

# Trio Industrial Electronics Group Limited 致豐工業電子集團有限公司

(Incorporated in Hong Kong with limited liability) (於香港註冊成立的有限公司)

Stock Code 股份代號 : 1710



## 2019

Annual Report 年報

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# POWERING THE eWORLD

## 注動力 建未來



- 1** To be a manufacturer of world-class standard in power electronics  
世界級水準的工業電子產品生產商
- 2** To capture global demand in innovative products in the new smart economy  
捕捉智慧經濟下對創新產品的需求
- 3** To be socially and environmentally responsible to all stakeholders  
在社會及環境方面向持份者負責



Passion to improve & innovate  
以熱誠去改良及創新



Obligation to stakeholders  
盡義務面對持份者



World class standards & quality  
世界級的品質及水準



Excellence in operations  
卓越的營運



Responsibility to develop our people  
負責任培育人才



## ABOUT THE GROUP 關於本集團

Founded in 1983, Trio Industrial Electronics Group Limited (the “**Company**”) and its subsidiaries (together, the “**Group**”) is an electronics manufacturing services (“**EMS**”) provider specialising in the manufacturing and sales of customised industrial electronic components and products, with headquarters in Hong Kong, production facilities in the People’s Republic of China (the “**PRC**”) and Republic of Ireland (“**Ireland**”), and offices in Ireland and Germany.

As an OEM of industrial electronic components and products, we provide our customers with a comprehensive scope of services, from procurement of raw materials, manufacturing to product delivery. We also provide technical advice and engineering solutions to our customers during product design and development stage. Our OEM products include: (i) electro-mechanical products; (ii) switch-mode power supplies; (iii) smart chargers; and (iv) smart vending systems, which are generally applied in various industrial electronic equipment such as (a) renewable energy facilities; (b) telecommunications equipment; (c) commercial freight equipment; (d) medical devices; and (e) security systems. Our OEM products are manufactured according to the specifications provided by our customers and are either incorporated into their products or sold as stand-alone products under their own brands.

於1983年創立，致豐工業電子集團有限公司（「**本公司**」）及其附屬公司（統稱「**本集團**」）為專門製造及銷售定制工業電子零件及產品的電子製造服務（「**電子製造服務**」）供應商，總部位於香港、生產設施設於中華人民共和國（「**中國**」）及愛爾蘭共和國（「**愛爾蘭**」），並於愛爾蘭及德國設有辦事處。

作為工業電子零件及產品的原始設備製造商，我們向客戶提供由採購原材料、製造到交付產品的全面服務。於產品設計及開發階段，我們亦為客戶提供技術諮詢及工程解決方案。我們的原始設備製造商產品包括：(i)機電產品；(ii)開關電源；(iii)智能充電器；及(iv)智能售賣系統，一般應用於各種工業電子設備，如(a)可再生能源設施；(b)通訊設備；(c)商業貨運設備；(d)醫療設備；及(e)保安系統。我們的原始設備製造商產品乃根據客戶提供的規格製造，包含在客戶最終產品內或作為客戶自有品牌下單獨銷售的產品。

CORPORATE INFORMATION  
公司資料

TO OUR SHAREHOLDERS  
致我們的股東

CORPORATE GOVERNANCE  
企業管治

FINANCIAL STATEMENTS  
財務報告



## CORPORATE INFORMATION

### 公司資料

#### EXECUTIVE DIRECTORS

Lai Yiu Wah (*Chairman*)  
Tai Leung Lam (*Chief Executive Officer*)  
Joseph Mac Carthy  
Georges René Gener  
(resigned with effect from 15 February 2020)

#### INDEPENDENT NON-EXECUTIVE DIRECTORS

Fung Chun Chung  
Cheung Kin Wing  
Wong Raymond Fook Lam

#### REGISTERED OFFICE

Block J, 5/F, Phase II,  
Kaiser Estate  
51 Man Yue Street  
Hung Hom, Kowloon  
Hong Kong

#### COMPANY WEBSITE

[www.trio-ieg.com](http://www.trio-ieg.com)

#### AUDIT COMMITTEE

Cheung Kin Wing (*Chairman*)  
Fung Chun Chung  
Wong Raymond Fook Lam

#### REMUNERATION COMMITTEE

Wong Raymond Fook Lam (*Chairman*)  
Lai Yiu Wah  
Fung Chun Chung  
Cheung Kin Wing

#### NOMINATION COMMITTEE

Fung Chun Chung (*Chairman*)  
Lai Yiu Wah  
Wong Raymond Fook Lam

#### RISK MANAGEMENT COMMITTEE

Lai Yiu Wah (*Chairman*)  
Cheung Kin Wing  
Fung Chun Chung  
Wong Raymond Fook Lam

#### 執行董事

黎耀華 (*主席*)  
戴良林 (*行政總裁*)  
Joseph Mac Carthy  
Georges René Gener  
(自二零二零年二月十五日起辭任)

#### 獨立非執行董事

馮鎮中  
張建榮  
黃福霖

#### 註冊辦事處

香港  
九龍紅磡  
民裕街51號  
凱旋工商中心2期  
5樓J室

#### 公司網站

[www.trio-ieg.com](http://www.trio-ieg.com)

#### 審核委員會

張建榮 (*主席*)  
馮鎮中  
黃福霖

#### 薪酬委員會

黃福霖 (*主席*)  
黎耀華  
馮鎮中  
張建榮

#### 提名委員會

馮鎮中 (*主席*)  
黎耀華  
黃福霖

#### 風險管理委員會

黎耀華 (*主席*)  
張建榮  
馮鎮中  
黃福霖

**COMPANY SECRETARY**

Wan Mei Wa Ruby (ACS, ACIS, CGP, CPA)

**公司秘書**

溫美華(ACS, ACIS, CGP, CPA)

**AUTHORISED REPRESENTATIVES**

Lai Yiu Wah  
Tai Leung Lam

**授權代表**

黎耀華  
戴良林

**AUDITOR**

PricewaterhouseCoopers  
*Certified Public Accountants*  
*Registered Public Interest Entity Auditor*  
22nd Floor Prince's Building  
Central, Hong Kong

**核數師**

羅兵咸永道會計師事務所  
*執業會計師*  
*註冊公眾利益實體核數師*  
香港中環  
太子大廈22樓

**PRINCIPAL BANKERS**

DBS Bank (Hong Kong) Limited  
Hongkong and Shanghai Banking Corporation Limited  
Standard Chartered Bank (Hong Kong) Limited

**主要往來銀行**

星展銀行(香港)有限公司  
香港上海滙豐銀行有限公司  
渣打銀行(香港)有限公司

## INFORMATION FOR OUR INVESTORS

### 投資者參考資料

#### Financial Calendar

Financial year end	31 December 2019
Announcement of annual results	23 March 2020
Annual report available online	22 April 2020
<ul style="list-style-type: none"><li>Company website: <a href="http://www.trio-ieg.com">http://www.trio-ieg.com</a> ("Investor Relations" section)</li><li>Hong Kong Stock Exchange website: <a href="http://www.hkexnews.hk">www.hkexnews.hk</a></li></ul>	
Annual report dispatch date	23 April 2020
Annual general meeting	29 May 2020
Ex-dividend date	16 June 2020
Latest time for lodging share transfer documents for registration to entitle the final dividend	17 June 2020 (Not later than 4:30 p.m.)
Payment of final dividend	3 July 2020

#### Share Information

Stock Code	1710
Board Lot	4,000 shares
Market Capitalisation as at 31 December 2019	HK\$250 million

#### Share Registrar

Tricor Investor Services Limited  
Address: Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong  
Telephone: (852) 2980 1333  
Facsimile: (852) 2810 8185  
Email: [is-enquiries@hk.tricorglobal.com](mailto:is-enquiries@hk.tricorglobal.com)

#### 財務日程表

財政年度結算日	二零一九年十二月三十一日
公佈全年業績	二零二零年三月二十三日
年度報告上載網站	二零二零年四月二十二日
<ul style="list-style-type: none"><li>公司網站：<a href="http://www.trio-ieg.com">http://www.trio-ieg.com</a>（「投資者關係」一節）</li><li>香港聯合交易所網站：<a href="http://www.hkexnews.hk">www.hkexnews.hk</a></li></ul>	
年度報告寄發日期	二零二零年四月二十三日
股東週年大會	二零二零年五月二十九日
除息日期	二零二零年六月十六日
股份過戶文件送達登記處以獲派末期股息截止時間	二零二零年六月十七日 (下午四時三十分前)
派發末期股息	二零二零年七月三日

#### 股份資料

股份代號	1710
每手買賣單位	4,000股
於二零一九年十二月三十一日的市值	250,000,000港元

#### 股份過戶登記處

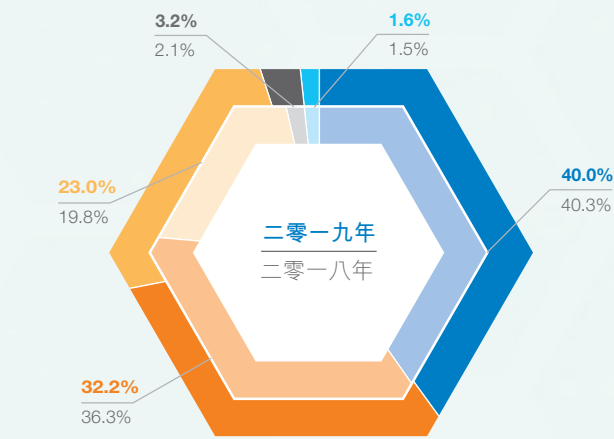
卓佳證券登記有限公司  
地址：香港皇后大道東183號合和中心54樓  
電話：(852) 2980 1333  
傳真：(852) 2810 8185  
電子郵件：[is-enquiries@hk.tricorglobal.com](mailto:is-enquiries@hk.tricorglobal.com)

## FINANCIAL HIGHLIGHTS 財務摘要

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	Change 變動
Revenue	收益	808,599	885,971	-8.7%
Gross profit	毛利	191,053	218,733	-12.7%
Profit before income tax	除所得稅前溢利	24,311	49,639	-51.0%
Profit for the year	年內溢利	22,357	42,378	-47.2%
Basic earnings per share (in HK cents)	每股基本盈利 (港仙)	2.24	4.24	-47.2%
Dividends per share (in HK cents)	每股股息 (港仙)			
– Final	– 末期	0.80	1.80	
– Interim	– 中期	0.80	–	
– Special	– 特別	–	0.80	
		1.60	2.60	-38.5%

### Sales by Product Category for the years ended 31 December 2019 and 2018

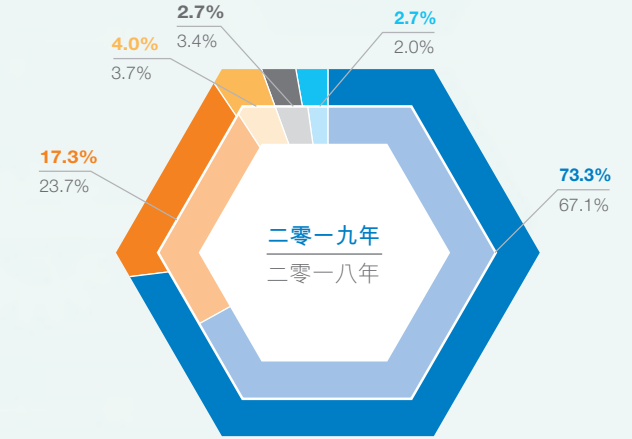
截至二零一九年及二零一八年十二月三十一日止年度以產品分類的銷售額



- Electro-mechanical products  
機電產品
- Smart chargers  
智能充電器
- Smart vending systems  
智能售賣系統
- Switch-mode power supplies  
開關電源
- Others  
其他

### Sales by Region for the years ended 31 December 2019 and 2018

截至二零一九年及二零一八年十二月三十一日止年度以地理位置分類的銷售額



- Europe  
歐洲
- North America  
北美
- The PRC (including Hong Kong)  
中國 (包括香港)
- South-east Asia  
東南亞
- Others  
其他

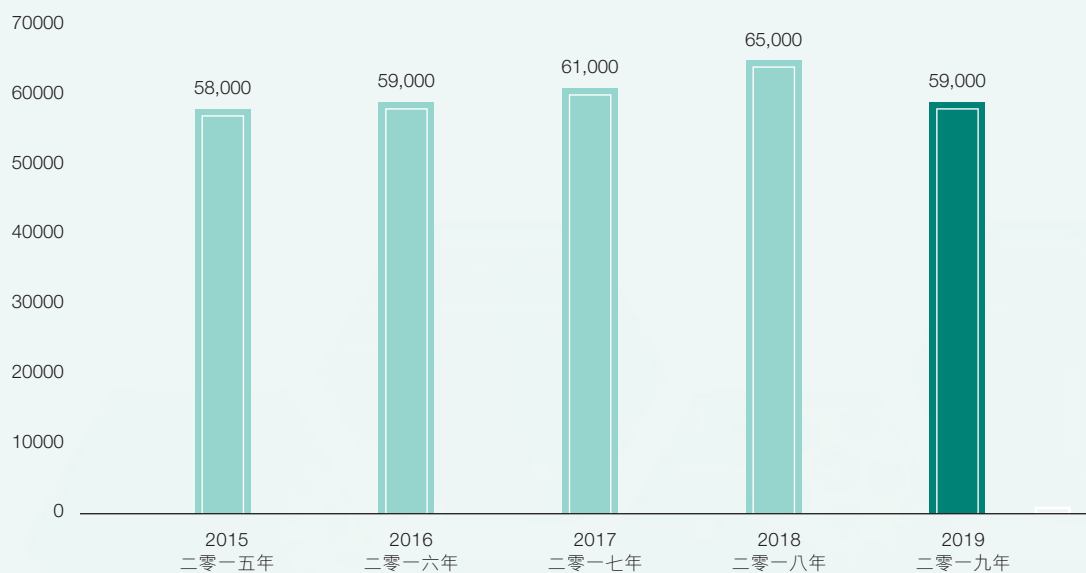


## FINANCIAL HIGHLIGHTS

### 財務摘要

#### Sales per Capita<sup>(1)</sup> (US\$)

人均銷售額<sup>(1)</sup> (美元)



Note:

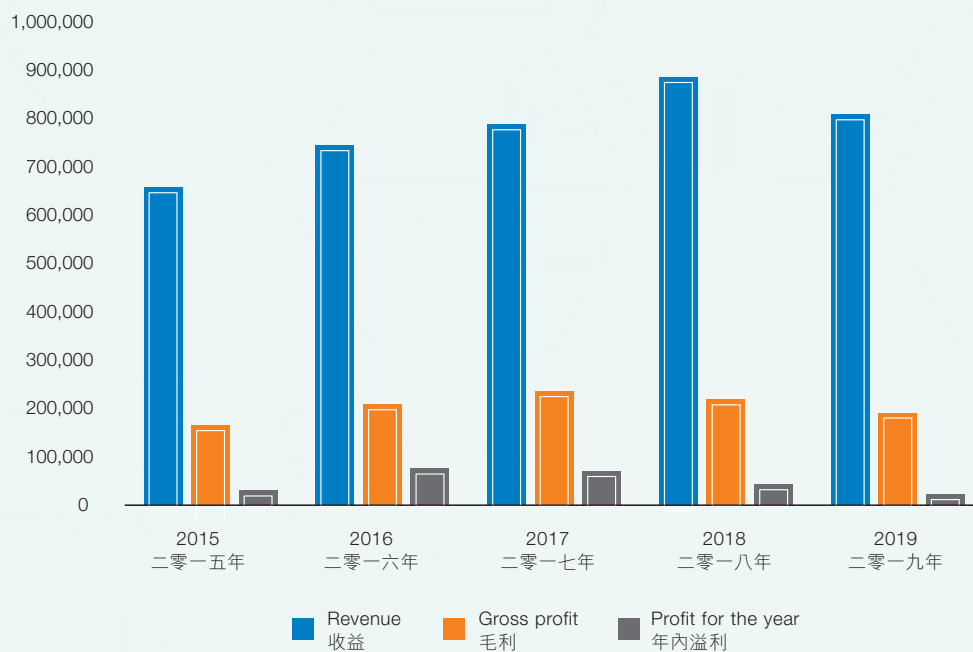
(1) "Sales per capita" represents average sales per person, which is calculated by dividing total sales for a particular period by the number of employees in the same period.

附註：

(1) 「人均銷售額」指每人平均銷售額，乃以某一時期的銷售總額除以同期僱員人數計算。

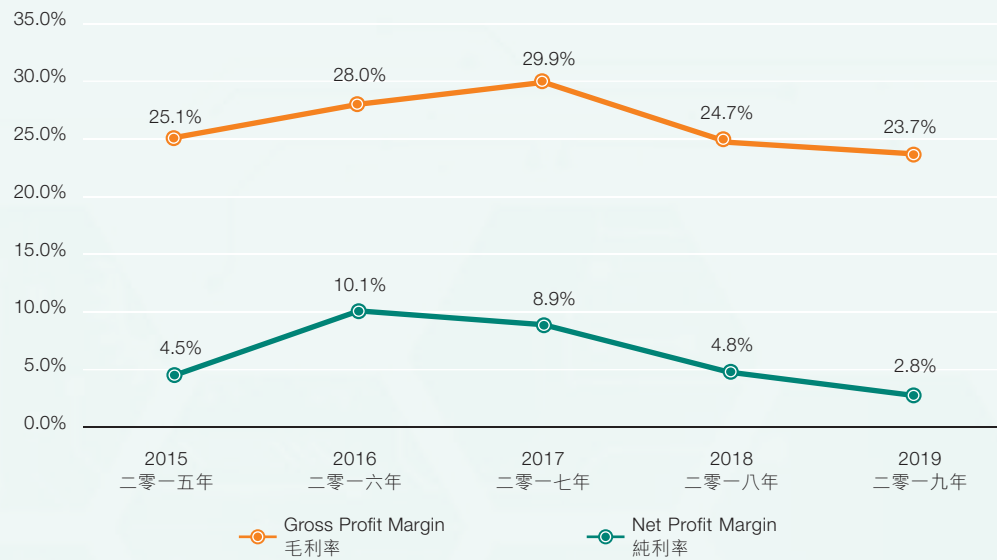
#### Sales, Gross Profit, and Profit for the Year (HK\$'000)

銷售額、毛利及年內溢利 (千港元)



## Gross Profit Margin and Net Profit Margin

毛利率及純利率



## CHAIRMAN'S STATEMENT 主席報告



黎耀華先生  
主席兼執行董事  
Lai Yiu Wah  
Chairman and Executive Director

On behalf of the board (the “**Board**”) of directors (the “**Directors**”) of Trio Industrial Electronics Group Limited (the “**Company**”), and together with its subsidiaries (“**Trio**” or the “**Group**”), I am pleased to present to you the final report of the Group for the year ended 31 December 2019.

I reported in the 2019 Interim Report that the Group experienced a slight slowdown in sales mainly due to the adversities of international relations and macroeconomic environment (e.g. prolonged US-China trade disputes and Brexit). These adversities had further hit the Group's business in the second half of 2019, in particular, in the fourth quarter. Customers in our main market in Europe had exercised even more stringent measures in placing orders with manufacturers based in the PRC. Many projects had been strategically delayed or even cancelled. Attributable to the drop in sales demands from our largest customer in the US market, the Group had experienced an unprecedented challenge in decrease in sales of 8.7% comparing to FY2018, not to mention a much larger fall short percentage comparing to our original sales budget.

本人謹代表致豐工業電子集團有限公司（「**本公司**」），連同其附屬公司合稱「**致豐**」或「**本集團**」董事（「**董事**」）組成之董事會（「**董事會**」），欣然向閣下提呈本集團截至二零一九年十二月三十一日止年度之末期報告。

本人已於二零一九年中期報告中表示，本集團銷售額出現輕微下滑，乃主要由於國際關係及宏觀經濟環境（如長期待解決的中美貿易爭端及英國退歐）的不利影響所致。於二零一九年下半年，特別是第四季度，該等不利因素進一步影響本集團業務。我們於歐洲主要市場的客戶向位於中國的製造商下達訂單時已採取較為嚴格的措施。諸多項目已進行策略性延期甚至取消。因應我們美國市場最大客戶的銷售需求下降，本集團面臨前所未有的挑戰，銷售額較二零一八財政年度下降8.7%，更遠低於我們的原銷售額預算。

To counteract this disruptive threat to our Group, our management has rapidly reacted to the crisis by instituting the following measures:

- analyse possible internal and external crises the Group was then facing;
- devise various solutions to reduce the impacts on the Group's working capital and net operating profit; our current and liquidity ratios are still very strong to meet any immediate liabilities falling due;
- define the ultimate line of defense of our Group's target future results and strive to achieve on top of the ultimate line; and
- establish a new alert system to rapidly respond to crisis.

Our shareholders might have interest to note our turnaround strategies and actions, namely the following:

- apply the "Internationalisation" strategy to explore flexibility in production base (e.g. in Europe or South-east Asia) to meet customers' demands; this may probably remove the extra tariff on imports of our customers' products to the US in the future;
- following the above strategy, the Group has decided to set up an assembly factory in Waterford, Ireland and a larger-scale plant in Rayong, Thailand;
- pay high attention to cost controls, in particular, unit material costs, labour costs and certain discretionary costs; and
- enlarge customer visiting programs by our marketing executives to explain to our customers the measures that the Group has exercised or will exercise to meet their order policy and demands; encouraging feedback has been received from most of our major customers and the management believes that by virtue of our production capabilities, quality control, pricing and services, we would regain the interest of our existing customers to place orders with us.

為應對可能對本集團造成的破壞性威脅，管理層已採取以下措施迅速應對危機：

- 分析本集團當時面臨的內部及外部潛在危機；
- 制定各項解決方案以降低對本集團營運資金及經營溢利淨額的影響；我們的流動比率及流動資產比率仍然較高，足以應付任何即將到期的流動負債；
- 確定本集團未來業績目標的最後防線，竭力於此防線上取得任何進步；及
- 建立新的警報系統以快速應對危機事件。

我們的股東可能有意關注我們以下各項扭轉策略及措施：

- 運用「國際化」策略以探索生產基地（例如於歐洲或東南亞）的靈活性，以滿足客戶需求；此舉可能會免除我們日後將客戶產品進口至美國而須繳付的額外關稅；
- 根據上述策略，本集團決定於愛爾蘭沃特福德設立組裝工廠，並於泰國羅勇設立較大型工廠；
- 高度重視成本控制，尤其是單位物料費、勞工成本及若干酌情成本；及
- 我們的市場營銷團隊擴大客戶拜訪計劃，以向客戶闡釋本集團為滿足其訂購政策及需求而採取或將採取的措施；我們已收到大多數主要客戶的積極反饋，且管理層相信，憑藉我們的生產能力、質量控制、定價及服務，我們的現有客戶將重拾向我們下達訂單的意向。

## CHAIRMAN'S STATEMENT

### 主席報告

A very encouraging news during the reporting period of 2019 was that the Group achieved a significant milestone with its principal subsidiary, Trio Engineering Company Limited (“**Trio Engineering**”), being officially awarded the Certificate of Industry 4.0 level 1i Maturity recognition. The certification testifies to the Group’s capability in real time information generation including business operations, production and logistics.

二零一九年報告期內有一則非常令人鼓舞的消息，本集團實現了一個重大里程碑，其主要附屬公司致豐工程有限公司（「致豐工程」）獲官方授予工業4.0成熟度認可證書－1i級。該認證印證了本集團在業務營運、生產及物流上實時資訊採錄的實力。



“Certificate of Industry 4.0 Maturity” Award Presentation Ceremony organized by Hong Kong Productivity Council and Fraunhofer Institute of Production Technology IPT on 24 May 2020

香港生產力促進局及德國弗勞恩霍夫生產技術研究所於二零二零年五月二十四日舉行的「工業4.0成熟度認可證書」頒獎典禮

2020 also marks an important year for massive 5G networks deployment, further boosting the industrial IoT development. Echoing with the Group’s motto, ‘Powering the eWorld’, Trio foresees promising opportunities from the huge demand for electronic devices such as smart chargers, smart electric vehicles and smart city systems to support the 5G ecosystems, achieving greater power efficiency and continuous technological advancement.

二零二零年亦為大規模5G網絡部署的關鍵年度，進一步推動工業物聯網發展。為響應我們的格言「注動力、建未來」，致豐預計，支持5G生態系統、實現更高功率效率及不斷實現技術進步而產生對智能充電器、智能電動車及智慧城市系統等電子設備的龐大需求，將帶來重大增長機會。



Nevertheless, the recent coronavirus outbreak has added uncertainties to the global economy in 2020. In particular for the EMS industry, the potential deceleration in manufacturing of core raw materials and the slowdown or suspension in production has impacted the entire EMS production chain and the product delivery schedule among electronic manufacturers. The Group's production facilities in Nansha District, Guangzhou City, Guangdong Province, the PRC have experienced a temporary decrease in production (please refer to our Voluntary Announcement dated 16 March 2020). Without much saying, the Group has been closely monitoring the situation with regular communication with customers and suppliers, as well as making timely adjustments to its overall operation.

The current business environment remains overshadowed by the serious coronavirus outbreak, international confrontations and gloomy economic climate. Despite the relaxation of the US-China trade tensions and the clear picture of Brexit, the Group is unable to estimate the time to rebound at this moment. However, as a leading player in industrial electronics, Trio has demonstrated a high level of precision and efficiency in production, together with strict compliance with customers' standards in product quality. We will focus on product development, market share gain, geographic production facilities, operational excellence and prudent financial management. Together with the strong and quality workforce we have established for long, the management has the confidence to lead our Group to "recover from the worst".

On behalf of the Board, I must express my most sincere thanks to all who have extended their best supports to our business.

**Lai Yiu Wah**  
Chairman

Hong Kong, 23 March 2020

然而，近期新型冠狀病毒疫情增加了二零二零年全球經濟的不確定性，尤其是對電子製造服務行業而言，核心原材料製造的潛在減速、生產減緩或暫停影響了整個電子製造服務生產鏈以及電子製造商之產品交付計劃。本集團於中國廣東省廣州市南沙區的生產設施出現暫時的產量下降（請參閱我們日期為二零二零年三月十六日的自願公告）。毋庸贅言，本集團密切關注情況，與客戶及供應商定期溝通，並對其整體營運作出及時調整。

現時的商業環境仍受嚴重的新型冠狀病毒疫情、國際矛盾及經濟不景氣所影響。儘管中美貿易緊張局面趨向緩和及英國脫歐的明朗化，但本集團目前無法估計反彈時間。然而，作為工業電子之領先企業，致豐展示了高水平的生產精密度及效率，同時嚴格遵守客戶的產品質量標準。我們將專注於產品開發、市場份額增加、地區生產設施、卓越運營及審慎理財等方面。加上我們建立已久的強大且高素質的員工隊伍，管理層有信心帶領本集團「渡過時艱」。

本人謹代表董事會，對一直支持我們業務的所有人士致以最衷心感謝。

**黎耀華**  
主席

香港，二零二零年三月二十三日

## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷



**1. Mr. Lai Yiu Wah**  
黎耀華先生



**2. Mr. Tai Leung Lam**  
戴良林先生



**3. Mr. Joseph Mac Carthy**



**4. Mr. Fung Chun Chung**  
馮鎮中先生

**5. Mr. Cheung Kin Wing**  
張建榮先生



**6. Mr. Wong Raymond Fook Lam**  
黃福霖先生

## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

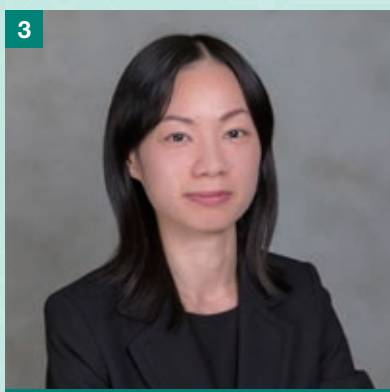


**1. Mr. Lai Sek Piu**

黎錫標先生

**2. Mr. Lo Ka Kei Jun**

羅嘉祺先生



**3. Ms. Wan Mei Wa Ruby**

溫美華女士



**4. Mr. Shahpour Javanmard  
Emamghissi**

**5. Ms. Wu Mo Man**

胡慕雯女士



## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層履歷

#### EXECUTIVE DIRECTORS

**Mr. Lai Yiu Wah (黎耀華)**, aged 64, is the Chairman and Executive Director. He is the Chairman of the Risk Management Committee and a member of each of the Remuneration Committee and Nomination Committee. Mr. Lai joined our Group since April 2015 and has been the Director of the Company since 15 April 2016. He is a director of all the subsidiaries. Mr. Lai is responsible for the corporate and strategic development and investor relationships of the Group as well as the management of the finance division. Mr. Lai has extensive experience in management consulting, finance, accountancy and taxation. He also has wide experience in businesses including manufacturing, catering, retailing and trading sectors.

Mr. Lai obtained a higher diploma in accountancy in November 1978 from the Hong Kong Polytechnic (now known as Hong Kong Polytechnic University). He was admitted as a fellow of the Hong Kong Society of Accountants (now known as the Hong Kong Institute of Certified Public Accountants) in September 1988.

Mr. Lai served in different positions, including trainee and supervisor, in Coopers & Lybrand (now known as PricewaterhouseCoopers) from November 1978 to August 1981, and served in different positions, including internal auditor and credit controller, in A.S. Watson & Co., Limited from December 1981 to June 1983. In 1983, Mr. Lai founded Thomson Y. W. Lai & Co. Certified Public Accountants, which had been the Group's auditors and tax representative from August 2008 to April 2015 and from July 2008 to April 2015, respectively, before Mr. Lai was invited to join the Group in April 2015.

#### 執行董事

**黎耀華先生**，64歲，為主席兼執行董事。彼為風險管理委員會主席以及分別為薪酬委員會及提名委員會的成員。黎先生於二零一五年四月加入本集團，自二零一六年四月十五日起一直擔任本公司董事。彼為所有附屬公司的董事，負責本集團的公司及策略發展及投資者關係以及財務部管理。黎先生在管理諮詢、財務、會計及稅收方面擁有豐富經驗，彼於製造、餐飲、零售及貿易等業務方面亦擁有廣泛經驗。

黎先生於一九七八年十一月從香港理工學院（現稱為香港理工大學）取得會計學高級文憑。彼於一九八八年九月獲認為香港會計師公會的資深會員。

黎先生於一九七八年十一月至一九八一年八月在容永道會計師事務所（現稱為羅兵咸永道會計師事務所）擔任不同職位（包括實習生及主管），並於一九八一年十二月至一九八三年六月在A.S.Watson & Co., Limited擔任不同職位（包括內部核數師及信貸主管）。於一九八三年，黎先生創辦黎耀華會計師事務所。黎先生於二零一五年四月獲邀請加入本集團前，其會計事務所為本集團於二零零八年八月至二零一五年四月之核數師及於二零零八年七月至二零一五年四月之稅務代表。



## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層履歷

**Mr. Tai Leung Lam (戴良林)**, aged 72, is Chief Executive Officer, Executive Director and the director of manufacturing. Mr. Tai joined the Group since October 1985 and was appointed as a Director on 15 April 2016. He is responsible for the management, strategic planning and development of the manufacturing division. Mr. Tai was a director of Trio Engineering from October 1985 to July 1987, and has been serving in the same position from July 1990 until present. He is a director of all of the subsidiaries. Mr. Tai has over 45 years of experience in the electronics industry, and specializes in the establishment and management of production plants for electronics manufacturing.

Mr. Tai obtained a diploma in Wireless Mechanical Maintenance without Wireless Telegraph Communication in The World Electric Engineering College (香港世界電機工程學校) in March 1965. During the period from October 1976 to 1983, Mr. Tai held various positions in Timco Manufacturing Co. Limited (“**Timco**”), a limited liability company incorporated in Hong Kong and principally engaged in electronics manufacturing. Timco was dissolved in December 1991 as a result of creditor’s winding up.

**Mr. Joseph Mac Carthy**, aged 54, is the Executive Director and the director of marketing of the Company. Mr. Mac Carthy joined the Group since March 1996 and was appointed as a Director on 15 April 2016. He is responsible for the overall management and supervision of the marketing activities in Europe and the US. He joined us as a consultant in March 1996 and has been a director of Trio Engineering since October 2003. He is a director of certain subsidiaries. Before joining the Group, Mr. Mac Carthy worked in different companies engaging in related industries. Mr. Mac Carthy has been in the industry of design engineering for electronic and magnetic products for over 30 years.

In 1985, Mr. Mac Carthy obtained a national certificate in electronic engineering from Waterford Institute of Technology in Ireland.

**戴良林先生**，72歲，為行政總裁、執行董事及生產總監。戴先生自一九八五年十月起加入本集團，於二零一六年四月十五日獲委任為董事。彼負責製造部的管理、策略規劃及發展。戴先生於一九八五年十月至一九八七年七月擔任致豐工程之董事，並於一九九零年七月至今擔任相同職位。彼為全體附屬公司董事。戴先生於電子行業有逾45年經驗，且專注於為電子產品製造商建立及管理生產廠房。

戴先生於一九六五年三月從香港世界電機工程學校獲得無線機械維修及無線電報通訊文憑。於一九七六年十月至一九八三年期間，戴先生於嘉和工程有限公司（「**嘉和**」，一間於香港註冊成立的有限公司，主要從事電子製造）擔任不同職位。嘉和於一九九一年十二月由於債權人清盤而解散。

**Joseph Mac Carthy先生**，54歲，為本公司執行董事及營銷總監。Mac Carthy先生自一九九六年三月起加入本集團，於二零一六年四月十五日獲委任為董事。彼負責歐洲及美國市場營銷活動之整體管理及監督。Mac Carthy先生於一九九六年三月加入我們擔任顧問，自二零零三年十月起為致豐工程的董事。彼為部分附屬公司的董事。於加入本集團之前，Mac Carthy先生曾任職於相關行業的不同公司。Mac Carthy先生已從事電子及磁性產品的設計工程行業逾30年。

於一九八五年，Mac Carthy先生自愛爾蘭沃特福德理工學院獲得電子工程國家文憑。



## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層履歷

**Mr. Georges René Gener**, aged 71, was appointed as Executive Director on 2 November 2018 and has been the Chairman of European Operations of the Company since February 2018. He is responsible for overseeing the Group's overall business operations and developments in the European markets. Mr. Gener resigned from his positions with effect from 15 February 2020. He has over 36 years of experience in the industrial electronics industry in senior managerial positions in various European enterprises.

Mr. Gener obtained a Diploma in Electrical Engineering from ESIGELEC Graduate School of Engineering in Paris, France in 1970. He further obtained a Master Degree in Business Administration from Institut de Controle de Gestion in Paris, France in 1990.

Mr. Gener worked from 1993 to 2000 as the sales director for Myrra SAS ("Myrra"), an industrial company for magnetic components with businesses worldwide. From 2000 to 2013, he was the chairman and majority shareholder of Myrra and engaged in the international development of the company, including setting up factories in Poland and the People's Republic of China, as well as building agents and sales structures internationally. Mr. Gener is currently a director of Myrra Hong Kong Limited.

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. Fung Chun Chung (馮鎮中)**, aged 77, is an Independent Non-executive Director appointed on 10 February 2017, and is the Chairman of the Nomination Committee and a member of each of the Audit Committee, Remuneration Committee and Risk Management Committee. Mr. Fung has over 40 years of experience in the electronics industry.

Mr. Fung received an advanced diploma in engineering from North-East Essex Technical College in the United Kingdom in July 1968 and a master degree of science in engineering from the University of Hong Kong in November 1978. Mr. Fung was admitted as a member of the Hong Kong Institution of Engineers in January 1983, and a member of the Institution of Production Engineers (now known as the Institution of Engineering and Technology) in the United Kingdom in July 1971.

**Georges René Gener**先生，71歲，於二零一八年十一月二日被委任為本公司執行董事及自二零一八年二月起擔任歐洲營運主席，負責監督本集團歐洲市場的整體業務營運及發展。Gener先生於二零二零年二月十五日辭任其職務。彼在工業電子行業擁有逾36年經驗，出任多家歐洲企業的高級管理職位。

Gener先生於一九七零年獲法國巴黎ESIGELEC Graduate School頒授電機工程文憑。彼再於一九九零年獲法國巴黎Institut de Controle de Gestion頒授工商管理碩士學位。

Gener先生於一九九三年至二零零零年擔任Myrra SAS (「Myrra」) 的營銷總監，該公司為業務遍佈全球的從事磁性元件的工業公司。於二零零零年至二零一三年，彼為Myrra的主席及大股東，負責該公司的國際業務發展，包括在波蘭及中華人民共和國設立工廠，以及在國際上建立代理及銷售架構。Gener先生現為Myrra Hong Kong Limited的董事。

### 獨立非執行董事

**馮鎮中**先生，77歲，於二零一七年二月十日獲委任為獨立非執行董事，亦為提名委員會主席以及審核委員會、薪酬委員會及風險管理委員會的成員。馮先生於電子行業擁有逾40年經驗。

馮先生於一九六八年七月取得英國North-East Essex Technical College工程學高級文憑，並於一九七八年十一月取得香港大學工程學理學碩士學位。馮先生於一九八三年一月獲香港工程師學會接納為會員，於一九七一年七月成為英國生產工程師學會（現稱工程及技術學會）會員。

## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

Mr. Fung worked as a manager of production in Transelectronics Ltd. from June 1970 to December 1974, responsible for leading the development of the company and training of the production operators and staff. Mr. Fung was appointed as the chairman of Manlion Industrial Co., Ltd., a company principally engaged in the manufacturing of lighting products and festival items and decorations, in October 1983, and of Packway Industries Ltd., a company principally engaged in the manufacturing of battery chargers and festival items and decorations, in November 2007. In addition, Mr. Fung was the secretary of the Hong Kong Electrical Appliance Industries Association from 2006 to 2008 and the executive committee member of group four (electrical products) of the Federation of Hong Kong Industries from July 2005 to July 2015.

**Mr. Cheung Kin Wing (張建榮)**, aged 65, is an Independent Non-executive Director appointed on 10 February 2017, and is the chairman of the Audit Committee and a member of each of the Remuneration Committee and the Risk Management Committee. Mr. Cheung has more than 31 years of experience in information technology, financial accounting, auditing and management.

Mr. Cheung obtained a bachelor degree in commerce from the University of Calgary in Canada in June 1979. He became a member of the Hong Kong Institute of Certified Public Accountants and a fellow of the Institute of Chartered Accountants in England and Wales in May 1986 and February 2015, respectively.

From September 1980 to March 1995, Mr. Cheung held several positions, including assistant manager, manager and senior manager in Coopers & Lybrand (now known as PricewaterhouseCoopers). He was a partner of Coopers & Lybrand (now known as PricewaterhouseCoopers) from March 1995 until his resignation in May 1999. Since February 1999, Mr. Cheung has been a director and lead consultant of Sunplex Consultants Limited, a company principally engaged in the provision of human resources management and IT consultancy services. He was an independent director of Principal Trust Company (Hong Kong) Limited (formerly known as AXA China Region Trustees Limited), a provider of investment and retirement solutions, from August 1999 to August 2015 and an independent non-executive director of Bank of Communications Trustee Limited, from November 2003 to January 2018. Mr. Cheung was a director of the finance and operations department of the Hong Kong Institute of Certified Public Accountants from July 2004 to April 2008 and a consultant of the Hong Kong Institute of Certified Public Accountants from April 2008 to August 2008.

馮先生自一九七零年六月至一九七四年十二月為Transelectronics Ltd.的生產部門經理，負責領導公司發展及培訓生產部從業員及員工。馮先生自一九八三年十月起獲委任為猛利安實業有限公司（一間主要從事照明產品及節日用品和裝飾用品製造的公司）及自二零零七年十一月起獲委任為柏匯工業有限公司（一間主要從事電池充電器及節日用品和裝飾用品製造的公司）的主席。此外，馮先生於二零零六年至二零零八年為香港電器業協會秘書，並於二零零五年七月至二零一五年七月為香港工業總會第四分組（電氣製品）執行委員會成員。

張建榮先生，65歲，於二零一七年二月十日獲委任為獨立非執行董事，亦為審核委員會主席以及薪酬委員會及風險管理委員會的成員。張先生於資訊科技、財務會計、審計及管理方面擁有逾31年經驗。

張先生於一九七九年六月獲得加拿大卡爾加里大學的商學士學位。彼於一九八六年五月及二零一五年二月分別成為香港會計師公會會員及英格蘭及威爾士特許會計師公會的資深會員。

於一九八零年九月至一九九五年三月，張先生曾在容永道會計師事務所（現稱為羅兵咸永道會計師事務所）擔任不同工作崗位，包括助理經理、經理及高級經理。彼於一九九五年三月起擔任容永道會計師事務所（現稱為羅兵咸永道會計師事務所）的合夥人，直至一九九九年五月辭任為止。張先生自一九九九年二月起擔任輝柏顧問有限公司的董事兼首席顧問，該公司主要從事提供人力資源管理和IT諮詢服務。彼於一九九九年八月至二零一五年八月擔任信安信託（香港）有限公司（前稱為安盛信託有限公司，一間投資及退休解決方案提供商）的獨立董事，並於二零零三年十一月至二零一八年一月擔任交通銀行信託有限公司的獨立非執行董事。張先生曾於二零零四年七月至二零零八年四月擔任香港會計師公會的營運及財務總監及於二零零八年四月至二零零八年八月擔任香港會計師公會顧問。

## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層履歷

Mr. Cheung is currently an independent non-executive director of BaWang International (Group) Holding Limited, (whose shares are listed on the Stock Exchange, stock code: 1338), ENM Holdings Limited (whose shares are listed on the Stock Exchange, stock code: 128), and Kin Pang Holdings Limited (whose shares are listed on the Stock Exchange, stock code: 1722). Mr. Cheung also joined Self Strengthening Service Centre Limited (自強服務中心有限公司) (an NGO to help the underprivileged) as a director on a voluntary basis in September 2019.

**Mr. Wong Raymond Fook Lam (黃福霖)**, aged 65, is the Independent Non-executive Director appointed on 10 February 2017, and is the chairman of the Remuneration Committee and a member of each of the Audit Committee, the Nomination Committee and the Risk Management Committee. Mr. Wong has approximately 31 years of experience in financial management, treasury, internal control and investment in the commercial field.

Mr. Wong was an independent non-executive director of Wenzhou Kangning Hospital Co., Ltd., a company listed on the Stock Exchange (stock code: 2120), from April 2015 to June 2016. From January 1997 to June 2007 and from July 2009 to December 2016, Mr. Wong served as an executive director of SOCAM Development Limited (“**SOCAM**”), a company listed on the Stock Exchange (stock code: 983) and a member of the Shui On Group, a group principally engaged in property development and construction in Hong Kong and the PRC. He also took up the role of chief financial officer from July 2009 to December 2016 and assumed the role of managing director of SOCAM from July 2013 to December 2016. During his tenure with SOCAM, he was primarily responsible for financial, treasury and legal and secretarial functions, corporate restructuring, mergers and acquisitions, investment decisions, investor relationships and corporate governance matters. In March 2007, Mr. Wong was appointed an executive director of China Central Properties Ltd., an affiliated company of SOCAM, which was listed on the London Stock Exchange. Following the privatisation of China Central Properties Ltd. in June 2009, he rejoined SOCAM. From 1992 to 1995, Mr. Wong served as the finance director of the Shui On Group.

Mr. Wong obtained a diploma in accountancy from the City of London Polytechnic (now known as London Metropolitan University) in June 1976. He is a Fellow of The Institute of Chartered Accountants in England and Wales and the Hong Kong Institute of Certified Public Accountants.

張先生現時為霸王國際(集團)控股有限公司(其股份於聯交所上市, 股份代號: 1338)及安寧控股有限公司(其股份於聯交所上市, 股份代號: 128)及建鵬控股有限公司(其股份於聯交所上市, 股份代號: 1722)之獨立非執行董事。張先生亦於二零一九年九月以義務性質加入自強服務中心有限公司(一間救助弱勢社群的非牟利機構)擔任董事。

黃福霖先生, 65歲, 於二零一七年二月十日獲委任為獨立非執行董事, 亦為薪酬委員會主席以及審核委員會、提名委員會及風險管理委員會的成員。黃先生在商界的財務管理、庫務、內部控制及投資方面擁有約31年經驗。

黃先生於二零一五年四月至二零一六年六月一直為溫州康寧醫院股份有限公司(一間於聯交所上市的公司, 股份代號: 2120)的獨立非執行董事。於一九九七年一月至二零零七年六月及二零零九年七月至二零一六年十二月, 黃先生擔任瑞安建業有限公司(「瑞安建業」, 一間於聯交所上市的公司(股份代號: 983)及瑞安集團(一個主要於香港及中國從事物業開發及建設的集團)的成員公司的執行董事。彼亦自二零零九年七月至二零一六年十二月擔任瑞安建業的首席財務官, 自二零一三年七月至二零一六年十二月擔任董事總經理。在其任職瑞安建業期間, 彼主要負責財務、庫務及法律及秘書工作、企業重組、併購、投資決定、投資者關係及企業管治事宜。於二零零七年三月, 黃先生獲委任為中國中央地產有限公司(為瑞安建業的的聯屬公司, 曾在倫敦證券交易所上市)的執行董事。當中國中央地產有限公司於二零零九年六月私有化後, 黃先生加入瑞安建業。於一九九二年至一九九五年, 黃先生擔任瑞安集團的財務總監。

黃先生於一九七六年六月獲City of London Polytechnic(現稱London Metropolitan University)頒發會計文憑。彼為英國及威爾斯特許公認會計師公會及香港會計師公會的資深會員。



## SENIOR MANAGEMENT

**Mr. Lai Sek Piu (黎錫標)**, aged 60, is the Head of Manufacturing Division and Innovation Development Division and is responsible for the management and supervision of the Group's innovation and development. Starting from 1 January 2019, Mr. Lai has also been a Joint Managing Director of certain subsidiaries of the Company. He has over 34 years of experience in the field of manufacturing and engineering.

Mr. Lai completed a three years' part-time course in electronic engineering at Kasetsart University in Thailand in July 1993.

Mr. Lai worked as a section manager in Capetronic International (Thailand) Public Company Limited in Thailand, a company principally engaged in the manufacturing, distribution and provision of after-sales services for computer monitors in Thailand, from August 1988 to February 1997. He joined the Group as an engineer in November 1998 and a general manager of manufacturing division in April 2007, and has been the director of Innovation and Development Division since January 2018.

**Mr. Lo Ka Kei Jun (羅嘉祺)**, aged 41, is the director of the Marketing Division and is responsible for the management and supervision of the Group's marketing. Starting from 1 January 2019, Mr. Lo has also been a Joint Managing Director of certain subsidiaries of the Company. He has 17 years of experience in international marketing and business development in the electronics industry.

Mr. Lo obtained a higher national diploma in business and marketing in July 2001 and a bachelor of arts degree in business management in September 2002 from the Southampton Institute in the United Kingdom. He obtained a master degree in management and a master degree in business administration from Macquarie University in Australia in November 2013 and December 2014, respectively.

## 高級管理層

**黎錫標先生**，60歲，為製造部及創新及發展部總監，負責本集團創新及發展的管理及監督。自二零一九年一月一日起，黎先生亦為本公司若干附屬公司的聯席董事總經理。彼於製造及工程領域有逾34年經驗。

黎先生於一九九三年七月在泰國的農業大學(Kasetsart University)完成三年兼讀制電子工程課程。

黎先生於一九八八年八月至一九九七年二月在泰國Capetronic International (Thailand) Public Company Limited (一家主要從事泰國電腦顯示器生產、分銷及提供售後服務之公司)擔任部門經理。彼於一九九八年十一月加入本集團擔任工程師，於二零零七年四月擔任製造部總經理，並自二零一八年一月起一直為創新及發展部總監。

**羅嘉祺先生**，41歲，為市場營銷部總監，負責本集團的市場營銷的管理及監督。自二零一九年一月一日起，羅先生亦為本公司若干附屬公司的聯席董事總經理。羅先生於電子行業的國際市場營銷及業務發展方面有17年經驗。

羅先生於二零零一年七月獲取業務及市場營銷高等國家文憑及於二零零二年九月獲英國南安普敦學院獲得工商管理文學學士學位。彼分別於二零一三年十一月及二零一四年十二月在澳洲麥考瑞大學獲取管理學碩士學位及工商管理碩士學位。

## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層履歷

Mr. Lo worked in Apogee International Limited, a company principally engaged in the manufacturing of electronic products and audio and innovative designed items, as a marketing executive from June 2003 and an assistant marketing manager from May 2005 to October 2005. He joined the Group as a marketing executive in February 2006 and the general manager of the Marketing Division since September 2012, and has been the director of the Marketing Division since January 2018.

**Ms. Wan Mei Wa Ruby (溫美華)**, aged 36, is the Group Financial Controller and Company Secretary. She is responsible for overall financial management and company secretarial matters of the Group.

Ms. Wan obtained a Bachelor of Commerce (Honours) in Accounting from Hong Kong Shue Yan University (formerly known as Hong Kong Shue Yan College) in July 2006 and a Master of Corporate Governance from the Hong Kong Polytechnic University in October 2012. She is an associate member of the Hong Kong Institute of Certified Public Accountants, the Hong Kong Institute of Chartered Secretaries, and the Chartered Governance Institute (formerly known as the Institute of Chartered Secretaries and Administrators). Ms. Wan has over 10 years of experience in audit and assurance, financial management, and corporate governance. She was awarded the Chartered Governance Professional qualification of the Hong Kong Institute of Chartered Secretaries and the Chartered Governance Institute in September 2018.

Ms. Wan joined the Group as the Assistant Financial Controller in March 2015 and has been the Group Financial Controller since January 2018. She has also taken up the role of Company Secretary of the Company since 1 January 2019.

**Mr. Shahpour Javanmard Emamghissi**, aged 63, is the director of project development and is responsible for business development in the European market and supervision of the product designs. He has over 31 years of experience in the electronic engineering industry and specialises in manufacturing, quality control and business development management.

Mr. Emamghissi obtained a higher national diploma in electrical and electronic engineering from Liverpool Polytechnic (now known as Liverpool John Moores University) in the United Kingdom for session 1980/1981 and subsequently received a diploma in electrical and electronic engineering from Leeds Polytechnic (now known as Leeds Beckett University) in the United Kingdom in June 1982 and a postgraduate diploma in manufacturing management and technology from the Open University in the United Kingdom in July 1997.

羅先生自二零零三年六月起在Apogee International Limited (一家主要從事電子產品及音響以及創新設計產品製造的公司)擔任營銷主管及自二零零五年五月至二零零五年十月擔任助理營銷經理。彼於二零零六年二月加入本集團擔任營銷主管，自二零一二年九月起擔任市場營銷部總經理，並自二零一八年一月起擔任市場營銷部總監。

**溫美華女士**，36歲，為集團財務總監兼公司秘書，負責本集團整體財務管理及公司秘書事宜。

溫女士於二零零六年七月獲香港樹仁大學(前稱香港樹仁學院)頒授商業(榮譽)會計學學士學位，並於二零一二年十月獲香港理工大學頒授企業管治碩士學位。彼為香港會計師學會、香港特許秘書公會及英國特許公司治理公會(前稱英國特許秘書及行政人員公會)的會員。溫女士在審計及認證、財務管理及企業管治方面擁有超過10年經驗。彼於二零一八年九月獲香港特許秘書公會以及英國特許公司治理公會頒授特許管治專業人員資格。

溫女士於二零一五年三月加入本集團出任助理財務總監，並自二零一八年一月起擔任集團財務總監。彼亦自二零一九年一月一日起擔任本公司公司秘書。

**Shahpour Javanmard Emamghissi先生**，63歲，為項目開發總監，負責歐洲市場業務開發及監督產品設計。彼於電子工程行業擁有超過31年經驗，專門從事製造、質量控制及業務發展管理。

Emamghissi先生於一九八零／一九八一年度在英國利物浦理工學院(現為利物浦約翰摩爾斯大學)取得電氣和電子工程國家高級文憑。彼其後於一九八二年六月取得英國利茲貝克特大學電子工程深造文憑，於一九九七年七月取得英國公開大學製造管理及技術深造文憑。



## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層履歷

After leaving college, Mr. Emamghissi worked on Automation projects with Micro Systems Control until January 1984. He joined Denis Ferranti Group in February 1984 as an Electronics Engineer. During his 19 years with Ferranti Group, he held a number of positions (Electronic design and test engineer, Project and Telecom Engineering Manager). In 2003, he joined Eaton Electrical Part of Eaton Corporation USA, a manufacturer of electrical distribution equipment, circuit breakers and safety products in the United Kingdom as Project/Process Manager. Between November 2003 to April 2005, he worked as an engineering project manager in Dolgarrog Aluminium Limited. In November 2005, he joined Lake Communications Ltd holding the position of offshore manufacturing and quality manager. Lake Communications designs and supplies Telecom products throughout Europe and the US. During the period from December 2011 to December 2015, Mr. Emamghissi worked as a consultant for Mr. Joseph Mac Carthy, and provided support to the sales activities in Europe as well as technical support to the customers therein. He formally joined the Group as the director of project development in January 2016.

**Ms. Wu Mo Man (胡慕雯)**, aged 41, is the director of the Marketing Division, responsible for the management and supervision of the Marketing Division.

Ms. Wu obtained a diploma in management in December 2003 from the University of Leicester, and a master degree in business administration from the University of Iowa in May 2019.

She joined the Group in March 2006 as Marketing Executive and was promoted to Marketing Manager in 2009 until she left in June 2011. From June 2012 to April 2014, Ms. Wu worked in Fuji Xerox (H.K.) Limited as sales planning executive and assisted in pipeline, sales and marketing data analysis and presented the pre-sale & sales performance. In December 2014, she rejoined the Group as Marketing Manager and has been the director of the Marketing Division since January 2019. Ms. Wu has over 18 years of experience in the procurement and supply chain development in the electrical and mechanical industry, as well as sales planning and international marketing business development in the electronics industry.

畢業後，Emamghissi先生於一九八四年一月前任職於Micro Systems Control，負責自動化項目。彼於一九八四年二月以電子學工程師身份加盟Denis Ferranti Group。在其於Denis Ferranti Group工作的19年期間，彼擔任多個職位（電子設計及測試工程師、項目工程師及電信工程經理）。於二零零三年，彼加入Eaton Electrical Part of Eaton Corporation USA（一家於英國的配電設備、斷路器及安全產品製造商），擔任項目／工藝經理。於二零零三年十一月至二零零五年四月，彼於Dolgarrog Aluminium Limited擔任工程項目經理。於二零零五年十一月，彼加入Lake Communications Ltd擔任離岸製造及質量經理。Lake Communications於歐洲及美國設計及供應電信產品。於二零一一年十二月至二零一五年十二月期間，Emamghissi先生擔任Joseph Mac Carthy先生的顧問，並為歐洲的銷售活動提供支援以及為在當地的客戶提供技術支援。彼於二零一六年一月正式加入本集團擔任項目開發總監。

**胡慕雯女士**，41歲，市場營銷部總監，負責市場營銷部的管理及監督。

胡女士於二零零三年十二月取得萊斯特大學管理文憑，並於二零一九年五月在愛荷華大學取得工商管理碩士學位。

彼於二零零六年三月加入本集團，擔任營銷主管，於二零零九年被擢升為營銷經理，直至二零一一年六月離職為止。自二零一二年六月至二零一四年四月，胡女士於富士施樂（香港）有限公司擔任銷售計劃總監，協助渠道、銷售及營銷數據分析以及提呈預售及銷售表現。於二零一四年十二月，彼重新加入本集團，擔任營銷經理，並自二零一九年一月起擔任市場營銷部總監。胡女士於機電行業採購及供應鏈發展以及電子行業銷售計劃及國際營銷業務發展方面有逾18年經驗。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### BUSINESS REVIEW

US-China trade tensions and Brexit negotiation in the United Kingdom (the “UK”) had persisted in the second half of 2019, which had created considerable uncertainties and downward pressure in the global economy. The gloomy outlook for the world’s economic growth had adversely affected the Group. Market sentiment had become increasingly cautious, affecting the Group’s revenue for the year ended 31 December 2019 to have reduced by 8.7% to HK\$808.6 million as compared to the same period of 2018. Profit attributable to owners of the Company for the year recorded a 47.2% decrease to HK\$22.4 million. The drop in business offset certain favourable factors driven by reduced material prices due to the stabilised supplies of certain components and lessened operating costs from the depreciation of Renminbi (“RMB”) and Euros (“EUR”).

In the view of tough business situation, the management of the Group has adopted the following strategies to respond to the hardships:

1. optimising working capital and maintaining robust cash flow management;
2. diversifying customer base and product category with high profit and/or contribution margin;
3. exploring the extension of production facilities to reduce the geographical reliance;
4. adopting a number of cost control measures and promoting efficient use of existing resources to minimise operating expenses; and
5. strengthening communication and enhancing business cooperation with customers, suppliers and bankers.

### 業務回顧

中美貿易的緊張局勢及英國（「英國」）脫歐談判進程在二零一九年下半年持續，給全球經濟帶來了巨大的不確定性及下行壓力。全球經濟增長前景黯淡對本集團造成不利影響。市場情緒日益審慎，對本集團收益產生影響，截至二零一九年十二月三十一日止年度的收益較二零一八年同期減少8.7%至808,600,000港元。本年度本公司擁有人應佔溢利減少47.2%至22,400,000港元。業務下行抵銷了若干零件的穩定供應而導致的材料價格下降，以及人民幣（「人民幣」）及歐元（「歐元」）貶值而導致的經營成本減少等若干有利因素。

面對嚴峻的經營環境，本集團管理層已採取以下應對困境的策略：

1. 優化營運資金並維持穩健的現金流管理；
2. 多元化的客戶群及高利潤及／或高邊際收益的產品類別；
3. 擴建生產設施以減少地域依賴；
4. 採取多項成本控制措施，促進對現有資源的有效利用，以最大程度地減少經營開支；及
5. 加強與客戶、供應商及銀行的溝通及業務合作。

Meanwhile, the recent outbreak of the coronavirus (“**COVID-19**”) has added uncertainties to the business environment and economic activities of the Group. Due to travel restrictions and extension of nationwide public holiday for the Lunar New Year taken by the PRC government to contain the spread of COVID-19, the Group’s production facilities in the PRC have been affected and experienced a temporary decrease in production. The Group has taken various precautionary measures to minimise the threat of COVID-19 in its business communities and will endeavour to mitigate any adverse impacts on the Group and its customers.

The global economy is facing enormous challenges this year. The outlook is far from promising in the short term. Despite the foregoing, the Board remains positive in the medium to long term about the future prospects of the Group and continues to take prudent but proactive approach to drive the Group forward.

同時，近期新型冠狀病毒肺炎（「**COVID-19**」）疫情增加了本集團業務環境及經濟活動的不確定性。由於中國政府限制出行以及延長全國農曆新年公眾假期以遏制COVID-19蔓延，本集團在中國的生產設施受到影響，出現短暫的產量下降。本集團已採取多項預防措施以盡量減少COVID-19在其業務社區的威脅，並將盡力減輕對本集團及其客戶的任何不利影響。

今年，全球經濟面臨巨大挑戰。短期前景不容樂觀。儘管如此，董事會對本集團中至長期的未來前景持樂觀態度，並持續採取審慎積極的措施推動本集團的發展。

## FINANCIAL REVIEW

## Revenue

The following table summarises the amount of revenue generated and as a percentage of total revenue from each product category for the years ended 31 December 2019 (“FY2019”) and 2018 (“FY2018”):

		FY2019		FY2018	
		二零一九年財政年度		二零一八年財政年度	
		HK\$'000	%	HK\$'000	%
		千港元	%	千港元	%
Electro-mechanical products	機電產品	323,513	40.0	357,086	40.3
Smart chargers	智能充電器	260,743	32.2	322,012	36.3
Switch-mode power supplies	開關電源	185,607	23.0	175,261	19.8
Smart vending systems	智能售賣系統	25,939	3.2	18,533	2.1
Others <sup>(1)</sup>	其他 <sup>(1)</sup>	12,797	1.6	13,079	1.5
Total	總計	808,599	100.0	885,971	100.0

Note:

(1) Others include automatic testing equipment (“ATE”), power switch gear boards, and catering equipment control boards.

The Group achieved a revenue of HK\$808.6 million for FY2019, representing a decrease of 8.7% as compared with HK\$886.0 million for FY2018. The slowdown mainly resulted from: (1) decline in sales orders from customers in Europe and the US as a result of extended trade frictions between the US and the PRC and deteriorated global business and economic environment; (2) delay in product launch from some customers in smart chargers and electro-mechanical products categories; and (3) certain significant projects in smart chargers and electro-mechanical products yet to materialise. The slowdown in revenue, however, was partially offset by sales from new customers in smart vending systems and steady sale growth in switch-mode power supplies.

## 財務回顧

## 收益

下表概述各產品分類於截至二零一九年（「二零一九年財政年度」）及二零一八年（「二零一八年財政年度」）十二月三十一日止年度所產生收益金額及佔總收益百分比：

附註：

(1) 其他包括自動化檢測設備（「自動化檢測設備」）、電源開關裝置板及餐飲設備控制板。

本集團於二零一九年財政年度錄得收益808,600,000港元，較二零一八年財政年度的886,000,000港元減少8.7%。收益下滑的主要原因為：(1)中美貿易摩擦擴大以及全球商業及經濟環境惡化，導致來自歐美客戶的銷售訂單減少；(2)部分智能充電器及機電產品類別的客戶推遲發佈產品；及(3)若干重大智能充電器及機電產品項目尚未落實。然而，智能售賣系統新客戶的銷售額以及開關電源銷售額穩定增長抵銷了部份的收益下滑。



The table below summarises the geographical revenue segment based on location of customers for FY2019 and FY2018:

下表概述於二零一九年財政年度及二零一八年財政年度按客戶位置分類的地理收益分部：

		FY2019		FY2018	
		二零一九年財政年度		二零一八年財政年度	
		HK\$'000	%	HK\$'000	%
		千港元	%	千港元	%
Europe <sup>(1)</sup>	歐洲 <sup>(1)</sup>	592,998	73.3	594,854	67.2
North America <sup>(2)</sup>	北美 <sup>(2)</sup>	139,908	17.3	210,080	23.7
South-east Asia <sup>(3)</sup>	東南亞 <sup>(3)</sup>	32,491	4.0	32,855	3.7
The PRC (including Hong Kong)	中國(包括香港)	21,640	2.7	30,364	3.4
Others <sup>(4)</sup>	其他 <sup>(4)</sup>	21,562	2.7	17,818	2.0
<b>Total</b>	<b>總計</b>	<b>808,599</b>	<b>100.0</b>	<b>885,971</b>	<b>100.0</b>

Notes:

- (1) Europe includes Austria, Denmark, France, Germany, Greece, Hungary, Ireland, Italy, the Netherlands, Sweden, Switzerland and the UK.
- (2) North America includes the US.
- (3) South-east Asia includes India, Malaysia, Singapore and the Philippines.
- (4) Others include Australia, Israel, Japan, South Korea and Taiwan.

附註：

- (1) 歐洲包括奧地利、丹麥、法國、德國、希臘、匈牙利、愛爾蘭、意大利、荷蘭、瑞典、瑞士及英國。
- (2) 北美地區包括美國。
- (3) 東南亞包括印度、馬來西亞、新加坡及菲律賓。
- (4) 其他包括澳洲、以色列、日本、南韓及台灣。

Europe and North America remained the two largest overseas markets of the Group which in aggregate accounted for 90.6% and 90.9% of total revenue for FY2019 and FY2018, respectively. Revenue from Europe and North America reduced by 0.3% and 33.4%, respectively as compared with FY2018 mainly due to weak business sentiment as a result of prolonged global geopolitical and economic uncertainties. Sales from the PRC recorded a reduction of 28.7% as compared with FY2018 because of slower economic growth which lessened the product demands.

歐洲及北美仍為本集團兩個最大海外市場，總計於二零一九年財政年度及二零一八年財政年度分別佔總收益的90.6%及90.9%。來自歐洲及北美的收益與二零一八年財政年度相比分別減少0.3%及33.4%，主要是由於持續的全球地緣政治及經濟不確定性導致商業信心減弱。來自中國的銷售額錄得較二零一八年財政年度減少28.7%，原因為經濟增長放緩，從而降低產品需求。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

#### Cost of sales

Included in the Group's cost of sales were mainly direct materials, direct labour costs, and manufacturing overheads. Cost of sales for FY2019 amounted to HK\$617.5 million, representing a reduction of 7.4% as compared with FY2018. While the cost of sales has moved in line with revenue, a combination of high materials consumed for products of new customers, increased labour rates and depreciation expenses on newly-acquired plant and machinery offset the decrease in cost of sales than expected.

#### Gross profit and gross profit margin

The Group's gross profit was HK\$191.1 million and HK\$218.7 million, representing a gross profit margin of 23.6% and 24.7% for FY2019 and FY2018, respectively. This reflected a combination of decrease in sales, escalated labour costs, coupled with growing depreciation expenses on new plant and machinery as compared with FY2018.

#### Other income, net

Other income, net increased by 3.2% from HK\$5.2 million for FY2018 to HK\$5.4 million for the same period of 2019. Such increase primarily resulted from the receipt of scrap material sales income, government grants in relation to New and High Technology Enterprise ("NHTE") accreditation and other subsidies in the PRC for the year ended 31 December 2019.

#### Selling and distribution expenses

Selling and distribution expenses mainly represented freight, insurance and transportation charges, marketing and promotion expenses, and custom duties and declaration charges. There was a 44.0% increase in selling and distribution expenses from HK\$15.3 million for FY2018 to HK\$22.1 million for FY2019. The increase was primarily driven by the incurrence of tariff payment amounted to HK\$7.3 million on those products exported to the US to secure sale orders for certain customers.

#### 銷售成本

本集團的銷售成本主要包括直接物料費、直接勞工成本及製造成本。二零一九年財政年度的銷售成本為617,500,000港元，較二零一八年財政年度減少7.4%。儘管銷售成本與收益變動一致，惟由於新客戶產品的物料消耗高、勞工費及新購置廠房及機器的折舊費用增加之綜合影響，抵銷銷售成本下降的幅度超於預期。

#### 毛利及毛利率

本集團於二零一九年財政年度及二零一八年財政年度的毛利分別為191,100,000港元及218,700,000港元，毛利率分別為23.6%及24.7%。此反映與二零一八年財政年度相比，銷售額減少、勞工成本上升以及新廠房及機器的折舊費用增加。

#### 其他收入淨額

其他收入淨額由二零一八年財政年度的5,200,000港元增加3.2%至二零一九年同期的5,400,000港元。此增加乃主要由於收取有關截至二零一九年十二月三十一日止年度的報廢物料銷售收入、中國有關高新技術企業（「高新技術企業」）認證的政府補助及其他補貼。

#### 銷售及分銷費用

銷售及分銷費用主要包括貨運、保險及運輸費、市場推廣及宣傳開支以及海關關稅及報關費。銷售及分銷費用由二零一八年財政年度的15,300,000港元增加44.0%至二零一九年財政年度的22,100,000港元。增加乃主要由於為獲得若干客戶的銷售訂單而向美國出口該等產品須繳納關稅7,300,000港元所致。

### Administrative expenses

Administrative expenses went down by 5.1% from HK\$139.5 million for FY2018 to HK\$132.4 million for FY2019. Such decrease was primarily attributable to the decline in operating expenses derived from the depreciation of RMB against other currencies and lower staff salaries and allowances following the reduced sale levels, which partially offset the rise in consultancy fees in relation to Industry 4.0 certification and increased rent and rates arisen from new factory in Ireland and temporary warehouse facilities due to the development of a new production base in the PRC.

### Other operating expenses, net

Other operating expenses, net dropped by 23.1% from HK\$7.7 million for FY2018 to HK\$5.9 million for FY2019. The decrease mainly resulted from the reversal of provision for impairment loss on trade receivables amounting to HK\$1.0 million which cancelled out the negative effects arisen from the loss on derivative financial instruments and provision for impairment loss and write-off of obsolete inventories for the reporting period.

### Finance expenses, net

Finance expenses, net for FY2019 was HK\$11.8 million, which remained comparable with that of FY2018. The Group recognised the interest expenses on lease liabilities of HK\$1.8 million which offset the decrease in interest expenses arisen from reduced average borrowings during the reporting period.

### Income tax expense

Income tax expense decreased by 73.1% from HK\$7.3 million for FY2018 to HK\$2.0 million for FY2019, which was primarily due to the decline in profit from some group companies and write-back of overprovision of income tax in prior years during the reporting period.

### Profit for the year

The Group's profit for the year decreased by 47.2% from HK\$42.4 million for FY2018 to HK\$22.4 million for FY2019. The net profit margin also went down from 4.8% for FY2018 to 2.8% for FY2019. The reduced profit reflected the impacts of gloomy outlook for the world's economic growth which depressed customer sentiment in overseas markets, soaring labour costs and depreciation expenses, as well as the increased costs derived from new factory in Ireland and the development of new production base in the PRC during the transitional period.

### 行政開支

行政開支由二零一八年財政年度的139,500,000港元減少5.1%至二零一九年財政年度的132,400,000港元。有關減少主要歸因於經營開支減少，乃由人民幣兌其他貨幣貶值及縮減員工人數後員工薪金及津貼減少所導致，部份抵銷了工業4.0認證的諮詢費用增加以及愛爾蘭新工廠及因於中國開發新生產基地而致臨時倉庫設施所產生的租金及費用增加。

### 其他經營開支淨額

其他經營開支淨額由二零一八年財政年度的7,700,000港元減少23.1%至二零一九年財政年度的5,900,000港元。減少乃主要由於一筆為數1,000,000港元的貿易應收款項的減值虧損撥備所致，抵銷於報告期內衍生金融工具虧損及陳舊存貨減值虧損及撇銷撥備所產生之不利影響。

### 財務開支淨額

二零一九年財政年度的財務開支淨額為11,800,000港元，與二零一八年財政年度相若。本集團確認租賃負債利息開支為1,800,000港元，與於報告期間已減少的平均借款產生的利息開支減少相抵銷。

### 所得稅開支

所得稅開支由二零一八年財政年度的7,300,000港元減少73.1%至二零一九年財政年度的2,000,000港元，乃主要由於報告期內部分集團公司溢利下降及沖銷過往年度所得稅超額撥備所致。

### 本年度溢利

本集團的年度溢利由二零一八年財政年度的42,400,000港元下跌47.2%至二零一九年財政年度的22,400,000港元。純利率亦由二零一八年財政年度的4.8%下降至二零一九年財政年度的2.8%。溢利減少反映仍受於過渡期間全球經濟增長前景低迷壓抑海外市場客戶情緒、勞工成本及折舊費用上升以及有關愛爾蘭新工廠及開發中國新生產基地導致成本增加的影響。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

## LIQUIDITY AND FINANCIAL RESOURCES

During FY2019, the Group's operation and capital requirements were financed principally through a combination of cash flows generated from the operating activities, proceeds from the listing of the Company on the Main Board of the Stock Exchange on 23 November 2017 (the "**Listing**") and bank borrowings. As at 31 December 2019, the Group had net current assets of HK\$282.3 million (2018: HK\$297.6 million), including cash and bank balances (including restricted bank deposits) of HK\$103.9 million (2018: HK\$202.7 million). The cash and bank balances (including restricted bank deposits) are mainly denominated in HK\$, United States dollars ("**US\$**"), RMB and EUR. The Group's current ratio (as calculated by current assets divided by current liabilities) remained stable at 3.0 times as at 31 December 2019 (2018: 2.4 times). Gearing ratio is calculated by net debt divided by total capital as at the end of the reporting period. Net debt is calculated as total borrowings (including bank borrowings and finance lease payables) less cash and bank balances, while total capital is calculated as "equity" as shown in the consolidated statement of financial position, plus net debt, where applicable. As at 31 December 2019, the gearing ratio was not applicable ("**N/A**") to the Group (2018: N/A) as the Group had sufficient working capital level from the net proceeds received from the Listing.

## FINANCIAL RISK MANAGEMENT

The Group's activities are exposed to a variety of financial risks: (i) market risk (including foreign exchange risk, cash flow and fair value interest rate risk), (ii) credit risk; and (iii) 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.

### Foreign exchange risk

The Group operates mainly in Hong Kong and the PRC. Entities within the Group are exposed to foreign exchange risk arising from various currency exposures, primarily with respect to HK\$, EUR and RMB. Foreign exchange risk arises from export sales, purchases, other future commercial transactions and monetary assets and liabilities that are denominated in a currency that is not the entity's functional currency.

## 流動資金及財務資源

於二零一九年財政年度，本集團主要透過經營活動所得現金流、本公司於二零一七年十一月二十三日於聯交所主板上市（「**上市**」）所得款項及銀行借款撥付營運及資金需要。於二零一九年十二月三十一日，本集團的流動資產淨額為282,300,000港元（二零一八年：297,600,000港元），包括現金及銀行結餘（包括受限制銀行存款）約103,900,000港元（二零一八年：202,700,000港元）。現金及銀行結餘（包括受限制銀行存款）主要乃以港元、美元（「**美元**」）、人民幣及歐元計值。本集團的流動比率（按流動資產除以流動負債計算）於二零一九年十二月三十一日維持相對穩定，為3.0倍（二零一八年：2.4倍）。資產負債比率乃根據報告期末的債項淨額除以總資本計算得出。債項淨額乃根據借款總額（包括銀行借款及融資租賃應付款項）減現金及銀行結餘計算，而總資本則以綜合財務狀況表內所示的「權益」加上債項淨額（如適用）計算。於二零一九年十二月三十一日，資產負債比率並不適用（「**不適用**」）於本集團（二零一八年：不適用），乃因本集團上市後獲得所得款項導致營運資金充裕所致。

## 財務風險管理

本集團業務承受多類財務風險：(i)市場風險（包括外匯風險、現金流量及公平值利率風險）；(ii)信貸風險；及(iii)流動資金風險。本集團的整體風險管理計劃重點關注金融市場的不可預測性，並尋求盡量減低對本集團財務表現的潛在不利影響。

### 外匯風險

本集團主要於香港及中國經營。本集團內實體面對多種貨幣產生的外匯風險，主要有關港元、歐元及人民幣。外匯風險產生自以並非有關實體功能貨幣計值的出口銷售、購買、其他日後商業交易以及貨幣資產及負債。



The management of the Company has set up a policy to require the Group to manage their foreign exchange risk against its functional currencies. The Group does not adopt formal hedge accounting policy. It manages its foreign currency risk by closely monitoring the movements of foreign currency rates and will consider to enter into forward foreign exchange contracts to reduce the exposure should the need arise.

During the year ended 31 December 2019, the Group had entered into certain forward foreign exchange contracts with a bank and a loss on derivative financial instruments of HK\$2.2 million (2018: nil) was recognised at the consolidated statement of comprehensive income. All forward foreign exchange contracts had expired for the year ended 31 December 2019.

As at 31 December 2019, no new forward foreign exchange contracts had been entered into by the Group (2018: nil).

#### Cash flow and fair value interest rate risk

The Group's interest rate risk arises from 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. Borrowings obtained at fixed rates expose the Group to fair value interest rate risk. The Group does not adopt any interest hedging strategy.

During FY2019 and FY2018, all bank borrowings of the Group were arranged at floating rates varied with the then prevailing market condition.

As at 31 December 2019, the Group has bank borrowings of HK\$11.9 million (2018: HK\$31.9 million), which are primarily denominated in HK\$ and US\$.

#### Credit risk

The Group's credit risks are primarily attributable to financial instruments, financial assets at fair value through profit or loss, trade receivables, deposits and other receivables, time deposit, and cash and cash deposited at banks.

In respect of time deposits and cash deposited at banks, the credit risk is considered to be low as the counterparties are banks with high credit ratings assigned by international credit rating agencies.

本公司管理層已制定政策要求本集團管理其功能貨幣面臨的外匯風險。本集團並無採納正式對沖會計政策。其透過密切監察外幣匯率變動管理其外幣風險，並將考慮在必要時訂立遠期外匯合約以減低風險。

截至二零一九年十二月三十一日止年度，本集團已與一家銀行訂立若干遠期外匯合約，並已於綜合全面收益表中確認衍生金融工具虧損2,200,000港元（二零一八年：零）。截至二零一九年十二月三十一日止年度，所有遠期外匯合約已到期。

於二零一九年十二月三十一日，本集團並無訂立任何新的遠期外匯合約（二零一八年：無）。

#### 現金流量及公平值利率風險

本集團的利率風險產生自借款。按變動利率作出的借款令本集團面對部份被按變動利率持有現金抵銷的現金流量利率風險。按固定利率作出的借款令本集團面臨公平值利率風險。本集團並無採納任何利息對沖策略。

於二零一九年財政年度及二零一八年財政年度，本集團所有銀行借款乃隨當時市況變動按變動利率計算。

於二零一九年十二月三十一日，本集團有銀行借款11,900,000港元（二零一八年：31,900,000港元），主要以港元及美元計值。

#### 信貸風險

本集團的信貸風險主要來自金融工具、按公平值計入損益賬的金融資產、貿易應收款項、按金及其他應收款項、定期存款以及手頭現金及存放於銀行的現金。

就定期存款及存放於銀行的現金而言，信貸風險被視為低，乃由於對方為國際信貸評級機構給予高信貸評級的銀行。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

The management of the Group makes periodic assessment on the recoverability of trade and other receivables based on historical payment records, the length of the overdue period, the financial strength of the debtors and whether there are any disputes with the debtors. The Group's historical experience in collection of trade and other receivables falls within the recorded allowances and the management is of the opinion that adequate provision for uncollectible receivables has been made in the consolidated financial statements.

As at 31 December 2019, the customer bases are widely dispersed despite that 21.4% (2018: 34.2%) of the trade receivable were due from the Group's largest customer and 64.8% (2018: 70.1%) were due from the five largest customers determined on the same basis.

The Group is also exposed to credit risk in relation to financial assets at fair value through profit or loss. The maximum exposure at the end of the reporting period is the carrying amount of these investments.

#### Liquidity risk

Cash flow forecasting is performed in the operating entities of the Group. Such forecast takes into consideration the Group's debt financing plans, covenant compliance and, if applicable external regulatory or legal requirements – for example, currency restrictions. The Group maintains liquidity by a number of sources including orderly realisation of short-term financial assets and receivables; and long-term financing including long-term borrowings. The Group aims to maintain flexibility in funding by keeping sufficient bank balances, committed credit lines available and interest bearing borrowings which enable the Group to continue its business in the foreseeable future.

## COMMITMENTS

As at 31 December 2019, the Group did not have capital commitments in relation to the purchase of property, plant and equipment (2018: HK\$2.8 million).

## CAPITAL STRUCTURE

There has been no change in the capital structure of the Group during FY2019. The share capital of the Company only comprises ordinary shares.

本集團管理層基於過往付款記錄、逾期期間長度、債務人的財務能力以及與債務人有任何糾紛，定期評估貿易及其他應收款項的可收回性。本集團過往收回貿易及其他應收款項並無超出有關記錄撥備，管理層認為已就不可收回的應收款項在綜合財務報表中作出充分撥備。

於二零一九年十二月三十一日，儘管客戶群基本分散，但貿易應收款項的21.4%（二零一八年：34.2%）乃應收自本集團的最大客戶，而按同一基準釐定則64.8%（二零一八年：70.1%）乃應收自本集團的五大客戶。

本集團亦面臨與按公平值計入損益賬的金融資產相關的信貸風險。報告期末的最大風險敞口為該等投資的賬面值。

#### 流動資金風險

現金流動預測乃於本集團的經營實體進行。該等預測乃經考慮本集團之債務融資計劃、契諾規定及外部監管或法律要求（如貨幣限制）（如適用）。本集團透過一系列方式（包括有序變現短期金融資產及應收款項）及長期融資（包括長期借款）維持流動資金。本集團旨在透過保持充足銀行結餘、可供動用承諾信貸額度及計息借款，維持資金的靈活彈性，讓本集團於可見將來繼續經營其業務。

#### 承擔

於二零一九年十二月三十一日，本集團並無有關購買物業、廠房及設備的資本承擔（二零一八年：2,800,000港元）。

#### 資本架構

於二零一九年財政年度，本集團的資本架構並無任何變動。本公司的股本僅包括普通股。

As at 31 December 2019, the Company had 1,000,000,000 shares in issue (2018: 1,000,000,000 shares).

## SIGNIFICANT INVESTMENTS

As at 31 December 2019, the Group did not hold any significant investments (2018: nil).

## MATERIAL ACQUISITIONS OR DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Group did not have any material acquisitions nor disposals of subsidiaries, associates and joint ventures during FY2019 (2018: nil).

## FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as those disclosed in the prospectus of the Company dated 13 November 2017 (the “Prospectus”) or otherwise in this annual report, the Group currently has no other plan for material investments and capital assets.

## CONTINGENT LIABILITIES

The Group did not have material contingent liabilities as at 31 December 2019 (2018: nil).

## TREASURY MANAGEMENT

During FY2019, there had been no material change in the Group's funding and treasury policies. The Group has a sufficient level of cash and banking facilities for the conduct of its trade in the normal course of business.

The management of the Group closely reviews trade receivable balances and any overdue balances on an ongoing basis and only trade with creditworthy parties. The management of the Group closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and commitments can meet its funding requirements to manage liquidity risk.

於二零一九年十二月三十一日，本公司有1,000,000,000股已發行股份（二零一八年：1,000,000,000股股份）。

## 重大投資

於二零一九年十二月三十一日，本集團並無持有任何重大投資（二零一八年：無）。

## 重大收購或出售附屬公司、聯營公司及合營企業

於二零一九年財政年度，本集團並無收購或出售附屬公司、聯營公司及合營企業（二零一八年：無）。

## 有關重大投資及資本資產的未來計劃

除本公司日期為二零一七年十一月十三日的招股章程（「招股章程」）或本年報另行披露者外，本集團目前並無其他有關重大投資及資本資產的計劃。

## 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（二零一八年：無）。

## 庫務管理

於二零一九年財政年度，本集團的融資及庫務政策並無重大變動。本集團具備充足水平的現金及銀行信貸，以供其在一般業務過程中進行貿易活動。

本集團管理層持續密切檢討我們的貿易應收款項結餘及任何逾期結餘，並只會與具信譽的有關方進行貿易。本集團管理層密切監察本集團的流動資金狀況，以確保本集團的資產、負債及承擔的流動資金架構可滿足其融資需求，以管控流動資金風險。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

#### PLEDGE OF ASSETS

As at 31 December 2019, the financial assets at fair value through profit or loss amounted to HK\$8.6 million (2018: HK\$6.8 million), property, plant and equipment amounted to HK\$24.6 million (2018: HK\$24.8 million) and bank deposits amounted to HK\$6.2 million (2018: HK\$8.1 million) have been charged as security for bank borrowings of the Group.

As at 31 December 2019, the Group had property, plant and equipment with net book value amounted to HK\$0.2 million held under finance leases (2018: HK\$1.4 million).

#### EMPLOYEES AND REMUNERATION POLICIES

The total number of employees were approximately 1,700 as at 31 December 2019 (2018: approximately 1,800). The Group's employee benefit expenses mainly included salaries, overtime payment and discretionary bonus, share options, other staff benefits and contributions to retirement schemes. For FY2019, the Group's total employee benefit expenses (including Directors' emoluments) amounted to HK\$182.7 million (2018: HK\$193.8 million).

Remuneration is determined with reference to the qualification, experience and work performance, whereas the payment of discretionary bonus is generally subject to work performance, the financial performance of the Group in that particular year and general market conditions.

The Group operates a share option scheme (the “**Share Option Scheme**”) for the purpose of providing incentives and rewards to eligible Directors and employees of the Group, who contribute to the success of the Group's operations. As at 31 December 2019, the Group had outstanding share options granted to 14 employees (2018: 16 employees), exclusive of three executive Directors, for the subscription of 8,400,000 ordinary shares (2018: 9,700,000 ordinary shares) of the Company in total. The vesting period of these share options will end on 28 December 2020.

#### 資產抵押

於二零一九年十二月三十一日，按公平值計入損益賬的金融資產8,600,000港元（二零一八年：6,800,000港元）、物業、廠房及設備24,600,000港元（二零一八年：24,800,000港元）以及銀行存款6,200,000港元（二零一八年：8,100,000港元）經已抵押，作為本集團銀行借款的擔保。

於二零一九年十二月三十一日，本集團根據融資租賃持有賬面淨值為200,000港元（二零一八年：1,400,000港元）的物業、廠房及設備。

#### 僱員及薪酬政策

於二零一九年十二月三十一日合共聘用約1,700名僱員（二零一八年：約1,800名）。本集團的僱員福利開支主要包括薪金、加班工資及酌情花紅、購股權、其他僱員福利及退休計劃供款。於二零一九年財政年度，本集團僱員福利開支總額（包括董事酬金）為182,700,000港元（二零一八年：193,800,000港元）。

薪酬乃按僱員的資歷、經驗及工作表現釐定，而酌情花紅一般視乎工作表現、本集團於特定年度的財務業績及整體市場狀況而釐定。

本集團經營一項購股權計劃（「**購股權計劃**」），以嘉許及獎勵為本集團經營之成功做出貢獻之本集團合資格董事及僱員。於二零一九年十二月三十一日，本集團向14名僱員（二零一八年：16名僱員）（不包括三名執行董事）授出購股權（尚未行使），以認購本公司合共8,400,000股普通股（二零一八年：9,700,000股普通股）。該等購股權之歸屬期限將於二零二零年十二月二十八日結束。



As approved by the Board and consented by the option holders, all existing share options granted under the Share Option Scheme, being an aggregate of 28,400,000 share options, were cancelled with effect from 21 January 2020 in accordance with the terms of the Share Option Scheme. No compensation was payable to the option holders for the cancellation of the share options. Details of the cancellation of share options are set out in the announcement of the Company dated 21 January 2020.

## SHARE OPTION SCHEME

The Share Option Scheme was conditionally approved and adopted in compliance with Chapter 17 of the Listing Rules by written resolutions of the then Shareholder on 27 October 2017. A summary of the Share Option Scheme and the movement of the share options granted was set out in note 25 to the consolidated financial statements.

## COMPLIANCE WITH LAWS AND REGULATIONS

The Group recognises the importance of compliance with regulatory requirements and the risks of non-compliance with such requirements. To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Group has complied with all relevant laws and regulations in Hong Kong and the applicable PRC labour laws and regulations in all material respects during FY2019.

The Group also complies with the requirements under the Listing Rules and the Securities and Futures Ordinance, Chapter 571 of the laws of Hong Kong (the "SFO") for the disclosure of information and corporate governance in all material respects.

## ENVIRONMENTAL POLICY

The Group recognises its responsibility to protect the environment from its business activities. The Group continually seeks to identify and manage environmental impacts attributable to its operational activities in order to minimise these impacts if possible.

## RELATIONSHIPS WITH STAKEHOLDERS

The Group recognises employees as one of the valuable assets of the Group. The Group strictly complies with the labour laws and regulations in Hong Kong and other jurisdictions applicable to the Group and regularly reviews the existing staff benefits for improvement.

經董事會批准並獲購股權持有人同意，根據購股權計劃授出的所有現有購股權（即總計28,400,000份購股權），已自二零二零年一月二十一日起根據購股權計劃的條款予以註銷。註銷購股權毋須向購股權持有人支付任何賠償。註銷購股權的詳情載於本公司日期為二零二零年一月二十一日的公佈中。

## 購股權計劃

購股權計劃於二零一七年十月二十七日透過當時股東的書面決議案遵照上市規則第十七章有條件批准及採納。購股權計劃及所授出購股權變動的概要載於綜合財務報表附註25。

## 遵守法例及法規

本集團深明遵守監管規定的重要性以及不遵守有關規定所涉及的風險。就董事作出一切合理查詢後所深知、盡悉及確信，於二零一九年財政年度，本集團已在各主要方面遵守香港一切相關法例及法規以及適用的中國勞動法例及規例。

本集團在披露資料及企業管治的所有主要方面亦遵守上市規則及香港法例第571章證券及期貨條例（「證券及期貨條例」）之規定。

## 環保政策

本集團肩負進行業務活動時保護環境之責任。本集團不斷設法識別和管控其經營活動所引起的環境影響，務求盡可能將有關影響減至最低。

## 與持份者的關係

本集團視僱員為本集團其中一項寶貴資產。本集團嚴格遵守香港以及本集團所適用的其他司法管轄區的勞動法例及法規，並定期審閱及完善現有員工福利。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

The Group provides good quality services to customers and maintains a good relationship with them. The Group is able to establish trust and long-standing business relationship with its major customers.

The Group also maintains effective communication and develops long term and stable relationships with suppliers. During the year ended 31 December 2019, there was no material dispute nor disagreement between the Group and its suppliers.

### COMPARISON OF BUSINESS STRATEGIES WITH ACTUAL BUSINESS PROGRESS

The following sets out a comparison of the business strategies as stated in the Prospectus with the Group's actual business progress for FY2019 and up to the date of this annual report:

本集團為客戶提供優質服務，並與彼等維持良好關係。本集團能夠與主要客戶建立互信並維持長遠業務關係。

本集團亦與供應商維持有效溝通，並建立長期穩定關係。截至二零一九年十二月三十一日止年度，本集團與供應商之間並無任何重大糾紛或意見分歧。

### 業務策略與實際業務進展之比較

下文載列於二零一九年財政年度及截至本年報日期，招股章程所載的業務策略與本集團實際業務進展之比較：

**Business strategies as stated in the Prospectus**

招股章程所述的業務策略

Continue to expand the customer base in the European market and explore new markets in the PRC, the US and other Asian countries

持續擴展歐洲市場客戶群以及在中國、美國及其他亞洲國家開拓新市場

Manufacture products of higher value and/or with higher profit contribution per the resources

按資源生產價值較高及／或利潤回報較高的產品

**Actual business progress up to the date of this annual report**

截至本年報日期的實際業務進展

The Group has successfully attracted several customers in Europe, the PRC, and the US, and some of their products had been launched during the year ended 31 December 2019. While several potential customers remained under discussion, some of which have placed trial orders to the Group. The Group will continue to put more resources on sales and marketing and focus on approaching potential customers with high value and/or high profit contribution products, like smart vending systems and smart chargers.

本集團已成功吸納歐洲、中國及美國的數名客戶，其部分產品已於截至二零一九年十二月三十一日止年度推出。儘管多個潛在客戶仍在商討中，但其中若干客戶已向本集團發出試運訂單。本集團將繼續投放更多資源於銷售及營銷，並專注於接洽具有高價值及／或高利潤產品（如智能售賣系統及智能充電器）的潛在客戶。

Following the establishment of offices in Dublin, Ireland and Munich, Germany, the Group continues to deepen its presence across Europe, including but not limited to: (i) set up new websites to increase its product publicity and the Group's image (ii) participate in exhibitions, trade shows, and other promotional campaigns to solicit businesses from industry players in Europe and the US; (iii) pay regular visits to existing customers and business partners to maintain better cooperative relationship and project development; and (iv) collaborate with existing and potential customers, design houses, and other industry participants to develop innovations and technologies in new industries, including non-EMS products. It is expected to crystallise certain new product lines with higher value and/or higher profit contribution per the resources in the near future.

繼在愛爾蘭都柏林及德國慕尼黑成立辦事處後，本集團繼續深化其於歐洲的業務，包括但不限於：(i)設立新網站以提升產品知名度及本集團的形象；(ii)參加展會、貿易展覽及其他促銷活動以向歐洲及美國的行業參與者招攬業務；(iii)定期造訪現有客戶及商業夥伴以維持更好的合作關係及項目開發；及(iv)與現有及潛在客戶、設計公司及其他行業參與者合作，以於新行業發展創新及技術，包括非電子製造服務產品。預計不久的將來將會按資源落實價值較高及／或利潤回報較高的若干新產品線。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

<b>Business strategies as stated in the Prospectus</b> 招股章程所述的業務策略	<b>Actual business progress up to the date of this annual report</b> 截至本年報日期的實際業務進展
<p>Continue to expand the operations in ATE business segment</p> <p>繼續擴大自動化檢測設備業務</p>	<p>The ongoing US-China trade disputes and the PRC's slower economic growth created uncertainties, affecting the business sentiment and curtailing customers' demands for ATEs. Some companies, if not all, have become more cost-conscious and have held off their capital investment. To fully utilise its resources, the Group shifted ATEs talents to assist European team for technical supports, project development, and product enhancement to strengthen its competitive edge in the industrial electronics industry.</p> <p>持續的中美貿易爭端及中國經濟增長放緩造成不確定性，影響營商情緒及削弱客戶對其自動化檢測設備的需求。部分（但非全部）公司則更加關注成本並已暫停其資本投資。為充分利用其資源，本集團已調派其自動化檢測設備人才協助歐洲團隊進行技術支持、項目開發及產品提升以增強其於工業電子行業的競爭優勢。</p>
<p>Strengthen the sales and marketing efforts in the industrial EMS sector</p> <p>加強對工業電子製造服務領域的銷售及營銷力度</p>	<p>The European offices allow the Group to gain closer access to target customers and suppliers. The European team, including five staff members and four independent consultants, currently partners with the existing marketing teams of the Group to take part in business development activities and explore new business opportunities. On 25 October 2019, the Board resolved to change part of the unutilised net proceeds amounting to HK\$13.3 million to capture business developments and opportunities in Europe. Details of the change in use of net proceeds are set out in the announcement of the Company dated 25 October 2019.</p> <p>歐洲辦事處令本集團更接近目標客戶及供應商。歐洲團隊包括五名成員及四名獨立顧問，與本集團的現有營銷團隊共同從事業務拓展活動並開拓新業務機會。於二零一九年十月二十五日，董事會已議決更改部分未動用所得款項淨額13,300,000港元之用途，以捕捉歐洲的業務開發及機遇。更改所得款項淨額用途之詳情載於本公司日期為二零一九年十月二十五日之公佈。</p>



**Business strategies as stated in the Prospectus****招股章程所述的業務策略**

Further enhance the production efficiency and expand the production capacity

進一步提高生產效率及擴大產能

**Actual business progress up to the date of this annual report****截至本年報日期的實際業務進展**

The development of new production base alongside the existing production complex in Nansha District, Guangzhou City, Guangdong Province, the PRC was under way during the year ended 31 December 2019. Part of the existing warehouses at the Group's Nansha plant had been dismantled in order to reserve lands to commence construction works for the expansion. Construction works commenced in the second quarter of 2019 and are expected to complete during the year of 2020, which would offer up to two 6-storey factory buildings to the Group.

On 28 November 2019, the Group entered into a second supplemental agreement ("**Second Supplemental Agreement**") with Shiji Cooperative Economic Association of Dongchong Town, Nansha District, Guangzhou City, Guangdong Province (廣東省廣州市南沙區東涌鎮石基股份合作經濟聯合社) ("**Shiji Association**"), the landlord of the Group's Nansha plant, to amend some of the terms regarding the construction timetable and payment schedule of the memorandum of understanding (as amended and supplemented by the supplemental agreement dated 20 July 2018). Details of the Second Supplemental Agreement are set out in the announcement of the Company dated 28 November 2019.

To minimise the disruption of daily operations, the Group has implemented several measures during the transitional period, including additional manpower resources, lease of new warehouse facilities, restructuring the usage of existing production floor areas, rearrangement of supply chains, etc. By the time the new factory buildings commence operations, it will provide the Group with more capacities to cater for large volume of production in more efficient and effective ways.

截至二零一九年十二月三十一日止年度，正在興建位於中國廣東省廣州市南沙區現有生產綜合大樓旁的新生產基地。本集團南沙廠房的部分現有倉庫已被拆除，以儲備土地開展擴建的建築工程。建築工程已於二零一九年第二季度開工，預計於二零二零年完工，可為本集團最多提供兩幢6層的工廠樓宇。

於二零一九年十一月二十八日，本集團與本集團南沙廠房的業主廣東省廣州市南沙區東涌鎮石基股份合作經濟聯合社（「石基聯合社」）訂立第二份補充協議（「第二份補充協議」），以修訂諒解備忘錄（經日期為二零一八年七月二十日之補充協議修訂及補充）有關施工時間表及付款安排之部分條款。第二份補充協議的詳情載於本公司日期為二零一九年十一月二十八日的公佈。

為最大限度地減少對日常運營的影響，本集團已於過渡期間實施多項措，包括增聘人力資源、租賃新倉庫設施、重新調配現有生產樓層的使用、重新安排供應鏈等。直至新工廠樓宇投入營運，其將為本集團提供更大產能，以更有效率及有效的方式滿足大量生產的需求。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

<b>Business strategies as stated in the Prospectus</b> 招股章程所述的業務策略	<b>Actual business progress up to the date of this annual report</b> 截至本年報日期的實際業務進展
<p>Continue to recruit talents and professionals</p> <p>繼續招聘優秀人才及專業人士</p>	<p>The Group currently has 14 employees working at the strategic talent centre (“<b>STC</b>”) in the Guangzhou City, Guangdong Province, the PRC. Following its establishment, those talents add value to the Group in various aspects, which include looking for those materials with limited supplies and its substitutes, negotiating better prices and favourable terms with suppliers, developing and upgrading software for internal and commercial uses, to name but a few.</p> <p>本集團於中國廣東省廣州市的戰略人才中心（「<b>戰略人才中心</b>」）目前有14名僱員。繼其成立後，該等人才於各方面為本集團增添價值，包括找尋供應有限的物料及其替代品、與供應商協商更為優惠的價格及有利的條款、開發及升級作內部及商業用途的軟件等，不一而足。</p>

## USE OF PROCEEDS

On 25 October 2019, the Board resolved to change the use of the remaining unutilised net proceeds from the Listing (the “**Reallocation**”). For details of the Reallocation, please refer to the announcement of the Company dated 25 October 2019. The following table sets forth the status of use of net proceeds from the Listing as at 31 December 2019:

Business strategies as set out in the Prospectus 招股章程所載的業務策略	The actual net proceeds prior to the Reallocation 於重新分配前實際所得款項淨額	The Reallocation 重新分配	The actual net proceeds subsequent to the Reallocation 於重新分配後實際所得款項淨額	Incurred up to 31 December 2019 截至二零一九年十二月三十一日已動用	Balance as at 31 December 2019 於二零一九年十二月三十一日之結餘
	HK\$' million 百萬港元	HK\$' million 百萬港元	HK\$' million 百萬港元	HK\$' million 百萬港元	HK\$' million 百萬港元
Development of new production base 發展新生產基地	77.8	-	77.8	(29.4)	48.4
Upgrading of existing production facilities 升級現有生產設施	4.5	-	4.5	(4.3)	0.2
Establishment of offices in Dublin, Ireland and Paris, France 在愛爾蘭都柏林及法國巴黎建立辦事處	11.3	(8.3)	3.0	(3.0)	-
Establishment of the STC in Guangzhou City, Guangdong Province, the PRC 在中國廣東省廣州市建立戰略人才中心	11.3	(5.0)	6.3	(3.1)	3.2
Working capital and other general corporate purposes 營運資金及其他一般企業用途	5.1	-	5.1	(5.1)	-
Business developments and operations in Europe 在歐洲進行業務發展及營運	-	13.3	13.3	(0.6)	12.7
	110.0	-	110.0	(45.5)	64.5

The unutilised net proceeds have been deposited in interest-bearing bank accounts with licensed banks in Hong Kong.

## 所得款項用途

於二零一九年十月二十五日，董事會已議決更改餘下未動用之上市所得款項淨額之用途（「**重新分配**」）。有關重新分配詳情，請參閱本公司日期為二零一九年十月二十五日的公佈。下表列載上市所得款項淨額於二零一九年十二月三十一日的使用情況：

未動用的所得款項淨額經已存放在香港持牌銀行的計息銀行賬戶內。

## FUTURE PROSPECTS

The macroeconomic and political environment are deteriorating and difficult to estimate the time to rebound at this stage. In the past few decades, the Group has faced and overcome many challenges, turning crises into opportunities, and thereby has developed its solid foundation in the power electronics industry. Although the Group is encountering unavoidable hard times, the Board will focus on improving productivity and cost efficiency as well as looking for expansion opportunities to enhance its global footprint.

The development of the new production facilities provides the Group with a higher degree of flexibility to serve customers worldwide and the ability to cater for large volume production on high value and heavy-duty product series. Regardless of the adverse economic situation, the Group will continue to put more resources on sales and marketing to explore new business opportunities.

The Group is cautiously optimistic about its future in the medium and long term, and will take a proactive approach to strengthen the existing operational foundations and business portfolio, and seek suitable high-quality investment opportunities in the pursuit of predictable and stable returns over the long term.

## 未來前景

宏觀經濟及政治環境不斷轉差，目前難以估計反彈的時間。於過往數十年，本集團面臨並克服諸多挑戰，化危機為機遇，從而於電力電子行業奠定穩固的基礎。儘管本集團面臨不可避免的困難，董事將專注於提高生產力及成本效率並尋求拓展機會，擴大其全球影響力。

開發新生產設施令本集團可更靈活地服務全球客戶及有能力滿足高價值及重型產品系列的批量生產。儘管經濟形勢不利，本集團仍將繼續投放更多資源於銷售及營銷，以物色新商機。

本集團對未來中長期持審慎樂觀態度，並將採取積極措施鞏固現有營運基礎及業務組合，並尋求合適優質的投資機會，冀望長期獲得可預測及穩定的回報。



## CORPORATE GOVERNANCE REPORT 企業管治報告

The Company's corporate governance code is based on the principles of the Corporate Governance Code (the "CG Code") as set out in Appendix 14 to the Listing Rules. The Company is committed to ensuring a quality board and transparency and accountability to Shareholders.

The Company complied with all code provisions in the CG Code during the year ended 31 December 2019.

The Board has reserved for its decision and consideration in relation to (i) formulating the strategic objectives of the Group; (ii) considering and deciding the Group's significant operational and financial matters, including but not limited to substantial mergers and acquisitions and disposals; (iii) overseeing the Group's corporate governance practices; (iv) ensuring a risk management and internal control systems in place; (v) directing and monitoring senior management in pursuit of the Group's strategic objectives; and (vi) determining the remuneration packages of all Directors and the Group's senior management, including benefits in kind, pension rights and compensation payments for loss or termination of their office or appointment. Implementation and execution of Board policies and strategies and the daily administrative matters are delegated to the respective Board committees and the management team of the Company.

本公司之企業管治守則乃按上市規則附錄十四所載企業管治守則（「企業管治守則」）之原則訂立。本公司致力確保高質素的董事會及透明度，並會向股東負責。

本公司於截至二零一九年十二月三十一日止年度已遵守所有企業管治守則之守則條文。

董事會保留以下事項供其決定及考慮：(i)制定本集團的策略性目標；(ii)考慮及決定本集團的重要營運及財務事宜，包括但不限於重大合併和收購及出售事項；(iii)監察本集團的企業管治常規；(iv)確保設有風險管理及內部監控制度；(v)指導及監察高級管理層追求本集團的策略目標；及(vi)釐定全體董事及本集團高級管理層的薪酬待遇，包括實物利益、退休金權利及喪失或終止職務或委任的賠償。董事會政策及策略與日常行政事務的推行及執行交由各董事會委員會及本公司管理層團隊負責。

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## CORPORATE GOVERNANCE REPORT

### 企業管治報告

The Board conducts at least four regular Board meetings in a year and additional meetings will be held or resolutions in writing signed by all Directors in lieu of a meeting will be arranged as and when required. If a substantial shareholder of the Company or a Director has a conflict of interest in a transaction which the Board determines to be material, it will be considered and dealt with by the Board at a duly convened Board meeting. Comprehensive information on matters to be discussed at the Board meeting will be supplied to the Directors in a timely manner to facilitate discussion and decision making.

董事會每年最少召開四次常規董事會會議，並於需要時舉行額外會議或以全體董事簽署的書面決議案代替舉行會議。倘董事會認為本公司的主要股東或董事於一項交易中涉及重大利益衝突，有關交易將於正式召開的董事會會議上由董事會考慮及處理。本集團適時向董事提供將於董事會會議商討的事宜之全面資料，以助討論及決策。

## COMPOSITION OF THE BOARD

At the date of this annual report, the Board comprises three Executive Directors and three Independent Non-executive Directors. The name and office of each of the members of the Board and the Board committees of the Company are as follows:

### 董事會之組成

於本年報日期，董事會由三名執行董事及三名獨立非執行董事組成。本公司董事會及董事委員會各成員之姓名及職位如下：

Board members 董事會成員	Office 職位
Lai Yiu Wah 黎耀華	Chairman and Executive Director 主席及執行董事
Tai Leung Lam 戴良林	Chief Executive Officer, Executive Director and Director of Manufacturing 行政總裁、執行董事及生產總監
Joseph Mac Carthy Joseph Mac Carthy	Executive Director and Director of Marketing 執行董事及營銷總監
Georges René Gener* Georges René Gener*	Executive Director and Chairman of European Operations 執行董事及歐洲營運主席
Fung Chun Chung 馮鎮中	Independent Non-executive Director 獨立非執行董事
Cheung Kin Wing 張建榮	Independent Non-executive Director 獨立非執行董事
Wong Raymond Fook Lam 黃福霖	Independent Non-executive Director 獨立非執行董事

\* Resigned with effect from 15 February 2020  
自二零二零年二月十五日起辭任

### AUDIT COMMITTEE MEMBERS

Cheung Kin Wing (*Chairman*)  
Fung Chun Chung  
Wong Raymond Fook Lam

### 審核委員會成員

張建榮 (*主席*)  
馮鎮中  
黃福霖

### REMUNERATION COMMITTEE MEMBERS

Wong Raymond Fook Lam (*Chairman*)  
Lai Yiu Wah  
Fung Chun Chung  
Cheung Kin Wing

### 薪酬委員會成員

黃福霖 (*主席*)  
黎耀華  
馮鎮中  
張建榮

### NOMINATION COMMITTEE MEMBERS

Fung Chun Chung (*Chairman*)  
Lai Yiu Wah  
Wong Raymond Fook Lam

### 提名委員會成員

馮鎮中 (*主席*)  
黎耀華  
黃福霖

### RISK MANAGEMENT COMMITTEE MEMBERS

Lai Yiu Wah (*Chairman*)  
Cheung Kin Wing  
Fung Chun Chung  
Wong Raymond Fook Lam

### 風險管理委員會成員

黎耀華 (*主席*)  
張建榮  
馮鎮中  
黃福霖

## CORPORATE GOVERNANCE REPORT

### 企業管治報告

All of the existing Executive Directors have signed a service contract with the Company for an initial term of three years, commencing from 10 February 2017 (subject to termination in certain circumstances as stipulated in the relevant service contract). The said service contracts have been renewed for a term of three years commencing from 1 February 2020. Mr. Georges René Gener has signed a service contract with the Company for a term of no more than three years commencing on 2 November 2018 and expiring at the conclusion of an annual general meeting (“AGM”) to be held in the third year following the year of his appointment. Mr. Gener resigned from his positions with effect from 15 February 2020.

Each of the Independent Non-executive Directors has signed a service contract with the Company for an initial term of three years, commencing from 1 February 2017 (subject to termination in certain circumstances as stipulated in the relevant service contract). The said service contracts have been renewed for a term of three years commencing from 1 February 2020.

All Directors are subject to retirement by rotation at least once every three years in accordance with the articles of association of the Company (the “Articles”).

The Board composition is regularly reviewed to ensure that it has a balance of skills and experience appropriate for the requirements of the business of the Group. A balanced composition of Executive Directors and Independent Non-executive Directors is maintained to ensure independence and effective management. The Company has satisfied the relevant provision of the Listing Rules in having at least one of the Independent Non-executive Directors with appropriate professional qualifications or accounting or related financial management expertise. There is no relationship among the members of the Board.

The appointment of Directors is recommended by the Remuneration Committee and the Nomination Committee and approved by the Board based on a formal written procedure and policy for the appointment of new Directors. When selecting potential candidates for the Directors, their skills, experience, expertise, devotion of time and non-conflicts of interests are the key factors.

The daily operation and management of the business of the Group, among other matters, the implementation of strategies, are delegated to the Executive Directors and senior management. They report periodically to the Board on their work and business decisions.

所有現有執行董事已與本公司簽訂服務合約，由二零一七年二月十日起初步為期三年（可於相關服務合約所訂明的若干情況下終止）。有關服務合約已經更新由二零二零年二月一日起為期三年。Georges René Gener先生與本公司簽訂為期不超過三年的服務合約，自二零一八年十一月二日起計，任期至其獲委任後將第三年舉行的股東週年大會（「股東週年大會」）結束時屆滿。Gener先生於二零二零年二月十五日辭任其職務。

各獨立非執行董事已與本公司簽訂服務合約，由二零一七年二月一日起初步為期三年（可於相關服務合約所訂明的若干情況下終止）。有關服務合約已經更新由二零二零年二月一日起為期三年。

全體董事須根據本公司組織章程細則（「細則」）規定每三年至少一次輪席退任。

本公司定期檢討董事會的組合，以確保其於技能及經驗方面均達致適切本集團業務所需的平衡。執行董事及獨立非執行董事人數亦保持均衡，以確保其獨立性及有效管理。本公司符合上市規則的有關規定，即最少一位獨立非執行董事具備適當的專業資格或會計或相關的財務管理專長。董事會成員之間概無任何關係。

董事的委任乃由薪酬委員會及提名委員會建議，並由董事會根據委任新董事的正式書面程序及政策予以批准。當甄選董事候選人時，其技能、經驗、專長、可投放的時間及無利益衝突均為主要因素。

本集團業務的日常營運和管理（其中包括策略的執行）已授權執行董事及高級管理層負責。彼等定期向董事會匯報工作及業務決策。



All Directors have been fully consulted about any matters proposed for inclusion in the agenda for regular meetings. The chairman of the Board has delegated the responsibility for drawing up the agenda for each Board meeting to the company secretary of the Company (the “**Company Secretary**”).

With the assistance of the Company Secretary, the chairman of the Board seeks to ensure that all Directors are properly briefed on issues arising at the Board meetings and have received adequate and reliable information in a timely manner.

Notices of at least 14 days are given to the Directors for regular meetings, while the Board papers are sent to the Directors not less than three days before the intended date of a Board or Board committee meeting. With respect to other meetings, the Directors are given as much notice as is reasonable and practicable in the circumstances. The Directors can attend meetings in person or through other means of electronic communication in accordance with the Articles. The Company Secretary ensures that the procedures and all applicable rules and regulations are complied with. Minutes of the Board meetings and meetings of the Board committees are kept by the Company Secretary and are available for inspection at any time on reasonable notice by any Directors.

The Directors have full access to information of the Group and are able to obtain independent professional advice whenever they deem necessary. The Directors will be updated with legal and regulatory changes and matters of relevance to the Directors in the discharge of their duties from time to time.

Draft minutes are normally circulated to Directors or members of the relevant Board committees for comment within a reasonable time after each meeting.

Any material transaction, which involves a conflict of interests between a substantial shareholder or a Director and the Company, will be considered and dealt with by the Board at a duly convened Board meeting with the presence of the Independent Non-executive Directors. Directors are abstained from voting and not to be counted in the quorum at meetings for approving transactions in which such Directors or any of their associates have a material interest.

就擬納入定期會議議程的任何事項均已向所有董事作出充分諮詢。董事會主席已授權本公司的公司秘書（「**公司秘書**」）擬訂每次董事會會議的議程。

董事會主席亦會在公司秘書協助下，盡力確保全體董事均獲妥善匯報有關董事會會議上提出的事項，並及時接收足夠及可靠的資訊。

召開定期會議時董事均獲發最少14日通知，而會議文件在預定召開董事會或董事委員會會議日期前最少三日送呈董事。就其他會議而言，於合理實際可行的情況下，董事獲發合理的通知。董事可親身出席會議，或依據細則，透過其他電子通訊方式參與會議。公司秘書確保已遵守有關程序及所有適用規則及法規。董事會會議及董事委員會會議的會議記錄由公司秘書保管，任何董事於發出合理通知後可隨時查閱會議記錄。

董事可全權取閱本集團的資料，並於認為有需要時可徵詢獨立專業意見。董事將不時收到備忘錄，以知悉法律及監管變動及董事在履行其職責時相關事宜之更新資料。

於每次會議後合理時間內，會議記錄草稿一般會發予董事或相關董事委員會成員傳閱，以作評論。

任何涉及主要股東或董事及本公司利益衝突的重大交易，將於獨立非執行董事在場的情況下，由董事會於正式召開的董事會會議上考慮及處理。當董事或彼等任何聯繫人在會議通過的交易中有重大利益時，該等董事不得投票及計入有關會議的法定人數。

## CORPORATE GOVERNANCE REPORT

### 企業管治報告

The Company has received from each of the Independent Non-executive Directors an annual confirmation of their independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all of the Independent Non-executive Directors are independent.

## RESPONSIBILITIES

In the course of discharging their duties, the Directors act in good faith, with due diligence and care, and in the best interests of the Company and its shareholders. Their responsibilities include (i) regular board meetings focusing on business strategy, operational issues and financial performance; (ii) monitoring the quality, timeliness, relevance and reliability of internal and external reporting; (iii) monitoring and managing potential conflicts of interest of management, board members and shareholders, including misuse of corporate assets and abuse in connected transaction; and (iv) ensuring processes are in place to maintain the overall integrity of the Company, including financial statements, relationships with suppliers, customers and other stakeholders, and compliance with all laws and ethics.

## DIRECTORS' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors' responsibilities for the consolidated financial statements are set out on page 125 of this annual report.

本公司已收取各獨立非執行董事根據上市規則第3.13條之年度獨立身份確認書。本公司認為所有獨立非執行董事均為獨立。

## 責任

董事在履行其職責過程中以誠信、盡職及審慎態度，按本公司及其股東之最佳利益行事。彼等的責任包括(i)定期舉行董事會會議，專注於業務策略、經營問題及財務表現；(ii)監控內部及對外匯報的質素、及時性、相關性及可靠性；(iii)監控及處理管理層、董事會成員及股東的潛在利益衝突，包括不當使用公司資產及進行關連交易；及(iv)確保按程序以保持本公司整體的誠信，包括財務報表、與供應商、客戶及其他持份者的關係及符合所有法律及道德規範。

## 董事就綜合財務報表承擔之責任

董事就綜合財務報表承擔之責任載於本年報第125頁。

## BOARD DIVERSITY POLICY

The Board has adopted a board diversity policy which sets out the approach to achieve a sustainable and balanced development of the Company and also to enhance the quality of performance of the Company.

The Company seeks to achieve board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service.

Selection of candidates will be based on a range of diversity perspectives as stated in the above. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

As at the date of this annual report, the Board comprises six Directors. Three of the Directors are Independent Non-executive Directors and are independent of the management, thereby promoting critical review and control of the management process. The Board is also characterised by significant diversity, whether considered in terms of professional background and skills.

## BOARD MEETINGS AND GENERAL MEETINGS

During the year ended 31 December 2019, eight Board meetings were held to review and approve, among other things, (i) the financial results for the year ended 31 December 2018; (ii) the interim results for the six months ended 30 June 2019; (iii) business progress, operation updates, and quarterly results; (iv) publication of profit warning and alert announcements. The Board also held a Board meeting on 23 March 2020 to approve the annual results of the Company for the year ended 31 December 2019. One AGM was held during the year ended 31 December 2019.

## 董事會多元化政策

董事會已採納董事會多元化政策，其列明達致本公司可持續及平衡發展的方法，及提升本公司表現質素。

本公司尋求通過考慮若干因素，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期，實現董事會多元化。

甄選董事會成員人選將按上述一系列多元化範疇為基準。最終將按董事人選的優點及將為董事會帶來的貢獻而作決定。

於本年報日期，董事會由六名董事組成。三名董事為獨立於管理層的獨立非執行董事，藉此促進管理過程的重要審核及監管。不論以專業背景及技能作考慮，董事會亦顯著多元化。

## 董事會會議及股東大會

截至二零一九年十二月三十一日止年度，本公司已舉行八次董事會會議以審核及批准（其中包括）(i)截至二零一八年十二月三十一日止年度的財務業績；(ii)截至二零一九年六月三十日止六個月的中期業績；(iii)業務進展、最新經營情況及季度業績；(iv)盈利警告及預告公告的刊發。董事會亦於二零二零年三月二十三日舉行董事會會議以批准本公司截至二零一九年十二月三十一日止年度的年度業績。截至二零一九年十二月三十一日止年度，本公司已舉行一次股東週年大會。

## CORPORATE GOVERNANCE REPORT

### 企業管治報告

Details of the Directors' attendance records in Board meetings and general meetings during the year ended 31 December 2019 are set out below:

截至二零一九年十二月三十一日止年度，董事於董事會會議及股東大會會議的出席記錄詳情如下：

Name of Directors 董事姓名	No. of Board meetings attended/ eligible to attend 出席／合資格出席 董事會會議次數	No. of general meetings attended/ eligible to attend 出席／合資格出席 股東大會會議次數
<i>Executive Directors</i> 執行董事		
Lai Yiu Wah 黎耀華	8/8	1/1
Tai Leung Lam 戴良林	7/8	1/1
Joseph Mac Carthy	8/8	1/1
Joseph Mac Carthy	8/8	1/1
Georges René Gener*	8/8	1/1
Georges René Gener*		
<i>Independent non-executive Directors</i> 獨立非執行董事		
Fung Chun Chung 馮鎮中	8/8	0/1
Cheung Kin Wing 張建榮	8/8	1/1
Wong Raymond Fook Lam 黃福霖	8/8	0/1
* Resigned with effect from 15 February 2020 自二零二零年二月十五日起辭任		

## DELEGATION BY THE BOARD

The Board has established four committees, namely the Audit Committee, the Remuneration Committee, the Nomination Committee and Risk Management Committee. Specific responsibilities of each committee are described below. All committees have defined terms of reference which are no less exacting than those set out in the CG Code.

## 董事會授權

董事會成立四個委員會，即審核委員會、薪酬委員會、提名委員會及風險管理委員會。各委員會的具體職責於下文詳述。所有委員會均訂有明確的職權範圍，其嚴謹程度不下於企業管治守則所載者。



## AUDIT COMMITTEE

The Audit Committee was established on 27 October 2017 with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph C3 and paragraph D3 of the CG Code. The Audit Committee comprises three members, namely Mr. Cheung Kin Wing, Mr. Fung Chun Chung and Mr. Wong Raymond Fook Lam. The chairman of the Audit Committee is Mr. Cheung Kin Wing, who holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules.

The primary duties of the Audit Committee include, but not limited to, the following: (i) making recommendations to the Board on the appointment and removal of the external auditor; (ii) reviewing the financial statements of the Group and monitoring the integrity of such financial statements; and (iii) overseeing the financial reporting system and internal control procedures.

During the year ended 31 December 2019, two Audit Committee meetings were held, during which the Audit Committee reviewed and discussed (i) the general functions of the Audit Committee and the engagement of external auditor; (ii) the audited financial statement of the Group for the year ended 31 December 2018; (iii) the unaudited interim financial statement of the Group for the six months ended 30 June 2019; and (iv) the re-appointment of the independent auditor of the Group. An Audit Committee meeting was also held on 23 March 2020 with all the members present to review and consider, inter alia, the audited financial statements of the Group for the year ended 31 December 2019 and the re-appointment of independent auditor of the Group. There was no disagreement between the Board and the Audit Committee on the selection and appointment of the external auditor.

## 審核委員會

審核委員會於二零一七年十月二十七日成立，並遵照上市規則第3.21條及企業管治守則第C3及D3段制訂書面職權範圍。審核委員會包括三名成員，即張建榮先生、馮鎮中先生及黃福霖先生。審核委員會主席為張建榮先生，彼具有上市規則第3.10(2)條及3.21條規定的合適專業資格。

審核委員會的主要職責包括（但不限於）以下各項：(i)就外部核數師的委任及罷免向董事會作出推薦建議；(ii)審閱本集團財務報表及監察該等財務報表的完整性；及(iii)監督財務申報系統及內部監控程序。

於截至二零一九年十二月三十一日止年度內，審核委員會舉行了兩次會議，於會議期間，審核委員會檢討及討論(i)審核委員會的一般職能及外部核數師的聘任；(ii)本集團於截至二零一八年十二月三十一日止年度的經審核財務報表；(iii)本集團於截至二零一九年六月三十日止六個月的未經審核中期財務報表；及(iv)本集團獨立核數師的重新委任。審核委員會亦於二零二零年三月二十三日舉行一次會議（全體成員均有出席），以審閱及考慮（其中包括）本集團於截至二零一九年十二月三十一日止年度的經審核財務報表，以及重新委任本集團獨立核數師。董事會與審核委員會在甄選及委任外部核數師時並無出現意見分歧。

## CORPORATE GOVERNANCE REPORT

### 企業管治報告

Attendance at meetings of the Audit Committee during the year ended 31 December 2019 is as follows:

審核委員會會議於截至二零一九年十二月三十一日止年度的出席紀錄如下：

Name of Directors 董事姓名	No. of meetings attended/ eligible to attend 出席／合資格 出席會議次數
Cheung Kin Wing 張建榮	2/2
Fung Chun Chung 馮鎮中	1/2
Wong Raymond Fook Lam 黃福霖	2/2

The Company's consolidated financial statements for the year ended 31 December 2019 have been reviewed by the Audit Committee. The Audit Committee considered that the relevant financial statements have been prepared in compliance with the applicable accounting principles and requirements of the Stock Exchange and disclosures have been fully made.

審核委員會已審閱本公司於截至二零一九年十二月三十一日止年度的綜合財務報表。審核委員會認為，有關財務報表已遵照適用的會計原則及聯交所的規定而編製，並已作出全面披露。

## REMUNERATION COMMITTEE

The Remuneration Committee was established with written terms of reference in compliance with paragraph B1 of the CG Code on 27 October 2017. As at 31 December 2019 and date of this annual report, the Remuneration Committee comprises four members, namely, Mr. Wong Raymond Fook Lam, Mr. Lai Yiu Wah, Mr. Fung Chun Chung and Mr. Cheung Kin Wing. The chairman of the Remuneration Committee is Mr. Wong Raymond Fook Lam.

## 薪酬委員會

薪酬委員會於二零一七年十月二十七日成立，並遵照企業管治守則第B1段制訂書面職權範圍。於二零一九年十二月三十一日及本年度報告日期，薪酬委員會包括四名成員，即黃福霖先生、黎耀華先生、馮鎮中先生及張建榮先生。薪酬委員會主席為黃福霖先生。

The primary duties of the Remuneration Committee include, but not limited to, the following: (i) making recommendations to the Board on the policy and structure for the remuneration of all the Directors and senior management; (ii) making recommendations to the Board on the establishment of a formal and transparent procedure for developing remuneration policy; (iii) determining the specific remuneration packages of all Directors and senior management; and (iv) reviewing and approving the management's remuneration proposals with reference to the corporate goals and objectives resolved by the Board from time to time.

薪酬委員會的主要職責包括（但不限於）以下各項：(i)就全體董事及高級管理層的薪酬政策及架構向董事會作出推薦建議；(ii)就設立正式而具透明度之薪酬政策制訂程序向董事會作出推薦建議；(iii)釐定全體董事及高級管理層的具體薪酬待遇；及(iv)根據董事會不時議決的企業目標及宗旨審閱及批准管理層的薪酬建議。

During the year ended 31 December 2019, two Remuneration Committee meetings were held to (i) review the remuneration of senior management; (ii) review the incentive bonus scheme for the Executive Directors and Chief Executive Officer.

於截至二零一九年十二月三十一日止年度內，薪酬委員會舉行兩次會議，以(i)檢討高級管理層的薪酬；(ii)檢討執行董事及行政總裁的激勵花紅計劃。

Attendance at meetings of the Remuneration Committee during the year ended 31 December 2019 is as follows:

薪酬委員會會議於截至二零一九年十二月三十一日止年度的出席紀錄如下：

Name of Directors 董事姓名	No. of meetings attended/ eligible to attend 出席／合資格 出席會議次數
Wong Raymond Fook Lam 黃福霖	2/2
Lai Yiu Wah 黎耀華	2/2
Fung Chun Chung 馮鎮中	2/2
Cheung Kin Wing 張建榮	2/2

Details of the directors' remuneration and five highest paid individuals for the year ended 31 December 2019 are set out in note 9 to the consolidated financial statements.

截至二零一九年十二月三十一日止年度，董事薪酬及五名最高薪酬人士的詳情，載於綜合財務報表附註9。

During the year ended 31 December 2019, the remuneration of the senior management is listed below by band:

截至二零一九年十二月三十一日止年度，高級管理層薪酬按範圍載列如下：

	Number of individuals 人數
HK\$ nil to HK\$1,000,000 零港元至1,000,000港元	1
HK\$1,000,001 to HK\$1,500,000 1,000,001港元至1,500,000港元	4

## NOMINATION COMMITTEE

The Nomination Committee was established with written terms of reference in compliance with paragraph A5 of the CG Code on 27 October 2017. As at 31 December 2019 and date of this annual report, the Nomination Committee comprises three members, namely Mr. Lai Yiu Wah, Mr. Fung Chun Chung and Mr. Wong Raymond Fook Lam. The chairman of the Nomination Committee is Mr. Fung Chun Chung.

## 提名委員會

提名委員會於二零一七年十月二十七日成立，並遵照企業管治守則第A5段制訂書面職權範圍。於二零一九年十二月三十一日及本年度報告日期，提名委員會包括三名成員，即黎耀華先生、馮鎮中先生及黃福霖先生。提名委員會主席為馮鎮中先生。

## CORPORATE GOVERNANCE REPORT

### 企業管治報告

The primary functions of the Nomination Committee include, but are not limited to, the following: (i) reviewing the structure, size and composition of the Board; (ii) assessing the independence of the Independent Non-executive Directors; and (iii) making recommendations to the Board on matters relating to the appointment or re-appointment of Directors and succession planning for Directors.

During the year ended 31 December 2019, one Nomination Committee meeting was held to (i) review and consider the structure, size, diversity and composition of the Board are appropriate; (ii) assess the independence of Independent Non-executive Directors; and (iii) recommend the re-appointments of Directors.

Attendance at meeting of the Nomination Committee during the year ended 31 December 2019 is as follows:

提名委員會的主要職責包括(但不限於)以下各項: (i)檢討董事會架構、規模及組成; (ii)評估獨立非執行董事的獨立性; 及(iii)就委任或重新委任董事及董事繼任計劃向董事會作出推薦建議。

於截至二零一九年十二月三十一日止年度內, 提名委員會舉行一次會議以(i)檢討董事會的架構、規模、多元化及組成並認為屬適當; (ii)評估獨立非執行董事的獨立性; 及(iii)建議重新委任董事。

提名委員會會議於截至二零一九年十二月三十一日止年度的出席紀錄如下:

Name of Directors 董事姓名	No. of meetings attended/ eligible to attend 出席 / 合資格 出席會議次數
Fung Chun Chung 馮鎮中	1/1
Lai Yiu Wah 黎耀華	1/1
Wong Raymond Fook Lam 黃福霖	1/1

The Nomination Committee has reviewed annually the Board composition by considering the benefits of all aspects of diversity, including but not limited to those described under the heading of Board Diversity Policy in this annual report. The Board Diversity Policy shall be reviewed by the Nomination Committee, as appropriate, to ensure its effectiveness.

提名委員會已透過考慮多元化各方面的裨益, 每年檢討董事會的組成, 包括但不限於本年報董事會多元化政策項下所述者。董事會多元化政策須由提名委員會審閱(視乎情況), 以確保其有效。



The Nomination Committee shall consider a number of factors in making nominations, including but not limited to the following:

a. Skills, Experience and Professional Expertise

The candidate should possess the skills, knowledge, experience and professional expertise which are relevant to the operations of the Group.

b. Diversity

Candidates should be considered on merit and against objective criteria, with due regard to the diversity perspectives set out in the Board Diversity Policy of the Company.

c. Commitment

The candidate should be able to devote sufficient time to attend the board meetings and participate in induction, training and other board associated activities. In particular, if the proposed candidate will be nominated as an Independent Non-Executive Director and will be holding his/her seventh (or more) listed company directorship, the Nomination Committee should consider the reason given by the candidate for being able to devote sufficient time to the Board and committee meetings.

d. Standing

The candidate must satisfy the Board and the Stock Exchange that he/she has the character, experience and integrity, and is able to demonstrate a standard of competence commensurate with the relevant position as a director of the Company.

e. Independence

The candidate to be nominated as an Independent Non-Executive Director must satisfy the independence criteria set out in Rule 3.13 of the Listing Rules. Where applicable, the totality of the candidate's education, qualifications and experience shall also be evaluated to consider whether he or she has the appropriate professional qualifications or accounting or related financial management expertise for filling the office of an Independent Non-Executive Director.

提名委員會在作出提名時應考慮多項因素，包括但不限於下列各項：

a. 技能、經驗及專業知識

候選人應擁有與本集團業務營運有關的技能、知識、經驗及專業知識。

b. 多元化

考慮候選人應基於其優點及客觀標準，並適當考慮本公司董事會多元化政策內所載的多元化範疇。

c. 承擔

候選人應能投入充足的時間出席董事會會議及參加入職儀式、培訓及其他董事會相關活動。特別是，如提議的候選人獲提名為獨立非執行董事及將上任其第七個（或以上）上市公司董事職位，則提名委員會應考慮候選人所給出能投入充足時間參加董事會及委員會會議的原因。

d. 資格

候選人須讓董事會及聯交所信納其有品格、經驗及誠信，能證明其擁有與本公司董事相關職位相匹配的能力水平。

e. 獨立性

擬提名為獨立非執行董事的候選人須滿足上市規則第3.13條所載獨立標準。如適用，則亦須評估該候選人的學歷、資格及經驗等整體情況，以考慮彼是否具備合適的專業資格或會計或相關財務管理專長以擔任獨立非執行董事。

## RISK MANAGEMENT COMMITTEE

The Risk Management Committee was established on 27 October 2017 to review and monitor the risk management system and oversee the hedge activities of the Group. As at 31 December 2019 and date of this annual report, the Risk Management Committee comprises four members, namely Mr. Lai Yiu Wah, Mr. Cheung Kin Wing, Mr. Fung Chun Chung and Mr. Wong Raymond Fook Lam. The chairman of the Risk Management Committee is Mr. Lai Yiu Wah.

The primary functions of the Risk Management Committee include, but are not limited to, the following: (i) reviewing the risk management system of the Group and ensure that the management has performed its duties to establish an effective risk management system; (ii) formulating risk policies and standards; (iii) reviewing the material risk exposures of the Group; (iv) reviewing annually the changes in nature and extent of significant risks; (v) reviewing annually the scope and quality of management's ongoing monitoring of risk management systems; (vi) reviewing the Directors' decisions on entering into hedge arrangements; (vii) reviewing the effectiveness of the hedge policy; and (viii) providing recommendations to the Board on improving the hedge policy, where appropriate and if necessary.

During the year ended 31 December 2019, one Risk Management Committee meeting was held to review the material risk exposures of the Group and formulate risk policies.

## 風險管理委員會

風險管理委員會於二零一七年十月二十七日成立，以審查及監察風險管理體系以及監督本集團對沖活動。於二零一九年十二月三十一日及本年度報告日期，風險管理委員會包括四名成員，即黎耀華先生、張建榮先生、馮鎮中先生及黃福霖先生。風險管理委員會的主席為黎耀華先生。

風險管理委員會的主要職責包括（但不限於）以下各項：(i)檢討本集團的風險管理系統，並確保管理層已履行其職責以設立有效的風險管理系統；(ii)制訂風險政策及標準；(iii)檢討本集團所面對的重要風險；(iv)每年檢討重大風險的性質及程度變化；(v)每年檢討管理層持續監察風險管理系統的範圍及質素；(vi)檢討董事對訂立對沖安排所作的決定；(vii)檢討對沖政策的有效性；及(viii)在適當情況下和有需要時就改善對沖政策向董事會提供推薦建議。

於截至二零一九年十二月三十一日止年度內，風險管理委員會舉行一次會議，以檢討本集團面對的重大風險和制定風險政策。

Name of Directors 董事姓名	No. of meetings attended/ eligible to attend 出席／合資格 出席會議次數
Lai Yiu Wah 黎耀華	1/1
Cheung Kin Wing 張建榮	1/1
Fung Chun Chung 馮鎮中	1/1
Wong Raymond Fook Lam 黃福霖	1/1

## DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the “**Model Code**”) as the code of conduct governing Directors’ securities transactions. All Directors have confirmed, following specific enquiry by the Company, that they have complied with the required standards set out in the Model Code and there were no events of non-compliance during the year ended 31 December 2019 and up to the date of this annual report.

## CONTINUOUS PROFESSIONAL DEVELOPMENT FOR DIRECTORS

Directors must keep abreast of their collective responsibilities. Before the Listing, each newly appointed Director received training from the legal adviser of the statutory and regulatory obligations of a director of a listed company in Hong Kong. The Directors are continually updated with business and market changes, and legal and regulatory developments to facilitate the discharge of their responsibilities through various Board meetings, resolutions, memoranda, Board papers, and updates on corporate governance practices and director’s responsibilities under the Listing Rules, applicable laws and other relevant statutory requirements. The Company has arranged the legal adviser to provide a training to all Directors on continuous professional development for directors.

## 董事進行證券交易

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則（「**標準守則**」），作為規管董事進行證券交易的操守守則。經本公司作出具體查詢後，所有董事已確認彼等已遵守標準守則所載的規定標準，且於截至二零一九年十二月三十一日止年度及截至本年報日期並無發生不遵守標準規則之事件。

## 董事之持續專業發展

董事需確保其集體責任與時並進。於上市前，每名新任董事均接受法律顧問就香港上市公司董事的法定及監管義務的培訓。董事透過各種董事會會議、決議案、備忘錄、董事會文件、根據上市規則、適用法律及其他相關法定規定的企業管治常規和董事職責之更新，持續獲得有關業務和市場變動，以及法律和監管發展之更新，以助彼等履行其職責。本公司已安排法律顧問向全體董事提供有關董事持續專業發展的培訓。

## CORPORATE GOVERNANCE REPORT

### 企業管治報告

Up to date of this annual report, the current Board members have participated in the following training programs:

直至本年報日期，現任董事會成員曾參加以下培訓課程：

Name of Directors 董事姓名	Types of training 培訓類別	
	Attending training organised by legal adviser 出席由法律顧問安排的培訓	Reading materials updating on new rules and regulations 閱讀有關新規則及法規之更新
<i>Executive Directors</i> 執行董事		
Lai Yiu Wah 黎耀華	✓	✓
Tai Leung Lam 戴良林	✓	✓
Joseph Mac Carthy	–	✓
Georges René Gener*	✓	✓
Georges René Gener*		
<i>Independent non-executive Directors</i> 獨立非執行董事		
Fung Chun Chung 馮鎮中	✓	✓
Cheung Kin Wing 張建榮	✓	✓
Wong Raymond Fook Lam 黃福霖	✓	✓

\* Resigned with effect from 15 February 2020  
自二零二零年二月十五日起辭任

## DIRECTORS AND OFFICERS INSURANCE

Appropriate insurance covers on directors' and officers' liabilities have been in force to protect the Directors and officers of the Group from their risk exposure arising from the business of the Group and, as at the date of this annual report, the Directors and officers of the Company are indemnified under a directors' and officers' liability insurance against any liability incurred by them in discharge of their duties while holding office as the Directors and officers of the Company. The Directors and officers of the Company shall not be indemnified where there is any fraud, breach of duty or breach of trust proven against them.

## 董事及高級職員保險

本公司已為本集團董事及高級職員購買合適的責任保險，就彼等因本集團業務承擔的風險提供保障，而於本年報日期，本公司董事及高級職員於擔任本公司董事及高級職員期間，因彼等履行職責而引致的任何責任均受到董事及高級職員責任保險之彌償。倘證實本公司董事及高級職員存在任何欺詐、失職或失信行為，則彼等將不獲彌償。



## COMPANY SECRETARY

The Company Secretary is to ensure a good information flow within the Board and between the Board and senior management of the Company, to provide advice to the Board in relation to the Directors' obligations under the Listing Rules and applicable laws and regulations and to assist the Board in implementing the corporate governance practices. Ms. Wan Mei Wa Ruby, the Company Secretary, had attended not less than 15 hours of relevant professional training as required under Rule 3.29 of the Listing Rules during the year ended 31 December 2019.

## RISK MANAGEMENT AND INTERNAL CONTROLS

The Board acknowledges that it is responsible for monitoring the risk management and internal control systems of the Group on an ongoing basis and reviewing their effectiveness. Such systems are designed to manage rather than to eliminate the risk of failure to achieve business objectives, and can only provide reasonable but not absolute assurance against material misstatement or loss.

The Board has the overall responsibility for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Company's strategic objectives, and establishing and maintaining appropriate and effective risk management and internal control systems.

The Risk Management Committee and Audit Committee assist the Board in leading the management and overseeing their design, implementation and monitoring of the risk management and internal control systems.

### Principles of Risk Management and Internal Control Systems

The principal aim of the Company's risk management and internal control systems is to manage and mitigate business risks, with a view to enhancing the value of shareholders' investments and safeguarding assets.

## 公司秘書

公司秘書確保董事會成員之間以及董事會與本公司高級管理層之間的資訊交流良好，就根據上市規則及適用法律法規的董事責任向董事會提供意見，以及協助董事會實行企業管治常規。公司秘書溫美華女士已遵守上市規則第3.29條的規定，於截至二零一九年十二月三十一日止年度出席不少於15小時的相關專業培訓。

## 風險管理及內部監控

董事會知悉其有責任按持續經營基準監控本集團風險管理及內部監控系統並審閱其成效。該等系統旨在管理而非消除未能達成業務目標的風險，且僅可就重大失實陳述或虧損作出合理而非絕對的保證。

董事會全權負責評估及釐定本公司為達成戰略目標所願承擔的風險性質及程度，並建立及維持適當及有效的風險管理及內部監控制度。

風險管理委員會及審核委員會協助董事會領導風險管理及內部監控制度的管理及監督其構成、執行及監管情況。

### 風險管理及內部監控系統原則

本公司風險管理及內部監控系統的主要目標乃管理及減低業務風險，以提高股東投資價值及保障資產。

#### Main Features of Risk Management and Internal Control Systems

The key elements of the Company's risk management and internal control systems include the establishment of a risk register to keep track of and document identified risks, the assessment and evaluation of risks, the development and continuous updating of responsive procedures, and the ongoing testing of internal control procedures to ensure their effectiveness. A risk matrix is also adopted to determine risk rating after evaluation of the risk by the likelihood and the impact of the risk event. The risk ratings reflect the level of management's attention and risk treatment effort required.

#### Process Used to Identify, Evaluate and Manage Significant Risk

All divisions/departments conducted internal control assessment regularly to identify risks that potentially impact the business of the Group and various aspects including key operational and financial processes, regulatory compliance and information security. Self-evaluation has been conducted annually to confirm that control policies are properly complied with by each division/department. The management assessed the likelihood of risk occurrence, provide treatment plans, and monitor the risk management progress, and reported to the Board on all findings and the effectiveness of the systems.

The management has confirmed to the Board, the Risk Management Committee, and Audit Committee on the effectiveness of the risk management and internal control systems for the year ended 31 December 2019.

#### Internal Audit Function

As at the date of this annual report, the Group did not have an internal audit function as required by code provision C.2.5 of the CG Code. The Board reviewed the need for setting up an internal audit function during the reporting year and considered that there was no such an immediate need after taking into account the Group's current circumstances, such as the focused nature and geographical spread of the business, the relatively simple operating structure and small size of the Group and the close involvement in supervision and management of daily operations, which could provide sufficient risk management and internal control for the Group.

#### 風險管理及內部監控系統的主要特點

本公司風險管理及內部監控系統的主要元素包括設立風險登記冊以跟進及記錄已識別之風險、評估及檢討風險、制定及不時更新應對措施，以及持續測試內部監控程序以確保其成效。本公司亦於評估風險出現的可能性及風險事項的影響後採納一個風險矩陣以釐定風險評級。風險評級反映管理層所需注意及處理風險力度水平。

#### 識別、評估及管理重大風險所用程序

所有分部／部門定期進行內部監控評估，以識別可能影響本集團業務以及主要營運及財務流程、監管合規及信息安全等方面的風險。各分部／部門於每年進行自我評估，以確認其妥善遵守監控政策。管理層評估風險發生概率、提供應對計劃及監察風險管理進程，並向董事會報告所有結果及系統成效。

管理層已向董事會、風險管理委員會及審核委員會確認截至二零一九年十二月三十一日止年度風險管理及內部監控制度的成效。

#### 內部審核職能

於本年度報告日期，本集團並無企業管治守則的守則條文C.2.5所規定的內部審核職能。董事會於報告年度內就是否需要增設內部審核職能作出檢討，並在考慮本集團現有情況（如重點業務性質及地域分佈、本集團相對簡單及小規模的營運架構，以及對日常運作的密切監管及參與）後，確認本集團已備有足夠的風險管理及內部監控，並無設立內部審核職能的即時需要。

Although the Group does not have an internal audit function, the Group is committed to maintaining and upholding good corporate governance practice and internal control systems.

The Board, through the Risk Management Committee and Audit Committee, conducted an annual review of design, implementation, and effectiveness of the risk management and internal control systems of the Group, which covered all material controls including financial, operational and compliance controls. Such annual review was done with a view to ensuring that resources, staff qualifications and experience, training programmes and budget of the Group's accounting, internal control and financial reporting functions are adequate. In this respect, the Risk Management Committee and Audit Committee communicated any material issues to the Board.

The results of the independent review and assessment were reported to the Risk Management Committee, Audit Committee, and the Board. Moreover, improvements in internal control and risk management measures to enhance the risk management and internal control systems of the Group and to mitigate risks of the Group were adopted by the Board. Based on the findings and recommendations, as well as the comments of the Risk Management Committee and Audit Committee, the Board considered the internal control and risk management systems are adequate and effective.

## HANDLING AND DISSEMINATION OF INSIDE INFORMATION

The Group complies with the requirements under the Listing Rules and SFO to disclose inside information to the public as soon as reasonably practicable unless the information falls within any of the safe harbours as provided in the SFO. Before the information is fully disclosed to the public, the Group ensures the information is kept strictly confidential. If the Group believes that the necessary degree of confidentiality cannot be maintained or that confidentiality may have been breached, the Group would immediately disclose the information to the public. The Group is committed to ensure that information contained in announcements are not false or misleading as to a material fact, or false or misleading through the omission of a material fact in view of disclosure of inside information in a balanced, adequate and effective way. The procedures and internal controls for the handling and dissemination of inside information are as follows:

雖然本集團並無內部審核職能，但本集團維持及擁護良好企業管治常規及內部監控系統。

董事會透過風險管理委員及審核委員會會對本集團風險管理及內部監控系統的設計、實施及成效進行年度檢討，涵蓋所有重大控制方面，包括財務、經營及合規控制。進行該項年度檢討旨在確保本集團在會計、內部監控及財務申報職能方面的資源、員工資歷及經驗、培訓計劃及有關預算均屬充分。就此而言，風險管理委員會及審核委員會會就任何重大事宜與董事會溝通。

獨立審閱及評估結果乃呈報予風險管理委員會、審核委員會及董事會。此外，為提高本集團風險管理及內部監控系統以及減低本集團風險而作出的內部監控及風險管理措施的改進措施已獲董事會採納。根據審閱結果和推薦意見以及風險管理委員會與審核委員會的意見，董事會認為，內部監控及風險管理系統乃屬充足及有效。

## 處理及發放內幕消息

本集團遵守證券及期貨條例及上市規則之規定，於知悉任何內幕消息後，在合理切實可行的範圍內盡快向公眾作出披露，除非有關消息屬於證券及期貨條例下任何安全港條文的範圍。本集團在向公眾全面披露有關消息前，會確保該消息絕對保密。若本集團認為無法保持所需的機密性，或該消息可能已外洩，會即時向公眾作出披露。本集團亦致力確保公告中所載的資料不得在某事關重要的事實方面屬虛假或具誤導性，或因遺漏某事關重要的事實而屬虛假或具誤導性，使公眾能平等、適時及有效地取得所披露的內幕消息。處理及發佈內幕消息的程序及內部監控措施如下：

## CORPORATE GOVERNANCE REPORT

### 企業管治報告

- the Group conducts its affairs with close regard to the disclosure requirement under the Listing Rules, the Guideline on Disclosure of Inside Information issued by the Securities and Futures Commission and its own policy;
- the Group has implemented and disclosed events or matters on fair disclosure by non-exclusive distribution of information to the public through channels such as financial reporting, public announcements and its website;
- the Group has strictly prohibited unauthorised use of confidential or inside information; and
- the Group has established procedures for responding to external enquiries about the Group's affairs so that only the Executive Directors, Company Secretary and other person duly authorised by the Board are authorised to communicate with parties outside the Group.
- 本集團嚴格按照上市規則項下之披露規定、由證券及期貨事務監察委員會發出的內幕消息披露指引及其本身之政策處理事務；
- 本集團透過財務報告、公告及公司網站等渠道向公眾廣泛及非獨家披露資料，以落實及披露事件或事宜；
- 本集團嚴禁未經授權使用機密或內幕消息；及
- 本集團已就外界查詢之事務訂立及執行回應程序，據此，只有執行董事、公司秘書及已獲董事會正式授權之其他人士獲授權與本集團外部人士溝通。

## AUDITOR'S REMUNERATION AND RESPONSIBILITIES

The Company has appointed PricewaterhouseCoopers as the Auditor of the Group. For the year ended 31 December 2019, PricewaterhouseCoopers charged HK\$1.68 million for audit services. Non-audit services provided to the Group mainly represented interim review and taxation services provided by PricewaterhouseCoopers and its affiliates was HK\$0.57 million in aggregate. The reporting responsibilities of PricewaterhouseCoopers are set out in pages 126 to 128 of this annual report.

There was no disagreement between the Board and the Audit Committee on the selection and appointment of the external auditor during the year ended 31 December 2019.

## 核數師薪酬及責任

本公司已委任羅兵咸永道會計師事務所為本集團核數師。於截至二零一九年十二月三十一日止年度，羅兵咸永道會計師事務所就核數服務收取1,680,000港元。向本集團提供之非核數服務主要指由羅兵咸永道會計師事務所及其關聯事務所提供的中期審閱及稅務服務，費用共計570,000港元。羅兵咸永道會計師事務所之呈報責任載於本年報第126至128頁。

於截至二零一九年十二月三十一日止年度，董事會與審核委員會於甄選及委任外部核數師方面並無意見分歧。



## COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS

The Company considers that effective communication with its shareholders is essential for enhancing investor relations and investors' understanding of the Group's business performance and strategies. The Company also recognises the importance of transparency and timely disclosure of corporate information, which will enable the shareholders and investors to make the best investment decisions.

The disclosure of the Group's information in a reasonable and timely manner by the Board is to facilitate the shareholders as well as the investors to have a better understanding of the business performance, operations and strategies of the Group. The Company's website at [www.trio-ieg.com](http://www.trio-ieg.com) allows the potential and existing investors as well as the public to get access to and acquire the Company's up-to-date corporate and financial information.

Shareholders are provided with contact details of the Company, such as telephone hotline, email address and postal address, in order to enable them to make any query that they may have with respect to the Company.

They can also send their enquiries to the Board through the above means. The contact details of the Company are set out in page 64 of this annual report and the Company's website.

The Board welcomes views of the shareholders and encourages them to attend general meetings to raise any concerns that they may have with the Board or the management directly. Board members and appropriate senior staff of the Group are available at the meetings to answer any questions raised by shareholders.

## 與股東及投資者之溝通

本公司認為與股東有效溝通對促進投資者關係及投資者對本集團業務表現及策略的了解極為重要。本公司亦深明企業資料的透明度及適時披露之重要性，其可令股東及投資者作出最佳投資決定。

董事會合理並適時披露本集團資料，以令股東及投資者對本集團的業務表現、營運及策略有更佳了解。本公司的潛在及現有投資者以及公眾人士可透過本公司網站[www.trio-ieg.com](http://www.trio-ieg.com)取得本公司最新的企業及財務資料。

本公司向股東提供本公司的聯絡資料，例如電話熱線、電郵地址及郵寄地址，以令股東可作出任何與本公司有關之查詢。

股東亦可透過上述方式向董事會發出查詢。本公司的聯絡資料載於本年報第64頁及本公司網址。

董事會歡迎股東提出意見，並鼓勵股東出席股東大會直接向董事會或管理層提出任何關注。董事會成員以及本集團合適的高級職員會於會上回答股東提出的任何疑問。

## PROCEDURES FOR SHAREHOLDERS TO CONVENE GENERAL MEETING

To safeguard shareholders' interests and rights, separate resolutions are proposed at general meetings on each substantial issue, including the election of individual Directors, for shareholders' consideration and voting. Besides, pursuant to article 68(c) of the Articles, the Directors may, whenever they think fit, convene a general meeting, and general meetings shall also be convened on such requisition, or in default, may be convened by such requisitionists, as provided by the Hong Kong Companies Ordinance (Chapter 622, the laws of Hong Kong) (the "Companies Ordinance"). If any time there are not within Hong Kong sufficient Directors capable of acting to form a quorum, any Director or any two or more members of the Company representing at least 10% of the total voting rights of all members having a right to vote at general meetings, may convene a general meeting in the same manner as nearly as possible, as that in which meetings may be convened by the Directors.

Shareholders may send written enquiries to the Company or put forward any enquiries or proposals to the Board. The contact details are as follows:

Board of Directors  
Trio Industrial Electronics Group Limited  
Address: Block J, 5/F, Phase II, Kaiser Estate,  
51 Man Yue Street,  
Hung Hom, Kowloon, Hong Kong  
Telephone hotline: 2765 8787  
Email address: rubywan@trio-ieg.com

To put forward proposals at an AGM or a general meeting, the shareholders shall submit a written notice of those proposals with detailed contact information to the Board/Company Secretary at the Company's registered office.

The request will be verified with the Company's share registrar and upon its confirmation that the request is proper and in order, the Company Secretary will ask the Board to include the proposed resolution in the agenda for the general meeting.

## 股東召開股東大會之程序

為保障股東的利益及權利，於股東大會上均就每項重要事項，包括選舉個別董事提出獨立決議案，以供股東考慮及投票。此外，根據細則第68(c)條，董事可於其認為適當時召開股東大會，並亦須按香港公司條例（香港法例第622章）（「公司條例」）的規定應有關要求召開股東大會，如並無應有關要求召開股東特別大會，則可由請求人召開。如於任何時候在香港並無足夠能執行事務的董事以構成法定人數，則本公司的任何一名董事或任何兩名或以上股東（代表有權於股東大會上投票表決的所有股東的總投票權至少10%），均可以盡可能接近董事可能召開會議的方式召開股東大會。

股東可向本公司發送書面查詢，或向董事會提出任何查詢或建議。聯絡資料如下：

董事會  
致豐工業電子集團有限公司  
地址：香港九龍紅磡民裕街51號凱旋工商中心  
2期5樓J室  
電話熱線：2765 8787  
電郵地址：rubywan@trio-ieg.com

如欲於股東週年大會或股東大會上提呈議案，股東須將該等議案的書面通知連同詳細聯絡資料遞交至本公司的註冊辦事處，註明董事會／公司秘書收。

請求將由本公司的香港股份過戶登記處核實，經確定為恰當及適當後，公司秘書將要求董事會將有關提呈決議案納入股東大會的議程內。

Moreover, the notice period concerning the notice to be given to all the shareholders for consideration of the proposals submitted by the shareholders concerned varies as follows pursuant to article 70 of the Articles and subject to section 578 of the Companies Ordinance.

- (a) for an AGM, it shall be called by notice in writing of at least twenty-one clear days (or such longer period as may be required by the Listing Rules); and
- (b) for a general meeting other than an AGM, it shall be called by notice in writing of least fourteen clear days (or such longer period as may be required by the Listing Rules),

shall be given in the manner mentioned in the Articles to all members, to the Directors and to the Auditors.

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

## CONSTITUTIONAL DOCUMENTS

There is no change on the articles of association of the Company during the year ended 31 December 2019. An up-to-date version of the articles of association of the Company is available on the Company's website and the Stock Exchange's website.

此外，根據細則第70條及在公司條例第578條規限下，就考慮有關股東提呈的議案而向全體股東發出通告之通知期按下文所列而有所不同。

- (a) 倘為股東週年大會，須以不少於二十一個完整日（或上市規則所規定的較長期間）的書面通告召開；及
- (b) 倘為股東週年大會以外的股東大會，可以不少於十四個完整日（或上市規則所規定的較長期間）的書面通告召開，

並應按細則所述方式發送予所有股東、董事及核數師。

為免生疑問，股東必須提交及發送正式簽署的書面請求、通知或聲明之正本，或將查詢（視情況而定）發送至本公司的註冊辦事處，並提供其全名、聯絡資料及身份以令有關文件有效。股東的資料可能按法律要求披露。

## 組織章程文件

截至二零一九年十二月三十一日止年度，本公司的組織章程細則並無變動。本公司組織章程細則的最新版本可在本公司網站及聯交所網站查閱。

## REPORT OF THE DIRECTORS

### 董事會報告

The Board is pleased to present their annual report together with the audited consolidated financial statements of the Group for the year ended 31 December 2019.

#### PRINCIPAL ACTIVITIES

The Company is an investment holding and the activities of its principal subsidiaries are shown on page 198.

#### RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2019 are set out in the consolidated financial statements on pages 129 to 132.

An interim dividend of HK0.8 cent per share (2018: nil) totalling HK\$8,000,000 was paid to the shareholders on 16 October 2019.

The Board has recommended a final dividend of HK0.8 cent per ordinary share of the Company for the year ended 31 December 2019 (2018: final dividend of HK1.8 cents) to the Shareholders. The proposed final dividend, subject to the approval of the Shareholders at the AGM to be held on Friday, 29 May 2020, is expected to be paid on Friday, 3 July 2020 to all Shareholders whose names appear on the register of members of the Company on Monday, 22 June 2020.

No special dividend was paid during the year ended 31 December 2019 (2018: HK0.8 cent per share).

董事會欣然提呈其年度報告連同本集團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。

#### 主要業務

本公司為一間投資控股公司，其主要附屬公司的活動載於第198頁。

#### 業績及撥款

本集團截至二零一九年十二月三十一日止年度之業績載於第129至132頁之綜合財務報表。

於二零一九年十月十六日，向股東派付中期股息每股0.8港仙（二零一八年：無），共計8,000,000港元。

董事會建議向股東派付截至二零一九年十二月三十一日止年度之末期股息每股普通股0.8港仙（二零一八年：末期股息1.8港仙）。於股東在將於二零二零年五月二十九日（星期五）舉行的股東週年大會上批准後，擬派末期股息預期將於二零二零年七月三日（星期五）支付予於二零二零年六月二十二日（星期一）名列本公司股東名冊之所有股東。

截至二零一九年十二月三十一日止年度，概無派付特別股息（二零一八年：每股0.8港仙）。



## CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the AGM to be held on Friday, 29 May 2020, the register of members of the Company will be closed from Monday, 25 May 2020 to Friday, 29 May 2020, both days inclusive, during which no transfer of Shares will be effected. In order to be eligible to attend and vote at the AGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Friday, 22 May 2020.

In order to ascertain the entitlement to the final dividend, the register of members of the Company will be closed from Thursday, 18 June 2020 to Monday, 22 June 2020, both days inclusive. In order to qualify for the final dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 17 June 2020.

## BUSINESS REVIEW

A discussion and analysis of the Group's performance during the year ended 31 December 2019, the key factors affecting its results and financial position, and the information on the compliance with laws and regulations, environmental policy and relationships with stakeholders are set out in the section headed "Management Discussion and Analysis" of this annual report. Furthermore, a fair review of, and an indication of likely future development in the Group's business are set out in the sections headed "Chairman's Statement" of this annual report. Save as disclosed in this annual report, since the end of the year ended 31 December 2019, no important event affecting the Group has occurred.

## 暫停辦理股東登記

為確定出席擬於二零二零年五月二十九日（星期五）舉行的股東週年大會及在會上投票的資格，本公司將於二零二零年五月二十五日（星期一）至二零二零年五月二十九日（星期五）期間（包括首尾兩日）暫停辦理股份過戶登記手續。為符合資格出席股東週年大會及在會上投票，務請於二零二零年五月二十二日（星期五）下午四時三十分前將所有轉讓文件連同有關股票送交本公司的股份過戶登記處卓佳證券登記有限公司，地址為香港皇后大道東183號合和中心54樓。

為確定獲派發末期股息的權利，本公司將於二零二零年六月十八日（星期四）至二零二零年六月二十二日（星期一）期間（包括首尾兩日）暫停辦理股份過戶登記手續。為符合資格享有末期股息，務請於二零二零年六月十七日（星期三）下午四時三十分前將所有轉讓文件連同有關股票送交本公司的股份過戶登記處卓佳證券登記有限公司，地址為香港皇后大道東183號合和中心54樓。

## 業務回顧

對本集團截至二零一九年十二月三十一日止年度表現的討論及分析、影響其業績及財務狀況的主要因素以及有關遵守法例及法規、環境政策及與持份者的關係之資料載於本年報「管理層討論及分析」一節。此外，本集團業務的公平審視以及其可能的未來發展趨向載於本年報「主席報告」一節。除本年報所披露者外，自截至二零一九年十二月三十一日止年度末以來，概無發生影響本集團的重要事件。

## PRINCIPAL RISKS AND UNCERTAINTIES

**The recent outbreak of COVID-19 has caused adverse impact on the Group's sales, raw materials supply and production.**

The crisis brought by COVID-19 has created unprecedented uncertainties to the global economy in 2020. In particular for the EMS industry, the deceleration in manufacturing of core raw materials is causing disruption to the entire supply chain and the product delivery schedules among the electronic manufacturers. In the first quarter of 2020, the Group's production schedules in the PRC were largely affected by the extended Lunar New Year holidays and transport disruptions.

The Group's existing customers stay prudent on project developments and slow down their orders. Potential customers are also vigilant on new projects and new orders. If the virus outbreak is not under control in the near future, it is yet unpredictable the extent of the impact on the Group's business in the medium and long term.

**The five largest customers accounted for more than 70.0% of the total revenue. Any loss of the major customers or any request for price reduction may materially and adversely affect our business performance and financial condition.**

Since (i) the Group does not enter into long-term sale and purchase agreements with the customers and does not have long-term purchase commitment from them; and (ii) the Group is not their exclusive supplier, there is no assurance that the five largest customers will continue to purchase the products at current levels or at all in the future. If the prices of the products are not as competitive as those set by the competitors for comparable products or if the quality of the products does not meet the customers' expectations or requirements, the customers may reduce their purchase volume or may not make purchases from the Group. If any of the five largest customers significantly reduces its purchase volume or ceases to place purchase orders with the Group, and the Group is unable to identify new customers, the business performance, results of operations and financial condition may be materially and adversely affected.

## 主要風險及不確定因素

近期爆發COVID-19對本集團銷售、原材料供應及生產造成不利影響。

二零二零年COVID-19引致的危機為全球經濟帶來前所未有的不明朗因素。特別是就電子製造服務行業而言，核心原材料製造減緩正擾亂全供應鏈及電子製造商的产品交付計劃。於二零二零年第一季度，本集團於中國的生產計劃很大程度上受到延長的農曆新年假期及交通中斷的影響。

本集團現有客戶對項目開發保持審慎並減緩其訂單。潛在客戶亦對新項目及新訂單保持警惕。倘病毒爆發無法於近期得到控制，尚不能預測其對本集團業務的中長期影響。

五大客戶佔總收益的70.0%以上。主要客戶的任何損失或任何下調價格的要求，或會對我們的業務表現及財務狀況造成重大不利影響。

由於(i)本集團並無與客戶訂立長期買賣協議且本集團並無取得彼等的長期採購承諾；及(ii)本集團並非他們的獨家供應商，故不能保證五大客戶日後將繼續按現時水平採購或確會採購產品。倘產品價格無法較競爭對手就同類產品所定的價格相宜或倘產品質素未能符合客戶的期望或要求，客戶或會減少採購量或可能不會向本集團下訂單。倘任何五大客戶大幅減少彼等採購量或終止向本集團下採購訂單，且本集團無法物色新客戶，本集團的業務表現、營運業績及財務狀況或會受到重大及不利影響。

In addition, there is no assurance that the major customers will not negotiate for a reduction in the price of the products in the future. In order to maintain business relationships with them, the Group may have to offer a more competitive price to them. If the Group is unable to reduce the production cost accordingly in order to maintain the profit margins, the profitability, results of operations and financial condition may be materially and adversely affected.

**Fluctuations in the prices of raw materials may affect the cost of sales and adversely affect our business operations and profitability.**

The major raw materials include integrated circuits, metal parts, plastic parts, printed circuit board components, capacitors, connectors, transistors, cables and cores. The prices of the raw materials generally follow their respective price trends in the market and vary with industry conditions and market supply and demand.

Since the Group does not enter into long-term supply contracts with the suppliers, there is no assurance that the suppliers will not significantly increase the prices of raw materials in the future, in particular when the market prices of or the market demand for such raw materials increase. There is also no assurance that the Group will be able to pass the increase in the costs of raw materials to the customers in a timely manner or at all to avoid adverse impacts on the profitability. If, in the event of material fluctuations in raw material prices, the customers do not agree to a price adjustment or the Group cannot pass the increase in the cost of raw materials to them in a timely manner or at all, the profitability, financial condition and results of operations may be materially and adversely affected.

**Any slowdown of the industrial electronics industry may materially and adversely affect our results of operations, financial condition and business prospects.**

As an EMS provider specialising in the manufacturing and sales of customised industrial electronic components and products, our business performance depends, to a large extent, on the performance and condition of the industrial electronics industry.

此外，概不保證主要客戶日後不會就調低產品價格進行磋商。為維持與彼等的業務關係，本集團可能要向彼等提供更具競爭力的價格。倘本集團無法相應地減低生產成本，以維持利潤率，則本集團的盈利能力、經營業績及財務狀況可能會受到重大不利影響。

原材料價格波動或會對銷售成本造成影響及對業務營運及盈利能力造成不利影響。

主要原材料包括集成電路、金屬部件、塑膠部件、印刷電路板零件、電容器、連接器、晶體管、纜線及核心。原材料的價格一般跟隨各自於市場的價格趨勢，並按行業狀況以及市場供求而變化。

由於本集團並無與供應商訂立長期供應合約，故不能保證供應商日後不會大幅提高原材料價格，特別是有關原材料的市價或市場需求上升時。概不保證本集團能適時將原材料成本上漲轉嫁予客戶或確能將之轉嫁予客戶，以避免對盈利能力造成不利影響。倘原材料價格出現重大波動，客戶不同意價格有所調整或本集團未能適時將原材料成本上漲轉嫁予客戶或根本不能將之轉嫁予客戶，則本集團的盈利能力、財務狀況及經營業績或會受到重大不利影響。

工業電子行業的任何放緩或會對本集團的經營業績、財務狀況及業務前景造成重大不利影響。

作為專門製造及銷售定制工業電子零件及產品的電子製造服務供應商，本集團的業務表現很大程度上取決於工業電子行業的表現及狀況。



## REPORT OF THE DIRECTORS

### 董事會報告

The industrial electronics industry may experience slowdown or downturn due to market or industry conditions, global economic environment or other factors beyond control. Any decrease in the demand for industrial electronics equipment such as renewable energy facilities, telecommunications equipment, commercial freight equipment, medical devices and security systems may reduce the demand for our OEM products. In such circumstances, the sales may decline and the results of operations, financial condition and business prospects may be materially and adversely affected.

#### **The Group is exposed to foreign exchange risks.**

The major functional currency is US\$, while some of the business transactions and the cost of sales are denominated HK\$, EUR and RMB. The Group is exposed to foreign currency risks as a result of sales and purchases that are denominated in a currency other than US\$. Any significant changes in the exchange rate between US\$ and other currencies may result in substantial loss for the Group and the financial condition and results of operations may be materially and adversely affected.

#### **Failure to retain the services of key personnel may adversely affect the results of operations.**

The success to date has largely been attributable to the contributions, commitment and experience of the management team and key employees, in particular their familiarity with the business operations and their experience and expertise in the industrial EMS industry. Some of our Executive Directors have more than 30 years of experience in the electronics industry. In particular, Mr. Tai Leung Lam and Mr. Joseph Mac Carthy, the Executive Directors, have more than 45 and 20 years of experience in the electronics industry, respectively. The continued success is dependent on the ability to retain the services of members of the senior management and key employees who possess the necessary experience and expertise in the industrial EMS industry. If there is any significant or material change to the composition of the key management team, the Group may not be able to recruit experienced or qualified personnel in a timely manner or at all, and may need to incur additional costs and resources in the recruitment and training of the new staff members. In addition, if the Group loses the key management personnel or employees to the competitors, the competitiveness, business performance, results of operations as well as business prospects may be materially and adversely affected.

工業電子行業或會因市場或行業狀況、全球經濟環境或其他不能控制的因素而經歷放緩或衰退。任何工業電子設備如可再生能源設施、通訊設備、商業貨運設備、醫療器材及保安系統的需求減少，或會減低對本集團原始設備製造商產品的需求。在此情況下，銷售量或會下降，而本集團的經營業績、財務狀況及業務前景可能受到重大不利影響。

#### **本集團須承受匯兌風險。**

本集團的主要功能貨幣為美元，而若干業務交易及銷售成本則以港元、歐元及人民幣計值。本集團須承受以美元以外貨幣計值的銷售及採購產生的匯兌風險。美元兌其他貨幣之匯率任何重大變動或會導致本集團出現重大虧損，而本集團的財務狀況及經營業績可能受到重大不利影響。

#### **未能留聘主要人員繼續為本集團效力或會對經營業績構成不利影響。**

本集團至今取得的成功很大程度歸功於管理團隊及主要僱員的貢獻、承擔及經驗，特別是彼等對業務營運的熟悉程度及在工業電子製造服務行業的經驗及專長。本集團的部分執行董事在電子行業有逾30年經驗。尤其是，執行董事戴良林先生及Joseph Mac Carthy先生在電子行業分別有超過45年及20年經驗。本集團持續成功取決於留聘高級管理層成員及主要僱員繼續為我們效力的能力，這些人員擁有工業電子製造服務行業必需的經驗及專長。倘主要管理團隊組成有任何重大或重要變動，本集團或未能適時或未能聘用到具有經驗或合資格的人員及在招聘及培訓新員工方面或需額外成本及資源。此外，倘本集團的主要管理人員或僱員轉投競爭對手，則本集團的競爭力、業務表現、經營業績及業務前景或會受到重大不利影響。



**There is no assurance that the business strategies and future plans will be successfully implemented.**

The successful implementation of the business strategies and future plans will depend on various factors, including but not limited to the ability to (i) retain the major customers; (ii) enhance the production efficiency; (iii) retain the existing workforce and recruit new staff members at a rate that is consistent with the business growth; (iv) raise additional funds to support the business expansion; and (v) explore new business opportunities. There is no assurance that the Group will be able to successfully implement the business strategies or future plans. Even if the business strategies or future plans are implemented, there is no assurance that they will increase the market share or enhance the market position. The results of operations and financial position may be materially and adversely affected if the business strategies or future plans are not successfully implemented.

## FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the last five financial years is set out on page 232 of this annual report. This summary does not form part of the consolidated financial statements.

## SUBSIDIARIES

Details (including the principal activities) of the Company's subsidiaries as at 31 December 2019 are set out in note 16 to the consolidated financial statements.

## PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group during the year ended 31 December 2019 are set out in note 14 to the consolidated financial statements.

## CHARITABLE DONATIONS

Charitable and other donations made by the Group during the year ended 31 December 2019 amounted to HK\$53,000 (2018: HK\$68,000).

## DISTRIBUTABLE RESERVES OF THE COMPANY

As at 31 December 2019, the Company's distributable reserves available for distribution is HK\$16,550,000 (2018: HK\$23,641,000).

概不保證業務策略及未來計劃將會成功落實。

業務策略及未來計劃的成功落實將取決於一系列因素，包括但不限於能否(i)保留主要客戶；(ii)提高生產效能；(iii)保留現有的勞動力及按照與業務增長一致的速率招聘新員工；(iv)籌集額外資金以支持業務擴展；及(v)探索新業務機遇。概不保證本集團能夠成功落實我們的業務策略或未來計劃。縱使業務策略或未來計劃能得以落實，概不保證其可增加市場佔有率或加強市場地位。倘業務策略或未來計劃未能成功落實，則本集團的經營業績及財務狀況或會受到重大不利影響。

## 財務概要

本集團過去五個財政年度的業績、資產及負債概要載於本年報第232頁。此概要並不構成綜合財務報表的一部分。

## 附屬公司

本公司附屬公司於二零一九年十二月三十一日之詳情(包括主要業務)載於綜合財務報表附註16。

## 物業、廠房及設備

本集團於截至二零一九年十二月三十一日止年度之物業、廠房及設備變動詳情載於綜合財務報表附註14。

## 慈善捐款

本集團於截至二零一九年十二月三十一日止年度作出的慈善及其他捐款為53,000港元(二零一八年：68,000港元)。

## 本公司可分派儲備

於二零一九年十二月三十一日，本公司的可供分派儲備為16,550,000港元(二零一八年：23,641,000港元)。

## REPORT OF THE DIRECTORS

### 董事會報告

## PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles which would oblige the Company to offer new shares on a pro rata basis to existing shareholders unless otherwise required by the Stock Exchange.

## SHARE CAPITAL

Details of the movements in share capital of the Company are set out in note 24 to the consolidated financial statements.

## DIRECTORS

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

### Executive Directors

#### 執行董事

Lai Yiu Wah (Chairman of the Board)

黎耀華 (董事會主席)

Tai Leung Lam (Chief Executive Officer)

戴良林 (行政總裁)

Joseph Mac Carthy

Joseph Mac Carthy

Georges René Gener

(resigned with effect from 15 February 2020)

Georges René Gener

(自二零二零年二月十五日起辭任)

### Independent non-executive Directors

#### 獨立非執行董事

Fung Chun Chung

馮鎮中

Cheung Kin Wing

張建榮

Wong Raymond Fook Lam

黃福霖

The Company had received the resignation letter from Mr. Georges René Gener confirming that he had no disagreement with the Board and there was nothing relating to the affairs of the Company which needed the attention of the Shareholders of Company.

Pursuant to article 120(a) of the Articles, subject to article 120(e), at each AGM, one-third of the Directors (excluding those Director(s) who are not subject to the rotation requirement under the Articles) or, if their number is not three or a multiple of three the number which is nearest to and is at least one-third, shall retire from office by rotation. A retiring Director shall be eligible for re-election.

## 優先購買權

除聯交所另有規定外，細則並無訂有任何有關優先購買權的規定，要求本公司須按比例向現有股東提呈發售新股。

## 股本

本公司的股本變動詳情載於綜合財務報表附註24。

## 董事

本公司於本年度及直至本年報日期之董事名列如下：

本公司已收到Georges René Gener先生辭任董事的辭職函，確認其與董事會並無意見不合，且並無與本公司事務有關的事情須提請本公司股東垂注。

根據細則第120(a)條，除細則第120(e)條另有規定外，於每屆股東週年大會上，三分之一的董事（不包括不受細則下輪席退任規定所規限的該等董事），或如董事的人數並非三或三的倍數，則最接近但不少於三分之一人數的董事須輪席退任。退任董事有資格膺選連任。

Pursuant to article 120(e) of the Articles, any Director who holds the position as an Executive Director shall not be subject to the retirement-rotation requirement of the Article.

Pursuant to A.4.2 of the CG Code, all directors (no matter executive or independent non-executive directors) including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. Mr. Tai Leung Lam and Mr. Cheung Kin Wing will retire pursuant to article 120(a) of the Articles. All the retiring Directors, being eligible, offer themselves for re-election as Directors at the forthcoming AGM.

## DIRECTORS OF SUBSIDIARIES

The name of Directors who have served on the boards of the subsidiaries of the Company during the year and up to the date of this annual report are set out below:

Lai Yiu Wah  
 Tai Leung Lam  
 Joseph Mac Carthy  
 John Anthony Tiernan  
 Lai Sek Piu  
 Lo Ka Kei Jun  
 David Mac Carthy  
 Georges René Gener\*

\* Resigned as a director of subsidiary as at the date of this annual report.

根據細則第120(e)條，任何擔任執行董事職位的董事毋須受細則的輪席退任規定所規限。

根據企業管治守則第A.4.2條，所有董事（不論執行或獨立非執行董事）（包括按特定任期委任的董事）應最少每三年輪席退任一次。戴良林先生及張建榮先生將根據細則第120(a)條退任。所有退任董事均符合資格並願意於應屆股東週年大會上膺選連任董事。

## 附屬公司的董事

於年內及直至本年報日期，出任本公司附屬公司董事會的董事名單如下：

黎耀華  
 戴良林  
 Joseph Mac Carthy  
 John Anthony Tiernan  
 黎錫標  
 羅嘉祺  
 David Mac Carthy  
 Georges René Gener\*

\* 於本年報日期已辭任附屬公司董事。

## REPORT OF THE DIRECTORS

### 董事會報告

## CONFIRMATION OF INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received from each of the Independent Non-executive Directors an annual written confirmation of independence pursuant to Rule 3.13 of the Listing Rules as at the date of this annual report and considers all the Independent Non-executive Directors are independent.

## BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

Biographical details of the Directors and the senior management of the Group are set out on pages 14 to 23 of this annual report.

## DIRECTORS' SERVICE CONTRACTS

Three Executive Directors have each signed a service contract with the Company for an initial term of three years commencing from 10 February 2017 (subject to termination in certain circumstances as stipulated in the relevant service agreement). The said service contracts have been renewed for a term of three years commencing from 1 February 2020. Mr. Georges René Gener has signed a service contract with the Company for a term of not more than three years commencing on 2 November 2018 and expiring at the conclusion of an AGM to be held in the third year following the year of his appointment.

Each of the Independent Non-executive Directors has signed a service contract with the Company for an initial term of three years, commencing from 1 February 2017 (subject to termination in certain circumstances as stipulated in the relevant service contract). The said service contracts have been renewed for a term of three years commencing from 1 February 2020.

None of the Directors proposed for election at the forthcoming AGM has entered into any service contract or letter of appointment with any member of the Group which is not determinable by any member of the Group within one year without payment of compensation other than statutory compensation.

## 獨立非執行董事之獨立性確認

於本年報日期，本公司已接獲各獨立非執行董事根據上市規則第3.13條所發出有關其獨立性之年度書面確認，且認為全體獨立非執行董事均屬獨立。

## 董事及高級管理層履歷

董事及本集團高級管理層的履歷詳情載於本年報第14至23頁。

## 董事服務合約

三名執行董事各自與本公司簽訂服務合約，由二零一七年二月十日起初步為期三年（可於相關服務合約所訂明的若干情況下終止）。有關服務合約已經更新由二零二零年二月一日起為期三年。Georges René Gener先生與本公司簽訂為期不超過三年的服務合約，自二零一八年十一月二日起計，任期至其獲委任後將第三年舉行的股東週年大會結束時屆滿。

各獨立非執行董事已與本公司簽訂服務合約，由二零一七年二月一日起初步為期三年（可於相關服務合約所訂明的若干情況下終止）。有關服務合約已經更新由二零二零年二月一日起為期三年。

於應屆股東週年大會建議膺選的董事並無與本集團任何成員公司訂立任何不可由本集團任何成員公司於一年內終止而毋須補償（法定補償除外）的服務合約或委任書。



## TRANSACTIONS, ARRANGEMENTS AND CONTRACTS OF SIGNIFICANCE

No transactions, arrangements and contracts of significance in relation to the business of the Group to which the Company, or its holding company, or any of its subsidiaries was a party and in which a director or a connected entity of a director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year, nor was there any transaction, arrangements or contract of significance for the provision of services to the Company or any of its subsidiaries by a controlling shareholder (as defined in the Listing Rules) or any of its subsidiaries for the year. There was also no contract of significance between the Company or one of the subsidiaries and the controlling shareholders or any of its subsidiaries.

## MANAGEMENT CONTRACT

No contract concerning the management and administration of the whole or any substantial part of the business of the Company or its subsidiaries were entered into or existed during the year ended 31 December 2019.

## DIRECTORS' EMOLUMENTS

Details of the remuneration of the Directors on a named basis during the year ended 31 December 2019 are set out in note 9 to the consolidated financial statements.

## 重大交易、安排及合約

概無由本公司或其控股公司或其任何附屬公司訂立，而董事或董事的關連實體於其中直接或間接擁有重大利益之有關本集團業務的重大交易、安排及合約於年末或年內任何時間存續，而年內亦概無有關控股股東（定義見上市規則）或其任何附屬公司為本公司或其任何附屬公司提供服務的任何重大交易、安排或合約。本公司或任何一間附屬公司與控股股東或其任何附屬公司之間亦概無重大合約。

## 管理合約

於截至二零一九年十二月三十一日止年度內，概無訂立或存在有關本公司或其附屬公司的所有或任何重大部分業務之管理及行政合約。

## 董事酬金

截至二零一九年十二月三十一日止年度內董事薪酬詳情按記名方式載於綜合財務報表附註9。

## REPORT OF THE DIRECTORS

### 董事會報告

## REMUNERATION POLICY

Under the remuneration policy of the Company, the Remuneration Committee will consider factors such as salaries paid by comparable companies, time commitment, responsibilities and performance of the Directors and senior management, as the case may be, in assessing the amount of remuneration payable to the Directors and members of the senior management. The Remuneration Committee will periodically review the compensation levels of the key executives. Based on the performance and the executives' respective contribution to the Group, the Remuneration Committee may, within the aggregate remuneration amount having been approved in a Shareholders' meeting, make recommendations to our Board as to salary increases or payment of discretionary bonuses.

The Group's employee benefit expenses mainly included salaries, overtime payment and discretionary bonus, share options, other staff benefits and contributions to retirement schemes.

Remuneration is determined with reference to the qualification, experience and work performance, whereas the payment of discretionary bonus is generally subject to work performance, the financial performance of the Group in that particular year and general market conditions.

## PERMITTED INDEMNITY PROVISION

Appropriate insurance covers on directors' and officers' liabilities have been in force to protect the Directors and officers of the Group from their risk exposure arising from conducting the business of the Group.

Pursuant to the Articles and subject to the provisions of the Companies Ordinance, the Directors shall be indemnified out of the assets of the Company against any liability, loss or expenditure incurred by him in defending any proceedings, whether civil or criminal, which relate to anything done or omitted to be done or alleged to have been done or omitted to be done by him as a Director.

## 薪酬政策

根據本公司的薪酬政策，薪酬委員會將考慮可比較公司所支付薪金、董事及高級管理層（視乎情況而定）所付出時間、職責及表現，以評定應付董事及高級管理層成員的酬金。薪酬委員會將定期審閱主要行政人員的薪酬水平。根據本集團表現及行政人員各自對本集團所作貢獻，薪酬委員會可就加薪或支付酌情花紅向董事會提出推薦建議，惟以本公司股東大會批准的薪酬總額為限。

本集團的僱員福利開支主要包括薪金、加班工資及酌情花紅、購股權、其他僱員福利及退休計劃供款。

薪酬乃按僱員的資歷、經驗及工作表現釐定，而酌情花紅一般視乎工作表現、本集團於特定年度的財務業績及整體市場狀況而釐定。

## 獲准許的彌償

本公司已為董事及高級職員的責任投購適當之保險，以保障本集團董事及高級職員免於進行本集團業務所帶來的風險。

根據細則及在公司條例的條文規限下，倘董事作出或遺漏任何事宜或被指稱其作為董事作出或遺漏任何事宜，則本公司將使用其資產彌償任何對有關指控的民事或刑事法律程序提出抗辯時產生的法律責任、損失或開支。

## DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY OTHER ASSOCIATED CORPORATIONS

As at 31 December 2019, the interests and short positions of the Directors and the chief executive of the Company in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) (i) as recorded in the register required to be kept pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (ii) as required to be notified to the Company and the Stock Exchange pursuant to Model Code contained in Appendix 10 to the Listing Rules, were as follows:

董事及主要行政人員於本公司或任何其他相關法團之股份、相關股份及債權證的權益及淡倉

於二零一九年十二月三十一日，董事及本公司主要行政人員於本公司或其相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份或債權證中擁有(i)須記錄於根據證券及期貨條例第352條規定須存置於該條所述登記冊的權益及淡倉；或(ii)根據上市規則附錄十所載標準守則須知會本公司及聯交所的權益及淡倉如下：

Name of Directors	Nature of interest	Number of Shares held in Long Position	Number of Underlying Shares held	Total	Percentage of shareholding in the Company's issued share capital (Note 3)
董事姓名	權益性質	所持好倉的股份數目	所持相關股份數目	合共	佔本公司已發行股本之股權百分比(附註3)
Lai Yiu Wah ("Mr. Lai") 黎耀華 ([黎先生])	Interest in controlled corporations 於受控法團的權益	700,000,000 (Note 1) (附註1)	–	732,000,000	73.20%
	Beneficial owner 實益擁有人	25,000,000	7,000,000 (Note 2) (附註2)		
Tai Leung Lam ("Mr. Tai") 戴良林 ([戴先生])	Interest in controlled corporations 於受控法團的權益	700,000,000 (Note 1) (附註1)	–	707,000,000	70.70%
	Beneficial owner 實益擁有人	–	7,000,000 (Note 2) (附註2)		
Joseph Mac Carthy ("Mr. Mac Carthy")	Beneficiary of a trust 信託受益人	700,000,000 (Note 1) (附註1)	–	706,000,000	70.60%
Joseph Mac Carthy ([Mac Carthy先生])	Beneficial owner 實益擁有人	–	6,000,000 (Note 2) (附註2)		
Georges René Gener (Note 4)	Beneficial owner 實益擁有人	25,000,000	–	25,000,000	2.50%
Georges René Gener (附註4)					

## REPORT OF THE DIRECTORS

### 董事會報告

#### Notes:

- (1) These Shares are held by Trio Industrial Electronics Holding Limited (“**Trio Holding**”). Trio Holding was owned as to 32.5%, 32.5%, 17.5% and 17.5% by Nawk Investment Inc. (“**Nawk Investment**”), LLT Investment Inc. (“**LLT Investment**”), Proactive Investment Inc. (“**Proactive Investment**”) and Grand Energy Investment Limited (“**Grand Energy**”), respectively. Nawk Investment, LLT Investment and Proactive Investment were directly and wholly owned by Mr. Kwan Tak Sum Stanley (“**Mr. Kwan**”), Mr. Tai and Mr. Lai, respectively. Grand Energy was directly and wholly owned by King Fung Nominees Limited (“**King Fung Nominees**”) on trust for Mr. Mac Carthy. Because of their interests in Trio Holding, Mr. Kwan, Mr. Tai, Mr. Lai and Mr. Mac Carthy, Nawk Investment, LLT Investment, Proactive Investment, Grand Energy and King Fung Nominees are regarded as the controlling shareholders and together be entitled to exercise and control 70.0% of the issued share capital of the Company as at 31 December 2019.
- (2) These interests represented the underlying Shares comprised in the share options granted by the Company on 28 December 2017.
- (3) The approximate percentages were calculated based on 1,000,000,000 shares in issue as at 31 December 2019.
- (4) Mr. Georges René Gener has resigned as director with effect from 15 February 2020.

Save as disclosed above, as at 31 December 2019, none of the Directors nor chief executive of the Company has registered an interests and short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (ii) which were required to be notified to the Company and the Stock Exchange pursuant to Model Code.

## DIRECTORS' RIGHT TO ACQUIRE SHARES

Save as disclosed under the paragraphs headed “Directors’ and Chief Executive’s Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company or any other Associated Corporations” above, at no time during the year were any rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or the chief executive of the Company or any of their respective spouses or minor children, or were any such rights exercised by them; or was the Company, its holding company, or any of its subsidiaries and fellow subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

#### 附註：

- (1) 該等股份由致豐工業電子控股有限公司（「致豐控股」）持有。致豐控股由Nawk Investment Inc.（「Nawk Investment」）、LLT Investment Inc.（「LLT Investment」）、Proactive Investment Inc.（「Proactive Investment」）及Grand Energy Investment Limited（「Grand Energy」）分別擁有32.5%、32.5%、17.5%及17.5%。Nawk Investment、LLT Investment及Proactive Investment分別由關德深先生（「關先生」）、戴先生及黎先生直接全資擁有。Grand Energy由King Fung Nominees Limited（「King Fung Nominees」）以信託形式為Mac Carthy先生直接及全資擁有。由於關先生、戴先生、黎先生及Mac Carthy先生、Nawk Investment、LLT Investment、Proactive Investment、Grand Energy及King Fung Nominees於致豐控股之權益，於二零一九年十二月三十一日，彼等將被視作控股股東，且一起有權行使及控制本公司已發行股本的70.0%。
- (2) 該等權益指本公司於二零一七年十二月二十八日授出的購股權所包含的相關股份總數。
- (3) 概約百分比乃根據二零一九年十二月三十一日的1,000,000,000股已發行股份計算。
- (4) Georges René Gener先生自二零二零年二月十五日起已辭任董事一職。

除上文所披露者外，於二零一九年十二月三十一日，概無董事及本公司主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份或債權證中登記擁有(i)根據證券及期貨條例第352條須記錄於該條所述登記冊的權益及淡倉；或(ii)根據標準守則須知會本公司及聯交所的權益及淡倉。

## 董事購入股份之權利

除於上文「董事及主要行政人員於本公司或任何其他相聯法團之股份、相關股份及債權證的權益及淡倉」各段所披露者外，於年內任何時間，概無任何董事或本公司主要行政人員或任何彼等各自的配偶或未成子女獲授可透過購入本公司股份或債權證而取得利益之任何權利，或彼等並無行使任何該等權利；或本公司、其控股公司或其任何附屬公司及同系附屬公司並無訂立任何安排，以致董事可購入任何其他法人團體的有關權利。



## SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY SPECIFIED UNDERTAKING OF THE COMPANY OR ANY OTHER ASSOCIATED CORPORATIONS

So far as the Directors are aware, as at 31 December 2019, the following persons (not being Directors or chief executive of the Company) had or were deemed or taken to have an interest or short position in the Shares or the underlying Shares of the Company as recorded in the register required to be kept under Section 336 of the SFO:

主要股東於本公司股份、相關股份及債權證或本公司或任何其他相聯法團之任何指明事務的權益及淡倉

就董事所知，於二零一九年十二月三十一日，下列人士（並非董事或本公司主要行政人員）於本公司的股份或相關股份中擁有或被視為或當作擁有記錄於根據證券及期貨條例第336條須予存置的登記冊內的權益或淡倉：

Name of shareholders	Nature of interests	Number of Shares held	Percentage of shareholding in the Company's issued share capital (Note 3) 佔本公司已發行股本之股權百分比 (附註3)
股東名稱	權益性質	所持股份數目	
Kwan Tak Sum Stanley 關德深	Interest in a controlled corporation 於受控法團的權益	700,000,000 (Note 1) (附註1)	70.0%
Grand Energy Grand Energy	Interest in a controlled corporation 於受控法團的權益	700,000,000 (Note 1) (附註1)	70.0%
Trio Holding 致豐控股	Beneficial owner 實益擁有人	700,000,000 (Note 1) (附註1)	70.0%
Nawk Investment Nawk Investment	Interest in a controlled corporation 於受控法團的權益	700,000,000 (Note 1) (附註1)	70.0%
LLT Investment LLT Investment	Interest in a controlled corporation 於受控法團的權益	700,000,000 (Note 1) (附註1)	70.0%
Proactive Investment Proactive Investment	Interest in a controlled corporation 於受控法團的權益	700,000,000 (Note 1) (附註1)	70.0%
King Fung Nominees	Trustee; interest in a controlled corporation 受託人；於受控法團的權益	700,000,000 (Note 1) (附註1)	70.0%
King Fung Nominees	受託人；於受控法團的權益	(附註1)	
RUAN David Ching Chi	Interest of controlled corporation 受控法團的權益	93,192,000 (Note 2) (附註2)	9.32%
RUAN David Ching Chi	受控法團的權益	(附註2)	
RAYS Capital Partners Limited	Investment manager 投資經理	93,192,000 (Note 2) (附註2)	9.32%
Asian Equity Special Opportunities Portfolio Master Fund Limited	Beneficial owner 實益擁有人	80,848,000	8.08%
Asian Equity Special Opportunities Portfolio Master Fund Limited	實益擁有人		

## REPORT OF THE DIRECTORS

### 董事會報告

#### Note:

- (1) These shares are held by Trio Holding. Trio Holding was owned as to 32.5%, 32.5%, 17.5% and 17.5% by Nawk Investment, LLT Investment, Proactive Investment and Grand Energy, respectively. Nawk Investment, LLT Investment and Proactive Investment were directly and wholly owned by Mr. Kwan Tak Sum Stanley, Mr. Tai Leung Lam and Mr. Lai Yiu Wah, respectively. Grand Energy was directly and wholly owned by King Fung Nominees on trust for Mr. Joseph Mac Carthy. Because of their interests in Trio Holding, Mr. Kwan Tak Sum Stanley, Mr. Tai Leung Lam, Mr. Lai Yiu Wah and Mr. Joseph Mac Carthy, Nawk Investment, LLT Investment, Proactive Investment, Grand Energy and King Fung Nominees are regarded as the controlling shareholders and together be entitled to exercise and control 70.0% of the issued share of the Company as at 31 December 2019.
- (2) Accordingly to the information available on the website of the Stock Exchange, Asian Equity Special Opportunities Portfolio Master Fund Limited is owned as to 100% by RAYS Capital Partners Limited, which in turn is owned as to 95.24% by Mr. Ruan David Ching Chi.
- (3) The approximate percentages were calculated based on 1,000,000,000 shares in issue as at 31 December 2019.

Save as disclosed above, as at 31 December 2019, the Directors were not aware of any other persons who had any interests or short positions in the Shares or underlying Shares of the Company which would be recorded in the register required to be kept under Section 336 of the SFO.

### SHAREHOLDERS' INTERESTS IN SECURITIES OF SIGNIFICANCE

Other than the interests disclosed above in respect of the substantial shareholders, as at 31 December 2019, no other person is individually or collectively entitled to exercise or control the exercise of 5% or more of the voting power at the general meetings of the Company and are able, as a practicable manner, to direct or influence the management of the Company.

#### 附註：

- (1) 該等股份由致豐控股持有。致豐控股由Nawk Investment、LLT Investment、Proactive Investment及Grand Energy分別擁有32.5%、32.5%、17.5%及17.5%。Nawk Investment、LLT Investment及Proactive Investment分別由關德深先生、戴良林先生及黎耀華先生直接全資擁有。Grand Energy由King Fung Nominees以信託形式為Joseph Mac Carthy先生直接及全資擁有。由於關德深先生、戴良林先生、黎耀華先生及Joseph Mac Carthy先生、Nawk Investment、LLT Investment、Proactive Investment、Grand Energy及King Fung Nominees於致豐控股之權益，於二零一九年十二月三十一日，彼等將被視作控股股東，且一起有權行使及控制本公司已發行股份的70.0%。
- (2) 根據在聯交所網站可供查閱的資料，Asian Equity Special Opportunities Portfolio Master Fund Limited由RAYS Capital Partners Limited擁有100%，而後者由Ruan David Ching Chi先生擁有95.24%。
- (3) 概約百分比乃根據二零一九年十二月三十一日的1,000,000,000股已發行股份計算。

除上文所披露者外，於二零一九年十二月三十一日，董事並不知悉任何其他人士於本公司股份或相關股份中擁有將記錄於根據證券及期貨條例第336條須予存置的登記冊內的任何權益或淡倉。

### 股東於大多數證券之權益

除上文所披露有關主要股東的權益外，於二零一九年十二月三十一日，概無其他人士個別或共同地有權於本公司股東大會上行使或控制行使5%或以上投票權，而能以切實可行的方式指示或影響本公司的管理。

## MAJOR CUSTOMERS AND SUPPLIERS

The percentage of sales for the year ended 31 December 2019 generated from the Group's major customers is as follows:

– The largest customer	32.1%
– Five largest customers	73.2%

The percentage of suppliers for the year ended 31 December 2019 attributable to the Group's major suppliers is as follows:

– The largest supplier	7.1%
– Five largest suppliers	20.4%

None of the Directors, their close associates (as defined in the Listing Rules) nor any shareholder (which to the knowledge of the Directors, owns more than 5% of the Company's share capital) had any beneficial interest in any of the Group's five largest customers or its five largest suppliers for the year ended 31 December 2019.

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2019.

## DIRECTOR'S SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding Director's securities transactions on terms no less exacting than the Model Code. Having been made a specific enquiry by the Company, all Directors confirmed that they had complied with the required standard of dealings and code of conduct regarding securities transactions throughout the year ended 31 December 2019 and up to the date of this annual report.

## COMPETING INTERESTS

During the year ended 31 December 2019 and up to the date of this annual report, none of the Directors nor the controlling shareholders nor substantial shareholders (as defined in the Listing Rules) of the Company or their respective close associates (as defined in the Listing Rules) were considered to have any interests in a business which competed or was likely to compete, either directly or indirectly, with the business of the Group and/or caused, or was likely to cause any other conflicts of interest with the Group.

## 主要客戶及供應商

截至二零一九年十二月三十一日止年度來自本集團主要客戶之銷售額百分比如下：

– 最大客戶%	32.1%
– 五大客戶%	73.2%

截至二零一九年十二月三十一日止年度歸屬於本集團主要供應商之供應商百分比如下：

– 最大供應商%	7.1%
– 五大供應商%	20.4%

概無董事、彼等的緊密聯繫人（定義見上市規則）或任何股東（就董事所知擁有本公司超過5%股本者）於本集團於截至二零一九年十二月三十一日止年度的任何五大客戶或其五大供應商中擁有任何實益權益。

## 購買、出售或贖回本公司上市證券

本公司或其任何附屬公司於截至二零一九年十二月三十一日止年度並無購買、出售或贖回本公司的任何上市證券。

## 董事進行證券交易

本公司已採納有關董事進行證券交易的行為守則，其條款不較標準守則寬鬆。經本公司具體查詢後，全體董事確認彼等於截至二零一九年十二月三十一日止整個年度及直至本年報日期一直遵守有關證券交易的規定交易標準及行為守則。

## 競爭權益

於截至二零一九年十二月三十一日止年度及直至本年報日期，董事或本公司控股股東或主要股東（定義見上市規則）或彼等各自的緊密聯繫人（定義見上市規則）概無被視為於與本集團業務直接或間接構成競爭或可能構成競爭的業務中擁有任何權益，及／或致使或可能致使與本集團有任何其他利益衝突。

## NON-COMPETITION UNDERTAKING

The Company confirms that the deed of non-competition of each of Trio Holding, Nawk Investment, LLT Investment, Proactive Investment, King Fung Nominees, Grand Energy, Mr. Kwan Tak Sum Stanley, Mr. Tai Leung Lam, Mr. Lai Yiu Wah and Mr. Joseph Mac Carthy (collectively, the “**Controlling Shareholders**”), details of which were set out in the Prospectus, has been fully complied with and enforced since the Listing Date and up to 31 December 2019. The Controlling Shareholders have provided a written confirmation (the “**Confirmation**”) to the Company on 22 March 2019 confirming that they have duly complied with the non-competition covenants and undertakings in the Deed of Non-competition (the “**Undertakings**”) for the year ended 31 December 2019. Upon receiving the Confirmation, the Independent Non-executive Directors of the Company had reviewed the same as part of the annual review process. In determining whether the Controlling Shareholders had fully complied with the Undertakings for the year ended 31 December 2019, the Independent Non-executive Directors noted that (a) the Controlling Shareholders declared that they had fully complied with the Undertakings for the year ended 31 December 2019; and (b) no new competing business was reported by the Controlling Shareholders for the year ended 31 December 2019.

In view of the above, the Independent Non-executive Directors confirmed that they have reviewed the compliance with the terms of the Non-competition by the Controlling Shareholders and the enforcement of the Undertakings given by the Controlling Shareholders and are satisfied that the Controlling Shareholders have complied with the terms of the Deed of Non-competition during the relevant period up to 31 December 2019. The Board also confirms that there are no other matters in relation to the aforesaid undertaking which should be brought to the attention of the Shareholders and the potential investors of the Group.

## SHARE OPTION SCHEME

The Share Option Scheme was conditionally approved and adopted in compliance with Chapter 17 of the Listing Rules by written resolutions of the then shareholder on 27 October 2017. A summary of the Share Option Scheme and the movement of the share options granted was set out in note 25 to the consolidated financial statements.

## 不競爭承諾

本公司確認，自上市日期起直至二零一九年十二月三十一日，致豐控股、Nawk Investment、LLT Investment、Proactive Investment、King Fung Nominees、Grand Energy、關德深先生、戴良林先生、黎耀華先生及Joseph Mac Carthy先生（統稱「**控股股東**」）各自的不競爭承諾（詳情載於招股章程）已獲完全遵守及執行。控股股東已於二零一九年三月二十二日向本公司提供書面確認（「**確認**」），確認其已於截至二零一九年十二月三十一日止年度妥為遵守不競爭契據所載之不競爭契諾及承諾（「**承諾**」）。於接獲確認後，本公司獨立非執行董事已審閱該確認，以作為年度審閱程序的一部分。於釐定控股股東於截至二零一九年十二月三十一日止年度是否已全面遵守承諾時，獨立非執行董事留意到(a)控股股東宣佈其已於截至二零一九年十二月三十一日止年度全面遵守承諾；及(b)控股股東於截至二零一九年十二月三十一日止年度並無報告任何新競爭性業務。

鑒於以上所述，獨立非執行董事確認，彼等已審閱控股股東遵守不競爭契據條款的情況，以及控股股東所作出承諾的履行情況，並信納控股股東於有關期間直至二零一九年十二月三十一日止，一直遵守不競爭契據的條款。董事會亦確認概無其他有關上述承諾的事項須提呈股東及本集團有意投資者垂注。

## 購股權計劃

購股權計劃是於二零一七年十月二十七日由當時股東遵照上市規則第17章通過書面決議案有條件批准及採納。購股權計劃的概要及授出購股權的變動載於綜合財務報表附註25。



## EQUITY-LINKED AGREEMENTS

Save and except for the Share Option Scheme as disclosed in the paragraph headed “Share Option Scheme” above, no equity-linked agreement that (i) will or may result in the Company issuing shares or (ii) requires the Company enter into any agreement that will or may result in the Company issuing shares, was entered into by the Company during the year ended 31 December 2019 or subsisted at the end of the reporting year.

## DIVIDEND POLICY

The Company has adopted a dividend policy (the “**Dividend Policy**”), pursuant to which the Company will normally pay dividend twice a year. The Board may declare special dividends in addition to such dividends as it considers appropriate. The dividend payout ratio will vary from year to year. There is no assurance that dividends will be paid in any particular amount for any given period. In determining/recommending the frequency, amount and form of any dividend in any financial year/period, the Board shall consider the following factors:

- the actual and expected financial results of the Group;
- economic conditions and other internal or external factors that may have an impact on the business or financial performance and position of the Group;
- the Group’s business strategies, including future cash commitments and investment needs to sustain the long-term growth aspect of the business;
- the current and future operations, liquidity position and capital requirements of the Group; and
- any other factors that the Board deems appropriate.

## 股票掛鈎協議

除上文「購股權計劃」一段披露的購股權計劃外，本公司於截至二零一九年十二月三十一日止年度並無訂立或於報告年結日仍然存續股票掛鈎協議(i)將會或可能導致本公司發行股份，或(ii)要求本公司訂立任何將會或可能導致本公司發行股份的協議。

## 股息政策

本公司已採納一項股息政策（「**股息政策**」），據此，本公司將一年正常派息兩次。董事會或會在其考慮適當時在該股息之外宣派特別股息。股息派付率將逐年不同。無法保證將就任何特定期間派付任何特定金額的股息。在釐定／建議任何財政年度／期間任何股息的派息頻率、金額及形式時，董事會將考慮以下因素：

- 本集團的實際及預期財務業績；
- 經濟狀況及可能對本集團的業務或財務表現及狀況有影響的其他內部或外部因素；
- 本集團的業務策略，包括維持業務長期增長的未來現金承擔及投資需求；
- 本集團目前及未來的營運、流動資金狀況及資本需求；及
- 董事會認為適當的任何其他因素。

## REPORT OF THE DIRECTORS

### 董事會報告

## AUDIT COMMITTEE

The Company has set up an Audit Committee on 27 October 2017 with written terms of reference in compliance with Rules 3.21 of the Listing Rules and paragraph C3 and paragraph D3 of the CG Code. The primary duties of the Audit Committee include, but are not limited to, the following: (i) making recommendations to the Board on the appointment and removal of the external auditor; (ii) reviewing the financial statements of our Group and monitoring the integrity of such financial statements; and (iii) overseeing the financial reporting system and internal control procedures. The Audit Committee comprises three members, namely Mr. Cheung Kin Wing, Mr. Fung Chun Chung and Mr. Wong Raymond Fook Lam. The chairman of the Audit Committee is Mr. Cheung Kin Wing, who holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules. The audited consolidated financial statements of the Group for the year have been reviewed by the Audit Committee, which was of the opinion that the preparation of such results complied with the applicable accounting standards, the Listing Rules and legal requirements, and adequate disclosures have been made.

## RELATED PARTY TRANSACTIONS

Details of related party transactions of the Group during the year are set out in note 31 to the consolidated financial statements in this annual report. None of these related party transactions constituted a connected transaction as defined under the Listing Rules during the reporting period.

## SUFFICIENCY OF PUBLIC FLOAT

From the information publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's total issued share capitals are held by the public at all times throughout the year ended 31 December 2019 and up to the date of this annual report.

## TAX RELIEF

The Company is not aware of any relief from taxation available to the Shareholders by reason of their holdings of the Shares.

## 審核委員會

本公司於二零一七年十月二十七日成立審核委員會，其書面權責範圍符合上市規則第3.21條及企業管治守則第C3段及D3段。審核委員會的主要職責包括但不限於：(i)就外部核數師的委任及罷免向董事會作出推薦建議；(ii)審閱本集團財務報表及監督該等財務報表的完整性；及(iii)監督財務報告系統及內部控制程序。審核委員會包括三名成員，即張建榮先生、馮鎮中先生及黃福霖先生。審核委員會主席為張建榮先生，彼持有上市規則第3.10(2)及3.21條規定的適當專業資格。本集團於年內的經審核綜合財務報表已由審核委員會審閱，而審核委員會認為有關業績乃遵循適用會計準則、上市規則及法定要求而編製，並已作出充分披露。

## 關聯方交易

本集團於年內的關聯方交易詳情載於本年報綜合財務報表附註31。於報告期間內，該等關聯方交易概無構成上市規則所界定的關連交易。

## 充足公眾持股量

自本公司可得的公開資料及就董事所知，於截至二零一九年十二月三十一日止年度整年及直至本年報日期內任何時間，本公司全部已發行股本的最少25%由公眾人士持有。

## 稅務寬減

本公司並不知悉有股東因持有股份而享有任何稅務寬減。

## COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company is committed to implementing good corporate governance practices. Information on the principal corporate governance practices adopted by the Company is set out in the Corporate Governance Report on pages 43 to 65 of this annual report.

## THE FORTHCOMING AGM

The forthcoming AGM of the Company will be held at Room 4-5, United Conference Centre, 10/F., United Centre, 95 Queensway, Admiralty, Hong Kong on Friday, 29 May 2020 at 2:30 p.m. and the notice convening such meeting will be published and despatched to the Shareholders in the manner as required by the Listing Rules in due course.

## EVENTS AFTER THE REPORTING PERIOD

As approved by the Board, and consented by the option holders of the Company, an aggregate of 28,400,000 share options outstanding as at 31 December 2019 was cancelled with effect from 21 January 2020 in accordance with the terms of the Share Option Scheme. No compensation was payable to the option holders for the cancellation of the share options. Details of this cancellation are set out in the announcement of the Company dated 21 January 2020.

The recent outbreak of COVID-19 has added uncertainties to the business environment and economic activities of the Group. A number of provinces and municipalities in the PRC had taken emergency public health measures to contain the spread of COVID-19, including but not limited to travel restrictions and extension of nationwide public holiday for the Lunar New Year. The Group's production facilities in Nansha District, Guangzhou City, Guangdong Province, the PRC had been affected by the prolonged work suspension and reduced workforce mobility, thereby experienced a temporary decrease in production. Certain scheduled supplies to and deliveries from the Group were also affected by the traffic disruptions. As at the date of this annual report, certain customers of the Group had agreed to postpone their product delivery and none of the sales orders placed to the Group had been cancelled because of COVID-19. The Group will endeavor to mitigate any adverse impacts on the Group and its customers caused by COVID-19. Details of the business updates on the impact of COVID-19 are set out in the announcement of the Company dated 16 March 2020.

## 遵守企業管治守則

本公司致力實行良好企業管治常規。有關本公司採納的主要企業管治常規的資料載於本年報第43至65頁的企業管治報告。

## 應屆股東週年大會

本公司應屆股東週年大會將於二零二零年五月二十九日（星期五）下午二時三十分假座香港金鐘道95號統一中心十樓統一會議中心4至5號會議室舉行，而召開有關大會的通告將按照上市規則所規定的方式適時刊登及寄發予股東。

## 報告期後事項

經董事會批准及本公司購股權持有人同意，於二零一九年十二月三十一日尚未行使的合共28,400,000份購股權已根據購股權計劃的條款註銷，自二零二零年一月二十一日起生效。註銷購股權毋須向購股權持有人支付補償。有關該註銷的詳情載於本公司日期為二零二零年一月二十一日的公佈。

近期爆發COVID-19，為本集團的營商環境及經濟活動再添不明朗因素。中國多個省市已採取緊急公共衛生措施控制新冠肺炎的傳播，包括但不限於對出行限制及延長全國農曆新年公眾假期。本集團位於中國廣東省廣州市南沙區的生產設施受到延遲復工及員工流動性降低影響，產量因此出現短暫下降，若干原定向本集團供應及由本集團交付的物品亦因交通受阻而遭到影響。於本年報日期，本集團若干客戶已同意推遲交付彼等的產品的物品，且本集團已取得的銷售訂單並無因COVID-19而被取消。本集團將盡力減輕新冠肺炎對本集團及其客戶造成任何不利影響。有關COVID-19影響的業務更新資料詳情已載於本公司二零二零年三月十六日的公佈。

## REPORT OF THE DIRECTORS

### 董事會報告

As at the date of this annual report, the Group is still in the process of assessing the financial impacts of the COVID-19 outbreak and its aftermath towards the financial position and performance of the Group. The management of the Group will pay close attention to the COVID-19 development and perform further assessment of its financial impacts.

The COVID-19 outbreak is a non-adjusting event after the financial year-end and does not result in any adjustments to the consolidated financial statements for the year ended 31 December 2019.

Saved as disclosed above and in this annual report, there are no significant events affecting the Group after the year ended 31 December 2019 and up to the date of this annual report.

## INDEPENDENT AUDITOR

The consolidated financial statements for the year ended 31 December 2019 have been audited by PricewaterhouseCoopers, who will retire and, being eligible, offer themselves for re-appointment. The Board has taken the Audit Committee's recommendation that a resolution for their re-appointment as independent auditor of the Company will be proposed at the forthcoming AGM.

There is no change of independent auditor for the past three years.

On behalf of the Board

### Lai Yiu Wah

*Chairman and Executive Director*  
Hong Kong, 23 March 2020

於本年度報告日期，本集團仍在評估COVID-19爆發及其後果對本集團的財務狀況及表現的財務影響。本集團管理層會密切關注COVID-19的發展並進一步評估其財務影響。

爆發COVID-19為無需調整之財政年度結算日後事項，並不會導致任何調整截至二零一九年十二月三十一日止年度的綜合財務報表。

除上文及本年度報告所披露者外，於截至二零一九年十二月三十一日止年度後及直至本年度報告日期，概無影響本集團的重大事件須要公佈。

## 獨立核數師

截至二零一九年十二月三十一日止年度綜合財務報表已由羅兵咸永道會計師事務所審核，而彼將退任並符合資格獲重新委任。董事會已參照審核委員會的建議，並將於應屆股東週年大會上提呈有關重新委任該會計師事務所為本公司獨立核數師之決議案。

於過往三年，獨立核數師並無變動。

代表董事會

### 黎耀華

*主席兼執行董事*  
香港，二零二零年三月二十三日



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### SCOPE AND REPORTING PERIOD

This is the third Environmental, Social and Governance (“ESG”) report of Trio Industrial Electronics Group Limited (the “Company”) and its subsidiaries (together, the “Group”), highlighting its ESG performance, with disclosure reference made to the ESG Reporting Guide as described in Appendix 27 to the Listing Rules and Guidance set out by The Stock Exchange of Hong Kong Limited.

The Group is an EMS provider exporting products mainly to Europe, the US and Asia Pacific, etc. This ESG report covers the Group's overall performance in two subject areas, namely, Environmental and Social of the business operations in the manufacturing plant (the “Plant”) in Nansha District, Guangzhou, the PRC from 1 January 2019 to 31 December 2019, unless otherwise stated. The Group's head office in Hong Kong, and the offices in Munich, Germany and Dublin, Ireland were excluded from the scope since they had no significant environmental and social impacts generated.

Since June 2019, the Group has commenced the development of new production base through dismantling two existing warehouses situated alongside the Plant. The construction works are expected to be completed in the next reporting period. New automated surface-mount technology production lines, interchangeable production lines and other machineries and equipment will be further installed and upgraded.

### STAKEHOLDER ENGAGEMENT AND MATERIALITY

The Group values input and feedback of its stakeholders as they bring potential impacts to the Group's business. Internal and external stakeholders have been involved in regular engagement activities, including face-to-face communications, tele-conferencing, telephones and email communications, to share views regarding the Group's operations and performances. Adhering to the concept of good neighbourliness, the Group has participated in regular meetings with village committees in order to understand the needs of the residents and community where it operates in.

### 範圍及報告期

此乃致豐工業電子集團（「本公司」）及其附屬公司（統稱「本集團」）第三份環境、社會及管治（「環境、社會及管治」）報告，闡述本集團於環境、社會及管治方面之表現。報告所披露之內容及模式均參照香港聯合交易所有限公司之上市規則附錄二十七「環境、社會及管治報告指引」而編製。

本集團乃電子製造服務供應商，主要出口產品往歐洲、美國及亞太等地。此環境、社會及管治報告主要匯報集團位於中國廣州市南沙區的工廠（「工廠」）在環境及社會兩方面之整體表現。除非另有說明，報告期為2019年1月1日至2019年12月31日止。由於本集團在香港的總辦事處，以及設於德國慕尼黑和愛爾蘭都柏林的辦事處，對環境及社會兩方面無重大影響，故並沒納入披露範圍內。

本集團於2019年6月開始清拆工廠旁兩個倉庫，在原址動工興建新的生產基地。建築工程預計於下一個報告期內完成。新的生產基地將裝設新型的自動化表面貼裝技術生產線、可互換生產線，以及其他機械設備，進一步提升生產技術。

### 持份者之參與及重要性

本集團十分重視持份者的意見與反饋，冀能集思廣益，促進業務的潛在發展，故定期透過面談、電話會議、電話及電郵通訊等溝通渠道，就集團的營運及績效兩方面，諮詢內部及外部持份者的意見。為了解其所在社區及居民的需求，集團亦定期參與社區的村委會會議，以保持和睦的鄰里關係。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### 環境、社會及管治報告

The materiality assessment process is crucial to the decision-making process of the Group and its ESG reporting. It helps to identify and prioritise the issues that matter most to its stakeholders. The Group has specifically engaged the shareholders, Board of Directors, senior management, frontline staff, suppliers and clients to gain further insights on ESG material aspects and challenges in the reporting period.

Results of the materiality assessment and the consolidated list of material aspects with respective management are presented in the following matrix, table and section respectively.

重要性評估程序在集團及其環境、社會及管治報告的決策過程中至為關鍵，有助識別持份者認為最重要的議題，並決定優先次序。本集團特別就本報告期的環境、社會及管治重要領域及挑戰，諮詢股東、董事會、高級管理層、前線員工、供應商及客戶的意見。

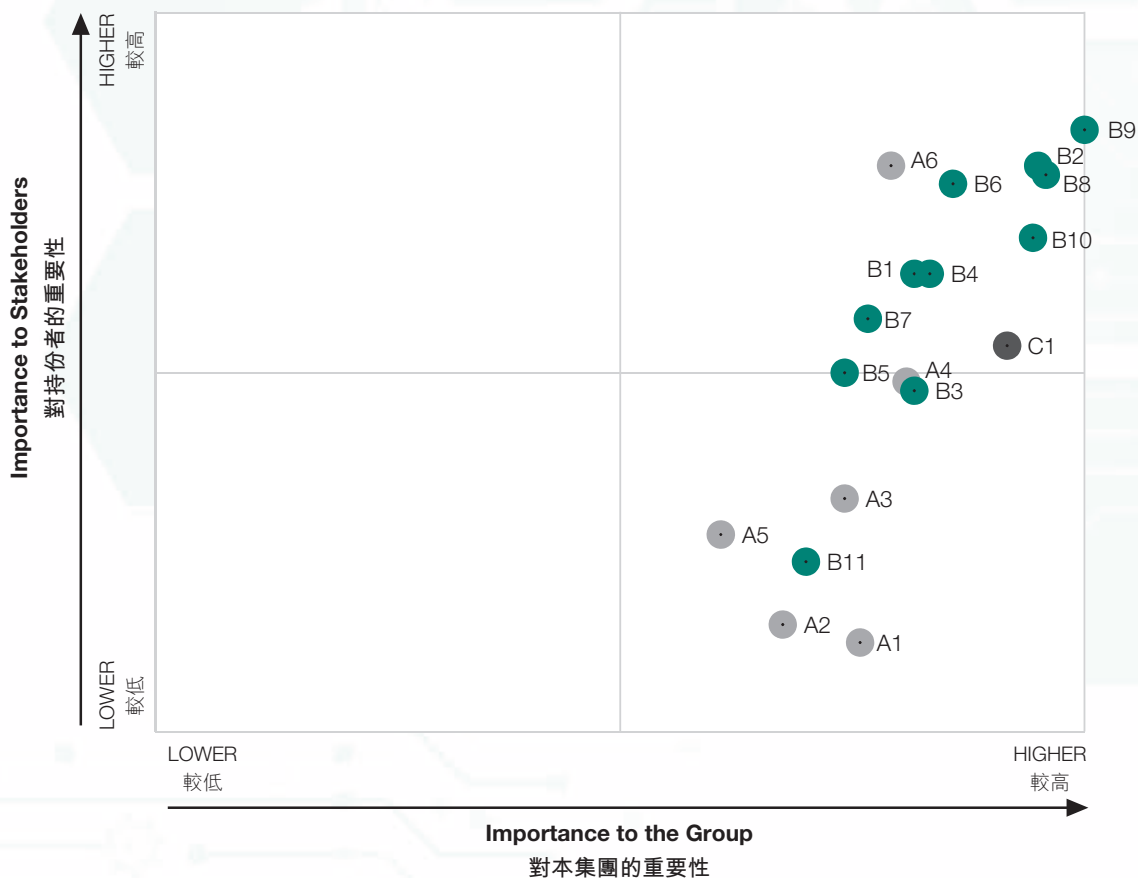
下列矩陣圖、表及章節展示重要性評估的結果，以及相關重要領域的綜合列表及其管理。

### Materiality Matrix

### 重要性矩陣圖

#### Materiality of Different Topics from Stakeholder Engagement

從持份者參與角度分析不同主題的重要性



A.	<b>Environmental Issues 環境議題</b>	
	Energy 能源	A1
	Water 水	A2
	Emissions 排放	A3
	Effluent and Waste 廢水及廢物	A4
	Other Raw Materials Consumption 耗用其他原材料	A5
	Environmental Protection Policies 環境保護政策	A6
B.	<b>Social Issues 社會議題</b>	
	Employment 僱傭	B1
	Health and Safety 健康與安全	B2
	Development and Training 發展與培訓	B3
	Labor Standards 勞工準則	B4
	Supply Chain Management 供應鏈管理	B5
	Intellectual Property Rights 知識產權	B6
	Customer Data Protection 客戶數據保護	B7
	Customer Service 客戶服務	B8
	Product Quality 產品質量	B9
	Anti-corruption 反貪腐	B10
	Community Investment 社區投資	B11
C.	<b>Other Issues 其他議題</b>	
	Food Health and Safety 食品衛生與安全	C1

Among the environmental and social aspects, the following topics are identified as the most material issues to the stakeholders:

- Product quality
- Occupational health and safety
- Customer service
- Intellectual property
- Environmental protection measures

With respect to the top concerned aspect of product quality, the Group has successfully obtained the Certificate of Industry 4.0 Maturity Recognition – level 1i maturity during the reporting period. Besides, the product defect rate accumulated in 2019 was largely reduced from 550 PPM to 330 PPM, achieving the monthly average goal for the reporting period.

Regarding occupational health and safety, the Group strictly complied with the OHSAS 18001 Occupational Health and Safety Management System and will migrate to ISO 45001 in 2020. Occurrence of work-related injury remained low and no serious work-related injury or occupational diseases had occurred. Employees who are exposing to high occupational hazards are arranged to attend health check-ups, prior to, during, and after their term of employment.

就環境及社會兩方面，持份者認為以下議題最為重要：

- 產品質量
- 職業健康與安全
- 客戶服務
- 知識產權
- 環保措施

在最受關注的產品質量方面，本集團於報告期內獲頒授「工業4.0成熟度認可證書 – 1i級成熟度」(Certificate of Industry 4.0 Maturity Recognition – level 1i maturity)。此外，2019年累計產品缺陷率由550 PPM大幅下降至330 PPM，達到本報告期內之每月平均目標。

至於職業健康與安全方面，本集團嚴格遵守OHSAS 18001職業健康和安全管理體系，並將於2020年轉為採用ISO 45001標準。集團的工傷事故數字一向偏低，並沒出現嚴重的工傷事故或職業病。工作上要接觸高職業危害的僱員，在入職前、任職期間及任職期完結後皆會接受身體檢查。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### 環境、社會及管治報告

Committed to providing the customers with the best possible service, the Group has adopted the eight disciplines (“8D”) problem-solving method in resolving complaints from customers more effectively. During the reporting period, the Group had achieved a higher level of customer satisfaction with an improved score in the overall results of customer satisfaction surveys, meeting the target set upon by the last reporting period.

The Group also received feedback from frontline staff concerning the indoor air quality of the Plant. The Plant has an enclosed paint spraying that may affect the overall air quality. In December 2019, the Group has promptly arranged cleaning specialists to perform a thorough cleaning to the inner parts of the central air conditioning system, with a view to improve air quality and reduce odours in the Plant.

Furthermore, the Plant has conducted an annual workplace inspection during the reporting period. The inspection result has passed the requirements on air quality. The toxic and hazardous substances did not exceed the national standards as stipulated in the Determination of Toxic Substance in Workplace Air (GBZ/T 300.66-2017). Incoming materials and components meet the requirements of Restriction of Hazardous Substances (“RoHS”) and Registration, Evaluation, Authorisation and Restriction of Chemicals (“REACH”) regulations. Employees in special operations are equipped with appropriate protective equipment, such as masks with active carbon filter compliant with the statutory requirement.

### THE GROUP'S ESG COMMITMENT

The Board understands that it has overall responsibility for the Group's ESG strategy and reporting ESG-related risk which are identified through the risk control procedure. The identified material aspects are strictly managed through the Group's policies and guidelines. Management of the aspects has been described in separate sections below.

In addition, the Group sets forth annual and monthly ESG targets and regularly reviews progress on the performances against ESG goals and targets. The Group is committed to operating its businesses in line with the concept of ESG and has strategically embedded ESG into its on-going decision-making process. Expertise is hired by the Group to provide input and counsel on ESG-related issues.

集團致力為客戶提供最佳服務，已採用「8D問題解決法」，以更有效的方式處理客戶的投訴。報告期內，客戶的滿意度攀升至更高水平，在客戶滿意度調查的總體得分有所提升，達到上一個報告期所設定的目標。

有前線員工反映工廠室內空氣質素的問題，工廠的封閉式噴漆工序可能會影響整體空氣質量。在2019年12月，集團迅速安排清潔專員徹底清潔中央空調系統內部，以改善工廠的空氣質素並減少異味。

此外，工廠在報告期內進行了年度工作場所檢查。檢查結果符合空氣質素的要求。有毒及有害物質沒超過《工作場所空氣中有毒物質的測定》(GBZ/T 300.66-2017)規定的國家標準。購入的材料及組件符合有害物質限制指令(「RoHS」)和化學品註冊、評估、授權和限制(「REACH」)法規的要求。負責特殊作業的僱員配備了適當的防護裝備，如配有合規活性炭過濾器的口罩等。

### 集團的環境、社會及管治承諾

集團董事會明白其要對集團的環境、社會及管治策略及報告承擔整體責任。集團通過風險控制程序識別環境、社會及管治相關的風險，並透過集團之政策及指引嚴格管理該等已識別之重要領域。有關管理該等領域之詳情，將於下文另行闡述。

此外，集團制定了年度和每月的環境、社會及管治目標，並根據該等目標和指標定期審核其績效。本集團致力以環境、社會及管治概念營運業務，並在恆常的決策過程中策略地加入環境、社會及管治考慮因素，還聘請了專家就環境、社會及管治相關議題提供建議及諮詢。



The Group will continue to identify areas of improvement for the concerned aspects and to keep close communication with its stakeholders to share and exchange ideas for advancing the Group's ESG management.

## STAKEHOLDERS' FEEDBACK

The Group is committed to continuous improvement of its ESG management. Its administration department and finance division keep track of the environmental and social data and report to the Board members for periodic review. The Group also welcomes stakeholders' feedback on its ESG approach. Please give your suggestions or share your views with us via email at ad\_hjbin@triopy.com.

## THE GROUP'S MISSION, VISIONS AND STRATEGIES

### Mission and Visions

Powering the eWorld – We pursue to be a manufacturer of world-class standard in power electronics to capture the global demand in smart city systems and the new economy, while be socially and environmentally responsible to our people, clients and communities to maintain a sustainable business.

### Strategies

- Dedicated marketing and regional sales support
- Engage in products of higher value and contributions
- Further enhance capability, efficiency and capacity
- Continue to recruit talents and research & development resources
- Expand automatic test equipment (“ATE”) business segment
- Explore mergers and acquisitions opportunities for expansion

集團將繼續查找不足，改善相關領域，並與持份者保持密切溝通，分享及交流，改進在環境、社會及管治方面的管理工作。

## 持份者意見

本集團致力改進環境、社會及管治方面的管理工作，力臻完善。行政及財務部門密切監察有關環境及社會的數據，向董事會成員匯報，以作定期檢討。本集團亦歡迎各方持份者就其推行環境、社會及管治的方針提供意見。請以電郵向我們提出建議或分享你的想法，電郵地址：ad\_hjbin@triopy.com。

## 集團的使命、願景及策略

### 使命與願景

注動力 建未來 – 我們致力成為世界級工業電子製造商，以滿足全球各地智能城市系統以及新經濟的需求，並對員工、客戶及社區承擔社會和環境責任，讓業務持續發展，生生不息。

### 策略

- 着重市務，區域支援；
- 高值產品，高效回報；
- 提升效率，強化產能；
- 招聘英才，長期研發；
- 行銷ATE，業務多元；
- 開拓機遇，收購合併。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

We strongly believe that the human factor is the core propeller of our business expansion. Our success formula in maintaining the best possible people portfolio is:

我們深信『人』是業務擴展的核心動力。成功維持最佳人力資源組合的秘訣是：

### People are our core foundation

以人為本



## RECOGNITIONS, ACCREDITATIONS AND CERTIFICATIONS

認可、認證及證書

As a leading manufacturer in industrial electronics, the Group adopted a progressive approach in its management. With its long-term endeavours, the Group has complied with various international standards to stay competitive in the industry and enhance credibility through third-party accreditation. Certifications and membership include:

作為工業電子產品領先生產商，集團在企業管理上精益求精，透過長期努力，引入多個國際標準，以保持行業競爭優勢，並通過第三方認證來提高信譽。證書及會員資格包括：

- IPC Association Connecting Electronics Industries Member
- ISO 9001 Quality Management System
- ISO 13485 Quality Management System for Medical Devices
- IATF 16949 Quality Management System for Automotive Industry
- ISO 45001 Occupational Health and Safety Management System
- ISO 14001 Environmental Management System
- ISO 27001 Information Security Management System
- IPC國際電子工業聯接協會會員
- ISO 9001質量管理體系
- ISO 13485醫療器械質量管理體系
- IATF 16949汽車生產件及相關服務件質量管理體系
- ISO 45001職業健康和安全管理系統
- ISO 14001環境管理體系
- ISO 27001資訊安全管理體系

- TUV Certified Manufacturing Facility
- UL1446 Electrical Insulation System
- UL Traceability Requirement for Printed Circuit Board Assemblies (Category ZPVI2)
- CCC Product Safety Certification
- UL High Technology Equipment Subassemblies (Category VZQC2)
- TUV電子元器件產品認證
- UL1446絕緣材料系統
- UL印刷電路板組件追蹤要求 (ZPVI2類別)
- CCC產品安規認證
- UL高科技設備組件 (VZQC2類別)

The year of 2019 marked a significant milestone for the development of the Group. The Group's continuous and long-term efforts in pursuing excellence in quality assurance, technology innovation, social responsibility and service qualities were recognised by national and global institutions.

2019年是集團發展的重要里程碑。集團致力追求卓越，長期在質量保證、技術創新、社會責任及服務質量各方面不斷改進，其專業能力獲多家國家和國際機構的認可。

Date 日期	Awards/Recognition 獎項／認可	Awarding Bodies 頒授機構
April 2019 2019年4月	Certificate of Industry 4.0 Maturity – level 1i maturity 工業4.0成熟度認可證書 – 1i級成熟度	Hong Kong Productivity Council Fraunhofer Institute of Production Technology IPT 香港生產力促進局 德國弗勞恩霍夫生產技術研究所
May 2019 2019年5月	2018 Award for Emerging Industry 2018新興產業獎	Guangdong-Hong Kong-Macao Greater Bay Area Financial Forum – The 7th “Top 100 HK” Award Presentation Ceremony 粵港澳大灣區金融論壇 – 第七屆「香港百強」頒獎典禮
July 2019 2019年7月	Customer Excellence Award - Epicor donated US\$500 to Children's Thalassaemia Foundation on behalf of the Group 卓越客戶獎 – Epicor代表本集團向 地中海貧血兒童基金捐贈500美元	Epicor Software Corporation Epicor 軟體公司

## CHALLENGES AND FUTURE DEVELOPMENT

The Group unswervingly takes the path of sustainable development. It dedicates to continuously improving its environmental performance and creating opportunities for community investment. In the next 3 to 5 years, the strategic goals of the Group are to drive 5 to 10% improvement in key performance indicators, to raise employees' awareness through strengthened educations, enabling its employees to develop a conscious mindset towards ESG and take actions that aligned to the concept of ESG.

As an electronics manufacturer, the Group is aware of the negative impacts brought by US-China trade tensions, Brexit and prolonged global economic and geopolitical uncertainties. During the reporting period, the trade conflict dampened the sales in the US regions and customers in Europe deferred certain product launch due to the uncertainties about the Brexit process. In the face of gloomy market outlook, the management of the Group has implemented more prudent measures to tackle with the uncertainties which include to:

1. optimise working capital;
2. maintain healthy liquidity position;
3. promote the application of high technology and encourage innovation;
4. nurture various talents and encourage continuing education; and
5. strengthen communication and enhance business cooperation with customers, suppliers, and bankers.

The new European teams in Germany and Ireland are believed to be able to create a positive momentum to the Group's technological innovation and business development in the long run. More importantly, the new production base, which incorporates the concept of smart factory and digitalisation, will enhance the production efficiency and provide the Group with more capacities to cater for large volume production on high value and heavy-duty product series.

## 挑戰及未來發展

集團堅定不移，推動可持續發展，不斷改善其環境績效並為社區投資創造機會。在未來三至五年，集團的戰略目標是提高關鍵績效指標5%至10%；通過加強教育，助僱員發展具環境、社會及管治意識的思維模式，並在行動上貫徹實踐環境、社會及管治概念。

作為電子製造商，本集團覺察到中美貿易緊張局勢、英國脫歐，以及全球經濟和地緣政治長期不穩定所帶來的負面影響。在本報告內，貿易衝突令美國地區的銷售放緩，英國脫歐進程的不明朗，亦令歐洲客戶延遲推出若干產品。面對市場前景低迷，本集團管理層已採取更審慎的措施以應對不確定性，包括：

1. 優化營運資金；
2. 維持穩健的流動資金水平；
3. 促進高科技應用並鼓勵創新；
4. 培養各類人才，鼓勵持續教育；及
5. 加強與客戶、供應商以及銀行溝通合作。

從長遠來看，相信在德國和愛爾蘭的歐洲團隊會為集團的技術創新及業務發展帶來新動力。更重要的是，融合智能工廠和數碼化概念的新生產基地將提高生產效率及產能，可大量生產高價值、重型產品系列。



## A. ENVIRONMENTAL

Sources of emissions the Group involved during the reporting period included natural gas, petrol, diesel, refrigerant, electricity, paper, water and business air travel.

The Group is in strict compliance with the national standards and regulations relating to environmental protection, including but not limited to:

- Emission Limits of Air Pollutants (DB44/27-2001) of Guangdong Province;
- Emission Standard of Cooking Fume (GB 18483-2001);
- Discharge Limits of Water Pollutants (DB44/26-2001) of Guangdong Province;
- Law of the PRC on Prevention and Control of Environmental Pollution by Solid Waste; and
- Environmental Protection Tax Law of the PRC.

With its compliance to the ISO 14001 standard, the environment factors identification and control procedure, and the environmental management plan have been developed by the Group. It has a comprehensive management system to continuously improve its environmental standards and performances. There was no major non-compliance relating to air and greenhouse gas (“GHG”) emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.

The Group has obtained all necessary discharge permits, installed electrostatic precipitators, carbon adsorption systems, grease trap and on-site wastewater treatment facility to control emissions and discharge. Meanwhile, the Group is preparing for the new licencing system of national-level pollutant discharge permit, given that the application for provincial-level pollutant discharge permits has no longer been accepted in Guangdong since August 2019.

## A. 環境

在報告期內，本集團的排放源包括天然氣、汽油、柴油、製冷劑、電力、紙張、水和商務飛行旅程。

本集團嚴格遵守有關環境保護的國家標準和法規，包括但不限於：

- 廣東省大氣污染物排放限值 (DB44/27-2001)
- 飲食業油煙排放標準 (GB 18483-2001)
- 水污染物排放限值 (DB44/26-2001)
- 中華人民共和國固體廢物污染環境防治法
- 中華人民共和國環境保護稅法

本集團遵照制ISO 14001標準，制定了環境因素識別和監控程序，以及環境管理計劃。集團備有完善的管理系統，不斷提升其環境標準及績效。在空氣及溫室氣體排放、向水和土地排放以及產生有害和無害廢棄物幾方面，均沒有重大違規情況。

集團已申領所有必須的排放許可證，安裝了靜電除塵器、活性炭處理系統、隔油池及現場廢水處理設施，以控制廢氣及污水的排放。同時，鑑於廣東省自2019年8月起不再接受省級污染物排放許可證的申請，集團正制定新的許可證體系，以配合國家級污染物排放許可證的規定。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### 環境、社會及管治報告

The Group keeps track of the effectiveness of the wastewater treatment facility. It has allocated resources to monitor and improve the performance of the wastewater treatment facility so as to improve the quality of effluent. The management of the wastewater treatment facility was outsourced to a professional environmental engineering company. The engineering company is responsible for the routine inspection, maintenance of microbes and stable operation of the wastewater treatment plant. During the reporting period, the treated effluent met the permitted discharge limits as set out in the statutory effluent discharge standard.

#### A1. Emissions

##### A1.1 Air Emissions

During the reporting period, employees and guests consumed petrol and diesel for Group-owned vehicles and natural gas for canteen operation, which contributed to the emission of nitrogen oxides (“NO<sub>x</sub>”), sulphur oxides (“SO<sub>x</sub>”) and respiratory suspended particles (“RSP”).

集團持續追蹤污水處理設施的效能，已調配資源監察及改善污水處理設施的效能，以提高廢水的質量。集團把污水處理設施外判給專業的環境工程公司管理，專責污水處理廠的常規檢查、微生物的培育及穩定運作。在報告期內，處理後的廢水符合法定廢水排放標準所規定的許可排放限值。

#### A1. 排放

##### A1.1 空氣排放

在報告期內，僱員及賓客使用集團自置車輛而耗用汽油及柴油，以及在食堂用餐而耗用天然氣，產生氮氧化物(NO<sub>x</sub>)、硫氧化物(SO<sub>x</sub>)及可吸入懸浮粒子(“RSP”)。

Air emissions (non-GHG) from stationary and mobile combustion 固定和移動燃燒產生的空氣排放（非溫室氣體）					
Fuel Source		Use of fuel	NO <sub>x</sub> (in kg)	RSP (in kg)	SO <sub>x</sub> (in kg)
燃料來源		燃料用途	氮氧化物 (千克)	可吸入懸浮粒子 (千克)	硫氧化物 (千克)
Natural gas 天然氣		For canteen operation 食堂營運	5.99	N/A	0.03
Petrol 汽油		For vehicles 車輛	7.04	0.69	0.28
Diesel 柴油			14.95	0.27	0.02
<b>TOTAL 總量</b>			<b>27.98</b>	<b>0.96</b>	<b>0.33</b>

## A1.2 Greenhouse Gas Emissions

## A1.2 溫室氣體排放

Scope of GHG Emissions 溫室氣體排放範疇	Emission Sources 排放來源	Emission (in tonnes of carbon dioxide equivalent "tCO <sub>2</sub> eq") 排放 (噸二氧化碳排放當量)	Total Emission Percentage 總排放量 (百分比)
<b>Scope 1 Direct Emission</b> 範疇1直接排放			
Combustion of fuel for stationary source 燃料燃燒 (固定源)	Natural gas 天然氣	79.63	11%
Combustion of fuel for mobile sources 燃料燃燒 (流動源)	Petrol 汽油	51.14	
	Diesel 柴油	4.20	
Refrigerants 製冷劑		311.70	
<b>Scope 2 Energy Indirect Emission</b> 範疇2能源間接排放			
Purchased electricity 購買電力		3773.94	88%
Purchased natural gas 購買天然氣		17.59	
<b>Scope 3 Other Indirect Emission</b> 範疇3其他間接排放			
Electricity used for freshwater processing 用於淡水處理的電力		37.95	1%
Electricity used for sewage processing 用於污水處理的電力		19.29	
Business air travel 商務飛行旅程		1.24	
<b>Total</b> 總額		<b>4,296.68</b>	<b>100%</b>

Note 1: Emission factors were made by reference to Appendix 27 to the Listing Rules and their referred documentation as set out by the Stock Exchange, unless stated otherwise.

Note 2: Combined margin emission factor of 0.54 tCO<sub>2</sub>/MWh was used for purchased electricity in Guangdong Province of the PRC.

Note 1: 除另有說明外，排放系數均參照香港交易及結算所有限公司之主板上市規則附錄二十七及其指定文件而編製。

Note 2: 在中國大陸廣東省所購買電力以組合邊際排放系數0.54噸二氧化碳排放當量/兆瓦時計算。

The Group's activities contributed to 4,296.68 tCO<sub>2</sub>eq (emission intensity of 0.19 tCO<sub>2</sub>eq/m<sup>2</sup>) (mainly carbon dioxide, methane, nitrous oxide and hydrofluorocarbons) emission during the reporting period, representing a decrease of approximately 19% over the last reporting period.

在報告期內，本集團的活動共產生4,296.68噸二氧化碳當量(排放密度為0.19噸二氧化碳當量/平方米)。主要排放物為二氧化碳、甲烷、一氧化二氮和氫氟碳化合物，與上一報告期相比，排放量下降約19%。

## A1.3. Hazardous Waste

## A1.3. 有害廢棄物

Hazardous Waste generated in FY2019 2019年財政年度產生的有害廢棄物		
Type of Hazardous Wastes 有害廢棄物類別		Percentage of Waste Generated by Type 各類廢棄物量 (百分比)
Thinner	稀釋劑	48%
Activated carbon	活性炭	24%
Emulsifier	乳化液	12%
Alcohol and oil-containing fabric	含酒精、油漆廢布	5%
Oil-containing waste and filter	含油廢渣、濾芯	5%
Lubricating oil	機油	2%
Metal containers for thinner and paint	含稀釋劑、油漆的鐵罐	2%
Fluorescent lamp	光管	2%

The Group generated a total of 4.19 tonnes of hazardous waste (0.18 kg/m<sup>2</sup>), including organic solvent and waste, emulsifier waste and alcohol and oil-containing waste. The major hazardous wastes generated by the Group were thinner, activated carbon and emulsifier which were used for cleaning of electronic products, treatment of emissions and operation of air compression equipment respectively. Hazardous wastes labelled with proper signage were stored in hazardous waste containers and collected by licensed collectors twice a year.

本集團共產生4.19噸有害廢棄物(0.18公斤／平方米)，包括有機溶劑及廢物、廢乳化液及含酒精、油漆廢物。主要的有害廢棄物為稀釋劑、活性炭和乳化劑，分別用於浸洗電子產品、排放處理和空壓機設備運行。有害廢棄物儲存於有害廢棄物容器內，並由持牌收集商每年收集兩次。

## A1.4. Non-hazardous Waste

The Group generated a total of 61.66 tonnes (2.69 kg/m<sup>2</sup>) of domestic waste which was mainly composed of food waste generated from the canteen operation. All food waste was collected by villagers to use as fish feeds. Other recyclable materials (including waste packaging and raw materials) were collected either by recyclers or suppliers.

## A1.4. 無害廢棄物

本集團共產生61.66噸(2.69公斤／平方米)生活廢物，主要來源為食堂的廚餘。所有廚餘由村民回收作餵魚用。其他可回收材料(包括廢棄的包裝物料和原材料)由回收商或供應商回收。



**A1.5. Measures to Mitigate Emissions**

The Group endeavours to identify sources of high-energy consumption, material consumption and environmental pollution in its plant and implement measures for improvement, ensuring compliance with the Cleaner Production Promotion Law of the PRC.

To control the emission of oily fumes and cooking odour generated during canteen operation, a new electrostatic precipitator facility has been installed since October 2019 to replace the old treatment facility which has been used for several years.

As to the construction works for new production base, the Group conducts regular site inspections to ensure adequate dust suppression measures are implemented throughout the construction cycle. Mitigation measures adopted to reduce dust level include:

- operation of water sprinkler system to avoid dispersion of construction dust out of working areas
- erection of temporary hoarding at the site boundary
- application of water spaying to exposed earth
- provision of vehicle-washing facility at designated vehicle exit point to remove dusty materials from vehicles' body and wheels immediately before leaving the construction site
- installation of dust measuring devices for real-time dust monitoring

Apart from the stringent control on oily fume and construction dust emission, the Group acknowledges that its major source of GHG emission was purchased electricity. The Group closely monitors its electricity consumption and implements efficient energy use initiatives as described in the below sections. GHG emissions from purchased electricity and town gas had been reduced by 19% and 24%, respectively when compared to the last reporting period. The Group also keeps track of employees' business air travels and avoids travelling by air whenever possible to reduce GHG emissions from travels. GHG emissions from travels had been reduced by 22% when compared to the last reporting period.

**A1.5. 減排措施**

本集團致力識別工廠內造成高耗能、高耗材、高環境污染的源頭，並實行改善措施，確保符合《中華人民共和國清潔生產促進法》。

為控制食堂煮食所產生的油煙和氣味，已於2019年10月安裝新的靜電除塵器設施，以取代使用多年的舊處理設施。

至於新生產基地的建造工程，集團定期進行現場檢查，確保在整個施工期內皆有足夠的塵埃抑制措施。為減少粉塵水平，採取的緩解措施包括：

- 使用灑水系統避免建築塵埃飄散到工地外
- 在工地邊界架設臨時圍板
- 在土地上灑水
- 在指定的車輛出口處提供洗車設施，以清洗離開工地車輛車身及車輪上的泥塵
- 安裝粉塵測量裝置以實時監測粉塵量

除了嚴控油煙及建築塵埃排放之外，本集團承認其主要的溫室氣體排放源為購買回來的電力。本集團密切監控其電力消耗並實施提高能源使用效率措施，詳情見下面章節。與上一報告期相比，購買電力和煤氣產生的溫室氣體排放量分別減少了19%和24%。集團亦記錄僱員的商務飛行旅程，盡可能避免乘坐飛機公幹，從而減少溫室氣體排放。與上一報告期相比，商務飛行旅程產生的溫室氣體排放量減少了22%。

**A1.6. Waste Reduction and Initiatives**

The Group aims to reduce generation of hazardous waste through upgrading technologies and minimising non-hazardous waste generation (mainly paper and food waste) at source whenever possible. It also promotes the reuse and recycling of waste arisen from the new construction site to further minimise construction and demolition waste.

**Reducing Paper Waste**

The Group distributed paper according to the monthly paper consumption of different divisions/departments with registered record. A total of 5.85 tonnes of paper had been used for daily office operation such as printing of documents, contracts, order forms, technical drawings and meeting notes. Waste paper has been recycled thus the consumption of paper did not contribute to GHG emission due to paper disposal at landfills. The Group reduced paper consumption by:

- Developing management software to support establishment of a paperless office;
- Using recycled paper;
- Adopting double-sided printing;
- Maintaining printers, copiers, and fax machines to avoid wastage of paper due to poor printing quality; and
- Setting up wastepaper recycling bin to minimise disposal at landfill

Office waste paper involving confidential information was shredded and disposed of. Only waste paper packaging materials were collected by licensed recyclers for recycling. During the reporting period, a total of 221 tonnes of paper had been recycled, which contributed to a reduction of 1062.84 tCO<sub>2</sub>eq.

**Reducing Waste from Canteen**

In the canteen operation, the Group banned the use of disposable tableware and managed canteen food purchase through the self-developed system. Employees must order their meals through the digital ordering system which enables preparation of meals based on the received orders. Employees can also order meals according to their needs to avoid food wastage at source. The Group had not separately recorded the total amount of food waste generated or reduced, therefore results achieved from reducing canteen waste were not available.

**A1.6. 減少廢物及相關措施**

本集團擬通過技術升級及盡可能從源頭減少無害廢棄物(主要是紙張和廚餘)，減低無害廢棄物量。同時，促進重用及循環再用新建築工地所產生的廢物，以進一步減少建築及拆建廢料。

**減少廢紙**

本集團根據使用量分配紙張，並要求各部門記錄每月用紙量。日常辦公室運作如打印文件、合同、訂單、技術圖紙和會議記錄等，共使用5.85噸紙張。所有廢紙均被回收，而不會被送到堆填區，因此紙張的消耗不會導致溫室氣體排放。本集團致力減少用紙量，措施包括：

- 開發管理軟件以助建立無紙辦公室；
- 使用再造紙；
- 採用雙面打印；及
- 保養打印機、複印機和傳真機，避免因打印效果欠佳而浪費紙張。
- 設置廢紙回收箱，以盡量減少廢紙被棄置到堆填區

涉及機密資料的辦公室廢紙，會先被切碎，然後棄置。我們只把紙材包裝廢料交予持牌回收商作回收再利用。在報告期內，共回收221噸紙，減少了1062.84噸二氧化碳排放當量。

**減少食堂的廢棄物**

在食堂營運方面，本集團禁止使用一次性餐具，並自行開發系統管理食堂食品的銷售。僱員必須使用電子訂餐系統訂購餐食，以便按照訂單準備餐食，僱員還可以按自己需要而訂餐，從源頭避免浪費食物。集團沒有單獨記錄所產生或減少的廚餘量，因此暫不知減少廚餘的成果。

**A2. Use of Resources**

Reducing energy use, reducing resources consumption and enhancing utilisation are the Group's principles in managing its use of resources. The Group has a management policy regarding the use of energy and resources such as electricity, natural gas, petrol, water and paper.

**A2. 資源使用**

本集團管理資源使用的方針是：減少能源耗用、減少資源消耗、提高利用率。本集團制定了政策，管理有關能源和資源（如電力、天然氣、汽油、水和紙等）的使用。

**A2.1. Energy Consumption****A2.1. 能源消耗**

Energy Consumption Sources		Direct Consumption	Consumption (in kWh)
能源消耗來源		直接消耗	消耗 (千瓦時)
Electricity	電力	6,961,070 kWh 千瓦時	6,961,070
Natural gas	天然氣	31,190 m <sup>3</sup> 立方米	308,222
Petrol	汽油	18,972 L 公升	168,123
Diesel	柴油	1,517 L 公升	15,167

The total energy consumed by the Group was 7,453 MWh (2018:7,981 MWh) during the reporting period. The administration department keeps track of its energy consumption and informs responsible divisions/departments if abnormal consumption is found. In particular, electricity and natural gas consumption for its manufacturing and canteen operation are closely monitored. The electricity and natural gas consumption intensities were 304 kWh/m<sup>2</sup> and 1.36 m<sup>3</sup>/m<sup>2</sup> respectively, reduced by 6% and 20% as compared to the last reporting period.

在報告期內，本集團共耗用能源7,453兆瓦時（2018：7,981兆瓦時）。行政部門會密切追蹤能源消耗情況，如果發現異常，會通知有關分部／部門。我們特別密切監察生產製造及食堂營運的電力和天然氣消耗量。電力和天然氣消耗密度分別為304千瓦時／平方米及1.36立方米／平方米，與上一報告期相比分別降低了6%和20%。

**A2.2. Water Consumption**

The Group consumed freshwater supplied by the municipal freshwater supplier. Water is mainly consumed for domestic use and the canteen operation. Water consumption of the Group during the reporting period was 93,971 m<sup>3</sup> (water consumption intensity of 4.10 m<sup>3</sup>/m<sup>2</sup>). There was no issue in sourcing water that is fit for purpose.

**A2.2. 用水**

本集團使用市政淡水供應商所提供的淡水，主要作內部使用及食堂營運。報告期內，集團用水量為93,971立方米（耗水密度為4.10立方米／平方米）。在採購適合的用水方面沒有出現問題。

**A2.3. Energy Use Efficiency Initiatives**

The administration department, the electrical and mechanical technicians and the logistic department have been working together to avoid wastage of fuel due to malfunctioned or deteriorated equipment, generators and vehicles. The Group tests pipelines against leakage with infrared laser detection. There were no quality issues reported on the natural gas pipelines and equipment during the reporting period.

**A2.3. 優化能源使用效率措施**

行政管理部門、機電技師以及後勤部門協力避免因設備、發電機及車輛故障或老化而造成燃料浪費。集團利用紅外激光檢測管道，以防洩漏。報告期內，天然氣管道和設備沒有出現質量問題。

The Group controlled lightings and temperature of air conditioners to reduce electricity consumption; and used evaporative coolers rather than air conditioners in the canteen. An electricity monitoring system had been installed to achieve centralised collections of real-time electricity consumption, voltage, current and frequency and identify abnormalities in the earliest stage. Monthly data was monitored, reviewed and analysed regularly to explore further energy saving possibilities, wherever necessary, perform maintenance work. Moreover, LED lightings with higher efficiency had been installed to cut down electricity consumption.

#### **A2.4. Water Use Efficiency Initiatives**

The Group encourages water conservation and reduces water wastage through inspections and maintenance of the water supply network. In response to the Guangzhou Water Management Plan developed by the government, the Group negotiated with the water supplier and agreed to maintain its monthly water consumption within the limit of 10,943 m<sup>3</sup>. To achieve such target, the Group adopted water-saving initiatives which include but not limited to:

- Assigning designated person to develop water consumption and management plans, and assigning responsibilities to internal inspection bodies;
- Installing water sub-meters at various production units to monitor water consumption more effectively;
- Recording daily water usage pertaining to production, fire service and canteen operation; and analysing the usage pattern by referencing historical data;
- Strengthening inspection of water supply equipment and pipe network, and replacing aging pipes;
- Promoting the use of water efficient equipment and appliances; and
- Launching promotion and education programmes regarding water conservation.

本集團監控照明及空調溫度，以降低用電量。食堂使用蒸發冷卻器而非空調。報告期內，已安裝了電力監察裝置，以集中收集實時用電量、電壓、電流和頻率數據，儘早發現異常情況。定期監測、檢討及分析每月數據，從而進一步探究優化能源效益的方案，並進行維修保養。安裝能源效益較高的LED照明，以降低用電量。

#### **A2.4. 優化用水效率措施**

本集團鼓勵節約用水，並通過檢查及保養供水網絡以減少水資源浪費。為響應政府推行的廣州市計劃用水管理辦法，集團與供水商磋商，並同意保持每月用水量在10,943立方米以內。為實現此目標，集團採取了節約用水措施，包括但不限於：

- 指派專人制定用水及管理計劃，並向內部查察單位問責；
- 在各生產單元安裝分水錶，以更有效地監測用水量；
- 記錄生產製造、消防及食堂營運的每日用水量，通過參考歷史數據分析用水模式；
- 加強檢測供水設備和水管網，更換老化的水管；
- 宣傳使用節水設備和器具；以及
- 推行有關水資源保育的宣傳及教育計劃。



**A2.5. Packaging Materials****A2.5. 包裝材料**

Type of Packaging Materials 包裝材料類別		Percentage of Consumption by Type (in percentage) 各材料用量 (百分比)
Paper	紙	75%
Wood	木	12%
Plastic	塑膠	7%
Sponge	海綿	6%

With its customers' agreement, the Group adopts eco-friendly packaging materials, which include carton boxes and wooden boxes that are made of recycled materials. During the reporting period, the Group had consumed a total of 625 tonnes of paper, wooden crates, cushioning sponge, plastic blisters and plastic bags for products packaging (consumption intensity of 0.03 tonnes/m<sup>2</sup>).

經客戶同意，本集團採用環保包裝材料，包括由循環再造材料製成的紙箱和木箱。報告期內，集團所消耗的產品包裝材料，包括紙、木板箱、緩衝海綿、吸塑和膠袋，共625噸（消耗密度為0.03噸／平方米）。

**A3. The Environment and Natural Resources****A3. 環境及自然資源****A3.1. Significant Impacts of Activities on the Environment**

Partnering with the professional environmental engineering company, the Group has continuously employed advanced technology for discharge water monitoring. A technician from the environmental engineering company has also stationed at the plant to monitor wastewater quality, ensure discharge compliance and to provide emergency support and technical assistance. The Group will continue to pursue better environmental performance and to explore every possibility to advance its environmental management so as to reduce adverse environmental impacts caused by its business operation.

**A3.1. 活動對環境的重大影響**

本集團與專業環境工程公司合作，採用先進的技術監測廢水排放。環境工程公司的技術人員派駐本廠，專責監控廢水質量，確保排放符合規定，並提供緊急支援及技術協助。集團將持續提升環境績效，並尋求各種可行的方式改進環境管理，以減少其業務營運對環境造成的不利影響。

The construction site for new production base has demonstrated compliance with the Measures for the Administration of Recordation of Registration Forms of Environmental Impact of Construction Projects; in which no violations were found during the reporting period. The Group is also committed to the efficient use of leftover building materials to minimise potential wastes.

新生產基地的施工現場已按《建設項目環境影響登記表備案管理辦法》之規定實施管理。報告期內未發現違規情況。同時，集團亦致力確保有效利用剩餘建材，以減少潛在的浪費。

Wastewater generated from building construction activities has undergone primary treatment in the on-site sewage treatment facility prior to the further treatments in Panyu Dongchong Industrial Sewage Treatment Plant. Wastewater generated from foundation pit excavation and wheel wash bay, after undergoing primary sedimentation, is recycled for cleansing of working area and washing of vehicle wheel to minimise discharge. The main contractor also schedules construction programme and avoids soil excavation work during rainstorms to prevent soil erosion.

建築地盤施工所產生的廢水先經過現場污水處理設施作初步處理，然後再由番禺東涌工業污水處理廠作進一步處理。基坑挖掘工程及車輪清洗區產生的廢水經過初步沉澱後，被循環利用作清洗工作區域及清洗車輪之用，以盡量減少排放。主承包商亦會規劃施工的時間安排，避免在暴雨期間開挖土壤，以防止水土流失。

## B. SOCIAL

### 1. Employment and Labour Practices

The Group regards human resources (“HR”) as its most valuable asset. It aims to provide staff with a workplace that is free of discrimination and harassment, at the same time emphasises diversity, health and safety. Moreover, through HR policies, employee welfare, on-the-job training and related activities, the Group unites employees from different provinces. It also enhances their cohesiveness and their sense of belongings to pursue and achieve the visions and missions of the Group.

## B. 社會

### 1. 僱傭及勞工常規

本集團視人力資源為最有價值的資產，為員工提供沒有歧視、騷擾，注重多元化、健康和安全的工作場所。同時，透過人力資源政策、僱員福利、在職培訓及相關活動，團結來自不同省份的員工，增強員工之間的凝聚力和歸屬感，以共同實現集團的願景和使命。

#### B1. Employment

The Group abides by all applicable laws and regulations in the PRC in relation to employment during the reporting period, including but not limited to:

- Labour Law of the PRC;
- Labour Contract Law of the PRC; and
- Social Insurance Law of the PRC.

#### B1. 僱傭

報告期內，本集團遵守中國有關僱傭的所有適用法律及法規，包括但不限於：

- 中華人民共和國勞動法；
- 中華人民共和國勞動合同法；和
- 中華人民共和國社會保險法。

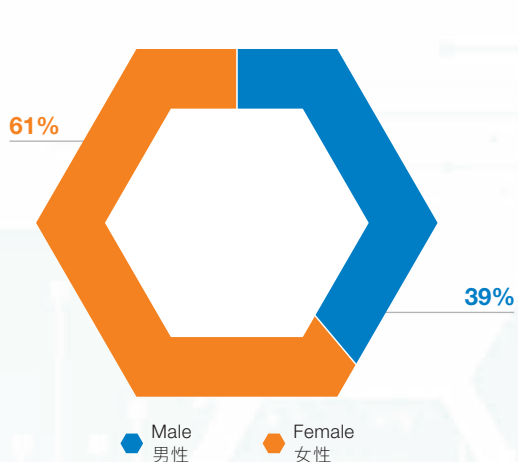
#### **Total Employees and Turnover**

The Group had a total number of 1,612 employees in the PRC as of 31 December 2019, in which all employees were on full-time basis. The total employees in the PRC by gender, age, and grade are shown below:

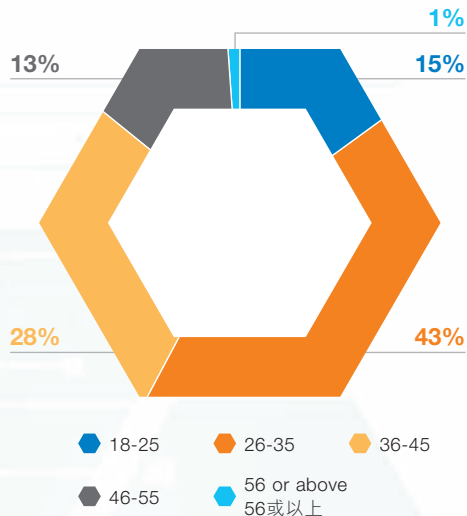
#### **僱員總數及流失率**

截至2019年12月31日，本集團在中國的總僱員人數為1,612名，全部為全職員工。下圖分別按性別、年齡及職級顯示中國僱員的整體狀況：

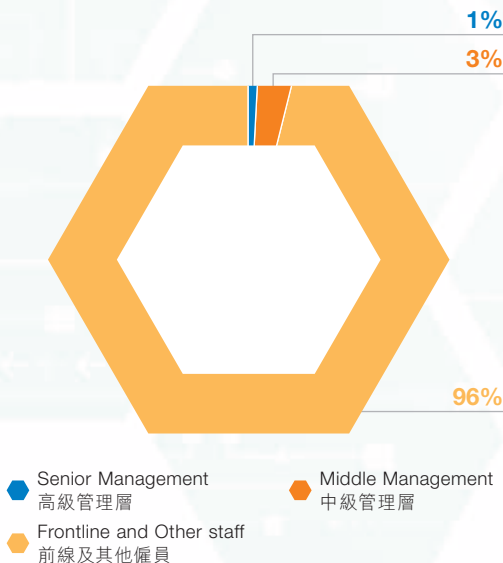
**Distribution of employees by gender**  
僱員性別分佈



**Distribution of employees by age**  
僱員年齡分佈



**Distribution of employees by grade**  
僱員職位分佈



A total of 785 employees left the Group in the reporting period (average turnover rate: 3.83%<sup>1</sup>).

報告期內，共有785名僱員離職（平均流失率為3.83%<sup>1</sup>）。

<sup>1</sup> The average turnover rate is calculated by averaging the monthly turnover rates. Monthly turnover rate is calculated by number of employees who left the Group in a specific month/total number of employees in the previous month\*100%. Employees who leave the Group within a month are not counted.

<sup>1</sup> 平均流失率是根據全年每月流失率的數據來計算平均值。每月流失率的計算方式是：個別月份離職僱員人數／對上一個月的僱員總數\*100%。入職未滿一個月便離職的僱員，則不計算在內。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

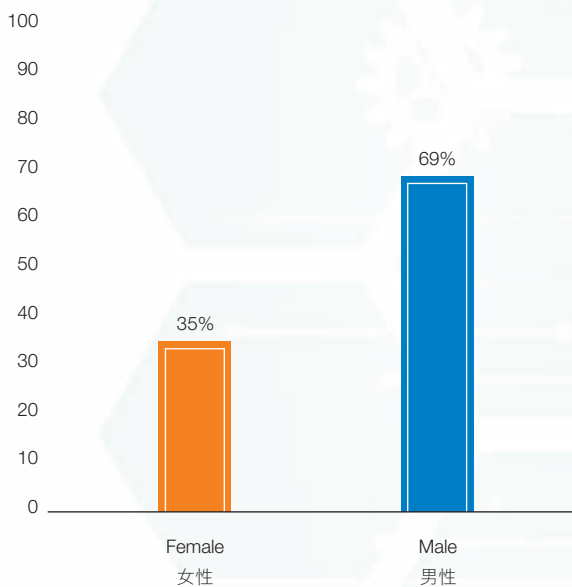
### 環境、社會及管治報告

The average turnover rate reduced by approximately 1.3 percentage point compared to that of last reporting period. The reduction was attributable to the employment of local workers within the communities and the stable supply of workers in the local labour market due to subdued economic conditions in China in 2019. During the reporting period, the Group reviewed and adjusted the employees' salaries to retain talents.

與上一報告期相比，平均流失率下降約1.3個百分點。下降的原因是由於僱用社區內工人當地就業，以及2019年中國經濟疲弱令當地勞動力市場供應穩定。報告期內，本集團檢討並調整了僱員的薪酬以留住人才。

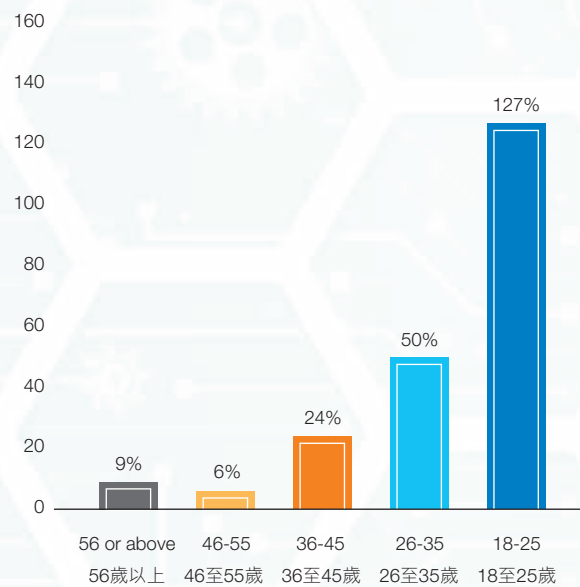
#### Turnover Rate by Gender (in percentage)

按性別劃分的僱員流失比率  
(按百分比計)



#### Turnover Rate by Age Group (in percentage)

按年齡組別劃分的僱員流失比率  
(按百分比計)





**Strategic Talent Centre (“STC”)**

As stated in “Management Discussion and Analysis” section of this annual report, HK\$11.3 million of the net proceeds will be used to establish a STC in Guangzhou City of the PRC. On 25 October 2019, the Board resolved to change the use of the remaining unutilised net proceeds for the establishment of the STC from HK\$11.3 million to HK\$6.3 million. Please refer to the announcement of the Company dated 25 October 2019 for more details. The purpose of the STC is to recruit high calibre personnel such as engineers, IT technicians, procurement specialists, accountants and internal auditors. The STC has come into operations since fourth quarter of 2017 and there were 14 employees working at the STC as at 31 December 2019 to engage in strategic purchasing, software development and enhancement. The management of the Group will continue to recruit talents of necessary level and number at the STC for providing various value-added supports to the Group.

**Competitive Compensation and Benefits Package**

The Group provides competitive compensation and benefits to employees. The regular working hours are 40 hours per week, with agreed overtime compensation pay as stated in the employee handbook and the HR management policy. Salary adjustment is performed annually according to the financial results of the Group, work performance of individual employee and the market trend. Frontline staff of the Plant working in the Group for three months or above are entitled to monthly financial reward, which will be raised with increasing period of service. The Group provides social insurance, subsidies, holidays and other welfare according to the statutory requirement. Employees are entitled to casual leave, annual leave, marriage leave, maternity leave, paternity leave, lactation break, sick leave and compassionate leave; and are provided with share option and subsidised meals, if necessary. The Group also operates staff canteen which offers employees subsidised meals of wide variety food options and fruits, and birthday cakes are treated to employees.

**戰略人才中心**

本年報「管理層討論及分析」一節提到，所得款項淨額中的1,130萬港元用於在中國廣州市設立戰略人才中心。2019年10月25日，董事會決定將原擬動用剩餘所得款項淨額1,130萬港元設立戰略人才中心，更改為630萬港元。詳情請參閱本公司於2019年10月25日的公告。戰略人才中心旨在招募優秀的人材，如工程師、資訊科技人員、採購專才、會計師及內部審計師。戰略人才中心自2017年第四季度開始運作，截至2019年12月31日，中心共有14名員工，從事戰略採購、軟件開發及升級。集團管理層將繼續招聘合適資歷和數量的人材，加入戰略人才中心，為集團提供各種增值支援服務。

**具競爭力的薪酬福利計劃**

本集團給予僱員具競爭力的薪酬及福利。一般工作時間為每週40小時，加班費按員工手冊內所述方式及人力資源管理政策計算。每年跟據本集團之財務業績、僱員個人工作表現及市場趨勢，進行一次薪酬調整。在集團工作滿三個月或以上的工廠前線員工可獲每月獎金，獎金額將隨著服務時期的增長而提高。本集團按照法例規定，為僱員提供社會保險、補貼、假期等福利。僱員有權享有事假、年假、結婚假、產假、侍產假、授乳時段、病假及恩恤假。如有需要，員工還可獲認股權及膳食補貼。集團營運員工食堂，以優惠津貼價格為僱員提供各式各樣食品 and 水果，並為僱員送上生日蛋糕慶祝生日。

Employment contract terms are stipulated under the principles of fairness, voluntarism, mutual consent, integrity and credibility. Any employee leaving the Group shall provide a 30-day written notice (3-day notice for employees in probationary period) as a formal process to terminate the employment contract with the Group. The employee will be provided with certification of resignation after carrying out the handover and resignation procedures according to the employee handbook and the Labour Contract Law of the PRC. To protect legitimate rights and interests of employees, the Group has also set up a labour union. The Group constantly reviews employee benefits and welfare, employment handbook and employment contract with labour union and the Worker's Representative Congress.

No material non-compliance in relation to compensation and dismissal, recruitment and promotion, working hours, rest periods and other benefits and welfare was recorded during the reporting period.

#### **Equal Opportunity**

The Group treats its people with respect, fairness and understanding. When there is a job vacancy, the Group recruits internally before recruiting externally. Recruitment process is carried out according to the Group's regulations on employee recruitment management. The Group provides equal opportunities for employees in respect of recruitment, job advancement, training and development, etc. Employees are not discriminated against or deprived of such opportunities because of race, nationality, religion, physical condition, disability, gender, pregnancy, sexual orientation, political status, age and any other discrimination prohibited by applicable law. Employees shall not act in discriminatory manner or they can be subject to disciplinary actions. No material non-compliance in relation to relevant laws and regulations that have a significant impact on the Group regarding equal opportunity, diversity and anti-discrimination was recorded during the reporting period.

我們以公平、自願、彼此同意、公正和具公信力的原則，制定僱傭合約條款。任何擬離職員工應根據集團之終止僱傭合約正式程序，在30天前（試用期間為3天前）提交書面通知。在根據員工手冊和《中華人民共和國勞動合同法》辦理交接及離職手續後，集團將向該僱員發出離職證明。為保障員工的合法權益，集團還成立了工會，與工會及工人代表大會持續檢討有關僱員權益和福利、僱傭手冊及僱傭合同的事宜。

沒有與補償及解僱、招聘及晉升、工作時間、休息時間，以及其他權益及福利相關的重大違規紀錄。

#### **平等機會**

本集團以尊重、公平和諒解的態度對待員工。當有職位空缺時，集團會先進行內部招募，然後才對外招聘。招聘過程按照本集團有關員工招聘管理的規定進行。本集團在招聘、工作晉升、培訓和發展等方面，均提供平等機會予每一位員工。員工不會因為種族、國籍、宗教信仰、身體狀況、殘障、性別、懷孕、性取向、政治地位、年齡及任何其他法律禁止的歧視，而受到歧視或被剝削機會。同時，員工亦不得作出歧視的行為，否則可能會受到紀律處分。在報告期內，沒有與平等機會、多樣性及反歧視相關的重大違規紀錄。

**Employee Relations**

The Group believes that strong communication is a prerequisite for sound and effective management. Regular communication at different levels is maintained in accordance with the Group's guideline for standardised communication management. The guideline assists new employees adapting to the work environment, existing employees acquiring adequate support and the Group gaining feedback and suggestions from departing employees.

The Group has set up message box to collect opinions from employees and has constantly reviewed the employee benefits and employee handbook. A WeChat Work account had also established to maintain connections and cohesions of staff from different levels, divisions and departments. The Group communicates with 100% of all types of employee categories (new employees, existing employees and departing employees). Channels of standardised communication include trainings, individual and group interviews and phone calls. Adequacy of communication is examined through random sampling surveys and interviews. The sampling or interview rate was 86% in the reporting period.

To celebrate Trio's 35th Anniversary, the Group held a gala dinner and a wide variety of celebration events that rewarded employees for their valuable contributions to the Group. During the reporting period, Panyu Trio Microtronics Co., Ltd., a principal subsidiary of the Company in the PRC, organised activities such as tug-of-war games, team building activities and sightseeing tours to promote employees' sense of belonging. The Group also offered a one-off reward of RMB 3,000 to an employee from Quality Control Department, recognising his heroic act of saving lives of drowning people. The news was widely reported in the media.

Trio Engineering Company Limited ("**Trio Engineering**"), a principal subsidiary of the Company in Hong Kong, also encourages sport participation. Three staff representatives took part in the 10-km race in Standard Chartered Hong Kong Marathon 2019 in February 2019. Employees have also participated in a terrarium workshop organised by a not-for-profit organisation, S.K.H. Holy Carpenter Church Community Centre, in November 2019.

**僱員關係**

本集團相信緊密的溝通是有效管理的基礎。集團根據既定的溝通管理指引，從不同層面與僱員保持定期溝通。該指引既有助新入職員工適應工作環境；也讓現職員工獲得足夠支援；同時亦有助我們向離職員工收集意見和建議。

本集團設立了意見箱收集員工的意見，並持續檢討員工權益及員工手冊，還開設企業微信帳戶，與各職級、分部及部門的員工保持聯繫，培養凝聚力。本集團與所有類別的員工（包括新入職、現職及離職員工）百分百溝通，既定的溝通方式包括培訓、個別及小組面談，以及電話通話；並透過問卷抽查和面談檢討溝通是否足夠。報告期內，抽查或面談率為86%。

為慶祝致豐成立35週年，集團舉行了盛大的晚宴及各種慶祝活動，以獎勵員工對集團的寶貴貢獻。報告期內，本公司在中國的主要附屬公司廣州市番禺致豐微電器有限公司舉辦了拔河比賽，團隊建設活動及觀光旅遊等，以增強員工的歸屬感。集團頒發一筆特別獎金3,000元人民幣予一名質量控制部員工，以表揚他落水英勇救人的善行。該善行曾經被本地媒體廣泛報導。

本公司在香港的主要附屬公司致豐工程有限公司（「致豐工程」）也鼓勵員工參與體育活動。2019年2月，三名員工代表參加了渣打香港馬拉松10公里賽。2019年11月，員工還參加了由非牟利組織聖公會聖匠堂社區中心主辦的盆景工作坊。

**B2. Employee Health and Safety**

Safe and healthy working environment is vital for employees – not only does it reduce injury and illness, but also raises employee morale and productivity. With the OHSAS 18000 certification, the Group has established standardised procedures for its occupational health and safety system pertaining to hazard identification, risk assessment and risk control. Employees engaged in operations exposing to high occupational hazards have undergone periodic occupational health assessments and their health records are well-maintained. Personal protective equipment (“PPE”) is provided by the Group and employees are only allowed to enter the production area when all necessary PPE has been put on. All results from the annual occupational hazards and risk factors assessment have met the required standards and no material non-compliance in relation to laws and regulations that have a significant impact on the Group regarding occupational health and safety was recorded during reporting period.

The Group gives special attention to fire hazards in the workplace. An on-site fire station has been set up to provide prompt support to fire accidents. Fire safety is also ensured through regular fire drills, fire safety trainings and maintenance of electrical and fire equipment, of which all the goals have been achieved. During the reporting period, two fire drills were held. Employees were able to evacuate within two minutes and to use various types of fire-fighting equipment from past drill experiences.

Activated carbon is regularly replaced to maintain its active property for air purification and removal of air pollutants. Chemical substances are properly controlled over storage, usage and disposal. Chemicals used in the manufacturing process are temporarily stored at storage zones specifically defined in the warehouse, wherein secured double locking system is adopted, and access is restricted to authorised management personnel or warehouse workers who had obtained valid certificates. Hazardous waste, with precautions, are securely stored at well-ventilated storage rooms, in which each container is correctly and clearly labelled with the name of chemical and type of hazard. The storage room is paved with concrete and provides with secondary containment that hold and prevent any spills or leaks of chemicals from reaching the environment.

**B2. 僱員健康及安全**

安全健康的工作環境對僱員至關重要，不僅可減少受傷及疾病，還可以提高僱員的士氣及生產力。通過OHSAS 18000認證，本集團制定了實行職業健康及安全系統的標準程序，以處理有關危害識別、風險評估和風險控制的事宜。我們安排工作上要接觸高職業危害之僱員接受職業健康檢查，並妥善保存其健康記錄。本集團向僱員提供個人防護裝備（「PPE」），僱員必須佩戴所有必要之個人防護裝備，方可進入生產區。在報告期內，所有職業危害因素的年度監測結果均符合有關要求，並沒有與健康及安全法律法規相關的重大違規事故。

本集團特別留意工作場所的火災隱患。在工作場所內設有消防站，以便一旦出現火災時，可及時提供支援。為確保消防安全，集團定期進行消防演習、消防安全培訓，並保養電力及消防設備，所有設定的目標均已達成。在報告期內，共舉行了兩次消防演習，僱員能夠在兩分鐘內撤離，並從過去的演習中，學懂使用各種滅火設備。

定期更換活性炭以保持其活性，以淨化空氣和去除空氣污染物。化學物質的儲存、使用及處置都受妥善監控。製造過程中使用的化學品臨時存放於倉庫中特別劃出的存放區內。該存放區採用安全的雙重上鎖系統，只有持有有效證書的授權管理人員或倉庫工人方可進入。有害廢棄物也被謹慎處理，安全存放於通風良好的儲藏室內。在儲藏室內，每個容器均清楚正確地標示化學品名稱及危害類別。儲藏室地面鋪了混凝土，並設有第二層安全保護外殼，可抵擋任何溢出或洩漏的化學品，防止化學品滲進入環境中。



**Occupational Health and Safety Statistics in FY2019 2019年財政年度職業健康及安全數據**

Work related fatality	因工死亡	0
Work injury cases >3 days	因工傷損失>3天的事故	6
Work injury cases ≤3 days	因工傷損失≤3天的事故	8
Lost days due to work injury	因工傷損失工作天數	96 days天

The 14 work injury cases in the reporting period were all minor injuries. In response to the injury cases, the Group has analysed cause of the injuries and developed corresponding measures to avoid reoccurrence.

在報告期內，共發生了14宗工傷事故，受傷者均為輕傷。本集團已就工傷事件檢討事發原因，並制定相應措施，以避免事件再次發生。

**Food Health and Safety**

The Group follows its own regulations regarding canteen management, hygiene and safety management to ensure that food served in the canteen is of high quality and is safe to eat. It only purchases food materials that are fresh, hygienic, clean and in compliance with all applicable national standards and regulations. Samples of each dish, rice and soup are kept 48 hours every day for record and testing if necessary. Food premises are sanitised regularly and inspected every day. There were no complaints regarding food quality in the reporting period.

**食物健康及安全**

本集團謹守有關食堂管理、衛生和安全管理的內部規定，確保食堂所供應的食物品質優良，可安全食用。食堂只購買新鮮、清潔、衛生的食材，並符合所有適用的國家標準和法規。我們每天抽取每道菜餚、米飯和湯的樣本，保存48小時，以便在有必要時進行記錄和化驗。食品處所定期消毒，並每天進行檢查。在報告期內，沒有接獲關於食物質素的投訴。

**B3. Development and Training**

People are the most treasurable assets of the Group. Investing in people is one of the Group's focuses and a key factor sustaining to the Group's continuous growth. The Group therefore provides comprehensive training and development opportunities to its employees:

**B3. 發展及培訓**

人才乃本集團最寶貴的資產。投入資源、培養英才才是集團的發展重點之一，也是推動集團持續增長的關鍵因素。因此，本集團為旗下員工提供全面的培訓和發展機會：

- Orientation training – To familiarise employees with the Group's objectives, culture, rules and regulations, safety and product-related knowledge on the first day of employment;
- Pre-job training – To enable new employees or transferred employees to familiarise with their new duties;
- Reinforcement training – To ensure employees participate in continuous personal, vocational and other technical skills development and maintain their professional competence; and
- Key operation training – To ensure designated employees obtained permits (through examinations) before performing key operations.

- 迎新培訓 – 讓僱員在首個工作天先熟悉集團的目標、文化、規矩和守則，安全及產品相關的知識；
- 崗前培訓 – 讓新入職或轉崗的僱員熟悉新的職務；
- 強化培訓 – 確保僱員能獲得持續的個人、職業及其他技術的發展，保持專業競爭力；及
- 關鍵崗位培訓 – 確保指定員工在執行重要操作前（通過考試）獲得許可證。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### 環境、社會及管治報告

The Group supports continuous improvement of skills and employment prospects of employees. It arranges internal training, external training and development programs according to needs of employees, which are analysed and identified annually by individual departments/divisions. Apart from classroom trainings, e-learning platform is also in place to cater for different needs of employees. Training courses including PRINCE2 project management training, agile project management training and Kaizen Database training were organised. The training targets and performances are monitored and evaluated from time to time and therefore maximising the growth of its people.

During the reporting period, 95% employees of the Group received trainings, the average training hours per employee were 12.14 hours per employee respectively. The table below illustrates the training and development statistics of the Group.

本集團支持僱員不斷提升技能和就業前景。各個部門／分部每年進行分析以確定僱員的需求，然後為僱員安排內部培訓、外部培訓及制定發展計劃。除課堂培訓外，還設立了電子學習平台，以滿足僱員的不同需求。培訓課程包括PRINCE2項目管理培訓、敏捷項目管理培訓和Kaizen數據庫培訓等。集團不時監察及評估培訓目標及績效，以期讓僱員獲最大的得益，從而成長。

報告期內，本集團有95%僱員接受了培訓，每名僱員的平均培訓時間為12.14小時。下表顯示集團的培訓及發展統計數據。

Training and Development Statistics in FY2019	2019年財政年度培訓及發展統計數據	
Total number of employees	總僱員人數	1,613
Total training hours	總受訓時數	18,685
<b>Percentage of employees trained by Gender</b>	<b>受訓僱員百分比，按性別計</b>	
– Male	– 男性	95%
– Female	– 女性	96%
<b>Percentage of employees trained by employment category</b>	<b>受訓僱員百分比，按僱員類別計</b>	
– Senior management	– 高級管理層	95%
– Middle management	– 中級管理層	94%
– Frontline and other employees	– 前線及其他僱員	95%
<b>Average training hours completed per employee by gender</b>	<b>每僱員平均受訓時數，按性別計</b>	
– Male	– 男性	9.76
– Female	– 女性	12.77
<b>Average training hours completed per employee by employee category</b>	<b>每僱員平均受訓時數，按僱員類別計</b>	
– Senior management	– 高級管理層	9.32
– Middle management	– 中級管理層	8.79
– Frontline and other employees	– 前線及其他僱員	11.71

**B4. Labour Standards**

The Group attaches great importance to labour rights and interests of its people and has implemented a set of clearly written procedures that address customers' concerns on labour right protection. The Group demonstrated compliances with the employment contract, the Group's regulations and policies, the Labour Law and other related national laws of the PRC; there was no child labour nor forced labour employed in the Group during the reporting period.

The job application requirement specifies that job applicants must be at least 18 years old. The HR system would limit and restrict data entry of personal information of applicants. To ensure that job applicants can meet the age requirement, the identities of job applicants are verified against their valid identity documents, relevant permits and certificates. The HR department is required to carry out background checks to authenticate information provided by job applicants and is required to fill in forms that confirm hired employees have met the age requirement. No non-compliance in relation to laws and regulations that have a significant impact on the Group regarding prevention of child and forced labour was recorded during reporting period.

**2. Operating Practices**

The Group places highest regards to integrity and professional ethics. It operates in an honest, accountable and fair manner which offers safe, reliable and quality products. On the other hand, the Group devotes to strengthening social solidarity through community service and charity.

**B5. Supply Chain Management**

Equipment or materials are purchased based on specifications, quality and safety performance of equipment, reputation, after-sales service and delivery time of the supplier. The Group has developed a comprehensive supplier assessment system to effectively and efficiently evaluate suppliers along different dimensions. It selects qualified suppliers according to product specifications, product compliances, production management, quality management, environmental management and corporate social responsibility. Qualified suppliers shall ensure that all the goods delivered are free of defects and non-conformities; and that they are produced in line with the provisions laid out in the quality assurance agreement.

**B4. 勞工準則**

本集團高度重視僱員的勞工權益，並實行一套明確的書面程序，以回應客戶對保護勞工權益的關注。本集團遵守僱傭合約、集團規章制度、勞動法，以及其他相關的國家法律法規。在報告期內，並沒有僱用童工或強迫勞工。

集團規定求職者必須年滿18歲，否則人力資源系統限制和禁止輸入申請人的個人資料。為確定求職者符合年齡要求，我們會核對求職者的有效身份證明文件、相關許可證及證書，以確認身份。人力資源部門必須進行背景調查，以核實求職者所提供的資料，並要填寫表格確認所僱用的員工符合年齡要求。在報告期內，並沒有與防止童工及強制勞工法律法規相關的重大違規紀錄。

**2. 營運方式**

本集團極度重視誠信及專業操守，一直以誠實、負責及公平的方式運作，提供安全、可靠及優質的產品，同時致力通過社區服務及慈善工作，加強社會的團結。

**B5. 供應鏈管理**

選購設備或材料時，會根據規格、設備質量和安全性、供應商的信譽、售後服務及交貨時間各方面作考慮。本集團開發了全面的供應商評估系統，從多方面有效而快速地評估供應商。系統根據產品規格、產品合規性、生產管理、質量管理，以及企業社會責任的表現，來挑選合資格的供應商。合格的供應商應確保所有交付的貨物均完好無缺、符合要求，並且按照質量保證協議內的規定而生產。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### 環境、社會及管治報告

The Group, also, pays close attention to the environmental impacts and occupational safety management of its suppliers. In particular, the Group encourages suppliers to develop towards the ISO 14001 and ISO 45001 systems. For specific goods, suppliers are required to maintain full compliances with respect to RoHS and REACH regulations during the manufacturing process. To verify and ensure compliance, the Group requires all approved suppliers to submit relevant documents and conducts factory audit when necessary.

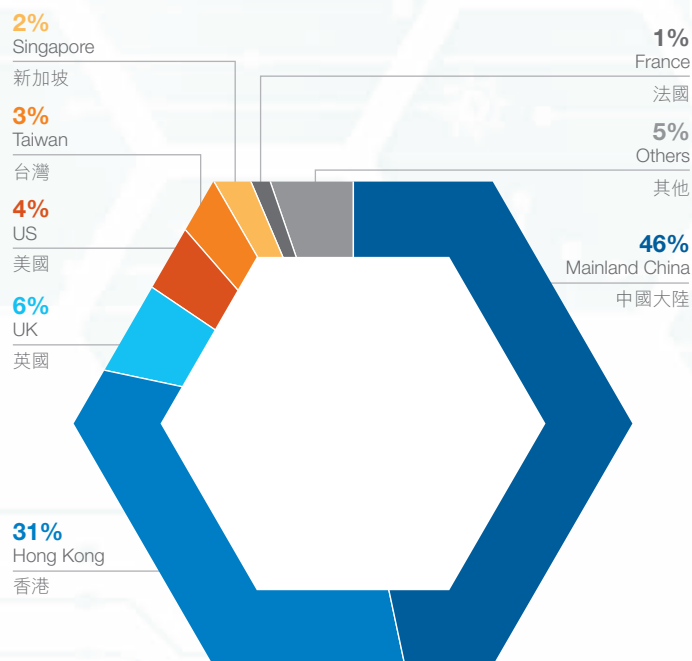
When choosing energy- or water-consuming equipment, the Group places preferences to energy efficient and water-saving equipment according to its management policy on energy and resources use. During the reporting period, the Group had sourced its major materials from 771 suppliers of the following geographical regions<sup>2</sup>.

本集團亦密切關注其供應商的环境影響及職業安全管理，尤其鼓勵供應商引入ISO 14001及ISO 45001系統管理模式。對於特定商品，供應商在製造過程中必須完全遵守RoHS和REACH法規。為核實並確保合規，本集團要求所有合格供應商提交相關文件，並在必要時進行工廠審核。

在選擇耗能或耗水設備時，本集團會按照既有的能源及資源使用管理政策，優先考慮節能 and 節水的設備。於報告期內，本集團向以下地區共771個供應商採購主要原材料。

### Distribution of Suppliers by Geographical Regions

#### 按地區分的供應商分佈



<sup>2</sup> Other geographical regions include suppliers (less than 1% each) in South Korea, Ireland, Malaysia, Italy, Thailand, Denmark, Japan, India, Spain, the Netherlands, Australia and Philippines.

<sup>2</sup> 其他地區的供應商（不足1%）來自南韓、愛爾蘭、馬來西亞、意大利、泰國、丹麥、日本、印度、西班牙、荷蘭、澳大利亞和菲律賓。



**B6. Product Responsibility*****Product Assurance and Recall***

The Group sets high standards for ensuring product quality and reliability, strictly follows all required manufacturing processes and actively implements quality inspection system. Product quality is controlled and managed through laboratory tests, RoHS Directive spectrum inspections, automatic optical inspections, burn-in tests, and unit under tests, etc. Products and its incoming components are assessed of conformity with various requirements for not less than three times. Quality control personnel undergo a 3-tier quality control process – incoming, in-process and out-going quality control to assure that the quality of incoming materials, intermediate products and final products adheres to the criteria and meets the requirements of the client.

***Industry 4.0 Certification***

The Group places the greatest emphasis on improving its production process and enhancing quality control capability. During the reporting period, the concept of smart manufacturing has successfully driven the Group towards a higher position, thereby gaining a stronger foothold in the EMS industry. In April 2019, the Group, is awarded the Certificate of Industry 4.0 level 1i Maturity Recognition by the Hong Kong Productivity Council and the Fraunhofer Institute of Production Technology IPT of Germany. The achievement of level 1i maturity of Industry 4.0 has recognised the Group's long-term endeavours in quality assurance, technology innovation, system development and applications. In addition, it testifies the Group's capability in real time information generation including business operations, production and logistics.

***Customer Service and Product Recall***

The Group devotes to building and growing long-term sustainability relationships with its clients. It has developed a holistic complaint management approach to handle and resolve customer complaints more speedily. Complaints received by the marketing department are promptly forwarded to respective departments/divisions for follow-ups. Upon receipt of complaints, the Group responds in 24 hours, performs 8D problem-solving analysis exercise and provides 8D analysis reports to complainant within 7 working days.

**B6. 產品責任*****產品質量保證及回收***

本集團設定高產品標準，以確保產品質量和可靠性；嚴格遵循所有必需的製造流程，並積極執行質量檢查體系的規定。為控制和管理產品質量，我們會進行實驗室測試、RoHS譜系檢測、自動光學檢測、老化測試及單元測試等。產品及相關的購入組件，均接受起碼三次檢測，以確定符合各種要求。品質控制專員在材料入廠、生產中期、出貨三個階段，皆進行品質控制，以確保購入材料、半成品和成品，均符合標準並達至客戶的要求。

***工業4.0認證***

本集團視改善生產工序及提升品質控制能力為重中之重。在報告期內，集團憑藉智能製造理念，成功邁向更高的台階，在電子製造服務(EMS)行業中穩佔席位。2019年4月，本集團獲香港生產力促進局及德國Fraunhofer Institute of Production Technology IPT頒授「工業4.0成熟度認可證書 – 1i級」(Certificate of Industry 4.0 level 1i Maturity Recognition)。集團能夠達致工業4.0級別1i成熟度，不但體現其長期以來在質量保證、技術創新、系統開發和應用各方面的努力，還印證了集團在業務營運、生產及物流上實時產生數據的能力。

***產品質量保證及回收***

本集團致力與客戶建立長遠的可持續發展關係，備有整全的投訴管理方法，以便更快處理客戶的投訴，解決問題。市場部收到投訴後將迅速轉發至相關部門／分部作跟進。接到投訴後，本集團會在24小時內回應，然後透過「8D問題解決法」分析及解決問題，並在7個工作天內向投訴人提交8D分析報告。

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The detailed 8D problem-solving method adopted in the customer complaint handling procedure is illustrated as follows:

用於處理客戶投訴的「8D問題解決法」。詳情如下圖所示：



The Group has received 53 complaints during the reporting period. All complaints had been resolved through 8D problem-solving method with corrective actions and preventive measures. There was no product recalled due to safety and health reasons and no material non-compliance with laws and regulations that have a significant impact on the Group in relation to product health and safety recorded during the reporting period.

報告期內，本集團共收到53個投訴。所有投訴皆以8D問題解決法處理，並採取了糾正行動和預防措施。報告期內，沒有因為安全及健康原因而召回產品，也沒有嚴重違反有關產品健康和安全的法律法規，對本集團產生重大影響。

**Intellectual Property Rights**

Intellectual property (“IP”) includes trademarks, service marks, copyrights, rights in inventions, rights in know-how, etc. The Group highly respects the IP rights owned by the Group and third-party organisations. The Group has its own policy on IP rights and has registered patents and copyrights for its utility models, software and system inventions. Its IP rights policy was in compliance with the Enterprise Intellectual Property Management (GB/T 29490-2013), Trademark Law and the Patent Law of the PRC and regulates implementation, maintenance and continuous improvement of the Group’s management on IP rights. It is committed to using third-party licensed rights and IP assets rightfully without infringement of any applicable laws and regulations.

For major procurement activities, the administration department and the procurement department of the Group investigate and analyse IP rights information of the procurement material, require suppliers to provide supporting documents to avoid any breach of IP rights. Suppliers also have been undertaken the mentioned procedures by the Group to respect IP rights and act in accordance with the suppliers’ code of conduct developed by the Group.

**Information Security**

To keep information such as financial information, IPs, employee details or information entrusted to the Group secure, the Group manages information in a systematic approach. The Group has developed a policy on customer property control and a procedure on risk assessment and control of information assets. During the reporting period, the Group has been certified with the ISO 27001 Information Security Management System by BSI, in which recognised the Group’s efficient management of information security.

**知識產權**

知識產權包括商標、服務標誌、版權、發明權及專有技術權等。本集團極尊重集團本身及第三方機構所擁有的知識產權。本集團已有既定的知識產權政策，並已為其發明（包括實用新型、軟件和系統）註冊了專利和版權。其知識產權政策依照中華人民共和國企業知識產權管理(GB/T 29490-2013)、商標法和專利法之規定，規範集團實施、維護和持續改進知識產權管理的方針。集團致力確保正當使用第三方的許可權和知識產權資產，不違反任何適用的法律和法規。

處理大型的採購時，本集團的行政部門和採購部門會調查和分析所採購材料相關之知識產權資料，要求供應商提供證明文件，以避免侵犯知識產權。供應商亦承諾遵照集團的程序，尊重知識產權，並遵守本集團制定的供應商行為守則。

**資訊安全**

為確保財務資料、知識產權、僱員詳細資料或由本集團託管資料等資訊的安全，本集團以系統化方式管理資訊。本集團制定了客戶財產監控政策，以及有關資訊資產風險評估及監控的程序。報告期內，本集團已獲BSI的ISO 27001信息安全管理体系認證，認可本集團就資訊安全的高效管理。

Under the policy on customer property control, customer property under protection not only includes tangible properties but also IP rights, personal information and confidential information. Non-disclosure agreements would be signed between the Group and customers/business partners where necessary. To maintain network security, the Group has set up firewalls, installed anti-virus software and implemented interactive processing for password verification. Robust support has been provided for network and servers involved in major operations. In order to maintain stable network connection, the Group has built back-up servers and operation systems as contingency plan in face of network instability and failures.

The procedure on risk assessment and control of information assets regulates risk assessment of information security, identifies level of risks and controls measures to reduce risks. Information assets include but not limited to data, document, hardware, software, HR and service, etc. Potential threats and vulnerabilities of the Group's infrastructure and its components have been identified in the procedure in order to implement respective control measures and analyse gaps.

There was no loss of customer data and privacy identified or non-compliance with laws and regulations that have a significant impact on the Group in relation to customer data protection and privacy was recorded during the reporting period.

#### **Advertising and Labelling**

The Group has no specific policy in relation to advertising and labelling of products and services as advertising and labelling of products and services were considered as immaterial to the Group's operation. There was no material non-compliance with relevant laws and regulations that have a significant impact on the Group regarding advertising and labelling recorded during the reporting period.

根據客戶財產控制政策，受保護的客戶財產不僅包括有形財產，還包括知識產權、個人資料和機密資料。在有必要時，本集團將與客戶／業務合作夥伴簽署保密協議。為了確保網絡安全，集團已設置防火牆，安裝了防病毒軟件並以互動方式進行密碼驗證。涉及主要業務營運的網絡和伺服器皆配備強大的技術支援。為了維持穩定的網絡連線，本集團已備有後備伺服器 and 操作系統，以應付網絡不穩定及故障情況。

資訊資產風險評估及監控的程序規範了資訊安全風險的評估，辨識風險水平，並監控降低風險的措施。資訊資產包括但不限於數據、文件、硬件、軟件、人力資源和服務等。透過此程序，找出集團基礎設施及其組成部分的潛在危機及漏洞，以便實施相應的控制措施，並分析不足之處。

報告期內，沒有出現客戶數據和隱私損失的情況，也沒有違反與客戶數據保護和隱私相關的法律法規，而對集團造成重大影響。

#### **廣告宣傳及標籤**

由於廣告宣傳及產品和服務標籤對本集團的營運並不重要，因此集團沒有關於廣告宣傳及產品和服務標籤的具體政策。報告期內，本集團概無違反任何有關廣告和標籤的法律法規，而對集團有重大影響。



**B7. Anti-corruption**

The Group has zero tolerance for bribery and corruption. According to the Group's anti-corruption policy, all employees shall abide by the laws and regulations of the PRC and shall not engage in any illegal activities. Employees shall uphold the code of ethics, advocate fair competition and act against bribery by complying with the rules as stipulated in the employment handbook and Corporate Governance Control Policy. Any bribery, fraud, money laundering and embezzlement are prohibited. Employees must not accept or request any improper benefits including banquets, gifts, securities, valuables and high-expenditure entertainment activities from business partners, suppliers and merchants, etc.

During the reporting period, the Group was in compliance with all applicable laws and regulations on prohibiting corruption and bribery that have a significant impact on the Company during the reporting period, including the Criminal Law of the PRC, Anti-unfair Competition Law of the PRC and the Anti-money Laundering Law of the PRC. There was no concluded legal case regarding corrupt practices brought against the Group or its employees during the reporting period.

**Whistleblowing Policy**

When there is any alleged case in violation of laws, regulations, code of conduct or Group's policies, the Group will investigate and impose disciplinary actions upon offenders after verification. Employees are obligated to report any wrongdoing through the Group's whistleblowing hotline.

Ms. Ruby Wan  
Company Secretary  
Tel: +852 2765 8787  
Email: rubywan@trio-ieg.com

Mr. Cheung Kin Wing  
Chairman of the Audit Committee  
Tel: +852 9126 0624  
Email: edwin@trimpf.com

Whistle-blowers are protected from retaliation and their information will be kept strictly confidential.

**B7. 反貪腐**

本集團絕不容忍賄賂及貪污行為。根據本集團的反貪腐政策，全體僱員須遵守中國的法律和法規，不得從事任何非法活動。僱員須遵守僱傭手冊及公司治理控制政策之規定，恪守職業道德，倡導公平競爭，禁止賄賂。嚴禁任何賄賂、欺詐、洗黑錢和挪用公款行為。僱員不得接受，亦不可要求商業夥伴、供應商及商人等給予任何不當的利益，包括宴會、禮品、股票、貴重物品和高消費娛樂活動等。

報告期內，本集團遵守於報告期內對本公司產生重大影響的所有禁止貪污賄賂的適用法律法規，包括《中華人民共和國刑法》、《中華人民共和國反不正當競爭法》及《中華人民共和國反洗錢法》。報告期內，本集團及其僱員沒有涉及任何已審結之貪污訴訟案件。

**舉報政策**

若發生涉嫌違反法律、法規、行為守則或集團政策的事件，本集團會進行深入調查。若查明屬實，將會對違例者採取紀律處分。僱員有責任向本集團舉報任何不當行為，舉報熱線：

溫美華  
公司秘書  
電話：+852 2765 8787  
電郵：rubywan@trio-ieg.com

張建榮  
審核委員會主席  
電話：+852 9126 0624  
電郵：edwin@trimpf.com

舉報人不會遭受報復，所提供的資料將被嚴格保密。

## B8. Community Investment

While pursuing its business development, the Group has been proactively giving back to society through public welfare undertakings. It is committed to supporting and creating values – friendship, care and respect for the communities where it operates in. During the reporting period, the Group made contributions to the communities through multiple channels, such as employee volunteering, donations, sponsorships and home visits.

### **Poverty Alleviation**

The Group strives to improve living conditions of the local community. In August 2019, the Group made a charity donation of a total of RMB30,000 as poverty alleviation funds to Dongchong Town.

The Group also worked in conjunction with Shiji Village in tackling unemployment issue. To improve the livelihood of the residents, the Group joined a poverty alleviation programme through job creation in Shiji Village; and eventually hired up to 156 workers during the reporting period.

### **Community Care**

The Group cares for its local community including the elderlies, children and farmers in the villages. During the reporting period, the Group sponsored RMB5,000 for organising activities to elderly persons in Shiji Village and donated RMB 5,000 to the Shiji Village Primary School during the International Children's Day.

## B8. 社區投資

在發展業務的同時，本集團一直積極參與公益事務，回饋社會。我們致力支援業務所在社區，並為社區創造價值，建立友誼、關懷和尊重。在報告期內，本集團通過多個途徑貢獻社區，如僱員參與義工服務、捐款、贊助及家訪等。

### **扶貧**

本集團致力改善當地社區的生活條件。2019年8月，共捐出人民幣30,000元予東涌鎮作扶貧基金。

本集團亦協助石基村解決失業問題。通過參與扶貧計劃為石基村，創造就業機會，改善居民的生活。在報告期內，共僱用了156名工人。

### **社區關懷**

本集團關懷社區人士，包括農村的長者、兒童和農民。報告期內，本集團贊助了人民幣5,000元支持石基村籌辦老人活動，及贊助了人民幣5,000元支持石基小學舉辦六一兒童節慶祝活動。

**Voluntary Blood Donation**

To discharge corporate social responsibilities, the Group partnered with a medical institution and initiated a blood donation activity in Dongchong Town in the reporting period. A total of 84 employees participated in the blood donation activity.

**Anti-drug Promotion**

Invited by the Nansha District Committee on Narcotics Control, the Group has joined the Narcotics Control Association since November 2018. The Narcotics Control Association aims to provide the government assistance in anti-drug campaigns and promotions, and support employment of rehabilitation workers.

**Home Visit Activity**

In November 2019, 6 staff members of the Group in Hong Kong joined a home visit activity to those residents living in subdivided flats organised by S.K.H. Holy Carpenter Church Community Centre and donated HK\$10,000 to the families of the subdivided flats. By reaching out to them, both residents' physical and psychological well-being and neighbourhood cohesion were enhanced.

**義務獻血**

為履行企業社會責任，報告期內，本集團一家醫療機構合作，在東涌鎮發起捐血行動，共有84名僱員參與捐血，共襄善舉。

**禁毒宣傳**

受南沙區禁毒委員會邀請，本集團自2018年11月加入了禁毒協會。該會旨在輔助政府禁毒運動及宣傳，並支持聘用戒毒康復者。

**家訪活動**

2019年11月，集團的6名香港員工參加了由聖公會聖匠堂社區中心主辦的探訪劏房戶活動，並捐贈港幣10,000元予劏房戶家庭。通過外展探訪，關顧劏房戶的身心健康並加強睦鄰關係。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告



羅兵咸永道

### To the Members of Trio Industrial Electronics Group Limited

(incorporated in Hong Kong with limited liability)

致致豐工業電子集團有限公司成員

(於香港註冊成立的有限公司)

### OPINION

#### What we have audited

The consolidated financial statements of Trio Industrial Electronics Group Limited (the “**Company**”) and its subsidiaries (the “**Group**”) set out on pages 129 to 231, which comprise:

- the consolidated statement of financial position as at 31 December 2019;
- 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 31 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 Hong Kong Companies Ordinance.

### 意見

#### 我們已審計的內容

致豐工業電子集團有限公司(以下簡稱「**貴公司**」)及其附屬公司(以下統稱「**貴集團**」)列載於第129至231頁的綜合財務報表，包括：

- 於2019年12月31日的綜合財務狀況表、
- 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（「**香港會計師公會**」）頒佈的《香港財務報告準則》（「**香港財務報告準則**」）真實而中肯地反映了 貴集團於2019年12月31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》妥為擬備。



## 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.

### 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.

## 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.

Key audit matter identified in our audit is related to the net realisable value assessment of inventories.

## 意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》(「**香港審計準則**」) 進行審計。我們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。

### 獨立性

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

## 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。

我們在審計中識別的關鍵審計事項是關於存貨的可變現淨值評估。

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
<p><b>Net realisable value assessment of inventories</b></p> <p><i>Refer to notes 4(b) and 17 to the consolidated financial statements.</i></p> <p>存貨的可變現淨值評估</p> <p>請參閱綜合財務報表附註4(b)及17</p>	<p>Our procedures in relation to the net realisable value assessment of inventories included:</p> <ul style="list-style-type: none"> <li>Understanding, evaluating and testing the key controls in relation to inventory costing and net realisable value assessment;</li> </ul> <p>我們就存貨的可變現淨值評估進行的程序包括：</p> <ul style="list-style-type: none"> <li>了解、評價及測試存貨成本及估計可變現淨值涉及的關鍵控制；</li> </ul>

## INDEPENDENT AUDITOR'S REPORT

### 獨立核數師報告

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
<p>As at 31 December 2019, the Group has inventories of HK\$145 million, which were stated at lower of cost and net realisable value.</p> <p>The determination of net realisable value required judgement to be made by management on the estimated selling price, estimated cost to completion and other cost necessary to make the sale including but not limited to marketing, selling and distribution costs.</p> <p>We focused on this area because of the significance of the balances and the judgements and estimates involved.</p> <p>於二零一九年十二月三十一日，貴集團的存貨為145百萬港元，乃按成本及可變現淨值的較低者列賬。</p> <p>可變現淨值的釐定，須由管理層對估計售價、達致完成的估計成本及進行銷售所需的其他成本（包括但不限於營銷、銷售及分銷成本）作出判斷。</p> <p>由於結餘及所涉及的判斷及估計的重要性，我們特別關注此方面的審計工作。</p>	<ul style="list-style-type: none"><li>• Tested, on a sample basis, whether invoiced costs for raw materials have been correctly recorded and that the allocation of directly attributable costs has been correctly calculated;</li><li>• Assessed the reasonableness of estimated selling price determined by management by testing, on a sample basis, the sales subsequent to the year end. If subsequent sales were not available, we compared the estimated selling price against the most recent selling price prior to the year end and assessed the impact of recent price trends for these inventories;</li><li>• Assessed the reasonableness of (i) the estimated costs to completion by comparing to the historical costs to completion and (ii) other costs (including marketing, selling and distribution) by comparing to costs incurred in previous years.</li></ul> <p>We found the judgements and assumptions used by management in determining the net realisable value of inventories were supported by available evidence.</p> <ul style="list-style-type: none"><li>• 以抽樣方式測試原材料的發票成本是否正確記錄，以及直接應佔成本的分配是否正確計算；</li><li>• 以抽樣方式測試於年結日後的銷售，從而評估管理層所釐定的估計售價的合理性。如未能取得年結日後的銷售資料，我們將估計售價與年結日前的最近期售價進行比較，並評估該等存貨近期價格趨勢的影響；</li><li>• (i)透過比較存貨達致完成的歷史成本，從而評估達致完成的估計成本的合理性；及(ii)透過比較過往年度產生的成本，從而評估其他成本（包括營銷、銷售及分銷成本）的合理性。</li></ul> <p>我們發現管理層於釐定存貨可變現淨值時所使用的判斷及假設，均有可得的憑證支持。</p>

## 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.

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

## RESPONSIBILITIES OF DIRECTORS AND 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 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 are responsible for overseeing the Group's financial reporting process.

## 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。

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

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

在擬備綜合財務報表時，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。

## INDEPENDENT AUDITOR'S REPORT

### 獨立核數師報告

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with Section 405 of the Hong Kong Companies Ordinance and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

## 核數師就審計綜合財務報表承擔的責任

我們的目標，是對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。我們僅按照香港《公司條例》第405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匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

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

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



- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就 貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以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。

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.

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。

## INDEPENDENT AUDITOR'S REPORT

### 獨立核數師報告

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

The engagement partner on the audit resulting in this independent auditor's report is Mr. Wong Kam Chin.

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黃金錢先生。

**PricewaterhouseCoopers**  
*Certified Public Accountants*

Hong Kong, 23 March 2020

羅兵咸永道會計師事務所  
執業會計師

香港，二零二零年三月二十三日

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

## 綜合全面收益表

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

		Note	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
		附註		
Revenue	收益	6	808,599	885,971
Cost of sales	銷售成本	7	(617,546)	(667,238)
Gross profit	毛利		191,053	218,733
Other income, net	其他收入淨額	6	5,400	5,232
Selling and distribution expenses	銷售及分銷費用	7	(22,082)	(15,302)
Administrative expenses	行政開支	7	(132,378)	(139,487)
Other operating expenses, net	其他經營開支淨額	7	(5,930)	(7,711)
Profit from operations	經營溢利		36,063	61,465
Finance expenses, net	財務開支淨額	10	(11,752)	(11,826)
Profit before income tax	除所得稅前溢利		24,311	49,639
Income tax expense	所得稅開支	11	(1,954)	(7,261)
Profit for the year	年內溢利		22,357	42,378
Other comprehensive income/(expense) <i>Items that will not be reclassified subsequently to profit or loss:</i>	其他全面收益/(開支) 其後不會重新分類至 損益的項目：			
Fair value gains on revaluation of land and building, net of tax	重估土地及樓宇的公平值 收益(扣稅後)		630	1,285
Currency translation differences	匯兌差額		(40)	(110)
Other comprehensive income for the year, net of tax	年內其他全面收益(扣稅後)		590	1,175
Total comprehensive income for the year	年內全面收益總額		22,947	43,553
Earnings per share	每股盈利	12		
– Basic and diluted (HK cents)	– 基本及攤薄(港仙)		2.24	4.24

The notes on pages 133 to 231 are an integral part of these financial statements.

第133至231頁的附註為本財務報表的不可分割部分。

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

As at 31 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
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	14	58,375	49,614
Right-of-use assets	35	21,657	-
Financial assets at fair value through profit or loss	15	8,621	6,765
Prepayment	19	1,897	1,663
Deferred tax assets	26	214	-
		90,764	58,042
<b>Current assets</b>			
Inventories	17	145,095	189,814
Trade and other receivables	18	156,635	106,334
Prepayments and deposits	19	18,876	16,689
Restricted bank deposits	20	6,186	8,114
Bank and cash balances	20	97,679	194,580
		424,471	515,531
<b>Current liabilities</b>			
Trade and other payables	21	118,507	181,027
Contract liability	5	2,964	3,004
Borrowings	22	11,852	31,871
Lease liabilities – current	35	6,597	-
Finance lease payables	23	43	866
Current income tax liabilities		2,191	1,175
		142,154	217,943
<b>Net current assets</b>		282,317	297,588
<b>Total assets less current liabilities</b>		373,081	355,630
<b>Non-current liabilities</b>			
Lease liabilities – non-current	35	16,492	-
Deferred tax liabilities	26	4,098	3,735
		20,590	3,735
<b>Net assets</b>		352,491	351,895
<b>Equity</b>			
Share capital	24	281,507	281,507
Reserves	27	70,984	70,388
<b>Total equity</b>		352,491	351,895

The financial statements on pages 129 to 231 were approved by the Board of Directors on 23 March 2020 and were signed on its behalf

第129至231頁之財務報表已由董事會於二零二零年三月二十三日批准，並由以下董事代表董事會簽署

**Lai Yiu Wah**  
黎耀華  
Director  
董事

**Tai Leung Lam**  
戴良林  
Director  
董事

The notes on pages 133 to 231 are an integral part of these financial statements.

第133至231頁之附註為本財務報表不可分割部分。



# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

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

		Share capital	Other reserve	Statutory reserve	Currency translation reserve	Revaluation reserve	Share option reserve	Retained profits	Total
	Note	股本	其他儲備	法定儲備	匯兌儲備	重估儲備	購股權儲備	保留盈利	總計
	附註	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Balance at 1 January 2019	於二零一九年一月一日結餘	281,507	(125,162)	6,077	(110)	20,786	3,698	165,099	351,895
Revaluation surplus on land and building	土地及樓宇重估盈餘	-	-	-	-	699	-	-	699
Tax effect of revaluation surplus	重估盈餘稅務影響	-	-	-	-	(69)	-	-	(69)
Realisation of revaluation surplus, net of tax	實現重估盈餘 (扣稅後)	-	-	-	-	(692)	-	808	116
Currency translation differences	匯兌差額	-	-	-	(40)	-	-	-	(40)
Contributions by/(distribution to) owners of the Company:	本公司擁有人注資/ (向本公司擁有人作出分派):								
Appropriation of statutory reserve	法定儲備撥款	-	-	7,154	-	-	-	(7,154)	-
Equity-settled share-based payment transaction	以權益結算及股份為基礎 付款的交易	25	-	-	-	-	3,533	-	3,533
Forfeiture of share options	沒收購股權	-	-	-	-	-	(192)	192	-
Profit for the year	年內溢利	-	-	-	-	-	-	22,357	22,357
Dividends paid	已付股息	13	-	-	-	-	-	(26,000)	(26,000)
Balance at 31 December 2019	於二零一九年十二月三十一日 結餘	281,507	(125,162)	13,231	(150)	20,724	7,039	155,302	352,491
Balance at 1 January 2018	於二零一八年一月一日結餘	281,507	(125,162)	6,077	-	20,173	40	149,929	332,564
Revaluation surplus on land and building	土地及樓宇重估盈餘	-	-	-	-	1,426	-	-	1,426
Tax effect of revaluation surplus	重估盈餘稅務影響	-	-	-	-	(141)	-	-	(141)
Realisation of revaluation surplus, net of tax	實現重估盈餘 (扣稅後)	-	-	-	-	(672)	-	783	111
Currency translation differences	匯兌差額	-	-	-	(110)	-	-	-	(110)
Contributions by/(distribution to) owners of the Company:	本公司擁有人注資/ (向本公司擁有人作出分派):								
Equity-settled share-based payment transaction	以權益結算及股份為基礎 付款的交易	25	-	-	-	-	3,667	-	3,667
Forfeiture of share options	沒收購股權	-	-	-	-	-	(9)	9	-
Profit for the year	年內溢利	-	-	-	-	-	-	42,378	42,378
Dividends paid	已付股息	13	-	-	-	-	-	(28,000)	(28,000)
Balance at 31 December 2018	於二零一八年 十二月三十一日結餘	281,507	(125,162)	6,077	(110)	20,786	3,698	165,099	351,895

The notes on pages 133 to 231 are an integral part of these financial statements.

第133至231頁的附註為本財務報表的不可分割部分。

## CONSOLIDATED STATEMENT OF CASH FLOWS

### 綜合現金流量表

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

		Note	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
		附註		
<b>Cash flows from operating activities</b>	<b>經營活動現金流量</b>			
Cash (used in)/generated from operations	經營業務(所用)/所得現金	30(a)	(10,882)	91,417
Finance expenses paid	已付財務開支		(13,040)	(12,965)
Income tax paid	已付所得稅		(745)	(11,545)
Net cash (used in)/generated from operating activities	經營活動(所用)/所得現金淨額		(24,667)	66,907
<b>Cash flows from investing activities</b>	<b>投資活動現金流量</b>			
Net decrease/(increase) in restricted bank deposits	受限制銀行存款減少/(增加)淨額		1,928	(30)
Bank interest received	已收銀行利息		1,245	979
Purchases of property, plant and equipment	購置物業、廠房及設備		(19,302)	(13,810)
Purchase of key man insurance	購買要員保險		(1,944)	(8,601)
Proceeds from surrender of key man insurance	交出要員保險的所得款項		-	2,728
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項		304	-
Settlement on derivative financial instruments	衍生金融工具結算		(2,245)	-
Net cash used in investing activities	投資活動所用現金淨額		(20,014)	(18,734)
<b>Cash flows from financing activities</b>	<b>融資活動現金流量</b>			
(Repayments of)/proceeds from borrowings	借款(還款)/所得款項	30(b)	(20,489)	13,533
Repayments of finance lease payables	償還融資租賃應付款項	30(b)	(823)	(983)
Dividends paid	已付股息		(26,000)	(28,000)
Principal elements of lease payments	租賃付款的本金部分	30(b)	(5,355)	-
Net cash used in financing activities	融資活動所用現金淨額		(52,667)	(15,450)
Net (decrease)/ increase in cash and cash equivalents	現金及現金等價物(減少)/增加淨額		(97,348)	32,723
Effect of foreign currency rate changes	外幣兌換變動的影響		(50)	(113)
Cash and cash equivalents at 1 January	於一月一日的現金及現金等價物		194,236	161,626
<b>Cash and cash equivalents at 31 December</b>	<b>於十二月三十一日的現金及現金等價物</b>		<b>96,838</b>	194,236
<b>Analysis of cash and cash equivalents</b>	<b>現金及現金等價物分析</b>			
Time deposits up to three months	為期三個月或以下的定期存款	20	85,000	40,898
Bank and cash balances	銀行及現金結餘	20	12,679	153,682
Bank overdraft	銀行透支	22	(841)	(344)
			<b>96,838</b>	194,236

The notes on pages 133 to 231 are an integral part of these financial statements.

第133至231頁的附註為本財務報表的不可分割部分。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 1 GENERAL INFORMATION

Trio Industrial Electronics Group Limited (the “**Company**”) is a limited liability company incorporated in Hong Kong and listed (the “**Listing**”) on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The principal place of business and registered office of the Company is at Block J, 5/F., Phase II, Kaiser Estate, 51 Man Yue Street, Hung Hom, Kowloon, Hong Kong.

The Company is an investment holding company. The Company and its subsidiaries (together, the “**Group**”) are principally engaged in the manufacturing and sales of electronic products. The immediate holding company of the Company is Trio Industrial Electronics Holding Limited (“**Trio Holding**”), a company incorporated in the British Virgin Islands with limited liability.

The consolidated financial statements are presented in thousands of Hong Kong dollars (“**HK\$’000**”), unless otherwise stated.

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 2.1 Basis of presentation

##### 2.1.1 Statement of Compliance

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”), and in compliance with the Hong Kong Companies Ordinance (Chapter 622, the laws of Hong Kong) (the “**Companies Ordinance**”). The consolidated financial statements also include applicable disclosure required by the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

### 1 一般資料

致豐工業電子集團有限公司（「**本公司**」）為一家於香港註冊成立的有限公司，並在香聯合交易所有限公司（「**聯交所**」）主板上市（「**上市**」）。本公司主要營業地點及註冊辦事處為香港九龍紅磡民裕街51號凱旋工商中心2期5樓J室。

本公司為一家投資控股公司。本公司及其附屬公司（統稱「**本集團**」）主要從事製造及銷售電子產品。本公司之直接控股公司為致豐工業電子控股有限公司（「**致豐控股**」，一家於英屬處女群島註冊成立的有限公司）。

除另有指明外，本綜合財務報表乃以港幣千元（「**千港元**」）呈列。

### 2 主要會計政策概要

本附註提供編製本綜合財務報表時所採納的主要會計政策清單。除另有說明外，該等政策於所有呈報年度貫徹一致應用。

#### 2.1 呈列基準

##### 2.1.1 遵例聲明

本綜合財務報表乃按照香港會計師公會（「**香港會計師公會**」）頒佈的香港財務報告準則（「**香港財務報告準則**」）並遵照香港公司條例（香港法例第622章）（「**公司條例**」）編製。本綜合財務報表亦包括聯交所證券上市規則（「**上市規則**」）所規定的適用披露資料。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.1 Basis of presentation (Continued)

#### 2.1.2 Basis of preparation

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of land and buildings, financial asset at fair value through profit or loss and derivative financial instruments, which are carried at fair value.

The preparation of the consolidated financial statements in conformity with HKFRSs 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 to the consolidated financial statements.

*New and amended standards effective in 2019 which are relevant to the Group's operations*

The Group has applied the following new standards and amendments to standards which are effective for the financial period beginning on or after 1 January 2019 and relevant to the Group:

## 2 主要會計政策概要 (續)

### 2.1 呈列基準 (續)

#### 2.1.2 編製基準

本綜合財務報表乃按歷史成本法編製，並就按公平值列賬的土地及樓宇重估值、按公平值計入損益賬的金融資產，以及衍生金融工具作出修訂。

遵照香港財務報告準則編製綜合財務報表需要使用若干關鍵會計估計，亦需要管理層在應用本集團會計政策過程中作出判斷。涉及高度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計的範疇，已在綜合財務報表附註4中披露。

*於二零一九年生效並與本集團營運有關的新訂及經修訂準則*

本集團已應用下列與本集團有關並自二零一九年一月一日或之後開始的財政期間生效的新訂及經修訂準則：



## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.1 Basis of presentation (Continued)

#### 2.1.2 Basis of preparation (Continued)

New and amended standards effective in 2019 which are relevant to the Group's operations (Continued)

HKFRSs	Annual Improvement 2015-2017 Cycle
HKAS 19 (Amendment)	Plan Amendment, Curtailment or Settlement
HKAS 28 (Amendment)	Long-term Interests in Associates and Joint Ventures
HKFRS 9 (Amendment)	Prepayment Features with Negative Compensation
HKFRS 16	Leases
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments

The above new standards, amendments, improvements and interpretation effective for the financial period beginning on or after 1 January 2019 do not have a material impact to the Group, except for HKFRS 16 "Leases" as disclosed in note 2.2 to the consolidated financial statements.

## 2 主要會計政策概要 (續)

### 2.1 呈列基準 (續)

#### 2.1.2 編製基準 (續)

於二零一九年生效並與本集團營運有關的新訂及經修訂準則 (續)

香港財務報告準則	二零一五年至二零一七年週期之年度改進
香港會計準則第19號 (修訂本)	計劃修訂、縮減或結算
香港會計準則第28號 (修訂本)	於聯營公司及合營企業的長期權益
香港財務報告準則第9號 (修訂本)	具有負補償的預付功能
香港財務報告準則第16號	租賃
香港 (國際財務報告詮釋委員會) – 詮釋第23號	所得稅不確定性的處理

於二零一九年一月一日或之後開始的財政期間生效的上述新準則、修訂、改進及詮釋對本集團並無重大影響，惟綜合財務報表附註2.2所披露香港財務報告準則16號「租賃」除外。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.1 Basis of presentation (Continued)

#### 2.1.2 Basis of preparation (Continued)

New and amended standards effective after 2019 which are relevant to the Group's operations and yet to be adopted

The following are new standards and amendments to standards relevant to the Group that have been issued but are not effective for the financial period beginning on or after 1 January 2019 and are yet to be adopted:

## 2 主要會計政策概要 (續)

### 2.1 呈列基準 (續)

#### 2.1.2 編製基準 (續)

於二零一九年後生效並與本集團營運有關而尚未採納的新訂及經修訂準則

下列為已於二零一九年一月一日或之後開始的財政期間頒佈但尚未生效且未採納的與本集團有關的新訂準則及準則修訂本：

		Effective for financial periods beginning on or after 於以下日期或之後開始的財政期間生效
HKFRS 3 (Amendment)	Definition of a Business	1 January 2020
HKAS 1 and HKAS 8 (Amendment)	Definition of Material	1 January 2020
Conceptual Framework for Financial Reporting 2018	Revised Conceptual Framework for Financial Reporting	1 January 2020
HKAS 39, HKFRS 7 and HKFRS 9 (Amendment)	Hedge accounting	1 January 2020
HKFRS 17	Insurance Contracts	1 January 2023
HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined
香港財務報告準則第3號 (修訂本)	業務的定義	二零二零年一月一日
香港會計準則第1號及香港會計準則第8號 (修訂本)	重大的定義	二零二零年一月一日
二零一八年財務報告概念框架	財務報告之經修訂概念框架	二零二零年一月一日
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)	對沖會計	二零二零年一月一日
香港財務報告準則第17號	保險合約	二零二三年一月一日
香港財務報告準則第10號及香港會計準則第28號	投資者與其聯營公司或合營企業之間的資產出售或注資	待定

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 Changes in accounting policies

This note explains the impact of the adoption of HKFRS 16 “Lease” (“**HKFRS 16**”) on the Group’s financial information and discloses the new accounting policies that have been applied from 1 January 2019, where they are different to those applied in prior periods.

The Group has adopted HKFRS 16 retrospectively from 1 January 2019, but has not restated comparatives for the 2018 reporting period, as permitted under the specific transitional provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the consolidated statement of financial position on 1 January 2019. The impact of change in accounting policy for leases is described below and the new accounting policies are disclosed in note 2.8 to the consolidated financial statements.

On adoption of HKFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as “operating leases” under the principles of HKAS 17 “Leases”. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee’s incremental borrowing rate as of 1 January 2019. The weighted average lessee’s incremental borrowing rate applied to the lease liabilities on 1 January 2019 was 3.63%.

## 2 主要會計政策概要 (續)

### 2.2 會計政策變動

本附註解釋採納香港財務報告準則第16號「租賃」(「**香港財務報告準則第16號**」)對本集團財務資料的影響，並披露自二零一九年一月一日起應用並與過往期間所應用者有所不同的新會計政策。

本集團自二零一九年一月一日起追溯採納香港財務報告準則第16號，並按照該準則的過渡條款，未重述二零一八報告期間的比較數字。因此，因採用新租賃準則而作出的重新分類及調整於二零一九年一月一日綜合財務狀況表內確認。變更租賃的會計政策的影響載述於下文及新會計政策於綜合財務報表附註2.8披露。

因採用香港財務報告準則第16號，本集團為之前根據香港會計準則第17號「租賃」的原則歸入「經營租賃」的租賃確認了租賃負債。該等租賃按餘下租賃付款的現值計量，並使用承租人於二零一九年一月一日的增量借款利率進貼現。適用於二零一九年一月一日的租賃負債的加權平均承租人增量借款利率為3.63%。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 Changes in accounting policies (Continued)

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

- applying of a single discount rate to a portfolio of leases with reasonably similar characteristics;
- accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2019 as short-term leases;
- excluding initial direct costs from the measurement of the right-of-use asset at the date of initial application; and
- using 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 the contracts entered into before the transition date, the Group relied on the assessment made applying HKAS 17 “Leases” and HK(IFRIC)-Int 4 “Determining whether an Arrangement contains a Lease”.

## 2 主要會計政策概要 (續)

### 2.2 會計政策變動 (續)

於首次應用香港財務報告準則第16號時，本集團已使用以下該準則所允許的實務簡易處理方法：

- 對具有合理相似特徵的租賃組合採用單一折現率；
- 截至二零一九年一月一日的剩餘租賃期短於12個月的經營租賃作為短期租賃處理；
- 於首次採用日計量使用權資產時扣除初始直接費用；及
- 倘合同包含續租或終止租賃的選擇權，則以事後分析結果釐定租賃期。

本集團亦已選擇在初始應用之日不重新評估合同是否屬於租賃或包含租賃。相反，對於在過渡日期之前訂立的合同，本集團依賴其應用香港會計準則第17號「租賃」及香港（國際財務報告詮釋委員會）— 詮釋第4號「釐定安排是否包含租賃」作出的評估。



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued) 2 主要會計政策概要 (續)

2.2 Changes in accounting policies (Continued) 2.2 會計政策變動 (續)

		As at 1 January 2019 於二零一九年 一月一日 HKD'000 千港元
Operating lease commitments disclosed as at 31 December 2018	於二零一八年十二月三十一日披露的經營租賃承擔	3,095
Discounted using the lessee's incremental borrowing rate of at the date of initial application	首次應用日使用承租人的增量借款利率折現	(2,920)
Add: adjustments as a results of different treatment of extension and termination options	加：因對續租選擇權和終止選擇權採用不同會計處理而進行的調整	25,228
Less: short-term leases recognised on a straight-line basis as expense	減：按直線基準確認為開支的短期租賃	(210)
<b>Lease liabilities recognised as at 1 January 2019</b>	<b>於二零一九年一月一日確認的租賃負債</b>	<b>25,193</b>
Of which are:	其中包括：	
Current lease liabilities	流動租賃負債	5,518
Non-current lease liabilities	非流動租賃負債	19,675
		<b>25,193</b>

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

確認有關以下類型資產的使用權資產。

		As at 31 December 2019 於二零一九年 十二月三十一日 HK\$'000 千港元	As at 1 January 2019 於二零一九年 一月一日 HK\$'000 千港元
Buildings	樓宇	21,567	25,193

The associated right-of-use assets for property leases were measured on a retrospective basis as if the new rules had always been applied. Other right-of use assets were measured at the amount equal to the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the consolidated statement of financial position as at 31 December 2018.

物業租賃的相關使用權資產在追溯的基礎上進行計量，即視同該等資產始終適用新準則。其他使用權資產根據與租賃負債相等的金額計量，並按照二零一八年十二月三十一日綜合財務狀況表內確認的與該租賃相關的任何預付或應計租賃付款額予以調整。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 Changes in accounting policies (Continued)

The change in accounting policy affected the following items in the consolidated statement of financial position on 1 January 2019:

## 2 主要會計政策概要 (續)

### 2.2 會計政策變動 (續)

會計政策變動影響二零一九年一月一日綜合財務狀況表的下列項目：

		Carrying amounts previously reported at 31 December 2018	Impacts of adopting HKFRS 16	Carrying amounts under HKFRS 16 at 1 January 2019
		於二零一八年十二月三十一日過往呈報的賬面值 HK\$'000 千港元	採納香港財務報告準則第16號的影響 HK\$'000 千港元	於二零一九年一月一日根據香港財務報告準則第16號計算的賬面值 HK\$'000 千港元
Right-of-use assets	使用權資產	-	25,193	<b>25,193</b>
Lease liabilities	租賃負債	-	(25,193)	<b>(25,193)</b>

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.3 Subsidiaries

#### 2.3.1 Consolidation

A subsidiary is an entity (including a structured entity) 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 over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combination. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interest issued by the Group. The consideration transferred includes the fair value of any assets or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the consolidated statement of comprehensive income.

Intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

## 2 主要會計政策概要 (續)

### 2.3 附屬公司

#### 2.3.1 合併入賬

附屬公司為本集團擁有控制權的實體(包括架構實體)。倘本集團承擔或享有參與實體活動所產生可變回報的風險或權利，且有能力透過對實體之權力影響該等回報，則本集團對該實體擁有控制權。附屬公司自控制權轉移至本集團當日起合併入賬，並自控制權終止當日起取消合併入賬。

本集團採用收購法將業務合併入賬。收購附屬公司所轉讓的代價為所轉讓資產、對被收購方前擁有人產生的負債及本集團所發行的股本權益的公平值。所轉讓代價包括因或然代價安排而產生的任何資產或負債的公平值。於業務合併中收購的可識別資產及承擔的負債及或然負債初步按於收購日期的公平值計量。

收購相關成本乃於產生時支銷。

所轉讓代價、被收購方之任何非控股權益金額及任何先前所持被收購方之股權於收購日期之公平值超逾所收購可識別淨資產公平值之差額，乃入賬列作商譽。就議價收購而言，倘轉讓的代價、已確認非控股權益及先前持有的權益計量之總額低於所收購附屬公司淨資產之公平值，則該差額直接於綜合全面收益表內確認。

集團內公司間的交易、結餘及集團公司間交易的未變現收益均予以抵銷。未變現虧損亦予以抵銷。附屬公司所報金額於必要時作出調整，以與本集團會計政策一致。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.3 Subsidiaries (Continued)

#### 2.3.2 Separate financial statements

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

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

### 2.4 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (“**CODM**”). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the Company that makes strategy decisions.

### 2.5 Foreign currency translation

#### (i) Functional and presentation currency

Items included in the financial statements of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (“**the functional currency**”). United States dollars (“**US\$**”) is the functional currency of principal operating subsidiaries of the Group. The consolidated financial statements are presented in HK\$, which is the functional and presentation currency of the Company.

## 2 主要會計政策概要 (續)

### 2.3 附屬公司 (續)

#### 2.3.2 獨立財務報表

於附屬公司的投資按成本扣除減值入賬。成本包括投資之直接應佔成本。附屬公司之業績由本公司按已收及應收股息入賬。

倘自附屬公司收取之股息超出宣派股息期間該附屬公司之全面收益總額，或倘個別財務報表之投資賬面值超出財務報表所示被投資公司之資產淨值（包括商譽）之賬面值，則須於收到該投資所得股息時對該等附屬公司的投資進行減值測試。

### 2.4 分部報告

經營分部的報告方式與向主要營運決策人（「**主要營運決策人**」）提供的內部報告方式一致。主要營運決策人為作出策略決策的本公司董事會，負責分配資源及評估經營分部的表現。

### 2.5 外幣換算

#### (i) 功能及呈列貨幣

本集團實體的財務報表所包括的項目乃以該實體營運所在主要經濟環境的貨幣（「**功能貨幣**」）計算。本集團的主要營運附屬公司的功能貨幣為美元（「**美元**」）。綜合財務報表以港元呈列，其為本公司的功能及呈列貨幣。



## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.5 Foreign currency translation (Continued)

#### (ii) Transactions and balances in financial statements

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of comprehensive income.

#### (iii) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (a) assets and liabilities for each statement of financial position presented are translated at the closing rate at the end of that reporting period;
- (b) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- (c) all resulting currency translation differences are recognised in other comprehensive income.

### 2.6 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.

## 2 主要會計政策概要 (續)

### 2.5 外幣換算 (續)

#### (ii) 財務報表的交易及結餘

外幣交易按交易當日或項目重新計量的估值日期的現行匯率換算為功能貨幣。結算該等交易及按年末匯率換算以外幣計值的貨幣資產及負債而產生的外匯收益及虧損於綜合全面收益表確認。

#### (iii) 集團公司

功能貨幣與呈列貨幣不同之所有集團實體（當中不涉及嚴重通脹經濟體系貨幣）之業績及財務狀況按如下方式換算為呈列貨幣：

- (a) 每份呈報之財務狀況表內之資產與負債按該報告期末之收市匯率換算；
- (b) 每份收益表內之收支按平均匯率換算（除非此平均匯率並不代表交易日期適用匯率之累計影響之合理約數，在此情況下，收支項目按交易日期之匯率換算）；及
- (c) 所有由此產生之貨幣換算差額於其他全面收益確認。

### 2.6 政府補助

當能夠合理地保證政府補助將可收取，而本集團將會符合所有附帶條件時，將政府提供的補助按其公平值確認入賬。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.7 Property, plant and equipment

Property, plant and equipment (except for land and building) is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amounts 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 amounts of the replaced part is de-recognised. All other repairs and maintenance are charged to the consolidated statement of comprehensive income during the financial period in which they are incurred.

Land and buildings comprise mainly offices. Land and buildings are carried at revalued amount, being its fair value at the date of the revaluation on the basis of periodic valuations by external independent valuers less any subsequent accumulated depreciation and impairment losses. Any accumulated depreciation at the date of valuation is eliminated against the gross carrying amounts of the asset and the net amount is restated to the revalued amount of the asset. Revaluations are performed with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair values at the end of the reporting period.

Revaluation increases of land and buildings are recognised in the consolidated statement of comprehensive income to the extent that the increases reverse previous revaluation decreases of the same asset. All other revaluation increases are credited to the property revaluation reserve in the shareholders' equity. Revaluation decreases that offset previously revaluation increase of the same asset are charged against property revaluation reserve directly in equity. All other decreases are recognised in the consolidated statement of comprehensive income. On the subsequent sale or retirement of a revalued land and building, the attributable revaluation surplus remaining in the property revaluation reserve is transferred directly to retained profits.

## 2 主要會計政策概要 (續)

### 2.7 物業、廠房及設備

物業、廠房及設備(土地及樓宇除外)按歷史成本減折舊列賬。歷史成本包括收購該等項目直接應佔的開支。

後續成本僅在與該項目有關的未來經濟利益很可能流入本集團且該項目的成本能可靠計量時，方會計入資產的賬面值或確認為一項獨立資產(如適當)。被取代部分的賬面值終止確認。所有其他維修及保養費用於其產生的財政期間自綜合全面收益表中支銷。

土地及樓宇主要包括辦公室。土地及樓宇按重估金額，即其公平值(根據外聘獨立估值師定期進行之估值計算)減任何其後之累計折舊及減值虧損列賬。於估值日期之任何累計折舊與資產之賬面總額對銷，而淨額則重列至資產之重估金額。重估將適當地定期進行，以確保賬面值與報告期末所使用公平值釐定的價值並無太大差距。

土地及樓宇的重估升值於有關升幅撥回相同資產早前重估減值之情況下於綜合全面收益表內確認。所有其他重估升值計入股東權益的物業重估儲備。抵銷相同資產早前重估升值之重估減值，直接自權益內之物業重估儲備扣除。所有其他減值均於綜合全面收益表內確認。已重估土地及樓宇其後出售或報廢時，物業重估儲備餘下應佔重估盈餘乃直接轉撥至保留溢利。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Depreciation of property, plant and equipment is calculated at rates sufficient to write off their cost or revalued amounts less their residual values over the estimated useful lives on a straight-line basis. The principal annual rates are as follows:

Land and buildings	3.33%
Plant and machinery	20%
Furniture and fixtures	20%
Office equipment	20%
Motor vehicles	20%
Leasehold improvements	20%

The residual values, useful lives and depreciation method are reviewed and adjusted, if necessary, at each reporting date.

The gain or loss on disposal of property, plant and equipment is the difference between the net sales proceeds and the carrying amounts of the relevant asset, and is recognised in the consolidated statement of comprehensive income.

Assets 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 of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

## 2 主要會計政策概要 (續)

### 2.7 物業、廠房及設備 (續)

物業、廠房及設備的折舊，按足以撇銷其成本或重估金額減剩餘價值的比率，於估計可使用年期內使用直線法計算，主要年息率如下：

土地及樓宇	3.33%
廠房及機器	20%
傢俱及裝置	20%
辦公室設備	20%
汽車	20%
租賃物業裝修	20%

剩餘價值、可使用年期及折舊方法於各報告日期進行檢討及作出調整（如需要）。

出售物業、廠房及設備的收益或虧損指出售所得款項淨額與有關資產賬面值兩者間的差額，並於綜合全面收益表內確認。

資產乃於有事件或情況變動顯示其賬面值可能不可收回時作減值檢討。減值虧損按資產賬面值超過其可收回金額的部分予以確認。可收回金額為資產的公平值減出售成本及使用價值中的較高者。就評估減值而言，資產按存在單獨可識別現金流（現金產生單位）的最低水平分組。除商譽外，遭受減值的非金融資產於各報告日期就可能的減值撥回進行檢討。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.8 Leases

As explained in note 2.2 to the consolidated financial statements above, the Group has changed its accounting policy for leases where the group is the lessee. The new policy is described below and the impact of the change in note 2.2 to the consolidated financial statements.

Until 31 December 2018, leases in which a significant portion of the risks and rewards of ownership not transferred to the Group as lessee were classified as operating leases. Lease payments under operating lease (net of any incentives received from the lessor) are expensed in consolidated statement of comprehensive income on a straight-line basis over the lease term.

From 1 January 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

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 depend on an index or a rate, initially measured using the index or rate as at the commencement date; and
- amounts expected to be payable by the Group under residual value guarantees.

## 2 主要會計政策概要 (續)

### 2.8 租賃

如上文綜合財務報表附註2.2所披露，本集團已變更其作為承租人的租賃的會計政策。下文所述新政策及變動的影響載於綜合財務報表附註2.2。

直至二零一八年十二月三十一日，凡未將資產擁有權之絕大部分風險及回報轉讓予本集團作為承租人之租賃，均分類為經營租賃。經營租賃項下的租賃付款（扣除出租人給予的任何優惠）於租期內按直線法在綜合全面收益表中支銷。

自二零一九年一月一日起，租賃確認為使用權資產，並在租賃資產可供本集團使用之日確認相應負債。

租賃產生的資產及負債初步以現值進行計量。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）減任何已收取的租賃優惠；
- 視乎指數或利率的可變租賃付款，初步使用於開始日期的指數或利率計量；及
- 剩餘價值擔保下的本集團預期應付款項。



## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.8 Leases (Continued)

- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate the lease.

Lease payments to be made reasonably certain extension options are also included in the measurement of the liability.

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

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
- uses a build-up approach that starts with risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third party financing; and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

Lease payments are allocated between the principal and finance cost. The finance cost is charged to consolidated statement of comprehensive income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

## 2 主要會計政策概要 (續)

### 2.8 租賃 (續)

- 採購權的行使價格 (倘本集團合理地確定行使該選擇權)；及
- 支付終止租賃的罰款 (倘租賃條款反映本集團行使選擇權以終止租賃)。

根據合理確定續租選擇權支付的租賃付款亦計入負債計量之內。

租賃付款採用租賃所隱含的利率予以貼現。倘無法輕易釐定該利率，則使用承租人的增量借款利率，即承租人在類似條款、抵押及條件的類似經濟環境中借入獲得與使用權資產價值類似的資產所需資金必須支付的利率。

為釐定增量借款利率，本集團：

- 在可能情況下，使用承租人最近獲得的第三方融資為出發點作出調整以反映自獲得第三方融資以來融資條件的變動；
- 並無近期第三方融資時，使用累加法以無風險利率為初始值，對本集團持有租賃時的信貸風險進行調整；及
- 對租賃作出特定調整，如期限、國家、貨幣及擔保。

租賃付款於本金及融資成本之間作出分配。融資成本在租賃期間於綜合全面收益表扣除，藉以令各期間的負債餘額的期間利率一致。



## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.8 Leases (Continued)

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

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

The right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

While the Group revalues its land and buildings that are presented within property, plant and equipment, it has chosen not to do so for the right-to-use buildings held by the Group.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in consolidated statement of comprehensive income. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small offices and car parking spaces.

## 2 主要會計政策概要 (續)

### 2.8 租賃 (續)

使用權資產按成本計量，包括以下各項：

- 初始計量租賃負債的金額；
- 在開始日期或之前作出的任何租賃付款減已收取的任何租賃優惠；
- 承租人產生的任何初始直接成本；及
- 復原成本。

使用權資產按資產可使用年期或租期（以較短者為準）以直線法折舊。倘本集團合理確定行使採購選擇權，則使用權資產於相關資產的可使用年期內予以折舊。

儘管本集團重估於物業、廠房及設備內呈列的土地及樓宇，但已選擇不重估本集團持有的使用權樓宇。

與短期租賃及低價值資產租賃有關的付款按直線法於綜合全面收益表中確認為開支。短期租賃指租賃期為12個月或以下的租賃。低價值資產包括小辦公室及停車位。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.9 Inventories

Inventories are stated at the lower of cost and net realisable value.

Costs include cost of purchase (including taxes, transport and handling) net of trade discounts received and other costs incurred in bringing the inventories to their present location and condition, and are calculated using the weighted average method. Net realisable value is determined based on estimated selling price less all estimated costs to be incurred in marketing, selling and distribution.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised in consolidated statement of comprehensive income in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

### 2.10 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 fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment.

## 2 主要會計政策概要 (續)

### 2.9 存貨

存貨按成本與可變現淨值兩者中的較低者入賬。

成本包括經扣除已收取之貿易折扣之採購成本(包括稅項、交通及手續費)及將存貨付運至其現在位置及令存貨達致現在狀況所產生的其他成本，以加權平均法計算。可變現淨值乃按估計售價減市場推廣、銷售及分銷產生的所有估計成本釐定。

當存貨售出時，該等存貨的賬面值於確認有關收入期間支銷。將存貨撇減至可變現淨值的金額及存貨的所有虧損於撇減或虧損發生期間於綜合全面收益表確認。任何存貨撇減的撥回金額乃於撥回產生期間確認為已列作開支的存貨金額的減少。

### 2.10 貿易及其他應收款項

貿易應收款項為在日常業務過程中就售出貨品或提供服務應收客戶的款項。如預期在一年或以內(如在業務的正常營運週期，則可較長時間)收回，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公平值初始確認，其後以實際利率法按攤銷成本扣除減值撥備計量。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.11 Investments and other financial assets

#### (i) Classification

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

- those to be measured subsequently at fair value 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 be recorded in consolidated statement of comprehensive income.

#### (ii) Recognition and de-recognition

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 de-recognised 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 主要會計政策概要 (續)

### 2.11 投資及其他金融資產

#### (i) 分類

本集團將其金融資產分類為下列計量類別：

- 之後按公平值計入損益賬計量的金融資產；及
- 按攤銷成本計量的金融資產。

分類視乎實體管理金融資產之業務模式及現金流量之合約條款而定。

對於按公平值計量的資產，收益及虧損將記入綜合全面收益表。

#### (ii) 確認及終止確認

以常規方式購買及出售金融資產，均於交易日進行確認，交易日即本集團承諾購買或出售資產之日期。當收取金融資產所得現金流量之權利已屆滿或轉移且本集團已轉讓所有權絕大部分風險及回報時，終止確認金融資產。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.11 Investments and other 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 consolidated statement of comprehensive income.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

#### 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 three measurement categories into 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 de-recognition is recognised directly in consolidated statement of comprehensive income and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated statement of comprehensive income.

## 2 主要會計政策概要 (續)

### 2.11 投資及其他金融資產 (續)

#### (iii) 計量

於初始確認時，若金融資產並非按公平值計入損益賬（按公平值計入損益賬），則本集團按公平值另加收購該金融資產直接所佔交易成本計量該金融資產。按公平值計入損益賬的金融資產之交易成本於綜合全面收益表支銷。

釐定附帶嵌入式衍生工具的金融資產的現金流量是否僅為支付本金及利息時，予以整體考量。

#### 債務工具

債務工具之後續計量取決於本集團管理資產之業務模式及資產之現金流量特徵。本集團將其債務工具分類為三種計量類別：

- 攤銷成本：倘為收取合約現金流量而持有之資產的現金流量僅為本金及利息付款，則該等資產按攤銷成本計量。該等金融資產之利息收入採用實際利率法計入財務收入。終止確認產生之任何收益或虧損直接於綜合全面收益表中確認，並連同匯兌收益及虧損於其他收益／（虧損）列示。減值虧損於綜合全面收益表內作為單獨項目列示。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

#### (iii) Measurement (Continued)

##### Debt instruments (Continued)

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in consolidated statement of comprehensive income. When the financial asset is de-recognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to consolidated statement of comprehensive income and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the consolidated statement of comprehensive income.
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in consolidated statement of comprehensive income and presented net within other gains/(losses) in the period in which it arises.

## 2 主要會計政策概要 (續)

### 2.11 投資及其他金融資產 (續)

#### (iii) 計量 (續)

##### 債務工具 (續)

- 按公平值計入其他全面收益賬：倘為收取合約現金流量及出售金融資產而持有之資產的現金流量僅為本金及利息付款，則該等資產按公平值計入其他全面收益賬。賬面值變動乃透過其他全面收益確認，惟減值收益或虧損、利息收入及匯兌收益及虧損則於綜合全面收益表確認。於終止確認金融資產時，之前於其他全面收益確認的累計收益或虧損由權益重新分類至綜合全面收益表並於其他收益／(虧損) 確認。該等金融資產的利息收入使用實際利率法計入財務收入。外匯收益及虧損於其他收益／(虧損) 呈報及減值開支於綜合全面收益表內作為獨立項目呈報。
- 按公平值計入損益賬：不符合攤銷成本或按公平值計入其他全面收益賬的資產乃按公平值計入損益賬計量。其後按公平值計入損益賬的債務投資產生的收益或虧損於綜合全面收益表內確認，並於其產生期間之其他收益／(虧損) 中以淨值列示。



## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

#### (iii) Measurement (Continued)

##### Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the de-recognition of the investment. Dividends from such investments continue to be recognised in consolidated statement of comprehensive income as other income when the group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in "Other income, net" in the consolidated statement of comprehensive income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

#### (iv) Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables, see note 18 to the consolidated financial statements for further details.

## 2 主要會計政策概要 (續)

### 2.11 投資及其他金融資產 (續)

#### (iii) 計量 (續)

##### 股本工具

本集團其後按公平值計量所有股本投資。倘本集團管理層已選擇於其他全面收益呈報股本投資之公平值收益及虧損，則於終止確認此類投資後，公平值收益及虧損不再重新分類至損益。當本集團收取付款之權利確立時，此類投資之股息繼續於綜合全面收益表中確認為其他收入。

按公平值計入損益賬的金融資產之公平值變動於綜合全面收益表（如適用）內「其他收入淨額」中確認。按公平值計入其他全面收益賬的股本投資之減值虧損（及減值虧損撥回）不會因公平值之其他變動分開呈報。

#### (iv) 減值

本集團按前瞻性基準評估按攤銷成本及按公平值計入其他全面收益賬的債務工具相關之預期信貸虧損。所採用減值方法視乎信貸風險是否大幅增加而定。

就貿易應收款項而言，本集團應用香港財務報告準則第9號許可的簡化法，其要求自初步確認應收款項起確認預期全期虧損，進一步詳情請參閱綜合財務報表附註18。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.12 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position when there is 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 legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

### 2.13 Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The gain or loss is recognised in “Other operating expenses, net” in the consolidated statement of comprehensive income.

### 2.14 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. In the consolidated statement of financial position, bank overdrafts are shown within borrowings in current liabilities.

### 2.15 Trade and other payables

Trade and other payables are stated initially at their fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

## 2 主要會計政策概要 (續)

### 2.12 抵銷金融工具

當有法定可執行權利可抵銷已確認金額，並有意圖按淨額基準結算或同時變現資產和結算負債時，金融資產與負債可互相抵銷，並在綜合財務狀況表報告其淨額。法定可執行權利不得依賴未來事件而定，而在一般業務過程中以及倘本集團或對手方一旦出現違約、無償債能力或破產時必可強制執行。

### 2.13 衍生金融工具

衍生工具於訂立衍生合約當日初步按公平值確認，其後按公平值重新計量。損益於綜合全面收益表中的「其他經營開支淨額」內確認。

### 2.14 現金及現金等價物

於綜合現金流量表中，現金及現金等價物包括手頭現金、銀行活期存款、其他原到期日為三個月或以內之短期高度流通投資以及銀行透支。於綜合財務狀況表中，銀行透支於流動負債中的借款中列示。

### 2.15 貿易及其他應付款項

貿易及其他應付款項初始按其公平值列賬，並於其後採用實際利息法按攤銷成本計算，除非貼現之影響輕微，則在此情況下按成本列賬。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.16 Revenue recognition

Revenue is measured at the fair value of the consideration received and receivable, and represents amounts receivable for goods supplied, stated net of discounts, returns and value added taxes. The Group recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Group's activities.

#### **Sales of goods**

Revenue from the sale of goods directly to the customers is recognised at the point that the control of the inventory have passed to the customers, which is primarily upon the acceptance of the products by the customers. The customers have full discretion over the products, and there is no unfulfilled obligation that could affect the customers' acceptance of the products. The Group collects cash or bank acceptance notes from the customers before or upon deliveries of products through banks. Cash or bank acceptance notes collected from the customers before product delivery is recognised as contract liabilities (note 5 to the consolidated financial statements).

## 2 主要會計政策概要 (續)

### 2.16 收益確認

收益按已收及應收代價的公平值計量，代表應收供應貨品的金額，扣除折讓、退貨及增值稅後列賬。本集團於收益金額能夠可靠計量時；未來經濟利益可能流入實體時；及本集團的各項活動已滿足規定標準時確認收益。

#### **銷售貨品**

直接向客戶銷售貨品所得收益於存貨的控制權已轉移予客戶時（主要於客戶接受產品後）確認。客戶對產品有充分酌情權且並無可能影響客戶接受產品的未履行責任。本集團在產品交付之前或之後透過銀行向客戶收取現金或銀行承兌票據。在產品交付前自客戶收取的現金或銀行承兌票據確認為合約負債（綜合財務報表附註5）。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.17 Interest income

Interest income from financial assets at FVPL is included in the net fair value gains/(losses) on these assets, see note 6 to the consolidated financial statements below.

Interest income on financial assets at amortised cost and financial assets at FVOCI calculated using the effective interest method is recognised in the consolidated statement of comprehensive income as part of other income.

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes, see note 10 to the consolidated financial statements below. Any other interest income is included in finance income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

### 2.18 Employee benefits

#### (i) Pension obligations

The Group contributes on a monthly basis to various defined contribution plans organised by the relevant governmental authorities. 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 years. The contributions are recognised as employee benefit expense when they are due.

The Group joined the Mandatory Provident Fund Scheme (the “MPF Scheme”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance for those qualifying employees employed under the jurisdiction of the Hong Kong Employment Ordinance, and who are eligible to participate in the MPF Scheme.

## 2 主要會計政策概要 (續)

### 2.17 利息收入

按公平值計入損益賬的金融資產所得利息收入計入該等資產的公平值收益／(虧損)淨額，參見下文綜合財務報表附註6。

使用實際利率法計算的按攤銷成本列賬的金融資產及按公平值計入其他全面收益賬的金融資產的利息收入於綜合全面收益表內確認為其他收入的一部分。

當利息收入來自持作現金管理目的的金融資產時呈報為財務收入，參見下文綜合財務報表附註10。任何其他利息收入計入財務收入。

利息收入是用實際利率乘以金融資產賬面總額計算得出，惟後續發生信貸減值的金融資產除外。就信貸減值的金融資產而言，其利息收入是用實際利率乘以金融資產賬面淨額（經扣除虧損撥備）得出。

### 2.18 僱員福利

#### (i) 退休金責任

本集團每月向有關政府機構組織的多個定額供款計劃作出供款。倘若基金並無持有足夠資產支付所有僱員有關本年度及過往年度的僱員服務的福利，則本集團並無法律或推定責任支付進一步的供款。供款於到期時確認為僱員福利開支。

本集團根據香港強制性公積金計劃條例，為受香港僱傭條例管轄且符合資格參與強制性公積金計劃（「強積金計劃」）的所有合資格僱員營運強積金計劃。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.18 Employee benefits (Continued)

#### (i) Pension obligations (Continued)

The MPF Scheme is a defined contribution scheme, the assets of which are held in separate trustee-administered funds. The Group has no further payment obligations once the contribution has been paid. The Group's contributions to the scheme are recognised as employee benefit expenses when they are due. When employees leave the scheme prior to the full vesting of the employer's voluntary contributions, the amount of forfeited contributions is used to reduce the contributions payable by the Group.

The Group in the PRC participate in defined contribution retirement benefit plans organised by relevant government authorities for its employees in the PRC and contribute to these plans based on certain percentage of the salaries of the employees on a monthly basis, up to a maximum fixed monetary amount, as stipulated by the relevant government authorities. The government authorities undertake to assume the retirement benefit obligations payable to all existing and future retired employees under these plans.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

## 2 主要會計政策概要 (續)

### 2.18 僱員福利 (續)

#### (i) 退休金責任 (續)

強積金計劃為界定供款計劃，計劃的資產由獨立受託管理的基金持有。本集團於供款後再無其他付款責任。本集團向該等計劃所作供款乃於其到期時確認為僱員福利開支。僱員在可全數取得僱主自願性供款前離職，則沒收的供款金額用於減少本集團應付供款。

本集團於中國為其中國僱員參與有關政府機關營辦之定額供款退休福利計劃，並依照僱員薪金之若干百分比按月向該等計劃供款不超過有關政府機關規定之最高固定貨幣金額。根據該等計劃，該等政府機關承擔應付所有現有及未來退休僱員之退休福利責任。

就界定供款計劃而言，本集團以強制性、合同性或自願性方式向公開或私人管理的退休保險計劃供款。本集團作出供款後，即無進一步付款義務。該等供款於到期時確認為僱員福利支出。預付供款按照現金退款或可減少未來付款而確認為資產。



## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.18 Employee benefits (Continued)

#### (ii) Bonus plans

The expected cost of bonus payments are recognised as a liability 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 plans are expected to be settled within twelve months and are measured at the amounts expected to be paid when they are settled.

#### (iii) Employee leave entitlements

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

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

#### (iv) Short-term employee benefits

Salaries, annual bonuses, paid annual leave and the cost of non-monetary benefits are accrued in the period in which the associated services are rendered by employees.

## 2 主要會計政策概要 (續)

### 2.18 僱員福利 (續)

#### (ii) 獎金計劃

當本集團因為職工已提供之服務而產生現有法律或推定性責任，而該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。

獎金計劃的負債預期於12個月內付清，並以預期付清時應付的款項計算。

#### (iii) 僱員應享假期

僱員有權享有的年假於其支取年假時確認入賬。截至報告日期僱員因提供服務而可享有年假的估計負債已作撥備。

僱員應享的病假及產假於休假時方予確認。

#### (iv) 短期僱員福利

薪金、年度花紅、有薪年假及非貨幣福利成本於僱員提供相關服務期間內累計。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.19 Share-based payment transactions

#### Equity-settled transactions

The Group's employees, including directors, receive remuneration in the form of share-based payment transactions, whereby the employees rendered services in exchange for shares or rights over shares of the Company. The cost of such transactions with employees is measured by reference to the fair value of the equity instruments at the date at which the entity and another party (including an employee) agree to a share-based payment arrangement, being when the entity and the counterparty have a shared understanding of the terms and conditions of the arrangement ("**Grant Date**"). The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a reserve within equity. The fair value is determined using the Binomial Option Pricing Model, taking into account any market conditions and non-vesting conditions.

Equity-settled share-based payment transactions with parties other than employees are measured at fair value of the goods or services received, except where the fair value cannot be reliably estimated, in which case they are measured at the fair value of the equity instruments granted. In all cases, the fair value is measured at the date the Group obtains the goods or the counterparty renders the services.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the vesting conditions are to be fulfilled, ending on the date on which the entitlement of relevant employees to the award is no longer conditional on the satisfaction of any non-market vesting conditions ("**Vesting Date**"). During the vesting period, the number of share options that is expected to vest ultimately is reviewed. Any adjustment to the cumulative fair value recognised in prior years is charged/credited to consolidated statement of comprehensive income for the year of the review, with a corresponding adjustment to the reserve within equity.

## 2 主要會計政策概要 (續)

### 2.19 以股份為基礎付款交易

#### 權益結算交易

本集團的僱員（包括董事）按以股份為基礎的付款交易之形式收取報酬，而僱員則以提供服務交換股份或涉及本公司股份的權利。與僱員所進行相關交易之成本乃參照股本工具於實體與其他人士（包括一名僱員）協定以股份為基礎的付款安排（即實體與交易對方就安排的條款及條件達成共識之日（「授出日期」））之日期之公平值計量。授予僱員的購股權的公平值確認為僱員成本，而權益內的儲備亦相應增加。公平值乃於計及任何市況及非歸屬條件後使用二項式期權定價模型釐定。

與僱員以外之人士進行的以權益結算及股份為基礎的付款交易按已收取貨物或服務之公平值計量，惟倘公平值無法可靠估計，則按已授出股本工具的公平值計量。於所有情況下，公平值均於本集團取得貨物或交易對方提供服務之日期計量。

以權益結算的交易的成本連同權益的相應升幅會於達致歸屬條件之期間確認，直至相關僱員不再須待任何非市場歸屬條件獲達成方可享有該報酬之日（「歸屬日」）為止。於歸屬期內會審閱預期將最終歸屬的購股權數目。於過往年度確認對累計公平值的任何調整會於審閱年度的綜合全面收益表內扣除／計入，並相應調整權益內的儲備。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.19 Share-based payment transactions (Continued)

#### Equity-settled transactions (Continued)

When the share options are exercised, the amount previously recognised in the share option reserve will be transferred to share capital. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to retained earnings.

### 2.20 Taxation

The tax expense comprises current and deferred tax. Tax is recognised in the consolidated statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

#### (i) 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 Group operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

## 2 主要會計政策概要 (續)

### 2.19 以股份為基礎付款交易 (續)

#### 權益結算交易 (續)

行使購股權時，之前已於購股權儲備確認之數額將轉撥至股本。倘購股權於歸屬日期後被沒收或於屆滿日期時仍未獲行使，之前已於購股權儲備確認之數額將轉撥至保留盈利。

### 2.20 稅項

稅項開支包括即期及遞延稅項。稅項於綜合全面收益表確認，惟與其他全面收入或直接於權益確認之項目相關除外。於此情況下，稅項亦分別於其他全面收入或直接於權益確認。

#### (i) 即期所得稅

即期稅項開支根據本集團營運所在及產生應課稅收入之國家於報告期末已頒佈或實質頒佈之稅務法例計算。管理層就適用稅務法例有待詮釋之情況定期評估報稅表之狀況，並在適用情況下根據預期須向稅務機關支付之稅款設定撥備。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.20 Taxation (Continued)

#### (ii) Deferred income tax

##### *Inside basis differences*

Deferred income tax is recognised, 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 tax liabilities are not recognised if they arise from the initial recognition of goodwill, the 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.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

##### *Outside basis differences*

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, associates and joint arrangements, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Generally the Group is unable to control the reversal of the temporary difference for associates. Only when there is an agreement in place that gives the Group the ability to control the reversal of the temporary difference in the foreseeable future, deferred tax liability in relation to taxable temporary differences arising from the associate's undistributed profits is not recognised.

## 2 主要會計政策概要 (續)

### 2.20 稅項 (續)

#### (ii) 遞延所得稅

##### *內在差異*

對於資產及負債的稅基與其在綜合財務報表的賬面值之間的暫時差額，使用負債法確認遞延所得稅。然而，若遞延稅項負債於商譽初步確認時產生，則其不獲確認；若遞延所得稅於交易（不包括業務合併）中對資產或負債初步確認時產生，而在交易時不影響會計損益或應課稅損益，則不作記賬。遞延所得稅乃以於報告期末已頒佈或實質頒佈的稅率（及稅法）釐定，並預期於變現相關遞延所得稅資產或償還遞延所得稅負債時應用。

遞延所得稅資產僅於有可能產生未來應課稅溢利而可動用暫時差額抵銷而確認。

##### *外在差異遞延*

遞延所得稅負債就於附屬公司、聯營公司及合營安排之投資所產生之應課稅暫時差額作出撥備，惟倘本集團可控制暫時差額之撥回時間，及很有可能在可預見未來不會撥回該暫時差額之遞延所得稅負債除外。一般而言，本集團不能控制聯營公司之暫時差額撥回。僅在訂有協議賦予本集團權力於可預見未來控制暫時差額撥回時，不就聯營公司的未分派溢利所產生的應課稅暫時差額確認遞延稅項負債。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.20 Taxation (Continued)

#### (ii) Deferred income tax (Continued)

##### Outside basis differences (Continued)

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries, associates and joint arrangements only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

#### (iii) Offsetting

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

### 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 the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. 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.

## 2 主要會計政策概要 (續)

### 2.20 稅項 (續)

#### (ii) 遞延所得稅 (續)

##### 外在差異遞延 (續)

僅在暫時差額可能將於日後撥回，且有充足之應課稅溢利而動用暫時差額予以抵銷時，方會就因投資附屬公司、聯營公司及合營安排而產生之可扣減暫時差額確認遞延所得稅資產。

#### (iii) 抵銷

倘有合法可強制執行權利以即期稅項資產抵銷即期稅項負債，以及當遞延所得稅資產及負債涉及由同一稅務機關就應課稅實體或有意以淨額基準結算結餘之不同應課稅實體徵收所得稅，遞延所得稅資產與負債則互相抵銷。

### 2.21 撥備

撥備乃於下列情況下確認：本集團因過往事件而有現有法律或推定責任，且有可能需要撥出資源以履行責任，及已可靠地估計數額。重建撥備包括租賃終止罰款及僱員終止付款。撥備並無就未來經營虧損而確認。

如有多項類似責任，於釐定需要流出資源以抵償責任的可能性時，會整體考慮該責任類別。即使在同一責任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，仍須確認撥備。



## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.21 Provisions (Continued)

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense within "finance expenses, net" in the consolidated statement of comprehensive income.

### 2.22 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### 2.23 Borrowings and borrowing costs

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction cost) and the redemption value is recognised in the consolidated statement of comprehensive income 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 facilities will be drawn down. In this case, 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 facilities will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

## 2 主要會計政策概要 (續)

### 2.21 撥備 (續)

撥備採用稅前利率按預期抵償責任所需開支的現值計算，該利率反映當時市場對貨幣時間價值及該責任固有風險的評估。撥備隨時間流逝而增加的金額確認為綜合全面收益表中「財務開支淨額」內的利息開支。

### 2.22 股本

普通股分類為權益。

發行新股份或購股權直接應佔的新增成本於權益中列作所得款項的減項（扣除稅項）。

### 2.23 借款及借款成本

借款最初按公平值（扣除已產生交易成本）確認。借款其後按攤銷成本列賬；所得款項（扣除交易成本）與贖回價值的任何差額，於借款期採用實際利率法於綜合全面收益表確認。

在貸款將很可能部分或全部提取的情況下，就設立貸款融資支付的費用乃確認為貸款交易成本。在此情況下，該費用將遞延至提取貸款為止。在並無跡象顯示該貸款將很有可能部分或全部提取的情況下，該費用撥充資本作為流動資金服務的預付款項，並於其相關融資期間攤銷。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.23 Borrowings and borrowing costs (Continued)

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 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.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in consolidated statement of comprehensive income in which they are incurred.

### 2.24 Dividend distribution

Dividend distribution to the shareholders is recognised as a liability in the Group's and the Company's financial statements in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

## 2 主要會計政策概要 (續)

### 2.23 借款及借款成本 (續)

除非本集團可無條件將負債延長至報告期末後至少12個月清償，否則借款分類為流動負債。

收購、建造或生產合資格資產（即需相當長時間方可作擬定用途或出售的資產）直接應佔的一般及特定借款成本會計入該等資產的成本，直至該等資產大致可作擬定用途或出售為止。

特定借款用於合資格資產之前作為臨時投資所賺取的投資收入，於合資格撥充資本的借款成本中扣除。

所有其他借款成本在產生期內於綜合全面收益表確認。

### 2.24 股息分派

向股東分派的股息在股息獲本公司股東或董事（如適用）批准有關股息的期間內，於本集團及本公司的財務報表確認為負債。

### 3 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, cash flow and fair value 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.

#### 3.1 Financial risk factors

##### (a) Market risk

###### (i) Foreign exchange risk

The Group operates mainly in Hong Kong and the PRC. Entities within the Group are exposed to foreign exchange risk arising from various currency exposures, primarily with respect to HK\$, Euro (“**EUR**”) and Renminbi (“**RMB**”). Foreign exchange risk arises from export sales, purchases, other future commercial transactions, monetary assets and liabilities that are denominated in a currency that is not the entity's functional currency.

Management has set up a policy to require the group companies to manage their foreign exchange risk against their functional currencies. The group companies do not adopt formal hedge accounting policy. It manages its foreign currency risk by closely monitoring the movement of foreign currency rates and will consider to enter into foreign exchange contracts to reduce the exposure should the need arises.

As at 31 December 2019, if US\$ had weakened/strengthened by 5 percent against EUR with all other variables held constant, post-tax profit for the year ended 31 December 2019 would have been HK\$108,000 (2018: HK\$354,000) lower/higher, mainly as a result of foreign exchange loss on translation of EUR denominated trade and other payables, and cash and cash equivalents.

### 3 財務風險管理

本集團業務承受多類財務風險：市場風險（包括外匯風險、現金流量及公平值利率風險）、信貸風險及流動資金風險。本集團的整體風險管理計劃重點關注金融市場的不可預測性，並尋求盡量減低對本集團財務表現的潛在不利影響。

#### 3.1 財務風險因素

##### (a) 市場風險

###### (i) 外匯風險

本集團主要於香港及中國經營。本集團內實體面對若干貨幣產生的外匯風險，主要有關港元、歐元（「**歐元**」）及人民幣（「**人民幣**」）。外匯風險產生自以並非有關實體功能貨幣計值的出口銷售、購買、其他日後商業交易、貨幣資產及負債。

管理層已制定政策要求集團公司管理其功能貨幣面對的外匯風險。集團公司並無採納正式對沖會計政策。其透過密切監察外幣匯率變動管理其外幣風險，並將考慮在必要時訂立外匯合約以減低風險。

於二零一九年十二月三十一日，倘美元兌歐元貶值／升值5%而所有其他變量保持不變，截至二零一九年十二月三十一日止年度除稅後溢利將減少／增加108,000港元（二零一八年：354,000港元），主要乃由於換算以歐元計值的貿易及其他應付款項以及現金及現金等價物的外匯虧損。

**3 FINANCIAL RISK MANAGEMENT (Continued)**

**3.1 Financial risk factors (Continued)**

**(a) Market risk (Continued)**

**(i) Foreign exchange risk (Continued)**

As at 31 December 2019, if the US\$ had weakened/strengthened by 5 percent against RMB with all other variables held constant, post-tax profit for the year ended 31 December 2019 would have been HK\$4,783,000 (2018: HK\$6,131,000) lower/higher, mainly as a result of foreign exchange differences on translation of RMB denominated trade and other receivables, deposits, trade and other payables, and cash and cash equivalents.

Under the Linked Exchange Rate System in Hong Kong, HK\$ is pegged to US\$, management therefore considers that there is no significant foreign exchange risk with respect to the HK\$.

As at 31 December 2019 and 2018, the exposure to foreign exchange risk arising from certain currency exposures such as Great British Pound, Singapore dollar, etc. are not significant.

**3 財務風險管理 (續)**

**3.1 財務風險因素 (續)**

**(a) 市場風險 (續)**

**(i) 外匯風險 (續)**

於二零一九年十二月三十一日，倘美元兌人民幣貶值／升值5%而所有其他變量保持不變，截至二零一九年十二月三十一日止年度除稅後溢利將減少／增加4,783,000港元（二零一八年：6,131,000港元），主要乃由於換算以人民幣計值的貿易及其他應收款項、按金、貿易及其他應付款項以及現金及現金等價物的外匯差額。

根據香港的聯繫匯率制度，港元與美元掛鈎，管理層因此認為並無有關港元的重大外匯風險。

於二零一九年及二零一八年十二月三十一日，若干貨幣（如英鎊及新加坡元等）產生的外匯風險並不重大。

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (a) Market risk (Continued)

###### (ii) Cash flow and fair value interest rate risk

The Group's interest rate risk arises from borrowings. Borrowing obtained at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash held at variable rates. Borrowings obtained at fixed rates expose the Group to fair value interest rate risk. The Group does not adopt any interest hedging strategy.

Bank borrowings of the Group were arranged on floating rates varied with the then prevailing market condition,

As at 31 December 2019, if interest rates on borrowings at variable rates had been 50 basis points higher/lower with all other variables held constant, the Group's post-tax profit for the year ended 31 December 2019 would have been HK\$23,000 (2018: HK\$29,000) lower/higher as a result of higher/lower net interest expenses.

### 3 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

##### (a) 市場風險 (續)

###### (ii) 現金流量及公平值利率風險

本集團的利率風險產生自借款。按浮動利率作出的借款令本集團面臨部分被按浮動利率持有現金抵銷的現金流量利率風險。按固定利率作出的借款令本集團面臨公平值利率風險。本集團並無採納任何利息對沖策略。

本集團的銀行借款以隨當時市況而不同的浮動利率安排計息。

於二零一九年十二月三十一日，倘借款浮息利率增加／減少50個基點而所有其他變量保持不變，本集團截至二零一九年十二月三十一日止年度的除稅後溢利將因利息開支淨額增加／減少而減少／增加23,000港元(二零一八年：29,000港元)。



### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (b) Credit risk

The Group's credit risk are primarily attributable to financial instruments, financial asset at fair value through profit or loss, trade receivables, deposits and other receivables, time deposits and cash deposited at banks and cash and cash equivalents. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis. In this respect, management considers the credit risk is significantly reduced.

The credit risk on cash and cash equivalents, cash deposited at banks and time deposits are placed in reputable financial institutions with sound credit ratings assigned by international credit rating agencies.

For deposits and other receivables, management makes periodic collective assessments as well as individual assessment on the recoverability with no significant credit risk identified.

The Group is also exposed to credit risk in relation to financial asset that are measured at fair value through profit or loss. The maximum exposure at the end of the reporting period is the carrying amount of these investments.

### 3 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

##### (b) 信貸風險

本集團的信貸風險主要來自金融工具、按公平值計入損益賬的金融資產、貿易應收款項、按金及其他應收款項、定期存款及存放銀行的現金以及現金及現金等價物。管理層已制定信貸政策並持續監察該等信貸風險。就此而言，管理層認為信貸風險已大幅降低。

現金及現金等價物、存放銀行的現金及定期存款的信貸風險來自存置於獲國際信貸評級機構評定為良好信貸評級的知名金融機構。

就按金及其他應收款項而言，管理層定期對可收回性進行集體評估及個別評估，惟並無發現任何重大信貸風險。

本集團亦面臨與按公平值計入損益賬的金融資產相關的信貸風險。報告期末的最大風險敞口為該等投資的賬面值。

**3 FINANCIAL RISK MANAGEMENT (Continued)****3.1 Financial risk factors (Continued)****(b) Credit risk (Continued)*****Impairment allowance policies for 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 has 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 3 years before 31 December 2019 or 1 January 2019 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Based on historical experience, majority of the trade receivables were settled within credit term, hence the expected loss rate of trade receivables during the year ended 31 December 2019 is 0.9% (2018: 4.2%).

**3 財務風險管理 (續)****3.1 財務風險因素 (續)****(b) 信貸風險 (續)*****貿易應收款項的減值撥備政策***

本集團採用香港財務報告準則第9號簡化法計量預期信貸虧損，並對所有貿易應收款項使用全期預期虧損撥備。為計量預期信貸虧損，貿易應收款項已根據類似信貸風險特徵及逾期日期分類。

預期虧損率基於二零一九年十二月三十一日或二零一九年一月一日前三年期間各自銷售的付款情況及本期間內出現的相應過往信貸虧損。過往虧損率作出調整以反映影響客戶結算應收賬款能力的宏觀經濟因素的當前及前瞻性資料。

根據過往經驗，大部分貿易應收款項於信貸期內結算，因此於截至二零一九年十二月三十一日止年度的貿易應收款項的預期虧損率為0.9% (二零一八年：4.2%)。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (b) Credit risk (Continued)

##### **Impairment allowance policies for trade receivables (Continued)**

The closing loss allowances for trade receivables as at 31 December 2019 reconcile to the opening loss allowances as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
As at 1 January	於一月一日	4,601	-
(Decrease)/ increase in loss allowance recognised in consolidated statement of comprehensive income during the year	年內於綜合全面收益表確認之虧損撥備(減少)/增加	(1,023)	4,601
Receivable written off during the year as uncollectible	年內因不可收回撇銷應收款項	(2,249)	-
As at 31 December	於十二月三十一日	1,329	4,601

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 90 days 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.

During the year, the provision for impairment loss on trade receivables was recognised in consolidated statement of comprehensive income in relation to impaired financial assets disclosed in note 7 to the consolidated financial statements.

### 3 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

##### (b) 信貸風險 (續)

##### **貿易應收款項的減值撥備政策 (續)**

於二零一九年十二月三十一日的貿易應收款項的期末虧損撥備與期初虧損撥備的對賬如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
As at 1 January	於一月一日	4,601	-
(Decrease)/ increase in loss allowance recognised in consolidated statement of comprehensive income during the year	年內於綜合全面收益表確認之虧損撥備(減少)/增加	(1,023)	4,601
Receivable written off during the year as uncollectible	年內因不可收回撇銷應收款項	(2,249)	-
As at 31 December	於十二月三十一日	1,329	4,601

貿易應收款項於無合理預期可收回時撇銷。並無合理預期可收回款項的跡象包括(其中包括)債務人未能與本集團訂立還款計劃,以及於逾期超過90天的期間內未能作出合約付款。

貿易應收款項的減值虧損列為經營溢利內的減值虧損淨額。其後收回先前撇銷的金額乃計入同一項目。

年內,已就綜合財務報表附註7所披露的已減值金融資產於綜合全面收益表確認貿易應收款項減值虧損撥備。

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (b) Credit risk (Continued)

As at 31 December 2019, the customer bases were widely dispersed despite that 21.4% (2018: 34.2%) of the trade receivables were due from the Group's largest customer and 64.8% (2018: 70.1%) were due from the five largest customers determined on the same basis.

##### (c) Liquidity risk

Cash flow forecasting is performed in the operating entities of the Group. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance and, if applicable external regulatory or legal requirements – for example, currency restrictions.

The Group maintains liquidity by a number of sources including orderly realisation of short-term financial assets and receivables; and long-term financing including long-term borrowings. The Group aims to maintain flexibility in funding by keeping sufficient bank balances, committed credit lines available and interest bearing borrowings which enable the Group to continue its business for the foreseeable future.

### 3 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

##### (b) 信貸風險 (續)

於二零一九年十二月三十一日，儘管客戶群較為分散，但貿易應收款項的21.4%（二零一八年：34.2%）乃應收自本集團的最大客戶，而按同一基準釐定則64.8%（二零一八年：70.1%）乃應收自五大客戶。

##### (c) 流動資金風險

現金流量預測乃於本集團的經營實體進行。該等預測乃經考慮本集團之債務融資計劃、契諾規定及外部監管或法律要求（如貨幣限制）（如適用）。

本集團透過一系列方式（包括有序變現短期金融資產及應收款項）及長期融資（包括長期借款）維持流動資金。本集團旨在透過保持充足銀行結餘、可供動用承諾信貸額度及計息借款，維持資金的靈活彈性，讓本集團於可見將來繼續經營其業務。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

## 3 FINANCIAL RISK MANAGEMENT (Continued)

### 3.1 Financial risk factors (Continued)

#### (c) Liquidity risk (Continued)

The table below analyses the Group's non-derivative and derivative financial liabilities into the applicable maturity groupings based on the remaining period at the end of reporting date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

		Carrying amount	Total contractual undiscounted cash flow	Within one year or on demand	Within two to five years
		賬面值 HK\$'000 千港元	合約未貼現 現金流量總額 HK\$'000 千港元	一年內 或按要求 HK\$'000 千港元	二至五年內 HK\$'000 千港元
At 31 December 2019	於二零一九年十二月三十一日				
Trade and other payables (excluding sale deposits received)	貿易及其他應付款項 (已收銷售訂金除外)	109,043	109,043	109,043	—
Contract liability	合約負債	2,964	2,964	2,964	—
Borrowings	借款	11,852	12,994	12,994	—
Finance lease payables	融資租賃應付款項	43	43	43	—
Lease liabilities	租賃負債	23,089	24,368	7,177	17,191
		146,991	149,412	132,221	17,191
At 31 December 2018	於二零一八年十二月三十一日				
Trade and other payables (excluding sale deposits received)	貿易及其他應付款項 (已收銷售訂金除外)	167,424	167,424	167,424	—
Contract liability	合約負債	3,004	3,004	3,004	—
Borrowings	借款	31,871	32,971	32,971	—
Finance lease payables	融資租賃應付款項	866	882	882	—
		203,165	204,281	204,281	—

## 3 財務風險管理 (續)

### 3.1 財務風險因素 (續)

#### (c) 流動資金風險 (續)

下表分析按報告期末至合約到期日餘下期間將本集團的非衍生及衍生金融負債劃分成適用到期日組別。所披露金額為合約未貼現現金流量。



**3 FINANCIAL RISK MANAGEMENT (Continued)****3.2 Capital management**

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amounts of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (include bank borrowings and finance lease payables) less cash and bank balances. Total capital is calculated as "equity" as shown in the consolidated statement of financial position, plus net debt, where applicable.

The Group's strategy was to maintain optimal capital structure to reduce the cost of capital. The gearing ratios as at 31 December 2019 were as follows:

**3 財務風險管理 (續)****3.2 資金管理**

本集團管理資本的目標是保障本集團能持續經營，以為股東帶來回報及為其他利益相關者帶來利益，並維持最理想的資本架構以降低資本成本。

為維持或調整資本架構，本集團可能調整支付予股東的股息金額、向股東發回資本、發行新股或出售資產以減少債務。

本集團以槓桿比率為基準監察資本與其他同業一致。槓桿比率按淨債務除以總資本計算。淨債務按總借款（包括銀行借款及融資租賃應付款項）減現金及銀行結餘計算。總資本按綜合財務狀況表所示「權益」加淨債務（如適用）計算。

本集團的策略為維持最理想的資本架構以降低資本成本。於二零一九年十二月三十一日的槓桿比率如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Borrowings (note 22)	借款 (附註22)	11,852	31,871
Finance lease payables (note 23)	融資租賃應付款項 (附註23)	43	866
Less: Bank and cash balances (note 20)	減：銀行及現金結餘 (附註20)	(97,679)	(194,580)
Net cash	淨現金	(85,784)	(161,843)
Total equity	總權益	352,491	351,895
Total capital	總資本	(438,275)	(513,738)
Gearing ratio	槓桿比率	N/A 不適用	N/A 不適用

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### 3.3 Fair value estimation

The table below analyses the Group's assets and liabilities carried at fair value as at 31 December 2019 and 2018 by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

As at 31 December 2019 and 2018, all the Group's assets and liabilities carried at fair value are categorised into level 2.

There were no transfers between levels 1, 2 and 3 during the year ended 31 December 2019 and 2018.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) 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.

The following table presents the changes in the Group's assets and liabilities carried at fair value for the year ended 31 December 2019 and 2018.

### 3 財務風險管理 (續)

#### 3.3 公平值估計

下表按計量公平值之估值技術所用輸入數據的層級，分析本集團於二零一九年及二零一八年十二月三十一日按公平值列賬的資產及負債。有關輸入數據乃按下文所述而分類歸入公平值架構內的三個層級：

- 相同資產或負債在交投活躍市場的報價(未經調整)(第1層)。
- 除了第1層所包括的報價外，該資產或負債的可觀察的其他輸入，可為直接(即例如價格)或間接(即源自價格)(第2層)。
- 資產或負債並非依據可觀察市場數據的輸入(即非可觀察輸入)(第3層)。

於二零一九年及二零一八年十二月三十一日，本集團所有按公平值列賬的資產及負債均歸入第2層。

截至二零一九年及二零一八年十二月三十一日止年度概無第1、2及3層之間的轉換。

並非於活躍市場上交易的金融工具(如場外衍生工具)的公平值乃使用估值方法釐定。該等估值方法盡量使用可供使用之可觀察市場數據，並盡量減少倚賴實體特定估算。倘計算某工具的公平值所需之重要輸入數據全部均可觀察，則有關工具會被列入第2層。

倘若一項或以上之重要輸入數據並非根據可觀察市場數據計算，該工具將被列入第3層。

下表載列截至二零一九年及二零一八年十二月三十一日止年度本集團按公平值列賬的資產及負債的變動。

**3 FINANCIAL RISK MANAGEMENT (Continued)****3 財務風險管理 (續)****3.3 Fair value estimation (Continued)****3.3 公平值估計 (續)**

		Land and building at fair value 按公平值計量的土地及樓宇 HK\$'000 千港元	Derivative financial instruments 衍生金融工具 HK\$'000 千港元	Financial assets at fair value through profit or loss 按公平值計入損益賬的金融資產 HK\$'000 千港元	Total 總計 HK\$'000 千港元
For the year ended 31 December 2019	截至二零一九年十二月三十一日止年度				
Opening balance	期初結餘	24,850	-	6,765	31,615
(Loss)/ gain recognised in consolidated statement of comprehensive income	於綜合全面收益表確認的(虧損)/收益	-	(2,245)	177	(2,068)
Gains recognised in other comprehensive income	於其他全面收益確認的收益	699	-	-	699
Addition	添置	-	-	1,679	1,679
Depreciation	折舊	(949)	-	-	(949)
Settlement	結算	-	2,245	-	2,245
Closing balance	期末結餘	24,600	-	8,621	33,221
For the year ended 31 December 2018	截至二零一八年十二月三十一日止年度				
Opening balance	期初結餘	24,400	-	2,651	27,051
Addition	添置	-	-	6,935	6,935
De-recognition	取消確認	-	-	(2,694)	(2,694)
Loss recognised in consolidated statement of comprehensive income	於綜合全面收益表確認的虧損	-	-	(127)	(127)
Gains recognised in other comprehensive income	於其他全面收益確認的收益	1,426	-	-	1,426
Depreciation	折舊	(976)	-	-	(976)
Closing balance	期末結餘	24,850	-	6,765	31,615

**3.4 Offsetting financial assets and financial liabilities**

As at 31 December 2019, there were no financial assets or financial liabilities which were subject to offsetting, enforceable master netting or similar agreements (2018: nil).

**3.4 金融資產及金融負債之抵銷**

於二零一九年十二月三十一日，概無金融資產或金融負債受抵銷、具有可強制性執行的統一淨額結算或類似安排所規限(二零一八年：無)。

#### 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING THE GROUP'S ACCOUNTING POLICIES

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.

##### Critical accounting estimates and assumptions

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 addressed below.

##### (a) Impairment assessment of property, plant and equipment

The Group has substantial investments in property, plant and equipment. Judgement is required in the area of asset impairment, particularly in assessing: (1) whether an event has incurred that may indicate that the related asset values may not be recoverable; (2) whether the carrying value of an asset can be supported by the recoverable amount, being the higher of fair value less costs of disposal or value-in-use, which is the net present value of future cash flows which are estimated based upon the continued use of the asset in the business; and (3) the appropriate key assumptions to be applied in preparing cash flow projections including whether these cash flow projections are discounted using an appropriate rate. Changing the assumptions used to determine the level, if any, of impairment, including the discount rates or the growth rate assumptions in the cash flow projections, could materially affect the net present value used in the impairment test and as a result affect the Group's financial condition and results of operations. If there is a significant adverse change in the projected performance and resulting future cash flow projections, it may be necessary to take an impairment charge to the consolidated statement of comprehensive income.

#### 4 應用本集團會計政策的主要會計估計及判斷

估計及判斷須持續進行評估，並以過往經驗及其他因素（包括對因應情況相信為合理的未來事件的預期）為基準。

##### 主要會計估計及假設

本集團對未來作出估計及假設。所得的會計估計如其定義，很少會與其實際結果相同。存在重大風險導致下個財政年度之資產和負債之賬面值作出重大調整之估計和假設討論如下。

##### (a) 物業、廠房及設備減值評估

本集團大量投資於物業、廠房及設備。在資產減值領域，要求作出判斷，尤其是評估：(1)有否出現可能顯示有關資產值可能無法回收的事件；(2)資產賬面值是否獲得可收回款項（即公平值減出售成本或使用價值（即以業務持續使用資產為基礎估計的有關日後現金流量的現值淨額）兩者中的較高者）的支持；及(3)編製現金流量預測時使用的適當主要假設，包括有關現金流量預測是否以適用比率折現。倘用於釐定減值層級的假設（包括現金流量預測所用貼現率或增長率假設）有所變更，可能對減值測試所用現值淨額產生重大影響，從而或影響本集團的財務狀況及經營業績。倘預測表現及因而達致的未來現金流量預測有重大不利變動，則可能須於綜合全面收益表內扣除減值費用。



#### 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING THE GROUP'S ACCOUNTING POLICIES (Continued)

##### Critical accounting estimates and assumptions (Continued)

##### (b) Net realisable value of inventories

Net realisable value of inventories is estimated selling price in the ordinary course of business, less estimated selling expenses. These estimates are based on the current market condition and the historical experience of selling products of similar nature. It could change significantly as a result of changes in customer taste and competitor actions in response to severe industry cycle. Management reassesses these estimates at the end of each statement of financial position date.

##### (c) Impairment of trade receivables

The Group's management estimates the provision of impairment of trade receivables by assessing their recoverability. Provisions are applied to trade receivables where events or changes in circumstances indicate that the balances may not be collectible and require the use of estimates. Where the expectation is different from the original estimate, such difference will impact carrying value of trade receivables and impairment charge in the period in which such estimate has been changed.

##### (d) Income taxes

The Group is subject to income taxes in Hong Kong and the PRC. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

#### 4 應用本集團會計政策的主要會計估計及判斷 (續)

##### 主要會計估計及假設 (續)

##### (b) 存貨的可變現淨值

存貨的可變現淨值指日常業務過程中的估計售價減估計銷售成本。該等估計乃基於現時市況及銷售類似性質產品的過往經驗而作出。客戶喜好及競爭對手因應不利行業週期而採取的行動可能使該等估計有重大改變。管理層於各財務狀況表日期重新評估該等估計。

##### (c) 貿易應收款項減值

本集團管理層通過評估貿易應收款項的可收回性來估計其減值撥備。當出現事件或環境變化預示結餘可能無法收回並需要使用估計時，則會就貿易應收款項計提撥備。倘預期金額與原先估計的金額不同，有關差額將影響貿易應收款項的賬面值以及有關估計出現變動期間內的減值開支。

##### (d) 所得稅

本集團須繳納香港及中國的所得稅。釐定所得稅撥備時須作出重大判斷。交易項目眾多，而釐定該等最終稅項的計算方法並不確定。倘該等事宜的最終稅項結果與初始記錄的金額有所不同，該等差額將影響於釐定期內的即期及遞延所得稅資產及負債。



**4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING THE GROUP'S ACCOUNTING POLICIES (Continued)**

**Critical accounting estimates and assumptions (Continued)**

**(d) Income taxes (Continued)**

Deferred income tax assets relating to certain temporary differences and tax losses are recognised when management considers it is probable that future taxable profits will be available against which the temporary differences or tax losses can be utilised. When the expectation is different from the original estimate, such differences will impact the recognition of deferred income tax assets and taxation charges in the period in which such estimate is changed.

**(e) Valuation of equity-settled share-based payment transactions**

The fair value of share options has been calculated using the Binomial Option Pricing Model which requires the input of highly subjective assumptions, including the expected volatility of the share price. Because changes in subjective assumptions can materially affect the fair value estimate, in the opinion of the Directors, the existing model may not always necessarily produce a reliable single measure of the fair value of the share options. Details of the assumptions used are set out in note 25 to the consolidated financial statements.

**4 應用本集團會計政策的主要會計估計及判斷 (續)**

**主要會計估計及假設 (續)**

**(d) 所得稅 (續)**

當管理層認為未來應課稅溢利將可以抵銷臨時差額或稅項虧損時，遞延所得稅資產就與已確認的若干臨時差額及稅項虧損有關。當預期情況有別於原本估計時，該等差額將影響遞延所得稅資產的確認以及該等估計更改時的期內稅務變動。

**(e) 以權益結算及股份為基礎付款的交易估值**

購股權公平值已按二項式購股權定價模式計算，該模式需要採用非常主觀假設的輸入值（包括股份價格的預計波幅）。由於主觀假設的變更可對公平值估計造成重大影響，董事認為，現有模式未必是購股權公平值唯一可靠的計量方式。有關所採用假設的詳情載於綜合財務報表附註25。

#### 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING THE GROUP'S ACCOUNTING POLICIES (Continued)

##### Critical accounting estimates and assumptions (Continued)

##### (f) Determination of the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of plants, office and warehouse, the following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the Group is typically reasonably certain to extend (or not terminate).
- Otherwise, the Group considers other factors including historical lease durations and costs and business disruption required to replace the leased asset.

Most extension options in plants, office and warehouse have been included in the lease liability because majority of them are profitable and replacing in other locations will cause business disruption.

As at 31 December 2019, no potential future cash outflows have not been included in the lease liability because it is not reasonably certain that the lease will be extended (or not terminated).

#### 4 應用本集團會計政策的主要會計估計及判斷 (續)

##### 主要會計估計及假設 (續)

##### (f) 釐定租期

在確定租期時，管理層應考慮產生承租人行使續租選擇權（或者不行使終止選擇權）的經濟獎勵的所有事實和情況。僅當承租人合理確定將續租（或不會終止租賃）時，續租選擇權（或終止選擇權之後的期間）方可計入租賃期。

至於廠房、辦公室及倉庫租賃，下列因素通常最相關：

- 終止（或未延長）面臨重大罰款，本集團一般合理確認延長（或不終止）。
- 否則，本集團考慮其他因素，包括過往租賃租期及替換租賃資產所需成本及業務中斷。

廠房、辦公室及倉庫大多數延期選擇權已計入租賃負債，因其大部分盈利且替換其他地點將造成業務中斷。

於二零一九年十二月三十一日，租賃負債並無計入潛在未來現金流出，因其不能合理確定租賃將延期（或不終止）。

## 5 SEGMENT INFORMATION

The management has determined the operating segments based on the information reviewed by the CODM. The CODM, who is responsible for allocating resources and assessing performance of the operating segment, has been identified as the Board of Directors of the Company.

Operating segments are reported in the manner consistent with the internal reporting provided to the CODM. The Group is subject to similar business risk, and resources are allocated based on what is beneficial to the Group in enhancing the value as a whole. The Board of Directors considers the performance assessment of the Group should be based on the profit before income tax of the Group as a whole and regards the Group as a single operating segment and reviews internal reporting accordingly. Therefore, the Board of Directors considers there to be only one operating segment under the requirements of HKFRS 8 “Operating Segments”.

The Group provides manufacturing and sales of electronic products, which are carried out internationally, through the production complexes located in the PRC during the year ended 31 December 2019.

### Segment assets and liabilities

No assets and liabilities are included in the Group’s segment reporting that are submitted to and reviewed by the CODM internally. Accordingly, no segment assets and liabilities are presented.

### Information about major customers

External customers contribute over 10% of total revenue of the Group for the year ended 31 December 2019 are as follows:

		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	259,562	321,020
Customer B	客戶B	145,671	136,615

## 5 分部資料

管理層已根據主要營運決策人審閱的資料釐定經營分部。主要營運決策人被視為本公司董事會，負責分配經營分部的資源及評估其表現。

經營分部的呈報方式與提供予主要營運決策人的內部呈報一致。本集團面臨類似業務風險，且資源基於對提升本集團整體價值有利的原則分配。董事會認為本集團的表現評估應基於本集團整體除稅前溢利作出，視本集團為單一經營分部並相應審閱內部報告。因此，董事會認為，根據香港財務報告準則第8號「運營分部」的規定，應僅存在一個運營分部。

於截至二零一九年十二月三十一日止年度，本集團透過位於中國的生產綜合體提供電子產品製造及銷售（屬國際業務）。

### 分部資產及負債

內部遞交予主要營運決策人及由其作審閱的本集團分部報告並無包括任何資產及負債。因此，概無呈列分部資產及負債。

### 主要客戶的資料

截至二零一九年十二月三十一日止年度，外部客戶貢獻本集團總收益超過10%：

## 5 SEGMENT INFORMATION (Continued)

### Geographical information

During the year ended 31 December 2019, majority of revenue were sold to customers in Europe (mainly Switzerland, the United Kingdom (the “UK”), Ireland, Denmark and Sweden), while the remaining revenue were sold to customers in the United States of America (the “US”), the PRC, Singapore, and Australia.

Revenue from the sale of goods is recognised at point in time method.

In relation to non-current assets held by the Group (primarily represented by property, plant and equipment as detailed in note 14 to consolidated financial statements), land and buildings with carrying values as at 31 December 2019 of HK\$24,600,000 (2018: HK\$24,850,000), are located in Hong Kong. Other property, plant and equipment are primarily located in the PRC.

### Revenue recognised in relation to contract liability

The Group has recognised the following liabilities related to contracts with customers:

		<b>As at</b>	
		<b>31 December</b>	31 December
		<b>2019</b>	2018
		於	於
		二零一九年	二零一八年
		十二月三十一日	十二月三十一日
		<b>HKD'000</b>	HKD'000
		千港元	千港元
Contract liability	合約負債	<b>2,964</b>	3,004

#### (i) Significant change in contract liability

The Group receives payments from customers based on billing schedule as established in contracts. Payments are usually received in advance under the contracts which are mainly from sales of goods.

## 5 分部資料 (續)

### 地理區域資料

於截至二零一九年十二月三十一日止年度，大部分收益來自歐洲客戶（主要為瑞士、英國（「英國」）、愛爾蘭、丹麥及瑞典），其餘收益來自美利堅合眾國（「美國」）、中國、新加坡及澳洲的客戶。

銷售貨品的收益按時間點法確認。

就本集團所持有的非流動資產（主要為物業、廠房及設備，詳情載於綜合財務報表附註14）而言，於二零一九年十二月三十一日，賬面值為24,600,000港元（二零一八年：24,850,000港元）的土地及樓宇均位於香港。其他物業、廠房及設備主要位於中國。

### 合約負債確認的收益

本集團已確認以下與客戶合約有關的負債：

		<b>As at</b>	
		<b>31 December</b>	31 December
		<b>2019</b>	2018
		於	於
		二零一九年	二零一八年
		十二月三十一日	十二月三十一日
		<b>HKD'000</b>	HKD'000
		千港元	千港元
Contract liability	合約負債	<b>2,964</b>	3,004

#### (i) 合約負債的重大變動

本集團根據合約規定的出票安排向客戶收取付款。通常根據合約提前收取付款者，主要來自銷售貨品。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

### 5 SEGMENT INFORMATION (Continued)

#### Revenue recognised in relation to contract liabilities (Continued)

##### (ii) Revenue recognised in relation to contract liability

The following table shows the amounts of the revenue recognised for the year ended 31 December 2019 relates to carried-forward contract liability.

		Year ended	
		31 December	31 December
		2019	2018
		截至	截至
		二零一九年	二零一八年
		十二月三十一日	十二月三十一日
		止年度	止年度
		HKD'000	HKD'000
		千港元	千港元
Revenue recognised that was included in the contract liability balance at 1 January 2019	計入二零一九年一月一日合約負債結餘的已確認收益		
Sales of goods	銷售貨品	1,379	1,353

##### (iii) Unsatisfied contracts related to sales of goods

The Group select to choose a practical expedient and omit disclosure of remaining performance obligations as all related contracts have a duration of one year or less.

### 5 分部資料 (續)

#### 合約負債確認的收益 (續)

##### (ii) 就合約負債確認收益

下表載述截至二零一九年十二月三十一日止年度已確認與結轉合約負債有關的收益金額。

##### (iii) 與銷售貨品有關的未履行合約

由於所有相關合約的期限為一年或一年以下，本集團選擇簡易實務處理手法，並無披露剩餘履約義務。



6 REVENUE AND OTHER INCOME, NET

6 收益及其他收入淨額

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Revenue	收益		
Sales of goods	貨品銷售	808,599	885,971
Other income, net	其他收入淨額		
Commission income	佣金收入	133	156
Fair value gain/(loss) on financial assets at fair value through profit or loss	按公平值計入損益賬的金融資產公平值收益／(虧損)	177	(127)
(Loss)/gain on foreign exchange	外匯(虧損)／收益	(855)	2,438
Government grants (note (i))	政府補助(附註(i))	2,791	1,660
Loss on de-recognition of financial asset at fair value through profit or loss	取消確認按公平值計入損益賬的金融資產的虧損	-	(376)
Scrap material sales income	報廢物料銷售收入	2,014	-
Sundry income	雜項收入	1,140	1,481
		<b>5,400</b>	<b>5,232</b>

Note:

- (i) The government grants mainly represented subsidies received from the PRC government in relation to the recognition of New and High Technology Enterprises ("NHTE") by the Company's wholly-owned subsidiary in the PRC. There are no unfulfilled conditions relating to the grants.

附註：

- (i) 政府補助主要指就本公司中國全資附屬公司獲認可為高新技術企業(「高新技術企業」)而從中國政府收取的補貼。有關補助概無未達成的條件。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

#### 7 EXPENSES BY NATURE

Expenses included “cost of sales”, “selling and distribution expenses”, “administrative expenses”, and “other operating expenses, net” are analysed as follows:

#### 7 按性質劃分開支

開支包括「銷售成本」、「銷售及分銷費用」、「行政開支」及「其他經營開支淨額」，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
Employee benefit expenses (including Directors' emoluments) (note 8)	僱員福利開支（包括董事酬金）（附註8）	182,672	193,773
Auditor's remuneration	核數師薪酬		
– Audit services	– 審計服務	1,783	1,753
– Non-audit services	– 非審計服務	407	763
Depreciation for property, plant and equipment (note 14)	物業、廠房及設備折舊（附註14）	11,175	10,305
Depreciation on right-of-use assets (note 35(ii))	使用權資產折舊（附註35(ii)）	6,784	–
Amortisation of insurance expense	保險開支攤銷	31	11
Loss on derivative financial instruments	衍生金融工具虧損	2,245	–
Obsolete inventories written off	陳舊存貨撇銷	1,325	1,067
Operating lease payments	經營租賃付款	476	6,836
(Gain)/loss on disposal of property, plant and equipment	出售物業、廠房及設備（收益）／虧損	(252)	49
Bad debts written off	壞賬撇銷	334	–
(Reversal of)/provision for impairment loss on trade receivables (note 18(b))	貿易應收款項減值虧損（撥回）／撥備（附註18(b)）	(1,023)	4,601
Provision for/(reversal of) impairment loss on inventories (note 17)	存貨減值虧損撥備／（撥回）（附註17）	3,270	(652)

#### 8 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS)

#### 8 僱員福利開支（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 allowances	工資、薪金及津貼	154,846	165,002
Retirement benefit costs	退休福利成本	24,293	25,104
Share-based payment (note 25)	以股份為基礎付款（附註25）	3,533	3,667
		182,672	193,773

## 9 BENEFITS AND INTERESTS OF DIRECTORS

Directors' remuneration disclosed pursuant to the section 383 of the Companies Ordinance is as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking:	就個人擔任董事（無論為本公司或其附屬公司業務）已付或應收之酬金：		
Fees	袍金	720	720
Basic salaries, allowances and benefits in kind	基本薪金、津貼及實物利益	15,320	13,768
Discretionary bonuses	酌情花紅	-	-
Employer's contribution to a retirement benefit scheme	退休福利計劃的僱主供款	1,116	1,348
Share-based payment	以股份為基礎付款	2,483	2,483
		<b>19,639</b>	<b>18,319</b>

### (a) Directors' retirement benefits

No retirement benefits were paid to or receivable by any Directors in respect of their other services in connection with the management of the affairs of the Company or its subsidiary undertaking during the year ended 31 December 2019 (2018:nil).

### (b) Directors' termination benefits

No payment was made to Directors as compensation for the early termination of the appointment during the year ended 31 December 2019 (2018:nil).

## 9 董事的福利及權益

根據公司條例第383條披露的董事薪酬如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking:	就個人擔任董事（無論為本公司或其附屬公司業務）已付或應收之酬金：		
Fees	袍金	720	720
Basic salaries, allowances and benefits in kind	基本薪金、津貼及實物利益	15,320	13,768
Discretionary bonuses	酌情花紅	-	-
Employer's contribution to a retirement benefit scheme	退休福利計劃的僱主供款	1,116	1,348
Share-based payment	以股份為基礎付款	2,483	2,483
		<b>19,639</b>	<b>18,319</b>

### (a) 董事之退休福利

於截至二零一九年十二月三十一日止年度，概無就任何董事有關管理本公司或其附屬公司事務的其他服務而支付或應收任何退休福利（二零一八年：無）。

### (b) 董事之離職福利

於截至二零一九年十二月三十一日止年度，概無就提早終止委任而向董事支付任何付款作為賠償（二零一八年：無）。

## 9 BENEFITS AND INTERESTS OF DIRECTORS (Continued)

### (c) Consideration provided to third parties for making available directors' services

Save as disclosed above, no other payment was made to the former employer or Directors for making available the services of them as a Director of the Company during the year ended 31 December 2019 (2018:nil).

### (d) Information about loans, quasi-loans and other dealings in favour of Directors, controlled bodies corporate by and connected entities with such Directors

There were no loans, quasi-loans and other dealings in favour of Directors, controlled bodies corporate by and connected entities with such Directors during the year ended 31 December 2019 (2018: none).

### (e) 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 ended 31 December 2019 (2018: none).

## 9 董事的福利及權益 (續)

### (c) 就獲提供董事服務而向第三方提供之代價

除上文披露者外，於截至二零一九年十二月三十一日止年度，概無就獲提供董事服務而就擔任本公司董事向先前僱主或董事支付其他款項(二零一八年：無)。

### (d) 有關以董事、由有關董事控制的法團及與其有關連的實體為受益人之貸款、準貸款及其他交易之資料

於截至二零一九年十二月三十一日止年度，概無有關以董事、由有關董事控制的法團及與其有關連的實體為受益人之貸款、準貸款及其他交易(二零一八年：無)。

### (e) 董事於交易、安排或合約中之重大權益

本公司概無訂立且本公司董事於當中直接或間接擁有重大權益而於年末或截至二零一九年十二月三十一日止年度任何時間仍然存續與本公司業務有關之重大交易、安排及合約(二零一八年：無)。

## 9 BENEFITS AND INTERESTS OF DIRECTORS (Continued)

### (f) Directors' emolument

The remuneration of every Director for the year ended 31 December 2019 and 2018 is set out below:

### (f) 董事酬金

截至二零一九年及二零一八年十二月三十一日止年度各董事薪酬如下：

		Basic salary, allowances and benefits Fees	in kind 基本薪金、 津貼及 實物福利	Discretionary bonuses 酌情花紅	Employer's contribution to retirement benefit scheme 退休福利 計劃的 僱主供款	Share- based payment 以股份 為基礎 付款	Total 總計
		袍金 HK\$'000 千港元	實物福利 HK\$'000 千港元	酌情花紅 HK\$'000 千港元	僱主供款 HK\$'000 千港元	以股份 為基礎 付款 HK\$'000 千港元	總計 HK\$'000 千港元
2019	二零一九年						
<b>Executive Directors</b>	<b>執行董事</b>						
Mr. Lai Yiu Wah	黎耀華先生	-	4,487	-	558	869	5,914
Mr. Tai Leung Lam	戴良林先生	-	4,434	-	558	869	5,861
Mr. Joseph Mac Carthy	Joseph Mac Carthy先生	-	2,640	-	-	745	3,385
Mr. Georges René Gener (note i)	Georges René Gener先生 (附註i)	-	3,759	-	-	-	3,759
<b>Independent Non-executive Directors</b>	<b>獨立非執行董事</b>						
Mr. Fung Chun Chung	馮鎮中先生	240	-	-	-	-	240
Mr. Cheung Kin Wing	張建榮先生	240	-	-	-	-	240
Mr. Wong Raymond Fook Lam	黃福霖先生	240	-	-	-	-	240
		<b>720</b>	<b>15,320</b>	<b>-</b>	<b>1,116</b>	<b>2,483</b>	<b>19,639</b>
2018	二零一八年						
<b>Executive Directors</b>	<b>執行董事</b>						
Mr. Lai Yiu Wah	黎耀華先生	-	4,497	-	558	869	5,924
Mr. Tai Leung Lam	戴良林先生	-	4,433	-	558	869	5,860
Mr. Joseph Mac Carthy	Joseph Mac Carthy先生	-	2,640	-	-	745	3,385
Mr. Georges René Gener (note i)	Georges René Gener先生 (附註i)	-	498	-	-	-	498
Mr. Kwan Tak Sum Stanley (note ii)	關德深先生(附註ii)	-	1,700	-	232	-	1,932
<b>Independent Non-executive Directors</b>	<b>獨立非執行董事</b>						
Mr. Fung Chun Chung	馮鎮中先生	240	-	-	-	-	240
Mr. Cheung Kin Wing	張建榮先生	240	-	-	-	-	240
Mr. Wong Raymond Fook Lam	黃福霖先生	240	-	-	-	-	240
		<b>720</b>	<b>13,768</b>	<b>-</b>	<b>1,348</b>	<b>2,483</b>	<b>18,319</b>



9 BENEFITS AND INTERESTS OF DIRECTORS  
(Continued)

(f) Directors' emolument (Continued)

Notes:

- (i) Mr. Georges René Gener was appointed as executive Director of the Company on 2 November 2018 and was resigned with effect from 15 February 2020.
- (ii) Mr. Kwan Tak Sum Stanley retired as executive Director of the Company on 25 May 2018.

There was no arrangement under which a Director or the chief executive officer waived or agreed to waive any remuneration during the year ended 31 December 2019 (2018:nil).

(g) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year ended 31 December 2019 included 4 Directors (2018: 3 Directors) whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining 1 individual during the year ended 31 December 2019 (2018: 2 individuals) are as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Basic salaries, allowances and benefits in kind	基本薪金、津貼及實物福利	4,451	4,368
Discretionary bonuses	酌情花紅	346	-
Remuneration paid or payable in respect of accepting office	就接受職務已付或應付薪酬	-	1,620
		<b>4,797</b>	<b>5,988</b>

9 董事的福利及權益 (續)

(f) 董事酬金 (續)

附註：

- (i) Georges René Gener先生於二零一八年十一月二日獲委任為本公司執行董事並於二零二零年二月十五日辭任。
- (ii) 關德深先生於二零一八年五月二十五日退任本公司執行董事。

於截至二零一九年十二月三十一日止年度，董事或主要行政人員並無安排放棄或同意放棄任何薪酬（二零一八年：無）。

(g) 五名最高薪酬人士

截至二零一九年十二月三十一日止年度，本集團五名最高薪酬人士包括上述分析反映其酬金的4名董事（二零一八年：3名董事）。截至二零一九年十二月三十一日止年度，應付餘下1名個別人士（二零一八年：2名個別人士）的酬金如下：

## 9 BENEFITS AND INTERESTS OF DIRECTORS (Continued)

### (g) Five highest paid individuals (Continued)

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following band is as follows:

		2019 二零一九年	2018 二零一八年
Nil – HK\$1,000,000	零至1,000,000港元	–	–
HK\$1,000,001 – HK\$1,500,000	1,000,001港元至1,500,000港元	–	–
HK\$1,500,001 – HK\$2,000,000	1,500,001港元至2,000,000港元	–	–
HK\$2,000,001 – HK\$2,500,000	2,000,001港元至2,500,000港元	–	–
HK\$2,500,001 – HK\$3,000,000	2,500,001港元至3,000,000港元	–	1
HK\$3,000,001 – HK\$3,500,000	3,000,001港元至3,500,000港元	–	1
HK\$3,500,001 – HK\$4,000,000	3,500,001港元至4,000,000港元	–	–
HK\$4,000,001 – HK\$4,500,000	4,000,001港元至4,500,000港元	–	–
HK\$4,500,001 – HK\$5,000,000	4,500,001港元至5,000,000港元	1	–

## 10 FINANCE EXPENSES, NET

## 10 財務開支淨額

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Finance income	財務收入		
Bank interest income	銀行利息收入	1,245	979
Other interest income	其他利息收入	43	160
<b>Finance income</b>	<b>財務收入</b>	<b>1,288</b>	1,139
Finance expenses	財務開支		
Interest on bank borrowings	銀行借款利息		
– Wholly repayable within five years	– 須於五年內全數償還	(5,584)	(6,931)
Interest on lease liabilities (note 35)	租賃負債利息(附註35)	(1,839)	–
Other finance expenses	其他財務開支		
Bank charges	銀行收費	(5,617)	(6,034)
<b>Finance expenses</b>	<b>財務開支</b>	<b>(13,040)</b>	(12,965)
<b>Finance expenses, net</b>	<b>財務開支淨額</b>	<b>(11,752)</b>	(11,826)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

### 11 INCOME TAX EXPENSE

The amount of taxation in the consolidated statement of comprehensive income represents:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Current income tax:	即期所得稅：		
– Hong Kong	– 香港	1,527	6,977
– The PRC	– 中國	488	284
		2,015	7,261
Overprovision in prior years	過往年度超額撥備	(254)	–
Deferred income tax (note 26(c))	遞延所得稅 (附註26(c))	193	–
Income tax expense	所得稅開支	1,954	7,261

### 11 所得稅開支

綜合全面收益表內稅項金額如下：

(a) On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the “**Bill**”) which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day.

Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of qualifying corporation will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. Accordingly, starting from the year ended 31 December 2018, Hong Kong profits tax of the qualified entity is calculated in accordance with the two-tiered profits tax rates regime. The profits of other group entities in Hong Kong not qualifying for the two-tiered profits tax rates regime will continue to be taxed at the flat rate of 16.5%.

(a) 於二零一八年三月二十一日，香港立法會通過二零一七年稅務（修訂）（第7號）條例草案（「**條例草案**」），引入利得稅兩級制。條例草案於二零一八年三月二十八日獲簽署成為法律，並於翌日在憲報刊登。

根據利得稅兩級制，合資格法團首2,000,000港元溢利的稅率將為8.25%，而超過2,000,000港元的溢利之稅率為16.5%。因此，自截至二零一八年十二月三十一日止年度，合資格實體的香港利得稅乃根據利得稅兩級制計算。不符合利得稅兩級制的香港其他集團實體的溢利將持續按16.5%的統一稅率繳納稅項。

## 11 INCOME TAX EXPENSE (Continued)

- (b) PRC corporate income tax (“CIT”) is provided on the assessable income of entities within the Group incorporated in the PRC, calculated in accordance with the relevant regulations of the PRC after considering the available tax benefits.

Pursuant to the PRC Corporate Income Tax Law passed by the Tenth National People’s Congress on 16 March 2007, the CIT for domestic and foreign enterprises has been unified at 25%, effective from 1 January 2008.

Panyu Trio Microtronics Co., Ltd. (“**Trio Microtronics**”) was set up as a foreign investment manufacturing enterprise in the PRC. On 11 December 2017, Trio Microtronics was awarded the NHTE accreditation by Guangdong Science and Technology Department (廣東省科學技術廳) for an effective period of three years from 11 December 2017 to 11 December 2020. As such, Trio Microtronics can enjoy a Preferential CIT rate of 15% for three financial years from 2017 to 2019. Its CIT rate for the year ended 31 December 2019 was 15% (2018: 15%).

- (c) No provision for CIT in Ireland has been made as the Group has no assessable income in Ireland during the year ended 31 December 2019 (2018: nil).
- (d) No provision for CIT in Germany has been made as the Group has sufficient tax losses brought forward to set off against assessable profits for the year ended 31 December 2019. (2018: nil).

## 11 所得稅開支 (續)

- (b) 中國企業所得稅(「**企業所得稅**」)乃經考慮可獲提供的稅務優惠後，根據中國相關規定按在中國國內註冊成立的本集團內實體之應課稅收入計提撥備。

根據第十屆全國人民代表大會於二零零七年三月十六日通過的《中國企業所得稅法》，國內及外國企業的企業所得稅自二零零八年一月一日起劃一為25%。

廣州市番禺致豐微電器有限公司(「**致豐微電器**」)於中國成立為一家外商投資製造企業。於二零一七年十二月十一日，致豐微電器獲廣東省科學技術廳授予高新技術企業的認證，有效期為二零一七年十二月十一日至二零二零年十二月十一日。因此於二零一七年至二零一九年的三個財政年度致豐微電器可享15%的優惠企業所得稅率。其截至二零一九年十二月三十一日止年度的企業所得稅率為15%(二零一八年：15%)。

- (c) 截至二零一九年十二月三十一日止年度本集團於愛爾蘭並無應課稅收入，故並無於愛爾蘭作出企業所得稅撥備(二零一八年：無)。
- (d) 本集團有充足稅務虧損可供結轉以抵銷截至二零一九年十二月三十一日止年度應課稅溢利，故並無於德國作出企業所得稅撥備(二零一八年：無)。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

#### 11 INCOME TAX EXPENSE (Continued)

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the tax rate applicable to profits as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Profit before income tax	除所得稅前溢利	24,311	49,639
Calculated at a tax rate of 16.5% (2018: 16.5%)	按稅率16.5% (二零一八年：16.5%) 計算之稅項	4,011	8,190
Effect of different tax rates in other countries	其他國家不同稅率的影響	(291)	(341)
Income not subject to tax	毋須課稅收入	(4,589)	(4,324)
Tax losses for which no deferred tax asset was recognised	並無確認遞延所得稅資產之稅項虧損	151	568
Expenses not deductible for tax purposes	不可扣稅開支	3,139	3,333
Utilisation of previously unrecognised tax loss	動用過往未予確認之稅項虧損	(48)	-
Overprovision in prior years	過往年度超額撥備	(254)	-
Concession tax rate	減免稅率	(165)	(165)
Income tax expense	所得稅開支	1,954	7,261

#### 11 所得稅開支 (續)

本集團除所得稅前溢利稅項與按應用於溢利的稅率計算之理論數額差別如下：

#### 12 EARNINGS PER SHARE

##### (a) Basic earnings per share

The basic earnings per share is calculated on the profit attributable to owners of the Company divided by the weighted average number of ordinary shares in issue during the year ended 31 December 2019 and 2018.

#### 12 每股盈利

##### (a) 每股基本盈利

每股基本盈利乃按本公司擁有人應佔溢利除以截至二零一九年及二零一八年十二月三十一日止年度已發行普通股加權平均股數計算。

		2019 二零一九年	2018 二零一八年
Profit attributable to owners of the Company (HK\$'000)	本公司擁有人應佔溢利 (千港元)	22,357	42,378
Weighted average number of ordinary shares in issue (thousand shares)	已發行普通股加權平均股數 (千股)	1,000,000	1,000,000
Basic earnings per share (HK cents)	每股基本盈利 (港仙)	2.24	4.24



**12 EARNINGS PER SHARE (Continued)****(b) Diluted earnings per share**

The diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

For the year ended 31 December 2019 and 2018, the amount of diluted earnings per share presented was same as the amount of the basic earnings per share as the share options of the Company have an anti-dilutive effect.

**12 每股盈利 (續)****(b) 每股攤薄盈利**

每股攤薄盈利乃透過調整發行在外加權平均普通股股數以假設轉換全部潛在攤薄普通股計算。

截至二零一九年及二零一八年十二月三十一日止年度，所呈列每股攤薄盈利金額與每股基本盈利金額相同，乃因本公司的購股權有反攤薄效應。

**13 DIVIDENDS****13 股息**

		<b>2019</b> <b>二零一九年</b> <b>HK\$'000</b> <b>千港元</b>	2018 二零一八年 HK\$'000 千港元
Interim dividend paid of HK0.8 cent (2018: nil) per ordinary share	已付中期股息每股普通股0.8港仙 (二零一八年：無)	<b>8,000</b>	-
Special dividend in 2018 of HK0.8 cent per ordinary share	二零一八年特別股息每股普通股0.8港仙	-	8,000
Proposed final dividend of HK0.8 cent (2018: HK1.8 cents) per ordinary share (note)	建議末期股息每股普通股0.8港仙 (二零一八年：1.8港仙) (附註)	<b>8,000</b>	18,000
		<b>16,000</b>	26,000

**Note:**

A final dividend in respect of the year ended 31 December 2019 of HK0.8 cent per ordinary share, amounting to a total dividend of HK\$8,000,000, is to be proposed at the forthcoming annual general meeting of the Company to be held on 29 May 2020.

**附註：**

就截至二零一九年十二月三十一日止年度的末期股息每股普通股0.8港仙（股息總金額為8,000,000港元），將於二零二零年五月二十九日在擬舉行之本公司應屆股東週年大會上提呈。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

14 PROPERTY, PLANT AND EQUIPMENT

14 物業、廠房及設備

		Land & buildings 土地及樓宇 HK\$'000 千港元	Plant & machinery 廠房及機械 HK\$'000 千港元	Furniture & fixtures 傢俱及裝置 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	Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Year ended	截至二零一九年								
31 December 2019	十二月三十一日止年度								
Net book value at 1 January 2019	於二零一九年一月一日的賬面淨值	24,850	6,805	9,209	286	634	7,563	267	49,614
Exchange realignment	匯兌調整	-	-	(3)	(1)	-	(9)	-	(13)
Additions (note (i))	添置(附註(i))	-	16,135	1,570	268	1,319	10	-	19,302
Surplus on revaluation	重估盈餘	699	-	-	-	-	-	-	699
Disposals	出售	-	(9)	(20)	(16)	-	-	(7)	(52)
Depreciation	折舊	(949)	(3,495)	(3,169)	(100)	(342)	(3,120)	-	(11,175)
Balance as at 31 December 2019	於二零一九年十二月三十一日的結餘	24,600	19,436	7,587	437	1,611	4,444	260	58,375
At 31 December 2019	於二零一九年十二月三十一日								
Cost or valuation	成本或估值	24,600	48,190	21,028	3,850	3,841	27,534	260	129,303
Accumulated depreciation	累計折舊	-	(28,754)	(13,441)	(3,413)	(2,230)	(23,090)	-	(70,928)
Net book value at 31 December 2019	於二零一九年十二月三十一日的賬面淨值	24,600	19,436	7,587	437	1,611	4,444	260	58,375

14 PROPERTY, PLANT AND EQUIPMENT (Continued) 14 物業、廠房及設備 (續)

		Land & buildings	Plant & machinery	Furniture & fixtures	Office equipment	Motor vehicles	Leasehold improvements	Construction in progress	Total
		土地及樓宇	廠房及機械	傢俱及裝置	辦公室設備	汽車	租賃物業裝修	在建工程	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
<b>Year ended</b>	<b>截至二零一八年</b>								
<b>31 December 2018</b>	<b>十二月三十一日止年度</b>								
Net book value at	於二零一八年一月一日								
1 January 2018	的賬面淨值	24,400	6,252	6,852	418	411	6,129	267	44,729
Exchange realignment	匯兌調整	-	-	-	-	-	3	-	3
Reclassification	重新分類	-	56	(56)	-	-	-	-	-
Additions (note (i))	添置 (附註(i))	-	3,157	5,229	285	435	4,704	-	13,810
Surplus on revaluation	重估盈餘	1,426	-	-	-	-	-	-	1,426
Disposals	出售	-	-	(49)	-	-	-	-	(49)
Depreciation	折舊	(976)	(2,660)	(2,767)	(417)	(212)	(3,273)	-	(10,305)
Balance as at	於二零一八年								
31 December 2018	十二月三十一日的結餘	24,850	6,805	9,209	286	634	7,563	267	49,614
At 31 December 2018	於二零一八年								
	十二月三十一日								
Cost or valuation	成本或估值	24,850	33,323	19,711	3,637	3,698	27,534	267	113,020
Accumulated depreciation	累計折舊	-	(26,518)	(10,502)	(3,351)	(3,064)	(19,971)	-	(63,406)
Net book value at	於二零一八年								
31 December 2018	十二月三十一日								
	的賬面淨值	24,850	6,805	9,209	286	634	7,563	267	49,614

The analysis of the cost or valuation at 31 December 2019 of the above assets is as follows:  
上述資產於二零一九年十二月三十一日的成本或估值分析如下：

At cost	按成本	-	19,436	7,587	437	1,611	4,444	260	33,775
At valuation	按估值	24,600	-	-	-	-	-	-	24,600
		24,600	19,436	7,587	437	1,611	4,444	260	58,375

Note:

附註：

(i) Additions of property, plant and equipment amounting to HK\$19,302,000 during the year ended 31 December 2019 (2018: HK\$13,810,000) mainly consisted of machineries and equipment purchased from third-party independent vendors for the development of new production base and upgrading of existing production facilities as set out in the prospectus of the Company dated 13 November 2017.

(i) 截至二零一九年十二月三十一日止年度為數19,302,000港元(二零一八年：13,810,000港元)的物業、廠房及設備添置主要包括向第三方獨立賣家所購買以用於開發新的生產基地及升級現有生產設施的機器及設備，詳情載於本公司日期為二零一七年十一月十三日之招股章程。

**14 PROPERTY, PLANT AND EQUIPMENT (Continued)**

For the year ended 31 December 2019, depreciation expense of HK\$3,495,000 and HK\$7,680,000 (2018: HK\$2,660,000 and HK\$7,645,000) was charged to “cost of sales” and “administrative expenses” respectively.

As at 31 December 2019, the Group’s land and buildings are held under medium term leases (unexpired period between 20 years to 50 years) and the carrying amounts of land and buildings pledged as part of the securities for banking facilities from a bank amounted to HK\$24,600,000 (2018: HK\$24,850,000).

As at 31 December 2019, the net carrying amounts of the Group’s fixed assets held under finance leases (note 23 to consolidated financial statements) included in the total amount of plant and machinery was HK\$208,000 (2018: HK\$1,355,000).

**Valuation processes of the Group**

The Group’s land and building was valued at 31 December 2019 and 2018 by independent professionally qualified valuers who held a recognised relevant professional qualification and had recent experience in the locations and segments of the assets valued. For land and building, the current use equates to the highest and best use.

The Group’s finance division includes a team that reviews the valuations performed by the independent valuers for financial reporting purposes. This team reports directly to the chief financial officer (“**CFO**”) and the Directors. Discussions of valuation processes and results are held between the CFO, directors, the valuation team and valuers annually. As at 31 December 2019 and 2018, the fair values of the land and building were determined by Grant Sherman Appraisal Limited.

**14 物業、廠房及設備 (續)**

截至二零一九年十二月三十一日止年度，折舊費用3,495,000港元及7,680,000港元(二零一八年：2,660,000港元及7,645,000港元)分別計入「銷售成本」及「行政開支」。

於二零一九年十二月三十一日，本集團之土地及樓宇為按中期租約(未逾期期間為20年至50年)持有，以及已抵押土地及樓宇(作為自銀行取得的銀行融資的部分擔保)賬面值為24,600,000港元(二零一八年：24,850,000港元)。

於二零一九年十二月三十一日，本集團計入廠房及機器總額之按融資租賃(綜合財務報表附註23)持有之固定資產賬面淨值為208,000港元(二零一八年：1,355,000港元)。

**本集團的估值流程**

本集團的土地及樓宇於二零一九年及二零一八年十二月三十一日由專業合資格獨立估值師估值，該等估值師具有認可的相關專業資格，並在估值資產的地區及分部方面擁有新近經驗。就土地及樓宇而言，目前用途相當於最高及最佳用途。

本集團的財務部包括一支負責審核獨立估值師就財務報告進行的估值的團隊。該團隊直接向首席財務官(「**首席財務官**」)及董事報告。首席財務官、董事、估值團隊及估值師每年就估值過程及結果進行討論。於二零一九年及二零一八年十二月三十一日，土地及樓宇的公平值由中證評估有限公司釐定。

**14 PROPERTY, PLANT AND EQUIPMENT (Continued)****Valuation processes of the Group (Continued)**

At each financial year end, the finance division:

- verifies all major inputs to the independent valuation report;
- assesses property valuations movements when compared to the prior year valuation report; and
- holds discussions with the independent valuers.

**Valuation techniques**

For land and building, the valuation was determined using the sale comparison approach. Sale 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, which is approximately amounted to HK\$6,135 per square foot for the year ended 31 December 2019 (2018: HK\$6,237 per square foot).

**15 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**

As at 31 December 2019, the financial assets at fair value through profit or loss represented the investment element of the key man insurances purchased for Mr. Lai Yiu Wah, an executive Director of the Company and Mr. Lo Ka Kei Jun, a senior management of the Group (2018: Mr. Lai Yiu Wah).

During the year ended 31 December 2018, after the retirement of Mr. Kwan Tak Sum Stanley on 25 May 2018, the Group surrendered the insurance policy with the insurance company and a loss of HK\$376,000 was recognised to consolidated statement of comprehensive income for the year ended 31 December 2018.

As at 31 December 2019, the carrying amounts of financial assets at fair value through profit or loss pledged as security for the Group's bank loan outstanding amounted to HK\$5,189,000 (2018: HK\$6,000,000).

**14 物業、廠房及設備 (續)****本集團的估值流程 (續)**

於各財政年度結算日，財務部：

- 核實獨立估值報告之所有主要輸入數據；
- 於比較過往年度之估值報告時，評估物業估值變動；及
- 與獨立估值師討論。

**估值技巧**

就土地及樓宇而言，估值採用銷售比較法釐定。相近可比較物業的銷售價格會因應物業大小等關鍵屬性差異而調整。該估值法輸入之最重要可觀察資料是每平方呎之價格，截至二零一九年十二月三十一日止年度為每平方呎約6,135港元（二零一八年：每平方呎6,237港元）。

**15 按公平值計入損益賬的金融資產**

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Unlisted key man insurance contract	非上市－要員保險合約	8,621	6,765

於二零一九年十二月三十一日，按公平值計入損益賬的金融資產指本公司執行董事黎耀華先生及本集團高級管理層羅嘉祺先生（二零一八年：黎耀華先生）所購買要員保險的投資元素。

截至二零一八年十二月三十一日止年度，在關德深先生於二零一八年五月二十五日退休後，本集團放棄了與保險公司訂立的保單，並於截至二零一八年十二月三十一日止年度綜合全面收益表確認虧損376,000港元。

於二零一九年十二月三十一日，作為本集團未償還銀行貸款抵押品的按公平值計入損益賬的金融資產賬面值為5,189,000港元（二零一八年：6,000,000港元）。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

## 16 SUBSIDIARIES

Particulars of the principal subsidiaries at 31 December 2019 and 2018 are as follows:

## 16 附屬公司

於二零一九年及二零一八年十二月三十一日之主要附屬公司詳情如下：

Company name 公司名稱	Place of incorporation or establishment and type of legal entity 註冊成立或成立地點及 法律實體種類	Principal activities 主要業務	Issued and paid-in capital 已發行及實繳股本	Effective interest held by the Company 本公司持有之實際權益	
				2019 二零一九年	2018 二零一八年
<b>Directly held:</b> 直接持有：					
Trio Engineering Company Limited 致豐工程有限公司	Hong Kong/Limited liability company 香港／有限責任公司	Sales of electronic products 銷售電子產品	200,000 shares HK\$20,000,000 200,000股股份 20,000,000港元	100%	100%
Professional Electronics Manufacturing Solutions Limited 普發電子工業設備有限公司	Hong Kong/Limited liability company 香港／有限責任公司	Sales of electronic products 銷售電子產品	10,000 shares HK\$10,000 10,000股股份 10,000港元	100%	100%
Deltrix Limited 德勁動力有限公司	Hong Kong/Limited liability company 香港／有限責任公司	Sales of electronic products 銷售電子產品	10,000 shares HK\$10,000 10,000股股份 10,000港元	100%	100%
<b>Indirectly held:</b> 間接持有：					
Panyu Trio Microtronics Co., Ltd. 廣州市番禺致豐微電子有限公司	The PRC/Wholly foreign-owned enterprise 中國／外商獨資企業	Manufacturing of electronic products 製造電子產品	Paid-in capital US\$5,000,000 實繳股本 5,000,000美元	100%	100%
Guangzhou Professional Electronics Manufacturing Solutions Limited 廣州普發電子工業設備有限公司	The PRC/Wholly foreign-owned enterprise 中國／外商獨資企業	Sales of electronic products 銷售電子產品	Paid-in capital RMB500,000 實繳股本 人民幣500,000元	100%	100%
Trio Engineering GmbH	Germany/Limited liability company 德國／有限責任公司	Sales and development of printed circuit boards and electronics sub-assemblies 印刷電路板及電子組件的銷售及開發	Paid-in capital EUR200,000 實繳股本 200,000歐元	100%	100%
Trio-tronics Manufacturing Global Limited	Ireland/Limited liability company 愛爾蘭／有限責任公司	Global sourcing and purchase of materials, sales and marketing, service support 全球採購及購買材料、銷售及營銷、服務支持	100,000 shares EUR100,000 100,000股股份 100,000歐元	100%	100%
Deltrix (Europe) Limited	Ireland/Limited liability company 愛爾蘭／有限責任公司	Manufacturing of electronic components 製造電子部件	100,000 shares EUR100,000 100,000股股份 100,000歐元	100%	N/A
Deltrix (Europe) Limited	Ireland/Limited liability company 愛爾蘭／有限責任公司	Manufacturing of electronic components 製造電子部件	100,000 shares EUR100,000 100,000股股份 100,000歐元	100%	不適用

**17 INVENTORIES**

The carrying amounts of the inventories, net of allowances, is made of below:

		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	99,203	134,793
Work in progress	在製品	23,431	33,515
Finished goods	製成品	19,728	17,440
Goods in transit	在運貨品	2,733	4,066
		<b>145,095</b>	<b>189,814</b>

The cost of inventories recognised as expenses and included in “cost of sales” amounted to HK\$498,528,000 for the year ended 31 December 2019 (2018: HK\$540,403,000). A provision for impairment of inventories of HK\$3,270,000 was recognised in “other operating expenses, net” in the consolidated statement of comprehensive income for the year ended 31 December 2019 (2018: reversal of provision for impairment of inventories of HK\$652,000).

**18 TRADE AND OTHER RECEIVABLES**

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Trade receivables	貿易應收款項	157,175	110,751
Less: allowance for impairment of trade receivables	減：貿易應收款項 減值撥備	(1,329)	(4,601)
Trade receivables – net	貿易應收款項 – 淨額	155,846	106,150
Other receivables	其他應收款項	789	184
		<b>156,635</b>	<b>106,334</b>

Under the factoring arrangement with banks, the Group has transferred certain trade receivables to the factor in exchange for cash and is prevented from selling or pledging the receivables. The Group has been legally transferred all of the risks and rewards of ownership of the discounted trade receivables to the financial institutions. The carrying amounts of the trade receivables exclude receivables which are subject to a factoring arrangement.

**17 存貨**

存貨的賬面值（已扣除撥備）包括以下各項：

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Raw materials	99,203	134,793
Work in progress	23,431	33,515
Finished goods	19,728	17,440
Goods in transit	2,733	4,066
	<b>145,095</b>	<b>189,814</b>

截至二零一九年十二月三十一日止年度，確認為開支並計入「銷售成本」的存貨成本為498,528,000港元（二零一八年：540,403,000港元）。截至二零一九年十二月三十一日止年度，於綜合全面收益表內確認為「其他經營開支淨額」的存貨減值撥備為3,270,000港元（二零一八年：存貨減值撥備撥回652,000港元）。

**18 貿易及其他應收款項**

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Trade receivables	157,175	110,751
Less: allowance for impairment of trade receivables	(1,329)	(4,601)
Trade receivables – net	155,846	106,150
Other receivables	789	184
	<b>156,635</b>	<b>106,334</b>

根據與銀行之間保理安排，本集團已將若干貿易應收款項轉移至保理人以換取現金，並被禁止出售或質押應收款項。本集團已將已貼現貿易應收款項所有權的所有風險及回報合法轉讓予金融機構。貿易應收款項賬面值不包括受保理安排規限的應收款項。

18 TRADE AND OTHER RECEIVABLES (Continued)

Notes:

- (a) Trade receivables were arising from trading of electronic products. The payment terms of trade receivables granted to third party customers generally range from full payment before shipment to net 90 days. The aging analysis of the trade receivables based on invoice date at end of the reporting period is as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Below 30 days	30天以下	85,083	43,574
Between 31 and 60 days	31至60天	37,249	34,902
Over 60 days	60天以上	34,843	32,275
		<b>157,175</b>	110,751

Trade and other receivables are past due when a counterparty has failed to make a payment when contractually due.

As at 31 December 2019, trade receivables of HK\$126,821,000 (2018: HK\$79,443,000) were not yet past due.

18 貿易及其他應收款項 (續)

附註：

- (a) 貿易應收款項來自買賣電子產品。授予第三方客戶的貿易應收款項的付款期限一般由出貨前全數付款至收貨後90天。根據發票日期，報告期末的貿易應收款項的賬齡分析如下：

當對手方不能於合約到期時支付款項，貿易及其他應收款項被視為逾期。

於二零一九年十二月三十一日，貿易應收款項126,821,000港元（二零一八年：79,443,000港元）尚未逾期。

## 18 TRADE AND OTHER RECEIVABLES (Continued)

## (a) (Continued)

Trade receivables that were past due but not impaired relate to a number of independent customers for whom there is no significant financial difficulty and based on past experience, the overdue amounts can be recovered. The aging analysis of these receivables is as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Past due by:	逾期：		
Below 30 days	30天以下	22,291	23,715
Between 31 and 60 days	31至60天	1,599	4,412
Over 60 days	60天以上	6,464	3,181
		<b>30,354</b>	31,308

The carrying amounts of the Group's trade receivables are denominated in the following currencies:

		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	253	26
RMB	人民幣	1,865	1,448
US\$	美元	155,045	109,277
EUR	歐元	12	-
		<b>157,175</b>	110,751

## 18 貿易及其他應收款項 (續)

## (a) (續)

已逾期但並無減值之貿易應收款項與多名並無重大財務困難的獨立客戶有關，根據過往經驗，可收回該等逾期款項。該等應收款項的賬齡分析如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Past due by:	逾期：		
Below 30 days	30天以下	22,291	23,715
Between 31 and 60 days	31至60天	1,599	4,412
Over 60 days	60天以上	6,464	3,181
		<b>30,354</b>	31,308

本集團貿易應收款項之賬面值以下列貨幣計值：

		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	253	26
RMB	人民幣	1,865	1,448
US\$	美元	155,045	109,277
EUR	歐元	12	-
		<b>157,175</b>	110,751

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

#### 18 TRADE AND OTHER RECEIVABLES (Continued)

##### (b) Allowance for impairment of trade receivables

The movements on the allowance for impairment of trade receivables are as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At 1 January	於一月一日	4,601	-
(Decrease)/increase in loss allowance recognised in consolidated statement of comprehensive income during the year	年內於綜合全面收益表確認之虧損撥備(減少)/增加	(1,023)	4,601
Receivables written off during the year as uncollectible	年內因不可收回撇銷應收款項	(2,249)	-
At 31 December	於十二月三十一日	1,329	4,601

The creation and release of provision for impaired receivables have been included in “other operating expenses, net” in the consolidated statement of comprehensive income. Amounts charged to the allowance account are generally written off, when there is no expectation of recovering additional cash.

The carrying amounts of trade and other receivables approximate their fair values as at 31 December 2019 and 2018.

The Group applies the HKFRS 9 simplified approach to measuring expected credit loss which uses a lifetime expected loss allowance for all trade receivables. Information about the impairment of trade receivables and the Group’s exposure to credit risk can be found in note 3.1(b) to the consolidated financial statements.

#### 18 貿易及其他應收款項 (續)

##### (b) 貿易應收款項減值撥備

貿易應收款項減值撥備變動如下：

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At 1 January	4,601	-
(Decrease)/increase in loss allowance recognised in consolidated statement of comprehensive income during the year	(1,023)	4,601
Receivables written off during the year as uncollectible	(2,249)	-
At 31 December	1,329	4,601

已減值應收款項撥備之增設及解除已計入綜合全面收益表「其他經營開支淨額」內。計入撥備賬之款項一般於預期無法收回額外現金時撇銷。

於二零一九年及二零一八年十二月三十一日，貿易及其他應收款項之賬面值與其公平值相若。

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，其對所有貿易應收款項使用全期預期虧損撥備。有關貿易應收款項減值的資料及本集團面臨的信貸風險參見綜合財務報表附註3.1(b)。



## 19 PREPAYMENTS AND DEPOSITS

## 19 預付款項及按金

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Prepayments	預付款項	9,249	14,451
Rental, utility and other deposits	租務、公用事業及其他按金	11,524	3,901
		<b>20,773</b>	18,352
Less: non-current portion	減：非流動部分		
Prepayments	預付款項	(1,897)	(1,663)
Current portion	流動部分	18,876	16,689

The carrying amounts of deposits of the Group approximate their fair values as at 31 December 2019 and 2018.

本集團按金的賬面值與其於二零一九年及二零一八年十二月三十一日之公平值相若。

## 20 RESTRICTED BANK DEPOSITS AND BANK AND CASH BALANCES

## 20 受限制銀行存款及銀行及現金結餘

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Restricted bank deposits (note (a))	受限制銀行存款(附註(a))	6,186	8,114
Time deposit up to three months	為期三個月或以下的定期存款	85,000	40,898
Bank and cash balances	銀行及現金結餘	12,679	153,682
		<b>97,679</b>	194,580

Notes:

- (a) The Group's restricted bank deposits represented deposits pledged to banks to secure banking facilities granted to a subsidiary of the Group as set out in note 28 to the consolidated financial statements.

附註：

- (a) 本集團的受限制銀行存款為存放於銀行的存款，以作為綜合財務報表附註28所載授予本集團一家附屬公司的銀行融資之抵押。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

#### 20 RESTRICTED BANK DEPOSITS AND BANK AND CASH BALANCES (Continued)

- (b) The carrying amounts of restricted bank deposits, time deposit up to three months, cash and bank balances of the Group are denominated in the following currencies:

		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	96,020	142,201
US\$	美元	4,097	49,379
RMB	人民幣	2,749	10,132
EUR	歐元	960	960
Other currencies	其他貨幣	39	22
		<b>103,865</b>	202,694

- (c) The Group's bank and cash balances included the following for the purpose of the consolidated statement of cash flows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Time deposit up to three months	為期三個月或以下的定期存款	85,000	40,898
Bank and cash balances	銀行及現金結餘	12,679	153,682
Bank overdraft (note 22)	銀行透支(附註22)	(841)	(344)
Cash and cash equivalents	現金及現金等價物	96,838	194,236

The restricted deposits, time deposit up to three months, and bank and cash balances are at fixed interest rate range from 0.001% to 2.55% per annum (2018: 0.01% to 2.10% per annum) as at 31 December 2019 and therefore are subject to fair value interest rate risk.

#### 20 受限制銀行存款及銀行及現金結餘(續)

- (b) 本集團的受限制銀行存款、為期三個月或以下的定期存款、現金及銀行結餘的賬面值以下列貨幣計值：

		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	96,020	142,201
US\$	美元	4,097	49,379
RMB	人民幣	2,749	10,132
EUR	歐元	960	960
Other currencies	其他貨幣	39	22
		<b>103,865</b>	202,694

- (c) 就綜合現金流量表而言，本集團的銀行及現金結餘包括以下項目：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Time deposit up to three months	為期三個月或以下的定期存款	85,000	40,898
Bank and cash balances	銀行及現金結餘	12,679	153,682
Bank overdraft (note 22)	銀行透支(附註22)	(841)	(344)
Cash and cash equivalents	現金及現金等價物	96,838	194,236

於二零一九年十二月三十一日，受限制存款、為期三個月或以下的定期存款以及銀行及現金結餘按固定年利率範圍0.001%至2.55%（二零一八年：年利率0.01%至2.10%）計息，因此須面臨公平值利率風險。

21 TRADE AND OTHER PAYABLES

21 貿易及其他應付款項

		Note	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
		附註		
Trade payables	貿易應付款項	(a)	78,640	108,407
Trust receipts	信託收據		25,224	52,238
Accruals and other payables	應計及其他應付款項		14,643	20,382
			<b>118,507</b>	181,027

Notes:

- (a) The credit terms of trade payables granted by the vendors generally range from full payment before shipment to net 180 days. The aging analysis of trade payables based on invoice date at and of reporting period is as follows:

附註：

- (a) 賣方授予的貿易應付款項的信貨期一般出貨前全數付款至收貨後180天不等。根據發票日期，報告期末的貿易應付款項賬齡分析如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Below 30 days	30天以下	40,086	53,593
Between 31 and 60 days	31至60天	26,975	39,101
Over 60 days	60天以上	11,579	15,713
		<b>78,640</b>	108,407

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

#### 21 TRADE AND OTHER PAYABLES (Continued)

- (b) The carrying amounts of the Group's trade payables are denominated in the following currencies:

		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	12,936	17,500
US\$	美元	33,578	39,894
RMB	人民幣	30,049	44,639
EUR	歐元	1,384	5,103
Other currencies	其他貨幣	693	1,271
		<b>78,640</b>	108,407

#### 21 貿易及其他應付款項 (續)

- (b) 本集團貿易應付款項之賬面值以下列貨幣計值：

#### 22 BORROWINGS

			2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Profits tax loans	利得稅貸款	(a)	-	6,615
Term loans	定期貸款	(a)	5,822	8,912
Insurance premium loan	保費貸款	(a)	5,189	6,000
Revolving loan	循環貸款	(a)	-	10,000
Bank overdraft	銀行透支		841	344
			<b>11,852</b>	31,871

#### 22 借款

## 22 BORROWINGS (Continued)

The Group's borrowings were repayable as follows (without taking into account the Repayable on Demand Clause as detailed in note (a)) below :

		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	2,969	26,655
Between 1 and 2 years	1年至2年	2,221	811
Between 2 and 5 years	2年至5年	5,790	2,600
Over 5 years or above	5年以上	872	1,805
		<b>11,852</b>	31,871

Notes:

- (a) As these loans include a clause that gives the lender the unconditional right to call the loans at any times (“**Repayment on Demand Clause**”), according to HK Interpretation 5 “Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause” which requires the classification of whole term loans containing the Repayment on Demand Clause as current liabilities, these loans were classified by the Company as current liabilities.

## 22 借款 (續)

本集團的借款償還情況如下(未計及下文附註(a)所詳述按要求償還條款)：

- (a) 由於該等貸款包括一項條款賦予貸款人無條件權力在任何時間追回貸款(「**按要求償還條款**」)，根據香港詮釋第5號「財務報表的列報－借款人對包含可隨時要求償還條款之定期貸款之分類」，其規定包含可隨時要求償還條款的全期貸款分類為流動負債，該等貸款均由本公司歸類為流動負債。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

## 22 BORROWINGS (Continued)

- (b) As at 31 December 2019 and 2018, the total borrowings pledged by certain assets and their carrying values are shown as below:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Property, plant and equipment (note 14)	物業、廠房及設備 (附註14)	24,600	24,850
Financial assets at fair value through profit or loss (note 15)	按公平值計入損益賬的 金融資產 (附註15)	8,621	6,765
Restricted bank deposits (note 20)	受限制銀行存款 (附註20)	6,186	8,114
		<b>39,407</b>	39,729

The exposure of the Group's borrowings to interest rate changes and the contractual repricing dates at end of the reporting period are as follows:

		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	11,852	31,871

The fair value of current borrowings equals their carrying amounts, as the impact of discounting is not significant.

The effective interest rate of bank borrowings are 3.88% per annum for the year ended 31 December 2019 (2018: 4.17% per annum).

## 22 借款 (續)

- (b) 於二零一九年及二零一八年十二月三十一日，以若干資產作抵押的總借款及其賬面值列示如下：

於報告期末，本集團借款面臨的利率變動風險及合同重新定價日期如下：

由於折現影響並非重大，即期借款之公平值與其賬面值相等。

截至二零一九年十二月三十一日止年度，銀行借款的實際年利率為3.88% (二零一八年：年利率4.17%)。

## 22 BORROWINGS (Continued)

### (b) (Continued)

The carrying amounts of the Group's borrowings are denominated in the following currencies:

		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	6,663	25,871
US\$	美元	5,189	6,000
		<b>11,852</b>	<b>31,871</b>

The Group has the following undrawn borrowing facilities:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Expiring within one year	於一年內到期	208,249	119,752

## 23 FINANCE LEASE PAYABLES

### Gross finance lease liabilities - minimum lease payments

		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	43	882
Future finance charges on finance lease	融資租賃的未來融資支出	-	(16)
Present values of finance lease liabilities	融資租賃負債的現值	43	866

The carrying amounts of balances of the Group approximate their fair values as at 31 December 2019 and 2018.

Assets arranged under finance leases represent plant and machinery. The average lease term is 4 years (2018: 4 years) with effective interest rate of 3.63% per annum as at 31 December 2019 (2018: 3.63% per annum).

## 22 借款 (續)

### (b) (續)

本集團借款之賬面值以下列貨幣計值：

		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	6,663	25,871
US\$	美元	5,189	6,000
		<b>11,852</b>	<b>31,871</b>

本集團尚有下列尚未提取的借款融資額：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Expiring within one year	於一年內到期	208,249	119,752

## 23 融資租賃應付款項

		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	43	882
Future finance charges on finance lease	融資租賃的未來融資支出	-	(16)
Present values of finance lease liabilities	融資租賃負債的現值	43	866

本集團結餘之賬面值與其於二零一九年及二零一八年十二月三十一日之公平值相若。

根據融資租賃安排的資產指廠房及機器。於二零一九年十二月三十一日，平均租期為4年(二零一八年：4年)，而實際年利率為3.63%(二零一八年：年利率3.63%)。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

## 24 SHARE CAPITAL

		2019 二零一九年		2018 二零一八年	
		Number of shares 股份數目	Amount 金額 HK\$'000 千港元	Number of shares 股份數目	Amount 金額 HK\$'000 千港元
<b>Issued and fully paid</b>	已發行及繳足				
At the beginning and the end of the year	於年初及年末	<b>1,000,000,000</b>	<b>281,507</b>	1,000,000,000	281,507

## 25 EQUITY-SETTLED SHARE-BASED PAYMENT TRANSACTION

Pursuant to a written resolution of the then shareholder passed on 27 October 2017, the Company adopted a Share Option Scheme (the “**Scheme**”). The terms of the Scheme are in accordance with the provisions of Chapter 17 of the Listing Rules.

The Scheme is a share incentive scheme established to recognise and acknowledge the contributions eligible participants have made to the Group. The Scheme is valid and effective for a period of ten years commencing on the date of the adoption of the Scheme, unless terminated earlier by the shareholders in a general meeting.

Participants may include: (i) any director, employee, consultant, professional, customer, supplier, agent, partner or adviser of or contractor to any member of the Group or a company in which the Group holds an interest or a subsidiary of such company (the “**Affiliate**”); (ii) the trustee of any trust the beneficiary of which or any discretionary trust the discretionary objects of which include any director, employee, consultant, professional, customer, supplier, agent, partner or adviser of or contractor to any member of the Group or an Affiliate; or (iii) a company beneficially owned by any director, employee, consultant, professional, customer, supplier, agent, partner or adviser of or contractor to any member of the Group or an Affiliate.

## 24 股本

		2019 二零一九年		2018 二零一八年	
		Number of shares 股份數目	Amount 金額 HK\$'000 千港元	Number of shares 股份數目	Amount 金額 HK\$'000 千港元
<b>Issued and fully paid</b>	已發行及繳足				
At the beginning and the end of the year	於年初及年末	<b>1,000,000,000</b>	<b>281,507</b>	1,000,000,000	281,507

## 25 以權益結算及股份為基礎付款的交易

根據於二零一七年十月二十七日由當時股東通過的書面決議案，本公司採納購股權計劃（「**該計劃**」）。該計劃的條款符合上市規則第17章的條文。

該計劃為一項股份獎勵計劃，乃為表彰和肯定合資格參與者對本集團所作貢獻而設立。該計劃除非由股東在股東大會上提早終止，否則自該計劃採納日期起十年期間有效及具效力。

參與者可包括：(i)本集團任何成員公司或本集團持有其中權益的公司或該公司的附屬公司的任何董事、僱員、顧問、專業人員、客戶、供應商、代理、合夥人或諮詢人或承辦商（「**關聯人士**」）；(ii)其酌情受益人包括本集團任何成員公司的任何董事、僱員、顧問、專業人員、客戶、供應商、代理、合夥人、諮詢人或承辦商或關聯人士的任何信託或全權信託的受託人；或(iii)本集團任何成員公司的任何董事、僱員、顧問、專業人員、客戶、供應商、代理、合夥人、諮詢人或承辦商或關聯人士實益擁有的公司。

**25 EQUITY-SETTLED SHARE-BASED PAYMENT TRANSACTION** (Continued)

As at 31 December 2019, the total number of shares available for issue under the Scheme was 70,000,000 (2018: 70,000,000 shares), representing 7% (2018: 7%) of the issued share capital of the Company. The aggregate number of shares which may be issued upon exercise of all outstanding options granted and to be exercised under the Scheme and any other share option scheme of the Company, must not in aggregate exceed 10% of the Company's shares in issue as at the Listing Date. The 10% limit may be refreshed at any time by obtaining approval of the Company's shareholders in general meeting provided that the total number of the Company's shares which may be issued upon exercise of all options to be granted under the Scheme and any other share option scheme of the Company, must not exceed 10% of the Company's shares in issue as at the date of the approval of the refreshed limit.

The number of shares issued and to be issued in respect of which options granted and which may be granted to any individual in any 12-month period up to the date of the grant, shall not exceed 1% of the shares of the Company in issue. Any further grant of options in excess of this limit must be separately approved by the Company's shareholders in a general meeting with such grantee and his/her close associates abstaining from voting. Any grant of an option to a Director, chief executive or substantial shareholder of the Company (or any of their respective associates) must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the option).

**25 以權益結算及股份為基礎付款的交易 (續)**

於二零一九年十二月三十一日，根據該計劃可供發行的股份總數為70,000,000股（二零一八年：70,000,000股），相當於本公司已發行股本7%（二零一八年：7%）。根據該計劃及本公司任何其他購股權計劃已授出而可予行使的所有未行使購股權獲行使時可發行的股份總數，合共不得超過本公司於上市日期的已發行股份10%。該10%上限可隨時由本公司股東於股東大會上批准而予以更新，惟根據該計劃及本公司任何其他購股權計劃將授出的所有購股權獲行使時可予發行的本公司股份總數，不得超過本公司於經更新上限獲批准日期的已發行股份10%。

於任何12個月期間內直至授出日期，任何個別人士獲授及可獲授的購股權所涉及的已發行及將發行的股份數目，不得超過本公司已發行股份的1%。超出此上限的任何購股權進一步授出，必須另外經本公司股東在股東大會上批准，而有關承授人及其緊密聯繫人須放棄投票。向本公司董事、行政人員或主要股東（或彼等各自的任何聯繫人）授出任何購股權，必須經獨立非執行董事（不包括身為購股權承授人的任何獨立非執行董事）批准。

**25 EQUITY-SETTLED SHARE-BASED PAYMENT TRANSACTION** *(Continued)*

Where any grant of options to a substantial shareholder of the Company or an independent non-executive Director (or any of their respective associates) will result in the total number of shares issued and to be issued upon exercise of all options already granted and to be granted to such person under the Scheme and any other share option scheme of the Company (including options exercised, cancelled and outstanding) in any 12-month period up to and including the date of grant representing in aggregate over 0.1% of the shares in issue and having an aggregate value, based on the closing price of the shares at the date of each grant, in excess of HK\$5,000,000, such further grant of options is required to be approved by shareholders at a general meeting of the Company, with voting to be taken by way of a poll.

Upon acceptance of an option to subscribe for shares, the eligible participant shall pay HK\$1 to the Company as consideration for the grant. The subscription price of a share subject to options granted under the Scheme shall be a price determined by the Board and notified to a participant and shall be at least the higher of:

- (i) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of the grant of the option; and
- (ii) The average closing price of the shares as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of the grant of the option.

**25 以權益結算及股份為基礎付款的交易 (續)**

倘向本公司主要股東或獨立非執行董事(或彼等各自的任何聯繫人)授出任何購股權，會導致於任何12個月期間內直至授出日期(包括該日)該人士根據該計劃及本公司任何其他購股權計劃獲授及將獲授的所有購股權(包括已行使、已註銷及尚未行使之購股權)獲行使時已發行及將發行的股份總數，合共超過已發行股份的0.1%，且根據每次授出日期的股份收市價計算，總值超過5,000,000港元，則上述進一步授出購股權須由股東在本公司股東大會上批准，且須以投票方式表決。

於接納可認購股份的購股權時，合資格參與者須向本公司支付1港元作為是次授出的代價。根據該計劃授出購股權所涉及的股份認購價應為由董事會釐定並向參與者知會的價格，並應最少相等於以下最高者：

- (i) 聯交所每日報價表所示股份於授出購股權日期的收市價；及
- (ii) 聯交所每日報價表所示股份於緊接授出購股權日期前五個交易日的平均收市價。



## 25 EQUITY-SETTLED SHARE-BASED PAYMENT TRANSACTION (Continued)

The movement in the number of share options under the Scheme during the year ended 31 December 2019 is as follows:

截至二零一九年十二月三十一日止年度，該計劃項下的購股權數目變動如下：

	Date of grant	Exercise price (Note)	Outstanding at 1 January 2019	Granted during the year	Exercised during the year	Lapsed during the year	Outstanding at 31 December 2019
	授出日期	行使價 (附註)	於二零一九年一月一日未行使	年內授出	年內已行使	年內失效	於二零一九年十二月三十一日未行使
		HK\$ 港元					
<b>Executive Directors</b>							
<b>執行董事</b>							
Mr. Lai Yiu Wah	28 December 2017	0.954	7,000,000	-	-	-	7,000,000
黎耀華先生	二零一七年十二月二十八日						
Mr. Tai Leung Lam	28 December 2017	0.954	7,000,000	-	-	-	7,000,000
戴良林先生	二零一七年十二月二十八日						
Mr. Joseph Mac Carthy	28 December 2017	0.954	6,000,000	-	-	-	6,000,000
Joseph Mac Carthy先生	二零一七年十二月二十八日						
<b>Other eligible participants</b>	28 December 2017	0.954	9,700,000	-	-	(1,300,000)	8,400,000
<b>其他合資格參與者</b>	二零一七年十二月二十八日						
			29,700,000	-	-	(1,300,000)	28,400,000
<b>Weighted average exercise price</b>			HK\$0.954	-	-	-	HK\$0.954
<b>加權平均行使價</b>			0.954港元	-	-	-	0.954港元

Note: The closing price of the share immediately before the date on which the share options were granted was HK\$0.95.

附註：緊接購股權獲授出日期前股份的收市價為0.95港元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

25 EQUITY-SETTLED SHARE-BASED PAYMENT TRANSACTION (Continued)

The movement in the number of share options under the Scheme during the year ended 31 December 2018 is as follows:

	Date of grant	Exercise price (Note)	Outstanding at 1 January 2018	Granted during the year	Exercised during the year	Lapsed during the year	Outstanding at 31 December 2018
	授出日期	行使價 (附註) HK\$ 港元	於二零一八年一月一日未行使	年內授出	年內已行使	年內失效	於二零一八年十二月三十一日未行使
<b>Executive Directors</b>							
<b>執行董事</b>							
Mr. Lai Yiu Wah	28 December 2017	0.954	7,000,000	-	-	-	7,000,000
黎耀華先生	二零一七年十二月二十八日						
Mr. Tai Leung Lam	28 December 2017	0.954	7,000,000	-	-	-	7,000,000
戴良林先生	二零一七年十二月二十八日						
Mr. Joseph Mac Carthy	28 December 2017	0.954	6,000,000	-	-	-	6,000,000
Joseph Mac Carthy先生	二零一七年十二月二十八日						
<b>Other eligible participants</b>	28 December 2017	0.954	10,000,000	-	-	(300,000)	9,700,000
<b>其他合資格參與者</b>	二零一七年十二月二十八日						
			30,000,000	-	-	(300,000)	29,700,000
<b>Weighted average exercise price</b>			-	HK\$0.954	-	-	HK\$0.954
<b>加權平均行使價</b>			-	0.954港元	-	-	0.954港元

Note: The closing price of the share immediately before the date on which the share options were granted was HK\$0.95.

25 以權益結算及股份為基礎付款的交易 (續)

截至二零一八年十二月三十一日止年度，該計劃下購股權數目變動如下：

附註：緊接授出購股權日期前的股份收市價為0.95港元。

**25 EQUITY-SETTLED SHARE-BASED PAYMENT TRANSACTION** (Continued)

Of the total number of options outstanding at the end of the year, no share options had vested and were exercisable at 31 December 2019 (2018: none).

The options granted on 28 December 2017 (the “**Valuation Date**”) with an exercise price of HK\$0.954 per share, are vested for a period of three years immediately after the date of the grant. Options granted are exercisable after three years but not exceeding ten years from the date of the grant.

The fair value of the options has been calculated by Grant Sherman Appraisal Limited using the Binomial Option Pricing Model. The assumptions used are as follows:

		<b>Granted on 28 December 2017 於二零一七年 十二月二十八日授出</b>
Grant date share price	授出日期股份價格	HK\$0.93 0.93港元
Exercise price	行使價	HK\$0.954 0.954港元
Expected volatility	預期波幅	53.07%
Contractual option life	購股權合約年期	10 years 10年
Risk-free rate	無風險利率	2.16%
Expected dividend yield	預期股息率	4.93%

Since the historical volatility of the Company’s shares over the most recent period commensurate with the contractual life of the share options is not available, the average of the historical volatilities of the adopted listing guideline companies has been adopted as the expected volatility and reflects the assumption that the historical volatility is indicative of future trends. The risk-free rate is the yield of Hong Kong Generic Rate with maturity matching the contractual option life of the share options as obtained from Bloomberg as at the Valuation Date. The historical annualised dividend yield of the Company of 4.93% has been adopted.

**25 以權益結算及股份為基礎付款的交易 (續)**

在年結日未行使的購股權總數當中，概無購股權於二零一九年十二月三十一日已歸屬及可行使（二零一八年：無）。

於二零一七年十二月二十八日（「**估值日期**」）授出而行使價為每股0.954港元的購股權，乃於緊隨授出日期後三年期間歸屬。所授出的購股權可於授出日期起計三年後但不超過十年的期間行使。

購股權的公平值由中證評估有限公司採用二項式期權定價模式計算。所用假設如下：

由於並無本公司股份於最近期間（相當於購股權的合約年期）的歷史波幅數據，因此已採用獲採用上市可比公司的歷史波幅平均數作為預期波幅，並已反映假設歷史波幅可顯示未來趨勢。無風險利率乃於估值日取自彭博社(Bloomberg)的到期日與購股權合約年期一致的香港通用收益率。已採用本公司的年度化歷史股息率4.93%。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

#### 25 EQUITY-SETTLED SHARE-BASED PAYMENT TRANSACTION (Continued)

The assumptions used in computing the fair value of the share options are based on management's best estimate. The valuation of options is dependent upon a number of variables using subjective assumptions. Any changes in the variables may materially affect the estimation of the fair value of an option.

There was no market vesting condition or non-market performance condition associated with the options granted.

Share-based compensation expenses of HK\$3,533,000 were charged to the consolidated statement of comprehensive income for the year ended 31 December 2019 (2018: HK\$3,667,000).

#### 26 DEFERRED INCOME TAX

Deferred income tax is calculated in full on temporary differences under the liability method using a principal taxation rate of 16.5% for the year ended 31 December 2019 (2018: 16.5%). The net movement on the deferred income tax liabilities, arising from accelerated tax depreciation is as follows:

##### (a) Deferred tax assets

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At 1 January	於一月一日	-	-
Exchange realignment	匯兌調整	(1)	-
Credited to consolidated statement of comprehensive income (note c)	計入綜合全面收益表 (附註c)	215	-
At 31 December	於十二月三十一日	214	-

#### 25 以權益結算及股份為基礎付款的交易 (續)

計算購股權公平值時採用的假設是基於管理層的最佳估計。購股權的估值取決於多項使用主觀假設的可變因素。該等可變因素的任何變動可能會對購股權公平值估計構成重大影響。

概無與已授出購股權相關的市場歸屬條件或非市場表現條件。

以股份為基礎的報酬開支3,533,000港元已自截至二零一九年十二月三十一日止年度的綜合全面收益表(二零一八年: 3,667,000港元)扣除。

#### 26 遞延所得稅

截至二零一九年十二月三十一日止年度，遞延所得稅乃採用負債法就短暫性差異按主要稅率16.5%(二零一八年: 16.5%)計算。由加速稅項折舊導致的遞延所得稅負債淨變動如下：

##### (a) 遞延稅項資產

26 DEFERRED INCOME TAX (Continued)

26 遞延所得稅 (續)

(b) Deferred tax liabilities

(b) 遞延稅項負債

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At 1 January	於一月一日	3,735	3,705
Credited to other comprehensive income	計入其他全面收益	(45)	30
Charged to consolidated statement of comprehensive income (note c)	於綜合全面收益表內扣除 (附註c)	408	-
At 31 December	於十二月三十一日	4,098	3,735

(c) Deferred income tax charged to consolidated statement of comprehensive income

(c) 於綜合全面收益表內扣除的遞延所得稅

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Deferred tax assets (note a)	遞延稅項資產 (附註a)	(215)	-
Deferred tax liabilities (note b)	遞延稅項負債 (附註b)	408	-
Deferred income tax charged to consolidated statement of comprehensive income (note 11)	於綜合全面收益表內扣除的遞延所得稅 (附註11)	193	-

(d) Deferred income tax assets and liabilities are expected to be recognised/settled more than 12 months.

(d) 遞延所得稅資產及負債預計將超過12個月確認/結清。

(e) Deferred income tax liabilities of HK\$5,315,000 as at 31 December 2019 (2018: HK\$4,315,000) have not been recognised for the withholding tax that would be payable on the unremitted earnings of certain subsidiaries. Unremitted earnings as at 31 December 2019 is HK\$106,309,000 (2018: HK\$86,296,000).

(e) 於二零一九年十二月三十一日，尚未就若干附屬公司未匯出盈利應付的預扣稅確認的遞延所得稅負債為5,315,000港元(二零一八年：4,315,000港元)。於二零一九年十二月三十一日的未匯出盈利為106,309,000港元(二零一八年：86,296,000港元)。



**27 RESERVES****(a) Other capital reserve**

Other capital reserves as at 31 December 2019 and 2018 represent the aggregate paid-in capital of the subsidiaries acquired, offset by investment costs in subsidiaries of the Company during the reorganisation.

**(b) Statutory reserve**

In accordance with the PRC Company Law and the articles of association of those group companies incorporated in the PRC, the group companies are required to appropriate 10% of their profits after income tax, as determined in accordance with Accounting Standards for Business Enterprises and the Accounting System for Business Enterprises and other regulations applicable to group companies, to the statutory surplus reserve until such reserve reaches 50% of the registered capital of the group companies. The appropriation to the reserve must be made before any distribution of dividends to holders of the group companies. The statutory surplus reserve can be used to offset previous years' losses, if any, and part of the statutory surplus reserve can be capitalised as the group companies' capital provided that the amount of such reserve remaining after the capitalisation shall not be less than 25% of the capital of the group companies.

**(c) Revaluation reserve**

Revaluation reserve as at 31 December 2019 and 2018 represents the revaluation of land and buildings held by the Group.

**27 儲備****(a) 其他資本儲備**

於二零一九年及二零一八年十二月三十一日，其他資本儲備指重組期間被本公司於附屬公司的投資成本抵銷的所收購附屬公司的實繳資本總額。

**(b) 法定儲備**

根據中國公司法及於中國註冊成立的集團公司的組織章程細則，集團公司須提取其所得稅後溢利之10%（根據企業會計準則及企業會計制度以及其他適用於集團公司的規例而定）作為法定盈餘儲備，直至該儲備達至其註冊股本之50%為止。儲備的撥款必須於向集團公司持有人宣派股息前作出。法定盈餘儲備可用於抵銷過往年度虧損（若有），部分亦可用於撥充集團公司股本的資金，惟於資本化後餘下的有關儲備金額不得少於其股本的25%。

**(c) 重估儲備**

於二零一九年及二零一八年十二月三十一日，重估儲備指重估本集團持有的土地及樓宇。

**27 RESERVES (Continued)****(d) Share option reserve**

The fair value of share options granted at the grant date is expensed on a straight-line basis over the vesting period with a corresponding increase in the share option reserve.

At the end of the reporting period, the Group revises its estimates of the number of options that are expected to ultimately vest and the impact of the revision of these estimates, if any, is recognised in the consolidated statement of comprehensive income over the remaining vesting period, with a corresponding adjustment to the share option reserve.

At the time when the options are exercised, the amount previously recognised in the share option reserve is transferred to the share capital. When the share options are forfeited or are still not exercised at the expiry date, the amount previously recognised in the share option reserve is transferred to retained profits.

**(e) Currency translation reserve**

The currency translation reserve comprises the exchange differences arising for the translation of the financial statements of foreign operations.

**28 BANKING FACILITIES**

(a) At 31 December 2019, the Group had banking facilities totalling HK\$285,600,000 (2018: HK\$295,600,000) granted by three banks (2018: three banks). These facilities were secured by the leasehold land and buildings of the Group, financial assets at fair value through profit or loss of the Group, fixed deposits placed in two banks, and an indemnity for an unlimited amount executed by the Company.

(b) The Group's borrowings and obligations under finance lease (note 23) of HK\$43,000 as at 31 December 2019 (2018: HK\$866,000) were secured by plant and equipment of the Group, a guarantee executed by the Hong Kong Special Administrative Region Government, and an indemnity for an unlimited amount executed by the Company.

**27 儲備 (續)****(d) 購股權儲備**

於授出日期授出購股權的公平值以直線基準於歸屬期間支銷，購股權儲備亦相應增加。

於報告期末，本集團修訂其對於預計最終歸屬的購股權數目的估計，而修訂該等估計所造成的影響（如有）於餘下歸屬期間在綜合全面收益表中確認，並在購股權儲備內作出相應調整。

當購股權獲行使時，之前在購股權儲備確認的金額轉撥至股本。當購股權被沒收或至屆滿日期仍未獲行使，之前在購股權儲備確認的金額轉撥至保留溢利。

**(e) 匯兌儲備**

匯兌儲備由換算境外業務的財務報表產生的匯兌差額。

**28 銀行融資**

(a) 於二零一九年十二月三十一日，本集團擁有由三家銀行（二零一八年：三家銀行）授出合共285,600,000港元（二零一八年：295,600,000港元）之銀行融資。該等融資由本集團的租賃土地及樓宇、本集團按公平值計入損益賬的金融資產、存於兩家銀行的定期存款以及由本公司簽立的無限額彌償作抵押。

(b) 本集團於二零一九年十二月三十一日於融資租賃（附註23）項下之借款及債務為43,000港元（二零一八年：866,000港元），由本集團的廠房及設備、香港特別行政區政府提供的擔保及本公司簽立的無限額彌償作抵押。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

## 29 COMMITMENTS

### (a) Capital commitments

Capital expenditure contracted for at the end of the reporting period but not yet incurred is as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	-	2,775

### (b) Operating lease commitments – as a lessee

The Group leases offices, staff dormitory, warehouses, and car parking spaces under non-cancellable operating lease agreements. The lease terms are between one to three years, and the majority of lease agreements are renewable at the end of the lease period at market rate.

From 1 January 2019, the Group has recognised right-of-use assets for these leases, except for short-term and low-value leases as detailed in note 35 to the consolidated financial statements.

The total future minimum lease payments under non-cancellable operating lease payable as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Within one year	一年內	44	2,002
In the second to third years, inclusive	第二年至第三年（包括首尾兩年）	-	1,093
		44	3,095

## 29 承擔

### (a) 資本承擔

於報告期末已訂約但未產生的資本開支如下：

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Property, plant and equipment	-	2,775

### (b) 經營租賃承擔 – 作為承租人

本集團根據不可撤銷經營租賃協議租賃辦公室、員工宿舍、倉庫及停車位。租期介乎一至三年，大多數租賃協議可在租期末以市場價格續訂。

自二零一九年一月一日起，本集團已確認該等租賃的使用權資產，惟短期及低價值租賃除外，詳見綜合財務報表附註35。

根據不可撤銷之經營租賃未來應付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
Within one year	44	2,002
In the second to third years, inclusive	-	1,093
	44	3,095

## 30 NOTE TO THE STATEMENT OF CASH FLOWS 30 現金流量表附註

(a) Reconciliation of profit before income tax to cash generated from operations:

(a) 除所得稅前溢利與營運產生之現金對賬：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>Cash flows from operating activities</b>	<b>經營活動所得現金流量</b>		
Profit before income tax	除所得稅前溢利	24,311	49,639
Adjustments for:	就下列各項調整：		
Bank interest income	銀行利息收入	(1,245)	(979)
Amortisation of insurance expense	保險開支攤銷	31	11
Depreciation for property, plant and equipment	物業、廠房及設備折舊	11,175	10,305
Depreciation for right-of-use assets	使用權資產折舊	6,784	-
Equity-settled share based payment expense	以權益結算及股份為基礎付款開支	3,533	3,667
Finance costs	融資成本	13,040	12,965
Loss on derivative financial instruments	衍生金融工具虧損	2,245	-
(Gain)/loss on disposal of property, plant and equipment	出售物業、廠房及設備(收益)/虧損	(252)	49
(Reversal of)/provision for impairment loss on trade receivables	貿易應收款項減值虧損(撥回)/撥備	(1,023)	4,601
Provision/(reversal of) for impairment loss on inventories	存貨減值虧損撥備/(撥回)	3,270	(652)
Obsolete inventories written off	陳舊存貨撇銷	1,325	1,067
Loss on de-recognition of financial asset at fair value through profit or loss	取消確認按公平值計入損益賬的金融資產的虧損	-	376
Fair value (gain)/loss on financial asset at fair value through profit or loss	按公平值計入損益賬的金融資產的公平值(收益)/虧損	(177)	127
Bad debt written off	壞賬撇銷	334	-
Operating profit before working capital changes	營運資金變動前的經營溢利	63,351	81,176
Decrease/(increase) in inventories	存貨減少/(增加)	40,124	(34,632)
(Increase)/decrease in trade and other receivables	貿易及其他應收款項(增加)/減少	(49,612)	28,410
Increase in prepayment and deposits	預付款項及按金增加	(2,186)	(4,403)
(Decrease)/increase in trade and other payables	貿易及其他應付款項(減少)/增加	(62,519)	17,862
(Decrease)/increase in contract liability	合約負債(減少)/增加	(40)	3,004
<b>Net cash (used in)/generated from operations</b>	<b>經營(所用)/所得現金淨額</b>	<b>(10,882)</b>	<b>91,417</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

30 NOTE TO THE STATEMENT OF CASH FLOWS (Continued) 30 現金流量表附註 (續)

(b) Reconciliation of liabilities arising from financing activities:

(b) 融資活動產生之負債對賬：

		Lease liabilities 租賃負債 HK\$'000 千港元	Borrowings (excluding interest payables) 借款 (不包括應付利息) HK\$'000 千港元	Finance lease payable 融資租賃應付款項 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>Balance at 1 January 2018</b>	於二零一八年一月一日的結餘	-	17,994	1,849	19,843
Cash flows	現金流				
- Inflow from financing activities	- 融資活動現金流入	-	109,071	-	109,071
- Outflow from financing activities	- 融資活動現金流出	-	(95,538)	(983)	(96,521)
- Outflow from operating activities	- 經營活動現金流出	-	(858)	(49)	(907)
Non-cash changes	非現金變動				
Interest expenses	利息支出	-	868	49	917
Exchange differences	匯兌差額	-	(10)	-	(10)
<b>Balance at 31 December 2018 and 1 January 2019</b>	於二零一八年十二月三十一日及二零一九年一月一日的結餘	-	31,527	866	32,393
Cash flows	現金流				
- Inflow from financing activities	- 融資活動現金流入	-	37,000	-	37,000
- Outflow from financing activities	- 融資活動現金流出	(5,355)	(57,489)	(823)	(63,667)
- Outflow from operating activities	- 經營活動現金流出	(1,839)	(956)	(14)	(2,809)
Non-cash changes	非現金變動				
Interest expenses	利息支出	1,839	956	14	2,809
Exchange differences	匯兌差額	(3)	(27)	-	(30)
Other non-cash items	其他非現金項目	28,447	-	-	28,447
<b>Balance at 31 December 2019</b>	於二零一九年十二月三十一日的結餘	23,089	11,011	43	34,143



**31 RELATED PARTY TRANSACTIONS**

Transactions between the Company and its subsidiaries have been eliminated on consolidation and are not disclosed in this note. Save for those disclosed elsewhere in these Interim Financial Information, details of transactions between the Group and other related parties are disclosed below:

- (a) The Directors of the Company are of the view that the following company was a related party that had transactions with the Group as at and during the year ended 31 December 2019:

<b>Name of related party</b>	<b>Relationship with the Group</b>
Myrra Hong Kong Limited	Controlled by Mr. Georges René Gener, the executive Director of the Company

- (b) The following transactions were undertaken by the Group with the related party during the year ended 31 December 2019:

Myrra Hong Kong Limited – Purchase of goods	Myrra Hong Kong Limited – 購買貨品
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Goods are bought from the entity controlled by the executive Director on normal commercial terms and conditions.

**31 關聯方交易**

本公司與其附屬公司之間的交易已於綜合賬目時對銷而並無於本附註內披露。除中期財務資料其他部分披露的內容外，本集團與其他關聯方之間的交易詳情披露如下：

- (a) 本公司董事認為以下公司為於二零一九年十二月三十一日及截至該日止年度期間與本集團進行交易的關聯方：

<b>關聯方名稱</b>	<b>與本集團的關係</b>
Myrra Hong Kong Limited	由本公司執行董事Georges René Gener先生控制

- (b) 本集團於截至二零一九年十二月三十一日止年度與關聯方進行以下交易：

	<b>2019</b> <b>二零一九年</b> <b>HK\$'000</b> <b>千港元</b>	2018 二零一八年 HK\$'000 千港元
	<b>136</b>	–

貨品乃按正常商業條款及條件自執行董事控制的實體購得。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

### 31 RELATED PARTY TRANSACTIONS (Continued) 31 關聯方交易 (續)

#### (c) Balances due to a related party

#### (c) 應付關連方結餘

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Myrra Hong Kong Limited	Myrra Hong Kong Limited	38	–

The balances due to a related party is mainly denominated in US\$. The amount due to a related party is unsecured, interest-free, trading in nature and due within net 60 days. The fair value of amount due to a related party approximates to the carrying amount at 31 December 2019.

應付關連方結餘主要以美元計值。應付關連方款項為無抵押、免息、屬貿易性質及於收貨後60天到期。應付關聯方的公平值與其於二零一九年十二月三十一日的賬面值相若。

#### (d) Key management compensation

Members of key management during the year comprised the Directors only whose remuneration is set out in note 9 to the consolidated financial statements.

#### (d) 主要管理層薪酬

於本年度主要管理層成員僅由其薪酬載列於綜合財務報表附註9之董事所組成。

### 32 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY

### 32 本公司財務狀況表及儲備變動

			2019 二零一九年	2018 二零一八年
		Note 附註	HK\$'000 千港元	HK\$'000 千港元
<b>Assets</b>	<b>資產</b>			
<b>Non-current assets</b>	<b>非流動資產</b>			
Investment in subsidiaries	於附屬公司的投資	16	145,182	145,182
Right-of-use asset	使用權資產		291	-
Deferred tax asset	遞延稅項資產		4	-
			<b>145,477</b>	145,182
<b>Current assets</b>	<b>流動資產</b>			
Other receivables	其他應收款項		8,000	18,500
Prepayments and deposits	預付款項及按金		298	315
Amount due from subsidiaries	應收附屬公司款項		64,152	20,363
Tax recoverable	可收回稅項		579	701
Bank and cash balances	銀行及現金結餘		89,272	126,060
			<b>162,301</b>	165,939
<b>Current liabilities</b>	<b>流動負債</b>			
Trade and other payables	貿易及其他應付款項		2,371	2,275
Lease liabilities – current	租賃負債 – 流動		156	-
			<b>2,527</b>	2,275
<b>Net current assets</b>	<b>流動資產淨值</b>		<b>159,774</b>	163,664
<b>Total assets less current liabilities</b>	<b>資產總值減流動負債</b>		<b>305,251</b>	308,846
<b>Non-current liability</b>	<b>非流動負債</b>			
Lease liabilities – non-current	租賃負債 – 非流動		155	-
<b>Net assets</b>	<b>資產淨值</b>		<b>305,096</b>	308,846
<b>Equity</b>	<b>權益</b>			
Share capital	股本	24	281,507	281,507
Reserves	儲備	(a)	23,589	27,339
<b>Total equity</b>	<b>總權益</b>		<b>305,096</b>	308,846

The statement of financial position of the Company were approved by the Board of Directors on 23 March 2020 and were signed on its behalf

本公司的財務狀況表已由董事會於二零二零年三月二十三日批准，並由以下董事代表董事會簽署

**Lai Yiu Wah**  
黎耀華  
Director  
董事

**Tai Leung Lam**  
戴良林  
Director  
董事

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

32 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY  
(Continued)

32 本公司財務狀況表及儲備變動  
(續)

(a) Reserve movement of the Company

(a) 本公司儲備變動

		Note 附註	Share options reserve 購股權儲備 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 December 2018	於二零一八年 十二月三十一日		3,698	23,641	27,339
Profit for the year	年內溢利		-	18,717	18,717
Equity-settled share-based transaction	以權益結算及股份為 基礎付款的交易	25	3,533	-	3,533
Forfeiture of share options	沒收購股權		(192)	192	-
Dividend paid	已付股息	13	-	(26,000)	(26,000)
At 31 December 2019	於二零一九年 十二月三十一日		7,039	16,550	23,589
At 31 December 2017	於二零一七年 十二月三十一日		40	20,661	20,701
Profit for the year	年內溢利		-	30,971	30,971
Equity-settled share-based transaction	以權益結算及股份為 基礎付款的交易	25	3,667	-	3,667
Forfeiture of share options	沒收購股權		(9)	9	-
Dividend paid	已付股息	13	-	(28,000)	(28,000)
At 31 December 2018	於二零一八年 十二月三十一日		3,698	23,641	27,339

## 33 FINANCIAL INSTRUMENTS BY CATEGORY 33 金融工具 – 按類別劃分

As at 31 December 2019

於二零一九年十二月三十一日

		Financial assets at amortised cost	Financial assets at fair value through profit or loss	Total
		按攤銷成本計量的金融資產	按公平值計入損益賬的金融資產	總計
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Financial assets at fair value through the profit or loss	按公平值計入損益賬的金融資產	-	8,621	8,621
Trade and other receivables	貿易及其他應收款項	156,635	-	156,635
Deposits	按金	11,524	-	11,524
Restricted bank deposits	受限制銀行存款	6,186	-	6,186
Bank and cash balances	銀行及現金結餘	97,679	-	97,679
Total	總計	272,024	8,621	280,645

		Financial liabilities at amortised cost	Total
		按攤銷成本計量的金融負債	總計
		HK\$'000	HK\$'000
		千港元	千港元
Trade and other payables (excluding sale deposits received)	貿易及其他應付款項(已收銷售訂金除外)	105,965	105,965
Contract liability	合約負債	2,964	2,964
Borrowings	借款	11,852	11,852
Finance lease payables	融資租賃應付款項	43	43
Lease liabilities	租賃負債	23,089	23,089
Total	總計	143,913	143,913



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

### 33 FINANCIAL INSTRUMENTS BY CATEGORY (Continued)

As at 31 December 2018

於二零一八年十二月三十一日

		Financial assets at amortised cost 按攤銷成本計量的金融資產 HK\$'000 千港元	Financial assets at fair value through profit or loss 按公平值計入損益賬的金融資產 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Financial assets at fair value through the profit or loss	按公平值計入損益賬的金融資產	-	6,765	6,765
Trade and other receivables	貿易及其他應收款項	106,334	-	106,334
Deposits	按金	3,901	-	3,901
Restricted bank deposits	受限制銀行存款	8,114	-	8,114
Bank and cash balances	銀行及現金結餘	194,580	-	194,580
Total	總計	312,929	6,765	319,694

		Financial liabilities at amortised cost 按攤銷成本計量之金融負債 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Trade and other payables (excluding sale deposits received)	貿易及其他應付款項 (已收銷售訂金除外)	167,424	167,424
Contract liability	合約負債	3,004	3,004
Borrowings	借款	31,871	31,871
Finance lease payables	融資租賃應付款項	866	866
Total	總計	203,165	203,165

### 34 CONTINGENT LIABILITIES

The Group did not have any material contingent liabilities as at 31 December 2019 (2018: nil).

### 34 或然負債

於二零一九年十二月三十一日，本集團並無任何重大或然負債（二零一八年：無）。

### 35 LEASE

This note provides information for leases where the Group is a lessee.

#### (i) Amount recognised in the consolidated statement of financial position

The consolidated statement of financial position shows the following amounts relating to leases:

		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
<b>Right-of-use assets</b>	<b>使用權資產</b>		
Buildings	樓宇	21,657	25,193
<b>Lease liabilities</b>	<b>租賃負債</b>		
Current	流動	6,597	5,518
Non-current	非流動	16,492	19,675
		<b>23,089</b>	<b>25,193</b>

Additions to the right-of-use assets were HK\$6,406,000 during year ended 31 December 2019.

#### (ii) Amounts recognised in the consolidated statement of comprehensive income

The consolidated statement of comprehensive income shows the following amounts relating to leases:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Depreciation charge of right-of-use assets (note 7)	使用權資產折舊開支 (附註7)	6,784	-
Interest expenses (included in finance costs) (note 10)	利息開支 (計入融資成本) (附註10)	1,839	-

The total cash outflow for leases in 2019 was HK\$7,670,000.

### 35 租賃

倘本集團為承租人，則本附註就租賃提供資料。

#### (i) 於綜合財務狀況表確認的金額

綜合財務狀況表載列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	1 January 2019 二零一九年 一月一日 HK\$'000 千港元
<b>Right-of-use assets</b>	<b>使用權資產</b>		
Buildings	樓宇	21,657	25,193
<b>Lease liabilities</b>	<b>租賃負債</b>		
Current	流動	6,597	5,518
Non-current	非流動	16,492	19,675
		<b>23,089</b>	<b>25,193</b>

截至二零一九年十二月三十一日止年度使用權資產添置6,406,000港元。

#### (ii) 於綜合全面收益表確認的金額

綜合全面收益表載列以下與租賃有關的金額：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Depreciation charge of right-of-use assets (note 7)	使用權資產折舊開支 (附註7)	6,784	-
Interest expenses (included in finance costs) (note 10)	利息開支 (計入融資成本) (附註10)	1,839	-

二零一九年租賃現金流出總額為7,670,000港元。

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

The Group leases various offices, warehouses, factory, staff dormitory, and car parking spaces. Non-cancellable rental contracts are typically made for periods of one to three years. The Group also leases various warehouses and factory under cancellable rental contracts. The option to terminate the leases are described in note (iv) below.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants.

**(iv) Extension termination options**

Extension termination options are included in a number of property leases across the Group. These are used to maximize operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension termination options held are exercisable only by the Group and not by the respective lessor.

**36 EVENTS AFTER THE REPORTING PERIOD**

- (a) As approved by the Board of Directors, and consented by the option holders of the Company, an aggregate of 28,400,000 share options outstanding as at 31 December 2019 was cancelled with effect from 21 January 2020 in accordance with the terms of the Share Option Scheme. No compensation was payable to the option holders for the cancellation of the share options. Details of this cancellation are set out in the announcement of the Company dated 21 January 2020.

**35 租賃 (續)****(iii) 本集團租賃活動及會計處理方式**

本集團租賃多處辦公室、倉庫、工廠、員工宿舍及停車位。不可撤銷租賃合約一般為期一至三年。本集團亦根據可撤銷租賃合約租賃多處倉庫及工廠。終止租賃的權利於下文附註(iv)概述。

租賃條款乃在個別基礎上協商，並包含各種不同的條款及條件。租賃協議並無施加任何契諾。

**(iv) 延期終止權**

延期終止權計入本集團多項物業租賃。就管理本集團運營所用資產而言，彼等用於最大化運營靈活性。持有的大部分延期終止權僅可由本集團而非有關出租人行使。

**36 報告期後事項**

- (a) 經董事會批准及本公司購股權持有人同意，於二零一九年十二月三十一日尚未行使的合共28,400,000份購股權已根據購股權計劃的條款註銷，自二零二零年一月二十一日起生效。註銷購股權毋須向購股權持有人支付補償。有關該註銷的詳情載於本公司日期為二零二零年一月二十一日的公佈。

### 36 EVENTS AFTER THE REPORTING PERIOD (Continued)

(b) The recent outbreak of COVID-19 has added uncertainties to the business environment and economic activities of the Group. A number of provinces and municipalities in the PRC had taken emergency public health measures to contain the spread of COVID-19, including but not limited to travel restrictions and extension of nationwide public holiday for the Lunar New Year. The Group's production facilities in Nansha District, Guangzhou City, Guangdong Province, the PRC had been affected by the prolonged work suspension and reduced workforce mobility, thereby experienced a temporary decrease in production. Certain scheduled supplies to and deliveries from the Group were also affected by the traffic disruptions. As at the date of this report, certain customers of the Group had agreed to postpone their product delivery and none of the sales orders placed to the Group had been cancelled because of COVID-19. The Group will endeavor to mitigate any adverse impacts on the Group and its customers caused by COVID-19. Details of the business updates on the impact of COVID-19 are set out in the announcement of the Company dated 16 March 2020.

As at the date of this report, the Group is still in the process of assessing the financial impacts of the COVID-19 outbreak and its aftermath towards the financial position and performance of the Group. The management of the Group will pay close attention to the COVID-19 development and perform further assessment of its financial impacts.

The COVID-19 outbreak is a non-adjusting event after the financial year-end and does not result in any adjustments to the consolidated financial statements for the year ended 31 December 2019.

### 36 報告期後事項 (續)

(b) 近期爆發COVID-19，為本集團的營商環境及經濟活動增添不明朗因素。中國多個省市已採取緊急公共衛生措施控制COVID-19的傳播，包括但不限於對出行限制及延長全國農曆新年公眾假期。本集團位於中國廣東省廣州市南沙區的生產設施受到延遲復工及員工流動性降低影響，產量因此出現短暫下降，若干原定向本集團供應及由本集團交付的物品亦因交通受阻而遭到影響。於本報告日期，本集團若干客戶已同意推遲交付彼等的產品，且本集團已取得的銷售訂單並無因COVID-19而被取消。本集團將盡力減輕COVID-19對本集團及其客戶造成任何不利影響。有關COVID-19影響的業務更新資料詳情載於本公司二零二零年三月十六日的公佈。

於本報告日期，本集團仍在評估COVID-19爆發及其後果對本集團的財務狀況及表現的財務影響。本集團管理層會密切關注COVID-19的發展並進一步評估其財務影響。

爆發COVID-19為無需調整之財政年度結算日後事項，並不會導致對截至二零一九年十二月三十一日止年度的綜合財務報表的任何調整。

## FIVE YEARS FINANCIAL SUMMARY

### 五年財務概要

#### For the year ended 31 December

截至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	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
<b>Results</b>	<b>業績</b>					
Revenue	收益	808,599	885,971	788,042	744,899	657,614
Profit before income tax	除所得稅前溢利	24,311	49,639	87,148	97,355	42,513
Income tax expense	所得稅開支	(1,954)	(7,261)	(17,140)	(22,098)	(12,756)
Profit for the year	年內溢利	22,357	42,378	70,008	75,257	29,757
Attributable to:	應佔：					
Owners of the Company	本公司擁有人	22,357	42,378	70,008	75,257	29,757

#### As at 31 December

於十二月三十一日

		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
<b>Assets and liabilities</b>	<b>資產及負債</b>					
Total assets	資產總值	515,235	573,573	524,736	294,224	308,895
Total liabilities	負債總額	(162,744)	(221,678)	(192,172)	(139,469)	(183,968)
Net assets	資產淨值	352,491	351,895	332,564	154,755	124,927
Equity attributable to owners of the Company	本公司擁有人應佔權益	352,491	351,895	332,564	154,755	124,927



# POWERING THE *e*WORLD

## 注動力 建未來



**Trio Industrial Electronics Group Limited**  
**致豐工業電子集團有限公司**

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