恒
Perennial
都

2019

ANNUAL REPORT 年報

PERENNIAL INTERNATIONAL LIMITED
恒都集團有限公司
(Stock code 股份代號: 00725)

CONTENTS目錄

Corporate Information	2	公司資料
Mission Statement	4	宗旨
Corporate Profile	5	集團簡介
Chairman's Statement	6	主席報告
Management Discussion and Analysis	9	管理層討論及分析
Environmental, Social and Governance Report	11	環境、社會及管治報告
Corporate Governance Report	37	企業管治報告
Directors' Report	49	董事報告
Independent Auditor's Report	60	獨立核數師報告
Consolidated Income Statement	67	綜合損益表
Consolidated Statement of Comprehensive Income	68	綜合全面收益表
Consolidated Statement of Financial Position	69	綜合財務狀況表
Consolidated Statement of Changes in Equity	71	綜合權益變動表
Consolidated Statement of Cash Flows	73	綜合現金流量表
Notes to the Consolidated Financial Statements	74	綜合財務報表附註
Financial Highlights	156	財務概括

CORPORATE INFORMATION
公司資料

Board of Directors

Executive Directors
MON Chung Hung *(Chief Executive Officer and Deputy Chairman)*
SIU Yuk Shing, Marco
MON Wai Ki, Vicky
MON Tiffany

Non-Executive Director
KOO Di An, Louise *(Chairman)*

Independent Non-Executive Directors
LAU Chun Kay
LEE Chung Nai, Jones
CHUNG Kit Ying

Audit Committee
LAU Chun Kay *(Committee chairman)*
LEE Chung Nai, Jones
KOO Di An, Louise
CHUNG Kit Ying

Remuneration Committee
LAU Chun Kay *(Committee chairman)*
LEE Chung Nai, Jones
KOO Di An, Louise
CHUNG Kit Ying

Nomination Committee
LAU Chun Kay *(Committee chairman)*
LEE Chung Nai, Jones
KOO Di An, Louise
CHUNG Kit Ying

Compliance Committee
KOO Di An, Louise *(Committee chairman)*
MON Chung Hung
SIU Yuk Shing, Marco
MON Wai Ki, Vicky
MON Tiffany
LAU Chun Kay
LEE Chung Nai, Jones
CHUNG Kit Ying

Authorised Representatives
MON Chung Hung
SIU Yuk Shing, Marco

Company Secretary
LAI Wing Hong

董事會

執行董事
孟振雄*(行政總裁及副主席)*
蕭旭成
孟瑋琦
孟韋怡

非執行董事
顧迪安*(主席)*

獨立非執行董事
劉振麒
李宗鼎
鍾潔瑩

審核委員會
劉振麒*(委員會主席)*
李宗鼎
顧迪安
鍾潔瑩

薪酬委員會
劉振麒*(委員會主席)*
李宗鼎
顧迪安
鍾潔瑩

提名委員會
劉振麒*(委員會主席)*
李宗鼎
顧迪安
鍾潔瑩

監察委員會
顧迪安*(委員會主席)*
孟振雄
蕭旭成
孟瑋琦
孟韋怡
劉振麒
李宗鼎
鍾潔瑩

授權代表
孟振雄
蕭旭成

公司秘書
黎永康

Registered Office
Clarendon House
2 Church Street
Hamilton HM11
Bermuda

註冊辦事處
Clarendon House
2 Church Street
Hamilton HM11
Bermuda

Principal Place of Business in Hong Kong
Units 2002–2006, 20th Floor
Greenfield Tower
Concordia Plaza
1 Science Museum Road
Tsimshatsui, Kowloon
Hong Kong

香港主要營業地點
香港
九龍尖沙咀
科學館道1號
康宏廣場
南座
20樓2002–2006室

Stock Code
Stock Code on The Stock Exchange of
Hong Kong Limited: 00725

股份代號
香港聯合交易所有限公司
股份代號：00725

Principal Banker
Hang Seng Bank
83 Des Voeux Road Central
Hong Kong

主要往來銀行
恒生銀行
香港
德輔道中83號

Auditors
PricewaterhouseCoopers
Certified Public Accountants and Registered PIE Auditor
Central, Hong Kong

核數師
羅兵咸永道會計師事務所
註冊會計師及註冊公眾利益實體核數師
香港中環

Principal Registrar and Transfer Office
Conyers Corporate Services (Bermuda) Limited
Clarendon House
2 Church Street
Hamilton HM11
Bermuda

股份登記及過戶總處
Conyers Corporate Services (Bermuda) Limited
Clarendon House
2 Church Street
Hamilton HM11
Bermuda

Branch Registrar and Transfer Office
Hong Kong Registrars Limited
17M Floor
Hopewell Centre
183 Queen's Road East
Wan Chai, Hong Kong

股份登記及過戶分處
香港證券登記有限公司
香港灣仔
皇后大道東183號
合和中心
17M樓

Website
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網址
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MISSION STATEMENT
宗旨

Perennial International Limited is dedicated to maintain the high quality of its products, manufacturing processes and service to customers and to forge a worldwide reputation as a business demanding excellence in all of its operations.

恒都集團有限公司致力提供優質產品、嚴格監控生產過程、以及奉行以客為本的精神，務求達到盡善盡美，讓集團聲名遠播，享譽全球。

CORPORATE PROFILE
集團簡介

The Perennial Group, founded in 1989, manufactures and trades quality power cord, power cord sets, cables and solid wire, wire harnesses and plastic resins. The Group's primary markets are America, Europe, Australia, Mainland China, Japan and Southeast Asia where it sells to prominent multi-national producers of electrical and electronic products.

Headquartered in Hong Kong, as at 31st December 2019, the Group employed 1,115 full time staff worldwide involved in management, sales and marketing, shipping, procurement, financial and accounting, engineering, production and manufacturing. The Group considers its employees to be its most important asset while its key values are quality, prudence and integrity.

恒都集團於一九八九年成立，專門製造及營銷優質的電源線、電源線組合、導線、組合線束及塑膠皮料。本集團主要的外銷市場是美洲、歐洲、澳洲、中國大陸、日本及東南亞客戶對象為著名的跨國電器及電子產品生產商。

本集團總部設於香港，於二零一九年十二月三十一日，在全球僱用1,115名全職員工，主要負責管理、銷售及市場推廣、船務、採購、財務及會計、工程及生產等工作。本集團視員工為最寶貴的資產，而優質、審慎及誠信則為最重要的價值。

CHAIRMAN'S STATEMENT
主席報告

On behalf of the Board of Directors (the "Board") of Perennial International Limited (the "Company"), I am pleased to announce the audited consolidated financial results of the Company, together with its subsidiaries (the "Group") for the year ended 31st December 2019.

本人謹代表恒都集團有限公司(「本公司」)董事會(「董事會」),宣佈本公司及其附屬公司(「本集團」)截至二零一九年十二月三十一日止年度的經審核綜合財務業績。

The Group's revenue was HK$301,357,000 (2018: HK$355,744,000). Loss for the year was HK$13,198,000 compared to HK$1,760,000 in 2018. Loss per share was HK$0.066 (2018: HK$0.009).

本集團的營業額為301,357,000港元(二零一八年:355,744,000港元)。全年虧損為13,198,000港元,而二零一八年則為1,760,000港元。每股虧損為0.066港元(二零一八年:0.009港元)。

Final Dividend

The Board does not recommend the final dividend for the year ended 31st December 2019. The Group did not pay any dividend for the year ended 31st December 2018.

末期股息

董事會不建議派發截至二零一九年十二月三十一日止年度之末期股息。於截至二零一八年十二月三十一日止年度,本集團並無派發任何股息。

The forthcoming Annual General Meeting to be held on Tuesday, 19th May 2020 ("2020 AGM").

本公司將於二零二零年五月十九日(星期二)舉行應屆的股東週年大會(「二零二零年股東週年大會」)。

The register of members of the Company will be closed during the periods from Thursday, 14th May 2020 to Tuesday, 19th May 2020, both days inclusive and during which period no share transfer will be effected, for the purpose of ascertaining shareholders' eligibility to attend and vote at the 2020 AGM. In order to be eligible to attend and vote at the 2020 AGM, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar, Hong Kong Registrars Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Wednesday, 13th May 2020.

本公司將由二零二零年五月十四日(星期四)至二零二零年五月十九日(星期二)止,首尾兩天包括在內,暫停辦理股份過戶登記手續,以釐定有權出席二零二零年股東週年大會並於會上投票之股東身份。為確保合資格出席二零二零年股東週年大會並於會上投票之權利,所有股份過戶文件連同有關股票須於二零二零年五月十三日(星期三)下午四時三十分前送達本公司在香港之過戶登記分處香港證券登記有限公司辦理過戶登記手續,地址為香港灣仔皇后大道東183號合和中心17M樓。

Business Review

The Group's revenue decreased by 15.3% to HK$301 million in this financial year. The decrease in revenue was mainly due to reduction of sales as a result of continued intense market price competition escalated by the trade disputes between the United States and China. Revenue in terms of sales mix was relatively stable when compared with that of last year. Sales in power cords and plastic resins accounted for 63% of the Group's revenue, and cables, wires and wire harness accounted for 37% of the Group's revenue.

業務回顧

於本財政年度,本集團的營業額減少15.3%至3.01億港元。營業額減少主要由於中美兩國的貿易爭端使激烈的市場價格競爭加劇,導致銷售訂單減少。與去年比較,按銷售組合劃分的營業額相對穩定。電源線及塑膠皮料的銷售額佔本集團營業額的63%,而電纜、導線及組合線束則佔本集團營業額的37%。

The gross margin increased from 15.8% in 2018 to 18.5% in 2019. The increase in gross margin was attributable to lower production costs and improved manufacturing efficiency by using accurate production planning and material usage system.

毛利率由二零一八年的15.8%增至二零一九年的18.5%。毛利率上升是由於運用精確的生產規劃及材料使用體系導致生產成本降低且生產效率提升。

The Group recorded a negative net profit margin of 4.4% in 2019 compared to negative net profit margin 0.5% in 2018. The net loss was mainly due to a decrease in fair value of investment property in Hong Kong of approximately HK$8.1 million; and redundancy compensation of approximately HK$6.3 million occurred in the year ended 31st December 2019.

本集團於二零一九年錄得負純利率4.4%,而二零一八年為負純利率0.5%。虧損淨額主要由於位於香港的投資物業之公允值減少約8.1百萬港元;及於截至二零一九年十二月三十一日止年度產生約6.3百萬港元之減員補償所致。

As to the factory construction in Quang Ngai, Vietnam, the phase II construction works consisting of the construction of two factory buildings on phase II development of the land, was completed during the first half of 2019. The first revenue was recorded in April 2019. Currently, approximately 40% of production has been shifted to factory Quang Ngai, Vietnam. The factory in Quang Ngai Vietnam will focus on the production of regular and mature products while factories in Shenzhen City and Heyuan City in China will focus on the production of unique products.

有關在越南廣義興建廠房的事宜，第二期建築工程，當中包括於第二期開發土地上興建兩幢廠房，已於二零一九年上半年竣工，且於二零一九年四月錄得首筆營業額。目前，約40%的生產已轉移至越南廣義工廠。位於越南廣義的工廠將重點生產常規及成熟產品，而位於中國深圳市及河源市的工廠將重點生產獨特產品。

The Group has entered into a construction contract on 11th March 2020 as the Third Phase Construction Contract for the Third Phase Construction Works consisting of the construction of two factory buildings for cable manufacturing and one auxiliary warehouse on phase three development of the land in Quang Ngai. For details of the transaction, please refer to Company's announcement dated 11th March 2020. The Third Phase Construction Works are expected to be completed by the end of August 2020.

本集團已於二零二零年三月十一日訂立建造合約作為第三階段建造合約，以開展第三階段建造工程，包括於廣義的第三期開發土地上興建兩間電纜製造廠房及一間附屬貨倉。有關該交易詳情，請參閱本公司日期為二零二零年三月十一日的公告。預期第三階段建造工程將於二零二零年八月底竣工。

Regarding the Group's ESG performance, please refer to the Group's ESG report on page 11 to 36.

有關本集團的環境、社會及管治表現，請參閱第11至36頁本集團的環境、社會及管治報告。

Future Prospect

The global economic situation is complex and volatile, and economic growth is still relatively weak. The situation is further compounded by the outbreak of coronavirus disease (COVID-19) in the beginning of 2020. However, the Group has full confidence in the future development of the Group. The Group will continue to maintain close and stable business relationship with renowned customers in the United States and Japan and will further develop quality customers in Japan, Europe and the emerging markets.

未來展望

全球經濟形勢複雜多變，經濟增長仍相對疲弱。二零二零初爆發新型冠狀病毒疾病(COVID-19)使形勢進一步惡化。然而，本集團對本集團的未來發展充滿信心。本集團將繼續與美國和日本的知名客戶保持緊密及穩定的業務關係，並將進一步開發日本、歐洲及新興市場的優質客戶。

Currently, the outbreak of coronavirus disease (COVID-19) has minimal impact on the operations of the factories in Vietnam, Shenzhen City and Heyuan City in China. The Group has responded quickly and adopted precautionary measures to maintain normal operations. At the moment, the operations of factories in Vietnam, Shenzhen City and Heyuan City in China have been substantially restored to the normal operation capacities. The Group will monitor the situation and continuously engage relevant resources and adjust the purchase and production activities in a timely manner to mitigate the potential impact.

目前，新型冠狀病毒疾病(COVID-19)的爆發對位於越南及中國深圳市及河源市工廠之營運影響甚微。本集團已迅速作出反應，並採取預防措施以維持正常營運。目前，越南、中國深圳市及河源市的工廠已基本恢復正常運營能力。本集團將密切關注情況，持續動用相關資源，並及時調整採購及生產活動，以減輕潛在影響。

The Group expects that a balanced development will be achieved through diversified factory development in Quang Ngai, Vietnam, the factories in Shenzhen City and Heyuan City in China with the existing business to increase the value of shareholders. It will also enhance the growth and sustainable development of the Group.

本集團預期，通過在越南廣義、中國深圳市及河源市的工廠進行多元化的工廠開發，可以使其現有業務實現平衡發展，以增加股東價值。此舉亦將促進本集團的增長和可持續發展。

Corporate Governance

The Group is committed to safeguarding shareholders' rights and enhancing corporate governance standard. As a result, the Group has established the Compliance Committee, Audit Committee, Remuneration Committee and Nomination Committee to adhere to the best practice.

企業管治

本集團致力維護股東權益，提升企業管治水平。因此，本集團設立監察委員會、審核委員會、薪酬委員會及提名委員會，遵守最佳守則。

Social Responsibility

The Group's factories are regularly subject to factory audit by multinational enterprises. The factory audit served as a catalyst to enhance the Group's standard on corporate social responsibility.

Moreover, the Group holds a strong belief in corporate social responsibility. So the Group continues to participate in and support community activities in both Hong Kong and the PRC.

社會責任

本集團的工廠定期由國際企業進行驗廠評估。本集團亦憑著驗廠評估工作得以促進企業的社會責任標準。

同時，本集團堅守信念，做一家負責任的企業。所以本集團持續參與和支持香港及中國的社會活動。

Vote of Thanks

On behalf of the Board, my sincere thanks to our loyal shareholders, partners and customers for their continuous support and to our staff for their dedication.

致謝

本人謹代表董事會，向忠誠的股東、夥伴、客戶及員工的鼎力支持，表示衷心感謝。

By Order of the Board
Koo Di An, Louise
Chairman

Hong Kong, 24th March 2020

承董事會命
顧廸安
主席

香港，二零二零年三月二十四日

MANAGEMENT DISCUSSION AND ANALYSIS
管理層討論及分析

Liquidity and Financial Resources
As at 31st December 2019, the consolidated short-term borrowings of the Group was approximately HK$68,435,000. The borrowings are denominated in Hong Kong dollars. The bank balances and cash amounted to approximately HK$36,548,000.

As at 31st December 2019, the Group's trade and bill receivables balance was approximately HK$81,163,000, representing 26.9% of the year's revenue of approximately HK$301,357,000. The Group adopted a stringent credit policy to minimize credit risk.

As at 31st December 2019, the Group's gearing ratio, which is calculated by dividing total borrowings to total equity was 12.2% (2018: 10.6%).

The Group's average cost of borrowings was 3.68% for the year ended 31st December 2019 (2018: 3.15%).

流動資金及財務資源
於二零一九年十二月三十一日，本集團之綜合短期借款約為68,435,000港元。所有借款均以港元為單位。現金及銀行存款約達36,548,000港元。

於二零一九年十二月三十一日，本集團之應收貿易賬款及票據結餘約為81,163,000港元，佔年度營業額約301,357,000港元之26.9%。本集團採納嚴謹之信貸政策，以盡量減低信貸風險。

於二零一九年十二月三十一日，本集團的槓桿比率(以總借款除以總權益計算)為12.2%(二零一八年：10.6%)。

截至二零一九年十二月三十一日止年度，本集團之平均借款成本為3.68%(二零一八年：3.15%)。

Capital Structure
As at 31st December 2019, the consolidated shareholders' equity of the Group was approximately HK$562,524,000, representing a decrease of 2.7% over that of the previous year. The debt to equity ratio, which is calculated by dividing total liabilities to shareholders' equity, was approximately 27.1%.

股本結構
於二零一九年十二月三十一日，本集團之綜合股東權益約為562,524,000港元，較去年下跌2.7%。負債對資本比率(以負債總額除以股東權益計算)約為27.1%。

Capital Expenditure and Material Acquisitions
During the year under review, capital expenditure approximate to HK$15,449,000.

資本開支及重大收購
於回顧年度，資本開支為約15,449,000港元。

Pledge of Assets
As at 31st December 2019, the Group's trade and loan finance facilities amounted to approximately 173,040,000, which were secured by legal charges over certain land and buildings and investment properties of the Group with a total carrying value of HK$144,530,000.

抵押資產
於二零一九年十二月三十一日，本集團約有173,040,000港元之貿易及信貸融資，乃以本集團總賬面值144,530,000港元之若干土地及樓宇及投資物業之法定抵押。

Segment Information
During the year under review, Hong Kong, America and Mainland China continued to be the Group's major markets, accounting for approximately 28%, 57% and 14% of the Group's total sales respectively. The remaining 1% of sales were generated from customers located in Europe and other countries.

分部資料
回顧年內，香港，美洲及中國大陸依舊是本集團的主要銷售市場，分別佔本集團營業額約28%、57%及14%。歐洲地區及其他國家的客戶則佔本集團餘下約1%的營業額。

Employees' Remuneration Policy

As at 31st December 2019, the Group employed 1,115 full time management, administrative and production staff worldwide. The Group follows market practice on remuneration packages. Employee's remuneration is reviewed and determined by senior management annually depending on the employee's performance, experience and industry practice. The Group invests in its human capital. In addition to on-job training, the Group adopts policies of continuous professional training programs.

僱員薪酬政策

於二零一九年十二月三十一日，本集團在全球僱用1,115名全職之管理、行政及生產人員。本集團之薪酬組合乃按市場常規而定。高級管理人員按僱員表現、經驗及業內常規，每年檢討及釐定僱員薪酬。本集團對人力資源作出投資，除為員工提供在職培訓外，本集團亦制訂員工持續進修專業培訓政策。

Foreign Exchange Exposure

All foreseeable foreign exchange risks of the Group are appropriately managed and hedged, if necessary.

匯率風險

本集團所有可預見外匯風險已被合適地監管，如有需要，會使用對沖安排。

Contingent Liabilities

As at 31st December 2019, the Group did not have any material contingent liabilities.

或然負債

於二零一九年十二月三十一日，本集團並無重大或然負債。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT
環境、社會及管治報告

About this Report

This report is the fourth annual environmental, social and governance (ESG) report prepared by Perennial International Limited ("Perennial", "the Company", "the Group" and "we" or "us") with reference to the ESG Reporting Guide published by the Hong Kong Stock Exchange. The report covers all business departments in Hong Kong, Shenzhen, Heyuan and Vietnam. Unless otherwise specified, the period involving the figures and content of the report would be 1st January 2019 to 31st December, 2019.

The figures and contents of this report mainly come from the statistical reports and internal communication documents of the Company. The Board of the Company undertakes that there are no misrepresentations or misleading statements contained in this report, and assumes responsibilities for the authenticity, accuracy and completeness of its content. Upon confirmation by the management, the report was approved by the Board on 24th March 2020.

For any enquiry on the report, please email to info@perennialcable.com.

Perennial's Environmental, Social and Governance Practice

The Group engages in the manufacturing and trading of high-quality power cords and related products for medical, solar energy, automotive and home appliances as well as the selling of such products to renowned producers of electrical and electronic products in different continents. While committed to the pursuit of profit, the Group also strives to reduce any negative impacts on the environment, its workforce and business partners, and the community. Through the establishment of management systems and implementation of various measures in terms of environmental protection, protection of workers' rights and interests, product quality and social welfare, we aim to create values for all.

The Group holds fast the conviction of corporate accountability and integrates environmental, social and governance elements in all aspects of the Group from top to bottom. The Board of Directors assumes the responsibility of assessing our performance and the existence of any risks in terms of the environment, society and governance to ensure that important issues are dealt with according to their priorities, and to approve any relevant information for disclosure by the Group. In their day-to-day operation, operation sites and departments of the Group realize policies and measures of the Group for the environmental, social and governance management by coordinating and implementing appropriate policies and measures. Major customers of the Group conduct regular inspection and assessment in the Group's production base in connection with the social responsibility. As a part of its commitment to the corporate social responsibility, the Group continuously improves its internal management on the basis of the recommendations from such inspection and assessment. As a part of its commitment to the corporate social responsibility, the Group continuously improves its internal management on the basis of the recommendations from such inspection and assessment.

關於本報告

本報告為恒都集團有限公司(「恒都」、「公司」、「集團」、「我們」)第四份年度環境、社會及管治報告，參照香港聯交所發佈的《環境、社會及管治報告指引》所編製，涵蓋集團於香港、深圳、河源及越南營運地點的業務部門。如無特別說明，報告的數據及內容所涉及的日期範圍均為二零一九年一月一日至二零一九年十二月三十一日。

本報告的數據和內容主要來源於公司統計報告及內部溝通文件。公司董事會承諾本報告不存在任何虛假記載或誤導性陳述，並對其內容真實性、準確性和完整性負責。本報告經管理層確認後，於二零二零年三月二十四日獲董事會通過。

如對本報告有任何查詢，請電郵至info@perennialcable.com。

恒都的環境社會管治

恒都集團專門製造及營銷用於醫療、太陽能、汽車及家電等優質電源線及相關產品，並外銷至各國著名電器及電子產品生產商。本集團致力在追求營利的同時，減少對周邊環境、勞工、商業伙伴和社群等所帶來的影響，以及透過建立針對環境保護、勞工權益保障、產品品質、社會公益等事宜的管理體系和實行措施，為各方創造更多價值。

集團堅守作為負責任企業的信念，由上至下在集團各個環節加入環境、社會及管治元素。董事會負責定期檢討環境、社會及管治的相關風險和表現、確保重要議題根據優次得到管理，以及審批集團所披露的有關資料。公司的各營運點及各部門則在日常營運中統籌和執行適當政策及措施，實現集團對環境、社會及管治管理的方針和策略。恒都的生產基地定期接受主要客戶安排的社會責任驗廠評估，集團會根據驗廠評估的建議持續改善內部管理，秉持其企業社會責任。

Stakeholder Communication

The Group's business operation may affect its shareholders, employees, customers, suppliers, and the government, and in turn, they may have their expectations and opinions on Perennial's operation and strategies. To maintain effective communication with our stakeholders and for the incorporation of their demands in a balanced manner for the enhancement of our operation, we have prepared a set of management procedures regarding stakeholder communication according to their characteristics, and used appropriate communication channels so that information can be delivered effectively and in a timely fashion. The Group's means of communication with its stakeholders are specified as follows:

Stakeholder Group	Means of Communication
Shareholders	– Regular announcements – Annual general meetings
Government	– Appointments
Employees	– Formulating a work appraisal system – Setting up suggestion boxes – Direct email communication with the management staff
Customers	– Customer satisfaction survey – Regular communication (by means of telephone, site visit and business dinner) – After-sales service
Suppliers	– Continuous follow-up and evaluation of suppliers – Regular communication (by means of telephone, site visit, business dinner)
Charity Partners	– Active contact

持份者溝通

集團的業務營運為股東、政府、員工、客戶及供應商等持份者帶來影響，亦會對恒都的營運及策略持有期望和意見。為了確保與持份者保持良好的雙向溝通，並將他們的訴求平衡地納入以促進集團營運，我們因應持份者的特性制訂了持份者溝通管理程序，透過採用適合的溝通渠道，令各種資訊能及時、有效地傳達。集團現時與各持份者具體溝通方式如下：

持份者組別	溝通方式
股東	– 定期公告 – 年度股東大會
政府	– 主動約見
員工	– 設立工作評估制度 – 設立意見箱 – 與管理人員直接電郵聯繫
客戶	– 顧客滿意度調查 – 定期溝通(電話聯絡、實地走訪、工作聚餐) – 售後服務
供應商	– 持續跟進和評價供應商 – 定期溝通(電話聯絡、實地走訪、工作聚餐)
公益伙伴	– 主動聯繫

Material Issues on Environmental, Social and Governance

In 2016, an independent consultant was engaged to solicit opinions and suggestions from our stakeholders such as our staff, customers and suppliers in accordance with the Environmental, Social and Governance Reporting Guide to facilitate the materiality assessment to identify environmental, social and governance issues that are relevant and important to Perennial, thus setting the corresponding strategic directions. Results of that materiality assessment have been still applied up to date. Although our factory in Vietnam was put into operation this year, but there was no significant change in the overall operation and business in the year compared to that in 2016. Upon careful consideration, the Board decides to adopt the list of material issues prepared in the previous years. The significant issues and their relevance to the Group are summarized as follow:

重要的環境、社會及管治議題

恒都根據香港聯交所《環境、社會及管治報告指引》內的要求，於二零一六年特意委託獨立顧問公司向我們的員工、客戶、供應商等持份者收集意見，從而進行重大性評估，識別與恒都相關且重要的環境、社會與管治議題，從而制訂相應的策略及方向。重大性評估的結果沿用至今。本年，雖然越南的廠房投入生產，但公司本年的整體營運及業務與二零一六年相比並無重大改變，董事會經詳細考慮後，決定繼續沿用上述年度所訂立的重要議題清單。重要議題與恒都集團之相關性簡述如下：

Environmental 環境		Employment 僱傭	
Issue 議題	**Relevance to the Group 與恒都集團之相關性**	**Issue 議題**	**Relevance to the Group 與恒都集團之相關性**
Energy conservation 節約能源	The Group consumes energy in machine operation and lighting, during the production process. 集團在生產過程中會使用能源以驅動機器及照明。	Occupational health and safety 職業健康安全	The production personnel face certain health and safety risks when they are working on the production lines. The Company is responsible for the work safety of its staff members. 生產人員在生產線上工作時會面對若干健康及安全風險。公司有責任保障員工工作安全。
Waste disposal 廢棄物處理	During the production process, the Group produces various wastes, some of which are hazardous and require proper handling. 集團在生產過程中會產生各類廢料，部分屬有害廢棄物，需要妥善處理。	Labor and human rights regulations 勞動及人權法規	The operation of the Company must comply with local laws and regulations. We particularly stress the provision of statutory protection and rights for our staff. 公司的營運必須符合當地的法律法規，我們尤其重視為勞工提供法定保障及權利。
Water resources management 水資源管理	The Group utilizes municipal water in some of its production phases. 集團在部分生產環節中會使用市政水。	Staff training 員工培訓	Our staff training helps enhance product quality and production efficiency. 為員工提供培訓有助提升產品質量及生產效率。

Environmental 環境		Employment 僱傭	
Issue 議題	**Relevance to the Group 與恒都集團之相關性**	**Issue 議題**	**Relevance to the Group 與恒都集團之相關性**
Material recycling 物料循環使用	Since the Group produces various wastes during the production process, the reuse of wasted materials can reduce land pollution. 集團在生產過程中會產生各類廢料，循環使用廢料可減少對土地污染。	Employment relationship 僱傭關係	Various business development plans of the Company are closely linked to recruiting and retaining staff. Building good employment relationships and positive employer image is conducive to hiring and retaining talents. 公司各項業務發展計劃的推行與人才的招聘及挽留息息相關。建立良好的僱傭關係，建立良好僱主的形象，有助招聘和挽留人才。
Packaging materials 包裝材料	As the Group must use packaging materials to deliver products, such materials may become wastes after delivery. 集團在運送產品時必須使用包裝材料，此等包裝材料在供貨後有可能會成為廢料。		
Environmental regulations and impact 環境法規及影響	The operation of the Company must comply with local laws and regulations. We particularly stress the possible environmental impact of our production bases. 公司的營運必須符合當地的法律法規，我們尤其重視生產基地可能對環境構成的影響。		

Operation 營運		Community 社區	
Issue 議題	**Relevance to the Group 與恒都集團之相關性**	**Issue 議題**	**Relevance to the Group 與恒都集團之相關性**
Product quality 產品質量	Customers expect to purchase quality and safe products. Product quality and safety are the foundations for keeping the faith of our customers. 顧客期望採購優質及安全的產品。產品質量及安全性為維持顧客信心之基石。	Community investment 社區投入	Committed to serving as a company of integrity, the Group sustains its participation in and support of community activities in Hong Kong and China. 本集團堅持做良心企業的信念，所以我們持續參與和支持當地的社區活動。
Customer relationship 客戶關係	Maintaining good customer relations brings stable income streams and corporate development for Perennial Group. 維持於客戶的關係可令恒都集團具有穩定的收入來源和企業發展。		
Anti-corruption 反貪腐	The operation of the Company must comply with local laws and regulations. Business ethics stands as the foundation for the Company's reputation. 公司的營運必須符合當地的法律法規，商業道德更是公司信譽之基石。		
Supply chain management 供應鏈管理	As its suppliers may affect the environment during their operation, Perennial is responsible for supporting the suppliers with better environmental performance. 供應商或營運時或會對環境構成影響，恒都有責任支持環境表現較佳的供應商。		

Environment

Environmental Management Procedures

The Group optimized its environmental management and actively ensured that environmental management was performed well by each of its operation sites in order to respond to the expectations of various stakeholders. The Group complied with the relevant environmental laws and regulations such as the Environmental Protection Law of the People's Republic of China (China), the Air Pollution Prevention Law of China, the Water Pollution Prevention Law of China, and Vietnam's Law on Environmental Protection, the National Technical Regulation on Ambiant and Air Quality, the National Technical Regulations on Industrial Emission of Inorganic Substance and Dust, the Decree on Management of Waste and Discarded Materials and the Decree on the Drainage and Treatment of Waste Water. There were no cases of violation of the above laws and regulations during the year. Each of production bases of the Group has developed the corresponding Environmental Procedures to provide clear guidelines for various departments in connection with energy conservation, more efficient utilization of resource, proper disposal of wastes and prevention and control of environmental pollution. Such procedure also clearly provides for the responsibilities of the Group's personnel so that it can be effectively implemented. We also regularly review and evaluate the implementations of environmental management plans and procedures, and various environmental goals and targets, and promptly take corrective and preventive measures against doubtful areas.

In addition, according to the "Provisions of Carbon Emissions Management of the Shenzhen Special Economic Zone" and "Interim Measures of Shenzhen Municipality for the Administration of Carbon Emission Permits Trading", our production base in Shenzhen has joined the Shenzhen carbon emission trading market.

環境

環境管理程序

集團持續優化自身環境管理工作，積極將環境管理工作落實於每個營運部份，以回應各持份者的期望。集團遵循《中華人民共和國(中國)環境保護法》、《中國大氣污染防治法》、《中國水污染防治法》，及越南的《環境保護法》、《國家環境空氣質量技術規定》、《國家無機物和粉塵工業排放技術規定》、《廢物和廢棄物管理法令》及《廢水排放和處理法令》等相關的環境法規，於本年內沒有任何違反上述條例之個案。恒都集團的各生產基地已制訂相應的《環境程序》，為向各部門提供有關節約能源、提升資源使用效益、妥善處理廢棄物及防治環境污染等工作的清晰指引。該程序亦明確規定了恒都集團人員的職責，使程序得以有效實行。我們亦會定期檢視及評估環境管理方案和程序、各類環境目標和指標的實施情況，及時地向存在疑慮的地方作出糾正和實行預防措施。

另外，我們設於深圳的生產基地已根據《深圳經濟特區碳排放管理若干規定》及《深圳市碳排放權交易管理暫行辦法》，加入深圳碳排放權交易市場。

Energy Conservation

The Group relies on externally purchased electricity as the main source of energy to power its production machinery and provide energy for its dormitories. The Group also consumes diesel and gasoline to power forklift trucks and motor vehicles. The Group strives to increase energy efficiency in general and reduce our dependence on direct and indirect energy. For such purposes, we conserve energy in respect of indoor temperature adjustment, lighting and heating, as follows:

- Factory of the Company in China was built on the principle of "north-south orientation" so that air is circulated in the factory, thus reducing the demand for indoor air conditioning.
- Ventilation has been considered as the new factory in Vietnam was built. Currently, electric fans are installed for ventification for the production area instead of air conditioning.
- Energy-saving lamps are used for indoor lightning in the factory in China, while 100W LED lamps being used for outdoor lighting. Lamps on the fencing wall in Heyuan factory are powered with solar energy, saving about 8,340 kilowatt-hours of electricity per year.
- Transparent windows are installed for the production area of the Vietnam factory to introduce natural light for illumination, reducing the demand for electronic lamps.
- Factories in China utilize residual heat from air compressors to supply hot water for dormitories.
- As our Vietnam factory went into operation, priority was given to the introduction of new types of equipment with higher energy efficiency in order to reduce unnecessary energy consumption in the production process.

節約能源

集團主要使用之能源為外購電力，用以驅動生產機器和為宿舍提供能源；另外亦有使用柴油和汽油驅動叉車及集團車輛。恒都致力提升整體能源效益，減少對直接及間接能源的依賴。其中，我們透過以下室內溫度調節、照明、供熱等方面節省能源消耗：

- 公司中國內地廠房以「南北對向」的原則興建，令廠房內空氣流通，減少對室內空調的需求。
- 越南新設的廠房在興建時已考慮到通風設計，讓廠房保持室內空氣流通，現時主要以風扇代替室內空調。
- 中國內地廠房使用節能燈管作室內照明，而室外路燈使用100W LED燈。其中，河源廠房的圍牆燈均使用太陽能發電，每年節省大約8,340千瓦時用電。
- 越南廠房安裝了透光的窗户，將自然光引入室內作照明之用，減少室內燈管的使用。
- 中國內地工廠使用空壓機餘熱為宿舍供應熱水。
- 越南廠房建廠時優先引入具較高能源效益的新型號設備，從而減少生產過程中不必要的能源消耗。

The following tables set out the Company's energy consumption and greenhouse gas (GHG) emissions performance from 2017 to 2019:

Energy Consumption Indicators	Units	Consumption 2019	2018	2017
Total energy consumption	MWh	8,316	8,262	8,512
Direct energy consumption	MWh	800	653	681
Indirect energy consumption	MWh	7,516	7,609	7,831
Energy consumed per tonne of output[1]	kWh/tonne	734	715	627

GHG Emission Indicators	Units	Emission 2019	2018	2017
GHG emission	tCO_2e[2]	4,383	4,183	4,309
Direct GHG Emission (Scope 1)	tCO_2e[2]	210	173	180
Indirect GHG Emission (Scope 2)	tCO_2e[2]	4,173	4,010	4,129
GHG emission per tonne of output[1]	$kgCO_2e$/tonne	387	362	317

1 This includes the output of plastic pellets, wires, socket wires and extension cords.

2 Scope 1 Greenhouse gas emission refers to the direct emissions from fuel combustion of fixed and mobile sources, which, in relation to the Group, are the greenhouse gas emissions directly from the use of diesel, gasoline and natural gas. The estimation method and emission coefficients are adopted from the Guidelines for Accounting Methods and Reporting of Greenhouse Gas Emissions from Enterprises in Other Industries (Trial) issued by the National Development and Reform Commission of the People's Republic of China and the 2006 IPCC (Intergovernmental Panel on Climate Change) Guidelines for National Greenhouse Gas Inventories. Scope2 Greenhouse gas emissions are, in relation the Group, indirect emissions derived from the purchase of electricity. The emission factors are taken from the data released by CLP Power Hong Kong Limited, the Average Carbon Dioxide Emission Factors of Regional Power Grids in China for 2011 and 2012 (《2011年和2012年中國區域電網平均二氧化碳排放因子》), and from the Emission Factors of Vietnam's Power Grid for 2017 (2017年越南電網排放因子) released by Ministry of Climate Change of Vietnam. Greenhouse gas emissions for 2017 and 2018 have been restated due to the adoption of an alternative emission factor for the South China power grid. The Group will continue to use these emission factors until the relevant authorities issue updated and appropriate factors.

下表載列公司在二零一七年至二零一九年間各類能源的消耗量及溫室氣體排放表現:

能源使用指標	單位	用量 二零一九年	二零一八年	二零一七年
總能源消耗量	兆瓦時	8,316	8,262	8,512
直接能源消耗量	兆瓦時	800	653	681
間接能源消耗量	兆瓦時	7,516	7,609	7,831
每噸產量耗能密度[1]	千瓦時／公噸	734	715	627

溫室氣體排放指標	單位	排放量 二零一九年	二零一八年	二零一七年
溫室氣體總排放量	噸二氧化碳當量[2]	4,383	4,183	4,309
直接溫室氣體排放(範圍一)	噸二氧化碳當量[2]	210	173	180
間接溫室氣體排放(範圍二)	噸二氧化碳當量[2]	4,173	4,010	4,129
每噸產量[1]碳排放量	公斤二氧化碳當量／公噸產量	387	362	317

1 包括塑膠粒、電線、插頭電源線及接插電線的產量。

2 範圍1溫室氣體排放指固定源及移動源燃料燃燒的直接排放,以本集團之情況而言,即為使用柴油、汽油及天然氣時直接排放的溫室氣體量。估算方法及排放係數引用中華人民共和國國家發展和改革委員會發佈的《工業其他行業企業溫室氣體排放核算方法與報告指南(試行)》及《2006 IPCC(政府間氣候變化專門委員會)國家溫室氣體清單編製指南》。範圍2溫室氣體排放在本集團的情況而言即為購買電力所衍生的間接排放。排放係數取自中華電力有限公司公佈的資料、《二零一一年和二零一二年中國區域電網平均二氧化碳排放因子》,以及越南氣候變化部發佈之二零一七年越南電網排放因子。二零一七及二零一八年度溫室氣體排放量因改用了華南區電網的排放因子而重列。本集團往後仍會繼續使用此等排放因子直到有關當局發布可替代的因子為止。

Waste Disposal

Solid wastes produced by the Company from production site, warehouses and offices are stored and disposed of by categories of "recyclable", "non-recyclable" and "hazardous waste". All of the above categories of wastes are disposed of by a authorized waste disposal agency. The table below shows the amount of waste generated and processed by the Company from 2017 to 2019:

Types of Wastes[3]	Units	Amount Collected and Processed 2019	2018	2017
Waste paper	Tonne	28.2	31.0	41.7
Reusable plastic	Tonne	122.4	150.2	175.8
Scrap copper	Tonne	19.0	24.7	26.6
Waste wire	Tonne	90.4	124.1	161.4
Hazardous waste	Tonne	13.9	1.9	12.3

Reducing Resource Wastage

The Group mainly utilizes raw materials (copper wire, rubber and plastic), packaging materials and water for production. Without compromising our products compliance to strict international quality standards, we strive to improve the efficiency of resource use. For example, we break up the used rubber wire casings for recycling and reuse them in certain products that have lower quality requirements (such as plug pins covers). We also reuse the waste rubber particles generated in the injection molding process to ensure the improved efficiency of use of raw materials.

廢棄物處理

公司在生產現場、貨倉、辦公室所生產的固體廢棄物，按「可回收」、「不可回收」及「危險廢品」分類存放及處理。以上種類的廢棄物都交由專業認可的廢棄物處理機構進行收集及回收。下表載列公司在二零一七年至二零一九年間產生及處理的廢棄物數量：

廢棄物種類[3]	單位	所收集及處理數量 二零一九年	二零一八年	二零一七年
廢紙	公噸	28.2	31.0	41.7
可利用塑膠	公噸	122.4	150.2	175.8
廢銅	公噸	19.0	24.7	26.6
廢電線	公噸	90.4	124.1	161.4
危險廢品	公噸	13.9	1.9	12.3

減少資源浪費

恒都於生產主要使用的資源包括銅線、橡膠及塑料等原材料，包裝物料及市政用水。我們在不影響產品符合嚴格國際品質標準的前提下，盡力提升資源使用的效益，例如公司會把用過的電線膠皮打碎再造，並於一些品質標準要求不高的產品中(如插頭所用的護腳套)再次使用。公司亦會將注塑過程中產生的廢膠粒重用，確保原材料使用效益得以提高。

3 Waste lead bars and tin residues are also recyclables. Nevertheless, due to their small amount, we do not make such disclosure in this report.

3 可回收廢棄物廢鉛棒及廢錫渣及不可回收塑膠數量較少，不予披露。

In addition, in order to reduce waste, the Group also recycles and reuses some packaging materials such as wooden cardboard and cardboard boxes[3]. The factory in Vietnam has even achieved a recovery rate of nearly 80% this year. For non-reusable materials, we engage a third-party disposal service provider to collect them to ensure proper disposal of waste. Factories in China are also equipped with water reutilization basin to collect and reuse the production water from the workshops, saving approximate 10,000 cubic meters of water throughout the year. At the same time, recycled water is used for the required cooling process at the factory in Vietnam, dramatically reducing the water needed for production. The table below sets forth the Company's use of various resources during the periods from 2017 to 2019:

Resources Usage Indicators	Unit	Consumption 2019	2018	2017
Water consumption	m^3	88,235	77,882	85,650
Water consumption density per tonne of output[2]	m^3/tonne	7.8	6.7	6.3
Packaging material – consumption of cardboard boxes	Tonne	212.5	249.3	307.4
Packaging material – plastic[4] consumption	Tonne	36.0	50.2	31.5

Pollution Prevention

In order to comply with the provisions of environmental regulations and reduce our direct impact on the environment during our operation, the Group has implemented the Environmental Pollution Prevention and Control Procedures and the Occupational Health, Safety and Environmental Policy in China and Vietnam respectively to control wastewater, exhaust gases, noise and waste generated during our operations so as to ensure our environmental performance complies with the environmental protection regulations of China and Vietnam. The environmental management systems of operating sites both in China and Vietnam have been certified in accordance with ISO14001.

另外，為減少浪費，恒都亦會回收及重用部份包裝物料，例如木卡板及紙皮箱等[3]，越南廠房於本年更達成近八成的回收率。針對不可重用物料，我們會委託第三方處理商進行收集，確保廢棄物得以妥善處理。除此之外，中國內地廠房建有循環水池，收集車間的生產用水並重新利用，全年可節水約1萬立方米。同時，越南廠房亦利用循環用水進行所需的冷卻的工序，大大減少生產所需的用水。下表載列公司在二零一七年至二零一九年間內各類資源的使用量：

資源使用指標	單位	用量 二零一九年	二零一八年	二零一七年
耗水量	立方米	88,235	77,882	85,650
每噸產量[2]耗水密度	立方米／公噸產量	7.8	6.7	6.3
包裝物料 – 紙皮箱使用量	公噸	212.5	249.3	307.4
包裝物料 – 塑膠[4]使用量	公噸	36.0	50.2	31.5

污染防治

為減少我們在營運時對環境的直接影響，恒都集團在中國內地及越南分別落實了《環境污染防治控制程序》及《職業健康安全與環境政策》，以控制營運過程中產生的廢水、廢氣、噪音及廢棄物，使公司的環境表現符合中國及越南環保法規的規定。中國內地及越南營運點的環境管理系統已獲得ISO14001認證。

4 Starting from 2018, the statistics cover the usage of plastic bags and other plastic packaging materials.

4 二零一八年起統計範圍包括膠袋使用量及其他塑膠包裝物料使用。

Our production process discharges no wastewater. Domestic wastewater mainly comes from canteens and dormitories. The Group has formulated a series of measures to monitor and reduce the sewage discharge to ensure that the sewage discharge value of the factory meets the local discharge standard of the operation site. In China, the Group has engaged qualified engineering company to carry out wastewater treatment projects in accordance with the first-class standard of Guangdong Province's Discharge Limits of Water Pollutants to meet discharge standards. Sewage from toilet will be treated first in the septic tank, then discharged to the municipal sewage network. We supervise every step of the regular cleaning of the septic tank performed by the contractor to prevent secondary pollution caused by the sewage. In Vietnam, the Company tracks the source of the sewage for the factory to identify the main cause of the sewage, thereby establishing various sewage treatment measures, including adding solid filters to the existing sewage treatment system to reduce the oil content in the sewage, and disinfecting the sewage via chlorination/dechlorination. This year, the Group arranged four sampling inspections of sewage for the factory in Vietnam, and the results of each inspection met the local standards. With an increasing number of staff working at the factory, the Group plans to add sewage treatment facilities to the factory next year to properly treat domestic sewage and ensure compliance to the local discharge standards.

我們的生產過程中並無生產廢水。生活污水主要來自食堂及宿舍。集團已制定一系列措施監測及減少污水排放，確保廠房污水排放值符合營運點當地的排放標準。在中國內地，集團已委託合資格的工程公司依照廣東省《水污染物排放限值》一級標準完成生活污水環保治理工程，以滿足排放標準。廁所污水會先經化糞池處理，再排往市政管網；我們會監督承包方在定期清理化糞池時的每一個步驟，以防止污水造成二次污染。在越南，公司為廠房進行了污水源頭追蹤，識別出污水主要成因，並藉此定立了各項污水處理措施，包括於現時污水處理系統中加入固體過濾器以減少污水中油脂含量，以及應用加氯／除氯處理為污水進行消毒。本年集團為越南廠房安排共四次污水抽驗，每次檢驗結果均符合當地標準。預計隨著越南廠房產員工增加，集團計劃於下年度為越南廠房增建污水處理設施，以妥善處理生活污水，確保能滿足越南當地的排放標準。

Our operations do not involve the discharge of a large amount of air pollutants. The exhaust gases generated include canteen soot, plastic workshop dust and a small amount of harmful gases. After adsorption treatment, the exhaust gas has reached the emission standards required by the national laws and regulations of China and Vietnam. In addition, we regularly examine incoming plastics, rubber and materials containing organic elements to prevent the release of ozone-depleting gases after decomposition in the production process. If the materials are nonconforming, we would make improvement to meet the requirements of the relevant regulations. This year, the Group arranged air emission tests for Vietnamese factory, and the results of each test complied with local standards.

我們的營運過程不涉及大量空氣污染物的排放，所產生的廢氣包括食堂油煙、塑膠部車間粉塵及少量有害氣體；經吸附處理後，廢氣已達到中國及越南國家法規要求的排放標準。另外，我們定期審視進料塑膠、橡膠及含有有機元素的物料，以預防物料生產過程中被分解後釋出造成臭氧層破壞的氣體。如材料不合格，我們會進行改善，以符合滿足有關條例要求。本年集團為越南廠房安排空氣排放物檢驗，每次檢驗結果均符合當地標準。

Some machines in the company's factory buildings make noise. In order to protect the health of employees, the Company instructs employees in charge of noise-related processes to wear earplugs to mitigate the impact of noise on the human body. We regularly check the noise level of major sites in the Chinese factory according to the Emission Standard for Industrial Enterprises Noise at Boundary of China. No noise levels have been found to exceed the regulations' requirement and have any negative impact on the communities in the vicinity of the factory. Only some processes in Vietnamese factory produce noise. The overall noise level of the factory is within the local standards.

公司廠房內若干機器會發出噪音，為保障員工的身體健康，公司要求負責有關涉及噪音工序的員工必須佩帶耳塞，降低噪音對人體的影響。中國內地廠房根據國內《工業企業廠界噪聲標準》的規定，定期檢測主要場所的噪音水平。現時未有發現噪音水平超出規定，或對廠房附近的社區構成影響。越南廠房只有部份工序會產生噪音，現時工廠的整體噪音水平均在當地標準內。

Employees

Employees are valuable assets for the development and success of the Company. As we give the first and foremost consideration to the safety and health of employees, we are committed to improving occupational safety and health management in order to provide a safe working environment for employees. The Company formulates a people-oriented human resources management policy to protect the benefits of employees and provide them with fair promotion and training opportunities. At the same time, the Company improves cohesiveness of employee and understands their opinions through various communication channels so as to promote the long-term development of the Company. As at 31st December 2019, the Group employed 1,115 full time employees primarily responsible for management, sales and marketing, shipping, procurement, finance and accounting, engineering and production.

員工

員工對於公司發展和成功而言是重要的資產。我們以員工的安全和健康為首要考慮，致力完善職業安全及健康管理，為員工提供一個安全的工作環境。公司制定以人為本的人力資源管理政策，保障員工的福利，為員工提供公平的晉升及培訓發展機會。同時，公司透過各種溝通渠道凝聚員工及了解員工的意見，以推動公司的長遠發展。於二零一九年十二月三十一日，恒都集團僱用1,115名全職員工，主要負責管理、銷售及市場推廣、船務、採購、財務及會計、工程及生產等工作。

Occupational safety and health

The safety and health of employees are crucial to a productive workplace. Therefore, we formulate policies, objectives, management systems and operating procedures regarding safety. We are committed to providing a safe working environment for employees in compliance with the relevant laws and regulations such as the Law of the People's Republic of China on Work Safety, the Regulations of Guangdong Province on Production Safety, and the Occupational Safety and Health Law of Vietnam. The Group formulates the relevant rules and regulations on production safety management, clearly setting out the responsibilities of the safety production committees, departments at various levels and safety production management personnel of factories in China and Vietnam. In addition, the Group sets up a work safety and health management team under the responsibility system for safe production, consisting of employees with rich relevant qualifications and experience from various departments, and the team is responsible for supervising the work environment and health conditions in the production workshop and the safety compliance of staff. In order to maintain a sound safety production accountability system, we regularly conduct safety production accountability assessments on our workshops and provide comprehensive safety training for our employees during quarterly safety production meetings.

職業安全及健康

員工的健康與安全對建立一個具生產力的工作間尤其重要。因此，我們制訂了安全方針、目標、管理制度和操作規程，致力遵守中國《中華人民共和國安全生產法》、《廣東省安全生產條例》及越南《職業安全衛生法》等相關法規，承諾為員工提供一個安全的工作環境。集團制定了生產安全管理相關的規章，清楚列明中國及越南廠房的安全生產委員會、各級部門和安全生產管理人員的職責。另外，集團在安全生產責任體系下設立了工作安全及衛生管理小組，由各部門具豐富相關資歷及經驗的員工出任，負責監管生產車間的工作環境衛生情況及員工安全的合規情況。公司亦會定期對生產車間工作人員作出安全生產責任考核，並於季度安全生產例會中對員工進行全面的安全培訓。

We implement the relevant management procedures for hazardous chemicals and oil products to prevent adverse effects on people and the environment during the procurement, transportation, storage, use, and disposal of hazardous chemicals and oil products. In addition, the person responsible for the handling of hazardous chemicals must receive training to obtain general knowledge of management of storage of hazardous substances, and must be accompanied by safety management personnel when he/she is handling hazardous chemicals.

我們落實了化學危險品及油品相關的管理程序，以防止在採購、運輸、儲存、使用、報廢化學危險品及油品過程中，對人員及環境造成的不良影響。另外，負責管理化學危險品的人員必須接受培訓，以取得危險品的儲存管理常識，進行管理時亦須由安全管理人員陪同。

We establish a series of measures to deal with and control emergencies, including contingency plans for accidents such as fire, typhoon and rainstorm, and leakage of hazardous goods. Under the safe production responsibility system, the Group establishes different emergency response teams including fire brigade to respond to any accident immediately after it occurs on the premise of safety in order to minimize the impact. At the same time, the Group regularly provides the relevant teams with various trainings such as firefighting training, first aid and rescue training, chemical accident response training to ensure those teams have sufficient skills to deal with accidents and ensure the safety and health of employees. In addition, we provide emergency training and drills annually to enhance employees' safety awareness and incident handling capabilities, and communicate important safety issues to employees through bulletin boards, thus reducing the chance and impact of accidents.

我們制定了一系列應對及控制緊急事故的措施，涵蓋火災、颱風暴雨、危險品洩漏等事故的應變方案。集團在安全生產責任體系下成立了不同的應變小組，包括消防隊等，在事故發生後及安全的情況下作出第一時間反應，盡力減少影響。同時集團會定期為相關小組安排各種培訓，如消防培訓、急救及救援訓練、化學品事故應對培訓等，確保他們有足夠技能應對事故，保障員工的安全和健康。另外，我們每年都會為員工提供應急訓練及火災演習，並以宣傳欄與員工溝通安全要項，加強員工的安全意識及事故處理能力，從而減低事故發生的機會及影響。

During the reporting year, we did not record any work-related fatalities, and the number of working days lost due to work-related injuries was 360 days (2018: 422 days). We will continue to monitor and review the level of work-related injuries, carry out regular inspections and rectification of potential safety threats to ensure the safety of our employees in the workplace.

於報告年內，我們未有錄得任何因工導致死亡的個案，而因工傷事件導致損失的工作日數為360天(二零一八年：422天)。我們會持續監察及檢討工傷情況、進行例行檢查和隱患整改，以保障員工在工作場所的安全。

Employment Policy

To facilitate a more effective and systematic management of our human resources, the Company has formulated an employment policy that adheres to the Labour Law and the Labour Contract Law of the PRC and Vietnam's Labor Law and Child Protection Law as well as other relevant regulations and takes into account practical circumstances, to serve as a framework for setting staff remuneration and benefits. The wages of production line personnel are calculated on piece-rate basis who can earn more from extra work. We pay social insurance premiums for our staff members and offer benefits such as annual leave, meal, lunch subsidies, accommodation and workwear. Those who work overtime on working days, weekends and statutory holidays can earn 1.5 to 3 times of the basic hourly wage rate. The Group pays their employees on the basis of a standard wage not lower than the minimum wage specified in local regulations and standards at the operation site, and the wages are subject to adjustment from time to time on the basis of the wage regulations, corporate profits and personal performance.

僱傭政策

為更有效及系統地管理人力資源，公司制訂了符合中國《勞動法》、《勞動合同法》及越南《勞動法》、《保護兒童法》等相關法例及實際情況的僱傭政策，並以該政策建立員工薪酬與福利水平的框架。生產線員工工資實行多勞多得計件薪酬制度。除了繳納社會保險費，我們亦向員工提供花紅、年假、出勤補貼、伙食、午餐補貼、住宿、工衣等福利；如員工於工作日、休息日及法定假日加班，可獲得基本時薪1.5至3倍工資。本集團公司的僱員標準工資均不低於營運點當地的最低工資法規及標準，而工資亦會不定期地根據工資法規更新、企業經濟及個人表現進行調整。

As a company that adheres to the principle of equal opportunity, we hire people based on merits with zero tolerance of any differential treatment based on gender, age and race. In order to avoid the employment of forced labor and child labor[5], the Group formulates the Policy on Preventing Child Labor and the Policy on Preventing Forced Labor. We ascertain the identity and age of the applicants during the recruitment process. The group will not employ applicants younger than the legal working age in the locality. In addition, the Group does not tolerate occurrence of any forced labor and encourages employees to report related violations. The Group establishes the procedures for handling and following up the relevant complaints.

作為恪守平等機會原則的公司，我們用人唯才，絕不接受或容忍任何基於性別、年齡及種族的差別待遇。為免僱用強迫勞工及童工[5]，集團制訂了《防聘用童工政策》及《防勞動強逼政策》。我們在招聘過程會查明應徵者的身份及年齡，集團一律不會聘用年齡低於當地合法工作年齡的應徵者。另外，集團絕不容忍任何強迫勞工的情況發生，鼓勵員工舉報相關違規情況。集團設有既定程序處理及跟進相關投訴。

Number of Staff	2019	2018	2017
By gender			
Male	352	379	445
Female	763	551	587
By ranking			
Senior	8	9	8
Intermediate	147	156	62
Junior	960	765	962
By age			
<30	413	180	239
30–50	652	700	749
>50	50	50	44

員工數目	二零一九年	二零一八年	二零一七年
按性別劃分			
男	352	379	445
女	763	551	587
按職級劃分			
高級	8	9	8
中級	147	156	62
初級	960	765	962
按年齡劃分			
<30	413	180	239
30–50	652	700	749
>50	50	50	44

Development and Training Opportunities

The Company provides training opportunities for employees, and formulates corresponding annual training plans in light of the development needs of each department every year to improve the professional skills of employees. We also regularly review the performance of employees through the employee job evaluation system to provide promotion opportunities for outstanding employees so as to help employees develop and give full play to their abilities and retain talents for the Group. We hope to continuously improve the performance of employees and promote the development of the Company.

發展及培訓機會

公司為員工提供培訓機會，每年按各部門的發展需要制定相應的年度培訓計劃，以提升員工的專業技能。我們亦會通過僱員工作評估制度，定期檢視員工的工作表現，為表現優異的員工提供晉升機會，以助員工發展及發揮其所長，同時為集團留住人才。我們希望能藉此持續提升員工的工作表現，並推動公司的發展。

[5] This refers to any individual less than 16 years of age in China and 18 years of age in Vietnam.

[5] 即任何在中國內未滿16歲人士及在越南內未滿18歲人士。

We offer internal and external training opportunities for our employees. To facilitate new employees to understand the Company's background, rules and regulations, job duties, product identification, quality policy, restriction of hazardous substances (RoHS) and occupational safety, etc., all are required to receive induction training. In addition to induction training, the Group formulates annual training plans for various departments, in which the corresponding training items are defined for employees, in order to ensure that employees have sufficient skills for fulfilling responsibilities of their jobs, and also to enhance employees' awareness of the Company's code and job-related risks. For example, the Company invites qualified professional third party to provide trainings for employees on the operation of specified instruments to further improve the professional skills of employees, and help employees meet the requirements and challenges of their jobs. The Company also provides courses such as courses in connection with basic ISO knowledge, site management, firefighting and first aid training to satisfy the functional and technical needs of various departments. Effectiveness of training implemented by various departments is evaluated by the Administration Department.

我們為員工提供內部及外間培訓機會。集團所有新入職員工均須接受入職培訓，從而了解公司背景、規章制度、員工守則、工作崗位、製品辨識、質量政策、危害性物質限制指令(RoHS)、職業安全等內容。集團除提供入職培訓外，亦為各部門制定年度培訓計劃，為員工制定相應的培訓內容，確保員工有足夠技能應付其工作崗位的職責，同時提升員工對公司守則及相關工作崗位風險的認識。例如公司會邀請合資格的專業第三方為員工進行就指定的儀器操作提供訓練，進一步提升員工專業技能，幫助員工應付工作單位要求和挑戰。公司亦會安排如ISO基礎知識、現場管理、消防及急救培訓等課程，以滿足各部門的職能和技術上的需要。行政部則負責評估各部門落實培訓的成效。

Average Number of Training Hours for Employees[6]	2019	2018	2017
By gender			
Male	25.5	32.0	29.2
Female	16.0	34.2	30.4
By ranking			
Senior	1.0	14.0	85.0
Intermediate	26.4	41.9	34.4
Junior	18.0	33.2	29.7

僱員平均受訓時數[6]	二零一九年	二零一八年	二零一七年
按性別劃分			
男性	25.5	32.0	29.2
女性	16.0	34.2	30.4
按職級劃分			
高級	1.0	14.0	85.0
中級	26.4	41.9	34.4
初級	18.0	33.2	29.7

Communication with and Caring of Employees

Through existing communication channels and mechanisms (such as suggestion box), employees are free to express their opinions on various business aspects and daily works. If an employee's proposal or suggestion is considered constructive by the Company or adopted by relevant department, the employee will be commended and rewarded.

We regularly organize events to promote unity among our employees, boost morale and a sense of belonging towards the Company. For example, we, along with our employees, celebrate the Spring Festival at various operating locations and to thank employees for their contributions to the Company. On the gala, we also present the Annual Outstanding Employee Award to recognise the outstanding contributions of the winning employee.

員工溝通及關愛

通過現行的溝通渠道和機制(如意見箱)，員工可以自由地對各業務環節及日常工作發表意見。員工的建議或提案若獲公司審定為有建設性，或是獲相關部門採納，我們將予以表彰及獎勵。

我們定期舉辦活動凝聚員工，加強他們的士氣及對公司的歸屬感。例如，我們於各營運地點舉辦春節慶祝活動，與員工共渡佳節，並答謝員工對公司的貢獻。我們亦會藉著晚會頒發年度優秀員工表彰獎，肯定得獎員工的傑出貢獻。

[6] The figures represent the total number of training hours by employment category divided by the number of staff members who received training and were still employed by Perennial Group as at 31st December of the reporting year.

[6] 計算方法為：由各員工分類之總培訓時數除以曾在年內接受培訓，並於該報告年十二月三十一日當天仍受僱於恒都集團的員工的人數。

In Vietnam, employees formally establish representative labor union. In addition to meeting with the management to discuss matters related to employee benefits, the labor union representatives also organize regular employee activities. This year, the labor union of our employees in Vietnam and labor unions of other enterprises jointly organized a regulation quiz and equipment use competition to enhance employees' awareness of the work rules and work safety. Nearly 50% of the employees of Vietnamese factory participated in the activity.

在越南，員工正式成立了具代表性的工會。工會代表除了負責向管理層以會議商討與員工福利待遇相關的事宜外，亦更會定期舉辦員工活動。本年，越南員工工會曾與其他企業的工會合辦了法規問答比賽及儀器使用比賽，旨在提升員工對工作守則及工作安全的意識。近五成越南廠房的員工參與是次活動。

Operation

As a manufacturer, we are committed to establishing and maintaining good and ethical long-term collaboration with customers and suppliers. We value opinions of our customers, and we are committed continuously improving the quality of our products and operating our business in a responsible manner.

營運

作為產品生產商，我們致力與客戶及供應商建立及維持良好且符合商業道德的長遠合作關係。我們重視客戶的意見、致力不斷提升產品質量並負責任地營運業務。

Product Quality

The Group formulates strict internal quality control procedures to monitor the quality of raw materials, production process and product. The Group has obtained the ISO 9001 Quality Management System Certification for the factory in Vietnam. Our strict requirements on the product quality are the reasons why our various products are recognized by different countries. And in order to deliver top quality and safe products to our customers, all raw materials are also required to meet product safety and environmental requirements (e.g. RoHS). The Group uses wires that contain at least 99.96% of copper, which allow our products to have high energy efficiency. The quality control procedures of the Group also require to ensure the product consistency, and prevent and correct non-conforming products. The Company conducts comprehensive quality inspections of all products, and only the products that pass the inspection can enter the next process.

產品質素

集團制定了嚴謹的內部品質控制程序，以監控原材料、生產過程及產品質素。集團越南的工廠已取得ISO 9001品質管理系統認證。憑藉對產品品質的嚴格要求，我們多種產品已獲得不同國家的認可。集團致力為客戶帶來優質及安全的產品，所有的產品原材料需要符合相關的產品安全及環境要求(如RoHS)。其中，我們選用含銅量至少達99.96%的銅線作原材料，確保產品擁有高能源效益。集團的品質控制程序亦包括確保產品的一致性、預防及糾正不符合規範要求的產品。公司對所有產品均進行全面品質檢查，只有通過檢驗的產品方可進入下一個工序。

In addition to product quality, we also run safety test on our products. The Company carries our high-voltage safety test on the wire and power cord products, and we require a 100% passing rate. The testing centre of the Company also conducts reliability test on materials and finished products every three months, including plastic aging and tensile testing. The Company's "Safety and Reliability Policy" guarantees that our product meets the requirements of the safety certification body and requires the Company to provide guidelines for safe use so that users can use the Company's products at ease. During the reporting year there were no reports on sold or delivered products that had to be recalled for safety and health reasons.

我們除了嚴格監控產品質外，亦會針對產品的安全性進行測試。公司會為電線和電源線產品進行高壓電安全性試驗，並規定相關產品必須100%通過該安全性試驗。公司的測試中心亦會每三個月對物料及成品樣本進行可靠性試驗，包括橡膠老化、拉力測試等試驗。公司的《安全和可靠政策》保證產品符合安全認證機構要求，並規定公司提供安全使用指引，使用戶能在正常的安全規範內安心使用公司產品。報告年內並無錄得因安全與健康理由而回收已售或已運送的產品的個案。

The Group has formulated the Control Procedures for Non-conforming Products to strictly supervise and follow up all nonconforming products. As stipulated by the Company, the relevant department shall, within 24 hours after it founds any nonconforming product, carry out preliminary correction, and if such nonconformity involves several departments, the main responsible department shall organize cross-department quality meetings with the relevant departments to discuss and identify solutions. The nonconforming product that is initially corrected can only enter the next process after passing the inspection. If the products are still not up to standard after such handling, we will dispose of such problematic products and consider revising the ancillary quality system. However, if the product is found to be seriously nonconforming or fails to meet the standards for many times during the manufacturing process, the on-site responsible person from the Quality Control Department is allowed to suspend the relevant production process, analyze the causes of the problem together with the Production Department, Engineering Department and other relevant departments, formulate solutions, and resume production only after the quality problem is controlled or solved.

集團制定了《不合格品控制程序》，嚴格監管及跟進所有不合規格的產品。公司規定有關部門必須在二十四小時內對所有發現有問題的不合規格的產品進行初步糾正，如問題涉及多個部門，主要負責部門須與相關部門組織跨部門品質會議，商討及制訂解決方案。初步糾正的不合規格品需經通過檢驗後才可進入下一工序，若處理後仍未達標，我們會將該產品報廢，並考慮更改附屬品質系統。而如在製造過程中發現產品屬嚴重不合規格或出現多次不達標的情況，現場品管部負責人可暫停有關生產工序，並與生產部、工程部等相關部門一起分析問題成因、制定解決辦法，在品質問題得到控制或解決後才恢復生產。

Customer relationship

We value the relationship with our customers and actively listen to and follow up their opinions and demands. We have established a sound complaint handling procedure. The head of the Quality Control Department shall, within 24 hours upon receipt of complaint information, analyze and follow up the received customer complaints, identify the root cause of the problem within 3 working days, formulate corrective actions within 7 working days, submit the solutions and results to relevant personnel, and then determine the solution with the customer. In addition to solving the problems raised by the customer, we also conduct follow-up checks on 3 batches of similar types of products, in order to prevent recurrence of the same problem. We distribute satisfaction survey forms to our customers in the fourth quarter each year, to collect their views on the Company's products in respect of quality, service, delivery time, etc. Notwithstanding small number of complaints regarding product appearance (15 cases in total) (2018: 12 cases), all of them were properly handled according to the customer complaint handling procedures.

客戶關係

我們重視與客戶的關係，積極聆聽及跟進客戶的意見及訴求。我們建立了完善的投訴處理程序，在接獲投訴信息的二十四小時內，品管部負責人會對所接獲的客戶投訴作出分析、跟進，並在三個工作天內查明問題根源，以及在七個工作天內制定糾正措施，將處理方案及結果提交給相關人員，並與客戶確定處理方法。除了糾正客戶所提出的問題產品，我們還會跟進三批相近類型產品的質素，以杜絕同樣問題再度發生。我們會於每年第四季向顧客派發顧客滿意度調查表，收集顧客對公司產品在產品質量、服務、交期等方面的意見。報告期間接獲少量對產品外觀的輕微投訴(共15宗)(二零一八年：12宗)，公司已嚴格地按照上述的客戶投訴處理程序應對。

Confidential Information of Customers and Intellectual Property

In day-to-day business, the Group has occasional access to trade confidential and non-public technical information of customers. We understand the importance of strictly protecting customers' confidential information for the reputation and evaluation of the Group. To this end, the Company has established a strict confidentiality system to protect the information security of customers. We also require our employees to comply with the relevant regulations of the Company and perform the duty of confidentiality relating to their work. Any employee who is found to violate the confidentiality system will be punished in accordance with relevant local laws and regulation at the operation location.

The Group also values the protection of intellectual property. We have the right to apply for corresponding patents for all inventions, technological innovations, products or formulas created and developed by employees during their service. At the same time, we will never infringe upon the intellectual property of any other enterprise. Any employee who conducts any such infringement is subject to severe punishment.

Ethics

The Group attaches great importance to the ethics of its employees and it is committed to establishing a clean corporate culture. Each employee is required to sign and agree to comply with the Code of Ethics immediately after he/she enters the Company. Through reward and punishment measures, we convey to our employees the message of adherence to business ethics. To further prevent conflicts of interest, we require employees responsible for sales and procurement to disclose whether they have any relationship other than business relationship with any existing supplier or customer. The Company also regularly engages professional third-party consultant to assist in evaluating the effectiveness of the Group's internal control measures in order to ensure the management measures are effectively implemented, thus safeguarding the Company's requirements for ethics. Our operations comply with the laws and regulations on prevention of bribery in the operating area. During the reporting year, we did not have any corruption cases.

顧客機密資料和知識產權

在日常業務中，集團有機會接觸到客戶的商業機密以及非公開技術資料，我們明白嚴格保障顧客機密資料對集團聲譽及評價的重要性。為此，公司內部訂立了一個嚴謹的保密制度，以保障客戶的信息安全。我們亦要求員工必須遵守公司的有關規定，履行與其工作相應的保密職責。如發現任何違反保密制度，我們必定會按照營運地點當地相關的法例懲辦。

集團亦重視知識產權的保護，我們有權對在服務期間所創造、開發的所有發明、技術革新、產品或配方申請相應專利。同時，我們絕不會侵犯其他企業的知識產權，如出現相關違規情況，涉事員工將被嚴懲。

道德操守

集團重視員工的道德操守，致力建立廉潔的企業文化。我們要求所有員工入職時必須簽署同意遵守《道德規範》，並通過獎懲措施向員工傳達恪守商業道德的信息。為進一步防止利益衝突，所有負責銷售和採購的員工必須進行利益申報，通知公司是否與現有供應商或客戶有工作以外的利益關係。公司亦定期委託專業第三方顧問協助評估集團的內控措施的有效性，確保管理措施能有效落實，以維護公司對道德操守的要求。公司的營運符合營運地區有關防止賄賂的法規，於報告年內，我們沒有發生任何貪污案件。

Supply Chain Management

The Group regulates the procurement process through the formulation of the Procurement Procedures to ensure that the selected suppliers continuously provide conforming materials to meet our production needs. In addition to evaluating the production capacity of suppliers, we also evaluate and select new suppliers based on their background, product quality, price, and quality and environment management system. We conduct simple monthly assessment for our existing suppliers, and require the suppliers receiving a poor evaluation result to make improvements. The general manager of the Group decides whether to reevaluate the qualification of or disqualify the suppliers with poor performance and of no signs of improvement. At the same time, the Company also requires suppliers to complete trade safety investigations as required by the local customs.

供應鏈管理

集團透過制訂《採購程序》規範採購過程，確保我們選用的供應商能持續提供合規格的物料以滿足我們的生產需求。除了評估供應商的生產能力外，我們亦會針對公司背景、貨品質量、價格、質量及環境管理體系等條件，評審及挑選新供應商。至於現存供應商，我們每月會進行簡單的評估，按情況派遣審查員到供應商工廠進行實地審查，並要求評估結果為「差」的供應商作出改善。針對表現為「差」及無改善跡象的供應商，集團總經理會按需要決定是否重新評估其供應商資格或取消其合格供應商資格。同時，公司亦要求供應商需要依照當地海關的要求，完成貿易安全相關的調查。

Apart from compliance, material quality and service quality of the suppliers, we also attach importance to their environmental performance. In order to monitor the environmental performance of the Group's supply chain, we require suppliers to strictly comply with our environmental protection requirements, and express requirements and carry out investigation or assessment with respect to the environmental conditions of designated suppliers in accordance with ISO 14001 Environmental Management System. We have the following environmental requirements for suppliers:

除了供應商的合規情況、材料質量、服務質素外，我們亦重視它們的環境表現。為監管集團的供應鏈的環境表現，我們要求供應商嚴格遵守我們的環保要求，並會依照ISO 14001環境管理體系的要求，對指定供應商的環境狀況表達要求並進行調查或考核。我們對供應商的環保要求如下：

- Provision of environmentally-friendly products which cause no adverse impact to the environment
- 提供對環境無不良影響、較環保的產品
- Proper handling of all types of gases, liquid and solid wastes produced during production
- 正確處理生產過程中產生的各類氣體、液體和固體廢棄物
- Application of clean production technology
- 採用清潔生產技術
- Minimal application of dangerous raw materials during production
- 盡可能在生產過程中避免使用危險原材料
- Minimal use of packaging materials
- 盡量少用包裝材料
- Minimal exhaust emission and noise pollution by motor vehicles or during production
- 運輸車輛或生產過程盡量減少尾氣排放及噪音污染
- Compliance with relevant requirements of the Company
- 遵守公司的相關規定

In order to monitor the compliance of suppliers, we conduct environmental audit on designated suppliers. If the supplier fails to meet our environmental requirements, we would instruct such supplier to make rectification, and if necessary, the in-charge leaders of the supplier and us organize and hold a meeting to seek solutions. The supplier will be disqualified if the cases are considered to be serious.

為監督供應商的合規情況，我們會對指定的供應商進行供應商環境審核。若供應商未能滿足我們的環保要求，我們會提出糾正需要，必要時由雙方主管領導組織並召開對策會；嚴重者則會被取消供應商資格。

Number of Suppliers	2019	2018	2017
By region			
Hong Kong	70	68	35
Mainland China	185	180	120
Vietnam	4	N/A	N/A
Other areas	15	15	11

供應商數目	二零一九年	二零一八年	二零一七年
按地區劃分			
香港	70	68	35
中國內地	185	180	120
越南	4	不適用	不適用
其他地區	15	15	11

Charitable Activities

In addition to business development, we are also committed to participate in the charity-related business and pay attention to communities in need in the society through donations and volunteer bodies. During the year, the Group donated money to Guizhou Cultural Heritage and Rural Development Foundation to support the promotion of local rural education and training, develop cultural and historical projects, improve medical and public health projects, with an aim at improving local livelihood and life quality. At the same time, the Group donated money to Hunan Ningxiang No.1 Middle School Education Foundation to sponsor its Yuehua Scientific Management Award, thus encouraging development of the young. The Group also donated to the Correctional Services Children's Education Trust, in the hope that those recipients will have more learning opportunities and they will make contributions to the society in future. In addition to assisting the community development in China and Hong Kong, we also made donations to the government of Quang Ngai province of Vietnam to provide assistance to poor families in the region and improve the livelihood of the community. During the reporting year, we donated a total of HK$1,465,000 (2018: HK$689,934).

公益活動

除專注於業務發展，我們亦致力參與慈善業務，透過捐助慈善及志願團體，關注及支援社會上有需要的社群。集團年內向貴州文化薪火鄉村發展基金會捐出款項，用於推廣當地鄉村教育培訓、發展歷史及文化項目、改善公共衛生和醫療服務等項目，致力改善當地民生及生活素質水平。同時，集團向湖南省寧鄉一中教育基金會捐款，贊助該會躍華科學管理獎項，鼓勵青少年發展。另外，集團亦向懲教署人員子女教育信託基金作出捐款，希望令受助者得到更多的學習機會，培養社會棟樑。除協助中國內地及香港社區發展外，我們亦向越南廣義省政府作出捐款，為當地貧窮家庭提供援助，改善社區民生。報告年內，我們共捐出港幣1,465,000元(二零一八年：港幣689,934元)。

Content Index of the Environmental, Social and Governance Reporting Guide of Hong Kong Stock Exchange

香港聯交所《環境、社會及管治報告指引》內容索引

General Disclosure and KPIs	Description	Chapter(s) Containing Relevant Information	Remarks	一般披露及關鍵績效指標	描述	載有相關資料的章節	備註
Environmental **Aspect A1: Emissions** General Disclosure: Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.		Environment		**環境** **層面A1：排放物** 一般披露： 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的政策，及遵守對發行人有重大影響的相關法律及規例的資料。		環境	
KPI A1.1	The types of emissions and respective emissions data	/	As the Company's business does not involve the emission of air pollutants in large amounts, such figures are not disclosed herein.	關鍵績效指標A1.1	排放物種類及相關排放數據	/	本公司之業務不涉及大量空氣污染物的排放，此數據不予披露。
KPI A1.2	Greenhouse gas emissions in total and intensity	Environment – Energy Conservation		關鍵績效指標A1.2	溫室氣體總排放量及密度	環境 – 節約能源	
KPI A1.3	Total hazardous waste produced and intensity	Environment – Pollution Prevention and Treatment		關鍵績效指標A1.3	所產生有害廢棄物總量及密度	環境 – 污染防治	
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity	Environment – Pollution Prevention and Treatment		關鍵績效指標A1.4	所產生無害廢棄物總量(以噸計算)及(如適用)密度	環境 – 污染防治	
KPI A1.5	Description of measures to mitigate emissions and results achieved	Environment – Pollution Prevention and Treatment	The Company's business does not involve the emission of air pollutants in large amounts.	關鍵績效指標A1.5	描述減低排放量的措施及所得成果	環境 – 污染防治	本公司之業務不涉及大量空氣污染物的排放。
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved	Environment – Pollution Prevention and Treatment		關鍵績效指標A1.6	描述處理有害及無害廢棄物的方法、減低產生量的措施及所得成果	環境 – 污染防治	

General Disclosure and KPIs	Description	Chapter(s) Containing Relevant Information	Remarks	一般披露及關鍵績效指標	描述	載有相關資料的章節	備註
Aspect A2: Use of Resources General Disclosure: Policies on the efficient use of resources.		Environment		**層面A2：資源使用** 一般披露： 有效使用資源的政策。		環境	
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in'000s) and intensity	Environment – Energy Conservation		關鍵績效指標A2.1	按類型劃分的直接及／或間接能源(如電、氣或油)總耗量(以千個千瓦時計算)及密度	環境 – 節約能源	
KPI A2.2	Water consumption in total and intensity	Environment – Reducing Resource Wastage		關鍵績效指標A2.2	總耗水量及密度	環境 – 減少資源浪費	
KPI A2.3	Description of energy use efficiency initiatives and results achieved	Environment – Energy Conservation		關鍵績效指標A2.3	描述能源使用效益計劃及所得成果	環境 – 節約能源	
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved	Environment – Reducing Resource Wastage		關鍵績效指標A2.4	描述求取適用水源上可有任何問題，以及提升用水效益計劃及所得成果	環境 – 減少資源浪費	
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	Environment – Reducing Resource Wastage		關鍵績效指標A2.5	製成品所用包裝材料的總量(以噸計算)及(如適用)每生產單位佔量	環境 – 減少資源浪費	
Aspect A3: The Environment and Natural Resources General Disclosure: Policies on minimizing the issuer's significant impact on the environment and natural resources.		/	As the Company's business does not pose a significant impact on its surrounding ecological environment and the supply of natural resources, no such disclosure is made herein.	**層面A3：環境及天然資源** 一般披露：減低發行人對環境及天然資源造成重大影響的政策。		／	本公司之業務並不涉及對周邊生態環境及天然資源的供應造成重大影響，故不作披露。
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	/		關鍵績效指標A3.1	描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動	／	

General Disclosure and KPIs	Description	Chapter(s) Containing Relevant Information	Remarks	一般披露及關鍵績效指標	描述	載有相關資料的章節	備註
Social **Employment and Labor Practices** **Aspect B1: Employment**				**社會** **僱傭及勞工常規** **層面B1：僱傭**			
General Disclosure: Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.		Staff – Employment Policy		一般披露：有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的政策；及遵守對發行人有重大影響的相關法律及規例的資料。		員工 – 僱傭政策	
KPI B1.1	Total workforce by gender, employment type, age group and geographical region	Staff – Employment Policy		關鍵績效指標B1.1	按性別、僱傭類型、年齡組別及地區劃分的僱員總數	員工 – 僱傭政策	
KPI B1.2	Employee turnover rate by gender, age group and geographical region	/	The figures are considered sensitive and not disclosed herein.	關鍵績效指標B1.2	按性別、年齡組別及地區劃分的僱員流失比率	／	此項數據為敏感數據，故不予披露
Aspect B2: Health and Safety				**層面B2：健康與安全**			
General Disclosure: Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.		Staff – Occupational Safety and Health		一般披露：有關提供安全工作環境及保障僱員避免職業性危害的政策，遵守對發行人有重大影響的相關法律及規例的資料。		員工 – 職業安全及健康	
KPI B2.1	Number and rate of work-related fatalities	Staff – Occupational Safety and Health		關鍵績效指標B2.1	因工作關係而死亡的人數及比率	員工 – 職業安全及健康	
KPI B2.2	Lost days due to work injury	Staff – Occupational Safety and Health		關鍵績效指標B2.2	因工傷損失工作日數	員工 – 職業安全及健康	
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	Staff – Occupational Safety and Health		關鍵績效指標B2.3	描述所採納的職業健康與安全措施，以及相關執行及監察方法	員工 – 職業安全及健康	

General Disclosure and KPIs	Description	Chapter(s) Containing Relevant Information	Remarks	一般披露及關鍵績效指標	描述	載有相關資料的章節	備註
Aspect B3: Development and Training General Disclosure: Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.		Staff – Development and Training opportunities		**層面B3：發展及培訓** 一般披露：有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。		員工 – 發展及培訓機會	
KPI B3.1	The percentage of employees trained by gender and employee category	/	No disclosure	關鍵績效指標B3.1	按性別及僱員類別劃分的受訓僱員百分比		未有披露
KPI B3.2	The average training hours completed per employee by gender and employee category	Staff – Development and Training opportunities		關鍵績效指標B3.2	按性別及僱員類別劃分，每名僱員完成受訓的平均時數	員工 – 發展及培訓機會	
Aspect B4: Labor Standards General Disclosure: Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor.		Staff – Employment Policy		**層面B4：勞工準則** 一般披露：有關防止童工或強制勞工的政策，及遵守對發行人有重大影響的相關法律及規例的資料。		員工 – 僱傭政策	
KPI B4.1	Description of measures to review employment practices to avoid child and forced labor	Staff – Employment Policy		關鍵績效指標B4.1	描述檢討招聘慣例的措施以避免童工及強迫勞工	員工 – 僱傭政策	
KPI B4.2	Description of steps taken to eliminate such practices when discovered	Staff – Employment Policy		關鍵績效指標B4.2	描述在發現違規情況時消除有關情況所採取的步驟	員工 – 僱傭政策	
Operating Practices **Aspect B5: Supply Chain Management** General Disclosure: Policies on managing environmental and social risks of the supply chain.		Operation – Supply Chain Management	The Group has no policy on managing the social risks of supply chains.	**營運慣例** **層面B5：供應鏈管理** 一般披露：管理供應鏈的環境及社會風險政策。		營運 – 供應鏈管理	集團並無管理供應鏈社會風險的政策。
KPI B5.1	Number of suppliers by geographical region	Operation – Supply Chain Management		關鍵績效指標B5.1	按地區劃分的供應商數目	營運 – 供應鏈管理	

General Disclosure and KPIs	Description	Chapter(s) Containing Relevant Information	Remarks	一般披露及關鍵績效指標	描述	載有相關資料的章節	備註
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	Operation – Supply Chain Management		關鍵績效指標B5.2	描述有關聘用供應商的慣例，向其執行有關慣例的供應商數目、以及有關慣例的執行及監察方法	營運 – 供應鏈管理	
Aspect B6: Product Responsibility General Disclosure: Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress.		Operation – Product Quality		**層面B6：產品責任** 一般披露：有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的政策，及遵守對發行人有重大影響的相關法律及規例的資料。		營運 – 產品質素	
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	Operation – Product Quality		關鍵績效指標B6.1	已售或已運送產品總數中因安全與健康理由而須回收的百分比	營運 – 產品質素	
KPI B6.2	Number of products – and service-related complaints received and how they are dealt with	Operation – Product Quality		關鍵績效指標B6.2	接獲關於產品及服務的投訴數目以及應對方法	營運 – 產品質素	
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights	Operation – Confidential Information of Customers and Intellectual Property		關鍵績效指標B6.3	描述與維護及保障知識產權有關的慣例	營運 – 顧客機密資料和知識產權	
KPI B6.4	Description of quality assurance process and recall procedures	Operation – Product Quality		關鍵績效指標B6.4	描述質量檢定過程及產品回收程序	營運 – 產品質素	
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	Operation – Confidential Information of Customers and Intellectual		關鍵績效指標B6.5	描述消費者資料保障及私隱政策，以及相關執行及監察方法	營運 – 顧客機密資料和知識產權	

General Disclosure and KPIs	Description	Chapter(s) Containing Relevant Information	Remarks	一般披露及關鍵績效指標	描述	載有相關資料的章節	備註
Aspect B7: Anti-corruption				**層面B7：反貪污**			
General Disclosure: Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.		Operation – Ethics		一般披露：有關防止賄賂、勒索、欺詐及洗黑錢的政策及遵守對發行人有重大影響的相關法律及規例的資料。		營運 – 道德操守	
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases	Operation – Ethics		關鍵績效指標B7.1	於匯報期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果	營運 – 道德操守	
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	Operation – Ethics		關鍵績效指標B7.2	描述防範措施及舉報程序，以及相關執行及監察方法	營運 – 道德操守	
Community				**社區**			
Aspect B8: Community Investment				**層面B8：社區投資**			
General Disclosure: Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.		Charitable Activities		一般披露：有關以社區參與來了解營運所在社區需要和確保其業務活動會考慮社區利益的政策。		公益活動	
KPI B8.1	Focus areas of contribution	Charitable Activities		關鍵績效指標B8.1	專注的貢獻範疇	公益活動	
KPI B8.2	Resources contributed to the focus area	Charitable Activities		關鍵績效指標B8.2	在專注範疇所動用資源	公益活動	

CORPORATE GOVERNANCE REPORT
企業管治報告

Perennial International Limited is firmly committed to statutory and regulatory corporate governance standards with emphasis on transparency, independence, accountability, responsibility and fairness.

恒都集團有限公司奉行法定及監管企業管治標準，並著重其透明度、獨立、問責、負責與公平。

The Corporate Governance Code

The Directors confirm that the Company has fully complied with the code provisions set out in the Corporate Governance Code (the "Code") attached to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") as Appendix 14, and adopted recommended best practices set out in the Code whenever appropriate. During the year, Ms. Koo Di An, Louise, Chairman, was unable to hold a meeting with the Independent Non-Executive Directors without the presence of the Executive Directors due to other prior business engagements.

企業管治常規守則

董事確認本公司已全面遵守了香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄14所載之企業管治常規守則(「守則」)的條文的規定，及當適用時實行該守則的最佳建議常規。年內，主席顧迪安女士由於先前其他業務安排，未能在沒有執行董事出席的情況下，與獨立非執行董事召開會議。

The Board

The Board's primary role is to protect and enhance long-term shareholder value. It sets the overall strategy for the Group and supervises executive management to whom the responsibility of managing the day-to-day operation of the Group is delegated. In the course of discharging its duties, the Board acts in integrity, due diligence and care, and in the best interests of the Company and its shareholders.

董事會

董事會之主要角色乃保障及提升股東之長期價值。董事會為本集團制定整體策略及監督已獲授權處理本集團日常運作的行政管理層。於執行職責期間，董事會秉承誠實、勤勉及謹慎的態度，並以本公司及其股東的最佳利益為依歸。

The Board oversees the Company in a responsible and effective manner. It has adopted formal terms of reference which details its functions and responsibilities. Its main responsibilities include, but not limited to, ensuring competent management, approving objectives, strategies and business plans, ensuring prudent conduct of operations within laws and approved policies, ensuring and monitoring integrity in the Company's conduct of affairs. Day-to-day management of the Group is delegated to the Executive Directors or the officer in charge of each division who are given clear directions as to his/her powers and are required to report back to the Board. Functions reserved to the Board and delegated to the management are reviewed periodically. The Directors, as members of the Board, jointly share responsibility for the proper direction of the Company. The Company has formal service contract with each Director setting out the key terms and conditions of his/her appointment.

董事會以盡責的態度和有效的方式領導本公司，並已採納正式而詳列其職能及責任的職權範圍。董事會主要責任包括但不限於確保管理層有足夠能力執行管理；審批目標、策略和業務計劃；確保日常運作審慎進行及依循法律和既定政策；確保及監察本公司事務符合道德規範。本集團的日常管理乃指派予執行董事或各部門主管負責，各執行董事及部門主管被賦予明確職權範圍，並須向董事會匯報。董事會自行承擔及轉授予管理層的職能將予定期檢討。所有董事會成員，對於為本公司制訂正確方針共同分擔責任。本公司已與各董事訂立載有其委任的主要條款及條件的正式服務合約。

The Board (Continued)

The Board currently consists of eight (8) members whose details are set out on pages 52 to 54 of this report. It meets quarterly and holds specific meetings as and when they are deemed necessary. The Board held four (4) meetings during the year ended 31st December 2019. Notices of Board meetings were given to the Directors at least 14 days prior to the date of the meetings with the agenda and any accompanying Board papers sent at least three days before the date of the meetings. All Directors are given the opportunity to include matters for discussion in the agenda. Minutes of the Board meetings and committee meetings, recording in sufficient detail the matters considered and decisions reached, are kept by the Company Secretary and sent to the Directors or the committee members (as appropriate) for their comment and records within reasonable time after the meeting is held. They are also available for inspection by the Directors at any reasonable time on reasonable notice by any Director. A record of the Directors' attendance at Board meetings is set out on page 48 of this report.

The Group provides extensive background information about its history, mission and businesses to the Directors. The Directors are also provided with the opportunity to visit the Group's operational facilities and meet with the management to gain a better understanding of its business operations.

All Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. The Company updates Directors on the latest developments regarding the Listing Rules and other applicable regulatory requirements from time to time, to ensure compliance and enhance their awareness of good corporate governance practices.

During the year, all Directors of the Company, namely, Messrs Mon Chung Hung, Siu Yuk Shing, Marco, Mon Wai Ki, Vicky, Mon Tiffany, Koo Di An, Louise, Lau Chun Kay, Lee Chung Nai, Jones and Chung Kit Ying, received regular briefings and updates on the Group's business, operations, risk management and corporate governance matters. Materials on new or changes to salient laws and regulations applicable to the Group were provided to the Directors. They also attended regulatory update sessions and seminars on relevant topics. All Directors are requested to provide the Company with their respective training record pursuant to the Code.

The Board has separate and independent access to the senior management and the Company Secretary at all times. The Board and each Board Committee also has access to independent professional advice where appropriate.

董事會(續)

董事會現由八名成員組成，其詳細資料載於本報告第52至54頁。董事會每季度均舉行會議，並於需要時召開特別會議。董事會於截至二零一九年十二月三十一日止年度共舉行四次會議。董事會會議通知乃於會議舉行前至少十四日寄發予全體董事，而會議議程及相關董事會文件則於會議舉行前至少三日送交全體董事。全體董事皆有機會提出商討事項列入會議議程。每次董事會會議及委員會會議對會議上所考慮事項及達致的決定的詳細會議記錄乃由公司秘書存檔，並於會議舉行後合理時間內送交董事或委員會成員(視其適用情況而定)傳閱以提出意見及記錄，亦會在任何董事發出合理通知的情況下，供其在任何合理時段內查閱。董事出席董事會會議之記錄載於本報告第48頁。

本集團向董事提供關於其歷史、宗旨及業務的廣泛資料。董事亦獲提供參觀本集團營運設施並與管理層會面之機會，讓彼等更了解本集團之業務運作。

本公司鼓勵所有董事參與持續專業發展，以發展及重溫其知識及技能。本公司不時向董事提供上市規則以及其他適用監管規定的最新發展概況，以確保董事遵守良好的企業管治常規，並提升其對良好企業管治常規的意識。

於年內，本公司全體董事(即孟振雄先生、蕭旭成先生、孟瑋琦女士、孟韋怡女士、顧廸安女士、劉振麒先生、李宗鼐先生及鍾潔瑩女士)定期接受有關本集團業務、營運、風險管理及企業管治事宜的簡報及更新。董事獲提供適用於本集團的新訂重點法律及條例或重要法律及條例之變動。彼等亦出席有關最新監管議題的課程及研討會。根據企業管治守則，所有董事須向本公司提供彼等各自之培訓記錄。

董事會可於任何時間個別及獨立接觸高級管理層及公司秘書。董事會及各個董事委員會亦可於適當時候獲取獨立專業意見。

The Board (Continued)

The Company has arranged for appropriate liability insurance for the Directors and the senior management of the Group for indemnifying their liabilities arising out of corporate activities. The insurance coverage is reviewed on an annual basis.

In order to reinforce independence, accountability and area of responsibility, the role of the Chairman is separate from that of the Chief Executive Officer. Their respective responsibilities are clearly established and set out in writing. The Chairman manages the Board and is responsible for ensuring that adequate information is provided to the Directors in a timely manner and all Directors are properly briefed on issues arising at Board meetings, while the Chief Executive Officer is responsible for implementing strategies, policies, and for conducting the Group's businesses.

Pursuant to the Bye-laws of the Company, one-third of the Directors that have served longest on the Board must retire at each annual general meeting, and may offer themselves for re-election. Notwithstanding that the Non-Executive Directors are appointed for a specific term of one to three years, they are also subject to retirement by rotation at least once every three years as other Directors do. To enhance accountability, any further re-appointment of an Independent Non-Executive Director, who has served the Board for more than nine years, is subject to a separate resolution to be passed by the shareholders. In addition, Directors who are appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after appointment according to the Company's Bye-laws.

Pursuant to the requirement of the Listing Rules, the Company confirms receipt of a written confirmation from each of the Independent Non-Executive Directors for confirmation of his independence to the Company. The Company considers all its Independent Non-Executive Directors to be independent.

Responsibilities of the Directors for the Consolidated Financial Statements

The Board should present a balanced, clear and comprehensible assessment of the Company's and the Group's performance, position and prospects. The Directors should prepare the consolidated financial statements on a going concern basis, with supporting assumptions or qualifications as necessary. The Board's responsibility to present a balanced, clear and understandable assessment extends to annual and interim reports, other price-sensitive announcements and other financial disclosures required under the Listing Rules, and reports to regulators as well as to information required to be disclosed pursuant to statutory requirements.

董事會(續)

本公司已為本集團各董事及高級管理層安排適當之責任保險，就公司活動導致彼等需負之責任給予保償。保障範圍將每年審議。

為加強各自之獨立性、責任及職責範圍，主席之角色乃獨立於行政總裁之角色，彼等各自之職責均以書面清楚界定。主席管理董事會及負責確保所有董事均可適時獲得足夠的資料以及可就董事會會議上所提出的問題獲得清楚的解釋；行政總裁則負責推行策略、政策，以及經營本集團業務。

根據本公司之公司細則，於董事會服務年資最長的三分一之董事，必須按規定輪席告退於每次股東週年大會上，但可膺選連任。儘管非執行董事被委以一至三年的指定任期，彼等亦與其他董事一樣，均須最少每三年輪席告退一次。為提升彼等對責任之承擔，任何已服務董事會超過九年之獨立非執行董事，於進一步連任時，必須由股東以獨立決議案批准通過。此外，根據本公司之公司細則，所有為填補臨時空缺而被委任的董事應在接受委任後的首次股東大會上接受股東選舉。

按照上市規則之規定，本公司已確認收到所有獨立非執行董事就表明其於本公司之獨立性而呈交之確認函件。本公司認為所有獨立非執行董事均為獨立人士。

董事對綜合財務報表之責任

董事會應平衡、清晰及全面地評核本公司及本集團的表現、情況及前景。董事擬備的綜合財務報表應以公司持續經營為基礎，有需要時更應輔以假設或保留意見。董事會有責任以平衡、清晰及明白地評審公司表現，並適用於年度報告及中期報告、其他涉及股價敏感資料的通告及根據《上市規則》規定須予披露的其他財務資料，以及向監管者提交的報告書以至根據法例規定須予披露的資料。

Board Committees

The Board has established four (4) committees, each of them having specific terms of reference, to consider matters relating to specialized areas and to advise the Board or, where appropriate, to decide on behalf of the Board on such matters. Details of these committees and their principal terms of reference are as follows:

董事委員會

董事會已成立四個委員會，每個委員會均有特定職權範圍，以審議關於特別範疇之事宜、向董事會提供建議，以及在適當時候於該等事宜上代表董事會作出決定。該等委員會及其主要職權範圍之詳情載列如下：

Audit Committee

The Audit Committee was established on 1st April 2003. Its current members include three (3) Independent Non-Executive Directors and one (1) Non-Executive Director, who are:

審核委員會

審核委員會於二零零三年四月一日成立。其現任成員包括三名獨立非執行董事及一名非執行董事，分別為：

Independent Non-Executive Directors

Mr. LAU Chun Kay *(Chairman)*
Mr. LEE Chung Nai, Jones
Ms. CHUNG Kit Ying

獨立非執行董事

劉振麒先生*(主席)*
李宗鼐先生
鍾潔瑩女士

Non-Executive Director

Ms. KOO Di An, Louise

非執行董事

顧迪安女士

The terms of reference of the Audit Committee are available on the Company's website at http://perennial.todayir.com and the Stock Exchange's website.

審核委員會之職權範圍已刊載於本公司網站(http://perennial.todayir.com)及聯交所網站。

The Audit Committee is mainly responsible for reviewing the Group's financial and accounting policies and practices, making recommendation to the Board on the appointment, re-appointment and removal of the external auditors and any question of resignation or dismissal, their audit fees, matters relating to the independence of the external auditors; meeting with the external auditors to discuss the nature and scope of the audit, and matters of concern when requested to do so by the external auditors; reviewing the interim financial report and annual consolidated financial statements before they are submitted to the Board; discussing problems and reservations arising from the interim review and final audit, and any other matters the external auditors may wish to discuss, and reviewing the external auditors' letter to the management and the management's response; considering any major investigation findings on internal control and risk management systems matters as delegated by the Board or on its own initiative and the management's response to these findings and reviewing arrangements which employees may use, in confidence, to raise concerns about possible improprieties in financial reporting, internal control, risk management systems or other matters.

審核委員會之主要職責為審閱本集團財務及會計政策及常規，就外聘核數師之委任、重新委任及罷免，或處理任何有關該核數師辭職或辭退該核數師、核數師酬金、外聘核數師之獨立性等事宜向董事會提供意見；與外聘核數師開會討論審核工作之性質及範圍及外聘核數師認為值得關注的事項；審閱中期財務報告及全年綜合財務報表以便上呈董事會；討論源於中期審閱及年結審核過程發現之問題及保留意見、及任何其他外聘核數師欲討論之事宜；審閱外聘核數師致管理層之函件及管理層之回應；及審議董事會指派或其自發進行之內部及風險管理制度的主要監控調查結果及管理層對結果之回應；及審閱以下安排：僱員可保密地就財務匯報、內部監控、風險管理制度或其他方面可能發生的不正當行為提出關注。

The Audit Committee meets at least twice a year with the external auditors. The Audit Committee held two (2) meetings during the year ended 31st December 2019. An attendance record of its members at the Audit Committee meetings is set out on page 48 of this report.

審核委員會每年最少召開兩次與外聘核數師的會議。審核委員會於截至二零一九年十二月三十一日止年度共舉行兩次會議。委員會成員出席審核委員會會議之記錄載於本報告第48頁。

Audit Committee (Continued)

The Audit Committee has reviewed the interim financial report and the audited financial results of the Group for the year ended 31st December 2019 and the accounting principles and practices adopted by the Group. The Audit Committee also reviewed the adequacy and effectiveness of the Company's internal control and risk management systems and made recommendations to the Board. The Board has engaged an outsourced consultant to perform internal control review services for the Group.

The Audit Committee has full and direct access to the outsourced internal audit consultant, reviews the reports on all audits performed and monitors the audit performance. The Audit Committee also reviews the adequacy of the scope, functions, competency and resources of the outsourced internal audit functions.

Remuneration Committee

The Remuneration Committee was established on 21st November 2005. Its current members include three (3) Independent Non-Executive Directors and one (1) Non-Executive Director, who are:

Independent Non-Executive Directors

Mr. LAU Chun Kay *(Chairman)*
Mr. LEE Chung Nai, Jones
Ms. CHUNG Kit Ying

Non-Executive Director

Ms. KOO Di An, Louise

The Remuneration Committee is mainly responsible for reviewing the Group's remuneration policies, determining the specific remuneration packages for Executive Directors and senior management, including terms of salary, discretionary bonus scheme, benefits in kind, pension rights, compensation payments and other long-term incentive schemes, and making recommendations to the Board on remuneration of the Non-Executive Directors and senior management. The terms of reference of the Remuneration Committee setting out its authority and responsibilities are available on the Company's website at http://perennial.todayir.com and the Stock Exchange's website.

The Remuneration Committee met twice (2) in the year of 2019. During the meetings, the committee members discussed the policy for the remuneration of the Executive Directors and senior management, assessed the performance of the Executive Directors and approved the remuneration packages of the Executive Directors. An attendance record of its members at the Remuneration Committee meetings is set out on page 48 of this report.

審核委員會(續)

審核委員會已審閱本集團的中期財務報告及截至二零一九年十二月三十一日止年度之經審核財務業績及本集團採納之會計準則及常規。審核委員會亦已審閱本集團內部監控及風險管理制度之充足程度及有效性，並向董事會提出建議。董事會外判顧問進行內部監控檢討服務。

審核委員會可隨時直接聯絡外判內部審核顧問，審閱所有審核工作報告及監督審核的工作。審核委員會亦會檢討外判內部審核工作的範疇、職能、能力及資源是否充足。

薪酬委員會

薪酬委員會於二零零五年十一月二十一日成立。其現任成員包括三名獨立非執行董事及一名非執行董事，分別為：

獨立非執行董事

劉振麒先生*(主席)*
李宗鼐先生
鍾潔瑩女士

非執行董事

顧迪安女士

薪酬委員會之主要職責為審閱本集團的薪酬政策、釐定執行董事及高級管理層的特定薪酬待遇，包括薪金、償贈性花紅計劃、附帶利益、退休金權益、補償金及其他長期獎勵計劃，並就非執行董事及高級管理層之薪酬事宜向董事會給予建議。薪酬委員會之職權範圍中載有其授權及職責，刊載於本公司網站(http://perennial.todayir.com)及聯交所網站。

於二零一九年度內薪酬委員會共召開兩次會議，於會上，各委員討論了執行董事及高級管理層的薪酬政策、評估了執行董事的表現及批准執行董事薪酬待遇。委員會成員出席薪酬委員會會議之記錄載於本報告第48頁。

Nomination Committee

The Nomination Committee was established on 21st November 2005. Its current members include three (3) Independent Non-Executive Directors and one (1) Non-Executive Director, who are:

Independent Non-Executive Directors

Mr. LAU Chun Kay *(Chairman)*
Mr. LEE Chung Nai, Jones
Ms. CHUNG Kit Ying

Non-Executive Director

Ms. KOO Di An, Louise

The Nomination Committee is mainly responsible for reviewing the structure, size, composition and diversity (including, without limitation, gender, age, cultural and educational backgrounds, skills, knowledge and experience) of the Board on a regular basis, reviewing the candidates' qualification and competence and the policy on board diversity, assessing the independence of the Independent Non-Executive Directors and making recommendations to the Board on appointment and re-appointment of Directors and the requirement on board diversity, so as to ensure that all nominations are fair and transparent. Having taken into account the above objective criteria, the Nomination Committee was of the view that the Company has a diverse Board. The revised terms of reference of the Nomination Committee setting out its authority and responsibilities are available on the Company's website at http://perennial.todayir.com and the Stock Exchange's website.

The Nomination Committee met once (1) in the year of 2019. During the meeting, the committee members discussed the procedures and criteria which should be adopted by them in nominating candidates for directorship and agreed that such criteria should include the candidates' professional background, their financial and commercial experience and their past track record with other listed companies (if any). Candidates who satisfy the relevant criteria are then short-listed by the chairman of the Nomination Committee before their nominations are proposed to the Nomination Committee. The Nomination Committee subsequently meets to select the final candidates and submit its recommendation to the Board for its final approval. An attendance record of its members at the Nomination Committee meeting is set out on page 48 of this report.

提名委員會

提名委員會於二零零五年十一月二十一日成立。其現任成員包括三名獨立非執行董事及一名非執行董事，分別為：

獨立非執行董事

劉振麒先生*(主席)*
李宗爾先生
鍾潔瑩女士

非執行董事

顧迪安女士

提名委員會之主要職責為定期檢討董會架構、人數、組成(包括，但不限於，性別、年齡、文化及教育背景、技能、知識及經驗方面)，審閱被提名人之資格及能力以及董事會成員多元化，評定獨立非執行董事的獨立性並就委任及重新委任董事，以及董事會成員多元化的要求向董事會給予建議，以確保所有提名均屬公平透明化。經考慮以上客觀標準，提名委員會認為本公司已符合董事會成員多元化。提名委員會之已修訂職權範圍中載有其授權及職責，刊載於本公司網站(http://perennial.todayir.com)及聯交所網站。

於二零一九年度內提名委員會共召開一次會議，於會上，各委員討論了該採用的提名程序及推薦董事候選人的準則，並同意這些準則須包括該候選人的專業背景、財務與商務的經驗及過去服務其他上市公司的往績紀錄(如有)。符合上述有關標準的候選人，經提名委員會主席篩選後訂出候選人名單，呈交提名委員會，提名委員會舉行會議選出最後人選，並向董事會提出建議，由董事會作最後批准。委員會成員出席提名委員會會議之記錄載於本報告第48頁。

Compliance Committee

The Compliance Committee was established on 25th November 2005. Its current members include four (4) Executive Directors, one (1) Non-Executive Director and three (3) Independent Non-Executive Directors, who are:

Executive Directors
Mr. MON Chung Hung
Mr. SIU Yuk Shing, Marco
Ms. MON Wai Ki, Vicky
Ms. MON Tiffany

Non-Executive Director
Ms. KOO Di An, Louise *(Chairman)*

Independent Non-Executive Directors
Mr. LAU Chun Kay
Mr. LEE Chung Nai, Jones
Ms. CHUNG Kit Ying

The Compliance Committee is mainly responsible for (i) reviewing corporate communication issued by the Company so as to ensure compliance in every respect with the listing requirements contained in the Listing Rules; and (ii) reviewing transactions entered into by the Company so as to ensure compliance with the relevant laws and regulations applicable to the Company whether of Hong Kong or elsewhere. To enhance corporate governance, the Compliance Committee was also delegated with the responsibilities of (i) developing and reviewing the Company's policies and practices on corporate governance and making recommendations to the Board; (ii) reviewing and monitoring the training and continuous professional development of Directors and senior management; (iii) developing, reviewing and monitoring the code of conduct applicable to employees and Directors; and (iv) reviewing the Company's compliance with the Code and disclosure in the corporate governance report. Where necessary, the Compliance Committee would seek professional advice in respect of the requirements of the Listing Rules and other applicable laws and regulations so as to improve the existing compliance procedures of the Company.

The Compliance Committee held one (1) meeting during the year ended 31st December 2019. During the meeting, the committee members discussed the recent amendments to the Listing Rule relating to corporate governance and resolved that more resources should be allocated for meeting the increasingly stringent requirements of the regulatory authorities. It was also suggested all future amendments to the Listing Rules should be circulated to members of the senior management so that they all understand and can help the Company to comply with its obligations under the Listing Rules and seminars on Listing Rules updates and corporate governance practices should be arranged for members of the senior management and other interested Directors. An attendance record of its members at the Compliance Committee meeting is set out on page 48 of this report.

監察委員會

監察委員會於二零零五年十一月二十五日成立。其現任成員包括四名執行董事，一名非執行董事及三名獨立非執行董事，分別為：

執行董事
孟振雄先生
蕭旭成先生
孟瑋琦女士
孟韋怡女士

非執行董事
顧迪安女士*(主席)*

獨立非執行董事
劉振麒先生
李宗鼐先生
鍾潔瑩女士

監察委員會之主要職責為(i)審閱本公司所發放之企業資訊，以確保其符合上市條例訂明的所有上市規定；及(ii)審閱本公司之交易項目，以確保其符合香港或任何地方適用於本公司之相關法例及規章。為加強企業管治，監察委員會亦被授以如下職責：(i)制訂及審閱本公司之企業管治政策及常規，並向董事會提出建議；(ii)審閱及監察董事及高級管理層之培訓及持續專業發展；(iii)制訂、審閱及監察僱員及董事適用之操守準則；及(iv)審閱本公司遵守守則的情況及在企業管治報告內的披露事項。必要時，監察委員會將尋求專業意見以符合上市條例之要求及其他適用之法例及規章以改善本公司現有之監察程序。

監察委員會於截至二零一九年十二月三十一日止年度共舉行了一次會議。會議期間，委員會成員討論了企業管治相關上市規則的最新修訂，議決應調撥更多資源以符合各監管機構日益嚴格的監管規定，同時建議，上市規則日後倘有任何修訂，應在高級管理層成員間傳閱，以供彼等熟悉及幫助本公司履行上市規則項下的相關義務，亦建議就上市規則的修訂及企業管治常規為高級管理層成員及其他感興趣的董事舉辦研討會。委員會成員出席監察委員會會議之記錄載於本報告第48頁。

Internal Control

The Board is responsible for internal control of the Group and for reviewing its effectiveness. Procedures have been designed for safeguarding assets against unauthorized use or disposition, ensuring the maintenance of proper accounting records for the provision of reliable financial information for internal use or for publication, and ensuring compliance with applicable laws, rules and regulations. The procedures provide reasonable but not absolute assurance against material errors, losses or fraud.

The Board has engaged an outsourced internal audit consultant to perform independent internal control review services. Thereafter, the outsourced consultant has assisted the Group to perform a review of the effectiveness of internal control system for certain selected processes. The assessment results and proposed improvement recommendations were reported to the Audit Committee.

The Board, through the Audit Committee, has reviewed the effectiveness of the Group's internal control system covering all material controls, including financial, operational and compliance controls and risk management functions and, in particular, consider the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting and financial reporting function. Based on the findings of the outsourced internal audit consultant and the comments of the Audit Committee, the Board considers that the Group's internal control system is effective. Areas for improvement identified and appropriate measures taken so as to provide assurance that key business and operational risks are identified and managed.

The key procedures that the Board has established to provide effective internal control are as follows:

(a) a comprehensive monthly management reporting system is in place providing financial and operational performance indicators to the management, and the relevant financial information for reporting and disclosure purpose;

(b) management structure with defined roles, responsibilities and reporting lines are established. Delegated authorities are documented and communicated; and

(c) system and procedures are in place to identify, measure, manage and control risks including liquidity, credit, market, business, regulatory, operational and reputational risks that may have an impact on the Group.

內部監控

董事會負責本集團之內部監控並審閱其效能，並已制訂程序以防止資產未經授權使用或出售、確保存有正確會計記錄以提供可靠財務資料作內部使用或刊發，以及確保遵守適用法律、法規及規定。該等程序可合理(但不是絕對)保證不會出現重大誤差、虧損或欺騙。

董事會委聘了一家外判內部審核顧問，執行獨立內部監控審核服務。此後，該外判顧問已協助本集團審核內部監控制度若干選定程序的有效性。評估結果及改善建議已向審核委員會匯報。

董事會已透過審核委員會就本集團內部監控系統之有效性作出審閱，審閱範圍包括所有重要的監控，如財務、營運及監察控制及風險管理，及特別考慮本集團在會計及財務匯報職能方面的資源、員工資歷及經驗、培訓課程及有關預算是否充足。根據外判內部審核顧問之調查結果及審核委員會之意見，董事會認為本集團之內部監控制度為有效，並確認可改善的地方及採取適當的改善措施以確保主要的業務及營運風險能被確認及處理。

董事會為有效實行內部監控而確立之主要程序如下：

(a) 設有全面每月管理匯報機制，向管理層提供財務和營運表配指標及有關可供匯報和披露用途之財務資料；

(b) 管理架構權責清晰，匯報途徑清楚界定。各級授權均妥為記錄及發布；及

(c) 設有系統及程序確認、量度、管理及控制風險，包括可能影響本集團之流動資金、信貸、市場、業務、規管、營運及信譽等風險。

Risk Management Function

The Group has established a robust risk management framework, which consists of the Board, the Audit Committee and Senior Management of the Group. The Board determines the nature and extent of risks that shall be taken in achieving the Group's strategic objectives, and has the overall responsibility for monitoring the overall effectiveness of risk management. The Group identifies key risks that would adversely affect the achievement of the Group's objectives, and assesses and prioritizes the identified risks according to a set of standard criteria. Risk mitigation plans are then established by the risk owners to manage the risks to acceptable level.

風險管理職能

本集團已制定穩健的風險管理組織架構，由本集團董事會、審核委員會及高級管理層組成。董事會釐定就達成本集團策略目標應承擔的風險性質及程度，並全面負責監督風險管理的整體成效。本集團識別對實現本集團目標造成不利影響的主要風險，並根據一套標準準則評估及排列所識別風險的優先次序。之後由指定風險負責人制定風險緩解計劃，以便將風險管控至可接受水平。

External Auditors

The Audit Committee is responsible for considering the appointment, re-appointment and removal of external auditors subject to endorsement by the Board and final approval and authorization by shareholders of the Company in general meeting. The Audit Committee assesses the external auditors, taking into account factors such as the performance and quality of the audit and the objectivity and independence of auditors. The existing auditors of the Company are PricewaterhouseCoopers who were first appointed in 1997.

外聘核數師

審核委員會負責審議外聘核數師之委任、連任及罷免，惟須獲得董事會之批准及本公司股東在股東大會上作出最終批准及授權。審核委員會透過審核表現及質素，以及核數師之客觀性及獨立性等因素評核外聘核數師。本公司現任核數師為羅兵咸永道會計師事務所，於一九九七年起獲聘任。

External Auditors' Remuneration

The Group was charged HK$1,506,000 and HK$1,076,000 by PricewaterhouseCoopers for auditing and non-auditing services respectively for the year ended 31st December 2019. The non-auditing services mainly consist of taxation services.

外聘核數師酬金

本集團於截至二零一九年十二月三十一日止年度向本集團核數師支付審核服務費用1,506,000港元及非審核服務費用1,076,000港元。非審核服務費主要是稅務服務。

Financial Reporting

The Board, supported by the accounts department, is responsible for the preparation of the consolidated financial statements of the Company and the Group. In preparing the consolidated financial statements, the Board has adopted generally accepted accounting standards in Hong Kong and complied with accounting standards issued by the Hong Kong Institute of Certified Public Accountants. Appropriate accounting policies have also been used and applied consistently.

財務申報

董事會在會計部門協助下負責編製本公司及本集團之綜合財務報表。於編製綜合財務報表時，董事會採納了香港公認會計標準及香港會計師公會頒布之會計準則，並一直貫徹使用及應用合適之會計政策。

The reporting responsibilities of the external auditors are set out in the Independent Auditor's Report on pages 60 and 66 of this annual report.

外聘核數師之報告責任載於本年報第60至66頁之獨立核數師報告。

Model Code for Securities Transactions

The Company has adopted a code of conduct regarding Directors' and employees' securities transactions on terms no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules. Having made specific enquiry of all Directors, they had complied with the required standards of the said code during the year.

董事進行證券交易的標準守則

本公司已就董事及僱員進行證券交易採納了一套條款不寬於上市規則附錄十所載上市發行人董事進行證券交易標準守則的操守準則。經向全體董事作出特定查詢後，彼等於本年度均遵守了上述準則之規定。

Shareholders' Rights

The Board and management shall ensure shareholders' rights and all shareholders are treated equitably and fairly. Pursuant to the Company's Bye-laws, any shareholder entitled to attend and vote at a general meeting of the Company is entitled to appoint another person as his proxy to attend and vote instead of him. In addition, shareholders who hold not less than one-tenth of the paid up capital of the Company shall have the right, by written requisition to the Board or the Company Secretary of the Company, to require a special general meeting to be called by the Board for the transaction of any business specified in such requisition. The requisition must state the purposes of the meeting, and must be signed by the requisitionists and deposited at the registered office of the Company, and may consist of several documents in like form each signed by one or more requisitionists. If the Directors do not within 21 days from the date of the deposit of the requisition proceed duly to convene a meeting, the requisitionists, or any of them representing more than one half of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of three (3) months from the said date.

Moreover, shareholders who hold not less than one-twentieth of the paid up capital of the Company or not less than 100 shareholders shall have the right, by written requisition to the Board or the Company Secretary of the Company, to put forward a resolution which may properly be moved and is intended to be moved at an annual general meeting. The Company shall not be bound to give notice of the proposed resolution or circulate a statement with respect to the matter referred to in the proposed resolution to shareholders unless (a) a copy of the requisition signed by the requisitionists, or two or more copies which between them contain the signatures of all the requisitionists, is deposited at the registered office of the Company not less than six (6) weeks before the meeting in the case of a requisition requiring notice of a resolution and not less than one (1) week before the meeting in the case of any other requisition and (b) there is deposited or tendered with the requisition a sum reasonably sufficient to meet the Company's expenses in giving effect thereto. If, however, after a copy of the requisition requiring notice of a resolution has been deposited at the registered office of the Company, an annual general meeting is called for a date six (6) weeks or less after the copy has been deposited, the copy though not deposited within the time required as referred to above shall be deemed to have been properly deposited for the purposes thereof.

股東權利

董事會及管理層須確保股東之權利以及所有股東均獲得公平和公正的對待。根據本公司之公司細則，任何有權出席和於本公司股東大會上投票之股東，均有權委任他人代表出席及投票。此外，持有本公司已繳足股本不少於十分一之股東，有權向本公司董事會或公司秘書致函，要求董事會召開股東特別大會，以處理該等要求列明的任何事項。請求書必須列明會議目的，並必須由呈請者簽署及遞交至本公司註冊辦事處，並可由一位或多於一位呈請者簽署同一格式之多份文件組成。如董事未能於送達請求書二十一日內正式進行召開該大會，呈請者或持有超過全部呈請者總投票權半數的任何呈請者可以自行召開該大會，惟任何由此召開的會議不能於所述日期屆滿三個月後召開。

此外，持有本公司已繳足股本不少於二十分之一的股東，或不少於100名股東，可透過向本公司董事會或公司秘書提交一份書面請求，以提呈可能於股東週年大會上動議及擬於會上動議的決議案。本公司毋須向股東發出有關任何建議決議案的通知或傳閱就建議決議案所提述事宜作出的陳述書，除非(a)如屬要求發出決議案通知的請求書，一份由呈請者簽署的請求書(或兩份或以上載有全體呈請者簽名的請求書)在有關大會舉行前不少於六(6)個星期已遞交至本公司註冊辦事處；如屬任何其他請求書，則上述請求書在有關大會舉行前不少於一(1)個星期已遞交至本公司註冊辦事處及(b)相關股東已隨上述請求書存放或支付一筆合理地足以應付本公司於執行請求書的要求時所可能產生開支的款項。然而，若在要求發出決議案通知的請求書遞交至本公司註冊辦事處後，有關方面在該請求書遞交後六(6)個星期或較短期間內的某一日召開股東週年大會，則該請求書雖然並非在上述所規定的時間內遞交，但就此而言亦須當作已恰當地遞交。

Shareholders' Rights (Continued)

Chairmen of the various Board committees, or failing the Chairmen, any member from the respective committees, must attend the annual general meetings of the Company to address shareholders' queries. External auditors shall also be invited to attend the Company's annual general meetings and are available to assist the Directors in addressing queries from shareholders relating to the conduct of the audit and the preparation and content of their auditors' report.

For each substantially separate issue at a general meeting, a separate resolution would be proposed. Resolutions put to the vote at any general meeting (other than those on procedural and administrative matters) are taken by poll. Procedures regarding the conduct of the poll are explained to the shareholders at the commencement of each general meeting, and questions (if any) from shareholders regarding the voting procedures would be answered.

Investor Relations

The Company believes in regular and timely communication with shareholders as part of its efforts to help shareholders understand its business better and the way the Company operates.

To promote effective communication with the public at large, the Company maintains a website on which comprehensive information about the Company, its major businesses, financial information and particulars of Directors are posted. The Company's publications, including press releases, announcements, annual and interim reports, shareholders circulars are being made available on this website (http://perennial.todayir.com).

In addition, shareholders who have any enquiries regarding the Company may send their enquiries in writing to the principal place of business of the Company in Hong Kong for the attention of the Company Secretary who will then forward the same to the Board and/or the relevant Board committees for response (where appropriate). The above policy will be reviewed on a regular basis to ensure effective communication with the shareholders.

股東權利(續)

各董事委員會主席或委員會各自之任何成員(如主席未能出席)必須出席本公司股東週年大會以回答股東提問。外聘核數師亦應獲邀出席本公司之股東週年大會，並就有關審核處理及其核數師報告之編製及內容，協助董事回答股東之提問。

股東大會上，應就每項實際獨立的事宜個別提出決議案。在任何股東大會上提呈表決的決議案(有關會議程序及行政事宜者除外)，均將以投票方式進行表決。於每次股東大會開始時，將會向股東說明投票表決的程序，亦會回答股東所提出與表決程序有關的問題(如有)。

投資者關係

本公司認為，致力與股東保持定期及適時之溝通，有助股東了解本公司之業務及本公司之經營方式。

為促進與公眾的有效溝通，本公司透過網站發放有關本公司、其主要業務、財務資料及董事詳情之資訊；同時，本公司亦將其出版之刊物，包括新聞稿、公告、年報及中期報告、股東通函上載於此網站(http://perennial.todayir.com)。

此外，股東如對本公司存有任何疑問，可以書面形式將有關疑問遞交至本公司於香港的主要營業地點，註明公司秘書處，公司秘書隨後會將股東的疑問送呈董事會及／或相關董事委員會(視其適用情況而定)以待回覆。以上政策將會被定期檢討，以確保與股東維持有效溝通。

Directors' Attendance at Board, Audit Committee, Remuneration Committee, Nomination Committee, Compliance Committee and General Meetings

董事於董事會、審核委員會、薪酬委員會、提名委員會、監察委員會及股東大會之出席記錄

		Board Meetings 董事會會議	Audit Committee Meetings 審核委員會會議	Remuneration Committee Meetings 薪酬委員會會議	Nomination Committee Meetings 提名委員會會議	Compliance Committee Meetings 監察委員會會議	General Meetings 股東大會
Total number of meetings held during the year ended 31st December 2019	截至二零一九年十二月三十一日止年度內舉行之會議總數	4	2	2	1	1	1
Number of meetings attended:	出席會議次數:						
Executive Directors	**執行董事**						
Mr. MON Chung Hung *(Chief Executive Officer & Deputy Chairman)*	孟振雄先生*(行政總裁及副主席)*	4	N/A 不適用	N/A 不適用	N/A 不適用	1	1
Mr. SIU Yuk Shing, Marco	蕭旭成先生	4	N/A 不適用	N/A 不適用	N/A 不適用	1	1
Ms. MON Wai Ki, Vicky	孟瑋琦女士	4	N/A 不適用	N/A 不適用	N/A 不適用	1	1
Ms. MON Tiffany	孟韋怡女士	4	N/A 不適用	N/A 不適用	N/A 不適用	1	1
Non-Executive Director	**非執行董事**						
Ms. KOO Di An, Louise *(Chairman)*	顧迪安女士*(主席)*	4	2	2	1	1	1
Independent Non-Executive Directors	**獨立非執行董事**						
Mr. LAU Chun Kay	劉振麒先生	4	2	2	1	1	1
Mr. LEE Chung Nai, Jones	李宗耐先生	3	1	0	0	0	0
Ms. CHUNG Kit Ying	鍾潔瑩女士	4	2	2	1	1	1

DIRECTORS' REPORT
董事報告

The Board submits their report together with the audited consolidated financial statements for the year ended 31st December 2019.

董事會謹此提呈董事報告及截至二零一九年十二月三十一日止年度之經審核綜合財務報表。

Principal Activities and Geographical Analysis of Operations

The principal activity of the Company is investment holding. Its subsidiaries are principally engaged in the manufacturing and trading of electric cable and wire products. The activities of the subsidiaries are set out in note 31 to the consolidated financial statements.

An analysis of the Group's performance for the year by geographical segment is set out in note 5 to the consolidated financial statements.

按主要業務及地域劃分之分析

本公司之主要業務為投資控股，其附屬公司主要從事製造及買賣電線及導線產品業務。附屬公司之業務載於綜合財務報表附註31。

本年度按主要地區劃分之本集團業務表現分析載於綜合財務報表附註5。

Five Year Financial Summary

A summary of the results, assets and liabilities of the Group for the last five financial years is set out below:

五年財務概要

下表顯示本集團在過往五年內之業績、資產及負債概要：

		2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元	2017 二零一七年 HK$'000 千港元	2016 二零一六年 HK$'000 千港元	2015 二零一五年 HK$'000 千港元
Revenue	收益	**301,357**	355,744	364,401	359,035	401,669
(Loss)/profit for the year	全年(虧損)／溢利	**(13,198)**	(1,760)	19,283	14,622	11,688
Total assets	總資產	**714,879**	732,950	692,770	637,266	642,719
Total liabilities	總負債	**(152,355)**	(154,865)	(130,353)	(132,796)	(136,335)
Total equity	總權益	**562,524**	578,085	562,417	504,470	506,384

Analysis of the Group's Performance

An analysis of the Group's performance is set forth in the Chairman's Statement on pages 6 to 8 of this report.

本集團之業務表現分析

本集團之業務表現分析載於第6頁至第8頁之主席報告內。

Major Suppliers and Customers

The percentages of purchases and sales for the year attributable to the Group's major suppliers and customers respectively, classified by individual entity, are as follows:

主要客戶及供應商

本年度內本集團之主要供應商及客戶，以個別實體分類之採購及銷售百分比如下：

		%
Purchases	採購	
– the largest supplier	– 最大供應商	22.2%
– five largest suppliers combined	– 五大供應商	62.1%
Sales	銷售	
– the largest customer	– 最大客戶	26.3%
– five largest customers combined	– 五大客戶	68.7%

None of the directors, their close associates (as defined in the Listing Rules) or any shareholder (which to the knowledge of the directors owns more than 5% of the Company's share capital) had an interest in the major suppliers or customers noted above.

董事、彼等之緊密聯繫人士(定義見上市規則)或任何股東(指據董事所知擁有本公司5%以上股本權益之股東)並無於上述之主要供應商或客戶中擁有任何權益。

Results and Appropriations

The results of the Group for the year are set out in the consolidated income statement on page 67 of this report.

業績及分配

本年度內本集團之業績載於第67頁之綜合損益表內。

The Board does not recommend the payment of a final dividend.

董事會不建議派發末期股息。

Principal Properties

Details of the principal properties held for the Group's main operations are set out in note 16 to the consolidated financial statements.

主要物業

持有作本集團主營業務之主要物業之詳情載於綜合財務報表附註16。

Details of the principal properties held for investment purposes are set out in note 17 to the consolidated financial statements.

持有作投資用途之主要物業之詳情載於綜合財務報表附註17。

Share issued in the year

No new shares were issued during the year. Details of shares issued as at 31st December 2019 are set out in note 22 to the consolidated financial statements.

於年內發行股本

於年內並無發行新股本。有關本公司於二零一九年十二月三十一日之已發行股本載於綜合財務報表附註22。

Distributable Reserves

As at 31st December 2019, the Company's reserves available for distribution, calculated in accordance with the laws of Bermuda, amounted to HK$23,205,000. In addition, the Company's contributed surplus, amounting to HK$62,548,000 as at 31st December 2019, is available for distribution. However, the Company cannot declare or pay a dividend, or make a distribution out of the contributed surplus if (i) it is, or would after the payment be, unable to pay its liabilities as they become due; or (ii) the net realisable value of its assets would thereby be less than the aggregate of its liabilities and its share capital and share premium account. The Company's share premium account with a balance of HK$15,885,000 as at 31st December 2019 is distributable in the form of fully-paid bonus shares.

可供分派儲備

於二零一九年十二月三十一日，本公司根據百慕達法例計算之可供分派儲備為23,205,000港元。此外，本公司於二零一九年十二月三十一日之實繳盈餘為62,548,000港元，乃可供分派。然而，倘(i)本公司無法(或於作出派付股息後無法)償還其到期負債；或(ii)其資產之可變現淨值低於其負債、其股本及股份溢價帳之總和，則本公司不可宣派或派付股息，或自實繳盈餘作出分派。本公司於二零一九年十二月三十一日之股份溢價帳結餘15,885,000港元可以繳足股款之紅股方式分派。

Donations

Charitable donations made by the Group during the year amounted to approximately HK$1,465,000.

捐款

本年度內本集團之慈善捐獻約為1,465,000港元。

Pre-Emptive Rights

There are no provisions for pre-emptive rights under the Company's Bye-laws and there is no restriction against such rights under the laws of Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

優先購買權

本公司之公司細則並無優先購買權之規定，而百慕達法例並無有關本公司須按比例向現有股東提呈發售新股份之優先購買權規定。

Purchase, Sale and Redemption of the Company's Listed Securities

The Company has not redeemed any of its shares during the year. Neither the Company nor any of its subsidiaries has purchased, redeemed or sold any of the Company's shares during the year.

購買、出售及贖回本公司之上市證券

本公司並無在本年度內贖回其任何股份。本公司及其任何附屬公司概無在本年度內購買、贖回或出售任何本公司之股份。

Public Float

Based on the information that is publicly available to the Company and within the knowledge of the Directors, more than 25% of the Company's issued shares was held by the public as at 24th March 2020, being the latest practicable date prior to the issue of this annual report, in accordance with Rule 8.08 of the Listing Rules.

公眾持股量

根據本公司從公開途徑所取得的資訊及就各董事所知，截至二零二零年三月二十四日，即本年報發行前最實際可行日期，本公司已發行股份超過百分之二十五由公眾持有，符合上市規則第8.08條之規定。

Analysis of Bank Loans and Other Borrowings

The Group's bank loans and other borrowings as at 31st December 2019, in accordance with the repayment schedule (without taking into account any repayment on demand clause), are repayable over the following periods:

銀行貸款及其他借貸分析

本集團於二零一九年十二月三十一日之銀行貸款及其他借貸，根據還款時間表並忽略任何按要求償還條款，須於下列期限償還：

		Bank loans 銀行貸款 HK$'000 千港元	Trust receipt loans 信託收據貸款 HK$'000 千港元	Total 總額 HK$'000 千港元
Within 1 year	1年內	29,800	31,435	61,235
Between 1 and 2 years	1至2年	7,200	—	7,200
		37,000	31,435	68,435

Directors

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

Executive Directors

Mr. MON Chung Hung
(Chief Executive Officer & Deputy Chairman)
Mr. SIU Yuk Shing, Marco
Ms. MON Wai Ki, Vicky
Ms. MON Tiffany

Non-Executive Director

Ms. KOO Di An, Louise *(Chairman)*

Independent Non-Executive Directors

Mr. LAU Chun Kay
Mr. LEE Chung Nai, Jones
Ms. CHUNG Kit Ying

Mr. MON Chung Hung, Ms. CHUNG Kit Ying and Mr. LEE Chung Nai, Jones will retire in accordance with clause 111 of the Company's Bye-laws at the forthcoming Annual General Meeting of the Company. All of them being eligible, offer themselves for re-election.

The term of office of each non-executive and independent non-executive director is not more than three years and subject to retirement by rotation in accordance with the Company's Bye-laws.

Biographical Details of Directors and Senior Management

The biographical details of the directors and senior management of the Company are set out as follows:

Executive Directors

Mr. Mon Chung Hung, aged 69, is the founder of the Group, the Chief Executive Officer, the Deputy Chairman, an Executive Director, Authorised Representative and a member of the compliance committee of the Board. Mr. Mon has over 41 years of experience in the electric cable and wire industry. He is responsible for the Group's overall strategic planning and policy making. Mr. Mon is a director of Spector Holdings Limited, the controlling shareholder of the Company. He is also the husband of Ms. Koo Di An, Louise and the father of Ms. Mon Wai Ki, Vicky and Ms. Mon Tiffany.

董事

於本年度內至本報告之日本公司在任之董事如下：

執行董事

孟振雄先生
(行政總裁及副主席)
蕭旭成先生
孟瑋琦女士
孟韋怡女士

非執行董事

顧迪安女士*(主席)*

獨立非執行董事

劉振麒先生
李宗鼎先生
鍾潔瑩女士

孟振雄先生、鍾潔瑩女士及李宗鼎先生將根據本公司之公司細則第111條於本公司即將舉行的股東周年大會上輪席告退，任期將至股東週年大會為止。彼等符合資格並願意膺選連任。

各非執行董事及獨立非執行董事之任期不多於三年，並須根據本公司之公司細則輪席告退。

董事及高層管理人員之詳細履歷

本公司董事及高層管理人員之詳細履歷載列如下：

執行董事

孟振雄先生，69歲，本集團創辦人，授權代表，董事會之行政總裁及副主席，執行董事及監察委員會成員。孟先生在電線及導線業積逾41年豐富經驗。彼負責本集團之整體策劃及決策工作。孟先生為本公司控股股東Spector Holdings Limited之董事。彼為顧迪安女士之丈夫及孟瑋琦女士及孟韋怡女士之父親。

Biographical Details of Directors and Senior Management (Continued)

Executive Directors (Continued)

Mr. Siu Yuk Shing, Marco, aged 60, is an Executive Director, Authorised Representative and a member of the compliance committee of the Board. He joined the Group in 1986. Mr. Siu has over 31 years of experience in the electric cable and wire industry. Mr. Siu is also the Sales Director of the Group and is responsible for sales of the Group's products and product development.

Ms. Mon Wai Ki, Vicky, aged 45, is an Executive Director and a member of the compliance committee of the Board. She graduated from the Central Queensland University in Australia with a Bachelor of Communications degree. She joined the Group in 2004. As the Marketing Executive, she participates in developing marketing strategies. She is the daughter of Mr. Mon Chung Hung and Ms. Koo Di An, Louise, and the elder sister of Ms. Mon Tiffany.

Ms. Mon Tiffany, aged 39, is an Executive Director and a member of the compliance committee of the Board. She holds a bachelor's double major degree in economics and management from the University of Sydney, Australia, Diploma in Company Direction from Hong Kong Institute of Directors, and "RSSGB" certification from Six Sigma Institute. She joined the Group in 2002. As the Marketing Communications Manager, she coordinates marketing strategies and is also responsible for the information system of the Company. She is the daughter of Mr. Mon Chung Hung and Ms. Koo Di An, Louise, and the younger sister of Ms. Mon Wai Ki, Vicky.

Non-Executive Director

Ms. Koo Di An, Louise, aged 68, is the Chairman, a Non-Executive Director, the chairman of the compliance committee and a member of the audit, remuneration and nomination committees of the Board. Ms. Koo is a director of Spector Holdings Limited, the controlling shareholder of the Company. She is also the wife of Mr. Mon Chung Hung and the mother of Ms. Mon Wai Ki, Vicky and Ms. Mon Tiffany.

董事及高層管理人員之詳細履歷(續)

執行董事(續)

蕭旭成先生，60歲，董事會之執行董事，授權代表及監察委員會成員。彼於一九八六年加入本集團。蕭先生在電線及導線業積逾31年豐富經驗。蕭先生亦為本集團之營業總監，負責本集團產品之銷售及產品發展工作。

孟瑋琦女士，45歲，董事會之執行董事及監察委員會成員。彼畢業於澳洲Central Queensland University，獲傳理學學士學位。彼於二零零四年加入本集團。作為本集團之營銷主任，孟女士參與制訂市場策略。彼為孟振雄先生及顧廸安女士之女兒，以及孟韋怡女士之胞姊。

孟韋怡女士，39歲，董事會之執行董事及監察委員會成員。彼持有澳洲雪梨大學經濟及管理雙學士學位、於香港董事學會公司董事文憑及六式碼學會綠帶資格。彼於二零零二年加入本集團。孟女士為本集團之市場拓展事務經理，負責統籌市場推廣策略及公司資訊科技。彼為孟振雄先生及顧廸安女士之女兒，以及孟瑋琦女士之胞妹。

非執行董事

顧廸安女士，68歲，董事會之主席，非執行董事，監察委員會主席及審核委員會，薪酬委員會及提名委員會之成員。顧女士為本公司控股股東Spector Holdings Limited之董事。彼為孟振雄先生之妻子及孟瑋琦女士及孟韋怡女士之母親。

Biographical Details of Directors and Senior Management (Continued)

Independent Non-Executive Directors

Mr. Lau Chun Kay, B.Sc., MBA, M.A., aged 71, is an Independent Non-Executive Director, the chairman of the audit, remuneration and nomination committees and a member of the compliance committee of the Board. He joined the Group in 1996. Mr. Lau is a registered professional engineer and holds a master's degree in business administration and a bachelor's degree in electrical engineering from the University of Hong Kong, and a master degree in history and a master degree of in Philosophy from the Chinese University of Hong Kong. Mr. Lau is a Life President of the Hong Kong Electrical Contractors Association, and a past President and current Secretary General of The Federation of Asian and Pacific Electrical Contractors Associations. He is also the Executive Director of the Hong Kong Federation of Electrical and Mechanical Contractors. He has over 48 years of experience in management and engineering.

Mr. Lee Chung Nai, Jones, aged 71, is an Independent Non-Executive Director and a member of the audit, remuneration, nomination and compliance committees of the Board. Mr. Lee has over 37 years of experience in international trade in toys, among which Mr. Lee had also operated a toys factory with 2,000 workers in China for 10 years. Mr. Lee had also operated a subsidiary company in Hong Kong for a listed company in Australia. Mr. Lee has his own toy company.

Ms. Chung Kit Ying, aged 45, is an Independent Non-Executive Director and a member of the audit, remuneration, nomination and compliance committee of the Board. She joined the Group in December 2017. Ms. Chung obtained a degree of Bachelor of Business Administration and a degree of Master of Science in Finance from the Chinese University of Hong Kong in 1997 and 2007, respectively. Ms. Chung has worked in an international firm of certified public accountants and the finance department of a listed group, and has over 21 years of experience in accounting and auditing. Ms. Chung is a member of Hong Kong Institute of Certified Public Accountants.

董事及高層管理人員之詳細履歷(續)

獨立非執行董事

劉振麒先生，B.Sc., MBA, M.A.，71歲，董事會之獨立非執行董事，審核委員會，薪酬委員會及提名委員會之主席及監察委員會成員。彼於一九九六年加入本集團。劉先生為一名註冊專業工程師及持有香港大學工商管理碩士學位及電機工程學士學位，香港中文大學歷史碩士學位及哲學系碩士學位。劉先生為香港電器工程商會之永遠會長，以及亞洲太平洋電氣工事協會聯合會之前任會長及現任秘書長。劉先生亦為香港機電工程商聯會行政總監。彼在管理及工程方面積逾48年豐富經驗。

李宗鼐先生，71歲，董事會之獨立非執行董事，審核委員會，薪酬委員會，提名委員會及監察委員會之成員。李先生有超過37年的國際玩具國際貿易經驗，其中有十年營運一家於中國大陸有2,000工人的製造廠。李先生亦曾替一家澳洲上市公司管理一家在香港的附屬公司。李先生現在擁有及營運一家玩具公司。

鍾潔瑩女士，45歲，董事會之獨立非執行董事，審核委員會，薪酬委員會，提名委員會及監察委員會之成員。彼於二零一七年十二月加入本集團。鍾女士分別於一九九七年及二零零七年於香港中文大學取得工商管理學士學位及財務學之理學碩士學位。彼曾於一間國際會計師行及一間上市公司之財務部工作，在會計及核數行業積逾21年豐富經驗。鍾女士為香港會計師公會會員。

Biographical Details of Directors and Senior Management (Continued)

Senior Management

Mr. Seto Sai Cheong Paul, aged 58, is the Chief Financial Officer of the Company. He is a fellow member of the Hong Kong Institute of Certified Public Accountants, a fellow member of the Association of Chartered Certified Accountants, and a member of The Taxation Institute of Hong Kong ("TIHK"). Mr. Seto is also a Certified Tax Advisor ("CTA") of TIHK. Mr. Seto is responsible for financial and accounting management, corporate governance and administration of the Company. He joined the Group in September 2018. Mr. Seto has over 30 years of experience in accounting and taxation including senior financial executives of three main board listed companies in Hong Kong and chief financial officer of multinational corporation.

Mr. Chan Chun Yiu, aged 48, is the Group's Assistant Manufacturing Manager and is responsible for sales and marketing activities. He joined the Group in 1997, holds a Bachelor degree and Master degree in Mechanical Engineering and has over 23 years of experience in the electric cable and wire industry.

Mr. Lai Wing Hong, aged 42, is the Finance Manager and Company Secretary of the Company. He is a fellow member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants. He holds a Bachelor (Honours) Degree in Accountancy from the Hong Kong Polytechnic University and a Master Degree in Business Administration from the Holmes Institute. Mr. Lai joined the Group on 1st March 2019 and is responsible for finance functions and the Company Secretary work. He has over 18 years of experience in auditing and accounting including being the company secretary and the senior financial executive of a GEM board listed company in Hong Kong.

Directors' Service Contracts

None of the Directors proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable within one year without payment of compensation, other than statutory compensation.

董事及高層管理人員之詳細履歷(續)

高層管理人員

司徒世昌先生，58歲，為本公司財務總監。彼為香港會計師公會資深會員、英國特許會計師公會的資深會員及香港稅務學會(「TIHK」)的會員。司徒先生亦為香港稅務學會的註冊稅務師(「CTA」)。司徒先生負責財務和會計管理，企業管治和本公司行政管治。彼於二零一八年九月加入本集團。司徒先生在會計與稅務擁有逾30年的經驗，包括曾於香港三間在主板上市的公司出任高級財務行政人員，並曾於跨國企業擔任財務總監。

陳振燿先生，48歲，本集團副生產經理，負責銷售及市場拓展工作。彼於一九九七年加入本集團，持有機械工程學士及碩士學位，在電線及導線業積逾23年經驗。

黎永康先生，42歲，為本公司財務經理及公司秘書。彼為香港會計師公會資深會員及英國特許公認會計師公會資深會員，持有香港理工大學會計(榮譽)學士學位及霍姆斯學院工商管理碩士學位。黎先生於二零一九年三月一日加入本集團，負責財務職能及公司秘書工作。彼於審計及會計方面擁有逾18年經驗，曾擔任一間香港創業板上市公司的公司秘書及高級財務行政人員。

董事之服務合約

擬於應屆股東週年大會重選連任的董事概無與本公司訂立任何不能在一年內終止而毋須支付賠償金(法定賠償除外)之服務合約。

Directors' Material Interests in Transactions, Arrangements and Contracts that are Significant in Relation to the Group's Business

No transactions, arrangements and contracts of significance in relation to the Group's business to which its holding company or the Company's subsidiaries was a party, and in which a director of the Company and the directors' connected party had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

董事於與本集團業務有重大關係之交易、安排及合約之重大權益

控股公司及其附屬公司並無訂立任何於年終或年內任何時間存續、且與本集團業務有重大關係及當中有本公司之董事或董事之關聯方直接或間接擁有重大權益之重大交易、安排及合約。

Directors' and Chief Executives' Interests in Equity or Debt Securities

At 31st December 2019, the interests of the directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO") as recorded in the register required to be kept under section 352 of the SFO or as notified to the Company) were as follows:

董事及主要行政人員於股本或債務證券之權益

於二零一九年十二月三十一日，根據證券及期貨條例352條之規定而存置之登記冊所記錄，本公司董事及主要行政人員在本公司或其相關法團(定義見證券及期貨條例第XV部)之股份、相關股份及債券中擁有之權益，或本公司已接獲通知之該等權益如下：

Ordinary shares of HK$0.10 each in the Company ("Shares")

本公司每股0.10港元之普通股(「股份」)

Name 姓名	Number of shares 股份數目 Personal interests 個人權益	Family interests 家族權益	Corporate interests 法團權益	Other interests 其他權益	Total interests 總權益	Total interests as % of the relevant issued share capital 總權益佔相關已發行股本之百分比
MON Chung Hung 孟振雄	284,000	5,258,000 (note 1) (附註1)	140,822,000 (note 2) (附註2)	–	146,364,000	73.57%
KOO Di An, Louise 顧廸安	5,258,000	141,106,000 (note 3) (附註3)	–	–	146,364,000	73.57%
LAU Chun Kay 劉振麒	138,000	–	–	–	138,000	0.07%

Directors' and Chief Executives' Interests in Equity or Debt Securities (Continued)

Ordinary shares of HK$0.10 each in the Company ("Shares") (Continued)

note 1: Mr. Mon Chung Hung is the husband of Ms. Koo Di An, Louise, Mr. Mon Chung Hung is thus deemed to be interested in 5,258,000 shares by virtue of his wife's interest therein.

note 2: The 140,822,000 Shares were held in the name of Spector Holdings Limited, the issued share capital of which is beneficially owned as to 99.9% by Mr. Mon Chung Hung and as to the remaining 0.1% by Ms. Koo Di An, Louise.

note 3: Ms. Koo Di An, Louise is the wife of Mr. Mon Chung Hung. Ms. Koo is thus deemed to be interested in 141,106,000 Shares by virtue of her husband's interest therein.

All the interests stated above represent long positions. As at 31st December 2019, no short positions were recorded in the Register of Directors' and Chief Executives' Interests and Short Positions required to be kept under section 352 of the SFO.

At no time during the year was the Company, its subsidiaries or its holding company a party to any arrangement to enable the directors and chief executives of the Company (including their spouse and children under 18 years of age) to hold any interests or short positions in the shares or underlying shares in, or debentures of, the Company or its specified undertakings or other associated corporation.

董事及主要行政人員於股本或債務證券之權益(續)

本公司每股0.10港元之普通股(「股份」)(續)

附註1： 孟振雄先生為顧迪安女士之丈夫，孟振雄先生因其妻子的緣故被視為擁有5,258,000股份。

附註2： 此140,822,000股份由Spector Holdings Limited實益擁有，該公司99.9%已發行股本由孟振雄先生擁有，餘下的0.1%由顧迪安女士擁有。

附註3： 顧迪安女士為孟振雄先生的妻子，顧女士因其丈夫於該等股份擁有權益被視為擁有141,106,000股份。

上述所有權益均為好倉。於二零一九年十二月三十一日，根據證券及期貨條例352條之規定而存置之董事及主要行政人員之股份權益及淡倉發記冊內並無淡倉記錄。

於年內任何時間，本公司、其附屬公司及其控股公司概無訂立任何安排，致使本公司董事及主要行政人員(包括彼等之配偶及未成年子女)於本公司或其指明企業或其他相聯法團之股份或相關股份中持有任何權益或淡倉。

Substantial Shareholders' Interests in the Share Capital of the Company

Other than the interests of the directors and chief executives of the Company as disclosed above, as at 31st December 2019, the register maintained by the Company pursuant to section 336 of the SFO records interests (as defined in the SFO) in the Company of the following persons.

主要股東於本公司股本之權益

除上文所披露之本公司董事及主要行政人員之權益外，於二零一九年十二月三十一日，根據證券及期貨條例第336條之規定而存置之登記冊所記錄，以下人仕持有本公司之權益(定義見證券及期貨條例)。

Name 姓名	Number of Shares 股份數目 Personal interests 個人權益	Family interests 家族權益	Corporate interests 法團權益	Other interests 其他權益	Total interests 總權益	Total interests as % of the relevant issued share capital 總權益佔相關已發行股本之百分比
Spector Holdings Limited	140,822,000 (note 1) (附註1)	–	–	–	140,822,000	70.78%

note 1: The share capital of the Spector Holdings Limited is owned as to 99.9% by Mr. Mon Chung Hung and as to the remaining 0.1% by Ms. Koo Di An, Louise.

附註1： Spector Holdings Limited之股本其中99.9%由孟振雄先生擁有，餘下的0.1%由顧迪安女士擁有。

All the interests stated above represent long positions. As at 31st December 2019, no short positions were recorded in the Register of Interests in Shares and Short Positions of substantial shareholders required to be kept under section 336 of the SFO.

上述所有權益均為好倉。於二零一九年十二月三十一日，根據證券及期貨條例336條之規定而存置之主要股東之股份權益及淡倉登記冊內，並無淡倉記錄。

Save as disclosed above, so far as the directors are aware, there were no person who, as at 31st December 2019, directly or indirectly held or was beneficially interested in shares representing 5% or more of the issued share capital of the Company or its subsidiaries.

除上文所披露外，就各董事所知，於二零一九年十二月三十一日，並無任何人士直接或間接持有或實益擁有本公司或其附屬公司已發行股本5%或以上之股份權益。

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.

管理合約

本年度內並無訂立亦從未存在與本公司整體或任何重要業務有關之管理及行政合約。

Directors' Interest in Competing Business

None of the Directors has an interest in any business which competes or is likely to compete with the business of the Group.

董事於競爭業務之權益

各董事概無在對本集團業務構成競爭或可能競爭之任何其他業務擁有權益。

Business Review

Business review of the Group is set forth in the Chairman's Statement on pages 6 to 8 of this report.

業務回顧

集團業務回顧部份載於本報告第6頁至第8頁之主席報告內。

Permitted Indemnity Provisions

At no time during the financial year and up to the date of this Directors' Report, there was or is, any permitted indemnity provision being in force for the benefit of any of the directors of the Company (whether made by the Company or otherwise) or an associated company (if made by the Company).

獲准許彌償條文

於本財政年度及直至本董事報告日期任何時間，概無任何獲准許彌償條文(不論是否由本公司訂立)於惠及本公司或其關聯公司(倘由本公司訂立)之任何董事之情況下生效。

Subsequent Event

Details of subsequent events are disclosed in note 33 to the consolidated financial statements.

期後事項

期後事項之詳情於綜合財務報表附註33披露。

Auditors

The consolidated financial statements have been audited by PricewaterhouseCoopers who will retire at the forthcoming annual general meeting of the Company and, being eligible, offer themselves for re-appointment.

核數師

綜合財務報表已經由羅兵咸永道會計師事務所審核。該核數師將於即將舉行的股東周年大會任滿退任，惟願意膺選連任。

On behalf of the Board
Koo Di An, Louise
Chairman

代表董事會
主席
顧廸安

Hong Kong, 24th March 2020

香港，二零二零年三月二十四日

INDEPENDENT AUDITOR'S REPORT
獨立核數師報告

To the Shareholders of Perennial International Limited
(incorporated in Bermuda with limited liability)

Opinion
What we have audited
The consolidated financial statements of Perennial International Limited (the "Company") and its subsidiaries (the "Group") set out on pages 67 to 155, which comprise:

- the consolidated statement of financial position as at 31st December 2019;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

Our opinion
In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31st December 2019, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for Opinion
We conducted our audit in accordance with Hong Kong Standards on Auditing ("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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

致恒都集團有限公司股東
(於百慕達註冊成立的有限公司)

意見
我們已審計的內容
恒都集團有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第67至155頁的綜合財務報表,包括:

- 於二零一九年十二月三十一日的綜合財務狀況表;
- 截至該日止年度的綜合損益表;
- 截至該日止年度的綜合全面收益表;
- 截至該日止年度的綜合權益變動表;
- 截至該日止年度的綜合現金流量表;及
- 綜合財務報表附註,包括主要會計政策概要。

我們的意見
我們認為,該等綜合財務報表已根據香港會計師公會頒布的《香港財務報告準則》真實而中肯地反映了 貴集團於二零一九年十二月三十一日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量,並已遵照香港《公司條例》的披露規定妥為擬備。

意見的基礎
我們已根據香港會計師公會頒布的《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。

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。

Basis for Opinion (Continued)

Independence

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

意見的基礎(續)

獨立性

根據香港會計師公會頒布的《專業會計師道德守則》(以下簡稱「守則」),我們獨立於 貴集團,並已履行守則中的其他專業道德責任。

Key Audit Matters

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

關鍵審計事項

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

Key audit matter identified in our audit is summarised as follows:

我們在審計中識別的關鍵審計事項概述如下:

Key Audit Matter **關鍵審計事項**	**How our audit addressed the Key Audit Matter** **我們的審計如何處理關鍵審計事項**
Valuation for land and buildings and investment properties **土地及樓宇及投資物業的估值** Refer to notes 2.6, 2.7, 16 and 17 to the consolidated financial statements. 參閱綜合財務報表附註2.6、2.7、16及17。	We assessed the competence, capabilities and objectivity of the valuers by verifying their qualifications, discussing the scope of their work and reviewing the terms of their engagements. 我們評估了估值師的勝任能力、專業能力及客觀性,包括核實其資格、與其討論其所進行的工作範疇及審閱其委聘條款。 We carried out procedures to test whether property-specific standing data supplied to the valuer by management reflected the underlying property records held by the Group. 我們進行了多項程序,以測試管理層提供予估值師的物業特定數據是否反映集團所持相關物業的記錄。

Key Audit Matters (Continued) 關鍵審計事項(續)

Key Audit Matter 關鍵審計事項	How our audit addressed the Key Audit Matter 我們的審計如何處理關鍵審計事項
The Group owns land and buildings in Hong Kong, the People's Republic of China (the "PRC") and Vietnam for office premises and manufacturing plants respectively, and owns investment properties in Hong Kong for investment purpose (together, the "Properties"). These are classified as property, plant and equipment and investment properties according to their use and, their carrying values are HK$367.0 million and HK$47.2 million as at 31st December 2019 respectively. For the year ended 31st December 2019, revaluation surplus of HK$0.1 million relating to land and buildings classified as property, plant and equipment and revaluation loss of HK$8.1 million relating to the investment properties are recorded in the consolidated income statement, revaluation surplus of HK$0.2 million relating to land and buildings classified as property, plant and equipment is recorded in the consolidated statement of comprehensive income. 本集團在香港、中華人民共和國(「中國」)及越南擁有土地及樓宇分別用作辦公室及生產廠房以及在香港擁有投資物業作投資用途(統稱「該等物業」),並根據其用途分類為物業、廠房及設備以及投資物業,於二零一九年十二月三十一日,賬面值分別為3.670億港元0.472億港元。截至二零一九年十二月三十一日止年度,有關分類為物業、廠房及設備的土地及樓宇重估盈餘0.1百萬港元及有關分類為投資物業的重估虧損8.1百萬港元於綜合損益表列賬,而有關分類為物業、廠房及設備的土地及樓宇重估盈餘0.2百萬港元則於綜合全面收益表列賬。 The valuations of these Properties are inherently subjective due to, among other factors, the individual nature of each property and its location. 由於(其中包括)各項物業的個別性質及其所在地點,故該等物業的估值難免存在主觀性。 The valuations of these Properties were carried out by an independent professional qualified valuers. 該等物業的估值乃由獨立專業合資格估值師進行。	We assessed the reasonableness of the key assumptions and inputs used by the valuers by performing market research on comparable transactions available for properties located in Hong Kong and the average cost of construction and useful life for properties located in the PRC and Vietnam. Where the assumptions applied by the valuers were outside our expected range or otherwise unusual, we discussed the matters with the valuers and management and obtained additional evidence to support the explanations received. 對於香港物業,我們以市場可比較樓宇買賣交易作參考,評估估值師所用的主要假設及參數的合理性。對於中國及越南物業,我們就平均建築成本及可使用年期進行市場研究,評估估值師所用的主要假設及參數的合理性。倘估值師所用的假設超出我們預期的範圍或出現其他異常情況,我們已與估值師及管理層討論有關事宜並獲取了有關解釋及額外證據作為支持。 We concluded that the assumptions used in the valuations were supportable in light of the available evidence. 基於所得的證據,我們認為估值所用的假設屬有理據。

Key Audit Matters (Continued)

關鍵審計事項(續)

Key Audit Matter 關鍵審計事項	How our audit addressed the Key Audit Matter 我們的審計如何處理關鍵審計事項
Properties in Hong Kong were valued using the direct comparison approach, with reference to the sales prices per square foot of comparable properties and adjusted for key differences in key attributes such as location and size. Factory buildings in the PRC were valued using both the direct comparison approach which reference to the sales prices per square foot of comparable properties and the depreciated replacement cost approach, with reference to the cost of construction per square metre in the relevant locations and apply assumptions for estimated depreciation over the useful life, to arrive at the final valuation. Factory buildings in Vietnam were valued using depreciated replacement cost approach with reference to the cost of construction per square metre in the relevant locations, with allowance for accrued depreciation as evidence by observed condition or obsolescence present. 位於香港的該等物業以直接比較法進行估值，當中參考可比較物業每平方呎的售價並就影響其估值的主要因素(例如位處地點及面積大小)的不同而作出估值調整。位於中國的工廠樓宇採用直接比較法(參考可比物業每平方呎的銷售價格)及折舊重置成本法進行估值(參考相關地區樓宇每平方米的建築成本及餘下可使用年期的估計折舊)以得出最終估值。位於越南的工廠樓宇估值，參考相關地點之每平方米建築成本利用折舊重置成本法釐定，並計入根據觀察到的狀況或陳舊現狀之應計折舊撥備。 The significance of the estimates and judgments involved warrants specific audit focus in this area. 由於估值過程中所涉及的估計及判斷十分重要，故此需要具體的審核工作集中於此範圍。	

Other Information

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

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

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

其他信息

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

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

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

Other Information (Continued)

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

其他信息(續)

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

Responsibilities of Directors and the Audit Committee for the Consolidated Financial Statements

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

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

The Audit Committee is responsible for overseeing the Group's financial reporting process.

董事及審核委員會就綜合財務報表須承擔的責任

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

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

審核委員會須負責監督 貴集團的財務報告過程。

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda 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 HKSAs 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.

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅按照百慕達一九八一年《公司法》第90條向閣下(作為整體)報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

核數師就審計綜合財務報表承擔的責任(續)

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

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對 貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Cheung Yuk Ting Mabel.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 24th March 2020

核數師就審計綜合財務報表承擔的責任(續)

- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。

- 就　貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責　貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

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

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

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

出具本獨立核數師報告的審計項目合夥人是張玉婷。

羅兵咸永道會計師事務所
執業會計師

香港，二零二零年三月二十四日

CONSOLIDATED INCOME STATEMENT
綜合損益表

For the year ended 31st December 2019
截至二零一九年十二月三十一日止年度

		Note 附註	2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元
Revenue	收益	5	**301,357**	355,744
Cost of sales	銷售成本		**(245,570)**	(299,538)
Gross profit	毛利		**55,787**	56,206
Other income	其他收益	6	**7,086**	7,128
Distribution expenses	分銷開支		**(7,305)**	(9,220)
Administrative expenses	行政開支		**(53,976)**	(54,186)
Other operating (expenses)/income, net	其他經營(開支)／收入淨額	7	**(12,754)**	1,798
Impairment loss on financial assets	財務資產減值虧損	19	**(754)**	–
Operating (loss)/profit	經營(虧損)／溢利	8	**(11,916)**	1,726
Finance costs	財務費用	9	**(2,468)**	(1,104)
(Loss)/profit before taxation	除税前(虧損)／溢利		**(14,384)**	622
Income tax credit/(charge)	税項抵免／(開支)	10(a)	**1,186**	(2,382)
Loss for the year attributable to shareholders of the Company	本公司股東應佔本年度虧損		**(13,198)**	(1,760)
Basic and diluted loss per share (cents)	每股基本及攤薄虧損(仙)	11	**(6.6)**	(0.9)

The above consolidated income statement should be read in conjunction with the accompanying notes.

上述綜合損益表應連同隨附附註一併閱讀。

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
綜合全面收益表

For the year ended 31st December 2019
截至二零一九年十二月三十一日止年度

		2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元
Loss for the year	本年度虧損	**(13,198)**	(1,760)
Other comprehensive (loss)/income:	其他全面(損失)/收益：		
Item that will not be reclassified subsequently to profit or loss	其後將不會重新分類至損益的項目		
Revaluation (deficit)/surplus on land and buildings, net of tax	土地及樓宇之重估(損失)／盈餘，扣除税項	**(160)**	30,789
Items that may be reclassified to profit or loss	其後可能會重新分類至損益的項目		
Exchange difference arising from translation of financial statements of subsidiaries	附屬公司財務報表之兑換之匯率差異	**(2,203)**	(13,361)
Other comprehensive (loss)/income for the year	本年度其他全面(損失)／收益	**(2,363)**	17,428
Total comprehensive (loss)/income for the year attributable to shareholders of the Company	本公司股東應佔本年度總全面(損失)／收益	**(15,561)**	15,668

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

上述綜合全面收益表應連同隨附附註一併閱讀。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
綜合財務狀況表

As at 31st December 2019
於二零一九年十二月三十一日

		Note 附註	2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元
ASSETS	**資產**			
Non-current assets	非流動資產			
Land use rights	土地使用權	14	**–**	26,696
Right-of-use assets	使用權資產	15(a)	**26,496**	–
Property, plant and equipment	物業、廠房及設備	16	**395,075**	402,067
Investment properties	投資物業	17	**47,200**	55,290
Non-current deposits	非流動訂金		**430**	1,101
Deferred tax assets	遞延稅項資產	10(b)	**6,296**	3,832
			475,497	488,986
Current assets	流動資產			
Inventories	存貨	18	**110,061**	90,934
Trade and bill receivables	應收貿易賬款及票據	19	**81,163**	90,330
Derivative financial instruments	衍生金融工具	20	**495**	–
Other receivables, deposits and prepayments	其他應收款項、訂金及預付款項		**10,404**	11,442
Taxation recoverable	可收回稅項		**711**	1,262
Cash and cash equivalents	現金及現金等價物	21	**36,548**	49,996
			239,382	243,964
Total assets	總資產		**714,879**	732,950
EQUITY	**權益**			
Equity attributable to shareholders of the Company	本公司股東應佔權益			
Share capital	股本	22	**19,896**	19,896
Other reserves	其他儲備	23	**259,618**	261,981
Retained earnings	保留盈利	23	**283,010**	296,208
Total equity	總權益		**562,524**	578,085
LIABILITIES	**負債**			
Non-current liabilities	非流動負債			
Lease liabilities	租賃負債	15(b)	**77**	–
Deferred tax liabilities	遞延稅項負債	10(b)	**43,835**	44,047
			43,912	44,047

Consolidated Statement of Financial Position (Continued)
綜合財務狀況表(續)

As at 31st December 2019
於二零一九年十二月三十一日

		Note *附註*	**2019 二零一九年 HK$'000 千港元**	2018 二零一八年 HK$'000 千港元
Current liabilities	流動負債			
Trade payables	應付貿易賬款	24	**17,749**	17,387
Other payables and accruals	其他應付款項及應計開支	24	**18,971**	29,783
Lease liabilities	租賃負債	15(b)	**451**	–
Taxation payable	應付稅項		**2,837**	2,114
Bank loans	銀行貸款	25	**37,000**	36,800
Trust receipt loans	信託收據貸款	25	**31,435**	24,734
			108,443	110,818
Total liabilities	總負債		**152,355**	154,865
Total equity and liabilities	總權益及總負債		**714,879**	732,950

The consolidated financial statements on pages 67 to 155 were approved by the Board of Directors on 24th March 2020 and were signed on its behalf.

第67頁至第155頁之綜合財務報表於二零二零年三月二十四日經董事會批准並代表簽署。

MON Chung Hung
孟振雄
Director
董事

SIU Yuk Shing, Marco
蕭旭成
Director
董事

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

上述綜合財務狀況表應連同隨附附註一併閱讀。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
綜合權益變動表

For the year ended 31st December 2019
截至二零一九年十二月三十一日止年度

		Share capital 股本 HK$'000 千港元	Other reserves *(note 23)* 其他儲備 *(附註23)* HK$'000 千港元	Retained earnings 保留盈利 HK$'000 千港元	Total equity 總權益 HK$'000 千港元
As at 1st January 2019	於二零一九年一月一日	**19,896**	**261,981**	**296,208**	**578,085**
Comprehensive loss	全面損失				
Loss for the year	本年度虧損	**–**	**–**	**(13,198)**	**(13,198)**
Other comprehensive (loss)/income	其他全面(損失)／收益				
Revaluation surplus on land and buildings	土地及樓宇之重估盈餘	**–**	**181**	**–**	**181**
Deferred tax charged to revaluation reserve	扣除重估儲備之遞延税項	**–**	**(341)**	**–**	**(341)**
Exchange difference arising from translation of financial statements of subsidiaries	附屬公司財務報表之兑換之匯率差異	**–**	**(2,203)**	**–**	**(2,203)**
Total comprehensive loss for the year	本年度總全面損失	**–**	**(2,363)**	**(13,198)**	**(15,561)**
At 31st December 2019	於二零一九年十二月三十一日	**19,896**	**259,618**	**283,010**	**562,524**

Consolidated Statement of Changes in Equity (Continued)
綜合權益變動表(續)

For the year ended 31st December 2019
截至二零一九年十二月三十一日止年度

		Share capital 股本 HK$'000 千港元	Other reserves *(note 23)* 其他儲備 *(附註23)* HK$'000 千港元	Retained earnings 保留盈利 HK$'000 千港元	Total equity 總權益 HK$'000 千港元
As at 1st January 2018	於二零一八年一月一日	19,896	244,553	297,968	562,417
Comprehensive loss	全面虧損				
Loss for the year	本年度虧損	–	–	(1,760)	(1,760)
Other comprehensive income/ (loss)	其他全面收益／(虧損)				
Revaluation surplus on land and buildings	土地及樓宇之重估盈餘	–	37,304	–	37,304
Deferred tax charged to revaluation reserve	扣除重估儲備之遞延税項	–	(6,515)	–	(6,515)
Exchange difference arising from translation of financial statements of subsidiaries	附屬公司財務報表之兑換之匯率差異	–	(13,361)	–	(13,361)
Total comprehensive income/ (loss) for the year	本年度總全面收益／(虧損)	–	17,428	(1,760)	15,668
At 31st December 2018	於二零一八年十二月三十一日	19,896	261,981	296,208	578,085

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

上述綜合權益變動表應連同隨附附註一併閱讀。

CONSOLIDATED STATEMENT OF CASH FLOWS
綜合現金流量表

For the year ended 31st December 2019
截至二零一九年十二月三十一日止年度

		Note 附註	2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元
Cash flows from operating activities	**營運活動的現金流量**			
Net cash (used in)/generated from operations	營運(所用)／產生的淨現金	27(a)	**(3,220)**	2,034
Hong Kong profits tax refunded, net	退還香港利得稅淨額		**183**	1,278
Overseas tax paid, net	支付海外利得稅淨額		**(1,446)**	(1,434)
Interest paid	支付利息		**(2,468)**	(1,523)
Net cash (used in)/generated from operating activities	營運活動(所用)／產生的淨現金		**(6,951)**	355
Cash flows from investing activities	**投資活動的現金流量**			
Purchase of property, plant and equipment	購置物業、廠房及設備		**(14,114)**	(42,580)
Decrease in deposits paid for additions of property, plant and equipment	減少添置物業、廠房及設備之已付訂金		**671**	4
Interest received	收取利息		**98**	62
Proceeds from sale of property, plant and equipment	出售物業、廠房及設備所得款	27(b)	**524**	101
Net cash used in investing activities	投資活動所用的淨現金		**(12,821)**	(42,413)
Cash flows from financing activities	**融資活動的現金流量**			
Additions of bank loans	新增銀行貸款	27(d)	**35,000**	40,000
Repayments of bank loans	償還銀行貸款	27(d)	**(34,800)**	(3,200)
Net addition/(repayment) of trust receipt loans	淨新增／(償還)信託收據貸款	27(d)	**6,701**	(12,887)
Payments for principal portion of the lease liability	支付租賃負債本金部分	27(d)	**(364)**	–
Net cash generated from financing activities	融資活動產生的淨現金		**6,537**	23,913
Net decrease in cash and cash equivalents	**現金及現金等價物之淨減少**		**(13,235)**	(18,145)
Cash and cash equivalents at 1st January	於一月一日之現金及現金等價物		**49,996**	68,621
Exchange difference on cash and cash equivalents	現金及現金等價物之匯兑差異		**(213)**	(480)
Cash and cash equivalents at 31st December	**於十二月三十一日之現金及現金等價物**	21	**36,548**	49,996

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

上述綜合現金流量表應連同隨附附註一併閱讀。

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

For the year ended 31st December 2019
截至二零一九年十二月三十一日止年度

1. General Information

Perennial International Limited (the "Company") is an investment holding company. The Company and its subsidiaries (together, the "Group") are principally engaged in the manufacturing and trading of electric cable and wire products.

The Company is a limited liability company incorporated in Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda.

These consolidated financial statements are presented in Hong Kong dollars ("HK$") unless otherwise stated.

1. 一般資料

恒都集團有限公司(「本公司」)為投資控股公司。本公司及其子公司(統稱「本集團」)主要從事製造及買賣電線及導線產品。

本公司於百慕達註冊成為一間有限公司。其註冊辦事處的地址為Clarendon House, 2 Church Street, Hamilton HM11, Bermuda。

除另外註明外，此等綜合財務報表以港元呈列。

2. Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance Cap. 622. They have been prepared under the historical cost convention, as modified by the revaluation of land and buildings and investment properties and certain financial assets and liabilities (including derivative instruments), which are carried at fair value.

The preparation of consolidated financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

2. 主要會計政策摘要

編製此等綜合財務報表所採用之主要會計政策載於下文。除有説明外，此等政策在所呈報的所有年度內貫徹應用。

2.1 編製基準

本集團綜合財務報表乃按照香港會計師公會頒佈的所有適用香港財務報告準則(「香港財務報告準則」)及香港《公司條例》第622章的披露規定編製。該等綜合財務報表按歷史成本法編製，並就按公允值列賬的土地及樓宇及投資物業以及若干財務資產及負債(包括衍生工具)重估作出修訂。

編製符合香港財務報告準則的綜合財務報表需要使用若干關鍵會計估計，亦要求管理層在應用本集團會計政策過程中作出判斷。涉及高度的判斷或高度複雜性的範疇，或涉及對綜合財務報表屬重大假設和估算的範疇，在附註4披露。

2. Summary of Significant Accounting Policies (Continued)

2.1 Basis of preparation (Continued)

New and amended standards and interpretation adopted by the Group

The following new standard and amendments to standards and interpretation have been adopted by the Group for the first time for the financial year beginning on or after 1st January 2019:

HKFRS 16 香港財務報告準則第16號	Leases 租賃
HK(IFRIC)-Int 23 香港(國際財務報告詮釋委員會)－詮釋第23號	Uncertainty over Income Tax Treatments 所得稅處理的不確定性
Amendments to HKFRS 9 香港財務報告準則第9號(修訂本)	Prepayment Features with Negative Compensation 提早還款特性及負補償
Amendments to HKAS 19 香港會計準則第19號(修訂本)	Plan Amendment, Curtailment or Settlement 計劃修訂、縮減或結算
Amendments to HKAS 28 香港會計準則第28號(修訂本)	Long-term Interests in Associates and Joint Ventures 於聯營公司及合營企業的長期權益
Annual Improvements Project 年度改進項目	Annual Improvements to HKFRSs 2015–2017 Cycle 香港財務報告準則二零一五年至二零一七年週期的年度改進

Of these, only HKFRS 16 is relevant to the Group's consolidated financial statements. The Group had to change its accounting policy as a result of adopting this new standard. This note below explains the impact of the adoption of HKFRS 16 Leases on the Group's financial statements and discloses the new accounting policies that have been applied from 1st January 2019 as below.

The Group has adopted HKFRS 16 on 1st January 2019 without restating comparatives for the 2018 reporting period, as permitted under the specific transitional provisions in the standard. The reclassifications arising from the new leasing rules are therefore recognised in the opening balances on 1st January 2019.

2. 主要會計政策摘要(續)

2.1 編製基準(續)

本集團採納的新訂及經修訂準則及詮釋

本集團已於二零一九年一月一日或之後開始的財政年度首次採用下列新訂準則、準則修訂本及詮釋:

於該等準則中,僅香港財務報告準則第16號與本集團的綜合財務報表有關。由於採納此項新準則,本集團不得不更改其會計政策。下文所載之本附註解釋採納香港財務報告準則第16號租賃對本集團財務報表造成之影響,並於下文披露自二零一九年一月一日起已適用之新會計政策。

本集團已於二零一九年一月一日採納香港財務報告準則第16號,並按該準則之特定過渡條文所允許,並無重列二零一八年報告期間之比較資料。因此,該等新租賃規則所導致的重新分類於二零一九年一月一日的期初餘額中確認。

2. Summary of Significant Accounting Policies (Continued)

2.1 Basis of preparation (Continued)

New and amended standards and interpretation adopted by the Group (Continued)

On adoption of HKFRS 16, the Group did not recognise any right-of-use asset or lease liability as at 1st January 2019 due to application of simplified accounting for low value leases and those leases with a term of 12 months or less, except that land use rights of HK$26,696,000 were reclassified as right-of-use assets.

On 11th February 2019, the Group entered into a rental contract and recognised lease liabilities. The liabilities were measured at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate of 3.7%.

The recognised right-of-use assets relate to the following types of assets:

		31 December 2019 二零一九年十二月三十一日 HK$'000 千港元	1 January 2019 二零一九年一月一日 HK$'000 千港元
Land use rights	土地使用權	**25,938**	26,696
Property	物業	**558**	—
Total right-of-use assets	**使用權資產總額**	**26,496**	26,696

(i) Practical expedients applied

In applying HKFRS 16 for the first time, the Group has used the following practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics;
- reliance on previous assessments on whether leases are onerous;
- the accounting for operating leases with a remaining lease term of less than 12 months as at 1st January 2019 as short-term leases or low value leases;

2. 主要會計政策摘要(續)

2.1 編製基準(續)

本集團採納的新訂及經修訂準則及詮釋(續)

由於就低價值租賃及該等年期為12個月或以下的租賃應用簡易會計法，故於採納香港財務報告準則第16號時，除26,696,000港元的土地使用權被重新分類為使用權資產外，本集團並未於二零一九年一月一日確認任何使用權資產或租賃負債。

於二零一九年二月十一日，本集團訂立一份租賃合約並確認租賃負債。該等負債乃按剩餘租賃付款的現值計量，並按本集團增量借款利率3.7%貼現。

已確認使用權資產與下列資產類型有關：

(i) 已使用的可行權宜方法

於首次採納香港財務報告準則第16號時，本集團已使用以下準則所允許的可行權宜方法：

- 對具有合理相似特徵的租賃組合使用單一貼現率；
- 依賴之前關於租賃是否繁重的評估；
- 對於二零一九年一月一日剩餘租賃期少於12個月的經營租賃的會計處理為短期租賃或低價值租賃；

2. Summary of Significant Accounting Policies (Continued)

2.1 Basis of preparation (Continued)

New and amended standards and interpretation adopted by the Group (Continued)

(i) Practical expedients applied (Continued)

- the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application; and
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The Group has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the Group relied on its assessment made when applying HKAS 17 Leases and HK (IFRIC)-Int 4 Determining whether an Arrangement contains a Lease.

(ii) Measurement of lease liabilities

		2019 二零一九年 HK$'000 千港元
Operating lease commitments disclosed as at 31st December 2018	於二零一八年十二月三十一日披露之經營租賃承擔	285
Less: short-term leases not recognised as a liability	減：未確認為負債的短期租賃	(188)
Less: low-value leases not recognised as a liability	減：未確認為負債的低價值租賃	(97)
Lease liability recognised as at 1st January 2019	於二零一九年一月一日確認的租賃負債	–

(iii) The Group's leasing activities and how these are accounted for

The Group leases a warehouse and has land use rights under long-term lease agreements. Lease terms are negotiated on an individual basis and contain wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets except land use rights may not be used as security for borrowing purposes.

2. 主要會計政策摘要(續)

2.1 編製基準(續)

本集團採納的新訂及經修訂準則及詮釋(續)

(i) 已使用的可行權宜方法(續)

- 在首次應用日期排除初始直接成本以計量使用權資產；及
- 倘合約包含延期或終止租賃的選擇權，則使用事後方式釐定租約年期。

本集團亦已選擇不重新評估在首次應用日期合約是否或包含租賃。相反，對於在過渡日期之前訂立的合約，本集團依據其採用香港會計準則第17號租賃及香港(國際財務報告詮釋委員會)詮釋第4號確定安排是否包含租賃所作之評估。

(ii) 計量租賃負債

(iii) 本集團的租賃活動及其入賬方法

本集團租賃一個貨倉及有長期租賃協議的土地使用權。租賃條款按個別基準協商且包含多種不同條款及條件。租賃協議並未強加任何契諾，惟租賃資產(土地使用權除外)不可用作借款之抵押品。

2. Summary of Significant Accounting Policies (Continued)

2.1 Basis of preparation (Continued)

New and amended standards and interpretation adopted by the Group (Continued)

(iii) The Group's leasing activities and how these are accounted for (Continued)

Until the 2018 financial year, leases of property, plant and equipment were classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease.

From 1st January 2019, leases (including land use rights) are recognised as right-of-use assets and are presented as a separate line item in the consolidated statement of financial position and the corresponding liabilities are recognised at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

2. 主要會計政策摘要(續)

2.1 編製基準(續)

本集團採納的新訂及經修訂準則及詮釋(續)

(iii) 本集團的租賃活動及其會計方法(續)

直至二零一八年財政年度，物業、廠房及設備租賃分類為經營租賃。根據經營租賃作出的付款(扣除自出租人獲得的任何獎勵)於租賃期內以直線法自損益扣除。

自二零一九年一月一日起，租賃(包括土地使用權)於租賃資產可供本集團使用之日確認為使用權資產，並在綜合財務狀況表內呈列為單獨項目及確認相應負債。每筆租賃付款均會在負債及財務費用之間分配。財務費用於租賃期內自損益扣除，藉此制定各期間負債剩餘結餘的固定週期利率。使用權資產按資產可使用年期或租賃期(以較短者為準)以直線法折舊。

租賃產生的資產及負債初步按現值計量。租賃負債包括以下租賃付款的淨現值：

- 固定付款(包括實質固定付款)減任何應收租賃獎勵；
- 基於指數或利率的可變租賃付款；
- 剩餘價值擔保下的承租人預期應付款項；
- 購買選擇權的行使價格(倘承租人合理地確定行使該權利)；及
- 支付終止租賃的罰款(倘租賃期反映承租人行使該權利)。

2. Summary of Significant Accounting Policies (Continued)

2.1 Basis of preparation (Continued)

New and amended standards and interpretation adopted by the Group (Continued)

(iii) The Group's leasing activities and how these are accounted for (Continued)

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the Group's incremental borrowing rate is used, being the rate that the Group would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

(iv) Lessor accounting

The Group does not need to make any adjustments to the accounting for assets held as lessor under operating leases as a result of adoption of HKFRS 16.

2. 主要會計政策摘要(續)

2.1 編製基準(續)

本集團採納的新訂及經修訂準則及詮釋(續)

(iii) 本集團的租賃活動及其會計方法(續)

租賃付款採用租賃隱含的利率貼現。倘無法釐定該利率，則使用本集團的增量借款利率，即本集團在類似經濟環境中以類似條款及條件借入獲得類似價值資產所需資金所須支付的利率。

使用權資產按成本計量，有關成本包括以下各項：

- 租賃負債的初步計量金額；
- 於開始日期或之前所作的任何租賃付款，減去任何已收取的租賃獎勵；
- 任何初始直接成本；及
- 修復成本。

與短期租賃和低價值資產租賃相關的付款以直線法於損益確認為開支。短期租賃指租賃期為12個月或以下的租賃。

(iv) 出租人的會計處理

於採納香港財務報告準則第16號後，本集團毋須對根據經營租賃作為出租人持有資產的會計處理作任何調整。

2. Summary of Significant Accounting Policies (Continued)

2.1 Basis of preparation (Continued)

New and amended standards not yet adopted

Certain new and amended standards have been issued but are not effective for the financial year beginning on 1st January 2019 and have not been early adopted.

2. 主要會計政策摘要(續)

2.1 編製基準(續)

尚未採納的新訂及經修訂準則

若干已頒佈但尚未於二零一九年一月一日開始的財政年度生效的新訂及經修訂準則並未獲提早採納。

		Effective for accounting periods beginning on or after 於下列日期或之後開始的會計期間生效
Amendments to HKFRS 3 香港財務報告準則第3號(修訂本)	Definition of Business 業務的定義	1 January 2020 二零二零年一月一日
Amendments to HKAS 1 and HKAS 8 香港會計準則第1號及香港會計準則第8號(修訂本)	Definition of material 重大的定義	1 January 2020 二零二零年一月一日
Conceptual Framework for Financial Reporting 2018 二零一八年財務報告概念框架	Revised Conceptual Framework for Financial Reporting 經修訂財務報告概念框架	1 January 2020 二零二零年一月一日
Amendments to HKAS 39, HKFRS 7 and HKFRS 9 香港會計準則第39號、香港財務報告準則第7號及香港財務報告準則第9號(修訂本)	Hedge Accounting 對沖會計處理	1 January 2020 二零二零年一月一日
HKFRS 17 香港財務報告準則第17號	Insurance Contracts 保險合約	1 January 2021 二零二一年一月一日
Amendments to HKFRS 10 and HKAS 28 香港財務報告準則第10號及香港會計準則第28號(修訂本)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture 投資者與其聯營公司或合營企業之間的資產出售或注資	To be determined 待定

2. Summary of Significant Accounting Policies (Continued)

2.1 Basis of preparation (Continued)

New and amended standards not yet adopted (Continued)

The Group will adopt the new and amended standards when they become effective. The Group has already commenced an assessment of the related impact of adopting the above new and amended standards, none of which is expected to have a significant effect on the consolidated financial statements of the Group.

2.2 Principles of consolidation

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

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

2.3 Separate financial statements

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

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

2. 主要會計政策摘要(續)

2.1 編製基準(續)

尚未採納的新訂及經修訂準則(續)

本集團將於新訂及經修訂準則生效時採納上述各項。本集團已開始評估採納以上新訂及經修訂準則的相關影響，預期對本集團的綜合財務報表概不會造成重大影響。

2.2 綜合原則

附屬公司指本集團對其具有控制權的所有主體(包括結構性主體)。當本集團因為參與該主體而承擔可變回報的風險或享有可變回報的權益，並有能力透過其對該主體活動的主導權影響此等回報時，本集團即控制該主體。附屬公司在控制權轉移至本集團之日起全面綜合入賬。附屬公司在控制權終止之日起停止綜合入賬。

集團內公司之間的交易、結餘及交易的未變現收益予以對銷。未變現虧損亦予以對銷，除非該交易有證據顯示已轉讓資產出現減值則作別論。附屬公司的會計政策已在有需要時變更，以確保與本集團所採納會計政策貫徹一致。

2.3 獨立財務報表

於附屬公司的投資按成本減減值列賬。成本包括直接應佔投資成本。附屬公司的業績由本公司根據已收及應收股息列賬。

如股息超過宣派股息期內附屬公司的總全面收益，或如在獨立財務報表的投資帳面值超過綜合財務報表中被投資公司淨資產(包括商譽)的帳面值，則必須對附屬公司投資作減值測試。

2. Summary of Significant Accounting Policies (Continued)

2.4 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker.

2.5 Foreign currency translation

(i) Functional and presentation currency

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

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rate are generally recognised in profit or loss.

All foreign exchange gains and losses are presented in the consolidated income statement on a net basis within other operating income/(expenses), net.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

2. 主要會計政策摘要(續)

2.4 分部報告

經營分部按照與首席營運決策者提供之內部報告一致的方式報告。

2.5 外幣換算

(i) 功能及呈報貨幣

所有本集團公司各自財務報表中的項目均按有關公司營運所在的主要經濟環境的貨幣(「功能貨幣」)計算。綜合財務報表則以港元作呈列，其為本公司的功能及本集團的呈報貨幣。

(ii) 交易及結餘

外幣交易按交易日的匯率換算為功能貨幣。因此等交易的結算以及因以外幣為本位的貨幣資產及負債按年終匯率進行換算而產生的外匯盈虧一般於損益中確認。

所有其他外匯盈虧於綜合損益表的其他經營收入／(開支)淨額內按淨額基準呈列。

按公允值計量並以外幣計值的非貨幣性項目採用公允值確定日的匯率換算。按公允值列賬的資產及負債的匯兑差額乃作為公允值盈虧的一部分列報。

2. Summary of Significant Accounting Policies (Continued)

2.5 Foreign currency translation (Continued)

(iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;

(ii) income and expenses for each income statement and statement of comprehensive income are translated at an average exchange rate (unless this is not a reasonable approximation of the cumulative effects of the rates prevailing on the transaction dates, in which case income and expenses and translated of the date of the transactions); and

(iii) all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities, are recognised in other comprehensive income.

2.6 Investment property

Investment properties are land and/or buildings that are held to earn rental income and/or for capital appreciation which include property interest held under operating lease carried at fair value. Land held under operating lease is accounted for as investment property when the rest of the definition of an investment property is met.

Investment property is measured initially at its cost, including related transaction costs.

2. 主要會計政策摘要(續)

2.5 外幣換算(續)

(iii) 集團公司

境外業務(當中概無持有嚴重通脹經濟體的貨幣)如持有與呈報貨幣不一致的功能貨幣，其業績和財務狀況均按以下方法兑換為呈報貨幣：

(i) 每項財務狀況表之資產及負債均按該財務狀況表結算日的匯率折算為呈報貨幣；

(ii) 每項損益表及全面收益表的收入及支出均按平均匯率折算為呈報貨幣(除非此平均值並非該等交易日期通行匯率累計影響之合理約數，在此情況下收入及開支將於交易日期換算)；及

(iii) 所有匯兑差異均確認於其他全面收益。

於綜合賬目時，因換算於境外主體的投資淨額時所產生的匯兑差額，均於其他全面收益內確認。

2.6 投資物業

投資物業指持有以賺取租金收入及／或作資本增值用途的土地及／或樓宇，包括根據經營租賃持有的按公允值入賬的物業權益。當滿足投資物業的其餘定義時，以經營租賃持有的土地入賬列作投資物業。

投資物業最初按成本，包括相關之交易成本計算。

2. Summary of Significant Accounting Policies (Continued)

2.6 Investment property (Continued)

After initial recognition, investment property is carried at fair value representing open market value determined at each reporting date by external independent valuers. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If the information is not available, the Group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. Changes in fair values are recognised in the consolidated income statement as part of a valuation gain or loss in "other operating (expenses)/income, net".

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed in the consolidated income statement during the financial period in which they are incurred.

2.7 Property, plant and equipment

(i) Land and Buildings

Land mainly represents the land in Hong Kong under finance lease. Buildings comprise factories and offices. Land and buildings are shown at fair value, based on annual valuations by external independent valuers, less subsequent depreciation and impairment. Any accumulated depreciation and impairment at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

2. 主要會計政策摘要(續)

2.6 投資物業(續)

經過最初之確認，投資物業以公允值結轉。公允值相當於報告期結束日由外聘獨立估值師釐定之公開市場價格。此估價由外聘獨立估值師於公開市場進行年審，而土地及樓宇並不分開估值。公允值乃按交投活躍市場的價格計算，並於必要時就特定資產在性質、地點或狀況上之任何差異而予以調整。倘並無資料，則本集團使用其他估值方法，如於交投清淡市場之近期價格或貼現現金流預測。估值會用於綜合財務報表內。調整之公允值將反映於綜合損益表內之「其他經營(開支)／收入淨額」中。

其後之支出只有在與該項目有關的未來經濟利益有可能流入本集團時，而該項目的成本能可靠衡量時，才計入資產的賬面值中。在此財務期間，所有其他維修及保養成本於綜合損益表列為開支。

2.7 物業、廠房及設備

(i) 土地及樓宇

土地主要是位於香港的租購土地。樓宇主要包括工廠和辦公室。土地及樓宇根據外部獨立估值師每年進行的估值按公允值減其後的折舊及減值虧損列賬。在估值日的任何累積折舊及減值虧損與資產的賬面值總額對銷，而淨額則重列至資產的重估金額。

2. Summary of Significant Accounting Policies (Continued)

2.7 Property, plant and equipment (Continued)

(i) Land and Buildings (Continued)

Increases in the carrying amounts arising on revaluation of land under finance lease and buildings are credited to land and buildings revaluation reserve in equity, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in the consolidated income statement, in which case the increase is credited to the consolidated income statement to the extent of the decrease previously charged. Decreases that offset previous increases of the same asset are charged against land and building revaluation reserve directly in equity; all other decreases are expensed in the consolidated income statement.

(ii) Other property, plant and equipment

Other property, plant and equipment, comprising leasehold improvements, plant and machinery, furniture and fixtures, office equipment, motor vehicles and pleasure boats are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Construction-in-progress is stated at cost which comprises construction costs, purchase costs and other related expenses incurred in connection with the construction of buildings, leasehold improvements, plant and machinery for own use, less provision for impairment losses, if any. On completion, construction in progress is transferred to the appropriate categories of property, plant and equipment at cost less accumulated impairment losses, if any.

2. 主要會計政策摘要(續)

2.7 物業、廠房及設備(續)

(i) 土地及樓宇(續)

重估租賃土地及樓宇產生的賬面值增加撥入股東權益的土地及樓宇重估儲備內。除非該盈餘用於抵銷該資產於以往的重估減值而被確認為開支，則該計入綜合損益表，惟數額以先前扣除的減值為限。對重估之減少將直接對銷同一資產以往在股東權益帳內的土地及樓宇重估儲備增加。所有其他減少在綜合損益表支銷。

(ii) 其他物業、廠房及設備

其他物業、廠房及設備，即裝修、廠房及機器、傢俬及裝置、辦公室設備、汽車及遊艇均按歷史成本值減累積折舊及累積減值虧損列賬。歷史成本值包括購入該項目時所產生的費用。

在建工程以成本(包括建築成本、採購成本及其他就建造樓宇、租賃物業裝修、自用廠房及機器產生之相關開支)減去減值虧損撥備(如有)列賬。完工時，在建工程按成本減去累計減值虧損(如有)轉撥至適當物業、廠房及設備類別。

2. Summary of Significant Accounting Policies (Continued)

2.7 Property, plant and equipment (Continued)

(iii) Depreciation

Depreciation on land under finance lease and buildings is calculated to write off their valuation less accumulated impairment losses on a straight-line basis over the unexpired period of the leases or their estimated useful lives, whichever is shorter. The principal annual rates used range from 1.5% to 4%.

Other property, plant and equipment except construction in progress are depreciated at rates sufficient to write off their costs less accumulated impairment losses over their estimated useful lives on a reducing balance basis. The principal annual rates are as follows:

Leasehold improvements	15%–20%
Plant and machinery	15%–20%
Furniture and fixtures	15%–20%
Office equipment	15%–20%
Motor vehicles	15%–20%
Pleasure boats	10%

No depreciation is provided for construction-in-progress until they are completed and put into production ready for their intended use, upon which they will be transferred to property, plant and equipment.

(iv) Others

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

2. 主要會計政策摘要(續)

2.7 物業、廠房及設備(續)

(iii) 折舊

融資租賃下之土地及樓宇予以計算折舊，以按未屆滿租期或其估計可使用年期(以較短者為準)以直線法經扣除累計減值虧損而撇銷其估值。所用主要年率介乎1.5%至4%。

其他物業、廠房及設備(不包括在建工程)之折舊乃以餘額遞減法按其估計可使用年期撇銷其成本值減累積減值虧損。為此而採用之主要年率如下：

租賃物業裝修	15%–20%
廠房及機器	15%–20%
傢俬及裝置	15%–20%
辦公室設備	15%–20%
汽車	15%–20%
遊艇	10%

在建工程不計提折舊，直至其已完工並可即時投入生產作擬定用途，屆時，其將被轉撥至物業、廠房及設備。

(iv) 其他

其後支出只有在與該項目有關的未來經濟利益有可能流入本集團，而該項目的成本能可靠衡量時，才計入在資產的賬面值中。被替代的部份的帳面值已終止確認所有其他維修及保養成本在產生的財政期間內於綜合損益表支銷。

2. Summary of Significant Accounting Policies (Continued)

2.7 Property, plant and equipment (Continued)

(iv) Others (Continued)

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2.9).

(v) Gains and losses on disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount. These are included in the consolidated income statement and are recognised within 'other operating (expenses)/income, net'. Where revalued assets are sold, the amounts included in land and building revaluation reserve are transferred to retained earnings.

2.8 Leases

As explained in note 2.1 above the Company has changed its accounting policy for leases where the Company is the lessee. The new policy and the impact of the change is described in note 2.1.

2.9 Impairment of non-financial assets

Assets that have an indefinite useful life are tested for impairment annually. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Such impairment loss is recognised in the consolidated income statement. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2. 主要會計政策摘要(續)

2.7 物業、廠房及設備(續)

(iv) 其他(續)

資產的剩餘價值及可使用年期在每個報告期結束日進行檢討，及在適當時調整。

若資產的賬面值高於其估計可收回價值，其賬面值即時撇減至可收回金額(附註2.9)。

(v) 資產處理的盈虧

資產處理的盈虧按所得款項與賬面值的差額釐定，計入綜合損益表，並於「其他經營(開支)/收入淨額」中確認。當重估物業已出售，其相應在土地及物業重估儲備中的部份會轉至保留盈利。

2.8 租賃

如上文附註2.1所述，在本公司為承租人的情況下，本公司已變更租賃之問責會計政策。新政策及變更之影響如附註2.1所述。

2.9 非財務資產之減值

永久使用年期之資產需每年就減值進行測試。當有事件出現或情況已改變致其帳面值可能無法收回時就須作攤銷的資產進行減值檢討。減值虧損按資產之帳面值超出其可收回金額之差額確認。可收回金額以資產之公允值扣除銷售成本或使用價值兩者之較高者為準。減值虧損直接入綜合損益表。每一報告完結期會評估商譽以外之非財務資產之減值能否撥回。

2. Summary of Significant Accounting Policies (Continued)

2.10 Financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

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

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

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

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

(ii) Recognition and derecognition

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

2. 主要會計政策摘要(續)

2.10 財務資產

(i) 分類

本集團將其財務資產分為以下計量類別：

- 其後按公允值(計入其他全面收益(「其他全面收益」)或計入損益)；及
- 按攤銷成本計量。

分類取決於實體管理財務資產的業務模式及現金流的合約條款。

就按公允值計量的資產，收益將於損益或其他全面收益列賬。就並非持作買賣的股本工具投資，則將取決於本集團於初次確認時是否不可撤回地選擇以按公允值計入其他全面收益(「按公允值計入其他全面收益」)的方式對股本投資列賬。

當且僅當管理該等資產的業務模式變動時，本集團方會對債務投資重新分類。

(ii) 確認及終止確認

常規購買及出售的財務資產在交易日確認－交易日指本集團承諾購買或出售該資產之日。當收取財務資產現金流量的權利已屆滿或已轉移，且本集團已將大部分擁有權風險及回報轉讓時，即終止確認財務資產。

2. Summary of Significant Accounting Policies (Continued)

2.10 Financial assets (Continued)

(iii) Measurement

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

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories in which the Group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in consolidated income statement and presented in other operating (expenses)/income, net together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the income statement.

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

2. 主要會計政策摘要(續)

2.10 財務資產(續)

(iii) 計量

於初步確認時，本集團按公允值另加(倘並非按公允值計入損益(「按公允值計入損益」)之財務資產)收購財務資產直接應佔的交易成本計量財務資產。按公允值計入損益之財務資產之交易成本於損益支銷。

債務工具

債務工具的後續計量取決於本集團管理資產的業務模式及該資產的現金流量特徵。本集團將其債務工具劃分為兩個計量類別：

- 按攤銷成本列賬：就收集合約現金流量(該等現金流量純粹指本金及利息付款)而持有的資產按攤銷成本計量。來自該等財務資產的利息收入使用實際利率法計入財務收入。終止確認產生的任何收益或虧損直接於綜合損益表確認，並連同外匯收益及虧損於其他經營(開支)/收入淨額呈列。減值虧損於收益表內以獨立項目呈列。

- 按公允值計入損益：不符合按攤銷成本或按公允值計入其他全面收益標準的資產按公允值計入損益計量。其後按公允值計入損益計量之債務工具的收益或虧損於其產生期間於損益確認。

2. Summary of Significant Accounting Policies (Continued)

2.10 Financial assets (Continued)

(iv) Impairment

The Group has four types of financial assets that are subject to the expected credit loss model:

- Bill receivables
- Cash at bank
- Trade receivables
- Other financial assets at amortised cost

Bill receivables and cash at bank

As at 31st December 2019, most of the bank deposits are deposited with reputable banks in the PRC, Vietnam and Hong Kong. Most of the bill receivables are issued from state-owned banks in the PRC. The credit quality of cash at bank and bill receivables has been assessed by reference to external credit ratings or to historical information about the counterparty default rates. The existing counterparties do not have defaults in the past. Therefore, expected credit loss rate of cash at bank is assessed to be close to zero and no provision was made as at 31st December 2019.

Trade receivables

The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of sales over a period of 12 months before 31st December 2019 respectively and the corresponding historical credit losses experienced within this period.

2. 主要會計政策摘要(續)

2.10 財務資產(續)

(iv) 減值

本集團於預期信貸虧損模式下有四類財務資產:

- 應收票據
- 銀行現金
- 應收貿易賬款
- 按攤銷成本列賬的其他財務資產

應收票據及銀行現金

於二零一九年十二月三十一日,大部分銀行存款存放於中國、越南及香港的知名銀行。大部分應收票據乃中國的國有銀行發行。銀行現金及應收票據的信貸質素參考外部信貸評級或參考有關對手方違約率的過往資料評估。現有對手方並無過往違約記錄。因此,根據評估,銀行現金的預期信貸虧損比率接近於零及於二零一九年十二月三十一日並無計提撥備。

應收貿易賬款

本集團採用香港財務報告準則第9號簡化方法計量預期信貸虧損,就所有應收貿易賬款使用整個生命期的預期虧損撥備。

為計量預期信貸虧損,應收貿易賬款已按照共同信貸風險特徵及逾期日數分組。

預期虧損率乃基於分別在二零一九年十二月三十一日前12個月期間銷售的付款概況,以及在此期間經驗的相應歷史信貸虧損。

2. Summary of Significant Accounting Policies (Continued)

2.10 Financial assets (Continued)

(iv) Impairment (Continued)

Trade receivables (Continued)

The existing customers has no historical default record in prior years. For the year ended 31st December 2019, the Group has applied an expected credit loss rate at 3.65% for a particular customer and resulted in provision for impairment loss of HK$754,000. For details, please refer to note 19. As at 31st December 2018, the directors of the Group were of the opinion that no provision for loss allowance was necessary.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period greater than a year past due.

Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Other financial assets at amortised cost

Other financial assets at amortised cost are considered to be low credit risk primarily because historically they had no history of default and the debtors had a strong capacity to meet its contractual cash flow obligations in the near term. Therefore, as at 31st December 2019 and 2018, the directors of the Group were of the opinion that no provision for loss allowance was necessary.

2. 主要會計政策摘要(續)

2.10 財務資產(續)

(iv) 減值(續)

應收貿易賬款(續)

現有客戶於先前年度並無歷史違約記錄。截至二零一九年十二月三十一日止年度，本集團已對特定客戶應用3.65%的預期信貸虧損比率，並就此產生減值虧損撥備754,000港元。有關詳情請參閱附註19。於二零一八年十二月三十一日，本集團董事認為毋須計提虧損撥備。

當能合理預期收回時，即撇銷應收貿易賬款。顯示不能合理預期收回的跡象包括(其中計有)債務人未能與本集團承諾償還時間表，及未付合約付款已逾期超過一年。

應收貿易賬款的減值虧損於經營溢利內呈列為減值虧損淨額。先前撇減的其後收回金額入賬列為同一項目。

其他按攤銷成本計量的財務資產

其他按攤銷成本計量的財務資產被視為擁有低信貸風險，主要由於有關資產過往並無拖欠記錄，而債務人於短期內擁有強大財力達成合約現金流量責任。因此，於二零一九年及二零一八年十二月三十一日，本集團董事認為並不需要計提虧損撥備。

2. Summary of Significant Accounting Policies (Continued)

2.11 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where the Group currently has a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The Group has also entered into arrangements that do not meet the criteria for offsetting but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or the termination of a contract.

2.12 Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. Assets and liabilities are classified as current if expected to be settled within 12 months; otherwise, they are classified as non-current.

Gains or losses arising from changes in the fair value of the derivatives are presented in the profit or loss within "other operating (expenses)/income, net" in the period in which they arise.

2.13 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs are assigned to individual items on the first-in, first-out basis and are arrived at as follows:

(i) Raw materials purchased for use in the manufacturing process – invoiced price and shipping cost.

(ii) Work in progress and finished manufactured goods – costs of direct materials, direct labour and an appropriate proportion of production overheads.

(iii) Finished goods purchased for resale – invoiced price and shipping cost.

Net realisable value is the estimated selling price in the ordinary course of business less applicable variable selling expenses.

2. 主要會計政策摘要(續)

2.11 抵銷金融工具

當本集團現時有法定可執行權力可抵銷已確認金額，並有意圖按淨額基準結算或同時變現資產和結算負債時，財務資產與負債可互相抵銷，並在資產負債表報告其淨額。本集團亦訂立不符合抵銷標準的安排，但在部份情況下仍允許相關金額抵銷，例如破產或終止合約。

2.12 衍生金融工具

衍生工具於訂立衍生合約日期初步按公允值確認，其後按公允值重新計量。倘資產及負債預期於12個月內結算，則分類為流動項目，否則分類為非流動項目。

衍生工具公允值變動產生之收益或虧損於其產生期間於損益內「其他經營(開支)／收入淨額」呈列。

2.13 存貨

存貨以成本值及可變現淨值兩者中較低者入賬。成本值按個別項目以先入先出法計算如下：

(i) 採購用於製造工序之原料－發票價及運費。

(ii) 在製品及製成品－直接原料、直接勞工之成本及應佔之生產經常費用。

(iii) 採購以作轉銷之成品－發票價及運費。

可變現淨值是在日常業務過程中的估計售價減去可適用變動銷售開支。

2. Summary of Significant Accounting Policies (Continued)

2.14 Trade and other receivables

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

Trade and other receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measure them subsequently at amortised cost using effective interest method. See note 19 for further information about the Group's accounting for trade receivables and note 2.10 (iv) for a description of the Group's impairment policies.

2.15 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and deposits held at call with banks with original maturities of three months or less.

2.16 Share capital

Ordinary shares are classified as equity.

2.17 Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

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

2. 主要會計政策摘要(續)

2.14 貿易及其他應收款項

應收貿易賬款為在日常經營活動中就商品銷售或服務執行而應收客戶的款項。如貿易及其他應收款項的收回預期在一年或以內(如仍在正常經營週期中，則可較長時間)，其被分類為流動資產；否則分類為非流動資產。

貿易及其他應收款項按無條件代價金額初始確認，除非其含有重大融資部分，則按公允值確認。本集團持有應收貿易賬款的目的是收取合約現金流，因此其後按攤銷成本使用實際利率法計量。有關本集團對應收貿易賬款的會計處理的更多資料及本集團減值政策的闡述，請分別參閱附註19及附註2.10(iv)。

2.15 現金及現金等價物

在綜合現金流量表中，現金及現金等價物包括手頭現金及原到期日為三個月或以下銀行通知存款。

2.16 股本

普通股分類為權益。

2.17 貿易及其他應付款項

應付貿易賬款為在日常經營活動中購買商品或服務而應支付的債務。如貿易及其他應付款項的支付日期在一年或以內(如仍在正常經營週期中，則可較長時間)，其被分類為流動負債；否則分類為非流動負債。

貿易及其他應付款項初步以公允值確認，其後利用實際利息法按攤銷成本計量。

2. Summary of Significant Accounting Policies (Continued)

2.18 Borrowings

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

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

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

General and specific 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 charged to the consolidated income statement in the financial period in which they are incurred.

2.19 Employee benefits

(i) Employee leave entitlements

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

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

2. 主要會計政策摘要(續)

2.18 借款

借款最初以淨交易成本的公允值而確認。借款隨後被定為分攤成本；在進款(扣除交易成本)與贖回價值間之任何差異於借貸期的綜合損益表內採用實際利率法而確認。

倘貸款融資很有可能部分或全部被提取，則就設立貸款融資時支付的費用確認為貸款交易成本。費用遞延至提取發生為止。倘無任何證據顯示該貸款很有可能部分或全部提取，則該費用撥充資本作為流動資金服務的預付款項，並於有關融資期間攤銷。

除非本集團可無條件將負債的結算遞延至報告期末後最少12個月，否則借款分類為流動負債。

收購、建築或生產認可資產(指需要用上大量時間準備就緒以供擬定用途或銷售之資產)直接應佔之一般及特定借款成本乃計入該等資產之成本，直至該等資產大致上已準備就緒以供擬定用途或銷售為止。

在此財務期間，所有其他借款成本於綜合損益表列為開支。

2.19 僱員福利

(i) 僱員應享假期

僱員在年假及長期服務休假之權利在僱員應享有時確認。本集團為截至報告期末止僱員已提供之服務而產生之年假及長期服務休假之估計負債作出撥備。

僱員之病假及產假不作確認，直至僱員正式休假為止。

2. Summary of Significant Accounting Policies (Continued)

2.19 Employee benefits (Continued)

(ii) Bonus plans

The expected cost of bonus payment is recognised as a liability and an expense when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made. Liabilities for bonus plan are expected to be settled within twelve months and are measured at the amounts expected to be paid when they are settled.

(iii) Retirement benefit costs

The Group operates several defined contribution schemes.

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

For Hong Kong employees, the Group contributes to Mandatory Provident Fund ("MPF") scheme in accordance with Hong Kong Mandatory Provident Fund Schemes Ordinance. Contributions to the MPF scheme by the Group and employees are calculated as a percentage of employees' remuneration received. The Group's contributions to MPF scheme are expensed as incurred. The assets of the MPF scheme are held separately from those of the Group in an independently administered fund.

For employees in Mainland China and Vietnam, the Group contributes to a defined contribution retirement scheme managed by the local municipal government in Mainland China and Vietnam. The Group's contributions to the retirement scheme are expensed as incurred while the local municipal government in Mainland China and Vietnam undertakes to assume that the retirement benefit obligations of the qualified employees in Mainland China and Vietnam.

2. 主要會計政策摘要(續)

2.19 僱員福利(續)

(ii) 獎金計劃

當本集團因為僱員提供之服務而產生現有法律或推定性責任，而責任金額能可靠估算時，則將獎金計劃之預計成本確認為負債入賬。獎金計劃之負債預期須在十二個月內償付，並根據在償付時預期會支付之金額計算。

(iii) 退休金成本

本集團設有數個定額供款計劃。

定額供款計劃為本集團須向獨立實體支付固定供款之退休金計劃。倘基金之資產於本期間或過往期間並不足以支付所有與僱員服務有關之福利，則本集團概無任何法律或推定責任支付額外供款。

就香港僱員，本集團根據香港強制性公積金條例向強制性公積金(「強積金」)計劃供款。本集團及僱員向退休計劃之供款按各僱員的所收報酬比率計算。本集團向強積金計劃作出之供款在發生時作為費用支銷。該計劃之資產與本集團資產分開，由獨立之行政基金持有。

就中國大陸及越南僱員，本集團向中國大陸及越南地方政府管理的界定供款退休計劃供款。本集團對退休計劃的供款在發生時作為費用支銷，且中國大陸及越南地方政府承諾承擔中國大陸及越南的合資格僱員的退休福利義務。

2. Summary of Significant Accounting Policies (Continued)

2.20 Current and deferred income tax

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

(a) Current income tax

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

(b) Deferred income tax

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

The deferred tax liability in relation to investment property that is measured at fair value is determined assuming the property will be recovered entirely through sale.

Deferred income tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

2. 主要會計政策摘要(續)

2.20 當期及遞延稅項

期內所得稅開支或抵免指根據各司法權區的適用所得稅率按即期應課稅收入支付的稅項，而有關所得稅率經暫時差異及未動用稅務虧損所致的遞延稅項資產及負債變動而調整。

(a) 當期稅項

當期所得稅支出根據本公司及其附屬公司營運及產生應課稅收入的國家於報告期結束日已頒佈或實質頒佈的稅務法例計算。管理層就適用稅務法例詮釋所規限的情況定期評估報稅表的狀況，並在適用情況下根據預期須向稅務機關支付的稅款作出撥備。

(b) 遞延稅項

遞延所得稅利用負債法就資產和負債的稅基與在資產和負債在綜合財務報表的賬面值所產生的暫時差異作出全額撥備。然而，遞延所得稅來自在交易(不包括企業合併)中對資產或負債的初步確認，而在交易時不影響會計損益或應課稅盈虧，則不作記賬。遞延稅項採用在報告期結束日前已頒佈或實質頒佈，並在有關之遞延所得稅資產實現或遞延所得稅負債結算時預期將會適用之稅率(及法例)而釐定。

有關按公允值計量的投資物業的遞延稅項負債乃假設該物業將透過出售完全收回而釐定。

遞延所得稅資產僅在未來應課稅金額將可利用該等暫時差異及虧損時予以確認。

2. Summary of Significant Accounting Policies (Continued)

2.20 Current and deferred income tax (Continued)

(b) Deferred income tax (Continued)

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intend either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in consolidated income statement except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

2.21 Provisions

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

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the management's best estimate of the expenditures required to settle the obligation present at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to passage of time is recognised as interest expense.

2. 主要會計政策摘要(續)

2.20 當期及遞延税項(續)

(b) 遞延税項(續)

倘本公司能控制撥回暫時差額的時間及該等差異很可能不會於可見將來撥回，則不會就境外業務投資賬面值與税基之間的暫時差額確認遞延税項負債及資產。

倘若存在可依法強制執行的權利將即期税項資產與負債抵銷，及倘遞延税項結餘與同一税務機構相關，則可將遞延税項資產與負債抵銷。倘主體有可依法強制執行抵銷權利且有意按淨值基準清償或同時變現資產及清償負債時，則即期税項資產與税項負債抵銷。

即期及遞延税項於綜合損益表確認，惟其涉及於其他全面收益或直接於權益確認的項目除外。

2.21 撥備

當本集團因已發生的事件須承擔現有之法律性或推定性的責任，而解除責任時有可能消耗資源，並在責任金額能夠可靠地作出估算的情況下，需確立撥備。但不會就未來經營虧損確認準備。

如有多項類似債務，其需要在結算中有資源流出的可能性，則可根據債務的類別整體考慮。即使在同一債務類別所包含的任何一個項目相關的資源流出的可能性極低，仍須確認準備。

撥備按管理層對於報告期間結算日須償付現有責任的支出的最佳估計的現值計量。用於釐定現值的貼現率為反映當時市場對金錢時間值及負債特定風險的評估的税前利率。隨時間流逝而增加的撥備確認為利息開支。

2. Summary of Significant Accounting Policies (Continued)

2.22 Revenue recognition

(i) Sale of goods

Revenue is recognised when control of the products has transferred to the customers at a point in time, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specified location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied. As receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(ii) Interest income

Interest income is recognised on a time proportion basis using the effective interest method.

(iii) Operating lease rental income

Operating lease rental income is recognised on a straight-line basis over the period of the lease.

2. 主要會計政策摘要(續)

2.22 收益確認

(i) 銷售貨品

收益於產品的控制權在某個時間點轉移至客戶時確認，即產品已交付予客戶，客戶可全權酌情決定該產品的銷售渠道及價格以及並無可能會影響客戶接納產品的未履行責任時確認。當產品已運送到指定地點，產品陳舊及遺失的風險已轉移至客戶，及客戶按照銷售合約接納產品，或接納條款已失效，或本集團有客觀證據證明所有接納標準均已達成時，交付即告完成。應收款項於貨品交付時確認，因為此乃代價變為無條件的時間點，原因是付款到期前僅須待時間過去。

(ii) 利息收入

利息收入使用實際利率法按時間比例基準確認。

(iii) 經營租賃租金收入

經營租賃租金收入於租期內按直線基準確認。

2. Summary of Significant Accounting Policies (Continued)

2.23 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

3. Financial Risk Management

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Management regularly manages the financial risks of the Group.

(i) Foreign exchange risk

The Group operates internationally and is exposed to foreign currency risk arising from various currency exposures, primarily with respect to Renminbi ("RMB"), Vietnamese dong ("VND") and United States Dollar ("US$"). Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations. In addition, the conversion of RMB and VND are subject to the rules and regulations of foreign exchange control promulgated by Mainland China monetary authority and Vietnam government respectively.

To manage the foreign exchange risk arising from future commercial transactions and recognised assets and liabilities, the Group enters into foreign exchange forward contracts with external financial institutions to partially hedge against such foreign exchange risk.

Should RMB weakened/strengthened by 5% (2018: 5%) during the year ended 31st December 2019 against the HK$, with all other variables held constant, the impact of the loss after taxation for the year would have been approximately HK$344,000 lower/higher (2018: approximately HK$60,000 lower/higher), mainly as a result of foreign exchange losses/gains on translation of RMB denominated receivables and payables.

2. 主要會計政策摘要(續)

2.23 政府補貼

政府補貼當能夠合理地保證將取得補貼及資助且本集團將符合所有附帶條件時，補貼及資助收入按其公允值確認。

3. 財務風險管理

3.1 財務風險因素

本集團因經營業務而承受不同財務風險，即市場風險(包括外匯風險，價格風險及利率風險)、信貸風險和流動資金風險。本集團的整體風險管理計劃針對金融市場的不可預知性，務求盡量減低對本集團財務表現所帶來的影響。

管理層會定期管理集團之財務風險。

(i) 外匯風險

本集團在多國經營，故此承受多種因不同貨幣而產生的外匯風險，主要涉及人民幣(「人民幣」)、越南盾(「越南盾」)及美元(「美元」)。外匯風險由未來商業交易、已確認之資產及負債及外地業務之投資淨額產生。此外，人民幣及越南盾轉換須分別遵守中國人民銀行及越南政府頒布之外匯管制規則及條例。

為管理未來商業交易及已確認資產及負債產生之外匯風險，本集團與外部金融機構訂立外匯遠期合約，以部分對沖有關外匯風險。

截至二零一九年十二月三十一日止年度，倘人民幣兑港元匯率轉弱／轉強5%(二零一八年：5%)，而其他各項變數不變，於年內除税後虧損將分別減少／增加約344,000港元(二零一八年：約60,000港元減少／增加)主要來自換算以人民幣計值的應收款及應付款之滙兑損失／所得。

3. Financial Risk Management (Continued)

3.1 Financial risk factors (Continued)

(i) Foreign exchange risk (Continued)

Should VND strengthened/weakened by 5% (2018: 5%) during the year ended 31st December 2019 against the HK$, with all other variables held constant, the impact of the loss after taxation for the year would have been approximately HK$126,000 (2018: approximately HK$66,000 lower/higher), higher/lower mainly as a result of foreign exchange gains/losses on translation of VND denominated receivables and payables.

Certain of the assets of the Group are denominated in USD but the foreign exchange risk is considered not significant as HK$ exchange rate is pegged to USD.

The foreign exchange risk on financial assets and liabilities denominated in currencies other than RMB, VND and USD are insignificant to the Group.

(ii) Price risk

The Group is exposed to fluctuations in the market price of major raw materials such as copper rods and chemicals to make plastic resins.

The Group is able to pass certain realised price gains and losses on raw materials to certain customers through price adjustments, which can mitigate the price risk. The Group has not used any derivative instruments to hedge such economic exposures.

(iii) Interest rate risk

The Group's interest rate risk arises from bank borrowings. Borrowings obtained at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash held at variable rates. Details of the Group's borrowings have been disclosed in note 25 to the consolidated financial statements.

The Group has not used any hedging arrangement to hedge its exposure to interest rate risk.

The sensitivity analysis presents the effects on the Group's profit after taxation for the year as a result of changes in interest expense on floating rate borrowings. The sensitivity to interest rate used is based on market forecasts available at the reporting date and under the economic environments in which the Group operates, with other variables held constant.

3. 財務風險管理(續)

3.1 財務風險因素(續)

(i) 外匯風險(續)

截至二零一九年十二月三十一日止年度，倘越南盾兑港元匯率轉強／轉弱5%(二零一八年：5%)，而其他各項變數不變，於年內除税後虧損將分別增加／減少約126,000港元(二零一八年：約66,000港元減少／增加)主要來自換算以越南盾計值的應收款及應付款之滙兑所得／損失。

集團之若干資產以美元為單位。因港元與美元掛勾，故並無重大外匯風險。

除人民幣、越南盾及美元外的貨幣之財務資產及負債的外匯風險對本集團並不重大。

(ii) 價格風險

本集團需承受主要原料如銅桿和製造塑膠皮料的化學物料之市場價格波動。

本集團能夠經價格調整轉移若干已變現的原材料價格收益和虧損至若干客戶，以舒緩價格風險。本集團並沒有利用衍生工具對沖相對經濟風險。

(iii) 利率風險

本集團的利率風險來自銀行借貸。浮息借貸為本集團帶來現金流利率風險，部分為按浮息持有的現金所抵銷。本集團借貸詳情已於綜合財務報表附註25披露。

本集團並無使用任何對沖安排對沖其利率風險。

敏感度分析呈列本集團年內除税後溢利(因浮息借貸的利息支出出現變動)。利率敏感度根據報告日的市場預測及本集團面對的經濟環境(其他變數不變)而作出。

3. Financial Risk Management (Continued)

3.1 Financial risk factors (Continued)

(iii) Interest rate risk (Continued)

Based on the analysis performed, the impact on the loss after taxation of a 100 basis-point decrease/increase in interest rate would be a decrease/increase of HK$663,000 and HK$514,000 for the years ended 31st December 2019 and 2018, respectively.

(iv) Credit risk

Credit risk arises from cash and cash equivalents, trade and bills receivables, other receivables, as well as credit exposures to customers, including outstanding receivables.

Risk management

Credit risk is managed on a group basis.

For banks and financial institutions, only independently rated parties with acceptable rating quality is accepted.

Risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Group. The compliance with credit limits by customers is regularly monitored by the Group.

The Group has policies in place to ensure sales are made to customers with appropriate credit terms and the Group performs periodic credit check with reference to credit rating performed by external agents.

The Group has concentration of credit risk. Sales made to the top 5 customers amounted to approximately HK$208,311,000 (2018: HK$234,851,000), representing 69% (2018: 66%) of total revenue for the year. The total accounts receivable balance of these top 5 customers as at 31st December 2019 was HK$64,577,000 (2018: HK$67,542,000).

Impairment of financial assets

The Group has adopted the expected credit loss model to assess the recoverability of trade receivables. Details of the accounting policy for impairment of trade receivables has been disclosed in note 2.10(iv).

3. 財務風險管理(續)

3.1 財務風險因素(續)

(iii) 利率風險(續)

根據分析，截至二零一九及二零一八年十二月三十一日止年度，100基準點下調／上調利率將對除税後虧損之影響分別減少／增加663,000港元及514,000港元。

(iv) 信貸風險

信貸風險源自現金及現金等價物、應收貿易賬款及票據、其他應收款項及就客戶承受的信貸風險，包括未收回應收賬款。

風險管理

信貸風險按集團基準管理。

就銀行及金融機構而言，只接受獲獨立評估為具可接受評級質素的人士。

風險控制評估客戶的信貸質素，當中考慮其財務狀況、過往經驗及其他因素。個人風險限額根據本集團所設的限額按內部或外部評級界定。本集團定期監察客戶遵守信貸限額的情況。

本集團已實施政策以確保銷售乃透過適當的信貸條款向客戶作出，且本集團參考外部機構進行的信貸評級進行定期信貸檢查。

本集團有集中信貸風險。銷售予最高五位顧客的金額約208,311,000港元(二零一八年：234,851,000港元)佔全年總收益69%(二零一八年：66%)。以上最高五位顧客截至二零一九年十二月三十一日總應收款項為64,577,000港元(二零一八年：67,542,000港元)。

財務資產減值

本集團已採納預期信貸虧損模型以評估應收貿易賬款的收回可能。應收貿易賬款減值會計政策詳情於附註2.10(iv)披露。

3. Financial Risk Management (Continued) 3. 財務風險管理(續)

3.1 Financial risk factors (Continued) 3.1 財務風險因素(續)

(v) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and making available an adequate amount of committed credit facilities with staggered maturities to reduce refinancing risk in any year and to fund working capital, debt servicing, dividend payments, new investments and close out market positions if required. The Group maintains significant flexibility to respond to opportunities and events by ensuring that committed credit lines are available. As at 31st December 2019, the Group had available trade and loan finance facilities of HK$185,040,000 of which HK$68,435,000 was utilised.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(v) 流動資金風險

審慎的流動資金風險管理，是指保持足夠現金、持有充足的已承諾信貸安排以減輕每年所承受的再融資風險，以及按需要提供營運資金、還本付息、派發股息、作出新投資及如需要退出市場。本集團確保本身擁有足夠的已承諾信貸，以靈活地把握商機和應付不時之需。截至二零一九年十二月三十一日，本集團有可動用貿易及信貸融資為185,040,000港元，其中已動用68,435,000港元。

下表分析本集團的金融負債，按照相關的到期組別，根據由報告期末至合約到期日的剩餘期間進行分析。在表內披露的金額為合約性未貼現現金流量。由於貼現的影響不大，故此在12個月內到期的結餘相等於其賬面值。

		On demand or within 1 year 1年內 HK$'000 千港元	Between 1 to 2 years 一至兩年 HK$'000 千港元
At 31st December 2019	**於二零一九年十二月三十一日**		
Trust receipt loans	信託收據貸款	31,435	–
Bank loans	銀行貸款	37,000	–
Trade and other payables	貿易及其他應付款項	24,086	–
Lease liabilities and finance cost payables	租賃負債及應付財務費用	457	74
At 31st December 2018	**於二零一八年十二月三十一日**		
Trust receipt loans	信託收據貸款	24,734	–
Bank loans	銀行貸款	36,800	–
Trade and other payables	貿易及其他應付款項	40,083	–

3. Financial Risk Management (Continued) 3. 財務風險管理(續)

3.2 Capital risk management 3.2 資產風險管理

The primary objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern, maintain a strong credit rating and a healthy capital ratio to support the business and to enhance shareholder value.

本集團資金管理的主要目標，是確保本集團持續營運，維持良好的信貸評級和穩健的資金比率，以支持其業務發展及提升股東價值。

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and business strategies. To maintain or adjust the capital structure, the Group may adjust the dividend payments to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debts. The Group's capital management objectives, policies or processes were unchanged during the years ended 31st December 2019 and 2018.

本集團因應經濟狀況的變化和商業策略來管理和調整資金架構，本集團可調整給予股東的股息、發行新股、舉債或償還債務。本集團的資金管理目標、政策及程序於截至二零一九年及二零一八年十二月三十一日止年度均無改變。

Except for the compliance of certain financial covenants for maintaining the Group's banking facilities and borrowings and loans, the Group is not subject to any externally imposed capital requirements. The Group complied with the financial covenants attached to borrowings and loans as at 31st December 2019 and 2018.

除遵守若干財務契諾以維持本集團的銀行融資及借款和貸款外，本集團並無受任何外部施加的資金規定限制。本集團於二零一九年及二零一八年十二月三十一日遵守借款和貸款所附的財務契諾。

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated by dividing total borrowings to total equity.

本集團利用槓桿比率監察其資本。此比率按照總借貸除以總權益計算。

The gearing ratios at 31st December 2019 and 2018 were as follows:

截至二零一九年及二零一八年十二月三十一日止年度槓桿比率如下：

		2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元
Total borrowings	總借貸	**68,435**	61,534
Total equity	總權益	**562,524**	578,085
Gearing ratio	槓桿比率	**12.2%**	10.6%

3. Financial Risk Management (Continued)

3.3 Fair value estimation

The carrying amounts of the Group's financial assets and liabilities including cash and cash equivalents, trade and bill receivables, other receivables and deposits, derivative financial instruments, trade payables, other payables and accruals and short-term borrowings approximate to their fair values due to their short-term maturities. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments, unless the discounting effect is insignificant.

See notes 16 and 17 for disclosures of the property, plant and equipment and investment properties and note 20 for disclosure of the derivative financial instruments that are measured at fair value and classified by level of the following fair value measurement hierarchy at 31st December 2019 and 2018:

1. Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).

2. Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).

3. Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of reporting date. The quoted market price used for financial assets and liabilities is the current bid price. These instruments are included in level 1.

3. 財務風險管理(續)

3.3 公允值估計

本集團財務資產及財務負債的帳面值包括現金及現金等價物、應收貿易賬款及票據、其他應收款項及訂金、衍生金融工具、應付貿易賬款、其他應付款項及應計開支及短期借款，因其短年期，大約與其公允值相約。用作披露用途之財務負債的公允值以本集團用於相似金融工具的現時市場利率貼現未來合約現金流量作估計，除非其貼現影響不大。

於二零一九年及二零一八年十二月三十一日，按公允值計量且按下列公允值計量層級分類的物業、廠房及設備及投資物業之披露，以及衍生金融工具之披露，請分別參閱附註16及17以及附註20：

1. 利用在活躍市場中相同資產或負債之(未經調整)報價(第一級)。

2. 除包括在第一級的報價外，輸入數據均直接(由價格)或間接(由價格衍生)基於可觀察市場數據之估值技術(第二級)。

3. 資產或負債之數據並非基於可觀察市場數據(非觀察數據)(第三級)。

在活躍市場買賣的金融工具之公允值根據報告期結束日的市場報價列賬。本集團持有的財務資產及負債的市場報價為當時買盤價。該等工具均列入第一級。

3. Financial Risk Management (Continued)

3.3 Fair value estimation (Continued)

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

3. 財務風險管理(續)

3.3 公允值估計(續)

沒有在活躍市場買賣的金融工具的公允值利用估值技術釐定。該等估值技術盡量利用可觀察市場數據(如有),盡量少依賴主體的特定估計。倘計算一項金融工具的公允值所需的所有重大輸入為可觀察數據,則該金融工具列入第二級。

倘一項或多項重大輸入並非根據可觀察市場數據,則該金融工具列入第三級。

4. Critical Accounting Estimates and Judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

4. 關鍵會計估計及判斷

估算和判斷會被持續評估,並根據過往經驗和其他因素進行評價,包括在有關情況下相信對未來事件合理的預測。

本集團對未來作出估算和假設。所得的會計估計(如其定義),很少會與其實際結果相同。很大機會導致下個財政年度的資產和負債的賬面值作出重大調整的估算和假設討論如下。

4. Critical Accounting Estimates and Judgements (Continued)

4.1 Income taxes

The Group is subject to income taxes in several jurisdictions. Significant judgement is required in determining the worldwide provision for taxation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated taxes based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current tax and deferred tax provisions in the period in which such determination is made.

4.2 Estimated fair value of investment properties and land and buildings

The fair values of investment properties and land and buildings are determined at the end of each reporting period by independent professional valuers. The fair value of investment properties is determined on an open market value basis by reference to comparable market transactions. The fair values of land and buildings are determined on an open market value basis or depreciated replacement cost basis. These methodologies are based upon estimates of future results and a set of assumptions as to income and expenses of the property and future economic conditions.

4.3 Impairment of trade receivables

The Group makes provision for impairment of trade receivables based on assumptions about risk of default and expected loss rate. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

4. 關鍵會計估計及判斷(續)

4.1 稅項

本集團需要在多個司法權轄區繳納稅項。在釐定多國稅項撥備時，需要作出重大判斷。充足的撥備已釐定以應付所有稅務。在正常業務過程中，許多交易及計算的最終釐定是不確定的。本集團根據估計是否須繳付額外稅款，就預計稅項確認負債。當最終的稅款結果與最初記賬金額不同時，有關差額將影響釐定期間的所得稅和遞延稅款撥備。

4.2 估計投資物業、土地及樓宇的公允值

投資物業、土地及樓宇的公允值於每個報告期結束日由獨立專業估價師決定。投資物業的公允值參考可比較市場成交的公開市場價格。土地及樓宇的公允值由公開市場價格或折舊後重置成本方法決定。以上方法乃根據未來結果的估計和一系列關於物業的收入和支出及將來經濟情況而作出假設。

4.3 貿易應收款項之減值撥備

本集團根據有關違約風險及預期虧損率的假設，就貿易及其他應收款項減值作出撥備。本集團作出該等假設及挑選減值計算的輸入數據時，根據本集團過往記錄、於各報告期末的現行市況及前瞻性估計使用判斷。

4. Critical Accounting Estimates and Judgements (Continued)

4.4 Provision for inventories

Significant judgement is exercised in the assessment of the net realisable value of its inventory, which is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses. In making its judgement, management considers a wide range of factors such as the age of the inventory items and the assessment of the results of the subsequent sales performance of the items. Management reassess the provision at the end of the reporting period.

4.5 Estimated useful lives of property, plant and equipment

The Group's management determines the estimated useful lives and related depreciation charges for its property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of the property, plant and equipment of similar nature and functions. It could change significantly as a result of technical innovations. Management will increase the depreciation charge where useful lives are less than previously estimated lives, or it will write off or write down technically obsolete or non-strategic assets that have been abandoned or sold.

4. 關鍵會計估計及判斷(續)

4.4 存貨撥備

於評估存貨之可變現淨值時須作出重大判斷以日常業務中的估計售價減去估計完成金額及銷售支出。於作出判斷時，管理層考慮廣泛因素，如存貨項目之賬齡及對項目後續銷售業績之評估。管理層於報告期末結評估撥備。

4.5 物業、廠房及設備之估計可使用年期

本集團管理層釐定物業、廠房及設備之估計可使用年期及相關折舊開支。此估計乃基於對具有類似性質及功能之物業、廠房及設備之實際可使用年期之歷史經驗，可能因技術革新而發生重大變動。管理層將增加折舊開支，倘可使用年期低於之前估計之年期，或將撇銷或撇減已棄置或出售之過時或非策略資產。

5. Revenue and Segment Information

The Group is principally engaged in the manufacturing and trading of electric cable and wire products. Revenue recognised during the year is as follows:

5. 收益及分部資料

本集團主要經營製造及買賣電線及導線產品業務。年內確認之收益如下：

		2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元
Sale of goods – at a point in time	銷貨－在某個時間點	**301,357**	355,744

The Chief Executive Officer (the chief operation decision maker) has reviewed the Group's internal reporting and determines that there are five reportable segments, based on location of customers under the electric cable and wire products business, including Hong Kong, Mainland China, America, Europe and Other countries. These segments are managed separately as each segment is subject to risks and returns that are different from others.

行政總裁(首席營運決策者)已閱覽本集團內部報告及確定在電線及導線產品業務下根據客戶所在地有五個分部，包括香港、中國大陸、美洲、歐洲及其他國家。該等分部因風險及回報有別於其他分部而獨立分開管理。

5. Revenue and Segment Information (Continued)

The segment information for the reportable segments for 2019 and 2018 are as follows:

5. 收益及分部資料(續)

二零一九年及二零一八年報告分部的分部資料如下:

		Revenue (external sales) 收益(外部銷售) 2019 二零一九年 HK$'000 千港元	Segment results 分部業績 2019 二零一九年 HK$'000 千港元	Total segment assets 總分部資產 2019 二零一九年 HK$'000 千港元	Capital expenditure 資本開支 2019 二零一九年 HK$'000 千港元	Depreciation 折舊 2019 二零一九年 HK$'000 千港元
Hong Kong	香港	**85,432**	**(7,668)**	**176,593**	**1,514**	**6,195**
Mainland China	中國大陸	**41,508**	**(2,555)**	**309,245**	**609**	**12,431**
America	美洲	**171,754**	**686**	**93,495**	**–**	**–**
Europe	歐洲	**445**	**(41)**	**118**	**–**	**–**
Other countries	其他國家	**2,218**	**(158)**	**81,932**	**13,326**	**2,377**
Reportable segment	報告分部	**301,357**	**(9,736)**	**661,383**	**15,449**	**21,003**
Unallocated costs	未分配費用		**(2,180)**			
Operating loss	經營虧損		**(11,916)**			

		Revenue (external sales) 收益(外部銷售) 2018 二零一八年 HK$'000 千港元	Segment results 分部業績 2018 二零一八年 HK$'000 千港元	Total segment assets 總分部資產 2018 二零一八年 HK$'000 千港元	Capital expenditure 資本開支 2018 二零一八年 HK$'000 千港元	Depreciation 折舊 2018 二零一八年 HK$'000 千港元	Amortisation 攤銷 2018 二零一八年 HK$'000 千港元
Hong Kong	香港	113,641	3,503	205,796	147	5,255	–
Mainland China	中國大陸	50,246	1,390	314,697	3,579	10,176	585
America	美洲	182,475	(1,397)	89,071	–	–	–
Europe	歐洲	710	(20)	159	–	–	–
Other countries	其他國家	8,672	(234)	64,105	42,429	–	130
Reportable segment	報告分部	355,744	3,242	673,828	46,155	15,431	715
Unallocated costs	未分配費用		(1,516)				
Operating profit	經營溢利		1,726				

5. Revenue and Segment Information (Continued)

A reconciliation of total segment assets to the Group's total assets.

5. 收益及分部資料(續)

總分部資產與本集團總資產的對賬。

		2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元
Total segment assets	總分部資產	**661,383**	673,828
Investment properties	投資物業	**47,200**	55,290
Deferred tax assets	遞延稅項資產	**6,296**	3,832
Total assets	總資產	**714,879**	732,950

Unallocated costs represent corporate expenses.

未分配費用指公司支出。

Revenue of approximately HK$153,484,000 (2018: HK$158,635,000) are derived from two (2018: two) major customers contributing 10% or more of the total revenue. These revenues are attributable to the America segment (2018: America segment).

收益約HK$153,484,000港元(二零一八年:158,635,000港元)是來自兩名(二零一八年:兩名)主要客戶(佔總收益10%或以上)。該等收益來自美洲分部(二零一八年:美洲分部)。

		2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元
Customer A	客戶A	**80,484**	88,106
Customer B	客戶B	**73,000**	70,529
		153,484	158,635

6. Other Income

6. 其他收益

		2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元
Other Income	其他收益		
Scrap sales	廢料銷售	**3,169**	4,286
Interest income	利息收入	**98**	62
Rental income from investment properties	來自投資物業之租金收入	**892**	1,291
Government subsidy	政府補貼	**423**	360
Compensation and storage income from customers	客戶補償及倉存收入	**990**	765
Other income from customers	其他客戶收入	**1,514**	364
		7,086	7,128

7. Other Operating (Expenses)/Income, Net

7. 其他經營(開支)／收入淨額

		2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元
Other operating (expenses)/income, net	其他經營(開支)／收入淨額		
Revaluation surplus of buildings	樓宇重估盈餘	**138**	1,738
(Loss)/gain on revaluation of investment properties	投資物業估值(損失)／所得	**(8,090)**	3,140
Charitable donations	慈善捐獻	**(1,465)**	(690)
Net loss on derivatives financial instruments	衍生金融工具淨損失	**(1,083)**	–
Net exchange losses	外匯淨損失	**(996)**	(1,092)
Loss on disposal/write-off of property, plant and equipment	出售／撇銷物業、廠房及設備虧損	**(57)**	(29)
Other expenses	其他開支	**(1,201)**	(1,269)
		(12,754)	1,798

8. Operating (Loss)/Profit

Operating (loss)/profit is stated after charging/(crediting) the following:

8. 經營(虧損)／溢利

經營(虧損)／溢利已扣除／(計入)下列各項：

		2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元
Amortisation and depreciation:	攤銷及折舊：		
Amortisation of land use rights	土地使用權攤銷	–	715
Depreciation of right-of-use assets	使用權資產折舊	1,030	–
Depreciation of property, plant and equipment	物業、廠房及設備折舊	19,973	15,431
Auditor's remuneration	核數師酬金		
– Audit services	– 審計項目	1,648	1,525
– Non-audit services	– 非審計項目	1,076	764
Cost of inventories	存貨成本	148,684	206,704
Net exchange losses	外匯淨損失	996	1,092
Operating lease rentals in respect of land and buildings	土地及樓宇之經營租賃租金	77	438
Operating lease rentals in respect of office equipment	辦公設備之經營租賃租金	36	339
Direct expenses for investment properties	投資物業應佔之直接經營開支	211	129
(Reversal of provision)/provision for slow-moving inventories	慢用存貨(撥回計提)／撥備	(705)	298
Staff costs (including directors' emoluments) (note 12)	員工成本(包括董事酬金)(附註12)	93,002	98,252

9. Finance Costs

9. 財務費用

		2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元
Finance expenses on lease liabilities	租賃負債之財務開支	21	–
Interest expenses on bank borrowings	銀行借款之利息開支	2,793	1,523
Less: finance costs capitalised on qualifying assets	減：合資格資產的資本化財務費用	(346)	(419)
Net finance cost	財務費用淨額	2,468	1,104

Note:

The capitalisation rate used to determine the amount of borrowing costs to be capitalised in construction-in-progress is the weighted average interest rate applicable to the entity's borrowing during the year of 3.68% (2018: 3.15%).

附註：

釐定在建工程的資本化借款成本金額所用之資本化率為年內實體借款適用之加權平均利率，為3.68%(二零一八年：3.15%)。

10. Taxation

(a) Hong Kong profits tax provided at the two-tiered rate of 8.25% for the first HK$2 million of the estimated assessable profits for one of the Group's Hong Kong subsidiaries for the year and 16.5% on the remaining estimated assessable profits for the year (2018: 8.25% for the first HK$2 million and 16.5% for the remaining).

Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the applicable rates of taxation prevailing in the jurisdictions in which the Group operates.

The subsidiary established and operating in Vietnam during the year is subject to corporate income tax at a rate of 20%. In accordance with the applicable tax regulations, the subsidiary is subject to a lower tax rate of 10% for fifteen consecutive years, commencing from the first year of making revenue. In addition, the subsidiary is entitled to full exemption from corporate income tax for the first four years from the earlier of (i) the year when profit is generated for the first time or (ii) the fourth year of commencing operations; and a 50% reduction in corporate income tax for the next nine years. The Vietnam subsidiary of the Group was exempted from corporate income tax for the first year for the year ended 31st December 2019 (2018: no taxable profit).

10. 税項

(a) 本集團一間香港附屬公司的年度估計應課稅溢利的首2,000,000港元及年度剩餘的估計應課稅溢利分別按8.25%及16.5%的兩級制稅率計提香港利得稅(二零一八年：首2,000,000港元以8.25%及剩餘以16.5%)。

海外溢利之稅項已根據年度估計應課稅溢利按本集團經營所在司法權區的現行適用稅率計算。

年內，於越南成立及運營的附屬公司須按20%的稅率繳納企業所得稅。根據適用稅項法規，該附屬公司自產生收益首年起連續十五年按較低稅率10%繳稅。此外，自(i)產生溢利首年或(ii)投入運營後的第四年(按較早者為準)起計首四年內，該附屬公司有權全數豁免繳納企業所得稅，並於其後九年內享有50%企業所得稅減免。截至二零一九年十二月三十一日止年度，本集團的越南附屬公司第一年獲豁免企業所得稅(二零一八年：無應課稅溢利)。

10. Taxation (Continued)

(a) (Continued)

The amount of taxation (credited)/charged to the consolidated income statement represents:

10. 稅項(續)

(a) (續)

(計入)／扣除綜合損益表之稅項指：

		2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元
Hong Kong profits tax	香港利得稅	**163**	265
Overseas taxation	海外稅項	**1,670**	3,084
Over-provision in prior year	年前超額撥備	**(2)**	(317)
Deferred tax relating to the origination and reversal of temporary differences (note 10(b))	暫時差異的產生及撥回之遞延稅項(附註10(b))	**(3,017)**	(650)
		(1,186)	2,382

The taxation on the Group's (loss)/profit before taxation differs from the theoretical amount that would arise using the profits tax rate of Hong Kong as follows:

本集團有關除稅前(虧損)／溢利之稅項與假設採用香港利得稅率而計算之理論稅額之差異如下：

		2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元
(Loss)/profit before taxation	除稅前(虧損)／溢利	**(14,384)**	622
Calculated at a taxation rate of 16.5% (2018: 16.5%)	按稅率16.5%(二零一八年：16.5%)計算之稅項	**(2,373)**	103
Effect of different taxation rates	不同稅率之影響	**1,307**	1,414
Income not subject to taxation	毋須課稅之收入	**(3,318)**	(2,619)
Expenses not deductible for taxation purposes	不可扣稅之支出	**3,156**	3,783
Over-provision in prior year	年前超額撥備	**(2)**	(317)
Utilisation of previously unrecognised tax losses	使用先前未確認之稅務虧損	**(38)**	(30)
Tax losses for which no deferred tax assets were recognised	未確認遞延稅項之稅務虧損	**82**	48
Taxation (credit)/charge	稅款(計入)／扣除	**(1,186)**	2,382

10. Taxation (Continued)

(b) The movement on the net deferred tax liabilities account is as follows:

10. 稅項(續)

(b) 遞延稅項負債賬目淨額的變動如下：

		2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元
At 1st January	於一月一日	**40,215**	34,350
Deferred tax credited to the consolidated income statement (note 10(a))	計入綜合損益表之遞延稅項（附註10(a)）	**(3,017)**	(650)
Deferred tax charged to revaluation reserve	扣除重估儲備之遞延稅項	**341**	6,515
At 31st December	於十二月三十一日	**37,539**	40,215

The movements on the deferred tax liabilities and assets, without taking into consideration the offsetting of balances within the same tax jurisdiction, are as follows:

在沒有考慮在同一稅務管轄區內抵銷餘額，遞延稅項負債及資產變動如下：

Deferred tax liabilities

遞延稅項負債

		Tax depreciation 稅項折舊		Revaluation surplus 重估盈餘		Provisions and others 撥備及其他		Total 總額	
		2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元	2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元	2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元	2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元
At 1st January	於一月一日	**1,261**	1,562	**48,442**	41,927	**1,061**	1,058	**50,764**	44,547
(Credited)/charged to the consolidated income statement	自綜合損益表中（計入）／扣除	**(71)**	(301)	**34**	–	**(1,061)**	3	**(1,098)**	(298)
Deferred tax charged to revaluation reserve	扣除重估儲備之遞延稅項	**–**	–	**341**	6,515	**–**	–	**341**	6,515
At 31st December	於十二月三十一日	**1,190**	1,261	**48,817**	48,442	**–**	1,061	**50,007**	50,764
Set-off of deferred tax liabilities pursuant to set-off provision	根據抵銷條文抵銷遞延稅項負債							**(6,172)**	(6,717)
								43,835	44,047

10. Taxation (Continued)

(b) (Continued)

Deferred tax assets

10. 稅項(續)

(b) (續)

遞延稅項資產

		Tax depreciation 稅項折舊		Provisions and others 撥備及其他		Tax losses 稅務虧損		Total 總額	
		2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元	**2019 二零一九年 HK$'000 千港元**	2018 二零一八年 HK$'000 千港元	**2019 二零一九年 HK$'000 千港元**	2018 二零一八年 HK$'000 千港元	**2019 二零一九年 HK$'000 千港元**	2018 二零一八年 HK$'000 千港元
At 1st January	於一月一日	**4,956**	4,273	**4,194**	4,654	**1,399**	1,270	**10,549**	10,197
Credited/(charged) to the consolidated income statement	自綜合損益表中計入／(扣除)	**974**	683	**(724)**	(460)	**1,669**	129	**1,919**	352
At 31st December	於十二月三十一日	**5,930**	4,956	**3,470**	4,194	**3,068**	1,399	**12,468**	10,549
Set-off of deferred tax liabilities pursuant to set-off provision	根據抵銷條文抵銷遞延稅項負債							**(6,172)**	(6,717)
								6,296	3,832

Deferred tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through future taxable profits is probable. The Group did not recognise deferred tax assets of HK$569,000 (2018: HK$525,000) in respect of losses amounting to HK$3,448,000 (2018: HK$5,064,000) that can be carried forward against future taxable income. As at 31st December 2019, tax losses for which no deferred tax assets were recognised amounting to HK$nil (2018: HK$1,880,000) will expire in 5 years, and the remaining tax losses of HK$3,448,000 (2018: HK$3,184,000) has no expiry date.

對可抵扣虧損確認為遞延稅項資產的數額，是按透過很可能產生的未來應課稅溢利而實現的相關稅務利益而確認。本集團並無就可結轉以抵銷未來應課稅收益的稅項虧損3,448,000港元(二零一八年：5,064,000港元)確認遞延稅項資產569,000港元(二零一八年：525,000港元)。於二零一九年十二月三十一日，並無未確認遞延稅項資產之稅務虧損(二零一八年：1,880,000港元)將於五年內到期，以及餘下之稅務虧損3,448,000港元(二零一八年：3,184,000港元)並無到期日。

Deferred tax liabilities of HK$4,575,000 (2018: HK$4,425,000) have not been recognised for the withholding tax and other taxes that would be payable on the unremitted earnings of certain subsidiaries. Such amounts are permanently reinvested. Unremitted earnings totalled HK$45,748,000 at 31st December 2019 (2018: HK$44,245,000).

本集團並未就若干附屬公司的未匯返盈利須予支付的預提所得稅和其他稅項確認遞延稅項負債4,575,000港元(二零一八年：4,425,000港元)。此等未匯返盈利會再作長期地投資。於二零一九年十二月三十一日的未匯返盈利合共45,748,000港元(二零一八年：44,245,000港元)。

11. Loss Per Share

The calculation of basic loss per share is based on the Group's loss for the year of HK$13,198,000 (2018: HK$1,760,000) divided by the weighted average number of 198,958,000 (2018: 198,958,000) ordinary shares in issue during the year.

In both 2019 and 2018, diluted loss per share is the same as basic loss per share due to the absence of dilutive potential ordinary shares during the reporting period.

11. 每股虧損

每股基本虧損乃根據本集團本年度虧損13,198,000港元(二零一八年:1,760,000港元)除以年內已發行普通股之加權平均數198,958,000股(二零一八年:198,958,000股)計算。

於二零一九年及二零一八年,因於報告期間沒有具潛在攤薄普通股,故每股攤薄虧損與其每股基本虧損相同。

12. Staff Costs (Including Directors' Emoluments)

12. 員工成本(包括董事酬金)

		2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元
Wages, salaries and fringe benefits (Note)	工資、薪酬及額外津貼(附註)	**87,229**	91,942
Social security costs	社會保障成本	**4,707**	5,497
Pension costs – contribution to MPF scheme	退休成本－強積金計劃作出之供款	**428**	450
Others	其他	**638**	363
		93,002	98,252

Note: Including employment termination compensation of approximately HK$6,322,000 (2018: HK$2,735,000).

附註: 包括約6,322,000港元(二零一八年:2,735,000港元)之離職經濟補償。

13. Benefits and Interests of Directors and Key Management

(a) Directors' emoluments

The remuneration of each director for the year ended 31st December 2019 is set out below:

Emoluments paid or receivable in respect of person's services as a director or other services in connection with the management of the affairs, whether of the Company or its subsidiary undertaking:

13. 董事及主要管理人員之福利及權益

(a) 董事薪酬

截至二零一九年十二月三十一日止年度，每名董事的薪酬如下：

已付出任公司或其附屬企業董事或提供其他與管理事務有關的服務之人士之酬金或其應收酬金如下：

Name of directors 董事姓名	Fees 袍金 HK$'000 千港元	Salary 薪金 HK$'000 千港元	Discretionary bonuses 酌情獎金 HK$'000 千港元	Contributions to MPF scheme 強積金計畫供款 HK$'000 千港元	Other benefits (ii) 其他福利(ii) HK$'000 千港元	Total 總額 HK$'000 千港元
MON Chung Hung (iii) 孟振雄(iii)	–	4,560	–	–	197	4,757
KOO Di An, Louise 顧迪安	–	1,320	–	–	175	1,495
SIU Yuk Shing, Marco 蕭旭成	–	672	–	18	–	690
MON Wai Ki, Vicky 孟瑋琦	–	355	–	18	–	373
MON Tiffany 孟韋怡	–	608	236	18	350	1,212
LAU Chun Kay (i) 劉振麒(i)	180	–	–	–	–	180
LEE Chung Nai, Jones (i) 李宗黻(i)	84	–	–	–	–	84
CHUNG Kit Ying (i) 鍾潔瑩(i)	120	–	–	–	–	120

13. Benefits and Interests of Directors and Key Management (Continued)

(a) Directors' emoluments (Continued)

The remuneration of each director for the year ended 31st December 2018 is set out below:

Emoluments paid or receivable in respect of person's services as a director or other services in connection with the management of the affairs, whether of the Company or its subsidiary undertaking:

13. 董事及主要管理人員之福利及權益(續)

(a) 董事薪酬(續)

截至二零一八年十二月三十一日止年度，每名董事的薪酬如下：

已付出任公司或其附屬企業董事或提供其他與管理事務有關的服務之人士之酬金或其應收酬金如下：

Name of directors 董事姓名	Fees 袍金 HK$'000 千港元	Salary 薪金 HK$'000 千港元	Discretionary bonuses 酌情獎金 HK$'000 千港元	Contributions to MPF scheme 強積金計畫供款 HK$'000 千港元	Other benefits (ii) 其他福利(ii) HK$'000 千港元	Total 總額 HK$'000 千港元
MON Chung Hung (iii) 孟振雄(iii)	–	4,560	45	–	185	4,790
KOO Di An, Louise 顧迪安	–	1,320	18	–	179	1,517
SIU Yuk Shing, Marco 蕭旭成	–	672	50	18	68	808
MON Wai Ki, Vicky 孟瑋琦	–	355	5	18	–	378
MON Tiffany 孟韋怡	–	514	22	18	338	892
LAU Chun Kay (i) 劉振麒(i)	180	–	–	–	–	180
LEE Chung Nai, Jones (i) 李宗鼐(i)	84	–	–	–	–	84
CHUNG Kit Ying (i) 鍾潔瑩(i)	120	–	–	–	–	120

(i) Independent non-executive directors

(ii) Other benefits include commission and insurance premium.

(iii) Chief Executive Officer

During the year, no emolument paid or receivable in respect of a person accepting office as a director (2018: nil) and no director waived any emoluments (2018: nil) or compensation for loss of office (2018: nil).

(i) 獨立非執行董事

(ii) 其他福利包括銷售佣金及保險供款。

(iii) 行政總裁

於年內董事接受委任時並無收取或應收酬金(二零一八年：無)以及沒有董事放棄酬金(二零一八年：無)或離職時的補償(二零一八年：無)。

13. Benefits and Interests of Directors and Key Management (Continued)

(b) Directors' retirement benefits

None of the directors received or will receive any retirement benefits during the year (2018: nil).

(c) Directors' termination benefits

None of the directors received or will receive any termination benefits during the year (2018: nil).

(d) Consideration provided to third parties for making available directors' services

During the year ended 31st December 2019, the Group did not pay consideration to any third parties for making available directors' services (2018: nil).

(e) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

During the year ended 31st December 2019, there is no loans, quasi-loans and other dealing arrangements in favour of the directors, or controlled body corporates and connected entities of such directors (2018: nil).

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

No significant transactions, arrangements and contracts in relation to the Company's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year (2018: nil).

13. 董事及主要管理人員之福利及權益(續)

(b) 董事的退休福利

年內，概無董事獲支付或應收退休福利(二零一八年：無)。

(c) 董事的終止福利

年內，概無董事獲支付或應收終止董事服務福利(二零一八年：無)。

(d) 就提供董事服務而向第三方提供的對價

截至二零一九年十二月三十一日止年度，本集團並沒有就獲取董事服務而支付第三方的對價(二零一八年：無)。

(e) 向董事、受該等董事控制的法人團體及該董事的關連主體提供的貸款、準貸款和其他交易的資料

截至二零一九年十二月三十一日止年度，概無以董事、董事之受控制法團及關連實體為受益人之貸款、準貸款或其他交易(二零一八年：無)。

(f) 董事在交易、安排或合同的重大權益

並無有關本公司業務而本公司作為其中一方且本公司董事於其中(不論直接或間接)擁有重大權益(於本年年底或於年內任何時間)的重大交易、安排及合約(二零一八年：無)。

13. Benefits and Interests of Directors and Key Management (Continued)

(g) Five highest paid individuals

In 2019 and 2018, the five individuals whose emoluments were the highest in the Group included three (2018: three) directors whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining two (2018: two) individuals during the year are as follows:

13. 董事及主要管理人員之福利及權益(續)

(g) 五位最高薪酬人士

於二零一九年及二零一八年，五位本集團最高薪酬人士包括三位(二零一八年：三位)董事，三位董事之酬金已載於上文分析。本年度支付予其餘兩位(二零一八年：兩位)人士的薪酬如下：

		2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元
Basic salaries, other allowances and benefits in kind	基本薪金、其他津貼及實物利益	**2,057**	1,849
Discretionary bonuses	酌情獎金	**110**	686
Pension costs – contribution to MPF scheme	退休成本－強積金計劃作出之供款	**32**	32
		2,199	2,567

The emoluments fell within the following bands:

此等酬金在下列範圍：

		Number of individuals 人員數目	
		2019 二零一九年	2018 二零一八年
Nil – HK$1,000,000	0港元至1,000,000港元	**1**	1
HK$1,000,001 – HK$1,500,000	1,000,001港元至1,500,000港元	**1**	–
HK$1,500,001 – HK$2,000,000	1,500,001港元至2,000,000港元	**–**	1

13. Benefits and Interests of Directors and Key Management (Continued)

(h) Key management compensation

Key management includes all directors presented above and five (2018: five) senior management. The compensation paid or payable to key management for employee services is shown below:

13. 董事及主要管理人員之福利及權益(續)

(h) 主要管理人員之薪酬

主要管理人員包括所有董事及五位(二零一八年:五位)高級管理人員。向主要管理人員支付作為僱員服務的已付或應付酬金如下:

		2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元
Basic salaries, other allowances and benefits in kind	基本薪金、其他津貼及實物利益	**11,622**	11,354
Discretionary bonuses	酌情獎金	**394**	835
Pension costs – contribution to MPF scheme	退休成本－強積金計劃作出之供款	**123**	117
		12,139	12,306

The emoluments of senior management (excluding directors) are within the following bands:

高級管理人員之酬金(不包括董事)在下列範圍:

		Number of individuals 人員數目	
		2019 二零一九年	2018 二零一八年
Nil – HK$1,000,000	0港元至1,000,000港元	**4**	4
HK$1,000,001 – HK$1,500,000	1,000,001港元至1,500,000港元	**1**	–
HK$1,500,001 – HK$2,000,000	1,500,001港元至2,000,000港元	**–**	1

14. Land Use Rights

The Group's interests in land use rights represented prepaid operating lease payments and their net book values are analysed as follows:

14. 土地使用權

本集團於土地使用權之權益為預付經營租賃款項及其賬面淨值分析如下:

		2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元
At 1st January	於一月一日	**26,696**	28,470
Reclassified to right-of-use assets upon adoption of HKFRS 16	採納香港財務報告準則第16號而重新分類至使用權資產	**(26,696)**	–
Amortisation of land use rights	土地使用權攤銷	–	(715)
Exchange adjustment	匯率調整	–	(1,059)
At 31st December	於十二月三十一日	–	26,696

15. Lease

(i) Amounts recognised in the consolidated statement of financial position

The consolidated statement of financial position shows the following amounts relating to leases:

(a) Right-of-use assets

The Group recognised right-of-use assets relating to the following types of assets:

15. 租賃

(i) 於綜合財務報表確認之金額

綜合財務狀況表列示以下與租賃有關的金額：

(a) 使用權資產

本集團已確認以下資產類型的使用權資產：

		Land use rights outside HK 海外土地使用權 HK$'000 千港元	Property 物業 HK$'000 千港元	Total 總額 HK$'000 千港元
Net book value as at 31st December 2018	於二零一八年十二月三十一日之賬面淨值	–	–	–
Reclassified from land use rights upon adoption of HKFRS 16	採納香港財務報告準則第16號而重新分類自土地使用權	**26,696**	**–**	**26,696**
Net book value at 1st January 2019, as restated	於二零一九年一月一日之賬面淨值，經重列	**26,696**	**–**	**26,696**
Addition	添置	**–**	**892**	**892**
Depreciation	折舊	**(696)**	**(334)**	**(1,030)**
Exchange adjustment	滙率調整	**(62)**	**–**	**(62)**
Net book value at 31st December 2019	於二零一九年十二月三十一日之賬面淨值	**25,938**	**558**	**26,496**

15. Lease (Continued)

(i) Amounts recognised in the consolidated statement of financial position (Continued)

(b) Lease liabilities

15. 租賃(續)

(i) 於綜合財務報表確認之金額(續)

(b) 租賃負債

		31 December 2019 二零一九年十二月三十一日 HK$'000 千港元	1 January 2019 二零一九年一月一日 HK$'000 千港元
Current	即期	**451**	–
Non-current	非即期	**77**	–
		528	–

In the previous year, the Group only recognised lease assets and lease liabilities in relation to leases that were classified as 'finance leases' under HKAS 17 "Leases". For adjustments recognised on adoption of HKFRS 16 on 1st January 2019, please refer to note 2.1.

去年，本集團僅確認與根據香港會計準則第17號「租賃」分類為「融資租賃」之租賃有關的租賃資產及租賃負債。有關就於二零一九年一月一日採納香港財務報告準則第16號確認之調整，請參閱附註2.1。

(ii) Amounts recognised in the consolidated income statement

The consolidated income statement shows the following amounts relating to leases:

(ii) 於綜合損益表確認之金額

綜合損益表列示以下與租賃有關的金額：

		31 December 2019 二零一九年十二月三十一日 HK$'000 千港元
Depreciation charge of right-of-use assets	使用權資產折舊開支	
– Land use rights outside Hong Kong	– 海外土地使用權	**696**
– Property	– 物業	**334**
		1,030
Interest expense (included in finance costs)	利息開支(計入財務費用內)	**21**
Expenses relating to short-term leases and low-value leases (included in cost of sales and general administrative expenses)	短期租賃及低價值租賃的相關開支(計入銷售成本及一般行政開支)	**113**

The total cash outflow for leases in 2019 was HK$498,000.

二零一九年的租賃現金流出總額為498,000港元。

16. Property, Plant and Equipment 16. 物業、廠房及設備

		Land and buildings (notes (a) to (c)) 土地及樓宇(附註(a)至(c))									
		In HK 本地	Outside HK 海外	Leasehold improvements 租賃裝修	Plant and machinery 廠房及機器	Furniture and fixtures 傢俬及裝置	Office equipment 辦公室設備	Motor vehicles 汽車	Pleasure boats 遊艇	Construction in progress 在建工程	Total 總額
		HK$'000 千港元	HK$'000 千港元	HK$'000 千港元	HK$'000 千港元	HK$'000 千港元	HK$'000 千港元	HK$'000 千港元	HK$'000 千港元	HK$'000 千港元	HK$'000 千港元
Net book value at 1st January 2019	於二零一九年一月一日之賬面淨值	139,070	197,183	2,193	12,446	708	4,285	3,094	4,279	38,809	402,067
Additions	添置	–	–	–	5,058	–	669	409	–	8,421	14,557
Disposals/write-off	出售／撇銷	–	–	–	(377)	–	(28)	(176)	–	–	(581)
Depreciation	折舊	(4,880)	(7,592)	(1,100)	(4,633)	(25)	(705)	(630)	(408)	–	(19,973)
Revaluation	重估	(16,760)	17,077	–	–	–	–	–	–	–	317
Transfer	轉移	–	44,484	2,894	–	–	–	–	–	(47,378)	–
Exchange adjustment	匯率調整	–	(1,573)	325	(112)	(6)	(84)	(10)	–	148	(1,312)
Net book value at 31st December 2019	於二零一九年十二月三十一日之賬面淨值	117,430	249,579	4,312	12,382	677	4,137	2,687	3,871	–	395,075
At 31st December 2019	於二零一九年十二月三十一日										
At cost	成本	–	–	15,194	91,634	5,041	14,659	6,920	14,421	–	147,869
At valuation – 2019	估值 – 二零一九年	117,430	249,579	–	–	–	–	–	–	–	367,009
Accumulated depreciation	累積折舊	–	–	(10,882)	(79,252)	(4,364)	(10,522)	(4,233)	(10,550)	–	(119,803)
Net book value	賬面淨值	117,430	249,579	4,312	12,382	677	4,137	2,687	3,871	–	395,075

16. Property, Plant and Equipment (Continued) 16. 物業、廠房及設備(續)

		Land and buildings (notes (a) to (c)) 土地及樓宇(附註(a)至(c)) In HK 本地 HK$'000 千港元	Outside HK 海外 HK$'000 千港元	Leasehold improvements 租賃裝修 HK$'000 千港元	Plant and machinery 廠房及機器 HK$'000 千港元	Furniture and fixtures 傢俬及裝置 HK$'000 千港元	Office equipment 辦公室設備 HK$'000 千港元	Motor vehicles 汽車 HK$'000 千港元	Pleasure boats 遊艇 HK$'000 千港元	Construction in progress 在建工程 HK$'000 千港元	Total 總額 HK$'000 千港元
Net book value at 1st January 2018	於二零一八年一月一日之賬面淨值	125,870	192,998	2,932	10,927	729	4,506	2,994	4,684	15	345,655
Additions	添置	–	–	–	4,882	–	453	842	45	39,933	46,155
Disposals	出售	–	–	–	–	–	(1)	(131)	–	–	(132)
Depreciation	折舊	(4,267)	(6,325)	(648)	(2,606)	(18)	(547)	(570)	(450)	–	(15,431)
Revaluation	重估	17,467	21,575	–	–	–	–	–	–	–	39,042
Exchange adjustment	匯率調整	–	(11,065)	(91)	(757)	(3)	(126)	(41)	–	(1,139)	(13,222)
Net book value at 31st December 2018	於二零一八年十二月三十一日之賬面淨值	139,070	197,183	2,193	12,446	708	4,285	3,094	4,279	38,809	402,067
At 31st December 2018	於二零一八年十二月三十一日										
At cost	成本	–	–	12,345	88,545	5,079	14,166	7,120	14,421	38,809	180,485
At valuation – 2018	估值 – 二零一八年	139,070	197,183	–	–	–	–	–	–	–	336,253
Accumulated depreciation	累積折舊	–	–	(10,152)	(76,099)	(4,371)	(9,881)	(4,026)	(10,142)	–	(114,671)
Net book value	賬面淨值	139,070	197,183	2,193	12,446	708	4,285	3,094	4,279	38,809	402,067

16. Property, Plant and Equipment (Continued)

(a) Land and buildings in Hong Kong and Mainland China were revalued on the basis of buildings in open market value by direct comparison approach and depreciated replacement cost approach, respectively, by Centaline Surveyors Limited, an independent firm of chartered surveyors, as at 31st December 2019 and 2018. Buildings in Vietnam were revalued on the basis of open market value by depreciated replacement cost approach by CBRE Vietnam Co., Ltd., an independent firm of chartered surveyors, as at 31st December 2019. The following tables analyse the land and buildings carrying at fair value, by valuation techniques.

16. 物業、廠房及設備(續)

(a) 於二零一九年及二零一八年十二月三十一日，位於香港及中國大陸的土地及樓宇由獨立專業估值師中原測量師行有限公司分別按樓宇公開市值之基準使用直接比較法及折舊重置成本法重估。於二零一九年十二月三十一日，位於越南的樓宇由獨立特許測量師行CBRE Vietnam Co., Ltd.按公開市值之基準使用折舊重置成本法重估。以下各表列出利用估值技術分析按公允值入賬的土地及樓宇。

Fair value hierarchy **公允值層級**

Description 描述	Fair value measurements at 31st December 2019 using 二零一九年十二月三十一日使用以下輸入的公允值計量		
	Quoted prices in active markets for identical assets 相同資產在活躍市場的報價 (Level 1) (第一級) HK$'000 千港元	Significant other observable inputs 重大的其他可觀察輸入 (Level 2) (第二級) HK$'000 千港元	Significant unobservable inputs 重大的不可觀察輸入 (Level 3) (第三級) HK$'000 千港元
Recurring fair value measurements 經常性公允值計量			
Land or/and buildings: 土地或／及樓宇：			
– in Hong Kong – 位於香港	–	–	**117,430**
– in Mainland China – 位於中國大陸	–	–	**205,865**
– in Vietnam – 位於越南	–	–	**43,714**

16. Property, Plant and Equipment (Continued)

(a) (Continued)

Fair value hierarchy (Continued)

16. 物業、廠房及設備(續)

(a) (續)

公允值層級(續)

Description	描述	Fair value measurements at 31st December 2018 using 二零一八年十二月三十一日使用以下輸入的公允值計量 Quoted prices in active markets for identical assets 相同資產在活躍市場的報價 (Level 1) (第一級) HK$'000 千港元	Significant other observable inputs 重大的其他可觀察輸入 (Level 2) (第二級) HK$'000 千港元	Significant unobservable inputs 重大的不可觀察輸入 (Level 3) (第三級) HK$'000 千港元
Recurring fair value measurements	經常性公允值計量			
Land and/or buildings:	土地或／及樓宇：			
– in Hong Kong	－位於香港	–	–	139,070
– in Mainland China	－位於中國大陸	–	–	197,183

The Group's policy is to recognise transfer into and transfer out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

本集團之政策是於導致轉移之事件或環境變動日期確認轉入或轉出公允值層級。

There was no transfer among levels 1, 2, and 3 during the year.

於年內第一、二及三級之間並無轉移。

As one or more of the significant inputs is not based on observable market date, the property, plant and equipment of the Group is categorised as level 3.

由於一項或多項重大輸入並非根據可觀察市場數據，故本集團物業、廠房及設備分類為第三級。

16. Property, Plant and Equipment (Continued)

16. 物業、廠房及設備(續)

(a) (Continued)

Fair value measurements using significant unobservable inputs (Level 3)

(a) (續)

利用重大不可觀察輸入的公允值計量(第三級)

		31st December 2019 二零一九年十二月三十一日			
		Land and buildings in Hong Kong 位於香港之土地及樓宇 HK$'000 千港元	Buildings in Mainland China 位於中國大陸之樓宇 HK$'000 千港元	Buildings in Vietnam 位於越南之樓宇 HK$'000 千港元	Total 總額 HK$'000 千港元
At 1st January 2019	於二零一九年一月一日	139,070	197,183	–	336,253
Transfer from construction-in-progress	自在建工程轉移	–	–	44,484	44,484
Depreciation	折舊	(4,880)	(6,805)	(787)	(12,472)
Revaluation (deficit)/surplus	重估(損失)/盈餘	(16,760)	17,063	14	317
Exchange adjustment	匯率調整	–	(1,576)	3	(1,573)
At 31st December 2019	於二零一九年十二月三十一日	117,430	205,865	43,714	367,009
Revaluation surplus for the year included in the consolidated income statement at the end of the year, under 'other operating (expenses)/income, net'	在綜合損益表的其他經營(開支)/收入淨額中確認本年度之重估盈餘	–	138	–	138

16. Property, Plant and Equipment (Continued)

(a) (Continued)

Fair value measurements using significant unobservable inputs (Level 3) (Continued)

16. 物業、廠房及設備(續)

(a) (續)

利用重大不可觀察輸入的公允值計量(第三級)(續)

		31st December 2018 二零一八年十二月三十一日		
		Land and buildings in Hong Kong 位於香港之土地及樓宇 HK$'000 千港元	Buildings in Mainland China 位於中國大陸之樓宇 HK$'000 千港元	Total 總額 HK$'000 千港元
At 1st January 2018	於二零一八年一月一日	125,870	192,998	318,868
Depreciation	折舊	(4,267)	(6,325)	(10,592)
Revaluation surplus	重估盈餘	17,467	21,575	39,042
Exchange adjustment	匯率調整	–	(11,065)	(11,065)
At 31st December 2018	於二零一八年十二月三十一日	139,070	197,183	336,253
Revaluation surplus for the year included in the consolidated income statement at the end of the year, under 'other operating income/(expenses), net'	在綜合損益表的其他經營收入／(開支)淨額中確認本年度之重估盈餘	–	1,738	1,738

Valuation processes of the Group

The Group's land and buildings were valued at 31st December 2019 and 2018 by independent professional qualified valuers who hold recognised relevant professional qualifications and have recent experience in the locations and segments of the land and buildings valued. For all land and buildings, their current use equates to the highest and best use.

The Group's finance department considers and discusses the valuations performed by the independent valuers for financial reporting purposes, including all key inputs to the valuations and property valuations movements as compared to the prior year. At 31st December 2019, the fair values of the properties have been determined by Centaline Surveyors Limited and CBRE Vietnam Co., Ltd (2018: Centaline Surveyors Limited).

本集團的估值流程

本集團的土地及樓宇由獨立專業估值師在二零一九年及二零一八年十二月三十一日估值，此等估值師持有相關認可專業資格，並對所估值的土地及樓宇的地點和領域有近期經驗。就所有土地及樓宇，其目前的使用等於其最高和最佳使用。

本集團財務部就財務報告目的對獨立估值師的估值進行考慮及討論，包括對估值的所有主要輸入及物業估值與上年度比較下的變動。於二零一九年十二月三十一日，此等物業的公允值已由中原測量師行有限公司及CBRE Vietnam Co., Ltd.(二零一八年：中原測量師行有限公司)釐定。

16. Property, Plant and Equipment (Continued)

(a) (Continued)

Valuation techniques

For land and buildings in Hong Kong, the valuation was determined using the direct comparison approach with reference to comparable transactions available in the relevant market. Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot.

For buildings in Mainland China, the valuation was determined using both the direct comparison approach which reference to the sales prices per square foot of comparable properties and the depreciated replacement cost approach with reference to the current cost of replacing an asset with its modern equivalent asset less deductions for all physical deterioration and all relevant forms of obsolescence and optimisation based on significant unobservable inputs.

For buildings in Vietnam, the valuation was determined using depreciated replacement cost approach with reference to the cost of construction per square metre in the relevant locations, with allowance for accrued depreciation as evidence by observed condition or obsolescence present. These inputs include:

Cost of construction
Cost per square metre to completion estimated by the valuer using direct market comparables and taking into account the useful life and size of the property and its facilities as at 31st December 2019 and 2018.

Estimated depreciation
Deducting all sources of depreciation by straight-line method over the useful life, including physical deterioration and functional and economic obsolescence and adjusting by the physical condition of the building.

There were no changes to the valuation techniques during the year.

16. 物業、廠房及設備(續)

(a) (續)

估值技術

位於香港的土地及樓宇的估值參考相關市場可比較交易利用直接比較法釐定。在鄰近可比較物業的售價已就主要特點(例如物業面積)的差異作出調整。對此估值法的最重大輸入為每平方呎的價格。

位於中國大陸的樓宇估值，利用直接比較法(參考可比較物業每平方呎的銷售價格)及折舊重置成本法(參考以現今等價資產扣減計算所有的自然損耗及各種相關形式的陳舊及優化重置資產的現有成本)，按重大不可觀察輸入釐定。

位於越南的樓宇估值，參考相關地點之每平方米建築成本利用折舊重置成本法釐定，並計入根據觀察到的狀況或陳舊現狀之應計折舊撥備。該等輸入包括：

建設成本
估值師於二零一九年及二零一八年十二月三十一日使用直接市場比較方法並經計入物業及其設施的使用年期及面積而估計的每平方米落成成本。

估計折舊
應用直線法將樓宇在可使用年期內扣減各來源的折舊，包括自然損耗和功能性及經濟上的損耗，並按樓宇實際狀況而作出調整。

年內估值技術並無變動。

16. Property, Plant and Equipment (Continued)

(a) (Continued)

Information about fair value measurements using significant unobservable inputs (Level 3) as at 31st December 2019

16. 物業、廠房及設備(續)

(a) (續)

於二零一九年十二月三十一日使用重大不可觀察輸入的公允值計量的資料(第三級)

Description 描述	Valuation technique 估值技術	Unobservable inputs 不可觀察輸入	Relationship of unobservable inputs to fair value 不可觀察輸入對公允值的關係
Buildings in Heyuan, Mainland China 位於中國大陸河源的樓宇	Direct comparison approach and Depreciated replacement cost approach 直接比較法及折舊重置成本法	Cost of construction of RMB1,650 (2018: RMB1,650) per square metre 建設成本為每平方米人民幣1,650元 (二零一八年:人民幣1,650元)	The higher the estimated cost per square metre to completion, the higher the fair value. 每平方米落成成本越高,公允值越高。
		Estimated depreciation over the remaining useful life of 40 years (2018: 41 years) 按可使用年期的四十年估計折舊 (二零一八年:四十一年)	The higher the estimated depreciation, the lower the fair value. 估計折舊越高,公允值越低。
Buildings in Shenzhen, Mainland China 位於中國大陸深圳的樓宇	Direct comparison approach and Depreciated replacement cost approach 直接比較法及折舊重置成本法	Cost of construction of RMB3,850 (2018: RMB3,450) per square metre 建設成本為每平方米人民幣3,850元 (二零一八年:人民幣3,450元)	The higher the estimated cost per square metre to completion, the higher the fair value. 每平方米落成成本越高,公允值越高。
		Estimated depreciation over the remaining useful life of 24 years (2018: 25 years) and 37 years (2018: 38 years) respectively 分別按可使用年期的二十四年 (二零一八年:二十五年)及三十七年 (二零一八年:三十八年)估計折舊	The higher the estimated depreciation, the lower the fair value. 估計折舊越高,公允值越低。
Buildings in Vietnam 位於越南的樓宇	Depreciated replacement cost approach 折舊重置成本法	Cost of construction of USD267 (2018: nil) per square metre 建設成本為每平方米267美元 (二零一八年:無)	The higher the estimated cost per square metre to completion, the higher the fair value. 每平方米落成成本越高,公允值越高。
		Estimated depreciation over the remaining useful life of 40 years (2018: nil) and 25 years (2018: nil) respectively 分別按可使用年期的四十年 (二零一八年:無)及二十五年 (二零一八年:無)估計折舊	The higher the estimated depreciation, the lower the fair value. 估計折舊越高,公允值越低。
Land and buildings in Hong Kong 位於香港的土地及樓宇	Direct comparison approach 直接比較法	Sales prices, HK$15,771 (2018: HK$18,677) per square foot of a comparable property in close proximity 近期相若物業銷售交易之代價每平方呎15,771港元 (二零一八年:18,677港元)	The higher the sales price per square foot of a comparable property in close proximity, the higher the fair value. 每平方呎之近期相若物業銷售交易之代價越高,公允值越高。

16. Property, Plant and Equipment (Continued)

(b) The net book value of these land and buildings would have been HK$140,215,000 (2018: HK$99,830,000) had they been stated at cost less accumulated depreciation on the historical cost basis.

(c) At 31st December 2019, the net book value of land and buildings located in Hong Kong, which were pledged as security for the Group's bank borrowings amounted to HK$$117,430,000 (2018: HK$139,070,000).

(d) Included in the total depreciation expenses, amounting to HK$14,053,000 (2018: HK$9,204,000) and HK$5,920,000 (2018: HK$6,227,000) were charged to cost of sales and administrative expenses, respectively.

16. 物業、廠房及設備(續)

(b) 如該等土地及樓宇乃按歷史成本之基準以成本值減累積折舊列賬，則該等賬面淨值應為140,215,000港元(二零一八年：99,830,000港元)。

(c) 於二零一九年十二月三十一日，賬面淨值合共117,430,000港元(二零一八年：139,070,000港元)之位於香港之土地及樓宇，已作為本集團銀行貸款之抵押。

(d) 總折舊支出當中14,053,000港元(二零一八年：9,204,000港元)計入銷售成本及5,920,000港元(二零一八年：6,227,000港元)計入行政開支。

17. Investment Properties

17. 投資物業

		2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元
At fair value	按公允值		
Opening balance at 1st January	於一月一日之期初餘額	**55,290**	52,150
Revaluation (loss)/gain credited to the consolidated income statement	重估(損失)／所得計入綜合損益表	**(8,090)**	3,140
Closing balance at 31st December	於十二月三十一日之期末餘額	**47,200**	55,290

(a) Amounts of (i) rental income and (ii) direct operating expenses from the investment properties, which were recognised in the consolidated income statement, are disclosed in note 8.

(b) As at 31st December 2019, the carrying amount of investment properties pledged as security for the Group's bank borrowings amounted to HK$27,100,000 (2018: HK$31,500,000)

(c) As at 31st December 2019 and 2018, the Group has no unprovided contractual obligations for future repairs and maintenance.

(d) For the minimum lease payments receivables on leases of investment properties, refer to note 28(c).

(a) 於綜合損益表確認的(i)租金收入及(ii)投資物業之直接經營開支金額於附註8披露。

(b) 於二零一九年十二月三十一日，賬面值為27,100,000港元(二零一八年：31,500,000港元)之投資物業，已作為本集團銀行貸款之抵押。

(c) 於二零一九年及二零一八年十二月三十一日，本集團並無與日後之維修及保養有關之未撥備合約責任。

(d) 有關就投資物業租賃應收之最低租賃付款，請參閱附註28(c)。

17. Investment Properties (Continued)

(e) The Group's investment properties are held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties through sale. The Group has measured the deferred tax relating to the temporary differences of these investment properties using the tax rate and the tax bases that are consistent with the expected manner of recovery of these investment properties.

(f) Investment properties were revalued on the basis of open market valued by direct comparison approach by Centaline Surveyors Limited, an independent firm of chartered surveyors, as at 31st December 2019 and 2018. The revaluation gains or losses are included in 'other operating (expenses)/income, net' in the consolidated income statement. The following table analyses the investment properties carried at fair value, by valuation techniques.

17. 投資物業(續)

(e) 持有本集團投資物業之模式，旨在經銷售而消耗絕大部分投資物業內嵌經濟利益。本集團已使用與該等投資物業預期收回方式一致之税率及税基，計量有關該等投資物業之暫時差異涉及之遞延税項。

(f) 於二零一九年及二零一八年十二月三十一日，投資物業由獨立專業估值師中原測量師行有限公司按公開市值之基準使用直接比較法重估。重估損益乃計入綜合損益表下「其他經營(開支)/收入淨額」內。下表列出利用估值技術分析按公允值入賬的投資物業。

Fair value hierarchy **公允值層級**

Description	**描述**	**Fair value measurements at 31st December 2019 using 二零一九年十二月三十一日使用以下輸入的公允值計量**		
		Quoted prices in active markets for identical assets 相同資產在活躍市場的報價 (Level 1) (第一級) HK$'000 千港元	**Significant other observable inputs 重大的其他可觀察輸入 (Level 2) (第二級) HK$'000 千港元**	**Significant unobservable inputs 重大的不可觀察輸入 (Level 3) (第三級) HK$'000 千港元**
Recurring fair value measurements	經常性公允值計量			
Investment properties	投資物業	–	–	**47,200**

17. Investment Properties (Continued)

(f) (Continued)

Fair value hierarchy

17. 投資物業(續)

(f) (續)

公允值層級

Description	描述	Fair value measurements at 31st December 2018 using 二零一八年十二月三十一日使用以下輸入的公允值計量 Quoted prices in active markets for identical assets 相同資產在活躍市場的報價 (Level 1) (第一級) HK$'000 千港元	Significant other observable inputs 重大的其他可觀察輸入 (Level 2) (第二級) HK$'000 千港元	Significant unobservable inputs 重大的不可觀察輸入 (Level 3) (第三級) HK$'000 千港元
Recurring fair value measurements	經常性公允值計量			
Investment properties	投資物業	–	–	55,290

The Group's policy is to recognise transfer into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfers.

本集團之政策是於導致轉移之事件或環境變動日期確認轉入或轉出公允值層級。

There were no transfers between levels 1, 2 and 3 during the year.

年內第一、二及三級之間概無轉移。

As one or more of the significant inputs is not based on observable market date, the investment properties of the Group are categorised as level 3.

由於一項或多項重大輸入並非根據可觀察市場數據，故本集團投資物業分類為第三級。

Valuation processes of the Group
See note 16(a) for valuation processes of the Group.

本集團的估值流程
請參閱附註16(a)本集團的估值流程部份。

Valuation techniques
The valuation of investment properties was determined using the direct comparison approach with reference to comparable transactions available in the relevant market. Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot.

估值技術
投資物業的估值參考相關市場可比較交易利用直接比較法釐定。在鄰近可比較物業的售價已就主要特點(例如物業面積)的差異作出調整。對此估值法的最重大輸入為每平方呎的價格。

There were no changes to the valuation techniques during the year.

年內估值技術並無變動。

17. Investment Properties (Continued)

(f) (Continued)

Information about fair value measurements using significant unobservable inputs (Level 3) as at 31st December 2019

17. 投資物業(續)

(f) (續)

於二零一九年十二月三十一日使用重大不可觀察輸入數據(第三級)之公允值計量之資料

Description 詳情	Valuation technique 估值技術	Unobservable inputs 不可觀察輸入數據	Relationship of unobservable inputs to fair value 不可觀察輸入數據與公允值之關係
Land and buildings in Hong Kong 位於香港之土地及樓宇	Direct comparison approach 直接比較法	(1) Sales prices, HK$5,061 (2018: HK$5,882) per square foot of a comparable property in close proximity 近期相若物業銷售交易之代價每平方呎5,061港元(二零一八年:5,882港元) (2) Sales prices, HK$16,736 (2018: HK$19,808) per square foot of a comparable property in close proximity 近期相若物業銷售交易之代價每平方呎16,736港元(二零一八年:19,808港元)	The higher the sales prices per square foot of a comparable property in close proximity, the higher the fair value 每平方呎近期相若物業銷售交易之代價越高,公允值越高

18. Inventories

18. 存貨

		2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元
Raw materials	原材料	**31,235**	20,138
Work in progress	在製品	**16,720**	23,251
Finished goods	製成品	**68,008**	54,152
		115,963	97,541
Provision for slow-moving inventories	慢用存貨撥備	**(5,902)**	(6,607)
		110,061	90,934

The cost of inventories recognised as expenses and included in "cost of sales" amounted to HK$148,684,000 (2018: HK$206,704,000). Reversal of provision (2018: provision) for slow-moving inventories of HK$705,000 (2018: HK$298,000) was included in "cost of sales" in the consolidated income statement.

存貨成本中確認為費用並列入「銷售成本」的金額共計148,684,000港元(二零一八年:206,704,000港元)。滯銷存貨回撥(二零一八年:撥備)705,000港元(二零一八年:298,000港元)已計入綜合損益表「銷售成本」。

19. Trade and Bill Receivables

(a) At 31st December 2019, the ageing analysis of trade and bill receivables based on invoice date is as follows:

19. 應收貿易賬款及票據

(a) 於二零一九年十二月三十一日，應收貿易賬款及票據根據發票日期之賬齡分析如下：

		2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元
Up to 3 months	即期至三個月	**57,501**	76,900
4–6 months	四個月至六個月	**16,068**	12,584
Over 6 months	超過六個月	**8,348**	846
		81,917	90,330
Provision for impairment loss	減值虧損撥備	**(754)**	–
		81,163	90,330

(b) Trade and bill receivables are denominated in the following currencies:

(b) 應收貿易賬款及票據以下列貨幣計值：

		2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元
HK$	港元	**25,527**	18,768
RMB	人民幣	**8,808**	5,587
USD	美元	**46,828**	65,975
		81,163	90,330

(c) The carrying value of trade and bill receivables approximate their fair values due to their short term maturities.

(c) 應收貿易賬款及票據之賬面值與其公允值相約因其短年期。

The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. There were no historical credit losses incurred over existing customers and the overall default rate of corporate remained relatively stable and low. However, as at 31st December 2019, the directors of the Group were of the opinion that a provision for impairment loss of HK$754,000 was necessary for a particular customer.

本集團採用香港財務報告準則第9號簡化方法計量預期信貸虧損，就所有應收貿易賬款使用整個生命期的預期虧損撥備。現有客戶並無產生歷史信貸虧損，而企業的整體違約率相對維持穩定及低水平。然而，於二零一九年十二月三十一日，本集團董事認為須要為特定客戶計提754,000港元之減值虧損撥備。

20. Derivative Financial Instruments

20. 衍生金融工具

		2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元
Financial assets at fair value through profit or loss and included in the Group's consolidated statement of financial position as current assets	按公允值計入損益且計入本集團綜合財務狀況表為流動資產的財務資產		
Foreign exchange forward contracts	外匯遠期合約	**495**	—

As at 31 December 2019, the Group has certain outstanding foreign exchange forward contracts (2018: nil) with an external reputable bank with long positions in RMB (2018: nil) for hedging its purchase transactions denominated in RMB. The fair value of the foreign exchange forward contracts is determined by using valuation techniques. The valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. As all significant inputs regarded to fair value on instruments are observable, the instruments are included in level 2.

於二零一九年十二月三十一日，本集團與一間外部信譽良好之銀行有若干尚未履行之外匯遠期合約(二零一八年：無)，涉及人民幣長倉(二零一八年：無)，以對沖其以人民幣計值的採購交易。外匯遠期合約之公允值乃採用估值技術釐定。估值技術盡量利用可觀察市場數據(如有)，盡量少依賴實體之特定估計。由於計算工具之公允值所需之所有重大輸入為可觀察數據，因此該等工具列入第二層。

The notional principal amounts of the outstanding foreign exchange forward contracts at 31st December 2019 were approximately US$4,000,000 (2018: nil).

於二零一九年十二月三十一日，尚未履行之外匯遠期合約之名義本金額約為4,000,000美元(二零一八年：零)。

21. Cash and Cash Equivalents

21. 現金及現金等價物

		2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元
Cash at banks and in hand	銀行及庫存現金	**36,548**	49,996

21. Cash and Cash Equivalents (Continued)

The maximum exposure to credit risk at the end of the reporting period of the Group is cash at banks amounting to HK$36,206,000 (2018: HK$49,789,000).

21. 現金及現金等價物(續)

於報告期末本集團最大信貸風險是銀行現金之金額共計分別為36,206,000港元(二零一八年:49,789,000港元)。

		2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元
Denominated in:	結算於:		
HK$	港元	**7,294**	14,154
RMB	人民幣	**13,450**	13,769
USD	美元	**15,453**	21,778
Other currencies	其他貨幣	**351**	295
		36,548	49,996

Included in the balance are bank balances and cash deposited in Mainland China and Vietnam of approximately HK$13,450,000 and HK$213,000 (2018: HK$10,502,000 and HK$143,000), respectively, which are mainly denominated in RMB and VND and are subject to the exchange control restrictions imposed by the governments in Mainland China and Vietnam.

餘額包括在中國大陸及越南之銀行結餘及現金存款分別約為13,450,000港元及213,000港元(二零一八年:10,502,000港元及143,000港元),其主要以人民幣及越南盾為貨幣單位並受限於中國及越南政府實施之外匯管制規條。

22. Share Capital

22. 股本

		No. of shares 股份數量	HK$'000 千港元
Authorised At 1st January 2018 and 31st December 2018 and 2019, ordinary shares of HK$0.10 each	法定股本 於二零一八年一月一日及二零一八年及二零一九年十二月三十一日,每股面值0.10港元之普通股	500,000,000	50,000
Issued and fully paid At 1st January 2018 and 31st December 2018 and 2019, ordinary shares of HK$0.10 each	已發行及繳足股本 於二零一八年一月一日及二零一八年及二零一九年十二月三十一日,每股面值0.10港元之普通股	198,958,000	19,896

23. Reserves 23. 儲備

		Share premium 股份溢價 HK$'000 千港元	Exchange fluctuation reserve 匯率變動儲備 HK$'000 千港元	Land and buildings revaluation reserve 土地及樓宇重估儲備 HK$'000 千港元	Capital redemption reserve 資本贖回儲備 HK$'000 千港元	Total other reserves 總其他儲備 HK$'000 千港元	Retained earnings 保留盈利 HK$'000 千港元	Total 總額 HK$'000 千港元
At 1st January 2019	於二零一九年一月一日	**15,885**	**1,418**	**244,574**	**104**	**261,981**	**296,208**	**558,189**
Loss for the year	本年度虧損	**–**	**–**	**–**	**–**	**–**	**(13,198)**	**(13,198)**
Revaluation surplus on land and buildings	土地及樓宇之重估盈餘	**–**	**–**	**181**	**–**	**181**	**–**	**181**
Deferred tax charged to revaluation reserve	扣除重估儲備之遞延稅項	**–**	**–**	**(341)**	**–**	**(341)**	**–**	**(341)**
Currency translation difference	貨幣換算差異	**–**	**(2,203)**	**–**	**–**	**(2,203)**	**–**	**(2,203)**
At 31st December 2019	於二零一九年十二月三十一日	**15,885**	**(785)**	**244,414**	**104**	**259,618**	**283,010**	**542,628**
At 1st January 2018	於二零一八年一月一日	15,885	14,779	213,785	104	244,553	297,968	542,521
Loss for the year	本年度虧損	–	–	–	–	–	(1,760)	(1,760)
Revaluation surplus on land and buildings	土地及樓宇之重估盈餘	–	–	37,304	–	37,304	–	37,304
Deferred tax charged to revaluation reserve	扣除重估儲備之遞延稅項	–	–	(6,515)	–	(6,515)	–	(6,515)
Currency translation difference	貨幣換算差異	–	(13,361)	–	–	(13,361)	–	(13,361)
At 31st December 2018	於二零一八年十二月三十一日	15,885	1,418	244,574	104	261,981	296,208	558,189

24. Trade Payables and Other Payables and Accruals 24. 應付貿易賬款及其他應付款項及應計開支

		2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元
Trade payables (note (a))	應付貿易賬款(附註(a))	**17,749**	17,387
Other payables and accruals	其他應付款項及應計開支	**18,971**	29,783
Total (notes (b) and (c))	總額(附註(b)及(c))	**36,720**	47,170

24. Trade Payables and Other Payables and Accruals (Continued)

(a) At 31st December 2019, the ageing analysis of trade payables based on invoice date is as follows:

24. 應付貿易賬款及其他應付款項及應計開支(續)

(a) 於二零一九年十二月三十一日，應付貿易賬款根據發票日期之賬齡分析如下：

		2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元
Up to 3 months	即期至三個月	**15,709**	15,030
4–6 months	四個月至六個月	**1,907**	2,096
Over 6 months	超過六個月	**133**	261
		17,749	17,387

(b) Trade payables and other payables and accruals are denominated in the following currencies:

(b) 應付貿易賬款及其他應付款項及應計開支以下列貨幣計算：

		2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元
HK$	港元	**9,409**	11,271
RMB	人民幣	**17,773**	22,149
USD	美元	**6,463**	7,046
Other currencies	其他貨幣	**3,075**	6,704
		36,720	47,170

(c) The carrying value of trade payables and other payables and accruals approximate their fair values due to their short term maturities.

(c) 應付貿易賬款及其他應付款項及應計開支之賬面值與其公允值相約因其短年期。

25. Borrowings

25. 借款

		2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元
Current liabilities	**流動負債**		
Trust receipt loans	信託收據貸款	**31,435**	24,734
Bank loans	銀行貸款	**37,000**	36,800
Total borrowings	總借款	**68,435**	61,534

25. Borrowings (Continued)

Total borrowings included secured liabilities of HK$56,435,000 (2018: HK$44,734,000), which are secured by certain land and buildings and investment properties of the Group (notes 16 and 17). The borrowings of HK$68,435,000 are also supported by guarantees given by the Company and certain subsidiaries.

(a) The maturity of borrowings in accordance with the repayment schedule (without taking into account the repayment on-demand clause) is as follows:

25. 借款(續)

總借款包括有抵押負債56,435,000港元(二零一八年:44,734,000港元)以本集團的若干土地及樓宇及投資物業作抵押(附註16及17)。68,435,000港元的借款亦由本公司及若干附屬公司提供擔保。

(a) 根據還款時間表(並無考慮要求條文償還),借款的到期日如下:

		Bank loans 銀行貸款		Trust receipt loans 信託收據貸款	
		2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元	**2019 二零一九年 HK$'000 千港元**	2018 二零一八年 HK$'000 千港元
Within 1 year	1年內	**29,800**	24,800	**31,435**	24,734
Between 1 and 2 years	1至2年	**7,200**	4,800	**–**	–
Between 2 and 5 years	2至5年	**–**	7,200	**–**	–
		37,000	36,800	**31,435**	24,734

(b) The average effective interest rates per annum as at 31st December 2019 are as follows:

(b) 於二零一九年十二月三十一日的平均實際年利率如下:

		2019 二零一九年	2018 二零一八年
Trust receipt loans	信託收據貸款	**3.41%**	3.48%
Bank loans	銀行貸款	**3.79%**	3.05%

(c) Borrowings are mainly denominated in HK$.

(c) 借款主要以港元結算。

(d) The carrying value of borrowings approximates their fair values.

(d) 借款的賬面值與其公允值相約。

26. Financial Instruments by Category

The accounting policies for financial instruments have been applied to the line items below:

26. 按類別劃分的金融工具

金融工具之會計政策已應用於下列項目：

		Financial instruments at amortised cost 按攤銷成本列賬之金融工具 HK$'000 千港元	Financial instruments at fair value through profit or loss 按公允值計入損益的金融工具 HK$'000 千港元
31st December 2019	**二零一九年十二月三十一日**		
Assets as per consolidated statement of financial position	**列於綜合財務狀況表之資產**		
Trade and bill receivables	應收貿易賬款及票據	81,163	–
Derivative financial instruments	衍生金融工具	–	495
Other receivables and deposits	其他應收款項及訂金	5,919	–
Cash and cash equivalents	現金及現金等價物	36,548	–
		123,630	495
Liabilities as per consolidated statement of financial position	**列於綜合財務狀況表之負債**		
Trade payables	應付貿易賬款	17,749	–
Other payables	其他應付款項	6,337	–
Lease liabilities	租賃負債	528	–
Bank loans	銀行貸款	37,000	–
Trust receipt loans	信託收據貸款	31,435	–
		93,049	–
31st December 2018	**二零一八年十二月三十一日**		
Assets as per consolidated statement of financial position	**列於綜合財務狀況表之資產**		
Trade and bill receivables	應收貿易賬款及票據	90,330	–
Other receivables and deposits	其他應收款項及訂金	9,811	–
Cash and cash equivalents	現金及現金等價物	49,996	–
		150,137	–
Liabilities as per consolidated statement of financial position	**列於綜合財務狀況表之負債**		
Trade payables	應付貿易賬款	17,387	–
Other payables	其他應付款項	22,696	–
Bank loans	銀行貸款	36,800	–
Trust receipt loans	信託收據貸款	24,734	–
		101,617	–

27. Notes to the Consolidated Statement of Cash Flows

27. 綜合現金流量表附註

(a) Reconciliation of (loss)/profit before taxation to net cash generated from operations

(a) 營運產生的淨現金與除稅前(虧損)／溢利之對賬

		2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元
(Loss)/profit before taxation	除稅前(虧損)／溢利	**(14,384)**	622
Interest income	利息收入	**(98)**	(62)
Interest expense	利息開支	**2,468**	1,523
Loss on disposal/write-off of property, plant and equipment	出售／撇銷物業、廠房及設備虧損	**57**	31
Loss/(gain) on revaluation of investment properties	投資物業估值損失／(所得)	**8,090**	(3,140)
Revaluation surplus of buildings	樓宇重估盈餘	**(138)**	(1,738)
Amortisation of land use rights	土地使用權攤銷	**–**	715
Depreciation of right-of-use assets	使用權資產折舊	**1,030**	–
Depreciation of property, plant and equipment	物業、廠房及設備折舊	**19,973**	15,431
Provision for impairment loss	減值虧損撥備	**754**	–
(Reversal of provision for)/provision for slow-moving inventories	慢用存貨(回撥)／撥備	**(705)**	298
Operating profit before working capital changes	營運資金轉變前之經營溢利	**17,047**	13,780
– Inventories	– 存貨	**(19,213)**	8,358
– Trade and bill receivables and other receivables, deposits and prepayments	– 應收貿易賬款及票據及其他應收款項、訂金及預付款項	**9,088**	(14,642)
– Derivative financial instruments	– 衍生金融工具	**(495)**	–
– Trade payables and other payables and accruals	– 應付貿易賬款及其他應付款項及應計開支	**(9,647)**	(5,462)
Net cash (used in)/generated from operations	營運(所用)／產生的淨現金	**(3,220)**	2,034

27. Notes to the Consolidated Statement of Cash Flows (Continued)

(b) Analysis of disposal of property, plant and equipment

In the consolidated statement of cash flows, proceeds from sale of property, plant and equipment comprise:

27. 綜合現金流量表附註(續)

(b) 出售物業、廠房及設備分析

在綜合現金流量表內，出售物業、廠房及設備所得款包括：

		2019 **二零一九年** **HK$'000** **千港元**	2018 二零一八年 HK$'000 千港元
Net book value	賬面淨值	**581**	132
Loss on disposal/write-off of property, plant and equipment	出售／撇銷物業、廠房及設備虧損	**(57)**	(31)
Proceeds from sale of property, plant and equipment	出售物業、廠房及設備所得款	**524**	101

(c) Non-cash investing and financing activity

A non-cash investing and financing activity relating to acquisition of a right-of-use asset is disclosed in note 15.

(c) 非現金投資及融資活動

與收購使用權資產相關之非現金投資及融資活動於附註15披露。

27. Notes to the Consolidated Statement of Cash Flows (Continued)

(d) Analysis of changes in cash flows from financing activities

27. 綜合現金流量表附註(續)

(d) 融資活動所得現金流量變動分析

		Bank loans 銀行貸款		Trust receipt loans 信託收據貸款		Lease liabilities 租賃負債	
		2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元	**2019 二零一九年 HK$'000 千港元**	2018 二零一八年 HK$'000 千港元	**2019 二零一九年 HK$'000 千港元**	2018 二零一八年 HK$'000 千港元
At 1st January	於一月一日	**36,800**	–	**24,734**	37,621	**–**	–
Recognition of lease liabilities on adoption of HKFRS 16 (note 15(i)(b))	採納香港財務報告準則第16號確認租賃負債(附註15(i)(b))	**–**	–	**–**	–	**892**	–
Additions	借貸	**35,000**	40,000	**105,181**	103,913	**–**	–
Repayments	還款	**(34,800)**	(3,200)	**(98,480)**	(116,800)	**(364)**	–
At 31st December	於十二月三十一日	**37,000**	36,800	**31,435**	24,734	**528**	–

28. Commitments

(a) Capital commitments

At 31st December 2019, the Group had the following capital commitments for property, plant and equipment:

28. 承擔

(a) 資本承擔

於二零一九年十二月三十一日，本集團有以下物業、廠房及設備之資本承擔：

		2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元
Contracted but not provided for	已訂約但未撥備	**–**	5,858

28. Commitments (Continued)

(b) Commitments under operating leases as lessee

The Group had future aggregate minimum lease payments under non-cancellable operating leases on office and office equipment (2018: land and buildings and office equipment) for the year ended 31st December 2019 as follows:

28. 承擔(續)

(b) 以承租人經營租賃承擔

截至二零一九年十二月三十一日止年度，本集團之辦公室及辦公設備(二零一八年：土地及樓宇及辦公室設備)不可撤銷經營租賃下於日後之最低租賃付款總額如下：

		2019 **二零一九年** **HK$'000** **千港元**	2018 二零一八年 HK$'000 千港元
Not later than one year	一年內	**36**	235
Later than one year and no later than five years	一年後但不多於五年	**29**	50
		65	285

(c) Commitments under operating lease as lessor

At 31st December 2019, the Group had future aggregate minimum rental receivables under non-cancellable operating leases as follows:

(c) 以出租人經營租賃承諾

於二零一九年十二月三十一日，本集團有不可撤銷經營租賃於日後之最低應收租賃款項總額如下：

		Land and buildings **土地及樓宇**	
		2019 **二零一九年** **HK$'000** **千港元**	2018 二零一八年 HK$'000 千港元
Not later than one year	一年內	**920**	700
Later than one year and not later than five years	一年後但不多於五年	**1,797**	–
		2,717	700

29. Financial Guarantees and Pledge

At 31st December 2019, the Group had the following banking facilities, of which approximately HK$173,040,000 (2018: HK$186,000,000) were secured by legal charges over certain land and buildings and investment properties of the Group with a total carrying value of approximately HK$144,530,000 (2018: HK$170,570,000).

29. 財務擔保及抵押

於二零一九年十二月三十一日，本集團有以下銀行融資，其中約173,040,000港元(二零一八年：186,000,000港元)以本集團賬面值合共約144,530,000港元(二零一八年：170,570,000港元)之若干土地及樓宇及投資物業所作之法定押記作抵押。

		2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元
Trade and loan finance facilities	貿易及信貸融資	**185,040**	206,000
Forward exchange contract line	遠期外滙合約額度	**62,312**	62,312

In addition, the Company and certain subsidiaries also provided guarantees in favour of the banks to secure these banking facilities granted to the Group.

此外，本公司及若干附屬公司為本集團取得銀行融資，並已向銀行提供擔保。

30. Ultimate Holding Company

The Directors of the Company regard Spector Holdings Limited, a company incorporated in the British Virgin Islands, as being the ultimate holding company and Mr. Mon Chung Hung as being the ultimate controlling party.

30. 最終控股公司

本公司董事認為在英屬處女群島註冊之Spector Holdings Limited乃最終控股公司及孟振雄先生為最終控制方。

31. Subsidiaries

The following is a list of the principal subsidiaries at 31st December 2019.

31. 附屬公司

於二零一九年十二月三十一日，本公司持有下列主要附屬公司：

Name 名稱	Place of incorporation/ establishment 註冊／成立地點	Issued and fully paid share capital/registered capital/charter capital 已發行及繳足股本／註冊資本／許可資本	Principal activities 主要業務	Interest 權益	
				2019 **二零一九年**	2018 二零一八年
Shares held directly **直接持有股份**					
Perennial Holdings Global Limited	British Virgin Islands 英屬處女群島	Ordinary USD1 普通股1美元	Investment holding 投資控股	**100%**	100%
Shares held indirectly **間接持有股份**					
Ever Peak Development Limited 永柏發展有限公司	Hong Kong 香港	Ordinary HK$3 普通股3港元	Property holding 持有物業	**100%**	100%
Glitter Wire & Cable Company Limited 東輝電線電纜有限公司	Hong Kong 香港	Ordinary HK$500 普通股500港元 Non-voting deferred HK$2,000,000 無投票權遞延股份2,000,000港元	Investment holding 投資控股	**100%**	100%
New Technology Cable Limited 新科電線有限公司	Hong Kong 香港	Ordinary HK$1,000 普通股1,000港元 Non-voting Deferred HK$10,000,000 無投票權遞延股份10,000,000港元	License holding 持有牌照	**100%**	100%
Perennial Cable (H.K.) Limited 恒都電線(香港)有限公司	Hong Kong 香港	Ordinary HK$2,000,000 普通股2,000,000港元	Trading of electric cables, wires, wire harness and accessories 買賣電線、導線、組合線束及配件	**100%**	100%

31. Subsidiaries (Continued) 31. 附屬公司(續)

Name 名稱	Place of incorporation/ establishment 註冊／成立地點	Issued and fully paid share capital/registered capital/charter capital 已發行及繳足股本／註冊資本／許可資本	Principal activities 主要業務	Interest 權益	
				2019 **二零一九年**	2018 二零一八年
Shares held indirectly (Continued) **間接持有股份(續)**					
Perennial Cable Limited 恒都電線有限公司	British Virgin Islands 英屬處女群島	Ordinary USD1 普通股1美元	Investment and property holding 投資及持有物業	**100%**	100%
Perennial Cable (Shenzhen) Co., Limited (wholly owned foreign enterprise) (note (a)) 恒亞電線(深圳)有限公司(全資擁有海外機構)(附註(a))	Mainland China 中國大陸	Registered capital HK$65,000,000 註冊資本 65,000,000港元	Manufacturing of electric cables, wires and wire harness 製造電線、導線及組合線束	**100%**	100%
Perennial Plastics (H.K.) Limited 恒都塑膠(香港)有限公司	Hong Kong 香港	Ordinary HK$2 普通股2港元	Trading of plastic resins and compounds 買賣塑膠合成樹脂及化合物	**100%**	100%
Perennial Cable (BVI) Limited 恒都電線(BVI)有限公司	British Virgin Islands 英屬處女群島	Ordinary USD50,000 普通股50,000美元	Investment holding 投資控股	**100%**	100%
New Technology Cable Pte. Limited (note (d))(附註(d))	Singapore 新加坡	Ordinary SG$2 普通股2新加坡元	License holding 持有牌照	**100%**	100%
Shinka K.K. (note (e))(附註(e))	Japan 日本	Ordinary JPY10,000,000 普通股10,000,000日元	License holding 持有牌照	**100%**	100%
Perennial USA Inc. (note (b)) (附註(b))	United States of America 美國	Ordinary USD1 普通股1美元	Trading of electric cables, wires, wire harness and accessories 買賣電線、導線、組合線束及配件	**100%**	100%
Shenzhen Welldone Trading Co., Limited (note (a)) 深圳恒駿達電線貿易有限公司(附註(a))	Mainland China 中國大陸	Registered capital HK$1,000,000 註冊資本 1,000,000港元	Trading of electric cables, wires, wire harness and accessories 買賣電線、導線、組合線束及配件	**100%**	100%

31. Subsidiaries (Continued) 31. 附屬公司(續)

Name 名稱	Place of incorporation/ establishment 註冊／成立地點	Issued and fully paid share capital/registered capital/charter capital 已發行及繳足股本／註冊資本／許可資本	Principal activities 主要業務	Interest 權益	
				2019 **二零一九年**	2018 二零一八年
Shares held indirectly (Continued) **間接持有股份(續)**					
Shenzhen Perennial Plastics and Metal Co., Limited (note (a)) 深圳恒都塑膠五金有限公司(附註(a))	Mainland China 中國大陸	Registered capital HK$40,000,000 註冊資本 40,000,000港元	Manufacturing and sale of electric cables, wires, wire harness and accessories 製造及銷售電線、導線、組合線束及配件	**100%**	100%
Shenzhen Perennial Plastics Co., Limited (note (a)) 深圳恒鍵塑膠有限公司(附註(a))	Mainland China 中國大陸	Registered capital HK$10,000,000 註冊資本 10,000,000港元	Manufacturing and sale of plastic resins and compounds 製造及銷售塑膠合成樹脂及化合物	**100%**	100%
Heyuan Perennial Plastics and Metal Co., Limited (note (c)) 河源恒都塑膠五金有限公司(附註(c))	Mainland China 中國大陸	Registered capital RMB65,000,000 註冊資本 人民幣65,000,000元	Manufacturing and sale of electric cables, wires, wire harness and accessories 製造及銷售電線、導線、組合線束及導件	**100%**	100%
Perennial Cable (Vietnam) Co., Limited (note (f))(附註(f))	Vietnam 越南	Charter capital USD6,200,000 (2018: USD3,000,000) 許可資本 6,200,000美元(二零一八年：3,000,000美元)	Manufacturing and sale of electric cables, wires, wire harness and accessories 製造及銷售電線、導線、組合線束及導件	**100%**	100%

The legal form of all the above companies is limited liability company.

上述所有公司均為有限公司法體。

31. Subsidiaries (Continued)

Save as noted below, the above companies operate principally in Hong Kong instead of their respective places of incorporation/establishment, except for:

(a) Perennial Cable (Shenzhen) Co., Limited, Shenzhen Welldone Trading Co., Limited, Shenzhen Perennial Plastics and Metal Co., Limited and Shenzhen Perennial Plastics Co., Limited are in Shenzhen, the People's Republic of China.

(b) Perennial USA Inc. is in the United States of America.

(c) Heyuan Perennial Plastics and Metal Co., Limited is in Heyuan, the People's Republic of China.

(d) New Technology Cable Pte. Limited is in Singapore.

(e) Shinka K.K. is in Japan.

(f) Perennial Cable (Vietnam) Co., Limited is in Vietnam.

31. 附屬公司(續)

除以下註明外，上述公司之營運地點主要為香港而非其個別註冊／成立地點：

(a) 恒亞電線(深圳)有限公司、深圳恒駿達電線貿易有限公司、深圳恒都塑膠五金有限公司及深圳恒鍵塑膠有限公司位於中華人民共和國深圳市。

(b) Perennial USA Inc.位於美國。

(c) 河源恒都塑膠五金有限公司位於中華人民共和國河源市。

(d) New Technology Cable Pte. Limited 位於新加坡。

(e) Shinka K.K. 位於日本。

(f) Perennial Cable (Vietnam) Co., Limited 位於越南。

32. Statement of Financial Position and Reserve Movement of the Company

32. 財務狀況表及儲備變動表

Statement of Financial Position

財務狀況表

		Note 附註	2019 二零一九年 HK$'000 千港元	2018 二零一八年 HK$'000 千港元
ASSETS	**資產**			
Non-current assets	非流動資產			
Investments in subsidiaries	於附屬公司之投資		**62,738**	62,738
Current assets	流動資產			
Amounts due from subsidiaries	應收附屬公司款項		**59,282**	59,063
Other receivables, deposits and prepayments	其他應收款項、訂金及預計款項		**145**	396
Cash and cash equivalents	現金及現金等價物		**179**	94
			59,606	59,553
Total assets	總資產		**122,344**	122,291
EQUITY	**權益**			
Equity attributable to shareholders of the Company	本公司股東應佔權益			
Share capital	股本		**19,896**	19,896
Other reserves	其他儲備	(a)	**78,537**	78,537
Retained earnings	保留盈利	(a)	**23,205**	23,615
Total equity	總權益		**121,638**	122,048
LIABILITIES	**負債**			
Current liabilities	流動負債			
Other payables and accruals	其他應付款項及應計開支		**706**	243
Total liabilities	總負債		**706**	243
Total equity and liabilities	總權益及總負債		**122,344**	122,291

The statement of financial position of the Company was approved by the Board of Directors on 24th March 2020 and was signed on its behalf.

本公司之財務狀況表於二零二零年三月二十四日經董事會批准並代表簽署。

MON Chung Hung
孟振雄
Director
董事

SIU Yuk Shing, Marco
蕭旭成
Director
董事

32. Statement of Financial Position and Reserve Movement of the Company (Continued)

32. 財務狀況表及儲備變動表(續)

(a) Reserve Movement

(a) 儲備變動

		Share premium 股份溢價 HK$'000 千港元	Contributed surplus (note) 繳入盈餘 (附註) HK$'000 千港元	Capital redemption reserves 資本贖回儲備 HK$'000 千港元	Total other reserves 總其他儲備 HK$'000 千港元	Retained earnings 保留盈利 HK$'000 千港元	Total 總額 HK$'000 千港元
At 1st January 2019	於二零一九年一月一日	**15,885**	**62,548**	**104**	**78,537**	**23,615**	**102,152**
Total comprehensive loss for the year	本年度全面虧損總額	**–**	**–**	**–**	**–**	**(410)**	**(410)**
At 31st December 2019	於二零一九年十二月三十一日	**15,885**	**62,548**	**104**	**78,537**	**23,205**	**101,742**
At 1st January 2018	於二零一八年一月一日	15,885	62,548	104	78,537	23,517	102,054
Total comprehensive income for the year	本年度全面溢利總額	–	–	–	–	98	98
At 31st December 2018	於二零一八年十二月三十一日	15,885	62,548	104	78,537	23,615	102,152

note: The contributed surplus of the Company arose when the Company issued shares in exchange for the shares of subsidiaries being acquired in connection with the reorganisation of the Group prior to its listing on The Stock Exchange of Hong Kong Limited, and represents the difference between the nominal value of the Company's shares issued and the value of net assets of the subsidiaries acquired. Under the Companies Act of 1981 of Bermuda (as amended), the contributed surplus is distributable to the shareholders. At Group level, the contributed surplus is reclassified into its component reserves of the underlying subsidiaries.

附註： 本公司之繳入盈餘因本公司發行股份以交換為於本公司股份在香港聯交所有限公司上市前重組本集團而收購之附屬公司之股份而產生，相當於本公司發行股份之面值與所收購附屬公司之資產淨值之差額。根據百慕達一九八一年公司法(經修訂)，繳入盈餘可供分派予股東。在本集團之層面，繳入盈餘乃重新分類為有關附屬公司之儲備組成部分。

33. Subsequent Events

(a) After the outbreak of Coronavirus Disease 2019 ("COVID-19 outbreak") in early 2020, a series of precautionary and control measures have been implemented across the regions including Hong Kong, China and Vietnam. Various emergency public health measures were introduced by the public authorities in the PRC and the Group's factories in the PRC were initially suspended. At the date on which this set of financial statements were authorised for issue, the factories in the PRC and Vietnam have been substantially restored to the normal operation capacities. The Group will monitor the situation and continuously engage relevant resources and adjust the purchase and production activities in a timely manner to mitigate the potential impact. Accordingly, the Directors consider the outbreak of COVID-19 has minimal impact on Group's operations and were not aware of any material adverse effects on the consolidated financial statements.

(b) On 11th March 2020, a wholly-owned subsidiary in Vietnam of the Group entered into a contract with a local contractor for the third phase construction works in Vietnam (known as the "Third Phase Construction Works") with a consideration of approximately HK$15,336,000. It is intended that the consideration will be funded by internal resources and banking facilities.

The Third Phase Construction Works shall consist of the construction of two factory buildings and one auxiliary warehouse, comprising a gross floor area of approximately 6,068 square metres, and are expected to be completed by the end of August 2020.

34. Approval of the Consolidated Financial Statements

The consolidated financial statements were approved by the Board of Directors on 24th March 2020.

33. 期後事項

(a) 於二零二零年初，二零一九年新型冠狀病毒爆發(「COVID-19爆發」)之後，本集團已於包括香港、中國及越南在內的整個地區實行一系列防控措施。中國政府已採取各項緊急公共衛生措施，本集團於中國的工廠初步停工。於授權發佈該套財務報表日期，中國及越南的工廠已大致恢復正常運作。本集團將監察情況、持續動用相關資源，並適時調整採購及生產活動，以減輕其潛在影響。因此，董事考慮到COVID-19爆發對本集團運營影響甚微，且並未發現其會對綜合財務報表造成任何重大不利影響。

(b) 於二零二零年三月十一日，本集團一間位於越南的全資附屬公司與當地承建商訂立一份合約以進行越南的第三階段建造工程(即「第三階段建造工程」)，代價為約15,336,000港元。擬動用內部資源及銀行融資撥付代價。

第三階段建造工程包括興建兩間廠房樓宇及一間附屬貨倉，樓面面積約6,068平方米，預期將於二零二零年八月底竣工。

34. 綜合財務報表之批准

本綜合財務報表已於二零二零年三月二十四日獲董事會批准。

FINANCIAL HIGHLIGHTS
財務概括

		2019 二零一九年	2018 二零一八年	2017 二零一七年	2016 二零一六年	2015 二零一五年
Operating results (HK$'000)	**經營業績(千港元)**					
Revenue	收益	**301,357**	355,744	364,401	359,035	401,669
Operating (loss)/profit	經營(虧損)/溢利	**(11,916)**	1,726	26,461	19,873	16,175
(Loss)/profit for the year	本年度(虧損)/溢利	**(13,198)**	(1,760)	19,283	14,622	11,688
Financial position (HK$'000)	**財務狀況(千港元)**					
Net current assets	流動資產淨值	**130,939**	133,146	169,387	139,996	153,955
Shareholders' funds	股東資金	**562,524**	578,085	562,417	504,470	506,384
Per share data (HK$ cent)	**每股數據(港仙)**					
(Loss)/earnings per share – basic and diluted	每股(虧損)/盈利 – 基本及攤薄	**(6.6)**	(0.9)	9.7	7.3	5.9
Dividend per share (interim and final dividend)	每股股息(中期及末期股息)	**–**	–	–	2	2
Key Statistics	**主要統計**					
Inventory turnover (days)	存貨週轉(天數)	**149**	117	118	112	110
Debtors' turnover (days)	應收賬週轉(天數)	**104**	88	81	85	84
Creditors' turnover (days)	應付賬週轉(天數)	**39**	38	40	48	43
Acid-test ratio (%)	速動比率(%)	**119.3%**	138.1%	174.6%	160.3%	163.3%
Working capital (%)	營運資金(%)	**220.7%**	220.1%	285.6%	242.2%	252.1%
Total liabilities/total capital employed (%)	總負債/總運用資本(%)	**27.1%**	26.8%	23.2%	26.3%	26.9%
Return on capital employed (operating profit/shareholders' funds) (%)	運用資本報酬率(經營溢利/股東資金)(%)	**(2.1%)**	0.3%	4.7%	3.9%	3.2%
Return on average total assets (profit after taxation/average total assets) (%)	平均總資產報酬率(除税後溢利/平均總資產)(%)	**(1.8%)**	(0.2%)	2.9%	2.3%	0.8%

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