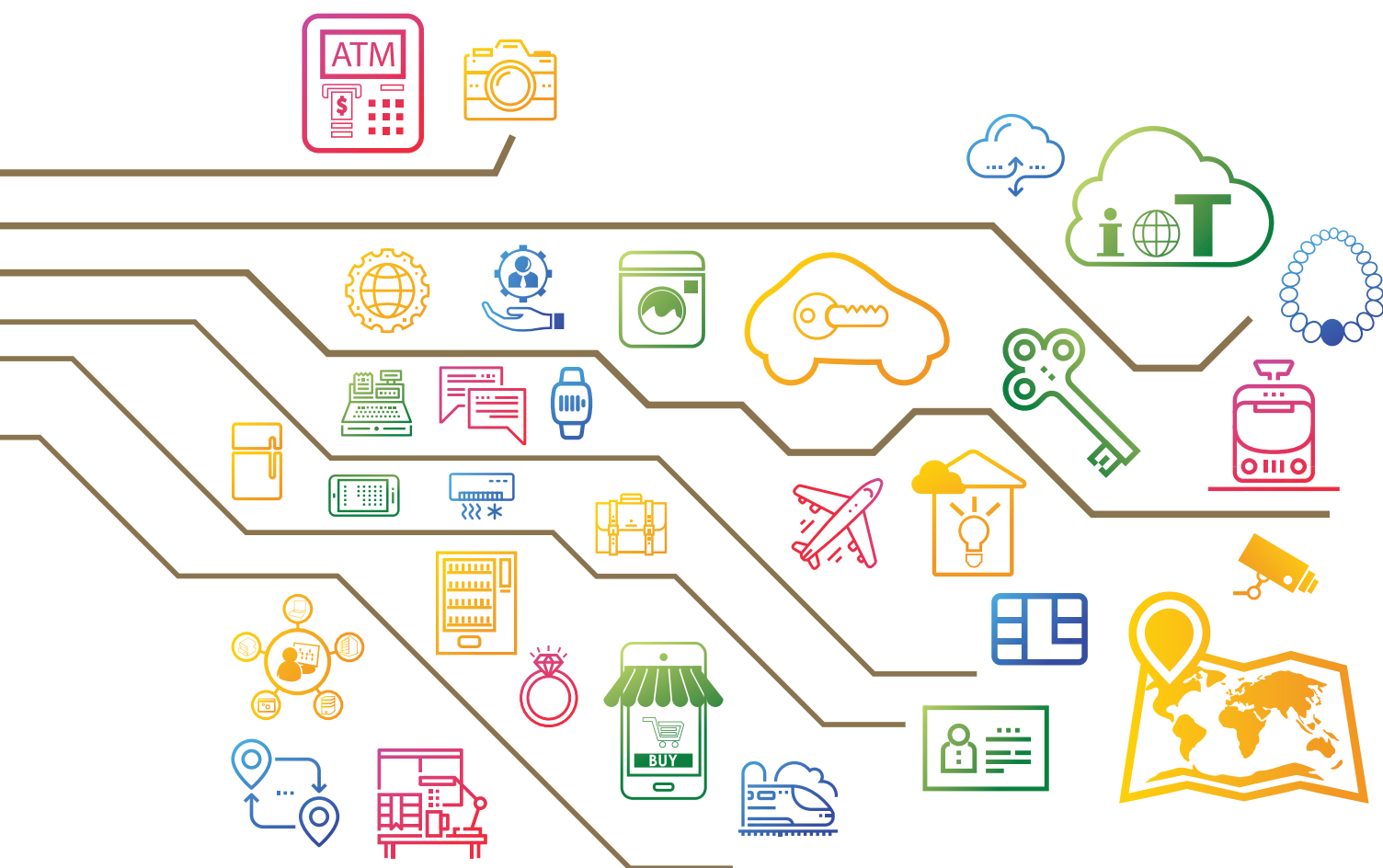


REINFORCING CORE BUSINESS EXPANDING OVERSEAS MARKETS ACCELERATING INNOVATION FOR THE DIVERSIFICATION OF PAYMENT SOLUTIONS

鞏固核心業務
擴張海外市場版圖
加速支付的多元化創新



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CORPORATE INFORMATION 企業資料



PLACE OF LISTING

The Stock Exchange of Hong Kong Limited

STOCK CODE

3315

EXECUTIVE DIRECTORS

Mr. LU Run Ting (*Chairman*)
Mr. HOU Ping
Mr. LU Runyi
Mr. LU Xiaozhong

NON-EXECUTIVE DIRECTORS

Mr. Christophe Jacques PAGEZY
Mr. TING Tao I

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. MAK Wing Sum Alvin
Mr. ZHU Lijun
Mr. LIU John Jianhua

AUDIT COMMITTEE

Mr. MAK Wing Sum Alvin (*Chairman*)
Mr. ZHU Lijun
Mr. LIU John Jianhua

REMUNERATION COMMITTEE

Mr. LIU John Jianhua (*Chairman*)
Mr. TING Tao I
Mr. MAK Wing Sum Alvin

上市地點

香港聯合交易所有限公司

股份代號

3315

執行董事

盧閔霆先生(*主席*)
侯平先生
盧潤怡先生
盧小忠先生

非執行董事

Christophe Jacques PAGEZY先生
丁道一先生

獨立非執行董事

麥永森先生
朱立軍先生
劉建華先生

審核委員會

麥永森先生(*主席*)
朱立軍先生
劉建華先生

薪酬委員會

劉建華先生(*主席*)
丁道一先生
麥永森先生

NOMINATION COMMITTEE

Mr. LU Run Ting (*Chairman*)
Mr. MAK Wing Sum Alvin
Mr. ZHU Lijun
Mr. LIU John Jianhua
Mr. Christophe Jacques PAGEZY

LEGAL ADVISOR

Mayer Brown JSM
16th–19th Floors, Prince's Building
10 Chater Road
Central
Hong Kong

AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants
35th Floor, One Pacific Place
88 Queensway
Hong Kong

COMPANY SECRETARY

Ms. LI Yijin

AUTHORISED REPRESENTATIVES

Mr. LU Run Ting
Ms. LI Yijin

PRINCIPAL BANKERS

Deutsche Bank AG, Filiale Hong Kong
Bank of China (Hong Kong) Limited
The Hongkong and Shanghai Banking Corporation Limited
Nanyang Commercial Bank Limited
Bank of China Limited
Industrial and Commercial Bank of China Limited

提名委員會

盧閏霆先生(主席)
麥永森先生
朱立軍先生
劉建華先生
Christophe Jacques PAGEZY先生

法律顧問

孖士打律師行
香港
中環
遮打道10號
太子大廈16–19樓

核數師

德勤•關黃陳方會計師行
執業會計師
香港
金鐘道88號
太古廣場一座35樓

公司秘書

李易進女士

授權代表

盧閏霆先生
李易進女士

主要銀行

德意志銀行香港分行
中國銀行(香港)有限公司
香港上海滙豐銀行有限公司
南洋商業銀行有限公司
中國銀行股份有限公司
中國工商銀行股份有限公司



CORPORATE INFORMATION (CONTINUED) 企業資料(續)



REGISTERED OFFICE AND HEADQUARTERS

Room 2211
22nd Floor, Chubb Tower, Windsor House
311 Gloucester Road
Causeway Bay
Hong Kong

HONG KONG SHARE REGISTRAR AND TRANSFER OFFICE

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

COMPANY WEBSITE

www.goldpac.com

INVESTOR RELATION

Email: goldpac@goldpac.com

註冊辦事處及總部

香港
銅鑼灣
告士打道311號
皇室大廈安達人壽大樓22樓
2211室

香港股份過戶登記處及股東名 冊登記處

卓佳證券登記有限公司
香港皇后大道東183號
合和中心22樓

公司網址

www.goldpac.com

投資者關係

電郵：goldpac@goldpac.com

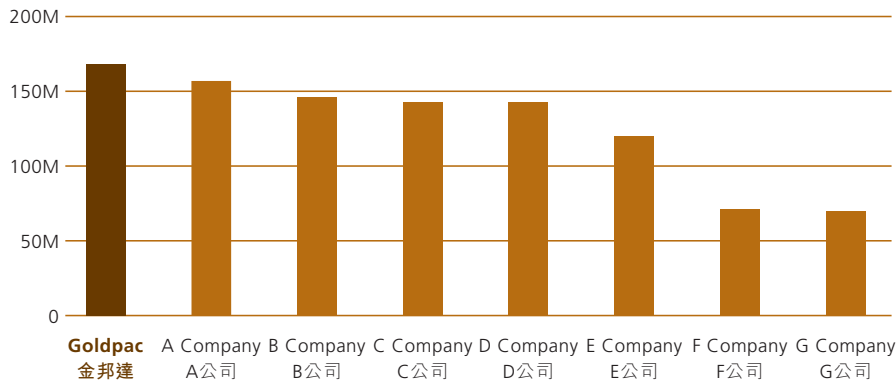
FINANCIAL HIGHLIGHTS 財務摘要

Market Leader in China for Four Consecutive Years since IPO

上市後四年連續中國市場第一

Market Share of approximately 15% in China 2016, +0.5 PPS YOY
2016年中國市場份額約15%，同比提升約0.5個百分點

China UnionPay IC Card Shipment
中國銀聯IC卡出貨量

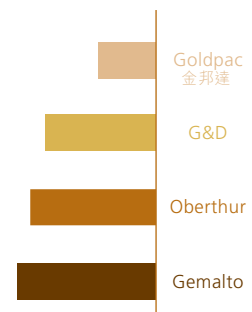


World's #4

世界第四

Payment Card with Chips,
Nilson Report, August 2016
芯片支付卡，2016年8月尼爾森報告

Manufacturers of Payment Cards
Worldwide
世界支付卡廠商排名
(Shipments in 2015/2015年出貨量)



Year ended 31 December 截至12月31日止之年度

		2016 RMB million 人民幣百萬元	2015 RMB million 人民幣百萬元	Change 變化
RESULTS	業績			
Turnover	營業額	1,394	1,685	-17.3%
Net Profit	淨利潤	205	242	-15.3%
Gross Profit Margin	毛利率	30.1%	26.4%	+3.7PPS 百分點
Net Profit Margin	淨利率	14.7%	14.4%	+0.3PPS 百分點

At 31 December 於12月31日

		2016 RMB million 人民幣百萬元	2015 RMB million 人民幣百萬元	Change 變化
ASSETS AND LIABILITIES	資產和負債			
Total assets	總資產	2,599	2,607	-0.3%
Total liabilities	總負債	(726)	(793)	-8.4%
Net assets	淨資產	1,873	1,814	+3.3%

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2016 MAJOR EVENTS 2016 年大事記



- 1** 2016 China Securities Golden Bauhinia Award – the Best Listed Company in Technology Innovation
榮獲「2016中國證券金紫荊獎 – 最佳科技創新上市公司」



- 2** 2016 Golden Hong Kong Stock Awards, the Best Shareholders' Return & the Best Social Responsibilities
榮膺2016金港股「最佳股東回報上市公司」及「最具社會責任上市公司」兩項大獎



- 3** Goldpac Fintech Singapore Private Limited, a wholly-owned subsidiary, for overseas expansion
全資附屬公司金邦達金融科技(新加坡)有限公司成立，以穩步推進海外市場拓展戰略



- 4** GCaaS Cloud Platform Launched at the Computing Conference
金邦達GCaaS閃耀雲栖大會，成就共享價值



- 5** IoT Secure Transaction Engineering & Technology Center
榮獲「廣東省物聯網安全交易工程技術研究中心」稱號



- 6** Luxury GPS Payment Watch Delivered
金邦達高端可穿戴智能GPS支付手錶上市



7 Prized Again with ICMA Elan Award, Highest Honor of Global Card Industry
金邦達再次榮獲國際製卡行業最高獎項—ICMA依蘭獎三項大獎



8 Goldpac ACS Technologies Inc. First Secure Payment Solution Provider in the Philippines to be Certified by VISA, MasterCard and China UnionPay
Goldpac ACS Technologies Inc. 成為菲律賓首個同時取得維薩·萬事達以及中國銀聯認證的服務提供商



9 Selected Exclusively as Anti-counterfeiting Ticketing Solution Provider for China Air Show 2016
獨家為2016中國航展提供防偽票卡解決方案



10 Certified by Quality Management System of Korea Financial Telecommunications & Clearing Institute Commission (KFTC)
通過韓國金融電信與清算協會質量管理體系認證



11 Best Financial Service Outsourcing Company
廣東最佳金融服務外包企業



12 Best Employer Award for Three Consecutive Years since 2014
由2014年起連續三年榮獲「廣東省最佳僱主」稱號

CHAIRMAN'S STATEMENT

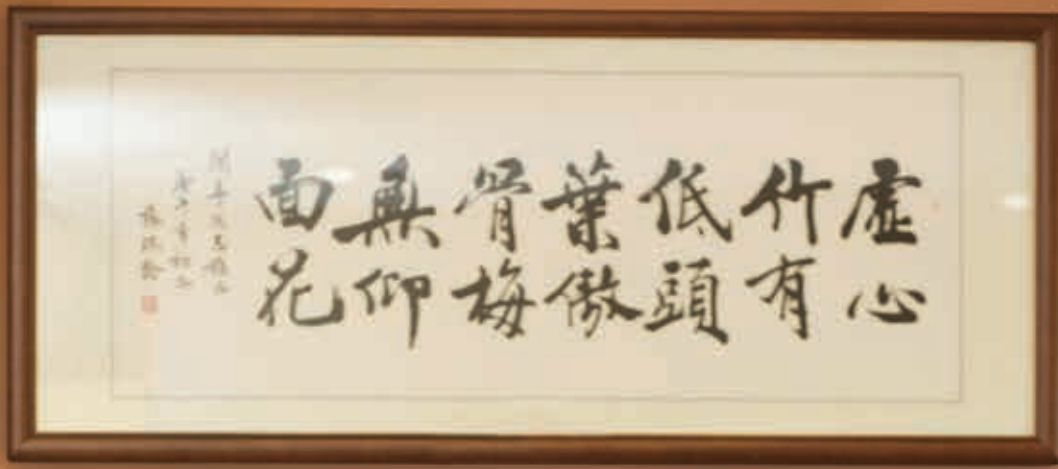
主席報告





Leveraging the management team's vast expertise and abundant experience in the financial industry, the Group will operate within the core tenets of finance and boldly innovate by combining IoT and Cloud technologies, whilst continuing its overseas expansion, to drive towards continuous growth.

憑藉管理層在金融產業領域的
深刻理解和豐富經驗，本集團將緊密圍繞金融
的核心本質、結合物聯網、雲技術大膽創新，
積極拓展海外市場，
推動本集團整體業績增長。



Dear Shareholders,

On behalf of the Board of Directors (the "Directors" and "Board" respectively) of Goldpac Group Limited (the "Company"), I am delighted to present the Annual Report of the Company and its subsidiaries (the "Group") for the year ended 31 December 2016.

尊敬的各位股東：

本人欣然代表董事會（以下分別簡稱「董事」及「董事會」）向閣下提呈金邦達寶嘉控股有限公司（以下簡稱「本公司」）及其附屬公司（以下合稱「本集團」）截至2016年12月31日止之年度報告。

CHAIRMAN'S STATEMENT 主席報告

2016 was a year when China's financial industry returned to a more sensible and orderly development. As previously anticipated by the Group's management, the unregulated expansion of internet finance in China would eventually lose steam and chart a course towards the two core principles of financial industry, namely credit management and risk control. This regulatory progression will benefit and contribute towards a more steady and structured future for the entire financial industry. The Group is optimistic and confident that this will benefit the Group's medium and long term development.

Due to the slow-down in China's economic growth and tightening of financial regulations, the Group recorded fluctuation in performance for the first half of 2016 while the Group's performance took a favorable turn and improved notably in the second half of 2016. The year on year gap in turnover and net profit narrowed progressively in the second half of 2016. The Group hopes it could achieve further performance improvement in 2017.

Profit is always a high priority for most companies. As a publicly-listed company, the Company considers that maintaining a consistent level of profit can demonstrate its commitment to its shareholders. In 2016, the Group's net profit amounted to RMB204.9 million, above the average of its peers in the industry. Over the four years since its initial public offering in Hong Kong ("the IPO") in 2013, the Group has achieved an aggregate net profit of RMB801 million. The Board proposed to declare a final dividend of HK7.0 cents and a special dividend of HK6.0 cents per ordinary share in respect of the year ended 31 December 2016, arriving at the annual dividend ratio of 61.3%. If the proposal is approved by the shareholders of the Company at the forthcoming annual general meeting, the aggregate dividend paid since its IPO in 2013 to the year 2016 would be HK46.8 cents per ordinary share.

2016年，是中國金融產業理性回歸、日趨穩定規範發展的一年。正如本集團管理層在過去數年之中的預判，甚囂塵上的互聯網金融逐漸告別野蠻生長，回歸金融的信用管理和風險控制兩大核心本質。整個中國金融產業的發展方向得到進一步的校準，向著未來邁出了更為穩健、更為規範的步伐。本集團樂觀的相信這必將有利於本集團中長期業務發展。

受中國經濟增速下行及金融整治政策影響，本集團上半年業績出現一定波動，下半年業績復蘇和增長明顯。全年營業額和淨利潤波動均較2016年上半年有明顯收窄。本集團期望2017年業績能夠更進一步的改善。

盈利始終是企業的第一要務。作為上市企業，保持一貫的盈利水平則更加是踐行對股東責任的重要體現。2016年，本集團實現淨利潤人民幣204.9百萬元，遠高於行業同類公司水平。而自2013年本集團於香港首次公开发售（「上市」）以來的四年間，已累計實現淨利潤人民幣801百萬元。董事會建議就截至2016年12月31日止之年度派發末期股息每股普通股港幣7.0仙以及特別股息港幣6.0仙，2016年度派息比例合計將達到61.3%。若此建議在即將舉行的股東周年大會上獲得本公司股東的批准，則本公司自2013年上市至2016年度累計派發股息將達到每股普通股港幣46.8仙。

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CHAIRMAN'S STATEMENT (CONTINUED) 主席報告(續)

Smart secure payment solutions will be the global payment industry's mainstream development vehicle. Currently, smart secure payment technology is undoubtedly the safest payment method, distinguished by its cost-efficiency and wide acceptance globally. Through the development in the past several decades, the smart secure payment sector is now in its golden age and will continue to grow along the path of advancing innovative technologies. This will contribute stable returns for the Group in the foreseeable future. The Group will consolidate its existing competitiveness in smart secure payment to fully capitalize on the returns offered by the industry's development.

The consumer financing market in China is now growing aggressively, presenting enormous market potential and becoming a new area of growth for China's banking industry. Having experienced decades of development, China's credit card industry has matured progressively in terms of product design, risk control and market promotion and will surely be chosen by banks in China as a key tool to explore the consumer finance market. It can be predicted that the credit card industry will embark on a trend of fast-growing opportunities, which will contribute to the Group's growth.

The Group firmly believes that innovation in Fintech will be a strong driving force for the evolution of the financial industry. However, innovation that focuses purely on the merits of technology at the expense of ignoring the core principles of finance will soon be relegated by the market. Leveraging the management team's profound comprehension and abundant experience in financial industry, the Group will strictly adhere to the two key financial payment tenets, namely security and cost when capitalizing on its advantages in Cloud and IoT (Internet of Things) technologies to drive the Group's continuous growth.

智能安全支付必將是全球支付產業發展的主流趨勢。現階段，智能安全支付毫無疑問是最安全的支付方式，此外還兼具成本低廉、全球受理環境完善等諸多優勢。歷經數十年的發展，智能安全支付行業已經漸入佳境，且融合新的科技不斷升級和擴展，在未來較長一個時期都能夠為本集團貢獻較穩定的盈利。本集團將充分鞏固在智能安全支付方面的既有優勢，充分享受產業發展的紅利。

中國消費者金融市場發展迅猛、成長空間巨大，正在成為中國銀行業新的利潤增長點。而中國信用卡產業經過多年積累，在產品設計、風險管控、市場拓展方面已經日趨成熟，必將成為中國銀行業拓展消費者金融市場的利器。中國信用卡市場或將迎來新的發展機遇和高潮，從而帶動本集團的增長。

本集團堅信金融科技創新必將是驅動金融產業發展的強勁動力，但是任何只強調技術，而偏離金融核心本質的金融科技創新，往往難以逃脫被市場淘汰的命運。憑藉管理層在金融產業領域深刻的理解和豐富的經驗，本集團將緊緊圍繞金融支付的安全和成本的兩大核心本質，結合雲技術、物聯網技術大膽創新，推動本集團整體業績增長。

CHAIRMAN'S STATEMENT (CONTINUED) 主席報告(續)

The Group's overseas expansion is continued. As at 31 December 2016, the Group's products and services were delivered into 23 countries and regions. In 2017, the Group will work in sync with China UnionPay's overseas strategies to fully tap into the market potential in Southeast Asia and enhance market share in Bangladesh, Indonesia, Malaysia, Pakistan and Philippines. As well, the Group will capitalize the business opportunities arising from the China national IC industry's global development and open the doors to the market for foreign countries via China national IC chips. Additionally, the Group will deliver the industry leading technology platforms, managerial experiences and operations models via merging, acquisition and partnerships.

The Group is confident in the sustainable and stable growth of the secure payment market both in China and the world. As well, the Group will positively plan and invest the future to maintain the Group's continuous development.

Last but not least, I would like to take this opportunity to extend my sincere gratitude to all our shareholders, members of the Board, management teams, the staff and business partners of the Group.

LU Run Ting

Chairman & Executive Director

Hong Kong, 21 March 2017

本集團海外市場亦持續推進。截至2016年12月31日，本集團已經在全球23個國家和地區提供產品和服務。2017年，本集團將緊密配合中國銀聯的海外擴張，充分挖掘東南亞等地區的市場潛力，努力提升在孟加拉、印尼、馬來西亞、巴基斯坦、菲律賓等國的市場份額。同時，深度挖掘中國芯片產業海外擴展的商業機會，以中國芯片打開海外國家的市場大門。此外，本集團也將通過兼容併購、合作夥伴等形式，向海外輸送本集團具有行業領先優勢的技術平台、管理經驗和運營模式。

本集團對中國及全球金融支付市場的持續、穩定成長充滿信心。同時，本集團也必將積極謀劃未來、投資未來，保持本集團業績的持續成長。

最後，謹此感謝本公司全體股東、董事會成員、管理層團隊、全體員工和合作夥伴的支持。

盧閔霆

主席及執行董事

香港，2017年3月21日

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MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

2016 was a year when China's financial industry returned to a more sensible and orderly development. As previously anticipated by the Group's management, the unregulated expansion of internet finance in China would eventually lose steam and chart a course towards the two core principles of financial industry, namely credit management and risk control. This return was inevitable not only due to the nature and objective pattern of the financial industry, but also due to the Chinese government's continuous efforts towards rectification and regulation.

In 2016, the People's Bank of China, together with several government regulatory agencies, published a number of papers reiterating that the financial payment card clearing house is a critical component of the financial infrastructure and a fundamental safeguard for national financial security. At the same time, internet finance enterprises shall operate under the financial regulatory and compliance framework, so that they can no longer take advantage of the differing regulatory policies. On 5 March 2017, Mr. Li Keqiang, Premier of the State Council of People's Republic of China ("the PRC"), addressed in the Report on the Work of the Government that close attention should be paid to the cumulative risk in internet finance and that the Chinese government will promote financial regulatory system reforms progressively to rectify the financial market and safeguard China's financial security. The internet financial industry in China is now transitioning away from the disorderly path seen over the past few years and will now evolve and integrate together with the banking industry under the same regulatory framework. This regulatory progression will benefit and contribute towards a more steady and structured future for the entire financial industry. The Group is optimistic and confident that this will benefit the Group's medium and long term development.

2016年，是中國金融產業理性回歸、日趨穩定規範發展的一年。正如本集團管理層在過去數年之中的預判，甚囂塵上的互聯網金融逐漸告別野蠻生長，回歸金融的信用管理和風險控制兩大核心本質。這種理性回歸既是金融產業本質和客觀規律的必然選擇，同時也受益於中國政府在規範和監管金融產業發展方面不遺餘力的努力。

2016年，中國人民銀行聯合多個政府監管部門多次下發文件，明確指出銀行卡清算機構是金融基礎設施的重要組成部分和國家金融安全的重要基礎保障，同時互聯網金融企業應重新回到金融監管之下，不得再套取監管政策的紅利。於2017年3月5日，中國國務院總理李克強在政府工作報告中，亦再一次指出需要對互聯網金融累積風險予以高度警惕，穩妥推進中國金融監管體系改革，整頓規範金融秩序，築牢金融風險「防火牆」。中國互聯網金融正在告別過去數年中的無序發展，與銀行業在同一金融監管標準下共同發展、不斷融合，整個中國金融產業的發展方向得到進一步的校準，向著未來邁出了更為穩健、更為規範的步伐。本集團樂觀的相信這必將有利於本集團中長期業務發展。

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2016 REVIEW

The adjustment of the financial industry as a whole in China had a volatile effect on the payment industry. Additionally, the growth of China's overall economy continued to slow down, causing an adverse impact on the Group's performance for the first half of 2016. However, with the resumption of a more orderly development of the payment industry, the Group's performance took a favorable turn and improved notably in the second half of 2016. In 2016, the Group achieved a turnover of RMB1,393.7 million and a net profit of RMB204.9 million, representing a decrease of 17.3% and 15.3% as compared to the preceding year, respectively. The year on year gap in turnover and net profit caused by the fluctuation narrowed progressively in the second half of 2016. Compared to the first half of 2016, the Group's turnover and net profit for the second half of 2016 achieved an increase of 4.5% and 14.8%, respectively.

With the evolving technologies and the Group's business advancement, the business segments of the Group were re-classified in the financial year ended 31 December 2016 to better describe the Group's current and future business nature. In 2016, the turnover of two business segments, namely the Embedded Software and Secure Payment Products, and Platform and Service amounted to RMB1,164.7 million and RMB229.0 million, representing a decrease of 16.2% and 22.3% as compared to the preceding year, respectively.

In 2016, the Group accomplished several achievements as highlighted below.

2016年回顧

中國金融產業方向的調整使支付行業的發展出現了一定的波動，加之中國經濟整體增速持續放緩，本集團在本年度上半年受之影響較大。但隨著支付產業的日趨規範發展，本集團全年表現「先抑後揚、日趨向好」，2016年下半年業績表現明顯好轉，較上半年呈現增長態勢。2016年全年實現營業額人民幣1,393.7百萬元，同比下降17.3%，淨利潤人民幣204.9百萬元，同比下降15.3%。全年營業額和淨利潤波動均較2016年上半年有明顯收窄，2016年下半年本集團營業額環比增長約4.5%，淨利潤環比增長約14.8%。

隨著科技的發展和本集團業務的升級，本集團業務分部於截至2016年12月31日止之財務年度進行了重新劃分，以更好地反應本集團現有及未來業務發展。2016年，本集團兩大業務分部嵌入式軟件和安全支付產品和平台及服務分別錄得營業額人民幣1,164.7百萬元和229.0百萬元，同比分別下降16.2%和22.3%。

回顧2016年，本集團在以下幾方面的表現尤為出色。

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

管理層討論及分析(續)

1. Maintaining consistent level of profit and improving profit margin

Profit is always a high priority for most companies. As a publicly-listed company, the Company considers that maintaining a consistent level of profit can demonstrate its commitment to its shareholders. The Group takes pride in delivering consistent level of profit. In 2016, the Group's net profit amounted to RMB204.9 million, above the average of its peers in the industry. Over the four years since its IPO in 2013, the Group has achieved an aggregate net profit of RMB801 million.

Although faced with a volatile market environment, the Group further improved its profit margin and maintained a strong position in the global industry. Attributed to the growing innovative product business and an improving product portfolio, the gross profit margin for 2016 reached 30.1%, representing an increase of 3.7 percentage points as compared to the preceding year. Additionally, the net profit margin was recorded at 14.7%, representing an increase of 0.3 percentage points as compared to 2015.

The Group pays close attention to the interests of shareholders as a whole and is committed towards maximizing shareholders' return. The Group was honored with the "Best Shareholders' Return" award in the 2016 Golden Hong Kong Stock Award Competition, co-sponsored by China's financial data service provider, TONGHUASHUN and Hong Kong stock market's financial news platform, ZHITONG CAIJING. This award recognized the Group's adequate profit and consistent dividend policy. The Board proposed to declare a final dividend of HK7.0 cents (equivalent to approximately RMB6.2 cents) per ordinary share (HK11.0 cents in 2015) and a special dividend of HK6.0 cents (equivalent to approximately RMB5.3 cents) per ordinary share (HK4.0 cents in 2015) in respect of the year ended 31 December 2016, arriving at the annual dividend ratio of 61.3%. If the proposal is approved by the shareholders of the Company at the forthcoming annual general meeting, the aggregate dividend paid since its IPO in 2013 to the year 2016 would be HK46.8 cents (equivalent to approximately RMB41.7 cents) per ordinary share.

一、保持一貫的盈利水平，提升利潤率

盈利始終是企業的第一要務。作為上市企業，保持一貫的盈利水平則更加是踐行對股東責任的重要體現。本集團保持了一貫的盈利水平。2016年，本集團實現淨利潤人民幣204.9百萬元，遠高於行業同類公司水平。而自2013年本集團上市以來的四年間，已累積實現淨利潤人民幣801百萬元。

雖然2016年市場環境出現了波動和調整，但是本集團更進一步提升利潤率並保持了全球同行業內領先水平。受益於本集團創新產品的不斷推出和產品組合的優化，2016年度毛利率達到30.1%，同比提升3.7個百分點。淨利率達到14.7%，同比提升0.3個百分點。

本集團充分關注全體股東利益，致力於最大程度的實現股東回報。於2016年度「金港股」評選中，本集團憑藉充足的盈利和穩定的派息政策，獲得由金融數據服務商同花順財經和港股資訊平台智通財經聯合頒發的「最佳股東回報上市公司」獎項。董事會建議就截至2016年12月31日止之年度派發末期股息每股普通股港幣7.0仙(折合約人民幣6.2分)(2015年度為港幣11.0仙)，以及特別股息港幣6.0仙(折合約人民幣5.3分)(2015年度為港幣4.0仙)，2016年度派息比例合計將達到61.3%。若此建議在即將舉行的股東周年大會上獲得本公司股東的批准，則本公司自2013年上市至2016年度累計派發股息將達到每股普通股港幣46.8仙(折合約人民幣41.7分)。

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2. Focusing on secure payment and consolidating market share

A strict focus and specialization in secure payment technology summarizes the Group's successful experience over the past two decades. Over the past several years, concepts like virtual economy and virtual finance have generated a great deal of industry noise, some of which were founded on speculation and could potentially be associated with great risk. The Group persists its judgment of anchoring secure payment as a core element of the financial industry as it considers the application of internet technologies shall fundamentally abide by the objective pattern of finance. This understanding helps the Group navigate their investments and implement product research and development and business expansion systematically with basis. Towards the end of 2016, the return of China's financial industry towards an orderly manner was a validation of the Group's predictions.

The Group maintained its leading market position in 2016 and was ranked the first in China UnionPay's annual shipment for the fourth consecutive year since its IPO. In the Nilson Report of August 2016, the Group maintained its position as the fourth largest global player in terms of market share and was the third largest global player in terms of dual-interface card shipments.

二、專注安全支付領域，保持穩固的市場份額

在安全支付領域內的專注和專業是金邦達過去二十年多年成功經驗的總結。過去幾年中，虛擬經濟、虛擬金融等領域頗為喧鬧，其中不乏很多空想性、前景風險極大的概念炒作。本集團對此保持了正確的判斷，堅定的認為安全支付是金融產業不變的主題，互聯網的技術應用必須遵循金融的客觀規律，從而有效規避了盲目投資，科學地實施了產品研發和業務拓展。2016年，中國金融產業的理性回歸完全驗證了本集團的預測。

2016年，本集團市場份額繼續保持領先，蟬聯中國銀聯2016年度出貨量排名第一，這已經是本集團上市以來連續第四年獲得中國市場份額第一的優異成績。2016年8月《尼爾森報告》的世界排名中，本集團繼續保持世界第四的市場份額，而本集團雙界面IC卡出貨量排名世界第三。

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析(續)

3. Maintaining a stable and innovative payment diversification strategy

In maintaining a steady forward momentum and the pursuit of profitability, the Group accelerated the development of its innovative platforms and services adhering to its payment diversification strategy.

In October 2016, the Group's innovative Fintech Cloud platform, GCaaS, was introduced at The Computing Conference hosted by Alibaba. A breakthrough in secure payment industry eco-systems, GCaaS integrates four key modules: Cloud Operations, Cloud Lab, Cloud Payment and Cloud TSM (Trusted Service Management), enabling a one-stop solution for e-commerce, data task processing and smart card applications. These services are targeted at global card issuers, merchants and cardholders and offer one-stop-shop capabilities such as e-commerce, integrated business management, centralized data task processing as well as smart card application services.

The Group has also continued to progressively develop its wearable product lines to cover payment jewelry, GPS payment watches and payment wristbands. In October 2016, the Group's luxury GPS payment watch was featured at the Shanghai International Marathon, providing marathon runners with a brand-new experience that brings together sports detection and convenient secure payment.

三、穩中求變的支付多元化創新戰略

在保持穩健發展、高效盈利的同時，本集團在支付多元化的戰略下，不斷加速創新平台和服務的發展。

2016年10月，本集團創新金融科技雲平台GCaaS亮相阿里雲栖大會。作為安全支付產業生態鏈的突破式創新，GCaaS雲平台包括雲運營、雲測試實驗室、雲支付、雲化可信服務四大模塊，分別在雲測試、數字貨幣支付、物聯網可信服務等領域，為全球發卡機構、商戶、持卡人提供包括電子商務、業務綜合管控、數據任務綜合處理以及智能卡應用服務等一站式解決方案。

而本集團可穿戴設備逐漸形成了支付首飾、GPS支付手錶、支付手環的全產品線，2016年10月，本集團高端智能GPS支付運動手錶亮相上海國際馬拉松，為參賽選手提供個性化運動監測及便捷安全的全新支付體驗。

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OUTLOOK

With respect to the future prospects, the Group remains cautiously optimistic.

In the next three to five years, China's economic growth may continue to slow down. Due to the high level of debts rates, enhanced cost control mechanism will likely be implemented by the entire banking industry. In addition, the high rate of new card issuance will eventually begin to taper off as the impact of financial IC card migration progresses. In short term, the Group anticipates that it will face a challenging market environment. However, in long term, the Group remains confident in the stable growth of secure payment market both in China and the rest of the world.

The Group firmly believes that innovation in Fintech will be a strong driving force for the evolution of the financial industry. However, innovation that focuses purely on the merits of technology at the expense of ignoring the core principles of finance will soon be relegated by the market. The Group will strictly adhere to the two key financial payment tenets, namely security and cost when capitalizing on its advantages in Cloud and IoT (Internet of Things) technologies to drive the Group's continuous growth.

Smart secure payment solutions will be the global payment industry's mainstream development vehicle. Currently, smart secure payment technology is undoubtedly the safest payment method, distinguished by its cost-efficiency and wide acceptance globally. A number of mature financial markets such as the United States and Canada have exemplified the dominant position occupied by smart secure payment technologies. The 2016 North-America payment behavior report published by Accenture stated that smart secure payment services enabled by debit cards and credit cards will still be in a commanding position and that the frequency of use of the credit card will only increase. Through the development in the past several decades, the smart secure payment sector is now in its golden age and will continue to grow along the path of advancing innovative technologies. This will contribute stable returns for the Group in the foreseeable future. The Group will consolidate its existing competitiveness in smart secure payment to fully capitalize on the returns offered by the industry's development.

未來展望

展望未來，本集團持謹慎的樂觀態度。

未來三至五年內，中國經濟可能持續放緩。受「不良貸款率」影響，進一步的成本控制將成為整個銀行業的趨勢。同時，隨著中國市場金融智能卡遷移工作逐漸進行，對新增發卡量的推動效應逐漸平緩。短期內，本集團在市場環境方面將面臨一定的挑戰。但是從長遠來看，本集團仍然對中國及全球安全支付市場的持續、穩定成長充滿信心。

本集團堅信金融科技創新必將是驅動金融產業發展的強勁動力，但是任何只強調技術，而偏離金融核心本質的金融科技創新，往往難以逃脫被市場淘汰的命運。本集團將緊緊圍繞金融支付的安全和成本的兩大核心本質，結合雲技術、物聯網技術大膽創新，推動本集團整體業績增長。

智能安全支付必將是全球支付產業發展的主流趨勢。現階段，智能安全支付毫無疑問是最安全的支付方式，此外還兼具成本低廉、全球受理環境完善等諸多優勢。多個成熟的金融市場如美國、加拿大等，均驗證了智能安全支付的主導地位。2016年埃森哲(Accenture)諮詢公司所發佈的北美地區支付行為報告，明確指出以借記卡、信用卡為載體的智能支付仍然是支付市場的主導者，未來信用卡於支付行為中佔比還將有所上升。歷經數十年的發展，智能安全支付行業已經漸入佳境，且融合新的科技不斷升級和擴展，在未來較長一個時期都能夠為本集團貢獻較穩定的盈利。本集團將充分鞏固在智能安全支付方面的既有優勢，充分享受產業發展的紅利。

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析(續)

Third-party payment services in China went through a period of disorderly development over the last few years and took advantages of the differing regulatory policies (deposit reserves were not required, for example). As the market progressed in 2016, stricter and more rational regulatory policies were put in place to eradicate the regulatory difference. The development of the financial payment industry going forward will certainly be more regulatory-guided and steady. Smart secure payment and Internet third-party payment will embark on a new journey together on same starting line, to build a framework of cooperation and synergy that boosts the sustainable evolution of the payment industry.

Favorable opportunities still exist for the smart secure payment sector in 2017. Fulfilling its commitment to the World Trade Organization, China has now completely opened the clearing house market. China UnionPay is now welcoming new domestic and worldwide entrants into the market. It is estimated that a new banking card clearing house will be put into official operation in 2017. The Group believes that the newly-established clearing house will drive China's smart secure payment industry forward, from dual-logo card replacements to newly-issued cards and pre-paid cards etc.

The consumer financing market in China is now growing aggressively, presenting enormous market potential and becoming a new area of growth for China's banking industry. Having experienced decades of development, China's credit card industry has matured progressively in terms of product design, risk control and market promotion and will surely be chosen by banks in China as a key tool to explore the consumer finance market. The credit card market in China is now welcoming a favorable policy environment. The new policies of the China credit card industry implemented in 2017 will change the traditional operation model for credit cards in China and the government is also encouraging piloting schemes of banking institutions to establish independent credit card companies. It can be predicted that the credit card industry will embark on a trend of fast-growing opportunities, which will contribute to the Group's growth.

中國互聯網第三方支付平台在過去的數年中經歷了較為野蠻的成長階段，享受了監管差異帶來的政策紅利，如無需繳納存款準備金等。2016年中國金融產業的理性回歸之後，監管已較為完善，政策紅利消失，金融支付的發展必將更為規範、更為穩健。智能安全支付和互聯網第三方支付將從同一起跑線出發，形成融合互動、互補發展的協同關係，共同帶動支付產業的可持續性發展。

2017年，智能安全支付同樣蘊含著新的發展機遇。中國政府信守世界貿易組織(WTO)承諾，對中國清算市場實施全面開放，中國銀聯將迎來國內外新的競爭伙伴。預計新的銀行卡清算機構最快可以在2017年正式運營。本集團充分相信，新的銀行卡清算機構的加入，將從雙標卡替換、新卡增發、預付卡等多個角度推動中國智能安全支付產業的增長。

中國消費者金融市場發展迅猛、成長空間巨大，正在成為中國銀行業新的利潤增長點。而中國信用卡產業經過多年積累，在產品設計、風險管控、市場拓展方面已經日趨成熟，必將成為中國銀行業拓展消費者金融市場的利器。同時，中國信用卡目前正迎來良好的政策環境，2017年實施的信用卡新政將改變中國市場傳統的信用卡運營模式，中國政府也支持發展成熟、經營穩健的銀行業金融機構試點設立信用卡公司。可以預見中國信用卡市場將迎來新的發展機遇和高潮，從而帶動本集團的增長。

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STRATEGIC IMPLEMENTATION

The Group will promote strategic implementation focusing on three aspects as highlighted below.

1. Consolidating core business competitiveness

The Group will continue to accelerate innovation along its core business to facilitate improvements in data processing, geographical positioning and delivery models etc. It will also seek to develop multi-channel and multi-model cooperation in order to improve overall competitiveness in the industry. Additionally, the Group will focus on strengthening its integration with both upstream and downstream industries supply chain to reduce costs and improve efficiency in respect of operational procedures and services. At the same time, the Group will seek to improve the latent value of its products and services through technological refinement, new product launches and new model introductions to consolidate the Group's competitiveness.

The Group will also continue to develop towards implementing automated operational intelligence. Deployment of manpower-free automated production lines and inspection systems helps optimize human resources costs. At present, the Group has completed the basic digitization of information across its entire operation process in accordance with the Group's Made in China 2025 (Industry 4.0) plan. For 2017, the Group will seek to execute the second stage of the GMES (Goldpac Manufacturing Execution System).

In January 2017, the Group successfully won the bidding in respect of the land use right of a parcel of land for the permitted land use of new industry related and covering an area of approximately 21,000 square meters situated in the west of Goldpac Tech Park. In 2017, the Group will seek to construct an Asia's leading Fintech and data service center to serve as the foundation of the Group's medium-to-long term development.

戰略實施

本集團將重點從以下三個角度推進戰略實施。

一、鞏固核心業務優勢

本集團將加速核心業務模式的創新，在數據處理、地理佈局、交付方式等多個領域展開產業內多渠道、多模式的合作，以提升整體競爭力。同時進一步與產業鏈上下游融合，從流程、服務等多個緯度提升效率，降低成本。本集團將通過新工藝、新產品、新模式創新來提高產品和服務價值，鞏固集團優勢。

本集團將在智能運營方面，推行自動化無人生產線和自動檢驗系統，以大幅度縮減人工成本。本集團之中國製造2025(工業4.0)進程目前已經基本實現運營流程的數字化信息採集，2017年將全面推進金邦達生產執行系統(GMES)第二期工程。

本集團於2017年1月成功競拍位於金邦達信息科技園西側約2.1萬平方米新型產業用地。2017年，本集團將啟動項目建設，擬打造亞洲領先的金融科技及數據服務中心，為本集團中長期發展奠定基礎。

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析(續)

2. Accelerating innovation in payment diversification

The Group has identified the acceleration of payment diversification as one of its priorities for 2017. In light of this target, the Group has established a new Innovation Business Unit that comprises specialized marketing and sales teams. These steps are intended to ensure that there is an organizational structure supporting the growth of this key area of the business.

The development of the GCaaS platform, smart secure equipment and system solutions will feature heavily in 2017. Working on the GCaaS platform will aim to explore synergies with the Group's IoT business from the Cloud Lab, Cloud Payment and Cloud TSM perspective. Smart secure equipment, which includes the SuperCOS and wearables, now constitute complete product lines that meet the varied demands of different customer segments and may encounter faster growth in 2017. Solutions utilizing the "one-card pass" (一卡通) in the prototype phases and incorporating block chain technologies will enhance payment security by factoring in identity authentication and thus create a new secure payment paradigm. This will bring forth new opportunities in the fields of smart communities, smart cities, smart tourism, smart transportation and smart logistics.

二、加快支付多元化創新發展

支付多元化創新發展是本集團2017年的重點任務。本集團已成立創新業務單元，組建專門的市場、銷售團隊，從組織管理結構方面保障創新業務的發展。

2017年創新發展將重點集中於GCaaS雲平台、智能安全設備、系統解決方案方面。GCaaS雲平台主要從雲測試、雲支付、雲可信服務角度拓展在物聯網領域的發展。智能安全設備包括智能支付模塊(SuperCOS)及智能穿戴設備，目前已經形成針對不同客戶和不同終端消費者的齊全產品線，有望在2017年迎來更快的發展。系統解決方案則以一卡通解決方案為雛形，運用區塊鏈技術，植入創新支付解決方案，實現安全身份驗證，在智慧社區、智慧城市、智慧旅遊、智慧交通、智能物流等多個領域積極拓展。

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3. Accelerating overseas expansion

In response to the China government's "The Belt and Road" initiative, the Group has continued to focus on overseas business expansion. It has been developing opportunities with China UnionPay as well as other Chinese banking institutions and has stepped up preparations for technology, human resources, product and solutions etc. in anticipation of upcoming opportunities. At the end of 2016, the Group purchased an office property in Hong Kong for use as its headquarters for the Group's overseas business expansion. As at 31 December 2016, the Group's products and services were delivered into 23 countries and regions.

The Group's overseas expansion will focus on three aspects. The first is to work in sync with China UnionPay's overseas strategies. The Group will develop localized products and platforms to fully tap into the market potential in Southeast Asia and enhance market share in Bangladesh, Indonesia, Malaysia, Pakistan and Philippines. The second is to capitalize on the successful experience with the China national IC chip roll-out to seek business opportunities arising from the China national IC industry's global development. The Group will strive to open the doors to the market for foreign countries via China national IC chips. The last is to deliver the Group's industry leading technology platforms, managerial experiences and operations models via merging, acquisition and partnerships.

In 2017, the Group will seek expansion opportunities in overseas markets strategically, first in Southeast Asia and then expanding out towards the rest of Asia, Africa and Europe. It will keep a close watch on developing markets to ensure that it is in a strong position to capture growth when the market is ready.

Looking towards 2017, the financial industry in China will continue its rational return to steady growth. Although challenges do exist, the Group is confident in its preparations for the coming years. Creating a stable and sustainable return for shareholders is a core philosophy for the Group and achieving excellent performance is a commitment that is shared across the entire management team and staffs. The Group will continue to strive and achieve even greater value for its shareholders.

三、加快海外拓展步伐

積極響應中國政府「一帶一路」的倡議，本集團已經跟隨中國銀聯和中國銀行業的海外擴展步伐，積極佈局海外，在技術、人員、產品、方案等各方面做好全面準備，集聚力量，伺機而動，迎接市場機會。2016年底，本集團在香港購置寫字樓，作為未來本集團海外業務拓展的總部。截至2016年12月31日，本集團已經在全球23個國家和地區提供產品和服務。

本集團海外擴張戰略將立足於三點。第一是緊密配合中國銀聯的海外擴張，開發本地化產品和平台，充分挖掘東南亞等地區的市場潛力，努力提升在孟加拉、印尼、馬來西亞、巴基斯坦、菲律賓等國的市場份額。第二是基於本集團中國芯片大規模應用的成功經驗，深度挖掘中國芯片產業海外擴展的商業機會，以中國芯片打開海外國家的市場大門。第三是通過兼容併購、合作夥伴等形式，向海外輸送本集團具有行業領先優勢的技術平台、管理經驗和運營模式。

2017年，本集團將尋找海外市場擴張的戰略性機會，沿東南亞、亞洲、非洲、歐洲的路綫圖展開合理佈局，積極進軍條件成熟、市場時機正確的國家，逐一擊破。

展望2017年，中國金融產業將進一步回歸理性，穩健發展。雖然挑戰依然存在，但是本集團對未來的發展充滿信心。為股東創造穩定、持續的回報是本集團最核心理念，做好企業的基本面是本集團管理層和全體員工的共同決心。本集團將一如既往，力爭為股東呈交更為優異的成績。

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析(續)

CLOSURE OF REGISTER OF MEMBERS

In order to be eligible for attendance and for voting at the forthcoming annual general meeting of the Company to be held on Thursday, 18 May 2017, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration by 4:30 p.m. on Friday, 12 May 2017. The register of members of the Company will be closed from Monday, 15 May 2017 to Thursday, 18 May 2017, both days inclusive, during which period, no transfer of Shares will be registered.

In order to determine who are entitled to the proposed final dividend and special dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration by 4:30 p.m. on Friday, 2 June 2017. The register of members of the Company will be closed from Monday, 5 June 2017 to Wednesday, 7 June 2017, both days inclusive, during which period no transfer of shares will be registered. Subject to shareholders' approval of the proposed dividends at the annual general meeting of the Company to be held on Thursday, 18 May 2017, the dividends will be paid on Friday, 30 June 2017 to the shareholders whose names appear on the register of members of the Company at the close of business on Wednesday, 7 June 2017.

USE OF PROCEEDS RAISED FROM THE INITIAL PUBLIC OFFERING

The Company's shares (the "Shares") were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 4 December 2013 with net proceeds from the global offering of approximately RMB975 million (after deducting underwriting commissions and related expenses). As at 31 December 2016, the Company utilized approximately RMB629 million of the net proceeds.

暫停辦理股份過戶登記手續

為確定股東有權出席並於2017年5月18日(星期四)舉行之股東周年大會上投票,所有過戶表格連同有關股票須於2017年5月12日(星期五)下午四時三十分前,送達本公司之股份過戶登記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。本公司將於2017年5月15日(星期一)至2017年5月18日(星期四),包括首尾兩天,暫停辦理股份過戶登記手續。

為確定股東有權獲派本次建議之末期股息及特別股息,所有過戶表格連同有關股票須於2017年6月2日(星期五)下午四時三十分前,送達本公司之股份登記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。本公司將於2017年6月5日(星期一)至2017年6月7日(星期三),包括首尾兩天,暫停辦理股份過戶登記手續。待於2017年5月18日(星期四)舉行之股東周年大會上取得批准後,上述股息將於2017年6月30日(星期五)派發予於2017年6月7日(星期三)營業時間結束時名列本公司股東名冊之股東。

初次公開發售所得款項用途

本公司股份(「股份」)於2013年12月4日在香港聯合交易所有限公司(「聯交所」)主板掛牌,該首次全球發售所得款項淨額約為人民幣975百萬元(扣除包銷佣金及相關費用後)。截至2016年12月31日止,本公司已動用約人民幣629百萬元之所得款項。

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An analysis of the utilization of the net proceeds from the initial public offering and the unused amount as at 31 December 2016 is set out below:

截止2016年12月31日止，初次公開發售所得款項使用及所得款餘額之分析如下：

				Utilized amount as at 31 December 2016 截至2016年 12月31日 已使用金額 (HKD million)	Unutilized amount as at 31 December 2016 截至2016年 12月31日 未使用金額 (HKD million)
Research and development of new products and services	研發新產品及服務	35.0%	341,113	254,921	86,192
Expansion to production facilities, upgrades and other improvements to existing card production and personalisation service facilities	擴充生產設備、升級及改進卡片生產及個人化服務設施	35.0%	341,113	150,267	190,846
Financing future strategic alliances with complementary companies	支付未來與互補公司進行策略聯盟所需資金	10.0%	97,461	32,120	65,341
Further strengthening presence in existing markets outside the PRC	進一步加強在中國境外現有市場的佔有率支出	10.0%	97,461	94,553	2,908
Working capital and other general corporate purposes	補充營運資金及其它一般公司用途	10.0%	97,461	97,461	–
Total	合計	100.0%	974,609	629,322	345,287

The balances of the net proceeds were deposited in banking account. The Company has utilized and will utilize the net proceeds pursuant to the purposes and the proportions as disclosed in the prospectus of the Company dated 22 November 2013.

所得款項淨額的餘額存入銀行賬戶。本公司已經且將按公司2013年11月22日發佈的招股章程所披露的方式和比例使用所得款淨額。

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析(續)

LIQUIDITY AND FINANCIAL RESOURCES

By assuming a conservative financial management attitude, the Group continued to maintain the healthy financial position.

As at 31 December 2016, the Group's aggregate amount of bank balances and cash, fixed bank deposits and pledged bank deposits reached approximately RMB1,763.1 million (2015: approximately RMB1,511.7 million), of which approximately RMB892.5 million (2015: approximately RMB768.9 million) was denominated in RMB, representing approximately 50.6%, and approximately RMB870.6 million (2015: approximately RMB742.8 million) was denominated in USD and HKD, representing approximately 49.4%.

The aggregate dividend of approximately RMB134.7 million was paid by the Company during the year ended 31 December 2016. (2015: approximately RMB65.6 million).

As at 31 December 2016 and 31 December 2015, the Group had no bank loans.

As at 31 December 2016, the Group's trade receivables was approximately RMB340.0 million (2015: approximately RMB492.9 million). It is the industry practice that settlement of trade receivables peaks around the end of year.

As at December 31, 2016, the Group's total current assets amounted to RMB2,145.4 million (2015: approximately RMB2,139.4 million), remaining almost flat to that as at 31 December 2015.

As at 31 December 2016, the Group's current ratio was 3.0 (2015: 2.8), representing a high liquidity.

As at 31 December 2016, the Group's gearing ratio (gearing ratio is equivalent to total debt divided by total assets as at the end of the year) was 27.9% (2015: 30.4%).

流動性及財務資源

本集團秉持審慎的財務管理政策，保持了穩健的財務狀況。

於2016年12月31日，本集團銀行存款及現金、銀行定期存款、已抵押銀行存款總共約為人民幣1,763.1百萬元(2015：約為人民幣1,511.7百萬元)，其中，人民幣約為892.5百萬元(2015：約為人民幣768.9百萬元)佔比約50.6%，美元及港幣折合人民幣約為870.6百萬元(2015：約為人民幣742.8百萬元)，佔比約49.4%。

於截至2016年12月31日止之年度，本公司累計派發了約為人民幣134.7百萬元股息(2015：約為人民幣65.6百萬元)。

於2016年12月31日及2015年12月31日，本集團並無銀行借款。

於2016年12月31日，本集團應收貨款約為人民幣340.0百萬元(2015：約為人民幣492.9百萬元)。由於行業性質，本集團應收貨款的回款高峰集中在年末。

於2016年12月31日，本集團流動資產總額約為人民幣2,145.4百萬元(2015：約為人民幣2,139.4百萬元)，與2015年末基本持平。

於2016年12月31日，本集團流動比率為3.0(2015：2.8)，流動性良好。

於2016年12月31日，本集團資產負債率(資產負債率等於總負債除以總資產)為27.9%(2015年：30.4%)。

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管理層討論及分析(續)

CURRENCY EXPOSURE

In terms of currency exposure, the majority of the Group's sales were denominated in RMB, USD and HKD while the majority of operating expenses and purchases were denominated in RMB with portions were in USD and HKD. Taking advantage of the benefit of effective centralized management and supervision, the Group pays attention to USD currency exchange rate's fluctuation and reviews currency exposure periodically.

CAPITAL EXPENDITURE

For the year ended 31 December 2016, the Group's capital expenditure was approximately RMB11.1 million. (2015: approximately RMB49.7 million). The capital expenditure includes expenses in fixed assets, intangible assets and deferred assets.

CAPITAL COMMITMENT

The aggregate capital commitment of the Group as at 31 December 2016 was approximately RMB146.2 million (2015: approximately RMB4.5 million), as a result of the Group's acquisition of 13th floor of Bank of East Asia Harbour View Centre on No. 56 Gloucester Road, Hong Kong ("the Hong Kong Headquarters"). The total cost of the property together with transaction costs was approximately RMB168.5 million.

PLEDGED ASSETS

As at 31 December 2016, bank deposits of approximately RMB139.7 million (2015: approximately RMB122.1 million) was pledged to secure the bills payables and bank guarantee.

ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE

The Group is committed to maintaining high levels of environmental and social standards to ensure sustainable development of its business. During the year ended 31 December 2016, the Group has established an environmental, social and governance ("ESG") management team to manage, monitor, recommend and report on environmental and social aspects. An ESG report is prepared with reference to Appendix 27 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") (Environmental, Social and Governance Reporting Guide) as disclosed on page 89 to 98 of this annual report.

外匯風險

本集團之銷售主要以人民幣、美元及港幣結算。營運開支及採購主要以人民幣結算，部分開支以美元和港幣結算。本集團實施有效的中央管理和監察模式，密切監察美元之匯率波動情況並定期檢討匯率風險。

資本開支

於截至2016年12月31日止之年度，本集團資本開支總額約為人民幣11.1百萬元。(2015：約為人民幣49.7百萬元)。資本開支包括於固定資產、無形資產和遞延資產之開支。

資本承擔

於2016年12月31日，本集團的資本承擔總額約為人民幣146.2百萬元(2015：約為人民幣4.5百萬元)，主要為本集團收購位於香港告士打道56號東亞銀行港灣中心13層之辦公室(「香港總部」)。該物業總成本連同交易成本約為人民幣168.5百萬元。

資產之抵押

於2016年12月31日，約人民幣139.7百萬元之銀行存款(2015：約為人民幣122.1百萬元)已作為應付票據及銀行保函之抵押品。

環境、社會及企業管治

本集團致力維持高要求之環境及社會標準，以確保其業務可持續發展。於截至2016年12月31日止之年度，本集團已成立環境、社會及管治管理團隊，在環保及社會層面進行管理、監控、建議及報告工作。環境、社會及管治報告乃經參考聯交所證券上市規則(「上市規則」)附錄二十七之環境、社會及管治報告指引而編制，詳見本年報第89至第98頁。

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

管理層討論及分析(續)

The Group has complied with all relevant laws and regulations in relation to its business including health and safety, workplace conditions, employment and the environment. The Group encourages its employees, customers, suppliers and other stakeholders to participate in environmental and social activities.

The Group maintains strong relationships with its employees. The Group also enhances cooperation with its suppliers and provides high quality products and services to its customers so as to ensure continued and sustainable development.

HUMAN RESOURCES AND REMUNERATION POLICIES

As at 31 December 2016, the Group had 1,642 employees (as at 31 December 2015: 1,708), with a decrease of 66 employees compared with that as at 31 December 2015. This was attributed to the decrease in front-line operational employees as a result of the 2i Integration (Integration of Information Technology and Industrialization) and intelligent operation.

The human resources are one of the Group's most important assets. In addition to offering competitive remuneration and welfare packages, the Group is also committed to providing specialized and challenging career development and training programs. Generally, a salary review is conducted annually. The Group also adopted the Pre-IPO share option scheme, the share option scheme and the share award scheme to motivate prospective employees. Apart from basic remuneration, for employees in the PRC, the Group makes contributions towards employee mandatory social security, pensions, work-related injury insurance, maternity insurance and medical and unemployment insurance in accordance with the applicable laws and regulations of the PRC. The Group also provides full coverage of housing provident fund contributions as required by local regulations in the PRC. For overseas employees, the Group also make contributions towards relevant insurance scheme as required by the local regulations.

本集團已遵守所有與其業務有關的相關法例及法規，包括健康及安全、工作環境、就業及環境。本集團鼓勵員工、客戶、供應商及其他相關者參與環境保護及社會活動。

本集團與員工維持緊密關係。本集團亦加強與供應商之間的合作，並為客戶提供優質產品及服務，以確保可持續發展。

員工及薪酬政策

於2016年12月31日，本集團聘用1,642名（於2015年12月31日為1,708名）員工，較2015年年末減少66人，主要通過兩化融合，智能運營減少一線運營員工。

人力資源是集團最重要的資產之一。除了提供具有競爭力的薪酬福利方案外，本集團亦為員工提供專門並具有挑戰性的職業發展及培訓計劃。整體而言，本集團將每年進行一次薪酬檢討。本集團亦實施了首次公開發售前的購股權計劃、購股權計劃和股份獎勵計劃以激勵有潛力的員工。對本集團於中國工作員工，除薪金外，本集團根據中國內地的相關法律、法規為中國內地的全部員工提供退休、失業、工傷、生育和醫療等社會保險計劃。本集團亦按照中國當地規定為中國內地員工實施住房公積金計劃。對本集團於海外工作員工，亦按照當地法律要求購買保險等計劃。

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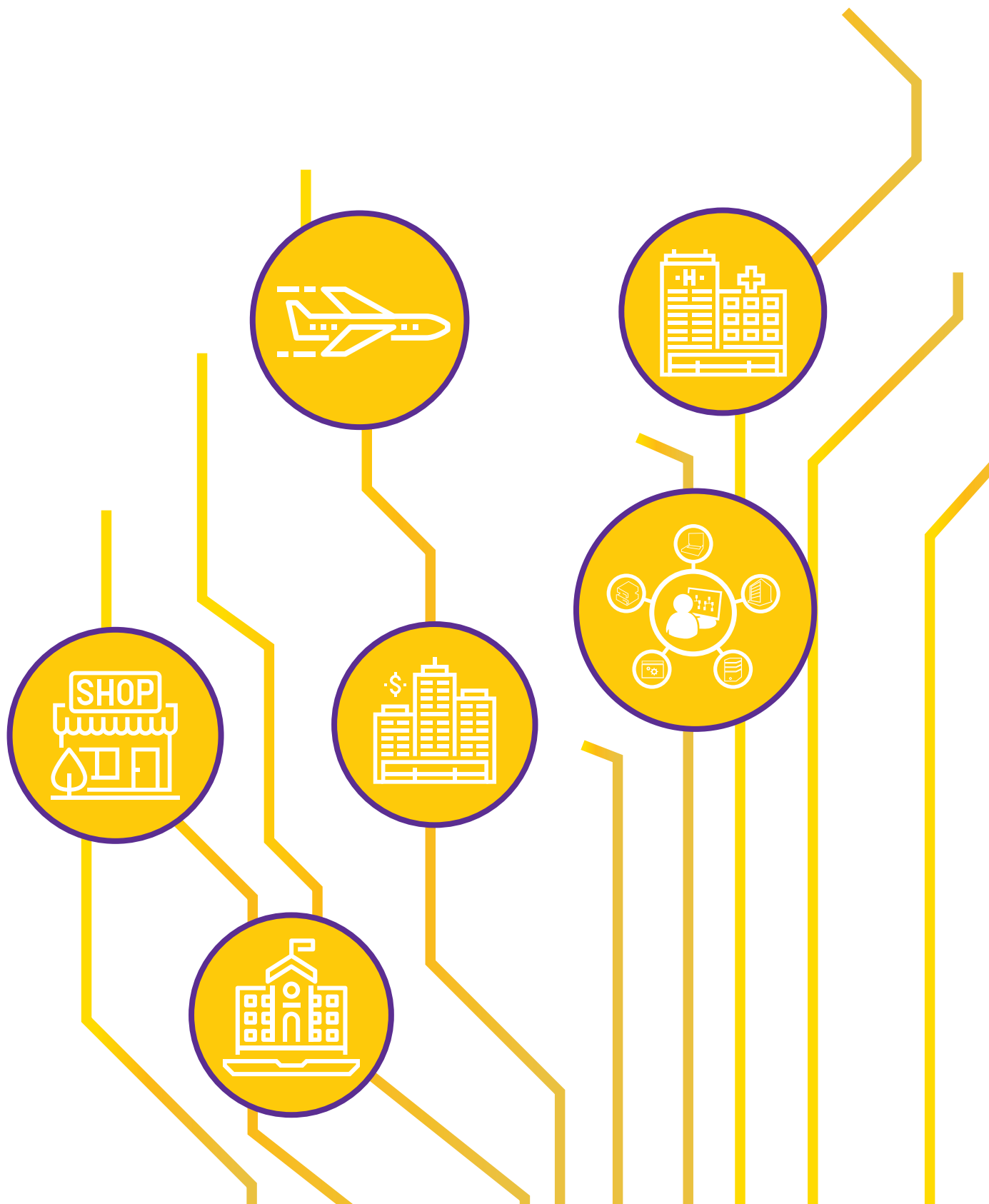
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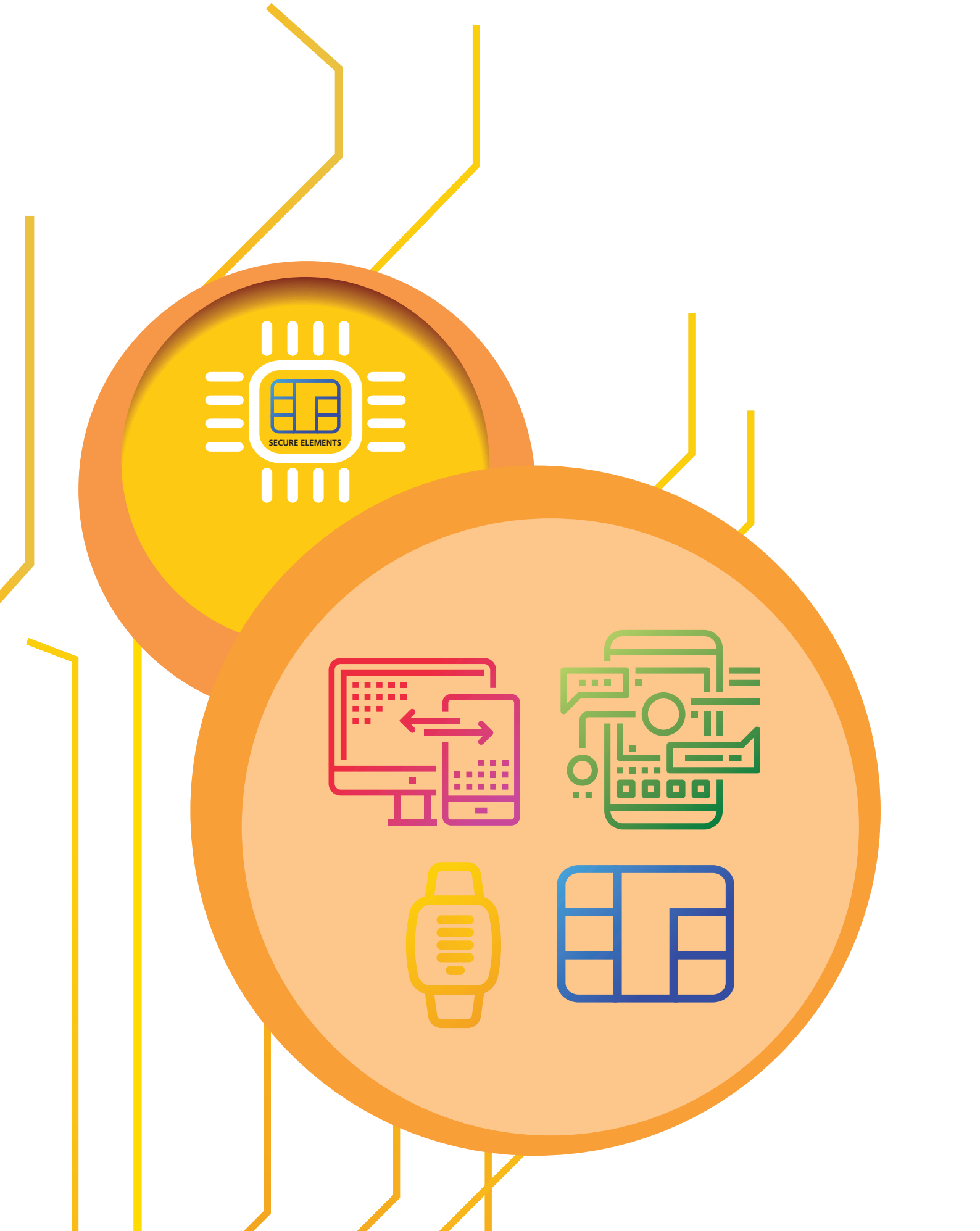
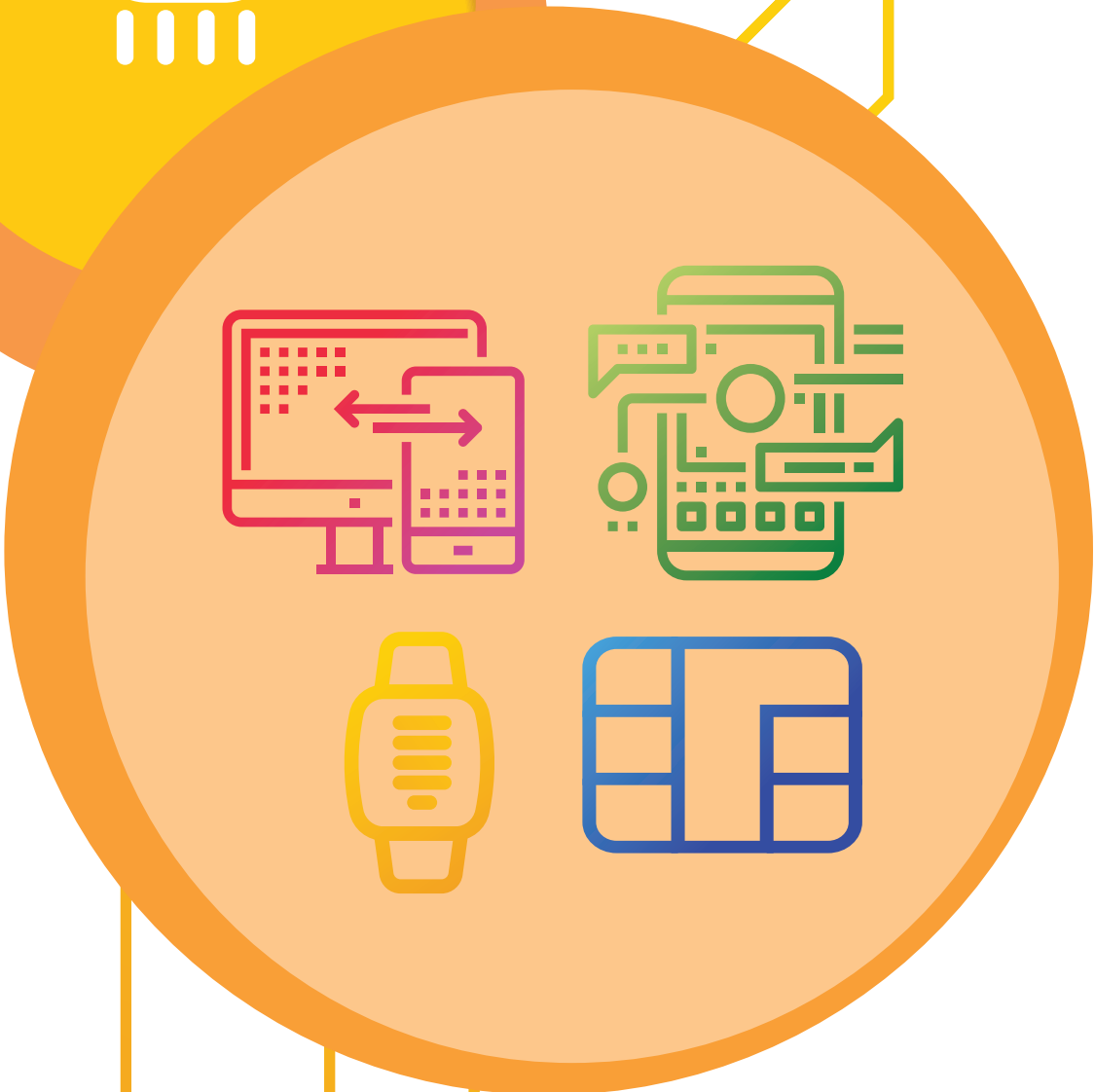
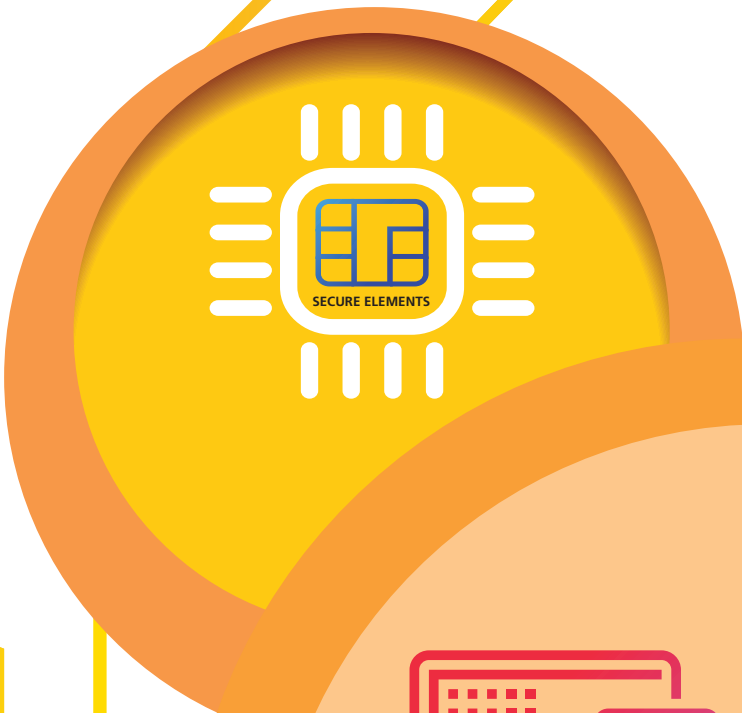
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DIRECTORS AND SENIOR MANAGEMENT

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DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

DIRECTORS

The Board is consisted of nine Directors, including four executive Directors, two non-executive Directors and three independent non-executive Directors. The following table sets forth certain information relating to the Directors:

董事

董事會由九名董事組成，包括四名執行董事、二名非執行董事，三名獨立非執行董事。以下表格為各董事情況：

Name 姓名	Age 年齡	Position in the Group 集團職務
Executive Directors		
執行董事		
LU Run Ting 盧潤霆	62	Chairman & Executive Director 主席及執行董事
HOU Ping 侯平	56	Executive Director & Chief Executive Officer 執行董事及首席執行官
LU Runyi 盧潤怡	59	Executive Director & Senior Vice President 執行董事及高級副總裁
LU Xiaozhong 盧小忠	48	Executive Director & Senior Vice President 執行董事及高級副總裁
Non-executive Directors		
非執行董事		
Christophe Jacques PAGEZY	58	Non-executive Director 非執行董事
TING Tao I 丁道一	54	Non-executive Director 非執行董事
Independent Non-executive Directors		
獨立非執行董事		
MAK Wing Sum Alvin 麥永森	64	Independent Non-executive Director 獨立非執行董事
ZHU Lijun 朱立軍	63	Independent Non-executive Director 獨立非執行董事
LIU John Jianhua 劉建華	66	Independent Non-executive Director 獨立非執行董事

DIRECTORS AND SENIOR MANAGEMENT (CONTINUED) 董事及高級管理層(續)

Executive Directors

Mr. LU Run Ting (盧閔霆), aged 62, is the chairman and an executive Director of the Company, and the founder of the Group. He was first appointed as Director on 10 December 2004 and was designated as an executive Director with effect from 15 November 2013. Chairman LU is primarily responsible for the overall strategic planning and overseeing the general management of the Group. He has over 25 years of experience in financial card industry and was honored as the finalist award of CNBC Asia Business Leaders Award in October 2015. Chairman LU has been the chairman of the Company and the Company's subsidiaries, Goldpac Datacard Solutions Company Limited ("Goldpac Datacard") and Goldpac Limited (formerly named as "Goldpac Secur-Card (Zhuhai) Limited"), since 2011 and also has been the director of Goldpac Fintech Singapore Private Limited and Goldpac Investment Limited, the Company's subsidiaries, since 2016. He was the managing director and a Director of the Group from 2004 to 2011 and also served as the vice chairman and president of both Goldpac Datacard and Goldpac Limited from 2000 to 2011 and 1995 to 2011 respectively.

Prior to the establishment of the Group in 1995, Chairman LU had interest in Goldpac International (Holding) Limited ("GIHL"), the Company's controlling shareholder since 1993. Chairman LU also served as various management positions at the subsidiaries of the Industrial and Commercial Bank of China prior to the establishment of GIHL in 1993. He currently also serves as the chairman of GIHL and a standing director of the Information Technology Professional Committee of the China Association for Labor Studies (中國勞動學會信息化專業委員會). Chairman LU received a Master of Business Administration degree from the Hong Kong Polytechnic University in November 2004. Chairman LU had not been a director of any other listed companies in Hong Kong or overseas in the past three years.

Chairman LU is currently holding 100% interest of GIHL, the Company's controlling shareholder. Chairman LU is the elder brother of Mr. LU Runyi, who is an executive Director of the Company.

執行董事

盧閔霆先生，62歲，本公司主席兼執行董事，亦是本集團創始人。他早於2004年12月10日獲委任為董事，後於2013年11月15日調任為執行董事，主要負責本集團的整體戰略規劃和監督本集團的整體管理。他於金融卡行業擁有超過25年的經驗，於2015年10月榮獲CNBC亞洲杰出商業領袖入圍獎。盧主席自2011年起擔任本公司、金邦達數據有限公司(以下簡稱「金邦達數據」)和本公司之附屬公司金邦達有限公司(原為「珠海市金邦達保密卡有限公司」)的主席，並自2016年起擔任本公司之附屬公司金邦達金融科技(新加坡)有限公司董事和金邦達投資有限公司董事；於2004至2011年期間擔任集團執行董事兼董事；於2000年至2011年，以及1995至2011年，分別兼任金邦達數據和金邦達有限公司的副主席及總裁。

於1995年本集團成立之前，盧主席自1993年起擁有本公司控股股東金邦達國際(集團)有限公司(以下簡稱「金邦達國際」)的權益。在1993年建立金邦達國際之前，盧主席曾於中國工商銀行旗下擔任多個管理職位。目前盧主席亦擔任金邦達國際的主席及中國勞動學會信息化專業委員會常務理事。盧主席於2004年11月獲得香港理工大學的工商管理碩士學位。盧主席於過往3年未曾擔任其他香港或海外上市公司的董事。

盧主席目前持有本公司控股股東金邦達國際的100%權益，並為執行董事盧潤怡先生的胞兄。

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DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

董事及高級管理層(續)

Mr. HOU Ping (侯平), aged 56, is an executive Director and the chief executive officer of the Company, and joined the Group in 2011. He was first appointed as a Director on 30 August 2011, and was designated as an executive Director with effect from 15 November 2013. He is primarily responsible for the overall management of the Group. Mr. HOU has over 30 years of experience in the banking industry, including over 15 years of experience in the card industry. He has been a Director and the chief executive officer of the Company since 2011. He has served as a director of Goldpac Datacard and a director of Goldpac Limited since 2011 and a director of Goldpac Fintech Singapore Private Limited since 2016.

Prior to joining the Group, Mr. HOU was the head of credit card centre at Deutsche Bank (China) Co., Ltd, and was seconded to Huaxia Bank as chief executive officer of the credit card centre from 2006 to 2011. Mr. HOU served various positions at Bank of China group and subsequently, BOC Credit Card (International) Limited since 1999, including as deputy general manager of BOC Credit Card (International) Limited in Hong Kong from 1999 to 2004. He also currently serves as an independent non-executive director of the Huijin Technology (Zhuhai) Co., Ltd (珠海匯金科技股份有限公司) (a company listed on Shenzhen Stock Exchange, Stock Code: 300561). Mr. HOU received a Master of Business Administration degree from the Hong Kong Baptist University in December 2003. Saved as disclosed herein, Mr. HOU had not been a director of any other listed companies in Hong Kong or overseas in the past three years.

Mr. LU Runyi (盧潤怡), aged 59, is an executive Director and a senior vice president of the Company, and joined the Group in 1995. He was first appointed as a Director in December 2004, and was designated as an executive Director with effect from November 2013. He is primarily responsible for the management of the sales department of the Group. Mr. LU Runyi, has approximately 20 years of experience in the financial cards industry. He has been a senior vice president of the Group since 2004 and was a Director of the Company from 2004 to 2010. He has also been a director of Goldpac Datacard and of Goldpac Limited since 2011. He currently also serves as a Director of GIHL. Mr. LU Runyi had not been a director of any other listed companies in Hong Kong or overseas in the past three years.

Mr. LU Runyi is the younger brother of Chairman LU, who is the Chairman and an executive Director of the Company.

侯平先生，56歲，本公司執行董事兼首席執行官，於2011年加入本集團。他早於2011年8月30日獲委任為董事，於2013年11月15日調任為執行董事，主要負責本集團的整體管理。侯先生於銀行業擁有超過30年的經驗，其中於卡類行業擁有超過15年經驗。自2011年起，他擔任本公司的董事兼首席執行官，同樣自2011年起擔任金邦達數據董事和金邦達有限公司董事，並自2016年起擔任金邦達金融科技(新加坡)有限公司董事。

於加入本集團前，侯先生曾於2006年至2011年擔任德意志銀行(中國)有限公司信用卡中心總經理，其後借調至華夏銀行擔任信用卡中心首席執行官。侯先生自1999年起先後在中國銀行集團及中銀信用卡(國際)有限公司擔任多個職位，包括於1999年至2004年期間擔任中銀信用卡(國際)有限公司於香港的副總經理。目前他亦擔任珠海匯金科技股份有限公司(一家於深圳證券交易所上市的公司，股份代號：300561)的獨立非執行董事。侯先生於2003年12月獲得香港浸會大學的工商管理碩士學位。除上述披露者外，侯先生於過往3年未曾擔任其他香港或海外上市公司的董事。

盧潤怡先生，59歲，本公司執行董事兼高級副總裁，於1995年加入本集團。他早於2004年12月獲委任為董事，後於2013年11月調任為執行董事，主要負責管理本集團的銷售部門。盧潤怡先生於金融卡行業擁有約20年的經驗。他自2004年起擔任本集團的高級副總裁，並於2004年至2010年擔任本公司董事，自2011年起擔任金邦達數據的董事、金邦達有限公司的董事。彼目前亦擔任金邦達國際董事。盧潤怡先生於過往3年未曾擔任其他香港或海外上市公司的董事。

盧潤怡先生為本公司主席兼執行董事盧主席的胞弟。

DIRECTORS AND SENIOR MANAGEMENT (CONTINUED) 董事及高級管理層(續)

Mr. LU Xiaozhong (盧小忠), aged 48, is an executive Director and a senior vice president of the Company, and joined the Group in 1995. He was first appointed as a Director on 21 May 2013, and was designated as an executive Director with effect from 15 November 2013. He is primarily responsible for the management of the corporate business, quality and security department of the Group. Mr. LU has approximately 20 years of experience in the card industry. He has been the senior vice president, general manager of the corporate business management department and chief officer of the information security of Goldpac Limited since 2012. Since 2011 to 2014, he acted as the Director of Goldpac Limited and Goldpac Datacard. He also served various management positions at Goldpac Limited, from 1995 to 2012.

Mr. LU has been an external expert consultant of China UnionPay since 2010. He served as a member of the Economic Crime Consultancy expert team of the Zhuhai Police Bureau. Through these appointments, he has accumulated relevant experience in compliance, quality control and confidential information management and intellectual property right of customers. Mr. LU graduated from the Shanghai Jiao Tong University in the P.R.C. (上海交通大學) with a Bachelor of Engineering degree in Polymer Materials in July 1990 and received a Master of Business Administration degree from the Hong Kong Polytechnic University in December 2006.

Mr. LU had not been a director of any other listed companies in Hong Kong or overseas in the past three years.

盧小忠先生，48歲，本公司執行董事兼高級副總裁，於1995年加入本集團。他早於2013年5月21日獲委任為董事，於2013年11月15日調任為執行董事，主要負責本集團的企業項目及質量安全部的管理工作。盧先生在卡類行業擁有約20年的經驗。自2012年起，他擔任金邦達有限公司高級副總裁、企業項目管理部總經理、首席信息安全官。自2011年至2014年，他擔任金邦達有限公司和金邦達數據的董事。他亦於1995年至2012年出任金邦達有限公司的多個管理職位。

此外，盧先生自2010年起擔任中國銀聯的外聘專家顧問。他一直為珠海市公安局經濟犯罪顧問專家小組成員。透過擔任該等職位，他在處理合規、質量控制及管理客戶的機密資料及知識產方面積累了相關經驗。盧先生在1990年7月畢業於上海交通大學，獲得高分子材料工程學士學位，並於2006年12月獲得香港理工大學的工商管理碩士學位。

盧先生於過往三年未曾擔任其他香港或海外上市公司的董事。

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DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

董事及高級管理層(續)

Non-executive Directors

Mr. Christophe Jacques PAGEZY, aged 58, is a non-executive Director, and joined the Group in 2009. He was first appointed as a Director on 23 March 2009 and was designated as a non-executive Director with effect from 15 November 2013. Mr. PAGEZY was the chairman of the Company from 2009 to 2011. Mr. PAGEZY was a board representative nominated by Gemalto N.V. ("Gemalto") onto the Board, which is a major supplier and a substantial shareholder of the company.

Mr. Christophe Jacques PAGEZY is currently the co-CEO of PROVE & RUN, a limited company incorporated under the law of France. Mr. PAGEZY served as the executive vice president of Gemalto, responsible for corporate projects from 2007 to 6 January 2014. Gemalto is a company incorporated under the laws of Netherlands, whose shares are listed and traded on New York Stock Exchange Euronext Amsterdam and New York Stock Exchange Euronext Paris respectively. Mr. PAGEZY graduated from the École Supérieure d'Électricité with a Diploma in Engineering in July 1981 and from the Massachusetts Institute of Technology with a Master of Science degree in Electrical Engineering and Computer Science in June 1982. Saved as disclosed herein, Mr. PAGEZY had not been a director of any other listed companies in Hong Kong or overseas in the past three years.

Mr. TING Tao I (丁道一), aged 54, is a non-executive Director, and joined the Group in 2013. He was first appointed as a Director on 4 July 2013 and was designated as a non-executive Director with effect from 15 November 2013. Mr. TING Tao I was a board representative nominated by BOCI Investment Limited ("BOCI Investment") onto the Board. He also acted as the Director of Goldpac Limited and Goldpac Datacard from 2013 to 2014.

Mr. TING was the head of the private equity division of BOC International Holdings Limited and was in charge of the private equity investment and fund management business before his resignation in February 2017. Mr. TING received a Master of Business Administration degree from the New York University in the United States in 1993. Saved as disclosed herein, Mr. TING had not been a director of any other listed companies in Hong Kong or overseas in the past three years.

非執行董事

Christophe Jacques PAGEZY 先生，58歲，為本公司非執行董事，於2009年加入本集團。他早於2009年3月23日獲委任為董事，後於2013年11月15日調任為非執行董事。PAGEZY先生曾於2009年至2011年擔任本公司主席。PAGEZY先生曾為Gemalto N.V.（「**Gemalto**」或「**金雅拓**」）指派到董事會的董事代表，Gemalto為本公司的主要供應商及主要股東。

Christophe Jacques PAGEZY目前擔任PROVE & RUN公司聯合首席執行官。PROVE & RUN公司系一家根據法國法律註冊成立的有限責任公司。PAGEZY先生於2007年至2014年1月6日期間曾擔任Gemalto執行副總裁，主管企業項目事宜。Gemalto為一家根據荷蘭法律註冊成立的公司，其股份分別在紐約泛歐阿姆斯特丹交易所及紐約泛歐巴黎交易所上市及買賣。Christophe Jacques PAGEZY先生於1981年7月畢業於法國高等電力學院（École Supérieure d'Électricité），獲得工程學文憑，並於1982年6月畢業於麻省理工學院，獲得電子工程與計算機科學理學碩士學位。除本年報所披露者外，PAGEZY先生於過往三年未曾擔任其他香港或者海外上市公司的董事。

丁道一先生，54歲，本公司非執行董事，於2013年加入本集團。他早於2013年7月4日獲委任為董事，於2013年11月15日調任為非執行董事。丁道一先生曾為中銀國際投資有限公司（「中銀國際投資」）提名加入本公司董事會的董事會代表。他亦於2013年至2014年擔任金邦達有限公司和金邦達數據的董事。

丁先生曾擔任中銀國際控股有限公司直接投資部主管，負責直接投資及基金管理業務，並於2017年2月辭職。丁先生於1993年畢業於美國紐約大學，獲頒發工商管理碩士學位。除上述披露者外，丁先生於過往三年未曾擔任其他香港或海外上市公司的董事。

DIRECTORS AND SENIOR MANAGEMENT (CONTINUED) 董事及高級管理層(續)

Independent non-executive Directors

Mr. MAK Wing Sum Alvin (麥永森) (also known as Mr. MAK Wing Sum), aged 64, is an independent non-executive Director. He joined the Group on 15 November 2013, when he was appointed as an independent non-executive Director.

Mr. MAK is currently an independent non-executive director of Hong Kong Television Network Limited (a company listed on the Stock Exchange, Stock Code: 1137), I.T Limited (a company listed on the Stock Exchange, Stock Code: 999), Luk Fook Holdings (International) Limited (a company listed on the Stock Exchange, Stock Code: 590) and Lai Fung Holdings Limited (a company listed on the Stock Exchange, Stock Code: 1125). Mr. MAK is a member of Hong Kong Housing Society and a member of its audit committee and special committee on investment. Mr. MAK, after working in Citibank for over 26 years, went into his retirement in April 2012 where he last served as the head of markets and banking for Citibank Hong Kong. Whilst at Citibank, he has held various senior positions, managing the regional global asset management business and financial control for North Asia.

Mr. MAK graduated from the University of Toronto in Canada with a Bachelor of Commerce degree in June 1976. He has been a Chartered Accountant of the Canadian Institute of Chartered Accountants since September 1979, a Chartered Professional Accountant of the Canadian Institute of Chartered Accountants since November 2012 and currently also a member of the Hong Kong Institute of Certified Public Accountants. Save as disclosed herein, Mr. MAK had not been a director of any other listed companies in Hong Kong or overseas in the past three years.

Mr. ZHU Lijun, (朱立軍), aged 63, is an independent non-executive Director. He joined the Group on 15 November 2013, when he was appointed as an independent non-executive Director.

獨立非執行董事

麥永森先生，64歲，獨立非執行董事。他於2013年11月15日加入本集團並獲委任為獨立非執行董事。

麥先生目前擔任香港電視網絡有限公司（一家於聯交所上市的公司，股份代號：1137）、I.T Limited（一家於聯交所上市的公司，股份代號：999）、六福集團（國際）有限公司（一家於聯交所上市的公司，股份代號：590）以及麗豐控股有限公司（一家於聯交所上市的公司，股份代號：1125）的獨立非執行董事。麥先生擔任香港房屋協會委員，並擔任該協會審核委員會委員及投資特別委員會委員。在花旗銀行工作超過26年之後，麥先生於2012年四月退休，其在香港花旗銀行最後擔任的職務為市場及銀行業務主管。彼於花旗銀行任職期間，曾出任多個高級職位，包括管理北亞的區域全球資產管理業務及財務控制。

麥先生於1976年6月畢業於加拿大多倫多大學，獲得商業學士學位。他自1979年9月起為加拿大特許會計師公會會員，自2012年11月起為加拿大特許會計師公會特許專業會計師，目前亦是香港會計師公會會員。除前述所披露者外，麥先生於過往三年未曾擔任其他香港或海外上市公司的董事。

朱立軍先生，63歲，獨立非執行董事。於2013年11月15日加入本集團並獲委任為獨立非執行董事。

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DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

董事及高級管理層(續)

Mr. ZHU has been the vice president of China United Network Communications Limited (中國聯合網絡通信股份有限公司) (formerly known as China Netcom (Group) Corporation Limited (中國網通(集團)有限公司) since 2006 till March 2014. He was also a representative of the 10th National People's Congress held in 2003.

Mr. ZHU received a Bachelor of Economics degree from the Jilin University (吉林大學) in July 1997, a Master of International Management degree from the Australian National University in July 2004 and a Doctor of Management degree from the Hong Kong Polytechnic University in October 2008. Mr. ZHU had not been a director of any other listed companies in Hong Kong or overseas in the past three years.

Mr. LIU John Jianhua (劉建華), aged 66, is an independent non-executive Director. He joined the Group on 15 November 2013, when he was appointed as an independent non-executive Director.

Mr. LIU has been the chairman of the Academy of International Transport of the City University of Hong Kong since 2012. Mr. LIU served as the director of the Center for Transport, Trade and Financial Studies and the visiting professor at the department of management science of the City University of Hong Kong since 2011 to December 2015 and 2016 respectively. Mr. LIU has been a visiting professor of Faculty of Business Administration of Beijing Institute of Technology, Zhuhai since 1 January 2017.

Mr. LIU received a Master in Engineering degree in March 1982 from Huazhong Engineering University (華中工學院) (now known as Huazhong University of Science & Technology (華中科技大學)). He received a Master of Science degree major in Engineering-Economic Systems from Stanford University in the United States in June 1983 and a Doctor of Philosophy degree in Industrial Engineering from Pennsylvania State University in August 1986 in the United States. Mr. LIU had not been a director of any other listed companies in Hong Kong or overseas in the past three years.

朱先生自2006年至2014年3月期間擔任中國聯合網絡通信有限公司(前稱為中國網通(集團)有限公司)的副總裁，亦為2003年舉行的第十屆全國人民代表大會之代表。

朱先生於1997年7月獲吉林大學頒授經濟學學士學位，於2004年7月獲澳洲國立大學頒授國際管理碩士學位，並於2008年10月獲香港理工大學頒授管理學博士學位。朱先生於過往三年未曾擔任其他香港或海外上市公司的董事。

劉建華先生，66歲，獨立非執行董事。他於2013年11月15日加入本集團並獲委任為獨立非執行董事。

劉先生從2012年起今擔任香港城市大學國際航貿服務學會主席。自2011年起至2015年12月和2016年劉先生分別擔任香港城市大學航貿金融研究中心主任以及管理科學系客座教授。自2017年1月1日起，劉先生擔任珠海北京理工大學工商學院客座教授。

劉先生於1982年3月獲華中工學院(現稱華中科技大學)頒授工程學碩士學位，於1983年6月獲美國斯坦福大學頒授工程經濟系統理學碩士學位，於1986年8月在美國獲賓夕法尼亞州立大學頒授工業工程博士學位。劉先生於過往三年未曾擔任其他香港或海外上市公司的董事。

DIRECTORS AND SENIOR MANAGEMENT (CONTINUED) 董事及高級管理層 (續)

SENIOR MANAGEMENT

高級管理層

Name 姓名	Gender 性別	Age 年齡	Position 職務
WU Siqiang 吳思強	Male 男	44	Chief operating officer 首席運營官
LI Yijin 李易進	Female 女	46	Chief financial officer & Company Secretary 首席財務官及公司秘書
LI Jun 李軍	Male 男	55	Chief technology officer 首席技術官

Mr. WU Siqiang (吳思強), aged 44, is the chief operating officer of the Company, and joined the Group in 2001. He is primarily responsible for the overall operation of the Group. Mr. WU has approximately 16 years of experience in the card industry. He has been the chief operating officer of the Company since 2011. He was a manager of the production division, vice general manager of the operation division, general manager of the production management division of Goldpac Limited from 2001 to 2011 respectively and has been the chief operating officer of Goldpac Limited since 2011. He also served as a manager of the procurement division of Goldpac Limited since 2004. Mr. WU graduated from the Guangdong Mechanics University (廣東機械學院) (now part of Guangdong University of Technology (廣東工業大學)) with a Bachelor of Mechatronics degree in July 1993. Mr. WU had not been a director of any other listed companies in Hong Kong or overseas in the past three years.

Ms. LI Yijin (李易進), aged 46, is the chief financial officer of the Company, and joined the Group in 2001. She is primarily responsible for the management of the accounting and finance department of the Group. Ms. LI has approximately 25 years of experience in the accounting and financial reporting matters. She was the financial controller of the Group from 2004 to 2012 and has been the chief financial officer of the Group since 2012.

Ms. LI received an Executive Master of Business Administration degree from the Hong Kong University of Science & Technology in November 2012. Ms. LI has been a member of CPA (Certified Public Accountants) Australia since October 2004 and the Hong Kong Institute of Certified Public Accountants since May 2013. Ms. LI had not been a director of any other listed companies in Hong Kong or overseas in the past three years.

吳思強先生，44歲，本公司首席運營官，於2001年加入本集團，主要負責本集團的整體運營。吳先生於卡類行業擁有約16年的經驗。他自2011年起擔任本公司的首席運營官，曾於2001年至2011年，分別擔任金邦達有限公司的生產部經理、運作部副總經理及生產管理部總經理，並自2011年起擔任金邦達有限公司的首席運營官。自2004年起，他亦擔任金邦達有限公司的採購部經理。吳先生在1993年7月畢業於廣東機械學院（現為廣東工業大學的一部分）的機械電子工程學士學位。吳先生於過往三年未曾擔任其他香港或海外上市公司的董事。

李易進女士，46歲，本公司首席財務官，於2001年加入本集團。她主要負責管理本集團的會計及財務部門。李女士於會計及財務報告事宜方面擁有約25年的經驗。她於2004年至2012年擔任本公司的財務總監，並自2012年起擔任本公司的首席財務官。

李女士於2012年11月獲得香港科技大學的行政人員工商管理碩士學位。李女士自2004年10月起為澳洲會計師公會會員，自2013年5月起為香港會計師公會會員。李女士於過往三年未曾擔任其他香港或海外上市公司的董事。

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DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

董事及高級管理層(續)

Mr. Li Jun (李軍), aged 55, is the chief technology officer of the Company, and joined the Group in 2013. He is primarily responsible for the management of the technical solutions department and R&D department of the Group. Mr. Li has approximately 18 years of experience in the technology related industry. He has been the chief technology officer of the Company since January 2013. He has also been the chief technology officer of both Goldpac Limited and Goldpac Datacard since January 2013.

Prior to joining the Group, Mr. Li joined Giesecke & Devrient GmbH as engineer in 1997 and from 1999 to 2012 served as the director for security equipment in Giesecke & Devrient (China) Information Technology Co., Ltd. Mr. Li graduated from the Beijing University of Posts and Telecommunications (北京郵電學院) with a degree in radio communication and received a master degree in engineering from Universität-Gesamthochschule Paderborn in Germany and a master certificate in project management from the George Washington University through its program in Beijing in July 1983, June 1997 and May 2005 respectively. Mr. Li had not been a director of any other listed companies in Hong Kong or overseas in the past three years.

COMPANY SECRETARY

Ms. Li Yijin (李易進), aged 46, is the company secretary of the Group, and joined the Group in 2001. She is primarily responsible for the secretarial matters of the Group.

Please refer to the paragraph headed "Directors and Senior Management — Senior Management" above for the biography of Ms. Li.

CHANGE IN INFORMATION OF DIRECTOR

Save as disclosed in this Annual Report, there is no changes in information of Directors required to be disclosed for the year ended 31 December 2016 pursuant to Rule 13.51B(1) of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

李軍先生，55歲，本公司首席技術官，於2013年加入本集團。他主要負責管理本集團的技術解決方案部門和研發部門。李先生於技術相關行業擁有約18年的經驗。他自2013年1月起擔任本公司的首席技術官。自2013年1月起亦同時兼任金邦達有限公司和金邦達數據的首席技術官。

於加入本集團前，李先生於1997年加入Giesecke & Devrient GmbH擔任工程師，並於1999年至2012年間擔任捷德(中國)資訊科技有限公司的安全設備總監。李先生於1983年7月、1997年6月和2005年5月分別獲得北京郵電學院無線電通信專業學位及德國帕德博恩大學(Universität-Gesamthochschule Paderborn)工程碩士學位，並透過喬治華盛頓大學於北京開辦的課程取得項目管理碩士證書。李先生於過往三年未曾擔任其他香港或海外上市公司的董事。

公司秘書

李易進女士，46歲，為本公司的公司秘書，於2001年加入本集團，主要負責本集團的公司秘書事宜。

有關李女士的履歷詳情請參閱上文「董事及高級管理層—高級管理層」一段。

董事資料變更

根據聯交所證券上市規則(「上市規則」)13.51B(1)要求，於截至2016年12月31日止之年度，除本年報已披露信息之外，本公司無董事資料變更信息披露。

The Board hereby presents this Annual Report together with the Consolidated Financial Statements of the Group for the year ended 31 December 2016.

PRINCIPAL ACTIVITIES

Incorporated in Hong Kong on 8 October 2004, the Company was publicly listed on the Main Board of the Stock Exchange on 4 December 2013. Primarily operated through its subsidiaries in the PRC and Hong Kong, the Company is specialised in delivering embedded software and secure payment products for global customers and leveraging innovative Fintech to provide personalisation service, system platforms and other total solutions for customers in a wide business range including finance, government, healthcare, transportation and retails. The Company is the exclusive secure payment products supplier in the PRC, which is certified by all six of the world-leading credit card organisations of China UnionPay, VISA, MasterCard, American Express, JCB and Diners' Club.

As a global leading secure payment total solution supplier, the Company is actively involved in drafting and formulating of industrial standards and criterion. To drive the innovation by customers' diversified demands and evolving front-line technologies, the Company watches the cutting-edge technologies trends with the closest interests, covering internet banking, mobile payment, IoT, to reinforce the Company's leading industrial position and boost the whole industry's evolution. Motivated by the strong R&D aptitudes and affluent practical experiences, the Company was actively involved in numerous significant industrial events and projects, including China's secure and reliable financial IC card chip promotion project, the first EMV (Europay, MasterCard and Visa) projects in Hong Kong and the PRC, the first provincial social security card project, the first financial social security card project, the first citizen card project and the first healthcare card project in the PRC. Committed to essential sustainable development philosophies of delivering value and innovation, the Company is fully engaged in promoting the wider and in-depth application of smart secure payment technologies, with its leading technologies, preeminent qualities and superior service, to provide people worldwide with the safer, easier and more convenient payment experience.

The principal activities of the Group for the year 2016 are set out in the Note 5 to Consolidated Financial Statements on page 151 to page 153 of this Annual Report.

董事會欣然提呈本集團截至2016年12月31日止之年度報告及綜合財務報表。

主要業務

本公司是於2004年10月8日在香港註冊成立的有限責任公司，於2013年12月4日在香港聯交所主板上市。本集團主要通過在中國和香港的附屬公司進行運作，主要業務是為全球客戶提供智能安全支付領域的嵌入式軟件和安全支付產品，同時融合創新金融科技，為金融、政府、衛生、交通、零售等廣泛領域客戶提供數據處理服務、系統平台及其他整體解決方案，是國內唯一一家同時獲得中國銀聯、維薩、萬事達、美國運通、JCB和大萊六大信用卡組織認證的安全支付產品提供商。

作為全球領先的安全支付整體方案提供商，本集團積極參與相關行業標準編製、起草的同時，堅持對互聯網金融、移動支付、智慧城市、物聯網等前瞻性技術領域持續研發投入，以客戶需求和前沿技術驅動創新，使本集團始終處於行業前沿，引領行業發展。憑藉雄厚的技術實力和豐富的項目實施經驗，本集團承擔中國安全可靠金融IC卡芯片推廣項目，並成功參與國內及香港首批EMV (Europay、萬事達和維薩)項目、國內首批省級社保卡、金融社保卡、市民卡以及居民健康卡等項目的實施。以「與時俱進，為客戶創造價值」為企業持續發展之根本，本集團將始終以領先的技術、卓越的品質以及完善的服務，全力促進智慧安全支付技術更廣泛的應用，為支付者提供更安全、便捷、自由的支付體驗。

本集團於2016年度主要業務分析詳見本年報第151頁至153頁中的綜合財務報表附註5。

REPORT OF DIRECTORS (CONTINUED) 董事會報告(續)

RESULTS AND APPROPRIATIONS

The results of the Group for the year 2016 are set out in the Consolidated Statement of Profit or Loss and Other Comprehensive Income of page 108 of this Annual Report.

A final dividend of HK7.0 cents (2015: HK11.0 cents) and a special dividend of HK6.0 cents (2015: HK4.0 cents) per ordinary share in respect of the year ended 31 December 2016 has been proposed by the Board of Directors.

PERFORMANCE

A discussion and analysis of the Group's performance during the year 2016, the material factors underlying its results and financial position and details of the Group's principal activities are provided in the section headed "Management Discussion and Analysis" on page 14 to page 29 of this Annual Report.

CLOSURE OF REGISTER OF MEMBERS

In order to be eligible for attendance and for voting at the forthcoming annual general meeting of the Company to be held on Thursday, 18 May 2017, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Share Registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration by 4:30 p.m. on Friday, 12 May 2017. The register of members of the Company will be closed from Monday, 15 May 2017 to Thursday, 18 May 2017, both days inclusive, during which period, no transfer of Shares will be registered.

In order to determine who are entitled to the proposed final dividend and special dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Share Registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration by 4:30 p.m. on Friday, 2 June 2017. The register of members of the Company will be closed from Monday, 5 June 2017 to Wednesday, 7 June 2017, both days inclusive, during which period no transfer of shares will be registered. Subject to shareholders' approval of the proposed dividend at the annual general meeting of the Company to be held on Thursday, 18 May 2017, the dividend will be paid on Friday, 30 June 2017 to the shareholders whose names appear on the register of members of the Company at the close of business on Wednesday, 7 June 2017.

業績和股息分派

本集團2016年度業績載於本年報中第108頁綜合損益及其他全面收入表。

董事會建議就截止2016年12月31日之年度派發末期股息每股普通股港幣7.0仙(2015年度為港幣11.0仙)，以及特別股息港幣6.0仙(2015年度為港幣4.0仙)。

經營表現

關於本集團2016年度內的經營表現討論及分析，業績的主要影響因素，財務狀況以及本集團的主要業務情況載於本年報第14頁至第29頁的「管理層討論及分析」中。

暫停辦理股份過戶登記手續

為確定股東有權出席並於2017年5月18日(星期四)舉行之股東周年大會上投票，所有過戶表格連同有關股票須於2017年5月12日(星期五)下午四時三十分前，送達本公司之股份過戶登記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。本公司將於2017年5月15日(星期一)至2017年5月18日(星期四)，包括首尾兩天，暫停辦理股份過戶登記手續。

為確定股東有權獲派本次建議之末期股息及特別股息，所有過戶表格連同有關股票須於2017年6月2日(星期五)下午四時三十分前，送達本公司之股份登記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。本公司將於2017年6月5日(星期一)至2017年6月7日(星期三)，包括首尾兩天，暫停辦理股份過戶登記手續。待於2017年5月18日(星期四)舉行之股東周年大會上取得批准後，上述股息將於2017年6月30日(星期五)派發予於2017年6月7日(星期三)營業時間結束時名列本公司股東名冊之股東。

PRINCIPAL RISKS AND UNCERTAINTIES

A number of factors may affect the results and business operations of the Group, some of which are inherent to the payment solutions business and some are from external sources. Major risks are summarized below.

(i) The financial performance of the Group depends on the future growth of the consumer financial services industry and trends

As the Group relies on financial institutions, government agencies (such as social security, public health and transportation agencies) and other organisations that issue financial cards as its customers or potential customers, the financial performance of the Group depends on the future growth of the consumer financial services industry and trends in that industry towards greater outsourcing of certain functions such as the production and personalisation of financial cards. The consumer financial services industry is characterised by rapid launches of new products and services, continuous technological advancement, evolving industry standards and changing customer needs, all of which translate to shorter life cycles for new products and services. Organisations that issue financial cards, such as the Group's customers, may face difficulty in anticipating changes in consumer tastes, preferences and requirements and designing financial products to meet such changes, which could lead to a lower demand for financial cards and in turn decrease these organisations' demand for the products and services, which may adversely affect the financial results of the Group.

(ii) As a supplier to financial institutions and government agencies, the Group is subject to rigorous industry standards and/or government regulations

Many of the industry organisations, government regulatory agencies and other bodies to which the Group's customers belong or are subject to have issued their own sets of standards and criteria relating to the facilities and products of payment solutions manufacturers and providers, which the Group must satisfy in order to be eligible to supply products and services to these customers. For example, as required by the Group's financial institution customers, the

主要風險及不明朗因素

本集團的業績及業務營運受多個因素的影響，若干為支付解決方案行業所固有，若干則來源於外界。主要風險概述如下。

(i) 本集團的財務表現依賴消費者金融服務業的未來增長

由於本集團依賴金融機構、政府機關（如社保、公共健康及交通機關）及其他需發行金融卡的組織作為本集團的客戶或潛在客戶，故本集團的財務表現依賴消費者金融服務業的未來增長，以及業內對金融卡的生產及數據處理服務等若干工作的外包需求增加。消費者金融服務業的特點是新產品和服務更新換代時間短、技術持續升級、行業標準不斷轉變及客戶需要變化不定，以上種種因素使得新產品和服務只有較短的生命周期。發行金融卡的組織（如本集團的客戶）於預測消費者品味、喜好及要求上的轉變，以及設計能迎合有關轉變的金融產品方面可能遇到困難，因而可能令對彼等金融卡的需求有所下降，從而降低該等組織對本集團產品及服務的需求，可對會對本集團的財務業績帶來不利影響。

(ii) 作為金融機構和政府機關的供應商，本集團須遵守嚴格的行業標準及／或政府法規

本集團客戶所屬的許多行業組織或監管本集團客戶的政府監管機構和其他機構均已頒佈有關支付解決方案製造商和供應商的設施和產品的標準和規範，為向這些客戶供應產品和服務，本集團必須遵守相關標準和規範。例如，本集團已應金融機構客戶的要求，就本集團的卡片製造及數據處



REPORT OF DIRECTORS (CONTINUED) 董事會報告(續)

Group has obtained certifications from all six of the leading worldwide payment card organisations (VISA, MasterCard, American Express, China UnionPay, JCB, and Diners Club) with respect to the Group's card manufacturing and personalisation services. To maintain such certifications, the Group is subject to rigorous periodic audits by these payment card organisations to review the Group's compliance with their standards and criteria. The Group makes significant investments in order to meet these standards and criteria, which vary depending on the organisation or body, including investments required to satisfy changes adopted from time to time by these organisations and bodies in their respective standards and criteria. Further investments to meet these standards and criteria may be costly, and if the Group is unable to continue to meet these standards and criteria, the Group may become ineligible to provide products and services that have constituted in the past an important part of the Group's revenue and profitability.

(iii) The Group faces significant competition in each of the markets in which it operates, which could affect its profitability

The Group's market position depends upon its ability to anticipate and proactively deal with changes in economic and market conditions and evolving industry trends, as well as the following factors: introduction of new or superior products and services or more advanced technologies, adoption of more flexible pricing strategies by the Group's competitors and changes in customers' needs and preferences. The Group cannot assure that its current or potential competitors will not produce the same or similar products or products of a better quality and/or provide similar or higher quality services at the same or lower prices than the prices at which the Group's products and services are provided.

理服務取得全球六大領先支付卡組織(維薩、萬事達、美國運通、中國銀聯、JCB及大萊)的認證。為保持有關認證，本集團須定期接受該等支付卡組織的嚴格審核，審閱本集團是否遵守彼等的標準及要求。這些標準和規範因組織或機構不同而各異，為加以遵守，本集團須作出重大投資，包括為配合相關組織和機構各自標準和規範的不時變動所需的投資。符合這些標準和規範的進一步投資可能花費巨大，倘本集團未能持續遵守這些標準和規範，本集團可能不合資格提供過去構成本集團收益和盈利重要組成部分的产品和服務。

(iii) 本集團在所經營的各個市場面對激烈競爭，可能會影響本集團的盈利能力

本集團的市場地位取決於本集團預測和積極應付經濟和市場狀況變化和不斷轉變的行業走勢的能力，同時亦取決於以下因素：出現全新或優質產品和服務或更先進技術、競爭對手採取更靈活的定價策略以及客戶需要和喜好的改變等。本集團不能保證現有或潛在的競爭對手不會提供類似或質素更佳的产品及／或服務，而價格與本集團提供的產品或服務相同或甚至更低。

REPORT OF DIRECTORS (CONTINUED) 董事會報告(續)

The Group's competitors may also react more quickly to new or emerging technologies or changes in customer preferences. In addition, the Group may face greater than expected downward pricing pressure as a result of possible price competition by competitors seeking to stimulate demand in order to maintain or increase market share. Such competition could adversely affect the Group's results of operations and business prospects. Any adverse changes in the Group's competitive environment could cause a reduction in the sales quantity, its market share, or the sales price of its products, which would lower the Group's profitability. As a supplier to the major financial institutions in China, the Group's performance and profitability may be adversely affected if its customers, when faced with operational difficulties and decreasing profit margins, seek to demand more favourable trading terms from the Group in relation to price and credit period. The Group's performance and profitability will also be adversely affected if any of its customers faces cost control or cash flow problems due to such operational difficulties.

(iv) Fluctuations in consumer spending and financial services in the PRC may affect the Group's business and financial performance

During the past few years, the Group derived most of the Group's revenue from operations in the PRC. The Group's sales and growth are dependent on consumer spending and consumer banking, which in turn depend on continued improvement of macroeconomic conditions, in Asia generally but in the PRC in particular. There are many factors affecting the level of consumer spending and consumer banking, including but not limited to, interest rates, currency exchange rates, recession, inflation, deflation, political uncertainty, taxation, stock market performance, unemployment levels and general consumer confidence. In addition, the Group believes that the Group's historical growth rates were largely dependent on the general growth of the PRC economy. The Group can provide no assurance that the PRC economy will continue to grow at historical rates, or at all, and any slowdowns or declines in the PRC economy or consumer spending or consumer banking may adversely affect the Group's business, financial condition, results of operations and growth prospects.

本集團的競爭對手還可能對全新或前沿技術或客戶喜好改變作出更快的反應。此外，由於競爭對手為維持或增加市場份額而致力於刺激需求而導致價格競爭，本集團可能會面臨比預期更大的價格下調壓力。上述競爭可能對本集團的經營業績及業務前景造成不利影響。本集團的競爭環境出現上述任何不利變動均可導致本集團產品銷量、市場份額或售價下降，繼而降低本集團的盈利能力。作為中國大型金融機構的供應商，如果本集團的客戶面臨經營困境和利潤率下降，並要求本集團就價格和信貸期給予更優惠的貿易條款，則本集團的業績和盈利能力會受不利影響。倘本集團任何客戶因經營困境而進行成本控制或面臨現金流量問題，本集團的業績和盈利能力也會受不利影響。

(iv) 中國消費者支出和金融服務的波動會對本集團的業務和財務表現造成重大影響

於過往幾年，本集團的大部分收益源自中國的營運。本集團的銷售和增長有賴消費支出和消費者銀行業務，而兩者均依賴整個亞洲(尤其是中國)宏觀經濟環境的持續發展。消費支出和消費者銀行業務受諸多因素的影響，包括但不限於利率、匯率、經濟衰退、通脹、通縮、政治的不確定性、稅務、股市表現、失業人數和整體消費者信心。此外，本集團認為，本集團的歷史增長率在很大程度上依賴中國經濟的整體增長。本集團無法保證中國經濟會按歷史增長率持續增長，或者中國經濟根本不會增長，而中國經濟或消費支出或消費者銀行業的任何放緩或下滑，均可能對本集團的業務、財務狀況、經營業績和增長前景產生不利影響。

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(v) Adverse changes in the PRC economic, political and social conditions as well as laws and government policies, may adversely affect the Group's business, financial condition, results of operations and growth prospects

The economic, political and social conditions in the PRC differ from those in more developed countries in many respects, including structure, government involvement, level of development, growth rate, control of foreign exchange, capital reinvestment, allocation of resources, rate of inflation and trade balance position. Before the adoption of its reform and opening up policies in 1978, the PRC was primarily a planned economy. In recent years, the PRC government has been reforming the PRC economic system and government structure. For example, the PRC government has implemented economic reform and measures emphasising the utilisation of market forces in the development of the PRC economy in the past three decades. These reforms have resulted in significant economic growth and social prospects. Economic reform measures, however, may be adjusted, modified or applied inconsistently from industry to industry or across different regions of the country. The Group cannot predict whether the resulting changes will have any adverse effect on the Group's current or future business, financial condition or results of operations. Despite these economic reforms and measures, the PRC government continues to play a significant role in regulating industrial development, allocation of natural and other resources, production, pricing and management of currency, and there can be no assurance that the PRC government will continue to pursue a policy of economic reform or that the direction of reform will continue to be market friendly.

(v) 中國經濟、政治、社會狀況及法律和政府政策的不利變動均可能對本集團的業務、財務狀況、經營業績和增長前景造成不利影響

中國經濟、政治及社會狀況與較發達國家在許多方面均有所不同，包括架構、政府參與程度、發展水平、增長率、外匯管制、資本再投資、資源分配、通脹率及貿易平衡狀況。在一九七八年改革開放之前，中國主要屬計劃經濟。近年來，中國政府不斷改革中國的經濟體制和政府架構。例如，在過去三十多年內，中國政府已實施經濟改革及強調在中國經濟的發展中利用市場力量的措施。這些改革已對中國的經濟增長和社會發展帶來長足進步。然而，經濟改革措施可能會因應不同的行業或國內不同的地區而調整、修訂或推行。本集團無法預測相關變動對本集團現時或未來的業務、財務狀況或經營業績會否造成不利影響。儘管實施該等經濟改革及措施，中國政府在監管產業發展、自然資源及其他資源分配、生產、定價及貨幣管理方面仍繼續扮演重要角色，而本集團無法保證中國政府會繼續推行經濟改革政策，亦不能保證改革方向將繼續對市場有利。

REPORT OF DIRECTORS (CONTINUED) 董事會報告(續)

The Group's ability to successfully expand its business operations in the PRC depends on a number of factors, including macro-economic and other market conditions, and credit availability from lending institutions. Stricter credit or lending policies in the PRC may affect the Group's customers' consumer credit or consumer banking business, and may also affect the Group's ability to obtain external financing, which may reduce its ability to implement its expansion strategies. The Group cannot assure that the PRC government will not implement any additional measures to tighten credit or lending standards, or that, if any such measure is implemented, it will not adversely affect the Group's future results of operations or profitability. Demand for the Group's goods and services and its business, financial condition and results of operations may be adversely affected by the following factors:

- political instability or changes in social conditions of the PRC;
- changes in laws, regulations, and administrative directives or the interpretation thereof;
- measures which may be introduced to control inflation or deflation; and
- changes in the rate or method of taxation.

These factors are affected by a number of variables which are beyond the Group's control.

本集團成功擴大中國業務營運的能力取決於多項因素，包括宏觀經濟及其他市場狀況，以及借貸機構可動用的信貸額。中國收緊借貸政策可能會影響本集團客戶的消費者信貸或消費者銀行業務，還可能影響本集團獲得外部融資的能力，以致削弱本集團實施擴展策略的能力。本集團不能保證中國政府不會實施任何其他收緊信貸標準的措施，又或倘實施任何此類措施，將不會對本集團日後的經營業績或盈利能力造成不利影響。下列因素亦可能對本集團產品和服務的需求及本集團的業務、財務狀況及經營業績構成不利影響：

- 中國的政治不穩定或社會狀況變動；
- 法律、法規及行政指令或其詮釋發生變動；
- 可能推出用以控制通脹或通縮的措施；及
- 稅率或徵稅方式的變動。

該等因素受多項本集團無法控制的變數所影響。

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(vi) The Group's business may be adversely affected by the introduction of new payment technologies

We face competition from new payment technologies, such as mobile phone-based payment systems utilising NFC (Near Field Communication) technology, which could reduce the demand for financial cards as a payment method. To the extent any new payment technologies, such as mobile phone-based systems utilising NFC technology, reduce the demand for our financial card products or other new products we may introduce from time to time, including new products arising from our research and development activities, we may experience material and adverse effects on our business, financial condition and results of operations.

KEY RELATIONSHIPS

(i) Employees

Human resources are one of the greatest assets of the Group and the Group regards the personal development of its employees as highly important. The Group wants to continue to be an attractive employer for committed employees.

The Group strives to motivate its employees with a clear career path and opportunities for advancement and improvement of their skills. The Group provides pre-employment and on-the-job training and development opportunities to its staff members. The training programs cover areas such as managerial skills, innovative technologies, sales and production, customer services, quality control, workplace ethics and training of other areas relevant to the industry. In addition, the Group seriously consider all those valuable feedback from its employees for enhancing workplace productivity and harmony.

(vi) 引入新的支付技術可能會對本集團的業務造成不利影響

我們面對新支付技術如NFC(近場通訊)技術的手機支付系統的競爭，有關技術可能成為減少金融卡作為一種支付方式的需求。倘任何新支付技術(如利用NFC技術的手機支付系統)減少對我們金融卡產品或我們可能不時推出的其他新產品(包括因我們的研發活動產生的新產品)的需求，則我們的業務、財務狀況及經營業績或會遭受重大不利影響。

重要關係

(i) 員工

人力資源為本集團的最大資產之一，本集團高度重視員工的個人發展，且致力於繼續成為具吸引力僱主。

本集團致力以清晰的事業發展路徑以及提高和完善技能的機會激勵員工。本集團為員工提供職前及在職培訓及發展機會。培訓課程包括管理技能、研發能力、創新科技、銷售與生產、客戶服務、質量監控、工作操守及其他與行業相關範疇的培訓。此外，本集團會慎重考慮員工有關提升工作效率及和諧工作氣氛的所有寶貴反饋意見。

REPORT OF DIRECTORS (CONTINUED) 董事會報告(續)

Generally, a salary review is conducted annually. Aside from basic remuneration, for all employees in PRC, the Group provides employee mandatory social security funds, pensions, work-related injury insurance, maternity insurance, medical and employment insurance, and full coverage of housing provident fund contributions in accordance with the applicable laws and regulations of the PRC. For overseas employees the Group also make contributions towards relevant insurance schemes required by the local regulations. Meanwhile the Group adopted the Pre-IPO Share Option Scheme, Share Option Scheme and Share Award Scheme to recognize and motivate the contribution of the employees and attract suitable personnel for the long-term growth and further strategic expansion of the Group. For the year ended 31 December 2016, no shares have been granted or agreed to be granted to any selected participants of the Share Award Scheme.

(ii) Suppliers

The Group has developed long-standing relationships with a number of its suppliers and takes great care to ensure that they share the Group's commitment to quality and ethics. The Group carefully selects its suppliers and require them to satisfy certain assessment criteria including track record, experience, financial strength, reputation, products qualities and quality control effectiveness. The Group also requires its suppliers to comply with the Group's anti-bribery policy.

(iii) Clients

The Group is committed to maintain and develop its diversified clients' portfolio consisting of the governmental organizations, world-leading financial institutions, transportations projects and multinational companies. The Group maximizes client value by offering professional and effective operation model and innovative and differentiated products and services, to intensify the interaction and viscosity between clients and the Group and enhances the client experience.

整體而言，本集團每年進行一次薪酬檢討。本集團根據中國的相關法律、法規為中國的全部員工提供退休、失業、工傷、生育和醫療等社會保險計劃。本集團亦按照中國當地規定為員工實施住房公積金計劃。對於本集團於海外工作員工，亦按照當地法律要求購買保險等計劃。同時，本公司亦實施了首次公開發售前購股權計劃，購股權計劃以及股份獎勵計劃，以嘉獎和鼓勵員工之貢獻，吸引合適人才推動本集團戰略拓展。於截至2016年12月31日止之年度，尚未有股份已經依照股份獎勵計劃授予或同意授予任何計劃參與人。

(ii) 供應商

本集團已與多家供應商建立長期的合作關係，並盡力確保其遵守本集團對質素及道德的承諾。本集團審慎挑選供應商，並要求其滿足若干評估標準，包括往績記錄、經驗、財務實力、聲譽、產品質量及質量控制效力。本集團亦要求供應商遵守本集團的反賄賂政策。

(iii) 客戶

本集團致力於維護和擴大由政府組織、世界領先的金融機構、交通項目以及跨國企業所組成的多元化的客戶群。本集團秉承「為客戶創造最大價值」的理念，通過專業化、精準化的運營模式以及差異化的創新產品和服務，加強本集團與客戶間的互動和粘性，提升用戶體驗。

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REPORT OF DIRECTORS (CONTINUED) 董事會報告(續)

COMPLIANCE WITH LAWS AND REGULATIONS

The Group's operations are mainly carried out by the Company's subsidiaries in the PRC and Hong Kong while the Company itself is listed on the Stock Exchange. The Group's operations accordingly shall comply with relevant laws and regulations in the PRC and Hong Kong. During the year 2016, the Group have complied with all the relevant laws and regulations in the PRC and Hong Kong.

RESERVES

Details of movements in the reserves of the Group and the Company during the year 2016 are set out on pages 111 and 113 of this annual report and in Note 39 to the Consolidated Financial Statements on page 201 of this Annual Report respectively.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year 2016 are set out in Note 14 to the Consolidated Financial Statements on page 164 of this Annual Report.

BANK LOANS

The Group had no bank loan during the year 2016.

SHARE CAPITAL

Details of movements in the share capital of the Company during the year 2016 are set out in Note 29 to the Consolidated Financial Statements on pages 176 to 177 of this Annual Report.

DISTRIBUTABLE RESERVES OF THE COMPANY

Pursuant to the relevant rules of Hong Kong and PRC, the Company's reserves available for the distribution to the shareholders as at 31 December 2016 amounted to RMB321.3 million (31 December 2015: RMB15.6 million).

遵守法律及法規

本集團的業務主要由本公司於中國和香港的附屬公司進行，而本公司本身於聯交所上市。因此，本集團之營運須遵守中國及香港的有關法律及法規。於2016年，本集團已遵守中國及香港的所有有關法律及法規。

儲備

本集團及本公司的儲備變動詳情載分別於本年度報告第111、113頁以及第201頁的綜合財務表附註39。

物業、廠房及設備

本集團物業、廠房及設備於2016年的變動詳情載於第164頁綜合財務報表附註14。

銀行貸款

本集團於2016年並無銀行借款。

股本

有關本公司於2016年的股本詳情載於本年度報告中第176頁至177頁綜合財務報表附註29。

可供分派的儲備

根據香港和中國的相關規則，本公司於2016年12月31日的可分配給股東的儲備為人民幣321.3百萬元(2015年為人民幣15.6百萬元)。

REPORT OF DIRECTORS (CONTINUED) 董事會報告(續)

FINANCIAL SUMMARY OF THE PAST 5 YEARS

The turnover, assets and liabilities of the past 5 years of the Group are set out in the Financial Summary on page 204 of this Annual Report.

INCENTIVE SCHEMES

(a) Pre-IPO Share Option Scheme

The pre-IPO share option scheme was adopted pursuant to a written resolution passed by the shareholders of the Company on 15 November 2013 (the "Pre-IPO Share Option Scheme") for the primary purpose of recognise the contribution of certain employees and directors made or may have made to the growth of the Group and/or the listing of the Group on the Main Board of the Stock Exchange, and will expire on 3 December 2019.

At 31 December 2016, the number of shares in respect of which options had been granted and remained outstanding under the Pre-IPO Share Option Scheme was 30,126,000 (2015: 31,061,000), representing 3.61% (2015: 3.73%) of the shares of the Company in issue on that day.

Options granted must be taken up on 19 November 2013, upon payment of HKD1.0 by the grantee. All the options under the Pre-IPO Share Option Scheme were granted on 19 November 2013. The exercise price of each Pre-IPO share option of the Company is HKD2.71 per share.

五年財務概要

本集團於過去五個財政年度的業績、資產及負債概要載於本年報中第204頁之財務概要。

激勵計劃

(a) 首次公開發售前購股權計劃

首次公開發售前購股權計劃(「首次公開發售前購股權計劃」)於2013年11月15日獲全體股東以書面決議批准，旨在肯定本集團若干僱員及董事作出或過去可能作出對本集團發展及／或股份於聯交所上市的貢獻，並將於2019年12月3日到期。

於2016年12月31日，在首次公開發售前購股權計劃下已授出及未行使股份的數量為30,126,000(2015: 31,061,000)，佔本公司於2016年12月31日已發行的股份數量的3.61%(2015: 3.73%)。

授出的購股權必須在2013年11月19日前以支付港幣1.0元的價格予以承授。所有首次公開發售前購股權計劃下的購股權均於2013年11月19日授出。首次公開發售前購股權的行使價格為每股港幣2.71元。

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REPORT OF DIRECTORS (CONTINUED) 董事會報告(續)

The Pre-IPO share options granted under the Pre-IPO Share Option Scheme of the Company may be exercised by each grantee in the following manner:

本公司首次公開發售前購股權計劃所授予的首次公開發售前購股權的承受人可以按照以下方式行使購股權：

Vesting Period 歸屬期	Exercise period 行使期	Maximum percentage of options exercisable 可行使購股權的最大百分比
From 19 November 2013 to 3 December 2014 2013年11月19日至2014年12月3日	From 4 December 2014 to 3 December 2019 2014年12月4日至2019年12月3日	Up to 20% of the options granted to such grantee (rounded down to the nearest whole number) 所獲購股權的最多20%(向下調整至最接近的整數)
From 19 November 2013 to 3 December 2015 2013年11月19日至2015年12月3日	From 4 December 2015 to 3 December 2019 2015年12月4日至2019年12月3日	Up to 40% of the options granted to such grantee less the options exercised (rounded down to the nearest whole number) 所獲購股權(減已獲行使的購股權)的最多40%(向下調整至最接近的整數)
From 19 November 2013 to 3 December 2016 2013年11月19日至2016年12月3日	From 4 December 2016 to 3 December 2019 2016年12月4日至2019年12月3日	Up to 60% of the options granted to such grantee less the options exercised (rounded down to the nearest whole number) 所獲購股權(減已獲行使的購股權)的最多60%(向下調整至最接近的整數)
From 19 November 2013 to 3 December 2017 2013年11月19日至2017年12月3日	From 4 December 2017 to 3 December 2019 2017年12月4日至2019年12月3日	Up to 80% of the options granted to such grantee less the options exercised (rounded down to the nearest whole number) 所獲購股權(減已獲行使的購股權)的最多80%(向下調整至最接近的整數)
From 19 November 2013 to 3 December 2018 2013年11月19日至2018年12月3日	From 4 December 2018 to 3 December 2019 2018年12月4日至2019年12月3日	Such number of unexercised options granted to such grantee 所獲授但尚未行使的購股權

REPORT OF DIRECTORS (CONTINUED) 董事會報告(續)

The following table discloses details of the Company's Pre-IPO share options under the Pre-IPO Share Option Scheme held by directors and employees and movements in such holding for the year ended 31 December 2016:

下表披露本公司董事及僱員所持有的首次公開發售前購股權計劃下的購股權及其於截至2016年12月31日之年度之變動：

For the twelve months ended 31 December 2016

截至2016年12月31日止十二個月

Name 名稱	As at 1 January 2016 於2016年 1月1日	Exercised 已行使	Cancelled 已註銷	Lapsed 已失效	As at 31 December 2016 於2016年 12月31日
Directors 董事					
Mr. LU Run Ting 盧閏霆先生	2,960,000	—	—	—	2,960,000
Mr. HOU Ping 侯平先生	1,200,000	—	—	—	1,200,000
Mr. LU Runyi 盧潤怡先生	1,600,000	—	—	—	1,600,000
Mr. LU Xiaozhong 盧小忠先生	1,000,000	—	—	—	1,000,000
Senior management 高級管理層					
In aggregate 合共	9,300,000	—	—	—	9,300,000
Other employees 其他僱員					
In aggregate 合共	15,001,000	(362,000)	—	(573,000)	14,066,000
Total 總計	31,061,000	(362,000)	—	(573,000)	30,126,000

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REPORT OF DIRECTORS (CONTINUED) 董事會報告(續)

The fair values of the share options granted during the year ended 31 December 2013 were calculated at RMB69,935,000 (equivalent to HKD88,954,000) using the Binominal Option Pricing pricing model. The inputs into the model were as follows:

Share price	HKD4.52
Exercise price	HKD2.71
Expected life	6 years
Expected volatility	46.9963%
Expected dividend yield	1.0822%
Risk-free interest rate	1.2426%
Fair value per option	HKD2.4250 to HKD2.4791

Expected volatility was determined by using the historical volatility of the selected comparable companies in the same industry. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

The Group recognised the total expense of RMB10,502,000 (2015: RMB16,868,000) for the year ended 31 December 2016 in relation to share options granted by the Company.

(b) Share Option Scheme

The principal terms of the share option scheme, approved by the shareholder's resolution passed on 15 November 2013 (the "**Share Option Scheme**"), are substantially the same as the terms of the Pre-IPO Option Scheme except that:

- (i) the maximum number of shares in respect of which options may be granted shall not exceed 10% of the total number of shares in issue at the date of listing of the shares of the Company on the Main Board of the Stock Exchange;

於截至2013年12月31日止之年度，授出的購股權公價允值使用二項式期權定價模式計算出為人民幣69,935,000元(折合港幣88,954,000元)，代入模式如下：

股價	港幣4.52元
行使價	港幣2.71元
預期壽命	6年
預期波幅	46.9963%
預期股息收益	1.0822%
無風險利率	1.2426%
每份購股權之公允價值	港幣2.4250元至港幣2.4791元

預期波幅是按照歷史波幅及所選同行業的可比波幅決定的。該模式所用之預期壽命已經根據管理層就非轉讓性、行使限制及行為因素影響的最佳估算進行調整。

於截至2016年12月31日止之年度，本集團就本公司授出購股權確認開支為人民幣10,502,000元(2015年：人民幣16,868,000元)。

(b) 購股權計劃

於2013年11月15日通過的股東決議中所批准的購股權計劃(「**購股權計劃**」)首要條款與首次公開發售的購股權計劃大致相同，以下條款除外：

- (i) 購股權授出最大股份數不得超過本公司在聯交所上市之日的總股數的10%；

REPORT OF DIRECTORS (CONTINUED) 董事會報告(續)

- (ii) the maximum entitlement of each eligible participant in any 12-month period up to the date of offer to grant shall not exceed 1% of the shares in issue as at the date of offer to grant; and
- (iii) The exercise price is determined by the directors of the Company at their discretion and will not be lower than the highest of: (a) the closing price of the ordinary shares on the Stock Exchange at the offer date, which must be a trading day; (b) the average closing price of the ordinary shares on the Stock Exchange for the five business days immediately preceding the offer date; and (c) the nominal value of the Company's share.

On 7 September 2016, 20,000,000 share options were granted to subscribe for a total of 20,000,000 ordinary shares of the Company at an exercise price of HKD2.61 per share. The closing price of the shares of the Company immediately before the date of grant was HKD2.59. Since the Group did not achieve certain performance targets and thus the condition for exercise of the share options was not satisfied, all the share options had lapsed and no share option remained outstanding as at 31 December 2016 under the Share Option Scheme.

Assuming all options under the Share Option Scheme have been granted, the total number of shares available for issue under the Share Option Scheme shall be 80,000,000, representing approximately 9.6% of the Company's issued share capital as at the date of the Company's 2016 Annual Report.

- (ii) 在任一個12個月期間到要約授出之日，授予各合格參與者的最高配額不得超過已發行股份的1%；及
- (iii) 行使價格是由本公司董事酌情商定，且不會低於以下最高者：(a) 普通股在聯交所要約日交易日收盤價；(b) 在聯交所緊接授出日期的前五個營業日的普通股收盤價平均值；(c) 本公司股份面值。

於2016年9月7日，20,000,000購股權以港幣2.61元之行使價(緊接授出日的前一天，本公司股份之收市價為港幣2.59元)被授出，以認購本公司普通股合計20,000,000股。由於本集團未能實現特定業績目標，購股權行使條件無法達到，所有購股權失效。於2016年12月31日該購股權計劃下無已授出及未行使之購股權。

倘若購股權計劃下所有購股權均被授出，購股權計劃下股份總數目為80,000,000股，約佔本公司於2016年年度報告之日已發行總股數的9.6%。

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REPORT OF DIRECTORS (CONTINUED) 董事會報告(續)

The following table discloses details of the share options granted under the Share Option Scheme and movements for the year ended 31 December 2016:

下表披露購股權計劃下所授出的購股權於截至2016年12月31日止年度的變動：

For the twelve months ended 31 December 2016

截至2016年12月31日止十二個月

Name 名稱	As at 1 January 2016 於2016年 1月1日	Granted 已授出	Exercised 已行使	Cancelled 已註銷	Lapsed 已失效	As at 31 December 2016 於2016年 12月31日
Directors 董事						
Mr. HOU Ping 侯平先生	—	600,000	—	—	(600,000)	—
Mr. LU Runyi 盧潤怡先生	—	420,000	—	—	(420,000)	—
Mr. LU Xiaozhong 盧小忠先生	—	150,000	—	—	(150,000)	—
Senior management 高級管理層						
In aggregate 合共	—	4,700,000	—	—	(4,700,000)	—
Other employees 其他僱員						
In aggregate 合共	—	14,130,000	—	—	(14,130,000)	—
Total 總計	—	20,000,000	—	—	(20,000,000)	—

Each grantee of the share options was entitled to exercise his/her respective share options in the following manner:

各承受人將獲授權通過以下方式行使各自之購股權：

- (a) conditional upon the achievement of certain performance targets by the relevant grantees and/or the Group, up to 1/3 (i.e. approximately 33.33%) of the share options so granted to him/her at any time during a period commencing from 3 April 2017 and ending on 31 December 2023;

- (a) 若相關承受人及／或本集團之特定績效目標得以實現，至多三分之一（即約33.33%）之已授予購股權可獲授權於自2017年4月3日至2023年12月31日期間之任何時間予以行使；

REPORT OF DIRECTORS (CONTINUED) 董事會報告(續)

(b) conditional upon the achievement of certain performance targets by the relevant grantees and/or the Group, up to 2/3 (i.e. approximately 66.67%) of the share options so granted to him/her less the share options which had been exercised by him/her at any time during a period commencing from 3 April 2018 and ending on 31 December 2023; and

(c) conditional upon the achievement of certain performance targets by the relevant grantees and/or the Group, up to 100% of the share options so granted to him/her less the share options which had been exercised by him/her at any time during a period commencing from the 3 April 2019 and ending on 31 December 2023.

The fair values of the share options granted during the year ended 31 December 2016 were calculated at RMB15,463,000 (equivalent to HKD17,852,000) using the Binominal Option Pricing pricing model. The inputs into the model were as follows:

Share price	HKD2.61
Exercise price	HKD2.61
Expected life	7.3 years
Expected volatility	49.86%
Expected dividend yield	4.21%
Risk-free interest rate	0.72%
Fair value per option	HKD0.8926

Expected volatility was determined by using the historical volatility of the selected comparable companies in the same industry. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

(b) 若相關承受人及／或本集團之特定績效目標得以實現，至多三分之二（即約66.67%）之已授予購股權減去已行使購股權所得數量之購股權可獲授權於自2018年4月3日至2023年12月31日期間之任何時間予以行使；及

(c) 若相關承受人及／或本集團之特定績效目標得以實現，全部100%之已授予購股權減去已行使購股權所得數量之購股權可獲授權於自2019年4月3日至2023年12月31日期間之任何時間予以行使。

於截止2016年12月31日止之年度，授出的購股權公價允值使用二項式期權定價模式計算出為人民幣15,463,000（折合港幣17,852,000元），代入模式如下：

股價	港幣2.61元
行使價	港幣2.61元
預期壽命	7.3年
預期波幅	49.86%
預期股息收益	4.21%
無風險利率	0.72%
每份購股權之公允價值	港幣0.8926元

預期波幅是按照歷史波幅及所選同行業的其他公司的可比波幅決定的。該模式所用之預期壽命已經根據管理層就非轉讓性，行使限制及行為因素影響的最佳估算進行調整。

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(c) Share Award Scheme

The Company adopted a share award scheme (the "Share Award Scheme") on 30 November 2015 (the "Adoption Date") with a duration of 15 years commencing from 11 December 2015. The objective of the Share Award Scheme are to (i) align the interests of any employee, adviser, consultant, agent, contractor, client or supplier of any member of the Group whom the directors in its sole discretion considers may contribute or have contributed to the Group (the "Participants"); (ii) recognise and motivate the contribution of the Participants and to provide incentives in retaining the Participants for future operation and development of the Group; and (iii) attract suitable personnel for the long-term growth and further strategic expansion of the Group.

The Company has engaged BOCI-Prudential Trustee Limited (the "Trustee") to administer and hold the Company's shares before they are vested and transferred to the Participants. The Trustee purchases the Company's shares being awarded from the open market with funds provided by the Company by way of contributions.

During the year ended 31 December 2016, 10,814,000 ordinary shares of the Company have been acquired at an aggregate cost of HKD29,776,000 (equivalent to approximately RMB25,038,000) (2015: 27,000 ordinary shares at an aggregate cost of HKD91,000, equivalent to approximately RMB74,000). As at 31 December 2016, no shares have been granted or agreed to be granted to the Participants (2015: nil). There are 10,841,000 shares (2015: 27,000 shares) held by the Trustee and RMB1,342,000 (2015: RMB8,302,000) was placed to the Trustee as prepayments at the end of reporting period.

(c) 股份獎勵計劃

本公司於2015年11月30日(「採納日」)採納股份獎勵計劃(「股份獎勵計劃」)，股份獎勵計劃自2015年12月11日起計有效期為15年。計劃之目的為(i)使董事認為已經或將會對本集團作出貢獻之僱員、參事、顧問、代理、承辦商、顧客或供應商(「計劃參與者」)之利益與本集團利益一致；(ii)嘉獎和鼓勵計劃參與者之貢獻，並給予獎勵，以挽留計劃參與者，為本集團的持續經營及發展效力；及(iii)吸引合適人才推動本集團長期增長及進一步戰略拓展。

本公司已委任中銀國際英國保誠信託有限公司(「受托人」)管理及持有本公司之股份，直至達到歸屬準則及條件符合為止，歸屬股份將轉讓予計劃參與人。受托人於合適的時候在公開市場買入公司現有股份，費用由本公司支付。

於截至2016年12月31日止之年度，本公司以總成本港幣29,776,000元(相當於約人民幣25,038,000元)購入本公司的10,814,000股普通股(2015：以總成本港幣91,000元購入本公司的27,000股普通股，相當於約人民幣74,000元)。於截至2016年12月31日止之年度，尚未有股份已經授予或同意授予予計劃參與人(2015：無)。於報告期末，受托人持有10,841,000股普通股(2015：27,000股普通股)和人民幣1,342,000元(2015：人民幣8,302,000元)之預付款。

REPORT OF DIRECTORS (CONTINUED) 董事會報告(續)

DIRECTORS

The Directors of the Company during the year 2016 and up to the date of this report were:

Executive Directors

Mr. LU Run Ting (*Chairman*)
Mr. HOU Ping
Mr. LU Runyi
Mr. LU Xiaozhong

Non-executive Directors

Mr. Christophe Jacques PAGEZY
Mr. TING Tao I

Independent Non-executive Directors

Mr. MAK Wing Sum Alvin
Mr. ZHU Lijun
Mr. LIU John Jianhua

DIRECTORS' PROFILES

Details of the Directors' profiles are set out in the "Directors and Senior Management" on pages 30 to 40 of this Annual Report.

DIRECTORS OF SUBSIDIARIES

The directors who have served on the boards of the subsidiaries of the Company during the year 2016 and up to the date of this report are as follows:

Goldpac Datacard Solutions Company Limited

Mr. LU Run Ting
Mr. HOU Ping
Mr. LU Runyi

Goldpac Limited

Mr. LU Run Ting
Mr. HOU Ping
Mr. LU Runyi

Goldpac Smart Card (Guangzhou) Limited

Mr. LIU Xuhui

Goldpac Investment Limited

Mr. LU Run Ting

Goldpac Fintech Singapore Private Limited

Mr. LU Run Ting
Mr. HOU Ping
Mr. YAP Mung Hong

董事

於2016年度內及至本報告日止，公司董事為：

執行董事

盧閏霆先生(主席)
侯平先生
盧潤怡先生
盧小忠先生

非執行董事

Christophe Jacques PAGEZY先生
丁道一先生

獨立非執行董事

麥永森先生
朱立軍先生
劉建華先生

董事介紹

董事介紹詳情載於本年度報告第30頁至40頁之「董事及高級管理層」章節。

附屬公司董事

於2016年度內及至本報告日止，本公司之附屬公司之董事如下：

金邦達數據有限公司

盧閏霆先生
侯平先生
盧潤怡先生

金邦達有限公司

盧閏霆先生
侯平先生
盧潤怡先生

廣州市金邦達智能卡有限公司

劉煦暉先生

金邦達投資有限公司

盧閏霆先生

金邦達金融科技(新加坡)有限公司

盧閏霆先生
侯平先生
YAP Mung Hong先生

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REPORT OF DIRECTORS (CONTINUED) 董事會報告(續)

DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors has entered into a service contract with the Company for a term of three years, which shall be terminated by not less than three months' notice in writing served by either the executive Director or the Company. Each of non-executive Directors has signed an appointment letter with the Company for a term of three years. Each of independent non-executive directors has signed an appointment letter with the Company for a term of three years. The appointment of each Director is subject to the provisions of appointment and retirement of directors under the Articles of Association of the Company.

In accordance with the Company's Articles of Association, Mr. LU Run Ting, Mr. LU Runyi and Mr. Christophe Jacques PAGEZY retired from the Board and were re-elected in the Annual General Meeting on 28 May 2014, and they will retire from the Board at the forthcoming Annual General Meeting on 18 May 2017. Mr. LU Run Ting, Mr. LU Runyi and Mr. Christophe Jacques PAGEZY will offer themselves for re-election. Mr. HOU Ping, Mr. LU Xiaozhong and Mr. TING Tao I retired from the Board and were re-elected in the Annual General Meeting on 21 May 2015. Mr. MAK Wing Sum Alvin, Mr. ZHU Lijun and Mr. LIU John Jianhua retired from the Board and were re-elected at the Annual General Meeting on 19 May 2016.

None of the Directors proposed for re-election at the forthcoming Annual General Meeting has unexpired service contract which is not determinable by the Company or any of its subsidiaries within one year without payment compensation, other than statutory compensation.

CONFIRMATION OF INDEPENDENCE FROM THE INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received from each of the independent non-executive Directors, namely Mr. MAK Wing Sum Alvin, Mr. ZHU Lijun and Mr. LIU John Jianhua, the confirmation of their respective independence pursuant to Rule 3.13 of the Listing Rules. The Company has duly reviewed the confirmation of independence of each of these Directors. The Company considers that the independent non-executive Directors had been independent from the date of their appointment to 31 December 2016.

董事服務合同

每一位執行董事都與本公司訂有為期三年的服務合同，並約定各方可以通過提前三個月發出書面通知以終止服務合同。每一位非執行董事均與本公司簽有為期三年的任命書。每一位獨立非執行董事均與本公司訂有為期三年的任命書。所有董事的任命和退任均遵守本公司的章程細則。

根據本公司的章程細則，盧閔霆先生、盧潤怡先生以及Christophe Jacques PAGEZY先生於2014年5月28日股東大會上退任後，重新獲選，並即將於2017年5月18日股東大會上退任。盧閔霆先生、盧潤怡先生以及Christophe Jacques PAGEZY先生同意重新參選。侯平先生、盧小忠先生和丁道一先生於2015年5月21日股東大會上退任後，重新獲選。麥永森先生、朱立軍先生和劉建華先生，於2016年5月19日的股東大會上退任後，重新獲選。

概無在即將召開的股東大會中重選的董事訂有不可於一年內被公司或其附屬公司終止而無須作出補償(法定補償除外)的未到期服務合約。

獨立非執行董事的獨立性確認

本公司已收到每一位獨立非執行董事，即麥永森先生、朱立軍先生和劉建華先生，根據上市規則第3.13條就其獨立性發出的年度確認書。本公司已經充分檢討了每一位董事發出的獨立性確認書。本公司認為本公司的獨立非執行董事從任命之日起至2016年12月31日均具有獨立性。

REPORT OF DIRECTORS (CONTINUED) 董事會報告(續)

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS

For the year ended 31 December 2016, the interests of the Directors and Chief Executive in the shares, underlying shares of equity derivatives and debentures of the Company and its associated corporations (all within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) disclosed in accordance with the Listing Rules were detailed below:

Interests in Shares

Name of Director 董事姓名	Capacity/Nature of Interests 權益性質	Number of securities held ⁽¹⁾ 所持證券數目 ⁽¹⁾	Approximate percentage of interest in the Company (%) 所佔本公司權益概約百分比(%)
Mr. LU Run Ting (Chairman) 盧閏霆先生(主席)	Interest of Controlled Corporation 受控制法團權益	355,259,422 Shares (L) 355,259,422股(L)	42.62%
	Beneficial owner ⁽²⁾ 受益人 ⁽²⁾	3,700,000 Shares (L) 3,700,000股(L)	0.44%
Mr. HOU Ping 侯平先生	Beneficial owner ⁽³⁾ 受益人 ⁽³⁾	1,500,000 Shares (L) 1,500,000股(L)	0.18%
Mr. LU Runyi 盧潤怡先生	Beneficial owner ⁽⁴⁾ 受益人 ⁽⁴⁾	4,120,000 Shares (L) 4,120,000股(L)	0.49%
Mr. LU Xiaozhong 盧小忠先生	Beneficial owner ⁽⁵⁾ 受益人 ⁽⁵⁾	1,000,000 Shares (L) 1,000,000股(L)	0.12%

⁽¹⁾ The letter "L" denotes the Directors' long position in the Shares or the relevant associated corporation.

⁽²⁾ Mr. LU Run Ting ("Chairman LU")'s interests are consisted of: (i) 2,960,000 Shares to be issued subject to options granted under the Pre-IPO Share Option Scheme; and (ii) 740,000 Shares issued by options granted under the Pre-IPO Share Option Scheme exercised on 29 July 2015.

⁽³⁾ Mr. HOU Ping's interests are consisted of: (i) 1,200,000 Shares to be issued subject to options granted under the Pre-IPO Share Option Scheme; and (ii) 300,000 Shares issued by options granted under the Pre-IPO Share Option Scheme exercised on 25 August 2015.

⁽⁴⁾ Mr. LU Runyi's interests are consisted of: (i) 1,600,000 Shares to be issued subject to options granted under the Pre-IPO Share Option Scheme; (ii) 2,120,000 Shares transferred from GIHL (being a controlling shareholder of the Company and wholly-owned by Chairman LU) on 20 March 2015; and (iii) 400,000 Shares issued by options granted under the Pre-IPO Share Option Scheme exercised on 25 August 2015.

⁽⁵⁾ Shares which are subject to options under the Pre-IPO Share Option Scheme.

董事和首席執行官的權益

於截至2016年12月31日止之年度，董事和首席執行官在本公司及其相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之任何股份、相關股份或債券之權益根據上市規則披露如下：

股份權益

Name of Director 董事姓名	Capacity/Nature of Interests 權益性質	Number of securities held ⁽¹⁾ 所持證券數目 ⁽¹⁾	Approximate percentage of interest in the Company (%) 所佔本公司權益概約百分比(%)
Mr. LU Run Ting (Chairman) 盧閏霆先生(主席)	Interest of Controlled Corporation 受控制法團權益	355,259,422 Shares (L) 355,259,422股(L)	42.62%
	Beneficial owner ⁽²⁾ 受益人 ⁽²⁾	3,700,000 Shares (L) 3,700,000股(L)	0.44%
Mr. HOU Ping 侯平先生	Beneficial owner ⁽³⁾ 受益人 ⁽³⁾	1,500,000 Shares (L) 1,500,000股(L)	0.18%
Mr. LU Runyi 盧潤怡先生	Beneficial owner ⁽⁴⁾ 受益人 ⁽⁴⁾	4,120,000 Shares (L) 4,120,000股(L)	0.49%
Mr. LU Xiaozhong 盧小忠先生	Beneficial owner ⁽⁵⁾ 受益人 ⁽⁵⁾	1,000,000 Shares (L) 1,000,000股(L)	0.12%

⁽¹⁾ 「L」代表董事於本公司或有關的相聯法團股份中所持有的好倉。

⁽²⁾ 盧閏霆先生(盧主席)之權益包括(i)首次公開發售前購股權計劃下可發行股份2,960,000股；以及(ii)於2015年7月29日通過行使首次公開發售前購股權計劃發行股份740,000股。

⁽³⁾ 侯平先生之權益包括(i)首次公開發售前購股權計劃下可發行股份1,200,000股；以及(ii)於2015年8月25日通過行使首次公開發售前購股權計劃發行股份300,000股。

⁽⁴⁾ 盧潤怡先生之權益包括：(i)首次公開發售前購股權計劃下可發行股份1,600,000股；(ii)於2015年3月20日受讓於金邦達國際(本公司之控股股東，並由盧主席全資擁有)2,120,000股；以及(iii)於2015年8月25日通過行使首次公開發售前購股權計劃發行股份400,000股。

⁽⁵⁾ 首次公開發售前購股權計劃項下的購股權涉及的股份。

REPORT OF DIRECTORS (CONTINUED) 董事會報告(續)

DIRECTORS' INTERESTS IN CONTRACTS

No contract of significance, to which the Company, any of its subsidiaries or fellow subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted during or at the year ended 31 December 2016.

CONTRACTS WITH CONTROLLING SHAREHOLDERS

No contract of significance had been entered into between the Company or any of its subsidiaries and the controlling shareholders during the year ended 31 December 2016.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

Pursuant to Rule 8.10 of the Listing Rules, for the year ended 31 December 2016, no Director had declared interests in any entity which competes, either directly or indirectly, with the businesses of the Company.

PERMITTED INDEMNITY PROVISION

The Company has arranged for appropriate insurance cover for the Directors and Senior Management in respect of certain liabilities arising out of corporate activities. As required by Section 470(1) and (2) of the Hong Kong Companies Ordinance (Cap. 622 of the Laws of Hong Kong) (the "Companies Ordinance"), it is confirmed that the permitted indemnity provision mentioned above is/was in force for the benefit of the Directors/then Directors when the Directors' Report prepared by the Directors is approved in accordance with section 391(1)(a) of the Companies Ordinance; and has been in force throughout the financial year ended 31 December 2016, respectively. Pursuant to the Company's Articles of Association, subject to the provisions of the Companies Ordinance, every Director or other officer or auditor may be indemnified out of the assets of the Company against any liability, loss or expenditure incurred by him in defending any proceedings, whether civil or criminal, which relate to anything done or omitted to be done or alleged to have been done or omitted to be done by him as an officer or auditor of the Company and in which judgment is given in his favour or in which he is acquitted, or incurred in connection with any application in which relief is granted to him by the court from liability in respect of any such act or omission.

董事享有權益之合約

於截至2016年12月31日止之年度，本公司或任何附屬公司、任何附屬公司的附屬公司均未直接或者間接地訂立有與本公司董事享有重大權益之重要合約。

與控股股東的合約

於截至2016年12月31日止之年度，本公司或其任何附屬公司並無與控股股東訂立任何重大合約。

董事就與本集團構成競爭業務之利益申報

根據上市規則第8.10之規定，於截至2016年12月31日止之年度，概無董事申報與本集團直接或者間接構成競爭或者可能構成競爭的機構中存在利益。

准許彌償條文

本公司已就其董事及高級管理層可能面對因企業活動產生之若干負債，作適當之投保安排。根據香港公司條例(香港法例第622章)(「公司條例」)第470(1)及(2)條的規定，本公司確認於董事編製之董事會報告書根據公司條例第391(1)(a)條獲通過時及於截至2016年12月31日止之整個財政年度內，上述獲准許彌償條文正於惠及／曾經惠及董事／前董事的情況下有效。根據本公司的章程細則，在公司條例的條文所規限下，但在不損害董事可享有的任何彌償的情況下，本公司各董事或其他高級人員或核數師因於任何民事或刑事法律程序作抗辯產生的任何負債、損失或支出，凡涉及其作為本公司高級人員或核數師而作出或沒有作出或其指稱已作出或沒有作出的任何事宜，而有關法律程序判其勝訴或獲無罪開釋，或凡屬因法院寬免其就作出或沒有作出任何行為負上法律責任的任何用途而產生，均獲本公司以其資產作出彌償。

EQUITY-LINKED AGREEMENT

Details of the share option scheme of the Company are set out in the section headed "Incentive Schemes" above and Note 30 to the Consolidated Financial Statements on the pages 178 to 186 of this Annual Report.

Save as disclosed above, no equity-linked agreement will or may result in the Company issuing Shares or that require the Company to enter into any agreements that will or may result in the Company issuing Shares, were entered into by the Company during the year or subsisted at the end of the year.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year 2016.

DIRECTORS' EMOLUMENTS

The emoluments of the Directors for the year 2016 are set out in Note 10 to the Consolidated Statements on pages 156 to 159 of this Annual Report.

NON-COMPETE UNDERTAKINGS

Each of the controlling shareholders has confirmed to the Company of his/its compliance with the non-compete undertakings provided to the Company under the Deed of Non-Competition (as defined in the Prospectus). The independent non-executive Directors have reviewed the status of compliance and confirmed that all the undertakings under the Deed of Non-Competition have been complied with by the controlling shareholders.

EMOLUMENT POLICY

The Group's emolument policies are based on the merit, qualifications and competence of individual employees and are reviewed by the remuneration committee periodically.

The emoluments of the Directors are recommended by the remuneration committee and are decided by the Board, having regard to the Group's operating results, individual performance and comparable market statistics.

與權益掛鈎協議

有關本公司購股權計劃之詳情載於上文「激勵計劃」一節及本年報中第178頁至186頁綜合財務報表附註30。

除上述所披露者外，本公司概無於年內訂立或於年末存在任何與權益掛鈎協議將會或可能導致本公司發行股份，或規定本公司訂立任何協議將會或可能導致本公司發行股份。

管理合約

於2016年，概無訂立或存在有關本公司整體或任何重大部分業務管理及行政的任何合約。

董事薪酬

於截至2016年12月31日止之年度，本公司董事之薪酬以具名方式詳列於本年報中第156頁至159頁綜合財務報表附註10。

不競爭承諾

各控股股東已向本公司確認，其已遵守根據不競爭契約(定義見招股章程)向本公司提供的不競爭承諾。獨立非執行董事已審視其遵例情況，並確認控股股東已遵守根據不競爭契約的所有承諾。

薪酬政策

本集團的薪酬政策乃基於個別僱員的貢獻、資歷及能力，並定期由薪酬委員會審閱。

董事的薪酬乃由薪酬委員會參考本集團的經營業績、個人表現及可比較的市場統計數據做出建議，並由董事會決定。

REPORT OF DIRECTORS (CONTINUED) 董事會報告(續)

The Company has adopted two share option schemes and one share award scheme to motivate and reward its Directors and eligible employees. Details of these schemes are set out in the paragraph headed "Incentive Schemes" above and Note 30 to the Consolidated Financial Statements on the pages 178 to 186 of this Annual Report.

None of the Directors waived any emoluments during the year 2016.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARE CAPITAL

The register maintained by the Company pursuant to the SFO recorded that, as at 31 December 2016, the following persons and corporations had interests in the shares or underlying shares in the Company:

本公司已採納兩項股權計劃及一項股份獎勵計劃，以激勵及獎勵其董事及合資格僱員。有關該等計劃的詳情載於上文「激勵計劃」一段及本年報中第178頁至186頁綜合財務報表附註30。

於2016年內，概無董事放棄任何酬金。

主要股東權益

根據本公司依照證券及期貨條例而設之登記冊，於2016年12月31日，下列人士和公司擁有本公司股份或相關股份之權益：

Name 姓名	Capacity/Nature of Interests 權益性質	Number of securities held ⁽¹⁾ 所持證券數目 ⁽¹⁾	Approximate shareholding percentage 概約持股百分比
Mr. LU Run Ting 盧閏霆先生	Interest of Controlled Corporation ⁽²⁾⁽ⁱ⁾ 受控制法團權益 ⁽²⁾⁽ⁱ⁾	355,259,422 Shares (L) 355,259,422股(L)	42.62%
	Beneficial owner ⁽²⁾⁽ⁱⁱ⁾ 受益人 ⁽²⁾⁽ⁱⁱ⁾	3,700,000 Shares (L) 3,700,000股(L)	0.44%
Ms. ZHANG Jian ⁽³⁾ 張健女士 ⁽³⁾	Family 家族	358,959,422 Shares (L) 358,959,422股(L)	43.07%
Gemalto ⁽⁴⁾	Interest of Controlled Corporation 受控制法團權益	152,931,181 Shares (L) 152,931,181股(L)	18.35%
Areo Holdings Limited ("Areo") ⁽⁵⁾	Interest of Controlled Corporation 受控制法團權益	41,723,000 Shares (L) 41,723,000股(L)	5.00%

Notes:

- (1) The letter "L" denotes a person's long position in the Shares or shares of the relevant Group member.
- (2) The disclosed interest represents (i) the interest in the Company held by GIHL, which is wholly-owned by Chairman LU, accordingly, Chairman LU is deemed to be interested in GIHL's interest in the Company by virtue of the SFO; and (ii) his interests in 2,960,000 underlying Shares of shares options to be issued subject to exercise of such options granted under the Pre-IPO Share Option Scheme and 740,000 Shares issued by options granted under the Pre-IPO Share Options Scheme exercised on 29 July 2015.
- (3) Ms. ZHANG Jian, the spouse of Chairman LU, is deemed to be interested in Chairman LU's interest in the Company by virtue of the SFO.
- (4) The disclosed interest represents the interest in the Company held by Gemplus International S.A. ("GISA"), which is wholly-owned by Gemalto, whose shares are listed and traded on the NYSE Euronext Amsterdam and NYSE Euronext Paris. Therefore, Gemalto is deemed to be interested in GISA's interest in the Company by virtue of the SFO.

附註：

- (1) 「L」代表有關人士於股份或本集團相關成員公司股份所持的好倉。
- (2) 所披露權益為：(i)金邦達國際所持本公司權益，而金邦達國際由盧主席全資擁有，因此，根據證券及期貨條例，盧主席被視作於金邦達國際所持之本公司權益中擁有權益及(ii)根據首次公開發售前購股權計劃項下的可發行股份2,960,000股以及於2015年7月29日通過行使首次公開發售前購股權計劃發行股份740,000股。
- (3) 張健女士為盧主席的配偶，根據證券及期貨條例，被視作於盧主席所持之本公司權益中擁有權益。
- (4) 所披露權益為Gemplus International S.A. (「GISA」)所持本公司權益，而GISA由Gemalto全資擁有，Gemalto的股份則於紐約泛歐阿姆斯特丹交易所及紐約泛歐巴黎交易所上市及買賣。因此，根據證券及期貨條例，Gemalto被視作於GISA所持之本公司權益中擁有權益。

REPORT OF DIRECTORS (CONTINUED) 董事會報告(續)

(5) Based on the Disclosure of Interests notices filed on 20 August 2015, the disclosed interest represents the interest in the Company held by ORCHID ASIA VI, LP. and ORCHID ASIA V CO-INVESTMENT, LIMITED. ORCHID ASIA VI, LP. is indirectly wholly owned by Areo while ORCHID ASIA V CO-INVESTMENT, LIMITED is directly wholly owned by Areo. Accordingly, Areo is deemed to be interested in the interest in the Company held by ORCHID ASIA VI, LP. and ORCHID ASIA V CO-INVESTMENT, LIMITED by virtue of the SFO. In addition, Ms. LAM Lai Ming and Mr. LI Gabriel are deemed to be interested in the Company by virtue of the SFO through Areo. To the best knowledge of the Company, each of Ms. LAM Lai Ming and Mr. LI Gabriel is an independent third party.

(5) 按照2015年8月20日填報的權益申報表，所披露權益為ORCHID ASIA VI, LP.和ORCHID ASIA V CO-INVESTMENT, LIMITED所持有之本公司權益。ORCHID ASIA VI, LP.由Areo間接全資擁有，而ORCHID ASIA V CO-INVESTMENT, LIMITED由Areo直接全資擁有。故此，依據證券及期貨條例，Areo被視為於ORCHID ASIA VI, LP.和ORCHID ASIA V CO-INVESTMENT, LIMITED所持之本公司權益中擁有權益。進而，依據證券及期貨條例，林麗明女士和李基培先生被視作於Areo所持之本公司權益中擁有權益。據本公司盡可能所知，林麗明女士和李基培先生均屬獨立第三方。

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

購買、出售或贖回上市證券

During the year ended 31 December 2016, the Company purchased its ordinary shares listed on the Stock Exchange as follows:

於截至2016年12月31日止之年度，本公司於聯交所回購本公司普通股如下：

Month	月份	No. of ordinary Shares	Price per share		Aggregate consideration (exclusive of transaction cost)
			Highest	Lowest	
		普通股數目	最高 HKD 港幣	最低 HKD 港幣	對價合計 (未包括交易費用) HKD'000 港幣千元
June 2016	2016年6月	565,000	2.41	2.37	1,351
					1,351

The aforesaid ordinary Shares purchased were cancelled.

上述普通股於購買之後註銷。

Except for the above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2016.

除上述之外，於截至2016年12月31日止之年度，並無本公司或其任何附屬公司購買、出售或贖回本公司上市證券。

The Board believes that the above share purchase is in the best interests of the Company and the Shareholders.

董事會相信以上購買公司股份符合本公司及股東整體最佳利益。

REPORT OF DIRECTORS (CONTINUED) 董事會報告(續)

MAJOR CUSTOMERS AND SUPPLIERS

Aggregate sales to the Group's largest and five largest customers accounted for 13% (2015: 16.8%) and 41.1% (2015: 42.5%), respectively, of the Group's total turnover from continuing operations.

Aggregate purchases from the Group's largest and five largest suppliers accounted for 33.5% (2015: 55.5%) and 54.8% (2015: 73.5%), respectively, of the Group's total purchases from suppliers.

Mr. PAGEZY was a board representative nominated by Gemalto onto the Board, which is a major supplier and a substantial shareholder of the Company.

Certain Bank of China entities in the PRC are major customers of the Company, whose ultimate holding company is Bank of China Limited, which is also the ultimate holding company of BOCI Investment, a substantial shareholder of the Company until 12 November 2014. Mr. TING Tao I, one of the non-executive Directors, was a board representative nominated by BOCI Investment onto the Board.

Save as disclosed above, none of the Directors, their close associates or shareholders of the Company (which to the knowledge of the Directors own more than 5% of the Shares in issue) had interests in the above suppliers or customers.

CONTINUING CONNECTED TRANSACTIONS

The following related party transactions entered into during the year ended 31 December 2016 constituted continuing connected transactions for the Group under the Listing Rules. The Company confirms that the following disclosure with respect to the continuing connected transactions has complied with the disclosure requirement in accordance with Chapter 14A of the Listing Rules.

主要客戶及供應商

向本集團最大及五大客戶的銷售總額分別佔本集團來自持續經營業務的收入總額13% (2015年: 16.8%) 及41.1% (2015年: 42.5%)。

向本集團最大及五大供應商的採購總額分別佔本集團向供應商的總採購額33.5% (2015年: 55.5%) 及54.8% (2015年: 73.5%)。

PAGEZY先生曾為Gemalto指派到董事會的董事代表，Gemalto為本公司的主要供應商及主要股東。

本公司的主要客戶包括位於中國的若干中國銀行實體，該等公司的最終控股公司為中國銀行股份有限公司，中國銀行股份有限公司亦為中銀國際投資有限公司的最終控股公司。而截至2014年11月12日中銀國際投資有限公司為本公司主要股東。丁道一先生，本公司的非執行董事之一，曾為中銀國際投資有限公司提名加入本公司董事會的董事會代表。

除上文所述，本公司董事或其緊密聯繫人或本公司的股東(據本公司董事所知，持有本公司5%以上已發行股份)，概無於上述供應商或客戶中持有任何權益。

持續關連交易

根據上市規則，於截至2016年12月31日止之年度訂立的下列關聯方交易構成本集團持續關連交易。本公司確認以下關於持續關連交易之披露已遵守上市規則第14A章之披露要求。

Gemalto

The Group had been purchasing certain microprocessors composed of an electronic component embedding a card operating system, also known as IC chips (the “Gemalto IC Chips”), from Gemalto. On 15 November 2013, a module supply agreement was entered into among the Company, Goldpac Datacard Solutions Company Limited, Goldpac Limited (the “Goldpac Entities”) and Gemalto, pursuant to which, Gemalto supplied to and the Goldpac Entities purchased from Gemalto or its affiliates Gemalto IC chips for a term from 4 December 2013 until 31 December 2015. On 25 February 2016, the Goldpac Entities entered into a mutual supply agreement for a term from 1 January 2016 until 31 December 2018 (the “Mutual Supply Agreement”) with Gemalto, pursuant to which (i) the Goldpac Entities shall supply to Gemalto with, among others, products such as banking card modules, cardbody and personalisation machines, equipments, spare parts and relevant consumables (the “Supply of Goldpac Products”); and (ii) Gemalto shall supply to the Goldpac Entities with Gemalto IC Chips (the “Purchase of Gemalto IC Chips”).

Pursuant to the Mutual Supply Agreement:

- the annual caps in respect of the Supply of Goldpac Products for the year ended 31 December 2016 and the two years ending 31 December 2017 and 31 December 2018 are RMB12,000,000, RMB16,000,000 and RMB 20,000,000, respectively; and
- the annual caps in respect of the Purchase of Gemalto IC Chips for the year ended 31 December 2016 and the two years ending 31 December 2017 and 31 December 2018 are RMB750,000,000, RMB750,000,000 and RMB750,000,000, respectively.

Gemalto

本集團過往從金雅拓採購若干含有嵌入式卡片操作系統電子元件的微處理器，亦稱智能卡芯片(金雅拓智能卡芯片)。於2013年11月15日，金雅拓和本公司、金邦達數據有限公司、金邦達有限公司(合稱「金邦達實體」)訂立一份模塊供應協議，據此，自2013年12月4日至2015年12月31日止期間，金雅拓向金邦達實體供應而金邦達實體向金雅拓或其附屬公司採購金雅拓智能卡芯片。於2016年2月25日，金邦達實體與金雅拓訂立一份相互供應協議(相互供應協議)，據此，自2016年1月1日至2018年12月31日期間，(i)金邦達實體將向金雅拓供應金邦達之產品，包括但不限於銀行卡模塊、卡體、個人化機器、設備、零配件和相關耗材(金邦達產品供應)；以及(ii)金雅拓將向金邦達實體供應金雅拓智能卡芯片(金雅拓智能卡芯片採購)。

依據相互供應協議

- 金邦達產品供應於截至2016、2017及2018年12月31日之年度上限分別為人民幣12,000,000元、人民幣16,000,000元及人民幣20,000,000元。
- 金雅拓智能卡芯片採購於截至2016、2017及2018年12月31日之年度上限分別為人民幣750,000,000元、人民幣750,000,000元及人民幣750,000,000元。

REPORT OF DIRECTORS (CONTINUED) 董事會報告(續)

As each of the applicable percentage ratios (other than the profits ratio) (as defined under the Listing Rules) calculated by reference to the annual caps is less than 5%, the Supply of the Goldpac Products from the Goldpac Entities to Gemalto as contemplated under the Mutual Supply Agreement is subject to reporting and announcement requirements, but exempt from the independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios (other than the profits ratio) (as defined under the Listing Rules) calculated by reference to the annual caps is/are more than 5% and more than HKD10,000,000, the Purchase of Gemalto IC Chips by Goldpac Entities from Gemalto as contemplated under the Mutual Supply Agreement is subject to reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. The Mutual Supply Agreement, the Purchase of Gemalto IC Chips as contemplated under the Mutual Supply Agreement and the annual caps contemplated thereunder were approved by the independent Shareholders on 25 February 2016.

For the year ended 31 December 2016, the actual transaction amount in respect of the Supply of Goldpac Products and the Purchase of Gemalto IC Chips amounted to RMB518,000 and RMB234,028,000, respectively.

Deloitte Touche Tohmatsu (the "Auditor"), the auditor of the Company, reviewed the Group's continuing connected transactions in accordance with Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by Hong Kong Institute of Certified Public Accountants. The Auditor has issued an unqualified letter containing its findings and conclusions in respect of the continuing connected transactions disclosed by the Group in accordance with Rule 14A.56 of the Listing Rules. A copy of the Auditor's letter has been provided by the Company to the Stock Exchange.

鑒於每一個適用之百分比比例(除利潤比例之外)(如上市規則第14.04(9)之規定)參考計算年限上限時低於5%，根據相互供應協議，金邦達實體向金雅拓供應金邦達產品的交易須根據上市規則第十四A章所載之要求予以申報及公告，但可豁免獨立股東批准。

鑒於一個或者多個適用之百分比比例(除利潤比例之外)(如上市規則第14.04(9)之規定)超過5%且超過10,000,000港元，根據相互供應協議，金雅拓向金邦達實體供應金雅拓智能卡芯片的交易須根據上市規則第十四A章所載之要求予以申報、公告以及獲得獨立股東批准。相互供應協議以及相互供應協議項下所規定之金雅拓智能卡芯片採購及其年度上限均於2016年2月25日得到獨立股東批准。

於截至2016年12月31日之年度，金邦達產品供應和金雅拓智能卡芯片採購的實際金額分別為人民幣518,000元和人民幣234,028,000元。

本公司核數師德勤•關黃陳方會計師行(「核數師」)根據香港會計師公會所發布的《實務守則》第740號「關於《香港上市規則》所述之關連交易的核數師函件」就本集團之持續關連交易進行審閱。核數師已經根據上市規則第14A.56條發出無保留意見的函件，而該函件載有核數師對有關本集團披露的持續性關連交易的發現及結論。本公司已經將核數師函件副本送呈聯交所。

REPORT OF DIRECTORS (CONTINUED) 董事會報告(續)

The Auditor has issued a review report to the board and confirmed that for the year 2016:

- (1) nothing has come to their attention that causes them to believe that the disclosed continuing connected transactions have not been approved by the Board;
- (2) for transactions involving the provision of goods or services by the Group, nothing has come to their attention that causes them to believe that the transactions were not, in all material respects, in accordance with the pricing policies of the Company;
- (3) nothing has come to their attention that causes them to believe that the transactions were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions; and
- (4) with respect to the aggregate amount of each of the continuing connected transactions set out above, nothing has come to their attention that causes them to believe that the disclosed continuing connected transactions have exceeded the maximum aggregate annual cap approved by the extraordinary general meeting on 25 February 2016 in respect of each of the disclosed continuing connected transactions.

ANNUAL REVIEW OF THE CONTINUING CONNECTED TRANSACTIONS

The independent non-executive Directors had reviewed the continuing connected transactions arising from the Mutual Supply Agreement with Gemalto in respect with Supply of Goldpac Products and Purchase of Gemalto IC Chips during the year ended 31 December 2016 and confirmed that the transactions were:

- i. in the ordinary and usual course of business of the Group;
- ii. on normal commercial terms; and
- iii. in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole.

核數師已向董事會提交審閱報告，並確認於2016年度：

- (1) 彼等並無察悉任何事項促使其相信已披露持續關連交易未獲董事會批准；
- (2) 就涉及本集團提供貨品或服務而言，彼等並無察悉任何事項促使其相信有關之交易在所有重大方面並未按照本公司的定價政策而進行；
- (3) 彼等並無察悉任何事項促使其相信有關交易在所有重大方面並未根據規管有關交易之有關協議而訂立；及
- (4) 就載於以上之各持續關連交易之總額而言，彼等並無察悉任何事項促使其相信已披露持續關連交易已超逾本公司就各已披露持續關連交易而於2016年2月25日之特別股東大會所批准之最高年度總額。

持續關連交易的年度審閱

本公司獨立非執行董事已經審閱截至2016年12月31日止之年度，因根據與金雅拓的相互供應協議就金邦達產品供應與金雅拓智能卡芯片採購而產生的持續關連交易，並確認此等交易乃：

- i. 本集團在其日常及一般業務範圍內進行；
- ii. 根據正常商業條款進行；以及
- iii. 根據有關協議的條款進行，而條款均屬公平合理，符合本公司股東的整體利益。

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REPORT OF DIRECTORS (CONTINUED) 董事會報告(續)

SUFFICIENCY OF THE PUBLIC FLOAT

Based on information that has publicly available to the Company and to the knowledge of the Directors, the Company had maintained the prescribed minimum percentage of public float permitted under the Listing Rules since the Listing until the date of this Annual Report.

CODE ON CORPORATE GOVERNANCE PRACTICES

Details of the Company's corporate governance practices are set out in the "Corporate Governance Report" in this Annual Report.

SUBSEQUENT EVENTS

On 3 November 2016, Goldpac Investment Limited, a wholly-owned subsidiary of the Company entered into a provisional sale and purchase agreement with Junefield (Beijing Hong Kong) Development Company Limited, an independent third party, to acquire 13th floor of Bank of East Asia Harbour View Centre on No.56 Gloucester Road, Hong Kong at a consideration of HKD178,000,000 (equivalent approximately to RMB154,174,000) for the use as the headquarters for the Group's overseas business expansion. The total cost of the property together with transaction costs such as stamp duty and property agent commission will be approximately HKD194,554,000 (equivalent approximately to RMB168,512,000). The acquisition of the property was completed on 18 January 2017.

On 6 January 2017, Goldpac Limited, a wholly-owned subsidiary of the Company acquired a parcel of land at the price of RMB26,669,442 through the auction (listing-for-sale) process. The land parcel is situated in the west of Goldpac Tech Park, Zhuhai City, Guangdong Province, PRC, where the operation of the Group is located. The land parcel covers an area of approximately 20,999.56 square meters with a land use right of 50 years, where the Group will commence construction of Asia's leading Fintech and Data Service Center. During the year ended 31 December 2016, the bidding deposit amounted to RMB8,010,000 was placed and included in other receivables. The remaining balance of the consideration amounted to RMB18,659,000 was fully settled on 17 February 2017.

充足的公眾持股量

自上市之日至本年報之日，基於本公司可公開獲取到的資訊以及董事所知，本公司維持保有聯交所批准，且符合上市規則所允許的最低公眾持股百分比。

企業管治常規守則

有關本公司企業管治之詳情載於本年報「企業管治報告」內。

期後事項

於2016年11月3日，本公司之全資附屬公司金邦達投資有限公司與獨立第三方莊勝(香港)發展有限公司訂立臨時買賣協議以收購位於香港告士打道56號東亞銀行港灣中心13層之辦公室，代價為港幣178,000,000(折合約人民幣154,174,000元)，作為未來本集團海外業務拓展的總部。物業總成本連同交易成本，如印花稅和物業代理傭金約為港幣194,554,000(折合約人民幣168,512,000元)。該物業交割已於2017年1月18日完成。

於2017年1月6日，本公司之全資附屬公司金邦達有限公司通過拍賣(掛牌出讓)以人民幣26,669,442元收購一塊土地。該土地位於中華人民共和國廣東省珠海市本集團運營場地金邦達信息科技園區西側，總佔地面積約為20,999.56平方米，年期為50年，用於建設金融科技和數據服務中心。於截至2016年12月31日止之年度，本集團已支付投標按金人民幣8,010,000元，並記入其他應收款項中。代價餘額人民幣18,659,000元已在2017年2月17日全額付清。

REPORT OF DIRECTORS (CONTINUED) 董事會報告(續)

AUDITOR

Deloitte Touche Tohmatsu will retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of Deloitte Touche Tohmatsu as auditors of the Company will be proposed at the forthcoming Annual General Meeting on 18 May 2017.

On behalf of the Board

LU Run Ting

Chairman & Executive Director

Hong Kong, 21 March 2017

核數師

德勤•關黃陳方會計師行將退任，但表示願意留任。在本公司即將於2017年5月18日召開的股東大會上，將提呈續聘德勤•關黃陳方會計師行為本公司核數師之議案。

承董事會命

盧閔霆

主席及執行董事

香港，2017年3月21日

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CORPORATE GOVERNANCE PRACTICES

The Board of the Company is committed to achieving good corporate governance standards.

The Board believes that good corporate governance standards are essential in providing a framework for the Group to safeguard the interests of shareholders and to enhance corporate value and accountability.

The Company has adopted the code provisions (“**Code Provisions**”) as set out in the Corporate Governance Code (the “**CG Code**”) contained in Appendix 14 of the Listing Rules.

In the opinion of the Directors, throughout the year under review, the Company has complied with all the Code Provisions as set out in the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix 10 of the Listing Rules as its code of conduct regarding directors’ securities transactions. All Directors have confirmed, following specific enquiry by the Company, that they have complied with the Model Code throughout the year 2016.

Specific enquiry was made with all the Directors and the Directors confirmed that they had complied with the Model Code throughout the year ended 31 December 2016.

The Company has also established written guidelines as stringent as the Model Code for securities transactions of employees who are likely to be in possession of unpublished price-sensitive information of the Company (the “**Employees Written Guidelines**”). No incident of non-compliance of the Employees Written Guidelines by the employees was noted by the Company.

企業管治常規

本公司董事會致力於達成良好的企業管治水平。

董事會深信良好的企業管治標準是不可避免的，它能夠為集團提供一個架構以維護股東利益、提升公司價值和公司管理責任。

本公司已採用上市規則附錄14所載之企業管治守則(「**企業管治守則**」)中的守則條文(「**守則條文**」)。

縱觀全年之審查，董事們認為本公司已經遵守了企業管治守則所載之全部守則條文。

證券交易標準守則

本公司已採用上市規則附錄十所載列的有關董事證券交易的上市發行人董事進行證券交易的標準守則(「**標準守則**」)。經向全體董事作出特定查詢後，本公司全體董事已確認，於2016年內均遵守標準守則。

在向所有董事做出特定查詢後，所有董事於截至2016年12月31日止之年度內，都確有遵守標準守則。

本公司已就有關僱員買賣證券事宜設立了書面指引(「**僱員書面指引**」)，該僱員書面指引之內容與標準守則同樣嚴格，針對可能會持未公開的敏感信息資訊的有關僱員。公司暫未發現有僱員不遵守公司書面指引的情況。

CORPORATE GOVERNANCE REPORT (CONTINUED)

企業管治報告(續)

BOARD OF DIRECTORS

The Board currently comprises nine members, consisting of four executive Directors, two non-executive Directors and three independent non-executive Directors. Below is the list of Directors:

Executive Directors:

Mr. LU Run Ting (*Chairman and Chairman of the Nomination Committee*)
Mr. HOU Ping (*Chief Executive Officer*)
Mr. LU Runyi (*Senior Vice President*)
Mr. LU Xiaozhong (*Senior Vice President*)

Non-executive Directors:

Mr. Christophe Jacques PAGEZY
(*Member of the Nomination Committee*)
Mr. TING Tao I (*Member of the Remuneration Committee*)

Independent non-executive Directors:

Mr. MAK Wing Sum Alvin (*Chairman of the Audit Committee and Members of the Nomination Committee and the Remuneration Committee*)
Mr. ZHU Lijun (*Members of the Audit Committee and the Nomination Committee*)
Mr. LIU John Jianhua (*Chairman of the Remuneration Committee and Members of the Audit Committee and the Nomination Committee*)

The biographical information of the Directors are set out in the section headed "Directors and Senior Management" on pages 30 to 40 of this Annual Report.

The relationships between the members of the Board are disclosed under "Directors and Senior Management" on pages 30 to 40 of this Annual Report.

Chairman and Chief Executive Officer

The positions of Chairman and Chief Executive Officer are held by Mr. LU Run Ting and Mr. HOU Ping respectively. The Chairman provides leadership and is responsible for the effective functioning and leadership of the Board. The Chief Executive Officer focuses on the Company's business development and daily management and operations generally.

董事會

董事會現由九位成員組成，其中四名執行董事，兩名非執行董事及三名獨立非執行董事。以下是董事成員列表：

執行董事：

盧閏霆(主席兼提名委員會主席)
侯平(首席執行官)
盧潤怡(高級副總裁)
盧小忠(高級副總裁)

非執行董事：

Mr. Christophe Jacques PAGEZY
(*提名委員會成員*)
丁道一(*薪酬委員會成員*)

獨立非執行董事：

麥永森(審核委員會主席兼
提名委員會與薪酬委員會成員)
朱立軍(審核委員會與提名委員會成員)
劉建華(薪酬委員會主席兼審
核委員會與提名委員會成員)

董事個人簡歷登載於本年報內第30頁至第40頁，標題為「董事及高級管理層」。

董事會成員之間的關係也在本年報中第30頁至第40頁，標題為「董事及高級管理層」。

主席與首席執行官

主席和首席執行官分別由盧閏霆先生和侯平先生擔任。主席領導並確保董事會的有效機能正常運作。首席執行官負責管理公司的業務發展和日常管理運作。

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Independent Non-executive Directors

During the year ended 31 December 2016, the Board at all times had complied with the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors representing one-third of the Board with one of whom possessing appropriate professional qualifications or accounting or related financial management expertise.

The Company has received written annual confirmation from each of the independent non-executive Directors in respect of his independence in accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules. The Company is of the view that all independent non-executive Directors are independent.

Non-executive Directors and Directors' Re-election

Code Provision A.4.1 of the CG Code stipulates that non-executive Directors shall be appointed for a specific term, subject to re-election.

Each of the Directors is appointed for a term of three years and is subject to retirement by rotation once every three years.

Responsibilities, Accountabilities and Contributions of the Board and Management

The Board is responsible for leadership and control of the Company and oversees the Group's businesses, strategic decisions and performance and is collectively responsible for promoting the success of the Company by directing and supervising its affairs. The Board takes decisions objectively in the interests of the Company.

All Directors, including non-executive Directors and 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.

The Directors shall disclose to the Company details of other offices held by them and the Board regularly reviews the contribution required from each Director to perform his responsibilities to the Company.

獨立非執行董事

於截至2016年12月31日止之年度內，董事會一直遵照上市規則有關必須委任至少三名獨立非執行董事及獨立非執行董事須佔董事會人數三分之一的規定，同時該三名獨立非執行董事中至少有一名具備適當的專業資格或會計或相關財務管理專業知識。

本公司已接獲各獨立非執行董事根據上市規則第3.13條之規定有關彼等之獨立性的年度確認書。本公司認為，本公司確認全體獨立非執行董事均為獨立人士。

非執行董事及董事重選

企業管治守則第A.4.1條規定非執行董事應有明確的任期，及須接受重選。

每位董事任期為三年，並須每三年輪值退休一次。

董事會及管理層的職責、責任和貢獻

董事會負責領導和控制本公司並監管本集團業務、戰略決策及表現，負責通過指導及監管本公司業務推動其成功發展。董事會應以本公司利益做出客觀決策。

全體董事(包括非執行董事和獨立非執行董事)均為董事會帶來多種領域的寶貴業務經驗、知識及專長，使其高效及有效地運作。

董事須向本公司披露彼等擔任的其他職務的詳情，而董事會定期審閱各董事向本公司履行其職責時所作出的貢獻。

CORPORATE GOVERNANCE REPORT (CONTINUED) 企業管治報告(續)

The Board reserves for its decision all major matters relating to policy matters, strategies and budgets, internal control and risk management, material transactions (in particular those that may involve conflict of interests), financial information, appointment of Directors and other significant operational matters of the Company. Responsibilities relating to implementing decisions of the Board, directing and co-ordinating the daily operation and management of the Company are delegated to the management.

Continuous Professional Development of Directors

Directors keep themselves abreast of responsibilities as Directors of the Company and of the conduct, business activities and development of the Company.

Every newly-appointed Director will receive formal, comprehensive and tailored induction on his first appointment to the Board to ensure appropriate understanding of the business and operations of the Company and full awareness of director's responsibilities and obligations under the Listing Rules and relevant statutory requirements.

Directors should participate in appropriate continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant.

During the year ended 31 December 2016, each Director has read books/journals or attended relevant training to facilitate the discharge of their responsibilities.

In addition, relevant reading materials including legal and regulatory update have been provided to the Directors for their reference and studying. Continuing briefing and professional development for Directors will be arranged where necessary.

董事會負責決定所有重大事宜，其中涉及政策事宜、策略及預算、內部監控及風險管理、重大交易(尤其或會涉及利益衝突)、財務資料、委任董事及本公司其他重大營運事宜。有關執行董事會決策、指導及協調本公司日常營運及管理的職責則委託予管理層。

董事的持續專業發展

全體董事均知悉作為董事以及負責引導公司業務活動和發展的職責和責任。

每名新任命的董事於首次獲委任時將接收到正式、全面及針對性入職介紹，以確保新董事可恰當瞭解本公司業務及營運，並完全明白上市規則及相關法規下的董事職責及責任。

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

於截至2016年12月31日止之年度，每位董事均有閱讀專業書籍／期刊或參加相關培訓以幫助履行董事職責。

此外，相關閱讀資料包括法律和規則更新均已發送給各位董事作為學習與參考。於必要時，亦將為董事提供持續通報與職業發展培訓。

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BOARD COMMITTEES

The Board has established three committees, namely, the Audit Committee, the Remuneration Committee and the Nomination Committee, for overseeing particular aspects of the Company's affairs. All board committees of the Company are established with defined written terms of reference. The terms of reference of the board committees are posted on the Company's website and the Stock Exchange's website and are available to shareholders upon request.

The majority of the members of each board committee of the Company are independent non-executive Directors and the list of the chairman and members of each board committee is set out under "Corporate Information" on page 02 to 04 of this Annual Report.

Audit Committee

The main duties of the Audit Committee are to assist the Board in reviewing the financial information and reporting process, internal control procedures and risk management system, audit plan and relationship with external auditors, and arrangements to enable employees of the Company to raise, in confidence, concerns about possible improprieties in financial reporting, internal control or other matters of the Company.

The Board has also delegated the corporate governance duties to the Audit Committee for performing the functions set out in the Code Provision D.3.1 of the CG Code.

The Audit Committee has reviewed the Company's annual results and Annual Report for the year ended 31 December 2016.

董事委員會

董事會下設三個委員會，即審核委員會、薪酬委員會和提名委員會，以監督公司特定範疇之事宜。本公司所有的董事委員會乃根據已釐定之職權範圍成立，有關各董事委員會之權職範圍已載於本公司網站和聯交所的網站，並可根據股東要求予以提供。

本公司各董事委員會的多數成員均為獨立非執行董事，各董事委員會的主席和成員名單已載於本年報第02頁至04頁企業資料。

審核委員會

審核委員會的主要職責是協助董事會檢討審查財務信息、報告流程、內部監控程序以及風險管理體系、審核計劃及與外聘核數師之關係，以及確保本公司的僱員可秘密地就涉及財務報告、內部監控以及本公司其他事宜中潛在的不正當行為提出異議。

董事會也已將企業管治之職責委派給審核委員會，由其履行企業管治守則第D.3.1條中規定的職責。

審核委員會已經審閱本公司截至2016年12月31日止之年度業績以及本年度報告。

CORPORATE GOVERNANCE REPORT (CONTINUED) 企業管治報告(續)

The Audit Committee held two meetings to review interim and annual financial results and reports in respect of the year ended 31 December 2016 and significant issues on the financial reporting and compliance procedures, internal control and risk management systems, scope of work and appointment of external auditors, connected transactions, arrangements for employees to raise concerns about possible improprieties, the Company's corporate governance policies and practices, training and continuous professional development of Directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of the Model Code and Employees Written Guidelines, and the Company's compliance with the CG Code and disclosure in the Corporate Governance Report. The Audit Committee comprises three members, namely, Mr. MAK Wing Sum Alvin (Chairman of Audit Committee), Mr. ZHU Lijun and Mr. LIU John Jianhua.

The Audit Committee also met with the external Auditor twice without the presence of the executive Directors.

REMUNERATION OF THE SENIOR MANAGEMENT

For the year ended 31 December 2016, the remuneration of the senior management is listed as below by band:

Band of remuneration	薪酬組別	Number of person 人數
HKD2,000,000 to HKD2,500,000	港幣2,000,000元至港幣2,500,000元	3

Further details of the remuneration of Directors, Chief Executive and Employees are set out in Note 10 to the Consolidated Financial Statements on the pages 156 to 159 of this Annual Report.

審核委員會已召開兩次會議，以審閱中期和年度財務業績，以及截至2016年12月31日止之年度的報告，以及有關財務報告和投訴程序、內部監控和風險管理體系、外聘核數師的委任和工作範圍、關連交易、僱員反舞弊投訴、公司企業管治政策和慣例、董事和高級管理人員培訓和持續性職業發展、本公司對法律法規要求遵守的政策和慣例、標準守則及書面僱員指引的合規、公司遵守企業管治準則以及於企業管治報告內的披露等重大問題。審核委員會由三名成員組成，即麥永森先生(審核委員會主席)、朱立軍先生和劉建華先生。

審核委員會亦在執行董事缺席的情況下，已與外聘核數師進行了兩次會面。

高級管理層的薪酬

於截至2016年12月31日止之年度，高級管理層的薪酬按組列表如下：

有關董事、首席執行官與僱員的薪酬詳情載於本年報中第156頁至159頁綜合財務報表附註10。

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Remuneration Committee

The primary functions of the Remuneration Committee include reviewing and making recommendations to the Board on the remuneration adjustment principle of all employees as a whole, the remuneration packages of individual executive Directors, the remuneration policy and structure for all Directors; and establishing transparent procedures for developing such remuneration policy and structure to ensure that no Director or any of his associates will participate in deciding his own remuneration.

For the year ended 31 December 2016, the Remuneration Committee met for four times to review and make recommendation to the Board on the remuneration adjustment principle of all employees as a whole, the remuneration policy and structure of the Company, and the remuneration packages of the Executive Directors and other related matters. The Remuneration Committee comprises three members, namely, Mr. LIU John Jianhua (Chairman of Remuneration Committee), Mr. TING Tao I and Mr. MAK Wing Sum Alvin.

Nomination Committee

The principal duties of the Nomination Committee include reviewing the board composition, developing and formulating relevant procedures for the nomination and appointment of Directors, making recommendations to the Board on the appointment and succession planning of Directors, and assessing the independence of independent non-executive Directors.

In assessing the board composition, the Nomination Committee would take into account various aspects set out in the Board Diversity Policy, including but not limited to gender, age, race, language, cultural and educational background, professional qualifications, skills, knowledge and industry and regional experience. The Nomination Committee would review the Board Diversity Policy at least annually and discuss and agree on measurable objectives for achieving diversity on the Board, where necessary, and recommend them to the Board for adoption.

薪酬委員會

薪酬委員會的主要職責包括檢討有關僱員整體薪酬調整原則，各執行董事的薪酬方案、全體董事的薪酬政策及架構，並向董事會提供建議；以及設立透明的程序制訂薪酬政策及架構，以確保任何董事或其任何關連人士均不得參與有關其本身薪酬的決策。

於截至2016年12月31日止之年度，薪酬委員會已召開四次會議檢討公司的薪酬政策及架構、僱員整體薪酬調整原則，執行董事的薪酬方案及其他相關事宜，並向董事會提供建議。薪酬委員會包括三位成員，即劉建華先生(薪酬委員會主席)、丁道一先生和麥永森先生。

提名委員會

提名委員會的主要職責包括檢討董事會架構、發展以及明確董事提名和任命的相關程序，就董事委任及繼任計劃向董事會提出建議及評估獨立非執行董事的獨立性。

在評估董事會構成時，提名委員會須考慮到董事會多樣化政策，包括但不限於性別、年齡、種族、語言、文化和教育背景、專業資格、技能、知識、行業和地域經驗。提名委員會須每年至少一次討論董事會成員多元化政策，討論可估量目標，並達成統一意見，如有需要，推薦予董事會考慮及採納。

CORPORATE GOVERNANCE REPORT (CONTINUED)

企業管治報告(續)

In identifying and selecting suitable candidates for directorships, the Nomination Committee would consider the candidate's gender, age, character, qualifications, experience, independence and other relevant criteria necessary to complement the corporate strategy and achieve board diversity, where appropriate, before making recommendation to the Board.

The Nomination Committee met once to review the structure, size and composition of the Board and the independence of the independent non-executive Directors and to consider the qualifications of the retiring Directors standing for election at the annual general meeting. The Nomination Committee considered an appropriate balance of diversity perspectives of the Board is maintained. The Nomination Committee comprises five members, namely, Mr. LU Run Ting (Chairman of Nomination Committee), Mr. Christophe Jacques PAGEZY, Mr. MAK Wing Sum Alvin, Mr. ZHU Lijun and Mr. LIU John Jianhua.

COMPANY SECRETARY

The company secretary of the Company is Ms. LI Yijin. Details of the biography of the company secretary of the Company are set out in the section headed "Directors and Senior Management" of this Annual Report. Ms. Li confirmed that she took no less than 15 hours of relevant professional training in the year ended 31 December 2016 as required by the Listing Rules.

在考慮及挑選合適的候選人出任董事，並向董事會推薦之前，提名委員會須考慮候選人的性別、年齡、性格、資歷、經驗、獨立性和其他相關條件，以配合企業策略並實現董事會多元化。

提名委員會已召開一次會議檢討董事會架構、規模和組成，及獨立非執行董事的獨立性，並考慮退任董事在股東週年大會上重選的資格。提名委員會認為董事會保持了合適及均衡的多元化構成。提名委員會包括五位成員，即盧閏霆先生(提名委員會主席)、Christophe Jacques PAGEZY先生、麥永森先生、朱立軍先生及劉建華先生。

公司秘書

本公司公司秘書為李易進女士。本公司公司秘書的履歷載於本年報的「董事及高級管理層」一節。於截至2016年12月31日止之年度內，公司秘書確認其已根據上市規則的規定參與不少於15小時的相關專業培訓。

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ATTENDANCE RECORD OF DIRECTORS AND COMMITTEE MEMBERS 董事及委員會成員的出席記錄

The attendance record of each Director at the Board and board committee meetings and the general meetings of the Company held during the year ended 31 December 2016 is set out in the table below:

每位董事參與本公司於截至2016年12月31日止之年度內舉行的董事會、委員會會議及股東大會的出席記錄如下表所示：

Name of Directors 董事姓名	Attendance/Number of Meetings 出席次數／會議次數				Annual General Meeting 股東週年 大會	Other General Meeting 其他 股東大會
	Board 董事會	Nomination Committee 提名委員會	Remuneration Committee 薪酬委員會	Audit Committee 審核委員會		
Executive Directors 執行董事						
Mr. LU Run Ting 盧潤霆先生	4/4	1/1	N/A	N/A	1/1	1/1
Mr. HOU Ping 侯平先生	4/4	N/A	N/A	N/A	1/1	1/1
Mr. LU Runyi 盧潤怡先生	4/4	N/A	N/A	N/A	1/1	1/1
Mr. LU Xiaozhong 盧小忠先生	4/4	N/A	N/A	N/A	1/1	1/1
Non-executive Directors 非執行董事						
Mr. Christophe Jacques PAGEZY Christophe Jacques PAGEZY先生	4/4	1/1	N/A	N/A	1/1	0/1
Mr. TING Tao I 丁道一先生	4/4	N/A	4/4	N/A	1/1	1/1
Independent Non-executive Directors 獨立非執行董事						
Mr. MAK Wing Sum Alvin 麥永森先生	4/4	1/1	4/4	2/2	1/1	1/1
Mr. ZHU Lijun 朱立軍先生	4/4	1/1	N/A	2/2	1/1	1/1
Mr. LIU John Jianhua 劉建華先生	4/4	1/1	4/4	2/2	1/1	1/1

Apart from regular board meetings, the Chairman also held meetings with the non-executive Directors (including independent non-executive Directors) without the presence of Executive Directors during the year 2016.

除了常規的董事會會議，於2016年主席亦和非執行董事(包括獨立非執行董事)召開了沒有執行董事出席的會議。

CORPORATE GOVERNANCE REPORT (CONTINUED) 企業管治報告(續)

DIRECTORS' RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the financial statements of the Company for the year ended 31 December 2016.

The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

The statement of the independent auditor of the Company about their reporting responsibilities on the financial statements is set out in the Independent Auditor's Report on pages 105 to 107 of this Annual Report.

AUDITOR'S REMUNERATION

The remuneration paid to the Company's external auditor of the Company in respect of audit services and non-audit services for the year ended 31 December 2016 amounted to HKD1,680,000 and HKD384,102 respectively.

An analysis of the remuneration paid to the external auditor of the Company, Messrs. Deloitte Touche Tohmatsu, in respect of audit services and non-audit services for the year ended 31 December 2016 is set out below:

Service Category	服務種類	Fees Paid/Payable	
		已付	應付費用
		HKD 港幣	
Audit Services	核數服務		1,680,000
Non-audit Services	非核數服務		
— Interim review	— 中期審閱		380,000
— Others	— 其他		4,102
			2,064,102

董事就財務報表的職責

董事確認其知悉編製本公司截至2016年12月31日止之年度財務報表的職責。

董事並不知悉任何有關可能會令本公司持續經營能力受到重大質疑的事件或情況的重大不明確因素。

關於公司獨立核數師對財務報表匯報職責的陳述載於本年報之獨立核數師報告第105至107頁。

核數師的酬金

支付予本公司外聘核數師有關截至2016年12月31日止之年度的核數服務及非核數服務之酬金分別為港幣1,680,000元和港幣384,102元。

支付予本公司外聘核數師德勤關黃陳方會計師行有關截至2016年12月31日止之年度核數服務及非核數服務之酬金的分析如下：

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企業管治報告(續)

RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges its responsibility for continually overseeing the Group’s risk management and internal control system and reviewing their effectiveness at least annually through Audit Committee. The Audit Committee assists the Board in fulfilling its oversight and corporate governance role in the Group’s financial, operational, compliance, risk management and internal controls and the resourcing of the finance and internal audit functions.

Risk Management Structure

The Group has established an organizational structure with defined level of responsibility and reporting procedures. The Board oversees the overall management of Group’s risks, with assistant from the Audit Committee on reviewing and monitoring key risks. Management is responsible for designing and implementing the risk management and internal control system. Management is also committed to fostering a risk aware and control conscious environment. Operating units are responsible for the identification and management of risks in their operations and a comprehensive approach is adopted for enterprise-wide risk. Responsibility for risk management resides at all levels within the Group, from the Board through the organisation to each manager and employee.

The Group’s risk management framework is guided by the Three Lines of Defense model as shown below:

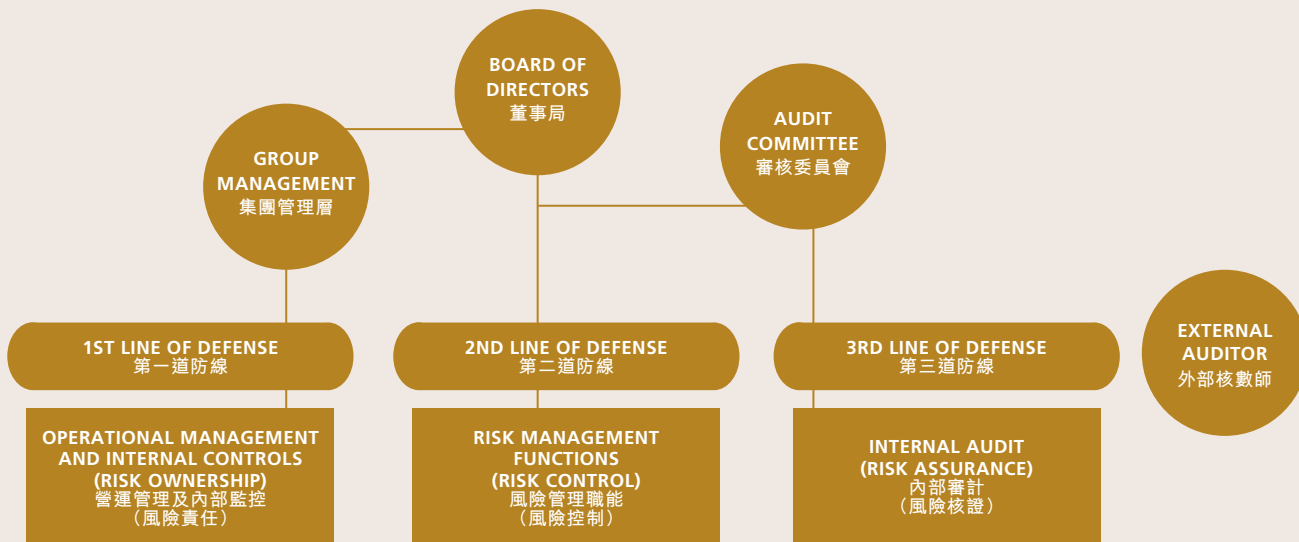
風險管理與內部監控

董事會確認其有責任持續地監控本集團的風險管理及內部監控系統，並透過審核委員會至少每年檢討其成效。審核委員會協助董事會履行其監控及企業管治職責，涵蓋本集團的財務、運營、合規、風險管理及內部監控，以及財務資源及內部審計職能。

風險管理架構

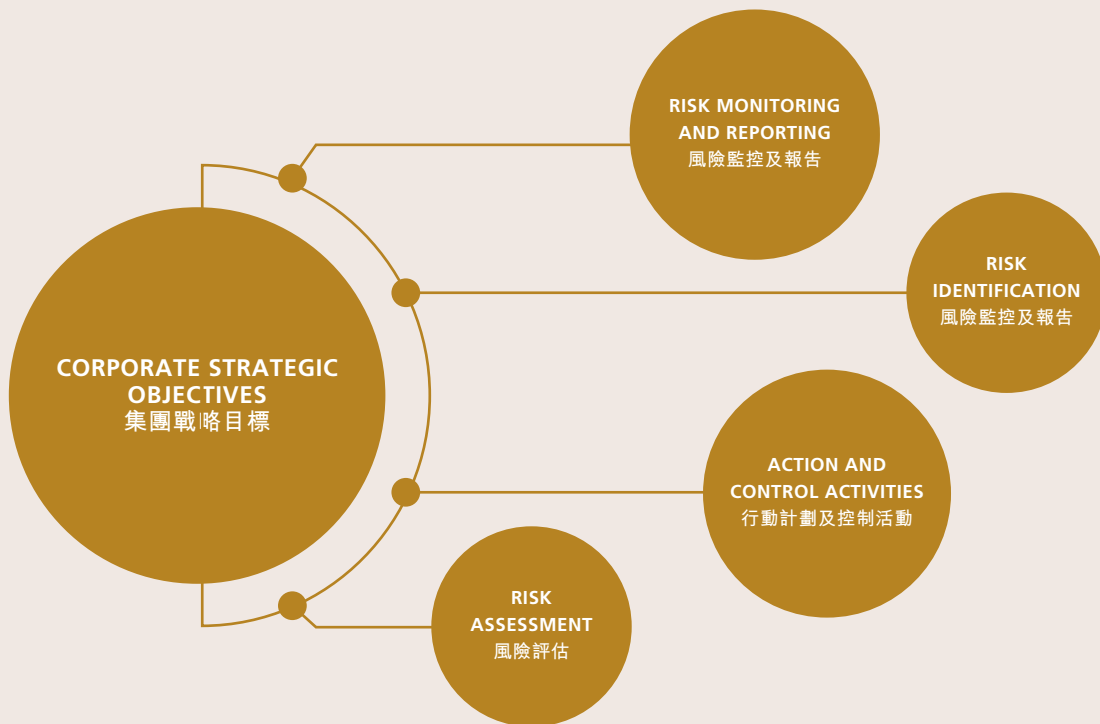
本集團已建立一個具備明確職責及報告程序的組織架構。本公司董事會全權監督集團整體的風險管理，並由審核委員會協助本公司董事會檢視和監控重大的風險。管理層負責風險管理和內部監控系統的設計及實施，致力促進集團風險管理和內部監控的意識及文化。業務部門負責其職權範圍內日常營運的風險識別和管理。集團的風險管理工作由本公司董事會至每位經理及員工共同協力完成。

本集團的風險管理架構以下圖列示的“三道防線”模式作為指引：



Risk Management Framework

The Group has in place a risk management framework to effectively identify, assess, mitigate and monitor key business, financial, operational and compliance risks. The framework enables the Group to adopt a proactive and systematic approach to identifying and managing risks across the organisation to evaluate risk severity and likelihood of occurrence. The framework also sets out the procedures of risk management and clarifies the roles and responsibilities of various departments in relation to risk management.



The Group has embedded its risk management systems into the core operating practices of the business. On an ongoing basis, the respective operating units of the Company review and assess the status of potential risks which may impact on their ability to achieve their business objectives and/or those of the Group, determine and implement treatment plans where risk mitigations are actionable. This review process includes assessment as to whether the existing internal controls continue to remain relevant, adequately address potential risks, and/or should be supplemented.

風險管理辦法

集團建立了風險管理辦法以有效識別、評估、減輕和監控主要業務、運營、財務及合規風險。該辦法為集團提供一個清晰和系統的方法去識別和管理風險，以及評估風險的嚴重性和發生的機會。同時，該辦法確定了集團的風險管理流程，明確了各部門在風險管理工作中的職責分工。

本集團已將風險管理系統貫穿至核心業務中。各部門持續地檢討及評估可能對達成該部門或本集團業務目標的能力造成影響的潛在風險的狀況，制定及實施可行的風險舒緩措施。相關檢討流程包括評估現有內部監控系統是否繼續切合業務需要、是否足夠應對潛在風險及是否需要予以補充。

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Appropriate policies and controls have been designed and established to ensure that assets are safeguarded against improper use or disposal, relevant rules and regulations are adhered to and complied with, reliable financial and accounting records are maintained in accordance to relevant accounting standards and regulatory reporting requirements, and key risks that may impact the Group's performance are appropriately identified and managed. The system and internal controls can only provide reasonable but not absolute assurance against material misstatement or loss, as they are designed to be managed, rather than eliminate the risk of failure to achieve business objectives.

A description of the Group's main risk factors is shown on pages 43 to 48 of this Annual Report. The Group continuously works to improve its risk management framework in order to keep pace with the changing business environment.

Internal Controls

Internal Audit Department conducts independent reviews on the Group's risk management and internal control system. Internal Control Department reports directly to the Audit Committee to ensure identified internal control weaknesses are communicated and rectified effectively.

Internal Audit Department adopts a risk-oriented audit approach. The annual audit plan covers major activities and processes of the Group's compliance, financial, procurement and operations. On a regular basis, Internal Audit Department reports to the Audit Committee the results of their activities during the preceding period pertaining to the adequacy and effectiveness of internal controls, and follows up the progress of rectification for control weaknesses.

The Group has established and oversees a whistleblower policy and a set of comprehensive procedures whereby employees, customers, suppliers and other concerned parties can report any actual or suspected occurrence of improper conduct involving the Company, and for such matters to be investigated and dealt with efficiently in an appropriate and transparent manner.

適當的政策及監控已經制定，以確保資產不會在未經許可下使用或處置，依從及遵守相關條例及規定，根據相關會計標準及監管申報規定保存可靠的財務及會計記錄，以及適當地識別及管理可能影響本集團表現的主要風險。有關系統及內部監控僅可合理而非絕對保證可防範重大失實陳述或損失，因為其目的旨在管理，而非消除未能達成業務目標的風險。

集團的主要風險因素載於本年報第43頁至48頁內。本集團將不斷致力於完善風險管理機制，緊貼不斷變化的業務環境。

內部監控

集團內部審計對本集團風險管理及內部監控系統的成效展開獨立評估，內部審計部門直接向審核委員會匯報以確保內部控制缺陷得到有效的溝通及糾正。

內部審計部門採取以風險為導向的審核方法。內部審計的全年工作計劃，涵蓋合規、財務、採購及運營等集團的各項主要工作及程序。內部審計部門於定期會議上向審核委員會匯報其於上一個期間有關內部監控是否足夠及其成效等的工作結果，並跟進其發現問題的進展。

本集團亦已制定並監督一項舉報政策。據此，僱員、客戶、供應商及其他相關方能對涉及本集團的任何實際或疑似不當行為作出舉報，從而使有關事宜可按照適當及具透明度的方式立即展開調查及得到有效處理。

CORPORATE GOVERNANCE REPORT (CONTINUED)

企業管治報告(續)

The Company formulated the insider information policy and regularly reminds the Directors and employees about due compliance with all policies regarding the insider information. The Company shall prepare or update appropriate guidelines or policies to ensure the compliance with regulatory requirements.

The Board reviews annually the Group's risk management and internal control system. During the year, the Board conducted a review of the effectiveness of the risk management and internal control system of the Group, including the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting and financial reporting function. The Board and the Audit Committee considered that the key areas of the Group's risk management and internal control systems are effectively implemented.

In addition to the review of risk management and internal controls undertaken within the Group, the external auditor also accessed the adequacy and effectiveness of certain key risk management and internal controls as part of their statutory audits. The external auditor's recommendations also provide enhancements to the risk management and internal controls.

SHAREHOLDERS' RIGHTS

To safeguard shareholder interests and rights, a separate resolution is proposed for each substantially separate 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 Company and of the Stock Exchange after each general meeting.

Right to call a General Meeting

General meetings may be convened by the Board on requisition of shareholder(s) of the Company representing at least 5% of the total voting rights of all the shareholders having a right to vote at general meetings or by such shareholder(s) who made the requisition (as the case may be) pursuant to Sections 566 and 568 respectively of the Companies Ordinance. The general nature of the business to be dealt with at the meeting must be stated in the request. Shareholders should follow the requirements and procedures as set out in the Companies Ordinance for convening a general meeting.

本公司已制定內幕信息及知情人管理制度並定期提醒董事及僱員妥善遵守所有有關內幕消息的政策。本公司將編製或更新合適指引或政策以確保遵守監管規定。

董事會每年對集團的風險管理及內部監控系統進行檢討。在本年度內，董事會已檢討本公司風險管理及內部監控系統的有效性，包括資源充足性、員工資質、經驗、培訓計劃及本公司財務預算及財務報告功能。董事會及審核委員會認為本集團的風險管理及內部監控系統的主要部分已得到有效的實施。

除本集團對風險管理及內部監控進行檢討外，外聘核數師的法定審核工作內容亦包括對若干重要的風險管理及內部監控的有效性進行評估，其建議亦有助於改善風險管理及內部監控。

股東權益

為保障股東的權益和權利，股東大會上將對重要獨立事項分別提議獨立決議案，包括個別董事的選舉。所有在股東大會上提出的決議案將依照上市規則進行投票決議，決議結果將於每個股東會議結束後在公司網站和聯交所網站公佈。

召開股東大會的權利

根據香港法例第622章公司條例第566條及第568條，股東可要求董事會或由該呈請人自行召開股東大會（按情況而定）。如董事會收到佔全體有權在股東大會上表決的股東的總表決權至少5%的股東要求召開股東大會，則董事會須召開股東大會。該要求須證明有待於該會議上處理的事務的一般性質。股東應遵從公司條例所載之規定和程序召開股東大會。

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Right to Circulate Resolution at Annual General Meeting

Pursuant to Section 615 of the Companies Ordinance, shareholder(s) representing at least 2.5% of the total voting rights of all shareholders; or at least 50 shareholders (as the case may be) who have a right to vote at the relevant Annual General Meeting, may request to circulate a resolution to be moved at an Annual General Meeting. Shareholders should follow the requirements and procedures as set out in the Companies Ordinance for circulating a resolution for annual general meeting.

Putting Forward Enquiries to the Board

For putting forward any enquiries to the Board, shareholders may send written enquiries to the Company. The Company will not normally deal with verbal or anonymous enquiries.

Contact Details

Shareholders may send their enquiries or requests as mentioned above to the following:

Address: Room 2211, 22nd Floor, Chubb Tower, Windsor House, 311 Gloucester Road, Causeway Bay, Hong Kong (For the attention of the Company Secretary)
Fax: +852 2834 6759
Email: goldpac@goldpac.com

For the avoidance of doubt, shareholder(s) must deposit and send the original duly signed written requisition, notice or statement, or enquiry (as the case may be) to the above address and provide their full name, contact details and identification in order to give effect thereto. Shareholders' information may be disclosed as required by law.

於股東週年大會上傳閱決議的權利

根據公司條例第615條，佔全體有權在週年股東大會上表決的股東的總表決權至少2.5%的公司股東或最少50名有權在股東大會上表決的股東(按情況而定)，可要求傳閱擬在該股東大會動議的決議。股東應遵從公司條例所載有關傳閱週年股東大會決議之規定和程序。

向董事會提出詢問

若須對董事會提出任何詢問，股東可向本公司發送書面詢問。本公司一般不會處理口頭或匿名查詢。

聯繫方式

股東可將其上述詢問或要求發送到以下地址：

地址：香港銅鑼灣告士打道311號皇室大廈安達人壽大樓22樓2211室
(請註明收件人為公司秘書)
傳真：+852 2834 6759
電郵：goldpac@goldpac.com

為避免疑問，股東須將簽署的請求、通知或聲明(視情況而定)的書面正本，遞交和寄送至上述地址，並提供其全名、聯繫方式和身份信息才能生效。按法律規定，股東信息有可能被披露。

CORPORATE GOVERNANCE REPORT (CONTINUED) 企業管治報告(續)

COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

The Company considers that effective communication with shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. The Company endeavours to maintain an on-going dialogue with shareholders and in particular, through Annual General Meetings and other general meetings. At the Annual General Meeting, Directors (or their delegates as appropriate) are available to meet shareholders and answer their enquiries.

CONSTITUTIONAL DOCUMENTS

During the year 2016, the Company has not made any changes to its Articles of Association. An up to date version of the Company's Articles of Association is also available on the Company's website and the Stock Exchange's website.

與股東的溝通及投資者關係

本公司認為與股東的有效溝通對加強投資者關係及投資者對本集團業務成績和策略的瞭解是必不可少的。本公司致力通過股東週年大會及其他股東大會與股東保持溝通。在股東週年大會上，董事(或其代表)會與股東會面並解答股東提出的問題。

章程文件

於2016年內，本公司並無對其公司章程進行任何改動。本公司最新的公司章程可在聯交所網站和本公司網站上查閱。

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ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ABOUT THE REPORT

Introduction

This Environmental, Social and Governance (“ESG”) Report is prepared in compliance with the ESG Reporting Guide set out in Appendix 27 to the Listing Rules, and with reference to the operational practices of the Group. This is the first ESG report issued by the Group. It outlines our efforts related to sustainable development in the previous year and aims to promote and facilitate our communication and interaction with our Shareholders. The Board has reviewed and approved this report and acknowledged its accuracy, truthfulness and completeness.

Scope of the Report

This report explains on the Group’s sustainability performance from 1 January 2016 to 31 December 2016 (“Year under Review”), covering the Company and major subsidiaries.

Feedback

Your opinion is highly valued for use since that can help us further improve on this.

If you have any questions or suggestions, you are always welcome to contact our Company. The contact information is as follows:

Goldpac Group Limited

Address: Room 2211, 22nd Floor, Chubb Tower, Windsor House, 311 Gloucester Road, Causeway Bay, Hong Kong

Tel: (852) 2838 6202

Fax: (852) 2834 6759

E-mail: goldpac@goldpac.com

關於本報告

報告簡要

《環境、社會及管治(ESG)報告》(「本報告」)，乃遵守上市規則附錄二十七《環境、社會及管治報告指引》的要求，以及根據公司實際情況而編制。本報告是本集團第一份對外發布的《環境、社會及管治報告》，希望透過本報告向各利益相關方展現過往一年公司在可持續發展方面的努力，以期促進雙方的溝通和互動。本集團董事會已審閱本報告，確認內容準確、真實和完整。

報告範圍

本報告披露本集團於二零一六年一月一日至二零一六年十二月三十一日(「回顧年」)的可持續發展表現，涵蓋本公司及主要附屬公司。

意見回饋

您的意見對我們在未來持續改善本報告十分重要，我們高度重視。

如對本報告有任何疑問或建議，歡迎隨時聯繫本公司。聯繫方式如下：

金邦達寶嘉控股有限公司

地址：香港銅鑼灣告士打道311號
皇室大廈安達人壽大樓22樓
2211室

電話：(852)2838 6202

傳真：(852)2834 6759

電郵：goldpac@goldpac.com

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SUSTAINABILITY MANAGEMENT

As a global leader in smart payment total solutions, the Group is engaged in its core vision to “Make Transactions Safer and Easier”. The Group is principally engaged in delivering embedded software and secure payment products for global customers and leveraging innovative Fintech to provide personalisation service, system platform and other total solutions for customers in a wide business range including finance, government, healthcare, transportation and retails.

In its business operations, the Group has been exploring, determining and trying to identify a suitable sustainable development model that suits the Group. Facing increasing market demand for secure and convenient smart payment solutions, we are making continuous progress on “2i Integration (integration of information technology and industrialization) and intelligent operations”, committing to researching and popularizing the smart payment solution that fits with what the society seeks for.

The Group is committed to integrate its business development with the development of the environment and the society, enabling us to accomplish the sustainability targets. The Group has been devising and implementing environmental and societal related policy initiatives. Through internal and external engagements, we review the appropriateness of the policy and make amendments on a timely basis. Over the Year under Review, the Group has been able to implement the environmental and social management framework, with the full assistance from its staffs at all levels.

In terms of environmental protection, the Group has complied with all applicable rules and regulations and emissions standards. By focusing on emissions reduction and waste management, our employees are able to tackle waste management in a more effective way through the internal procedures and systems. While managing production and operational efficiency, the Group is shouldering the responsibility of protecting the environment.

可持續發展管理

作為全球智能交易整體解決方案的引領者，本集團以「讓交易更安全、更便捷」為願景，為全球客戶提供智能安全支付領域的嵌入式軟件和安全支付產品，同時融合創新金融科技，為金融、政府、衛生、交通、零售等廣泛領域客戶提供數據處理服務、系統平台及其他整體解決方案等。

在企業運營過程中，我們不斷發掘、探討和嘗試適合集團的可持續發展模式。面對市場對智能支付安全性和便利性的要求的不斷增長，我們持續推進「兩化融合、智能運營」工作，致力研發和普及與社會需求相適應的智能交易解決方案。

本集團一直致力將集團業務與環境和社會共同發展相結合，推動集團實現可持續發展的目標。我們持續制定和落實相關環境及社會影響的政策措施，並通過內外溝通手段，檢討現行政策的適宜性，對政策及時作出更新。在回顧年，本集團各級員工全力配合相關管理工作，將環境及社會影響管理工作具體落到實處。

在環境保護工作上，集團遵從所有相關的環境法律法規及排放標準，並重點從節能減排和廢棄物管理入手，通過制定一連串的內部程序和制度，使員工能更有效地妥善處理廢棄物，在提昇生產和營運效率的同時，全面肩負對環境保護的責任。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

環境、社會及管治報告(續)

On the social front, the customers' data security is our top priority. Through the sound management procedures and employee trainings, the Group is able to consolidate its leading position in smart secure payment solutions. Also, we are the only Group in China who has been accredited by the world's six largest credit card organizations. The Group also focuses on employees' benefits and safety. Building on the foundation of fulfilling all applicable employment and safety regulations, we are committed to offering the development opportunities and a fair, secure, healthy and enjoyable workplace.

Looking ahead, the Group will continue to shoulder its share of social and environmental responsibility, promoting sustainable development internally and externally and integrating its daily operations with the management of environmental and social impacts. While we aim to promote our businesses and optimize sustainability measures, we will keep on engaging with different stakeholder groups, reviewing our own development and bearing the responsibility of sustainable development.

SCIENTIFIC OPERATION

Superior Quality Products and Services

The Group has been adhering to the philosophy of "Creating the Greatest Value for Our Clients", committing to deliver products and services of superior quality, which we believe are the essential factors for the Group's sustainable development. The Group continues to strive for accrediting its management systems and products by a wide spectrum of certificates such as ISO27001 Information Security Management System, and China UnionPay Quality Management System Certificate. We are also the only Group in China who has been accredited from the six major credit card organizations.* Different quality control plans are developed to match with the needs of clients for a wide range of products in the production process. For the quality assurance process, guidelines such as "Raw Material Inspection Guide", "Process Inspection Guide", "IC Card Final Inspection Guide" are adopted. Focusing on the inspection of raw materials and process inspection and the final product inspection, we have standardized the procedure and system control so as to assure product quality and our integrity in terms of product responsibility. The Group has also set up "Customers Satisfaction Monitoring Process" to understand the magnitude of customers' satisfaction towards products and services, improving products and services quality control procedures based on the specific needs of our customers. During the Year under Review, the Group did not receive any substantial complaints regarding product quality.

* China UnionPay, Visa, Master, American Express, JCB and Diners

在社會投入方面，客戶信息保密是我們的首要工作。通過完善的管理程序和員工的培訓，集團鞏固了智能安全支付領導者地位，亦是中國唯一通過全球六大信用卡組織資質認證的供應商。集團亦十分重視員工的福利和安全，在滿足相關僱傭和安全法規基礎上，致力為員工提供充分的發展空間，以及公平、安全、健康、愉快的工作環境。

展望未來，本集團將繼續主動承擔社會和環境責任，在集團內外推動可持續發展，將本集團業務與環境及社會影響管理相結合，在促進業務增長的同時，持續優化可持續發展的相關措施。我們會持續與各利益相關方開展溝通工作，檢視自身發展表現，以承擔可持續發展的共同責任。

科學營運

優質產品與服務

本集團一直秉持「為客戶創造最大價值」的理念，致力為客戶提供優質產品與服務。我們相信優質的產品與服務是集團可持續發展的必然要素。本集團持續推動管理體系和產品質量認證工作，獲得包括ISO27001 信息安全體系、中國銀聯質量管理體系認證在內的多項國際和行業認證，更是中國唯一通過全球六大信用卡組織*資質認證的企業。針對不同的產品，我們設置與客戶需求相宜的質量控制計劃，並對應生產過程進行嚴格的質量控制。針對質量檢定流程，我們設置《材料檢驗作業指南》、《過程檢驗作業指南》、《IC卡最終檢驗作業指南》等操作規程，對原材料檢驗、過程檢驗以及產品出廠最終檢驗進行規範化、制度化控制，以保障產品質量，肩負產品責任。集團亦設立《客戶滿意測量控制程序》，了解客戶對產品與服務的滿意情況，持續針對客戶需求不斷改進產品及服務質量控制流程。回顧年內，集團並無收到任何有關產品質量的重大投訴。

* 中國銀聯、維薩、萬事達、美國運通、JCB和大萊

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ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED) 環境、社會及管治報告(續)

Breakthrough in Quality Control Technology

The Group has deployed automatic inter-connected online quality assurance module at its production line in Zhuhai. By monitoring the cardbody and electronic signals from each card, we are able to substantially lower the production error and minimize the need for manual inspection and the associated risk of negligence, contributing to an increase in productivity and a drop in production cost.

質量控制技術突破

本集團珠海運營生產線配備自動化聯機在線質檢模塊，通過對每張卡片的卡體及電子信號進行檢測，極大地降低了生產誤差和損耗，減少人工檢查的必要性及疏漏風險，對提高生產能力以及降低成本作出貢獻。

Data Security

The Group has always assigned a great deal of importance to the security of customer's data information. As the largest financial payment card personalisation service provider in Greater China, the Group has implemented various measures to ensure data security for individual and financial institutions. In respect of human resources management, we have implemented security measures for our employees before, during and after their employment period. Prospective employees are required to submit a personal credit report issued by the People's Bank of China as part of the background check. Upon signing the employment contract, the prospective employees are required to sign the "Confidentiality Agreement" and "Competition Restriction Agreement". Then, we ensure all our employees have taken the data security training and passed the examination before their on-boarding. During employment, continuous assessment and training sessions are undertaken on an annual basis. The leaving employees are required to sign the "Notification on Confidentiality Responsibilities" upon resignation. For our daily operation and access control system, in accordance with confidentiality area management, each employee is granted specific access rights for different operating, depending on the nature of the job. In strictly confidential areas, we implement a "double entry entrance system" overseen by the automatic monitoring system which sends alert signal in case of any security breach or non-compliance. In the security equipment configuration, we have established over 450 CCTV security control points and over 1,200 logical security control points at our operating areas. We possess high standards of security and operational management, which guarantee customer data security and withstand frequent security checks by our customers and third-party professional institutions.

During the Year under Review, the Group conducted trainings on confidentiality for all employees, educating them about the basic knowledge on confidentiality, knowledge on computer security, confidentiality of business secrets and confidential documents in order to equip them with the necessary information and security protection skillset, ensuring all employees have adequate knowledge to handle tasks related to financial data processing service.

數據安全

本集團一向高度重視客戶數據信息的安全性。作為大中華地區最大的金融支付卡數據處理服務供應商，集團採用不同措施確保個人和金融機構的數據安全性。從管理制度入手，本集團在員工入職前、中、后階段都設有相應的安全措施。員工入職前需向人力資源部門提交中國人民銀行出具的個人信用報告作為背景調查資料，並於勞動合同簽訂時，同時簽訂《保密協議》及《競業限制協議》。在接受保密條例培訓及相應考試后，才能正式開始工作。員工工作中每年需要接受相關培訓及審閱評估考核，離職時視崗位簽署《保密義務提醒函》。在日常營運及門禁出入方面，按照保密級別分區管理，每位員工根據其崗位性質授予不同區域進出權限，在高度保密區域實行雙人出入制度並配有自動監測設備對違規行為予以警示。在安保設備配置上，我們在運營區域配置超過450個CCTV安全控制點和超過1,200個邏輯安全控制點。高標準的安全和運營管理水平，通過客戶和第三方專業機構頻繁安全檢查和審查，有力保障著客戶的數據安全。

回顧年內，本集團進行了全體員工的「保密工作」培訓，教育員工基本保密知識、計算機安全保密知識、信息以及商務秘密的安全保密以及公文保密等，使員工掌握必須的信息安全防範技能，確保全體員工有充足的知識儲備，勝任金融數據處理服務的工作。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

環境、社會及管治報告(續)

Supply Chain Management

The Group is conducting business with over one hundred suppliers located in the PRC and overseas. We are committed to strengthening our communications with the suppliers, maintaining long-term partnering relationships. To ensure the Group's products and customer service quality, we must make sure that our suppliers have the appropriate capacity. The Group has formulated the "Supplier Evaluation and Control Procedures" to thoroughly assess suppliers on the criteria of production materials, production equipment and spare parts, IT equipment, product transportation, labour protection products and information technology products. The evaluation criteria include not only commercial factors such as supply capacity, quality and price, but also safety control measures used at production sites, occupational health and safety of the employees and other environmental and social factors. The assessment does not target only new suppliers, existing suppliers are also subject to the Group's assessment on an annual basis. For raw materials suppliers, the Group's Quality Control Department carries out sample testing and small batch trials in order to have a comprehensive assessment of the reliability of the supplied materials. After each assessment is completed, we will issue a corresponding assessment report and update the list of qualified suppliers to provide a basis for selection of suppliers.

Anti-Corruption

The Group advocates law-abiding integrity, honest professional ethics and prohibits any form of corruption and bribery behaviors. We adhere to the implementation of the highest standards of openness, integrity and accountability through the development of "Anti-Fraud Whistleblowing Management System". This is to encourage employees and all parties who have business contacts with us, including customers, suppliers, creditors and debtors, to report any incidents of suspected misconduct to the Group. Whistleblowers may, in person or in writing, report to the Chairman of the Audit Committee and it is then forwarded to other members of the Committee for internal investigation or other investigation actions in accordance with the best interests of the Group. The Audit Committee constantly reviews and monitors the effectiveness of the system. Specifically, for the procurement process, we require all suppliers to comply with the Group's anti-bribery policy to ensure that the procurement process is fair, just and open. No corruption cases or related violations have been observed in the Year under Review.

供應鏈管理

集團正與超過上百家中國及海外地區的供應商合作，我們致力加強與供應商的連繫，維持長遠互惠關係。為確保集團產品質量和客戶服務水平，我們必須保證供應商具有合適供應能力。集團制定《供應商評估控制程序》，嚴格執行對包括生產材料、生產設備及零配件、IT設備、產品運輸、辦工勞保用品及信息技術產品等供應商的評估工作，評估標準不僅包括供貨能力、質量、價格等商業因素，亦關注供應商生產場所的安全控制措施、員工職業安全健康等環境和社會因素。相關評估工作不僅在新供應商導入時執行，現有供應商亦需接受本集團年度評估工作。針對原材料類供應商，本集團品管部將進行樣品測試及小批量試用，以全面評估供貨產品質量的可靠性。每次供應商評估工作完成後，我們將出具相應評估報告，及更新合格供應商清單，為本集團供應商篩選工作提供參考依據。

反貪腐政策

集團倡導守法廉潔、誠實敬業的職業道德，禁止任何形式的利益收受、貪污賄賂的行為。我們堅持執行最高標準的公開、廉潔及問責制度，通過制定《反舞弊舉報管理制度》，鼓勵員工及與本集團有業務來往的人士，包括顧客、供應商、債權人及債務人等，向本集團舉報任何懷疑不當行為。舉報人可親自或以書面方式向審核委員會主席作出舉報，再由主席轉給其他委員會成員。委員會將進行內部調查，或在符合集團最佳利益的前提下作出其他調查行動。審核委員會將不時檢討及監督制度的有效性，確保本集團的反貪腐制度良好運作。而針對採購過程，我們要求全體供貨商遵守集團的反賄賂政策，確保採購過程公平、公正、公開。回顧年內，集團並無有任何貪污訴訟案件及相關違規事件發生。

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Community Involvement

While the Group continues to provide quality products to customers and the community, we are enthusiastic about social affairs and care for the community. Through community and charity services, we have taken initiatives to strengthen ties and communications with the local community by means of donations and volunteering service, striving to actively contribute to the society.

CARING FOR PEOPLE

Employment Policy

The Group values and appreciates every employee's contribution to its success. We hope our employees can develop within the Group, and hence we provide our employees with a fair, safe, healthy and cheerful working environment and a wide range of development opportunities, facilitating personal growth. The Group's human resources policy strictly complies with the relevant labour laws and regulations, and provides various welfare and benefits to the employees, such as pension scheme and medical insurance. The Group reviews remuneration on an annual basis and ensures it is competitive and up to prevailing market standards. We have pre-IPO share option scheme, share option scheme and share award scheme to reward and encourage the employees to contribute to the Group, attracting talents to join the strategic development of the Group. The Group offers an annual free health check for employees joining before January, aiming to raise employees' health awareness.

The Group values openness, fairness and transparency in the recruitment process. The Human Resource Department recruits talents in accordance with the "Annual Human Resource Plan" approved by the CEO and the "Request for New Employee Application" submitted by various departments. To ensure moral standards of the employees, qualities like integrity, team spirit, professional, law compliance and other relevant criteria are listed in the "Recruitment Prospect" to build up foundations for information security of the Group and the customers in respect with human resources. The Group is an equal opportunity employer and disregards factors such as race, religions, gender, marital status, etc. in the recruitment process. We perform strict identity checks of new employees to prevent hiring of child labour. As well, we respect and support free choices of employment, by following a standard procedure of resignations, existing employees can depart officially in accordance with contracts and lawful procedures. In the Year under Review, there was no report of violation of labour laws and regulations.

社區參與

本集團在不斷為客戶及社會提供優質產品的同時，我們關心社區，熱心參與社會事務。我們透過社區及慈善服務，通過捐獻和義工服務形式，主動加強與社會各界的聯繫和接觸，積極回饋社會。

關愛員工

僱傭政策

本集團珍視每一位員工，尊重和感謝他們為本集團的不懈付出。我們為全體員工提供廣闊的發展空間，以及公平、安全、健康、愉快的工作環境，以期望員工為持續實現本集團目標作出積極貢獻。本集團設有清晰的僱傭政策，按照政府法律法規，為員工提供包括養老、醫療、失業、工傷和生育保障等法定福利。此外，本集團每年進行一次薪酬檢討，亦實施了首次公開發售前的購股權計劃、購股權計劃和股份獎勵計劃以激勵有潛力的員工，吸引合適人才推動集團戰略拓展。本集團更為每位當年一月份前入職的員工提供一次免費體檢，讓員工時刻關注其身體健康，為工作和生活打好基礎。

在招聘方面，集團以公開、公平、公正的原則錄用員工。人力資源部會根據首席執行官審批後的《年度人力資源規劃》，以及各部門提交的《員正增補申請書》的要求，對本集團新增或空缺職位進行招聘。錄用條件包括誠實守信、高度的團隊精神、高度的敬業精神、端正的勞動態度、遵守法律法規、遵守社會公德和《招聘簡章》內的其他規定，以確保新聘員工擁有良好的道德觀念和職業操守，為保證集團及客戶信息安全打下人力資源基礎。在選拔、招聘、任用的過程中，我們不論種族、民族、膚色、宗教、年齡、地域、婚姻狀況、殘疾等，均給予平等對待。而在入職過程中，我們會嚴格核查新入職員工的身份信息，杜絕出現任何誤用童工的情況。同時，我們尊重和保障員工的就業自由，通過正常辦理離職手續，員工可依照勞動合同及法律程序正式離職。回顧年內，集團嚴格遵守僱傭法律法規，並無出現任何僱傭違規情況。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

環境、社會及管治報告(續)

Employees Training and Development

The Group puts strong emphasis on employees' training and development, committing to improve skills and encourage them to add value to their knowledge base. With better professional skills and knowledge base, it is beneficial not only to the long-term development of the Group, but also to the society as a whole. We provide comprehensive trainings for our employees, including management skills, sales and production, customer service, quality control and other professional skills. In addition to internal training, we also sponsor our employees to attend external training on as-needed basis. For new employees training, we provide not only basic induction and safety training, we also offer high-level training courses including quality management and Integration of Informatization Technology and Industrialization management. This helps enable new employees to understand the trends of corporate management by learning the requirements of international standards, strengthening quality management and organizational strategic integration, ensuring organizational change and realising strategic objectives.

To encourage the development of the employees, we have developed the "Appraisal and Examination Plan", which is conducted monthly, quarterly and annually on employees' performances. By reviewing the work progress, quality and target achievement level, we set up improvement plans and make new targets for the next appraisal. Meanwhile, the appraisal result is also used for employees' promotion purposes such that employees with excellent appraisal performance have priority in receiving training and promotion.

員工培訓與發展

本集團十分注重員工的培訓與發展，致力提升僱員的知識及技能水平，鼓勵員工知識增值。員工專業技能和知識的增進，不但有利於集團的長遠發展，對整個社會亦有莫大裨益。我們為每位員工提供各項培訓課程，包括管理技能、銷售與生產、客戶服務、質量監控、工作操守及其他與行業範疇相關的培訓。除內部培訓外，我們也為部分員工提供專項培訓費用，委派其參與外部培訓。在新入職員工培訓中，除了基本的人事和安全培訓外，亦設有品質管理體系、兩化融合管理體系等高層次培訓課程，使員工通過了解國際標準的要求及變化而把握企業管理的未來趨勢，促進質量管理與組織經營戰略的充分融合，保障組織成功變革，實現戰略目標。

在促進員工發展上，集團設立《績效考核管理方案》，對員工進行月度、季度、年度的績效考核，旨在檢視上一考核期間的工作進度、工作質量、行為表現以及目標達成情況，用於明確其改善方向，為設立下一考核周期的工作目標提供依據。同時，考核結果亦用於員工晉升管理，考核優秀的員工可納入集團核心人才儲備管理庫，優先享有培訓和晉升資格。

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Occupational Health and Safety

Employee is the most valuable asset of the Group, and one of the primary contributors to its success. We strive to provide a safe workplace for our employees through setting up the "Environmental, Health and Safety Handbook" and "The Occupational Health Management System". More resources are allocated to enhance occupational health and safety, creating a safe and harmonious workplace. We have adopted measures such as equipment upgrades, ventilation enhancement, activated carbon for air treatment, equipment acoustic enclosures, and providing comprehensive protective equipment for employees including masks for those working in printing plant, earplugs for those working in processing and IC packaging plants. Employees are strictly required to wear these equipment and gear.

We aim to raise the employees' safety awareness and their ability to tackle emergency cases, ensuring that we can have a quick, orderly, timely and effective response. The Group conducted emergency response trainings and rehearsals regularly, strengthening our emergency rescue and response ability, mitigating hazards and loss during accidents and ensuring a safe, healthy and orderly development for the Group.

職業健康安全

員工是本集團最珍貴的資產，亦是促進集團業務發展和增長的基石。我們致力為員工提供安全的工作環境，通過制定《環境和職業健康安全管理手冊》和《生產與職業健康安全管理办法》，不斷增加對員工職業健康安全方面的投入，創造一個安全、和諧的工作環境。我們採取的措施包括設備改造，增加通風、活性炭空氣處理、配置機器隔音罩，及為員工全面配備適用的職業安全健康防護裝備，包括印刷車間的員工需配備口罩、成品加工及IC封裝員工配備耳塞等，並嚴格要求員工予以佩戴。

為了不斷提升員工的安全意識和應急救援能力，以確保其在事故的應急行動中，達到快速、有序、及時和有效的效果，本集團經常開展應急預案培訓、訓練及演習工作，提昇全體員工的應急救援技能和應急反應綜合素質，有效降低事故危害，減少損失，確保集團安全、健康和有序的發展。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

環境、社會及管治報告(續)

ENVIRONMENTAL PROTECTION

The Group places environmental protection on high priority. Through formulating internal management system and control procedure, we start by conserving resources and mitigating pollutions and emissions, aiming to minimize the impacts to the environment and society caused by our operations and productions. Our Corporate Program Management Department manages the Group's environmental-related works, promoting environmental management system through ISO14001 standard and its certification. For different environmental management projects, we have established corresponding management control procedures, ensuring our operations are in strict compliance with relevant environmental laws and regulations and emissions standard. During the year, no fines or non-monetary sanctions were imposed on the Group due to environmental non-compliance.

Energy Saving and Emissions Reduction

The Group proactively promotes a green production culture. We have established the "Resources Monitoring Procedure" and "Electricity Saving Management and Regulations", aiming to achieve our energy saving targets within the office and production plants. Different departments in our Group contribute their parts to the environmental management framework. Our Administration Department is responsible for the management of electronic equipment of public area; whereas our Engineering Equipment Department is responsible for the management and auditing of central air conditioning systems, electricity and gas.

環境保護工作

本集團高度重視環境保護工作，通過制定內部管理制度和控制程序，從節約資源與減少污染排放入手，致力減低業務營運和產品對社會或生態環境造成的風險與影響。本集團由企業管理部負責統籌集團的環境相關工作，並推動環境管理體系通過ISO14001標準認證。我們針對不同的環境管理項目，設置對應項目的管理控制程序，確保企業運營過程中嚴格遵從相關的环境法律法規及排放標準的要求。回顧年內，本集團沒有因違反環保法律與法規而遭到任何重大罰款或非金錢制裁。

節能減排

本集團積極實踐環保生產理念，我們制定《能資源消耗控制程序》及《節約用電管理規定》，在集團生產車間和辦公區推動落實能源節約目標。工廠內各部門負責用電設備使用管理，行政部則負責公用用電設備使用管理，工程設備部則負責對中央空調、供電、供氣用電設備使用管理及對集團用電情況進行統計，實現分工清晰，各施其職。

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Installing LED lights

The Goldpac Tech Park has installed LED lights at production plants, offices and warehouses. We have replaced 1,016 pieces of T8 tubes at offices and warehouses and 2,260 pieces of 24-hour T8 tubes at production plants with LED T8 tubes. Given that the lifespan of LED T8 tube is 5 times longer to the traditional T8 lamps, the LED lights greatly enhanced the energy efficiency and brought a saving in electricity up to RMB 0.296 million every year.

換裝LED燈具

金邦達信息科技園制定並實施了《車間換裝LED燈方案》和《公司辦公及倉庫換裝LED燈方案》，為辦公區及倉庫的1,016枝普通T8燈具和生產車間的2,260枝二十四小時普通T8日光燈轉換至LED T8燈具。LED T8燈管壽命為普通T8燈管的5倍，並能提高功率因數，從而減少用電量，每年節省電費預計可達人民幣29.6萬元。

On emissions reduction, the Group focuses on the management of water, air and noise pollution and has set up respective control measures. We set up and follow a stringent "Water, Air and Noise Pollution Control Procedures" to manage the emission of pollutants in our daily operations. Also, our Quality Assurance Department regularly appointed accredited organizations for monitoring to prevent and mitigate pollutions. The department responds to any non-compliance immediately and reports the cause of non-compliance to the EHS representatives for corrective actions. According to "Domestic Wastewater Treatment Project Design Solution", we have established environmental facilities at our factories, handling domestic wastewater and a tiny amount of organic industrial wastewater. Only the wastewater after treatment that meets the standard will be discharged into drainage system. Benzene, toluene and xylene in the exhaust gas from the plants are treated by activated carbon devices to comply with our "VOCs Emission Treatment Program" before releasing into the atmosphere. We regularly hire third-party companies for external audit to review the performance and effectiveness of our environmental management system.

在減少排放方面，本集團針對水、空氣、聲三方面分別實行不同管理措施。日常運作中，我們嚴格依照本集團內部《水、氣、聲污染防治程序》，對污水、廢氣及噪聲排放進行管理，由品質管理部負責聯絡並委託具有資質的監測機構進行檢測，預防和減少對環境的污染。當在監測中發現超標時，品質管理部會同相關部門迅速查明原因，並報告環境和職業安全管理者代表，採取相應的對策。按《生活污水處理工程設計方案》，我們在工廠內設置環保設備，生活污水和少量的工業有機廢水由廠內處理，達標後排入排洪渠。而印刷車間廢氣(苯、甲苯、二甲苯等)按《VOCs廢氣治理方案》，需經活性炭吸附的方法集中收集並處理，達標後排放。我們定期委託第三方公司對廠界噪音、工業廢氣及生活污水進行檢驗，確保所有環保設備運作正常，排放達標。

Waste Management and Recycling

We have assigned four different ways to dispose waste generated during the production process: collected by recyclers, special treatment companies, certified collectors and the suppliers. All hazardous and non-hazardous wastes disposed must be treated according to the "Waste Disposal Control Procedure" before final disposal. We also encourage the reuse and recycle of packaging materials such as paper boxes and cartons. For non-reusable materials like heat activated shrink films, we appoint qualified collectors for treatment and recycle.

廢棄物管理與回收

針對生產過程產生的廢棄物，我們設置4類處置方法：回收公司回收、專門公司收購、合資公司處理、及供應商回收。本集團遵從設立的《廢棄物處理控制程序》，確保包括所有危險廢棄物和無害廢棄物均得到妥善的處理。我們鼓勵重用和回收包裝材料，如紙盒和紙箱等物料均可重複使用，直至破損變形後才進行回收處理。而生產過程使用的熱縮膜等一次性的原料，其廢料亦進行回收處理。

Promoting Green Products

The Group strives to minimize the impacts to the environment during the product's lifespan by investing innovative green productions. We have successfully invested environmentally-friendly cards in which its raw material is more decomposable than traditional materials. The simple design of the cards also delivers a message of promoting environmental protection. While the innovative products can greatly reduce the industry's impacts on the environment, it also enhances the customer's environmental responsibility.

推行綠色產品

本集團致力開展綠色產品的研發，旨在進一步減少產品生命週期內的環境影響。此方面，我們成功研製環保卡，環保卡材料比傳統材料更易降解，同時卡面設計簡潔大方，合乎現代環保趨勢，在大幅減少卡片行業對生態環境的影響同時，亦滿足客戶對承擔環境保護責任的追求。

Deloitte.

德勤

To the Shareholders of Goldpac Group Limited
(incorporated in Hong Kong with limited liability)

致金邦達寶嘉控股有限公司列位股東
(於香港註冊成立的有限公司)

OPINION

意見

We have audited the consolidated financial statements of Goldpac Group Limited (the "Company") and its subsidiaries (collectively referred to as "the Group") set out on pages 108 to 203, which comprise the consolidated statement of financial position as at 31 December 2016, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

本核數師(以下簡稱「我們」)已審核載於第108頁至203頁金邦達寶嘉控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表,包括於2016年12月31日的綜合財務狀況報表與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,以及對綜合財務報表的註釋,包括主要會計政策概要。

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 2016, 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 ("the HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

我們認為,該等綜合財務報表已根據香港會計師公會頒佈的《香港財務報告準則》真實而中肯地反映貴集團於2016年12月31日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量,並已按照香港《公司條例》妥善編製。

BASIS FOR OPINION

意見的基礎

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

我們已根據香港會計師公會頒佈的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒佈的《專業會計師道德守則》(以下簡稱「守則」),我們獨立於貴集團,並已履行守則中的其他專業道德責任。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。

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獨立核數師報告(續)

KEY AUDIT MATTERS

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

關鍵審計事項

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

Key audit matters

關鍵審計事項

How our audit addressed the key audit matters

我們的審計如何對關鍵審計事項進行處理

Estimated impairment of trade receivables

應收貨款的減值撥備

We identified the estimated impairment of trade receivables as a key audit matter due to the significant balance of trade receivables to the consolidated statement of financial position and the management judgment required in identifying long-aged receivables and determining the allowance for doubtful debt.

我們將應收貨款的減值撥備識別為關鍵審計事項，由於應收貨款在綜合財務報表中有重大結餘，以及管理層需要對識別長賬齡應收貨款及呆賬撥備的估計作出判斷。

As disclosed in note 4 to the consolidated financial statements, management identified the long-aged item based on aging analysis and determined allowance for doubtful debt based on the aging of trade receivables, credit portfolio of the debtors and default or significant delay on payments. The carrying amounts of trade receivables of the Group amounted to RMB339,970,000 as at 31 December 2016. Based on the management's assessment, the allowance for doubtful debt was RMB17,431,000 as at 31 December 2016.

如綜合財務報表附註4所披露，管理層根據賬齡分析識別長賬齡的應收貨款，並根據應收貨款的賬齡和債務人的信用組合及其拖欠或嚴重逾期支付以決定呆賬撥備。截至2016年12月31日止集團的應收貨款的賬面值為人民幣339,970,000元，根據管理層的評估，截至2016年12月31日止之呆賬撥備為17,431,000元。

Our procedures in relation to evaluating the appropriateness of the estimated impairment of trade receivables included:

我們對應收貨款減值撥備的恰當性之評估程序包括：

- Understanding the basis of the allowance for doubtful debt adopted by the Group;
- 瞭解集團的呆賬撥備基礎；
- Testing, on a sample basis, the accuracy of the aging analysis of the trade receivables to relevant documents;
- 抽樣測試相關文件以確認應收貨款之賬齡分析的準確性；
- Testing the subsequent settlements, on a sample basis, to the relevant documents;
- 抽樣測試期後結算的相關文件；

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

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key audit matters

關鍵審計事項

How our audit addressed the key audit matters

我們的審計如何對關鍵審計事項進行處理

Estimated impairment of trade receivables

應收貨款的減值撥備

Our procedures in relation to evaluating the appropriateness of the estimated impairment of trade receivables included (continued):

我們對應收貨款減值撥備的恰當性之評估程序包括：(續)

- Evaluating the reasonableness of the management assessment on the identification of long-aged receivables and the recoverability of trade receivables, and the sufficiency of the allowance for doubtful debt made by the Group as at 31 December 2016; and
- 評價管理層對識別長賬齡應收貨款及其評估應收貨款可回收性的合理性，以及集團截至2016年12月31日之減值撥備的充足性；及
- Evaluating the historical accuracy of the allowance for doubt debt estimated by management to the actual settlement and the actual loss incurred.
- 比對實際的回款情況和實際發生的壞賬損失以評價管理層過往作出的應收貨款減值撥備的準確性。

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KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key audit matters

關鍵審計事項

How our audit addressed the key audit matters

我們的審計如何對關鍵審計事項進行處理

Estimated allowance for inventories

存貨撥備估計

We identified the estimated allowance for inventories as a key audit matter due to the management judgment required in identifying slow-moving and obsolete inventories and determining the allowance for inventories.

我們將存貨撥備估計識別為關鍵審計事項，由於管理層需要對識別滯銷及陳舊存貨和決定存貨撥備作出判斷。

As disclosed in note 4 to the consolidated financial statements, management identifies slow-moving inventories and obsolete inventories that are no longer suitable for use in production or sales based on aging analysis, and estimate the allowance for inventories based on aging of inventories, technology changes and current market demand. The carrying amounts of inventories of the Group amounted to RMB211,212,000 as at 31 December 2016. Based on the management's assessment, the allowance for inventories was RMB46,025,000 as at 31 December 2016.

如綜合財務報表附註4所披露，管理層根據賬齡分析識別滯銷及不再適用於生產或銷售的陳舊存貨，並根據存貨賬齡，技術更新和當前市場需求估計存貨撥備。截至2016年12月31日止集團的存貨賬面值為人民幣211,212,000元。根據管理層的評估，截至2016年12月31日止之存貨撥備為人民幣46,025,000元。

Our procedures in relation to evaluating the appropriateness of estimated allowance for inventories included:

我們對存貨撥備估計的恰當性之評估程序包括：

- Understanding the basis of the allowance for inventories adopted by the Group;
- 瞭解集團的存貨撥備基礎；
- Testing, on a sample basis, the accuracy of the aging analysis of inventories to relevant documents;
- 抽樣測試相關文件以確認存貨賬齡分析的準確性；
- Evaluating the reasonableness of the management assessment on the identification of slow-moving and obsolete inventories and the sufficiency of the allowance for inventories with reference to aging of inventories, usage or sales record for aged-inventories, current market conditions and technology changes;
- 評價管理層根據存貨賬齡，陳舊存貨的使用或銷售記錄，當前市場狀況和技術更新所識別滯銷和陳舊存貨之合理性以及存貨撥備的充足性；

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

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key audit matters

關鍵審計事項

How our audit addressed the key audit matters

我們的審計如何對關鍵審計事項進行處理

Estimated allowance for inventories

存貨撥備估計

Our procedures in relation to evaluating the appropriateness of estimated allowance for inventories included (continued):

我們對存貨撥備估計的恰當性之評估程序包括：(續)

- For raw materials that no allowance have been made, considering the subsequent usage of raw materials and tracing a selection of subsequent usage of raw materials to the relevant documents; and
- 對於未作出撥備的原材料，考慮原材料的期後使用情況及抽查期後使用的相關文件；及
- For finished goods that no allowance have been made, considering the subsequent selling prices of finished goods and comparing the unit costs of a selection of finished goods with their subsequent selling prices.
- 對於未作出撥備的成品，考慮成品的期後銷售價格及抽樣比對成品的單位成本和期後銷售價格。

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INDEPENDENT AUDITOR'S REPORT (CONTINUED)

獨立核數師報告(續)

OTHER INFORMATION

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

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

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

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

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

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

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

其他信息

貴公司董事需對其他信息負責。其他信息包括刊載於年度報告內的信息，但不包括綜合財務報表及我們的核數師報告。

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

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事及管理層就綜合財務報表須承擔的責任

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

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

管理層須負責監督貴集團的財務報告過程。

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

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 solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, 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 judgment and maintain professional skepticism throughout the audit. We also:

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

核數師就審計綜合財務報表承 擔的責任

我們的目標，是對綜合財務報表整體是否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，並按照香港《公司條例》第405條的規定僅向全體股東出具包括我們意見的核數師報告。除此以外，我們的報告不可用作其他用途。本行並不就本報告之內容對任何其他人士承擔任何責任或接受任何義務。合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

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INDEPENDENT AUDITOR'S REPORT (CONTINUED)

獨立核數師報告(續)

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

核數師就審計綜合財務報表承擔的責任(續)

- 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.
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

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

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

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

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

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

The engagement partner on the audit resulting in the independent auditor's report is Chong Kwok Shing.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
21 March 2017

核數師就審計綜合財務報表承 擔的責任(續)

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

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

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

出具本獨立核數師報告的審計項目合夥人是莊國盛。

德勤•關黃陳方會計師行
執業會計師
香港
2017年3月21日

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收入表

For the year ended 31 December 2016 於截至2016年12月31日止之年度

		Notes 附註	2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Turnover	營業額	5	1,393,713	1,684,632
Cost of sales	銷售成本		(974,711)	(1,239,632)
Gross profit	毛利		419,002	445,000
Other income	其他收入	6	63,256	70,474
Other gains or losses	其他收益或虧損	7	30,939	622
Research and development costs	研發成本		(98,050)	(79,539)
Selling and distribution costs	銷售及分銷成本		(132,105)	(112,521)
Administrative expenses	行政開支		(32,981)	(30,552)
Share of (loss) profit of associates	應佔聯營公司(虧損)溢利	18	(5,495)	2,743
Finance costs	財務成本	8	—	(48)
Profit before taxation	除稅前利潤	9	244,566	296,179
Taxation	稅項	11	(39,666)	(54,341)
Profit for the year	年度利潤		204,900	241,838
Other comprehensive income for the year	年度其他全面收入			
<i>Item that may be subsequently reclassified to profit or loss:</i>	<i>可於期後重新分類至損益之項目:</i>			
— exchange differences arising on translation of foreign operations	— 換算海外業務產生的匯兌差額		1,553	1,634
Total comprehensive income for the year	年度全面收入總額		206,453	243,472
Earnings per share	每股盈利	13		
— Basic	— 基本		24.6 cents 分	29.1 cents 分
— Diluted	— 攤薄		24.6 cents 分	28.7 cents 分

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況報表

At 31 December 2016 於2016年12月31日

		Notes 附註	2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Non-current assets	非流動資產			
Property, plant and equipment	物業／廠房及設備	14	167,579	196,108
Land use rights	土地使用權	15	620	755
Goodwill	商譽	16	1,375	1,375
Intangible assets	無形資產	17	11,256	13,546
Interests in associates	於聯營公司之權益	18	33,052	38,457
Amount due from an associate	應收聯營公司款	22	869	814
Deposits paid for acquisition of property, plant and equipment	購買物業／廠房及設備已付定金	23	29,456	6,432
Pledged bank deposit	已抵押銀行存款	24	100,000	100,000
Fixed bank deposits	銀行定期存款	24	110,000	110,000
			454,207	467,487
Current assets	流動資產			
Inventories	存貨	19	211,212	320,936
Trade receivables	應收貨款	20	339,970	492,903
Other receivables and prepayments	其他應收及預付款	21	32,647	19,589
Amount due from an associate	應收聯營公司款	22	8,409	4,153
Pledged bank deposits	已抵押銀行存款	24	39,707	22,064
Fixed bank deposits	銀行定期存款	24	687,988	296,089
Bank balances and cash	銀行存款及現金	24	825,442	983,620
			2,145,375	2,139,354
Current liabilities	流動負債			
Trade and bills payables	應付貨款及應付票據	25	515,101	567,317
Other payables	其他應付款項	26	137,410	147,662
Government grants	政府補貼	27	14,700	18,720
Taxation	稅項		48,931	36,180
			716,142	769,879
Net current assets	流動資產淨值		1,429,233	1,369,475
Total assets less current liabilities	總資產減流動負債		1,883,440	1,836,962

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

綜合財務狀況報表(續)

At 31 December 2016 於2016年12月31日

		Notes 附註	2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Non-current liability	非流動負債			
Deferred taxation	遞延稅項	28	10,111	22,748
Net assets	資產淨值		1,873,329	1,814,214
Capital and reserves	資本及儲備			
Share capital	股本	29	1,191,941	1,190,419
Reserves	儲備		681,388	623,795
Total equity	權益總額		1,873,329	1,814,214

The consolidated financial statements on pages 108 to 203 were approved and authorised for issue by the Board of Directors on 21 March 2017 and are signed on its behalf by:

董事會已於2017年3月21日審核並通過第108頁至203頁綜合財務報表的發布，並由以下董事會代表簽署：

LU RUN TING

盧潤霆

Chairman and Executive Director

董事會主席兼執行董事

HOU PING

侯平

Executive Director and Chief Executive Officer

執行董事兼首席執行官

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2016 於截至2016年12月31日止之年度

		Share capital	Shares held under share award scheme	Share options reserve	Translation reserve	Other reserves	Statutory reserves	Retained profits	Total	
		股本	持有股份獎勵計劃	購股權儲備	匯兌儲備	其他儲備	法定儲備	未分配利潤	合計	
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	
						(Note i)	(Note ii)			
						(附註i)	(附註ii)			
At 1 January 2015	於2015年1月1日	1,175,015	—	33,319	1,713	39,180	44,513	317,098	1,610,838	
Exchange differences arising on translation of foreign operations	換算海外業務的匯兌差額	—	—	—	1,634	—	—	—	1,634	
Other comprehensive income for the year	年度其他全面收入	—	—	—	1,634	—	—	—	1,634	
Profit for the year	年度利潤	—	—	—	—	—	—	241,838	241,838	
Total comprehensive income for the year	年度全面收入總額	—	—	—	1,634	—	—	241,838	243,472	
Repurchase of shares	股份回購	—	—	—	—	—	—	(2,984)	(2,984)	
Issue of shares upon exercise of share options (note 29)	因行使購股權而發行的股份(附註29)	15,404	—	(7,231)	—	—	—	—	8,173	
Recognition of equity-settled share-based payments	以權益結算的股份支付	—	—	16,868	—	—	—	—	16,868	
Purchase of shares under share award scheme	根據股份獎勵計劃購買股份	—	(74)	—	—	—	—	—	(74)	
Share of reserves of an associate	應佔聯營公司儲備	—	—	—	—	3,451	49	—	3,500	
Transfers	轉撥	—	—	—	—	—	22,595	(22,595)	—	
Dividends recognised as distribution (note 12)	確認為分派的股息(附註12)	—	—	—	—	—	—	(65,579)	(65,579)	
		15,404	(74)	9,637	—	3,451	22,644	(91,158)	(40,096)	
At 31 December 2015	於2015年12月31日	1,190,419	(74)	42,956	3,347	42,631	67,157	467,778	1,814,214	

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

綜合權益變動表(續)

For the year ended 31 December 2016 於截至2016年12月31日止之年度

		Share capital	Shares held under share award scheme	Share options reserve	Translation reserve	Other reserves	Statutory reserves	Retained profits	Total
		股本	獎勵計劃持有股份	購股權儲備	匯兌儲備	其他儲備	法定儲備	未分配利潤	合計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
						(Note i) (附註i)	(Note ii) (附註ii)		
Exchange differences arising on translation of foreign operations	換算海外業務產生的匯兌差額	—	—	—	1,553	—	—	—	1,553
Other comprehensive income for the year	年度其他全面收入	—	—	—	1,553	—	—	—	1,553
Profit for the year	年度利潤	—	—	—	—	—	—	204,900	204,900
Total comprehensive income for the year	年度全面收入總額	—	—	—	1,553	—	—	204,900	206,453
Repurchase of shares	股份回購	—	—	—	—	—	—	(1,135)	(1,135)
Issue of shares upon exercise of share options (note 29)	因行使購股權而發行的股份(附註29)	1,522	—	(700)	—	—	—	—	822
Recognition of equity-settled share-based payments	以權益結算的股份支付	—	—	10,502	—	—	—	—	10,502
Forfeiture of share options	購股權失效	—	—	(172)	—	—	—	172	—
Purchase of shares under share award scheme	根據股份獎勵計劃購買股份	—	(25,038)	—	—	—	—	—	(25,038)
Transfers	撥備	—	—	—	—	—	14,516	(14,516)	—
Dividends recognised as distribution (note 12)	確認為分派的股息(附註12)	—	—	—	—	—	—	(132,489)	(132,489)
		1,522	(25,038)	9,630	—	—	14,516	(147,968)	(147,338)
At 31 December 2016	於2016年12月31日	1,191,941	(25,112)	52,586	4,900	42,631	81,673	524,710	1,873,329

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED) 綜合權益變動表(續)

For the year ended 31 December 2016 於截至2016年12月31日止之年度

Notes:

- (i) Other reserves represent the aggregate of capitalisation of statutory reserves into capital of a subsidiary of the Company, Goldpac Limited in 2011 and contribution from a shareholder and share of other reserves of associates.
- (ii) Under the relevant regulations in the People's Republic of China (the "PRC"), certain subsidiaries of the Company which established in the PRC are required to make appropriation to the statutory reserve fund at 10% of their profit after tax based on their statutory financial statements. The statutory reserve fund may only be used, upon approval by the relevant authorities, to offset accumulated losses or to increase the capital of those subsidiaries.

附註：

- (i) 其他儲備指於2011年法定儲備擴充至金邦達有限公司(「原為珠海市金邦達保密卡有限公司」)的資本總和及一名股東的出資和應佔聯營公司的儲備。
- (ii) 根據中華人民共和國(「中國」)的有關法規，若干於中國成立之本公司之附屬公司需按其法定財務報表中除稅後淨利潤的10%計提法定公積金。該法定公積金僅能在得到有關部門批准後，用於彌補該等附屬公司以前年度虧損或者增加其註冊資本。

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CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2016 於截至2016年12月31日止之年度

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Operating activities	經營活動		
Profit before taxation	除稅前利潤	244,566	296,179
Adjustments for:	經下列各項調整：		
Investment income from other financial assets	其他金融資產的投資收入	(3,245)	(13,430)
Interest income	利息收入	(16,269)	(30,359)
Interest expenses	利息開支	—	48
Depreciation of property, plant and equipment	物業、廠房及設備折舊	39,704	39,996
Amortisation of intangible assets	無形資產攤銷	2,290	2,289
Operating lease rentals in respect of land use rights	土地使用權經營租賃租金	135	135
Loss on disposal of property, plant and equipment	處置物業、廠房及設備虧損	—	156
Impairment (reversal of) loss recognised on trade receivables	應收賬款減值撥備(撥回)	10,393	(34)
Reversal of loss recognised on other receivables	其他應收款減值撥回	—	(2,532)
Allowance for obsolete inventories	陳舊存貨撥備	12,015	3,935
Equity-settled share-based payments	以權益結算的股份支付	10,502	16,868
Share of loss (profit) of associates	應佔聯營公司虧損(溢利)	5,495	(2,743)
Operating cash flows before movements in working capital	營運資金變動前的經營現金流量	305,586	310,508
Decrease (increase) in inventories	存貨減少(增加)	97,709	(39,993)
Decrease (increase) in trade receivables	應收貨款減少(增加)	142,540	(192,245)
Increase in amount due from an associate	應收聯營公司款增加	(4,311)	(4,967)
Increase in other receivables and prepayments	其他應收款項及預付款項增加	(13,058)	(5,499)
(Decrease) increase in trade and bills payables	應付貨款及應付票據(減少)增加	(52,216)	20,431
(Decrease) increase in other payables	其他應付款項(減少)增加	(10,252)	24,446
(Decrease) increase in government grants	政府補貼(減少)增加	(4,020)	13,900
Cash generated from operations	經營活動所得的現金	461,978	126,581
Taxation paid	已付稅項	(39,473)	(26,830)
Net cash from operating activities	經營活動所得現金淨額	422,505	99,751

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED) 綜合現金流量表(續)

For the year ended 31 December 2016 於截至2016年12月31日止之年度

	Note 附註	2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Investing activities	投資活動		
Redemption of other financial assets	贖回其他金融資產	1,324,000	1,149,000
Withdrawals of fixed bank deposits	提取銀行定期存款	67,313	1,194,821
Withdrawals of pledged bank deposits	提取已抵押銀行存款	22,430	46,491
Interest received	已收利息	16,269	30,359
Investment income received from other financial assets	已收其他金融資產投資收入	3,245	13,430
Proceeds on disposal of property, plant and equipment	處置物業、廠房及設備收入	—	45
Placement of fixed bank deposits	存放銀行定期存款	(38,962)	(1,013,572)
Purchase of other financial assets	購買其他金融資產	(1,324,000)	(409,000)
Placement of pledged bank deposits	存放已抵押銀行存款	(40,073)	(145,981)
Capital contribution to an associate	對聯營公司的投資款	—	(32,120)
Purchase of property, plant and equipment	購買物業廠房及設備	(4,695)	(22,960)
Deposits paid for acquisition of property, plant and equipment	購買物業廠房及設備已付定金	(29,456)	(21,440)
Acquisition of a subsidiary	收購附屬公司	31	(1,590)
Net cash (used in) from investing activities	投資活動(所用)所得現金淨額	(3,929)	787,483
Financing activities	融資活動		
Dividends paid	已付股息	(134,706)	(65,579)
Repayment of bank loans	償還銀行貸款	—	(5,453)
Share repurchase	股份回購	(1,135)	(2,984)
Purchase of shares under share award scheme	根據股份獎勵計劃購買股份	(25,038)	(74)
Interest paid	已付股息	—	(48)
Proceeds from issue of shares upon exercise of share option	因行使購股權而發行的股份所募資金	822	8,173
Bank loans raised	已募集銀行貸款	—	5,458
Net cash used in financing activities	融資活動所用現金淨額	(160,057)	(60,507)
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	258,519	826,727
Cash and cash equivalents at 1 January	1月1日現金及現金等價物	1,251,358	423,233
Effect of foreign exchange rate changes	匯率變動的影響	3,553	1,398
Cash and cash equivalents at 31 December	12月31日現金及現金等價物	1,513,430	1,251,358
Analysis of the balances of cash and cash equivalents	現金及現金等價物結餘分析		
Bank balances and cash	銀行存款及現金	825,442	983,620
Fixed bank deposits which matured within three months	3個月內到期的銀行定期存款	687,988	267,738
		1,513,430	1,251,358

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綜合財務報表附註

For the year ended 31 December 2016 於截至2016年12月31日止之年度

1. GENERAL AND BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Company is a public limited company incorporated in Hong Kong and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The Company acts as an investment holding company while the Group is principally engaged in delivering embedded software and secure payment products for global customers and leveraging innovative Fintech to provide personalisation service, system platform and other total solutions for customers in a wide business range including finance, government, healthcare, transportation and retails.

The address of the registered office and principal place of business of the Company are set out in the corporate information section of the annual report.

The consolidated financial statements are presented in Renminbi ("RMB"), which is the same as the functional currency of the Company.

1. 一般資料及財務報表編製之基礎

本公司是一家在香港註冊的股份有限公司，本公司股票在香港聯合交易所有限公司（「聯交所」）上市交易。本公司是一家投資控股有限公司，本集團的主要業務是為全球客戶提供智能安全支付領域的嵌入式軟件和安全支付產品，同時融合創新金融科技，為金融、政府、衛生、交通、零售等廣泛領域客戶提供數據處理服務、系統平台及其他整體解決方案。

本公司註冊辦事處及主要經營地點的地址載於年報企業資料章節。

此綜合財務報表以（「人民幣」）呈列，與本公司的功能貨幣一致。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 於截至2016年12月31日止之年度

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

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

Amendments to HKAS 1	Disclosure Initiative
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer Plants
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment Entities: Applying the Consolidation Exception
Amendments to HKFRS 11	Accounting for Acquisitions of Interests in Joint Operations
Amendments to HKFRSs	Annual Improvements to HKFRSs 2012 – 2014 Cycle

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

2. 新的及經修訂的香港財務報告準則的採納

本集團在本年度首次採納了以下由香港會計師公會(「香港會計師公會」)頒佈之對於香港財務報告準則的修訂：

香港會計準則第1號之修訂案	披露主動性
香港會計準則第16號及香港會計準則第38號之修訂案	折舊與攤銷的可接受方法的澄清
香港會計準則第16號及香港會計準則第41號之修訂案	農業：生產性植物
香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第28號之修訂案	投資實體：應用合併豁免
香港財務報告準則第11號之修訂案	收購共同經營權益的會計法
香港財務報告準則之修訂案	2012年至2014年周期之香港財務報告準則年度改進

除以下闡述外，本年度對於香港財務報告準則修訂的採納，並未對本集團本年度及之前年度的財務表現和狀況，和／或，綜合財務報表中所披露情況，造成實質的影響。

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綜合財務報表附註(續)

For the year ended 31 December 2016 於截至2016年12月31日止之年度

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

Amendments to HKAS 1 Disclosure Initiative

The Group has applied the amendments to HKAS 1 *Disclosure Initiative* for the first time in the current year. The amendments to HKAS 1 clarify that an entity needs not provide a specific disclosure required by an HKFRS if the information resulting from that disclosure is not material, and give guidance on the bases of aggregating and disaggregating information. However, the amendments reiterate that an entity should consider providing additional disclosures when compliance with the specific requirements in HKFRS is insufficient to enable users of financial statements to understand the impact of particular transactions, events and conditions on the entity’s financial position and financial performance.

In addition, the amendments clarify that an entity’s share of the other comprehensive income of associates and joint ventures accounted for using the equity method should be presented separately from those arising from the Group, and should be separated into the share of items that, in accordance with other HKFRSs: (i) will not be reclassified subsequently to profit or loss; and (ii) will be reclassified subsequently to profit or loss when specific conditions are met.

2. 新的及經修訂的香港財務報告準則的採納(續)

香港會計準則第1號之修訂案披露主動性

本集團在本年度首次採納了香港會計準則第1號之修訂案披露主動性。香港會計準則第1號之修訂案闡述在香港財務報告準則中要求如果披露中所造成的信息不是重大的，以及在整體或非整體的信息基礎上提供引導的，那麼那實體無需提交特別披露。但是，修訂案重申當遵守香港財務報告準則中的特別條款不足以使財務報表的使用者瞭解到特別交易，事項以及條件對於實體的財務狀況和財務表現的影響時，實體應當考慮提供額外披露。

另外，修訂案闡述實體按權益法計量的應佔聯營公司及合資公司的年度其他全面收入應從集團收入中獨立列示，並且應根據香港財務報告準則的其他條款，分別並入：(i)期後將不會被重新分類至損益；及(ii)在一定的條件下期後將重新分類至損益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 於截至2016年12月31日止之年度

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

Amendments to HKAS 1 Disclosure Initiative (Continued)

As regards the structure of the financial statements, the amendments provide examples of systematic ordering or grouping of the notes.

The Group has applied these amendments retrospectively. The grouping and ordering of certain notes have been revised to give prominence to the areas of the Group's activities that management considers to be the most relevant to an understanding of the Group's financial performance and financial position. Specifically, information to capital risk management was reordered to note 35 while information to financial instruments was reordered to note 36. Other than the above presentation and disclosure change, the application of the amendments to HKAS 1 has not resulted in any impact on the financial performance or financial position of the Group in these consolidated financial statements.

2. 新的及經修訂的香港財務報告準則的採納(續)

香港會計準則第1號之修訂案披露主動性(續)

關於財務報告的結構，修訂案提供了系統性排序或歸類附註的例子。

本集團已按追溯調整法採納這些修訂案。某些附註的排序與歸類已被修訂以突出管理層認為對理解本集團的財務表現及財務狀況最相關的事項。確切的說，資本風險管理被重新編排至附註35且金融工具信息被重新編排至附註36。除以上陳述及披露的改變外，香港會計準則第1號之修訂案的採納沒有在本集團的綜合財務報表中的財務表現及財務狀況導致任何影響。

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2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

New and amendments to HKFRSs in issue but not yet effective

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

HKFRS 9	Financial Instruments ¹
HKFRS 15	Revenue from Contracts with Customers and the Related Amendments ¹
HKFRS 16	Leases ²
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions ¹
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts ¹
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Amendments to HKAS 7	Disclosure Initiative ⁴
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses ⁴

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 a date to be determined

⁴ Effective for annual periods beginning on or after 1 January 2017

2. 新的及經修訂的香港財務報告準則的採納(續)

已頒布但尚未生效的新訂及經修訂香港財務報告準則

本集團並無提早應用以下已頒布但尚未生效之新訂及經修訂香港財務報告準則：

香港財務報告準則第9號	金融工具 ¹
香港財務報告準則第15號	來自客戶合同的收入及相關聯的修訂案 ¹
香港財務報告準則第16號	租賃 ²
香港財務報告準則第2號(修訂本)	以股份為基礎之支付交易之分類及計量 ¹
香港財務報告準則第4號(修訂本)	採納香港財務報告準則第9號金融工具及香港財務報告準則第4號保險合同 ¹
香港財務報告準則第10號及香港會計準則第28號	投資者與其聯營或合營企業之間的資產出售或注資 ³
香港會計準則第7號(修訂本)	披露主動性 ⁴
香港會計準則第12號(修訂本)	確認未實現虧損之遞延稅項資產 ⁴

¹ 於2018年1月1日或之後開始之年度期間生效

² 於2019年1月1日或之後開始之年度期間生效

³ 於將釐定之日期或之後開始之年度期間生效

⁴ 於2017年1月1日或之後開始之年度期間生效

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

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

HKFRS 9 Financial Instruments

HKFRS 9 introduces new requirements for the classification and measurement of financial assets, financial liabilities, general hedge accounting and impairment requirements for financial assets.

Key requirements of HKFRS 9 which are relevant to the Group are:

- all recognised financial assets that are within the scope of HKFRS 9 are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are generally measured at FVTOCI. All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

2. 新的及經修訂的香港財務報告準則的採納(續)

香港財務報告準則第9號 金融工具

香港財務報告準則第9號引進金融資產，金融負債，一般對沖會計法和金融資產撥備之分類及計量之新規定。

香港財務報告準則第9號與本集團相關之主要規定：

- 屬於香港財務報告準則第9號規定範圍內的所有已確認財務資產，其後均按攤銷成本或公允價值計量。具體而言，業務模式為持有以收合同約現金流為目的之債務投資，以及純粹為支付本金及償還本金之利息而擁有合同約現金流之債務投資，一般於其後報告期間結束時按攤銷成本計量。業務模式為持有以取得收合同約現金流及出售金融資產為目的，以及純粹為支付本金及為償還本金金額之利息而擁有特定日期產生現金流之合同條款，一般於其後報告期間結束時按公允價值計量，損益計入其他全面收入。所有其他債務投資及股本投資於其後會計期間結束時按公允價值計量。此外，根據香港財務報告準則第9號，實體可以不可撤回地選擇於其他全面收入呈列股本投資(並非持作買賣)之其後公允價值變動，而一般僅於損益內確認股息收入。

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2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

HKFRS 9 Financial Instruments (Continued)

- in relation to the impairment of financial assets, HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

Application of HKFRS 9 in the future may have a material impact on the classification and measurement of the Group's financial assets. In addition, the expected credit loss model may result in early provision of credit losses which are not yet incurred in relation to the Group's financial assets measured at amortised cost. However, it is not practicable to provide a reasonable estimate of the effect of HKFRS 9 until the Group performs a detailed review.

HKFRS 15 Revenue from Contracts with Customers

HKFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 *Revenue*, HKAS 11 *Construction Contracts* and the related Interpretations when it becomes effective.

2. 新的及經修訂的香港財務報告準則的採納(續)

香港財務報告準則第9號 金融工具(續)

- 就金融資產之減值而言，與香港會計準則第39號項下按已產生信貸虧損模式計算相反，香港財務報告準則第9號規定按預期信貸虧損模式計算。預期信貸虧損模式規定實體於各報告日期將預期信貸虧損及該等預期信貸虧損之變動入賬，以反映信貸風險自初始確認以來之變動。換言之，毋須再待發生信貸事件方確認信貸虧損。

香港財務報告準則第9號的引用可能會導致對集團金融資產的分類及計量的重大影響。另外，預期信貸虧損模式可能導致以攤銷成本計量的集團金融資產的信貸虧損撥備提前。但是，在集團執行詳細審閱前，香港財務報告準則第9號之影響仍難以合理估計。

香港財務報告準則第15號 「來自客戶合同的收入」

香港財務報告準則第15號已頒布並建立了一個單一的綜合模型，以確認來自客戶合同的收入。當香港財務報告準則第15號生效時，將取代現時沿用的收入確認指引包括香港會計準則第18號「收入」，香港會計準則第11號「建築合同」及相關的詮釋。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

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2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

HKFRS 15 Revenue from Contracts with Customers (Continued)

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under HKFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

2. 新的及經修訂的香港財務報告準則的採納(續)

香港財務報告準則第15號「來自客戶合同的收入」(續)

香港財務報告準則第15號的核心原則乃一個實體應確認收入以體現向客戶轉讓承諾貨品或服務的數額，並反映實體預期交換該等貨品或服務而應得的代價。具體來說，該準則引入了五步法來確認收入：

- 第1步：識別與一個客戶的合同
- 第2步：識別合同內的履約責任
- 第3步：釐定交易價格
- 第4步：將交易價格分攤至合同內的履約責任
- 第5步：當實體符合履約責任時確認收入

根據香港財務報告準則第15號，當一個實體符合履約責任時確認收入，即當貨品或服務按特定的履約責任轉移並由客戶「控制」時。香港財務報告準則第15號已就特別情況的處理方法加入更明確的指引。此外，香港財務報告準則第15號亦要求較廣泛的披露。

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

HKFRS 15 Revenue from Contracts with Customers (Continued)

In 2016, the HKICPA issued Clarification to HKFRS 15 in relation to the identification of performance obligations, principal versus agent considerations as well as licensing application guidance.

The directors of the Company anticipate that the application of HKFRS 15 in future may result in more disclosure, however, the directors of the Company do not anticipate that the application of HKFRS 15 will have a material impact on the timing and amounts of revenue recognized in the respective reporting periods.

HKFRS 16 Leases

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

HKFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees except for short-term leases and leases of low value assets.

2. 新的及經修訂的香港財務報告準則的採納(續)

香港財務報告準則第15號「來自客戶合同的收入」(續)

二零一六年，香港會計師公會頒佈香港財務報告準則第15號(修訂)解釋關於明確履約責任，主事人與代理人及知識產權許可有關的應用指引。

本公司董事預期將來應用香港財務報告準則第15號對本集團可能會導致更多披露。但是，本公司董事預期應用香港財務報告準則第15號將不會對各報告期間的收入確認時間和金額產生重大影響。

香港財務報告準則第16號租賃

香港財務報告準則第16號同時為出租人及承租人引入一個用以識別租賃安排及會計處理之綜合模式。香港財務報告準則第16號生效時，將取代香港會計準則第17號租賃及相關詮釋。

香港財務報告第16號根據所識別資產是否由客戶控制的基礎上區分租賃與服務合同。除短期租賃及低值資產租賃之少數例外情況外，經營租賃及融資租賃從承租人會計處理中撤銷，並由承租人須就所有租賃確認使用權資產及相應負債模式替代。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 於截至2016年12月31日止之年度

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

HKFRS 16 Leases (Continued)

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

Under HKAS 17, the Group has already recognized assets for prepaid lease payment for leasehold lands where the Group is a lease. The application of HKFRS 16 may result in potential changes in classification of these assets depending on whether the Group presents right-of-use assets separately or within the same line item at which the corresponding underlying assets would be presented if they are owned.

In contrast to lessee accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

2. 新的及經修訂的香港財務報告準則的採納(續)

香港財務報告準則第16號租賃(續)

使用權資產最初按成本計量，期後計量按成本(除某些例外)減去資產折舊與減值損失，調整租賃負債的任何複測。租賃負債最初按尚未支付的租賃費用的現有價值計量。隨後，租賃負債須按租賃利息及租賃付款和租賃變更進行調整。對於現金流的分配，集團目前將經營租賃之付款計入經營現金流。根據香港財務報告準則第16號，與租賃負債有關的租賃支付將被分類為本金以及利息部分作為融資現金流。

根據香港會計準則第17條，本集團已確認本集團作為承租人的租賃土地的預付租賃款項作為資產。採納香港財務報告第16號可能會導致潛在的根據本集團是否有獨立列示使用權資產或是將其作為自有資產列示而產生的資產分類變更。

與承租人會計處理相比，香港財務報告準則第16號大致沿用香港會計準則第17號的出租人會計處理要求，且仍要求出租人將其租賃分類為經營租賃或融資租賃。

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

HKFRS 16 Leases (Continued)

Furthermore, extensive disclosure are required by HKFRS 16.

As at 31 December 2016, the Group as lessee has non-cancellable operating lease commitment of approximately RMB5,805,000 in note 32. A preliminary assessment indicates that these arrangements will meet the definition of a lease under HKFRS 16, and hence the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases upon the application of HKFRS 16. In addition, the application of new requirements may result in changes in measurements, presentation and disclosure as indicated above. However, it is not practicable to provide a reasonable estimate of the financial effect until the directors of the Company complete the review.

Other than disclosed above, the directors of the Company do not anticipate that the application of the other new and amendments to HKFRSs will have a material impact on the consolidated financial statements.

2. 新的及經修訂的香港財務報告準則的採納(續)

香港財務報告準則第16號租賃(續)

與此同時，香港財務報告第16號要求全面的披露。

截至2016年12月31日止，本集團作為承租人不可廢除的經營租賃承諾約為人民幣5,805,000元(附註32)。初步評估表明這些協議將符合香港財務報告第16號項下的定義，因此除在採納香港財務報告第16號時符合低價值或短期租賃的租賃外，本集團將確認相關租賃的使用權資產以及相應的負債。此外，綜上所述，新準則的採納將可能導致估量，報告及披露的變更。然而，在本公司董事回顧完成前，不能切實可行地提供對財務影響的合理估算。

除以上披露外，本集團董事預期香港財務報告準則的其他新規及修訂案的採納不會對綜合財務報表造成重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 於截至2016年12月31日止之年度

3. SIGNIFICANT ACCOUNTING POLICIES

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

The consolidated financial statements have been prepared on the historical cost basis as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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

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.

3. 主要會計政策

本綜合財務報表乃按照符合香港會計師公會頒佈之香港財務報告準則的會計政策編製。此外，綜合財務報表已載有香港聯合交易所有限公司證券上市規則(「上市規則」)及香港公司條例(「公司條例」)規定的適當披露。

本綜合財務報表乃按照歷史成本法編製，如以下會計政策中所描述。

歷史成本一般基於換取貨品或服務的代價的公允價值釐定。

公允價值是於計量日市場參與者間於有秩序交易中出售資產所收取或轉讓負債須支付的價格，而不論該價格為可直接觀察取得或可使用其他估值方法估計。於估計資產或負債的公允價值時，本集團會考慮該等市場參與者於計量日對資產或負債定價時所考慮的資產或負債的特點。於該等綜合財務報表中作計量及／或披露用途的公允價值乃按此基準釐定，惟屬於香港會計準則第2號「以股份為基礎的給付」範疇的以股份為基礎的給付交易，香港會計準則第17號「租賃」範疇的租賃交易除外，其計量與公允價值的計量存在一些相似之處但並非公允價值，例如香港會計準則第2號「存貨」的可變現淨值或香港會計準則第36號「資產減值」的使用價值。

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

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

3. 主要會計政策(續)

此外，為財務報告之目的，公允價值計量乃根據公允價值計量的因素的可觀察程度及公允價值計量的因素對其整體的重要性，分類為如下第1、2及3層級：

- 第1層級公允價值估量是基於相同資產或負債在活躍市場中的報價(未經調整)；
- 第2層級公允價值估量是基於第1層所包括的報價以外可直接(即按價格)或間接(即從價格中取得)就有關資產或負債可觀察到的因素；及
- 第3層級公允價值估量為以估值技術進行的估量，其包括有關資產或負債不可從可觀察市場數據得出的因素。

主要會計政策如下。

合併基準

本綜合財務報表包括本公司以及受本公司控制的實體及其附屬公司的財務報表。本公司在下列情況下即擁有控制權：

- 可對投資對象行使權力；
- 因參與投資對象業務而承擔可變回撥的風險或享有權利；及
- 有能力使用其權力影響其回報。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of consolidation (Continued)

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

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

3. 主要會計政策(續)

合併基準(續)

倘根據事實及實際情況，上述控制權三個因素中的一個或以上發生變化，則本公司須重新評估是否擁有投資對象的控制權。

自控制權啓始至控制權終止的期間內附屬公司的財務報告包括在綜合財務報表中。

本集團獲得附屬公司控制權時即對其合併入賬，而當本集團失去附屬公司控制權時，即不再對其合併入賬。具體而言，自本集團獲得附屬公司控制權之日計起，年內收購或出售附屬公司之收入及開支將列入綜合損益及其他全面收入表內，直至本集團不再擁有附屬公司控制權之日止。

損益及其他全面收益各組成部分歸屬於本公司擁有人及非控股權益。附屬公司全面收益總額歸屬於本公司擁有人及非控股權益，即便此舉導致非控股權益出現虧絀結餘。

於必要時，將對附屬公司之財務報表作出調整，以令彼等之會計政策與本集團之會計政策一致。

有關本集團成員之間交易的所有集團內公司間之資產及負債、權益、收入、支出及現金流量於合併時悉數對銷。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred 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. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 *Income Taxes* and HKAS 19 *Employee Benefits* respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 *Share-based Payment* at the acquisition date (see the accounting policy below); and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard.

Goodwill is measured as the excess of the sum of the consideration transferred and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed as at acquisition date.

3. 主要會計政策(續)

業務合併

收購業務採用收購法入賬。業務合併之轉讓代價按公平值計量，而計算方法為本集團所轉讓資產、本集團向被收購方原股東產生之負債及本集團於交換被收購方控制權發行之股權總額。收購相關成本一般於產生時於損益確認。

於收購日期，所收購可識別資產及所承擔負債按公平值確認，惟以下情況除外：

- 遞延稅項資產或負債及僱員福利安排之相關資產或負債分別按香港會計準則第12號「所得稅」及香港會計準則第19號「僱員福利」確認及計量；
- 與被收購方以股份為基礎之付款安排或本集團為取代被收購方以股份為基礎之付款安排而訂立的以股份為基礎之付款安排相關之負債或權益工具，均於收購日期按香港財務報告準則第2號「以股份為基礎之付款支出」計量(見下文會計政策)；及
- 根據香港財務報告準則第5號「持作出售之非流動資產及已終止經營業務」分類為持作出售之資產(或出售組合)根據該準則計量。

商譽是以所轉撥之代價、非控股權益於被收購方中所佔金額、及收購方以往持有被收購方權益之公平值(如有)之總和，減所收購之可識別資產及所承擔之負債於收購日期之淨值後，所超出之差額計值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 於截至2016年12月31日止之年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

A cash-generating unit (or group of cash-generally unit) to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit (or group of cash-generally unit) to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis based on the carrying amount of each asset in the unit (or group of cash-generally unit). Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal.

The Group's policy for goodwill arising on the acquisition of an associate is described below.

3. 主要會計政策(續)

商譽

收購業務所產生之商譽按於收購業務當日確定之成本(見上文會計政策)減累計減值虧損(如有)列賬,並於綜合財務狀況表獨立呈列。

就減值測試而言,商譽分配至預期會受惠於合併協同效益之本集團現金產生單位或現金產生單位組別,以反映商譽於內部管理中的最低監控水平,且不會大於一個營業分部。

獲分配商譽的現金產生單位(「現金產生單位」)須每年及在出現可能減值之跡象時更頻密地進行減值測試。倘現金產生單位的可收回金額少於其賬面值,則會先將減值虧損分配至減少獲分配商譽單位之賬面值,其後以該單位內各資產的賬面值為基準按比例分配至該單位內其他資產。商譽的任何減值虧損直接於損益確認。已確認商譽減值虧損於其後期間不予撥回。

出售相關現金產生單位時,在釐定出售盈虧金額時須計入應佔商譽金額。

本集團收購一間聯營公司產生商譽之政策於下文有所說明。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of associates used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

3. 主要會計政策(續)

於聯營公司之權益

聯營公司指本集團對其行使重大影響力之實體。重大影響力乃指可參與被投資方的財務及營運決策之權力，惟對該等政策並無控制權或共同控制權。

聯營公司之業績、資產及負債按權益會計法列入綜合財務報表，用作權益法入賬之該等聯營公司之財務報表與本集團於同等情況及類似交易時使用一致的會計政策。根據權益法，於一間聯營公司之投資初步於綜合財務狀況表按成本確認，其後就確認本集團應佔該聯營公司之損益及其他全面收益作出調整。倘本集團應佔一間聯營公司之虧損等於或超出本集團於該聯營公司之權益(包括實質上屬於本集團於該聯營公司投資淨額部分之長期權益)，則本集團會終止確認應佔進一步虧損。當本集團產生法定或推定責任或代表該聯營公司付款時，方會確認額外虧損。

於被投資方成為一家聯屬公司當日，對一間聯屬公司之投資採用權益法入賬。於收購一間聯屬公司之投資時，投資成本超過本集團分佔該被投資方可識別資產及負債公平淨值之任何差額確認為商譽，並計入投資之賬面值。本集團所佔可識別資產及負債於重新評估後之公平淨值與投資成本之任何差額，會於收購投資期間即時於損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in associates (Continued)

The requirements of HKAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold and services provided in the normal course of business, net of discounts and sales related taxes.

Revenue is recognised when the amount of revenue can be reliably measured; when it is probable the future economic benefits will flow to the Group and when specific criteria have been met for each of the Group's activities as described below:

Revenue from the sale of goods is recognised when there has been a transfer of risks and rewards to the customer, no further work or processing is required by the Group, the quantity and quality of the goods has been determined with reasonable accuracy and standard, the price is fixed or determinable, and collectability is reasonable assured. This is generally when title passes and the goods have been delivered to the designated locations for the sales of magnetic strip cards, smart cards and the related personalisation services. Revenue from the sales of on-site card issuance equipment and the related revenue from the provision of on-site card issuance system solutions are recognised when the equipment are delivered and the services are provided at the designated locations and after inspection of the equipment.

3. 主要會計政策(續)

於聯營公司之權益(續)

香港會計準則第39號之規定用於釐定是否需要就本集團於聯營公司之投資確認任何減值虧損。如需要，該項投資之全部賬面值(包括商譽)會根據香港會計準則第36號以單一資產的方式透過比較其可收回金額(即使用價值與公平值減出售成本之較高者)與賬面值進行減值測試。任何已確認減值虧損屬該項投資賬面值的一部分，有關減值虧損之任何撥回在該項投資之可收回金額其後增加之情況下根據香港會計準則第36號確認。

收益確認

收益乃按已收或應收代價的公允價值計量，指在正常業務過程中因銷售商品及提供服務而應收取的金額，並扣除折扣及銷售相關稅項。

在收益金額能夠被可靠的計量；未來的經濟利益流將會向公司及在公司活動的每一個特定標準被達到時收益可以被確認，具體描述如下：

倘貨品的風險及回報已轉嫁予客戶，本集團毋須進行進一步工作或處理，貨品的數量及質量能夠按標準合理準確釐定，價格已設定或可予釐定，並且可收回性能夠合理確定，則會確認來自銷售貨品的收益。就銷售磁條卡、智能卡及有關數據處理服務而言，本集團一般會在移交所有權及貨品已送達指定地點時確認收益。就銷售發卡設備的收益以及提供發卡系統解決方案相關的收益而言，會在設備送達指定地點並已提供有關服務及驗收後確認有關收益。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Revenue recognition (Continued)

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

Dividend income from investments in subsidiaries is recognised when the owners' rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably).

Property, plant and equipment

Property, plant and equipment, other than construction in progress, are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

Construction in progress includes property, plant and equipment in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Such construction in progress are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property, plant and equipment commences when the assets are ready for their intended use.

3. 主要會計政策(續)

收益確認(續)

財務資產的利息收入於經濟利益將可能流入本集團且能夠可靠計量收入金額時確認。利息收入以時間基準經參考未償還本金及適用的實際利率計算，實際利率乃將估計日後現金收入按財務資產的預期年期準確貼現至該資產於初步確認時的賬面金額淨值的利率。

投資附屬公司的股息收入於擁有人收取款項的權利確立時確認(於經濟利益可能流入本公司及收益額能夠可靠計量時)。

物業、廠房及設備

物業、廠房及設備(不包括在建工程)按成本減其後的累計折舊及累計減值虧損(如有)後列於綜合財務狀況表。

在建以作生產、供應或行政用途的物業按成本減任何已確認減值虧損列賬。成本包括專業費用及就合資格資產而言，根據本集團的會計政策資本化的借貸成本。該等物業乃於竣工後並可投入作擬定用途時歸類為適當類別的物業、廠房及設備。該等資產按與其他物業資產相同的基準，於該等資產可投入作擬定用途時開始計提折舊。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment (Continued)

Depreciation is recognised so as to write off the cost of items of property, plant and equipment less their residual values over their estimated useful lives, using the straight line method, at the following rates per annum:

Buildings	5%
Furniture, fixtures and equipment	20% — 33 $\frac{1}{3}$ %
Motor vehicles	10% — 20%
Plant and machinery	10%

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Land use rights

The land and building elements of a lease of land and building are considered separately for the purpose of lease classification, unless the lease payments cannot be allocated reliably between the land and building elements, in which case, the entire lease is generally treated as finance lease and accounted for as property, plant and equipment. To the extent the allocation of the lease payments can be made reliably, leasehold interests in land are accounted for as operating leases.

The up-front payments to acquire leasehold interests in land are accounted for as operating leases and are stated at cost and released over the lease term on a straight line basis.

3. 主要會計政策(續)

物業、廠房及設備(續)

物業、廠房及設備項目乃於估計可使用年期內以直線法按下列年率確認折舊，以撤銷其成本減剩餘價值：

樓宇	5%
傢俬、裝置及設備	20% — 33 $\frac{1}{3}$ %
汽車	10% — 20%
廠房及機器	10%

物業、廠房及設備項目於處置時或預計繼續使用將不會帶來經濟利益時終止確認。處置或報廢一項物業、廠房及設備的損益按出售所得款項與資產賬面值之差額釐定，並於損益中確認。

土地使用權

在租約分類中，土地及樓宇租賃當中的土地及樓宇項目會被單獨考慮，除非租金不能在土地及樓宇項目之間可靠地分配，在此情況下整個租賃通常被視為融資租賃並入賬列為物業、廠房及設備。倘租金可做到可靠分配，則土地的租賃權益以經營租賃入賬。

為取得土地租賃權益而預付的款項列為經營租賃，按成本列賬，並以直線法於租期內支銷。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

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

Research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

3. 主要會計政策(續)

借貸成本

收購、建設或生產符合規定的資產(指需要耗費大量時間方可供投入作擬定用途或出售的資產)直接應佔的借款成本乃計入該等資產的成本,直至該等資產幾近可供投入作擬定用途或出售為止。

所有其他借款成本於其產生期內於損益中確認。

研發費用

研究活動的費用於產生期間確認為開支。

僅當以下所有條件均能被證明時,方可確認為來自開發(或內部項目開發階段)的內部產生的無形資產:

- 在技術上完成該無形資產以使其可供使用或銷售是可行的;
- 管理層有意圖完成並使用或出售該無形資產;
- 有能力使用或出售該無形資產;
- 該無形資產將如何產生未來經濟利益;
- 有足夠的技術、財務和其他資源完成開發、使用或銷售該無形資產;及
- 該無形資產在開發期內應佔的開支能可靠地計量。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is recognised on a straight line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Impairment losses on tangible and intangible assets

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

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

3. 主要會計政策(續)

獨立收購之無形資產

具有限使用年期之獨立收購之無形資產乃按成本減累計攤銷及累計減值虧損入賬。具有限使用年期之無形資產乃於估計使用年期内按直線法攤銷。估計使用年期及攤銷方法於各個報告期末審閱。

有形資產及無形資產的減值虧損

本集團於報告期末審閱其有形資產和無形資產的賬面值，以釐定該等資產有否任何減值虧損跡象。倘有任何有關跡象存在，則估計該等資產的可收回金額，以釐定減值虧損(如有)的程度。倘難以估計單項資產的可收回金額，則本集團會估計該資產所屬現金產生單位的可收回金額。當可確定合理及一致的分配基準時，企業資產亦可分配至個別現金產生單位，否則，企業資產將分配至能確定合理及一致分配基準的最小現金產生單位組別。

可收回金額為公允價值減處置成本與使用價值之間的較高者。於評估使用價值時，是採用反映現時市場對貨幣時間價值及資產(並未就此調整預計未來現金流量)特定風險的評估的稅前貼現率，將預計未來現金流量貼現至其現有價值。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Impairment losses on tangible and intangible assets (Continued)

If the recoverable amount of an asset (or a cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash generating unit) is reduced to its recoverable amount. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in unit. The carrying amount of an asset is not reduced below the highest of its fair value less cost of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to other assets of the unit. An impairment loss is recognised immediately in profit or loss.

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

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the first-in, first-out method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

3. 主要會計政策(續)

有形資產及無形資產的減值虧損(續)

倘資產(或現金產生單位)的可收回金額估計低於其賬面值,則資產(或現金產生單位)的賬面值將減至其可收回金額。在分配減值虧損時,將首先用於撇減何商譽之賬面值(如適用),然後按該單位內各資產的賬面值比例減少其賬面值。唯資產的賬面值不應低於以下之最高值:公允值扣除處置成本(如可以計量),使用價值(如可釐定),及零。否則,該減值虧損應按比例分配至單位內之其他資產。減值虧損應即時確認損益。

倘減值虧損其後得以撥回,則該等資產(或現金產生單位)的賬面值會增加至其經修訂的估計可收回金額,惟增加後的賬面值不可超過有關資產(或現金產生單位)於過往期間並無確認減值虧損前應釐定的賬面值。減值虧損撥回會被即時確認為收益。

存貨

存貨以成本及可變現淨值兩者之較低者入賬。成本使用先進先出法計算。可變現淨值指存貨估計售價減完成銷售的全部估計成本及銷售活動所需成本。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government grants

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

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-currents are recognised as government grants in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

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

Warranties

Provisions for the expected cost of warranty obligations under local sale of goods legislation are recognised at the date of sale of the relevant products, at the directors' best estimate of the expenditure required to settle the Group's obligation.

3. 主要會計政策(續)

政府補貼

政府補貼須於能合理確定本集團將遵守附帶條件及將會收到補貼時方會確認。

政府補貼在期間內基於系統確認損益，當集團確認相關成本為費用，則與補貼相抵銷。特別是，當政府補貼的主要條件是集團購買，修建或購入非流動資產時，其應在綜合財務狀況報表中確認為政府補貼，並在相關資產的使用期內系統且合理地轉入損益。其他的政府補貼應系統地與其相應的成本產生的期間對應地確認為收入。

可收政府補貼作為已產生的費用或虧損補貼，或者在未來無相關成本支出的集團的即時經濟支持，並於其可收回的期間確認為損益。

質保金

依據當地貨物銷售立法的規定，以各位董事對履行集團義務所需開支的最佳估計，而對質保金的可能成本進行的計提，於相關產品銷售日計入賬目。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

The Group's financial assets are classified as loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

3. 主要會計政策(續)

金融工具

當集團內實體成為金融工具合約條文的訂約方時，即會在綜合財務狀況表內確認金融資產及金融負債。

金融資產及金融負債初步按公允價值計量。因收購或發行金融資產及金融負債(按公允價值計入損益的金融資產或金融負債除外)而直接產生的交易成本於首次確認時加入金融資產或金融負債的公允價值或公允價值中扣除(如適用)。收購按公允價值計入損益的金融資產或金融負債直接應佔的交易成本即時於損益內確認。

金融資產

本集團的金融資產分為貸款及應收賬款。上述分類取決於金融資產的性質及用途，乃於初次確認時確定。所有金融資產的常規買賣乃按交易日確認及終止確認。常規買賣指須於市場規則或慣例所確立的期限內交付資產的金融資產買賣。

實際利率法

實際利率法為計量金融資產攤銷成本及於有關期間內分配利息收入的方法。實際利率乃於初步確認時將金融資產之預計年期或(如適用)較短期間內之估計未來現金收入(包括構成實際利率不可或缺部分之一切已付或已收費用及點數、交易成本及其他溢價或折讓)確切貼現至賬面淨值之利率。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Effective interest method (Continued)

Interest income is recognised on an effective interest basis for debt instruments.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade and other receivables, amounts due from subsidiaries, amount due from an associate, pledged bank deposits, fixed bank deposits and bank balances and cash) are carried at amortised cost using the effective interest method, less any identified impairment loss.

Impairment of loans and receivables

Loans and receivables are assessed for indicators of impairment at the end of the reporting period. Loans and receivables are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the loans and receivables have been affected.

Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

實際利率法(續)

債務工具的利息收入按實際利率基準確認。

貸款及應收款項

貸款及應收款項是指在活躍市場中沒有報價，但有固定或可確定付款金額的非衍生金融資產。於初次確認之後，貸款及應收款項(包括貿易應收款項及其他應收款項、應收附屬公司款項、已抵押銀行存款、銀行定期存款以及銀行存款及現金)均採用實際利率法計算按攤銷成本減任何已識別減值虧損入賬。

貸款及應收款項減值

貸款及應收款項於各報告期末評估是否有減值跡象。當有客觀證據顯示，由於該金融資產初始確認後發生的一項或多項事項，使貸款及應收款項的預計未來現金流量受到影響時，即視該貸款及應收款項出現減值。

減值的客觀證據可包括：

- 發行人或交易對手出現重大財政困難；或
- 違反合約，如拖欠或無法支付利息或本金；或
- 借款人有可能破產或進行財務重組。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of loans and receivables (Continued)

For certain categories of loans and receivables, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local economic conditions that correlate with default on receivables.

The amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate.

The carrying amount of the loan and receivable is reduced by the impairment loss directly with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

If, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

貸款及應收款項(續)

就若干類別的貸款及應收款項(例如應收貨款)而言,被評定為不作單獨減值的資產將另行按合並基準評估減值。應收款項組合的客觀減值證據可包括本集團的過往收款經驗、組合用超過平均信貸期的延期付款數目增加、與應收款項違約相關的全國或地區經濟情況的可觀察變化。

所確認的減值虧損金額為資產賬面值與預計未來現金流量現值(按該金融資產的初始實際利率貼現)的差額。

貸款及應收款項的賬面值會直接扣減其減值虧損,惟應收貨款除外,其賬面值乃透過使用撥備科目扣減。撥備賬的賬面值變動於損益確認。倘一項應收貨被視作無法收回,則會與撥備賬撤銷。其後若收回過往撤銷的款項,則計入損益中。

倘減值虧損金額於往後期間減少,而該減少可客觀地與確認減值虧損後發生的事件有關,則先前確認的減值虧損透過損益撥回,惟該資產於撥回減值日期的賬面值不得超過在並無確認減值的情況下應有的攤銷成本。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments

Financial liabilities and equity instruments issued by a group entity are classified either as financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the group entity are recorded at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale issue or cancellation of the Company's own equity instruments.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

Financial liabilities

Financial liabilities including trade, bills and other payables are subsequently measured at amortised cost, using the effective interest method.

3. 主要會計政策(續)

金融工具(續)

金融負債及權益工具

集團實體發行的金融負債及股本工具乃根據合約安排的內容與金融負債及股本工具的定義，分類為金融負債或權益。

股本工具

股本工具為證明扣除所有負債後仍持有某實體資產剩餘權益之任何合約。本公司發行的股本工具按收取的所得款項減直接發行成本入賬。

回購本公司自身之權益工具時，直接從權益中扣除。購買、出售、發行或取消本公司自身之權益工具時皆不會確認任何當期損益。

實際利率法

實際利率法為計算金融負債的攤銷成本及於有關期間內攤分利息開支的方法。實際利率乃於初步確認時將金融資產之預計年期或(如適用)較短期間內之估計未來現金收入(包括構成實際利率不可或缺部分之一切已付或已收之費用、交易成本及其他溢價或折讓)確切貼現至賬面淨值之利率。

利息開支按實際利率基準確認。

金融負債

金融負債包括應付貨款、應付票據及其他應付款項以及銀行貸款，其後採用實際利率法按攤銷成本計量。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Taxation

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from "profit before taxation" as reported in the consolidated statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are not taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

3. 主要會計政策(續)

金融工具(續)

終止確認

僅當從資產收取現金流量的合約權利已到期，或已將金融資產以及資產所有權的絕大部分風險及回報轉移予其他實體時，本集團方會終止確認金融資產。

於全面終止確認金融資產時，其賬面價值與已收或應收代價的差額於損益確認。

本集團僅會於本集團責任獲解除、取消或屆滿時終止確認金融負債。終止確認的金融負債的賬面值與已付及應付代價的差額於損益確認。

稅項

所得稅開支指即期應付稅項及遞延稅項的總和。

即期應付稅項乃根據年度的應課稅利潤計算。應課稅利潤與綜合損益及其他全面收入表呈報的除稅前利潤不同，原因是其並無計入其他期間的應課稅或可扣稅的收支項目。本集團即期稅項負債乃使用報告期末已頒行或實際上已頒行的稅率計算。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

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

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

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

3. 主要會計政策(續)

稅項(續)

遞延稅項按綜合財務報表所列資產負債的賬面值與用以計算應課稅利潤的相應稅基之間的暫時性差異確認。一般會就所有的應課稅暫時性差異確認遞延稅項負債。一般會就所有可扣稅暫時性差異確認遞延稅項資產，惟以將來很可能有應課稅利潤可用以對銷該等可扣稅暫時性差異為限。倘暫時性差異乃因首次確認一項交易中不影響應課稅利潤或會計利潤的資產及負債而產生，則不會確認有關資產及負債。

與在附屬公司投資相關的應課稅暫時性差異確認為遞延稅項負債，但若本集團可控制該暫時性差異的撥回，且該暫時性差異不大可能在可見將來撥回的除外。對於與有關投資相關的應課稅暫時性差異所產生的遞延稅項資產，僅會於有可能取得足夠的應課稅利潤用作抵銷暫時性稅務利益，且該等暫時性差異預期會在可見將來撥回時方予確認。

於報告期末會審閱遞延稅項資產的賬面值，並在不再可能有足夠應課稅利潤可收回全部或部分遞延稅項資產時，相應扣減該賬面值。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Taxation (Continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Current and deferred tax is recognised in profit or loss.

Foreign currencies

The financial statements of each group entity are prepared in the currency of the primary economic environment in which the entity operates (its functional currency).

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

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

3. 主要會計政策(續)

稅項(續)

遞延稅項資產及負債乃根據報告期末已頒行或實際上已頒行的稅率(及稅法)計量,按預期於清還負債或變現資產期間的稅率。遞延稅項負債及資產的計量反映以本集團於往績記錄期間各期間結束時預期收回或清償其資產負債賬面值的所引致的稅務後果。即期及遞延稅項在損益確認。

外幣

各集團實體的財務報表均以該實體經營所在主要經濟環境的貨幣(功能貨幣)編製。

於編製各集團實體的財務報表時,以該實體功能貨幣以外的貨幣(外幣)進行的交易均按交易日期的當前匯率換算為各自的功能貨幣(即該實體經營所在主要經濟環境的貨幣)記賬。於報告期末,以外幣計值的貨幣項目均按報告期末的當前匯率重新換算。以外幣按歷史成本計量的非貨幣項目毋須重新換算。

結算貨幣項目和重新換算貨幣項目所引起的匯兌差額於產生期間在損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies (Continued)

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the functional currency of the Company and the presentation currency of the Group (i.e. RMB) at the rate of exchange prevailing at the end of each reporting period, and their income and expenses are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (the translation reserve).

Leases

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

The Group as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease.

The Group as lessee

Operating lease payments including the cost of acquiring land held under operating leases are recognised as an expense on a straight line basis over the term of the relevant leases. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight line basis.

Retirement benefits costs

Payments to defined contribution retirement benefit plans, government-managed retirement benefit scheme and the Mandatory Provident Fund Scheme ("MPF") are recognised as an expense when employees have rendered service entitling them to the contributions.

3. 主要會計政策(續)

外幣(續)

就呈報綜合財務報表而言，本集團海外業務的資產及負債乃按各報告期末的當前匯率換算為本集團的功能貨幣及本集團的呈報貨幣(即人民幣)，而其收入及支出乃按期間的平均匯率進行換算，除非匯率在期間內大幅波動，在此情況下，則使用交易日起的當前匯率。所產生的匯兌差額(如有)將於其他全面收入確認，並累計至權益(匯兌儲備)項下。

租約

凡租約條款將所有權所附帶的絕大部分風險及回報轉移至承租人的租約均分類為融資租約。所有其他租約分類為經營租約。

本集團作為出租人

經營租約收入於相關租約期間以直線法確認為損益。

本集團作為承租人

經營租約費於相關租約期間以直線法確認為開支。因訂立經營租約已收或應收的優惠，按直線法於租賃期內確認為租金費用的扣減。

退休福利成本

向固定供款退休福利計劃，政府管理的退休福利計劃及強制性公積金計劃(「強積金計劃」)支付的款項於僱員已提供服務而有權獲得供款時確認為支出。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Share-based payment arrangements

Equity-settled share-based payment transactions *Share options granted to employees*

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share option reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share option reserve. For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to profit or loss.

When share options are exercised, the amount previously recognised in share option reserve will be transferred to share capital. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to retained profits.

Share award scheme

When the trustee of the share award scheme purchases the Company's shares from the open market, the consideration paid, including any directly attributable incremental costs, is presented as shares held under share award scheme and deducted from total equity. No gain or loss is recognised on the transactions of the Company's own shares.

3. 主要會計政策(續)

以股份為基礎的支付安排

以權益結算的股份支付交易 *授予僱員之購股權*

授予僱員及其他提供相似服務人員的以權益結算的股份支付按授出日的公允價值計量。

以股份為基礎的權益結算的公允價值按本集團對最終歸屬的估計於歸屬期間內按直線法攤銷，同時相應地增加所有者權益(購股權儲備)。於每個報告期末，本集團修訂其對於最終歸屬的估計。對於最初估計修訂所帶來的影響，如有，將按總費用能反映修訂後的估計為原則確認為損益，同時相應地調整購股權儲備。如購股權於授出當天即可歸屬，其公允價值應確認為當期損益。

當購股權獲行使時，早前於購股權儲備確認之數額將轉撥至股本。倘購股權於歸屬日期遭沒收或於屆滿日期仍未行使，早前於購股權儲備確認之數額將轉撥至保留利潤。

股份獎勵計劃

於股份獎勵計劃之受託人從公開市場購買本公司之股份之時，已付代價(包括任何直接應佔遞增成本)乃作為根據股份獎勵計劃下持有之股份呈列，並從權益總額扣除。就本公司本身股份進行之交易並無確認收益或虧損。

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4. KEY SOURCES OF 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 discussed below.

Estimated impairment of trade receivables

The directors of the Company review the aging analysis of trade receivables at the end of each reporting period and identify the long-aged receivables that are no longer probably to be recovered in the future. The Group considers the aging of trade receivables, credit portfolio of the debtors, default or significant delay on payments and makes necessary allowance for doubtful debt where appropriate. Where the future cash flows are less than expected, or being revised downward due to changes in facts and circumstances, a further impairment loss may arise.

As at 31 December 2016, the carrying amounts of trade receivables were RMB339,970,000 (net of allowance for doubtful debt of approximately RMB17,431,000) (2015: carrying amounts of RMB492,903,000 net of allowance for doubtful debt of approximately RMB7,226,000).

4. 估計不明朗因素之主要來源

於報告期末，有高風險導致資產與負債的賬面值於下一個財務年度作出重大調整的未來和其他主要來源不明朗因素如下文所論述。

應收貨款的減值撥備

公司董事於每一報告期末審閱應收貨款的賬齡分析並識別將來可能無法被收回的長賬齡的應收貨款。集團考量應收貨款的賬齡、債務人的信用組合，過去拖欠或嚴重逾期的支付，並在恰當的時候對可疑債務作出必要的撥備。當未來的現金流量小於期望值，或由於實際情況和環境的變更被修正降低，則可能需要作出進一步的撥備。

於2016年12月31日，應收貨款的賬面值為人民幣339,970,000元(扣除呆賬撥備約為人民幣17,431,000元)(2015年賬面值為人民幣492,903,000元，扣除呆賬撥備約為人民幣7,226,000元)。

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4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Estimated allowance for inventories

The Group carries out inventory review at the end of each reporting period and provides allowance for slow-moving and obsolete inventories.

The directors of the Company reviews the inventory aging analysis at the end of each reporting period and identifies slow-moving inventories and obsolete inventories that are no longer suitable for use in production or sales. The directors of the Company estimate the allowance for inventories based on aging of inventories, technology changes and current market demand. Where the future cash flows are less than expected, or being revised downward due to changes in facts and circumstances, a further impairment loss may arise. The carrying amounts of inventories of the Group amounted to RMB211,212,000 (2015: RMB320,936,000) and allowance for inventories was RMB46,025,000 (2015: RMB34,010,000) as at year ended 31 December 2016.

4. 估計不明朗因素之主要來源(續)

存貨撥備估計

集團在每一個報告期末對存貨進行審閱並對呆滯和陳舊存貨作出撥備。

公司董事在每一個報告期末審閱存貨賬齡分析並辨別呆滯存貨及不再適用於生產及銷售的陳舊存貨。公司董事根據存貨帳齡，技術更新及當前市場需求對存貨撥備進行估計。當未來現金流量小於期望值，或由於實際情況和環境的變更被修正降低，則可能需要作出進一步的撥備。截至2016年12月31日止，集團存貨賬面值為人民幣211,212,000元（2015：人民幣320,936,000元）及存貨撥備為人民幣46,025,000元（2015：人民幣34,010,000元）。

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5. TURNOVER AND SEGMENT INFORMATION

Segment information has been identified on the basis of internal management reports which are reviewed by the Chairman of the Company, being the chief operating decision maker, in order to allocate resources to the operating and reportable segments and to assess their performance.

The Group's operating and reportable segments under HKFRS 8 are as follows:

<p>Embedded software and secure payment products</p>	<p>– Embedded software and secure payment products for smart secure payment</p>
<p>Platform and services (Note)</p>	<p>– Provision of personalisation service, system platforms and other total solutions for customers in a wide business range including financial, government, healthcare, transportation and retails by leveraging innovative Fintech</p>

Note: With the evolving technologies and the Group's business advancement, previous operating and reportable segments of "Personalisation service" and "Card issuance system solutions" are now transforming into business nature of "Platform and service". "Personalisation service" segment was merging with "Card issuance system solutions" segment with the introduction of new platform service during the reporting period. To better describe the Group's current and future business nature, the segment of "Platform and service" is adopted to replace "Personalisation service" and "Card issuance system solutions".

Each operating and reportable segment derives its turnover from the sales of products or provision of services. They are managed separately because each product requires different production and marketing strategies. For segment reporting, these individual operating segments have been aggregated into a single reportable segment due to similar nature of the products and services.

Turnover represents the fair value of the consideration received or receivables for goods sold or services rendered to outside customers during the year.

Segments results represent the gross profit earned by each segment.

5. 營業額及分部資料

分部資料以公司內部管理報告為基礎而確立，此內部管理報告經由公司經營決策者—本公司主席審閱，以利於分配經營所需資源和評估各分部表現。

根據香港財務報告準則第8號，本集團經營及可報告分部如下：

<p>嵌入式軟件和安全支付產品</p>	<p>— 智能安全支付領域的嵌入式軟件和安全支付產品</p>
<p>平台及服務 (附註)</p>	<p>— 融合創新金融科技，為金融、政府、衛生、交通、零售等廣泛領域客戶提供數據處理服務、系統平台及其他整體解決方案</p>

附註：隨著科技的發展和本集團業務的升級，本集團原「數據處理服務」以及「發卡系統解決方案」於報告期內已經擴展到以「平台及服務」的方式服務客戶，「數據處理服務」和「發卡系統解決方案」高度融合，且增加新的平台服務內容。為更好地反應本集團現有及未來業務發展，「平台及服務」較「數據處理服務」和「發卡系統解決方案」更為合理。

各經營及可報告分部通過銷售產品或提供服務取得其營業額。因為不同產品需要不同的生產及市場營銷策略，各分部實行單獨管理。出於分部匯報之目的，這些相同性質的產品及服務的分部已合併作為一個分部。

營業額指年度向集團外部客戶銷售貨物或提供服務的已收或應收的代價公允價值。

分部業績指各分部所取得的毛利。

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5. TURNOVER AND SEGMENT INFORMATION 5. 營業額及分部資料(續)

(Continued)

The following is an analysis of the Group's revenue and results by reportable segment:

以下為本集團按可報告分部劃分的營業額及業績的分析：

		Turnover 營業額		Results 業績	
		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元	2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Sales to external parties of	向集團外本集團客戶之銷售				
— embedded software and secure payment products	— 嵌入式軟件和安全支付產品	1,164,688	1,389,907	321,454	329,042
— platform and service	— 平台及服務	229,025	294,725	97,548	115,958
		1,393,713	1,684,632	419,002	445,000
Research and development costs	研發成本			(98,050)	(79,539)
Other operating expenses	其他運營費用			(165,086)	(143,073)
Other income, expenses, gains or losses	其他收入、費用、收益或虧損			77,926	40,737
Interest income	利息收入			16,269	30,359
Share of profit of (loss) associates	應佔聯營公司(虧損)溢利			(5,495)	2,743
Finance costs	財務成本			—	(48)
Profit before taxation	除稅前利潤			244,566	296,179

The accounting policies of the operating segments are the same as Group's accounting policies described in note 3.

各經營分部之會計政策與附註3中描述的本集團之會計政策一致。

The Chairman of the Company makes decisions according to the operating results of each segment. No information of segment assets and liabilities is available for the assessment of performance of different business activities. Therefore, no information about segment assets and liabilities are presented.

本公司主席根據各分部經營業績作出決策。概無分部資產或負債資料可用以評估不同業務活動的表現。因此，並無呈報分部資產及負債資料。

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5. TURNOVER AND SEGMENT INFORMATION (Continued)

Other information

Turnover from external customers attributed to the Group by location of the operations of customers is presented as follows:

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Turnover	營業額		
— PRC (excluding the special administrative regions of Hong Kong and Macau)	— 中國(除香港及澳門特別行政區)	1,290,826	1,585,486
— Overseas	— 海外	102,887	99,146
		1,393,713	1,684,632

Information about the Group's non-current assets except for financial instruments by location of assets is presented as below:

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
HK	香港	11,946	14,545
PRC	中國	230,692	240,457
Philippines	菲律賓	700	1,671
		243,338	256,673

Information about major customers

For the year ended 31 December 2016, there was one customer with turnover of RMB181,739,000 in aggregate (2015: two customers with turnover of RMB282,825,000 and RMB233,193,000 respectively) from the segments of both embedded software and secure payment products and platform and services which accounted for more than 10% of the Group's total turnover.

5. 營業額及分部資料(續)

其他資料

本集團源自外部客戶的營業額按客戶的經營所在地劃分呈列如下：

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Turnover	營業額		
— PRC (excluding the special administrative regions of Hong Kong and Macau)	— 中國(除香港及澳門特別行政區)	1,290,826	1,585,486
— Overseas	— 海外	102,887	99,146
		1,393,713	1,684,632

本集團除金融工具以外之所有非流動資產按所在地劃分呈現如下：

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
HK	香港	11,946	14,545
PRC	中國	230,692	240,457
Philippines	菲律賓	700	1,671
		243,338	256,673

有關主要客戶的資料

截至2016年12月31日止之年度，於嵌入式軟件和安全支付產品和平台及服務分部有一名客戶的營業額為人民幣181,739,000元(2015年兩名客戶的營業額分別為人民幣282,825,000元和人民幣233,193,000元)，佔本集團總營業額的10%以上。

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6. OTHER INCOME

6. 其他收入

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Government grants	政府支助	18,359	10,695
Interest income	利息收入	16,269	30,359
Investment income from other financial assets	其他金融資產的投資收入	3,245	13,430
Value-added tax refund	增值稅退稅	24,081	15,788
Others	其他	1,302	202
		63,256	70,474

7. OTHER GAINS OR LOSSES

7. 其他收益或虧損

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Impairment loss (recognised) reversed on trade receivables	應收貨款減值(撥備)撥回	(10,393)	34
Impairment loss reversed on other receivables	其他應收款減值撥回	—	2,532
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	—	(156)
Net exchange gain (loss)	匯兌收益(損失)淨額	41,332	(1,788)
		30,939	622

8. FINANCE COSTS

8. 財務成本

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Interest on bank borrowings wholly repayable within five years	須於五年內悉數償還的銀行貸款的利息	—	(48)

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9. PROFIT BEFORE TAXATION

9. 稅前利潤

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Profit before taxation has been arrived at after charging:	除稅前利潤已扣除：		
Directors' remuneration (note 10)	董事酬金(附註10)	17,470	16,920
Other staff costs	其他僱員酬金	164,275	155,097
Other staff's equity-settled share-based payments	其他僱員以權益結算的股份支付	7,866	12,812
Other staff's retirement benefits scheme contributions	其他僱員退休福利計劃供款	5,044	4,767
		194,655	189,596
Allowance for obsolete inventories included in cost of sales	計入銷售成本的陳舊存貨撥備	12,015	3,935
Amortisation of intangible assets	無形資產攤銷	2,290	2,289
Auditor's remuneration	核數師酬金	1,528	1,366
Depreciation of property, plant and equipment	物業、廠房及設備折舊	39,704	39,996
Operating lease rentals in respect of	經營租賃租金		
— land use rights	— 土地使用權	135	135
— office premises	— 辦公室	7,571	7,881
Cost of inventories recognised as expense	確認為開支之存貨成本	810,375	1,062,829

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10. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS AND FIVE HIGHEST PAID EMPLOYEES

10. 董事、首席執行官與五位最高薪酬僱員酬金

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Directors' fees	董事費	572	537
Other emoluments to executive directors	其他予執行董事的酬金		
— basic salaries and allowances	— 基本薪金與津貼	7,916	6,941
— bonus	— 分紅	6,278	5,311
— retirement benefits scheme contributions	— 退休福利計劃供款	68	75
— equity-settled share-based payments	— 以權益結算的股份支付	2,636	4,056
		17,470	16,920

The bonus of the directors was determined with reference to the Group's performance, individual performances and comparable market statistics.

董事會分紅依照本集團業績、個人表現以及可比的市場統計資料釐定。

Mr. Hou Ping is also the chief executive ("the Chief Executive") of the Company and his emoluments disclosed below include those for services rendered by him as the Chief Executive.

侯平先生也是本公司首席執行官，他的酬金在下表披露，包括那些由其作為首席執行官提供過的服務。

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10. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS AND FIVE HIGHEST PAID EMPLOYEES (Continued)

Directors' and chief executive's remuneration for the year, disclosed pursuant to the applicable Listing Rules and Companies Ordinance is as follows:

10. 董事、首席執行官與五位最高薪酬僱員酬金(續)

根據適用之上市規則及公司條例所披露之董事及首席執行官本年度之酬金如下：

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
EXECUTIVE DIRECTORS			
執行董事			
Mr. Lu Run Ting	盧閔霆先生		
— basic salaries and allowances	— 基本薪金和津貼	3,621	3,305
— bonus	— 分紅	3,032	2,482
— retirement benefits scheme contributions	— 退休福利計劃供款	16	15
— equity-settled share-based payments	— 以權益結算的股份支付	1,189	1,830
		7,858	7,632
Mr. Lu Runyi	盧潤怡先生		
— basic salaries and allowances	— 基本薪金和津貼	1,074	861
— bonus	— 分紅	736	691
— retirement benefits scheme contributions	— 退休福利計劃供款	16	12
— equity-settled share-based payments	— 以權益結算的股份支付	643	989
		2,469	2,553
Mr. Hou Ping	侯平先生		
— basic salaries and allowances	— 基本薪金和津貼	2,457	2,020
— bonus	— 分紅	2,426	2,021
— retirement benefits scheme contributions	— 退休福利計劃供款	16	33
— equity-settled share-based payments	— 以權益結算的股份支付	482	742
		5,381	4,816
Mr. Lu Xiaozhong	盧小忠先生		
— basic salaries and allowances	— 基本薪金和津貼	764	755
— bonus	— 分紅	84	117
— retirement benefits scheme contributions	— 退休福利計劃供款	20	15
— equity-settled share-based payments	— 以權益結算的股份支付	322	495
		1,190	1,382
		16,898	16,383

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10. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS AND FIVE HIGHEST PAID EMPLOYEES (Continued)

The executive directors' emoluments shown above were mainly for their services in connection with the management of the affairs of the Company and the Group.

10. 董事、首席執行官與五位最高薪酬僱員酬金(續)

上述執行董事之酬金主要為其管理本公司及本集團事務之服務費。

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
INDEPENDENT NON-EXECUTIVE DIRECTORS 獨立非執行董事			
Mr. Mak Wing Sum Alvin — directors' fees	麥永森先生 — 袍金	230	215
Mr. Zhu Lijun — directors' fees	朱立軍先生 — 袍金	171	161
Mr. Liu John Jianhua — directors' fees	劉建華先生 — 袍金	171	161
Total	小計	572	537

The independent non-executive director's emoluments shown above were mainly for their services as directors of the Company.

上述獨立非執行董事之袍金主要為其作為本公司董事之服務費。

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10. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS AND FIVE HIGHEST PAID EMPLOYEES (Continued)

The five highest paid individuals for the year ended 31 December 2016 included three (2015: three) directors of the Company, details of whose remuneration are set out above. The remuneration of the remaining highest paid individuals who are neither a director nor chief executive of the Company during the year were as follows:

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Employees	僱員		
— basic salaries and allowances	— 基本薪金和津貼	2,380	2,220
— bonus	— 分紅	1,166	1,088
— retirement benefits scheme contributions	— 退休福利計劃供款	63	63
— equity-settled share-based payments	— 以權益結算的股份支付	643	987
		4,252	4,358

The number of the highest paid employees who are not the directors of the Company whose remuneration fell within the following bands is as follows:

		Number of employees 僱員人數	
		2016	2015
Up to HKD1,000,000	1,000,000港幣或以下	—	—
HKD1,000,001 to HKD1,500,000	1,000,001港幣至1,500,000港幣	—	—
HKD1,500,001 to HKD2,000,000	1,500,001港幣至2,000,000港幣	—	—
HKD2,000,001 to HKD2,500,000	2,000,001港幣至2,500,000港幣	2	—
HKD2,500,001 to HKD3,000,000	2,500,001港幣至3,000,000港幣	—	2

During the year, no remuneration were paid by the Group to the directors or the five highest paid individuals (including directors and employees) as an inducement to join or upon joining the Group or as compensation for loss of office. There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the year.

10. 董事、首席執行官與五位最高薪酬僱員酬金(續)

於截至2016年12月31日之年度五位最高薪酬人士包括三位(2015年：三位)董事，其酬金詳情載於上表。除董事及首席執行官外，本年度餘下的最高薪酬人士的酬金如下：

除董事以外最高薪酬人士的人數在下表範圍內：

於本年度內，本集團沒有向董事或五名薪酬最高人士(包括董事及僱員)支付任何額外的酬金作為吸引其加入本集團的報酬或失去職位的補償。概無董事或首席執行官於年內放棄或同意放棄任何酬金。

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11. TAXATION

11. 稅項

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
The charge comprises:	支出包括：		
PRC Enterprise Income Tax (“EIT”)	中國企業所得稅 （「企業所得稅」）	(29,544)	(39,865)
Underprovision of EIT in prior years	過往年度所得稅撥備不足	(2,525)	(2,583)
		(32,069)	(42,448)
PRC withholding tax on dividend distribution	股息分派的中國預扣稅	(20,234)	(1,300)
Hong Kong Profits Tax	香港利得稅	—	(1,252)
		(52,303)	(45,000)
Deferred taxation (<i>note 28</i>)	遞延稅項(附註28)	12,637	(9,341)
		(39,666)	(54,341)

Hong Kong Profits Tax is calculated at 16.5% on the estimated assessable profit for both years.

香港利得稅乃按年度估計應稅利潤的16.5%計算。

The PRC income tax is calculated at the applicable rates in accordance with the relevant laws and regulations in the PRC.

中國所得稅根據中國有關法律法規按適用的稅率計算。

The Company's PRC subsidiaries are subject to EIT at 25% except that Goldpac Limited is approved for 3 years as enterprise that satisfied as a High-New Technology Enterprise and entitles the preferential tax rate of 15% in 2014, 2015 and 2016.

本公司的中國附屬公司按25%的稅率繳納企業所得稅，惟金邦達有限公司已被認定為高新技術企業，並可於2014年、2015年、2016年享受15%的優惠稅率。

According to a joint circular of Ministry of Finance and the State Administration of Taxation, Cai Shui (2008) No. 1, only the profits earned by Goldpac Limited prior to 1 January 2008, when distributed to foreign investors, can be grandfathered with the exemption from withholding tax. Whereas, pursuant to Articles 3 and 27 of the EIT Law and Article 91 of its Implementation Rules, dividend distributed out of the profit generated thereafter, shall be subject to EIT at 10% or reduced tax rate if tax treaty or arrangement applies. Under the relevant tax arrangement, withholding tax rate on dividend distribution to the qualifying Hong Kong resident companies is 5%. Deferred tax liability on the undistributed profits earned since 1 January 2008 have been accrued at the tax rate of 5%.

根據財政部及國家稅務總局財稅(2008)第1號聯合通知，於向境外投資者作出分派時，只有金邦達有限公司於2008年1月1日之前賺取的利潤可免繳預扣稅。然而，根據企業所得稅法第3條及27條或其實施細則第91條規定，以其後產生的利潤分派股息時，須按10%或(倘稅收協定或安排適用)較低的稅率繳納企業所得稅。根據相關稅收安排，分配予合資格香港居民公司股息的預扣稅率為5%。自2008年1月1日起賺取的未分配利潤遞延稅項責任已按5%的稅率計提。

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11. TAXATION (Continued)

Tax charge for the year is reconciled to profit before taxation as follows:

11. 稅項(續)

年度稅項支出與稅前利潤的對賬如下：

		2016		2015	
		RMB'000	%	RMB'000	%
		人民幣千元		人民幣千元	
Profit before taxation	除稅前利潤	244,566		296,179	
Tax at the applicable income tax rate (Note)	按適用所得稅率計算的稅項(附註)	(61,142)	(25.0)	(74,045)	(25.0)
Tax effect of expenses not deductible for tax purpose	不可扣稅開支的稅務影響	(6,682)	(2.7)	(4,245)	(1.4)
Tax effect of income not taxable for tax purpose	毋需扣稅收入的稅務影響	13,968	5.7	4,214	1.4
Tax effect of deductible temporary difference not recognised	未確認可扣減暫時性差額的稅務影響	(5,538)	(2.3)	(342)	(0.1)
Tax effect of tax concession granted to a PRC subsidiary	授予一家中國附屬公司稅項優惠的稅務影響	31,310	12.8	31,821	10.7
Tax effect of tax losses not recognised	未確認之稅務虧損的稅務影響	(86)	(0.0)	—	—
Tax effect of different tax rate of subsidiaries operating in other tax jurisdiction	在其他稅務司法轄區經營的附屬公司的不同稅率的稅務影響	—	—	793	0.3
Tax effect of share of (loss) profit of associates	應佔聯營公司(虧損)溢利之稅務影響	(1,374)	(0.6)	686	0.2
PRC withholding tax on undistributed earnings	未分配利潤的中國預扣稅	(7,597)	(3.1)	(10,640)	(3.6)
Underprovision of EIT in prior years	過往年度企業所得稅撥備不足	(2,525)	(1.0)	(2,583)	(0.9)
Tax charge and effective tax rate for the year	年度的稅項支出及實際稅率	(39,666)	(16.2)	(54,341)	(18.4)

Note: The rate applied is the applicable tax rate in the PRC where the operation of the Group is substantially based.

附註：所用稅率為本集團實質運營地中國的適用稅率。

At 31 December 2016, the Group has unused tax losses of RMB345,000 (2015: nil) available for offset against future profits. No deferred tax asset has been recognised in relation to the unused tax losses due to the unpredictability of future profit streams. Losses may be carried forward indefinitely.

於2016年12月31日，本集團可用於抵扣未來盈利之可使用的稅務虧損為人民幣345,000元(2015：零)。由於未來盈利的不可預見性，故並無就有關可使用的稅務虧損確認遞延所得稅資產。該虧損的抵扣並無固定期限。

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綜合財務報表附註(續)

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11. TAXATION (Continued)

At 31 December 2016, the Group has deductible temporary differences of RMB71,234,000 (2015: RMB49,014,000) in relation to allowance for doubtful debt and obsolete inventories. No deferred tax asset has been recognised in relation to such deductible temporary difference as it is not probable that the temporary differences can be utilized in foreseeable future.

11. 稅項(續)

於2016年12月31日，本集團呆賬及陳舊存貨撥備的可扣減暫時性差額為人民幣71,234,000元(2015：人民幣49,014,000元)。由於在可預見的未來沒有使用可扣減暫時性差額的機會，故並無就有關可扣減暫時性差額確認遞延稅資產。

12. DIVIDENDS

12. 股息

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
2016 Interim — HK4.0 cents per ordinary share (declared on 16 August 2016 and based on 834,029,000 shares)	2016年年度中期 — 每股普通股港幣4.0仙 (於2016年8月16日宣派， 基於834,029,000股)	28,322	—
2015 Final — HK11.0 cents per ordinary share (declared on 16 March 2016 and based on 834,029,000 shares)	2015年年度末期 — 每股普通股港幣11.0仙 (於2016年3月16日宣派， 基於834,029,000股)	76,389	—
2015 Special — HK4.0 cents per ordinary share (declared on 16 March 2016 and based on 834,029,000 shares)	2015年年度特別股息 — 每股普通股港幣4.0仙 (於2016年3月16日宣派， 基於834,029,000股)	27,778	—
2014 Final — HK10.0 cents per ordinary share (declared on 19 March 2015 and based on 831,573,000 shares)	2014年年度末期 — 每股普通股港幣10.0仙 (於2015年3月19日宣派， 基於831,573,000股)	—	65,579

Subsequent to the end of the reporting period, a final dividend of HK7.0 cents (2015: HK11.0 cents) and a special dividend of HK6.0 cents (2015: HK4.0 cents) per ordinary share in respect of the year ended 31 December 2016 have been proposed by the Board of Directors and is subject to approval by the shareholders of the Company at the forthcoming annual general meeting.

報告期末後，董事會建議就截至2016年12月31日止之年度派發末期股息每股普通股港幣7.0仙(2015年為港幣11.0仙)，以及特別股息每股普通股港幣6.0仙(2015年為港幣4.0仙)，且須在即將舉行的股東周年大會上獲得本公司股東的批准。

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13. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Earnings	盈利		
Earnings for the purpose of basic earnings per share (profit for the year attributable to owners of the Company)	計算每股基本盈利所採用的盈利(本公司持有人應佔年度利潤)	204,900	241,838
		'000 千股	'000 千股
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic earnings per share	計算每股基本盈利所採用的加權平均股數	833,856	831,348
Effect of dilutive potential ordinary shares — Pre-IPO share options (note 30)	具攤薄潛力的普通股的影響 — 首次公開發售前購股權計劃(附註30)	—	10,362
Weighted average number of ordinary shares for the purpose of diluted earnings per share	計算每股攤薄盈利所採用的加權平均股數	833,856	841,710

The computation of diluted earnings per share does not assume the exercise of the Company's options for the year ended 31 December 2016 because the exercise price of those options was higher than the average market price for shares in the current year.

The diluted earning per share was presented for the year ended 31 December 2015 due to the effect of Pre-IPO share options.

歸屬於本公司所有人的每股基本及攤薄盈利乃根據以下數據計算：

因購股權的行權價格高於本年度內股份平均市場價格，在計算每股攤薄盈利時並未假定於截至2016年12月31日止之年度內有購股權行使。

由於首次公開發售前購股權的影響，截至2015年12月31日止之年度需呈列每股攤薄盈利。

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14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、廠房及設備

		Buildings	Furniture, fixtures and equipment 傢俬、裝置及設備	Motor vehicles 汽車	Plant and machinery 廠房及機器	Construction in progress 在建工程	Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
COST	成本						
At 1 January 2015	於2015年1月1日	57,732	27,666	4,255	218,794	13,162	321,609
Currency realignment	幣值調整	—	31	12	—	—	43
Additions	添置	—	13,006	1,224	14,902	20,568	49,700
Acquired on acquisition of a subsidiary	於收購一家附屬公司時取得	—	—	217	—	—	217
Disposals	處置	—	(556)	(667)	(3,337)	—	(4,560)
Transfers	轉移	—	—	—	7,758	(7,758)	—
At 31 December 2015	於2015年12月31日	57,732	40,147	5,041	238,117	25,972	367,009
Currency realignment	幣值調整	—	38	58	—	—	96
Additions	添置	—	4,417	173	3,929	2,608	11,127
Disposals	處置	—	(127)	(199)	(44)	—	(370)
Transfers	轉移	—	—	—	6,029	(6,029)	—
At 31 December 2016	於2016年12月31日	57,732	44,475	5,073	248,031	22,551	377,862
DEPRECIATION	折舊						
At 1 January 2015	於2015年1月1日	18,342	15,174	2,136	99,584	—	135,236
Currency realignment	幣值調整	—	16	12	—	—	28
Provided for the year	年度撥備	2,900	4,488	344	32,264	—	39,996
Eliminated on disposals	處置時對銷	—	(614)	(603)	(3,142)	—	(4,359)
At 31 December 2015	於2015年12月31日	21,242	19,064	1,889	128,706	—	170,901
Currency realignment	幣值調整	—	28	20	—	—	48
Provided for the year	年度撥備	2,900	6,215	543	30,046	—	39,704
Eliminated on disposals	處置時對銷	—	(127)	(199)	(44)	—	(370)
At 31 December 2016	於2016年12月31日	24,142	25,180	2,253	158,708	—	210,283
CARRYING VALUES	賬面值						
At 31 December 2016	於2016年12月31日	33,590	19,295	2,820	89,323	22,551	167,579
At 31 December 2015	於2015年12月31日	36,490	21,083	3,152	109,411	25,972	196,108

The Group's buildings are erected on land held under medium-term land use rights in the PRC.

本集團樓宇建於中國境內，擁有中期土地使用權。

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14. PROPERTY, PLANT AND EQUIPMENT (Continued)

The above items of property, plant and equipment, other than construction in progress, are depreciated over their estimated useful lives and after taking into account their estimated residual values, using the straight-line method, as follows:

Buildings	5%
Furnitures, fixtures and equipment	20% – 33 $\frac{1}{3}$ %
Motor vehicles	10% – 20%
Plant and machinery	10%

15. LAND USE RIGHTS

The balance represents the prepayment of rentals for medium-term land use rights situated in the PRC for a period of 50 years.

16. GOODWILL

		RMB'000 人民幣千元
COST AND CARRYING VALUE		
At 1 January 2015	成本及賬面值 於2015年1月1日	—
Arising on acquisition of a subsidiary (note 31)	收購附屬公司產生之商譽(附註31)	1,375
At 31 December 2015 and 2016		
	於2015年12月31日及 2016年12月31日	1,375

Management of the Group determined that there was no impairment in the CGU (i.e. embedded software and secure payment products) containing the goodwill during the year ended 31 December 2016 and 2015.

14. 物業、廠房及設備(續)

除在建工程外，上述物業、廠房及設備乃經考慮其預計殘值後，於估計可使用年限內按下列年率以直線法確認折舊：

樓宇	5%
傢俬、裝置及設備	20% – 33 $\frac{1}{3}$ %
汽車	10% – 20%
廠房及機器	10%

15. 土地使用權

結餘指位於中國年限50年的中期土地使用權的預付租金。

16. 商譽

管理層認為，截至2015年及2016年12月31日，包含商譽之現金產生單位(即嵌入式軟件和安全支付產品)並無產生減值。

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17. INTANGIBLE ASSETS

17. 無形資產

		Trademarks 商標 RMB'000 人民幣千元
COST	成本	
At 1 January 2015, 31 December 2015 and 31 December 2016	於2015年1月1日、2015年12月31日 及2016年12月31日	18,318
AMORTISATION	攤銷	
At 1 January 2015	於2015年1月1日	2,483
Charge for the year	年度攤銷	2,289
At 31 December 2015	於2015年12月31日	4,772
Charge for the year	年度攤銷	2,290
At 31 December 2016	於2016年12月31日	7,062
CARRYING VALUES	賬面值	
At 31 December 2016	於2016年12月31日	11,256
At 31 December 2015	於2015年12月31日	13,546

The amount represents the trademarks registered in Hong Kong, Macau and the PRC, with finite useful lives and are amortised on a straight line basis over the periods of 5 to 9 years.

該金額表示於香港、澳門及中國註冊的商標，此類商標有固定使用年限，在5到9年內以直線法攤銷。

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18. INTERESTS IN ASSOCIATES

18. 於聯營公司之權益

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Unlisted investments in associates, at cost	投資於非上市之聯營公司， 按成本	32,120	32,120
Exchange realignment	匯兌調整	216	137
Share of post-acquisition results and reserves	應佔投資收益及儲備	716	6,200
		33,052	38,457

Details of the Group's associates at the end of the reporting period are as follows:

於本報告期末本集團聯營公司之詳細信息如下：

Name of entity 實體名稱	Country of incorporation and operation 成立和運營國家	Proportion of issued ordinary share capital indirectly held by the Group 由本公司非直接持有的已發行普通股之佔比		Principal activity 主要業務
		2016	2015	
Kaixin Holdings Limited 凱鑫控股有限公司	British Virgin Islands 英屬維爾京群島	45%	45%	Investment holding 控股公司
Goldpac ACS Technologies Inc.	Philippines 菲律賓	45%	45%	Personalisation service 個人化服務
Sichuan Zhongruan Technology Ltd. ("SCZR") 四川中軟科技有限公司 (「四川中軟」)	PRC 中國	19.68% (Note) (附註)	19.68% (Note) (附註)	Smart city platform 智慧城市平台

Note: The Group is able to exercise significant influence over SCZR because it has the power to appoint two out of the seven directors of that company under the Article of Association of that company.

附註：本集團能對四川中軟施加重大影響，因為根據四川中軟之公司章程，本集團有權指派其七名董事中的兩名。

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18. INTERESTS IN ASSOCIATES (Continued)

Aggregate information of associates that are not individually material

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
The Group's share of (loss) profit	本集團應佔(虧損)溢利	(5,495)	2,743
Aggregate carrying amount of the Group's interests in these associates	聯營公司權益之賬面金額合計	33,052	38,457

18. 於聯營公司之權益(續)

個別非重大聯營公司的滙總信息

19. INVENTORIES

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Raw materials	原材料	162,974	215,431
Work in progress	半成品	4,939	12,213
Finished goods	成品	43,299	93,292
		211,212	320,936

19. 存貨

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20. TRADE RECEIVABLES

20. 應收貨款

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Trade receivables	應收貨款	323,709	470,307
Retentions held by customers	客戶持有的保留款	16,261	22,596
		339,970	492,903

Payment terms with customers are mainly on credit. Invoices are normally payable in 30 to 150 days by the customers from date of issuance while retentions held by customers are normally payable between 6 months to 1 year by the customers from the date of issuance of invoices. The following is an aged analysis of trade receivables net of allowance for doubtful debt presented based on the date of delivery of goods which approximated the respective dates on which revenue was recognised:

與客戶的付款條款主要為賒賬。發票一般於發出日期起計30日至150日內由客戶支付，而客戶持有的保留款一般於發出發票日期起計六個月到一年內支付。按貨物交付日期(與各自收益確認日期相若)呈列的應收貨款(扣除呆帳撥備)賬齡分析如下。

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Age	賬齡		
0 – 90 days	0 – 90日	223,697	358,590
91 – 180 days	91 – 180日	58,413	66,387
181 – 365 days	181至365日	36,801	42,270
Over 1 year (Note)	超過一年(附註)	21,059	25,656
		339,970	492,903

Note: Included in the above balance aged over one year at 31 December 2016 were retentions held by customers for sales of goods of RMB7,256,000 (31 December 2015: RMB12,703,000).

附註：上述於2016年12月31日賬齡超過一年的結餘中所包含客戶就貨物銷售而持有的保留款為人民幣7,256,000元(2015年12月31日為人民幣12,703,000元)。

The Group does not hold any collateral over these balances.

本集團並無就該等結餘持有任何抵押品。

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20. TRADE RECEIVABLES (Continued)

At 31 December 2016, included in the Group's trade receivable balances are trade receivables with aggregate carrying amount of RMB16,800,000 (2015: RMB13,144,000) which are past due at the reporting date for which the Group has not provided for impairment loss as counterparties have sound financial background.

Aging of trade receivables which are past due but not impaired is as follows:

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Age	賬齡		
91 – 180 days	91–180日	2,959	5,969
181 – 365 days	181至365日	8,184	3,151
Over 1 year	超過一年	5,657	4,024
		16,800	13,144

In determining the recoverability of the trade receivables, the Group monitors change in the credit quality of the debtors since the credit was granted and up to the reporting date.

No interest is charged on trade receivables. Allowance on trade receivables are made based on estimated irrecoverable amounts from the sales of goods or provision of services by reference to past default experience, and by aging and credit portfolio of each debtor.

20. 應收貨款(續)

於2016年12月31日，本集團應收貨款結餘中包括賬面總值為人民幣16,800,000元(2015：人民幣13,144,000元)的應收貨款，該等款項於報告日期已逾期，但本集團尚未就減值虧損計提撥備，此乃由於對方有良好的財務背景。

已逾期但未減值的應收貨款的賬齡如下：

在釐定應收貨款的可收回性時，本集團監控自授出信貸起直至報告日期的債務人的信用質量的變動。

應收貨款並不計息。應收貨款的撥備乃根據銷售貨物或提供服務的估計不可收回金額作出，當中已參考過往違約經驗及按每個債務人之賬齡和信用組合。

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20. TRADE RECEIVABLES (Continued)

Movements in the allowance for doubtful debt are as follows:

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
At 1 January	於1月1日	7,226	7,260
Impairment (reversal of) loss recognised on receivables	就應收款項確認的撥備(撥回)	10,393	(34)
Bad debts written off	已註銷壞賬	(188)	—
At 31 December	於12月31日	17,431	7,226

At the end of the reporting period, the allowance for doubtful debt represented individually impaired trade receivables which have been overdue for a long time and the directors of the Company consider that the recoverability of these debts are low based on historical experience.

21. OTHER RECEIVABLES AND PREPAYMENTS

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Rental and utility deposits	租金及水電押金	1,936	1,943
Tender deposits (Note)	投標保證金(附註)	16,793	5,296
Deposits paid to suppliers	支付給供應商的定金	9,243	835
Prepayments to the Trustee (as defined in note 30(c))	信託預付款(參見附註30(c))	1,342	8,302
Other prepayments and deposits	其他預付款及定金	3,333	3,213
		32,647	19,589

Note: Included in the balance was bidding deposit for acquisition of land as disclosed in note 40 of RMB8,010,000 (2015: nil).

20. 應收貨款(續)

呆賬撥備變動如下：

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
At 1 January	於1月1日	7,226	7,260
Impairment (reversal of) loss recognised on receivables	就應收款項確認的撥備(撥回)	10,393	(34)
Bad debts written off	已註銷壞賬	(188)	—
At 31 December	於12月31日	17,431	7,226

於報告期末，呆賬撥備指個別減值應收貨款，該等款項已過期一段長時間，且本公司董事認為，根據過往經驗，收回該等款項的機會不大。

21. 其他應收及預付款項

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Rental and utility deposits	租金及水電押金	1,936	1,943
Tender deposits (Note)	投標保證金(附註)	16,793	5,296
Deposits paid to suppliers	支付給供應商的定金	9,243	835
Prepayments to the Trustee (as defined in note 30(c))	信託預付款(參見附註30(c))	1,342	8,302
Other prepayments and deposits	其他預付款及定金	3,333	3,213
		32,647	19,589

附註：結餘包括附註40中披露的為收購土地的投標按金人民幣8,010,000元(2015：零)。

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22. AMOUNT DUE FROM AN ASSOCIATE

The balance is unsecured, interest-free and are repayable on demand. An amount of approximately RMB869,000 (2015: RMB814,000) is expected to be repayable after one year, and the amount is therefore shown as non-current. For the remaining amount of approximately RMB8,409,000 (2015: RMB4,153,000), the amount is repayable on demand.

23. DEPOSITS PAID FOR ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT

During the year ended 31 December 2016, the Group entered into a provisional sale and purchase agreement with Junefield (Beijing Hong Kong) Development Company Limited (the "Vendor"), an independent third party, to acquire 13th floor of Bank of East Asia Harbour View Centre on No.56 Gloucester Road, Hong Kong (the "Property") at a consideration of HKD178,000,000 (equivalent to RMB154,174,000). As at 31 December 2016, deposits amounted to HKD32,930,000 (equivalent to RMB29,456,000) was placed to the Vendor.

24. PLEDGED BANK DEPOSITS, FIXED BANK DEPOSITS AND BANK BALANCES AND CASH

Bank balances and cash comprise cash held by the Group and short-term bank deposits with an original maturity of three months or less. The pledged bank deposits are pledged for bills payables and carry interest at the prevailing market interest rate ranging from 0.3% to 4.13% (2015: 0.50% to 4.13%) per annum.

Bank balances held by the Group carry interest at the rate of 0% to 1% (2015: 0.30% to 1.12%) per annum.

Fixed bank deposits held by the Group and the Company are denominated in RMB and carry interest at the rate of 0.42% to 3.77% (2015: 0.75% to 4.13%) per annum. Included in the balance as at 31 December 2016, RMB110,000,000 (2015: RMB110,000,000) of fixed bank deposits are carried with original maturity over one year.

22. 應收聯營公司款

結餘為無抵押免息及根據要求可隨時償還。其中約人民幣869,000元(2015: 人民幣814,000元)預計於1年後償還,因此為非流動資產。其餘約人民幣8,409,000元(2015: 人民幣4,153,000元)需應要求償還。

23. 購買物業/廠房及設備已付訂金

截至2016年12月31日之年度,本集團與莊勝(京港)發展有限公司(賣方),一名獨立第三方訂立臨時買賣協議以收購香港告示打道56號東亞銀行港灣中心13層之辦公室(該物業),代價為港幣178,000,000元(相當於人民幣154,174,000元)。截至2016年12月31日止,已交付按金港幣32,930,000元(相當於人民幣29,456,000元)予賣方。

24. 銀行定期存款、已抵押銀行存款、銀行存款及現金

銀行存款及現金包括本集團所持有的現金及三個月或在三個月以內到期的短期存款。已抵押銀行存款為抵押應付票據,其年利率按現行市價利率介於0.3%至4.13%(2015年為0.50%至4.13%)計息。

本集團持有的銀行存款按年利率0%至1%(2015年為0.30%至1.12%)計息。

本集團持有的銀行定期存款以人民幣計價,按0.42%至3.77%(2015年為0.75%至4.13%)的年利率計息。2016年12月31日的結餘,其中銀行定期存款人民幣110,000,000元(2015年為人民幣110,000,000元)到期日超過一年。

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25. TRADE AND BILLS PAYABLES

25. 應付貨款及應付票據

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Trade payables	應付貨款		
— Subsidiaries of Gemalto N.V. ("Gemalto") (Note)	— Gemalto N.V. (「Gemalto」) 的附屬公司(附註)	126,157	173,069
— Related company of Gemalto — DataCard Corporation	— Gemalto的關聯公司 — DataCard Corporation	16,331	5,139
— Third parties	— 第三方	190,848	235,224
		333,336	413,432
Bills payables – secured	有抵押應付票據		
— Subsidiaries of Gemalto	— Gemalto的附屬公司	88,290	128,337
— Third parties	— 第三方	93,475	25,548
		181,765	153,885
		515,101	567,317

Note: Gemalto is a company incorporated under the laws of the Netherlands and whose shares are listed and traded on NYSE Euronext Amsterdam and NYSE Euronext Paris. It controlled Gemplus International S.A., a substantial shareholder of the Company with significant influence over the Company which is a limited liability company incorporated in Luxembourg, throughout both years.

附註：Gemalto根據荷蘭法律成立，其股份在紐約一泛歐證券交易所之阿姆斯特丹交易所和巴黎交易所上市交易。Gemplus International S.A.由Gemalto控制，是一家於盧森堡註冊的有限責任公司，在兩個報告期間內均是對本公司具備顯著影響的主要股東。

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25. TRADE AND BILLS PAYABLES (Continued)

The Group normally receives credit terms of 60 to 180 days from its suppliers. The following is an aged analysis of the Group's trade and bills payables based on invoice date and bill issuance date respectively at the end of the reporting period:

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Age	賬齡		
0 – 90 days	0至90日	414,616	484,836
91 – 180 days	91至180日	87,678	64,110
181 – 365 days	181至365日	8,637	14,194
Over 1 year	超過一年	4,170	4,177
		515,101	567,317

25. 應付貨款及應付票據(續)

本集團一般獲供應商提供60日至180日的信貸期。下列為各報告期末本集團應付貨款及應付票據按發票日期或票據開具日期的賬齡分析：

26. OTHER PAYABLES

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Customers' deposits	客戶保證金	32,398	45,727
Payroll and welfare payables	應付工資及福利	48,272	38,665
Value-added tax payables	應付增值稅	47,444	41,547
Warranty provision	保證金撥備	4,775	4,775
Delivery and postage payables	應付運費及郵資	1,923	14,399
Other tax payables	其他應付稅款	843	378
Other payables	其他應付款項	1,755	2,171
		137,410	147,662

26. 其他應付款項

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27. GOVERNMENT GRANTS

27. 政府補貼

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
CARRYING VALUE	賬面值		
At 1 January	於1月1日	18,720	4,820
Government grants received during the year	年內所收政府補貼	700	17,000
Released to profit or loss during the year	年內計入損益	(4,720)	(3,100)
At 31 December	於12月31日	14,700	18,720

Goldpac Limited received government grants throughout the year from the relevant PRC local authorities as an incentive in relation to technical know-how on the development of smart cards and solutions services. Such government grants were recognised in the profit or loss as other income, expenses, gains or losses when the research was completed and the related verification procedures have been completed and approved by the PRC local authorities.

金邦達有限公司年內所收到的中國政府補貼是作為對智能卡及解決方案技術發展的獎勵。此類政府補貼在研發完成、相關驗證程序完畢並獲得有關政府部門批准後將作為其他收入、支出、利得或損失計入損益。

28. DEFERRED TAXATION

28. 遞延稅項

The following is the deferred taxation recognised and movements thereon during the year:

以下為已確認的遞延稅項及其年內的變動：

		PRC withholding tax on undistributed earnings 中國未分配 利潤預提所得稅 RMB'000 人民幣千元
At 1 January 2015	於2015年1月1日	13,407
Charged to profit or loss during the year (note 11)	年內計入損益(附註11)	9,341
At 31 December 2015	於2015年12月31日	22,748
Charged to profit or loss during the year (note 11)	年內計入損益(附註11)	7,597
Credited to profit or loss during the year on dividend distribution in prior years (note 11)	有關以前年度分派股息而於年內計入損益(附註11)	(20,234)
At 31 December 2016	於2016年12月31日	10,111

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29. SHARE CAPITAL

29. 股本

		Notes 附註	Number of ordinary shares 普通股數目 '000 千	Amount 金額 HKD'000 港幣千元
Issued and fully paid:	已發行且繳足：			
At 1 January 2015	於2015年1月1日		830,707	1,477,669
Issue of shares upon exercise of share options	因行使購股權所發行 的股份	(a)	3,784	19,454
Shares repurchased and cancelled	回購及註銷股份	(b)	(824)	—
At 31 December 2015	於2015年12月31日		833,667	1,497,123
Issue of shares of upon exercise of share options	因行使購股權所發行 的股份	(c)	362	1,872
Shares repurchased and cancelled	回購及註銷股份	(d)	(565)	—
At 31 December 2016	於2016年12月31日		833,464	1,498,995
Shown in the financial statements as — at 31 December 2016	顯示於下列財務報表 — 於2016年12月31日			RMB'000 人民幣千元 1,191,941
— at 31 December 2015	— 於2015年12月31日			1,190,419

Notes:

- (a) During the year ended 31 December 2015, 3,784,000 share options were exercised and converted into 3,784,000 ordinary shares at the conversion price of HKD2.71.
- (b) During the year ended 31 December 2015, the Company repurchased and cancelled a total of 824,000 ordinary shares of the Company at an aggregate cost of HKD3,772,000 (equivalent to approximately RMB2,984,000) on the Stock Exchange.
- (c) During the year ended 31 December 2016, 362,000 share options were exercised and converted into 362,000 ordinary shares at the conversion price of HKD2.71.
- (d) During the year ended 31 December 2016, the Company repurchased and cancelled a total of 565,000 ordinary shares of the Company at an aggregate cost of HKD1,351,000 (equivalent to approximately RMB1,132,000) on the Stock Exchange.

附註：

- (a) 於截至2015年12月31日之年度，有3,784,000股購股權按每股港幣2.71元行使並轉為3,784,000股普通股。
- (b) 於截至2015年12月31日之年度，本公司從聯交所回購並註銷了共計824,000股本公司的普通股，回購成本為港幣3,772,000元(相當於人民幣2,984,000元)。
- (c) 於截至2016年12月31日止之年度，有362,000股購股權按每股港幣2.71元行使並轉為362,000股普通股。
- (d) 於截至2016年12月31日止之年度，本公司從聯交所回購並註銷了共計565,000股本公司的普通股，回購成本為港幣1,351,000元(相當於人民幣1,132,000元)。

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29. SHARE CAPITAL (Continued)

During the year ended 31 December 2016, the Company repurchased its own ordinary shares through the Stock Exchange as follows:

Month of repurchase	回購月份	No. of ordinary shares 普通股數目	Price per share 每股價格		Aggregate consideration paid 支付總價 HKD'000 港幣千元
			Highest 最高 HKD 港幣	Lowest 最低 HKD 港幣	
June 2016	2016年6月	565,000	2.41	2.37	1,351
					1,351

The above ordinary shares were cancelled upon repurchase.

None of the Company's subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

All the shares which were issued during the year rank pari passu with the existing shares in all respects.

29. 股本(續)

於截至2016年12月31日之年度，本公司於聯交所回購本公司普通股如下：

上述普通股於回購之後註銷。

於本年度內並無本公司之任何附屬公司購買、出售或贖回本公司之上市證券。

所有在當年發行的股份各方面與現有股份享有同等權益。

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30. SHARE-BASED PAYMENT TRANSACTIONS

(a) Pre-IPO Share Option Scheme

The pre-IPO share option scheme was adopted pursuant to a written resolution passed by the shareholders of the Company on 15 November 2013 for the primary purpose of recognise the contribution of certain employees and directors made or may have made to the growth of the Group and/or the listing of the Group on the Main Board of the Stock Exchange, and will expire on 3 December 2019.

At 31 December 2016, the number of shares in respect of which options had been granted and remained outstanding under the pre-IPO share option scheme was 30,126,000 (2015: 31,061,000), representing 3.61% (2015: 3.73%) of the shares of the Company in issue on that day.

Options granted must be taken up on 19 November 2013, upon payment of HKD1.0 by the grantee.

30. 以股份為基礎的支付交易

(a) 首次公開發售前購股權計劃

首次公開發售前購股權計劃於2013年11月15日獲全體股東以書面決議批准，旨在肯定本集團若干僱員及董事作出或過去可能作出對本集團發展及／或股份於聯交所上市的貢獻，並將於2019年12月3日到期。

於2016年12月31日，在首次公開發售前購股權計劃下已授出及未行使股份的數量為30,126,000 (2015：31,061,000)，佔本公司於2016年12月31日已發行的股份數量的3.61% (2015：3.73%)。

授出的購股權必須在2013年11月19日前以支付港幣1.0元的價格予以承授。

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30. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

(a) Pre-IPO Share Option Scheme (Continued)

The following table discloses details of the Company's share options held by directors and employees and movements in such holding for both years ended 31 December 2015 and 2016:

Date of grant	Vesting period	Exercise period	Exercise price per share	Number of share options							
				At 1 January 2015	Exercise during the year	Forfeiture during the year	At 1 January 2016	Exercise during the year	Forfeiture during the year	At 31 December 2016	
授出日期	歸屬期	行使期	每股行使價	於2015年1月1日	年內行使	年內失效	於2016年1月1日	年內行使	年內失效	於2016年12月31日	
Directors											
董事											
19 November 2013	From 19 November 2013 to 3 December 2014	From 4 December 2014 to 3 December 2019	HKD2.71	1,640,000	(1,440,000)	—	200,000	—	—	200,000	
2013年11月19日	自2013年11月19日至2014年12月3日	自2014年12月4日至2019年12月3日	港幣2.71元								
19 November 2013	From 19 November 2013 to 3 December 2015	From 4 December 2015 to 3 December 2019	HKD2.71	1,640,000	—	—	1,640,000	—	—	1,640,000	
2013年11月19日	自2013年11月19日至2015年12月3日	自2015年12月4日至2019年12月3日	港幣2.71元								
19 November 2013	From 19 November 2013 to 3 December 2016	From 4 December 2016 to 3 December 2019	HKD2.71	1,640,000	—	—	1,640,000	—	—	1,640,000	
2013年11月19日	自2013年11月19日至2016年12月3日	自2016年12月4日至2019年12月3日	港幣2.71元								
19 November 2013	From 19 November 2013 to 3 December 2017	From 4 December 2017 to 3 December 2019	HKD2.71	1,640,000	—	—	1,640,000	—	—	1,640,000	
2013年11月19日	自2013年11月19日至2017年12月3日	自2017年12月4日至2019年12月3日	港幣2.71元								
19 November 2013	From 19 November 2013 to 3 December 2018	From 4 December 2018 to 3 December 2019	HKD2.71	1,640,000	—	—	1,640,000	—	—	1,640,000	
2013年11月19日	自2013年11月19日至2018年12月3日	自2018年12月4日至2019年12月3日	港幣2.71元								
				8,200,000	(1,440,000)	—	6,760,000	—	—	6,760,000	

30. 以股份為基礎的支付交易 (續)

(a) 首次公開發售前購股權計劃(續)

下表披露本公司董事及僱員所持有的購股權及其於截至2015及2016年12月31日之年度之變動：

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30. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

30. 以股份為基礎的支付交易 (續)

(a) Pre-IPO Share Option Scheme (Continued)

(a) 首次公開發售前購股權計劃(續)

Date of grant	Vesting period	Exercise period	Exercise price per share	Number of share options							
				At 1 January 2015	Exercise during the year 2015	Forfeiture during the year 2015	At 1 January 2016	Exercise during the year 2016	Forfeiture during the year 2016	At 31 December 2016	
授出日期	歸屬期	行使期	每股行使價	於2015年1月1日	2015年內行使	2015年內失效	於2016年1月1日	2016年內行使	2016年內失效	於2016年12月31日	
Employees 僱員											
19 November 2013	From 19 November 2013 to 3 December 2014	From 4 December 2014 to 3 December 2019	HKD2.71	4,853,000	(1,767,000)	—	3,086,000	(47,000)	(33,000)	3,006,000	
2013年11月19日	自2013年11月19日至2014年12月3日	自2014年12月4日至2019年12月3日	港幣2.71元								
19 November 2013	From 19 November 2013 to 3 December 2015	From 4 December 2015 to 3 December 2019	HKD2.71	5,560,000	(577,000)	(112,000)	4,871,000	(315,000)	(48,000)	4,508,000	
2013年11月19日	自2013年11月19日至2015年12月3日	自2015年12月4日至2019年12月3日	港幣2.71元								
19 November 2013	From 19 November 2013 to 3 December 2016	From 4 December 2016 to 3 December 2019	HKD2.71	5,560,000	—	(112,000)	5,448,000	—	(164,000)	5,284,000	
2013年11月19日	自2013年11月19日至2016年12月3日	自2016年12月4日至2019年12月3日	港幣2.71元								
19 November 2013	From 19 November 2013 to 3 December 2017	From 4 December 2017 to 3 December 2019	HKD2.71	5,560,000	—	(112,000)	5,448,000	—	(164,000)	5,284,000	
2013年11月19日	自2013年11月19日至2017年12月3日	自2017年12月4日至2019年12月3日	港幣2.71元								
19 November 2013	From 19 November 2013 to 3 December 2018	From 4 December 2018 to 3 December 2019	HKD2.71	5,560,000	—	(112,000)	5,448,000	—	(164,000)	5,284,000	
2013年11月19日	自2013年11月19日至2018年12月3日	自2018年12月4日至2019年12月3日	港幣2.71元								
				27,093,000	(2,344,000)	(448,000)	24,301,000	(362,000)	(573,000)	23,366,000	
Total				35,293,000	(3,784,000)	(448,000)	31,061,000	(362,000)	(573,000)	30,126,000	
合計											

Note: The weighted average share price at the dates of exercise is HKD2.45.

附註：於行權日的加權平均價格為港幣2.45元。

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30. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

(a) Pre-IPO Share Option Scheme (Continued)

The share options shall vest in 5 tranches subject to specific period of services of certain of employees, executives and officers for the Group and/or the listing of Shares on the Stock Exchange. Due to the resignation of certain of employees, executives and officers during the year ended 31 December 2016, part of the share options were forfeited.

The fair values of the share options granted during the year ended 31 December 2013 were calculated at RMB69,935,000 (equivalent to HKD88,954,000) using the Binominal Option Pricing pricing model. The inputs into the model were as follows:

Share price	HKD4.52
Exercise price	HKD2.71
Expected life	6 years
Expected volatility	46.9963%
Expected dividend yield	1.0822%
Risk-free interest rate	1.2426%
Fair value per option	HKD2.4250 to HKD2.4791

Expected volatility was determined by using the historical volatility of the selected comparable companies in the same industry. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

The Group recognised the total expense of RMB10,502,000 (2015: RMB16,868,000) for the year ended 31 December 2016 in relation to share options granted by the Company.

30. 以股份為基礎的支付交易 (續)

(a) 首次公開發售前購股權計劃(續)

根據某些員工、管理層及職員對本集團及／或本集團上市的特定服務期間，購股權將分五批歸屬。截至2016年12月31日止，由於某些員工、管理層及職員的離職，部份購股權失效。

於截至2013年12月31日止之年度，授出的購股權公價允值使用二項式期權定價模式計算出為人民幣69,935,000元(折合港幣88,954,000元)，代入模式如下：

股價	港幣4.52元
行使價	港幣2.71元
預期壽命	6年
預期波幅	46.9963%
預期股息收益	1.0822%
無風險利率	1.2426%
每份購股權之公允價值	港幣2.4250元至港幣2.4791元

預期波幅是按照歷史波幅及所選同行業的可比波幅決定的。該模式所用之預期壽命已經根據管理層就非轉讓性、行使限制及行為因素影響的最佳估算進行調整。

於截至2016年12月31日止之年度，本集團就本公司授出購股權確認開支為人民幣10,502,000元(2015年：人民幣16,868,000元)。

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30. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

(b) Share Option Scheme

The principal terms of the share option scheme, approved by the shareholder's resolution passed on 15 November 2013 (the "Share Option Scheme"), are substantially the same as the terms of the Pre-IPO Option Scheme except that:

- (i) the maximum number of shares in respect of which options may be granted shall not exceed 10% of the total number of shares in issue at the date of listing of the shares of the Company on the Main Board of the Stock Exchange;
- (ii) the maximum entitlement of each eligible participant in any 12-month period up to the date of offer to grant shall not exceed 1% of the shares in issue as at the date of offer to grant; and
- (iii) The exercise price is determined by the directors of the Company at their discretion and will not be lower than the highest of: (a) the closing price of the ordinary shares on the Stock Exchange at the offer date, which must be a trading day; (b) the average closing price of the ordinary shares on the Stock Exchange for the five business days immediately preceding the offer date; and (c) the nominal value of the Company's share.

On 7 September 2016, 20,000,000 share options were granted and all share options were forfeited during the year. As at 31 December 2016, no shares in respect of which options had been granted are remained outstanding under the Share Option Scheme.

The following table discloses details of the Company's share option held by directors and employees and movements in such holding for the year ended 31 December 2016:

30. 以股份為基礎的支付交易 (續)

(b) 購股權計劃

於2013年11月15日通過的股東決議中所批准的購股權計劃首要條款與首次公開發售的購股權計劃大致相同，以下條款除外：

- (i) 購股權授出最大股份數不得超過本公司在聯交所上市之日的總股數的10%；
- (ii) 在任一個12個月期間到要約授出之日，授予各合格參與者的最高配額不得超過已發行股份的1%；及
- (iii) 行使價格是由本公司董事酌情商定，且不會低於以下最高者：(a)普通股在聯交所要約日交易日收盤價；(b)在聯交所緊接授出日期的前五個營業日的普通股收盤價平均值；(c)本公司股份面值。

於2016年9月7日，20,000,000股購股權被授出並於年內失效。於2016年12月31日，該購股權計劃下已授出及未行使股份的數量為零。

下表披露本公司董事及僱員所持有的購股權於截至2016年12月31日止年度的變動：

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30. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

(b) Share Option Scheme (Continued)

Date of grant	Vesting period	Exercise period	Exercise price	Number of share options			
				At 1 January 2016	Grant during the year	Forfeited during the year	At 31 December 2016
授出日期	歸屬期	行使期	行使價 HKD 港元	於2016年 1月1日	年內授出	年內失效	於2016年 12月31日
Directors							
董事							
7 September 2016	From 7 September 2016 to 2 April 2017	From 3 April 2017 to 31 December 2023	2.61	—	390,000	(390,000)	—
2016年9月7日	自2016年9月7日至2017年4月2日	自2017年4月3日至2023年12月31日					
7 September 2016	From 7 September 2016 to 2 April 2018	From 3 April 2018 to 31 December 2023	2.61	—	390,000	(390,000)	—
2016年9月7日	自2016年9月7日至2018年4月2日	自2018年4月3日至2023年12月31日					
7 September 2016	From 7 September 2016 to 2 April 2019	From 3 April 2019 to 31 December 2023	2.61	—	390,000	(390,000)	—
2016年9月7日	自2016年9月7日至2019年4月2日	自2019年4月3日至2023年12月31日					
				—	1,170,000	(1,170,000)	—

30. 以股份為基礎的支付交易 (續)

(b) 購股權計劃 (續)

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30. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

(b) Share Option Scheme (Continued)

30. 以股份為基礎的支付交易 (續)

(b) 購股權計劃(續)

Date of grant	Vesting period	Exercise period	Exercise price	Number of share options			
				At 1 January 2016	Grant during the year	Forfeited during the year	At 31 December 2016
授出日期	歸屬期	行使期	行使價 HKD 港元	於2016年 1月1日	年內授出	年內失效	於2016年 12月31日
Employees							
僱員							
7 September 2016	From 7 September 2016 to 2 April 2017	From 3 April 2017 to 31 December 2023	2.61	—	6,276,000	(6,276,000)	—
2016年9月7日	自2016年9月7日至2017年4月2日	自2017年4月3日至2023年12月31日					
7 September 2016	From 7 September 2016 to 2 April 2018	From 3 April 2018 to 31 December 2023	2.61	—	6,277,000	(6,277,000)	—
2016年9月7日	自2016年9月7日至2018年4月2日	自2018年4月3日至2023年12月31日					
7 September 2016	From 7 September 2016 to 2 April 2019	From 3 April 2019 to 31 December 2023	2.61	—	6,277,000	(6,277,000)	—
2016年9月7日	自2016年9月7日至2019年4月2日	自2019年4月3日至2023年12月31日					
				—	18,830,000	(18,830,000)	—

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30. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

(b) Share Option Scheme (Continued)

The share options shall vest in 3 tranches subject to achievement of certain performance targets by the relevant directors and employees and/or the Group. During the year ended 31 December 2016, due to the failure of their performance targets, the share options could not be vested, thus the share options were forfeited.

The fair values of the share options granted during the year ended 31 December 2016 were calculated at RMB15,463,000 (equivalent to HKD17,852,000) using the Binominal Option Pricing pricing model. The inputs into the model were as follows:

Share price	HKD2.61
Exercise price	HKD2.61
Expected life	7.3 years
Expected volatility	49.86%
Expected dividend yield	4.21%
Risk-free interest rate	0.72%
Fair value per option	HKD0.8926

Expected volatility was determined by using the historical volatility of the selected comparable companies in the same industry. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

30. 以股份為基礎的支付交易 (續)

(b) 購股權計劃(續)

根據相關董事、員工及／或本集團是否能達成績效目標，購股權將分三批歸屬。截至2016年12月31日止，由於績效目標沒有達成，購股權不能被歸屬，因此購股權失效。

於截止2016年12月31日止之年度，授出的購股權公價允值使用二項式期權定價模式計算出為人民幣15,463,000(折合港幣17,852,000元)，代入模式如下：

股價	港幣2.61元
行使價	港幣2.61元
預期壽命	7.3年
預期波幅	49.86%
預期股息收益	4.21%
無風險利率	0.72%
每份購股權之公允價值	港幣0.8926元

預期波幅是按照歷史波幅及所選同行業的可比波幅決定的。該模式所用之預期壽命已經根據管理層就非轉讓性，行使限制及行為因素影響的最佳估算進行調整。

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30. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

(c) Share Award Scheme

The Company adopted a share award scheme (the "Share Award Scheme") on 30 November 2015 (the "Adoption Date") with a duration of 15 years commencing from 11 December 2015. The objective of the Share Award Scheme are to (i) align the interests of any employee, adviser, consultant, agent, contractor, client or supplier of any member of the Group whom the directors in its sole discretion considers may contribute or have contributed to the Group (the "Participants"); (ii) recognise and motivate the contribution of the Participants and to provide incentives in retaining the Participants for future operation and development of the Group; and (iii) attract suitable personnel for the long-term growth and further strategic expansion of the Group.

The Company has engaged BOCI-Prudential Trustee Limited (the "Trustee") to administer and hold the Company's shares before they are vested and transferred to the Participants. The Trustee purchases the Company's shares being awarded from the open market with funds provided by the Company by way of contributions.

During the year ended 31 December 2016, 10,814,000 ordinary shares of the Company have been acquired at an aggregate cost of HKD29,776,000 (equivalent to approximately RMB25,038,000) (2015: 27,000 ordinary shares at an aggregate cost of HKD91,000, equivalent to approximately RMB74,000). As at 31 December 2016, no shares have been granted or agreed to be granted to the Participants (2015: nil). There are 10,841,000 shares (2015: 27,000 shares) held by the Trustee and RMB1,342,000 (2015: RMB8,302,000) was placed to the Trustee as prepayments at the end of reporting period.

30. 以股份為基礎的支付交易 (續)

(c) 股份獎勵計劃

本公司於2015年11月30日(「採納日」)採納股份獎勵計劃(「股份獎勵計劃」)，股份獎勵計劃自2015年12月11日起計有效期為15年。計劃之目的為(i)使董事認為已經或將會對本集團作出貢獻之僱員、參事、顧問、代理、承辦商、顧客或供應商(「計劃參與者」)之利益與本集團利益一致；(ii)嘉獎和鼓勵計劃參與者之貢獻，並給予獎勵，以挽留計劃參與者，為本集團的持續經營及發展效力；及(iii)吸引合適人才推動本集團長期增長及進一步戰略拓展。

本公司已委任中銀國際英國保誠信託有限公司(「受托人」)管理及持有本公司之股份，直至達到歸屬準則及條件符合為止，歸屬股份將轉讓予計劃參與人。受托人於合適的時候在公開市場買入公司現有股份，費用由本公司支付。

於截至2016年12月31日止之年度，本公司以總成本港幣29,776,000元(相當於約人民幣25,038,000元)購入本公司的10,814,000股普通股(2015：以總成本港幣91,000元購入本公司的27,000股普通股，相當於約人民幣74,000元)。於截至2016年12月31日止之年度，尚未有股份已經授予或同意授予予計劃參與人(2015：無)。於報告期末，受托人持有10,841,000股普通股(2015：27,000股普通股)和人民幣1,342,000元(2015：人民幣8,302,000元)之預付款。

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31. ACQUISITION OF A SUBSIDIARY

During the year ended 31 December 2015, the Group acquired the entire equity interest in Goldpac Golden Card Equipment (Zhuhai) Ltd. (the "Acquired Subsidiary") which is engaged in trading of secure payment product in the PRC for consideration of RMB2,000,000. The acquisition has been accounted for using the purchase method. The amount of goodwill arising as a result of the acquisition was RMB1,375,000.

31. 收購附屬公司

於截至2015年12月31日止之年度，本集團出資人民幣2,000,000元收購了珠海市金邦達金卡片設備有限公司(收購之附屬公司)之所有權益，該收購之附屬公司主要在中國經營安全支付產品。該收購以購買法計量，收購產生之商譽為人民幣1,375,000元。

		RMB'000 人民幣千元
Consideration for the acquisition:		
	收購的代價：	
Cash consideration	現金代價	2,000
		RMB'000 人民幣千元
Assets and liabilities recognised at the date of acquisition:		
	於收購日確認之資產及負債：	
Property, plant and equipment	物業、廠房及設備	217
Bank balances and cash	銀行結餘及現金	410
Tax payable	應付稅金	(2)
		625

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31. ACQUISITION OF A SUBSIDIARY (Continued)

31. 收購附屬公司(續)

		RMB'000 人民幣千元
<hr/>		
Goodwill arising on acquisition:	收購產生之商譽：	
Consideration transferred	所支付之代價	2,000
Less: recognised amount of identifiable net assets acquired	減：已確認之可辨認淨資產	(625)
<hr/>		
Goodwill arising on acquisition	收購產生之商譽	1,375

		RMB'000 人民幣千元
<hr/>		
Net cash outflow arising on acquisition:	收購產生之淨現金流：	
Cash consideration paid for acquisition	收購支付之現金	2,000
Less: cash and cash equivalent balances acquired	減：取得之現金及現金等價物	(410)
<hr/>		
		1,590

Included in the profit for the year ended 31 December 2015 is approximately RMB4,900 generated by the Acquired Subsidiary. Revenue for the year then ended includes approximately RMB641,000 generated from the Acquired Subsidiary.

截止於2015年12月31日之利潤中包含了收購之附屬公司之利潤約人民幣4,900元，本年度營業額中包含了收購之附屬公司之營業額約人民幣641,000元。

Had the acquisition been completed on 1 January 2015, total group revenue for the year then ended would have been RMB1,684.7 million, and profit for the year then ended would have been RMB241.9 million. The pro forma information is for illustrative purpose only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2015, nor is it intended to be a projection of future results.

假如收購發生於2015年1月1日，本年度集團總營業額將為人民幣1,684.7百萬元，年度利潤將為人民幣241.9百萬元。該假設信息僅為說明性之目的，並不代表假如收購發生於2015年1月1日，本集團實際一定能取得之營業額及利潤，亦非為未來之利潤作出預測。

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32. OPERATING LEASES

The Group as lessee

At the end of the reporting period, the Group was committed to make the following future minimum lease payments for office premises under non-cancellable operating leases which fall due as follows:

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Within one year	於一年內	3,558	6,692
In the second to fifth year inclusive	於第二至第五年	2,247	2,635
		5,805	9,327

Leases are negotiated for a term of 1 to 5 years and rentals are fixed for an average of 2 years.

The Group as lessor

At the end of the reporting period, the Group had contracted with a tenant for the following future minimum lease payments:

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Within one year	於一年內	675	—

33. CAPITAL COMMITMENTS

Capital expenditure contracted for but not provided in the consolidated financial statements in respect of acquisition of property, plant and equipment

有關收購物業、廠房及設備的已訂約但未列入本綜合財務報表內的資本開支

	2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
	146,178	4,503

32. 經營租賃承擔

本集團作為承租人

於本報告期末，本集團承諾對不可撤銷的經營租賃寫字樓物業做出未來最低租賃付款額，到期如下：

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Within one year	於一年內	3,558	6,692
In the second to fifth year inclusive	於第二至第五年	2,247	2,635
		5,805	9,327

租約以1到5年為期商定，租金平均兩年是固定的。

本集團作為出租人

於本報告期末，本集團與承租人已簽訂合同的未來最低租賃款額：

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Within one year	於一年內	675	—

33. 資本承擔

Capital expenditure contracted for but not provided in the consolidated financial statements in respect of acquisition of property, plant and equipment

有關收購物業、廠房及設備的已訂約但未列入本綜合財務報表內的資本開支

	2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
	146,178	4,503

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34. RETIREMENT BENEFITS SCHEME

The Group participates in MPF for its qualifying employees in Hong Kong. Under the rules of MPF Scheme, the employer and its employees are required to contribute 5% of the employee's salaries, up to a maximum of HKD1,500 per employee per month. The assets of MPF Scheme are held separately from those of the group companies in an independently administered fund.

The employees of the Group's subsidiaries in the PRC are members of the state-managed retirement benefits scheme operated by the PRC government. The subsidiaries are required to contribute a certain percentage of their payroll to the retirement benefits scheme to fund the benefits. The only obligations of the Group with respect to the retirement benefits scheme are to make the required contributions under the scheme.

35. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that the Group entities will be able to continue as a going concern while maximising the return to owners through the optimisation of the debt and equity balance.

The capital structure of the Group consists of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital, reserves and retained profits as disclosed in the consolidated financial statements.

The management of the Group reviews the capital structure on a regular basis. The Group considers the cost of capital and the risks associated with each class of capital and will balance its overall capital structure through the payment of dividends, new share issues as well as the raising of bank loans.

34. 退休福利計劃

本公司於香港的合格僱員參加香港強積金。香港強積金計劃要求，僱主需要繳納僱員相關收入的5%，以每月港幣1,500元為上限。強積金的資產與本集團分開，由受托人獨立管理。

本集團於中國附屬公司的合格僱員參加由中國政府運作的國家管理退休福利計劃。該等附屬公司須按其工資總額的一定比例向退休福利計劃供款。本集團就退休福利計劃的唯一責任是根據該計劃的規定提供供款。

35. 資本風險管理

本集團管理資本的目的為確保集團實體均可持續經營，同時透過優化債務及權益間平衡為擁有者謀求最大回報。

本集團的資本架構包括現金及現金等價物、銀行貸款及本公司擁有者應佔權益，包括綜合財務報表中所披露的已發行股本、儲備及保留利潤。

本集團管理層定期檢討結構。本集團會考慮資本成本及與各類資本相關的風險，並將透過支付股息、發行新股及籌集銀行貸款，保持整體資本結構的平衡。

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36. FINANCIAL INSTRUMENTS

36. 金融工具

Categories of financial instruments

金融工具類別

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Financial assets	金融資產		
Loans and receivables (including cash and cash equivalents)	貸款及應收款項(包括現金及現金等價物)	2,134,828	2,027,342
Financial liabilities	金融負債		
Amortised cost	攤銷成本	518,778	583,889

Financial risk management objectives and policies

The Group's major financial instruments include amount due from an associate, trade and other receivables, pledged bank deposits, fixed bank deposits, bank balances and cash, trade, bills and other payables. Details of these financial instruments are disclosed in the respective notes. The risks associated with these financial instruments include market risk (currency risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Credit risk

The Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to perform an obligation by the counterparties at the end of the reporting period in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated statement of financial position of the Group.

財務風險管理目標與政策

本集團的主要金融工具包括貿易應收款項及其他應收款項、其他金融資產、應收聯營公司款項、已抵押銀行存款、銀行定期存款、銀行存款及現金、應付貸款、應付票據及其他應付款項。該等金融工具的詳情於相關附註披露。該等金融工具的相關風險包括市場風險(貨幣風險及利率風險)、信貸風險及流動資金風險。減輕此等風險的政策載於下文。管理層管理及監察該等風險，以確保迅速及有效實施合適的措施。

信貸風險

因交易方未能於報告期末就各類已確認的金融資產履行其責任，對本集團造成財務虧損的本集團信貸風險上限分別為該等資產於本集團綜合財務狀況表內所示的賬面值。

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36. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk (Continued)

The Group's credit risk is primarily attributable to its trade and other receivables. In order to minimise the credit risk, the management of the Group continuously monitors the level of exposure to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk has adequate procedures in place.

The Group has concentration of credit risk as 79% of the total trade receivables as at 31 December 2016 (2015: 74%) which was due from customers engaged in the banking industry.

The Group also have concentration of credit risk on fixed bank deposits which are deposited with banks with high credit rating. Other than the above, the Group does not have any other significant concentration of credit risk. The credit risk on pledged bank deposits and bank balances is minimal as such amounts are placed at banks with good reputation.

Market risk

(i) Currency risk

Several subsidiaries of the Company have foreign currency sales and purchases, which expose the Group to risk of United States dollar ("USD"). The percentage of the Group's sales and purchases that are denominated in USD, currency other than the functional currency of the relevant Group companies are as follows:

		2016	2015
Sales	銷售	2.0%	0.9%
Purchases	採購	20.1%	14.9%

36. 金融工具(續)

財務風險管理目標與政策(續)

信貸風險(續)

本集團信貸風險主要由貿易應收款項及其他應收款項產生。為了盡可能降低信貸風險，本集團管理層持續監控風險水平，以確保採取跟進措施，以收回過期債務。此外，本集團於報告期末審閱每一個個別債務的可收回金額，以確保就不可收回的金額作出足夠的減值虧損。為此，本公司董事認為，本公司信貸風險處於恰當水平。

本集團有信貸集中風險，因於2016年12月31日應收貨款總額中79% (2015: 74%) 為應收銀行業客戶的款項。

本集團亦有存放在具有高信用等級銀行的銀行定期存款信貸集中風險。除以上之外，本集團並無其他重大信貸集中風險。已抵押銀行存款及銀行存款均存放於有良好信譽的銀行，故信貸風險極小。

市場風險

(i) 貨幣風險

本公司若干附屬公司有以外幣定價的買賣，令本公司面臨美元的風險。本集團以美元(即有關本集團公司功能貨幣以外的貨幣)計值的銷售及採購的百分比如下：

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36. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Market risk (Continued)

(i) Currency risk (Continued)

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

		Assets 資產	
		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Hong Kong dollars ("HKD")	港幣(「港幣」)	102,046	11,411
USD	美元	764,618	730,856
RMB	人民幣	9,291	466
Euros ("EUR")	歐元(「歐元」)	79	76

		Liabilities 負債	
		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
HKD	港幣	982	1,409
USD	美元	31,377	65,259
Japanese Yen ("JPY")	日圓(「日元」)	—	400
British Pound Sterling ("GBP")	大不列顛英鎊(「英鎊」)	59	—

36. 金融工具(續)

財務風險管理目標與政策(續)

市場風險(續)

(i) 貨幣風險(續)

以下是本集團在本報告期末以外幣計價的貨幣資產及貨幣負債賬面值：

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36. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Market risk (Continued)

(i) Currency risk (Continued)

The sensitivity analysis below includes the Group's outstanding foreign currency denominated monetary items where the denomination of the balances is in a currency other than the functional currency of the respective group companies at the end of the reporting period and has been determined based on the exposure to exchange rates against the functional currency of relevant group companies. For a 5% weakening of these currencies against the functional currency of relevant group companies and all other variables being held constant, the Group's profit for the year is as follows:

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Increase (decrease) in profit for the year	年度利潤增(減)		
— HKD	— 港幣	(3,766)	(375)
— USD	— 美元	(27,812)	(24,960)
— RMB	— 人民幣	(348)	(17)
— EUR	— 歐元	(3)	(3)
— JPY	— 日元	—	15
— GBP	— 英鎊	2	—

There would be an equal and opposite impact on the profit for the year where the respective currencies strengthens against the functional currency of relevant Group companies by 5%.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as at the year end exposure does not reflect the exposure during the year.

36. 金融工具(續)

財務風險管理目標與政策(續)

市場風險(續)

(i) 貨幣風險(續)

下表載列的敏感度分析包括本集團於本報告期末的未償還的外幣計值貨幣項目及集團公司間貨幣計值為各集團公司非功能性貨幣的未償還結餘，且已根據所承受的匯率對有關集團公司的功能貨幣而釐定。若這些貨幣對相關集團公司功能性貨幣貶值5%，其他所有變量保持不變，本集團年度利潤情況如下：

若相關貨幣相對各集團公司功能性貨幣升值5%，將會對年度利潤產生同等反效影響。

管理層認為，由於年末的貨幣風險暴露不能反映年內之風險暴露，因此敏感度分析不具有代表性。

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36. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Market risk (Continued)

(ii) Interest rate risk

The Group is exposed to fair value interest rate risk in relation to fixed-rate pledged bank deposits and fixed bank deposits (see note 24 for details).

The Group is exposed to cash flow interest rate risk through the impact of rate changes on interest bearing financial assets, mainly interest bearing bank deposits and balances. The Group cash flow interest rate is mainly concentrated on the fluctuation of interest rates quoted by the People's Bank of China arising from the Group's RMB denominated bank deposits and balances. The Group currently does not have an interest rate hedging policy.

The sensitivity analysis below has been determined based on the exposure to interest rates for interest bearing bank balances at the end of the reporting period and assumed that the amount of assets and liabilities outstanding at the end of the reporting period was outstanding for the whole year. 50 basis points were used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. The management does not anticipate a decrease in interest rate in the next financial year having regard to the trends in market interest rates and global economic environment. Accordingly, sensitivity analysis on a decrease in interest rates is not presented.

36. 金融工具(續)

財務風險管理目標與政策(續)

市場風險(續)

(ii) 利率風險

本集團的公允價值利率風險主要涉及固定利率的已抵押銀行存款及銀行定期存款(詳見附註24)。

本集團的現金流利率風險主要涉及利率變動對計息金融資產的影響，主要是計息銀行存款和結餘產生的影響。本集團的現金流的利率主要集中於中國人民銀行對利率報價之變動對集團人民幣計息銀行存款和結餘產生的影響。本集團目前沒有利率對沖政策。

以下敏感度分析是基於在本報告期末，所承受的計息銀行存款的利率風險並假設於本報告期末未償還資產和負債金額是全年度未償還的。在向內部主要的管理人員匯報利率風險時和管理評估利率合理的變動時採用50個基點。在考慮過未來市場利率趨勢和環球經濟環境後，管理層預計在未來的財政年度中利率並不會下降，故無利率下降之敏感度分析呈列。

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36. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Market risk (Continued)

(ii) Interest rate risk (Continued)

If interest rates on bank balances had been 50 basis points higher and all other variables were held constant, the potential effect on profit for the year is as follows:

	2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Increase in profit for the year 年度利潤增長	4,127	4,918

In management's opinion, the sensitivity analysis is unrepresentative of the inherent interest risk as at the year end exposure does not reflect the exposure during the year.

Liquidity risk management

The management of the Group has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining banking facilities and by continuously monitoring forecasted and actual cash flows and the maturity profiles of its financial liabilities.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment dates.

36. 金融工具(續)

財務風險管理目標與政策(續)

市場風險(續)

(ii) 利率風險(續)

倘銀行存款利率上升50個基點，並且所有變量不變，對本年度利率潛在的影響如下：

	2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Increase in profit for the year 年度利潤增長	4,127	4,918

管理層認為，由於年末的利率風險暴露不能反映年內之風險暴露，因此敏感度分析不具有代表性。

流動性風險管理

本集團的管理層就本集團的短期、中期、長期資金和流動資金管理要求做出了適宜的流動資金風險管理框架。本集團通過維持銀行融資，持續監測預期的及實際的現金流，以及金融負債的到期情況來管理流動資金風險。

下表詳列本集團非衍生金融負債的合約期限。該表乃基於本集團須作出支付的最早日期根據金融負債的未折現現金流量編製。其他非衍生金融負債到期日按協定的付還日期。

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36. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Liquidity risk management

	Weighted average interest rate	On demand	Less than 3 month	Over 3 months but not more than 6 months	Over 6 months but not more than 1 year	Total Over undiscouted 1 year cash flows	Carrying amount	
				6 months	1 year			
Financial liabilities								
金融負債	加權平均利率	按需求	少於3個月	3個月以上	6個月以上	1年以上	現金流總額	賬面值
	%	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 31 December 2016								
Financial liabilities								
Trade and bills payables	—	515,101	—	—	—	—	515,101	515,101
Other payables	—	3,677	—	—	—	—	3,677	3,677
		518,778	—	—	—	—	518,778	518,778
At 31 December 2015								
Financial liabilities								
Trade and bills payables	—	567,317	—	—	—	—	567,317	567,317
Other payables	—	16,572	—	—	—	—	16,572	16,572
		583,889	—	—	—	—	583,889	583,889

Fair value of financial instruments

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values at the end of the reporting period.

36. 金融工具(續)

財務風險管理目標與政(續)

流動資金風險管理(續)

金融工具之公允價值

本公司董事認為按攤銷成本記入綜合財務報表之金融資產及金融負債之賬面值與其於報告期末之公允價值相若。

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37. RELATED PARTY TRANSACTIONS

Other than the transactions and balances with related parties disclosed in respective notes, during the year, the Group had the following significant transactions with related parties:

Relationship and name of related company 關係及關聯公司名稱	Nature of transactions 交易性質	2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Companies controlled by Gemalto (Note): 由Gemalto公司控制的公司(附註):			
Gemalto Pte. Ltd.	Purchase of materials 原材料採購	36	30
Gemalto Technologies (Shanghai) Co., Ltd. (金雅拓科技(上海)有限公司)	Purchase of materials 原材料採購	233,992	618,805
	Sales of materials and provision of service 原材料銷售及提供服務	518	—

Note: Gemalto is a company incorporated under the laws of the Netherlands and whose shares are listed and traded on NYSE Euronext Amsterdam and NYSE Euronext Paris. It controlled Gemplus International S.A., a substantial shareholder of the Company with significant influence over the Company and a limited liability company incorporated in Luxembourg, throughout both years.

The details of compensation of key management personnel, representing the remuneration of the directors of the Company during the year are set out in note 10.

37. 關聯方交易

除附註中所披露的與關聯方的交易及結餘外，於本年度內，本集團與關聯方有以下重大交易：

附註：Gemalto根據荷蘭法律成立，其股份在紐約一泛歐證券交易所之阿姆斯特丹交易所和巴黎交易所上市交易。Gemplus International S.A.由Gemalto控制，是一家於盧森堡註冊的有限責任公司，在兩個報告期間內均是對本公司具備顯著影響的主要股東。

本公司支付給主要管理層人員及董事代表的酬金明細詳載於附註10。

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38. SUBSIDIARIES

Details of the Company's principal subsidiaries, all of which are wholly-owned by the Company, at 31 December 2016 and 31 December 2015 are as follows:

38. 附屬公司

於2016年12月31日及2015年12月31日，由本公司全資擁有的附屬公司詳情載於下表：

Name of subsidiary 附屬公司名稱	Place/Country of incorporation/ establishment/ operations 公司成立／經營 地點、國家	Nominal value of issued and fully paid share capital/ registered capital 已發行及繳足股本的 股份面值／註冊資金	Proportion of issued ordinary shares capital held by the Company 本公司佔已發行 普通股比例		Principal activities 主營業務
			2016	2015	
Goldpac Datacard Solutions Company Limited (Note i)	Hong Kong	Ordinary shares — HKD500,000	100%	100%	Sales of smart cards carrying personal identity and other payment solution services
金邦達數據有限公司(附註i)	香港	普通股份 — 港幣500,000元			銷售嵌入式軟件產品及支付解決方案
Goldpac Limited (Note i)	PRC for a term of 50 years as a wholly foreign owned enterprise commencing 21 June 1995	Registered capital — USD43,000,000	100%	100%	Manufacture and sales of smart cards carrying personal identity and other payment solution services
金邦達有限公司(附註i)	中國 始於1995年6月21日為期五十年的外商獨資企業	註冊資本 — 美金43,000,000元			製造和銷售嵌入式軟件產品及支付解決方案
Goldpac Smart Card (Guangzhou) Limited	PRC limited liability company	Registered capital — RMB1,000,000	100%	100%	Sales of smart cards carrying personal identity and other payment solution services
廣州市金邦達智能卡有限公司	中國 有限責任公司	註冊資本 — 人民幣1,000,000元			銷售嵌入式軟件產品及支付解決方案

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38. SUBSIDIARIES (Continued)

38. 附屬公司(續)

Name of subsidiary 附屬公司名稱	Place/Country of incorporation/ establishment/ operations 公司成立/經營 地點、國家	Nominal value of issued and fully paid share capital/ registered capital 已發行及繳足股本的 股份面值/註冊資金	Proportion of issued ordinary shares capital held by the Company 本公司佔已發行 普通股比例		Principal activities 主營業務
			2016	2015	
Goldpac Fintech Singapore Private Limited (Note ii)	Singapore	Ordinary shares — Singapore Dollars 100	100%	N/A	Sales of smart cards carrying personal identity and research and experimental development on information technology
金邦達金融科技(新加坡)有限公司 (附註ii)	新加坡	普通股份 — 新加坡幣100元		無	銷售嵌入式軟件產品 信息技術研發及拓展
Goldpac Investment Limited (Note i and ii)	Hong Kong	Ordinary shares — HKD1	100%	N/A	Property holding
金邦達投資有限公司(附註i及ii)	香港	普通股份 — 港幣1元		無	房地產持有

Notes:

- (i) Directly held by the Company.
- (ii) These entities are incorporated during the year ended 31 December 2016.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results or assets of the Group.

None of the subsidiaries had any debt securities outstanding at the end of the year or at any time during the year.

附註：

- (i) 由本公司直接持有。
- (ii) 於截止2016年12月31日年度並入的實體。

董事認為以上列表中本集團的附屬公司會對本集團的業績或資產造成主要影響。

於本年末或本年度期間，各附屬公司並無任何已發行的債務性證券。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

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39. STATEMENT OF FINANCIAL POSITION

39. 財務狀況報表

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Non-current assets	非流動資產		
Intangible assets	無形資產	11,256	13,546
Property, plant and equipment	物業、廠房及設備	466	583
Investments in subsidiaries	於附屬公司之投資	300,407	290,077
		312,129	304,206
Current assets	流動資產		
Amounts due from subsidiaries	應收附屬公司款項	600,712	310,000
Other receivables	其他應收款	1,342	8,438
Fixed bank deposits	銀行定期存款	687,988	296,089
Bank balances	銀行存款	221,436	631,860
		1,511,478	1,246,387
Current liabilities	流動負債		
Other payables	其他應付款	982	1,092
Amount due to subsidiaries	應付附屬公司款項	281,900	300,594
		282,882	301,686
Net current assets	流動資產淨值	1,228,596	944,701
Net assets	資產淨值	1,540,725	1,248,907
Capital and reserves	資本及儲備		
Share capital	股本	1,191,941	1,190,419
Reserves	儲備	348,784	58,488
Total equity	權益總額	1,540,725	1,248,907

The Company's statement of financial position was approved and authorised for issue by the board of directors on 21 March 2017 and are signed on its behalf by:

Lu Run Ting
盧閔霆

Chairman and Executive Director
董事會主席兼執行董事

Hou Ping
侯平

Executive Director and Chief Executive Officer
執行董事兼首席執行官

董事會已於2017年3月21日審核並通過本公司財務狀況報表的發布，並由以下董事會代表簽署：

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綜合財務報表附註(續)

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39. STATEMENT OF FINANCIAL POSITION (Continued)

39. 財務狀況報表(續)

Movement in the Company's reserve

本公司之儲備變動表

		Shares held under share award scheme 股份獎勵 計劃所持有 之股份 RMB'000 人民幣千元	Share options reserve 購股權 儲備 RMB'000 人民幣千元	Retained profits 未分配 利潤 RMB'000 人民幣千元	Total 總額 RMB'000 人民幣千元
At 1 January 2015	於2015年1月1日	—	33,319	35,869	69,188
Profit and total comprehensive income for the year	年度利潤和 全面收入	—	—	48,300	48,300
Share repurchase	股份回購	—	—	(2,984)	(2,984)
Issue of shares upon exercise of share options (note 29)	因行使購股權而發行 的股份(附註29)	—	(7,231)	—	(7,231)
Purchase of shares under share award scheme	根據股份獎勵計劃 購入股份	(74)	—	—	(74)
Recognition of equity-settled share-based payment	按權益結算以股份為 基礎支付款項	—	16,868	—	16,868
Dividends recognised as distribution (note 12)	確認為分配的股息 (附註12)	—	—	(65,579)	(65,579)
At 31 December 2015	於2015年12月31日	(74)	42,956	15,606	58,488
Profit and total comprehensive income for the year	年度利潤和 全面收入	—	—	439,156	439,156
Share repurchase	股份回購	—	—	(1,135)	(1,135)
Issue of shares upon exercise of share options (note 29)	因行使購股權而發行 的股份(附註29)	—	(700)	—	(700)
Recognition of equity-settled share-based payment	以權益結算 的股份支付	—	10,502	—	10,502
Forfeiture of share options	購股權失效	—	(172)	172	—
Purchase of shares under share award scheme	根據股份獎勵計劃 購入股份	(25,038)	—	—	(25,038)
Dividends recognised as distribution (note 12)	確認為分配的股息 (附註12)	—	—	(132,489)	(132,489)
At 31 December 2016	於2016年12月31日	(25,112)	52,586	321,310	348,784

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

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40. EVENT AFTER THE REPORTING PERIOD

On 3 November 2016, Goldpac Investment Limited, a wholly-owned subsidiary of the Company entered into a provisional sale and purchase agreement with the Vendor, an independent third party, to acquire the Property at a consideration of HKD178,000,000 (equivalent to RMB154,174,000) for among others, the use as the headquarters for the Groups' overseas business. The total cost of the Property together with transaction costs such as stamp duty and property agent commission will be approximately HKD194,554,000 (equivalent to RMB168,512,000). As at 31 December 2016, deposits amounted to HKD32,930,000 (equivalent to RMB29,456,000) was placed and presented as deposit for property, plant and equipment as disclosed in note 23. The acquisition of the Property was completed on 18 January 2017 and the Property is accounted for as property, plant and equipment.

On 6 January 2017, Goldpac Limited, a wholly-owned subsidiary of the Company, won the bidding in respect of the land use right of acquired a parcel of land (the "Land Parcel") at the price of approximately RMB26,669,000 through the auction (listing-for-sale) process. The Land Parcel is situated on the west of Goldpac Tech Park, Zhuhai City, Guangdong Province, PRC, where the operation of the Group is located. The Land Parcel covers an area of approximately 20,999.56 square meters with a land use right of 50 years, where the Group intended to construct an Asia's leading Fintech and data service center. As at year ended 31 December 2016, the bidding deposit of RMB8,010,000 was placed and included in other receivables as disclosed in note 21. The remaining balance of the consideration of RMB18,659,000 was fully settled on 17 February 2017. The Land Parcel is accounted for as land use right.

40. 報告期後事項

於2016年11月3日，本公司之全資附屬公司金邦達投資有限公司與賣方，一名獨立第三方訂立臨時買賣協議以收購該物業，代價為港幣178,000,000（折合人民幣約154,174,000元），作為未來本集團海外業務拓展的總部。該物業總成本連同交易成本，如印花稅和物業代理佣金，約為港幣194,554,000（折合人民幣約168,512,000元）。如附註23所披露，截至2016年12月31日，已交付按金港幣32,930,000元（折合人民幣約29,456,000元）並計入購買物業／廠房及設備之訂金。該物業交割已於2017年1月18日完成並記入物業／廠房及設備。

於2017年1月6日，本公司之全資附屬公司金邦達有限公司通過拍賣（掛牌出讓）以人民幣26,669,442元收購一塊土地（該土地）。該土地位於中國廣東省珠海市本集團運營場地金邦達信息科技園區西側，總佔地面積約為20,999.56平方米，年期為50年，擬用予建設亞洲領先的金融科技和數據服務中心。於截至2016年12月31日止之年度，本集團已支付投標按金人民幣8,010,000元，並記入其他應收款項中正如附註21所披露。代價餘額人民幣18,659,000元已於2017年2月17日全額付清。該土地被計入土地使用權。

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截止於12月31日之年度

		2012	2013	2014	2015	2016
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
RESULTS	業績					
Turnover	營業額	676,609	1,112,260	1,521,069	1,684,632	1,393,713
Profit before taxation	除稅前利潤	137,948	183,330	256,552	296,179	244,566
Taxation	稅項	(22,835)	(42,505)	(43,045)	(54,341)	(39,666)
Profit for the year	年度利潤	115,113	140,825	213,507	241,838	204,900

At 31 December

於12月31日

		2012	2013	2014	2015	2016
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
ASSETS AND LIABILITIES	資產和負債					
Total assets	總資產	707,908	1,945,875	2,317,297	2,606,841	2,599,582
Total liabilities	總負債	(494,441)	(548,763)	(706,459)	(792,627)	(726,253)
Net assets	淨資產	213,467	1,397,112	1,610,838	1,814,214	1,873,329

金邦達 Goldpac

GOLDPAC GROUP LIMITED

金邦達寶嘉控股有限公司