our business needs based on a price and non-price factors such as labor practices, environment and quality. And at all time, the Group required suppliers to comply with all applicable laws and regulations and align with environmental protection management at a minimum. Supplier assessment guidelines will be reviewed and updated from time to time to ensure suppliers' best meet our business needs.

### 營運慣例

本集團將供應鏈競爭力視為企業的核心競爭力之一，我們堅持品質與效益並重的供應鏈管理方針。本集團始終秉持誠信第一的原則，並根據符合當地法律及法規的營運慣例開展業務。

#### B5. 供應鏈管理

我們的供應鏈主要涵蓋兩大類別：(i) 辦公供應鏈；及(ii) 汽車發動機原材料供應鏈。就辦公層面而言，供應鏈涵蓋總部辦公室的採購，主要為文具、碳粉及紙張等日常辦公用品。就汽車發動機分部而言，採購的用品主要是汽車發動機生產用品。

本集團深信供應鏈對整體可持續發展表現而言至關重要。我們已採納嚴格的供應商評核指引。我們依據價格和非價格因素(例如勞工慣例、環境及質量等)，評估供應商滿足我們業務需求的能力。另外，本集團一貫要求供應商最低限度須遵守所有適用法律和法規及符合環保管理。供應商評核指引會不時檢討及更新，以確保供應商能最大程度切合我們的業務需求。

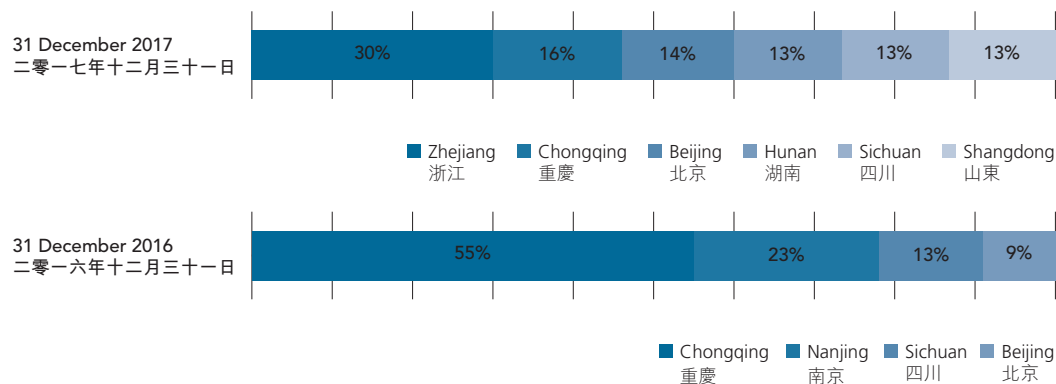
# Environmental, Social and Governance Report

## 環境、社會及管治報告

Procurement department of the Group will continuously seek potential new suppliers in an attempt to find more reliable and price competitive products for operation. To further enhance the sustainability of the supply chains, the Group tried to source goods locally whenever possible. In both 2017 and 2016, All suppliers of our Chongqing manufacturing plants were located in the Mainland China. During the current financial year ended 31 December 2017, we procured from 6 (period ended 31 December 2016: 7) key suppliers<sup>1</sup> for a total of RMB419,549,801 (equivalent to approximately HK\$483,908,740) (period ended 31 December 2016: RMB609,740,908 (equivalent to approximately HK\$712,482,242)), which constitutes to approximately 40% (period ended 31 December 2016: 49%) of the total purchase amount of our Chongqing manufacturing plants.

本集團的採購部門將不斷物色潛在新供應商，為我們的營運尋找更可靠及更具價格競爭力的產品。為進一步提升供應鏈可持續性，本集團盡可能於本地採購貨品。於二零一七年及二零一六年兩個年度，重慶製造廠的所有供應商均位於中國內地。於截至二零一七年十二月三十一日止的本財政年度，我們從6名(截至二零一六年十二月三十一日止期間：7名)主要供應商<sup>1</sup>採購貨品，合計人民幣419,549,801元(相當於約483,908,740港元)(截至二零一六年十二月三十一日止期間：人民幣609,740,908元(相當於約712,482,242港元))，佔重慶製造廠總採購額約40%(截至二零一六年十二月三十一日止期間：49%)。

Key Suppliers Purchase Amount by City  
按城市劃分的主要供應商採購金額



<sup>1</sup> Suppliers who supplied goods to the Group over RMB5,000,000

<sup>1</sup> 向本集團供應貨品超過人民幣5,000,000元的供應商

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### B6. Product responsibility

Product responsibility is one of the critical concerns of the Group at all time. We believe that our commitment to enhancing the quality of products is instrumental in maintaining our overall reputation. We are committed to providing customers with quality and safe products. All new joined employees are required to participate compulsory training program to ensure they are well trained for their position and understand the product standard of the Group. We also conduct stringent quality assurance programs and quality control procedures. All automotive engines must be tested for their safety and quality before selling to ensure they meet specific safety standards under the industry regulations. In case of any noncompliance or material quality issues found on our products, we also have relevant task force to handle. During the current year ended, the automotive engine segment did not receive any complains via official complain channel and no product sold was recall for safety and health reasons.

Meanwhile, the Group recognises the importance of its supplier and customers' personal data protection. The Group has established stringent guidelines to protect and monitor personal data and privacy. Personal data of our suppliers and customers are treated as highly confidential and accessible only by authorised personnel. Internal trainings were organized in order to ensure employees have well understanding of those policies so that relevant guidelines could smoothly enact. We are also devoted to protect intellectual property rights and trademarks of our suppliers to support their business interests and confidentiality.

### B6. 產品責任

產品責任一直是本集團的關注重點之一。我們相信，致力提高產品質量有助維護我們的整體聲譽。我們致力於為客戶提供優質及安全的產品。所有新入職員工均須參加強制性的培訓項目，以確保彼等能勝任崗位要求及了解本集團的產品標準。我們亦實行嚴格的質量保證計劃及質量控制程序。所有汽車發動機於銷售前必須進行安全及質量測試，確保符合行業規定的特定安全標準。若產品出現任何不合規或重大質量問題，我們亦有專責團隊進行處理。於本年度，汽車發動機分部並無接獲通過官方投訴渠道作出的投訴，亦無因安全與健康原因召回已出售產品。

同時，本集團深明保護供應商及客戶個人資料的重要性。本集團已制定嚴格的個人資料及私隱保護及監察指引。供應商及客戶的個人資料被視為高度機密，只有獲授權人員才能閱取。我們已組織內部培訓，確保僱員充分了解有關政策，保證有關指引能夠順利實施。我們亦致力保護供應商的知識產權及商標，以支持其商業利益及保密資訊的維護。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### B7. *Anti-corruption*

We are committed to providing quality products and services to customers and all employees must perform duties at the highest level of integrity, commitment and professionalism. The Group has implemented policies on anti-corruption in order to prevent, detect and report misconduct. The Group also provide guidance for all employees which are made for the purpose of setting out the standard of behavior we expected for our employees, such as acceptance/offer of gifts or entertainment during the course of soliciting business, conflict of interest and outside employment. The Group encourages and enables employees to raise serious and material concerns on anti-corruption and in case there is any doubts. All reporting will be treated as confidential and in a sensitive manner. At the same time, the Group also welcomes communication and consultation. With the implementation of clear policies, the Group reported no bribery nor corruption cases in both 2017 and 2016.

## Community

### B8. *Community investment*

We understands well the importance of making a positive contribution to the communities where the Group operates, and sees the interests of the communities as one of its social responsibilities. The Group supports a harmonious and sustainable working environment. Concerning the needs of local community, the Group creates job opportunities in our main operating site located in Chongqing by employing over 300 local residents there.

We encourage our employees to actively participate in charitable activities at all time. In the coming year, we target to engage different community groups to support and add value to communities. We will also invest our money into communities whenever possible.

### B7. 反貪污

我們致力為客戶提供優質的產品及服務，要求所有僱員在履行職責過程中依循最高的誠信、承諾及專業標準。本集團已實施有關防止、發現及舉報不當行為的反貪污政策。我們亦提供針對全體僱員的指引，列明我們期望每名僱員遵守的行為標準，例如有關於招攬業務過程中接受／提供禮物或款待、利益衝突及受僱於外間機構的標準。本集團鼓勵並提供渠道讓僱員提出嚴重及實質性的反貪污問題及任何相關的疑問。所有舉報均會保密及審慎處理。同時，本集團亦歡迎進行溝通及諮詢。於二零一七年及二零一六年兩個年度，憑藉實施清晰的政策，本集團並無有關賄賂或貪污案件。

## 社區

### B8. 社區投資

我們深知對本集團經營所在社區作出積極貢獻的重要性，並將社區利益視作社會責任之一。本集團支持和諧而可持續的工作環境。考慮到本地社區的需求，本集團在我們位於重慶的主要經營場所僱用超過300名本地居民，為當地創造就業機會。

我們一直鼓勵僱員積極參與慈善活動。來年，我們計劃攜手不同社區團體以支持及為社區增值。我們亦將在可能情況下向社區投資資金。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### OUTLOOK

We would like to take this opportunity to extend our sincere gratitude to our employees, suppliers, shareholders and other stakeholders for their long-term support and trust to the Group. The feedbacks from these parties are of great value to us in forming our business strategy to focus on their needs. "Excellence is not a destination; it is a continuous journey that never ends". Although we believe that our performance has granted positive recognition in the current financial period, there is still more to be done. In the coming year, we will continue to strive to implement the best practices in corporate social responsibility to advance the global sustainability agenda at large.

### 展望

我們藉此機會衷心感謝我們的員工、供應商、股東及其他權益人對本集團一直以來的支持和信任。上述各方的寶貴反饋意見，可促使我們更好地因應其需要制定業務策略。「卓越不是一個終點，對卓越的追求永無止境」。儘管我們對本財政期間的表現十分認可，但還有更多工作要做。於來年，我們將繼續努力落實企業社會責任的最佳實踐，推動實現全球可持續發展議程。



# Independent Auditor's Report

## 獨立核數師報告



To the shareholders of Bisu Technology Group International Limited

(Formerly known as Excel Development (Holdings) Limited)  
(Incorporated in the Cayman Islands with limited liability)

### OPINION

We have audited the consolidated financial statements of Bisu Technology Group International Limited (formerly known as Excel Development (Holdings) Limited) (the "Company") and its subsidiaries (the "Group") set out on pages 90 to 203, which comprise the consolidated statement of financial position as at 31 December 2017, and the consolidated statement of profit or loss and other 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.

致比速科技集團國際有限公司列位股東

(前稱怡益控股有限公司)  
(於開曼群島註冊成立的有限公司)

### 意見

我們已審核列載於第90至203頁比速科技集團國際有限公司(前稱怡益控股有限公司)(以下簡稱「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，及截至該日止年度的綜合損益及其他全面收入表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實而公允地反映 貴集團於二零一七年十二月三十一日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港公司條例的披露規定妥為編製。

# Independent Auditor's Report

## 獨立核數師報告

### 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.

### 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.

### 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》(「香港審計準則」)進行審計。我們就該等準則承擔的責任在本報告「核數師就審計綜合財務報表承擔的責任」部分中闡述。根據香港會計師公會的《專業會計師道德守則》(「守則」)，我們獨立於貴集團，並已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。

### 關鍵審計事項

關鍵審計事項是根據我們的專業判斷，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。就下文各事項而言，有關吾等審核時處理此等事項的描述僅適用於此等情況。

吾等已履行本報告「核數師就審計綜合財務報表承擔的責任」一節所述的責任，包括與此等事項相關之責任。據此，吾等的審計範圍包括旨在回應吾等對綜合財務報表進行重大錯誤陳述風險評估的程序的表現。審核程序(包括為處理下列事項而進行的程序)的結果為吾等就隨附綜合財務報表發表審核意見提供了基礎。

# Independent Auditor's Report

## 獨立核數師報告

### KEY AUDIT MATTERS (Continued)

Key audit matter	How our audit addressed the key audit matter
------------------	----------------------------------------------

#### *Impairment assessment of goodwill, intangible assets and property, plant and equipment*

As at 31 December 2017, the Group had goodwill, intangible assets and property, plant and equipment amounting to HK\$498,343,000, HK\$556,230,000 and HK\$43,634,000, respectively, relating to the cash-generating unit of the development, production and sale of the Automotive Engines Business (the "Automotive Engines CGU"). In accordance with HKAS 36 *Impairment of Assets*, management of the Company is required to test goodwill for impairment annually. Management of the Company is also required to determine whether there are any impairment indicators for the intangible assets and property, plant and equipment with reference to the recoverable amount of the Automotive Engines CGU.

We focused on this area because this impairment assessment is based on the recoverable amount of the Automotive Engines CGU, which is determined by a value-in-use calculation, which requires significant management's judgement with respect to a pre-tax cash flow projection based on the financial budget approved by management covering a five-year period. The projection is largely based on management's expectations and estimates of future results of sale of automotive engines.

Disclosures in relation to goodwill, intangible assets and property, plant and equipment are included in notes 3, 13, 14 and 15 to the consolidated financial statements.

In evaluating management's impairment assessment, we involved our valuation specialists to evaluate the valuation model and key parameters prepared by management of the Company, giving particular attention to the discount rate and terminal growth rate. Our procedures also included assessment of the key assumptions such as the sales growth rate based on our knowledge of the business and the sales framework agreements entered into by the Group with its customers.

In addition, we checked the input data to supporting evidence, such as the approved budget and the recent historical results of the Group.

We also assessed the adequacy of the disclosures in the consolidated financial statements.

### 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

##### 商譽、無形資產及物業、機器及設備減值評估

於二零一七年十二月三十一日，貴集團就開發、生產及銷售汽車發動機業務的現金生產單位(「汽車發動機現金生產單位」)擁有商譽、無形資產及物業、機器及設備分別為498,343,000港元、556,230,000港元及43,634,000港元。根據香港會計準則第36號資產減值，貴公司管理層須每年測試商譽減值。貴公司管理層亦須參照汽車發動機現金生產單位的可收回金額釐定無形資產及物業、機器及設備是否出現減值跡象。

我們專注於此方面乃由於該減值評估基於汽車發動機現金生產單位的可收回金額，而該可收回金額乃按使用價值計算法釐定，此須管理層作出重大判斷，內容有關根據管理層所批准五年期財務預算作出的稅前現金流預測。該預測主要依據管理層對日後銷售汽車發動機業績的預期及估計。

有關商譽、無形資產及物業、機器及設備的披露資料載於綜合財務報表附註3、13、14及15。

評估管理層做出的減值評估時，我們指示估值專家對貴公司管理層制定的估值模型及關鍵參數進行評估，並重點關注折現率及最終增長率。我們的程序亦包括對主要假設進行評估，例如根據我們對業務的了解及貴集團與其客戶訂立的銷售框架協議處理銷售增長率。

此外，我們核查輸入數據及支持性證據，如貴集團經批准預算及近期歷史業績。

我們亦評估綜合財務報表內披露資料的充足性。

# Independent Auditor's Report

## 獨立核數師報告

### KEY AUDIT MATTERS (Continued)

#### Key audit matter

#### How our audit addressed the key audit matter

##### *Recoverability of accounts and bills receivables*

As at 31 December 2017, the Group had accounts and bills receivables amounting to HK\$1,193,132,000, which represented approximately 48% of the total assets of the Group. No impairment of accounts and bills receivables was recorded by the Group as at 31 December 2017.

We focused on this area because significant judgement is required in determining the provision, with reference to management's assessments on the debtors based on their repayment history, reputation, expected repayment dates and relationship with the Group.

Disclosures in relation to accounts and bills receivables are included in notes 3 and 19 to the consolidated financial statements.

In evaluating management's impairment assessment, our audit procedures included evaluating the ageing of accounts and bills receivables as at 31 December 2017, checking settlements received subsequent to the end of the reporting period and historical repayment pattern, and identifying any events of default or disputes with the debtors.

### 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

##### *應收賬款及應收票據的可收回性*

於二零一七年十二月三十一日，貴集團的應收賬款及應收票據為1,193,132,000港元，佔貴集團資產總值約48%。於二零一七年十二月三十一日，貴集團並無錄得應收賬款及應收票據減值。

我們專注於該領域，乃由於釐定撥備時須根據管理層基於債務人的還款記錄、聲譽、預期還款日期及與貴集團的關係對債務人進行的評估，作出重大判斷。

有關應收賬款及應收票據的披露資料載於綜合財務報表附註3及19。

評估管理層作出的減值評估時，我們的審計程序包括評估二零一七年十二月三十一日應收賬款及應收票據的賬齡，核查直至報告期末後已收結算額及過往還款模式，並識別任何違約事件或與債務人的糾紛。

### KEY AUDIT MATTERS (Continued)

#### Key audit matter

#### How our audit addressed the key audit matter

##### *Construction contracts — estimation of contract costs*

Revenue and costs recognised for contract works amounted to HK\$548,333,000 and HK\$531,466,000, respectively, for the year ended 31 December 2017. Revenue from construction contracts is recognised on the percentage of completion method, measured by reference to the percentage of certified value of work performed to date to the total contract sum of the contracts. The contract costs are recognised by applying the percentage of completion to the total estimated costs of the contracts.

Significant management's judgement is involved in estimating the total budgeted contract costs used in the determination of the contract costs recognised. Any variations in estimates on the total budgeted contract costs will affect the contract costs to be recognised.

Disclosures in relation to revenue and costs of construction contracts are included in notes 3, 5, 7 and 18 to the consolidated financial statements.

In evaluating management's estimation of budgeted contract costs for construction contracts, which included staff costs, subcontracting costs, materials and other costs to be incurred for the relevant project, we tested management's processes of budget estimation and payment of construction costs, and compared last year's budget against current year's budget and actual costs incurred for the contracts.

We also checked to contracts concluded or quotations obtained from subcontractors for significant budgeted subcontracting costs.

### 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

##### *建築合約 — 合約成本估計*

截至二零一七年十二月三十一日止年度，就合約工程確認的收益及成本分別為548,333,000港元及531,466,000港元。建築合約產生的收益按完工百分比基準確認，並參照迄今為止經確認工程價值佔合約總額百分比計量。合約成本按完工百分比佔估計合約成本總值的百分比確認。

估計用於釐定已確認合約成本的合約成本預算總額時需要管理層作出重大判斷。合約成本預算總額的估計發生任何變動將對待確認的合約成本造成影響。

有關建築合約收益及成本的披露資料載於綜合財務報表附註3、5、7及18。

評估管理層對建築合約的合約成本預算(包括相關項目將產生的員工成本、分包成本、材料及其他成本)作出的估計時，我們測試管理層的預算估計程序及建築成本的支付情況，並將去年的預算與本年度預算及合約產生的實際成本進行比較。

我們亦核查已簽訂合約或就重大分包成本預算自分包商取得的報價。

# Independent Auditor's Report

## 獨立核數師報告

### 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.

### 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.

### 年報中的其他資料

貴公司董事需對其他資料負責。其他資料包括年報中的資料，但不包括綜合財務報表及我們就此發出的核數師報告。

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

結合我們對綜合財務報表進行之審計，我們的責任是閱讀其他資料，在此過程中，考慮其他資料是否與綜合財務報表或我們在審計過程中所了解的情況有重大抵觸，或者似乎有重大錯誤陳述。基於我們已執行的工作，如果我們認為其他資料有重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

### 董事就綜合財務報表須承擔的責任

貴公司董事須負責遵照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，編製反映真實及公平意見的綜合財務報表，並負責進行董事認為必要的有關內部控制，以確保綜合財務報表的編製並無因欺詐或錯誤引致的重大錯誤陳述。

在編製綜合財務報表時，貴公司董事負責評估貴集團持續經營的能力，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。

審核委員會協助貴公司董事履行監督貴集團綜合財務報告過程的責任。

# Independent Auditor's Report

## 獨立核數師報告

### 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 HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

### 核數師就審計綜合財務報表承擔的責任

我們的目標，是對整體綜合財務報表是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向閣下(作為整體)報告，除此之外本報告別無其他目的。我們不會就本報告之內容向任何其他人士承擔或接受責任。

合理保證是高水平的保證，但不能保證按《香港審計準則》進行的審計在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們個別或滙總起來可能影響綜合財務報表使用者所作出的經濟決定，則有關的錯誤陳述可被視作重大。

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，並於審計全程中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，以及取得充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險較因錯誤而導致的重大錯誤陳述的風險為高。
- 了解與審計相關的內部控制，以於環境中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資料的合理性。



# Independent Auditor's Report

## 獨立核數師報告

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

(Continued)

- 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.

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.

### 核數師就審計綜合財務報表承擔的責任(續)

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所得的審計憑證，決定是否存在與事件或情況有關的重大不確定性，而可能對貴集團持續經營的能力構成重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提醒使用者對綜合財務報表中的相關披露資料的關注。假若有關的披露資料不足，則須修改我們的意見。我們的結論是基於截至核數師報告日止所取得的審計憑證。然而，未來事件或情況可能導致貴集團不能繼續持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露資料，以及綜合財務報表是否公允反映交易和事項。
- 就貴集團中實體或業務活動的財務資料獲取充分、適當的審計證據，以對綜合財務報表發表意見。我們負責貴集團審計的指導、監督和執行。我們對審計意見承擔全部責任。

我們與審核委員會溝通了(其中包括)計劃的審計範圍、時間安排、重大審計發現等事項，包括我們在審計期間識別出內部控制的任何重大缺陷。

我們還向審核委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通所有合理地被認為會影響我們獨立性的關係和其他事項，以及在適用的情況下，相關的防範措施。

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

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

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 Mr. CHUNG, Ho Ling.

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

21 March 2018

## 核數師就審計綜合財務報表承擔的 責任(續)

從與審核委員會溝通的事項中，我們決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。我們會在核數師報告中描述這些事項，除非法律法規不允許對某件事項作出公開披露，或在極端罕見的情況下，若有合理預期在我們報告中溝通某事項而造成的負面後果將會超過其產生的公眾利益，我們將不會在此等情況下在報告中溝通該事項。

本獨立核數師報告的審計項目合夥人是鍾浩齡先生。

**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

二零一八年三月二十一日

# Consolidated Statement of Profit or Loss and Other Comprehensive Income

## 綜合損益及其他全面收入表

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	Year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 HK\$'000 千港元	Nine months ended 31 December 2016 截至 二零一六年 十二月三十一日 止九個月 HK\$'000 千港元
<b>REVENUE</b>	<b>收入</b>	5	<b>2,026,599</b>	2,145,926
Cost of sales	銷售成本		(1,837,649)	(1,928,463)
Gross profit	毛利		<b>188,950</b>	217,463
Other income and gains	其他收入及收益	5	<b>26,241</b>	8,244
Administrative expenses	行政開支		(52,109)	(41,083)
Research and development costs	研發成本		(23,140)	(4,839)
Finance costs	財務費用	6	(67,139)	(48,277)
Change in fair value of a financial asset at fair value through profit or loss	按公允值透過損益列賬 之金融資產公允值 變動	16	(2,911)	(6,725)
<b>PROFIT BEFORE TAX</b>	<b>除稅前溢利</b>	7	<b>69,892</b>	124,783
Income tax expense	所得稅支出	10	(32,179)	(34,631)
<b>PROFIT FOR THE YEAR/PERIOD ATTRIBUTABLE TO OWNERS OF THE PARENT</b>	<b>母公司擁有人應佔 年/期內溢利</b>		<b>37,713</b>	90,152
<b>OTHER COMPREHENSIVE INCOME/(LOSS)</b>	<b>其他全面收入/(虧損)</b>			
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:	於後續期間 重新分類至損益 的其他全面 收入/(虧損):			
Exchange differences on translation of foreign operations	換算海外業務的 匯兌差額		<b>113,529</b>	(78,126)
<b>OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR/PERIOD</b>	<b>年/期內其他全面 收入/(虧損)</b>		<b>113,529</b>	(78,126)

# Consolidated Statement of Profit or Loss and Other Comprehensive Income

## 綜合損益及其他全面收入表

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

		Year ended 31 December 2017 截至 二零一七年 十二月三十一 止年度 HK\$'000 千港元	Nine months ended 31 December 2016 截至 二零一六年 十二月三十一 止九個月 HK\$'000 千港元
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT	母公司擁有人 應佔全面收入 總額	151,242	12,026
EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT	母公司擁有人 應佔每股 盈利	12	
Basic (HK cents)	基本(港仙)	18.9	45.1
Diluted (HK cents)	攤薄(港仙)	16.6	27.8

# Consolidated Statement of Financial Position

## 綜合財務狀況表

As at 31 December 2017

於二零一七年十二月三十一日

			31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元	31 December 2016 二零一六年 十二月三十一日 HK\$'000 千港元
		Notes 附註		
<b>NON-CURRENT ASSETS</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、機器及設備	13	44,816	45,263
Goodwill	商譽	14	498,343	463,257
Intangible assets	無形資產	15	556,230	569,171
Deposits	按金	20	566	—
<b>Total non-current assets</b>	<b>非流動資產總值</b>		<b>1,099,955</b>	<b>1,077,691</b>
<b>CURRENT ASSETS</b>	<b>流動資產</b>			
Financial asset at fair value through profit or loss	按公允值透過損益列賬之金融資產	16	—	2,911
Inventories	存貨	17	62,776	50,235
Gross amount due from customers for contract work	應收客戶的合約工程款總額	18	66,530	27,120
Accounts and bills receivables	應收賬款及應收票據	19	1,193,132	1,392,597
Tax recoverable	可收回稅項		—	3,177
Prepayments, deposits and other receivables	預付款項、按金及其他應收款	20	18,536	16,185
Cash and cash equivalents	現金及現金等值物	21	68,623	24,899
<b>Total current assets</b>	<b>流動資產總值</b>		<b>1,409,597</b>	<b>1,517,124</b>
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>			
Accounts payable	應付賬款	22	669,677	931,748
Accruals of costs for contract work	預提合約工程成本		63,867	91,009
Tax payable	應付稅項		13,210	28,490
Other payables and accruals	其他應付款及預提費用	23	57,475	64,480
Interest-bearing bank and other borrowings	計息銀行及其他借款	24	46,433	20,000
Convertible bonds	可換股債券	25	387,665	—
<b>Total current liabilities</b>	<b>流動負債總值</b>		<b>1,238,327</b>	<b>1,135,727</b>
<b>NET CURRENT ASSETS</b>	<b>流動資產淨值</b>		<b>171,270</b>	<b>381,397</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>資產總值減流動負債</b>		<b>1,271,225</b>	<b>1,459,088</b>

# Consolidated Statement of Financial Position

## 綜合財務狀況表

As at 31 December 2017  
於二零一七年十二月三十一日

			31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元	31 December 2016 二零一六年 十二月三十一日 HK\$'000 千港元
		Notes 附註		
<b>NON-CURRENT LIABILITIES</b>	<b>非流動負債</b>			
Convertible bonds	可換股債券	25	—	359,818
Promissory notes	承兌票據	26	473,918	453,938
Deferred tax liabilities	遞延稅項負債	27	94,693	93,960
Total non-current liabilities	非流動負債總值		568,611	907,716
Net assets	資產淨值		702,614	551,372
<b>EQUITY</b>	<b>權益</b>			
Equity attributable to owners of the parent	母公司擁有人應佔權益			
Share capital	股本	28	2,000	2,000
Equity component of convertible bonds	可換股債券之權益部分	25	390,716	390,716
Reserves	儲備	30	309,898	158,656
Total equity	總權益		702,614	551,372

Wong Hin Shek  
王顯碩  
Director  
董事

Xing Bin  
邢濱  
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 parent 母公司擁有人應佔							
		Share capital	Share premium	Statutory surplus reserve	Exchange fluctuation reserve	Equity component of convertible bonds	Share option reserve	Retained profits	Total equity
		股本	股份溢價	法定盈餘公積金	外匯波動儲備	可換股債券之權益部分	購股權儲備	保留溢利	總權益
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
				(note 30(a)) (附註30(a))			(note 30(b)) (附註30(b))		
At 1 April 2016	於二零一六年四月一日	2,000	45,486	—	(769)	390,716	—	95,518	532,951
Profit for the period	本期間溢利	—	—	—	—	—	—	90,152	90,152
Other comprehensive loss for the period:	本期間其他全面虧損：								
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額	—	—	—	(78,126)	—	—	—	(78,126)
Total comprehensive income for the period	本期間全面收入總額	—	—	—	(78,126)	—	—	90,152	12,026
Equity-settled share option arrangements (note 29)	股權結算購股權安排(附註29)	—	—	—	—	—	6,395	—	6,395
Transfer from retained profits	從保留溢利轉移	—	—	22,924	—	—	—	(22,924)	—
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	2,000	45,486*	22,924*	(78,895)*	390,716	6,395*	162,746*	551,372
Profit for the year	本年度溢利	—	—	—	—	—	—	37,713	37,713
Other comprehensive income for the year:	本年度其他全面收入：								
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額	—	—	—	113,529	—	—	—	113,529
Total comprehensive income for the year	本年度全面收入總額	—	—	—	113,529	—	—	37,713	151,242
Transfer of share option reserve upon the lapse of share options	於購股權失效後轉移購股權儲備	—	—	—	—	—	(6,395)	6,395	—
Transfer from retained profits	從保留溢利轉移	—	—	11,939	—	—	—	(11,939)	—
At 31 December 2017	於二零一七年十二月三十一日	2,000	45,486*	34,863*	34,634*	390,716	—	194,915*	702,614

\* These reserve accounts comprise the consolidated reserves of HK\$309,898,000 (2016: HK\$158,656,000) in the consolidated statement of financial position.

\* 此等儲備賬目包括於綜合財務狀況表中的綜合儲備309,898,000港元(二零一六年：158,656,000港元)。

# 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

			Year ended 31 December 2017 截至 二零一七年 十二月三十一 止年度 HK\$'000 千港元	Nine months ended 31 December 2016 截至 二零一六年 十二月三十一 止九個月 HK\$'000 千港元
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>經營業務產生的現金流量</b>			
Profit before tax	除稅前溢利		69,892	124,783
Adjustments for:	就下列項目作出調整：			
Finance costs	財務費用	6	67,139	48,277
Interest income	利息收入	5	(7)	(7)
Depreciation	折舊	7	5,742	4,419
Amortisation of intangible assets	無形資產攤銷	7	61,754	83,551
Gain on disposal of items of property, plant and equipment	出售物業、機器及設備項目的收益	5	—	(1)
Change in fair value of a financial asset at fair value through profit or loss	按公允值透過損益列賬之金融資產公允值變動	16	2,911	6,725
Gain on modification of promissory notes	修改承兌票據收益	5	(15,160)	—
Equity-settled share option expense	股權結算購股權費用	29	—	6,395
			192,271	274,142
Increase in inventories	存貨增加		(8,390)	(46,214)
Decrease/(increase) in gross amount due from customers for contract work	應收客戶的合約工程款總額減少/(增加)		(39,410)	3,030
Decrease/(increase) in accounts and bills receivables	應收賬款及應收票據減少/(增加)	31(a)	272,490	(939,365)
Decrease/(increase) in prepayments, deposits and other receivables	預付款項、按金及其他應收款減少/(增加)		(2,842)	2,258
Increase/(decrease) in accounts payable	應付賬款增加/(減少)	31(a)	(312,335)	659,683
Increase/(decrease) in accruals of costs for contract work	預提合約工程成本增加/(減少)		(27,142)	52,321
Increase/(decrease) in other payables and accruals	其他應付款及預提費用增加/(減少)		(10,079)	42,303
Cash generated from operations	經營產生的現金		64,563	48,158
Interest received	已收利息		7	7
Interest paid	已付利息		(4,152)	(1,413)
PRC corporate income tax paid	已付中國企業所得稅		(48,192)	(19,663)
Hong Kong profits tax refunded	退回香港利得稅		3,177	—
Net cash flows generated from operating activities	經營業務產生的現金流量淨額		15,403	27,089



# 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

		Notes 附註	Year ended 31 December 2017 截至 二零一七年 十二月三十一 止年度 HK\$'000 千港元	Nine months ended 31 December 2016 截至 二零一六年 十二月三十一 止九個月 HK\$'000 千港元
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>投資業務產生的現金流量</b>			
Additions of items of property, plant and equipment	添置物業、機器及設備項目	13	(2,132)	(4,798)
Proceeds from disposal of items of property, plant and equipment	出售物業、機器及設備項目 所得款項		—	1
Net cash flows used in investing activities	投資業務使用的現金流量淨額		(2,132)	(4,797)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>融資業務產生的現金流量</b>			
New interest-bearing bank and other borrowings	新增計息銀行及其他借款		26,433	13,000
Repayment of interest-bearing bank and other borrowings	償還計息銀行及其他借款		—	(6,354)
Net cash flows generated from financing activities	融資業務產生的 現金流量淨額		26,433	6,646
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等值物增加淨額</b>		<b>39,704</b>	<b>28,938</b>
Cash and cash equivalents at beginning of year/period	年初／期初的現金及 現金等值物		24,899	16,885
Effect of foreign exchange rate changes, net	外匯匯率變動影響淨額		4,020	(20,924)
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR/PERIOD</b>	<b>年末／期末的現金及 現金等值物</b>		<b>68,623</b>	<b>24,899</b>
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等值物結餘分析</b>			
Cash and bank balances	現金及銀行結餘	21	68,623	24,899

# 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 AND GROUP INFORMATION

Bisu Technology Group International Limited (formerly known as Excel Development (Holdings) Limited) (The “Company”) is an exempted company with limited liability incorporated in the Cayman Islands. The registered office address of the Company is located at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The principal place of business of the Company is located at 21st Floor, 1 Duddell Street, Central, Hong Kong.

During the reporting period, the Company and its subsidiaries (collectively referred to as the “Group”) were principally engaged in the following principal activities:

- Development, production and sale of the automotive engines (the “Automotive Engines Business”).
- Civil engineering works and building construction and maintenance works.

In the opinion of the directors, the immediate holding company and the ultimate holding company is Youth Force Asia Ltd., a company incorporated in the British Virgin Islands.

### 1. 公司及集團資料

比速科技集團國際有限公司(前稱「怡益控股有限公司」)(「本公司」)為一間在開曼群島註冊成立的獲豁免有限公司。本公司的註冊辦事處位於Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands。本公司的主要營業地點位於香港中環都爹利街1號21樓。

報告期間，本公司及其附屬公司(統稱「本集團」)主要從事下列主要活動：

- 開發、生產及銷售汽車發動機(「汽車發動機業務」)。
- 土木工程項目以及樓宇建造及保養業務。

董事認為，直接控股公司及最終控股公司為Youth Force Asia Ltd. (一間於英屬處女群島註冊成立之公司)。

# 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 AND GROUP INFORMATION (Continued)

#### Information about subsidiaries

Particulars of the Company's principal subsidiaries are as follows:

Company name 公司名稱	Place of incorporation/ registration and business 註冊成立／登記 及營業地點	Nominal value of issued ordinary share capital 已發行普通股 股本的面值	Percentage of equity attributable to the Company 本公司應佔 權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Chongqing Bisu Yunbo Motor Technology Limited** ("Bisu Yunbo") 重慶比速雲博動力科技有限 公司* (「比速雲博」)	People's Republic of China ("PRC") 中華人民共和國 (「中國」)	RMB60,000,000 人民幣60,000,000元	—	100	Development, production and sale of automotive engines 開發、生產及 銷售汽車發動機
Excel Engineering Company Limited 怡益工程有限公司	Hong Kong 香港	HK\$23,288,000 23,288,000港元	—	100	Civil engineering works and building construction and maintenance works 土木工程以及樓宇 建造及保養業務
Excel Construction Development Limited	Hong Kong 香港	HK\$1 1港元	—	100	Leasing of equipment for construction works 租賃工程設備

\* Registered as a limited liability company under the PRC law.

# The English name of this company represents the best effort made by the management of the Company to directly translate its Chinese name as no official English name has been registered.

### 1. 公司及集團資料(續)

#### 有關附屬公司之資料

本公司之主要附屬公司詳情如下：

Principal activities 主要業務	Percentage of equity attributable to the Company 本公司應佔 權益百分比	
	Direct 直接	Indirect 間接
Development, production and sale of automotive engines 開發、生產及 銷售汽車發動機	—	100
Civil engineering works and building construction and maintenance works 土木工程以及樓宇 建造及保養業務	—	100
Leasing of equipment for construction works 租賃工程設備	—	100

\* 根據中國法律註冊為有限公司。

# 由於並無註冊正式英文名稱，故此公司之英文名稱乃由本公司管理層盡最大努力直接自其中文名稱翻譯。

# 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 AND GROUP INFORMATION (Continued)

#### Information about subsidiaries (Continued)

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year/period 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.

### 2.1 BASIS OF PREPARATION

These financial information 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 (the “HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for a financial asset at fair value through profit or loss which has been measured at fair value.

These financial statements are presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand (“HK\$’000”) except when otherwise indicated.

Owing to the change of the Group’s financial year end date from 31 March to 31 December pursuant to the resolution of the board of directors of the Company dated 30 December 2016, the consolidated financial statements of the Group for the period ended 31 December 2016 cover a period of nine months from 1 April to 31 December 2016. Accordingly, the comparative amounts presented for the current year’s consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows and related notes, which were prepared for the nine months ended 31 December 2016, are not comparable.

### 1. 公司及集團資料(續)

#### 有關附屬公司之資料(續)

上表列出董事認為主要影響本年度／本期間業績或組成本集團絕大部分資產淨值之本公司附屬公司。董事認為，列出其他附屬公司之資料將會使篇幅過於冗長。

### 2.1 編製基準

該等財務資料乃根據香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」)(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之披露規定而編製。除按公允值透過損益列賬之金融資產以公允值計量外，彼等財務報表乃根據歷史成本記賬法編製。

除另有說明者外，該等財務資料以港元(「港元」)呈列，而所有價值均已湊整至最接近千位(「千港元」)。

由於本集團根據本公司董事會日期為二零一六年十二月三十日之決議案將財政年度結算日由三月三十一日更改為十二月三十一日，本集團截至二零一六年十二月三十一日止期間之綜合財務報表涵蓋由二零一六年四月一日至十二月三十一日九個月期間。因此，截至二零一六年十二月三十一日止九個月所編製的本年度之綜合損益表及其他全面收入表、綜合權益變動表及綜合現金流量表及有關附註所呈列的比較數字不具比較性。

# 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

### 2.1 BASIS OF PREPARATION (Continued)

#### Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries 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.

### 2.1 編製基準(續)

#### 綜合基準

綜合財務報表包括本公司及其附屬公司截至二零一七年十二月三十一日止年度之財務報表。附屬公司指本公司直接或間接控制的實體(包括結構化實體)。當本集團通過參與被投資方的相關活動而承擔可變回報的風險或有權享有可變回報，並且有能力運用對被投資方的權力(即是使本集團目前有能力主導被投資方的相關活動的現時權利)影響該等回報時，即取得控制權。

當本公司直接或間接擁有少於被投資方大多數的表決或類似權利，在評估其是否擁有對被投資方的權力時，本集團會考慮所有相關事實和情況，包括：

- (a) 與被投資方其他表決權持有者的合約安排；
- (b) 其他合約安排產生的權利；及
- (c) 本集團的表決權及潛在表決權。

# 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

### 2.1 BASIS OF PREPARATION (Continued)

#### Basis of consolidation (Continued)

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.

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 profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss 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.

### 2.1 編製基準(續)

#### 綜合基準(續)

附屬公司的財務報表採用與本公司一致的會計政策及相同報告期間編製。附屬公司的業績自本集團取得控制權之日期起綜合，並繼續綜合直至控制權終止之日為止。

損益及其他全面收入的各組成部分乃歸屬於本集團母公司擁有人及非控股權益，即使此舉引致非控股權益結餘為負數。所有集團內公司間之資產及負債、權益、收入、開支及本集團成員公司間交易相關之現金流均於綜合賬目時全數抵銷。

倘事實及情況反映上文所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被投資方。附屬公司擁有權益的變動(並無失去控制權)於入賬時列作權益交易。

倘本集團失去對一間附屬公司之控制權，則其終止確認(i)該附屬公司之資產(包括商譽)及負債、(ii)任何非控股權益之賬面值及(iii)於權益內記錄之累計匯兌差額；及確認(i)所收代價之公允值、(ii)所保留任何投資之公允值及(iii)損益中任何因此產生之盈餘或虧絀。先前於其他全面收入確認的本集團應佔成分會視乎情況，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損益或保留溢利。

# 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

### 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>

None of the above amendments to HKFRSs has had a significant financial effect on these financial statements. Disclosure has been made in note 31(b) to the financial statements upon the adoption of amendments to HKAS 7, which 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.

### 2.2 會計政策的變動及披露

本集團首次於本年度財務報表內採納下列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>
香港財務報告準則於二零一四年至二零一六年週期之年度改進所載香港財務報告準則第12號(修訂)	<i>在其他實體中權益的披露；對香港財務報告準則第12號範圍的澄清</i>

上述香港財務報告準則修訂本概無對該等財務報告造成重大財務影響。於採納香港會計準則第7號之修訂本後已於財務報表附註31(b)中作出披露，該修訂本規定實體披露能讓財務報表使用者評估融資業務產生之負債變動，包括現金流量引致之變動及非現金變動。

# 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

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

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

### 2.3 已頒佈但未生效之香港財務報告準則

本集團並無於本財務報表內應用以下已頒佈但尚未生效之新制訂和經修訂之香港財務報告準則。

香港財務報告準則第2號(修訂)	股份支付交易的分類與計量 <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)	具負補償的預付款特性 <sup>2</sup>
香港財務報告準則第10號及香港會計準則第28號(二零一一年)(修訂)	投資者與其聯營公司或合營企業之資產出售或投入 <sup>4</sup>
香港財務報告準則第15號	與客戶之間的合約產生的收入 <sup>1</sup>
香港財務報告準則第15號(修訂)	澄清香港財務報告準則第15號與客戶合約的收入 <sup>1</sup>
香港財務報告準則第16號	租賃 <sup>2</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)	於聯營公司及合營企業的長期權益 <sup>2</sup>
香港會計準則第40號(修訂)	轉讓投資物業 <sup>1</sup>
香港(國際財務報告詮釋委員會)一詮釋第22號	外幣交易及預付代價 <sup>1</sup>
香港(國際財務報告詮釋委員會)一詮釋第23號	所得稅處理的不確定性 <sup>2</sup>
二零一四年至二零一六年週期之年度改進	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>
二零一五年至二零一七年週期之年度改進	多項香港財務報告準則之修訂 <sup>2</sup>

- 1 適用於二零一八年一月一日或以後開始的年度期間生效
- 2 適用於二零一九年一月一日或以後開始的年度期間生效
- 3 適用於二零二一年一月一日或以後開始的年度期間生效
- 4 尚未釐定強制生效日期，惟可予採納



# 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

### 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 actual impacts upon adoption could be different to those below, depending on additional reasonable and supportable information being made available to the Group at the time of applying the standards and the transitional provisions and policy options finally adopted.

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 已頒佈但未生效之香港財務報告準則(續)

有關預期將適用於本集團的該等香港報告準則的進一步資料闡述如下。採納後的實際影響可能與下文所述有異，取決於本集團於應用準則及過渡性條文以及所採納最終選用的政策時可用其他合理及具支持性資料。

香港會計師公會於二零一六年八月頒佈香港財務報告準則第2號修訂，涉及三個主要領域：歸屬條件對現金結算的股份支付交易的計量的影響；以扣除一定金額的淨結算功能的股份支付交易的分類，以符合與股份支付相關的員工的稅務義務；會計處理對股份支付交易條款和條件的修改將其分類從現金結算轉為股權結算。修正案澄清，衡量股權結算的股份支付時用於歸屬條件的方法也適用於以現金結算的股份支付。修正案引發例外情況，以扣除淨股份結算功能的股權支付交易為滿足員工的納稅義務，在滿足某些條件的情況下，將一定金額作為股權結算的股份支付交易全部歸類。此外，修正案澄清，如果以現金結算的股份支付交易的條款和條件被修改成為股權結算的股份支付交易，則自修改之日起交易被視為權益結算交易。於採納時，實體須應用該等修訂而無需重列過往期間，惟當彼等選擇採用所有三項修訂並滿足其他相關標準時，可允許追溯應用。本集團將於二零一八年一月一日起採用修訂案。預計修訂案對本集團的財務報表不會產生重大影響。

# 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

### 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. During 2017, the Group has performed a detailed assessment of the impact of the adoption of HKFRS 9. The expected impacts relate to the impairment requirements and are summarised as follows:

HKFRS 9 requires an impairment on debt instruments recorded at amortised cost or at fair value through other comprehensive income, lease receivables, loan commitments and financial guarantee contracts that are not accounted for at fair value through profit or loss under HKFRS 9, to be recorded based on an expected credit loss model either on a twelve-month basis or a lifetime basis. The Group will apply the simplified approach and record lifetime expected losses that are estimated based on the present values of all cash shortfalls over the remaining life of all of its accounts receivable. Furthermore, the Group will apply the general approach and record twelve-month expected credit losses that are estimated based on the possible default events on its other receivables within the next twelve months.

In general, the directors of the Company anticipate the application of the expected loss model of HKFRS 9 will result in earlier provision of credit losses which are not yet incurred in relation to the Group's financial assets measured at amortised costs and other items that subject to the impairment provisions upon application of HKFRS 9 by the Group.

### 2.3 已頒佈但未生效之香港財務報告準則(續)

於二零一四年九月，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，將金融工具項目的各個階段作出總結以取代香港會計準則第39號及香港財務報告準則第9號所有先前的版本。該準則就分類和計量、減值及對沖會計引進新要求。自二零一八年一月一日起採納香港財務報告準則第9號。本集團將不會重列可比較資料，並將於二零一八年一月一日確認對初期權益結餘之任何過渡性調整。於二零一七年，本集團已對採納香港財務報告準則第9號的影響作出詳細評估。預期影響與減值規定有關，概述如下：

香港財務報告準則第9號規定，並無根據香港財務報告準則第9號按公允值計入損益之項目以攤銷成本或按公允值計入其他全面收入之債務工具、租賃應收款項、貸款承諾及財務擔保合約須作減值，並將根據預期信貸虧損模式或按十二個月基準或可使用基準入賬。本集團將採納簡化方式，並將根據於所有其應收賬款餘下年期內之所有現金差額現值估計之可使用預期虧損入賬。此外，本集團將採用一般方法，並將根據其他應收款項於未來十二個月內可能發生的違約事件估計十二個月預期信貸虧損入賬。

一般而言，本公司董事預期應用香港財務報告準則第9號的預期信貸虧損模型將導致本集團於應用香港財務報告準則第9號後，就本集團按攤銷成本計量之金融資產以及其他須作出減值撥備的項目之尚未產生的信貸虧損提前撥備。

# 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

### 2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

Based on the assessment by the directors of the Company, if the expected credit loss model were to be applied by the Group, the accumulated amount of impairment loss to be recognised by the Group as at 1 January 2018 would be slightly increased as compared to the accumulated amount recognised under HKAS 39 mainly attributable to expected credit losses provision on accounts receivables. Such further impairment recognised under expected credit loss model would reduce the opening retained earnings and increase the deferred tax assets as at 1 January 2018.

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 已頒佈但未生效之香港財務報告準則(續)

根據本公司董事的評估，倘本集團須應用預期信貸虧損模型，則本集團於二零一八年一月一日將予確認的累計減值虧損金額將較根據香港會計準則第39號確認的累計金額略有增加，主要是由於應收賬款的預期信貸虧損撥備。按預期信貸虧損模型確認的進一步減值將導致於二零一八年一月一日的期初保留溢利減少及遞延稅項資產增加。

香港財務報告準則第15號於二零一四年七月頒佈，訂立將與客戶之間的合約產生的收入入賬的新五步法模型。根據香港財務報告準則第15號，企業確認的收入應反映其向客戶轉讓已承諾商品或服務，其金額為預計有權向客戶收取的該商品或服務的對價。香港財務報告準則第15號內的原則為計量及確認收入提供更具架構的方法。該準則亦引進廣泛的定性及定量披露要求，包括總收入的分拆、有關履約義務的資料、合約資產和負債賬戶結餘於各期間的變動，以及重大判斷和估計。有關準則將會取代目前所有香港財務報告準則的收入確認要求。於初步應用該準則時，需要應用完全追溯法或修改的追溯法。於二零一六年六月，香港會計師公會發佈了「香港財務報告準則第15號」的修正案，以處理識別履約義務、主要責任人與代理人之應用指引及知識產權許可以及過渡之實施問題。該等修訂本亦擬協助確保實體於採納香港財務報告準則第15號時能更一致地應用及降低應用有關準則之成本及複雜程度。本集團計劃採納香港財務報告準則第15號的過渡性規定，以確認首次採納的累積影響為於二零一八年一月一日對保留溢利期初結餘進行調整。此外，本集團計劃僅將新規定應用於在二零一八年一月一日之前尚未完成的合約。本集團預期在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之過渡性調整將不屬於重大調整。

# 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

### 2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

The directors of the Company have assessed the impacts on application of HKFRS 15 and the expected impacts are as follows:

#### (a) Civil engineering works and building construction and maintenance works

##### *Performance obligations satisfied over time*

Under HKFRS 15, revenue is recognised when an entity transfers control of a good or service over time and, therefore, satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- (i) the customer simultaneously receives and consumes the benefits provided by the entity's performance, as the entity performs;
- (ii) the entity's performance creates or enhances an asset (for example work in progress) that the customer controls as the asset is created or enhanced; or
- (iii) the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

If the contract terms and the entity's activities do not fall into any of these three situations, then under HKFRS 15 the entity recognises revenue for the sale of that good or service at a single point in time, being when control has passed. Transfer of risks and rewards of ownership is only one of the indicators that will be considered in determining when the transfer of control occurs.

### 2.3 已頒佈但未生效之香港財務報告準則(續)

本公司董事已評估採納香港財務報告第15號產生的影響，而預期影響如下：

#### (a) 土木工程及樓宇建造及保養

##### *在一段時間內履行履約義務*

根據香港財務報告準則第15號，企業在一段時間內轉移對貨物或服務的控制權時便能確認收益，因此，在一段時間內履行了履約義務並確認收入，前提是滿足以下任一標準：

- (i) 客戶在企業履約的同時取得並消耗由企業履約所提供的利益；
- (ii) 企業的履約行為創建或改良了一項資產(例如，在建工程)，並且客戶在資產被創建或改良的過程中控制該資產；或者
- (iii) 企業的履約並未創建一項對於企業而言可用於替代用途的資產，並且企業就迄今為止已完成的工作擁有取得付款的可執行權利。

倘合約條款及實體活動並不屬於該三項情況中任何一項，則根據香港財務報告準則第15號，企業於某一時點(即控制權轉移時)銷售該貨物或服務時確認收益。風險和報酬的轉移僅是確認何時轉移控制權考慮的指標之一。

# 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

### 2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

#### (a) Civil engineering works and building construction and maintenance works (Continued)

##### *Performance obligations satisfied over time (Continued)*

The Group has assessed that its contracts with customers fulfil the criteria for recognising revenue over time under HKFRS 15. Methods that can be used under HKFRS 15 to measure the Group's progress towards complete satisfaction of a performance obligation satisfied over time include (i) output method (i.e. recognise revenue on the basis of direct measurement of the value to the customer of the entity's performance to date) and; (ii) input method (i.e. recognise revenue on the basis of the entity's efforts or inputs to the satisfaction of a performance obligation). In measuring the work progress under the new revenue standard, the Group considers that an output method with reference to progress certificates issued by customers and any adjustment, where it is necessary and can be objectively determined, on the work progress would appropriately depict the transfer of control of goods or services to customers for individual projects under the new standard. So far as the measurement of progress for the Group's typical contracts is concerned, the Group does not expect the adoption of HKFRS 15 would significantly affect its financial position and performance based on the assessment performed so far.

### 2.3 已頒佈但未生效之香港財務報告準則(續)

#### (a) 土木工程及樓宇建造及保養(續)

##### *在一段時間內履行履約義務(續)*

本集團已評估其與客戶的合約達致根據香港財務報告準則第15號在一段時間內確認收益的標準。在香港財務報告準則第15號下用於計量本集團完成履約義務的執行情況的方法包括(i)產出法(即按直接計量迄今為止企業向客戶履約之價值的基準確認收益);及(ii)投入法(即按企業對履行履約義務所作出的工作或投入基準確認收益)。於根據新收益標準計量工程進度時,本集團認為根據新標準,產出法(經參考客戶發出的進度證書及對工程進度的任何調整(倘其必要及可客觀地釐定))可就個別項目真實地反映貨品或服務的控制權轉移至客戶。就本集團一般合約的進度計量而言,根據迄今為止進行的評估,本集團預計採納香港財務報告準則第15號不會對其財務狀況及表現造成重大影響。

# 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

### 2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

#### (a) Civil engineering works and building construction and maintenance works (Continued)

##### *Costs to fulfil a contract*

Under HKFRS 15, if the costs incurred in fulfilling a contract with a customer are not within the scope of another standard, an entity shall recognise an asset from the costs incurred to fulfil a contract only if those costs meet all of the following criteria:

- (i) The costs relate directly to a contract or to an anticipated contract that the entity can specifically identify;
- (ii) The costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and
- (iii) The costs are expected to be recovered.

Costs that relate to satisfied performance obligations (or partially satisfied performance obligations) in the contracts and costs for which the Group cannot distinguish whether the costs relate to unsatisfied performance obligations or to satisfied performance obligations shall be expensed as incurred under HKFRS 15.

Currently, contract costs are recognised by reference to the stage of completion of the contract, which is measured with reference to the progress certificates issued by the customers. The Group has assessed that the adoption of HKFRS 15 may result in earlier recognition of contract costs that relate to satisfied performance obligations.

### 2.3 已頒佈但未生效之香港財務報告準則(續)

#### (a) 土木工程及樓宇建造及保養(續)

##### *為履行合約發生的成本*

根據香港財務報告準則第15號，倘在履行與客戶的合約中產生的成本不在其他標準範圍內，則實體僅在履行與合約中產生的成本滿足下列標準時確認該等成本：

- (i) 與企業可明確識別的合約或預期合約直接相關的成本；
- (ii) 生成或改進企業資源的成本，該資源將被用於在未來履行(或繼續履行)履約義務；以及
- (iii) 預計將被收回的成本。

與合約中已履行的履約義務(或已部分履行的履約義務)相關的成本及本集團無法識別該成本與未履行的履約義務相關還是與已履行的履約義務相關的成本將根據香港財務報告準則第15號列作為開支。

目前，合約成本經參考合約完成的階段而予以確認，該階段經參考客戶發出的進度證書計量。本集團評估，採納香港財務報告準則第15號可能導致提早確認與已履行的履約義務相關的合約成本。

# 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

### 2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

#### (a) Civil engineering works and building construction and maintenance works (Continued)

##### *Costs to fulfil a contract (Continued)*

The directors of the Company currently do not expect the adoption of HKFRS 15 would have a significant impact on how it recognises revenue and costs from contracts with reference to the Group's typical contracts. The extent of impact on the Group's financial position and performance upon initial adoption of HKFRS 15 would depend on the progress of and facts specific to the Group's individual contracts.

#### (b) Presentation and disclosure

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 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.

### 2.3 已頒佈但未生效之香港財務報告準則(續)

#### (a) 土木工程及樓宇建造及保養(續)

##### *為履行合約發生的成本(續)*

目前，本公司董事預期採納香港財務報告準則第15號將不會對本集團就一般合約確認收益及成本造成重大影響。於初步採納香港財務報告準則第15號後，對本集團財務狀況及表現程度將取決於本集團個別合約的進程及合約的具體事實。

#### (b) 呈列及披露

香港財務報告準則第15號之呈列及披露規定較現時香港會計準則第18號所列更為詳細。該等呈列規定引致現有方式出現重大變動，且會引致須於本集團財務報表披露之內容大幅增加。香港財務報告準則第15號中之多項披露規定為新規定，而本集團已評估當中部分披露規定將產生重大影響。特別是，本集團預期財務報表附註將因披露決定該等合約(包括可變代價)之交易價格、將交易價格分配至履約義務之方式所作重大判斷以及估計各項履約義務之獨立售價所作假設而增加。此外，根據香港財務報告準則第15號之規定，本集團將分拆自客戶合約確認收入為多個類別，其中說明收入及現金流之性質、金額、時間及不確定性受經濟因素影響之程度。其亦會披露有關分拆收入之披露與就各報告分部披露收入資料之關係。

# 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

### 2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

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 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. 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.

### 2.3 已頒佈但未生效之香港財務報告準則(續)

香港財務會計準則第16號於二零一六年五月頒佈，取代香港會計準則第17號租賃、香港(國際財務報告準則詮釋委員會) — 詮釋第4號確定一項安排是否包含租賃、香港(常設詮釋委員會) — 詮釋第15號經營租賃 — 獎勵及香港(常設詮釋委員會) — 詮釋第27號評估涉及法定形式的交易物質的租賃。該標準規定了承租、計量、展示和披露租賃的原則，並要求承租人承認大多數租賃的資產和負債。該標準包括承租人的兩項認可豁免 — 低價值資產租賃和短期租賃。在租賃生效日期，承租人將承認作出租賃付款的責任(即租賃責任)和代表在租賃期內使用相關資產的權利的資產(即使用權資產)。使用權資產隨後以成本減累計折舊和任何減值損失計量，除非使用權資產符合香港會計準則第40號的投資性房地產的定義或與重估模式採用物業、機器及設備等級相關。租賃責任隨後增加，以反映租賃責任的利息和租賃付款的減少。承租人將分別確認租賃負債的利息費用和使用權資產的折舊費用。承租人還將需要在發生某些事件時重新計算租賃負債，例如租賃期限的變更和由於用於確定這些付款的指數或利率變化而導致的未來租賃付款變更。承租人一般會將租賃責任重新計量的金額確認為對使用權資產的調整。香港財務報告準則第16號下的出租人會計與香港會計準則第17號下的會計差距大致不變。



# 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

### 2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

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 34 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\$5,558,000. 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 已頒佈但未生效之香港財務報告準則(續)

租賃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，並區分經營租賃和融資租賃。香港財務報告準則第16號要求承租人及出租人較香港會計準則第17號相比更加廣泛地進行披露。承租人在應用該準則時，可採用完全追溯調整法或經修訂的追溯調整法。本集團預期於二零一九年一月一日採納香港財務報告準則第16號。本集團目前正在評估採納香港財務報告準則第16號後的影響，並考慮其是否選擇利用實際可用應急手段，並將採納其為過渡方法。如財務報表附註34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應付的未來最低租金總額約為5,558,000港元。採納香港會計準則第16號後，當中所列部分金額或需確認為新有使用權資產及租賃負債。然而，本集團需作進一步分析，以確定將予確認的新有使用權資產及租賃負債金額，包括但不限於涉及低價值資產租賃及短期租賃的金額、所選其他可行權宜方式及寬免以及採用該準則日期前訂立的新租賃。

# 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

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Interests in joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group recognises in relation to its interest in a joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

The assets, liabilities, revenues and expenses relating to the Group's interest in a joint operation are accounted for in accordance with the HKFRSs applicable to the particular assets, liabilities, revenues and expenses.

### 2.4 主要會計政策概要

#### 合營業務權益

合營業務乃擁有共同控制權之各方享有與該安排相關之資產權利及負債義務之共同安排。共同控制乃按照安排約定對某項安排所共有隻控制，共同控制僅在當相關活動需要共同享有控制之各方作出一致同意決定時存在。

本集團確認與其於合營業務權益相關之：

- 資產，包括其應佔共同持有之任何資產；
- 負債，包括其應佔共同承擔之任何負債；
- 銷售其應佔合營業務產出之收入；
- 其應佔合營業務銷售產出之收入；及
- 支出，包括其應佔共同發生之任何支出。

與本集團合營業務權益相關的資產、負債、收入及支出乃按適用於相關資產、負債、收入及支出的香港財務報告準則入賬。

# 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

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 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.

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 profit or loss.

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 liability is measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

### 2.4 主要會計政策概要(續)

#### 業務合併及商譽

業務合併乃使用收購法入賬。所轉讓的代價乃以收購日期的公允值計量，該公允值為本集團所轉讓的資產、本集團對被收購方前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於收購日期的公允值的總和。就各業務合併而言，本集團選擇是否以公允值或應佔被收購方可識別資產淨值的比例，計量被收購方的非控股權益，即賦予其持有人在清盤時按比例分佔資產淨額的現時所有權權益。所有其他非控股權益部分按公允值計量。收購相關成本於產生時支銷。

當本集團收購一項業務時，其會根據合約條款、於收購日期的經濟環境及相關條件評估所承擔的金融資產及負債，以作出適當的分類及指定用途，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。

倘業務合併分階段完成，則先前所持股本權益會於收購日期按公允值重新計量，而任何所致收益或虧損將於損益確認。

收購方擬轉讓的任何或然代價於收購日期按公允值確認。分類為資產或負債的或然代價按公允值計量，公允值變動於損益確認。分類為權益的或然代價毋須重新計量，期後結算在權益中入賬。

# 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

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Business combinations and goodwill (Continued)

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 profit or loss 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.

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.

### 2.4 主要會計政策概要(續)

#### 業務合併及商譽(續)

商譽初步按成本計量，即轉讓代價、確認為非控股權益的金額及本集團此前持有的被收購方股權的任何公允值之和超出本集團所收購可識別資產淨值及所承擔負債的部分。倘該代價及其他項目之和低於所收購資產淨值的公允值，有關差額在重估後於損益確認為廉價收購收益。

初步確認後，商譽按成本減任何累計減值損失計量。商譽每年或於有事件或情況變動表明賬面值可能減值時更頻繁地進行減值測試。本集團每年於十二月三十一日進行商譽減值測試。就減值測試而言，於業務合併時收購的商譽自收購日起分配至預期將從合併協同效應受益之本集團各現金產生單位或現金產生單位組別，而不論本集團之其他資產或負債是否已被分配至該等單位或單位組別。

減值數額通過評估商譽所屬的現金產生單位(現金產生單位組別)的可收回金額而釐定。倘現金產生單位(現金產生單位組別)的可收回金額低於賬面值，則確認減值虧損。就商譽所確認的減值虧損不會於後續期間撥回。

倘商譽已被分配至某現金產生單位(或現金產生單位組別)，而該單位內的部分業務被出售，與被出售業務有關的商譽將於釐定出售的收益或虧損時計入該業務的賬面值。在此等情況下被出售的商譽按被出售業務的相對價值及保留的現金產生單位部分計量。

# 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

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Fair value measurement

The Group measures its financial asset at fair value through profit or loss 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)

#### 公允值計量

本集團於各報告期間期末按公允值計量其按公允值透過損益列賬之金融資產。公允值指於計量日在市場參與者之間的有序交易中，就出售資產將收取或轉讓負債將支付的價格。公允值計量乃假設出售資產或轉讓負債的交易於資產或負債的主要市場或(如無主要市場)資產或負債的最有利市場進行。主要或最有利市場須為本集團能參與的市場。於計量資產或負債的公允值時乃使用市場參與者為資產或負債定價時將使用的假設，並假設市場參與者以符合其最佳經濟利益的方式行事。

非金融資產的公允值計量會計及市場參與者將資產用於其最大限度及最佳用途，或將其售予會將資產用於其最大限度及最佳用途的另一名市場參與者，從而創造經濟利益的能力。

本集團採用適用於具體情況的估值技巧，確保有足夠數據以有關技巧計量公允值，並盡可能採用相關可觀察輸入元素及盡量減少使用不可觀察輸入元素。

# 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

### 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)

#### 公允值計量(續)

於財務報表計量或披露公允值的所有資產及負債，均基於對公允值計量整體而言有重要影響的最低層輸入元素而按下述公允值層級分類：

- 第一層 — 按相同資產或負債於活躍市場的報價(未經調整)
- 第二層 — 按對公允值計量有重要影響的可觀察(直接或間接)最低層輸入元素的估值技巧
- 第三層 — 按對公允值計量有重要影響的不可觀察最低層輸入元素的估值技巧

就按經常性基準於財務報表確認的資產及負債而言，本集團透過於各報告期間期末重新評估分類方法(根據對公允值計量整體而言有重要影響的最低層輸入元素)，釐定於公允值層級之間是否曾經出現轉移。

# 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

### 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, construction contract, deferred tax assets and financial assets), 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 profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired 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 profit or loss in the period in which it arises.

### 2.4 主要會計政策概要(續)

#### 非金融資產減值

倘存在減值跡象，或當資產須進行年度減值測試時(存貨、建造合約、遞延稅項資產及金融資產除外)，則會估計資產的可收回金額。資產的可收回金額按資產或現金產生單位的使用價值與其公允值減出售成本兩者中的較高者計算，並就個別資產釐定，除非資產產生的現金流入在很大程度上並不獨立於其他資產或資產組合所產生者，而在此情況下，可收回金額就資產所屬的現金產生單位釐定。

只有當資產的賬面值超過其可收回金額時，方會確認減值虧損。評估使用價值時，會採用反映對貨幣時間價值及該資產特有風險的當時市場評價的稅前貼現率將該估計未來現金流量折算為現值。減值虧損乃於其在與減值資產功能一致的有關開支類別產生的期間在損益扣除。

於各報告期間期末會評估是否有跡象顯示過往確認的減值虧損可能已不存在或有所減少。如有此等跡象，則會估計可收回金額。只有在釐定資產的可收回金額中所用的估計發生改變時，才會撥回過往確認的資產減值虧損(不包括商譽)，然而，撥回金額不得高於倘資產於以前年度未有確認減值虧損所釐定的賬面值(扣除任何折舊／攤銷)。該減值虧損的撥回在其產生期間計入損益。

# 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

### 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;

### 2.4 主要會計政策概要(續)

#### 關聯方

在下列情況下，有關人士被視為本集團的關聯方：

- (a) 該人士為個人或與該個人關係密切的家庭成員，且該個人：
  - (i) 對本集團擁有控制權或共同控制權；
  - (ii) 對本集團擁有重大影響力；或
  - (iii) 為本集團或本集團母公司的主要管理人員的成員；

或

- (b) 該人士為適用以下任何情況的實體：
  - (i) 該實體及本集團為同一集團的成員；
  - (ii) 某實體為另一實體的聯營公司或合營企業(或為該另一實體的母公司、附屬公司或同系附屬公司)；
  - (iii) 該實體及本集團為同一第三方的合營企業；
  - (iv) 某實體為第三方的合營企業且另一實體為該第三方的聯營公司；
  - (v) 該實體為就本集團或與本集團關聯的任何實體的僱員福利所設的離職後福利計劃；



# 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

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Related parties (Continued)

##### (b) (Continued)

- (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.

#### 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 profit or loss 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.

### 2.4 主要會計政策概要(續)

#### 關聯方(續)

##### (b) (續)

- (vi) 該實體受(a)項所界定的個人控制或共同控制；
- (vii) (a)(i)項所界定的個人對該實體有重大影響力或為該實體(或該實體的母公司)的主要管理人員的成員；及
- (viii) 該實體或其所屬集團內任何成員公司為本集團或其母公司提供主要管理人員服務。

#### 物業、機器及設備及折舊

物業、機器及設備(除在建工程外)按成本減累計折舊及任何減值虧損列賬。物業、機器及設備項目的成本包括其購買價及任何使資產達致其運轉狀態及地點作其擬定用途的直接應佔成本。

物業、機器及設備項目已投入營運後所產生的支出，如維修及保養等，一般於其產生期間從損益中扣除。倘符合確認標準，則就主要檢查產生的支出會於作為重置的資產賬面值中撥充資本。倘物業、機器及設備的重要部分須不時更換，則本集團會將有關部分確認為具有特定使用年期的個別資產並將其相應折舊。

# 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

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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 improvements	20%
Machinery and equipment	10% to 24%
Furniture, fixtures and office equipment	20% to 33%
Motor vehicles	24%

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.

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 profit or loss 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 machineries in the process of installation, which is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of installation and capitalised borrowing costs on related borrowed funds during the period of installation. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

### 2.4 主要會計政策概要(續)

#### 物業、機器及設備及折舊(續)

折舊乃使用直線法按其估計可使用年期撇銷每項物業、機器及設備項目的成本至其殘值。就此而言採用的主要年率如下：

租賃改善	20%
機器及設備	10%至24%
傢俬、固定裝置及辦公設備	20%至33%
汽車	24%

倘一項物業、機器及設備的各部分具有不同的可使用年期，則該項目的成本乃依照合理基準在多個部分之間分配，而每部分會分開折舊。殘值、可使用年期及折舊方法會至少於各財政年度年末檢討及調整(倘適用)。

一項物業、機器及設備(包括初始確認的任何重要部分)在出售時或預期不會從其使用或出售獲得未來經濟利益時解除確認。於解除確認資產的年度在損益確認的出售或報廢的任何盈虧為相關資產出售所得款項淨額與其賬面值之間的差額。

在建工程是指在建造過程中的機器設備，以成本減去任何減值虧損列示，不計折舊。成本包括建設期間的相關借款直接建設成本和資本化借款費用。在建工程建成後可以重新分類為適當類別的物業、機器和設備，並準備使用。

# 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

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

#### *Customer contracts*

Customer contracts secured on the date of acquisition are recognised as cost of goods sold under the unit of production method which is based on the volume of production in each reporting period as a proportion of the total estimated units of production for the relevant customer contracts over the contract period.

#### *Research and development costs*

All research costs are charged to profit or loss 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)

#### 無形資產(商譽除外)

分開收購的無形資產於初步確認時按成本計量。自業務合併所收購無形資產的成本即收購日期的公允值。無形資產的可使用年期乃評估為有限或無限。具有有限年期的無形資產其後於可使用經濟年期攤銷，並於該無形資產出現可能減值跡象時作減值評估。具有有限可使用年期的無形資產的攤銷年期及攤銷方法須至少於各財政年度年末作檢討。

#### 客戶合約

於收購日期抵押的客戶合約以基於各報告期間之產量的生產單位法按於合約期內相關客戶合約之估計總生產單位之比例確認為已售商品成本。

#### 研發費用

所有研究費用均計入當期損益。

只有本集團能夠證明完成無形資產的技術可行性使其能夠使用或出售，其完成意圖及其使用或出售資產的能力才能資本化和推遲開發新產品項目支出，資產如何產生未來的經濟效益，完成項目的資源可用性以及計量開發過程中可靠支出的能力。不符合這些標準的產品開發支出在發生時計入當期損益。

# 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

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 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 profit or loss 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 profit or loss on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under operating leases net of any incentives received from the lessor are charged to profit or loss on the straight-line basis over the lease terms.

#### 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 and loans and receivables, as appropriate. The Group determines the classification of its financial assets at initial recognition. 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.

### 2.4 主要會計政策概要(續)

#### 租賃

實質上轉移了資產所有權(合法業權除外)的絕大部分回報及風險予本集團之租賃列作融資租賃。設立融資租賃之初，租賃資產成本按最低租金付款的現值撥充資本，並與責任(利息部分除外)一併列賬以反映購買及融資狀況。根據資本化融資租賃持有的資產(包括融資租賃項下的預付土地租賃款項)計入物業、機器及設備，並於資產租期與估計使用年期兩者中之較短期間折舊。該等租賃的財務費用自損益扣除，以便計算租期內的固定定期費率。

倘資產所有權之絕大部分回報及風險仍由出租人承擔，則租賃作為經營租賃列賬。倘本集團為出租人，本集團根據經營租賃出租之資產計入非流動資產，而根據經營租賃應收之租金按租賃期限以直線法計入損益。倘本集團為承租人，根據經營租賃應付之租金(扣除從出租人收取的任何獎勵後)按租賃期限以直線法自損益扣除。

#### 投資及其他金融資產

##### *初始確認及計量*

金融資產於初始確認時分類為按公允值透過損益列賬之金融資產以及貸款及應收款(按適用者)。本集團在初始確認其金融資產時釐定其分類。當金融資產被初始確認時，其以公允值加上歸因於收購金融資產的交易成本計量，惟按公允值透過損益列賬之金融資產則除外。

# 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

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Investments and other financial assets (Continued)

##### *Initial recognition and measurement (Continued)*

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:

##### *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments as defined by HKAS 39.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with positive net changes in fair value presented as other income and gains and negative net changes in fair value presented as finance costs in profit or loss. These net fair value changes do not include any dividends or interest earned on these financial assets, which are recognised in accordance with the policies set out for "Revenue recognition" below.

Financial assets designated upon initial recognition as at fair value through profit or loss are designated at the date of initial recognition and only if the criteria in HKAS 39 are satisfied.

### 2.4 主要會計政策概要(續)

#### 投資及其他金融資產(續)

##### *初始確認及計量(續)*

凡以常規方式買賣金融資產，均於交易日(即本集團承諾買賣資產的日期)進行確認。以常規方式買賣乃指按照市場規定或慣例一般指定的期間內交割資產的金融資產買賣。

##### *後續計量*

金融資產之後續計量視乎其以下分類而定：

##### *按公允值透過損益列賬之金融資產*

按公允值透過損益列賬之金融資產包括持作買賣之金融資產以及於初步確認時指定為按公允值透過損益列賬之金融資產。金融資產如購入以於短期賣出，則分類為持作買賣金融資產。除非衍生工具(包括個別嵌入式衍生工具)指定作為有效對沖工具(定義見香港會計準則第39號)，否則亦列為持作買賣。

##### *按公允值透過損益列賬之金融資產*

按公允值於財務狀況表列賬，其公允值之正數淨變動則於損益中呈列作其他收入及收益，而公允值之負數淨變動於損益中呈列作財務費用。該等公允值淨變動並無包括該等金融資產賺取的任何股息或利息，其根據下文「收益確認」所載政策確認。

於初步確認時指定為按公允值透過損益列賬之金融資產，只於初步確認當日在符合香港會計準則第39號所定準則下方指定為按公允值透過損益列賬。

# 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

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Investments and other financial assets (Continued)

##### *Financial assets at fair value through profit or loss (Continued)*

Derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated as at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

##### *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 profit or loss. The loss arising from impairment is recognised in profit or loss in finance costs for loans and in other expenses for receivables.

### 2.4 主要會計政策概要(續)

#### 投資及其他金融資產(續)

##### *按公允值透過損益列賬之金融資產(續)*

倘經濟特點及風險與主合約並無密切關連，而主合約並非持作交易或指定按公允值透過損益列賬，則主合約內之嵌入式衍生工具入賬作獨立衍生工具，並以公允值計賬。該等嵌入式衍生工具按公允值計量，而公允值變動則於損益表確認。重新評估僅在合約條款出現變動致使現金流量出現大幅修改，或金融資產自按公允值計量並透過損益列賬之類別重新分類，方在有需要時根據合約作出。

##### *貸款及應收款*

貸款及應收款為有固定或可以釐定付款額，而在活躍市場上沒有報價的非衍生金融資產。初始計量後，該等資產其後採用實際利率法以攤銷成本減任何減值撥備計量。計算攤銷成本時，應考慮收購的任何折讓或溢價，且包括構成實際利率不可或缺部分的費用或成本。按實際利率計算的攤銷計入損益中的其他收入及收益。自減值產生的虧損在損益中的貸款融資成本及應收款的其他開支確認。

# 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

### 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

當下列情況出現時，金融資產(或(倘適用)金融資產的一部分或一組類似金融資產的一部分)乃被大致上解除確認(即從本集團的綜合財務狀況表剔除)：

- 從資產收取現金流量的權利已屆滿；或
- 本集團已轉讓其從資產收取現金流量的權利，或根據「轉付」安排，已承擔向第三方在無嚴重延遲的情況下全數支付已獲取現金流量的義務；並且：(a)本集團已轉讓資產的絕大部分風險及回報，或(b)本集團並無轉讓或保留資產的絕大部分風險及回報，但已轉讓資產的控制權。

當本集團已轉讓其從資產收取現金流量的權利或已訂立轉付安排，本集團將評估其是否已保留該資產擁有權的風險及回報以及已保留的程度。倘本集團並無轉讓或保留資產的絕大部分風險及回報，亦無轉讓資產的控制權，該項已轉讓資產將以本集團持續參與的程度為限予以確認。在該情況下，本集團亦確認相關的負債。該項已轉讓資產及相關負債按反映本集團已保留的權利和義務的基準計量。

以經轉讓資產擔保方式的持續參與按資產原賬面值與本集團可能被要求償還的代價的最高金額之間的較低者計量。

# 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

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Impairment of financial assets

The Group assesses at the end of each of the reporting period whether there is any 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)

#### 金融資產減值

本集團於各報告期末評估是否存在任何客觀證據表明一項金融資產或一組金融資產出現減值。倘於資產初始確認後發生一件或多件事件，對該金融資產或該組金融資產的估計未來現金流量產生影響，而有關影響能夠可靠地估計，則存在減值。減值證據的跡象可包括債務人或一組債務人面對重大財務困難，不履行或拖欠利息或本金的支付，他們有可能將進行破產或進行其他財務重組，以及有可觀察數據表明估計未來現金流量將會顯著減少，例如，與拖欠相聯繫的欠款或經濟狀況改變。

#### *按攤銷成本列值的金融資產*

對於按攤銷成本列值的金融資產，本集團首先會單獨評估個別有重要影響的金融資產是否存在減值，或對個別並無重要影響的金融資產進行組合評估。倘本集團確定沒有客觀證據顯示經個別評估的金融資產(無論有否重要影響)存在減值，則將該資產歸入一組具有相似信貸風險特徵的金融資產，並進行組合減值評估。已進行個別減值評估並確認或繼續確認減值虧損的資產，將不會納入組合減值評估。

已識別的任何減值虧損金額乃以資產的賬面值與估計未來現金流量的現值(不包括尚未發生的未來信貸虧損)之間的差額計量。估計未來現金流量的現值按金融資產的原有實際利率(即初始確認時計算的實際利率)貼現。



# 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

### 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 profit or loss. 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 other expenses in profit or loss.

#### Financial liabilities

##### *Initial recognition and measurement*

Financial liabilities are classified as loans and borrowings. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value and net of directly attributable transaction costs.

The Group's financial liabilities include accounts and other payables, accruals of costs for contract work, interest-bearing bank and other borrowings, convertible bonds and promissory notes.

### 2.4 主要會計政策概要(續)

#### 金融資產減值(續)

##### *按攤銷成本列值的金融資產(續)*

資產的賬面值乃透過使用撥備賬抵減，虧損金額在損益賬確認。利息收入繼續採用就計量減值虧損而用以將未來現金流量貼現的利率按減少後的賬面值累計。當實際上已沒有希望在未來收回，且所有抵押品已變現或轉讓予本集團時，則貸款及應收款連同任何相關撥備予以一併撇銷。

倘在後續期間，估計減值虧損金額因為在確認減值後發生的事件而增加或減少，則過往確認的減值虧損會透過撥備賬調整而增加或減少。倘撇銷金額在其後被收回，則收回金額會計入損益賬的其他開支。

#### 金融負債

##### *初始確認及計量*

金融負債乃分類為貸款及借款。本集團在初始確認其金融負債時釐定分類。

所有金融負債按公允值進行初始確認並扣除直接歸屬的交易成本。

本集團金融負債包括應付賬款及其他應付款項、預提合約工程成本、計息銀行及其他借貸、可換股債券及承兌票據。

# 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

### 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 profit or loss 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 profit or loss.

##### *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.

### 2.4 主要會計政策概要(續)

#### 金融負債(續)

##### *貸款及借貸*

於首次確認後，計息貸款及借款其後以實際利率法按攤銷成本計量，惟貼現之影響甚微則除外，在此情況下，則按成本列賬。有關收益及虧損於負債取消確認時，透過以實際利率進行之攤銷過程中在損益表確認。

攤銷成本經計及收購之任何折讓或溢價，以及屬於實際利率組成部分之費用或成本後計算。實際利率攤銷已計入損益表之財務費用內。

##### *財務擔保合約*

本集團作出之財務擔保合約即要求發行人作出特定付款以償付持有人因特定債務人未能根據債務工具之條款償還到期款項而招致損失之合約。財務擔保合約初步按其公允值確認為一項負債，並就作出該擔保直接產生之交易成本作出調整。於初始確認後，本集團按：(i)履行報告期末之現有責任所須開支之最佳估計金額；及(ii)初始確認之金額減(如適用)累計攤銷(以較高者為準)計量財務擔保合約。

# 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

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial liabilities (Continued)

##### *Convertible bonds*

The component of convertible bonds that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs. On issuance of convertible bonds, the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond; and this amount is carried as a long term liability on the amortised cost basis until extinguished on conversion or redemption. The remainder of the proceeds is allocated to the conversion option that is recognised and included in shareholders' equity, net of transaction costs. The carrying amount of the conversion option is not remeasured in subsequent years. Transaction costs are apportioned between the liability and equity components of the convertible bonds based on the allocation of proceeds to the liability and equity components when the instruments are first recognised.

#### 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 profit or loss.

#### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

### 2.4 主要會計政策概要(續)

#### 金融負債(續)

##### *可換股債券*

可換股債券中顯示負債特徵的部分，在扣除交易成本後在財務狀況表中確認為負債。發行可換股債券時，採用同等非可換股債券的市值，釐定負債部分的公允值；該數額按攤銷成本基準持續列為長期負債，直至於換股或贖回時註銷為止。所得款項餘款分配至已確認的換股期權，扣除交易成本後計入股東權益。於其後年度，換股期權的賬面值不會重新計量。交易成本乃根據首次確認該等工具時，所得款項於負債及權益部分的分配攤分至可換股債券的負債及權益成份。

#### 解除確認金融負債

當負債下的責任被解除、取消或到期時，金融負債將被解除確認。

當現有金融負債被同一貸款人的另一項條款顯著有別的負債取代，或現有負債的條款經大幅修訂的時候，此種互換或修訂被視作解除確認原有負債並確認新負債，各自賬面值之間的差額在損益確認。

#### 金融工具的互相抵銷

當以現時可予強制執行法定權利將已確認金額互相抵銷，並且擬按淨值基準結算或同時變現資產和清償負債時，金融資產及金融負債會互相抵銷，而淨值乃在財務狀況表內列報。

# 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

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using weighted average method 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 estimated selling prices less any estimated costs to be incurred to completion and disposal.

#### 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.

#### Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, 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.

### 2.4 主要會計政策概要(續)

#### 存貨

存貨按成本及可變現淨值之較低者計賬。成本按加權平均法計算，而就進行中之工程及成品而言，包括直接材料成本、直接勞工成本及經常性開支之適當部分。可變現淨值乃基於估計售價減完成及出售將產生的任何估計成本。

#### 現金及現金等值物

就綜合現金流量表而言，現金及現金等值物包括手頭現金及活期存款，以及可隨時兌換為已知數額現金的短期高流動性投資，有關項目須承受的價值變動風險較低且期限較短（一般於購入後三個月內到期），並減除須應要求償還並構成本集團現金管理不可或缺部分的銀行透支。

就綜合財務狀況表而言，現金及現金等值物包括手頭現金及銀行存款，包括定期存款及與現金性質類似且用途不受限制的資產。

#### 所得稅

所得稅包括即期稅項及遞延稅項。與在損益賬以外確認的項目有關的所得稅，乃在損益以外的其他全面收入或直接在權益中確認。

即期稅項資產及負債，乃以於各報告期末已執行的或實質上已執行的稅率（及稅法）為基礎，考慮到本集團經營所在國家的當前詮釋及慣例，按預期將從稅務機關返還或支付予稅務機關的金額計量。

# 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

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Income tax (Continued)

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 goodwill or 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(續)

於報告期末在資產及負債的稅基與其就財務報告而言的賬面值之間的所有暫時性差額，須按負債法計提遞延稅項。

所有應課稅暫時性差額均會確認為遞延稅項負債，除非：

- 當遞延稅項負債乃因初始確認商譽或不屬業務合併交易的資產或負債而產生，並且於交易時對會計溢利或應課稅溢利或虧損均無影響；及
- 對於涉及與附屬公司之投資相關的應課稅暫時性差額，若撥回暫時性差額的時間可以受到控制，並且暫時性差額有可能不會在可預見未來撥回。

所有可扣減的暫時性差額、承前未用稅項抵免及任何未用稅務虧損，均會確認為遞延稅項資產。遞延稅項資產的確認以將有可能以應課稅溢利抵扣可扣減的暫時性差額、承前未用稅項抵免及未用稅務虧損的金額為限，除非：

- 當有關自可扣減暫時性差額的遞延稅項資產乃自初始確認不屬業務合併交易的資產或負債而產生，並且於交易時對會計溢利或應課稅溢利或虧損均無影響；及

# 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

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

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 tax assets and deferred tax liabilities relate to income tax levied by the same taxable 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 expected to be settled or recovered.

### 2.4 主要會計政策概要(續)

#### 所得稅(續)

- 對於與附屬公司的投資相關的可扣減暫時性差額，遞延稅項資產僅於暫時性差額有可能將在可預見未來撥回並且將會出現可利用暫時性差額予以抵扣的應課稅溢利時，方會確認。

遞延稅項資產的賬面值於各報告期末進行檢討，並以預期不會再出現足夠的應課稅溢利以動用全部或部分遞延稅項資產時為限予以調低。尚未確認的遞延稅項資產於各報告期末重新評估，並以可能有足夠的應課稅溢利用以收回全部或部分遞延稅項資產時為限予以確認。

遞延稅項資產及負債乃以於各報告期末已執行的或實質上已執行的稅率(及稅法)為基礎，按預期在變現資產或償還負債的期間應用的稅率計算。

倘及僅倘本集團存在法律上可予強制執行的權利將即期稅項資產及即期稅項負債抵銷，而遞延稅項資產及遞延稅項負債與同一應課稅機關及同一應課稅實體，或有意按淨基礎償還即期稅項負債及資產或同時變現及償付於遞延稅項負債或資產預期被償付或收回的各未來期間的資產及負債的不同應課稅實體所徵收的所得稅有關，則遞延稅項資產與遞延稅項負債互相抵銷。

# 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

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Government grants

Government grants 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.

#### 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) from construction, renovation and other contracts, based on the percentage of completion basis, as further explained in the accounting policy for "Construction, renovation and other contracts" below;
- (c) rental income, on a time proportion basis over the lease terms;
- (d) 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
- (e) consultancy service fee income, when the consultancy services are rendered.

### 2.4 主要會計政策概要(續)

#### 政府補助

倘有合理保證可收取政府補助並將符合所有附帶條件，則會按公允值確認補助。倘有關補助涉及開支項目，其將於計劃補助的成本(擬予以補償)支銷期間按系統基準確認為收入。

#### 收入確認

收入乃於經濟利益將有可能流入本集團及收入能夠可靠計算時按下列基準確認：

- (a) 來自銷售貨物，倘擁有權的重大風險及回報已轉移至買方，惟本集團並不參與通常與擁有權相關之管理，亦無已售貨物的實際控制權；
- (b) 來自建造、翻新及其他合約，按完工百分比基準確認，於下文「建造、翻新及其他合約」的會計政策進一步詳述；
- (c) 租金收入，按租期以時間比例計算；
- (d) 利息收入，按預提基準採用實際利率法計算，方式為應用在金融工具的預期壽命或更短期間(如適用)將估計未來現金收入準確貼現至金融資產賬面淨值的利率；及
- (e) 於提供顧問服務時之顧問服務費收入。

# 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

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Construction, renovation and other contracts

Contract revenue comprises the agreed contract amount and appropriate amounts from variation orders, claims and incentive payments. Contract costs incurred comprise direct materials, the costs of subcontracting, direct labour and an appropriate proportion of variable and fixed construction overheads.

Revenue from fixed price construction contracts is recognised on the percentage of completion method, measured by reference to the percentage of certified value of work performed to date to the total contract sum of the relevant contracts.

Provision is made for foreseeable losses as soon as they are anticipated by management. Where contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is treated as an amount due from customers for contract work. Where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is treated as accruals of costs for contract work.

#### 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 29 to the financial statements.

### 2.4 主要會計政策概要(續)

#### 建造、翻新及其他合約

合約收入包括已協定的合約金額及來自改建工程、索償額及獎勵金的適當款額。所產生的合約成本則包括直接材料、分包成本、直接勞工及適當比例的可變及固定建造間接成本。

固定價格建築合約的收入乃參考迄今為止已驗收工程價值佔相關合約總額的比例按完工百分比法確認。

倘管理層一旦預計於可見未來出現虧損，則就此計提撥備。倘迄今已產生的合約成本加已確認溢利減已確認虧損超過進度賬單款項，則有關結餘被視作應收客戶的合約工程款項。倘進度賬單款項超過迄今已產生合約成本加已確認溢利減已確認虧損，則有關餘額被視作應計合約工程成本。

#### 以股份為基礎付款

本公司運作購股權計劃，藉以向為本集團營運成功作出貢獻的合資格參與者提供激勵及回報。本集團的僱員(包括董事)按以股份為基礎付款的形式收取薪酬，據此僱員提供服務以作為股本工具的代價(「股權結算交易」)。

就授出與僱員之股權結算交易的成本乃經參考其於授出日期之公允值計算。公允值乃由外部估值師使用二項式模型釐定，有關進一步詳情載於財務報表附註29。



# 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

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Share-based payments (Continued)

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 profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

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.

### 2.4 主要會計政策概要(續)

#### 以股份為基礎付款(續)

股權結算交易之成本乃在僱員福利開支中連同相應權益增加，於達成表現及／或服務條件之期間內確認。於各報告期末直至歸屬日期就股權結算交易確認之累計開支反映歸屬期屆滿之程度及本集團對將會最終歸屬之股本工具數目之最佳估計。某一期間之損益之扣除或計入指於報告期起及報告期末確認之累計開支變動。

服務及非市場表現條件在釐定獎勵之授出日期公允值時均不予考慮，惟達成有關條件之可能性乃作為本集團有關將會最終歸屬之股本工具數目之最佳估計的一部分予以評估。市場表現條件反映於授出日期之公允值。獎勵所附帶之任何其他條件(但並無相關服務規定者)均被視為非歸屬條件。非歸屬條件均反映於獎勵之公允值，並引致獎勵之即時支銷，除非亦存在服務及／或表現條件。

就因非市場表現及／或服務條件未獲達成而最終並無歸屬之獎勵而言，一概不會確認任何開支。倘獎勵包括市場或非歸屬條件，則交易會被視為歸屬，而不論是否達成市場或非歸屬條件，惟須達成所有其他表現及／或服務條件。

# 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

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Share-based payments (Continued)

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 additional share dilution in the computation of earnings per share.

#### Other employee benefits

##### *Paid leave carried forward*

The Group provides paid annual leave to its employees under their employment contracts on a calendar year basis. Under certain circumstances, such leave which remains untaken as at the end of the reporting period is permitted to be carried forward and utilised by the respective employees in the following year. An accrual is made at the end of each reporting period for the expected future cost of such paid leave earned during the year by the employees and carried forward.

### 2.4 主要會計政策概要(續)

#### 以股份為基礎付款(續)

於修改股權結算獎勵之條款時，倘達成獎勵之原有條款，則盡量確認最低開支，猶如有關係款未經修改。此外，會就任何增加以股份為基礎付款之總公允值之任何修改或於修改日期計量時另行有利於僱員之任何修改確認開支。

倘註銷股權結算獎勵，則其乃猶如已經於註銷日期歸屬處理，而尚未就獎勵確認之任何開支乃即時確認。此包括在本集團或僱員控制之內之在非歸屬條件未獲達成下之任何獎勵。然而，倘以新獎勵替代經註銷獎勵，並於其獲授出當日指定為替代獎勵，則有關經註銷及新獎勵乃按猶如其為原有獎勵之修改處理(載述於前一段)。

尚未行使購股權之攤薄影響乃在計算每股盈利時反映為額外股份攤薄。

#### 其他僱員福利

##### *結轉有薪假期*

本集團根據僱傭合約按曆年基準向其僱員提供有薪年假。在若干情況下，於報告期末尚未使用的假期准予結轉，並供相關僱員在下一年度使用。於各報告期末，就僱員在年內產生及結轉的有薪假期所涉及的預期未來成本預提費用。

# 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

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Other employee benefits (Continued)

##### *Pension schemes*

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme under the Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to profit or loss 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 Group also operates a Mandatory Provident Fund Exempted Occupational Retirement Schemes Ordinance ("ORSO") retirement benefit scheme for those employees who are eligible to participate in the ORSO scheme. This scheme operates in a way similar to the MPF Scheme, except that when an employee leaves the scheme prior to his/her interest in the Group's employee contributions vesting fully, the ongoing contributions payable by the Group are reduced by the relevant amount of forfeited employer's contributions.

The employees of the Group's subsidiary which operates in PRC are required to participate in a central pension scheme operated by the local municipal government. This subsidiary is required to contribute certain percentages of its payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

### 2.4 主要會計政策概要(續)

#### 其他僱員福利(續)

##### *退休福利計劃*

本集團按照強制性公積金計劃條例為所有合資格參與界定供款強制性公積金退休福利計劃的僱員辦理強積金計劃。供款按僱員底薪的某一百分比計算，於應按照強積金計劃的規則支付供款時在損益扣除。強積金計劃的資產由獨立管理基金持有並與本集團資產分開管理。當向強積金計劃供款時，本集團的僱主供款全數歸屬於僱員所得。

本集團亦為合資格參與職業退休計劃條例計劃的僱員辦理強制性公積金豁免職業退休計劃條例(「職業退休計劃條例」)退休福利計劃。該計劃以類似強積金計劃的方式運作，惟當僱員於本集團僱員供款全數歸屬前退出該計劃，則本集團須持續支付的供款以被沒收的僱主供款的相關金額予以扣減。

本集團於中國經營的附屬公司的僱員須參與地方市政營運的中央退休金計劃。此附屬公司須按其薪酬成本的若干比例向中央退休金計劃供款。供款於根據中央退休金計劃的規則應付時於損益扣除。

# 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

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 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.

#### 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 profit or loss.

Differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in other comprehensive income until the net investment is disposed of, at which time the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on these monetary items are also recorded in other comprehensive income.

### 2.4 主要會計政策概要(續)

#### 借貸成本

直接歸屬於購置、建造或生產合資格資產(即必須經過一段相當時間方可作擬定用途或出售的資產)的借貸成本，乃作為該等資產的一部分成本而撥充資本。當資產大致上可作擬定用途或出售時，有關借貸成本不再撥充資本。有待作合資格資產支出的專項借款當用作暫時性投資所賺取的投資收入，從已撥充資本的借貸成本中扣除。所有其他借貸成本於產生期間內支銷。借貸成本包括實體就借入資金所產生的利息及其他成本。

#### 外幣

該等財務報表以本公司之功能貨幣港元呈列。本集團各實體各自釐定其功能貨幣，而包括在各實體之財務報表之項目均以該功能貨幣計量。本集團實體錄得的外幣交易最初以各自於交易當日的適用功能貨幣匯率記錄入賬。以外幣列值的貨幣資產及負債，則按各報告期末通行的功能貨幣匯率換算。結算或換算貨幣項目產生之差額均於損益確認。

因結算或換算貨幣項目產生的所有匯兌差額於損益確認，惟就指定作為對沖本集團的海外業務投資淨額一部分的貨幣項目則除外。這些於其他全面收入確認，直至投資淨額已出售，此時累計金額乃重新分類至損益。就該等貨幣項目匯兌差額應佔的稅項支出及抵免亦計入其他全面收入內。

# 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

### 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 profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

The functional currency of certain subsidiaries operating in the PRC is currency 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 dollar at the exchange rate prevailing at the end of the reporting period and their statements of profit or loss and other comprehensive income are translated into Hong Kong dollars at the weighted average exchange rate 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 profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

For the purpose of the consolidated statement of cash flows, the cash flows of the PRC subsidiaries are translated into Hong Kong dollars at the exchange rate ruling at the dates of the cash flows. Frequently recurring cash flows of the PRC subsidiaries which arise throughout the year are translated into Hong Kong dollars at weighted average exchange rates for the year.

### 2.4 主要會計政策概要(續)

#### 外幣(續)

按外幣歷史成本計量的非貨幣項目按首次交易日期的匯率換算。按外幣公允值計量的非貨幣項目採用計量公允值當日的匯率換算。換算按公允值計量的非貨幣項目所產生收益或虧損被視為等同於確認該項目公允值變動所產生收益或虧損(即於其他全面收入或損益內確認公允值收益或虧損之項目之換算差額,亦分別於其他全面收入或損益中確認)。

於中國經營的若干附屬公司的功能貨幣為港元以外的貨幣。於報告期末,該等實體的資產和負債按報告期末通行的匯率換算為港元,而其損益及其他全面收入表則按該年度的加權平均匯率換算為港元。由此產生的匯兌差額於其他全面收入確認,並於匯兌波動儲備累計。出售海外業務時,與該項海外業務有關的其他全面收入部分於損益中確認。

收購海外業務產生的任何商譽及對收購產生的資產及負債賬面值作出的任何公允值調整作海外業務的資產及負債處理,並按收市匯率換算。

就綜合現金流量表而言,海外附屬公司的現金流量按現金流量日期的匯率換算為港元。海外附屬公司於年內經常產生的現金流量則按該年度的加權平均匯率換算為港元。

# 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

### 3. SIGNIFICANT ACCOUNTING ESTIMATES

The preparation of the Group's financial statements requires management to make 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.

#### 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.

#### *Construction, renovation and other contracts*

Revenue and profit recognition on contract work is dependent on the estimation of the total outcome of the construction contract, as well as the work performed to date. Based on the Group's past experience and the nature of the contract activities undertaken by the Group, the Group makes estimates of the point at which it considers the work is sufficiently advanced such that the costs to complete and the revenue can be reliably estimated. As a result, until this point is reached, the amount due from customers for contract work will not include profit which the Group may eventually realise from the work performed to date. In addition, actual outcomes in terms of total contract costs and/or revenue may be higher or lower than those estimated at the end of each reporting period, which would affect the revenue and profit recognised in future years.

### 3. 主要會計估計

編製本集團財務報表需要管理層作出會影響收入、開支、資產和負債的報告金額及其隨附的披露的估計和假設，並披露或然負債。然而，有關該等假設及估計的不確定性，可能導致須就未來對受影響資產或負債的賬面值作出重大調整的結果。

#### 估計的不確定性

以下描述於報告期末存在可能引致資產或負債之賬面值於下一個財政年度內或須予以重大調整的重大風險而有關未來的主要假設及估計不確定性的其他主要來源。

#### *建造、翻新及其他工程合約*

合約工程的收入及溢利確認須視乎所估計的建造合約之總結果，以及迄今已進行工程量。根據本集團以往的經驗及本集團所進行合約活動的性質，本集團將於其認為工程之進度足以可靠地估計竣工成本及收入時作出估計。因此，在到達該程度前，應收客戶之合約工程款並不包括本集團最終可能從迄今已進行工程實現的溢利。此外，總合約成本及／或收入的實際結果可能高於或低於各報告期末的估計，而影響到未來年度確認的收入及溢利。

# 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

### 3. SIGNIFICANT ACCOUNTING ESTIMATES (Continued)

#### Estimation uncertainty (Continued)

##### *Construction, renovation and other contracts (Continued)*

Significant assumptions are required to estimate the total budgeted contract costs and the recoverable variation works that will affect whether any provision is required for foreseeable losses. The estimates are made based on past experience and knowledge of the project management.

##### *Impairment of goodwill*

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill at 31 December 2017 was HK\$498,343,000 (2016: HK\$463,257,000). Further details are given in note 14.

##### *Impairment of non-financial assets (other than goodwill)*

The Group assesses whether there are any indicators of impairment for all non-financial assets at the end of each reporting period. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

### 3. 主要會計估計(續)

#### 估計的不確定性(續)

##### *建造、翻新及其他工程合約(續)*

估計總預算合約成本以及會影響到是否須就可預見損失計提任何準備的可收回改建工程，需要作出重大假設。估計乃根據項目管理的以往經驗及知識而作出。

##### *商譽減值*

本集團至少按年基準評估商譽是否出現減值。該過程需要估計獲分配商譽的現金產生單位的使用價值。本集團須於估計使用價值時對現金產生單位的預期未來現金流量作出估計，亦須選用合適的貼現率以計算該等現金流量的現值。於二零一七年十二月三十一日，商譽的賬面值為498,343,000港元(二零一六年：463,257,000港元)。進一步詳情載於附註14。

##### *非金融資產(商譽除外)減值*

於各報告期末，本集團評估所有非金融資產是否有任何減值跡象。當有跡象表明未必能收回賬面值時，非金融資產會進行減值測試。當資產或現金產生單位的賬面值超過其可收回金額(即其公允值減出售成本及使用價值兩者中的較高者)時，則存在減值。公允值減出售成本根據按公平原則進行具有約束力的類似資產出售交易所得的數據或可觀察市場價格減去出售資產的增量成本而計算。當計算使用價值時，管理層須估計預期未來來自資產或現金產生單位的現金流量，同時選擇適當的貼現率計算該等現金流量的現值。

# 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

### 3. SIGNIFICANT ACCOUNTING ESTIMATES (Continued)

#### Estimation uncertainty (Continued)

##### *Impairment of receivables*

The Group records impairment of receivables based on an assessment of the recoverability of accounts and bills receivables, and other receivables. The identification of doubtful debts requires directors' estimates. Where the expectation is different from the original estimate, the difference will impact on the carrying values of the accounts and bills receivables and other receivables and doubtful debt expenses in the period in which the estimate has been changed.

### 4. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and service and has two reportable operating segments as follows:

- Automotive engines segment — development, production and sale of automotive engines
- Civil engineering and construction segment — civil engineering works and building construction and maintenance works

Management monitors the results of the Group's operating segments separately for the purpose of making decision about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit or loss, which is a measure of adjusted profit or loss before tax. The adjusted profit or loss before tax is measured consistently with the Group's profit or loss before tax except that finance costs as well as head office and corporate expenses are excluded from such measurement.

### 3. 主要會計估計(續)

#### 估計的不確定性(續)

##### *應收款減值*

本集團根據應收賬款及應收票據以及其他應收款的可收回情況的評估，將應收款減值入賬。辨別呆賬須由董事作出估計。倘預期與原來估計者有別，則差異將於有關估計出現變化的期間，影響應收賬款及應收票據以及其他應收款以及呆賬開支的賬面值。

### 4. 分部資料

就管理而言，本集團按照其產品及服務被歸為業務單位，並有下列兩個可報告經營分部：

- 汽車發動機分部 — 開發、生產及銷售汽車發動機
- 土木工程及建造分部 — 土木工程項目以及樓宇建造及保養工程

就作出有關資源分配及表現評估的決策而言，管理層獨立監控本集團經營分部的業績。分部表現按可報告分部損益(即經調整除稅前損益)評核。經調整除稅前損益之計量與本集團之除稅前損益一致，惟有關計量不包括財務費用以及總辦事處及企業費用。



# 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

### 4. SEGMENT INFORMATION (Continued)

### 4. 分部資料(續)

		Automotive engines 汽車發動機		Civil engineering and construction 土木工程及建造		Total 總計	
		Year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 HK\$'000 千港元	Nine months ended 31 December 2016 截至 二零一六年 十二月三十一日 止九個月 HK\$'000 千港元	Year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 HK\$'000 千港元	Nine months ended 31 December 2016 截至 二零一六年 十二月三十一日 止九個月 HK\$'000 千港元	Year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 HK\$'000 千港元	Nine months ended 31 December 2016 截至 二零一六年 十二月三十一日 止九個月 HK\$'000 千港元
Segment revenue	分部收入	1,478,266	1,769,966	548,333	375,960	2,026,599	2,145,926
Segment results	分部業績	147,880	204,342	1,236	(6,908)	149,116	197,434
Corporate and unallocated income	企業及未分配收入					15,160	—
Corporate and unallocated expenses	企業及未分配開支					(27,245)	(24,374)
Finance costs	財務費用					(67,139)	(48,277)
Profit before tax	除稅前溢利					69,892	124,783
Other segment information:	其他分部資料:						
Capital expenditure	資本支出						
— operating segment	— 經營分部	2,065	3,057	36	97	2,101	3,154
— unallocated	— 未分配					31	1,644
						2,132	4,798
Bank interest income	銀行利息收入						
— operating segment	— 經營分部	2	6	5	1	7	7
Depreciation	折舊						
— operating segment	— 經營分部	4,502	3,712	578	428	5,080	4,140
— unallocated	— 未分配					662	279
						5,742	4,419
Amortisation of intangible assets	無形資產攤銷	61,754	83,551	—	—	61,754	83,551

# 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

### 4. SEGMENT INFORMATION (Continued)

#### Geographical information

(a) Revenue from external customers

		Year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 HK\$'000 千港元	Nine months ended 31 December 2016 截至 二零一六年 十二月三十一日 止九個月 HK\$'000 千港元
PRC	中國	1,478,266	1,769,966
Hong Kong	香港	548,333	375,960
		<b>2,026,599</b>	<b>2,145,926</b>

The revenue information above is based on the locations of the customers.

上述收入資料乃基於客戶所在地。

(b) Non-current assets

		31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元	31 December 2016 二零一六年 十二月三十一日 HK\$'000 千港元
PRC	中國	1,098,206	1,075,768
Hong Kong	香港	1,749	1,923
		<b>1,099,955</b>	<b>1,077,691</b>

The non-current asset information above is based on the locations of assets.

上述非流動資產資料乃基於資產所在地。

### 4. 分部資料(續)

#### 地區資料

(a) 來自外部客戶的收入

		Year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 HK\$'000 千港元	Nine months ended 31 December 2016 截至 二零一六年 十二月三十一日 止九個月 HK\$'000 千港元
PRC	中國	1,478,266	1,769,966
Hong Kong	香港	548,333	375,960
		<b>2,026,599</b>	<b>2,145,926</b>

上述收入資料乃基於客戶所在地。

(b) 非流動資產

		31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元	31 December 2016 二零一六年 十二月三十一日 HK\$'000 千港元
PRC	中國	1,098,206	1,075,768
Hong Kong	香港	1,749	1,923
		<b>1,099,955</b>	<b>1,077,691</b>

上述非流動資產資料乃基於資產所在地。

# 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

### 4. SEGMENT INFORMATION (Continued)

#### Information about major customers

Revenue from each major customer which accounted for 10% or more of the Group's revenue for the year/period, is set out below:

		Year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 HK\$'000 千港元	Nine months ended 31 December 2016 截至 二零一六年 十二月三十一日 止九個月 HK\$'000 千港元
Customer A <sup>#</sup>	客戶A <sup>#</sup>	608,296	965,651
Customer B <sup>#</sup>	客戶B <sup>#</sup>	733,617	803,360

<sup>#</sup> These customers are under the automotive engines segment.

Except for the aforesaid, no revenue from a single external customer accounted for 10% or more of the Group's revenue.

### 5. REVENUE, OTHER INCOME AND GAINS

Revenue represents the appropriate proportion of contract revenue from construction, renovation and other contracts and the net invoiced value of goods sold, after allowances for returns and trade discounts.

### 4. 分部資料(續)

#### 主要客戶的資料

來自各主要客戶的收入佔本集團於年內／期內收入的10%或以上，如下所示：

		Year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 HK\$'000 千港元	Nine months ended 31 December 2016 截至 二零一六年 十二月三十一日 止九個月 HK\$'000 千港元
Customer A <sup>#</sup>	客戶A <sup>#</sup>	608,296	965,651
Customer B <sup>#</sup>	客戶B <sup>#</sup>	733,617	803,360

<sup>#</sup> 該等客戶為汽車發動機分部之客戶。

除上述者外，概無來自單一外部客戶收入佔本集團收入的10%或以上。

### 5. 收入、其他收入及收益

收入指來自建造、翻新及其他合約的合約收入適當部分以及已售貨物發票淨值(扣除退貨及貿易折扣)。

# 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

### 5. REVENUE, OTHER INCOME AND GAINS (Continued)

An analysis of revenue, other income and gains is as follows:

### 5. 收入·其他收入及收益(續)

收入·其他收入及收益之分析如下：

		Year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 HK\$'000 千港元	Nine months ended 31 December 2016 截至 二零一六年 十二月三十一日 止九個月 HK\$'000 千港元
<b>Revenue</b>	<b>收入</b>		
Sales of goods	銷售貨物	1,478,266	1,769,966
Contract revenue	合約收入	548,333	375,960
		<b>2,026,599</b>	<b>2,145,926</b>
<b>Other income and gains</b>	<b>其他收入及收益</b>		
Interest income	利息收入	7	7
Consultancy fee income	顧問費收入	2,120	1,200
Rental income	租金收入	5,150	6,350
Government subsidies*	政府補助*	2,475	36
Gain on disposal of items of property, plant and equipment	出售物業、機器及設備項目的收益	—	1
Gain on modification of promissory notes	修改承兌票據之收益	15,160	—
Sundry income	雜項收入	1,329	650
		<b>26,241</b>	<b>8,244</b>

\* Various government grants have been received for the business development in Chongqing Province, PRC. There are no unfulfilled conditions or contingencies relating to these subsidies.

\* 於中國重慶省之業務發展獲多項政府補助。並無有關該等補助的未履行條件或或然事件。

# 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

### 6. FINANCE COSTS

An analysis of finance costs is as follows:

### 6. 財務費用

財務費用分析如下：

		Year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 HK\$'000 千港元	Nine months ended 31 December 2016 截至 二零一六年 十二月三十一日 止九個月 HK\$'000 千港元
Interest on bank and other borrowings	銀行及其他借款利息	4,152	1,413
Interest on promissory notes	承兌票據利息	35,140	27,362
Imputed interest on convertible bonds	可換股債券之推算利息	27,847	19,502
		<b>67,139</b>	<b>48,277</b>

# 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

### 7. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/  
(crediting):

### 7. 除稅前溢利

本集團之除稅前溢利已扣除／(計入)  
下列各項：

			Year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 HK\$'000 千港元	Nine months ended 31 December 2016 截至 二零一六年 十二月三十一日 止九個月 HK\$'000 千港元
Cost of sales	銷售成本			
Cost of inventories sold	已售存貨成本		1,244,429	1,472,732
Amortisation of intangible assets	無形資產攤銷	15	61,754	83,551
Contract costs	合約成本		531,466	372,180
			<b>1,837,649</b>	<b>1,928,463</b>
Depreciation*	折舊*	13	5,742	4,419
Auditor's remuneration	核數師酬金		2,080	1,950
Research and development costs	研發成本			
— current year/period expenditure	— 本年度／ 期間支出		23,140	4,839
Employee benefit expense (excluding directors' and chief executive's remuneration — note 8)*:	僱員福利開支 (不包括董事及最高 行政人員酬金 — 附註8)*:			
Wages and salaries	工資及薪金		46,440	40,497
Pension scheme contributions (defined contribution schemes)	退休福利計劃供 款(定額供款 計劃)		3,492	2,502
			<b>49,932</b>	<b>42,999</b>
Minimum lease payments under operating leases	經營租賃下的最低 租金		3,948	2,449

# 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

### 7. PROFIT BEFORE TAX (Continued)

\* For the year ended 31 December 2017, depreciation and employee benefit expense of HK\$4,109,000 (Nine months ended 31 December 2016: HK\$3,799,000) and HK\$26,544,000 (Nine months ended 31 December 2016: HK\$22,410,000), respectively, are included in cost of inventories sold and contract costs provided above.

### 8. 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, 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:

### 7. 除稅前溢利(續)

\* 截至二零一七年十二月三十一日止年度，折舊及僱員福利開支分別為4,109,000港元(截至二零一六年十二月三十一日止九個月: 3,799,000港元)及26,544,000港元(截至二零一六年十二月三十一日止九個月: 22,410,000港元)計入上文所提供的已售存貨成本及合約成本。

### 8. 董事及最高行政人員酬金

根據聯交所證券上市規則、《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部披露之年內董事及最高行政人員酬金如下：

		Year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 HK\$'000 千港元	Nine months ended 31 December 2016 截至 二零一六年 十二月三十一日 止九個月 HK\$'000 千港元
Fees	袍金	432	324
Other emoluments:	其他薪酬：		
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	11,760	2,231
Pension scheme contributions (defined contribution schemes)	退休福利計劃供款(定額供款計劃)	51	28
Equity-settled share option expense	股權結算購股權費用	—	6,395
		11,811	8,654
		12,243	8,978

# 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

### 8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (Continued)

#### (a) Independent non-executive directors

The fees paid to independent non-executive directors during the year/period were as follows:

### 8. 董事及最高行政人員酬金 (續)

#### (a) 獨立非執行董事

年內／期內支付予獨立非執行董事的袍金如下：

		Salaries, allowances and benefits in kind	Pension scheme contributions	Equity-settled share option expense	Total remuneration	
		Fees		share option expense		
		袍金	薪金、津貼及實物利益	退休福利計劃供款	股權結算購股權費用	總酬金
		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
Year ended	截至二零一七年					
31 December 2017	十二月三十一日					
	止年度					
Ms. Chu Yin Yin	朱燕燕女士	144	—	—	—	144
Mr. Yip Tai Him	葉棣謙先生	144	—	—	—	144
Mr. Chan Kai Wing	陳繼榮先生	144	—	—	—	144
		432	—	—	—	432



# 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

### 8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (Continued)

#### (a) Independent non-executive directors (Continued)

		Fees	Salaries, allowances and benefits	Pension scheme	Equity-settled share option	Total remuneration
			in kind	contributions	expense	
		袍金	薪金、津貼 及實物利益	退休福利 計劃供款	購股權 費用	總酬金
		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
Nine months ended 31 December 2016	截至二零一六年 十二月三十一日 止九個月					
Ms. Chu Yin Yin	朱燕燕女士	108	—	—	—	108
Mr. Yip Tai Him	葉棣謙先生	108	—	—	—	108
Mr. Chan Kai Wing	陳繼榮先生	108	—	—	—	108
		324	—	—	—	324

There were no other emoluments payable to the independent non-executive directors during the year (Nine months ended 31 December 2016: Nil).

年內(截至二零一六年十二月三十一日止九個月:無),並無其他應付獨立非執行董事薪酬。

# 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

### 8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (Continued)

#### (b) Executive directors

### 8. 董事及最高行政人員酬金 (續)

#### (b) 執行董事

		Notes	Fees	Salaries, allowances and benefits in kind	Pension scheme contributions	Equity-settled share option expense	Total remuneration
		附註	袍金	薪金、津貼及實物利益	退休福利計劃供款	股權結算購股權費用	總酬金
			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
Year ended	截至二零一七年						
31 December 2017	十二月三十一日止年度						
Executive directors	執行董事						
Mr. Lo Kin Ching (chairman)	勞建青先生 (主席)	(i)	—	8,000	15	—	8,015
Mr. Wong Hin Shek	王顯碩先生	(ii)	—	2,400	18	—	2,418
Mr. Xing Bin	邢濱先生		—	360	18	—	378
Ms. Liu Yan	劉妍女士	(iii)	—	1,000	—	—	1,000
			—	11,760	51	—	11,811

# 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

### 8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (Continued)

#### (b) Executive directors (Continued)

		Notes	Fees	Salaries, allowances and benefits in kind	Pension scheme contributions	Equity-settled share option expense	Total remuneration
		附註	袍金 HK\$'000 千港元	薪金、津貼及實物利益 HK\$'000 千港元	退休福利計劃供款 HK\$'000 千港元	股權結算 購股權 費用 HK\$'000 千港元	總酬金 HK\$'000 千港元
Nine months ended	截至二零一六年						
31 December 2016	十二月三十一日						
	止九個月						
Executive directors	執行董事						
Mr. Wong Hin Shek (chairman)	王顯碩先生 (主席)	(ii)	—	1,800	14	—	1,814
Mr. Xing Bin	邢濱先生		—	270	14	—	284
Ms. Liu Yan	劉妍女士	(iii)	—	161	—	6,395	6,556
			—	2,231	28	6,395	8,654

Notes:

- (i) Appointed on 1 March 2017
- (ii) Ceased to be the chairman on 1 March 2017
- (iii) Appointed on 22 December 2016 and resigned on 1 March 2017

附註：

- (i) 於二零一七年三月一日獲委任
- (ii) 於二零一七年三月一日不再擔任主席
- (iii) 於二零一六年十二月二十二日獲委任，並於二零一七年三月一日辭任

# 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

### 8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (Continued)

There was no arrangement under which a director waived or agreed to waive any remuneration during the year (Nine months ended 31 December 2016: Nil).

### 9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included two (Nine months ended 31 December 2016: two) directors, details of whose remuneration are set out in note 8 above. Details of the remuneration of the remaining three (Nine months ended 31 December 2016: three) non-director, highest paid employees for the year/period are as follows:

### 8. 董事及最高行政人員酬金 (續)

於年內，概無董事放棄或同意放棄任何酬金安排(截至二零一六年十二月三十一日止九個月：無)。

### 9. 五名最高薪酬僱員

於年內，五名最高薪酬僱員包括兩名(截至二零一六年十二月三十一日止九個月：兩名)董事，彼等的酬金詳情載於上文附註8。於年內／期內，其餘三名(截至二零一六年十二月三十一日止九個月：三名)最高薪酬而非董事的僱員的酬金詳情如下：

		Year ended 31 December 2017 截至 二零一七年 十二月三十一 止年度 HK\$'000 千港元	Nine months ended 31 December 2016 截至 二零一六年 十二月三十一 止九個月 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼和實物福利	5,262	3,488
Discretionary performance-related bonuses	與表現掛鈎的酌情花紅	2,100	3,388
Pension scheme contributions	退休福利計劃供款	138	104
		<b>7,500</b>	<b>6,980</b>

# 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

### 9. FIVE HIGHEST PAID EMPLOYEES (Continued)

The number of non-director, highest paid employees whose remuneration fell within the following bands is as follows:

### 9. 五名最高薪酬僱員(續)

酬金介乎下列組別的最高薪酬而非董事的僱員人數如下：

		Year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度	Nine months ended 31 December 2016 截至 二零一六年 十二月三十一日 止九個月
Nil to HK\$1,000,000	零至1,000,000港元	—	1
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至 1,500,000港元	1	—
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至 2,500,000港元	—	1
HK\$2,500,001 to HK\$3,000,000	2,500,001港元至 3,000,000港元	1	—
HK\$3,500,001 to HK\$4,000,000	3,500,001港元至 4,000,000港元	1	1
		<b>3</b>	<b>3</b>

### 10. INCOME TAX

Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group is not subject to any income tax in the Cayman Islands and the BVI. Hong Kong profits tax has been provided at the rate of 16.5% (Nine months ended 31 December 2016: 16.5%) on the estimated assessable profits arising in Hong Kong during the year/period. Bisu Yunbo, a wholly-owned subsidiary of the Group in the PRC, is subject to a preferential corporate income tax ("CIT") rate of 15% (Nine months ended 31 December 2016: 15%).

### 10. 所得稅

根據開曼群島及英屬處女群島的法例及規例，本集團毋須繳付開曼群島及英屬處女群島的任何所得稅。香港利得稅已根據本年度／期間內自香港產生之估計應課稅溢利按16.5%之稅率(截至二零一六年十二月三十一日止九個月：16.5%)作出撥備。本集團於中國之全資附屬公司比速雲博須按優惠企業所得稅(「企業所得稅」)率15%繳稅(截至二零一六年十二月三十一日止九個月：15%)。

# 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

### 10. INCOME TAX (Continued)

### 10. 所得稅(續)

		Year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 HK\$'000 千港元	Nine months ended 31 December 2016 截至 二零一六年 十二月三十一日 止九個月 HK\$'000 千港元
Current charge for the year/period	年度／期間即期費用		
Hong Kong profits tax	香港利得稅	12	—
PRC CIT	中國企業所得稅	31,434	43,810
Deferred (note 27)	遞延(附註27)	733	(9,179)
<b>Total tax charge for the year/period</b>	<b>年度／期間稅項支出總額</b>	<b>32,179</b>	<b>34,631</b>

# 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

### 10. INCOME TAX (Continued)

A reconciliation of the tax expense applicable to profit before tax at the statutory/applicable rates for the jurisdictions in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rate is as follows:

		Year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 HK\$'000 千港元	Nine months ended 31 December 2016 截至 二零一六年 十二月三十一日 止九個月 HK\$'000 千港元
Profit before tax	除稅前溢利	69,892	124,783
At the statutory/applicable rates of different jurisdictions	按不同司法權區之法定／適用稅率計算	30,336	46,311
Withholding tax on the distributable profits of the Group's PRC subsidiary	本集團中國附屬公司可分配利潤的預扣稅	10,000	3,349
Lower tax rate enacted by local authority	地方當局製定的較低稅率	(20,967)	(28,906)
Income not subject to tax	毋須課稅的收入	(2,505)	(23)
Expenses not deductible for tax	不可扣稅開支	15,512	11,432
Tax losses not recognised	並無確認的稅項虧損	6	2,468
Tax losses utilised from previous periods	過往期間動用稅項虧損	(203)	—
Tax charge at the Group's effective tax rate	按本集團實際稅率計算之稅項開支	32,179	34,631

### 11. DIVIDEND

The directors do not recommend the payment of any final dividend in respect of the year (Nine months ended 31 December 2016: Nil).

### 10. 所得稅(續)

以本公司及其大部分附屬公司所在的司法權區之法定／適用稅率計算的除稅前溢利適用的稅項開支與以實際稅率計算的稅項開支之對賬如下：

### 11. 股息

董事不建議就本年度派付任何末期股息(截至二零一六年十二月三十一日止九個月：無)。

# 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

### 12. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT

The calculation of the basic earnings per share amounts is based on the profit for the year/period attributable to owners of the parent of HK\$37,713,000 (Nine months ended 31 December 2016: HK\$90,152,000) and the weighted average number of ordinary shares in issue during the reporting period.

The calculation of the diluted earnings per share amounts is based on the profit for the year/period attributable to the owners of the parent, adjusted to reflect the interest on the convertible bonds. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the year/period, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

The calculations of basic and diluted earnings per share are based on:

### 12. 母公司擁有人應佔每股盈利

每股基本盈利乃根據母公司擁有人應佔年／期內溢利37,713,000港元(截至二零一六年十二月三十一日止九個月：90,152,000港元)及報告期間已發行普通股之加權平均數計算。

每股攤薄盈利乃基於母公司擁有人應佔年／期內溢利計算，並經調整以反映可換股債券利息。用於計算之普通股加權平均數為每股基本盈利計算中使用的年／期內已發行普通股數目，且普通股加權平均數乃假設按零代價發行，視為行使或轉換所有攤薄潛在普通股為普通股。

每股基本及攤薄盈利的計算基於：

		Year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 HK\$'000 千港元	Nine months ended 31 December 2016 截至 二零一六年 十二月三十一日 止九個月 HK\$'000 千港元
Earnings	盈利		
Profit attributable to owners of the parent, used in basic earnings per share calculation	用於計算每股基本盈利的 母公司擁有人應佔溢利	37,713	90,152
Interest on convertible bonds	可換股債券之利息	27,847	19,502
Profit attributable to owners of the parent before interest on convertible bonds	扣除可換股債券利息前母 公司擁有人應佔溢利	65,560	109,654



# 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

### 12. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT (Continued)

The calculations of basic and diluted earnings per share are based on:

### 12. 母公司擁有人應佔每股盈利 (續)

每股基本及攤薄盈利的計算基於：

		Number of shares 股數	
		Year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度	Nine months ended 31 December 2016 截至 二零一六年 十二月三十一日 止九個月
Shares	股份		
Weighted average number of ordinary shares in issue during the year/period used in the basic earnings per share calculation	用於計算每股基本盈利之年/期內已發行普通股加權平均數	200,000,000	200,000,000
Effect of dilution – weighted average number of ordinary shares:	攤薄影響 – 普通股之加權平均數：		
Share options	購股權	30,877	6,139
Convertible bonds	可換股債券	195,000,000	195,000,000
Weighted average number of ordinary shares in issue during the year/period used in diluted earnings per share calculation	用於計算每股攤薄盈利之年/期內已發行普通股加權平均數	395,030,877	395,006,139

# 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

### 13. PROPERTY, PLANT AND EQUIPMENT

### 13. 物業、機器及設備

		Leasehold improvements	Machinery and equipment	Furniture, fixtures and office equipment	Motor vehicles	Construction in progress	Total
		租賃改善	機器及設備	傢俬、固定裝置及辦公設備	汽車	在建工程	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Year ended 31 December 2017	截至二零一七年十二月三十一日止年度						
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:						
Cost	成本	428	48,004	2,999	1,314	1,404	54,149
Accumulated depreciation	累計折舊	(120)	(6,584)	(955)	(1,227)	—	(8,886)
Net carrying amount	賬面淨值	308	41,420	2,044	87	1,404	45,263
At 1 January 2017, net of accumulated depreciation	於二零一七年一月一日，扣除累計折舊	308	41,420	2,044	87	1,404	45,263
Additions	添置	—	120	40	26	1,946	2,132
Transfer	轉讓	—	530	1,157	—	(1,687)	—
Depreciation provided during the year	年內折舊撥備	(86)	(5,052)	(576)	(28)	—	(5,742)
Exchange realignment	匯兌調整	—	2,865	111	—	187	3,163
At 31 December 2017, net of accumulated depreciation	於二零一七年十二月三十一日，扣除累計折舊	222	39,883	2,776	85	1,850	44,816
At 31 December 2017:	於二零一七年十二月三十一日:						
Cost	成本	428	52,053	4,337	1,340	1,850	60,008
Accumulated depreciation	累計折舊	(206)	(12,170)	(1,561)	(1,255)	—	(15,192)
Net carrying amount	賬面淨值	222	39,883	2,776	85	1,850	44,816

# 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

### 13. PROPERTY, PLANT AND EQUIPMENT (Continued)

### 13. 物業、機器及設備(續)

		Leasehold improvement	Machinery and equipment	Furniture, fixtures and office equipment	Motor vehicles	Construction in progress	Total
		租賃改善	機器及設備	傢俬、固定裝 置及辦公設備	汽車	在建工程	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Nine months ended 31 December 2016	截至二零一六年十二月 三十一日止九個月						
At 1 April 2016:	於二零一六年四月一日:						
Cost	成本	428	49,933	1,450	1,433	—	53,244
Accumulated depreciation	累計折舊	(56)	(2,690)	(744)	(1,427)	—	(4,917)
Net carrying amount	賬面淨值	372	47,243	706	6	—	48,327
At 1 April 2016, net of accumulated depreciation	於二零一六年四月一日， 扣除累計折舊	372	47,243	706	6	—	48,327
Additions	添置	—	1,587	1,644	97	1,470	4,798
Disposal	出售	—	(105)	—	—	—	(105)
Depreciation provided during the period	期間折舊撥備	(64)	(4,124)	(215)	(16)	—	(4,419)
Exchange realignment	匯兌調整	—	(3,181)	(91)	—	(66)	(3,338)
At 31 December 2016, net of accumulated depreciation	於二零一六年 十二月三十一日， 扣除累計折舊	308	41,420	2,044	87	1,404	45,263
At 31 December 2016:	於二零一六年 十二月三十一日:						
Cost	成本	428	48,004	2,999	1,314	1,404	54,149
Accumulated depreciation	累計折舊	(120)	(6,584)	(955)	(1,227)	—	(8,886)
Net carrying amount	賬面淨值	308	41,420	2,044	87	1,404	45,263

# 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

### 14. GOODWILL

### 14. 商譽

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Cost and net carrying amount:	成本及賬面淨值：		
At 1 January/1 April	於一月一日／四月一日	463,257	490,948
Exchange realignment	匯兌調整	35,086	(27,691)
At 31 December	於十二月三十一日	498,343	463,257

Goodwill acquired through a business combination is allocated to the cash-generating unit of the Automotive Engines Business (the "Automotive Engines CGU") for impairment testing.

就進行減值測試而言，透過業務合併所收購的商譽被分配至汽車發動機業務現金產生單位（「汽車發動機現金產生單位」）。

#### Impairment test of goodwill

The recoverable amount of the Automotive Engines CGU was determined based on a value in use calculation using cash flow projections of financial budgets covering a five-year period approved by management. The discount rate applied to the cash flow projections was 24.48% (2016: 21.26%). Management has determined the sales growth rate with reference to the sales volume stipulated in the Automotive Engine Sales Framework Agreements and Supplemental Agreements (as defined in note 15). The cash flow projections of the Automotive Engines CGU beyond the five-year period of financial budgets are extrapolated using a growth rate of 2.5% (2016: 3.0%), which did not exceed the long term average growth rate of the industry. The discount rate used is before tax and reflects specific risks relating to the unit.

#### 商譽之減值測試

汽車發動機現金產生單位之可收回金額乃使用經管理層批准涵蓋五年期的財政預算內現金流量預測計算的使用價值為基礎而釐定。現金流量預測所使用的貼現率為24.48%（二零一六年：21.26%）。管理層已根據汽車發動機銷售框架協議及補充協議（定義見附註15）所訂明的銷量釐定銷售增長率。五年期後財政預算中汽車發動機現金產生單位的現金流量預測使用2.5%（二零一六年：3.0%）增長率推斷，該比率並無超過行業長期平均增長率。所使用的貼現率為除稅前及反映有關單位的特定風險。

# 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

### 14. GOODWILL (Continued)

#### Impairment test of goodwill (Continued)

Assumptions were used in the value in use calculation of the Automotive Engines CGU for 31 December 2017 and 31 December 2016. The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill:

*Sales growth rates* — The sales growth rates on product types of the Group are estimated with reference to the sales volume stipulated in the Automotive Engine Sales Framework Agreements and Supplemental Agreements (as defined in note 15).

*Discount rate* — The discount rate used is before tax and reflects specific risks relating to the Automotive Engines CGU.

### 14. 商譽(續)

#### 商譽之減值測試(續)

計算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汽車發動機現金產生單位的使用價值時使用了假設。下文描述管理層作出現金流量預測以進行商譽減值測試時所根據的各項主要假設：

*銷售增長率* — 本集團各產品種類的銷售增長率乃以汽車發動機銷售框架協議及補充協議(定義見附註15)所訂明的銷量為基礎進行估計。

*貼現率* — 所使用的貼現率為除稅前及反映有關汽車發動機現金產生單位的特定風險。

# 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

### 15. INTANGIBLE ASSETS

### 15. 無形資產

		Customer contracts 客戶合約 HK\$'000 千港元
<b>Year ended 31 December 2017</b>		
<b>截至二零一七年十二月三十一日止年度</b>		
Net carrying amount:	賬面淨值：	
At 1 January 2017	於二零一七年一月一日	569,171
Amortisation provided during the year (note 7)	年內已撥備的攤銷(附註7)	(61,754)
Exchange realignment	匯兌調整	48,813
At 31 December 2017	於二零一七年十二月三十一日	556,230
<b>At 31 December 2017:</b>		
Cost	於二零一七年十二月三十一日： 成本	706,393
Accumulated amortisation	累計攤銷	(150,163)
Net carrying amount	賬面淨值	556,230
<b>Nine months ended 31 December 2016</b>		
<b>截至二零一六年十二月三十一日止九個月</b>		
Net carrying amount:	賬面淨值：	
At 1 April 2016	於二零一六年四月一日	687,523
Amortisation provided during the period (note 7)	期間已撥備的攤銷(附註7)	(83,551)
Exchange realignment	匯兌調整	(34,801)
At 31 December 2016	於二零一六年十二月三十一日	569,171
<b>At 31 December 2016:</b>		
Cost	於二零一六年十二月三十一日： 成本	656,660
Accumulated amortisation	累計攤銷	(87,489)
Net carrying amount	賬面淨值	569,171

# 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

### 15. INTANGIBLE ASSETS (Continued)

Customer contracts represent certain automotive engine sales framework agreements (the “Automotive Engine Sales Framework Agreements”) entered into by the Automotive Engines Group (as defined in note 16) in 2015 and pursuant to which the related customers agreed to procure pre-agreed quantities of engines from the Automotive Engines Group from 2016 to 2020. In February 2018, the Automotive Engines Group entered into certain supplemental Automotive Engine Sales Framework Agreements (the “Supplemental Agreements”) with the related customers, pursuant to which the customer contract period was extended to 2022, and the pre-agreed quantities of engines were adjusted based on the customers’ latest production needs. The customer contracts are amortised to profit or loss under the unit of production method over the relevant contract period.

### 16. FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS

### 15. 無形資產(續)

客戶合約指由汽車發動機集團(定義見附註16)於二零一五年簽訂的若干汽車發動機銷售框架協議(「汽車發動機銷售框架協議」)，據此，相關客戶同意自二零一六年至二零二零年從汽車發動機集團採購先前約定數量的發動機。於二零一八年二月，汽車發動機集團已與關連客戶訂立若干補充汽車發動機銷售框架協議(「補充協議」)，據此，客戶合約期已延長至二零二二年，並根據客戶最新生產需求調整先前約定發動機數量。客戶合約於相關合約期間根據生產單位法攤銷至損益。

### 16. 按公允值透過損益列賬之金融資產

		Contingent consideration — profit guarantee 或然代價 — 溢利保證 HK\$'000 千港元
At 1 April 2016	於二零一六年四月一日	9,636
Change in fair value	公允值變動	(6,725)
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	2,911
Change in fair value	公允值變動	(2,911)
At 31 December 2017	於二零一七年十二月三十一日	—

# 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

### 16. FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

Pursuant to the sale and purchase agreement (the “Engines SPA”) entered into by the Group and Power Expert Global Limited (“Power Expert”) for the acquisition of Well Surplus Enterprises Limited and its subsidiaries (the “Automotive Engines Group”) in October 2015 (the “Engines Acquisition”) and the third supplemental sale and purchase agreement (the “3rd Engines SPA”) in December 2017, Power Expert has warranted and guaranteed to the Group that the audited consolidated profit after tax of the Automotive Engines Group (excluding any fair value adjustments arising from purchase price allocation upon the completion of the Engines Acquisition by the Group) as prepared in accordance with HKFRSs, for the two years ended 28 February 2017 and 2018 shall not be less than the aggregate sum of HK\$170,000,000 (the “1st Guaranteed Profit”) and HK\$230,000,000 (the “2nd Guaranteed Profit”) (i.e. in aggregate HK\$400,000,000) (the “Total Guaranteed Profit”).

In the event that the Total Guaranteed Profit has not been achieved, Power Expert shall compensate the Group. Details of the calculation of the compensation are set out in the Company’s announcement dated 31 December 2017 and the Company’s circular dated 20 March 2018.

### 16. 按公允值透過損益列賬之金融資產(續)

根據本集團與巧能環球有限公司(「巧能環球」)就收購 Well Surplus Enterprises Limited及其附屬公司(「汽車發動機集團」)於二零一五年十月訂立的買賣協議(「發動機買賣協議」)(「發動機收購」)以及於二零一七年十二月訂立的第三份補充買賣協議(「第三份補充買賣協議」)，巧能環球向本集團承諾及保證，汽車發動機集團根據香港財務報告準則編製的截至二零一七年及二零一八年二月二十八日止兩個年度經審核綜合除稅後溢利(不包括本集團於發動機收購完成後因購買價分配而產生的任何公允值調整)將分別不少於合共170,000,000港元(「第一期保證溢利」)及 230,000,000港元(「第二期保證溢利」)(統稱「總保證溢利」)(即總共400,000,000港元)。

倘未能達到總保證溢利，巧能環球須向本集團作出賠償。有關計算賠償金額的詳情載列於本公司日期為二零一七年十二月三十一日的公告及本公司日期為二零一八年三月二十日的通函。



# 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

### 16. FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

As at 31 December 2017, the directors of the Company determined that the fair value of the profit guarantee was HK\$ Nil as the Total Guaranteed Profit has already been met subsequent to the end of the reporting period.

As at 31 December 2016, the fair value of the profit guarantee was HK\$2,911,000, which was determined by Vigers Appraisal and Consulting Limited, an independent professional valuer, based on the probabilistic flow method in which the cash flows for each year represent the difference between the guaranteed profit and the projected net profit. The directors of the Company estimated the projected net profits of the Automotive Engines Group under two different scenarios with respective scenario probabilities. The fair value of the profit guarantee was the probability-weighted average of the present values of the shortfalls between the guaranteed profits and the projected net profits under the two scenarios. A discount rate of 17.09% has been used to calculate the present value of cash flows of the profit guarantee.

Below is a summary of a significant unobservable input to the valuation of the contingent consideration together with a quantitative sensitivity analysis as at 31 December 2016:

	Valuation technique 估值方法	Significant unobservable input 重要不可觀察輸入值	Sensitivity of fair value to the input 公允值對輸入值之敏感度
<b>31 December 2016</b>			
二零一六年十二月三十一日			
Discounted financial instrument in respect of the profit guarantee	Probabilistic flow method	Discount rate 17.09%	5% increase/decrease in discount rate would result in decrease in fair value by HK\$138,000/increase in fair value by HK\$151,000
溢利保證的已貼現金融工具	概率統計法	貼現率17.09%	貼現率上升/下跌5%將導致公允值減少138,000港元/公允值增加151,000港元

### 16. 按公允值透過損益列賬之金融資產(續)

於二零一七年十二月三十一日，本公司董事確認總保證溢利之公允值為零港元，此乃由於總保證溢利已於報告期末後實現。

於二零一六年十二月三十一日，溢利保證的公允值為2,911,000港元，此乃由獨立專業估值師威格斯資產評估顧問有限公司根據概率統計法釐定，其中每年的現金流量代表保證溢利與預計溢利淨額之間的差額。本公司董事估計汽車發動機集團在兩個不同情況下按相關情況的概率之預計溢利淨額。溢利保證的公允值是保證溢利與兩個情況下的預計溢利淨額之間的不足額之現值的概率加權平均值。貼現率17.09%已用作計算溢利保證現金流量之現值。

下文為於二零一六年十二月三十一日計算或然代價估值時的重要不可觀察輸入值連同定量敏感度分析之概要：

# 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

### 17. INVENTORIES

### 17. 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	26,441	48,734
Finished goods	製成品	2,406	1,501
Goods in transit	運輸中貨物	33,929	—
		<b>62,776</b>	<b>50,235</b>

### 18. CONSTRUCTION, RENOVATION AND OTHER CONTRACTS

### 18. 建造、翻新及其他合約

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Gross amount due from customers for contract work	應收客戶的合約工程款總額	66,530	27,120
Contract costs incurred plus recognised profits less recognised losses to date	已產生的合約成本加迄今的已確認溢利減已確認虧損	3,078,827	2,788,865
Less: Progress billings	減：進度賬單款項	(3,012,297)	(2,761,745)
		<b>66,530</b>	<b>27,120</b>

# 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

### 19. ACCOUNTS AND BILLS RECEIVABLES

Accounts and bills receivables represented receivables for contract work and sale of automotive engines. The payment terms of contract work receivables are stipulated in the relevant contracts and the credit period is generally one month. The payment terms for receivables arising from sales of automotive engines are mainly on credit and the credit period is generally three months. The payment terms of bills receivable are stipulated in the relevant bills issued by bank and their maturity periods normally range from 90 to 180 days. The carrying amounts of accounts and bills receivables approximate to their fair values.

### 19. 應收賬款及應收票據

應收賬款及應收票據指合約工程及銷售汽車發動機的應收賬款。合約工程應收賬款的付款方法於有關合約中訂明，而信貸期一般為一個月。來自銷售汽車發動機的應收賬款的付款方法以信貸為主，而信貸期一般為三個月。應收票據的付款條款於銀行發出的相關票據內訂明，其到期時間一般介乎90至180日。應收賬款及應收票據的賬面值與其公允值相若。

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Accounts receivable	應收賬款	1,191,019	1,320,537
Bills receivable	應收票據	2,113	72,060
		1,193,132	1,392,597

As at 31 December 2017, retentions receivable included in accounts receivable amounted to HK\$175,761,000 (2016: HK\$155,700,000) and are repayable on terms ranging from two to three years.

In view of the aforementioned and the fact that the Group's accounts receivable relate to a few number of major customers, there is concentration of credit risk and further details are discussed in note 39 to the financial statements.

於二零一七年十二月三十一日，應收賬款中包含的應收保留金為175,761,000港元(二零一六年155,700,000港元)，還款期介乎兩至三年。

鑒於上述情況及本集團之應收賬款與少數幾名主要客戶相關，故具有信貸集中風險，進一步詳情於財務報表附註39討論。

# 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

### 19. ACCOUNTS AND BILLS RECEIVABLES (Continued)

The ageing analysis of the accounts receivable as at the end of the reporting period, based on the invoice date, 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
One to three months	一至三個月	1,039,876	1,320,103
Four to six months	四至六個月	150,379	225
Over six months	六個月以上	764	209
		<b>1,191,019</b>	<b>1,320,537</b>

The ageing analysis of the accounts receivable that are not individually nor collectively considered to be impaired 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
Past due but not impaired:	逾期但並無減值：		
One to three months past due	逾期一至三個月	154,384	5,324
Four to six months past due	逾期四至六個月	236	225
Over six months past due	逾期超過六個月	199	209
		<b>154,819</b>	<b>5,758</b>
Neither past due nor impaired	既無逾期亦無減值	<b>1,036,200</b>	<b>1,314,779</b>
		<b>1,191,019</b>	<b>1,320,537</b>

As at 31 December 2017 and 31 December 2016, the bills receivable, based on the issue date, aged from one to two months.

### 19. 應收賬款及應收票據(續)

於報告期末，應收賬款按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
One to three months	一至三個月	1,039,876	1,320,103
Four to six months	四至六個月	150,379	225
Over six months	六個月以上	764	209
		<b>1,191,019</b>	<b>1,320,537</b>

並無個別或整體上認定為減值的應收賬款賬齡分析如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Past due but not impaired:	逾期但並無減值：		
One to three months past due	逾期一至三個月	154,384	5,324
Four to six months past due	逾期四至六個月	236	225
Over six months past due	逾期超過六個月	199	209
		<b>154,819</b>	<b>5,758</b>
Neither past due nor impaired	既無逾期亦無減值	<b>1,036,200</b>	<b>1,314,779</b>
		<b>1,191,019</b>	<b>1,320,537</b>

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，應收票據按發票日期之賬齡介乎一至兩個月。

# 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

### 19. ACCOUNTS AND BILLS RECEIVABLES (Continued)

Accounts receivable that were past due but not impaired relate to a few number of major customers that have a good track record with the Group. Based on past experience, the directors are of the opinion that no allowance 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. The Group does not hold any collateral or other credit enhancements over these balances.

Accounts receivable that are neither past due nor impaired relate to a number of independent customers for whom there was no recent history of default.

At 31 December 2017, the Group endorsed certain bills receivable accepted by banks in PRC (the "Derecognised Bills") to certain of its suppliers in order to settle the accounts payable due to such suppliers with a carrying amount in aggregate of RMB1,767,000,000 (equivalent to HK\$2,037,000,000). The Derecognised Bills had a maturity of one to six months at the end of the reporting period. In accordance with the Law of Negotiable Instruments in the PRC, the holders of the Derecognised Bills have a right of recourse against the Group if the PRC banks default (the "Continuing Involvement"). In the opinion of the directors, the Group has transferred substantially all risks and rewards relating to the Derecognised Bills. Accordingly, it has derecognised the full carrying amounts of the Derecognised Bills and the associated accounts payable. The maximum exposure to loss from the Group's Continuing Involvement in the Derecognised Bills and the undiscounted cash flows to repurchase these Derecognised Bills is equal to their carrying amounts. In the opinion of the directors, the fair values of the Group's Continuing Involvement in the Derecognised Bills are not significant. During the year ended 31 December 2017, the Group has not recognised any gain or loss on the date of transfer of the Derecognised Bills. No gains or losses were recognised from the Continuing Involvement, both during the year or cumulatively. The endorsement has been made evenly throughout the year.

### 19. 應收賬款及應收票據(續)

逾期但並無減值的應收賬款乃有關與少數幾名主要客戶相關，彼等與本集團交易的記錄良好。根據以往經驗，董事認為，該等結餘無須計提減值準備，因有關信用質素並無重大撥備，且仍然認為可全數收回有關結餘。本集團並無就該等結餘持有任何抵押品或其他信用增級。

既無逾期亦無減值的應收賬款與多名獨立客戶相關，彼等近期並無欠繳記錄。

於二零一七年十二月三十一日，本集團向其若干供應商背書內地銀行接納的若干應收票據（「已終止確認票據」），以償還應付該等供應商賬面值為人民幣1,767,000,000元（相當於2,037,000,000港元）應付賬款。已終止確認票據於報告期末一至六個月內到期。根據中華人民共和國票據法，倘內地銀行違約，已終止確認票據持有人有權向本集團求助（「持續牽涉事件」）。董事認為，本集團已轉移已終止票據大部分風險及回報。因此，其已終止確認已終止確認票據及相關應付賬款及全部賬面值。本集團就已終止確認票據之持續牽涉事件所帶來虧損的最大風險以及購回該等已終止確認票據至未貼現現金流等於彼等賬面值。董事認為，本集團就已終止確認票據之持續牽涉事件的公允值並非重大。截至二零一七年十二月三十一日止年度，本集團並無確認任何於已終止確認票據轉讓日期的任何收益或虧損。於本年度或往後累計時間內，概無就持續牽涉事件確認損益。背書已於年內逐步作出。

# 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

### 20. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

### 20. 預付款項、按金及其他應收款

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Prepayments	預付款項	990	997
Deposits and other receivables	按金及其他應收款	18,112	13,759
Due from related parties (note)	應收關聯方款項(附註)	—	1,429
		<b>19,102</b>	16,185
Less: Non-current portion	減：非即期部分	<b>(566)</b>	—
Current portion	即期部分	<b>18,536</b>	16,185

Note: The amounts were unsecured, interest-free and had no fixed terms of repayment.

附註：有關款項為無抵押、免息及無固定還款期。

None of the above assets 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. The carrying amounts of other receivables and deposits approximate to their fair values.

上述資產既無逾期亦無減值。上述結餘包含的金融資產乃與近期並無欠繳記錄的應收款有關。其他應收款及按金的賬面值與其公允值相若。

# 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

### 21. CASH AND CASH EQUIVALENTS

### 21. 現金及現金等值物

		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	68,623	24,899

At the end of the reporting period, the cash and bank balances of the Group denominated in RMB amounted to HK\$40,492,000 (2016: HK\$862,000). The RMB is not freely convertible into other currencies, however, under PRC'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 made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The cash and cash equivalents are deposited with banks with high credit ratings and no recent history of default.

於報告期末，本集團以人民幣計值的現金及銀行結餘達40,492,000港元（二零一六年：862,000港元）。人民幣不得自由兌換為其他貨幣，惟根據中國《外匯管理條例》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業務的銀行將人民幣兌換為其他貨幣。

銀行現金按基於每日銀行存款利率釐定的浮動利率賺取利息。視乎本集團的即時現金需要，短期定期存款的期限介乎一日至三個月不等，並按各短期定期存款利率賺取利息。現金及現金等值物存放於信用評級高及近期並無欠繳記錄的銀行。

# 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

### 22. ACCOUNTS PAYABLE

An ageing analysis of the accounts payable as at the end of each reporting period, based on the invoice date, 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
Current to three months	即期至三個月	663,081	927,251
Four to six months	四至六個月	4,217	3,262
Over six months	超過六個月	2,379	1,235
		<b>669,677</b>	<b>931,748</b>

At 31 December 2017, retentions payable included in accounts payable amounted to HK\$13,103,000 (2016: HK\$7,978,000) and are normally settled on terms ranging from two to three years. The carrying amounts of accounts payable approximate to their fair values.

Accounts payable are non-interest-bearing and are normally settled on terms ranging from 7 to 120 days. The payment terms are stipulated in the relevant contracts.

### 22. 應付賬款

下列為按發票日期於各報告期末應付賬款之賬齡分析：

於二零一七年十二月三十一日，應付賬款中包含的應付保留款項為13,103,000港元(二零一六年：7,978,000港元)，一般介乎兩至三年內結算。應付賬款的賬面值與其公允值相若。

應付賬款為免計利息，一般介乎7至120日內結算。支付條款於有關合約中訂明。



# 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

### 23. OTHER PAYABLES AND ACCRUALS

### 23. 其他應付款及預提費用

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Other payables	其他應付款	38,782	56,530
Accruals	預提費用	12,693	1,950
Due to a shareholder (note)	應付一名股東款項(附註)	6,000	6,000
		<b>57,475</b>	<b>64,480</b>

Note: The amounts were unsecured, interest-free and had no fixed terms of repayment.

Other payables are non-interest-bearing and are expected to be settled within one year. The carrying amounts of other payables and accruals approximate to their fair values.

附註：該等款項為無抵押、免息及無固定還款期。

其他應付款為免計利息，並預期於一年內清還。其他應付款及預提費用的賬面值與其公允值相若。

# 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

### 24. INTEREST-BEARING BANK AND OTHER BORROWINGS

### 24. 計息銀行及其他借款

		2017 二零一七年			2016 二零一六年		
		Contractual interest rate (%) per annum 合約年利率 (%)	Maturity 到期日	HK\$'000 千港元	Contractual interest rate (%) per annum 合約年利率 (%)	Maturity 到期日	HK\$'000 千港元
Current	流動						
Bank loans — unsecured	銀行貸款—無抵押	HIBOR + 2.5% 香港銀行同業 拆息+2.5%	2018	3,933	—	—	—
Other loans — unsecured	其他貸款 — 無抵押	5% - 12%	2018	42,500	12%	2017	20,000
				46,433			20,000

Notes:

- The Group's interest-bearing bank and other borrowings are repayable within one year.
- A corporate guarantee was given by the Company for the outstanding balance of bank loans of HK\$3,933,000 as at 31 December 2017.

附註：

- 本集團的銀行及其他計息借款須於一年內償還。
- 本公司就於二零一七年十二月三十一日尚未償還銀行貸款結餘3,933,000港元提供企業擔保。

# 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

### 25. CONVERTIBLE BONDS

The convertible bonds recognised in the consolidated statement of financial position are bifurcated into two components for accounting purposes, namely the liability component and the equity component, and the movements in these components during the reporting period are as follows:

### 25. 可換股債券

於綜合財務狀況表確認的可換股債券就會計用途而分為兩個部分，分別為負債部分及權益部分，而該等部分於報告期內的變動如下：

		Liability component 負債部分 HK\$'000 千港元	Equity component 權益部分 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2016	於二零一六年四月一日	340,316	390,716	731,032
Interest expense (note 6)	利息開支(附註6)	19,502	—	19,502
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	359,818	390,716	750,534
Interest expense (note 6)	利息開支(附註6)	27,847	—	27,847
At 31 December 2017	於二零一七年 十二月三十一日	<b>387,665</b>	<b>390,716</b>	<b>778,381</b>

# 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

### 25. CONVERTIBLE BONDS (Continued)

The details of the outstanding principal amount of the convertible bonds is as follows:

### 25. 可換股債券(續)

有關尚未償還可換股債券本金額詳情如下：

	HK\$'000 千港元
At 1 April 2016, 31 December 2016, 1 January 2017 and 31 December 2017	390,000
於二零一六年四月一日、二零一六年十二月三十一日、二零一七年一月一日及二零一七年十二月三十一日	390,000

A reconciliation of the principal amount of the convertible bonds to their fair value upon completion of the Engines Acquisition is as follows:

發動機收購完成後，可換股債券本金額與其公允值之對賬如下：

	HK\$'000 千港元
Principal amount	390,000
Fair value adjustment	336,698
Fair value	726,698

On 4 February 2016, the Company issued zero coupon convertible bonds with an aggregate principal amount of HK\$390,000,000 to Power Expert as part of the consideration for the Engines Acquisition. The maturity date of the convertible bonds is on the second anniversary of the date of issuance (i.e. 4 February 2018). The convertible bonds bear no interest on the principal amount. No security or guarantee is granted in respect of the convertible bonds. The convertible bonds can be converted into 195,000,000 ordinary shares in the Company at the initial conversion price of HK\$2.00 per conversion share (subject to adjustment pursuant to the terms of the convertible bonds). The Company may at any time before the maturity date by written notice redeem the convertible bonds at 100% of the principal amount. Any amount of the convertible bonds which is redeemed by the Company will forthwith be cancelled. At 31 December 2017 and 31 December 2016, no convertible bonds were converted and the outstanding principal amount of the convertible bonds was HK\$390,000,000.

於二零一六年二月四日，本公司向巧能環球發行本金總額為390,000,000港元的零息可換股債券，以作為發動機收購的部分代價。可換股債券的到期日為發行日期的第二個週年日(即二零一八年二月四日)。可換股債券的本金額並不計息。概無就可換股債券授出抵押或擔保。可換股債券可按初步換股價每股換股股份2.00港元(有待根據可換股債券的條款調整)兌換為本公司的195,000,000股普通股。本公司可於到期日前隨時透過書面通知按本金額的100%贖回可換股債券。本公司所贖回的任何可換股債券金額將立即被註銷。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，概無可換股債券被兌換，而可換股債券的未償還本金額為390,000,000港元。

# 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

### 25. CONVERTIBLE BONDS (Continued)

In March 2018, the Company has executed the extension of the maturity date of the convertible bonds for 2 years from 4 February 2018 to 4 February 2020 (the "CB Extension"). Further details of the CB Extension are set out in the Company's announcement dated 31 December 2017 and the Company's circular dated 20 March 2018.

As at 31 December 2017 and 31 December 2016, the convertible bonds with an aggregate principal amount of HK\$390,000,000 were deposited with an escrow agent in favour of the Company as security for the 1st Guaranteed Profit and the 2nd Guaranteed Profit. The convertible bonds in the principal amounts of HK\$165,750,000 and HK\$224,250,000 shall be released to Power Expert if the audited consolidated profits after tax of the Automotive Engines Group for the two years ended 28 February 2017 and 2018 are equal to or more than the 1st Guaranteed Profit and the 2nd Guaranteed Profit, respectively, after the issue of the auditors' certificate for each period.

### 26. PROMISSORY NOTES

First Note	第一票據
Second Note	第二票據

### 25. 可換股債券(續)

於二零一八年三月，本公司將可換股債券之到期日由二零一八年二月四日延長兩年至二零二零年二月四日(「可換股債券延長」)。有關可換股債券延長的進一步詳情載於本公司日期為二零一七年十二月三十一日的公告及本公司日期為二零一八年三月二十日的通函。

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，本金總額達390,000,000港元之可換股債券獲以本公司為受益人存入託管代理，以作為第一項保證溢利及第二項保證溢利之抵押。倘汽車發動機集團於截至二零一七年及二零一八年二月二十八日止兩個年度之經審核綜合除稅後溢利分別相等於或超過第一項保證溢利及第二項保證溢利，則於就各期間發出核數師證明後，本金額達165,750,000港元及224,250,000港元之可換股債券將會發放予巧能環球。

### 26. 承兌票據

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
First Note	第一票據	199,893	192,170
Second Note	第二票據	274,025	261,768
		473,918	453,938

# 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

### 26. PROMISSORY NOTES (Continued)

On 4 February 2016, the Company issued two promissory notes with face values of HK\$174,250,000 (the "First Note") and HK\$235,750,000 (the "Second Note") in favour of Power Expert as part of the consideration for the Engines Acquisition. Both the First Note and Second Note carry interest at a rate of 10% per annum. The outstanding principal amounts plus any accrued interest will be repayable on the maturity date falling on the second anniversary of the date of the First Note and Second Note, i.e. 4 February 2018.

On 31 December 2017, the Company has extended the maturity date of the First Note and Second Note for 2 years from 4 February 2018 to 4 February 2020 and the interest rate was adjusted downwards from 10% to 8% per annum, all accrued and outstanding interest shall be repaid on the extended maturity date of 4 February 2020. Further details are set out in the Company's announcement dated 31 December 2017 and the Company's circular dated 20 March 2018.

The gain on modification of promissory notes amounted to HK\$15,160,000 was recognised as other income for the year ended 31 December 2017 (Note 5).

The carrying amounts of the First Note and Second Note at year end were computed by discounting the face values of the notes by the effective interest rate and the outstanding interest payable.

As at 31 December 2017 and 31 December 2016, the promissory notes with an aggregate face value of HK\$410,000,000 were deposited with an escrow agent in favour of the Company as security for the 1st Guaranteed Profit and the 2nd Guaranteed Profit. The promissory notes in the face values of HK\$174,250,000 and HK\$235,750,000 shall be released to Power Expert if the audited consolidated profits after tax of the Automotive Engines Group for the two years ended 28 February 2017 and 2018 are equal to or more than the 1st Guaranteed Profit and the 2nd Guaranteed Profit, respectively, after the issue of the auditors' certificate for each period.

### 26. 承兌票據(續)

於二零一六年二月四日，本公司向巧能環球為受益人發行兩批承兌票據，面值為174,250,000港元(「第一票據」)及235,750,000港元(「第二票據」)，以作為發動機收購的部分代價。第一票據及第二票據均按年利率10%計息。未償還本金額連同任何累計利息將須於第一票據及第二票據的第二週年當日(即二零一八年二月四日)的到期日償還。

於二零一七年十二月三十一日，公司已將第一票據及第二票據之到期日由二零一八年二月四日延長兩年至二零二零年二月四日，而年利率已由10%調整降至8%，所有應計款項及尚未償還利息須於二零二零年二月四日經延長到期日償還。進一步詳情載於本公司日期為二零一七年十二月三十一日的公告及本公司日期為二零一八年三月二十日的通函。

修改承兌票據之收益為15,160,000港元於截至二零一七年十二月三十一日止年度確認為其他收入(附註5)。

第一票據及第二票據於年末的賬面值已按實際利率及尚未償還應付利息將票據的面值貼現計算。

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，總面值達410,000,000港元之承兌票據獲以本公司為受益人存入託管代理，以作為第一項保證溢利及第二項保證溢利之抵押。倘汽車發動機集團截至二零一七年及二零一八年二月二十八日止兩個年度之經審核綜合除稅後溢利分別等於或者超過第一項保證溢利及第二項保證溢利，則於各期間發出核數師證明後，面值達174,250,000港元及235,750,000港元之承兌票據將發放予巧能環球。

# 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

### 27. DEFERRED TAX

The movements in deferred tax liabilities during the year/period are as follows:

### 27. 遞延稅項

年/期內遞延稅項負債的變動情況如下：

		Withholding tax	Depreciation allowance in excess of related depreciation	Fair value adjustments arising from acquisition of subsidiaries	Total
		預扣稅	超過相關折舊的折舊免稅額	收購附屬公司產生的公允值調整	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
At 1 April 2016	於二零一六年四月一日	—	11	103,128	103,139
Deferred tax charged/(credited) to profit or loss during the period (note 10)	年內在損益扣除/(計入)的遞延稅項(附註10)	3,349	4	(12,532)	(9,179)
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	3,349	15	90,596	93,960
Deferred tax charged/(credited) to profit or loss during the year (note 10)	年內在損益扣除/(計入)的遞延稅項(附註10)	10,000	(4)	(9,263)	733
At 31 December 2017	於二零一七年十二月三十一日	13,349	11	81,333	94,693

# 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

### 27. DEFERRED TAX (Continued)

At 31 December 2017, the Group has tax losses arising in Hong Kong of HK\$23,783,000 (2016: HK\$25,013,000). Subject to the final assessment of the Hong Kong Inland Revenue Department, these tax losses 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 PRC of HK\$1,771,000 (2016: HK\$1,748,000) that will expire in five years for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as 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 PRC. 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 PRC and the jurisdiction of the foreign investors. For the Group, the applicable rate is 10%. The Group is therefore liable for withholding tax on dividends distributed by those subsidiaries established in PRC in respect of earnings generated from 1 January 2008.

Deferred tax has not been recognised for withholding taxes that would be payable on certain unremitted earnings that are subject to withholding tax of one of the Group's subsidiaries established in PRC. In the opinion of the directors, it is not probable that the relevant subsidiary will distribute these unremitted earnings in the foreseeable future. The aggregate amount of temporary differences associated with the investment in a subsidiary in PRC for which deferred tax liabilities have not been recognised amounting to HK\$281,030,000 (2016: HK\$204,528,000) as at 31 December 2017.

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

### 27. 遞延稅項(續)

於二零一七年十二月三十一日，本集團在香港所產生的稅項虧損為23,783,000港元(二零一六年：25,013,000港元)。取決於香港稅務局的最終評估，這些稅項虧損可以無限期用以抵銷虧損公司的未來應課稅溢利。本集團在中國的稅項虧損為1,771,000港元(二零一六年：1,748,000港元)，將在五年內到期，抵銷虧損公司未來應課稅溢利。並無就該等虧損確認遞延稅項資產，原因為不太可能有應課稅溢利可用以抵銷稅項虧損。

根據中國企業所得稅法，於中國成立的外資企業須就向外方投資者宣派的股息提撥10%預扣稅項。該要求由二零零八年一月一日起生效，並應用於二零零七年十二月三十一日後產生的溢利。若中國與外方投資者所屬司法權區有稅務協定，則可應用較低預扣稅稅率。對本集團而言，適用稅率為10%。因此，本集團有責任就該等於中國成立的附屬公司於二零零八年一月一日起產生的溢利所分派的股息繳納預扣稅。

本集團在中國設立的一間附屬公司的若干未匯出收益須繳納預扣稅，惟尚未就該等應付預扣稅確認遞延稅項。董事認為，有關附屬公司不太可能在可預見的將來分配該等未匯出收益。於二零一七年十二月三十一日，與於中國附屬公司投資有關且尚未確認遞延稅項負債暫時性差額總額為281,030,000港元(二零一六年：204,528,000港元)。

本公司向股東派付股息並無所得稅後果。



# 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

### 28. SHARE CAPITAL

#### Shares

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Issued and fully paid: 200,000,000 (2016: 200,000,000) ordinary shares of HK\$0.01 each	已發行及繳足： 200,000,000股 (二零一六年： 200,000,000股) 每股面值0.01港元的 普通股	2,000	2,000

#### Share options

Details of the Company's share option scheme are included in note 29 to the financial statements.

### 29. SHARE OPTION SCHEME

Pursuant to an ordinary resolution passed on 24 March 2016, the shareholders of the Company approved the adoption of a new share option scheme (the "Scheme"). Unless otherwise terminated or amended, the Scheme will remain in force for 10 years from the date of adoption.

The purpose of the Scheme is to provide incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Scheme include full-time or part-time employees, including any executive directors of the Group; and any business or joint venture partners, contractors, agents or representatives, consultants, advisers, suppliers, producers or licensors, customers, licensees (including any sub-licensee) or distributors, landlords or tenants (including any sub-tenants) of the Group or any person who, in the sole discretion of the Board, has contributed or may contribute to the Group. The Scheme became effective on 29 March 2016 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

### 28. 股本

#### 股份

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Issued and fully paid: 200,000,000 (2016: 200,000,000) ordinary shares of HK\$0.01 each	2,000	2,000

#### 購股權

本公司購股權計劃詳情載於財務報表附註29。

### 29. 購股權計劃

根據於二零一六年三月二十四日通過之普通決議案，本公司股東批准採納新購股權計劃(「該計劃」)。除非另行終止或修訂，否則該計劃將自採納日期起計10年維持生效。

該計劃之目的為向為本集團營運成功作出貢獻之合資格參與者提供激勵及回報。該計劃之合資格參與者包括全職及兼職僱員，包括本集團之任何執行董事；及本集團之任何業務或合營企業夥伴、承包商、代理或代表、諮詢人、顧問、供應商、生產商或持牌人、客戶、獲發牌人(包括任何子獲發牌人)或分銷商、業主或租戶(包括任何子租戶)或董事會單獨酌情認為已經或可能會對本集團作出貢獻之任何人士。該計劃於二零一六年三月二十九日生效，而除非另行取消或修訂，否則將自該日起維持生效達10年。

# 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

### 29. SHARE OPTION SCHEME (Continued)

The maximum number of unexercised share options currently permitted to be granted under the Scheme is an amount equivalent, upon their exercise, to 10% of the total number of shares of the Company in issue as at the date when the Scheme was approved by the shareholders of the Company in a general meeting, which is a total of 20,000,000 shares available for issue under the Scheme. The maximum number of shares issuable under share options to each eligible participant in the 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 officer or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. 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 or with an aggregate value (based on the price of the Company's shares at the date of grant) in excess of HK\$5 million, 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 the 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 and ends on a date which is not later than 10 years from the date of the offer of the share options.

The exercise price of the share options is determinable by the directors, but should not be less than the highest of (i) the closing price of the shares of the Company as stated in the Hong Kong Stock Exchange daily quotation sheet on the date of grant of share options; (ii) the average of the closing prices of the shares of the Company as stated on the Hong Kong Stock Exchange for the 5 trading days immediately preceding the date of the offer; and (iii) the nominal value of the shares of the Company.

### 29. 購股權計劃(續)

現時可根據該計劃授出之未行使購股權最高數目為相等於(在其獲行使後)本公司於該計劃獲本公司股東在股東大會上批准當日之已發行股份總數的10%之數額，即根據計劃可予發行合共20,000,000股股份。每名合資格參與者於任何12個月期間內根據該計劃可獲發行之股份的最高數目為不得超過本公司於任何時候已發行股份的1%。凡進一步授出超出該限額之購股權均須經股東在股東大會上批准。

購股權可授予本公司之董事、行政總裁或主要股東或任何彼等之聯繫人，惟須事先經獨立非執行董事批准。此外，任何於任何12個月期間內授予本公司之主要股東或獨立非執行董事或任何彼等之聯繫人而超出本公司於任何時候已發行股份的0.1%或總值(按本公司股份於授出日期之價格計)超過5百萬港元之購股權均須經股東在股東大會上事先批准。

授出購股權之要約可於要約日期起計21天內，於承授人支付名義代價合共1港元後予以接納。已授出購股權之行使期可由董事釐定，並在不遲於購股權要約當日起計10年之日完結。

購股權之行使價可由董事釐定，惟不得少於下列之最高者：(i)於授出購股權日期在香港聯交所每日報價表所列之本公司股份收市價；(ii)於緊接要約日期前5個交易日在香港聯交所所列之本公司股份平均收市價；及(iii)本公司股份之面值。

# 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

### 29. SHARE OPTION SCHEME (Continued)

Shares options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

The following share options were outstanding under the Scheme during the year/period:

		2017 二零一七年		2016 二零一六年	
		Exercise price 行使價 HK\$'000 per share 千港元 每股	Number of options 購股權數目 '000 千份	Exercise price 行使價 HK\$'000 per share 千港元 每股	Number of options 購股權數目 '000 千份
At beginning of year/period	年/期初	8.12	2,000	—	—
Granted during the year/period	年/期內授予	—	—	8.12	2,000
Lapsed during the year/period	年/期內失效	(8.12)	(2,000)	—	—
At end of year/period	年/期末	—	—	8.12	2,000

The exercise prices and exercise periods of the share options outstanding as at 31 December 2016 are as follows:

2016

二零一六年

Number of options 購股權數目 '000 千份	Exercise price* 行使價* HK\$ per share 港元 每股	Exercise period 行使期
2,000	8.12	22 December 2016 to 21 December 2018 二零一六年十二月二十二日至 二零一八年十二月三十一日

\* The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.

### 29. 購股權計劃(續)

購股權並無賦予持有人權利享有股息或在股東大會上投票。

年/期內，該計劃項下未行使的購股權如下：

於二零一六年十二月三十一日未行使購股權的行使價及行使期如下：

\* 購股權行使價須就供股或紅股發行或本公司股本的其他類似變動作出調整。

# 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

### 29. SHARE OPTION SCHEME (Continued)

At 31 December 2016, the fair value of the share options granted during the period was HK\$6,395,000 (HK\$3.20 each), of which the Group recognised a share option expense of HK\$6,395,000.

The fair value of equity-settled share options granted during the nine months ended 31 December 2016 was estimated as at the date of grant using a binomial pricing model, taking into account the terms and conditions upon which the options were granted and the following table lists the major inputs used:

		2016 二零一六年
Dividend yield (%)	股息收益率(%)	0.00
Expected volatility (%)	預期波動率(%)	73.00
Risk-free interest rate (%)	無風險利率(%)	1.12
Exit rates of the grantees of the options granted under the Scheme (%)	根據該計劃授予購股權的承授人的離職率(%)	0.00

The expected volatility reflects the assumption that the historical volatility, which is based on the Company's historical share price, is indicative of future trends, which may also not necessarily be the actual outcome. The exit rates of the grantees of the options granted under the Scheme were determined based on the historical data.

No other feature of the options granted was incorporated into the measurement of fair value.

### 29. 購股權計劃(續)

於二零一六年十二月三十一日，年內或期內授出的購股權的公允值為6,395,000港元(每股3.20港元)，其中本集團確認購股權開支6,395,000港元。

截至二零一六年十二月三十一日止九個月授出的權益結算購股權的公允值在授予日期使用二項式定價模式進行估計，同時考慮購股權授出的條款及條件，下表載列使用的主要輸入數據：

預期波動率是基於歷史波動率(其以本公司的歷史股份價格為基礎)能反映出未來趨勢的假設，但並不一定是實際結果。根據該計劃授予購股權的承授人的離職率乃根據歷史數據釐定。

計量公允值時，未考慮所授予購股權的其他特徵。

# 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

### 29. SHARE OPTION SCHEME (Continued)

At 31 December 2016, the Company had 2,000,000 share options outstanding under the Scheme. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 2,000,000 additional ordinary shares of the Company and additional share capital of HK\$20,000 and share premium of HK\$16,220,000 (before issue expenses).

At the date of approval of these financial statements, the Company did not have share options outstanding under the Scheme.

### 30. RESERVES

The amounts of the Group's reserves and the movements therein for the reporting period are presented in the consolidated statement of changes in equity.

#### (a) Statutory surplus reserve

Transfers from retained profits to the statutory surplus reserve were made in accordance with the relevant PRC rules and regulations and the articles of association of the Company's subsidiaries established in the PRC.

For the entities concerned, the statutory surplus reserve can be used to cover previous years' losses, if any, and may be converted into capital in proportion to equity holders' existing equity holdings, provided that the balance after such conversion is not less than 25% of their registered capital.

#### (b) Share option reserve

It represents the fair value of share options vested which are yet to be exercised, as further explained in the accounting policy of 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 share options are exercised, or transferred to retained profits should the related share options lapse or be forfeited.

### 29. 購股權計劃(續)

於二零一六年十二月三十一日，該計劃下本公司發行在外的購股權為2,000,000份。基於本公司當前資本結構，如果發行在外的購股權完全行權，本公司將發行2,000,000股額外普通股，增加股本為20,000港元和股本溢價為16,220,000港元(未扣除發行費用)。

於批准該等財務報表之日，本公司並無計劃項下尚未行使購股權。

### 30. 儲備

本集團於報告期的儲備數額及其變動於綜合權益變動表呈列。

#### (a) 法定盈餘儲備

保留利潤轉撥至法定盈餘儲備乃根據中國相關規則和法規以及本公司在中國成立的附屬公司的組織章程細則作出。

就有關實體而言，法定盈餘儲備可用作抵補過往年度虧損(如有)，亦可按權益持有人現時的持股比例轉換為股本，惟於有關轉換後的結餘不得少於其註冊資本的25%。

#### (b) 購股權儲備

購股權儲備由已歸屬、尚未行權的購股權之公允值構成，詳見本財務報表附註2.4對以股份為基礎付款的會計政策的解釋。相關購股權行使後，該儲備中相應金額轉入股份溢價賬，或者相關購股權失效或被沒收後，轉入保留溢利。

# 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

### 31. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

#### (a) Major non-cash transactions

During the year, the Group has endorsed bills receivable to settle the accounts payable in an aggregate of RMB1,767,000,000 (equivalent to HK\$2,037,000,000).

#### (b) Changes in liabilities arising from financing activities

#### (a) 主要非現金交易

年內，本集團已背書應收票據，以償還總額為人民幣1,767,000,000元(相當於2,037,000,000港元)的應付賬款。

#### (b) 來自融資業務的負債變動

		Interest-bearing bank and other borrowings 計息銀行及其他借貸 HK\$'000 千港元	Convertible bonds 可換股債券 HK\$'000 千港元	Promissory notes 承兌票據 HK\$'000 千港元
At 1 January 2017	於二零一七年一月一日	20,000	359,818	453,938
Changes from financing cash flows	融資現金流量變動	26,433	—	—
Accrued interest expense	應計利息開支	—	27,847	35,140
Gain on modification of promissory notes	修改承兌票據之收益	—	—	(15,160)
At 31 December 2017	於二零一七年十二月三十一日	46,433	387,665	473,918

# 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

### 32. JOINT OPERATION

Particulars of the Group's joint operation as at 31 December 2017 are as follows:

Name of joint operation 共同經營名稱	Form of business structure 業務架構形式	Place of operation 經營場所	Percentage of attributable interest of the Group 本集團權益應佔百分比		Principal activities 主要業務
			2017 二零一七年 %	2016 二零一六年 %	
EXCEL-LANON Joint Venture 怡益 一 亮雅合營企業	Body unincorporated 非屬法團的團體	Hong Kong 香港	51 (note (a)) (附註(a))	—	Construction 建築工程

(a) Under the joint venture agreement, the joint operators have contractually agreed sharing of control over the relevant activities of this body unincorporated, hence this body unincorporated is jointly controlled by the Group and the other joint operator. Furthermore, the joint venture agreement specifies that the Group and other party to the joint arrangement have rights to the assets and obligations to the liabilities relating to the joint arrangement in accordance with the attributable interest of the Group as disclosed above and the interest attributable to the other joint operator respectively, therefore the body unincorporated is classified as a joint operation.

(b) The joint operation is principally engaged in construction work to carry out the provision of barrier-free access facilities for highway structures in Hong Kong.

### 32. 共同經營

有關本集團於二零一七年十二月三十一日的共同經營詳情如下：

(a) 根據合營企業協議，共同經營人具合約性協定共享該非公司法人的相關業務的控制權，因此，該非公司法人乃由本集團及其他共同經營人共同控制。此外，合營企業協議列明本集團及共同協議中其他人士根據上述所披露本集團應佔權益及其他共同經營人應佔權益分別擁有有關合營安排的資產權利及負債義務，因此，該非公司法人分類為共同經營。

(b) 合營經營主要從事建築工程，為道路構築物提供無障礙通道設施。

# 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

### 33. CONTINGENT LIABILITIES

- (a) At 31 December 2017, the guarantees given by the Group to certain banks and a licensed corporation in respect of performance bonds in favour of certain contract customers amounted to HK\$23,105,000 (2016: HK\$24,446,000).
- (b) In the ordinary course of the Group's construction business, the Group has been subject to a number of claims due to personal injuries suffered by employees of the Group or the Group's subcontractors in accidents arising out of and in the course of their employment. The directors are of the opinion that such claims are well covered by insurance and would not result in any material adverse impact on the financial position or results and operations of the Group.

### 34. OPERATING LEASE ARRANGEMENTS

#### As lessor

The Group leases certain of its equipment under an operating lease arrangement. The lease for equipment is negotiated for a term of thirty months.

At the end of the reporting period, the Group had total future minimum lease receivables under a non-cancellable operating lease 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	—	4,900

### 33. 或然負債

- (a) 於二零一七年十二月三十一日，本集團就給予若干合約客戶之履約保證而向若干銀行及一所持牌企業提供的擔保為23,105,000港元(二零一六年：24,446,000港元)。
- (b) 在本集團建造業務的日常過程中，本集團或本集團分包商的僱員因為在受僱期間發生意外導致人身傷害而向本集團提出若干索賠。董事認為，有關索賠屬於保險的承保範圍，不會對本集團的財務狀況、業績及經營構成任何重大不利影響。

### 34. 經營租賃安排

#### 作為出租人

本集團根據經營租賃安排出租其若干設備。經協商後的設備租賃年期為三十個月。

於報告期末，本集團根據不可撤銷經營租賃於下列日期到期應收的未來最低租金總額如下：

		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	—	4,900



# 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

### 34. OPERATING LEASE ARRANGEMENTS (Continued)

#### As lessee

The Group leases certain of its office properties under operating lease arrangements. Leases for properties are negotiated for terms ranging from one to three years.

At the end of the reporting period, the Group had total future minimum lease payments under non-cancellable operating leases 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	5,262	5,420
In the second to fifth years, inclusive	第二至第五年 (包括首尾兩年)	296	1,347
		<b>5,558</b>	<b>6,767</b>

### 35. COMMITMENTS

In addition to the operating lease commitments detailed in note 34 above, the Group had the following capital commitments at the end of the reporting period:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Contracted, but not provided for plant and machinery	有關機器及設備的 已訂約但未撥備承擔	700	1,208

### 34. 經營租賃安排(續)

#### 作為承租人

本集團根據經營租賃安排租用其若干辦公室物業。經協商後的物業租賃年期介乎一至三年。

於報告期末，本集團根據不可撤銷經營租賃於下列日期到期應付的未來最低租金總額如下：

### 35. 承擔

除上述附註34所載經營租賃承擔外，本集團在報告期末有以下資本承擔：

# 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

### 36. RELATED PARTY TRANSACTIONS

- (a) In addition to the transactions and balances detailed elsewhere in these financial statements, the Group had the following transactions with related parties during the reporting period:

### 36. 關聯方交易

- (a) 除在本財務報表其他部分詳述的交易及結餘外，本集團於報告期內曾與關聯方進行下列交易：

		Year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 HK\$'000 千港元	Nine months ended 31 December 2016 截至 二零一六年 十二月三十一日 止九個月 HK\$'000 千港元
Transactions with related companies controlled by a director of the Company:	與本公司一名董事控制的關聯公司進行交易		
Corporate service fee paid	已付企業服務費	1,028	744
Financial advisory fee paid	已付財務顧問費	250	560

The transactions were conducted on terms and conditions mutually agreed between the relevant parties.

交易乃按有關各方相互協定的條款及條件進行。

- (b) Outstanding balances with related parties

- (b) 與關聯方的未清償結餘

Balances with related parties are included in notes 20 and 23 to the financial statements.

與關聯方的結餘載列於財務報表附註20及23。

- (c) Compensation of key management personnel of the Group

- (c) 本集團主要管理人員的報酬

Further details of the compensation of key management personnel of the Group are included in notes 8 and 9 to the financial statements.

有關本集團主要管理人員報酬的進一步詳情載於財務報表附註8及9。

# 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

### 37. FINANCIAL INSTRUMENTS BY CATEGORY

Except for the profit guarantee which is classified as a financial asset at fair value through profit or loss and measured at fair value, the financial assets and liabilities of the Group as at 31 December 2017 and 31 December 2016 were loans and receivables and financial liabilities at amortised cost, respectively.

### 38. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and bank balances, accounts and bills receivables, accounts payable, financial assets included in prepayments, deposits and other receivables, financial liabilities included in other payables and accruals and current portion of interest-bearing bank and other borrowings and convertible bonds approximate to their carrying amounts largely due to the short term maturities of these instruments.

The Group's finance department headed by the director is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The finance department reports directly to the director and the audit committee. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the directors. The valuation process and results are discussed with the audit committee twice a year for interim and annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

The fair values of the liability portion of convertible bonds and promissory notes have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The Group's own non-performance risk for convertible bonds and promissory notes as at 31 December 2017 and 31 December 2016 was assessed to be insignificant.

### 37. 金融工具分類

除分類為按公允值透過損益列賬及按公允值計量之金融資產的溢利保證外，本集團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之金融資產及負債分別為貸款及應收款以及按攤銷成本計值之金融負債。

### 38. 金融工具之公允值及公允值層級

由於現金及銀行結餘、應收賬款及應收票據、應付賬款、包含在預付款項、按金及其他應收款之金融資產、包含在其他應付款及預提費用之金融負債、計息銀行及其他借貸及可換股債券的流動部分大多於短期內到期，故管理層認為該等工具之公允值與其賬面值相若。

本集團由董事領導的財務部負責釐定金融工具公允值計量政策及程式。財務部直接向董事及審核委員會報告。於各報告日期，財務部分析金融工具價值變動並釐定估值時適用的主要參數。估值由董事審閱及批准。估值過程及結果由審核委員會每年討論兩次以進行中期及年度財務報告。

金融資產及負債的公允值乃按該工具可由自願各方在現有交易(強制或清算銷售除外)中可交換的金額計入。

以下為用作估計公允值的方法及假設：

可換股債券及承兌票據負債部分之公允值已按具有類似條款、信貸風險及剩餘期限的工具目前可用的利率折讓預期未來現金流量計算。本集團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對可換股債券及承兌票據的自有不履約風險被評為不重大。

# 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

### 38. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

#### Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

#### Assets measured at fair value:

As at 31 December 2016

	Fair value measurement using			Total
	Quoted prices in active markets 於活躍市場 所報價格 (Level 1) (第一級) HK\$'000 千港元	Significant observable inputs 重大可觀察 輸入數據 (Level 2) (第二級) HK\$'000 千港元	Significant unobservable inputs 重大不可觀察 輸入數據 (Level 3) (第三級) HK\$'000 千港元	
Financial asset at fair value through profit or loss	—	—	2,911	2,911

The Group did not have any financial liabilities measured at fair value as at 31 December 2017 and 31 December 2016.

During the year ended 31 December 2017, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (2016: Nil).

### 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments include accounts and bills receivables, other receivables, prepayments and deposits, accounts and other payables, cash and cash equivalents, promissory notes and convertible bonds. Details of these financial instruments are disclosed in the respective notes to the financial statements.

### 38. 金融工具之公允值及公允值層級(續)

#### 公允值層級

下表闡述本集團金融工具之公允值計量層級：

#### 按公允值計量之資產：

於二零一六年十二月三十一日

	Fair value measurement using			Total
	Quoted prices in active markets 於活躍市場 所報價格 (Level 1) (第一級) HK\$'000 千港元	Significant observable inputs 重大可觀察 輸入數據 (Level 2) (第二級) HK\$'000 千港元	Significant unobservable inputs 重大不可觀察 輸入數據 (Level 3) (第三級) HK\$'000 千港元	
Financial asset at fair value through profit or loss	—	—	2,911	2,911

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，本集團並無任何按公允值計量的金融負債。

截至二零一七年十二月三十一日止年度，金融資產及金融負債第一層與第二層公允值計量之間並無轉移，亦無轉至或轉出第三層(二零一六年：無)。

### 39. 財務風險管理目標及政策

本集團的主要金融工具包括應收賬款及應收票據、其他應收款、預付款項及按金、應付賬款及其他應付款、現金及現金等值物、承兌票據及可換股債券。該等金融工具的詳情於財務報表內各項有關附註披露。

# 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

### 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

The Group's ordinary activities expose it to various financial risks, including foreign currency risk, credit risk and liquidity risk. The risks associated with financial instruments and the policies on how to mitigate these risks are described below. Management monitors closely the Group's exposures to financial risks to ensure appropriate measures are implemented in a timely and effective manner.

#### Foreign currency risk

Foreign currency risk means the risk on the fluctuation of fair value or future cash flows of financial instruments which arose from changes in exchange rates.

The Group's civil engineering and construction business is located in Hong Kong and is transacted and settled in HK\$ while the Group's Automotive Engines CGU is located in PRC and is transacted and settled in RMB. Accordingly, the directors considered that the Group's foreign currency risk is insignificant.

#### Credit risk

The Group's credit risk is primarily attributable to bank balances, accounts and bills receivables and other receivables. The Group's maximum credit risk exposure at the end of the reporting period in the event of other parties failing to perform their obligations is represented by the carrying amount of each financial asset as stated in the consolidated statement of financial position.

### 39. 財務風險管理目標及政策(續)

本集團在日常業務過程中面對多種財務風險，包括外幣風險、信貸風險及流動資金風險。有關金融工具的風險以及如何減低該等風險的政策均在下文描述。管理層嚴密監察本集團所面對的財務風險，以確保及時及有效地採取適當措施。

#### 外幣風險

外幣風險指因匯率變動而產生的金融工具的公允值或未來現金流量波動風險。

本集團之土木工程及建造業務位於香港，並以港元交易及結算，而本集團之汽車發動機現金產生單位乃位於中國，並以人民幣交易及結算。因此，董事認為本集團面對的外幣風險乃微不足道。

#### 信貸風險

本集團的信貸風險主要來自銀行結餘、應收賬款及應收票據以及其他應收款。倘若其他相關各方未能履行其義務，本集團於報告期結束時面對的最高信貸風險相當於各金融資產在綜合財務狀況表中所列的賬面值。

# 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

### 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

#### Credit risk (Continued)

Management monitors the creditworthiness and payment patterns of each debtor closely and on an ongoing basis. It is the Group's policy that all customers of automotive engines who wish to trade on credit terms and subject to credit certification procedures. The Group's accounts receivable from contract work represent interim payments or retentions certified by the customers under terms as stipulated in the contracts and the Group does not hold any collateral over these receivables. As the Group's customers in respect of contract work primarily consist of government departments and developers or owners with strong financial backgrounds, management considers that the risk of irrecoverable receivables from contract work is not significant.

At 31 December 2017, the Group had concentrations of credit risk as 38% (2016: 43%) of the total accounts receivable were due from the Group's largest external customer and 82% (2016: 95%) of the total accounts receivable were due from the Group's five largest external customers.

Further quantitative data in respect of the Group's exposure to credit risk arising from accounts and bills receivables and other receivables are disclosed in notes 19 and 20, respectively, to the financial statements.

### 39. 財務風險管理目標及政策(續)

#### 信貸風險(續)

管理層會持續地密切監察各債務人的信譽度及還款模式。本集團的政策為所有願意按信貸期買賣的汽車發動機客戶進行買賣，並須進行信貸認證程序。本集團的合約工程應收賬款指根據合約內訂明條款支付的中期付款或經客戶核實的保留款項，而本集團並不就該等應收款持有任何抵押品。由於本集團的合約工程客戶主要為政府部門以及財力雄厚的開發商或業主，管理層認為不能收回合約工程應收款的風險不大。

於二零一七年十二月三十一日，本集團存在若干信貸風險集中的情況，應收賬款總額中的38%（二零一六年：43%）來自本集團的最大外部客戶，而應收賬款總額中的82%（二零一六年：95%）則來自本集團的五大外部客戶。

有關本集團應收賬款及應收票據以及其他應收款所產生的信貸風險的進一步量化數據分別在財務報表附註19及20披露。

# 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

### 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued) 39. 財務風險管理目標及政策(續)

#### Liquidity risk

The Group's policy is to monitor regularly the current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and long term. In addition, banking facilities have been put in place for contingency purposes.

The following table details the remaining contractual maturities at the end of the reporting period of the Group's financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates, or if floating, based on rates as at the end of the reporting period) and the earliest date that the Group could be required to repay:

#### 流動資金風險

本集團的政策為定期監察現時及預期流動資金需求，以確保其維持足夠現金儲備及來自主要金融機構的足夠融資額度，從而滿足其短期及長期的流動資金需求。此外，本集團會安排銀行信貸額，以備不時之需。

下表詳列本集團的金融負債於報告期結束時的剩餘合約期，其乃根據合約未貼現現金流量(包括按合約利率或(如屬浮動利率)根據於報告期結束時的利率計算的利息付款)及本集團可能須償還的最早日期得出：

		Within 1 year or on demand 一年內或須 應要求償還 HK\$'000 千港元	Between 1 and 2 years 一至二年 HK\$'000 千港元	Between 2 and 5 years 二至五年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 31 December 2017	於二零一七年 十二月三十一日				
Accounts payable	應付賬款	659,516	4,159	6,002	669,677
Accruals of costs for contract work	預提合約工程成本	63,867	—	—	63,867
Other payables (note 23)	其他應付款(附註23)	44,782	—	—	44,782
Interest-bearing bank and other borrowings	計息銀行及其他借款	46,433	—	—	46,433
Convertible bonds	可換股債券	390,000	—	—	390,000
Promissory notes	承兌票據	—	—	557,600	557,600
		1,204,598	4,159	563,602	1,772,359

# 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

### 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

### 39. 財務風險管理目標及政策(續)

#### Liquidity risk (Continued)

#### 流動資金風險(續)

		Within 1 year or on demand 一年內或須 應要求償還 HK\$'000 千港元	Between 1 and 2 years 一至二年 HK\$'000 千港元	Between 2 and 5 years 二至五年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 31 December 2016	於二零一六年 十二月三十一日				
Accounts payable	應付賬款	924,484	5,910	1,354	931,748
Accruals of costs for contract work	預提合約工程成本	91,009	—	—	91,009
Other payables (note 23)	其他應付款(附註23)	62,530	—	—	62,530
Interest-bearing other borrowings	計息其他借款	21,474	—	—	21,474
Convertible bonds	可換股債券	—	390,000	—	390,000
Promissory notes	承兌票據	—	492,000	—	492,000
		1,099,497	887,910	1,354	1,988,761

#### Capital management

The primary objective of the Group's capital management policy is to ensure that the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The directors review the capital structure on a periodical basis. As part of this review, the directors consider the cost of capital and the risks associated with each class of capital and will balance the Group's overall capital structure through new share issues as well as raising new debts or repayment of existing debts.

#### 資金管理

本集團資金管理政策的主要目標為確保本集團能持續經營，同時透過優化債務與股本結構謀求利益相關者回報最大化。

董事會定期檢討資本架構。作為此項檢討工作的一部分，董事考慮資金成本及與各類資金相關的風險，並將透過新股發行及新增債務或償還現有債務來平衡本集團的整體資本架構。



# 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

### 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

#### Capital management (Continued)

The Group monitors capital using a gearing ratio, which is net cash and bank balances divided by the total capital. Net debts are calculated as the total of interest-bearing bank and other borrowings, liability component of the convertible bonds and promissory notes less cash and cash equivalents. Total capital refers to equity attributable to owners of the parent. The gearing ratio as at 31 December 2017 and 31 December 2016 was as follows:

### 39. 財務風險管理目標及政策(續)

#### 資金管理(續)

本集團運用槓桿比率監控資本，而槓桿比率乃按現金及銀行結餘淨值除以資本總額計算。債務淨額則按計息銀行及其他借款、可換股債券的負債部分及承兌票據的總額減現金及現金等值物計算。資本總額指母公司擁有人應佔權益。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的槓桿比率如下：

		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 and other borrowings (note 24)	計息銀行及其他借款(附註24)	46,433	20,000
Liability component of the convertible bonds (note 25)	可換股債券的負債部分(附註25)	387,665	359,818
Promissory notes (note 26)	承兌票據(附註26)	473,918	453,938
Less: Cash and cash equivalents	減：現金及現金等值物	(68,623)	(24,899)
<b>Net debts</b>	<b>淨負債</b>	<b>839,393</b>	<b>808,857</b>
<b>Equity attributable to owners of the parent</b>	<b>母公司擁有人應佔權益</b>	<b>702,614</b>	<b>551,372</b>
<b>Gearing ratio (%)</b>	<b>槓桿比率(%)</b>	<b>119%</b>	<b>147%</b>

# 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

### 40. 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:

有關本公司於報告期末之財務狀況表之資料如下：

		31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元	31 December 2016 二零一六年 十二月三十一日 HK\$'000 千港元
<b>NON-CURRENT ASSETS</b>			
	<b>非流動資產</b>		
Property, plant and equipment	物業、機器及設備	245	347
Investments in subsidiaries	於附屬公司之投資	—	—
Total non-current assets		245	347
<b>CURRENT ASSETS</b>			
	<b>流動資產</b>		
Due from subsidiaries	應收附屬公司款項	1,188,761	1,186,466
Prepayments, deposits and other receivables	預付款項、按金及其他應收款	2,376	2,218
Cash and cash equivalents	現金及現金等值物	38	1,534
Total current assets		1,191,175	1,190,218

# 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

### 40. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued) 40. 本公司之財務狀況表(續)

		31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元	31 December 2016 二零一六年 十二月三十一日 HK\$'000 千港元
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>		
Other payables and accruals	其他應付款及預提費用	14,928	10,488
Interest-bearing other borrowings	計息其他借款	42,500	20,000
Convertible bonds	可換股債券	387,665	—
Total current liabilities	流動負債總額	445,093	30,488
<b>NET CURRENT ASSETS</b>	<b>流動資產淨值</b>	746,082	1,159,730
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>資產總值減流動負債</b>	746,327	1,160,077
<b>NON-CURRENT LIABILITIES</b>	<b>非流動負債</b>		
Convertible bonds	可換股債券	—	359,818
Promissory notes	承兌票據	473,918	453,938
Deferred tax liabilities	遞延稅項負債	2	2
Total non-current liabilities	非流動負債總額	473,920	813,758
Net assets	資產淨值	272,407	346,319
<b>EQUITY</b>	<b>權益</b>		
Share capital	股本	2,000	2,000
Equity component of convertible bonds (note)	可換股債券之權益部分(附註)	390,716	390,716
Reserves (note)	儲備(附註)	(120,309)	(46,397)
Total equity	總權益	272,407	346,319

Wong Hin Shek  
王顯碩  
Director  
董事

Xing Bin  
邢濱  
Director  
董事

# 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

### 40. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

Note:

A summary of the Company's reserves is as follows:

### 40. 本公司之財務狀況表(續)

附註：

本公司之儲備概要如下：

		Share premium	Equity component of convertible bonds	Share option reserve	Accumulated losses	Total
		股份溢價	可換股債券之權益部分	購股權儲備	累計虧損	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
At 1 April 2016	於二零一六年四月一日	45,486	390,716	—	(34,289)	401,913
Total comprehensive loss for the period	期內全面綜合虧損總額	—	—	—	(63,989)	(63,989)
Equity-settled share option arrangement (note 29)	權益結算購股權安排 (附註29)	—	—	6,395	—	6,395
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	45,486	390,716	6,395	(98,278)	344,319
Total comprehensive loss for the year	年內全面虧損總額	—	—	—	(73,912)	(73,912)
Transfer of share option reserve upon the lapse of share options	於購股權失效後轉撥購股權儲備	—	—	(6,395)	6,395	—
At 31 December 2017	於二零一七年十二月三十一日	45,486	390,716	—	(165,795)	270,407

### 41. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 21 March 2018.

### 41. 批准財務報表

財務報表於二零一八年三月二十一日獲董事會批准及授權刊發。

# Five-Year Financial Summary

## 五年財務概要

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

本集團過去五個財政年度／期間之業績、資產及負債概要(摘錄自本集團已刊發財務報表)載列如下。

### RESULTS

### 業績

		Year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 HK\$'000 千港元	Nine months ended 31 December 2016 截至 二零一六年 十二月三十一日 止九個月 HK\$'000 千港元	Year ended 31 March 2016 截至 二零一六年 三月三十一日 止年度 HK\$'000 千港元	Year ended 31 March 2015 截至 二零一五年 三月三十一日 止年度 HK\$'000 千港元	Year ended 31 March 2014 截至 二零一四年 三月三十一日 止年度 HK\$'000 千港元
Revenue	收入	2,026,599	2,145,926	609,335	702,856	1,477,332
Profit/(loss) before tax	除稅前溢利／(虧損)	69,892	124,783	(32,349)	19,052	36,034
Income tax expense	所得稅支出	(32,179)	(34,631)	(774)	(3,178)	(7,638)
Profit/(loss) and total comprehensive income/(loss) for the year/period	年／期內溢利／(虧損)及全面收入／(虧損)總額	37,713	90,152	(33,123)	15,874	28,396

### ASSETS, LIABILITIES AND TOTAL EQUITY

### 資產、負債及總權益

		31 March 2017 於二零一七年 三月三十一日 HK\$'000 千港元	31 December 2016 於二零一六年 十二月三十一日 HK\$'000 千港元	31 March 2016 於二零一六年 三月三十一日 HK\$'000 千港元	31 March 2015 於二零一五年 三月三十一日 HK\$'000 千港元	31 March 2014 於二零一四年 三月三十一日 HK\$'000 千港元
Total assets	總資產	2,509,552	2,594,815	1,702,936	376,040	460,726
Total liabilities	總負債	(1,806,938)	(2,043,443)	(1,169,985)	(149,913)	(250,473)
Total equity	總權益	702,614	551,372	532,951	226,127	210,253

