

DIRECTORS' REPORT 董事會報告

The Directors of the Company (the "Directors") present their annual report and the audited consolidated financial statements for the year ended 31 December 2017.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The activities of its principal subsidiaries and associates are set out in Notes 42 and 19 respectively to the consolidated financial statements.

BUSINESS REVIEW

The business review of the Group for the year ended 31 December 2017 can be found in the section headed "Chairman's Statement" of this annual report, which forms part of this Directors' Report.

Principal Risks and Uncertainties

The Group is exposed to various risks and uncertainties which are specific to the Group and/or the industries in which the Group operates. These risks may materially affect the Group's business operations, financial condition, results of operations and business prospects. The Group has identified the key risks and uncertainties as follows:

Product defects

The products of the Group may contain defects that can only be detected when the electronics systems into which they are incorporated are in use. The Group could be exposed to significant liability claims in the event that its products are found to be defective. While the Group has implemented sound systems to monitor its products at various stages of its production processes, no assurance can be given that the Group's products are free of defects. Any significant liability claims could have an adverse impact on the results of operations and reputation of the Group.

Customer contracts

The Group typically enters into one-off purchase orders with its customers. As such, the amount of purchase orders may vary significantly from time to time, and it is difficult to forecast the amount of orders to be received by the Group in the future. No assurance can be given that the Group's customers will continue to place purchase orders with it in the future in similar amounts to prior periods, if at all. As a result, the results of operations of the Group may vary significantly in the future.

Competitive industry

The business segments in which the Group operates are highly competitive. No assurance can be given that the Group will be able to compete successfully against its current competitors or emerging companies in the future. If the Group fails to compete effectively, the Group's results of operations, financial condition and business prospects may be materially and adversely affected.

本公司之董事(「董事」)提呈本集團截至二零一七年十二月三十一日止年度之年報及經審核綜合財務報表。

主要業務

本公司為投資控股公司，其主要附屬公司及聯營公司之業務分別載於綜合財務報表附註42及19。

業務回顧

本集團截至二零一七年十二月三十一日止年度的業務回顧可以於本年報「主席報告」一節中查閱得到，該部份構成本董事會報告之一部份。

主要風險及不明確因素

本集團承受多項本集團及或本集團經營行業特有的風險及不明確因素。此等風險可能會重大影響本集團的業務營運、財務狀況、營運業績及業務前景。本集團已辨別出以下的主要風險及不明確因素：

產品缺憾

本集團產品可能帶有缺憾，要待產品被裝設到電子系統裡投用時方能被發現。倘若本集團產品被發現有缺憾時，我們可能會受到重大的責任索償。雖然本集團已設有穩妥的體制在不同生產階段中監察產品，概不保證本集團的產品毫無缺憾。如有重大責任索償，可對本集團的營運業績及聲譽帶來不利影響。

客戶合約

本集團一般與客戶訂立一次性的購買訂單。因此，購買訂單的金額不時會有大額差異，難以預測本集團未來會收到的訂單金額。概不保證本集團客戶在未來會繼續下達金額與先前期間相若的購買訂單，甚至可能完全不下達訂單。因此，本集團的營運業績在日後或會有重大差異。

行業競爭激烈

本集團營運的業務分部競爭非常激烈。概不保證將來本集團能夠與目前的競爭對手或新晉的公司成功競爭。倘若本集團無力有效地競爭，則本集團的營運業績、財務狀況及業務前景或會受重大不利影響。

DIRECTORS' REPORT 董事會報告

BUSINESS REVIEW (continued)

Principal Risks and Uncertainties (continued)

Recent global market fluctuations and economic conditions

The recent global market fluctuations and economic conditions have adversely affected economies and businesses around the world. A slowdown in the global economy, in particular, the PRC economy, could lead to a reduction in demand for the Group's products and materials and adversely affect its business operations, financial condition and results of operations.

The risks and uncertainties stated above are not meant to be exhaustive. There may be other risks or uncertainties that are not known to the Group or which may not be material now but could turn out to be material in the future.

Environmental Policies and Performance

The Group is committed to achieving environmental sustainability. The Group endeavours to comply with the relevant laws and regulations regarding environmental protection and adopt effective measures to achieve efficient use of resources, waste reduction and energy saving. For instance, the in-house manufacturing facilities of the Group operate in compliance with the relevant environmental rules and regulations. The Group reviews its environmental policies on a regular basis.

In accordance with Rule 13.91 and the ESG Reporting Guide contained in Appendix 27 of the Listing Rules, the Company's Environmental, Social and Governance Report will be available on our website within three months from the publication of this annual report.

Compliance with Relevant Laws and Regulations

The Group and its business operations are subject to various laws, rules and regulations. The Company seeks to ensure adherence to such laws, rules and regulations through various measures such as internal controls, approval procedures, staff trainings and oversight of business operations at different levels of the Group. The Board also monitors the Group's policies and practices on compliance with relevant laws, rules and regulations on a regular basis.

So far as the Directors and senior management are aware, for the year ended 31 December 2017, the Group has obtained the approvals, permits, consents, licences and registrations required for its business and operations, and there has been no material breach of the relevant laws and regulations by our Group that have a significant impact on the Group.

業務回顧(續)

主要風險及不明確因素(續)

近來環球市場波動及經濟狀況已對全世界的經濟體系及公司帶來打擊。全球經濟漸趨疲弱，特別是中國經濟放緩，可能導致本集團產品需求下降，因而或會對本集團的業務營運、財務狀況及營運業績造成重大不利影響。

風險及不明確因素並不能由上文一一盡錄，可能尚有其他風險或不明確因素未為本集團所知，或者目前仍未屬重大者日後可能變得重大。

環保政策及表現

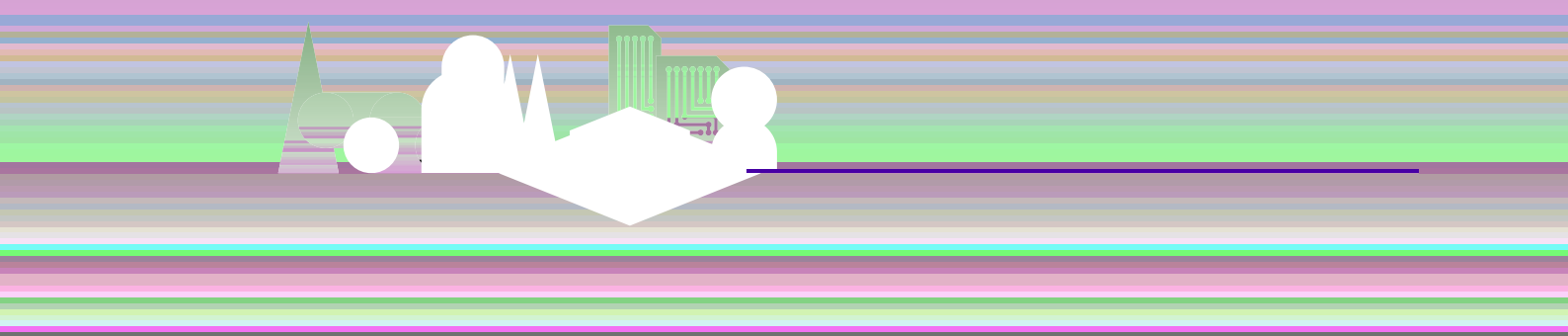
本集團致力達至環境可持續性。本集團努力遵守相關環保法律法規，採取有效措施達至善用資源、減少浪費以及節省能源。例如，本集團的內部生產設施一直按照相關環境規則及規例運作。本集團定期審視其環保政策。

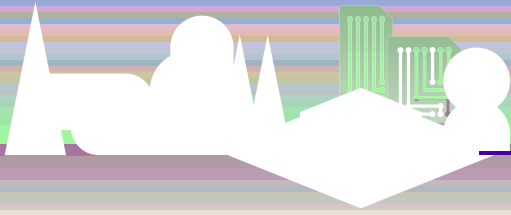
根據上市規則第13.91條及附錄27所載之環境、社會及管治報告指引，本公司之環境、社會及管治報告將於刊發本年報後三個月內於本公司網站公佈。

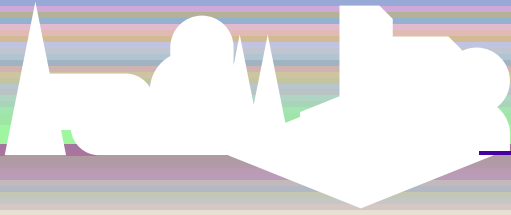
遵守相關法律法規

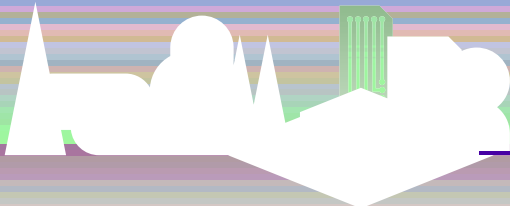
本集團與其經營的業務受多項法律、法規及規例規管。本公司力求有關法律、法規及規例均得以遵守，為此在本集團不同階層實施如內部監控、批核程序、員工訓練及監察業務營運等措施。董事會亦定期監察本集團的政策及實踐，視察是否遵守相關法律、法規及規例。

依董事及高級管理層所知，截至二零一七年十二月三十一日止年度，本集團已領取其業務及營運所需批准、許可、同意、牌照及註冊，而且本集團並無因重大違反相關法律法規而會對本集團帶來重大影響。









DIRECTORS' REPORT
董事會報告

DIRECTORS' INTERESTS IN SHARES

At 31 December 2017, the interests of the Directors and their associates in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the SFO)), as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, were as follows:

Long position

(a) Ordinary shares of HK\$0.1 each of the Company ("Shares")

Name of Director 董事姓名	Capacity 權益性質	Number of issued Shares held 所持已發行 股份數目	Approximate percentage of the issued share capital of the Company 佔本公司 已發行股本 之概約百分比
Mr. Cheung Kok Wing (Note 1) 張國榮先生(附註1)	Beneficial owner/interest of spouse 實益擁有人 配偶權益	2,880,470	0.2701%
Mr. Chang Wing Yiu (Note 2) 鄭永耀先生(附註2)	Beneficial owner/Interest of spouse 實益擁有人 配偶權益	7,787,228	0.7302%
Mr. Cheung Kong Kwan 張廣軍先生	Beneficial owner 實益擁有人	464,500	0.044%
Mr. Ho Yin Sang (Note 3) 何燕生先生(附註3)	Beneficial owner/Interest of spouse 實益擁有人 配偶權益	1,583,200	0.148%
Ms. Cheung Wai Lin, Stephanie (Note 4) 張偉連女士(附註4)	Beneficial owner/Interest of spouse 實益擁有人 配偶權益	1,499,000	0.141%
Mr. Cheung Ka Shing 張家成先生	Beneficial owner 實益擁有人	1,231,000	0.115%
Mr. Cheung Ming Man 張明敏先生	Beneficial owner 實益擁有人	10,000	0.001%
Dr. Chong Kin Ki 莊堅琪醫生	Beneficial owner 實益擁有人	60,000	0.006%

Notes:

- (1) Out of the 2,880,470 Shares, 1,142,405 Shares were held by Mr. Cheung Kok Wing and 1,738,065 Shares were held by his spouse.
- (2) Out of the 7,787,228 Shares, 6,216,488 Shares were held by Mr. Chang Wing Yiu and 1,570,740 Shares were held by his spouse.
- (3) Out of the 1,583,200 Shares, 812,500 Shares were held by Mr. Ho Yin Sang and 770,700 Shares were held by his spouse.
- (4) Out of the 1,499,000 Shares, 1,479,000 Shares were held by Ms. Cheung Wai Lin, Stephanie and 20,000 Shares were held by her spouse.

附註:

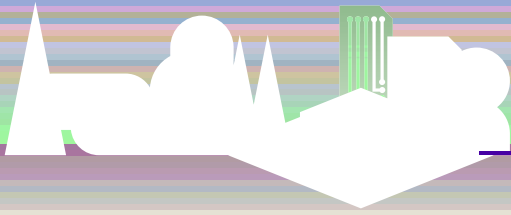
- (1) 於該 2,880,470 股股份當中，其中 1,142,405 股股份乃由張國榮先生本人持有，而 1,738,065 股股份則由其配偶持有。
- (2) 於該 7,787,228 股股份當中，其中 6,216,488 股股份乃由鄭永耀先生本人持有，而 1,570,740 股股份則由其配偶持有。
- (3) 於該 1,583,200 股股份當中，其中 812,500 股股份乃由何燕生先生本人持有，而 770,700 股股份則由其配偶持有。
- (4) 於該 1,499,000 股股份當中，其中 1,479,000 股股份由張偉連女士本人持有，而 20,000 股股份則由其配偶持有。

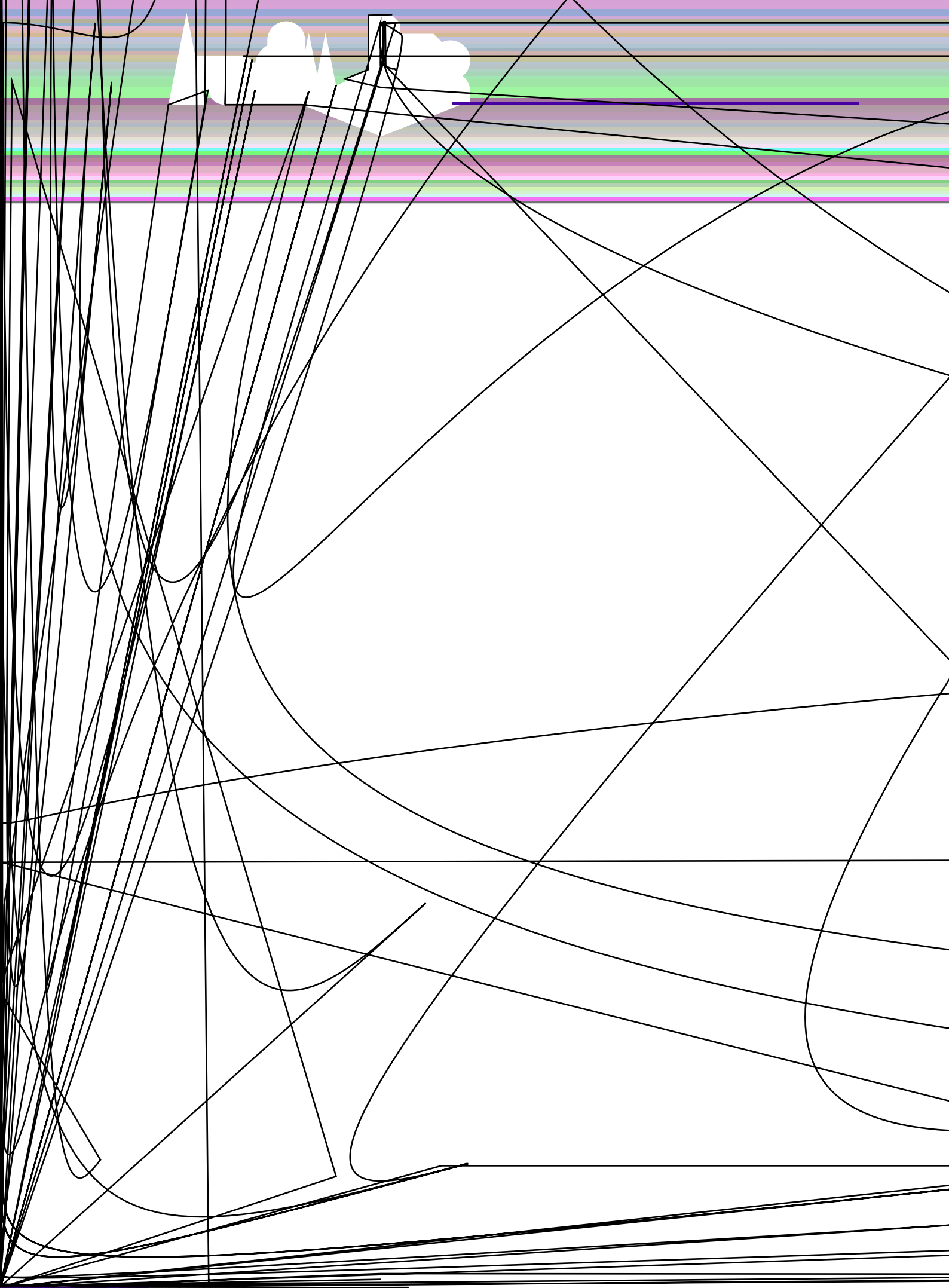
董事之股份權益

於二零一七年十二月三十一日，董事及彼等之聯繫人士於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)之股份、相關股份或債券中，擁有本公司根據證券及期貨條例第352條存置之登記冊所記錄之權益，或根據上市發行人董事進行證券交易的標準守則已知會本公司及聯交所之權益如下：

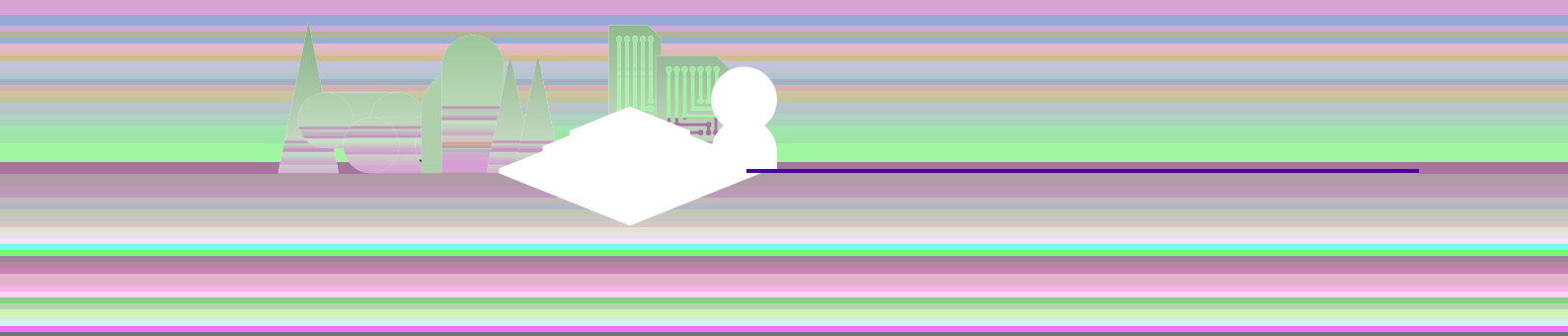
長倉

(a) 本公司每股面值0.1港元之普通股(「股份」)









DIRECTORS' REPORT
董事會報告

SHARE OPTIONS

The new share option scheme of KLHL (the '2017 KLHL Scheme') was approved by the shareholders of the Company and the shareholders of KLHL on 29 March 2017 and the 2017 KLHL Scheme took effect upon receiving approval from the Listing Committee of the Stock Exchange on 2 November 2017. The share option scheme of KLHL which took effect in July 2007 has expired at the end of term of the scheme on 5 July 2017 and before the 2017 KLHL Scheme becoming effective. The purpose of the 2017 KLHL Scheme is to provide incentive or reward to the eligible participants of the 2017 KLHL Scheme for their contribution to, and continuing efforts to promote the interests of KLHL and its subsidiaries.

Particulars of the share option schemes of the Company, and EEIC and the 2017 KLHL Scheme (including their vesting and exercise period) are set out in Note 29 to the consolidated financial statements.

On 10 July 2017 and 26 September 2017, an aggregate of 500,000 and 27,552,000 share options were exercised at the exercise price of HK\$12.424 and HK\$33.92 per share respectively with a closing market price per share of HK\$32.65 and HK\$40.1 on the immediately preceding business date when the options were exercised for ordinary share of the Company of HK\$0.1 each. Save as disclosed, no share options were granted, exercised, cancelled or had lapsed under the Company's share option schemes during the year under review. The following table discloses movements in the Share Options under the Scheme during the year:

優先購股權

本公司股東及建滔積層板股東已於二零一七年五月二十九日批准採納建滔積層板新優先購股權計劃(「二零一七年建滔積層板優先購股權計劃」),二零一七年建滔積層板優先購股權計劃於二零一七年十一月二日獲得聯交所上市委員會批准後生效。二零零七年七月生效的建滔積層板之優先購股權計劃已於二零一七年七月五日(即該計劃年期最後一日)到期及在二零一七年建滔積層板優先購股權計劃生效前終止。二零一七年建滔積層板優先購股權計劃的目的是向二零一七年建滔積層板優先購股權計劃合資格參與者就彼等對建滔積層板及其附屬公司作出之貢獻及對促進建滔積層板集團之利益而持續作出之努力提供鼓勵或報酬。

本公司及EEIC之優先購股權計劃及二零一七年建滔積層板優先購股權計劃詳情(包括其歸屬期及行使期)載於綜合財務報表附註29。

於二零一七年七月十日及二零一七年九月二十六日,共有500,000及27,552,000份優先購股權獲行使,行使價分別為每股12.424及33.92港元,緊接優先購股權獲行使前一個營業日,本公司每股面值0.1港元的普通股之收市價為每股32.65及40.1港元。除上文所披露者外,回顧年度內本公司之優先購股權計劃項下並無授出、行使、註銷優先購股權或優先購股權失效。下表披露該計劃項下優先購股權於年內之變動:

		Outstanding as at 1.1.2017 於二零一七年 一月一日 尚未行使	Exercised during the year 於年內行使	Outstanding as at 31.12.2017 於二零一七年 十二月三十一日 尚未行使
Category 1: Directors	第1類: 董事			
Mr. Cheung Kok Wing	張國榮先生	6,760,000	(3,400,000)	3,360,000
Mr. Chang Wing Yiu	鄭永耀先生	5,820,000	(3,160,000)	2,660,000
Mr. Cheung Kong Kan	張廣軍先生	5,120,000	(3,160,000)	1,960,000
Mr. Ho Yin Sang (Note 1)	何燕生先生(附註1)	4,620,000	(3,180,000)	1,440,000
Ms. Cheung Wai Lin, Stephanie	張偉連女士	5,620,000	(3,160,000)	2,460,000
Mr. Cheung Ka Shing	張家成先生	6,128,000	(2,968,000)	3,160,000
		34,068,000	(19,028,000)	15,040,000
Category 2: Employees (Note 1)	第2類: 僱員(附註1)	10,684,000	(9,024,000)	1,660,000
Total all categories	所有類別合計	44,752,000	(28,052,000)	16,700,000

Note 1: In addition to 1,440,000 Share Options held by Mr. Ho Yin Sang, the spouse of Mr. Ho Yin Sang held 1,660,000 Share Options.

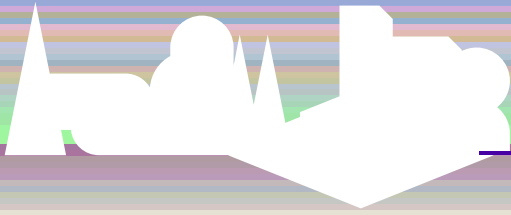
附註1: 除何燕生先生持有的1,440,000份優先購股權外,何燕生先生之配偶亦持有1,660,000份優先購股權。

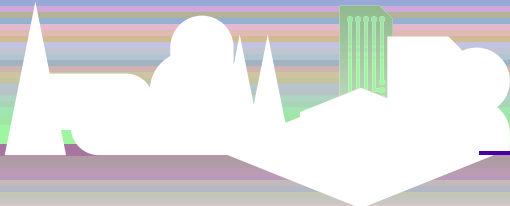


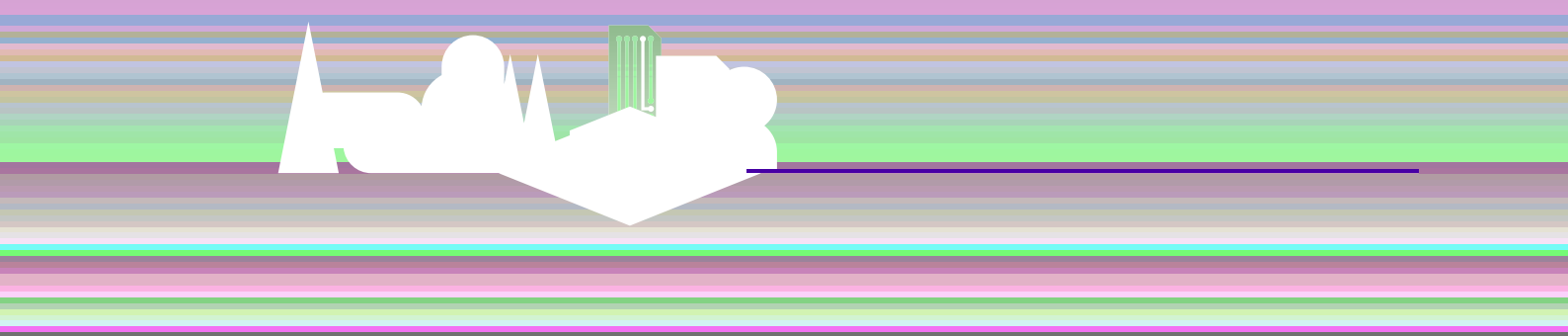


DIRECTORS' REPORT
董事會報告**CONNECTED TRANSACTIONS** (continued)

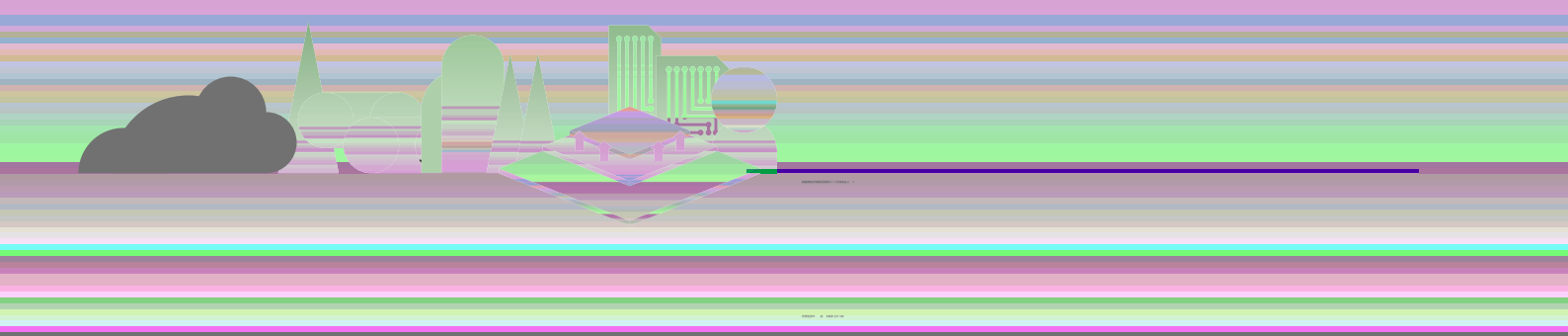
The annual caps and actual transaction amounts of the continuing connected transactions disclosed above for the year ended 31 December 2017 are set out in the table below.











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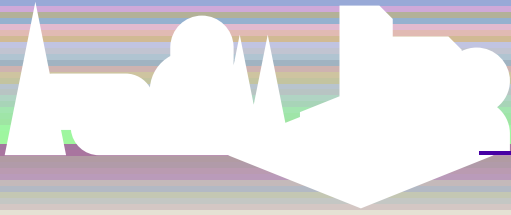
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CORPORATE GOVERNANCE REPORT
企業管治報告

A. DIRECTORS (continued)

Board composition

The Board currently comprises eleven members, seven of whom are executive Directors and four of whom are independent non-executive Directors who are expressly identified in all corporate communications that disclose the names of the Directors. One of the independent non-executive Directors possesses appropriate professional qualifications (or accounting or related financial management expertise) as required by the Listing Rules. The composition of the Board as of the report date is as follows:

Executive Directors

Cheung Kok Wing (*Chairman*)
Chang Wing Yiu (*Managing Director*)
Cheung Kong Kwan
Ho Yin Sang
Cheung Wai Lin, Stephanie
Cheung Ka Shing
Chen Maosheng

Independent non-executive Directors

Cheung Ming Man
Chong Kin Ki
Leung Tai Chiu
Chan Wing Kee (appointed on 1 Jul 2017)
Cheng Wai Chee, Christopher (retired on 29 Mar 2017)

Ms. Cheung Wai Lin, Stephanie is the sister of Mr. Cheung Kok Wing. Mr. Cheung Kong Kwan is a cousin of Mr. Cheung Kok Wing and Ms. Cheung Wai Lin, Stephanie. Mr. Chang Wing Yiu and Mr. Ho Yin Sang are brothers-in-law of Mr. Cheung Kok Wing and Ms. Cheung Wai Lin, Stephanie. Mr. Cheung Ka Shing is the son of Mr. Cheung Kok Wing, the nephew of Ms. Cheung Wai Lin, Stephanie and Mr. Cheung Kong Kwan and the nephew-in-law of Mr. Chang Wing Yiu and Mr. Ho Yin Sang.

During the year under review, the independent non-executive Directors were not appointed for specific terms but are subject to retirement by rotation and are eligible for re-election. The Board considers that although such arrangement deviates from paragraph A.4.1 of the CG Code, sufficient measures have been taken to ensure that the Company's corporate governance practices are no less effective than those in the CG Code.

A. 董事(續)

董事會成員

董事會現由十一名成員組成，其中七名為執行董事及四名為獨立非執行董事，彼等之身份均於釀辨橙橙蔘譚汎薛髻司通訊中明確說明。其中一名獨立非執行董事具備上市規則規定之適當專業資格(或會計或相關財務管理專業知識)。於本報告日期，董事會由下列成員組成：

執行董事

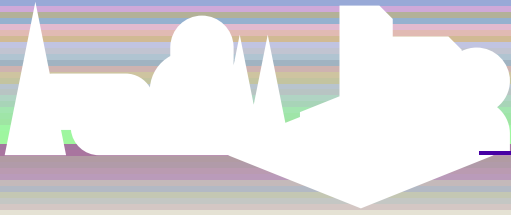
張國榮(主席)
鄭永耀(董事總經理)
張廣軍
何燕生
張偉連
張家成
陳茂盛

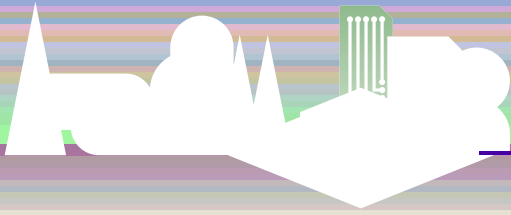
獨立非執行董事

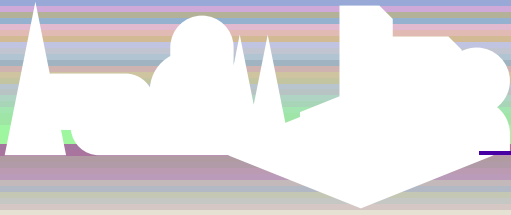
張明敏
莊堅琪
梁體超
陳永祺(於二零一七年七月一日獲委任)
鄭維志(於二零一七年五月二十九日退任)

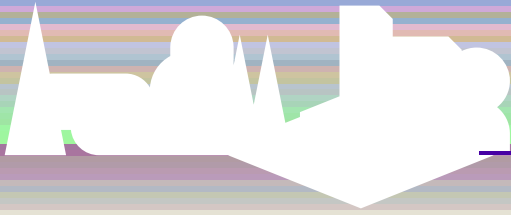
張偉連女士為張國榮先生之胞妹。張廣軍先生為張國榮先生及張偉連女士之堂兄弟。鄭永耀先生及何燕生先生為張國榮先生及張偉連女士之妹夫、姐夫。張家成先生為張國榮先生之子、張偉連女士之侄兒、張廣軍先生之堂侄及鄭永耀先生與何燕生先生之侄兒。

於回顧年度，獨立非執行董事之委任並無指定任期，惟須輪席退任並符合資格膺選連任。董事會認為雖然上述安排與企業管治守則條文第A.4.1段有所偏離，但本公司已採取足夠措施以確保本公司企業管治常規不比企業管治守則寬鬆。



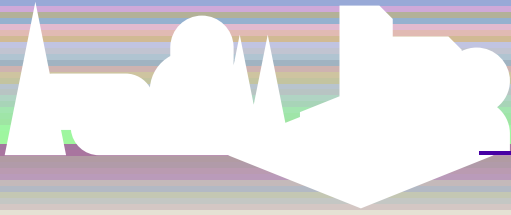


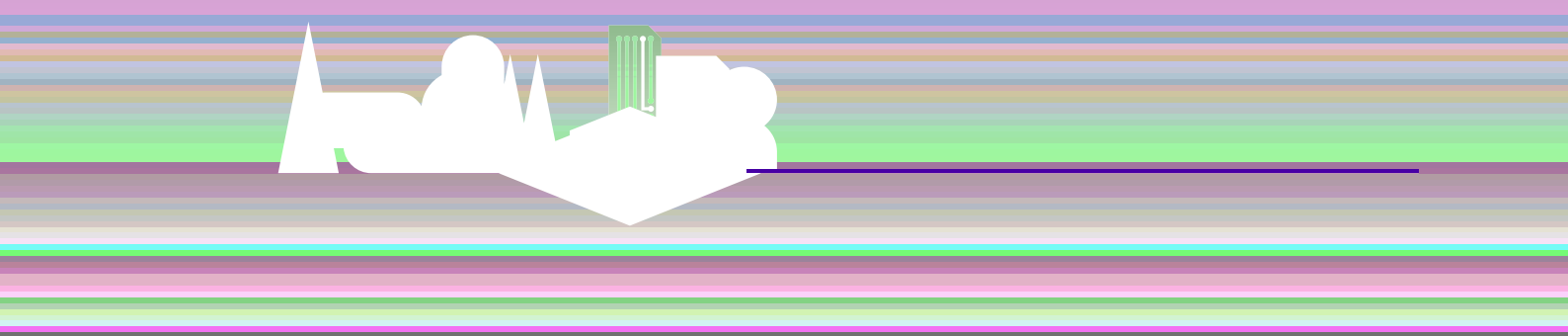




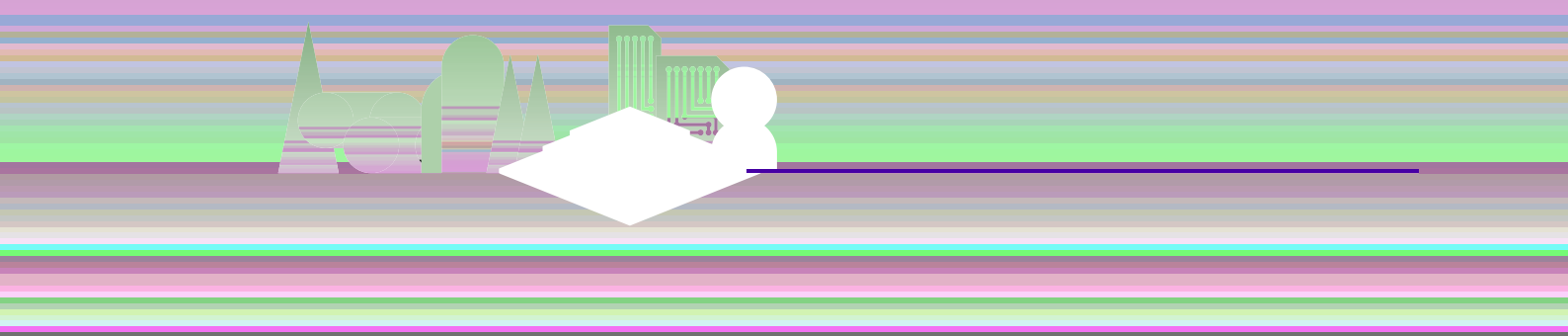










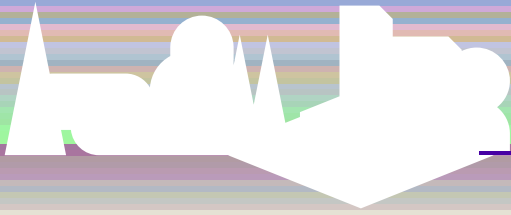




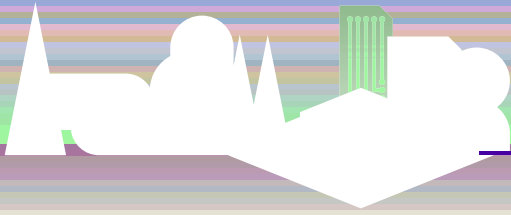
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KINGBOARD CHEMICAL HOLDINGS LIMITED
ANNUAL REPORT 2017

INDEPENDENT AUDITOR'S REPORT
獨立核數師報告







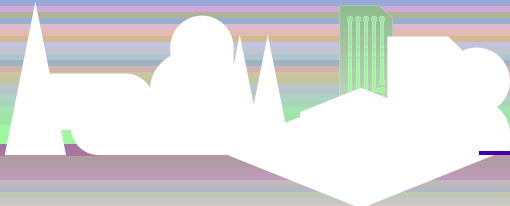


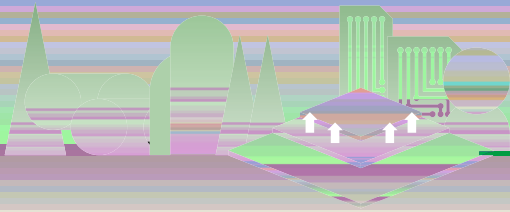
INDEPENDENT AUDITOR'S REPORT
獨立核數師報告

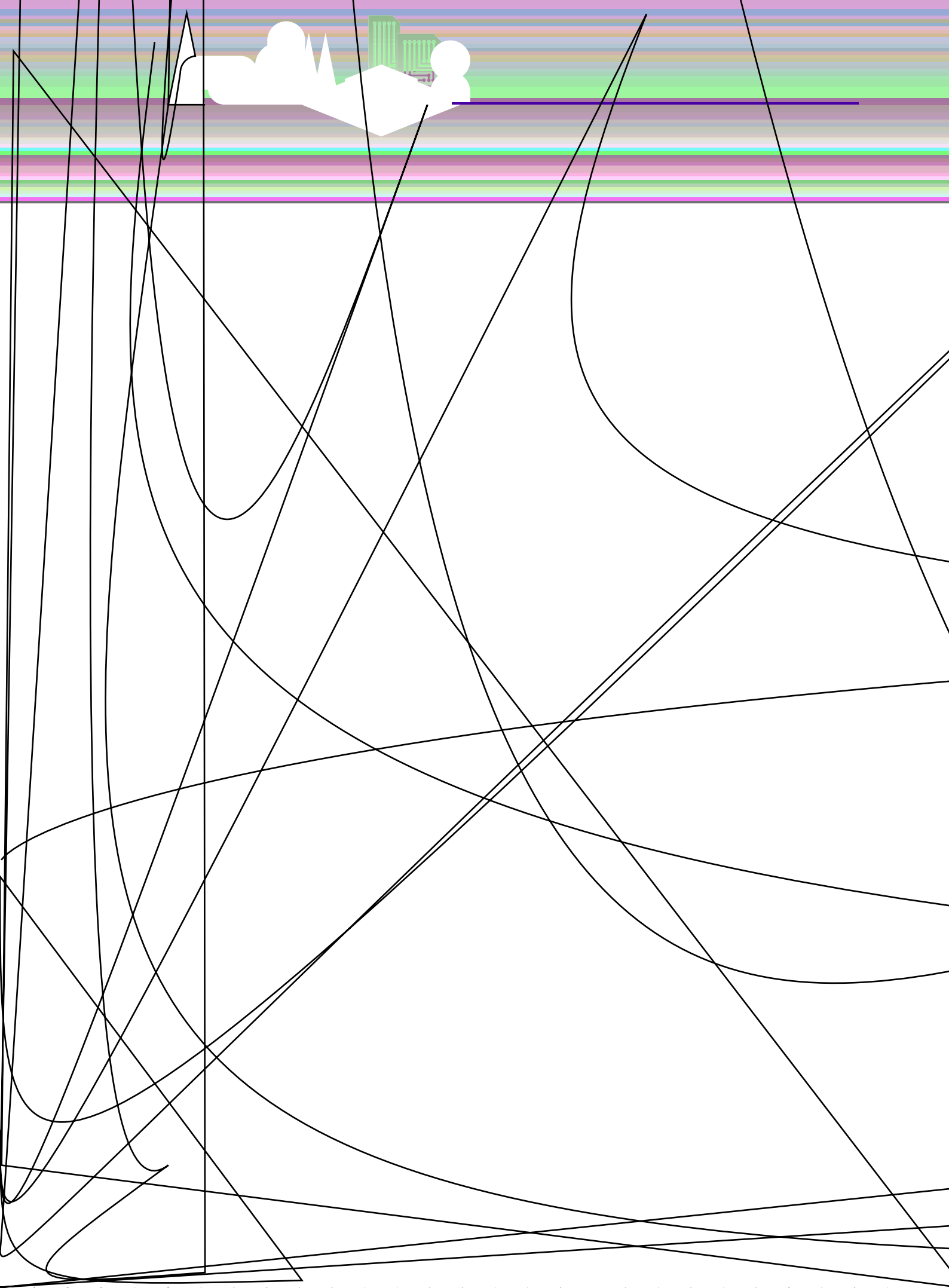
核數師就審計綜合財務報表
承擔的責任 (續)

對董事採用持續經營會計基礎的恰當性

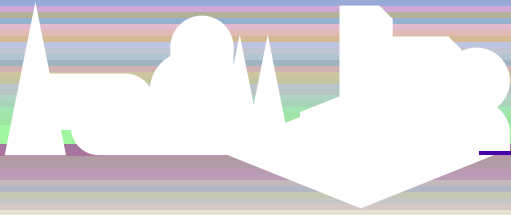
帶圍結 灰濼穢緄量紐 肆編編所累僞忠閱較 卅 聾發種

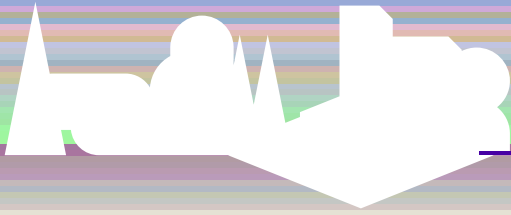


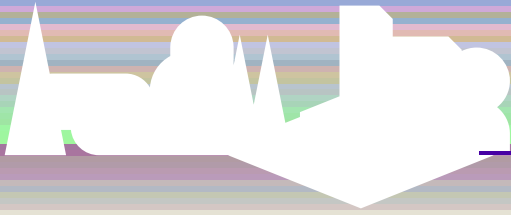












CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

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

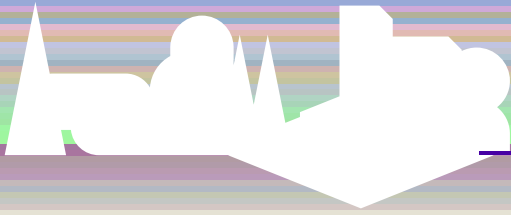
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
OPERATING ACTIVITIES	經營業務		
Profit before taxation	除稅前溢利	8,365,361	7,237,226
Adjustments for:	調整：		
Share of results of associates	應佔聯營公司業績	(103,267)	(9,152)
Depreciation of properties, plant and equipment	物業、廠房及設備折舊	1,757,861	1,955,026
Dividends from available-for-sale investments	可供出售投資之股息收入	(34,650)	(168,382)
Impairment loss recognised on trade receivables	就貿易應收賬款確認 之減值虧損	166,793,867	-3,009,166,793,867

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

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

	2017 二零一七年 HK\$'000	2016 二零一六年 HK\$'000
NOTES		
蠶 趙 干 韓 慧 鄂 隔 幹 鉤 菱 譚 鵬 廷 聞 鞞 櫛 蝟 藝 茂 燻 蟻 藿 友 啖 麩 蠟 蠶		



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

1. GENERAL

Kingboard Chemical Holdings Limited (the "Company") is a public limited company incorporated in the Cayman Islands and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The addresses of the registered office and principal place of business of the Company are disclosed in the "Corporate Information" section of the annual report.

The Company is an investment holding company and the principal activities of its subsidiaries are set out in Note 42.

The principal activities of its subsidiaries are the manufacture and sales of laminates, printed circuit boards ("PCBs"), chemicals, magnetic products and property development and investments ("Properties").

The functional currency of the Company is Renminbi ("RMB"). While the consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which the directors of the Company ("Directors") considered it is more relevant for the users of the consolidated financial statements.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

Amendments to HKFRSs that are mandatorily effective for the current year

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

Amendments to Hong Kong Accounting Standards ("HKAS") 7	Disclosure Initiative
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses
Amendments to HKFRS 12	As part of the Annual Improvements to HKFRSs 2014-2016 Cycle

1. 一般資料

建滔化工集團有限公司("本公司")在開曼群島註冊成立為上市有限公司，其股份在香港聯合交易所有限公司("聯交所")之主板上市。本公司註冊辦事處之地址及主要營業地點於本年報"公司資料"一節中披露。

本公司為投資控股公司，其附屬公司之主要業務載於附註42。

其附屬公司主要從事覆銅面板、印刷線路板("印刷線路板")、化工產品、磁電產品製造及銷售業務和物業發展及投資("物業")。

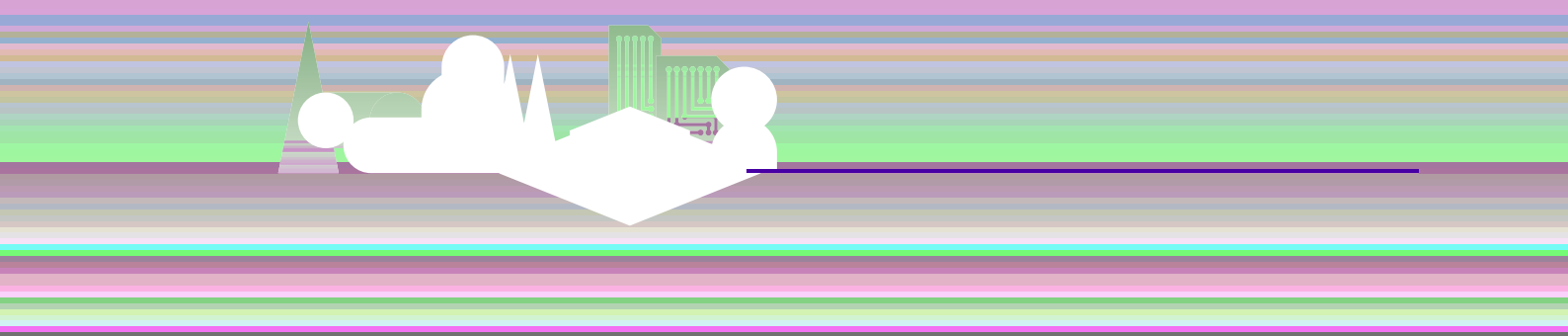
本公司的功能貨幣為人民幣("人民幣")，本公司董事("董事")認為以港元("港元")呈列綜合財務報表對使用者更為相關，故綜合財務報表以港元呈列。

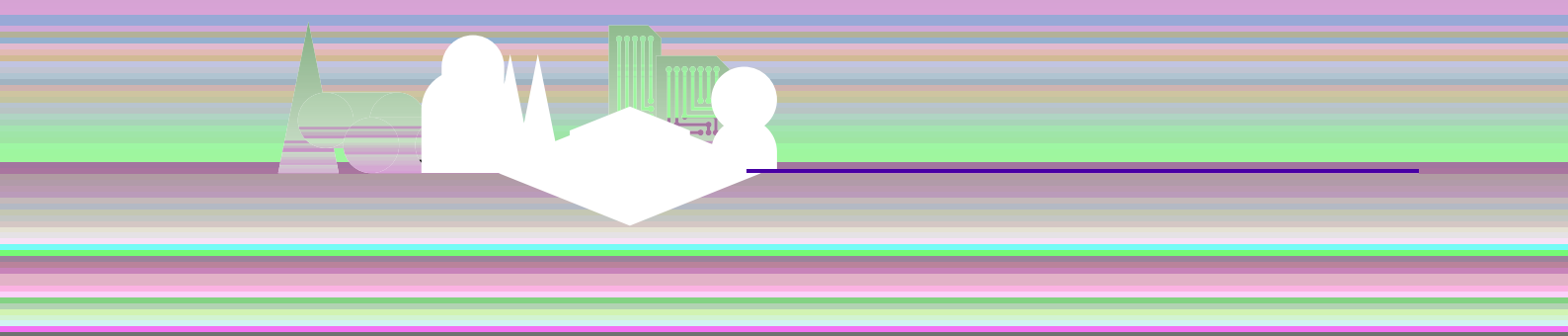
2. 應用新增及經修訂之香港財務申報準則("香港財務申報準則")

於本年度強制生效的香港財務申報準則的修訂

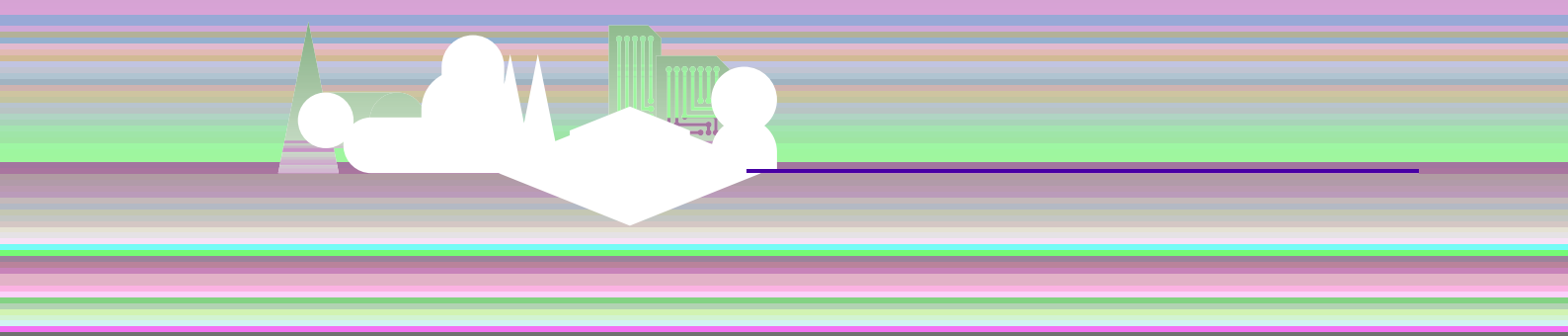
本公司及其附屬公司("本集團")於本年度首次應用以下由香港會計師公會頒佈的香港財務申報準則的修訂本：

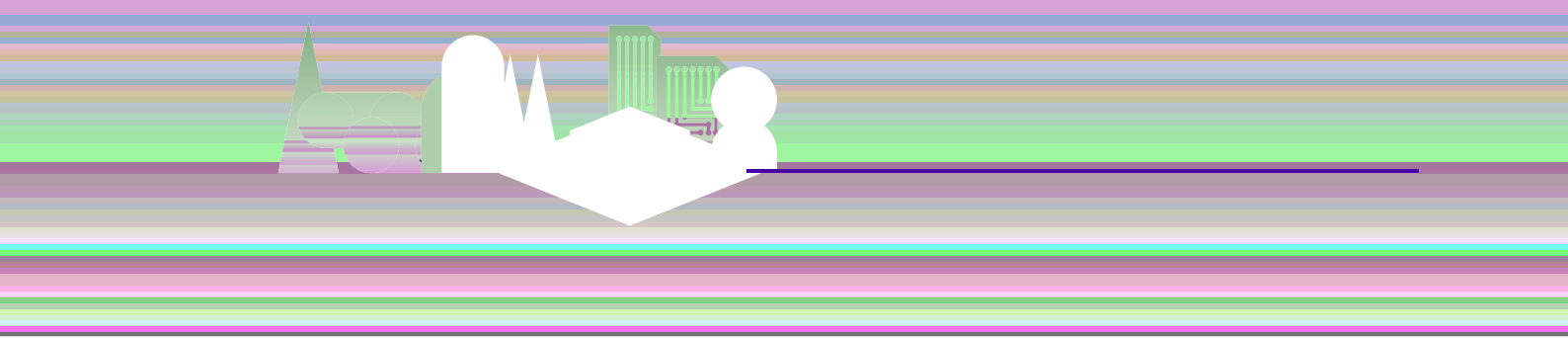
香港會計準則 ("香港會計準則") 第7號的修訂本	披露計劃
香港會計準則第12號的修訂本	就未變現虧損作出遞延稅項資產之確認
香港財務申報準則第12號的修訂本	作為香港財務申報準則二零一四年至二零一六年週期的年度改進的一部分

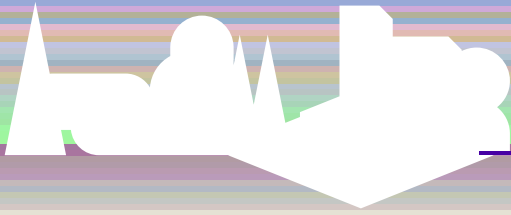


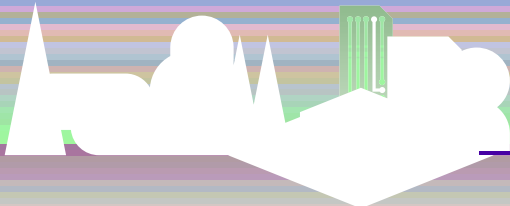


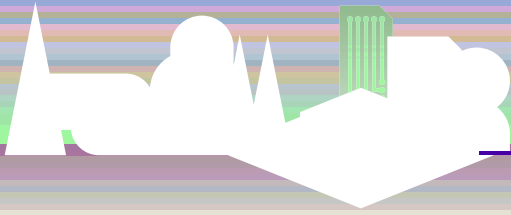


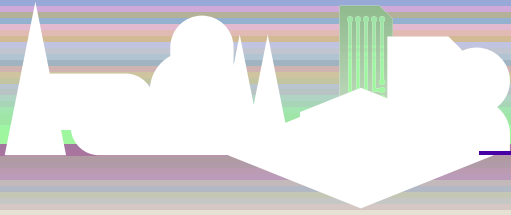


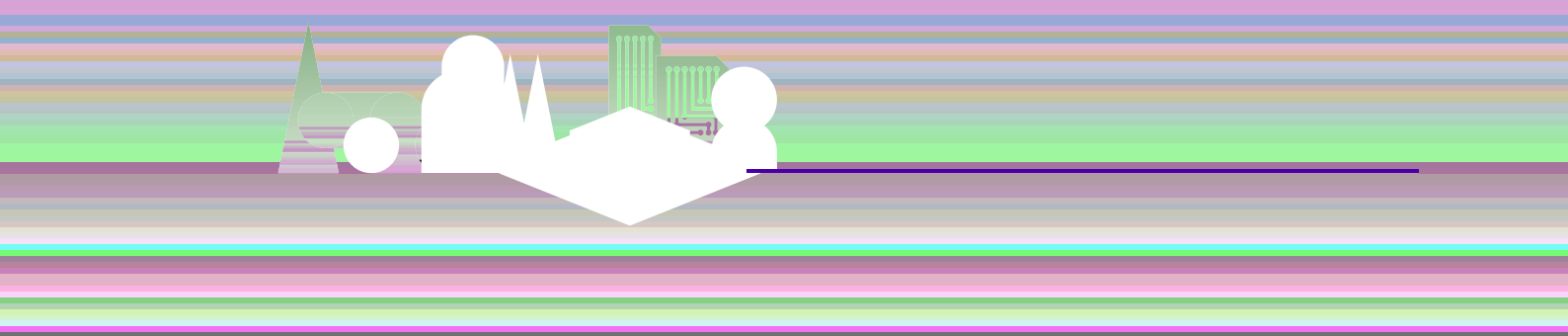


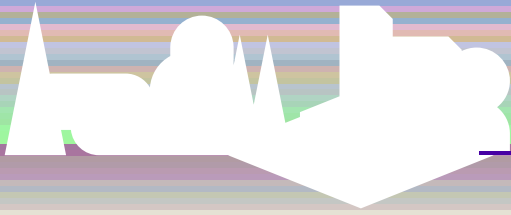




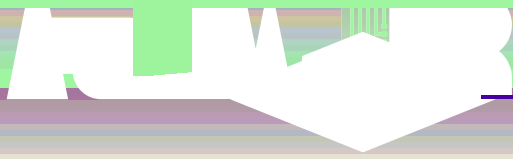


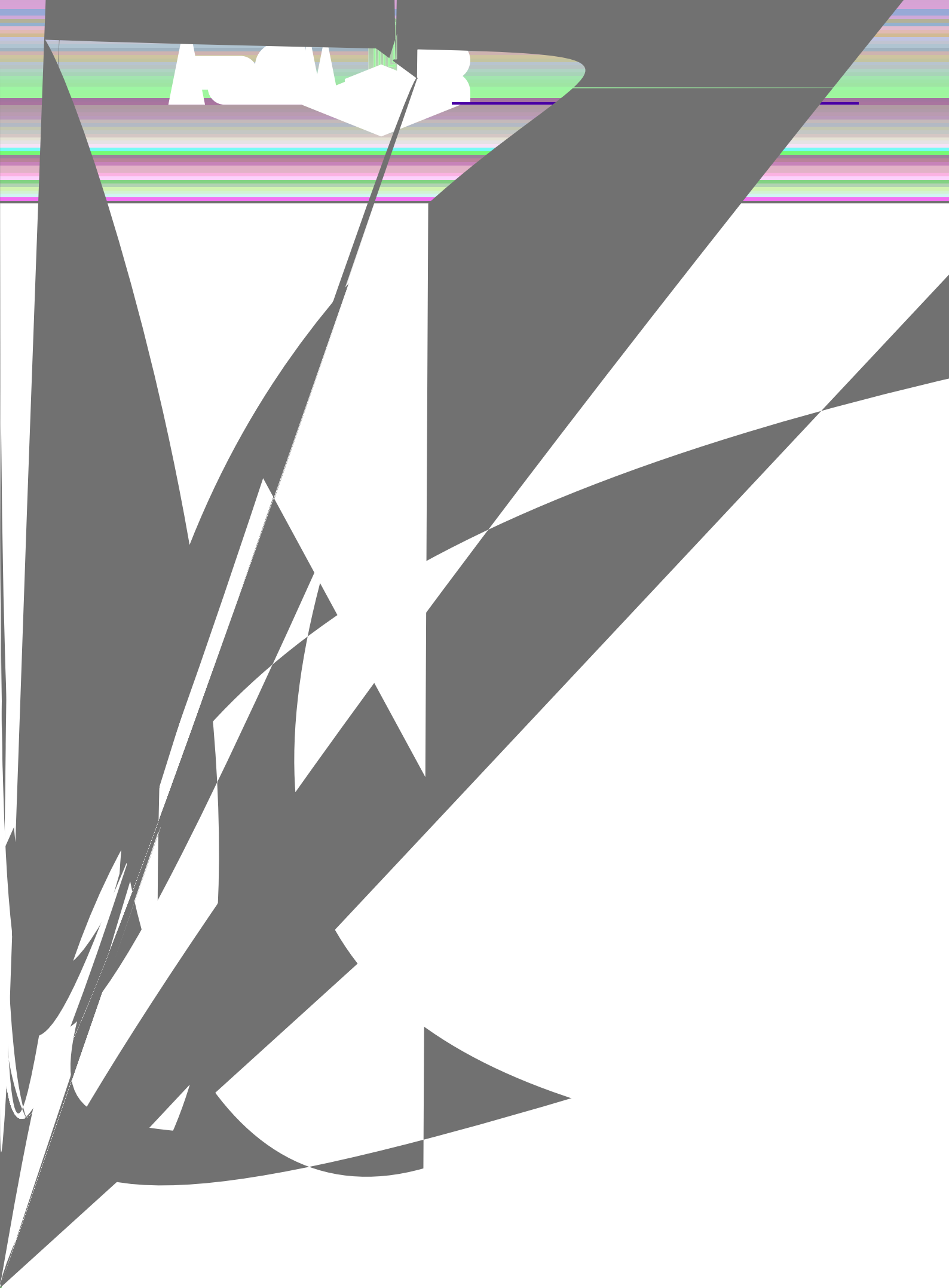












NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are calculated using the weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sales.

Licensed inventories

Licensed inventories shown as either other non-current assets or other current assets in the consolidated statement of financial position are stated at cost less impairment, if any.

Impairment losses on assets other than goodwill (see the accounting policies in respect of goodwill)

At the end of the reporting period, the Group reviews the carrying amounts of its tangible assets to determine whether there is an indication that those assets have suffered an impairment loss. If an 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 asset individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a CGU) for which the estimates of future cash flows have not been adjusted.

3. 主要會計政策 (續)

存貨

存貨按成本或可變現淨值兩者中之較低者入賬。存貨成本按加權平均法計算。可變現淨值指存貨估計售價減估計完成所需之全部成本以及銷售所需之成本。

授權使用存貨

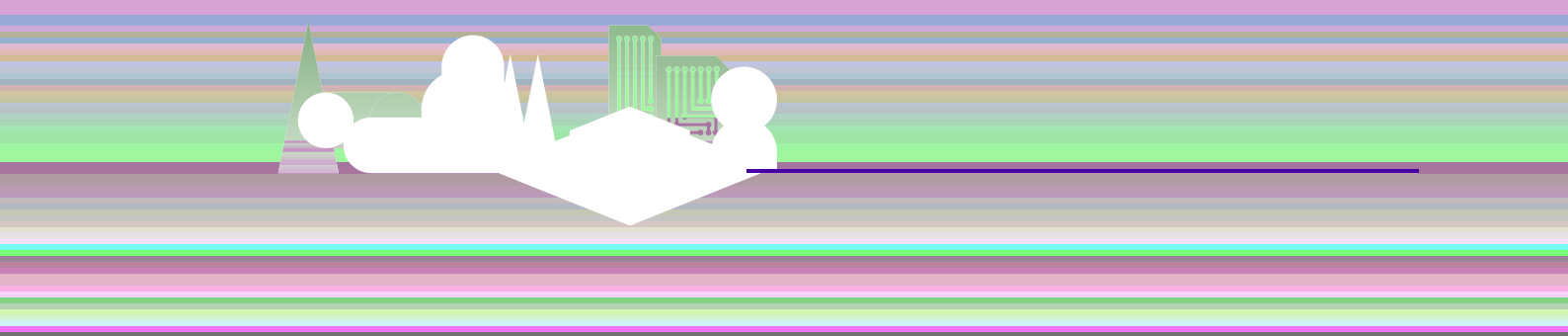
授權使用存貨在綜合財務狀況表列為其他非流動資產或其他流動資產(如有)。

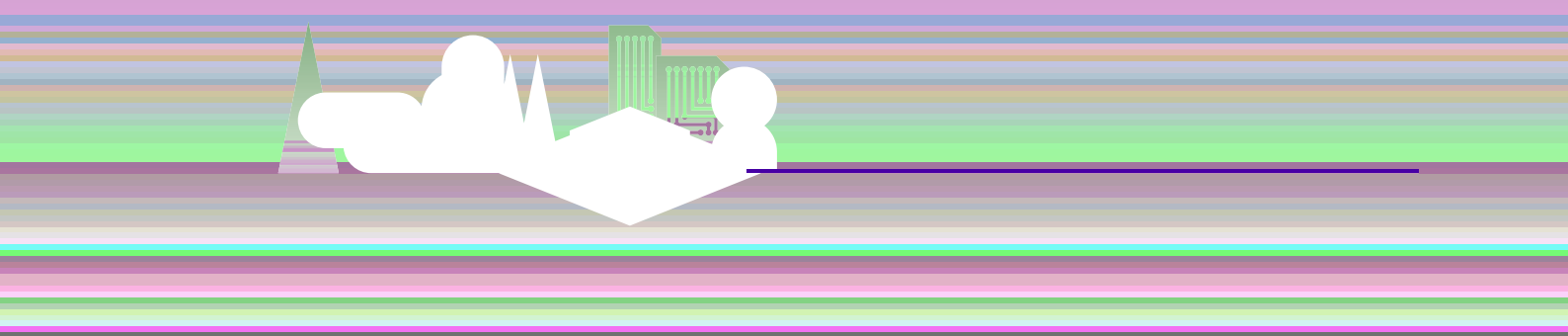
資產之減值虧損(商譽除外(請參閱有關商譽之會計政策))

於報告期間結束當日,本集團須審閱其有形資產之賬面值,以確定是否有任何跡象顯示該等資產出現減值虧損。倘出現任何有關跡象,則估計資產可收回金額,以釐定減值虧損的幅度(如有)。

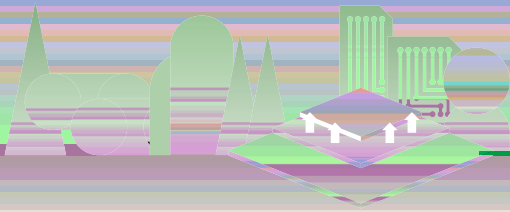
倘不能估計單一資產的可收回金額,則本集團會估計其資產所屬現金產生單位的可收回金額。於可識別合理和一致分配基準的情況下,企業資產亦會被分配到個別現金產生單位,否則或會被分配到可合理地及按一致分配基準而識別的最小的現金產生單位組別中。

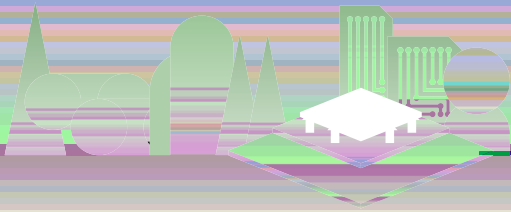
可收回金額為公平值減出售成本或使用價值之較高者。評估使用價值時,估計未來現金流量乃使用稅前貼現率折現至其現值,該貼現率反映目前市場對資金時間值之評估以及估計未來現金流量未經調整之資產(或現金產生單位)的獨有風險。

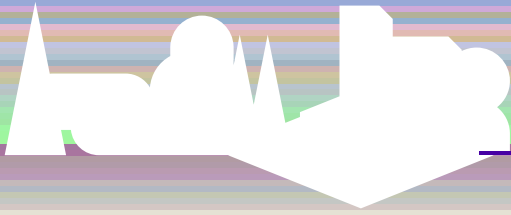


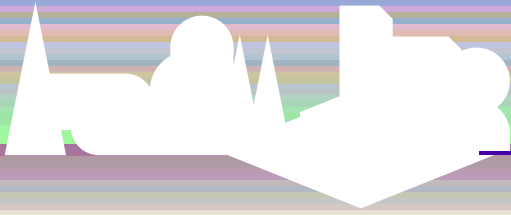












NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

For all other financial assets, objective evidence of impairment could include significant financial difficulty of the issuer or counterpart; or breach of contract, such as default or delinquency in interest and principal payments; or it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or the disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial asset, 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, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of 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.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When 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.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

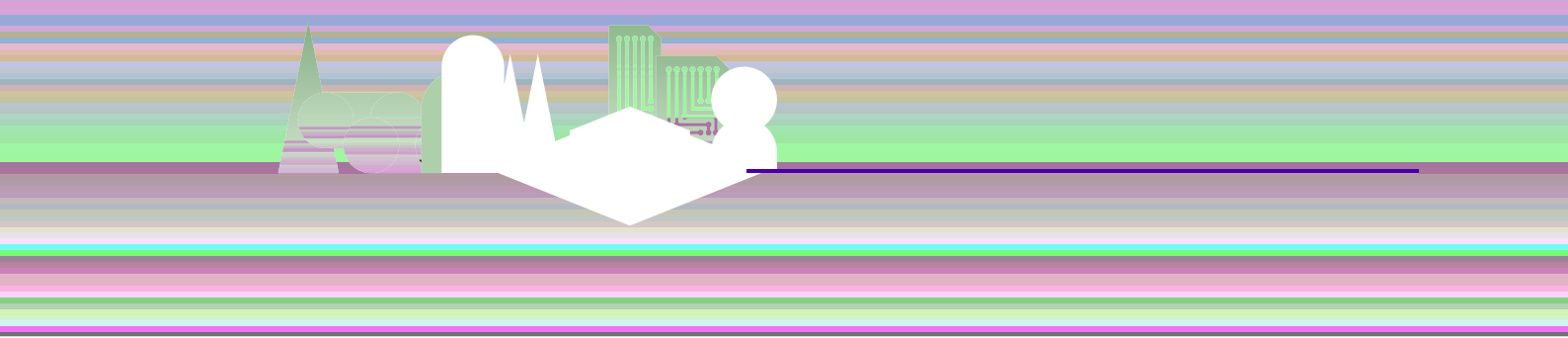
就所有其他金融資產而言，減值的客觀證據可能包括發行人或交易對手出現重大財政困難；或違約，如不能履行或拖欠利息及本金款項，或借貸人有可能面臨破產或財務重組；或因財政困難，導致該金融資產於活躍市場消失。

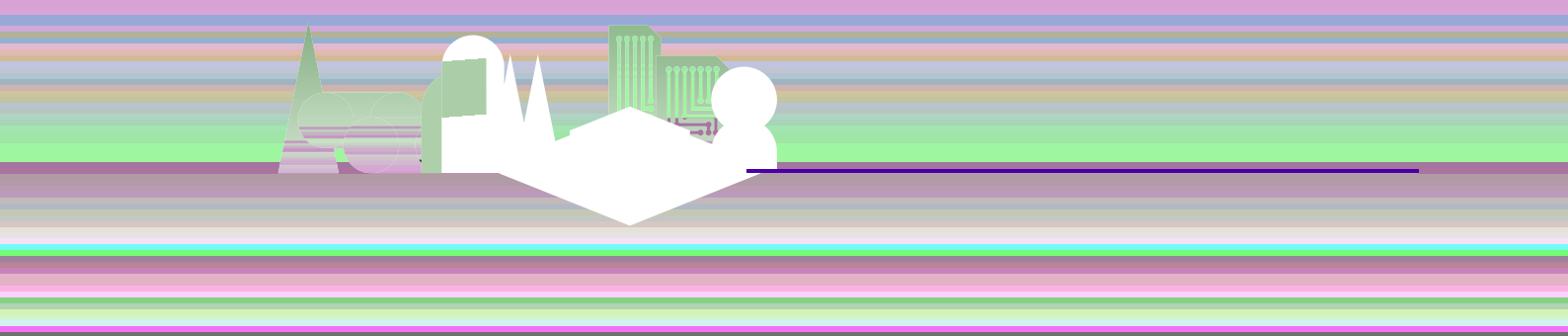
就若干類別的金融資產(如貿易應收賬款)而言，倘資產經評估不會單獨作出減值，將會彙集一併評估減值。應收賬款組合出現減值的客觀證據包括本集團過往收款經驗、組合內逾期超過平均信貸期之還款數目上升、國家或地區經濟狀況出現明顯變動導致應收賬款未能償還。

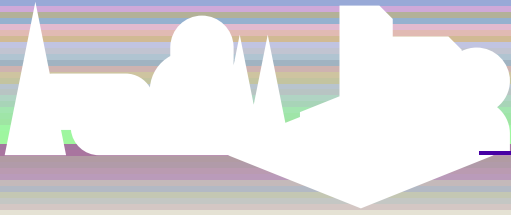
就按攤銷成本計值的金融資產而言，減值虧損金額確認為資產的賬面值與估計未來現金流量的現值(以金融資產的原始實際利率折現)間的差額。

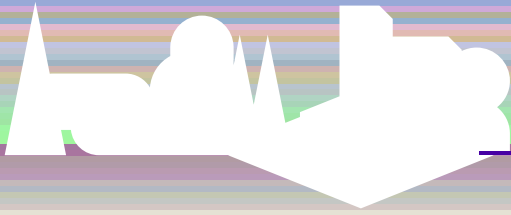
就按成本計值的金融資產而言，減值虧損的金額以資產的賬面值與估計未來現金流量的現值(以類似金融資產的當前市場回報率折現)間的差額計量。該等減值虧損不會於其後期間撥回。

所有金融資產的減值虧損會直接於金融資產的賬面值中作出扣減，惟貿易應收賬款除外，其賬面值會透過撥備賬作出扣減。撥備賬內的賬面值變動會於損益中確認。當貿易應收賬款被視為不可收回時，其將於撥備賬內撇銷。於其後重新收回的先前撇銷的款項將計入損益。

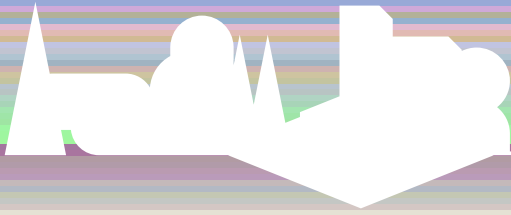


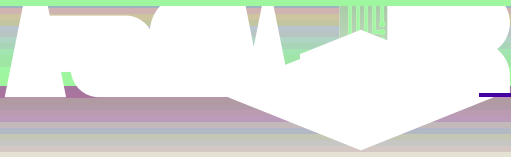












NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

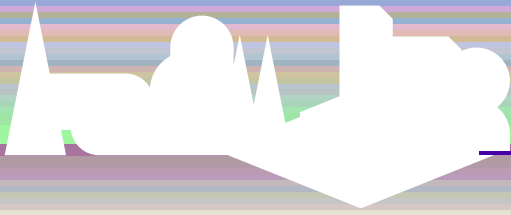
4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

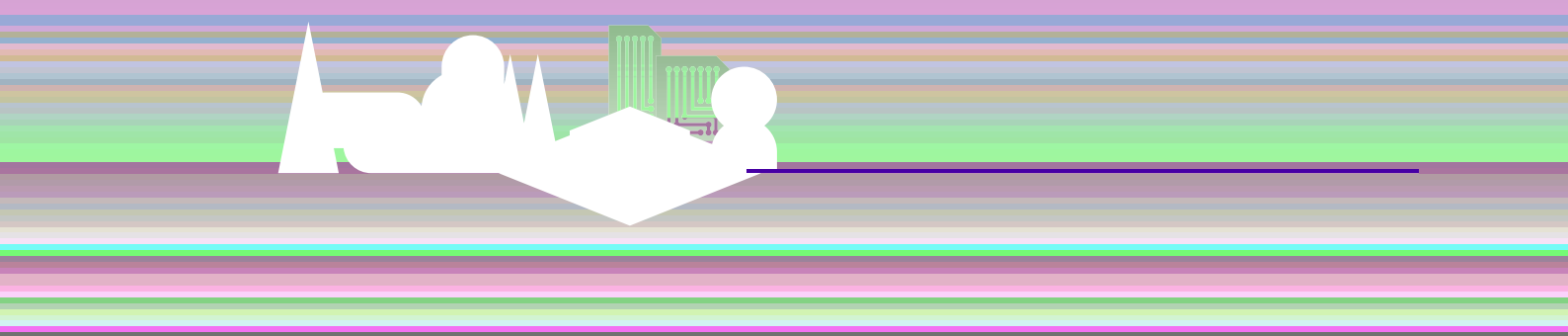
Key sources of estimation uncertainty (continued)

Fair value measurements and valuation processes

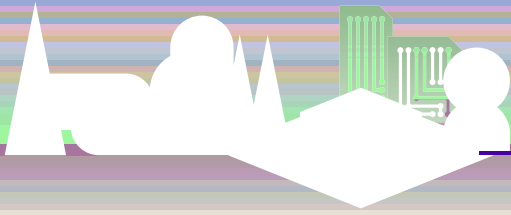
Some of the Group's assets are measured at fair value for financial reporting purposes. The Directors have a designated team to determine the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of the Group's investment properties, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party valuers. Where









NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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

6. SEGMENT INFORMATION (continued)

(c) Other information

		Laminates	PCBs	Chemicals	Properties	Others	Unallocated	Consolidated	
		覆銅面板	印刷線路板	化工產品	物業	其他	未分配金額		綜合
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000		HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	
For the year ended	截至二零一七年								
31 December 2017	十二月三十一日止年度								
Amounts included in the measure of segment profit or loss or segment assets:	計算分部損益或分部資產時計入的金額：								
Capital additions	資本增添	871,791	833,165	308,910	4,039,884	36,162	-	6,089,912	
Depreciation	折舊	560,253	496,003	650,033	6,103	45,469	-	1,757,861	
Release of prepaid lease payments	預付租賃款項撥回	5,392	4,485	9,388	-	5,039	-	24,304	
Impairment loss recognised on trade receivables	就貿易應收賬款確認之減值虧損	81,211	73,408	12,174	-	-	-	166,793	
Write down (reversal of write down) of inventories	撇減(撥回撇減)存貨	6,259	(2,738)	17,086	-	-	-	20,607	
Interest income	利息收入	112,115	24,897	18,006	20,814	71	128,637	304,540	
Loss (gain) on disposal and written off of properties, plant and equipment	出售及撇銷物業、廠房及設備之虧損(收益)	38,751	(1,800)	1,841	-	279	1,448	40,519	
Gain on fair value changes of investment properties	投資物業公平值變動之收益	-	-	-	54,284	-	-	54,284	

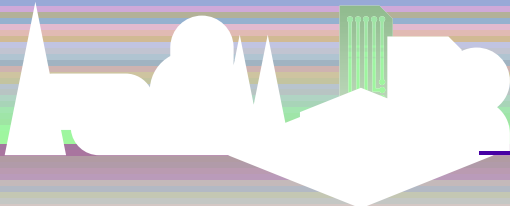
6. 分部資料(續)

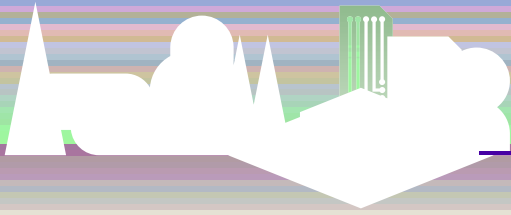
(c) 其他資料

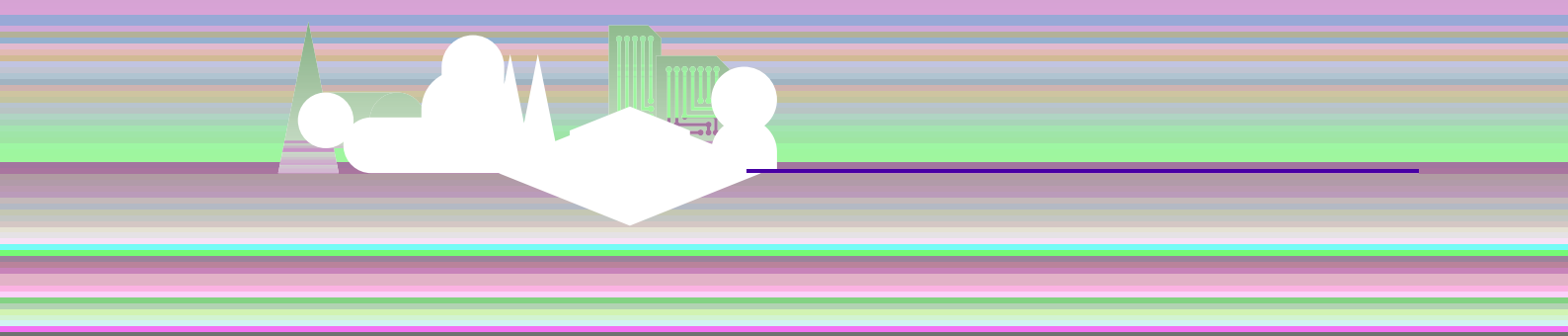
		Laminates	PCBs	Chemicals	Properties	Others	Unallocated	Consolidated	
		覆銅面板	印刷線路板	化工產品	物業	其他	未分配金額		綜合
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000		HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	
For the year ended	截至二零一六年								
31 December 2016	十二月三十一日止年度								
Amounts included in the measure of segment profit or loss or segment assets:	計算分部損益或分部資產時計入的金額：								
Capital additions	資本增添	149,755	376,413	241,630	3,565,730	8,048	▲	4,341,576	
Depreciation	折舊	625,359	499,454	786,433	5,746	38,034	▲	1,955,026	
Release of prepaid lease payments	預付租賃款項撥回	8,425	4,288	7,370	▲	1,135	▲	21,218	
(Reversal of) impairment loss recognised on trade receivables	(撥回) 就貿易應收賬款確認之減值虧損	(2,408)	68,559	20,531	▲	▲	▲	86,682	
(Reversal of write down) write down of inventories	(撥回撇減) 撇減存貨	(2,148)	22,957	(57,203)	▲	(1,603)	▲	(37,997)	
Interest income	利息收入	47,737	12,890	43,005	44,289	36	78,177	226,134	
Loss (gain) on disposal and written off of properties, plant and equipment	出售及撇銷物業、廠房及設備之虧損(收益)	31,133	(303)	221	▲	1,605	▲	32,656	
Gain on fair value changes of investment properties	投資物業公平值變動之收益	▲	▲	▲	21,286	▲	▲	21,286	













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11. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS

(continued)

(d) Directors' material interests in transactions, arrangements or contracts

As disclosed in Note 41, the Group entered into sale and purchase transactions with the subsidiaries of a shareholder with significant influence on the Group. The price is to be determined and agreed between the parties from time to time with reference to the prevailing market price.

Mr. Cheung Kok Wing, Mr. Chang Wing Yiu 345 261.168 755.415 () 執行董事張國榮先生、鄭永耀先生、張廣軍先生及何燕生先生於該等公司中擁有實益權益，因而於此等交易中擁有權益。

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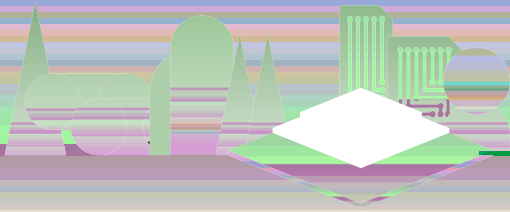
除上述交易外，於年末或年內任何時間本公司董事概無於本公司或本集團為其中一方之其他重要交易、安排及合約中擁有任何重大直接或間接權益。

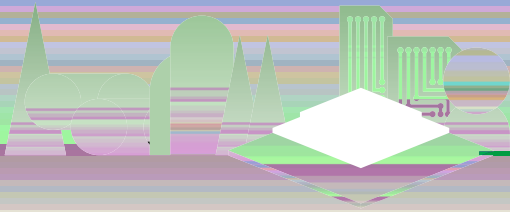
11. 董事、行政總裁及僱員酬金 (續)

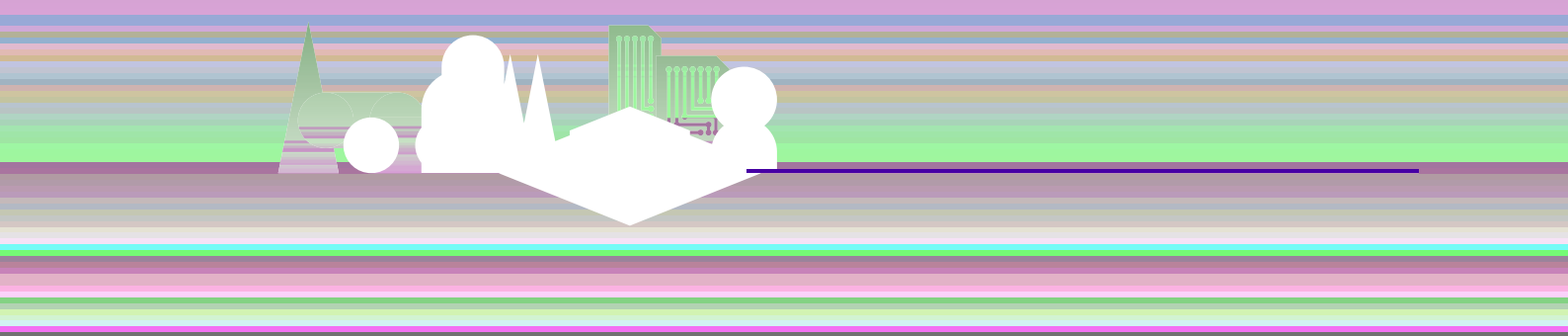
(d) 董事於交易、安排或合約之重大權益

如附註41所述，本集團與一名對本集團有重大影響力的股東的附屬公司進行買賣交易。價格由各方不時參照當時之市場價格而釐定及議定。

除上述交易外，於年末或年內任何時間本公司董事概無於本公司或本集團為其中一方之其他重要交易、安排及合約中擁有任何重大直接或間接權益。

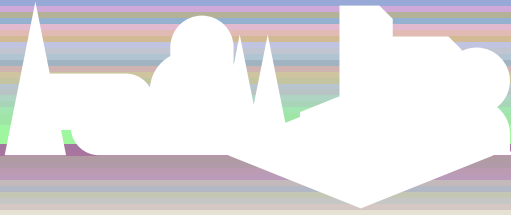


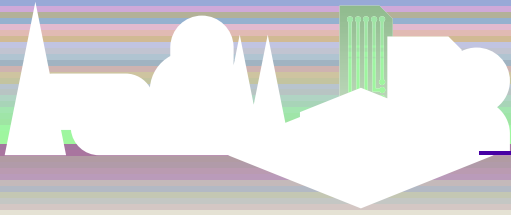












NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

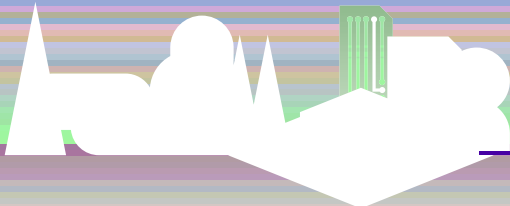
For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

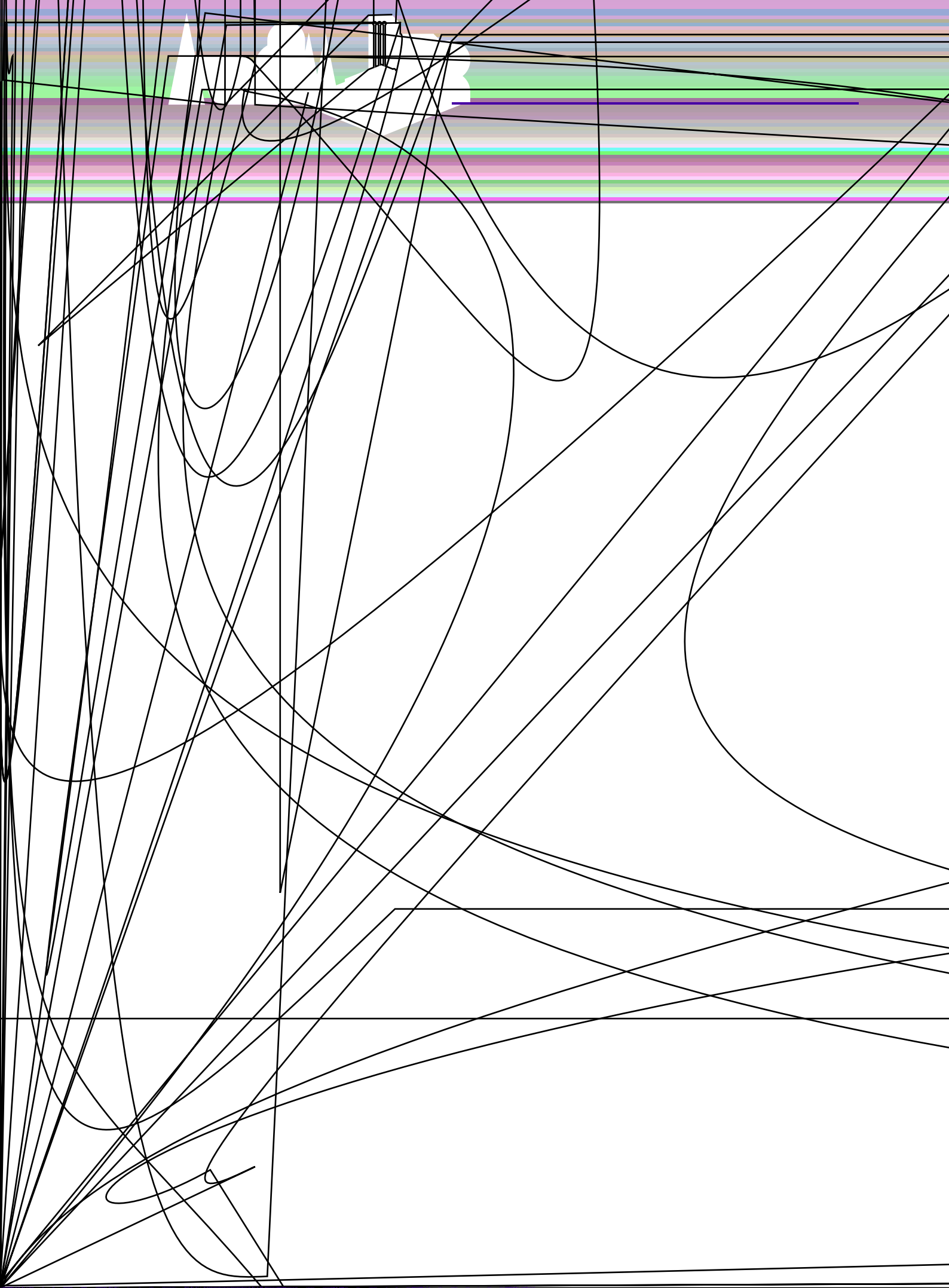
15. PROPERTIES, PLANT AND EQUIPMENT

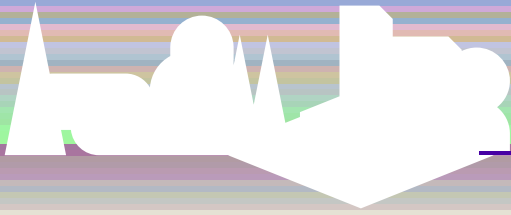
15. 物業、廠房及設備

Freehold lands	Buildings	Leasehold improvements	Plant and machinery	Licensed assets	Furniture, fixtures and equipment	Transportation equipment	Properties, plant and equipment under construction	Total
永久產權土地	樓宇	租約物業裝修	廠房及機器	使用資產	傢俬、裝置及設備	運輸設備	在建物業、廠房及設備	合計
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
				(Note ii)				
				(附註ii)				

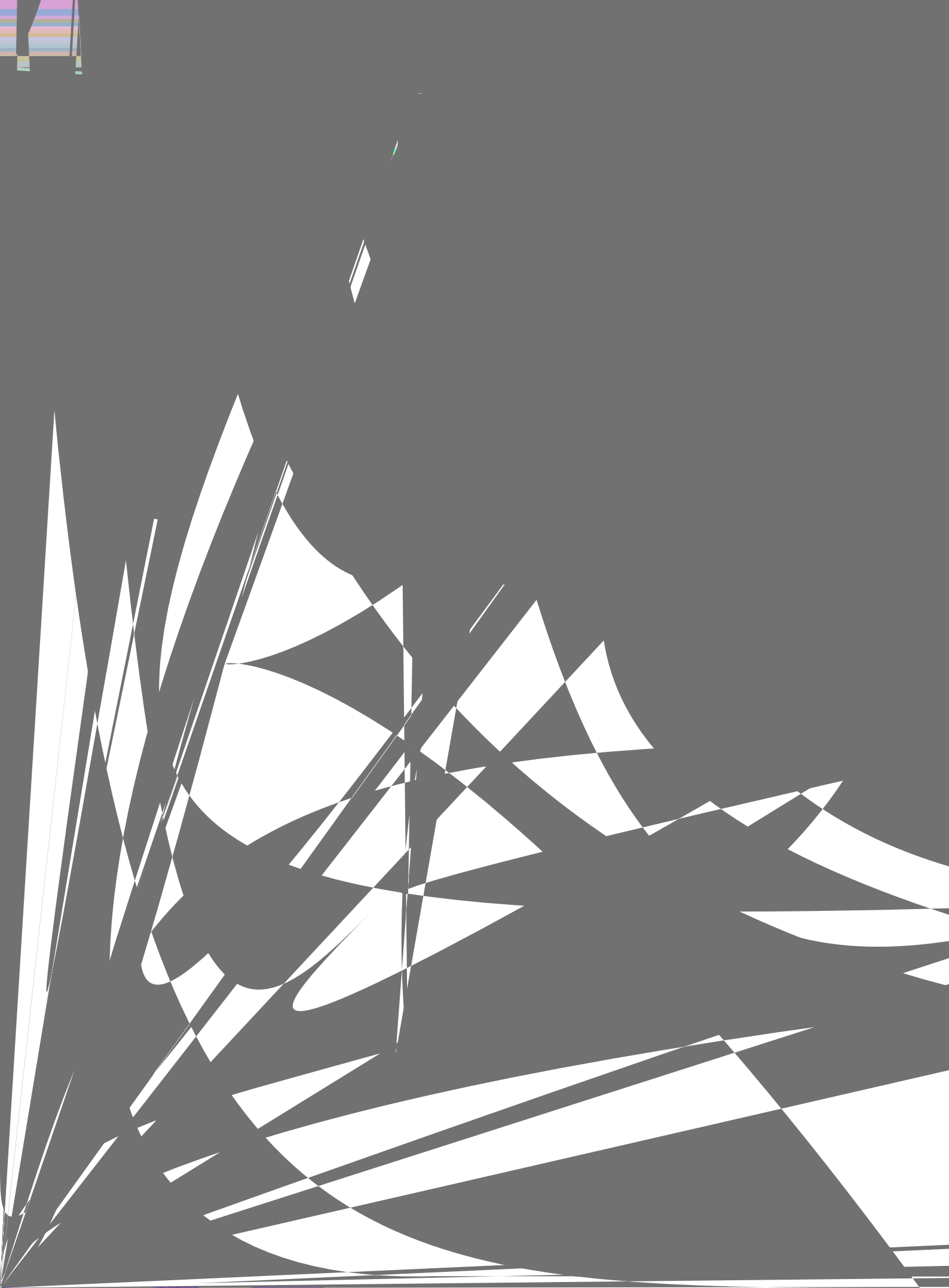
COST
At 1 January 2016成本
於二零一六年一月一日

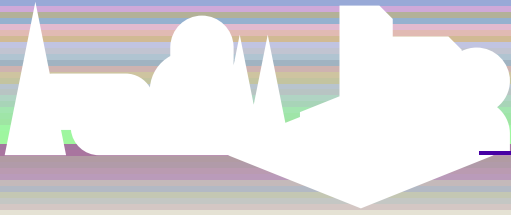


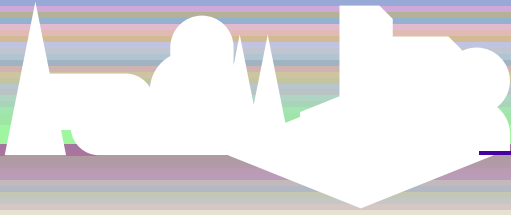


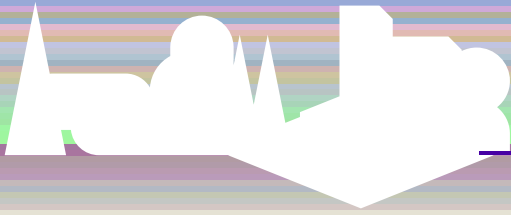


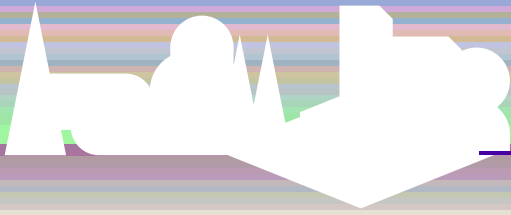


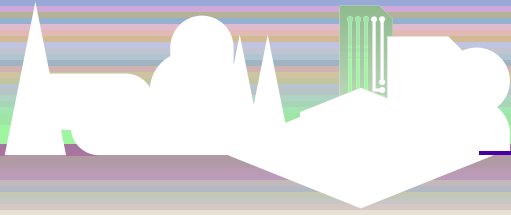


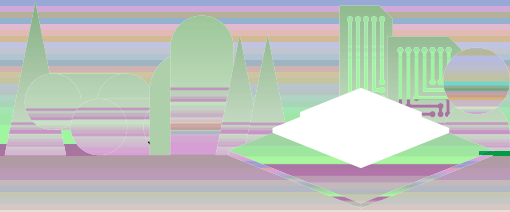


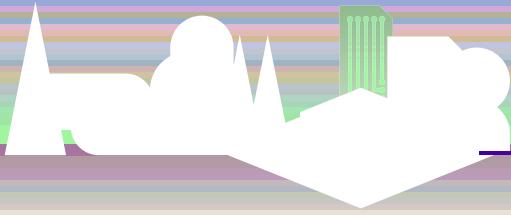


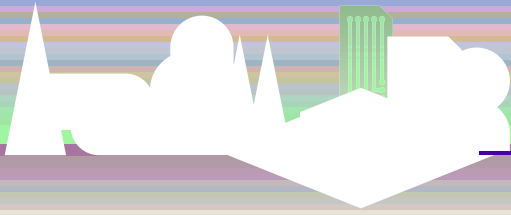


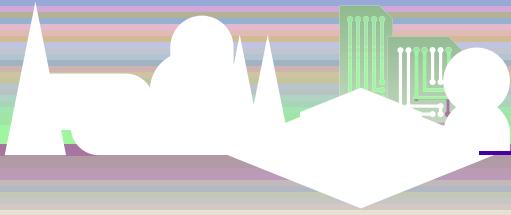


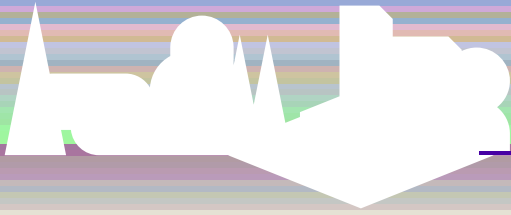




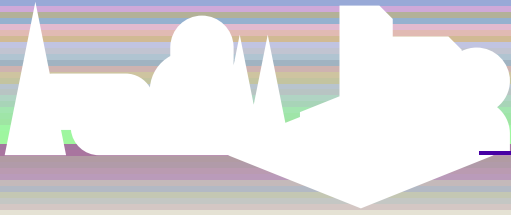




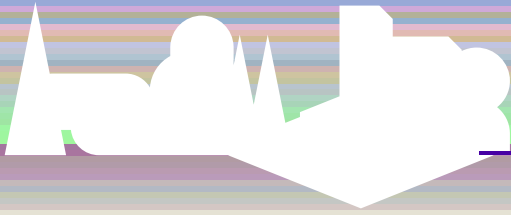






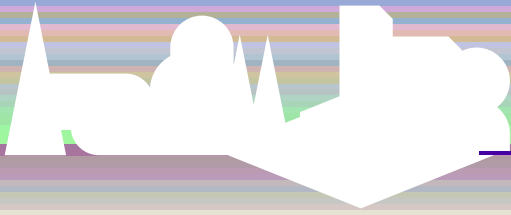


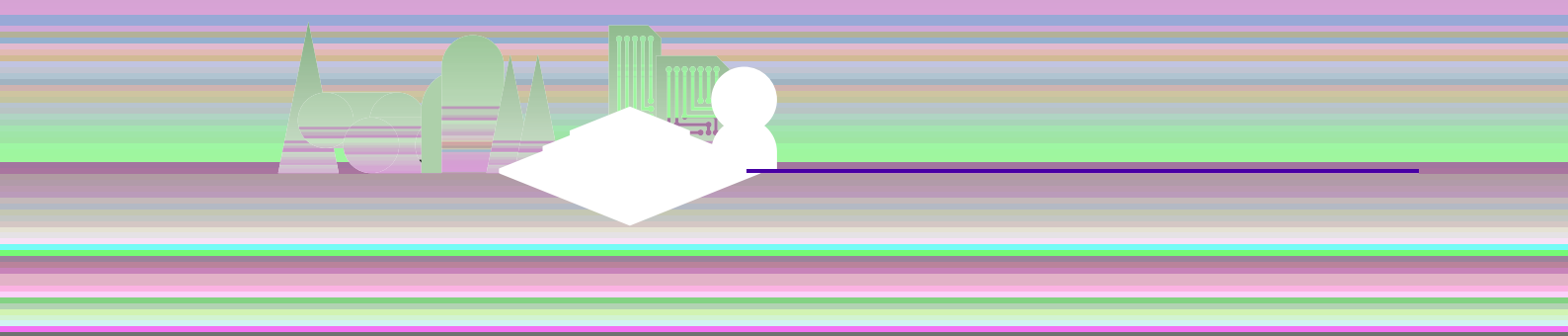




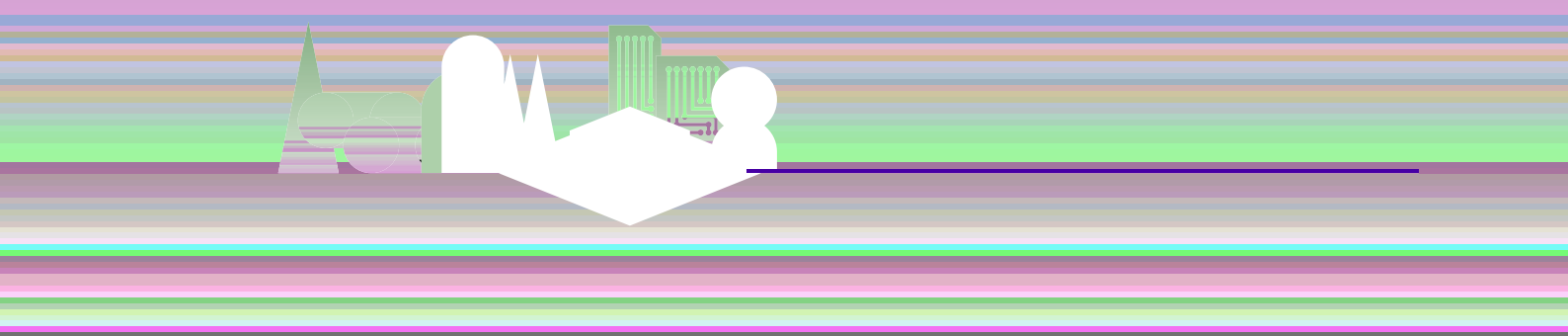


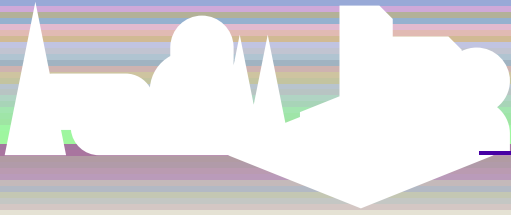












NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

34: 金融工具(續)

(b) 財務風險管理目標及政策
(續)

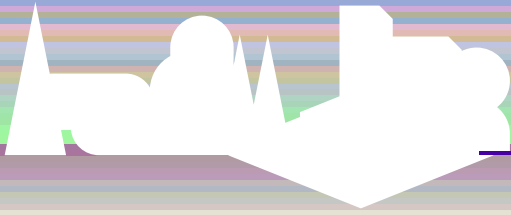
市場風險(續)

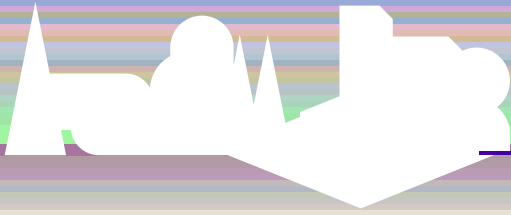
敏感度分析

本集團主要面對美元、歐元、港元及英鎊的外幣波動風險。下表詳述本集團對各集團實體的功能貨幣兌相關外幣升跌

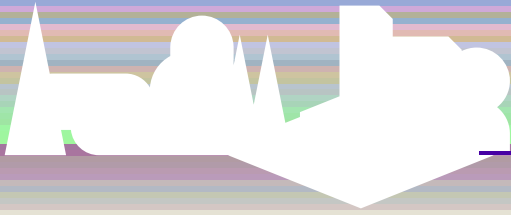
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For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

34. FINANCIAL INSTRUMENTS (continued)

(c) Fair value measurements of financial instruments

Fair value of the Group's financial assets that are measured at fair value on a recurring basis

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

Financial assets 金融資產	Fair value as at 31 December 於十二月三十一日之公平值		Fair value hierarchy 公平值等級	Valuation techniques and key inputs 估值技術及主要輸入數據	Significant unobservable inputs 重大不可觀察輸入數據	Sensitivity 敏感度
	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元				
	(i) Listed equity securities classified as available-for-sale financial assets in the consolidated statement of financial position 於綜合財務狀況表中分類為可供出售金融資產之上市股本證券	1,550,830				
(ii) Listed bond securities classified as available-for-sale financial assets in the consolidated statement of financial position 於綜合財務狀況表中分類為可供出售金融資產之上市債券證券	4,966,616	2,321,905	3	Reference to the fair value quoted in the over-the-counter market with the adjustments for the lack of marketability. 參照場外市場報價之公平值，並就缺乏市場流通性而予以調整。	The lack of marketability discount 缺乏市場流通性折扣	The higher the lack of marketability discount, the lower the fair value. 缺乏市場流通性折扣越高，公平值則越低。

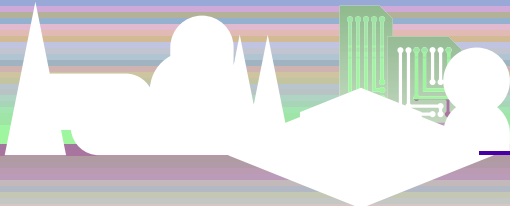
Note: For the listed bond securities classified as available-for-sale financial assets, the most significant unobservable input is the marketability discount. As at 31 December 2017, if the marketability discount to the valuation model was 0.5% higher/lower while the other variables were held constant, the total carrying amount of these investments would decrease/increase by HK\$123,290,000 and HK\$123,290,000 (31 December 2016: HK\$56,256,000 and HK\$56,256,000) respectively.

There were no transfer between level 1 and 3 during the years ended 31 December 2017 and 2016.

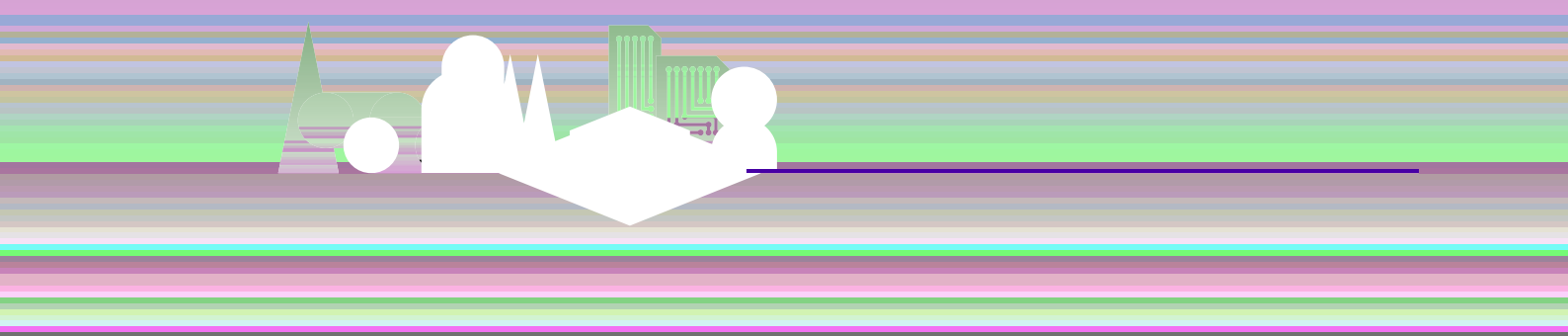
34. 金融工具(續)

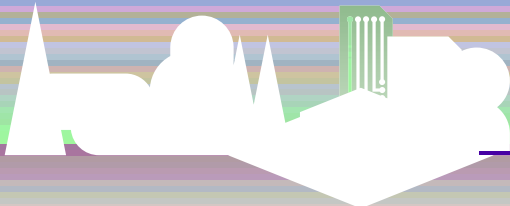
- (c) 金融工具公平值計量
根據經常性基準按公平值計量之本集團金融資產之公平值。本集團部分金融資產於各報告期末按公平值計量。下表闡述有關釐定該等金融資產公平值之方法(尤其是所用之估值技術及輸入數據)以及按公平值計量輸入數據之可觀察程度將公平值計量分類之公平值等級類別(第一至三類)之資料。

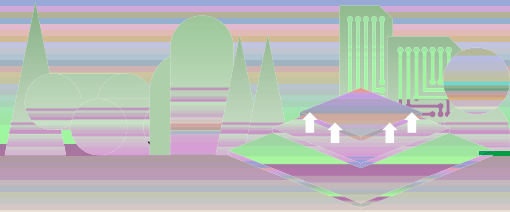
截至二零一七年及二零一六年十二月三十一日止年度，概無第一至第三類之間的轉移。

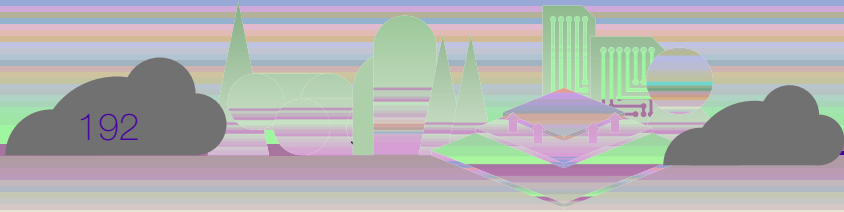


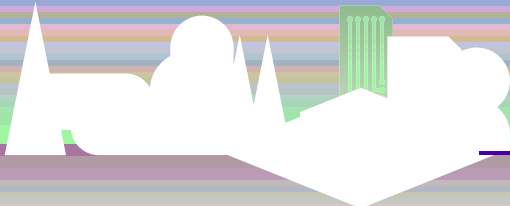
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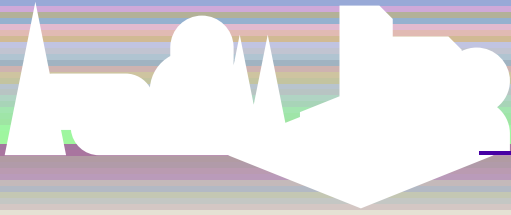


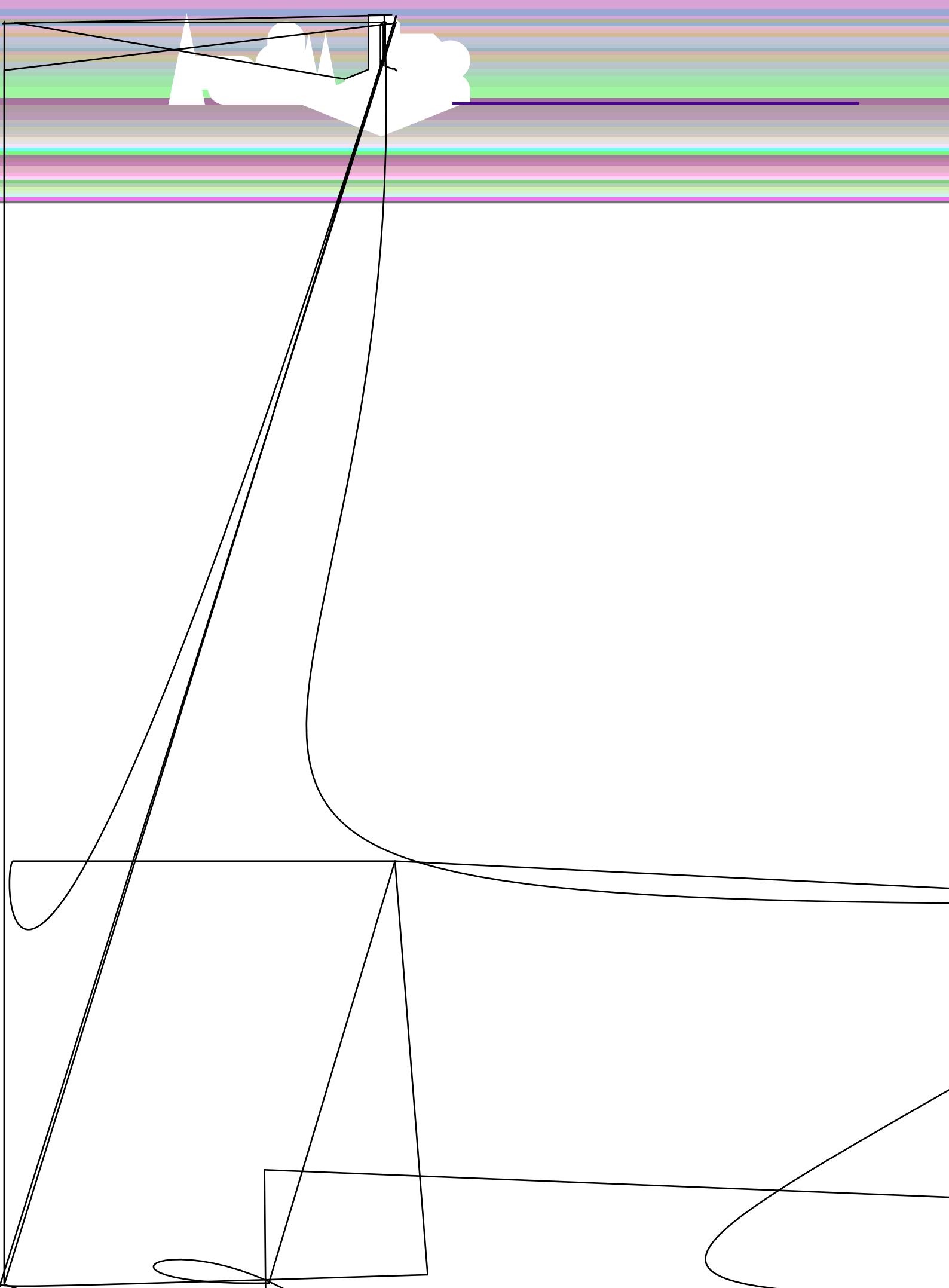


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For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

41.





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

42. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

(a) General information of subsidiaries (continued)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration and operation 註冊成立 登記及營業地點	Issued and fully paid share capital/registered capital 已發行及繳足股本 註冊資本		Effective equity interest held by the Group 本集團持有 之實際股權		Principal activities 主要業務
		2017 二零一七年	2016 二零一六年	2017 二零一七年	2016 二零一六年	
				%	%	
Kingboard Electronic Ra Material (Jiang Yin) Co., Ltd 建滔電子材料(江陰)有限公司	PRC ¹ 中國 ¹	US\$30,000,000 30,000,000美元	US\$30,000,000 30,000,000美元	69.32	74.19	Manufacture and distribution of laminates 製造及分銷覆銅面板
Kingboard (Pan u Nansha) Petrochemical Compan Limited 建滔(番禺南沙)石化有限公司	PRC ¹ 中國 ¹	RMB250,000,000 人民幣250,000,000元	RMB250,000,000 人民幣250,000,000元	69.32	74.19	Manufacture and distribution of chemicals 製造及分銷化工產品

* The Compan directl holds the equit interest in Jamplan (BVI) Limited. The Compan 's equit interest in all other subsidiaries is held indirectl through Jamplan (BVI) Limited.

These are investment holding companies hich have no specific principal place of operations.

⊙ These companies are listed on The Singapore E change Securities Trading Limited.

These companies are listed on the Main Board of The Stock E change of Hong Kong Limited.

¹ These companies ere established in the PRC in the form of Wholl Foreign-oped Enterprises.

² These companies ere established in the PRC in the form of Sino-Foreign Equit Joint Venture.

The above table lists the subsidiaries of the Compan hich, in the opinion of the Directors, principall affected the results or assets of the Group. To give details of other subsidiaries ould, in the opinion of the Directors, result in particulars of e cessive length.

None of the subsidiaries had issued an debt securities at the end of the ear.

42. 本公司主要附屬公司詳情(續)

(a) 附屬公司的一般資料(續)

* 本公司直接持有Jamplan (BVI) Limited之股權。本公司於所有其他附屬公司之股權均透過Jamplan (BVI) Limited間接持有。

此等為投資控股公司，並無特定之主要經營地點。

⊙ 此等公司於新加坡證券交易所有限公司上市。

此等公司於香港聯合交易所有限公司主板上市。

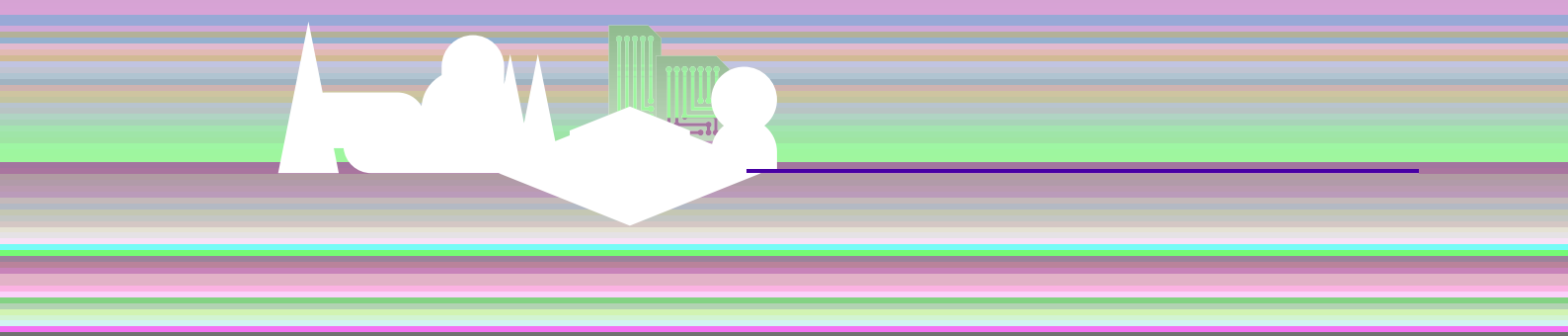
¹ 此等公司乃以外商獨資企業形式在中國成立。

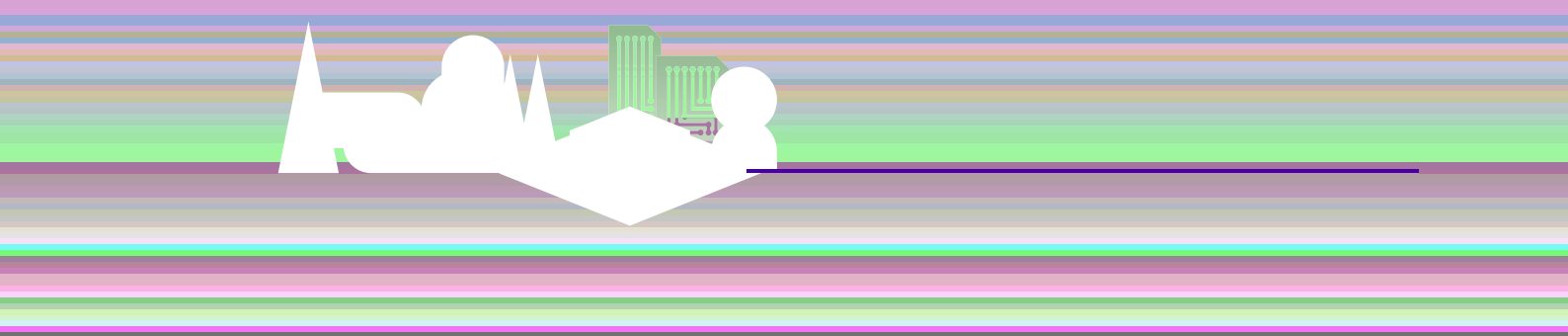
² 此等公司乃以中外合資合營企業形式在中國成立。

上表所列為董事認為主要影響本集團業績或資產之本公司附屬公司。董事認為列出其他附屬公司之詳情會過於冗長。

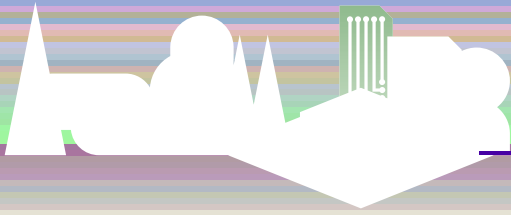
各附屬公司於年結時概無發行任何債務證券。

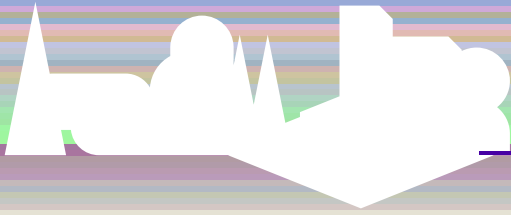












NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

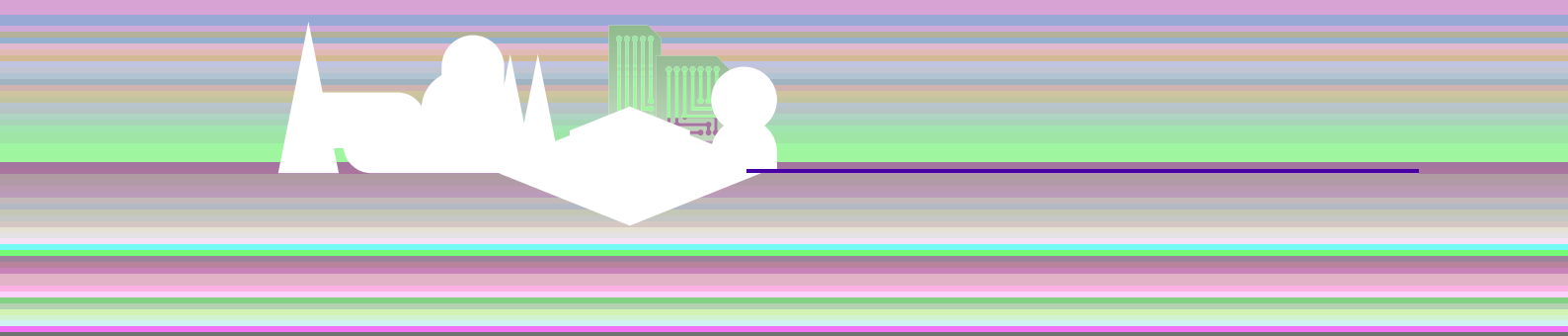
綜合財務報表附註

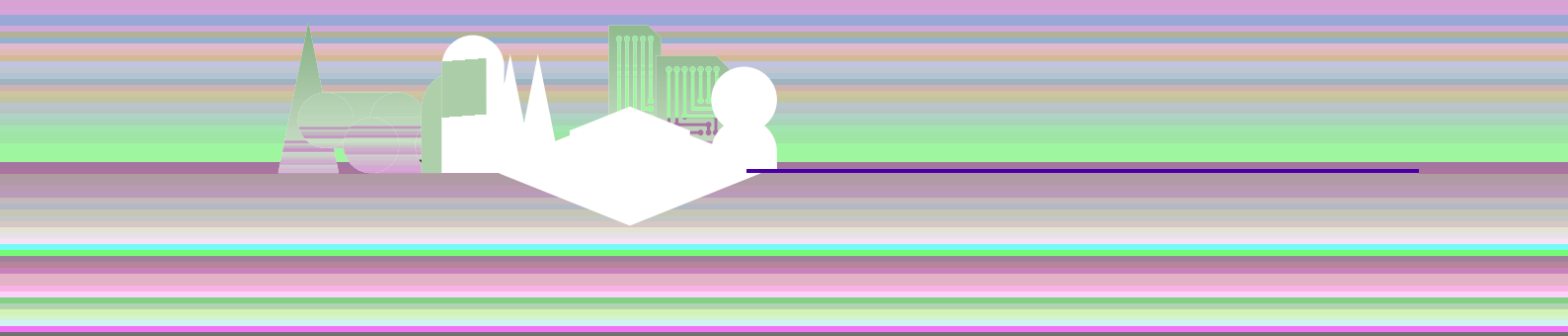
For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

44. STATEMENT OF FINANCIAL POSITION
AND RESERVES OF THE COMPANY44. 本公司之財務狀況及儲
備報表

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Non-current assets	非流動資產		
Properties, plant and equipment	物業、廠房及設備	-	1,752
Investments in subsidiaries	於附屬公司之投資	1,459,316	726,786
Available-for-sale investments	可供出售投資	1,059,222	727,244
		2,518,538	1,455,782
Current assets	流動資產		
Other receivables	其他應收賬款	197,130	170,443
Amounts due from subsidiaries	應收附屬公司款項	26,122,480	24,095,502
Bank balances	銀行結餘	305,008	22,721
		26,624,618	24,288,666
Current liabilities	流動負債		
Other payables	其他應付賬款	1,033,670	1,059,215
Amounts due to subsidiaries	應付附屬公司款項	12,922,040	10,949,259
Bank borrowings - amount due within one year	銀行借貸 - 一年內到期之款項	1,286,215	3,341,519
		15,241,925	15,349,993
Net current assets	流動資產淨值	11,382,693	8,938,673
Total asset less current liabilities	資產總值減流動負債	13,901,231	10,394,455
Non-current liabilities	非流動負債		
Bank borrowings - amount due after one year	銀行借貸 - 一年後到期之款項	7,766,675	4,795,845
		6,134,556	5,598,610
Capital and reserves	股本及儲備		
Share capital	股本	106,645	103,840
Reserves	儲備	6,027,911	5,494,770
		6,134,556	5,598,610







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various health benefits

