



Wai Chi Holdings Company Limited 偉志控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號: 1305



2020年報
ANNUAL
REPORT
2020



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CORPORATE PROFILE

公司簡介

Wai Chi Holdings Company Limited (“**Wai Chi Holdings**” or the “**Company**”, together with its subsidiaries collectively referred to as the “**Group**”) was established in Hong Kong over 30 years ago. The Group is one of China’s manufacturers for high-quality Light-Emitting Diode (“**LED**”) backlight and LED lighting products, with its operations covering research and development (“**R&D**”), design, manufacturing, sales, etc. Recently, the Group is actively developing its business in lighting energy management solutions and is becoming an integrated one-stop LED energy management services provider specializing in offering comprehensive lighting energy management solutions for sizeable business corporations and public utilities. The Group recently expanded its business into the semiconductor memory chips with a view to capturing the growing demand under the rapid development of 5G connections and breakthroughs in modern consumer products.

Since its listing on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 18 November 2014 (stock code: 1305), the Group has been dedicated to upgrading its brand value and becoming one of the leading producers in China’s high-end LED backlights and lighting products.

Throughout the years, the Group has been monitoring the industry trends closely and innovating technologies actively, achieving significant R&D results. The Group has successfully developed over 1,000 new LED backlight products and over 100 new LED lighting products in Hong Kong, China, Taiwan and Japan, among which 185 patents were registered in the PRC.

The Group has comprehensive production facilities in Shenzhen and Huizhou in the Guangdong province and Yichang in the Hubei province. The Group’s products can be categorized into 2 main groups under LED backlight products and LED lighting business. LED backlight products are classified into 3 types, including: 1) automobile on-board displays; 2) television displays; and 3) other industrial equipment displays. LED lighting business is divided into 2 types, including commercial lighting and public lighting. The Group will proactively develop its business of the packaging and testing of small-storage semiconductor memory chips in the future.

偉志控股有限公司(「**偉志控股**」或「**本公司**」，連同其及其附屬公司統稱為「**本集團**»)成立於香港，擁有超過30年歷史。本集團為中國高品質發光二極體(「**LED**»)背光及LED照明產品製造商之一，其業務囊括產品研究及開發(「**研發**»)、設計、製造、銷售等，近年更積極發展LED能源管理照明方案，提供一站式的LED能源管理服務，為大型商業機構及公共事業提供全面的能源管理照明方案。集團最近將業務延伸至半導體存儲芯片範疇，以捕捉快速發展的5G網絡和現代消費品升級帶來的需求增長。

自2014年11月18日於香港聯合交易所有限公司(「**聯交所**»)主板成功上市(股票編號：1305)以來，本集團一直致力於提升品牌價值，躋身中國高端LED背光及照明行業領導者行列。

多年來，集團緊跟行業潮流，積極革新技術，研發成就卓著，已在香港、中國、台灣及日本地區成功開發逾1,000項新LED背光產品，及逾100項新LED照明產品，更擁有於中國註冊的185項專利資格。

本集團於廣東省深圳市和惠州市及湖北省宜昌市三個地區設有全面的生產設施。集團之產品主要分為兩大類，其包括：LED背光產品及LED照明產品。LED背光產品分為三大類別，其包括：1)車載顯示器；2)電視顯示器；及3)其他工業用設備顯示器。LED照明業務分為兩大類，其包括商用照明及公用照明。集團未來將大力開發少容量半導體存儲芯片封測業務。

EXECUTIVE DIRECTORS

Mr. Yiu Chi To (*Chairman*)
Mr. Chen Chung Po (*Chief Executive Officer*)
Ms. Yiu Kwan Yu
Mr. Chen Wei Wu
Ms. Yong Jian Hui

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Au Yeung Tin Wah
Mr. Chen Kwok Wang
Mr. Ho Chi Wai

COMPANY SECRETARY

Mr. Cheung Wai Hung

AUDIT COMMITTEE

Mr. Au Yeung Tin Wah (*Chairman*)
Mr. Chen Kwok Wang
Mr. Ho Chi Wai

REMUNERATION COMMITTEE

Mr. Ho Chi Wai (*Chairman*)
Mr. Au Yeung Tin Wah
Mr. Chen Kwok Wang

NOMINATION COMMITTEE

Mr. Chen Kwok Wang (*Chairman*)
Mr. Au Yeung Tin Wah
Mr. Ho Chi Wai

RISK MANAGEMENT COMMITTEE

Mr. Chen Chung Po (*Chairman*)
Mr. Chen Kwok Wang
Mr. Cheung Wai Hung

執行董事

姚志圖先生 (*主席*)
陳鐘譜先生 (*行政總裁*)
姚君瑜女士
陳緯武先生
雍建輝女士

獨立非執行董事

歐陽天華先生
陳國宏先生
何志威先生

公司秘書

張偉雄先生

審核委員會

歐陽天華先生 (*主席*)
陳國宏先生
何志威先生

薪酬委員會

何志威先生 (*主席*)
歐陽天華先生
陳國宏先生

提名委員會

陳國宏先生 (*主席*)
歐陽天華先生
何志威先生

風險管理委員會

陳鐘譜先生 (*主席*)
陳國宏先生
張偉雄先生



CORPORATE INFORMATION 公司資料

AUTHORISED REPRESENTATIVES

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Mr. Cheung Wai Hung

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Cayman Islands

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AUDITORS

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Hong Kong

LEGAL ADVISER

Guantao & Chow (as to Hong Kong law)

STOCK CODE

01305

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張偉雄先生

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核數師

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法律顧問

觀韜律師事務所(香港)(香港法律顧問)

股份代號

01305

公司網址

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PRINCIPAL BANKERS

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Kwun Tong
Kowloon, Hong Kong

Bank of China (Hong Kong) Limited
Bank of China Tower
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Central
Hong Kong

Cayman Islands principal share registrar and transfer office

Codan Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Hong Kong branch share registrar and transfer office

Tricor Investor Services Limited
Level 54
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Hong Kong

主要往來銀行

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香港
皇后大道東183號
合和中心
54樓

CHAIRMAN'S STATEMENT

主席報告

We uphold pragmatic and prudent business management, emphasize the flexible use of resources, and will always be at our optimal condition to respond to market changes and explore opportunities

我們秉承務實穩健的經營管治，強調資源的靈活運用，務求以最佳狀態應對市場變化及探索機遇



Dear Shareholders,

On behalf of Wai Chi Holdings Company Limited, its subsidiaries and the board of directors of the Company (“**Director**” or the “**Board**”), I am pleased to present to our shareholders our Group’s audited annual results for the year ended 31 December 2020.

INDUSTRY REVIEW

2020 started on a somewhat bright note as China and the U.S. signed their phase one trade deal in January, signalling a much-needed pause on the trade tariff war that had raged for over a year. But soon after that, the year took a turn to turbulence as the Novel Coronavirus (the “**COVID-19**”) hits most of the world hard and brought wide-ranging and far-reaching impacts that are still intensifying. The COVID-19 pandemic, in addition to its enormous death toll, has brought the world to its gravest economic recession since 1990. Most European countries are entering their fourth consecutive quarter of GDP losses amid lockdowns, while the U.S., which reopened its economy despite an ongoing outbreak, saw Q4 GDP growth of only 2.5%.

致各位股東：

本人很榮幸能代表偉志控股有限公司、其附屬公司及本公司董事會（「**董事**」或「**董事會**」），向各位股東提呈本集團於截至2020年12月31日止年度的經審核全年業績。

行業回顧

2020年以樂觀的基調開端，中美兩國於1月簽署的第一階段貿易協議，標志著持續一年多的貿易關稅戰終於得以暫停。但此後不久，這一年轉向動盪，因為新型冠狀病毒（「**COVID-19**」）對世界大部分地區造成嚴重衝擊，其廣泛及深遠的影響目前仍在加劇。COVID-19大流行不僅造成巨大的死亡人數，亦使世界陷入自1990年以來最嚴重的經濟衰退。由於封鎖，大多數歐洲國家的GDP已連續四個季度下跌，儘管疫情仍在持續，惟美國已重新開放經濟，但其第四季度GDP增長僅為2.5%。



In contrast, China is the first and only economy that bounced back from COVID-19 losses, recording year-on-year GDP growth of 6.5% in the fourth quarter and a 2.3% expansion for the whole year. Unlike most of the world, China only experienced negative growth during the first quarter. By the fourth quarter, China's domestic business activities have already returned to their average level, and a feared comeback of COVID-19 outbreak seemed to have been kept well under control. However, enterprises relying on exporting products and services are still lingering in uncertainties, as day-to-day activities in the rest of the world are still at a halt, and foreign exchange rate fluctuations pose more significant challenges in their profitability.

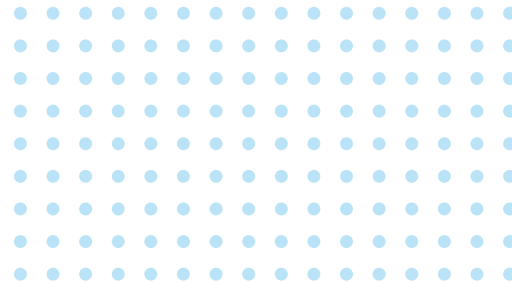
As for the LED industry, the competition in the lighting market continues to intensify, while the arrival of an inevitable recession for the backlight segment is coming closer as mini LED and OLED technologies further mature, bringing their prices to a more approachable point and leaving less room for the backlight manufacturers. Only in the automobile on-board display market, the demand still holds well but tends towards larger display sizes and preferences in features like curved screens.

2020 marks an incredible milestone for China's communication industry as the cutting-edge 5G network's speedy development reaches more and more regions in the country. According to data provided by the Ministry of Industry and Information Technology, China completed the year's target of building 500,000 5G base stations by October, way ahead of schedule. Industries involving around the 5G network is expected to be the next hot topic, among which the Single-Level Cell ("SLC") and Multi-Level Cell ("MLC") NAND flash products that are mainly used in 5G and internet of things (the "IoT") modules are becoming a very profitable section for those who have the resources and capacities to enter the market.

相比之下，中國是第一個也是唯一一個自COVID-19損失中復甦的經濟體，其第四季度GDP同比增長6.5%，全年增長2.3%。與世界大多數國家不同，中國僅在第一季度經歷負增長。截至第四季度，中國國內商業活動已經恢復到過往平均水平，曾令人擔憂的COVID-19疫情反彈勢頭似乎也已得到良好控制。然而，依賴產品及服務出口的企業仍存在不確定性，因為世界其他地區的日常活動仍處於停頓狀態，加上匯率波動對其盈利能力構成更大的挑戰。

就LED行業而言，照明市場的競爭不斷加劇，而隨著mini LED及OLED技術進一步成熟、價格更易於接受，導致背光製造商利潤空間減少，背光分部不可避免地逐步進入衰退。僅車載顯示器市場的需求仍然保持良好，但市場傾向於更大的顯示器尺寸及曲面屏幕等功能。

2020年對中國通信行業而言具有重大里程碑意義，尖端5G網絡的快速發展已覆蓋全國越來越多的地區。根據工業和信息化部提供的數據，中國已於10月份提前完成建設500,000個5G基站的年度目標。涉及5G網絡的行業預計將成為下一個熱門話題，其中主要用於5G及物聯網（「物聯網」）模塊的單層存儲單元（「SLC」）及多層存儲單元（「MLC」）NAND閃存產品，對於具備資源及實力進入該市場的企業而言將是一個非常有盈利空間的領域。



BUSINESS REVIEW

Considering the significant disruption to the Group's production facilities in Hubei during the first half of the year and the halt of overseas projects during the second, the Group's business and financial performances were indeed satisfactory. The overall revenue reached approximately HK\$1,395,888,000, down from approximately HK\$2,214,974,000 from a year ago, mainly due to the aforesaid difficulties in operations and a shift of focus within the high-tech electronic components trading segment, which will be further discussed below and in the Management Discussion and Analysis of this report. Despite a sharp drop in revenue, the Group's gross profit maintained at approximately HK\$198,417,000, as compared to approximately HK\$228,967,000 in 2019, since the gross profit margin saw noticeable growth, especially that of the newly added income stream of trading memory chips related products, which recorded a gross profit margin of 6.98%, helping the overall gross profit margin land at 14.2% for 2020 (2019: 10.3%).

By segments, backlights for automobile on-board displays were still the biggest revenue contributor, increasing from approximately HK\$639,290,000 for 2019 to approximately HK\$706,600,000 in total amount this year. But gross profit margin of this segment dropped from 23.6% to 19.5% as rival technologies continue to push backlights' profit margin thin. The segment of equipment displays recorded a revenue growth from HK\$204,038,000 for 2019 to HK\$220,580,000 for 2020, owing to the increased demand for medical and surgical equipment amid the COVID-19 outbreak. The downward trends for the TV display backlights intensified, with a revenue decrease from HK\$106,778,000 for 2019 to HK\$60,911,000 for 2020, as expected, nonetheless. Both public and commercial lighting segments recorded significant revenue drop, respectively, from HK\$15,770,000 to HK\$2,559,000, and from HK\$79,007,000 to HK\$71,801,000, as a result of decreased demand and project halt amid COVID-19 pandemic.

In addition to shifting the focus of trading business from various high-tech electronic components to memory chips related products, the Group makes its way into the niche market of SLC and MLC NAND flash products by acquiring semiconductor memory chips testing and packing facilities and machinery during the second half of 2020. The transaction is expected to complete during the first quarter of 2021. This new line is under preparation to start operation in the second quarter of this year, and it is expected to bring abundant business opportunities to the Group in the future.

業務回顧

考慮到上半年本集團在湖北的生產設施受到嚴重中斷及下半年海外項目暫停，本集團的年內業務及財務業績令人滿意。整體收入由一年前的約2,214,974,000港元減少至約1,395,888,000港元，主要由於上述經營困難及高科技電子零部件貿易分部的重點轉移，其將於下文及本報告管理層之討論及分析中進一步討論。儘管收入大幅下降，但本集團的毛利仍維持於約198,417,000港元，而於2019年則約為228,967,000港元，原因為毛利率大幅增長，尤其是新增的存儲芯片相關產品貿易錄得毛利率6.98%，令2020年總體毛利率達到14.2%（2019年：10.3%）。

按分部計，車載顯示器背光仍是最大的收入來源，總額由2019年的約639,290,000港元增加至今年的約706,600,000港元。但由於新興技術繼續壓低背光產品的利潤率，該分部的毛利率由23.6%下降至19.5%。由於COVID-19疫情期間對醫療及外科設備的需求增加，設備顯示器分部的收入由2019年的204,038,000港元增加至2020年的220,580,000港元。電視顯示器背光的下降趨勢加劇，不出所料，收入由2019年的106,778,000港元減少至2020年的60,911,000港元。公用及商用照明分部的收入均錄得大幅下降，分別由15,770,000港元減少至2,559,000港元，及由79,007,000港元減少至71,801,000港元，此乃由於COVID-19大流行期間需求減少及項目暫停。

除將貿易業務重點由各種高科技電子零部件轉移至存儲芯片相關產品外，本集團於2020年下半年通過收購半導體存儲芯片測試及封裝設施及機械，進入SLC及MLC NAND閃存產品利基市場。預計該交易將於2021年第一季度完成。該條新線正在籌備中，將於今年第二季度投入運營，並有望日後為本集團帶來大量商機。

PROSPECTS

The COVID-19 pandemic poses one of the most severe health and economic crises to the world in modern history. Even though the recent vaccine approval and administration across the globe have brought hopes of recovery for later 2021, new waves of the outbreak and latest variants of the virus still raise significant concerns. According to World Economic Outlook published by International Monetary Fund in January 2021, the global economy is projected to grow 5.5% in 2021 and 4.2% in 2022, but the recovery's strength will vary significantly across countries, depending on access to medical supplies, outcome of vaccine administration, effectiveness of economic policies, and structural characteristics of systemic responses to the crisis.

For China, if the COVID-19 outbreak stays under control, the country's economy is likely to thrive in 2021. With the 5G network bringing day-to-day life to a new technological level, products and components to supplement this communication breakthrough will see incredible growth in the coming years. The three major applications of 5G network, including enhanced mobile broadband, ultra reliable and low latency communications, and massive machine type communications, will spur IoT, Internet of Vehicles, Augmented Reality/Virtual Reality, and ultra-HD video. SLC and MLC NAND flash, needed for the necessary data storage applications for electronic devices under these scenarios, will enjoy a significant jump in demand soon. On the other hand, under the current COVID-19 related lockdowns, the increasing popularity of home entertainment gadgets brings an immediate shortage of eMMCs under 64GB storage capacity, which also pushes up the demand and prices of NAND flash products. In fact, starting from the fourth quarter of 2020, many manufacturers in the PRC and Taiwan have reported major price jumps in NAND flash, and that trend is expected to continue in 2021.

Having secured deals for memory chips packaging and testing equipment and facilities and access to the reliable supply of high-quality wafers, which is the most significant entrance barrier to produce the SLC and MLC memory chips, the Group has high hopes for its memory chips business to commence. Directors also noticed the increasing application of the SLC and MLC memory chips to the devices manufactured by the Group's existing LED products customers, including smartphones, automobile displays, equipment displays, and television manufacturers. The Directors believe that there is a potential opportunity to cross-sell the SLC and MLC memory chips to the existing LED products customers, creating a dynamic product mix and sales approach. As a result, the Group is confident in this new segment's commencement and its financial benefits.

前景

COVID-19大流行是現代歷史上最嚴重的全球健康及經濟危機之一。儘管最近全球範圍內疫苗的批准及接種給2021年復甦帶來希望，但新一輪疫情爆發及最新病毒變種仍然令人十分擔憂。根據國際貨幣基金組織於2021年1月發佈的《世界經濟展望》，預計2021年全球經濟將增長5.5%，2022年為4.2%，但各國的復甦勢頭將存在顯著差異，這取決於各國手頭可用的醫療用品、疫苗接種效果、經濟政策的有效性及其應對危機的制度結構。

就中國而言，倘COVID-19疫情持續受控，國內經濟很可能於2021年蓬勃發展。隨著5G網絡將日常生活提升到一個新的技術水平，適用於該板塊的產品及零部件將在未來幾年取得驚人增長。5G網絡的三大應用包括高速移動寬帶、超可靠低時延通信及海量機器類通信，將推動物聯網、車聯網、增強現實／虛擬現實及超高清視頻的發展。電子設備的數據存儲需要用到SLC及MLC NAND閃存，其需求很快將迎來大幅增長。另一方面，在當前COVID-19相關封鎖下，隨著家庭娛樂設備的日益普及，64GB以下的eMMC立即出現短缺，NAND閃存產品的需求及價格也隨之上漲。事實上，自2020年第四季度起，中國及台灣的許多製造商已報告NAND閃存的價格大幅上漲，且該趨勢預計將於2021年繼續。

確定存儲芯片封裝設備及設施的交易，並獲得可靠的高質量晶片供應（晶片是該領域最重要的進入壁壘）後，本集團對開展其存儲芯片業務寄予厚望。董事亦注意到，SLC及MLC存儲芯片越來越廣泛地應用於本集團現有LED產品客戶（包括智能手機、車載顯示器、設備顯示器及電視製造商）生產的產品。董事認為，有機會向現有LED產品客戶交叉銷售SLC及MLC存儲芯片，形成動態產品組合及銷售方式。因此，本集團對啟動該新分部及其財務利益充滿信心。



CHAIRMAN'S STATEMENT 主席報告

ACKNOWLEDGMENT

On behalf of the Board, I would like to express our gratitude to our investors, business associates and employees who supported our business operation and transformation with trust and efforts. We are confident and hopeful for what 2021 has to offer and we wish to continue to share the journey with them.

Mr. YIU Chi To

Executive Director and Chairman

26 March 2021

鳴謝

最後，本人謹代表董事會對我們的投資者、商業夥伴及員工表示感謝，彼等用信任及努力支持我們的業務運營及轉型。我們對2021年充滿信心和希望，我們希望與彼等繼續攜手前行。

姚志圖先生

執行董事兼主席

2021年3月26日



MANAGEMENT DISCUSSION AND ANALYSIS

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INDUSTRY REVIEW

In the midst of a series of global and regional socioeconomical events, the outbreak of COVID-19 across nations has further pushed economies and businesses to the brink. Given the scale and pervasiveness of the COVID-19 pandemic, lockdowns, testing, quarantines, and other subsequent measures, it had inevitably put many economic activities to an unprecedented standstill. In the People's Republic of China (the "PRC"), restricted mobility and factory closure at different levels brought manufacturing to a halt and resulted in supply-chain disruption during the first two quarters of this year. The impacts are shown in China's 6.8% GDP contraction in the first quarter of 2020, which is the first economic contraction since the 1970s as revealed by the National Bureau of Statistics.

Notwithstanding that China's first-quarter GDP shrank, it ended up being the only major economy that reported economic growth for 2020 and began recovery from its losses in the pandemic. After the domestic outbreak was brought under control and subsided, the PRC government eased the mandatory anti-epidemic measures, many production activities have accelerated under controllable situation, and most domestic business activities have then returned to normal by the fourth quarter. China's GDP expanded 6.5% in the fourth quarter as recovery has gained momentum on the economic front.

行業回顧

在一系列全球及地區性社會經濟事件下，COVID-19在各國爆發疫情，進一步將經濟及企業推向邊緣困局。鑑於COVID-19大流行病的規模及廣泛傳播，封鎖、檢疫、隔離及其他措施，許多經濟活動無可避免陷入前所未有的停滯。在中華人民共和國（「中國」），本年度頭兩季因不同程度的人口流動限制及工廠關閉令製造業停滯，導致供應鏈中斷。中國2020年第一季度GDP收縮6.8%，此乃國家統計局自1970年代以來首次發佈經濟收縮。

儘管中國第一季度GDP有所下降，但最終成為2020年唯一自大流行病損失中開始復甦並錄得經濟增長的主要經濟體。在國內疫情得到控制及消退後，中國政府放寬強制性防疫措施，故許多生產活動已在可控的情況下增速，到第四季度，大多數國內業務活動恢復至正常。由於經濟復蘇勢頭強勁，中國第四季度GDP增長達6.5%。



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However, adding to the year-long global public health crisis, great fluctuations in RMB and US Dollar currencies have also posed an emerging challenge to China's exporters in 2020. After five years of significant RMB depreciation, RMB appreciated 6.3% in 2020, with an 8.5% rise over the second half of the year alone, pushing it to its strongest level against the US Dollar since 2018. This has left the issue of lower gross profit margins with Chinese manufacturers and exporters, as they have suffered from higher costs under stronger RMB currency but lower returns in US Dollars.

In terms of the LED industry, the lighting sector continued to be competitive due to decreasing demand for LED lighting projects which can be profoundly affected by public policy interventions and municipality support. Meanwhile, the backlighting sector has been facing signs of recession as substitute technologies including OLED, Mini LED and Micro LED mature. With lower costs, these improved technologies are likely to replace LCD displays in the future, which continue to bring down the demand for LED backlights especially for television displays sector, restraining growth in such sector.

The demand for LED backlights prevails in the automotive display market in 2020, as digitalised panels continue to be widely adopted. In fact, not only on automotive vehicles, it is noteworthy that there was a growing demand for equipment displays backlight products as LCD displays are being adopted in many devices that used not to have a screen. That trend is supplemented by a growing sales volume in medical devices, possibly related to COVID-19 pandemic.

Along with smart home technology, LCD displays will not be the only last-generation technology to have new application scenarios. Small-storage memory chips that provide high-density non-volatile memory storage solution to support the embedded systems for smart electronic devices is on the rise too. As China added 600,000 5G base stations in the country in the year 2020, it will undoubtedly create opportunities across many industries, among which the SLC and MLC NAND flash products that are embedded in 5G modems and IoT-enabled devices are expected to come to be in great demand.

然而，除長達一年的全球公共衛生危機外，2020年人民幣及美元匯率的大幅波動亦為中國出口企業帶來新的挑戰。經過五年的人民幣大幅貶值，2020年人民幣升值6.3%，僅下半年增長8.5%，創下自2018年以來人民幣兌美元匯率的最高水平。人民幣走強導致彼等的成本上升，而美元回報率則有所下降，令中國製造商及出口商面臨毛利率下降問題。

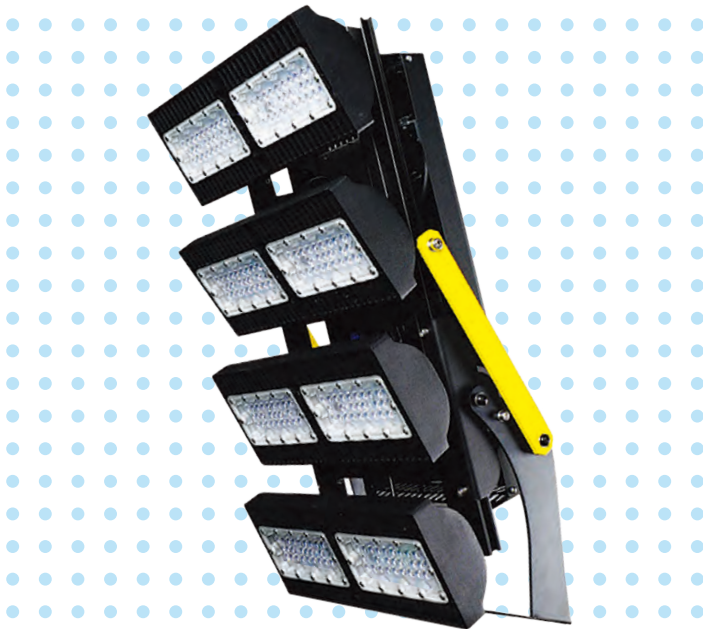
就LED行業而言，受公共政策干預及市政支持深刻影響，LED照明項目的需求減少，照明領域繼續競爭激烈。同時，隨著OLED、Mini LED及Micro LED等新興技術成熟，背光領域已呈現衰退跡象。由於成本降低，該等改進的技術有可能在將來取代LCD顯示器，繼續降低對LED背光的需求，尤其是在電視顯示器領域，從而限制該領域的增長。

由於數字化面板繼續被廣泛採用，2020年LED背光需求在汽車顯示器市場盛行。實際上，除汽車外，值得注意的是，隨著LCD顯示器用於許多過往並無屏幕的設備中，設備顯示器背光產品的需求亦不斷增加。該趨勢受醫療設備銷量不斷增長所影響，這可能與COVID-19大流行病有關。

隨著智能家居技術的發展，LCD顯示器將並非市場上唯一可應用在新場景的上一代技術。由於少容量存儲芯片提供高密度非易失性記憶存儲解決方案以支持智能電子設備嵌入式系統，少容量存儲芯片亦在崛起。隨著中國在2020年增加600,000個5G基站，無疑將為許多行業創造機會，其中對嵌入5G調製解調器及物聯網設備的SLC及MLC NAND閃存產品的需求將日益增加。

BUSINESS REVIEW

For the year 2020, the Group's resilience has been strongly tested in times of the COVID-19 pandemic and many other heightened uncertainties. Although the Group's production was forced to halt at the beginning of the year due to the imposition of lockdown restrictions in the PRC, the Group's operation soon resumed with the implementation of health and safety precautionary measures, and its core business sectors have gradually recovered from the impacts of COVID-19 pandemic by the end of 2020.



The enterprise resource planning (“ERP”) system implemented by the Group was especially effective in cost control through timely monitoring of its operation process to promote information exchange between functions, storing and managing operational data. It has enhanced financial and work efficiency with a higher level of process automation during the manufacturing process.

業務回顧

於2020年，在COVID-19疫情及眾多其他不明朗因素加劇的背景下，本集團的復原能力備受考驗。儘管年初中國實行封鎖限制本集團被迫停產，但本集團通過採取健康及安全預防措施迅速恢復運營，到2020年底，其核心業務部門已逐漸從COVID-19大流行病的影響中復甦。



本集團實施的企業資源規劃(「ERP」)系統在成本控制方面成效顯著，可實時監察營運過程，促進各職能之間的資訊流通，以及儲存及管理營運數據。其於生產過程中通過加強自動化生產，提升財務及工作效率。

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The total revenue for the year ended 31 December 2020 was approximately HK\$1,395,888,000, representing a decrease of 37.0% as compared to approximately HK\$2,214,974,000 for the year ended 31 December 2019. Disregarding the high-tech electronic components and product sourcing business, which was intended to fund the Group's transitional period temporarily, revenue from the core business sectors was approximately HK\$1,062,451,000, representing an increase of 1.7% as compared to approximately HK\$1,044,883,000 of the year ended 31 December 2019. Revenue from the sales of LED backlight products was approximately HK\$988,091,000 (2019: approximately HK\$950,106,000), representing an increase of 4.0%. Such increase was mainly contributed by the steady increase in sales of the automobile onboard displays and the other industrial equipment displays, which grew 10.5% and 8.1% respectively. Revenue from the sales of LED lighting products was approximately HK\$74,360,000 (2019: approximately HK\$94,777,000), representing a decrease of 21.5%, which was on account of an 83.8% decrease in revenue from the public lighting segment.

LED Backlight Business

The three types of the Group's LED backlight products are: 1) automobile onboard displays; 2) television displays; and 3) other industrial equipment displays. For the year ended 31 December 2020, revenue derived from LED backlight products in automobile onboard displays, television displays and industrial equipment displays were approximately HK\$706,600,000, HK\$60,911,000 and HK\$220,580,000, respectively.

Automobile onboard displays recorded a 10.5% increase in sales for the year ended 31 December 2020. It continued to be the largest contribution to the Group's LED backlight business during the year ended 31 December 2020, representing approximately 71.5% of total LED backlight products sales (2019: approximately 67.3%).

Considering the declining price of OLED displays in the domestic television market, fewer consumers opt for the lower-end LCD TVs. The Group, therefore, was not surprised by a drastic revenue drop of 43.0% in LED backlight products for television displays for the year ended 31 December 2020.

截至2020年12月31日止年度，總收入約為1,395,888,000港元，較截至2019年12月31日止年度的約2,214,974,000港元減少37.0%。倘不計及高科技電子零部件及產品的採購業務（該業務擬短暫性為本集團過渡期提供支持），來自核心業務部門的收入為1,062,451,000港元，較截至2019年12月31日止年度的約1,044,883,000港元增長1.7%。LED背光產品的銷售收入約為988,091,000港元（2019年：約950,106,000港元），增長4.0%。該增長乃主要由於車載顯示器及其他工業設備顯示器的銷售呈穩定增長，分別增長10.5%及8.1%。LED照明產品的銷售收入約為74,360,000港元（2019年：約94,777,000港元），下降21.5%，原因為來自公用照明分部的收入下降83.8%。

LED 背光業務

本集團的三類LED背光產品為：1)車載顯示器；2)電視顯示器；及3)其他工業設備顯示器。截至2020年12月31日止年度，LED背光產品中來自車載顯示器、電視顯示器及工業設備顯示器的收入分別約為706,600,000港元、60,911,000港元及220,580,000港元。

截至2020年12月31日止年度，車載顯示器的銷量增長10.5%，於截至2020年12月31日止年度繼續為本集團的LED背光業務作出最大貢獻，佔LED背光產品銷售總額約71.5%（2019年：約67.3%）。

隨著國內電視市場OLED顯示器價格的下降，選擇低端LCD電視的人日益減少。因此，本集團對截至2020年12月31日止年度電視顯示器LED背光產品的收入大幅下降43.0%並不感到意外。

Equipment displays backlight products recorded an increase of 8.1% in revenue for the year ended 31 December 2020, which was attributable to the increased production for medical devices and other industrial equipment.

截至2020年12月31日止年度，設備顯示器背光產品的收入增長8.1%，此歸因於醫療設備及其他工業設備產量的增加。

for the year ended 31 December
截至12月31日止年度

LED Backlight Revenue Breakdown	LED 背光 收入明細	2020 2020年		2019 2019年	
		HK\$'000 千港元	%	HK\$'000 千港元	%
Automobile Displays	車載顯示器	706,600	71.5	639,290	67.3
Televisions	電視	60,911	6.2	106,778	11.2
Equipment Displays	設備顯示器	220,580	22.3	204,038	21.5
		988,091	100.0	950,106	100.0

LED Lighting Service Business

The Group's LED lighting business is classified into two categories, namely public lighting and commercial lighting. The Group provides various services including products, lighting solutions design, installation, and maintenance etc. During the year ended 31 December 2020, revenues from public lighting and commercial lighting were approximately HK\$2,559,000 and HK\$71,801,000 respectively, observing decreases in the former of 83.8% and in the latter of 9.1% (2019: approximately HK\$15,770,000 and HK\$79,007,000).

The decrease in the Group's public lighting business was mainly due to the halt in production at the production plant in Yichang in the Hubei province since the COVID-19 outbreak in the PRC and decreasing public lighting projects available in the PRC market. For the year ended 31 December 2020, the Group continued its enterprising efforts on commercial lighting business through searching for more project opportunities in Europe, Australia, and New Zealand. The Group has attained stable revenue from the commercial lighting segment as projects were resumed in the fourth quarter of 2020 when the COVID-19 pandemic was under control.

LED 照明服務業務

本集團的LED照明業務分為公用照明及商用照明兩大類。本集團提供的服務包括產品、照明方案設計、安裝及維修等。截至2020年12月31日止年度，公用照明及商用照明的收入分別約為2,559,000港元及71,801,000港元，前者減少83.8%而後者減少9.1%（2019年：約15,770,000港元及79,007,000港元）。

本集團公用照明業務的減少乃主要由於湖北省宜昌的生產工廠在中國爆發COVID-19起停產，以及中國市場上可獲得的公用照明項目減少。截至2020年12月31日止年度，本集團通過在歐洲、澳洲及新西蘭物色更多項目機會，繼續致力於商用照明業務。隨著2020年第四季度COVID-19大流行病得到控制後恢復的項目，本集團已從商用照明分部獲得穩定的收入。

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for the year ended 31 December
截至12月31日止年度

LED Lighting Revenue Breakdown	LED 照明 收入明細	2020 2020年		2019 2019年	
		HK\$'000 千港元	%	HK\$'000 千港元	%
Public Lighting	公用照明	2,559	3.4	15,770	16.6
Commercial Lighting	商用照明	71,801	96.6	79,007	83.4
		74,360	100.0	94,777	100.0

Sourcing Business

As a temporary source of income to fund the transitional period, the Group has been engaged in sourcing high-tech electronic components and products. Starting from the year ended 31 December 2019, the Group added a new collection of products to this segment, namely, memory chips related products, aiming for higher profit margin and more value added product mix. During the year ended 31 December 2020, there was a shift of focus, and this segment currently mainly involves the trading of memory chips related products, which is in line with the Group's future business expansion into the semiconductor memory field. For the year ended 31 December 2020, revenue from the sourcing segment was approximately HK\$333,437,000 (2019: approximately HK\$1,170,091,000), representing a significant decrease of approximately 71.5%, being a result of resource allocation to focus on the Group's future expansion into the small-storage memory chips business sector. During the year ended 31 December 2020, revenue from sourcing memory chips related products reached approximately HK\$244,450,000 (2019: approximately HK\$19,224,000), attaining a growth of approximately 1,171.6%. Segment gross profit was approximately HK\$17,582,000 (2019: approximately HK\$19,033,000), which was more or less similar to last year, due to the significant increase in segment gross profit margin from 1.6% to 5.3%, on account of the strategic shifting of focus onto the higher-margin products.

採購業務

作為過渡期的臨時收入來源，本集團從事高科技電子零部件及產品採購業務。自截至2019年12月31日止年度開始，本集團向該分部增加一系列新產品，即存儲芯片相關產品，旨在提高利潤率並增加增值產品組合。截至2020年12月31日止年度，重心有所轉移，該分部目前主要涉及存儲芯片相關產品的貿易，符合本集團未來向半導體存儲領域的業務擴展。截至2020年12月31日止年度，由於資源分配集中於本集團未來向少容量存儲芯片業務領域擴展，來自採購分部的收入約為333,437,000港元（2019年：約1,170,091,000港元），大幅減少約71.5%。截至2020年12月31日止年度，來自存儲芯片相關產品採購的收入達約244,450,000港元（2019年：約19,224,000港元），增長約1,171.6%。分部毛利約為17,582,000港元（2019年：約19,033,000港元），與去年相若。分部毛利率由1.6%大幅上升至5.3%，歸因於側重發展高利潤產品的戰略。

for the year ended 31 December
截至12月31日止年度

Sourcing Business Revenue Breakdown	採購業務 收入明細	2020 2020年		2019 2019年	
		HK\$'000 千港元	%	HK\$'000 千港元	%
High-tech electronic components and products sourcing	高科技電子零部件及產品採購	88,987	26.7	1,150,867	98.4
Memory chips related products sourcing	存儲芯片相關產品採購	244,450	73.3	19,224	1.6
		333,437	100	1,170,091	100

QUALITY CONTROL

At the Company, a high level of quality control has proven to garner customer loyalty. The Group has established stringent quality control procedures to ensure the quality of its products. From the very beginning of designing a product to each stage throughout the manufacturing process, until the product is completed and stored, the Group's quality control staff ensure excellence in every aspect. There is a set of established procedures in selecting and approving new suppliers and raw materials, and thorough testing of product samples is carried out before mass production of the products.

The Group owns a series of advanced production and testing equipment for improving quality control. The Group has been awarded various certifications, including ISO 9001:2008 and ISO 14001:2004 for quality and environmental management systems, which serve as an important assurance of product quality and reliability.

RESEARCH AND DEVELOPMENT

The Group recognises the immense value of Research and Development ("R&D") capabilities and has become an agile and sharp industry player for its R&D efforts. As today's consumers consider not only quality but also diversity in many tech-related products, market research is vital to understand the needs and preferences of consumers. Moreover, amid the fast-changing consumer market, the R&D department is resourceful in supporting the Group's production and operation with well-informed research, which enables the Group to identify niche markets that offer profitable opportunities. By flexibly targeting market trends and technological advances, the Group endeavours to be always prepared for emerging possibilities so as to capture optimal business deals.

質量控制

在本公司，高水平的質量控制可以提高客戶忠誠度。本集團已建立嚴格的質量控制程序以確保其產品質量。從最初的產品設計到整個生產的每個階段，直至產品完成及儲存，本集團的質量控制人員確保每個方面都做到卓越成績。本集團採用規定的程序來挑選及批核新供應商及原材料，並在產品量產前對產品樣本進行全面測試。

本集團擁有一系列先進的生產及測試設備以提高質量控制。本集團的質量及環境管理體系已獲頒多項認證，其中包括ISO 9001:2008及ISO 14001:2004認證，是產品質素及可靠性的重要保證。

研究與開發

本集團認識到研究與開發（「研發」）能力的巨大價值，並已在研發投入上成為敏捷和敏銳的行業參與者。由於當今消費者不僅考慮許多技術相關產品的質量，而且亦考慮其多樣性，因此市場研究對了解消費者的需求和偏好至關重要。此外，在瞬息萬變的消費市場中，研發部門善於利用消息靈通的研究來支持本集團的生產和運營，從而使本集團能夠識別可提供盈利機會的利基市場。通過靈活地應對市場趨勢和技術進步，本集團努力始終為新出現的可能機會做好準備，以把握最佳的業務交易。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之論述及分析

The Group's R&D centre is located in our production plant in Huizhou. The Group engages in various R&D activities, including (i) concurrent development of new product designs with our customers; (ii) improvement of product quality, efficiency and functionality of existing products; (iii) in-project calibration and optimization of the production processes and capability of the equipment; (iv) introduction and promotion of the use of new production technologies and new production materials; and (v) assessment of the future prospect and development trend of the LED industry. The Group has achieved a number of technological advancement and breakthroughs over the years and, as of 31 December 2020, the Group held 185 patents registered in the PRC. Looking forward, the Group will continue to enhance its R&D capabilities and prepare itself for the up-and-coming opportunities.

AWARDS FOR CORPORATE RESPONSIBILITY

During the year ended 31 December 2020, Wai Chi Opto Technology Limited, a subsidiary of the Group, has received the Green Office Label awarded under the Green Office Awards Labelling Scheme ("GOALS") organised by the World Green Organization ("WGO") for the fifth year, in recognition of the Group's continued efforts in aiding environmental protection.

WGO launched GOALS in 2013 with the objectives of raising awareness of global environmental issues and encouraging corporations to implement the best green practices in their offices in 9 stipulated aspects of operations, including energy savings, water savings, waste reduction, paper and printing reduction, green procurement, IT use and disposal, transportation, education and awareness, and finally green innovation. Companies have to undergo a process of stringent green audit, during which the Group has demonstrated its commitment in corporate social responsibility by incorporating its green mission into daily practice and corporate culture.

本集團的研發中心位於惠州的生產廠房。本集團參與多項研發活動，包括(i)與客戶共同開發新產品設計；(ii)改善現有產品的質素、效率及功能；(iii)於項目內標準化及優化設備的生產流程及產能；(iv)引入及推廣新生產技術及新生產材料的使用；及(v)評估LED行業的未來前景及發展趨勢。多年來，本集團已取得大量技術進展及突破，截至2020年12月31日，本集團持有185項於中國註冊的專利。展望未來，本集團將繼續提升其研發能力，為未來機遇做好準備。

有關企業責任的獎項

截至2020年12月31日止年度，本集團附屬公司偉志光電有限公司第五度榮獲世界綠色組織(「世界綠色組織」)舉辦的綠色辦公室獎勵計劃(「綠色辦公室獎勵計劃」)所頒發的綠色辦公室企業獎，以表彰本集團於環境保護方面的持續付出。

世界綠色組織為了提高各界對全球環境問題的關注以及鼓勵企業於辦公室9個不同營運範疇施行綠色守則，遂於2013年推出綠色辦公室獎勵計劃，9個不同範疇包括節約能源、節約用水、減少廢物、減少用紙和印刷、綠色採購、資訊技術使用及處置、交通運輸、教育及意識以及綠色創新。本集團成功通過嚴格的審核，證明其於履行企業社會責任的堅持，以及積極將綠色理念融入日常生活及企業文化。

PROSPECTS

Following the devastating global public health and economic crisis unleashed by COVID-19, 2021 begins with a subdued economic recovery from the gravest recession in 2020. If the COVID-19 situation in the PRC remains under control, China's economy is likely to thrive in 2021, but it still takes time to get back to the level prior to the COVID-19 outbreak. Despite the COVID-19 pandemic is still unsettled in many countries, markets are adjusted to a 'new normal' after the year-long co-existence with the pandemic. The IMF forecaster expects that the global economic performance will be stronger in the second half of 2021. The Group is moving towards such dynamism and resilience, and continues to maintain close relationships with overseas clients for possible opportunities. In times of the digital revolution, it is believed that LCD displays will be installed in many more daily applications, even in devices that used not to have screen displays. The Group believes its backlight products will possibly remain stable in the coming year, especially for the automotive onboard displays and equipment displays.

According to the Ministry of Industry and Information Technology of the PRC, the PRC government plans to accelerate 5G roll-out to over 1,200,000 base stations nationwide for the 5G telecommunication network in 2021, further promoting 5G network infrastructure construction and application across the country. With government support, China is leading the way in its scale and coverage of 5G network. The adoption of 5G is expected to power the semi-conductor industry as all new chips, wafers, memory chips components are necessary in national 5G deployment.

Owing to the emerging IoT trend and the 5G deployment ahead, the Group is also aware that the Single-Level Cell (SLC) and Multi-Level Cell (MLC) NAND Flash industry, among the semi-conductor industry, might enjoy a surge in demand in the future. NAND Flash memory chip is adopted to support the embedded systems in controlling the operation of machines or fulfilling designated tasks. Since many IoT products will require small-storage memory units, the rising consumption for IoT products could bring a higher demand for SLC and MLC NAND flash memory chips in the long term. Due to limited supply in the market, the rise in the price of NAND Flash is expected to continue in 2021. Considering the potentials of this niche market, the Group, therefore, has assured the access to the reliable supply of high-quality wafers and secured deals for acquiring memory chips packaging and testing equipment and facilities. The Group believes that its memory chips business will commence after the transaction is completed in the first quarter of 2021.

展望

繼 COVID-19 引發的全球嚴重公共衛生及經濟危機後，2021 年伊始，經濟將從 2020 年最嚴重的衰退中緩慢復甦。如果中國的 COVID-19 形勢繼續得到控制，中國經濟在 2021 年有可能會蓬勃發展，但仍需要一段時間才能恢復到 COVID-19 爆發之前的水平。儘管 COVID-19 大流行病在許多國家仍不穩定，但在與大流行病共存長達一年之後，市場已調整至「新常態」。國際貨幣基金組織的預測人員預計，到 2021 年下半年，全球經濟表現將更加強勁。本集團正朝著這種充滿活力及彈性的方向發展，並將繼續與海外客戶保持緊密聯繫，以尋求可能的機會。在數字革命時代，相信 LCD 顯示器將被安裝在更多的日常應用中，甚至是安裝在以往無屏幕顯示的設備上。本集團相信，其背光產品在來年可保持穩定，尤其是車載顯示器及設備顯示器背光產品。

根據中國工業和信息化部的數據，中國政府計劃在 2021 年加快 5G 推廣，使全國 5G 電信網絡基站數量達到 1,200,000 個以上，進一步推動全國 5G 網絡基礎設施建設及應用。在政府的支持下，中國在 5G 網絡的規模及覆蓋範圍方面處於領先地位。預計 5G 的採用將為半導體行業提供動力，因為在國家 5G 部署中，所有新的芯片、晶片、存儲芯片組件都是不可少的。

由於物聯網趨勢的興起及未來 5G 的部署，本集團亦意識到，半導體行業中的單層單元 (SLC) 及多層單元 (MLC) NAND 閃存行業未來可能會迎來需求激增。採用 NAND 閃存存儲芯片來支持嵌入式系統控制機器的運行或完成指定工作。由於許多物聯網產品將需要少容量存儲單元，因此從長遠來看，物聯網產品消費的增加可能帶來對 SLC 及 MLC NAND 閃存存儲芯片的更高需求。由於市場供應有限，預計 NAND 閃存的價格將在 2021 年繼續上漲。考慮到該利基市場的潛力，本集團已確保高質量晶片的可靠供應及確保收購存儲芯片封裝以及測試設備及設施的交易。本集團相信其存儲芯片業務將在交易於 2021 年第一季度完成後開始。

FINANCIAL REVIEW

Revenue

During the year ended 31 December 2020, the sources of revenue for the Group were the sales of LED backlight, the sales of LED lighting products and the business of high-tech electronic components and products sourcing. The sales of the Group's LED backlight products were approximately HK\$988,091,000, representing an increase of approximately 4.0% from 2019, which was mainly attributable to the increase of sales of automotive displays LED backlight products. The sales of the Group's LED lighting products were approximately HK\$74,360,000, representing a decrease of approximately 21.5% from 2019. The decrease was mainly attributable to the 83.8% decrease in revenue from the public lighting segment. The revenue from the segment of high-tech electronic components and products sourcing recorded sales of approximately HK\$333,437,000 (2019: HK\$1,170,091,000), which was due to resource allocation to focus on the Group's future expansion into the small-storage memory chips business sector.

Gross Profit and Gross Profit Margin

For the year ended 31 December 2020, gross profit from the sales of LED backlight and LED lighting products was approximately HK\$180,835,000, representing a decrease of 13.9% from approximately HK\$209,934,000 in 2019. Gross profit margin for these two segments decreased by 3.1 percentage points from 20.1% in 2019 to 17.0% in 2020. Gross profit and gross profit margin from high-tech electronic components and products sourcing were HK\$17,582,000 and 5.3% (2019: HK\$19,033,000 and 1.6%) respectively. For the year ended 31 December 2020, the Group's overall gross profit was approximately HK\$198,417,000, representing a decrease of 13.3% from approximately HK\$228,967,000 in 2019. Overall gross profit margin was 14.2% in 2020, representing an increase of 3.9 percentage points from 10.3% in 2019.

Selling and Distribution Expenses

Labour costs, sales commissions and transportation costs were the Group's major selling and distribution expenses. For the year ended 31 December 2020, the Group's selling and distribution expenses was approximately HK\$25,356,000, representing a decrease of 0.8%.

財務回顧

收入

截至2020年12月31日止年度，本集團的收入來自銷售LED背光產品、銷售LED照明產品及高科技電子零部件及產品的採購業務。本集團LED背光產品的銷售額約為988,091,000港元，較2019年上升約4.0%，此乃主要由於車載顯示器LED背光產品的銷售額增加所致。本集團LED照明產品的銷售額約為74,360,000港元，較2019年下降約21.5%。下降主要由於公用照明分部收入減少83.8%所致。高科技電子零部件及產品採購分部的收入錄得銷售額約333,437,000港元（2019年：1,170,091,000港元），此乃由於資源分配集中於本集團未來向少容量存儲芯片業務領域擴展。

毛利及毛利率

截至2020年12月31日止年度，銷售LED背光及LED照明產品的毛利約為180,835,000港元，較2019年約209,934,000港元減少13.9%。該兩個分部的毛利率由2019年的20.1%下跌3.1個百分點至2020年的17.0%。高科技電子零部件及產品採購業務的毛利及毛利率分別為17,582,000港元及5.3%（2019年：19,033,000港元及1.6%）。截至2020年12月31日止年度，本集團錄得整體毛利約為198,417,000港元，較2019年約228,967,000港元減少13.3%。2020年的整體毛利率為14.2%，較2019年的10.3%上升3.9個百分點。

銷售及分銷開支

員工成本、銷售佣金及運輸成本為本集團主要銷售及分銷開支。截至2020年12月31日止年度，本集團銷售及分銷開支約為25,356,000港元，減少0.8%。

Administrative Expenses

Administrative expenses refer to the general expenses incurred in offices and factories. The Group focuses on effective management by means of resource consolidation in the Shenzhen and Huizhou factories. For the year ended 31 December 2020, the Group's administrative expenses was approximately HK\$84,934,000, which has decreased by 16.4% compared to approximately HK\$101,597,000 for the year 2019. The decrease was mainly attributable to effective cost control and limited operations of operating center the during the epidemic period.

Other Income

During the year ended 31 December 2020, other income was approximately HK\$20,707,000, representing a decrease of 2.1% in comparison with approximately HK\$21,148,000 for the year 2019.

Taxation

Taxation comprised current tax and movements in deferred tax assets and liabilities. Two of the Group's subsidiaries, Wai Chi Opto Technology (Shenzhen) Limited (“**Shenzhen Wai Chi**”) and Huizhou Wai Chi Electronics Company Limited, are qualified as “High-Tech Enterprises” in the PRC and granted certain tax benefits, including a preferential enterprise income tax rate of 15% instead of the statutory rate of 25%. During the year ended 31 December 2020, the Group's tax credit was approximately HK\$329,000 (2019: Tax expenses of HK\$3,021,000).

Inventories

As at 31 December 2020, the Group's inventories was approximately HK\$220,710,000, representing an increase of 4.3% as compared to approximately HK\$211,584,000 as at 31 December 2019. The increase in inventory was attributable to inventory of memory chips maintained for the sourcing business.

Trade Receivables

As at 31 December 2020, the Group's net trade receivables amounted to approximately HK\$566,740,000, which increased by 24.8% as compared to approximately HK\$454,279,000 as at 31 December 2019. This was attributable to the increase in sales of LED backlight and LED lighting products.

行政開支

行政開支包括一般辦公室及廠房開支。本集團通過深圳生產廠房和惠州生產廠房資源整合強調有效率管理。截至2020年12月31日止年度，本集團的行政開支約為84,934,000港元，較2019年的約101,597,000港元減少16.4%。減少乃主要由於有效的成本控制以及疫情期間營運中心只提供有限度運作。

其他收入

截至2020年12月31日止年度，其他收入約為20,707,000港元，較2019年的約21,148,000港元減少2.1%。

稅項

稅項包括當期稅項及遞延稅項資產及負債的變動。本集團的兩家附屬公司，偉志光電(深圳)有限公司(「**深圳偉志**」)及惠州偉志電子有限公司被評定為中國「高新技術企業」，享有若干稅務優惠，包括以優惠企業所得稅稅率15%而非法定稅率25%納稅。截至2020年12月31日止年度，本集團的稅項抵免約為329,000港元(2019年：稅項開支為3,021,000港元)。

存貨

於2020年12月31日，本集團的存貨量約為220,710,000港元，較2019年12月31日的約211,584,000港元增加4.3%。存貨增加乃由於為採購業務保存存儲芯片的庫存所致。

應收賬款

於2020年12月31日，本集團的應收賬款淨額約為566,740,000港元，較2019年12月31日的約454,279,000港元增加24.8%，此乃由於LED背光及LED照明產品的銷售額增加所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之論述及分析

Trade Payables

As at 31 December 2020, the Group's trade payables amounted to approximately HK\$295,154,000, which increased by 22.0% as compared to approximately HK\$241,923,000 as at 31 December 2019. This was attributable to the increase in purchase of raw materials for LED backlight and LED lighting products.

Proposed Acquisitions

On 11 November 2020, Huizhou Wai Chi Electronics Company Limited (“**Wai Chi Huizhou**”), an indirectly wholly-owned subsidiary of the company, entered into an agreement with Victoria Ultra Business Co., Ltd., whereby Wai Chi Huizhou has conditionally agreed to acquire and Victoria Ultra Business Co., Ltd. has conditionally agreed to sell the equipment at a cash consideration of approximately USD5.9 million (equivalent to approximately HK\$45.9 million). The proposed acquisition, if materialized, would enable the Group to commence the semiconductor memory chips testing and packing business. Please refer to the Group's announcement published on the Stock Exchange on 11 November 2020 for details.

On 13 November 2020, Wai Chi Huizhou entered into an agreement with Shenzhen Zi Yun Xin Electronics Technology Company Limited, for the acquisition of equipment at the total consideration of RMB12.0 million (equivalent to approximately HK\$13.2 million). The proposed acquisition, if materialized, would support and facilitate the development of the Group's semiconductor memory chips testing and packing business. Please refer to the Group's announcement published on the Stock Exchange on 13 November 2020 for details.

Placing of New Shares and Offer to Acquire the Company's Shares

On 6 May 2016, the Company completed a placing of new shares (the “**Placing**”), allotted and issued 16,825,000 new shares of the Company to not less than six individuals who are independent third parties at the price of HK\$2.00 per share. Net proceeds from the Placing amounted to approximately HK\$31,134,000, which are intended to be used for financing any potential investment opportunities such as mergers and acquisition that may arise from time to time. As at 31 December 2020, the net proceeds from the Placing have not yet been utilised and have been deposited with licensed banks in Hong Kong.

The Company expects to use the proceeds from the Placing for the aforementioned acquisitions.

應付賬款

於2020年12月31日，本集團的應付賬款約為295,154,000港元，較2019年12月31日的約241,923,000港元增加22.0%，此乃由於增加採購LED背光及LED照明產品的原材料所致。

建議收購事項

於2020年11月11日，本公司間接全資附屬公司惠州偉志電子有限公司（「**偉志惠州**」）與Victoria Ultra Business Co., Ltd. 訂立協議，據此，偉志惠州有條件同意收購而Victoria Ultra Business Co., Ltd. 有條件同意出售設備，現金代價為約5,900,000美元（相當於約45,900,000港元）。建議收購事項如經落實，本集團可開展半導體存儲芯片測試和封裝業務。有關詳情請參閱本集團於2020年11月11日於聯交所刊發的公告。

於2020年11月13日，惠州偉志與深圳市紫雲芯電子科技有限公司訂立協議，以總代價人民幣12,000,000元（相當於約13,200,000港元）收購設備。建議收購事項如經落實將會支持以至推動本集團半導體存儲芯片測試及封裝業務的發展。有關詳情請參閱本集團於2020年11月13日於聯交所刊發的公告。

配售新股份及提呈要約收購本公司股份

於2016年5月6日，本公司完成配售新股份（「**配售事項**」），以每股2.00港元的價格向不少於六名獨立第三方人士配發及發行16,825,000股本公司新股份。配售事項所得款項淨額約為31,134,000港元，擬用於為可能不時出現的任何潛在投資機遇（如合併及收購）提供資金。於2020年12月31日，配售事項所得款項淨額尚未動用並已存入香港持牌銀行。

本公司預期將配售事項的所得款項用於上述收購事項。

DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

董事、高級管理人員及僱員

EXECUTIVE DIRECTORS

Mr. Yiu Chi To, age 58, is the founder of our Group, the executive Director and Chairman of our Company. He was appointed as an executive Director of our company on 16 August 2013. He is responsible for formulating corporate strategies and overseeing the Group's business development and operation as well as monitoring the Group's administration. He also plays a role in developing new technology and innovations with our Group's research and development team and maintaining good relationships with our major customers. Mr. Yiu has more than 30 years of working experience in the LED industry. Mr. Yiu had successfully registered patents in the PRC for the new technologies that he had developed, including "Double sided light emitting backlight" in 2003, "Bottom-side dual-efficient LED white light" in 2004, and "LED with heat dissipation" in 2005. From 2009 to present, Mr. Yiu also served as a deputy director for the Shenzhen Light Emitting Diode Industry Association. In 2018, Mr. Yiu was appointed as deputy director of Bao'an District Five Industrial Top 100 Enterprise Federation.

Mr. Yiu graduated from Fujian Jinjiang Neikeng High School in 1978. Prior to the establishment of the Group, from 1979 to 1981 he worked in an electronic watch manufacturing company initially as an assembly line worker, and was later promoted to a manager where he was involved in sales and marketing of the electronic watches and in 1982 he started a business in the electronic watch industry and ceased the business in 1984 before establishing the Group. In 1984, Mr. Yiu founded Wai Chi Electronics Co. Mr. Yiu is the father of Ms. Yiu Kwan Yu and father-in-law of Mr. Chen Chung Po.

Mr. Chen Chung Po, age 43, was appointed as executive Director and the Chief Executive Officer of our Company on 16 August 2013. He is responsible for the day-to-day management of our Group including administration, procurement, production as well as financial management. Mr. Chen received his Bachelor of Arts in Business Studies degree from Hong Kong Polytechnic University in November 2000. He has more than 10 years of working experience in banking and finance fields. After graduation, he joined Bank of China (Hong Kong) as a credit analyst and was gradually promoted to Branch Manager from 2000 to 2006. From 2006 to 2010, he worked with the Sun Hung Kai Group of companies serving as the Vice President of Sales Division in Wealth Management when he resigned in 2011. From 2011 to 2012, he was a person licensed to carry on Type 2 regulated activity. Prior to joining our Group, he was the sales director in GF Securities (Hong Kong) Brokerage Limited from 2011 to 2013. Mr. Chen is the husband of Ms. Yiu Kwan Yu, son-in-law of Mr. Yiu Chi To.

執行董事

姚志圖先生，58歲，本集團創辦人，為本公司執行董事兼主席。彼於2013年8月16日獲委任為本公司執行董事，負責制定企業策略及監督本集團的業務發展及營運，以及監察本集團的行政。彼與本集團研發團隊在開發新技術和創新及與主要客戶維持良好關係方面亦擔當角色。姚先生於LED行業擁有逾30年工作經驗。姚先生已成功於中國為其開發的新技術註冊專利，專利包括2003年的「雙面發光背光源」、2004年的「底側兩用高效LED白燈」及2005年的「帶散熱功能的LED」。由2009年至今，姚先生亦擔任深圳市LED產業聯合會副會長，於2018年，姚先生獲委任為寶安區五類百強企業聯合會副會長。

姚先生於1978年畢業於福建晉江內坑中學。成立本集團前，由1979年至1981年，姚先生於一間電子手錶製造公司任職，初期擔任裝配線人員，其後獲晉升為經理，從事有關電子手錶銷售及市場推廣的業務。彼於1982年開始電子手錶行業的業務，並於1984年創立本集團之前終止該業務。於1984年，姚先生創立偉志電子公司。姚先生為姚君瑜女士的父親，亦為陳鐘譜先生的岳父。

陳鐘譜先生，43歲，於2013年8月16日獲委任為本公司執行董事兼行政總裁，負責本集團的日常管理，包括行政、採購、生產以及財務管理。陳先生於2000年11月取得香港理工大學的工商管理文學士學位。彼於銀行及金融界擁有逾10年工作經驗。畢業後，彼加入中國銀行（香港）擔任信貸分析師，並於2000年至2006年間逐漸晉升至分行經理。2006年至2010年間，彼於新鴻基金融集團旗下公司任職，其於2011年辭任時正擔任財富管理銷售分部副總裁。2011年至2012年，彼獲授權進行第二類受規管活動。加入本集團前，彼於2011年至2013年間擔任廣發證券（香港）有限公司的銷售經理。陳鐘譜先生為姚君瑜女士的丈夫，亦為姚志圖先生的女婿。

DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

董事、高級管理人員及僱員

Ms. Yiu Kwan Yu, age 36, was appointed as executive Director of our Company on 16 August 2013. She is also the Sales and Marketing Manager of Wai Chi Opto Technology Limited since 2009. Ms. Yiu joined us in 2008 and served as Sales and Marketing Executive initially. She is responsible for the sales and marketing of our LED lighting division and she is also in charge of the research and development department of our LED lighting division. Ms. Yiu received her Bachelor's degree of Applied Science in Electrical Engineering from The University of British Columbia in May 2008 and her Master of Lighting degree from the Queensland University of Technology in May 2012. Ms. Yiu was admitted as Engineer by the Corporation of Seven Wardens Inc. in 2008. She also held the Directorship of Hong Kong Critical Component Manufacturing Association from 2009 to 2012 and the Directorship of Hong Kong Opto Mechatronics Industry Association from 2012 to 2018. Ms. Yiu is the elder daughter of Mr. Yiu Chi To and wife of Mr. Chen Chung Po.

Mr. Chen Wei Wu, age 57, was appointed as executive Director of our Company on 11 March 2014. He is the Financial Controller of Shenzhen Wai Chi since 2010. He is responsible for the financial management and day-to-day financial operation in the PRC region. He has 30 years of experience in commercial and finance fields. From 1984 to 1992, Mr. Chen served as Accounting Officer in Jinan Chemicals Factory at Hengyang City of Hunan. From 1992 to 1997, he served as Financial Controller in Shenzhen Zhongqiao Group at Shenzhen. From 1997 to 2001, he served as Vice General Manager and Chief Financial Controller in Shenzhen Shennan Merchants Group. From 2001 to 2006, he served as the Assistant to the General Manager and head of the Capital Department in Shenzhen Saigedasheng Joint-stock Company Limited. From 2006 to 2008, he served as the General Manager of the Audit Planning Department in GD Hengfeng Investment Group Co., Ltd. From 2008 to 2010, he served as the General Manager of Group Finance Division in Shenzhen Shangtianran Investment Company Limited.

Mr. Chen studied and graduated from the correspondence course in industrial accountancy and received the professional certificate in industrial accountancy from the Hunan College of Finance and Economics in July 1987. In October 1994, Mr. Chen was conferred by the Ministry of Finance in the PRC the qualification of an accountant specializing in corporate accounting. In April 2011, Mr. Chen was admitted as Senior International Finance Manager by the International Financial Management Association. In December 2017, Mr. Chen was admitted as Senior Accountant by the Human Resources and Social Security Department of Guangdong Province and Mr. Chen was admitted as International Certified Public Accountant by the International Association of Accounting Professionals in August 2020. In June 2012, Mr. Chen obtained his Master of Business Administration degree from the Zhongnan University of Economics and Law. In November 2014, Mr. Chen obtained his Doctor of Business Administration degree from the Victoria University of Switzerland.

姚君瑜女士，36歲，於2013年8月16日獲委任為本公司執行董事。彼自2009年起亦為偉志光電有限公司的銷售及市場推廣經理。姚女士於2008年加入本集團，起初擔任銷售及市場推廣行政人員，負責LED照明部的銷售及市場推廣，亦為LED照明部研發部門的負責人。姚女士於2008年5月取得英屬哥倫比亞大學的電子工程應用科學學士學位，並於2012年5月取得昆士蘭科技大學的照明碩士學位。姚女士於2008年獲七大工程學院接納為工程師。彼亦於2009年至2012年間擔任香港關鍵性零部件製造業協會的董事職務，於2012年至2018年擔任香港光機電行業協會的董事職務。姚君瑜女士為姚志圖先生之長女及陳鐘譜先生之太太。

陳緯武先生，57歲，於2014年3月11日獲委任為本公司執行董事。彼自2010年起擔任深圳偉志的財務總監，負責中國地區的財務管理及日常財務營運。彼於商務及金融界擁有30年經驗。於1984年至1992年間，陳先生於湖南衡陽市金雁化工廠擔任會計主管。於1992年至1997年間，彼於深圳的深圳中僑集團擔任財務總監。於1997年至2001年間，彼於深南招商集團擔任副總經理及財務總監。於2001年至2006年間，彼於深圳市賽格達聲股份有限公司擔任總經理助理及資本部主管。於2006年至2008年間，彼於廣東恆豐投資集團有限公司擔任審核計劃部的總經理。於2008年至2010年間，彼於深圳市尚天然投資有限公司擔任集團財務部總經理。

陳先生於湖南財經學院研讀工業會計的相關課程，於1987年7月畢業並取得工業會計專業文憑。於1994年10月，陳先生獲中國財政部頒授會計師資格，專責企業會計。於2011年4月，陳先生獲國際財務管理協會認可為資深國際財務管理師，並於2017年12月獲廣東省人力資源和社會保障廳頒授高級會計師資格及於2020年8月獲國際專業會計師公會頒發國際專業會計師公會資格證書。於2012年6月，陳先生於中南財經政法大學取得工商管理碩士學位。於2014年11月，陳先生於瑞士維多利亞大學取得工商管理博士學位。



DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES 董事、高級管理人員及僱員

Ms. Yong Jian Hui, age 44, was appointed as executive Director of our Company on 11 March 2014. She joined our Company since 2003. She is currently the Deputy General Manager and the Head of Sales Department of Wai Chi Opto Technology (Shenzhen) Company Limited. She is responsible for the sales and marketing of our LED backlight products. She has more than 10 years of working experience in sales and marketing of backlight products. Prior to her joining our Company, Ms. Yong served as the head of Sales Department at Wah Mei Electronics (Shenzhen) Company Limited from 2000 to 2002. Ms. Yong was graduated from the Hunan Radio & TV University of Financial Accounting Profession in 1999 and her Master of Business Administration degree from the Southwest Jiaotong University in June 2012.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Au Yeung Tin Wah, age 57, was appointed as independent non-executive Director (“INED”) of our Company on 11 March 2014.

Mr. Au Yeung obtained a Professional Diploma in Accountancy in The Hong Kong Polytechnic (now known as The Hong Kong Polytechnic University) in 1987. He is a fellow member of the Hong Kong Society of Accountants and the Association of Chartered Certified Accountants. Mr. Au Yeung had worked for a number of years for Price Waterhouse (now known as PricewaterhouseCoopers), had acted as a financial manager of a listed company and a major private company respectively in Hong Kong. He has been a certified public accountant since 1994 and has over thirty years’ experience in auditing, finance and administration. He is now the director of Lau & Au Yeung C.P.A. Limited.

Mr. Au Yeung was appointed in May 2006 and is currently acting as an independent non-executive director of Amvig Holdings Limited (Stock Code: 2300, a company listed on the Main Board of the Stock Exchange, formerly known as Vision Grande Group Holdings Limited), Mr. Au Yeung was also appointed on 12 August 2016 and is currently acting as an independent non-executive director of Man Shing Global Holdings Limited (Stock Code: 8309, a company listed on GEM of the Stock Exchange).

雍建輝女士，44歲，於2014年3月11日獲委任為本公司執行董事。彼自2003年加入本公司。彼現時擔任偉志光電(深圳)有限公司的副總經理及銷售部主管，負責LED背光產品的銷售及市場推廣。彼於背光產品的銷售及市場推廣方面擁有逾10年工作經驗。加入本公司前，雍女士於2000年至2002年擔任華美電子(深圳)有限公司的銷售部主管。雍女士於1999年獲湖南廣播電視大學頒授會計專業大專學歷，並於2012年6月取得西南交通大學的工商管理碩士學位。

獨立非執行董事

歐陽天華先生，57歲，於2014年3月11日獲委任為本公司獨立非執行董事(「獨立非執董」)。

歐陽先生於1987年取得香港理工學院(現稱香港理工大學)頒發之會計專業文憑。彼為香港會計師公會及英國特許公認會計師公會資深會員，曾於香港羅兵咸會計師事務所(現稱羅兵咸永道會計師事務所)任職數年，並曾於香港之上市公司及大型私人公司任財務經理。歐陽先生於1994年成為香港執業會計師，具超過三十年核數、財務及行政管理之經驗，彼現為劉歐陽會計師事務所有限公司之董事。

歐陽先生於2006年5月獲澳科控股有限公司(股份代號：2300，其為於聯交所主板上市公司，前稱偉誠集團控股有限公司)委任為獨立非執行董事至今，於2016年8月12日，歐陽先生亦被委任為萬成環球控股有限公司(股份代號：8309，為於聯交所GEM上市公司)獨立非執行董事至今。

DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

董事、高級管理人員及僱員

Mr. Chen Kwok Wang, age 58, was appointed as INED of our Company on 11 March 2014.

Mr. Chen is currently a Partner at Messrs. Fairbairn, Catley, Low & Kong. He has been admitted as a Solicitor of the High Court since 2005. He obtained his Bachelor of Laws from the University of Wolverhampton in February 2002 and his Postgraduate Certificate in Laws from the University of Hong Kong in June 2003. Mr. Chen obtained a Bachelor of Science degree in Engineering in November 1986 and also a Master of Business Administration degree in December 1997 from the University of Hong Kong. Mr. Chen was a Member of the Hong Kong Society of Accountants (now known as Hong Kong Institute of Certified Public Accountants) in 1990.

Prior to establishing his career in the legal field, Mr. Chen worked in an international accounting firm from 1986 to 1991 as a Staff Accountant and was eventually promoted to the position of Audit Supervisor. In 1992 to 1993, Mr. Chen became an Internal Auditor at the Hong Kong branch of a bank. In 1993 to 2000, Mr. Chen worked at The Stock Exchange of Hong Kong Limited in the capacity as a Manager and was eventually promoted to the position of Senior Manager. In 2001 to 2002, Mr. Chen worked at the Securities and Futures Commission of Hong Kong as a Manager where he was responsible for day-to-day supervision of financial intermediaries. Mr. Chen was appointed as an independent non-executive director of Fujian Start Group Co., Ltd, a company listed on the Shanghai Stock Exchange (stock code: 600734), on 20 May 2014 and PPS International (Holdings) Limited, a company listed on the Stock Exchange (Stock Code 8201, a company listed on GEM of the Stock Exchange), during the period from 19 November 2014 to 30 December 2015.

陳國宏先生，58歲，於2014年3月11日獲委任為本公司獨立非執董。

陳先生現時為范紀羅江律師行的合夥人。彼自2005年獲認許為高等法院律師。彼於2002年2月取得伍爾弗漢普頓大學法律學士學位，並於2003年6月取得香港大學法學專業證書。陳先生分別於1986年11月及1997年12月自香港大學取得工程理學士學位及工商管理碩士學位。陳先生於1990年為香港會計師公會的會員。

陳先生於成立其法律事業前，於1986年至1991年曾於一間國際會計師事務所任職審計員，其後晉升為審計主任。彼於1992年至1993年為一間銀行香港分行的內部核數師。1993年至2000年，陳先生於香港聯合交易所有限公司任職經理，其後晉升為高級經理。2001年至2002年，陳先生於證券及期貨事務監察委員會任職經理，負責金融中介機構的日常監督。於2014年5月20日，陳先生獲委任為福建實達集團股份有限公司（其為於上海證券交易所上市的公司，股份代號：600734）的獨立非執行董事及於2014年11月19日至2015年12月30日期間，陳先生獲委任為寶聯控股有限公司（股份代號：8201，為於聯交所GEM上市公司）獨立非執行董事。



DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES 董事、高級管理人員及僱員

Mr. Ho Chi Wai, age 46, was appointed as INED of our Company on 11 March 2014.

Mr. Ho is currently a partner of SRF Partners & Co., CPAs. He obtained a Bachelor's degree in Business Administration from Lingnan University in November 1997 and a Master's degree in Finance from Jinan University in December 2012. He is currently a practicing certified public accountant of the Hong Kong Institute of Certified Public Accountants, a fellow of the Association of Chartered Certified Accountants, a certified tax adviser and fellow member of the Taxation Institute of Hong Kong and an associate of the Taxation Institute of Hong Kong, a fellow member of the Association of International Accountants.

Mr. Ho has over 23 years of experience in audit assurance and business consulting. Prior to his own practice in 2012, Mr. Ho worked as an Audit Senior in a local accounting firm from 1997 to 2000. From 2000 to 2010, Mr. Ho was the audit manager in a sizable accounting firm and from 2010 to 2011 he became the Principal of the group to which the said accountancy firm belonged.

Mr. Ho acted as an independent non-executive director of Capital Finance Holdings Limited (Stock Code 8239, a company listed on GEM of the Stock Exchange, formerly known as Ming Kei Holdings Limited) from June 2012 to October 2013.

Mr. Ho was appointed as an independent non-executive director of Affluent Foundation Holdings Limited (Stock Code 1757, a company listed on the Main Board of the Stock Exchange) on 13 May 2018 and Mr. Ho was appointed as an independent non-executive director of Hyfusin Group Holdings Limited (Stock Code 8512, a company listed on GEM of the Stock Exchange) on 23 June 2018.

何志威先生，46歲，於2014年3月11日獲委任為本公司獨立非執董。

何先生現為仕富圖會計師行之合夥人。彼於1997年11月取得嶺南大學工商管理學士學位，於2012年12月取得暨南大學財務學碩士學位。彼現為香港會計師公會執業會計師、英國特許公認會計師公會資深會員、香港稅務學會註冊稅務師及資深會員，國際會計師公會資深會員。

何先生擁有超過23年的審計及商業顧問相關經驗。於2012年開始執業之前，何先生於1997年至2000年在一間本地會計師事務所任職高級審計員。2000年至2010年，何先生為一具規模的會計師事務所的審計部經理，2010年至2011年，彼為該會計師事務所所屬集團的總監。

何先生於2012年6月至2013年10月為首都金融控股有限公司(股份代號：8239，為於聯交所GEM上市公司，前稱明基控股有限公司)的獨立非執行董事。

於2018年5月13日，何先生獲委任為俊裕地基集團有限公司(股份代號：1757，為於聯交所主板上市公司)的獨立非執行董事及於2018年6月23日，何先生獲委任為凱富善集團控股有限公司(股份代號：8512，為於聯交所GEM上市公司)的獨立非執行董事。

DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

董事、高級管理人員及僱員

SENIOR MANAGEMENT

Mr. Luo Zeng Chang, age 39, joined our Company since 2003 and is currently the General Manager of our Project Design Department of Shenzhen Wai Chi. Mr. Luo is responsible for supervising the designs of our products. Prior to joining our Company, Mr. Luo was a research development engineer with a small to medium size LED backlight module manufacturing company from 2002 to 2003. Mr. Luo was then employed as a senior technician at Shenzhen Wai Chi in 2003 and was the leader of our Design Project Department from 2004 to 2007. He was then appointed as the Vice General Manager of our Design Project Department at Shenzhen Wai Chi in 2008. Mr. Luo obtained a graduation certificate specializing in Mechatronics from Jiaying University in July 2001.

COMPANY SECRETARY AND CHIEF FINANCIAL OFFICER

Mr. Cheung Wai Hung, age 39, was appointed as the Chief Financial Officer of our Company on 11 March 2014 and appointed as the Company Secretary of our Company on 12 November 2015.

Mr. Cheung is responsible for our financial management other than the PRC. Mr. Cheung has over 9 years of experience in audit assurance. Prior to joining our Group, Mr. Cheung worked as audit trainee in Eric Ng & Co. from June 2003 to July 2004 and as audit manager in Jonten Hopkins CPA Limited from July 2004 to March 2014. Mr. Cheung graduated from The Hong Kong Polytechnic University with an honors degree in Bachelor of Arts in Accountancy in November 2003. He is currently a certified public accountant of the Hong Kong Institute of Certified Public Accountants, a fellow of the Association of Chartered Certified Accountants and a certified tax adviser at the Taxation Institute of Hong Kong.

Mr. Cheung was appointed as an independent non-executive director of Grand T G Gold Holdings Limited (Stock Code: 8299, a company listed on GEM of the Stock Exchange) on 27 August 2018. Mr. Cheung was appointed as an independent non-executive director of Ye Xing Group Holdings Limited (Stock Code: 1941, a company listed on Main Board of the Stock Exchange) on 17 February 2020.

高級管理人員

羅增昌先生，39歲，自2003年加入本公司，現為深圳偉志項目設計部總經理。羅先生負責監督我們產品的設計。加入本公司前，於2002年至2003年，羅先生為一間小尺寸至中尺寸LED背光模塊製造公司的研究發展工程師。羅先生其後於2003年受聘於深圳偉志作高級技師，於2004年至2007年為設計項目部主管。彼於2008年獲委任為深圳偉志設計項目部副總經理。羅先生於2001年7月取得嘉應學院機械電子學專業的畢業證書。

公司秘書及財務總監

張偉雄先生，39歲，於2014年3月11日獲委任為本公司的財務總監，並於2015年11月12日獲委任為本公司的秘書。

張先生負責中國以外地區的財務管理。張先生擁有超過9年的審計經驗。加入本集團前，張先生於2003年6月至2004年7月任職伍國偉會計師事務所的審計實習生，並於2004年7月至2014年3月任職中天運浩勤會計師事務所有限公司的審計經理。張先生於2003年11月取得香港理工大學會計（榮譽）文學士學位。張先生現為香港會計師公會註冊會計師、英國特許公認會計師公會資深會員及香港稅務學會註冊稅務師。

於2018年8月27日，張先生獲委任為大唐潼金控股有限公司（股份代號：8299，為於聯交所GEM上市公司）的獨立非執行董事。於2020年2月17日，張先生獲委任為燁星集團控股有限公司（股份代號：1941，為於聯交所主板上市公司）的獨立非執行董事。



REPORT OF THE DIRECTORS

董事會報告書

The Board of Directors is pleased to present this report and the audited consolidated financial statements of the Group for the year ended 31 December 2020 (the “**Consolidated Financial Statements**”).

PRINCIPAL PLACE OF BUSINESS

The Company was incorporated in the Cayman Islands and is domiciled in Hong Kong and has its principal place of business at 6th Floor, Liven House, Nos. 61–63 King Yip Street, Kowloon, Hong Kong.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities and particulars of the Company’s principal subsidiaries are set out in Note 37 to the Consolidated Financial Statements. There were no significant changes in the nature of the Group’s principal activities during the year ended 31 December 2020.

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 December 2020 (the “**Reporting Period**”) are set out in the Consolidated Financial Statements on pages 79 to 182 of this annual report. The Directors do not recommend the payment of a dividend and resolve not to declare any final dividend in respect of the year ended 31 December 2020.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the annual general meeting of the Company (“**AGM**”) to be held on 26 May 2021 (Wednesday), the register of members of the Company will be closed from 21 May 2021 (Friday) to 26 May 2021 (Wednesday), both days inclusive, during which period no transfer of shares will be effected. In order to be eligible to attend and vote at the AGM, all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company’s share registrar in Hong Kong, 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 20 May 2021 (Thursday). The record date for the entitlement to attend the AGM will be on 20 May 2021 (Thursday).

董事會欣然提呈本集團截至2020年12月31日止年度之年報及經審核綜合財務報表（「**綜合財務報表**」）。

主要營業地點

本公司在開曼群島註冊成立，並於香港註冊，其主要營業地點位於香港九龍觀塘敬業街61–63號利維大廈6樓。

主要業務

本公司為一家投資控股公司。本公司主要附屬公司之主要業務載於綜合財務報表附註37。於截至2020年12月31日止年度內，本集團主要業務的性質並無重大改變。

業績及股息

本集團截至2020年12月31日止年度（「**本報告年度**」）之業績乃載於本年報第79至第182頁之綜合全面收益表。董事會不建議派發亦並無議決宣佈截至2020年12月31日止年度之末期股息。

股東週年大會暫停辦理股份過戶登記手續

為確定出席於2021年5月26日（星期三）舉行之股東週年大會會上投票資格權利，本公司將於2021年5月21日（星期五）至2021年5月26日（星期三）（包括首尾兩日）期間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於會上投票，股東須於2021年5月20日（星期四）下午4時30分或以前將所有股份過戶文件，連同相關股票及轉讓表格送達本公司之香港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。出席股東週年大會資格的記錄日期為2021年5月20日（星期四）。

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group are set out in Note 16 to the Consolidated Financial Statements.

SHARE CAPITAL

Details of movements in the share capital of the Company during the year are set out in Note 30 to the Consolidated Financial Statements.

RESERVES

Movements in the reserves of the Group during the year are set out in consolidated statement of changes in equity on pages 83 to 84 of the Consolidated Financial Statements.

DISTRIBUTABLE RESERVES

As at 31 December 2020, the Company's reserves available for distribution to shareholders is approximately HK\$331,977,000 (2019: approximately HK\$331,977,000), representing the balance of share premium account which can be authorised for this purpose in accordance with the Company Law of Cayman Islands.

BORROWINGS

Details of bank and other borrowings of the Group as at 31 December 2020 are set out in Note 26 to the Consolidated Financial Statements.

GEARING RATIO

As at 31 December 2020, the gearing ratio of the Group, based on total borrowings (including bank and other borrowing, corporate bonds and lease liabilities) to the equity (including all capital and reserves) of the Company, was 49.7% (2019: 45.1%).

物業、廠房及設備

本集團本年度物業、廠房及設備之變動詳情載於綜合財務報表附註16。

股本

本公司本年度股本之變動詳情載於綜合財務報表附註30。

儲備

本集團的儲備變動詳情，載於本年報第83至第84頁綜合權益變動表。

可供分派儲備

於2020年12月31日，本公司可用於向股東派發股利之金額約為331,977,000港元（2019年：約331,977,000港元），為股份溢價賬之餘額，根據開曼群島公司法，本公司可用其股份溢價賬向股東宣告或派發股息。

貸款

本集團於2020年12月31日的銀行及其他貸款的詳情載於綜合財務報表附註26。

負債比率

於2020年12月31日，本集團之負債比率為49.7%（2019年：45.1%），該負債比率乃根據本集團借貸總額（包括銀行及其他貸款、公司債券及租賃負債）與權益（包括全部股本及儲備）之比率計算。

EMPLOYEES

As at 31 December 2020, the Group had 2,319 employees. The Group recognized the importance of maintaining good relationship with its employees and retaining competent staff to ensure operational efficiency and effectiveness. In the year ended 31 December 2020, the Group had not encountered any significant problems with its employees, and there had not been any dispute between the Group and its employees that might have caused any disruption to the Group's business or operation. The Group has had no difficulty in recruiting and retaining experienced staff. The remuneration of each employee of the Group is determined on the basis of his or her performance and responsibility. The Group provides training to employees.

The total staff costs incurred by the Group for the year ended 31 December 2020 was approximately HK\$201,109,000.

PRE-EMPTIVE RIGHTS

There are no pre-emptive rights under the Company's articles of association or the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the date of this report, the Company has maintained the percentage of public float as prescribed in the Rules governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") for the Reporting Period and at any time before and up to the date of this annual report.

僱員

於2020年12月31日，本集團共有2,319名員工。本集團深悉保持良好勞僱關係、挽留人才以確保營運效率及效能的重要性。於截至2020年12月31日年度期內，本集團與其僱員之間從未發生任何重大問題，而本集團與其僱員之間亦無任何可引致本集團的業務或營運中斷的糾紛。本集團在招聘及挽留富經驗的員工方面，並無任何困難。每位僱員的薪酬是基於其表現及職責而釐定的。本集團向員工提供培訓。

於截至2020年12月31日年度內，本集團之員工成本總金額約為201,109,000港元。

優先購買權

本公司組織章程或開曼群島之適用法律並無載列有可以迫使本公司按比例向現有股東發行新股的相關優先購買權的條文。

公眾持股量

截至本年報公佈日，根據本公司可公開取得之資料及就本公司董事會所知悉，本公司在本報告年度，及截至本年報公佈日前任何時間保持香港聯合交易所有限公司證券上市規則（「**上市規則**」）所指定之公眾持股量。

REPORT OF THE DIRECTORS 董事會報告書

DIRECTORS

The Directors of the Company during the year ended 31 December 2020 and up to and including the date of this annual report are:

Executive Directors

Mr. Yiu Chi To (*Chairman*)
Mr. Chen Chung Po (*Chief Executive Officer*)
Ms. Yiu Kwan Yu
Mr. Chen Wei Wu
Ms. Yong Jian Hui

Independent Non-executive Directors

Mr. Au Yeung Tin Wah
Mr. Chen Kwok Wang
Mr. Ho Chi Wai

In accordance with article 84(1) and 84(2) of the Company's articles of association, each of Mr. Chen Wei Wu and Ms. Yong Jian Hui, all of whom were appointed as executive directors on 11 March 2014 will retire as Directors at the forthcoming annual general meeting, and they, being eligible, will offer themselves for re-election thereat.

In accordance with article 84(1) and 84(2) of the Company's articles of association, each of Mr. Au Yeung Tin Wah, Mr. Chen Kwok Wang and Mr. Ho Chi Wai, all of whom were appointed as independent non-executive directors on 11 March 2014 will retire as Directors at the forthcoming annual general meeting, and they, being eligible, will offer themselves for re-election thereat.

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the Directors of the Company and senior management of the Group as at the date of this annual report are set out on pages 23 to 28 of this annual report.

董事

截至2020年12月31日及直至及包括本年報日期，本公司在任董事如下：

執行董事

姚志圖先生 (*主席*)
陳鐘譜先生 (*行政總裁*)
姚君瑜女士
陳緯武先生
雍建輝女士

獨立非執行董事

歐陽天華先生
陳國宏先生
何志威先生

按照本公司的組織章程細則第84(1)及84(2)條，陳緯武先生及雍建輝女士於2014年3月11日獲委任為執行董事，各自將在即將召開的股東周年大會退任董事，而他們均合資格及願意膺選連任。

按照本公司的組織章程細則第84(1)及84(2)條，歐陽天華先生、陳國宏先生及何志威先生於2014年3月11日獲委任為獨立非執行董事，各自將在即將召開的股東周年大會退任董事，而他們均合資格及願意膺選連任。

董事及高級管理人員之履歷

於本年報日期，本公司董事及本集團高級管理人員之履歷詳情載於本年報第23至第28頁。

DIRECTORS' SERVICE CONTRACTS

Each of Mr. Yiu Chi To, Mr. Chen Chung Po and Ms. Yiu Kwan Yu has entered into a service agreement with the Company for three years from 16 August 2019, and each of the service agreements may be terminated by either party by giving not less than three months' written notice.

Each of Mr. Chen Wei Wu and Ms. Yong Jian Hui has entered into a service agreement with the Company for three years from 11 March 2020, and each of the service agreements may be terminated by either party by giving not less than three months' written notice.

Each of Mr. Au Yeung Tin Wah, Mr. Chen Kwok Wang and Mr. Ho Chi Wai has entered into a letter of appointment with the Company for a term of two years commencing from 11 March 2020 and each of the letters of appointment may be terminated by either party by giving not less than two months' written notice.

Save as disclosed above, none of the Directors has a contract of service with the Company or any of its subsidiaries not determinable by the employing company within one year without payment of compensation (except for statutory compensation).

The emoluments of the Directors and senior management of the Group are determined by the Remuneration Committee with reference to their relevant qualifications, experience, competence and the prevailing market conditions. None of the Directors waived or agreed to waive any emoluments during the year ended 31 December 2020.

Details of the Directors' remuneration of the Group as at the date of this annual report are set out in Note 13 to the Consolidated Financial Statements.

DIRECTORS' INTERESTS IN CONTRACTS

No contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries and fellow subsidiaries 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.

董事的服務合約

姚志圖先生、陳鐘譜先生及姚君瑜女士已各自與本公司訂立服務協約，任期自2019年8月16日起計為期3年，並可由任何一方發出不少於3個月書面通知而予以終止。

陳緯武先生及雍建輝女士已各自與本公司訂立服務協約，任期自2020年3月11日起計為期3年，並可由任何一方發出不少於3個月書面通知而予以終止。

歐陽天華先生、陳國宏先生及何志威先生已各自與本公司訂立委任書，任期自2020年3月11日起計為期2年，並可由任何一方發出不少於2個月書面通知而予以終止。

除上文披露者外，董事概無與本公司或其附屬公司訂立任何不可於1年內由僱主終止而毋須支付賠償（法定賠償除外）之服務合約。

本公司董事及高級管理人員的酬金，由薪酬委員會釐定，根據其專業資格、經驗、能力及市場情況作基準。於截至2020年12月31日止年度，概無董事放棄或同意放棄任何酬金。

於本年報日期，本公司董事之薪酬詳情載於綜合財務報告附註13。

董事的合約利益

本公司董事概無於由本公司或任何附屬公司或同系附屬公司訂立並任何在年底及年內任何時間仍然存在，對本集團業務而言屬重大之合約中，直接或間接擁有重大權益。

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year ended 31 December 2020 were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or their respective spouse or minor children (under 18 years of age), or were any such rights exercised by them; or was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries, a party to any arrangement whose objectives are to enable a Director of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

None of the Directors is or was interested in any business apart from the Group's business, that competes or competed or is or was likely to compete, either directly or indirectly, with the Group's business at any time during the year ended 31 December 2020 and up to and including the date of this annual report.

CONTROLLING SHAREHOLDERS AND DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Save as disclosed under the sub-section headed "Connected Transaction" below and "Related Party Transactions and Balances" in Note 33 to the Consolidated Financial Statements, no contract of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which a Director or a controlling shareholder had a material interest, whether directly or indirectly, subsisted at the end of the year ended 31 December 2020 or at any time during the year.

董事購買股份或債券的權利

截至2020年12月31日止年度內任何時間，任何董事或彼等各自的配偶或未成年子女概無獲授或行使可透過購買本公司股份或債券獲益的權利，而本公司、其控股公司或其任何附屬公司或同系附屬公司亦無參與任何安排，旨在使本公司董事可以通過收購於本公司或任何其他實體公司之股份或債券而獲益。

董事於競爭業務中之權益

截至2020年12月31日止年度以及直至及包括本年報刊發日期內任何時間，除本集團業務外，董事目前或過往概無於與本集團業務構成或可能構成直接或間接競爭的業務中擁有權益。

控股股東及董事於重大合約之權益

本公司或其任何附屬公司概無訂立與本集團業務有關，而董事或控股股東在其中直接或間接擁有重大利益並於截至2020年12月31日之財政年度結束時或其間任何時間仍然有效的任何重大合約，惟下文「關連交易」分節及綜合財務報表附註33「關連人士交易及結餘」所披露者除外。



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

As at 31 December 2020, the interests and short positions of the directors and chief executive personnel of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)), as recorded in the register required to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (“Model Code”) contained in Appendix 10 to the Listing Rules were as follows:

Name of Director 董事姓名	Capacity/nature of interest 身份／權益性質	Number and class of securities 證券數目及類別 (Note 2) (附註2)	Approximate percentage of shareholding 股權概約百分比
Mr. Yiu Chi To (Note 1) 姚志圖先生(附註1)	Beneficial owner 實益擁有人	128,120,000 (L)	59.09%

Notes:

- Mr. Yiu Chi To holds 100% of the issued share capital of Rexell Technology Company Limited, which is the controlling shareholder holding approximately 59.09% of the issued share capital of the Company.
- The letter “L” denotes the Directors’ long position in the shares of the Company or the relevant associated corporation.

Save as disclosed above, as at 31 December 2020, none of the Directors and chief executive personnel of the Company had or was deemed to have any interests or short position in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest or short positions which they had taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

董事及主要行政人員所擁有公司及其相聯法團的股份、相關股份及債券之權益及淡倉

於2020年12月31日，本公司董事及主要行政人員於本公司及其相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)的股份、相關股份及債權證中，擁有本公司須根據證券及期貨條例第352條記入所存置登記冊內或須根據上市規則附錄10所載上市發行人董事進行證券交易的標準守則(「標準守則」)另行知會本公司及聯交所的權益及淡倉如下：

附註：

- 姚志圖先生全資擁有銳士科技有限公司，而銳士科技有限公司擁有本公司約59.09%股權，為本公司的控股股東。
- 英文字母「L」代表董事於本公司或有關相聯法團股份中的好倉。

除上文披露者外，於2020年12月31日，董事及本公司主要行政人員概無於本公司及其相聯法團(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，擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益或淡倉(包括根據證券及期貨條例的有關條文被當作或視為擁有的權益及淡倉)，或根據證券及期貨條例第352條須記錄於該條所述登記冊的權益或淡倉，或根據標準守則須知會本公司及聯交所的權益及淡倉。

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PARTIES IN THE SHARES, UNDERLYING SHARES OF THE COMPANY

As at 31 December 2020, so far as the directors and chief executive officer of the Company were aware, the following persons and corporations (excluding the directors and chief executive officer of the Company) had interests or short positions in any of the shares or underlying shares of the Company which were required to be notified to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, as recorded in the register required to be kept by the Company under section 336 of the SFO, or who was, directly or indirectly, interested in 5% or more of the shares of the Company.

主要股東及其他人士於本公司股份及相關股份中的權益及淡倉

於2020年12月31日，就本公司董事及行政總裁所知，以下人士及法團（本公司董事及行政總裁以外）於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部的條文規定須知會本公司及聯交所的權益或淡倉，根據證券及期貨條例第336條須於本公司存置的登記冊內記錄的權益或淡倉，或直接或間接於本公司股份中擁有5%或以上的權益。

Name of Shareholder 股東姓名	Capacity/nature of interest 身份／權益性質	Number of shares held 所持股份數目	Approximate percentage of issued share capital 已發行股本之概約百分比
Rexell Technology Company Limited (Note 1) 銳士科技有限公司(附註1)	Beneficial owner 實益擁有人	128,120,000	59.09%
Mr. Yiu Chi To (Note 2) 姚志圖先生(附註2)	Interest of a controlled corporation 於受控法團的權益	128,120,000	59.09%
Ms. Luk Fong (Note 3) 陸方女士(附註3)	Interest of spouse 配偶權益	128,120,000	59.09%

Notes:

- Rexell Technology Company Limited directly holds 128,120,000 shares representing approximately 59.09% of the issued share capital of the Company.
- Mr. Yiu Chi To is the legal and beneficial owner of all the issued shares of Rexell Technology Company Limited and is therefore deemed to be interested in all the shares of the Company held by Rexell Technology Company Limited under the SFO.
- Ms. Luk Fong, as the spouse of Mr. Yiu Chi To, is deemed to be interested in the shares held by Rexell Technology Company Limited by virtue of the SFO.

附註：

- 銳士科技有限公司直接持有128,120,000股份，代表公司已發行股本的約59.09%。
- 姚志圖先生為銳士科技有限公司全部已發行股份的合法和實益擁有人，故此，根據證券及期貨條例，姚志圖先生被視為在所有銳士科技有限公司持有本公司股份中擁有權益。
- 陸方女士為姚志圖先生的配偶，根據證券及期貨條例，陸女士被視為擁有銳士科技有限公司所持股份的權益。

DIRECTORS' INDEMNITIES AND INSURANCE

As permitted by the articles of association of the Company, a director of the Company may be indemnified out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which the director shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of his or her duty as a director of the Company, to the extent permitted by law. Such permitted indemnity provision has been in force since the adoption of the articles of association of the Company on 27 October 2014 and is currently in force at the time of approval of this report.

The Company has also taken out and maintained directors' and officers' liability insurance throughout the year, which provides appropriate cover for certain legal actions brought against its directors and officers.

DEED OF NON-COMPETITION

Each of the controlling shareholders has confirmed to the Company of its/his compliance with the terms and undertakings of the deed of non-competition provided to the Company under the Deed of Non-competition (as defined in the Company's prospectus dated 4 November 2014). The INEDs of the Company have reviewed the status of compliance and confirmed that all the terms and undertakings under the Deed of Non-competition have been complied with by the controlling shareholders.

SUMMARY OF FINANCIAL INFORMATION

A summary of the published results and of the assets and liabilities of the Group for the last five financial years is set out on page 184 of this annual report.

CONNECTED TRANSACTION

During the year ended 31 December 2020, the Group has had continuing connected transactions under Chapter 14A of the Listing Rules, which are exempt from the connected transaction requirements under Rule 14A.76 of the Listing Rules. Details of the significant transactions with related parties are set out in Note 33 to the consolidated financial statements.

董事的彌償及保險

本公司組織章程細則允許本公司董事可在法律允許的範圍內，因應其履行作為本公司董事的責任時所作出、贊同或遺漏的行動而引致該董事需要或可能承受的行動、成本、費用、損失、損害或支出、可從本公司的資產或利潤中獲得補償。此等允許的彌償條款於2014年10月27日本公司採納的組織章程細則後及至於批准本報告時仍為有效。

本公司於年內已購買及維持董事及高級職員責任保險，為其董事及高級職員面對若干法律行動時提供適當的保障。

不競爭契約

各控股股東已向本公司確認其已遵守根據不競爭契約（定義見本公司於2014年11月4日刊發的招股章程）而向本公司提供的條款及承諾。本公司的獨立非執董已審查其遵守不競爭契約的情況，並確認控股股東已遵守該等條款及承諾。

財務報表概要

本集團過去五個財政年度已發表的業績及資產和負債之概要載於本年報第184頁。

關連交易

截至2020年12月31日止年度，根據上市規則第14A章，本集團涉及構成上市規則項下的持續關連交易。按照上市規則第14A.76條，該持續關連交易可獲豁免遵守關連交易規定。與關聯方進行的重大交易的詳情載於綜合財務報表附註33。

MAJOR SUPPLIERS AND CUSTOMERS

During the year ended 31 December 2020, the largest supplier accounted for 10% of the Group's purchases and the five largest suppliers accounted for 29% of the Group's total purchases. The largest customer accounted for 34% of the Group's revenue and the five largest customers accounted for 63% of the Group's total revenue.

To the best of the Directors' knowledge, none of the Directors, their associates or any shareholders (which to the knowledge of the Directors owns more than 5% of the Company's share capital) has an interest in the Group's five largest suppliers and customers.

CHARITABLE DONATIONS

Charitable donations made by the Group during the year amounted to approximately HK\$27,000 (2019: approximately HK\$135,000).

CORPORATE BOND

Details of movement in corporate bond issued by the Company during the year are set out in Note 28 to the Consolidated Financial Statements.

CONFIRMATION OF INDEPENDENCE

The Company has received from each of the INEDs an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules and considers all the INEDs to be independent.

REPURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARES

During the year ended 31 December 2020, neither the Company nor any of its subsidiaries had purchased or redeemed any of the listed shares of the Company.

主要供貨商及客戶

於截至2020年12月31日止年度，本集團最大供貨商及首5大供貨商分別佔本集團總採購額10%及29%。本集團最大客戶及首5大客戶分別佔本集團總營業額34%及63%。

就本公司各董事所知，概無任何本公司各董事、聯繫人士或據董事所知擁有本公司股本5%以上權益之任何股東概無實益擁有任何本集團首5大供貨商及客戶之權益。

慈善捐款

本集團於年內撥出之慈善捐款約27,000港元（2019年：約135,000港元）。

公司債券

本公司本年度發行公司債券之變動詳情載於綜合財務報表附註28。

獨立性確認

本公司已接獲各獨立非執行董事根據上市規則第3.13條發出的年度獨立性確認書，並認為全體獨立非執行董事均為獨立人士。

購回、出售或贖回本公司股份

截至2020年12月31日止年度內，本公司或其任何附屬公司概無購回或贖回本公司任何上市證券。

DIVIDEND POLICY

The Board considers sustainable returns to shareholders to be one of the main objectives. Stable dividend payment to shareholders is the primary objective of the Company. The basic policy is to pay interim and final dividends in each financial year.

Under the applicable laws of the Cayman Islands and the Articles of Association of the Company, all of the shareholders have equal rights to dividends and distributions. The Board determines the interim dividend and recommends the final dividend which requires the approval of shareholders. In addition to cash, dividends may be distributed in the form of shares. Any distribution of shares also requires the approval of shareholders.

Retained surplus is used to achieve further gains in corporate value. For this purpose, the Board makes effective use of retained surplus to strengthen the operating base and fund growth of established businesses and the development of new businesses. The Board takes into account the following factors when considering the declaration and payment of dividends:

- liquidity position of the Company;
- financial results;
- shareholders' interests;
- general business conditions and strategies;
- capital requirements;
- contractual restrictions on the payment of dividends by the Company to the shareholders or by the subsidiaries to the Company, if any;
- taxation considerations;
- possible effects on the creditworthiness;
- statutory and regulatory restrictions; and
- any other factors the Board may deem relevant.

The Company will not declare any dividend(s) where:

- there are reasonable grounds for believing that the Company is or would be, after a dividend payment, unable to pay its liabilities or discharge its obligations as and when they become due;
- pursuant to dividend decision date, the Company is insolvent or bankrupt or where, as a result of paying dividends, the Company would be rendered insolvent or bankrupt; or
- there is any other case set forth by any law.

股息政策

董事會認為可持續的股東回報是主要目標之一。向股東支付穩定的股息是本公司的主要方針。基本政策是在每個財政年度支付中期和末期股息。

根據開曼群島的適用法律及本公司的組織章程細則，所有股東享有股息及分派的平等權利。董事會所釐定之中期股息及建議末期股息需要股東批准。除現金外，股息可以股份形式分派，任何股份分派亦需要股東批准。

保留溢利是用於達成企業價值的進一步增長。為此，董事會會有效地運用保留溢利以加強業務基礎、為增長現有業務和發展新業務提供資金。董事會在考慮宣派及派付股息時，會考慮以下因素：

- 本公司的流動資金狀況；
- 財務業績；
- 股東利益；
- 一般商業條件和戰略；
- 資本需要；
- 本公司向股東或附屬公司向本公司支付股息的合約限制(如有)；
- 稅務考慮；
- 對信譽的潛在影響；
- 法定和監管限制；及
- 董事會可能認為相關的任何其他因素。

本公司在以下情況下將不會宣派任何股息：

- 有合理理由相信本公司在支付股息後出現或將會出現無法償還其到期債務或無法履行其到期責任；
- 根據股息釐定日期，本公司無力償債或破產、或因支付股息而導致本公司無力償債或破產；或
- 任何法律規定之任何其他情況。

CORPORATE GOVERNANCE

The Company and its management are committed to maintain good corporate governance with an emphasis on the principles of transparency, accountability and independence to all shareholders. The Company believes that good corporate governance is essential for continual growth and enhancement of shareholder's value. For the year ended 31 December 2020, due to the effect of COVID-19, the chairman of the Company is not able to attend meeting with INED and the Annual General Meeting by person as he stayed in the PRC, and thus the Company is not able to comply with the requirement under A.2.7 and E.1.2 of the Corporate Governance Code and Corporate Governance Report as set out in Appendix 14 (the “**CG Code**”) to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”). Besides the above, the Company has complied with all the other applicable code provisions of the CG Code. The Company periodically reviews its corporate governance practices with reference to the latest development in corporate governance. The Group's principal corporate governance practices and compliance with code provisions are set out in the Corporate Governance Report on pages 42 to 61 of this annual report.

ENVIRONMENTAL AND CORPORATE SOCIAL RESPONSIBILITIES

During the Reporting Period, the Group is committed to promoting the long-term, steady and sustainable development of employees, environmental protection and social responsibilities on a continuous basis.

The Group's environmental policies and performance are set out in the Environmental, Social and Governance Report on pages 62 to 71 of this annual report.

AUDIT COMMITTEE

The Audit Committee had reviewed with the management the Group's consolidated financial statements for the year ended 31 December 2020, the accounting principles and practices adopted and discussed auditing, internal controls and financial reporting matters.

企業管治

本公司及其管理層承諾維持良好的企業管治，著重於對全體股東的透明度、問責性及獨立性的原則。本公司相信良好的企業管治對達致持續增長及提升其股東價值實為重要。截至2020年12月31日止年度（「**2020年財政年度**」）。由於新冠病毒疫情問題，集團主席身處內地，未能往返香港與獨立非執董進行會議及未能出席週年股東大會，因此未能符合上市規則附錄14所載的企業管治守則（「**企業管治守則**」）第A.2.7條及第E.1.2條，除此之外，本公司已遵從所有通用守則條文。本公司參考企業管治的最新發展並定期審閱其企業管治常規。本公司參考企業管治的最新發展並定期審閱其企業管治常規。本集團的主要企業管治常規及遵守規定的詳情載於本年報第42至第61頁的企業管治報告內。

環境及企業社會責任

本集團於報告期內不斷致力於推行從僱員、環境保護以及社會責任的長期、穩定和可持續發展。

有關本集團環境政策及表現之詳情載於本年報第62至71頁的環境、社會及管治報告內。

審核委員會

審核委員會已與管理層審閱本集團截至2020年12月31日止年度的綜合財務報表，所採納的會計原則及慣例，並就審核、內部監控及財務報告事宜進行磋商。

AUDITOR

The Consolidated Financial Statements have been audited by SHINEWING (HK) CPA Limited (“**SHINEWING**”). A resolution to re-appoint SHINEWING as our auditor will be submitted for shareholders’ approval at our forthcoming AGM.

On behalf of the Board of Directors

Mr. YIU Chi To

Executive Director and Chairman

Hong Kong, 26 March 2021

核數師

信永中和已審核綜合財務報表。本公司將於應屆股東週年大會上提呈一項決議案，供股東批准續聘信永中和(香港)會計師事務所有限公司(「**信永中和**」)為本公司核數師。

代表董事會

姚志圖

執行董事及主席

香港，2021年3月26日

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE CODE

The Company is committed to maintaining high standards of corporate governance (“CG”). The Board believes that adherence to CG practices will definitely be beneficial to the Company’s shareholders in the long term. For the year ended 31 December 2020 (“FY2020”), the Company has applied the principles due to the effect of COVID-19, the chairman of the Company is not able to attend meeting with INED and the Annual General Meeting by person as he stayed in the PRC, and thus the Company is not able to comply with the requirement under A.2.7 and E.1.2 of the CG Code. Besides the above, the Company has complied with all the other applicable code provisions of the Corporate Governance Code (the “CG Code”) as set out in Appendix 14 to the Listing Rules in force at that time.

The Board considers that good CG is central to safeguarding the interests of the shareholders and enhancing the performance of the Group. The Board will continuously review and improve the CG practices and standards of the Company to ensure that business activities and decision making processes are regulated in a proper and prudent manner.

With a view to further improving the Company’s CG practices, the following actions were taken in 2020:

- Appointment of INEDs with appropriate professional accounting qualifications and financial management experience with regulatory entities to further broaden the collective knowledge, perspectives and skills of the Board.
- All members of the Audit Committee are INEDs and all of them have appropriate professional accounting qualifications and financial management experience.
- Provision of internal training to the Board through implementing a continuous professional development programme.
- To adopt Board diversity policy in order to diversify the composition of the Board so as to recognize and embrace the benefits of having a diverse Board and to enhance the quality of its performance. In designing the Board’s composition with regard to Board diversity, the Board has taken into account a number of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service.

企業管治守則

本公司致力維持高水平之企業管治（「企業管治」）。董事會相信，謹守企業管治守則必定為本公司股東帶來益處。截至2020年12月31日止年度（「2020年財政年度」），本公司已採納上市規則附錄14所載的企業管治守則（「企業管治守則」）。由於新冠病毒疫情問題，集團主席身處內地，未能往返香港與獨立非執董進行會議及未能出席週年股東大會，因此未能符合企業管治守則第A.2.7條及第E.1.2條，除此之外，本公司已遵從所有適用守則條文。

董事會認為，良好的企業管治是保障股東權益及提升本集團的表現之核心。董事會將不斷檢討及改善本公司之企業管治常規及標準，以確保業務活動及決策過程符合規管和審慎的態度。

為進一步改善本公司的企業管治常規，在2020年採取了以下行動：

- 委任具備適當專業會計資格及監管實體財務管理經驗的獨立非執董，以擴大董事會的集體知識、觀點和技能。
- 審計委員會的所有成員均為獨立非執董及所有成員已有專業會計資格及財務管理經驗。
- 透過採用持續專業發展程序，向董事會提供內部培訓。
- 董事會採取多元化政策，承認和接受其好處，使董事會多元化以提高其性能質量。在設計董事會的成員多樣化方面，董事會一直認為該從多個方面考慮，包括但不限於性別、年齡、文化和教育背景、種族、專業經驗、技能、知識和工齡。

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as the code of conduct regarding securities transactions by Directors. Pursuant to specific enquiry by the Company, all the Directors have confirmed that they have complied with the required standards regarding directors' securities transactions as set out in the Model Code and its code of conduct during the FY2020.

THE BOARD

The Board is mainly responsible for the overall strategic development of and is also responsible for monitoring the financial performance, risk management and the internal controls of the Group. With a wide range of expertise and a balance of skills, the INEDs bring independent judgment on issues of strategic direction, development, performance and risk management through their contribution at Board meetings and committee work.

Distinctive Roles of the Board and the Management

The Board has the collective responsibility for leadership and control of, and for promoting the success of, the Group by directing and supervising the Group's affairs. The Board is responsible for determining the overall strategy and corporate development and ensuring the business operations are properly monitored. The Board reserves the right to decide all policy matters of the Group and material transactions.

While at all times the Board retains full responsibility for guiding and monitoring the operations of the Group, in discharging its duties, certain responsibilities are delegated to:

- i) the standing Board committees of the Company namely: the Audit Committee, the Nomination Committee, the Remuneration Committee and the Risk Management Committee. Each committee's constitution, powers and duties are clearly defined by its terms of reference, and the committees are accountable to the Board;
- ii) the Chief Executive Officer, being delegated with the day-to-day management of the businesses of the Group, is accountable to the Board; and
- iii) the senior management team of the Group, being delegated with the responsibilities to deal with daily operational functions, is answerable to the Board.

The Board regularly reviews its arrangement for delegation of authority to ensure that such delegation is appropriate in view of the Company's prevailing circumstances and that appropriate reporting systems are in place.

董事進行證券交易的操守指引

本公司已採納標準守則為本公司董事進行證券交易的操守指引。經本公司特別查詢後，全體董事已確認彼等在2020年財政年度內已遵守操守指引所載有關董事進行證券交易的標準及其本身所訂有關的行為守則。

董事會

董事會主要負責本集團的整體策略發展，及負責監察財務表現，風險管理及本集團之內部監控。憑藉廣泛的專業知識和平均的技能，獨立非執行董事（「獨立非執董」）能就通過其在董事會會議及委員會的工作策略方針、發展、業績及風險管理作出獨立判斷。

董事會及管理層之角色區分

董事會透過指示及監督本集團事務，共同負責領導及監控本集團，以促進本集團之成就。董事會負責釐定整體策略和企業發展方針，確保業務營運獲妥善監察。董事會保留關於本集團所有政策事宜及重要交易之決策權。

儘管董事會一直承擔指引及監察本集團營運的全部責任，惟於董事會履行其職責時，亦已指派若干責任予：

- i) 本公司的常務董事委員會：審核委員會、提名委員會、薪酬委員會及風險管理委員會。各委員會的章程、權力及職責均以書面職權範圍清楚界定，並須向董事會負責；
- ii) 行政總裁，其獲指派管理本集團業務的日常管理，並須對董事會負責；及
- iii) 本集團的高級管理團隊，其獲指派處理日常營運工作的責任，並須對董事會負責。

董事會定期檢討其授權安排，以確保有關授權適合本公司的現行狀況及設有合適的申報系統。

THE BOARD (continued)

Appointment and re-election of Directors

All of the Directors have entered into service agreements or letters of appointment and the details of their terms are set out in the Report of the Directors on pages 29 to 41 of this annual report. At each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years. A retiring Director shall be eligible for re-election and shall continue to act as a Director throughout the meeting at which he retires. Retiring Directors are eligible for re-election and re-election of retiring Directors at the annual general meeting is dealt with by separate resolutions for each individual Director. Where vacancies arise at the Board, candidates will be proposed and put forward to the Board by the Nomination Committee as more fully explained below in the section on Nomination Committee. Any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting after his appointment and be subject to re-election at such meeting.

Board Composition

As at the date of this report, the Board is composed of five executive Directors and three INEDs, as shown on page 3 of this annual report. Biographies of the Company's Directors are shown on pages 23 to 28 of this annual report.

INEDs ensure the Board accounts for the interests of all shareholders and considers major issues objectively. The Board has received from each INED an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Board considers all of the INEDs to be independent. INEDs represent 37.5% of the full Board.

To the best of the Directors' knowledge, there is no financial, business and family relationship among members of the Board except that Mr. Yiu Chi To is the father of Ms. Yiu Kwan Yu and father-in-law of Mr. Chen Chung Po and that Mr. Chen Chung Po and Ms. Yiu Kwan Yu are a married couple.

Chairman and the Chief Executive Officer

The Chairman of the Board ("**Chairman**") and the Chief Executive Officer ("**CEO**") are Mr. Yiu Chi To and Mr. Chen Chung Po, respectively.

董事會(續)

董事委任及重選

所有董事均簽訂服務協約或委任書，相關條款載於本年報第29至第41頁董事會報告書內。於每屆股東週年大會上，按當時在任董事人數計三分之一（或倘董事人數並非三的倍數，則最接近但不少於三分之一的數目）的董事須輪值退任，惟每位董事須至少每三年於股東週年大會輪值告退一次。退任董事可重選連任，並於其告退的整個大會上仍繼續擔任董事。退任董事有資格重選。於股東週年大會上，重選退任董事乃按個別決議案單獨進行。誠如下文提名委員會一節更全面的列述，倘董事局產生空缺，候選人會由提名委員會向董事局建議及提呈。任何獲董事會委任以填補臨時空缺的董事任期將直至其獲委任後首屆股東大會為止，並於該大會上重選連任。

董事會組合

於本報告日期，董事會有五名執行董事及三名獨立非執董如本年報第3頁所載。本公司董事之履歷乃載於本年報第23至28頁。

獨立非執董確保董事會為所有股東的利益負責，並就重大議題作出客觀考慮。董事會已根據上市規則第3.13條取得各獨立非執董之年度確認，以確認其獨立性。董事會認為所有獨立非執董均具獨立性。獨立非執董佔全董事會的37.5%。

據董事所知，除了姚志圖先生為姚君瑜女士的父親及陳鐘譜先生的岳父，以及陳鐘譜先生與姚君瑜女士為夫婦之外，董事會成員之間概無任何財務、業務或家族關係。

主席及行政總裁

董事會主席（「**主席**」）及行政總裁（「**行政總裁**」）分別是姚志圖先生及陳鐘譜先生。

THE BOARD (continued)

Induction, Information and ongoing Development

All Directors have been kept informed on a timely basis of major changes that may have affected the Group's businesses, including relevant rules and regulations. In addition, the Group has implemented a continuing development programme to update the Directors (in particular INEDs) on the macro-economic conditions and business environment relevant to the Group's major operations.

In addition to the above, each newly-appointed Director has received a tailored induction programme, which covered briefing on the Company's overview by the CEO, meeting with the management and the Company's external legal adviser on directors' legal role and responsibilities. To further maximize the contribution from INEDs, the Company arrange at least one separate meeting between the Chairman and INEDs each year to address business and related issues. Due to the effect of COVID-19, the Chairman was not able to visit Hong Kong to attend such meeting with INEDs. The Company may arrange such meeting according to the progress of recovery from effect of COVID-19 or consider to arrange such meeting in video conference format. Written procedures are also in place for Directors to seek independent professional advice in performing their duties at the Company's expense. No request was made by any Director for such independent professional advice during the FY2020.

During the FY2020, all Directors have participated in continuous professional development to develop and refresh their knowledge and skills in accordance with code provision A.6.5 contained in the CG Code. Each of the Directors has received a series of training locally or overseas. Relevant trainings and briefings included, among others:

- development of national and global economy;
- national policy outlook;
- corporate governance;
- regulatory updates; and
- LED backlight and lighting industry development trend, etc.

董事會(續)

培訓、資訊和持續發展

所有董事均及時了解可能影響本集團業務的重大變化，包括相關規則及法規。此外，本集團已實行了一個持續發展課程，向董事(特別是獨立非執董)更新與本集團主要業務相關的宏觀經濟情況和商業環境的最新消息。

除上述外，每位新委任董事收到量身定制的培訓課程，其中包括由集團行政總裁介紹本公司的概述，就董事之法定角色及職能與管理層及外部法律顧問會面。為了進一步提升獨立非執董的貢獻，本公司安排集團主席及獨立非執董之間每年最少與行一次會議，以討論業務及相關問題。由於新冠肺炎疫情影響，集團主席於2020年未能到香港與各獨立非執董進行相關會議，本公司會視乎疫情之進展，盡快安排相關會議，或考慮以其他視訊方面與行相關會議。董事為履行其職責，亦可按書面程序尋求獨立專業意見，費用由本公司支付。在2020年財政年度沒有任何董事請求上述獨立專業意見。

根據企業管治守則第A.6.5條，在2020財政年度內，所有董事均已參加持續專業發展，以發展和更新他們的知識和技能。每名董事獲得了一系列的本地或海外培訓，相關的培訓和簡報包括：

- 國家和全球經濟的發展；
- 國家政策的前景；
- 企業管治；
- 最新的監管規定；及
- LED背光及照明行業的發展趨勢，等等。

THE BOARD (continued)

Induction, Information and ongoing Development (continued)

All Directors have also provided to the Company their records of training attended or fulfillment of ongoing development requirements for the FY2020, the information of which has been entered in the register of directors' training records maintained and updated by the Company from time to time. The following table summarises the compliance status of all Directors of the Company in respect of code provision A.6.5 during the FY2020:

Name of Directors	董事姓名	In compliance with Code A.6.5 遵守守則第A.6.5條
Executive Directors		
Mr. Yiu Chi To (<i>Chairman</i>)	姚志圖先生 (主席)	✓
Mr. Chen Chung Po (<i>Chief Executive Officer</i>)	陳鐘譜先生 (行政總裁)	✓
Ms. Yiu Kwan Yu	姚君瑜女士	✓
Mr. Chen Wei Wu	陳緯武先生	✓
Ms. Yong Jian Hui	雍建輝女士	✓
Independent non-executive Directors		
Mr. Au Yeung Tin Wah	歐陽天華先生	✓
Mr. Chen Kwok Wang	陳國宏先生	✓
Mr. Ho Chi Wai	何志威先生	✓

Role and Responsibilities of the Board

The Board delegates appropriate aspects of its management and administrative functions to the management. It also gives clear directions as to the powers of the management, in particular, with respect to the matters that the management must report back and obtain prior approval from the Board before making decisions or entering into any commitments on behalf of the Company. The Board determines on a regular basis which functions are reserved to the Board and which are delegated to the management.

董事會 (續)

培訓、資訊和持續發展 (續)

所有董事還對本公司提供了2020年財政年度他們已出席的培訓或符合持續發展要求的記錄，其中的信息已經記錄於本公司備存及不時更新的董事培訓記錄登記冊內。下面表格總結了按照守則第A.6.5條於2020年財政年度本公司全體董事的遵守情況：

董事會之角色及職能

董事會就其管理及行政職能適當地授權予管理層。董事會亦就管理層之權力給予清晰指引，尤其對於管理層作出決定或訂立任何承擔前必須向董事會匯報及獲得董事會事前批准的事項。董事會定期釐定由董事會保留及授權予管理層之職能。

THE BOARD (continued)

Role and Responsibilities of the Board (continued)

The Board exercises a number of duties and powers which include:

- formulating the Group's long-term strategy;
- approving major acquisitions, disposals and capital investment;
- reviewing operational and financial performance;
- approving financial results and public announcements;
- reviewing the effectiveness of risk management and internal control;
- authorizing material borrowings;
- setting dividend policy;
- approving appointment of members to the Board and senior management; and
- setting the Group's remuneration policy and human resources deployment.

To assist in fulfilling its duties and responsibilities, the Board has established four committees, namely the audit committee, the remuneration committee, the nomination committee, and the risk management committee.

Board Processes

All Directors have been regularly updated on governance and regulatory matters. There is an established procedure for Directors to obtain independent professional advice at the expense of the Company in the furtherance of their duties. The Company has also taken out appropriate director and officer liability insurance against liabilities that may be incurred as a result of potential legal actions that might be taken against the Directors.

董事會(續)

董事會之角色及職能(續)

董事會行使的職權包括：

- 制定本集團長遠策略；
- 批准主要收購、出售及資本投資；
- 檢討經營及財務表現；
- 批准財務業績及公佈；
- 檢討風險管理及內部監控成效；
- 審批重大借貸；
- 制訂股息政策；
- 批准委任董事會及高級管理層成員；及
- 制訂本集團之薪酬政策及人力資源調配。

為協助達成其職務及責任，董事會已成立四個屬下委員會，即審核委員會、薪酬委員會、提名委員會及風險管理委員會。

董事會程序

全體董事均定期獲得有關管治及監管事宜的更新信息。董事可按照既定程序尋求獨立專業意見以協助履行其責任，有關費用由本公司支付。本公司亦已就董事可能面臨法律行動的風險，購買適當的董事及行政人員責任保險。

THE BOARD (continued)

Board Processes (continued)

The Board meets regularly throughout the year to review the overall strategies and monitor the operations as well as the financial performance of the Group. The Chairman mainly focuses on Group strategies and is responsible for chairing and managing the efficient operation of the Board and ensuring that all key issues are considered by the Board in a timely manner. Notice of at least 14 days has been given to all Directors for all regular Board meetings and the Directors can include matters for discussion in the agenda whenever they consider appropriate and necessary. Agenda and accompanying Board papers in respect of regular Board meetings are despatched in full to all Directors within a reasonable time before the meeting, and in any case, at least 3 days before the intended date of the meeting or such other period as agreed before the meeting. Directors have to declare their direct or indirect interests, if any, in any proposals or transactions to be considered by the Board at Board meetings and abstain from voting as appropriate. Draft minutes of all Board meetings are circulated to Directors for comment within a reasonable time prior to finalisation of the same. Final versions of the minutes are also circulated to Directors for record within a reasonable time after the Board meeting is held.

Minutes of Board meetings and meetings of Board committees are kept by the Company Secretary. All Directors have free access to Board papers and related materials, and are provided with adequate information in a timely manner, enabling the Board to make informed decision on matters placed before it. In FY2020, four Board meetings were held and the attendance details are shown as follows:

董事會(續)

董事會程序(續)

董事會於年內定期開會，檢討整體策略及監察本集團的營運與及財務表現。主席主要負責本集團之策略，並負責有效領導及管理董事會，確保董事會及時顧及所有重點議題。就董事會所有定期會議，全體董事均獲發最少十四天通知，如彼等認為合適或有需要，董事可將討論事項納入有關議程。董事會定期會議的議程及附連之董事會文件會在開會前一段合理時間內派發予所有董事。無論如何至少於會議擬定日期前3天或會議前協定的有關其他期間。董事須披露彼等於董事會會議上供董事會考慮之任何建議書或交易中所享有之直接或間接權益(如有)並放棄投票權(如需要)。所有董事會會議記錄草稿會在合理時間內交董事審閱，讓董事在確定會議記錄前提出意見。會議記錄最終稿亦將於董事會會議舉行後的合理時間內交董事記錄。

董事會及董事委員會的會議記錄由公司秘書保存。全體董事均有權查閱董事會的文件及有關資料，並會及時獲提供充份資料，使董事會可就提呈會議的事項作出知情決定。於2020年財政年度內，董事會舉行了四次董事會大會，會議出席詳情如下：

Board Meetings attended in FY2020 二零二零年財政年度 出席董事會會議次數

Name of Directors	董事姓名	
Executive Directors		
Mr. Yiu Chi To (<i>Chairman</i>)	姚志圖先生 (<i>主席</i>)	4/4
Mr. Chen Chung Po (<i>Chief Executive Officer</i>)	陳鐘譜先生 (<i>行政總裁</i>)	4/4
Ms. Yiu Kwan Yu	姚君瑜女士	4/4
Mr. Chen Wei Wu	陳緯武先生	4/4
Ms. Yong Jian Hui	雍建輝女士	4/4
Independent non-executive Directors		
Mr. Au Yeung Tin Wah	歐陽天華先生	4/4
Mr. Chen Kwok Wang	陳國宏先生	4/4
Mr. Ho Chi Wai	何志威先生	4/4

BOARD COMMITTEES

The Board has established four committees, namely audit committee, remuneration committee, nomination committee and risk management committee. Each of them has specific terms of reference and is responsible for reviewing matters relating to specific areas and which are published on the respective websites of the Stock Exchange and the Company for advising the Board on such matters. INEDs play a significant role in these committees to ensure that independent and objective views are taken. The list of the chairman and members of each Board committee is set out on page 3 of this annual report. The Board committees are provided with sufficient resources to discharge their duties.

(a) Audit Committee

The Audit Committee of the Company was established in compliance with Rule 3.21 of the Listing Rules for the purposes of reviewing and providing supervision over the Group's financial reporting process and internal controls.

The Audit Committee comprises all three Independent Non-executive Directors. Mr. Au Yeung Tin Wah, was appointed as Chairman of the Audit Committee.

The Audit Committee has reviewed with the senior management and external auditors the Group's significant internal controls and financial matters (as set out in the Audit Committee's terms of reference), including:

- the Group's interim and annual financial statements with recommendation to the Board for approval;
- the Group's compliance with regulatory and statutory requirements;
- the Group's financial reporting, internal controls and risk management;
- formulating the working plan of the internal control audit department, discussing the review result of internal control system on a regular basis and reporting to the Board;
- discussing with the external auditors the nature and scope of the audit, significant accounting policies and other audit-related issues;
- connected transactions; and
- managing and overseeing the external auditors.

董事會屬下委員會

董事會已設立四個委員會，即審核委員會、薪酬委員會、提名委員會及風險管理委員會。各委員會有其具體職權範圍，職權範圍刊載於聯交所及本公司各自的網站，負責審議有關特定範疇的事項，並就該等事項向董事會提出意見。獨立非執董對該等委員會甚為重要，以確保採取獨立及客觀的意見。各董事會屬下委員會的主席及成員名單載於本年報第3頁。董事會委員會獲提供充足的資源以履行其職責。

(a) 審核委員會

本公司審核委員會乃為符合上市規則第3.21條而成立，旨在審議本集團製定財務報告程序及內部監控，並就此作出監察。

審核委員會由全部三名獨立非執行董事組成。歐陽天華先生獲委任為審核委員會之主席。

審核委員會已與高級管理層及外聘核數師審閱本集團的重大內部監控措施及財務事宜(如審核委員會的職權範圍所載)，包括：

- 向董事會提供本集團中期及年度財務報表之意見予其批准；
- 本集團遵守法例及法定規定之情況；
- 本集團之財務報告、內部監控及風險管理；
- 製定集團內部控制監管部門之工作計劃，定期討論內部監控系統審查結果，並向董事會匯報；
- 與外聘審計師討論審計性質，範疇及重要會計政策及其他審核事宜；
- 關連交易；及
- 管理及監督外聘核數師。

BOARD COMMITTEES (continued)

(a) Audit Committee (continued)

The Audit Committee is entitled to conduct investigations into any matter within its terms of reference and is authorised to obtain independent professional advice if it deems necessary in discharging its responsibilities.

The Audit Committee is satisfied with the audit scope, process and effectiveness and independence of the audit conducted by SHINEWING and has thus recommended the audited consolidated financial statements of the Group for the year ended 31 December 2020 to the Board for its approval.

In FY2020, two meetings were held by the Audit Committee with 100% attendance rate of all members of the Audit Committee. Draft and final versions of minutes of the meetings were sent to all members of the Audit Committee for their comment and records, within a reasonable time after the meeting.

(b) Remuneration Committee

The Remuneration Committee of the Company comprises all three INEDs. Mr. Ho Chi Wai, was appointed as Chairman of the Remuneration Committee.

The Remuneration Committee makes recommendations to the Board on the Group's overall policy and structure for the remuneration of Directors and senior management, and ensures that no Director or any of his associates is involved in deciding his/her own remuneration. The Remuneration Committee also reviews and approves (i) compensation payable to executive Directors and senior management for any loss or termination of office or appointment to ensure that such compensation is consistent with contractual terms and is otherwise fair and not excessive; and (ii) compensation arrangement(s) relating to dismissal or removal of Director(s) for misconduct to ensure that such compensation arrangements is consistent with contractual terms and is otherwise reasonable and appropriate.

The Company has delegated the determination of the remuneration packages of individual executive Director and senior management to the Remuneration Committee.

董事會屬下委員會(續)

(a) 審核委員會(續)

審核委員會有權就審核委員會職能範圍以內之任何事宜進行調查，在履行其職責時如認為有需要，則可獲授權以取得獨立專業意見。

審核委員會已對信永中和審閱之審核範圍、過程和有效性，以及獨立性表示信納，故向董事會建議通過2020年的綜合財務報表。

於2020年財政年度，審核委員會舉行了兩次會議，所有審核委員會成員之出席率均為100%。會議記錄初稿及最終稿於會議後的合理時間內交審核委員會全體成員，供其發表意見及記錄。

(b) 薪酬委員會

本公司之薪酬委員會由全部三名獨立非執行董事組成。何志威先生獲委任為薪酬委員會之主席。

薪酬委員會就本集團董事及高級管理層的整體薪酬政策及結構向董事會提供意見，並確保並無董事或其任何聯繫人士參與釐訂其薪酬。薪酬委員會亦檢討及批准(i)向執行董事及高級管理人員就其喪失或終止職務或委任而須支付的賠償，以確保該等賠償與合約條款一致，若未能與合約條款一致，賠償亦須公平，不致過多；及(ii)因董事行為失當而解僱或罷免有關董事所涉及的賠償安排，以確保該等安排與合約條款一致，若未能與合約條款一致，有關賠償亦須合理適當。

本公司已授權薪酬委員會決定執行董事及高級管理人員的薪酬。

BOARD COMMITTEES (continued)

(b) Remuneration Committee (continued)

In determining the remuneration of Directors, the Remuneration Committee takes into consideration factors such as salaries paid by comparable companies, time commitment and responsibilities of the Directors and the suitability of performance-based remuneration.

The Remuneration Committee meets to determine the policy for the remuneration of Directors, assess the performance of executive Directors and approve the terms of executive Directors' service contracts. In FY2020, two meetings were held by the Remuneration Committee with 100% attendance rate of all members of the Remuneration Committee.

(c) Nomination Committee

The Nomination Committee of the Company comprises all three Independent Non-executive Directors. Mr. Chen Kwok Wang, was appointed as Chairman of the Nomination Committee.

The Nomination Committee is mainly responsible for reviewing the candidates' qualification and competence, and making recommendations to the Board on appointment of Directors, so as to ensure that all nominations are fair and reasonable.

董事會屬下委員會(續)

(b) 薪酬委員會(續)

薪酬委員會於釐訂應付予董事的酬金時，已考慮各種因素，包括同類公司支付的薪酬、董事貢獻的時間及責任及是否適宜提供與表現掛鈎的薪酬。

薪酬委員會開會釐訂董事的薪酬政策及衡量執行董事的表現及批准執行董事服務合約的條款。於2020年財政年度，薪酬委員會舉行了兩次會議，所有薪酬委員會成員之出席率均為100%。

(c) 提名委員會

本公司之提名委員會由全部三名獨立非執行董事組成。陳國宏先生獲委任為提名委員會之主席。

提名委員會主要負責覆核候選人的資歷及能力，並於提名董事時向董事會提出建議，以確保所有提名均為公平合理。

BOARD COMMITTEES (continued)

(c) Nomination Committee (continued)

The responsibilities of the Nomination Committee are:

- to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually;
- to assess the independence of independent non-executive Directors;
- to establish a formal and transparent procedure for the appointment or reappointment of Directors;
- to make recommendations to the Board for new appointments or reappointments of executive and non-executive Directors;
- to evaluate the performance of Directors and determine if they should be reappointed; and
- to be responsible for significant issues concerning the nomination of Directors during the year.

The Nomination Committee meets to discuss the procedures and criteria which should be adopted by them in nominating candidates for directorship and has agreed that such criteria should include the candidates' professional background, their experience and their past track record with other listed companies (if any). In FY2020, two meetings were held by the Nomination Committee with 100% attendance rate of all members of the Nomination Committee.

Board Nomination Policy

The Company has adopted a Board Nomination Policy and the Nomination Committee considers and makes recommendations to shareholders for the election of appropriate candidates as Directors at general meetings or appointment of such Directors to fill casual vacancies.

董事會屬下委員會(續)

(c) 提名委員會(續)

提名委員會的職責是：

- 至少每年檢討董事會的架構、人數及組成(包括技能、知識及經驗方面)；
- 評核獨立非執行董事的獨立性；
- 建立正規而具透明度的董事委任或重新委任程序；
- 向董事會作出執行董事及非執行董事的新委任或再度委任的建議；
- 評估董事的表現，並確定他們是否應該連任；及
- 負責有關董事提名於年內之主要問題。

提名委員會開會討論提名董事人選的程序及準則，並採納該等準則，包括人選的專業背景、他們的經驗與其他上市公司的過往記錄(如有)的程序和標準。於2020年財政年度，提名委員會舉行了兩次會議，所有提名委員會成員之出席率均為100%。

董事會提名政策

本公司採納董事會提名政策，提名委員會可考慮和推薦適合的候選人給股東，並在於股東大會上推選其為董事或委任為董事以填補臨時空缺。

BOARD COMMITTEES (continued)

(c) Nomination Committee (continued)

Board Nomination Policy (continued)

Selection Criteria

The factors listed below would be used as reference by the Nomination Committee in assessing the suitability of a proposed candidate:

1. reputation for integrity;
2. accomplishment and experience in the business in which the Group is engaged in;
3. commitment in respect of available time and relevant interest in the business;
4. diversity in all its aspects, including but not limited to race, gender, age (18 years or above), educational background, professional experience, skills and length of service;
5. qualifications which include professional qualifications, skills, knowledge and experience that are relevant to the Company's business and corporate strategy;
6. the number of existing directors and other commitments that may demand the attention of the candidate;
7. requirement for the Board to have Independent Non-executive Directors in accordance with the Listing Rules and whether the candidates would be considered as independent with reference to the Independence guidelines set out in Rules 3.13 of the Listing Rules;
8. Board Diversity Policy of the Company and any policies adopted by the Nomination Committee for achieving diversity on the Board; and
9. such other perspectives appropriate to the Company's business.

董事會屬下委員會(續)

(c) 提名委員會(續)

董事會提名政策(續)

甄選標準

評估建議候選人的合適性時，提名委員會將考慮下列因素：

1. 誠信的聲譽；
2. 於本集團所從事業務中的成就及經驗；
3. 可投入時間及相關事務關注的承諾；
4. 於各方面的多元化，包括但不限於種族、性別、年齡(18歲或以上)、教育背景、專業經驗、技能及服務年期；
5. 資格，包括與本公司業務及企業策略相關的專業資格、技能、知識及經驗；
6. 現有董事人數及候選人可能需要關注的其他承諾；
7. 上市規則要求董事會必須包含獨立非執行董事的規定及參考上市規則第3.13條所載的獨立指引候選人是否被視為獨立人士；
8. 本公司董事會成員多元化政策及提名委員會採納的政策可達到董事會多元化；及
9. 切合本公司業務的相關其他因素。

BOARD COMMITTEES (continued)

(d) Risk Management Committee

The Risk Management Committee comprises three members which include the Chief Executive Officer (“CEO”), Chief Financial Officer (“CFO”) and one INED of the Company. The Board has appointed Mr. Chen Chung Po (CEO), Mr. Cheung Wai Hung (CFO) and Mr. Chen Kwok Wang (INED) as members of the Risk Management Committee. Mr. Chen Chung Po has also been appointed as the Chairman of the Risk Management Committee.

The primary responsibilities of the Risk Management Committee include reviewing the Company’s corporate risk management framework, and the guidelines, policies and procedures for risk assessment and risk management and reviewing the effectiveness of the risk management function.

In FY2020, two meetings with attendance of all Risk Management Committee members were held.

董事會屬下委員會(續)

(d) 風險管理委員會

風險管理委員會由三位成員組成，當中包括本公司行政總裁、財務總監及一名獨立非執行董事。董事會已委任陳鐘譜先生(行政總裁)、張偉雄先生(財務總監)及陳國宏先生(獨立非執行董事)為風險管理委員會成員，並由陳鐘譜先生出任風險管理委員會主席。

風險管理委員會的主要職責包括檢討本公司企業風險管理架構、風險評估及風險管理的指引、政策及程序及檢討風險管理功能的有效性。

於2020年財政年度，風險管理委員會舉行了兩次會議，所有風險管理委員會成員均有出席。

AUDITOR’S REMUNERATION

During the year, the remuneration paid or payable to the external auditor, SHINEWING, and its affiliated firms, respect of their audit and non-audit services for FY2020 are set out below:

		HK\$ 港元
Audit service	審計服務	1,045,000
Non-audit services*	非審計服務*	366,000
		<hr/> 1,411,000

* Included in non-audit services were HK\$126,000 in relation to services performed by SHINEWING’s affiliated firms.

核數師酬金

年內，就外部核數師信永中和及其聯屬公司於2020年財政年度提供審計及非審計服務已付或應付彼等的薪酬載列如下：

* 包括信永中和聯屬公司提供的非審計服務126,000港元。

RISK MANAGEMENT AND INTERNAL CONTROLS

During the year, the Group has complied with Principle C.2 of the CG Code by establishing appropriate and effective risk management and internal control systems. The management is responsible for the design, implementation and monitoring of such systems, while the Board oversees management in performing its duties on an ongoing basis. The main features of the risk management and internal control systems are described in the sections below:

Risk Management System

The Group adopts a risk management system which manages the risk associated with its business and operations. The system comprises the following aspects:

- Identification: Identify occurrence and changes in the nature and extent of risks; identify business objectives and risks that could affect the achievement of those objectives.
- Evaluation: Analyze the likelihood and impact of risks and evaluate the risk portfolio accordingly; assess the Group's ability to manage risks.
- Management: Consider the risk response plan, ensure effective communication with the Board and monitor risks on an ongoing basis.

Based on the risk assessments conducted in 2020, no significant risk was identified.

風險管理及內部監控

本集團於本年度，已遵守企業管治守則C.2原則，建立適當及有效的風險管理及內部監控系統。管理層負責相關系統的設計、實施和監控，董事會則負責持續監督管理層執行有關職責。風險管理和內部監控系統的主要特點如下面章節所述：

風險管理系統

本集團採用風險管理系統，管理與其業務及營運相關的風險。該系統包括以下各方面：

- 識別：識別風險的出現及其性質和程度的轉變；識別業務目標及可能影響目標實現的風險。
- 評估：分析風險的可能性和影響，並相應地評估風險組合；評核本集團的風險管理能力。
- 管理：考慮風險應對方案，確保與董事會的有效溝通，並持續監控風險。

根據2020年進行的風險評估，未發現重大風險。

RISK MANAGEMENT AND INTERNAL CONTROLS (continued)

Internal Control System

The Company has in place an internal control system which is compatible with the Committee of Sponsoring Organizations of the Treadway Commission (“**COSO**”) 2013 framework. The framework enables the Group to achieve effective and efficient operations, reliable financial reporting and compliance with applicable laws and regulations. The components of the framework are shown as follows:

- Control Environment: A set of standards, processes and structures that provide the basis for the Group’s implementation of internal control.
- Risk Assessment: A dynamic and iterative process for identifying and analyzing risks to achieve the Group’s objectives, forming a basis for determining how risks should be managed.
- Control Activities: Development of policies and procedures to facilitate risk reduction and effective management.
- Information and Communication: Internal and external communication to provide the Group with the information needed to carry out day-to-day management.
- Monitoring: Ongoing and separate evaluations to ascertain whether each component of internal control exists and functions.

風險管理及內部監控(續)

內部監控系統

公司內設有一個內部監控系統，與特雷德韋委員會發起組織委員會(「**COSO**」) 2013框架兼容。該框架使本集團能夠達致運營的有效性和效率，財務報告的可靠性以及遵守適用法律和法規的目標。該框架包含以下元素：

- 環境監控：為本集團實施內部監控提供依據的一套標準，流程和結構。
- 風險評估：一個主動和持續的過程，用於識別和分析風險以實現集團的目標，為確定如何管理風險奠定基礎。
- 監控活動：通過政策和程序的建立，有助減低風險以達致實現管理的目標。
- 資訊與溝通：內部與外部溝通，為集團提供進行日常管理所需的信息。
- 監督：持續及個別評估，以確定內部監控的每個組成部分是否存在和運行。

RISK MANAGEMENT AND INTERNAL CONTROLS (continued)

Internal Control System (continued)

In order to enhance the Group's inside information processing system and to ensure the truthfulness, accuracy, completeness and timeliness of its public disclosures, the Group also adopts and implements an inside information policy and procedures. A series of appropriate measures have been taken from time to time to prevent any breach of the Group's disclosure requirements, which include:

- The access of information is restricted to a limited number of employees on a need-to-know basis. Employees who are in possession of inside information are fully conversant with their obligations to preserve confidentiality.
- Non-disclosure agreements are in place when the Group conducts significant negotiations.
- The Executive Directors are designated persons who speak on behalf of the Company when communicating with external parties such as the media, analysts or investors.

Based on the internal control reviews conducted in FY2020, no significant control deficiency was identified.

Internal Auditors

The Group has an Internal Audit ("IA") function, which is performed by professional staff with relevant expertise (such as Certified Public Accountant). The IA function is independent of the Group's daily operation and carries out appraisal of the risk management and internal control systems by conducting interviews, walkthroughs and tests of operational effectiveness.

An IA plan has been approved by the Board. According to the established plan, review of the risk management and internal control systems is conducted semi-annually and the results are reported to the Board via the Audit Committee afterwards.

風險管理及內部監控(續)

內部監控系統(續)

為加強本集團內幕消息處理制度，確保公開披露的真實性，準確性，完整性與及時性，本集團亦採納並實施內幕消息政策及程序。一系列合理措施已不時實施，以防止違反有關本集團的披露規定，包括：

- 僅有需要的員工可以獲取相關信息。擁有內幕消息的員工完全了解其保守機密的義務。
- 當本集團進行重大談判時，會備妥保密協議。
- 執行董事是與外界(如媒體，分析師或投資者)溝通時代表本公司發言的指定人士。

根據2020年財政年度進行的內部控制審查，未發現重大監控缺陷。

內部審計員

本集團設有內部審計(「內審」)職能，由具有相關專業知識的專業人員(如註冊會計師)執行。內審職能獨立於本集團的日常運作，並通過訪談，穿行測試和運行有效性測試對風險管理和內部監控系統進行評估。

內審計劃已經董事會批准。根據既定計劃，風險管理和內部監控系統的審核每半年進行一次，結果將通過審核委員會向董事會報告。

RISK MANAGEMENT AND INTERNAL CONTROLS (continued)

Effectiveness of the Risk Management and Internal Control Systems

The Board is responsible for the risk management and internal control systems of the Group and ensuring that a review of the effectiveness of these systems which covers a period of 6 months since the last review has been conducted semi-annually. Several areas have been considered during the Board's reviews, which include but are not limited to (i) the changes in the nature and extent of significant risks since the last review, and the Group's ability to respond to changes in its business and the external environment; (ii) the scope and quality of the management's ongoing monitoring of risks and of the internal control systems and the work of IA function; (iii) the extent and frequency of communication with the Board in relation to the result of risk and internal control review; (iv) significant failures or weaknesses identified and their related implications; (v) and the status of compliance with the Listing Rules.

The Board, through its reviews and the reviews conducted by IA function and the Audit Committee, concluded that the risk management and internal control systems were effective and adequate. Such systems, however, are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss. It is also considered that the resources, the qualifications and experience of relevant staff were adequate, and the training programs and budget provided were sufficient to carry out such work.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The Directors are responsible for the preparation of the financial statements, which give a true and fair view of the state of affairs of the Company and comply with the requirement of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) ("**Hong Kong Companies Ordinance**") and the applicable disclosure provisions of the Listing Rules. The auditors are responsible for forming an independent opinion, based on the audit, on the financial statements prepared by the Directors and reporting the opinion solely to the Company's shareholders. The Independent Auditor's Report is set out on pages 72 to 78 of this annual report.

風險管理及內部監控(續)

風險管理和內部監控系統的有效性

董事會負責本集團的風險管理和內部監控系統，並確保每半年對這些系統的有效性進行審查，而每次審查涵蓋自上次審查以來六個月的期間。董事會審查期間審議了若干領域，其中包括但不限於(i)自上次審查以來重大風險的性質和程度的變化以及本集團對其業務和外部環境變化做出反應的能力；(ii)管理層持續監控風險和內部監控系統的範圍和質量。及內審職能；(iii)就風險管理及內部控制的檢討結果與董事會溝通的內容及次數；(iv)已識別的重大失誤或缺陷及其相關影響；(v)及上市規則的遵守情況。

董事會通過其審查以及內審職能部門和審核委員會的審查結論認為，風險管理和內部監控制度是有效和充份的。然而，此類系統旨在管理而不是消除未能實現業務目標的風險，並且只能提供合理且非絕對的保證，以防止重大錯報或損失。董事會亦認為已有足夠的資源，工作人員具備足夠的資格和經驗，亦提供了足夠的培訓和預算去進行該工作。

董事及核數師各自之責任

董事負責編製財務報表，以真實及公平地反映本公司的狀況及遵守香港法例第622章公司條例(「**香港公司條例**」)及上市規則適用披露條文的規定。核數師負責根據審核結果對董事編製的財務報表發表獨立意見，並僅向本公司股東滙報意見。獨立核數師報告載於本年報第72至第78頁。

COMPANY SECRETARY

Mr. Cheung Wai Hung is the Company Secretary of the Company. All members of the Board have access to the advice and services of the Company Secretary. The appointment and removal of the Company Secretary are subject to the Board's approval. In FY2020, Mr. Cheung has taken the required number of hours of relevant professional training.

INVESTOR AND SHAREHOLDER RELATION

The Company endeavors to continue maintaining a high level of transparency in communicating with shareholders and the investment community at large. Briefings and meetings with institutional investors and analysts are conducted regularly. The Company is committed to maintaining an open and effective investor communication policy and to update investors on relevant information on its business on a timely manner, subject to relevant regulatory requirements.

In order to ensure effective, clear and accurate communications with the investors and analysts, all corporate communications are arranged and handled by the CFO of the Company in accordance with the established practice and procedures.

Financial information and all shareholder corporate communications of the Company are made available on the Company's website at <http://www.waichiholdings.com> and updated regularly on a timely basis.

The Board and the management shall ensure shareholders' right and all shareholders are treated equitably and fairly. The Company has announced and published its interim and annual results and despatched them to the shareholders in a timely manner, which is well before the time limits set out in the Listing Rules. Separate resolutions will be proposed at the general meetings on each major issue, including the re-election of individual Directors, if any.

The annual general meeting will provide an opportunity for direct communication between the Board and the Company's shareholders. The Company regards the annual general meeting as an important event in which the Chairman and all Directors will make an effort to attend. External auditors shall also be invited to attend the Company's annual general meeting and are also available to assist the Directors in addressing queries from shareholders relating to the conduct of the audit and the preparation and content of the auditors' report. All shareholders will be given prior notice on a timely basis together with a detailed agenda. The Board, according to the Listing Rules, will conduct voting at the forthcoming AGM by poll. The results of the Company will be declared at the meeting, and announced timely on the Stock Exchange's website and the Company's website.

公司秘書

張偉雄先生為本公司的公司秘書。董事會全體成員均可獲取公司秘書的意見及服務。公司秘書的委任及罷免須經董事會批准。於2020年財政年度，張先生已接受規定時數的相關專業培訓。

與投資者及股東的關係

本公司在與股東及投資界溝通時，一直盡量保持高透明度。本公司定期為機構投資者及分析員舉行簡報會及會議。本公司致力按照有關監管規定，維持公開及有效的投資者溝通政策，並及時向投資者提供最新的業務資料。

為確保與投資者及分析員保持有效、清晰及準確之溝通，所有企業通訊均由本公司財務總監按照本公司既定之常規及程序安排及處理。

本公司財務資料及所有與股東的公司通訊已載於本公司網站<http://www.waichiholdings.com>，並會適時定期更新。

董事會及管理層須確保股東權利，且全體股東均獲公平公正對待。本公司已適時宣佈及印發其中期及年度業績，並向股東寄發有關賬目，宣佈及寄發時間均早於上市規則規定的時間。就每個重大個別事項將於股東大會提呈個別決議案，包括重選個別董事（如有）。

股東週年大會將為董事會與本公司之股東提供直接的溝通機會。本公司視股東週年大會為重要事項，主席及全體董事均盡可能出席。外聘核數師亦獲邀請出席本公司的股東週年大會，並可協助董事回應股東對進行核數及核數師報告的編製及內容所提出的查詢。所有股東將會適時收取附有詳細議程的通知。根據上市規則，董事會將於應屆股東週年大會進行投票表決。本公司的業績將於會上宣佈，並適時於聯交所網站及本公司網站作出公佈。

SHAREHOLDERS' RIGHTS

Procedures for convening an extraordinary general meeting and putting forward proposals at shareholders' meeting

Any shareholder(s) individually or collectively holding 10% or more of the Company's total issued share capital shall be entitled to request the Board in writing to convene an extraordinary general meeting. Upon receiving such request, the Board shall issue a notice of extraordinary general meeting within 21 days and hold an extraordinary general meeting within two months from the receipt of such request. If within 21 days of the receipt of such request the Board fails to proceed to convene such meeting, the shareholder(s) proposing to convene an extraordinary general meeting in writing may himself/herself (themselves) convene an extraordinary general meeting in the same manner.

There are no provisions allowing shareholders to make proposals or move resolutions at the general meetings under the memorandum and articles of association of the Company or the laws of the Cayman Islands. Shareholders who wish to make proposals or move a resolution may, however, convene a general meeting in accordance with the preceding paragraph.

Procedures for shareholders to put enquires to the Board

Shareholders must prove to the Board that they really own the equity interests of the Company (e.g. by providing shareholding documents etc.). The Company suggests shareholders should submit their enquiries in writing (including by email, facsimile and mail) and provide sufficient contact details so that the Company can process their enquiries in a proper and timely manner.

Shareholders may contact the Company via the following means:

Address: 6/F, Liven House, 63 King Yip Street, Kwun Tong,
Kowloon, Hong Kong
Email: barry.cheung@waichi.com
Tel No.: (852) 3760 2805
Fax No.: (852) 2341 8144

股東權利

召開特別股東大會及於股東大會提出提案之過程

單獨或合計持有本公司全部已發行總股本10%或以上股份權益的一名或多名股東，有權以書面方式要求董事會召集特別股東大會，董事會在接獲有關要求後，應在21天內發出召集特別股東大會的通告，並於接獲有關要求後的2個月內舉行特別股東大會；如董事會未能於接獲有關要求後21天內進行召集特別股東大會，書面提出召集特別股東大會的股東可按照同一方式自行召集特別股東大會。

根據本公司組織章程大綱及細則或開曼群島法例，概無條文允許股東於股東大會上提呈建議或作出動議。然而，有意提呈建議或作出動議的股東可按照前段所述召開股東大會。

股東向董事會提出查詢的程序

股東須向董事會證明其確實擁有本公司股份權益(如提供持股文件等)。公司建議股東通過書面方式(包括電郵、傳真及郵寄)提出查詢要求，並提供足夠的聯絡資料以便有關查詢及時獲得公司恰當的處理。

股東可以通過以下聯繫方式向本公司提出查詢：

地址：香港九龍觀塘敬業街63號利維大廈6樓
電郵地址：barry.cheung@waichi.com
電話：(852) 3760 2805
傳真號碼：(852) 2341 8144

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the duties on corporate governance function as set out below:

- to develop and review the Company's policies and practices on corporate governance;
- to review and monitor the training and continuous professional development of Directors and senior management;
- to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- to develop, review and monitor the code of conduct and compliance manual applicable to employees and Directors; and
- to review the Company's compliance with the CG Code and disclosure in the corporate governance report.

Constitutional documents

Rights of the shareholders are also provided under the articles of association of the Company. The articles of association of the Company which was adopted on 27 October 2014 was drafted in line with provisions of the Hong Kong Companies Ordinance which came into effect on 3 March 2014, the Listing Rules and current corporate practices. There was no change in the articles of association of the Company in FY 2020. An up-to-date consolidated version of the articles of association of the Company is available on the Company's website and the Stock Exchange's website.

企業管治職能

董事會負責執行下文所載之企業管治職能：

- 制定及檢討本公司的企業管治政策和做法；
- 檢討及監察董事及高級管理人員的培訓及持續專業發展；
- 檢討及監察本公司的政策和做法以符合法律和監管要求；
- 制定、審閱及監察適用於僱員和董事的操守準則及管治守則；及
- 檢討本公司遵守企業管治守則和在企業管治報告內的披露。

組織章程文件

股東的權利已於本公司組織章程細則內闡述。本公司於2014年10月27日採納的組織章程細則，已符合於2014年3月3日生效的公司條例的條文，上市規則及目前企業常規。於2020年財政年度，本公司組織章程細則概無變動。本公司的組織章程細則已登載於本公司網站及港交所網站，可供閱覽。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

1. OVERVIEW

Over the years, Wai Chi Holdings has committed to adhering to the philosophy of environment-friendly management and concern for the needs of the staff, enhancing the product quality and performing social responsibilities. This environmental, social and governance report will give an overview of each of the Group members in Hong Kong, Shenzhen, Huizhou and Yichang for the year ended 31 December 2020 through various aspects including environmental management, working environment, supply chain management, product responsibility and community engagement.

2. ENVIRONMENTAL PROTECTION AND RESPONSIBILITIES

a. Qualifications for environmental management

Our Group formulated effective Environmental Management System and Internal Compliance Manual in order to identify and comply with the laws and regulations on environmental protection in countries and regions where the Group operates its business. The production materials and products also satisfy the environmental protection requirements and standards in all the regions where the suppliers and customers are located. The use of the Group's vehicles consumption on water and electricity is under our strict control. We also reduce the usage of hazardous chemicals and other materials that are harmful to the environment. Owing to our manufacturing green products for customers, we are rewarded the title of Excellent Supplier in Environmental Protection by our customers.

We engage independent external evaluation institutions regularly to conduct professional assessment, such as sewage inspection, and have obtained internationally-recognised environmental certifications such as ISO 14001:2004 Environmental Management System certification and IECQ QC 08000:2005 Hazardous Substance Process Management certification.

1. 概述

多年來，偉志控股一直秉承環保管理理念，並以關懷員工需求，提升產品品質，履行社會責任為己任。本份環境、社會及管治報告，將對2020年度香港、深圳、惠州、宜昌四地集團各公司，從環保管理、工作環境、供應鏈管理、產品責任、社會參與等方面進行綜述。

2. 環境保護及責任

a. 環境管理資質

偉志集團制定有效的環境管理系統及內部合規手冊，以便識別及遵守集團所經營之國家和地區環境保護法律法規。生產材料及產品亦符合供應商及客戶所在地區環保法規及標準。我們一直嚴格管控集團車輛使用情況、各工廠水電耗用水平，減少使用對環境有害的物質及危險化學品，由於為客戶生產綠色產品，得到客戶授予的優秀環保供應商稱號。

我們定期聘請獨立外部評測機構進行排污檢測等專業鑒定，並取得ISO14001:2004環境管理系統認證和IECQ QC 08000:2005有害物質處置管理符合性認證等國際化環保品質認證。



2. ENVIRONMENTAL PROTECTION AND RESPONSIBILITIES (continued)

b. Energy-saving and emission reduction

The Group strictly monitors each step in production, and by designing and improving the production process, we endeavor to minimize and control the amount of gummed paper, tapes and other packaging materials we use. We have been enhancing the energy and resources efficiency of the office, including posting slogans of energy-saving and emission reduction in each plant. Staffs are required to switch off all the electrical appliances, before they leave, with regular reminders and spot checks so that our staff are highly aware of the environmental protection. We regularly analyze the consumption of gummed paper and copy paper, promote double-sided printing, strive for paperless offices. For green commuting, our staff are encouraged to take public transports in their daily commute.

There were no non-compliance cases noted in relation to environmental laws and regulations for the year.

Since the Company did not have either town fuel and town gas consumption, or motor vehicle during the year, therefore no emissions data applied.

c. Development and application of environmental-friendly products

Environmental protection is the mission of the Group. We are bold in broadening our scope and innovating energy-saving products, for instance, energy-saving lighting product projects in relation to street lights and sizable public facilities of the government. We proactively advocate to replace traditional light bulbs with LED lights in order to increase the lifetime of lamp and save energy significantly. In the long term, the aforementioned project is beneficial in cost saving, energy efficiency and reduction in carbon emission. The Group shipped more than 500,000 energy-saving lighting products in 2020 (2019: more than 400,000).

2. 環境保護及責任(續)

b. 節能減排

集團於生產的各個環節嚴格把關，設計改良產品工藝，盡量減少和控制膠紙膠帶及其他包裝物的使用量。我們不斷改善辦公環境的能源及資源效益，包括各地廠房均有張貼節能減排標語。要求員工下班時間關掉所有電器電燈及辦公設備，並定期發出通告提醒及抽查，旨在令員工時刻保持環保意識。我們定期分析膠紙及複印紙耗用情況，積極倡導使用雙面印刷，努力推進辦公無紙化，亦鼓勵員工搭乘公共交通，綠色出行。

於本年度我們並無任何有關環境法律及法規之不合規案例。

由於本公司於年內並無城鎮燃油及城鎮燃氣消耗及汽車使用，故此並無應用排放數據。

c. 環保產品開發與應用

集團以環保為己任，拓展思路，勇於探索，致力於研發節能產品，包括政府路燈及大型公共設施的節能燈品項目。我們積極倡導用LED燈替換傳統燈膽，用以增加燈具使用年限，並節省大量電能耗用量，長遠來說，亦可節約成本，減少能源損耗，降低碳排放量。2020年，集團的節能燈具錄得超過50萬件出貨量(2019年：逾40萬件)。

3. WORKING ENVIRONMENT AND EMPLOYEE DEVELOPMENT

a. Human capital and quality training

As at 31 December 2020, the Group has a total of 2,319 employees, the majority of which are between 20 and 40 years old. The Group strictly complies with relevant laws and regulations to prevent child labour and forced labour. The Group encourages its employees to improve their motivation, concentration and innovation. Due to the epidemic situation, we mainly provided online trainings and had provided our employees with more than 600 hours of online training, with a total of more than 7,000 participants and successfully improved our employees' professionalism and proficiency in every aspect. Pursuant to the requirement of the Listing Rules, all Directors have participated in continuous professional development by attending training courses or reading relevant material relating to corporate governance and regulations to develop and refresh their knowledge and skills. The Group endeavors to attract and cultivate highly skilled technical personnel with various benefits and packages. Both Shenzhen Wai Chi and Huizhou Wai Chi Electronics Company Limited have been accredited by local governments as high-tech enterprises and enjoyed corresponding tax concessions.

The Group adopts a monthly performance appraisal system to evaluate employees' performance with scientific and comprehensive indicators, the results of which are used as important references for employees' salary adjustment, promotion and annual bonus rating. We encourage employees to explore their own strengths. Without being subject to their positions and profession, we respect employees' personal career planning, and support them in trying and taking up challenges in different areas. The Group opens up horizontal and vertical career paths, and always puts the talented and competent people as the first priority.

The Group's remuneration policies are formulated on the performance of employees with reference to the market condition. For the purpose of ensuring there are formal and transparent procedures for setting policies on the remuneration for the Directors, the Remuneration Committee was established.

3. 工作環境及員工發展

a. 人力資本及素質培養

於2020年12月31日，集團內在職員工共2,319人，以20-40歲為主。集團嚴格遵守相關法律及法規，以防止童工和強迫勞動。集團鼓勵員工改善其動力，專注力和創造力。因為疫情關係，我們主力線上為員工提供逾600小時培訓，總參加人次超過7000人成功地提升了員工各層面的職業素養和專業技能。根據上市規則的規定，全體董事均已透過出席有關企業管治及規定的培訓課程或閱讀相關材料的方式參與持續專業發展，以發展及更新其知識及技能。集團大力吸納及培養高精技術人才，提供多種不同的福利待遇。深圳偉志及惠州偉志電子有限公司均獲當地政府評定為高新技術企業，並享受相應稅務優惠。

集團採取績效考核制度，每月以科學、全面的績效指標評價員工表現，並作為員工調薪升職及年度獎金評級的重要參考。我們鼓勵員工發掘自身專長，不局限職位及專業，尊重員工個人職業規劃，支持員工嘗試及挑戰不同領域工作，開放橫向及縱向職位發展通道，任才為先，能者居之。

本集團的薪酬政策乃根據僱員表現並參照市況而制定。本集團設有薪酬委員會，以確保有正規及具透明度的程序以制定董事薪酬政策。



3. WORKING ENVIRONMENT AND EMPLOYEE DEVELOPMENT (continued)

a. Human capital and quality training (continued)

Staff Composition

Employees' Age and Gender Distribution

Age Group	年齡組別	2020 二零二零年		2019 二零一九年	
		Male 男性	Female 女性	Male 男性	Female 女性
0-15	0-15	0%	0%	0%	0%
16-20	16-20	10%	11%	11%	11%
21-30	21-30	37%	37%	37%	37%
31-40	31-40	28%	32%	32%	32%
41-50	41-50	20%	16%	16%	16%
51-60	51-60	5%	4%	4%	4%
= 61/>61	= 61/>61	0%	0%	0%	0%
Total	總計	100%	100%	100%	100%

By gender	按性別劃分	2020 二零二零年		2019 二零一九年	
		Male 男性	Female 女性	Male 男性	Female 女性
Under employment	受聘用	49%	51%	45%	55%

3. 工作環境及員工發展(續)

a. 人力資本及素質培養(續)

員工組成

僱員年齡及性別分佈

3. WORKING ENVIRONMENT AND EMPLOYEE DEVELOPMENT (continued)

b. Workplace safety

The Group is committed to providing employees a safe and healthy working environment, abiding by the Labor Law of the People's Republic of China, Law of the People's Republic of China on the Protection of Rights and Interests of Workers, and other applicable laws and regulations. The Group conducts strict and effective management with respect to personnel, machinery, objects and operating methods in the production sites, carries out Safety Month activities on a regular basis and announces the inspection and evaluation results to all employees.

All new employees will be given a Staff Manual to ensure that they are informed in a timely manner of the Company's general information, regulations and corporate culture etc. We regularly review and update the contents of the Staff Manual to keep up with the Company's strategy and development plan, and announce such contents timely on the Group's internal websites immediately after any changes are made. In addition to making timely payments for the pension and insurance on a pro-rata basis as required by law, the Group also regularly purchases commercial accident insurance for its employees.

		2020 二零二零年	2019 二零一九年
Number of work-related fatalities	因工作關係而死亡的人數和比率	0	0
Lost days due to work injury	因工傷而損失的工作天數	0	0

c. Care for our employees

Each subsidiary of the Group sets up a labor union. Funds are appropriated to such unions on a regular basis for labor union activities, collection and resolution of staff's suggestions and requests in order to protect interests of individual employees. Collective birthday celebration activities are organised regularly for the employees, featuring delicious meals, entertainment programs and birthday presents. A special fund for caring donations is set up by the Group and accrued monthly to help staff in need, making them feel cared for and developing a sense of belonging.

3. 工作環境及員工發展(續)

b. 職場安全

集團致力為員工提供安全及健康的工作環境，遵守《中華人民共和國勞動法》和《中華人民共和國勞動者權益保護法》及其他適用的法律法規。集團對生產現場中人員、機器、物件、操作方法等進行嚴格有效的管理，定期開展安全月活動，並對考察及評比結果進行全員通報。

新入職員工均發放員工手冊，確保使員工及時瞭解公司一般資料，管理規定及企業文化等，並定期檢討更新員工手冊內容，以便緊跟公司策略及發展規劃，並及時於集團內部網站公示。集團除為員工按照相關法例要求比例按時交納養老金及保險外，還定期為員工購買商業意外保險。

c. 員工關愛

集團各子公司設立工會組織，定期撥付經費，以供開展工會活動，收集和解決員工建議及訴求，保障員工切身利益。定期組織員工集體慶生活動，包括準備美味的聚餐及文娛節目，並派發生日禮品。集團內設立愛心捐款專項基金，每月計提經費，以供員工有特殊需要的愛心捐助撥備，使員工體味關愛，建立歸屬感。



3. WORKING ENVIRONMENT AND EMPLOYEE DEVELOPMENT (continued)

d. Employee health and safety

The outbreak of the novel coronavirus disease (Covid-19) has become the latest challenge for the health authorities in Hong Kong and Mainland China in the past year, the Group has devised several policies to protect its staff:

- The Group issued a series of internal rules covering every aspect of anti-epidemic measures, including the managing of workshops and dorms, departmental responsibilities, and procedures to handle health-related crisis;
- All public areas and the factory would be disinfected on a weekly basis;
- Providing masks, hand sanitiser, 75% alcohol disinfectant, and protective gloves to all staffs on a daily basis;
- Requesting all staffs returning to work from other regions to present mandatory Health Code and monitoring their health conditions;
- Requesting each staff to report their health status everyday; and
- Requesting each Department Head to monitor the health status of their staff on a timely basis.

There were no non-compliance cases noted in relation to health and safety laws and regulations during the year.

3. 工作環境及員工發展(續)

d. 員工健康與安全

由於新冠肺炎(Covid-19)過去一年已成為香港及中國大陸衛生主管部門的最大挑戰，本集團已制定若干政策保護其員工：

- 集團制定了一系列內部條文，涵蓋防疫措施的方方面面，包括如何管理工廠車間及員工宿舍，每個部門的責任安排，相關健康危機的應對措施等；
- 每周消毒所有公共地方及廠房；
- 每日為員工提供口罩、洗手液、75%酒精消毒液、防護手套；
- 要求由其他地區返回工作崗位的員工出示健康碼，並留意自身健康狀況；
- 要求每名員工每天報告其健康狀況；及
- 要求各部門主管及時監督其員工的健康狀況。

年內沒有發現與健康和安安全法律法規有關的違規案件。

4. SUPPLY CHAIN MANAGEMENT

a. Supplier relationships

We maintain good communication and stable cooperation with the suppliers so as to ensure a highly-efficient supply chain operation. The quality, timeliness and reliability of the products are guaranteed by an independent raw material quality inspection department, along with our agreement with suppliers regarding schedule delivery and warranty.

b. ERP system

All the information of the suppliers are maintained in the ERP system. A supplier assessment mechanism is in place to perform a strict selection of suppliers in respect of qualification, material quality, intellectual property qualification and price in order to ensure the suppliers meet the production standards in terms of raw material quality, price and production capacity.

c. Price management mechanism

A reasonable and effective price management mechanism with a quotation team to review material prices is set up, in which price comparison and monitoring for each kind of materials is conducted for a timely reminder and a periodic summary, so as to make the procurement fair and transparent and to maintain healthy competition.

5. PRODUCT RESPONSIBILITY

a. Qualification certificates

We have been granted several qualification certificates, including ISO 9001:2008, ISO 14001:2004 of Quality and Environment Management System Certificates, and ISO/TS 16949:2009 of Quality Control System Certificates. By stringent and careful implementation of the management and control systems, the Group maintains an excellent standard in the industry for the quality and reliability of its product.

4. 供應鏈管理

a. 供應商關係

我們與供應商保持良好的溝通及穩定的合作，以確保供應鏈可高效運轉，設有獨立的原材料質檢及測試部門，與供應商達成如期交付，追溯保修的協議，從而保證產品品質、及時性和可靠性。

b. ERP系統

所有供應商資料均在ERP系統中維護，執行供應商審核機制，對供應商資質、材料品質、知識產權資質及價格嚴格篩選，確保供應商對於原材料的品質、價格、生產能力等方面合乎生產標準。

c. 價格管理機制

建立合理有效的價格管理機制，設置報價組對材料價格進行審核，並於系統中設置每種材料的價格比對及監控，做到及時提醒、定期匯總。使採購工作公平透明，保持良性競爭。

5. 產品責任

a. 資格認證

我們已獲授包括質量及環境管理系統認證ISO 9001:2008、ISO 14001:2004，及ISO/TS 16949:2009品質控制系統認證等多項認證。通過嚴格謹慎的實施各項管控，使得我們產品的質素及可靠性維持業內卓越標準。



5. PRODUCT RESPONSIBILITY (continued)

b. Product R&D

In response to the rapid technological advancement in the LED backlight and LED lighting industries, the Group has been maintaining strong R&D capabilities, upgrading the skills required in the production processes and actively improving the production technologies. The Group's R&D centre has core competitiveness in the industry, and its professional and dedicated R&D team has developed on its own more than 1,000 LED backlight and lighting products, which have obtained 185 (2019: 151) patents in China and Hong Kong. Some products have been recognised by the Science, Industry, Trade and Information Technology Commission of Shenzhen Municipality as "Independent and Creative Products of Shenzhen".

c. Quality control

The Group has fully adopted quality management system, and every employee involved is responsible for the product quality. We strive to achieve flawless and smooth procedures from understanding customers' needs to providing after-sales services. The Group has purchased a series of advanced production and testing equipment with professional technical engineers, committing to improving production technology and enhancing output efficiency and product passing rate. There are strict quality control processes from procurement, design, production to storage. Such processes include incoming materials management, sample reliability testing, quality inspection during the process, ultimate quality control and quality assessment experiment for the final products.

Through the quality assessment experiment, the yield rate was improved and the product return rate was maintained at a low level of 1.39% in 2020 (2019: 1.38%).

5. 產品責任 (續)

b. 產品研發

我們為了配合LED背光及LED照明行業技術急速改進的特點，一直保持強大的研發能力，提升生產過程所需技能水平，積極改良生產工藝。集團的研發中心在業內具有核心競爭力，研發團隊專業而專注，自主研發千餘種LED背光及照明產品，並已於中國及香港取得185項(2019年：151項)專利權。部份產品已獲深圳市科技工貿和信息化委員會認可為深圳市獨立創新產品。

c. 品質管控

集團全面採用質量管理體系，每個崗位的員工均需對產品質量負責。從瞭解客戶需求至售後服務，我們力求完善流暢。本集團已購置一系列先進的生產及檢測設備，配備專業技術工程師，致力於改進生產工藝提高產出效能及產品合格率。從採購環節開始經設計、生產至倉儲環節，均有嚴格的品質管控流程。包擴來料質量管理、樣品可靠性測試、進程質量檢查、最後質量控制及產成品品質評估實驗。

通過品質評估實驗，提升成品率，客戶退貨率於2020年維持在1.39%(2019年1.38%)的低水平。

5. PRODUCT RESPONSIBILITY (continued)

d. After-sales service and information maintenance

We undertake the responsibility for each product and provide customers with warranty and replacement services. After the expiry of warranty period, we can continue to provide maintenance services and only charge for necessary costs. We have been well-received for providing excellent products and services to our customers. There are no substantial complaints, returns or reworks arising from product quality problems during the year.

We strive to protect customer information. All customer information is maintained in ERP system. Different management and operation permissions are assigned to each process and position. The system information is updated in a timely manner, with layered audit and offsite backup to ensure the information of every customer can be properly kept and maintained.

6. ANTI-CORRUPTION

a. Inspection mechanism

The Group pursues business ethics and is committed to operating with integrity. Any form of bribery, fraud, extortion, corruption and money laundering is strictly prohibited. The Group has established an inspection mechanism to regularly scrutinise the implementation of regulations in each department, and is devoted to reducing adverse effects on the day-to-day business activities caused by improper operation and supervision.

Additionally, the Group has implemented an effective Internal Manual on inside information or price sensitive information and provided separate channels for the reporting of any suspected business irregularities, frauds and corruptions. During the year, no incident of corruption was reported within the Group. There was no non-compliance in relation to corruption or money laundering related laws and regulations during the year.

5. 產品責任 (續)

d. 售後服務與信息維護

我們承諾對每一件產品負責，向客戶提供保修及更換服務，保修期滿後亦可繼續提供維修服務並僅收取必要成本費用，為客戶提供優質的產品及服務，受到廣大客戶好評。本年度未發生因產品質量問題產生的重大投訴、退貨或返修事故。

我們致力保護客戶資料信息。客戶全部資料均在ERP系統中維護，針對每個流程及不同職位設計開放不同管理和操作許可，系統資料及時更新、逐層審核、異地備份，確保每個客戶的信息都能被妥善保管及維護。

6. 反腐敗

a. 稽查機制

本集團恪守商業道德，堅持誠信經營，嚴禁任何形式的賄賂、欺詐、勒索、腐敗及洗錢行為。設立稽查機制，定期對各部門制度執行情況進行稽核，致力於減少因操作監管不當對日常經營活動造成不良影響。

此外，本集團已實施有效之內幕消息或價格敏感資料內部手冊及就報告任何可疑業務違規、欺詐及貪污提供獨立渠道。年內，本集團並無報告任何貪污事件。年內，本集團概無有關貪污或洗黑錢的任何不符合法律法規的事件。



6. ANTI-CORRUPTION (continued)

b. Internal audit

The Group has established an internal audit department which is directly accountable to the Independent Audit Committee and monitors and improves all procedures of each member company in the Group, to keep the operation system and procedures of the Company consistent with its operational development and changes. The Group has established a reporting and complaint mechanism and opened internal and external channels for whistle-blowing in order to maintain fairness, equity and high standards of the operational mechanism.

7. COMMUNITY INVOLVEMENT

We are committed to social responsibility and the contributions to environmental protection through the development of new LED energy-saving products. We actively participated in the government's street lamps replacement project and popularized the positive effects on saving resources by replacing the traditional lamps with LED lamps.

In March 2020, when the COVID-19 outbreak started to shatter Hong Kong's less fortunate communities, we cooperated with Pei Ho Counterparts to donate face masks to the ones in need. As a technology-oriented corporation, we care about advancement in modern science and technologies as much as traditional cultural heritage.

8. SUMMARY

The Group adheres to the corporate culture of "bring light into life", and has been persistent in making contribution to the development of global lighting industry with superb technology, reasonable prices and quality services. We strive for excellence and continuous innovation, aim to create more environmentally friendly products, commit to the practice of environmental protection, promote energy conservation and bring about benefits to customers, shareholders, employees and the whole society.

6. 反腐敗(續)

b. 內部審核

設立內審部直接對獨立審核委員會負責，對集團內各公司全部流程進行監控及完善，使公司的經營制度和流程保持與經營發展及變更步調一致。設立舉報及投訴機制，開放內部及外部檢舉通道，保持工作場所實現高標準嚴要求、正直公平的運營機制。

7. 社區參與

我們一直堅持履行社會責任，通過研發新LED節能產品為環保事業貢獻力量。積極參與政府路燈更換項目，普及用LED燈具代替傳統燈具對節約資源的積極作用。

2020年三月，當新冠肺炎疫情開始沉重打擊香港弱勢群體，我們與北河同行合作，向有需要人士捐贈口罩。作為科技導向型的公司，我們重視現代科學技術的進步，也一樣重視傳統文化遺產的保育。

8. 總論

集團秉承「將光明帶進生活」的企業文化精髓，一直堅持以精湛的技術、合理的價格和優質的服務為全球照明行業的發展貢獻力量，我們精益求精、不斷創新，志在創造更多的環保產品，投身環保事業，促進節能減排，回饋客戶，股東，僱員和整個社會。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



SHINEWING (HK) CPA Limited
43/F., Lee Garden One
33 Hysan Avenue
Causeway Bay, Hong Kong

TO THE MEMBERS OF WAI CHI HOLDINGS COMPANY LIMITED
(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Wai Chi Holdings Company Limited (the “**Company**”) and its subsidiaries (hereinafter collectively referred to as the “**Group**”) set out on pages 79 to 182, which comprise the consolidated statement of financial position as at 31 December 2020, and the consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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 2020, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

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

致偉志控股有限公司列位股東
(於開曼群島註冊成立的有限公司)

意見

我們已審核第79至182頁所載偉志控股有限公司（「**貴公司**」）及其附屬公司（以下統稱為「**貴集團**」）的綜合財務報表，其包括於2020年12月31日的綜合財務狀況表，以及截至該日止年度的綜合損益表、綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，連同綜合財務報表附註（包括主要會計政策概要）。

我們認為，綜合財務報表已根據香港會計師公會（「**香港會計師公會**」）頒佈的香港財務報告準則（「**香港財務報告準則**」）真實而公平地反映 貴集團於2020年12月31日的綜合財務狀況及其於截至該日止年度的綜合財務表現及綜合現金流量，並已根據香港公司條例的披露規定妥善編製。

意見基礎

我們根據香港會計師公會頒佈的香港核數準則（「**香港核數準則**」）進行審核工作。我們就該等準則承擔的責任已於報告內「核數師就審核綜合財務報表承擔的責任」一節作進一步闡述。根據香港會計師公會頒佈的專業會計師道德守則（「**守則**」），我們獨立於 貴集團，並根據守則履行我們的其他道德責任。我們相信我們已獲得足夠及適當的審核憑證，以為我們的審核意見提供基礎。

KEY AUDIT MATTERS

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

Valuation of inventories

Refer to Note 20 to the consolidated financial statements and the accounting policies on page 102.

The key audit matter

關鍵審核事項

As at 31 December 2020, the Group maintained inventories of HK\$220,710,000.

We have identified the valuation of inventories as a key audit matter because of their significance to the consolidated financial statements and the involvement of significant management judgement and estimation in identifying inventories with net realisable values that are lower than their carrying values, and obsolescence, with reference to the selling prices and condition of inventories.

於2020年12月31日，貴集團存置存貨220,710,000港元。

由於存貨估值對綜合財務報表至關重要，於參考存貨的售價及狀況識別可變現淨值低於其賬面值的存貨及陳舊情況時，涉及重大管理層判斷或估計，我們已將其識別為一項關鍵審核事項。

關鍵審核事項

關鍵審核事項指以我們的專業判斷認為對本期間綜合財務報表的審核工作中最為重要的事項。該等事項於我們審核整份綜合財務報表並就此形成有關意見的背景處理，而我們並不就該等事項發表獨立意見。

存貨估值

請參閱綜合財務報表附註20及第102頁會計政策。

How the matter was addressed in our audit

我們於審核時如何處理有關事項

Our audit procedures were designed to assess management estimations and judgements on the assessment of net realisable value of inventories and identification of obsolete items based on their subsequent usage and selling prices subsequent to the end of the reporting period and current market conditions.

We have assessed the net realisable value and utilisation of inventories subsequent to the end of the reporting period and discussed with the management in respect of the adequacy of the allowance made by the management based on subsequent usage and sales, ageing analysis and current market conditions. We have challenged the assumptions and critical judgements used by the management by assessing the reliability of the management's past estimates.

我們的審核程序旨在根據後續使用狀況及報告期末後售價以及當前市況，評估管理層就存貨可變現淨值評估及識別陳舊存貨的估計或判斷。

於報告期末後，我們已評估存貨的可變現淨值及動用情況，並就管理層根據後續使用狀況及銷售、賬齡風險及當前市況所作出的撥備是否充足與管理層進行討論。我們透過評估管理層過往估計的可靠性，對管理層所採用的假設及關鍵判斷提出質疑。

KEY AUDIT MATTERS (continued)

Valuation of trade receivables

Refer to Note 21 to the consolidated financial statements and the accounting policies on pages 103 to 112.

The key audit matter

關鍵審核事項

As at 31 December 2020, the Group had trade receivables of HK\$566,740,000, representing 38% of the Group's total current assets.

Allowance for impairment of trade receivables is based on lifetime expected credit losses model, which is estimated by taking into account the credit loss experience and forward-looking information including both current and forecast general economic conditions.

We have identified valuation of trade receivables as a key audit matter because the impairment assessment of trade receivables involved a significant degree of management estimation and may be subject to management bias.

於2020年12月31日，貴集團的應收賬款為566,740,000港元，佔貴集團流動資產總值的38%。

應收賬款減值撥備乃基於存續期預期信貸虧損模式作出，而預期信貸虧損乃經計及信貸虧損經驗及前瞻性資料（包括對當前和預測整體經濟狀況）後估算得出。

由於應收賬款減值評估涉及重大管理層估計及管理層可能出現偏頗，我們已將應收賬款估值識別為一項關鍵審核事項。

關鍵審核事項(續)

應收賬款估值

請參閱綜合財務報表附註21及第103至112頁會計政策。

How the matter was addressed in our audit

我們於審核時如何處理有關事項

Our audit procedures were designed to assess the assumptions and judgements of the Group's expected credit losses model on impairment assessment of trade receivables.

We have assessed the reasonableness of management's estimates for impairment allowance by examining the information used by management to form such judgements, including testing the accuracy of the historical default data and evaluating whether the historical loss rates are appropriately adjusted based on current economic conditions and forward-looking information.

We have also inspected cash received from debtors subsequent to the end of the reporting period relating to trade receivables balance as at 31 December 2020 on a sample basis.

我們的審核程序旨在評估貴集團應收賬款減值評估的預期信貸虧損模式的假設及判斷。

我們藉檢測管理層用以構成相關判斷的資料（包括測試過往預設數據的準確性、評估過往虧損率是否按目前經濟狀況和前瞻性資料）來評估管理層減值撥備估算的合理性。

我們亦於報告期末後對2020年12月31日向債務人所收取與應收賬款結餘有關的現金進行了抽樣檢查。

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

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 OF THE COMPANY AND THE AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

除綜合財務報表及核數師報告外的資料

貴公司董事須對其他資料負責。其他資料包括所有載於年報的資料，但綜合財務報表及我們就此發出的核數師報告除外。

我們就綜合財務報表的意見並未涵蓋其他資料，且我們概不就此發表任何形式的保證結論。

就我們對綜合財務報表的審核工作而言，我們的責任是審閱該等其他資料，並在此過程中考慮該等其他資料是否與綜合財務報表或我們在審核工作中所知悉的情況存在重大不一致或以其他形式出現重大錯誤陳述。根據我們所執行的工作，倘我們斷定該等其他資料存在重大錯誤陳述，則我們須報告該事實。我們並無有關該方面的任何事項須作報告。

貴公司董事及審核委員會就綜合財務報表承擔的責任

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的披露規定編製真實及公平的綜合財務報表，以及落實 貴公司董事認為必要的內部控制，以便編製不存在由於欺詐或錯誤而導致重大錯誤陳述的綜合財務報表。

於編製綜合財務報表時，除非 貴公司董事有意將 貴集團清盤或停止經營，或除此之外並無其他實際可行的辦法，否則 貴公司董事須負責評估 貴集團可持續經營的能力，披露（如適用）與持續經營有關的事項，以及採用持續經營基準會計法。

審核委員會須負責監督 貴集團的財務報告流程。

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion, solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

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

核數師就審核綜合財務報表承擔 的責任

我們的目標是合理保證綜合財務報表整體是否不存在任何重大錯誤陳述（不論是否因欺詐或錯誤而導致），並根據我們已協定的委聘條款僅向閣下全體出具載有我們意見的核數師報告，除此以外，我們的報告不可用作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔責任。合理保證乃屬高水平保證，但並不保證根據香港核數準則進行的審核工作一定能發現重大錯誤陳述（倘存在）。錯誤陳述可能由欺詐或錯誤引起，並且倘若個別或整體合理預期可能影響使用者根據該等綜合財務報表所作出的經濟決定，則被視為重大錯誤陳述。

作為根據香港核數準則進行審核工作的一部分，我們在整個審核工作中運用專業判斷及保持專業懷疑態度。我們亦：

- 識別及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，設計及執行審核程序以應對該等風險，以及獲取充足及適當的審核憑證，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，或凌駕於內部監控之上，因此未能發現因欺詐而出現的重大錯誤陳述的風險高於未能發現因錯誤而出現的重大錯誤陳述的風險。
- 瞭解與審核相關的內部監控，以設計在有關情況下屬適當的審核程序，但目的並非對貴集團內部監控的有效性發表意見。

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors of the Company.
- Conclude on the appropriateness of the Company's 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.

核數師就審核綜合財務報表承擔 的責任(續)

- 評估 貴公司董事所採用會計政策的適當性以及作出會計估計及相關披露的合理性。
- 對 貴公司董事採用持續經營基準會計法的適當性作出結論，並根據所獲取的審核憑證，確定是否存在與可能導致對貴集團持續經營能力產生重大疑慮的事項或情況有關的重大不確定因素。倘我們斷定存在重大不確定因素，則我們須在核數師報告中提請垂注綜合財務報表中的相關披露，或倘若有關披露不足，則修訂我們的意見。我們的結論乃基於截至核數師報告日期止所獲得的審核憑證。然而，未來事項或情況可能導致 貴集團不能持續經營業務。
- 評估綜合財務報表的整體呈列方式、結構及內容(包括披露事項)以及綜合財務報表是否公平呈列相關交易及事項。
- 就 貴集團內實體或業務活動的財務資料獲取充足適當的審核憑證，以便對綜合財務報表發表意見。我們負責指引、監督及執行集團審核工作。我們僅為我們的審核意見承擔責任。

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Mr. Chui Yiu Cheong.

SHINEWING (HK) CPA Limited

Certified Public Accountants

Chui Yiu Cheong

Practising Certificate Number: P07219

Hong Kong
26 March 2021

核數師就審核綜合財務報表承擔 的責任(續)

我們與審核委員會進行溝通，內容有關(其中包括)審核的計劃範圍及時間安排以及重大審核結果，包括我們在審核中發現的任何重大內部監控缺陷。

我們亦向審核委員會提交聲明，表明我們已符合有關獨立性的相關專業道德要求，並與其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及(倘適用)相關防範措施。

從與審核委員會進行溝通的事項中，我們確定對本期綜合財務報表的審核工作最為重要的事項，並因此將該等事項定為關鍵審核事項。我們在核數師報告中描述該等事項，除非法律或法規不允許公開披露該等事項，或於極端罕見情況下，倘合理預期在報告中溝通某事項造成的負面後果超過其產生的公眾利益，則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核項目合夥人為徐耀昌先生。

信永中和(香港)會計師事務所有限公司

執業會計師

徐耀昌

執業證書號碼：P07219

香港
2021年3月26日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益表

For the year ended 31 December 2020 截至2020年12月31日止年度

		Notes 附註	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Revenue	營業額	7	1,395,888	2,214,974
Cost of sales	銷售成本		(1,197,471)	(1,986,007)
Gross profit	毛利		198,417	228,967
Other income	其他收入	7	20,707	21,148
Selling and distribution expenses	銷售及分銷開支		(25,356)	(25,553)
Administrative expenses	行政開支		(84,934)	(101,597)
Other gains and losses	其他收益及虧損	9	4,939	(2,303)
Research and development expenses	研發開支		(54,978)	(50,812)
Finance costs	財務成本	10	(28,094)	(29,681)
Profit before tax	除稅前利潤		30,701	40,169
Income tax credit (expense)	所得稅抵免(開支)	11	329	(3,021)
Profit for the year	年度利潤	12	31,030	37,148
Profit for the year attributable to:	以下人士應佔：			
– Owners of the Company	– 本公司擁有人		30,958	37,148
– Non-controlling interest	– 非控股權益		72	–
			31,030	37,148
			HK\$ 港元	HK\$ 港元
Earnings per share	每股盈利			
Basic and diluted	基本及攤薄	15	0.14	0.17

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the year ended 31 December 2020 截至2020年12月31日止年度

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Profit for the year	年度利潤	31,030	37,148
Other comprehensive income that will not be reclassified subsequently to profit or loss:	其後將不會重新分類至損益的其他全面收益：		
Fair value gain on equity instruments designated at fair value through other comprehensive income	指定按公允值計入其他全面收益的權益工具的公允值收益	448	-
Other comprehensive income (expense) that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益的其他全面收益(開支)：		
Exchange differences arising on translation of foreign operations	換算海外業務產生的匯兌差額	42,688	(20,980)
Other comprehensive income (expense) for the year	年度其他全面收益(開支)	43,136	(20,980)
Total comprehensive income for the year	年度全面收入總額	74,166	16,168
Total comprehensive income for the year attributable to:	以下人士應佔年度全面收入總額：		
- Owners of the Company	- 本公司擁有人	73,996	16,168
- Non-controlling interest	- 非控股權益	170	-
		74,166	16,168

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 December 2020 於2020年12月31日

		Notes	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
		附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	16	248,072	245,520
Right-of-use assets	使用權資產	17	62,304	50,776
Deposit paid for acquisition of property, plant and equipment	購買物業、廠房及設備已付按金		52,898	5,582
Deferred taxation	遞延稅項	27	8,312	8,455
Deposits with bank	銀行存款	23	178,223	-
Financial assets at fair value through profit or loss	按公允價值計入損益之金融資產	18	3,510	-
Financial assets at fair value through other comprehensive income	按公允價值計入其他全面收益的金融資產	19	3,683	-
			557,002	310,333
Current assets	流動資產			
Inventories	存貨	20	220,710	211,584
Trade receivables	應收賬款	21	566,740	454,279
Bills receivables	應收票據	21	157,675	92,069
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	22	151,101	262,668
Pledged bank deposits	已抵押銀行存款	23	277,267	176,963
Bank balances and cash	銀行結餘及現金	23	101,520	101,816
			1,475,013	1,299,379
Current liabilities	流動負債			
Trade payables	應付賬款	24	295,154	241,923
Bills payables	應付票據	24	545,268	296,147
Other payables and accruals	其他應付款項及預提費用	24	35,967	55,812
Contract liabilities	合約負債	25	6,210	8,518
Bank and other borrowings	銀行及其他借款	26	346,569	288,171
Lease liabilities	租賃負債	17	8,974	4,539
Income tax payables	應付所得稅		5,912	9,294
			1,244,054	904,404
Net current assets	流動資產淨值		230,959	394,975
Total assets less current liabilities	總資產減流動負債		787,961	705,308

CONSOLIDATED STATEMENT OF FINANCIAL POSITION 綜合財務狀況表

As at 31 December 2020 於2020年12月31日

		Notes 附註	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Non-current liabilities	非流動負債			
Lease liabilities	租賃負債	17	15,419	10,343
Corporate bond	公司債券	28	1,896	1,856
Government grants	政府補助	29	18,398	17,420
Deferred taxation	遞延稅項	27	381	–
			36,094	29,619
Net assets	資產淨值		751,867	675,689
Capital and reserves	資本及儲備			
Share capital	股本	30	2,168	2,168
Reserves	儲備		747,687	673,521
Equity attributable to owners of the Company	本公司擁有人應佔權益		749,855	675,689
Non-controlling interests	非控股權益		2,012	–
Total equity	總權益		751,867	675,689

The consolidated financial statements on pages 79 to 182 were approved and authorised for issue by the board of directors on 26 March 2021 and are signed on its behalf by:

第79至182頁的綜合財務報表已於2021年3月26日經董事會批准及授權刊發，並由下列代表簽署：

Mr. Yiu Chi To
姚志圖先生
Director
董事

Mr. Chen Chung Po
陳鐘譜先生
Director
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2020 截至2020年12月31日止年度

		Attributable to owners of the Company 本公司擁有人應佔						
		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Statutory reserve 法定儲備 HK\$'000 千港元 (Note a) (附註a)	Translation reserve 匯兌儲備 HK\$'000 千港元	Merger reserve 合併儲備 HK\$'000 千港元 (Note b) (附註b)	Retained profits 保留利潤 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 January 2019	於2019年1月1日	2,168	331,977	56,771	(31,369)	34,561	265,413	659,521
Profit for the year	年度利潤	-	-	-	-	-	37,148	37,148
Other comprehensive expense for the year	年度其他全面開支							
- exchange differences arising on translation of foreign operations	- 換算海外業務產生 的匯兌差額	-	-	-	(20,980)	-	-	(20,980)
Total comprehensive (expense) income for the year	年度全面(開支)收入 總額	-	-	-	(20,980)	-	37,148	16,168
Transfer	轉撥	-	-	4,818	-	-	(4,818)	-
At 31 December 2019	於2019年12月31日	2,168	331,977	61,589	(52,349)	34,561	297,743	675,689

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

For the year ended 31 December 2020 截至2020年12月31日止年度

		Attributable to owners of the Company 本公司擁有人應佔							Non-controlling interest	Total equity	
		Share capital	Share premium	Statutory reserve	Translation reserve	Revaluation reserve	Merger reserve	Retained profits	Total	Non-controlling interest	Total equity
		股本	股份溢價	法定儲備	匯兌儲備	重估儲備	合併儲備	保留利潤	合計	非控股權益	總權益
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
				(Note a) (附註 a)			(Note b) (附註 b)				
At 1 January 2020	於2020年1月1日	2,168	331,977	61,589	(52,349)	-	34,561	297,743	675,689	-	675,689
Profit for the year	年度利潤	-	-	-	-	-	-	30,958	30,958	72	31,030
Other comprehensive expense for the year	年度其他全面開支										
- fair value gain on equity investment designated at fair value through other comprehensive income	—指定為按公允值計入其他全面收益之股權投資之公允值收益	-	-	-	-	448	-	-	448	-	448
- exchange differences arising on translation of foreign operations	—換算海外業務產生的匯兌差額	-	-	-	42,590	-	-	-	42,590	98	42,688
Total comprehensive income for the year	年度全面收入總額	-	-	-	42,590	448	-	30,958	73,996	170	74,166
Capital injection by non-controlling interests	非控股權益注資	-	-	-	-	-	-	-	-	1,336	1,336
Transaction with non-controlling interests	與非控股權益進行的交易	-	170	-	-	-	-	-	170	506	676
Transfer	轉撥	-	-	349	-	-	-	(349)	-	-	-
At 31 December 2020	於2020年12月31日	2,168	332,147	61,938	(9,759)	448	34,561	328,352	749,855	2,012	751,867

Notes:

- (a) As stipulated by regulations in the People's Republic of China (the "PRC"), the Company's subsidiaries established and operated in the PRC are required to appropriate 10% of their after-tax profit (after offsetting prior year losses) as determined in accordance with the applicable laws and regulations in the PRC, to statutory reserve until the reserve balance reaches 50% of the registered capital of the relevant subsidiaries. The transfer to this reserve must be made before distribution of a dividend to equity owners.
- (b) Merger reserve represented the difference between the nominal value of the issued capital of subsidiaries acquired pursuant to a group reorganisation over the consideration paid for acquiring these subsidiaries.

In 2013, as part of the pre-listing reorganisation, the Company issued 135 ordinary shares of HK\$1,000,000 each which, through its subsidiaries, were used to subscribe for new shares issued and allotted by Wai Chi Group (HK) Limited and became the holding company of the Group. The difference between the proceeds from the issuance of shares and the then share capital and capital reserve subscribed was recognised in the merger reserve.

附註：

- (a) 中華人民共和國（「中國」）法規規定本公司於中國成立及營運的附屬公司須根據中國適用法律及法規釐定劃撥其除稅後利潤（於抵銷過往年度虧損後）10%為法定儲備，直至儲備結餘達相關附屬公司註冊資本50%。轉撥至此儲備須於分派股息予權益擁有人前作出。
- (b) 合併儲備指根據集團重組收購的附屬公司的已發行股本面值與就收購該等附屬公司已付代價的差額。

於2013年，作為上市前重組的一部分，本公司透過其附屬公司發行135股每股面值1,000,000港元的普通股，用作認購由偉志集團有限公司發行及配發的新股份，並成為本集團的控股公司。發行股份所得款項與已認購的當時股本及資本儲備間的差額於合併儲備確認。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2020 截至2020年12月31日止年度

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
OPERATING ACTIVITIES	經營活動		
Profit before tax	除稅前利潤	30,701	40,169
Adjustments for:	調整以下各項：		
Finance costs	財務成本	28,094	29,681
Bank interest income	銀行利息收入	(3,605)	(8,241)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	45,261	43,207
Depreciation of right-of-use assets	使用權資產折舊	7,710	2,593
Government grants	政府補助	(11,707)	(8,102)
Gain on disposal of property, plant and equipment, net	出售物業、廠房及設備收益淨額	-	(23)
Loss on write-off of property, plant and equipment (Reversal of) impairment loss recognised in respect of trade and other receivables	撇銷物業、廠房及設備虧損 (撥回)就應收賬款及其他應收款項確認減值虧損	123	286
Reversal of provision of inventories	撥回存貨撥備	(5,814)	3,123
Provision of inventories	存貨撥備	(1,920)	(865)
Loss from changes in fair value of financial assets at fair value through profit or loss	按公允值計入損益之金融資產之公允值變動虧損	1,625	45
		1,170	-
Operating cash flows before movements in working capital	營運資金變動前經營現金流量	91,638	101,873
Decrease (increase) in inventories	存貨減少(增加)	738	(26,466)
Increase in trade receivables	應收賬款增加	(80,363)	(60,767)
(Increase) decrease in bills receivables	應收票據(增加)減少	(56,484)	7,869
Decrease (increase) in prepayments, deposits and other receivables	預付款項、按金及其他應收款項減少(增加)	118,959	(76,752)
Increase in trade payables	應付賬款增加	39,322	62,195
Increase in bills payables	應付票據增加	218,102	49,510
Decrease in contract liabilities	合約負債減少	(2,571)	(71,947)
(Decrease) increase in other payables and accruals	其他應付款項及預提費用(減少)增加	(19,964)	11,638
Cash generated from (used in) operations	經營所產生(所用)現金	309,377	(2,847)
PRC Enterprise Income Tax paid	已付中國企業所得稅	(2,377)	(4,090)
NET CASH FROM (USED IN) OPERATING ACTIVITIES	經營活動所產生(所用)現金淨額	307,000	(6,937)

CONSOLIDATED STATEMENT OF CASH FLOWS 綜合現金流量表

For the year ended 31 December 2020 截至2020年12月31日止年度

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
INVESTING ACTIVITIES	投資活動		
(Increase) decrease in deposits with bank	銀行存款(增加)減少	(168,668)	79,481
Placements of pledged bank deposits	存入已抵押銀行存款	(132,096)	(571,144)
Acquisition of property, plant and equipment	購置物業、廠房及設備	(37,709)	(54,898)
Deposit paid for acquisition of property, plant and equipment	收購物業、廠房及設備已付按金	(44,500)	(5,677)
Purchase of financial assets at fair value through profit or loss	購買按公允值計入損益之金融資產	(4,680)	-
Purchase of financial assets at fair value through other comprehensive income	購買按公允值計入其他全面收益之金融資產	(3,235)	-
Proceeds from disposal of financial asset at fair value through profit or loss	出售按公允值計入損益之金融資產所得款項	-	152,182
Interest received	已收利息	1,912	8,241
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	5,267	3,190
Withdrawal of pledged bank deposits	提取已抵押銀行存款	47,624	520,458
NET CASH (USED IN) FROM INVESTING ACTIVITIES	投資活動(所用)所產生現金淨額	(336,085)	131,833
FINANCING ACTIVITIES	融資活動		
New bank and other borrowings raised	新增銀行及其他借款	635,878	631,445
Government grants received	已收政府補助	11,571	7,965
Capital injection received from non-controlling interests	非控股權益注資	1,336	-
Transaction with non-controlling interests	與非控股權益進行的交易	506	-
Repayment of bank and other borrowings	償還銀行及其他借款	(591,965)	(652,069)
Interest paid	已付利息	(27,359)	(29,641)
Repayment of lease liabilities	償還租賃負債	(5,829)	(3,437)
NET CASH FROM (USED IN) FINANCING ACTIVITIES	融資活動所產生(所用)現金淨額	24,138	(45,737)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物(減少)增加淨額	(4,947)	79,159
CASH AND CASH EQUIVALENTS AT 1 JANUARY	於1月1日的現金及現金等價物	101,816	24,213
Effect of foreign exchange rate changes	匯率變動的影響	4,651	(1,556)
CASH AND CASH EQUIVALENTS AT THE END OF 31 DECEMBER, represented by bank balances and cash	於12月31日結束時的現金及現金等價物，包括銀行結餘及現金	101,520	101,816



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

1. GENERAL

Wai Chi Holdings Company Limited (the “**Company**”) is a company incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands on 16 August 2013 and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 18 November 2014. Its ultimate controlling party is Mr. Yiu Chi To. The address of the registered office of the Company is Offshore Incorporations (Cayman) Limited, Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and the principal place of business of the Company is 6th Floor, Liven House, 63 King Yip Street, Kwun Tong, Kowloon, Hong Kong.

The Company is principally engaged in investment holding. The principal activities of its subsidiaries are set out in Note 37.

The functional currency of the Company and the subsidiaries incorporated in Hong Kong are Hong Kong dollars (“**HK\$**”) while that of the subsidiaries established in the PRC are Renminbi (“**RMB**”). For the purpose of presenting the consolidated financial statements, the Company and its subsidiaries (hereinafter collectively referred to as the “**Group**”) adopted HK\$ as its presentation currency.

1. 一般資料

偉志控股有限公司（「**本公司**」）乃一間於2013年8月16日根據開曼群島公司法在開曼群島註冊成立的獲豁免有限公司，而其股份於2014年11月18日在香港聯合交易所有限公司（「**聯交所**」）主板上市。其最終控股方為姚志圖先生。本公司註冊辦事處的地址為Offshore Incorporations (Cayman) Limited, Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands，而本公司主要營業地點為香港九龍觀塘敬業街63號利維大廈6樓。

本公司主要從事投資控股。其附屬公司的主要業務載於附註37。

本公司及於香港註冊成立的附屬公司的功能貨幣為港元（「**港元**」），而於中國成立的附屬公司的功能貨幣為人民幣（「**人民幣**」）。就呈列綜合財務報表而言，本公司及其附屬公司（下文統稱「**本集團**」）採納港元為其呈列貨幣。

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For the year ended 31 December 2020 截至2020年12月31日止年度

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

In the current year, the Group has applied, for the first time, the Amendments to References to the Conceptual Framework in Hong Kong Financial Reporting Standards (“HKFRSs”) and the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) which are effective for the Group’s financial year beginning 1 January 2020:

Amendments to HKFRS 3	Definition of a Business
Amendments to HKAS 1 and HKAS 8	Definition of Material
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform

The application of the Amendments to References to the Conceptual Framework in HKFRSs and the amendments to HKFRSs in the current year has had no material effect on the Group’s financial performance and positions for the current and prior periods and/or on the disclosures set out in these consolidated financial statements.

New and amendments to HKFRSs issued but not yet effective

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

HKFRS 17	Insurance Contracts and related Amendments ⁵
Amendments to HKFRS 3	Reference to Conceptual Framework ³
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ²

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

本年度，本集團首次應用香港財務報告準則（「香港財務報告準則」）中概念框架提述（修訂本）及以下由香港會計師公會（「香港會計師公會」）頒佈的經修訂香港財務報告準則，自本集團於2020年1月1日開始的財政年度生效：

香港財務報告準則第3號（修訂本）	業務的定義
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
香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號（修訂本）	利率基準改革

於本年度應用香港財務報告準則中概念框架提述（修訂本）及經修訂香港財務報告準則對本集團當前及過往期間的財務表現及狀況及／或本綜合財務報表內所載的披露資料並無重大影響。

已頒佈但尚未生效的新訂及經修訂香港財務報告準則

本集團並無提早應用以下已頒佈但尚未生效的新訂及經修訂香港財務報告準則：

香港財務報告準則第17號	保險合約及相關修訂 ⁵
香港財務報告準則第3號（修訂本）	概念框架提述 ³
香港財務報告準則第10號及香港會計準則第28號（修訂本）	投資者與其聯營公司或合營企業之間的資產出售或注資 ²

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

New and amendments to HKFRSs issued but not yet effective (continued)

Amendments to HKAS 1 (note)	Classification of Liabilities as Current or Non-current and the related amendments to Hong Kong Interpretation 5(2020) Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause ⁵
Amendments to HKAS 16	Property, plant and Equipment: Proceeds before Intended Use ³
Amendments to HKAS 37	Onerous Contracts – Cost of Fulfilling a Contract ³
Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	Interest Rate Benchmark Reform – Phase 2 ¹
Amendment to HKFRS 16	COVID-19-Related Rent Concessions ⁴
Amendment to HKFRSs	Annual Improvements to HKFRSs 2018–2020 cycle ³

¹ Effective for annual periods beginning on or after 1 January 2021.

² Effective for annual periods beginning on or after a date to be determined.

³ Effective for annual periods beginning on or after 1 January 2022.

⁴ Effective for annual periods beginning on or after 1 June 2020.

⁵ Effective for annual periods beginning on or after 1 January 2023.

The directors of the Company anticipate that the application of the new and amendments to HKFRSs will have no material impact on the results and the financial position of the Group.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效的新訂及經修訂香港財務報告準則(續)

香港會計準則第1號(修訂本)(附註)	將負債分類為流動負債或非流動負債，及香港詮釋第5(2020)號財務報表的呈列－借款人對含有按要求償還條款的定期貸款的分類的相關修訂 ⁵
香港會計準則第16號(修訂本)	物業、廠房及設備：擬定用途前的所得款項 ³
香港會計準則第37號(修訂本)	虧損性合約－履行合約的成本 ³
香港財務報告準則第9號、香港會計準則第39號、香港財務報告準則第7號、香港財務報告準則第4號及香港財務報告準則第16號(修訂本)	利率基準改革－第2階段 ¹
香港財務報告準則第16號(修訂本)	與COVID-19相關的租金優惠 ⁴
香港財務報告準則(修訂本)	2018年至2020年週期香港財務報告準則的年度改進 ³

¹ 於2021年1月1日或其後開始的年度期間生效。

² 於待定日期或其後開始的年度期間生效。

³ 於2022年1月1日或其後開始的年度期間生效。

⁴ 於2020年6月1日或其後開始的年度期間生效。

⁵ 於2023年1月1日或其後開始的年度期間生效。

本公司董事預期，應用新訂及經修訂香港財務報告準則將不會對本集團的業績及財務狀況有重大不利影響。

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

For the year ended 31 December 2020 截至2020年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance (Chapter 622 of the Laws of Hong Kong).

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair value at the end of each reporting period.

Historical cost is generally based on fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. Details of fair value measurement are explained in the accounting policies set out below.

The principal accounting policies are set out below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries.

Control is achieved where the Group has: (i) the power over the investee; (ii) exposure, or rights, to variable returns from its involvement with the investee; and (iii) the ability to use its power over the investee to affect the amount of the Group's returns.

The Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of these elements of control stated above.

3. 主要會計政策

綜合財務報表乃按照香港會計師公會頒佈的香港財務報告準則編製。此外，綜合財務報表包括聯交所證券上市規則及香港法例第622章香港公司條例規定的適用披露。

除若干財務工具於各報告期末按公允值計量外，綜合財務報表乃按歷史成本基準編製。

歷史成本一般按交換貨品及服務代價的公允值計算。

公允值指於計量日主要市場（或最有利市場）的市場參與者在現行市場情況下，於有秩序交易中出售資產可收取或轉讓負債須支付的價格（即平倉價），不論該價格是否可直接觀察或使用其他估值方法估計所得。公允值計量的詳情於下文載列的會計政策中詳述。

主要會計政策載列如下。

綜合基準

綜合財務報表載入本公司及由本公司及其附屬公司控制的實體的財務報表。

當本集團(i)擁有對被投資者的權力；(ii)可透過參與被投資者事務而承擔或有權取得可變回報；及(iii)可利用對被投資者的權力影響本集團回報的金額，則取得控制權。

倘事實及情況顯示上述其中一項或多項控制要素出現變動，本集團將重新評估是否對被投資者擁有控制權。

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

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of consolidation (continued)

Consolidation of a subsidiary begins when the Group obtains control of the subsidiary and ceases when the Group loses control of the subsidiary.

Income and expenses of subsidiaries are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss of subsidiaries are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group are eliminated in full on consolidation.

Revenue recognition

Revenue is recognised to depict the transfer of promised goods to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods. Specifically, the Group uses a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

3. 主要會計政策(續)

綜合基準(續)

對附屬公司的綜合入賬，於本集團獲得該附屬公司的控制權時開始，並於本集團失去該附屬公司的控制權時終止。

附屬公司的收入及開支自本集團獲得控制權當日開始計入綜合損益及其他全面收益表，直至本集團不再擁有附屬公司控制權當日止。

附屬公司的損益歸屬於本公司擁有人及非控股權益。附屬公司的全面收益總額歸屬於本公司擁有人及非控股權益，即使此舉會導致非控股權益出現虧絀結餘。

所有與本集團實體之間交易相關的集團內公司間資產及負債、權益、收入、開支及現金流量於綜合入賬時全數撇銷。

收益確認

實體應以反映該實體因交換約定商品預期將獲得的代價的方式確認收益，以說明向客戶轉讓相關商品。具體而言，本集團使用5步收益確認法：

- 第1步：與客戶確認合約
- 第2步：確認合約內的履約責任
- 第3步：釐定交易價格
- 第4步：將交易價格分配至合約內的履約責任
- 第5步：當實體完成履約責任時確認收益。

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For the year ended 31 December 2020 截至2020年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

The Group recognised revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods underlying the particular performance obligation is transferred to customers.

A performance obligation represents a good (or a bundle of goods) that is distinct or a series of distinct goods that are substantially same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- The Group's performance creates and enhances an asset that the customer controls as the asset is created and enhanced; or
- The Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct goods.

Revenue is measured based on the consideration specified in a contract with a customer, excludes discounts and sales related taxes.

3. 主要會計政策(續)

收益確認(續)

本集團於完成履約責任時(或就此)確認收益,即與特定履約責任相關的商品的「控制權」轉讓予客戶時。

履約責任指一個明確商品(或一批明確商品)或一系列大致相同的明確商品。

倘符合下列其中一項標準,則控制權在一段時間內轉移,而收益確認會參考一段時間內已完成相關履約責任的進度進行:

- 於本集團履約時,客戶同時取得並享用本集團履約所提供的利益;
- 於資產增設或優化時,本集團的履約增設或優化一項由客戶控制的資產;或
- 本集團的履約並未創造對本集團有替代用途的資產,且本集團對迄今已完成履約的付款具有可強制執行的權利。

否則,收益會在當客戶獲得明確商品的控制權時在某一時點確認。

收益乃根據與客戶簽訂的合約中規定的代價計算,不包括折讓及與銷售相關的稅項。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

Contract assets and contract liabilities

A contract asset represents the Group's right to consideration in exchange for goods that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with HKFRS 9. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group's obligation to transfer goods to a customer for which the Group has received consideration from the customer.

For a single contract with the customer, either a net contract asset or a net contract liability is presented.

The Group recognised revenue from the sales of goods including (i) Light-Emitting Diode ("LED") backlight; (ii) LED lighting; (iii) high-tech electronic components and products; and (iv) semiconductor memory chips.

Sales of goods

Revenue from sales of goods is recognised when goods are delivered to location specified by the customers and accepted by the customers, which is the point of time the customer has the ability to direct the use of the products and obtain substantially all of the remaining benefits of the products.

Principal versus agent

When another party is involved in providing goods or services to a customer, the Group determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for those goods or services to be provided by the other party (i.e. the Group is an agent).

The Group is a principal if it controls the specified good or service before that good or service is transferred to a customer.

3. 主要會計政策(續)

收益確認(續)

合約資產及合約負債

合約資產指本集團就本集團已向客戶轉讓的商品而於交換中收取代價的權利(尚未成為無條件)，根據香港財務報告準則第9號評估減值。相反，應收賬款指本集團收取代價的無條件權利，即代價到期付款前僅需時間推移。

合約負債指本集團因已向客戶收取代價，而須向客戶轉讓商品的責任。

就與客戶的單一合約而言，淨合約資產或淨合約負債得以呈列。

本集團就銷售商品確認收益，該等商品包括(i)發光二極體(「LED」)背光；(ii)LED照明；(iii)高科技電子零部件及產品；及(iv)半導體存儲芯片。

銷售商品

銷售商品收益於商品交付至客戶指定的地點並獲客戶接納時確認，即客戶有能力指示產品使用並獲得產品的基本上所有剩餘利益的時間點。

委託人與代理人

當另一方從事向客戶提供貨品或服務，本集團釐定其承諾的性質是否為提供指定貨品或服務本身的履約責任(即本集團為委託人)或安排由另一方提供該等貨品或服務(即本集團為代理人)。

倘本集團在向客戶轉讓貨品或服務之前控制指定貨品或服務，則本集團為委託人。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Principal versus agent (continued)

The Group is an agent if its performance obligation is to arrange for the provision of the specified good or service by another party. In this case, the Group does not control the specified good or service provided by another party before that good or service is transferred to the customer. When the Group acts as an agent, it recognises revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the specified goods or services to be provided by the other party.

Leasing

Definition of a lease

A contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less from the commencement date and do not contain a purchase option) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

3. 主要會計政策(續)

委託人與代理人(續)

倘本集團的履約責任為安排另一方提供指定的貨品或服務，則本集團為代理人。在此情況下，在將貨品或服務轉讓予客戶之前，本集團不控制另一方提供的指定貨品或服務。當本集團為代理人時，其所確認收入金額為其預期有權就安排由另一方提供的指定貨品或服務而取得的任何費用或佣金。

租賃

租賃的定義

倘合約轉讓在一段時間內控制使用已識別資產的權利以換取代價，則合約為或包含租賃。

本集團作為承租人

本集團於合約初始評估有關合約是否屬租賃或包含租賃。本集團就其作為承租人的所有租賃安排確認使用權資產及相應的租賃負債，除短期租賃(定義為租賃期為自開始日期起12個月或以下且並無包含購買選擇權的租賃)及低價值資產的租賃外。就該等租賃而言，本集團於租期內以直線法確認租賃付款為經營開支，惟倘有另一系統化基準更能代表耗用租賃資產經濟利益的時間模式則除外。



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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Leasing (continued)

The Group as lessee (continued)

Lease liabilities

At the commencement date, the Group measures lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted by using the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise fixed lease payments (including in-substance fixed payments).

The lease liability is presented as a separate line in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

Lease liability is remeasured (and with a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using revised discount rate.
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments and using a revised discount rate.

3. 主要會計政策(續)

租賃(續)

本集團作為承租人(續)

租賃負債

於開始日期，本集團按於該日未支付租賃付款的現值計量租賃負債。租賃付款使用租賃中的內含利率進行貼現。倘上述利率不能較容易地確定，則本集團會採用增量借款利率。

計入租賃負債計量的租賃付款包括固定租賃付款(包括實質上為固定付款)。

租賃負債於綜合財務狀況表內單獨列示。

租賃負債其後按調增賬面值以反映租賃負債的利息(使用實際利率法)及按調減賬面值以反映作出的租賃付款的方式計量。

倘出現以下情況，租賃負債(並就相關使用權資產作出相應調整)予以重新計量：

- 租賃期有所變動或行使購買選擇權的評估發生變化，在該情況下，租賃負債透過使用經修訂貼現率貼現經修訂租賃付款而重新計量。
- 租賃合約已修改且租賃修改不作為一項單獨租賃入賬，在該情況下，租賃負債透過使用經修訂貼現率貼現經修訂租賃付款而重新計量。

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For the year ended 31 December 2020 截至2020年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Leasing (continued)

The Group as lessee (continued)

Right-of-use assets

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date and any initial direct costs.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses. They are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Group presents right-of-use assets as a separate line item in the consolidated statement of financial position.

The Group applies HKAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the “impairment losses on tangible assets” policy.

When the Group obtains ownership of the underlying leased assets at the end of the lease term upon exercising purchase options, the carrying amount of the relevant right-of-use asset is transferred to property, plant and equipment.

Sales and leaseback transactions

The Group acts as a seller-lessee

The Group applies the requirement of HKFRS 15 to assess whether sale and leaseback transaction constitute a sale by the Group as a seller-lessee. For a transfer that does not satisfy the requirements as a sale, the Group accounts for the transfer proceeds as other borrowings within the scope of HKFRS 9.

3. 主要會計政策(續)

租賃(續)

本集團作為承租人(續)

使用權資產

使用權資產包括相應租賃負債、於開始日期或之前支付的租賃付款以及任何初始直接成本的初始計量。

使用權資產其後以成本減累計折舊及減值虧損計量。使用權資產乃按租賃期及相關資產的可使用年期以較短者折舊。倘相關資產的租賃轉讓所有權或使用權資產的成本反映本集團預期行使購買選擇權，則相關的使用權資產在相關資產的使用年內折舊。折舊於租賃開始日期開始計算。

本集團將使用權資產於綜合財務狀況表內單獨列示。

本集團應用香港會計準則第36號釐定使用權資產是否已減值，並就「有形資產減值虧損」政策所述任何已識別減值虧損入賬。

當本集團於租期結束行使購買選擇權時取得相關租賃資產的擁有權，相關使用權資產的賬面值轉移至物業、廠房及設備。

銷售及回租交易

本集團作為賣方—承租人

本集團應用香港財務報告準則第15號的規定，以評估銷售及回租交易是否構成本集團作為賣方—承租人的出售。就於不符合銷售規定的轉讓而言，本集團將轉讓收益按香港財務報告準則第9號範圍作其他借款入賬。



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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purpose of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. HK\$) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the year. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3. 主要會計政策(續)

外幣

於編製各個別集團實體的財務報表時，以該實體功能貨幣以外的貨幣(外幣)進行的交易按交易日期適用匯率以相關功能貨幣(即實體營運所在主要經濟環境的貨幣)入賬。於報告期末，以外幣列值的貨幣項目乃按該日現行匯率重新換算。按外幣歷史成本計量的非貨幣項目則不作重新換算。

結算貨幣項目及重新換算貨幣項目所產生的匯兌差額於其產生期間在損益確認。

就呈列綜合財務報表而言，本集團海外業務的資產及負債按各報告期末適用匯率換算為本集團的呈列貨幣(即港元)。收入及開支項目按年內平均匯率換算，所產生匯兌差額(如有)於其他全面收入確認並累計至匯兌儲備項下的權益。

借款成本

收購、興建或生產合資格資產(即需要長時間方可用於其擬定用途或可供出售的資產)直接應佔的借款成本加入該等資產的成本內，直至資產大致上可用於其擬定用途或可供出售時為止。

其他借款成本於其產生期間在損益確認。

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

For the year ended 31 December 2020 截至2020年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Retirement benefit costs

Payments to stage-managed retirement benefit schemes and the Mandatory Provident Fund Scheme (the “MPF Scheme”) are recognised as an expense when employees have rendered services entitling them to the contributions.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

3. 主要會計政策(續)

政府補助

政府補助於可合理確認本集團將遵守補助金附帶的條件及收取補助金時方予確認。

政府補助乃於本集團確認有關補助擬補償的相關成本為開支期間按系統化基準在損益中確認。具體來說，首要條件為本集團應購買、建設或以其他方式收購非流動資產的政府補助於綜合財務狀況表確認為遞延收入，並在有關資產的可用年期內按系統化及合理基準轉撥至損益。

作為已產生開支或虧損的補償或向本集團提供即時財務資助(並無日後相關成本)而可收取的政府補助，乃於其成為可收取的期間在損益中確認。

退休福利成本

向國家管理退休福利計劃及強制性公積金計劃(「強積金計劃」)所作的供款於僱員提供服務而有權獲得有關供款時確認為開支。

短期及其他長期僱員福利

負債乃就相關服務提供期間的工資及薪金、年假及病假按為交換該項服務而預計將支付的福利的未貼現金額對屬於僱員的福利進行確認。

就短期僱員福利確認的負債乃按為交換相關服務而預計將支付的福利的未貼現金額計量。



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

For the year ended 31 December 2020 截至2020年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the consolidated statement of profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

3. 主要會計政策(續)

稅項

所得稅開支指即期應付稅項與遞延稅項之和。

即期應付稅項根據年內應課稅利潤計算。應課稅利潤與綜合損益表呈報的除稅前利潤不同，原因為其不包括其他年度的應課稅或可扣減收入或開支項目，亦不包括毋須課稅或不可扣減項目。本集團的即期稅項負債採用於各報告期末已實施或實質上已實施的稅率計算。

遞延稅項按綜合財務報表內資產及負債的賬面值與計算應課稅利潤所採用的相應稅基之間的暫時性差額確認。所有應課稅的暫時性差額一般確認為遞延稅項負債。所有可扣減的暫時性差額一般確認為遞延稅項資產，惟以有應課稅利潤可用作抵銷可扣減暫時性差額為限。倘暫時性差額因初步確認既不影響應課稅利潤亦不影響會計利潤的交易中資產及負債而產生，則不會確認該等遞延稅項資產及負債。

遞延稅項負債乃就於附屬公司投資產生的應課稅暫時性差額予以確認，惟本集團能夠控制暫時性差額的撥回且暫時性差額於可見未來可能不會撥回則除外。與該等投資相關的可扣減暫時性差額所產生的遞延稅項資產，僅於可能有足夠應課稅利潤可用作抵銷暫時性差額的利益，且暫時性差額預期會於可見未來撥回的情況下，方予以確認。

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

For the year ended 31 December 2020 截至2020年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxation (continued)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on the tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 Income Taxes requirements to right-of-use assets and lease liabilities separately. Temporary differences relating to right-of-use assets and lease liabilities are not recognised at initial recognition and over the lease terms due to application of the initial recognition exemption.

Current and deferred tax is recognised in profit or loss.

3. 主要會計政策(續)

稅項(續)

遞延稅項資產賬面值於各報告期末審閱，並作出扣減，惟以不再可能有足夠應課稅利潤以收回全部或部分資產為限。

遞延稅項資產及負債按預期適用於清償負債或變現資產期間的稅率，根據於報告期末已實施或實質上已實施的稅率(及稅法)計量。

遞延稅項負債及資產的計量反映本集團預期於報告期末收回或結算其資產及負債賬面值的方式產生的稅項結果。

就計量本集團確認使用權資產及相關租賃負債的租賃交易的遞延稅項而言，本集團首先釐定稅項扣減是否歸因於使用權資產或租賃負債。

就稅項扣減歸因於租賃負債之租賃交易而言，本集團將香港會計準則第12號「所得稅」規定分別應用於使用權資產及租賃負債。由於應用初步確認豁免，有關使用權資產及租賃負債之暫時差額並未於初步確認時於租期內確認。

即期及遞延稅項於損益確認。



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For the year ended 31 December 2020 截至2020年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment

Property, plant and equipment including buildings held for use in the production or supply of goods or services or for administrative purposes other than construction in progress as described below are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

Ownership interests in leasehold land and buildings

When the Group makes payments for ownership interests of properties which includes both leasehold land and building elements, the entire consideration is allocated between the leasehold land and the building elements in proportion to the relative fair values at initial recognition. To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land is presented as “right-of-use assets” in the consolidated statement of financial position. When the consideration cannot be allocated reliably between non-lease building element and undivided interest in the underlying leasehold land, the entire properties are classified as property, plant and equipment.

Depreciation is recognised so as to allocate the cost of items of property, plant and equipment, other than construction in progress, less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

3. 主要會計政策(續)

物業、廠房及設備

物業、廠房及設備(包括持有用作生產或供應貨品或服務或作行政用途的樓宇, 不包括下文所述的在建工程)按成本減其後累計折舊及累計減值虧損(如有)於綜合財務狀況表入賬。

於租賃土地及樓宇的所有權權益

當本集團就物業擁有權權益(包括租賃土地及樓宇部分)作出付款,則代價按於首次確認時之相對公允值比例,於租賃土地及樓宇部分之間悉數分配。倘相關付款分配能可靠計量時,租賃土地權益於綜合財務狀況表「使用權資產」呈列。當代價無法在相關租賃土地的非租賃樓宇部分及未分配權益之間可靠分配時,則整項物業分類為物業、廠房及設備。

折舊乃採用直線法按物業、廠房及設備項目(在建工程除外)的估計可使用年期分配其成本(減去其剩餘價值)確認。估計可使用年期、剩餘價值及折舊方法於各報告期末予以檢討,並對任何估計變動的影響進行核算。

正在興建作生產、供應或行政用途的物業按成本減任何已確認的減值虧損列賬。成本包括專業費用,以及(就合資格資產而言)根據本集團會計政策資本化的借款成本。該等物業於竣工及可作擬定用途時被分類為適當類別的物業、廠房及設備。該等資產於其可投入擬定用途時按與其他物業資產相同的基準開始計提折舊。

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

For the year ended 31 December 2020 截至2020年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment (continued)

Ownership interests in leasehold land and buildings (continued)

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and carrying amount of the asset and is recognised in profit or loss.

Inventories

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

Cash and cash equivalents

Bank balances and cash in the consolidated statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of bank balances and cash as defined above.

Investment in a subsidiary

Investment in a subsidiary is stated in the statement of financial position of the Company at cost less accumulated impairment loss.

Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the instrument.

3. 主要會計政策(續)

物業、廠房及設備(續)

於租賃土地及樓宇的所有權權益(續)

物業、廠房及設備項目乃於出售時或預期不會因持續使用該資產而產生未來經濟利益時終止確認。出售或報廢物業、廠房及設備項目所產生的任何收益或虧損乃按資產的銷售所得款項與其賬面值的差額計算，並於損益確認。

存貨

存貨按成本與可變現淨值兩者間的較低者列賬。存貨成本採用加權平均法計算。可變現淨值為存貨的估計售價減所有估計完成成本及銷售的必要成本。

現金及現金等價物

綜合財務狀況表的銀行結餘及現金包括銀行及手頭現金以及到期日為3個月或以下的短期存款。

就綜合現金流量表而言，現金及現金等價物包括上文定義的銀行結餘及現金。

於一間附屬公司的投資

於一間附屬公司的投資乃按成本值減累計減值虧損在本公司的財務狀況表內呈列。

財務工具

當一個集團實體成為工具合約條文的訂約方時，金融資產及金融負債會於綜合財務狀況表確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss (“FVTPL”)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (“FVTOCI”) and FVTPL.

The classification of financial assets at initial recognition depends on the financial asset’s contractual cash flow characteristics and the Group’s business model for managing them.

3. 主要會計政策(續)

財務工具(續)

金融資產及金融負債初步按公允值計量，惟客戶合約產生之應收賬款初步根據香港財務報告準則第15號計量除外。收購或發行金融資產及金融負債(按公允值計入損益(「按公允值計入損益」)的金融資產或金融負債除外)直接應佔的交易成本，於初步確認時在金融資產或金融負債(倘適用)公允值中計入或扣除。收購按公允值計入損益之金融資產直接應佔之交易成本即時於損益確認。

金融資產

所有常規方式買賣的金融資產概於交易日予以確認及取消確認。常規方式買賣乃指遵循法規或市場慣例在約定時間內交付資產的金融資產買賣。

所有已確認的金融資產，視乎金融資產的分類而定，其後全面按攤銷成本或公允值計量。金融資產於初始確認時分類為其後按攤銷成本、按公允值計入其他全面收益(「按公允值計入其他全面收益」)及按公允值計入損益計量。

於初始確認時，金融資產分類取決於金融資產的合約現金流量特點及本集團管理該等金融資產的業務模式。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Financial assets at amortised cost (debt instruments)

The Group measures financial assets subsequently at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment.

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses (“ECL”), through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

3. 主要會計政策(續)

財務工具(續)

金融資產(續)

按攤銷成本計量之金融資產(債務工具)

本集團僅會於同時符合以下兩項條件的情況下，才會計量其後按攤銷成本計量之金融資產：

- 該金融資產由一個業務模式持有，而持有金融資產之目的為收取合約現金流量；及
- 金融資產的合約條款於指定日期產生的現金流量純粹為支付本金及未償還本金的利息。

按攤銷成本計量的金融資產其後採用實際利率法計量及可能出現減值。

攤銷成本及實際利率法

實際利率法乃計算債務工具攤銷成本及於有關期間分配利息收入之方法。

就金融資產而言，實際利率乃按債務工具預計存續期或(如適用)較短期間，準確貼現估計未來現金收入(包括構成實際利率不可或缺部分之一切已付或已收費用及點數、交易成本及其他溢價或折讓)(不包括預期信貸虧損(「預期信貸虧損」))至其初步確認時債務工具之賬面總值之利率。

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For the year ended 31 December 2020 截至2020年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Amortised cost and effective interest method (continued)

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired.

Interest income is recognised in profit or loss and is included in the "Other income" line item (Note 7).

Equity instruments designated as at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the revaluation reserve. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, instead, they will be transferred to retained profits.

3. 主要會計政策(續)

財務工具(續)

金融資產(續)

攤銷成本及實際利率法(續)

金融資產的攤銷成本指金融資產於初始確認時計量的金額減去本金還款，加上初始金額與到期金額間的任何差額使用實際利率法計算的累計攤銷(就任何虧損撥備作出調整)。金融資產的賬面總值指金融資產就任何虧損撥備作出調整前的攤銷成本。

就其後按攤銷成本計量的債務工具而言，利息收入採用實際利率法確認。就購買或發起的信貸減值金融資產以外的金融資產而言，利息收入透過對金融資產的賬面總值應用實際利率計算，惟其後出現信貸減值的金融資產除外。

利息收入於損益確認並計入「其他收入」項目(附註7)。

指定為按公允值計入其他全面收益之權益工具

於初始確認時，本集團可作出不可撤回的選擇(按個別金融工具基準)，指定於權益工具的投資為按公允值計入其他全面收益。倘若股本投資乃為交易而持有或倘若其為業務合併中收購方所確認的或然代價，則不得指定為按公允值計入其他全面收益。

按公允值計入其他全面收益的權益工具投資首次按公允值加上交易成本計量。其後，彼等按公允值計量，而公允值變動所產生的收益和虧損會於其他全面收益中確認並累計至投資重估儲備。出售權益投資時，累計收益或虧損將不會被重新分類至損益，取而代之，其會轉撥至保留溢利。

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For the year ended 31 December 2020 截至2020年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Equity instruments designated as at FVTOCI (continued)

Dividends from investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the investment and other income in profit or loss.

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent that they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the "other gains and losses" line item. Fair value is determined in the manner described in Note 6.

This category contains investment in a life insurance policy. The Group accounts for the investment at FVTPL.

Impairment of financial assets

The Group recognises a loss allowance for ECL on investments in debt instruments that are measured at amortised costs. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

3. 主要會計政策(續)

財務工具(續)

金融資產(續)

指定為按公允值計入其他全面收益之權益工具(續)

當本集團確認收取股息的權利時，權益工具投資的股息於損益中確認，除非股息明確表示收回部分投資成本。股息計入損益內「投資及其他收入」。

按公允值計入損益之金融資產

不符合按攤銷成本計量或按公允值計入其他全面收入計量標準的金融資產按以公允值計入損益計量。

於各報告期末，按公允值計入損益之金融資產按公允值計量，而任何公允值收益或虧損於損益中確認並不屬指定對沖關係。在損益中確認的收益或虧損淨額包括在金融資產中獲得的任何股息或利息，並計入「其他收益及虧損」項目。公允值按附註6所述的方式釐定。

此類別包含於人壽保險單之投資。本集團將該投資按公允值計入損益入賬。

金融資產減值

本集團就按攤銷成本計量之債券工具投資確認預期信貸虧損之減值準備。預期信貸虧損金額於各報告日期更新，以反映信貸風險自初始確認有關金融票據以來之變動。

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For the year ended 31 December 2020 截至2020年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

The Group always recognises lifetime ECL for trade receivables. The ECL on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group measures the loss allowance equal to 12-months ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increase in the likelihood or risk of a default occurring since initial recognition.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

3. 主要會計政策(續)

財務工具(續)

金融資產(續)

金融資產減值(續)

本集團一直就應收賬款確認存續期預期信貸虧損。該等金融資產之預期信貸虧損乃基於本集團之過往信貸虧損經驗使用撥備矩陣估計，並就債務人特定因素、整體經濟狀況以及對於報告日期狀況之目前及預測方向(包括金錢時間值，如適用)的評估作出調整。

就所有其他金融工具而言，本集團計量相等於十二個月預期信貸虧損的虧損撥備，除非信貸風險自初始確認以來顯著增加，則本集團確認存續期預期信貸虧損。評估應否確認存續期預期信貸虧損乃視乎自初始確認以來發生違約的可能或風險是否顯著增加。

信貸風險顯著增加

評估金融工具的信貸風險是否自初始確認以來顯著增加時，本集團比較於報告日期金融工具發生違約的風險與於初始確認日期金融工具發生違約的風險。作出該評估時，本集團考慮合理可作為依據的定量及定性資料，包括毋須付出不必要成本或努力便可獲得的過往經驗及前瞻資料。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Significant increase in credit risk (continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

3. 主要會計政策(續)

財務工具(續)

金融資產(續)

信貸風險顯著增加(續)

具體而言，評估信貸風險自初始確認以來曾否顯著增加時考慮下列資料：

- 金融工具的外部(如有)或內部信貸評級實際或預期嚴重轉差；
- 業務、財務或經濟狀況的現存或預計不利變動預期會導致債務人履行其債務責任的能力大幅下降；
- 債務人經營業績的實際或預期顯著惡化；
- 同一債務人的其他金融工具的信貸風險顯著增加；
- 債務人的監管、經濟或技術環境實際或預期出現重大不利變動而導致債務人履行其債務責任的能力大幅下降。

不論上述評估結果如何，本集團假設當合約付款逾期超過30日時，金融工具的信貸風險已自初始確認以來顯著增加，除非本集團有合理可作為依據的資料顯示並非如此則作別論。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Significant increase in credit risk (continued)

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if (i) the financial instrument has a low risk of default, (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term, and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when the asset has external credit rating of 'investment grade' in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there are no past due amounts.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

3. 主要會計政策(續)

財務工具(續)

金融資產(續)

信貸風險顯著增加(續)

儘管上文所述，本集團假設倘債務工具釐定為於報告日期具有低信貸風險，則債務工具的信貸風險自初始確認以來並無顯著增加。倘屬以下情況，金融工具釐定為具有低信貸風險：(i) 金融工具具有低違約風險，(ii) 借款人於短期內具備雄厚實力履行其合約現金流量責任，及(iii) 長期經濟及業務狀況的不利變動可能但不一定削減借款人履行其合約現金流量責任的能力。本集團認為，若根據眾所周知的定義，資產的外部信貸測評為「投資級」，則該債務工具具有較低信貸風險，或倘不可獲得外部評級，該項資產具有內部評級「履約級」。履約級指交易對手方具有強勁的財務狀況且並無逾期款項。

本集團定期監察用以確定信貸風險曾否顯著增加的標準的成效，並於適當時候作出修訂，從而確保有關標準能夠於款項逾期前確定信貸風險顯著增加。

違約的定義

本集團認為以下情況就內部信貸風險管理目的而言構成違約事件，因為過往經驗表明符合以下任何一項標準的應收款項一般無法收回：

- 債務人違反財務契諾；或
- 內部產生或獲取自外部來源的資料表明，債務人不太可能向債權人(包括本集團)全額還款(不考慮本集團持有的任何抵押品)。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Definition of default (continued)

The Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or past due event;
- it is becoming probable that the debtor will undergo bankruptcy or other financial restructuring; or
- the disappearance of an active market for that financial asset because of financial difficulties.

Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

3. 主要會計政策(續)

財務工具(續)

金融資產(續)

違約的定義(續)

本集團認為，倘金融資產逾期超過90天，則發生違約事件，除非本集團具有說明更寬鬆的違約標準更為合適的合理可靠資料，則作別論。

信貸減值金融資產

當發生對金融資產的估計未來現金流產生不利影響的一件或多件事件之時，該金融資產即出現信貸減值。金融資產發生信貸減值的證據包括以下事件的可觀察數據：

- 債務人出現重大財務困難；
- 違反合約，例如違約或逾期事件；
- 債務人可能破產或進行其他財務重組；或
- 因財務困難令該項金融資產失去活躍市場。

撇銷政策

當有資料顯示債務人陷入嚴重財困，且並無實際收回的可能之時（例如交易對手已清算或進入破產程序），本集團會撇銷金融資產。已撇銷的金融資產仍可根據本集團的收回程序實施強制執行，在適當情況下考慮法律意見。任何收回款項會於損益中確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the ECL is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

3. 主要會計政策(續)

財務工具(續)

金融資產(續)

預期信貸虧損之計量及確認

預期信貸虧損的計量為違約概率、違約損失率(即違約時的損失程度)及違約風險暴露的函數。評估違約概率及違約損失率的依據是過往數據，並按前瞻性資料調整。金融資產的違約風險暴露則由資產於報告日期的賬面總值代表。

就金融資產而言，預期信貸虧損乃根據合約應付本集團之所有合約現金流與本集團可望收取之所有現金流(按最初實際利率折讓)兩者間之差額作出估計。

倘本集團於上個報告期間以相等於存續期預期信貸虧損的金額計量一項財務工具的虧損撥備，但於本報告日期釐定該存續期預期信貸虧損的條件不再符合，則本集團於本報告日期按相等於12個月預期信貸虧損的金額計量虧損撥備，惟使用簡化法的資產除外。

本集團於損益確認所有金融工具之減值收益或虧損時，會透過虧損撥備賬對其賬面值進行相應調整。

終止確認金融資產

本集團僅於資產現金流量的合約權利屆滿時，或將金融資產及資產所有權的絕大部分風險及回報轉讓予另一方時，終止確認金融資產。倘本集團並未轉讓亦未保留所有權的絕大部分風險及回報，並繼續控制已轉讓資產，則本集團於其須支付相關款項的資產及相關負債中確認其保留權益。倘本集團保留已轉讓金融資產所有權的絕大部分風險及回報，則本集團繼續確認該金融資產並亦確認已收所得款項的有抵押借款。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Derecognition of financial assets (continued)

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investment revaluation reserve is not reclassified to profit or loss, but is transferred to retained profits.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are subsequently measured at amortised cost using the effective interest method.

3. 主要會計政策(續)

財務工具(續)

金融資產(續)

終止確認金融資產(續)

於終止確認按攤銷成本計量的金融資產時，該資產賬面值與已收及應收代價總額的差額於損益內確認。此外，於終止確認本集團於首次確認時已選擇按公允值計入其他全面收益計量之股本工具投資時，先前於投資重估儲備累計之累計收益或虧損不會重新分類至損益，而會轉撥至保留溢利。

金融負債及權益工具

分類為債務或權益

集團實體發行的債務及權益工具乃根據合約安排的實質內容及金融負債及權益工具的定義分類為金融負債或權益。

權益工具

權益工具乃證實扣除實體所有負債後其資產的剩餘權益的任何合約。集團實體發行之權益工具按已收所得款項扣除直接發行成本入賬。

金融負債

所有金融負債其後使用實際利率法按攤銷成本計量。

其後按攤銷成本計量的金融負債

並非(i)收購人於業務合併中的或然代價，(ii)持作買賣，或(iii)指定為按公允值計入損益的金融負債其後使用實際利率法按攤銷成本計量。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial liabilities and equity instruments (continued)

Financial liabilities subsequently measured at amortised cost (continued)

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Impairment losses on tangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generation units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

3. 主要會計政策(續)

財務工具(續)

金融負債及權益工具(續)

其後按攤銷成本計量的金融負債(續)

實際利率法為計算金融負債的攤銷成本以及分配相關期間的利息開支之方法。實際利率乃於按金融負債的預期可使用年期或適用的較短期間內確切貼現估計未來現金款項(包括構成實際利率不可或缺部分的所有已付或已收費用及點數、交易成本及其他溢價或貼現)至金融負債攤銷成本的利率。

終止確認金融負債

本集團僅會於本集團責任遭解除、註銷或屆滿時終止確認金融負債。已終止確認之金融負債賬面值與已付及應付代價(包括任何已轉讓非現金資產或所承擔的負債)之差額於損益確認。

有形資產減值虧損

於報告期末，本集團檢討其有形資產賬面值，以確定是否有任何跡象顯示該等資產已產生減值虧損。倘存在任何有關跡象，則會估計資產的可收回金額以確定減值虧損(如有)程度。如果無法估計單個資產的可收回金額，本集團會估計該資產所屬的現金產生單位的可收回金額。如果可以識別一個合理和一致的分配基準，企業資產亦會分配至單個現金產生單位，否則會按能識別的、合理且一致的基準分配至最小的現金產生單位組合。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment losses on tangible assets (continued)

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

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or the cash-generating unit) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a cash-generating unit, the Group compares the carrying amount of a group of cash-generating units, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of cash-generating units, with the recoverable amount of the group of cash-generating units. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of cash-generating units. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of cash-generating units. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or the cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or the cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately.

3. 主要會計政策(續)

有形資產減值虧損(續)

可收回金額是指公允值減去出售成本後的餘額與使用價值兩者間的較高者。在評估使用價值時，估計未來現金流會採用稅前貼現率貼現為現值，該稅前貼現率應反映當前市場對貨幣時間價值的評估及該資產特有的風險（未就此調整估計未來現金流者）。

如資產（或現金產生單位）的可收回金額估計較其賬面值少時，則該資產（或現金產生單位）的賬面值將降低至其可收回金額。就未能按合理一致基準分配至現金產生單位的企業資產或一部分企業資產而言，本集團會將一組現金產生單位的賬面值（包括分配至該現金產生單位組別的企業資產或一部分企業資產的賬面值）與該組現金產生單位的可收回金額作比較。於分配減值虧損時，減值虧損首先獲分配以減少任何商譽（如適用）的賬面值，然後根據單位或該組現金產生單位中每項資產的賬面值按比例分配至其他資產。資產的賬面值不會減少至低於其公平值減出售成本（如可計量）、其使用價值（如可釐定）及零的最高值。否則原應將分配至資產的減值虧損金額按比例分配至該單位或該組現金產生單位的其他資產。減值虧損即時於損益中確認。

倘減值虧損於其後撥回，資產（或現金產生單位）的賬面值將調升至其經修訂的估計可收回金額，惟調升後的賬面值不得超過倘該資產（或現金產生單位）在過往年度並無確認減值虧損時原應確認的賬面值。減值虧損撥回即時確認為收益。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Research and development expenditure

Expenditure on research activities is recognised as an expense in the year in which it is incurred.

Fair value measurement

When measuring fair value except for the Group's leasing transactions, net realisable value of inventories and value in use of property, plant and equipment and right-of-use assets for the purpose of impairment assessment, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Specifically, the Group categorised the fair value measurements into three levels, based on the characteristics of inputs, as follows:

Level 1	–	Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
Level 2	–	Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
Level 3	–	Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

3. 主要會計政策(續)

研發開支

研究活動開支於其產生年度確認為開支。

公允值計量

於計量公允值時(本集團的租賃交易、存貨可變現淨值及評估減值所用物業、廠房及設備以及使用權資產的使用價值除外),本集團會考慮市場參與者於計量日對資產或負債定價時所考慮的資產或負債特點。

計量非金融資產公允值時,須考慮市場參與者藉資產的最高及最佳用途所得經濟效益、或售予另一以最高及最佳用途使用資產的市場參與者所得經濟效益。

本集團所用的估值方法,務求切合情況,且有充足數據用以計量公允值,盡量使用相關可觀察輸入數據,而盡量避免使用不可觀察輸入數據。具體而言,本集團按輸入數據特性將公允值計量分成如下三級:

第一級	–	就相同資產或負債於活躍市場的市場報價(未經調整)。
第二級	–	以對公允值計量有重大影響,而可直接或間接觀察的最低輸入數據,作為估值技術的基礎。
第三級	–	以對公允值計量有重大影響,而不可觀察的最低層輸入數據,作為估值技術的基礎。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value measurement (continued)

At the end of the reporting period, the Group determines whether transfer occurs between levels of the fair value hierarchy for assets and liabilities which are measured at fair value on recurring basis by reviewing their respective fair value measurement.

4. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3, the directors of the Company are required to make judgement, estimates and assumptions about the carrying amounts of assets and liabilities, revenue and expenses reported and disclosures made in the consolidated financial statements. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgement in applying accounting policies

The following is the critical judgement, apart from those involving estimations, that the directors of the Company have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised and disclosures made in the consolidated financial statements.

3. 主要會計政策(續)

公允值計量(續)

於報告期末，就以公允值定期計量的資產及負債，本集團檢視其各自的公允值計量，以釐定其公允值層級間有否劃撥。

4. 關鍵會計判斷及估計不確定因素的主要來源

應用附註3所述本集團的會計政策時，本公司董事須就綜合財務報表中所呈報的資產及負債、收益及開支賬面值及披露作出判斷、估計及假設。估計及相關假設乃以過往經驗及認為相關的其他因素為基礎。實際結果可能有別於該等估計。

估計及相關假設會持續予以檢討。倘會計估計修訂僅影響修訂估計期間，則修訂只會在該期間確認，或倘修訂同時影響現時及未來期間，則會在修訂期間及未來期間確認。

應用會計政策時的關鍵判斷

以下為除涉及估計之外的關鍵判斷，即本公司董事在應用本集團會計政策過程中作出及對該等於綜合財務報表內已確認金額及所作披露具有最大影響的判斷。

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

Critical judgement in applying accounting policies (continued)

Principal versus agent consideration

The Group engages in trading of high-tech electronic components and products. The Group assessed whether the Group should recognise revenue on gross basis based on the requirements in HKFRS 15. The Group concluded that the Group acts as the principal for such transactions as it controls the specified good before it is transferred to the customer after taking into consideration indicators such as that the Group is primarily responsible for fulfilling the promise to provide the goods. The Group has inventory risk and discretion in establishing selling prices of the goods.

Key sources of estimation uncertainty

The followings are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Estimated allowance for inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price for inventories, less all the estimated costs of completion and costs necessary to make the sales. The management reviews the inventory ageing listing on a periodic basis for those aged inventories. This involves comparison of carrying value of the aged inventory items with the respective net realisable value. The purpose is to ascertain whether allowance is required to be made in the consolidated financial statements for any obsolete and slow moving items. Although the Group carried periodic review on the net realisable value of inventory, the actual realisable value of inventory is not known until the sale was concluded. As at 31 December 2020, the carrying amount of inventories of the Group was HK\$220,710,000 (2019: HK\$211,584,000) (net of impairment provision of HK\$74,737,000 (2019: HK\$80,341,000)).

4. 關鍵會計判斷及估計不確定因素的主要來源(續)

應用會計政策時的關鍵判斷(續)

主體與代理考慮事項

本集團從事高科技電子零部件及產品貿易。本集團重新評估其是否應繼續根據香港財務報告準則第15號的規定按總額基準確認收益。經考慮本集團主要負責履行提供貨品的承諾等指標後，本集團認為其為該等交易的主體，原因為本集團在特定貨品轉讓予客戶之前對該等貨品進行控制。本集團在確定貨品的售價時面臨存貨風險及擁有酌情權。

估計不確定因素的主要來源

以下為具重大風險使下個財政年度的資產及負債賬面值出現重大調整的與未來有關的主要假設及於報告期末估計不確定因素的其他主要來源。

估計存貨撥備

存貨按成本與可變現淨值兩者間的較低者列賬。可變現淨值為存貨的估計售價減所有估計完成成本及銷售的必要成本。管理層定期檢視存貨賬齡清單，以識別出陳舊存貨。此涉及將陳舊存貨項目之賬面值與各自的可變現淨值互相比較，以確定是否需要在綜合財務報表中就任何陳舊及滯銷存貨作出撥備。雖然本集團定期檢視存貨之可變現淨值，但存貨的實際可變現價值要待銷售敲定時才能得知。於2020年12月31日，本集團的存貨賬面值為220,710,000港元(2019年：211,584,000港元)，扣除減值撥備74,737,000港元(2019年：80,341,000港元)。

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

Key sources of estimation uncertainty (continued)

Estimated impairment of trade receivables

The impairment of trade receivables are based on assumptions about ECL. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, bases on the number of days that an individual receivable is outstanding as well as the Group's historical experience and forward-looking information at the end of the reporting period. Changes in these assumptions and estimates could materially affect the result of the assessment and it may be necessary to make additional impairment charge to the consolidated statement of profit or loss. As at 31 December 2020, the carrying amount of trade receivables of the Group was HK\$566,740,000 (2019: HK\$454,279,000) (net of impairment loss of trade receivables of HK\$25,442,000 (2019: HK\$30,260,000)).

Estimated useful life of property, plant and equipment

At the end of each reporting period, the directors of the Company review the estimated useful life of property, plant and equipment with finite useful life. The carrying amounts of property, plant and equipment with finite useful life as at 31 December 2020 is HK\$248,072,000 (31 December 2019: HK\$245,520,000).

4. 關鍵會計判斷及估計不確定因素的主要來源 (續)

估計不確定因素的主要來源 (續)

應收賬款估計減值

應收賬款的減值乃根據有關預期信貸虧損的假設作出。本集團在作出該等假設及選擇減值計算的輸入數據時，乃根據個別應收賬款未清償的天數以及本集團於報告期末的歷史經驗及前瞻性資料作出判斷。該等假設及估計的變動或會對評估結果產生重大影響，及可能需於綜合損益表中作出額外減值撥備。於2020年12月31日，本集團的應收賬款賬面值為566,740,000港元（2019年：454,279,000港元），扣除應收賬款減值虧損25,442,000港元（2019年：30,260,000港元）。

物業、廠房及設備的估計使用年期

於各報告期末，本公司董事審閱使用年期有限的物業、廠房及設備的估計使用年期。於2020年12月31日，使用年期有限的物業、廠房及設備的賬面值為248,072,000港元（2019年12月31日：245,520,000港元）。

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

Key sources of estimation uncertainty (continued)

Estimated impairment of property, plant and equipment

Property, plant and equipment are stated at costs less accumulated depreciation and impairment, if any. In determining whether an asset is impaired, the Group has to exercise judgement and make estimation, particularly in assessing: (1) whether an event has occurred or any indicators that may affect the asset value; (2) whether the carrying value of an asset can be supported by the recoverable amount, in the case of value in use, the net present value of future cash flows which are estimated based upon the continued use of the asset; and (3) the appropriate key assumptions to be applied in estimating the recoverable amounts including cash flow projections and an appropriate discount rate. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the assets belongs.

As at 31 December 2020, the carrying amounts of property, plant and equipment were HK\$248,072,000 (2019: HK\$245,520,000). Details of the impairment of property, plant and equipment are disclosed in Note 16.

Deferred tax assets

Deferred tax assets are recognised for certain deductible temporary differences. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits. As at 31 December 2020, the carrying values of deferred tax assets of the Group were HK\$8,312,000 (2019: HK\$8,455,000), further details of which are disclosed in Note 27.

4. 關鍵會計判斷及估計不確定因素的主要來源(續)

估計不確定因素的主要來源(續)

物業、廠房及設備估計減值

物業、廠房及設備以成本減累計折舊及減值(如有)列賬。於釐定資產是否減值時,本集團須作出判斷及估計,尤其評估:(1)是否有事件已發生或有任何指標可能影響資產淨值;(2)資產賬面值是否能夠以可收回金額(如為使用價值)支持,即按照持續使用資產估計的未來現金流量的淨現值;及(3)將應用於估計可收回金額的適當關鍵假設(包括現金流量預測及適當的貼現率)。當無法估計個別資產的可收回金額時,本集團會估計資產所屬現金產生單位的可收回金額。

於2020年12月31日,物業、廠房及設備的賬面值為248,072,000港元(2019年:245,520,000港元)。物業、廠房及設備的減值詳情於附註16披露。

遞延稅項資產

會就若干可扣減暫時性差額確認遞延稅項資產。在釐定可確認遞延稅項資產的金額時,需要根據未來應課稅利潤可能發生的時間與金額作出重大管理層判斷。於2020年12月31日,本集團的遞延稅項資產賬面值為8,312,000港元(2019年:8,455,000港元),其進一步詳情披露於附註27。

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5. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that the entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consist of net debt (which includes bank and other borrowings, corporate bond, net of pledged bank deposits, deposits with bank and bank balances and cash) and equity attributable to owners of the Company, comprising issued share capital and reserves.

The directors of the Company review the capital structure regularly. As part of this review, the directors of the Company consider the cost of capital and the risks associated with each class of capital. The Group will balance its overall capital structure through the payment of dividends, issuance of new shares as well as the issue of new debt or the redemption of borrowings.

6. FINANCIAL INSTRUMENTS

Categories of financial instruments

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Financial assets	金融資產		
Amortised cost (including bank balances and cash)	攤銷成本 (包括銀行結餘及現金)	1,354,552	866,570
Financial assets at FVTOCI	按公允值計入其他全面收益之 金融資產	3,683	-
Financial assets at FVTPL	按公允值計入損益之金融資產	3,510	-
		1,361,745	866,570
Financial liabilities	金融負債		
Amortised cost	攤銷成本	1,217,075	877,927

5. 資本風險管理

本集團的資本管理旨在確保本集團內所有實體均可持續經營，同時透過優化債務及權益結餘，竭力為股東帶來最大回報。本集團的整體策略與往年相比保持不變。

本集團的資本架構由債務淨額（包括銀行及其他借款、公司債券，已抵押銀行存款淨額、銀行存款以及銀行結餘及現金）以及本公司擁有人應佔權益（包括已發行股本及儲備）組成。

本公司董事定期檢討資本結構，當中涉及考慮資本成本及與各類資本相關的風險。本集團將透過派付股息、發行新股，以及發行新債或贖回借款以平衡其整體資本結構。

6. 金融工具

財務工具的類別

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

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6. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies

The Group's major financial instruments include financial assets at FVTPL and FVTOCI, trade receivables, bills receivables, deposits and other receivables, pledged bank deposits, deposits with bank, bank balances and cash, trade payables, bills payables, other payables and accruals, bank and other borrowings and corporate bond. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

Market risk

Currency risk

The Group has foreign currency sales and purchases, which exposes the Group to foreign currency risk. During the year ended 31 December 2020, approximately 29% (2019: approximately 7%) of the Group's sales are denominated in United States dollars ("US\$") and approximately 37% (2019: approximately 14%) of purchases are denominated in US\$ which are different from the functional currencies of the entities carrying out the transactions.

6. 金融工具(續)

財務風險管理目標及政策

本集團的主要財務工具包括按公允值計入損益及按公允值計入其他全面收益之金融資產、應收賬款、應收票據、按金及其他應收款項、已抵押銀行存款、銀行存款、銀行結餘及現金、應付賬款、應付票據、其他應付款項及預提費用、銀行及其他借款及公司債券。該等金融工具的詳情披露於相關附註。與該等金融工具有關的風險包括市場風險(貨幣風險及利率風險)、信貸風險及流動資金風險。降低該等風險的政策載於下文。管理層管理及監察該等風險，以確保及時及有效地採取適當措施。

市場風險

貨幣風險

本集團有外幣銷售及採購活動，令本集團面臨外幣風險。截至2020年12月31日止年度，本集團約29% (2019年：約7%)的銷售額以美元(「美元」)列值及約37% (2019年：約14%)的採購額以美元列值，與實體進行交易的功能貨幣不同。

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6. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Market risk (continued)

Currency risk (continued)

Also, certain trade, bills and other receivables, cash and bank balances, trade, bills and other payables and bank borrowings are denominated in RMB, US\$, HK\$, Japanese Yen (“JPY”) and other currencies which are currencies other than the functional currency of the relevant group entities. The carrying amounts of the transactions currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

		Assets 資產		Liabilities 負債	
		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
RMB	人民幣	633	167	-	-
US\$	美元	151,793	73,124	188,011	110,251
HK\$	港元	141	184	768	744
JPY	日圓	1	2	-	1,290

The Group currently does not have a foreign currency hedging policy. However, the directors of the Company continuously monitor the related foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Sensitivity analysis

The Group is mainly exposed to RMB, HK\$ and JPY.

No sensitivity analysis was prepared for US\$ as the financial assets and liabilities denominated in US\$ are mainly held by the subsidiaries with HK\$ as the function currency and HK\$ is pegged to US\$.

6. 金融工具(續)

財務風險管理目標及政策(續)

市場風險(續)

貨幣風險(續)

此外，若干應收賬款、應收票據及其他應收款項、現金及銀行結餘、應付賬款、應付票據及其他應付款項以及銀行借款以人民幣、美元、港元、日圓(「日圓」)及相關集團實體功能貨幣以外的其他貨幣列值。本集團於報告期末以交易貨幣計值的貨幣資產及貨幣負債的賬面值如下：

本集團現時並無外幣對沖政策。然而，本公司董事持續監管有關外幣匯兌風險，並將於需要時考慮對沖重大外幣風險。

敏感度分析

本集團主要面對人民幣、港元及日圓的風險。

由於以美元計值的金融資產及負債主要由以功能貨幣為港元的附屬公司持有，而港元與美元掛鉤，故並無就美元進行敏感度分析。

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For the year ended 31 December 2020 截至2020年12月31日止年度

6. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Market risk (continued)

Currency risk (continued)

Sensitivity analysis (continued)

The following table details the Group's sensitivity to a 5% increase or decrease in the functional currencies of the relevant group entities against the relevant foreign currencies other than US\$. 5% (2019: 5%) is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents the management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of each reporting period for a 5% (2019: 5%) change in foreign currency rates. A positive (negative) number below indicates an increase (a decrease) in post-tax profit where the respective functional currencies strengthen by 5% (2019: 5%) against the relevant currency. For a 5% (2019: 5%) weakening of the respective functional currencies against the relevant foreign currency, there would be an equal and opposite impact on the profit.

6. 金融工具(續)

財務風險管理目標及政策(續)

市場風險(續)

貨幣風險(續)

敏感度分析(續)

下表詳列本集團有關集團實體美元以外的功能貨幣兌相關外幣上升或下跌5%的敏感度。5% (2019年: 5%) 為內部向主要管理人員報告外匯風險所使用的敏感比率, 代表管理層對外幣匯率合理可能變動的評估。敏感度分析僅包括尚未處理並以外幣列值的貨幣項目, 並就匯率變動5% (2019年: 5%) 而對於各報告期末的換算作出調整。下文所列的正(負)數顯示倘各自功能貨幣兌相關外幣升值5% (2019年: 5%) 時除稅後利潤增加(減少)。倘各自功能貨幣兌相關外幣貶值5% (2019年: 5%), 將對利潤構成相等金額的相反影響。

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Impact on profit for the year	對年內利潤的影響		
RMB	人民幣	(25)	(7)
HK\$	港元	25	24
JPY	日圓	-	55

(i) This is mainly attributable to the exposure to bank balances and cash and trade receivables denominated in RMB at the end of the reporting period.

(ii) This is mainly attributable to exposure to bank balances, trade receivables and trade payables denominated in HK\$ at the end of the reporting period.

(iii) This is mainly attributable to exposure to trade payables denominated in JPY at the end of the reporting period.

(i) 此乃主要歸因於報告期末以人民幣計值的銀行結餘及現金以及應收賬款所面對的風險。

(ii) 此乃主要歸因於報告期末以港元計值的銀行結餘、應收賬款及應付賬款所面對的風險。

(iii) 此乃主要歸因於報告期末以日圓計值的應付賬款所面對的風險。

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6. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Market risk (continued)

Interest rate risk

The Group is exposed to fair value interest rate risk in relation to fixed-rate pledged bank deposits and deposits with bank (see Note 23) and fixed-rate bank and other borrowings (see Note 26). The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider other necessary actions when significant interest rate exposure is anticipated.

The Group is exposed to cash flow interest rate risk in relation to variable-rate pledged bank deposits and bank balances (see Note 23) and variable-rate bank borrowings (see Note 26). It is the Group's policy to keep its borrowings at floating rate of interest so as to minimise the fair value interest rate risk.

The Group's exposures to interest rates on these financial liabilities are detailed in the liquidity risk management section of this note. The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of Hong Kong Interbank Offered Rate ("HIBOR")/London Interbank Borrowing Rate ("LIBOR") arising from the Group's Hong Kong dollars denominated borrowings and the fluctuation of Loan Prime Rate ("LPR") arising from the Group's RMB denominated borrowings.

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period. The analysis is prepared assuming the amount of assets and liabilities outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point (2019: 50 basis point) increase or decrease is used when reporting interest rate risk internally to key management personnel and represents the management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points (2019: 50 basis points) higher/lower and all other variables were held constant, the Group's post-tax profit for the year ended 31 December 2020 would decrease/increase by HK\$126,000 (2019: post-tax profit decrease/increase by HK\$126,000). This is mainly attributable to the Group's exposure to cash flow interest rate risk on its variable-rate bank borrowings.

6. 金融工具(續)

財務風險管理目標及政策(續)

市場風險(續)

利率風險

本集團承受與固定利率已抵押銀行存款及銀行存款(見附註23)以及固定利率銀行及其他借款(見附註26)有關的公允值利率風險。本集團現時並無利率對沖政策。然而，管理層監管利率風險，並將於預見重大利率風險時，考慮採取其他必要行動。

本集團承受與浮動利率已抵押銀行存款及銀行結餘(見附註23)及浮動利率銀行借款(見附註26)有關的現金流量利率風險。本集團的政策為將借款按浮動利率計息以盡量減低公允值利率風險。

本集團該等金融負債所承受的利率風險於本附註流動資金風險管理一節詳述。本集團的現金流量利率風險主要集中於由本集團以港元計值的借款產生的香港銀行同業拆息利率(「香港銀行同業拆息利率」)／倫敦銀行同業拆息利率(「倫敦銀行同業拆息利率」)波動以及由本集團以人民幣計值的借款產生的最優惠貸款利率(「最優惠貸款利率」)波動。

敏感度分析

以下敏感度分析根據於報告期末非衍生工具的利率風險釐定。有關分析假設於報告期末尚未償還的資產及負債金額於整個年度均未償還。50個基點(2019年：50個基點)上升或下降為在內部向主要管理人員報告利率風險時所使用的，且代表管理層對利率合理可能變動的評估。

倘利率上升／下降50個基點(2019年：50個基點)，而所有其他可變因素均維持不變，本集團截至2020年12月31日止年度的除稅後利潤將減少／增加126,000港元(2019年：除稅後利潤減少／增加126,000港元)，主要歸因於本集團就其浮動利率銀行借款面臨現金流量利率風險。

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6. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Credit risk

As at 31 December 2020 and 2019, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

The credit risk of our Group mainly arises from bank balances, pledged bank deposits, deposits with bank, trade receivables, bills receivables and deposits and other receivables. The carrying amounts of these balances represent our Group's maximum exposure to credit risk in relation to financial assets.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts.

In response to the COVID-19 pandemic, the Group monitors closely the economic environment and where appropriate, takes actions to limit its exposure to customers that are severely impacted.

For trade receivables, the Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL. The Group determines the ECL for customers with long relationship and significant balances on an individual basis and for the remaining balances, collectively by using a provision matrix, estimated based on historical credit loss experience, as well as the general economic conditions of the industry in which the debtors operate. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

For bills receivables and deposits and other receivables, the Group has assessed whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk, the Group will measure the loss allowance based on lifetime rather than 12-month ECL.

6. 金融工具(續)

財務風險管理目標及政策(續)

信貸風險

於2020年及2019年12月31日，本集團因交易對手方未能履行責任，而將導致本集團蒙受財務虧損的最高信貸風險，乃因綜合財務狀況表所列有關已確認金融資產的賬面值而產生。

本集團的信貸風險主要來自銀行結餘、已抵押銀行存款、銀行存款、應收賬款、應收票據及按金以及其他應收款項。本集團就金融資產面臨的最大信貸風險為該等結餘的賬面值。

為盡量降低信貸風險，本集團管理層已委派一組人員負責制訂信貸限額、信貸審批及其他監控措施，以確保採取跟進措施收回逾期未付的債項。

為應對COVID-19大流行病，本集團密切監控經濟環境，並在適當情況下採取措施以減少其對受到嚴重影響的客戶之影響。

就應收賬款而言，本集團已應用香港財務報告準則第9號的簡化法計量存續期預期信貸虧損的虧損撥備。本集團基於過往信貸虧損經驗及債務人經營所在行業的一般經濟狀況，就具有長期關係及涉及重大結餘的客戶個別確定及就剩餘結餘使用撥備矩陣共同確定預期信貸虧損。就此而言，本公司董事認為，本集團的信貸風險已顯著降低。

就應收票據及按金及其他應收款項而言，本集團已對自初始確認以來信貸風險是否有顯著增加作出評估。倘信貸風險顯著增加，本集團將以存續期而非12個月預期信貸虧損來計量虧損撥備。

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For the year ended 31 December 2020 截至2020年12月31日止年度

6. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Credit risk (continued)

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout the reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. In particular, the following indicators are incorporated:

- internal credit rating
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations
- significant changes in the expected performance and behavior of the debtor, including changes in the payment status of debtors in the Group and changes in the operating results of the debtor

The Group's exposure to credit risk

In order to minimise credit risk, the Group has tasked a team to develop and maintain the Group's credit risk gradings to categorise exposures according to their degree of risk of default. The management uses other publicly available financial information and the Group's own trading records to rate its major customers and other debtors. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

6. 金融工具(續)

財務風險管理目標及政策(續)

信貸風險(續)

由於交易對手方為獲國際信貸評級機構給予高信貸評級的銀行，故流動資金的信貸風險有限。

本集團於初始確認資產時考慮違約的可能性，並評估報告期內信貸風險是否會持續顯著增加。在評估信貸風險是否顯著增加時，本集團將資產於報告期內發生違約的風險與初始確認之日發生違約的風險進行比較，同時也考慮可獲得的合理及有依據的前瞻性資料。特別是結合了以下指標：

- 內部信貸評級
- 業務、財務或經濟狀況的實際或預計重大不利變動而預期導致債務人償還債務的能力發生重大變動
- 債務人預期表現及行為發生重大變化，包括本集團債務人付款情況的變動及債務人營運業績變動

本集團面臨之信貸風險

為將信貸風險降至最低，本集團已設立團隊制定及維持本集團的信貸風險評級，以根據其違約風險的程度對風險敞口進行分類。管理層使用其他公開財務資料及本集團的自有交易記錄對其主要客戶及其他債務人進行評級。本集團的風險及其交易對手方的信貸評級被持續監控，並將所完成交易的總值分攤至經批准的交易對手方。

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For the year ended 31 December 2020 截至2020年12月31日止年度

6. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Credit risk (continued)

The Group's exposure to credit risk (continued)

The Group's current credit risk grading framework comprises the following categories:

Category	Description	Basis for recognising ECL
類別	描述	確認預期信貸虧損的基準
Performing	For financial assets where there has been low risk of default or has not been a significant increase in credit risk since initial recognition and that are not credit impaired (refer to as Stage 1)	12-month ECL
履約	就違約風險較低或於初始確認以來信貸風險並無顯著增加及並無出現信貸減值的金融資產(指第一階段)	12個月預期信貸虧損
Doubtful	For financial assets where there has been a significant increase in credit risk since initial recognition but that are not credit impaired (refer to as Stage 2)	Lifetime ECL – not credit impaired
存疑	就於初始確認以來信貸風險顯著增加但並無出現信貸減值的金融資產(指第二階段)	存續期預期信貸虧損 – 並無出現信貸減值
Default	Financial assets are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred (refer to as Stage 3)	Lifetime ECL – credit impaired
違約	當發生會對該資產估計未來現金流量造成不利影響的一項或多項事件，則金融資產會被評定為出現信貸減值(指第三階段)	存續期預期信貸虧損 – 出現信貸減值
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written off
撇銷	有證據顯示債務人陷入嚴重的財務困難且本集團不認為日後可收回有關款項	撇銷有關金額

6. 金融工具(續)

財務風險管理目標及政策(續)

信貸風險(續)

本集團面臨之信貸風險(續)

本集團目前之信貸風險評級框架包括以下類別：

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For the year ended 31 December 2020 截至2020年12月31日止年度

6. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Credit risk (continued)

The Group's exposure to credit risk (continued)

The tables below detail the credit quality of the Group's financial assets, as well as the Group's maximum exposure to credit risk by credit risk rating grades.

	Notes	Internal credit rating	12-month or lifetime ECL 12個月或存續期 預期信貸虧損	31/12/2020 2020年12月31日			31/12/2019 2019年12月31日		
				Gross carrying amount	Loss allowance	Net carrying amount	Gross carrying amount	Loss allowance	Net carrying amount
	附註	內部信貸評級		賬面總值 HK\$'000 千港元	虧損撥備 HK\$'000 千港元	賬面淨值 HK\$'000 千港元	賬面總值 HK\$'000 千港元	虧損撥備 HK\$'000 千港元	賬面淨值 HK\$'000 千港元
Trade receivables 應收賬款	21	(Note) (附註)	Lifetime ECL (simplified approach) 存續期預期信貸虧損 (簡化法)	592,182	(25,442)	566,740	484,539	(30,260)	454,279
Bills receivables 應收票據	21	Performing 履約	12-month ECL 12個月預期信貸虧損	157,675	-	157,675	92,069	-	92,069
Deposits and other receivables 按金及其他應收款項	22	Performing 履約	12-month ECL 12個月預期信貸虧損	75,779	(2,652)	73,127	43,627	(2,184)	41,443
					(28,094)			(32,444)	

Note: For trade receivables, the Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL. The Group determines the ECL on trade receivables individually and collectively by using a provision matrix, estimated based on historical credit loss experience and the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Note 21 includes further details on the loss allowance for these assets.

The credit risks on liquid funds and interest receivables are limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

The Group has concentration of credit risk as 38% (2019: nil) and 61% (2019: 58%) of the total trade receivables was due from the Group's largest customer and five largest customers as at 31 December 2020.

6. 金融工具 (續)

財務風險管理目標及政策 (續)

信貸風險 (續)

本集團面臨之信貸風險 (續)

下表詳述按信貸風險評級劃分之本集團金融資產之信貸質素以及本集團面臨之最大信貸風險。

附註：就應收賬款而言，本集團應用香港財務報告準則第9號的簡化法計量存續期預期信貸虧損的虧損撥備。本集團通過使用撥備矩陣個別及共同釐定應收賬款的預期信貸虧損，及根據債務人的歷史信貸虧損經驗及過往逾期狀況作出估計，並作出適當調整以反映當前狀況及未來經濟狀況的估計。附註21載有該等資產虧損撥備的進一步詳情。

由於交易對手為獲國際信用評級機構評定高信用評級的銀行，流動資金及應收利息的信貸風險有限。

於2020年12月31日，由於本集團應收本集團最大客戶及五大客戶的款項佔總應收賬款的38% (2019年：無) 及61% (2019年：58%)，故面對集中的信貸風險。



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For the year ended 31 December 2020 截至2020年12月31日止年度

6. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank and other borrowings and ensures compliance with loan covenants.

The Group relies on bank and other borrowings as a significant source of liquidity. As at 31 December 2020, the Group has available unutilised trade financing and bank loan facilities of HK\$230,221,000 (2019: HK\$285,980,000), details of which are set out in Note 26.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. Specifically, bank and other borrowings with a repayment on demand clause are included in the earliest time band regardless of the probability of the banks or financial institution choosing to exercise their rights. The maturity dates for other non-derivatives financial liabilities are based on the agreed repayment dates. The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curve at the end of each reporting period.

6. 金融工具(續)

財務風險管理目標及政策(續)

流動資金風險

就管理流動資金風險而言，本集團監察及維持管理層認為足夠撥付本集團業務及減低現金流量波動的影響的現金及現金等價物水平。管理層監控銀行及其他借款的使用情況，以及確保遵守貸款契諾。

本集團依賴銀行及其他借款作為流動資金的主要來源。於2020年12月31日，本集團擁有可用的未動用貿易融資及銀行貸款融資230,221,000港元(2019年：285,980,000港元)。有關詳情載於附註26。

下表詳列本集團非衍生金融負債的剩餘合約期。下表根據金融負債的未貼現現金流量編製，並按本集團可能須付款的最早日期分類。具體而言，含有須按要求償還條款的銀行及其他借款計入最早時間段，而不論銀行或金融機構是否可能選擇行使彼等的權利。其他非衍生金融負債的到期日根據協定償還日期編製。下表包括利息及本金現金流量。倘利息流為浮動利率，則未貼現金額以各報告期末的利率曲線計算。

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For the year ended 31 December 2020 截至2020年12月31日止年度

6. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Liquidity risk (continued)

6. 金融工具(續)

財務風險管理目標及政策(續)

流動資金風險(續)

		As at 31 December 2020 於2020年12月31日					
		On demand or within 1 year 應要求 或1年內 HK\$'000 千港元	More than 1 year but less than 2 years 超過1年 但少於2年 HK\$'000 千港元	More than 2 years but less than 5 years 超過2年 但少於5年 HK\$'000 千港元	Total undiscounted cash flows 未貼現 現金流總額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元	
Trade payables	應付賬款	295,154	-	-	295,154	295,154	
Bills payables	應付票據	545,268	-	-	545,268	545,268	
Other payables and accruals	其他應付款項及 預提費用	28,188	-	-	28,188	28,188	
Bank and other borrowings (Note)	銀行及其他借款 (附註)	346,569	-	-	346,569	346,569	
Corporate bond	公司債券	160	160	2,120	2,440	1,896	
		1,215,339	160	2,120	1,217,619	1,217,075	
Lease liabilities	租賃負債	10,065	6,356	10,537	26,958	24,393	

		As at 31 December 2019 於2019年12月31日					
		On demand or within 1 year 應要求 或1年內 HK\$'000 千港元	More than 1 year but less than 2 years 超過1年 但少於2年 HK\$'000 千港元	More than 2 years but less than 5 years 超過2年 但少於5年 HK\$'000 千港元	More than 5 years 5年以上 HK\$'000 千港元	Total undiscounted cash flows 未貼現 現金流總額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
Trade payables	應付賬款	241,923	-	-	-	241,923	241,923
Bills payables	應付票據	296,147	-	-	-	296,147	296,147
Other payables and accruals	其他應付款項及 預提費用	49,830	-	-	-	49,830	49,830
Bank and other borrowings (Note)	銀行及其他借款 (附註)	288,171	-	-	-	288,171	288,171
Corporate bond	公司債券	160	160	2,280	-	2,600	1,856
		876,231	160	2,280	-	878,671	877,927
Lease liabilities	租賃負債	5,329	3,636	6,519	1,641	17,125	14,882

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For the year ended 31 December 2020 截至2020年12月31日止年度

6. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Liquidity risk (continued)

Note: Bank and other borrowings with a repayment on demand clause are included in the "on demand or within 1 year" time band in the above maturity analysis. At 31 December 2020, the aggregate amounts of these bank and other borrowings amounted to HK\$346,569,000 (2019: HK\$288,171,000). Taking into account the Group's financial position, the directors of the Company do not believe that it is probable that the banks and financial institution will exercise their discretionary rights to demand immediate repayment. The directors of the Company believe that these bank and other borrowings will be repaid in accordance with the scheduled repayment dates set out in the loan agreements. At that time, the aggregate principal and interest cash outflows will amount to HK\$352,713,000 (2019: HK\$293,874,000).

The amounts included above for variable interest rate instruments for non-derivative financial liabilities are subject to change if changes in variable interest rates differ from those estimates of interest rates determined at the end of each reporting period.

Fair value

The following table provides an analysis of financial instruments that are measured at fair value at the end of each reporting period, grouped into Level 1 to 3 based on the degree to which the fair value is observable in accordance to the Group's accounting policy.

		31 December 2020 2020年12月31日			
		Level 1 第一級	Level 2 第二級	Level 3 第三級	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Financial assets at FVTPL	按公允值計入損益之金融資產				
Investment in a life insurance policy	於人壽保單之投資	-	3,510	-	3,510
Financial asset at FVTOCI	按公允值計入其他全面收益之金融資產				
Unlisted equality securities	非上市股本證券	-	-	3,683	3,683
Total	總計	-	3,510	3,683	7,193

6. 金融工具(續)

財務風險管理目標及政策(續)

流動資金風險(續)

附註：設有應要求償還條款的銀行及其他借款於上述到期日分析計入「應要求或1年內」的時間組別。於2020年12月31日，該等銀行及其他借款的總額為346,569,000港元（2019年：288,171,000港元）。經考慮本集團的財務狀況後，本公司董事並不認為銀行及金融機構可能將行使其酌情權要求即時還款。本公司董事認為該等銀行及其他借款將根據載於貸款協議的預定還款日期償還。屆時，本金及利息現金流出總額將達到352,713,000港元（2019年：293,874,000港元）。

倘浮動利率變動有別於各報告期末釐定的估計利率，上述非衍生金融負債浮動利率工具金額或須變更。

公允值

下表提供於各報告期末按公允值計量的財務工具分析，並根據本集團會計政策基於公允值可觀察之程度分類為第一至三級。

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For the year ended 31 December 2020 截至2020年12月31日止年度

6. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Fair value (continued)

The valuation techniques and inputs used in fair value measurements of each financial instruments on a recurring basis are set out below:

Financial instruments 金融工具	Fair value hierarchy 公允價值層級	Fair value as at 公允價值		Valuation techniques and key inputs 估值方法及主要輸入數據	Significant unobservable inputs 重大不可觀察輸入數據	Relationship of key inputs and significant unobservable inputs to fair values 關鍵輸入數據及重大不可觀察輸入數據與公允價值的關係
		31/12/2020 2020年 12月31日 HK\$'000 千港元	31/12/2019 2019年 12月31日 HK\$'000 千港元			
Investment in a life insurance policy 於人壽保單之投資	Level 2 第二級	3,510	-	Quoted price by the insurance company 保險公司報價	N/A 不適用	N/A 不適用
Unlisted equity securities 非上市股本證券	Level 3 第三級	3,683	-	Market approach 市場法	Mean P/S multiples of 0.54 市銷率倍數 0.54倍	The mean of P/S is positively correlated to the fair value measurement of the unlisted equity securities 市銷率倍數中位數與非上市股本證券的公允價值計量呈正相關
					Mean P/B multiples of 0.90 市賬率倍數 0.90倍	The mean of P/B is positively correlated to the fair value measurement of the unlisted equity securities 市賬率倍數中位數與非上市股本證券的公允價值計量呈正相關
					Marketability discount rate of 20% 市場流通 折讓率20%	The discount rate is negatively correlated to the fair value measurement of the unlisted equity securities 折讓率與非上市股本證券的公允價值計量呈負相關

6. 金融工具 (續)

財務風險管理目標及政策 (續)

公允價值 (續)

各金融工具公允價值計量所使用的估值方法及輸入數據(按經常性基準)載列如下:

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For the year ended 31 December 2020 截至2020年12月31日止年度

6. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Fair value (continued)

During the reporting periods, there were no transfers between levels of fair value hierarchy.

For recurring fair value measurements categorised within Level 3 of the fair value hierarchy, if the marketability discount rate to the valuation model were 5% higher/lower while all the other variables were held constant, the carrying amount of the unlisted equity securities would decrease/increase by HK\$230,000.

Reconciliation of Level 3 fair value measurements of financial assets on recurring basis:

		Unlisted equity securities 非上市股本證券 HK\$'000 千港元
Purchases	購買	3,235
Total gains	收益總額	448
At 31 December 2020	於2020年12月31日	3,683

For the year ended 31 December 2020, included in the above total gains or losses is an amount of HK\$448,000 (2019: nil) gain relating to unlisted equity investment designated at FVTOCI held at the end of the year.

The directors of the Company consider that the carrying amounts of other financial assets and financial liabilities recorded at amortised cost using the effective interest rate method in the consolidated financial statements approximate their fair values.

6. 金融工具(續)

財務風險管理目標及政策(續)

公允值(續)

於報告期間內，公允值層級之等級間並無轉移。

就歸類於公允值層級第三級的經常性公允值計量而言，倘估值模式的市場流通折讓率上升/下降5%，而所有其他變量維持不變，則非上市股本證券的賬面值將減少/增加約230,000港元。

金融資產第三級公允值計量的對賬：

截至2020年12月31日止年度，上述收益或虧損總額包括與年末持有的指定為按公允值計入其他全面收益的非上市股本投資有關的收益448,000港元（2019年：無）。

本公司董事認為，綜合財務報表以攤銷成本按實際利率法入賬的其他金融資產及金融負債的賬面值與其公允值相若。

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7. REVENUE AND OTHER INCOME

7. 收益及其他收入

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Revenue from contracts with customers within the scope of HKFRS 15	香港財務報告準則第15號範圍內來自客戶合約的收益		
Disaggregated by major products	按主要產品劃分的明細		
Sales of goods	銷售貨品		
LED backlight	LED背光	988,091	950,106
LED lighting	LED照明	74,360	94,777
Sourcing business	採購業務	333,437	1,170,091
		1,395,888	2,214,974
		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Disaggregation of revenue by timing of recognition	按確認時間劃分的收益明細		
Timing of revenue recognition	收益確認時間		
At a point in time	在某個時間點	1,395,888	2,214,974

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7. REVENUE AND OTHER INCOME (continued)

An analysis of the Group's other income for the year is as follows:

7. 收益及其他收入(續)

本集團年內的其他收入分析如下：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Other income	其他收入		
Bank interest income	銀行利息收入	3,605	8,241
Government grants (Note)	政府補助(附註)	11,707	8,102
Sales of scrapped materials	銷售廢料	13	1,424
Gain on disposal of property, plant and equipment	出售物業、廠房及設備收益	-	23
Sundry income	雜項收入	5,382	3,358
		20,707	21,148

Note: Included in the amount, there are government grants immediately recognised as other income during the year ended 31 December 2020 of HK\$10,436,000 (2019: HK\$7,965,000) which were received from the PRC government in respect of certain research projects and salaries subsidies. In addition, the Group recognised government grants of HK\$1,135,000 (2019: nil) in respect of COVID-19 related subsidies, which is related to the Employment Support Scheme provided by the Government of the Hong Kong Special Administrative Region under the Anti-Epidemic Fund. There are no unfulfilled conditions and other contingencies attached to the receipts of those subsidies.

附註：該款項包括截至2020年12月31日止年度即時確認為其他收入的政府補助10,436,000港元(2019年：7,965,000港元)，此為就若干研究項目及工資補貼自中國政府收取的款項。此外，本集團確認與COVID-19相關補貼的政府補助1,135,000港元(2019年：無)，與香港特別行政區政府根據防疫抗疫基金提供的保就業計劃有關。領取該等補貼概無未達成的條件及其他或然情況。

During the year ended 31 December 2020, an amount of HK\$136,000 (2019: HK\$137,000) being government grants was recognised as deferred income utilised during the year (see Note 29).

截至2020年12月31日止年度，政府補助136,000港元(2019年：137,000港元)確認為年內動用遞延收入(見附註29)。

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8. SEGMENT INFORMATION

Information reported to the Chief Executive Officer of the Company, being the chief operating decision maker (the “CODM”) for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided. In addition, for both LED backlight and LED lighting operations and sourcing business of high-tech electronic components and products, the information reported to the CODM is further broken down into different types of products and application of products. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

Specifically, the Group’s reportable and operating segments under HKFRS 8 are as follows:

1. LED backlight – Manufacture and trading of LED backlight products in different sizes and applications
2. LED lighting – Manufacture and trading of LED lighting products for public and commercial use
3. Sourcing business – Provision of high-tech electronic components and memory chips related products sourcing business

8. 分部資料

向本公司行政總裁（即主要營運決策人（「主要營運決策人」））呈報的資料，就資源分配及評估分部表現而言，著重於交付或提供貨品或服務的種類。此外，就LED背光及LED照明業務以及高科技電子零部件及產品的採購業務向主要營運決策人呈報的資料，進一步將產品分為不同類別及應用方法。於設定本集團的可呈報分部時，概無彙合主要營運決策人已識別的營運分部。

具體而言，本集團根據香港財務報告準則第8號劃分的可呈報營運分部如下：

1. LED 背光 – 製造及買賣不同大小及應用的LED背光產品
2. LED 照明 – 製造及買賣用作公用及商用用途的LED照明產品
3. 採購業務 – 提供高科技電子零部件及存儲芯片相關產品的採購業務

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8. SEGMENT INFORMATION (continued)

Segment revenues and results

The following is an analysis of the Group's revenue and results by reportable and operating segments.

For the year ended 31 December 2020

		LED backlight LED 背光 HK\$'000 千港元	LED lighting LED 照明 HK\$'000 千港元	Sourcing business 採購業務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
REVENUE	收益				
External sales	外部銷售	988,091	74,360	333,437	1,395,888
Segment profit	分部利潤	92,500	6,048	17,432	115,980
Unallocated income	未分配收入				9,041
Unallocated expenses	未分配開支				(67,467)
Unallocated finance costs	未分配財務成本				(26,853)
Profit before tax	除稅前利潤				30,701

For the year ended 31 December 2019

		LED backlight LED 背光 HK\$'000 千港元	LED lighting LED 照明 HK\$'000 千港元	Sourcing business 採購業務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
REVENUE	收益				
External sales	外部銷售	950,106	94,777	1,170,091	2,214,974
Segment profit	分部利潤	119,132	5,447	19,034	143,613
Unallocated income	未分配收入				11,599
Unallocated expenses	未分配開支				(85,785)
Unallocated finance costs	未分配財務成本				(29,258)
Profit before tax	除稅前利潤				40,169

8. 分部資料 (續)

分部收益及業績

本集團按可呈報營運分部劃分的收益及業績分析如下。

截至2020年12月31日止年度

截至2019年12月31日止年度

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8. SEGMENT INFORMATION (continued)

Segment revenues and results (continued)

The accounting policies of the operating segments are the same as the Group's accounting policies described in Note 3. Segment profit represents the profit earned by each segment without allocation of central administration costs, directors' emoluments, bank interest income, net foreign exchange losses, sundry income and certain unallocated finance costs. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segments:

Segment assets

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
LED backlight	LED 背光	1,106,382	906,991
LED lighting	LED 照明	94,399	72,640
Sourcing business	採購業務	178,317	291,642
Total segment assets	分部資產總值	1,379,098	1,271,273
Unallocated assets	未分配資產	652,917	338,439
Consolidated total assets	綜合資產總值	2,032,015	1,609,712

8. 分部資料 (續)

分部收益及業績 (續)

營運分部的會計政策與附註3所述本集團會計政策一致。分部利潤乃各分部賺取的利潤，不包括中央行政費用、董事酬金、銀行利息收入、匯兌虧損淨額、雜項收入及若干未分配財務成本的分配。此乃向主要營運決策人所報告作為資源分配及表現評估用途的措施。

分部資產及負債

本集團按可呈報營運分部劃分的資產及負債分析如下：

分部資產

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8. SEGMENT INFORMATION (continued)

Segment assets and liabilities (continued)

Segment liabilities

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
LED backlight	LED背光	806,715	560,983
LED lighting	LED照明	63,843	50,241
Sourcing business	採購業務	53,327	21,724
Total segment liabilities	分部負債總額	923,885	632,948
Unallocated liabilities	未分配負債	356,263	301,075
Consolidated total liabilities	綜合負債總額	1,280,148	934,023

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to operating segments other than deferred tax assets, financial assets at FVTPL and financial assets at FVTOCI, pledged bank deposits, deposits with bank, bank balances and cash and certain unallocated head office assets. Assets used jointly by operating segments are allocated on the basis of the revenues earned by individual reportable segments; and
- all liabilities are allocated to operating segments other than income tax payables, bank and other borrowings, corporate bond, deferred tax liabilities and certain unallocated head office liabilities. Liabilities for which operating segments are jointly liable are allocated in proportion to segment revenue.

8. 分部資料 (續)

分部資產及負債 (續)

分部負債

	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
LED backlight	806,715	560,983
LED lighting	63,843	50,241
Sourcing business	53,327	21,724
Total segment liabilities	923,885	632,948
Unallocated liabilities	356,263	301,075
Consolidated total liabilities	1,280,148	934,023

就監察分部表現及分配分部間資源而言：

- 所有資產分配至營運分部，遞延稅項資產、按公允值計入損益之金融資產及按公允值計入全面收益之金融資產、已抵押銀行存款、銀行存款、銀行結餘及現金以及若干未分配總部資產除外。由營運分部共同使用的資產按個別可呈報分部所得收益分配；及
- 所有負債分配至營運分部，應付所得稅、銀行及其他借款、公司債券、遞延稅項負債及若干未分配總部負債除外。由營運分部共同承擔的負債按分部收益的比例分配。

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8. SEGMENT INFORMATION (continued) Segment assets and liabilities (continued)

For the year ended 31 December 2020

8. 分部資料 (續) 分部資產及負債 (續)

截至2020年12月31日止年度

		LED backlight LED 背光 HK\$'000 千港元	LED lighting LED 照明 HK\$'000 千港元	Sourcing business 採購業務 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Amounts included in the measure of segment profit or loss or segment assets:	計入分部損益或分部資產計量的金額：					
Additions to non-current assets [#]	添置非流動資產 [#]	53,376	1,294	43,368	-	98,038
Depreciation of property, plant and equipment	物業、廠房及設備折舊	43,129	2,125	7	-	45,261
Depreciation of right-of-use assets	使用權資產折舊	6,655	1,055	-	-	7,710
Loss on write-off of property, plant and equipment	撤銷物業、廠房及設備虧損	116	7	-	-	123
(Reversal of) impairment loss recognised in respect of trade and other receivables	(撥回)就應收賬款及其他應收款項確認的減值虧損	(5,211)	(779)	176	-	(5,814)
(Reversal of) provision of inventories	(撥回)存貨撥備	(461)	166	-	-	(295)
Amounts regularly provided to the CODM but not included in the measure of segment profit or loss or segment assets:	定期向主要營運決策人提供但不計入分部損益或分部資產計量的金額：					
Interest income	利息收入	-	-	-	3,605	3,605
Finance costs	財務成本	1,139	102	-	26,853	28,094

[#] Non-current assets excluded deferred tax assets, deposits with bank and financial assets at FVTOCI.

[#] 非流動資產不包括遞延稅項資產、銀行存款及按公允值計入全面收益之金融資產。

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8. SEGMENT INFORMATION (continued)
Segment assets and liabilities (continued)

For the year ended 31 December 2019

8. 分部資料 (續)
分部資產及負債 (續)

截至2019年12月31日止年度

		LED backlight LED 背光 HK\$'000 千港元	LED lighting LED 照明 HK\$'000 千港元	Sourcing business 採購業務 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Amounts included in the measure of segment profit or loss or segment assets:						
計入分部損益或分部資產計量的金額：						
Additions to non-current assets [#]	添置非流動資產 [#]	71,146	5,151	-	-	76,297
Amortisation of prepaid lease payments	預付租賃款項攤銷	42,031	1,176	-	-	43,207
Depreciation of property, plant and equipment	物業、廠房及設備折舊	1,420	1,173	-	-	2,593
Gain on disposal of property, plant and equipment, net	出售物業、廠房及設備收益淨額	-	23	-	-	23
Loss on write-off of property, plant and equipment	撤銷物業、廠房及設備虧損	279	7	-	-	286
Impairment loss recognised in respect of trade and other receivables	就應收賬款及其他應收款項確認的減值虧損	2,675	448	-	-	3,123
(Reversal of) provision of inventories	(撥回)存貨撥備	(825)	5	-	-	(820)
Amounts regularly provided to the CODM but not included in the measure of segment profit or loss or segment assets:						
定期向主要營運決策人提供但不計入分部損益或分部資產計量的金額：						
Interest income	利息收入	-	-	-	8,241	8,241
Finance costs	財務成本	241	182	-	29,258	29,681

[#] Non-current assets excluded deferred tax assets.

[#] 非流動資產不包括遞延稅項資產。

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8. SEGMENT INFORMATION (continued)

Revenue from major products

Analysis by type of products

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
LED backlight	LED背光		
– Small dimension	– 小尺寸	307,942	324,281
– Medium dimension	– 中尺寸	618,492	518,071
– Large dimension	– 大尺寸	61,657	107,754
Sub-total	小計	988,091	950,106
LED lighting	LED照明		
– Indoor lighting	– 室內照明	71,801	79,006
– Outdoor lighting	– 室外照明	2,559	15,771
Sub-total	小計	74,360	94,777
Sourcing business	採購業務		
– High-tech electronic components and products sourcing	– 高科技電子零部件及產品採購	88,987	1,150,867
– Memory chips related products sourcing	– 存儲芯片相關產品採購	244,450	19,224
Sub-total	小計	333,437	1,170,091
Total	合計	1,395,888	2,214,974

8. 分部資料(續)

來自主要產品的收益

按產品類別劃分的分析

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8. SEGMENT INFORMATION (continued)

Revenue from major products (continued)

Analysis by application of products

8. 分部資料 (續)

來自主要產品的收益 (續)

按產品應用劃分的分析

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
LED backlight	LED背光		
– Automobile displays	– 車載顯示器	706,600	639,290
– Equipment displays	– 設備顯示器	220,580	204,038
– Televisions	– 電視機	60,911	106,778
Sub-total	小計	988,091	950,106
LED lighting	LED照明		
– Public lighting	– 公用照明	2,559	15,770
– Commercial lighting	– 商用照明	71,801	79,007
Sub-total	小計	74,360	94,777
Sourcing business	採購業務		
– High-tech electronic components and products sourcing	– 高科技電子零部件及產品採購	88,987	1,150,867
– Memory chips related products sourcing	– 存儲芯片相關產品採購	244,450	19,224
Sub-total	小計	333,437	1,170,091
Total	合計	1,395,888	2,214,974

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8. SEGMENT INFORMATION (continued)

Geographical information

The Group's operations are located in Hong Kong and the PRC. The Group's customers are mainly located in Hong Kong and the PRC.

An analysis of the Group's revenue from external customers is presented based on the location of customers as below:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
The PRC	中國	1,032,167	2,078,545
Hong Kong	香港	234,972	33,811
Others	其他	128,749	102,618
		1,395,888	2,214,974

The Group's information about its non-current assets is presented based on location of the assets as below:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
The PRC	中國	361,802	295,671
Hong Kong	香港	1,472	6,207
		363,274	301,878

Non-current assets excluded deferred tax assets, deposits with bank and financial assets at FVTOCI.

8. 分部資料 (續)

地域資料

本集團的營運業務位於香港及中國。本集團的客戶主要位於香港及中國。

本集團按客戶地理位置劃分來自外部客戶的收益分析如下：

本集團按資產地理位置劃分的非流動資產資料如下：

非流動資產不包括遞延稅項資產、銀行存款及按公允值計入全面收益之金融資產。

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8. SEGMENT INFORMATION (continued)

Information about major customers

Details of the customers accounting for 10% or more of aggregate revenue of the Group are as follows:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Customer A ¹	客戶 A ¹	475,927	468,195
Customer B ²	客戶 B ²	NA 不適用 ³	540,495
Customer C ²	客戶 C ²	NA 不適用 ³	440,293

¹ Revenue from LED backlight.

² Revenue from sourcing business.

³ The corresponding revenue did not contribute over 10% of the total revenue of the Group

8. 分部資料 (續)

主要客戶資料

佔本集團收益總額10%或以上的客戶詳情如下：

¹ 來自LED背光的收益。

² 來自採購業務的收益。

³ 相應收益未佔本集團總收益10%以上

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9. OTHER GAINS AND LOSSES

9. 其他收益及虧損

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Provision of inventories (Note a)	存貨撥備(附註a)	(1,625)	(45)
Reversal of provision of inventories (Note b)	撥回存貨撥備(附註b)	1,920	865
Reversal of (impairment loss) recognised in respect of trade and other receivables, net	就應收賬款及其他應收款項確認的撥回(減值虧損)淨額	5,814	(3,123)
Loss from changes in fair value of financial assets at FVTPL	按公允值計入損益之金融資產的公允值變動虧損	(1,170)	-
		4,939	(2,303)

Notes:

- (a) During the year ended 31 December 2020, a provision of HK\$1,625,000 (2019: HK\$45,000) was made for write-down of obsolete inventories that are no longer suitable for use in production or saleable in the market.
- (b) During the year ended 31 December 2020, a reversal of provision of HK\$1,920,000 (2019: HK\$865,000) was made due to the sellout of inventories written off in previous years

附註：

- (a) 截至2020年12月31日止年度，就撇減不再適用於生產或在市場銷售的陳舊存貨計提撥備1,625,000港元(2019年：45,000港元)。
- (b) 截至2020年12月31日止年度，由於已售出過往年度撇銷的存貨，故作出撥備撥回1,920,000港元(2019年：865,000港元)。

10. FINANCE COSTS

10. 財務成本

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Interest expenses on:	以下各項的利息開支：		
- Bank and other borrowings	- 銀行及其他借款	15,473	17,162
- Corporate bond	- 公司債券	200	200
- Lease liabilities	- 租賃負債	1,241	423
- Bills payables	- 應付票據	11,180	11,896
		28,094	29,681

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For the year ended 31 December 2020 截至2020年12月31日止年度

11. INCOME TAX (CREDIT) EXPENSE

11. 所得稅(抵免)開支

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Current income tax	當期所得稅		
PRC Enterprise Income Tax	中國企業所得稅		
– Current year	– 本年度	259	7,246
– Over-provision in prior years	– 過往年度超額撥備	(1,616)	(3,694)
		(1,357)	3,552
Deferred taxation (Note 27)	遞延稅項(附註27)	1,028	(531)
Total income tax (credit) expense for the year	年度所得稅(抵免)開支總額	(329)	3,021

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands (the “BVI”), the Group is not subject to any income tax in the Cayman Islands and the BVI.

No provision for Hong Kong Profits Tax has been made as the Group did not have any assessable profits subject to Hong Kong Profits Tax for the years ended 31 December 2020 and 2019.

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC companies is 25% for the year ended 31 December 2020 (2019: 25%).

Pursuant to the relevant laws and regulations in the PRC, the Group’s subsidiaries, Wai Chi Opto Technology (Shenzhen) Limited* and Huizhou Wai Chi Electronics Company Limited*, were accredited as high-tech enterprises which will be expired in 2021 and 2023 respectively. They are entitled to the preferential tax rate of 15% for both years.

Pursuant to circular issued by Ministry of Finance and National Tax Bureau on 17 January 2019, the small-scaled minimal profit enterprise with an annual taxable income below RMB1,000,000 (RMB1,000,000 included) is entitled to a preferential tax treatment of 75% exemption of taxable income and application of income tax rate as 20% from 1 January 2019 to 31 December 2021. Certain PRC subsidiaries of the Group were qualified during the year ended 31 December 2020.

* The English name is for identification purpose only

根據開曼群島及英屬處女群島(「英屬處女群島」)的規則及法規，本集團毋須繳納開曼群島及英屬處女群島的任何所得稅。

由於本集團於截至2020年及2019年12月31日止年度並無任何須繳納香港利得稅的應課稅利潤，故本集團並無作出香港利得稅撥備。

根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，於截至2020年12月31日止年度，中國公司的稅率為25%(2019年：25%)。

根據中國相關法律及法規，本集團的附屬公司偉志光電(深圳)有限公司及惠州偉志電子有限公司獲評定為高新技術企業(將分別於2021年及2023年到期)，可於兩個年度內享有優惠稅率15%。

根據財政部及國家稅務局於2019年1月17日頒佈的通函，年應納稅所得額低於人民幣1,000,000元(含人民幣1,000,000元)的小型微利企業有權由2019年1月1日至2021年12月31日享有豁免75%應納稅所得額的稅務優惠及應用20%的所得稅稅率。本集團的中國附屬公司於截至2020年12月31日止年度符合資格。

* 英文名稱僅供識別

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For the year ended 31 December 2020 截至2020年12月31日止年度

11. INCOME TAX (CREDIT) EXPENSE (continued)

The income tax expense for the year can be reconciled to the profit before tax per the consolidated statement of profit or loss as follows:

11. 所得稅(抵免)開支(續)

年度所得稅開支與綜合損益表所示除稅前利潤對賬如下：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Profit before tax	除稅前利潤	30,701	40,169
Tax calculated at the domestic income tax rate of 25% (2019: 25%)	按國內所得稅稅率25%計算的稅項(2019年：25%)	7,675	10,042
Effect of preferential tax rate in the PRC	中國優惠稅率的影響	(2,862)	(5,224)
Effect of different tax rate of subsidiaries operating in other jurisdictions	其他司法權區營運的附屬公司不同稅率的影響	(82)	851
Tax effect of expenses not deductible for tax purposes	不可扣稅開支的稅務影響	1,318	2,526
Tax effect of income not taxable for tax purposes	毋須課稅收入的稅務影響	(863)	(162)
Additional tax deduction for research and development expenses	研發開支的額外稅項減免	(4,416)	(3,113)
Tax effect of tax losses not recognised	未確認稅項虧損的稅務影響	2,170	1,955
Tax effect of utilised of temporary difference previously not recognised	動用先前未確認的暫時性差異的稅務影響	(1,631)	-
Tax effect of temporary differences not recognised	未確認暫時性差異的稅務影響	17	73
Utilisation of tax losses previously not recognised	動用過往未確認的稅項虧損	-	(233)
Over-provision in respect of prior years	過往年度超額撥備	(1,616)	(3,694)
Income tax on concessionary rate	優惠稅率的所得稅	(39)	-
Income tax (credit) expense for the year	年度所得稅(抵免)開支	(329)	3,021

Details of the deferred taxation are set out in Note 27.

有關遞延稅項的詳情載於附註27。

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For the year ended 31 December 2020 截至2020年12月31日止年度

12. PROFIT FOR THE YEAR

12. 年度利潤

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Profit for the year has been arrived at after charging:	年度利潤於扣除下列各項後達致：		
Directors' emoluments (Note 13(a))	董事酬金(附註13(a))	6,082	5,879
Salaries and allowances (excluding directors)	薪金及津貼(不包括董事)	183,402	192,629
Retirement benefit scheme contributions (excluding directors)	退休福利計劃供款(不包括董事)	11,625	16,982
Total staff costs	員工成本總額	201,109	215,490
Auditor's remuneration	核數師薪酬	1,045	1,045
Net foreign exchange losses	匯兌虧損淨額	505	503
Cost of inventories recognised as expenses (included in cost of sales) (Note a)	確認為開支的存貨成本(計入銷售成本)(附註a)	1,197,471	1,986,007
Depreciation of property, plant and equipment	物業、廠房及設備折舊	45,261	43,207
Depreciation of right-of-use-assets	使用權資產折舊	7,710	2,593
Loss on write-off of property, plant and equipment	撇銷物業、廠房及設備虧損	123	286
Lease expenses for short-term leases	短期租賃的租賃開支	3,521	6,845

Note:

- (a) Cost of inventories recognised as an expense included depreciation of property, plant and equipment and staff costs of HK\$41,515,000 (2019: HK\$37,130,000) and HK\$127,037,000 (2019: HK\$132,910,000) respectively. The amounts were also included in the respective amounts disclosed above.

附註：

- (a) 確認為開支的存貨成本分別包括物業、廠房及設備折舊以及員工成本41,515,000港元(2019年：37,130,000港元)及127,037,000港元(2019年：132,910,000港元)。該等金額亦已計入上文所披露的相關金額中。

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For the year ended 31 December 2020 截至2020年12月31日止年度

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

(a) Directors' and chief executive's emoluments

The emoluments paid or payable to each of the eight (2019: eight) directors and the CEO of the Company during the year were as follows:

For the year ended 31 December 2020

		Directors' fees	Salaries and other benefits	Retirement benefit scheme contributions	Total
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Executive directors:	執行董事：				
Mr. Yiu Chi To (Chairman)	姚志圖先生(主席)	-	2,940	18	2,958
Mr. Chen Chung Po (CEO)	陳鐘譜先生(行政總裁)	-	1,275	18	1,293
Ms. Yiu Kwan Yu (Sales and marketing manager)	姚君瑜女士 (銷售及市場推廣經理)	-	765	18	783
Mr. Chen Wei Wu (Financial controller)	陳緯武先生 (財務總監)	-	300	30	330
Ms. Yong Jian Hui (Deputy general manager)	雍建輝女士 (副總經理)	-	162	28	190
Independent non-executive directors:	獨立非執行董事：				
Mr. Au Yeung Tin Wah	歐陽天華先生	240	-	-	240
Mr. Chen Kwok Wang	陳國宏先生	144	-	-	144
Mr. Ho Chi Wai	何志威先生	144	-	-	144
Total	總計	528	5,442	112	6,082

13. 董事、主要行政人員及僱員酬金

(a) 董事及主要行政人員酬金

年內分別已付或應付本公司各八名(2019年：八名)董事及行政總裁的酬金如下：

截至2020年12月31日止年度

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For the year ended 31 December 2020 截至2020年12月31日止年度

13. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (continued)

(a) Directors' and chief executive's emoluments (continued)

For the year ended 31 December 2019

13. 董事、主要行政人員及僱員酬金 (續)

(a) 董事及主要行政人員酬金 (續)

截至2019年12月31日止年度

		Directors' fees	Salaries and other benefits	Retirement benefit scheme contributions	Total
		董事袍金	薪金及其他福利	退休福利計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Executive directors:	執行董事：				
Mr. Yiu Chi To (Chairman)	姚志圖先生(主席)	-	2,702	18	2,720
Mr. Chen Chung Po (CEO)	陳鐘譜先生(行政總裁)	-	1,300	18	1,318
Ms. Yiu Kwan Yu (Sales and marketing manager)	姚君瑜女士 (銷售及市場推廣經理)	-	780	18	798
Mr. Chen Wei Wu (Financial controller)	陳緯武先生 (財務總監)	-	297	30	327
Ms. Yong Jian Hui (Deputy general manager)	雍建輝女士 (副總經理)	-	161	27	188
Independent non-executive directors:	獨立非執行董事：				
Mr. Au Yeung Tin Wah	歐陽天華先生	240	-	-	240
Mr. Chen Kwok Wang	陳國宏先生	144	-	-	144
Mr. Ho Chi Wai	何志威先生	144	-	-	144
Total	總計	528	5,240	111	5,879

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13. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (continued)

(a) Directors' and chief executive's emoluments (continued)

The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Group.

The independent non-executive directors' emoluments shown above were for their services to act as the directors of the Company.

None of the directors waived or agreed to waive any emoluments paid by the Group during both years.

Mr. Chen Chung Po is also the CEO of the Company and the emoluments disclosed above include those for services rendered by him as the CEO of the Company.

There were no performance related incentive payments to the directors and CEO of the Company during both years.

(b) Employees' emoluments

Of the five individuals with the highest emoluments in the Group, three (2019: three) were directors or CEO of the Company for the year ended 31 December 2020. The emoluments of these directors are included in the disclosures in Note 13(a) above. The emoluments of the remaining two (2019: two) individuals for the year ended 31 December 2020 were as follows:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Salaries and other allowances	薪金及其他津貼	1,682	1,667
Retirement benefit scheme contributions	退休福利計劃供款	36	36
		1,718	1,703

13. 董事、主要行政人員及僱員酬金(續)

(a) 董事及主要行政人員酬金(續)

上述執行董事之酬金乃就彼等管理本集團事務的服務酬金。

上述獨立非執行董事酬金乃就彼等擔任本公司董事的服務酬金。

於兩個年度，概無董事放棄或同意放棄任何酬金。

陳鐘譜先生亦為本公司行政總裁，上文披露的酬金包括有關彼擔任本公司行政總裁所提供服務的酬金。

於兩個年度，並無向本公司董事及行政總裁支付與表現掛鈎獎金。

(b) 僱員酬金

於截至2020年12月31日止年度，本集團五名最高酬金人士中，三名(2019年：三名)為本公司董事或行政總裁。該等董事的酬金已於上文附註13(a)披露。於截至2020年12月31日止年度，餘下兩名(2019年：兩名)人士的酬金如下：

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For the year ended 31 December 2020 截至2020年12月31日止年度

13. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (continued)

(b) Employees' emoluments (continued)

Their emoluments were within the following bands:

	2020 2020年 No. of employees 僱員數目	2019 2019年 No. of employees 僱員數目
Not more than HK\$1,000,000 不多於1,000,000港元	2	2

There were no performance related incentive payments during both years.

No emoluments were paid by the Group to the five highest paid individuals and any of the directors and CEO of the Company as an incentive payment to join or upon joining the Group, or as compensation for loss of office during both years.

13. 董事、主要行政人員及僱員酬金(續)

(b) 僱員酬金(續)

該等人士的酬金介乎下列範圍：

	2020 2020年 No. of employees 僱員數目	2019 2019年 No. of employees 僱員數目
Not more than HK\$1,000,000 不多於1,000,000港元	2	2

於兩個年度，並無支付與表現掛鈎的獎金。

於兩個年度，本集團並無向五名最高薪人士以及本公司任何董事及行政總裁支付酬金，作為加入本集團或加入本集團時的獎勵或離職補償。

14. DIVIDEND

No dividend was paid or proposed during the year ended 31 December 2020, nor has any dividend been proposed since the end of the reporting period (2019: Nil).

14. 股息

概無派付或建議派付截至2020年12月31日止年度的股息，自報告期末起亦無建議派付任何股息(2019年：無)。

15. EARNINGS PER SHARE

	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Earnings for the purpose of basic and diluted earnings per share 作計算每股基本及攤薄盈利用途的盈利	30,958	37,148
Number of ordinary shares for the purpose of basic and diluted earnings per share 作計算每股基本及攤薄盈利用途的普通股數目	216,825,000	216,825,000
Basic and diluted earnings per share (HK\$ per share) 每股基本及攤薄盈利(每股港元)	0.14	0.17

The diluted earnings per share is equal to the basic earnings per share as there were no dilutive potential ordinary shares outstanding during both years.

由於兩個年度內並無已發行具潛在攤薄效應的普通股，故每股攤薄盈利與每股基本盈利相同。

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For the year ended 31 December 2020 截至2020年12月31日止年度

16. PROPERTY, PLANT AND EQUIPMENT

16. 物業、廠房及設備

		Plant and machinery 廠房及機器	Motor vehicles 汽車	Office equipment 辦公室設備	Leasehold improvements 租賃物業裝修	Buildings 樓宇	Construction in progress 在建工程	Total 合計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
COST	成本							
At 1 January 2019	於2019年1月1日	345,023	6,742	21,212	39,384	122,216	14,507	549,084
Additions	添置	47,225	365	1,794	533	-	4,981	54,898
Disposals/write-off	出售/撇銷	(5,708)	-	(690)	-	-	-	(6,398)
Exchange realignment	匯兌調整	(8,345)	(90)	(475)	(855)	(2,671)	(402)	(12,838)
At 31 December 2019 and At 1 January 2020	於2019年12月31日及 2020年1月1日	378,195	7,017	21,841	39,062	119,545	19,086	584,746
Additions	添置	30,453	-	389	1,085	-	5,782	37,709
Transfer	轉讓	5,265	-	-	-	-	(5,265)	-
Disposals/write-off	出售/撇銷	(6,237)	(222)	(164)	-	-	-	(6,623)
Exchange realignment	匯兌調整	26,454	252	1,397	2,528	7,690	1,257	39,578
At 31 December 2020	於2020年12月31日	434,130	7,047	23,463	42,675	127,235	20,860	655,410
ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSS	累計折舊及減值虧損							
At 1 January 2019	於2019年1月1日	236,352	5,766	18,212	14,034	18,909	12,988	306,261
Provided for the year	年內計提	36,278	417	1,105	2,947	2,460	-	43,207
Eliminated on disposals/write-off	出售時對銷/撇銷	(2,291)	-	(654)	-	-	-	(2,945)
Exchange realignment	匯兌調整	(5,744)	(72)	(401)	(341)	(455)	(284)	(7,297)
At 31 December 2019 and At 1 January 2020	於2019年12月31日及 2020年1月1日	264,595	6,111	18,262	16,640	20,914	12,704	339,226
Provided for the year	年度計提	37,038	166	1,164	4,457	2,436	-	45,261
Eliminated on disposals/write-off	出售時對銷/撇銷	(867)	(211)	(155)	-	-	-	(1,233)
Exchange realignment	匯兌調整	19,087	205	1,214	1,278	1,483	817	24,084
At 31 December 2020	於2020年12月31日	319,853	6,271	20,485	22,375	24,833	13,521	407,338
CARRYING VALUES	賬面值							
At 31 December 2020	於2020年12月31日	114,277	776	2,978	20,300	102,402	7,339	248,072
At 31 December 2019	於2019年12月31日	113,600	906	3,579	22,422	98,631	6,382	245,520



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16. PROPERTY, PLANT AND EQUIPMENT (continued)

The above items of property, plant and equipment are depreciated on a straight-line basis at the following rates per annum:

Plant and machinery	10% – 25%
Motor vehicles	10% – 33%
Office equipment	10% – 20%
Leasehold improvements	5% – 50%
Buildings	Over the shorter of term of the lease or 2.5%

As at 31 December 2020, the carrying values of plant and machinery of HK\$114,277,000 (2019: HK\$113,600,000) includes an amount of HK\$19,782,000 (2019: HK\$24,935,000) which have been pledged to secure banking facilities and other borrowings granted to the Group.

As at 31 December 2020, buildings with carrying values of HK\$102,402,000 (2019: HK\$98,631,000) have been pledged to secure banking facilities granted to the Group.

16. 物業、廠房及設備(續)

上述物業、廠房及設備項目以直線法按下列年率計提折舊：

廠房及機器	10%–25%
汽車	10%–33%
辦公室設備	10%–20%
租賃物業裝修	5%–50%
樓宇	按租賃年期或2.5% (以較短者為準)

於2020年12月31日，廠房及機器的賬面值為114,277,000港元(2019年：113,600,000港元)，包括已予以抵押的19,782,000港元(2019年：24,935,000港元)，作為授予本集團銀行融資及其他借款的抵押。

於2020年12月31日，賬面值為102,402,000港元(2019年：98,631,000港元)的樓宇已予以抵押，作為授予本集團銀行融資的抵押。

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17. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(i) Right-of-use assets

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Land	土地	35,575	34,313
Buildings	樓宇	21,128	11,870
Plant and machinery	廠房及機器	5,601	4,593
		62,304	50,776

Right-of-use assets of HK\$35,575,000 (2019: HK\$34,313,000) represents land use rights located in the PRC.

The Group has lease arrangements for factory premises and offices and plant and machinery. The lease terms are generally ranged from 2 to 6 years (2019: 2 to 6 years).

Extension options are included in the lease of buildings. Certain periods covered by extension options were included in these lease terms as the Group was reasonably certain to exercise the option.

Additions to the right-of-use assets for the year ended 31 December 2020 amounted to HK\$15,889,000 (2019: HK\$15,722,000), due to new leases of buildings and plant and machinery.

(ii) Lease liabilities

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Non-current	非流動	15,419	10,343
Current	流動	8,974	4,539
		24,393	14,882

17. 使用權資產及租賃負債

(i) 使用權資產

使用權資產 35,575,000 港元 (2019 年：34,313,000 港元) 指位於中國的土地使用權。

本集團設有工廠物業及辦公室以及廠房及機器的租賃安排。租賃期限一般介乎 2 至 6 年 (2019 年：2 至 6 年)。

樓宇租賃中包含延長選擇權。由於本集團合理確定行使該選擇權，故延長選擇權涵蓋的若干期間已納入該等租賃期。

截至 2020 年 12 月 31 日止年度，使用權資產增加 15,889,000 港元 (2019 年：15,722,000 港元)，乃由於樓宇、廠房及機器的新租賃所致。

(ii) 租賃負債

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17. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)

(ii) Lease liabilities

Amounts payable under lease liabilities	根據租賃負債應付的款項	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Within one year	一年內	8,974	4,539
After one year but within two years	一年後但兩年內	5,668	3,096
After two years but within five years	兩年後但五年內	9,751	5,648
After five years	五年後	-	1,599
		24,393	14,882
Less: Amount due for settlement within 12 months (shown under current liabilities)	減：於12個月內到期結算的款項(於流動負債項下列示)	(8,974)	(4,539)
Amount due for settlement after 12 months	於12個月後到期結算的款項	15,419	10,343

As at 31 December 2020, the lease liabilities in respect of leased machineries under hire purchase agreements amounted to HK\$2,702,000 (2019: HK\$3,146,000) with purchase option at consideration of HK\$1,000 was secured by the title of the lessor, who is a related party of the Company, to the leased assets. During the year ended 31 December 2020, the Group entered into a number of new lease agreements in respect of renting buildings and plant and machinery and recognised lease liabilities of HK\$15,889,000 (2019: HK\$15,722,000).

於2020年12月31日，根據租購協議租賃機器的租賃負債為2,702,000港元(2019年：3,146,000港元)，購買選擇權代價1,000港元乃由出租人(為本公司的關連人士)的租賃資產所有權抵押。於截至2020年12月31日止年度，本集團就租賃樓宇以及廠房及機器訂立多項新租賃協議並已確認租賃負債15,889,000港元(2019年：15,722,000港元)。

(iii) Amounts recognised in profit or loss

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Depreciation of right-of-use assets	使用權資產折舊		
– Land	– 土地	895	844
– Buildings	– 樓宇	6,083	1,193
– Plant and machinery	– 廠房及機器	732	556
Interest expense on lease liabilities	租賃負債利息開支	1,241	423
Expense relating to short-term leases	短期租賃開支	3,521	6,845

(iii) 於損益確認的款項

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17. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)

(iv) Others

As 31 December 2020, the Group is committed to HK\$124,000 (2019: HK\$5,581,000) for lease agreements not yet commenced.

During the year ended 31 December 2020, the total cash outflow for leases amount to HK\$12,529,000 (2019: HK\$10,705,000).

17. 使用權資產及租賃負債(續)

(iv) 其他

於2020年12月31日，本集團就尚未開始的租賃協議承擔124,000港元(2019年：5,581,000港元)。

於截至2020年12月31日止年度，租賃的現金流出總額為12,529,000港元(2019年：10,705,000港元)。

18. FINANCIAL ASSETS AT FVTPL

18. 按公允值計入損益之金融資產

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Investment in a life insurance policy	人壽保險單投資	3,510	—

In February 2020, the Group's subsidiary, Wai Chi Opto Technology Limited (“**Wai Chi Opto**”), entered into a life insurance policy with an insurance company to insure Ms. Yiu Kwan Yu, a director of the Company. Under the policy, the beneficiary and the policy holder is Wai Chi Opto and the total insured sum is approximately US\$3,492,000 (equivalent to approximately HK\$27,238,000). The Group was required to pay an one-off premium payment of approximately US\$600,000 (equivalent to approximately HK\$4,680,000). The Group can terminate the policy at any time and receive cash back based on the cash value of the policy at the date of withdrawal (“**Cash Value**”), which is determined by the premium payment plus accumulated interest earned minus the accumulated insurance charges and a specified amount of surrender charge if the withdrawal is made before the specified policy year.

於2020年2月，本集團的附屬公司偉志光電有限公司(「**偉志光電**」)與一間保險公司訂立人壽保險單，以為本公司董事姚君瑜女士投保。根據保單，受益人及保單持有人為偉志光電，而總投保金額為約3,492,000美元(相等於約27,238,000港元)。本集團須支付一次性保費付款約600,000美元(相等於約4,680,000港元)。本集團可於任何時候終止保單，並基於退保日期保單的現金價值(「**現金價值**」)收回現金，有關現金價值乃按保費付款加上所賺取累計利息，再減累計保險費用及特定金額的退保手續費(倘於特定保單年度前退保)釐定。

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19. FINANCIAL ASSETS AT FVTOCI

19. 按公允值計入其他全面收益之 金融資產

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Investment in an unlisted equity	於非上市股本之投資	3,683	-

The unlisted equity securities are issued by a private entity incorporated in Taiwan.

非上市股本證券由在台灣註冊成立之私人實體發行。

The investment was not held for trading. Instead, it was held for medium to long-term strategic purposes. Accordingly, the directors of the Company have elected to designate these investments in equity instruments as at FVTOCI as they believe that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes and realising their performance potential in the long run.

該投資並非持作買賣投資。相反，其乃出於中長期戰略目的而進行的投資。因此，本公司董事選擇將該等投資指定為按公允值計入其他全面收益之權益工具，因為彼等認為，於損益確認該等投資之公允值短期波動並不符合本集團持有該等投資作長期用途並於長遠變現其表現潛力之戰略。

20. INVENTORIES

20. 存貨

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Raw materials	原材料	20,621	18,065
Work-in-progress	在製品	84,148	90,719
Finished goods	製成品	115,941	102,800
		220,710	211,584

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21. TRADE AND BILLS RECEIVABLES

21. 應收賬款及票據

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Receivables at amortised cost comprise:	按攤銷成本計量的應收款項		
	包括：		
Trade receivables	應收賬款	592,182	484,539
Less: allowance for impairment	減：減值撥備	(25,442)	(30,260)
		566,740	454,279
Bills receivables	應收票據	157,675	92,069
		724,415	546,348

As at 31 December 2020, the gross amount of trade receivables arising from contracts with customers amounted to HK\$592,182,000 (2019: HK\$484,539,000).

於2020年12月31日，來自客戶合約的應收賬款總額為592,182,000港元（2019年：484,539,000港元）。

The Group allows an average credit period of 15 to 180 days (2019: 15 to 180 days) to its trade customers. The following is an aged analysis of trade receivables (net of allowance for impairment of trade receivables) presented based on the invoice date, which approximates the respective revenue recognition dates, at the end of the reporting period.

本集團向其貿易客戶授予15至180天（2019年：15至180天）的平均信貸期。以下為於報告期末按發票日期（與相關收益確認日期相若）呈列的應收賬款（扣除應收賬款減值撥備）的賬齡分析。

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
0 to 90 days	0至90天	554,649	427,829
91 to 180 days	91至180天	8,369	19,893
181 to 365 days	181至365天	3,722	3,125
Over 365 days	365天以上	-	3,432
		566,740	454,279

All the bills receivables are aged within 365 days.

所有應收票據的賬齡均為365天內。

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21. TRADE AND BILLS RECEIVABLES (continued)

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The ECL on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

As the Group's historical credit loss experience does not indicate significantly difference loss patterns for different customers segments, the allowance based on past due status is not further distinguished between the Group's different customer bases during the year.

The following table provides information which are assessed based on provision matrix.

21. 應收賬款及票據(續)

本集團按相當於存續期預期信貸虧損的金額計量應收賬款的虧損撥備。應收賬款的預期信貸虧損使用撥備矩陣估計，並參考債務人的過往違約記錄及債務人目前財務狀況的分析，根據於報告日期債務人特定的因素、債務人營運所在行業的一般經濟狀況以及目前及預測狀況方向的評估作出調整。

由於根據本集團的歷史信貸虧損經驗，不同細分客戶群體發生損失的情況沒有顯著差異，因此本年度在根據過往逾期狀況計算撥備時未進一步區分不同的客戶群體。

下表提供根據撥備矩陣評估的資料。

As at 31 December 2020	於 2020 年 12 月 31 日	Weighted average expected loss rate 加權平均 預期虧損率 %	Gross carrying amount 賬面總值 HK\$'000 千港元	Allowance 撥備 HK\$'000 千港元
Collectively assessed	集體評估			
0 to 90 days	0 至 90 天	0.23%	555,912	1,263
91 to 180 days	91 至 180 天	0.66%	8,425	56
181 to 365 days	181 至 365 天	1.33%	3,772	50
Over 365 days	365 天以上	100%	24,073	24,073
			592,182	25,442

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21. TRADE AND BILLS RECEIVABLES (continued)

As at 31 December 2019	於2019年12月31日	Weighted average expected loss rate 加權平均預期虧損率 %	Gross carrying amount 賬面總值 HK\$'000 千港元	Allowance 撥備 HK\$'000 千港元
Individually assessed	個別評估	0.99%	328,912	3,270
Collectively assessed	集體評估			
0 to 90 days	0至90天	0.52%	117,963	611
91 to 180 days	91至180天	0.02%	10,548	2
181 to 365 days	181至365天	5.63%	568	32
Over 365 days	365天以上	99.24%	26,548	26,345
			155,627	26,990
			484,539	30,260

Generally, trade receivables are written-off when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery and are not subject to enforcement activity. The Group does not hold collateral as security.

The movements of impairment of trade receivables are as follows:

一般而言，當資料顯示債務人處於嚴重財務困難及無實際收回可能，且無法進行強制執行活動時，則撇銷應收賬款。本集團並無持有抵押品作為抵押。

應收賬款的減值變動如下：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
At 1 January	於1月1日	30,260	29,655
(Reversal of) impairment loss recognised	(撥回)已確認減值虧損	(6,193)	2,450
Written off	撇銷	-	(1,193)
Exchange realignment	匯兌調整	1,375	(652)
At 31 December	於12月31日	25,442	30,260

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22. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

22. 預付款項、按金及其他應收款項

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Deposits and other receivables	按金及其他應收款項	75,779	43,627
Less: allowance for impairment of other receivables	減：其他應收款項減值撥備	(2,652)	(2,184)
		73,127	41,443
Value added tax receivables	應收增值稅	3,831	2,754
Prepayments	預付款項	74,143	218,471
		151,101	262,668

Details of impairment assessment of other receivables for the year ended 31 December 2020 are set out in Note 6.

有關截至2020年12月31日止年度的其他應收款項減值評估的詳情載於附註6。

The movements of impairment of other receivables are as follows:

其他應收款項的減值變動如下：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
At 1 January	於1月1日	2,184	1,532
Impairment loss recognised	已確認減值虧損	379	673
Exchange realignment	匯兌調整	89	(21)
		2,652	2,184
At 31 December	於12月31日	2,652	2,184

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23. DEPOSITS WITH BANK/PLEDGED BANK DEPOSITS/BANK BALANCES AND CASH

Deposits with bank

The deposits with banks carried interest rates at 3.3% per annum at 31 December 2020, with an original maturity of 3 years.

Pledged bank deposits

Pledged bank deposits are pledged to banks to secure banking facilities granted to the Group. Deposits amounting to HK\$277,267,000 (2019: HK\$176,963,000) as at 31 December 2020 had been pledged to secure bank borrowings and bills payables due within one year and are therefore classified as current assets.

The pledged deposits carried interest rates ranging from 0.3% to 0.38% (2019: 0.3% to 2%) per annum at 31 December 2020.

Bank balances and cash

The bank balances and cash comprised cash held by the Group and short-term bank deposits with an original maturity of three months or less. The bank balances at 31 December 2020 carried interest at the prevailing market rate ranging from 0.01% to 0.38% (2019: 0.01% to 0.35%) per annum.

The Group's bank balances and cash denominated in RMB amounted to HK\$110,712,000 (2019: HK\$88,959,000) at 31 December 2020. Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sales and Payment of Foreign Exchange Regulations.

23. 銀行存款／已抵押銀行存款／銀行結餘及現金

銀行存款

於2020年12月31日，銀行存款按3.3%之年利率計息，原到期日為3年。

已抵押銀行存款

已抵押銀行存款已質押予銀行作為授予本集團銀行融資的抵押。於2020年12月31日，已質押存款277,267,000港元（2019年：176,963,000港元），作為一年內到期的銀行借款及應付票據的抵押，因此被分類為流動資產。

於2020年12月31日，已抵押存款按介乎0.3%至0.38%（2019年：0.3%至2%）的年利率計息。

銀行結餘及現金

銀行結餘及現金包括本集團持有的現金及原到期日為三個月或以內的短期銀行存款。於2020年12月31日的銀行結餘按現行市場年利率計息，介乎0.01%至0.38%（2019年：0.01%至0.35%）。

於2020年12月31日，本集團以人民幣計值的銀行結餘及現金為110,712,000港元（2019年：88,959,000港元）。人民幣兌換成外幣須遵守中國外匯管理條例及結匯、售匯及付匯管理規定。

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**24. TRADE, BILLS AND OTHER PAYABLES
AND ACCRUALS**

**24. 應付賬款、應付票據及其他應
付款項以及預提費用**

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Trade payables (Note a)	應付賬款(附註a)	295,154	241,923
Bills payables (Note a)	應付票據(附註a)	545,268	296,147
		840,422	538,070
Other payables	其他應付款項	6,848	29,122
Accrued expenses	預提開支	21,906	21,159
Value added tax payables	應付增值稅	7,213	5,531
		35,967	55,812
		876,389	593,882

Note:

(a) The aging analysis of trade payables presented based on the invoice date at the end of the reporting period is as follows:

附註：

(a) 於報告期末，按發票日期呈列的應付賬款賬齡分析如下：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
0 to 90 days	0至90天	264,392	190,615
91 to 180 days	91至180天	22,850	44,689
181 to 365 days	181至365天	1,500	1,074
Over 365 days	365天以上	6,412	5,545
		295,154	241,923

The average credit period on purchase of goods is from 30 days to 90 days. The Group has financial risk management policies or plans for its payables with respect to the credit timeframe.

The bills payables are aged within 365 days.

採購貨品的平均信貸期為30天至90天。本集團就應付款項的信貸期限實施金融風險管理政策或計劃。

應付票據的賬齡為365天內。

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25. CONTRACT LIABILITIES

25. 合約負債

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Advances received to deliver goods	為交付貨品收取的墊款	6,210	8,518

In general, the Group receives certain percentage of the contract sum as advance payment from the customers upon signing of the sales contracts.

The changes in contract liabilities in 2020 was mainly due to the decrease in purchases order from customers in late 2020.

Revenue recognised during the year ended 31 December 2020 that was included in the contract liabilities as at 31 December 2019 was HK\$8,518,000 (2019: HK\$78,089,000). There was no revenue recognised in the current year that related to performance obligations that were satisfied in a prior year.

一般而言，本集團於簽署銷售合約時向客戶收取一定百分比的合約金額作為預付款項。

2020年合約負債的變動乃主要由於2020年末客戶的採購訂單減少所致。

於2019年12月31日的合約負債包括截至2020年12月31日止年度確認的收益8,518,000港元（2019年：78,089,000港元）。概無於本年度確認有關去年達成的履約責任的收益。

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26. BANK AND OTHER BORROWINGS

26. 銀行及其他借款

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Secured:	有抵押：		
Trust receipts loans (Note a)	信託收據貸款(附註a)	80,052	47,508
Other bank loans (Note b)	其他銀行貸款(附註b)	182,924	126,655
Other loan (Note c)	其他貸款(附註c)	12,304	23,584
		275,280	197,747
Unsecured:	無抵押：		
Other bank loans (Note b)	其他銀行貸款(附註b)	71,289	90,424
		346,569	288,171
Bank and other borrowings repayable (based on scheduled repayment dates set out in loan agreements):	應償還銀行及其他借款(根據載於貸款協議的預定還款日期)：		
Within one year	於一年內	335,707	272,611
More than one year but not exceeding two years	超過一年但不超過兩年	5,634	13,560
More than two years but not exceeding five years	超過兩年但不超過五年	5,228	2,000
		346,569	288,171
Less: Carrying amount of bank and other borrowings that are not repayable within one year from the end of the reporting period but contain a repayment on demand clause (shown under current liabilities)	減：非於由報告期末起一年內償還但包含按要求償還條款的銀行及其他借款賬面值(於流動負債項下列示)	(10,862)	(15,560)
Less: Carrying amount of bank and other borrowings that are repayable within one year from the end of the reporting period and contain a repayment on demand clause	減：於由報告期末起一年內償還及包含按要求償還條款的銀行及其他借款賬面值	(335,707)	(272,611)
Amount shown under current liabilities	於流動負債項下列示的款項	(346,569)	(288,171)
Amount shown under non-current liabilities	於非流動負債項下列示的款項	-	-

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26. BANK AND OTHER BORROWINGS (continued)

Notes:

- (a) As at 31 December 2020, trust receipts loan with carrying amounts of HK\$80,052,000 (2019: HK\$47,508,000) carried floating rate of interest of 1-month HIBOR/LIBOR plus 2.5% (2019: 1-month HIBOR/LIBOR plus 2.5%) per annum and was due within 3 months (2019: within 3 months).
- (b) As at 31 December 2020, the other bank loans of HK\$47,526,000 and HK\$206,687,000 carried interest at fixed rates and floating rates respectively (2019: HK\$11,163,000 and HK\$205,916,000 respectively). The range of effective interest rates per annum on the Group's other bank loans are as follows:

		2020 2020年	2019 2019年
Fixed rates bank loans	固定利率銀行貸款	5.66–7.60% HIBOR/LIBOR plus 2.50%–3.00% 香港銀行同業拆息 利率／倫敦銀行 同業拆息利率 加2.50%至3.00% LPR plus 0.64% to 1.90% 最優惠貸款利率加 0.64%至1.90%	7.60% HIBOR/LIBOR plus 2.50%–3.00% 香港銀行同業拆息 利率／倫敦銀行 同業拆息利率 加2.50%至3.00% LPR plus 0.64% to 1.89% 最優惠貸款利率加 0.64%至1.89%
Floating rates bank loans	浮動利率銀行貸款		

- (c) As at 31 December 2020, the other loan of HK\$12,304,000 (2019: HK\$23,584,000) carried interest at 4.98% (2019: 4.98%). In 2019, Huizhou Wai Chi Electronics Company Limited* ("Huizhou Wai Chi"), a subsidiary of the Group, entered into a sales and leaseback agreement for financing with an amount of HK\$24,560,000. Pursuant to which, Huizhou Wai Chi sold certain plant and machineries to a financial institution (the "lessor"), which shall then be leased back for use by Huizhou Wai Chi, with the lease period of 2 years from the date of inception. Upon expiry of the lease term, Huizhou Wai Chi has the right to repurchase the leased assets in accordance with the agreed terms and with a consideration of a nominal amount of RMB1,000.

26. 銀行及其他借款(續)

附註：

- (a) 於2020年12月31日，賬面值80,052,000港元(2019年：47,508,000港元)的信託收據貸款按一個月香港銀行同業拆息利率／倫敦銀行同業拆息利率加2.5%(2019年：一個月香港銀行同業拆息利率／倫敦銀行同業拆息利率加2.5%)的浮動年利率計息，並於三個月內到期(2019年：三個月內)。
- (b) 於2020年12月31日，其他銀行貸款47,526,000港元及206,687,000港元分別以固定利率及浮動利率計息(2019年：分別為11,163,000港元及205,916,000港元)。本集團其他銀行貸款的實際年利率範圍如下：

- (c) 於2020年12月31日，12,304,000港元(2019年：23,584,000港元)的其他貸款按4.98%計息(2019年：4.98%)。於2019年，本集團附屬公司惠州偉志電子有限公司(「惠州偉志」)訂立銷售及回租協議，融資金額為24,560,000港元。據此，惠州偉志將若干廠房及機器出售予一間金融機構(「出租人」)，其後將其租回供惠州偉志使用，租期自開始日起計2年。於租期屆滿後，惠州偉志有權按協定條款以名義代價人民幣1,000元購回租賃資產。

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26. BANK AND OTHER BORROWINGS (continued)

Notes: (continued)

- (d) As at 31 December 2020, secured bank loans of HK\$182,924,000 (2019: HK\$126,655,000) were secured by:
- i. The pledge of certain property, plant and equipment of the Group with carrying value of HK\$110,077,000 (2019: HK\$108,916,000) as at 31 December 2020 as set out in Note 16;
 - ii. The pledge of certain right of use assets with carrying value of HK\$35,575,000 (2019: HK\$34,313,000) as set out in Note 17;
 - iii. The pledge of bank deposits as set out in Note 23;
 - iv. The pledge of a property held by a related company of the Group, in which Ms. Yiu Kwan Yu is the common director; and
- (e) As at 31 December 2020, the Group has undrawn available trade financing and bank loan facilities of HK\$230,221,000 (2019: HK\$285,980,000).

26. 銀行及其他借款(續)

附註：(續)

- (d) 於2020年12月31日，189,924,000港元(2019年：126,655,000港元)的已抵押銀行貸款乃以下列方式作抵押：
- i. 誠如附註16所載，於2020年12月31日，本集團抵押賬面值為110,077,000港元(2019年：108,916,000港元)的若干物業、廠房及設備；
 - ii. 誠如附註17所載，抵押賬面值為35,575,000港元(2019年：34,313,000港元)的若干使用權資產；
 - iii. 誠如附註23所載，抵押銀行存款；
 - iv. 抵押由本集團一間關連公司(姚君瑜女士為其共同董事)持有的物業；及
- (e) 於2020年12月31日，本集團有未提取貿易融資及銀行貸款融資230,221,000港元(2019年：285,980,000港元)。

27. DEFERRED TAXATION

27. 遞延稅項

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Deferred tax assets	遞延稅項資產	8,312	8,455
Deferred tax liabilities	遞延稅項負債	(381)	-
		7,931	8,455

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For the year ended 31 December 2020 截至2020年12月31日止年度

27. DEFERRED TAXATION (continued)

The following are the major deferred tax assets (liabilities) recognised and movements thereof during the current and prior years:

		Difference between depreciation allowance and related depreciation 折舊撥備及 相關折舊 的差額 HK\$'000 千港元	Impairment and allowances 減值及撥備 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 January 2019	於2019年1月1日	(32)	8,142	8,110
Credited to profit or loss (Note 11)	計入損益(附註11)	88	443	531
Exchange realignment	匯兌調整	–	(186)	(186)
At 31 December 2019 and 1 January 2020	於2019年12月31日及 2020年1月1日	56	8,399	8,455
Charged to profit or loss (Note 11)	計入損益(附註11)	(437)	(591)	(1,028)
Exchange realignment	匯兌調整	–	504	504
At 31 December 2020	於2020年12月31日	(381)	8,312	7,931

As at 31 December 2020, certain subsidiaries of the Group had aggregate unused tax losses of HK\$60,665,000 (2019: HK\$70,283,000) available for offset against future profits. No deferred tax asset has been recognised in respect of these unused tax losses due to the unpredictability of future income stream of these subsidiaries. As at 31 December 2020, tax losses of HK\$3,839,000 (2019: HK\$17,808,000) will be expired within 5 years. With effective from 1 January 2018, the tax losses incurred by “High and New Technology Enterprise” (“HNTTE”) of HK\$22,912,000 (2019: HK\$11,521,000) will expire in ten years from the year in which the loss originated. Other losses may be carried forward indefinitely.

27. 遞延稅項(續)

本年度及過往年度所確認的主要遞延稅項資產(負債)及其變動如下:

於2020年12月31日，本集團若干附屬公司可供抵銷未來利潤的未動用稅項虧損總額為60,665,000港元(2019年：70,283,000港元)。由於難以預測該等附屬公司的未來收入流，故並無就該等未動用稅項虧損確認遞延稅項資產。於2020年12月31日，稅項虧損3,839,000港元(2019年：17,808,000港元)將5年內到期。自2018年1月1日起，「高新技術企業」(「**高新技術企業**」)產生之稅項虧損22,912,000港元(2019年：11,521,000港元)將自虧損產生之日起十年內屆滿。其他虧損可無限期結轉。

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27. DEFERRED TAXATION (continued)

As at 31 December 2020, the Group has deductible temporary differences of HK\$107,204,000 (2019: HK\$114,682,000). A deferred tax asset has been recognised in relation to HK\$53,218,000 (2019: HK\$49,936,000) of such temporary differences. No deferred tax asset has been recognised in relation to the remaining HK\$53,986,000 (2019: HK\$64,746,000) as it is not probable that taxable profit will be available against which the deductible temporary differences can be utilised.

Under the EIT Law of PRC, withholding tax is imposed on dividends in respect of profits earned by the PRC subsidiaries from 1 January 2008 onwards (the “**Post-2008 Earnings**”). As at 31 December 2020, deferred taxation has not been provided for in the consolidated financial statements in respect of temporary difference attributable to the “Post-2008 Earnings” amounting to HK\$535,621,000 (2019: HK\$501,465,000) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

28. CORPORATE BOND

In 2017, the Group issued a 7.5 year corporate bond with principal amount of HK\$2,000,000 to an independent third party, net of direct expenses of HK\$300,000, which will be due in September 2023. The corporate bond carried interest at a fixed rate of 8% per annum with interest payable annually in arrears. The corporate bond is unsecured. The effective interest rate of the corporate bond is approximately 11.05% per annum.

27. 遞延稅項 (續)

於2020年12月31日，本集團可扣減暫時性差額為107,204,000港元（2019年：114,682,000港元）。已就該等暫時性差額中53,218,000港元（2019年：49,936,000港元）確認遞延稅項資產。由於應課稅利潤將可用作抵銷可扣減暫時性差額的可能性不大，故並無就餘下53,986,000港元（2019年：64,746,000港元）確認遞延稅項資產。

根據中國企業所得稅法，自2008年1月1日起，中國附屬公司就其所賺取利潤（「**2008年後的盈利**」）的股息須繳交預扣稅。由於本集團可控制撥回暫時性差額的時間，而有關暫時性差額可能不會於可預見的將來撥回，故此於2020年12月31日，並無於綜合財務報表內就「2008年後的盈利」應佔暫時性差額535,621,000港元（2019年：501,465,000港元）的遞延稅項作出撥備。

28. 公司債券

於2017年，本集團向獨立第三方發行本金額2,000,000港元的7.5年公司債券，扣除直接開支300,000港元，將於2023年9月到期。公司債券按固定年息率8%計息（每年期末支付利息）。公司債券並無抵押。公司債券的實際年利率約為11.05%。

		HK\$'000 千港元
At 1 January 2019	於2019年1月1日	1,816
Effective interest expenses (Note 10)	實際利息開支(附註10)	200
Interest paid during the year	年內已付利息	(160)
At 31 December 2019 and 1 January 2020	於2019年12月31日及2020年1月1日	1,856
Effective interest expenses (Note 10)	實際利息開支(附註10)	200
Interest paid during the year	年內已付利息	(160)
At 31 December 2020	於2020年12月31日	1,896

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29. GOVERNMENT GRANTS

29. 政府補助

		HK\$'000 千港元
At 1 January 2019	於2019年1月1日	17,947
Government grants utilised during the year (Note 7)	年內動用政府補助(附註7)	(137)
Exchange realignment	匯兌調整	(390)
At 31 December 2019 and 1 January 2020	於2019年12月31日及2020年1月1日	17,420
Government grants utilised during the year (Note 7)	年內動用政府補助(附註7)	(136)
Exchange realignment	匯兌調整	1,114
At 31 December 2020	於2020年12月31日	18,398
		2019 2019年 HK\$'000 千港元
Analysis for reporting purposes as:	就報告用途分析為：	
Non-current liabilities	非流動負債	18,398 17,420

As at 31 December 2020, the government grants of HK\$18,398,000 (2019: HK\$17,420,000) which were designated for certain research projects, export incentives, technical innovation, localisation incentives and fiscal refund were granted by the PRC municipal government. The government grants are stated as non-current liabilities in the consolidated statement of financial position as the directors of the Company are of the opinion that certain conditions in respect of these grants will not be fulfilled within the next twelve months from the end of the reporting period.

於2020年12月31日，指定用於若干研究項目、出口獎勵、技術創新、地方獎勵及財政退款的政府補助18,398,000港元(2019年：17,420,000港元)乃由中國市政府授予。由於本公司董事認為將不會於各報告期末起未來12個月內達成該等補助的若干條件，故政府補助於綜合財務狀況表列賬為非流動負債。

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30. SHARE CAPITAL

The share capital of the Company as at 31 December 2020 and 2019 is as follows:

		Number of shares 股份數目		Share capital 股本	
		2020 2020年	2019 2019年	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Ordinary shares of HK\$0.01 each Authorised At 1 January and 31 December	每股0.01港元的普通股 法定 於1月1日及12月31日	1,000,000,000	1,000,000,000	10,000	10,000
Issued and fully paid At 1 January and 31 December	已發行及繳足 於1月1日及12月31日	216,825,000	216,825,000	2,168	2,168

30. 股本

本公司於2020年及2019年12月31日的股本如下：

31. MAJOR NON-CASH TRANSACTION

During the year ended 31 December 2020, the Group entered into a lease arrangement in respect of acquisition of right-of-use assets with total capital values at the inception of the lease of HK\$15,889,000 (2019: HK\$15,722,000).

31. 主要非現金交易

於截至2020年12月31日止年度，本集團就於租賃開始時購置總資本值15,889,000港元(2019年：15,722,000港元)的使用權資產訂立一項租賃安排。

32. CAPITAL COMMITMENT

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the consolidated financial statements	已訂約但尚未於綜合財務報表內計提撥備之有關收購物業、廠房及設備之資本開支	32,108	-

Subsequent to 31 December 2020, the Group acquired the equipments for own use for an aggregate consideration of HK\$45,869,000. Details refer to the announcement dated 18 December 2020.

於2020年12月31日後，本集團以總代價45,869,000港元購入自用設備。詳情請參閱日期為2020年12月18日之公告。

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33. RELATED PARTY TRANSACTIONS AND BALANCES

In addition to the transactions and balances detailed elsewhere in the consolidated financial statements, the Group has entered into the following significant transactions with related parties during the year.

(a) Compensation of key management personnel

Other than the remuneration paid to the directors and employees of the Group as set out in Note 13, who are considered as the key management personnel of the Group, the Group did not have any other significant compensations to key management personnel.

The remuneration of the directors of the Company and key management personnel of the Group is determined by the board of directors of the Company having regard to the performance of individuals and market trends.

(b) Banking facilities and bank and other borrowings

As at 31 December 2020 and 2019, certain banking facilities and other borrowings of the Group were guaranteed by Mr. Yiu Chi To, the ultimate controlling party and the director of the Company, and Ms. Luk Fong, spouse of Mr. Yiu Chi To, to the following extent:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Ms. Luk Fong	陸方女士	285,158	267,923
Mr. Yiu Chi To	姚志圖先生	439,618	492,449
		724,776	760,372

As at 31 December 2020 and 2019, certain banking facilities of the Group were secured by a charge over a property owned by a related company. Details of the guarantees are set out in Note 26.

33. 關連人士交易及結餘

除於綜合財務報表其他部分詳列的交易及結餘外，本集團已於年內與關連人士訂立以下重大交易。

(a) 主要管理人員的補償

除於附註13所載支付予本集團董事及僱員（彼等被視為本集團主要管理人員）的薪酬外，本集團並無向主要管理人員支付任何其他重大補償。

本公司董事及本集團主要管理人員的薪酬由本公司董事會經考慮個人表現及市場趨勢釐定。

(b) 銀行融資以及銀行及其他借款

於2020年及2019年12月31日，由最終控股方兼本公司董事姚志圖先生及姚志圖先生之配偶陸方女士擔保的本集團若干銀行融資及其他借款如下：

	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
	285,158	267,923
	439,618	492,449
	724,776	760,372

於2020年及2019年12月31日，本集團若干銀行融資由關連公司擁有的物業押記作抵押。擔保詳情載於附註26。

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33. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

(c) Other related parties transactions

Name of company 公司名稱	Nature of transaction 交易性質	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Maxtone Electronics Limited (“Maxtone”) 萬事通電子有限公司(「萬事通」)	Lease and interest payment 租賃及利息付款	1,182	1,157

A director of the Company has beneficial interest in Maxtone. The above transaction was at terms determined and agreed by the Group and the relevant party.

In 2019, the Group entered into a two-year lease in respect of office premises from Maxtone. The amount of rent payable by the Group under the lease is HK\$98,500 per month. Right-of-use assets and lease liabilities of HK\$2,256,000 were recognised at the commencement of the lease. As at 31 December 2020, the carrying amount of such lease liabilities is HK\$293,000 (2019: HK\$1,430,000). During the year ended 31 December 2020, the Group has made lease payment of HK\$1,182,000 to Maxtone (2019: HK\$1,157,000).

33. 關連人士交易及結餘(續)

(c) 其他關連人士交易

本公司一名董事擁有萬事通的實益權益。上述交易按本集團及相關人士釐定及協定的條款進行。

於2019年，本集團就萬事通的辦公物業訂立為期兩年的租賃。本集團根據租賃應付的租金為每月98,500港元。於租賃開始時已確認使用權資產及租賃負債2,256,000港元。於2020年12月31日，該等租賃負債的賬面值為293,000港元(2019年：1,430,000港元)。於截至2020年12月31日止年度，本集團已向萬事通支付租賃款項1,182,000港元(2019年：1,157,000港元)。

34. RETIREMENT BENEFIT SCHEMES

The Group participates in the MPF Scheme for all qualifying employees in Hong Kong. The assets of the schemes are held separately from those of the Group, in funds under the control of trustees. The Group contributes 5% of relevant costs to the scheme, which contribution is matched by employees. The contributions from each of the employer and employees are subject to a cap of HK\$1,500 per month.

The employees of the Company's subsidiary established in the PRC are members of state-managed retirement benefit schemes operated by the PRC government. The PRC subsidiaries are required to contribute certain percentage of its payroll to the retirement benefits schemes to fund the benefits. The only obligation of the Group with respect to the retirement benefit schemes is to make the required contributions under the scheme.

The Group made contributions to the retirement benefits schemes of HK\$11,737,000 (2019: HK\$17,093,000) for the year ended 31 December 2020.

34. 退休福利計劃

本集團為所有香港合資格僱員參加強積金計劃。計劃的資產於受託人控制的基金中，與本集團的資產分開持有。本集團按相關成本的5%向計劃作出供款，並由僱員作出配對供款。僱主及僱員各自的供款上限為每月1,500港元。

本公司在中國成立的附屬公司的僱員為由中國政府營運的國家管理退休福利計劃的成員。中國附屬公司須將薪金的若干百分比向退休福利計劃供款，以為福利提供資金。本集團就退休福利計劃的唯一責任是根據計劃作出規定的供款。

於截至2020年12月31日止年度，本集團向退休福利計劃作出的供款為11,737,000港元(2019年：17,093,000港元)。

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

For the year ended 31 December 2020 截至2020年12月31日止年度

35. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the consolidated statement of cash flows as cash flows from financing activities.

		Non-cash changes 非現金變動					31/12/2020 2020年 12月31日 HK\$'000 千港元
		Financing cash flows 融資現金流量 1/1/2020 2020年 1月1日 HK\$'000 千港元	Finance cost incurred 已產生 財務成本 1/1/2020 2020年 1月1日 HK\$'000 千港元	New lease recognised 已確認 新租賃 1/1/2020 2020年 1月1日 HK\$'000 千港元	Government grants recognised 已確認 政府補助 1/1/2020 2020年 1月1日 HK\$'000 千港元	Foreign exchange movements 外匯變動 1/1/2020 2020年 1月1日 HK\$'000 千港元	
Bank and other borrowings (Note 26)	銀行及其他借款 (附註26)	288,171	28,440	15,473	-	14,485	346,569
Corporate bond (Note 28)	公司債券 (附註28)	1,856	(160)	200	-	-	1,896
Government grants (Note 29)	政府補助 (附註29)	17,420	-	-	(136)	1,114	18,398
Lease liabilities (Note 17)	租賃負債 (附註17)	14,882	(7,070)	1,241	-	(549)	24,393
		322,329	21,210	16,914	(136)	15,050	391,256

		Non-cash changes 非現金變動					31/12/2019 2019年 12月31日 HK\$'000 千港元
		Financing cash flows 融資現金流量 1/1/2019 2019年 1月1日 HK\$'000 千港元	Finance cost incurred 已產生 財務成本 1/1/2019 2019年 1月1日 HK\$'000 千港元	New leases recognised 已確認 新租賃 1/1/2019 2019年 1月1日 HK\$'000 千港元	Government grants recognised 已確認 政府補助 1/1/2019 2019年 1月1日 HK\$'000 千港元	Foreign exchange movements 外匯變動 1/1/2019 2019年 1月1日 HK\$'000 千港元	
Bank and other borrowings (Note 26)	銀行及其他借款 (附註26)	313,714	(37,786)	17,162	-	(4,919)	288,171
Corporate bond (Note 28)	公司債券 (附註28)	1,816	(160)	200	-	-	1,856
Government grants (Note 29)	政府補助 (附註29)	17,947	-	-	(137)	(390)	17,420
Lease liabilities (Note 17)	租賃負債 (附註17)	2,584	(3,860)	423	-	13	14,882
		336,061	(41,806)	17,785	(137)	(5,296)	322,329

35. 融資活動產生之負債之對賬

下表載列本集團融資活動產生之負債變動，包括現金及非現金變動。由於現金流量來自融資活動，融資活動產生之負債變動為已經或將要分類為綜合現金流量表的現金流量或未來現金流量。

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

For the year ended 31 December 2020 截至2020年12月31日止年度

36. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

36. 本公司財務狀況表

		Notes 附註	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Non-current asset	非流動資產			
Investment in a subsidiary	於一間附屬公司之投資		135,000	135,000
Current assets	流動資產			
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		1,590	1,590
Amounts due from subsidiaries	應收附屬公司款項	(a)	193,783	195,033
Bank balances and cash	銀行結餘及現金		1,352	1,352
			196,725	197,975
Current liability	流動負債			
Other payables and accruals	其他應付款項及預提費用		576	852
Net current assets	流動資產淨值		196,149	197,123
Total assets less current liabilities	總資產減流動負債		331,149	332,123
Non-current liability	非流動負債			
Corporate bond	公司債券		1,896	1,856
Net assets	資產淨值		329,253	330,267
Capital and reserves	資本及儲備			
Share capital	股本		2,168	2,168
Reserves	儲備	(b)	327,085	328,099
Total equity	總權益		329,253	330,267

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

For the year ended 31 December 2020 截至2020年12月31日止年度

36. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

Notes:

- (a) The amounts due from subsidiaries are unsecured, carry prevailing market interest rate and are repayable on demand.
- (b) Movements in reserves

36. 本公司財務狀況表(續)

附註：

- (a) 應收附屬公司款項乃無抵押、按現行市場利率計息以及須按要求償還。
- (b) 儲備變動

		Share premium 股份溢價 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 合計 HK\$'000 千港元
As at 1 January 2019	於2019年1月1日	331,977	(2,886)	329,091
Loss and total comprehensive expense for the year	年度虧損及全面開支總額	-	(992)	(992)
As at 31 December 2019 and 1 January 2020	於2019年12月31日及 2020年1月1日	331,977	(3,878)	328,099
Loss and total comprehensive expense for the year	年度虧損及全面開支總額	-	(1,014)	(1,014)
As at 31 December 2020	於2020年12月31日	331,977	(4,892)	327,085

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

For the year ended 31 December 2020 截至2020年12月31日止年度

37. SUBSIDIARIES

Particulars of the Company's subsidiaries are as follows:

Name of subsidiaries 附屬公司名稱	Place of incorporation/ establishment 註冊成立/ 設立地點	Place of operation 營運地點	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊資本	Kind of legal entity 法人實體類型	Percentage of equity interest/voting power attributable to the Company 本公司應佔股權/投票權百分比				Principal activities 主要業務
					Direct 直接		Indirect 間接		
					2020 2020年	2019 2019年	2020 2020年	2019 2019年	
Windrider Technology Company Limited	The BVI 英屬處女群島	Hong Kong 香港	Ordinary shares US\$100 普通股 100美元	Company with limited liability 有限公司	100%	100%	-	-	Investment holding 投資控股
Techwide Management Company Limited	The BVI 英屬處女群島	Hong Kong 香港	Ordinary shares US\$100 普通股 100美元	Company with limited liability 有限公司	-	-	100%	100%	Investment holding 投資控股
Wai Chi Electronic Technology Management Company Limited 偉志電子科技管理有限公司	Hong Kong 香港	Hong Kong 香港	Ordinary shares HK\$100,000 普通股 100,000港元	Company with limited liability 有限公司	-	-	100%	100%	Investment holding 投資控股
Ecosquare Energy Company Limited	The BVI 英屬處女群島	Hong Kong 香港	Ordinary shares US\$100 普通股 100美元	Company with limited liability 有限公司	-	-	100%	100%	Investment holding 投資控股
Wai Chi Energy Services Company Limited 偉志節能服務有限公司	Hong Kong 香港	Hong Kong 香港	Ordinary shares HK\$100,000 普通股 100,000港元	Company with limited liability 有限公司	-	-	100%	100%	Investment holding 投資控股
Allied Solution Company Limited	The BVI 英屬處女群島	Hong Kong 香港	Ordinary shares US\$100 普通股 100美元	Company with limited liability 有限公司	-	-	100%	100%	Investment holding 投資控股
Wai Chi Group (HK) Limited 偉志集團有限公司	Hong Kong 香港	Hong Kong 香港	Ordinary shares HK\$135,100,000 普通股 135,100,000港元	Company with limited liability 有限公司	-	-	100%	100%	Investment holding 投資控股

37. 附屬公司

本公司附屬公司的詳情如下：

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

For the year ended 31 December 2020 截至2020年12月31日止年度

37. SUBSIDIARIES (continued)

37. 附屬公司(續)

Name of subsidiaries 附屬公司名稱	Place of incorporation/ establishment 註冊成立/ 設立地點	Place of operation 營運地點	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊資本	Kind of legal entity 法人實體類型	Percentage of equity interest/voting power attributable to the Company 本公司應佔股權/投票權百分比				Principal activities 主要業務
					Direct 直接		Indirect 間接		
					2020 2020年	2019 2019年	2020 2020年	2019 2019年	
Wai Chi Opto Technology Limited 偉志光電有限公司	The PRC 中國	The PRC 中國	Ordinary shares HK\$62,380,000 普通股 62,380,000港元	Company with limited liability 有限公司	-	-	100%	100%	Trading of LED backlight and lighting products and semiconductor memory chips 買賣LED背光、 照明產品及半導 體存儲芯片
Wai Chi Opto Technology (Shenzhen) Limited* (Note a) 偉志光電(深圳)有限公司 (附註a)	The PRC 中國	The PRC 中國	Registered capital RMB97,128,000 註冊資本 人民幣97,128,000元	Company with limited liability 有限公司	-	-	100%	100%	Manufacture and sale of LED backlight and lighting products and sourcing business 製造及銷售LED背光 及照明產品及採 購業務
Sanxia Wai Chi Opto Technology (Yichang) Limited* (Note b) 三峽偉志光電(宜昌)有限公司 (附註b)	The PRC 中國	The PRC 中國	Registered capital RMB30,000,000 註冊資本 人民幣30,000,000元	Company with limited liability 有限公司	-	-	100%	100%	Manufacture and sale of LED lighting products and provision of LED light installation service 製造及銷售LED照明 產品及提供LED照 明安裝服務

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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For the year ended 31 December 2020 截至2020年12月31日止年度

37. SUBSIDIARIES (continued)

37. 附屬公司 (續)

Name of subsidiaries 附屬公司名稱	Place of incorporation/ establishment 註冊成立/ 設立地點	Place of operation 營運地點	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊資本	Kind of legal entity 法人實體類型	Percentage of equity interest/voting power attributable to the Company 本公司應佔股權/投票權百分比				Principal activities 主要業務
					Direct 直接		Indirect 間接		
					2020 2020年	2019 2019年	2020 2020年	2019 2019年	
Shenzhen Wai Chi Lighting Company Limited* (Note b) 深圳市偉志照明有限公司 (附註b)	The PRC 中國	The PRC 中國	Registered capital RMB5,000,000 註冊資本 人民幣5,000,000元	Company with limited liability 有限公司	-	-	100%	100%	Manufacture and sale of LED lighting products 製造及銷售LED照明產品
Beijing Senhuan Energy Management Company Limited* (Note b) 北京森洵節能科技有限公司 (附註b)	The PRC 中國	The PRC 中國	Registered capital RMB5,800,000 註冊資本 人民幣5,800,000元	Company with limited liability 有限公司	-	-	100%	100%	Inactive 暫無營業
Huizhou Wai Chi Electronics Company Limited* (Note b) 惠州偉志電子有限公司 (附註b)	The PRC 中國	The PRC 中國	Registered capital RMB144,113,349 註冊資本 人民幣144,113,349元	Company with limited liability 有限公司	-	-	100%	100%	Manufacture and sale of LED backlight and lighting products 製造及銷售LED背光及照明產品
Wai Chi Jingmi Hardware (Huizhou) Company Limited* (Note b) 偉志精密五金塑膠(惠州)有限公司 (附註b)	The PRC 中國	The PRC 中國	Registered capital US\$3,720,000 註冊資本 3,720,000美元	Company with limited liability 有限公司	-	-	100%	100%	Inactive 暫無營業
惠州樂信光電五金有限公司 (Note b) (附註b)	The PRC 中國	The PRC 中國	Registered capital RMB4,838,290 註冊資本 人民幣4,838,290元	Company with limited liability 有限公司	-	-	100%	100%	Manufacture and sale of LED backlight products 製造及銷售LED背光產品

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

For the year ended 31 December 2020 截至2020年12月31日止年度

37. SUBSIDIARIES (continued)

37. 附屬公司(續)

Name of subsidiaries 附屬公司名稱	Place of incorporation/ establishment 註冊成立/ 設立地點	Place of operation 營運地點	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊資本	Kind of legal entity 法人實體類型	Percentage of equity interest/voting power attributable to the Company 本公司應佔股權/投票權百分比				Principal activities 主要業務
					Direct 直接		Indirect 間接		
					2020 2020年	2019 2019年	2020 2020年	2019 2019年	
惠州偉志半導體有限公司 (Note b) (附註b)	The PRC 中國	The PRC 中國	Registered capital RMB5,000,000 註冊資本 人民幣5,000,000元	Company with limited liability 有限公司	-	-	77%	-	Manufacturing and trading of semiconductor memory chips 製造及買賣半導體存 儲芯片

None of the subsidiaries had issued any debt securities at the end of both years.

概無附屬公司於兩個年度末發行任何債務證券。

Notes:

附註：

(a) The entity is wholly foreign owned enterprise established in the PRC.

(a) 該實體為於中國成立的外商獨資企業。

(b) These entities are limited liability companies established in the PRC.

(b) 該等實體為於中國成立的有限公司。

* The English name is for identification purpose only

* 英文名稱僅供識別

PARTICULARS OF PROPERTIES

物業附表

Property 物業	Percentage interest of the Group 本集團佔有權益 之百分比	Floor Area 面積 (sq.ft) (平方呎)	Usage as at 31 December 2020 於2020年12月31日之用途
An Industrial complex located in Sanxu Village and Meihua Village, Luoyang Town, Boluo County, Huizhou, Guangdong Province, the PRC 一個位於中國廣東省惠州市博羅縣羅陽鎮三徐村及梅花村之工業園	100%	1,807,709	Occupied by the Group for industrial use 本集團佔用作工業用途
A Land Parcel located in Yanjiahe Village, Xiaota, Yiling District, Yichang, Hubei Province, the PRC 一幅位於中國湖北省宜昌市夷陵區小溪塔鄢家河村之地塊	100%	595,595	Planning for construction of office and warehouse for leasing purpose 計劃興建辦公室及倉庫作出租用途

FINANCIAL SUMMARY

財務概要

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Revenue	營業額	1,395,888	2,214,974	2,249,786	1,677,966	1,321,601
Cost of sales	銷售成本	(1,197,471)	(1,986,007)	(2,002,523)	(1,459,129)	(1,160,336)
Gross profit	毛利	198,417	228,967	247,263	218,837	161,265
Operating expenses	經營成本	(167,716)	(188,798)	(197,738)	(190,505)	(154,483)
Profit before tax	除稅前利潤	30,701	40,169	49,525	28,332	6,782
Income tax credit/(expenses)	所得稅抵免/(開支)	329	(3,021)	(4,418)	(6,002)	(383)
Profit for the year	年度利潤	31,030	37,148	45,107	22,330	6,399
Earnings per share	每股盈利					
Basic and diluted (HK\$)	基本及攤薄 (港元)	0.14	0.17	0.21	0.10	0.03
Assets and liabilities	資產及負債					
Non-current assets	非流動資產	557,002	310,333	368,103	289,489	273,125
Current assets	流動資產	1,475,013	1,299,379	1,199,444	1,494,996	1,176,360
Current liabilities	流動負債	(1,244,054)	(904,404)	(887,048)	(1,116,804)	(832,010)
Total assets less current liabilities	總資產減流動負債	787,961	705,308	680,499	667,681	617,475
Non-current liabilities	非流動負債	(36,094)	(29,619)	(20,978)	(21,673)	(35,499)
Net assets	資產淨值	751,867	675,689	659,521	646,008	581,976
Capital and reserves	資本及儲備					
Share capital	股本	2,168	2,168	2,168	2,168	2,168
Reserves	儲備	747,687	673,521	657,353	643,840	579,808
Equity attributable to owners of the Company	本公司擁有人應佔權益	749,855	675,689	659,521	646,008	581,976
Non-controlling interests	非控股權益	2,012	-	-	-	-
Total equity	總權益	751,867	675,689	659,521	646,008	581,976



Wai Chi Holdings Company Limited
偉志控股有限公司